



## Item No. 11 Town of Atherton

### **CITY COUNCIL STAFF REPORT – CONSENT AGENDA**

**TO: HONORABLE MAYOR AND CITY COUNCIL  
GEORGE RODERICKS, CITY MANAGER**

**FROM: ROBERT BARRON III, FINANCE DIRECTOR**

**DATE: MAY 18, 2022**

**SUBJECT: ACCEPTANCE OF TREASURER’S REPORT FOR THE THIRD  
QUARTER ENDED MARCH 31, 2022**

#### **RECOMMENDATION**

Accept the Treasurer’s Report for the third Quarter Ended March 31, 2022.

#### **BACKGROUND**

The Treasurer’s Report provides an update on the cash and investment position of the Town of Atherton.

The Third Quarter Treasurer’s report for FY 2021/22 as of March 31, 2022, is attached. The total cash and investments for the Town is \$35,223,398. Of the total amount, \$28,035,539 is listed as “non-restricted” and although may be listed as such, this amount is not all available for spending. “Non-restricted” is to mean not legally restricted but the Town does have obligations and unfunded liabilities that must or may be met with non-restricted funds. Also attached is the PARS Trust account available balance as of March 31, 2022. The total amount in the PARS account is \$8,629,655. This is a “restricted” investment that is used for the Town’s OPEB liabilities.

Insight Asset Management provides non-discretionary investment advisory services to the Town for investments. Staff is working in conjunction with Insight to ensure cash and investments adhere to our goals of safety, liquidity, and yield. To facilitate the trading and safekeeping of securities, Wells Fargo Bank serves as the safe-keeping agent for the Town.

As the Town is winding down the construction phase of Town Center project, staff forecasts cash flow needs to ensure cash liquidity of funds are readily available for operational needs. As of March 2022, there is approximately \$1 million for *construction costs* remaining on the Town Center project. As the project nears completion, and with a reduced need for liquidity, staff anticipates reinvesting maturing funds. LAIF offers the most liquidity and as of March 31, 2022 holds \$15,206,467.

## **POLICY FOCUS**

The Town's Statement of Investment Policy requires the City Manager or designee to submit quarterly and annual Treasurer's Report to the City Council. The California Government Code Section 53646, Subsection B (1) requires that the quarterly Treasurer's Report be submitted to the legislative body within 30 days of the close of a given quarter or within a reasonable time of scheduled council meetings. Staff strives to make this deadline. The current reporting quarter closed on March 31, 2022.

## **FISCAL IMPACT**

None.

## **GOAL ALIGNMENT**

This report and its contents are in alignment with the following Council Policy Goals:

- Goal A – Maintain Fiscal Transparency

## **PUBLIC NOTICE**

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the project is also disseminated via the Town's electronic News Flash and Atherton Online. There are approximately 1,200 subscribers to the Town's electronic News Flash publications. Subscribers include residents as well as stakeholders – to include, but be not limited to, media outlets, school districts, Menlo Park Fire District, service providers (water, power, and sewer), and regional elected officials.

In addition, the Town keeps its financial information up to date via a transparency webpage.

<https://ca-atherton.civicplus.com/index.aspx?NID=269>

## **COMMISSION/COMMITTEE FEEDBACK/REFERRAL**

This item \_\_\_ has or X has not been before a Town Committee or Commission.

- \_\_\_ Audit/Finance Committee (meets every other month)
- \_\_\_ Bicycle/Pedestrian Committee (meets as needed)
- \_\_\_ Civic Center Advisory Committee (meets as needed)
- \_\_\_ Environmental Programs Committee (meets every other month)
- \_\_\_ Park and Recreation Committee (meets each month)
- \_\_\_ Planning Commission (meets each month)
- \_\_\_ Rail Committee (meets every other month)
- \_\_\_ Transportation Committee (meets every other month)

Treasurer's Report  
May 18, 2022  
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**ATTACHMENTS**

Treasurer's Report for Third Quarter Ended March 31, 2022

**Town of Atherton  
Quarterly Treasurer's Report  
Portfolio Summary  
March 31, 2022**

	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>
<b>Cash In Bank (Schedule A)</b>	4,221,618	4,221,618	4,221,618	12.0%
<b>LAIF Statement</b>	15,206,467	15,035,448	15,206,467	43.2%
<b>Investments (Schedule B)</b>	15,519,000	15,685,916	15,795,313	44.8%
<b>Total Cash and Investments</b>	<b>34,947,085</b>	<b>34,942,982</b>	<b>35,223,398</b>	<b>100%</b>

The above investments are consistent with the Town's Statement of Investment Policy and are allowable under current legislation of the State of California. Investments are selected using safety, liquidity, and yield as the criteria. The Town has sufficient cash flow to cover anticipated expenditures through the next six months.



\_\_\_\_\_  
Robert Barron, Finance Director

\_\_\_\_\_  
3/31/2022

Date

**Town of Atherton  
Quarterly Treasurer's Report  
Portfolio Details - Cash In Bank  
March 31, 2022**

Schedule A

<u>Name of Depository</u>	<u>Investment Type</u>	<u>Reconciled Bank Balance</u>
Wells Fargo	General Account	4,108,102
Wells Fargo	Wells Fargo Trust MMF-Cash	113,516
<b>Total</b>		<b><u>4,221,618</u></b>

**Town of Atherton  
Treasurer's Report Schedule B  
Portfolio Details - Investments  
March 31, 2022**

**Schedule B**

See next pages Cutwater Report

**Town of Atherton  
Quarterly Treasurer's Report  
Cash & Investments Balance By Fund  
March 31, 2022**

<b>Fund No.</b>	<b>Fund Name</b>	<b>June Balance</b>
101	General Fund	22,690,151
105	Tennis Fund	274,070
610	Equipment Replacement Fund	635,652
614	Worker's Compensation	1,982,805
615	General Liability	707,393
616	Employee Benefits	1,745,469
	<b>Total Non-Restricted</b>	<u>28,035,539</u>
201	Special Tax Fund	1,294,031
202	County Measure A Fund	765,641
203	Gas Tax Fund	305,859
204	Measure M	160,475
205	Measure W	353,585
209	SLES/COPS Grant	145,663
210	Road Constructions Impact Fee	-
213	Library Fund	1,464,075
215	Evans Creative Design (formerly fund 715)	-
221	Refuse Rate and Stabilization	617,591
401	GF Projects	1,318,010
402	Storm Drainage	32,145
403	Atherton Channel Drainage District	697,971
406	Facilities Construction	1
730	H-P Park Improvement	6,520
740	Tree Committee	26,292
	<b>Total Restricted</b>	<u>7,187,859</u>
	<b>Total Cash &amp; Investments</b>	<u><u>35,223,398</u></u>

Town of Atherton  
Quarterly Treasurer's Report  
Local Agency Investment Fund Summary (LAIF)  
March 31, 2022

<b>Date</b>	<b>Begin \$\$\$</b>	<b>Contribution</b>	<b>Earnings</b>	<b>Expenses</b>	<b>Distribution</b>	<b>Ending \$\$\$</b>	<b>Date</b>
3/1/2022	15,206,467		-	-		15,206,467	12/31/2021

**Town of Atherton  
 Quarterly Treasurer's Report  
 PARS Trust Account Summary  
 March 31, 2022**

<b>Date</b>	<b>Begin \$\$\$</b>	<b>Contribution</b>	<b>Earnings</b>	<b>Expenses</b>	<b>Distribution</b>	<b>Ending \$\$\$</b>	<b>Date</b>
3/1/2022	8,664,029	35,313	5,288	(4,037)	(70,938)	8,629,655	3/31/2022 (*)

\* Recent available PARS report

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**TOWN OF ATHERTON**  
**Schedule B : Treasurer Report**

March 2022



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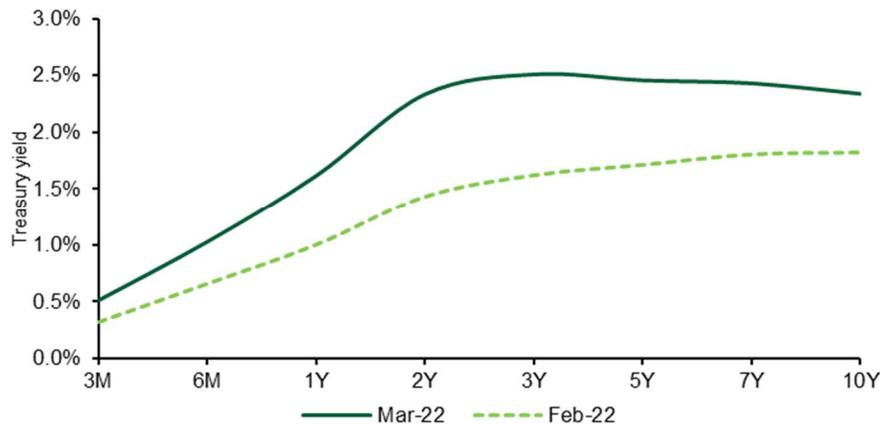
As of March 31, 2022

Chart 1: Commodity prices become increasingly volatile



Source: Bloomberg, March 31, 2022

Chart 2: Short-end Treasury yields rise as the Fed becomes more hawkish



Source: Bloomberg, March 31, 2022

### Economic Indicators and Monetary Policy

The Federal Reserve (Fed) kicked-off its rate hiking cycle, with its first rate rise since 2018. The Fed’s quarterly “dot plot” was increasingly hawkish for the third straight meeting. The median projection rose to seven rate hikes this year, up from four in December. This implies one 25bp hike at every remaining meeting this year. Seven members were even more hawkish than this, pointing to openness toward 50bp moves.

CPI recorded another multi-decade high, albeit this time in line with expectations at 7.9% year-on-year, while Core CPI was 6.4%. Within the “sticky” categories, Notably, healthcare inflation moderated. In the shelter categories, owners’ equivalent rent maintained its recent pace at 0.4%, while rents accelerated to 0.6%.

Employment growth continued its strong run, with nonfarm jobs up 678,000, well above consensus estimates for ~500,000. The unemployment rate fell to 3.8% from 4%, further than expected even as the participation rate ticked up to 62.3%, a new cycle high. Average hourly earnings, the most anticipated element of the employment report, underwhelmed however, by remaining unchanged. However, idiosyncratic issues likely played a part following disruptions relating to the Omicron Covid-19 variant.

The war in Ukraine continued with Russia failing to take control of Kyiv and toward the end of the month, appearing to concentrate on Ukraine’s Eastern regions. Tentative peace talks began by the end of the month, albeit terms of an agreement still far off. The US announced a ban of imports on Russian oil and gas and the release of up to 180m barrels of domestic oil reserves over six months. This is the largest release since the reserve was created in 1974. Commodity prices continued to be volatile, particularly oil, gas, wheat and other agricultural commodities (Chart 1).

### Interest Rate Summary

Yields rose materially across the curve, particularly the short end (Chart 2). At the end of March, the 3-month US Treasury bill yielded 0.51%, the 6-month US Treasury bill yielded 1.03%, the 2-year US Treasury note yielded 2.34%, the 5-year US Treasury note yielded 2.46% and the 10-year US Treasury note yielded 2.34%.

# ACTIVITY AND PERFORMANCE SUMMARY

For the period March 1, 2022 - March 31, 2022

<u>Amortized Cost Basis Activity Summary</u>	
<b>Opening balance</b>	15,809,883.04
Income received	1,799.91
<b>Total receipts</b>	1,799.91
<b>Total disbursements</b>	0.00
Interportfolio transfers	0.00
<b>Total Interportfolio transfers</b>	0.00
Realized gain (loss)	0.00
Change in accruals from security movement	0.00
<b>Total amortization expense</b>	(13,875.84)
<b>Total OID/MKT accretion income</b>	1,625.71
Return of capital	0.00
<b>Closing balance</b>	15,799,432.82
<b>Ending fair value</b>	15,479,987.54
Unrealized gain (loss)	(319,445.28)

<u>Detail of Amortized Cost Basis Return</u>				
	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	7.41	0.00	0.00	7.41
Corporate Bonds	12,804.51	(8,841.76)	0.00	3,962.75
Government Agencies	6,029.13	(4,267.34)	0.00	1,761.79
Government Bonds	1,367.91	858.97	0.00	2,226.88
<b>Total</b>	<b>20,208.96</b>	<b>(12,250.13)</b>	<b>0.00</b>	<b>7,958.83</b>

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.09	0.05	0.02
Overnight Repo	0.05	0.03	0.01
Merrill Lynch 3m US Treas Bill	0.09	0.08	0.03
Merrill Lynch 6m US Treas Bill	0.16	0.14	0.06
ML 1 Year US Treasury Note	0.32	0.29	0.11
ML 2 Year US Treasury Note	0.59	0.49	0.16
ML 5 Year US Treasury Note	1.16	0.74	0.18

\* rates reflected are cumulative

<u>Summary of Amortized Cost Basis Return for the Period</u>	
	Total portfolio
Interest earned	20,208.96
Accretion (amortization)	(12,250.13)
Realized gain (loss) on sales	0.00
Total income on portfolio	7,958.83
Average daily amortized cost	15,804,325.82
Period return (%)	0.05
YTD return (%)	0.10
Weighted average final maturity in days	479

# ACTIVITY AND PERFORMANCE SUMMARY

For the period March 1, 2022 - March 31, 2022

<u>Fair Value Basis Activity Summary</u>		
<b>Opening balance</b>		15,620,647.85
Income received	1,799.91	
<b>Total receipts</b>		1,799.91
<b>Total disbursements</b>		0.00
Interportfolio transfers	0.00	
<b>Total Interportfolio transfers</b>		0.00
Unrealized gain (loss) on security movements		0.00
Change in accruals from security movement		0.00
Return of capital		0.00
Change in fair value for the period		(142,460.22)
<b>Ending fair value</b>		15,479,987.54

<u>Detail of Fair Value Basis Return</u>			
	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	7.41	0.00	7.41
Corporate Bonds	12,804.51	(41,586.57)	(28,782.06)
Government Agencies	6,029.13	(53,029.89)	(47,000.76)
Government Bonds	1,367.91	(47,843.76)	(46,475.85)
<b>Total</b>	<b>20,208.96</b>	<b>(142,460.22)</b>	<b>(122,251.26)</b>

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.09	0.05	0.02
Overnight Repo	0.05	0.03	0.01
ICE Bofa 3 Months US T-BILL	0.06	0.05	0.03
ICE Bofa 6m US Treas Bill	(0.05)	(0.08)	(0.03)
ICE Bofa 1 Yr US Treasury Note	(0.94)	(0.98)	(0.38)
ICE BofA US Treasury 1-3	(2.84)	(2.86)	(1.33)
ICE BofA US Treasury 1-5	(3.72)	(3.82)	(1.86)

\* rates reflected are cumulative

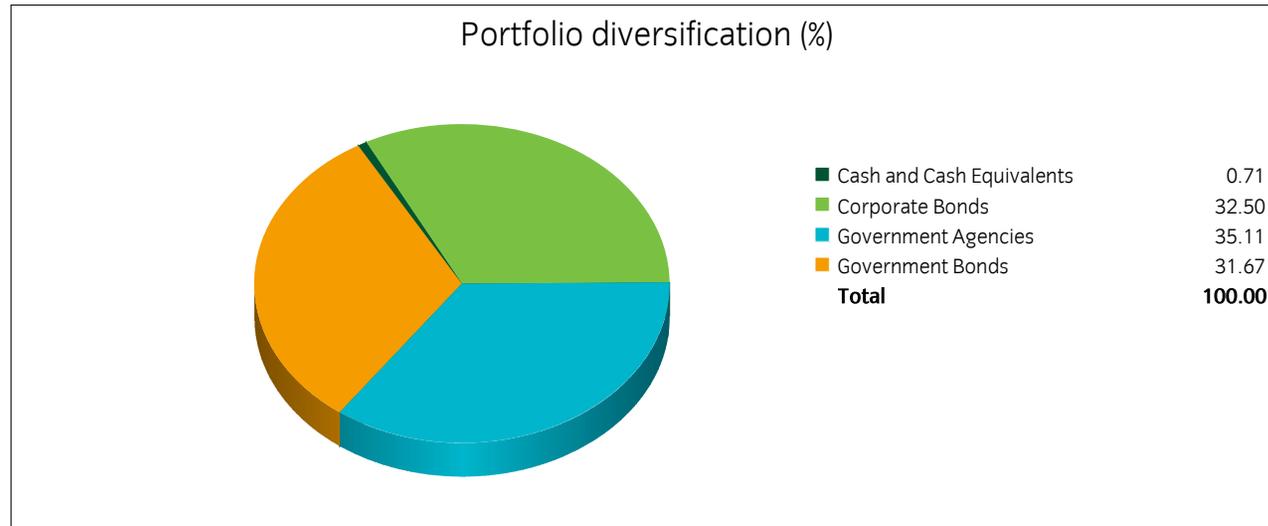
<u>Summary of Fair Value Basis Return for the Period</u>	
	Total portfolio
Interest earned	20,208.96
Change in fair value	(142,460.22)
Total income on portfolio	(122,251.26)
Average daily total value *	15,589,447.65
Period return (%)	(0.78)
YTD return (%)	(1.56)
Weighted average final maturity in days	479

\* Total value equals market value and accrued interest

# RECAP OF SECURITIES HELD

As of March 31, 2022

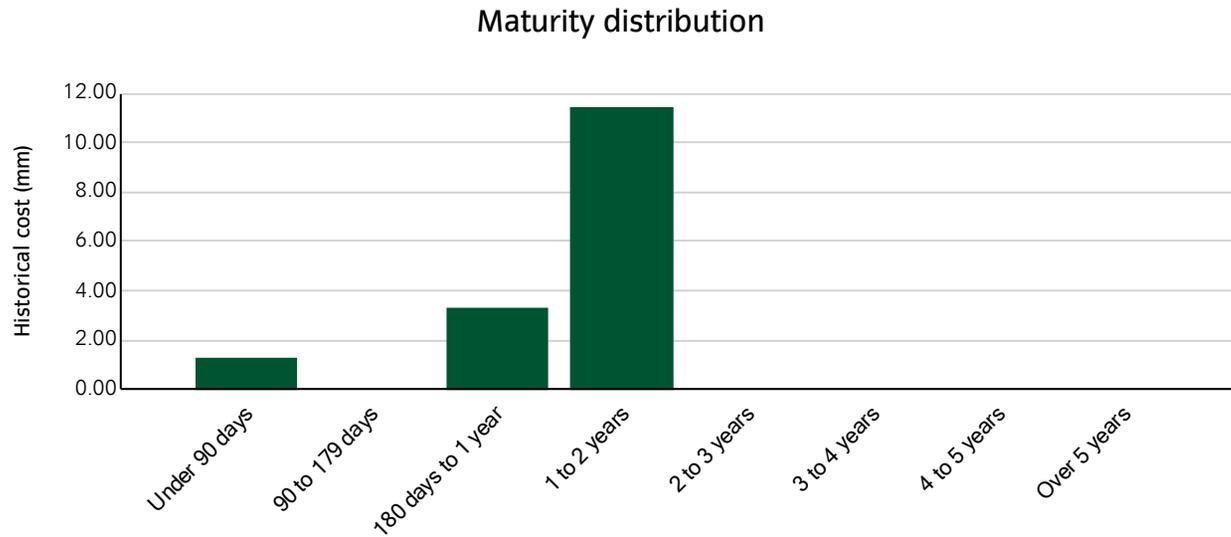
	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Cash and Cash Equivalents	113,516.41	113,516.41	113,516.41	0.00	1	0.71	0.00
Corporate Bonds	5,169,966.50	5,106,698.82	5,020,902.37	(85,796.45)	459	32.50	1.09
Government Agencies	5,586,225.74	5,541,093.78	5,419,648.84	(121,444.94)	473	35.11	1.27
Government Bonds	5,039,120.98	5,038,123.81	4,925,919.92	(112,203.89)	517	31.67	1.40
<b>Total</b>	<b>15,908,829.63</b>	<b>15,799,432.82</b>	<b>15,479,987.54</b>	<b>(319,445.28)</b>	<b>479</b>	<b>100.00</b>	<b>1.24</b>



# MATURITY DISTRIBUTION OF SECURITIES HELD

As of March 31, 2022

Maturity	Historic cost	Percent
Under 90 days	1,243,677.41	7.82
90 to 179 days	0.00	0.00
180 days to 1 year	3,235,464.91	20.34
1 to 2 years	11,429,687.31	71.85
2 to 3 years	0.00	0.00
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	0.00	0.00
	<b>15,908,829.63</b>	<b>100.00</b>



# SECURITIES HELD

As of March 31, 2022

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Cash and Cash Equivalents</b>										
	Cash and Cash Equivalents	0.000		113,516.41	113,516.41	113,516.41	113,516.41	0.00	0.00	0.71
<b>Total Cash and Cash Equivalents</b>				<b>113,516.41</b>	<b>113,516.41</b>	<b>113,516.41</b>	<b>113,516.41</b>	<b>0.00</b>	<b>0.00</b>	<b>0.71</b>
<b>Corporate Bonds</b>										
14912L5F4	CATERPILLAR FINL SERVICE 2.85% 01JUN2022	2.850	06/01/2022	500,000.00	515,425.00	502,138.47	501,534.71	(603.76)	4,750.00	3.24
06051GGK9	BANK OF AMERICA CORP 2.881% 24APR2023 (CALLABLE 24APR22)	2.881	04/24/2023 04/24/2022	600,000.00	614,736.00	600,958.44	600,169.89	(788.55)	7,490.60	3.86
037833AK6	APPLE INC 2.4% 03MAY2023	2.400	05/03/2023	650,000.00	660,075.00	658,857.89	653,508.90	(5,348.99)	6,413.33	4.15
166764AH3	CHEVRON CORP 3.191% 24JUN2023 (CALLABLE 24MAR23)	3.191	06/24/2023 03/24/2023	700,000.00	718,795.00	715,879.31	707,590.00	(8,289.31)	6,018.58	4.52
90331HNV1	US BANK NA CINCINNATI 3.4% 24JUL2023 (CALLABLE 23JUN23)	3.400	07/24/2023 06/24/2023	650,000.00	689,442.00	674,714.01	658,691.49	(16,022.52)	4,113.06	4.33
459200HP9	IBM CORP 3.375% 01AUG2023	3.375	08/01/2023	650,000.00	690,144.00	675,918.48	658,867.17	(17,051.31)	3,656.25	4.34
89236THU2	TOYOTA MOTOR CREDIT CORP 0.45% 11JAN2024	0.450	01/11/2024	650,000.00	648,745.50	649,029.99	627,752.52	(21,277.47)	650.00	4.08
46625HJT8	JPMORGAN CHASE & CO 3.875% 01FEB2024	3.875	02/01/2024	600,000.00	632,604.00	629,202.23	612,787.69	(16,414.54)	3,875.00	3.98
<b>Total Corporate Bonds</b>				<b>5,000,000.00</b>	<b>5,169,966.50</b>	<b>5,106,698.82</b>	<b>5,020,902.37</b>	<b>(85,796.45)</b>	<b>36,966.82</b>	<b>32.50</b>

# SECURITIES HELD

As of March 31, 2022

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Government Agencies</b>										
313381BR5	FEDERAL HOME LOAN BANK 1.875% 09DEC2022	1.875	12/09/2022	750,000.00	771,667.50	758,859.13	752,471.72	(6,387.41)	4,375.00	4.85
3130ALRG1	FEDERAL HOME LOAN BANK 0.125% 17MAR2023	0.125	03/17/2023	750,000.00	749,647.50	749,828.69	738,608.62	(11,220.07)	36.46	4.71
3135G04Q3	FANNIE MAE 0.25% 22MAY2023	0.250	05/22/2023	1,000,000.00	1,001,200.00	1,000,651.38	980,852.14	(19,799.24)	895.83	6.29
3133834G3	FEDERAL HOME LOAN BANK 2.125% 09JUN2023	2.125	06/09/2023	500,000.00	514,521.50	510,540.99	500,938.28	(9,602.71)	3,305.56	3.23
3137EAEW5	FREDDIE MAC 0.25% 08SEP2023	0.250	09/08/2023	219,000.00	219,100.74	219,062.42	213,109.78	(5,952.64)	34.98	1.38
3133EM6N7	FEDERAL FARM CREDIT BANK 0.17% 27SEP2023	0.170	09/27/2023	500,000.00	497,945.00	498,421.27	486,407.66	(12,013.61)	9.44	3.13
3137EAFA2	FREDDIE MAC 0.25% 04DEC2023	0.250	12/04/2023	500,000.00	500,338.50	500,227.68	483,967.68	(16,260.00)	406.25	3.15
3133EJ2B4	FEDERAL FARM CREDIT BANK 3% 06DEC2023	3.000	12/06/2023	750,000.00	803,760.00	783,745.94	761,108.92	(22,637.02)	7,187.50	5.05
3135GOV34	FANNIE MAE 2.5% 05FEB2024	2.500	02/05/2024	500,000.00	528,045.00	519,756.28	502,184.04	(17,572.24)	1,944.44	3.32
<b>Total Government Agencies</b>				<b>5,469,000.00</b>	<b>5,586,225.74</b>	<b>5,541,093.78</b>	<b>5,419,648.84</b>	<b>(121,444.94)</b>	<b>18,195.46</b>	<b>35.11</b>
<b>Government Bonds</b>										
91282CAR2	USA TREASURY 0.125% 31OCT2022	0.125	10/31/2022	1,000,000.00	995,354.91	996,007.83	993,828.12	(2,179.71)	521.41	6.26
91282ZH6	USA TREASURY 0.25% 15APR2023	0.250	04/15/2023	750,000.00	751,438.06	750,726.68	738,486.33	(12,240.35)	860.23	4.72

# SECURITIES HELD

As of March 31, 2022

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Government Bonds</b>										
912828T91	USA TREASURY 1.625% 31OCT2023	1.625	10/31/2023	500,000.00	515,527.34	510,441.73	495,800.78	(14,640.95)	3,389.16	3.24
91282CAW1	USA TREASURY 0.25% 15NOV2023	0.250	11/15/2023	500,000.00	498,007.81	498,436.78	484,492.19	(13,944.59)	469.61	3.13
91282CBA8	USA TREASURY 0.125% 15DEC2023	0.125	12/15/2023	800,000.00	793,065.18	794,343.36	771,750.00	(22,593.36)	291.21	4.99
91282CBE0	USA TREASURY 0.125% 15JAN2024	0.125	01/15/2024	500,000.00	495,216.52	496,063.84	481,113.28	(14,950.56)	129.49	3.11
91282CBM2	USA TREASURY 0.125% 15FEB2024	0.125	02/15/2024	500,000.00	494,904.02	495,772.86	480,136.72	(15,636.14)	75.97	3.11
91282CBR1	USA TREASURY 0.25% 15MAR2024	0.250	03/15/2024	500,000.00	495,607.14	496,330.73	480,312.50	(16,018.23)	54.35	3.12
<b>Total Government Bonds</b>				<b>5,050,000.00</b>	<b>5,039,120.98</b>	<b>5,038,123.81</b>	<b>4,925,919.92</b>	<b>(112,203.89)</b>	<b>5,791.43</b>	<b>31.67</b>
<b>Grand total</b>				<b>15,632,516.41</b>	<b>15,908,829.63</b>	<b>15,799,432.82</b>	<b>15,479,987.54</b>	<b>(319,445.28)</b>	<b>60,953.71</b>	<b>100.00</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of March 31, 2022

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>United States Treasury Note/Bond</b>												
91282CAR2	USA TREASURY 0.125%	0.125	10/31/2022		AA+	Aaa	1,000,000.00	995,354.91	6.26	993,828.12	6.42	0.58
91282ZH6	USA TREASURY 0.25%	0.250	04/15/2023		AA+	Aaa	750,000.00	751,438.06	4.72	738,486.33	4.77	1.03
91282T91	USA TREASURY 1.625%	1.625	10/31/2023		AA+	Aaa	500,000.00	515,527.34	3.24	495,800.78	3.20	1.55
91282CAW1	USA TREASURY 0.25%	0.250	11/15/2023		AA+	Aaa	500,000.00	498,007.81	3.13	484,492.19	3.13	1.61
91282CBA8	USA TREASURY 0.125%	0.125	12/15/2023		AA+	Aaa	800,000.00	793,065.18	4.99	771,750.00	4.99	1.69
91282CBE0	USA TREASURY 0.125%	0.125	01/15/2024		AA+	Aaa	500,000.00	495,216.52	3.11	481,113.28	3.11	1.78
91282CBM2	USA TREASURY 0.125%	0.125	02/15/2024		AA+	Aaa	500,000.00	494,904.02	3.11	480,136.72	3.10	1.86
91282CBR1	USA TREASURY 0.25%	0.250	03/15/2024		AA+	Aaa	500,000.00	495,607.14	3.12	480,312.50	3.10	1.94
<b>Issuer total</b>							<b>5,050,000.00</b>	<b>5,039,120.98</b>	<b>31.67</b>	<b>4,925,919.92</b>	<b>31.82</b>	<b>1.40</b>
<b>Federal Home Loan Banks</b>												
313381BR5	FEDERAL HOME LOAN	1.875	12/09/2022		AA+	Aaa	750,000.00	771,667.50	4.85	752,471.72	4.86	0.68
3130ALRG1	FEDERAL HOME LOAN	0.125	03/17/2023		AA+	Aaa	750,000.00	749,647.50	4.71	738,608.62	4.77	0.96
3133834G3	FEDERAL HOME LOAN	2.125	06/09/2023		AA+	Aaa	500,000.00	514,521.50	3.23	500,938.28	3.24	1.17
<b>Issuer total</b>							<b>2,000,000.00</b>	<b>2,035,836.50</b>	<b>12.80</b>	<b>1,992,018.62</b>	<b>12.87</b>	<b>0.91</b>
<b>Federal National Mortgage Association</b>												
3135G04Q3	FANNIE MAE 0.25%	0.250	05/22/2023		AA+	Aaa	1,000,000.00	1,001,200.00	6.29	980,852.14	6.34	1.13
3135G0V34	FANNIE MAE 2.5%	2.500	02/05/2024		AA+	Aaa	500,000.00	528,045.00	3.32	502,184.04	3.24	1.80
<b>Issuer total</b>							<b>1,500,000.00</b>	<b>1,529,245.00</b>	<b>9.61</b>	<b>1,483,036.18</b>	<b>9.58</b>	<b>1.36</b>
<b>Federal Farm Credit Banks Funding Corp</b>												
3133EM6N7	FEDERAL FARM CREDIT	0.170	09/27/2023		AA+	Aaa	500,000.00	497,945.00	3.13	486,407.66	3.14	1.48
3133EJ2B4	FEDERAL FARM CREDIT	3.000	12/06/2023		AA+	Aaa	750,000.00	803,760.00	5.05	761,108.92	4.92	1.63
<b>Issuer total</b>							<b>1,250,000.00</b>	<b>1,301,705.00</b>	<b>8.18</b>	<b>1,247,516.58</b>	<b>8.06</b>	<b>1.57</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of March 31, 2022

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Chevron Corp</b>												
166764AH3	CHEVRON CORP 3.191%	3.191	06/24/2023	03/24/2023	AA-	Aa2	700,000.00	718,795.00	4.52	707,590.00	4.57	1.08
<b>Issuer total</b>							<b>700,000.00</b>	<b>718,795.00</b>	<b>4.52</b>	<b>707,590.00</b>	<b>4.57</b>	<b>1.08</b>
<b>Federal Home Loan Mortgage Corp</b>												
3137EAEW5	FREDDIE MAC 0.25%	0.250	09/08/2023		AA+	Aaa	219,000.00	219,100.74	1.38	213,109.78	1.38	1.42
3137EAF2	FREDDIE MAC 0.25%	0.250	12/04/2023		AA+	Aaa	500,000.00	500,338.50	3.15	483,967.68	3.13	1.66
<b>Issuer total</b>							<b>719,000.00</b>	<b>719,439.24</b>	<b>4.52</b>	<b>697,077.46</b>	<b>4.50</b>	<b>1.59</b>
<b>International Business Machines Corp</b>												
459200HP9	IBM CORP 3.375%	3.375	08/01/2023		A-	A3	650,000.00	690,144.00	4.34	658,867.17	4.26	1.30
<b>Issuer total</b>							<b>650,000.00</b>	<b>690,144.00</b>	<b>4.34</b>	<b>658,867.17</b>	<b>4.26</b>	<b>1.30</b>
<b>US Bank NA/Cincinnati OH</b>												
90331HNV1	US BANK NA CINCINNATI	3.400	07/24/2023	06/24/2023	AA-	A1	650,000.00	689,442.00	4.33	658,691.49	4.26	1.24
<b>Issuer total</b>							<b>650,000.00</b>	<b>689,442.00</b>	<b>4.33</b>	<b>658,691.49</b>	<b>4.26</b>	<b>1.24</b>
<b>Apple Inc</b>												
037833AK6	APPLE INC 2.4%	2.400	05/03/2023		AA+	Aaa	650,000.00	660,075.00	4.15	653,508.90	4.22	1.06
<b>Issuer total</b>							<b>650,000.00</b>	<b>660,075.00</b>	<b>4.15</b>	<b>653,508.90</b>	<b>4.22</b>	<b>1.06</b>
<b>Toyota Motor Credit Corp</b>												
89236THU2	TOYOTA MOTOR CREDIT	0.450	01/11/2024		A+	A1	650,000.00	648,745.50	4.08	627,752.52	4.06	1.76
<b>Issuer total</b>							<b>650,000.00</b>	<b>648,745.50</b>	<b>4.08</b>	<b>627,752.52</b>	<b>4.06</b>	<b>1.76</b>
<b>JPMorgan Chase &amp; Co</b>												
46625HJT8	JPMORGAN CHASE & CO	3.875	02/01/2024		A-	A2	600,000.00	632,604.00	3.98	612,787.69	3.96	1.77
<b>Issuer total</b>							<b>600,000.00</b>	<b>632,604.00</b>	<b>3.98</b>	<b>612,787.69</b>	<b>3.96</b>	<b>1.77</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of March 31, 2022

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Bank of America Corp</b>												
06051GGK9	BANK OF AMERICA CORP	2.881	04/24/2023	04/24/2022	A-	A2	600,000.00	614,736.00	3.86	600,169.89	3.88	0.07
<b>Issuer total</b>							<b>600,000.00</b>	<b>614,736.00</b>	<b>3.86</b>	<b>600,169.89</b>	<b>3.88</b>	<b>0.07</b>
<b>Caterpillar Financial Services Corp</b>												
14912L5F4	CATERPILLAR FINL	2.850	06/01/2022		A	A2	500,000.00	515,425.00	3.24	501,534.71	3.24	0.17
<b>Issuer total</b>							<b>500,000.00</b>	<b>515,425.00</b>	<b>3.24</b>	<b>501,534.71</b>	<b>3.24</b>	<b>0.17</b>
<b>Cash and Cash Equivalents</b>												
	INVESTED CASH	0.000					113,516.41	113,516.41	0.00	113,516.41	0.73	0.00
<b>Issuer total</b>							<b>113,516.41</b>	<b>113,516.41</b>	<b>0.00</b>	<b>113,516.41</b>	<b>0.73</b>	<b>0.00</b>
<b>Grand total</b>							<b>15,632,516.41</b>	<b>15,908,829.63</b>	<b>100.00</b>	<b>15,479,987.54</b>	<b>100.00</b>	<b>1.24</b>

# DETAIL OF RETURN AND INTEREST RECEIVED

For the period March 1, 2022 - March 31, 2022

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
<b>Cash</b>						
	Cash and Cash Equivalents	0.00	0.00	0.00	7.41	7.41
<b>Total Cash</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>7.41</b>	<b>7.41</b>
<b>Corporate Bonds</b>						
037833AK6	APPLE INC 2.4% 03MAY2023	(676.17)	0.00	(4,575.36)	1,430.00	0.00
06051GGK9	BANK OF AMERICA CORP 2.881% 24APR2023 (CALLABLE 24APR22)	(1,198.05)	0.00	(990.48)	1,584.55	0.00
14912L5F4	CATERPILLAR FINL SERVICE 2.85% 01JUN2022	(1,051.70)	0.00	(944.00)	1,306.25	0.00
166764AH3	CHEVRON CORP 3.191% 24JUN2023 (CALLABLE 24MAR23)	(1,345.70)	0.00	(5,769.33)	2,047.56	0.00
459200HP9	IBM CORP 3.375% 01AUG2023	(1,616.53)	0.00	(7,326.18)	2,010.94	0.00
46625HJT8	JPMORGAN CHASE & CO 3.875% 01FEB2024	(1,325.36)	0.00	(8,924.17)	2,131.25	0.00
89236THU2	TOYOTA MOTOR CREDIT CORP 0.45% 11JAN2024	45.39	0.00	(6,841.52)	268.12	0.00
90331HNV1	US BANK NA CINCINNATI 3.4% 24JUL2023 (CALLABLE 23JUN23)	(1,673.64)	0.00	(6,215.53)	2,025.84	0.00
<b>Total Corporate Bonds</b>		<b>(8,841.76)</b>	<b>0.00</b>	<b>(41,586.57)</b>	<b>12,804.51</b>	<b>0.00</b>
<b>Government Agencies</b>						
3135G04Q3	FANNIE MAE 0.25% 22MAY2023	(47.43)	0.00	(7,698.67)	229.16	0.00
3135G0V34	FANNIE MAE 2.5% 05FEB2024	(891.26)	0.00	(7,383.35)	1,145.83	0.00
3133EM6N7	FEDERAL FARM CREDIT BANK 0.17% 27SEP2023	88.20	0.00	(5,152.48)	77.91	425.00
3133EJ2B4	FEDERAL FARM CREDIT BANK 3% 06DEC2023	(1,612.24)	0.00	(10,024.13)	2,062.50	0.00
3130ALRG1	FEDERAL HOME LOAN BANK 0.125% 17MAR2023	14.81	0.00	(7,132.32)	85.94	468.75
313381BR5	FEDERAL HOME LOAN BANK 1.875% 09DEC2022	(1,067.36)	0.00	(3,252.06)	1,289.06	0.00
3133834G3	FEDERAL HOME LOAN BANK 2.125% 09JUN2023	(737.13)	0.00	(4,277.64)	973.96	0.00

# DETAIL OF RETURN AND INTEREST RECEIVED

For the period March 1, 2022 - March 31, 2022

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
<b>Government Agencies</b>						
3137EAFA2	FREDDIE MAC 0.25% 04DEC2023	(11.31)	0.00	(5,799.93)	114.58	0.00
3137EAEW5	FREDDIE MAC 0.25% 08SEP2023	(3.62)	0.00	(2,309.31)	50.19	273.75
<b>Total Government Agencies</b>		<b>(4,267.34)</b>	<b>0.00</b>	<b>(53,029.89)</b>	<b>6,029.13</b>	<b>1,167.50</b>
<b>Government Bonds</b>						
91282CBA8	USA TREASURY 0.125% 15DEC2023	281.02	0.00	(9,875.00)	85.17	0.00
91282CBM2	USA TREASURY 0.125% 15FEB2024	191.02	0.00	(6,914.06)	53.52	0.00
91282CBE0	USA TREASURY 0.125% 15JAN2024	186.29	0.00	(6,601.57)	53.52	0.00
91282CAR2	USA TREASURY 0.125% 31OCT2022	578.30	0.00	(1,640.63)	107.04	0.00
91282ZH6	USA TREASURY 0.25% 15APR2023	(59.28)	0.00	(3,750.00)	159.68	0.00
91282CBR1	USA TREASURY 0.25% 15MAR2024	159.09	0.00	(7,167.97)	106.15	625.00
91282CAW1	USA TREASURY 0.25% 15NOV2023	81.59	0.00	(5,800.78)	107.04	0.00
91282T91	USA TREASURY 1.625% 31OCT2023	(559.06)	0.00	(6,093.75)	695.79	0.00
<b>Total Government Bonds</b>		<b>858.97</b>	<b>0.00</b>	<b>(47,843.76)</b>	<b>1,367.91</b>	<b>625.00</b>
<b>Grand total</b>		<b>(12,250.13)</b>	<b>0.00</b>	<b>(142,460.22)</b>	<b>20,208.96</b>	<b>1,799.91</b>

# TRANSACTION REPORT

For the period March 1, 2022 - March 31, 2022

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
03/08/2022 03/08/2022	3137EAEW5	Income	Government Agencies	FREDDIE MAC 0.25%	09/08/2023	219,000.00	0.00	0.00	273.75	273.75
03/15/2022 03/15/2022	91282CBR1	Income	Government Bonds	USA TREASURY 0.25%	03/15/2024	500,000.00	0.00	0.00	625.00	625.00
03/17/2022 03/17/2022	3130ALRG1	Income	Government Agencies	FEDERAL HOME LOAN BANK	03/17/2023	750,000.00	0.00	0.00	468.75	468.75
03/27/2022 03/27/2022	3133EM6N7	Income	Government Agencies	FEDERAL FARM CREDIT BANK	09/27/2023	500,000.00	0.00	0.00	425.00	425.00
03/31/2022		Income	Cash and Cash Equivalents	Cash		0.00	0.00	0.00	7.41	7.41

## As of March 31, 2022

Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested. Transactions in foreign securities may be executed and settled in local markets. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information contained herein is for your reference only and is being provided in response to your specific request and has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This document must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended, or forwarded to a third party without consent from Insight. This is a marketing document intended for professional clients only and should not be made available to or relied upon by retail clients.

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Where indicated, performance numbers used in the analysis are gross returns. The performance reflects the reinvestment of all dividends and income. INA charges management fees on all portfolios managed and these fees will reduce the returns on the portfolios. For example, assume that \$30 million is invested in an account with INA, and this account achieves a 5.0% annual return compounded monthly, gross of fees, for a period of five years. At the end of five years that account would have grown to \$38,500,760 before the deduction of management fees. Assuming management fees of 0.25% per year are deducted monthly from the account, the value at the end of the five year period would be \$38,022,447. Actual fees for new accounts are dependent on size and subject to negotiation. INA's investment advisory fees are discussed in Part 2A of its Form ADV.

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For trading activity the Clearing broker will be reflected. In certain cases the Clearing broker will differ from the Executing broker.

In calculating ratings distributions and weighted average portfolio quality, Insight assigns U.S Treasury and U.S agency securities a quality rating based on the methodology used within the respective benchmark index. When Moody's, S&P and Fitch rate a security, Bank of America and Merrill Lynch indexes assign a simple weighted average statistic while Barclays indexes assign the median statistic. Insight assigns all other securities the lower of Moody's and S&P ratings.

Information about the indices shown here is provided to allow for comparison of the performance of the strategy to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index and the indices represented do not take into account trading commissions and/or other brokerage or custodial costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategy's holdings may differ substantially from the securities that comprise the indices shown.

The ICE BofA 3 Month US T-Bill index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

The ICE BofA 6 Month US T-Bill index measures the performance of Treasury bills with time to maturity of less than 6 months.

The ICE BofA 1-Year US Treasury Index is a one-security index comprised of the most recently issued 1-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 1-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 3-Year US Treasury Index is a one-security index comprised of the most recently issued 3-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 3-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 5-Year US Treasury Index is a one-security index comprised of the most recently issued 5-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 5-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 1-3 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

The ICE BofA 1-5 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than five years.

# ADDITIONAL INFORMATION

## As of March 31, 2022

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