Lehighton Area School District
Finance Committee Meeting
Monday, October 14, 2019 at 6:00 PM

Finance Committee Minutes

The meeting was called to order at 6:00 p.m.

The following Board Members were present:
Andrew Yenser, Rita Spinelli, Gail Maholick and David Bradley

The following Administration Members were present:
Jonathan Cleaver, Patricia Denicola, Tina Champ and Meghan Christman

Banking RFP Presentations
Paul Robinson, a representative from PLGIT, gave a brief overview of their banking proposal as per the attached presentation.

Pearl Sheckler and Todd Smolinsky from Mauch Chunk Trust Company gave a brief overview of their banking proposal as per the attached presentation.

George's Transportation Daily Run Bill for Approval
All attending committee members agreed to pay the September 2019 transportation bill.

Open Discussion
Ms. Bowes questioned salary and benefit budgets for functions 1190, 1230 and 1240.

The meeting was adjourned at 7:05 p.m.

Next Meeting Date: Monday November 11, 2019 6:00 p.m.
PJD/mmc

MCT

Mauch Chunk Trust Company



Lehighton Area School District
Financial Services Request For Proposal
Attachment B – Proposed Fee Schedule

# of Accounts:	10

Transaction Counts Fiscal Year 2018-19

Month	Deposit	Wire In	ACH	Checks Paid	Interban Transfer	Wire Out
July	5	0	20	312	1	1
August	8	0	34	133	17	0
September	127	0	21	269	4	0
October	158	0	21	257	8	0
November	120	0	30	221	8	4
December	108	0	29	215	3	0
January	140	0	28	120	5	0
February	116	0	24	208	3	0
March	149	1	31	203	4	0
April	151	0	21	242	2	0
May	147	0	32	203	12	4
June	114	0	24	111	8	0

***Additionally, on average we process 2 payroll direct deposit files each month**

Proposed Fee Schedule

Mauch Chunk Trust Company

Mauch Chunk Trust Company

Please detail entire fee schedule including all fees and charges

*Fee structure can be attached as a separate sheet and attached to Attachment B

Stop Payments	**NO FEE TO LASD**
NSF Returned Deposit	**NO FEE TO LASD**
Check Payment	**NO FEE TO LASD**
Wire Transfers/Outgoing	**NO FEE TO LASD**
Wire Transfers/Incoming	**NO FEE TO LASD**
ACH Transactions	**NO FEE TO LASD**
Deposit-per item fee	**NO FEE TO LASD**
Courier Service*	**NO FEE TO LASD***
Online Banking/Cash Management	**NO FEE TO LASD**
Remote Deposit Capture/Check Scanner	**NO FEE TO LASD**
Security Tokens	**NO FEE TO LASD**
Night Drop	**NO FEE TO LASD**
Checks/Deposit Tickets orders	**NO FEE TO LASD**
Cash Deposits	**NO FEE TO LASD**
Change Orders	**NO FEE TO LASD**
Lock Box	**NO FEE TO LASD**
Over-the-Counter Deposits	**NO FEE TO LASD**
Unlimited Check writing	**NO FEE TO LASD**

**Our ability to offer courier service is contingent upon maintaining the current deposit relationship with MCT.*

MCT
Mauch Chunk
Trust Company
FDIC

Interest Earning Schedule

MCT will continue to offer the Lehighton Area School District a competitive money market interest rate on all funds that are on deposit in our Premium Community Deposit Accounts.
This rate would vary monthly based on the 1-month LIBOR, as published in the Wall Street Journal, less 0.35 basis points.
The rate will be reviewed and adjusted on the 15th of every month; should the 15th fall on a holiday or weekend, the rate will be adjusted on the following business day.
The Bank reserves the right to adjust the basis point margin if necessary due to unusual market movement.

The Variable rate as of the 15th of September is 1.68%/1.69%APY.

Interest will be compounded monthly and credited to the account monthly. We use the daily balance method to calculate the interest on your accounts. This method applies a daily periodic rate to the principal in the account each day. Interest begins to accrue on the business day you deposit cash and noncash items. Interest is calculated on the account balances without regard to collected funds or reserve amounts.

Our offer will enable you to continuously receive a competitive market rate on all your deposits. In addition, because we value your entire deposit relationship, each of your individual deposit accounts will continue to receive the same competitive rate regardless of the account balance.

MCT
Mauch Chunk Trust Company
FDIC

Security Features

Through our Online Banking/Cash Management platform, MCT can offer convenient, safe, and secure banking features to the Lehighton Area School District and no cost. These features include:

Online Banking & Cash Management Services

- Access to accounts 24/7
- Manage accounts, view check images, transfer funds schedule Bill Payments, stop payments, initiate ACH transactions, Wire Transfers and much more
- Restrict employee & individual user access
- Tokens available to users for added security
- Simplify your monthly reconciliation

Business Remote Deposit Service

- •Merchant Capture Scanning
- •Allows for easy payment processing in the comfort of your own office
- •Receive credit quickly with "Real Time" processing
- •Offers speed, savings, convenience and security
- •Improves efficiency and profitability
- •Access to transaction history, activity and deposits

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Mauch Chunk Trust Company
FDIC

Security Features cont.

Convenient Deposit Options

- Business Remote Deposit
- Deposits by mail and receipt confirmation
- After hours Depository (Night Drop)
- Courier Service available

Additional Features

- View 33 months of E-statements
- Cash Management users can view up to 60 days of transaction history
- Export transaction information into select accounting software packages
- Positive Pay: Positive pay can help the District track their daily transactions, by allowing a district employee to upload a file of daily transactions. Then the employee can then match those transactions to their records.

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FDIC

Collateral

Method to fully collateralize account balances in excess of FDIC Insurance:

MCT will collateralize all funds in excess of the FDIC insurance amount which is currently $250,000.00 in accordance with Act 72. We will also comply with the district's request to exclude both municipal securities and corporate securities from the collateral pool, even though these are considered eligible by Act 72 or Circular 92. MCT will continue to provide monthly collateralized deposit confirmations detailing the specific security of the US government backed pool pledged to the District's deposit balance. Currently MCT does have an independent third-party provider completing the collateral valuation.

MCT
Mauch Chunk Trust Company
FDIC

Customer Service

LASD can be confident that MCT will continue to provide the District with exceptional service. Our bankers will go above and beyond to make sure the District's banking needs are met. Our bankers possess the core values that are the foundation to MCT's success. These core values are: Character, Commitment, Collaboration, Customer Focus, and Continuous Improvement. Your bankers will keep you informed about your accounts and assist the district with all their cash management needs.

The primary and secondary bankers assigned to the Lehighton Area School District will be:

Pearl Sheckler, Primary Contact Person, Community Office Manager for Mauch Chunk Trust Company, Lehighton office has 25 years of experience in the banking industry. Pearl joined MCT in 1995 and is responsible for managing and directing the sales and service functions of the branch office. She also provides direct customer service to MCT customers. Prior to joining MCT, Pearl worked in the hotel industry. Pearl is a graduate of Central Atlantic School of Banking, Central Atlantic Advanced School of Banking, and Lehigh Carbon Community College.

Phone: (570) 325-2265 ext. 1500
Fax: (610)377-4808
Email: psheckler@mauchchunktrust.com

MCT
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Trust Company
FDIC

Customer Service Cont.

Todd Smolinsky, Secondary Contact Person, Business Banker for Mauch Chunk Trust Company's Lehighton and Jim Thorpe market area, has over 20 years of experience in the banking/finance industry. Todd joined Mauch Chunk Trust Company in 2015. Todd is responsible for business development and relationship management with business customers, school districts, and municipalities in the Lehighton/Jim Thorpe Market. Todd is also the main contact person for MCT's cash management products. Prior to joining MCT, he was employed as a Vice President, branch manager at Citizens Bank, West Hazleton and Mountaintop offices. Todd graduated from Alvernia University where he earned B.A. degrees in both Business Management and Marketing.

Phone: (570) 325-2265 ext. 1502
Fax: (570) 325-0512
Email: tsmolinsky@mauchchunktrust.com

Christina Urban, Secondary Contact Person, Assistant Community Office Manager for Mauch Chunk Trust Company, Lehighton office has over 19 years' experience in the banking industry. Christina joined Mauch Chunk Trust Company in 2019. Christina is responsible for supervising the day-to-day operations of the branch and supports the sales and service functions while providing direct customer service. Prior to working at MCT, Christina was Assistant Branch Manager at both Riverview Bank and M&T Bank.

Phone: (570) 325-2265 ext. 1511
Fax: (570) 325-0552
Email: curban@mauchchunktrust.com

MCT
Mauch Chunk Trust Company
FDIC

Lehighton Area School District

Response to Proposals for Financial Banking Services

PLGIT
Pennsylvania Local Government Investment Trust

1.800.572.1472
csgeastregion@pfm.com
www.plgit.com

The District's Challenges

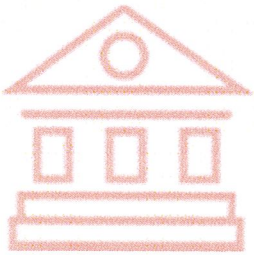
1. Obtaining convenient and low cost depository services
2. Analyzing cash flows to identify fund types and uses
3. Maintaining adequate liquidity to meet daily cash flow needs
4. Developing an investment program to optimize excess liquidity

Solution: a PLGIT Partnership

We believe the best approach will be to establish a partnership in which the District utilizes PLGIT for investment services and cash management programs while using a local bank as its depository for cash and coin.



PLGIT
Pennsylvania Local Government Investment Trust



The PLGIT Model vs. Traditional Banks

PLGIT	Bank
• Not-for-profit Trust	• For profit – shareholders
• No separate fees on money market accounts	• May have hidden and stated fees
• Free checking	• May charge for checks, etc.
• No reserve requirements	• 10% reserve requirement
• No balance requirements	• May charge balance requirements
• Investments permitted by PA Code	• Bank may not know permitted investments
• Only market is PA Local Governments and Schools	• Local government is one of many markets
• Same interest rates available to all investors, regardless of entity size	• Banks are selective when offering interest rates
• No physical branch, but serves all of PA	• Regional and local branches

PLGIT's Investment Objectives Align with the District's



Safety – Preservation of Principal as a Primary Objective



Liquidity – Ability to meet expected cash needs



Yield – Competitively shop every purchase and sale for the best price

Compliance with legal restrictions

- State Statutes (always)
- Investment Policies

Balance between Risk and Return

Diversification – An alternative investment option, including variable and fixed-rate options

Convenience – PLGIT provides many of the same services as a local bank

Benefits of Cash Flow Analysis

Cost of Insufficient Liquidity

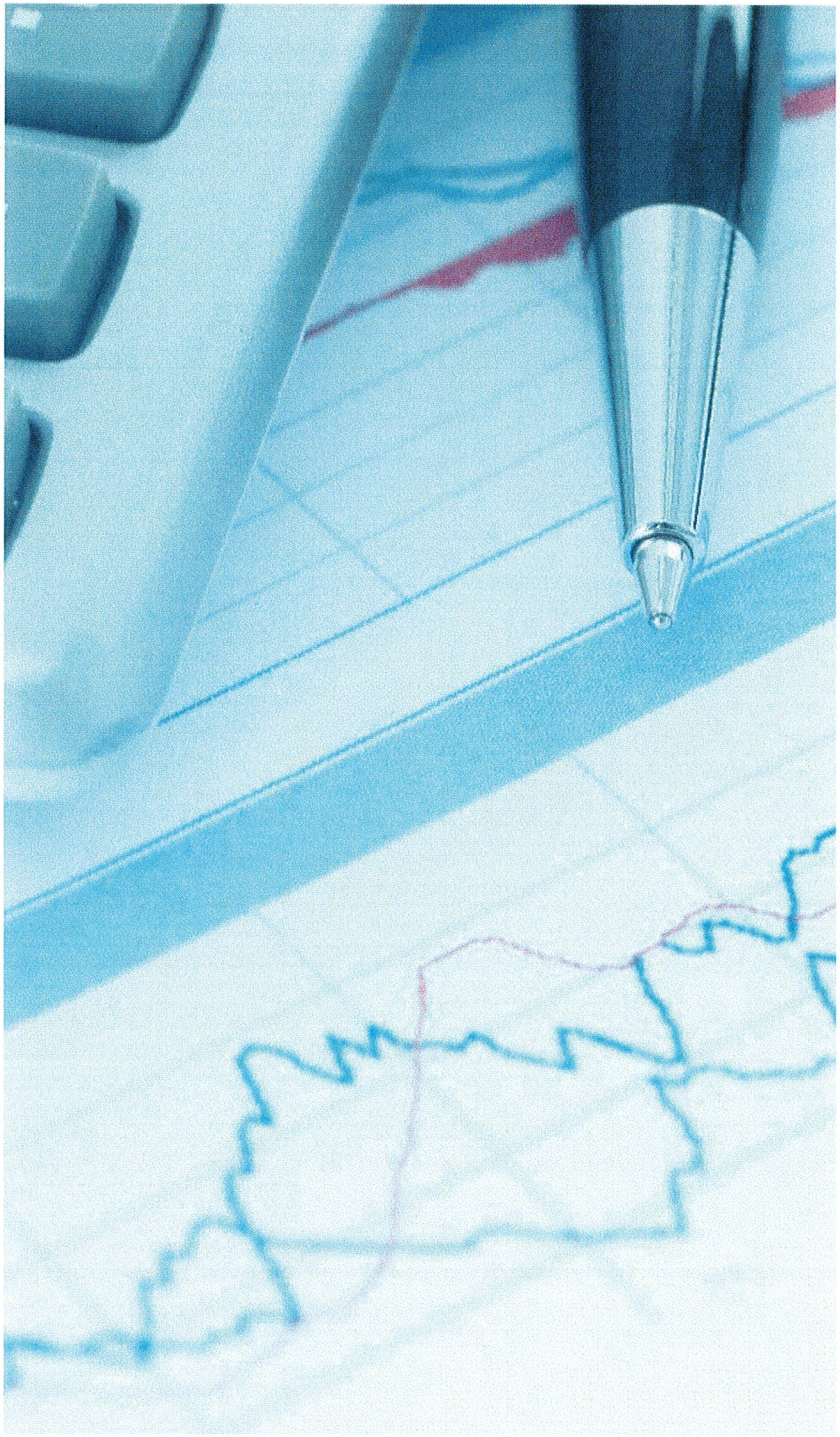
- Delayed payments
- Additional costs/penalties
- Bad press

Cost of Excess Liquidity

- Forgone investment income
- Failure to keep pace with rising costs
- Bad press

Benefits of Cash Flow Analysis

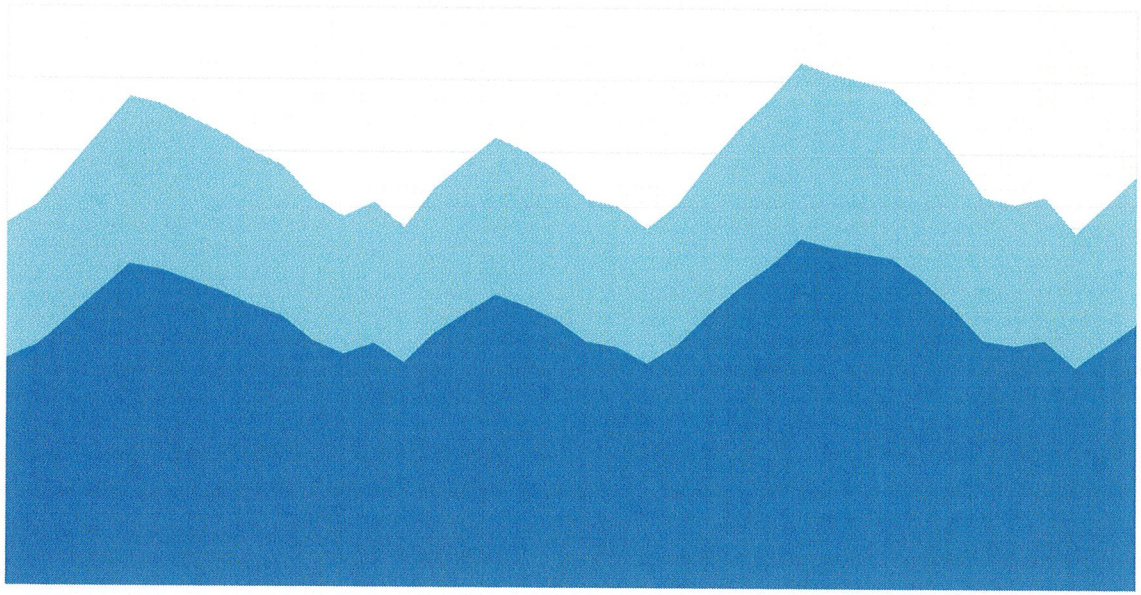
- Helps ensure adequate liquidity
- Potential to increase investment income
- Amounts available for investment
- Period of time to hold the investment



Cash Flow Analysis

- Excess liquidity in an investment management program can be an opportunity cost
- Detailed cash flow analysis may help prudently define fund balances that can be invested in intermediate- to longer-term investments at potential higher yields

Sample Cash Flow Analysis



Overnight Liquidity
100% liquid
Fully flexible
Overnight

Liquidity Surplus
Fixed-rate investments
to known upcoming
cash flows

PLGIT
Pennsylvania Local Government Investment Trust

The Basics of PLGIT-CAP

- PLGIT-CAP provides an ongoing analysis of cash flow projections and investments to optimize earnings
- Non-discretionary – the District maintains control of its investments
- A monthly report of historical cash flows as well as projections and investment recommendations for Overnight Liquidity and Liquidity Surplus balances

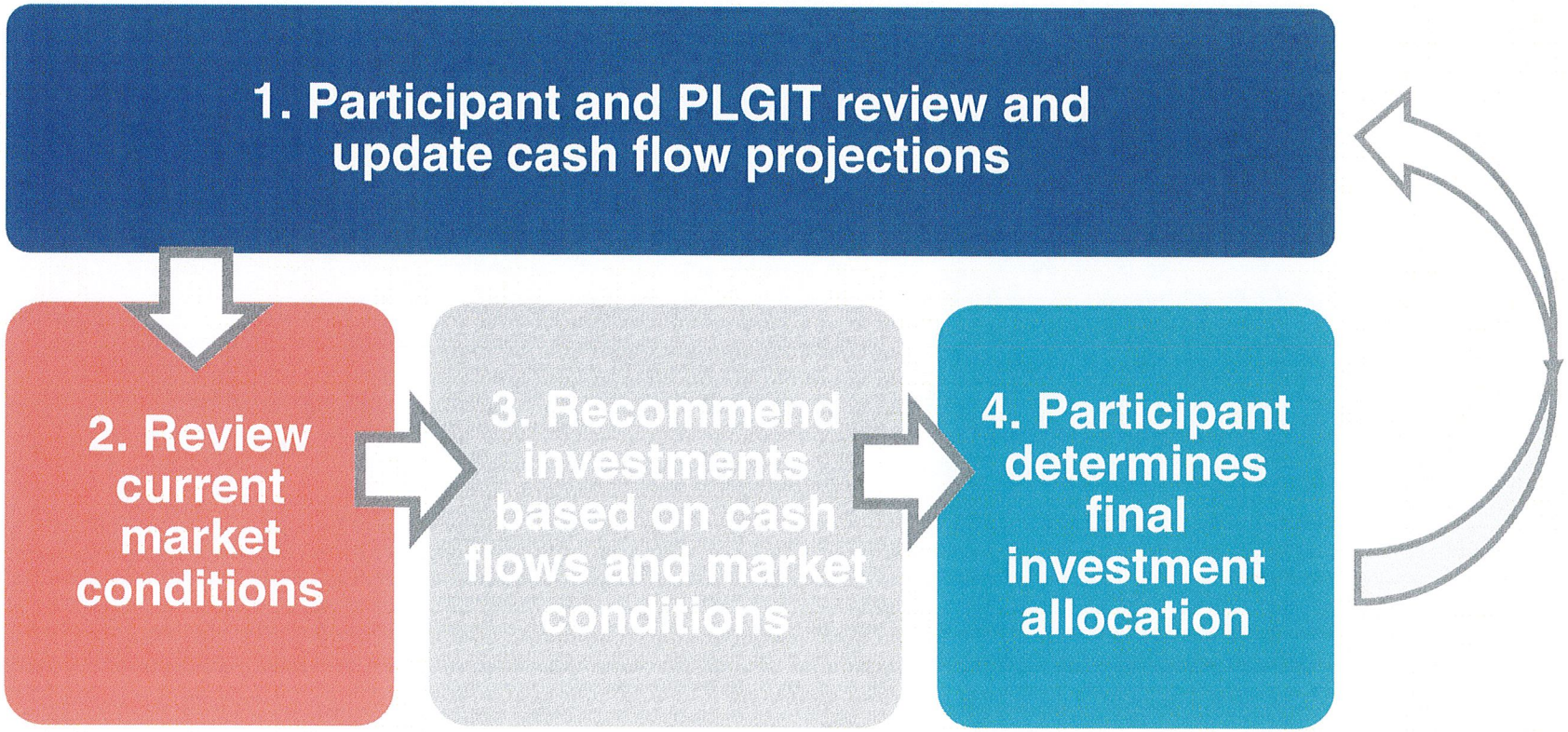
Overnight Liquidity (Cash)	**PLGIT-Class, PLGIT/PLUS-Class, PLGIT/I-Class, and PLGIT/PRIME**
Liquidity Surplus (Fixed-rate)	**PLGIT/TERM and PLGIT CD Purchase Program**

- An in-depth and ongoing review of budget projections versus actual receipts
- An approach that recommends investments based on upcoming cash flow needs and current market conditions

The Importance of Forecasting

- Forecasting is a process of predicting cash flows for the purposes of liquidity management and financial control
  - Better manage changes in fund balances and to meet strategic objectives
  - Helps determine appropriate allocations between liquid and fixed-rate investments
- Use cash flow forecasting as a basis for determining reasonably expected future cash flow needs and investable balance targets
- Ability to target a base liquidity or minimum balance cushion
- Projection examples in practice
  - Interest earnings as part of the annual budget
  - Bi-weekly salary distributions
  - Bond proceeds construction draw schedule

Scope of PLGIT-CAP Services



Developing a Successful Partnership

Cash Management	• Obtaining efficient, low cost depository services • Analyzing highs and lows in cash flows to understand liquidity needs • Investing excess cash to take advantage of potential interest earnings • Utilize PLGIT's full spectrum of cash management and investment services
Client Service	• Proactive and responsive client team • Local, dedicated client service • Coordination with the District's local bank • Consistent flow of communication to keep the District informed • Strong partnership and ongoing program guidance for the District
Resources	• Understanding of the District's risk preferences, cash flows and anticipated spending • Significant level of expertise with public funds in Pennsylvania

PLGIT
Pennsylvania Local Government Investment Trust

Appendix

PLGIT Overview

October 8, 2019

PLGIT Foundations

- Prior to PLGIT, there were limited options for local government investments
- The **Pennsylvania Local Government Investment Trust** was formed in May 1981 as an instrumentality of local governments and schools for the purpose of jointly investing funds
- Solely comprised of Pennsylvania governmental entities
- The Trust's investment policy follows PA codes for permitted investments
- Since inception, PFM Asset Management LLC ("PFM") has served as PLGIT's investment advisor

PLGIT is the Sponsored Short-Term Investment Option of Seven Statewide Associations

PASA Pennsylvania Association of School Administrators — Proud Leadership for Pennsylvania Schools

CCAP County Commissioners Association of Pennsylvania

PSATS Pennsylvania State Association of Township Supervisors

The Pennsylvania Municipal League est. 1900

Pennsylvania State Association of Boroughs

The Authorities — Pennsylvania Municipal Authorities Association

PSATC Pennsylvania State Association of Township Commissioners

PLGIT Pennsylvania Local Government Investment Trust

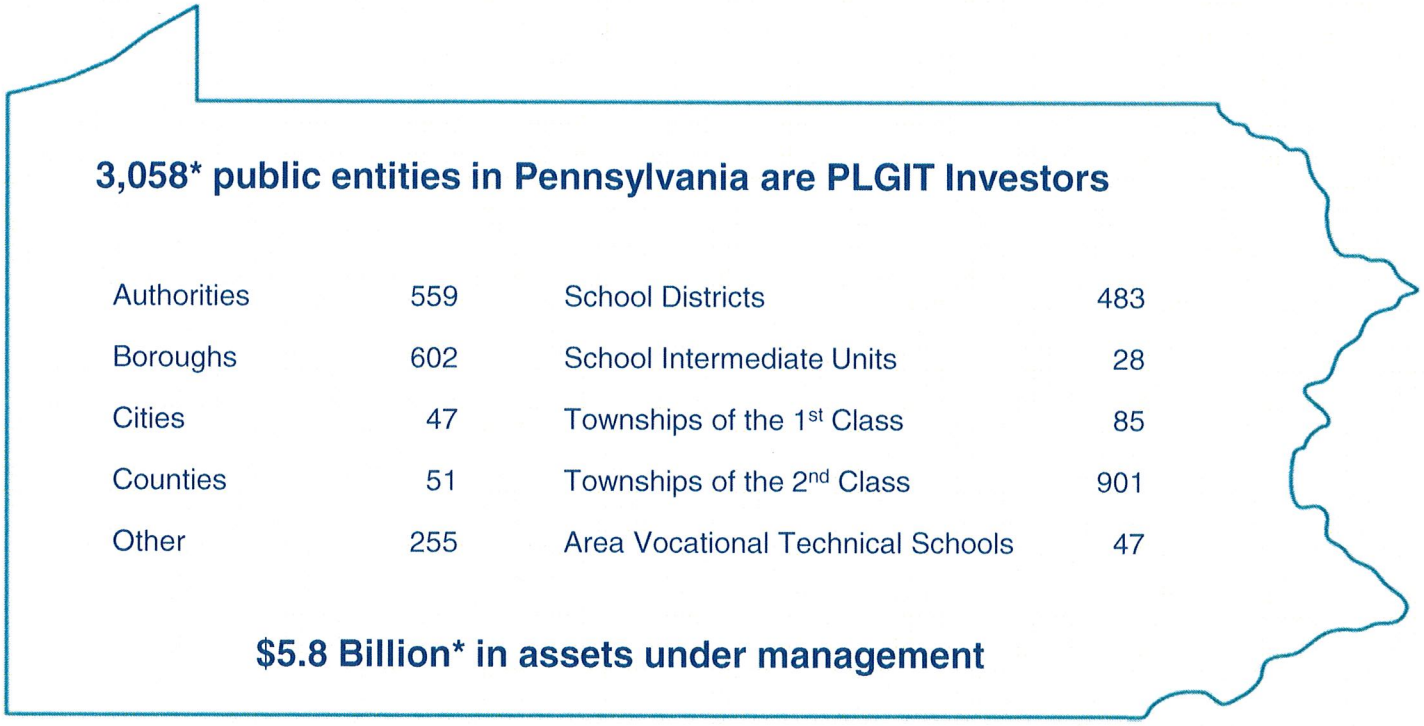
PLGIT Board of Trustees



- PLGIT's 11-member Board of Trustees is comprised of government officials just like you
- The Board meets quarterly to review the activity and performance of the Trust's portfolios and programs
- The Board also has several standing committees that meet regularly to review investor services, contracts, the annual audit, and investor education efforts
- An annual shareholder proxy process elects the Board of Trustees

PLGIT Trustee	Association Represented	PLGIT Trustee	Association Represented
Dennis Hameister – President *Supervisor - Harris Township (Centre)*	PSATS	**Ronald Evanko** *Mayor - Borough of Blairsville (Indiana)*	PSAB
Brian Hessenthaler – Vice President *Chief Operating Officer - Bucks County*	CCAP	**Kathleen DePuy** *Councilperson - Whitehall Borough (Allegheny)*	PSAB
Dr. G. Brian Toth – Secretary/Treasurer *Superintendent - St. Mary's Area School District (Elk)*	PASA	**Crandall O. Jones** *Municipal Administrator - Municipality of Norristown (Montgomery)*	PML
Thomas McElhone *Commissioner - Shaler Township (Allegheny)*	PSATC	**Sandra Bartosiewicz** *Finance and Budget Officer - Wyoming Valley Sanitary Authority (Luzerne)*	PMAA
Anna Swailes *Supervisor - Metal Township (Franklin)*	PSATS	**Dr. Samuel Lee** *Superintendent - Bensalem Township School District (Bucks)*	PASA
Kim Buchanan *Business Manager - Grove City Area School District (Mercer)*	PASA	-	-

PLGIT's Impact in Pennsylvania



3,058* public entities in Pennsylvania are PLGIT Investors

Authorities	559	School Districts	483
Boroughs	602	School Intermediate Units	28
Cities	47	Townships of the 1st Class	85
Counties	51	Townships of the 2nd Class	901
Other	255	Area Vocational Technical Schools	47

$5.8 Billion* in assets under management

Types of Funds Typically Invested in PLGIT		
Operating Funds	Payroll	Escrowed Funds
Short-term Reserves	Debt Service Reserves	Liquid Fuels
Capital Reserves	Bond Proceeds	Act 13 Funds

PLGIT Pennsylvania Local Government investment trust

**As of June 30, 2019.*

PLGIT Portfolios & Programs

PLGIT – Class
- No minimum balance
- Daily liquidity
- ACH, checkwriting and wires
- Easily direct deposit state subsidies

PLGIT/PLUS - Class
- $50,000 minimum initial investment
- 30-day hold prior to available daily liquidity

PLGIT/I - Class
- $50,000 minimum initial investment
- Daily liquidity
- Two monthly withdrawals*
- Transactions processed online

PLGIT/PRIME
- No minimum balance
- Daily liquidity
- Two monthly withdrawals*

PLGIT/ARM
- For proceeds of tax-exempt borrowings
- Wire and checkwriting
- Arbitrage rebate tracking and reporting services

PLGIT/TERM
- Fixed-rate, fixed-term investment
- Investments can be made from $100,000 and up
- Principal and dividend paid at maturity
- Customized maturity dates available

PLGIT – CD Purchase Program
- Fixed-rate investment in FDIC-insured CDs
- CDs in banks meeting PLGIT's minimum capitalization standards
- Investments from $95,000 and up

Disclaimer

This information is for institutional investor use only, not for further distribution to retail investors, and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the investment objectives, risks, charges and expenses before investing in any of the Trust's portfolios. This and other information about the Trust's portfolios is available in the current Information Statement, which should be read carefully before investing. A copy of the Information Statement may be obtained by calling 1-800-572-1472 or is available on the Trust's website at www.plgit.com. While the PLGIT, PLGIT/ARM and PLGIT/PRIME portfolios seek to maintain a stable net asset value of $1.00 per share and the PLGIT/TERM portfolio seeks to achieve a net asset value of $1.00 per share at its stated maturity, it is possible to lose money investing in the Trust. An investment in the Trust is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Trust's portfolios are distributed by PFM Fund Distributors, Inc., member Financial Industry Regulatory Authority (FINRA) (www.finra.org) and Securities Investor Protection Corporation (SIPC) (www.sipc.org). PFM Fund Distributors, Inc. is a wholly owned subsidiary of PFM Asset Management LLC.

A description of the PLGIT CD Purchase Program is contained in the PLGIT Information Statement. The Information Statement contains important information and should be read carefully before investing. Investors may purchase Certificates of Deposit through the PLGIT CD Purchase Program only by executing an investment advisory agreement with the Program's Investment Adviser, PFM Asset Management LLC.

SMPLGIT, PLGIT-Class Shares, PLGIT/PLUS-Class Shares, PLGIT/I-Class Shares, PLGIT/TERM, PLGIT-CD, PLGIT/ARM, PLGIT/PRIME, PLGIT/SAM, and PLGIT-CAP are service marks of the Pennsylvania Local Government Investment Trust.

The Pennsylvania Powercard Program (the "Program") offers a Procurement Card (a "P-Card"), issued by Harris Bank, N.A., and marketed by PFM Financial Services LLC. PLGIT is a Program sponsor and the Program is marketed to PLGIT Investors. PLGIT receives no compensation for its sponsorship and the Trust is indemnified against any liabilities or costs relating to the Program.



Sample Client

PLGIT-CAP - Cash Allocation Program Report

September 2014

PLGIT
Pennsylvania Local Government Investment Trust

Senior Marketing Representative

PO Box 1027
Harrisburg, PA 17108-1027

(p) 800-572-1472
(f) 800-252-9551
www.plgit.com

PLGIT
Pennsylvania Local Government Investment Trust

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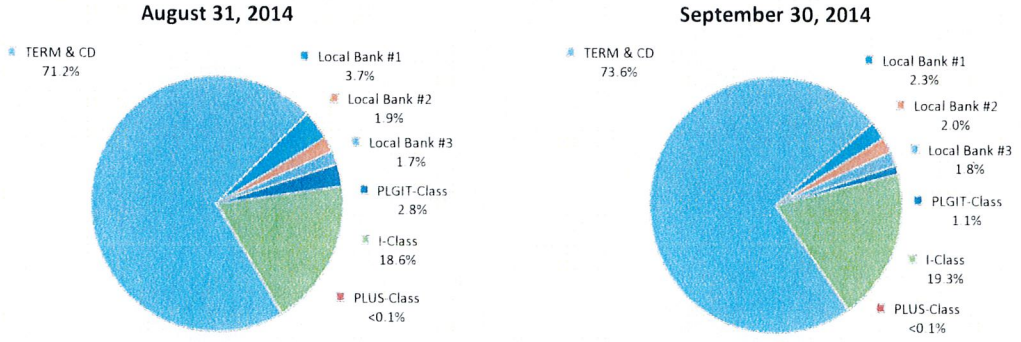
Investment Activity	I
Cash Flow Analysis & Recommendations	II
Proposed Fixed Rate Investments	III
Performance	IV
Current Fixed Rate Investments	V

I - Investment Activity

As of September 30, 2014, Sample Client (''Client'') maintained a total General Fund liquid balance of approximately $3.3 million, including balances in PLGIT, Local Bank #1, Local Bank #2, and Local Bank #3.

During the month of September, the Client purchased no new fixed-rate investments and had no fixed-rate maturities. The current average maturity of the Client's PLGIT investments is 133 days.

Figure I. Monthly Investment Allocations



	August 31, 2014	September 30, 2014
PLGIT-Class	$356,931	$133,003
PLUS-Class	$6	$6
I-Class	$2,390,025	$2,390,025
TERM & CD	$9,123,000	$9,123,000
PLGIT SubTotal	**$11,869,963**	**$11,646,035**
Local Bank #1	*$475,033*	*$278,918*
Local Bank #2	*$248,135*	*$248,272*
Local Bank #3	*$222,985*	*$222,985*
GRAND TOTAL	***$12,816,115***	***$12,396,210***
Total Liquid Balance	**$3,693,115**	**$3,273,210**

II - Cash Flow Analysis & Recommendations

The cash flow analysis utilizes actual monthly cash flows over the past 12 month period ending September 30, 2014. "Investment maturities" include both PLGIT CD Purchase Porgram investments as well as those fixed-rate invesments held at other local banks, as provided by the Client. These projections are reflected in Figure II.

Based upon the cash flow projections and available liquid funds, there is an opportunity for the Client to invest $2,478,000 in Certificates of Deposit through the PLGIT CD Purchase Program. Please see Section III for a detailed listing of proposed CD's.

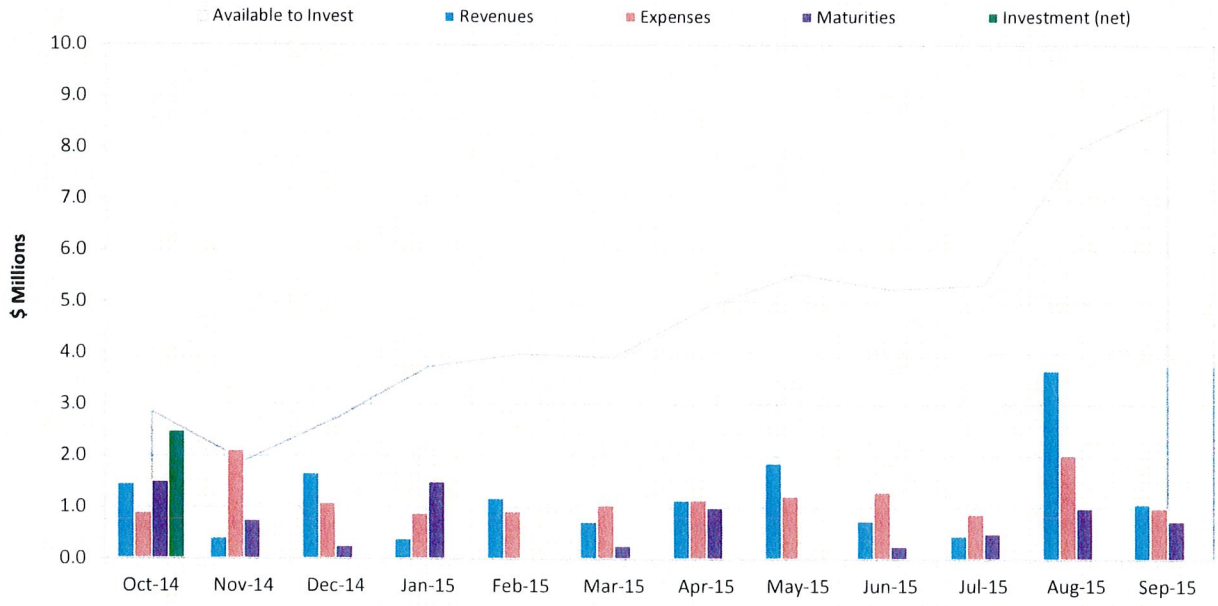
Figure II. Table of Projected Cash Flows (through September 2015) with Proposed Investments

Date	Beginning Liquid Balance	Revenues	Expenses	Fixed-Rate Investments	Investment Maturities	Ending Balance
Oct-14	3,273,210	1,450,591	896,871	2,478,000	1,497,878	2,846,807
Nov-14	2,846,807	408,974	2,107,979	-	748,031	1,895,833
Dec-14	1,895,833	1,660,322	1,077,808	-	248,673	2,727,020
Jan-15	2,727,020	387,784	883,656	-	1,496,833	3,727,981
Feb-15	3,727,981	1,176,944	920,015	-	-	3,984,910
Mar-15	3,984,910	719,239	1,037,028	-	249,488	3,916,608
Apr-15	3,916,608	1,132,359	1,145,909	-	994,709	4,897,768
May-15	4,897,768	1,863,511	1,218,188	-	-	5,543,091
Jun-15	5,543,091	743,214	1,293,729	-	249,247	5,241,824
Jul-15	5,241,824	455,887	875,976	-	497,321	5,319,055
Aug-15	5,319,055	3,672,736	2,022,253	-	998,159	7,967,697
Sep-15	7,967,697	1,077,682	1,000,474	-	748,811	8,793,716
Total		**14,749,245**	**14,479,887**	**2,478,000**	**7,729,149**	

II - Cash Flow Analysis & Recommendations

The effect that current and proposed fixed-rate investments may have on the liquid balance is illustrated below in Figure III. Recommended investments are shown in green and structured to leave an approximate $1,0000,000 liquid balance in the Client's Disbursement Account, which includes balances in PLGIT, Local Bank #1, Local Bank #2, and Local Bank #3. Maturities are shown in purple and include fixed-rate investments held with PLGIT and at other local banks, as provided by the Client.

Figure III. Projected Cash Flows and Balance Available for Investment (through September 2015)



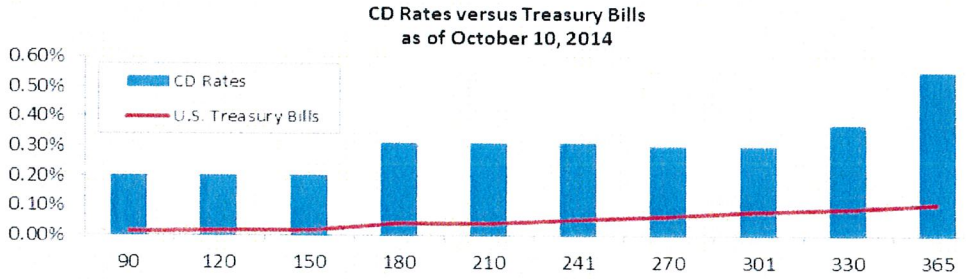
Please provide PLGIT with any updates or revisions to projected cash flows during the fiscal year so that we can continue to accurately recommend investment allocations that will provide the Client sufficient liquidity.

III - Proposed Fixed-Rate Investments

We expect rates to remain low for some time, with the futures market predicting that the Fed Funds Target Rate will remain below 1.00% into 2016. FDIC-insured Certificates of Deposit ("CD") purchased through the PLGIT CD Purchase Program offer a significant yield advantage versus comparable Treasury Bills across most maturities, as shown below in Figure IV. Given the current market conditions and available liquid funds, we recommend investing in the PLGIT CD's to add value to your current holdings. A proposed list of CD's are listed below.

For a more detailed market update, please find the PLGIT Market Update a the end of the report.

Figure IV. CD Rates and Treasury Bills



** Subject to availability. Best rate for one CD in an amount such that the total value of the CD (including interest) would not exceed $250,000 assuming no pre-existing deposits with that financial institution. Other maturities are available. Rates on larger deposits may be lower. CD rates are net of 0.25% fee.*

*** Source: Bloomberg*

Proposed Fixed-Rate Investments

Investment Date	Maturity Date	Amount	Yield (gross)	Yield (net)	Projected Earnings	Projected Maturity Amount
October 2014	April 2015	248,000	0.40%	0.23%	489	248,489
October 2014	April 2015	248,000	0.35%	0.18%	428	248,428
October 2014	April 2015	248,000	0.35%	0.18%	428	248,428
October 2014	July 2015	248,000	0.38%	0.21%	697	248,697
October 2014	July 2015	248,000	0.34%	0.17%	624	248,624
October 2014	October 2015	248,000	0.65%	0.48%	1,612	249,612
October 2014	October 2015	248,000	0.60%	0.43%	1,488	249,488
October 2014	October 2015	248,000	0.55%	0.38%	1,364	249,364
October 2014	April 2016	247,000	0.65%	0.48%	2,397	249,397
October 2014	April 2016	247,000	0.60%	0.43%	2,213	249,213
Total		**$2,478,000**	**0.49%**	**0.32%**	**$11,740**	**$2,489,740**

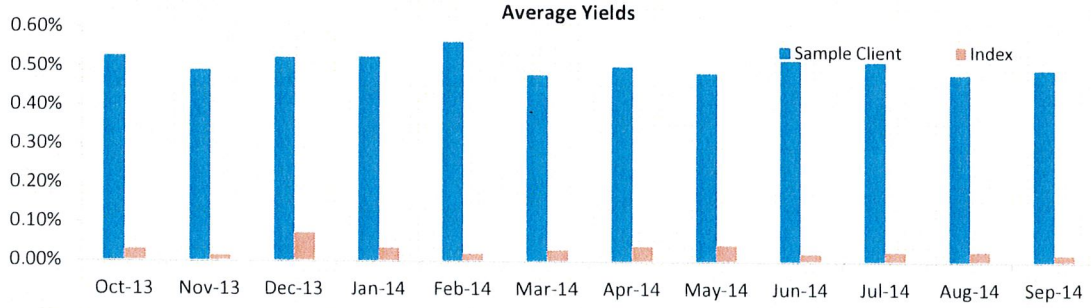
**Cannot guarantee availability of rates for investment dates shown above.*

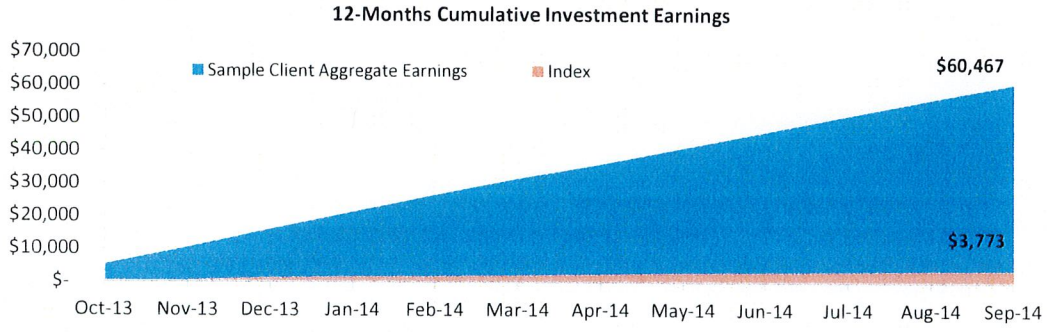
***Rates are indicative as of March 18, 2015*

As shown in Figure V, the Client's PLGIT portfolio generated a blended yield of 0.49% in September, approximately 48 basis points (0.48%) higher than the return of the Merrill Lynch 0-3 Month Treasury Bill Index. Over the last 12-month period ending September 30, 2014, AIIT's PLGIT portfolio has exceeded the benchmark by an average of 46 basis points (0.46%). This equates to approximately $56,694 in incremental investment income during this time period.

Figure V. Performance and Investment Returns

	PLGIT-CAP Program (1)	Merrill Lynch 0-3 Month Index (2)	*PLGIT-CAP Advantage*
September PLGIT-CAP Average Earnings Rate vs. Avg. Yield of Merrill Lynch 0-3 Month Index:	**0.49%**	0.02%	*0.48%*
September Merrill Lynch Annualized Total Return:		0.00%	
Earnings - September	**$4,831.19**	$182.47	*$4,648.72*
Earnings - 12 Months Ended September 30, 2014	**$60,467.14**	$3,772.86	*$56,694.27*





(1) PLGIT-CAP Program earnings are the sum of the accrued dividend in each PLGIT share class and the accrued interest for unmatured PLGIT/TERM and PLGIT-CD investments for one month divided by the Participant's total average balance.

(2) Merrill Lynch 0-3 Month Index earnings are calculated by multiplying the Index's monthly average yield to maturity by the sum of the average monthly investment balances among the PLGIT share classes plus other investment programs.

(3) Past performance does not guarantee future results

Current Fixed-Rate PLGIT Investments

Investment Date	Maturity Date	Amount	Yield (gross)	Yield (net)	Projected Earnings	Projected Maturity Amount
August 2012	September 2014	244,000	1.15%	0.98%	5,635	249,635
September 2012	September 2014	246,000	0.70%	0.53%	3,444	249,444
September 2012	September 2014	247,000	0.56%	0.39%	2,776	249,776
June 2014	September 2014	248,000	0.51%	0.34%	315	248,315
March 2013	September 2014	248,000	0.45%	0.28%	1,688	249,688
September 2012	September 2014	246,000	0.70%	0.53%	3,444	249,444
September 2012	September 2014	246,000	0.65%	0.48%	3,198	249,198
October 2012	October 2014	246,000	0.65%	0.48%	3,198	249,198
October 2012	October 2014	247,000	0.55%	0.38%	2,717	249,717
October 2012	October 2014	246,000	0.70%	0.53%	3,444	249,444
October 2012	October 2014	247,000	0.60%	0.43%	2,964	249,964
October 2012	October 2014	246,000	0.76%	0.59%	3,739	249,739
October 2012	October 2014	247,000	0.57%	0.40%	2,816	249,816
November 2012	November 2014	246,000	0.65%	0.48%	3,202	249,202
November 2012	November 2014	246,000	0.63%	0.46%	3,104	249,104
November 2012	November 2014	247,000	0.55%	0.38%	2,724	249,724
June 2014	December 2014	248,000	0.55%	0.38%	673	248,673
January 2013	January 2015	247,000	0.49%	0.32%	2,421	249,421
January 2013	January 2015	247,000	0.45%	0.28%	2,223	249,223
January 2013	January 2015	247,000	0.48%	0.31%	2,378	249,378
January 2013	January 2015	247,000	0.45%	0.28%	2,229	249,229
January 2013	January 2015	247,000	0.60%	0.43%	2,964	249,964
January 2013	January 2015	247,000	0.53%	0.36%	2,618	249,618
March 2014	March 2015	248,000	0.60%	0.43%	1,488	249,488
April 2014	April 2015	248,000	0.55%	0.38%	1,364	249,364
June 2013	June 2015	246,000	0.66%	0.49%	3,247	249,247
August 2013	August 2015	246,000	0.65%	0.48%	3,198	249,198
August 2013	August 2015	246,000	0.65%	0.48%	3,198	249,198
August 2013	August 2015	247,000	0.60%	0.43%	2,964	249,964
August 2013	August 2015	246,000	0.77%	0.60%	3,799	249,799
September 2013	September 2015	246,000	0.75%	0.58%	3,690	249,690
September 2013	September 2015	246,000	0.64%	0.47%	3,149	249,149
September 2013	September 2015	247,000	0.60%	0.43%	2,972	249,972
October 2013	October 2015	246,000	0.70%	0.53%	3,444	249,444
October 2013	October 2015	246,000	0.70%	0.53%	3,444	249,444
October 2013	October 2015	246,000	0.65%	0.48%	3,207	249,207
October 2013	October 2015	246,000	0.75%	0.58%	3,695	249,695
Total		**$9,123,000**	**0.63%**	**0.45%**	**$106,773**	**$9,229,773**

*Comparable Index Yields**	*Yield to Maturity*
3 Month Treasury Index	*0.02%*
6 Month Treasury Index	*0.05%*
1 Year Treasury Index	*0.10%*

**Source: Bloomberg, Bank of America Merril Lynch Indexes, as of 02/28/15*



Important Disclosures

This information is for institutional investor use only, not for further distribution to retail investors, and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the investment objectives, risks, charges and expenses before investing in any of the Trust's portfolios. This and other information about the Trust's portfolios is available in the current Information Statement, which should be read carefully before investing. A copy of the Information Statement may be obtained by calling 1-800-572-1472 or is available on the Trust's website at www.plgit.com. While the PLGIT, PLGIT/ARM and PLGIT/PRIME portfolios seek to maintain a stable net asset value of $1.00 per share and the PLGIT/TERM portfolio seeks to achieve a net asset value of $1.00 per share at its stated maturity, it is possible to lose money investing in the Trust. An investment in the Trust is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Trust's portfolios are distributed by ***PFM Fund Distributors, Inc.,*** *member Financial Industry Regulatory Authority (FINRA) (www.finra.org) and Securities Investor Protection Corporation (SIPC) (www.sipc.org). PFM Fund Distributors, Inc. is a wholly owned subsidiary of PFM Asset Management LLC.*

A description of the PLGIT CD Purchase Program is contained in the PLGIT Information Statement. The Information Statement contains important information and should be read carefully before investing. Investors may purchase Certificates of Deposit through the PLGIT CD Purchase Program only by executing an investment advisory agreement with the Program's Investment Adviser, PFM Asset Management LLC.

SMPLGIT, PLGIT-Class Shares, PLGIT/PLUS-Class Shares, PLGIT/I-Class Shares, PLGIT/TERM, PLGIT-CD, PLGIT/ARM, PLGIT/PRIME, PLGIT/SAM, *and* ***PLGIT-CAP*** *are service marks of the* ***Pennsylvania Local Government Investment Trust.***