Exhibit A
Investment Portfolio Review
Quarter Ending March 31, 2022

OVERVIEW

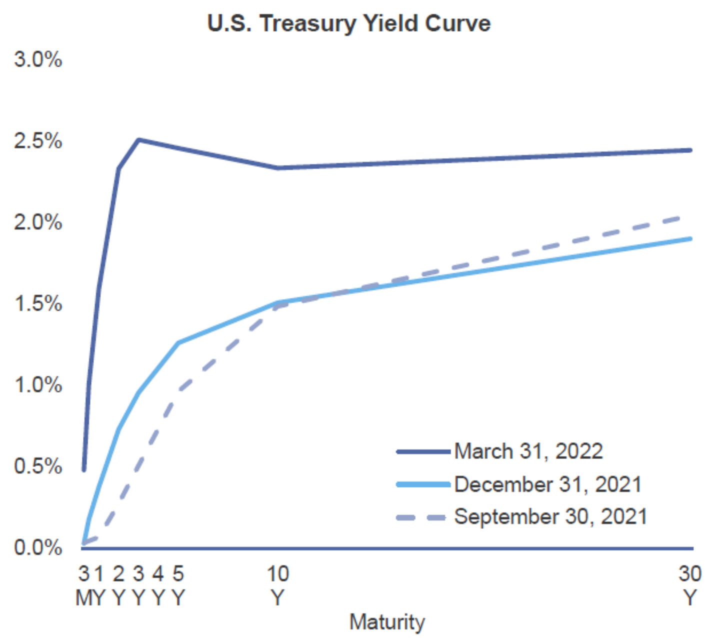
January 1, 2022 – March 31, 2022
The U.S. economy during this period was characterized by the following factors: a strong labor market, inflation at a 40-year high, and depressed consumer confidence. The Russian invasion of Ukraine also impacted the economic landscape by causing commodity prices to soar (particularly those of energy), creating significant geopolitical uncertainty, and triggering market volatility.

The Federal Reserve tightened monetary policy by initiating the first of what is expected to be many interest rate increases in 2022. The Federal Reserve's balance sheet reduction is also likely to begin soon.

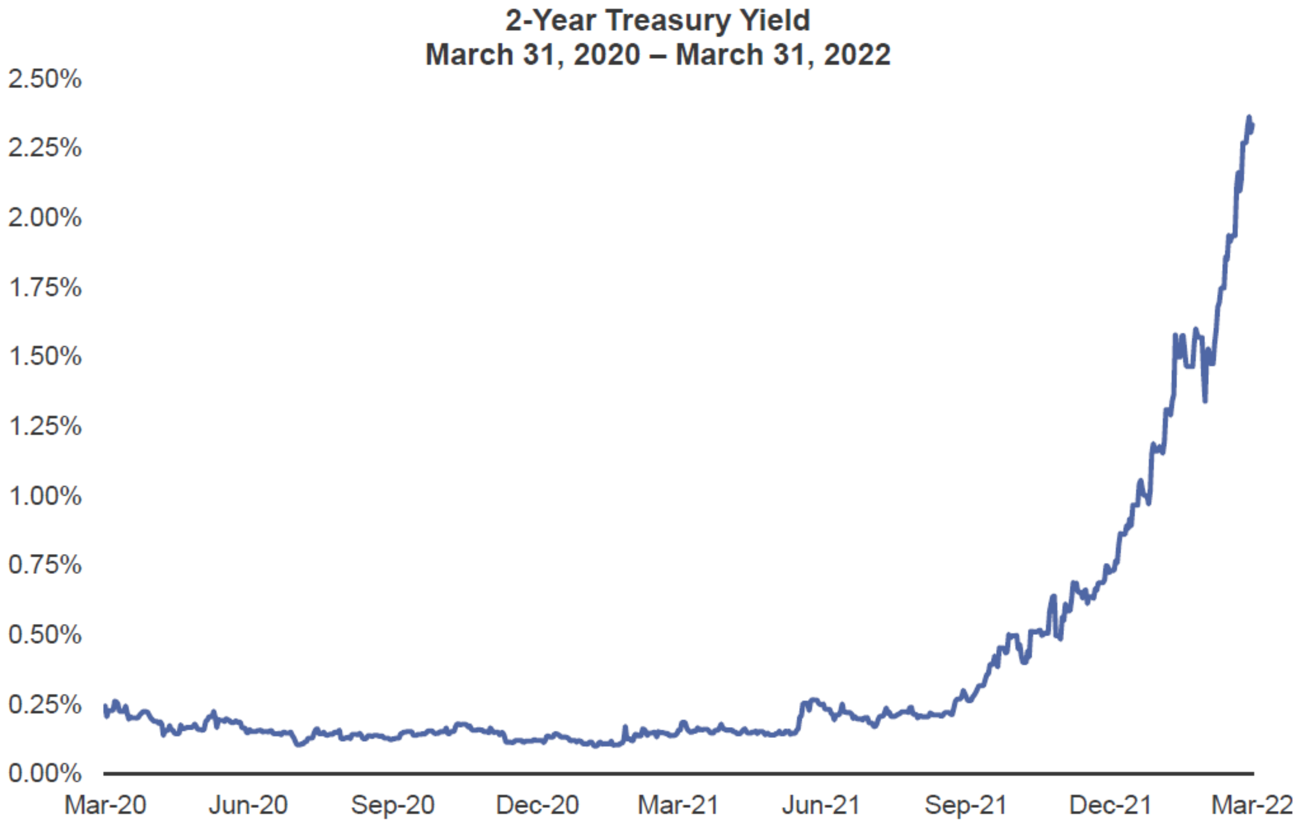
U.S. TREASURY YIELD CURVE

- The U.S. Treasury yield curve was significantly steeper from quarter end to quarter end.
- The yield curve was partially inverted at quarter end, as the yield on the 3-year Treasury note ended the quarter above longer-term rates.

	03/31/22	12/31/21	Change
3-month	0.48%	0.03%	+0.45%
1-year	1.60%	0.38%	+1.22%
2-year	2.33%	0.73%	+1.60%
3-year	2.51%	0.96%	+1.55%
5-year	2.46%	1.26%	+1.20%
10-year	2.34%	1.51%	+0.83%
30-year	2.45%	1.90%	+0.55%



- The 2-year Treasury yield increased significantly during the quarter.



PORTFOLIO STRATEGY

Monterey County Treasury investments continue to focus on capturing relative value while remaining cautious. The following indicators reflect key aspects of the investment portfolio in light of the above noted conditions:

1. Market Access – During the quarter, investment purchases for the portfolio included Corporate Notes, U.S. Treasury Notes, Commercial Paper, and Negotiable CDs. The Treasurer continues to maintain an adequate level of liquid assets to ensure the ability to meet all cash flow needs.

2. Diversification - The Monterey County Treasurer's portfolio consists of 241 separate fixed income investments, all of which are authorized by the State of California Government Code 53601 and the Investment Policy.

   The portfolio asset spread is detailed in the table below:

Portfolio Asset Composition								
Corporate Notes	Negotiable CDs	Overnight Liquid Assets	U.S. Treasuries	Federal Agencies	Commercial Paper	Supra-nationals	Municipal Bonds	Asset Backed Securities
10.5%	3.2%	18.8%	41.8%	15.1%	8.3%	2.4%	<0.1%	<0.1%

- Total may not equal 100% due to rounding

3. Credit Risk – Approximately 87.2% of the investment portfolio is comprised of U.S. Treasuries, Federal Agency securities, Negotiable CDs, and other liquid funds. All assets have a better than investment grade rating. U.S. Treasuries are not specifically rated, but are considered the safest of all investments. All corporate debt (10.5%) is rated in the higher levels of investment grade and all Federal Agency and Municipal holdings are rated AA- or higher. The Supranationals (2.4%) are rated AAA. The credit quality of the Treasurer's portfolio continues to be high.

The portfolio credit composition is detailed in the table below:

	Portfolio Credit Composition							
AAA	AAAm	AA	A	A-1 (Short Term)	Aaf/S1+ (CalTRUST)	BBB+ (split rated)	LAIF (not rated)	Not Rated by S&P
2%	12%	59%	7%	11%	4%	2%	3%	<1%

- Total may not equal 100% due to rounding

4. Liquidity Risk – Liquidity risk, as measured by the ability of the County Treasury to meet withdrawal demands on invested assets, was actively managed during the January – March quarter. The portfolio's weighted average maturity was 505 days, and the Treasurer maintained $444.7 million (19%) invested in overnight investments and $497.2 million (21%) in securities with maturities of one day to one year to provide immediate liquidity to be able to react quickly to unanticipated needs or opportunities in the current environment.

PORTFOLIO CHARACTERISTICS

	December 31, 2021	March 31, 2022
Total Assets	$2,473,716,071	$2,419,914,130
Market Value	$2,471,600,788	$2,371,225,548
Days to Maturity	503	505
Yield	0.42%	0.40%
Estimated Earnings	$2,371,429.71	$2,375,762.59

Given the evolving market environment related to the COVID-19 Pandemic, the Treasury continues strategically investing matured assets while accounting for potential liquidity needs. As market conditions evolve, the portfolio will continue to be actively managed under the established tenets of safety and liquidity while seeking to maximize the total rate of return.