



Quarterly Investment Report

As of 3/31/2024



Executive Summary

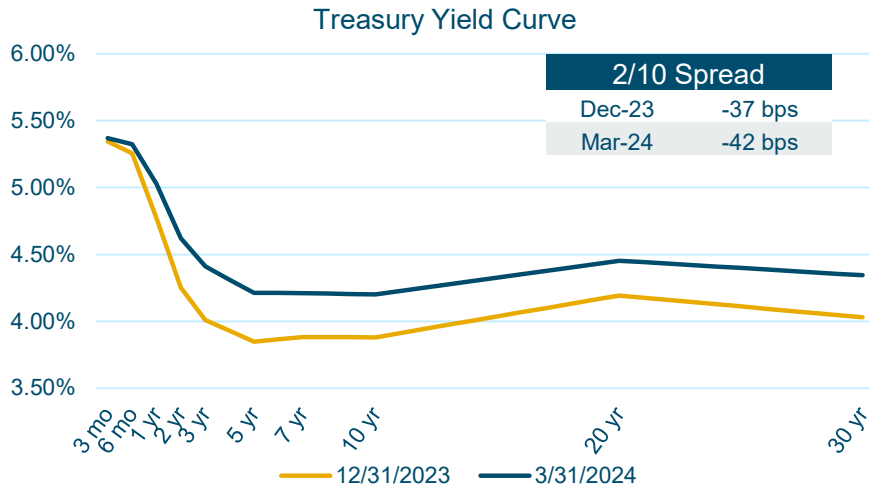
PORTFOLIO STATISTICS:		
Quarter Ending:	12/31/2023	03/31/2024
Tax-Equivalent Book Yield	1.98%	2.15%
Book Value	\$27,892,327	\$25,057,804
Projected Tax-Equivalent Annual Income	\$552,189	\$539,995
Unrealized Gain	-\$428,260	-\$330,879
YTD Realized Gain	-\$2,482	\$0
Portfolio Duration	0.90	0.75
Average Credit Quality	AA+	AA+

PORTFOLIO ALLOCATION:		
Sector	12/31/2023	03/31/2024
Treasury	100%	93%
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%	7%

PERFORMANCE:			
Tax-equivalent Performance	Portfolio	Target/Benchmark	Difference
YTD Booked Income	\$147,847	\$127,709	\$20,138
QTD Total Return	0.96%	0.92%	0.04%
YTD Total Return	0.96%	0.92%	0.04%

Economic Outlook

Treasury Yields and the Economy



Source: Federal Reserve



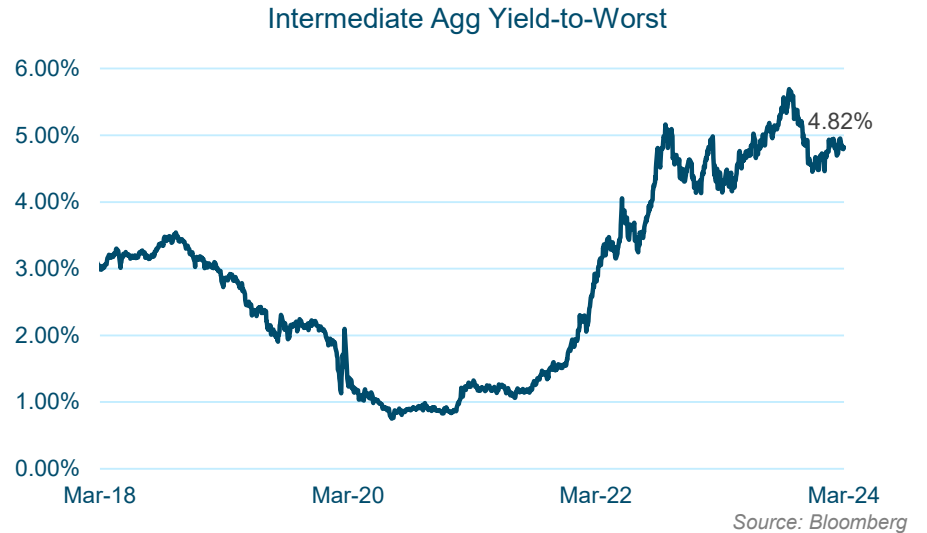
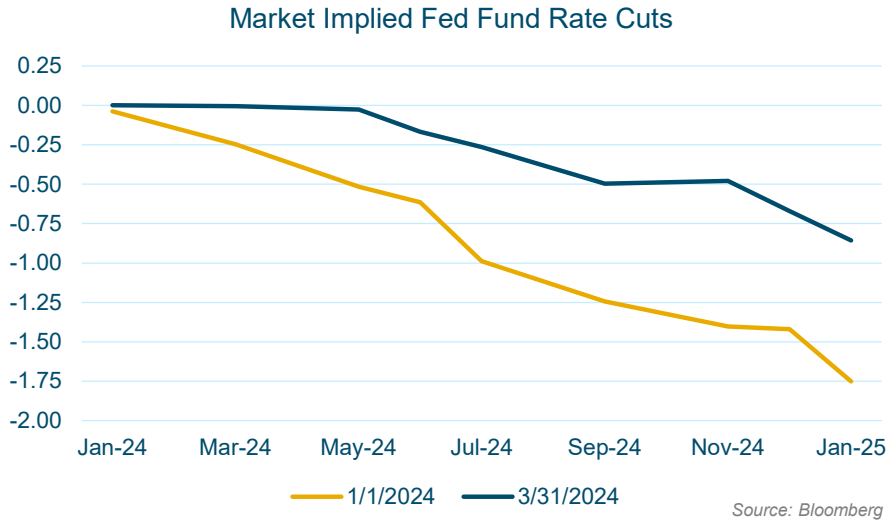
Source: Bloomberg

Yield Curve & Hike Expectations

- During the first quarter, the yield curve rebounded higher from the market's relentless drive lower in fourth quarter 2023. Stronger growth, persistent inflation, and a cautious Fed walked back the market's expectations for aggressive rate cuts in 2024.
 - This was reconfirmed at the March FOMC meeting where the dot plot projections held steady at 3 cuts for 2024.
 - Market expectations that started 2024 pricing in 6 cuts (150 bps) for 2024, have now moved inline with Fed expectations of 3 (75 bps).
- Treasury rates ended the quarter higher with 2-year Treasuries at 4.62% (+37 bps QTD) and the 10-year at 4.20% (+32 bps QTD).
 - While the Federal Reserve has acknowledged progress on the inflation front, it still remains well above their 2% target.
 - Inflation readings in both January and February saw core rates print higher than market expectations, indicating the last leg lower to target levels will happen at a more gradual pace and likely contribute to rate volatility in 2024.
 - Keys to lower inflation remain the labor and housing markets as these sticky measures have been slow to recede.
 - Given labor market strength, wages continue to rise at a pace supportive of inflation above the 2% target.
 - Despite higher mortgage rates, home prices and rents have remained resilient as demand exceeds existing supply.
 - In addition, risks to inflation recovery include the fragile geopolitical landscape which continues to impact global supply chains.

Economic Outlook

Treasury Yields and the Economy



Implied Cuts

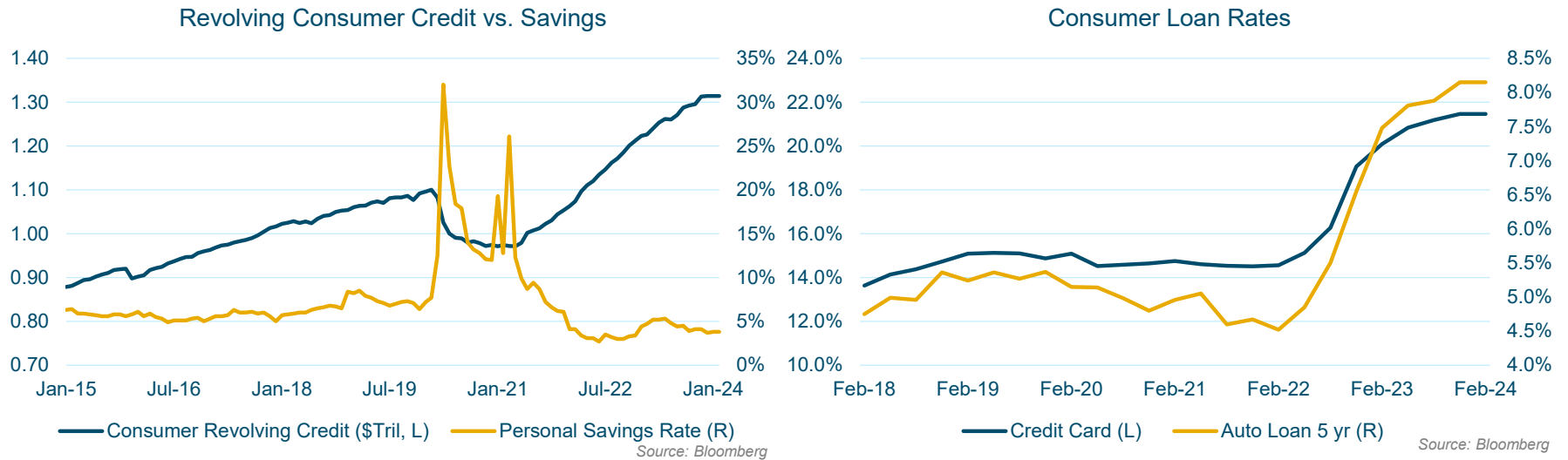
- Given strong data over the course of the first quarter, market expectations for Fed rate cuts in 2024 quickly pivoted, ending the quarter in line with Fed projections.
 - Despite the FOMC's March Summary of Economic Projections (SEP) showing year-end 2024 core-PCE inflation increasing +0.2% to 2.6%, GDP jumping +0.7% to 2.1%, and the unemployment rate dipping -0.1% to 4%, the Dot Plot continues to project three rate cuts in 2024.
 - That said, compared to the December projections the distribution of dots shifted to a more hawkish stance.
 - Given the underlying strength of the economy and labor market, and stickiness of inflation, it was surprising to see the FOMC's dismissal of hotter than expected January and February inflation prints.
 - The March SEP projections show three additional rate cuts in 2025, and three more in 2026.

Investment Yields

- Reinvestment yields, as measured by the Bloomberg Intermediate Aggregate index, have also increased with the sell off in Treasuries during Q1.
 - The yield on the index ended Q1 at 4.82%, rebounding from 4.49% at year-end 2023.
 - Spread tightening across asset classes was more than offset by the rise in underlying Treasury rates, resulting in elevated "all-in yields".
 - Yield levels well above the past decade average (2.54%), have been supportive of significant inflows into investment grade fixed income.
 - Increased demand has also been a catalyst for spreads ratcheting tighter, despite concerns of potential risks ahead.

Economic Outlook

Market Indicators



Revolving Credit and Savings

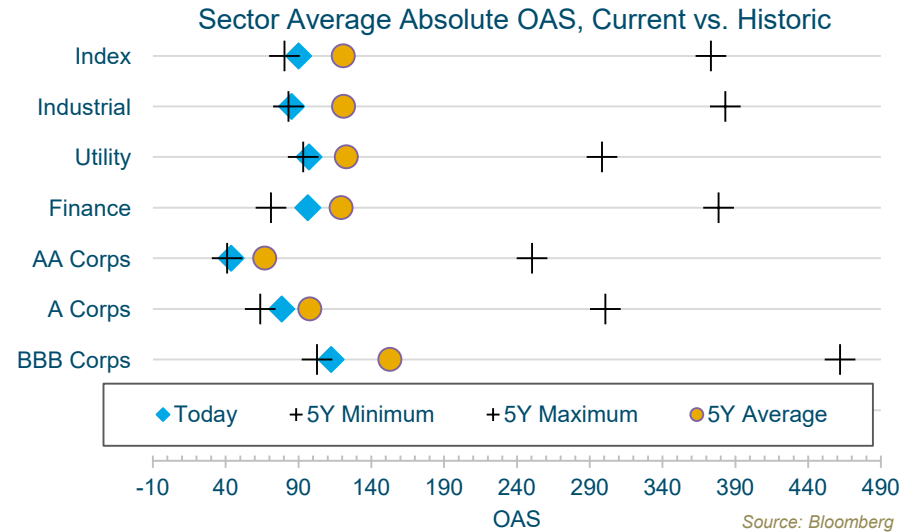
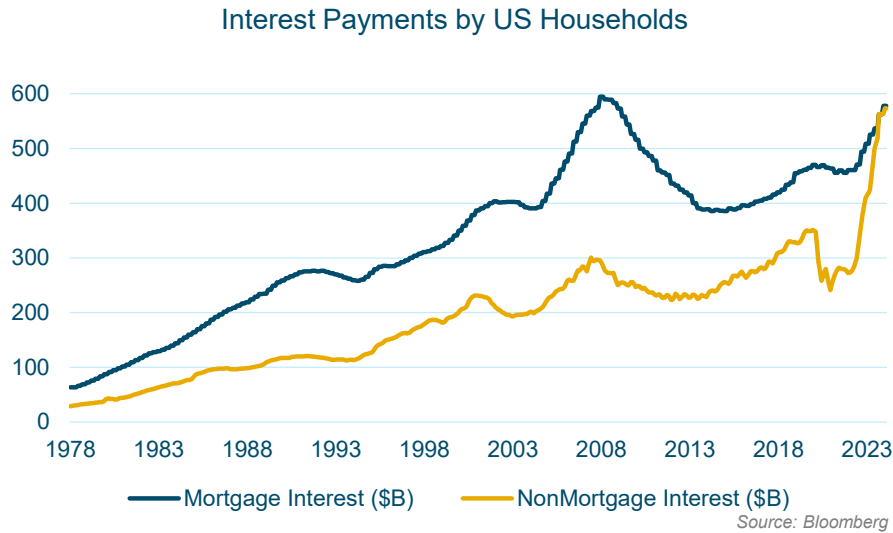
- With strong labor markets and rising wages, consumer spending was a driving force in avoiding a recession over the past year.
 - The U.S. economy is heavily driven by the consumer, which accounts for nearly two-thirds of economic activity.
- However, while wages have grown, they have not kept pace with price inflation over the past three years.
 - Despite higher prices, consumers have continued to spend at the expense of depleting savings and taking on additional credit. This revolving credit (personal lines, credit cards, etc.) is more sensitive to recent rate changes relative to fixed rate debt like home mortgages.

Consumer Loan Rates and Delinquencies

- With the Fed's fight on inflation, borrowing rates have risen across all categories: mortgages, revolving credit (cards, HELOCs), auto loans, etc.
 - For example, the average rate charged on a typical credit card has climbed to a record 21.5% and auto loans have risen to 8.25%.
- As a result of rising costs, there has been a steady increase in consumer loan delinquencies, which currently sit above pre-pandemic levels.
 - The last time the market witnessed delinquencies at these levels was in 2013. At that time, the unemployment rate was 7.5%, nearly double the level it is today.
 - While unemployment remains historically low and wage gains have been solid, the rise in delinquencies are increasing more rapidly for economically sensitive borrowers (low wage earners and young consumers).
- Rising delinquencies signal less discretionary income available to consumers, posing a headwind to corporate profitability moving forward.
 - Combined with rising interest cost, this will weigh on corporate interest coverage ratios and ratings moving forward.

Economic Outlook

Market Indicators



Household Interest Burden

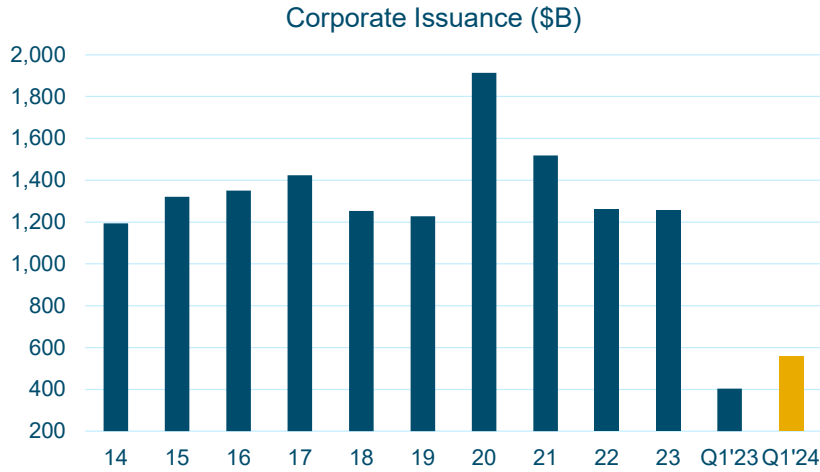
- According to the Bureau of Economic Analysis, for the first time on record, US households are now paying roughly as much interest on other kinds of debt, from credit cards to student loans, as they are on their mortgages.
 - Historically, interest on mortgages was roughly double the interest on other consumer debt. However, that balance has shifted in the past two years as many home-owners locked in record low mortgage rates during the pandemic prior to the Fed's recent rate increases.
 - While interest costs from other credit facilities such as revolving debt and auto loans have been exposed to rising rates.

Corporate Spreads

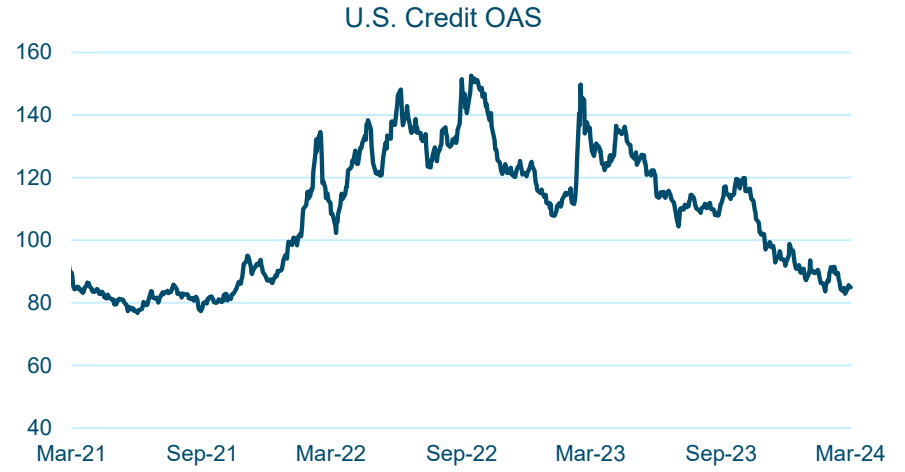
- While we see rising costs impacting consumer spending and corporate profitability in the coming year, spreads currently do not reflect this potential risk.
 - Corporate credit spreads are trading tight across every sector and rating category, inside 5-year averages and near 5-year tights.
 - Investment grade spreads hover near a full standard deviation below average and the spread differential between A and BBB rated corporates have also tightened through historic trends.
- Overall, markets have witnessed this tightening since the banking crisis of 2023. Spreads continue to tighten due to the attractive "all-in yield" levels as annuity, foreign and income buyers all look to lock-in relatively high yields prior to potential Fed rate cuts.
 - After light issuance in Q4 2023, record issuance in Q1 of this year has not reversed this grind tighter in spreads. As a result, we remain cautious on credit exposure as spreads do not appear to be pricing in potential risks and headwinds of a slowing consumer in the coming year.

Economic Outlook

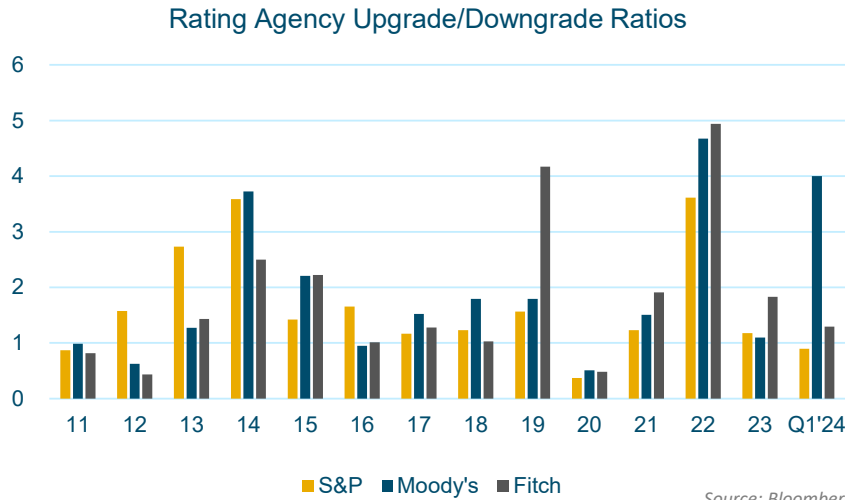
Corporates



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

- IG spreads tightened 8bps to +85 in Q1'24, trading in a narrow 16bps range. Spreads closed the quarter 2bps off the YTD tight of +83 in late March, which was a remarkable feat given the record setting corporate issuance.
- Issuance surged 38% Y/Y in Q1'24, setting a first quarter record of \$556bn, and the second largest quarterly issuance ever.
- Corporate credit fundamentals continue to deteriorate, albeit from strong levels. Given moderating economic growth and persistent inflationary headwinds, we would expect operating performance to continue to decline moving forward.
- Given our weakening outlook on the economy, coupled with very tight spread levels, we have reduced our overweight to credit over the past year and retain an up-in-quality bias across credits.

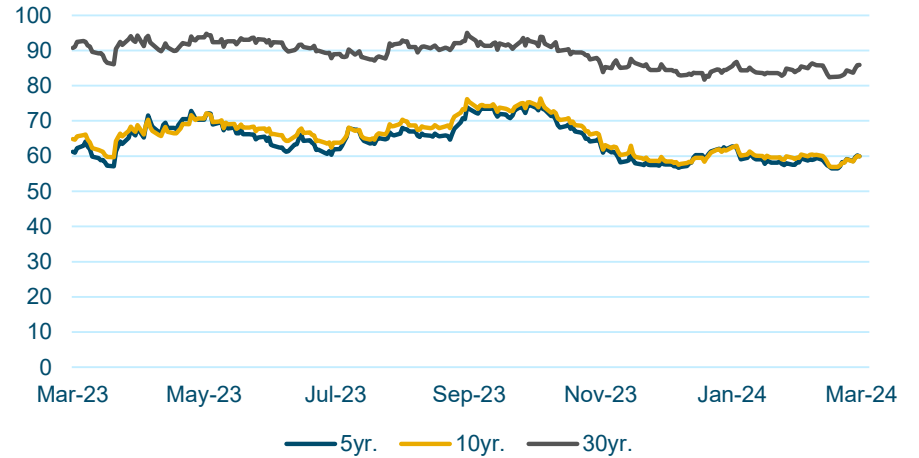
Economic Outlook

Municipals

Municipal Issuance (\$Billions)



AAA Municipals / Treasury Yield Ratios (%)



AAA Pre-Tax Municipal Yields

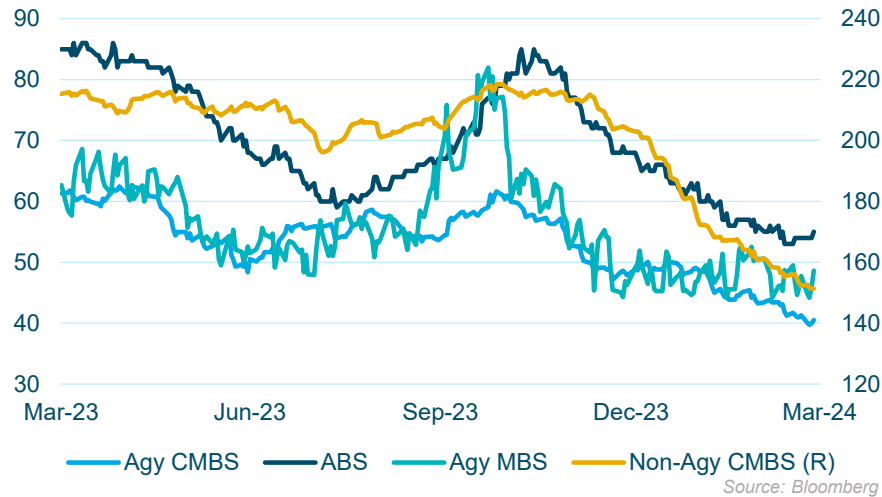


- The ratio of pre-tax yields to similar maturity Treasuries remained stubbornly rich through the 10yr part of the curve given very strong demand driven by attractive absolute yields.
- YTD tax-exempt supply of \$94bn is the highest over a January-March period since 2007 (\$112bn).
- U.S. municipal bond market credit quality remains very strong. Moody's public finance upgrades vastly outpaced downgrades in all of 2023. There were 776 rating upgrades and 199 downgrades last year.
- For those insurance clients that maintain allocations to exempts in their benchmarks we will continue to layer in purchases as ratios improve, and additional new issue supply comes to market throughout the quarter.

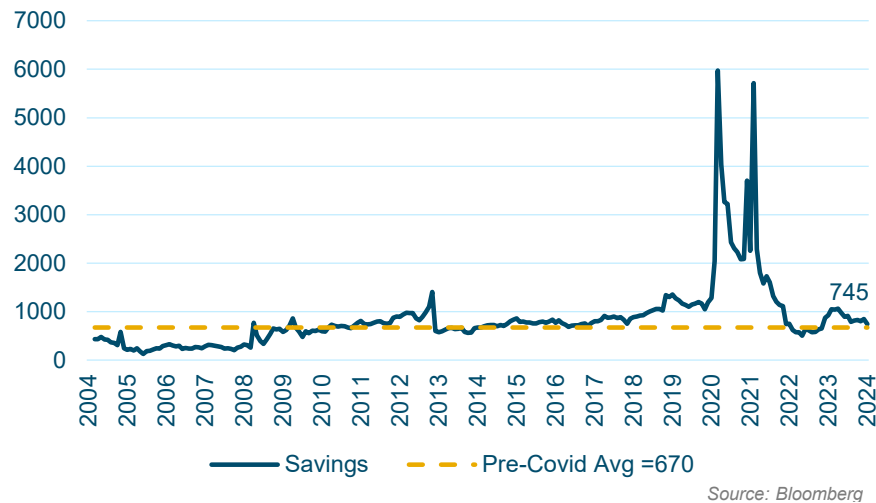
Source: Bloomberg, SIFMA

Economic Outlook

Structured Product Spreads



US Personal Savings, SA (\$B)



MBS

- Agency mortgages experienced a rather uneventful quarter, ending just 2bps wider vs year-end. MBS traded in sympathy with rates, which primarily moved on data releases that had the potential to change the path for the Fed.
- We remain neutral on MBS, given the uncertainty of the timing and magnitude of rate cuts, which could lead to periods of elevated interest rate volatility. We also recognize that the sector looks attractive on a relative value basis.

CMBS

- Non-agency CMBS was the biggest spread-mover for the quarter, tightening in 52bps on strong demand from relative value buyers who were looking for alternatives to historically-tight corporates.
 - We remain neutral on the sector, given that the commercial real estate market continues to experience fundamental challenges, especially in the office sector and for floating-rate collateral.
 - We prefer senior fixed rate non-agency CMBS deals that offer diversified exposure by loan, sector, and geography.
- Agency CMBS also moved modestly over the quarter, ending 7bps tighter vs year-end. The performance reflected investor appetite for agency-backed multifamily assets which exhibits less exposure to interest rate volatility.

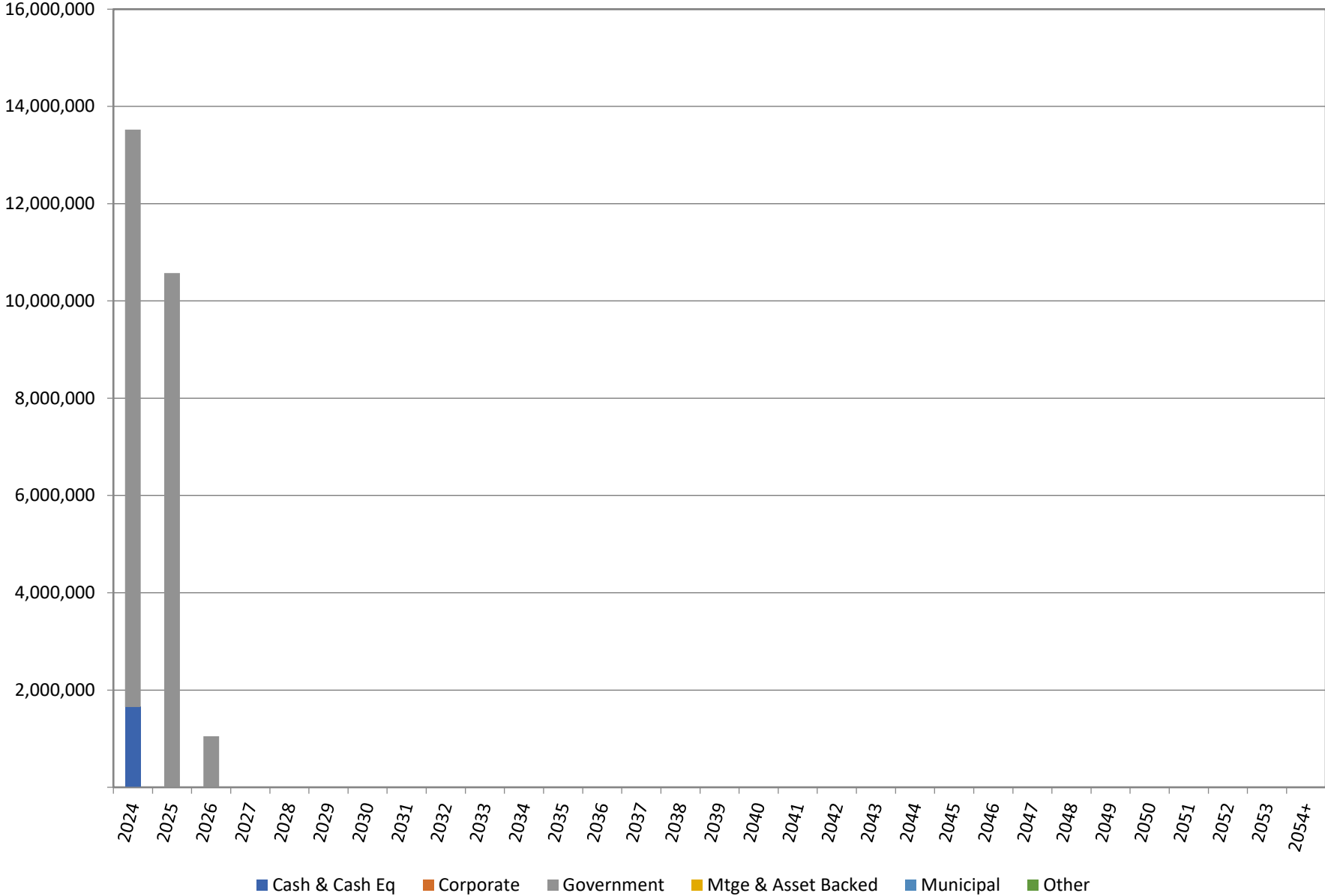
ABS

- The ABS market also exhibited strong demand, tightening in 13bps over the quarter, as more benign economic data made a soft-landing look more likely.
- We continue to overweight ABS, which offers attractive spreads vs similar-duration and lower-rated corporates.
- We continue to carefully monitor consumer data and the credit performance of the deals in which we are invested to stay ahead of potential weakening in the sector.
- Personal savings, while trending down, is still elevated above its pre-COVID average.

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	23,408,048	23,077,169	(330,879)	2.31	5.09	0.80	0.01	1	1,344	18	(332,223)
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	23,408,048	23,077,169	(330,879)	2.31	5.09	0.80	0.01	1	1,344	18	(332,223)
Short Term											
Sweep Money Market	1,649,756	1,649,756	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	1,649,756	1,649,756	0	0.00	0.00	0.00	0.00	0	0	0	0
Total Fixed Income & Short Term											
Total	25,057,804	24,726,925	(330,879)	2.15	4.75	0.75	0.01	1	1,344	18	(332,223)
Equity											
Common Stock	0	0	0					0	0	0	0
Total	0	0	0					0	0	0	0
Grand Total											
Total	25,057,804	24,726,925	(330,879)					1	1,344	18	(332,223)

Maturity Schedule By Weighted Average Life



Effective Maturity Schedule

Year	Book Value	Tax Equiv. Book Yield	% of Total Book Value
2024	11,867,404	0.98	51%
2025	10,506,753	3.57	45%
2026	1,033,891	4.78	4%
2027+	0	0.00	0%
Subtotal	23,408,048	2.31	100%
(inc. ABS, Agcy, CMBS, Corp, Muni, UST)			
MBS	0	0.00	0%
TOTAL	23,408,048	2.31	100%

Performance

**Tax-Equivalent Total Return
as of 03/31/2024
Inception Date: 07/01/2010**

	Portfolio	Benchmark	Difference
Quarter to Date	0.96%	0.92%	0.04%
Year to Date	0.96%	0.92%	0.04%
Since Inception	1.40%	1.22%	0.18%

Benchmark Composition:

100.0% Garden State 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
01/31/2024	Maturity	US TREASURY N/B	Treasury	AA+	Aaa	2.250	01/31/2024	01/31/2024	100.00	1,425,000	0	0.27	0.27
02/29/2024	Maturity	US TREASURY N/B	Treasury	AA+	Aaa	2.125	02/29/2024	02/29/2024	100.00	1,475,000	0	0.25	0.25
03/15/2024	Maturity	US TREASURY N/B	Treasury	AA+	Aaa	0.250	03/15/2024	03/15/2024	100.00	1,500,000	0	0.36	0.36
Total										4,400,000	0	0.29	0.29

Appendix

Detailed Portfolio Report

Portfolio Holdings Report

CUSIP	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																	
711990333	02/29/2024			1,649,756	TD BK DEP	0.00			1,649,756	1,649,756	1,649,756	0	0.00	0.00	0.00	0.00	
Total Money Market				1,649,756					1,649,756	1,649,756	1,649,756	0	0.00	0.00	0.00	0.00	0.00
Treasury																	
9128283D0	04/22/2022	AA+	Aaa	1,000,000	US TREASURY N/B	2.25	10/31/2024	10/31/2024	984,805	996,402	983,086	(13,316)	2.88	5.23	0.56	0.58	0.01
9128283V0	04/22/2022	AA+	Aaa	1,000,000	US TREASURY N/B	2.50	01/31/2025	01/31/2025	989,883	996,883	978,711	(18,172)	2.88	5.13	0.81	0.83	0.01
9128283Z1	04/22/2022	AA+	Aaa	1,000,000	US TREASURY N/B	2.75	02/28/2025	02/28/2025	996,055	998,707	979,492	(19,215)	2.89	5.07	0.88	0.91	0.01
9128284M9	08/02/2022	AA+	Aaa	1,150,000	US TREASURY N/B	2.88	04/30/2025	04/30/2025	1,146,766	1,148,708	1,124,574	(24,134)	2.98	5.00	1.03	1.08	0.02
9128284Z0	03/27/2023	AA+	Aaa	1,050,000	US TREASURY N/B	2.75	08/31/2025	08/31/2025	1,022,561	1,033,712	1,020,182	(13,530)	3.89	4.85	1.36	1.42	0.03
9128285J5	05/16/2023	AA+	Aaa	1,400,000	US TREASURY N/B	3.00	10/31/2025	10/31/2025	1,371,672	1,381,477	1,362,156	(19,321)	3.87	4.79	1.50	1.58	0.03
912828XT2	08/04/2021	AA+	Aaa	1,500,000	US TREASURY N/B	2.00	05/31/2024	05/31/2024	1,572,070	1,504,204	1,491,680	(12,525)	0.29	5.32	0.16	0.16	0.00
912828XX3	04/22/2022	AA+	Aaa	1,000,000	US TREASURY N/B	2.00	06/30/2024	06/30/2024	983,320	998,068	991,523	(6,544)	2.79	5.41	0.24	0.25	0.00
91282CBV2	07/06/2021	AA+	Aaa	1,400,000	US TREASURY N/B	0.38	04/15/2024	04/15/2024	1,399,727	1,399,996	1,397,211	(2,785)	0.38	5.24	0.04	0.04	0.00
91282CCL3	08/17/2021	AA+	Aaa	1,450,000	US TREASURY N/B	0.38	07/15/2024	07/15/2024	1,449,037	1,449,904	1,429,496	(20,408)	0.40	5.30	0.28	0.29	0.00
91282CCT6	11/08/2021	AA+	Aaa	1,525,000	US TREASURY N/B	0.38	08/15/2024	08/15/2024	1,513,205	1,523,394	1,497,240	(26,153)	0.66	5.31	0.36	0.37	0.00
91282CCX7	10/06/2021	AA+	Aaa	1,625,000	US TREASURY N/B	0.38	09/15/2024	09/15/2024	1,617,383	1,623,816	1,589,771	(34,046)	0.54	5.24	0.44	0.46	0.00
91282CDH1	11/17/2021	AA+	Aaa	1,500,000	US TREASURY N/B	0.75	11/15/2024	11/15/2024	1,495,020	1,498,956	1,459,336	(39,620)	0.86	5.22	0.60	0.62	0.01
91282CDN8	02/01/2022	AA+	Aaa	875,000	US TREASURY N/B	1.00	12/15/2024	12/15/2024	865,635	872,664	849,878	(22,786)	1.38	5.18	0.68	0.70	0.01
91282CED9	07/07/2022	AA+	Aaa	950,000	US TREASURY N/B	1.75	03/15/2025	03/15/2025	918,754	938,629	920,869	(17,760)	3.03	5.07	0.92	0.95	0.01
91282CEQ0	08/16/2022	AA+	Aaa	1,000,000	US TREASURY N/B	2.75	05/15/2025	05/15/2025	987,695	994,859	975,938	(18,921)	3.22	4.98	1.07	1.12	0.02
91282CFK2	04/18/2023	AA+	Aaa	1,500,000	US TREASURY N/B	3.50	09/15/2025	09/15/2025	1,481,074	1,488,370	1,472,285	(16,084)	4.05	4.83	1.39	1.46	0.03
91282CFW6	06/15/2023	AA+	Aaa	1,525,000	US TREASURY N/B	4.50	11/15/2025	11/15/2025	1,525,536	1,525,409	1,518,507	(6,902)	4.48	4.77	1.52	1.62	0.03
91282CGE5	08/16/2023	AA+	Aaa	1,050,000	US TREASURY N/B	3.88	01/15/2026	01/15/2026	1,028,549	1,033,891	1,035,234	1,344	4.78	4.70	1.69	1.79	0.04
Total Treasury				23,500,000					23,348,745	23,408,048	23,077,169	(330,879)	2.31	5.09	0.80	0.84	0.01
Grand Total				25,149,756					24,998,501	25,057,804	24,726,925	(330,879)	2.15	4.75	0.75	0.78	0.01

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	<p>An index against which performance can be measured. Attributes of a good benchmark include:</p> <p><i>Objective:</i> The index should be identified ahead of the time, it should be easily understood, and the construction rules should be clearly defined.</p> <p><i>Replicable:</i> The manager should be able to replicate the returns passively.</p> <p><i>Relevant:</i> 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.</p> <p><i>Tax Adjusted:</i> The benchmark should adjust for the different tax rates on various security types</p>
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 <u>realized</u> 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.)	
DYCARRSM	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

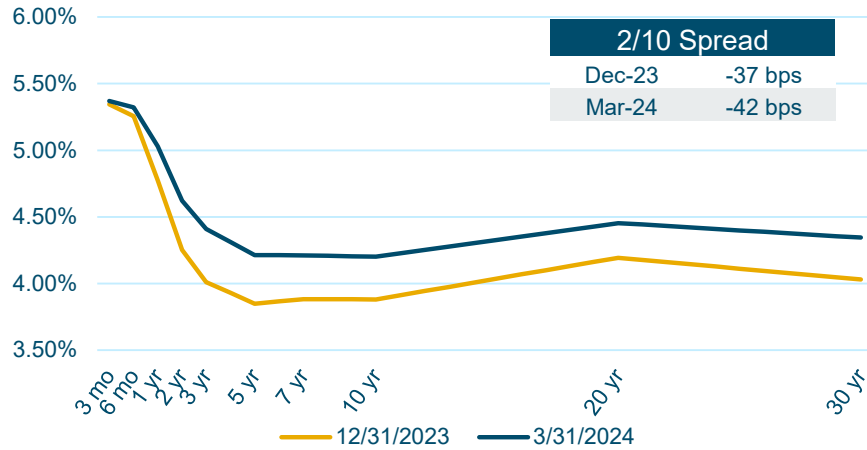
Presentation Overview

Overview

- Economic overview and market update
- Portfolio review
- Performance

Treasury Yields and the Economy

Treasury Yield Curve



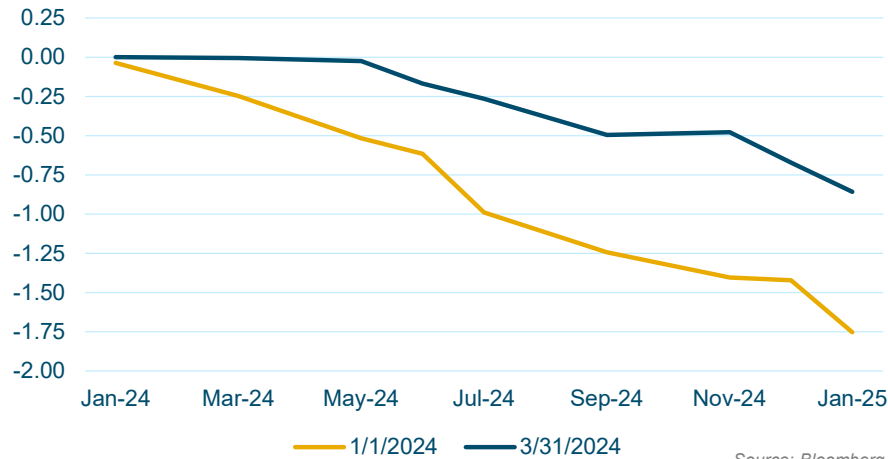
Source: Federal Reserve

10 Year Treasury Yield



Source: Bloomberg

Market Implied Fed Fund Rate Cuts



Source: Bloomberg

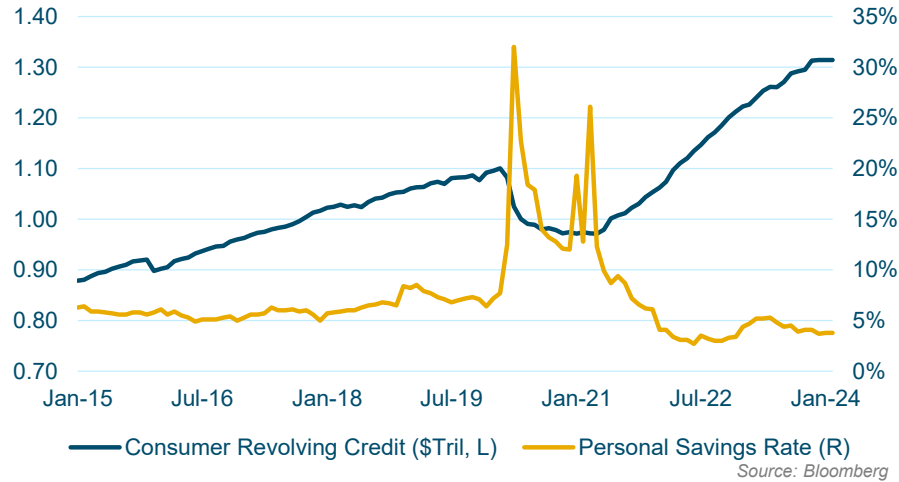
Intermediate Agg Yield-to-Worst



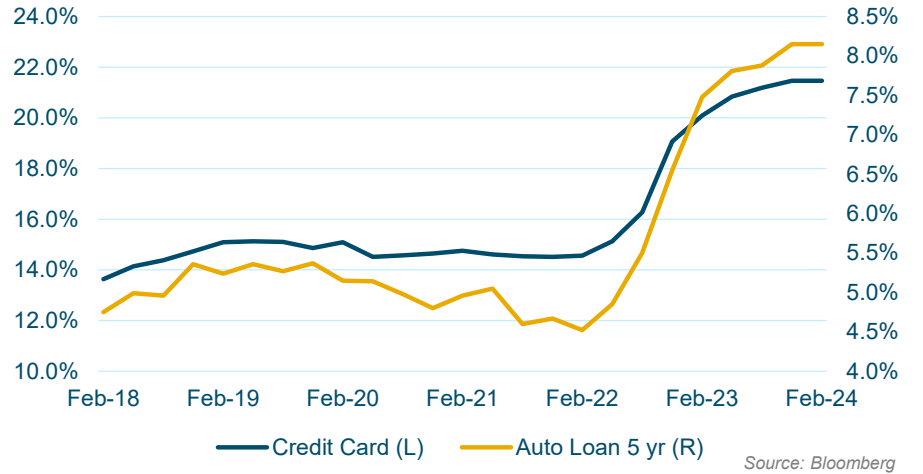
Source: Bloomberg

Market Indicators

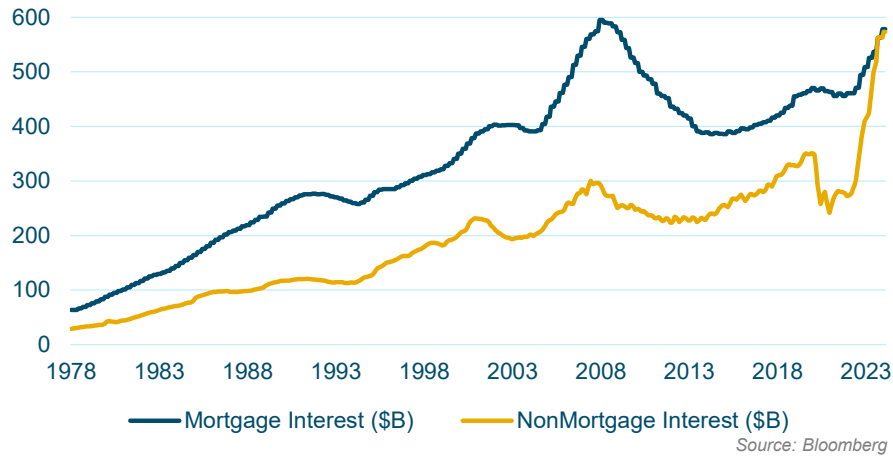
Revolving Consumer Credit vs. Savings



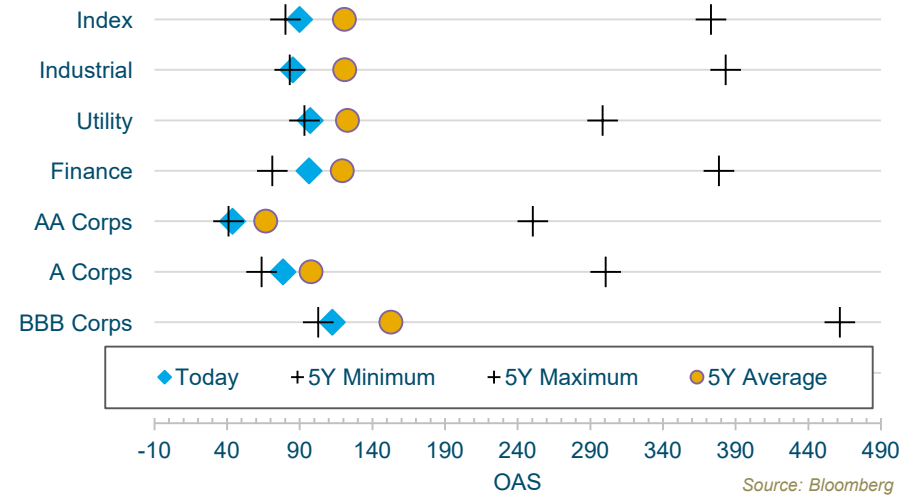
Consumer Loan Rates



Interest Payments by US Households



Sector Average Absolute OAS, Current vs. Historic

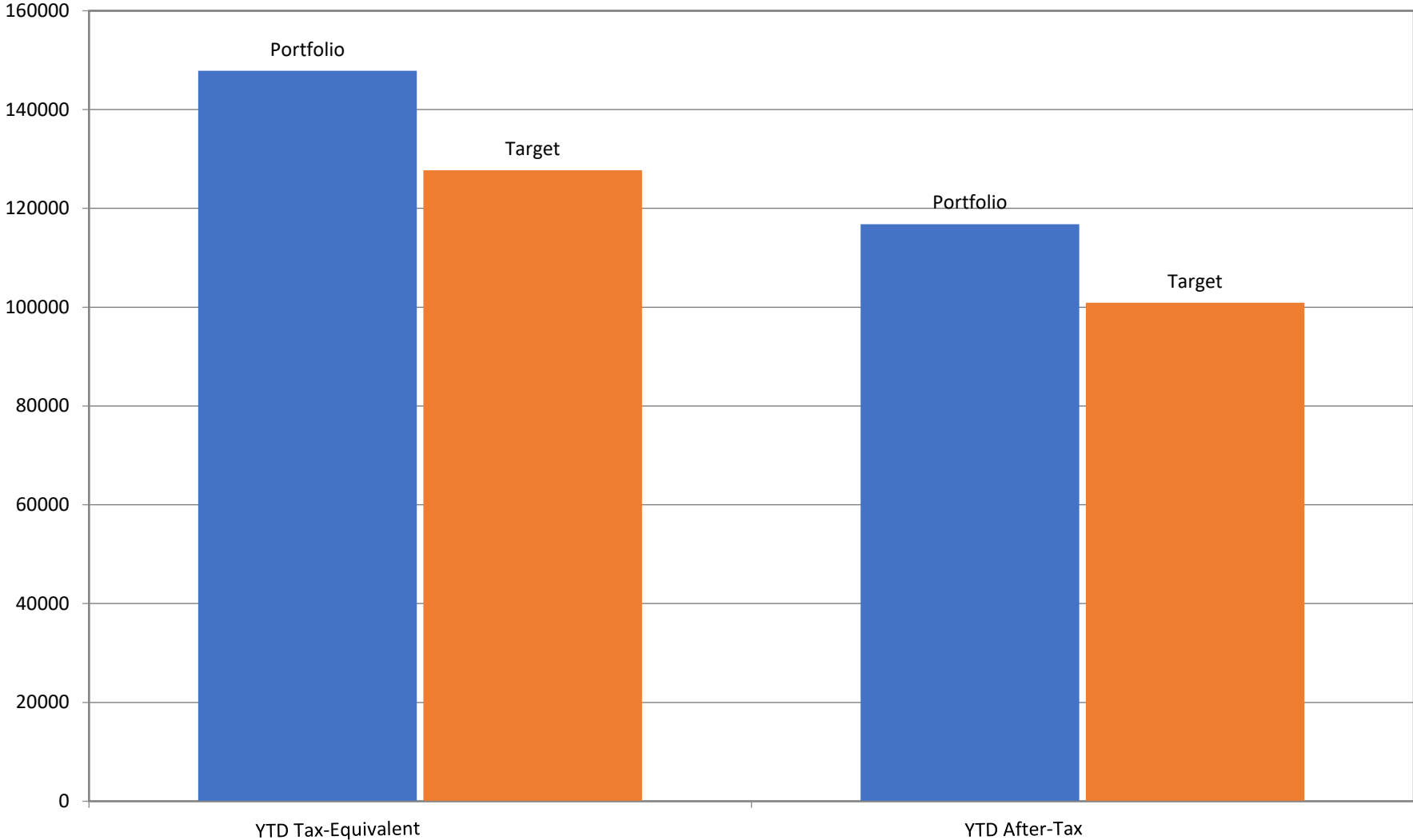


Portfolio Changes

Garden State Muni Joint Insurance Fund	03/31/2023	06/30/2023	09/30/2023	12/31/2023	03/31/2024
Treasury Yields					
2 yr Treasury Yield	4.03%	4.87%	5.05%	4.25%	4.62%
5 yr Treasury Yield	3.59%	4.12%	4.61%	3.83%	4.20%
10 yr Treasury Yield	3.48%	3.81%	4.58%	3.86%	4.19%
Book Statistics					
Tax-Equivalent Book Yield	1.17%	1.62%	1.90%	1.98%	2.15%
Book Value (\$)	38,425,172	38,526,384	38,661,177	27,892,327	25,057,804
Projected Tax-Equivalent Income, next 12 months (\$)	450,190	622,772	735,189	552,189	539,995
Unrealized Gains/(Losses) (\$)	(1,029,668)	(1,098,180)	(881,546)	(428,260)	(330,879)
YTD Realized Gains/(Losses) (\$)	0	0	0	(2,482)	0
Portfolio Risk Statistics					
Effective Duration	1.09	1.10	1.01	0.90	0.75
Convexity	0.02	0.02	0.02	0.02	0.01
Weighted Average Life	1.13	1.16	1.07	0.93	0.78
Average Rating	AA+	AA+	AA+	AA+	AA+
Portfolio Sector Allocation					
Treasury	100%	100%	96%	100%	93%
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	0%	0%	4%	0%	7%

Income Year to Date

Year to Date, as of 03/31/2024



Performance

**Tax-Equivalent Total Return
as of 03/31/2024
Inception Date: 07/01/2010**

	Portfolio	Benchmark	Difference
Quarter to Date	0.96%	0.92%	0.04%
Year to Date	0.96%	0.92%	0.04%
Since Inception	1.40%	1.22%	0.18%

Benchmark Composition:

100.0% Garden State Duration Matched Treasury