



CITY OF CUPERTINO

AGENDA

AUDIT COMMITTEE

10300 Torre Avenue, City Hall Conference Room A

Thursday, March 21, 2024

4:00 PM

Special Meeting

NOTICE AND CALL FOR A SPECIAL MEETING OF THE AUDIT COMMITTEE

NOTICE IS HEREBY GIVEN that a special meeting of the Audit Committee is hereby called for Thursday, March 21, 2024, commencing at 4:00 p.m. in City Hall, Conference Room A, 10300 Torre Avenue, Cupertino, California 95014. Said special meeting shall be for the purpose of conducting business on the subject matters listed below under the heading, "Special Meeting."

SPECIAL MEETING

ROLL CALL

ORDERS OF THE DAY

APPROVAL OF MINUTES

1. Subject: Approve Minutes of Regular Meeting on October 23, 2023
Recommended Action: Approve Minutes of Regular Meeting on October 23, 2023
[A - Draft Minutes](#)

POSTPONEMENTS

ORAL COMMUNICATIONS

This portion of the meeting is reserved for persons wishing to address the Committee on any matter within the jurisdiction of the Committee and not on the agenda. Speakers are limited to three (3) minutes. In most cases, State law will prohibit the Commission from making any decisions with respect to a matter not on the agenda.

NEW BUSINESS

2. Subject: ACTION ITEM Appointment of Audit Committee Chair and Vice Chair

Recommended Action: Appointment of Audit Committee Chair and Vice Chair

Presenter: Jonathan Orozco, Finance Manager

4:15 (15)

[A - Staff Report](#)

3. Subject: INFORMATIONAL ITEM Receive the Committee's Roles and Responsibilities (CMC 2.88.100)

Recommended Action: Receive the Committee's Roles and Responsibilities (CMC 2.88.100)

Presenter: Jonathan Orozco, Finance Manager

4:30(15)

4. Subject: INFORMATIONAL ITEM Receive PARS Presentation

Recommended Action: Receive PARS Presentation

Presenter: Jonathan Orozco, Finance Manager, and PARS

4:45(10)

5. Subject: INFORMATIONAL ITEM Receive Chandler Investments Presentation

Recommended Action: Receive Chandler Investments Presentation

Presenter: Jonathan Orozco, Finance Manager, and Chandler Investments

4:55(10)

[A - Presentation](#)

6. Subject: INFORMATIONAL ITEM Receive The Pun Group Presentation

Recommended Action: Receive The Pun Group Presentation

Presenter: Jonathan Orozco, Finance Manager, and The Pun Group

5:05(10)

[A - Presentation](#)

7. Subject: INFORMATIONAL ITEM Receive Moss Adams Presentation

Recommended Action: Receive Moss Adams Presentation

Presenter: Jonathan Orozco, Finance Manager, and Moss Adams

5:15(10)

[A - Presentation](#)

8. Subject: INFORMATIONAL ITEM Receive Budget Feedback on the City's current recommended Service Level Reductions (SLRs)

Recommended Action: Receive Budget Feedback on the City's current recommended Service Level Reductions (SLRs)

Presenter: Thomas Leung, Budget Manager

5:25(10)

9. Subject: INFORMATIONAL ITEM Budget Format Review
Recommended Action: Budget Format Review
Presenter: Thomas Leung, Budget Manager
5:35(10)
10. Subject: INFORMATIONAL ITEM Receive the proposed Audit Committee 2024 Schedule and Workplan
Recommended Action: Receive the proposed Audit Committee 2024 Schedule and Workplan
Presenter: Jonathan Orozco, Finance Manager
5:45(10)
[A - Proposed Audit Committee 2024 Schedule and Work Plan](#)

STAFF AND COMMITTEE REPORTS

COMMITTEEMEMBER ATTENDANCE AT UPCOMING MEETINGS AND EVENTS

FUTURE AGENDA SETTING

ADJOURNMENT

In compliance with the Americans with Disabilities Act (ADA), anyone who is planning to attend this meeting who is visually or hearing impaired or has any disability that needs special assistance should call the City Clerk's Office at 408-777-3223, at least 48 hours in advance of the meeting to arrange for assistance. In addition, upon request, in advance, by a person with a disability, meeting agendas and writings distributed for the meeting that are public records will be made available in the appropriate alternative format.

Any writings or documents provided to a majority of the members after publication of the agenda will be made available for public inspection. Please contact the City Clerk's Office in City Hall located at 10300 Torre Avenue, Cupertino, California 95014, during normal business hours.

IMPORTANT NOTICE: *Please be advised that pursuant to Cupertino Municipal Code section 2.08.100 written communications sent to the Cupertino City Council, Commissioners or City staff concerning a matter on the agenda are included as supplemental material to the agenda item. These written communications are accessible to the public through the City's website and kept in packet archives. Do not include any personal or private information in written communications to the City that you do not wish to make public, as written communications are considered public records and will be made publicly available on the City website.*

Members of the public are entitled to address the members concerning any item that is described in the notice or agenda for this meeting, before or during consideration of that item. If you wish to address the

members on any other item not on the agenda, you may do so during the public comment.



CITY OF CUPERTINO

Agenda Item

24-13041

Agenda Date: 3/21/2024
Agenda #: 1.

Subject: Approve Minutes of Regular Meeting on October 23, 2023

Approve Minutes of Regular Meeting on October 23, 2023

Either way.City of Cupertino
Audit Committee Regular Meeting
Minutes
October 23, 2023

CALL TO ORDER

At 4:00 p.m., Chair Chen called the regular meeting to order in the City of Cupertino Conference Room A, 10300 Torre Avenue.

ROLL CALL

Committee Members Present: Chair Angela Chen, Vice Chair Sheila Mohan, Committee member J.R. Fruen, Committee member Laura Hammer, Committee member Sophie Song

City Staff Present: Kristina Alfaro, Thomas Leung, Janet Liang, Matt Morley, Jonathan Orozco

Absent:

Guests: Carlos Oblites (Chandler), Colleen Rozillis (Moss Adams), Will Rogers (PARS), Ryan Maxey (U.S. Bank), Rick Rosenthal (U.S. Bank)

ORDERS OF THE DAY

1. APPROVE MINUTES OF REGULAR MEETING ON JULY 24, 2023

Chair Chen motioned with an edit; Committee member Hammer seconded. No public comment. The motion passes unanimously.

POSTPONEMENTS

ORAL COMMUNICATIONS

OLD BUSINESS

NEW BUSINESS

2. Receive OPEB & Pension Section 115 Trust Performance Report for the Quarter Ending September 30, 2023

Rogers provided an overview of the report. Rosenthal provided an overview of the report. Committee member Song asked what is the impact the war in Israel will have to our portfolio. Rosenthal noted that at this point in time he cannot say but it does create some uncertainty. Vice Chair Mohan asked if there are any plans to make an adjustment within the equity portfolio or to increase the fixed assets portion of the portfolio. Rosenthal noted no because equity is more favorable than the bonds.

No public comment.

3. Receive the Treasurer's Investment Report for the Quarter Ending September 30, 2023

Leung provided an overview of the report. Oblites provided an overview of the report. Committee member Fruen asked if he agrees with what USBank said that we are not headed towards a recession. Oblites noted that if there is a recession that it would be headed towards a minimal recession which would be barely felt.

No Public Comment.

Committee member Fruen motioned. Vice Chair Mohan seconded. The motion passes unanimously.

4. Receive the Internal Audit and Fraud, Waste, and Abuse program update

Rozillis provided an overview of the report. No public comment.

5. Review the OPEB and Pension Trust Investment Policy

Orozco provided an overview of the report. Vice Chair Mohan asked if the difference between the two numbers is due to strategy. Orozco noted that the vendors have their own actuaries but every 2 years they will do a full analysis and in between they use a roll forward and assume the same assumptions. Orozco added that this year, they made changes to the assumptions that people are living longer, retiring later, investments not doing as great, and use that to plan the City's liability. Vice Chair Mohan asked what the difference is between this policy and last year's. Orozco noted that there was only an update to the asset amounts and Rosenthal's contact information.

No public comment.

Committee member Fruen motioned. Committee member Hammer seconded. The motion passes unanimously.

6. Receive the Budget Format Review

Leung provided an update. Committee member Song asked where the budget discloses the revenue-sharing sales tax agreements. Leung noted that the budget accounts for the net sales tax revenue. Orozco noted that accounting wise and how it is reflected in the ledger it is net. Alfaro noted that the City is required to do that because there is confidentiality related to sales tax, and if it is disclosed, the City would be in violation of confidentiality.

Chair Chen asked if the development revenue estimate includes sales, property, and hotel tax. Leung noted that it would depend on the type of development; if it were a hotel, it would generate a transient occupancy tax.

Committee member Song asked if we could disclose how many revenue-sharing agreements there are. Alfaro noted that we have 2, and they have gone to City Council for approval, with the agreements being able to be found online.

Vice Chair Mohan asked if the development revenue is an anticipated plan and why the budget would not include it. Alfaro noted that it is risky. For example, we budgeted the revenue for Prunridge being sold two years before we received it and had to come back to reallocate dollars because we did not receive the revenue.

No public comment.

7. Receive the Annual Comprehensive Financial Report (ACFR) and AUP Update

Orozco provided an update. Vice Chair Mohan noted that the ACFR was late last year and asked if we would face the same situation this year. Orozco noted that we will not be as delayed and noted that it will go to Council in February.

No public comment.

8. Consider the Audit Committee 2024 Schedule and Work Plan

Orozco presented the committee's work plan. Chair Chen proposed to cancel the January 22, 2024 meeting and create a special meeting on January 29.

STAFF AND COMMITTEE REPORTS

Chair Chen requested staff update the Audit Committee with City Council approved financial changes that materially affect the City.

COMMITTEEMEMBER ATTENDANCE AT UPCOMING MEETINGS AND EVENTS

FUTURE AGENDA SETTING

ADJOURNMENT

The meeting adjourned at 5:49 p.m.

Recording Secretary:
Janet Liang, Management Analyst



CITY OF CUPERTINO

Agenda Item

24-13042

Agenda Date: 3/21/2024
Agenda #: 2.

Subject: ACTION ITEM Appointment of Audit Committee Chair and Vice Chair

Appointment of Audit Committee Chair and Vice Chair

Presenter: Jonathan Orozco, Finance Manager

4:15 (15)



ADMINISTRATIVE SERVICES DEPARTMENT

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3220 • FAX: (408) 777-3109
CUPERTINO.ORG

AUDIT COMMITTEE STAFF REPORT

Meeting: March 21, 2024

Subject

Appointment of Audit Committee Chair and Vice Chair

Recommended Action

Appointment of Audit Committee Chair and Vice Chair

Discussion

Background

Audit Committee nominates and votes on Chair and Vice Chair on an annual basis.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

Prepared by: Jonathan Orozco, Finance Manager

Reviewed by: Kristina Alfaro, Director of Administrative Services and City Treasurer

Approved for Submission by: Matt Morley, Assistant City Manager

Attachments:



CITY OF CUPERTINO

Agenda Item

24-13043

Agenda Date: 3/21/2024
Agenda #: 3.

Subject: INFORMATIONAL ITEM Receive the Committee's Roles and Responsibilities (CMC 2.88.100)

Receive the Committee's Roles and Responsibilities (CMC 2.88.100)

Presenter: Jonathan Orozco, Finance Manager

4:30(15)



CITY OF CUPERTINO

Agenda Item

24-13044

Agenda Date: 3/21/2024
Agenda #: 4.

Subject: INFORMATIONAL ITEM Receive PARS Presentation

Receive PARS Presentation

Presenter: Jonathan Orozco, Finance Manager, and PARS

4:45(10)



CITY OF CUPERTINO

Agenda Item

24-13045

Agenda Date: 3/21/2024
Agenda #: 5.

Subject: INFORMATIONAL ITEM Receive Chandler Investments Presentation

Receive Chandler Investments Presentation

Presenter: Jonathan Orozco, Finance Manager, and Chandler Investments

4:55(10)

City of Cupertino

Period Ending February 29, 2024

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | www.chandlerasset.com



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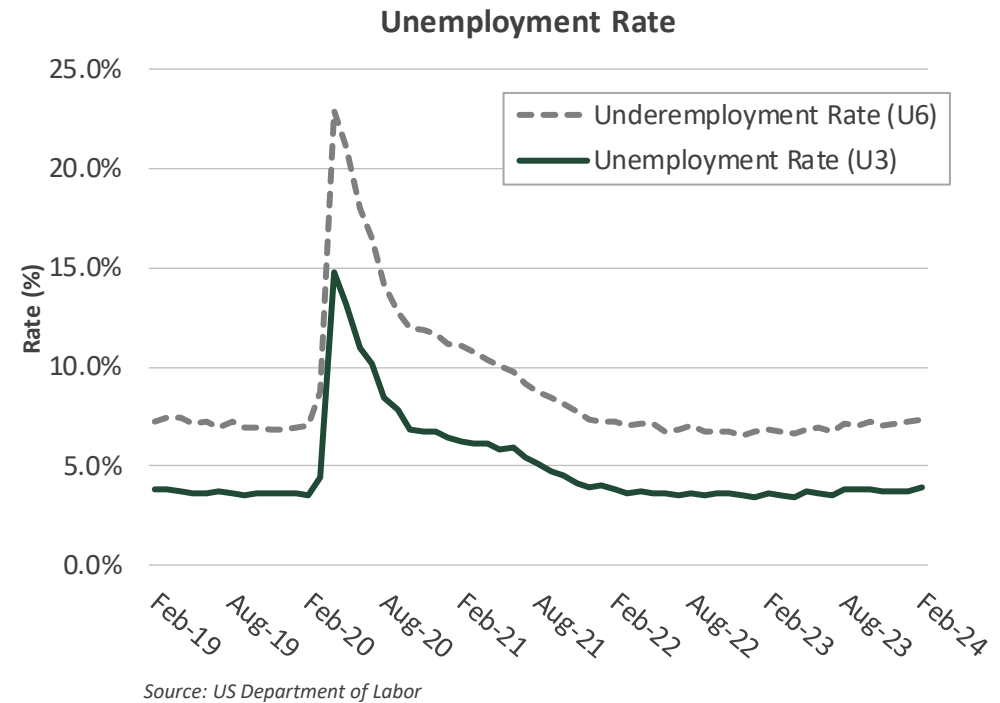
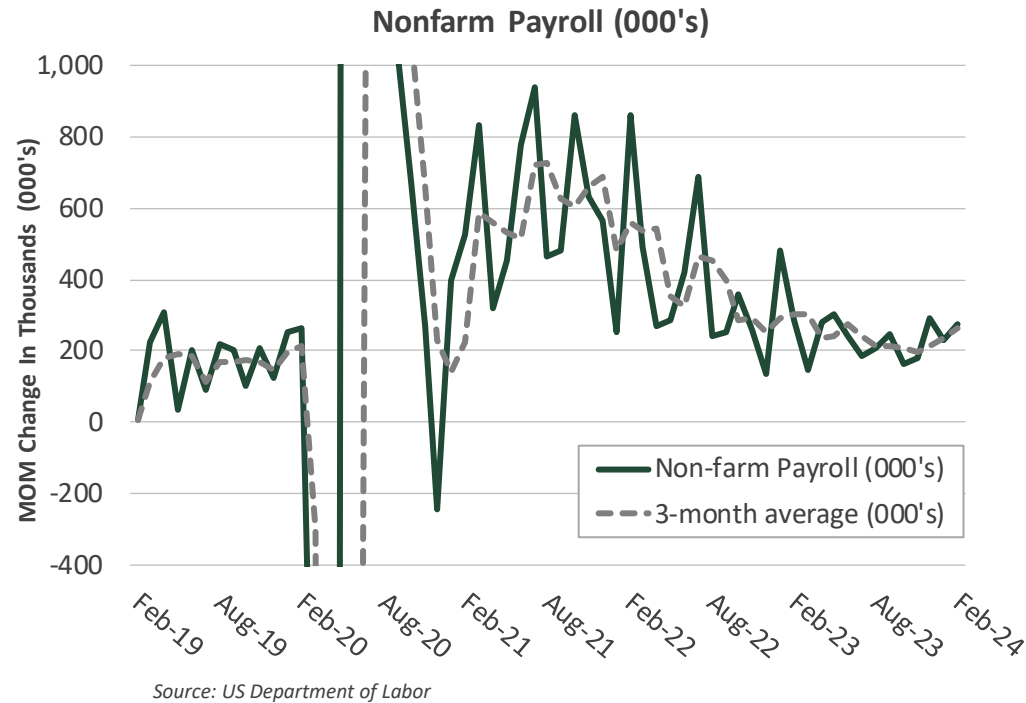
SECTION 1	Economic Update
SECTION 2	Account Profile
SECTION 3	Portfolio Holdings
SECTION 4	Transactions

Section 1 | Economic Update

Economic Update

- Recent economic data has shown above trend growth fueled by a rise in consumer spending and a continuing healthy US job market. Inflationary trends are subsiding, but core levels remain above the Fed's target. Given the cumulative effects of restrictive monetary policy and tighter financial conditions, we believe the economy will gradually soften and the Fed will loosen monetary policy in 2024.
- As expected at the January meeting, the Federal Open Market Committee voted unanimously to leave the Federal Funds rate unchanged at a target range of 5.25 - 5.50%. Fed Chair Powell signaled that the federal funds rate is likely at or near its peak, but discounted market expectations of a rate cut in March. We believe the FOMC will loosen monetary policy in mid-2024 as inflation and economic growth continue to moderate.
- US Treasury rates rose across the curve in February on higher inflation and a more hawkish Federal Reserve. The 2-year Treasury yield surged 41 basis points to 4.62%, the 5-year Treasury increased 41 basis points to 4.25%, and the 10-year Treasury yield rose 34 basis points to 4.25%. The inversion between the 2-year Treasury yield and 10-year Treasury yield widened to -37 basis points at February month-end versus -30 basis points at January month-end. The spread between the 2-year Treasury and 10-year Treasury yield one year ago was -90 basis points. The inversion between 3-month and 10-year Treasuries narrowed to -113 basis points in February from -146 basis points in January.

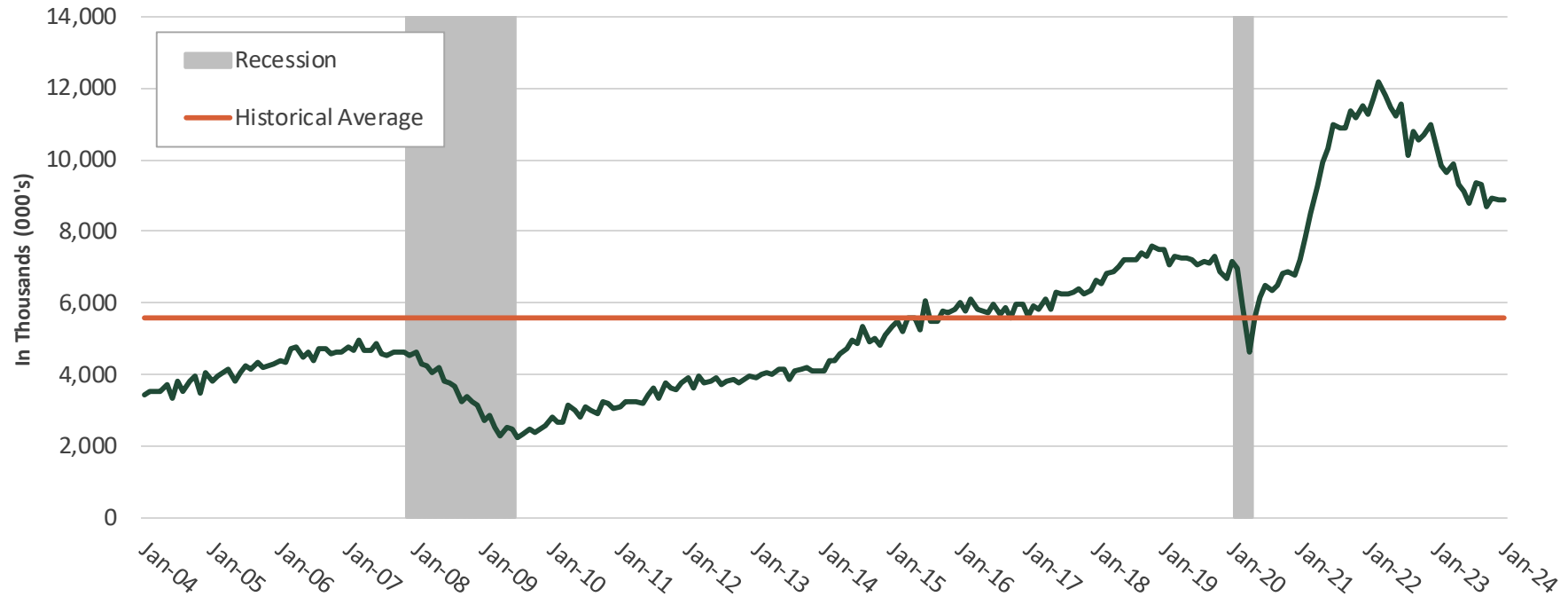
Employment



The U.S. economy added a better-than-expected 275,000 jobs in February, but the prior two months were revised down by 167,000. Leading sectors included healthcare and leisure and hospitality. Job creation remains healthy, with the three-month moving average payrolls at 265,000 and the six-month moving average at 231,000. The unemployment rate climbed 0.2% to a two-year high of 3.9% in February, signaling a resilient, yet cooling labor market. The labor participation rate was unchanged at 62.5%, remaining below the pre-pandemic level of 63.3%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons rose to 7.3% from 7.2% last month. Average hourly earnings rose 4.3% year-over-year in February, down from a 4.4% gain last month. Employment remains strong by historical standards, but recent data suggests a gradual downshift in the growth of the labor market.

Job Openings & Labor Turnover Survey

Job Openings

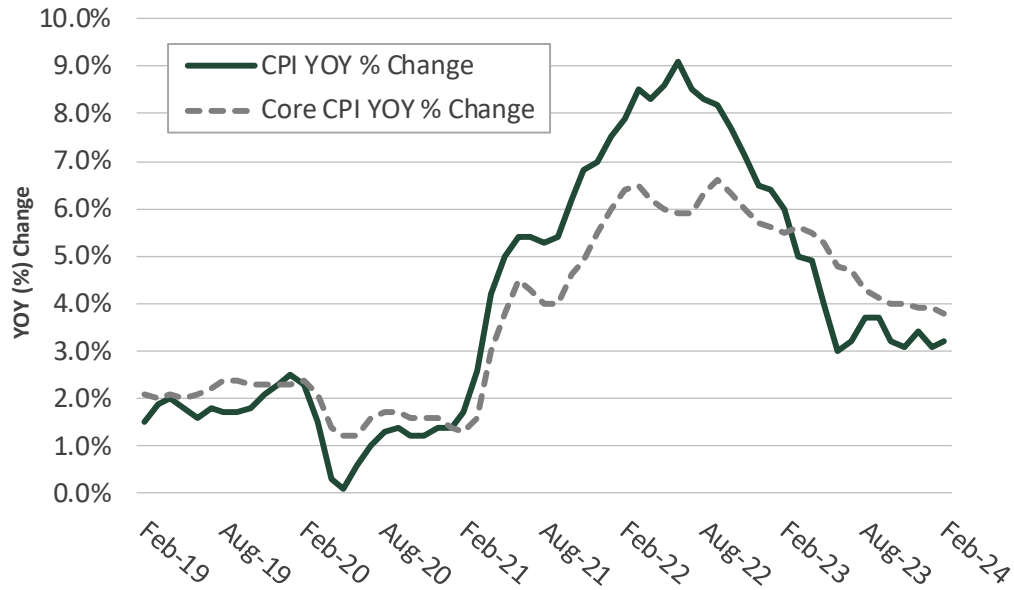


Source: US Department of Labor

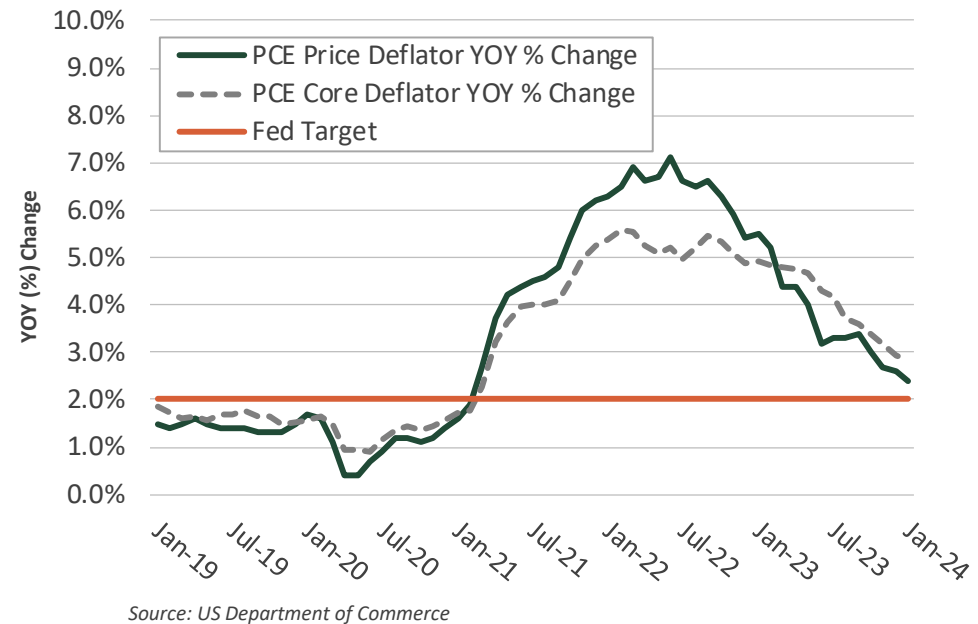
The Labor Department's Job Openings and Labor Turnover Survey (JOLTS) declined to 8.86 million in January, compared to a downwardly revised 8.89 million in December. Job openings still represent a healthy ratio of around 1.4 jobs for each unemployed individual. Fewer people voluntarily quit their jobs in January, indicating lower confidence in finding better opportunities. While the current level of job openings remains elevated from a historical perspective, the trend is decelerating.

Inflation

Consumer Price Index (CPI)



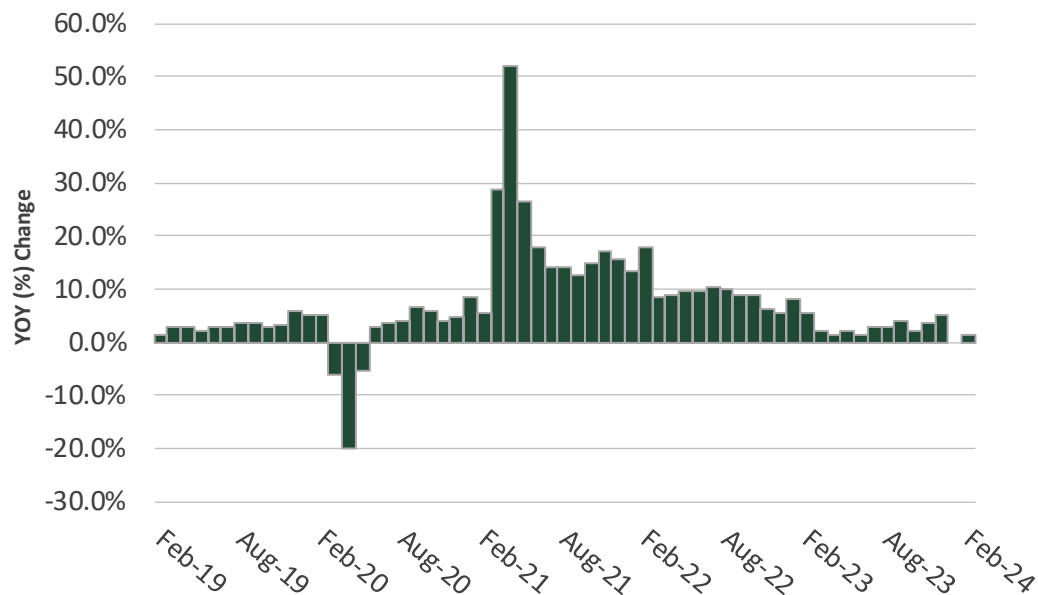
Personal Consumption Expenditures (PCE)



The Consumer Price Index (CPI) came in higher than expected in February, increasing 0.4% month-over-month and 3.2% year-over-year. The Core CPI, which excludes volatile food and energy components, was up 0.4% month-over-month and 3.8% year-over-year in February, falling from 3.9% last month. Shelter costs remain elevated, accounting for about two-thirds of the year-over-year increase. The Personal Consumption Expenditures (PCE) Index headline inflation increased 0.3% month-over-month and rose 2.4% year-over-year in January. Core PCE, the Federal Reserve's preferred inflation gauge, increased 0.4% month-over-month and continued its deceleration to 2.8% year-over-year in January from 2.9% year-over-year in December. Spending on services such as housing, utilities, financial services, and healthcare was offset by a large drop in goods purchases. While the trend is moderating, the path to the Fed's 2% inflation target remains uneven.

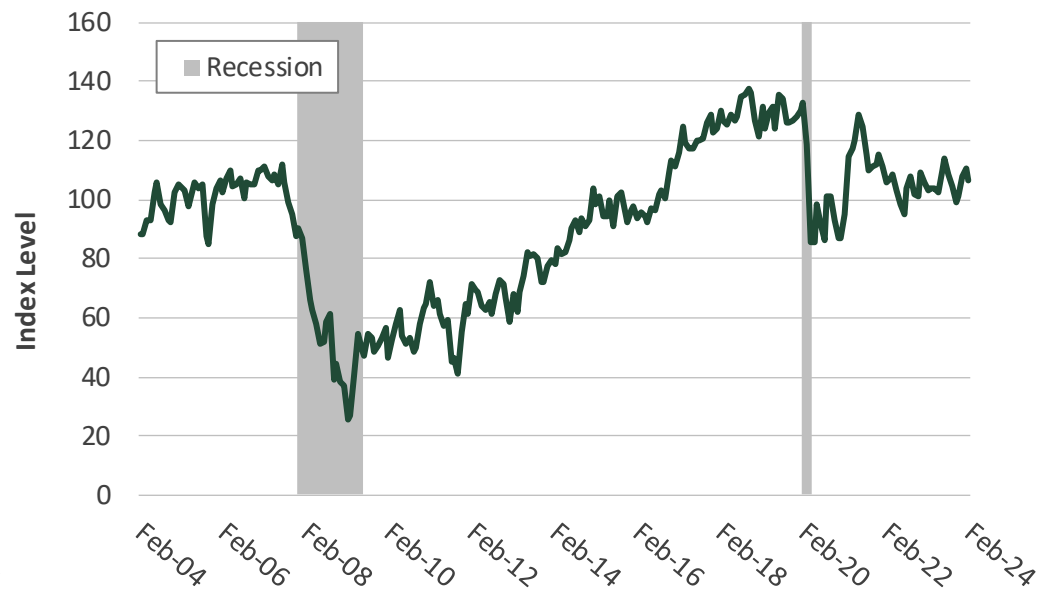
Consumer

Retail Sales YOY % Change



Source: US Department of Commerce

Consumer Confidence

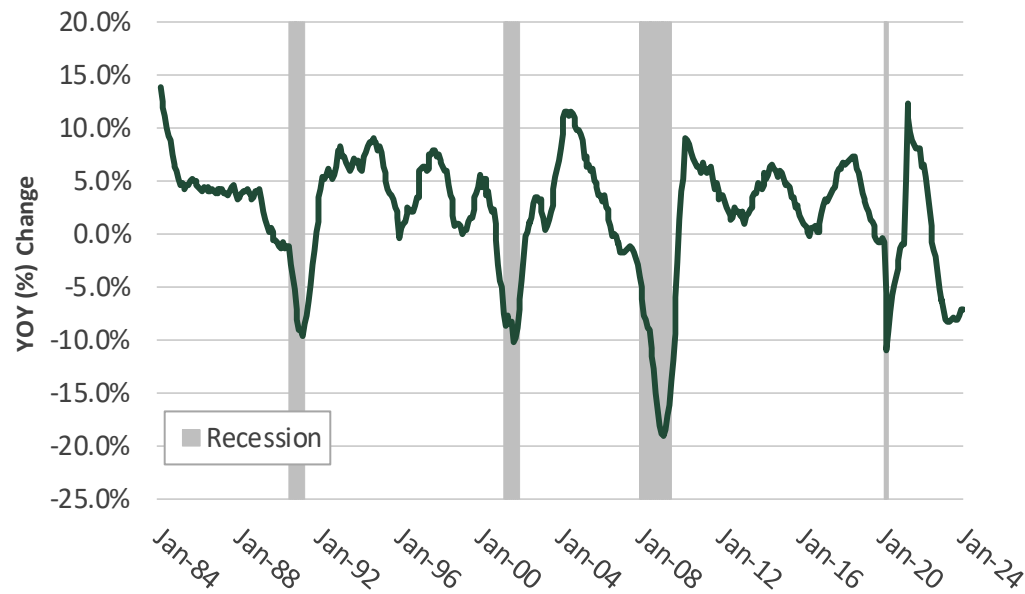


Source: The Conference Board
All time high is 144.70 (1/31/00); All time low is 25.30 (2/28/09)

February Retail Sales fell short of expectations but rebounded 0.6% month-over-month from a downwardly revised 1.1% decline last month. On a year-over-year basis, Retail Sales growth increased just 1.5% for February. Sales got a boost in the month from building materials and garden equipment stores, motor vehicles, and higher prices at the pump. Control-group sales, which are used to calculate gross domestic product, were unchanged in February after falling in the prior month, suggesting weaker economic activity in the first quarter. The Conference Board's Consumer Confidence Index plunged to 106.7 in February after a sizeable downward revision to 110.9 in January. The lower reading was largely due to a deteriorating view of the labor market and business conditions. While the consumer has been resilient, dwindling excess savings, rising credit card balances, and the resumption of student loan payments pose potential headwinds to future economic growth.

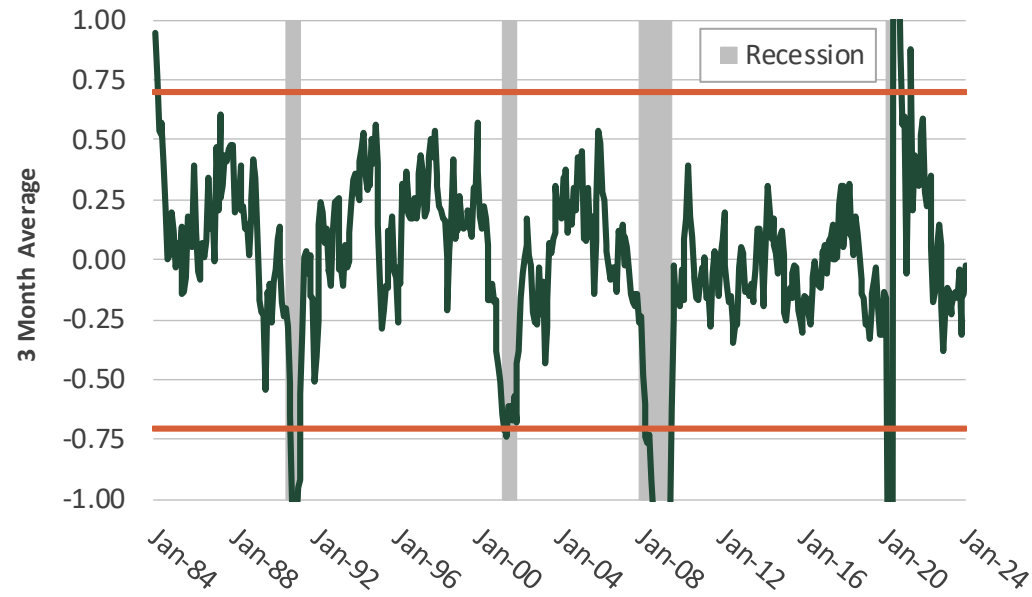
Leading Indicators of Economic Activity

Leading Economic Indicators (LEI)



Source: The Conference Board

Chicago Fed National Activity Index (CFNAI)

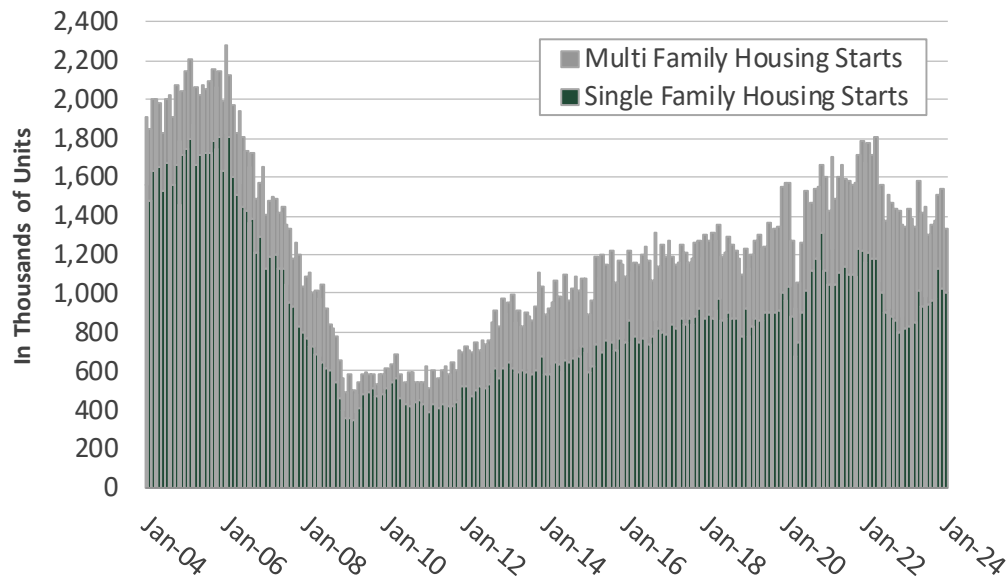


Source: Federal Reserve Bank of Chicago

The Conference Board's Leading Economic Index (LEI) fell 0.4% in January, marking the twenty-second consecutive month-over-month decline. The index dropped 7.0% year-over-year. The Conference Board is no longer calling for recession but expects GDP growth to slow to near zero this year. The Chicago Fed National Activity Index (CFNAI) declined more than expected to -0.30 in January from an upwardly revised +0.02 in December. On a 3-month moving average basis, the CFNAI rose to -0.02 in January from -0.14 in December, indicating a rate of growth slightly below the historical average trend.

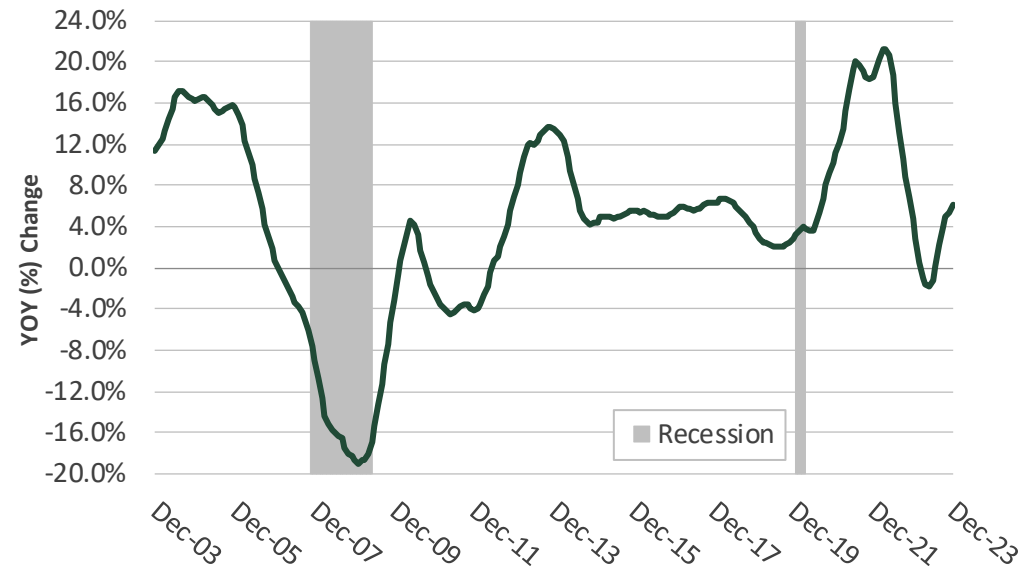
Housing

Annualized Housing Starts



Source: US Department of Commerce

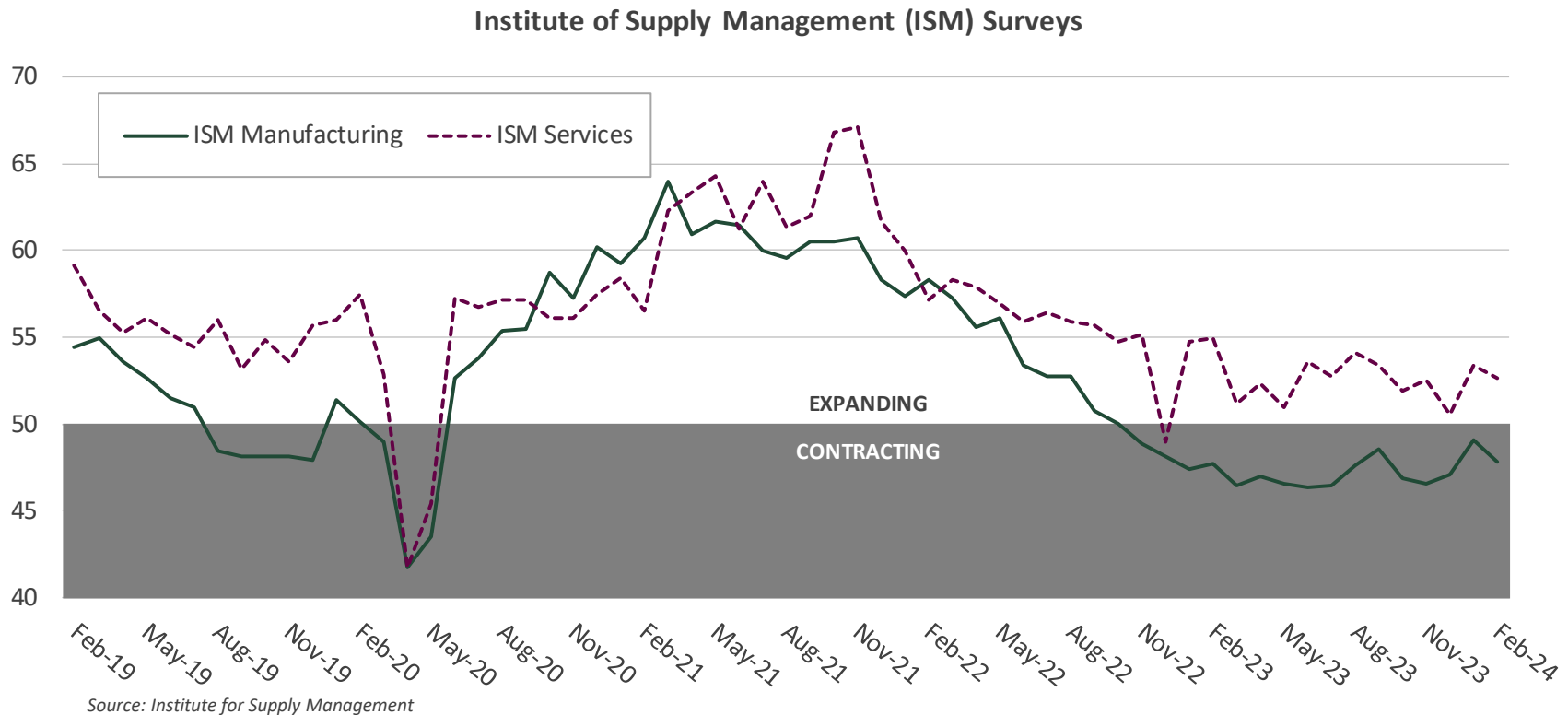
S&P/Case-Shiller 20 City Composite Home Price Index



Source: S&P

Housing Starts decreased month-over-month in January by 14.8% at an annual rate of 1.331 million units. Starts for multi-family homes plunged 35.6%, while single-family home starts fell 4.7%. Total starts of new homes are down 0.7% year-over-year. The January decrease is likely due to intense cold weather delaying construction activity and heavier starts in late 2023 as mortgage rates were coming down. According to Freddie Mac, average 30-year fixed mortgage rates rose to 6.94% as of February 29th. According to the Case-Shiller 20-City Home Price Index, housing prices rose 6.13% year-over-year in December, accelerating from a 5.41% year-over-year gain in November. Tight inventories and higher mortgage rates continue to impact affordability.

Survey Based Measures



The Institute for Supply Management (ISM) Manufacturing index plunged to 47.8 in February from 49.1 in January as new orders retreated, marking the 16th consecutive month of contraction in factory activity below a reading of 50. The ISM Services Index fell to 52.6 in February from 53.4 in January, but remained in expansion territory for the 14th consecutive month. Respondents were mostly positive about business conditions but remained concerned about inflation, employment and ongoing geopolitical conflicts.

Gross Domestic Product (GDP)

Components of GDP	3/23	6/23	9/23	12/23
Personal Consumption Expenditures	2.5%	0.6%	2.1%	2.0%
Gross Private Domestic Investment	-1.7%	0.9%	1.7%	0.2%
Net Exports and Imports	0.6%	0.0%	0.0%	0.3%
Federal Government Expenditures	0.3%	0.1%	0.5%	0.2%
State and Local (Consumption and Gross Investment)	0.5%	0.5%	0.5%	0.6%
Total	2.3%	2.1%	4.9%	3.2%

Source: US Department of Commerce

Gross Domestic Product (GDP)

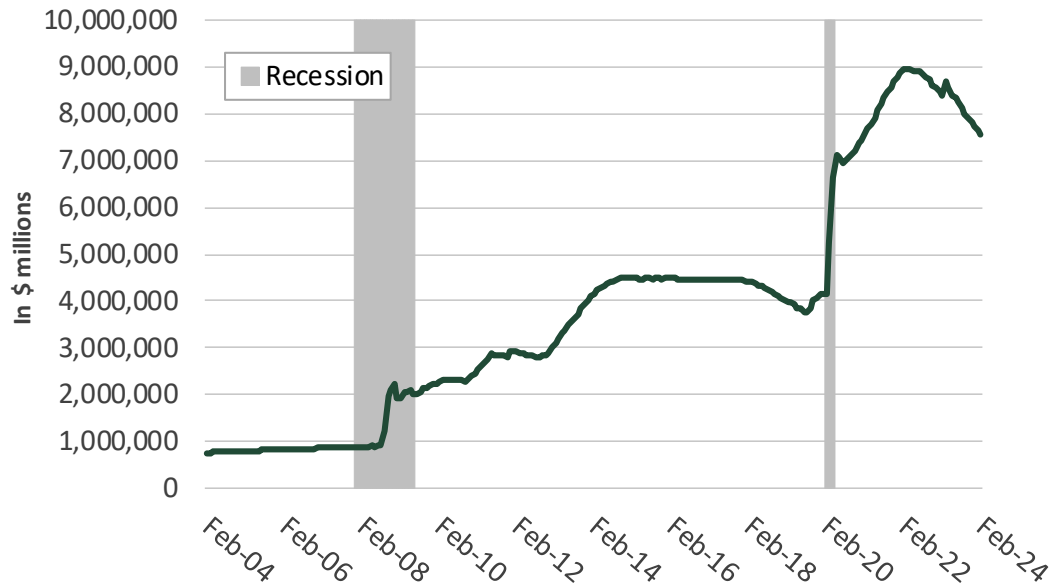


Source: US Department of Commerce

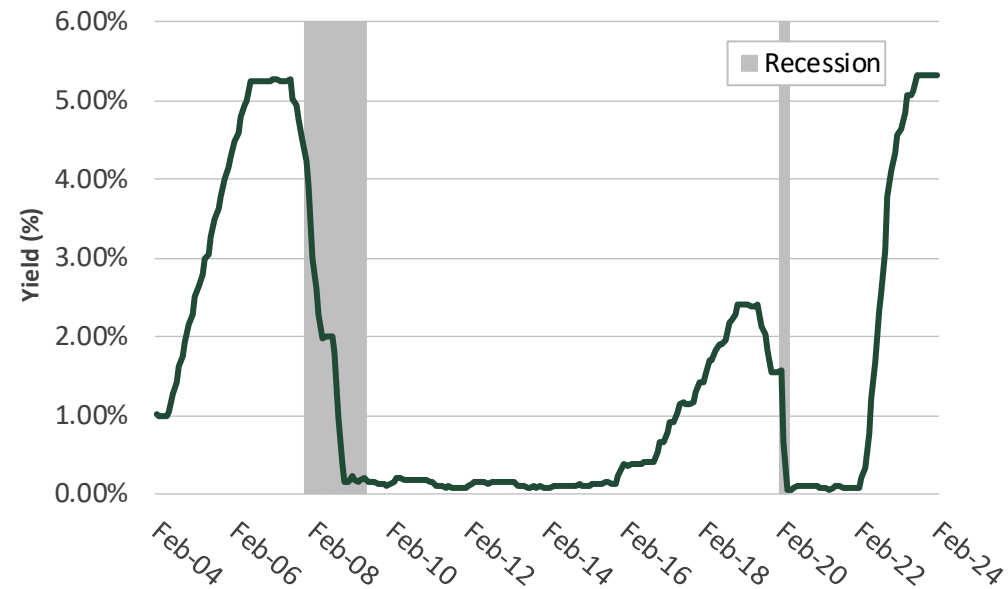
According to the second estimate, fourth quarter GDP increased at an annualized rate of 3.2%, down marginally from the advance estimate of 3.3%. Both personal consumption expenditures and government spending were revised higher, offset by lower contributions from gross investment and inventories. The consensus estimate calls for 1.8% growth in the first quarter and 2.1% growth for the full year 2024.

Federal Reserve

Federal Reserve Balance Sheet Assets



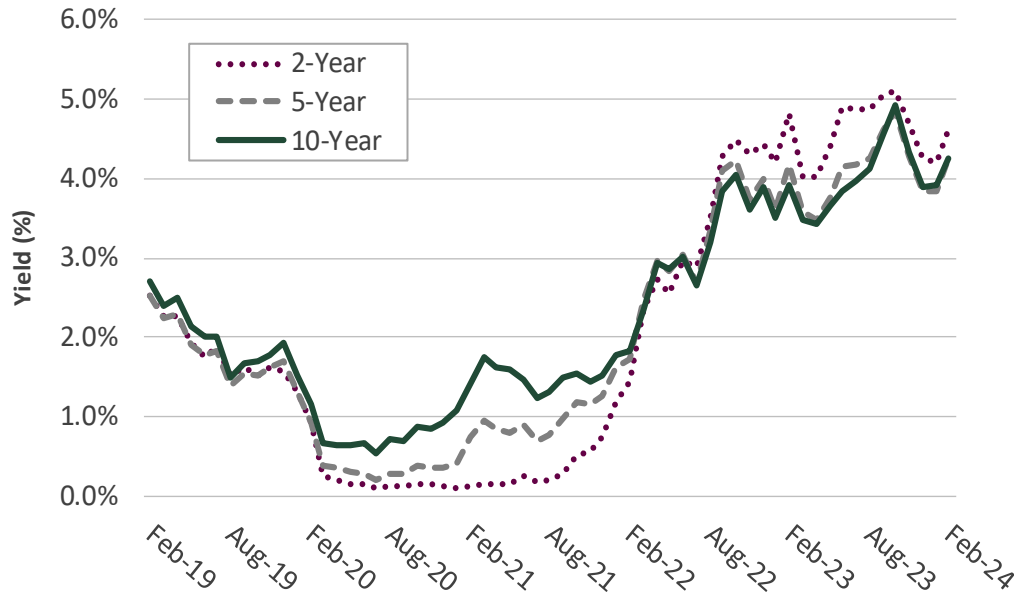
Effective Federal Funds Rate



As expected at the January meeting, the Federal Open Market Committee voted unanimously to leave the federal funds rate unchanged at a target range of 5.25-5.50%. The Fed assesses the progress to achieving its employment and inflation goals are moving into better balance, yet changes to monetary policy remain data dependent. The Committee does not expect it will be appropriate to reduce the target range until it has gained greater confidence that inflation is moving sustainably toward 2 percent. However, Fed Chair Powell signaled that the federal funds rate is likely at or near its peak. The futures market is pricing in 3 rate cuts in 2024. We believe the FOMC will loosen monetary policy in mid-2024 as inflation and economic growth continue to moderate. Since the Fed began its Quantitative Tightening campaign in June 2022, securities holdings have declined by over \$1.4T to approximately \$7.6T.

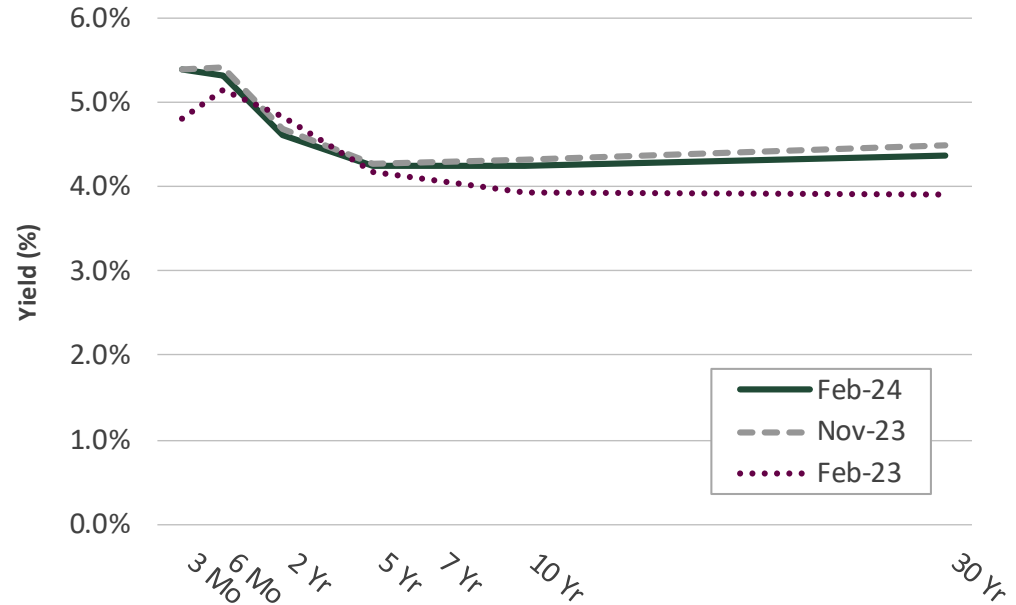
Bond Yields

US Treasury Note Yields



Source: Bloomberg

US Treasury Yield Curve



Source: Bloomberg

At the end of February, the 2-year Treasury yield was 20 basis point lower, and the 10-Year Treasury yield was 33 basis points higher, year-over-year. The inversion between the 2-year Treasury yield and 10-year Treasury yield widened to -37 basis points at February month-end versus -30 basis points at January month-end. The average historical spread (since 2003) is about +130 basis points. The inversion between 3-month and 10-year Treasuries narrowed to -113 basis points in February from -146 basis points in January.

Periodic Table of Asset Class Returns

As of February 29, 2024

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD 2024
US Real Estate 30.4%	US Real Estate 2.5%	US Small Cap Stocks 20.4%	Emerging Market Stocks 37.3%	International Bonds 3.2%	US Large Cap Stocks 31.5%	US Mid Cap Stocks 19.8%	US Real Estate 43.1%	Diversified Commodities 26.0%	US Large Cap Stocks 26.3%	US Large Cap Stocks 7.1%
US Large Cap Stocks 13.7%	US Large Cap Stocks 1.4%	US High Yield Bonds 17.5%	International Stocks 25.0%	US Core Bonds 0.0%	US Mid Cap Stocks 30.6%	US Small Cap Stocks 19.2%	Diversified Commodities 40.4%	US High Yield Bonds -11.2%	US Small Cap Stocks 19.1%	Diversified Commodities 5.4%
US Mid Cap Stocks 13.4%	International Bonds 1.3%	US Mid Cap Stocks 12.6%	US Large Cap Stocks 21.8%	US High Yield Bonds -2.3%	US Small Cap Stocks 25.9%	US Large Cap Stocks 18.4%	US Large Cap Stocks 28.7%	International Bonds -12.7%	International Stocks 18.2%	US Mid Cap Stocks 4.5%
International Bonds 9.1%	US Core Bonds 0.6%	US Large Cap Stocks 12.0%	US Mid Cap Stocks 20.3%	US Large Cap Stocks -4.4%	US Real Estate 25.8%	Emerging Market Stocks 18.3%	US Mid Cap Stocks 24.0%	US Core Bonds -13.3%	US Mid Cap Stocks 14.5%	International Stocks 2.4%
US Core Bonds 6.4%	US Mid Cap Stocks -0.6%	Diversified Commodities 11.4%	International Real Estate 20.0%	US Real Estate -4.6%	International Stocks 22.0%	International Stocks 7.8%	US Small Cap Stocks 21.1%	International Stocks -14.5%	US Real Estate 13.7%	US Small Cap Stocks 1.0%
US Small Cap Stocks 6.1%	International Stocks -0.8%	Emerging Market Stocks 11.2%	US Small Cap Stocks 15.2%	International Real Estate -6.4%	International Real Estate 21.0%	US Core Bonds 7.6%	International Stocks 11.3%	US Mid Cap Stocks -16.9%	US High Yield Bonds 13.5%	US High Yield Bonds 0.3%
International Real Estate 2.8%	International Real Estate -3.8%	US Real Estate 8.6%	US High Yield Bonds 7.5%	US Mid Cap Stocks -8.1%	Emerging Market Stocks 18.4%	US High Yield Bonds 6.2%	International Real Estate 8.1%	US Small Cap Stocks -17.8%	Emerging Market Stocks 9.8%	Emerging Market Stocks -0.1%
US High Yield Bonds 2.5%	US Small Cap Stocks -4.1%	International Bonds 4.9%	Diversified Commodities 5.8%	US Small Cap Stocks -11.0%	Diversified Commodities 17.6%	International Bonds 4.7%	US High Yield Bonds 5.4%	US Large Cap Stocks -18.1%	International Bonds 8.7%	International Bonds -0.9%
Emerging Market Stocks -2.2%	High Yield Bonds -4.6%	US Core Bonds 2.6%	US Real Estate 5.1%	International Stocks -13.8%	US High Yield Bonds 14.4%	International Real Estate -7.1%	US Core Bonds -1.6%	Emerging Market Stocks -20.1%	International Real Estate 6.3%	US Core Bonds -1.5%
International Stocks -4.9%	Emerging Market Stocks -14.9%	International Real Estate 1.3%	US Core Bonds 3.6%	Diversified Commodities -13.8%	US Core Bonds 9.0%	US Real Estate -7.6%	International Bonds -2.1%	International Real Estate -24.3%	US Core Bonds 5.4%	US Real Estate -2.2%
Diversified Commodities -33.1%	Diversified Commodities -32.9%	International Stocks 1.0%	International Bonds 2.6%	Emerging Market Stocks -14.6%	International Bonds 8.1%	Diversified Commodities -23.7%	Emerging Market Stocks -2.5%	US Real Estate -24.5%	Diversified Commodities -4.3%	International Real Estate -8.0%

Index returns as of 2/29/2024. Past performance is not indicative of future results. Index returns assume reinvestment of all distributions and do not reflect fees or expenses. It is not possible to invest directly in an index. This information is not intended to constitute an offer, solicitation, recommendation, or advice regarding securities or investment strategy. Please see attached Asset Class Disclosure.

Section 2 | Account Profile

Objectives

Investment Objectives

The City of Cupertino's investment objectives, in order of priority, are to provide safety to ensure the preservation of capital in the overall portfolio, provide sufficient liquidity for cash needs and a market rate of return consistent with the investment program.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve these objectives, the portfolio invests in high quality fixed incomes securities consistent with the investment policy and California Government Code.

Compliance

As of February 29, 2024

City of Cupertino

Assets managed by Chandler Asset Management are in full compliance with state law and with the City's investment policy.

Category	Standard	Comment
Treasury Issues	No Limitation	Complies
Agency Issues	25% per Agency/GSE issuer; 20% max agency callable securities; Issued by Federal Agencies or U.S. Government Sponsored Enterprise obligations.	Complies
Supranational	"AA" rating category or better by a NRSRO; 30% maximum; 10% max per issuer; USD denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by IBRD, IFC, or IADB.	Complies
Municipal Securities	"A" rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Obligations of the City, State of California, and any local agency within the State of California; Obligations of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states in addition to California.	Complies
Corporate Medium Term Notes	"A" rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S.	Complies
Asset Backed/ Mortgage Backed/ Collateralized Mortgage Obligation	"AA" rating category or better by a NRSRO; 20% maximum; 5% max per issuer on Asset-Backed or Commercial Mortgage security; There is no issuer limitation on any Mortgage security where the issuer is the U.S. Treasury or a Federal Agency/GSE.	Complies
Negotiable Certificates of Deposit (NCDs)	No rating required if amount of the NCD is insured up to the FDIC limit; If above FDIC insured limit, requires "A-1" short-term rated or "A" long-term rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by nationally or state chartered banks, state or federal savings associations, or state or federal credit unions, or by a federally licensed or state-licensed branch of a foreign bank.	Complies
Certificates of Deposit (CDs)/Time Deposit (TDs)	30% maximum; 5% max per issuer; Certificates of Deposit, Time Deposit, non-negotiable, and collateralized in accordance with California Government Code.	Complies
Banker's Acceptances	"A-1" short-term rated or better by a NRSRO; or "A" long-term rating category or better by a NRSRO; 40% maximum; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" short term rated or better a NRSRO; "A" long-term issuer rating category or better by a NRSRO; 25% maximum; 5% max per issuer; 270 days max maturity; Issued by corporations organized and operating in the U.S. with assets > \$500 million; 10% max outstanding paper of the issuing corporation.	Complies
Money Market Funds	20% maximum; Daily money market funds administered for or by trustees, paying agents and custodian banks contracted by a City of Cupertino as allowed under California Government Code; Only funds holding U.S. Treasury obligations, Government agency obligations or repurchase agreements collateralized by U.S. Treasury or Government agency obligations can be utilized.	Complies
Local Agency Investment Fund (LAIF)	Maximum amount permitted by LAIF; Not used by investment adviser	Complies
Repurchase Agreements	1 year max maturity; 102% collateralized; A PSA Master Repurchase Agreement is required between City of Cupertino and the broke/dealer or financial institution for all repurchase agreements; Not used by investment adviser	Complies
Prohibited Securities	Reverse Repurchase Agreement; Common stocks; Long-term (> 5 years maturity) notes and bonds; Special circumstances arise that necessitate purchase of securities beyond the 5-year limitation. On such occasions, request must be approved by City Council prior to purchase; Futures/Options; Inverse floaters; Ranges notes, Mortgage-derived, Interest-only strips; Zero interest accrual securities; Purchasing/selling securities on margin; Foreign currency denominated securities.	Complies
Minimum Budgeted Operating Expenditures in Short Term Investments	Minimum 6 months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements	Complies
Max Per Issuer	5% per issuer, unless otherwise specified in the policy	Complies
Maximum maturity	5 years	Complies

Portfolio Characteristics

As of February 29, 2024

City of Cupertino

	02/29/24		01/31/24
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	1.82	1.97	2.10
Average Modified Duration	1.74	1.70	1.73
Average Purchase Yield	n/a	2.28%	2.24%
Average Market Yield	4.71%	4.96%	4.65%
Average Quality**	AA+	AA+	AA/Aa1
Total Market Value		154,187,459	154,592,446

*ICE BofA 1-3 Yr US Treasury & Agency Index

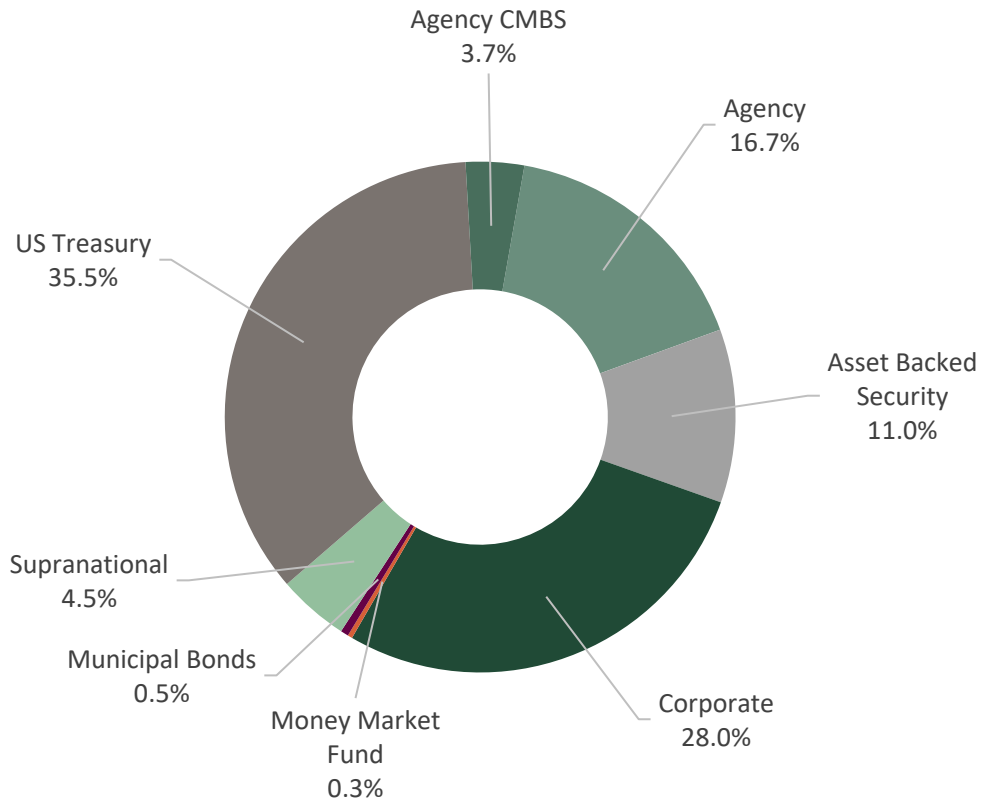
**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

As of February 29, 2024

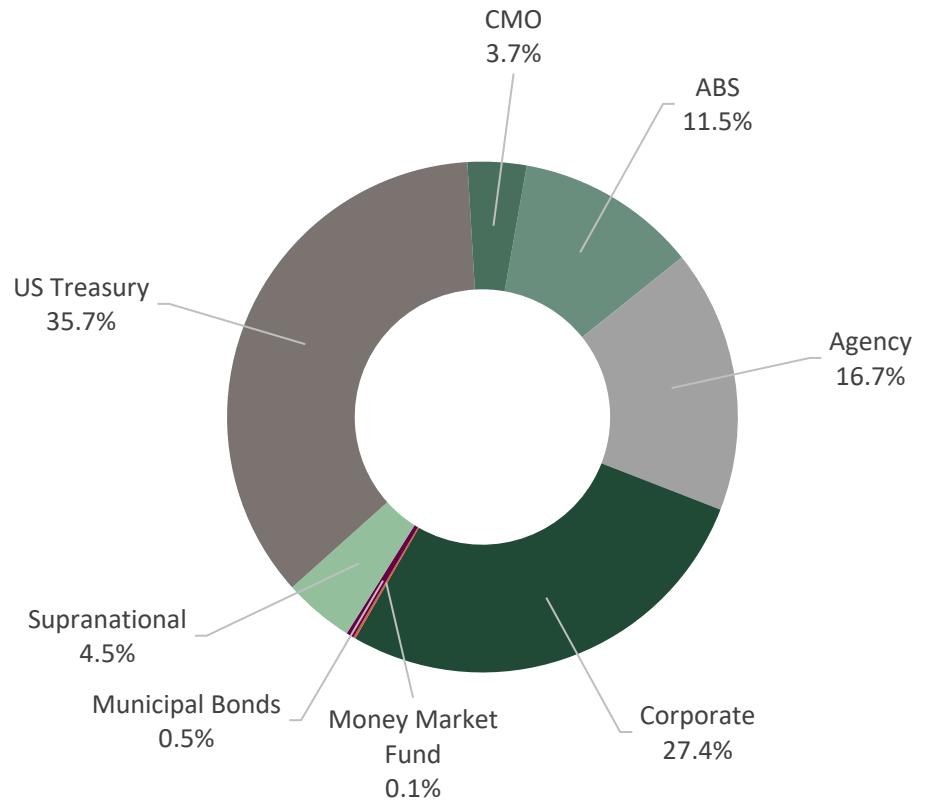
Sector Distribution

City of Cupertino

February 29, 2024



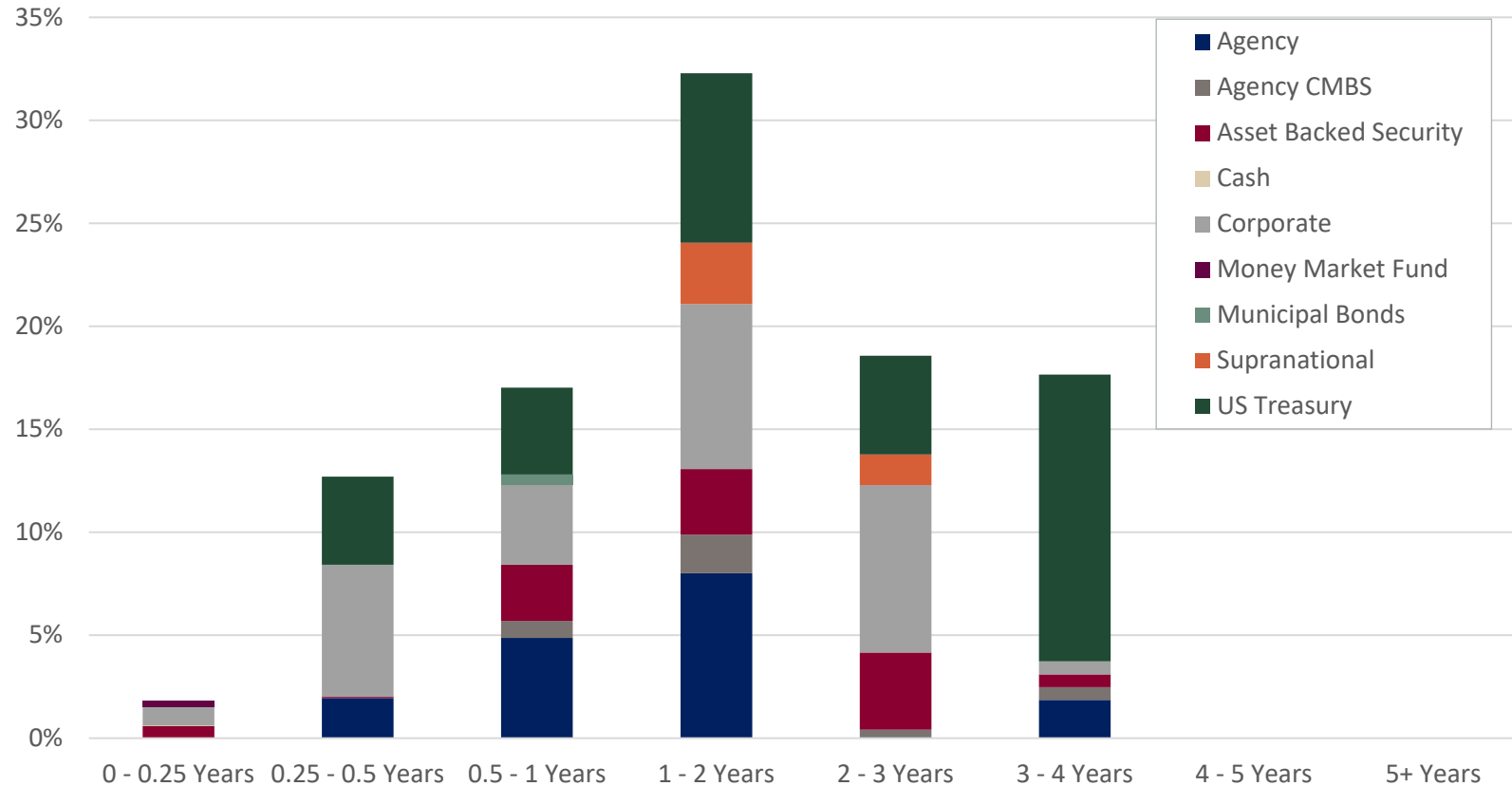
January 31, 2024



As of February 29, 2024

Duration Allocation

City of Cupertino



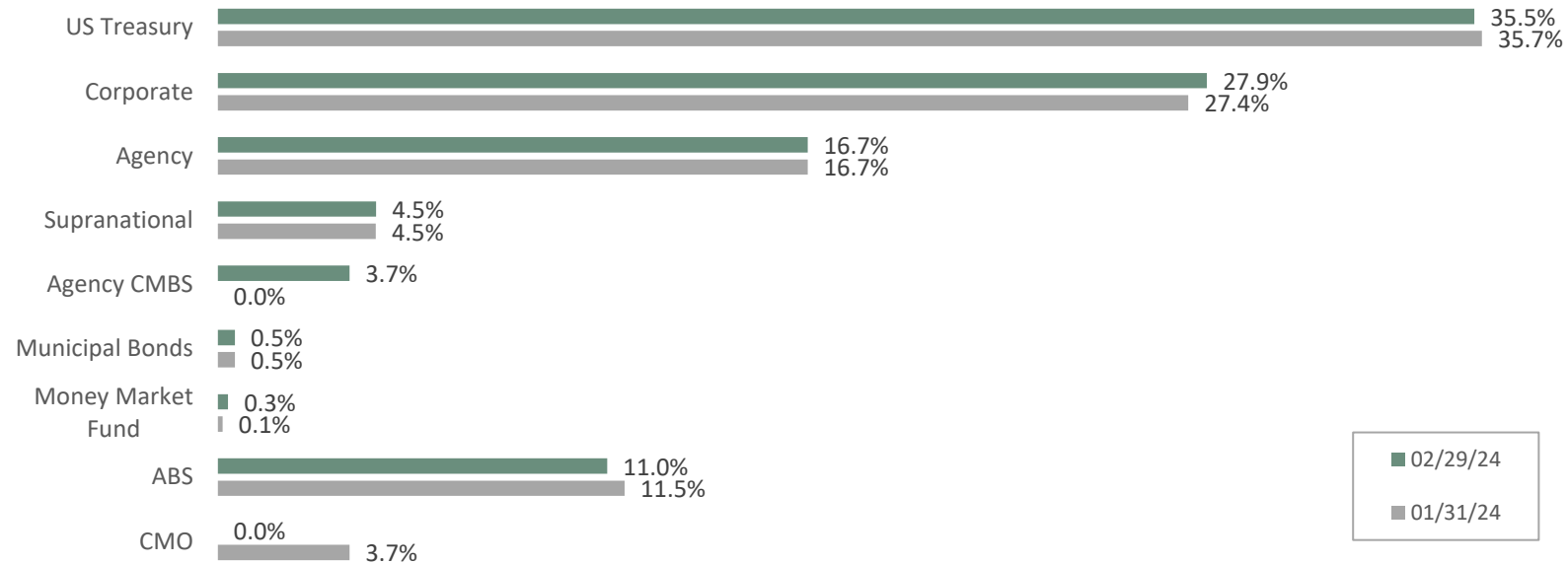
	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
02/29/24	1.8%	12.7%	17.0%	32.3%	18.6%	17.7%	0.0%	0.0%

As of February 29, 2024

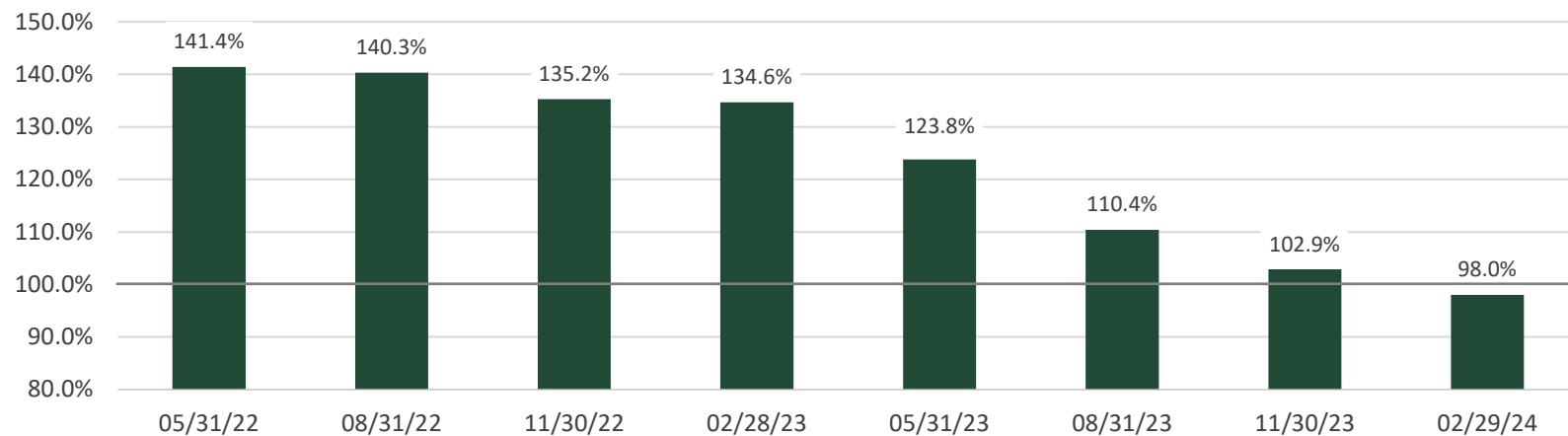
Portfolio Allocation & Duration Changes

City of Cupertino

Portfolio Allocation



Duration as a % of the Benchmark



Benchmark: ICE BofA 1-3 Yr US Treasury & Agency Index

As of February 29, 2024

Issuers

City of Cupertino – Account #10659

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	35.46%
Federal National Mortgage Association	Agency	8.76%
Federal Home Loan Mortgage Corp	Agency	3.76%
Federal Home Loan Mortgage Corp	Agency CMBS	3.72%
Federal Home Loan Bank	Agency	2.27%
Federal Farm Credit Bank	Agency	1.86%
American Express ABS	Asset Backed Security	1.85%
Royal Bank of Canada	Corporate	1.64%
Toyota Motor Corp	Corporate	1.59%
JP Morgan Chase & Co	Corporate	1.55%
Bank of America Corp	Corporate	1.53%
International Finance Corp	Supranational	1.53%
Bank of New York	Corporate	1.52%
John Deere ABS	Asset Backed Security	1.49%
Inter-American Dev Bank	Supranational	1.48%
Intl Bank Recon and Development	Supranational	1.45%
Toronto Dominion Holdings	Corporate	1.41%
Northwestern Mutual Gbl	Corporate	1.26%
Paccar Financial	Corporate	1.24%
Bank of Montreal Chicago	Corporate	1.16%
GM Financial Securitized Term Auto Trust	Asset Backed Security	1.13%
Amazon.com Inc	Corporate	1.12%
Salesforce.com Inc	Corporate	1.12%
Honda ABS	Asset Backed Security	1.12%
Metlife Inc	Corporate	1.12%
Prudential Financial Inc	Corporate	1.11%
Hyundai Auto Receivables	Asset Backed Security	1.11%
JP Morgan ABS	Asset Backed Security	1.09%
Toyota ABS	Asset Backed Security	1.08%
Morgan Stanley	Corporate	1.08%
Air Products & Chemicals	Corporate	1.08%
New York Life Global Funding	Corporate	1.06%
United Health Group Inc	Corporate	1.05%
Berkshire Hathaway	Corporate	0.99%
Guardian Life Global Funding	Corporate	0.84%
US Bancorp	Corporate	0.80%
Mercedes-Benz	Asset Backed Security	0.73%
Caterpillar Inc	Corporate	0.70%

Issuers

As of February 29, 2024

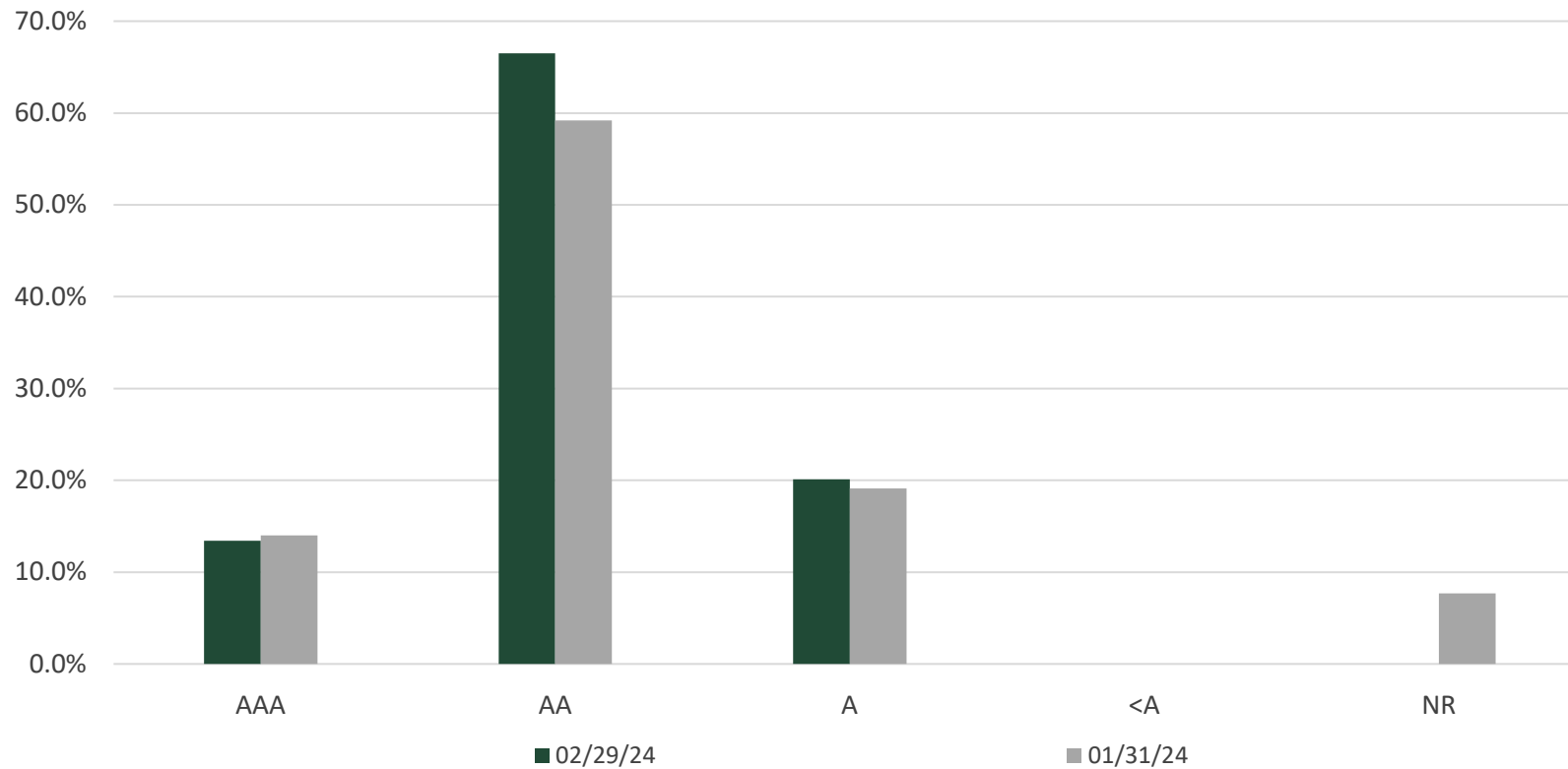
City of Cupertino – Account #10659

Issue Name	Investment Type	% Portfolio
MasterCard Inc	Corporate	0.63%
Mass Mutual Insurance	Corporate	0.59%
Charles Schwab Corp/The	Corporate	0.58%
Bank of America Credit Card Trust	Asset Backed Security	0.55%
Cisco Systems	Corporate	0.54%
State of California	Municipal Bonds	0.49%
Northern Trust Corp	Corporate	0.43%
BMW ABS	Asset Backed Security	0.29%
Toyota Lease Owner Trust	Asset Backed Security	0.27%
Wells Fargo 100% Treasury MMKT Fund	Money Market Fund	0.26%
Wal-Mart Stores	Corporate	0.21%
GM Financial Automobile Leasing Trust	Asset Backed Security	0.16%
Hyundai Auto Lease Securitization	Asset Backed Security	0.07%
Wells Fargo Bank	Money Market Fund	0.03%
BMW Vehicle Lease Trust	Asset Backed Security	0.02%
Account Receivable Payable	Cash	0.00%
TOTAL		100.00%

As of February 29, 2024

Quality Distribution

City of Cupertino
February 29, 2024 vs. January 31, 2024



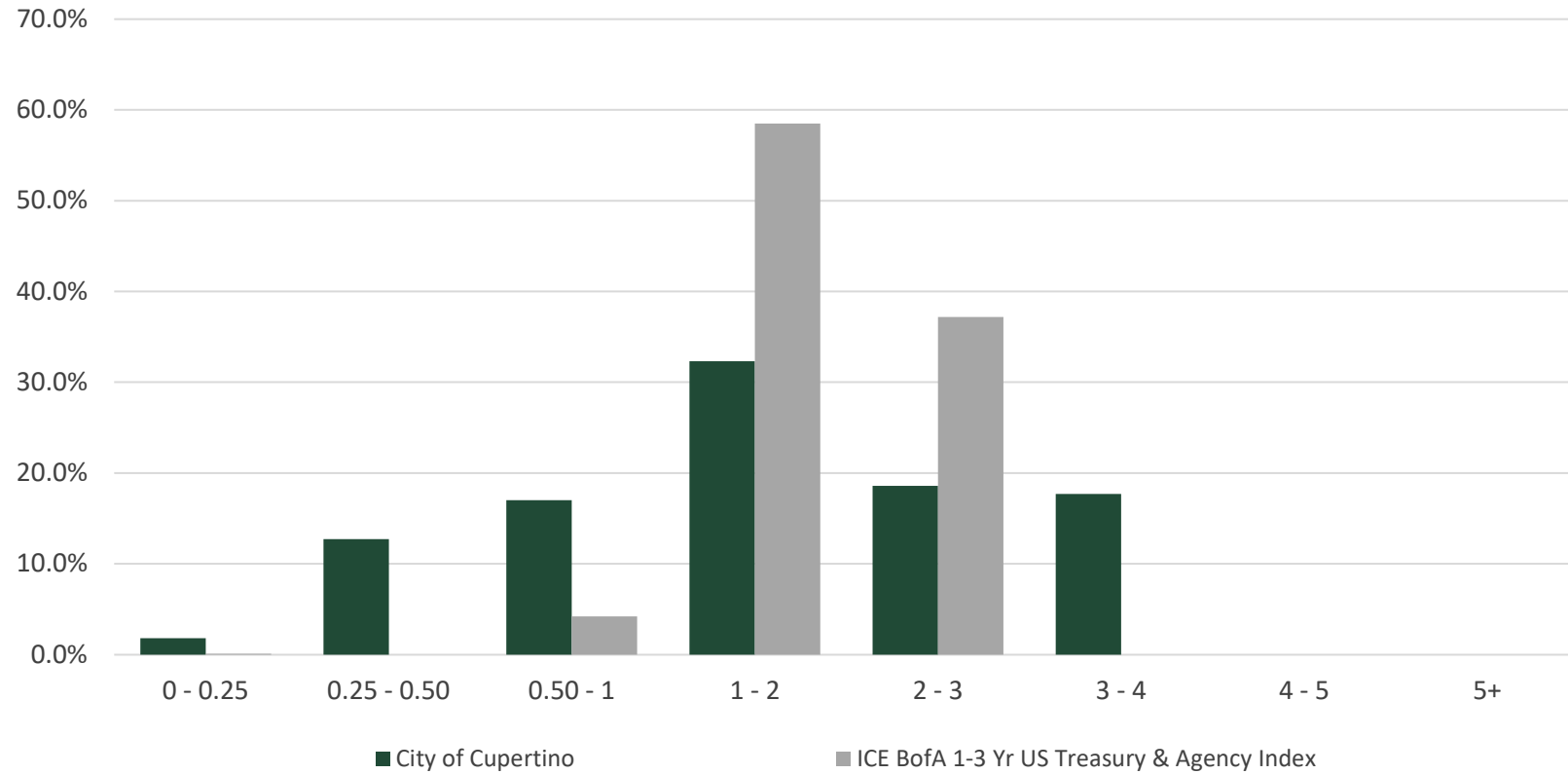
	AAA	AA	A	<A	NR
02/29/24	13.4%	66.5%	20.1%	0.0%	0.0%
01/31/24	14.0%	59.2%	19.1%	0.0%	7.7%

Source: S&P Ratings

As of February 29, 2024

Duration Distribution

City of Cupertino
Portfolio Compared to the Benchmark

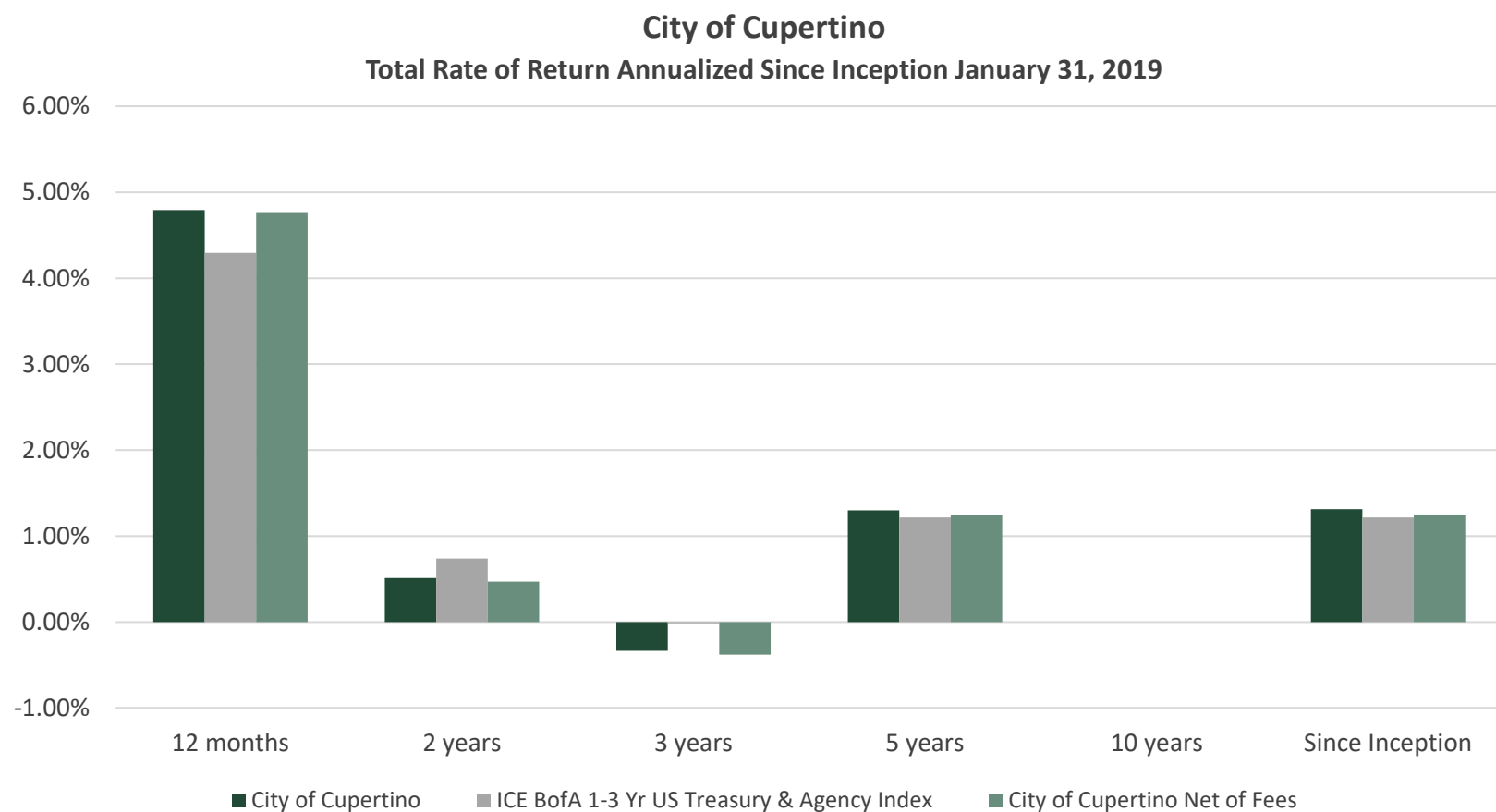


	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Portfolio	1.8%	12.7%	17.0%	32.3%	18.6%	17.7%	0.0%	0.0%
Benchmark*	0.1%	0.0%	4.2%	58.5%	37.2%	0.0%	0.0%	0.0%

*ICE BofA 1-3 Yr US Treasury & Agency Index

As of February 29, 2024

Investment Performance



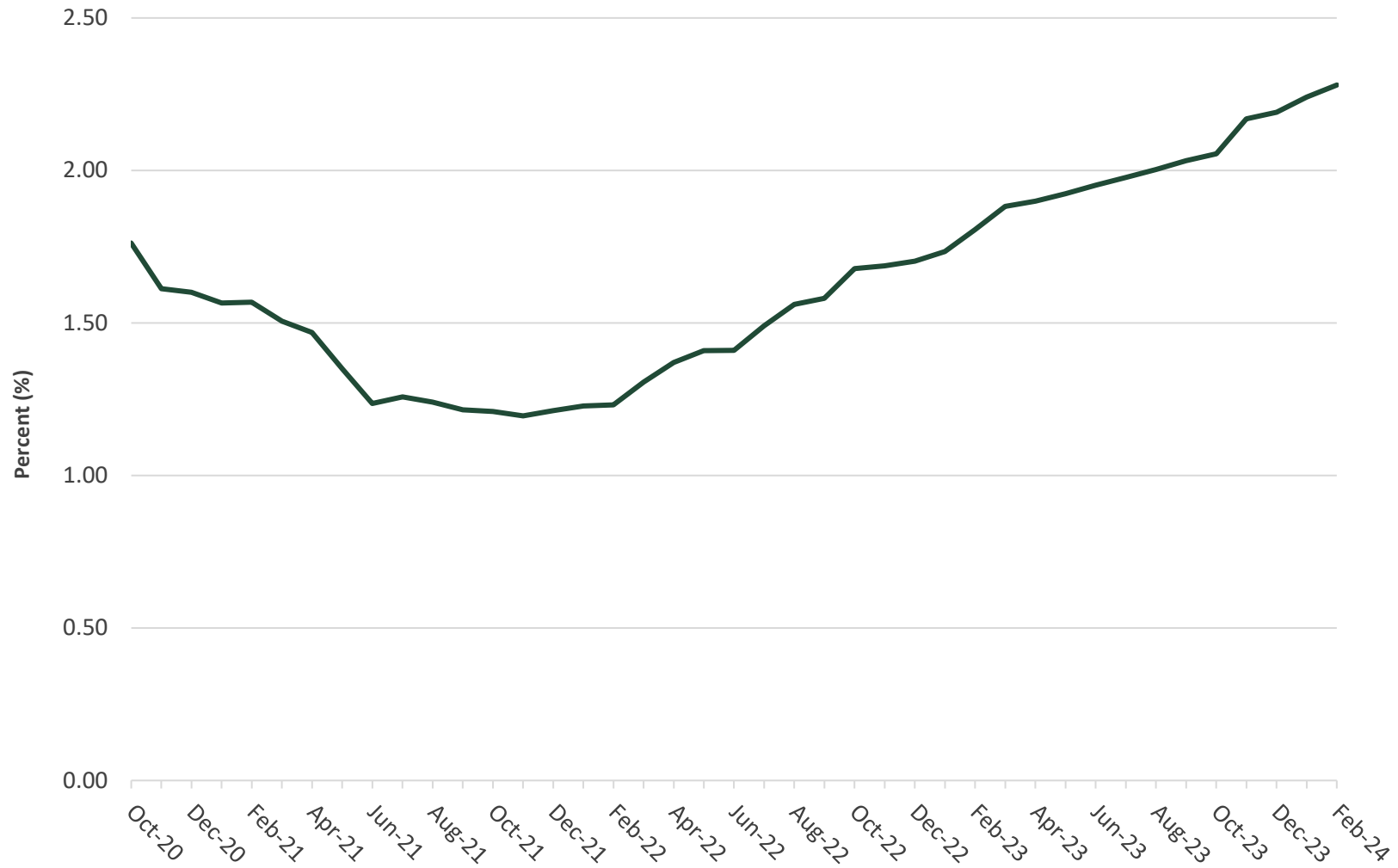
TOTAL RATE OF RETURN	Annualized						
	3 months	12 months	2 years	3 years	5 years	10 years	Since Inception
City of Cupertino	1.32%	4.79%	0.51%	-0.34%	1.30%	N/A	1.31%
ICE BofA 1-3 Yr US Treasury & Agency Index	1.10%	4.29%	0.74%	-0.02%	1.22%	N/A	1.22%
City of Cupertino Net of Fees	1.32%	4.76%	0.47%	-0.38%	1.24%	N/A	1.25%

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

Historical Average Purchase Yield

As of February 29, 2024

City of Cupertino
Purchase Yield as of 02/29/24 = 2.28%



Section 3 | Portfolio Holdings

HOLDINGS REPORT

City of Cupertino | Account #10659 | As of February 29, 2024

AC 03-21-2024

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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P Fitch	Maturity Duration
ABS									
44891WAC3	HALST 2022-A A3 1.16 01/15/2025	112,241.90	01/11/2022 1.16%	112,239.42 112,241.29	99.82 3.70%	112,037.73 57.87	0.07% (203.56)	Aaa/AAA NA	0.88 0.08
89238LAC4	TLOT 2022-A A3 1.96 02/20/2025	421,973.44	02/23/2022 1.96%	421,907.02 421,954.19	99.54 5.74%	420,020.25 252.72	0.27% (1,933.94)	NA/AAA AAA	0.98 0.14
02589BAA8	AMXCA 2022-1 A 2.21 03/17/2025	1,545,000.00	03/21/2022 2.69%	1,524,359.77 1,537,790.06	96.93 5.28%	1,497,497.12 1,517.53	0.98% (40,292.94)	Aaa/NA AAA	1.05 1.46
36265MAC9	GMALT 2022-1 A3 1.9 03/20/2025	251,722.74	02/15/2022 1.91%	251,720.58 251,722.12	99.67 5.41%	250,900.47 146.14	0.16% (821.66)	Aaa/NA AAA	1.05 0.12
05601XAC3	BMWLT 2022-1 A3 1.03 03/25/2025	28,794.24	01/11/2022 1.12%	28,789.94 28,793.08	99.70 5.55%	28,707.67 5.28	0.02% (85.41)	NA/AAA AAA	1.07 0.07
43813GAC5	HAROT 2021-1 A3 0.27 04/21/2025	28,921.18	02/17/2021 0.27%	28,920.65 28,921.08	99.25 5.17%	28,703.45 2.17	0.02% (217.63)	Aaa/NA AAA	1.14 0.21
89240BAC2	TAOT 2021-A A3 0.26 05/15/2025	111,875.37	02/02/2021 0.27%	111,854.60 111,871.27	99.32 5.43%	111,117.63 12.93	0.07% (753.63)	Aaa/NA AAA	1.21 0.19
02582JIT8	AMXCA 2022-2 A 3.39 05/15/2025	1,375,000.00	05/17/2022 3.42%	1,374,695.85 1,374,822.38	97.85 5.28%	1,345,467.48 2,071.67	0.88% (29,354.90)	NA/AAA AAA	1.21 1.60
44933LAC7	HART 2021-A A3 0.38 09/15/2025	103,099.19	04/20/2021 0.39%	103,088.34 103,096.41	99.01 5.21%	102,082.29 17.41	0.07% (1,014.12)	NA/AAA AAA	1.54 0.30
43815GAC3	HAROT 2021-4 A3 0.88 01/21/2026	272,719.04	11/16/2021 0.89%	272,661.55 272,695.55	97.34 5.59%	265,471.56 66.66	0.17% (7,223.99)	Aaa/NA AAA	1.90 0.71
47789QAC4	JDOT 2021-B A3 0.52 03/16/2026	285,759.52	07/13/2021 0.52%	285,734.03 285,749.73	97.50 5.43%	278,610.30 66.04	0.18% (7,139.43)	Aaa/NA AAA	2.04 0.56
89238JAC9	TAOT 2021-D A3 0.71 04/15/2026	261,200.54	11/09/2021 0.71%	261,194.97 261,198.19	97.43 5.42%	254,483.53 82.42	0.17% (6,714.66)	NA/AAA AAA	2.13 0.74
43815BAC4	HAROT 2022-1 A3 1.88 05/15/2026	631,684.81	02/15/2022 1.89%	631,589.80 631,639.11	97.57 5.58%	616,339.67 527.81	0.40% (15,299.44)	Aaa/AAA NA	2.21 0.86
44935FAD6	HART 2021-C A3 0.74 05/15/2026	776,066.09	-- 2.17%	756,443.66 766,779.43	97.64 5.43%	757,784.53 255.24	0.49% (8,994.90)	NA/AAA AAA	2.21 0.71
05602RAD3	BMWOT 2022-A A3 3.21 08/25/2026	451,574.31	05/10/2022 3.23%	451,550.83 451,561.53	98.45 5.43%	444,593.56 241.59	0.29% (6,967.98)	Aaa/AAA NA	2.49 0.98
47787JAC2	JDOT 2022 A3 0.36 09/15/2026	328,880.36	03/10/2022 2.34%	328,807.61 328,841.81	97.82 5.47%	321,717.47 339.11	0.21% (7,124.34)	Aaa/NA AAA	2.54 0.81
36255AC1	GMCAR 2021-4 A3 0.68 09/16/2026	220,411.96	10/13/2021 0.68%	220,406.34 220,409.46	96.95 5.33%	213,681.00 62.45	0.14% (6,728.47)	Aaa/AAA NA	2.55 0.90

HOLDINGS REPORT

City of Cupertino | Account #10659 | As of February 29, 2024

AC 03-21-2024

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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P Fitch	Maturity Duration
448977AD0	HART 2022-A A3 2.22 10/15/2026	864,693.81	03/09/2022 2.23%	864,660.52 864,676.40	97.76 5.53%	845,324.67 853.16	0.55% (19,351.74)	NA/AAA AAA	2.63 0.95
380146AC4	GMCAR 2022-1 A3 1.23 11/16/2026	216,939.36	01/11/2022 1.27%	216,920.51 216,929.94	97.19 5.50%	210,841.43 113.89	0.14% (6,088.51)	NA/AAA AAA	2.71 0.95
05522RDH8	BACCT 2023-2 A 4.98 11/16/2026	850,000.00	01/24/2024 4.58%	858,798.83 858,497.84	100.27 4.92%	852,296.96 1,881.33	0.56% (6,200.89)	Aaa/NA AAA	2.71 2.47
362585AC5	GMCAR 2022-2 A3 3.1 02/16/2027	375,683.12	04/05/2022 3.13%	375,604.61 375,638.59	98.15 5.43%	368,749.48 485.26	0.24% (6,889.11)	Aaa/AAA NA	2.97 1.14
47800AAC4	JDOT 2022-B A3 3.74 02/16/2027	655,000.00	07/12/2022 3.77%	654,937.45 654,960.76	98.42 5.17%	644,634.69 1,088.76	0.42% (10,326.07)	Aaa/NA AAA	2.97 1.13
47800BAC2	JDOT 2022-C A3 5.09 06/15/2027	1,050,000.00	10/12/2022 5.15%	1,049,918.52 1,049,943.16	99.63 5.42%	1,046,099.46 2,375.33	0.68% (3,843.70)	Aaa/NA AAA	3.29 1.41
89231FAD2	TAOT 2023-C A3 5.16 04/17/2028	1,300,000.00	11/21/2023 5.40%	1,294,718.75 1,295,041.02	100.12 5.16%	1,301,508.52 2,981.33	0.85% 6,467.50	NA/AAA AAA	4.13 2.55
438123AC5	HAROT 2023-4 A3 5.67 06/21/2028	805,000.00	-- 5.64%	806,992.67 806,833.00	101.35 5.12%	815,883.44 1,267.88	0.53% 9,050.44	Aaa/NA AAA	4.31 2.58
58769FAC9	MBART 2023-2 A3 5.95 11/15/2028	1,100,000.00	11/29/2023 5.18%	1,123,289.06 1,121,896.78	101.97 5.17%	1,121,718.84 2,908.89	0.73% (177.94)	NA/AAA AAA	4.71 2.86
36268GAD7	GMCAR 2024-1 A3 4.85 12/18/2028	950,000.00	01/23/2024 4.90%	950,074.22 950,072.38	99.65 5.05%	946,721.08 1,919.79	0.62% (3,351.30)	Aaa/NA AAA	4.80 3.13
161571HV9	CHAIT 241 A 4.6 01/16/2029	1,690,000.00	01/24/2024 4.61%	1,689,742.61 1,689,746.87	99.40 4.93%	1,679,924.05 3,455.11	1.09% (9,822.82)	NA/AAA AAA	4.88 2.71
Total ABS		17,064,240.98	3.60%	17,051,622.72 17,074,323.45	98.96 5.25%	16,882,918.33 25,055.78	10.99% (191,405.12)	Aaa/AAA AAA	2.96 1.71

AGENCY									
3130A1XJ2	FEDERAL HOME LOAN BANKS 2.875 06/14/2024	1,500,000.00	06/18/2019 1.99%	1,564,890.20 1,503,739.56	99.28 5.36%	1,489,155.03 9,223.96	0.97% (14,584.53)	Aaa/AA+ AA+	0.29 0.28
3135G0V75	FEDERAL NATIONAL MORTGAGE ASSOCIATION 1.75 07/02/2024	1,500,000.00	07/16/2019 1.96%	1,484,895.00 1,498,974.66	98.79 5.35%	1,481,810.25 4,302.08	0.96% (17,164.41)	Aaa/AA+ AA+	0.34 0.33
3130A2UW4	FEDERAL HOME LOAN BANKS 2.875 09/13/2024	2,000,000.00	09/13/2019 1.82%	2,103,380.00 2,011,108.82	98.74 5.27%	1,974,809.82 26,833.33	1.29% (36,299.00)	Aaa/AA+ AA+	0.54 0.51
3135G0W66	FEDERAL NATIONAL MORTGAGE ASSOCIATION 1.625 10/15/2024	1,975,000.00	-- 1.72%	1,965,802.75 1,973,819.17	97.80 5.24%	1,931,464.28 12,124.31	1.26% (42,354.89)	Aaa/AA+ AA+	0.63 0.60
3135G0X24	FEDERAL NATIONAL MORTGAGE ASSOCIATION 1.625 01/07/2025	1,295,000.00	-- 1.38%	1,309,953.95 1,297,652.67	97.10 5.13%	1,257,497.33 3,156.56	0.82% (40,155.34)	Aaa/AA+ AA+	0.86 0.82

HOLDINGS REPORT

City of Cupertino | Account #10659 | As of February 29, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P Fitch	Maturity Duration
3137EAEPO	FEDERAL HOME LOAN MORTGAGE CORP 1.5 02/12/2025	2,365,000.00	02/13/2020 1.52%	2,363,178.95 2,364,652.75	96.68 5.11%	2,286,552.95 1,872.29	1.49% (78,099.80)	Aaa/AA+ AA+	0.96 0.92
3135G03U5	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.625 04/22/2025	1,860,000.00	04/22/2020 0.67%	1,856,168.40 1,859,124.03	95.24 4.94%	1,771,518.33 4,165.62	1.15% (87,605.70)	Aaa/AA+ AA+	1.15 1.11
3135G04Z3	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 06/17/2025	2,500,000.00	-- 0.50%	2,499,227.30 2,499,854.37	94.63 4.81%	2,365,852.85 2,569.44	1.54% (134,001.52)	Aaa/AA+ AA+	1.30 1.26
3137EAEU9	FEDERAL HOME LOAN MORTGAGE CORP 0.375 07/21/2025	1,250,000.00	07/21/2020 0.48%	1,243,775.00 1,248,269.69	94.15 4.76%	1,176,906.71 520.83	0.77% (71,362.98)	Aaa/AA+ AA+	1.39 1.35
3135G05X7	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.375 08/25/2025	2,500,000.00	-- 0.47%	2,487,983.75 2,496,326.47	93.69 4.81%	2,342,372.62 156.25	1.53% (153,953.85)	Aaa/AA+ AA+	1.49 1.44
3137EAEX3	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025	2,500,000.00	-- 0.46%	2,489,362.80 2,496,600.37	93.41 4.79%	2,335,129.38 4,114.58	1.52% (161,470.99)	Aaa/AA+ AA+	1.57 1.52
3135G06G3	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 11/07/2025	2,500,000.00	-- 0.56%	2,492,700.00 2,497,529.87	93.23 4.72%	2,330,748.20 3,958.33	1.52% (166,781.67)	Aaa/AA+ AA+	1.69 1.64
3133EPC60	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.625 11/15/2027	2,800,000.00	11/09/2023 4.73%	2,789,612.00 2,790,372.79	100.84 4.38%	2,823,461.12 38,130.56	1.84% 33,088.32	Aaa/AA+ AA+	3.71 3.33
Total Agency		26,545,000.00	1.48%	26,650,930.10 26,538,025.22	96.38 4.93%	25,567,278.88 111,128.16	16.65% (970,746.35)	Aaa/AA+ AA+	1.36 1.29
AGENCY CMBS									
3137BFE98	FHMS K-041 A2 3.171 10/25/2024	1,280,404.36	07/01/2021 0.66%	1,377,334.97 1,297,953.56	98.54 5.46%	1,261,708.53 3,383.47	0.82% (36,245.02)	Aaa/AA+ AAA	0.65 0.56
3137BLMZ8	FHMS K-049 A2 3.01 07/25/2025	1,000,000.00	07/01/2021 0.87%	1,079,687.50 1,026,672.03	97.25 5.12%	972,524.70 2,508.33	0.63% (54,147.33)	Aaa/AA+ AAA	1.40 1.23
3137BLW95	FHMS K-050 A2 3.334 08/25/2025	950,000.00	11/16/2021 1.22%	1,018,132.81 976,123.46	97.56 5.10%	926,853.44 2,639.42	0.60% (49,270.02)	Aaa/AA+ AAA	1.49 1.28
3137BM7C4	FHMS K-051 A2 3.308 09/25/2025	440,000.00	03/15/2022 2.32%	453,079.69 445,685.47	97.43 5.06%	428,711.01 1,212.93	0.28% (16,974.46)	Aaa/AA+ AAA	1.57 1.37
3137BN6G4	FHMS K-053 A2 2.995 12/25/2025	570,000.00	03/15/2022 2.32%	582,001.17 575,699.44	96.72 4.98%	551,320.87 1,422.62	0.36% (24,378.57)	Aaa/AA+ AAA	1.82 1.58
3137BSP72	FHMS K-058 A2 2.653 08/25/2026	650,000.00	11/12/2021 1.36%	687,451.17 669,248.77	95.04 4.78%	617,778.07 1,437.04	0.40% (51,470.70)	Aaa/AA+ AAA	2.49 2.31
3137FBBX3	FHMS K-068 A2 3.244 08/25/2027	1,000,000.00	09/28/2022 4.36%	950,664.06 965,075.87	95.44 4.67%	954,428.00 2,703.33	0.62% (10,647.87)	Aaa/AA+ AA+	3.49 3.16
Total Agency CMBS		5,890,404.36	1.77%	6,148,351.37 5,956,458.59	97.01 5.06%	5,713,324.62 15,307.15	3.72% (243,133.97)	Aaa/AA+ AAA	1.77 1.57

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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P Fitch	Maturity Duration
CASH									
CCYUSD	Receivable	1,801.08	-- 0.00%	1,801.08 1,801.08	1.00 0.00%	1,801.08 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		1,801.08	0.00%	1,801.08 1,801.08	1.00 0.00%	1,801.08 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00
CORPORATE									
89114QCA4	TORONTO-DOMINION BANK 2.65 06/12/2024	1,500,000.00	09/11/2019 2.26%	1,527,255.00 1,501,618.95	99.23 5.36%	1,488,413.28 8,722.92	0.97% (13,205.67)	A1/A AA-	0.28 0.28
06367TQW3	BANK OF MONTREAL 0.625 07/09/2024	600,000.00	02/09/2022 1.88%	582,216.00 597,369.83	98.31 5.38%	589,881.73 541.67	0.38% (7,488.10)	A2/A- AA-	0.36 0.35
79466LAG9	SALESFORCE INC 0.625 07/15/2024	1,760,000.00	-- 0.87%	1,748,937.40 1,758,428.69	98.26 5.32%	1,729,374.63 1,405.56	1.13% (29,054.07)	A2/A+ NA	0.38 0.36
78013XZU5	ROYAL BANK OF CANADA 2.55 07/16/2024	1,500,000.00	-- 2.00%	1,533,359.18 1,503,041.40	98.82 5.69%	1,482,365.56 4,781.25	0.97% (20,675.84)	A1/A AA-	0.38 0.37
91159HHX1	US BANCORP 2.4 07/30/2024	1,250,000.00	10/10/2019 2.08%	1,268,262.50 1,251,264.98	98.68 5.62%	1,233,441.20 2,583.33	0.80% (17,823.78)	A3/A A	0.42 0.40
009158AV8	AIR PRODUCTS AND CHEMICALS INC 3.35 07/31/2024	1,675,000.00	08/07/2019 2.11%	1,771,212.00 1,678,344.57	99.09 5.56%	1,659,705.66 4,831.91	1.08% (18,638.91)	A2/A NA	0.42 0.40
69371RR40	PACCAR FINANCIAL CORP 0.5 08/09/2024	680,000.00	08/03/2021 0.52%	679,632.80 679,946.06	97.92 5.28%	665,872.56 207.78	0.43% (14,073.50)	A1/A+ NA	0.44 0.43
69371RQ25	PACCAR FINANCIAL CORP 2.15 08/15/2024	370,000.00	08/08/2019 2.19%	369,182.30 369,925.26	98.50 5.48%	364,443.31 353.56	0.24% (5,481.95)	A1/A+ NA	0.46 0.44
14913Q3B3	CATERPILLAR FINANCIAL SERVICES CORP 2.15 11/08/2024	1,100,000.00	01/28/2020 1.93%	1,111,517.00 1,101,664.15	97.83 5.38%	1,076,153.75 7,423.47	0.70% (25,510.40)	A2/A A+	0.69 0.66
74153WCQ0	PRICOA GLOBAL FUNDING I 1.15 12/06/2024	885,000.00	12/01/2021 1.18%	884,088.45 884,766.70	96.87 5.36%	857,279.82 2,403.02	0.56% (27,486.88)	Aa3/AA- AA-	0.77 0.74
89114TZL9	TORONTO-DOMINION BANK 1.45 01/10/2025	700,000.00	03/15/2022 2.78%	674,737.00 692,273.94	96.78 5.31%	677,465.67 1,437.92	0.44% (14,808.27)	A1/A NA	0.87 0.83
89236TJT3	TOYOTA MOTOR CREDIT CORP 1.45 01/13/2025	1,215,000.00	01/10/2022 1.50%	1,213,371.90 1,214,527.61	96.81 5.24%	1,176,192.33 2,349.00	0.77% (38,335.28)	A1/A+ A+	0.87 0.84
64952WEK5	NEW YORK LIFE GLOBAL FUNDING 1.45 01/14/2025	1,680,000.00	01/11/2022 1.49%	1,678,185.60 1,679,471.90	96.72 5.33%	1,624,925.79 3,180.33	1.06% (54,546.12)	Aaa/AA+ AAA	0.88 0.84
69371RR73	PACCAR FINANCIAL CORP 2.85 04/07/2025	885,000.00	03/31/2022 2.86%	884,769.90 884,915.60	97.62 5.09%	863,902.59 10,089.00	0.56% (21,013.01)	A1/A+ NA	1.10 1.05

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78016EZ59	ROYAL BANK OF CANADA 3.375 04/14/2025	1,050,000.00	04/07/2022 3.39%	1,049,611.50 1,049,855.02	97.95 5.27%	1,028,510.35 13,485.94	0.67% (21,344.67)	A1/A AA-	1.12 1.07
06406RBC0	BANK OF NEW YORK MELLON CORP 3.35 04/25/2025	1,370,000.00	04/19/2022 3.35%	1,369,808.20 1,369,926.43	97.79 5.34%	1,339,761.61 16,063.25	0.87% (30,164.83)	A1/A AA-	1.15 1.10
06367WB85	BANK OF MONTREAL 1.85 05/01/2025	1,240,000.00	07/23/2021 0.86%	1,285,656.80 1,254,155.60	96.10 5.32%	1,191,629.65 7,646.67	0.78% (62,525.95)	A2/A- AA-	1.17 1.12
46647PCH7	JPMORGAN CHASE & CO 0.824 06/01/2025	1,370,000.00	05/24/2021 0.78%	1,371,773.90 1,370,148.90	98.68 5.96%	1,351,945.19 2,822.20	0.88% (18,203.71)	A1/A- AA-	1.25 0.25
46647PCK0	JPMORGAN CHASE & CO 0.969 06/23/2025	655,000.00	-- 0.95%	655,406.85 655,042.36	98.46 5.92%	644,899.82 1,198.87	0.42% (10,142.54)	A1/A- AA-	1.31 0.31
66815L2J7	NORTHWESTERN MUTUAL GLOBAL FUNDING 4.0 07/01/2025	1,170,000.00	06/27/2022 4.01%	1,169,602.20 1,169,823.24	98.56 5.12%	1,153,122.89 7,800.00	0.75% (16,700.35)	Aaa/AA+ AAA	1.34 1.27
74153WCM9	PRICOA GLOBAL FUNDING I 0.8 09/01/2025	904,000.00	04/06/2022 3.23%	832,972.72 872,603.88	93.61 5.27%	846,192.42 3,616.00	0.55% (26,411.47)	Aa3/AA- AA-	1.51 1.46
06406HCQ0	BANK OF NEW YORK MELLON CORP 3.95 11/18/2025	1,000,000.00	04/05/2022 3.21%	1,024,910.00 1,011,508.81	97.91 5.23%	979,098.93 11,301.39	0.64% (32,409.88)	A1/A AA-	1.72 1.61
40139LBC6	GUARDIAN LIFE GLOBAL FUNDING 0.875 12/10/2025	1,400,000.00	-- 1.12%	1,385,860.00 1,393,991.33	92.46 5.37%	1,294,454.88 2,756.25	0.84% (99,536.45)	Aa1/AA+ NA	1.78 1.71
66815L2A6	NORTHWESTERN MUTUAL GLOBAL FUNDING 0.8 01/14/2026	850,000.00	12/06/2021 1.46%	827,449.50 839,703.24	92.41 5.10%	785,479.37 887.78	0.51% (54,223.87)	Aaa/AA+ AAA	1.88 1.81
06051GHY8	BANK OF AMERICA CORP 2.015 02/13/2026	600,000.00	05/24/2021 1.06%	620,988.00 605,389.85	96.61 5.71%	579,662.66 604.50	0.38% (25,727.19)	A1/A- AA-	1.96 0.92
46647PBK1	JPMORGAN CHASE & CO 2.083 04/22/2026	401,000.00	05/20/2021 1.11%	415,969.33 405,368.24	96.21 5.53%	385,808.68 2,993.10	0.25% (19,559.55)	A1/A- AA-	2.15 1.10
6174468Q5	MORGAN STANLEY 2.188 04/28/2026	650,000.00	05/23/2022 4.22%	615,699.50 635,527.06	96.24 5.57%	625,531.96 4,859.18	0.41% (9,995.11)	A1/A- A+	2.16 1.11
023135BX3	AMAZON.COM INC 1.0 05/12/2026	1,875,000.00	05/10/2021 1.09%	1,866,900.00 1,871,442.39	92.05 4.85%	1,725,886.11 5,677.08	1.12% (145,556.28)	A1/AA AA-	2.20 2.12
91324PEC2	UNITEDHEALTH GROUP INC 1.15 05/15/2026	1,035,000.00	-- 1.37%	1,025,051.35 1,030,014.33	92.10 4.97%	953,185.81 3,504.62	0.62% (76,828.52)	A2/A+ A	2.21 2.12
89236TJK2	TOYOTA MOTOR CREDIT CORP 1.125 06/18/2026	1,385,000.00	06/15/2021 1.13%	1,384,390.60 1,384,720.00	91.77 4.95%	1,271,024.21 3,159.53	0.83% (113,695.79)	A1/A+ A+	2.30 2.21
06051GJD2	BANK OF AMERICA CORP 1.319 06/19/2026	700,000.00	07/16/2021 1.27%	701,274.00 700,423.18	94.65 5.62%	662,557.76 1,846.60	0.43% (37,865.43)	A1/A- AA-	2.30 1.25
57629WDE7	MASSMUTUAL GLOBAL FUNDING II 1.2 07/16/2026	1,000,000.00	08/19/2021 1.15%	1,002,230.00 1,001,081.33	91.08 5.23%	910,819.42 1,500.00	0.59% (90,261.91)	Aa3/AA+ AA+	2.38 2.28

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58989V2D5	MET TOWER GLOBAL FUNDING 1.25 09/14/2026	770,000.00	09/07/2021 1.27%	769,291.60 769,640.37	90.66 5.22%	698,096.81 4,464.93	0.45% (71,543.55)	Aa3/AA- AA-	2.54 2.42
931142ER0	WALMART INC 1.05 09/17/2026	350,000.00	09/08/2021 1.09%	349,338.50 349,663.09	91.36 4.69%	319,745.81 1,674.17	0.21% (29,917.29)	Aa2/AA AA	2.55 2.45
61690U7W4	MORGAN STANLEY BANK NA 5.882 10/30/2026	1,000,000.00	-- 5.88%	1,000,082.50 1,000,073.19	101.84 5.11%	1,018,382.50 19,606.67	0.66% 18,309.31	Aa3/A+ AA-	2.67 2.33
59217GER6	METROPOLITAN LIFE GLOBAL FUNDING I 1.875 01/11/2027	1,115,000.00	01/03/2022 1.90%	1,113,728.90 1,114,271.87	91.24 5.20%	1,017,375.02 2,903.65	0.66% (96,896.85)	Aa3/AA- AA-	2.87 2.72
17275RBQ4	CISCO SYSTEMS INC 4.8 02/26/2027	830,000.00	02/21/2024 4.85%	828,921.00 828,924.94	100.08 4.77%	830,690.55 553.33	0.54% 1,765.61	A1/AA- NA	2.99 2.75
808513BY0	CHARLES SCHWAB CORP 2.45 03/03/2027	960,000.00	03/01/2022 2.46%	959,729.90 959,835.72	92.69 5.10%	889,855.04 11,629.33	0.58% (69,980.68)	A2/A- A	3.01 2.80
084664CZ2	BERKSHIRE HATHAWAY FINANCE CORP 2.3 03/15/2027	1,615,000.00	03/07/2022 2.30%	1,614,693.15 1,614,813.64	93.70 4.54%	1,513,174.98 17,127.97	0.99% (101,638.66)	Aa2/AA A+	3.04 2.85
06051GHT9	BANK OF AMERICA CORP 3.559 04/23/2027	1,150,000.00	-- 4.29%	1,114,222.54 1,126,123.16	96.18 5.46%	1,106,093.74 14,552.36	0.72% (20,029.43)	A1/A- AA-	3.15 2.00
665859AW4	NORTHERN TRUST CORP 4.0 05/10/2027	670,000.00	05/05/2022 4.03%	668,914.60 669,307.51	97.16 4.97%	650,962.57 8,263.33	0.42% (18,344.93)	A2/A+ A+	3.19 2.92
91324PEG3	UNITEDHEALTH GROUP INC 3.7 05/15/2027	675,000.00	05/17/2022 3.69%	675,316.70 675,201.69	96.84 4.77%	653,645.83 7,353.75	0.43% (21,555.86)	A2/A+ A	3.21 2.95
57636QAW4	MASTERCARD INC 4.875 03/09/2028	945,000.00	03/06/2023 4.90%	944,083.35 944,262.97	101.12 4.56%	955,560.66 22,010.62	0.62% 11,297.69	Aa3/A+ NA	4.02 3.47
Total Corporate		44,535,000.00	2.22%	44,570,604.22 44,470,402.98	96.36 5.26%	42,872,573.09 252,173.78	27.92% (1,597,829.88)	A1/A+ AA-	1.61 1.40
MONEY MARKET FUND									
992995944	WC MMF SWEEP	50,607.29	-- 2.85%	50,607.29 50,607.29	1.00 2.85%	50,607.29 0.00	0.03% 0.00	NA/NA NA	0.00 0.00
VP4520004	WF ADV 100% TREAS MM FD-SVC CL #008	393,724.13	-- 0.01%	393,724.13 393,724.13	1.00 0.01%	393,724.13 0.00	0.26% 0.00	Aaa/ AAAm NA	0.00 0.00
Total Money Market Fund		444,331.42	0.33%	444,331.42 444,331.42	1.00 0.33%	444,331.42 0.00	0.29% 0.00	Aaa/AAA NA	0.00 0.00

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MUNICIPAL BONDS									
13063DRK6	CALIFORNIA ST 2.4 10/01/2024	755,000.00	10/16/2019 1.92%	772,342.35 757,057.24	98.32 5.34%	742,293.35 7,550.00	0.48% (14,763.89)	Aa2/AA- AA	0.59 0.56
Total Municipal Bonds		755,000.00	10/16/2019 1.92%	772,342.35 757,057.24	98.32 5.34%	742,293.35 7,550.00	0.48% (14,763.89)	Aa2/AA- AA	0.59 0.56
SUPRANATIONAL									
45950KCT5	INTERNATIONAL FINANCE CORP 0.375 07/16/2025	2,500,000.00	05/27/2021 0.66%	2,471,150.00 2,490,383.33	94.02 4.91%	2,350,487.72 1,171.88	1.53% (139,895.61)	Aaa/AAA NA	1.38 1.34
459058JL8	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.5 10/28/2025	2,400,000.00	-- 0.60%	2,388,859.25 2,396,067.58	93.18 4.81%	2,236,332.38 4,100.00	1.46% (159,735.19)	Aaa/AAA NA	1.66 1.61
4581X0DV7	INTER-AMERICAN DEVELOPMENT BANK 0.875 04/20/2026	2,460,000.00	04/13/2021 0.97%	2,448,733.20 2,455,187.24	92.39 4.65%	2,272,847.33 7,832.71	1.48% (182,339.91)	Aaa/AAA NA	2.14 2.06
Total Supranational		7,360,000.00	0.74%	7,308,742.45 7,341,638.15	93.21 4.79%	6,859,667.44 13,104.58	4.47% (481,970.71)	Aaa/AAA NA	1.72 1.67
US TREASURY									
912828XX3	UNITED STATES TREASURY 2.0 06/30/2024	2,000,000.00	-- 1.80%	2,018,574.22 2,001,273.03	98.89 5.34%	1,977,890.62 6,703.30	1.29% (23,382.41)	Aaa/AA+ AA+	0.33 0.33
912797GB7	UNITED STATES TREASURY 07/11/2024	1,000,000.00	07/27/2023 5.41%	950,378.99 981,232.17	98.11 5.33%	981,127.67 0.00	0.64% (104.50)	P-1/A-1+ F1+	0.36 0.35
912797GK7	UNITED STATES TREASURY 08/08/2024	1,000,000.00	08/30/2023 5.40%	951,232.07 977,251.11	97.72 5.31%	977,193.33 0.00	0.64% (57.78)	P-1/A-1+ F1+	0.44 0.43
912828D56	UNITED STATES TREASURY 2.375 08/15/2024	1,700,000.00	09/18/2019 1.73%	1,753,191.41 1,704,957.01	98.68 5.29%	1,677,621.10 1,663.80	1.09% (27,335.91)	Aaa/AA+ AA+	0.46 0.45
912797GL5	UNITED STATES TREASURY 09/05/2024	1,000,000.00	09/25/2023 5.45%	950,526.04 973,040.28	97.37 5.25%	973,732.22 0.00	0.63% 691.94	P-1/A-1+ F1+	0.52 0.50
912828YY0	UNITED STATES TREASURY 1.75 12/31/2024	2,100,000.00	03/15/2022 1.97%	2,087,203.13 2,096,177.23	97.27 5.13%	2,042,660.15 6,158.65	1.33% (53,517.08)	Aaa/AA+ AA+	0.84 0.81
912828ZC7	UNITED STATES TREASURY 1.125 02/28/2025	1,500,000.00	03/18/2020 0.81%	1,523,144.53 1,504,662.21	96.21 5.06%	1,443,164.07 45.86	0.94% (61,498.14)	Aaa/AA+ AA+	1.00 0.97
91282CED9	UNITED STATES TREASURY 1.75 03/15/2025	3,100,000.00	-- 2.23%	3,057,617.20 3,085,100.97	96.69 5.05%	2,997,433.59 25,038.46	1.95% (87,667.38)	Aaa/AA+ AA+	1.04 1.00

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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P Fitch	Maturity Duration
912828ZL7	UNITED STATES TREASURY 0.375 04/30/2025	2,500,000.00	03/21/2022 2.22%	2,360,839.85 2,447,891.58	94.88 4.94%	2,371,972.65 3,142.17	1.54% (75,918.92)	Aaa/AA+ AA+	1.17 1.13
91282CAB7	UNITED STATES TREASURY 0.25 07/31/2025	1,500,000.00	03/12/2021 0.72%	1,469,765.63 1,490,224.41	93.77 4.84%	1,406,601.57 309.07	0.92% (83,622.84)	Aaa/AA+ AA+	1.42 1.38
91282CAM3	UNITED STATES TREASURY 0.25 09/30/2025	2,400,000.00	-- 0.56%	2,366,140.63 2,388,287.06	93.16 4.78%	2,235,937.49 2,508.20	1.46% (152,349.57)	Aaa/AA+ AA+	1.59 1.54
91282CAT8	UNITED STATES TREASURY 0.25 10/31/2025	2,450,000.00	-- 0.49%	2,422,492.19 2,440,397.56	92.85 4.76%	2,274,863.27 2,052.88	1.48% (165,534.29)	Aaa/AA+ AA+	1.67 1.62
91282CAZ4	UNITED STATES TREASURY 0.375 11/30/2025	2,250,000.00	03/26/2021 0.76%	2,209,658.20 2,234,898.41	92.77 4.72%	2,087,402.36 2,120.90	1.36% (147,496.06)	Aaa/AA+ AA+	1.75 1.70
91282CBH3	UNITED STATES TREASURY 0.375 01/31/2026	2,500,000.00	05/27/2021 0.75%	2,456,445.31 2,482,134.68	92.21 4.66%	2,305,273.45 772.66	1.50% (176,861.23)	Aaa/AA+ AA+	1.92 1.87
91282CBW0	UNITED STATES TREASURY 0.75 04/30/2026	2,500,000.00	05/27/2021 0.80%	2,493,652.34 2,497,210.98	92.19 4.57%	2,304,785.15 6,284.34	1.50% (192,425.83)	Aaa/AA+ AA+	2.17 2.10
91282CCZ2	UNITED STATES TREASURY 0.875 09/30/2026	1,400,000.00	10/18/2021 1.19%	1,379,054.68 1,389,069.49	91.33 4.46%	1,278,593.75 5,120.90	0.83% (110,475.74)	Aaa/AA+ AA+	2.59 2.49
91282CDG3	UNITED STATES TREASURY 1.125 10/31/2026	1,400,000.00	11/15/2021 1.25%	1,391,468.75 1,395,406.61	91.65 4.48%	1,283,132.82 5,278.85	0.84% (112,273.80)	Aaa/AA+ AA+	2.67 2.56
91282CJP7	UNITED STATES TREASURY 4.375 12/15/2026	2,500,000.00	12/28/2023 4.01%	2,525,097.66 2,523,636.34	99.80 4.45%	2,494,921.88 23,010.59	1.62% (28,714.46)	Aaa/AA+ AA+	2.79 2.58
91282CEW7	UNITED STATES TREASURY 3.25 06/30/2027	3,250,000.00	-- 3.18%	3,260,312.50 3,256,692.38	96.52 4.38%	3,136,884.76 17,700.89	2.04% (119,807.62)	Aaa/AA+ AA+	3.33 3.10
91282CFB2	UNITED STATES TREASURY 2.75 07/31/2027	400,000.00	08/22/2022 3.12%	393,218.75 395,309.92	94.86 4.38%	379,437.50 906.59	0.25% (15,872.42)	Aaa/AA+ AA+	3.42 3.20
91282CFH9	UNITED STATES TREASURY 3.125 08/31/2027	4,500,000.00	-- 3.28%	4,468,902.34 4,478,119.21	95.96 4.38%	4,318,066.40 382.13	2.81% (160,052.82)	Aaa/AA+ AA+	3.50 3.26
91282CFM8	UNITED STATES TREASURY 4.125 09/30/2027	3,450,000.00	-- 4.31%	3,421,152.34 3,428,999.25	99.19 4.37%	3,422,103.51 59,491.29	2.23% (6,895.74)	Aaa/AA+ AA+	3.59 3.24
91282CFZ9	UNITED STATES TREASURY 3.875 11/30/2027	850,000.00	12/05/2022 3.81%	852,656.25 851,998.02	98.34 4.36%	835,888.67 8,279.37	0.54% (16,109.35)	Aaa/AA+ AA+	3.75 3.41
91282CGC9	UNITED STATES TREASURY 3.875 12/31/2027	2,750,000.00	-- 3.67%	2,775,107.42 2,769,549.78	98.33 4.35%	2,704,023.44 17,858.00	1.76% (65,526.34)	Aaa/AA+ AA+	3.84 3.50
91282CGH8	UNITED STATES TREASURY 3.5 01/31/2028	3,000,000.00	02/07/2023 3.81%	2,957,929.69 2,966,885.25	97.00 4.34%	2,909,882.82 8,653.85	1.89% (57,002.43)	Aaa/AA+ AA+	3.92 3.60
91282CGP0	UNITED STATES TREASURY 4.0 02/29/2028	3,700,000.00	-- 4.01%	3,699,113.28 3,699,397.42	98.77 4.34%	3,654,472.65 402.17	2.38% (44,924.77)	Aaa/AA+ AA+	4.00 3.65

HOLDINGS REPORT

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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P Fitch	Maturity Duration
Total US Treasury		56,700,000.00	2.57%	56,194,875.40 56,459,802.34	96.14 4.68%	54,475,066.86 203,884.94	35.47% (1,984,735.49)	Aaa/AA+ AA+	2.32 2.17
Total Portfolio		159,295,777.84	2.28%	159,143,601.10 159,043,840.47	96.19 4.96%	153,559,255.07 628,204.39	100.00% (5,484,585.40)	Aa2/AA- AA	1.97 1.70
Total Market Value + Accrued						154,187,459.46			

Section 4 | Transactions

TRANSACTION LEDGER

City of Cupertino | Account #10659 | As of February 29, 2024

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	02/01/2024		0.08	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	(0.08)	0.00	(0.08)	0.00
Purchase	02/01/2024		3,005.66	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	(3,005.66)	0.00	(3,005.66)	0.00
Purchase	02/01/2024		125.97	WC MMF SWEEP	1.000	2.85%	(125.97)	0.00	(125.97)	0.00
Purchase	02/09/2024		1,700.00	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	(1,700.00)	0.00	(1,700.00)	0.00
Purchase	02/12/2024		17,737.50	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	(17,737.50)	0.00	(17,737.50)	0.00
Purchase	02/13/2024		6,045.00	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	(6,045.00)	0.00	(6,045.00)	0.00
Purchase	02/15/2024		3,239.17	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	(3,239.17)	0.00	(3,239.17)	0.00
Purchase	02/15/2024		436,382.29	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	(436,382.29)	0.00	(436,382.29)	0.00
Purchase	02/16/2024		49,729.50	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	(49,729.50)	0.00	(49,729.50)	0.00
Purchase	02/20/2024		260,224.65	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	(260,224.65)	0.00	(260,224.65)	0.00
Purchase	02/21/2024		37,844.33	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	(37,844.33)	0.00	(37,844.33)	0.00
Purchase	02/26/2024	17275RBQ4	830,000.00	CISCO SYSTEMS INC 4.8 02/26/2027	99.870	4.85%	(828,921.00)	0.00	(828,921.00)	0.00
Purchase	02/29/2024		152,750.00	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	(152,750.00)	0.00	(152,750.00)	0.00
Total Purchase			1,798,784.15				(1,797,705.15)	0.00	(1,797,705.15)	0.00
TOTAL ACQUISITIONS			1,798,784.15				(1,797,705.15)	0.00	(1,797,705.15)	0.00
DISPOSITIONS										
Sale	02/01/2024		(125.97)	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	125.97	0.00	125.97	0.00
Sale	02/08/2024		(88.01)	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	88.01	0.00	88.01	0.00

TRANSACTION LEDGER

City of Cupertino | Account #10659 | As of February 29, 2024

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest	Pur/Sold	Total Amount	Gain/Loss
Sale	02/09/2024		(9,380.44)	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	9,380.44		0.00	9,380.44	0.00
Sale	02/26/2024		(729,640.86)	WF ADV 100% TREAS MM FD-SVC CL #008	1.000	0.01%	729,640.86		0.00	729,640.86	0.00
Total Sale			(739,235.28)				739,235.28		0.00	739,235.28	0.00
TOTAL DISPOSITIONS			(739,235.28)				739,235.28		0.00	739,235.28	0.00
OTHER TRANSACTIONS											
Coupon	02/01/2024	3137BFE98	0.00	FHMS K-041 A2 3.171 10/25/2024		0.47%	3,391.03		0.00	3,391.03	0.00
Coupon	02/01/2024	3137BLMZ8	0.00	FHMS K-049 A2 3.01 07/25/2025		0.78%	2,508.33		0.00	2,508.33	0.00
Coupon	02/01/2024	3137BLW95	0.00	FHMS K-050 A2 3.334 08/25/2025		1.13%	2,639.42		0.00	2,639.42	0.00
Coupon	02/01/2024	3137BM7C4	0.00	FHMS K-051 A2 3.308 09/25/2025		2.26%	1,212.93		0.00	1,212.93	0.00
Coupon	02/01/2024	3137BN6G4	0.00	FHMS K-053 A2 2.995 12/25/2025		2.28%	1,422.62		0.00	1,422.62	0.00
Coupon	02/01/2024	3137BSP72	0.00	FHMS K-058 A2 2.653 08/25/2026		1.35%	1,437.04		0.00	1,437.04	0.00
Coupon	02/01/2024	3137FBBX3	0.00	FHMS K-068 A2 3.244 08/25/2027		4.32%	2,703.33		0.00	2,703.33	0.00
Coupon	02/09/2024	69371RR40	0.00	PACCAR FINANCIAL CORP 0.5 08/09/2024		0.52%	1,700.00		0.00	1,700.00	0.00
Coupon	02/12/2024	3137EAEPO	0.00	FEDERAL HOME LOAN MORTGAGE CORP 1.5 02/12/2025		1.52%	17,737.50		0.00	17,737.50	0.00
Coupon	02/13/2024	06051GHY8	0.00	BANK OF AMERICA CORP 2.015 02/13/2026		1.06%	6,045.00		0.00	6,045.00	0.00
Coupon	02/15/2024	89240BAC2	0.00	TAOT 2021-A A3 0.26 05/15/2025		0.28%	32.54		0.00	32.54	0.00
Coupon	02/15/2024	44933LAC7	0.00	HART 2021-A A3 0.38 09/15/2025		0.39%	39.87		0.00	39.87	0.00

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Coupon	02/15/2024	47789QAC4	0.00	JDOT 2021-B A3 0.52 03/16/2026		0.53%	140.17	0.00	140.17	0.00
Coupon	02/15/2024	89238JAC9	0.00	TAOT 2021-D A3 0.71 04/15/2026		0.71%	167.67	0.00	167.67	0.00
Coupon	02/15/2024	44935FAD6	0.00	HART 2021-C A3 0.74 05/15/2026		2.96%	522.72	0.00	522.72	0.00
Coupon	02/15/2024	44891WAC3	0.00	HALST 2022-A A3 1.16 01/15/2025		1.17%	164.38	0.00	164.38	0.00
Coupon	02/15/2024	43815BAC4	0.00	HAROT 2022-1 A3 1.88 05/15/2026		1.90%	1,060.39	0.00	1,060.39	0.00
Coupon	02/15/2024	448977AD0	0.00	HART 2022-A A3 2.22 10/15/2026		2.23%	1,705.74	0.00	1,705.74	0.00
Coupon	02/15/2024	47787JAC2	0.00	JDOT 2022 A3 0.36 09/15/2026		2.35%	688.04	0.00	688.04	0.00
Coupon	02/15/2024	47800AAC4	0.00	JDOT 2022-B A3 3.74 02/16/2027		3.77%	2,041.42	0.00	2,041.42	0.00
Coupon	02/15/2024	47800BAC2	0.00	JDOT 2022-C A3 5.09 06/15/2027		5.15%	4,453.75	0.00	4,453.75	0.00
Coupon	02/15/2024	89231FAD2	0.00	TAOT 2023-C A3 5.16 04/17/2028		5.41%	5,590.00	0.00	5,590.00	0.00
Coupon	02/15/2024	58769FAC9	0.00	MBART 2023-2 A3 5.95 11/15/2028		5.16%	5,454.17	0.00	5,454.17	0.00
Coupon	02/15/2024	05522RDH8	0.00	BACCT 2023-2 A 4.98 11/16/2026		4.58%	3,527.50	0.00	3,527.50	0.00
Coupon	02/15/2024	161571HV9	0.00	CHAIT 241 A 4.6 01/16/2029		4.61%	3,239.17	0.00	3,239.17	0.00
Coupon	02/15/2024	912828D56	0.00	UNITED STATES TREASURY 2.375 08/15/2024		1.73%	20,187.50	0.00	20,187.50	0.00
Coupon	02/15/2024	69371RQ25	0.00	PACCAR FINANCIAL CORP 2.15 08/15/2024		2.19%	3,977.50	0.00	3,977.50	0.00
Coupon	02/15/2024	02589BAA8	0.00	AMXCA 2022-1 A 2.21 03/17/2025		2.68%	2,845.38	0.00	2,845.38	0.00
Coupon	02/15/2024	02582JIT8	0.00	AMXCA 2022-2 A 3.39 05/15/2025		3.42%	3,884.38	0.00	3,884.38	0.00
Coupon	02/16/2024	362554AC1	0.00	GMCAR 2021-4 A3 0.68 09/16/2026		0.68%	133.89	0.00	133.89	0.00

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest	Pur/Sold	Total Amount	Gain/Loss
Coupon	02/16/2024	380146AC4	0.00	GMCAR 2022-1 A3 1.23 11/16/2026		1.27%	242.96		0.00	242.96	0.00
Coupon	02/16/2024	362585AC5	0.00	GMCAR 2022-2 A3 3.1 02/16/2027		3.13%	1,007.50		0.00	1,007.50	0.00
Coupon	02/16/2024	36268GAD7	0.00	GMCAR 2024-1 A3 4.85 12/18/2028		4.90%	3,711.60		0.00	3,711.60	0.00
Coupon	02/20/2024	36265MAC9	0.00	GMALT 2022-1 A3 1.9 03/20/2025		1.91%	580.49		0.00	580.49	0.00
Coupon	02/20/2024	89238LAC4	0.00	TLOT 2022-A A3 1.96 02/20/2025		2.00%	924.12		0.00	924.12	0.00
Coupon	02/21/2024	43813GAC5	0.00	HAROT 2021-1 A3 0.27 04/21/2025		0.27%	8.76		0.00	8.76	0.00
Coupon	02/21/2024	43815GAC3	0.00	HAROT 2021-4 A3 0.88 01/21/2026		0.90%	217.44		0.00	217.44	0.00
Coupon	02/21/2024	438123AC5	0.00	HAROT 2023-4 A3 5.67 06/21/2028		5.63%	3,803.63		0.00	3,803.63	0.00
Coupon	02/25/2024	05601XAC3	0.00	BMWLT 2022-1 A3 1.03 03/25/2025		1.15%	64.85		0.00	64.85	0.00
Coupon	02/25/2024	05602RAD3	0.00	BMWOT 2022-A A3 3.21 08/25/2026		3.24%	1,296.52		0.00	1,296.52	0.00
Coupon	02/25/2024	3135G05X7	0.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.375 08/25/2025		0.47%	4,687.50		0.00	4,687.50	0.00
Coupon	02/29/2024	912828ZC7	0.00	UNITED STATES TREASURY 1.125 02/28/2025		0.81%	8,437.50		0.00	8,437.50	0.00
Coupon	02/29/2024	91282CFH9	0.00	UNITED STATES TREASURY 3.125 08/31/2027		3.28%	70,312.50		0.00	70,312.50	0.00
Coupon	02/29/2024	91282CGP0	0.00	UNITED STATES TREASURY 4.0 02/29/2028		4.01%	74,000.00		0.00	74,000.00	0.00
Total Coupon			0.00				269,948.75		0.00	269,948.75	0.00
Dividend	02/29/2024		0.00	WC MMF SWEEP		2.85%	7.65		0.00	7.65	0.00
Dividend	02/29/2024		0.00	WF ADV 100% TREAS MM FD-SVC CL #008		0.01%	1,679.45		0.00	1,679.45	0.00
Total Dividend			0.00				1,687.10		0.00	1,687.10	0.00

TRANSACTION LEDGER

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Management Fee	02/08/2024	CCYUSD	(88.01)	Cash		0.00%	(88.01)	0.00	(88.01)	0.00
Management Fee	02/09/2024	CCYUSD	(9,380.44)	Cash		0.00%	(9,380.44)	0.00	(9,380.44)	0.00
Total Management Fee			(9,468.45)				(9,468.45)	0.00	(9,468.45)	0.00
Principal Paydown	02/01/2024	3137BFE98	2,860.16	FHMS K-041 A2 3.171 10/25/2024		0.47%	2,860.16	--	2,860.16	0.00
Principal Paydown	02/15/2024	89240BAC2	38,310.95	TAOT 2021-A A3 0.26 05/15/2025		0.28%	38,310.95	--	38,310.95	0.00
Principal Paydown	02/15/2024	44933LAC7	22,808.74	HART 2021-A A3 0.38 09/15/2025		0.39%	22,808.74	--	22,808.74	(0.00)
Principal Paydown	02/15/2024	47789QAC4	37,705.98	JDOT 2021-B A3 0.52 03/16/2026		0.53%	37,705.98	--	37,705.98	0.00
Principal Paydown	02/15/2024	89238JAC9	22,192.11	TAOT 2021-D A3 0.71 04/15/2026		0.71%	22,192.11	--	22,192.11	0.00
Principal Paydown	02/15/2024	44935FAD6	71,578.86	HART 2021-C A3 0.74 05/15/2026		3.69%	71,578.86	--	71,578.86	(0.00)
Principal Paydown	02/15/2024	44891WAC3	57,807.77	HALST 2022-A A3 1.16 01/15/2025		1.17%	57,807.77	--	57,807.77	(0.00)
Principal Paydown	02/15/2024	43815BAC4	45,160.24	HAROT 2022-1 A3 1.88 05/15/2026		1.90%	45,160.24	--	45,160.24	(0.00)
Principal Paydown	02/15/2024	448977AD0	57,330.32	HART 2022-A A3 2.22 10/15/2026		2.23%	57,330.32	--	57,330.32	(0.00)
Principal Paydown	02/15/2024	47787JAC2	27,004.20	JDOT 2022 A3 0.36 09/15/2026		2.35%	27,004.20	--	27,004.20	(0.00)
Principal Paydown	02/16/2024	362554AC1	15,866.07	GMCAR 2021-4 A3 0.68 09/16/2026		0.68%	15,866.07	--	15,866.07	0.00
Principal Paydown	02/16/2024	380146AC4	14,450.60	GMCAR 2022-1 A3 1.23 11/16/2026		1.27%	14,450.60	--	14,450.60	(0.00)
Principal Paydown	02/16/2024	362585AC5	14,316.88	GMCAR 2022-2 A3 3.1 02/16/2027		3.13%	14,316.88	--	14,316.88	0.00
Principal Paydown	02/20/2024	36265MAC9	114,903.33	GMALT 2022-1 A3 1.9 03/20/2025		1.91%	114,903.33	--	114,903.33	0.00
Principal Paydown	02/20/2024	89238LAC4	143,816.71	TLOT 2022-A A3 1.96 02/20/2025		2.00%	143,816.71	--	143,816.71	0.00
Principal Paydown	02/21/2024	43813GAC5	10,022.60	HAROT 2021-1 A3 0.27 04/21/2025		0.27%	10,022.60	--	10,022.60	0.00

TRANSACTION LEDGER

City of Cupertino | Account #10659 | As of February 29, 2024

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Principal Paydown	02/21/2024	43815GAC3	23,791.90	HAROT 2021-4 A3 0.88 01/21/2026		0.90%	23,791.90	--	23,791.90	(0.00)
Principal Paydown	02/25/2024	05601XAC3	41,949.05	BMWLT 2022-1 A3 1.03 03/25/2025		1.15%	41,949.05	--	41,949.05	(0.00)
Principal Paydown	02/25/2024	05602RAD3	33,107.36	BMWOT 2022-A A3 3.21 08/25/2026		3.24%	33,107.36	--	33,107.36	0.00
Total Principal Paydown			794,983.83				794,983.83	--	794,983.83	0.00
TOTAL OTHER TRANSACTIONS			785,515.38				1,057,151.23	0.00	1,057,151.23	0.00

Important Disclosures

As of February 29, 2024

2024 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc ("IDS"), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

Your qualified custodian bank maintains control of all assets reflected in this statement and we urge you to compare this statement to the one you receive from your qualified custodian. Chandler does not have any authority to withdraw or deposit funds from/to the custodian account.

Asset Class 10-Year Snapshot Disclosure

- **US Small Cap Stocks – Morgan Stanley Capital International (MSCI) Small Cap 1750** – The MSCI Small Cap 1750 is a market capitalization weighted index that measures the performance of small capitalization U.S. stocks.
- **US Mid Cap Stocks – Morgan Stanley Capital International (MSCI) Mid Cap 450** – The MSCI Mid Cap 450 is a market capitalization weighted index that measures the performance of mid-capitalization U.S. stocks.
- **US Large Cap Stocks – Standard & Poor's 500** – The S&P 500 is a market value weighted index of 500 large capitalization stocks. The 500 companies included in the index capture approximately 80% of available U.S. market capitalization.
- **International Stocks – Morgan Stanley Capital International (MSCI) EAFE** – The MSCI EAFE International Equity Index is a market capitalization weighted index that captures international equity performance of large and mid-cap stocks in the developed stock markets of Europe, Australasia, and the Far East.
- **Emerging Market Stocks – Morgan Stanley Capital International (MSCI) Emerging Markets** – The MSCI Emerging Markets Index is a market capitalization weighted index that captures equity performance of large and mid-cap stocks across emerging market countries.
- **U.S. Real Estate – Morgan Stanley Capital International (MSCI) REIT** – The MSCI US REIT Index is a free float-adjusted market capitalization index that is comprised of equity REITs. It represents about 99% of the US REIT universe and securities are classified in the REIT sector according to the Global Industry Classification Standard (GICS®). It excludes Mortgage REITs and selected Specialized REITs.
- **International Real Estate – S&P Developed Ex-US Property** – The S&P Developed Ex-US Property Index is a market capitalization weighted index that captures the performance of a universe of publicly traded property companies based in developing countries outside of the US. The companies included are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **US Core Bonds – ICE BofA US Corporate, Government, Mortgage** – The ICE BofA US Corporate, Government, Mortgage index is a broad measure of US investment grade bond performance, including US Treasuries, agencies, investment-grade corporates and mortgage securities.
- **US High Yield Bonds – ICE BofA US High Yield** – The ICE BofA High Yield Bond Index measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds.
- **International Bonds – Bloomberg Barclays Global Aggregate ex-USD Total Return Index Value Unhedged USD** – Index from 2/1/2013 – current. This index measures the performance of global investment grade debt from 24 local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers. S&P Citigroup International Govt Bond – Index from 1/1/2009 – 1/31/2013. This index measures the performance of sovereign bonds of non-U.S. developed countries.

- **Diversified Commodities – S&P GSCI Commodity Index** – The S&P GSCI Commodity Index is a world production-weighted measure of general commodity price movements and inflation in the world economy. It consists of a basket of physical commodity futures contracts.

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All investments contain risk and may lose value. Fixed income investments are subject to interest rate, credit, and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates. International: Non-US markets may be more volatile due to a variety of factors including less liquidity, transparency and oversight of companies and assets. Values of non-US investments may fluctuate due to changes in currency exchange rates. Non-US companies are also subject to risks that come with political and economic stability that may affect their respective countries. These risks may be greater in emerging market countries. Equities: Investments on equities are subject to risks from stock market fluctuations that occur in response to economic and business developments.

Benchmark Disclosures

As of February 29, 2024

ICE BofA 1-3 Yr US Treasury & Agency Index

The ICE BofA 1-3 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than three years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies.



CITY OF CUPERTINO

Agenda Item

24-13046

Agenda Date: 3/21/2024
Agenda #: 6.

Subject: INFORMATIONAL ITEM Receive The Pun Group Presentation

Receive The Pun Group Presentation

Presenter: Jonathan Orozco, Finance Manager, and The Pun Group

5:05(10)

Cupertino, City of

AU-C 260 Communication with Those Charged with Governance

For the Year Ended June 30, 2023



Agenda

Audit of the City of Cupertino for the Year Ending June 30, 2023



- Scope of Work
- Our Responsibility in accordance with Professional Standards
- Management Responsibilities
- Engagement Team
- Implementation of New GASB Pronouncements

Scope of Work

Audit of the City of Cupertino for the Year Ended June 30, 2023

- Audit of the Annual Comprehensive Financial Report (ACFR)
 - Report on Financial Statements
 - Report on internal control over financial reporting and on compliance in accordance with *Government Auditing Standards*
- Single Audit (applicable if total expenditures of federal awards exceed \$750,000)
 - Report on compliance over major federal programs, schedule of expenditures of federal awards and internal control in accordance with 2 CFR 200

Our Responsibility in Accordance with Professional Standards

Audit of the City of Cupertino for the Year Ended June 30, 2023

- Form and express an opinion about whether the financial statements that have been prepared by management with Board oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America
- Plan and perform the audit to obtain “reasonable” assurance (not “absolute” assurance) about whether the financial statements are free of material misstatements.
- Consider internal control over financial reporting. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.
- Exercise professional judgment and maintain professional skepticism throughout the audit.

Our Responsibility in Accordance with Professional Standards

Audit of City of Cupertino for the Year Ended June 30, 2023

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

Management Responsibilities

- Preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America,
- Design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Service Team



Ken Pun, CPA, CGMA
Engagement Partner



Andrew Roth, CPA
Compliance Partner



Sophia Kuo, CPA, M.B.A.
Engagement/Project Director

Today's agenda

- Why work with The Pun Group?
- About the firm
- A tailored audit approach
- Understanding your needs
 - Audit approach
 - Audit timeline
- Innovation and tools
- How we will work together
- Educational/training opportunities

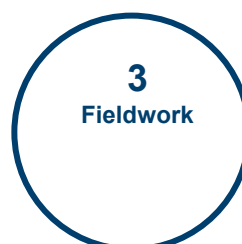
Audit approach



- Perform client acceptance procedures and prepare engagement letter
- Perform independence confirmation
- Review prior year audit working papers and financial reports
- Obtain understanding of current state of the City
- Evaluate applicable GASB pronouncements and implementation guides
- Develop audit work plan
- Perform kick-off meeting with the City



- Obtain understanding of City operating environments
- Obtain understanding of internal controls over financial reporting and compliance
- Perform test of controls over significant transaction classes
- Develop initial audit risk assessments based on test of control results
- Perform preliminary analytical procedures



- Perform audit procedures based on results from risk assessment
- Perform substantial testing and analytical procedures
- Confirm account balances, including banks, receivables, long-term debt, etc.
- Complete compliance testing, including single audit



- Review minutes
- Evaluate commitment and contingencies
- Perform going concern evaluation
- Inquire with City about subsequent events



- Review financial statements and agree amount to audited trial balances
- Draft management letter, which includes internal control matters, if identified
- Perform GFOA Financial Reporting Checklist
- Prepare independence auditors' report and *Government Auditing Standards* report
- Perform Engagement Partner and Quality Control review
- Incorporate feedback from City, Quality Control, and Engagement Partner



- Obtain Management Representation Letter
- Obtain update from Attorneys
- Final sign-offs on working papers and issue reports
- Present audit to Management or governing body

Benefits

- Client tailored approach emphasizing careful planning, open communication, proper assignment of responsibilities
- An efficient and effective audit, so disruption to office operations is kept to a minimum
- Offer beneficial observations and recommendation about policies and procedures for accounting and operating controls
- Opportunities to make operations more efficient and reduce costs
- Provide advisory services so recommendations can be implemented
- Meet objectives at no additional cost

New GASB Pronouncements

Audit of the City of Cupertino for the Year Ended June 30, 2023

2023

- Statement 91- Conduit Debt Obligations
- Statement 94 – Public-Private and Public-Public Partnerships and Availability Payment Arrangements
- Statement 96 – Subscription-Based Information Technology Arrangements
- Statement 99 – Omnibus 2022.

Contact information

“

“It is our commitment to only practice with the highest professional ethics and standards. We believe we owe that to the profession, our clients, and ourselves.”

*Kenneth H. Pun, CPA, CGMA
Managing Partner*

Kenneth H. Pun, CPA, CGMA
Managing Partner
ken.pun@pungroup.cpa

Sophia Kuo, CPA
Director
Sophia.kuo@pungroup.cpa



Thank You

HQ - ORANGE COUNTY
200 E. Sandpointe Avenue
Suite 600
Santa Ana, CA 92707

SAN DIEGO
4660 La Jolla Village Dr.
Suite 100
San Diego CA92122

BAY AREA
2121 North California Blvd.
Suite 290
Walnut Creek, CA 94596

SACRAMENTO
1511 Corporate Way
Suite 220
Sacramento, CA 95831

LAS VEGAS
1980 Festival Plaza Drive
Suite 300
Las Vegas, NV 89135

PHOENIX
2 North Central Avenue
Suite 1800
Phoenix, AZ 85004



CITY OF CUPERTINO

Agenda Item

24-13047

Agenda Date: 3/21/2024
Agenda #: 7.

Subject: INFORMATIONAL ITEM Receive Moss Adams Presentation

Receive Moss Adams Presentation

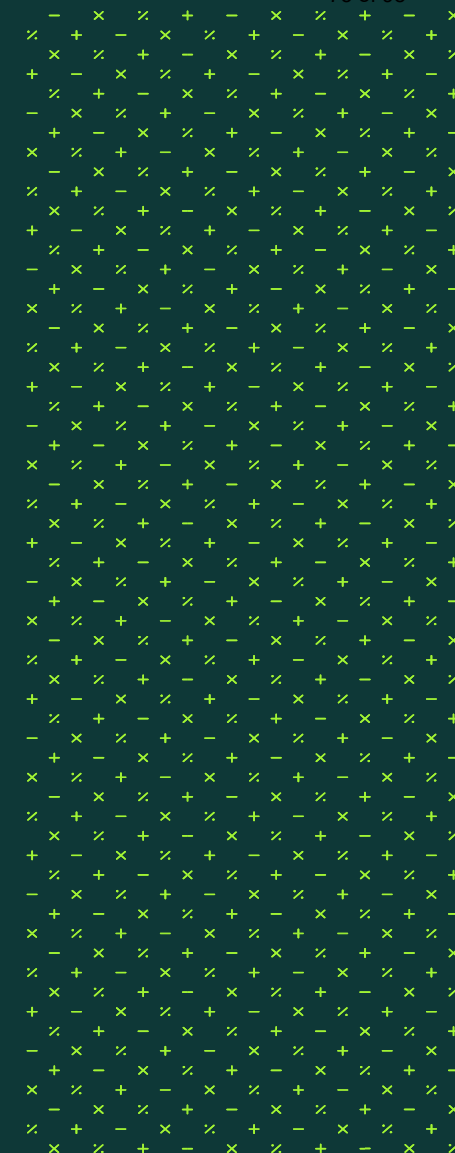
Presenter: Jonathan Orozco, Finance Manager, and Moss Adams

5:15(10)



City of Cupertino: Internal Audit Overview

February 27, 2023





Agenda

01 INTERNAL AUDIT BACKGROUND

02 PURPOSE AND ROLE OF INTERNAL AUDIT

03 AUDIT COMMITTEE BEST PRACTICES

04 FY 23-24 WORK PLAN

05 RESOURCES

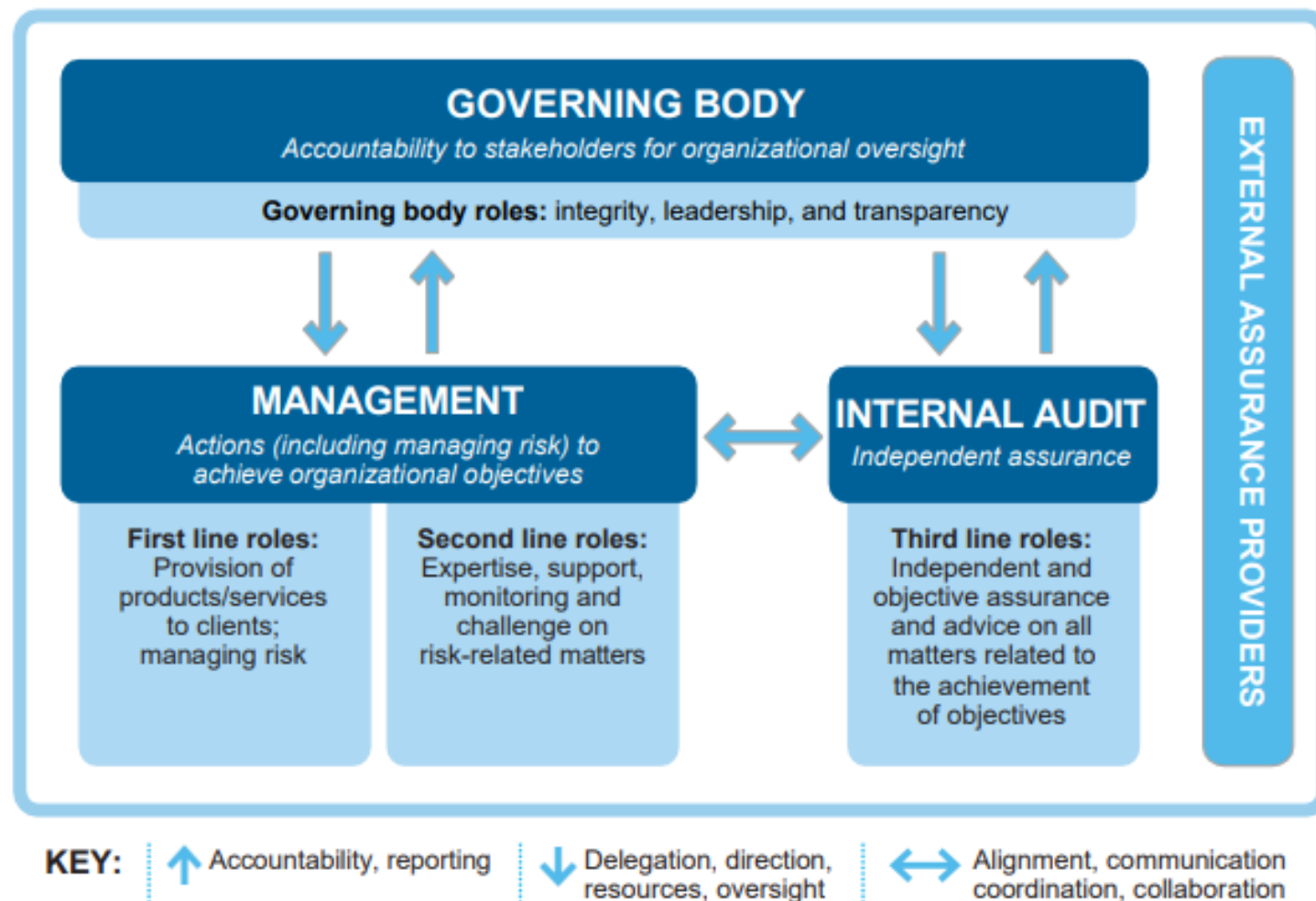
Why Internal Audit?

- Different perspective than financial audit
- Objective and independent are not mutually exclusive of collaborative and constructive
- Prioritize opportunities for reducing risks, strengthening controls, and enhancing performance
- Goes beyond the finance department
- Government code requirement to evaluate the need
- Best practices
- Alignment with strategic goals

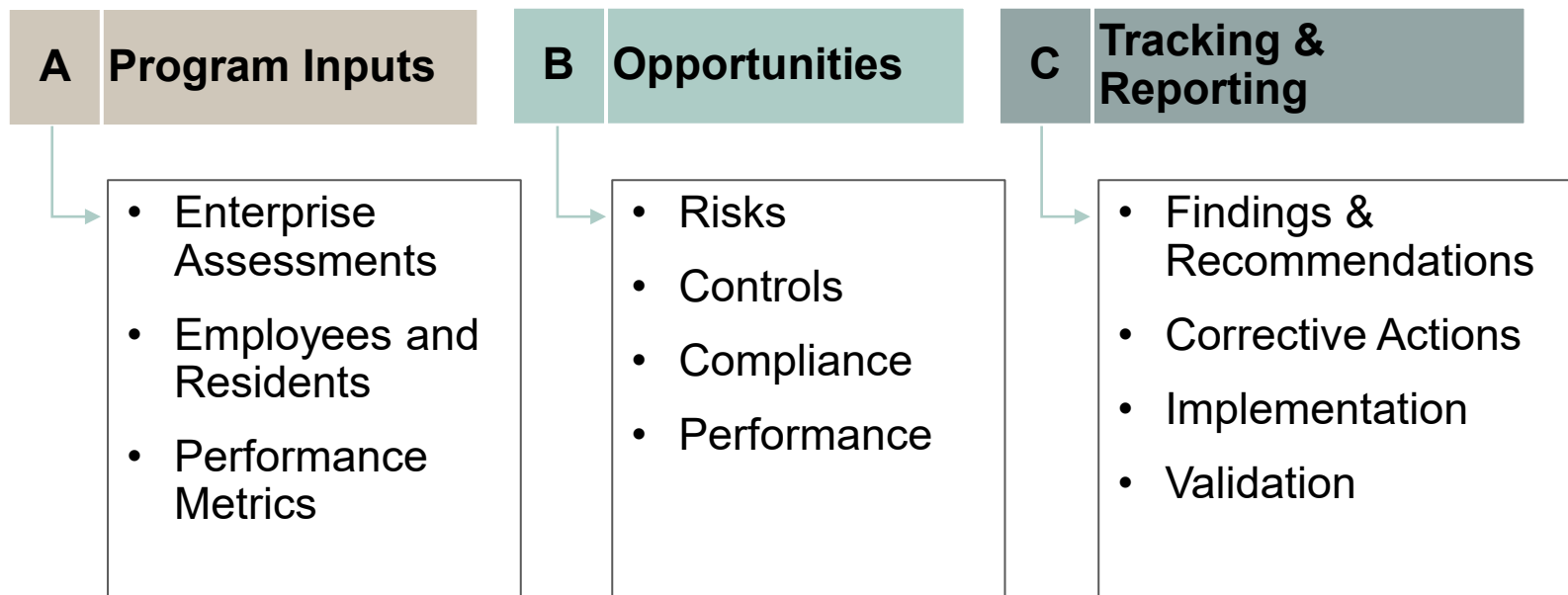


Role of Internal Audit

The IIA's Three Lines Model



Holistic Internal Audit Program Components









Key Inputs



Enterprise Assessments

Enterprise Risk Assessment	Enterprise Internal Controls Review
Asset Management and Capital Program	Payroll
Operations/Service Delivery	Monthly Account Reconciliation and Closing
Risk Management and Internal Controls	Budgeting
Governance, Management, and Organization	Cash Receipts and Cash Handling
Funding and Economics	Revenues and Billings
Human Resources	Accounts Receivables and Write-offs
Technology	Grants Management and Compliance
Safety and Security	Information Technology Access
Accounting, Financial Reporting, and Procurement	Accounts Payable
Fraud, Waste, and Abuse	Overall Control Environment

Assessing Risks

RISK LEVEL	<p>Level of uncertainty that could impair functions and processes, in the absence of any actions taken to alter either the risk's likelihood or impact.</p>	<ul style="list-style-type: none"> • Low • Low to Moderate • Moderate • Moderate to High • High 	AC 03-21-2024 82 of 98
IMPACT 	<p>Level of potential impact of a negative event on strategy, people, operations, systems, and resources.</p>	<ul style="list-style-type: none"> • Low • Low to Moderate • Moderate • Moderate to High • High 	
LIKELIHOOD 	<p>Qualitative assessment of the probability of a negative event occurring, given the current risk conditions.</p>	<ul style="list-style-type: none"> • Low • Low to Moderate • Moderate • Moderate to High • High 	
PREPAREDNESS 	<p>Level of preparedness through activities and resources to manage risks and minimize and limit potential losses.</p>	<ul style="list-style-type: none"> • Low • Low to Moderate • Moderate • Moderate to High • High 	
TRAJECTORY 	<p>Trajectory of the risk level, given the current risk conditions.</p>	<ul style="list-style-type: none"> • Decreasing – High • Decreasing – Low • Flat • Increasing – Low • Increasing – High 	
RISK MITIGATION 	<p>Potential strategies for reducing risk.</p>	<p>Based on the current risk conditions.</p>	
RESIDUAL RISK 	<p>Possible remaining exposure after known risks have been mitigated through specific actions.</p>	<ul style="list-style-type: none"> • Low • Low to Moderate • Moderate • Moderate to High • High 	

Administering FWA Program & Ethics Hotline

- Program development
- Training at all levels
- Follow up and follow through
- Confidentiality protection
- Protection from retaliation
- Quarterly reporting

Sustaining Philosophy & Approach

- Objective
- Independent
- Collaborative
- Constructive
- Comprehensive

Cupertino Audit Committee Powers & Functions

- To review the annual audit report and management letter
- To recommend appointment of internal/external auditors
- To review the monthly treasurer's report
- To recommend a budget format
- To review City investment policies and internal controls of such policies
- To review internal audit reports
- To review quarterly Fraud, Waste, and Abuse program reports

Audit Committee Best Practices

- Independent review and oversight of the City's financial reporting process, internal controls, and audit functions
- Ensure management properly develops and adheres to a system of internal controls, procedures are in place to assess management practices, and independent auditors objectively assess financial reporting practices
- Understand and monitor City risks, mitigation strategies, and corrective actions
- Understand and oversee the FWA program
- Shape the internal audit program by directing areas of focus and approving work plans

Audit Committee Meeting Effectiveness

- Align audit committee meeting agendas and meetings with priority areas
- Distribute materials in advance to enable review
- Highlight issues and critical discussion points
- Encourage open dialogue and candid discussion to promote improvements

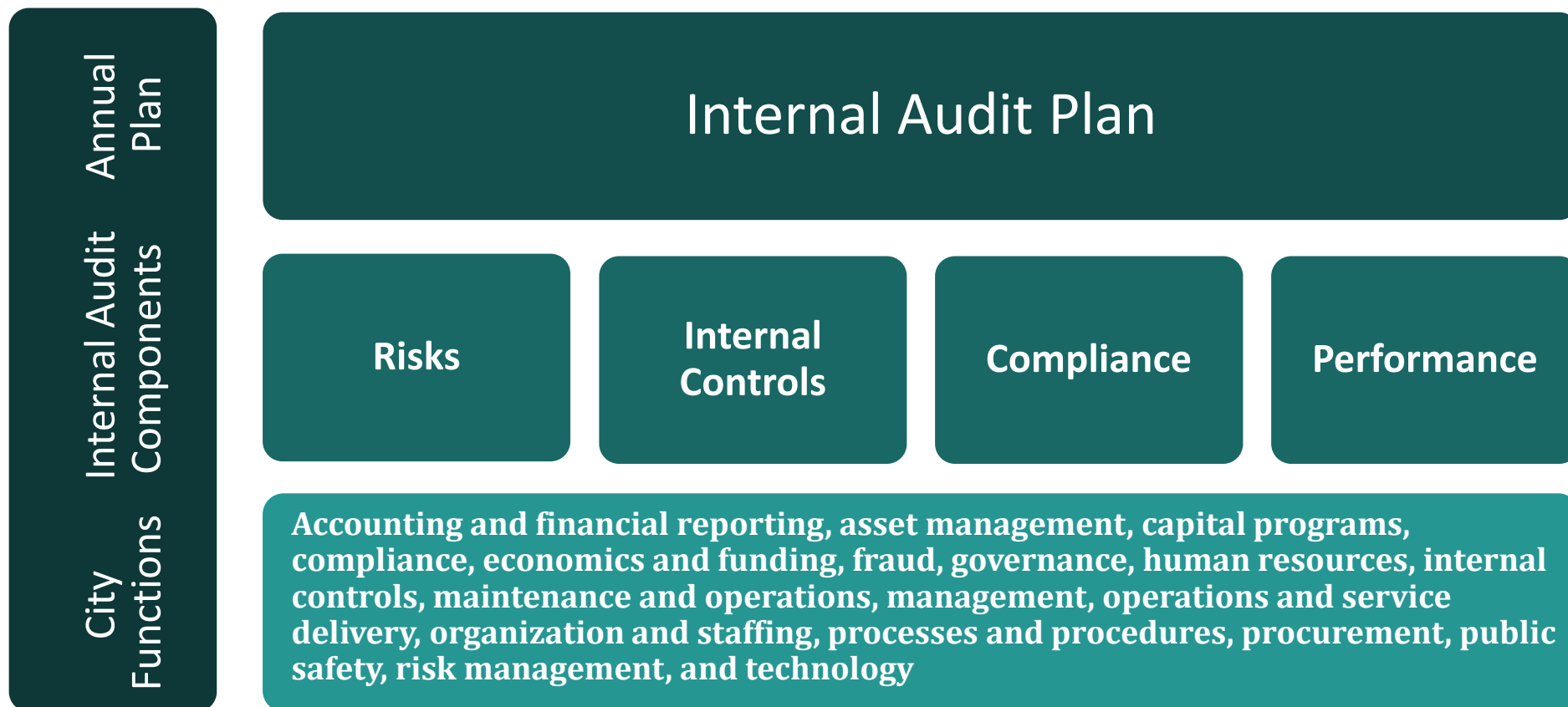
Introduction to Moss Adams

The City retained Moss Adams to serve as the designated Internal Auditor and conduct projects focusing on:

- Risks
- Internal controls
- Efficiency and effectiveness
- Best practices
- Compliance

Work is being completed under appropriate industry standards (IIA, GAGAS, AICPA)

Internal Audit Program Components



Internal Audit Program Review

FOCUS

ACCOMPLISHMENTS

Enterprise Risk Assessments

2021, 2024

Internal Controls Projects Completed

2

Performance/Efficiency Projects Completed

7

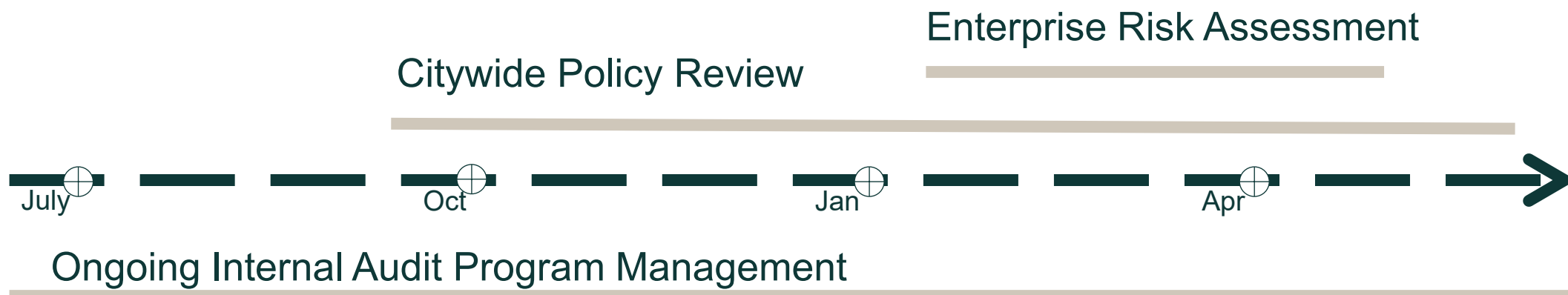
Ethics Hotline Program Development

2022

Recommendations Validated

To Come

FY 23-24 Internal Audit Program



⊕ Audit Committee Meetings

+ x - Resources

- Government Finance Officer's Association (GFOA)
 - GFOA Best Practices Guide on Audit Committees
- Institute of Internal Auditors
 - IIA Publication "The Audit Committee: Internal Audit Oversight"
- U.S. Government Accountability Office (GAO)
- American Institute of Certified Public Accountants
- Association of Certified Fraud Examiners



Questions?

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CITY OF CUPERTINO

Agenda Item

24-13048

Agenda Date: 3/21/2024
Agenda #: 8.

Subject: INFORMATIONAL ITEM Receive Budget Feedback on the City's current recommended Service Level Reductions (SLRs)

Receive Budget Feedback on the City's current recommended Service Level Reductions (SLRs)

Presenter: Thomas Leung, Budget Manager

5:25(10)



CITY OF CUPERTINO

Agenda Item

24-13049

Agenda Date: 3/21/2024
Agenda #: 9.

Subject: INFORMATIONAL ITEM Budget Format Review

Budget Format Review

Presenter: Thomas Leung, Budget Manager

5:35(10)



CITY OF CUPERTINO

Agenda Item

24-13050

Agenda Date: 3/21/2024
Agenda #: 10.

Subject: INFORMATIONAL ITEM Receive the proposed Audit Committee 2024 Schedule and Workplan

Receive the proposed Audit Committee 2024 Schedule and Workplan

Presenter: Jonathan Orozco, Finance Manager

5:45(10)

CITY OF CUPERTINO - AUDIT COMMITTEE 2024 SCHEDULE AND WORK PLAN

January 29, 2024	March 21, 2024	April 22, 2024	May/June XX, 2024	July 22, 2024	October 28, 2024	Nov/Dec XX, 2024
	Appoint Audit Committee Chair and Vice Chair	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes
	Receive the committee's roles and responsibilities (CMC 2.88.100)	OPEB & Pension Trust Performance Report for Quarter Ending December 31, 2023 and March 31, 2024	Moss Adams - Citywide Policy Review report	OPEB & Pension Trust Performance Report for Quarter Ending June 30, 2024	OPEB & Pension Trust Performance Report for Quarter Ending September 30, 2024	Review of FY 2023-24 ACFR and Supplemental Reports (tentative)
	Receive PARS Presentation	Quarterly Treasurer's Investment Report for Quarter Ending December 31, 2023 and March 31, 2024	Moss Adams - Enterprise Risk Assessment Report	Quarterly Treasurer's Investment Report for Quarter Ending June 30, 2024	Quarterly Treasurer's Investment Report for Quarter Ending September 30, 2024	
	Receive Chandler Investments Presentation	Internal Audit and Fraud, Waste, and Abuse Program Update	Storm Drain Agreed Upon Procedures (AUP)	Internal Audit and Fraud, Waste, and Abuse Program Update	Internal Audit and Fraud, Waste, and Abuse Program Update	
	Receive The Pun Group Presentation	Annual Review of City Investment Policy		Internal Audit Program	Annual Review of OPEB and Pension Trust Investment Policies	
	Receive Moss Adams Presentation	Internal Audit Program Update		Interim Audit		
	Receive Budget Feedback on the City's current recommended Service Level Reductions (SLRs)	Review of FY 2022-23 ACFR and Supplemental Reports (tentative)				
	Budget Format Review					
	Receive the proposed Audit Committee 2024 Schedule and Workplan					

**Summary of Duties – Powers – Responsibilities of
Cupertino Audit Committee**

Source: Cupertino, CA Municipal Code, Chapter 2.88.100: Audit Committee

The powers and functions of the Audit Committee shall be as follows:

- A: To review the annual audit report and management letter;
- B: To recommend appointment of auditors;
- C: To review the quarterly Treasurer's Investment report;
- D: To recommend a budget format;
- E: To review City investment policies and internal controls of such policies.
- F: To recommend appointment of internal auditors;
- G: To review internal audit reports.
- H: To review quarterly Fraud, Waste, and Abuse Program reports. (Ord. 22-2243 § 1, 2023; Ord. 20-2208, § 1, 2020; Ord. 1679, § 1 (part), 1995)