



Item No. 7 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: FEBRUARY 16, 2022

**SUBJECT: ACCEPTANCE OF TREASURER’S REPORT FOR THE SECOND
QUARTER ENDED DECEMBER 31, 2021**

RECOMMENDATION

Accept the Treasurer’s Report for the second Quarter Ended December 31, 2021.

BACKGROUND

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

The Second Quarter Treasurer’s report for FY 2021/22 as of December 31, 2021, is attached. The total cash and investments for the Town is \$38,005,106. Of the total amount, \$28,809,154 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 December 31, 2021. The total amount in the PARS account is \$9,122,887. 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 December 2021, there is approximately \$3.5 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 December 31, 2021 holds \$15,196,788.

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 December 31, 2021.

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)

ATTACHMENTS

Treasurer's Report for First Quarter Ended December 31, 2021

**Town of Atherton
Quarterly Treasurer's Report
Portfolio Summary
December 31, 2021**

	Par Value	Market Value	Book Value	% of Portfolio
Cash In Bank (Schedule A)	7,979,541	7,979,541	7,979,541	21.0%
LAIF Statement	15,196,788	15,194,868	15,196,788	40.0%
Investments (Schedule B)	14,569,000	14,659,680	14,828,776	39.0%
Total Cash and Investments	37,745,330	37,834,089	38,005,106	100%

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

12/31/2021

Date

Town of Atherton
Quarterly Treasurer's Report
Portfolio Details - Cash In Bank
December 31, 2021

Schedule A

<u>Name of Depository</u>	<u>Investment Type</u>	<u>Reconciled Bank Balance</u>
Wells Fargo	General Account	6,909,708
Wells Fargo	Wells Fargo Trust MMF-Cash	1,069,833
Total		<u>7,979,541</u>

**Town of Atherton
Treasurer's Report Schedule B
Portfolio Details - Investments
December 31, 2021**

Schedule B

See next pages Cutwater Report

**Town of Atherton
Quarterly Treasurer's Report
Cash & Investments Balance By Fund
December 31, 2021**

Fund No.	Fund Name	June Balance
101	General Fund	23,616,832
105	Tennis Fund	254,006
610	Equipment Replacement Fund	760,752
614	Worker's Compensation	1,891,213
615	General Liability	649,362
616	Employee Benefits	1,636,988
	Total Non-Restricted	<u>28,809,154</u>
201	Special Tax Fund	1,301,856
202	County Measure A Fund	624,364
203	Gas Tax Fund	290,900
204	Measure M	170,414
205	Measure W	286,947
209	SLES/COPS Grant	107,236
210	Road Constructions Impact Fee	-
213	Library Fund	2,856,588
215	Evans Creative Design (formerly fund 715)	-
221	Refuse Rate and Stabilization	617,113
401	GF Projects	1,362,591
402	Storm Drainage	32,145
403	Atherton Channel Drainage District	697,133
406	Facilities Construction	815,853
730	H-P Park Improvement	6,520
740	Tree Committee	26,292
	Total Restricted	<u>9,195,952</u>
	Total Cash & Investments	<u><u>38,005,106</u></u>

**Town of Atherton
 Quarterly Treasurer's Report
 Local Agency Investment Fund Summary (LAIF)
 December 31, 2021**

Date	Begin \$\$\$	Contribution	Earnings	Expenses	Distribution	Ending \$\$\$	Date
12/1/2021	15,196,788		-	-		15,196,788	12/31/2021

**Town of Atherton
Quarterly Treasurer's Report
PARS Trust Account Summary
December 31, 2021**

Date	Begin \$\$\$	Contribution	Earnings	Expenses	Distribution	Ending \$\$\$	Date
12/1/2021	8,941,655	36,395	185,379	(4,147)	(36,395)	9,122,887	12/31/2021 (*)

* Recent available PARS report

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TOWN OF ATHERTON
TREASURER'S REPORT SCHEDULE B

December 2021

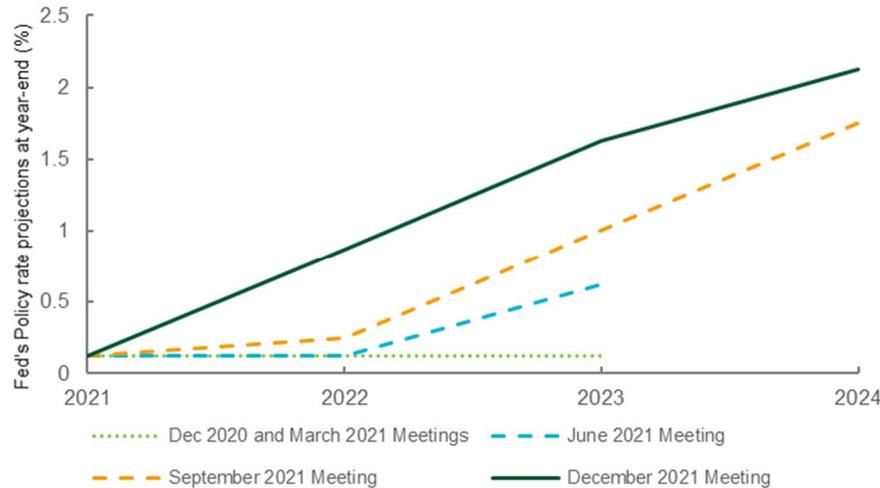


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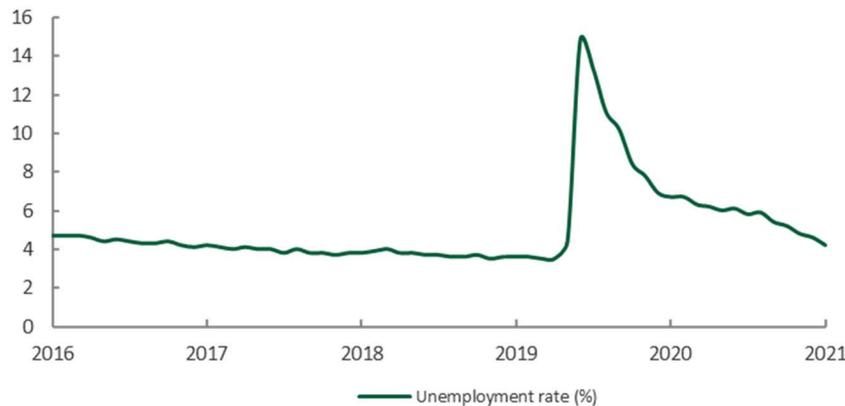
As of December 31, 2021

Chart 1: The Fed's most significant recent upward policy rate forecast revision



Source: Bloomberg, December 31, 2021

Chart 2: Unemployment rate continues to descend



Source: Bloomberg, December 31, 2021

Economic Indicators and Monetary Policy

The Federal Reserve (Fed) doubled its pace of 'tapering' to a rate of \$30bn per month. This puts the Fed on course to cease expanding its balance sheet in March 2022. It revised its dot plot to reflect a median expectation of three hikes in 2022 (Chart 1).

November's CPI report came in at 6.8% for headline inflation (the highest since 1982, but modestly lower than market fears of 7%+) with core inflation reaching 4.9% (the highest since 1991). Energy prices were a key factor, rising 33% pa. Regarding 'sticky' inflation categories, rents ran at ~0.4% in November, pushing owners' equivalent rent to 3.5% pa and medical prices showed a small but notable 2.1% pa rise.

The US economy added 210,000 jobs in November, less than the 550,000 expected. However, the unemployment rate fell unexpectedly to 4.2% from 4.6%. The participation rate increased to 61.8% from 61.6%. Wage data was close to expectations with average hourly earnings up 4.8% pa. Leisure and hospitality wages continue to advance faster than other sectors – up 12.35% pa.

The JOLTS report was further indicative of a tight labor market. Job openings rose 4.1% to 11m, close to July's record high. The number of layoffs declined 2.5% to 1.361m, close to a record low.

On the political front, President Joe Biden failed to secure Democratic Senator Joe Manchin's approval for the 'American Families Plan', the last component of the \$1.75trn 'Build Back Better' fiscal program, forcing Congress to return to the drawing board.

In response to the global spread of the more transmissible but potentially less severe Omicron Covid-19 variant, a number of countries enacted precautionary restrictions around the holiday period, although such measures were relatively modest in the US. Risk assets enjoyed a strong end to the year.

Interest Rate Summary

Yields rose modestly across the curve. At the end of December, the 3-month US Treasury bill yielded 0.06%, the 6-month US Treasury bill yielded 0.19%, the 2-year US Treasury note yielded 0.74%, the 5-year US Treasury note yielded 1.27% and the 10-year US Treasury note yielded 1.51%.

ACTIVITY AND PERFORMANCE SUMMARY

For the period December 1, 2021 - December 31, 2021

<u>Amortized Cost Basis Activity Summary</u>	
Opening balance	15,769,393.33
Income received	31,874.21
Total receipts	31,874.21
Total disbursements	0.00
Interportfolio transfers	0.00
Total Interportfolio transfers	0.00
Realized gain (loss)	0.00
Change in accruals from security movement	0.00
Total amortization expense	(14,376.90)
Total OID/MKT accretion income	1,047.39
Return of capital	0.00
Closing balance	15,787,938.03
Ending fair value	15,729,527.65
Unrealized gain (loss)	(58,410.38)

<u>Detail of Amortized Cost Basis Return</u>				
	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	30.46	0.00	0.00	30.46
Corporate Bonds	11,253.99	(9,342.81)	0.00	1,911.18
Government Agencies	5,663.72	(4,267.36)	0.00	1,396.36
Government Bonds	1,259.80	280.66	0.00	1,540.46
Total	18,207.97	(13,329.51)	0.00	4,878.46

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.08	0.04	0.01
Overnight Repo	0.04	0.02	0.00
Merrill Lynch 3m US Treas Bill	0.03	0.02	0.00
Merrill Lynch 6m US Treas Bill	0.04	0.02	0.01
ML 1 Year US Treasury Note	0.10	0.07	0.03
ML 2 Year US Treasury Note	0.27	0.19	0.06
ML 5 Year US Treasury Note	0.86	0.50	0.10

* rates reflected are cumulative

<u>Summary of Amortized Cost Basis Return for the Period</u>	
	Total portfolio
Interest earned	18,207.97
Accretion (amortization)	(13,329.51)
Realized gain (loss) on sales	0.00
Total income on portfolio	4,878.46
Average daily amortized cost	15,788,973.90
Period return (%)	0.03
YTD return (%)	0.29
Weighted average final maturity in days	495

ACTIVITY AND PERFORMANCE SUMMARY

For the period December 1, 2021 - December 31, 2021

<u>Fair Value Basis Activity Summary</u>		
Opening balance		15,725,759.25
Income received	31,874.21	
Total receipts		31,874.21
Total disbursements		0.00
Interportfolio transfers	0.00	
Total Interportfolio transfers		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		(28,105.81)
Ending fair value		15,729,527.65

<u>Detail of Fair Value Basis Return</u>			
	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	30.46	0.00	30.46
Corporate Bonds	11,253.99	(9,079.96)	2,174.03
Government Agencies	5,663.72	(9,564.91)	(3,901.19)
Government Bonds	1,259.80	(9,460.94)	(8,201.14)
Total	18,207.97	(28,105.81)	(9,897.84)

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.08	0.04	0.01
Overnight Repo	0.04	0.02	0.00
ICE Bofa 3 Months US T-BILL	0.05	0.02	0.01
ICE Bofa 6m US Treas Bill	0.09	0.03	0.01
ICE Bofa 1 Yr US Treasury Note	(0.07)	(0.16)	(0.11)
ICE BofA US Treasury 1-3	(0.55)	(0.47)	(0.25)
ICE BofA US Treasury 1-5	(1.10)	(0.69)	(0.28)

* rates reflected are cumulative

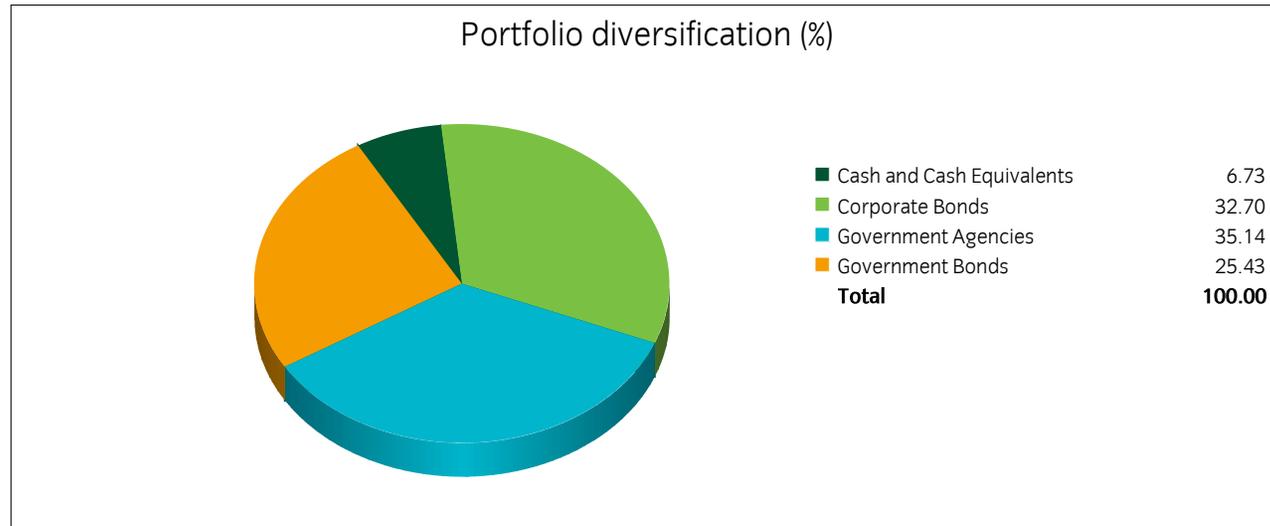
<u>Summary of Fair Value Basis Return for the Period</u>	
	Total portfolio
Interest earned	18,207.97
Change in fair value	(28,105.81)
Total income on portfolio	(9,897.84)
Average daily total value *	15,785,549.27
Period return (%)	(0.06)
YTD return (%)	(0.18)
Weighted average final maturity in days	495

* Total value equals market value and accrued interest

RECAP OF SECURITIES HELD

As of December 31, 2021

	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	1,069,848.07	1,069,848.07	1,069,848.07	0.00	1	6.73	0.00
Corporate Bonds	5,198,784.00	5,122,726.23	5,107,300.06	(15,426.17)	379	32.70	0.75
Government Agencies	5,586,225.74	5,554,062.58	5,528,143.19	(25,919.39)	563	35.14	1.52
Government Bonds	4,043,766.07	4,041,301.15	4,024,236.33	(17,064.82)	682	25.43	1.86
Total	15,898,623.88	15,787,938.03	15,729,527.65	(58,410.38)	495	100.00	1.25

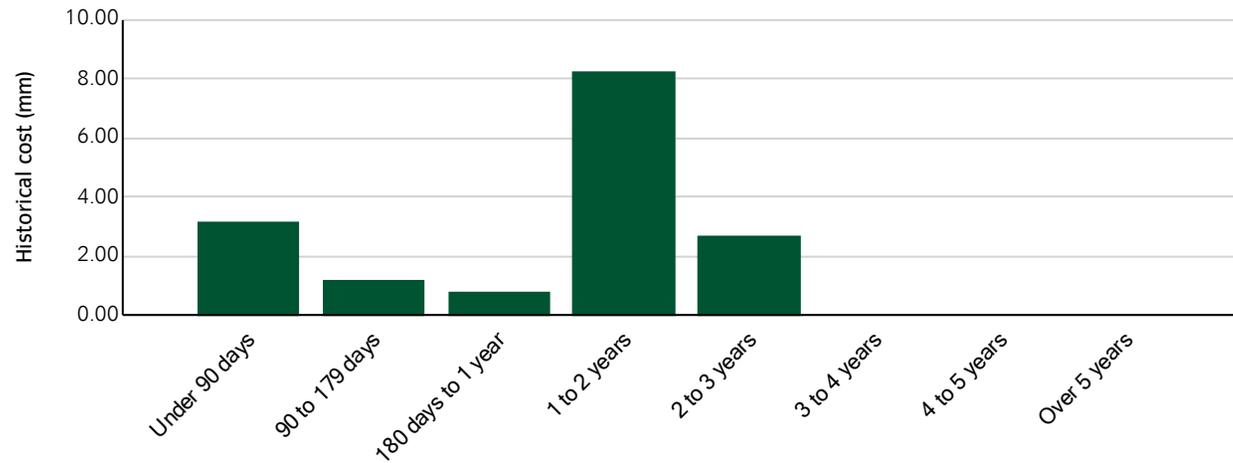


MATURITY DISTRIBUTION OF SECURITIES HELD

As of December 31, 2021

Maturity	Historic cost	Percent
Under 90 days	3,110,139.57	19.56
90 to 179 days	1,130,161.00	7.11
180 days to 1 year	771,667.50	4.85
1 to 2 years	8,224,137.63	51.73
2 to 3 years	2,662,518.18	16.75
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	0.00	0.00
	15,898,623.88	100.00

Maturity distribution



SECURITIES HELD

As of December 31, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Cash and Cash Equivalents										
	Cash and Cash Equivalents	0.000		1,069,848.07	1,069,848.07	1,069,848.07	1,069,848.07	0.00	0.00	6.73
Total Cash and Cash Equivalents				1,069,848.07	1,069,848.07	1,069,848.07	1,069,848.07	0.00	0.00	6.73
Corporate Bonds										
037833AY6	APPLE INC 2.15% 09FEB2022	2.150	02/09/2022	650,000.00	661,901.50	651,381.42	651,164.77	(216.65)	5,512.36	4.16
0258M0EG0	AMERICAN EXPRESS CREDIT 2.7% 03MAR2022 (CALLABLE 31JAN22)	2.700	03/03/2022 01/31/2022	700,000.00	715,078.00	701,417.99	701,185.04	(232.95)	6,195.00	4.50
14912L5F4	CATERPILLAR FINL SERVICE 2.85% 01JUN2022	2.850	06/01/2022	500,000.00	515,425.00	505,293.58	504,780.22	(513.36)	1,187.50	3.24
48128BAB7	JPMORGAN CHASE & CO 2.972% 15JAN2023 (CALLABLE 15JAN22)	2.972	01/15/2023 01/15/2022	650,000.00	663,312.00	650,683.84	650,449.26	(234.58)	8,907.74	4.17
06051GGK9	BANK OF AMERICA CORP 2.881% 24APR2023 (CALLABLE 24APR22)	2.881	04/24/2023 04/24/2022	600,000.00	614,736.00	604,552.59	603,902.24	(650.35)	3,169.10	3.87
90331HNV1	US BANK NA CINCINNATI 3.4% 24JUL2023 (CALLABLE 23JUN23)	3.400	07/24/2023 06/24/2023	650,000.00	689,442.00	679,734.92	675,908.80	(3,826.12)	9,638.06	4.34
459200HP9	IBM CORP 3.375% 01AUG2023	3.375	08/01/2023	650,000.00	690,144.00	680,768.09	675,318.44	(5,449.65)	9,140.63	4.34
89236THU2	TOYOTA MOTOR CREDIT CORP 0.45% 11JAN2024	0.450	01/11/2024	650,000.00	648,745.50	648,893.80	644,591.29	(4,302.51)	1,381.25	4.08
Total Corporate Bonds				5,050,000.00	5,198,784.00	5,122,726.23	5,107,300.06	(15,426.17)	45,131.64	32.70

SECURITIES HELD

As of December 31, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Agencies										
313381BR5	FEDERAL HOME LOAN BANK 1.875% 09DEC2022	1.875	12/09/2022	750,000.00	771,667.50	762,061.22	760,221.30	(1,839.92)	859.38	4.85
3130ALRG1	FEDERAL HOME LOAN BANK 0.125% 17MAR2023	0.125	03/17/2023	750,000.00	749,647.50	749,784.25	746,555.09	(3,229.16)	270.83	4.72
3135G04Q3	FANNIE MAE 0.25% 22MAY2023	0.250	05/22/2023	1,000,000.00	1,001,200.00	1,000,793.68	995,877.79	(4,915.89)	270.83	6.30
3133834G3	FEDERAL HOME LOAN BANK 2.125% 09JUN2023	2.125	06/09/2023	500,000.00	514,521.50	512,752.38	510,928.93	(1,823.45)	649.31	3.24
3137EAEW5	FREDDIE MAC 0.25% 08SEP2023	0.250	09/08/2023	219,000.00	219,100.74	219,073.27	217,534.99	(1,538.28)	171.85	1.38
3133EM6N7	FEDERAL FARM CREDIT BANK 0.17% 27SEP2023	0.170	09/27/2023	500,000.00	497,945.00	498,156.67	497,811.71	(344.96)	221.94	3.13
3137EAFA2	FREDDIE MAC 0.25% 04DEC2023	0.250	12/04/2023	500,000.00	500,338.50	500,261.60	495,327.36	(4,934.24)	93.75	3.15
3133EJ2B4	FEDERAL FARM CREDIT BANK 3% 06DEC2023	3.000	12/06/2023	750,000.00	803,760.00	788,749.45	786,095.87	(2,653.58)	1,562.50	5.06
3135GOV34	FANNIE MAE 2.5% 05FEB2024	2.500	02/05/2024	500,000.00	528,045.00	522,430.06	517,790.15	(4,639.91)	5,069.44	3.32
Total Government Agencies				5,469,000.00	5,586,225.74	5,554,062.58	5,528,143.19	(25,919.39)	9,169.83	35.14
Government Bonds										
912828ZH6	USA TREASURY 0.25% 15APR2023	0.250	04/15/2023	750,000.00	751,438.06	750,898.79	747,509.77	(3,389.02)	396.64	4.73
912828T91	USA TREASURY 1.625% 31OCT2023	1.625	10/31/2023	500,000.00	515,527.34	512,064.80	508,457.03	(3,607.77)	1,369.13	3.24

SECURITIES HELD

As of December 31, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Bonds										
91282CAW1	USA TREASURY 0.25% 15NOV2023	0.250	11/15/2023	500,000.00	498,007.81	498,199.92	495,937.50	(2,262.42)	158.84	3.13
91282CBA8	USA TREASURY 0.125% 15DEC2023	0.125	12/15/2023	800,000.00	793,065.18	793,527.50	790,906.25	(2,621.25)	43.96	4.99
91282CBE0	USA TREASURY 0.125% 15JAN2024	0.125	01/15/2024	500,000.00	495,216.52	495,523.00	493,769.53	(1,753.47)	287.02	3.11
91282CBM2	USA TREASURY 0.125% 15FEB2024	0.125	02/15/2024	500,000.00	494,904.02	495,218.28	493,554.69	(1,663.59)	234.38	3.11
91282CBR1	USA TREASURY 0.25% 15MAR2024	0.250	03/15/2024	500,000.00	495,607.14	495,868.86	494,101.56	(1,767.30)	369.48	3.12
Total Government Bonds				4,050,000.00	4,043,766.07	4,041,301.15	4,024,236.33	(17,064.82)	2,859.45	25.43
Grand total				15,638,848.07	15,898,623.88	15,787,938.03	15,729,527.65	(58,410.38)	57,160.92	100.00

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of December 31, 2021

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)
United States Treasury Note/Bond												
912828ZH6	USA TREASURY 0.25%	0.250	04/15/2023		AA+	Aaa	750,000.00	751,438.06	4.73	747,509.77	4.75	1.28
912828T91	USA TREASURY 1.625%	1.625	10/31/2023		AA+	Aaa	500,000.00	515,527.34	3.24	508,457.03	3.23	1.81
91282CAW1	USA TREASURY 0.25%	0.250	11/15/2023		AA+	Aaa	500,000.00	498,007.81	3.13	495,937.50	3.15	1.87
91282CBA8	USA TREASURY 0.125%	0.125	12/15/2023		AA+	Aaa	800,000.00	793,065.18	4.99	790,906.25	5.03	1.95
91282CBE0	USA TREASURY 0.125%	0.125	01/15/2024		AA+	Aaa	500,000.00	495,216.52	3.11	493,769.53	3.14	2.03
91282CBM2	USA TREASURY 0.125%	0.125	02/15/2024		AA+	Aaa	500,000.00	494,904.02	3.11	493,554.69	3.14	2.12
91282CBR1	USA TREASURY 0.25%	0.250	03/15/2024		AA+	Aaa	500,000.00	495,607.14	3.12	494,101.56	3.14	2.19
Issuer total							4,050,000.00	4,043,766.07	25.43	4,024,236.33	25.58	1.86
Federal Home Loan Banks												
313381BR5	FEDERAL HOME LOAN	1.875	12/09/2022		AA+	Aaa	750,000.00	771,667.50	4.85	760,221.30	4.83	0.93
3130ALRG1	FEDERAL HOME LOAN	0.125	03/17/2023		AA+	Aaa	750,000.00	749,647.50	4.72	746,555.09	4.75	1.20
3133834G3	FEDERAL HOME LOAN	2.125	06/09/2023		AA+	Aaa	500,000.00	514,521.50	3.24	510,928.93	3.25	1.42
Issuer total							2,000,000.00	2,035,836.50	12.81	2,017,705.32	12.83	1.15
Federal National Mortgage Association												
3135G04Q3	FANNIE MAE 0.25%	0.250	05/22/2023		AA+	Aaa	1,000,000.00	1,001,200.00	6.30	995,877.79	6.33	1.38
3135G0V34	FANNIE MAE 2.5%	2.500	02/05/2024		AA+	Aaa	500,000.00	528,045.00	3.32	517,790.15	3.29	2.03
Issuer total							1,500,000.00	1,529,245.00	9.62	1,513,667.94	9.62	1.60
Federal Farm Credit Banks Funding Corp												
3133EM6N7	FEDERAL FARM CREDIT	0.170	09/27/2023		AA+	Aaa	500,000.00	497,945.00	3.13	497,811.71	3.16	1.73
3133EJ2B4	FEDERAL FARM CREDIT	3.000	12/06/2023		AA+	Aaa	750,000.00	803,760.00	5.06	786,095.87	5.00	1.89
Issuer total							1,250,000.00	1,301,705.00	8.19	1,283,907.58	8.16	1.83

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of December 31, 2021

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)
Cash and Cash Equivalents												
	INVESTED CASH	0.000					1,069,848.07	1,069,848.07	0.00	1,069,848.07	6.80	0.00
Issuer total							1,069,848.07	1,069,848.07	0.00	1,069,848.07	6.80	0.00
Federal Home Loan Mortgage Corp												
3137EAEW5	FREDDIE MAC 0.25%	0.250	09/08/2023		AA+	Aaa	219,000.00	219,100.74	1.38	217,534.99	1.38	1.68
3137EAFA2	FREDDIE MAC 0.25%	0.250	12/04/2023		AA+	Aaa	500,000.00	500,338.50	3.15	495,327.36	3.15	1.92
Issuer total							719,000.00	719,439.24	4.53	712,862.35	4.53	1.85
American Express Credit Corp												
0258M0EG0	AMERICAN EXPRESS	2.700	03/03/2022	01/31/2022	A-	A2	700,000.00	715,078.00	4.50	701,185.04	4.46	0.08
Issuer total							700,000.00	715,078.00	4.50	701,185.04	4.46	0.08
US Bank NA/Cincinnati OH												
90331HNV1	US BANK NA CINCINNATI	3.400	07/24/2023	06/24/2023	AA-	A1	650,000.00	689,442.00	4.34	675,908.80	4.30	1.44
Issuer total							650,000.00	689,442.00	4.34	675,908.80	4.30	1.44
International Business Machines Corp												
459200HP9	IBM CORP 3.375%	3.375	08/01/2023		A-	A3	650,000.00	690,144.00	4.34	675,318.44	4.29	1.53
Issuer total							650,000.00	690,144.00	4.34	675,318.44	4.29	1.53
Apple Inc												
037833AY6	APPLE INC 2.15%	2.150	02/09/2022		AA+	Aaa	650,000.00	661,901.50	4.16	651,164.77	4.14	0.11
Issuer total							650,000.00	661,901.50	4.16	651,164.77	4.14	0.11
JPMorgan Chase & Co												
48128BAB7	JPMORGAN CHASE & CO	2.972	01/15/2023	01/15/2022	A-	A2	650,000.00	663,312.00	4.17	650,449.26	4.14	0.04
Issuer total							650,000.00	663,312.00	4.17	650,449.26	4.14	0.04

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of December 31, 2021

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)
Toyota Motor Credit Corp												
89236THU2	TOYOTA MOTOR CREDIT	0.450	01/11/2024		A+	A1	650,000.00	648,745.50	4.08	644,591.29	4.10	2.01
Issuer total							650,000.00	648,745.50	4.08	644,591.29	4.10	2.01
Bank of America Corp												
06051GGK9	BANK OF AMERICA CORP	2.881	04/24/2023	04/24/2022	A-	A2	600,000.00	614,736.00	3.87	603,902.24	3.84	0.31
Issuer total							600,000.00	614,736.00	3.87	603,902.24	3.84	0.31
Caterpillar Financial Services Corp												
14912L5F4	CATERPILLAR FINL	2.850	06/01/2022		A	A2	500,000.00	515,425.00	3.24	504,780.22	3.21	0.42
Issuer total							500,000.00	515,425.00	3.24	504,780.22	3.21	0.42
Grand total							15,638,848.07	15,898,623.88	100.00	15,729,527.65	100.00	1.25

DETAIL OF RETURN AND INTEREST RECEIVED

For the period December 1, 2021 - December 31, 2021

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
Cash						
	Cash and Cash Equivalents	0.00	0.00	0.00	30.46	30.46
Total Cash		0.00	0.00	0.00	30.46	30.46
Corporate Bonds						
0258M0EG0	AMERICAN EXPRESS CREDIT 2.7% 03MAR2022 (CALLABLE 31JAN22)	(1,418.00)	0.00	(1,475.30)	1,627.50	0.00
037833AY6	APPLE INC 2.15% 09FEB2022	(1,062.64)	0.00	(1,083.76)	1,203.40	0.00
06051GGK9	BANK OF AMERICA CORP 2.881% 24APR2023 (CALLABLE 24APR22)	(1,198.04)	0.00	(1,272.24)	1,488.52	0.00
14912L5F4	CATERPILLAR FINL SERVICE 2.85% 01JUN2022	(1,051.70)	0.00	(1,494.59)	1,227.08	7,125.00
459200HP9	IBM CORP 3.375% 01AUG2023	(1,616.53)	0.00	(3,464.76)	1,889.07	0.00
48128BAB7	JPMORGAN CHASE & CO 2.972% 15JAN2023 (CALLABLE 15JAN22)	(1,367.67)	0.00	(1,329.79)	1,663.49	0.00
89236THU2	TOYOTA MOTOR CREDIT CORP 0.45% 11JAN2024	45.40	0.00	1,025.35	251.87	0.00
90331HNV1	US BANK NA CINCINNATI 3.4% 24JUL2023 (CALLABLE 23JUN23)	(1,673.63)	0.00	15.13	1,903.06	0.00
Total Corporate Bonds		(9,342.81)	0.00	(9,079.96)	11,253.99	7,125.00
Government Agencies						
3135G04Q3	FANNIE MAE 0.25% 22MAY2023	(47.43)	0.00	(1,512.71)	215.27	0.00
3135G0V34	FANNIE MAE 2.5% 05FEB2024	(891.26)	0.00	(2,710.42)	1,076.38	0.00
3133EM6N7	FEDERAL FARM CREDIT BANK 0.17% 27SEP2023	88.19	0.00	774.24	73.19	0.00
3133EJ2B4	FEDERAL FARM CREDIT BANK 3% 06DEC2023	(1,612.25)	0.00	(28.18)	1,937.50	11,250.00
3130ALRG1	FEDERAL HOME LOAN BANK 0.125% 17MAR2023	14.81	0.00	(910.39)	80.73	0.00
313381BR5	FEDERAL HOME LOAN BANK 1.875% 09DEC2022	(1,067.36)	0.00	(1,791.08)	1,210.94	7,031.25
3133834G3	FEDERAL HOME LOAN BANK 2.125% 09JUN2023	(737.14)	0.00	(1,844.74)	914.93	5,312.50

DETAIL OF RETURN AND INTEREST RECEIVED

For the period December 1, 2021 - December 31, 2021

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
Government Agencies						
3137EAF2	FREDDIE MAC 0.25% 04DEC2023	(11.31)	0.00	(1,102.71)	107.64	625.00
3137EAEW5	FREDDIE MAC 0.25% 08SEP2023	(3.61)	0.00	(438.92)	47.14	0.00
Total Government Agencies		(4,267.36)	0.00	(9,564.91)	5,663.72	24,218.75
Government Bonds						
91282CBA8	USA TREASURY 0.125% 15DEC2023	281.02	0.00	(1,687.50)	84.94	500.00
91282CBM2	USA TREASURY 0.125% 15FEB2024	191.02	0.00	(1,015.62)	52.65	0.00
91282CBE0	USA TREASURY 0.125% 15JAN2024	186.29	0.00	(1,113.28)	52.64	0.00
91282ZH6	USA TREASURY 0.25% 15APR2023	(59.28)	0.00	(1,289.06)	159.69	0.00
91282CBR1	USA TREASURY 0.25% 15MAR2024	159.08	0.00	(1,308.60)	107.05	0.00
91282CAW1	USA TREASURY 0.25% 15NOV2023	81.58	0.00	(1,132.81)	107.04	0.00
91282T91	USA TREASURY 1.625% 31OCT2023	(559.05)	0.00	(1,914.07)	695.79	0.00
Total Government Bonds		280.66	0.00	(9,460.94)	1,259.80	500.00
Grand total		(13,329.51)	0.00	(28,105.81)	18,207.97	31,874.21

TRANSACTION REPORT

For the period December 1, 2021 - December 31, 2021

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
12/01/2021 12/01/2021	14912L5F4	Income	Corporate Bonds	CATERPILLAR FINL SERVICE	06/01/2022	500,000.00	0.00	0.00	7,125.00	7,125.00
12/04/2021 12/04/2021	3137EAFA2	Income	Government Agencies	FREDDIE MAC 0.25%	12/04/2023	500,000.00	0.00	0.00	625.00	625.00
12/06/2021 12/06/2021	3133EJ2B4	Income	Government Agencies	FEDERAL FARM CREDIT BANK	12/06/2023	750,000.00	0.00	0.00	11,250.00	11,250.00
12/09/2021 12/09/2021	313381BR5	Income	Government Agencies	FEDERAL HOME LOAN BANK	12/09/2022	750,000.00	0.00	0.00	7,031.25	7,031.25
12/09/2021 12/09/2021	3133834G3	Income	Government Agencies	FEDERAL HOME LOAN BANK	06/09/2023	500,000.00	0.00	0.00	5,312.50	5,312.50
12/15/2021 12/15/2021	91282CBA8	Income	Government Bonds	USA TREASURY 0.125%	12/15/2023	800,000.00	0.00	0.00	500.00	500.00
12/31/2021		Income	Cash and Cash Equivalents	Cash		0.00	0.00	0.00	30.46	30.46

As of December 31, 2021

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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 December 31, 2021

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