



SPECIAL MEETING AGENDA

Date: 10/27/2022
Time: 5:30 p.m.
Locations: [Zoom.us/join](https://zoom.us/join) – ID# 879 5366 0767 and
City Hall Downtown Conference Room, 1st Floor
701 Laurel St., Menlo Park, CA 94025

NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE

Consistent with Government Code section 54953(e), and in light of the declared state of emergency, and maximize public safety while still maintaining transparency and public access, members of the public can listen to the meeting and participate using the following methods.

- How to participate in the meeting
 - Access the live meeting, in-person, at the Downtown Conference Room
 - Access the meeting real-time online at:
[Zoom.us/join](https://zoom.us/join) – Meeting ID 879 5366 0767
 - Access the meeting real-time via telephone at:
(669) 900-6833
Meeting ID 879 5366 0767
Press *9 to raise hand to speak

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, county and local orders, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the city website menlopark.org. The instructions for logging on to the webinar and/or the access code is subject to change. If you have difficulty accessing the webinar, please check the latest online edition of the posted agenda for updated information (menlopark.org/agenda).

Special Session ([Zoom.us/join](https://zoom.us/join) – ID# 879 5366 0767)

A. Call To Order

B. Roll Call

C. Agenda Review

D. Consent Calendar

- D1. Approve the July 21, 2022, Finance and Audit Committee special meeting minutes ([Attachment](#))

E. Regular Business

- E1. Review September 30, 2022, investment reports ([Staff Report #22-005-FAC](#))
- E2. Review June 30, 2021, single audit report ([Staff Report #22-006-FAC](#))

F. Adjournment

At every Regular Meeting of the Commission, in addition to the Public Comment period where the public shall have the right to address the Commission on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Commission on any item listed on the agenda at a time designated by the Chair, either before or during the Commission's consideration of the item.

At every Special Meeting of the Commission, members of the public have the right to directly address the Commission on any item listed on the agenda at a time designated by the Chair, either before or during consideration of the item.

For appeal hearings, appellant and applicant shall each have 10 minutes for presentations.

If you challenge any of the items listed on this agenda in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Menlo Park at, or prior to, the public hearing.

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SPECIAL MEETING MINUTES – DRAFT

Date: 7/21/2022

Time: 5:30 p.m.

Location: Zoom

Special Session

A. Call To Order

Vice Chair Westcott called the meeting to order at 5:32 p.m.

B. Roll Call

Present: DeMoss, Hill, Normington, Taylor, Westcott, Wolosin, Wong

Absent: None

Staff: Interim Finance Director Marvin Davis, Management Analyst II Rani Singh,
Management Analyst I Adrian Patino

C. Agenda Review

None.

D. Regular Business

D1. Review and receive June 30, 2022 investment reports (Staff Report #22-004-FAC)

Interim Finance Manager Marvin Davis presented the item.

The Committee received clarification on the City's investment policy and rebalancing of the portfolio.

E. Consent Calendar

E1. Approve minutes for the Finance and Audit Committee's June 2, 2022 special meeting (Attachment)

ACTION: Motion and second (Westcott/Taylor), to approve the consent calendar, passed 7-0.

F. Adjournment

Chair Westcott adjourned the meeting at 5:56 p.m.



STAFF REPORT

Finance and Audit Committee

Meeting Date: 9/30/2022

Staff Report Number: 22-005-CC

Consent Calendar: Review the investment portfolio as of September 30, 2022 and recommend receipt by Council

Recommendation

Staff recommends that the FAC review the City's investment portfolio as of September 30, 2022 and recommend receipt and file by the City Council.

Policy Issues

The City and the Successor Agency funds are invested in full compliance with the City's investment policy and State law, which emphasize safety, liquidity and yield.

Background

The City's investment policy requires a quarterly investment report to the City Council, which includes all financial investments of the City and provides information on the investment type, value and yield for all securities.

Analysis

Investment portfolio as of September 30, 2022

The City's investment portfolio's fair value basis as of September 30, 2022, totaled \$167,736,372. As shown below in Table 1, the City's investments by type are measured by the amortized cost as well as the fair value as of September 30, 2022. The Local Agency Investment Fund (LAIF) is considered a safe investment as it provides the liquidity of a money market fund. The remaining securities are prudent and range from short to longer-term investments (1-5 years), bearing higher interest rates for longer maturities.

Table 1: Recap of investments held as of September 30, 2022			
Security	Amortized cost basis	Fair value basis	% of portfolio
LAIF	\$6,367,612	\$6,367,612	4%
Securities portfolio			
Cash	193,002	193,002	0.1%
Corporate bonds	48,334,506	46,225,445	28%
Government agencies	45,247,287	43,750,889	26%
Government bonds	68,945,820	66,199,760	39%
Short Term Bills, Notes	4,998,740	4,999,664	3%
Total	174,086,967	167,736,372	100%

As shown in Table 1, the fair value of the City's securities was \$6.3 million less than the amortized cost as of September 30, 2022. The difference between amortized cost and fair value is referred to as an unrealized loss or gain, and is due to market values fluctuating from one period to another. When securities fair values are less than amortized cost it generally signals interest rates are rising. It is important to note that any unrealized loss or gain does not represent an actual cash transaction to the City, as the City generally holds securities to maturity to avoid market risk. The consolidated portfolio report for the quarter ending September 30, 2022, is included as Attachment A and each component is described in greater detail below.

LAIF

As previously shown in Table 1, 4 percent of the portfolio resides in the City's account at the LAIF, a liquid fund managed by the California State Treasurer, yielding xx percent for the quarter ended September 30, 2022. LAIF yields have fluctuated greatly over recent years, gradually increasing from historic lows following the Great Recession, then falling rapidly during the course of the COVID-19 public health emergency. Due to rising interest rates, staff has invested a significant amount of the balance in LAIF and Union Bank in longer-term securities. Staff developed a cash flow model with the City's consultant and established an overall liquid balance between LAIF and Union Bank of approximately \$25 million.

Securities portfolio

As of September 30, 2022, the City held a number of securities in corporate bonds, government agency notes and government bonds and reflect a diversified mix in terms of type but all at low risk. Insight Investment serves as the City's financial adviser on security investments and makes recommended trades of securities, purchase and sale that align market conditions to the City Council adopted investment policy to the greatest extent possible. The Insight Investments quarterly statement for the period ended September 30, 2022, is provided in Attachment A. As shown on the quarterly statement, the return for managed assets for the period ended September 30, 2022, on an amortized cost basis, was 2.11 percent. The positions the City held as of September 30, 2022, along with maturities, purchases and transactions are included in Attachment B. The FAC recommended rating of the City's corporate investments according to an Environmental, Social, Governance (ESG) scale. Attachment C outlines these investments relative to a scale of 1 – 5, 1 being the best investment. The overall score changed from 2.86 to 2.76, which indicates continual improvement. With a score of 3.0 being average, the City's investments are better than average.

Performance comparison

As specified in the City's investment policy, the performance of the portfolio is measured against the benchmark of a treasury bond. In the quarter ending September 30, 2022, the City's portfolio returned a weighted average of 2.09 percent having a weighted average maturity of 2.17 years. The twelve month trailing 2 Year treasury note saw a yield of 2.01 percent, or .08 percent lower than the City's portfolio performance. Primary factors influencing the City's portfolio as well as the two-year treasury note are the supply chain problems associated with the pandemic, Russia's military conflict, and Federal Reserve fiscal management policy.

Impact on City Resources

Considering LAIF as well as Union Bank, the City has more than sufficient funds available to meet its expenditure requirements for the next six months.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Insight Investments consolidated portfolio report for the quarter ended September 30, 2022
- B. Insight Investments quarterly report for the quarter ended September 30, 2022
- C. Insight ESC Rating as of September 30, 2022

Report prepared by:
Marvin Davis, Interim Finance Director

City of Menlo Park

Quarterly Consolidated Portfolio Report

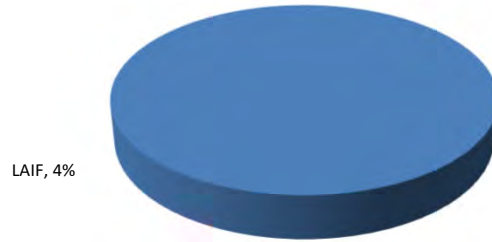
September 30, 2022

City Managed Assets

LAIF	\$	6,367,612	4%	1.51%
Total Internally Managed	\$	6,367,612	4%	

Weighted Average Yield **1.51%**

	Days
Effective Average Duration - Internal	1
Weighted Average Maturity - Internal	1

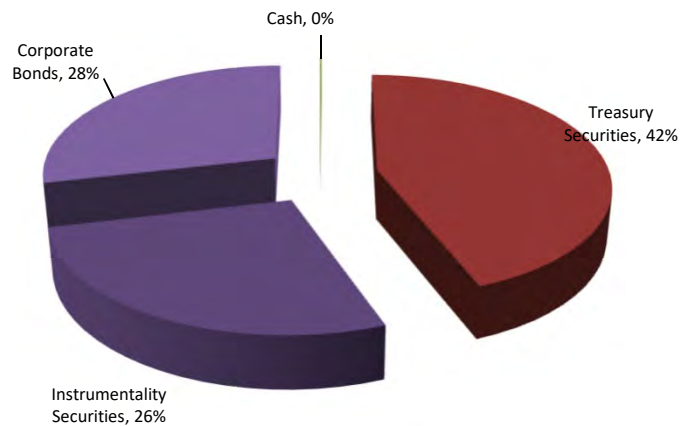


Advisor Managed Assets

Cash	\$	193,003	0%	0.02%
Treasury Securities	\$	71,199,425	42%	2.28%
Instrumentality Securities	\$	43,750,889	26%	2.23%
Corporate Bonds	\$	46,255,446	28%	1.75%
Total Externally Managed	\$	161,398,762	96%	

Weighted Average Yield **2.11%**

	Years
Effective Average Duration - External	2.12
Weighted Average Maturity - External	2.26

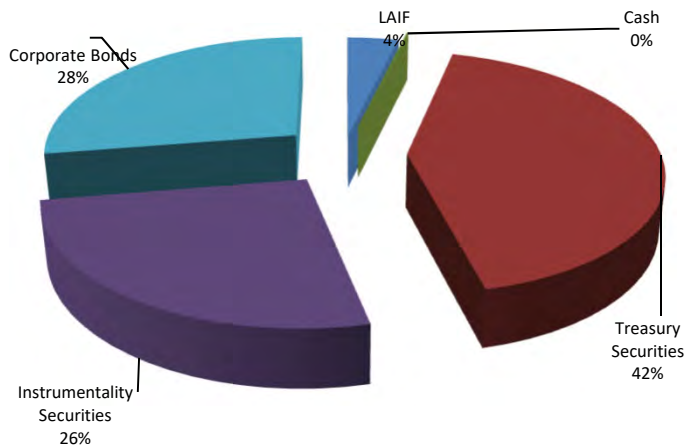


Total Portfolio Assets

LAIF	\$	6,367,612	4%	1.51%
Cash	\$	193,003	0%	0.02%
Treasury Securities	\$	71,199,425	42%	2.28%
Instrumentality Securities	\$	43,750,889	26%	2.23%
Corporate Bonds	\$	46,255,446	28%	1.75%
Total Portfolio Assets	\$	167,766,375		

Weighted Average Yield **2.09%**

	Years
Effective Average Duration - Total	2.04
Weighted Average Maturity - Total	2.17



Portfolio Change

Beginning Balance	\$	145,735,458
Ending Balance	\$	167,766,375

* Note: All data for external assets was provided by the client and is believed to be accurate.

Insight Investment does not manage the external assets and this report is provided for the client's use.

Market values are presented.

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CITY OF MENLO PARK

September 2022

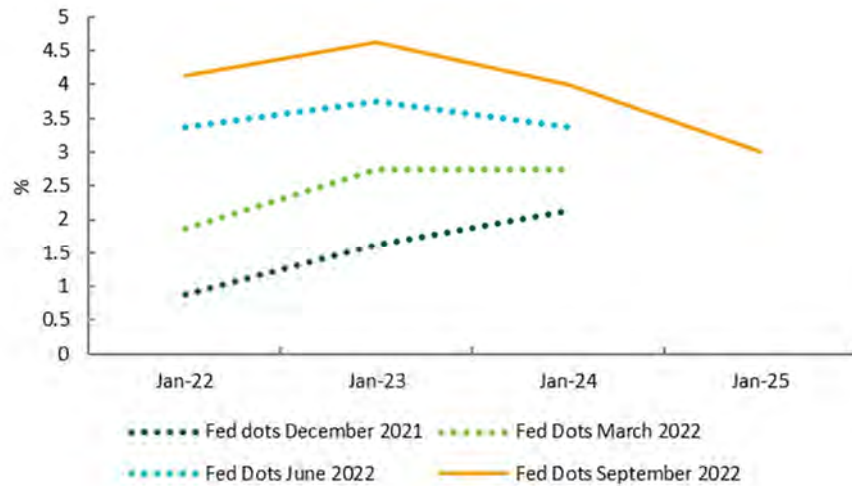


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As of September 30, 2022

Chart 1: The Fed's rate projections were revised up again



Source: Federal Reserve, September 30, 2022

Chart 2: Labor market remains robust



Source: Bloomberg, September 30, 2022

Economic Indicators and Monetary Policy

The Fed announced a third consecutive 75bp rate hike, bringing the fed funds rate to a range of 3% to 3.25% and it continued to set a hawkish tone. It raised its dot plot to reflect policy rates at 4.375% by year-end (up 88bp from the projection in June and 188bp higher than in March – see Chart 1). This implies another 125bp of hikes yet for the final two meetings of the year. The Fed materially cut its growth forecasts for 2022 and 2023 to 0.2% and 1.2% from 1.7% and 1.7%, respectively. It also projects the unemployment rate will rise to 4.4% by the end of next year from 3.7% today.

Inflation made less progress than markets had hoped, falling from 8.5% to only 8.3% (where ~8.1% was expected). Core CPI was particularly disappointing, rising from 5.9% to 6.3%, narrowly below the recent peak of 6.5% in March. 'Flexible' categories like gasoline continued to reverse, but 'sticky' services sectors like rents and medical prices continued to be high.

Labor market data remained robust. The economy added 315,000 jobs, close to consensus estimates with broad-based gains, albeit the previous two months were revised down. Wage growth was largely in line with expectations at 5.2%. The unemployment rate ticked up to 3.7% from 3.5%, more than expected, but this was partly a result of the labor participation rate rising from 62.1% from 62.4%. Initial jobless claims reached the lowest levels since April on a seasonally adjusted basis, at 193,000 at the end of the month. Continuing jobless claims saw four straight weeks of declines (Chart 2).

Real GDP for Q2 2022 was unrevised at -0.6%, albeit the mix changed with real consumer spending revised up from 1.5% pa to 2% pa. Revisions back to 2017 showed the economy growing 3.5% since 2019, above the 2.9% previously estimated, indicating a significantly hotter economy than previously indicated.

Interest Rate Summary

Yields generally rose sharply during the month, given the Federal Reserve's hawkish projections. At the end of September, the 3-month US Treasury bill yielded 3.29%, the 6-month US Treasury bill yielded 3.97%, the 2-year US Treasury note yielded 4.28%, the 5-year US Treasury note yielded 4.09% and the 10-year US Treasury note yielded 3.84%.

ACTIVITY AND PERFORMANCE SUMMARY

For the period September 1, 2022 - September 30, 2022

Amortized Cost Basis Activity Summary

Opening balance	167,454,758.92
Income received	194,929.25
Total receipts	194,929.25
Total disbursements	0.00
Interportfolio transfers	0.00
Total Interportfolio transfers	0.00
Realized gain (loss)	0.00
Change in accruals from security movement	0.00
Total amortization expense	(61,519.33)
Total OID/MKT accretion income	131,188.89
Return of capital	0.00
Closing balance	167,719,357.73
Ending fair value	161,398,762.33
Unrealized gain (loss)	(6,320,595.40)

Detail of Amortized Cost Basis Return

	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	4,332.92	0.00	0.00	4,332.92
Corporate Bonds	100,040.71	(33,093.49)	0.00	66,947.22
Government Agencies	65,815.76	15,272.36	0.00	81,088.12
Government Bonds	55,281.14	76,674.89	0.00	131,956.03
Short Term Bills and Notes	0.00	10,815.80	0.00	10,815.80
Total	225,470.53	69,669.56	0.00	295,140.09

Comparative Rates of Return (%)

	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.79	0.74	0.21
Overnight Repo	0.74	0.71	0.20
Merrill Lynch 3m US Treas Bill	0.97	0.89	0.24
Merrill Lynch 6m US Treas Bill	1.25	1.10	0.28
ML 1 Year US Treasury Note	1.68	1.39	0.31
ML 2 Year US Treasury Note	2.01	1.52	0.31
ML 5 Year US Treasury Note	2.24	1.49	0.25

* rates reflected are cumulative

Summary of Amortized Cost Basis Return for the Period

	Total portfolio
Interest earned	225,470.53
Accretion (amortization)	69,669.56
Realized gain (loss) on sales	0.00
Total income on portfolio	295,140.09
Average daily amortized cost	167,580,016.28
Period return (%)	0.18
YTD return (%)	1.06
Weighted average final maturity in days	825

ACTIVITY AND PERFORMANCE SUMMARY

For the period September 1, 2022 - September 30, 2022

Fair Value Basis Activity Summary

Opening balance	163,702,089.68
Income received	194,929.25
Total receipts	194,929.25
Total disbursements	0.00
Interportfolio transfers	0.00
Total Interportfolio transfers	0.00
Unrealized gain (loss) on security movements	0.00
Change in accruals from security movement	0.00
Return of capital	0.00
Change in fair value for the period	(2,498,256.60)
Ending fair value	161,398,762.33

Detail of Fair Value Basis Return

	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	4,332.92	0.00	4,332.92
Corporate Bonds	100,040.71	(704,491.90)	(604,451.19)
Government Agencies	65,815.76	(596,390.20)	(530,574.44)
Government Bonds	55,281.14	(1,208,886.20)	(1,153,605.06)
Short Term Bills and Notes	0.00	11,511.70	11,511.70
Total	225,470.53	(2,498,256.60)	(2,272,786.07)

Comparative Rates of Return (%)

	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.79	0.74	0.21
Overnight Repo	0.74	0.71	0.20
ICE Bofa 3 Months US T-BILL	0.62	0.57	0.25
ICE Bofa 6m US Treas Bill	0.39	0.47	0.15
ICE Bofa 1 Yr US Treasury Note	(1.95)	(0.97)	(0.44)
ICE BofA US Treasury 1-3	(4.86)	(2.06)	(1.18)
ICE BofA US Treasury 1-5	(6.78)	(3.07)	(1.70)

* rates reflected are cumulative

Summary of Fair Value Basis Return for the Period

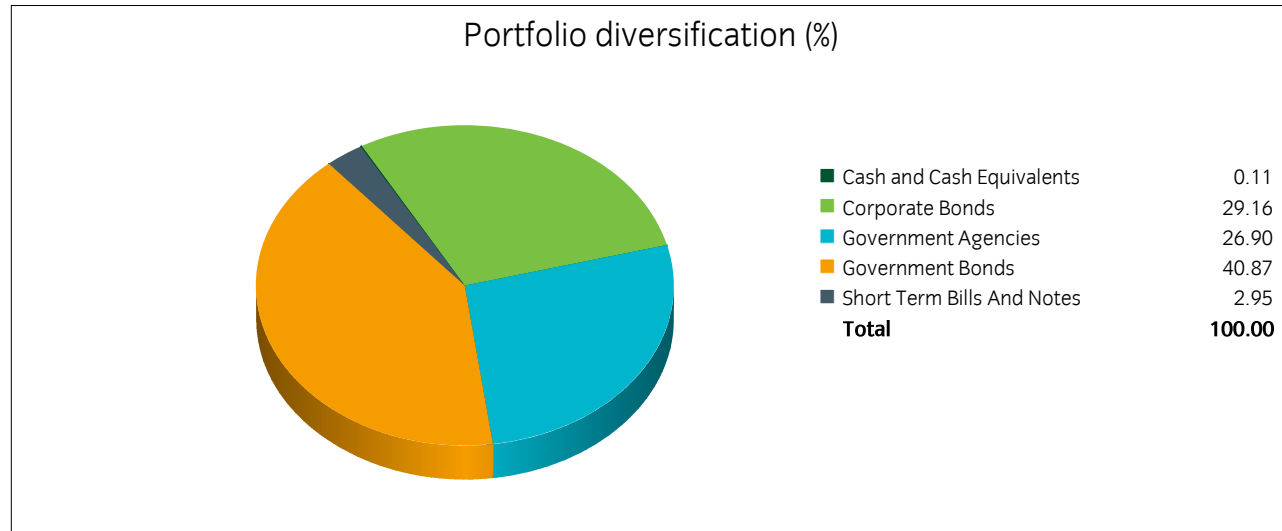
	Total portfolio
Interest earned	225,470.53
Change in fair value	(2,498,256.60)
Total income on portfolio	(2,272,786.07)
Average daily total value *	163,315,305.66
Period return (%)	(1.38)
YTD return (%)	(4.42)
Weighted average final maturity in days	825

* Total value equals market value and accrued interest

RECAP OF SECURITIES HELD

As of September 30, 2022

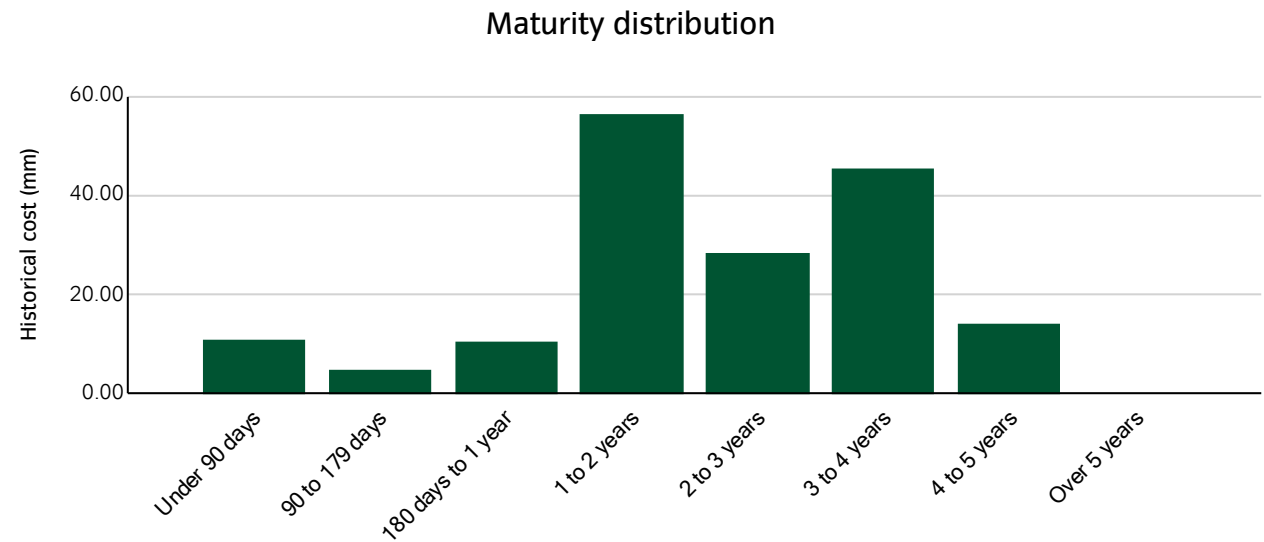
	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Cash and Cash Equivalents	193,002.60	193,002.60	193,002.60	0.00	1	0.11	0.00
Corporate Bonds	49,175,702.13	48,334,506.77	46,255,445.99	(2,079,060.78)	749	29.16	1.79
Government Agencies	45,376,897.14	45,247,287.42	43,750,889.09	(1,496,398.33)	736	26.90	1.92
Government Bonds	68,934,872.25	68,945,820.94	66,199,760.25	(2,746,060.69)	1,000	40.87	2.64
Short Term Bills And Notes	4,982,675.00	4,998,740.00	4,999,664.40	924.40	4	2.95	0.01
Total	168,663,149.12	167,719,357.73	161,398,762.33	(6,320,595.40)	825	100.00	2.12



MATURITY DISTRIBUTION OF SECURITIES HELD

As of September 30, 2022

Maturity	Historic cost	Percent
Under 90 days	10,744,577.51	6.37
90 to 179 days	4,553,970.00	2.70
180 days to 1 year	10,183,049.36	6.04
1 to 2 years	56,291,115.93	33.38
2 to 3 years	28,088,814.64	16.65
3 to 4 years	45,038,107.17	26.70
4 to 5 years	13,763,514.51	8.16
Over 5 years	0.00	0.00
	168,663,149.12	100.00



SECURITIES HELD

As of September 30, 2022

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Cash and Cash Equivalents										
	Cash and Cash Equivalents	0.000		193,002.60	193,002.60	193,002.60	193,002.60	0.00	0.00	0.11
Total Cash and Cash Equivalents				193,002.60	193,002.60	193,002.60	193,002.60	0.00	0.00	0.11
Corporate Bonds										
02665WCA7	AMERICAN HONDA FINANCE 2.6% 16NOV2022	2.600	11/16/2022	1,000,000.00	1,011,150.00	1,000,421.79	997,310.00	(3,111.79)	9,677.78	0.60
46625HJH4	JPMORGAN CHASE & CO 3.2% 25JAN2023	3.200	01/25/2023	1,000,000.00	1,031,190.00	1,002,858.05	996,802.04	(6,056.01)	5,777.78	0.61
369550BD9	GENERAL DYNAMICS CORP 3.375% 15MAY2023 (CALLABLE 15APR23)	3.375	05/15/2023 04/15/2023	943,000.00	984,840.91	948,977.27	936,726.95	(12,250.32)	11,934.84	0.58
459200HP9	IBM CORP 3.375% 01AUG2023	3.375	08/01/2023	1,000,000.00	1,061,840.00	1,024,951.53	991,988.63	(32,962.90)	5,531.25	0.63
742718EB1	PROCTER & GAMBLE CO/THE 3.1% 15AUG2023	3.100	08/15/2023	1,000,000.00	1,041,328.13	1,008,766.57	990,652.36	(18,114.21)	3,875.00	0.62
89236THA6	TOYOTA MOTOR CREDIT CORP 1.35% 25AUG2023	1.350	08/25/2023	1,000,000.00	1,021,010.00	1,007,949.07	970,940.00	(37,009.07)	1,312.50	0.61
24422EUM9	JOHN DEERE CAPITAL CORP 3.65% 12OCT2023	3.650	10/12/2023	950,000.00	1,005,926.50	964,191.44	943,416.50	(20,774.94)	16,181.67	0.60
06051GHC6	BANK OF AMERICA CORP 3.004% 20DEC2023 (CALLABLE 20DEC22)	3.004	12/20/2023 12/20/2022	1,000,000.00	1,028,310.00	1,005,366.82	994,690.54	(10,676.28)	8,344.44	0.61
14913R2S5	CATERPILLAR FINL SERVICE 0.95% 10JAN2024	0.950	01/10/2024	1,000,000.00	993,070.00	995,465.43	957,725.18	(37,740.25)	2,111.11	0.59
89236THU2	TOYOTA MOTOR CREDIT CORP 0.45% 11JAN2024	0.450	01/11/2024	1,800,000.00	1,797,858.00	1,798,808.85	1,707,774.43	(91,034.42)	1,777.50	1.07

SECURITIES HELD

CITY OF MENLO PARK

As of September 30, 2022

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Corporate Bonds										
02665WCT6	AMERICAN HONDA FINANCE 3.55% 12JAN2024	3.550	01/12/2024	1,000,000.00	1,090,440.00	1,038,509.94	985,032.61	(53,477.33)	7,691.67	0.65
24422EVN6	JOHN DEERE CAPITAL CORP 0.45% 17JAN2024	0.450	01/17/2024	800,000.00	787,240.00	791,607.15	758,520.21	(33,086.94)	730.00	0.47
17325FAS7	CITIBANK NA 3.65% 23JAN2024 (CALLABLE 23DEC23)	3.650	01/23/2024 12/23/2023	1,500,000.00	1,618,310.00	1,557,023.40	1,479,434.27	(77,589.13)	10,189.58	0.96
693475AV7	PNC FINANCIAL SERVICES 3.5% 23JAN2024 (CALLABLE 23DEC23)	3.500	01/23/2024 12/24/2023	1,000,000.00	1,047,210.00	1,013,161.76	984,103.80	(29,057.96)	6,513.89	0.62
91159HHV5	US BANCORP 3.375% 05FEB2024 (CALLABLE 05JAN24)	3.375	02/05/2024 01/05/2024	1,000,000.00	1,067,060.00	1,036,066.55	982,792.66	(53,273.89)	5,156.25	0.63
594918BX1	MICROSOFT CORP 2.875% 06FEB2024 (CALLABLE 06DEC23)	2.875	02/06/2024 12/06/2023	960,000.00	993,734.40	969,101.24	940,521.81	(28,579.43)	4,140.00	0.59
06051GHF9	BANK OF AMERICA CORP 3.55% 05MAR2024 (CALLABLE 05MAR23)	3.550	03/05/2024 03/05/2023	1,500,000.00	1,606,050.00	1,517,302.89	1,488,197.06	(29,105.83)	3,697.92	0.95
24422EUX5	JOHN DEERE CAPITAL CORP 2.6% 07MAR2024	2.600	03/07/2024	1,450,000.00	1,476,419.00	1,458,282.97	1,410,195.86	(48,087.11)	2,408.61	0.88
459200JY8	IBM CORP 3% 15MAY2024	3.000	05/15/2024	2,000,000.00	2,141,300.00	2,072,700.53	1,945,360.26	(127,340.27)	22,500.00	1.27
14913R2L0	CATERPILLAR FINL SERVICE 0.45% 17MAY2024	0.450	05/17/2024	1,600,000.00	1,597,536.00	1,598,668.17	1,496,514.22	(102,153.95)	2,660.00	0.95
46647PBQ8	JPMORGAN CHASE & CO 1.514% 01JUN2024 (CALLABLE 01JUN23)	1.514	06/01/2024 06/01/2023	2,000,000.00	2,042,800.00	2,010,700.00	1,952,549.42	(58,150.58)	10,009.22	1.21
06051GHL6	BANK OF AMERICA CORP 3.864% 23JUL2024 (CALLABLE 23JUL23)	3.864	07/23/2024 07/23/2023	1,500,000.00	1,605,540.00	1,539,044.47	1,479,597.48	(59,446.99)	10,787.00	0.95

SECURITIES HELD

As of September 30, 2022

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Corporate Bonds										
693506BQ9	PPG INDUSTRIES INC 2.4% 15AUG2024 (CALLABLE 15JUL24)	2.400	08/15/2024 07/15/2024	2,000,000.00	2,012,600.00	2,004,910.57	1,921,015.88	(83,894.69)	6,000.00	1.19
89236TGL3	TOYOTA MOTOR CREDIT CORP 2% 07OCT2024	2.000	10/07/2024	1,000,000.00	999,410.00	999,749.02	950,415.46	(49,333.56)	9,611.11	0.59
69353REF1	PNC BANK NA 3.3% 30OCT2024 (CALLABLE 30SEP24)	3.300	10/30/2024 09/30/2024	2,500,000.00	2,737,590.00	2,633,180.72	2,415,432.98	(217,747.74)	34,375.00	1.62
14913Q3B3	CATERPILLAR FINL SERVICE 2.15% 08NOV2024	2.150	11/08/2024	1,000,000.00	1,048,770.00	1,028,027.04	951,038.80	(76,988.24)	8,480.56	0.62
931142DV2	WALMART INC 2.65% 15DEC2024 (CALLABLE 15OCT24)	2.650	12/15/2024 10/15/2024	1,500,000.00	1,595,520.00	1,562,909.68	1,452,054.53	(110,855.15)	11,593.75	0.95
90331HMS9	US BANK NA CINCINNATI 2.8% 27JAN2025 (CALLABLE 27DEC24)	2.800	01/27/2025 12/27/2024	1,000,000.00	995,210.00	996,006.74	956,855.06	(39,151.68)	4,900.00	0.59
437076BM3	HOME DEPOT INC 3% 01APR2026 (CALLABLE 01JAN26)	3.000	04/01/2026 01/01/2026	3,000,000.00	2,948,280.00	2,951,036.85	2,833,929.42	(117,107.43)	44,750.00	1.75
91159HHN3	US BANCORP 2.375% 22JUL2026 (CALLABLE 22JUN26)	2.375	07/22/2026 06/22/2026	2,000,000.00	1,912,040.00	1,915,252.02	1,827,507.52	(87,744.50)	8,972.22	1.13
594918BR4	MICROSOFT CORP 2.4% 08AUG2026 (CALLABLE 08MAY26)	2.400	08/08/2026 05/08/2026	2,000,000.00	1,939,660.00	1,941,838.94	1,851,368.28	(90,470.66)	6,933.33	1.15
88579YAV3	3M COMPANY 2.25% 19SEP2026 (CALLABLE 19JUN26)	2.250	09/19/2026 06/19/2026	2,000,000.00	1,906,760.00	1,910,033.79	1,791,548.50	(118,485.29)	1,375.00	1.13
713448DN5	PEPSICO INC 2.375% 06OCT2026 (CALLABLE 06JUL26)	2.375	10/06/2026 07/06/2026	1,000,000.00	967,260.00	968,396.50	918,406.86	(49,989.64)	11,479.17	0.57

SECURITIES HELD

As of September 30, 2022

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Corporate Bonds										
037833CR9	APPLE INC 3.2% 11MAY2027 (CALLABLE 11FEB27)	3.200	05/11/2027 02/11/2027	2,121,000.00	2,062,439.19	2,063,239.01	1,995,026.41	(68,212.60)	26,206.13	1.22
Total Corporate Bonds				48,124,000.00	49,175,702.13	48,334,506.77	46,255,445.99	(2,079,060.78)	327,684.28	29.16
Government Agencies										
3133EA7E2	FEDERAL FARM CREDIT BANK 1.96% 07NOV2022	1.960	11/07/2022	2,000,000.00	2,030,580.00	2,001,145.20	1,996,700.38	(4,444.82)	15,571.11	1.20
3130A3KM5	FEDERAL HOME LOAN BANK 2.5% 09DEC2022	2.500	12/09/2022	1,500,000.00	1,531,815.00	1,501,757.59	1,497,256.82	(4,500.77)	11,562.50	0.91
3133EKKT2	FEDERAL FARM CREDIT BANK 2.25% 08FEB2023	2.250	02/08/2023	1,500,000.00	1,520,580.00	1,502,013.94	1,493,282.81	(8,731.13)	4,875.00	0.90
3130AJ7E3	FEDERAL HOME LOAN BANK 1.375% 17FEB2023	1.375	02/17/2023	2,000,000.00	2,002,200.00	2,000,891.72	1,982,477.38	(18,414.34)	3,284.72	1.19
3135G0U43	FANNIE MAE 2.875% 12SEP2023	2.875	09/12/2023	2,000,000.00	2,081,960.00	2,018,477.47	1,971,343.36	(47,134.11)	2,875.00	1.23
3133EKVB9	FEDERAL FARM CREDIT BANK 1.86% 17OCT2023	1.860	10/17/2023	2,000,000.00	1,993,956.00	1,998,503.88	1,951,357.76	(47,146.12)	16,843.33	1.18
3133EKKU9	FEDERAL FARM CREDIT BANK 2.3% 08NOV2023	2.300	11/08/2023	1,500,000.00	1,524,645.00	1,506,215.91	1,468,640.85	(37,575.06)	13,608.33	0.90
3130AB3H7	FEDERAL HOME LOAN BANK 2.375% 08MAR2024	2.375	03/08/2024	2,000,000.00	2,045,380.00	2,013,884.73	1,944,018.22	(69,866.51)	2,902.78	1.21
3133EMTD4	FEDERAL FARM CREDIT BANK 0.37% 15MAR2024 (CALLABLE 13OCT22)	0.370	03/15/2024	2,000,000.00	1,998,000.00	1,999,033.15	1,884,434.56	(114,598.59)	308.33	1.18
3133EMBE1	FEDERAL FARM CREDIT BANK 0.3% 28MAR2024 (CALLABLE 13OCT22)	0.300	03/28/2024	2,000,000.00	1,998,500.00	1,999,360.03	1,878,392.22	(120,967.81)	33.33	1.18

SECURITIES HELD

As of September 30, 2022

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Agencies										
3133EKNX0	FEDERAL FARM CREDIT BANK 2.16% 03JUN2024	2.160	06/03/2024	1,000,000.00	1,012,070.00	1,004,093.48	967,465.39	(36,628.09)	7,020.00	0.60
3135G0V75	FANNIE MAE 1.75% 02JUL2024	1.750	07/02/2024	2,000,000.00	1,982,440.00	1,993,813.87	1,914,841.50	(78,972.37)	8,555.56	1.18
3130AKX84	FEDERAL HOME LOAN BANK 0.27% 23AUG2024 (CALLABLE 23NOV22)	0.270	08/23/2024 11/23/2022	1,000,000.00	999,500.00	999,730.47	922,190.53	(77,539.94)	277.50	0.59
3137EAEP0	FREDDIE MAC 1.5% 12FEB2025	1.500	02/12/2025	3,000,000.00	2,881,764.00	2,892,374.92	2,811,492.87	(80,882.05)	6,000.00	1.71
3130AJHU6	FEDERAL HOME LOAN BANK 0.5% 14APR2025	0.500	04/14/2025	1,405,000.00	1,297,447.25	1,300,310.74	1,275,326.80	(24,983.94)	3,239.31	0.77
3135G03U5	FANNIE MAE 0.625% 22APR2025	0.625	04/22/2025	3,000,000.00	2,800,407.00	2,817,072.82	2,733,826.80	(83,246.02)	8,229.17	1.66
3130ASG86	FEDERAL HOME LOAN BANK 3.375% 13JUN2025	3.375	06/13/2025	2,000,000.00	2,008,540.00	2,007,944.00	1,945,337.26	(62,606.74)	19,687.50	1.19
3133ENB74	FEDERAL FARM CREDIT BANK 3.15% 21JUL2025	3.150	07/21/2025	3,000,000.00	2,993,700.00	2,994,124.26	2,912,765.79	(81,358.47)	18,112.50	1.77
3135G05X7	FANNIE MAE 0.375% 25AUG2025	0.375	08/25/2025	2,000,000.00	1,838,268.89	1,853,924.80	1,788,300.78	(65,624.02)	729.17	1.09
3130AL7C2	FEDERAL HOME LOAN BANK 0.5% 25AUG2025 (CALLABLE 25NOV22)	0.500	08/25/2025 11/25/2022	2,000,000.00	2,000,000.00	2,000,000.00	1,780,258.18	(219,741.82)	972.22	1.19
3135G0K36	FANNIE MAE 2.125% 24APR2026	2.125	04/24/2026	3,000,000.00	2,891,100.00	2,897,487.10	2,790,873.63	(106,613.47)	27,625.00	1.71

SECURITIES HELD

As of September 30, 2022

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Agencies										
3133ENH45	FEDERAL FARM CREDIT BANK 3.125% 24AUG2026	3.125	08/24/2026	4,000,000.00	3,944,044.00	3,945,127.34	3,840,305.20	(104,822.14)	12,500.00	2.34
Total Government Agencies				45,905,000.00	45,376,897.14	45,247,287.42	43,750,889.09	(1,496,398.33)	184,812.36	26.90
Government Bonds										
91282CAR2	USA TREASURY 0.125% 31OCT2022	0.125	10/31/2022	1,000,000.00	995,354.91	999,421.70	997,986.83	(1,434.87)	519.70	0.59
912828S35	USA TREASURY 1.375% 30JUN2023	1.375	06/30/2023	1,000,000.00	984,492.19	997,110.15	979,882.81	(17,227.34)	3,437.50	0.58
912828Y61	USA TREASURY 2.75% 31JUL2023	2.750	07/31/2023	1,000,000.00	1,040,468.75	1,009,079.34	988,437.50	(20,641.84)	4,558.42	0.62
9128282D1	USA TREASURY 1.375% 31AUG2023	1.375	08/31/2023	2,000,000.00	1,967,109.38	1,992,784.31	1,947,812.50	(44,971.81)	2,279.01	1.17
9128285D8	USA TREASURY 2.875% 30SEP2023	2.875	09/30/2023	1,000,000.00	1,041,679.69	1,022,808.23	987,109.38	(35,698.85)	0.00	0.62
91282CAP6	USA TREASURY 0.125% 15OCT2023	0.125	10/15/2023	1,500,000.00	1,493,203.13	1,496,936.17	1,436,835.93	(60,100.24)	860.66	0.89
91282CDD0	USA TREASURY 0.375% 31OCT2023	0.375	10/31/2023	2,000,000.00	1,981,803.58	1,988,828.24	1,917,031.24	(71,797.00)	3,118.21	1.18
9128285P1	USA TREASURY 2.875% 30NOV2023	2.875	11/30/2023	1,800,000.00	1,881,216.97	1,846,944.95	1,770,398.44	(76,546.51)	17,250.00	1.12
912828V23	USA TREASURY 2.25% 31DEC2023	2.250	12/31/2023	1,000,000.00	1,019,261.16	1,005,354.23	975,390.62	(29,963.61)	5,625.00	0.60
91282CBM2	USA TREASURY 0.125% 15FEB2024	0.125	02/15/2024	1,500,000.00	1,489,746.09	1,494,660.75	1,416,855.47	(77,805.28)	234.38	0.88

SECURITIES HELD

As of September 30, 2022

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Bonds										
9128286R6	USA TREASURY 2.25% 30APR2024	2.250	04/30/2024	1,000,000.00	1,023,050.23	1,008,416.32	968,203.12	(40,213.20)	9,354.62	0.61
91282CCC3	USA TREASURY 0.25% 15MAY2024	0.250	05/15/2024	2,000,000.00	1,997,116.08	1,998,413.58	1,873,593.76	(124,819.82)	1,875.00	1.18
912828XT2	USA TREASURY 2% 31MAY2024	2.000	05/31/2024	2,000,000.00	2,101,803.58	2,053,035.40	1,926,171.88	(126,863.52)	13,333.33	1.25
912828Y87	USA TREASURY 1.75% 31JUL2024	1.750	07/31/2024	2,000,000.00	2,087,272.33	2,047,538.59	1,911,484.38	(136,054.21)	5,801.63	1.24
9128282U3	USA TREASURY 1.875% 31AUG2024	1.875	08/31/2024	1,000,000.00	1,012,382.81	1,004,988.71	956,250.00	(48,738.71)	1,553.87	0.60
91282CCX7	USA TREASURY 0.375% 15SEP2024	0.375	09/15/2024	1,700,000.00	1,696,685.38	1,697,838.55	1,577,082.03	(120,756.52)	264.16	1.01
912828YY0	USA TREASURY 1.75% 31DEC2024	1.750	12/31/2024	2,000,000.00	2,093,281.25	2,059,008.82	1,895,000.00	(164,008.82)	8,797.81	1.24
912828ZF0	USA TREASURY 0.5% 31MAR2025	0.500	03/31/2025	3,000,000.00	2,798,906.25	2,816,033.47	2,736,914.07	(79,119.40)	0.00	1.66
91282CAM3	USA TREASURY 0.25% 30SEP2025	0.250	09/30/2025	3,000,000.00	2,740,205.36	2,758,903.53	2,666,250.00	(92,653.53)	0.00	1.62
91282CAT8	USA TREASURY 0.25% 31OCT2025	0.250	10/31/2025	3,000,000.00	2,733,408.49	2,752,105.09	2,656,757.82	(95,347.27)	3,118.21	1.62
91282CAZ4	USA TREASURY 0.375% 30NOV2025	0.375	11/30/2025	3,000,000.00	2,739,853.80	2,757,657.69	2,659,804.68	(97,853.01)	3,750.00	1.62
91282CBC4	USA TREASURY 0.375% 31DEC2025	0.375	12/31/2025	2,300,000.00	2,071,445.21	2,075,971.05	2,033,792.96	(42,178.09)	2,156.25	1.23

SECURITIES HELD

CITY OF MENLO PARK

As of September 30, 2022

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Bonds										
91282CBH3	USA TREASURY 0.375% 31JAN2026	0.375	01/31/2026	3,000,000.00	2,725,205.36	2,742,327.18	2,642,578.14	(99,749.04)	1,864.81	1.62
91282CBQ3	USA TREASURY 0.5% 28FEB2026	0.500	02/28/2026	3,000,000.00	2,732,939.74	2,749,228.81	2,647,148.43	(102,080.38)	1,243.09	1.62
91282CBT7	USA TREASURY 0.75% 31MAR2026	0.750	03/31/2026	3,000,000.00	2,748,642.86	2,762,400.57	2,663,789.07	(98,611.50)	0.00	1.63
91282CCF6	USA TREASURY 0.75% 31MAY2026	0.750	05/31/2026	3,000,000.00	2,721,328.12	2,727,832.50	2,649,375.00	(78,457.50)	7,500.00	1.61
91282CCJ8	USA TREASURY 0.875% 30JUN2026	0.875	06/30/2026	3,000,000.00	2,747,470.99	2,760,421.20	2,655,937.50	(104,483.70)	6,562.50	1.63
91282CCP4	USA TREASURY 0.625% 31JUL2026	0.625	07/31/2026	2,000,000.00	1,816,334.83	1,822,912.37	1,749,140.62	(73,771.75)	2,072.01	1.08
9128282A7	USA TREASURY 1.5% 15AUG2026	1.500	08/15/2026	2,000,000.00	1,896,334.83	1,900,484.25	1,808,906.24	(91,578.01)	3,750.00	1.12
91282CCW9	USA TREASURY 0.75% 31AUG2026	0.750	08/31/2026	2,000,000.00	1,823,053.58	1,829,258.04	1,753,984.38	(75,273.66)	1,243.09	1.08
91282CCZ2	USA TREASURY 0.875% 30SEP2026	0.875	09/30/2026	5,000,000.00	4,557,790.19	4,576,586.90	4,398,632.80	(177,954.10)	0.00	2.70
91282CDG3	USA TREASURY 1.125% 31OCT2026	1.125	10/31/2026	2,000,000.00	1,846,647.33	1,851,812.06	1,773,203.12	(78,608.94)	9,354.62	1.09
91282CDK4	USA TREASURY 1.25% 30NOV2026	1.250	11/30/2026	2,000,000.00	1,855,397.33	1,860,174.55	1,779,765.62	(80,408.93)	8,333.33	1.10

SECURITIES HELD

As of September 30, 2022

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Bonds										
91282CDQ1	USA TREASURY 1.25% 31DEC2026	1.250	12/31/2026	2,700,000.00	2,473,980.47	2,478,543.64	2,398,253.91	(80,289.73)	8,437.50	1.47
Total Government Bonds				72,500,000.00	68,934,872.25	68,945,820.94	66,199,760.25	(2,746,060.69)	138,248.71	40.87
Short Term Bills and Notes										
912796YC7	USA TREASURY BILL 0% 04OCT2022	0.000	10/04/2022	5,000,000.00	4,982,675.00	4,998,740.00	4,999,664.40	924.40	0.00	2.95
Total Short Term Bills and Notes				5,000,000.00	4,982,675.00	4,998,740.00	4,999,664.40	924.40	0.00	2.95
Grand total				171,722,002.60	168,663,149.12	167,719,357.73	161,398,762.33	(6,320,595.40)	650,745.35	100.00

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of September 30, 2022

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
United States Treasury Note/Bond												
91282CAR2	USA TREASURY 0.125%	0.125	10/31/2022		AA+	Aaa	1,000,000.00	995,354.91	0.59	997,986.83	0.62	0.08
912828S35	USA TREASURY 1.375%	1.375	06/30/2023		AA+	Aaa	1,000,000.00	984,492.19	0.58	979,882.81	0.61	0.73
912828Y61	USA TREASURY 2.75%	2.750	07/31/2023		AA+	Aaa	1,000,000.00	1,040,468.75	0.62	988,437.50	0.61	0.81
9128282D1	USA TREASURY 1.375%	1.375	08/31/2023		AA+	Aaa	2,000,000.00	1,967,109.38	1.17	1,947,812.50	1.21	0.90
9128285D8	USA TREASURY 2.875%	2.875	09/30/2023		AA+	Aaa	1,000,000.00	1,041,679.69	0.62	987,109.38	0.61	0.98
91282CAP6	USA TREASURY 0.125%	0.125	10/15/2023		AA+	Aaa	1,500,000.00	1,493,203.13	0.89	1,436,835.93	0.89	1.02
91282CDD0	USA TREASURY 0.375%	0.375	10/31/2023		AA+	Aaa	2,000,000.00	1,981,803.58	1.18	1,917,031.24	1.19	1.06
9128285P1	USA TREASURY 2.875%	2.875	11/30/2023		AA+	Aaa	1,800,000.00	1,881,216.97	1.12	1,770,398.44	1.10	1.12
912828V23	USA TREASURY 2.25%	2.250	12/31/2023		AA+	Aaa	1,000,000.00	1,019,261.16	0.60	975,390.62	0.60	1.21
91282CBM2	USA TREASURY 0.125%	0.125	02/15/2024		AA+	Aaa	1,500,000.00	1,489,746.09	0.88	1,416,855.47	0.88	1.35
9128286R6	USA TREASURY 2.25%	2.250	04/30/2024		AA+	Aaa	1,000,000.00	1,023,050.23	0.61	968,203.12	0.60	1.52
91282CCC3	USA TREASURY 0.25%	0.250	05/15/2024		AA+	Aaa	2,000,000.00	1,997,116.08	1.18	1,873,593.76	1.16	1.58
912828XT2	USA TREASURY 2%	2.000	05/31/2024		AA+	Aaa	2,000,000.00	2,101,803.58	1.25	1,926,171.88	1.19	1.60
912828Y87	USA TREASURY 1.75%	1.750	07/31/2024		AA+	Aaa	2,000,000.00	2,087,272.33	1.24	1,911,484.38	1.18	1.77
9128282U3	USA TREASURY 1.875%	1.875	08/31/2024		AA+	Aaa	1,000,000.00	1,012,382.81	0.60	956,250.00	0.59	1.85
91282CCX7	USA TREASURY 0.375%	0.375	09/15/2024		AA+	Aaa	1,700,000.00	1,696,685.38	1.01	1,577,082.03	0.98	1.91
912828YY0	USA TREASURY 1.75%	1.750	12/31/2024		AA+	Aaa	2,000,000.00	2,093,281.25	1.24	1,895,000.00	1.17	2.16
912828ZF0	USA TREASURY 0.5%	0.500	03/31/2025		AA+	Aaa	3,000,000.00	2,798,906.25	1.66	2,736,914.07	1.70	2.43
91282CAM3	USA TREASURY 0.25%	0.250	09/30/2025		AA+	Aaa	3,000,000.00	2,740,205.36	1.62	2,666,250.00	1.65	2.92
91282CAT8	USA TREASURY 0.25%	0.250	10/31/2025		AA+	Aaa	3,000,000.00	2,733,408.49	1.62	2,656,757.82	1.65	3.00
91282CAZ4	USA TREASURY 0.375%	0.375	11/30/2025		AA+	Aaa	3,000,000.00	2,739,853.80	1.62	2,659,804.68	1.65	3.08
91282CBC4	USA TREASURY 0.375%	0.375	12/31/2025		AA+	Aaa	2,300,000.00	2,071,445.21	1.23	2,033,792.96	1.26	3.16
91282CBH3	USA TREASURY 0.375%	0.375	01/31/2026		AA+	Aaa	3,000,000.00	2,725,205.36	1.62	2,642,578.14	1.64	3.24
91282CBQ3	USA TREASURY 0.5%	0.500	02/28/2026		AA+	Aaa	3,000,000.00	2,732,939.74	1.62	2,647,148.43	1.64	3.31
91282CBT7	USA TREASURY 0.75%	0.750	03/31/2026		AA+	Aaa	3,000,000.00	2,748,642.86	1.63	2,663,789.07	1.65	3.38

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

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Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
United States Treasury Note/Bond												
91282CCF6	USA TREASURY 0.75%	0.750	05/31/2026		AA+	Aaa	3,000,000.00	2,721,328.12	1.61	2,649,375.00	1.64	3.53
91282CCJ8	USA TREASURY 0.875%	0.875	06/30/2026		AA+	Aaa	3,000,000.00	2,747,470.99	1.63	2,655,937.50	1.65	3.60
91282CCP4	USA TREASURY 0.625%	0.625	07/31/2026		AA+	Aaa	2,000,000.00	1,816,334.83	1.08	1,749,140.62	1.08	3.70
9128282A7	USA TREASURY 1.5%	1.500	08/15/2026		AA+	Aaa	2,000,000.00	1,896,334.83	1.12	1,808,906.24	1.12	3.68
91282CCW9	USA TREASURY 0.75%	0.750	08/31/2026		AA+	Aaa	2,000,000.00	1,823,053.58	1.08	1,753,984.38	1.09	3.77
91282CCZ2	USA TREASURY 0.875%	0.875	09/30/2026		AA+	Aaa	5,000,000.00	4,557,790.19	2.70	4,398,632.80	2.73	3.85
91282CDG3	USA TREASURY 1.125%	1.125	10/31/2026		AA+	Aaa	2,000,000.00	1,846,647.33	1.09	1,773,203.12	1.10	3.89
91282CDK4	USA TREASURY 1.25%	1.250	11/30/2026		AA+	Aaa	2,000,000.00	1,855,397.33	1.10	1,779,765.62	1.10	3.96
91282CDQ1	USA TREASURY 1.25%	1.250	12/31/2026		AA+	Aaa	2,700,000.00	2,473,980.47	1.47	2,398,253.91	1.49	4.04
Issuer total							72,500,000.00	68,934,872.25	40.87	66,199,760.25	41.02	2.64
Federal Farm Credit Banks Funding Corp												
3133EA7E2	FEDERAL FARM CREDIT	1.960	11/07/2022		AA+	Aaa	2,000,000.00	2,030,580.00	1.20	1,996,700.38	1.24	0.10
3133EKT2	FEDERAL FARM CREDIT	2.250	02/08/2023		AA+	Aaa	1,500,000.00	1,520,580.00	0.90	1,493,282.81	0.93	0.35
3133EKB9	FEDERAL FARM CREDIT	1.860	10/17/2023		AA+	Aaa	2,000,000.00	1,993,956.00	1.18	1,951,357.76	1.21	1.01
3133EKKU9	FEDERAL FARM CREDIT	2.300	11/08/2023		AA+	Aaa	1,500,000.00	1,524,645.00	0.90	1,468,640.85	0.91	1.07
3133EMTD4	FEDERAL FARM CREDIT	0.370	03/15/2024		AA+	Aaa	2,000,000.00	1,998,000.00	1.18	1,884,434.56	1.17	1.40
3133EMBE1	FEDERAL FARM CREDIT	0.300	03/28/2024		AA+	Aaa	2,000,000.00	1,998,500.00	1.18	1,878,392.22	1.16	1.44
3133EKNX0	FEDERAL FARM CREDIT	2.160	06/03/2024		AA+	Aaa	1,000,000.00	1,012,070.00	0.60	967,465.39	0.60	1.61
3133ENB74	FEDERAL FARM CREDIT	3.150	07/21/2025		AA+	Aaa	3,000,000.00	2,993,700.00	1.77	2,912,765.79	1.80	2.64
3133ENH45	FEDERAL FARM CREDIT	3.125	08/24/2026		AA+	Aaa	4,000,000.00	3,944,044.00	2.34	3,840,305.20	2.38	3.61
Issuer total							19,000,000.00	19,016,075.00	11.27	18,393,344.96	11.40	1.78
Federal Home Loan Banks												
3130A3KM5	FEDERAL HOME LOAN	2.500	12/09/2022		AA+	Aaa	1,500,000.00	1,531,815.00	0.91	1,497,256.82	0.93	0.19
3130AJ7E3	FEDERAL HOME LOAN	1.375	02/17/2023		AA+	Aaa	2,000,000.00	2,002,200.00	1.19	1,982,477.38	1.23	0.38

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

CITY OF MENLO PARK

As of September 30, 2022

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
Federal Home Loan Banks												
3130AB3H7	FEDERAL HOME LOAN	2.375	03/08/2024		AA+	Aaa	2,000,000.00	2,045,380.00	1.21	1,944,018.22	1.20	1.39
3130AKX84	FEDERAL HOME LOAN	0.270	08/23/2024	11/23/2022	AA+	Aaa	1,000,000.00	999,500.00	0.59	922,190.53	0.57	1.85
3130AJHU6	FEDERAL HOME LOAN	0.500	04/14/2025		AA+	Aaa	1,405,000.00	1,297,447.25	0.77	1,275,326.80	0.79	2.46
3130ASG86	FEDERAL HOME LOAN	3.375	06/13/2025		AA+	Aaa	2,000,000.00	2,008,540.00	1.19	1,945,337.26	1.21	2.53
3130AL7C2	FEDERAL HOME LOAN	0.500	08/25/2025	11/25/2022	AA+	Aaa	2,000,000.00	2,000,000.00	1.19	1,780,258.18	1.10	2.77
Issuer total							11,905,000.00	11,884,882.25	7.05	11,346,865.19	7.03	1.65
Federal National Mortgage Association												
3135G0U43	FANNIE MAE 2.875%	2.875	09/12/2023		AA+	Aaa	2,000,000.00	2,081,960.00	1.23	1,971,343.36	1.22	0.92
3135G0V75	FANNIE MAE 1.75%	1.750	07/02/2024		AA+	Aaa	2,000,000.00	1,982,440.00	1.18	1,914,841.50	1.19	1.69
3135G03U5	FANNIE MAE 0.625%	0.625	04/22/2025		AA+	Aaa	3,000,000.00	2,800,407.00	1.66	2,733,826.80	1.69	2.48
3135G05X7	FANNIE MAE 0.375%	0.375	08/25/2025		AA+	Aaa	2,000,000.00	1,838,268.89	1.09	1,788,300.78	1.11	2.82
3135G0K36	FANNIE MAE 2.125%	2.125	04/24/2026		AA+	Aaa	3,000,000.00	2,891,100.00	1.71	2,790,873.63	1.73	3.34
Issuer total							12,000,000.00	11,594,175.89	6.87	11,199,186.07	6.94	2.33
United States Treasury Bill												
912796YC7	USA TREASURY BILL 0%	0.000	10/04/2022		A-1+	P-1	5,000,000.00	4,982,675.00	2.95	4,999,664.40	3.10	0.01
Issuer total							5,000,000.00	4,982,675.00	2.95	4,999,664.40	3.10	0.01
Bank of America Corp												
06051GHC6	BANK OF AMERICA CORP	3.004	12/20/2023	12/20/2022	A-	A2	1,000,000.00	1,028,310.00	0.61	994,690.54	0.62	0.22
06051GHF9	BANK OF AMERICA CORP	3.550	03/05/2024	03/05/2023	A-	A2	1,500,000.00	1,606,050.00	0.95	1,488,197.06	0.92	0.42
06051GHL6	BANK OF AMERICA CORP	3.864	07/23/2024	07/23/2023	A-	A2	1,500,000.00	1,605,540.00	0.95	1,479,597.48	0.92	0.79
Issuer total							4,000,000.00	4,239,900.00	2.51	3,962,485.08	2.46	0.51
Toyota Motor Credit Corp												
89236THA6	TOYOTA MOTOR CREDIT	1.350	08/25/2023		A+	A1	1,000,000.00	1,021,010.00	0.61	970,940.00	0.60	0.88

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CITY OF MENLO PARK

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Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
Toyota Motor Credit Corp												
89236THU2	TOYOTA MOTOR CREDIT	0.450	01/11/2024		A+	A1	1,800,000.00	1,797,858.00	1.07	1,707,774.43	1.06	1.25
89236TGL3	TOYOTA MOTOR CREDIT	2.000	10/07/2024		A+	A1	1,000,000.00	999,410.00	0.59	950,415.46	0.59	1.92
Issuer total							3,800,000.00	3,818,278.00	2.26	3,629,129.89	2.25	1.33
Caterpillar Financial Services Corp												
14913R2S5	CATERPILLAR FINL	0.950	01/10/2024		A	A2	1,000,000.00	993,070.00	0.59	957,725.18	0.59	1.25
14913R2L0	CATERPILLAR FINL	0.450	05/17/2024		A	A2	1,600,000.00	1,597,536.00	0.95	1,496,514.22	0.93	1.59
14913Q3B3	CATERPILLAR FINL	2.150	11/08/2024		A	A2	1,000,000.00	1,048,770.00	0.62	951,038.80	0.59	2.00
Issuer total							3,600,000.00	3,639,376.00	2.16	3,405,278.20	2.11	1.62
John Deere Capital Corp												
24422EUM9	JOHN DEERE CAPITAL	3.650	10/12/2023		A	A2	950,000.00	1,005,926.50	0.60	943,416.50	0.58	0.98
24422EVN6	JOHN DEERE CAPITAL	0.450	01/17/2024		A	A2	800,000.00	787,240.00	0.47	758,520.21	0.47	1.27
24422EUX5	JOHN DEERE CAPITAL	2.600	03/07/2024		A	A2	1,450,000.00	1,476,419.00	0.88	1,410,195.86	0.87	1.38
Issuer total							3,200,000.00	3,269,585.50	1.94	3,112,132.57	1.93	1.23
JPMorgan Chase & Co												
46625HJH4	JPMORGAN CHASE & CO	3.200	01/25/2023		A-	A1	1,000,000.00	1,031,190.00	0.61	996,802.04	0.62	0.32
46647PBQ8	JPMORGAN CHASE & CO	1.514	06/01/2024	06/01/2023	A-	A1	2,000,000.00	2,042,800.00	1.21	1,952,549.42	1.21	0.65
Issuer total							3,000,000.00	3,073,990.00	1.82	2,949,351.46	1.83	0.54
International Business Machines Corp												
459200HP9	IBM CORP 3.375%	3.375	08/01/2023		A-	A3	1,000,000.00	1,061,840.00	0.63	991,988.63	0.61	0.81
459200JY8	IBM CORP 3%	3.000	05/15/2024		A-	A3	2,000,000.00	2,141,300.00	1.27	1,945,360.26	1.21	1.54
Issuer total							3,000,000.00	3,203,140.00	1.90	2,937,348.89	1.82	1.30

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CITY OF MENLO PARK

As of September 30, 2022

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
Home Depot Inc/The												
437076BM3	HOME DEPOT INC 3%	3.000	04/01/2026	01/01/2026	A	A2	3,000,000.00	2,948,280.00	1.75	2,833,929.42	1.76	3.19
Issuer total							3,000,000.00	2,948,280.00	1.75	2,833,929.42	1.76	3.19
Federal Home Loan Mortgage Corp												
3137EAEP0	FREDDIE MAC 1.5%	1.500	02/12/2025		AA+	Aaa	3,000,000.00	2,881,764.00	1.71	2,811,492.87	1.74	2.28
Issuer total							3,000,000.00	2,881,764.00	1.71	2,811,492.87	1.74	2.28
US Bancorp												
91159HHV5	US BANCORP 3.375%	3.375	02/05/2024	01/05/2024	A+	A2	1,000,000.00	1,067,060.00	0.63	982,792.66	0.61	1.28
91159HHN3	US BANCORP 2.375%	2.375	07/22/2026	06/22/2026	A+	A2	2,000,000.00	1,912,040.00	1.13	1,827,507.52	1.13	3.53
Issuer total							3,000,000.00	2,979,100.00	1.77	2,810,300.18	1.74	2.72
Microsoft Corp												
594918BX1	MICROSOFT CORP 2.875%	2.875	02/06/2024	12/06/2023	AAA	Aaa	960,000.00	993,734.40	0.59	940,521.81	0.58	1.27
594918BR4	MICROSOFT CORP 2.4%	2.400	08/08/2026	05/08/2026	AAA	Aaa	2,000,000.00	1,939,660.00	1.15	1,851,368.28	1.15	3.53
Issuer total							2,960,000.00	2,933,394.40	1.74	2,791,890.09	1.73	2.76
PNC Bank NA												
69353REF1	PNC BANK NA 3.3%	3.300	10/30/2024	09/30/2024	A	A2	2,500,000.00	2,737,590.00	1.62	2,415,432.98	1.50	1.93
Issuer total							2,500,000.00	2,737,590.00	1.62	2,415,432.98	1.50	1.93
Apple Inc												
037833CR9	APPLE INC 3.2%	3.200	05/11/2027	02/11/2027	AA+	Aaa	2,121,000.00	2,062,439.19	1.22	1,995,026.41	1.24	4.08
Issuer total							2,121,000.00	2,062,439.19	1.22	1,995,026.41	1.24	4.08
American Honda Finance Corp												
02665WCA7	AMERICAN HONDA	2.600	11/16/2022		A-	A3	1,000,000.00	1,011,150.00	0.60	997,310.00	0.62	0.13

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Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
American Honda Finance Corp												
02665WCT6	AMERICAN HONDA	3.550	01/12/2024		A-	A3	1,000,000.00	1,090,440.00	0.65	985,032.61	0.61	1.23
Issuer total							2,000,000.00	2,101,590.00	1.25	1,982,342.61	1.23	0.70
PPG Industries Inc												
693506BQ9	PPG INDUSTRIES INC 2.4%	2.400	08/15/2024	07/15/2024	BBB+	A3	2,000,000.00	2,012,600.00	1.19	1,921,015.88	1.19	1.78
Issuer total							2,000,000.00	2,012,600.00	1.19	1,921,015.88	1.19	1.78
3M Co												
88579YAV3	3M COMPANY 2.25%	2.250	09/19/2026	06/19/2026	A+	A1	2,000,000.00	1,906,760.00	1.13	1,791,548.50	1.11	3.66
Issuer total							2,000,000.00	1,906,760.00	1.13	1,791,548.50	1.11	3.66
Citibank NA												
17325FAS7	CITIBANK NA 3.65%	3.650	01/23/2024	12/23/2023	A+	Aa3	1,500,000.00	1,618,310.00	0.96	1,479,434.27	0.92	1.24
Issuer total							1,500,000.00	1,618,310.00	0.96	1,479,434.27	0.92	1.24
Walmart Inc												
931142DV2	WALMART INC 2.65%	2.650	12/15/2024	10/15/2024	AA	Aa2	1,500,000.00	1,595,520.00	0.95	1,452,054.53	0.90	2.06
Issuer total							1,500,000.00	1,595,520.00	0.95	1,452,054.53	0.90	2.06
Procter & Gamble Co/The												
742718EB1	PROCTER & GAMBLE	3.100	08/15/2023		AA-	Aa3	1,000,000.00	1,041,328.13	0.62	990,652.36	0.61	0.85
Issuer total							1,000,000.00	1,041,328.13	0.62	990,652.36	0.61	0.85
PNC Financial Services Group Inc/The												
693475AV7	PNC FINANCIAL	3.500	01/23/2024	12/24/2023	A-	A3	1,000,000.00	1,047,210.00	0.62	984,103.80	0.61	1.24
Issuer total							1,000,000.00	1,047,210.00	0.62	984,103.80	0.61	1.24

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CITY OF MENLO PARK

As of September 30, 2022

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
US Bank NA/Cincinnati OH												
90331HMS9	US BANK NA CINCINNATI	2.800	01/27/2025	12/27/2024	AA-	A1	1,000,000.00	995,210.00	0.59	956,855.06	0.59	2.18
Issuer total							1,000,000.00	995,210.00	0.59	956,855.06	0.59	2.18
General Dynamics Corp												
369550BD9	GENERAL DYNAMICS	3.375	05/15/2023	04/15/2023	A-	A3	943,000.00	984,840.91	0.58	936,726.95	0.58	0.59
Issuer total							943,000.00	984,840.91	0.58	936,726.95	0.58	0.59
PepsiCo Inc												
713448DN5	PEPSICO INC 2.375%	2.375	10/06/2026	07/06/2026	A+	A1	1,000,000.00	967,260.00	0.57	918,406.86	0.57	3.64
Issuer total							1,000,000.00	967,260.00	0.57	918,406.86	0.57	3.64
Cash and Cash Equivalents												
	INVESTED CASH	0.000					193,002.60	193,002.60	0.00	193,002.60	0.12	0.00
Issuer total							193,002.60	193,002.60	0.00	193,002.60	0.12	0.00
Grand total							171,722,002.60	168,663,149.12	100.00	161,398,762.33	100.00	2.12

SECURITIES PURCHASED

For the period September 1, 2022 - September 30, 2022

Cusip	Description / Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Unit cost	Principal cost	Accrued interest
Corporate Bonds								
037833CR9	APPLE INC 3.2% 11MAY2027 GOLDMAN, SACHS AND CO.	09/08/2022 09/12/2022	3.200	05/11/2027 02/11/2027	2,121,000.00	97.24	(2,062,439.19)	(22,812.53)
Total Corporate Bonds					2,121,000.00		(2,062,439.19)	(22,812.53)
Government Agencies								
3130AJHU6	FEDERAL HOME LOAN BANK 0.5% MORGAN STANLEY AND CO., LLC	09/06/2022 09/09/2022	0.500	04/14/2025	1,405,000.00	92.35	(1,297,447.25)	(2,829.51)
3133ENH45	FEDERAL FARM CREDIT BANK 3.125% WELLS FARGO SECURITIES, LLC	09/06/2022 09/07/2022	3.125	08/24/2026	2,000,000.00	98.29	(1,965,844.00)	(2,256.94)
Total Government Agencies					3,405,000.00		(3,263,291.25)	(5,086.45)
Government Bonds								
91282CBC4	USA TREASURY 0.375% 31DEC2025 CREDIT AGRICOLE CIB	09/06/2022 09/07/2022	0.375	12/31/2025	2,300,000.00	90.06	(2,071,445.21)	(1,617.19)
Total Government Bonds					2,300,000.00		(2,071,445.21)	(1,617.19)
Grand total					7,826,000.00		(7,397,175.65)	(29,516.17)

SECURITIES SOLD AND MATURED

For the period September 1, 2022 - September 30, 2022

Cusip	Description / Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost at sale or maturity	Price	Fair value at sale or maturity	Realized gain (loss)	Accrued interest sold
Corporate Bonds											
037833DC1	APPLE INC 2.1% DUE 09-12-2022	09/12/2022 09/12/2022	2.100		(2,000,000.00)	2,026,680.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00
Total (Corporate Bonds)					(2,000,000.00)	2,026,680.00	2,000,000.00		2,000,000.00	0.00	0.00
Government Agencies											
313380GJ0	FEDERAL HOME LN BKS CONS BD 2 09-09-2022	09/09/2022 09/09/2022	2.000		(1,000,000.00)	995,020.00	1,000,000.00	0.00	1,000,000.00	0.00	0.00
Total (Government Agencies)					(1,000,000.00)	995,020.00	1,000,000.00		1,000,000.00	0.00	0.00
Short Term Bills and Notes											
912796XU8	UNITED STATES TREAS BILLS DTD 0% 09-06-2022	09/06/2022 09/06/2022	0.000		(4,000,000.00)	3,993,853.89	4,000,000.00	0.00	4,000,000.00	0.00	0.00
Total (Short Term Bills and Notes)					(4,000,000.00)	3,993,853.89	4,000,000.00		4,000,000.00	0.00	0.00
Grand total					(7,000,000.00)	7,015,553.89	7,000,000.00		7,000,000.00	0.00	0.00

DETAIL OF RETURN AND INTEREST RECEIVED

For the period September 1, 2022 - September 30, 2022

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
Cash						
	Cash and Cash Equivalents	0.00	0.00	0.00	4,332.92	4,332.92
Total Cash		0.00	0.00	0.00	4,332.92	4,332.92
Corporate Bonds						
88579YAV3	3M COMPANY 2.25% 19SEP2026 (CALLABLE 19JUN26)	1,888.73	0.00	(73,871.30)	3,625.00	22,500.00
02665WCA7	AMERICAN HONDA FINANCE 2.6% 16NOV2022	(275.08)	0.00	(1,492.14)	2,094.45	0.00
02665WCT6	AMERICAN HONDA FINANCE 3.55% 12JAN2024	(2,500.64)	0.00	(11,571.11)	2,859.73	0.00
037833DC1	APPLE INC 2.1% DUE 09-12-2022	0.00	0.00	417.80	1,283.33	21,000.00
037833CR9	APPLE INC 3.2% 11MAY2027 (CALLABLE 11FEB27)	799.82	0.00	(67,412.78)	3,393.60	0.00
06051GHC6	BANK OF AMERICA CORP 3.004% 20DEC2023 (CALLABLE 20DEC22)	(2,012.56)	0.00	(1,615.21)	2,419.88	0.00
06051GHF9	BANK OF AMERICA CORP 3.55% 05MAR2024 (CALLABLE 05MAR23)	(3,348.95)	0.00	(5,735.52)	4,289.59	26,625.00
06051GHL6	BANK OF AMERICA CORP 3.864% 23JUL2024 (CALLABLE 23JUL23)	(3,997.73)	0.00	(12,348.02)	4,669.00	0.00
14913R2L0	CATERPILLAR FINL SERVICE 0.45% 17MAY2024	68.07	0.00	(16,344.44)	580.00	0.00
14913R2S5	CATERPILLAR FINL SERVICE 0.95% 10JAN2024	295.73	0.00	(6,146.83)	765.28	0.00
14913Q3B3	CATERPILLAR FINL SERVICE 2.15% 08NOV2024	(1,109.25)	0.00	(15,200.74)	1,731.95	0.00
17325FAS7	CITIBANK NA 3.65% 23JAN2024 (CALLABLE 23DEC23)	(3,861.64)	0.00	(18,090.07)	4,410.41	0.00
369550BD9	GENERAL DYNAMICS CORP 3.375% 15MAY2023 (CALLABLE 15APR23)	(919.58)	0.00	(4,117.61)	2,563.78	0.00
437076BM3	HOME DEPOT INC 3% 01APR2026 (CALLABLE 01JAN26)	1,164.87	0.00	(78,288.75)	7,250.00	0.00
459200JY8	IBM CORP 3% 15MAY2024	(3,728.23)	0.00	(30,009.40)	4,833.33	0.00
459200HP9	IBM CORP 3.375% 01AUG2023	(2,486.86)	0.00	(4,381.53)	2,718.75	0.00
24422EVN6	JOHN DEERE CAPITAL CORP 0.45% 17JAN2024	539.15	0.00	(7,405.18)	290.00	0.00

DETAIL OF RETURN AND INTEREST RECEIVED

For the period September 1, 2022 - September 30, 2022

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
Corporate Bonds						
24422EUX5	JOHN DEERE CAPITAL CORP 2.6% 07MAR2024	(480.64)	0.00	(16,744.73)	3,036.94	18,850.00
24422EUM9	JOHN DEERE CAPITAL CORP 3.65% 12OCT2023	(1,144.48)	0.00	(6,895.34)	2,793.27	0.00
46647PBQ8	JPMORGAN CHASE & CO 1.514% 01JUN2024 (CALLABLE 01JUN23)	(1,331.95)	0.00	(4,305.58)	2,439.22	0.00
46625HJH4	JPMORGAN CHASE & CO 3.2% 25JAN2023	(745.58)	0.00	(2,200.59)	2,577.78	0.00
594918BR4	MICROSOFT CORP 2.4% 08AUG2026 (CALLABLE 08MAY26)	1,257.08	0.00	(57,609.38)	3,866.66	0.00
594918BX1	MICROSOFT CORP 2.875% 06FEB2024 (CALLABLE 06DEC23)	(640.93)	0.00	(9,536.11)	2,223.33	0.00
713448DN5	PEPSICO INC 2.375% 06OCT2026 (CALLABLE 06JUL26)	655.67	0.00	(29,918.43)	1,913.20	0.00
69353REF1	PNC BANK NA 3.3% 30OCT2024 (CALLABLE 30SEP24)	(5,549.19)	0.00	(42,262.17)	6,875.00	0.00
693475AV7	PNC FINANCIAL SERVICES 3.5% 23JAN2024 (CALLABLE 23DEC23)	(891.31)	0.00	(12,761.69)	2,819.45	0.00
693506BQ9	PPG INDUSTRIES INC 2.4% 15AUG2024 (CALLABLE 15JUL24)	(228.40)	0.00	(23,111.70)	3,866.67	0.00
742718EB1	PROCTER & GAMBLE CO/THE 3.1% 15AUG2023	(834.91)	0.00	(5,017.37)	2,497.22	0.00
89236THU2	TOYOTA MOTOR CREDIT CORP 0.45% 11JAN2024	77.51	0.00	(15,816.42)	652.50	0.00
89236THA6	TOYOTA MOTOR CREDIT CORP 1.35% 25AUG2023	(733.76)	0.00	(5,240.24)	1,087.50	0.00
89236TGL3	TOYOTA MOTOR CREDIT CORP 2% 07OCT2024	10.36	0.00	(11,286.78)	1,611.11	0.00
91159HHN3	US BANCORP 2.375% 22JUL2026 (CALLABLE 22JUN26)	1,853.09	0.00	(58,811.46)	3,826.39	0.00
91159HHV5	US BANCORP 3.375% 05FEB2024 (CALLABLE 05JAN24)	(2,457.28)	0.00	(12,335.35)	2,718.75	0.00
90331HMS9	US BANK NA CINCINNATI 2.8% 27JAN2025 (CALLABLE 27DEC24)	143.12	0.00	(17,859.15)	2,255.56	0.00
931142DV2	WALMART INC 2.65% 15DEC2024 (CALLABLE 15OCT24)	(2,567.74)	0.00	(19,166.58)	3,202.08	0.00
Total Corporate Bonds		(33,093.49)	0.00	(704,491.90)	100,040.71	88,975.00

DETAIL OF RETURN AND INTEREST RECEIVED

For the period September 1, 2022 - September 30, 2022

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
Government Agencies						
3135G05X7	FANNIE MAE 0.375% 25AUG2025	4,193.55	0.00	(35,990.42)	604.17	0.00
3135G03U5	FANNIE MAE 0.625% 22APR2025	5,952.08	0.00	(43,973.13)	1,510.42	0.00
3135G0V75	FANNIE MAE 1.75% 02JUL2024	293.65	0.00	(25,546.08)	2,819.45	0.00
3135G0K36	FANNIE MAE 2.125% 24APR2026	2,395.16	0.00	(70,746.84)	5,135.42	0.00
3135G0U43	FANNIE MAE 2.875% 12SEP2023	(1,620.83)	0.00	(13,912.96)	4,631.94	28,750.00
3133EMBE1	FEDERAL FARM CREDIT BANK 0.3% 28MAR2024 (CALLABLE 13OCT22)	35.68	0.00	(16,561.44)	483.33	3,000.00
3133EMTD4	FEDERAL FARM CREDIT BANK 0.37% 15MAR2024 (CALLABLE 13OCT22)	55.25	0.00	(15,844.22)	596.11	3,700.00
3133EKB9	FEDERAL FARM CREDIT BANK 1.86% 17OCT2023	119.05	0.00	(12,150.08)	2,996.66	0.00
3133EA7E2	FEDERAL FARM CREDIT BANK 1.96% 07NOV2022	(928.54)	0.00	1,167.50	3,157.78	0.00
3133EKNX0	FEDERAL FARM CREDIT BANK 2.16% 03JUN2024	(203.66)	0.00	(11,757.71)	1,740.00	0.00
3133EKKT2	FEDERAL FARM CREDIT BANK 2.25% 08FEB2023	(472.02)	0.00	(1,207.60)	2,718.75	0.00
3133EKKU9	FEDERAL FARM CREDIT BANK 2.3% 08NOV2023	(468.54)	0.00	(10,465.53)	2,779.16	0.00
3133ENH45	FEDERAL FARM CREDIT BANK 3.125% 24AUG2026	1,052.98	0.00	(98,452.64)	9,027.78	0.00
3133ENB74	FEDERAL FARM CREDIT BANK 3.15% 21JUL2025	174.35	0.00	(59,809.20)	7,612.50	0.00
313380GJ0	FEDERAL HOME LN BKS CONS BD 2 09-09-2022	37.76	0.00	129.94	444.44	10,000.00
3130AKX84	FEDERAL HOME LOAN BANK 0.27% 23AUG2024 (CALLABLE 23NOV22)	11.84	0.00	(11,646.53)	217.50	0.00
3130AJHU6	FEDERAL HOME LOAN BANK 0.5% 14APR2025	2,863.49	0.00	(22,120.45)	409.80	0.00
3130AL7C2	FEDERAL HOME LOAN BANK 0.5% 25AUG2025 (CALLABLE 25NOV22)	0.00	0.00	(34,225.26)	805.55	0.00
3130AJ7E3	FEDERAL HOME LOAN BANK 1.375% 17FEB2023	(195.26)	0.00	(2,516.96)	2,215.28	0.00
3130AB3H7	FEDERAL HOME LOAN BANK 2.375% 08MAR2024	(804.13)	0.00	(20,855.08)	3,826.39	23,750.00

DETAIL OF RETURN AND INTEREST RECEIVED

For the period September 1, 2022 - September 30, 2022

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
Government Agencies						
3130A3KM5	FEDERAL HOME LOAN BANK 2.5% 09DEC2022	(764.18)	0.00	(992.13)	3,020.83	0.00
3130ASG86	FEDERAL HOME LOAN BANK 3.375% 13JUN2025	(244.93)	0.00	(38,729.68)	5,437.50	0.00
3137EAEP0	FREDDIE MAC 1.5% 12FEB2025	3,789.61	0.00	(50,183.70)	3,625.00	0.00
Total Government Agencies		15,272.36	0.00	(596,390.20)	65,815.76	69,200.00
Government Bonds						
91282CBM2	USA TREASURY 0.125% 15FEB2024	318.45	0.00	(12,246.10)	152.86	0.00
91282CAP6	USA TREASURY 0.125% 15OCT2023	241.88	0.00	(8,144.54)	153.69	0.00
91282CAR2	USA TREASURY 0.125% 31OCT2022	559.65	0.00	2,160.56	101.90	0.00
91282CCC3	USA TREASURY 0.25% 15MAY2024	80.26	0.00	(20,312.48)	407.61	0.00
91282CAM3	USA TREASURY 0.25% 30SEP2025	6,599.35	0.00	(52,265.64)	614.75	3,750.00
91282CAT8	USA TREASURY 0.25% 31OCT2025	6,598.80	0.00	(53,789.04)	611.42	0.00
91282CCX7	USA TREASURY 0.375% 15SEP2024	90.56	0.00	(19,855.47)	524.01	3,187.50
91282CAZ4	USA TREASURY 0.375% 30NOV2025	6,283.73	0.00	(54,257.82)	922.13	0.00
91282CBC4	USA TREASURY 0.375% 31DEC2025	4,525.84	0.00	(37,652.25)	539.06	0.00
91282CBH3	USA TREASURY 0.375% 31JAN2026	6,341.41	0.00	(58,007.79)	917.12	0.00
91282CDD0	USA TREASURY 0.375% 31OCT2023	846.34	0.00	(13,125.00)	611.42	0.00
91282CBQ3	USA TREASURY 0.5% 28FEB2026	6,032.99	0.00	(59,648.43)	1,243.09	0.00
912828ZF0	USA TREASURY 0.5% 31MAR2025	6,044.90	0.00	(43,593.75)	1,229.51	7,500.00
91282CCP4	USA TREASURY 0.625% 31JUL2026	3,794.73	0.00	(45,390.62)	1,019.02	0.00
91282CCW9	USA TREASURY 0.75% 31AUG2026	3,579.50	0.00	(46,171.86)	1,243.09	0.00

DETAIL OF RETURN AND INTEREST RECEIVED

For the period September 1, 2022 - September 30, 2022

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
Government Bonds						
91282CBT7	USA TREASURY 0.75% 31MAR2026	5,577.45	0.00	(62,109.36)	1,844.26	11,250.00
91282CCF6	USA TREASURY 0.75% 31MAY2026	6,097.86	0.00	(66,210.93)	1,844.26	0.00
91282CCJ8	USA TREASURY 0.875% 30JUN2026	5,250.09	0.00	(67,968.75)	2,139.95	0.00
91282CCZ2	USA TREASURY 0.875% 30SEP2026	8,694.32	0.00	(118,359.40)	3,586.07	21,875.00
91282CDG3	USA TREASURY 1.125% 31OCT2026	2,979.65	0.00	(49,140.64)	1,834.24	0.00
91282CDK4	USA TREASURY 1.25% 30NOV2026	2,756.09	0.00	(50,234.38)	2,049.18	0.00
91282CDQ1	USA TREASURY 1.25% 31DEC2026	4,277.97	0.00	(68,976.55)	2,751.36	0.00
912828S35	USA TREASURY 1.375% 30JUN2023	317.57	0.00	(3,398.44)	1,120.92	0.00
9128282D1	USA TREASURY 1.375% 31AUG2023	646.18	0.00	(10,781.26)	2,279.01	0.00
9128282A7	USA TREASURY 1.5% 15AUG2026	2,109.87	0.00	(47,656.26)	2,445.65	0.00
912828YY0	USA TREASURY 1.75% 31DEC2024	(2,150.98)	0.00	(28,515.62)	2,901.07	0.00
912828Y87	USA TREASURY 1.75% 31JUL2024	(2,128.59)	0.00	(25,625.00)	2,853.26	0.00
9128282U3	USA TREASURY 1.875% 31AUG2024	(213.49)	0.00	(13,359.38)	1,553.87	0.00
912828XT2	USA TREASURY 2% 31MAY2024	(2,612.58)	0.00	(24,375.00)	3,278.68	0.00
9128286R6	USA TREASURY 2.25% 30APR2024	(436.83)	0.00	(12,148.44)	1,834.24	0.00
912828V23	USA TREASURY 2.25% 31DEC2023	(351.48)	0.00	(8,593.76)	1,834.24	0.00
912828Y61	USA TREASURY 2.75% 31JUL2023	(895.98)	0.00	(5,820.31)	2,241.84	0.00
9128285P1	USA TREASURY 2.875% 30NOV2023	(3,305.98)	0.00	(16,593.75)	4,241.80	0.00
9128285D8	USA TREASURY 2.875% 30SEP2023	(1,874.64)	0.00	(6,718.74)	2,356.56	14,375.00
Total Government Bonds		76,674.89	0.00	(1,208,886.20)	55,281.14	61,937.50

DETAIL OF RETURN AND INTEREST RECEIVED

For the period September 1, 2022 - September 30, 2022

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
Short Term Bills and Notes						
912796XU8	UNITED STATES TREAS BILLS DTD 0% 09-06-2022	1,365.80	0.00	1,115.40	0.00	0.00
912796YC7	USA TREASURY BILL 0% 04OCT2022	9,450.00	0.00	10,396.30	0.00	0.00
Total Short Term Bills and Notes		10,815.80	0.00	11,511.70	0.00	0.00
Grand total		69,669.56	0.00	(2,498,256.60)	225,470.53	224,445.42

TRANSACTION REPORT

For the period September 1, 2022 - September 30, 2022

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
09/05/2022 09/05/2022	06051GHF9	Income	Corporate Bonds	BANK OF AMERICA CORP 3.55%	03/05/2024	1,500,000.00	0.00	0.00	26,625.00	26,625.00
09/06/2022 09/09/2022	3130AJHU6	Bought	Government Agencies	FEDERAL HOME LOAN BANK	04/14/2025	1,405,000.00	0.00	(1,297,447.25)	(2,829.51)	(1,300,276.76)
09/06/2022 09/07/2022	3133ENH45	Bought	Government Agencies	FEDERAL FARM CREDIT BANK	08/24/2026	2,000,000.00	0.00	(1,965,844.00)	(2,256.94)	(1,968,100.94)
09/06/2022 09/06/2022	912796XU8	Capital Change	Short Term Bills And Notes	UNITED STATES TREAS BILLS	09/06/2022	(4,000,000.00)	0.00	4,000,000.00	0.00	4,000,000.00
09/06/2022 09/07/2022	91282CBC4	Bought	Government Bonds	USA TREASURY 0.375%	12/31/2025	2,300,000.00	0.00	(2,071,445.21)	(1,617.19)	(2,073,062.40)
09/07/2022 09/07/2022	24422EUX5	Income	Corporate Bonds	JOHN DEERE CAPITAL CORP	03/07/2024	1,450,000.00	0.00	0.00	18,850.00	18,850.00
09/08/2022 09/12/2022	037833CR9	Bought	Corporate Bonds	APPLE INC 3.2% 11MAY2027	05/11/2027	2,121,000.00	0.00	(2,062,439.19)	(22,812.53)	(2,085,251.72)
09/08/2022 09/08/2022	3130AB3H7	Income	Government Agencies	FEDERAL HOME LOAN BANK	03/08/2024	2,000,000.00	0.00	0.00	23,750.00	23,750.00
09/09/2022 09/09/2022	313380GJ0	Income	Government Agencies	FEDERAL HOME LN BKS CONS	09/09/2022	1,000,000.00	0.00	0.00	10,000.00	10,000.00
09/09/2022 09/09/2022	313380GJ0	Capital Change	Government Agencies	FEDERAL HOME LN BKS CONS	09/09/2022	(1,000,000.00)	0.00	1,000,000.00	0.00	1,000,000.00
09/12/2022 09/12/2022	037833DC1	Income	Corporate Bonds	APPLE INC 2.1% DUE	09/12/2022	2,000,000.00	0.00	0.00	21,000.00	21,000.00
09/12/2022 09/12/2022	037833DC1	Capital Change	Corporate Bonds	APPLE INC 2.1% DUE	09/12/2022	(2,000,000.00)	0.00	2,000,000.00	0.00	2,000,000.00
09/12/2022 09/12/2022	3135G0U43	Income	Government Agencies	FANNIE MAE 2.875%	09/12/2023	2,000,000.00	0.00	0.00	28,750.00	28,750.00
09/15/2022 09/15/2022	3133EMTD4	Income	Government Agencies	FEDERAL FARM CREDIT BANK	03/15/2024	2,000,000.00	0.00	0.00	3,700.00	3,700.00
09/15/2022 09/15/2022	91282CCX7	Income	Government Bonds	USA TREASURY 0.375%	09/15/2024	1,700,000.00	0.00	0.00	3,187.50	3,187.50
09/19/2022 09/19/2022	88579YAV3	Income	Corporate Bonds	3M COMPANY 2.25%	09/19/2026	2,000,000.00	0.00	0.00	22,500.00	22,500.00
09/28/2022 09/28/2022	3133EMBE1	Income	Government Agencies	FEDERAL FARM CREDIT BANK	03/28/2024	2,000,000.00	0.00	0.00	3,000.00	3,000.00

TRANSACTION REPORT

CITY OF MENLO PARK

For the period September 1, 2022 - September 30, 2022

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
09/30/2022 09/30/2022	9128285D8	Income	Government Bonds	USA TREASURY 2.875%	09/30/2023	1,000,000.00	0.00	0.00	14,375.00	14,375.00
09/30/2022 09/30/2022	912828ZF0	Income	Government Bonds	USA TREASURY 0.5%	03/31/2025	3,000,000.00	0.00	0.00	7,500.00	7,500.00
09/30/2022 09/30/2022	91282CAM3	Income	Government Bonds	USA TREASURY 0.25%	09/30/2025	3,000,000.00	0.00	0.00	3,750.00	3,750.00
09/30/2022 09/30/2022	91282CBT7	Income	Government Bonds	USA TREASURY 0.75%	03/31/2026	3,000,000.00	0.00	0.00	11,250.00	11,250.00
09/30/2022 09/30/2022	91282CCZ2	Income	Government Bonds	USA TREASURY 0.875%	09/30/2026	5,000,000.00	0.00	0.00	21,875.00	21,875.00
09/30/2022		Income	Cash and Cash Equivalents	Cash		0.00	0.00	0.00	4,332.92	4,332.92

ADDITIONAL INFORMATION

As of September 30, 2022

Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested. Transactions in foreign securities may be executed and settled in local markets. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information contained herein is for your reference only and is being provided in response to your specific request and has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This document must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended, or forwarded to a third party without consent from Insight. This is a marketing document intended for professional clients only and should not be made available to or relied upon by retail clients.

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INA is an investment adviser registered with the Securities and Exchange Commission (SEC), under the Investment Advisers Act of 1940, as amended. Registration with the SEC does not imply a certain level of skill or training. You may request, without charge, additional information about Insight. Moreover, specific information relating to Insights strategies, including investment advisory fees, may be obtained from INA's Form ADV Part 2A, which is available without charge upon request.

Where indicated, performance numbers used in the analysis are gross returns. The performance reflects the reinvestment of all dividends and income. INA charges management fees on all portfolios managed and these fees will reduce the returns on the portfolios. For example, assume that \$30 million is invested in an account with INA, and this account achieves a 5.0% annual return compounded monthly, gross of fees, for a period of five years. At the end of five years that account would have grown to \$38,500,760 before the deduction of management fees. Assuming management fees of 0.25% per year are deducted monthly from the account, the value at the end of the five year period would be \$38,022,447. Actual fees for new accounts are dependent on size and subject to negotiation. INA's investment advisory fees are discussed in Part 2A of its Form ADV.

Unless otherwise stated, the source of information is Insight. Any forecasts or opinions are Insight's own at the date of this document (or as otherwise specified) and may change. Material in this publication is for general information only and is not advice, investment advice, or the recommendation of any purchase or sale of any security. Insight makes no implied or expressed recommendations concerning the manner in which an account should or would be handled, as appropriate investment strategies depend upon specific investment guidelines and objectives and should not be construed to be an assurance that any particular security in a strategy will remain in any fund, account, or strategy, or that a previously held security will not be repurchased. It should not be assumed that any of the security transactions or holdings referenced herein have been or will prove to be profitable or that future investment decisions will be profitable or will equal or exceed the past investment performance of the securities listed.

Please compare the information provided in this statement to the information provided in the statement received from your Custodian.

For trading activity the Clearing broker will be reflected. In certain cases the Clearing broker will differ from the Executing broker.

In calculating ratings distributions and weighted average portfolio quality, Insight assigns U.S Treasury and U.S agency securities a quality rating based on the methodology used within the respective benchmark index. When Moody's, S&P and Fitch rate a security, Bank of America and Merrill Lynch indexes assign a simple weighted average statistic while Barclays indexes assign the median statistic. Insight assigns all other securities the lower of Moody's and S&P ratings.

Information about the indices shown here is provided to allow for comparison of the performance of the strategy to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index and the indices represented do not take into account trading commissions and/or other brokerage or custodial costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategy's holdings may differ substantially from the securities that comprise the indices shown.

The ICE BofA 3 Month US T-Bill index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

The ICE BofA 6 Month US T-Bill index measures the performance of Treasury bills with time to maturity of less than 6 months.

The ICE BofA 1-Year US Treasury Index is a one-security index comprised of the most recently issued 1-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 1-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 3-Year US Treasury Index is a one-security index comprised of the most recently issued 3-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 3-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 5-Year US Treasury Index is a one-security index comprised of the most recently issued 5-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 5-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 1-3 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

The ICE BofA 1-5 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than five years.

ADDITIONAL INFORMATION

As of September 30, 2022

Insight does not provide tax or legal advice to its clients and all investors are strongly urged to consult their tax and legal advisors regarding any potential strategy or investment.

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City of Menlo Park Insight ESG Ratings as of September 30, 2022								
Cusip/Id	Description	Moody Rating	S&P Rating	Par	Insight ESG Score	Environmental	Social	Governance
02665WCA7	AMERICAN HONDA FINANCE 2.6% 16NOV2022	A3	A-	\$ 1,000,000	3	1	3	3
46625HJH4	JPMORGAN CHASE & CO 3.2% 25JAN2023	A2	A-	\$ 1,000,000	3	1	2	4
369550BD9	GENERAL DYNAMICS 3.375% 15MAY2023	A3	A-	\$ 943,000	4	3	4	3
459200HP9	IBM CORP 3.2% 01AUG2023	A3	A-	\$ 1,000,000	2	1	2	4
742718EB1	PROCTER & GAMBLE CORP 3.1% 15AUG2023	Aa3	AA-	\$ 1,000,000	3	3	4	2
89236THA6	TOYOTA MOTOR CREDIT 1.35% 25 AUG 2023	A1	A+	\$ 1,000,000	3	2	3	5
24422EUM9	JOHN DEERE CAPITAL CORP 3.65% 12OCT2023	A2	A	\$ 950,000	3	2	3	3
06051GHC6	BANK OF AMERICA NA 3.004% 20DEC2023 (CALLABLE 20DEC2022)	A2	A-	\$ 1,000,000	3	1	3	4
14913R2S5	CATERPILLAR FIN. SER. .95% 10JAN2024	A2	A	\$ 1,000,000	3	3	2	4
89236THU2	TOYOTA MOTOR CREDIT .45% 11JAN2024	A1	A+	\$ 1,800,000	3	2	3	5
02665WCT6	AMERICAN HONDA FINANCE 3.55% 12JAN2024	A3	A-	\$ 1,000,000	2	2	3	3
24422EVN6	JOHN DEERE CAPITAL CORP .45% 17JAN2024	A2	A	\$ 800,000	3	3	3	3
17325FAS7	CITIBANK NA 3.65% 23JAN2024 (CALLABLE 23DEC23)	Aa3	A+	\$ 1,500,000	3	1	3	4
693475AV7	PNC FINSERVGRUP 3.5% 23JAN2024 (CALLABLE 24DEC2023)	A3	A-	\$ 1,000,000	3	2	3	3
91159HHV5	US BANK NA CINCINNATI 3.375% 05FEB2024 (CALLABLE 06JAN2024)	A1	AA-	\$ 1,000,000	3	3	4	3
594918BX1	MICROSOFT CORP 2.875% 06FEB2024 (CALLABLE 06DEC23)	Aaa	AAA	\$ 960,000	2	1	2	3
06051GHF9	BANK OF AMERICA NA 3.55% 5MAR2024 (CALLABLE 5MAR2023)	A2	A-	\$ 1,500,000	3	1	3	4
24422EUX5	JOHN DEERE CAPITAL CORP 2.6% 07MAR2024	A2	A	\$ 1,450,000	3	3	3	3
459200JY8	IBM CORP 3.0% 15MAY2024	A3	A-	\$ 2,000,000	2	1	2	5
14913R2L0	CATERPILLAR .45% 17MAY2024	A2	A	\$ 1,600,000	3	3	2	4
46647PBQ8	JPMORGAN CHASE & CO 1.514% 01JUN2024 (CALLABLE 01JUN23)	A1	A-	\$ 2,000,000	3	1	2	4
06051GHL6	BANK OF AMERICA NA 3.864% 23JUL2024 (CALLABLE 23JUL2023)	A2	A-	\$ 1,500,000	3	1	3	4
693506BQ9	PPG INDUSTRIES INC 2.4% 15AUG2024	A3	BBB+	\$ 2,000,000	2	1	3	3
89236TGL3	TOYOTA MOTOR CREDIT 2.00% 07OCT2024	A1	A+	\$ 1,000,000	3	3	3	5
69353REF1	PNC BANK NA 3.3% 30OCT2024 (CALLABLE 30SEP2024)	A2	A	\$ 2,500,000	3	2	3	2
14913Q3B3	CATERPILLAR 2.15% 8NOV2024	A2	A	\$ 1,000,000	3	3	2	4
931142DV2	WALMART INC. 2.65% 15DEC2024 (CALLABLE 15OCT2024)	Aa2	AA	\$ 1,500,000	3	1	4	5
437076BM3	HOME DEPOT INC. 3% 01APR2026 (CALLABLE 01JAN2026)	A2	A	\$ 3,000,000	1	2	2	2
911159HHN3	US BANCORP 2.375% 22JUL2026 (CALLABLE 22Jun2026)	A2	A+	\$ 2,000,000	3	3	4	3
594918BR4	MICROSOFT CORP 2.40% 08AUG2026 (CALLABLE 08MAY26)	Aaa	AAA	\$ 2,000,000	2	1	2	3
88579YAV3	3M COMPANY 2.25% 19SEO2026 (CALLABLE 19JUN2026)	A1	A+	\$ 2,000,000	3	3	3	2
713448DN5	PEPSICO INC. 2.375% 06OCT2026 (CALLABLE 06JUL2026)	A1	A+	\$ 1,000,000	2	3	2	2
037833CR9	APPLE INC. 3.2% 11MAY2027 (CALLABLE 11FEB2027)	Aaa	AA+	\$ 2,121,000	3	3	3	5
Corporate				\$ 47,124,000	2.76	2.00	2.82	3.52

*ESG ratings are from 1 to 5, with 1 as the highest rating and 5 as the lowest. All ratings are weighted by industry rankings, based on the importance of the category within the individual industry.

Administrative Services

**STAFF REPORT****Finance and Audit Committee****Meeting Date:** 10/27/2022**Staff Report Number:** 22-006-CC

Regular Business: Review the Single Audit Report for the fiscal year ended June 30, 2021

Recommendation

Staff recommends that the FAC review the Single Audit Report (SAR) for the fiscal year ended June 30, 2021 and recommend receipt by the City Council.

Policy Issues

Pursuant to 2 CFR (Code of Federal Regulations) 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, a non-federal agency that expends \$750,000 or more during the fiscal year in federal awards is required to have a single audit and issue a SAR. The City expended \$1.3 million during fiscal year ending June 30, 2021; therefore, is required to issue a Single Audit Report.

The single audit report tests the schedule of expenditures of federal awards (SEFA) to ensure that an agency has used federal funds correctly in compliance with Office of Budget Management (OMB) standards.

The SAR for June 30, 2021 was originally due March 31, 2022, but was extended to September 30, 2022 due to COVID-19. Agencies are required to complete their SARs and submit all necessary documentation to the Federal Audit Clearinghouse (FAC) by September 30, 2022; the City is in compliance with this date.

Background

The City contracted with the firm Lance, Soll & Lungard (LSL), LLP (Certified Public Accountants) in 2019 to perform an audit of its financial records, complete the SAR and render an opinion in accordance with generally accepted auditing standards. This contract covers a three-year engagement with June 30, 2022 being the final year.

Analysis

The single audit determines the City's compliance with the requirements described in the Office of Management Budget (OMB) Compliance Supplement. The Supplement outlines compliance requirements that have a direct and material effect on the City's major federal programs for the year ended June 30, 2021.

Based on this independent audit, the auditor rendered an unmodified "clean" opinion, indicating the City complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021. The significant deficiencies and material weaknesses identified in relation to the financial statements have been addressed by staff in the Management's Response and Corrective Action in Section II of the SEFA.

Impact on City Resources

Independent auditing services is a covered expense within the City's FY 2022-23 approved budget.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

A. City of Menlo Park Single Audit Report for the year ended June 30, 2021

Report prepared by:

Marvin Davis, Interim Finance Director



CITY OF MENLO PARK, CALIFORNIA

JUNE 30, 2021

SINGLE AUDIT REPORT

Focused
on YOU



CITY OF MENLO PARK, CALIFORNIA

SINGLE AUDIT REPORT

JUNE 30, 2021

CITY OF MENLO PARK, CALIFORNIA

SINGLE AUDIT REPORT

JUNE 30, 2021

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of the City Council
City of Menlo Park, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Menlo Park California, (the City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 29, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiencies reported on the schedule of findings and questioned costs to be material weaknesses: 2021-001 through 2021-003.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency, described on the accompanying schedule of findings and questioned costs, to be a significant deficiency: 2021-004.



To the Honorable Mayor and Members of the City Council
City of Menlo Park, California

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests did not disclose any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Response to Findings

The City's response to the findings identified in our audit was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Lance, Soll & Lughard, LLP".

Sacramento, California
December 29, 2021



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members of the City Council
City of Menlo Park, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Menlo Park (the City), California's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's government programs.



To the Honorable Mayor and Members of the City Council
City of Menlo Park, California

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be a material weakness, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.



To the Honorable Mayor and Members of the City Council
City of Menlo Park, California

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 29, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Lance, Soll & Lughard, LLP

Sacramento, California

September 19, 2022 (Except for the Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance, which is dated December 29, 2021)

CITY OF MENLO PARK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>
CDBG - Entitlement Grants Cluster			
U.S. Department of Housing and Urban Development Passed Through:			
San Mateo County Joint Urban Agreement			
Community Development Block Grants/Entitlement Grants	14.218	14-729-2952	\$ 45,600
Subtotal - Assistance Listing 14.218			45,600
Total Department of Housing and Urban Development Programs			45,600
Total CDBG - Entitlement Grants Cluster			45,600
Other Programs			
U.S. Department of Agriculture Passed Through:			
California Department of Education			
Child and Adult Care Food Program	10.558	88-307-4270	43,950
Total U.S. Department of Agriculture Programs			43,950
U.S. Department of Transportation Passed Through:			
California Department of Transportation			
Highway Planning and Construction	20.205	94-900-7744	393,477
State of CA - Office of Traffic Safety			
State and Community Highway Safety	20.600	80-824-4842	19,224
Minimum Penalties for repeat offenders for driving while intoxicated	20.608	80-824-4842	2,814
National priority safety programs	20.616	80-824-4842	23,350
Total Department of Transportation Programs			438,865
U.S. Department of Treasury Direct Programs:			
COVID-19 - Coronavirus Relief Fund *	21.019	N/A	434,929
Total U.S. Department of Treasury			434,929
U.S. Institute Of Museum And Library Services Or National Endowment For The Arts Or National Endowment For The Humanities Passed Through:			
State of CA - Library			
Grants to States	45.310	82-775-8827	82,409
Total U.S. Institute Of Museum And Library Services Or National Endowment For The Arts Or National Endowment For The Humanities			82,409
U.S. Department of Health and Human Services Passed Through:			
San Mateo County Area Agency on Aging			
Special Programs for the Aging Title VIII, Chapter 2 - Long Term Care Ombudsman Services for Older Individuals	93.042	10-204-0412	29,366
Special Programs for the Aging Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	10-204-0412	10,000
Child Care and Development Block Grant	93.575	10-204-0412	27,563
Total U.S. Department of Health and Human Services Passed Through:			66,929
U.S. Department of Homeland Security Direct Programs:			
Hazard Mitigation Grant*	97.039	N/A	214,881
Total U.S. Department of Homeland Security			214,881
Total Other Programs			214,881
Total Expenditures of Federal Awards			\$ 1,327,563

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

CORONAVIRUS EMERGENCY ACTS FUNDING RECONCILIATION

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>
U.S. Department of Treasury			
COVID-19 - Coronavirus Relief Fund *	21.019	N/A	\$ 434,929
Total Coronavirus Relief Fund			434,929
Total Coronavirus Emergency Acts Funding			\$ 434,929

* Major Program

¹ There was no federal awards expended in the form of noncash assistance and insurance in effect during the year.

CITY OF MENLO PARK

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2021

Note 1: Summary of Significant Accounting Policies Applicable to the Schedule of Expenditures of Federal Awards

A. Reporting Entity

The financial reporting entity consists of (a) the primary government, City of Menlo Park, California (City), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The City has no other organizations defined in (b) and (c) that would be included in the City's financial statements.

B. Basis of Accounting

Funds received under the various grant programs have been recorded within the general, special revenue, and capital projects funds of the City. The City utilizes the modified accrual basis of accounting for the general, special revenue, and capital projects funds. Expenditures of federal awards reported on the Schedule of Expenditures of Federal Awards (Schedule) are recognized when incurred.

C. Relationship of Schedule of Expenditures of Federal Awards to Financial Statements

The accompanying Schedule presents the activity of all federal financial assistance programs of the City. Federal financial assistance received directly from federal agencies as well as federal financial assistance passed through the State of California, the County of San Mateo, and Silicon Valley Community Foundation are included in the Schedule. The Schedule was prepared only from the accounts of various grant programs and, therefore, does not present the financial position or results of operations of the City.

D. Pass-Through Entities' Identifying Number

When federal awards were received from a pass-through entity, the Schedule shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the City determined that no identifying number is assigned for the program or the City was unable to obtain an identifying number from the pass-through entity.

b. Basis of Accounting

The expenditures included in the accompanying schedule were reported on the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are incurred when the City becomes obligated for payment as a result of the receipt of the related goods and services. Expenditures reported included any property or equipment acquisitions incurred under the federal program. The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF MENLO PARK

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified Opinion

Internal control over financial reporting:

• Significant deficiencies identified? X yes none reported

• Material weaknesses identified? X yes no

Noncompliance material to financial
statements noted? yes X no

Federal Awards

Internal control over major programs:

• Significant deficiencies identified? yes X none reported

• Material weaknesses identified? yes X no

Type of auditors' report issued on compliance for major programs: Unmodified Opinion

Any audit findings disclosed that are required to be
reported in accordance with Title 2 U.S. Code of
Federal Regulations (CFR) Part 200, *Uniform
Administrative Requirements, Cost Principles, and
Audit Requirements for Federal Awards* (Uniform
Guidance)? yes X no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.019	Coronavirus Relief Fund
97.039	Hazard Mitigation Grant Program

Dollar threshold used to distinguish
between type A and type B program \$750,000

Auditee qualified as low-risk auditee? yes X no

CITY OF MENLO PARK

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

SECTION II - FINANCIAL STATEMENT FINDINGS

Accounts Payable Accrual

Reference Number: 2021-001

Evaluation of Finding:

Material Weakness

Condition:

The City did not accrue a check relating to services performed in fiscal year 2020-2021 as of June 30, 2021.

Criteria:

The City should ensure that all payables are accrued in the proper fiscal year.

Cause of Condition:

The cause of this condition resulted from time constraints on the review process of the year end journal entries.

Effect or Potential Effect of Condition:

The misstatement resulted in understated expenditures and accounts payable at year end.

Recommendation:

LSL recommends that the City perform a thorough review over the AP accrual, beyond the City's AP cutoff period to ensure any late invoices are properly accrued, if necessary.

Management's Response and Corrective Action:

The City accepts this finding. In fiscal year 2020-21, the City implemented a new financial software – OpenGov parallel with the old Cayenta financial system. The conversion started in March 2021 which conflicts with the year-end and audit preparation. Two of the Accountants (City only have 3 accountant positions) were assigned on the system conversion and installation, which took away their times to focus on the year-end closing and audit preparation. The system conversion to the new financial software should have been done after the audit preparation is completed. Due to the staffing changes and the vacancy of the Finance and Budget Manager position, staff assigned to the audit were not able to review the entire Accounts Payable schedule prior to the scheduled audit field work.

In the future, City staff will make sure that a thorough review of the Accounts Payable accrual, beyond the City's cutoff period will be properly accrued.

Recognition of Land Held for Resale

Reference Number: 2021-002

Evaluation of Finding:

Material Weakness

CITY OF MENLO PARK

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

SECTION II - FINANCIAL STATEMENT FINDINGS (CONTINUED)

Condition:

The City expensed land held for resale in the trial balance provided for the audit. Because of audit inquiries LSL became aware that the city bought land held for resale. This purchase was verified against council minutes.

Criteria:

The City of Menlo Park should not expense purchases of land held for resale.

Cause of Condition:

Improper review of financial transactions for classification and rights to assets.

Effect or Potential Effect of Condition:

The unremedied condition would have overstated expenses and understated assets by \$440,284

Recommendation:

The City should review all real estate transactions for proper classification in the financial records.

Management's Response and Corrective Action:

The City accepts this finding. Error was an oversight on City's part due to short staff. In the future, fixed assets will be reconciled and reviewed for proper classifications in the general ledger and financial records.

Bank Reconciliation Process

Reference Number: 2021-003

Evaluation of Finding:

Material Weakness

Condition:

We received various correcting Bank reconciliations. The City of Menlo Park should be reviewing and completing bank reconciliations before the start of audit fieldwork.

Criteria:

The timeliness of bank reconciliations is important for the financial management of the City of Menlo Park. The reconciliation needs to be performed in an accurate and timely manner

Cause of Condition:

Improper review of the bank reconciliation process and lack of oversight into the review process.

Effect or Potential Effect of Condition:

Without timely and accurate bank reconciliations, the City is hindered in financial management.

Recommendation:

The City of Menlo Park should implement changes to the bank reconciliation process to ensure they are completed accurately and timely.

CITY OF MENLO PARK

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2021

SECTION II - FINANCIAL STATEMENT FINDINGS (CONTINUED)

Management's Response and Corrective Action:

The City accepts this finding. In fiscal year 2020-21, the Accountant II position was assigned to focus on the system conversion of the new accounting system. The bank reconciliation preparation has left behind and also the review process due to staffing changes. Only one staff and a consultant were provided to focus on the year end and audit preparation. In the future the City will ensure they are completed accurately and timely. OpenGov has a bank reconciliation function that will be used to process the bank reconciliation monthly.

Correcting Journal Entries

Reference Number: 2021-004

Evaluation of Finding:

Significant Deficiency

Condition:

During the course of the audit, the City of Menlo Provided over a dozen correcting journal entries. These ranged from closing entries that were improperly not included in the financial records provided for the audit to corrections of material errors.

Criteria:

The City of Menlo Park should ensure that the general ledger and other financial records are complete, accurate and reviewed in a timely manner.

Cause of Condition:

Due to staffing changes at the City of Menlo Park, there are areas which are not being properly reviewed for completeness and accuracy.

Effect or Potential Effect of Condition:

The potential effect of the City of Menlo Park not posting journal entries varies by journal entry, but the management of the City should strive to ensure the accuracy and completeness of the financial information.

Recommendation:

The City of Menlo Park should review the year-end close process and update with improved procedures that will help ensure the accuracy and completeness of the information under audit.

Management's Response and Corrective Action:

The City accepts this finding. As mentioned earlier, the system conversion should have been scheduled after the audit preparation, so staff can focus on the year end closing and audit preparation. Staffing changes during this period affected staff deadlines. Staff focus were diverted to system conversion that several journal entries were not finished or prepared prior to the scheduled audit field work.

City will ensure that the general ledger and other financial records are completed, accurate and reviewed in a timely manner.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

SECTION II - FINANCIAL STATEMENT FINDINGS

Finding: 2020-001 – Insurance Payable Accrual

Appropriate corrective actions were taken; this finding is considered resolved and is not repeated in the fiscal year ended June 30, 2021.

Finding: 2020-002 – Various Adjust Journal Entries

Reason for Recurrence:

The City performed a system conversion prior to the audit, experienced staffing changes, resulting in a number of correcting journals being provided after the trial balance had been provided to the auditors.

Planned Corrective Action:

The City accepts this finding. As mentioned earlier, the system conversion should have been scheduled after the audit preparation, so staff can focus on the year end closing and audit preparation. Staffing changes during this period affected staff deadlines. Staff focus were diverted to system conversion that several journal entries were not finished or prepared prior to the scheduled audit field work.

City will ensure that the general ledger and other financial records are completed, accurate and reviewed in a timely manner.

Current Year Reference Number:

2021-004

Finding: 2020-003 – Duplicate Water Service Charge

Appropriate corrective actions were taken; this finding is considered resolved and is not repeated in the fiscal year ended June 30, 2021.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.