



City of Salem
CITY OF SALEM AND SALEM URA
FINANCE COMMITTEE
MEETING AGENDA
February 20, 2024 4:00 PM

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PARTICIPANTS

Board Members

Councilor Jose Gonzalez, Chair
Councilor Deanna Gwyn
Councilor Vanessa Nordyke
Councilor Micki Varney
Alternate-Councilor Linda Nishioka

Staff

Keith Stahley, City Manager
Dan Atchison, City Attorney
Josh Eggleston, Chief Financial Officer
Brian Martin, P.E., Public Works Director
Alicia Blalock, Assistant Director
Allen Dannen, P.E., City Engineer
Kali Leinenbach, Budget Manager
Jenny Mattechek, Chief Accountant
Jeremy Morgan, Supervisor
Anja Hill, Treasury Supervisor
James Wharton-Hess, Senior Fiscal Analyst
Kelli Blechschmidt, Management Analyst II
Shengnan Thomas, Administrative Analyst I

Guests

AGENDA

1. Welcome and call to order
2. Approval of Minutes
 - a. January 19, 2024 (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 Items
 - a. Capital Improvement Program Policy Update (Package page 5)
 - b. Utility Fund, Transportation Fund, and Streetlight Fund Policy (Package page 17)
5. Management Update/Information Items
 - a. Quarterly Investment Report (FY 2023-24 2nd quarter) (Package page 30)
6. Continued Business
7. New Business
8. Adjourn

Next Meeting: March 18, 2024

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.

CITY OF SALEM AND SALEM URA FINANCE COMMITTEE Minutes

DATE: January 19, 2024

PLACE: ZOOM

CHAIRPERSON: Jose Gonzalez

STAFF LIAISON: Josh Eggleston, CFO 503-588-6130 JEggleston@cityofsalem.net

Members Present:

Councilor Jose Gonzalez, Chair
Councilor Micki Varney
Alternate-Councilor Linda Nishioka

Members Absent:

Councilor Deanna Gwyn
Councilor Vanessa Nordyke

Staff Present:

Keith Stahley, City Manager
Josh Eggleston, Chief Financial Officer
Kali Leinenbach, Budget Manager
Jenny Mattechek, CPA, Chief Accountant
Jeremy Morgan, Accounting Supervisor
Shengnan Thomas, Administrative Analyst I

Guest Present:

Ryan Pasquarella, Grove, Mueller, Swank, REDW Advisors & CPAs (Left at 4:33pm)

1. CALL TO ORDER: 4:02 PM / Quorum

2. APPROVAL OF COMMITTEE MINUTES

a. November 20, 2023

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

Aye: Unanimous
Nay: None
Abstentions: None

3. PUBLIC COMMENT

- a. None

4. ACTION ITEMS

- a. None

5. MANAGEMENT UPDATE / INFORMATION ITEMS

- a. Grove, Mueller, Swank, REDW Advisors & CPAs Presentation of FY 2023 City of Salem and Urban Renewal Agency annual audits by Ryan Pasquarella, CPA. The Federal Grant Compliance audit is in process, filing is due March 31, 2024.

Questions or comments by: Chair Gonzalez, Members Varney and Nishioka

Responses by: Josh Eggleston, Chief Financial Officer, and Ryan Pasquarella, CPA with Grove, Mueller, Swank, REDW Advisors & CPAs

6. CONTINUED BUSINESS

- a. None

7. New Business

- a. Meeting Date and Time

Hybrid meeting option will be available at Civic Center.

Questions or comments: Chair Gonzalez, Members Nishioka and Varney.

Answers or comments: Josh Eggleston, CFO

8. ADJOURNMENT: 4:42 PM

The next meeting is scheduled for Tuesday, February 20, 2024 at 4:00 PM.

TO: Salem City Council and Salem Urban Renewal Agency Finance Committee

THROUGH: Josh Eggleston, Chief Financial Officer

FROM: James Wharton-Hess, Sr. Fiscal Analyst

SUBJECT:

Council Policy C-9 Update

SUMMARY:

Council Policy C-9 was last updated in 2008. In an effort to ensure the policy remains reflective of current City Council priorities, objectives, and practices, staff has reviewed the existing policy and offered revisions for Committee consideration.

ISSUE:

Shall the Finance Committee review the updated Council Policy No. C-9, Capital Improvement Program and recommend to City Council for adoption?

RECOMMENDATION:

Review the updated Council Policy No. C-9, Capital Improvement Program and recommend to City Council for adoption.

FACTS AND FINDINGS:

The updated Council Policy No. C-9, Capital Improvement Program Policy, includes both technical and grammatical changes as well as substantive changes. Substantive changes include:

- 1) Increasing the Capital Improvement project threshold from \$50,000 to \$100,000 to reflect the significant inflationary increase in project costs since initial policy adoption.
- 2) Clarification of the functions and objectives of the CIP Staff Review Committee.
- 3) Designation of the City Council Finance Committee as the City Council liaison for CIP matters including CIP draft review, project guidance, and progress updates.
- 4) Addition of a public outreach component that directs staff to implement an

- outreach program.
- 5) Clarification that all mid-year project additions greater than the CIP project threshold be forwarded to City Council for approval.

BACKGROUND:

Council Policy No. C-9 was last updated in November 2008. The City of Salem and broader factors affecting capital improvement project programming have changed significantly since then. According to the U.S. Bureau of Labor Statistics, general inflation has risen 45 percent since the policy was last updated. As a result, the City has had routine maintenance projects, such as library door replacements, meet the threshold for inclusion in the CIP. The recommendation to increase the threshold reflects these economic changes and reduces the likelihood minor projects will appear in the CIP. It also reduces administrative time for staff and City Council to remain in compliance with the CIP policy.

City Council has expressed being involved with the CIP earlier and more often. As a result, staff is recommending the designation of the City Council Finance Committee as the City Council liaison for CIP matters to increase the frequency of information sharing in regard to capital improvement project programming. Additionally, in recent years, Council has emphasized the need for more public outreach. To successfully engage the community, the updated policy directs staff to implement a public outreach program.

Finally, the policy in its current form does not specify a few things regarding the roles and responsibilities of staff in the CIP process. The updated policy clarifies both the role of the CIP Staff Review Committee as well as the requirement for City Council approval of mid-year capital improvement project additions.

Attachments:

1. Council Policy C-9, Capital Improvement Program Policy
2. Redline version of Council Policy C-9, Capital Improvement Program Policy
3. Updated version of Council Policy C-9, Capital Improvement Program Policy

COUNCIL POLICY NO. C-9

TITLE: CAPITAL IMPROVEMENT PROGRAM POLICY

POLICY: See attachment.

REFERENCE: Finance Committee Report dated 11/10/2008, Agenda Item No. 4.2 (a)

CITY OF SALEM CAPITAL IMPROVEMENT PROGRAM (CIP) POLICY

I) Purpose

One of the primary responsibilities of local governments is the creation and preservation of a community's physical infrastructure including; roads and bridges; water, wastewater and stormwater systems; public buildings; parks and open spaces; and, communication and information management systems. Because these require a significant commitment of public resources, planning for capital improvements is a matter of prudent financial management. This Capital Improvement Policy provides the general principles under which the City's Capital Improvement Program (CIP) is developed and implemented.

II) Definitions

The **Capital Improvement Program (CIP)** is a five-year plan that identifies the City's prioritized investments in capital assets and corresponding financial plans. A **capital improvement** (a.k.a. capital project) is defined as a planned activity that: creates, improves, maintains, repairs or replaces a fixed asset; results in a permanent addition to the City's asset inventory valued at \$50,000 or greater; and, has a useful life of more than 5 years. Capital improvements usually involve one of the following actions:

- Acquisition of property, equipment, or debt financed assets;
- Construction of new facilities; and/or
- Rehabilitation, reconstruction, renovation or upgrade of an existing asset to a condition which extends its useful life and/or increases its capacity.

Fleet rolling stock and equipment are excluded from the CIP Policy.

III) Policy

- A) Governing Body Approval: Annually, the City Council Board will adopt a 5-year CIP. Prior to adopting the CIP, the City will hold a public hearing on the proposed CIP.
- B) Responsibility: The City's Administrative Services Department will be responsible for coordinating and producing the annual CIP.
- C) Review: The CIP Review Committee will be a standing committee that will review the: department project requests, additions/changes to the CIP, financial assumptions, organizational capacity to complete the requests, and project plans. Projects proposed for the CIP will be reviewed and prioritized by a CIP Review Committee before being forwarded to Council for approval.

The CIP Review Committee will develop a quarterly CIP report that summarizes changes to the adopted CIP and provide the report to Council.

- D) Project Information: The CIP document shall at a minimum provide the following details on each capital project; project description, estimated cost, sources of funding, operating budget impact, and justification. Project justifications will directly relate to a Council Goal, City Policy, asset management plan and/or approved Master or Comprehensive Plan of the City.
- E) Financial Planning: Capital projects will identify the annual impact on the operating budget. The operating budget impact will be incorporated into the forecast report. Year-1 capital and operating costs will be included in the Proposed Budget.
- F) Funding Sources: Whenever an improvement is for the benefit of a rate or self-supported program, the City will work to fund the capital improvements on a pay-as-you-go basis, or by using self-supporting revenue/tax-increment bonds. Use of General Obligation bonds will be limited to major capital improvements in support of general municipal services.
- G) Asset Management: The City will move towards the development of an asset preservation plan to maximize the assets' useful life and minimize future maintenance and replacement costs. An inventory of the City's assets, including their condition, will be maintained.
- H) Capital Maintenance & Replacement Reserves: The City will move towards the establishment of a future maintenance/replacement reserve account (segregated by fund and program).
- I) Budget Implementation: Upon adoption of the CIP, projects identified in Year-1 of the adopted CIP will be included in the proposed budget for Council approval. Mid-year amendments to the CIP will be treated as amendments to the City's adopted budget, and will be made through the supplemental budget process.

COUNCIL POLICY NO. C-9

TITLE: CAPITAL IMPROVEMENT PROGRAM POLICY

POLICY: See attachment.

REFERENCE: Finance Committee Report dated ~~2/20/2024~~11/10/2008, Agenda Item No.
~~4a 4.2 (a)~~

CITY OF SALEM CAPITAL IMPROVEMENT PROGRAM (CIP) POLICY

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- Acquisition of property, equipment, **software**, or debt financed assets;
- Construction of new facilities; and/or
- Rehabilitation, reconstruction, renovation or upgrade of an existing asset to a condition which extends its useful life and/or increases its capacity.

~~Fleet~~ ****Rolling stock and equipment subscriptions** are excluded from the CIP Policy.

III) Policy

- A) Governing Body Approval: Annually, the City Council Board will adopt a 5-year CIP. Prior to adopting the CIP, the City will hold a public hearing on the proposed CIP.
- B) Responsibility: ~~The Public Works-City's Administrative Services Department will be~~ **is responsible for coordinating and producing the annual CIP and the Finance Department is responsible for producing and presenting the annual CIP document.**
- C) Review Committees: ~~The CIP Review Committee will be a standing committee that will review the: department project requests, additions/changes to the CIP, financial assumptions, organizational capacity to complete the requests, and project plans. Projects proposed for the CIP will be reviewed and prioritized by a CIP Review Committee before being forwarded to Council for approval.~~
1. **The Staff Review Committee(s) will be made up of Engineering, Planning, Operational staff, and other Departmental staff and will:**
 - i. **Review all project requests.**
 - ii. **Make Recommendations for additions/changes to the**

CIP.

- iii. Analyze organizational capacity to complete project requests.
- iv. Prioritize and score all project requests.
- v. Program funding.

2. The City Council Finance Committee will:

- i. Review the draft five-year CIP.
- ii. Give direction on programming of funds to ensure Council goals and objectives are met.
- iii. Schedule meetings – topics to include:
 - a. CIP Development
 - b. Progress Updates
 - c. Preliminary five-year CIP
 - d. Proposed five-year CIP

****Additional meetings may be scheduled to address CIP issues**

- D) **CIP Reporting: Quarterly (if needed) the Staff Review Committee will produce a report that summarizes any changes/additions/deletions to the adopted CIP and provide the report to Council. ~~The CIP Review Committee will develop a quarterly CIP report that summarizes changes to the adopted CIP and provide the report to Council.~~**
- E) **Project Information: The CIP document shall at a minimum provide the following details on each capital project; **project title**, project description, **neighborhood, ward, funding allocation by year, total** estimated cost, sources of funding, **and total amount funded in prior years. Where possible**, operating budget impacts **will be included.**, and justification. ~~Project justifications will directly relate to a Council Goal, City Policy, asset management plan and/or approved Master or Comprehensive Plan of the City.~~**
- F) **Public Outreach: Staff will implement a public outreach program to ensure the public is informed and educated on the five-year CIP. Outreach may include: annual attendance at neighborhood association meetings, Salem Service Day, board and commission meetings as requested, annual update flyers, social media updates, City website updates, etc.**
- G) **Financial Planning: Capital projects will identify the annual impact on the operating budget. The operating budget impact will be incorporated into the forecast report. Year-1 capital and operating costs will be included in the Proposed Budget.**
- H) **Funding Sources: Whenever an improvement is for the benefit of a rate or self-supported program, the City will work to fund the capital improvements on a pay-as-you-go basis, or by using self-supporting revenue/tax-increment bonds. Use of General Obligation bonds will be limited to major capital improvements in support of general municipal services.**

- I) Asset Management: The City will move towards the development of an asset preservation plan to maximize the assets' useful life and minimize future maintenance and replacement costs. An inventory of the City's assets, including their condition, will be maintained.
- J) Capital Maintenance & Replacement Reserves: The City will move towards the establishment of a future maintenance/replacement reserve account (segregated by fund and program).
- K) Budget Implementation: Upon adoption of the CIP, projects identified in Year-1 of the adopted CIP will be included in the proposed budget for Council approval. **Mid-year new projects greater than \$100,000 will be forwarded for City Council approval by staff report.** ~~Mid-year amendments to the CIP will be treated as amendments to the City's adopted budget, and will be made through the supplemental budget process.~~

COUNCIL POLICY NO. C-9

TITLE: CAPITAL IMPROVEMENT PROGRAM POLICY

POLICY: See attachment.

REFERENCE: Finance Committee Report dated 2/20/24, Agenda Item No. 4a

CITY OF SALEM CAPITAL IMPROVEMENT PROGRAM (CIP) POLICY

I) Purpose

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III) Policy

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- C) Review Committees:
 - 1. The Staff Review Committee(s) will be made up of Engineering, Planning, Operational staff, and other Departmental staff and will:
 - i. Review all project requests.
 - ii. Make Recommendations for additions/changes to the CIP.
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TO: Finance Committee of the Salem City Council and the Urban
Renewal Agency of the City of Salem

FROM: Josh Eggleston, Chief Financial Officer

SUBJECT:

Fund financial policies for the Utility Fund, Transportation Fund, and Streetlight Fund

SUMMARY:

A fund financial policy helps ensure stability by guiding the maintenance of reserves to handle unexpected expenses and revenue fluctuations. It establishes clear rules for holding operating and capital reserves, and ensuring transparency in fund usage. Financial policies promote fiscal discipline, facilitate long-term planning, and strengthen the overall financial health of each fund. Fund balance policies are a best practice from the Government Finance Officers Association (GFOA).

ISSUE:

Shall the Finance Committee recommend to City Council adoption of the attached fund balance / reserve policies for the Utility Fund, Transportation Fund, and Streetlight Fund and establishing reserve requirements?

RECOMMENDATION:

Recommend to City Council adoption of the attached fund balance / reserve policies for the Utility Fund, Transportation Fund, and Streetlight Fund and establishing reserve requirements.

FACTS AND FINDINGS:

There are three policies for consideration by the Finance Committee:

1. Utility Fund - Update to Council Policy C-14, largely a cleanup of since its adoption in 2014 and revision in 2016 (attachment 1)
2. Transportation Fund – New financial policy (attachment 2)
3. Streetlight Fund – New financial policy (attachment 3)

BACKGROUND:

As with all operating funds, sound financial management practices include establishing the appropriate level of reserves / fund balances for the following reasons:

1. Plan for contingencies. There will always be unforeseen emergent issues potential or revenue shortfalls.

2. Maintain cash flow. The irregular cash flows of the Funds may cause negative balances during the fiscal year without adequate reserves in the beginning fund balance for each fund.
3. Stabilize services. Reserves can provide resources to support services during periods of increased expenditures or slow revenue growth.

Attachments:

1. Council Policy No. C-14 – Utility Fund Financial Policy (updated)
2. Draft Transportation Fund Financial Policy
3. Draft Streetlight Fund Financial Policy

COUNCIL POLICY NO. C-14

TITLE: UTILITY FUND FINANCIAL POLICY

POLICY: See attached.

REFERENCE: City Council Finance Committee Report dated 3/17/14, Agenda Item No. 3a;
Public Works and Administrative Services Staff Report dated April 14, 2014, Agenda Item No.
3.3 (f); City Council Finance Committee Report dated November 21, 2016, Agenda Item No. 4a;
Finance Division Staff Report dated December 12, 2016, Agenda Item No. 3.2a

Utility Fund Financial Policy

I. Introduction

Salem provides water, wastewater, and stormwater services to all Salem residents. In addition, Salem provides water and/or wastewater services to Keizer, Turner, and unincorporated areas of East Salem, Jan Ree, Orchard Heights, Eola/Chatnicka, and Labish. Meeting the funding needs for the maintenance and reinvestment in each system is critical.

II. Purpose

This policy establishes practices, which will guide forecasting, and rate proposal development for sound financial management of the Utility Fund (“the Fund”). To this end, this policy will include the establishment of operating and debt reserve levels, a subordinate debt coverage ratio, capital funding strategies, and a defined schedule for financial planning, modeling, and rate cases to support Fund management.

III. Scope

This policy applies to the Fund including water, wastewater, and stormwater utility revenue and other associated fees and charges.

IV. Related Financial Policies

Debt Management, City Council Policy C-2

Budget and Revenue Policies, City Council Policy C-8

General Fund Balance/Reserve Policy, City Council Policy C-11

V. Policy Statement

For the purposes of developing the biennial rate proposal and preparing the annual budget, the following shall be modeled and maintained in forecasting:

1. Debt Reserve shall be fully funded as required by the Master Water and Sewer System Revenue Bond Declaration and/or Policy.
2. Reserves for Full Faith and Credit obligations shall be funded at one year of outstanding debt service, equivalent to highest single year of total Full Faith and Credit debt service payment.
3. Operating Reserve equal to 120 days of operating expenditures shall be fully funded.
4. Parity and subordinate coverage ratios will be maintained as required by the Master Water and Sewer System Revenue Bond Declaration with calculations included in the

Annual Comprehensive Financial Report.

5. An expense ratio (expenditures/revenues) shall be maintained at or below 100 percent over the long-term. As long as financial projections stabilize or improve in future years, the Fund may use reserves in the short-term.
6. Capital funding allocations are to increase over time as debt service is retired. The long-term goal is to increase annual funding for capital projects consistently until the level approaches one percent of total asset value.
7. The Fund shall be managed either in aggregate with the revenue slope applied uniformly to each utility or separately, where a revenue slope for each utility service may be established independently.
8. A financial plan and rate proposal shall be prepared and presented to Council biennially in even numbered years. A Cost of Service Analysis (COSA) update shall be prepared every four (4) years.

VI. Use of Contingency/Reserves (in usage order):

1. Contingency funds may be used for unanticipated expenditures that are either operating or capital in nature. When the contingency is sufficiently funded, most issues can be addressed without a supplemental budget.
2. Capital Reserve may be accumulated and used for a specified project purpose. Retention and identification of these funds as they are accumulated provides transparency in financial planning efforts.
3. Operating Reserve is held as a best practice and to enhance bond ratings. The City of Salem includes the amount reserved for rate stabilization in the calculation (120 days of operating expenditures) of total Operating Reserves. The Operating Reserve may be used when consumption declines, or there is a revenue shortfall so significant that net revenue (after operating expenditures) is insufficient to meet debt coverage requirements as stated in the Master Water and Sewer System Revenue Bond Declaration. The Operating Reserve may be used in lieu of an immediate mandatory rate increase.
4. A Debt Reserve is established for payment of the final year of debt service based on the amount specified in the debt service schedule; usually calculated as the highest year of annual debt service. The purpose is to protect bondholders from an insufficiency of funds to pay debt service resulting from a sharp decline in consumption or revenue. For the

protection of the General Fund, this policy establishes the requirement of a debt reserve for full faith and credit debt equivalent to the highest annual payment of this debt.

Glossary

Beginning Working Capital—Funds available at the beginning of a fiscal year representing the sum of debt reserves (both required by covenant and by policy), operating reserves, capital construction reserves, unused contingency, and unrestricted fund balance. These resources may or may not be budgeted for expenditure.

Capital Reserve—Accumulation of funds for a capital project(s). Funds may be held in the capital reserve until project(s) are budgeted and undertaken. The capital reserve shall not exceed one percent of the asset value. It is the Public Works Department's practice to retain unused capital funds in the Utility Fund rather than in a construction fund.

Contingency—Budgeted funds available during the fiscal year, with the approval of City Council, for unanticipated expenditures.

Cost of Service Analysis (COSA) – The process of determining the cost of providing utility service to each of the defined customer classifications. This includes the functionalization and allocation of system revenue requirements followed by the distribution of costs by customer classification based on usage, peak demands, and customer-related costs for which each class of service is responsible.

Coverage Ratio—Calculation comparing net revenue (total revenue less operating expenditures) to total annual debt service on parity bonds. $\text{Net revenue/parity debt service} = 1.25$ minimum as required by the Master Water and Sewer System Revenue Bond Declaration adopted resolution of City Council.

Debt Reserve—Amount, equivalent to highest single year of total debt service payment, to be set aside for debt service on revenue bonds in the event of a revenue shortfall. The reserve ensures a year of payments is available until a rate increase, or other financial solution, may be implemented to balance the fund. Debt reserve requirements are typically stated in the Master Water and Sewer System Revenue Bond Declaration.

Full Faith and Credit—Bonds issued by the City of Salem on behalf of the Fund and backed by the General Fund. Although identified as an obligation of the Fund, the Master Water and Sewer System Revenue Bond Declaration does not require a debt reserve for this obligation.

Master Water and Sewer System Revenue Bond Declaration—Legal document approved by City Council governing conditions for the sale of utility revenue bonds. The document establishes debt reserves, rate stabilization reserves, coverage ratios, and requirements for the issuance of additional debt.

Operating Reserve—Funds equal to 120 days of the annual operating expenditure budget. A 120-day reserve is considered “good” by rating agencies and should be sufficient in case of an emergency need for additional funds. The calculation does not include capital outlay, debt service, or contingencies. Operating Reserve includes Rate Stabilization Reserves as required by the Master Water and Sewer System Revenue Bond Declaration.

Parity Debt—Debt that has a first priority requirement to be paid with net revenue.

Rate Stabilization Reserve—The amount established in the Master Water and Sewer System Revenue Bond Declaration to be used in case net revenue is insufficient to meet debt coverage requirements. Per the Master Water and Sewer System Revenue Bond Declaration, if Rate Stabilization Reserve funds are required and used, the funds will be reclassified as revenue.

Rates—Individual fees and charges for each utility service based on customer class and service area. Annual rate adjustments for each fee may not match the overall revenue slope identified for the Fund.

Revenue Bond—Long term debt issued by the Fund and backed by utility sales revenue.

Revenue Slope—Projected change in combined revenue from all sources in the Fund.

Subordinate Debt—All debt other than Parity Debt, including loans or other obligations such as Full Faith and Credit bonds backed by the General Fund and issued on behalf of the Fund.

Total Debt Ratio—Net revenue less parity debt service divided by total subordinate debt service.

Unrestricted Fund Balance—Amount of fund balance or beginning working capital not specified for expenditure or reserves including debt reserve, capital reserve, operating reserve, or rate stabilization reserve.

COUNCIL POLICY NO. C – XX

TITLE: TRANSPORTATION FUND FINANCIAL POLICY

POLICY: See attached.

REFERENCE:

TRANSPORTATION FUND FINANCIAL POLICY

I. Introduction

City of Salem Transportation Fund is used to maintain road surfaces, sidewalks, pedestrian and bicycle safety improvements, bridges, signs, traffic signals, markings, street trees, and landscaping in the rights-of way. The primary revenue source is a formula-based allocation of State Highway Fund revenue from motor vehicle fuel taxes and vehicle registrations.

II. Purpose

This policy establishes practices which will guide forecasting and budgeting to support sound financial management of the Transportation Fund and establishes an operating reserve.

III. Scope

This policy applies to the Transportation Fund including state highway revenue and other fees and charges.

IV. Related Financial Policies

Budget and Revenue Policies, Council Policy C-8

V. Policy Statement

- a. **Compliance with other policies.** In accordance with Council Policy C-8, the City will strive to provide the stable financial environment necessary to sustain transportation services over time.
- b. **Forecasting.** A financial forecast will be used to assess the long-term ability of transportation revenue to sustain services and achieve City Council goals for investment in infrastructure and services.
- c. **Diversification of Revenue.** The City will seek to diversify and find new revenue sources to support transportation services.
- d. **Operating Reserve.** An operating reserve equal to 45 calendar days of anticipated State Highway Fund revenue shall be maintained as an unappropriated ending fund balance to sustain services during periods of lower than anticipated revenue.
- e. **Capital Reserve.** A Capital Reserve may be utilized to accumulate funding for future capital investments.

VI. Use of Contingency/Reserves

Contingency funds of \$500,000 shall be budgeted annually to be used for urgent and unanticipated needs or unforeseen opportunities. Unused contingency funds shall remain in fund balance for rebudgeting in future years.

COUNCIL POLICY NO. C – XX

TITLE: STREETLIGHT FUND FINANCIAL POLICY

POLICY: See attached.

REFERENCE:

STREETLIGHT FUND FINANCIAL POLICY

I. Introduction

The Streetlight Fund was established in 2015 to relieve the Transportation Fund of the responsibility for funding electricity and maintenance costs. Account fees were set at a level sufficient to maintain rates for an anticipated 7 - 10 years. Funding was sufficient to re-lamp the entire system to light-emitting diodes (LEDs) and reduce energy costs. In addition, new streetlights have been installed annually in underserved areas of the city based on a prioritized list.

II. Purpose

This policy establishes practices which will guide forecasting and budgeting to support sound financial management of the Streetlight Fund and establishes an operating reserve.

III. Scope

This policy applies to the Streetlight Fund.

IV. Related Financial Policies

Budget and Revenue Policies, Council Policy C-8

V. Policy Statement

- a. **Use of funds.** Streetlight fee proceeds can be used for installation and replacement of streetlight lamps and poles, as well as the electricity to power the lamps. Since 2020, the fund has also provided funding for electricity for lights in parks. The intent is to provide lighting on pathways and general park areas for public access.
- b. **Compliance with other policies.** In accordance with Council Policy C-8, the City will strive to provide the stable financial environment necessary to sustain streetlight services over time and to continually expand the system into underserved areas of the community.
- c. **Forecasting.** A financial forecast will be used to assess the long-term ability of streetlight revenue to sustain services and accomplish service objectives. Staff will seek to maintain a stable level of funding for installation of new lights and poles in underserved areas of the community.
- d. **Stabilization of Revenue.** The City will index the primary revenue source and adopt an annual streetlight fee adjustment to support increases in the cost of electric utility services, maintenance of streetlights, and expansion of the system in underserved areas of the community.
- e. **Annual adjustment.** An annual adjustment of streetlight fees shall be based on the weighted average of the increase announced by the primary electrical utility and the change in the construction cost index from the Engineering News Record from December to December. For example, if 60 of the budgeted fund expenditures in the prior year are for

electricity and 40 percent are for capital, then the adjustment factor shall be weighted 60 percent based on electricity rates of the primary electrical provider and 40 percent based on the Engineering News Record. In any given year, the rate of increase shall be a maximum of 5 percent unless an exception to this policy is approved by City Council.

- f. **Operating Reserve.** An operating reserve equal to 45 calendar days of anticipated revenue shall be maintained as an unappropriated ending fund balance to sustain services during periods of lower than anticipated revenue.
- g. **Capital Reserve.** A complete re-lamping of the streetlight system is expected to occur in 20-year increments. A capital reserve fund shall be established to accumulate funding over a 20-year period to fund the re-lamping improvements. The first re-lamping is anticipated to occur by 2036.
- h. **Capital Investments.** Capital funding allocations are to be maintained or increase over time to provide new installations in underserved areas.

VI. Use of Contingency/Reserves

Contingency funds of \$200,000 shall be budgeted annually for urgent and unanticipated needs or unforeseen opportunities. Unused contingency funds shall remain in fund balance for rebudgeting in future years.



CITY OF SALEM, OR

Investment Performance Review For the Quarter Ended December 31, 2023

Client Management Team

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

PFM Asset Management LLC

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Agenda

- Market Update
- Account Summary
- Portfolio Review
- ESG Overview
- Portfolio Holdings and Transactions

Market Update

Summary

- ▶ The fourth quarter was characterized by economic resilience but expectations for a modest slowdown, cooling inflation that remains above the target set by the Federal Reserve (Fed), the labor market coming into better balance, and consumers that continue to support U.S. economic growth through spending.
- ▶ The Fed kept the overnight target rate at its current range of 5.25% to 5.50% at its December 13 meeting and indicated that the historic 2022-23 hiking cycle had likely come to an end. The Fed also messaged a more dovish policy stance for 2024 as its updated “dot plot” showed three 25 basis points (bps) rate cuts for the year, which was more than previously projected. Yields fell significantly as a result, and Q4 was defined by a strong rally in both equities and bonds.
- ▶ With the Fed pivoting to easier monetary policy and a soft-landing scenario coming into focus, yields on U.S. Treasury maturities from one to 30 years declined 65 to 80 bps in Q4, while the S&P 500 Index jumped 11.7% and the technology-heavy NASDAQ was higher by 13.8%.

Economic Snapshot

- ▶ Real gross domestic product (GDP) increased at an annual rate of 2.1% in Q2 2023. Although only slightly, U.S. inflation (as measured by CPI) continued to trend lower in Q4 as both headline and core inflation (which excludes food and energy) continued to decline from their peaks in mid-2022. Shelter costs – the average household’s biggest expense – accounted for nearly 70% of the total increase in core CPI over the past year as home prices remain elevated.
- ▶ Real GDP expanded at an annualized pace of 4.9% in Q3 2023, after a 2.1% increase in Q2. The increase in Q3 reflected upticks in most segments, underscoring the resiliency of the U.S. economy. Estimates for 2024 indicate quarterly expectations on average of less than 1%, although positive, a confirmation of a slower pace of growth for the foreseeable future.
- ▶ The U.S. labor market remained strong, providing a continuing tailwind for the economy, although that strength has begun to moderate. In Q4, the U.S. economy added 494,000 new jobs compared to 663,000 from Q3, which represented the lowest quarterly increase since Q4 of 2019. Labor force participation dipped at year-end, while the unemployment rate of 3.7% was a few tenths of a percent off the generational low reached early in 2023. While still low from a historic perspective, this remains in line with the Fed’s projections for the headline unemployment rate to trend slightly higher over the next 12 months.
- ▶ Mortgage rates also descended from multi-decade highs, mirroring changes in overall yields, although they remained near the highest level of the past 20 years, ending the quarter around 6.6%. Despite lower mortgage rates, housing activity remained low, as existing home sales fell to the lowest level in over 20 years and Q4 new home sales declined 15% through November.

Interest Rates

- ▶ After peaking in October, a more dovish Fed and increased likelihood that the overnight target rate has reached its cycle-high drove interest rates lower through Q4. By the end of the year, the yield on a 2-year U.S. Treasury reached a 7-month low of 4.25%, while the 10-year U.S. Treasury note ended the year at 3.88%.
- ▶ Over the quarter, the yield on 2-, 5-, and 10-year U.S. Treasuries declined 79 bps, 76 bps, and 69 bps, respectively. Even the yield on a 3-month U.S. Treasury Bill declined by 11 bps, reflecting how aggressively markets have begun pricing in potential Fed rate cuts in the first half of 2024.
- ▶ As a result of notably lower yields, bond markets posted one of the best quarters over the past several decades. The ICE BofA 2-, 5-, and 10-year U.S. Treasury indices returned 2.44%, 4.41%, and 6.60% respectively.

Sector Performance

- ▶ Market optimism also drove yield spreads on investment-grade (IG) corporates and other “spread sectors” lower in Q4, which resulted in strong excess returns across most non-government fixed income sectors. Diversification benefited portfolios during Q4 with longer duration and lower quality adding the most incremental value.
- ▶ Federal agency, municipal, and supranational spreads drifted slightly lower in Q4, having remained in a narrow range for most of the past year. As a result, these sectors posted positive excess returns relative to Treasuries, mostly from their modest incremental income. Excess returns of callable agencies outperformed bullet agencies as spreads tightened more as yields fell.
- ▶ IG corporates were one of the best performing fixed-income sectors for both Q4 and calendar year 2023. After a brief sell-off in late September and most of October, the IG corporate sector did an about-face and finished the year with spreads rallying to their lowest spread levels in over nine months. As a result, the combination of elevated incremental income and spread contraction helped buoy portfolio performance.
- ▶ The asset-backed securities (ABS) sector also generated positive excess returns in Q4, although they trailed the performance of IG corporates. While spreads tightened into year-end, the relatively muted rally vs. corporates underscores the potential for modestly weaker consumer fundamentals moving forward. Incremental income from ABS remains attractive and our fundamental outlook for the economy is supportive for the sector.
- ▶ Mortgage-backed securities (MBS) were one of the best performing IG sectors in Q4, despite a volatile roller coaster ride. After widening in October to their highest levels since the spring of 2020, MBS yield spreads proceeded to rally into year-end, finishing near nine-month lows. Agency commercial MBS performed particularly well.

Economic Snapshot

Labor Market		Latest	Sep '23	Dec '22
Unemployment Rate	Dec '23	3.7%	3.8%	3.5%
Change In Non-Farm Payrolls	Dec '23	216,000	262,000	239,000
Average Hourly Earnings (YoY)	Dec '23	4.1%	4.2%	4.8%
Personal Income (YoY)	Nov '23	4.6%	4.6%	4.5%
Initial Jobless Claims (week)	1/6/24	202,000	209,000	206,000

Unemployment Rate (left) vs. Change in Non-farm Payrolls (right)

Growth		Latest	Sep '23	Dec '22
Real GDP (QoQ SAAR)	2023Q3	4.9%	2.1% ¹	2.7% ²
GDP Personal Consumption (QoQ SAAR)	2023Q3	3.1%	0.8% ¹	1.6% ²
Retail Sales (YoY)	Nov '23	4.1%	4.0%	6.0%
ISM Manufacturing Survey (month)	Dec '23	47.4	49.0	48.4
Existing Home Sales SAAR (month)	Nov '23	3.82 mil.	3.95 mil.	4.03 mil.

Real GDP (QoQ)

Inflation/Prices		Latest	Sep '23	Dec '22
Personal Consumption Expenditures (YoY)	Nov '23	2.6%	3.4%	5.4%
Consumer Price Index (YoY)	Dec '23	3.4%	3.7%	6.5%
Consumer Price Index Core (YoY)	Dec '23	3.9%	4.1%	5.7%
Crude Oil Futures (WTI, per barrel)	Dec 31	\$71.65	\$90.79	\$80.26
Gold Futures (oz.)	Dec 31	\$2,072	\$1,848	\$1,826

Consumer Price Index

1. Data as of Second Quarter 2023.

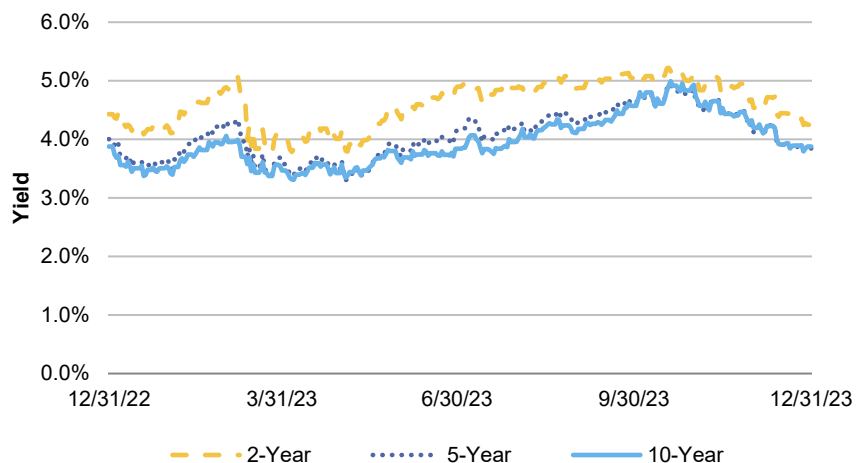
2. Data as of Third Quarter 2022.

Note: YoY = year-over-year, QoQ = quarter-over-quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil.

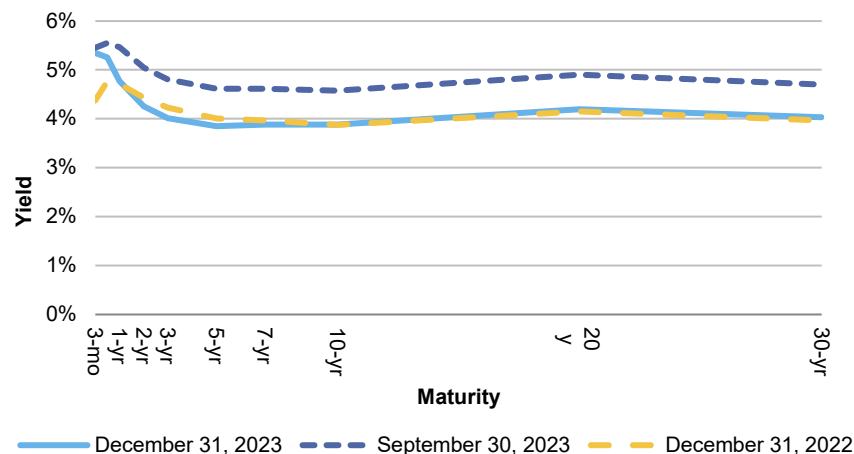
Source: Bloomberg.

Interest Rate Overview

U.S. Treasury Note Yields



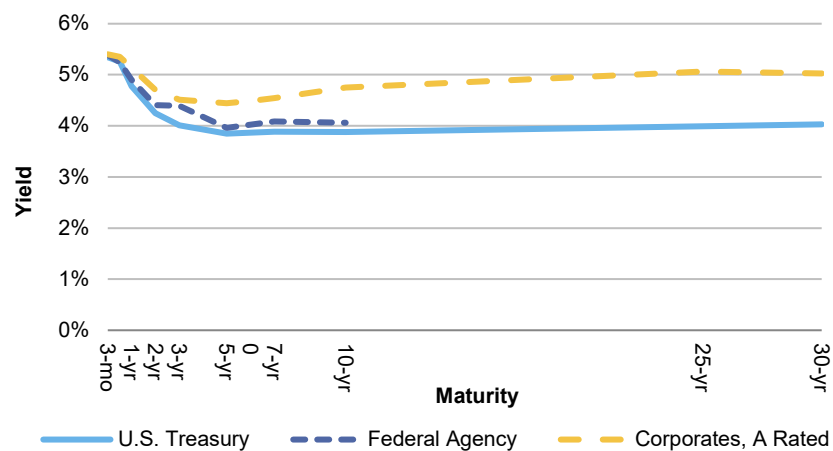
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	Dec '23	Sep '23	Change over Quarter	Dec '22	Change over Year
3-Month	5.34%	5.45%	(0.11%)	4.37%	0.97%
1-Year	4.77%	5.46%	(0.69%)	4.71%	0.06%
2-Year	4.25%	5.05%	(0.80%)	4.43%	(0.18%)
5-Year	3.85%	4.61%	(0.76%)	4.01%	(0.16%)
10-Year	3.88%	4.57%	(0.69%)	3.88%	0.00%
30-Year	4.03%	4.70%	(0.67%)	3.97%	0.06%

Yield Curves as of December 31, 2023



Source: Bloomberg.

ICE BofAML Index Returns

As of 12/31/2023		Returns for Periods ended 12/31/2023			
December 31, 2023	Duration	Yield	3 Month	1 Year	3 Years
1-3 Year Indices					
U.S. Treasury	1.83	4.34%	2.49%	4.26%	(0.04%)
Federal Agency	1.60	4.44%	2.53%	4.69%	0.11%
U.S. Corporates, A-AAA rated	1.80	5.02%	2.98%	5.33%	0.46%
Agency MBS (0 to 3 years)	1.77	5.11%	3.23%	4.83%	(1.06%)
Taxable Municipals	1.49	4.75%	2.39%	4.86%	1.10%
1-5 Year Indices					
U.S. Treasury	2.59	4.17%	3.10%	4.30%	(0.76%)
Federal Agency	1.97	4.36%	2.81%	4.68%	(0.55%)
U.S. Corporates, A-AAA rated	2.51	4.92%	3.82%	5.89%	(0.25%)
Agency MBS (0 to 5 years)	2.63	4.94%	4.90%	4.88%	(1.38%)
Taxable Municipals	2.29	4.65%	2.99%	5.30%	0.07%
Master Indices (Maturities 1 Year or Greater)					
U.S. Treasury	6.43	4.11%	5.72%	3.87%	(4.04%)
Federal Agency	3.35	4.33%	3.86%	4.90%	(1.63%)
U.S. Corporates, A-AAA rated	6.94	4.95%	7.62%	7.43%	(3.55%)
Agency MBS (0 to 30 years)	5.44	4.73%	7.37%	4.98%	(2.96%)
Taxable Municipals	9.15	4.92%	8.45%	8.35%	(4.30%)

Returns for periods greater than one year are annualized.

Source: ICE BofAML Indices.

Disclosures

PFM Asset Management LLC ("PFMAM") is an investment adviser registered with the U.S. Securities and Exchange Commission and a subsidiary of U.S. Bancorp Asset Management, Inc. ("USBAM"). USBAM is a subsidiary of U.S. Bank National Association ("U.S. Bank"). U.S. Bank is a separate entity and subsidiary of U.S. Bancorp. U.S. Bank is not responsible for and does not guarantee the products, services or performance of PFMAM.

The views expressed within this material constitute the perspective and judgment of PFM Asset Management LLC at the time of distribution 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. The information contained in this report is not an offer to purchase or sell any securities.

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Account Summary

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

Quarter Ended December 31, 2023 – 4Q23¹

Quarterly Summary

Market Value (MV)	\$514,583,283
Amortized Cost	\$518,513,210
Portfolio Yield on Cost	3.71%
Weighted Average Maturity	0.89 years
Cash Basis Earnings for Quarter ²	\$1,264,416.72
Accrual Basis Earnings for Quarter ²	\$1,935,424.17

Quarterly Change

Amortized Cost – 4Q23	\$518,513,210
Beginning MV – 3Q23	\$430,860,471
Net Contributions	\$46,499,617
Change in Cash	(\$62,972,583)
Change in MV	\$100,195,777
Ending MV – 4Q23	\$514,583,283

Sector Distribution¹

Sector	Amortized Cost	Market Value	% of Portfolio	Allowed by Policy
U.S. Treasuries	\$248,086,464	\$245,412,831	48%	100%
Federal Agencies	\$9,205,662	\$8,819,921	2%	100%
Commercial Paper	\$37,594,916	\$37,608,133	7%	35%
Corporate Notes	\$52,911,142	\$52,027,372	10%	
LGIP	\$117,579,638	\$117,579,638	23%	ORS limit
Collateralized Deposit Accounts	\$53,135,387	\$53,135,387	10%	100%
Total	\$518,513,210	\$514,583,283	100%	

1. Combined portfolio includes funds in the PFMAM-managed portfolios, funds in the Oregon LGIP, and the City's U.S. Bank account.

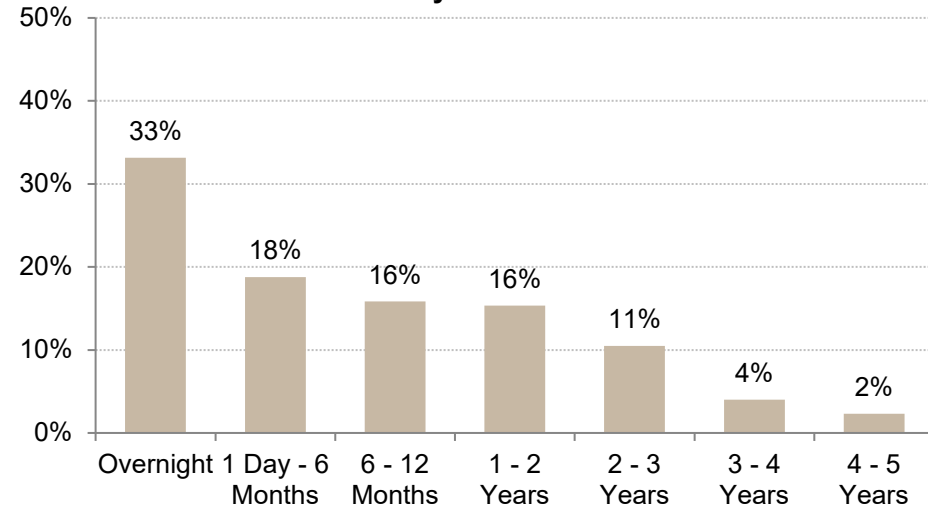
Portfolio values are as of December 31, 2023, and exclude accrued interest on the PFMAM-managed funds.

2. Excludes earnings on LGIP and deposit accounts.

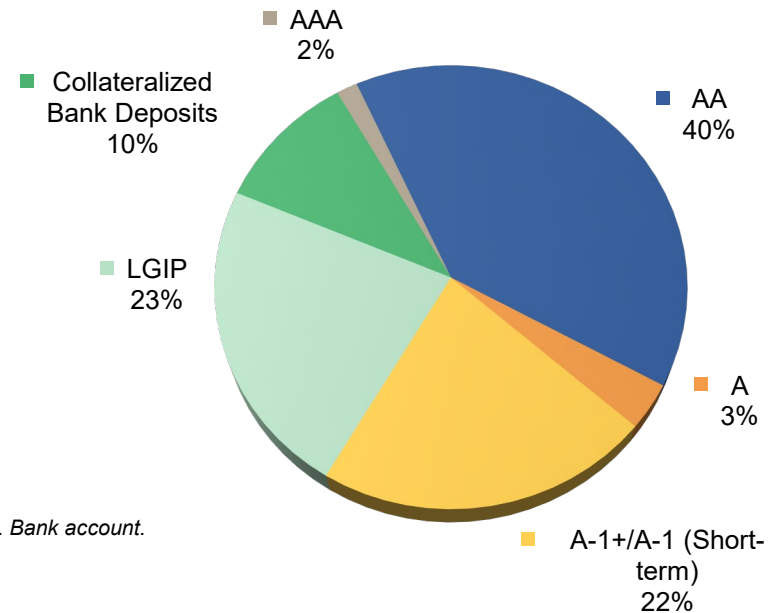
3. Ratings by Standard & Poor's (S&P).

4. Callable securities are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.

Maturity Distribution⁴



Credit Quality Distribution³



Account Summary

CITY OF SALEM LONG-TERM PORTFOLIO

Portfolio Values	December 31, 2023	Analytics ¹	December 31, 2023
PFMAM Managed Account	\$179,541,433	Yield at Market	4.55%
Amortized Cost	\$184,140,160	Yield on Cost	2.34%
Market Value	\$179,541,433	Portfolio Duration	1.70
Accrued Interest	\$762,779		
Cash	\$0		

CITY OF SALEM SHORT TERM PORTFOLIO

Portfolio Values	December 31, 2023	Analytics ¹	December 31, 2023
PFMAM Managed Account	\$97,642,573	Yield at Market	5.15%
Amortized Cost	\$97,580,336	Yield on Cost	5.31%
Market Value	\$97,642,573	Portfolio Duration	0.49
Accrued Interest	\$0		
Cash	\$0		

CITY OF SALEM COMMUNITY IMPROVEMENT

Portfolio Values	December 31, 2023	Analytics ¹	December 31, 2023
PFMAM Managed Account	\$66,684,252	Yield at Market	4.70%
Amortized Cost	\$66,077,688	Yield on Cost	5.36%
Market Value	\$66,684,252	Portfolio Duration	1.32
Accrued Interest	\$353,976		
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	71.3%	
UNITED STATES TREASURY	71.3%	AA / Aaa / AA
Federal Agency	2.6%	
FANNIE MAE	0.7%	AA / Aaa / AA
FREDDIE MAC	1.8%	AA / Aaa / AA
Commercial Paper	10.9%	
BNP PARIBAS	0.6%	A / Aa / AA
CREDIT AGRICOLE SA	3.4%	A / Aa / AA
MITSUBISHI UFJ FINANCIAL GROUP INC	3.4%	A / Aa / A
NATIXIS NY BRANCH	3.4%	A / Aa / A
Corporate	15.2%	
AMAZON.COM INC	1.3%	AA / A / AA
ANZ BANKING GROUP LTD	0.4%	AA / Aa / A
APPLE INC	2.0%	AA / Aaa / NR
AUTOMATIC DATA PROCESSING INC	0.7%	AA / Aa / AA
BANK OF AMERICA CO	1.1%	A / Aa / AA
BANK OF MONTREAL	0.4%	A / A / AA
BLACKROCK INC	0.6%	AA / Aa / NR
CITIGROUP INC	0.8%	A / Aa / A
JOHNSON & JOHNSON	0.7%	AAA / Aaa / NR
JP MORGAN CHASE & CO	1.4%	A / A / AA
MICROSOFT CORP	1.6%	AAA / Aaa / NR
NIKE INC	0.7%	AA / A / NR
ROYAL BANK OF CANADA	0.4%	A / A / AA
TORONTO-DOMINION BANK	0.7%	A / A / AA
UBS AG	0.4%	A / Aa / A
VISA INC	0.7%	AA / Aa / NR

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
Corporate	15.2%	
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.

Certificate of Compliance

During the reporting period for the quarter ended December 31, 2023, 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").

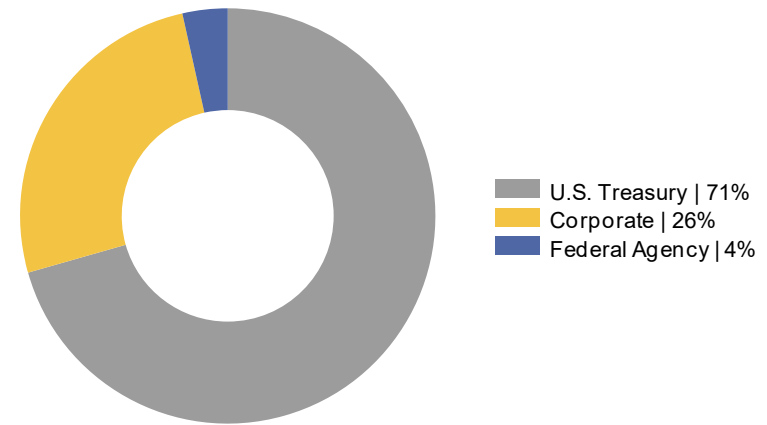
Portfolio Review: CITY OF SALEM LONG-TERM PORTFOLIO

Portfolio Snapshot - CITY OF SALEM LONG-TERM PORTFOLIO¹

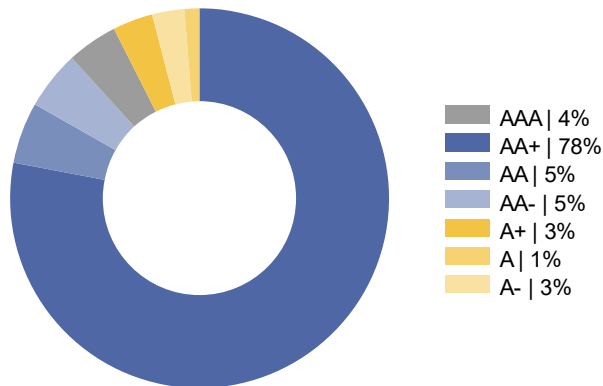
Portfolio Statistics

Total Market Value	\$180,304,211.22
Securities Sub-Total	\$179,541,432.50
Accrued Interest	\$762,778.72
Cash	\$0.00
Portfolio Effective Duration	1.70 years
Benchmark Effective Duration	2.53 years
Yield At Cost	2.34%
Yield At Market	4.55%
Portfolio Credit Quality	AA

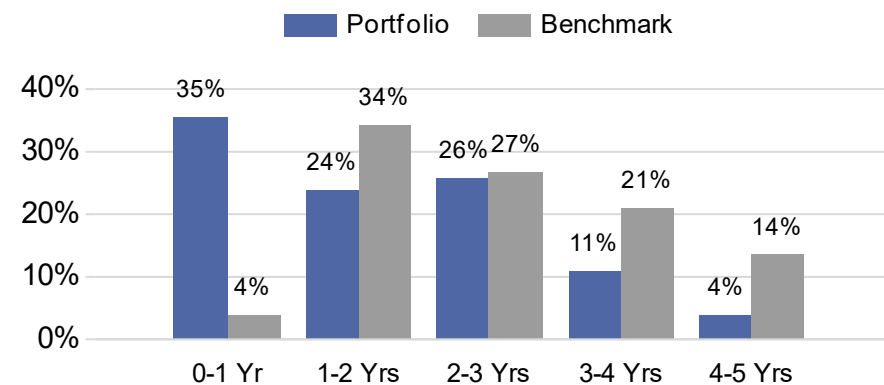
Sector Allocation



Credit Quality - S&P



Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. The portfolio's benchmark is currently the ICE BofA 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 BofA 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.

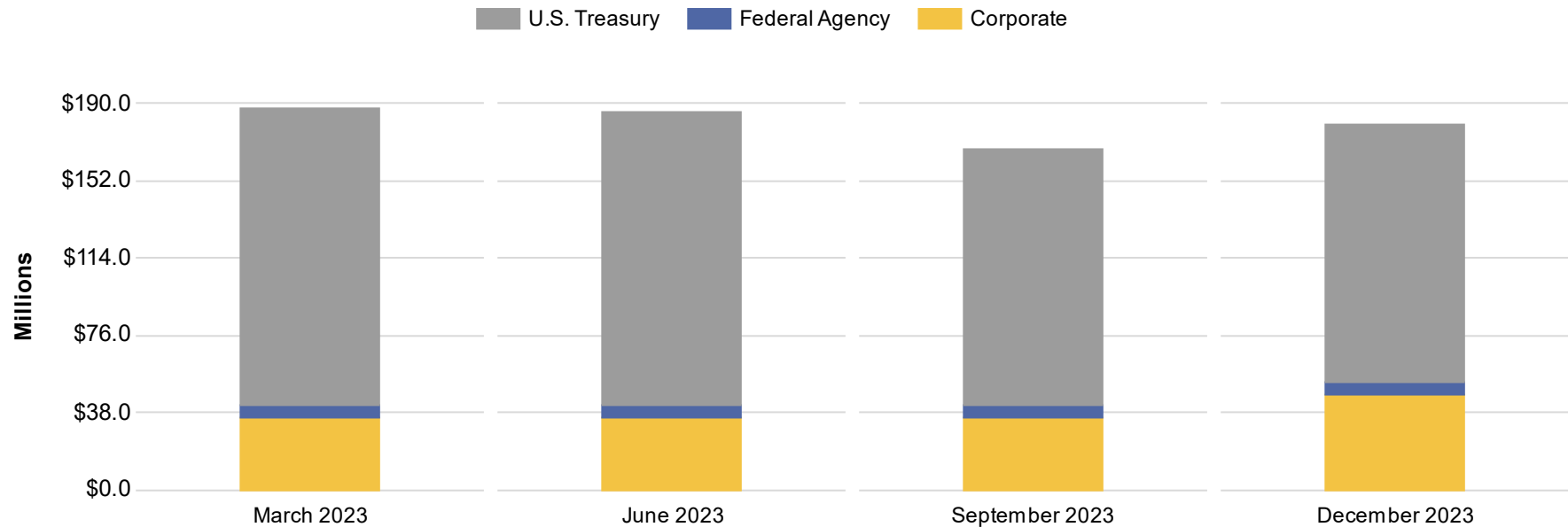
Issuer Diversification - CITY OF SALEM LONG-TERM PORTFOLIO

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
U.S. Treasury	70.5%	
UNITED STATES TREASURY	70.5%	AA / Aaa / AA
Federal Agency	3.5%	
FREDDIE MAC	3.5%	AA / Aaa / AA
Corporate	26.0%	
AMAZON.COM INC	2.6%	AA / A / AA
APPLE INC	3.9%	AA / Aaa / NR
AUTOMATIC DATA PROCESSING INC	1.3%	AA / Aa / AA
BANK OF AMERICA CO	2.0%	A / Aa / AA
BLACKROCK INC	1.1%	AA / Aa / NR
CITIGROUP INC	1.5%	A / Aa / A
JOHNSON & JOHNSON	1.3%	AAA / Aaa / NR
JP MORGAN CHASE & CO	2.7%	A / A / AA
MICROSOFT CORP	3.0%	AAA / Aaa / NR
NIKE INC	1.3%	AA / A / NR
TORONTO-DOMINION BANK	1.3%	A / A / AA
VISA INC	1.3%	AA / Aa / NR
WAL-MART STORES INC	2.7%	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

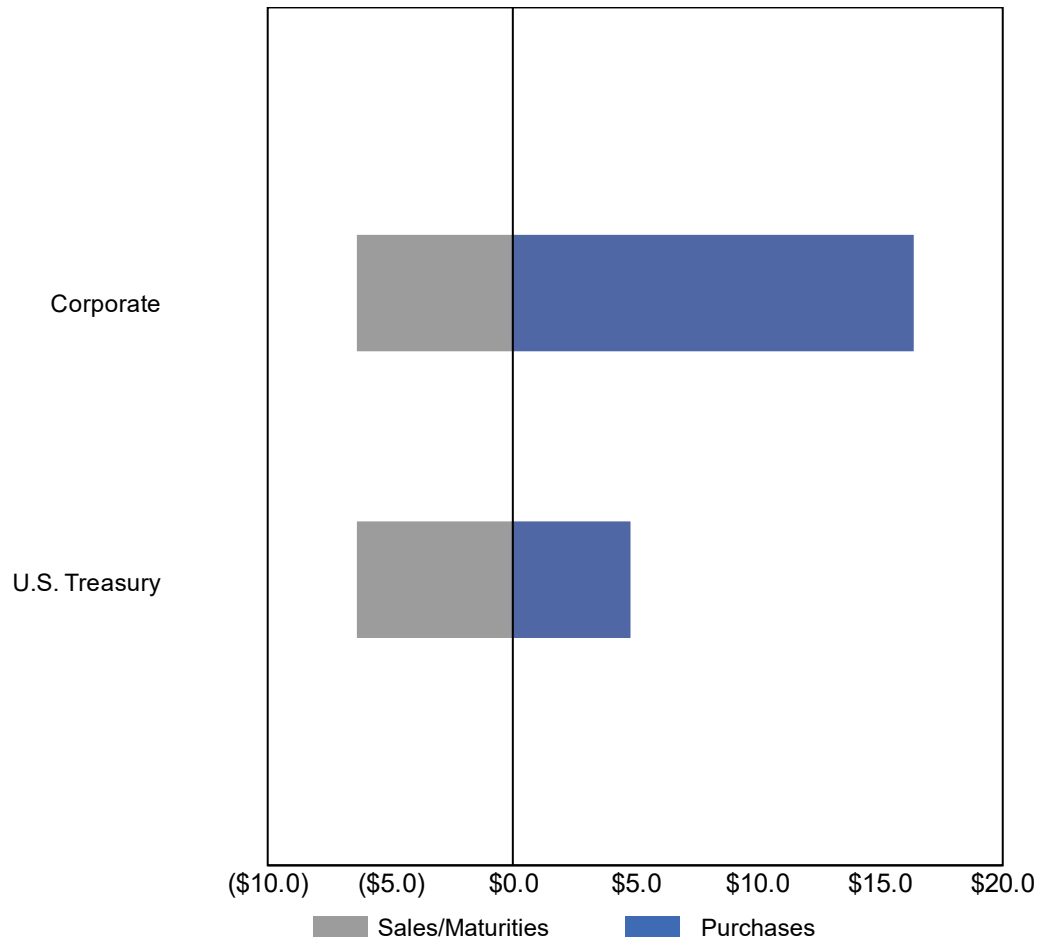
Security Type	Mar-23	% of Total	Jun-23	% of Total	Sep-23	% of Total	Dec-23	% of Total
U.S. Treasury	\$145.6	77.8%	\$144.7	77.7%	\$125.9	75.2%	\$126.7	70.6%
Federal Agency	\$6.2	3.3%	\$6.1	3.3%	\$6.2	3.7%	\$6.3	3.5%
Corporate	\$35.4	18.9%	\$35.3	19.0%	\$35.3	21.1%	\$46.5	25.9%
Total	\$187.2	100.0%	\$186.1	100.0%	\$167.4	100.0%	\$179.5	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

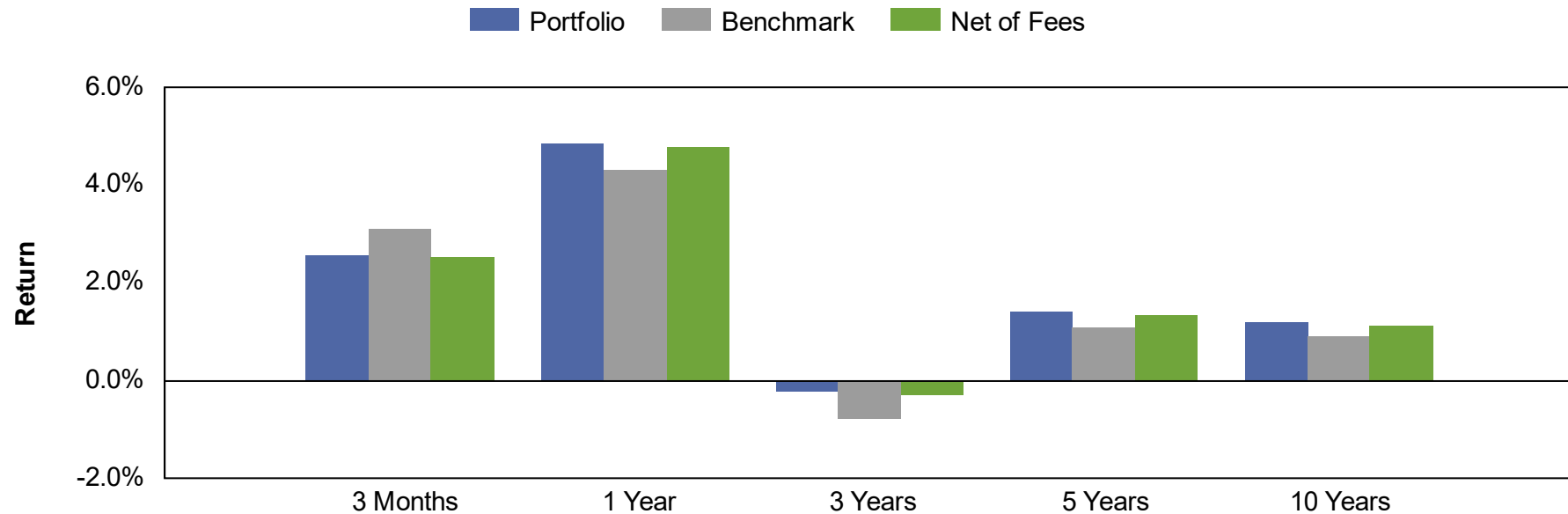
Net Activity by Sector
(\$ millions)



Sector	Net Activity
Corporate	\$9,961,416
U.S. Treasury	(\$1,613,788)
Total Net Activity	\$8,347,628

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	10 Years
Interest Earned ²	\$713,362	\$2,592,119	\$7,791,772	\$13,872,539	\$21,045,241
Change in Market Value	\$3,810,972	\$6,055,359	(\$8,744,000)	(\$2,709,891)	(\$4,440,564)
Total Dollar Return	\$4,524,334	\$8,647,478	(\$952,228)	\$11,162,648	\$16,604,677
Total Return³					
Portfolio	2.55%	4.84%	-0.23%	1.40%	1.17%
Benchmark ⁴	3.10%	4.30%	-0.76%	1.08%	0.88%
Basis Point Fee	0.02%	0.08%	0.07%	0.07%	0.07%
Net of Fee Return	2.53%	4.77%	-0.30%	1.33%	1.10%

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.

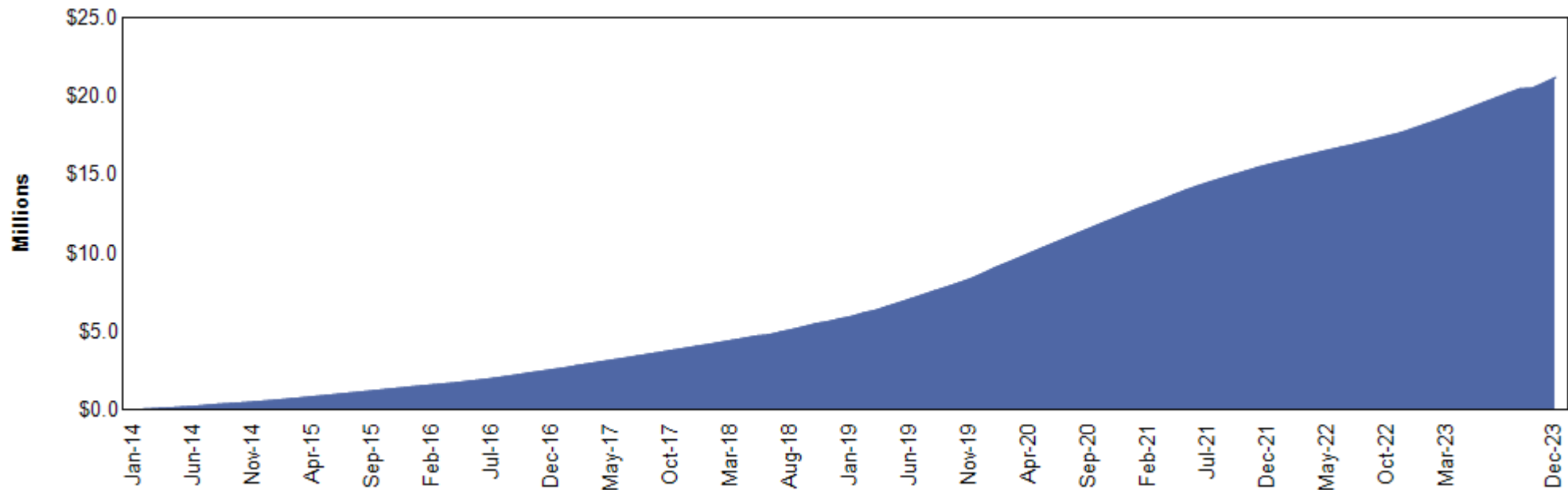
2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

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 BofA 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 BofA 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	10 Year ¹
Interest Earned ²	\$713,362	\$2,592,119	\$7,791,772	\$13,872,539	\$21,045,241
Realized Gains / (Losses) ³	(\$260,242)	(\$260,242)	(\$96,123)	(\$227,505)	(\$336,851)
Change in Amortized Cost	\$277,769	\$937,346	\$971,729	\$1,748,190	\$504,770
Total Earnings	\$730,889	\$3,269,223	\$8,667,378	\$15,393,223	\$21,213,159

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.

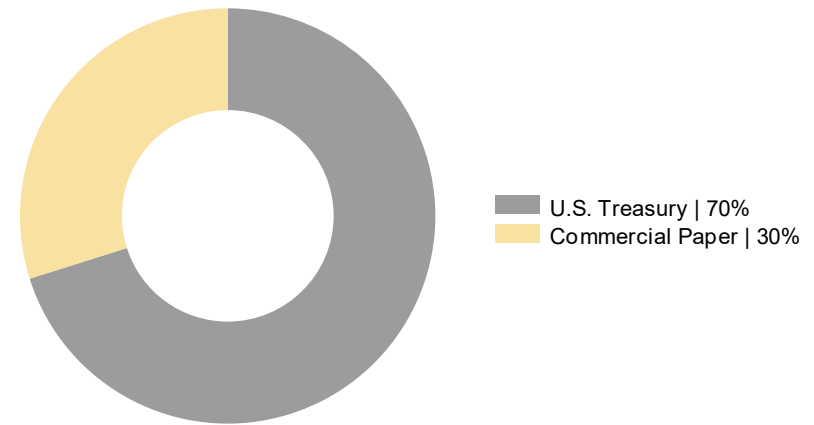
Portfolio Review: CITY OF SALEM SHORT TERM PORTFOLIO

Portfolio Snapshot - CITY OF SALEM SHORT TERM PORTFOLIO¹

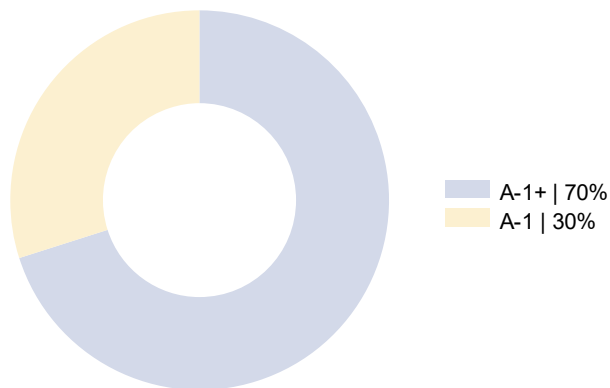
Portfolio Statistics

Total Market Value	\$97,642,572.50
Securities Sub-Total	\$97,642,572.50
Accrued Interest	\$0.00
Cash	\$0.00
Portfolio Effective Duration	0.49 years
Yield At Cost	5.31%
Yield At Market	5.15%
Portfolio Credit Quality	AA

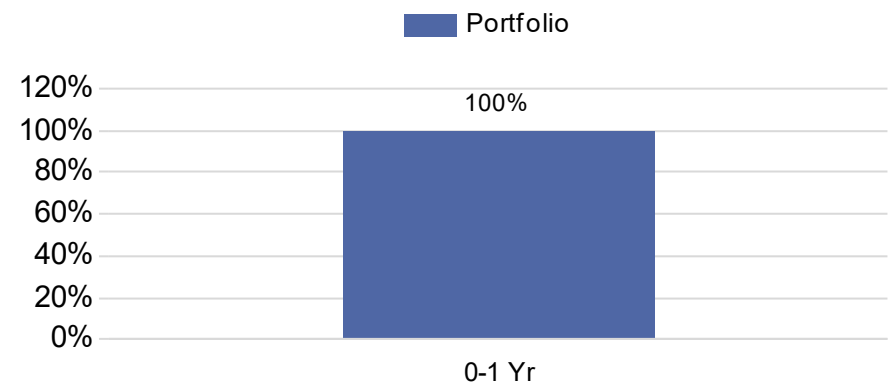
Sector Allocation



Credit Quality - S&P



Duration Distribution



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

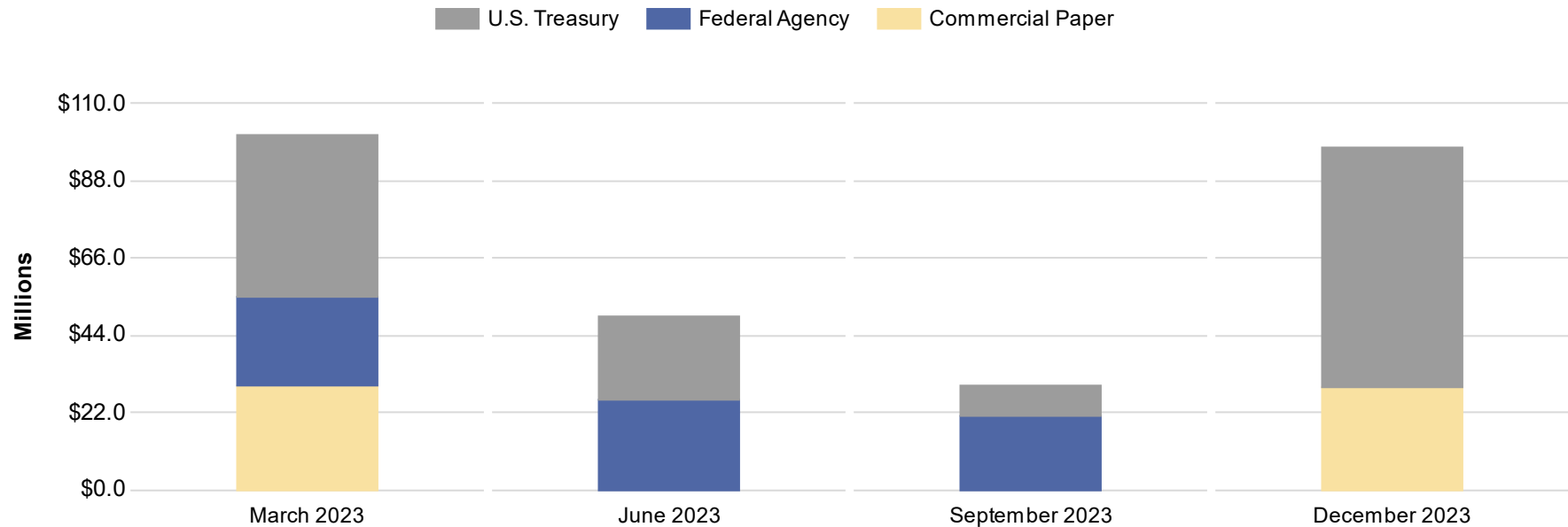
Issuer Diversification - CITY OF SALEM SHORT TERM PORTFOLIO

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
U.S. Treasury	70.1%	
UNITED STATES TREASURY	70.1%	AA / Aa / AA
Commercial Paper	29.9%	
CREDIT AGRICOLE SA	10.0%	A / Aa / AA
MITSUBISHI UFJ FINANCIAL GROUP INC	10.0%	A / Aa / A
NATIXIS NY BRANCH	9.9%	A / Aa / A
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

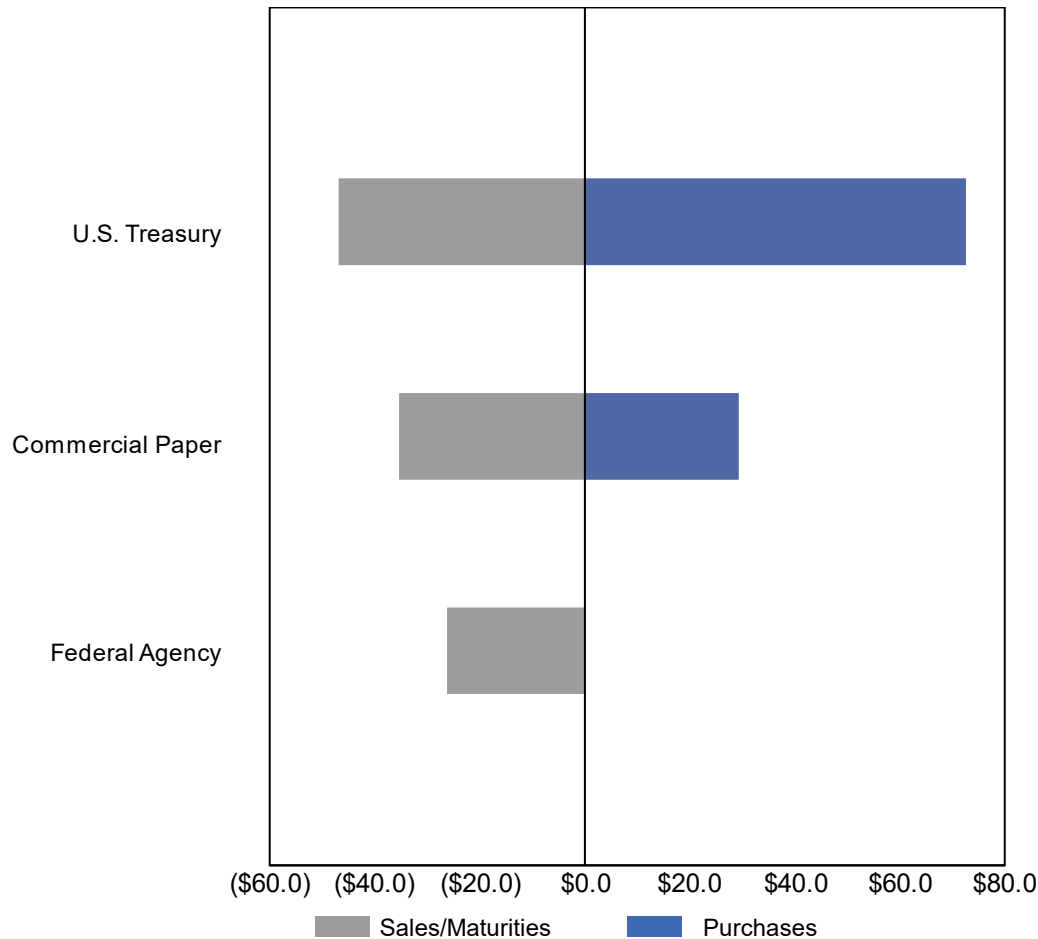
Security Type	Mar-23	% of Total	Jun-23	% of Total	Sep-23	% of Total	Dec-23	% of Total
U.S. Treasury	\$45.9	45.5%	\$23.7	48.2%	\$8.9	30.0%	\$68.4	70.1%
Federal Agency	\$25.2	25.0%	\$25.5	51.8%	\$20.8	70.0%	\$0.0	0.0%
Commercial Paper	\$29.8	29.5%	\$0.0	0.0%	\$0.0	0.0%	\$29.2	29.9%
Total	\$100.9	100.0%	\$49.2	100.0%	\$29.8	100.0%	\$97.6	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 (12 Months) - CITY OF SALEM SHORT TERM PORTFOLIO

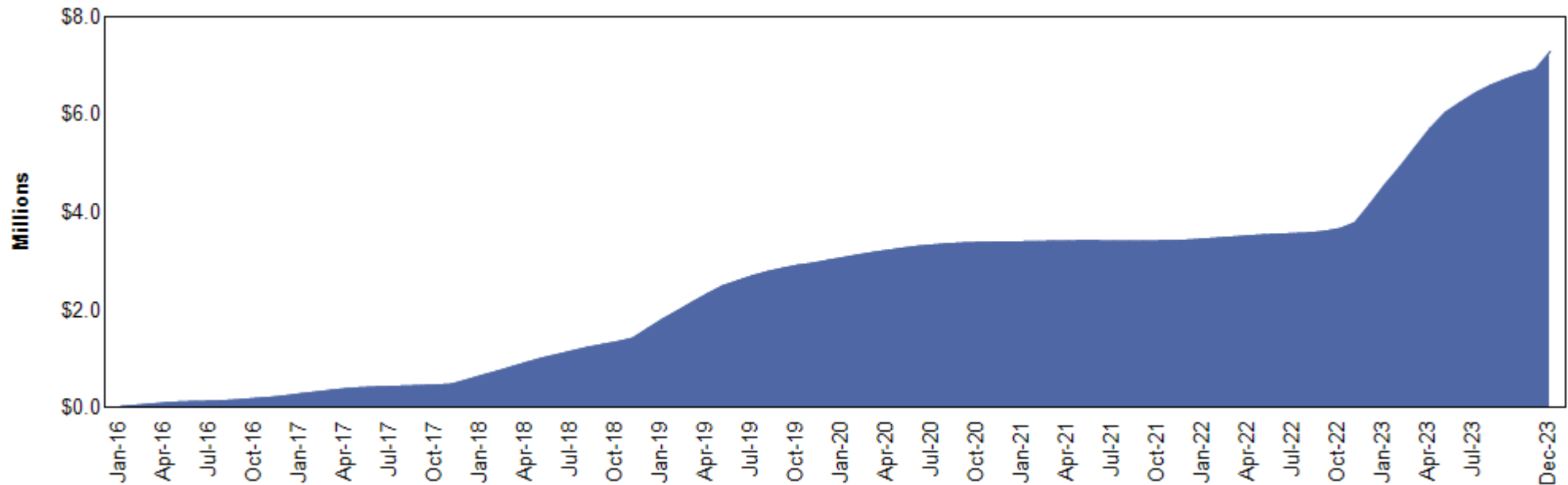
Net Activity by Sector
(\$ millions)



Sector	Net Activity
U.S. Treasury	\$25,540,525
Commercial Paper	(\$5,885,489)
Federal Agency	(\$26,000,000)
Total Net Activity	(\$6,344,964)

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. 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	\$7,377	\$41,044	\$45,000	\$331,772	\$753,682
Realized Gains / (Losses) ³	-	-	-	-	\$4,369
Change in Amortized Cost	\$564,490	\$3,087,861	\$3,853,833	\$5,341,384	\$6,535,757
Total Earnings	\$571,867	\$3,128,905	\$3,898,833	\$5,673,156	\$7,293,808

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.

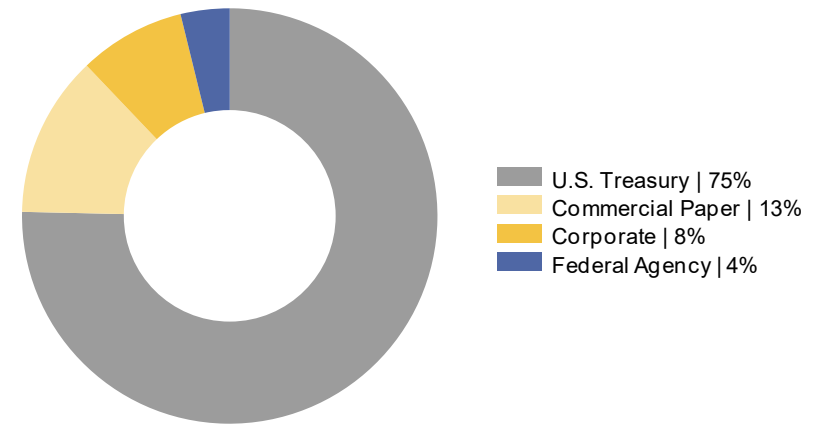
Portfolio Review: CITY OF SALEM COMMUNITY IMPROVEMENT

Portfolio Snapshot - CITY OF SALEM COMMUNITY IMPROVEMENT¹

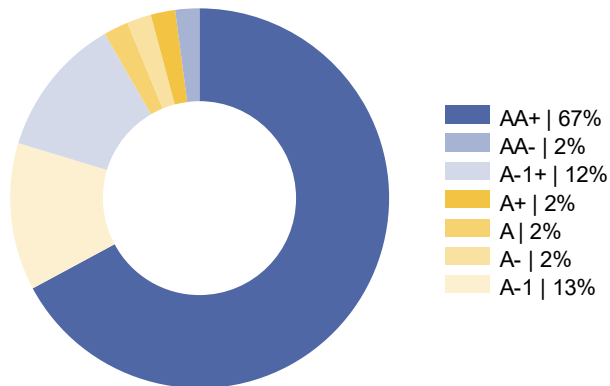
Portfolio Statistics

Total Market Value	\$67,038,228.08
Securities Sub-Total	\$66,684,252.11
Accrued Interest	\$353,975.97
Cash	\$0.00
Portfolio Effective Duration	1.32 years
Yield At Cost	5.36%
Yield At Market	4.70%
Portfolio Credit Quality	AA

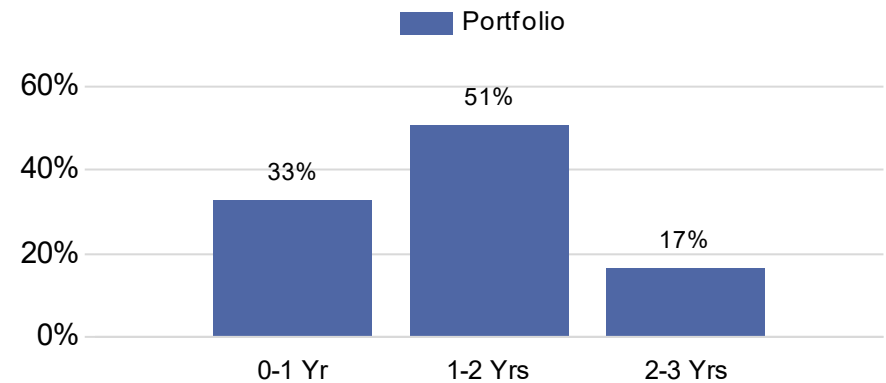
Sector Allocation



Credit Quality - S&P



Duration Distribution



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

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
U.S. Treasury	75.4%	
UNITED STATES TREASURY	75.4%	AA / Aaa / AA
Federal Agency	3.7%	
FANNIE MAE	3.7%	AA / Aaa / AA
Commercial Paper	12.5%	
BNP PARIBAS	3.1%	A / Aa / AA
CREDIT AGRICOLE SA	3.1%	A / Aa / AA
MITSUBISHI UFJ FINANCIAL GROUP INC	3.1%	A / Aa / A
NATIXIS NY BRANCH	3.1%	A / Aa / A
Corporate	8.4%	
ANZ BANKING GROUP LTD	2.0%	AA / Aa / A
BANK OF MONTREAL	2.1%	A / A / AA
ROYAL BANK OF CANADA	2.1%	A / A / AA
UBS AG	2.1%	A / Aa / A
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 COMMUNITY IMPROVEMENT

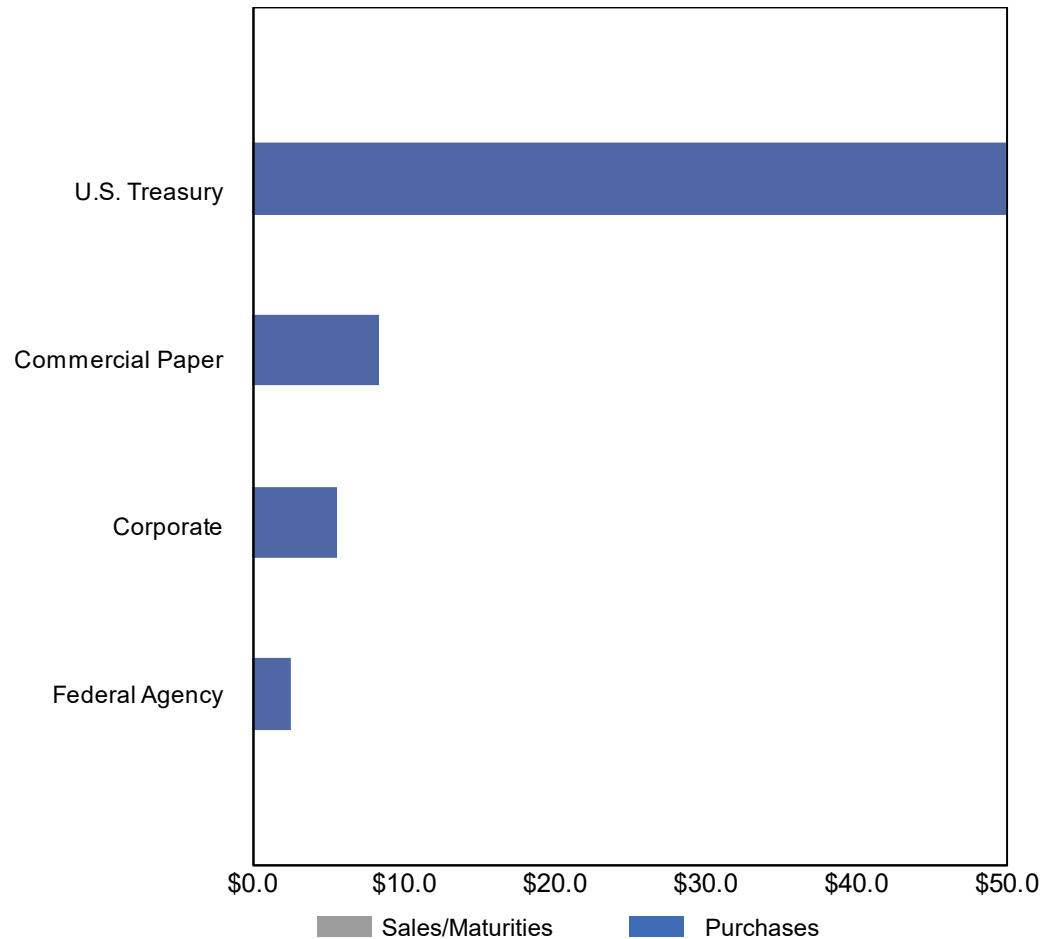
Security Type	Dec-23	% of Total	
U.S. Treasury	\$50.3	75.3%	
Federal Agency	\$2.5	3.8%	
Commercial Paper	\$8.4	12.6%	
Corporate	\$5.6	8.3%	
Total	\$66.7	100.0%	



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 COMMUNITY IMPROVEMENT

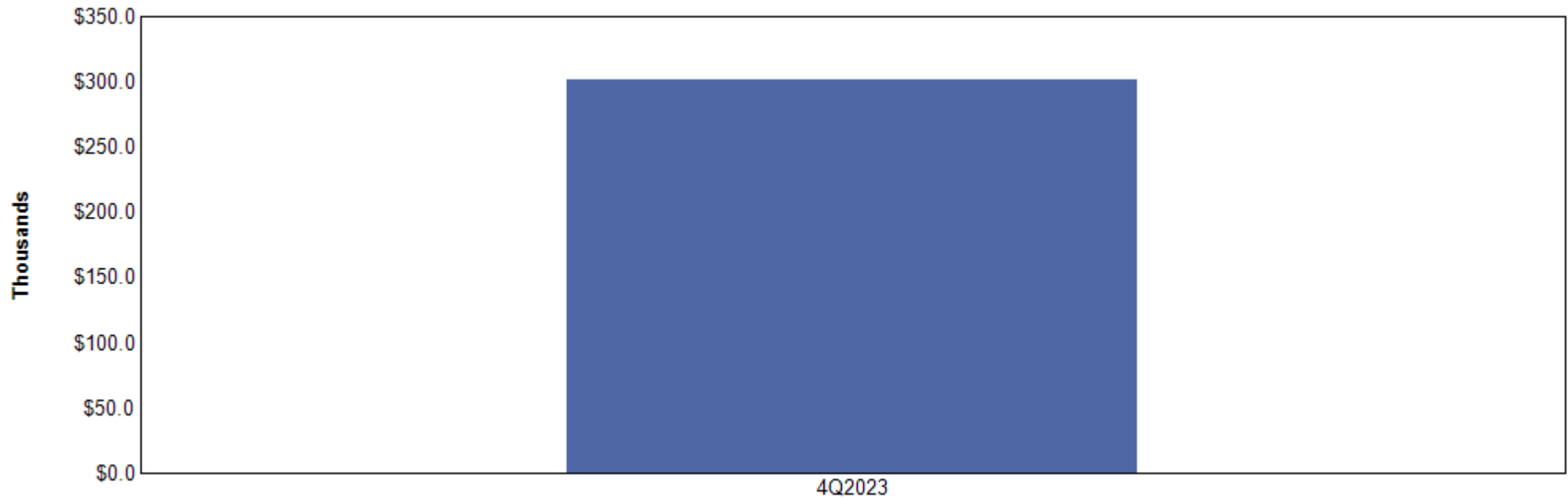
Net Activity by Sector
(\$ millions)



Sector	Net Activity
U.S. Treasury	\$49,767,296
Commercial Paper	\$8,278,862
Corporate	\$5,506,986
Federal Agency	\$2,447,004
Total Net Activity	\$66,000,148

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

Accrual Basis Earnings - CITY OF SALEM COMMUNITY IMPROVEMENT



Accrual Basis Earnings	4Q2023
Interest Earned ¹	\$10,109
Realized Gains / (Losses) ²	-
Change in Amortized Cost	\$291,844
Total Earnings	\$301,952

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.

ESG Overview



ESG Risk Composition Overview

Interpreting the ESG Risk Rating

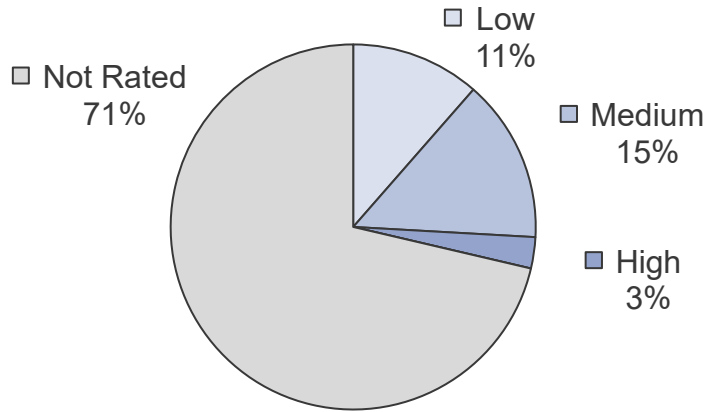
The **ESG Risk Rating** measures **economic value at risk based on ESG factors**.

A company’s ESG Risk Rating is comprised of a quantitative score and a risk category. The score indicates unmanaged ESG risk. **Risk categories are absolute** and comparable across industries.

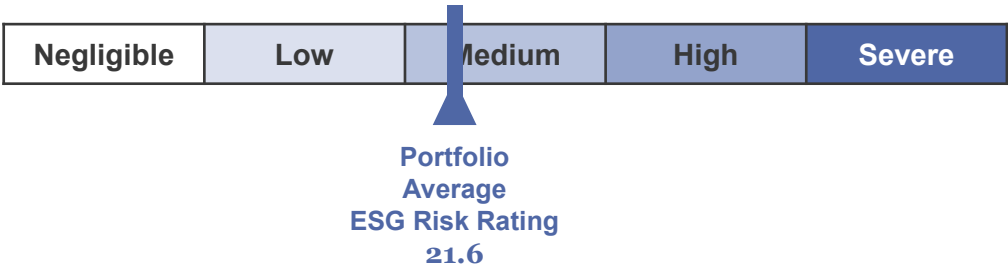
Lower scores represent less unmanaged risk. Ratings are scored on a scale of 1-100 and are assigned to one of the following ESG risk categories:

- Negligible Risk (overall score of 0-9.99 points)
- Low Risk (10-19.99 points)
- Medium Risk (20-29.99 points)
- High Risk (30-39.99 points)
- Severe Risk (40 and higher points)

Allocation by ESG Risk Rating

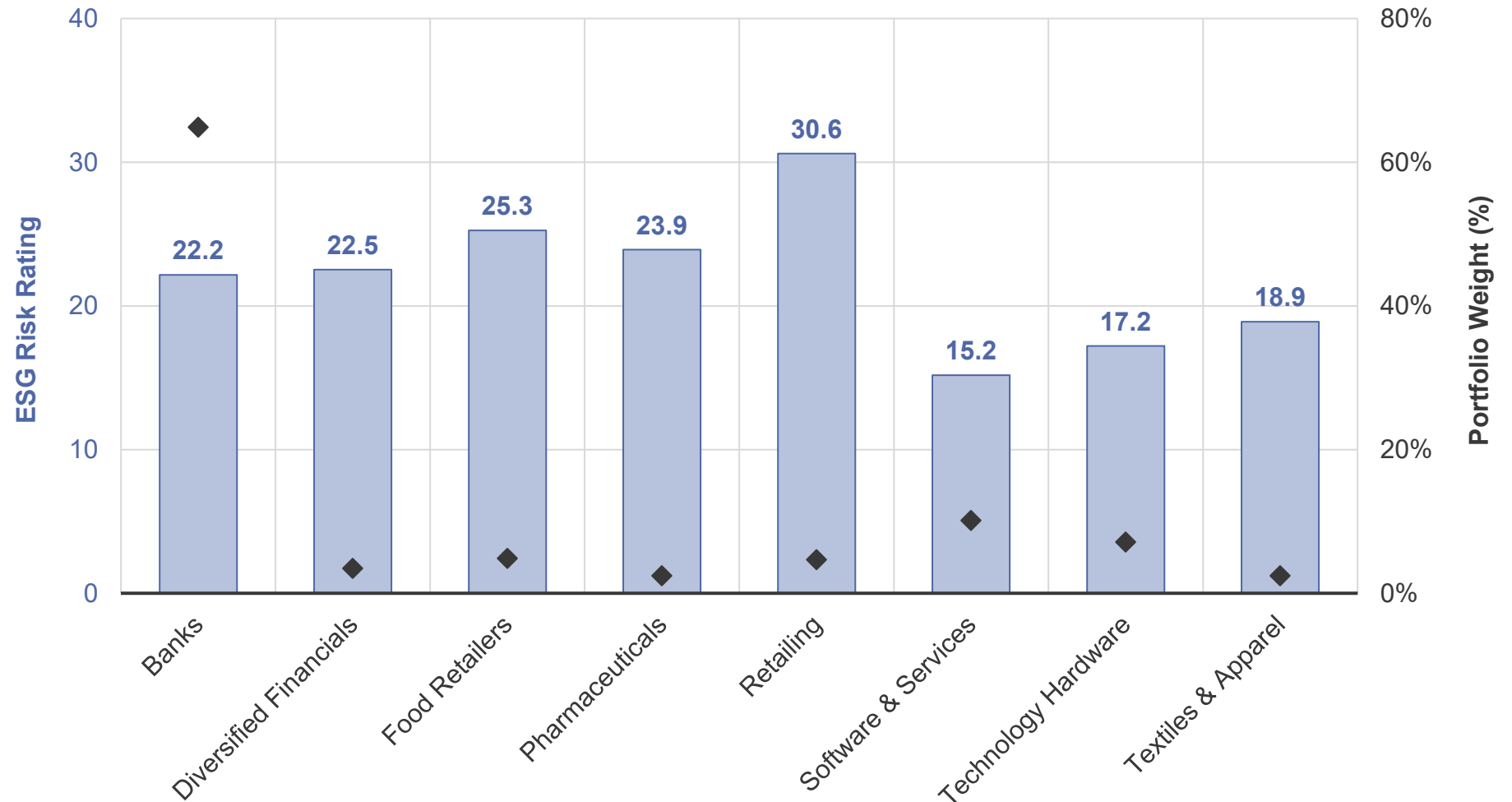


23/24 of portfolio issuers are rated with a total rated market value of \$98.9 million (29%)

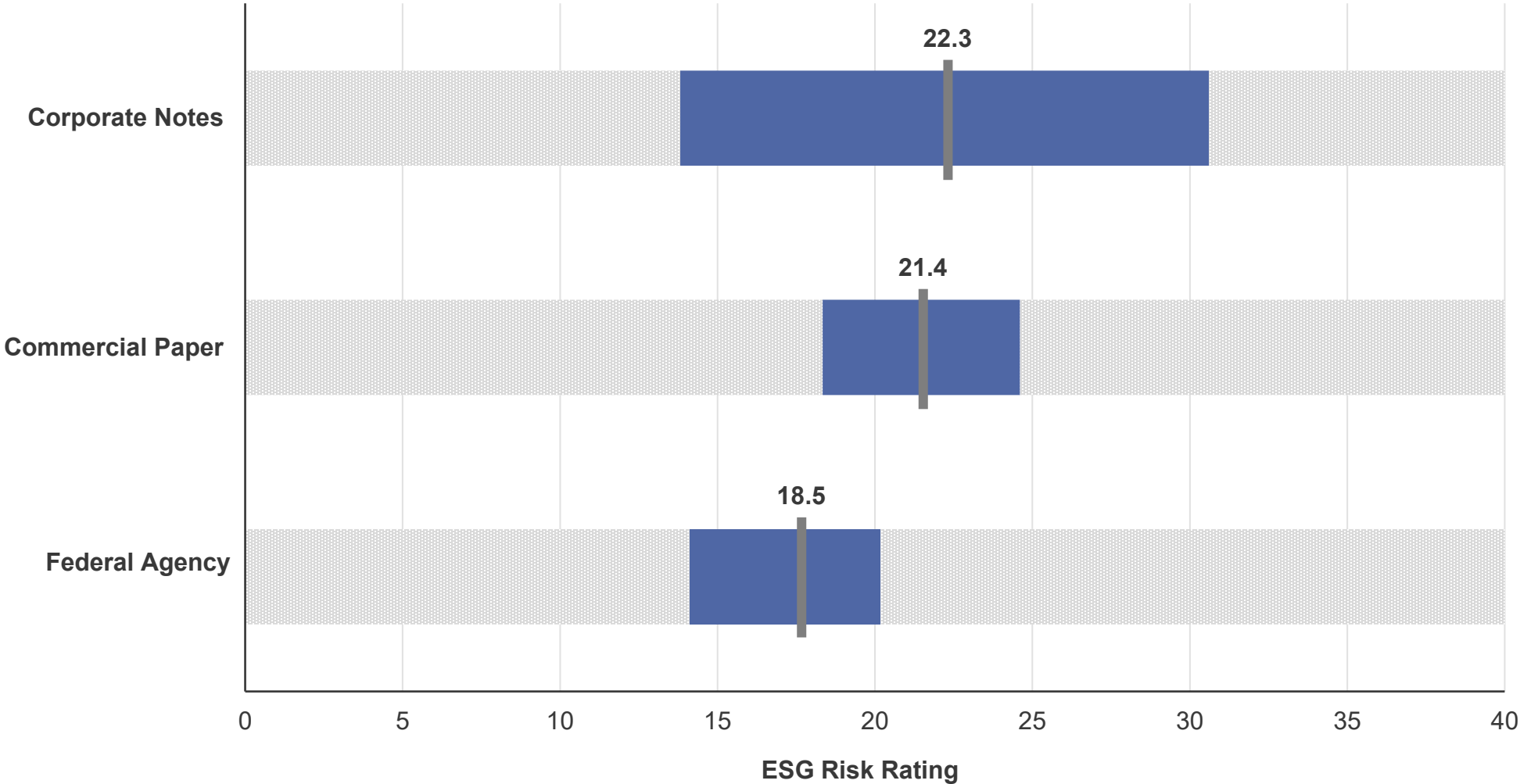


Industry Diversification

Industry Exposure and Weighted Average Risk Score



Sector Analysis
ESG Risk Rating Range and Average by Sector



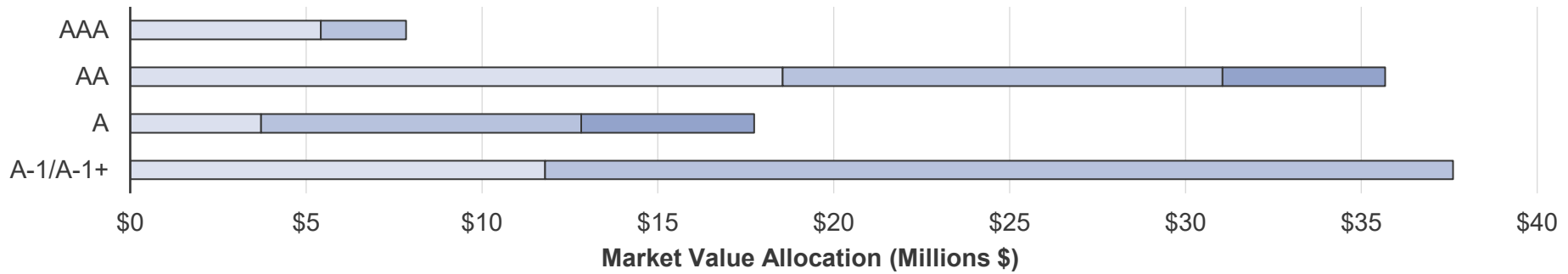
Source: Sustainalytics. Data as of December 31, 2023. Bars represent the range of held issuers' ESG risk rating that fall under each sector, and lines indicate the sectors market value-weighted average ESG risk rating. Please see important disclosures at the end of this presentation.

S&P Credit Rating Distribution

ESG Risk Rating Key

Negligible	Low	Medium	High	Severe
0-9.99	10-19.99	20-29.99	30-39.99	40-100

Credit Rating Grouped by ESG Risk Rating Category



Average ESG Risk Rating by S&P Credit Rating



Holdings as of December 31, 2023

Issuer	% Weight	Subindustry	Subindustry Percentile	ESG Risk Rating December 31, 2023
Automatic Data Processing Inc	0.7%	Data Processing	4	13.8
Federal National Mortgage Association	0.7%	Thriffs and Mortgages	7	14.1
Bank of Montreal	0.4%	Diversified Banks	5	14.7
Microsoft Corp	1.6%	Enterprise and Infrastructure Software	6	15.2
Visa, Inc.	0.7%	Data Processing	15	16.4
Apple Inc	2.0%	Technology Hardware	30	17.2
BPCE SA	3.4%	Diversified Banks	14	18.3
Nike Inc.	0.7%	Footwear	65	18.9
The Toronto-Dominion Bank	0.7%	Diversified Banks	17	19.0
BlackRock, Inc.	0.6%	Asset Management and Custody Services	8	19.1
Federal Home Loan Mortgage Corp	1.8%	Thriffs and Mortgages	21	20.2
Mitsubishi UFJ Financial Group Inc	3.4%	Diversified Banks	25	22.3
Australia and New Zealand Banking Group Limited	0.4%	Diversified Banks	28	22.9
Crédit Agricole SA	3.4%	Diversified Banks	29	23.0
Johnson & Johnson	0.7%	Pharmaceuticals	9	23.9
BNP Paribas SA	0.6%	Diversified Banks	37	24.6
Walmart Inc.	1.4%	Food Retail	55	25.3
Royal Bank of Canada	0.4%	Diversified Banks	42	25.8
Citigroup, Inc.	0.8%	Diversified Banks	49	26.9
UBS Group AG	0.4%	Asset Management and Custody Services	28	27.5
Bank of America Corporation	1.1%	Diversified Banks	59	28.3
JPMorgan Chase & Co.	1.4%	Diversified Banks	71	30.1
Amazon.com Inc	1.3%	Online and Direct Marketing Retail	97	30.6

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 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	43,312.50	4,602,338.53	4,587,781.48
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	3,708.79	4,999,497.40	4,950,000.00
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	24,838.11	4,605,577.56	4,564,062.50
US TREASURY 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	1,997.95	2,500,142.02	2,465,234.50
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	9,180.33	5,257,960.67	5,179,453.13
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	252.75	4,608,455.71	4,527,406.48
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	22,175.48	5,237,504.49	5,119,570.05
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	17,532.79	4,596,256.43	4,483,562.50
US TREASURY 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	6,659.84	4,997,945.93	4,834,375.00
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	13,413.46	5,244,637.87	5,106,445.05
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	11,824.24	4,091,571.77	3,977,789.27
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	228.37	4,755,515.52	4,609,726.80
US TREASURY NOTES DTD 01/15/2022 1.125% 01/15/2025	91282CDS7	10,670,000.00	AA+	Aaa	11/28/2022	11/30/2022	9,958,527.73	4.45	55,452.11	10,322,047.02	10,279,878.13
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	5,209.02	4,085,012.75	3,897,562.50
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	6,277.17	5,962,804.08	5,618,437.20

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 08/31/2020 0.250% 08/31/2025	91282CAJ0	11,100,000.00	AA+	Aaa	11/28/2022	11/30/2022	9,958,347.66	4.25	9,377.06	10,409,328.73	10,364,625.00
US TREASURY NOTES DTD 08/31/2023 5.000% 08/31/2025	91282CHV6	2,500,000.00	AA+	Aaa	10/26/2023	10/27/2023	2,492,773.44	5.16	42,239.01	2,493,481.09	2,523,437.50
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	20.60	1,996,970.12	1,853,750.00
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	9,258.83	5,852,221.89	5,450,125.00
US TREASURY NOTES DTD 02/15/2023 4.000% 02/15/2026	91282CGL9	4,500,000.00	AA+	Aaa	2/21/2023	2/23/2023	4,449,023.44	4.41	67,989.13	4,463,641.72	4,480,312.50
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	4,502.68	2,646,782.86	2,462,626.56
US TREASURY 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	2,622.95	3,974,391.46	3,692,500.00
US TREASURY 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	7,192.60	2,672,252.32	2,518,828.13
US TREASURY NOTES DTD 10/31/2021 1.125% 10/31/2026	91282CDG3	4,825,000.00	AA+	Aaa	5/3/2023	5/4/2023	4,443,334.96	3.56	9,245.71	4,515,719.71	4,452,570.31
US TREASURY 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	2,295.08	994,182.86	957,500.00
US TREASURY NOTES DTD 06/30/2022 3.250% 06/30/2027	91282CEW7	5,500,000.00	AA+	Aaa	7/12/2022	7/14/2022	5,566,816.41	2.98	491.07	5,547,051.73	5,376,250.00
US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027	91282CFB2	2,500,000.00	AA+	Aaa	8/11/2022	8/12/2022	2,478,808.59	2.93	28,770.38	2,484,731.44	2,400,390.50
US TREASURY NOTES DTD 10/31/2020 0.500% 10/31/2027	91282CAU5	4,325,000.00	AA+	Aaa	3/31/2023	4/3/2023	3,745,010.74	3.71	3,683.38	3,839,709.94	3,803,296.88
US TREASURY NOTES DTD 08/31/2021 1.125% 08/31/2028	91282CCV1	2,500,000.00	AA+	Aaa	12/18/2023	12/20/2023	2,195,312.50	4.00	9,503.78	2,197,443.18	2,208,203.00
Security Type Sub-Total		132,305,000.00					129,056,936.92	2.23	419,255.17	129,955,176.80	126,745,699.97
Federal Agency											
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	2,848,033.75	2,678,005.35

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											
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	1,399,247.24	1,307,807.20
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	2,496,417.63	2,335,370.00
Security Type Sub-Total		6,750,000.00					6,731,984.00	0.43	8,731.25	6,743,698.62	6,321,182.55
Corporate											
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	2,380,000.00	2,371,303.48
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	2,006,364.81	1,990,600.00
JPMORGAN CHASE & CO (CALLABLE) CORP NOTE DTD 06/01/2021 0.824% 06/01/2025	46647PCH7	5,000,000.00	A-	A1	5/25/2021	6/1/2021	5,010,350.00	0.77	3,433.33	5,001,435.40	4,913,390.00
MICROSOFT CORP NOTES (CALLABLE) 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	2,067,525.20	1,952,558.00
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	4,998,650.88	4,630,130.00
AMAZON INC CORP NOTES (CALLABLE) 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	5,004,896.89	4,616,195.00
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	2,504,747.05	2,295,850.00
BANK OF AMERICA NA CORPORATE NOTES DTD 08/18/2023 5.526% 08/18/2026	06428CAA2	3,500,000.00	A+	Aa1	10/23/2023	10/25/2023	3,480,015.00	5.75	71,454.25	3,481,336.96	3,567,347.00
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	2,441,062.20	2,298,467.50
MICROSOFT CORP CORP NOTES (CALLABLE) DTD 02/06/2017 3.300% 02/06/2027	594918BY9	3,500,000.00	AAA	Aaa	10/23/2023	10/25/2023	3,305,750.00	5.16	46,520.83	3,316,757.50	3,409,381.50

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											
NIKE INC CORPORATE NOTES (CALLABLE) DTD 03/27/2020 2.750% 03/27/2027	654106AJ2	2,500,000.00	AA-	A1	7/12/2022	7/14/2022	2,424,975.00	3.45	17,951.39	2,448,395.73	2,378,447.50
VISA INC CORP NOTES (CALLABLE) DTD 04/02/2020 1.900% 04/15/2027	92826CAL6	2,500,000.00	AA-	Aa3	7/12/2022	7/14/2022	2,334,875.00	3.42	10,027.78	2,385,858.29	2,322,795.00
JOHNSON & JOHNSON CORP NOTE (CALLABLE) DTD 11/10/2017 2.900% 01/15/2028	478160CK8	2,500,000.00	AAA	Aaa	10/23/2023	10/25/2023	2,293,225.00	5.10	33,430.56	2,302,337.57	2,392,627.50
WALMART INC CORPORATE NOTES (CALLABLE) DTD 04/18/2023 3.900% 04/15/2028	931142FB4	2,500,000.00	AA	Aa2	10/23/2023	10/25/2023	2,373,000.00	5.19	20,583.33	2,378,285.19	2,475,995.00
AUTOMATIC DATA PROCESSNG CORP NOTES (CAL DTD 05/14/2021 1.700% 05/15/2028	053015AG8	2,500,000.00	AA-	Aa3	12/18/2023	12/20/2023	2,244,550.00	4.27	5,430.56	2,246,456.34	2,256,720.00
CITIBANK NA CORP NOTES (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028	17325FBB3	2,500,000.00	A+	Aa3	10/23/2023	10/25/2023	2,476,400.00	6.03	37,074.72	2,477,174.30	2,602,742.50
Security Type Sub-Total		48,380,000.00					47,655,619.00	2.88	334,792.30	47,441,284.31	46,474,549.98
Managed Account Sub Total		187,435,000.00					183,444,539.92	2.34	762,778.72	184,140,159.73	179,541,432.50
Securities Sub Total		\$187,435,000.00					\$183,444,539.92	2.34%	\$762,778.72	\$184,140,159.73	\$179,541,432.50
Accrued Interest											\$762,778.72
Total Investments											\$180,304,211.22

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
10/23/2023	10/25/2023	3,500,000.00	06428CAA2	BANK OF AMERICA NA CORPORATE NOTES	5.52%	8/18/2026	3,516,010.75	5.75%	
10/23/2023	10/25/2023	2,500,000.00	478160CK8	JOHNSON & JOHNSON CORP NOTE (CALLABLE)	2.90%	1/15/2028	2,313,363.89	5.10%	
10/23/2023	10/25/2023	2,500,000.00	17325FBB3	CITIBANK NA CORP NOTES (CALLABLE)	5.80%	9/29/2028	2,486,877.64	6.03%	
10/23/2023	10/25/2023	2,500,000.00	931142FB4	WALMART INC CORPORATE NOTES (CALLABLE)	3.90%	4/15/2028	2,375,708.33	5.19%	
10/23/2023	10/25/2023	3,500,000.00	594918BY9	MICROSOFT CORP CORP NOTES (CALLABLE)	3.30%	2/6/2027	3,331,095.83	5.16%	
10/26/2023	10/27/2023	2,500,000.00	91282CHV6	US TREASURY NOTES	5.00%	8/31/2025	2,512,347.62	5.16%	
12/18/2023	12/20/2023	2,500,000.00	91282CCV1	US TREASURY NOTES	1.12%	8/31/2028	2,203,889.08	4.00%	
12/18/2023	12/20/2023	2,500,000.00	053015AG8	AUTOMATIC DATA PROCESSNG CORP NOTES (CAL	1.70%	5/15/2028	2,248,681.94	4.27%	
Total BUY		22,000,000.00					20,987,975.08		0.00
INTEREST									
10/15/2023	10/15/2023	5,000,000.00	91282CDB4	US TREASURY NOTES	0.62%	10/15/2024	15,625.00		
10/15/2023	10/15/2023	2,500,000.00	92826CAL6	VISA INC CORP NOTES (CALLABLE)	1.90%	4/15/2027	23,750.00		
10/15/2023	10/15/2023	2,500,000.00	91282CBV2	US TREASURY NOTES	0.37%	4/15/2024	4,687.50		
10/31/2023	10/31/2023	4,325,000.00	91282CAU5	US TREASURY NOTES	0.50%	10/31/2027	10,812.50		
10/31/2023	10/31/2023	5,250,000.00	912828YM6	US TREASURY NOTES	1.50%	10/31/2024	39,375.00		
10/31/2023	10/31/2023	4,825,000.00	91282CDG3	US TREASURY NOTES	1.12%	10/31/2026	27,140.63		
11/3/2023	11/3/2023	2,000,000.00	594918BJ2	MICROSOFT CORP NOTES (CALLABLE)	3.12%	11/3/2025	31,250.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
11/12/2023	11/12/2023	5,000,000.00	023135BX3	AMAZON INC CORP NOTES (CALLABLE)	1.00%	5/12/2026	25,000.00		
11/15/2023	11/15/2023	4,070,000.00	912828G38	US TREASURY NOTES	2.25%	11/15/2024	45,787.50		
11/30/2023	11/30/2023	5,250,000.00	912828XT2	US TREASURY NOTES	2.00%	5/31/2024	52,500.00		
11/30/2023	11/30/2023	4,000,000.00	91282CCF6	US TREASURY NOTES	0.75%	5/31/2026	15,000.00		
11/30/2023	11/30/2023	1,000,000.00	91282CET4	US TREASURY NOTES	2.62%	5/31/2027	13,125.00		
12/1/2023	12/1/2023	5,000,000.00	46647PCH7	JPMORGAN CHASE & CO (CALLABLE) CORP NOTE	0.82%	6/1/2025	20,600.00		
12/3/2023	12/3/2023	2,500,000.00	89114TZD7	TORONTO-DOMINION BANK CORPORATE NOTES	1.20%	6/3/2026	15,000.00		
12/31/2023	12/31/2023	2,000,000.00	91282CBC4	US TREASURY NOTES	0.37%	12/31/2025	3,750.00		
12/31/2023	12/31/2023	5,500,000.00	91282CEW7	US TREASURY NOTES	3.25%	6/30/2027	89,375.00		
12/31/2023	12/31/2023	4,600,000.00	912828XX3	US TREASURY NOTES	2.00%	6/30/2024	46,000.00		
12/31/2023	12/31/2023	4,750,000.00	912828YY0	US TREASURY NOTES	1.75%	12/31/2024	41,562.50		
Total INTEREST		70,070,000.00					520,340.63		0.00
MATURITY									
10/24/2023	10/24/2023	2,500,000.00	06051GJH3	BANK OF AMERICA CORP NOTES (CALLED, OMD	0.81%	10/24/2023	2,510,125.00		
12/31/2023	12/31/2023	3,530,000.00	912828V23	US TREASURY NOTES	2.25%	12/31/2023	3,569,712.50		
12/31/2023	12/31/2023	2,750,000.00	91282CDR9	US TREASURY NOTES	0.75%	12/31/2023	2,760,312.50		
Total MATURITY		8,780,000.00					8,840,150.00		0.00

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
SELL									
10/23/2023	10/25/2023	2,000,000.00	166764BW9	CHEVRON CORP (CALLABLE) NOTES	1.55%	5/11/2025	1,900,098.67		-131,422.18
10/23/2023	10/25/2023	2,000,000.00	166764BW9	CHEVRON CORP (CALLABLE) NOTES	1.55%	5/11/2025	1,900,098.67		-128,819.52
Total SELL		4,000,000.00					3,800,197.34		-260,241.70

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 09/07/2023 0.000% 03/07/2024	912797GQ4	30,000,000.00	A-1+	P-1	12/6/2023	12/7/2023	29,602,254.17	5.32	0.00	29,711,525.00	29,718,063.00
US TREASURY BILL DTD 11/09/2023 0.000% 05/09/2024	912797HQ3	10,000,000.00	A-1+	P-1	12/6/2023	12/7/2023	9,779,908.33	5.26	0.00	9,815,637.50	9,817,067.00
US TREASURY BILL DTD 09/07/2023 0.000% 09/05/2024	912797GL5	15,000,000.00	A-1+	P-1	12/6/2023	12/7/2023	14,441,885.63	5.10	0.00	14,492,995.00	14,510,116.50
US TREASURY BILL DTD 11/30/2023 0.000% 11/29/2024	912797HP5	15,000,000.00	A-1+	P-1	12/6/2023	12/7/2023	14,283,030.42	5.05	0.00	14,333,098.13	14,367,816.00
Security Type Sub-Total		70,000,000.00					68,107,078.55	5.20	0.00	68,353,255.63	68,413,062.50
Commercial Paper											
CREDIT AGRICOLE CIB NY COMM PAPER DTD 09/08/2023 0.000% 05/31/2024	22533TEX0	10,000,000.00	A-1	P-1	12/6/2023	12/7/2023	9,737,466.67	5.51	0.00	9,774,758.34	9,766,980.00
MUFG BANK LTD/NY COMM PAPER DTD 09/06/2023 0.000% 05/31/2024	62479LEX9	10,000,000.00	A-1	P-1	12/6/2023	12/7/2023	9,734,044.44	5.59	0.00	9,771,822.22	9,769,170.00
NATIXIS NY BRANCH COMM PAPER DTD 12/01/2023 0.000% 08/01/2024	63873JH11	10,000,000.00	A-1	P-1	12/6/2023	12/7/2023	9,643,000.00	5.60	0.00	9,680,500.00	9,693,360.00
Security Type Sub-Total		30,000,000.00					29,114,511.11	5.57	0.00	29,227,080.56	29,229,510.00
Managed Account Sub Total		100,000,000.00					97,221,589.66	5.31	0.00	97,580,336.19	97,642,572.50
Securities Sub Total		\$100,000,000.00					\$97,221,589.66	5.31%	\$0.00	\$97,580,336.19	\$97,642,572.50
Accrued Interest											\$0.00
Total Investments											\$97,642,572.50

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
12/6/2023	12/7/2023	15,000,000.00	912797HP5	US TREASURY BILL	0.00%	11/29/2024	14,283,030.42	5.05%	
12/6/2023	12/7/2023	15,000,000.00	912797GL5	US TREASURY BILL	0.00%	9/5/2024	14,441,885.63	5.10%	
12/6/2023	12/7/2023	10,000,000.00	912797HQ3	US TREASURY BILL	0.00%	5/9/2024	9,779,908.33	5.26%	
12/6/2023	12/7/2023	30,000,000.00	912797GQ4	US TREASURY BILL	0.00%	3/7/2024	29,602,254.17	5.32%	
12/6/2023	12/7/2023	10,000,000.00	62479LEX9	MUFG BANK LTD/NY COMM PAPER	0.00%	5/31/2024	9,734,044.44	5.59%	
12/6/2023	12/7/2023	10,000,000.00	22533TEX0	CREDIT AGRICOLE CIB NY COMM PAPER	0.00%	5/31/2024	9,737,466.67	5.51%	
12/6/2023	12/7/2023	10,000,000.00	63873JH11	NATIXIS NY BRANCH COMM PAPER	0.00%	8/1/2024	9,643,000.00	5.60%	
Total BUY		100,000,000.00					97,221,589.66		0.00
MATURITY									
11/17/2023	11/17/2023	14,500,000.00	313384PJ2	FED HOME LN DISCOUNT NT DISC NOTES	0.00%	11/17/2023	14,500,000.00		
11/20/2023	11/20/2023	1,500,000.00	313384PM5	FHLB DISC NOTE	0.00%	11/20/2023	1,500,000.00		
11/30/2023	11/30/2023	9,000,000.00	91282CDM0	US TREASURY NOTES	0.50%	11/30/2023	9,022,500.00		
12/15/2023	12/15/2023	5,000,000.00	313384QN2	FED HOME LN DISCOUNT NT DISC NOTES	0.00%	12/15/2023	5,000,000.00		
Total MATURITY		30,000,000.00					30,022,500.00		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
U.S. Treasury											
US TREASURY BILL DTD 05/18/2023 0.000% 05/16/2024	912797FH5	2,865,000.00	A-1+	P-1	10/25/2023	10/27/2023	2,780,915.35	5.39	0.00	2,808,388.55	2,809,992.00
US TREASURY BILL DTD 07/13/2023 0.000% 07/11/2024	912797GB7	5,315,000.00	A-1+	P-1	10/25/2023	10/27/2023	5,119,422.62	5.33	0.00	5,169,454.04	5,181,618.48
US TREASURY NOTES DTD 11/17/2014 2.250% 11/15/2024	912828G38	2,840,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,749,253.13	5.42	8,250.82	2,764,809.74	2,775,656.39
US TREASURY NOTES DTD 12/15/2021 1.000% 12/15/2024	91282CDN8	2,820,000.00	AA+	Aaa	10/26/2023	10/27/2023	2,686,270.31	5.37	1,309.84	2,707,538.16	2,719,537.50
US TREASURY NOTES DTD 01/15/2022 1.125% 01/15/2025	91282CDS7	2,850,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,710,283.20	5.34	14,811.48	2,730,958.78	2,745,796.88
US TREASURY NOTES DTD 02/15/2022 1.500% 02/15/2025	91282CDZ1	2,820,000.00	AA+	Aaa	10/26/2023	10/27/2023	2,685,719.53	5.33	15,977.45	2,704,299.22	2,721,300.00
US TREASURY NOTES DTD 02/29/2020 1.125% 02/28/2025	912828ZC7	1,480,000.00	AA+	Aaa	10/25/2023	10/26/2023	1,400,334.38	5.32	5,626.24	1,411,205.25	1,421,262.50
US TREASURY NOTES DTD 03/15/2022 1.750% 03/15/2025	91282CED9	1,320,000.00	AA+	Aaa	10/25/2023	10/27/2023	1,258,073.44	5.31	6,853.85	1,266,166.81	1,275,450.00
US TREASURY NOTES DTD 04/30/2023 3.875% 04/30/2025	91282CGX3	1,285,000.00	AA+	Aaa	10/26/2023	10/27/2023	1,259,601.17	5.25	8,481.35	1,262,643.50	1,273,555.53
US TREASURY NOTES DTD 05/15/2022 2.750% 05/15/2025	91282CEQ0	2,645,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,548,085.55	5.24	9,391.93	2,559,386.53	2,581,768.10
US TREASURY NOTES DTD 06/15/2022 2.875% 06/15/2025	91282CEU1	2,620,000.00	AA+	Aaa	10/26/2023	10/27/2023	2,525,536.72	5.20	3,498.70	2,535,979.90	2,560,640.76
US TREASURY NOTES DTD 07/31/2020 0.250% 07/31/2025	91282CAB7	2,635,000.00	AA+	Aaa	10/26/2023	10/27/2023	2,418,950.59	5.18	2,756.73	2,441,126.73	2,467,430.34
US TREASURY NOTES DTD 08/17/2015 2.000% 08/15/2025	912828K74	2,610,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,469,610.55	5.16	19,716.85	2,483,692.17	2,511,717.32
US TREASURY NOTES DTD 09/15/2022 3.500% 09/15/2025	91282CFK2	1,215,000.00	AA+	Aaa	10/26/2023	10/27/2023	1,179,499.22	5.14	12,617.31	1,182,899.88	1,197,154.69
US TREASURY NOTES DTD 10/15/2022 4.250% 10/15/2025	91282CFP1	1,135,000.00	AA+	Aaa	10/25/2023	10/27/2023	1,116,910.94	5.11	10,280.12	1,118,571.41	1,133,049.16

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 12/15/2022 4.000% 12/15/2025	91282CGA3	1,265,000.00	AA+	Aaa	10/25/2023	10/27/2023	1,237,970.51	5.07	2,350.27	1,240,257.62	1,258,477.41
US TREASURY NOTES DTD 01/15/2023 3.875% 01/15/2026	91282CGE5	2,635,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,570,566.02	5.05	47,168.65	2,575,809.72	2,615,237.50
US TREASURY NOTES DTD 02/15/2023 4.000% 02/15/2026	91282CGL9	2,635,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,576,330.08	5.03	39,811.41	2,580,928.91	2,623,471.88
US TREASURY NOTES DTD 03/15/2023 4.625% 03/15/2026	91282CGR6	2,625,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,601,928.71	5.02	36,021.63	2,603,678.95	2,648,378.78
US TREASURY NOTES DTD 04/15/2023 3.750% 04/15/2026	91282CGV7	5,785,000.00	AA+	Aaa	10/25/2023	10/27/2023	5,618,003.32	5.01	46,232.58	5,630,236.15	5,732,573.44
Security Type Sub-Total		51,400,000.00					49,513,265.34	5.21	291,157.21	49,778,032.02	50,254,068.66
Federal Agency											
FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	2,680,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,440,676.00	5.20	2,010.00	2,461,963.58	2,498,738.20
Security Type Sub-Total		2,680,000.00					2,440,676.00	5.20	2,010.00	2,461,963.58	2,498,738.20
Corporate											
ROYAL BANK OF CANADA DTD 04/07/2022 3.375% 04/14/2025	78016EZ59	1,430,000.00	A	A1	10/25/2023	10/27/2023	1,378,963.30	5.96	10,322.81	1,385,259.42	1,400,286.03
UBS AG LONDON CORPORATE NOTES DTD 09/11/2023 5.800% 09/11/2025	902674ZV5	1,370,000.00	A+	Aa3	10/25/2023	10/27/2023	1,361,999.20	6.13	24,279.44	1,362,734.49	1,383,860.29
BANK OF MONTREAL CORPORATE NOTES DTD 09/25/2023 5.920% 09/25/2025	06368LWT9	1,380,000.00	A-	A2	10/25/2023	10/27/2023	1,375,584.00	6.10	21,785.60	1,375,981.32	1,401,102.96
AUST & NZ BANKING GRP NY CORPORATE NOTES DTD 12/08/2022 5.088% 12/08/2025	05254JAA8	1,360,000.00	AA-	Aa3	10/25/2023	10/27/2023	1,344,564.00	5.66	4,420.91	1,345,881.95	1,367,572.48
Security Type Sub-Total		5,540,000.00					5,461,110.50	5.96	60,808.76	5,469,857.18	5,552,821.76

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
Commercial Paper											
CREDIT AGRICOLE CIB NY COMM PAPER DTD 10/26/2023 0.000% 06/21/2024	22533TFM3	2,150,000.00	A-1	P-1	10/26/2023	10/27/2023	2,070,260.08	5.83	0.00	2,092,372.83	2,093,293.75
BNP PARIBAS NY BRANCH COMM PAPER DTD 04/07/2023 0.000% 06/25/2024	09659BFR6	2,150,000.00	A-1	P-1	10/26/2023	10/27/2023	2,068,630.86	5.85	0.00	2,090,822.44	2,093,106.70
MUFG BANK LTD/NY COMM PAPER DTD 10/27/2023 0.000% 07/19/2024	62479LGK5	2,160,000.00	A-1	P-1	10/26/2023	10/27/2023	2,069,826.00	5.90	0.00	2,092,200.00	2,094,681.60
NATIXIS NY BRANCH COMM PAPER DTD 10/25/2023 0.000% 07/19/2024	63873JGK0	2,160,000.00	A-1	P-1	10/26/2023	10/27/2023	2,070,145.20	5.87	0.00	2,092,440.00	2,097,541.44
Security Type Sub-Total		8,620,000.00					8,278,862.14	5.86	0.00	8,367,835.27	8,378,623.49
Managed Account Sub Total		68,240,000.00					65,693,913.98	5.36	353,975.97	66,077,688.05	66,684,252.11
Securities Sub Total		\$68,240,000.00					\$65,693,913.98	5.36%	\$353,975.97	\$66,077,688.05	\$66,684,252.11
Accrued Interest											\$353,975.97
Total Investments											\$67,038,228.08

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
10/25/2023	10/26/2023	1,480,000.00	912828ZC7	US TREASURY NOTES	1.12%	2/28/2025	1,402,895.92	5.32%	
10/25/2023	10/27/2023	1,430,000.00	78016EZ59	ROYAL BANK OF CANADA	3.37%	4/14/2025	1,380,706.11	5.96%	
10/25/2023	10/27/2023	2,840,000.00	912828G38	US TREASURY NOTES	2.25%	11/15/2024	2,777,903.95	5.42%	
10/25/2023	10/27/2023	2,635,000.00	91282CGE5	US TREASURY NOTES	3.87%	1/15/2026	2,599,422.13	5.05%	
10/25/2023	10/27/2023	2,610,000.00	912828K74	US TREASURY NOTES	2.00%	8/15/2025	2,479,965.44	5.16%	
10/25/2023	10/27/2023	1,360,000.00	05254JAA8	AUST & NZ BANKING GRP NY CORPORATE NOTES	5.08%	12/8/2025	1,371,281.65	5.66%	
10/25/2023	10/27/2023	1,370,000.00	902674ZV5	UBS AG LONDON CORPORATE NOTES	5.80%	9/11/2025	1,372,152.42	6.13%	
10/25/2023	10/27/2023	2,850,000.00	91282CDS7	US TREASURY NOTES	1.12%	1/15/2025	2,719,344.34	5.34%	
10/25/2023	10/27/2023	2,645,000.00	91282CEQ0	US TREASURY NOTES	2.75%	5/15/2025	2,580,698.83	5.24%	
10/25/2023	10/27/2023	2,625,000.00	91282CGR6	US TREASURY NOTES	4.62%	3/15/2026	2,615,937.12	5.02%	
10/25/2023	10/27/2023	1,265,000.00	91282CGA3	US TREASURY NOTES	4.00%	12/15/2025	1,256,496.19	5.07%	
10/25/2023	10/27/2023	1,135,000.00	91282CFP1	US TREASURY NOTES	4.25%	10/15/2025	1,118,492.50	5.11%	
10/25/2023	10/27/2023	2,680,000.00	3135G06G3	FANNIE MAE NOTES	0.50%	11/7/2025	2,447,003.78	5.20%	
10/25/2023	10/27/2023	5,315,000.00	912797GB7	US TREASURY BILL	0.00%	7/11/2024	5,119,422.62	5.33%	
10/25/2023	10/27/2023	5,785,000.00	91282CGV7	US TREASURY NOTES	3.75%	4/15/2026	5,625,116.02	5.01%	
10/25/2023	10/27/2023	1,320,000.00	91282CED9	US TREASURY NOTES	1.75%	3/15/2025	1,260,738.82	5.31%	
10/25/2023	10/27/2023	1,380,000.00	06368LWT9	BANK OF MONTREAL CORPORATE NOTES	5.92%	9/25/2025	1,382,845.87	6.10%	

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
10/25/2023	10/27/2023	2,635,000.00	91282CGL9	US TREASURY NOTES	4.00%	2/15/2026	2,597,238.23	5.03%	
10/25/2023	10/27/2023	2,865,000.00	912797FH5	US TREASURY BILL	0.00%	5/16/2024	2,780,915.35	5.39%	
10/26/2023	10/27/2023	2,820,000.00	91282CDN8	US TREASURY NOTES	1.00%	12/15/2024	2,696,594.90	5.37%	
10/26/2023	10/27/2023	2,635,000.00	91282CAB7	US TREASURY NOTES	0.25%	7/31/2025	2,420,525.86	5.18%	
10/26/2023	10/27/2023	1,285,000.00	91282CGX3	US TREASURY NOTES	3.87%	4/30/2025	1,283,956.81	5.25%	
10/26/2023	10/27/2023	2,620,000.00	91282CEU1	US TREASURY NOTES	2.87%	6/15/2025	2,553,114.73	5.20%	
10/26/2023	10/27/2023	2,160,000.00	63873JGK0	NATIXIS NY BRANCH COMM PAPER	0.00%	7/19/2024	2,070,145.20	5.87%	
10/26/2023	10/27/2023	2,150,000.00	22533TFM3	CREDIT AGRICOLE CIB NY COMM PAPER	0.00%	6/21/2024	2,070,260.08	5.83%	
10/26/2023	10/27/2023	2,160,000.00	62479LGK5	MUFG BANK LTD/NY COMM PAPER	0.00%	7/19/2024	2,069,826.00	5.90%	
10/26/2023	10/27/2023	2,820,000.00	91282CDZ1	US TREASURY NOTES	1.50%	2/15/2025	2,694,110.56	5.33%	
10/26/2023	10/27/2023	2,150,000.00	09659BFR6	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	6/25/2024	2,068,630.86	5.85%	
10/26/2023	10/27/2023	1,215,000.00	91282CFK2	US TREASURY NOTES	3.50%	9/15/2025	1,184,405.95	5.14%	
Total BUY		68,240,000.00					66,000,148.24		0.00
INTEREST									
10/31/2023	10/31/2023	1,285,000.00	91282CGX3	US TREASURY NOTES	3.87%	4/30/2025	24,896.88		
11/7/2023	11/7/2023	2,680,000.00	3135G06G3	FANNIE MAE NOTES	0.50%	11/7/2025	6,700.00		
11/15/2023	11/15/2023	2,645,000.00	91282CEQ0	US TREASURY NOTES	2.75%	5/15/2025	36,368.75		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
11/15/2023	11/15/2023	2,840,000.00	912828G38	US TREASURY NOTES	2.25%	11/15/2024	31,950.00		
12/8/2023	12/8/2023	1,360,000.00	05254JAA8	AUST & NZ BANKING GRP NY CORPORATE NOTES	5.08%	12/8/2025	34,598.40		
12/15/2023	12/15/2023	2,620,000.00	91282CEU1	US TREASURY NOTES	2.87%	6/15/2025	37,662.50		
12/15/2023	12/15/2023	1,265,000.00	91282CGA3	US TREASURY NOTES	4.00%	12/15/2025	25,300.00		
12/15/2023	12/15/2023	2,820,000.00	91282CDN8	US TREASURY NOTES	1.00%	12/15/2024	14,100.00		
Total INTEREST		17,515,000.00					211,576.53		0.00

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- 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.