



City of Salem
CITY OF SALEM AND SALEM URA
FINANCE COMMITTEE
MEETING AGENDA
September 26, 2022 4:00 PM

View Via YouTube: https://www.youtube.com/channel/UCQLj9RKZNHu4wfYcs_TC0TA

Si necesita ayuda para comprender esta información, por favor llame 503-588-6274

PARTICIPANTS

Board Members

Councilor Jose Gonzalez, Chair
Councilor Virginia Stapleton
Councilor Vanessa Nordyke
Councilor Micki Varney
Alternate-Councilor Linda Nishioka

Staff

Keith Stahley, City Manager
Dan Atchison, City Attorney
Josh Eggleston, Chief Financial Officer
Jenny Mattecheck, Chief Accountant
Jeremy Morgan, Supervisor
Anja Hill, Treasury Supervisor
Kelli Blechschmidt, Management Analyst I
Shengnan Thomas, Administrative Analyst I

AGENDA

1. Welcome and call to order
2. Approval of Minutes
 - a. May 23, 2022 (Package page 3)
3. Public Comment - Appearance of persons wishing to address the Board on any matter other than those which appear on this Agenda
4. Action Item
5. Management Update/Information Items
 - a. Quarterly Investment Report (FY 2021-22 4th quarter) (Package page 4)
6. Continued Business
7. New Business
8. Adjourn

Next Meeting: October 24, 2022

This meeting is being conducted virtually, with remote attendance by the governing body. No in-person attendance is possible. Interested persons may view the meeting online on [YouTube](#). To sign up to testify via Zoom or to submit public comment, contact the Finance Department via email at finance@cityofsalem.net or telephone at 503-588-6040 the day of the meeting by 1PM.

Special accommodations are available, upon request, for persons with disabilities or those needing sign language interpretation, or languages other than English. To request accommodations or services, please call 503-540-2371 (TTD/TTY 503-588-6439) at least two business days in advance.

It is the City of Salem's policy to assure that no person shall be discriminated against on the grounds of race, religion, color, sex, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, and source of income, as provided by Salem Revised Code 97. The City of Salem also fully complies with Title VI of the Civil Rights Act of 1964, Americans with Disabilities Act of 1990, and related statutes and regulations, in all programs and activities.

Finance Committee of the City of Salem and the Urban Renewal Agency Minutes

DATE: May 23, 2022

STAFF LIAISON:

Josh Eggleston

503-588-6130

JEggleston@cityofsalem.net

CHAIRPERSON: Tom Andersen

PLACE: Zoom

Members Present:

Chair Andersen
Councilor Stapleton
Councilor Gonzalez
Councilor Varney

Staff Present:

Jenny Mattecheck, Chief Accountant
Kelli Blechschmidt, Management Analyst I
Shengnan Thomas, Administrative Analyst I

Members Absent:

Alternate-Councilor Nordyke

1. CALL TO ORDER: 4:00 PM / Quorum
2. APPROVAL OF COMMITTEE MINUTES
 - a. March 28, 2022
Motion was moved by Member Stapleton, seconded by Member Varney and carried by the following vote:

Aye: Unanimous
Nay: None
Abstentions: None
3. MANAGEMENT UPDATE / INFORMATION ITEMS
 - a. Quarterly Investment Report (FY 2021-22 3rd quarter) was provided for Committee review
Questions or comments by: Chair Andersen
Responses by: Jenny Mattecheck, Chief Accountant
 - b. Council Policy C-7 Amendment Status Update presented by Jenny Mattecheck, Chief Accountant
Questions or comments by: Chair Andersen, Member Stapleton, and Member Gonzalez
Responses by: Jenny Mattecheck, Chief Accountant

Motion was moved by Member Stapleton, seconded by Member Varney and carried by the following vote:

Aye: Unanimous
Nay: None
Abstentions: None
4. ADJOURNMENT: 4:11 PM

The next meeting is scheduled for Monday, June 27, 2022 at 4:00 PM.



CITY OF SALEM, OR

Investment Performance Review For the Quarter Ended June 30, 2022

Client Management Team

Lauren Brant, Managing Director
Allison Kaune, Senior Analyst
Robert Cheddar, CFA, Managing Director

PFM Asset Management LLC

13010 SW 68th Pkwy
Tigard, OR 97223
503-837-8445

213 Market Street
Harrisburg, PA 17101-2141
717-232-2723

NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE

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Agenda

- Market Update
- Account Summary
- Portfolio Reviews
- Portfolio Holdings and Transactions

Market Update

Current Market Themes



- ▶ The U.S. economy is characterized by:
 - ▶ High inflation
 - ▶ A strong labor market
 - ▶ Depressed consumer confidence
 - ▶ Growing potential for economic recession



- ▶ The Federal Reserve is tightening monetary policy
 - ▶ More aggressive rate hikes to battle persistent inflation
 - ▶ Short-term fed funds rate projected to reach 3.25% to 3.75% by year-end
 - ▶ Start of balance sheet reduction; pace to double beginning in September

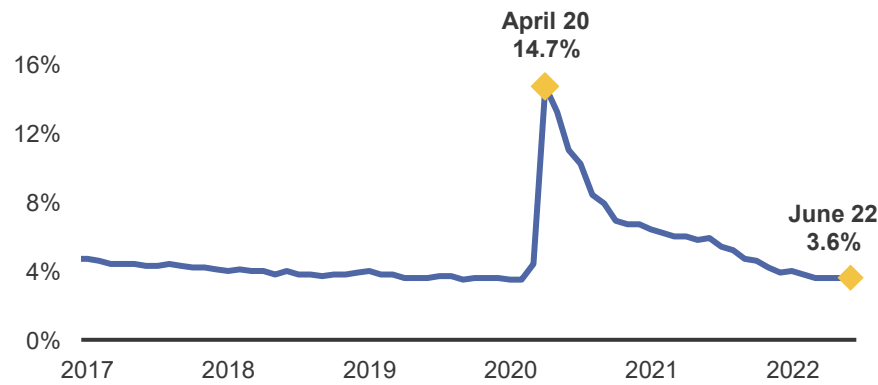


- ▶ Asset prices have fallen sharply in 2022 as a result of:
 - ▶ The impact of higher rates on bond prices and equity valuations
 - ▶ Wider credit spreads
 - ▶ High commodity prices, rising labor costs, and the continuing conflict in Ukraine
 - ▶ High levels of volatility and uncertainty

Strong Labor Market and Spending Provide Momentum Against Signs of Economic Slowing

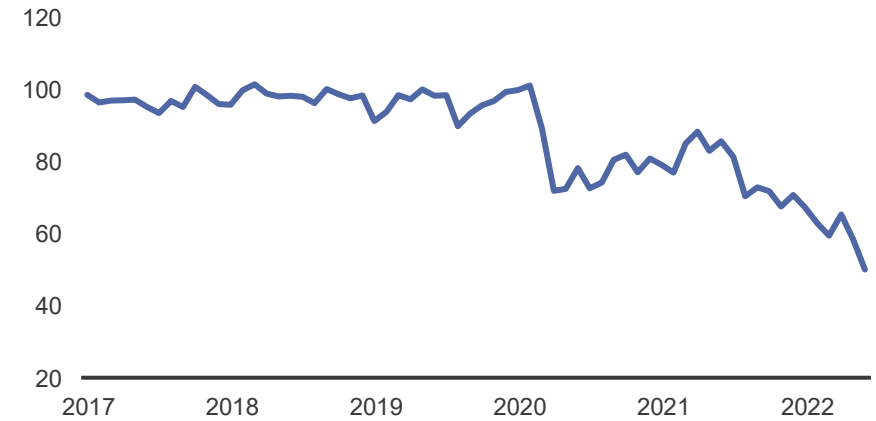
Tailwinds

U.S. Unemployment Rate

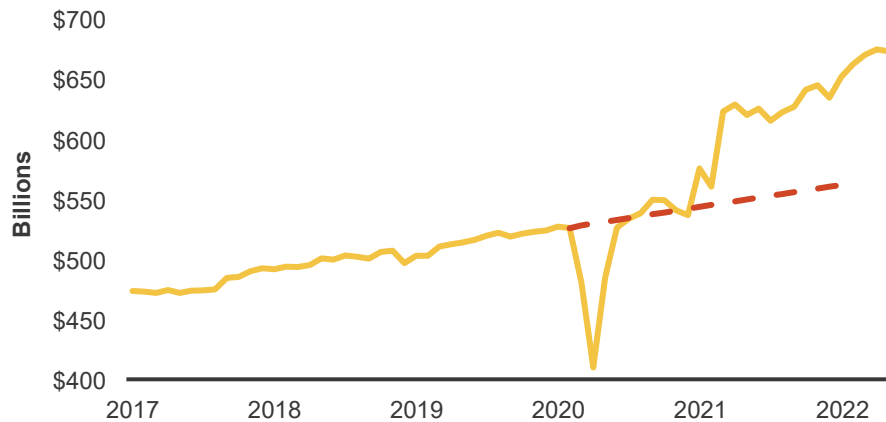


Headwinds

Index of Consumer Sentiment



Retail Sales (Monthly)



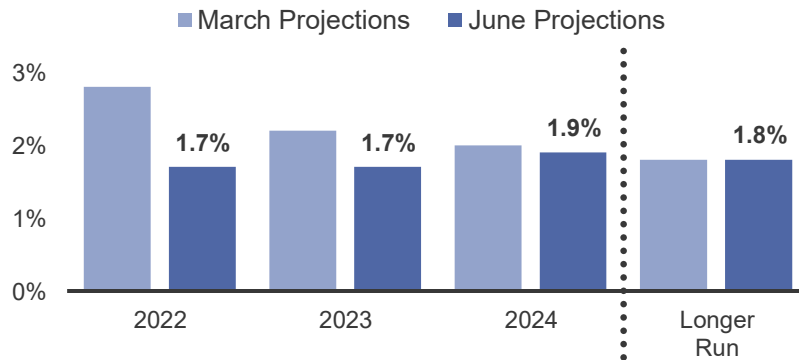
Existing Home Sales



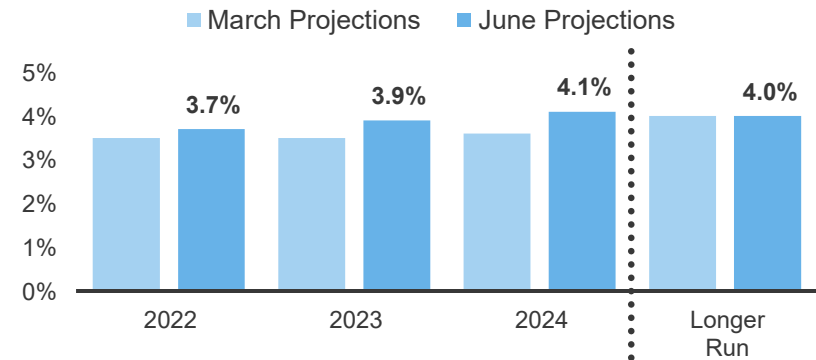
Source: Bloomberg, as of June 2022.

Fed's Updated Projections Show More Expected Inflation, Lower Growth

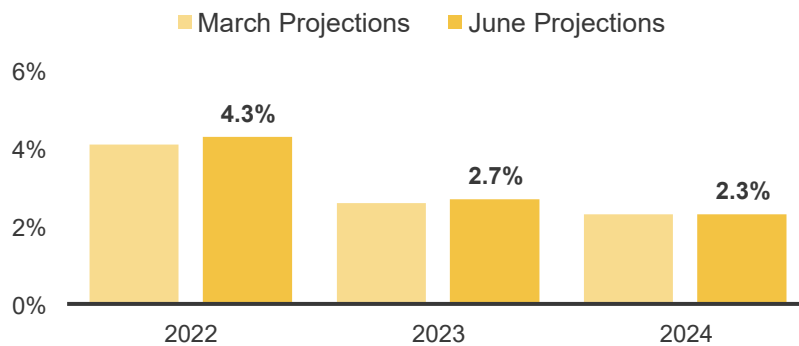
Change in Real GDP



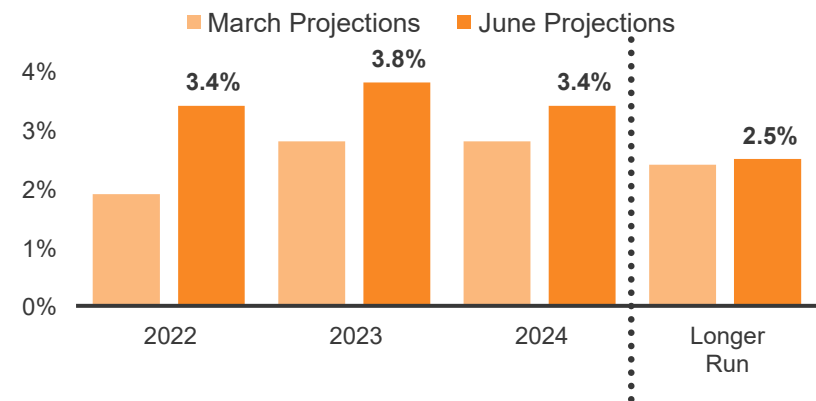
Unemployment Rate



Core PCE Inflation



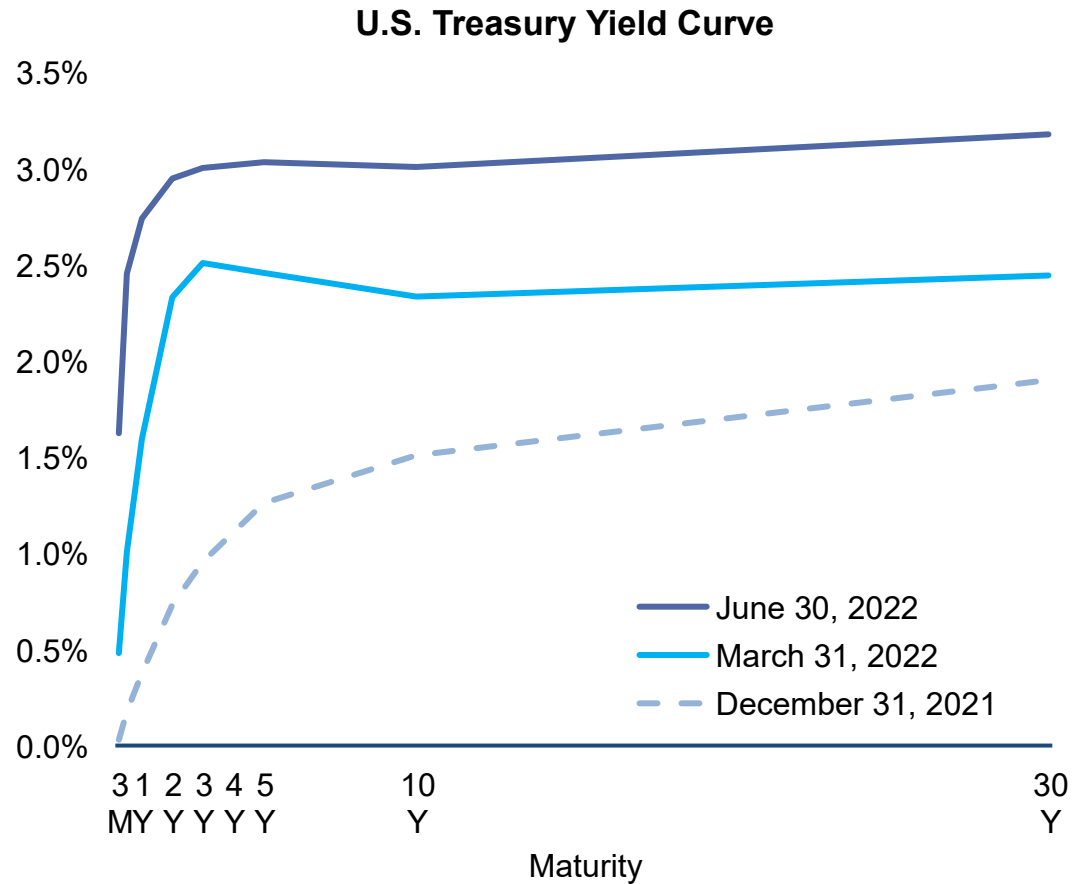
Federal Funds Rate



Source: Federal Reserve, latest economic projections as of June 2022.

Treasury Yields Move Higher Across the Curve; Curve Remains Flat Beyond 2-Years

| | 2Q2022 6/30/22 | 1Q2022 3/31/22 | QoQ Change |
|---------|-------------------|-------------------|---------------|
| 3-month | 1.63% | 0.48% | +1.15% |
| 1-year | 2.74% | 1.60% | +1.14% |
| 2-year | 2.95% | 2.33% | +0.62% |
| 3-year | 3.01% | 2.51% | +0.50% |
| 5-year | 3.04% | 2.46% | +0.58% |
| 10-year | 3.01% | 2.34% | +0.67% |
| 30-year | 3.18% | 2.45% | +0.73% |



Source: Bloomberg, as of 6/30/2022.

Sector Yield Spreads Widened in the Second Quarter

1-5 Year Indices

Federal Agency Yield Spreads



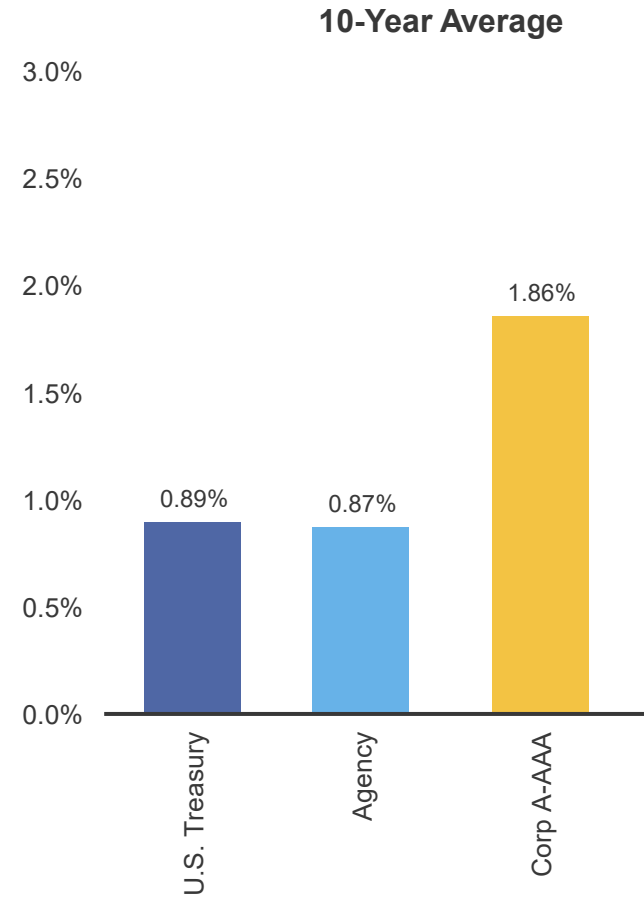
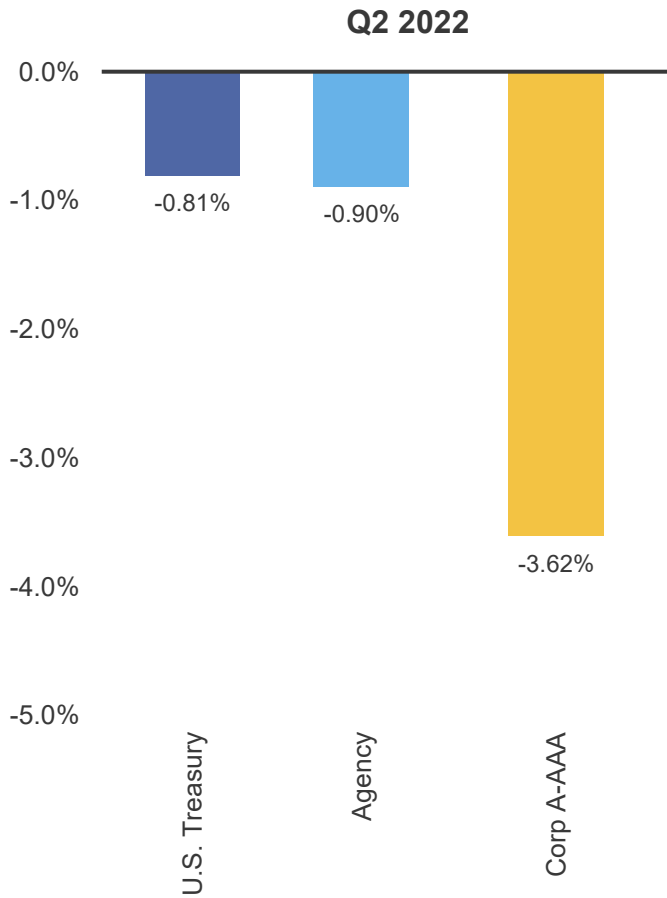
Corporate Notes A-AAA Yield Spreads



Source: ICE BofAML 1-5 year Indices via Bloomberg, MarketAxess and PFMAM as of 6/30/2022. Spreads on agencies are relative to comparable maturity Treasuries.

Rising Rates and Wider Spreads Hurt Fixed-Income Returns in the Second Quarter

1-5 Year Indices



Source: ICE BofAML Indices. As of 6/30/2022.

Fixed-Income Sector Commentary — Second Quarter 2022

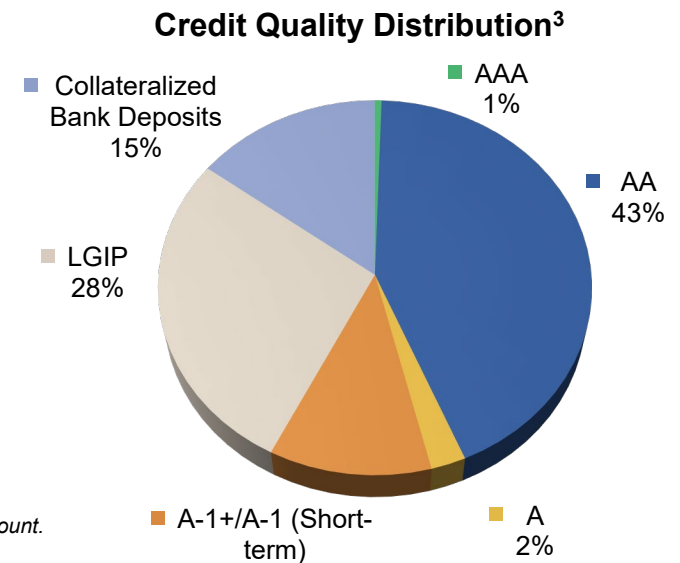
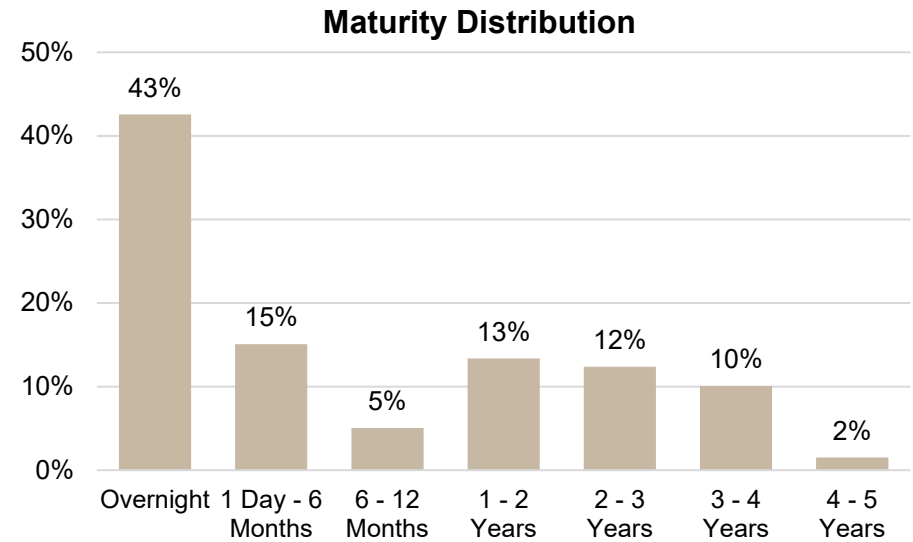
- ▶ **U.S. Treasury** securities posted negative returns for more than two quarters. Yields continued to move higher on surging inflation data and expectations for aggressive Fed rate hikes over the course of 2022.
- ▶ The **Federal Agency** sector generated modest incremental returns over Treasuries in the quarter but continue to offer narrow yield spreads and limited value.
- ▶ Investment grade **Corporates** appear to have priced in a recession on the horizon, however, fundamentals and ratings are expected to stabilize while also carrying a low default rate. Yield spreads have been driven wider to historically attractive levels as uncertainties persist.
- ▶ **Taxable Municipals** were one of the few investment grade sectors that performed well during the quarter. But while issuance has slowed despite appearing at attractive levels, deals remain heavily oversubscribed, pressuring spreads lower.
- ▶ **Commercial Paper** spreads remain elevated and attractive, particularly on maturities near nine months which have heightened value and a steeper curve.
- ▶ Rising interest rates led to negative total return performance for most fixed-income indices and portfolios, including the City of Salem's Long-Term Portfolio, as unrealized market value losses were greater than realized earnings. The City's portfolio, however, outperformed its benchmark due to the portfolio's shorter, more conservative, duration.

Account Summary

The portfolio is in compliance with applicable state statutes and the City's Investment Policy C-7.

| Quarter Ended June 30, 2022 – 2Q22 ¹ | |
|---|-----------------|
| Quarterly Summary | |
| Market Value (MV) | \$380,787,688 |
| Amortized Cost | \$388,344,973 |
| Portfolio Yield on Cost | 0.97% |
| Weighted Average Maturity | 1.00 years |
| Cash Basis Earnings for Quarter ² | \$737,018 |
| Accrual Basis Earnings for Quarter ² | \$593,220 |
| Quarterly Change | |
| Amortized Cost – 2Q22 | \$388,344,973 |
| Beginning MV – 2Q22 | \$420,871,022 |
| Net Contributions | (\$51,425,735) |
| Change in Cash | \$12,631,519.49 |
| Change in MV | (\$1,289,119) |
| Ending MV – 2Q22 | \$380,787,688 |

| Sector Distribution ¹ | | | | |
|----------------------------------|----------------------|----------------------|----------------|-------------------|
| Sector | Amortized Cost | Market Value | % of Portfolio | Allowed by Policy |
| U.S. Treasuries | \$142,578,019 | \$138,042,189 | 36% | 100% |
| Federal Agencies | \$17,282,123 | \$16,622,405 | 4% | 100% |
| Commercial Paper | \$28,978,891 | \$28,886,997 | 8% | 35% |
| Corporate Notes | \$37,432,022 | \$35,162,178 | 9% | |
| LGIP | \$105,378,057 | \$105,378,057 | 28% | ORS limit |
| Collateralized Deposit Accounts | \$56,695,861 | \$56,695,861 | 15% | 100% |
| Total | \$388,344,973 | \$380,787,688 | 100% | |



1. Combined portfolio includes funds in the PFAM-managed portfolios, funds in the Oregon LGIP, and the City's US Bank account. Portfolio values are as of June 30, 2022 and exclude accrued interest on the PFAM-managed funds.
 2. Excludes earnings on LGIP and deposit accounts.
 3. Ratings by Standard & Poor's (S&P).
 4. Callable securities are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.

Account Summary

| CITY OF SALEM LONG-TERM PORTFOLIO | | | |
|-----------------------------------|----------------------|------------------------|----------------------|
| Portfolio Values | <u>June 30, 2022</u> | Analytics ¹ | <u>June 30, 2022</u> |
| PFMAM Managed Account | \$167,690,194 | Yield at Market | 2.99% |
| Amortized Cost | \$174,954,359 | Yield on Cost | 1.20% |
| Market Value | \$167,690,194 | Portfolio Duration | 2.11 |
| Accrued Interest | \$467,084 | | |
| Cash | \$0 | | |

| CITY OF SALEM SHORT TERM PORTFOLIO | | | |
|------------------------------------|----------------------|------------------------|----------------------|
| Portfolio Values | <u>June 30, 2022</u> | Analytics ¹ | <u>June 30, 2022</u> |
| PFMAM Managed Account | \$43,249,881 | Yield at Market | 2.13% |
| Amortized Cost | \$43,462,869 | Yield on Cost | 0.35% |
| Market Value | \$43,249,881 | Portfolio Duration | 0.27 |
| Accrued Interest | \$0 | | |
| Cash | \$0 | | |

| CITY OF SALEM WATER-SEWER REV BOND 2020 | | | |
|---|----------------------|------------------------|----------------------|
| Portfolio Values | <u>June 30, 2022</u> | Analytics ¹ | <u>June 30, 2022</u> |
| PFMAM Managed Account | \$7,773,695 | Yield at Market | 2.48% |
| Amortized Cost | \$7,853,827 | Yield on Cost | 0.40% |
| Market Value | \$7,773,695 | Portfolio Duration | 0.49 |
| Accrued Interest | \$75,663 | | |
| Cash | \$0 | | |

1. Yield at market, yield on cost, and portfolio duration only include investments held within the separately managed account(s), excludes balances invested in overnight funds.

Issuer Diversification

| Security Type / Issuer | Market Value (%) | S&P / Moody's / Fitch |
|-------------------------|------------------|-----------------------|
| U.S. Treasury | 63.1% | |
| UNITED STATES TREASURY | 63.1% | AA / Aaa / AAA |
| Federal Agency | 7.6% | |
| FANNIE MAE | 2.7% | AA / Aaa / AAA |
| FEDERAL HOME LOAN BANKS | 2.0% | AA / Aaa / NR |
| FREDDIE MAC | 2.8% | AA / Aaa / AAA |
| Commercial Paper | 13.2% | |
| CREDIT SUISSE GROUP RK | 6.4% | A / Aa / A |
| ROYAL BANK OF CANADA | 6.8% | AA / Aa / AA |
| Corporate | 16.1% | |
| AMAZON.COM INC | 2.1% | AA / A / AA |
| APPLE INC | 3.5% | AA / Aaa / NR |
| BANK OF AMERICA CO | 1.1% | A / A / AA |
| BLACKROCK INC | 0.9% | AA / Aa / NR |
| CHEVRON CORPORATION | 1.7% | AA / Aa / NR |
| JP MORGAN CHASE & CO | 2.1% | A / A / AA |
| MICROSOFT CORP | 0.9% | AAA / Aaa / AAA |
| PROCTER & GAMBLE CO | 1.4% | AA / Aa / NR |
| TORONTO-DOMINION BANK | 1.0% | A / A / AA |
| VISA INC | 0.3% | AA / Aa / NR |
| WAL-MART STORES INC | 1.0% | AA / Aa / 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.

Certificate of Compliance

During the reporting period for the quarter ended June 30, 2022, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management LLC*

Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Asset and Investment Management ("AIM").

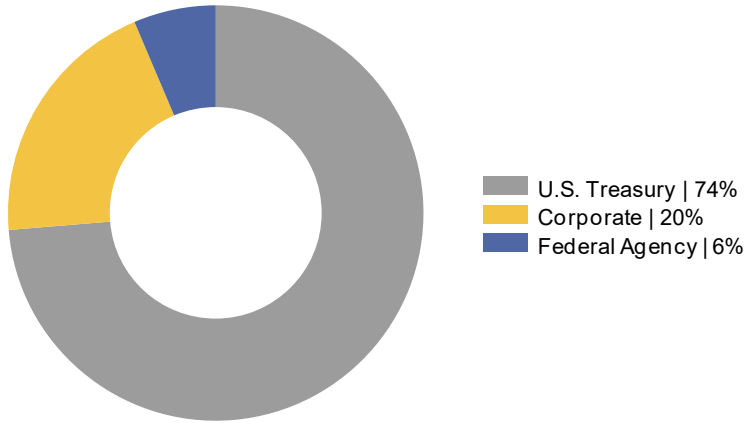
Portfolio Review:
CITY OF SALEM LONG-TERM PORTFOLIO

Portfolio Snapshot - CITY OF SALEM LONG-TERM PORTFOLIO¹

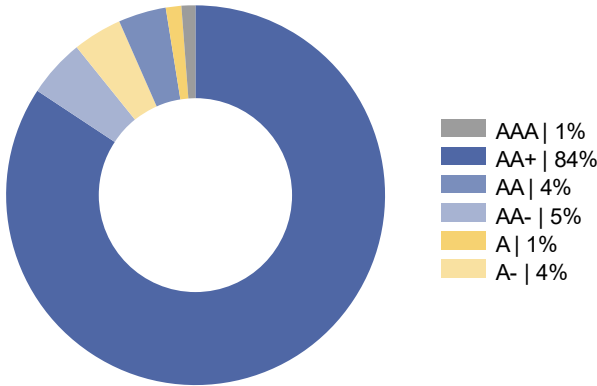
Portfolio Statistics

| | |
|-------------------------------------|------------------|
| Total Market Value | \$168,157,277.58 |
| <i>Securities Sub-Total</i> | \$167,690,193.81 |
| <i>Accrued Interest</i> | \$467,083.77 |
| <i>Cash</i> | \$0.00 |
| Portfolio Effective Duration | 2.11 years |
| Benchmark Effective Duration | 2.52 years |
| Yield At Cost | 1.20% |
| Yield At Market | 2.99% |
| Portfolio Credit Quality | AA |

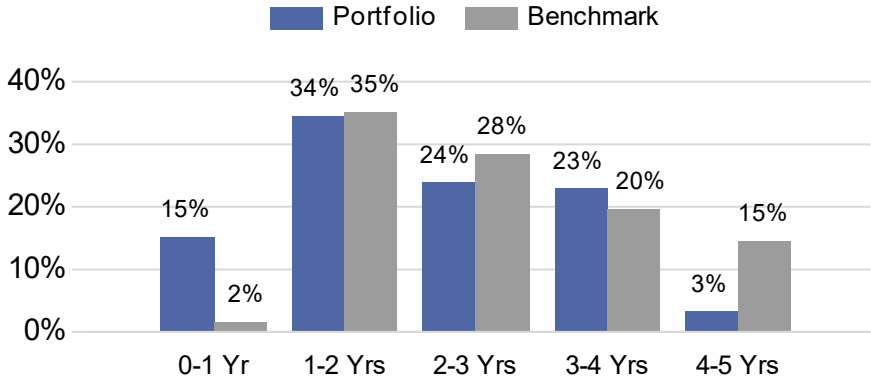
Sector Allocation



Credit Quality - S&P



Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interests. The portfolio's benchmark is currently the ICE BofAML 1-5 Year U.S Treasury Index. Prior to 12/31/19 it was the 1-3 Year U.S Treasury Index. Prior to 6/30/16 it was the ICE BofAML 0-3 Year U.S Treasury Index. Source: Bloomberg. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

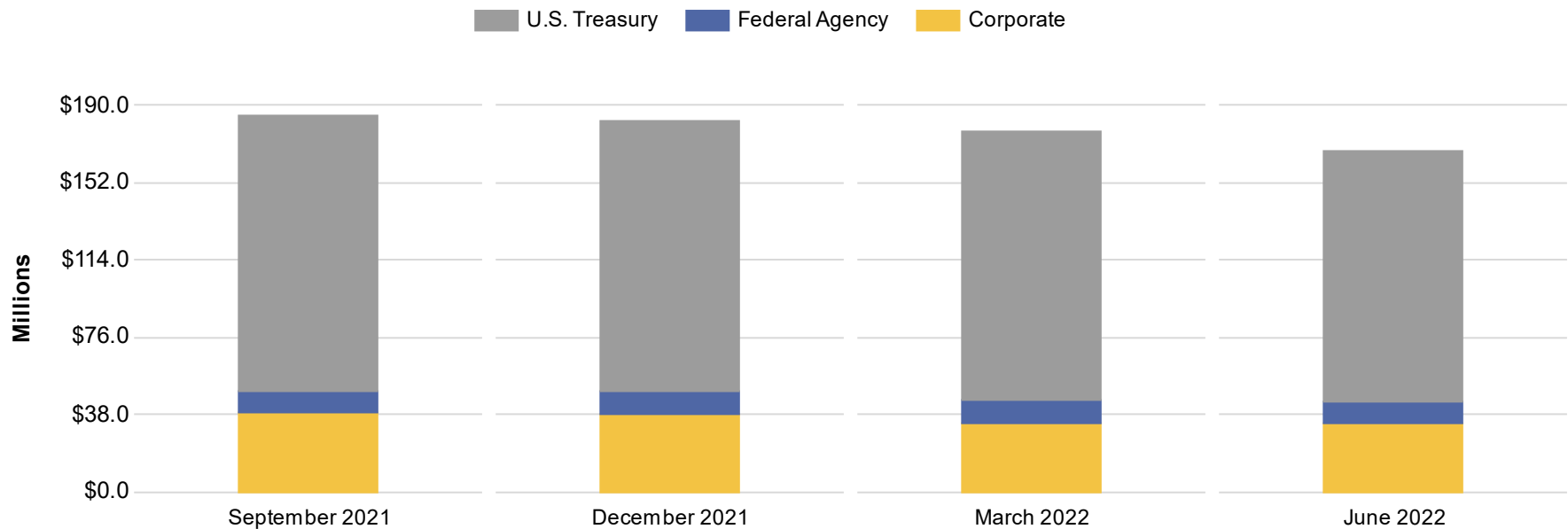
Issuer Diversification - CITY OF SALEM LONG-TERM PORTFOLIO

| Security Type / Issuer | Market Value (%) | S&P / Moody's / Fitch |
|-------------------------|------------------|-----------------------|
| U.S. Treasury | 73.7% | |
| UNITED STATES TREASURY | 73.7% | AA / Aaa / AAA |
| Federal Agency | 6.4% | |
| FEDERAL HOME LOAN BANKS | 2.7% | AA / Aaa / NR |
| FREDDIE MAC | 3.7% | AA / Aaa / AAA |
| Corporate | 19.9% | |
| AMAZON.COM INC | 2.7% | AA / A / AA |
| APPLE INC | 4.1% | AA / Aaa / NR |
| BANK OF AMERICA CO | 1.4% | A / A / AA |
| BLACKROCK INC | 1.2% | AA / Aa / NR |
| CHEVRON CORPORATION | 2.3% | AA / Aa / NR |
| JP MORGAN CHASE & CO | 2.8% | A / A / AA |
| MICROSOFT CORP | 1.2% | AAA / Aaa / AAA |
| PROCTER & GAMBLE CO | 1.5% | AA / Aa / NR |
| TORONTO-DOMINION BANK | 1.3% | A / A / AA |
| WAL-MART STORES INC | 1.4% | AA / Aa / 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.

Sector Allocation Review - CITY OF SALEM LONG-TERM PORTFOLIO

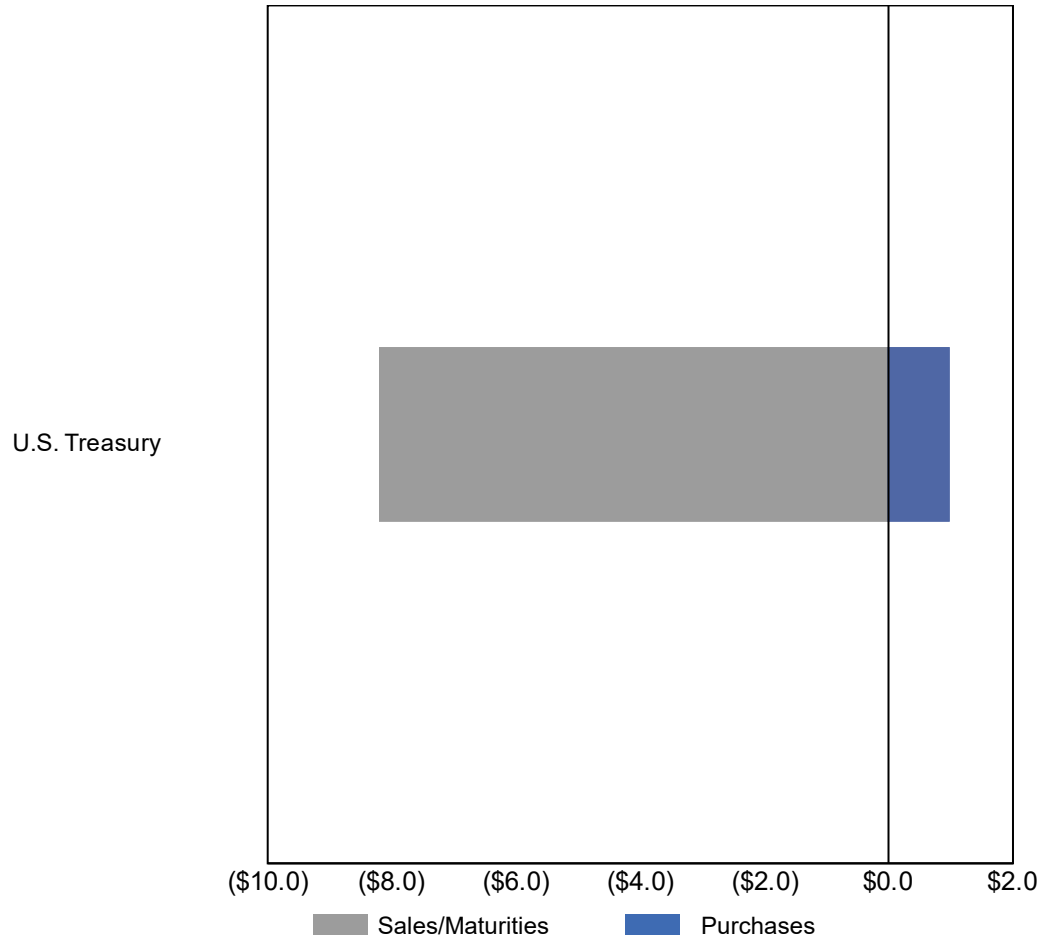
| Security Type | Sep-21 | % of Total | Dec-21 | % of Total | Mar-22 | % of Total | Jun-22 | % of Total |
|----------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|
| U.S. Treasury | \$134.6 | 72.9% | \$133.1 | 72.9% | \$132.0 | 74.7% | \$123.7 | 73.7% |
| Federal Agency | \$11.2 | 6.1% | \$11.1 | 6.1% | \$10.8 | 6.1% | \$10.7 | 6.4% |
| Corporate | \$38.6 | 21.0% | \$38.2 | 21.0% | \$34.0 | 19.2% | \$33.3 | 19.9% |
| Total | \$184.5 | 100.0% | \$182.5 | 100.0% | \$176.7 | 100.0% | \$167.7 | 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.

Portfolio Activity - CITY OF SALEM LONG-TERM PORTFOLIO

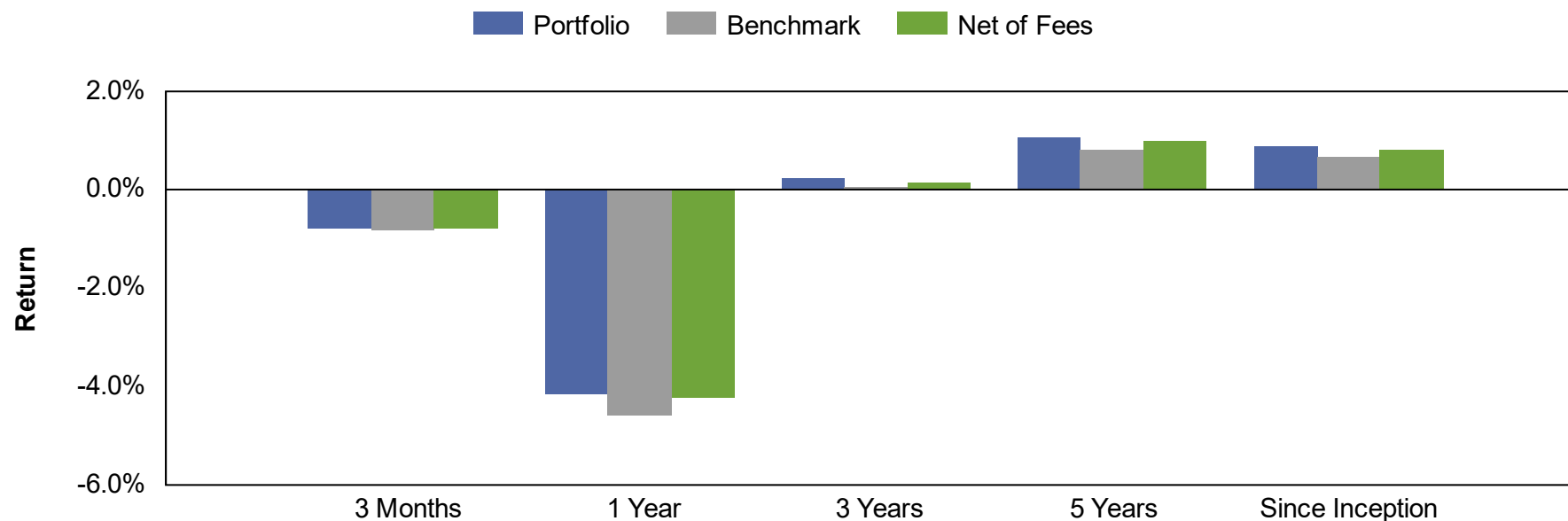
Net Activity by Sector
(\$ millions)



| Sector | Net Activity |
|---------------------------|----------------------|
| U.S. Treasury | (\$7,192,710) |
| Total Net Activity | (\$7,192,710) |

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

Portfolio Performance - CITY OF SALEM LONG-TERM PORTFOLIO



| Market Value Basis Earnings | 3 Months | 1 Year | 3 Years | 5 Years | Since Inception ¹ |
|---------------------------------|----------------------|----------------------|------------------|--------------------|------------------------------|
| Interest Earned ² | \$551,182 | \$2,475,950 | \$8,895,751 | \$12,618,337 | \$18,199,434 |
| Change in Market Value | (\$1,918,391) | (\$10,128,056) | (\$8,022,848) | (\$5,891,766) | (\$8,481,046) |
| Total Dollar Return | (\$1,367,209) | (\$7,652,106) | \$872,903 | \$6,726,571 | \$9,718,388 |
| Total Return³ | | | | | |
| Portfolio | -0.77% | -4.17% | 0.23% | 1.07% | 0.87% |
| Benchmark ⁴ | -0.81% | -4.61% | 0.04% | 0.82% | 0.66% |
| Basis Point Fee | 0.02% | 0.07% | 0.07% | 0.07% | 0.07% |
| Net of Fee Return | -0.79% | -4.23% | 0.16% | 1.00% | 0.80% |

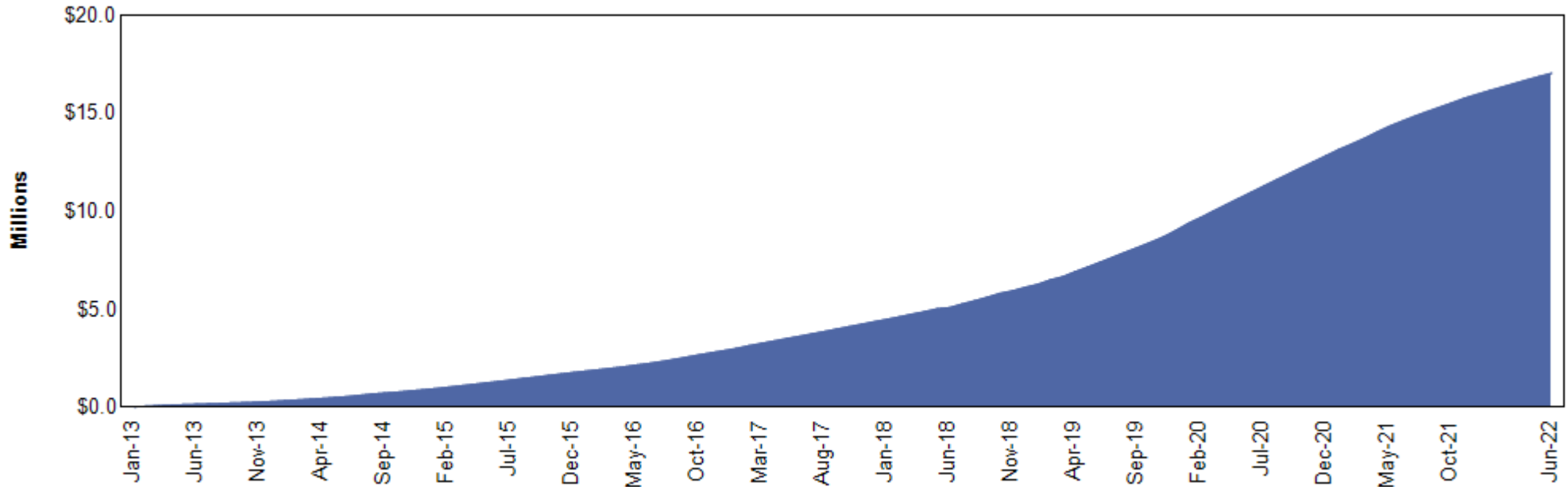
1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is December 31, 2012.

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

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

4. The portfolio's benchmark is currently the ICE BofAML 1-5 Year U.S Treasury Index. Prior to 12/31/19 is was the 1-3 Year U.S Treasury Index. Prior to 6/30/16 it was the ICE BofAML 0-3 Year U.S Treasury Index. Source: Bloomberg.

Accrual Basis Earnings - CITY OF SALEM LONG-TERM PORTFOLIO



| Accrual Basis Earnings | 3 Months | 1 Year | 3 Years | 5 Year | Since Inception ¹ |
|--|------------------|--------------------|--------------------|---------------------|------------------------------|
| Interest Earned ² | \$551,182 | \$2,475,950 | \$8,895,751 | \$12,618,337 | \$18,199,434 |
| Realized Gains / (Losses) ³ | - | \$54,899 | \$221,950 | (\$222,311) | (\$60,687) |
| Change in Amortized Cost | (\$22,223) | (\$69,353) | \$529,352 | \$1,035,877 | (\$1,082,401) |
| Total Earnings | \$528,959 | \$2,461,497 | \$9,647,053 | \$13,431,903 | \$17,056,346 |

1. The lesser of 10 years or since inception is shown. Performance inception date is December 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.

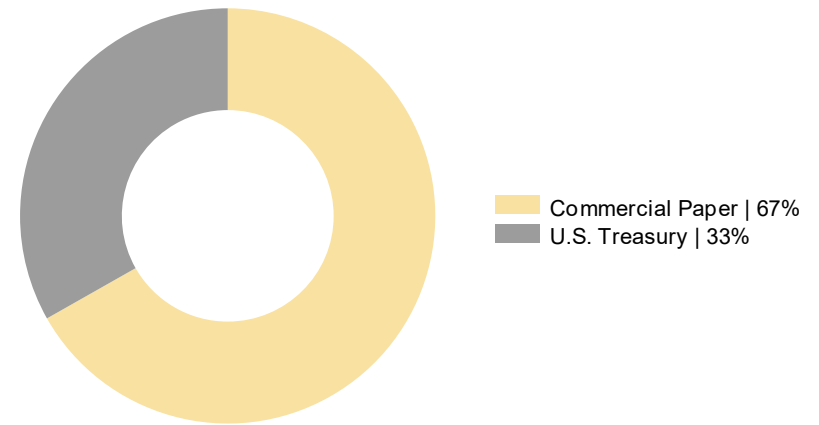
Portfolio Review:
CITY OF SALEM SHORT TERM PORTFOLIO

Portfolio Snapshot - CITY OF SALEM SHORT TERM PORTFOLIO¹

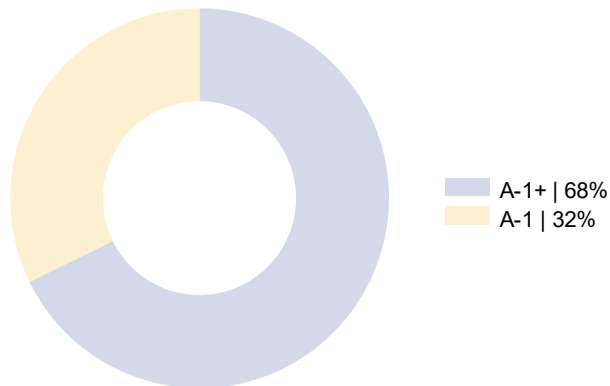
Portfolio Statistics

| | |
|-------------------------------------|-----------------|
| Total Market Value | \$43,249,880.65 |
| <i>Securities Sub-Total</i> | \$43,249,880.65 |
| <i>Accrued Interest</i> | \$0.00 |
| <i>Cash</i> | \$0.00 |
| Portfolio Effective Duration | 0.27 years |
| Yield At Cost | 0.35% |
| Yield At Market | 2.13% |
| Portfolio Credit Quality | AA |

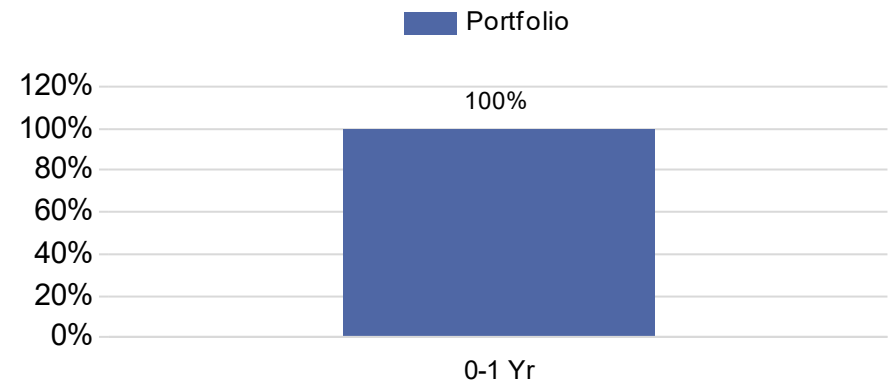
Sector Allocation



Credit Quality - S&P



Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interests. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

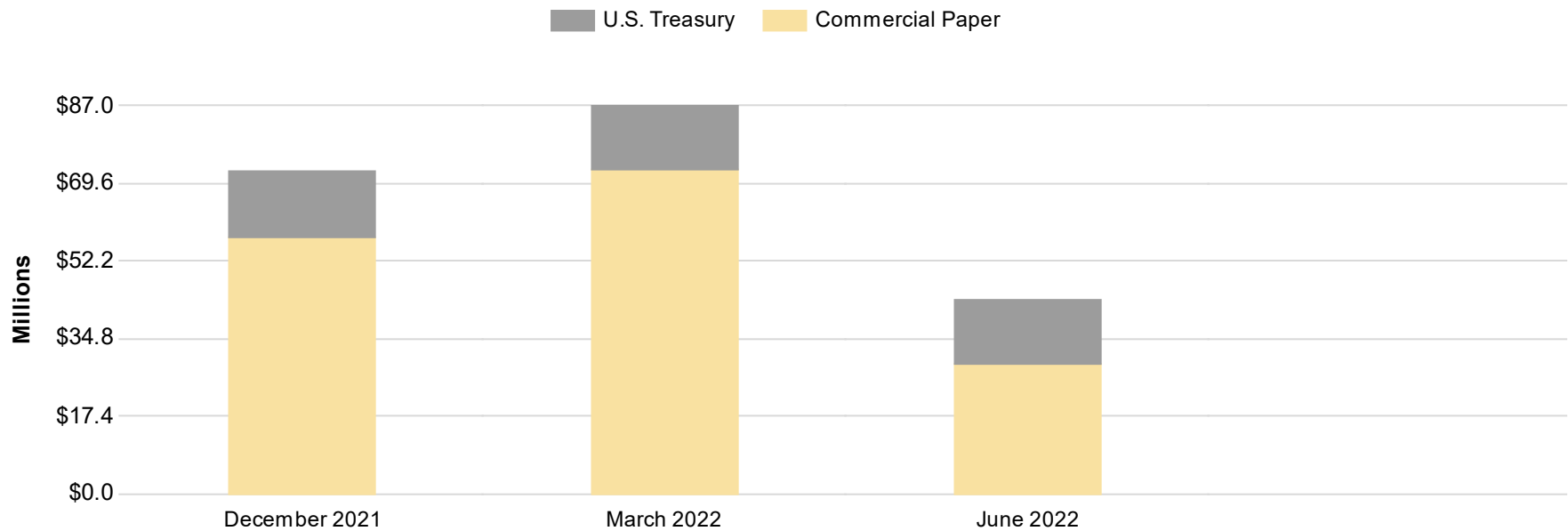
Issuer Diversification - CITY OF SALEM SHORT TERM PORTFOLIO

| Security Type / Issuer | Market Value (%) | S&P / Moody's / Fitch |
|-------------------------|------------------|-----------------------|
| U.S. Treasury | 33.2% | |
| UNITED STATES TREASURY | 33.2% | AA / Aa / AA |
| Commercial Paper | 66.8% | |
| CREDIT SUISSE GROUP RK | 32.3% | A / Aa / A |
| ROYAL BANK OF CANADA | 34.5% | AA / Aa / 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.

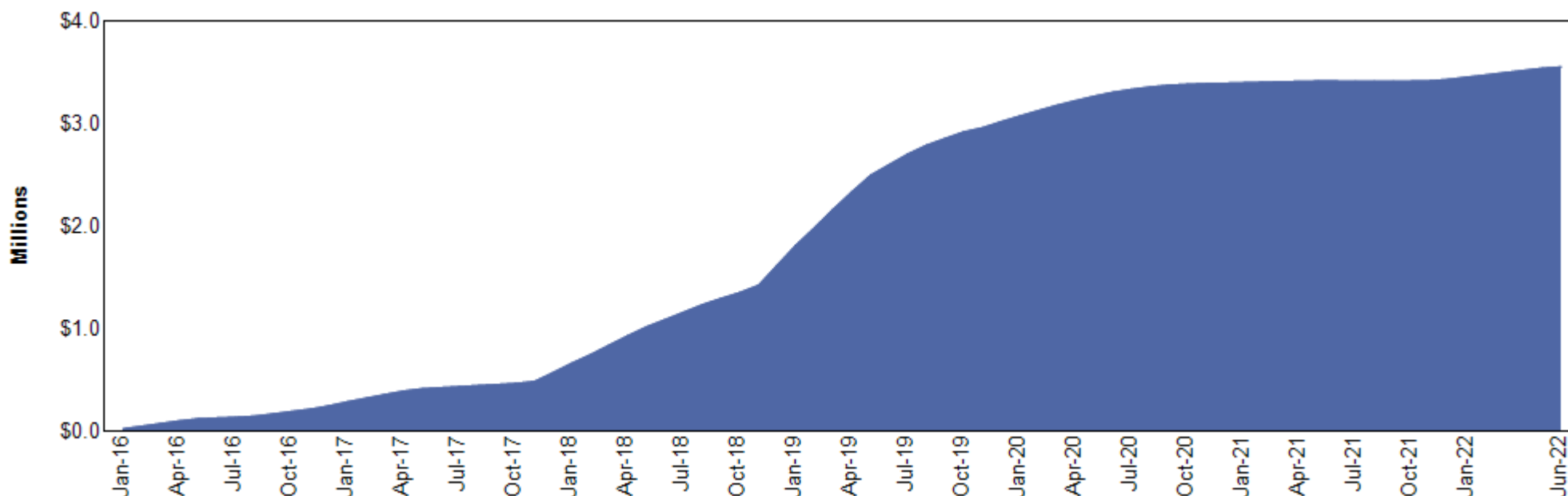
Sector Allocation Review - CITY OF SALEM SHORT TERM PORTFOLIO

| Security Type | Dec-21 | % of Total | Mar-22 | % of Total | Jun-22 | % of Total | % of Total | |
|------------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|-------------|
| U.S. Treasury | \$14.5 | 20.1% | \$14.4 | 16.6% | \$14.4 | 33.2% | \$0.0 | 0.0% |
| Commercial Paper | \$57.6 | 79.9% | \$72.5 | 83.4% | \$28.9 | 66.8% | \$0.0 | 0.0% |
| Total | \$72.1 | 100.0% | \$86.9 | 100.0% | \$43.2 | 100.0% | \$0.0 | 0.0% |



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 - CITY OF SALEM SHORT TERM PORTFOLIO



| Accrual Basis Earnings | 3 Months | 1 Year | 3 Years | 5 Year | Since Inception ¹ |
|--|-----------------|------------------|------------------|--------------------|------------------------------|
| Interest Earned ² | - | - | \$282,253 | \$635,662 | \$708,682 |
| Realized Gains / (Losses) ³ | - | - | - | - | \$4,369 |
| Change in Amortized Cost | \$55,607 | \$136,314 | \$670,834 | \$2,492,117 | \$2,841,243 |
| Total Earnings | \$55,607 | \$136,314 | \$953,087 | \$3,127,779 | \$3,554,294 |

1. The lesser of 10 years or since inception is shown. Performance inception date is January 1, 1900.

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.

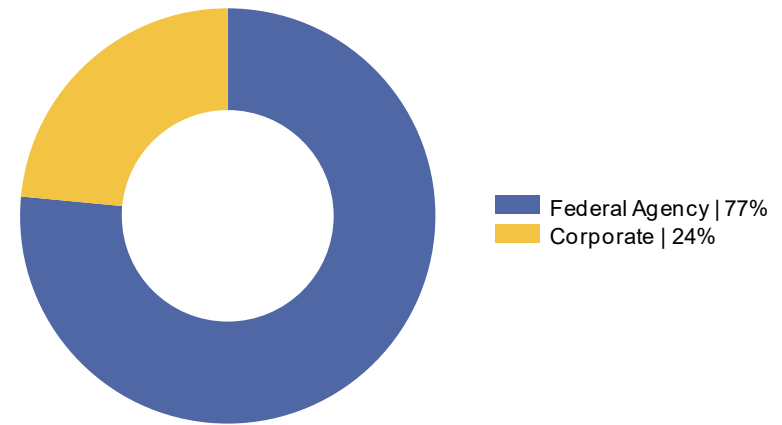
Portfolio Review:
CITY OF SALEM WATER-SEWER REV BOND 2020

Portfolio Snapshot - CITY OF SALEM WATER-SEWER REV BOND 2020¹

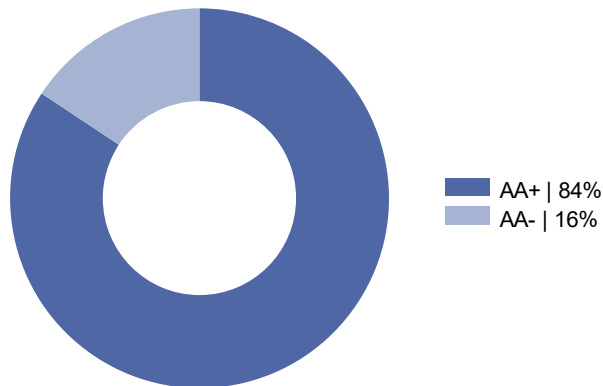
Portfolio Statistics

| | |
|-------------------------------------|----------------|
| Total Market Value | \$7,849,358.49 |
| <i>Securities Sub-Total</i> | \$7,773,695.17 |
| <i>Accrued Interest</i> | \$75,663.32 |
| <i>Cash</i> | \$0.00 |
| Portfolio Effective Duration | 0.49 years |
| Yield At Cost | 0.40% |
| Yield At Market | 2.48% |
| Portfolio Credit Quality | AA |

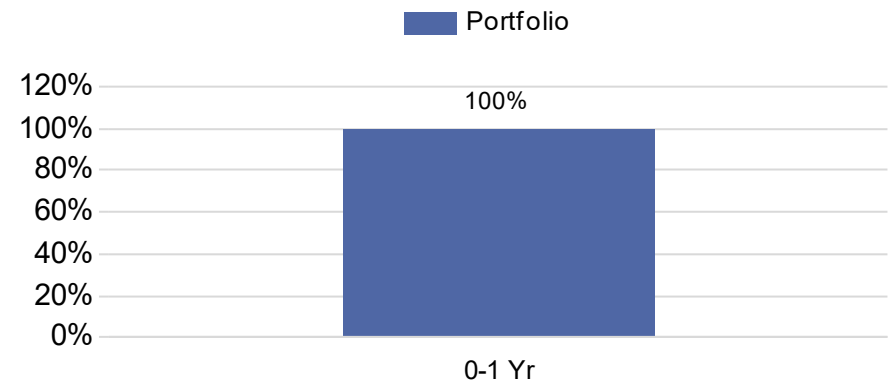
Sector Allocation



Credit Quality - S&P



Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interests. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

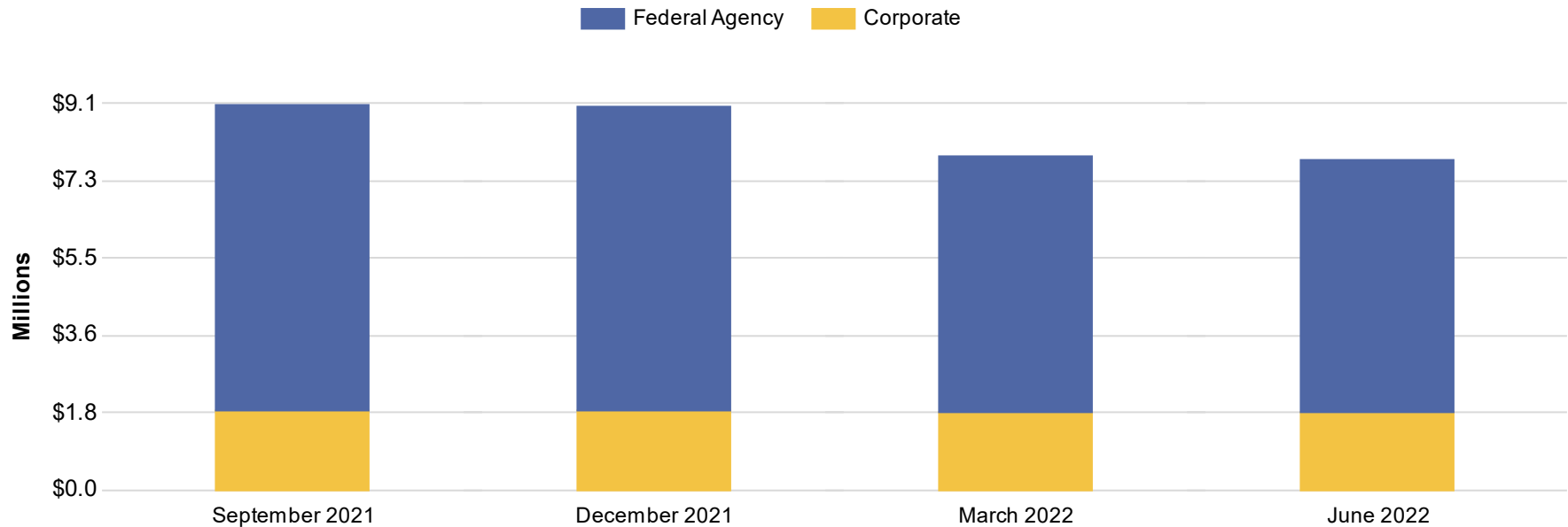
Issuer Diversification - CITY OF SALEM WATER-SEWER REV BOND 2020

| Security Type / Issuer | Market Value (%) | S&P / Moody's / Fitch |
|------------------------|------------------|-----------------------|
| Federal Agency | 76.6% | |
| FANNIE MAE | 76.6% | AA / Aaa / AAA |
| Corporate | 23.4% | |
| APPLE INC | 7.8% | AA / Aaa / NR |
| PROCTER & GAMBLE CO | 7.9% | AA / Aa / NR |
| VISA INC | 7.7% | AA / Aa / NR |
| 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.

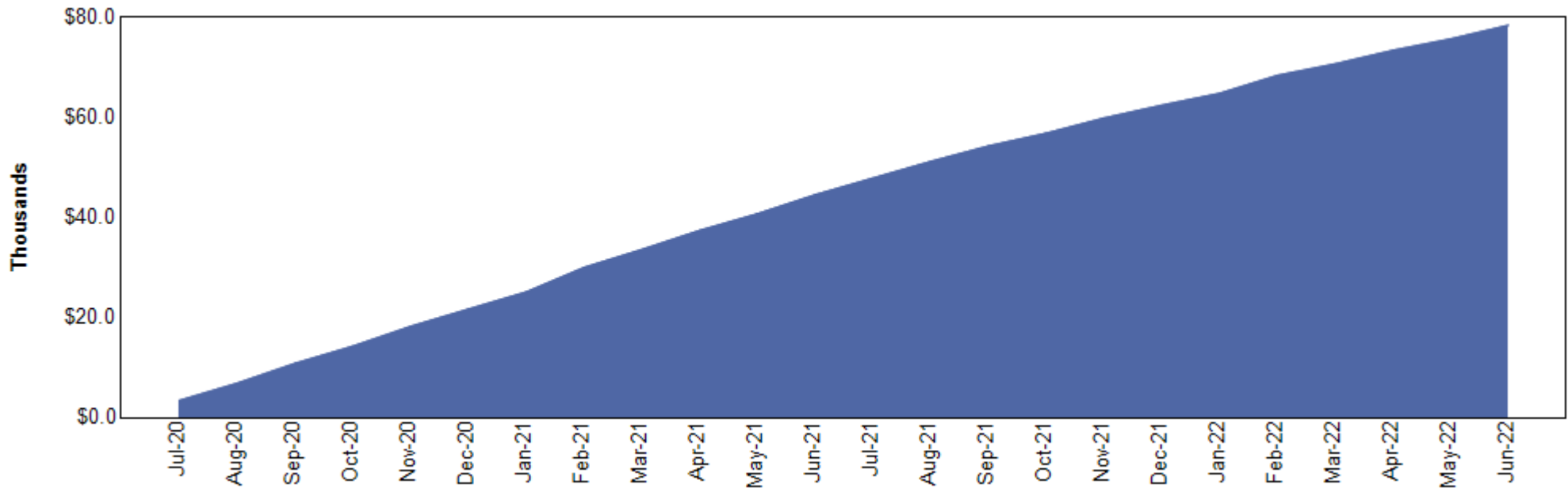
Sector Allocation Review - CITY OF SALEM WATER-SEWER REV BOND 2020

| Security Type | Sep-21 | % of Total | Dec-21 | % of Total | Mar-22 | % of Total | Jun-22 | % of Total |
|----------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|---------------|
| Federal Agency | \$7.2 | 79.4% | \$7.2 | 79.4% | \$6.0 | 76.5% | \$5.9 | 76.5% |
| Corporate | \$1.9 | 20.6% | \$1.9 | 20.6% | \$1.8 | 23.5% | \$1.8 | 23.5% |
| Total | \$9.1 | 100.0% | \$9.0 | 100.0% | \$7.8 | 100.0% | \$7.8 | 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 - CITY OF SALEM WATER-SEWER REV BOND 2020



| Accrual Basis Earnings | 3 Months | 1 Year | 3 Years | 5 Year | Since Inception ¹ |
|--|----------------|-----------------|---------|--------|------------------------------|
| Interest Earned ² | \$47,179 | \$203,680 | - | - | \$429,944 |
| Realized Gains / (Losses) ³ | - | - | - | - | - |
| Change in Amortized Cost | (\$39,458) | (\$169,826) | - | - | (\$351,582) |
| Total Earnings | \$7,722 | \$33,854 | - | - | \$78,362 |

1. The lesser of 10 years or since inception is shown. Performance inception date is June 30, 2020.
 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.

Portfolio Holdings and Transactions

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 09/15/2019 1.500% 09/15/2022 | 912828YF1 | 5,470,000.00 | AA+ | Aaa | 11/13/2019 | 11/15/2019 | 5,448,632.81 | 1.64 | 24,079.89 | 5,468,431.01 | 5,467,435.66 |
| US TREASURY NOTES DTD 11/15/2012 1.625% 11/15/2022 | 912828TY6 | 5,000,000.00 | AA+ | Aaa | 11/13/2019 | 11/15/2019 | 4,995,117.19 | 1.66 | 10,377.04 | 4,999,389.65 | 4,987,500.00 |
| US TREASURY NOTES DTD 03/31/2016 1.500% 03/31/2023 | 912828Q29 | 3,750,000.00 | AA+ | Aaa | 11/19/2019 | 11/21/2019 | 3,738,574.22 | 1.59 | 14,139.34 | 3,747,455.76 | 3,713,671.88 |
| US TREASURY NOTES DTD 05/02/2016 1.625% 04/30/2023 | 912828R28 | 4,500,000.00 | AA+ | Aaa | 1/17/2020 | 1/22/2020 | 4,506,503.91 | 1.58 | 12,319.97 | 4,501,650.49 | 4,453,593.75 |
| US TREASURY NOTES DTD 08/01/2016 1.250% 07/31/2023 | 912828S92 | 3,750,000.00 | AA+ | Aaa | 11/19/2019 | 11/21/2019 | 3,702,685.55 | 1.60 | 19,552.83 | 3,736,135.60 | 3,682,617.00 |
| US TREASURY NOTES DTD 08/31/2016 1.375% 08/31/2023 | 912828D1 | 4,500,000.00 | AA+ | Aaa | 1/17/2020 | 1/22/2020 | 4,466,425.78 | 1.59 | 20,681.05 | 4,489,140.00 | 4,417,031.25 |
| US TREASURY NOTES DTD 09/30/2016 1.375% 09/30/2023 | 912828T26 | 3,750,000.00 | AA+ | Aaa | 11/19/2019 | 11/21/2019 | 3,717,480.47 | 1.61 | 12,961.07 | 3,739,475.58 | 3,676,171.88 |
| US TREASURY NOTES DTD 09/30/2021 0.250% 09/30/2023 | 91282CDA6 | 7,475,000.00 | AA+ | Aaa | 10/14/202 | 10/15/202 | 7,459,816.41 | 0.35 | 4,697.40 | 7,465,316.48 | 7,227,390.63 |
| US TREASURY NOTES DTD 01/03/2017 2.250% 12/31/2023 | 912828V23 | 3,530,000.00 | AA+ | Aaa | 11/19/2019 | 11/21/2019 | 3,619,491.02 | 1.61 | 215.83 | 3,562,672.27 | 3,491,390.63 |
| US TREASURY N/B NOTES DTD 12/31/2021 0.750% 12/31/2023 | 91282CDR9 | 2,750,000.00 | AA+ | Aaa | 1/10/2022 | 1/11/2022 | 2,742,910.16 | 0.88 | 56.05 | 2,744,596.34 | 2,659,765.63 |
| US TREASURY NOTES DTD 01/31/2017 2.250% 01/31/2024 | 912828V80 | 4,600,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,718,953.13 | 1.61 | 43,172.65 | 4,645,133.59 | 4,546,812.50 |
| US TREASURY NOTES DTD 03/15/2021 0.250% 03/15/2024 | 91282CBR1 | 5,000,000.00 | AA+ | Aaa | 4/15/2021 | 4/16/2021 | 4,992,773.44 | 0.30 | 3,668.48 | 4,995,768.66 | 4,772,656.00 |
| US TREASURY NOTES DTD 03/31/2017 2.125% 03/31/2024 | 912828W71 | 4,600,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,698,289.06 | 1.61 | 24,571.04 | 4,639,600.70 | 4,531,718.52 |
| US TREASURY N/B NOTES DTD 04/15/2021 0.375% 04/15/2024 | 91282CBV2 | 2,500,000.00 | AA+ | Aaa | 4/27/2021 | 4/28/2021 | 2,501,464.84 | 0.36 | 1,972.34 | 2,500,884.58 | 2,386,328.00 |
| US TREASURY NOTES DTD 05/31/2017 2.000% 05/31/2024 | 912828XT2 | 5,250,000.00 | AA+ | Aaa | 1/17/2020 | 1/22/2020 | 5,333,876.95 | 1.62 | 8,893.44 | 5,286,903.75 | 5,154,023.70 |

CITY OF SALEM LONG-TERM PORTFOLIO

Portfolio Holdings

| 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 06/30/2017 2.000% 06/30/2024 | 912828XX3 | 4,600,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,678,343.75 | 1.61 | 250.00 | 4,634,103.12 | 4,512,312.50 |
| US TREASURY NOTES DTD 08/31/2019 1.250% 08/31/2024 | 912828YE4 | 5,250,000.00 | AA+ | Aaa | 1/17/2020 | 1/22/2020 | 5,163,457.03 | 1.62 | 21,934.44 | 5,209,273.90 | 5,057,226.30 |
| US TREASURY NOTES DTD 09/30/2019 1.500% 09/30/2024 | 912828YH7 | 4,600,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,575,742.19 | 1.61 | 17,344.26 | 4,588,728.14 | 4,449,062.50 |
| US TREASURY N/B NOTES DTD 10/15/2021 0.625% 10/15/2024 | 91282CDB4 | 5,000,000.00 | AA+ | Aaa | 11/9/2021 | 11/12/2021 | 4,992,382.81 | 0.68 | 6,574.45 | 4,994,030.35 | 4,736,719.00 |
| US TREASURY NOTES DTD 10/31/2019 1.500% 10/31/2024 | 912828YM6 | 5,250,000.00 | AA+ | Aaa | 1/17/2020 | 1/22/2020 | 5,219,238.28 | 1.63 | 13,267.66 | 5,234,954.27 | 5,071,171.88 |
| US TREASURY NOTES DTD 11/17/2014 2.250% 11/15/2024 | 912828G38 | 4,070,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,192,735.94 | 1.62 | 11,695.72 | 4,128,696.86 | 4,001,318.75 |
| US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024 | 912828YY0 | 4,750,000.00 | AA+ | Aaa | 1/17/2020 | 1/22/2020 | 4,777,275.39 | 1.63 | 225.88 | 4,763,811.47 | 4,603,046.88 |
| US TREASURY NOTES DTD 03/31/2020 0.500% 03/31/2025 | 912828ZF0 | 4,100,000.00 | AA+ | Aaa | 11/9/2021 | 11/12/2021 | 4,059,320.31 | 0.80 | 5,153.01 | 4,066,929.22 | 3,825,812.50 |
| US TREASURY NOTES DTD 07/31/2020 0.250% 07/31/2025 | 91282CAB7 | 6,000,000.00 | AA+ | Aaa | 4/15/2021 | 4/16/2021 | 5,898,984.38 | 0.65 | 6,256.91 | 5,927,413.15 | 5,506,875.00 |
| US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025 | 91282CBC4 | 2,000,000.00 | AA+ | Aaa | 1/15/2021 | 1/19/2021 | 1,992,500.00 | 0.45 | 20.38 | 1,994,691.48 | 1,822,187.60 |
| US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026 | 91282CBH3 | 5,900,000.00 | AA+ | Aaa | 4/15/2021 | 4/16/2021 | 5,790,066.41 | 0.77 | 9,228.94 | 5,817,753.85 | 5,363,468.75 |
| US TREASURY NOTES DTD 02/28/2021 0.500% 02/28/2026 | 91282CBQ3 | 2,665,000.00 | AA+ | Aaa | 3/16/2021 | 3/18/2021 | 2,623,255.27 | 0.82 | 4,453.74 | 2,634,107.05 | 2,428,481.25 |
| US TREASURY N/B NOTES DTD 05/31/2021 0.750% 05/31/2026 | 91282CCF6 | 4,000,000.00 | AA+ | Aaa | 11/9/2021 | 11/12/2021 | 3,951,718.75 | 1.02 | 2,540.98 | 3,958,433.36 | 3,659,375.20 |
| US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026 | 91282CCP4 | 2,750,000.00 | AA+ | Aaa | 3/3/2022 | 3/4/2022 | 2,617,119.14 | 1.77 | 7,169.37 | 2,626,940.77 | 2,493,046.88 |
| US TREASURY N/B NOTES DTD 05/31/2022 2.625% 05/31/2027 | 91282CET4 | 1,000,000.00 | AA+ | Aaa | 5/31/2022 | 6/2/2022 | 991,484.38 | 2.81 | 2,223.36 | 991,619.77 | 981,093.80 |
| Security Type Sub-Total | | 128,360,000.00 | | | | | 128,166,618.97 | 1.27 | 309,697.52 | 128,094,041.22 | 123,679,305.82 |

CITY OF SALEM LONG-TERM PORTFOLIO

Portfolio Holdings

| 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 |
|---|-----------|----------------------|---------------|-------------------|---------------|----------------|----------------------|----------------|---------------------|----------------------|----------------------|
| Federal Agency | | | | | | | | | | | |
| FEDERAL HOME LOAN BANKS NOTES DTD 02/21/2020 1.375% 02/17/2023 | 3130AJ7E3 | 4,500,000.00 | AA+ | Aaa | 4/13/2020 | 4/15/2020 | 4,617,990.00 | 0.44 | 23,031.25 | 4,526,257.89 | 4,468,099.50 |
| FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025 | 3137EAEU9 | 2,850,000.00 | AA+ | Aaa | 11/30/2020 | 12/1/2020 | 2,844,129.00 | 0.42 | 4,750.00 | 2,846,129.93 | 2,626,061.25 |
| FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025 | 3137EAEX3 | 2,500,000.00 | AA+ | Aaa | 11/30/2020 | 12/1/2020 | 2,490,025.00 | 0.46 | 2,552.08 | 2,493,300.80 | 2,294,475.00 |
| FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025 | 3137EAEX3 | 1,400,000.00 | AA+ | Aaa | 9/29/2020 | 9/30/2020 | 1,397,830.00 | 0.41 | 1,429.17 | 1,398,592.30 | 1,284,906.00 |
| Security Type Sub-Total | | 11,250,000.00 | | | | | 11,349,974.00 | 0.44 | 31,762.50 | 11,264,280.92 | 10,673,541.75 |
| Corporate | | | | | | | | | | | |
| PROCTER & GAMBLE CO/THE CORP NOTES DTD 08/11/2017 2.150% 08/11/2022 | 742718EU9 | 2,500,000.00 | AA- | Aa3 | 11/13/2019 | 11/15/2019 | 2,524,850.00 | 1.78 | 20,902.78 | 2,501,018.85 | 2,498,590.00 |
| APPLE INC (CALLABLE) BONDS DTD 02/09/2017 3.000% 02/09/2024 | 037833CG3 | 2,380,000.00 | AA+ | Aaa | 1/17/2020 | 1/22/2020 | 2,477,699.00 | 1.94 | 28,163.33 | 2,416,266.53 | 2,375,711.24 |
| BLACKROCK INC CORP NOTES DTD 03/18/2014 3.500% 03/18/2024 | 09247XAL5 | 2,000,000.00 | AA- | Aa3 | 11/19/2019 | 11/21/2019 | 2,130,520.00 | 1.92 | 20,027.78 | 2,051,745.10 | 2,008,474.00 |
| BANK OF AMERICA CORP (CALLABLE) CORPORAT DTD 10/21/2020 0.810% 10/24/2024 | 06051GJH3 | 2,500,000.00 | A- | A2 | 7/20/2021 | 7/22/2021 | 2,505,125.00 | 0.75 | 3,768.75 | 2,502,985.44 | 2,384,307.50 |
| CHEVRON CORP (CALLABLE) NOTES DTD 05/11/2020 1.554% 05/11/2025 | 166764BW9 | 2,000,000.00 | AA- | Aa2 | 3/11/2021 | 3/15/2021 | 2,048,380.00 | 0.96 | 4,316.67 | 2,033,001.14 | 1,896,242.00 |
| CHEVRON CORP (CALLABLE) NOTES DTD 05/11/2020 1.554% 05/11/2025 | 166764BW9 | 2,000,000.00 | AA- | Aa2 | 3/12/2021 | 3/16/2021 | 2,041,100.00 | 1.05 | 4,316.67 | 2,028,054.14 | 1,896,242.00 |
| JPMORGAN CHASE & CO (CALLABLE) CORP NOTE DTD 06/01/2021 0.824% 06/01/2025 | 46647PCH7 | 5,000,000.00 | A- | A2 | 5/25/2021 | 6/1/2021 | 5,010,350.00 | 0.77 | 3,433.33 | 5,006,619.84 | 4,677,010.00 |
| MICROSOFT CORP NOTES DTD 11/03/2015 3.125% 11/03/2025 | 594918BJ2 | 2,000,000.00 | AAA | Aaa | 3/16/2021 | 3/18/2021 | 2,186,160.00 | 1.06 | 10,069.44 | 2,134,418.31 | 1,998,312.00 |
| APPLE INC (CALLABLE) CORPORATE NOTES DTD 02/08/2021 0.700% 02/08/2026 | 037833EB2 | 5,000,000.00 | AA+ | Aaa | 2/8/2021 | 2/10/2021 | 4,996,800.00 | 0.71 | 13,902.78 | 4,997,687.72 | 4,546,250.00 |

CITY OF SALEM LONG-TERM PORTFOLIO

Portfolio Holdings

| 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 |
|--|-----------|-------------------------|---------------|-------------------|---------------|----------------|-------------------------|----------------|---------------------|-------------------------|-------------------------|
| Corporate | | | | | | | | | | | |
| AMAZON.COM INC CORPORATE NOTES DTD 05/12/2021 1.000% 05/12/2026 | 023135BX3 | 5,000,000.00 | AA | A1 | 6/8/2021 | 6/10/2021 | 5,010,400.00 | 0.96 | 6,805.56 | 5,008,166.05 | 4,546,590.00 |
| TORONTO-DOMINION BANK CORPORATE NOTES DTD 06/03/2021 1.200% 06/03/2026 | 89114TZD7 | 2,500,000.00 | A | A1 | 6/16/2021 | 6/18/2021 | 2,509,725.00 | 1.12 | 2,333.33 | 2,507,695.15 | 2,237,112.50 |
| WAL MART INC CORP NOTES (CALLABLE) DTD 09/17/2021 1.050% 09/17/2026 | 931142ER0 | 2,500,000.00 | AA | Aa2 | 2/28/2022 | 3/2/2022 | 2,401,175.00 | 1.96 | 7,583.33 | 2,408,378.51 | 2,272,505.00 |
| Security Type Sub-Total | | 35,380,000.00 | | | | | 35,842,284.00 | 1.16 | 125,623.75 | 35,596,036.78 | 33,337,346.24 |
| Managed Account Sub Total | | 174,990,000.00 | | | | | 175,358,876.97 | 1.20 | 467,083.77 | 174,954,358.92 | 167,690,193.81 |
| Securities Sub Total | | \$174,990,000.00 | | | | | \$175,358,876.97 | 1.20% | \$467,083.77 | \$174,954,358.92 | \$167,690,193.81 |
| Accrued Interest | | | | | | | | | | | \$467,083.77 |
| Total Investments | | | | | | | | | | | \$168,157,277.58 |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|------------------|-------------|---------------------|-----------|--|--------|---------------|----------------------|-----------------|-------------------|
| BUY | | | | | | | | | |
| 5/31/2022 | 6/2/2022 | 1,000,000.00 | 91282CET4 | US TREASURY N/B NOTES | 2.62% | 5/31/2027 | 991,627.82 | 2.81% | |
| Total BUY | | 1,000,000.00 | | | | | 991,627.82 | | 0.00 |
| INTEREST | | | | | | | | | |
| 4/15/2022 | 4/15/2022 | 5,000,000.00 | 91282CDB4 | US TREASURY N/B NOTES | 0.62% | 10/15/2024 | 15,625.00 | | |
| 4/15/2022 | 4/15/2022 | 2,500,000.00 | 91282CBV2 | US TREASURY N/B NOTES | 0.37% | 4/15/2024 | 4,687.50 | | |
| 4/24/2022 | 4/24/2022 | 2,500,000.00 | 06051GJH3 | BANK OF AMERICA CORP (CALLABLE) CORPORAT | 0.81% | 10/24/2024 | 10,125.00 | | |
| 4/30/2022 | 4/30/2022 | 4,500,000.00 | 912828R28 | US TREASURY NOTES | 1.62% | 4/30/2023 | 36,562.50 | | |
| 4/30/2022 | 4/30/2022 | 5,250,000.00 | 912828YM6 | US TREASURY NOTES | 1.50% | 10/31/2024 | 39,375.00 | | |
| 5/3/2022 | 5/3/2022 | 2,000,000.00 | 594918BJ2 | MICROSOFT CORP NOTES | 3.12% | 11/3/2025 | 31,250.00 | | |
| 5/11/2022 | 5/11/2022 | 4,000,000.00 | 166764BW9 | CHEVRON CORP (CALLABLE) NOTES | 1.55% | 5/11/2025 | 31,080.00 | | |
| 5/12/2022 | 5/12/2022 | 5,000,000.00 | 023135BX3 | AMAZON.COM INC CORPORATE NOTES | 1.00% | 5/12/2026 | 25,000.00 | | |
| 5/15/2022 | 5/15/2022 | 5,000,000.00 | 912828TY6 | US TREASURY NOTES | 1.62% | 11/15/2022 | 40,625.00 | | |
| 5/15/2022 | 5/15/2022 | 4,070,000.00 | 912828G38 | US TREASURY NOTES | 2.25% | 11/15/2024 | 45,787.50 | | |
| 5/31/2022 | 5/31/2022 | 5,250,000.00 | 912828XT2 | US TREASURY NOTES | 2.00% | 5/31/2024 | 52,500.00 | | |
| 5/31/2022 | 5/31/2022 | 4,000,000.00 | 91282CCF6 | US TREASURY N/B NOTES | 0.75% | 5/31/2026 | 15,000.00 | | |
| 6/1/2022 | 6/1/2022 | 5,000,000.00 | 46647PCH7 | JPMORGAN CHASE & CO (CALLABLE) CORP NOTE | 0.82% | 6/1/2025 | 20,600.00 | | |
| 6/3/2022 | 6/3/2022 | 2,500,000.00 | 89114TZD7 | TORONTO-DOMINION BANK CORPORATE NOTES | 1.20% | 6/3/2026 | 15,000.00 | | |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------------|-------------|----------------------|-----------|-----------------------|--------|---------------|----------------------|-----------------|-------------------|
| INTEREST | | | | | | | | | |
| 6/30/2022 | 6/30/2022 | 4,750,000.00 | 912828YY0 | US TREASURY NOTES | 1.75% | 12/31/2024 | 41,562.50 | | |
| 6/30/2022 | 6/30/2022 | 2,750,000.00 | 91282CDR9 | US TREASURY N/B NOTES | 0.75% | 12/31/2023 | 10,312.50 | | |
| 6/30/2022 | 6/30/2022 | 2,000,000.00 | 91282CBC4 | US TREASURY NOTES | 0.37% | 12/31/2025 | 3,750.00 | | |
| 6/30/2022 | 6/30/2022 | 4,600,000.00 | 912828XX3 | US TREASURY NOTES | 2.00% | 6/30/2024 | 46,000.00 | | |
| 6/30/2022 | 6/30/2022 | 3,530,000.00 | 912828V23 | US TREASURY NOTES | 2.25% | 12/31/2023 | 39,712.50 | | |
| Total INTEREST | | 74,200,000.00 | | | | | 524,555.00 | | 0.00 |
| MATURITY | | | | | | | | | |
| 4/30/2022 | 4/30/2022 | 1,750,000.00 | 912828WZ9 | US TREASURY NOTES | 1.75% | 4/30/2022 | 1,765,312.50 | | |
| 4/30/2022 | 4/30/2022 | 5,400,000.00 | 912828X47 | US TREASURY NOTES | 1.87% | 4/30/2022 | 5,450,625.00 | | |
| 5/31/2022 | 5/31/2022 | 960,000.00 | 912828XR6 | US TREASURY NOTES | 1.75% | 5/31/2022 | 968,400.00 | | |
| Total MATURITY | | 8,110,000.00 | | | | | 8,184,337.50 | | 0.00 |

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 BILL DTD 12/02/2021 0.000% 12/01/2022 | 912796P94 | 14,500,000.00 | A-1+ | P-1 | 12/22/2021 | 12/23/2021 | 14,464,080.28 | 0.26 | 0.00 | 14,483,977.50 | 14,362,883.65 |
| Security Type Sub-Total | | 14,500,000.00 | | | | | 14,464,080.28 | 0.26 | 0.00 | 14,483,977.50 | 14,362,883.65 |
| Commercial Paper | | | | | | | | | | | |
| CREDIT SUISSE NEW YORK COMM PAPER DTD 11/29/2021 0.000% 08/26/2022 | 2254EBHS3 | 14,000,000.00 | A-1 | P-1 | 12/1/2021 | 12/3/2021 | 13,960,691.11 | 0.38 | 0.00 | 13,991,724.44 | 13,954,332.00 |
| ROYAL BANK OF CANADA COMM PAPER DTD 01/03/2022 0.000% 09/16/2022 | 78009BJG8 | 15,000,000.00 | A-1+ | P-1 | 1/3/2022 | 1/4/2022 | 14,957,500.00 | 0.40 | 0.00 | 14,987,166.67 | 14,932,665.00 |
| Security Type Sub-Total | | 29,000,000.00 | | | | | 28,918,191.11 | 0.39 | 0.00 | 28,978,891.11 | 28,886,997.00 |
| Managed Account Sub Total | | 43,500,000.00 | | | | | 43,382,271.39 | 0.35 | 0.00 | 43,462,868.61 | 43,249,880.65 |
| Securities Sub Total | | \$43,500,000.00 | | | | | \$43,382,271.39 | 0.35% | \$0.00 | \$43,462,868.61 | \$43,249,880.65 |
| Accrued Interest | | | | | | | | | | | \$0.00 |
| Total Investments | | | | | | | | | | | \$43,249,880.65 |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------------|-------------|----------------------|-----------|-----------------------------------|--------|---------------|----------------------|-----------------|-------------------|
| MATURITY | | | | | | | | | |
| 5/16/2022 | 5/16/2022 | 5,400,000.00 | 63873KEG8 | NATIXIS NY BRANCH COMM PAPER | 0.00% | 5/16/2022 | 5,400,000.00 | | |
| 5/16/2022 | 5/16/2022 | 8,300,000.00 | 62479MEG4 | MUFG BANK LTD/NY COMM PAPER | 0.00% | 5/16/2022 | 8,300,000.00 | | |
| 6/1/2022 | 6/1/2022 | 5,000,000.00 | 62479MF16 | MUFG BANK LTD/NY COMM PAPER | 0.00% | 6/1/2022 | 5,000,000.00 | | |
| 6/1/2022 | 6/1/2022 | 15,000,000.00 | 22533UF16 | CREDIT AGRICOLE CIB NY COMM PAPER | 0.00% | 6/1/2022 | 15,000,000.00 | | |
| 6/1/2022 | 6/1/2022 | 10,000,000.00 | 63873KF10 | NATIXIS NY BRANCH COMM PAPER | 0.00% | 6/1/2022 | 10,000,000.00 | | |
| Total MATURITY | | 43,700,000.00 | | | | | 43,700,000.00 | | 0.00 |

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 |
|--|-----------|-----------------------|---------------|-------------------|---------------|----------------|-----------------------|----------------|---------------------|-----------------------|-----------------------|
| Federal Agency | | | | | | | | | | | |
| FANNIE MAE NOTES DTD 01/23/2018 2.375% 01/19/2023 | 3135G0T94 | 5,950,000.00 | AA+ | Aaa | 4/24/2020 | 4/28/2020 | 6,284,509.00 | 0.30 | 63,590.63 | 6,017,842.19 | 5,948,863.55 |
| Security Type Sub-Total | | 5,950,000.00 | | | | | 6,284,509.00 | 0.30 | 63,590.63 | 6,017,842.19 | 5,948,863.55 |
| Corporate | | | | | | | | | | | |
| PROCTER & GAMBLE CO/THE CORP NOTES DTD 08/11/2017 2.150% 08/11/2022 | 742718EU9 | 615,000.00 | AA- | Aa3 | 4/24/2020 | 4/28/2020 | 637,847.25 | 0.51 | 5,142.08 | 616,121.84 | 614,653.14 |
| VISA INC CORPORATE (CALLABLE) NOTES DTD 12/14/2015 2.800% 12/14/2022 | 92826CAC6 | 605,000.00 | AA- | Aa3 | 4/27/2020 | 4/29/2020 | 636,490.25 | 0.79 | 799.94 | 608,682.04 | 605,551.76 |
| APPLE CORP NOTES (CALLABLE) DTD 02/23/2016 2.850% 02/23/2023 | 037833BU3 | 605,000.00 | AA+ | Aaa | 4/30/2020 | 5/4/2020 | 639,013.10 | 0.82 | 6,130.67 | 611,180.99 | 604,626.72 |
| Security Type Sub-Total | | 1,825,000.00 | | | | | 1,913,350.60 | 0.71 | 12,072.69 | 1,835,984.87 | 1,824,831.62 |
| Managed Account Sub Total | | 7,775,000.00 | | | | | 8,197,859.60 | 0.40 | 75,663.32 | 7,853,827.06 | 7,773,695.17 |
| Securities Sub Total | | \$7,775,000.00 | | | | | \$8,197,859.60 | 0.40% | \$75,663.32 | \$7,853,827.06 | \$7,773,695.17 |
| Accrued Interest | | | | | | | | | | | \$75,663.32 |
| Total Investments | | | | | | | | | | | \$7,849,358.49 |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------------|-------------|-------------------|-----------|-------------------------------------|--------|---------------|----------------------|-----------------|-------------------|
| INTEREST | | | | | | | | | |
| 6/14/2022 | 6/14/2022 | 605,000.00 | 92826CAC6 | VISA INC CORPORATE (CALLABLE) NOTES | 2.80% | 12/14/2022 | 8,470.00 | | |
| Total INTEREST | | 605,000.00 | | | | | 8,470.00 | | 0.00 |

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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.
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- 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.