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Board Meeting

*Trust, Process, Results*

Unrestricted Assets - Investment Portfolio Review  
Neil Heppler, Co – President  
March 7, 2024



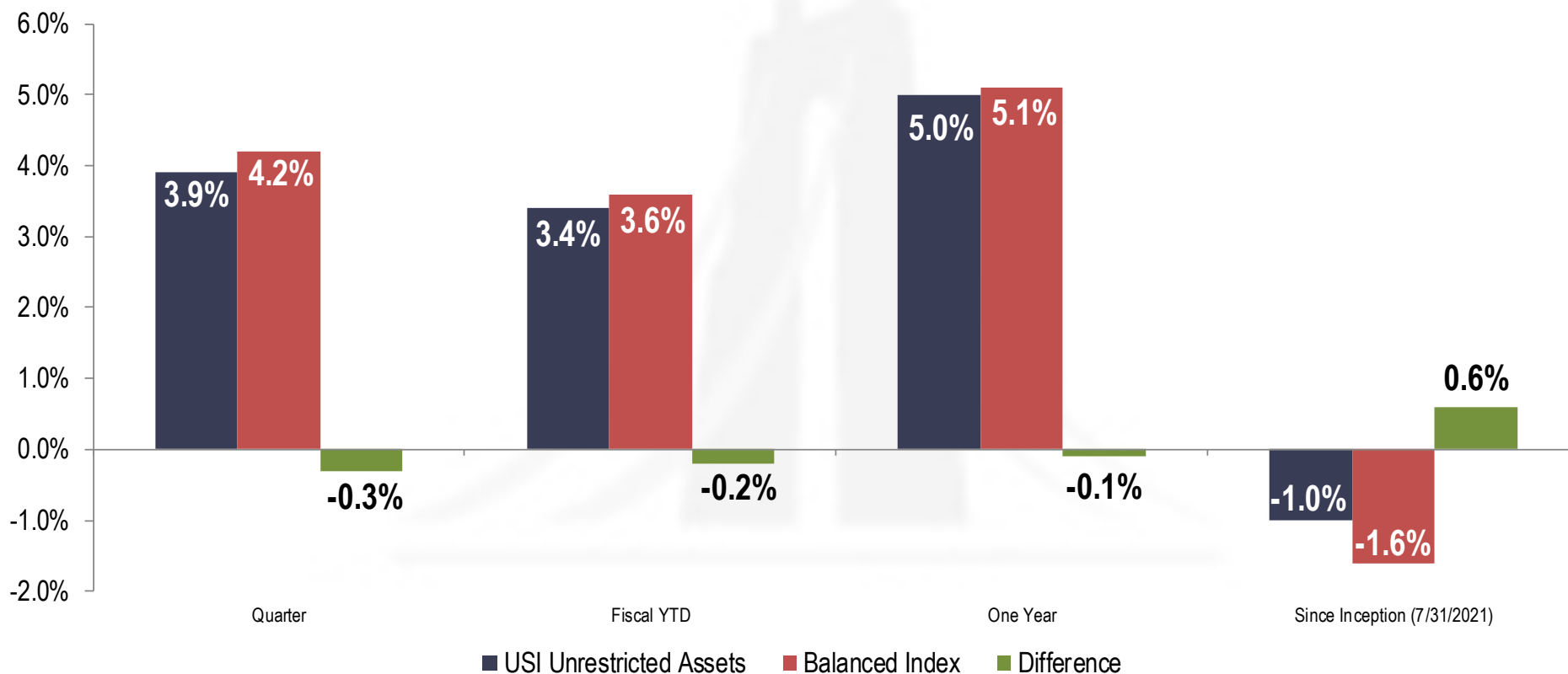
# Fiscal Year Market Review

	<u>Fiscal YTD</u>	<u>Calendar Year</u>		<u>Fiscal YTD</u>	<u>Calendar Year</u>
	<u>(Through</u>	<u>2023</u>		<u>(Through</u>	<u>2023</u>
<u>Equities</u>	<u>12/31/23)</u>		<u>Fixed Income</u>	<u>12/31/23)</u>	
U.S. Large Cap	8.0%	26.3%	Inv. Grade Bonds	3.4%	5.5%
U.S. Mid Cap	7.5%	17.2%	Inv. Grade Intermediate Bonds	3.7%	5.2%
U.S. Small Cap	8.2%	16.9%	Inv. Grade Credit	4.9%	8.2%
Int'l Equity	5.6%	15.6%	Government Bonds	2.5%	4.1%
			3 Month Treasury Bill	2.6%	5.0%

# USI Unrestricted Assets

## Investment Portfolio Performance Summary Table

For Periods Ended December 31, 2023\*



\*Returns are presented net of investment management fees.

# USI Unrestricted Assets

Asset Allocation as of December 31, 2023

Market Value \$108,788,799

*Target for Short Duration: 20%*

*Target for Intermediate: 80%*

Certificates of Deposit & Cash

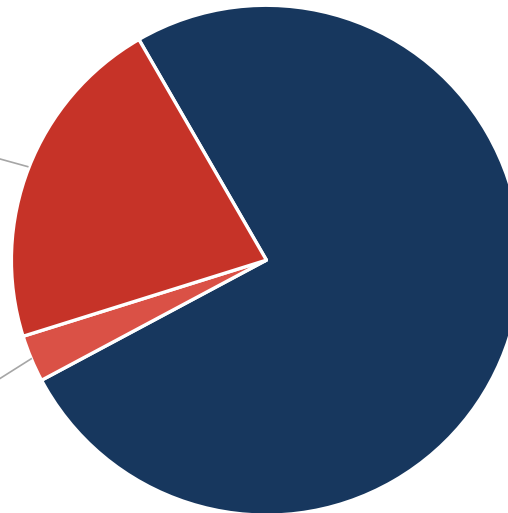
\$23,385,034  
21.5%

Intermediate Fixed Income

\$82,165,256  
75.5%

Government Bonds > 1 Year Duration

\$3,238,509  
3.0%



Estimated 12-month Cash Yield = \$3,385,831 (3.0%)  
Estimated Yield to Maturity = (4.1%)



# USI Unrestricted Assets

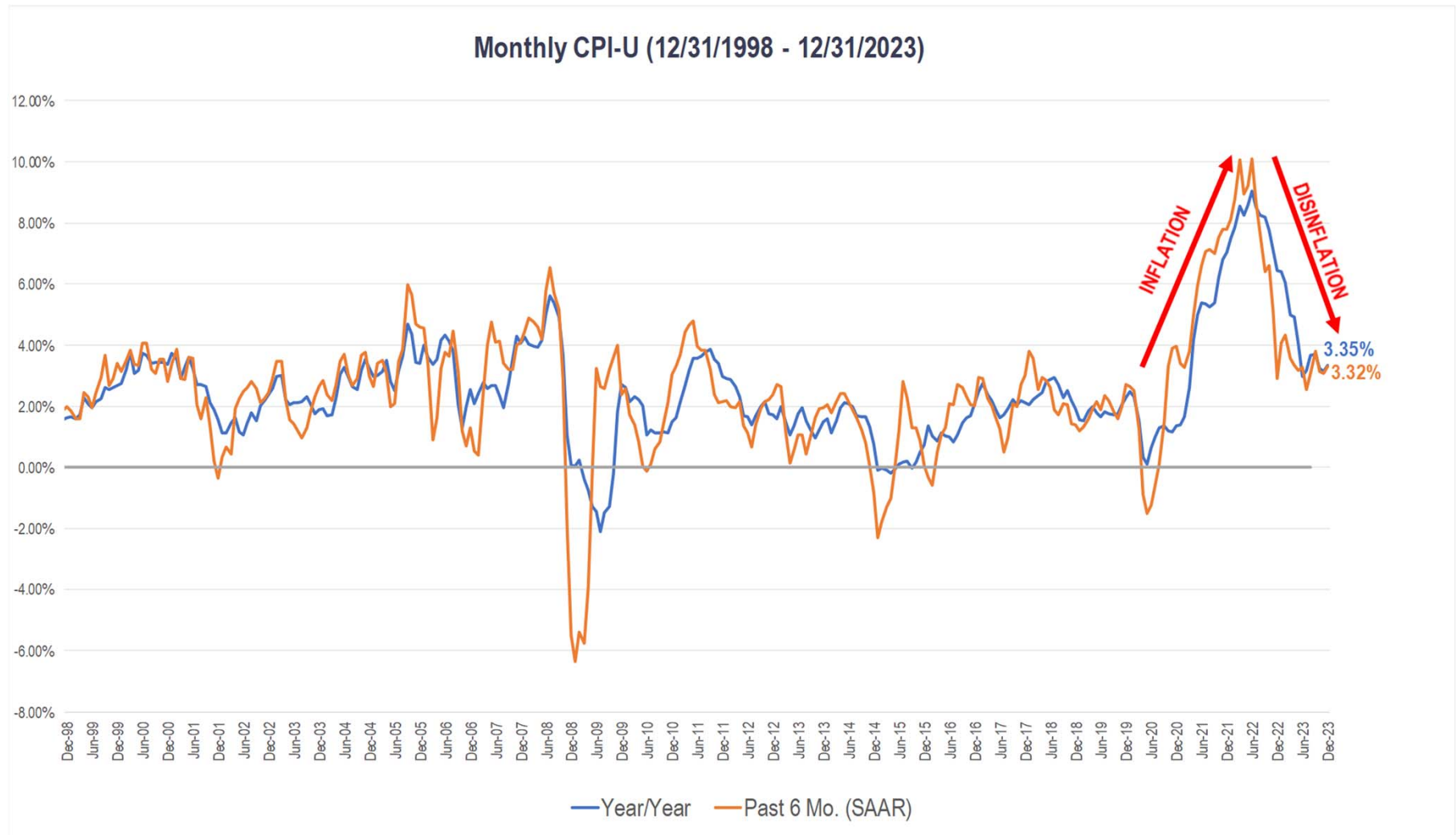
## Summary of Portfolio Cash Flows



### Summary of Cash Flows

	Fourth Quarter	Fiscal YTD	One Year	Inception 7/31/21
Beginning Market Value	\$109,759,499	\$113,102,500	\$102,168,730	\$109,336,566
Contributions	-	-	\$13,200,839	\$25,833,982
Distributions	(\$5,099,113)	(\$7,863,822)	(\$11,774,077)	(\$23,708,033)
Net Cash Flows	(\$5,099,113)	(\$7,863,822)	\$1,426,762	\$2,125,949
Income	\$931,472	\$1,786,709	\$3,268,744	\$6,822,354
Net Investment Change	\$4,128,414	\$3,550,121	\$5,193,308	(\$2,673,716)
Fees	(\$48,278)	(\$98,359)	(\$195,222)	(\$436,471)
Ending Market Value	\$108,788,799	\$108,788,799	\$108,788,799	\$108,788,799

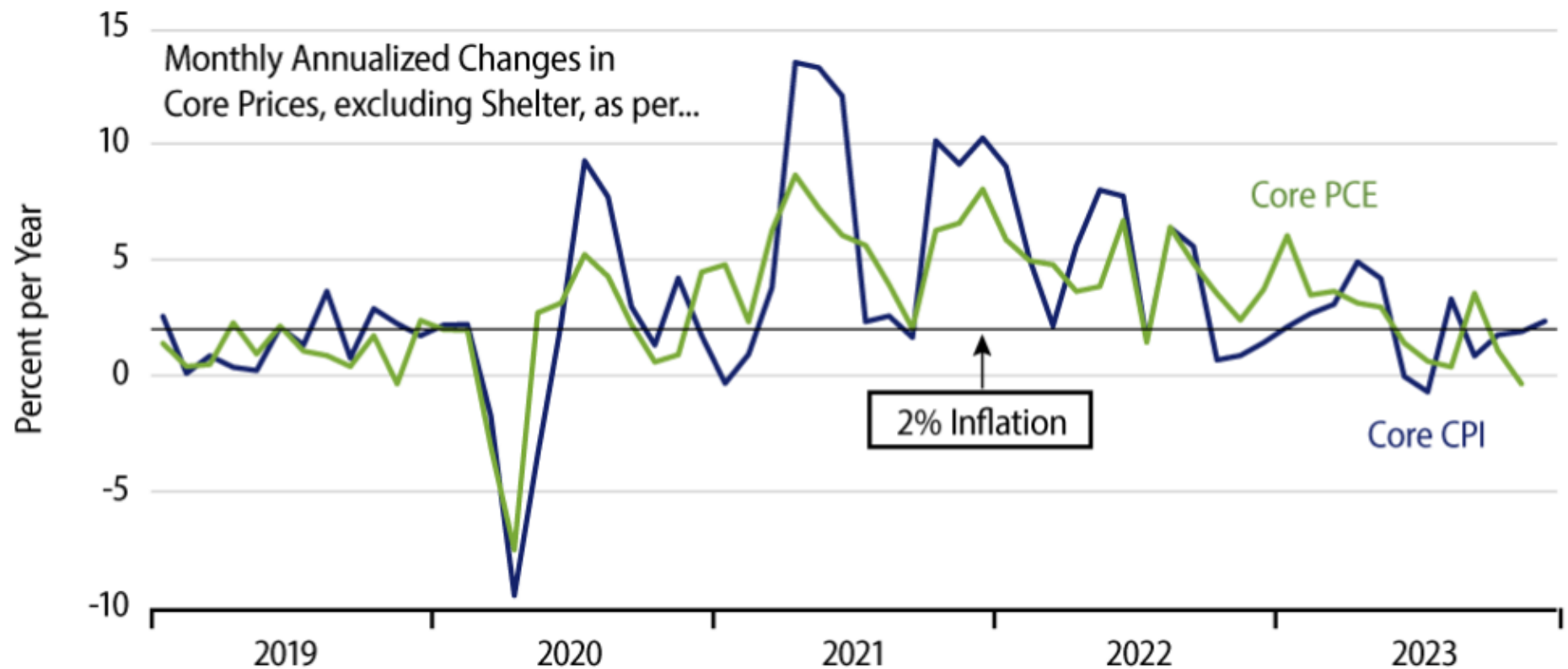
# Will Disinflationary Trend Continue?



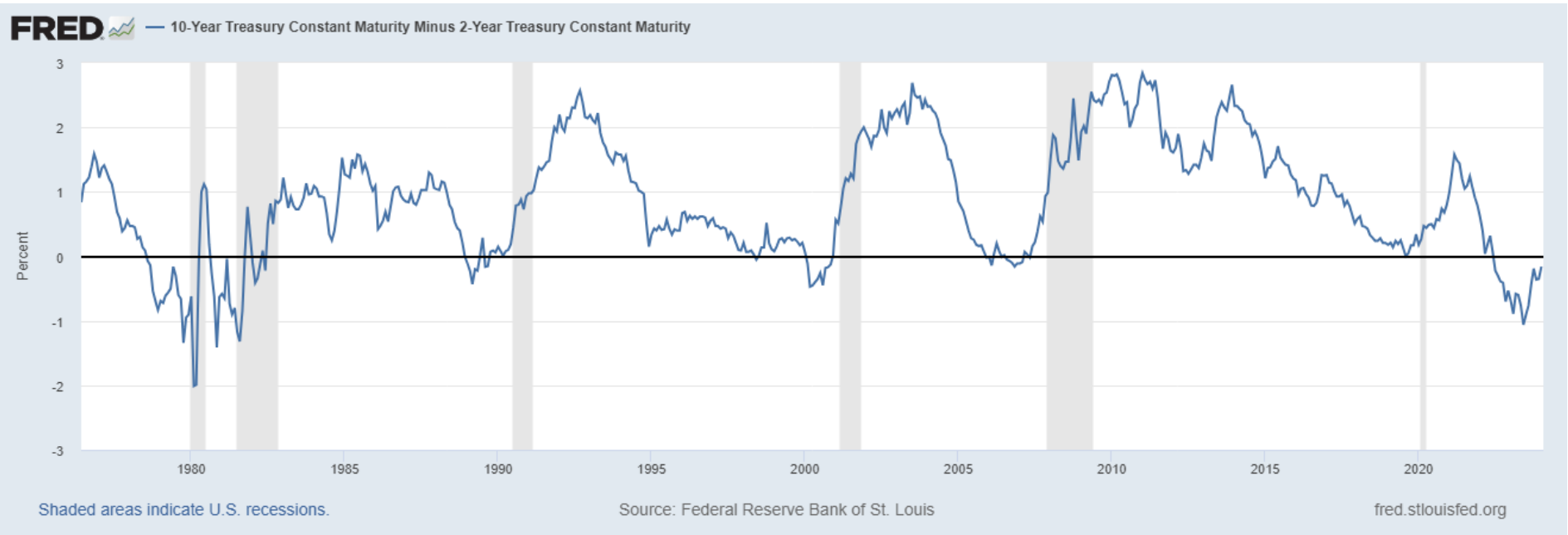
# Stripping Out Shelter, Inflation Continues to Cool



**Exhibit 1: Core Inflation, Exc. Shelter, CPI & PCE**



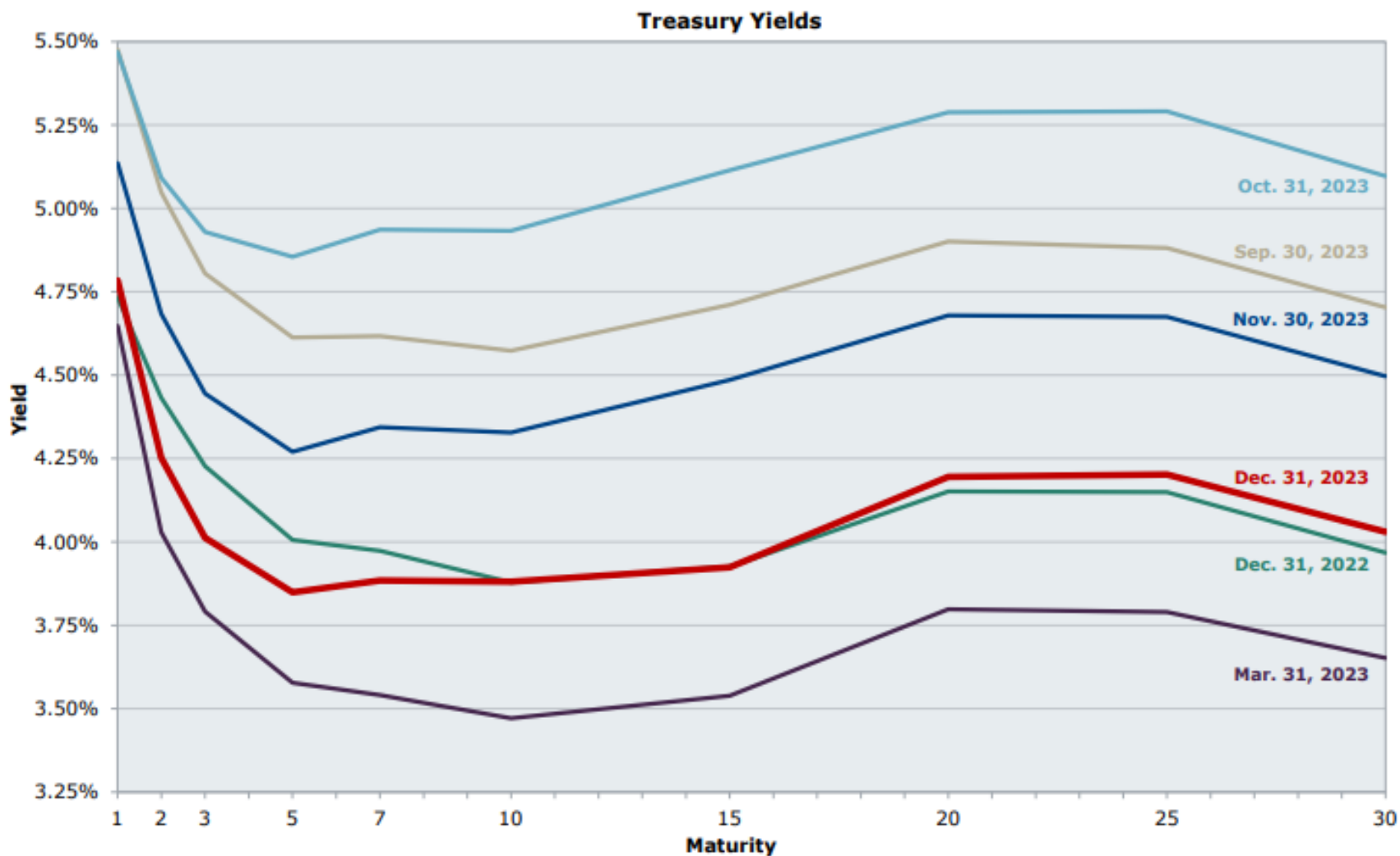
# 2-Year/10-Year Treasury Yield Spread



➤ Current Spread is -33 bps (as of 2/1)

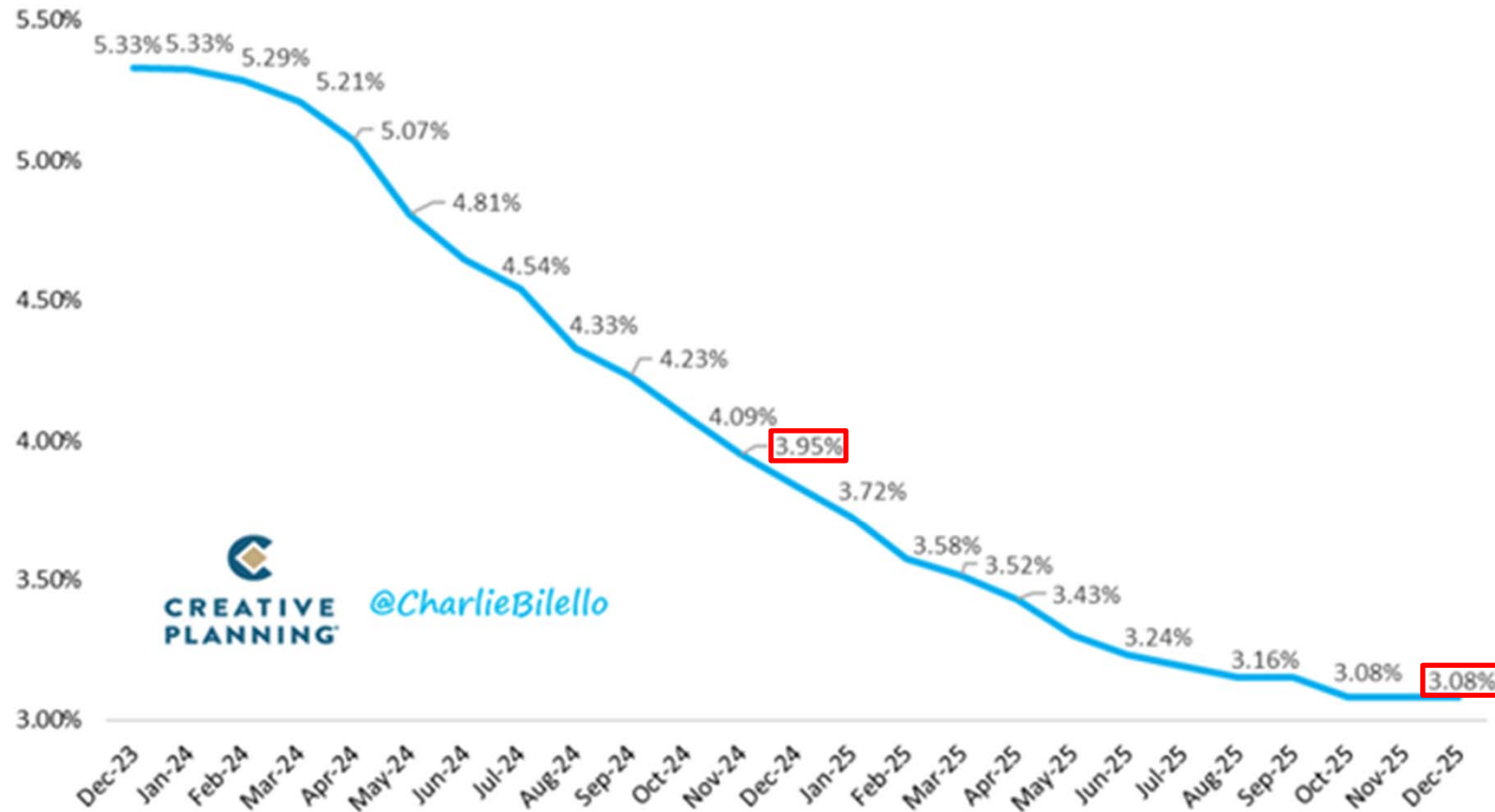


# Tremendous Moves in the Yield Curve



# Future Fed Funds Rate Expectations

**Market Expectations for Fed Funds Rate**  
(Data via Fed Funds Futures, Dec 2023 - Dec 2025)



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