Quarterly Investment Report

As of 3/31/2021

Executive Summary

PORTFOLIO STATISTICS:

Quarter Ending:	12/31/2020	03/31/2021
Tax-Equivalent Book Yield	1.27%	1.01%
Book Value	$3,198,904	$2,500,607
Projected Tax-Equivalent Annual Income	$40,524	$25,280
Unrealized Gain	$14,309	$7,292
YTD Realized Gain	$0	$226
Portfolio Duration	0.61	0.33
Average Credit Quality	AAA	AAA

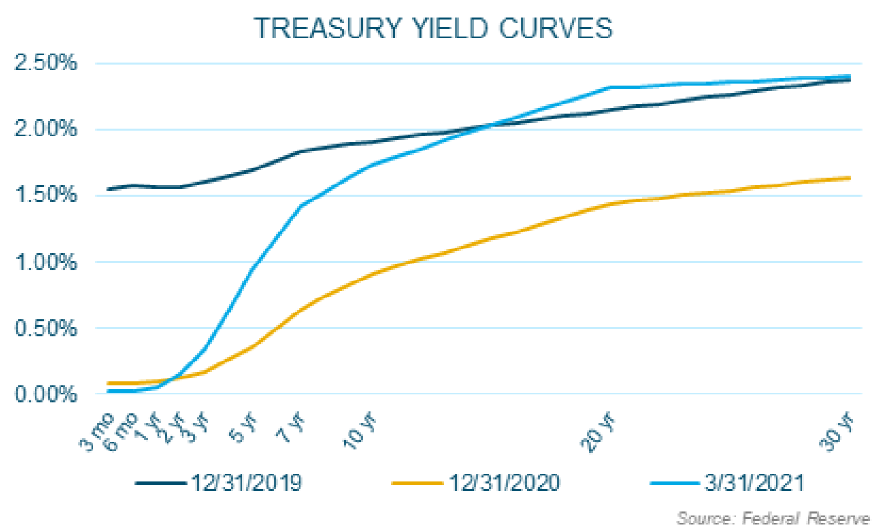
PORTFOLIO ALLOCATION:

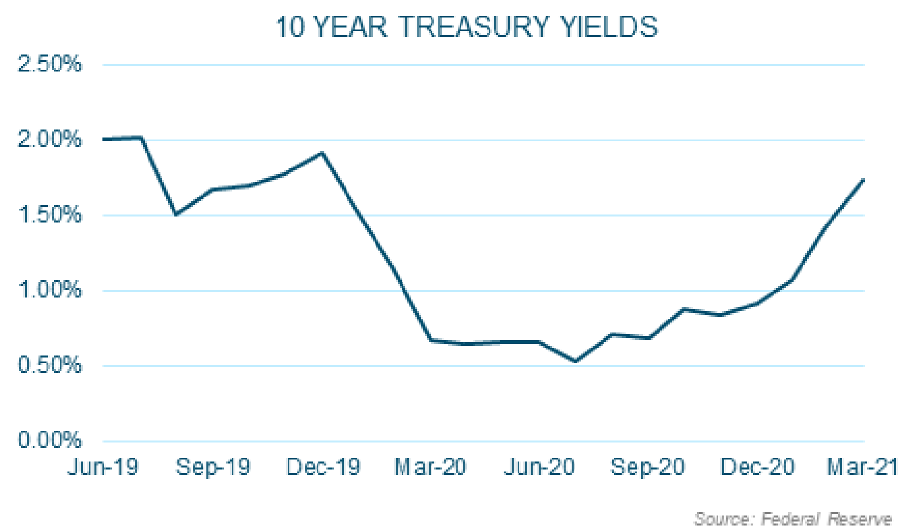
Sector	12/31/2020	03/31/2021
Treasury	100%	79%
Agency	0%	0%
Credit	0%	0%
Exempt Muni	0%	0%
Taxable Muni	0%	0%
MPT	0%	0%
CMO	0%	0%
ABS	0%	0%
CMBS	0%	0%
Short-Term	0%	21%

PERFORMANCE:

Tax-equivalent Performance	Portfolio	Target/Benchmark	Difference
YTD Booked Income	$8,747	$8,803	-$56
QTD Total Return	0.06%	0.06%	0.00%
YTD Total Return	0.06%	0.06%	0.00%

Economic Outlook





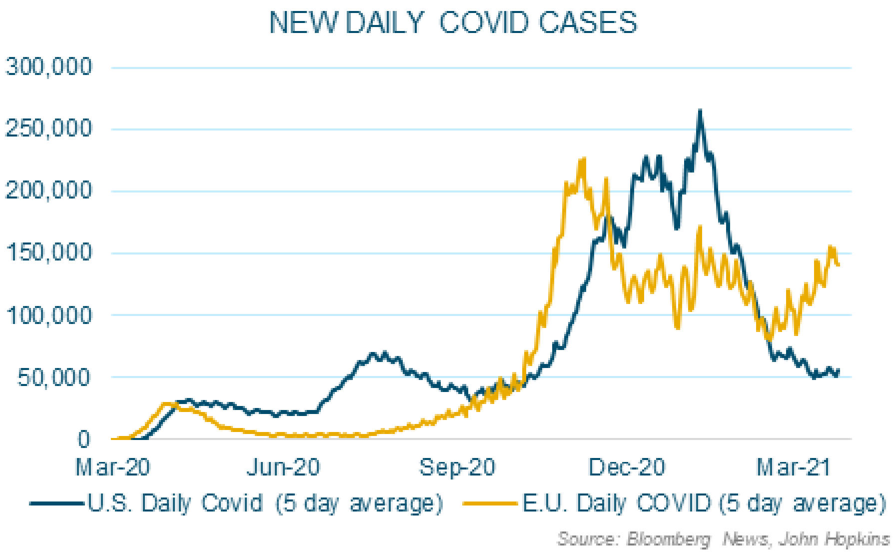
During the first quarter, we experienced many positive economic developments that drove yields to the highest levels since February 2020

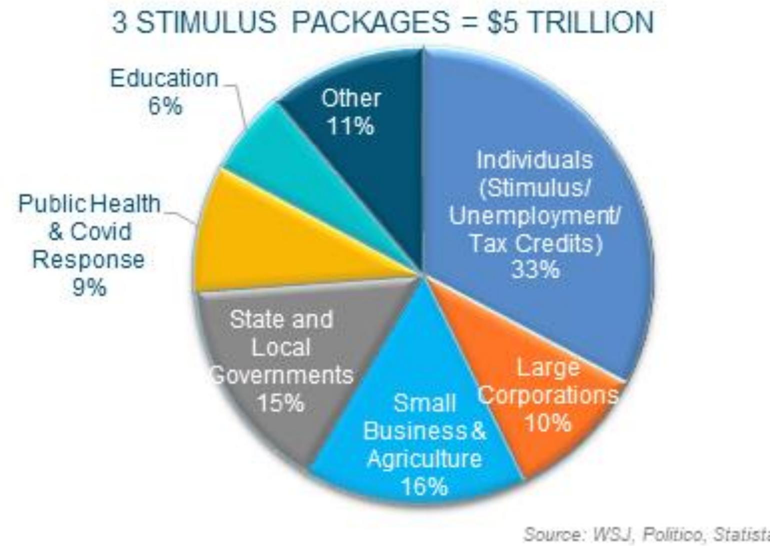
- These factors included approval and implementation of multiple vaccines across the U.S., sustained reductions in virus caseloads, and massive fiscal stimulus by Congress to aid recovery
- With these developments also came significant positive revisions to estimates of GDP and unemployment levels for 2021
- These factors helped stoke market concerns that inflation could soon follow and subsequently resulted in an upward push on yields

While the Fed remains committed to low rates until the economy returns to full employment, yields across the curve (3+yrs) moved higher

- 10 year Treasuries ended the quarter at 1.74%, an increase of +83 bps from the beginning of the year
    - In contrast, 2 year Treasury yields have only risen +5 bps YTD with the Feds accommodation, steepening the 2/10 year curve to +158
- As rates moved higher, the Federal Reserve has not shown concern over growing long term inflation fears, but attributed rising yields to market confidence in a strong recovery
    - The FOMC projects core inflation to hit 2.2% in 2021, then ease to 2% in 2022 and 2.1% in 2023, well within tolerance levels
- Similarly, the market expects inflation over the next five years to top out at roughly 2.5% and ultimately settle to approximately 2% longer term
- This overshoot is well within their tolerance levels and will not require a tightening of monetary condition

Economic Outlook





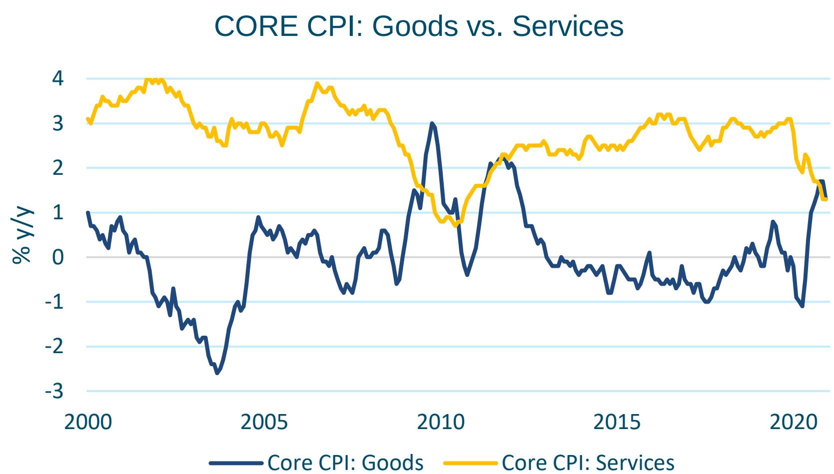
After experiencing a spike in the number of cases late last year and into early 2021, the US has seen a dramatic reduction in new cases this year

- With vaccine distribution underway, most Americans should be able to be vaccinated by mid-2021
- The implementation in Europe, however, has stumbled as they face many challenges including supply, public skepticism over being vaccinated, and an increased number of cases of COVID variants
  - As a result, the economic recovery in the EU is lagging the US, resulting in decreased EU member bond yields and furthering demand for US fixed income

In addition to the Fed actions over the course of 2020, the economy received an unprecedented amount of fiscal stimulus

- Over $5 Trillion in economic aid has been injected into the economy, supporting consumers, businesses and government entities as they manage the economic devastation brought on by the pandemic
  - For context, the amount of stimulus delivered has been nearly 6 times that provided during the Great Financial Crisis ($840 billion)
- With stimulus payments and a historically high personal saving rate, the US economy is on the cusp of an enormous, policy-enabled growth surge in 2021
  - It is expected that this growth will more than offset the GDP lost in 2020 of -3.5%
- The Fed acknowledged this potential at the March FOMC meeting, moving their growth expectations higher: +6.5% for 2021, 3.5% for 2022 and 2.2% for 2023
  - These estimates for 2021 show the strongest growth experienced since 1984

Economic Outlook



Source: US Bureau of Labor Statistics

Headline Consumer Price Index (CPI)					
	Weighting			CPI % Change YOY	Contribution to CPI
	Goods	Services	Total		
Food	14.1%		14.1%	3.6	0.5
Energy	3.2%	3.1%	6.4%	2.4	0.2
Shelter	3.8%	35.2%	39.0%	1.7	0.7
Apparel	2.7%		2.7%	(3.6)	(0.1)
Transportation	7.1%	5.1%	12.2%	0.6	0.1
Medical	1.6%	7.3%	8.9%	2.0	0.2
Recreation	2.0%	3.7%	5.7%	0.8	0.0
Education	0.5%	6.3%	6.8%	1.7	0.1
Other	2.5%	1.7%	4.2%	2.2	0.1
TOTAL:	**37.5%**	**62.5%**	**100.0%**		**1.7**

Source: US Bureau of Labor Statistics as of 02/28/2021

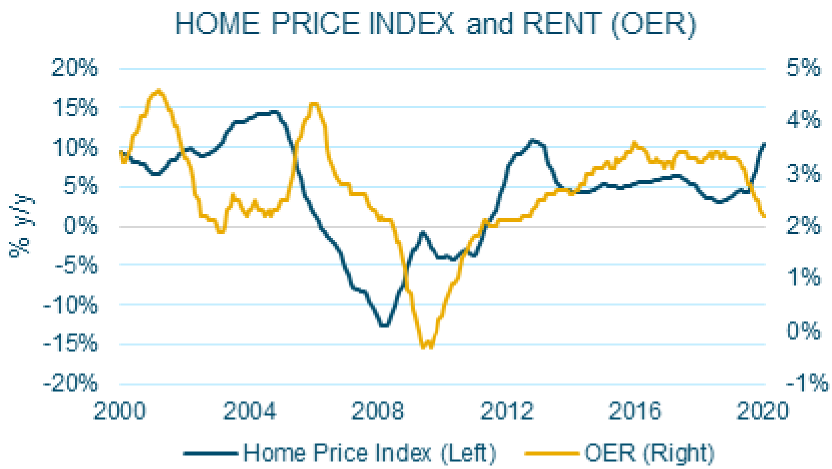
As recovery takes hold in the coming quarters, there will undoubtedly be some inflation scares as pent-up demand ignites, consumer activity accelerates, and possible supply chain bottlenecks appear

- Inflation "base effects" will also present complications in the reported numbers as last year's initial pandemic induced declines roll out of the inflation yearly averages
- The Fed, however, is willing to look through these temporary increases as transitory and expect PCE Core inflation to experience a short term rise that will moderate over the longer term

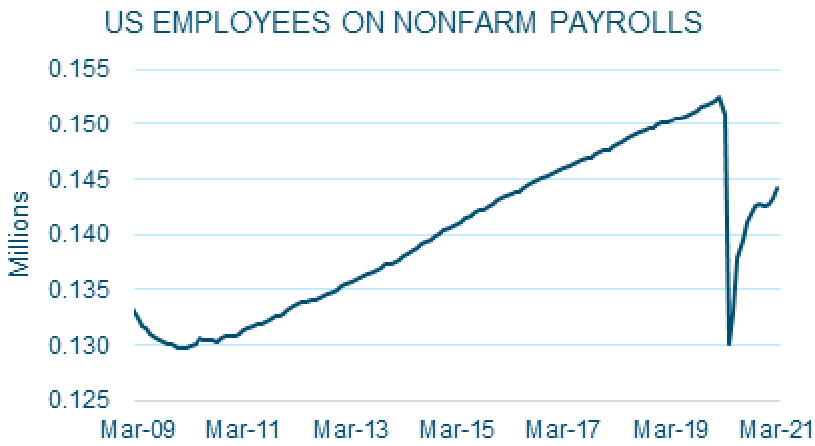
While remaining well below the Fed’s target levels, core inflation has been driven by higher demand for goods while pushed lower by service components of the index

- This is understandable given the huge impact the pandemic has had on the service side of the economy and its larger contribution to overall inflation measures
    - Additionally, the shelter component is mainly considered a service, as the inflation gauge compares the cost of renting one’s home as opposed to tracking home price movement
- Overall, costs related to shelter have fallen as rents have been negatively impacted by the pandemic and lower mortgage rates have reduced the borrowing costs to homeowners (chart on next page)

Economic Outlook



Source: S&P/Case Shiller, Bureau of Economic Analysis



Source: US Bureau of Labor Statistics

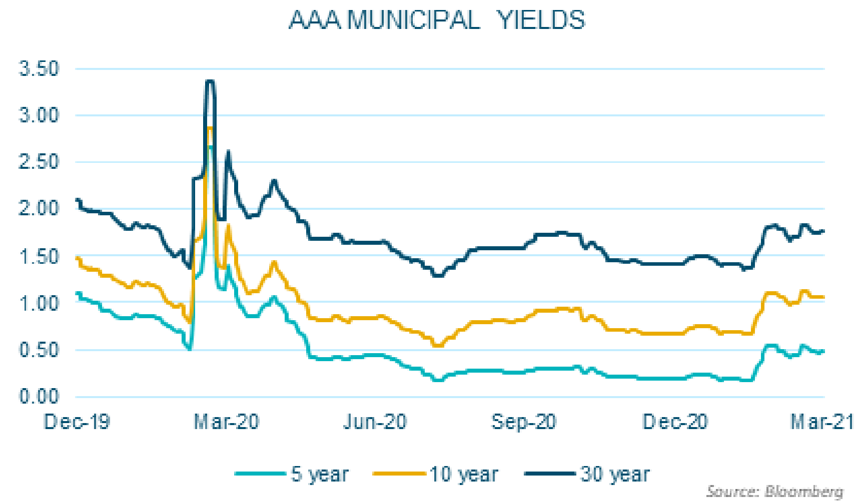
While employment figures continued to improve, the speed of recovery has slowed as service industry jobs remain weakened due to shutdowns

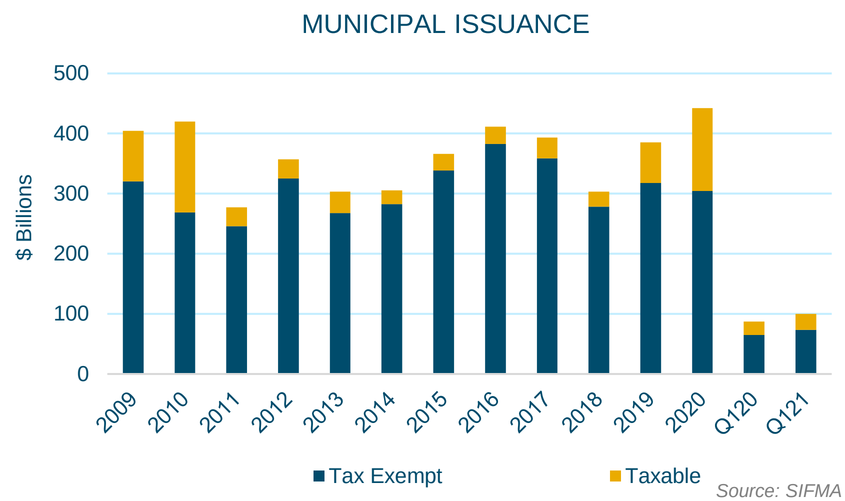
- Given this, the Fed remains adamant about returning to full employment prior to removing accommodation from the markets
  - With approximately 8.4 mil people still unemployed since the start of the pandemic, there remains significant slack in the labor markets
  - As a result, the Fed is unconcerned that inflation will rise until wage pressure begins to emerge
- The Fed projects that unemployment will fall to 4.5% by the end of 2021, but not return to pre-pandemic levels of 3.5% until the end of 2023
  - Service industry jobs continue to face a slow recovery as many businesses have closed as a result of lockdowns

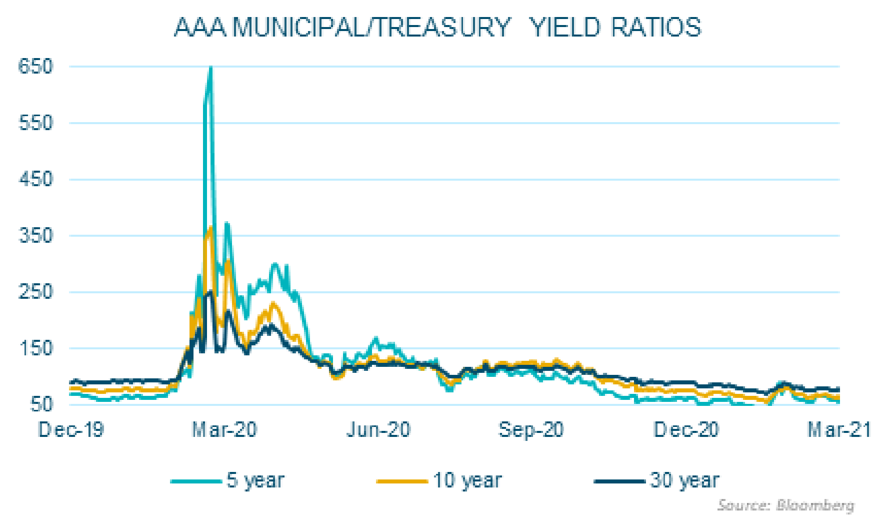
Looking forward, the U.S. economy will rebound significantly over the course of 2021

- Vaccinations progress, declining virus cases and stimulus measures have improved both business and consumer confidence measures
- As the consumer begins to feel more comfortable venturing out, look for spending to increase in retail, hospitality and travel sectors
- The strong housing market witnessed over the course of 2020 will likely continue to grow at a moderate pace in 2021 despite the recent rise in interest rates
- Improving employment and consumer spending should lead to a strong recovery in GDP for the year and ultimately move fixed income rates back toward pre-pandemic levels

Municipals





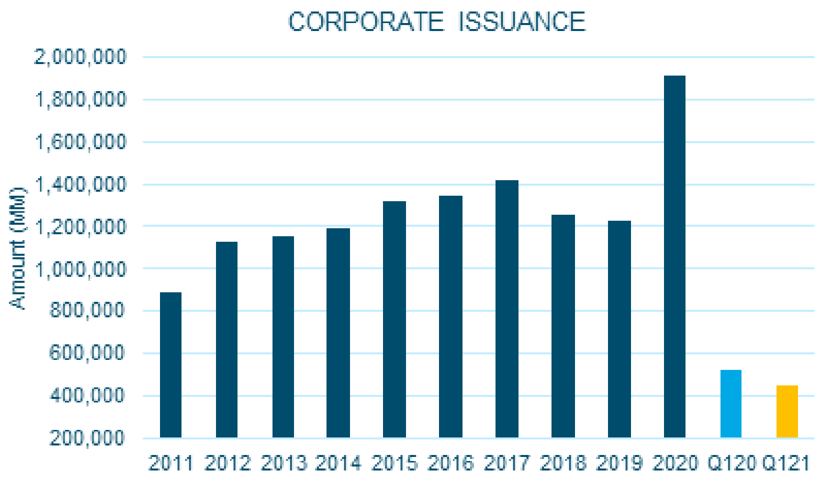


Comments

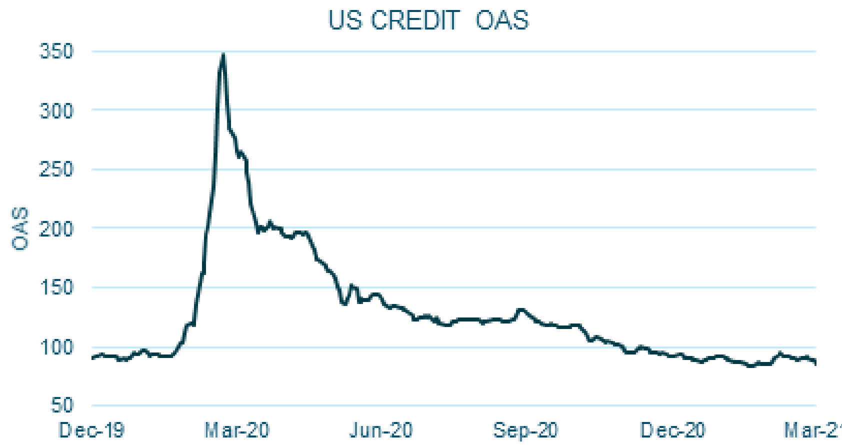
- Municipals returned +0.60% in March and -0.35% for the quarter. Taxable municipals returned -0.77% over the quarter but provided an excess return of 2.14% over Treasuries
- Tax-exempt municipal yields continued their ascent from the historic lows seen in 2020, tracking a more gradual pace than Treasury yields
- 10yr pre-tax yields finished the quarter at 1.11%, an increase of +39 basis points. 30-year yields ended the quarter at 1.73%, an increase of +33 basis points
- Demand for tax exempts has remained strong for both individual securities and through bond funds;
- YTD bond funds have seen inflows of $24bn.
- With an increased possibility of changes to the corporate tax rate, we may look to increase allocations to municipals by year end in those accounts that benefit from tax exemption

Economic Outlook

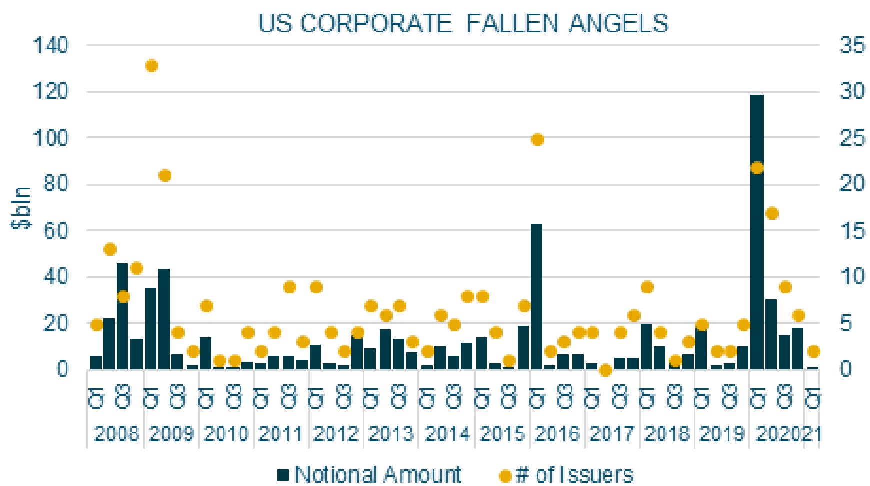
Corporates



Source: Bloomberg



Source: Bloomberg Barclays



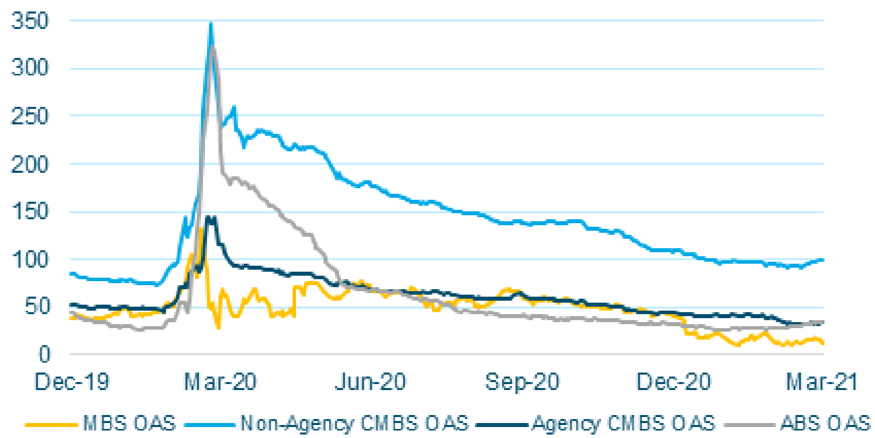
Source: Bloomberg Barclays

Comments

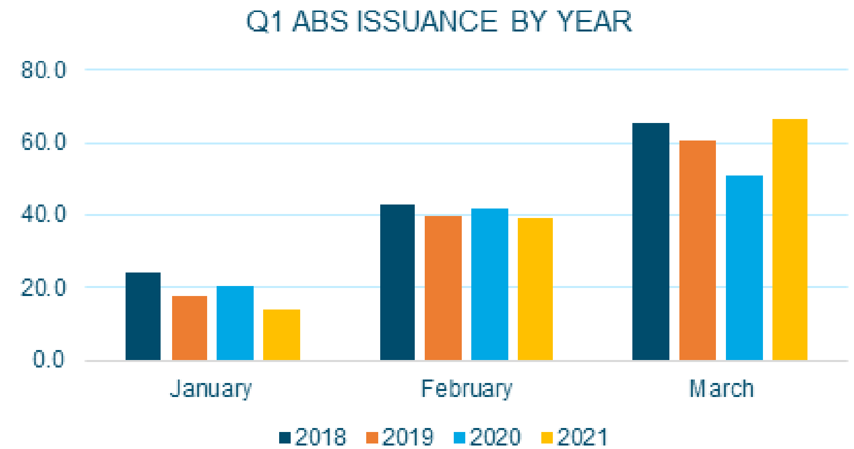
- Corporate credit spreads continued to grind tighter despite the increase in interest rates, closing the quarter -6 bps at +86, breaching the 2020 pre-pandemic low (+89)
- Corporate issuance was very strong at $452bn. While down -13% y/y, 2021 is still on pace to exceed 2018 and 2019 annual issuance
- Corporations continued to lock in lower borrowing costs, while the telecom space saw outsized issuance to fund their C-Band spectrum auction purchase
- The pace of Fallen Angels declined dramatically to start 2021 and is in-line with pre-pandemic levels. Credit metrics may deteriorate further, but rating agencies remain lenient.
- We retain our tactical overweight to corporates with a high-quality bias, as risks of additional COVID waves remain

Economic Outlook

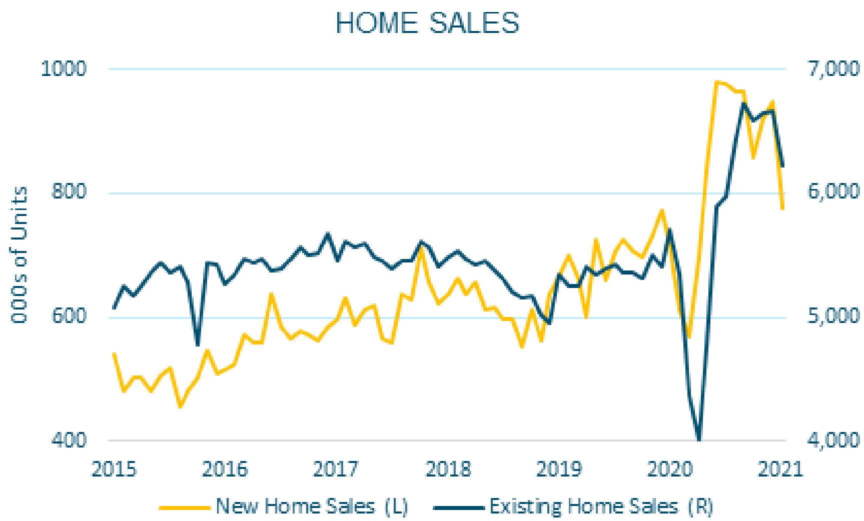
Mortgage and Asset Backed Securities (MBS and ABS)



Source: Bloomberg Barclays



Source: Bloomberg Barclays



Source: National Association of Realtors, Bloomberg

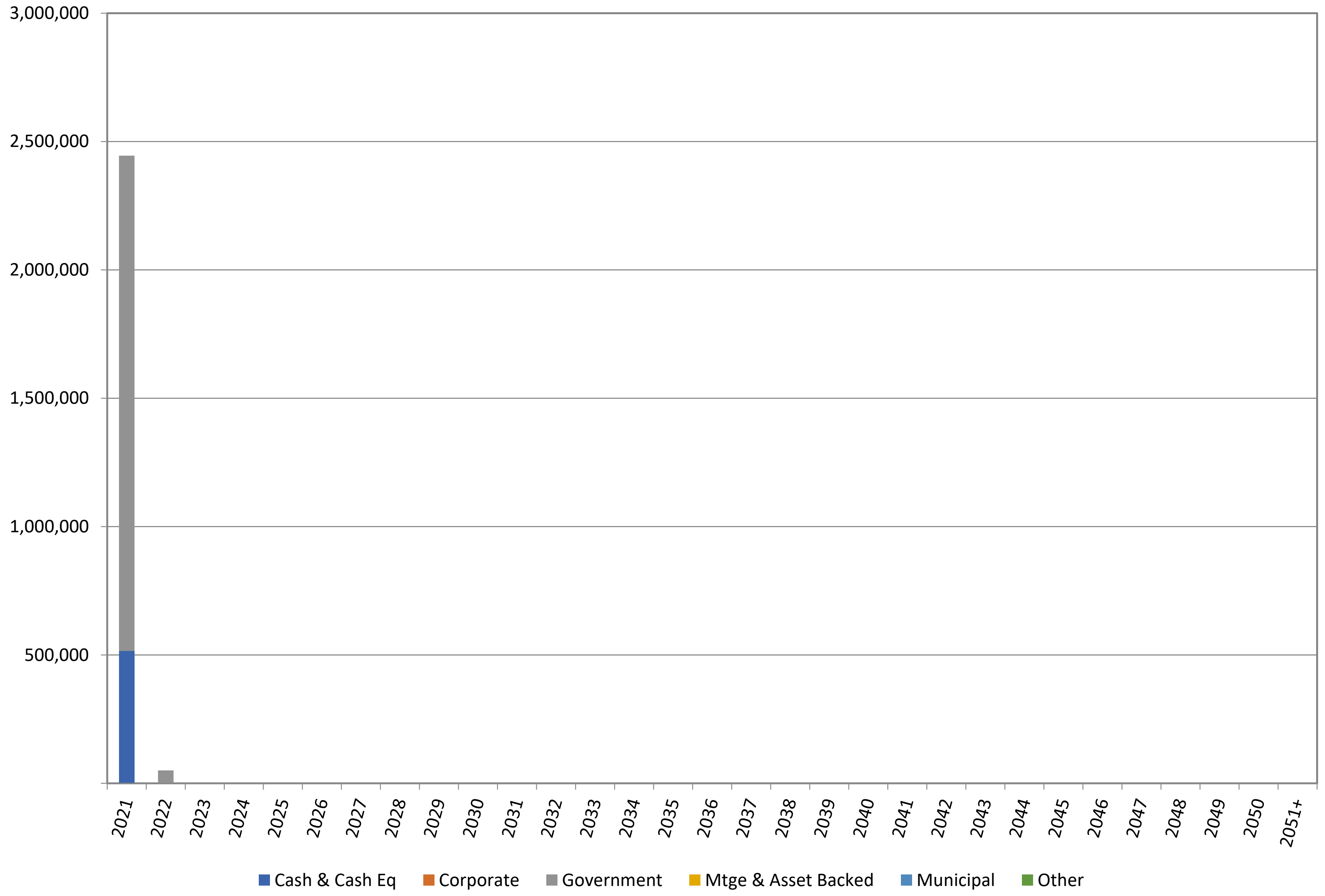
Comments

- Despite the volatile backup in rates, MBS, CMBS and ABS held in very well, providing excess returns in the first quarter
- MBS was a surprise as many expected a quick rise in rates to hurt the sector but instead spreads tightened more than other securitized sectors
- Despite heavy supply to start the year, ABS spreads have remained in a narrow range, benefitting as a haven in times of interest rate volatility. The sector was also supported by strong credit fundamentals Q1
- With the historic decline in mortgage rates beginning in early spring of 2020, home sales rose at the fastest pace in 14 years,
- Sales were also aided by the desire to leave urban cities in search of homes with more space
- This year, home sales have eased from their record pace of 2020 as limited supply, increased home prices, and higher mortgage rates have impacted affordability. Y/y the cost to buy a home is roughly +11.2% higher

Portfolio Statistics

Security Type	Book Value	Market Value	Gain / (Loss)	Tax-Equivalent Book Yield	Tax-Equivalent Market Yield	Effective Duration	Convexity	Securities at Gain		Securities at Loss	
								#	Amount	#	Amount
Fixed Income											
Treasury	1,985,439	1,992,731	7,292	1.27	0.08	0.41	0.00	10	7,292	0	0
Agency	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Corporate	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Taxable Municipal	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Tax-exempt Municipal	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Mortgage Pass-Through	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
CMOs	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
ARMs	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Asset Backed	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
CMBS	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Other	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Total	**1,985,439**	**1,992,731**	**7,292**	**1.27**	**0.08**	**0.41**	**0.00**	**10**	**7,292**	**0**	**0**
Short Term											
Sweep Money Market	515,169	515,169	0	0.00	0.00	0.00	0.00	0	0	0	0
Commercial Paper	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
(Payable)/Receivable	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Total	**515,169**	**515,169**	**0**	**0.00**	**0.00**	**0.00**	**0.00**	**0**	**0**	**0**	**0**
Total Fixed Income & Short Term											
Total	**2,500,607**	**2,507,900**	**7,292**	**1.01**	**0.07**	**0.33**	**0.00**	**10**	**7,292**	**0**	**0**
Equity											
Common Stock	0	0	0					0	0	0	0
Total	**0**	**0**	**0**					**0**	**0**	**0**	**0**
Grand Total											
Total	**2,500,607**	**2,507,900**	**7,292**					**10**	**7,292**	**0**	**0**

Maturity Schedule By Weighted Average Life



Effective Maturity Schedule

Year	Book Value	Tax Equiv. Book Yield	% of Total Book Value
2021	1,935,326	1.30	98%
2022	50,112	0.15	3%
2023+	0	0.00	0%
Subtotal	**1.985.439**	**1.27**	**100%**
(inc. ABS, Agcy, CMBS, Corp, Muni, UST)			
MBS	0	0.00	0%
TOTAL	**1.985.439**	**1.27**	**100%**

Performance

Tax-Equivalent Total Return
as of 03/31/2021
Inception Date: 08/01/2014

	Portfolio	Benchmark	Difference
Quarter to Date	0.06%	0.06%	0.00%
Year to Date	0.06%	0.06%	0.00%
Since Inception	1.17%	1.21%	-0.04%

Benchmark Composition:

100.0% PEJIF Duration Matched Treasury

Bond Purchases

There were no purchases during this period.

Bond Sales, Calls & Maturities

Trade Date	Trade Type	Description	Security Type	S&P Rating	Moody's Rating	Coupon	Effective Maturity	Maturity Date	Price	Book Value	Realized Gain/(Loss)	Pre-Tax Book Yield	Tax-Equivalent Book Yield
01/15/2021	Maturity	US TREASURY N/B	Treasury	AA+	Aaa	2.000	01/15/2021	01/15/2021	100.00	250,000	0	1.99	1.99
02/28/2021	Maturity	US TREASURY N/B	Treasury	AA+	Aaa	1.125	02/28/2021	02/28/2021	100.00	250,000	0	1.93	1.93
03/11/2021	Sell	US TREASURY N/B	Treasury	AA+	Aaa	1.375	01/31/2022	01/31/2022	101.15	252,766	105	0.13	0.13
03/11/2021	Sell	US TREASURY N/B	Treasury	AA+	Aaa	0.375	03/31/2022	03/31/2022	100.30	200,473	121	0.15	0.15
03/31/2021	Maturity	US TREASURY N/B	Treasury	AA+	Aaa	2.250	03/31/2021	03/31/2021	100.00	250,000	0	1.92	1.92
Total										**1,203,239**	**226**	**1.27**	**1.27**

Appendix

Detailed Portfolio Report

Portfolio Holdings Report

Date Acquired	S&P Rating	Moody's Rating	Quantity	Description	Coupon	Effective Maturity	Maturity	Original Cost	Book Value	Market Value	Unrealized Gain/(Loss)	Book Yield	Market Yield	Effective Duration	Avg Life	Convexity
Money Market																
01/15/2021			515,169	BANK OF AMER/ML	0.00			515,169	515,169	515,169	0	0.00	0.00	0.00	0.00	
			515,169					**515,169**	**515,169**	**515,169**	**0**	**0.00**	**0.00**	**0.00**	**0.00**	
Treasury																
03/19/2020	AA+	Aaa	175,000	US TREASURY N/B	2.63	12/15/2021	12/15/2021	181,453	177,628	178,171	543	0.49	0.07	0.70	0.71	0.01
07/02/2019	AA+	Aaa	200,000	US TREASURY N/B	1.63	06/30/2021	06/30/2021	199,414	199,926	200,782	856	1.78	0.07	0.25	0.25	0.00
08/01/2019	AA+	Aaa	220,000	US TREASURY N/B	1.75	07/31/2021	07/31/2021	219,699	219,949	221,245	1,296	1.82	0.07	0.33	0.33	0.00
06/10/2019	AA+	Aaa	250,000	US TREASURY N/B	1.38	04/30/2021	04/30/2021	247,588	249,896	250,245	349	1.90	0.19	0.08	0.08	0.01
03/10/2020	AA+	Aaa	245,000	US TREASURY N/B	1.25	10/31/2021	10/31/2021	248,216	246,142	246,703	561	0.44	0.06	0.58	0.58	0.01
06/10/2019	AA+	Aaa	250,000	US TREASURY N/B	2.00	05/31/2021	05/31/2021	250,508	250,043	250,800	757	1.89	0.09	0.16	0.16	0.00
02/04/2020	AA+	Aaa	170,000	US TREASURY N/B	1.50	08/31/2021	08/31/2021	170,046	170,013	171,017	1,004	1.48	0.06	0.42	0.42	0.00
02/04/2020	AA+	Aaa	175,000	US TREASURY N/B	1.50	09/30/2021	09/30/2021	175,082	175,025	176,265	1,240	1.47	0.05	0.50	0.50	0.00
03/10/2020	AA+	Aaa	245,000	US TREASURY N/B	1.50	11/30/2021	11/30/2021	249,402	246,704	247,354	650	0.45	0.06	0.66	0.67	0.01
07/16/2020	AA+	Aaa	50,000	US TREASURY N/B	0.38	03/31/2022	03/31/2022	50,191	50,112	50,149	36	0.15	0.08	1.00	1.00	0.01
			1,980,000					**1,991,600**	**1,985,439**	**1,992,731**	**7,292**	**1.27**	**0.08**	**0.41**	**0.41**	**0.00**
			2,495,169					**2,506,769**	**2,500,607**	**2,507,900**	**7,292**	**1.01**	**0.07**	**0.33**	**0.33**	**0.00**

Glossary of Terms

Security Types

Adjustable Rate Mortgage (ARM)	A mortgage in which the interest rate is changed at regular intervals to reflect fluctuations in market interest rates. Because the borrower takes some of the risk of rising interest rates, the initial rate may be lower than that on a fixed-rate mortgage. There are often limitations on the interest rate change from one period to the next, with a rate cap for the life of the loan.
Agency	A fixed income security issued by a government-sponsored agency, such as Ginnie Mae, Freddie Mac, or the Tennessee Valley Authority. Depending on the issuer, these bonds may or may not be backed by the full faith and credit of the U.S. government.
Asset-Backed Security (ABS)	A fixed income security backed by the cash flows from loans or leases. Auto loans, home equity loans, and credit card receivables are the most common assets backing these securities. Principal and interest payments made by borrowers are redirected to owners of ABS to meet the scheduled coupon and principal payments.
Collateralized Mortgage Obligation (CMO)	A security similar to a mortgage-pass through. In a CMO, the principal and interest received from borrowers is split into different classes called tranches. The structure of CMO payment tranches makes the timing of cash flows more certain for owners of some tranches and less certain for owners of other tranches. More uncertain tranches typically provide higher yields.
Commercial Mortgage-Backed Security (CMBS)	A fixed income security backed by the cash flows from commercial real estate mortgages. All principal and interest from the mortgages flow to bond holders in a defined sequence. Common types of real estate involved are apartment buildings, office and retail space, hotels, and health care facilities.
Corporate (Corp)	A fixed income security issued by a private corporation.
Mortgage Pass-Through (MPT)	A fixed income security backed by the cash flows from residential mortgages. Monthly principal and interest payments made by borrowers are redirected to owners of MPTs as they are received. Because borrowers may prepay their mortgages (perhaps due to refinancing or selling the house), the timing of cash flows on these securities is uncertain.
Preferred Stock (Preferred)	Capital stock having priority over a corporation's common stock in the distribution of dividends. In the event of a liquidation, preferred stock's claim on assets ranks above that of common stock but below that of bank loans or corporate bonds.
Tax-exempt Municipal (ExMuni)	A fixed income security, issued by a state or municipality, paying interest that is exempt from federal income tax. Interest may or may not be exempt from state and local tax.
Taxable Municipal (TaxMuni)	A fixed income security, issued by a state or municipality, paying interest that is subject to federal income tax. Typically issued much less commonly than tax-exempt municipals.
Treasury	A marketable fixed income security issued by the U.S. Department of the Treasury and backed by the full faith and credit of the U.S. government.

Glossary of Terms

Definitions

Average Life	The dollar-weighted average time to maturity of a stream of principal cash flows. Also referred to as "weighted average life" or "WAL".
Basis Point (bp)	1/100 of 1% (or equivalently .0001).
Benchmark	An index against which performance can be measured. Attributes of a good benchmark include: *Objective*: The index should be identified ahead of the time, it should be easily understood, and the construction rules should be clearly defined. *Replicable*: The manager should be able to replicate the returns passively. *Relevant*: The index should represent the manager's neutral position. In other words, without the manager's input, the index should represent a reasonable portfolio the company would purchase. *Tax Adjusted*: The benchmark should adjust for the different tax rates on various security types
Book Income	Dollars of investment income that flow through an insurance company's income statement. This is equal to coupon received plus any accretion/ (amortization) of book value. It can also include any realized gains or losses in the portfolio.
Book Value	The value of a security that is reflected on an insurance company's balance sheet. For fixed income securities on a statutory and tax basis this is the amortized value. The amortized value periodically writes up any accrual of purchase discount (or writes down amortization of premium) over the life of the security. The amortized value holds the underlying "book yield" constant and therefore does not swing with movements in the market.
Book Yield	The average annual yield which a bond purchased and held to maturity will earn over the period it is owned. This is generally fixed at the time of purchase of the security. The book yield can be used to calculate the book value of the security at any time between purchase and maturity.
Cash Flow	Interest and principal payments from the securities in a fixed income portfolio. A bullet (non-callable) bond will typically pay a coupon payment every 6 months, with a return of principal at maturity. For mortgage-backed securities and asset-backed securities, cash flows generally arrive monthly from both interest and principal. This principal portion contains both the planned return of principal and prepayment of principal due to reasons such as mortgage refinancing.
Convexity	Describes the sensitivity of a bond's duration to a change in yield. As yields decrease, duration increases on bonds with positive convexity and decreases on bonds with negative convexity. This causes bonds with negative convexity to underperform when yields increase or decrease by large amounts.
Credit Risk	The risk that the issuer of a fixed income security may default and be unable to make timely interest and principal payments on the security.
Duration	The sensitivity of a bond's price to a change in yield. Duration generally increases for bonds with longer maturities, meaning these bonds are more sensitive to yield changes. Bond price and yield move in opposite directions. Example: A bond with a duration of 5.0 would experience a price decrease of 5% for every 1% (100 bps) increase in interest rates.

Glossary of Terms

Definitions (cont.)

DYCARR℠	A proprietary model designed specifically for P/C insurance companies to maximize investment income while managing interest rate risk (see definition.) The model applies stress tests to projected operational cash flow and finds the likelihood that bonds in the portfolio will need to be liquidated in order to meet cash flow needs (such as the payment of losses). This may allow a company to invest in longer duration securities with higher yields.
FICO Score	A generic credit score developed by Fair, Isaac and Company, Inc., designed to predict the likelihood of borrowers becoming delinquent in their credit obligations.
Gross Domestic Product (GDP)	The total market value of all final goods and services produced in a country in a given year; it is equal to total consumer, investment, and government spending, plus exports, minus imports.
Interest Rate Risk	The risk to a bondholder that an increase in interest rates will cause bond prices to fall. Interest rates and market prices for fixed income securities generally move in opposite directions. Interest rate changes are the largest cause of changes in the market value of a bond portfolio.
Loan to Value (LTV)	A lending risk assessment ratio used in mortgage lending. LTV is calculated by dividing the mortgage amount by the lesser of appraised value or selling price. Residential mortgage loans conforming to agency guidelines have LTV ratios of 80% or lower at origination. Lenders will frequently require lower LTV ratios for commercial or investment properties.
Market Value	Estimated value of the bond based on current market price. This value fluctuates continually with interest rates and perceived risk of the issuer. Reflects the amount that could be received by selling the bond.
Option Adjusted Spread (OAS)	The portion of a bond's yield which is attributable to the credit risk of a bond as perceived by the market. This allows for comparison between bonds with or without embedded options such as calls, puts, and prepayment features.
Realized Gain/(Loss)	Difference between market and book value when a bond is sold. If market is greater than book value the bond was sold at a realized capital gain. Realized capital gains/(losses) flow through an insurer's income statement.
Tax Equivalent Yield	Yield adjusted for taxes, which allows for comparison of taxable bonds to tax-exempt bonds. Calculated by dividing after-tax yield by 0.65 (1 minus 35%).
Total Return	The return on a security or portfolio that reflects both income and price change. Assumes that the security or portfolio is priced using fair value at the end of the evaluation period.
Unrealized Gain/(Loss)	The difference between market value and book value on a bond. If market value is greater than book value the bond is at an unrealized gain. Under statutory accounting rules, changes in unrealized gain/(loss) do not affect income.
Volatility Adjusted Duration	A portfolio duration which has been adjusted for the lower observed price volatility seen in tax-exempt municipal bonds. Historically municipals appear to have about 15% lower price volatility than their stated durations suggest; this measure takes that observance into account.
Whole Loan	An original residential mortgage loan; distinct from a pooled pass-through which contains multiple loans. Non-agency CMOs use whole loans as collateral. They usually include jumbo mortgages and other mortgages which do not conform to the standards required for securitization by the agencies (GNMA, FNMA, FHLMC).
Yield	The implied return achievable for purchasing a bond at a given price.

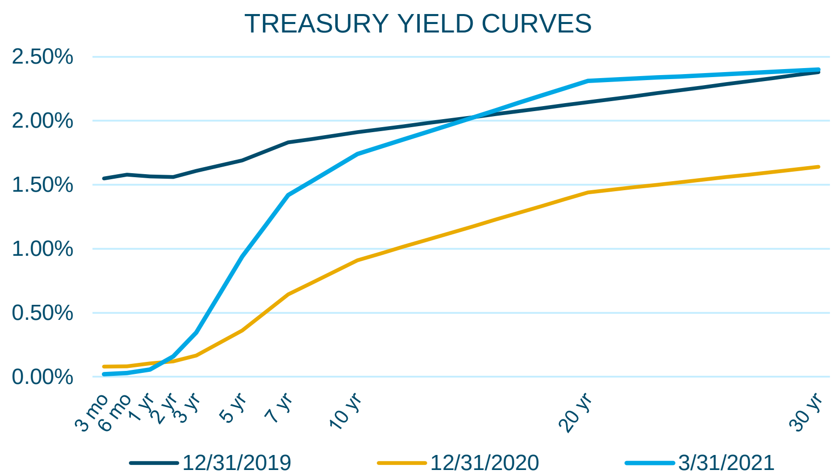
Appendix

Presentation Overview

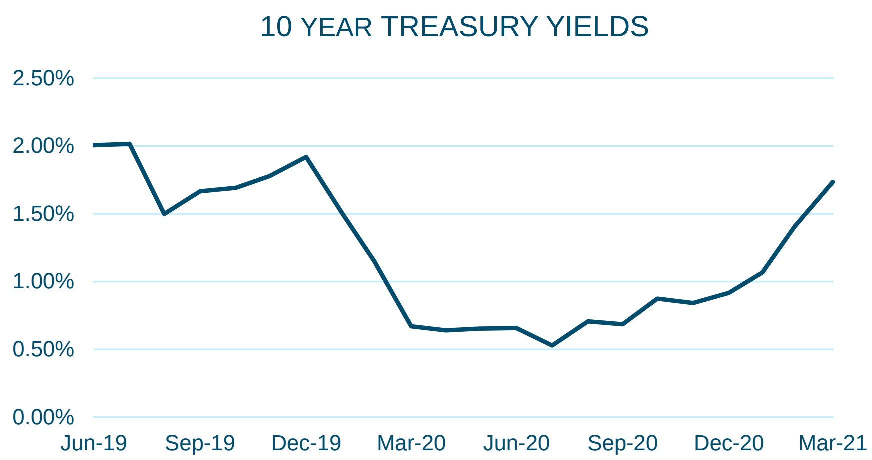
Overview

- Economic overview and market update
- Portfolio review
- Performance

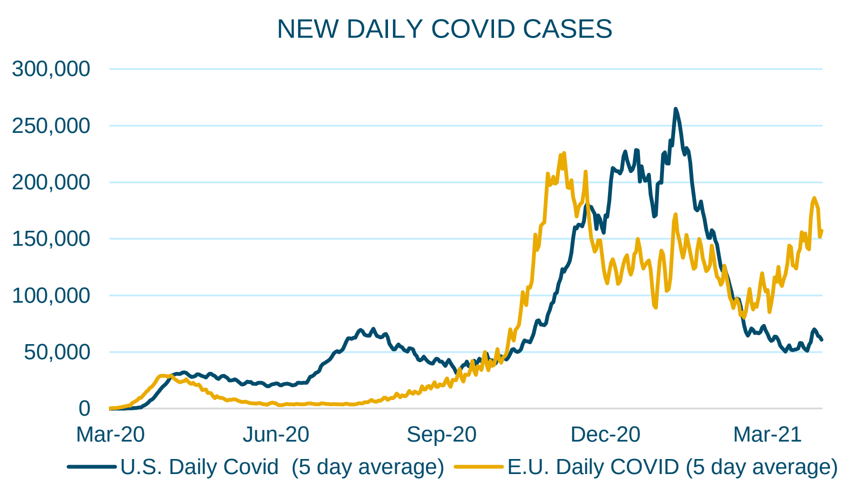
Treasury Yields, Global Yields and Equities



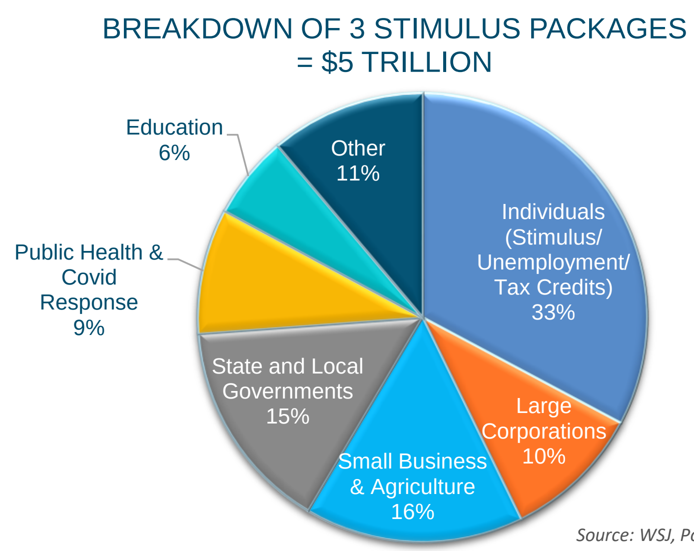
Source: Federal Reserve



Source: Federal Reserve



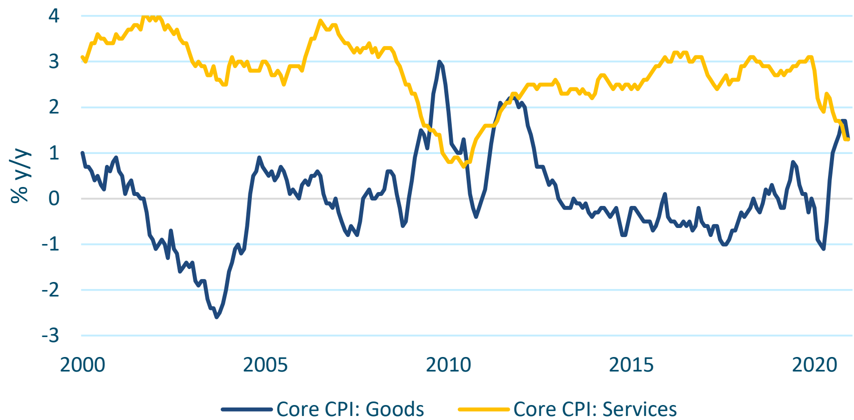
Source: Bloomberg News, John Hopkins



Source: WSJ, Politico, Statista

Market Indicators

CORE CPI: Goods vs. Services

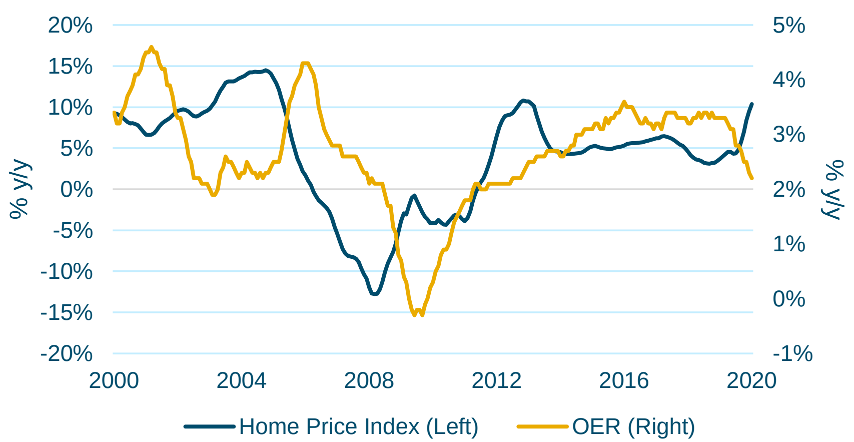


Source: US Bureau of Labor Statistics

Consumer Price Index (CPI)	Weighting				
	Goods	Services	Total	CPI % Y/Y	Contribution to CPI
Food	14.1%		14.1%	3.6	0.5
Energy	3.2%	3.1%	6.4%	2.4	0.2
Shelter	3.8%	35.2%	39.0%	1.7	0.7
Apparel	2.7%		2.7%	(3.6)	(0.1)
Transportation	7.1%	5.1%	12.2%	0.6	0.1
Medical	1.6%	7.3%	8.9%	2.0	0.2
Recreation	2.0%	3.7%	5.7%	0.8	0.0
Education	0.5%	6.3%	6.8%	1.7	0.1
Other	2.5%	1.7%	4.2%	2.2	0.1
TOTAL:	**37.5%**	**62.5%**	**100.0%**		**1.7**

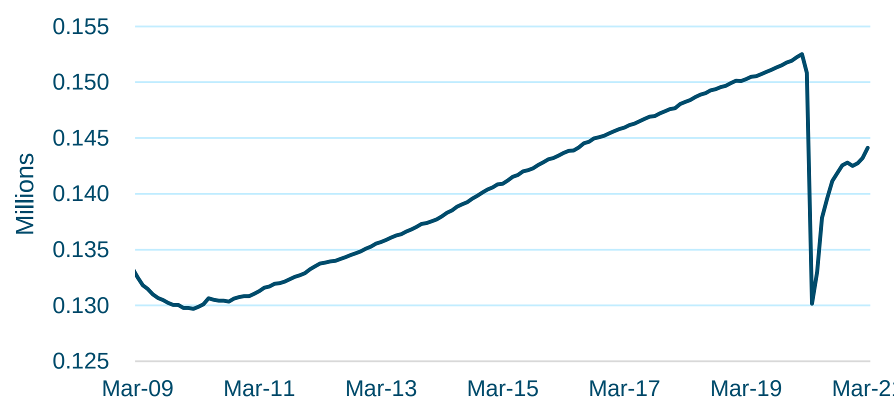
Source: US Bureau of Labor Statistics
As of 02/28/2021

HOME PRICE INDEX AND RENT (OER)



Source: S&P/Case Shiller, Bureau of Economic Analysis

US EMPLOYEES ON NONFARM PAYROLLS

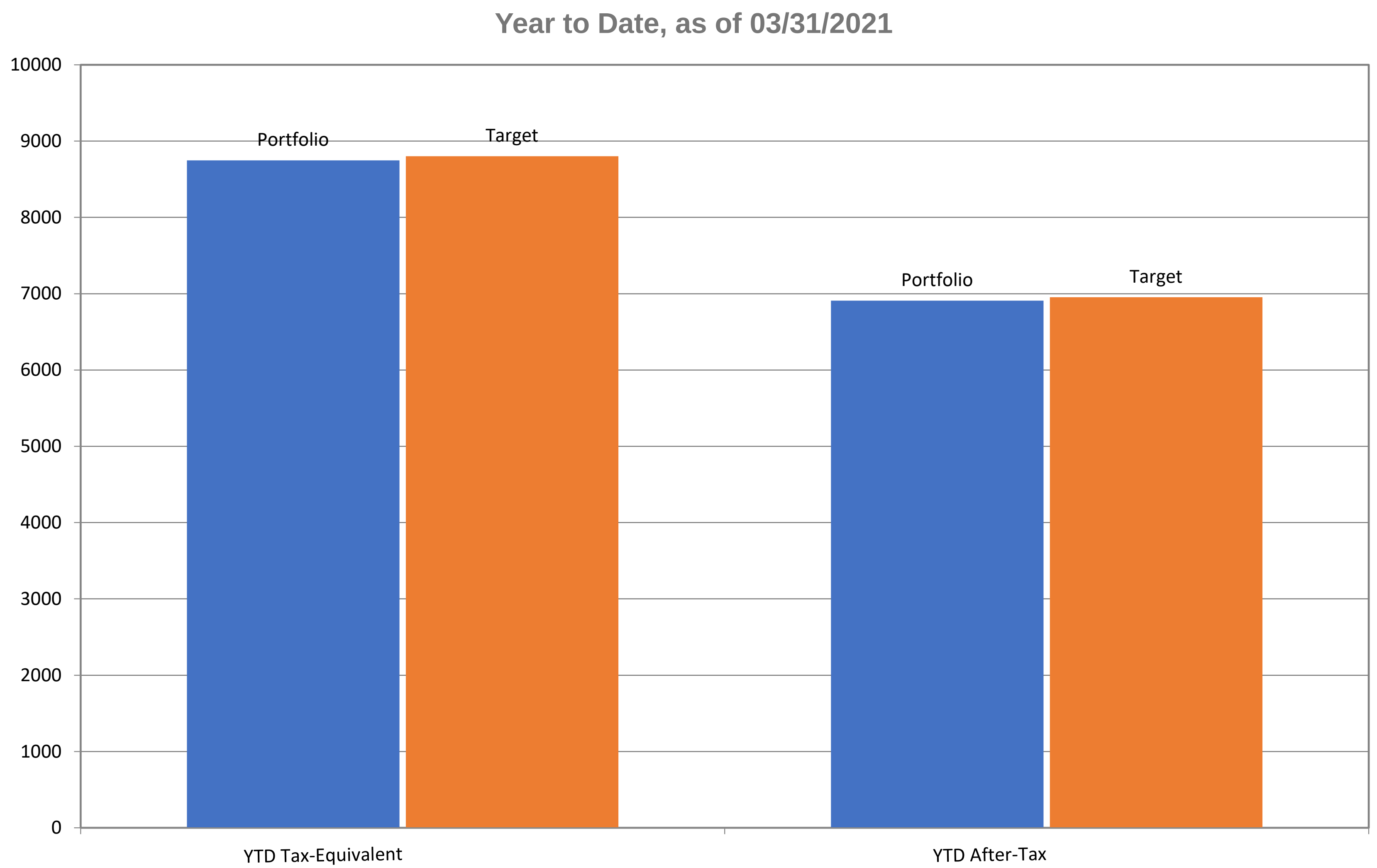


Source: US Bureau of Labor Statistics

Portfolio Changes

Public Entity Joint Insurance Fund	03/31/2020	06/30/2020	09/30/2020	12/31/2020	03/31/2021
Treasury Yields					
2 yr Treasury Yield	0.23%	0.15%	0.13%	0.12%	0.16%
5 yr Treasury Yield	0.38%	0.29%	0.27%	0.36%	0.93%
10 yr Treasury Yield	0.70%	0.65%	0.68%	0.91%	1.74%
Book Statistics					
Tax-Equivalent Book Yield	1.84%	1.57%	1.36%	1.27%	1.01%
Book Value ($)	4,879,117	4,904,284	4,122,484	3,198,904	2,500,607
Projected Tax-Equivalent Income, next 12 months ($)	90,009	77,157	56,101	40,524	25,280
Unrealized Gains/(Losses) ($)	55,639	39,527	25,700	14,309	7,292
YTD Realized Gains/(Losses) ($)	0	0	0	0	226
Portfolio Risk Statistics					
Effective Duration	0.87	0.63	0.69	0.61	0.33
Convexity	0.01	0.01	0.01	0.01	0.00
Weighted Average Life	0.88	0.64	0.69	0.61	0.33
Average Rating	AAA	AAA	AAA	AAA	AAA
Portfolio Sector Allocation					
Treasury	99%	89%	94%	100%	79%
Agency	0%	0%	0%	0%	0%
Corporate	0%	0%	0%	0%	0%
Taxable Municipal	0%	0%	0%	0%	0%
Tax-exempt Municipal	0%	0%	0%	0%	0%
Mortgage Pass-Through	0%	0%	0%	0%	0%
CMOs	0%	0%	0%	0%	0%
ARMs	0%	0%	0%	0%	0%
Asset Backed	0%	0%	0%	0%	0%
CMBS	0%	0%	0%	0%	0%
Cash & Cash Equivalents	1%	11%	6%	0%	21%

Income Year to Date



Performance

Tax-Equivalent Total Return
as of 03/31/2021
Inception Date: 08/01/2014

	Portfolio	Benchmark	Difference
Quarter to Date	0.06%	0.06%	0.00%
Year to Date	0.06%	0.06%	0.00%
Since Inception	1.17%	1.21%	-0.04%

Benchmark Composition:

100.0% PEJIF Duration Matched Treasury