

### Treasury Group

To: Deborah Kafoury – Chair, Board of County Commissioners  
Marissa Madrigal - Chief Operating Officer  
Investment Advisory Board Members (IAB)  
Mark Campbell – Chief Financial Officer  
Steve March - County Auditor

From: Jeff DeCosta, County Treasury

Date: May 7, 2018

Re: Investment Portfolio Results for April 2018

The County Investment Pool's annualized earnings rate for April was 1.54%. This was a ten basis point increase from the previous month's return of 1.44%. The year-to-date rate of return for Fiscal Year 2018 increased two basis points to 1.33%.

The U.S. Treasury 90-day T-Bill yield at the end of April was 1.87%. This was a fourteen basis point increase from March 31<sup>st</sup>.

The annualized earnings rate for the State's Local Government Investment Pool was 2.10%.

Nonfarm payrolls increased by a modest 164,000 in April, below market expectations of 190,000. The unemployment rate fell below 4.0% for the first time since December 2000, hitting 3.9% in April. The markets are currently pricing in nearly a 100% probability the Fed will raise short-term rates in both June and September. With the strong job market, growing incomes and tax cuts, consumer spending should rebound and once again become the economy's main growth driver.

For questions and suggestions regarding this report, please call me at (503) 988-7471 or email at: [jeffrey.decosta@multco.us](mailto:jeffrey.decosta@multco.us)



GOVERNMENT  
PORTFOLIO  
ADVISORS

# Executive Summary

Month-End 04/30/18



## Investment Program

Prepared by:  
Government Portfolio Advisors  
[deanne@gpafixedincome.com](mailto:deanne@gpafixedincome.com)  
(503) 248-9973

## MONTH END COMMENTARY- APRIL 2018

Subsequent to the March 21<sup>st</sup> increase in Fed Funds, the fixed income market has continued it's journey to higher yields. The two-year Treasury note increased in yield from 2.25% on the first trading day of April to 2.49% to finish the month. The month-end yield of 2.49% is the highest yield for a two-year note since August of 2008.

The fixed income markets are in the process of discounting the additional 2018 expected increases in the fed funds rate. The Fed Funds futures market has priced in a probability of 93% for an increase of 25 basis points at the June 13 FOMC meeting and a 73% probability of another 25-basis point increase at the September 26 FOMC meeting. The year-end Fed Funds rate is now expected to be at 2.50% with the year-end two-year note trading at a yield of 2.70%. CPI is expected to take a substantial jump to 2.70% by the end of the second quarter. The expected increase in CPI is up from the first quarter YOY CPI rate of 2.20%. The non-farm payroll numbers were unusually weak last month and are expected to show a reversal of strength this month when announced in early May.

Economic Data	Date Announced	Report	Change
Non-Farm Payrolls Change	4/6/18	102K	Decreased
Unemployment	4/6/18	4.1%	Stable
GDP	Q1-2018	2.3%	Adjusted up from 2% estimate
CPI Change	March 2018	2.4%	Increased from 2.2
Retail Sales	March 2018	.6%	Up from -.1%

**STRATEGY GOING FORWARD:** The trajectory of future interest rate increases should begin to show some moderation after the recent increases. Under the presumption of some slowing in the levitation of rates for the foreseeable future, we have begun to add to duration moving closer to the respective benchmark duration. GPA is currently targeting portfolio durations at 90%-95% of benchmark durations. The yield curve has flattened over the past year, but the trend eased during the month of April. Given the foregoing, we continue to emphasize optimizing investment dollars between liquidity and core investments. It remains challenging finding sufficient spread in credit beyond two years, given the age of the economic cycle and its implications for credit quality over time. We are opportunistically adding credit when spreads are considered attractive for the risk assumed.

### TREASURY YIELD CURVE TOTAL RETURNS LAST 12 MONTHS:\*

3month bill	1.17
1 year note	0.76
2 year note	-0.45
3 year note	-1.21
5 year note	-2.23

### TREASURY BENCHMARK TOTAL RETURNS IN MONTH\*

Benchmark	Period Return	Duration
BAML 0-3 Year Treasury	-0.06%	1.40
BAML 0-5 Year Treasury	-0.24%	2.15
BAML 1-3 Year Treasury	-0.16%	1.83
BAML 1-5 Year Treasury	-0.35%	2.60

### Changes in the Treasury Market (absolute yield levels): \*

	4/30/2017	2/28/2018	3/31/2018	4/30/2018	Change in April	Change from Prior Year
3 month bill	0.80	1.66	1.71	1.80	0.09	1.00
6 month bill	0.97	1.85	1.92	2.00	0.08	1.03
2 year note	1.26	2.25	2.27	2.49	0.22	1.23
3 year note	1.44	2.41	2.38	2.63	0.25	1.19
5 year note	1.82	2.64	2.56	2.80	0.24	0.98
10 year note	2.28	2.86	2.74	2.95	0.21	0.67

\*Source: Bloomberg



# Total Funds Multnomah County

# Compliance Report

Policy 2017 | 04/30/2018

	Policy Requirement	% of Total Accumulated	Portfolio Allocation	Within Limits		S&P	Moody's
Under 30 days	10%	27%	\$ 171,521,892	Yes	Muni's	AA-	Aa3
Under 1 year	35%	76%	\$ 488,623,416	Yes	Corp Bonds	AA-	Aa3
Under 5 years	100%	100%	\$ 641,554,661	Yes	C P	A-1	P-1
				Yes	B A	A-1+	P-1
Maximum Weighted Average Maturity	2		0.61	Yes			
Maximum Callable Securities	25%	3%	\$ 19,780,420	Yes			
Maximum Single Maturity	5 Years		4.73	Yes	Policy states ONE rating meets requirement		

Asset Allocation Diversification	Maximum Policy Allocation	Issuer Constraint	Percentage of Portfolio	Market Value	% Within Limits	Ratings Compliance	Issuer Compliance
US Treasury Obligations	100%		39.80%	\$ 255,330,519	Yes		
US Agencies Primary	100%		37.84%	\$ 242,755,035	Yes		
FHLB		25%	6.95%	\$ 44,598,200	Yes		
FNMA		25%	13.15%	\$ 84,381,035	Yes		
FHLMC		25%	9.25%	\$ 59,374,350	Yes		
FFCB		25%	8.48%	\$ 54,401,450	Yes		
US Agencies Secondary	10%	10%	0.00%	\$ -			
Municipal Obligations OR, CA, ID, WA	10%	5%	0.78%	\$ 4,997,150	Yes		Yes
Corporate Bonds (No Fossil Fuel)	25%	5%	4.64%	\$ 29,763,495	Yes	Yes	Yes
Commercial Paper	10%	5%	2.33%	\$ 14,922,300	Yes	Yes	Yes
Bank Deposits	50%	25%	4.48%	\$ 28,733,017	Yes	N/A	N/A
Certificates of Deposit	20%	10%	0.34%	\$ 2,205,000	Yes	Yes	Yes
Bankers Acceptances	10%	5%	0.00%	\$ -			
Repurchase Agreements	10%	5%					
Reverse Repurchase Agreement	10%	5%	0.00%	\$ -			
OST Fund Pool	ORS 294.810 ***		9.80%	\$ 62,848,145	Yes*	**	**
<b>Total</b>			<b>100%</b>	<b>\$ 641,554,661</b>			

\*\*\* Current ORS Maximum

\$ 48,333,000.00

\* ORS allows for OST Balances to be above limit during tax receipt periods.

\*\* Ratings & Issuer restrictions do not apply to pool funds

Benchmark: BofA Merrill 0-3 year Treasury

## STRATEGY OVERVIEW

Name	Par Amount	Total Adjusted Cost	Market Value	Unrealized Gain/Loss	Yield At Cost	Eff Dur	Bench Dur
Multnomah County - Core Investment Fund	\$ 240,000,000	\$ 239,894,113	\$ 237,598,170	\$ (2,295,943)	1.41	1.28	1.40
Multnomah County CD Fund	\$ 2,205,000	\$ 2,205,000	\$ 2,205,000	\$ -	1.08	0.36	0.10
Multnomah County Liquidity	\$ 402,581,162	\$ 401,895,769	\$ 401,751,491	\$ (144,278)	1.65	0.17	0.10
<b>TOTAL PORTFOLIO</b>	<b>\$ 644,786,162</b>	<b>\$ 643,994,882</b>	<b>\$ 641,554,661</b>	<b>\$ (2,440,221)</b>	<b>1.56</b>	<b>0.58</b>	<b>0.58</b>



# Total Funds Multnomah County

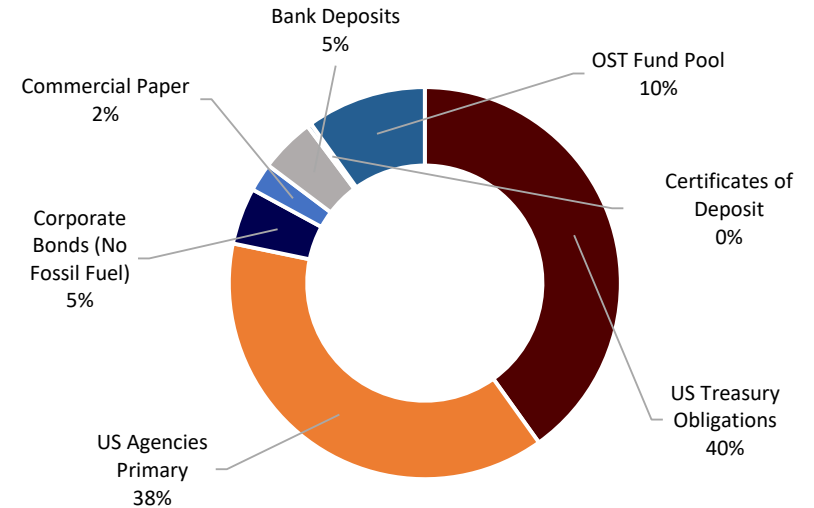
For Period April 01, 2018 - April 30, 2018

# Investment Report

Policy 2017 | 04/30/2018

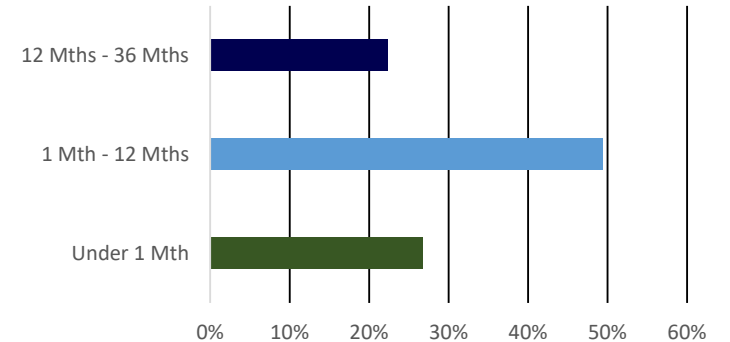
Investment Holdings at 04/30/2018	Market Value	% of Total Portfolio	Maximum Per Policy
US Treasury Obligations	\$ 255,330,519	39.80%	100%
US Agencies Primary	\$ 242,755,035	37.84%	100%
Municipal Obligations OR, CA, ID, WA	\$ 4,997,150	0.78%	10%
Corporate Bonds (No Fossil Fuel)	\$ 29,763,495	4.64%	25%
Commercial Paper	\$ 14,922,300	2.33%	10%
Bank Deposits	\$ 28,733,017	4.48%	50%
Certificates of Deposit	\$ 2,205,000	0.34%	20%
Bankers Acceptances	\$ -		10%
Repurchase Agreements	\$ -		10%
Reverse Repurchase Agreement	\$ -		10%
OST Fund Pool	\$ 62,848,145	9.80%	
<b>Total Portfolio</b>	<b>\$ 641,554,661</b>	<b>100.00%</b>	

<b>% of Portfolio With One Issuer:</b>			
Corporate Notes	\$ 14,962,000	2.33%	5%
State Obligations	\$ 4,997,150	0.78%	5%



## MATURITY DISTRIBUTION

Maturities from 04/30/2018	Per Maturity Bucket		Cumulative	
	Market Value	% of Total Portfolio	% of Total Portfolio	Minimum Per Policy
Under 1 Mth	\$ 171,521,892	27%	27%	10%
1 Mth - 12 Mths	\$ 317,101,524	49%	76%	35%
12 Mths - 36 Mths	\$ 143,054,800	22%	98%	100%
36 Mths - 60 Mths	\$ 9,876,445	2%	100%	0%



Average Maturity on 04/30/2018 0.61 Years

Average Maturity of portfolio 1.29 Years

Maximum Per Policy

5 Years

(excluding bank / LGIP deposits)

## ACTIVITY & PERFORMANCE SUMMARY

Activity Summary	This Month	Fiscal Year-to-Date
Beginning Amortized Cost	\$ 654,135,454	\$ 409,412,858
Investment purchases	\$ 79,593,420	\$ 659,153,831
Investment maturities and sales	\$ (98,000,000)	\$ (434,695,000)
Amortization	\$ 302,573	\$ 1,486,152
Net cash deposit (withdrawals)	\$ 7,963,435	\$ 8,637,042
Realized Gain/Loss	\$ -	\$ -
<b>Ending Amortized Costs</b>	<b>\$ 643,994,882</b>	<b>\$ 643,994,882</b>
Market Value on 04/30/2018	\$ 641,554,661	

Performance Summary	This Month	Fiscal Year-to-Date
Amortization	\$ 302,573	\$ 1,486,152
Interest income	\$ 517,126	\$ 5,085,922
Realized gain (loss)	\$ -	\$ -
<b>Total income</b>	<b>\$ 819,700</b>	<b>\$ 6,572,073</b>
Average portfolio balance	\$ 655,336,808	\$ 599,223,955

Total Portfolio yield at cost on 04/30/2018 1.56%

Investment Portfolio yield at cost (excluding bank / LGIP deposits) 1.41%

Local Government Investment Pool interest rate 2.10%



# Portfolio Appraisal - Settled Trades

US Dollar  
4/30/2018

## Multnomah County - Core Investment Fund

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
<b>US Agency (USD)</b>								
10,000,000	3135G0WJ8	FEDERAL NATL MTG ASSN 0.875% Due 05-21-18	99.99	9,999,448.06	99.95	9,995,170.00	4.2	1.0
5,000,000	3134G9G76	FEDERAL HOME LN MTG CORP 0.800% Due 06-29-18	99.99	4,999,305.65	99.85	4,992,690.00	2.1	0.9
10,000,000	3130A8PK3	FEDERAL HOME LOAN BANKS 0.625% Due 08-07-18	99.94	9,993,830.92	99.65	9,964,590.00	4.2	0.9
10,000,000	3136G02M2	FEDERAL NATL MTG ASSN 1.180% Due 10-30-18	99.85	9,985,165.37	99.58	9,957,610.00	4.2	1.5
10,000,000	3133782M2	FEDERAL HOME LOAN BANKS 1.500% Due 03-08-19	100.46	10,045,604.16	99.36	9,935,660.00	4.2	1.0
10,000,000	3134G9AW7	FEDERAL HOME LN MTG CORP 1.150% Due 04-26-19	99.97	9,996,712.33	98.89	9,888,710.00	4.2	1.2
10,000,000	3133EF5X1	FEDERAL FARM CR BKS 1.100% Due 05-03-19	100.08	10,008,337.69	98.76	9,876,290.00	4.2	1.0
15,000,000	313379EE5	FEDERAL HOME LOAN BANKS 1.625% Due 06-14-19	100.81	15,120,782.49	99.17	14,875,140.00	6.3	0.9
15,000,000	3137EAEB1	FEDERAL HOME LN MTG CORP 0.875% Due 07-19-19	99.93	14,989,378.17	98.21	14,731,650.00	6.2	0.9
10,000,000	3136G3X67	FEDERAL NATL MTG ASSN 1.100% Due 08-23-19	100.00	10,000,000.00	98.30	9,830,030.00	4.1	1.1
15,000,000	3133EHYJ6	FEDERAL FARM CR BKS 1.375% Due 09-12-19	99.84	14,975,985.96	98.58	14,787,270.00	6.2	1.5
10,000,000	3137EAEE5	FEDERAL HOME LN MTG CORP 1.500% Due 01-17-20	99.98	9,998,123.71	98.36	9,835,900.00	4.1	1.5
10,000,000	3130ABPV2	FEDERAL HOME LOAN BANKS 1.690% Due 06-29-20	99.96	9,996,327.54	98.23	9,822,810.00	4.1	1.7
10,000,000	3135G0T60	FEDERAL NATL MTG ASSN 1.500% Due 07-30-20	99.79	9,978,994.29	97.59	9,759,330.00	4.1	1.6
10,000,000	3133EJAW9	FEDERAL FARM CR BKS 2.250% Due 01-29-21	99.43	9,943,486.12	98.85	9,884,830.00	4.2	2.5
10,000,000	3133EJCE7	FEDERAL FARM CR BKS 2.350% Due 02-12-21	99.01	9,900,888.03	99.14	9,914,150.00	4.2	2.7
10,000,000	3133EJEM7	FEDERAL FARM CR BKS 2.500% Due 03-01-21	99.79	9,979,102.90	99.39	9,938,910.00	4.2	2.6
5,000,000	3135G0T94	FEDERAL NATL MTG ASSN 2.375% Due 01-19-23	98.45	4,922,584.09	97.81	4,890,545.00	2.1	2.7
				<b>184,834,057.47</b>		<b>182,881,285.00</b>	<b>77.0</b>	<b>1.45</b>
<b>Corporate (USD)</b>								
5,000,000	478160BG8	JOHNSON & JOHNSON 1.650% Due 12-05-18	100.37	5,018,401.43	99.58	4,979,105.00	2.1	1.0
10,000,000	037833AQ3	APPLE INC 2.100% Due 05-06-19	100.54	10,053,782.78	99.76	9,976,100.00	4.2	1.6
10,000,000	594918BN3	MICROSOFT CORP 1.100% Due 08-08-19	99.95	9,994,872.69	98.22	9,822,390.00	4.1	1.1



## Portfolio Appraisal - Settled Trades

US Dollar  
4/30/2018

### Multnomah County - Core Investment Fund

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
5,000,000	037833AR1	APPLE INC 2.850% Due 05-06-21	99.99	4,999,568.44	99.72	4,985,900.00	2.1	2.9
				<b>30,066,625.34</b>		<b>29,763,495.00</b>	<b>12.5</b>	<b>1.55</b>
<b>US Treasury (USD)</b>								
10,000,000	912828VE7	UNITED STATES TREAS NTS 1.000% Due 05-31-18	100.01	10,000,734.07	99.94	9,994,430.00	4.2	0.9
15,000,000	912828S68	UNITED STATES TREAS NTS 0.750% Due 07-31-18	99.95	14,992,696.00	99.73	14,958,960.00	6.3	0.9
				<b>24,993,430.07</b>		<b>24,953,390.00</b>	<b>10.5</b>	<b>0.93</b>
<b>Total Portfolio</b>				<b>239,894,112.88</b>		<b>237,598,170.00</b>	<b>100.0</b>	<b>1.41</b>



## Portfolio Appraisal - Settled Trades

US Dollar  
4/30/2018

### Multnomah County CD Fund

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
<b>Bank or Cash Deposit (USD)</b>								
245,000	SYS7450	UNITUS COMMUNITY CU 0.880% Due 07-24-18	100.00	245,000.00	100.00	245,000.00	11.1	0.9
245,000	SYS7447	PREMIER COMMUNITY BANK CD 0.750% Due 08-01-18	100.00	245,000.00	100.00	245,000.00	11.1	0.8
245,000	SYS7410	NORTHWEST COMMUNITY CU 0.946% Due 08-09-18	100.00	245,000.00	100.00	245,000.00	11.1	0.9
245,000	SYS7453	WILLAMETTE COMMUNITY BK CD 0.950% Due 08-14-18	100.00	245,000.00	100.00	245,000.00	11.1	1.0
245,000	SYS7452	PACIFIC WEST BANK CD 1.000% Due 08-16-18	100.00	245,000.00	100.00	245,000.00	11.1	1.0
245,000	SYS7449	HOMESTREET BANK 1.000% Due 08-18-18	100.00	245,000.00	100.00	245,000.00	11.1	1.0
245,000	SYS7456	WILLAMETTE VALLEY BANK CD 1.500% Due 10-25-18	100.00	245,000.00	100.00	245,000.00	11.1	1.5
245,000	SYS7458	SUMMIT BANK CD 1.230% Due 11-15-18	100.00	245,000.00	100.00	245,000.00	11.1	1.2
245,000	SYS7459	UMPQUA BANK CD 1.500% Due 11-20-18	100.00	245,000.00	100.00	245,000.00	11.1	1.5
				<b>2,205,000.00</b>		<b>2,205,000.00</b>	<b>100.0</b>	<b>1.1</b>
<b>Total Portfolio</b>				<b>2,205,000.00</b>		<b>2,205,000.00</b>	<b>100.0</b>	<b>1.08</b>





## Multnomah County Liquidity

# Portfolio Appraisal - Settled Trades

US Dollar  
4/30/2018

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
<b>US Agency (USD)</b>								
20,000,000	313397ZG9	FEDERAL HOME LN MTG CORP DISC NT 0.000% Due 07-13-18	99.71	19,941,194.48	99.63	19,925,400.00	5.0	1.5
15,000,000	3135G0L68	FEDERAL NATL MTG ASSN 0.750% Due 07-27-18	99.80	14,970,312.74	99.72	14,957,925.00	3.7	1.6
25,000,000	3135G0YM9	FEDERAL NATL MTG ASSN 1.875% Due 09-18-18	100.08	25,020,625.46	99.96	24,990,425.00	6.2	1.7
				<b>59,932,132.68</b>		<b>59,873,750.00</b>	<b>14.9</b>	<b>1.58</b>
<b>Municipal (USD)</b>								
5,000,000	625517JL2	MULTNOMAH CNTY OR SCH DIST 1.500% Due 06-15-18	100.03	5,001,521.84	99.94	4,997,150.00	1.2	1.3
				<b>5,001,521.84</b>		<b>4,997,150.00</b>	<b>1.2</b>	<b>1.25</b>
<b>US Treasury (USD)</b>								
10,000,000	912796PC7	UNITED STATES TREAS BILLS 0.000% Due 05-03-18	99.99	9,999,093.06	99.99	9,999,100.00	2.5	1.7
10,000,000	912828XA3	UNITED STATES TREAS NTS 1.000% Due 05-15-18	99.98	9,998,474.70	99.97	9,997,460.00	2.5	1.4
50,000,000	912796MB2	UNITED STATES TREAS BILLS 0.000% Due 05-24-18	99.91	49,955,327.61	99.90	49,949,000.00	12.4	1.4
15,000,000	912796PL7	UNITED STATES TREAS BILLS 0.000% Due 06-14-18	99.79	14,968,439.17	99.80	14,969,850.00	3.7	1.8
15,000,000	912828XF2	UNITED STATES TREAS NTS 1.125% Due 06-15-18	99.96	14,993,892.35	99.92	14,988,675.00	3.7	1.5
20,000,000	912796MF3	UNITED STATES TREAS BILLS 0.000% Due 06-21-18	99.79	19,958,385.42	99.76	19,952,180.00	5.0	1.5
15,000,000	912796PM5	UNITED STATES TREAS BILLS 0.000% Due 06-28-18	99.72	14,957,998.33	99.73	14,959,050.00	3.7	1.8
10,000,000	912796PQ6	UNITED STATES TREAS BILLS 0.000% Due 07-12-18	99.65	9,964,750.00	99.65	9,965,200.00	2.5	1.8
10,000,000	912796PU7	UNITED STATES TREAS BILLS 0.000% Due 08-09-18	99.49	9,948,958.33	99.49	9,948,800.00	2.5	1.9
18,000,000	912828K82	UNITED STATES TREAS NTS 1.000% Due 08-15-18	99.82	17,968,237.74	99.74	17,952,624.00	4.5	1.6
25,000,000	9128282C3	UNITED STATES TREAS NTS 0.750% Due 08-31-18	99.71	24,926,537.80	99.61	24,902,625.00	6.2	1.6
18,000,000	912796NV7	UNITED STATES TREAS BILLS 0.000% Due 09-13-18	99.41	17,893,248.75	99.29	17,871,660.00	4.4	1.6
15,000,000	912828L81	UNITED STATES TREAS NTS 0.875% Due 10-15-18	99.53	14,929,159.55	99.47	14,920,905.00	3.7	1.9
				<b>230,462,502.80</b>		<b>230,377,129.00</b>	<b>57.3</b>	<b>1.61</b>



## Multnomah County Liquidity

# Portfolio Appraisal - Settled Trades

US Dollar  
4/30/2018

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
<b>LGIP State Pool (USD)</b>								
62,848,145	OSTFLGIP	OREGON SHORT TERM FUND POOL 2.100% Due 05-29-18	100.00	62,848,144.66	100.00	62,848,144.66	15.6	2.1
				<b>62,848,144.66</b>		<b>62,848,144.66</b>	<b>15.6</b>	<b>2.10</b>
<b>Bank or Cash Deposit (USD)</b>								
12,665,534	SYSBADD1	BANK OF AMERICA 0.010% Due 05-29-18	100.00	12,665,533.68	100.00	12,665,533.68	3.2	0.0
10,237,214	SYSSSBMM1	UMPQUA BANK 1.500% Due 05-29-18	100.00	10,237,213.60	100.00	10,237,213.60	2.5	1.5
199,488	SYSUSB076	US BANK 0.010% Due 05-29-18	100.00	199,488.13	100.00	199,488.13	0.0	0.0
5,052,478	000WAFED	WASHINGTON FEDERAL 1.500% Due 05-29-18	100.00	5,052,478.10	100.00	5,052,478.10	1.3	1.5
578,304	SYSWCBMM1	WILLAMETTE COMMUNITY BANK 1.000% Due 05-29-18	100.00	578,303.83	100.00	578,303.83	0.1	1.0
				<b>28,733,017.34</b>		<b>28,733,017.34</b>	<b>7.2</b>	<b>0.83</b>
<b>Commercial Paper (USD)</b>								
15,000,000	89233HGQ1	TOYOTA MOTOR CREDIT CP 0.000% Due 07-24-18	99.46	14,918,450.00	99.48	14,922,300.00	3.7	2.4
				<b>14,918,450.00</b>		<b>14,922,300.00</b>	<b>3.7</b>	<b>2.39</b>
<b>Total Portfolio</b>				<b>401,895,769.32</b>		<b>401,751,491.00</b>	<b>100.0</b>	<b>1.65</b>



---

### Disclaimer

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, GPA cannot guarantee its accuracy, completeness, or suitability. This material is for purposes of observations and oversight and is the opinion of the author and not necessarily of GPA, LLC. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this document is not an offer to purchase or sell any securities.

### Definition and Terms

**Investment Report:** Provides of summary asset allocation and maturity distribution. The activity and earnings summary provides a high level overview of the total funds.

**Total Funds:** This is the amount of the overall portfolio balances that are held in short term liquid investments to meet ongoing operational budgets and cash flows and investments held for longer periods. An annual assessment of the allocations to each component is evaluated through a cash flow process determining liquidity needs and District preferences, the Guideline Portfolio Strategy "GPS" is completed by Government Portfolio Advisors.

**Compliance Report:** Provides a comparison of the portfolio positions to the investment policy. This report includes a breakout of the specific funds and each allocation to the liquidity and investments.

**Holdings Reports:** Provides an overview by fund of portfolio distribution.

**Security Type:** Allocates the investment to a specific issuer type.

**Par Value:** The total face value of the investment at maturity.

**Security Name:** Lists the specific name of issuer.

**Book Yield or Yield at Cost:** Is the earning yield on each security at the time of purchase. The total is a weighting based on investment value.

**Market Value:** The current market value of the security based on a third party pricing source. This price represents the value if the securities were sold on the pricing date. The market value changes with interest rates.

**Total Adjusted Cost:** This may be referred to as "book value" and represents the cost basis to date after amortization of premiums or discounts since the purchase date.

**Unrealized gain or loss:** This represents the difference between the market value and the adjusted cost at the time of the report.

**% of Portfolio:** Represents the percent allocation dedicated to each security type in the fund.

**Effective Duration:** Represents the duration based on the time between the report date and the maturity of the bond. Duration is similar to average maturity and is used to measure the price sensitivity of the portfolio given interest rate changes.