

Holding-Based Statistics

	Tax Exempt Total Return	Bloomberg Muni Bond
Yield to Maturity	4.84%	4.49%
Effective Duration	5.63 years	6.53 years
Average Credit Quality	A	AA-

Strategy Statistics

Trailing 12 Month Turnover	5%
Firm Assets	256.5
Product Assets	16.24

Investment Philosophy

The Tax Exempt Total Return strategy seeks to deliver total return and a high level of tax-exempt income by constructing a diversified and high quality portfolio of municipal securities. Using a value oriented and opportunistic approach, the strategy takes advantage of the entire yield curve and investment grade credit quality spectrum. This separate account strategy can be customized to meet individual liquidity needs or risk tolerance.

Portfolio Management Team

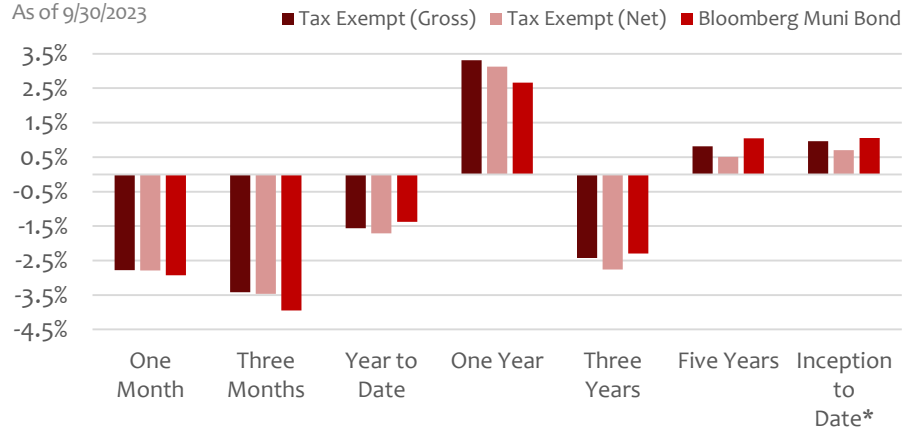
David Killian
John DeLaney, CFA

Inception Date

6/30/2017

Annualized Performance

As of 9/30/2023

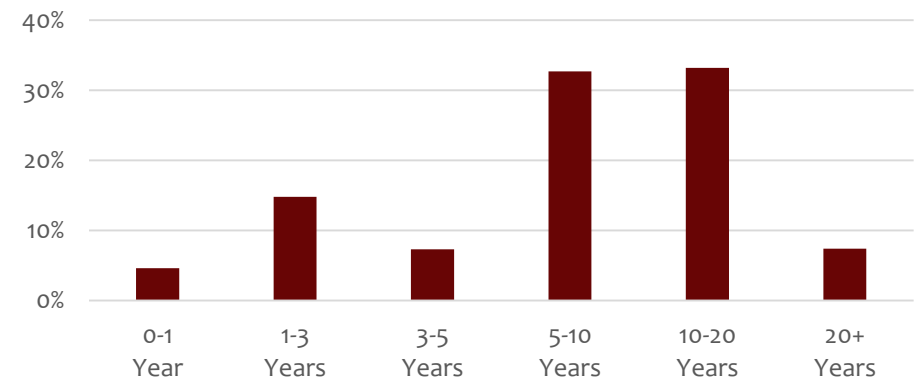


	One Month	Three Months	Year to Date	One Year	Three Years	Five Years	Inception to Date*
Tax Exempt (Gross)	-2.78%	-3.42%	-1.56%	3.31%	-2.43%	0.81%	0.96%
Tax Exempt (Net)	-2.79%	-3.47%	-1.71%	3.13%	-2.76%	0.51%	0.70%
Bloomberg Muni Bond	2.93%	-3.95%	-1.38%	2.66%	-2.30%	1.05%	1.06%

* Inception 6/30/2017

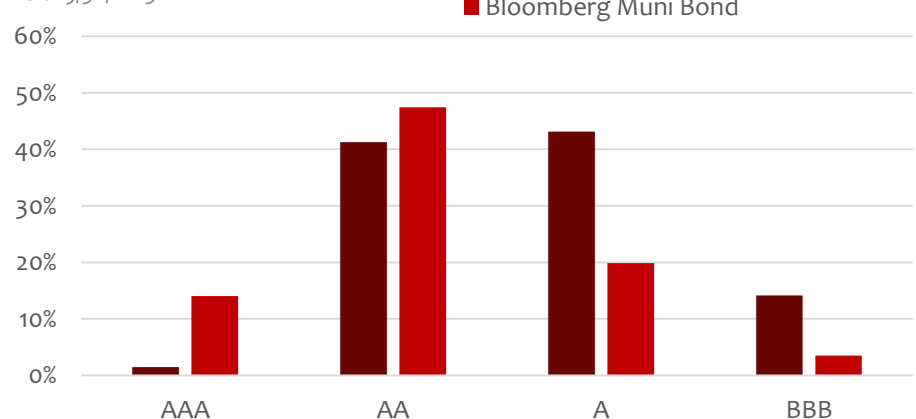
Maturity Distribution

As of 9/30/2023



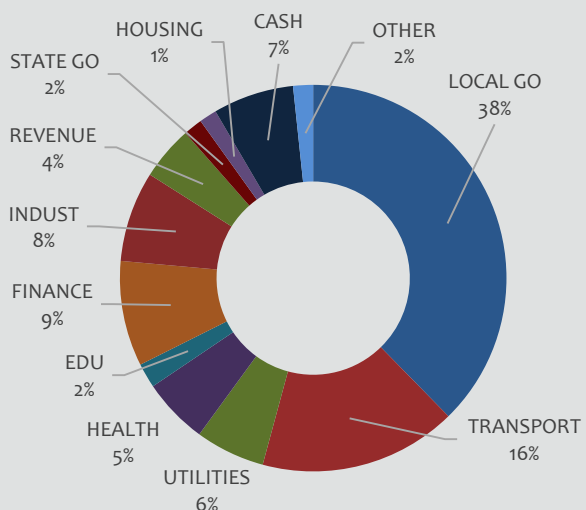
Distribution by Quality

As of 9/30/2023



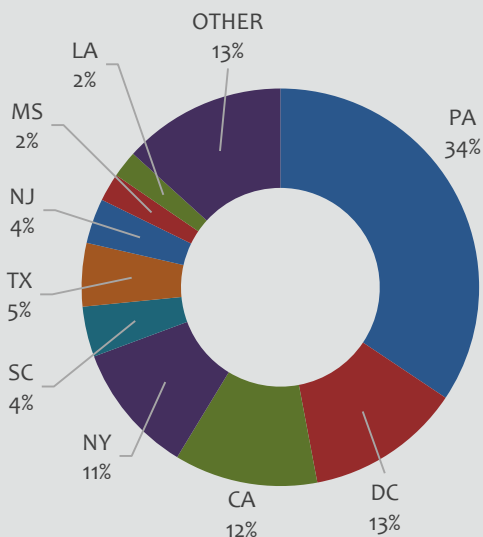
Sector Distribution

As of 9/30/2023



State Distribution

As of 9/30/2023



3Q 2023 Portfolio Commentary

The Federal Reserve's ongoing battle to bring inflation back down to the sustainable level of 2.0% continues. As telegraphed at the conclusion of the June FOMC meeting, the Fed once again raised the federal funds rate to a new targeted level of 5.25% in July. In light of the significant tightening of monetary policy seen over the past year, and the lags with which it impacts economic activity, the Fed elected to pause and hold the rate steady at the following meeting in September. Although significant progress has been made on reducing inflation, the trailing twelve-month level of 3.50% - 4.0% still far exceeds the Fed's objective, and their messaging has remained clear that they intend to hold rates at or above current levels for as long as necessary to bring inflation back down toward the 2.0% target. While higher interest rates have led to a material slowdown in the housing market, the overall economy continues to expand above expectations driven in large part by the strength of the consumer. The FOMC currently forecasts that GDP will advance 2.1% in 2023 and decelerate modestly to 1.5% in 2024. As we've noted previously, the Federal Reserve operates with a dual mandate from Congress to maintain both price stability and maximum employment for the U.S. economy and, at the present time, these two goals are in conflict. The Fed has indicated that in order to achieve the objective of price stability there will have to be some softening in the labor market, which remains historically tight with job openings far exceeding the pool of available workers. The Fed anticipates that restrictive monetary policy will bring renewed balance to the labor market and serve as an important factor in putting additional downward pressure on inflation. Policymakers currently expect the unemployment rate to end 2023 at 3.8% and increase modestly over the next two years to 4.1%. Comments from Fed Chair Powell that continue to underscore the Fed's willingness to further tighten monetary policy until they achieve their objective was met with a material repricing of interest rates during the quarter. The Ten-Year U.S. Treasury yield increased nearly a full percentage point ending the quarter at 4.57%. Rate increases have continued into October as well and currently stand near 4.80%, the highest level witnessed since 2007. This sharp breakout in yields has been most pronounced on longer maturities reflecting an increasingly consensus view that rates will stay at elevated levels for longer than previously expected. The short end of the yield curve has remained relatively more contained. The Two-Year U.S. Treasury yield increased a more modest 18 basis points ending the period at 5.06%, still below the current policy rate of 5.25% which continues to suggest that investors believe that policy tightening is nearly complete.

The recent move higher in rates led to a renewed, albeit modest, risk off tone to the market calling into question the likelihood of a soft landing. Our cautious outlook remains unchanged from last quarter. Valuations for high quality tax free bonds continue to remain stretched in our view and we continue to favor less interest rate sensitive short term corporate bonds as a more attractive alternative. These short term investments also position the portfolio well to take advantage of the higher interest rates environment as these holdings mature in the coming year.



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