



# City of Salem

## Quarterly Investment Report

Quarter Ended June 30, 2017

Lauren Brant, Managing Director

Allison Kaune, Senior Managing Consultant

Meghna Purkayastha, Analyst

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PFM Asset  
Management LLC

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650 NE Holladay St.  
Ste. 1600  
Portland, OR 97232

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503-837-8445  
503-837-8446 fax  
[www.pfm.com](http://www.pfm.com)



## City of Salem

Summary by Sector	Amortized Cost	Market <sup>1</sup> Value	% of Portfolio	Allowed by Policy
U.S. Treasuries	\$41,843,903	\$41,739,397	18%	100%
Federal Agencies	53,914,969	53,546,730	23%	100%
U.S. Instrumentalities	2,726,444	2,701,562	1%	10%
Commercial Paper	19,358,371	19,359,057	8%	35%
Corporate Notes	20,101,516	20,040,550	9%	
LGIP	78,938,384	78,938,384	34%	ORS limit
Collateralized Deposit Accounts	15,429,345	15,429,345	7%	100%
<b>Total</b>	<b>\$232,312,932</b>	<b>\$231,755,023</b>	<b>100%</b>	

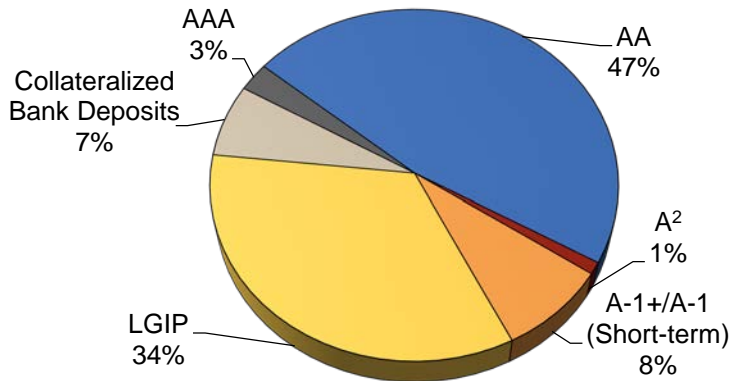
### Combined Portfolio Statistics

Combined Portfolio Yield on Cost (06/30/17)	1.23%
Weighted Average Maturity (06/30/17)	0.97 years

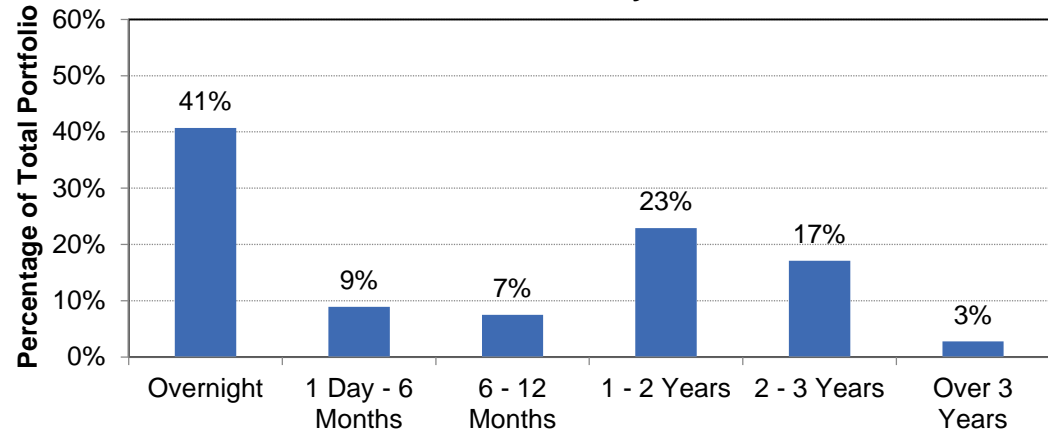
### Combined Portfolio Earnings (excludes earnings on LGIP and deposit accounts)

Cash Basis Earnings for Quarter	\$574,837
Accrual Basis Earnings for Quarter	\$433,994

### Credit Quality Distribution



### Combined Portfolio Maturity Distribution<sup>3</sup>



1. Values as of June 30, 2017, including accrued interest.

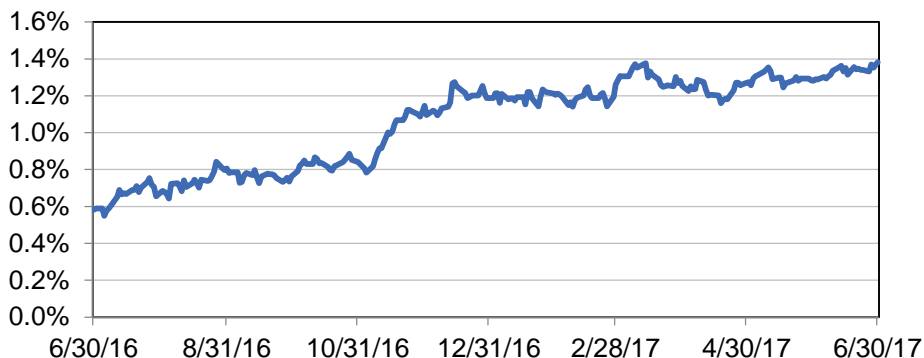
2. Ratings by Standard & Poor's. Wells Fargo & Co is rated A by S&P, but rated AA- by Fitch, and is in compliance with the City's investment policy and Oregon Revised Statutes.

3. Callable securities are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.



## Interest Rate Environment

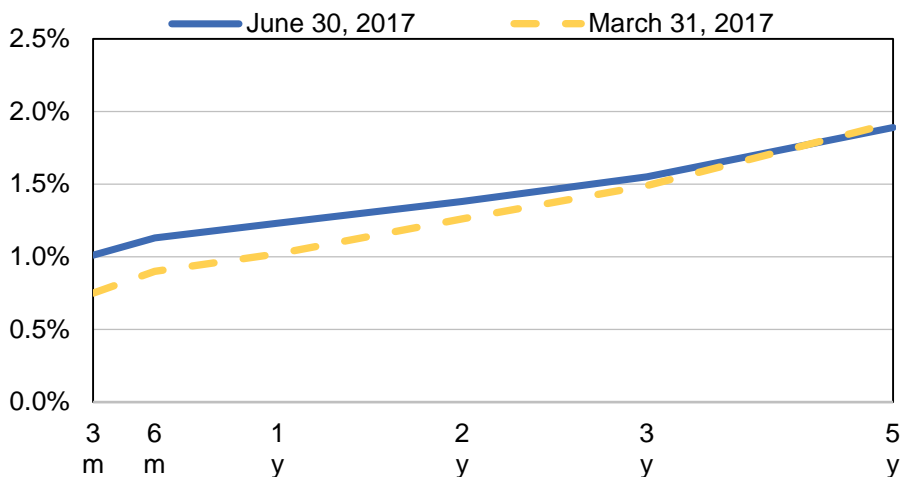
**Graph 1: 2-Year Treasury Yield**



● **Graph 1:** Graph 1 plots the 2-year U.S. Treasury Yield from June 30, 2016 to June 30, 2017.

- The 2-year Treasury note yield ended the most recent quarter 0.13% higher at 1.38%.
- Yields moved modestly higher in response to positive economic data that included strong labor market and housing growth. Gross Domestic Product (GDP), the measure of all goods and services produced in the U.S., rebounded in the second quarter as well.

**Graph 2: U.S. Treasury Yield Curves  
3/31/17 vs. 6/30/17**



● **Graph 2:** Graph 2 plots the yields of U.S. Treasuries at different maturities on March 31, 2017, and June 30, 2017.

- For the second time this year the Federal Open Market Committee (FOMC) raised the federal funds rate by 0.25%, setting a new range of 1.00% to 1.25%. Yields on securities with maturities of one year or less drifted higher as a result of this action.
- Long-term yields declined amid subdued inflation expectations and fading prospects for near-term stimulus from tax reform or infrastructure spending.
- Yield movement during the quarter resulted in a flattened yield curve.

Source: Bloomberg



## City of Salem

Combined Portfolio Summary<sup>1</sup>

	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016
Market Value (MV)	\$231,755,023	\$274,416,157	\$273,053,566	\$215,671,669
Amortized Cost	\$232,312,932	\$274,948,149	\$273,611,126	\$215,482,887

Quarterly Summary	Quarter Ending June 30, 2017
Beginning MV	\$274,416,157
Change in Cash	(\$42,729,904)
Change in MV	\$68,770
Ending MV	\$231,755,023

## PORTFOLIO RECAP

- The portfolio is in compliance with applicable state statutes and the City's Investment Policy C-7.
- The portfolio has sufficient liquidity to cover upcoming needs, is diversified among high-quality fixed income sectors, and is of high credit quality.
- PFM's strategy is to maintain the portfolio's duration close to the benchmark unless there is a strong conviction that being shorter or longer will significantly benefit the portfolio. At quarter end, the portfolio's duration was 95% of the benchmark index at 1.73 years compared to the benchmark of 1.82 years.
- Federal agency yield differences, or spreads, narrowed further amid minimal new issuance, ending the quarter at historically tight levels. Sector selection remained opportunistic and new issue Agencies were purchased when they were offered at acceptable yield concessions, mostly in the 2-3 year maturity range. U.S. Treasuries were favored in most other maturities.
- The portfolio's corporate allocations were maintained as the sector's additional income remained advantageous and the sector benefited from further spread tightening. The corporate sector generated strong outperformance relative to comparable-maturity Treasuries, logging its seventh straight quarter of outperformance.
- Yield spreads offered by commercial paper (CP) tightened during the quarter to levels not seen since the Fed began raising rates in late 2015 as the effects of money market reform and conviction about further Fed rate hikes faded.
- The City's Long-Term portfolio returned 0.27% for the quarter, versus the benchmark's return of 0.17%. Since inception, the portfolio has outperformed the benchmark by 0.17% on an annualized basis.

1. Values as of quarter end, including accrued interest

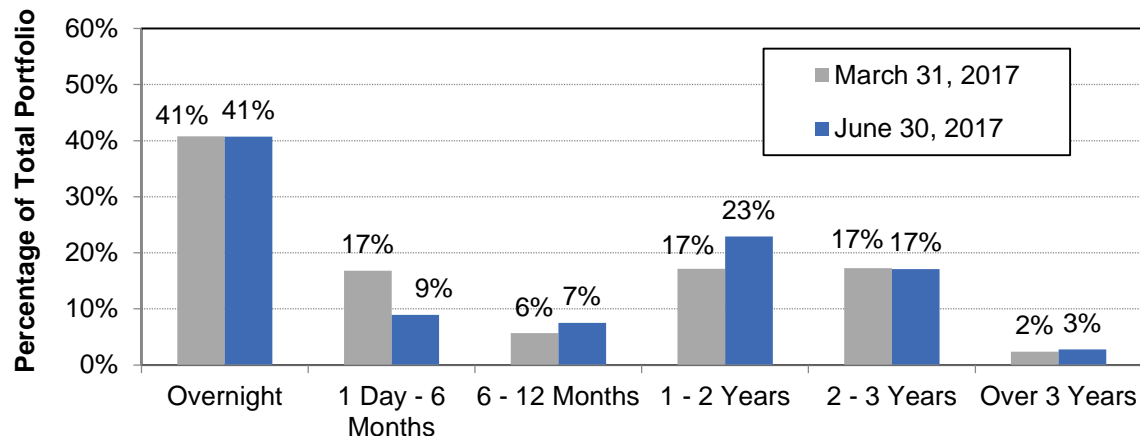


## City of Salem

### Combined Portfolio Change Over Quarter

Security Type	Change in Allocation
U.S. Treasuries	+2%
Federal Agencies	+6%
U.S. Instrumentalities	-
Municipal Obligations	-
Commercial Paper	-8%
Corporate Notes	-
LGIP	+3%
Collateralized Deposit Accounts	-3%

### Combined Portfolio Maturity Distribution



### Portfolio and Benchmark Performance

Total Return <sup>1,2,3,4,5</sup>	Total Return for Quarter Ended June 30, 2017	Total Return for Past 1 Year	Total Return for Past 3 Years	Total Return Since Inception
<b>City of Salem Long-Term Portfolio</b>	<b>0.27%</b>	<b>0.21%</b>	<b>0.72%</b>	<b>0.65%</b>
Bank of America Merrill Lynch U.S. Treasury Index	0.17%	-0.11%	0.52%	0.48%
<b>Yield Comparison<sup>6</sup></b>				
<b>City of Salem Short-Term Portfolio</b>	<b>1.32%</b>	<b>City of Salem Streets &amp; Bridges Portfolio</b>	<b>1.29%</b>	
Oregon LGIP	1.45%	Oregon LGIP	1.45%	

Notes:

- Performance on trade date basis, gross (i.e., before fees), in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets. Long-Term Portfolio benchmark was the BAML 0-3 Year U.S. Treasury index from inception through 6/30/2016 and the BAML 1-3 Year Treasury index beginning 6/30/16.
- Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis.
- Inception date is December 31, 2012.
- Excludes Streets & Bridges, and Short-Term Portfolio as well as LGIP and bank balances in the performance and duration calculations.
- Yield at Cost for the City's Short-Term and Streets and Bridges portfolios as of quarter end and Oregon LGIP rate as of quarter end.



## City of Salem

Trade Date	Trade Type	Security	Maturity Date	Broker	Par Value	Yield to Maturity	S&P Rating
4/7/17	Buy	FREDDIE MAC AGENCY NOTE	1/17/2020	HSBC Securities (USA) Inc.	7,500,000.00	1.48%	AA+
4/7/17	Sell	US TREASURY NOTES	3/31/2018	JP Morgan Securities, Inc.	7,500,000.00	1.08%	AA+
4/26/17	Buy	US TREASURY NOTES	4/30/2020	BNP Paribas	2,500,000.00	1.49%	AA+
4/27/17	Maturity	GENERAL ELECTRIC CAPITAL CORP NOTES	4/27/2017	Maturity	2,500,000.00	0.00%	AA-
5/5/17	Maturity	CANADIAN IMPERIAL HOLDING COMM PAPER	5/5/2017	Maturity	2,500,000.00	0.00%	A-1
5/5/17	Maturity	TOYOTA MOTOR CREDIT CORP COMM PAPER	5/5/2017	Maturity	2,500,000.00	0.00%	A-1+
5/8/17	Maturity	COOPERATIEVE RABOBANK U.A. COMM PAPER	5/8/2017	Maturity	2,500,000.00	0.00%	A-1
5/8/17	Maturity	JP MORGAN SECURITIES LLC COMM PAPER	5/8/2017	Maturity	2,500,000.00	0.00%	A-1
5/11/17	Maturity	CREDIT AGRICOLE CIB NY COMM PAPER	5/11/2017	Maturity	5,000,000.00	0.00%	A-1
5/26/17	Maturity	BANK TOKYO-MIT UFJ NY COMM PAPER	5/26/2017	Maturity	2,500,000.00	0.00%	A-1
5/26/17	Maturity	CREDIT AGRICOLE CIB NY COMM PAPER	5/26/2017	Maturity	2,500,000.00	0.00%	A-1
6/2/17	Maturity	BANK OF MONTREAL CHICAGO COMM PAPER	6/2/2017	Maturity	2,500,000.00	8.00%	A-1

1. Does not include transactions in the LGIP and bank accounts

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## City of Salem

### Combined Portfolio Transactions<sup>1</sup>

Trade Date	Trade Type	Security	Maturity Date	Broker	Par Value	Yield to Maturity	S&P Rating
6/2/17	Maturity	BANK OF MONTREAL CHICAGO COMM PAPER	6/2/2017	Maturity	675,000.00	0.00%	A-1
6/2/17	Maturity	BANK OF MONTREAL CHICAGO COMM PAPER	6/2/2017	Maturity	2,500,000.00	0.00%	A-1
6/6/17	Buy	CREDIT AGRICOLE CIB NY COMM PAPER	12/4/2017	Credit Agricole	2,500,000.00	1.35%	A-1
6/6/17	Buy	BANK OF TOKYO MITSUBISHI LTD COMM PAPER	1/10/2018	Bank of Toyota Mitsubishi (Direct)	675,000.00	1.44%	A-1
6/6/17	Buy	CREDIT AGRICOLE CIB NY COMM PAPER	12/4/2017	Credit Agricole	2,500,000.00	1.35%	A-1
6/7/17	Maturity	BNP PARIBAS NY BRANCH COMM PAPER	6/7/2017	Maturity	2,250,000.00	0.00%	A-1
6/9/17	Maturity	BANK TOKYO-MIT UFJ NY COMM PAPER	6/9/2017	Maturity	3,000,000.00	0.00%	A-1
6/27/17	Buy	APPLE INC CORP NOTE	5/6/2020	Goldman Sachs	2,500,000.00	1.78%	AA+
6/27/17	Buy	US TREASURY NOTES	6/30/2020	Merrill Lynch (Bank of America)	2,500,000.00	1.53%	AA+
6/27/17	Sell	APPLE INC GLOBAL NOTES	5/3/2018	Goldman Sachs	2,500,000.00	1.35%	AA+
6/27/17	Sell	IBM CORP NOTES	2/6/2018	Wells Fargo	2,500,000.00	1.38%	A+

1. Does not include transactions in the LGIP and bank accounts



# City of Salem

## Combined Portfolio Holdings by Maturity

Issuer	CUSIP	Par Value <sup>1</sup>	Maturity Date	Call Date	S&P Rating	Market Value <sup>2</sup>	Yield to Maturity <sup>3</sup>
LGIP - City	-	42,277,987	-			42,277,987	1.45%
LGIP - URA	-	36,660,397	-			36,660,397	1.45%
U.S. Bank	-	15,429,345	-			15,429,345	0.50%
Toyota Motor Corp	89233GVU7	2,000,000	8/28/2017		A-1+	1,996,302	1.23%
Bank of Tokyo Mitsubishi NY	06538BVW0	2,500,000	8/30/2017		A-1	2,494,828	1.36%
BNP Paribals NY	09659BW55	2,500,000	9/5/2017		A-1	2,494,300	1.26%
Credit Agricole NY	22533TW51	1,000,000	9/5/2017		A-1	997,726	1.21%
JP Morgan Securities LLC	46640PW82	4,750,000	9/8/2017		A-1	4,738,823	1.34%
Federal Home Loan Mortgage Corporation	3137EADL0	225,000	9/29/2017		AA+	225,522	1.22%
BNP Paribals NY	09659BX21	1,000,000	10/2/2017		A-1	996,741	1.30%
Johnson & Johnson	478160BL7	1,560,000	11/21/2017		AAA	1,560,867	1.15%
Credit Agricole NY	22533TZ41	2,500,000	12/4/2017		A-1	2,485,228	1.33%
Credit Agricole NY	22533TZ41	2,500,000	12/4/2017		A-1	2,485,228	1.33%
Federal National Mortgage Association	3135G0RT2	255,000	12/20/2017		AA+	254,724	1.32%
Bank of Tokyo Mitsubishi NY	06538CAA9	675,000	1/10/2018		A-1	669,882	1.42%
Exxon Mobil Corp	30231GAL6	2,500,000	3/6/2018		AA+	2,508,907	1.31%
U.S. Treasury	912828UZ1	5,500,000	4/30/2018		AA+	5,476,575	1.02%
U.S. Treasury	912828UZ1	5,750,000	4/30/2018		AA+	5,725,511	1.11%
Berkshire Hathaway Inc	084664BW0	3,000,000	5/15/2018		AA	3,001,734	1.07%
Federal Home Loan Bank	3130A8PK3	4,125,000	8/7/2018		AA+	4,103,336	0.73%
Federal Home Loan Bank	3130A8PK3	750,000	8/7/2018		AA+	746,061	0.81%
Federal Home Loan Bank	3130A9AE1	5,000,000	10/1/2018		AA+	4,980,723	0.91%
U.S. Treasury	912828WD8	3,700,000	10/31/2018		AA+	3,703,456	0.79%
Microsoft Corp	594918BF0	1,845,000	11/3/2018		AAA	1,845,933	1.33%
U.S. Treasury	912828A34	5,250,000	11/30/2018		AA+	5,248,586	0.85%

1. End of quarter trade-data par values of portfolio holdings; rounded to nearest dollar.
2. End of quarter trade-data market values of portfolio holdings including accrued interest; rounded to nearest dollar.
3. LGIP yield is provided by OSTF website. U.S. Bank yield (before fees) is provided by the City.

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## City of Salem

### Combined Portfolio Holdings by Maturity (continued)

Issuer	CUSIP	Par Value <sup>1</sup>	Maturity Date	Call Date	S&P Rating	Market Value <sup>2</sup>	Yield to Maturity <sup>3</sup>
U.S. Treasury	912828N63	2,195,000	1/15/2019		AA+	2,198,503	1.04%
Wells Fargo & Co <sup>4</sup>	94974BFQ8	2,500,000	1/15/2019		A	2,537,305	1.31%
Federal National Mortgage Association	3135G0J53	5,000,000	2/26/2019		AA+	4,983,986	0.97%
Federal Home Loan Mortgage Corporation	3137EADZ9	5,000,000	4/15/2019		AA+	4,989,410	0.96%
U.S. Treasury	912828D23	5,000,000	4/30/2019		AA+	5,035,369	0.91%
Inter-American Development Bank	458182DX7	1,750,000	5/13/2019		AAA	1,733,713	1.10%
Chevron Corp	166764BH2	2,000,000	5/16/2019		AA-	1,998,077	1.56%
Toyota Motor Credit Corp	89236TDE2	2,750,000	5/20/2019		AA-	2,737,750	1.45%
Coca-Cola Co	191216BV1	1,335,000	5/30/2019		AA-	1,331,321	1.40%
Federal Home Loan Bank	3130A8DB6	5,000,000	6/21/2019		AA+	4,973,473	0.79%
Federal Home Loan Mortgage Corporation	3137EAEB1	5,000,000	7/19/2019		AA+	4,960,103	0.97%
Federal National Mortgage Association	3135G0N33	3,200,000	8/2/2019		AA+	3,173,118	0.90%
Federal Home Loan Bank	3130A8Y72	3,200,000	8/5/2019		AA+	3,172,242	0.91%
African Development Bank	00828EBQ1	975,000	9/20/2019		AAA	967,849	1.16%
Federal Home Loan Bank	3130A9EP2	3,450,000	9/26/2019		AA+	3,424,059	1.02%
Federal Home Loan Mortgage Corporation	3137EAEE5	7,500,000	1/17/2020		AA+	7,544,950	1.48%
Federal National Mortgage Association	3135G0T29	6,000,000	2/28/2020		AA+	6,015,024	1.55%

1. End of quarter trade-data par values of portfolio holdings; rounded to nearest dollar.
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4. Wells Fargo & Co is rated AA- by Fitch and is in compliance with the City's investment policy and Oregon Revised Statutes.

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## City of Salem

### Combined Portfolio Holdings by Maturity (continued)

Issuer	CUSIP	Par Value <sup>1</sup>	Maturity Date	Call Date	S&P Rating	Market Value <sup>2</sup>	Yield to Maturity <sup>3</sup>
U.S. Treasury	912828UV0	2,930,000	3/31/2020		AA+	2,907,954	1.71%
U.S. Treasury	912828VA5	2,500,000	4/30/2020		AA+	2,477,198	1.49%
Apple Inc Global Notes	037833BD1	2,500,000	5/6/2020		AA+	2,518,657	1.78%
U.S. Treasury	912828XH8	2,500,000	6/30/2020		AA+	2,504,505	1.53%
U.S. Treasury	912828L99	6,500,000	10/31/2020		AA+	6,461,738	1.73%
<b>Total Market Value PFM Managed Funds</b>		\$137,670,000				<b>\$137,387,295</b>	<b>1.18%</b>
<b>LGIP</b>		\$78,938,384				<b>\$78,938,384</b>	<b>1.45%</b>
<b>Bank Balances</b>		\$15,429,345				<b>\$15,429,345</b>	<b>0.50%</b>
<b>Total Market Value All Funds</b>		\$232,037,728				<b>\$231,755,023</b>	<b>1.23%</b>

1. End of quarter trade-data par values of portfolio holdings; rounded to nearest dollar.

2. End of quarter trade-data market values of portfolio holdings including accrued interest; rounded to nearest dollar.

3. LGIP yield is provided by OSTF website. U.S. Bank yield (before fees) is provided by the City.



**Managed Account Detail of Securities Held**

For the Month Ending **June 30, 2017**

**CITY OF SALEM LONG-TERM PORTFOLIO**

<b>Security Type/Description Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 04/30/2013 0.625% 04/30/2018	912828UZ1	5,500,000.00	AA+	Aaa	03/26/15	03/30/15	5,433,398.44	1.02	5,791.44	5,481,852.81	5,470,784.00
US TREASURY NOTES DTD 04/30/2013 0.625% 04/30/2018	912828UZ1	5,750,000.00	AA+	Aaa	03/13/15	03/16/15	5,663,750.00	1.11	6,054.69	5,726,762.76	5,719,456.00
US TREASURY NOTES DTD 10/31/2013 1.250% 10/31/2018	912828WD8	3,700,000.00	AA+	Aaa	05/09/16	05/11/16	3,741,914.06	0.79	7,792.12	3,722,692.47	3,695,663.60
US TREASURY NOTES DTD 12/02/2013 1.250% 11/30/2018	912828A34	5,250,000.00	AA+	Aaa	05/03/16	05/05/16	5,303,935.55	0.85	5,558.40	5,279,836.54	5,243,028.00
US TREASURY N/B DTD 01/15/2016 1.125% 01/15/2019	912828N63	2,195,000.00	AA+	Aaa	03/23/16	03/24/16	2,200,230.27	1.04	11,391.87	2,197,886.32	2,187,111.17
US TREASURY NOTES DTD 04/30/2014 1.625% 04/30/2019	912828D23	5,000,000.00	AA+	Aaa	05/03/16	05/05/16	5,105,468.75	0.91	13,688.86	5,065,012.80	5,021,680.00
US TREASURY NOTES DTD 04/01/2013 1.125% 03/31/2020	912828UV0	2,930,000.00	AA+	Aaa	03/15/17	03/17/17	2,879,526.17	1.71	8,285.66	2,884,242.04	2,899,668.64
US TREASURY NOTES DTD 04/30/2013 1.125% 04/30/2020	912828VA5	2,500,000.00	AA+	Aaa	04/26/17	04/27/17	2,473,242.19	1.49	4,738.45	2,474,786.05	2,472,460.00
US TREASURY NOTES DTD 06/30/2015 1.625% 06/30/2020	912828XH8	2,500,000.00	AA+	Aaa	06/27/17	06/28/17	2,507,031.25	1.53	110.39	2,507,013.23	2,504,395.00
US TREASURY NOTES DTD 10/31/2015 1.375% 10/31/2020	912828L99	6,500,000.00	AA+	Aaa	02/01/17	02/07/17	6,416,718.75	1.73	15,057.74	6,425,348.28	6,446,680.50
<b>Security Type Sub-Total</b>		<b>41,825,000.00</b>					<b>41,725,215.43</b>	<b>1.19</b>	<b>78,469.62</b>	<b>41,765,433.30</b>	<b>41,660,926.91</b>
<b>Supra-National Agency Bond / Note</b>											
INTER-AMERICAN DEVELOPMENT BANK DTD 04/12/2016 1.000% 05/13/2019	458182DX7	1,750,000.00	AAA	Aaa	04/05/16	04/12/16	1,744,750.00	1.10	2,333.33	1,746,801.67	1,731,380.00
AFRICAN DEVELOPMENT BANK NOTE DTD 09/20/2016 1.125% 09/20/2019	00828EBO1	975,000.00	AAA	Aaa	09/14/16	09/20/16	973,966.50	1.16	3,077.34	974,232.08	964,771.28
<b>Security Type Sub-Total</b>		<b>2,725,000.00</b>					<b>2,718,716.50</b>	<b>1.12</b>	<b>5,410.67</b>	<b>2,721,033.75</b>	<b>2,696,151.28</b>



**Managed Account Detail of Securities Held**

For the Month Ending **June 30, 2017**

**CITY OF SALEM LONG-TERM PORTFOLIO**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Federal Agency Bond / Note</b>											
FHLB NOTES DTD 07/08/2016 0.625% 08/07/2018	3130A8PK3	750,000.00	AA+	Aaa	08/10/16	08/12/16	747,292.50	0.81	1,875.00	748,495.40	744,186.00
FHLB NOTES DTD 07/08/2016 0.625% 08/07/2018	3130A8PK3	4,125,000.00	AA+	Aaa	07/08/16	07/12/16	4,116,131.25	0.73	10,312.50	4,120,268.42	4,093,023.00
FHLB GLOBAL NOTE DTD 08/26/2016 0.875% 10/01/2018	3130A9AE1	5,000,000.00	AA+	Aaa	09/02/16	09/08/16	4,996,650.00	0.91	10,937.50	4,997,961.20	4,969,785.00
FNMA BENCHMARK NOTE DTD 02/23/2016 1.000% 02/26/2019	3135G0J53	5,000,000.00	AA+	Aaa	05/03/16	05/05/16	5,003,750.00	0.97	17,361.11	5,002,227.50	4,966,625.00
FREDDIE MAC NOTES DTD 03/21/2016 1.125% 04/15/2019	3137EADZ9	5,000,000.00	AA+	Aaa	09/02/16	09/08/16	5,020,550.00	0.96	11,875.00	5,014,184.55	4,977,535.00
FHLB GLOBAL NOTE DTD 06/03/2016 1.125% 06/21/2019	3130A8DB6	5,000,000.00	AA+	Aaa	07/08/16	07/12/16	5,048,300.00	0.79	1,562.50	5,032,509.35	4,971,910.00
FHLMC REFERENCE NOTE DTD 07/20/2016 0.875% 07/19/2019	3137EAEB1	5,000,000.00	AA+	Aaa	07/21/16	07/25/16	4,986,450.00	0.97	19,687.50	4,990,648.50	4,940,415.00
FNMA BENCHMARK NOTE DTD 08/02/2016 0.875% 08/02/2019	3135G0N33	3,200,000.00	AA+	Aaa	08/04/16	08/08/16	3,198,112.00	0.90	11,588.89	3,198,675.33	3,161,529.60
FHLB GLOBAL NOTE DTD 08/04/2016 0.875% 08/05/2019	3130A8Y72	3,200,000.00	AA+	Aaa	08/04/16	08/08/16	3,196,896.00	0.91	11,355.56	3,197,818.66	3,160,886.40
FHLB GLOBAL NOTES DTD 09/09/2016 1.000% 09/26/2019	3130A9EP2	3,450,000.00	AA+	Aaa	10/04/16	10/07/16	3,448,344.00	1.02	9,104.17	3,448,750.41	3,414,954.90
FREDDIE MAC AGENCY NOTE DTD 01/17/2017 1.500% 01/17/2020	3137EAEE5	7,500,000.00	AA+	Aaa	04/07/17	04/10/17	7,504,050.00	1.48	51,250.00	7,503,765.90	7,493,700.00
FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	6,000,000.00	AA+	Aaa	02/27/17	02/28/17	5,991,000.00	1.55	30,750.00	5,992,005.30	5,984,274.00
<b>Security Type Sub-Total</b>		<b>53,225,000.00</b>					<b>53,257,525.75</b>	<b>1.06</b>	<b>187,659.73</b>	<b>53,247,310.52</b>	<b>52,878,823.90</b>
<b>Corporate Note</b>											
JOHNSON & JOHNSON CORP NOTES DTD 11/21/2014 1.125% 11/21/2017	478160BL7	1,560,000.00	AAA	Aaa	11/18/14	11/21/14	1,558,767.60	1.15	1,950.00	1,559,837.95	1,558,917.36



**Managed Account Detail of Securities Held**

For the Month Ending **June 30, 2017**

**CITY OF SALEM LONG-TERM PORTFOLIO**

<b>Security Type/Description Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Corporate Note</b>											
EXXON MOBIL CORP NOTES DTD 03/06/2015 1.305% 03/06/2018	30231GAL6	2,500,000.00	AA+	Aaa	03/04/15	03/06/15	2,500,000.00	1.31	10,421.88	2,500,000.00	2,498,485.00
BERKSHIRE HATHAWAY NOTES DTD 05/15/2013 1.300% 05/15/2018	084664BW0	3,000,000.00	AA	Aa2	04/24/15	04/28/15	3,020,280.00	1.07	4,983.33	3,005,872.20	2,996,751.00
MICROSOFT CORP NOTES DTD 11/03/2015 1.300% 11/03/2018	594918BF0	1,845,000.00	AAA	Aaa	10/29/15	11/03/15	1,843,155.00	1.33	3,864.25	1,844,167.70	1,842,068.30
WELLS FARGO & COMPANY NOTES DTD 10/28/2013 2.150% 01/15/2019	94974BFQ8	2,500,000.00	A	A2	08/23/16	08/25/16	2,549,325.00	1.31	24,784.72	2,531,957.70	2,512,520.00
CHEVRON CORP NOTES DTD 05/16/2016 1.561% 05/16/2019	166764BH2	2,000,000.00	AA-	Aa2	05/09/16	05/16/16	2,000,000.00	1.56	3,902.50	2,000,000.00	1,994,174.00
TOYOTA MOTOR CREDIT CORP NOTES DTD 05/20/2016 1.400% 05/20/2019	89236TDE2	2,750,000.00	AA-	Aa3	05/17/16	05/20/16	2,746,150.00	1.45	4,384.72	2,747,560.48	2,733,365.25
COCA-COLA COMPANY CORP NOTES DTD 05/31/2016 1.375% 05/30/2019	191216BV1	1,335,000.00	AA-	Aa3	05/25/16	05/31/16	1,334,065.50	1.40	1,580.68	1,334,399.40	1,329,740.10
APPLE INC CORP NOTE DTD 05/13/2015 2.000% 05/06/2020	037833BD1	2,500,000.00	AA+	Aa1	06/27/17	06/28/17	2,515,225.00	1.78	6,666.67	2,515,181.95	2,511,990.00
<b>Security Type Sub-Total</b>		<b>19,990,000.00</b>					<b>20,066,968.10</b>	<b>1.37</b>	<b>62,538.75</b>	<b>20,038,977.38</b>	<b>19,978,011.01</b>
<b>Commercial Paper</b>											
BANK TOKYO MITSUBISHI UFJ LTD COMM PAPER -- 0.000% 08/30/2017	06538BVW0	2,500,000.00	A-1	P-1	02/23/17	02/24/17	2,482,468.75	1.36	0.00	2,494,375.00	2,494,827.50
BNP PARIBAS NY BRANCH COMM PAPER DTD 03/08/2017 0.000% 09/05/2017	09659BW55	2,500,000.00	A-1	P-1	03/08/17	03/09/17	2,484,375.00	1.26	0.00	2,494,270.83	2,494,300.00
CREDIT AGRICOLE CIB NY COMM PAPER DTD 06/02/2017 0.000% 12/04/2017	22533TZ41	2,500,000.00	A-1	P-1	06/06/17	06/07/17	2,483,500.00	1.33	0.00	2,485,700.00	2,485,227.50
<b>Security Type Sub-Total</b>		<b>7,500,000.00</b>					<b>7,450,343.75</b>	<b>1.32</b>	<b>0.00</b>	<b>7,474,345.83</b>	<b>7,474,355.00</b>



**Managed Account Detail of Securities Held**

For the Month Ending **June 30, 2017**

**CITY OF SALEM LONG-TERM PORTFOLIO**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Managed Account Sub-Total</b>		<b>125,265,000.00</b>					<b>125,218,769.53</b>	<b>1.17</b>	<b>334,078.77</b>	<b>125,247,100.78</b>	<b>124,688,268.10</b>
<b>Securities Sub-Total</b>		<b>\$125,265,000.00</b>					<b>\$125,218,769.53</b>	<b>1.17%</b>	<b>\$334,078.77</b>	<b>\$125,247,100.78</b>	<b>\$124,688,268.10</b>
<b>Accrued Interest</b>											<b>\$334,078.77</b>
<b>Total Investments</b>											<b>\$125,022,346.87</b>



**Managed Account Detail of Securities Held**

For the Month Ending **June 30, 2017**

**CITY OF SALEM STREETS & BRIDGES GO BONDS**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Federal Agency Bond / Note</b>											
FREDDIE MAC GLOBAL NOTES DTD 08/10/2012 1.000% 09/29/2017	3137EADL0	225,000.00	AA+	Aaa	03/24/14	03/25/14	223,321.50	1.22	575.00	224,881.00	224,947.13
FANNIE MAE GLOBAL NOTES DTD 10/30/2012 0.875% 12/20/2017	3135G0RT2	255,000.00	AA+	Aaa	03/24/14	03/25/14	250,907.25	1.32	68.18	254,474.88	254,655.75
<b>Security Type Sub-Total</b>		<b>480,000.00</b>					<b>474,228.75</b>	<b>1.27</b>	<b>643.18</b>	<b>479,355.88</b>	<b>479,602.88</b>
<b>Commercial Paper</b>											
CREDIT AGRICOLE CIB NY COMM PAPER DTD 03/08/2017 0.000% 09/05/2017	22533TW51	1,000,000.00	A-1	P-1	03/09/17	03/10/17	994,033.33	1.21	0.00	997,800.00	997,726.00
BNP PARIBAS NY BRANCH COMM PAPER DTD 01/04/2017 0.000% 10/02/2017	09659BX21	1,000,000.00	A-1	P-1	03/09/17	03/10/17	992,618.33	1.30	0.00	996,667.50	996,741.00
BANK OF TOKYO MITSUBISHI LTD COMM PAPER DTD 05/10/2017 0.000% 01/10/2018	06538CAA9	675,000.00	A-1	P-1	06/06/17	06/07/17	669,263.06	1.42	0.00	669,897.56	669,882.15
<b>Security Type Sub-Total</b>		<b>2,675,000.00</b>					<b>2,655,914.72</b>	<b>1.30</b>	<b>0.00</b>	<b>2,664,365.06</b>	<b>2,664,349.15</b>
<b>Managed Account Sub-Total</b>		<b>3,155,000.00</b>					<b>3,130,143.47</b>	<b>1.29</b>	<b>643.18</b>	<b>3,143,720.94</b>	<b>3,143,952.03</b>
<b>Securities Sub-Total</b>		<b>\$3,155,000.00</b>					<b>\$3,130,143.47</b>	<b>1.29%</b>	<b>\$643.18</b>	<b>\$3,143,720.94</b>	<b>\$3,143,952.03</b>
<b>Accrued Interest</b>											<b>\$643.18</b>
<b>Total Investments</b>											<b>\$3,144,595.21</b>



**Managed Account Detail of Securities Held**

For the Month Ending **June 30, 2017**

**CITY OF SALEM SHORT TERM PORTFOLIO**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Commercial Paper</b>											
TOYOTA MOTOR CREDIT CORP COMM PAPER -- 0.000% 08/28/2017	89233GVU7	2,000,000.00	A-1+	P-1	12/14/16	12/15/16	1,982,648.89	1.23	0.00	1,996,068.88	1,996,302.00
JP MORGAN SECURITIES LLC COMM PAPER DTD 12/12/2016 0.000% 09/08/2017	46640PW82	4,750,000.00	A-1	P-1	12/14/16	12/15/16	4,703,145.21	1.34	0.00	4,737,891.44	4,738,823.25
CREDIT AGRICOLE CIB NY COMM PAPER DTD 06/02/2017 0.000% 12/04/2017	22533TZ41	2,500,000.00	A-1	P-1	06/06/17	06/07/17	2,483,500.00	1.33	0.00	2,485,700.00	2,485,227.50
<b>Security Type Sub-Total</b>		<b>9,250,000.00</b>					<b>9,169,294.10</b>	<b>1.32</b>	<b>0.00</b>	<b>9,219,660.32</b>	<b>9,220,352.75</b>
<b>Managed Account Sub-Total</b>		<b>9,250,000.00</b>					<b>9,169,294.10</b>	<b>1.32</b>	<b>0.00</b>	<b>9,219,660.32</b>	<b>9,220,352.75</b>
<b>Securities Sub-Total</b>		<b>\$9,250,000.00</b>					<b>\$9,169,294.10</b>	<b>1.32%</b>	<b>\$0.00</b>	<b>\$9,219,660.32</b>	<b>\$9,220,352.75</b>
<b>Accrued Interest</b>											<b>\$0.00</b>
<b>Total Investments</b>											<b>\$9,220,352.75</b>