SUSD SELF-INSURANCE TRUST BOARD MEETING

September 29, 2022

SHANNON CROSIER, ADMINISTRATOR
SCOTTSDALE UNIFIED DISTRICT
7575 E. Main Street

Thursday, September 29, 2022
Scottsdale USD Self-Insurance Trust Board

SELF-INSURANCE TRUST BOARD MEETING
SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
Ed. Center 7575 E. Main Street, Room Old Main, Scottsdale, Arizona 85251

4:00 PM

TRUSTEES - 2022-2023 Self-Insurance Trust Board
Shannon Crosier, Trust Board Administrator
Zach Lindsay, Trustee and Governing Board Member
Melinda Gulick, Chairperson
Valerie Shannon, Trustee
Eloy Yndigoyen, Trustee

PURSUANT TO A.R.S. Section 38-431.02, notice is hereby given to the general public that the Self Insurance Trust Board will hold a Special Meeting at 4:00 pm, Ed Center, 7575 E. Main Street, Room Old Main, Scottsdale, AZ 85251.

One or more members of the SUSD Self-Insurance Trust Board may participate in the meeting by telephonic communication. Persons with a disability may request reasonable accommodations by contacting Ms. Jill Olivas, Senior Executive Assistant to the Chief Financial Officer, at 480-484-6147. Accommodations should be requested two working days prior to the meeting to allow time for the District to arrange for the accommodation.

1. MEETING NOTICES

A. Please Note: PURSUANT TO A.R.S. §38-431.03(A)(3), THE SELF INSURANCE TRUST BOARD MAY VOTE TO CONVENE IN EXECUTIVE SESSION, WHICH WILL NOT BE OPEN TO THE PUBLIC, FOR DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE GOVERNING BOARD'S ATTORNEY ON AN ITEM THAT IS LISTED ON THIS AGENDA.

B. BOARD PACKET MATERIAL AVAILABLE TWENTY-FOUR (24) HOURS IN ADVANCE OF THE MEETING, AT THE SCOTTSDALE UNIFIED SCHOOL DISTRICT, ED CENTER, 7575 E. MAIN STREET, SCOTTSDALE, AZ 85251.

2. OPENING OF MEETING

A. Call to Order

B. Roll Call

C. Introduction of Trustees, Staff, and Visitors

3. BUSINESS OF THE MEETING

A. Approval of Selection of New Chairperson for FY22/23 Trust - ACTION

B. Approval of Minutes from June 16, 2022 Meeting - ACTION

C. Property/Casualty/Workers Comp Claims Report (ARRT) - INFORMATION

D. Medical Claims/Financial Reports - INFORMATION

E. Investment Guidelines - INFORMATION

F. Trust Financial Update - INFORMATION

G. Future Agenda Items

H. Dates of Upcoming Meetings - Jan 19, 2023, March 9, 2023, June 8, 2023

I. Adjournment

NOTICE AND AGENDA

SELF-INSURANCE TRUST BOARD MEETING SCOTTSDALE
UNIFIED SCHOOL DISTRICT NO. 48

Ed Center, Room - Old Main, 7575 E. Main, Scottsdale, AZ 85251
September 29, 2022 at 4:00 PM

PURSUANT TO A.R.S. §38-431.02, notice is hereby given to the members of the Scottsdale Self-Insurance Trust Board and the general public that the Self Insurance Trust Board will hold a Special Meeting on **Thursday, September 29, 2022, at 4:00 PM, Ed Center, 7575 E. Main Street, Room Old Main, Scottsdale, AZ 85251.**

One or more members of the SUSD Self-Insurance Trust Board may participate in the meeting in-person, via an online platform, or may participate by telephonic communication. Persons with a disability may request reasonable accommodations by contacting Ms. Jill Olivas, Senior Executive Assistant to the Chief Financial Officer, at 480-484-6147. Accommodations should be requested two working days prior to the meeting to allow time for the District to arrange for the accommodation.

A. Call to Order

B. Roll Call

INFORMATION/DISCUSSION AND POSSIBLE ACTION

A. Selection of Chairperson (Trust Document 3.4) – Action

B. Approval of Minutes from June 16, 2022 Meeting – Action

C. Property/Casualty/Workers Comp Claims Report (ARRT) – Information

D. Medical Claims/Financial Reports – Information

E. Investment Guidelines - Information

F. Trust Financial Update – Information

G. Future Agenda Items

H. Dates of Upcoming Meetings – Jan. 19, 2023, March 9, 2023 & June 8, 2023

I. Adjournment

PURSUANT TO A.R.S. §38-431.03(A)(3), THE SELF INSURANCE TRUST BOARD MAY VOTE TO CONVENE IN EXECUTIVE SESSION, WHICH WILL NOT BE OPEN TO THE PUBLIC, FOR DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE GOVERNING BOARD'S ATTORNEY ON AN ITEM THAT IS LISTED ON THIS AGENDA.

BOARD PACKET MATERIAL AVAILABLE TWENTY-FOUR (24) HOURS IN ADVANCE OF THE MEETING, AT THE SCOTTSDALE UNIFIED SCHOOL DISTRICT, ED CENTER, 7575 E. MAIN STREET, SCOTTSDALE, AZ 85251.

Date Posted: September 27, 2022

Action:

Selection and Approval of Chairperson (Trust Document 3.4)

Submitted by:

Shannon Crosier, Administrator

RECOMMENDATION:

It is recommended that the Self-Insurance Trust Board select and approve a Chairperson for FY23 per 3.4 of the Self-Insurance Trust Agreement.

Action:

Approval of Self-Insurance Trust Meeting Minutes of June 16, 2022

Submitted by:

Shannon Crosier, Administrator

RECOMMENDATION:

It is recommended that the Self-Insurance Trust Board approve the Self-Insurance Trust Meeting Minutes of June 16, 2022.

BACKGROUND:

Minutes were taken at the June 16, 2022 Self-Insurance Trust Board meeting.

MINUTES OF THE SELF-INSURANCE TRUST BOARD MEETING
SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
Ed Center, Room - Old Main, 7575 E. Main St., Scottsdale, AZ 85251
June 16, 2022 at 9:30 AM

Self-Insurance Trust meeting was called to order at **9:32** am on June 16, 2022.

I. Call to Order – Shannon Crosier, Administrator called the meeting to order.

Due to the COVID-19 (aka Coronavirus) emergency, Centers for Disease Control and Prevention guidelines, and pursuant to guidelines from the Arizona Attorney General regarding compliance with the Open Meeting Law during this national emergency, this meeting was conducted in person, online, or via phone.

II. Roll Call-
Board Trustees in attendance were (in person), Shannon Crosier, Trust Board Administrator, Eloy Yndigoyen, Trustee, and Valerie Shannon, Trustee.

Melinda Gulick, Trust Chairperson and Patty Beckman, Governing Board Member were not in attendance.

INFORMATION/DISCUSSION AND POSSIBLE ACTION

A. Approval of SUSD Self-Insurance Trust Minutes from March 31, 2022 meeting. - Action
No discussion, Minutes stand as submitted.

Valerie Shannon Moved to Approve the Scottsdale USD Self-Insurance Trust Meeting Minutes of January 20, 2022. Eloy Yndigoyen Seconded the motion. The motion was approved with a vote of 3 – 0.

B. Approval of Self-Insurance Trust Board Meeting Dates for FY 22-23. – Action

Valerie Shannon Moved to Approve Self-Insurance Trust Board Meeting Dates for FY2022-2023 as presented with the start time of the meetings at 4:00 pm. Eloy Yndigoyen Seconded the motion. The motion was approved with a vote of 3 – 0.

C. Approval of Property and Casualty Insurance Premium July 1, 2022 – June 30, 2023. – Action

The Arizona Risk Retention Trust has provided rates for the Property and Casualty Insurance Premium with three additional Enhanced Cyber options. FY2021/2022 annual premium was $2,008,533 and the new 2022/2023 premium will be $2,147,843 with the added $5 Million Cyber Lability Coverage.

Eloy Yndigoyen Moved to Approve Property and Casualty Insurance Premium for July 1, 2022-June 30, 2023 with the $5 million Enhanced Cyber option with COVID enhancement and Basic Cyber options taken off the agreement. Valerie Seconded the motion. The motion was approved with a vote of 3 – 0.

DRAFT

D. Approval of Worker's Compensation Insurance Premium July 1, 2022 – June 30, 2023.

The Arizona Risk Retention Trust has provided rates for Worker's Compensation Insurance Premium. FY2021/2022 annual premium was $927,441and the new 2022/2023 premium will be $914,446

Eloy Yndigoyen Moved to Approve Worker's Compensation Insurance Premium for July 1, 2022-June 30, 2023. Valerie Shannon Seconded the motion. The motion was approved with a vote of 3 – 0.

E. Property/Casualty/Workers Comp Claims Report (ARRT) – Information

Ryan Cole from the Trust presented Financial reports concerning Property/Casualty and Worker's Compensation.

21/22 Property and Liability Premium: $2,008,533
21/22 Workers' Compensation Premium: $927,441 (Est)
21/22 Health Benefits Premium: $16,051,022 (Est)

- Total number of claims processed as of 5/31/2022: 85
- Total incurred as of 5/31/2022: $1,144,627

Pre-Paid Legal

- 2020/2021 = Over $200,000
- 2021-2022 = As of 5/31/2022 = around $100,000

2022/2023 Trust Renewal Updates

- 2022/2023 Contribution Estimate: $2,095,530
- 2021/2022 Contribution: $2,008,533
- 4.33% Increase
- Trust Loyalty Credit (5%)
    - District will receive approximately $100,000
        - Tier 1 (2%): 52.94% 3-year loss ratio
        - Tier 2 (3%): 3 of 3 items completed

2022/2023 Renewal Updates:

- Enhanced Cyber Coverage Options
    - $1M Basic $ 62,127 – no MFA requirements
    - $3M Enhanced $134,755 – MFA requirements
    - $5M Enhanced $170,690 – MFA requirements

The enhanced quote is subject to full implementation of MFA for all remote users and any users with privileged access before 7/1/2022. Trust can assist with MFA if needed.

Alliance Rating Retrospective Plan

- Scottsdale joined retro plan effective July 1, 2019
- Designed for members with a higher appetite for risk
- Member pays for losses and various expenses (admin, excess insurance, tax, contribution to Surplus)

DRAFT

Alliance Rating Retrospective Plan	**Estimate**	**Actual (As of 5/31/2022)**
○ Incurred Losses*	$665,157	$ 593,381
○ Unallocated Loss Adjustment Expense*	$112,559	$100,413
○ Administrative Expense	$ 75,500	$ 75,500
○ Excess Insurance and Tax Expense	$ 56,997	$ 56,997
○ Contribution to Net Position	$ 17,228	$ 17,228
○ **Total**	**$927,441**	**$843,518**

As of 5/31/2022 District is trending at 91% of estimates

Alliance Contribution History

Year	Rating Model	Contribution	Retro Contribution: Original Estimate
2021/2022	Retrospectively Rated	*660,814	927,441
2020/2021	Retrospectively Rated	*626,193	860,358
2019/2020	Retrospectively Rated	*408,788	839,973
2018/2019	Guaranteed Cost	958,573	N/A
2017/2018	Guaranteed Cost	877,064	N/A
2016/2017	Guaranteed Cost	873,457	N/A

*Estimated contribution. Loss elements are adjusted for 5 years

Alliance 2022/2023 Renewal
- Estimated payroll:
- $148,488,604
- Estimated contribution:
- $914,416
- 1.4% decrease, subject to final underwriting

PPA/TIP Balances
- Trust Prepaid Account Balance as of 5/31/2022
- $85,719
- Trust Investment Pool Balance as of 5/31/2022
- $40,638

Upcoming Dates: 2022/2023 Renewal
- June 30: 22/23 renewal forms due to the Trust
- July 20-22: AASBO Conference

F. Medical Claims/Financial Reports – Information – Jeremy Larson, Chris Marler, and Jennifer Sherman presented financial and health reports from Kairos Health Arizona
- Discussion of Large Claimants (7/1/2021 – 4/30/2022) 43.79% over $50K
- Plan Overview
  - 1,895 Employees

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- 2,635 Lives
- 42 Average Age
- Medical Plan Spend 18.62% increase over 20/21
  - Top 5 Providers: Scottsdale Healthcare Shea, Mayo, Scottsdale Osborn, John C Lincoln, Phoenix Children's
    - #1 Condition – Cancer at $1,466,942.25
- Pharmacy Spend 3.77% decrease over 20/21
  - Specialty is 52.7% of plan spend (4.6% greater than benchmark)

- COVID Reporting
  - Confirmed Diagnosis – Members 468 - $211,799 (2021) $119,801 (2022)
  - Testing – Members 1,094 - $189,663 (2021) $115,697 (2022)
  - Vaccines – Members 2,212 - $145,312 (2021) $20,669 (2022) District Honor Health Clinic not included in these numbers

G. Trust Financial Update – Information

Shannon Crosier presented the Checking and Investments Accounts for Fiscal Year 2021 and 2022 as of May 31, 2022.

- Accounts are growing on average. Total in each of the three accounts are:
  - Medical - $33,542,749.76
  - Property/Casualty - $ 9,655,572.03
  - Workman's Comp - $ 8,149,013.38

Tyler Tayrien from Wells Fargo is presenting the Financial Market Investment Update. Three investment accounts as of 5/31/2022:

- Worker's Compensation- 14 Securities/Accounts - 6.748 million (.79 Book Yield)
  - Unrealized Loss $ (188) without accrued Interest.
  - Cash Flow $3,773,000

- Property and Casualty – 15 Securities/Accounts - 7.633 million Portfolio Size (.99 Book Yield)
  - Unrealized Loss (179) without accrued Interest.
  - Cash Flow $3,922,000

- Medical- 58 Securities/Accounts - 30,056 million (.98% Book Yield)
  - Unrealized Loss ($578) without accrued Interest.
  - Cash Flow 147,259,000

H. Future Agenda Items – No future items

I. Adjournment

At **10:59** am, Eloy Yndigoyen Moved to adjourn the meeting. Valerie Shannon seconded the motion. The motion was approved with a vote of 3 – 0.

Dated this 16th day of June 2022.

DRAFT

Information/Discussion:

Property/Casualty/Worker's Comp Claims Report (ARRT)

Submitted by:

Shannon Crosier, Administrator

BACKGROUND:

Financial reports and presentations concerning Property/Casualty and Worker's Compensation from The Trust – Ryan Cole/Jessica Schuler

Scottsdale Unified School District Trust Board Meeting

Trust and Alliance

September 29, 2022

THE TRUST
ALLIANCE | SCIP

Note: Approval of membership in the three pools may be granted by the Scottsdale Governing Board.

Scottsdale USD Governing Board

Scottsdale USD Trust

THE TRUST

Property and liability coverage A.R.S. 11-952.01(A)

Coverages provided:

- General Liability
- Professional Liability
- Auto Liability
- Excess Liability
- Administrative Practices Liability
- Cyber Liability
- Auto Physical Damage
- All-Risk Property
- Commercial Crime
- Equipment Breakdown
- Storage Tank Liability
- Pre-Paid Legal Services
- Unemployment Insurance
- Pandemic Liability Coverage

22/23 premium: $2,147,843

ALLIANCE

Workers' compensation coverage A.R.S. 11-952.01(B)

Coverages provided:

- Workers' Compensation
- Employer's Liability

22/23 premium: $914,446 (est)

KAIROS HEALTH ARIZONA, INC.

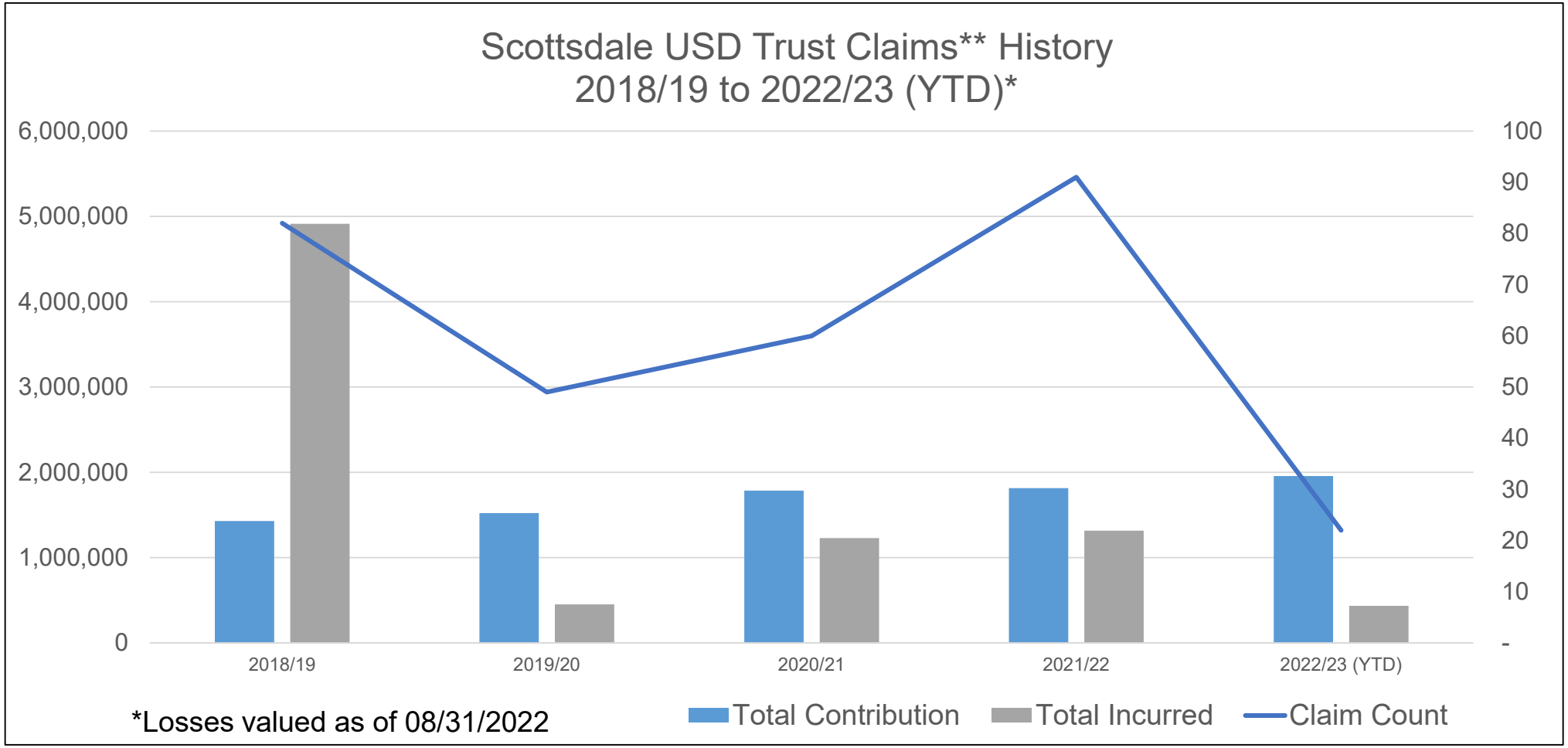
Health benefits coverage A.R.S. 11-952.01(C)

Coverages provided:

- Medical/Pharmacy
- Health Savings Account
- Dental
- Vision
- Basic Life Insurance
- Voluntary Life Insurance
- Accidental Death Insurance
- Short Term Disability
- Accident Insurance
- Hospital Indemnity
- Critical Illness
- Legal Assistance
- Pet Insurance
- Employee Assistance Program
- Cobra Administration
- Flexible Spending Account

22/23 premium: $17,701,135 (est)

Trust Claims



*Losses valued as of 08/31/2022

**Does not include Prepaid Legal

Trust Claims Summary for 2022/2023

- Total number of claims processed as of 8/31/2022:
  - 18
- Total incurred as of 8/31/2022:
  - $417,817

Trust Loyalty Credit: 2022/2023

- Opportunity to earn 5% back
  - Tier 1: 2%
  - Tier 2: 3%

Trust Loyalty Credit: 2022/2023

- Prerequisites:
  - Participate in core coverages
  - Membership for 3 consecutive years
  - Timely payment of annual contribution
  - Continued membership for 2023/2024

Trust Loyalty Credit: 2022/2023

- Tier 1: 2%
  - 3-year loss ratio of 80% or less

Trust Loyalty Credit: 2022/2023

- Tier 2: 3%
  - Viewing of Vector Solutions, K12 edition, by 20% of district's full-time equivalent employees
  - Attending at least one quarterly regional emergency preparedness consortium meeting
  - Attending a transportation Leadership in Training course
  - Completing a roof inspection checklist and providing the inspection/corrective action plan to the Trust

Trust Loyalty Credit: 2022/2023

- Tier 2: 3% (cont.)
  - Attending one of the Risk Management Summit events
  - Adopting MFA for all employees and all remote access connections
  - Conducting quarterly cyber-phishing and training campaigns
  - Participating in either the June 2022 or October 2023 Trust Leadership Academy

Trust Loyalty Credit: District History

Year	Amount Earned
2017/2018	$102,262
2018/2019	$77,481
2019/2020	$72,236
2020/2021	$191,030
2021/2022	$96,677
5-Year Total	**$539,686**

2023/2024 Cyber Conditions

- Communicated to members on September 1, 2022.
- Members have until June 2023 to show proof of compliance.
- Same requirements for basic and enhanced members.
- Help (funding and guidance) available from:
  - The Trust Cybersecurity Team
  - ADE/AZ Department of Homeland Security

Requirement	Trust Resource	ADE/ADHS Resource
Air gap backup (bi-annual testing)	Consulting	N/A
Phishing (quarterly)	Free	Grant
MFA (all employees)	Additional cost	Grant
Vulnerability scanning (quarterly)	Free	N/A
Endpoint detection and response software	Additional cost	Grant
Software patches	Consulting	Grant
End-of-life software	Consulting	Grant (inventory)

What's Next?

Webinar Topic	Webinar Date	Presenters
Vulnerability Scanning, Phishing, and ADE/AZ DHS Grants	10/5	Frank Bejar (Trust) Ryan Murray (AZDHS) Russell Deneault (Cartwright ESD)
Multi-factor Authentication, Air gap Backup,	10/26	Frank Bejar (Trust) David Sanders (Mesa USD)
End-point Detection and Response, End-of-Life Software, and Software Patching	11/9	Frank Bejar (Trust) George Gerardo (West-MEC)

Alliance Rating Retrospective Plan

- Scottsdale joined retro plan effective July 1, 2019
- Designed for members with a higher appetite for risk
- Member pays for losses and various expenses (admin, excess insurance, tax, contribution to surplus)

Alliance Contribution History

Year	Rating Model	Contribution
2017/2018	Guaranteed Cost	$877,064
2018/2019	Guaranteed Cost	$958,573
2019/2020	Retrospectively Rated	*$413,581
2020/2021	Retrospectively Rated	*$657,724
2021/2022	Retrospectively Rated	*$846,609
2022/2023	Retrospectively Rated	*$914,446

*Estimated contribution. Loss elements are adjusted for 5 years

Alliance Rating Retrospective Plan

2021/2022 retrospective rating program contribution

• Incurred Losses*	$597,902
• Unallocated Loss Adjustment Expense*	$101,178
• Administrative Expense	$74,393
• Excess Insurance and Tax Expense	$56,161
• Contribution to Net Position	$16,529
• **Total**	**$846,609**

*Loss rated at 90%

Alliance Rating Retrospective Plan

2021/2022 adjusted elements as of 06/30/2022:

- Incurred Losses $597,902 (budgeted $665,157)
- ULAE $101,178 (budgeted $112,559)

Alliance staff will continue to provide quarterly updates on Scottsdale's performance.

The final adjustment based on actual losses and payroll has been finalized.

PPA/TIP Balances

- Trust Prepaid Account Balance as of 08/31/2022
  - $14,527

- Trust Investment Pool Balance as of 08/31/2022
  - $40,761

Contact Information

Jessica Schuler

jschuler@the-trust.org
602.200.2405

Information/Discussion:

Kairos Health of Arizona Report

Submitted by:

Shannon Crosier, Administrator

BACKGROUND:

Presentation of financial and health reports from Kairos Health Arizona – Jeremy Larson

Scottsdale USD Benefit Plan Reporting

Reporting period 7/1/2021–6/30/2022

September 2022

KAIROS HEALTH ARIZONA, INC.

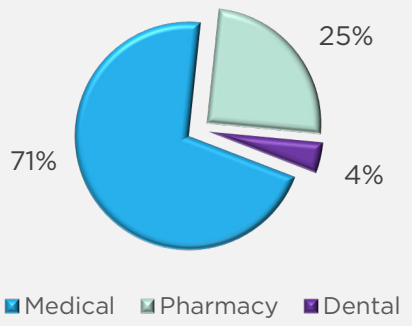
KAIROS HEALTH ARIZONA, INC.
In cooperation with the Trust

Scottsdale USD Management Dashboard
June 30, 2022

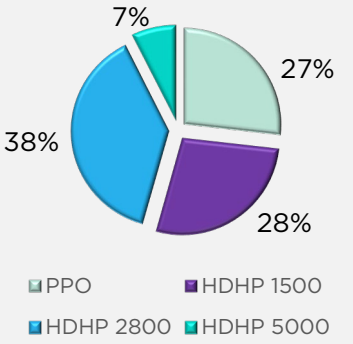
Financial Performance

	YTD Actual	YTD Budget	Favorable/ (Unfavorable)
Gross Contributions	$ 17,374,436	$ 16,664,342	4%
Less: Cost of Excess Insurance	(923,519)	$ (932,733)	1%
Less: Cost of Ancillary Insurance	(1,202,631)	(1,293,241)	7%
Less: Loss Expense	(17,148,913)	(14,998,574)	(14%)
Less: Administration & Other	(467,104)	(471,624)	1%
Non-Operating Revenue (Loss)[4]	430	-	100%
Net Income (Loss)[5]	$ (2,367,301)	$ (1,031,830)	(129%)

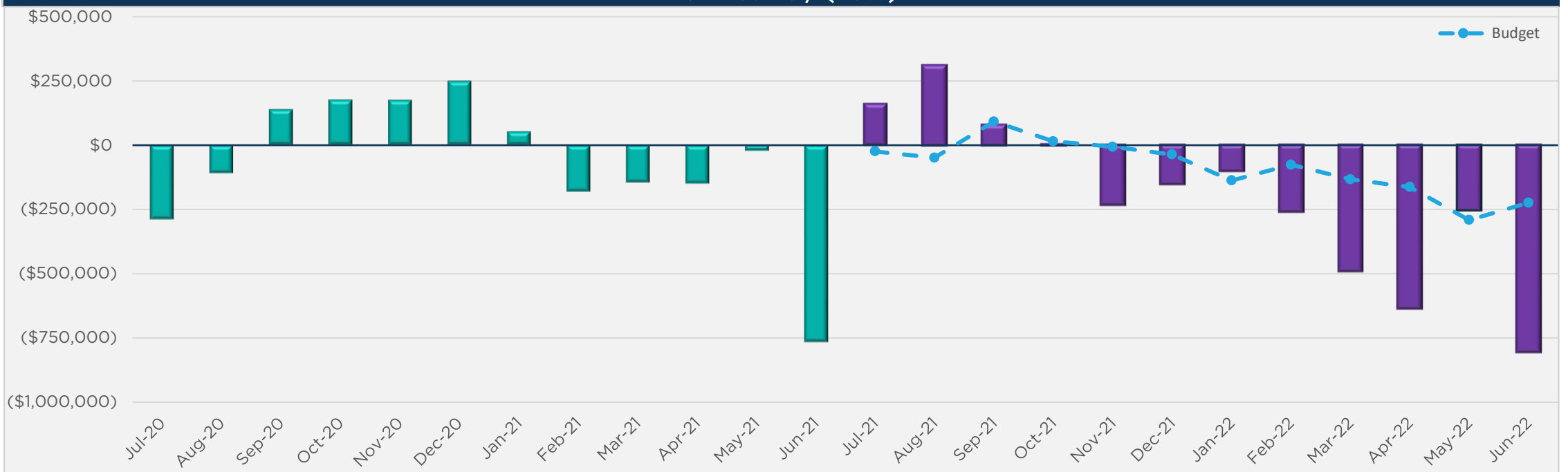
Cost by Program



Plan Participation



Net Income / (Loss)



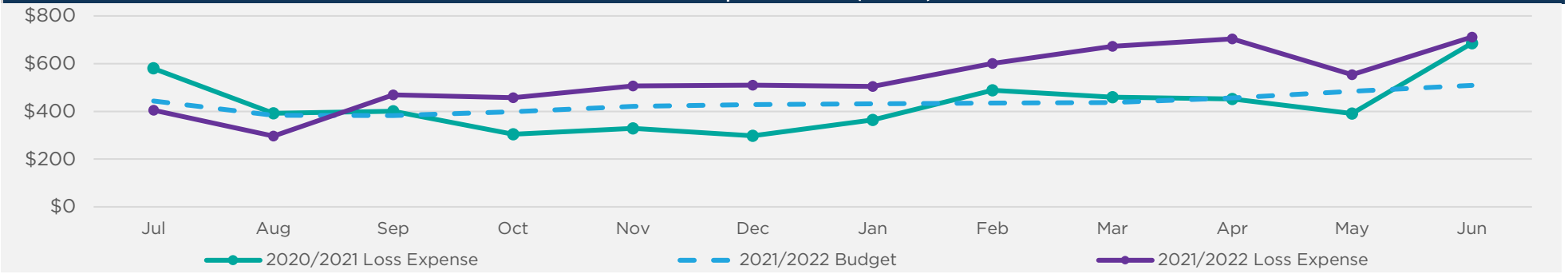
Loss Ratio[1]	Expense Ratio[2]	Combined Ratio[3]	YTD Decrease in Net Position	Net Position	YTD Net Investment Income (Loss)	Employees	Lives
112.3%	3.2%	115.5%	($2,367,301)	($1,241,833)	$430	1,887	2,628

[1] Calculated as (net incurred losses) + (loss adjusted expense) / (net contributions).
[2] Calculated as (non-loss expenses) / (net contributions). If loss adjusted expense is added to the expense ratio, it would represent a 5% increase to the ratio.
[3] Calculated as (loss ratio + expense ratio). Investment Income is not included in the calculation.
[4] Kairos does not budget for Self-Funded investment income.
[5] Due to Scottsdale USD holding a large medical trust balance, Scottsdale USD has strategically decided to limit annual rate increases to lower this trust balance.

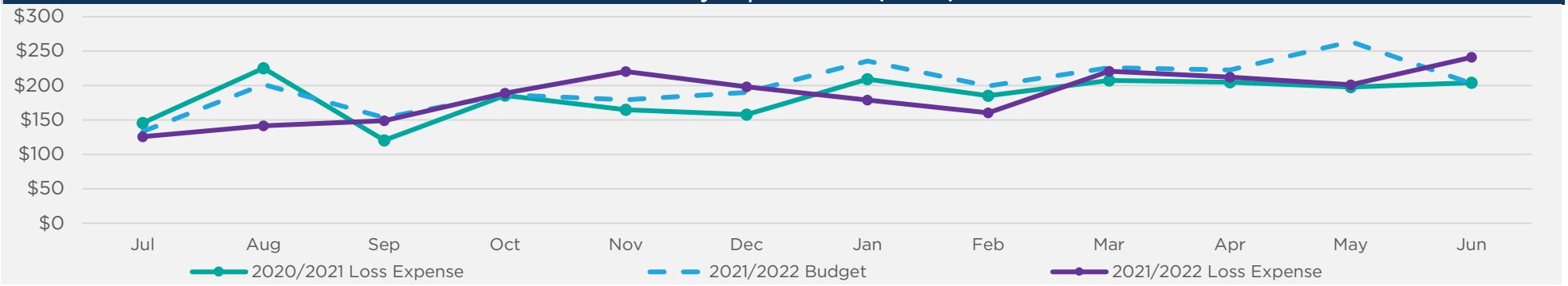
KAIROS HEALTH ARIZONA, INC.
In cooperation with the Trust

Scottsdale USD Management Dashboard
June 30, 2022

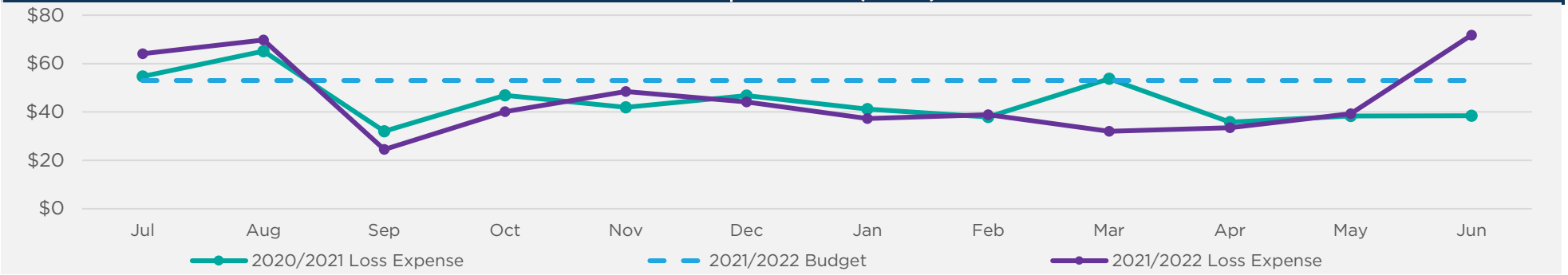
Medical Expense Paid (PEPM) [1,2]



Pharmacy Expense Paid (PEPM)[1]



Dental Expense Paid (PEPM)[1]



[1] Loss expense and budget excludes IBNR and Rx rebates.

[2] Figures do not include stop loss recoveries.

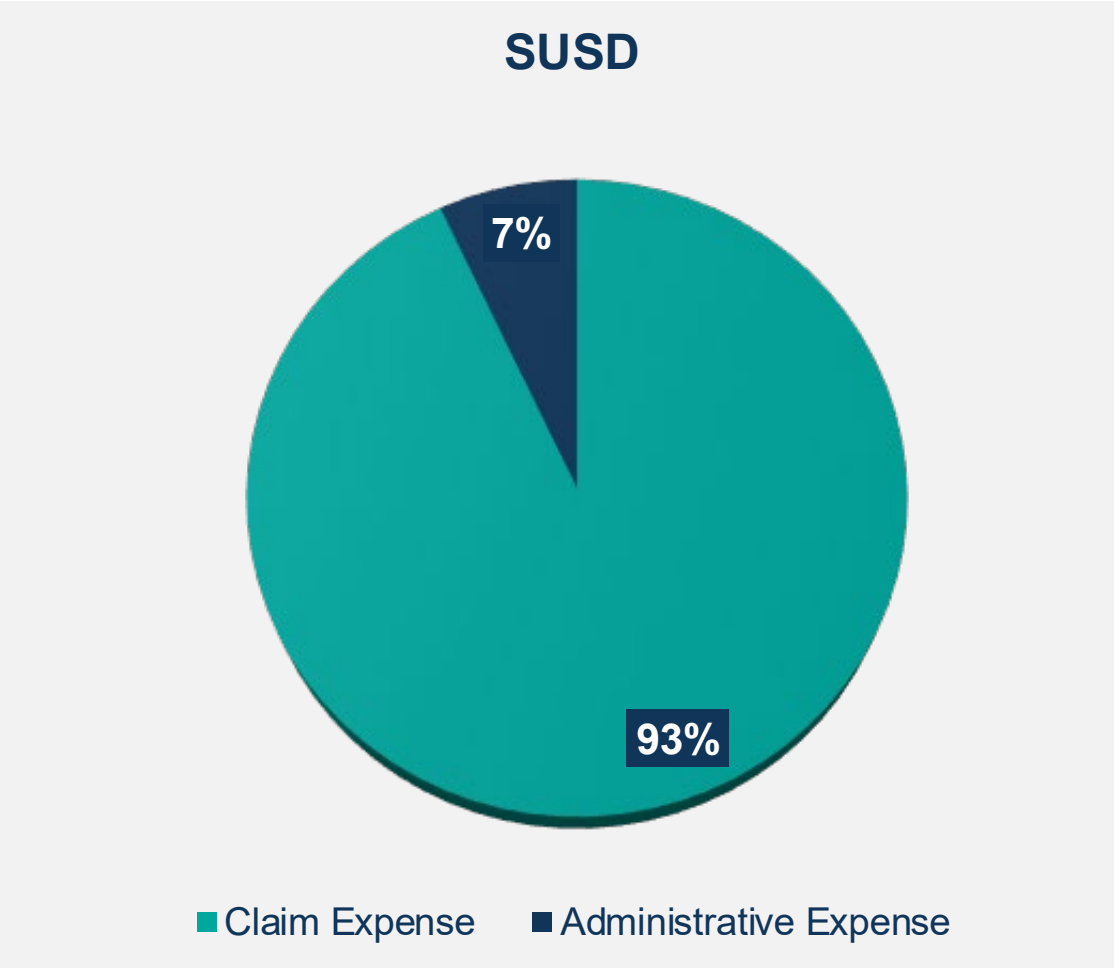
FINANCIAL PERFORMANCE

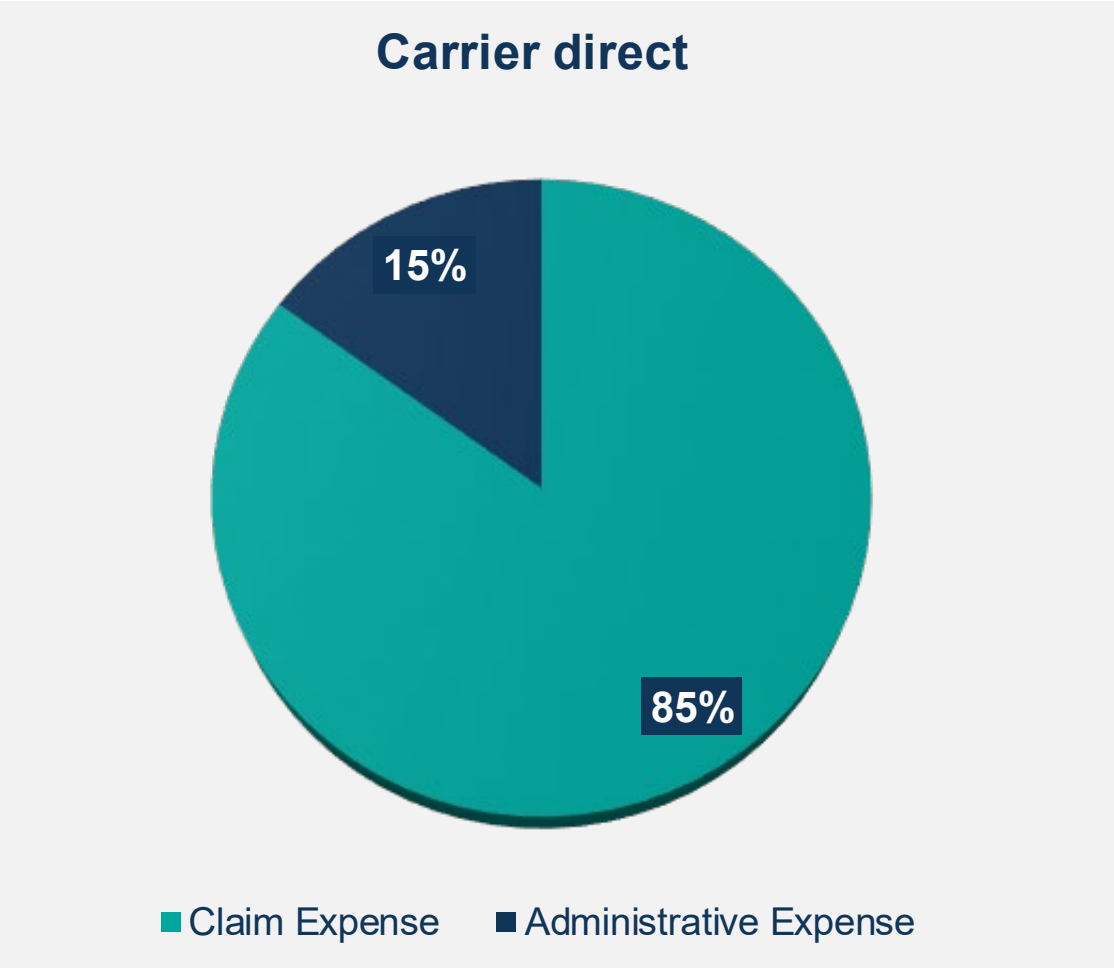
	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Contributions	$12,867,698	$13,807,147	$14,630,234	$15,023,435	$15,236,204	**$87,228,528**
Rate Change	-2.5%	6.0%	6.0%	0.0%	4.5%	**2.8%**
Contributions at 7.5%	$12,867,698	$14,842,683	$15,955,884	$17,152,575	$18,439,018	**$99,079,803**
Actual Net Income/(Loss)	($66,487)	$1,654,018	$2,363,481	($878,393)	($2,367,301)	**$705,318**

Average industry rate increase is 7.5%

KAIROS HEALTH ARIZONA, INC.

CONTRIBUTION BREAKDOWN





KAIROS HEALTH ARIZONA, INC.

EMPLOYEE CONTRIBUTIONS

EMPLOYEE ONLY TIER

	2017-18	2018-19	2019-20	2020-21	2021-22
PPO	$116.00	$120.83	$120.83	$120.83	$120.83
HDHP $1500	$25.00	$25.00	$0.00	$0.00	$0.00
HDHP $2600	$15.00	$15.00	$0.00	$0.00	$0.00
HDHP $5000	$0.00	$0.00	$0.00	$0.00	$0.00

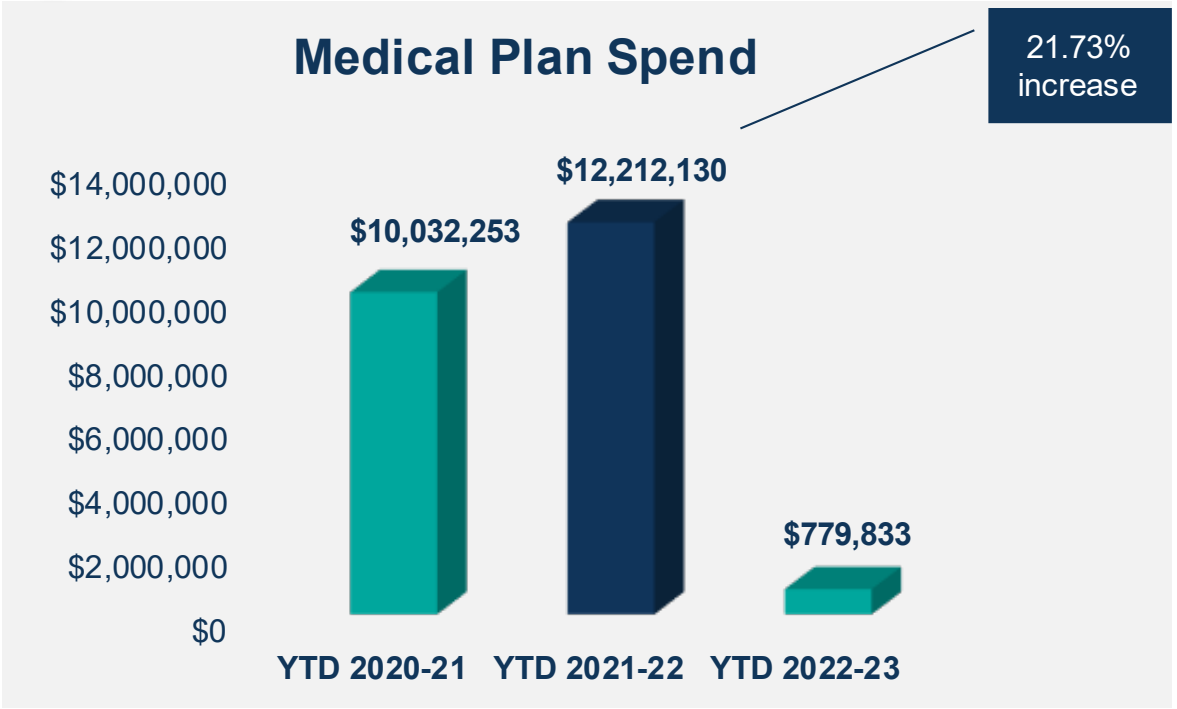
SAVINGS AND RECOVERIES
SCORECARD

Description	Date	Amount
Carrier duplicate billing error	2017-2018	$305,751
Rx rebate settlement	2017-2019	$513,863
Rx rebate credit	2017-2019	$499,500
Subrogation recovery	2017-2022	$80,788
Annual medical claims audit	2018-2021	$52,827
PBM implementation credit/refund	2019-2020	$58,196
PBM rebate return	2019-2022	$2,343,244
PBM copay solutions	2021-2022	$389,057
PBM formulary program (value alternatives)	2021-2022	$692,504
Network/claims admin. transition savings	2021-2022	$1,597,864
Network premium provider program	2021-2022	$127,158
PBM contract negotiation (3 year)	2022-2025	$1,166,138
Total		**$7,327,390**

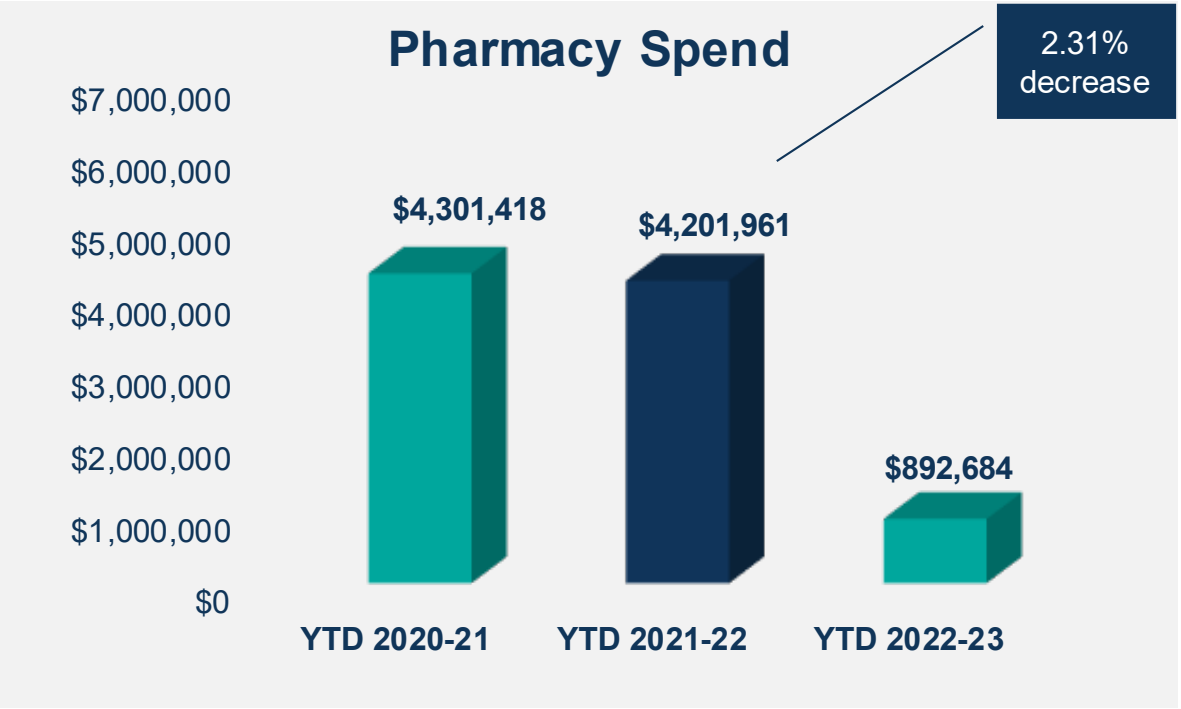
PLAN OVERVIEW

ENROLLMENT

1,887	2,628	41
employees	lives	Average age



National benchmark = 6% increase, Kairos benchmark = 2.9% increase

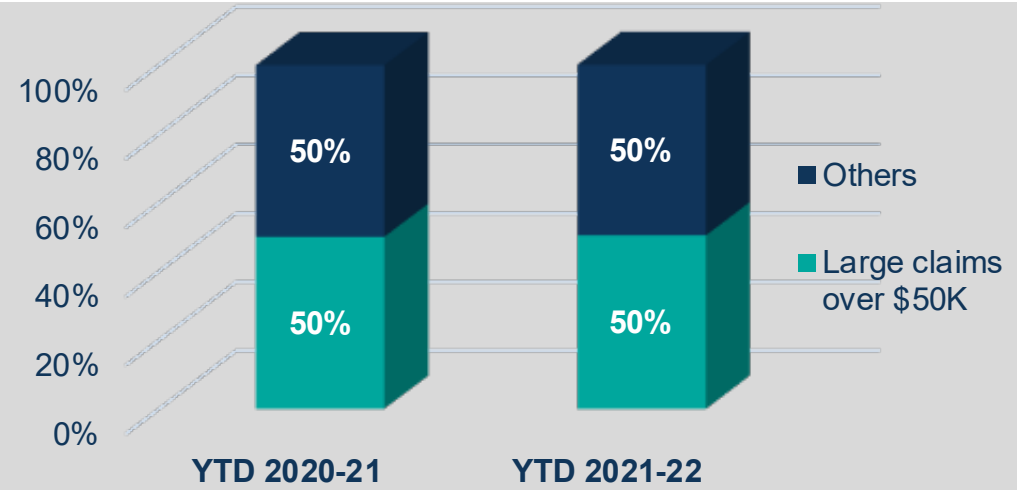


National benchmark = 12% increase, Kairos benchmark = 1.1% decrease

LARGE CLAIMS

Top 10	Total Paid
HIV and Cancer	$446,322
Stem Cell Transplant	$432,691
Aortic Aneurysm	$306,611
Cancer	$291,221
Breast Cancer	$289,290
Cancer	$279,538
Cancer	$276,462
Spinal Muscular Atrophy	$275,220
Pancreatic Cancer	$255,060
Sepsis	$248,651

PLAN SPEND



STATS

	YTD 2020-21	YTD 2021-22
Threshold	$50,000	$50,000
Number of claimants	57	70
Average cost	$129,984	$118,328

KAIROS HEALTH ARIZONA, INC.

MEDICAL SPEND

TOP 5 PROVIDERS

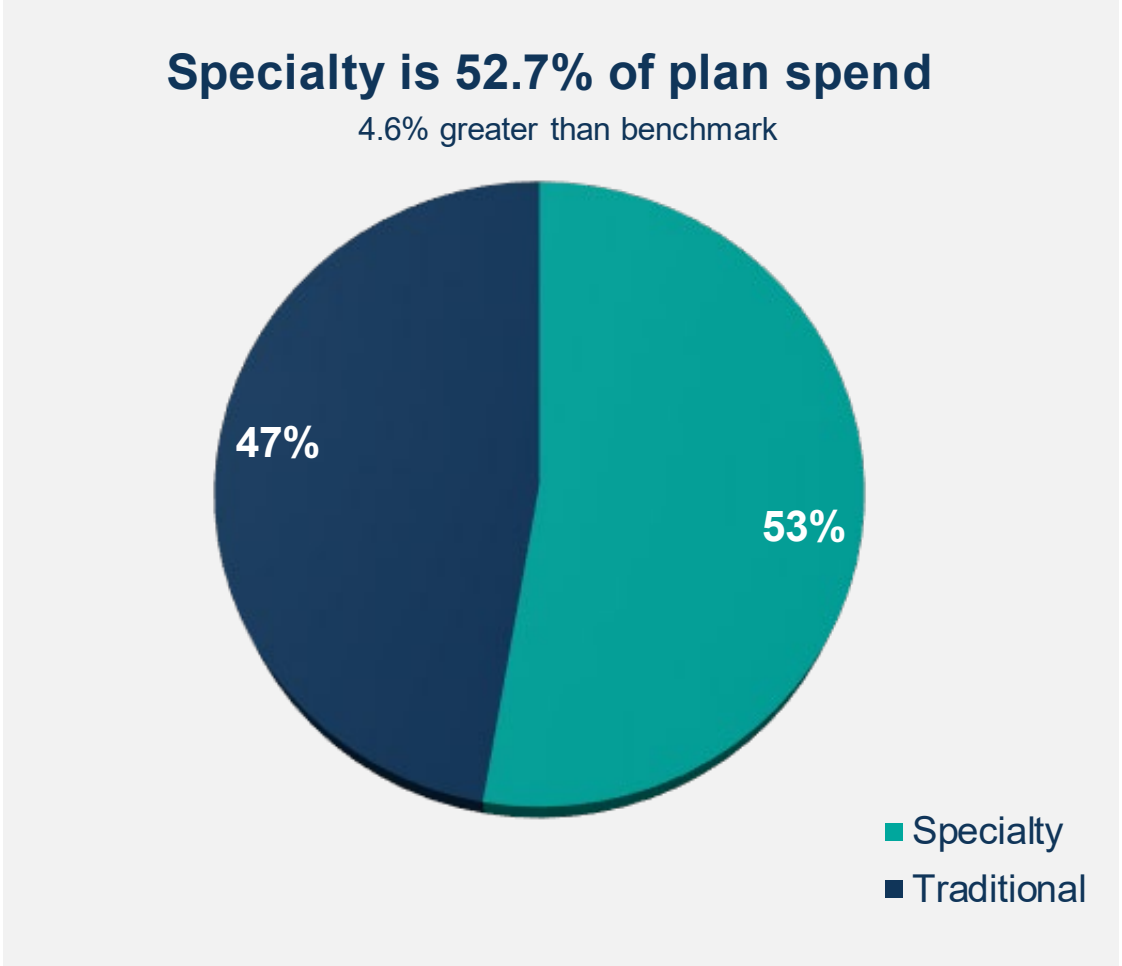
TOP 5 CONDITIONS

	YTD 2020-21	YTD 2021-22	Prior Rank
Cancer	$1,875,201	$1,852,388	1
Spine-related Disorders	$458,796	$1,008,248	7
Gastrointestinal Disorders	$1,145,983	$951,940	2
Screenings	$932,266	$928,646	3
Infections	$401,277	$817,650	9

PRESCRIPTION SPEND

Top 5 traditional classes
Diabetes
Allergy/Asthma/Cold
Mental Health
Hormonal Agents
Blood Modifiers

Top 5 specialty classes
Chronic Inflammatory Disease
Oncology
Orphan Drugs
HIV/AIDS
Multiple Sclerosis



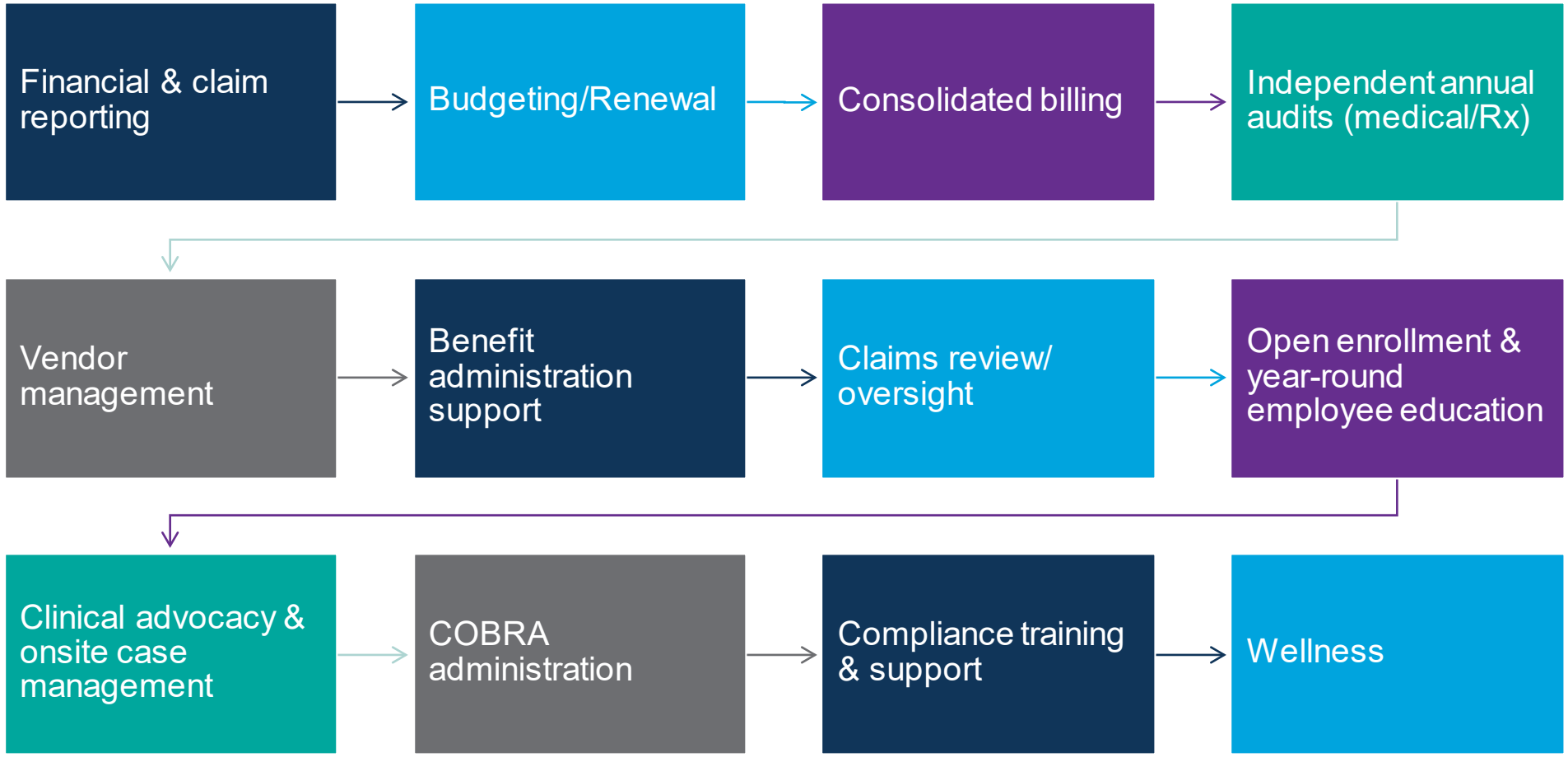
KAIROS HEALTH ARIZONA, INC.

CLINICAL CARE ADVOCACY

Participant Engagement						
Type of engagement	**Engaged participant count**	**Pending response**	**Declined engagement**	**Letter outreach**	**Unable to reach**	**Total attempts**
Proactive discharge campaign	35	4	4	4	10	57
High ER/UR utilizers	4	-	-	-	1	5
Clinical care navigation	18	-	-	-		18
Pharmacy coordination	11	1	-	-	1	13
Grand Total	**68**	**5**	**4**	**4**	**12**	**93**

KAIROS HEALTH ARIZONA, INC.

KAIROS: MORE THAN HEALTH INSURANCE



KAIROS HEALTH ARIZONA, INC.

EXECUTIVE SUMMARY

2017-2022

- SUSD has performed better than industry trend
  - Savings of $11.8M over 5 years
- Employee cost has remained stable
- Administrative expense is merely 7%
- Through various pool initiatives returned $7.3M to SUSD

KAIROS HEALTH ARIZONA, INC.

Information:

Investment Guidelines

Submitted by:

Shannon Crosier, Administrator

BACKGROUND:

In 2019, the District amended its Self-Insured Trust to include all insurance programs. When the new Trust was created, the Self-Insured Trust Board approved an investment guideline. The investment guidelines that may be implemented are very limited under Arizona law (A.R.S. § 35-313). The reserves may only be invested in certain investments (bonds, CDs, government investment pools). All reserves are invested with Wells Fargo. More minimal investments are also held by the District various insurance programs (Kairos, Alliance, and the Trust). The same restrictions apply to those accounts.

The guidelines as approved in 2019 are attached for review and discussion, A.R.S. § 35-313 is also attached as a refence.

Scottsdale Unified School – Self Insured Trust #48

Investment Guidelines

Scope

These guidelines apply to the investment of funds for Scottsdale Unified School District Self-Insurance Trust effective July 1, 2019.

Objectives

Investments for Scottsdale Unified shall be undertaken in a manner that seeks to ensure the preservation of capital, current income as necessary to meet the needs of Scottsdale Unified, and long-term growth of capital and income.

The investment portfolio of Scottsdale Unified shall be designed to attain a rate of return commensurate with the market average throughout budgetary and economic cycles, taking into account Scottsdale Unified' cash flow and liquidity requirements.

Investments shall be completed in a timely manner so as to minimize uninvested cash balances, unless such cash balances are necessary for liquidity needs.

In summary, Scottsdale Unified seeks to attain a competitive rate of return on its investments while meeting constraints imposed by its investment policies and cash flow considerations.

Prudence

The standard of prudent person shall be used by Scottsdale Unified' investment manager(s) while acting in accordance with the stated objective of the investment policy, and shall be applied in managing the investments. This prudent person standard requires that:

> Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived, in line with the objectives of Scottsdale Unified.

The investment portfolio is to be managed as a whole. Individual investments will not be evaluated in isolation, but rather in the context of an overall investment strategy.

Monitoring and adjusting the investment policies

Scottsdale Unified portfolio diversification will be routinely monitored by the investment manager(s). Investment manager(s) will submit suggested Scottsdale portfolio adjustments to the District's Chief Financial Officer for approval. Scottsdale portfolio adjustments will be reported at the Quarterly Trust Board Meeting.

Internal controls

The Chief Financial Officer shall adopt a system of internal written controls and procedures to prevent loss of funds due to fraud, error, and misrepresentation, or actions by investment manager(s) that fail to meet the prudent person standard defined above; provided, however, that the failure of Scottsdale administrator to adopt or implement such systems and such procedures shall not relieve the investment manager of any obligation under these investment policies or the investment procedures. Such controls and procedures shall be subject to Trust Board review and may be reviewed by internal or external auditors.

Reporting requirements

Investment statements shall be provided monthly and available for each quarterly meeting of the Trust Board. Investment statements shall describe investment instruments held as well as the amounts held. They shall also list all transactions made since the previous statement, current yield and estimated annual income. The investment manager will ensure that these statements are provided directly to the Trust Board from the custodian (currently, Wells Fargo).

The Trust Board may also request additional descriptive materials and reports from the investment managers as necessary.

During Scottsdale's quarterly Trust meetings, investment manager(s) will present quarterly investment reports. This report will compare monthly and quarterly returns with appropriate market indices. The report may suggest measures or policies that might improve Scottsdale's Trust Board investment policies or procedures.

Portfolio diversification

For money that is deemed to be public funds, Scottsdale will comply with the applicable restrictions found in the Arizona Revised Statutes Title A.R.S. 35-323. To avoid unreasonable risks inherent in over-weighting in certain instruments, individual financial institutions, geographic locations, type of industry or maturities, Scottsdale directs that its funds be invested pursuant to the following guidelines:

Diversification by Instrument	Maximum Percent of Pool Portfolio
Money market funds	100%
U.S. Treasury obligations (bills, notes and bonds)	100%
U.S. Government agency securities and instrumentalities of government sponsored corporations	100%
Certificates of Deposit (CD's) in commercial banks. (3)	100%
Corporate bonds, rated A3/A- or better by Moody's or Standard & Poor's, and an equivalent by a second NRSRO*. (1) (2) (4)	40%
Municipal Bonds rated A3/A- or better by Moody's or Standard and Poor's and an equivalent by a second NRSRO*. (1) (4)	40%

Notes:

1. Investment manager is instructed to invest no more than 10% of funds in bond securities of one corporate or municipal entity.
2. Up to 15% of funds may be invested in corporate bonds with ratings between, and including Baa1/BBB+ and Baa3/BBB- by Moody's or Standard & Poor's, and an equivalent by a second NRSRO*.
3. No more than the Federal Deposit Insurance Corporation insured value of $250,000 may be invested in a single certificate of deposit of any one issue.
4. Investment will be held until maturity.

*Nationally Recognized Statistical Rating Organization (NRSRO), registered with the United States Securities and Exchange Commission (SEC).

Approved at a lawfully convened meeting this 31 day of October, 2019.

TRUSTEES OF THE SCOTTSDALE UNIFIED SCHOOL DISTRICT OF MARICOPA COUNTY, ARIZONA SELF-INSURANCE TRUST

By: _____
Erika Coombs, Trustee (Chair)

_____
Jeff Gadd, Administrator

_____
Megan Burke, Trustee

_____
Sandy Kravetz, Trustee

_____
Wally Graham, Trustee

35-313. Investment of trust and treasury monies; loan of securities

A. The state treasurer shall invest and reinvest trust and treasury monies in any of the following items:

1. Obligations issued or guaranteed by the United States or any of its agencies, sponsored agencies, corporations, sponsored corporations or instrumentalities.

2. Repurchase agreements collateralized with securities that are authorized for investment pursuant to state law and that are purchased from authorized counterparties that have adequate capital and liquidity as determined by the state treasurer.

3. Bonds or other evidences of indebtedness of this state or any of the counties or incorporated cities, towns or duly organized school districts.

4. Commercial paper whose issuer is investment grade for short-term obligations by any two nationally recognized statistical rating organizations.

5. Bills of exchange or time drafts known as banker's acceptances that are drawn on and accepted by a commercial bank.

6. Negotiable certificates of deposit issued by a nationally or state-chartered bank or savings and loan association.

7. Bonds, debentures, notes or other evidences of indebtedness that are denominated in United States dollars and that carry an investment grade rating by a nationally recognized bond rating agency.

8. Securities of or any other interests in any open-end or closed-end management type investment company or investment trust, including exchange traded products whose underlying investments are invested in securities allowed by state law, registered under the investment company act of 1940 (54 Stat. 789; 15 United States Code sections 80a-1 through 80a-64), as amended. For any treasurer investment pool that seeks to maintain a constant share price, both of the following apply:

(a) The investment company or investment trust takes delivery of the collateral for any repurchase agreement either directly or through an authorized custodian.

(b) The investment policy of the investment company or investment trust includes seeking to maintain a constant share price.

9. Certificates of deferred property taxes as provided by section 42-17309.

10. Treasurer's warrant notes issued pursuant to section 35-185.01 or registered warrants of a county issued pursuant to section 11-605, if the yield is equal to or greater than yields on eligible investment instruments of comparable maturities.

11. Shares in the treasurer's local government investment pools pursuant to section 35-326 if investment policies of the pool seek to maintain a constant share price.

12. Shares in the treasurer's long-term local government investment pools, the terms of which are determined by the state board of investment, pursuant to section 35-326.01.

13. Subject to subsection D of this section, state transportation board funding obligations delivered pursuant to section 28-7678.

14. Deposits placed in accordance with the procedures prescribed in section 35-323.01.

15. Institutional common trust funds whose underlying investments are invested in securities allowed by state law.

16. Program funding obligations delivered by the credit enhancement eligibility board pursuant to section 41-5857.

B. In case of default or failure to honor a county treasurer's warrant, the state treasurer may withhold the first state shared revenues that would otherwise be distributed to the defaulting county in the amount necessary to honor the note, including accrued interest to and beyond the date of default.

C. The state treasurer may contract to loan securities owned by the trust funds and operating monies deposited in the investment pools pursuant to section 35-316, subsection B to the financial or dealer community through one or more of the entities listed in section 35-317, subsection A, or authorized by the board of investment pursuant to section 35-311, subsection E, if the borrower transfers collateral to the state treasurer or acting agent of the state in the form of cash or securities authorized for investment pursuant to state law. Collateral posted in the form of cash shall be in an amount equal to at least one hundred percent of the market value of the loaned securities as agreed. Collateral posted in the form of securities shall be in an amount of at least one hundred two percent of the market value of the loaned securities as established from time to time by the board of investment. The loaned securities shall be valued as to market value daily, and, if necessary, the borrower shall post additional collateral, as agreed, to ensure that the required margin is maintained. The state treasurer may collect from the borrower all dividends, interest, premiums, rights and other distributions to which the lender of securities would otherwise be entitled. The state treasurer may terminate the contract on at least five business days' notice, as agreed, and the borrower may terminate the contract on at least two business days' notice, as agreed.

D. The state treasurer shall invest operating monies in state transportation board funding obligations delivered pursuant to section 28-7678 pursuant to the following:

1. The state treasurer shall liquidate investments of operating monies if necessary to invest in state transportation board funding obligations, except that if operating monies in the state general fund fall below an $800,000,000 average over the previous twelve consecutive months, the state treasurer is not required to purchase state transportation board funding obligations pursuant to this subsection.

2. Each series of state transportation board funding obligations shall bear interest at a fixed interest rate equal to the mean bid-ask price of the United States treasury obligation with a maturity date closest to the maturity date of the state transportation board funding obligation as determined by the pricing system used by the state treasurer before the date the state treasurer receives a certificate from the state transportation board that states the board's determination to deliver an obligation to the state treasurer and the anticipated delivery date of the obligation. The delivery date shall be between fifteen and sixty days after the day the state treasurer receives the certificate.

3. The state treasurer shall notify the state transportation board and the director of the department of transportation in writing when the operating monies fall below $400,000,000. If operating monies fall below $200,000,000, the state treasurer may call the investment in the state transportation board funding obligations in $25,000,000 increments up to the amount that the operating monies are below $200,000,000. The state treasurer shall give the state transportation board and the director of the department of transportation at least fifteen days' notice of the call.

Information:

Scottsdale Unified School District Trust Financial Update

Submitted by:

Shannon Crosier, Chief Financial Officer/ Trust Administrator

RECOMMENDATION:

Shannon Crosier, Chief Financial Officer/ Trust Administrator will present a review of the investment accounts for Fiscal Year 2021- 2022 as of June 30, 2022 and Fiscal Year 2022-2023 as of August 31, 2022. Wells Fargo will then follow up with a financial market forecast.

Self-Insurance Trust Balances
Fiscal Year 2021-2022
As of June 30, 2022

Checking

	Medical Insurance	Property/Casualty	Workmans Comp	Total
Beginning Balance (July 1, 2021)	$ 2,050,845.18	$ 189,738.80	$ 1,547,117.99	$ 3,787,701.97
Revenue YTD	$ 18,969,542.06	$ 1,627,174.85	$ 1,210,470.37	$ 21,807,187.28
Expenditures YTD	$ 20,371,775.82	$ 1,806,790.84	$ 1,176,655.36	$ 23,355,222.02
Ending Balance	$ 648,611.42	$ 10,122.81	$ 1,580,933.00	$ 2,239,667.23

Investment Accounts

	Medical Insurance	Property/Casualty	Workmans Comp	Total
Beginning Balance (July 1, 2021)	$ 30,104,127.16	$ 9,453,991.78	$ 6,718,620.97	$ 46,276,739.91
Deposits & Withdraws	$ (967,278.79)	$ (1,855,250.85)	$ (232,336.54)	$ (3,054,866.18)
Interest	$ 254,696.46	$ 74,628.87	$ 46,862.28	$ 376,187.61
Mutal Funds Dividends	$ 6,974.15	$ 1,528.84	$ 1,732.94	$ 10,235.93
Ending Balance	$ 29,398,518.98	$ 7,674,898.64	$ 6,534,879.65	$ 43,608,297.27

Total All Accounts	$ 30,047,130.40	$ 7,685,021.45	$ 8,115,812.65	$ 45,847,964.50

Year-Over-Year Balance Change	$ (2,107,841.94)	$ (1,958,709.13)	$ (149,926.31)	$ (4,216,477.38)

Self-Insurance Trust Balances
Fiscal Year 2021-2022
As of August 31, 2022

Checking

	Medical Insurance	Property/Casualty	Workmans Comp	Total
Beginning Balance (July 1, 2022)	$ 648,611.42	$ 10,122.81	$ 1,580,933.00	$ 2,239,667.23
Revenue YTD	$ 10,668,287.03	$ 1,976,000.00	$ 118,931.30	$ 12,763,218.33
Expenditures YTD	$ 503,487.61	$ 1,976,166.00	$ -	$ 2,479,653.61
Ending Balance	$ 10,813,410.84	$ 9,956.81	$ 1,699,864.30	$ 12,523,231.95

Investment Accounts

	Medical Insurance	Property/Casualty	Workmans Comp	Total
Beginning Balance (July 1, 2021)	$ 29,398,518.98	$ 7,674,898.64	$ 6,534,879.65	$ 43,608,297.27
Deposits & Withdraws	$ (30,603.29)	$ (1,992,481.91)	$ (574.32)	$ (2,023,659.52)
Interest	$ 43,895.51	$ 2,441.81	$ 5,524.99	$ 51,862.31
Mutal Funds Dividends	$ 20,520.57	$ 4,078.94	$ 4,854.21	$ 29,453.72
Ending Balance	$ 29,432,331.77	$ 5,688,937.48	$ 6,544,684.53	$ 41,665,953.78

Total All Accounts	$ 40,245,742.61	$ 5,698,894.29	$ 8,244,548.83	$ 54,189,185.73

Year-Over-Year Balance Change	$ 10,198,612.21	$ (1,986,127.16)	$ 128,736.18	$ 8,341,221.23

Scottsdale USD Medical

Analysis Date:	9/9/2022
Portfolio as of:	8/31/2022
Market Data as of:	8/31/2022

Tyler Tayrien
602-378-4006
tyler.tayrien@wellsfargo.com

Confidential-For Discussion and General Information Purposes Only

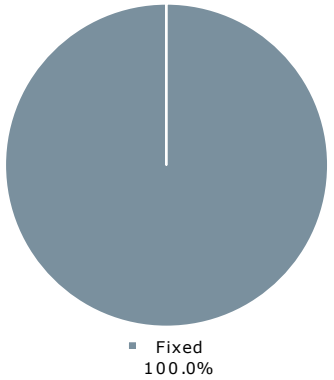
Portfolio Summary

Portfolio Snapshot	
Number of Positions	54
Par ($000)	30,159
Book Value ($000)	30,156
Mkt Value w/o Accrd ($000)	29,432
Unrlzed Gain / Loss ($000)	(724)
Coupon	1.06

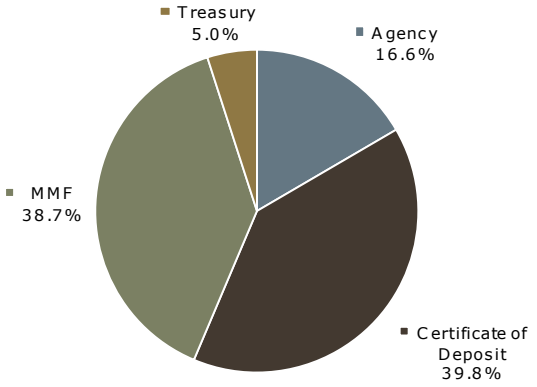
Characteristics	
Book Yield	1.43
Market Yield	2.81
Wgt Avg Maturity	1.0
Average Life	1.0
Effective Duration	1.0
Effective Convexity	0.0

12M Projected Cash Flow ($000)	
Overnight Funds Principal	11,661
Overnight Funds Interest	1
Term Securities Principal	7,250
Term Securities Interest	176
Total Cash Flow	19,087

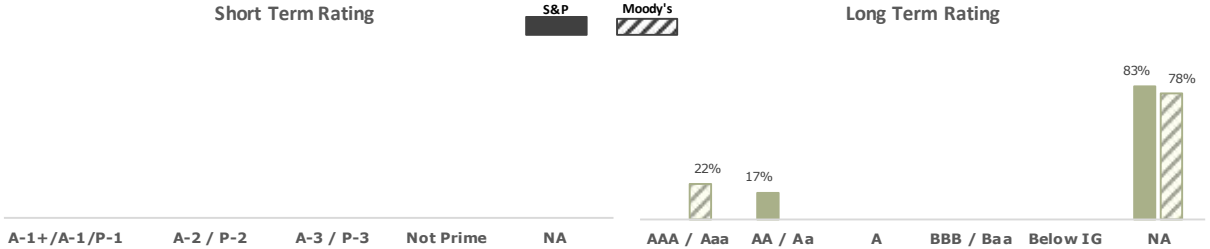
Coupon Structure



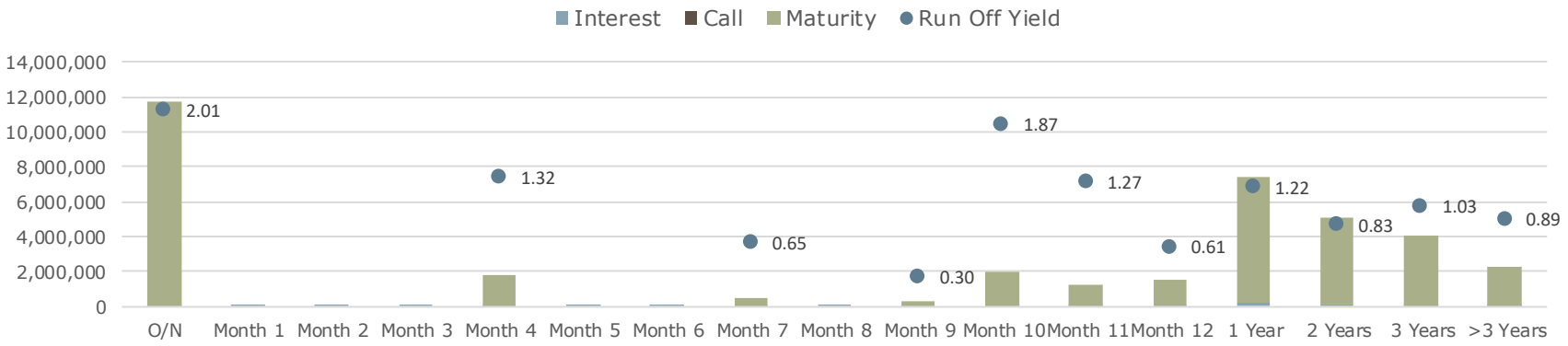
Portfolio Allocation



Credit Exposure



Cash Flow Projections*



*Cash Flow Projections Chart - 1 Year Cash flow does not include O/N Cash Flow or Run Off Yield

Cash Flow Projections

Time Period	Date	Interest ($)	Call ($)	Maturity ($)	Run Off Yield (%)	Monthly Total ($)	Cumulative Total ($)
O/N		642	0	11,660,816	2.01	11,661,458	11,661,458
	Sep-22	7,323	0	0	0.00	7,323	11,668,781
	Oct-22	9,010	0	0	0.00	9,010	11,677,791
	Nov-22	24,860	0	0	0.00	24,860	11,702,651
	Dec-22	29,073	0	1,750,000	1.32	1,779,073	13,481,724
	Jan-23	12,041	0	0	0.00	12,041	13,493,765
	Feb-23	11,141	0	0	0.00	11,141	13,504,907
	Mar-23	5,167	0	500,000	0.65	505,167	14,010,074
	Apr-23	6,510	0	0	0.00	6,510	14,016,584
	May-23	22,360	0	250,000	0.30	272,360	14,288,944
	Jun-23	26,385	0	2,000,000	1.87	2,026,385	16,315,329
	Jul-23	11,619	0	1,250,000	1.27	1,261,619	17,576,948
Year 1	Aug-23	10,173	0	1,500,000	0.61	1,510,173	19,087,120
	Sep-23	3,968	0	0	0.00	3,968	19,091,089
	Oct-23	5,843	0	1,000,000	0.56	1,005,843	20,096,932
	Nov-23	21,708	0	500,000	1.59	521,708	20,618,640
	Dec-23	4,093	0	750,000	0.20	754,093	21,372,733
	Jan-24	7,406	0	0	0.00	7,406	21,380,139
	Feb-24	6,218	0	1,000,000	0.91	1,006,218	22,386,357
	Mar-24	3,104	0	0	0.00	3,104	22,389,461
	Apr-24	3,104	0	0	0.00	3,104	22,392,565
	May-24	20,141	0	0	0.00	20,141	22,412,706
	Jun-24	3,093	0	1,249,000	0.40	1,252,093	23,664,800
	Jul-24	6,625	0	500,000	2.13	506,625	24,171,424
Year 2	Aug-24	2,760	0	0	0.00	2,760	24,174,185
	Sep-24	2,263	0	1,249,000	1.25	1,251,263	25,425,448
	Oct-24	750	0	0	0.00	750	25,426,198
	Nov-24	17,788	0	0	0.00	17,788	25,443,985
	Dec-24	750	0	0	0.00	750	25,444,735
	Jan-25	1,938	0	0	0.00	1,938	25,446,673
	Feb-25	1,250	0	500,000	0.35	501,250	25,947,923
	Mar-25	688	0	0	0.00	688	25,948,610
	Apr-25	688	0	0	0.00	688	25,949,298
	May-25	17,725	0	2,000,000	1.16	2,017,725	27,967,023
	Jun-25	688	0	0	0.00	688	27,967,710
	Jul-25	1,986	0	250,000	0.55	251,986	28,219,696
Year 3	Aug-25	573	0	0	0.00	573	28,220,269

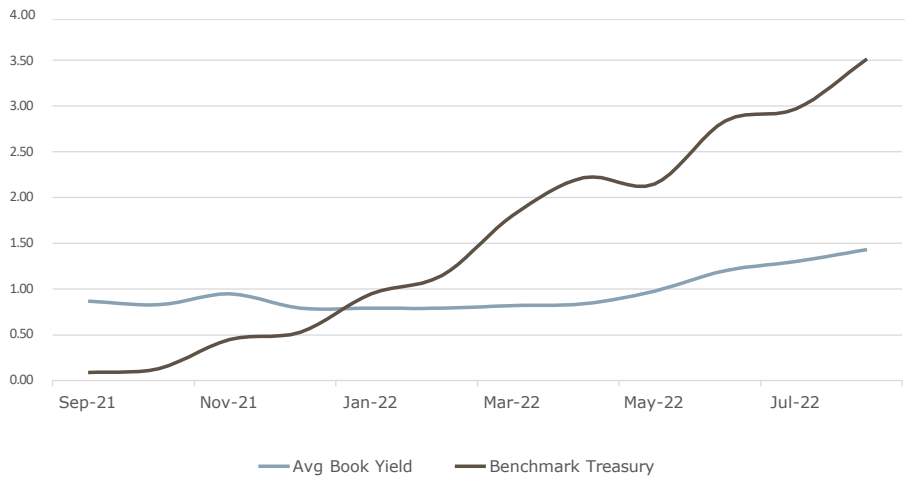
Cash Flow Projections - Continued

Time Period	Date	Interest ($)	Call ($)	Maturity ($)	Run Off Yield (%)	Monthly Total ($)	Cumulative Total ($)
	Sep-25	573	0	0	0.00	573	28,220,842
	Oct-25	573	0	0	0.00	573	28,221,415
	Nov-25	6,000	0	500,000	0.83	506,000	28,727,415
	Dec-25	417	0	250,000	0.75	250,417	28,977,831
	Jan-26	1,448	0	0	0.00	1,448	28,979,279
	Feb-26	260	0	0	0.00	260	28,979,540
	Mar-26	260	0	250,000	0.50	250,260	29,229,800
	Apr-26	156	0	0	0.00	156	29,229,956
	May-26	4,469	0	0	0.00	4,469	29,234,425
	Jun-26	156	0	0	0.00	156	29,234,581
	Jul-26	1,344	0	500,000	0.85	501,344	29,735,925
Year 4	Aug-26	0	0	0	0.00	0	29,735,925
	Sep-26	0	0	0	0.00	0	29,735,925
	Oct-26	0	0	0	0.00	0	29,735,925
	Nov-26	4,313	0	750,000	1.15	754,313	30,490,238
	Dec-26	0	0	0	0.00	0	30,490,238
	Jan-27	0	0	0	0.00	0	30,490,238
	Feb-27	0	0	0	0.00	0	30,490,238
	Mar-27	0	0	0	0.00	0	30,490,238
	Apr-27	0	0	0	0.00	0	30,490,238
	May-27	0	0	0	0.00	0	30,490,238
	Jun-27	0	0	0	0.00	0	30,490,238
	Jul-27	0	0	0	0.00	0	30,490,238
Year 5	Aug-27	0	0	0	0.00	0	30,490,238

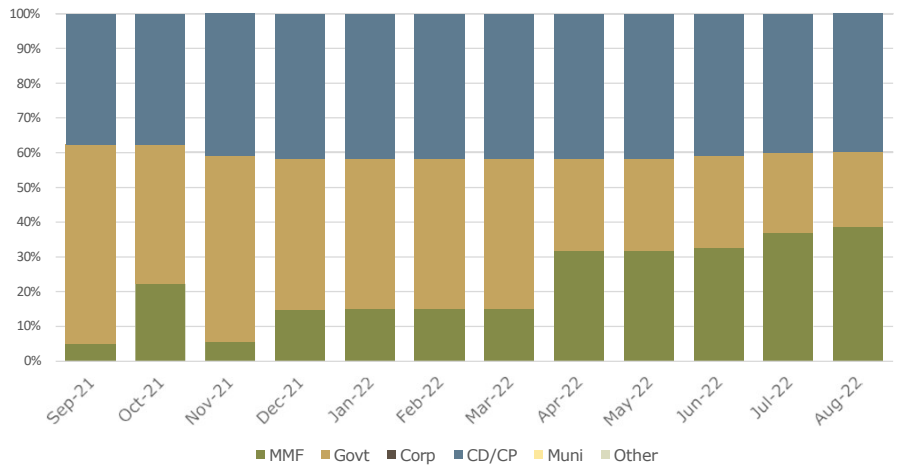
Historical Performance

Date	# Line Items	Avg Coupon	Total Par ($000)	G / L	Avg Bk Yield	Avg Mkt Yield	Bnchmrk Tsy Yield	Wgt Avg Maturity	Eff Dur	Ratings		Portfolio Allocation*					
										Moody's	S&P	MMF	Govt	Corp	CD/CP	Muni	Other
08/31/22	54	1.06	30,159	(724)	1.43	2.81	3.51	1.0	1.0	Aaa	AA+	39%	22%	0%	40%	0%	0%
07/31/22	55	1.30	30,123	(683)	1.30	2.53	2.97	1.1	1.0	Aaa	AA+	37%	23%	0%	40%	0%	0%
06/30/22	57	1.20	30,094	(693)	1.20	2.34	2.83	1.1	1.1	Aaa	AA+	33%	27%	0%	41%	0%	0%
05/31/22	58	0.97	30,056	(578)	0.98	1.78	2.15	1.2	1.1	Aaa	AA+	32%	27%	0%	42%	0%	0%
04/30/22	58	0.84	30,030	(578)	0.84	1.59	2.22	1.3	1.2	Aaa	AA+	32%	27%	0%	42%	0%	0%
03/31/22	59	0.82	30,021	(447)	0.82	1.42	1.81	1.3	1.2	Aaa	AA+	15%	43%	0%	42%	0%	0%
02/28/22	59	0.79	30,012	(219)	0.79	0.96	1.15	1.4	1.3	Aaa	AA+	15%	43%	0%	42%	0%	0%
01/31/22	59	0.79	30,001	(65)	0.79	0.71	0.95	1.5	1.4	Aaa	AA+	15%	43%	0%	42%	0%	0%
12/31/21	59	0.79	29,970	64	0.79	0.53	0.53	1.5	1.4	Aaa	AA+	15%	43%	0%	42%	0%	0%
11/30/21	59	0.94	29,917	2,361	0.95	0.40	0.45	1.6	1.7	Aaa	AA+	6%	53%	0%	41%	0%	0%
10/31/21	52	0.84	29,898	146	0.83	0.31	0.13	1.1	1.0	Aaa	AA+	22%	40%	0%	38%	0%	0%
09/30/21	53	0.88	29,883	190	0.87	0.23	0.09	1.4	1.1	Aaa	AA+	5%	57%	0%	38%	0%	0%

Book Yield vs. Treasury Benchmark



Portfolio Allocation*



* Portfolio Allocation is a new addition to portfolio analysis. Data will be added over time.

Positions by Maturity - Scenario Analysis

								Market Price (%Δ)					Book Yield						Effective Duration					
ID	CUSIP	Issuer	% Port	Cpn	Final Maturity	Par	WAM	DN DN 50	DN DN 25	UP UP 25	UP UP 50	UP UP 75	DN DN 50	DN DN 25	Base Case	UP UP 25	UP UP 50	UP UP 75	DN DN 50	DN DN 25	Base Case	UP UP 25	UP UP 50	UP UP 75
1	52470G791	Western Asset Institutional Go	39%			11,660,816	0.0	0.0	0.0	0.0	0.0	(0.0)	2.01	2.01	2.01	2.01	2.01	2.01	0.0	0.0	0.0	0.0	0.0	0.0
2	13005CAR2	CALIFORNIA BK OF COMMERC	1%	0.10	12/05/22	250,000	0.3	0.1	0.1	(0.1)	(0.1)	(0.2)	0.10	0.10	0.10	0.10	0.10	0.10	0.3	0.3	0.3	0.3	0.3	0.3
4	51210SQX8	LAKESIDE BANK	1%	1.65	12/20/22	250,000	0.3	0.2	0.1	(0.1)	(0.2)	(0.2)	1.66	1.66	1.66	1.66	1.66	1.66	0.3	0.3	0.3	0.3	0.3	0.3
3	02357QAF4	AMERANT BANK NA	1%	1.85	12/20/22	250,000	0.3	0.2	0.1	(0.1)	(0.2)	(0.2)	1.86	1.86	1.86	1.86	1.86	1.86	0.3	0.3	0.3	0.3	0.3	0.3
5	020080BN6	ALMA BANK	1%	1.70	12/23/22	250,000	0.3	0.2	0.1	(0.1)	(0.2)	(0.2)	1.71	1.71	1.71	1.71	1.71	1.71	0.3	0.3	0.3	0.3	0.3	0.3
6	91630PAT8	UPPER PENINSULA STATE BK	1%	1.65	12/27/22	250,000	0.3	0.2	0.1	(0.1)	(0.2)	(0.2)	1.66	1.66	1.66	1.66	1.66	1.66	0.3	0.3	0.3	0.3	0.3	0.3
7	32112UDL2	FNB OF MCGREGOR TX	1%	1.70	12/30/22	250,000	0.3	0.2	0.1	(0.1)	(0.2)	(0.2)	1.71	1.71	1.71	1.71	1.71	1.71	0.3	0.3	0.3	0.3	0.3	0.3
8	59013KEL6	MERRICK BANK	1%	1.80	12/30/22	250,000	0.3	0.2	0.1	(0.1)	(0.2)	(0.3)	1.81	1.81	1.81	1.81	1.81	1.81	0.3	0.3	0.3	0.3	0.3	0.3
9	27002YEV4	EAGLEBANK	1%	1.65	03/06/23	250,000	0.5	0.3	0.1	(0.1)	(0.3)	(0.4)	1.66	1.66	1.66	1.66	1.66	1.66	0.5	0.5	0.5	0.5	0.5	0.5
10	856285VA6	STATE BANK OF INDIA	1%	0.15	03/13/23	250,000	0.5	0.3	0.1	(0.1)	(0.3)	(0.4)	0.15	0.15	0.15	0.15	0.15	0.15	0.5	0.5	0.5	0.5	0.5	0.5
11	47804GHE6	JOHN MARSHALL BANK	1%	0.30	05/30/23	250,000	0.7	0.4	0.2	(0.2)	(0.4)	(0.6)	0.30	0.30	0.30	0.30	0.30	0.30	0.7	0.7	0.7	0.7	0.7	0.7
12	3133834G3	FEDERAL HOME LOAN BANK	7%	2.13	06/09/23	2,000,000	0.8	0.4	0.2	(0.2)	(0.4)	(0.6)	1.87	1.87	1.87	1.87	1.87	1.87	0.8	0.8	0.8	0.8	0.7	0.7
13	29278TJX9	REGIONS BANK	1%	2.30	07/21/23	250,000	0.9	0.4	0.2	(0.2)	(0.4)	(0.6)	2.31	2.31	2.31	2.31	2.31	2.31	0.9	0.9	0.9	0.9	0.9	0.9
14	32114LBT5	FIRST NAT BANK PARAGOULD	1%	0.15	07/28/23	250,000	0.9	0.4	0.2	(0.2)	(0.4)	(0.7)	0.15	0.15	0.15	0.15	0.15	0.15	0.9	0.9	0.9	0.9	0.9	0.9
15	90348JR28	UBS BANK USA	1%	0.25	07/28/23	250,000	0.9	0.4	0.2	(0.2)	(0.4)	(0.7)	0.25	0.25	0.25	0.25	0.25	0.25	0.9	0.9	0.9	0.9	0.9	0.9
16	912828S92	US TREASURY N/B	2%	1.25	07/31/23	500,000	0.9	0.4	0.2	(0.2)	(0.4)	(0.7)	1.83	1.83	1.83	1.83	1.83	1.83	0.9	0.9	0.9	0.9	0.9	0.9
17	3133EL3E2	FEDERAL FARM CREDIT BANK	3%	0.32	08/10/23	1,000,000	0.9	0.5	0.2	(0.2)	(0.5)	(0.7)	0.50	0.50	0.50	0.50	0.50	0.50	0.9	0.9	0.9	0.9	0.9	0.9
18	45383UUR4	INDEPENDENT BK/MEMPHIS	1%	0.20	08/11/23	250,000	0.9	0.5	0.2	(0.2)	(0.5)	(0.7)	0.20	0.20	0.20	0.20	0.20	0.20	0.9	0.9	0.9	0.9	0.9	0.9
19	549104NH6	LUANA SAVINGS BANK	1%	1.50	08/28/23	250,000	1.0	0.5	0.2	(0.2)	(0.5)	(0.7)	1.50	1.50	1.50	1.50	1.50	1.50	1.0	1.0	1.0	1.0	1.0	1.0
Year 1			**63%**	**1.30**		**18,910,816**	**0.3**	**0.1**	**0.1**	**(0.1)**	**(0.1)**	**(0.2)**	**1.74**	**1.74**	**1.74**	**1.74**	**1.74**	**1.74**	**0.3**	**0.3**	**0.3**	**0.3**	**0.3**	**0.3**
20	91282CDD0	US TREASURY N/B	3%	0.38	10/31/23	1,000,000	1.2	0.6	0.3	(0.3)	(0.6)	(0.8)	0.56	0.56	0.56	0.56	0.56	0.56	1.1	1.1	1.1	1.1	1.1	1.1
21	06426KBL1	BANK OF NEW ENGLAND NH	1%	2.10	11/27/23	250,000	1.2	0.6	0.3	(0.3)	(0.6)	(0.9)	2.11	2.11	2.11	2.11	2.11	2.11	1.2	1.2	1.2	1.2	1.2	1.2
22	947547NM3	WEBBANK	1%	0.55	11/29/23	250,000	1.2	0.6	0.3	(0.3)	(0.6)	(0.9)	0.55	0.55	0.55	0.55	0.55	0.55	1.2	1.2	1.2	1.2	1.2	1.2
23	320055CG9	FIRST CREDIT BANK	1%	0.15	12/04/23	250,000	1.3	0.6	0.3	(0.3)	(0.6)	(0.9)	0.15	0.15	0.15	0.15	0.15	0.15	1.2	1.2	1.2	1.2	1.2	1.2
24	301074ED8	EXCHANGE BANK	1%	0.15	12/11/23	250,000	1.3	0.6	0.3	(0.3)	(0.6)	(0.9)	0.15	0.15	0.15	0.15	0.15	0.15	1.3	1.2	1.2	1.2	1.2	1.2
25	649447UH0	NEW YORK COMMUNITY BANK	1%	0.30	12/11/23	250,000	1.3	0.6	0.3	(0.3)	(0.6)	(0.9)	0.30	0.30	0.30	0.30	0.30	0.30	1.2	1.2	1.2	1.2	1.2	1.2
26	05890NBC4	BANCCENTRAL NA	1%	0.15	02/15/24	250,000	1.5	0.7	0.4	(0.4)	(0.7)	(1.1)	0.15	0.15	0.15	0.15	0.15	0.15	1.4	1.4	1.4	1.4	1.4	1.4
27	32117BEE4	FIRST NATIONAL BANK/DAMA	1%	0.20	02/26/24	250,000	1.5	0.7	0.4	(0.4)	(0.7)	(1.1)	0.20	0.20	0.20	0.20	0.20	0.20	1.5	1.5	1.5	1.4	1.4	1.4
28	61690UUH1	MORGAN STANLEY BANK NA	1%	1.75	02/27/24	250,000	1.5	0.7	0.4	(0.4)	(0.7)	(1.1)	1.75	1.75	1.75	1.75	1.75	1.75	1.4	1.4	1.4	1.4	1.4	1.4
29	32110YNV3	FIRST NATL BK OF AMERICA	1%	1.55	02/28/24	250,000	1.5	0.7	0.4	(0.4)	(0.7)	(1.1)	1.56	1.56	1.56	1.56	1.56	1.56	1.4	1.4	1.4	1.4	1.4	1.4
30	619165JG9	MORTON COMMUNITY BANK	1%	0.50	06/19/24	250,000	1.8	0.9	0.4	(0.4)	(0.9)	(1.3)	0.50	0.50	0.50	0.50	0.50	0.50	1.8	1.8	1.8	1.8	1.7	1.7
31	68002LBY3	OLD MISSOURI BANK	1%	0.40	06/19/24	250,000	1.8	0.9	0.4	(0.4)	(0.9)	(1.3)	0.40	0.40	0.40	0.40	0.40	0.40	1.8	1.8	1.8	1.8	1.8	1.8
32	20070PLJ4	COMMERCE STATE BANK	1%	0.35	06/26/24	250,000	1.8	0.9	0.4	(0.4)	(0.9)	(1.3)	0.35	0.35	0.35	0.35	0.35	0.35	1.8	1.8	1.8	1.8	1.8	1.8
33	064520BC2	BANK OF PRINCETON	1%	0.45	06/28/24	250,000	1.8	0.9	0.4	(0.4)	(0.9)	(1.3)	0.45	0.45	0.45	0.45	0.45	0.45	1.8	1.8	1.8	1.8	1.8	1.8
34	320337EM6	FIRST GENERAL BANK	1%	0.30	06/28/24	249,000	1.8	0.9	0.4	(0.4)	(0.9)	(1.3)	0.30	0.30	0.30	0.30	0.30	0.30	1.8	1.8	1.8	1.8	1.8	1.8
35	61760AN96	MORGAN STANLEY PVT BANK	1%	2.20	07/18/24	250,000	1.9	0.9	0.5	(0.5)	(0.9)	(1.3)	2.20	2.20	2.20	2.20	2.20	2.20	1.8	1.8	1.8	1.8	1.8	1.8
36	201282JA9	COMMERCIAL BANK ALMA MI	1%	2.05	07/26/24	250,000	1.9	0.9	0.5	(0.5)	(0.9)	(1.4)	2.06	2.06	2.06	2.06	2.06	2.06	1.8	1.8	1.8	1.8	1.8	1.8
Year 2			**17%**	**0.73**		**4,999,000**	**1.5**	**0.7**	**0.4**	**(0.4)**	**(0.7)**	**(1.1)**	**0.77**	**0.77**	**0.77**	**0.77**	**0.77**	**0.77**	**1.4**	**1.4**	**1.4**	**1.4**	**1.4**	**1.4**
37	23062KDM1	CUMBERLAND FED BANK FSB	1%	0.20	09/03/24	249,000	2.0	1.0	0.5	(0.5)	(1.0)	(1.5)	0.20	0.20	0.20	0.20	0.20	0.20	2.0	2.0	2.0	2.0	2.0	2.0
38	58404DFJ5	MEDALLION BANK UTAH	1%	1.85	09/23/24	250,000	2.1	1.0	0.5	(0.5)	(1.0)	(1.5)	1.86	1.86	1.86	1.86	1.86	1.86	2.0	2.0	2.0	2.0	2.0	2.0

Positions by Maturity - Scenario Analysis

								Market Price (%Δ)					Book Yield						Effective Duration					
ID	CUSIP	Issuer	% Port	Cpn	Final Maturity	Par	WAM	DN DN 50	DN DN 25	UP UP 25	UP UP 50	UP UP 75	DN DN 50	DN DN 25	Base Case	UP UP 25	UP UP 50	UP UP 75	DN DN 50	DN DN 25	Base Case	UP UP 25	UP UP 50	UP UP 75
39	740367JD0	PREFERRED BANK LA CALIF	1%	1.70	09/27/24	250,000	2.1	1.0	0.5	(0.5)	(1.0)	(1.5)	1.71	1.71	1.71	1.71	1.71	1.71	2.0	2.0	2.0	2.0	2.0	2.0
40	06610TEE1	BANKERS BANK OF THE WEST	1%	1.80	09/30/24	250,000	2.1	1.0	0.5	(0.5)	(1.0)	(1.5)	1.81	1.81	1.81	1.81	1.81	1.81	2.0	2.0	2.0	2.0	2.0	2.0
41	15118RSC2	CELTIC BANK	1%	1.70	09/30/24	250,000	2.1	1.0	0.5	(0.5)	(1.0)	(1.5)	1.71	1.71	1.71	1.71	1.71	1.71	2.0	2.0	2.0	2.0	2.0	2.0
42	05580AYQ1	BMW BANK NORTH AMERICA	1%	0.40	02/26/25	250,000	2.5	1.2	0.6	(0.6)	(1.2)	(1.8)	0.40	0.40	0.40	0.40	0.40	0.40	2.4	2.4	2.4	2.4	2.4	2.4
43	05464LBN0	AXIOM BANK	1%	0.30	02/28/25	250,000	2.5	1.2	0.6	(0.6)	(1.2)	(1.8)	0.30	0.30	0.30	0.30	0.30	0.30	2.4	2.4	2.4	2.4	2.4	2.4
44	3130APYW9	FEDERAL HOME LOAN BANK	7%	1.16	05/28/25	2,000,000	2.7	1.3	0.7	(0.7)	(1.3)	(2.0)	1.16	1.16	1.16	1.16	1.16	1.16	2.6	2.6	2.6	2.6	2.6	2.6
45	538036RP1	LIVE OAK BANKING COMPANY	1%	0.55	07/30/25	250,000	2.9	1.4	0.7	(0.7)	(1.4)	(2.1)	0.55	0.55	0.55	0.55	0.55	0.55	2.8	2.8	2.8	2.8	2.8	2.8
Year 3			**13%**	**1.11**		**3,999,000**	**2.5**	**1.2**	**0.6**	**(0.6)**	**(1.2)**	**(1.8)**	**1.11**	**1.11**	**1.11**	**1.11**	**1.11**	**1.11**	**2.4**	**2.4**	**2.4**	**2.4**	**2.4**	**2.4**
46	14042RQF1	CAPITAL ONE NA	1%	0.90	11/24/25	250,000	3.2	1.6	0.8	(0.8)	(1.5)	(2.3)	0.90	0.90	0.90	0.90	0.90	0.90	3.1	3.1	3.1	3.1	3.1	3.1
47	73319FBM0	POPPY BANK	1%	0.75	11/28/25	250,000	3.2	1.6	0.8	(0.8)	(1.6)	(2.3)	0.75	0.75	0.75	0.75	0.75	0.75	3.1	3.1	3.1	3.1	3.1	3.1
48	909242AR0	UNITED REPUBLIC BK OMAHA	1%	0.75	12/17/25	250,000	3.3	1.6	0.8	(0.8)	(1.6)	(2.4)	0.75	0.75	0.75	0.75	0.75	0.75	3.2	3.2	3.2	3.2	3.2	3.2
49	86804DCS5	SUNWEST BANK/IRVINE CA	1%	0.50	03/05/26	250,000	3.5	1.7	0.9	(0.8)	(1.7)	(2.5)	0.50	0.50	0.50	0.50	0.50	0.50	3.4	3.4	3.4	3.4	3.4	3.4
50	38149MXJ7	GOLDMAN SACHS BANK USA	1%	0.95	07/28/26	250,000	3.9	1.9	0.9	(0.9)	(1.9)	(2.8)	0.95	0.95	0.95	0.95	0.95	0.95	3.8	3.8	3.8	3.8	3.7	3.7
51	88241TLQ1	TEXAS EXCHANGE BANK SSB	1%	0.75	07/30/26	250,000	3.9	1.9	0.9	(0.9)	(1.9)	(2.8)	0.75	0.75	0.75	0.75	0.75	0.75	3.8	3.8	3.8	3.8	3.8	3.8
Year 4			**5%**	**0.77**		**1,500,000**	**3.5**	**1.7**	**0.9**	**(0.8)**	**(1.7)**	**(2.5)**	**0.77**	**0.77**	**0.77**	**0.77**	**0.77**	**0.77**	**3.4**	**3.4**	**3.4**	**3.4**	**3.4**	**3.4**
52	87165HJ35	SYNCHRONY BANK	1%	1.15	11/19/26	250,000	4.2	2.0	1.0	(1.0)	(2.0)	(3.0)	1.15	1.15	1.15	1.15	1.15	1.15	4.0	4.0	4.0	4.0	4.0	4.0
53	14042TEB9	CAPITAL ONE BANK USA NA	1%	1.15	11/24/26	250,000	4.2	2.0	1.0	(1.0)	(2.0)	(3.0)	1.15	1.15	1.15	1.15	1.15	1.15	4.0	4.0	4.0	4.0	4.0	4.0
54	89235MMF5	TOYOTA FINANCIAL SGS BK	1%	1.15	11/30/26	250,000	4.3	2.1	1.0	(1.0)	(2.0)	(3.0)	1.15	1.15	1.15	1.15	1.15	1.15	4.1	4.1	4.1	4.0	4.0	4.0
Year 5			**2%**	**1.15**		**750,000**	**4.2**	**2.0**	**1.0**	**(1.0)**	**(2.0)**	**(3.0)**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**4.0**	**4.0**	**4.0**	**4.0**	**4.0**	**4.0**
Total Portfolio			**100%**	**1.06**		**30,158,816**	**1.0**	**0.5**	**0.2**	**(0.2)**	**(0.5)**	**(0.7)**	**1.43**	**1.43**	**1.43**	**1.43**	**1.43**	**1.43**	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**

Scottsdale USD Property & Casualty

Analysis Date:	9/9/2022
Portfolio as of:	8/31/2022
Market Data as of:	8/31/2022

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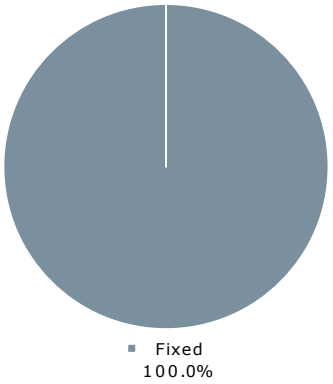
Portfolio Summary

Portfolio Snapshot	
Number of Positions	15
Par ($000)	5,918
Book Value ($000)	5,914
Mkt Value w/o Accrd ($000)	5,689
Unrlzed Gain / Loss ($000)	(225)
Coupon	1.04

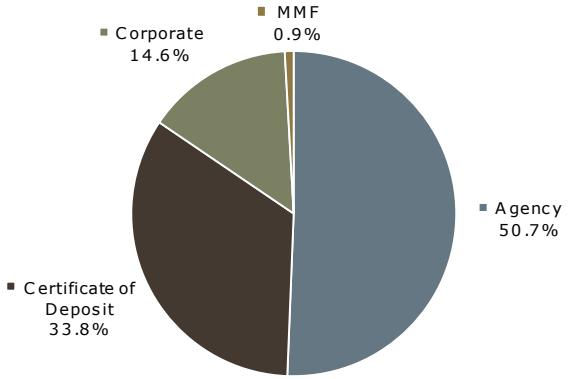
Characteristics	
Book Yield	1.09
Market Yield	3.22
Wgt Avg Maturity	1.3
Average Life	1.3
Effective Duration	1.3
Effective Convexity	0.0

12M Projected Cash Flow ($000)	
Overnight Funds Principal	53
Overnight Funds Interest	0
Term Securities Principal	3,115
Term Securities Interest	39
Total Cash Flow	3,208

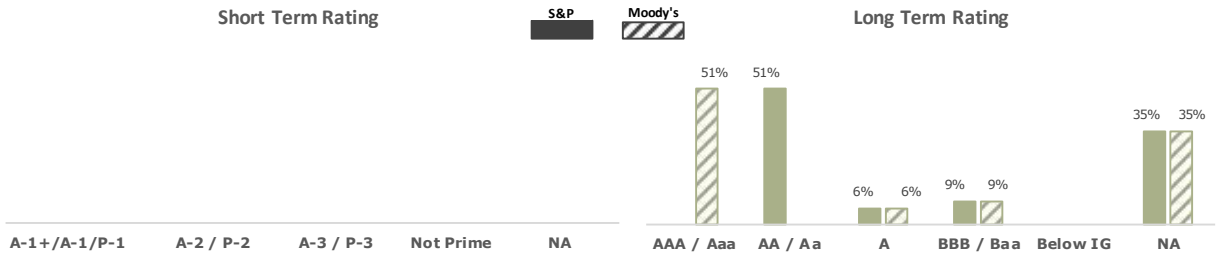
Coupon Structure



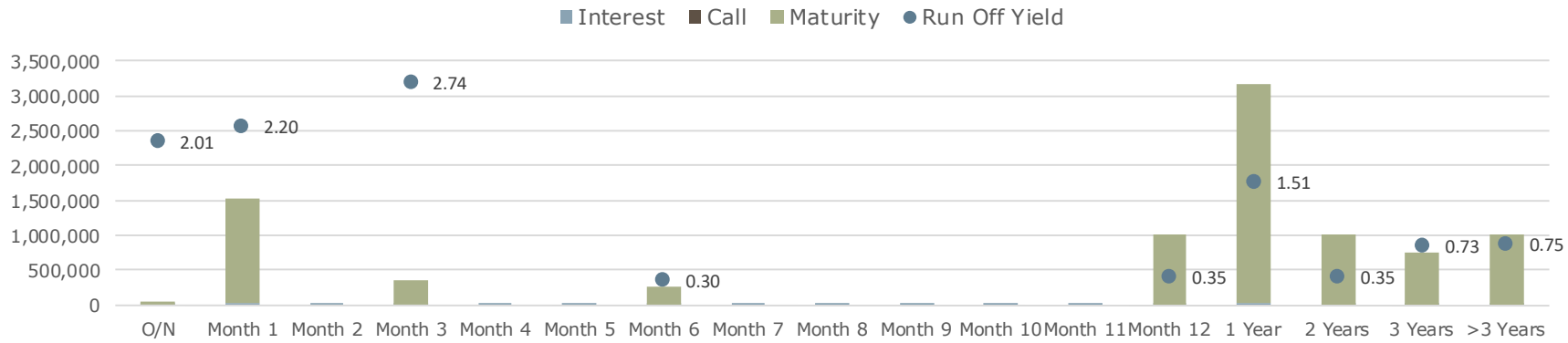
Portfolio Allocation



Credit Exposure



Cash Flow Projections*



*Cash Flow Projections Chart - 1 Year Cash flow does not include O/N Cash Flow or Run Off Yield

Cash Flow Projections

Time Period	Date	Interest ($)	Call ($)	Maturity ($)	Run Off Yield (%)	Monthly Total ($)	Cumulative Total ($)
O/N		3	0	53,283	2.01	53,286	53,286
	Sep-22	16,903	0	1,515,000	2.20	1,531,903	1,585,189
	Oct-22	1,717	0	0	0.00	1,717	1,586,906
	Nov-22	5,510	0	350,000	2.74	355,510	1,942,416
	Dec-22	4,042	0	0	0.00	4,042	1,946,458
	Jan-23	292	0	0	0.00	292	1,946,750
	Feb-23	2,154	0	250,000	0.30	252,154	2,198,904
	Mar-23	292	0	0	0.00	292	2,199,195
	Apr-23	1,717	0	0	0.00	1,717	2,200,912
	May-23	479	0	0	0.00	479	2,201,391
	Jun-23	4,042	0	0	0.00	4,042	2,205,433
	Jul-23	292	0	0	0.00	292	2,205,725
Year 1	Aug-23	1,778	0	1,000,000	0.35	1,001,778	3,207,502
	Sep-23	208	0	0	0.00	208	3,207,711
	Oct-23	1,633	0	0	0.00	1,633	3,209,344
	Nov-23	396	0	0	0.00	396	3,209,740
	Dec-23	3,958	0	0	0.00	3,958	3,213,698
	Jan-24	208	0	0	0.00	208	3,213,907
	Feb-24	896	0	0	0.00	896	3,214,802
	Mar-24	208	0	0	0.00	208	3,215,011
	Apr-24	1,633	0	0	0.00	1,633	3,216,644
	May-24	396	0	0	0.00	396	3,217,040
	Jun-24	3,958	0	0	0.00	3,958	3,220,998
	Jul-24	213	0	250,000	0.35	250,213	3,471,211
Year 2	Aug-24	828	0	750,000	0.35	750,828	4,222,039
	Sep-24	1,188	0	500,000	0.94	501,188	4,723,227
	Oct-24	0	0	0	0.00	0	4,723,227
	Nov-24	188	0	250,000	0.30	250,188	4,973,414
	Dec-24	3,750	0	0	0.00	3,750	4,977,164
	Jan-25	0	0	0	0.00	0	4,977,164
	Feb-25	0	0	0	0.00	0	4,977,164
	Mar-25	0	0	0	0.00	0	4,977,164
	Apr-25	0	0	0	0.00	0	4,977,164
	May-25	0	0	0	0.00	0	4,977,164
	Jun-25	3,750	0	0	0.00	3,750	4,980,914
	Jul-25	0	0	0	0.00	0	4,980,914
Year 3	Aug-25	0	0	0	0.00	0	4,980,914

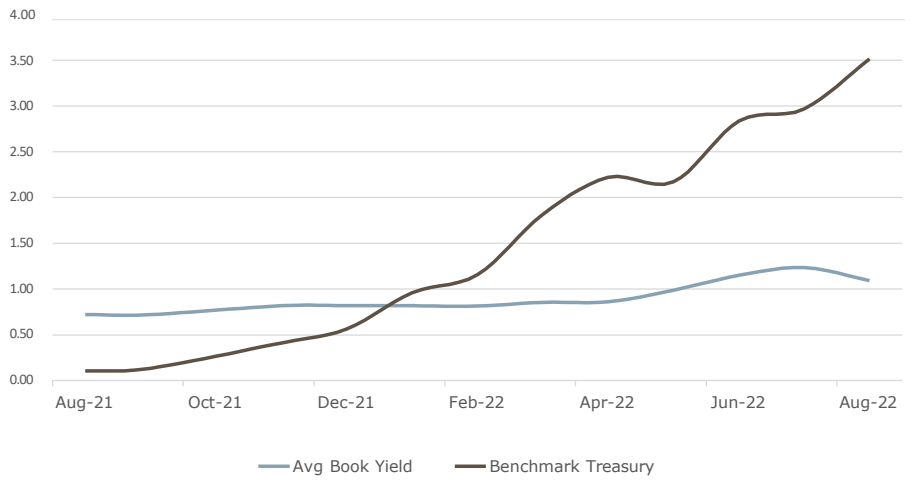
Cash Flow Projections - Continued

Time Period	Date	Interest ($)	Call ($)	Maturity ($)	Run Off Yield (%)	Monthly Total ($)	Cumulative Total ($)
	Sep-25	0	0	0	0.00	0	4,980,914
	Oct-25	0	0	0	0.00	0	4,980,914
	Nov-25	3,125	0	1,000,000	0.75	1,003,125	5,984,039
	Dec-25	0	0	0	0.00	0	5,984,039
	Jan-26	0	0	0	0.00	0	5,984,039
	Feb-26	0	0	0	0.00	0	5,984,039
	Mar-26	0	0	0	0.00	0	5,984,039
	Apr-26	0	0	0	0.00	0	5,984,039
	May-26	0	0	0	0.00	0	5,984,039
	Jun-26	0	0	0	0.00	0	5,984,039
	Jul-26	0	0	0	0.00	0	5,984,039
Year 4	Aug-26	0	0	0	0.00	0	5,984,039

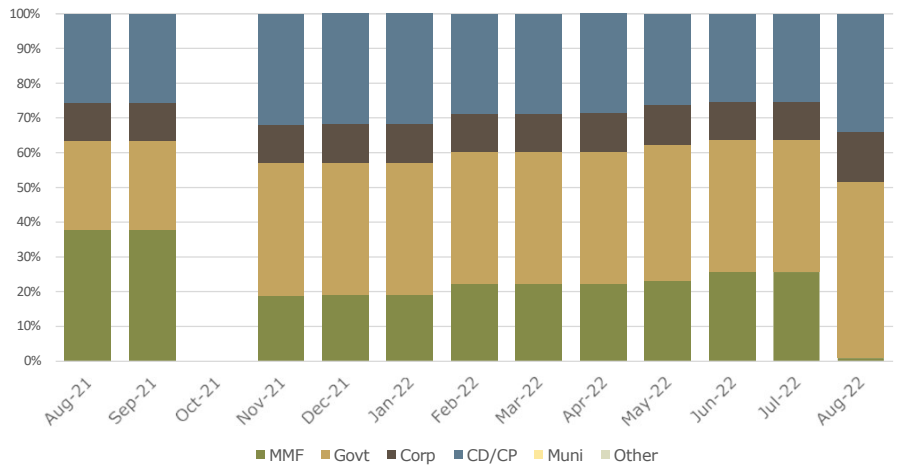
Historical Performance

Date	# Line Items	Avg Coupon	Total Par ($000)	G / L	Avg Bk Yield	Avg Mkt Yield	Bnchmrk Tsy Yield	Wgt Avg Maturity	Eff Dur	Ratings		Portfolio Allocation*					
										Moody's	S&P	MMF	Govt	Corp	CD/CP	Muni	Other
08/31/22	15	1.04	5,918	(225)	1.09	3.22	3.51	1.3	1.3	Aa2	AA	1%	51%	15%	34%	0%	0%
07/31/22	15	1.20	7,890	(197)	1.23	2.59	2.97	1.1	1.0	Aa2	AA	26%	38%	11%	25%	0%	0%
06/30/22	15	1.12	7,888	(208)	1.15	2.43	2.83	1.1	1.1	Aa2	AA	26%	38%	11%	25%	0%	0%
05/31/22	15	0.96	7,633	(179)	0.99	1.90	2.17	1.2	1.2	Aa2	AA	23%	39%	11%	26%	0%	0%
04/30/22	16	0.83	7,877	(189)	0.86	1.79	2.22	1.3	1.2	Aa2	AA	22%	38%	11%	29%	0%	0%
03/31/22	16	0.83	7,875	(154)	0.86	1.51	1.82	1.3	1.3	Aa2	AA	22%	38%	11%	29%	0%	0%
02/28/22	16	0.79	7,858	(89)	0.81	1.02	1.16	1.4	1.4	Aa2	AA	22%	38%	11%	29%	0%	0%
01/31/22	17	0.79	7,856	(53)	0.82	0.77	0.96	1.5	1.4	Aa2	AA	19%	38%	11%	32%	0%	0%
12/31/21	17	0.79	7,855	(10)	0.82	0.53	0.56	1.5	1.5	Aa2	AA	19%	38%	11%	32%	0%	0%
11/30/21	17	0.79	7,851	(3)	0.82	0.49	0.41	1.6	1.5	Aa2	AA	19%	38%	11%	32%	0%	0%
09/30/21	13	0.73	7,839	22	0.72	0.29	0.14	1.4	1.3	Aa2	AA-	38%	26%	11%	26%	0%	0%
08/31/21	13	0.73	7,823	28	0.72	0.28	0.11	1.4	1.2	Aa2	AA-	38%	26%	11%	26%	0%	0%

Book Yield vs. Treasury Benchmark



Portfolio Allocation*



* Portfolio Allocation is a new addition to portfolio analysis. Data will be added over time.

Positions by Maturity - Scenario Analysis

								Market Price (%Δ)					Book Yield						Effective Duration					
ID	CUSIP	Issuer	% Port	Cpn	Final Maturity	Par	WAM	DN DN 50	DN DN 25	UP UP 25	UP UP 50	UP UP 75	DN DN 50	DN DN 25	Base Case	UP UP 25	UP UP 50	UP UP 75	DN DN 50	DN DN 25	Base Case	UP UP 25	UP UP 50	UP UP 75
1	52470G791	Western Asset Institutional Go	1%			53,283	0.0	0.0	0.0	0.0	0.0	(0.0)	2.01	2.01	2.01	2.01	2.01	2.01	0.0	0.0	0.0	0.0	0.0	0.0
2	36962G6F6	GENERAL ELECTRIC CO	9%	3.15	09/07/22	515,000	0.0	0.0	0.0	(0.0)	(0.0)	(0.0)	3.30	3.30	3.30	3.30	3.30	3.30	0.0	0.0	0.0	0.0	0.0	0.0
3	3133ELEW0	FEDERAL FARM CREDIT BANK	17%	1.70	09/19/22	1,000,000	0.1	0.0	0.0	(0.0)	(0.0)	(0.0)	1.63	1.63	1.63	1.63	1.63	1.63	0.1	0.1	0.1	0.1	0.1	0.1
4	459200JC6	IBM CORP	6%	2.88	11/09/22	350,000	0.2	0.1	0.0	(0.0)	(0.1)	(0.1)	2.74	2.74	2.74	2.74	2.74	2.74	0.2	0.2	0.2	0.2	0.2	0.2
5	88224PLY3	TEXAS CAPITAL BANK NA	4%	0.30	02/07/23	250,000	0.4	0.2	0.1	(0.1)	(0.2)	(0.3)	0.30	0.30	0.30	0.30	0.30	0.30	0.4	0.4	0.4	0.4	0.4	0.4
6	3133EL3E2	FEDERAL FARM CREDIT BANK	8%	0.32	08/10/23	500,000	0.9	0.5	0.2	(0.2)	(0.5)	(0.7)	0.50	0.50	0.50	0.50	0.50	0.50	0.9	0.9	0.9	0.9	0.9	0.9
7	458657LV3	INTERCREDIT BK MIAMI FLA	4%	0.20	08/14/23	250,000	1.0	0.5	0.2	(0.2)	(0.5)	(0.7)	0.20	0.20	0.20	0.20	0.20	0.20	0.9	0.9	0.9	0.9	0.9	0.9
8	89388CDX3	TAB BANK INC	4%	0.20	08/18/23	250,000	1.0	0.5	0.2	(0.2)	(0.5)	(0.7)	0.20	0.20	0.20	0.20	0.20	0.20	0.9	0.9	0.9	0.9	0.9	0.9
Year 1			**54%**	**1.50**		**3,168,283**	**0.4**	**0.2**	**0.1**	**(0.1)**	**(0.2)**	**(0.3)**	**1.52**	**1.52**	**1.52**	**1.52**	**1.52**	**1.52**	**0.4**	**0.4**	**0.4**	**0.4**	**0.4**	**0.4**
9	336460DA5	FIRST STATE BANK DEQUEEN	4%	0.35	07/22/24	250,000	1.9	0.9	0.5	(0.5)	(0.9)	(1.4)	0.35	0.35	0.35	0.35	0.35	0.35	1.9	1.8	1.8	1.8	1.8	1.8
10	52168UHD7	LEADER BANK NA	4%	0.40	08/05/24	250,000	1.9	0.9	0.5	(0.5)	(0.9)	(1.4)	0.40	0.40	0.40	0.40	0.40	0.40	1.9	1.9	1.9	1.9	1.9	1.9
11	02554BDC2	AMERICAN EAGLE BANK IL	4%	0.35	08/26/24	250,000	2.0	1.0	0.5	(0.5)	(1.0)	(1.4)	0.35	0.35	0.35	0.35	0.35	0.35	1.9	1.9	1.9	1.9	1.9	1.9
12	319461CW7	FIRST CHOICE BANK CA	4%	0.30	08/28/24	250,000	2.0	1.0	0.5	(0.5)	(1.0)	(1.4)	0.30	0.30	0.30	0.30	0.30	0.30	2.0	1.9	1.9	1.9	1.9	1.9
Year 2			**17%**	**0.35**		**1,000,000**	**2.0**	**1.0**	**0.5**	**(0.5)**	**(0.9)**	**(1.4)**	**0.35**	**0.35**	**0.35**	**0.35**	**0.35**	**0.35**	**1.9**	**1.9**	**1.9**	**1.9**	**1.9**	**1.9**
13	3130APF75	FEDERAL HOME LOAN BANK	8%	0.57	09/27/24	500,000	2.1	1.0	0.5	(0.5)	(1.0)	(1.5)	0.94	0.94	0.94	0.94	0.94	0.94	2.0	2.0	2.0	2.0	2.0	2.0
14	48128UKM0	JP MORGAN CHASE BANK NA	4%	0.30	11/18/24	250,000	2.2	1.1	0.5	(0.5)	(1.1)	(1.6)	0.30	0.30	0.30	0.30	0.30	0.30	2.2	2.2	2.2	2.2	2.2	2.2
Year 3			**13%**	**0.48**		**750,000**	**2.1**	**1.0**	**0.5**	**(0.5)**	**(1.0)**	**(1.5)**	**0.73**	**0.73**	**0.73**	**0.73**	**0.73**	**0.73**	**2.1**	**2.1**	**2.1**	**2.1**	**2.1**	**2.1**
15	3130AMTZ5	FEDERAL HOME LOAN BANK	17%	0.75	11/28/25	1,000,000	3.2	1.6	0.8	(0.8)	(1.6)	(2.3)	0.75	0.75	0.75	0.75	0.75	0.75	3.1	3.1	3.1	3.1	3.1	3.1
Year 4			**17%**	**0.75**		**1,000,000**	**3.2**	**1.6**	**0.8**	**(0.8)**	**(1.6)**	**(2.3)**	**0.75**	**0.75**	**0.75**	**0.75**	**0.75**	**0.75**	**3.1**	**3.1**	**3.1**	**3.1**	**3.1**	**3.1**
Total Portfolio			**100%**	**1.04**		**5,918,283**	**1.3**	**0.6**	**0.3**	**(0.3)**	**(0.6)**	**(1.0)**	**1.09**	**1.09**	**1.09**	**1.09**	**1.09**	**1.09**	**1.3**	**1.3**	**1.3**	**1.3**	**1.3**	**1.3**

Scottsdale USD Workers Compensation

Analysis Date:	9/9/2022
Portfolio as of:	8/31/2022
Market Data as of:	8/31/2022

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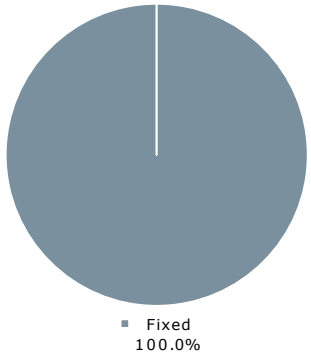
Portfolio Summary

Portfolio Snapshot	
Number of Positions	12
Par ($000)	6,760
Book Value ($000)	6,756
Mkt Value w/o Accrd ($000)	6,545
Unrlzed Gain / Loss ($000)	(211)
Coupon	0.76

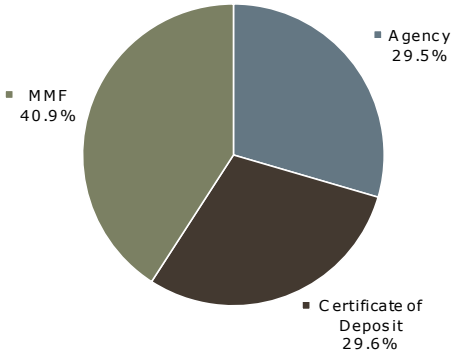
Characteristics	
Book Yield	1.30
Market Yield	2.73
Wgt Avg Maturity	1.1
Average Life	1.1
Effective Duration	1.0
Effective Convexity	0.0

12M Projected Cash Flow ($000)	
Overnight Funds Principal	2,760
Overnight Funds Interest	0
Term Securities Principal	1,500
Term Securities Interest	22
Total Cash Flow	4,282

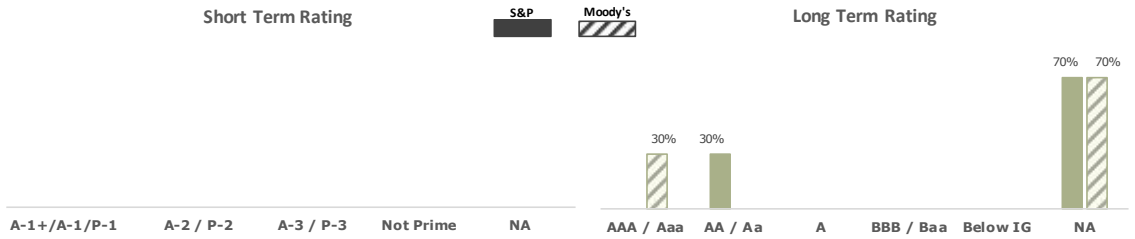
Coupon Structure



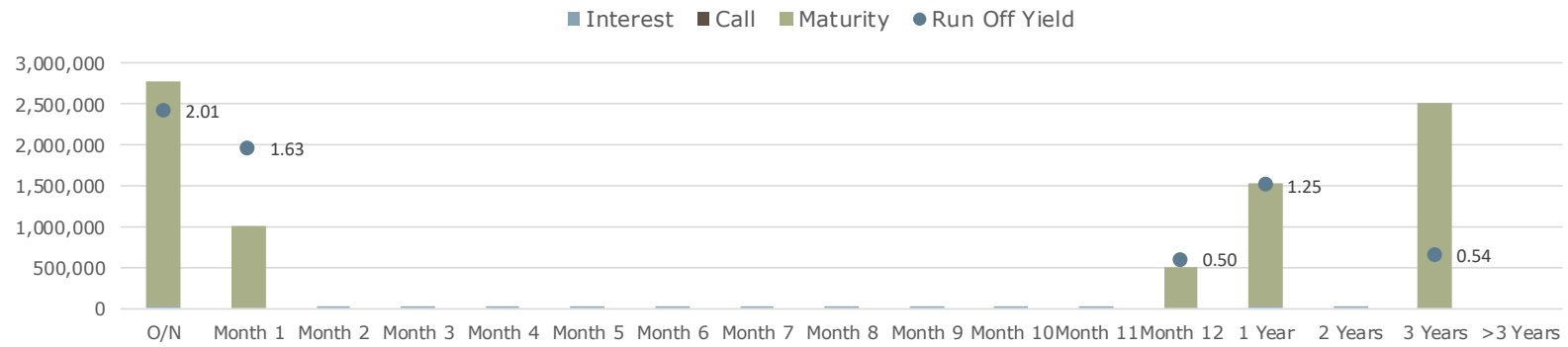
Portfolio Allocation



Credit Exposure



Cash Flow Projections*



*Cash Flow Projections Chart - 1 Year Cash flow does not include O/N Cash Flow or Run Off Yield

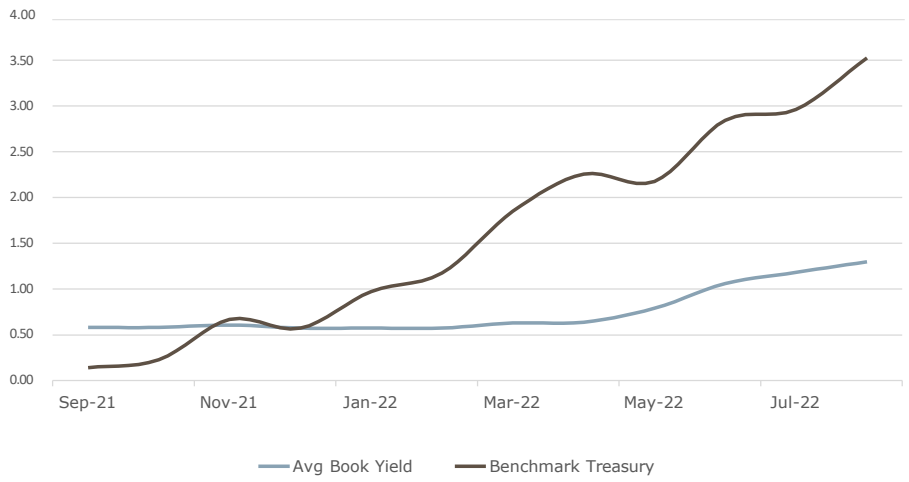
Cash Flow Projections

Time Period	Date	Interest ($)	Call ($)	Maturity ($)	Run Off Yield (%)	Monthly Total ($)	Cumulative Total ($)
O/N		152	0	2,760,393	2.01	2,760,545	2,760,545
	Sep-22	9,135	0	1,000,000	1.63	1,009,135	3,769,681
	Oct-22	2,060	0	0	0.00	2,060	3,771,741
	Nov-22	635	0	0	0.00	635	3,772,377
	Dec-22	635	0	0	0.00	635	3,773,012
	Jan-23	635	0	0	0.00	635	3,773,647
	Feb-23	1,998	0	0	0.00	1,998	3,775,645
	Mar-23	635	0	0	0.00	635	3,776,281
	Apr-23	2,060	0	0	0.00	2,060	3,778,341
	May-23	635	0	0	0.00	635	3,778,977
	Jun-23	635	0	0	0.00	635	3,779,612
	Jul-23	635	0	0	0.00	635	3,780,247
Year 1	Aug-23	1,998	0	500,000	0.50	501,998	4,282,245
	Sep-23	635	0	0	0.00	635	4,282,881
	Oct-23	2,060	0	0	0.00	2,060	4,284,941
	Nov-23	635	0	0	0.00	635	4,285,577
	Dec-23	635	0	0	0.00	635	4,286,212
	Jan-24	635	0	0	0.00	635	4,286,847
	Feb-24	1,198	0	0	0.00	1,198	4,288,045
	Mar-24	635	0	0	0.00	635	4,288,681
	Apr-24	2,060	0	0	0.00	2,060	4,290,741
	May-24	635	0	0	0.00	635	4,291,377
	Jun-24	635	0	0	0.00	635	4,292,012
	Jul-24	635	0	0	0.00	635	4,292,647
Year 2	Aug-24	1,198	0	0	0.00	1,198	4,293,845
	Sep-24	1,823	0	500,000	0.94	501,823	4,795,668
	Oct-24	635	0	0	0.00	635	4,796,304
	Nov-24	635	0	0	0.00	635	4,796,939
	Dec-24	635	0	0	0.00	635	4,797,574
	Jan-25	635	0	0	0.00	635	4,798,210
	Feb-25	1,198	0	0	0.00	1,198	4,799,408
	Mar-25	635	0	0	0.00	635	4,800,043
	Apr-25	635	0	0	0.00	635	4,800,679
	May-25	635	0	0	0.00	635	4,801,314
	Jun-25	635	0	0	0.00	635	4,801,949
	Jul-25	635	0	250,000	0.40	250,635	5,052,585
Year 3	Aug-25	1,115	0	1,750,000	0.44	1,751,115	6,803,699

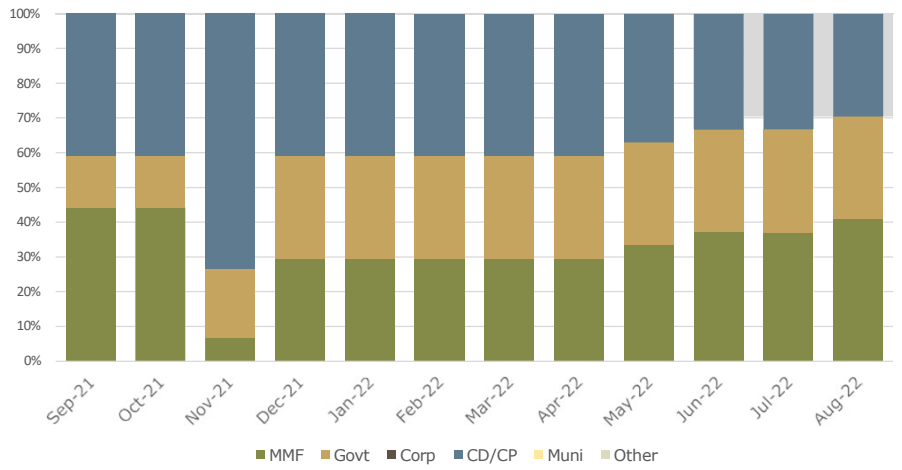
Historical Performance

Date	# Line Items	Avg Coupon	Total Par ($000)	G / L	Avg Bk Yield	Avg Mkt Yield	Bnchmrk Tsy Yield	Wgt Avg Maturity	Eff Dur	Ratings		Portfolio Allocation*					
										Moody's	S&P	MMF	Govt	Corp	CD/CP	Muni	Other
08/31/22	12	0.76	6,760	(211)	1.30	2.73	3.52	1.1	1.0	Aaa	AA+	41%	30%	0%	30%	0%	0%
07/31/22	13	1.15	6,752	(208)	1.18	2.52	2.96	1.2	1.1	Aaa	AA+	37%	30%	0%	33%	0%	0%
06/30/22	13	1.03	6,750	(210)	1.06	2.24	2.84	1.2	1.1	Aaa	AA+	37%	30%	0%	33%	0%	0%
05/31/22	14	0.76	6,748	(188)	0.79	1.73	2.18	1.3	1.2	Aaa	AA+	33%	30%	0%	37%	0%	0%
04/30/22	15	0.61	6,747	(190)	0.64	1.57	2.26	1.3	1.2	Aaa	AA+	30%	30%	0%	41%	0%	0%
03/31/22	15	0.60	6,745	(161)	0.63	1.35	1.85	1.4	1.3	Aaa	AA+	30%	30%	0%	41%	0%	0%
02/28/22	15	0.55	6,736	(100)	0.57	0.90	1.18	1.4	1.4	Aaa	AA+	30%	30%	0%	41%	0%	0%
01/31/22	15	0.55	6,731	(63)	0.57	0.68	0.97	1.5	1.5	Aaa	AA+	29%	30%	0%	41%	0%	0%
12/31/21	15	0.55	6,730	(30)	0.57	0.47	0.57	1.6	1.5	Aaa	AA+	29%	30%	0%	41%	0%	0%
11/30/21	15	0.58	3,750	(35)	0.61	0.67	0.67	2.4	2.4	Aaa	AA+	7%	20%	0%	73%	0%	0%
10/31/21	13	0.59	6,722	(9)	0.58	0.27	0.23	1.3	1.3	Aaa	AA+	44%	15%	0%	41%	0%	0%
09/30/21	13	0.59	6,721	(2)	0.58	0.24	0.14	1.3	1.3	Aaa	AA+	44%	15%	0%	41%	0%	0%

Book Yield vs. Treasury Benchmark



Portfolio Allocation*



* Portfolio Allocation is a new addition to portfolio analysis. Data will be added over time.

Positions by Maturity - Scenario Analysis

								Market Price (%Δ)					Book Yield						Effective Duration					
ID	CUSIP	Issuer	% Port	Cpn	Final Maturity	Par	WAM	DN DN 50	DN DN 25	UP UP 25	UP UP 50	UP UP 75	DN DN 50	DN DN 25	Base Case	UP UP 25	UP UP 50	UP UP 75	DN DN 50	DN DN 25	Base Case	UP UP 25	UP UP 50	UP UP 75
1	52470G791	Western Asset Institutional Go	41%			2,760,393	0.0	0.0	0.0	0.0	0.0	(0.0)	2.01	2.01	2.01	2.01	2.01	2.01	0.0	0.0	0.0	0.0	0.0	0.0
2	3133ELEW0	FEDERAL FARM CREDIT BANK	15%	1.70	09/19/22	1,000,000	0.1	0.0	0.0	(0.0)	(0.0)	(0.0)	1.63	1.63	1.63	1.63	1.63	1.63	0.1	0.1	0.1	0.1	0.1	0.1
3	3133EL3E2	FEDERAL FARM CREDIT BANK	7%	0.32	08/10/23	500,000	0.9	0.5	0.2	(0.2)	(0.5)	(0.7)	0.50	0.50	0.50	0.50	0.50	0.50	0.9	0.9	0.9	0.9	0.9	0.9
Year 1			**63%**	**1.24**		**4,260,393**	**0.1**	**0.1**	**0.0**	**(0.0)**	**(0.1)**	**(0.1)**	**1.74**	**1.74**	**1.74**	**1.74**	**1.74**	**1.74**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**
4	3130APF75	FEDERAL HOME LOAN BANK	7%	0.57	09/27/24	500,000	2.1	1.0	0.5	(0.5)	(1.0)	(1.5)	0.94	0.94	0.94	0.94	0.94	0.94	2.0	2.0	2.0	2.0	2.0	2.0
5	05765LBB2	BALBOA THRIFT & LOAN	4%	0.40	07/31/25	250,000	2.9	1.4	0.7	(0.7)	(1.4)	(2.1)	0.40	0.40	0.40	0.40	0.40	0.40	2.8	2.8	2.8	2.8	2.8	2.8
6	20367GAM1	COMMUNITY COMMERCE BANK	4%	0.40	08/07/25	250,000	2.9	1.4	0.7	(0.7)	(1.4)	(2.1)	0.40	0.40	0.40	0.40	0.40	0.40	2.9	2.9	2.9	2.9	2.8	2.8
8	56102AAK2	MALAGA BANK FSB	4%	0.40	08/07/25	250,000	2.9	1.4	0.7	(0.7)	(1.4)	(2.1)	0.40	0.40	0.40	0.40	0.40	0.40	2.9	2.9	2.9	2.9	2.8	2.8
7	48040PHT5	JONESBORO ST BANK	4%	0.50	08/07/25	250,000	2.9	1.4	0.7	(0.7)	(1.4)	(2.1)	0.50	0.50	0.50	0.50	0.50	0.50	2.9	2.9	2.9	2.8	2.8	2.8
9	27113PDP3	EAST BOSTON SAVINGS BANK	4%	0.45	08/12/25	250,000	3.0	1.4	0.7	(0.7)	(1.4)	(2.1)	0.45	0.45	0.45	0.45	0.45	0.45	2.9	2.9	2.9	2.9	2.9	2.9
10	308682BL6	FARMERS & MERCHANTS ST	4%	0.45	08/14/25	250,000	3.0	1.4	0.7	(0.7)	(1.4)	(2.1)	0.45	0.45	0.45	0.45	0.45	0.45	2.9	2.9	2.9	2.9	2.9	2.9
11	31944MBB0	FIRST CAROLINA BANK	4%	0.45	08/20/25	250,000	3.0	1.5	0.7	(0.7)	(1.4)	(2.1)	0.45	0.45	0.45	0.45	0.45	0.45	2.9	2.9	2.9	2.9	2.9	2.9
12	664122AF5	NORTHEAST COMMUNITY BK	4%	0.45	08/20/25	250,000	3.0	1.5	0.7	(0.7)	(1.4)	(2.1)	0.45	0.45	0.45	0.45	0.45	0.45	2.9	2.9	2.9	2.9	2.9	2.9
Year 3			**37%**	**0.46**		**2,500,000**	**2.8**	**1.4**	**0.7**	**(0.7)**	**(1.3)**	**(2.0)**	**0.54**	**0.54**	**0.54**	**0.54**	**0.54**	**0.54**	**2.7**	**2.7**	**2.7**	**2.7**	**2.7**	**2.7**
Total Portfolio			**100%**	**0.76**		**6,760,393**	**1.1**	**0.5**	**0.3**	**(0.3)**	**(0.5)**	**(0.8)**	**1.30**	**1.30**	**1.30**	**1.30**	**1.30**	**1.30**	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**

Assumptions

1. Calculation engine is ZM for all asset classes except for Money Market Funds. Money Market Fund information is provided by Crane Data.

2. Money Market Funds assume a book price of par ($100.00).

3. All data provided by Bloomberg LLC., IDC Pricing Service, Crane Data and Wells Fargo Securities.

4. Cash flows are generated by Yield Book, Intex, Bloomberg or ZM depending on sector and structure:
   - **ZM** – Non-prepay bullet structures including municipals, corporates, agencies, SSA, teasuries, CDs and commercial paper.
   - **Yield Book** – Mortgage products, including MBS passthroughs, CMOs, ARMs, agency CMBS and floating rate structures.
   - **Intex** – Strūctured products, including ABS, CLOs and non-agency RMBS and CMBS.
   - Analysis assumes all scheduled and unscheduled principal cash flows provided directly by Third Party systems (Yield Book) flo w into the Maturity bucket on the Cash Flow Projections page.

5. Ratings data are provided by Moody's, S&P and Fitch. Aggregate ratings are based on a proprietary scale.

6. Projected Call Report - Assumes OAS is held constant with market price based yield-to-worst call logic. Sorted by projected calls in the base case scenario. Base Case scenario assumes no rate changes.

7. Client provided market prices are used for the analysis. In the absence of client market data, BVAL and/or IDC pricing is us ed.

8. Historical Analysis is a combination of previously run Bond Edge Reports and ZM Financial. This page will be updated over time as reports are requ ested.

9. Yield on tax-exempt municipals are calculated using a 21% tax rate or as directed by client.

10. 12 Month Horizon Analysis assumes 12 month horizon with a reinvestment rate of 1M LIBOR. Rate shocks are gradual over the ho rizon and parrallel shifts to the curve.

11. Prepayment, default and severity assumptions used:
    - Bonds run through Yield Book – Yield Book Long Term Projected CPR
    - GN CMBS – 15 CPJ
    - FN/FH CMBS - 0 CPY
    - Conduit CMBS - 0 CPY, CDR and SEV
    - ABS Student – 6 CPR
    - ABS Card - Historical MPR
    - ABS Auto - 1.3 ABS
    - SBAs & NGNs – 10 CPR
    - Non-agency CMOs – Yield Book if available otherwise 6mo historical VPR, CDR and SEV taken from Bloomberg.

12. Money Market Fund Profiles
    - AUM Flows: Total fund MoM flows
    - Share Class: Total share class MoM flows

13. Yield Curve Shock Scenarios: instantaneous rate shocks to the static curve held constant over the life of the securities, utilizing Intex for structured products (when applicable) and Yield Book for other amortizing securities.
    - Standard scenarios: parallel shifts of -100,-50,-25,0,+25,+50,+100,+200,+300, Bear Flat, Bull Steep, Bull Flat, Bear Steep.
    - Customized scenarios at the request of client or as determined by WFS Portfolio Strategy

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