

**REGIONAL TRANSPORTATION COMMISSION OF WASHOE COUNTY (RTC)
INVESTMENT COMMITTEE MEETING**

Wednesday

1:00 p.m.

May 2, 2024

PRESENT:

**Christian Schonlau, RTC Director of Finance/CFO
Bill Thomas, AICP, RTC Executive Director
Jelena Williams, RTC Financial Manager
Nelia Belen, RTC Accountant
Annette Gaston, Senior Managing Consultant, PFM Asset Management LLC**

The RTC Investment Committee Meeting was held on May 2, 2024 at 1:00 p.m. via Zoom and was called to order by Christian Schonlau. The following business was conducted:

Item 1 APPROVAL OF AGENDA

Christian Schonlau opened the meeting and asked for a motion for approval of the Agenda. Jelena Williams moved to approve and Andy Chao seconded. Motion passed.

Item 2 PUBLIC INPUT

Christian Schonlau asked if there were any public comments. As there were none, we moved onto the approval of the meeting minutes.

Item 3 APPROVAL OF MINUTES

Christian Schonlau asked if everyone had a chance to look at the minutes, and if there were any changes or comments? As there were no changes or comments, Jelena Williams moved for approval of the January 31, 2024, minutes, with Nelia Belen seconding. Motion passed.

***Item 4 DISCUSSION OF THE RTC DEBT SERVICE RESERVE INVESTMENT
PERFORMANCE AND POSSIBLE APPROVAL OF A RECOMMENDATION
TO BE PRESENTED TO THE RTC BOARD OF DIRECTORS***

Annette Gaston, PFM Asset Management Senior Managing Consultant gave a presentation on the 1st Quarter Investment Performance Review.

What's been going on this first quarter? We've seen with the current market themes that not much has changed since the start of the year. We still have this robust growth that really continues to surprise to

the upside. That's been very evident with some of the additional economic data that was released last week. Growth that we're seeing is driven by consumer spending and we as the consumers are the number one driver to growth to GDP. We contribute about two thirds or 70% of that gross domestic product.

Inflation continues to be very sticky and we're still running a bit hotter than the Feds 2% target. So, we are really striving to bring inflation down. We peaked in the summer of 2022 at just over 9% and during 2023 we saw this decline in inflation, which is very important. Since the start of the year, the first quarter has been a little bit different and has really been sluggish. We've seen this stagnant inflation and started to trade a little more range bound.

What's on the horizon for the Feds? We're looking at price stability and inflation, and also the labor market which is really going to be the data that the Fed is looking for in order to make a pivot. I would say we have about another three to six months until the Fed makes any decision. As long as the data continues to move in decline, then we know that we're on the right track, but they're going to need to see some solid evidence of that before making any decisions on rate cuts down the road.

Consumer spending continues to be very strong when we think about that Q1 forecast 2.5 percent. Talking about some of the economic data that came in last week, our first reading of GDP as a whole came in at 1.6%, so still very strong, but we're starting to see a little bit of a slowdown. So, the largest component of GDP, the strongest component is Q4 consumer spending that was right around 2.2% and just to put it into perspective, yes, consumer spending is still strong, a little bit of a pullback, but nothing of concern because when I look at consumer spending for Q1, that came in at about 1.6%, so you know 2.2 in fourth quarter to 1.6 in in first quarter, not significant, but that's where we see a little bit of that that pullback there.

Looking at the market expectations are very different than what the Fed is projecting. So, at the start of the year this has changed drastically. Looking at the Fed projections, their projections were for essentially 3% rate this year.

There was quite a bit of cash, I want to say, just over \$1,000,000 in the fourth quarter and you know we redeployed that out and reinvested it. And then there's just under 100,000 in the first quarter here.

Christian Schonlau, that implemented what I had had mentioned as our goal, so I appreciate the longer term on that.

Bill Thomas, why do we have any cash in this? I mean, this is a long hold investment. We're having the investment because we have to because of a debt we have, what is the purpose for having cash?

Christian Schonlau, just making sure Bill, you're talking about the \$96,000 right specifically?

Bill Thomas, right.

Annette Gaston, typically what happens is there will be an accumulation, it might be interest payments or things like that. So, we rebalance the portfolio every month. We're looking for opportunities to rebalance and on occasion with that cash like in the first quarter, we have quite a bit, but it'll accumulate, and we redeploy that. So, if we rebalance at the end of the month and then there's cash that maybe sweeps over kind of cross month, it will just accumulate and sit there and we already will rebalance or sometimes if we rebalance at the beginning of the month and do that work, which I think has happened the last two quarters. Or we'll just kind of accumulate and then that following month when we rebalance, it'll get redeployed, or we'll wait for it to build up and find something else. Maybe it's at 96,000 now, but we'll wait until we have 150,000 and can buy a specific security. So sometimes it might just be timing, but I'll make sure that that gets swept in going forward.

Christian Schonlau, if I could just comment one additional factor that could contribute to cash being in there as maturity timing. Say we had something come due on one of our holdings the end of period was right around this financial statement, timing whatever cash we had tied up in that security will then show up as cash to reinvest for the next quarter, so. That's not the case here, but I've seen that I think in our last quarter report we have like \$1,000,000 come due right before.

Bill Thomas, for me it would be like if let's say we have 8 million we have to keep in reserve to meet the covenants of our loan, of our debt and we have a million leftover, so we're at 9 million. If we took that extra million and put it in Super nationals, could we do that. They pay a higher yield, but there's a different kind of risk. I would be interested in knowing about it. I don't want to say we're playing with the money, but I mean, if we have it to invest in the future, to be able to have more money to do our operations, why wouldn't we consider that for that chunk of money that's above and beyond that? So, we just have to find somewhere else to put it if we can. Is there something with a little more of a higher yield for that million plus over the minimum we have to keep.

Annette Gaston, absolutely, yeah and that is very unique. I'd be happy to bring a couple of slides just explaining what they are, what they look like and I will say they're unique in the sense of what they look like and what they invest in. Their purpose is to facilitate, for instance, during the pandemic, you know it's international money that they'll go into different countries and facilitate whether it's building, water wells and pathways or maybe after the pandemic getting supplies. They tend to have a bit higher yield and have a less liquid market, but they are rated AAA and they fall under the state statute it should say supranational because those were recently introduced into state statute. Otherwise, it would say, instrumentality and that usually falls under federal agencies. You know, treasuries have an explicit guarantee. Agencies have an implicit guarantee. So, it's one in the same, but not quite, and it still falls under government agencies. It'll be like the World Bank is what those securities look like specifically and they are U.S. dollar denominated. That's the most important factor too, of course is that they need to be U.S. dollar denominated and that's all that we purchased.

Christian Schonlau, I think would be important if we're going to talk about that, to have Adam in that meeting just because I do believe that would change our investment policy if we make any decisions on that and build to frame of reference. I think our portfolio balance six months ago was under the \$8 million mark. So, we're not sitting on cash for long periods of time here. This is kind of the first time we've seen a return since. I've been here. Anyhow, just, you know, we're not sitting on a pile of cash a lot of times we've had a negative return on unrealized losses.

Annette Gaston, I'm very happy to hear that you have positive return and positive cash position right now, so absolutely what I could do or what I will do rather is I will pull the investment policy. I'll go through and compare it to State statute, do a little bit of a review and if there are any areas that could potentially be expanded and let you know. Then when Adam joins us or if you want to share it with him, he knows where some of those areas are, and I'll go through and do a red line. I'll just include maybe two to four slides on Supras credit and ABS and then include those as just a little review or training for our next meeting and then we'll kind of compare that with the policy. If there's anything that needs to be changed or is it already acceptable within policy too and just that way we have an idea, not that we have to make a decision on it, but we know kind of what all the options are if nothing else.

Christian Schonlau, something I flagged on the last legislative session. The changes made to the investment policy seem to be designed for the state of Nevada and not for its political subdivisions or other jurisdictions. So just make sure there's no nuance in that language.

Annette Gaston, perfect, I appreciate that. I will kind of keep that in mind as I go forward. I have all my notes and I'll make sure that I don't miss anything here. We'll do a little review and if nothing else, it just gives an idea of what else there is out there.

Christian Schonlau asked for a motion to accept report. Jelena Williams motioned to accept, Nelia Belen seconded, and Motion carried unanimously.

Item 5 MEMBER ITEMS

Christian Schonlau asked if anyone had any member items. Being none, we moved onto public input.

Item 6 PUBLIC INPUT

Christian Schonlau asked if there was any public input. Being none, we moved to adjournment.

Item 7 ADJOURNMENT

Christian Schonlau asked for a motion for adjournment. Jelena Williams gave a motion to adjourn, which was seconded by Nelia Belen. Motion carried unanimously and meeting was adjourned.

The meeting adjourned at 11:20 a.m.

Christian
Schonlau

Digitally signed by Christian
Schonlau
Date: 2024.07.25 12:35:14
-07'00'

Christian Schonlau
Director of Finance/CFO
Regional Transportation Commission



WASHOE COUNTY REGIONAL TRANS COMMISSION

Investment Performance Review For the Quarter Ended March 31, 2024

Client Management Team

Annette Gaston, Director

PFM Asset Management LLC

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480-271-0432

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Agenda

- Market Update
- Account Summary
- Portfolio Review

Market Update

Current Market Themes



- ▶ The U.S. economy is characterized by:
 - ▶ Robust growth that continues to show surprising strength
 - ▶ Sticky inflation that remains above the Federal Reserve (Fed)'s 2% target
 - ▶ Labor markets continuing to show impressive job gains and low unemployment
 - ▶ Resilient consumer spending supported by wage growth that is outpacing inflation



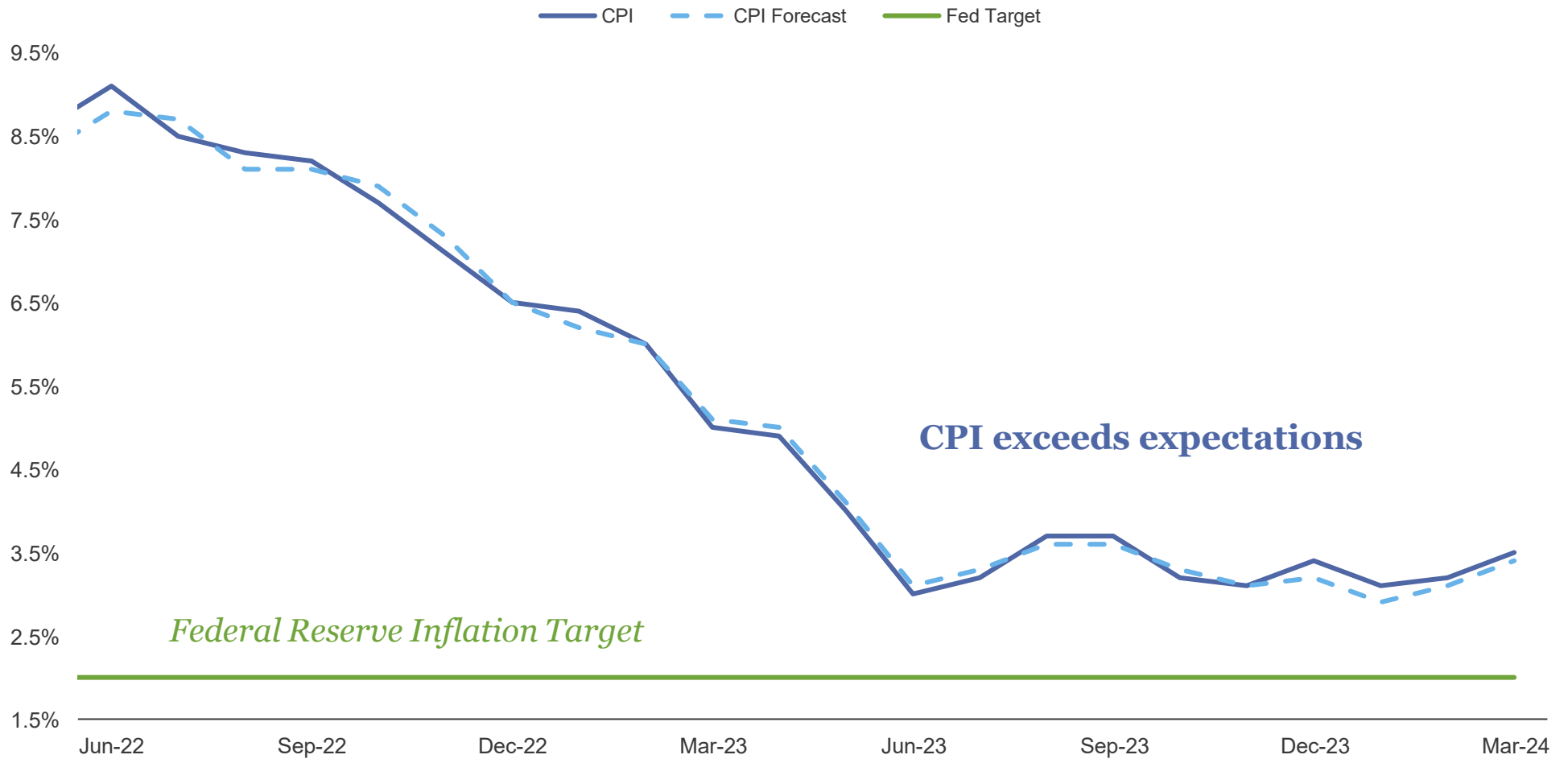
- ▶ Federal Reserve reaffirms rate cut expectations
 - ▶ Forecast of 75 basis points of cuts this year
 - ▶ After entering the year expecting 6 cuts in 2024, markets have adjusted their expectations to only 2 to 3 cuts in 2024
 - ▶ Fed officials reaffirm that restoring price stability is the priority, but further confidence in inflation moving toward the 2% target is needed, which may delay the timing of rate cuts



- ▶ Treasury yields increase following the change in market expectations
 - ▶ Yields on maturities between 2 and 10 years rose 30-40 basis points during the quarter
 - ▶ Yield curve inversion persists
 - ▶ Spreads in most sectors fell to multi-year lows given the strong economic environment

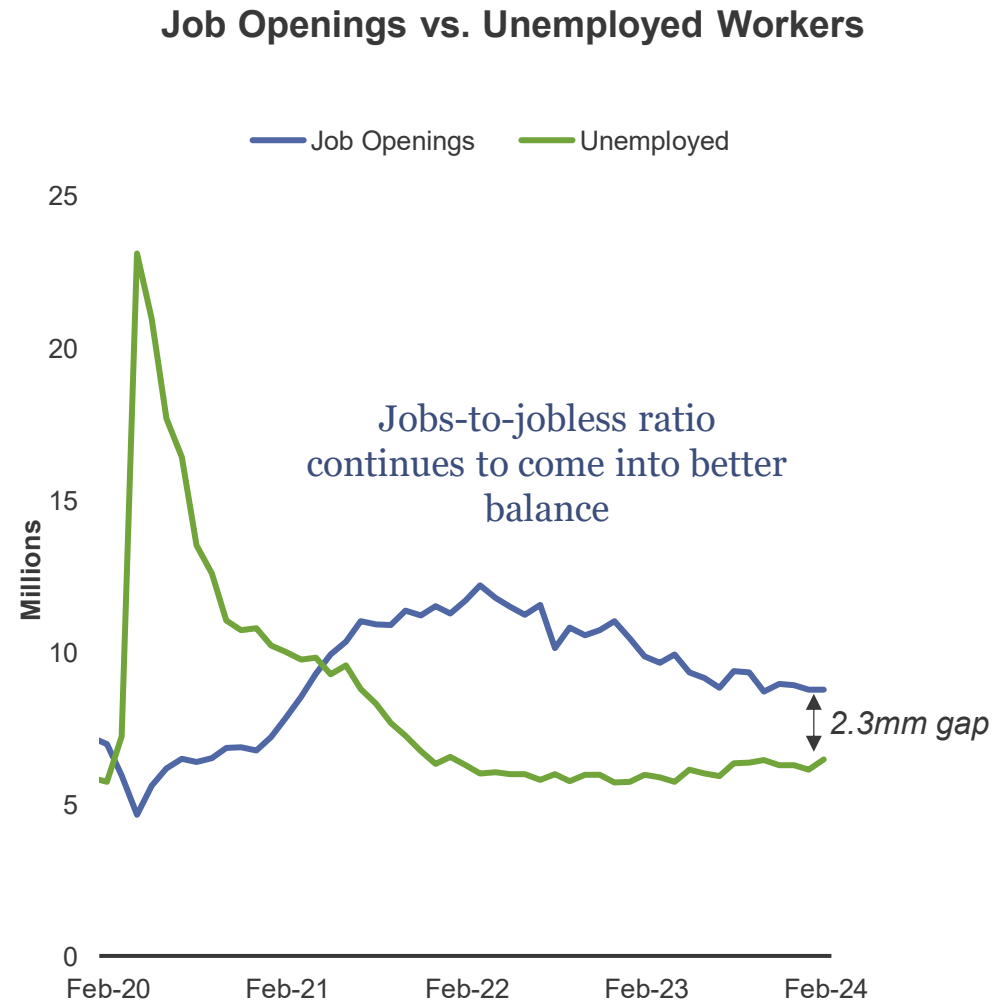
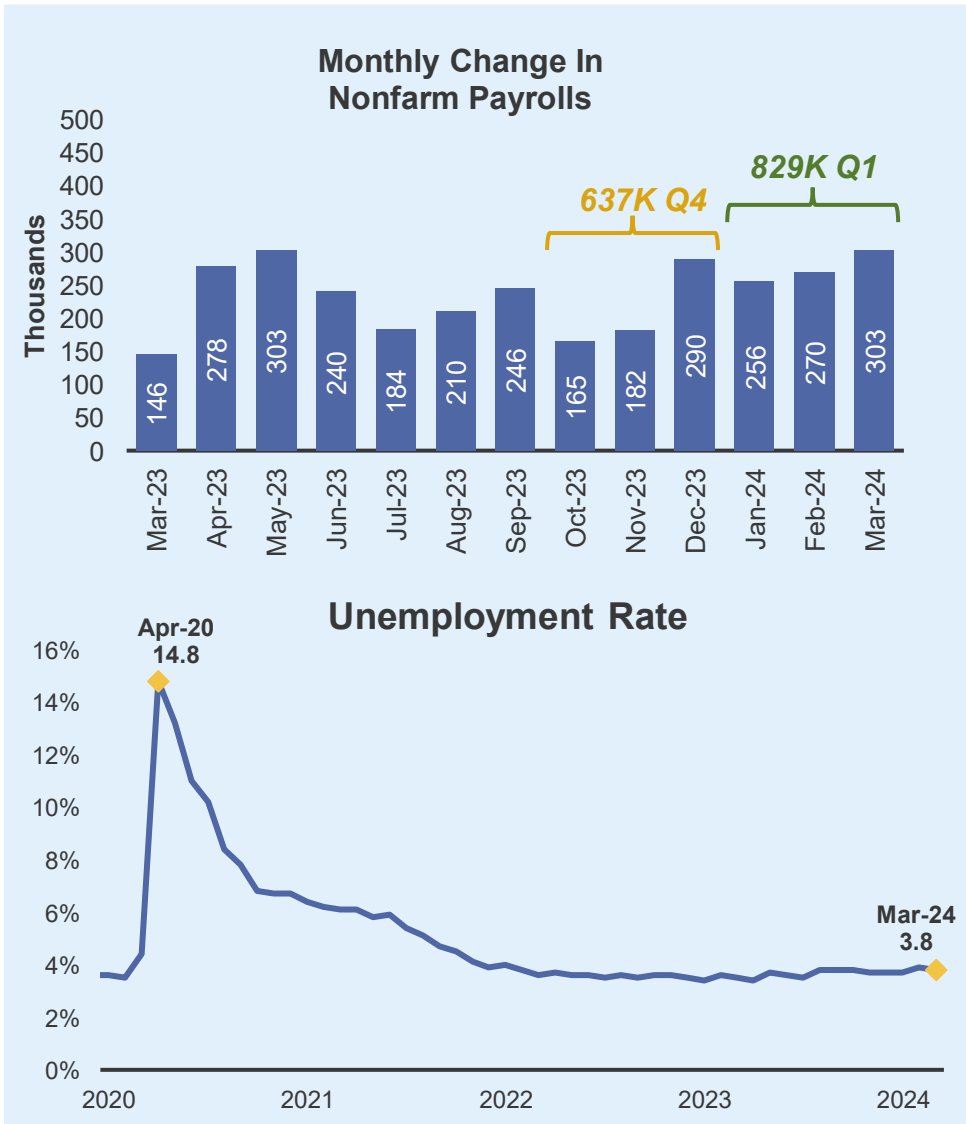
Inflation Remains Range Bound After Significant Decline in CPI in 2022 and Early 2023

Consumer Price Index Year-Over-Year Changes



Source: Bloomberg, as of 4/10/2024.

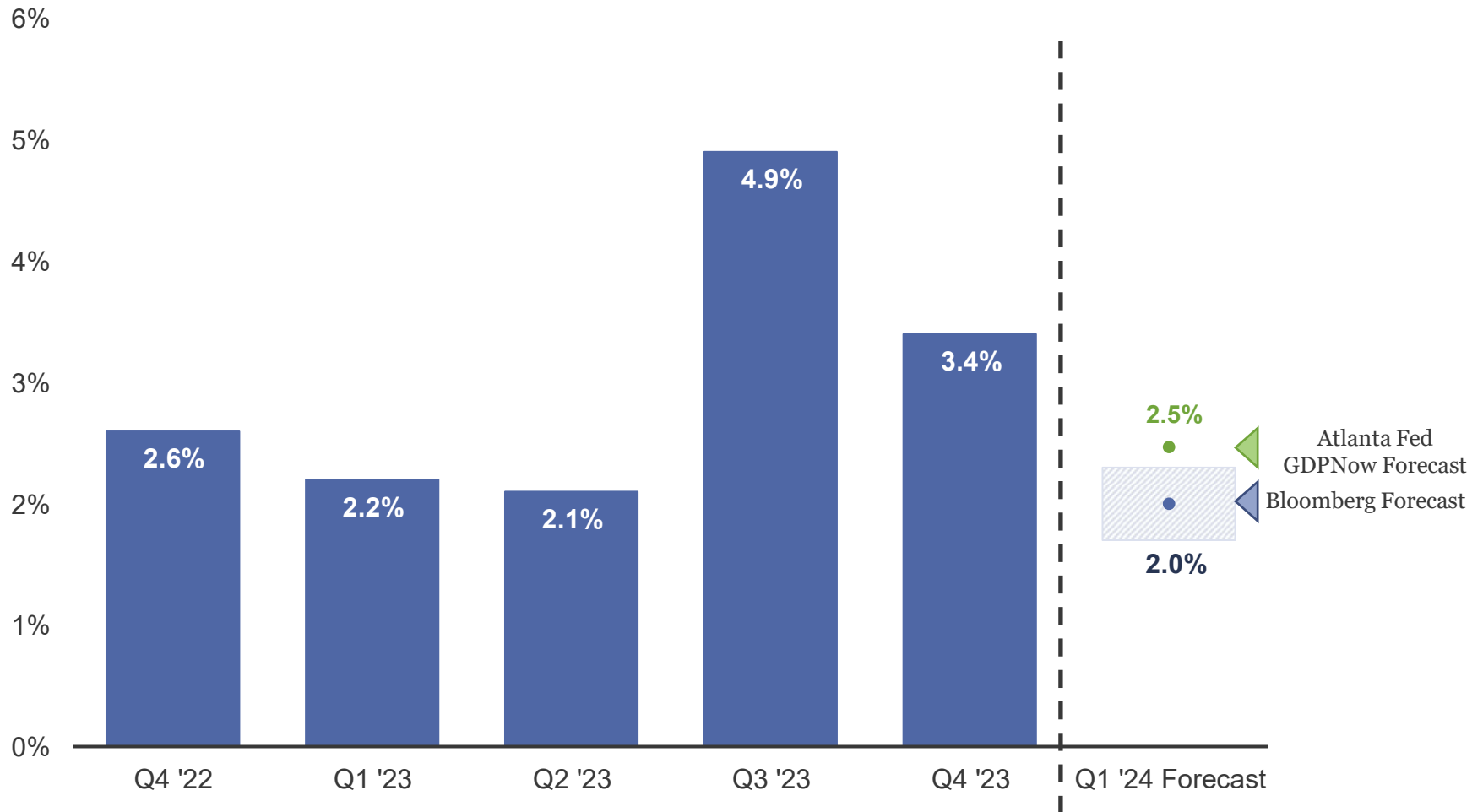
Labor Market Remains Strong



Source: Bloomberg. Job openings as of February 2024. Monthly change in nonfarm payrolls and unemployment rate as of March 2024. Data is seasonally adjusted.

Consumer Spending Continues to Drive Strong Economic Growth

U.S. GDP

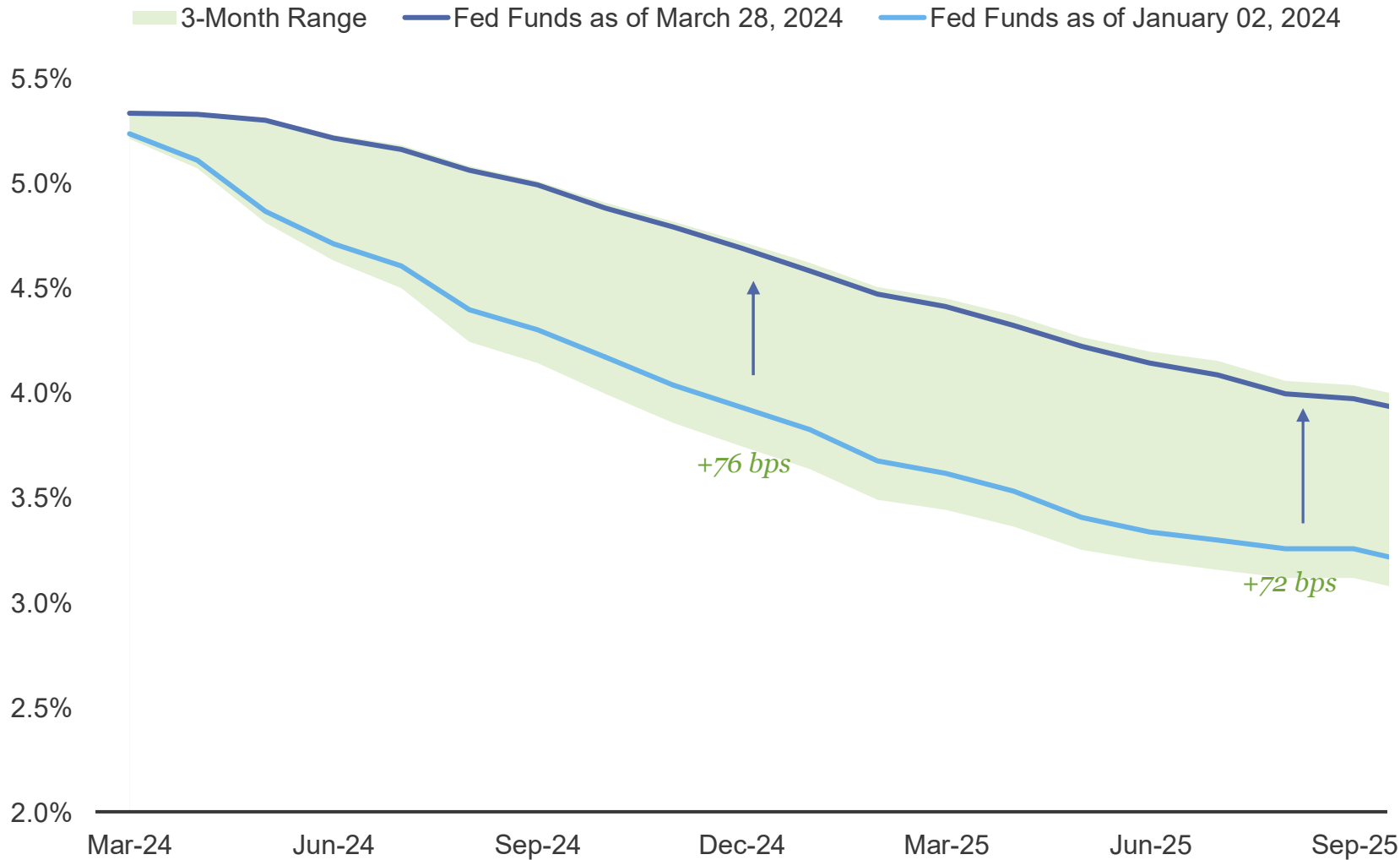


Source: Bureau of Economic Analysis, U.S. Department of Commerce; as of March 28, 2024.

GDPNow estimates provided by the Federal Reserve Bank of Atlanta; as of April 4, 2024. The Atlanta Fed GDPNow estimate is a model-based projection not subject to judgmental adjustments. It is not an official forecast of the Atlanta Fed, its president, the Federal Reserve System, or the Federal Open Market Committee. Bloomberg Forecasts as of March 2024.

Market Reversed Course and Now Expects a Slower Pace of Rate Cuts

Implied Fed Funds Rate



Market reprices expectations for number of cuts in 2024 in response to hotter than expected inflation and a resilient labor market

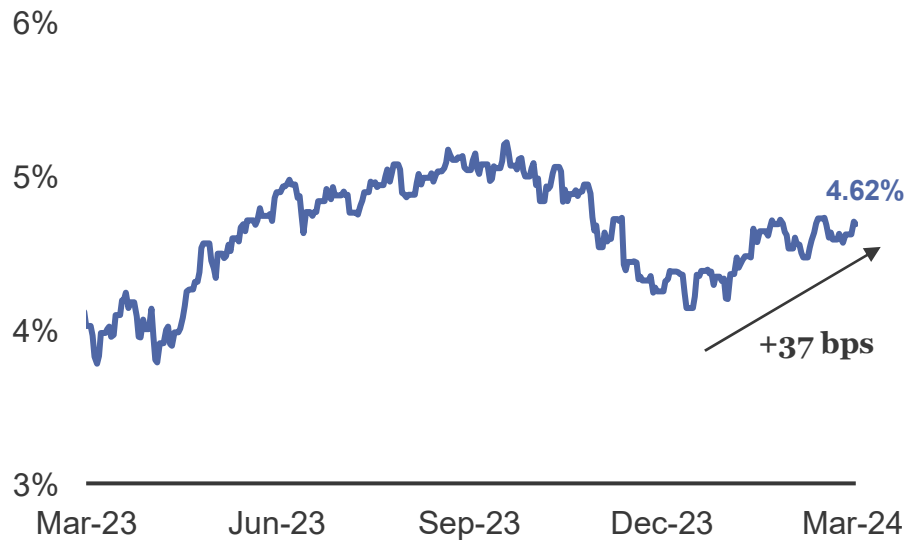
Source: Bloomberg, as of March 2024.

Yields Reprice on Fed Patience

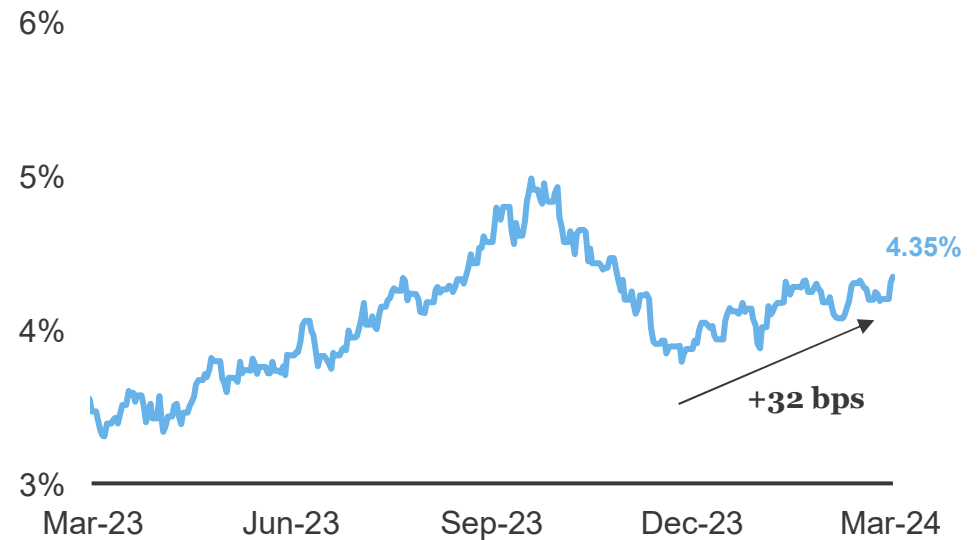
**From the
March 24 FOMC
Meeting
Press Conference**

“...the Committee needs to see **more evidence** to build our **confidence** that inflation is moving down sustainably toward our 2 percent goal, and **we don’t expect that it will be appropriate to begin to reduce rates until we’re more confident** that that is the case”

2-Year Treasury Yield



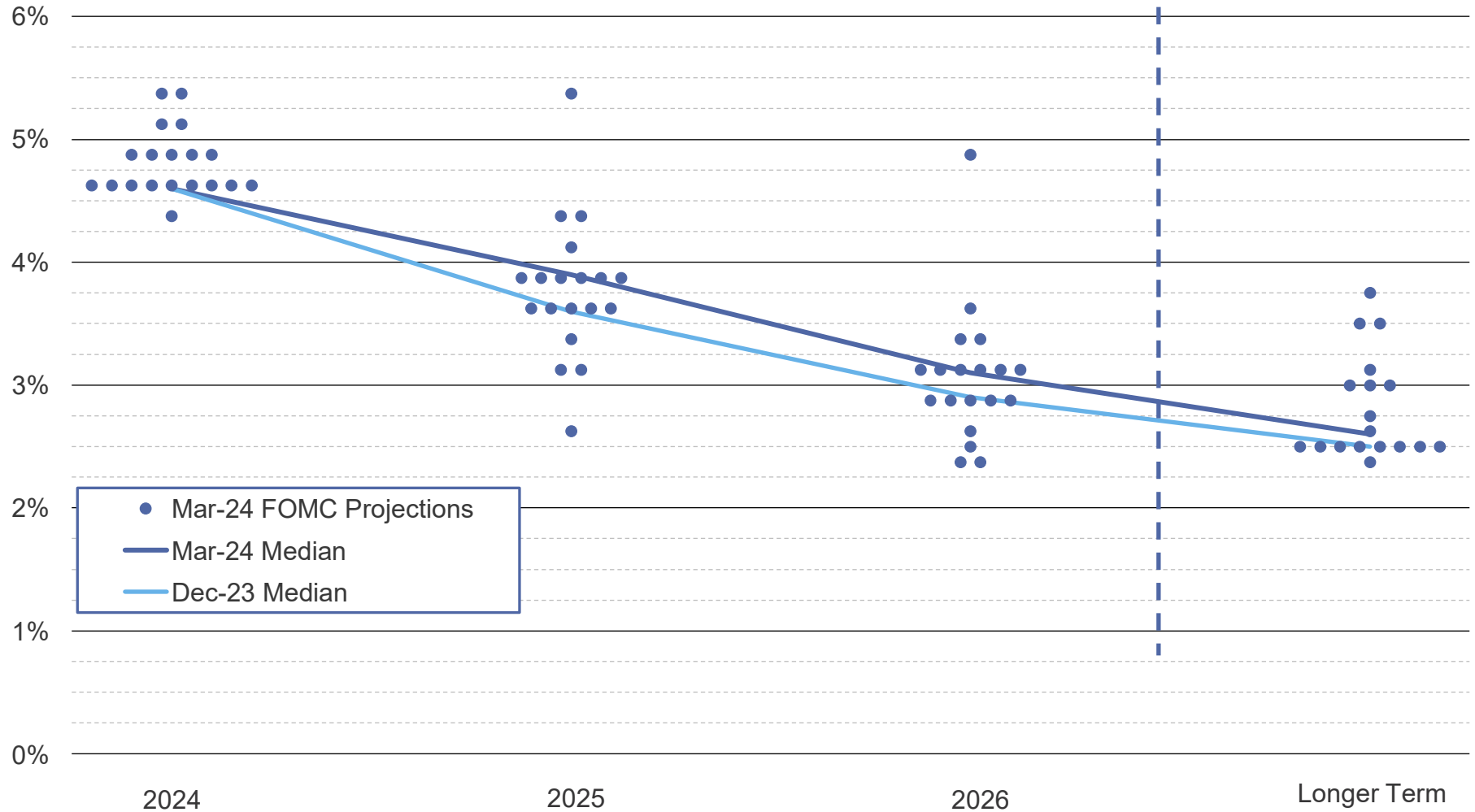
10-Year Treasury Yield



Source: Federal Reserve, Bloomberg, as of 3/31/2024.

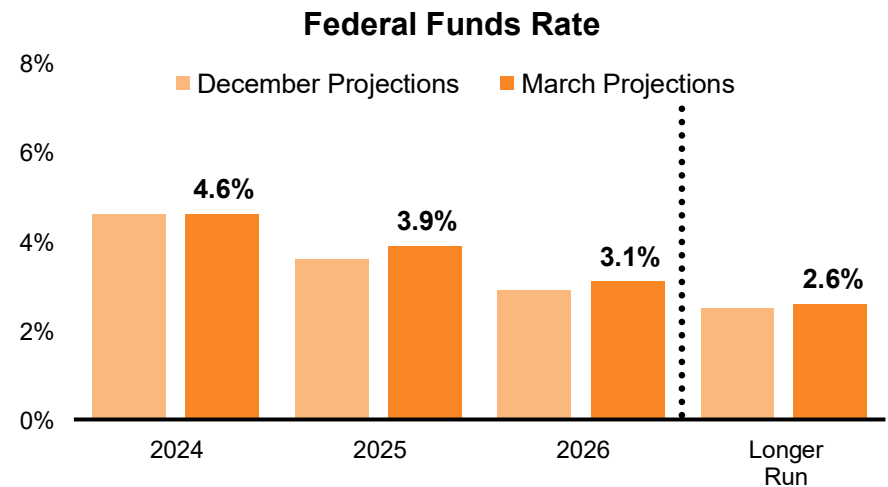
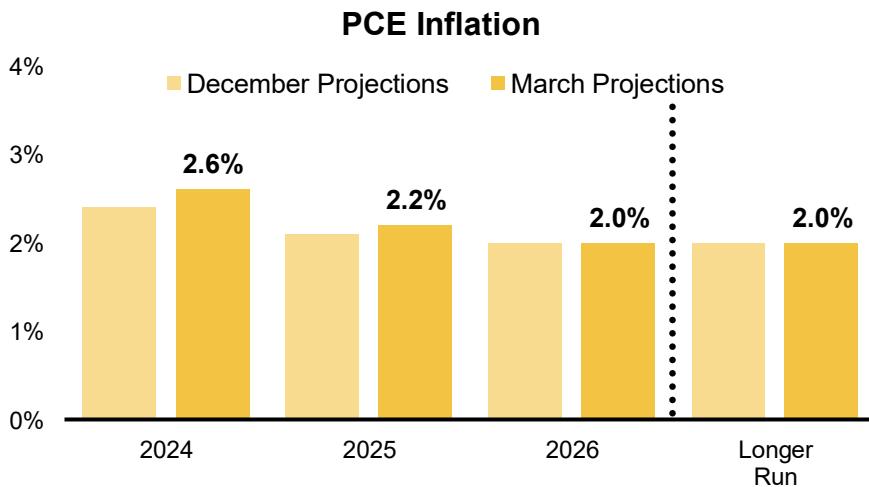
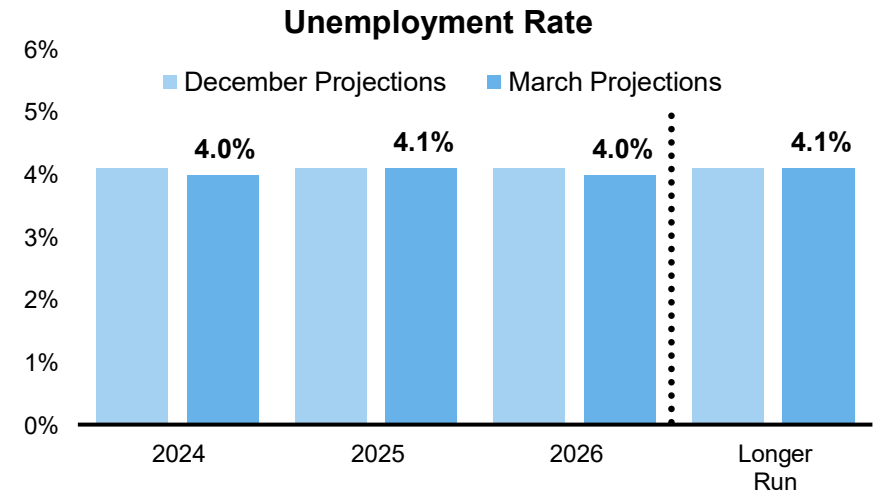
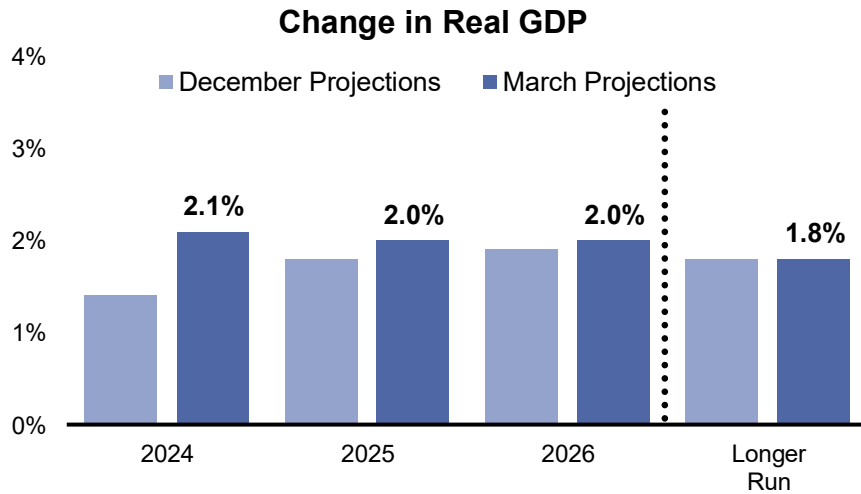
Fed's Updated "Dot Plot" Shows Little Change in 2024 Expectation

Fed Participants' Assessments of 'Appropriate' Monetary Policy



Source: Federal Reserve. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end.

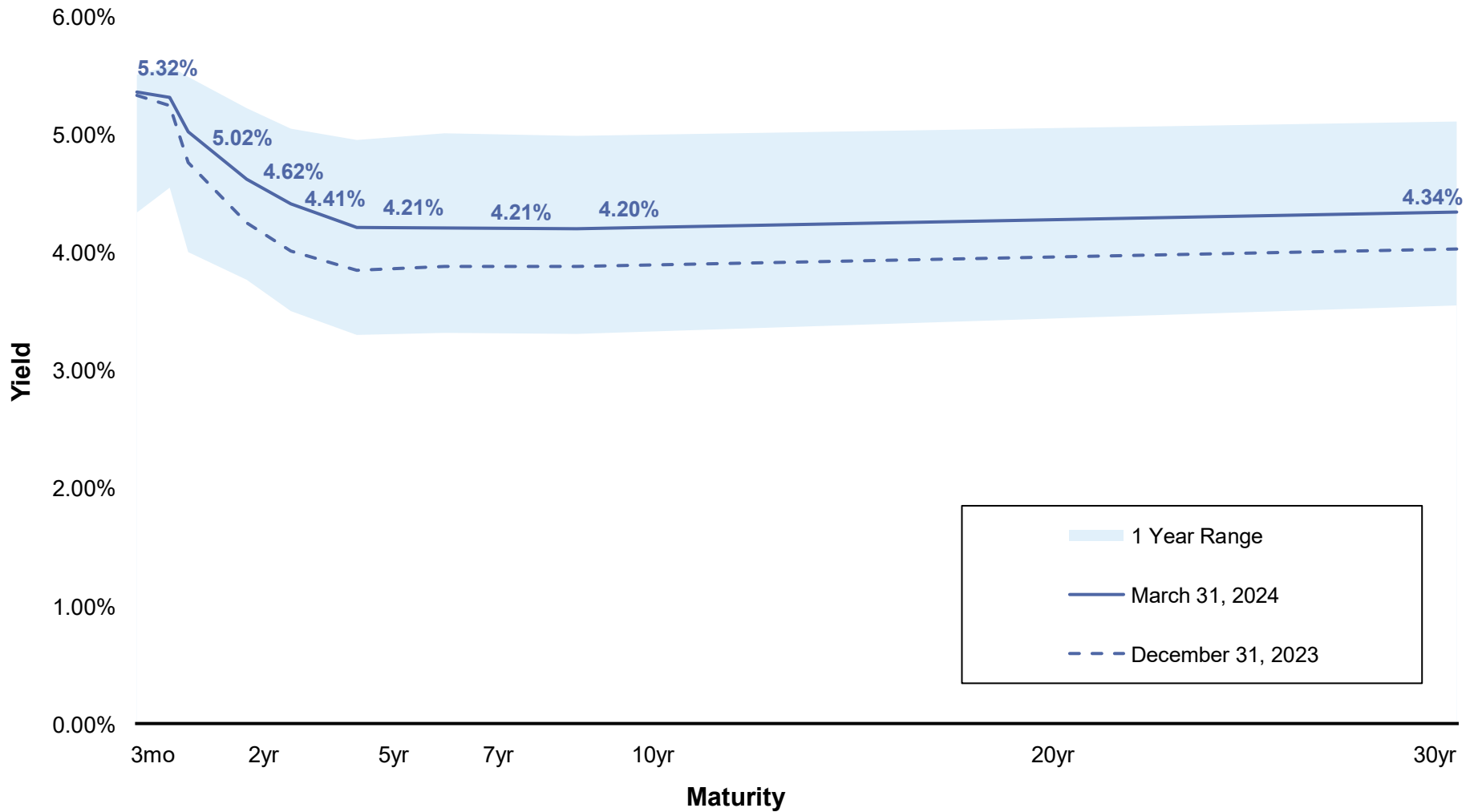
Summary of Economic Projections Show Stronger Economic Story



Source: Federal Reserve, latest economic projections as of March 2024.

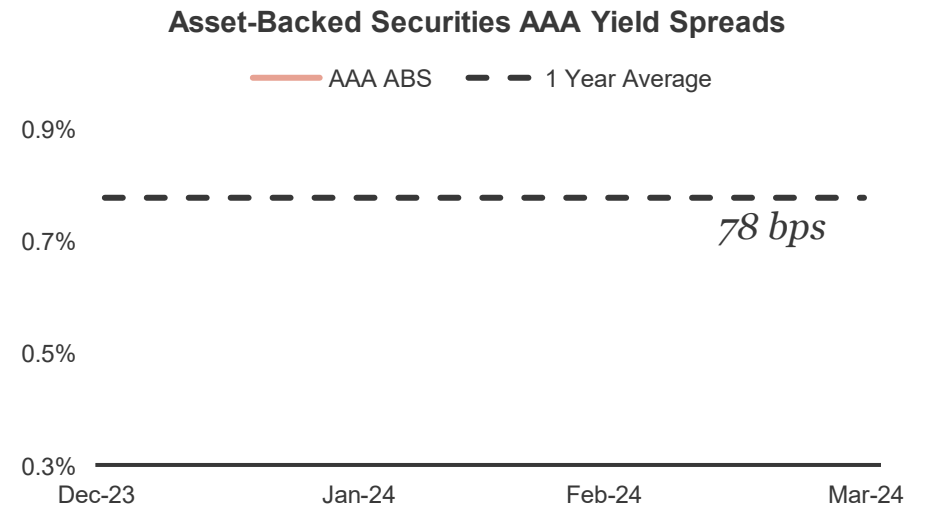
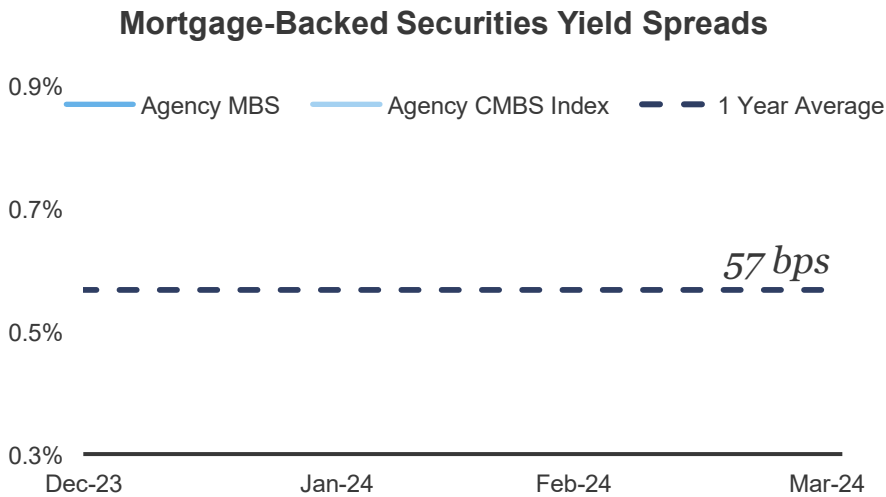
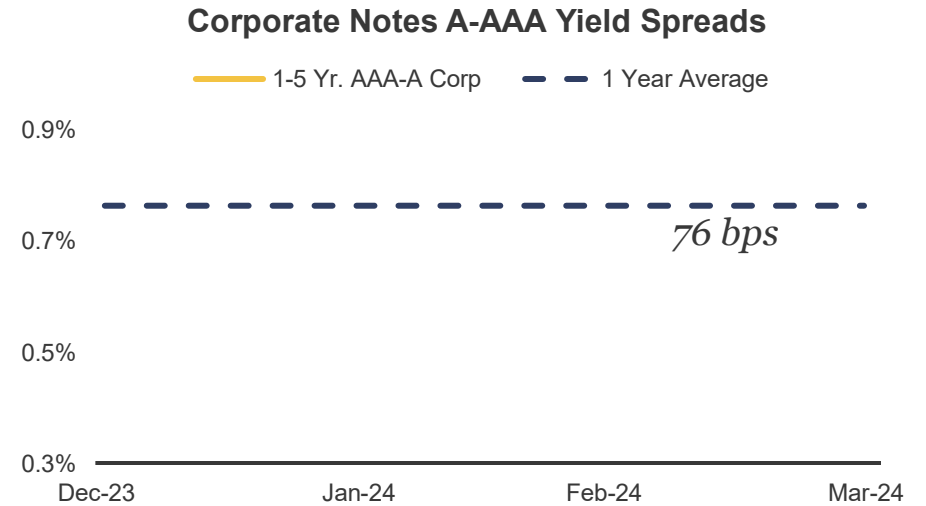
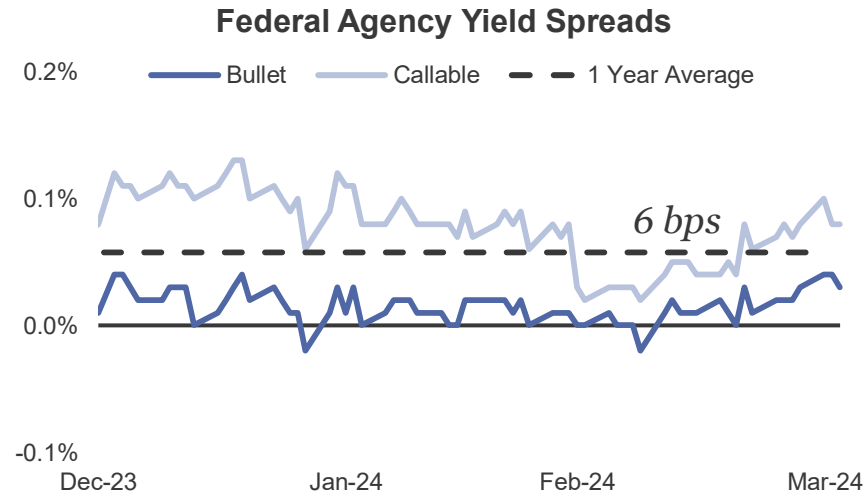
Treasury Yields Move Higher as Market Evolves to Revised Fed Expectations

U.S. Treasury Yield Curve



Source: Bloomberg, as of 3/31/2024.

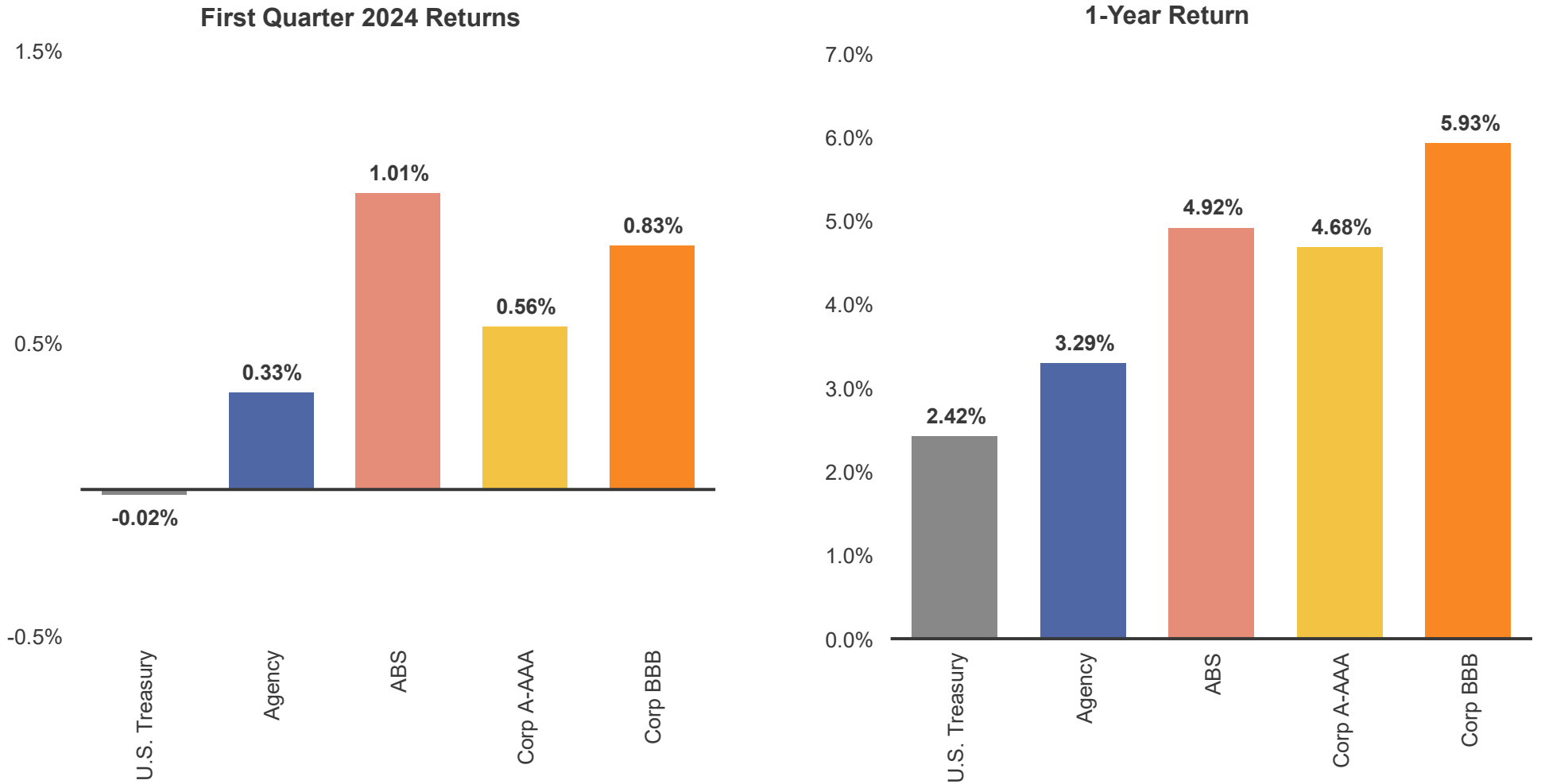
Sector Yield Spreads



Source: ICE BofA 1-5 year Indices via Bloomberg, MarketAxess and PFMAM as of March 31, 2024. Spreads on ABS and MBS are option-adjusted spreads of 0-5 year indices based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries. CMBS is Commercial Mortgage-Backed Securities and represented by the ICE BofA Agency CMBS Index.







Fixed-Income Index Total Returns in 1Q 2024

1-5 Year Indices



Source: ICE BofA Indices. ABS indices are 0-5 year, based on weighted average life. As of March 31, 2024.

Factors to Consider for 6-12 Months

<p>Monetary Policy:</p>  <ul style="list-style-type: none"> Fed guidance implies a soft landing and 3 rate cuts for 2024. Market expectations have been volatile but recently converged to Fed projections. Globally, central banks are nearing the start of cutting cycles with the Swiss central bank being the first to cut. 	<p>Economic Growth:</p>  <ul style="list-style-type: none"> U.S. resiliency continues as expectations for a soft-landing command center stage. Strength is led by consumers supported by a robust labor market. Eurozone growth set to improve in 2024 H2. Although Chinese growth targets seem aspirational, emerging economies are expected to grow. 	<p>Inflation:</p>  <ul style="list-style-type: none"> Inflation continued to moderate but has proven to be stickier than expected, predominantly in housing and other service sectors. Further upside surprises in inflation indicators may complicate the Fed's path for monetary policy.
<p>Financial Conditions:</p>  <ul style="list-style-type: none"> Financial conditions continue to soften as the "Fed pivot" remains in play amid sustained strength in various economic indicators. With interest rates elevated, we continue to focus on identifying potential pockets of stress within financial markets. 	<p>Consumer Spending (U.S.):</p>  <ul style="list-style-type: none"> Consumer confidence reached a multi-year high following strong wage growth, a resilient labor market, and slowly moderating inflation. Hiring and wage growth have played a role in boosting personal income, which combined with record U.S. household net worth, supported spending. 	<p>Labor Markets:</p>  <ul style="list-style-type: none"> The labor market remains strong, but a few indicators are moderating from the extreme tightness of 2022. No sign of weakness in typical economically-sensitive industries, like retail, leisure and hospitality, and construction.

● Current outlook ○ Outlook one quarter ago



Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg. The views expressed within this material constitute the perspective and judgment of PFM Asset Management LLC at the time of distribution (3/31/2024) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness, or suitability.

Account Summary

Fixed-Income Sector Commentary – 1Q 2024

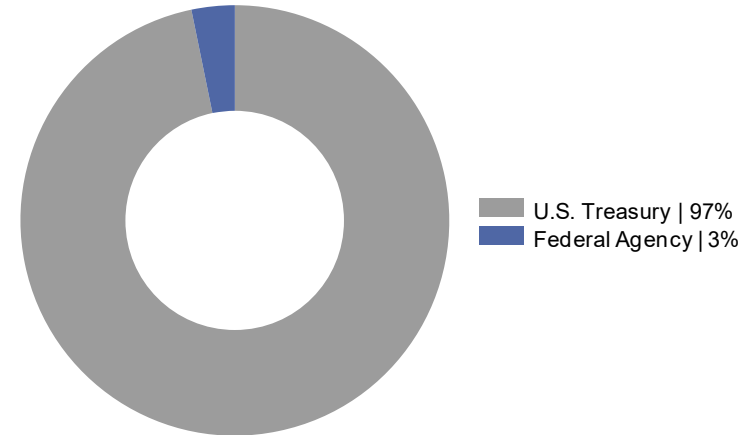
- ▶ **U.S. Treasuries** markets spent the quarter adjusting its expectations as strong economic data and Fed commentary pushed back on the notion that a rate cut was imminent. Yields reflected the repricing and are higher by over 30 basis points for maturities greater than a year.
- ▶ **Federal Agency, Municipal, and Supranational** yield spreads remained low and range bound. These sectors eked out positive excess returns, mostly from their modest incremental income. Callable agencies outperformed bullet agencies, as bond market volatility generally waned from recent multi-year highs.
- ▶ **Investment-Grade (IG) Corporates** produced strong excess returns on robust market demand and continued spread tightening in the sector. IG corporates finished the quarter at their tightest spread levels in over two years. Lower rated issues performed best. With spreads near historical tight, some caution in the sector is warranted.
- ▶ **Asset-Backed Securities** were the strongest-performing fixed income sector. The rally in the sector was led by ongoing optimism regarding the strength of the American consumer and, like IG corporates, robust appetite for investment opportunities in the sector. Incremental income from ABS remains attractive and our fundamental outlook for the economy is supportive for the sector.
- ▶ **Mortgage-Backed Securities** performance was mixed with spreads widening in longer maturity structures. Volatility was relatively muted compared to Q4 and helped bolster returns in the sector. Agency commercial mortgage-backed security spreads tightened more aggressively relative to pass-throughs, resulting in strong relative performance.
- ▶ **Short-term credit** (commercial paper and negotiable bank CDs) yield spreads continued to tighten over the quarter while the credit curve has steepened. Shorter-term maturities are less attractive and we prefer issues with maturities between 6 and 12 months.

Consolidated Summary

Account Summary

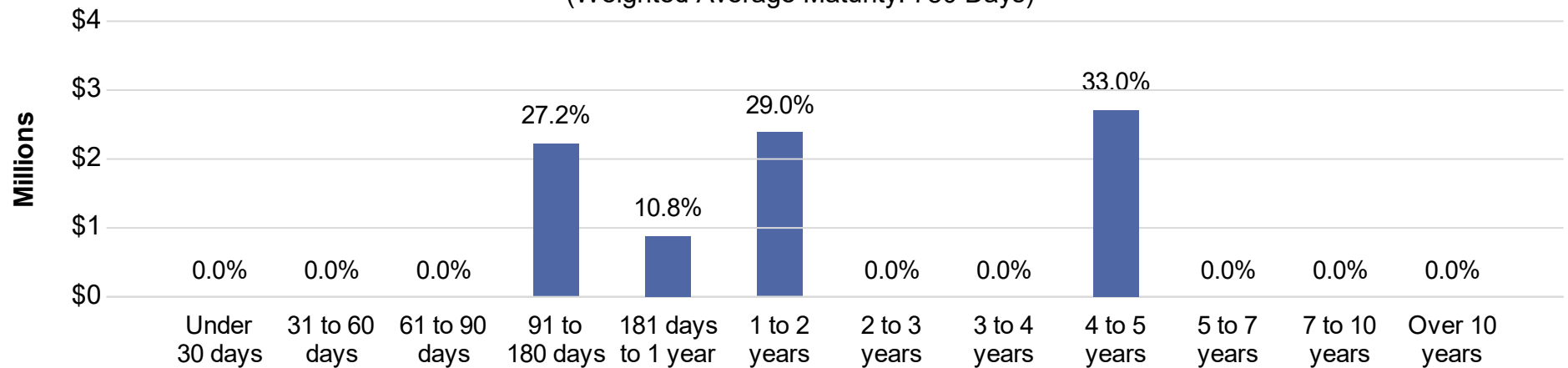
PFMAM Managed Account	\$8,289,743
Total Program	\$8,289,743

Sector Allocation



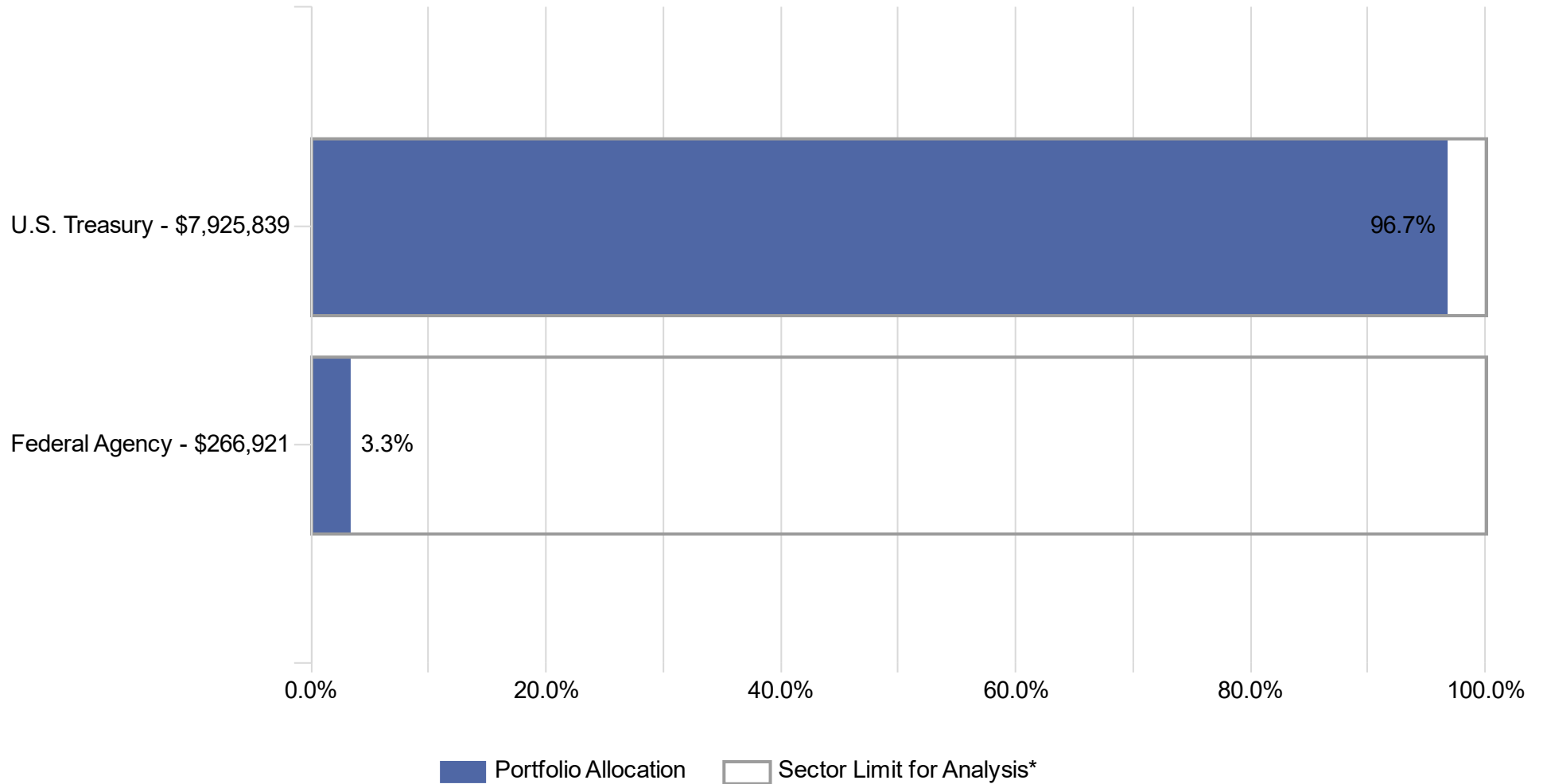
Maturity Distribution

(Weighted Average Maturity: 780 Days)



1. Account summary and sector allocation include market values, accrued interest, and overnight balances. Maturity distribution includes market values and excludes accrued interest and overnight balances

Sector Allocation Analytics



For informational/analytical purposes only and is not provided for compliance assurance. Includes accrued interest.
*Sector Limit for Analysis is as derived from our interpretation of your most recent Investment Policy as provided.

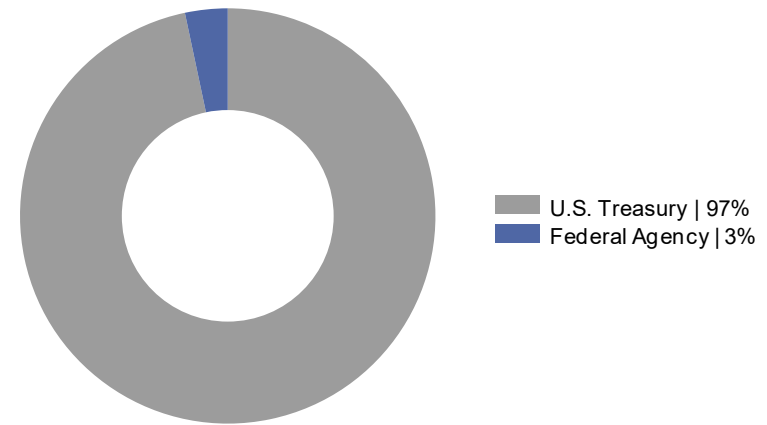
Portfolio Review:
WASHOE RTC BOND PROCEEDS AGG PORTFOLIO

Portfolio Snapshot - WASHOE RTC BOND PROCEEDS AGG PORTFOLIO¹

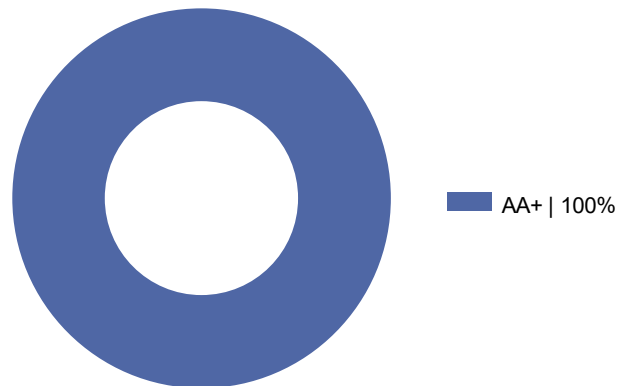
Portfolio Statistics

Total Market Value	\$8,289,742.77
<i>Securities Sub-Total</i>	\$8,175,753.45
<i>Accrued Interest</i>	\$17,006.12
<i>Cash</i>	\$96,983.20
Portfolio Effective Duration	2.10 years
Yield At Cost	2.95%
Yield At Market	4.78%
Portfolio Credit Quality	AA

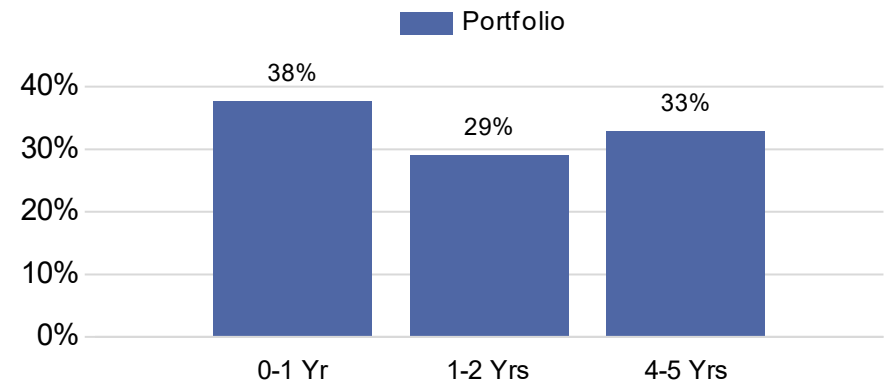
Sector Allocation



Credit Quality - S&P²



Duration Distribution

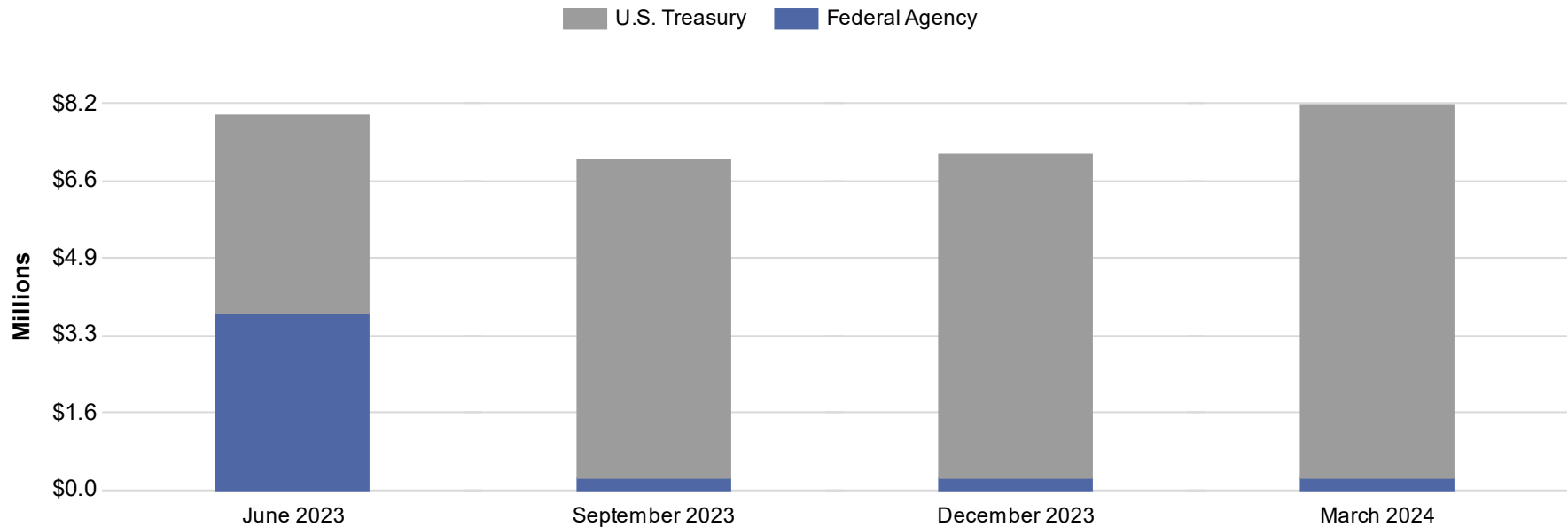


1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest.

2. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

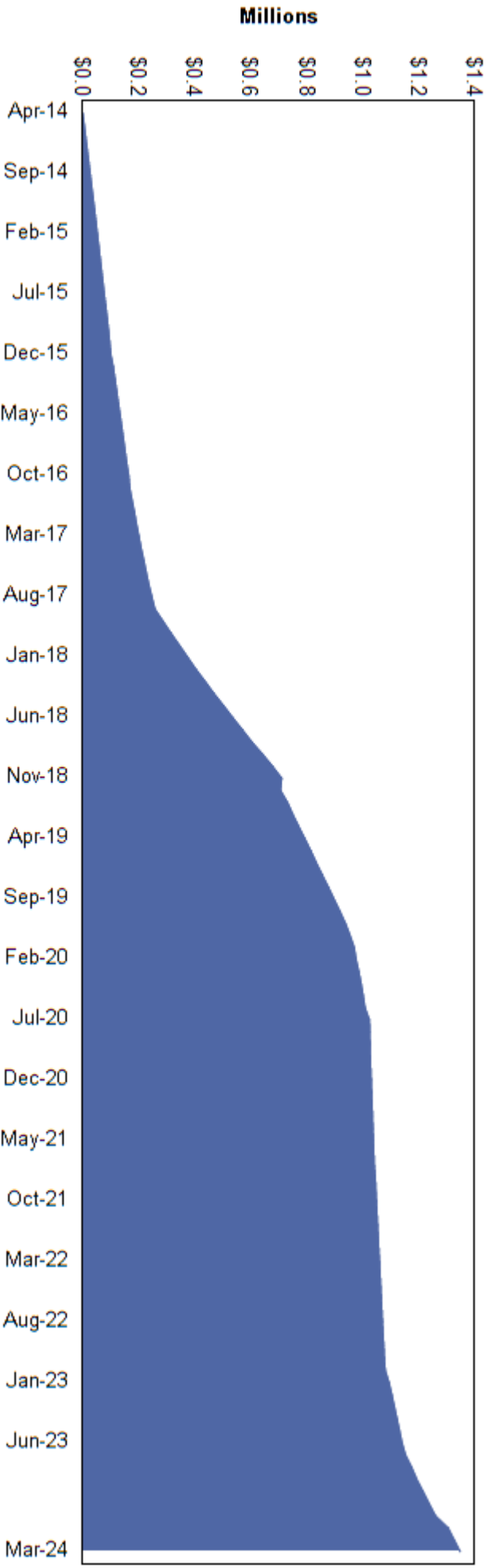
Sector Allocation Review - WASHOE RTC BOND PROCEEDS AGG PORTFOLIO

Security Type	Jun 23	% of Total	Sep 23	% of Total	Dec 23	% of Total	Mar 24	% of Total
U.S. Treasury	\$4.2	52.9%	\$6.7	96.3%	\$6.9	96.3%	\$7.9	96.7%
Federal Agency	\$3.7	47.1%	\$0.3	3.7%	\$0.3	3.7%	\$0.3	3.3%
Total	\$8.0	100.0%	\$7.0	100.0%	\$7.1	100.0%	\$8.2	100.0%



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

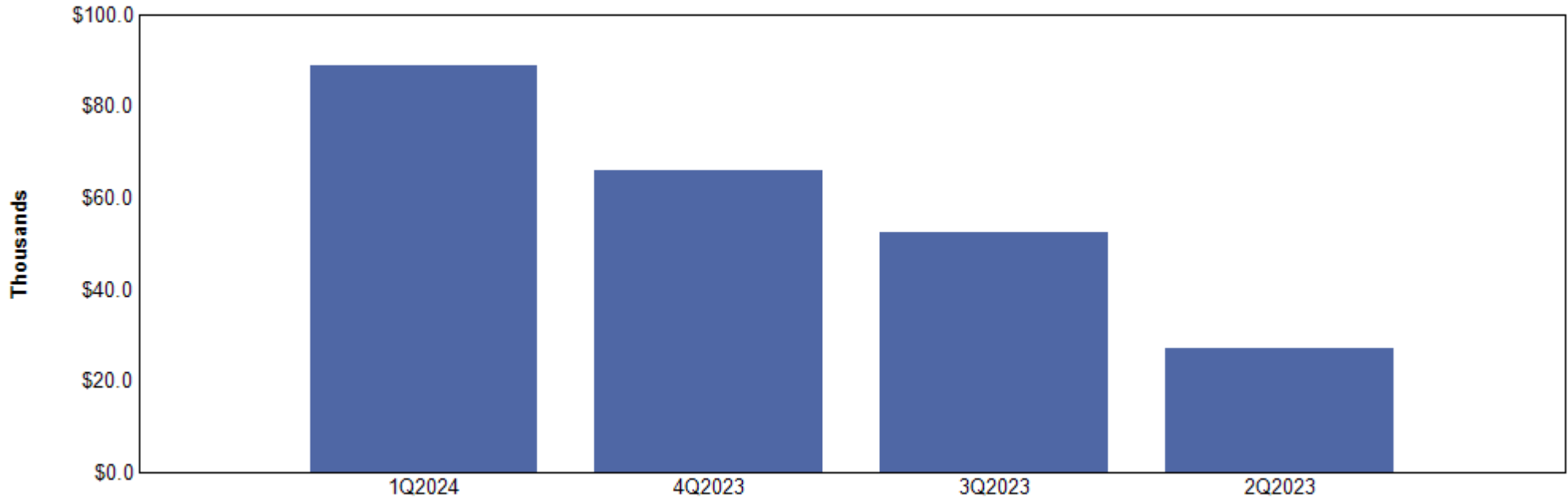
Accrual Basis Earnings - WASHOE RTC BOND PROCEEDS AGG PORTFOLIO



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	10 Year ¹
Interest Earned ²	\$32,814	\$114,020	\$214,094	\$421,667	\$1,204,434
Realized Gains / (Losses) ³	\$20,915	\$20,915	\$22,479	\$30,610	(\$4,560)
Change in Amortized Cost	\$35,238	\$99,940	\$76,568	\$123,872	\$152,174
Total Earnings	\$88,967	\$234,875	\$313,142	\$576,148	\$1,352,048

1. The lesser of 10 years or since inception is shown. Performance inception date is March 31, 2012.
2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.
3. Realized gains / (losses) are shown on an amortized cost basis.

Accrual Basis Earnings - WASHOE RTC BOND PROCEEDS AGG PORTFOLIO



Accrual Basis Earnings	1Q2024	4Q2023	3Q2023	2Q2023
Interest Earned ¹	\$32,814	\$38,207	\$28,009	\$14,990
Realized Gains / (Losses) ²	\$20,915	-	-	-
Change in Amortized Cost	\$35,238	\$27,906	\$24,527	\$12,269
Total Earnings	\$88,967	\$66,113	\$52,536	\$27,259

1. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

2. Realized gains / (losses) are shown on an amortized cost basis.

Portfolio Holdings and Transactions

Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody s / Fitch
U.S. Treasury	96.7%	
UNITED STATES TREASURY	96.7%	AA / Aaa / AA
Federal Agency	3.3%	
FREDDIE MAC	3.3%	AA / Aaa / AA
Total	100.0%	

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY NOTES DTD 07/31/2019 1.750% 07/31/2024	912828Y87	2,245,000.00	AA+	Aaa	8/13/2021	8/16/2021	2,333,309.18	0.41	6,583.89	2,254,893.90	2,218,691.29
US TREASURY NOTES DTD 01/31/2018 2.500% 01/31/2025	9128283V0	900,000.00	AA+	Aaa	1/16/2024	1/17/2024	880,734.38	4.64	3,770.60	884,536.80	880,875.00
US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026	91282CBH3	2,280,000.00	AA+	Aaa	1/6/2023	1/9/2023	2,044,340.63	4.00	1,432.83	2,138,773.01	2,107,931.14
US TREASURY NOTES DTD 07/31/2021 1.000% 07/31/2028	91282CCR0	3,100,000.00	AA+	Aaa	1/16/2024	1/17/2024	2,727,273.44	3.92	5,195.05	2,744,143.98	2,701,359.22
Security Type Sub-Total		8,525,000.00					7,985,657.63	3.03	16,982.37	8,022,347.69	7,908,856.65
Federal Agency											
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	285,000.00	AA+	Aaa	9/23/2020	9/25/2020	284,142.15	0.44	23.75	284,746.03	266,896.80
Security Type Sub-Total		285,000.00					284,142.15	0.44	23.75	284,746.03	266,896.80
Managed Account Sub Total		8,810,000.00					8,269,799.78	2.95	17,006.12	8,307,093.72	8,175,753.45
Securities Sub Total		\$8,810,000.00					\$8,269,799.78	2.95%	\$17,006.12	\$8,307,093.72	\$8,175,753.45
Accrued Interest											\$17,006.12
Total Investments											\$8,192,759.57

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
1/16/2024	1/17/2024	3,100,000.00	91282CCR0	US TREASURY NOTES	1.00%	7/31/2028	2,741,594.09	3.92%	
1/16/2024	1/17/2024	900,000.00	9128283V0	US TREASURY NOTES	2.50%	1/31/2025	891,128.40	4.63%	
Total BUY		4,000,000.00					3,632,722.49		0.00
INTEREST									
1/2/2024	1/2/2024		MONEY0002	MONEY MARKET FUND			4,588.35		
1/31/2024	1/31/2024	2,245,000.00	912828Y87	US TREASURY NOTES	1.75%	7/31/2024	19,643.75		
1/31/2024	1/31/2024	3,100,000.00	91282CCR0	US TREASURY NOTES	1.00%	7/31/2028	15,500.00		
1/31/2024	1/31/2024	2,280,000.00	91282CBH3	US TREASURY NOTES	0.37%	1/31/2026	4,275.00		
1/31/2024	1/31/2024	900,000.00	9128283V0	US TREASURY NOTES	2.50%	1/31/2025	11,250.00		
2/1/2024	2/1/2024		MONEY0002	MONEY MARKET FUND			2,464.64		
3/1/2024	3/1/2024		MONEY0002	MONEY MARKET FUND			375.03		
3/23/2024	3/23/2024	285,000.00	3137EAEX3	FREDDIE MAC NOTES	0.37%	9/23/2025	534.38		
Total INTEREST		8,810,000.00					58,631.15		0.00
SELL									
1/16/2024	1/17/2024	2,700,000.00	912828Y95	US TREASURY NOTES	1.87%	7/31/2026	2,583,324.05		20,915.42
Total SELL		2,700,000.00					2,583,324.05		20,915.42

Important Disclosures

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- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

Glossary

- **Accrued Interest:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **Agencies:** Federal agency securities and/or Government-sponsored enterprises.
- **Amortized Cost:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets _ usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **Bankers' Acceptance:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **Commercial Paper:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **Contribution to Total Return:** The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- **Effective Duration:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **Effective Yield:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **Interest Rate:** Interest per year divided by principal amount and expressed as a percentage.
- **Market Value:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.
- **Negotiable Certificates of Deposit:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **Par Value:** The nominal dollar face amount of a security.
- **Pass-through Security:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

Glossary

- Repurchase Agreements: A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- Settle Date: The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- Supranational: A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- Trade Date: The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- Unsettled Trade: A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- U.S. Treasury: The department of the U.S. government that issues Treasury securities.
- Yield: The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- YTM at Cost: The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- YTM at Market: The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.