



AQUILA[®]
Narragansett
Tax-Free Income Fund

Annual Report

March 31, 2022





Aquila Narragansett Tax-Free Income Fund

Maintaining Perspective with
Reason for Optimism

Serving Rhode Island investors since 1992



May, 2022

Dear Fellow Shareholder:

We recognize that the beginning of 2022 has presented a challenging period for fixed income markets, including municipal bonds. The markets have been driven by a number of factors, both domestically and globally, that have produced significant headwinds for rate-sensitive fixed income investments. These include a continuation of higher inflation levels, rising interest rates and subsequent bond price declines, and a shift in the Federal Reserve's monetary policy. In addition, ongoing supply chain disruptions, along with concerns about rising energy and commodity prices resulting from geopolitical tensions abroad, all have likely contributed to some consternation for municipal bond investors.

Despite inevitable changes in market conditions, we look forward to the coming fiscal year with continued optimism, underscored by the everlasting need for infrastructure (such as hospitals, schools and roadways) financed through municipal bonds, the underlying strength of municipal bond fundamentals, and what we believe to be the many benefits the asset class continues to afford investors. Let's briefly reflect on some key market events and ponder what lies ahead.

Interest Rates and Federal Reserve Response

The primary driver of bond yields, prices, and relative performance is interest rates. Consistent with the general level of interest rates, municipal bond yields have moved higher thus far in 2022, particularly on the lower end of the yield curve. This upward rate bias was spurred in anticipation of, and by, the Federal Reserve ("the Fed") which began raising its Federal Funds rate (the interest rate that banks charge one another to borrow or lend excess reserves overnight) in mid-March to help manage rising inflation. The March increase marked the first time the Federal Reserve has raised rates since 2018.

The Federal Reserve has indicated a willingness to carry out additional rate hikes this year as it may deem appropriate. The Fed's goal is to control inflation, which has risen to its highest level in 40 years, while at the same time, striving to avoid an economic recession thereby enabling a "soft landing". Adding to the Fed's dilemma is the need to reduce its \$9 trillion balance sheet, which is expected to be trimmed by \$95 billion per month.

The result has been a dramatic increase in municipal bond yields, especially with the market's anticipation of further interest rate hikes. And given the inverse relationship between bond yields and prices, municipal bond valuations have

dropped significantly in response. Of note, 10-year AAA municipal bond yields (as measured by Bloomberg) increased from 1.04% as of December 31st to 2.22% by the end of the first quarter of 2022. This contributed to 10-year municipal bonds underperforming their U.S. Treasury counterparts. Some investors reacted by selling their investment portfolio holdings (referred to as “outflows” for mutual funds), which created a seeming oversupply of municipal bonds in the secondary market relative to investor demand, and contributed to the municipal bond market’s slide in valuation.

Relative Yields and Valuations

Recent changes in the relationship between municipal bond yields and those of U.S. Treasuries have resulted in favorable Municipal/Treasury yield ratios (the AAA rated municipal bond yield divided by the U.S. Treasury yield). For instance, the rising interest rate environment caused the 10-year Municipal/Treasury ratio (per Thompson Reuters Municipal Market Data (“MMD”)) to rise from 68.8% as of December 31, 2021 to 93.7% as of March 31, 2022. As the Fed continues to pursue its path towards higher interest rates with a goal to help dampen inflation, municipal bond yields are generally expected to continue to increase in unison. While municipal bond yields have risen and prices have correspondingly decreased, we believe this environment bodes well for investors interested in income, and accentuates relative price valuations and the attractive opportunities they present for municipal bonds.

As mentioned earlier, municipal bond yields moved higher during the beginning of 2022, particularly on the lower end of the yield curve. This trend has led to the yield curve “flattening” at the time of this letter relative to the prior year, which means there is less of a difference between short-term and long-term yields for bonds of similar credit quality. It also gives market participants an interesting choice when considering investment opportunities.

Your fund typically invests in securities of intermediate-term maturity and duration with a goal to persevere in whatever markets we may face. Thus, a “flatter” yield curve, with attractive yields at the shorter end of the duration spectrum, may be viewed as being beneficial. Regardless of interest rates and the shape of the yield curve, your fund’s portfolio is actively managed consistent with its stated investment objective.

Maintaining Perspective

We believe it is important to keep in mind two key benefits of investing in municipal bonds (and municipal bond funds):

- the income from municipal bonds is generally tax-exempt; and,
- municipal bonds are considered, for the most part, to be safe investments with a low default rate on a comparative basis to other types of investments.

Your fund’s investment objective is to provide as high a level of current income exempt from state and regular federal income taxes as is consistent with preservation of capital. Your portfolio management team is locally-based in your state, which provides them with an up-close perspective on the economy and bond issuers in local municipalities, cities, and overall within the state. These investment professionals

draw upon their many years of experience in analyzing securities, observing market and economic cycles, and recognizing risks and opportunities for your benefit. And on a tax-equivalent basis (compared with taxable income generated by similar investments), the tax-exempt income provided to you as a shareholder can provide an important advantage to you.

We believe it is essential for shareholders to remain focused on their long-term financial goals. A common mistake that investors make is to allow fear or uncertainty keep them from participating in financial opportunities, rather than sticking with their intended plans. It is therefore important for us all to remain focused on our individual financial goals, our time frame for achieving them, and our tolerance for risk. We encourage you to speak with a financial professional to review your investment portfolio to ensure it continues to align with your individual goals.

Regardless of the direction of interest rates and Federal monetary policy, it is important to remember that your municipal bond fund is actively managed, maintaining broadly diversified, high-quality portfolios, generally with an intermediate average maturity. We remain committed to effective risk management, seeking to provide you, our shareholders, with what we believe to be an appropriate level of risk-adjusted return. As always, thank you for being a valued shareholder of Aquila Group of Funds.

Sincerely,



A handwritten signature in dark ink, appearing to read "Diana P. Herrmann". The signature is fluid and cursive, written over a light blue horizontal line.

Diana P. Herrmann, Vice Chair and President

Any information in this Shareholder Letter regarding market or economic trends or the factors influencing the Fund's historical or future performance are statements of opinion as of the date of this report. These statements should not be relied upon for any other purposes. Past performance is no guarantee of future results, and there is no guarantee that any market forecasts discussed will be realized.



Aquila Narragansett Tax-Free Income Fund

ANNUAL REPORT

Management Discussion

Serving Rhode Island investors since 1992



Aquila Narragansett Tax-Free Income Fund (the “Fund”) seeks to provide the highest level of double tax-free income as is consistent with preservation of capital while staying within self-imposed quality constraints. The Fund strives to accomplish this by constructing a diversified investment portfolio of investment grade Rhode Island municipal securities. As an extra measure of credit protection to shareholders, some securities owned by the Fund are insured in an attempt to provide for the timely payment of principal and interest when due. A maturity range of between 5 and 15 years has been maintained for the Fund’s portfolio with the goal to produce a reasonable level of income return with relatively high stability for the Fund’s share price. The intention is to maintain a similar profile going forward. As of March 31, 2022, the portfolio had an average maturity of 9.07 years.

U.S. Economy

The U.S. economy closed 2021 with another stellar year for equities while bonds performed relatively well given the amount of volatility experienced in rates. The recent flareup from the omicron variant, continued political gridlock, geopolitical flashpoints, supply chain disruptions and inflationary pressures provided a plethora of risks to the markets during 2021, that have spilled into the new year. Fortunately for investors, extreme stimulus and liquidity, stronger consumer economic balance sheets, a healing labor market, robust corporate profitability and durable momentum bolstered the economy so that despite these bumps in the road, the markets had a pretty good year. Moving into 2022, the biggest challenge for financial markets will be actions of the central banks, most notably the Federal Reserve (the “Fed”). While the Fed can be credited with its swift and aggressive actions early on in the pandemic to stave off some potential draconian scenarios for the markets, it found itself in the precarious position of having pulled back from such extreme monetary accommodation, having continued buying hundreds of billions of dollars of bonds up until the very end of the year in 2021. While needing to hasten the pace of policy normalization, their communications and actions will likely be well-telegraphed and undoubtedly seek to maintain confidence in the trajectory of the post-pandemic economic recovery. Even if the Fed is successful in navigating through its policy adjustment leaving the economy unscathed, markets will likely face increased levels of volatility, making 2022 more challenging to replicate than the strong performance of last year. (Subsequent to the Fund’s fiscal year end, on May 4th, the Fed increased the Fed Funds rate (the target interest rate set by the Fed at which commercial banks borrow and lend their extra reserves to one another overnight) by 50 basis points (“bps”) – this level of increase has not occurred since 2000 – and indicated that 50 bps increases would be considered at the time of the Fed’s next couple of meetings. The May 4th Fed Funds increase represented the first time since 2006 that the Fed has implemented rate increases at back-to-back meetings.)

MANAGEMENT DISCUSSION (continued)

Municipal Market

The municipal bond market had a great year in 2021, despite an increase in supply as investors continued their appetite for tax-free income based on expectations of increased tax rates during the year. Although tax rates were not increased, spreads remained tight through the remainder of 2021 as indicated by the municipal bond yields as a percentage of U.S. Treasury yields which reached their tightest levels (mid-50%) seen on the shorter to intermediate ends of the curve. The beginning of 2022 saw spreads widen in response to concerns over inflation and the Federal Reserve's indication that it would both raise short-term interest rates and shrink its balance sheet to remove monetary stimulus. This combination led to the beginning of one of the worst bond market routs in decades, as investors shunned fixed income altogether as reported inflation figures ran unabated and supply chain issues remained top of mind. The Russian invasion of Ukraine also added geopolitical fuel to the fire as oil, natural gas and wheat prices surged. On the credit side of things, municipal budgets and revenues appear to be in very good shape as federal monies received and tax collections have increased states' coffers. Funds also appear to be plentiful for infrastructure projects to continue for the next few years with little current need for increases in tax rates.

Rhode Island Economy

Rhode Island saw jobs at about 97% of the all-time peak of 508.4 thousand workers in February 2020, the beginning of the pandemic. The state's unemployment rate continues to trend downward with the March unemployment rate at 3.4%, below pre-pandemic levels. Five employment sectors – Construction, Manufacturing, Professional & Technical Services, Transportation & Utilities and Wholesale Trade – reported more jobs in March 2022 than they had in the month prior to the pandemic shutdown. The most recent state budget (as of November 2021) is showing an early projection of a bit over \$600 million of surplus. The state ended FY 2021 (6/30/21) with a \$281 million surplus as a result of higher income and sales taxes and lower departmental spending. These figures exclude any funds related to the American Rescue Plan Act ("ARPA") funds. The state has set aside the ARPA funds for further review and use towards a number of long-term strategic initiatives to include: affordable housing, mental health facilities and support, workforce training and small business assistance. Other initiatives outside of the ARPA funds relate to the continued improvement of public schools, further development of the "blue" economy and tax incentives for expanding Rhode Island-based companies.

Fund Performance

Returns for the Aquila Narragansett Tax-Free Income Fund Class Y Share class was 0.74%, compared to the Bloomberg Municipal Bond: Quality Intermediate Total Return Unhedged USD (the "Index") for calendar year 2021 with a return of 0.33%. For the fiscal year ending March 31, 2022, performance for the Fund's Y Share class was -4.11% which was greater than the -4.37% return for the Index for the same period. The Fund outperformed its benchmark by having a slightly longer duration than the benchmark. This positioning was additive to performance for most of the year; however, the most recent quarter (ended March 31st) saw significant increases in interest rates and a loss of underlying bond values. This deterioration led to negative performance in-line with the benchmark as longer end of the yield curve flattened with short term interest rates moving considerably higher than longer term rates. Lower quality credits also outperformed higher

MANAGEMENT DISCUSSION (continued)

quality credits during the same periods with the exception of the first quarter of 2022. With a very large allocation to AA credits and higher, we were not able to outperform the benchmark to the desired degree, but Rhode Island issues tended to receive a bit more national attention and benefitted from greater spread tightening. More recently, despite new issuance similar to last year, the secondary market had a resurgence in Rhode Island bonds. We were able to take advantage of the opportunity and add to existing holdings as yields became more attractive. The spread of these new purchases in excess of the portfolio yield have been at levels not seen since the first half of 2020. This, in turn, has provided for an increase in the Fund's portfolio yield accomplished by swapping some shorter-term bonds and extending out the yield curve to take advantage of higher relative yields. These purchases will help to both increase portfolio yield and provide higher income for shareholders.

Outlook and Strategy

After seeing the first flames of inflation during the second half of 2021, the Federal Reserve has shifted its focus from full employment to fighting inflation. By all indications, the markets believe the Fed is behind the curve, since it postponed its first rate hike until mid-March and both the Consumer Price Index ("CPI") and Personal Consumption Expenditure ("PCE") inflation figures have not abated. While as of March 31st we have recently seen a slightly inverted U.S. Treasury curve, the municipal yield curve has remained positively sloped, but has flattened out beyond 13 years. Additional fiscal stimulus, higher commodities prices and the Russian invasion of Ukraine have also added to the inflationary pressures and concerns that the Fed may not achieve its desired "soft landing". The economy appears to be on solid footing with full employment, higher than expected Gross Domestic Product ("GDP"), and generally good corporate earnings, The yield curve anticipates the Fed will continue to increase short term interest rates at a faster rate and begin shrinking its balance sheet to remove excess liquidity from the monetary system. While we saw a sharp rise in rates during the first quarter of 2022, we expect rates could moderate should inflation figures begin to show signs of abating. While we would not attempt to guess terminal interest rates at this point, your Fund's current portfolio positioning should allow for the flexibility to take advantage of movements in the yield curve to take advantage of higher rates and expected bond issuance during the remainder of the year. It is a fine balance between the two, but it remains a major part of our long-standing disciplined approach. While analysis and decisions are made with the most current information available at the time, the tradeoff between current income and interest rate risk remains a portfolio manager's challenge while considering one of the Fund's hallmarks of seeking to maintain a relatively stable net asset value ("NAV"). Despite the potential for more volatile interest rates, we remain steadfast in our commitment to our shareholders in an attempt to provide value regardless of the market environment as we have since 1992.

Mutual fund investing involves risk and loss of principal is possible.

The market prices of the Fund's securities may rise or decline in value due to general market conditions, such as real or perceived adverse economic, political or regulatory conditions, recessions, inflation, changes in interest rates, lack of liquidity in the bond markets, the spread of infectious illness or other public health issues, armed conflict including Russia's military invasion of Ukraine, sanctions against Russia, other nations or individuals or companies and possible countermeasures, market disruptions caused by tariffs, trade disputes or other factors, or adverse investor sentiment. When market prices fall, the value of your investment may go down. In the past several

MANAGEMENT DISCUSSION (continued)

years, financial markets have experienced increased volatility, depressed valuations, decreased liquidity and heightened uncertainty. These conditions may continue, recur, worsen or spread.

Rates of inflation have recently risen. The value of assets or income from an investment may be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of the Fund's assets can decline as can the value of the Fund's distributions.

The global pandemic of the novel coronavirus respiratory disease designated COVID-19 has resulted in major disruption to economies and markets around the world, including the United States. Global financial markets have experienced extreme volatility and severe losses, and trading in many instruments has been disrupted. Liquidity for many instruments has been greatly reduced for periods of time. Some sectors of the economy and individual issuers have experienced particularly large losses. These circumstances may continue for an extended period of time, and may continue to affect adversely the value and liquidity of the Fund's investments. Following Russia's recent invasion of Ukraine, Russian securities have lost all, or nearly all, their market value. Other securities or markets could be similarly affected by past or future geopolitical or other events or conditions. Governments and central banks, including the U.S. Federal Reserve, have taken extraordinary and unprecedented actions to support local and global economies and the financial markets. These actions have resulted in significant expansion of public debt, including in the U.S. The consequences of high public debt, including its future impact on the economy and securities markets, may not be known for some time.

The value of your investment will generally go down when interest rates rise. A rise in interest rates tends to have a greater impact on the prices of longer term or longer duration securities. In recent years, interest rates and credit spreads in the U.S. have been at historic lows, which means there is more risk that they may go up. The U.S. Federal Reserve has recently started to raise certain interest rates. A general rise in interest rates may cause investors to move out of fixed income securities on a large scale and could also result in increased redemptions from the Fund.

Investments in the Fund are subject to possible loss due to the financial failure of the issuers of underlying securities and their inability to meet their debt obligations.

The value of municipal securities can be adversely affected by changes in the financial condition of one or more individual municipal issuers or insurers of municipal issuers, regulatory developments, legislative actions, and by uncertainties and public perceptions concerning these and other factors. The Fund may be affected significantly by adverse economic, political or other events affecting state and other municipal issuers in which it invests, and may be more volatile than a more geographically diverse fund.

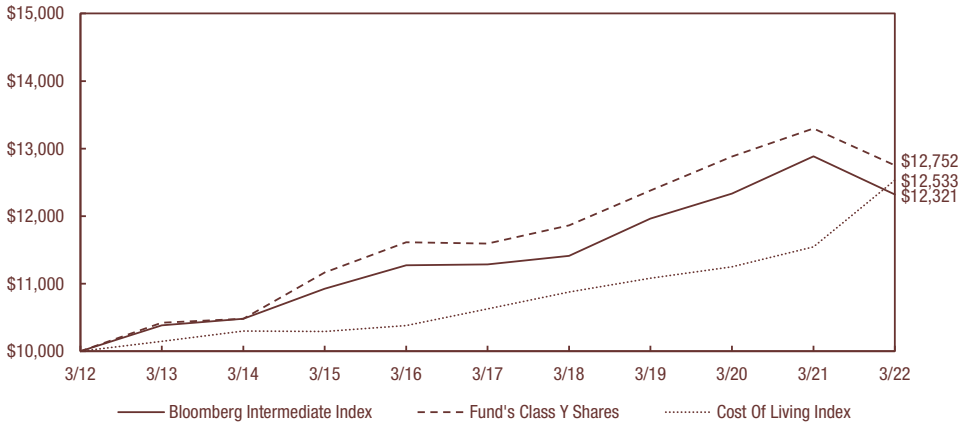
A portion of income may be subject to local, state, Federal and/or alternative minimum tax. Capital gains, if any, are subject to capital gains tax.

These risks may result in share price volatility.

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PERFORMANCE REPORT

The following graph illustrates the value of \$10,000 invested in the Class Y shares of Aquila Narragansett Tax-Free Income Fund (the "Fund") for the 10-year period ended March 31, 2022 as compared with the Bloomberg Municipal Bond: Quality Intermediate TR Unhedged Index (the "Bloomberg Intermediate Index") and the Consumer Price Index (a cost of living index). The performance of each of the other classes is not shown in the graph but is included in the table below. It should be noted that the Bloomberg Intermediate Index does not include any operating expenses nor sales charges, and being nationally oriented, does not reflect state-specific bond market performance.



Average Annual Total Return for periods ended March 31, 2022

Class and Inception Date	Since			
	1 Year	5 Years	10 Years	Inception
Class A since 9/10/92				
With Maximum Sales Charge	(7.12)%	0.94%	1.89%	3.98%
Without Sales Charge	(4.26)	1.77	2.31	4.13
Class C since 5/01/96				
With CDSC*	(6.01)	0.91	1.44	2.91
Without CDSC	(5.07)	0.91	1.44	2.91
Class F since 11/30/18				
No Sales Charge	(4.10)	N/A	N/A	1.87
Class I since 11/04/98				
No Sales Charge	(4.39)	1.66	2.18	3.30
Class Y since 5/01/96				
No Sales Charge	(4.11)	1.92	2.46	3.98
Bloomberg Intermediate Index	(4.37)	1.77	2.11	4.41 (Class A) 4.18 (Class C & Y) 3.30 (Class F) 3.89 (Class I)

Total return figures shown for the Fund reflect any change in price and assume all distributions, including capital gains, within the period were invested in additional shares. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund Shares. The rates of return will vary and the principal value of an investment will fluctuate with market conditions. Shares, if redeemed, may be worth more or less than their original cost. A portion of each class's income may be subject to Federal and state income taxes. Past performance is not predictive of future investment results.

* CDSC = 1% contingent deferred sales charge imposed on redemptions made within the first 12 months after purchase.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustees of Aquila Municipal Trust and the
Shareholders of Aquila Narragansett Tax-Free Income Fund:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Aquila Narragansett Tax-Free Income Fund (the "Fund"), including the schedule of investments, as of March 31, 2022, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and financial highlights for each of the five years in the period then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of March 31, 2022, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and its financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We have served as the auditor for the Trust since 2005.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of March 31, 2022 by correspondence with the custodian. We believe that our audit provides a reasonable basis for our opinion.

TAIT, WELLER & BAKER LLP

Philadelphia, Pennsylvania
May 27, 2022

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS
MARCH 31, 2022

Principal Amount	General Obligation Bonds (25.7%)	Ratings Moody's, S&P and Fitch (unaudited)	Value
	Barrington, Rhode Island		
\$ 1,120,000	2.500%, 08/01/25	Aa1/NR/NR	\$ 1,121,669
	Bristol, Rhode Island		
865,000	3.500%, 08/01/31	NR/AA+/NR	918,024
1,900,000	3.000%, 08/01/38 Series 2021A	NR/AA+/NR	1,911,723
	Coventry, Rhode Island		
1,605,000	3.625%, 03/15/27 AGMC Insured	A1/AA/NR	1,672,217
	Cranston, Rhode Island		
1,325,000	4.000%, 07/01/28	A1/AA-/AA+	1,414,119
1,170,000	5.000%, 08/01/32 Series 2018 A	A1/AA-/AA+	1,357,095
	4.000%, 08/01/33 Series 2019 A		
1,000,000	BAMI Insured	A1/AA/AA+	1,098,780
	4.000%, 08/01/35 Series 2019 A		
615,000	BAMI Insured	A1/AA/AA+	674,335
860,000	4.000%, 08/15/34 Series 2021 A	NR/AA-/AA+	950,971
455,000	4.000%, 08/15/35 Series 2021 A	NR/AA-/AA+	502,534
475,000	4.000%, 08/15/36 Series 2021 A	NR/AA-/AA+	524,048
1,515,000	4.250%, 07/15/24 Series B		
	BAMI Insured	A1/AA/AA+	1,593,977
1,000,000	4.250%, 07/15/25 Series B		
	BAMI Insured	A1/AA/AA+	1,071,800
	Cumberland, Rhode Island		
500,000	4.250%, 11/01/27 Series 2011 A	NR/AA+/NR	501,110
500,000	4.625%, 11/01/31 Series 2011 A	NR/AA+/NR	501,195
700,000	4.500%, 03/15/32 Series 2018 A	NR/AA+/NR	777,273
	Hopkinton, Rhode Island		
500,000	4.375%, 08/15/31	Aa3/NR/NR	501,225
	Johnston, Rhode Island		
1,020,000	3.450%, 06/01/29 Series A	A1/AA/NR	1,033,352
1,020,000	3.700%, 06/01/33 Series A	A1/AA/NR	1,032,791
	Lincoln, Rhode Island		
1,500,000	3.500%, 08/01/24 Series A	Aa2/NR/AAA	1,550,670
2,225,000	3.500%, 08/01/25 Series A	Aa2/NR/AAA	2,325,993
	Middleton, Rhode Island		
435,000	4.000%, 02/01/31 Series 2021A	Aa1/NR/NR	494,404
	Narragansett, Rhode Island		
1,025,000	3.500%, 07/15/28	Aa2/AA+/NR	1,053,341

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

Principal Amount	General Obligation Bonds (continued)	Ratings Moody's, S&P and Fitch (unaudited)	Value
	North Kingstown, Rhode Island		
\$ 375,000	3.000%, 04/15/24 Series A	Aa2/AA+/NR	\$ 379,076
1,500,000	3.500%, 04/01/37 Series 2021 A	NR/AA+/NR	1,576,650
	North Smithfield, Rhode Island		
825,000	3.000%, 06/15/26 Series A	Aa2/NR/NR	850,204
1,075,000	3.500%, 05/15/34	Aa2/NR/NR	1,129,685
	Pawtucket, Rhode Island		
1,010,000	4.000%, 11/01/25 AGMC Insured	A1/AA/A+	1,052,167
890,000	4.500%, 07/15/33 Series C AGMC Insured	A1/AA/NR	1,005,015
935,000	4.500%, 07/15/34 Series C AGMC Insured	A1/AA/NR	1,054,661
975,000	4.500%, 07/15/35 Series C AGMC Insured	A1/AA/NR	1,098,718
	Portsmouth, Rhode Island		
1,140,000	3.750%, 02/01/31 Series A	Aa2/AAA/NR	1,194,709
	Providence, Rhode Island		
975,000	3.625%, 01/15/29 Series A AGMC Insured	A1/AA/A-	985,852
2,010,000	3.750%, 01/15/30 Series A AGMC Insured	A1/AA/A-	2,034,221
1,000,000	3.750%, 01/15/32 Series A AGMC Insured	A1/AA/A-	1,011,460
	Richmond, Rhode Island		
775,000	3.000%, 08/01/24	Aa3/NR/NR	786,927
	State of Rhode Island		
2,000,000	3.750%, 11/01/23 Series A	Aa2/AA/AA	2,063,340
2,000,000	3.000%, 05/01/31 Series A	Aa2/AA/AA	2,039,120
2,500,000	4.000%, 04/01/32 Series A	Aa2/AA/AA	2,749,525
2,000,000	3.000%, 05/01/32 Series A	Aa2/AA/AA	2,037,380
2,000,000	3.000%, 05/01/36 Series A	Aa2/AA/AA	2,014,320
2,000,000	5.000%, 08/01/23 Series D	Aa2/AA/AA	2,087,760
2,000,000	5.000%, 08/01/24 Series D	Aa2/AA/AA	2,143,380
2,260,000	4.000%, 08/01/30 Series 2021C	Aa2/AA/AA	2,549,732
1,600,000	4.000%, 08/01/33 Series 2021E	Aa2/AA/AA	1,797,840

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

Principal Amount	General Obligation Bonds (continued)	Ratings Moody's, S&P and Fitch (unaudited)	Value
\$ 1,170,000	Warren, Rhode Island 4.000%, 02/15/33 Series 2018 A	Aa3/NR/NR	\$ 1,269,450
2,000,000	Warwick, Rhode Island 4.000%, 08/01/22 Series 2015 B AGMC Insured	NR/AA/NR	2,018,800
1,175,000	West Greenwich, Rhode Island 3.000%, 08/15/26	NR/AA+/NR	1,210,262
795,000	West Warwick, Rhode Island 5.000%, 10/01/32 Series A BAMI Insured	A3/AA/NR	870,962
345,000	Westerly, Rhode Island 5.000%, 11/15/31 Series 2021 A	NR/AA/NR	<u>418,495</u>
	Total General Obligation Bonds		<u>64,012,357</u>
	Revenue Bonds (64.8%)		
	Development (6.1%)		
3,000,000	Providence, Rhode Island Public Building Authority (Capital Improvement Program Projects) 4.000%, 09/15/34 Series A AGMC Insured	A1/AA/NR	3,185,610
4,200,000	4.000%, 09/15/35 Series A AGMC Insured	A1/AA/NR	4,444,146
1,680,000	Providence, Rhode Island Redevelopment Agency Refunding Public Safety Building Project 5.000%, 04/01/26 Series A AGMC Insured	A1/AA/NR	1,822,195
935,000	Rhode Island Infrastructure Bank Municipal Road and Bridge Revolving Fund 4.000%, 10/01/33 Series 2019 A	NR/AA/NR	1,007,070
845,000	4.000%, 10/01/34 Series 2019 A	NR/AA/NR	909,228
1,010,000	4.000%, 10/01/35 Series 2019 A	NR/AA/NR	1,085,861
1,110,000	Rhode Island Infrastructure Bank Efficient Buildings Fund, Green Bonds 4.000%, 10/01/29 Series 2018 A	NR/AA/NR	1,222,687
1,555,000	3.000%, 10/01/37 Series 2020 A	NR/AA/NR	<u>1,550,864</u>
	Total Development		<u>15,227,661</u>

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

Principal Amount	Revenue Bonds (continued)	Ratings Moody's, S&P and Fitch (unaudited)	Value
Healthcare (2.6%)			
	Rhode Island Health & Education Building Corp., Hospital Financing, Lifespan Obligated Group		
\$ 1,000,000	5.000%, 05/15/31 Series 2016	NR/BBB+/BBB+	\$ 1,090,060
1,000,000	5.000%, 05/15/33 Series 2016	NR/BBB+/BBB+	1,086,490
1,250,000	5.000%, 05/15/34 Series 2016	NR/BBB+/BBB+	1,356,188
1,750,000	5.000%, 05/15/39 Series 2016	NR/BBB+/BBB+	1,888,303
	Rhode Island State & Providence Plantations Lease COP (Eleanor Slater Hospital Project)		
1,000,000	4.000%, 11/01/32 Series B	Aa3/AA-/AA-	<u>1,101,400</u>
	Total Healthcare		<u>6,522,441</u>
Higher Education (5.3%)			
	Rhode Island Health and Education Building Corp., Higher Educational Facility		
2,500,000	5.000%, 09/15/30 Series 2010 A AGMC Insured	Aa3/NR/NR	2,507,600
	Rhode Island Health and Educational Building Corp., Higher Education Facility, Brown University		
2,000,000	4.000%, 09/01/37 Series 2017	Aa1/AA+/NR	2,146,480
	Rhode Island Health and Educational Building Corp., Higher Education Facility, Providence College		
2,490,000	4.000%, 11/01/24 Series 2015	A2/A/NR	2,611,736
250,000	4.000%, 11/01/37 Series 2021B	A2/A/NR	269,553
250,000	4.000%, 11/01/38 Series 2021B	A2/A/NR	269,080
	Rhode Island Health and Educational Building Corp., Higher Education Facility, University of Rhode Island		
1,000,000	4.250%, 09/15/31 Series A	Aa3/A+/NR	1,089,640

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

Principal Amount	Revenue Bonds (continued)	Ratings Moody's, S&P and Fitch (unaudited)	Value
	<u>Higher Education (continued)</u>		
	Rhode Island Health and Educational Building Corp., Higher Education Facility, University of Rhode Island Auxiliary Enterprise		
\$ 500,000	4.000%, 09/15/31 Series 2016 B	A1/A+/NR	\$ 532,125
2,650,000	4.000%, 09/15/42 Series 2017 A	A1/A+/NR	2,801,077
1,000,000	4.000%, 09/15/32 Series 2017 B	A1/A+/NR	<u>1,079,940</u>
	Total Higher Education		<u>13,307,231</u>
	<u>Housing (6.6%)</u>		
	Rhode Island Housing & Mortgage Finance Corp. Homeownership Opportunity		
155,000	3.000%, 10/01/39 Series 71	Aa1/AA+/NR	151,985
2,000,000	2.100%, 10/01/35 Series 73 A	Aa1/AA+/NR	1,774,800
2,000,000	2.300%, 10/01/40 Series 73 A	Aa1/AA+/NR	1,720,580
2,000,000	2.050%, 10/01/36 Series 75 A	Aa1/AA+/NR	1,725,680
750,000	2.350%, 10/01/36 Series 76 A	Aa1/AA+/NR	669,758
	Rhode Island Housing & Mortgage Finance Corp. Multi-Family Development Sustainability		
770,000	2.750%, 10/01/34 Series 1-B	Aa2/NR/NR	748,894
1,000,000	3.100%, 10/01/44 Series 1-B	Aa2/NR/NR	973,270
	Rhode Island Housing & Mortgage Finance Corp. Multi-Family Development Sustainability		
1,245,000	0.450%***, 10/01/40 Series 2021 1-A (Mandatory Tender Date 10/01/23)	Aa2/NR/NR	1,211,036
	Rhode Island Housing & Mortgage Finance Corp. Multi-Family Housing		
2,220,000	4.625%, 10/01/25 Series 2010 A	Aaa/NR/NR	2,224,462
2,000,000	5.000%, 10/01/30 Series 2010 A	Aaa/NR/NR	2,005,140
1,255,000	3.450%, 10/01/36 Series 2016 1B	Aa2/NR/NR	1,274,139
1,000,000	3.250%, 10/01/27 Series 1B	Aa2/NR/NR	1,003,430
1,000,000	3.400%, 10/01/29 Series 3B	Aa2/NR/NR	<u>1,011,110</u>
	Total Housing		<u>16,494,284</u>

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

Principal Amount	Revenue Bonds (continued)	Ratings Moody's, S&P and Fitch (unaudited)	Value
	Public School (31.7%)		
	Rhode Island Health and Education Building Corp., Public Schools Financing Program		
\$ 795,000	5.000%, 05/15/27 Series 2015 C	Aa2/NR/NR	\$ 863,068
	Rhode Island Health and Education Building Corp., Public School Financing Program, Chariho Regional School District		
1,520,000	4.000%, 05/15/31 Series 2017 J-2 B	Aa3/NR/NR	1,625,579
	Rhode Island Health and Education Building Corp., Public School Financing Program, Town of Coventry		
1,000,000	3.750%, 05/15/28 Series 2013 B AGMC Insured	Aa3/AA/NR	1,001,620
1,000,000	4.000%, 05/15/33 AGMC Insured	Aa3/AA/NR	1,002,740
	Rhode Island Health and Educational Building Corp., Public School Financing Program, City of Cranston		
1,170,000	4.000%, 05/15/30 Series 2015 B BAMI Insured	NR/AA/NR	1,229,342
	Rhode Island Health and Education Building Corp., Public School Financing Program, City of East Providence		
1,000,000	3.625%, 05/15/32 Series B	Aa3/NR/NR	1,001,570
2,000,000	4.000%, 05/15/37 Series 2021F.	NR/AA/NR	2,191,560
3,000,000	4.000%, 05/15/38 Series 2021F.	NR/AA/NR	3,281,790
2,000,000	4.000%, 05/15/41 Series 2021F.	NR/AA/NR	2,177,380
	Rhode Island Health and Education Building Corp., Exeter-West Greenwich Regional School District		
2,305,000	3.500%, 05/15/37 Series 2021 G.	Aa3/NR/NR	2,340,681
2,100,000	4.000%, 05/15/41 Series 2021 G.	Aa3/NR/NR	2,234,232
	Rhode Island Health and Education Building Corp., Public School Financing Program, Town of Jamestown		
1,020,000	3.000%, 05/15/35 Series 2019 C.	Aa1/NR/NR	1,031,424

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

Principal Amount	Revenue Bonds (continued)	Ratings Moody's, S&P and Fitch (unaudited)	Value
	Public School (continued)		
	Rhode Island Health and Education Building Corp., Public School Financing Program, Town of Lincoln		
\$ 3,245,000	5.000%, 05/15/33 Series 2020 B	Aa2/NR/AAA	\$ 3,826,699
1,610,000	4.000%, 05/15/35 Series 2020 B	Aa2/NR/AAA	1,770,823
	Rhode Island Health and Education Building Corp., Public School Financing Program, Town of Little Compton		
1,620,000	4.000%, 05/15/25 Series 2013 H	NR/AAA/NR	1,659,625
	Rhode Island Health and Education Building Corp., Public School Financing Program, City of Newport		
2,000,000	4.000%, 05/15/36 Series 2022C	NR/AA+/NR	2,221,660
	Rhode Island Health and Education Building Corp., Public School Financing Program, Town of North Kingston		
370,000	4.000%, 05/15/29 Series 2021 A	NR/AA+/NR	412,487
405,000	4.000%, 05/15/30 Series 2021 A	NR/AA+/NR	454,446
355,000	3.000%, 05/15/33 Series 2021 A	NR/AA+/NR	362,948
415,000	3.000%, 05/15/34 Series 2021 A	NR/AA+/NR	421,337
	Rhode Island Health and Education Building Corp., Public School Financing Program, Town of North Providence		
1,100,000	4.500%, 11/15/22 Series 2013 I	Aa3/AA-/NR	1,121,615
750,000	5.000%, 05/15/31 Series 2017 G AGMC Insured	Aa3/AA/NR	837,840
500,000	5.000%, 05/15/32 Series 2019 A AGMC Insured	Aa3/AA/NR	582,215
500,000	5.000%, 05/15/33 Series 2019 A AGMC Insured	Aa3/AA/NR	581,315
500,000	5.000%, 05/15/34 Series 2019 A AGMC Insured	Aa3/AA/NR	580,680
500,000	4.000%, 05/15/37 Series 2019 A AGMC Insured	Aa3/AA/NR	542,760

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

Principal Amount	Revenue Bonds (continued)	Ratings Moody's, S&P and Fitch (unaudited)	Value
	Public School (continued)		
	Rhode Island Health and Education Building Corp., Public School Financing Program, City of Pawtucket		
\$ 1,570,000	4.000%, 05/15/26 Series 2014 C	Aa3/NR/NR	\$ 1,632,941
1,000,000	4.250%, 05/15/29 Series 2017 E BAMI Insured	Aa3/AA/NR	1,090,400
1,045,000	4.000%, 05/15/31 Series 2018 B	Aa3/NR/NR	1,136,876
1,090,000	4.000%, 05/15/32 Series 2018 B	Aa3/NR/NR	1,184,372
1,455,000	4.000%, 05/15/35 Series 2022A	Aa3/NR/NR	1,587,085
1,000,000	4.000%, 05/15/36 Series 2022A	Aa3/NR/NR	1,086,860
1,635,000	4.000%, 05/15/38 Series 2022A	Aa3/NR/NR	1,762,808
500,000	4.000%, 05/15/42 Series 2022A	Aa3/NR/NR	535,120
2,350,000	3.000%, 05/15/39 Series 2019 B	Aa3/NR/NR	2,160,050
	Rhode Island Health and Education Building Corp., Public School Financing Program, City of Providence		
500,000	4.000%, 05/15/36 Series 2021D BAMI Insured	Aa3/AA/NR	548,470
2,250,000	4.000%, 05/15/37 Series 2021D BAMI Insured	Aa3/AA/NR	2,465,505
	Rhode Island Health and Education Building Corp., Public School Financing Program, Town of Scituate		
1,285,000	4.500%, 05/15/33 Series 2018 A	NR/AA/NR	1,434,407
	Rhode Island Health and Education Building Corp., Public School Financing Program, Town of Smithfield		
1,000,000	3.000%, 05/15/37 Series 2021H	NR/AA/NR	956,460
1,000,000	3.000%, 05/15/38 Series 2021H	NR/AA/NR	930,200
	Rhode Island Health and Education Building Corp., Public School Financing Program, Town of Tiverton		
1,630,000	5.000%, 05/15/27 Series 2015 D	A1/NR/NR	1,768,028
	Rhode Island Health and Education Building Corp., Public School Financing Program, City of Warwick		
1,480,000	4.000%, 05/15/36 Series 2022B	NR/AA/NR	1,608,553

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

Principal Amount	Revenue Bonds (continued)	Ratings Moody's, S&P and Fitch (unaudited)	Value
	Public School (continued)		
	Rhode Island Health and Education Building Corp., Public School Financing Program, Town of Westerly		
\$ 500,000	4.000%, 05/15/30 Series 2021E.	NR/AA/NR	\$ 556,745
500,000	4.000%, 05/15/31 Series 2021E.	NR/AA/NR	560,655
	Rhode Island Health and Education Building Corp., Public School Financing Program, Pooled Issue		
445,000	5.000%, 05/15/35 Series 2019 A AGMC Insured	Aa3/AA/NR	516,302
	Rhode Island Health and Education Building Corp., Public School Financing Program, Pooled Issue - Tiverton, Foster-Glocester, Cranston, East Greenwich		
3,000,000	4.000%, 05/15/28 Series A	Aa3/NR/NR	3,194,340
	Rhode Island Health and Education Building Corp., Public School Financing Program, Pooled Issue - Narragansett & Scituate		
1,665,000	4.250%, 05/15/28 Series 2017 B	Aa2/NR/NR	1,820,544
	Rhode Island Health and Education Building Corp., Public School Financing Program, Providence Public Buildings Authority		
3,000,000	3.750%, 05/15/27 Series 2015 A AGMC Insured	Aa3/AA/NR	3,141,690
1,500,000	4.000%, 05/15/28 Series 2015 A AGMC Insured	Aa3/AA/NR	1,588,275
2,000,000	4.000%, 05/15/30 Series 2015 B AGMC Insured	Aa3/AA/NR	2,117,100
	Rhode Island Health and Education Building Corp., Public School Financing Program, Providence Public Schools		
2,000,000	4.500%, 05/15/24 Series 2013 A	Aa3/NR/NR	2,052,280
1,000,000	4.000%, 05/15/35 Series 2019 A AGMC Insured	Aa3/AA/NR	1,098,910

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

Principal Amount	Revenue Bonds (continued)	Ratings Moody's, S&P and Fitch (unaudited)	Value
<u>Public School (continued)</u>			
	Rhode Island Health and Education Building Corp., Public School Financing Program, City of Warwick		
\$ 1,000,000	4.000%, 05/15/32 Series 2017 I	NR/AA/NR	\$ 1,067,480
1,340,000	4.000%, 05/15/35 Series 2019 D.	NR/AA/NR	1,463,387
	Rhode Island Health and Education Building Corp., Public School Financing Program, City of Woonsocket		
500,000	5.000%, 05/15/27 Series 2017 A AGMC Insured	Aa3/AA/NR	570,665
500,000	5.000%, 05/15/28 Series 2017 A AGMC Insured	Aa3/AA/NR	568,405
500,000	5.000%, 05/15/29 Series 2017 A AGMC Insured	Aa3/AA/NR	565,435
	Rhode Island Health and Education Building Corp., Public School Financing Program, Town of South Kingstown		
780,000	3.500%, 05/15/34 Series 2020A	Aa1/NR/NR	<u>821,761</u>
	Total Public School		<u>78,949,545</u>
<u>Secondary Education (1.1%)</u>			
	Rhode Island Health and Educational Building Corp., Educational Institution, St. George's School		
600,000	4.000%, 10/01/36 Series 2021	NR/AA-/NR	654,744
600,000	4.000%, 10/01/37 Series 2021	NR/AA-/NR	652,254
1,265,000	4.000%, 10/01/38 Series 2021	NR/AA-/NR	<u>1,370,602</u>
	Total Secondary Education.		<u>2,677,600</u>
<u>Transportation (6.5%)</u>			
	Rhode Island Commerce Corp., Airport		
635,000	5.000%, 07/01/36 2016 Series D.	Baa1/A-/BBB+	692,080
1,015,000	5.000%, 07/01/37 2016 Series D.	Baa1/A-/BBB+	1,105,731

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

Principal Amount	Revenue Bonds (continued)	Ratings Moody's, S&P and Fitch (unaudited)	Value
	Transportation (continued)		
	Rhode Island Commerce Corp., First Lien Special Facility Refunding Bonds (Rhode Island Airport Corporation Intermodal Facility Project)		
\$ 1,425,000	5.000%, 07/01/24 Series 2018	Baa1/BBB+/NR	\$ 1,505,356
1,500,000	5.000%, 07/01/30 Series 2018	Baa1/BBB+/NR	1,682,700
	Rhode Island Commerce Corp., Grant Anticipation Refunding Bonds (Rhode Island Department of Transportation)		
1,850,000	4.000%, 06/15/24 Series 2016 A	A2/AA-/NR	1,932,492
1,000,000	5.000%, 06/15/31 Series 2016 B	A2/AA-/NR	1,106,010
	Rhode Island State Economic Development Corp., Airport		
1,000,000	5.000%, 07/01/24 Series B	Baa1/A-/BBB+	1,036,520
2,000,000	4.000%, 07/01/24 Series B	Baa1/A-/BBB+	2,047,420
	Rhode Island State Turnpike & Bridge Authority, Motor Fuel Tax		
1,240,000	4.000%, 10/01/27 Series 2016 A	NR/A+/A	1,313,991
1,500,000	4.000%, 10/01/34 Series 2016 A	NR/A+/A	1,578,405
1,000,000	4.000%, 10/01/36 Series 2016 A	NR/A+/A	1,050,720
300,000	4.000%, 10/01/33 Series 2019 A	NR/A+/A	326,343
300,000	4.000%, 10/01/34 Series 2019 A	NR/A+/A	325,974
345,000	4.000%, 10/01/35 Series 2019 A	NR/A+/A	<u>374,515</u>
	Total Transportation		<u>16,078,257</u>
	Water and Sewer (4.0%)		
	Narragansett, Rhode Island Bay Commission Wastewater System		
3,145,000	4.000%, 02/01/28 Series A	NR/AA-/NR	3,301,181
	Rhode Island Clean Water Protection Finance Agency Safe Drinking Water Revolving Fund		
1,085,000	3.500%, 10/01/25	NR/AAA/AAA	1,120,751

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

Principal Amount	Revenue Bonds (continued)	Ratings Moody's, S&P and Fitch (unaudited)	Value
	<u>Water and Sewer (continued)</u>		
	Rhode Island Infrastructure Bank Water, City of Pawtucket		
\$ 1,730,000	5.000%, 10/01/28 Series 2015 NPFG Insured	Baa2/A/NR	\$ 1,894,073
	Rhode Island Infrastructure Bank Water, Pollution Control		
2,575,000	4.000%, 10/01/29 Series A	NR/AAA/AAA	2,723,269
500,000	4.000%, 10/01/32 Series A	NR/AAA/AAA	537,660
	Rhode Island Infrastructure Bank Water, Safe Drinking Water		
500,000	3.000%, 10/01/31 Series A	NR/AAA/AAA	<u>510,815</u>
	Total Water and Sewer		<u>10,087,749</u>
	<u>Other Revenue (0.9%)</u>		
	Providence, Rhode Island Public Building Authority (Capital Improvement Program Projects)		
2,000,000	5.000%, 09/15/31 Series A AGMC Insured	A1/AA/NR	<u>2,247,680</u>
	Total Revenue Bonds		<u>161,592,448</u>
	<u>Pre-Refunded\Escrowed to Maturity Bonds (6.9%)††</u>		
	<u>Pre-Refunded General Obligation Bonds (2.0%)</u>		
	Rhode Island State & Providence Plantations Consolidated Capital Development Loan		
2,110,000	4.250%, 10/15/25 Series A	Aa2/AA/AA	2,190,581
1,500,000	5.000%, 11/01/34 Series B	Aa2/AA/AA	1,616,250
	State of Rhode Island		
1,150,000	4.000%, 10/15/24 Series B	Aa2/AA/AA	<u>1,167,239</u>
	Total Pre-Refunded General Obligation Bonds		<u>4,974,070</u>

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

Principal Amount	Pre-Refunded\Escrowed to Maturity Revenue Bonds (4.9%)	Ratings Moody's, S&P and Fitch (unaudited)	Value
	<u>Development (2.6%)</u>		
	Rhode Island Convention Center Authority Refunding		
\$ 6,250,000	4.000%, 05/15/23 Series A ETM	A1/AA-/AA-	<u>\$ 6,393,875</u>
	<u>Healthcare (0.2%)</u>		
	Rhode Island Health & Education Building Corp., Hospital Financing (Care New England)		
500,000	5.000%, 09/01/22 Series 2013 A ETM	NR/NR/NR*	<u>507,880</u>
	<u>Higher Education (0.8%)</u>		
	Rhode Island Health and Educational Building Corp., Higher Education Facility, Bryant University		
1,000,000	5.000%, 06/01/32 Series 2014	A2/A/NR	1,066,010
	Rhode Island Health and Educational Building Corp., Higher Education Facility, Rhode Island School of Design		
1,000,000	3.500%, 08/15/30 Series B AGMC Insured	A1/AA/NR	<u>1,008,790</u>
	Total Higher Education		
			<u>2,074,800</u>
	<u>Public School (0.4%)</u>		
	Rhode Island Health and Education Building Corp., Public School Financing Program, City of Newport		
1,000,000	4.000%, 05/15/27 Series 2013 C	NR/AA+/NR	<u>1,003,610</u>
	<u>Water and Sewer (0.8%)</u>		
	Rhode Island Clean Water Protection Finance Agency Safe Drinking Water Revolving Fund		
1,000,000	3.750%, 10/01/33	NR/AAA/AAA	1,029,460
1,000,000	3.750%, 10/01/34	NR/AAA/AAA	<u>1,029,460</u>
	Total Water and Sewer		
			<u>2,058,920</u>

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

Principal Amount	Pre-Refunded\Escrowed to Maturity Revenue Bonds (continued)	Ratings Moody's, S&P and Fitch (unaudited)	Value
	Other Revenue (0.1%)		
	State of Rhode Island Depositors Economic Protection Corp.		
\$ 215,000	6.375%, 08/01/22 Series A NPFG Insured ETM	NR/NR/NR*	\$ 218,206
	Total Pre-Refunded\Escrowed to Maturity Revenue Bonds		<u>12,257,291</u>
	Total Pre-Refunded\Escrowed to Maturity Bonds		<u>17,231,361</u>
	Total Municipal Bonds (cost \$246,750,548)		<u>242,836,166</u>
	Shares Short-Term Investment (1.2%)		
3,097,564	Dreyfus Treasury Obligations Cash Management - Institutional Shares, 0.15%** (cost \$3,097,564).	Aaa-mf/AAAm/NR	<u>3,097,564</u>
	Total Investments (cost \$249,848,112 - note 4)	98.6%	245,933,730
	Other assets less liabilities	<u>1.4</u>	<u>3,407,481</u>
	Net Assets	<u>100.0%</u>	<u>\$ 249,341,211</u>

<u>Portfolio Distribution By Quality Rating (unaudited)</u>	<u>Percentage of Investments†</u>
Aaa of Moody's or AAA of S&P or Fitch	8.8%
Pre-refunded bonds\ETM bonds††	7.1
Aa of Moody's or AA of S&P or Fitch	71.9
A of Moody's or S&P or Fitch	8.7
Baa of Moody's or BBB of S&P or Fitch	<u>3.5</u>
	<u>100.0%</u>

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
SCHEDULE OF INVESTMENTS (continued)
MARCH 31, 2022

PORTFOLIO ABBREVIATIONS

AGMC - Assured Guaranty Municipal Corp.

BAMI - Build America Mutual Insurance

COP - Certificates of Participation

ETM - Escrowed to Maturity

NPFG - National Public Finance Guarantee

NR - Not Rated

- * Any security not rated (“NR”) by any of the Nationally Recognized Statistical Rating Organizations (“NRSRO”) has been determined by the Investment Sub-Adviser to have sufficient quality to be ranked in the top four credit ratings if a credit rating were to be assigned by a NRSRO.
- ** The rate is an annualized seven-day yield at period end.
- *** Variable rate.
- † Where applicable, calculated using the highest rating of the three NRSRO. Percentages in this table do not include the Short-Term Investment.
- †† Pre-refunded bonds are bonds for which U.S. Government Obligations usually have been placed in escrow to retire the bonds at their earliest call date. Escrowed to Maturity bonds are bonds where money has been placed in the escrow account which is used to pay principal and interest through the bond’s originally scheduled maturity date. Escrowed to Maturity are shown as ETM. All other securities in the category are pre-refunded.

See accompanying notes to financial statements.

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
STATEMENT OF ASSETS AND LIABILITIES
MARCH 31, 2022

ASSETS

Investments at value (cost \$249,848,112)	\$ 245,933,730
Interest receivable	2,990,741
Receivable for investment securities sold	805,000
Receivable for Fund shares sold	217,976
Other assets	30,932
Total assets	<u>249,978,379</u>

LIABILITIES

Payable for Fund shares redeemed	248,473
Dividends payable	191,430
Management fees payable	103,831
Distribution and service fees payable	161
Accrued expenses payable	93,273
Total liabilities	<u>637,168</u>

NET ASSETS \$ 249,341,211

Net Assets consist of:

Capital Stock – Authorized an unlimited number of shares, par value \$0.01 per share	\$ 240,696
Additional paid-in capital	253,638,104
Total distributable earnings (losses)	(4,537,589)
	<u>\$ 249,341,211</u>

CLASS A

Net Assets	\$ 116,826,956
Capital shares outstanding	<u>11,277,186</u>
Net asset value and redemption price per share	<u>\$ 10.36</u>
Maximum offering price per share (100/97 of \$10.36)	<u>\$ 10.68</u>

CLASS C

Net Assets	\$ 1,996,674
Capital shares outstanding	<u>192,709</u>
Net asset value and offering price per share	<u>\$ 10.36</u>

CLASS F

Net Assets	\$ 4,179,033
Capital shares outstanding	<u>404,134</u>
Net asset value, offering and redemption price per share	<u>\$ 10.34</u>

CLASS I

Net Assets	\$ 317,148
Capital shares outstanding	<u>30,592</u>
Net asset value, offering and redemption price per share	<u>\$ 10.37</u>

CLASS Y

Net Assets	\$ 126,021,400
Capital shares outstanding	<u>12,164,949</u>
Net asset value, offering and redemption price per share	<u>\$ 10.36</u>

See accompanying notes to financial statements.

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2022

Investment Income

Interest income \$ 6,840,384

Expenses

Management fee (note 3) \$ 1,324,370
Distribution and service fee (note 3) 215,319
Transfer and shareholder servicing agent fees 135,105
Legal fees 106,083
Trustees' fees and expenses (note 7) 63,984
Fund accounting fees 62,044
Registration fees and dues 36,336
Auditing and tax fees 24,200
Shareholders' reports 14,100
Insurance 12,454
Custodian fees 9,522
Compliance services (note 3) 8,352
Credit facility fees (note 10) 4,327
Miscellaneous 18,185
Total expenses 2,034,381

Management fee waived (note 3) (198,656)
Net expenses 1,835,725
Net investment income 5,004,659

Realized and Unrealized Gain (Loss) on Investments:

Net realized gain (loss) from securities transactions 308,280
Change in unrealized appreciation (depreciation) on
investments (16,421,738)

Net realized and unrealized gain (loss) on investments (16,113,458)
Net change in net assets resulting from operations \$ (11,108,799)

See accompanying notes to financial statements.

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
STATEMENT OF CHANGES IN NET ASSETS

	<u>Year Ended</u> <u>March 31, 2022</u>	<u>Year Ended</u> <u>March 31, 2021</u>
OPERATIONS		
Net investment income	\$ 5,004,659	\$ 5,213,851
Net realized gain (loss) from securities transactions . .	308,280	3,597
Change in unrealized appreciation (depreciation) on investments	<u>(16,421,738)</u>	<u>2,304,829</u>
Change in net assets resulting from operations	<u>(11,108,799)</u>	<u>7,522,277</u>
DISTRIBUTIONS TO SHAREHOLDERS (note 9):		
Class A Shares	(2,295,832)	(2,490,385)
Class C Shares	(25,202)	(51,430)
Class F Shares	(65,977)	(40,692)
Class I Shares	(5,562)	(5,148)
Class Y Shares	<u>(2,612,075)</u>	<u>(2,626,117)</u>
Change in net assets from distributions	<u>(5,004,648)</u>	<u>(5,213,772)</u>
CAPITAL SHARE TRANSACTIONS (note 6):		
Proceeds from shares sold	38,048,274	35,270,200
Reinvested dividends and distributions	2,685,054	2,704,757
Cost of shares redeemed	<u>(32,139,187)</u>	<u>(27,296,504)</u>
Change in net assets from capital share transactions . .	<u>8,594,141</u>	<u>10,678,453</u>
Change in net assets	(7,519,306)	12,986,958
NET ASSETS:		
Beginning of period	<u>256,860,517</u>	<u>243,873,559</u>
End of period	<u>\$ 249,341,211</u>	<u>\$ 256,860,517</u>

See accompanying notes to financial statements.

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2022

1. Organization

Aquila Narragansett Tax-Free Income Fund (the “Fund”) is one of six series of Aquila Municipal Trust, a Massachusetts business trust registered under the Investment Company Act of 1940 (the “1940 Act”) as a non-diversified, open-end management investment company. The Fund, which commenced operations on October 12, 2013, is the successor to Narragansett Tax-Free Income Fund. Narragansett Tax-Free Income Fund transferred all of its assets and liabilities in exchange for shares of the Fund on October 11, 2013 pursuant to an agreement and plan of reorganization (the “reorganization”). The reorganization was approved by shareholders of Narragansett Tax-Free Income Fund on September 17, 2013. The reorganization was accomplished by exchanging the assets and liabilities of the predecessor fund for shares of the Fund. Shareowners holding shares of Narragansett Tax-Free Income Fund received corresponding shares of the Fund in a one-to-one exchange ratio in the reorganization. Accordingly, the reorganization, which was a tax-free exchange, had no effect on the Fund’s operations. The Fund is authorized to issue an unlimited number of shares. Class A Shares are sold at net asset value plus a sales charge of varying size (depending upon a variety of factors) paid at the time of purchase and bear a distribution fee. Class C Shares are sold at net asset value with no sales charge payable at the time of purchase but with a level charge for service and distribution fees for six years thereafter. Class C Shares automatically convert to Class A Shares after six years. Class F Shares and Class Y Shares are sold only through authorized financial institutions acting for investors in a fiduciary, advisory, agency, custodial or similar capacity, and are not offered directly to retail customers. Class F Shares and Class Y Shares are sold at net asset value with no sales charge, no redemption fee, no contingent deferred sales charge (“CDSC”) and no distribution fee. Class I Shares are offered and sold only through financial intermediaries and are not offered directly to retail customers. Class I Shares are sold at net asset value with no sales charge and no redemption fee or CDSC, although a financial intermediary may charge a fee for effecting a purchase or other transaction on behalf of its customers. Class I Shares carry a distribution and a service fee. All classes of shares represent interests in the same portfolio of investments and are identical as to rights and privileges but differ with respect to the effect of sales charges, the distribution and/or service fees borne by each class, expenses specific to each class, voting rights on matters affecting a single class and the exchange privileges of each class.

2. Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements. The policies are in conformity with accounting principles generally accepted in the United States of America for investment companies.

- a) *Portfolio valuation:* Municipal securities are valued each business day based upon information provided by a nationally prominent independent pricing service and periodically verified through other pricing services. In the case of securities for which market quotations are readily available, securities are valued by the pricing service at the mean of bid and ask quotations. If a market quotation or a valuation from the pricing service is not readily available, the security is valued at fair value determined in good faith under procedures established by and under the general supervision of the Board of Trustees.

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2022

b) *Fair value measurements:* The Fund follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Fund's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Fund's investments and are summarized in the following fair value hierarchy:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, based on the best information available.

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

The following is a summary of the valuation inputs, representing 100% of the Fund's investments, used to value the Fund's net assets as of March 31, 2022:

<u>Valuation Inputs*</u>	<u>Investments in Securities</u>
Level 1 – Quoted Prices - Short-Term Investment . . .	\$ 3,097,564
Level 2 – Other Significant Observable Inputs — Municipal Bonds*	242,836,166
Level 3 – Significant Unobservable Inputs	<u>—</u>
Total	<u>\$ 245,933,730</u>

* See schedule of investments for a detailed listing of securities.

c) *Subsequent events:* In preparing these financial statements, the Fund has evaluated events and transactions for potential recognition or disclosure through the date these financial statements were issued.

d) *Securities transactions and related investment income:* Securities transactions are recorded on the trade date. Realized gains and losses from securities transactions are reported on the identified cost basis. Interest income is recorded daily on the accrual basis and is adjusted for amortization of premium and accretion of original issue and market discount.

e) *Federal income taxes:* It is the policy of the Fund to continue to qualify as a regulated investment company by complying with the provisions of the Internal Revenue Code applicable to certain investment companies. The Fund intends to make distributions of income and securities profits sufficient to relieve it from all, or substantially all, Federal income and excise taxes.

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2022

Management has reviewed the tax positions for each of the open tax years (2019 – 2021) or expected to be taken in the Fund's 2022 tax returns and has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements.

- f) *Multiple Class Allocations*: All income, expenses (other than class-specific expenses), and realized and unrealized gains or losses are allocated daily to each class of shares based on the relative net assets of each class. Class-specific expenses, which include distribution and service fees and any other items that are specifically attributed to a particular class, are also charged directly to such class on a daily basis.
- g) *Use of estimates*: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.
- h) *Reclassification of capital accounts*: Accounting principles generally accepted in the United States of America require that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications had no effect on net assets or net asset value per share. For the year ended March 31, 2022, there were no items identified that have been reclassified among components of net assets.
- i) The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board ("FASB") Accounting Standard Codification Topic 946 "Financial Services-Investment Companies".

3. Fees and Related Party Transactions

a) Management Arrangements:

Aquila Investment Management LLC (the "Manager"), a wholly-owned subsidiary of Aquila Management Corporation, the Fund's founder and sponsor, serves as the Manager for the Fund under an Advisory and Administration Agreement with the Fund. The portfolio management of the Fund has been delegated to a Sub-Adviser as described below. Under the Advisory and Administration Agreement, the Manager provides all administrative services to the Fund, other than those relating to the day-to-day portfolio management. The Manager's services include providing the office of the Fund and all related services as well as overseeing the activities of the Sub-Adviser and managing relationships with all the various support organizations to the Fund such as the shareholder servicing agent, custodian, legal counsel, fund accounting agent, auditor and distributor. For its services, the Manager is entitled to receive a fee which is payable monthly and computed as of the close of business each day at the annual rate of 0.50% on the Fund's net assets.

Clarfeld Financial Advisors, LLC, a wholly-owned subsidiary of Citizens Bank, N.A. (the "Sub-Adviser"), serves as the Investment Sub-Adviser for the Fund under a Sub-Advisory Agreement between the Manager and the Sub-Adviser. Under this agreement, the Sub-Adviser continuously provides, subject to oversight of the Manager and the Board of Trustees of the Fund, the investment program of the Fund and the composition of its portfolio, arranges for the purchases and sales of portfolio securities, and provides for daily

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2022

pricing of the Fund's portfolio. For the year ended March 31, 2022 for its services, the Sub-Adviser was entitled to receive a fee from the Manager which is payable monthly and computed as of the close of business each day at the annual rate of 0.23% on the Fund's net assets. The Sub-Adviser has contractually agreed to waive its fee through September 30, 2022 such that its annual rate shall be equivalent to 0.175% on the Fund's net assets.

The Manager has contractually undertaken to waive its fees so that management fees are equivalent to 0.48 of 1% of net assets of the Fund up to \$400,000,000; 0.46 of 1% of net assets above \$400,000,000 up to \$1,000,000,000; and 0.44 of 1% of net assets above \$1,000,000,000. This contractual undertaking is in effect until September 30, 2022. The Manager may not terminate the arrangement without the approval of the Board of Trustees. For the year ended March 31, 2022, the Fund incurred management fees of \$1,324,370 of which \$198,656 was waived, which included supplemental fee waivers of \$145,681 above and beyond the contractual expense cap. These waivers are not reimbursable.

Under a Compliance Agreement with the Manager, the Manager is compensated by the Fund for compliance related services provided to enable the Fund to comply with Rule 38a-1 of the Investment Company Act of 1940, as amended (the "1940 Act").

Specific details as to the nature and extent of the services provided by the Manager and the Sub-Adviser are more fully defined in the Fund's Prospectus and Statement of Additional Information.

b) Distribution and Service Fees:

The Fund has adopted a Distribution Plan (the "Plan") pursuant to Rule 12b-1 (the "Rule") under the 1940 Act. Under one part of the Plan, with respect to Class A Shares, the Fund is authorized to make distribution fee payments to broker-dealers or others ("Qualified Recipients") selected by Aquila Distributors LLC ("the Distributor"), including, but not limited to, any principal underwriter of the Fund with which the Distributor has entered into written agreements contemplated by the Rule and which have rendered assistance in the distribution and/or retention of the Fund's shares or servicing of shareholder accounts. The Fund makes payment of this distribution fee at the annual rate of 0.15% of the Fund's average net assets represented by Class A Shares. For the year ended March 31, 2022, distribution fees on Class A Shares amounted to \$189,107, of which the Distributor retained \$11,904.

Under another part of the Plan, the Fund is authorized to make payments with respect to Class C Shares to Qualified Recipients which have rendered assistance in the distribution and/or retention of the Fund's Class C Shares or servicing of shareholder accounts. These payments are made at the annual rate of 0.75% of the Fund's average net assets represented by Class C Shares and for the year ended March 31, 2022, amounted to \$19,410. In addition, under a Shareholder Services Plan, the Fund is authorized to make service fee payments with respect to Class C Shares to Qualified Recipients for providing personal services and/or maintenance of shareholder accounts. These payments are made at the annual rate of 0.25% of the Fund's average net assets represented by Class C Shares and for the year ended March 31, 2022, amounted to \$6,470. The total of these payments with respect to Class C Shares amounted to \$25,880, of which the Distributor retained \$7,665.

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2022

Under another part of the Plan, the Fund is authorized to make payments with respect to Class I Shares to Qualified Recipients. Class I payments, under the Plan, may not exceed, for any fiscal year of the Fund a rate (currently 0.10%) set from time to time by the Board of Trustees of not more than 0.25% of the average annual net assets represented by the Class I Shares. In addition, the Fund has a Shareholder Services Plan under which it may pay service fees (currently 0.25%) of not more than 0.25% of the average annual net assets of the Fund represented by Class I Shares. That is, the total payments under both plans will not exceed 0.50% of such net assets. For the year ended March 31, 2022, these payments were made at the average annual rate of 0.35% of such net assets amounting to \$1,163 of which \$332 related to the Plan and \$831 related to the Shareholder Services Plan.

Specific details about the Plans are more fully defined in the Fund's Prospectus and Statement of Additional Information.

Under a Distribution Agreement, the Distributor serves as the exclusive distributor of the Fund's shares. Through agreements between the Distributor and various brokerage and advisory firms ("financial intermediaries"), the Fund's shares are sold primarily through the facilities of these financial intermediaries having offices within Rhode Island, with the bulk of any sales commissions inuring to such financial intermediaries. For the year ended March 31, 2022, total commissions on sales of Class A Shares amounted to \$81,115, of which the Distributor received \$18,270.

c) Transfer and shareholder servicing fees:

The Fund occasionally compensates financial intermediaries in connection with the sub-transfer agency related services provided by such entities in connection with their respective Fund shareholders so long as the fees are deemed by the Board of Trustees to be reasonable in relation to (i) the value of the services and the benefits received by the Fund and certain shareholders; and (ii) the payments that the Fund would make to another entity to perform similar ongoing services to existing shareholders.

4. Purchases and Sales of Securities

During the year ended March 31, 2022, purchases of securities and proceeds from the sales of securities aggregated \$52,137,639 and \$31,789,408, respectively.

At March 31, 2022, the aggregate tax cost for all securities was \$249,847,900. At March 31, 2022, the aggregate gross unrealized appreciation for all securities in which there is an excess of value over tax cost amounted to \$2,706,344 and aggregate gross unrealized depreciation for all securities in which there is an excess of tax cost over value amounted to \$6,620,514 for a net unrealized depreciation of \$3,914,170.

5. Portfolio Orientation

Since the Fund invests principally and may invest entirely in double tax-free municipal obligations of issuers within Rhode Island, it is subject to possible risks associated with economic, political, or legal developments or industrial or regional matters specifically affecting Rhode Island and whatever effects these may have upon Rhode Island issuers' ability to meet their obligations.

The Fund is also permitted to invest in U.S. territorial municipal obligations meeting comparable quality standards and providing income which is exempt from both regular

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2022

Federal and Rhode Island income taxes. The general policy of the Fund is to invest in such securities only when comparable securities of Rhode Island issuers are not available in the market. At March 31, 2022, the Fund had all of its long-term portfolio holdings invested in the securities of Rhode Island issuers.

6. Capital Share Transactions

Transactions in Capital Shares of the Fund were as follows:

	Year Ended March 31, 2022		Year Ended March 31, 2021	
	Shares	Amount	Shares	Amount
Class A Shares:				
Proceeds from shares sold	1,048,369	\$ 11,565,836	1,384,257	\$ 15,336,700
Reinvested dividends and distributions	154,577	1,689,451	166,372	1,839,025
Cost of shares redeemed	<u>(1,306,729)</u>	<u>(14,281,994)</u>	<u>(1,132,393)</u>	<u>(12,497,593)</u>
Net change	<u>(103,783)</u>	<u>(1,026,707)</u>	418,236	4,678,132
Class C Shares:				
Proceeds from shares sold	18,043	199,732	30,025	330,537
Reinvested dividends and distributions	1,633	17,857	2,239	24,745
Cost of shares redeemed	<u>(95,456)</u>	<u>(1,045,867)</u>	<u>(267,530)</u>	<u>(2,965,728)</u>
Net change	<u>(75,780)</u>	<u>(828,278)</u>	<u>(235,266)</u>	<u>(2,610,446)</u>
Class F Shares:				
Proceeds from shares sold	302,732	3,309,773	62,780	694,281
Reinvested dividends and distributions	6,072	65,977	3,690	40,719
Cost of shares redeemed	<u>(97,357)</u>	<u>(1,055,187)</u>	<u>(11,740)</u>	<u>(129,597)</u>
Net change	<u>211,447</u>	<u>2,320,563</u>	54,730	605,403
Class I Shares:				
Proceeds from shares sold	4,733	51,977	8,435	93,459
Reinvested dividends and distributions	461	5,038	416	4,603
Cost of shares redeemed	<u>(4,947)</u>	<u>(54,223)</u>	<u>(978)</u>	<u>(10,854)</u>
Net change	<u>247</u>	<u>2,792</u>	7,873	87,208
Class Y Shares:				
Proceeds from shares sold	2,084,899	22,920,956	1,698,846	18,815,223
Reinvested dividends and distributions	83,039	906,731	71,986	795,665
Cost of shares redeemed	<u>(1,443,311)</u>	<u>(15,701,916)</u>	<u>(1,057,097)</u>	<u>(11,692,732)</u>
Net change	<u>724,627</u>	<u>8,125,771</u>	713,735	7,918,156
Total transactions in Fund shares	<u>756,758</u>	<u>\$ 8,594,141</u>	<u>959,308</u>	<u>\$ 10,678,453</u>

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2022

7. Trustees' Fees and Expenses

At March 31, 2022, there were 9 Trustees, one of whom is affiliated with the Manager and is not paid any fees. The total amount of Trustees' service fees (for carrying out their responsibilities) and attendance fees paid during the year ended March 31, 2022 was \$61,878. Attendance fees are paid to those in attendance at regularly scheduled quarterly Board Meetings and meetings of the independent Trustees held prior to each quarterly Board Meeting, as well as additional meetings (such as Audit, Nominating, Shareholder and special meetings). Trustees are reimbursed for their expenses such as travel, accommodations and meals incurred in connection with attendance at Board Meetings and at the Annual Meeting of Shareholders. For the year ended March 31, 2022, due to the COVID-19 pandemic, such meeting-related expenses were reduced and amounted to \$2,106.

8. Securities Traded on a When-Issued Basis

The Fund may purchase or sell securities on a when-issued basis. When-issued transactions arise when securities are purchased or sold by the Fund with payment and delivery taking place in the future in order to secure what is considered to be an advantageous price and yield to the Fund at the time of entering into the transaction. Beginning on the date the Fund enters into a when-issued transaction, cash or other liquid securities are segregated in an amount equal to or greater than the value of the when-issued transaction. These transactions are subject to market fluctuations and their current value is determined in the same manner as for other securities.

9. Income Tax Information and Distributions

The Fund declares dividends daily from net investment income and makes payments monthly. Net realized capital gains, if any, are distributed annually and are taxable. These distributions are paid in additional shares at the net asset value per share or in cash, at the shareholder's option.

The Fund intends to maintain, to the maximum extent possible, the tax-exempt status of interest payments received from portfolio municipal securities in order to allow dividends paid to shareholders from net investment income to be exempt from regular Federal and State of Rhode Island income taxes. Due to differences between financial statement reporting and Federal income tax reporting requirements, distributions made by the Fund may not be the same as the Fund's net investment income, and/or net realized securities gains. Further, a small portion of the dividends may, under some circumstances, be subject to taxes at ordinary income rates. As a result of the passage of the Regulated Investment Company Act of 2010 ("the Act"), losses incurred in this fiscal year and beyond retain their character as short-term or long-term, have no expiration date and are utilized before capital losses incurred prior to the enactment of the Act.

At March 31, 2022, the Fund had capital loss carry forwards of \$680,357 where the \$680,357 retains its character of short-term and has no expiration. This carryover is available to offset future net realized gains on securities transactions to the extent provided for in the Internal Revenue Code.

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2022

The tax character of distributions was as follows:

	Year Ended March 31, 2022	Year Ended March 31, 2021
Net tax-exempt income	\$ 5,004,124	\$ 5,211,017
Ordinary Income	524	2,755
	\$ 5,004,648	\$ 5,213,772

As of March 31, 2022, the components of distributable earnings on a tax basis were:

Undistributed tax-exempt income.....	\$ 248,368
Accumulated net realized loss.....	(680,357)
Unrealized depreciation.....	(3,914,170)
Other temporary differences	(191,430)
	\$ (4,537,589)

The difference between book basis and tax basis undistributed income is due to the timing difference, and other temporary differences, in recognizing dividends paid and the tax treatment of market discount amortization and the deduction of distributions payable.

10. Credit Facility

Since August 30, 2017, Bank of New York Mellon and the Aquila Group of Funds (comprised of nine funds) have been parties to a \$40 million credit agreement, which currently terminates on August 24, 2022 (per the August 25, 2021 amendment). In accordance with the Aquila Group of Funds Guidelines for Allocation of Committed Line of Credit, each fund is responsible for payment of its proportionate share of

- a) a 0.17% per annum commitment fee; and,
- b) interest on amounts borrowed for temporary or emergency purposes by the fund (at the applicable per annum rate selected by the Aquila Group of Funds at the time of the borrowing of either (i) the One-month Eurodollar Rate plus 1% or (ii) the sum of the higher of (a) the Prime Rate, (b) the Federal Funds Effective Rate, or (c) the One-month Eurodollar Rate plus 1%).

There were no borrowings under the credit agreement during the year ended March 31, 2022.

11. Risks

Mutual fund investing involves risk and loss of principal is possible.

The market prices of the Fund's securities may rise or decline in value due to general market conditions, such as real or perceived adverse economic, political or regulatory conditions, recessions, inflation, changes in interest rates, lack of liquidity in the bond markets, the spread of infectious illness or other public health issues, armed conflict including Russia's military invasion of Ukraine, sanctions against Russia, other nations

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2022

or individuals or companies and possible countermeasures, market disruptions caused by tariffs, trade disputes or other factors, or adverse investor sentiment. When market prices fall, the value of your investment may go down. In the past several years, financial markets have experienced increased volatility, depressed valuations, decreased liquidity and heightened uncertainty. These conditions may continue, recur, worsen or spread.

Rates of inflation have recently risen. The value of assets or income from an investment may be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of the Fund's assets can decline as can the value of the Fund's distributions.

The global pandemic of the novel coronavirus respiratory disease designated COVID-19 has resulted in major disruption to economies and markets around the world, including the United States. Global financial markets have experienced extreme volatility and severe losses, and trading in many instruments has been disrupted. Liquidity for many instruments has been greatly reduced for periods of time. Some sectors of the economy and individual issuers have experienced particularly large losses. These circumstances may continue for an extended period of time, and may continue to affect adversely the value and liquidity of the Fund's investments. Following Russia's recent invasion of Ukraine, Russian securities have lost all, or nearly all, their market value. Other securities or markets could be similarly affected by past or future geopolitical or other events or conditions. Governments and central banks, including the U.S. Federal Reserve, have taken extraordinary and unprecedented actions to support local and global economies and the financial markets. These actions have resulted in significant expansion of public debt, including in the U.S. The consequences of high public debt, including its future impact on the economy and securities markets, may not be known for some time.

The value of your investment will generally go down when interest rates rise. A rise in interest rates tends to have a greater impact on the prices of longer term or longer duration securities. In recent years, interest rates and credit spreads in the U.S. have been at historic lows, which means there is more risk that they may go up. The U.S. Federal Reserve has recently started to raise certain interest rates. A general rise in interest rates may cause investors to move out of fixed income securities on a large scale and could also result in increased redemptions from the Fund.

Investments in the Fund are subject to possible loss due to the financial failure of the issuers of underlying securities and their inability to meet their debt obligations.

The value of municipal securities can be adversely affected by changes in the financial condition of one or more individual municipal issuers or insurers of municipal issuers, regulatory developments, legislative actions, and by uncertainties and public perceptions concerning these and other factors. The Fund may be affected significantly by adverse economic, political or other events affecting state and other municipal issuers in which it invests, and may be more volatile than a more geographically diverse fund.

A portion of income may be subject to local, state, Federal and/or alternative minimum tax. Capital gains, if any, are subject to capital gains tax.

These risks may result in share price volatility.

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
FINANCIAL HIGHLIGHTS (continued)

For a share outstanding throughout each period

	Class A				
	Year Ended March 31,				
	2022	2021	2020	2019	2018
Net asset value, beginning of period	\$11.02	\$10.91	\$10.74	\$10.57	\$10.61
Income (loss) from investment operations:					
Net investment income ⁽¹⁾	0.20	0.23	0.25	0.26	0.27
Net gain (loss) on securities (both realized and unrealized)	(0.66)	0.11	0.17	0.17	(0.04)
Total from investment operations	(0.46)	0.34	0.42	0.43	0.23
Less distributions (note 9):					
Dividends from net investment income	(0.20)	(0.23)	(0.25)	(0.26)	(0.27)
Distributions from capital gains	—	—	—	—	—
Total distributions	(0.20)	(0.23)	(0.25)	(0.26)	(0.27)
Net asset value, end of period	\$10.36	\$11.02	\$10.91	\$10.74	\$10.57
Total return (not reflecting sales charge)	(4.26)%	3.09%	3.89%	4.18%	2.18%
Ratios/supplemental data					
Net assets, end of period (in millions)	\$117	\$125	\$120	\$115	\$116
Ratio of expenses to average net assets	0.76%	0.78%	0.79%	0.79%	0.76%
Ratio of net investment income to average net assets	1.82%	2.04%	2.25%	2.51%	2.53%
Portfolio turnover rate	12%	7%	6%	9%	4%
Expense and net investment income ratios without the effect of the contractual expense cap and/or contractual fee waiver, as well as additional voluntary fee waivers were (note 3):					
Ratio of expenses to average net assets	0.84%	0.86%	0.87%	0.86%	0.84%
Ratio of net investment income to average net assets	1.75%	1.96%	2.17%	2.43%	2.45%

(1) Per share amounts have been calculated using the daily average shares method.

See accompanying notes to financial statements.

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
FINANCIAL HIGHLIGHTS (continued)

For a share outstanding throughout each period

	Class C				
	Year Ended March 31,				
	2022	2021	2020	2019	2018
Net asset value, beginning of period	\$11.02	\$10.91	\$10.74	\$10.57	\$10.61
Income (loss) from investment operations:					
Net investment income ⁽¹⁾	0.11	0.13	0.15	0.17	0.18
Net gain (loss) on securities (both realized and unrealized)	(0.66)	0.11	0.17	0.17	(0.04)
Total from investment operations	(0.55)	0.24	0.32	0.34	0.14
Less distributions (note 9):					
Dividends from net investment income	(0.11)	(0.13)	(0.15)	(0.17)	(0.18)
Distributions from capital gains	—	—	—	—	—
Total distributions	(0.11)	(0.13)	(0.15)	(0.17)	(0.18)
Net asset value, end of period	\$10.36	\$11.02	\$10.91	\$10.74	\$10.57
Total return (not reflecting sales charge)	(5.07)%	2.21%	3.01%	3.30%	1.31%
Ratios/supplemental data					
Net assets, end of period (in millions)	\$2	\$3	\$5	\$7	\$9
Ratio of expenses to average net assets	1.61%	1.64%	1.65%	1.63%	1.61%
Ratio of net investment income to average net assets	0.97%	1.20%	1.41%	1.66%	1.68%
Portfolio turnover rate	12%	7%	6%	9%	4%
Expense and net investment income ratios without the effect of the contractual expense cap and/or contractual fee waiver, as well as additional voluntary fee waivers were (note 3):					
Ratio of expenses to average net assets	1.69%	1.71%	1.73%	1.71%	1.69%
Ratio of net investment income to average net assets	0.90%	1.13%	1.33%	1.58%	1.60%

(1) Per share amounts have been calculated using the daily average shares method.

See accompanying notes to financial statements.

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
FINANCIAL HIGHLIGHTS (continued)

For a share outstanding throughout each period

	Class F			For the Period November 30, 2018* through March 31, 2019
	Year Ended March 31,			
	2022	2021	2020	
Net asset value, beginning of period	\$11.00	\$10.89	\$10.72	\$10.48
Income (loss) from investment operations:				
Net investment income ⁽¹⁾	0.22	0.24	0.26	0.09
Net gain (loss) on securities (both realized and unrealized)	(0.66)	0.11	0.17	0.24
Total from investment operations	(0.44)	0.35	0.43	0.33
Less distributions (note 9):				
Dividends from net investment income	(0.22)	(0.24)	(0.26)	(0.09)
Distributions from capital gains	—	—	—	—
Total distributions	(0.22)	(0.24)	(0.26)	(0.09)
Net asset value, end of period	\$10.34	\$11.00	\$10.89	\$10.72
Total return	(4.10)%	3.27%	4.08%	3.18% ⁽²⁾
Ratios/supplemental data				
Net assets, end of period (in millions)	\$4	\$2	\$1.5	\$0.6
Ratio of expenses to average net assets	0.58%	0.60%	0.61%	0.63% ⁽³⁾
Ratio of net investment income to average net assets	1.99%	2.21%	2.41%	2.58% ⁽³⁾
Portfolio turnover rate	12%	7%	6%	9% ⁽³⁾
Expense and net investment income ratios without the effect of the contractual fee waiver, as well as additional voluntary fee waivers were (note 3):				
Ratio of expenses to average net assets	0.66%	0.68%	0.69%	0.71% ⁽³⁾
Ratio of investment income to average net assets	1.92%	2.13%	2.33%	2.50% ⁽³⁾

* Commencement of operations.

(1) Per share amounts have been calculated using the daily average shares method.

(2) Not annualized.

(3) Annualized.

See accompanying notes to financial statements.

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
FINANCIAL HIGHLIGHTS (continued)

For a share outstanding throughout each period

	Class I				
	Year Ended March 31,				
	2022	2021	2020	2019	2018
Net asset value, beginning of period	\$11.03	\$10.91	\$10.74	\$10.56	\$10.61
Income (loss) from investment operations:					
Net investment income ⁽¹⁾	0.18	0.21	0.23	0.26	0.26
Net gain (loss) on securities (both realized and unrealized)	(0.66)	0.12	0.17	0.18	(0.05)
Total from investment operations	(0.48)	0.33	0.40	0.44	0.21
Less distributions (note 9):					
Dividends from net investment income	(0.18)	(0.21)	(0.23)	(0.26)	(0.26)
Distributions from capital gains	—	—	—	—	—
Total distributions	(0.18)	(0.21)	(0.23)	(0.26)	(0.26)
Net asset value, end of period	\$10.37	\$11.03	\$10.91	\$10.74	\$10.56
Total return	(4.39)%	3.03%	3.74%	4.24%	1.95%
Ratios/supplemental data					
Net assets, end of period (in millions)	\$0.3	\$0.3	\$0.2	\$0.2	\$0.1
Ratio of expenses to average net assets	0.91%	0.93%	0.94%	0.83%	0.89%
Ratio of net investment income to average net assets	1.67%	1.89%	2.10%	2.47%	2.41%
Portfolio turnover rate	12%	7%	6%	9%	4%
Expense and net investment income ratios without the effect of the contractual expense cap and/or contractual fee waiver, as well as additional voluntary fee waivers were (note 3):					
Ratio of expenses to average net assets	0.99%	1.00%	1.02%	0.91%	0.97%
Ratio of net investment income to average net assets	1.60%	1.81%	2.02%	2.39%	2.33%

(1) Per share amounts have been calculated using the daily average shares method.

See accompanying notes to financial statements.

AQUILA NARRAGANSETT TAX-FREE INCOME FUND
FINANCIAL HIGHLIGHTS (continued)

For a share outstanding throughout each period

	Class Y				
	Year Ended March 31,				
	2022	2021	2020	2019	2018
Net asset value, beginning of period	\$11.02	\$10.91	\$10.74	\$10.57	\$10.61
Income (loss) from investment operations:					
Net investment income ⁽¹⁾	0.22	0.24	0.26	0.28	0.29
Net gain (loss) on securities (both realized and unrealized)	(0.66)	0.11	0.17	0.17	(0.04)
Total from investment operations	(0.44)	0.35	0.43	0.45	0.25
Less distributions (note 9):					
Dividends from net investment income	(0.22)	(0.24)	(0.26)	(0.28)	(0.29)
Distributions from capital gains	—	—	—	—	—
Total distributions	(0.22)	(0.24)	(0.26)	(0.28)	(0.29)
Net asset value, end of period	\$10.36	\$11.02	\$10.91	\$10.74	\$10.57
Total return	(4.11)%	3.24%	4.05%	4.34%	2.34%
Ratios/supplemental data					
Net assets, end of period (in millions)	\$126	\$126	\$117	\$105	\$106
Ratio of expenses to average net assets	0.61%	0.63%	0.64%	0.64%	0.61%
Ratio of net investment income to average net assets	1.97%	2.19%	2.40%	2.66%	2.69%
Portfolio turnover rate	12%	7%	6%	9%	4%
Expense and net investment income ratios without the effect of the contractual expense cap and/or contractual fee waiver, as well as additional voluntary fee waivers were (note 3):					
Ratio of expenses to average net assets	0.69%	0.71%	0.72%	0.72%	0.69%
Ratio of net investment income to average net assets	1.90%	2.11%	2.32%	2.58%	2.61%

(1) Per share amounts have been calculated using the daily average shares method.

See accompanying notes to financial statements.

Additional Information:

Statement Regarding Liquidity Risk Management Program

Rule 22e-4 under the Investment Company Act of 1940, as amended, requires open-end management investment companies to adopt and implement written liquidity risk management programs that are reasonably designed to assess and manage liquidity risk. Liquidity risk is defined in the rule as the risk that a fund could not meet requests to redeem shares issued by the fund without significant dilution of remaining investors' interests in the fund. In accordance with Rule 22e-4, Aquila Municipal Trust ("AMT") has adopted a Liquidity Risk Management ("LRM") program (the "program"). AMT's Board of Trustees (the "Board") has designated an LRM Committee consisting of employees of Aquila Investment Management LLC as the administrator of the program (the "Committee").

The Board met on June 11, 2021 to review the program. At the meeting, the Committee provided the Board with a report that addressed the operation of the program and assessed its adequacy and effectiveness of implementation, and any material changes to the program (the "Report"). The Report covered the period from May 30, 2020 through April 30, 2021 (the "Reporting Period").

During the Reporting Period, the Committee reviewed whether each Fund's strategy is appropriate for an open-end fund structure taking into account less liquid and illiquid assets.

The Committee reviewed each Fund's short-term and long-term cash flow projections during both normal and reasonably foreseeable stressed conditions. In classifying and reviewing each Fund's investments, the Committee considered whether trading varying portions of a position in a particular portfolio investment or asset class in sizes the Fund would reasonably anticipate trading, would be reasonably expected to significantly affect liquidity. The Committee considered the following information when determining the sizes in which each Fund would reasonably anticipate trading: historical net redemption activity, the Fund's concentration in an issuer, shareholder concentration, Fund performance, Fund size, and distribution channels.

The Committee considered each Fund's holdings of cash and cash equivalents, as well as borrowing arrangements. The Committee considered the terms of the credit facility applicable to the Funds, the financial health of the institution providing the facility and the fact that the credit facility is shared among multiple Funds. The Committee also considered other types of borrowing available to the Funds, such as the ability to use interfund lending arrangements.

The Committee also performed an analysis to determine whether a Fund is required to maintain a Highly Liquid Investment Minimum ("HLIM"), and determined that the requirement to maintain an HLIM was inapplicable to the Funds because each Fund primarily holds highly liquid investments.

There were no material changes to the program during the Reporting Period. The Report provided to the Board stated that the Committee concluded that the program is reasonably designed and operated effectively throughout the Review Period.

Additional Information (unaudited)

**Trustees⁽¹⁾
and Officers**

Name and Year of Birth ⁽²⁾	Positions Held with Trust and Length of Service ⁽³⁾	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex ⁽⁴⁾ Overseen by Trustee	Other Directorships Held by Trustee During Past 5 Years
Interested Trustee⁽⁵⁾				
Diana P. Herrmann New York, NY (1958)	Vice Chair of Aquila Municipal Trust since 2014, Trustee since 1994 and President since 1998	Chair (since 2016 and previously Vice Chair since 2004) and Chief Executive Officer (since 2004) of Aquila Management Corporation, Founder and Sponsor of the Aquila Group of Funds ⁽⁶⁾ and parent of Aquila Investment Management LLC, Manager, President since 1997, Chief Operating Officer, 1997-2008, a Director since 1984, Secretary, 1986-2016, and previously its Executive Vice President, Senior Vice President or Vice President, 1986-1997; Chief Executive Officer (since 2004) and Chair (since 2016 and previously Vice Chair since 2004), President and Manager since 2003, and Chief Operating Officer (2003-2008), of the Manager; Chair, Vice Chair, President, Executive Vice President and/or Senior Vice President of funds in the Aquila Group of Funds since 1986; Manager of the Distributor since 1997; Governor, Investment Company Institute (the U.S. mutual fund industry trade organization dedicated to protecting shareholder interests and educating the public about investing) for various periods since 2004, and Chair of its Small Funds Committee, 2004-2009; active in charitable and volunteer organizations.	10	Director of ICI Mutual Insurance Company, a Risk Retention Group, for various periods since 2006; formerly Vice Chair and Trustee of Pacific Capital Funds of Cash Assets Trust (three money-market funds in the Aquila Group of Funds) 2004-2012 Vice Chair Board of Trustees (2003-2020), President (1998-2020) and Trustee (1994-2020) of The Cascades Trust (Predecessor Fund of Aquila Tax-Free Trust of Oregon)

Non-Interested Trustees

Thomas A. Christopher Danville, KY (1947)	Chair of the Board of Aquila Municipal Trust since 2017; Trustee since 2009	Retired; previously Principal 2017-April 2022 and Senior Partner 1977-2017, Robinson, Hughes & Christopher, C.P.A.s, P.S.C., Chairman of the Board, A Good Place for Fun, Inc., a sports facility, since 1987, President, 1987-2012; Director, Global Outreach International, 2011-2018; member of the Kentucky Primary Care Technical Advisory Committee, 2017-2019; Director, Sunrise Children's Services Inc., 2010-2013; currently or formerly active with various professional and community organizations; Trustee of various funds in the Aquila Group of Funds since 1985.	6	None
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Name and Year of Birth ⁽²⁾	Positions Held with Trust and Length of Service ⁽³⁾	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex ⁽⁴⁾ Overseen by Trustee	Other Directorships Held by Trustee During Past 5 Years
Non-Interested Trustees (cont'd)				
Ernest Calderón Phoenix, AZ (1957)	Trustee of Aquila Municipal Trust since 2004	Attorney (currently, Partner, Calderón Law Offices, PLC); Regent emeritus and President emeritus Arizona Board of Regents; Adjunct Professor, Northern Arizona University; Doctor of Education in Organizational Change and Educational Leadership, University of Southern California; served six Arizona governors by appointment; Past President, Grand Canyon Council of Boy Scouts of America; Past President, State Bar of Arizona, 2003-2004; member, American Law Institute; Trustee of various funds in the Aquila Group of Funds since 2004.	6	None
Gary C. Cornia St. George, UT (1948)	Trustee of Aquila Municipal Trust since 2009	Emeritus Dean and Professor, Marriott School of Management, Brigham Young University 2014-present; Professor, Marriott School of Management, Brigham Young University, 1980-2014; Chair, Utah State Securities Commission, 2019-2021, Commissioner, 2013-2021; Dean, Marriott School of Management, 2008-2013; Past President, National Tax Association; Fellow, Lincoln Institute of Land Policy, 2002-present; Trustee of various funds in the Aquila Group of Funds since 1993.	8	International Center for Land Policies and Training, Taipei, Taiwan, Director and Chair of Executive Committee Trustee of The Cascades Trust (Predecessor Fund of Aquila Tax-Free Trust of Oregon) 2002-2020
Grady Gammage, Jr. Phoenix, AZ (1951)	Trustee of Aquila Municipal Trust since 2001	Founding partner, Gammage & Burnham, PLC, a law firm, Phoenix, Arizona, since 1983; director, Central Arizona Water Conservation District, 1992-2004; Senior Fellow, Morrison Institute for Public Policy and Kyl Institute for Water Policy; Adjunct Professor, Sandra Day O'Connor College of Law; W. P. Carey School of Business; active with Urban Land Institute; Author, "The Future of the Suburban City" Island Press, 2016; Trustee of various funds in the Aquila Group of Funds since 2001.	8	None

Name and Year of Birth ⁽²⁾	Positions Held with Trust and Length of Service ⁽³⁾	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex ⁽⁴⁾ Overseen by Trustee	Other Directorships Held by Trustee During Past 5 Years
Non-Interested Trustees (cont'd)				
James A. Gardner Redmond, OR (1943)	Trustee of Aquila Municipal Trust since 2020	President, Gardner Associates, an investment and real estate firm, since 1989; Owner and Developer of Vandeverst Ranch, Sunriver, Oregon since 1989; Founding Partner, Chairman Emeritus and previously Chairman (1991-2010), Ranch at the Canyons, Terrebonne, Oregon; President Emeritus and previously President (1981-1989), Lewis and Clark College and Law School; director, Oregon High Desert Museum, 1989-2003; active in civic, business and educational organizations in Oregon; writer on Native American and settlement history of Oregon; Trustee of various funds in the Aquila Group of Funds since 1986.	6	Chair of the Board of Trustees of The Cascades Trust 2005-2020 and Trustee of The Cascades Trust (Predecessor Fund of Aquila Tax-Free Trust of Oregon) 1986-2020
Patricia L. Moss Bend, OR (1953)	Trustee of Aquila Municipal Trust since 2020	Vice Chairman, Cascade Bancorp and Bank of the Cascades 2012-2017, President and Chief Executive Officer 1997-2012; member, Oregon Investment Council 2018-2021; active in community and educational organizations; Trustee of various funds in the Aquila Group of Funds 2002-2005 and since 2015.	8	First Interstate BancSystem, Inc.; MDU Resources Group, Inc. Trustee of The Cascades Trust (Predecessor Fund of Aquila Tax-Free Trust of Oregon) 2015-2020, 2002-2005; Trustee Emerita 2005-2015
Glenn P. O'Flaherty Granby, CO (1958)	Trustee of Aquila Municipal Trust since 2013	Chief Financial Officer and Chief Operating Officer of Lizard Investors, LLC, 2008; Co-Founder, Chief Financial Officer and Chief Compliance Officer of Three Peaks Capital Management, LLC, 2003-2005; Vice President – Investment Accounting, Global Trading and Trade Operations, Janus Capital Corporation, and Chief Financial Officer and Treasurer, Janus Funds, 1991-2002; Trustee of various funds in the Aquila Group of Funds since 2006.	9	Granby Ranch Metropolitan District (quasi-municipal corporation); formerly Trustee of Pacific Capital Funds of Cash Assets Trust (three money-market funds in the Aquila Group of Funds) 2009-2012

Name and Year of Birth ⁽²⁾	Positions Held with Trust and Length of Service ⁽³⁾	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex ⁽⁴⁾ Overseen by Trustee	Other Directorships Held by Trustee During Past 5 Years
Non-Interested Trustees (cont'd)				
Laureen L. White North Kingstown, RI (1959)	Trustee of Aquila Municipal Trust since 2013	President, Greater Providence Chamber of Commerce, since 2005, Executive Vice President 2004-2005 and Senior Vice President, 1989-2002; Executive Counselor to the Governor of Rhode Island for Policy and Communications, 2003-2004; Trustee of various funds in the Aquila Group of Funds since 2005.	6	None

- (1) The Trust's Statement of Additional Information includes additional information about the Trustees and is available, without charge, upon request by calling 800-437-1020 (toll-free) or by visiting www.aquilafunds.com or the EDGAR Database at the SEC's internet site at www.sec.gov.
- (2) The mailing address of each Trustee is c/o Aquila Municipal Trust, 120 West 45th Street, Suite 3600, New York, NY 10036.
- (3) Each Trustee holds office until his or her successor is elected or his or her earlier retirement or removal.
- (4) Includes an Aquila-sponsored fund that is dormant and has no public shareholders.
- (5) Ms. Herrmann is an "interested person" of the Trust, as that term is defined in the Investment Company Act of 1940, as amended (the "1940 Act"), as an officer of the Trust, as a director, officer and shareholder of the Manager's corporate parent, as an officer and Manager of the Manager, and as a Manager of the Distributor.
- (6) The "Aquila Group of Funds" includes: Aquila Tax-Free Trust of Arizona, Aquila Tax-Free Fund of Colorado, Hawaiian Tax-Free Trust, Aquila Churchill Tax-Free Fund of Kentucky, Aquila Tax-Free Trust of Oregon, Aquila Narragansett Tax-Free Income Fund (Rhode Island) and Aquila Tax-Free Fund For Utah, each of which is a tax-free municipal bond fund and are called the "Aquila Municipal Bond Funds"; Aquila Opportunity Growth Fund, which is an equity fund; and Aquila High Income Fund, which is a high-income corporate bond fund.

Name and Year of Birth ⁽¹⁾	Positions Held with Trust and Length of Service ⁽²⁾	Principal Occupation(s) During Past 5 Years
Officers⁽³⁾		
Stephen J. Caridi New York, NY (1961)	Senior Vice President of Aquila Municipal Trust since 2013	Regional Sales Manager (since 2009) and registered representative (since 1986) of the Distributor; Vice President of the Distributor 1995-2009; Vice President, Hawaiian Tax-Free Trust since 1998; Senior Vice President, Aquila Municipal Trust (which includes Aquila Narragansett Tax-Free Income Fund) since 2013; Vice President, Aquila Funds Trust since 2013; Senior Vice President, Aquila Narragansett Tax-Free Income Fund 1998-2013, Vice President 1996-1997; Senior Vice President, Aquila Tax-Free Fund of Colorado 2004-2009; Vice President, Aquila Opportunity Growth Fund 2006-2013.
Paul G. O'Brien New York, NY (1959)	Senior Vice President of Aquila Municipal Trust since 2010	President, Aquila Distributors LLC since 2019, Co-President 2010-2019, Managing Director, 2009-2010; Senior Vice President of all funds in the Aquila Group of Funds since 2010; held various positions to Senior Vice President and Chief Administrative Officer of Evergreen Investments Services, Inc., 1997-2008; Mergers and Acquisitions Coordinator for Wachovia Corporation, 1994-1997.
Robert C. Arnold Scottsdale, AZ (1973)	Vice President of Aquila Municipal Trust since 2019	Vice President, Aquila Municipal Trust (which includes Aquila Tax-Free Trust of Arizona) since 2019; Regional Sales Manager, Aquila Distributors LLC since 2018; Financial Advisor, Prudential Advisors, 2017 - 2018; Founder/Consultant, Brixx Cooper Consulting, 2015-2016; Vice President, National Accounts & Regional Advisory Consultant, Advisors Asset Management Inc., 2008-2015.
Craig T. DiRuzzo Denver, CO (1976)	Vice President of Aquila Municipal Trust since 2013	Vice President, Aquila Municipal Trust (which includes Aquila Tax-Free Fund of Colorado), and Regional Sales Manager of the Distributor, since 2013; Regional Vice President, B I C Group, LLC, Denver, CO, 2012; Vice President, Wellesley Investment Advisors, Denver, CO, 2011-2012; Mutual Funds Sales Director, UBS Global Asset Management, Denver, CO, 2004-2010, Internal Investment Consultant, 2002-2004.
Royden P. Durham Louisville, KY (1951)	Vice President of Aquila Municipal Trust since 2013; Lead Portfolio Manager of Aquila Churchill Tax-Free Fund of Kentucky (since 2011); Portfolio Manager of Aquila Tax-Free Trust of Arizona (since 2017) and Aquila Tax-Free Fund For Utah (since 2017)	Portfolio Manager of Aquila Churchill Tax-Free Fund of Kentucky; Aquila Tax-Free Trust of Arizona and Aquila Tax-Free Fund For Utah (since 2017); Vice President, Aquila Municipal Trust (since 2013) and Aquila Churchill Tax-Free Fund of Kentucky 2011-2013; President, advEnergy solutions LLC, 2007-2011; Vice President and Trust Advisor, JP Morgan Chase, 2005-2006; Vice President and Trust Officer, Regions Morgan Keegan Trust, 2003-2005; Vice President Fixed Income and Equity Portfolios, The Sachs Company / Louisville Trust Company, 1986-2003.
Troy Miller Louisville, KY (1971)	Vice President of Aquila Municipal Trust since March 2022	Vice President, Aquila Municipal Trust (which includes Aquila Churchill Tax-Free Fund of Kentucky) since March 2022; Regional Sales Manager of the Distributor since January 2022; Financial Consultant, Fidelity Investments (wealth management), May 2020 – February 2021; Vice President, Manager-Life Planning Strategies, June 2017 – October 2019, and Vice President, Manager-Retirement Products, April 2010 – June 2017, Baird Trust Company (formerly known as Hilliard Lyons Trust Company) (wealth management).

Name and Year of Birth ⁽¹⁾	Positions Held with Trust and Length of Service ⁽²⁾	Principal Occupation(s) During Past 5 Years
Officers (cont'd)⁽³⁾		
Christine L. Neimeth Portland, OR (1964)	Vice President of Aquila Municipal Trust since 2020	Vice President of Aquila Funds Trust since 2013 and Aquila Municipal Trust (which includes Aquila Tax-Free Trust of Oregon) since 2020; formerly Vice President, Aquila Opportunity Growth Fund 1999 – 2013 and Aquila Tax-Free Trust of Oregon 1998 – 2020; Regional Sales Manager and/or registered representative of the Distributor since 1999.
Anthony A. Tanner Phoenix, AZ (1960)	Vice President of Aquila Municipal Trust, Lead Portfolio Manager of Aquila Tax-Free Trust of Arizona, and Portfolio Manager of Aquila Churchill Tax-Free Fund of Kentucky and Aquila Tax-Free Fund For Utah since 2018	Vice President of Aquila Municipal Trust (since 2018); Portfolio Manager of Aquila Tax-Free Trust of Arizona, Aquila Churchill Tax-Free Fund of Kentucky and Aquila Tax-Free Fund For Utah since 2018; Senior Portfolio Manager at BNY Mellon Wealth Management from 2016 to 2018; a Senior Client Advisor at BMO Private Bank from 2014 to 2015; and Senior Fixed Income Manager at Wells Fargo Private Bank from 2010 to 2014.
James T. Thompson Bountiful, Utah (1955)	Vice President of Aquila Municipal Trust and Lead Portfolio Manager of Aquila Tax-Free Fund For Utah since 2009; Portfolio Manager, Aquila Tax-Free Trust of Arizona and Aquila Churchill Tax-Free Fund of Kentucky since 2017	Portfolio Manager of Aquila Tax-Free Fund For Utah, Aquila Churchill Tax-Free Fund of Kentucky and Aquila Tax-Free Trust of Arizona (since 2009); Vice President Aquila Municipal Trust (since 2013) and Aquila Tax-Free Fund For Utah (2009 – 2013); Senior Vice President, First Security Bank/Wells Fargo Brokerage Services LLC, Salt Lake City, Utah 1991-2009.
M. Kayleen Willis South Jordan, UT (1963)	Vice President of Aquila Municipal Trust since 2013	Vice President, Aquila Municipal Trust (which includes Aquila Tax-Free Fund For Utah) since 2013; Vice President, Aquila Tax-Free Fund For Utah 2003-2013, Assistant Vice President, 2002-2003; Vice President, Aquila Opportunity Growth Fund, 2004-2013 and Aquila Funds Trust since 2013.

Name and Year of Birth ⁽¹⁾	Positions Held with Trust and Length of Service ⁽²⁾	Principal Occupation(s) During Past 5 Years
Officers (cont'd)⁽³⁾		
Eric D. Okerlund Highland, UT (1961)	Assistant Vice President of Aquila Municipal Trust since March 2021	Assistant Vice President, Aquila Municipal Trust (which includes Aquila Tax Free Fund For Utah) since March 2021; Credit Analyst (for Aquila Tax-Free Fund For Utah), Aquila Investment Management LLC, since January 2021; Budget Officer, City of West Jordan, Utah, 2000-2020; Senior Accountant, Provo City Corporation, Provo, Utah, 1989-2000; Auditor, Defense Contract Audit Agency, Anaheim, California, 1989; Revenue Agent, Internal Revenue Service, Los Angeles, California, 1987-1989.
Randall S. Fillmore New York, NY (1960)	Chief Compliance Officer of Aquila Municipal Trust since 2012	Chief Compliance Officer of all funds in the Aquila Group of Funds, the Manager and the Distributor since 2012; Managing Director, Fillmore & Associates, 2009-2012; Fund and Adviser Chief Compliance Officer (2002-2009), Senior Vice President - Broker Dealer Compliance (2004-2009), Schwab Funds Anti Money Laundering Officer and Identity Theft Prevention Officer (2004-2009), Vice President - Internal Audit (2000-2002), Charles Schwab Corporation; National Director, Information Systems Risk Management - Consulting Services (1999-2000), National Director, Investment Management Audit and Business Advisory Services (1992-1999), Senior Manager, Manager, Senior and Staff Roles (1983-1992), PricewaterhouseCoopers LLP.
Joseph P. DiMaggio New York, NY (1956)	Chief Financial Officer of Aquila Municipal Trust since 2003 and Treasurer since 2000	Chief Financial Officer of all funds in the Aquila Group of Funds since 2003 and Treasurer since 2000.
Anita Albano, CPA New York, NY (1973)	Secretary of Aquila Municipal Trust since 2020, Assistant Secretary 2018-2019	Secretary of all funds in the Aquila Group of Funds since 2020, Assistant Secretary 2018 – 2019; Senior Vice President and Chief Financial Officer of Aquila Investment Management LLC and Aquila Management Corporation since 2018; Treasurer of Aquila Investment Management LLC and Aquila Management Corporation since 2005.
Yolonda S. Reynolds New York, NY (1960)	Assistant Treasurer of Aquila Municipal Trust since 2010	Assistant Treasurer of all funds in the Aquila Group of Funds since 2010; Director of Fund Accounting for the Aquila Group of Funds since 2007.
Lori A. Vindigni New York, NY (1966)	Assistant Treasurer of Aquila Municipal since 2000	Assistant Treasurer of all funds in the Aquila Group of Funds since 2000; Assistant Vice President of the Manager or its predecessor and current parent since 1998; Fund Accountant for the Aquila Group of Funds, 1995-1998.

(1) The mailing address of each officer is c/o Aquila Municipal Trust, 120 West 45th Street, Suite 3600, New York, NY 10036.

(2) The term of office of each officer is one year.

(3) The Trust's Statement of Additional Information includes additional information about the officers and is available, without charge, upon request by calling 800-437-1020 (toll-free) or by visiting www.aquilafunds.com or the EDGAR Database at the SEC's internet site at www.sec.gov.

Your Fund's Expenses (unaudited)

As a Fund shareholder, you may incur two types of costs: (1) transaction costs, including front-end sales charges with respect to Class A shares or contingent deferred sales charges ("CDSC") with respect to Class C shares; and (2) ongoing costs including management fees; distribution "12b-1" and/or service fees; and other Fund expenses. The table below is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The table below assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table provides information about actual account values and actual expenses. You may use the information provided in this table, together with the amount you invested, to estimate the expenses that you paid over the period. To estimate the expenses that you paid on your account, divide your ending account value by \$1,000 (for example, an \$8,600 ending account value divided by \$1,000 = 8.6), then multiply the result by the number under the heading "Expenses Paid During the Period".

Hypothetical Example for Comparison with Other Funds

Under the heading, "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example for the class of shares you hold with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

	Actual			Hypothetical		
	(actual return after expenses)			(5% annual return before expenses)		
Share Class	Beginning Account Value 10/1/21	Ending ⁽¹⁾ Account Value 3/31/22	Expenses ⁽²⁾ Paid During Period 10/1/21 – 3/31/22	Ending Account Value 3/31/22	Expenses ⁽²⁾ Paid During Period 10/1/21 – 3/31/22	Net Annualized Expense Ratio
A	\$1,000	\$ 951.20	\$3.75	\$1,021.09	\$3.88	0.77%
C	\$1,000	\$ 947.10	\$7.86	\$1,016.85	\$8.15	1.62%
F	\$1,000	\$ 951.90	\$2.87	\$1,021.99	\$2.97	0.59%
I	\$1,000	\$ 951.40	\$4.48	\$1,020.34	\$4.63	0.92%
Y	\$1,000	\$ 951.90	\$3.02	\$1,021.84	\$3.13	0.62%

- (1) Assumes reinvestment of all dividends and capital gain distributions, if any, at net asset value and does not reflect the deduction of the applicable sales charges with respect to Class A or the applicable CDSC with respect to Class C shares. Total return is not annualized and as such, it may not be representative of the total return for the year.
- (2) Expenses are equal to the annualized expense ratio for the six-month period as indicated above - in the far right column - multiplied by the simple average account value over the period indicated, and then multiplied by 182/365 to reflect the one-half year period.

Information Available (unaudited)

Annual and Semi-Annual Reports and Complete Portfolio Holding Schedules

Your Fund's Annual and Semi-Annual Reports are filed with the SEC twice a year. Each Report contains a complete Schedule of Portfolio Holdings, along with full financial statements and other important financial statement disclosures. Additionally, your Fund files a complete Schedule of Portfolio Holdings with the SEC for the first and third quarters of each fiscal year as an exhibit to its Reports on Form N-PORT. Your Fund's Annual and Semi-Annual Reports and N-PORT reports are available free of charge on the SEC website at www.sec.gov. You may also review or, for a fee, copy the forms at the SEC's Public Reference Room in Washington, D.C. or by calling 1-800-SEC-0330.

In addition, your Fund's Annual and Semi-Annual Reports and complete Portfolio Holdings Schedules for each fiscal quarter end are also available, free of charge, on your Fund's website, www.aquilafunds.com (under the prospectuses & reports tab) or by calling us at 1-800-437-1000.

Portfolio Holdings Reports

In accordance with your Fund's Portfolio Holdings Disclosure Policy, the Manager also prepares a Portfolio Holdings Report as of each quarter end, which is typically posted to your Fund's individual page at www.aquilafunds.com by the 15th day after the end of each calendar quarter. Such information will remain accessible until the next Portfolio Holdings Report is made publicly available by being posted to www.aquilafunds.com. The quarterly Portfolio Holdings Report may be accessed, free of charge, by visiting www.aquilafunds.com or calling us at 1-800-437-1000.

Proxy Voting Record (unaudited)

During the 12 month period ended June 30, 2021, there were no proxies related to any portfolio instruments held by the Fund. As such, the Fund did not vote any proxies. Applicable regulations require us to inform you that the Fund's proxy voting information is available on the SEC website at www.sec.gov.

Federal Tax Status of Distributions (unaudited)

This information is presented in order to comply with a requirement of the Internal Revenue Code. **No action on the part of shareholders is required.**

For the fiscal year ended March 31, 2022, \$5,004,124 of dividends paid by Aquila Narragansett Tax-Free Income Fund, constituting 99.9% of total dividends paid, were exempt-interest dividends; and the balance was ordinary income.

Prior to February 15, 2023, shareholders will be mailed the appropriate tax form(s) which will contain information on the status of distributions paid for the 2022 calendar year.

Founders

Lacy B. Herrmann (1929-2012)
Aquila Management Corporation, Sponsor

Manager

AQUILA INVESTMENT MANAGEMENT LLC
120 West 45th Street, Suite 3600
New York, New York 10036

Investment Sub-Adviser

CLARFELD FINANCIAL ADVISORS, LLC
One Citizens Plaza
Providence, Rhode Island 02903

Board of Trustees

Thomas A. Christopher, Chair
Diana P. Herrmann, Vice Chair
Ernest Calderón
Gary C. Cornia
Grady Gammage, Jr.
James A. Gardner
Patricia L. Moss
Glenn P. O'Flaherty
Lauren L. White

Officers

Diana P. Herrmann, President
Stephen J. Caridi, Senior Vice President
Paul G. O'Brien, Senior Vice President
Randall S. Fillmore, Chief Compliance Officer
Joseph P. DiMaggio, Chief Financial Officer
and Treasurer
Anita Albano, Secretary

Distributor

AQUILA DISTRIBUTORS LLC
120 West 45th Street, Suite 3600
New York, New York 10036

Transfer and Shareholder Servicing Agent

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4400 Computer Drive
Westborough, Massachusetts 01581

Custodian

THE BANK OF NEW YORK MELLON
240 Greenwich Street
New York, New York 10286

Independent Registered Public Accounting Firm

TAIT, WELLER & BAKER LLP
Two Liberty Place
50 South 16th Street, Suite 2900
Philadelphia, Pennsylvania 19102

Further information is contained in the Prospectus,
which must precede or accompany this report.