



CITY OF SALEM

Investment Performance Review For the Quarter Ended June 30, 2018

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Market Update

QUARTERLY MARKET SUMMARY

SUMMARY

- Economic data continued to indicate strong growth worldwide, despite the myriad of geopolitical and global trade war events hitting the headlines. During the quarter, volatility waned, equity markets gained their footing, the U.S. Dollar (USD) continued its ascent and the Federal Open Market Committee's (FOMC) dual mandate came into clearer focus. But, with trade wars officially on, it's now a question of whether the strong fiscal stimulus that is fueling the U.S. economy will be enough to overcome the drag of trade uncertainty.
- Positive economic data released in the second quarter included job gains, housing starts, new home sales, factory orders, manufacturing survey indices and consumer sentiment.
- At its June FOMC meeting, the Federal Reserve (Fed) increased the overnight federal funds rate by 0.25 percent to a new range of 1.75 to 2.00 percent. While widely anticipated, the June rate hike was consistent with the Fed's continuing resolve to gradually tighten monetary policy. Fed expectations as measured by the FOMC's updated "dot plot" indicated two more rate hikes in the second half of 2018 and three more in 2019. Market estimates as measured by Fed funds futures contracts similarly imply two more hikes in 2018, but are less optimistic for 2019.
- The S&P 500 Index (S&P) rebounded by 3.4 percent over the quarter, following the first quarterly decline (first quarter 2018) in nearly three years. International indices followed suit, posting gains in local currencies for the quarter; however, the stronger USD tempered those gains for domestic investors. Meanwhile, bond yields generally rose, while the yield curve flattened.

ECONOMIC SNAPSHOT

- Real gross domestic product (GDP) in the U.S. increased at an annual rate of 2 percent in the first quarter. The deceleration in growth was driven by weaker consumer spending despite being boosted by a significant improvement in net exports. Looking forward, federal tax cuts and expanded spending point toward accelerated growth estimates for the second quarter.
- U.S. labor market conditions part one of the Fed's dual mandate remained strong during the quarter. Despite the quarter-end uptick in the headline unemployment rate to 4 percent (previously 3.8 percent), it remains near multi-decade lows. In addition, job growth remains robust (monthly average of 211,000 new jobs in the second quarter), weekly jobless claims reached a generational low and job openings reached a new record high. In fact, for the first time, there are more job openings than the number of unemployed persons.
- Inflation the second part of the Fed's dual mandate continued to march higher. As measured by the personal consumption expenditures (PCE) core price index, year-over-year (YoY) inflation reached the Fed's target of 2 percent for the first time since 2012.

INTEREST RATES

- U.S. Treasury yields generally rose over the quarter, with maturities less than three years increasing 20 to 25 basis points (bps) (0.20 to 0.25 percent), while maturities greater than five years increased by a lesser amount and 30-year Treasury bonds were nearly unchanged. The result was a flatter yield curve; the difference between 10-year and two-year Treasury yields narrowed to 33 bps (0.33 percent) by quarter-end, a level not hit since June 2007.
- Money market investments, like commercial paper and bank Certificates of Deposit (CDs), continued to offer attractive yields, reacting quickly to the periodic Fed rate hikes.
- After widening in the first quarter, credit spreads remained volatile in the second quarter but ended the quarter only modestly wider. Healthy corporate fundamentals remained supportive.

SECTOR PERFORMANCE

- Rising yields caused shorter-maturity to outperform longer-maturity Treasury indices; the exception was 30-year Treasury bonds, which were buoyed by incremental income amid relatively unchanged yields over the quarter. For example, the three-month Treasury bill index generated +0.45 percent of total return for the quarter, while the five-year Treasury returned -0.05 percent, and the 30-year Treasury returned +0.51 percent.
- Federal agency returns were in line with similar-duration U.S. Treasury securities for the quarter as spreads across the majority of the curve continued to trade very narrowly. The incremental income benefit from the sector continues to be minimal.
- For the second consecutive quarter, the municipal sector was a top performer as the sector continued to reap the benefits of a sharp slowdown in supply following the year-end flurry of issuance. From both an absolute and excess return perspective, the sector was a positive contributor to portfolio performance for the quarter.
- Shorter-term corporates generated positive excess returns in the quarter as incremental income offset modestly wider yield spreads. But, longer-term corporates (five years and longer) underperformed Treasuries as the impact of wider yield spreads on longer-duration securities overwhelmed the benefit of higher yields.
- After a general underperformance of mortgage-backed securities (MBS) in the first quarter, the sector found its footing in the second quarter. Nevertheless, returns in the MBS sector continue to be very much structure-dependent as specific maturity and coupon characteristics drove relative performance.
- Short-term commercial paper and bank CDs continued to offer incremental value relative to both short- and intermediate-term government securities. The incremental yield advantage offered in these sectors continues to be a valuable return attribute in the face of rising rates.

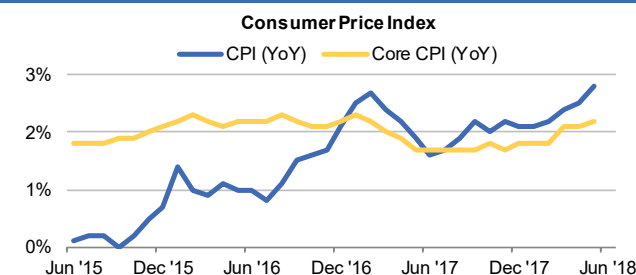
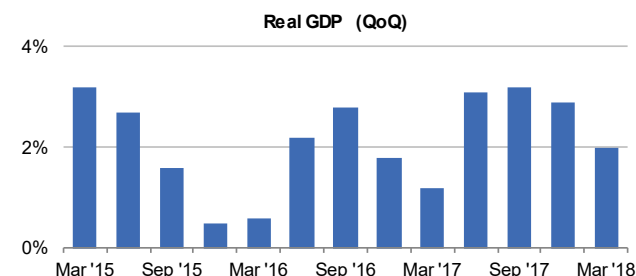
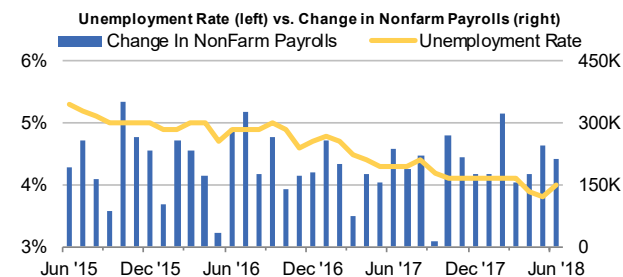
QUARTERLY MARKET SUMMARY

Economic Snapshot

Labor Market		Latest	Mar '18	Jun '17
Unemployment Rate	Jun '18	4.0%	4.1%	4.3%
Change In NonFarm Payrolls	Jun '18	213,000	155,000	239,000
Average Hourly Earnings (YoY)	Jun '18	2.7%	2.6%	2.5%
Personal Income (YoY)	May '18	4.0%	3.7%	2.4%
Initial Jobless Claims (week)	6/30/18	231,000	242,000	251,000

Growth		Latest	Mar '18	Jun '17
Real GDP (QoQ SAAR)	2018Q1	2.0%	2.9% ¹	1.2% ²
GDP Personal Consumption (QoQ SAAR)	2018Q1	0.9%	4.0% ¹	1.9% ²
Retail Sales (YoY)	May '18	5.9%	5.1%	3.5%
ISM Manufacturing Survey (month)	Jun '18	60.2	59.3	56.7
Existing Home Sales SAAR (month)	May '18	5.43 mil.	5.60 mil.	5.50 mil.

Inflation / Prices		Latest	Mar '18	Jun '17
Personal Consumption Expenditures (YoY)	May '18	2.3%	2.0%	1.4%
Consumer Price Index (YoY)	May '18	2.8%	2.4%	1.6%
Consumer Price Index Core (YoY)	May '18	2.2%	2.1%	1.7%
Crude Oil Futures (WTI, per barrel)	Jun 30	\$74.15	\$64.94	\$46.04
Gold Futures (oz.)	Jun 30	\$1,255	\$1,323	\$1,242



1. Data as of Fourth Quarter 2017.

2. Data as of First Quarter 2017.

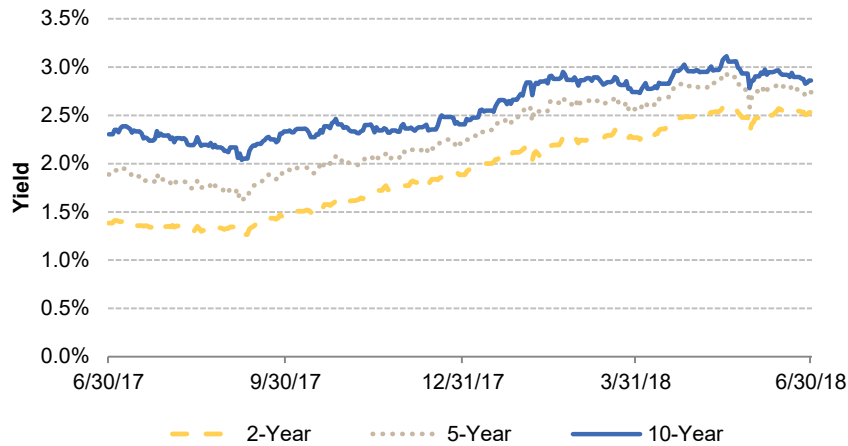
Note: YoY = year-over-year, QoQ = quarter over quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil.

Source: Bloomberg.

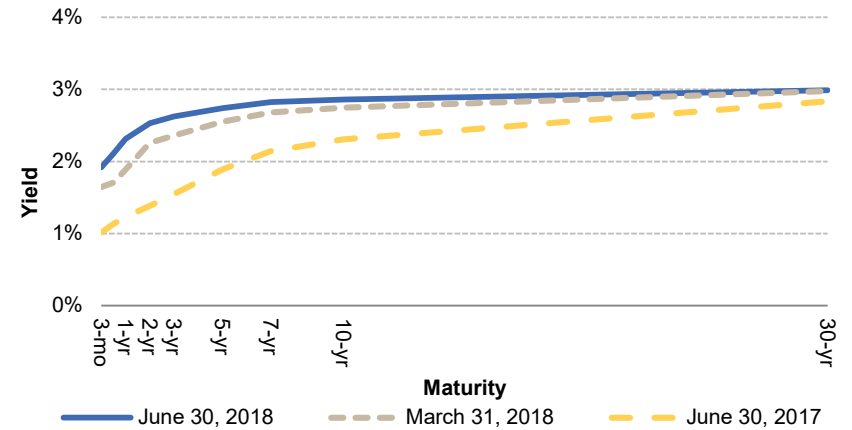
QUARTERLY MARKET SUMMARY

Interest Rate Overview

U.S. Treasury Note Yields



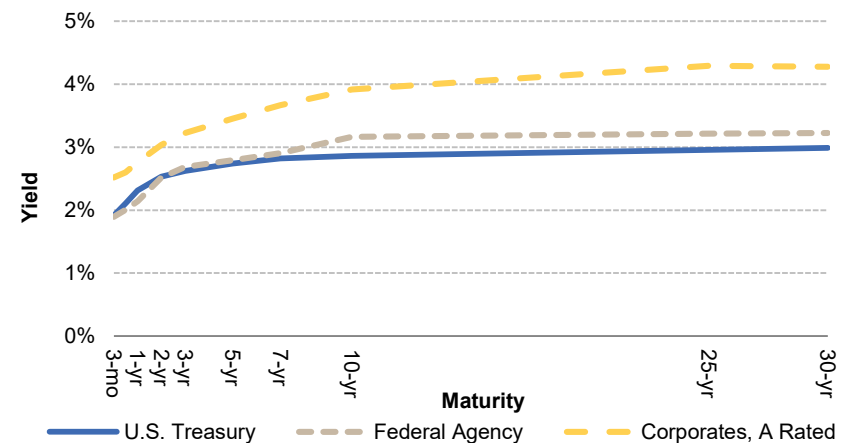
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	Jun '18	Mar '18	Change Over Quarter	Jun '17	Change Over Year
3-month	1.92%	1.71%	0.21%	1.01%	0.91%
1-year	2.31%	2.09%	0.22%	1.23%	1.08%
2-year	2.53%	2.27%	0.26%	1.38%	1.15%
5-year	2.74%	2.56%	0.18%	1.89%	0.85%
10-year	2.86%	2.74%	0.12%	2.31%	0.55%
30-year	2.99%	2.97%	0.02%	2.84%	0.15%

Yield Curves as of 6/30/18



Source: Bloomberg.

Investment Portfolio Review

The portfolio is in compliance with applicable state statutes and the City's Investment Policy C-7.

Quarter Ended June 30, 2018 – 2Q18

Quarterly Summary

Market Value (MV)	\$324,809,946
Amortized Cost	\$327,007,374
Combined Portfolio Yield on Cost	1.73%
Weighted Average Maturity	1.00 years
Cash Basis Earnings for Quarter	\$560,464
Accrual Basis Earnings for Quarter ²	\$698,171

Quarterly Change

Amortized Cost – 1Q18	\$373,535,784
Beginning MV – 1Q18	\$371,378,997
Change in Cash	(\$46,169,851)
Change in MV	(\$399,200)
Ending MV – 2Q18	\$324,809,946

Sector Distribution

Sector	Amortized Cost	Market ¹ Value	% of Portfolio	Allowed by Policy
U.S. Treasuries	\$120,348,832	\$119,539,827	37%	100%
Federal Agencies	74,722,029	73,632,364	23%	100%
U.S. Instrumentalities	2,731,038	2,694,718	1%	10%
Commercial Paper	14,824,151	14,824,549	5%	35%
Corporate Notes	31,120,999	30,865,830	10%	
LGIP	61,554,465	61,554,465	19%	ORS limit
Collateralized Deposit Accounts	20,214,765	20,214,765	6%	100%
Total	\$327,007,374	\$324,809,946	100%	

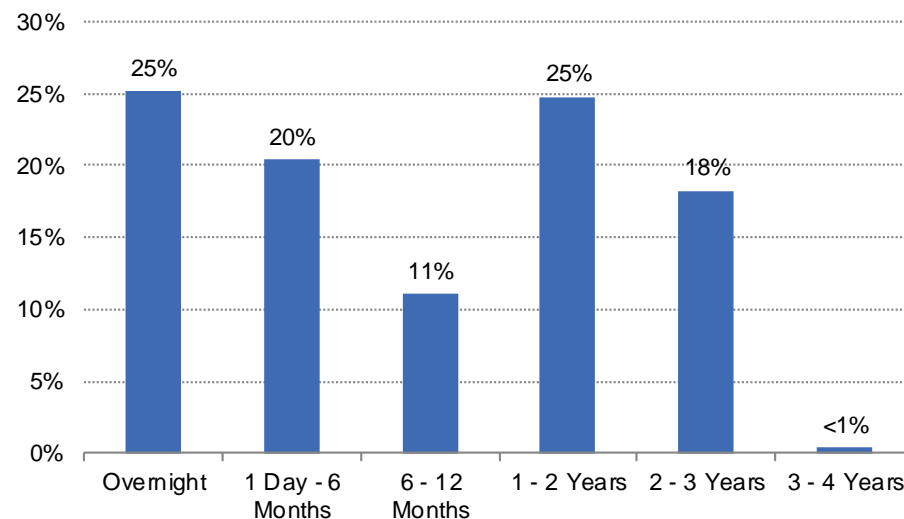
1. Values as of June 30, 2018 including accrued interest.

2. Excludes earnings on LGIP and deposit accounts

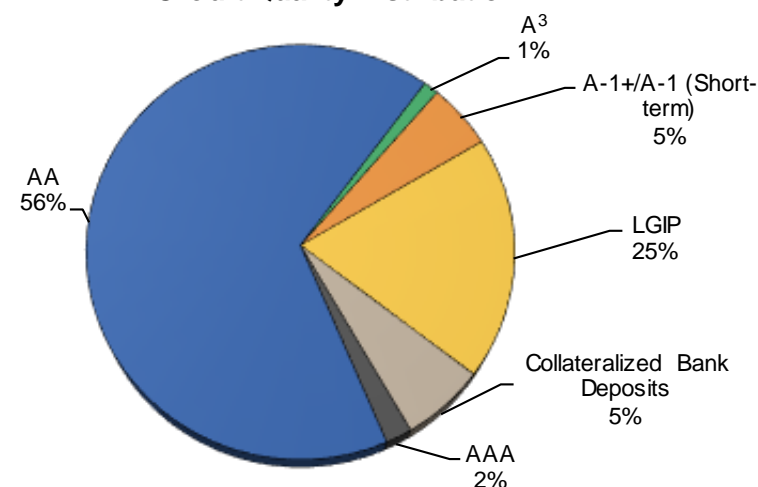
3. Ratings by Standard & Poor's (S&P). Securities rated A by S&P are rated AA- or the equivalent or better by at least one nationally recognized statistical rating organization and in compliance with the City's investment policy and Oregon Revised Statutes.

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

Combined Portfolio Maturity Distribution⁴



Credit Quality Distribution



CITY OF SALEM LONG-TERM PORTFOLIO

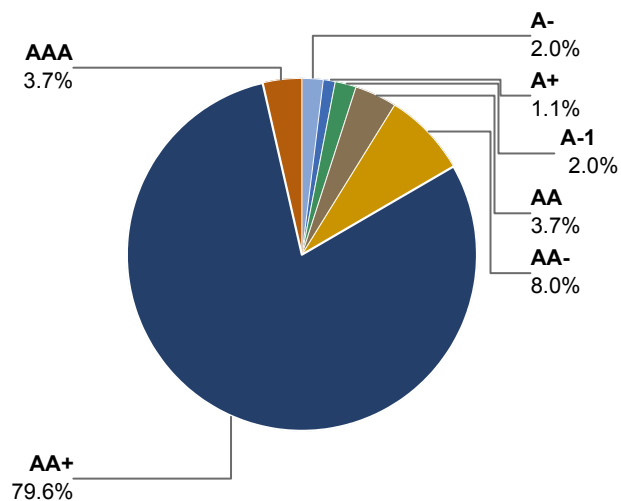
**Investment Performance Review
For the Quarter Ended June 30, 2018**

Portfolio Statistics

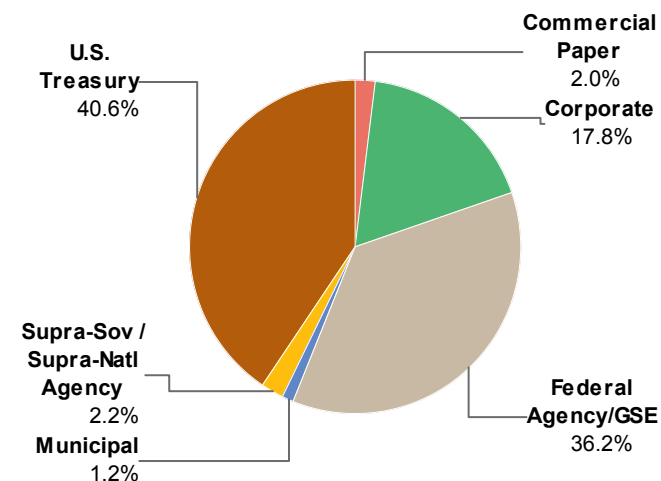
As of June 30, 2018

Par Value:	\$125,455,000
Total Market Value:	\$123,945,994
Security Market Value:	\$123,530,384
Accrued Interest:	\$415,610
Cash:	-
Amortized Cost:	\$124,797,750
Yield at Market:	2.56%
Yield at Cost:	1.76%
Effective Duration:	1.71 Years
Duration to Worst:	1.71 Years
Average Maturity:	1.77 Years
Average Credit: *	AA

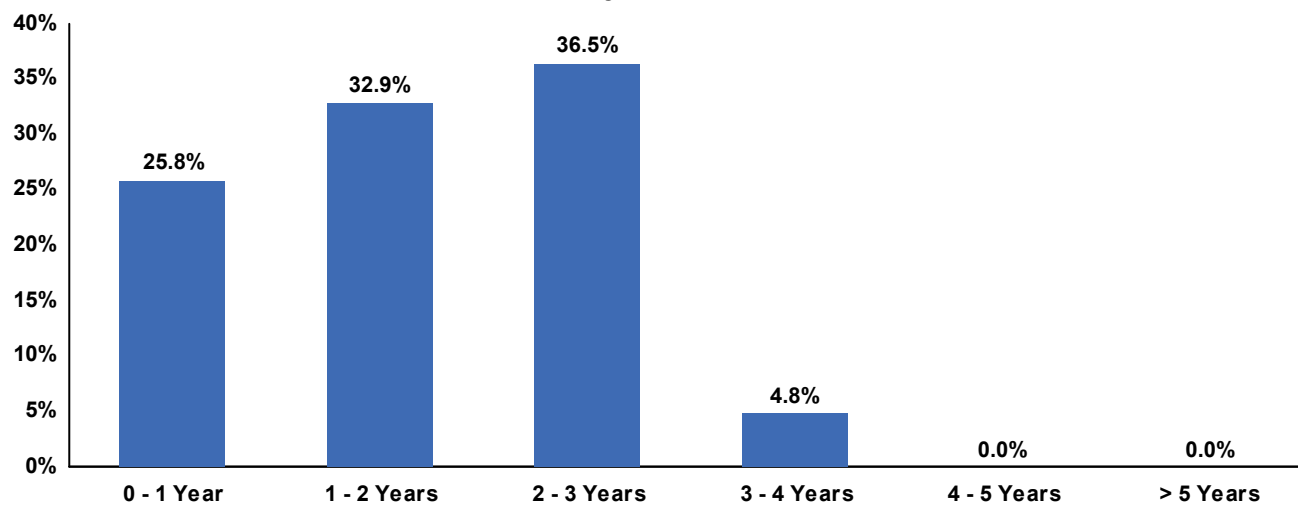
Credit Quality (S&P Ratings)



Sector Allocation



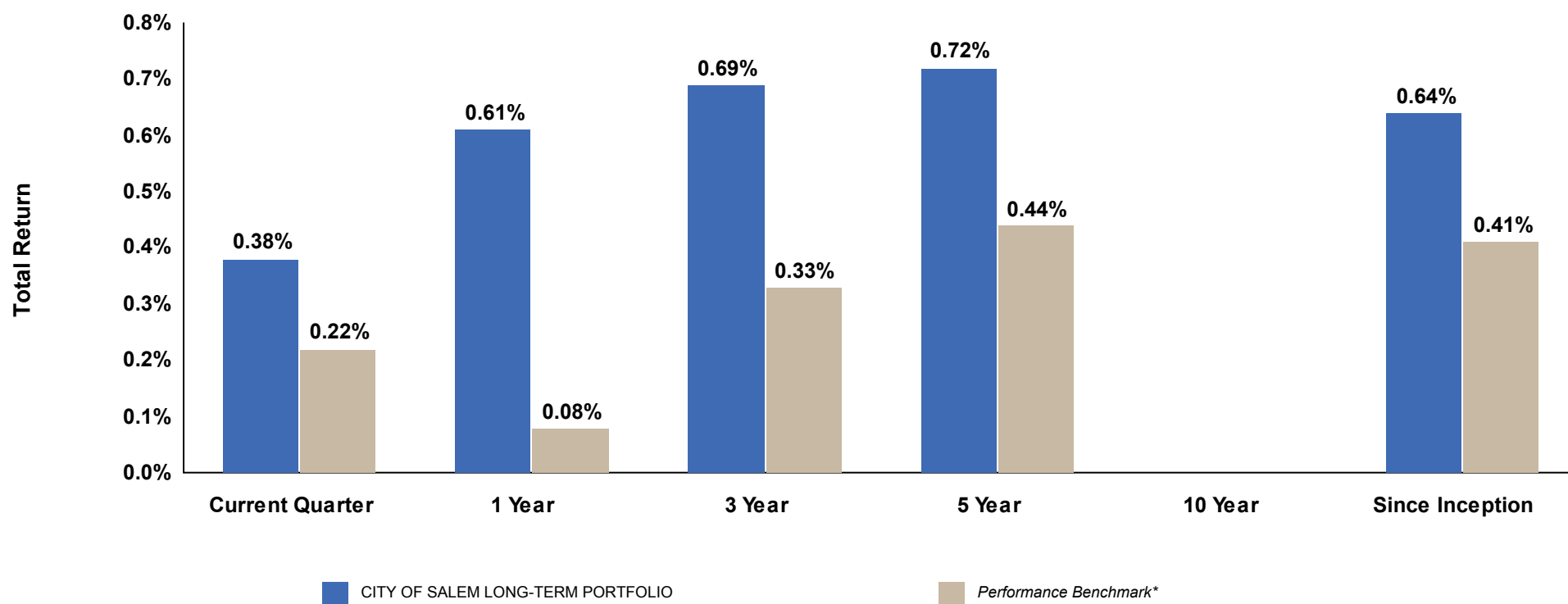
Maturity Distribution



* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	Annualized Return				Since Inception (12/31/12)
			1 Year	3 Year	5 Year	10 Year	
CITY OF SALEM LONG-TERM PORTFOLIO	1.71	0.38%	0.61%	0.69%	0.72%	-	0.64%
Performance Benchmark*	1.80	0.22%	0.08%	0.33%	0.44%	-	0.41%
Difference		0.16%	0.53%	0.36%	0.28%	-	0.23%



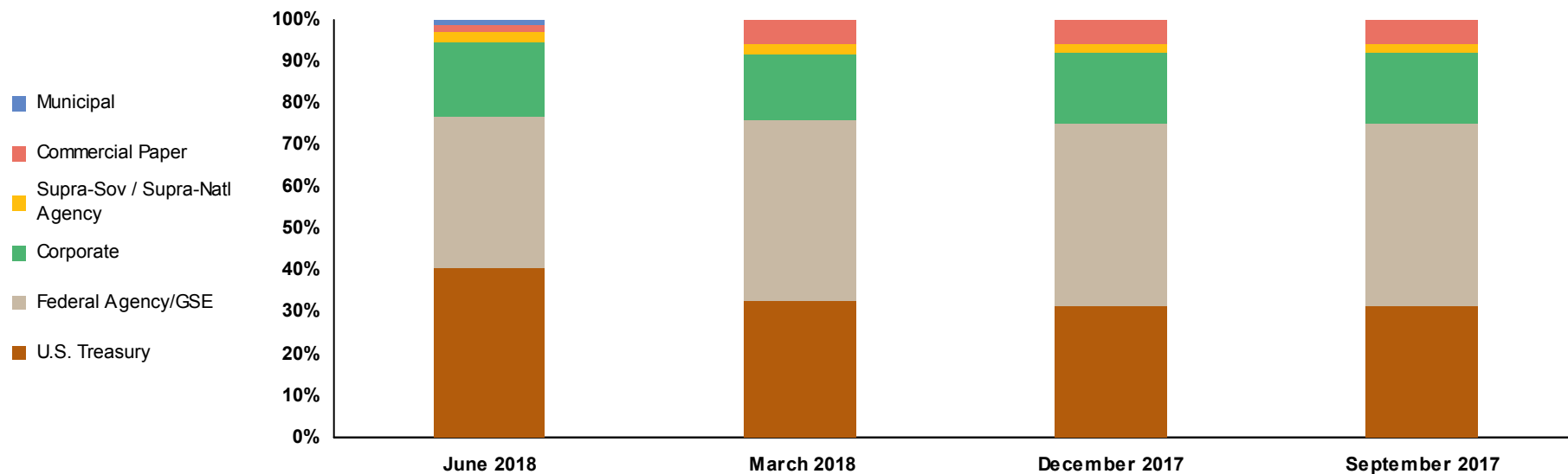
*Performance benchmark was the ICE Bank of America Merrill Lynch (ICE BAML) 0-3 Year U.S. Treasury Index from inception through 6/30/2016 and the ICE BAML 1-3 Year U.S. Treasury Index beginning 6/30/2016. Portfolio performance is gross of fees unless otherwise indicated.

Portfolio Earnings*Quarter-Ended June 30, 2018*

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (03/31/2018)	\$123,651,354.35	\$125,053,408.93
Net Purchases/Sales	(\$170,810.01)	(\$170,810.01)
Change in Value	\$49,839.36	(\$84,849.20)
Ending Value (06/30/2018)	\$123,530,383.70	\$124,797,749.72
Interest Earned	\$417,670.29	\$417,670.29
Portfolio Earnings	\$467,509.65	\$332,821.09

Sector Allocation

Sector	June 30, 2018		March 31, 2018		December 31, 2017		September 30, 2017	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	50.2	40.6%	40.1	32.4%	39.1	31.5%	39.3	31.5%
Federal Agency/GSE	44.7	36.2%	53.9	43.6%	54.0	43.5%	54.3	43.5%
Corporate	22.0	17.8%	19.5	15.8%	20.8	16.8%	20.9	16.8%
Supra-Sov / Supra-Natl Agency	2.7	2.2%	2.7	2.2%	2.7	2.2%	2.7	2.2%
Commercial Paper	2.5	2.0%	7.5	6.0%	7.4	6.0%	7.4	6.0%
Municipal	1.5	1.2%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Total	\$123.5	100.0%	\$123.7	100.0%	\$124.1	100.0%	\$124.6	100.0%

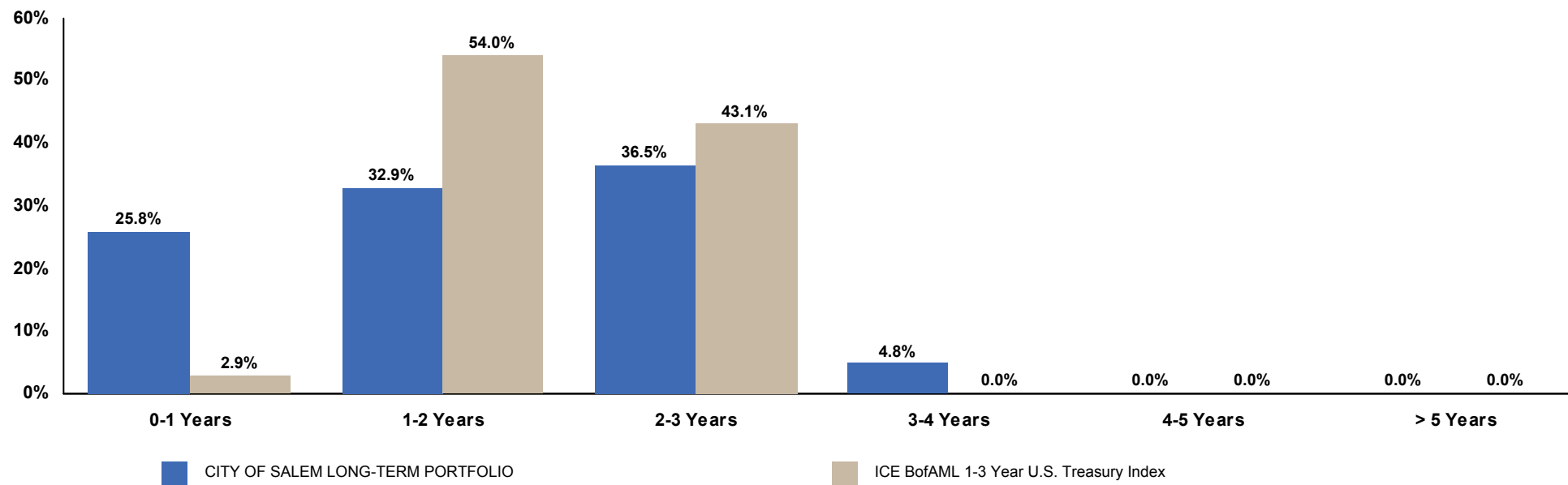


Detail may not add to total due to rounding.

Maturity Distribution

As of June 30, 2018

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
CITY OF SALEM LONG-TERM PORTFOLIO	2.56%	1.77 yrs	25.8%	32.9%	36.5%	4.8%	0.0%	0.0%
ICE BofAML 1-3 Year U.S. Treasury Index	2.53%	1.94 yrs	2.9%	54.0%	43.1%	0.0%	0.0%	0.0%



CITY OF SALEM SHORT TERM PORTFOLIO

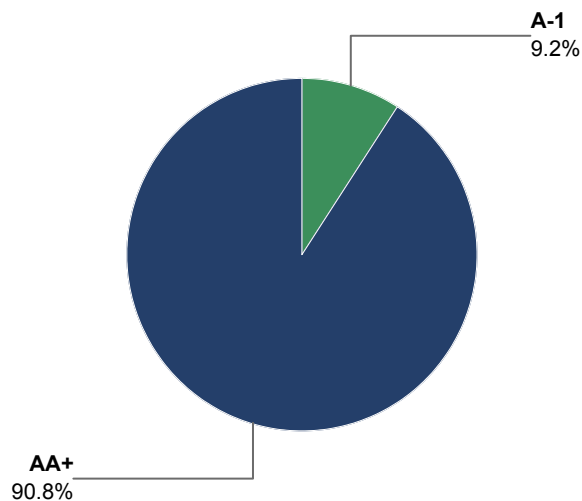
Investment Performance Review
For the Quarter Ended June 30, 2018

Portfolio Statistics

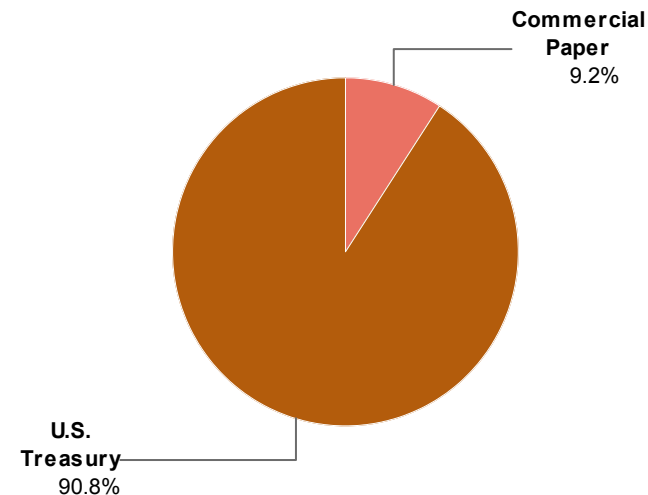
As of June 30, 2018

Par Value:	\$51,750,000
Total Market Value:	\$51,696,604
Security Market Value:	\$51,594,767
Accrued Interest:	\$101,837
Cash:	-
Amortized Cost:	\$51,637,831
Yield at Market:	1.98%
Yield at Cost:	1.68%
Effective Duration:	0.26 Years
Duration to Worst:	0.26 Years
Average Maturity:	0.26 Years
Average Credit: *	AA

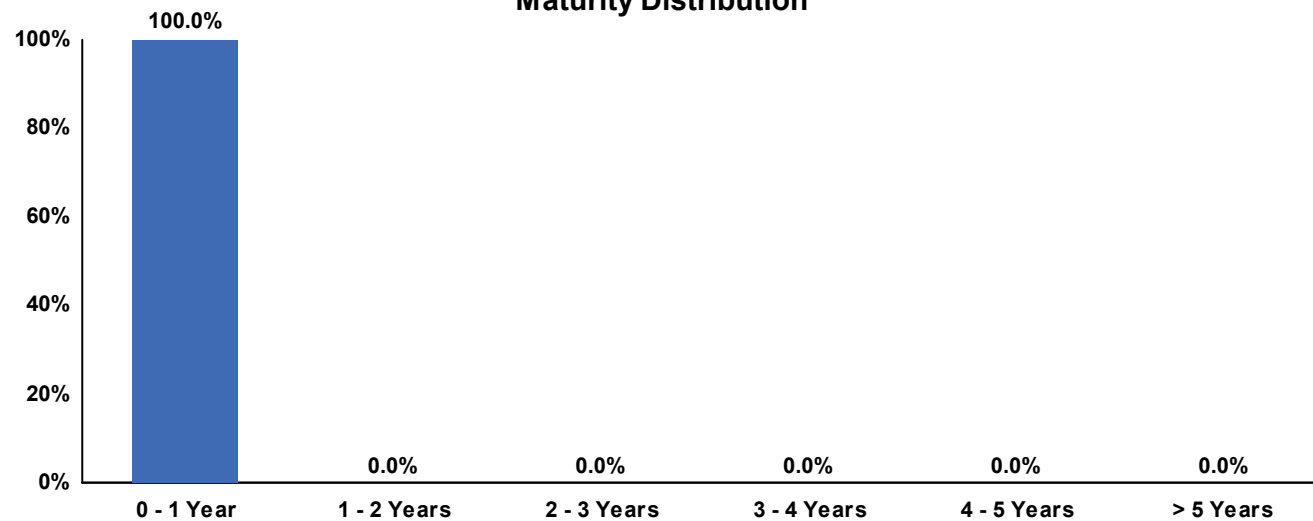
Credit Quality (S&P Ratings)



Sector Allocation



Maturity Distribution



* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

Portfolio Earnings*Quarter-Ended June 30, 2018*

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (03/31/2018)	\$66,905,590.50	\$66,992,475.63
Net Purchases/Sales	(\$15,500,000.00)	(\$15,500,000.00)
Change in Value	\$189,176.75	\$145,354.87
Ending Value (06/30/2018)	\$51,594,767.25	\$51,637,830.50
Interest Earned	\$103,646.52	\$103,646.52
Portfolio Earnings	\$292,823.27	\$249,001.39

CITY OF SALEM STREETS & BRIDGES GO BONDS

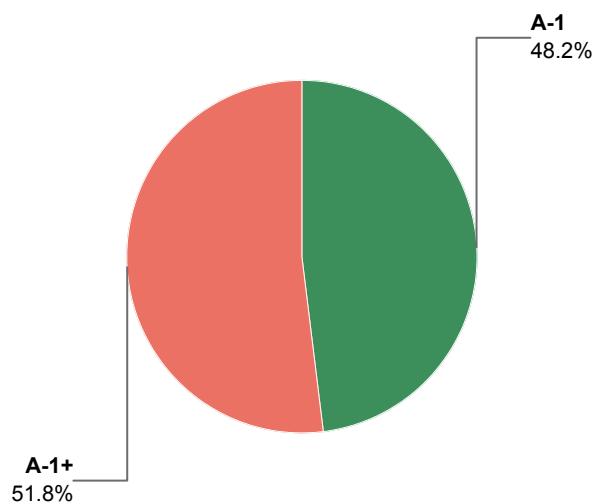
Investment Performance Review
For the Quarter Ended June 30, 2018

Portfolio Statistics

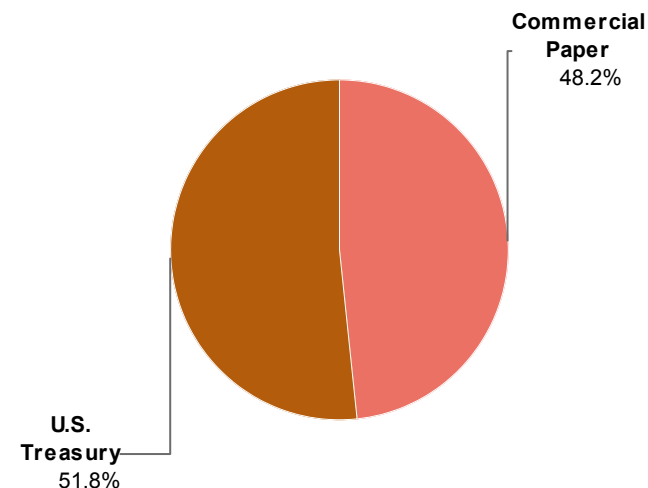
As of June 30, 2018

Par Value:	\$1,930,000
Total Market Value:	\$1,918,834
Security Market Value:	\$1,918,834
Accrued Interest:	-
Cash:	-
Amortized Cost:	\$1,918,765
Yield at Market:	2.10%
Yield at Cost:	2.15%
Effective Duration:	0.27 Years
Duration to Worst:	0.27 Years
Average Maturity:	0.27 Years
Average Credit: *	AA

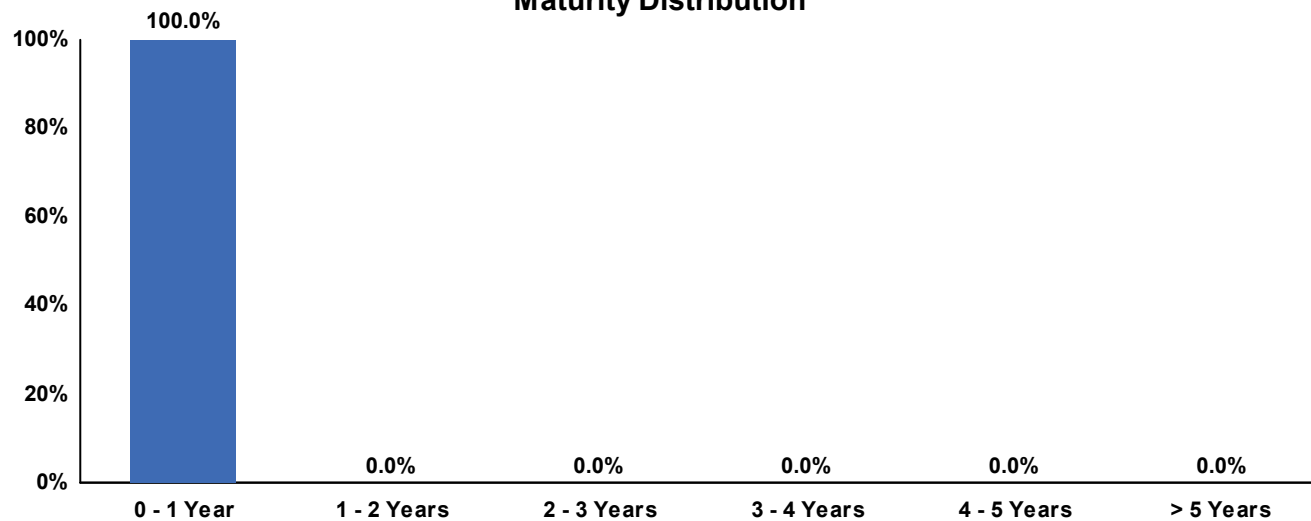
Credit Quality (S&P Ratings)



Sector Allocation



Maturity Distribution



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Portfolio Earnings*Quarter-Ended June 30, 2018*

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (03/31/2018)	\$929,518.26	\$929,644.54
Net Purchases/Sales	\$979,123.45	\$979,123.45
Change in Value	\$10,192.45	\$9,996.95
Ending Value (06/30/2018)	\$1,918,834.16	\$1,918,764.94
Interest Earned	\$0.00	\$0.00
Portfolio Earnings	\$10,192.45	\$9,996.95

CITY OF SALEM POLICE FACILITY BONDS 2017

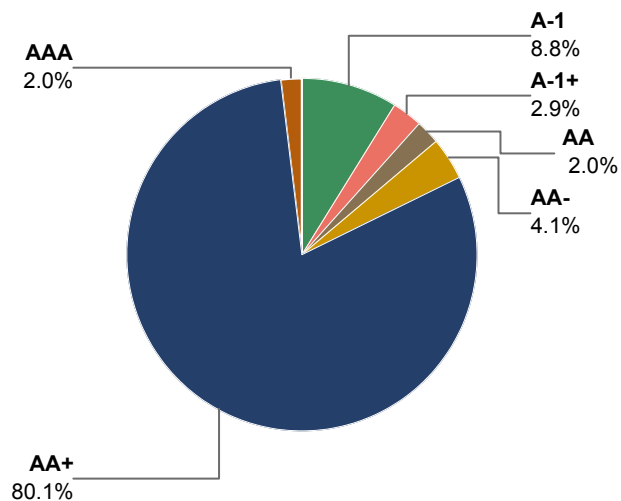
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For the Quarter Ended June 30, 2018

Portfolio Statistics

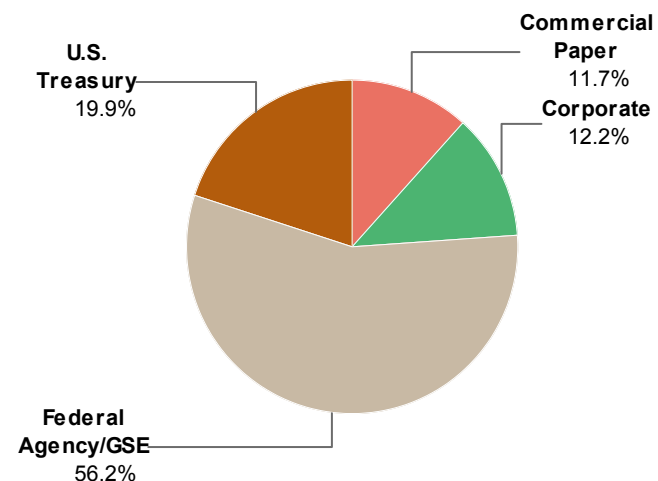
As of June 30, 2018

Par Value:	\$51,860,000
Total Market Value:	\$51,308,018
Security Market Value:	\$51,151,239
Accrued Interest:	\$156,778
Cash:	-
Amortized Cost:	\$51,838,985
Yield at Market:	2.45%
Yield at Cost:	1.53%
Effective Duration:	1.25 Years
Duration to Worst:	1.25 Years
Average Maturity:	1.28 Years
Average Credit: *	AA

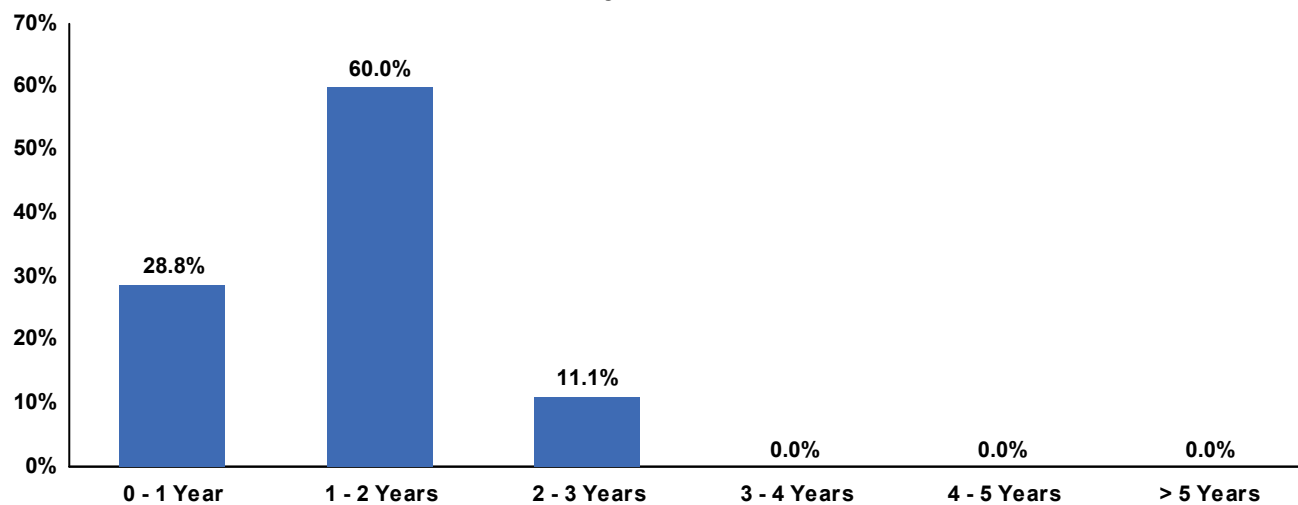
Credit Quality (S&P Ratings)



Sector Allocation



Maturity Distribution



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Portfolio Earnings*Quarter-Ended June 30, 2018*

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (03/31/2018)	\$53,106,231.93	\$53,766,369.05
Net Purchases/Sales	(\$1,964,506.17)	(\$1,964,506.17)
Change in Value	\$9,513.50	\$37,121.62
Ending Value (06/30/2018)	\$51,151,239.26	\$51,838,984.50
Interest Earned	\$159,507.66	\$159,507.66
Portfolio Earnings	\$169,021.16	\$196,629.28

CITY OF SALEM LIBRARY PROJ GO BONDS 2018

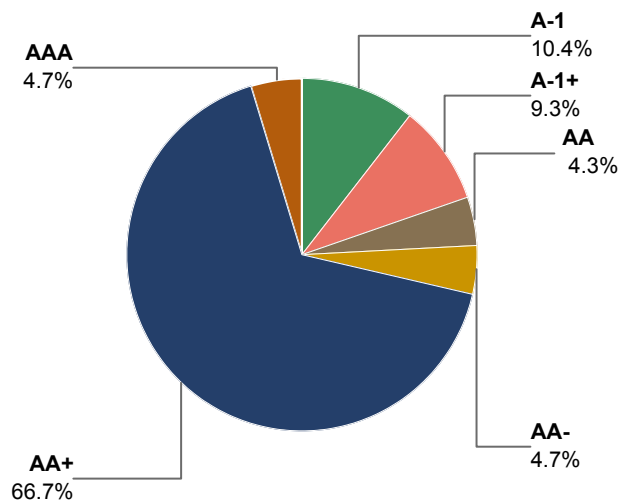
Investment Performance Review
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Portfolio Statistics

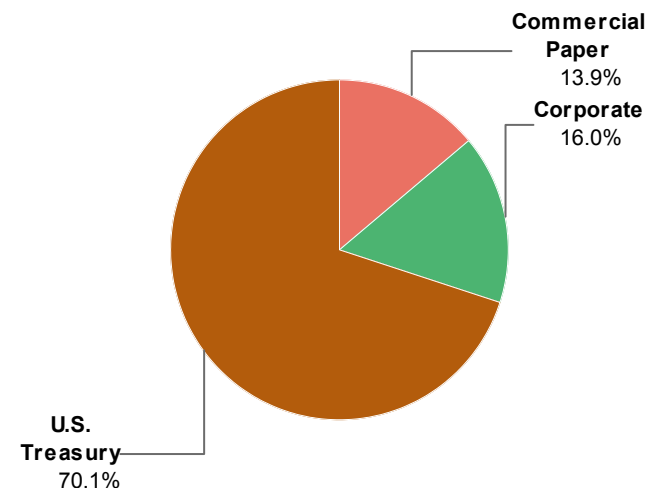
As of June 30, 2018

Par Value:	\$15,935,000
Total Market Value:	\$15,733,711
Security Market Value:	\$15,687,287
Accrued Interest:	\$46,424
Cash:	-
Amortized Cost:	\$15,743,353
Yield at Market:	2.53%
Yield at Cost:	2.37%
Effective Duration:	1.71 Years
Duration to Worst:	1.71 Years
Average Maturity:	1.77 Years
Average Credit: *	AA

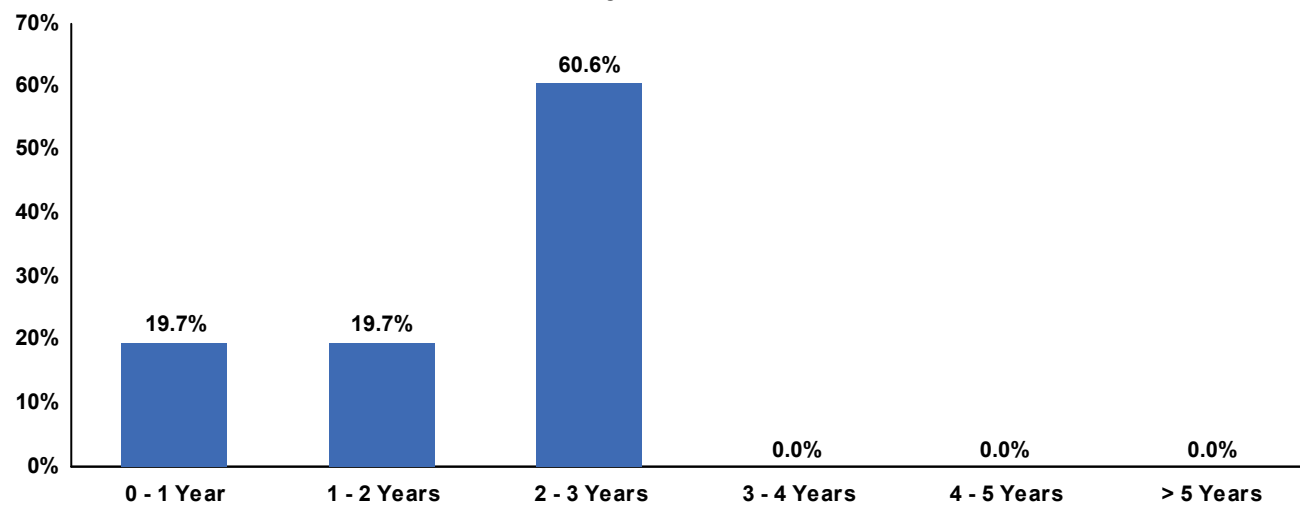
Credit Quality (S&P Ratings)



Sector Allocation



Maturity Distribution



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Portfolio Earnings*Quarter-Ended June 30, 2018*

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (03/31/2018)	\$13,545,602.41	\$13,553,185.69
Net Purchases/Sales	\$2,155,302.87	\$2,155,302.87
Change in Value	(\$13,618.34)	\$34,864.29
Ending Value (06/30/2018)	\$15,687,286.94	\$15,743,352.85
Interest Earned	\$57,051.00	\$57,051.00
Portfolio Earnings	\$43,432.66	\$91,915.29

Portfolio Transactions

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
4/12/18	4/13/18	3,100,000	3135G0U27	FANNIE MAE NOTES	2.50%	4/13/21	3,095,381.00	2.55%	
4/18/18	4/25/18	1,480,000	13063DGA0	CA ST TXBL GO BONDS	2.80%	4/1/21	1,480,059.20	2.80%	
5/15/18	5/17/18	2,000,000	084664BQ3	BERKSHIRE HATHAWAY FINANCE CORP NOTES	4.25%	1/15/21	2,094,405.56	2.96%	
5/16/18	5/17/18	875,000	02079KAA5	ALPHABET INC CORP NOTE	3.62%	5/19/21	909,040.66	2.89%	
5/24/18	5/29/18	1,015,000	9128284P2	US TREASURY N/B NOTES	2.62%	5/15/21	1,015,299.95	2.65%	
5/31/18	6/1/18	2,500,000	09659CPN2	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	2/22/19	2,455,112.50	2.47%	
6/5/18	6/7/18	2,500,000	912828WN6	US TREASURY NOTES	2.00%	5/31/21	2,457,499.25	2.61%	
6/14/18	6/18/18	5,200,000	912828WN6	US TREASURY NOTES	2.00%	5/31/21	5,103,755.38	2.69%	
6/14/18	6/18/18	4,000,000	912828XH8	US TREASURY NOTES	1.62%	6/30/20	3,954,876.55	2.58%	
6/14/18	6/18/18	5,000,000	912828S27	US TREASURY N/B	1.12%	6/30/21	4,797,940.05	2.70%	
6/14/18	6/18/18	4,000,000	9128284Q0	US TREASURY N/B NOTES	2.50%	5/31/20	3,999,449.28	2.57%	
6/20/18	6/27/18	2,500,000	931142EJ8	WAL-MART STORES INC CORP NOTES	3.12%	6/23/21	2,499,875.00	3.13%	
Total BUY		34,170,000					33,862,694.38		
INTEREST									
4/1/18	4/1/18	5,000,000	3130A9AE1	FHLB GLOBAL NOTES	0.87%	10/1/18	21,875.00		
4/15/18	4/15/18	5,000,000	3137EADZ9	FREDDIE MAC NOTES	1.12%	4/15/19	28,125.00		
4/30/18	4/30/18	3,700,000	912828WD8	US TREASURY NOTES	1.25%	10/31/18	23,125.00		
4/30/18	4/30/18	6,500,000	912828L99	US TREASURY NOTES	1.37%	10/31/20	44,687.50		
4/30/18	4/30/18	2,500,000	912828VA5	US TREASURY NOTES	1.12%	4/30/20	14,062.50		
4/30/18	4/30/18	5,000,000	912828D23	US TREASURY NOTES	1.62%	4/30/19	40,625.00		
5/3/18	5/3/18	1,845,000	594918BF0	MICROSOFT CORP NOTES	1.30%	11/3/18	11,992.50		
5/13/18	5/13/18	1,750,000	458182DX7	INTER-AMERICAN DEVELOPMENT BANK	1.00%	5/13/19	8,750.00		
5/13/18	5/13/18	2,500,000	037833BD1	APPLE INC CORP NOTE	2.00%	5/6/20	25,000.00		

CITY OF SALEM LONG-TERM PORTFOLIO

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
5/15/18	5/15/18	3,000,000	084664BW0	BERKSHIRE HATHAWAY NOTES	1.30%	5/15/18	19,500.00		
5/16/18	5/16/18	2,000,000	166764BH2	CHEVRON CORP NOTES	1.56%	5/16/19	15,610.00		
5/19/18	5/19/18	875,000	02079KAA5	ALPHABET INC CORP NOTE	3.62%	5/19/21	15,859.38		
5/20/18	5/20/18	2,750,000	89236TDE2	TOYOTA MOTOR CREDIT CORP NOTES	1.40%	5/20/19	19,250.00		
5/30/18	5/30/18	1,335,000	191216BV1	COCA-COLA COMPANY CORP NOTES	1.37%	5/30/19	9,178.13		
5/31/18	5/31/18	5,250,000	912828A34	US TREASURY NOTES	1.25%	11/30/18	32,812.50		
5/31/18	5/31/18	5,350,000	912828M98	US TREASURY NOTES	1.62%	11/30/20	43,468.75		
6/21/18	6/21/18	5,000,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	28,125.00		
6/30/18	6/30/18	5,000,000	912828S27	US TREASURY N/B	1.12%	6/30/21	28,125.00		
6/30/18	6/30/18	4,000,000	912828XH8	US TREASURY NOTES	1.62%	6/30/20	32,500.00		
6/30/18	6/30/18	1,100,000	912828XH8	US TREASURY NOTES	1.62%	6/30/20	8,937.50		
Total INTEREST		69,455,000					471,608.76		

MATURITY

5/15/18	5/15/18	3,000,000	084664BW0	BERKSHIRE HATHAWAY NOTES	1.30%	5/15/18	3,000,000.00		0.00
5/25/18	5/25/18	1,015,000	06538CER8	MUFG BANK LTD/NY COMM PAPER	0.00%	5/25/18	1,015,000.00		0.00
5/30/18	5/30/18	2,500,000	09659CEW4	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	5/30/18	2,500,000.00		0.00
6/4/18	6/4/18	2,500,000	22533UF40	CREDIT AGRICOLE CIB NY	0.00%	6/4/18	2,500,000.00		0.00
Total MATURITY		9,015,000					9,015,000.00		0.00

SELL

4/12/18	4/13/18	3,100,000	3130A8PK3	FHLB NOTES	0.62%	8/7/18	3,091,359.16	1.87%	(11,166.88)
4/24/18	4/25/18	1,485,000	06538CER8	MUFG BANK LTD/NY COMM PAPER	0.00%	5/25/18	1,482,611.63	1.93%	(495.00)
6/14/18	6/18/18	3,700,000	912828WD8	US TREASURY NOTES	1.25%	10/31/18	3,695,173.92	2.06%	(17,257.79)
6/14/18	6/18/18	1,025,000	3130A8PK3	FHLB NOTES	0.62%	8/7/18	1,025,455.41	1.97%	(1,729.93)
6/14/18	6/18/18	750,000	3130A8PK3	FHLB NOTES	0.62%	8/7/18	750,333.23	1.97%	(1,185.85)

CITY OF SALEM LONG-TERM PORTFOLIO

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
6/14/18	6/18/18	5,000,000	3130A9AE1	FHLB GLOBAL NOTES	0.87%	10/1/18	4,992,607.64	2.05%	(16,281.65)
6/14/18	6/18/18	2,195,000	912828N63	US TREASURY N/B	1.12%	1/15/19	2,192,300.78	2.18%	(14,287.27)
6/14/18	6/18/18	5,250,000	912828A34	US TREASURY NOTES	1.25%	11/30/18	5,233,129.80	2.11%	(29,639.27)
6/20/18	6/27/18	1,760,000	3135G0J53	FNMA BENCHMARK NOTE	1.00%	2/26/19	1,751,360.36	2.26%	(14,871.58)
6/21/18	6/27/18	740,000	3135G0J53	FNMA BENCHMARK NOTE	1.00%	2/26/19	736,315.62	2.27%	(6,304.62)
Total SELL		25,005,000					24,950,647.55		-113,219.84

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
4/15/18	4/15/18	5,500,000	912828L81	US TREASURY NOTES	0.87%	10/15/18	24,062.50		
4/30/18	4/30/18	18,000,000	912828T83	US TREASURY NOTES	0.75%	10/31/18	67,500.00		
Total INTEREST		23,500,000					91,562.50		
MATURITY									
5/14/18	5/14/18	4,000,000	89233HEE0	TOYOTA MOTOR CREDIT CORP COMM PAPER	0.00%	5/14/18	4,000,000.00		0.00
5/21/18	5/21/18	3,500,000	06538CEM9	MUFG BANK LTD/NY COMM PAPER	0.00%	5/21/18	3,500,000.00		0.00
5/21/18	5/21/18	3,500,000	09659CEM6	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	5/21/18	3,500,000.00		0.00
5/25/18	5/25/18	2,500,000	22533UER0	CREDIT AGRICOLE CIB NY COMM PAPER	0.00%	5/25/18	2,500,000.00		0.00
5/25/18	5/25/18	2,000,000	36164KER8	GE CAPITAL TREASURY LLC COMM PAPER	0.00%	5/25/18	2,000,000.00		0.00
Total MATURITY		15,500,000					15,500,000.00		0.00

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
4/2/18	4/4/18	1,000,000	912796NZ8	UNITED STATES TREASURY BILL	0.00%	10/11/18	990,251.42	1.87%	
4/9/18	4/10/18	930,000	62479MK51	MUFG BANK LTD/NY COMM PAPER	0.00%	10/5/18	918,872.03	2.45%	
Total BUY		1,930,000					1,909,123.45		
MATURITY									
4/9/18	4/9/18	930,000	06538CD99	MUFG BANK LTD/NY COMM PAPER	0.00%	4/9/18	930,000.00		0.00
Total MATURITY		930,000					930,000.00		0.00

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
5/25/18	5/29/18	1,950,000	09659CHT8	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	8/27/18	1,939,226.25	2.22%	
5/25/18	5/29/18	1,950,000	912828K82	US TREASURY N/B	1.00%	8/15/18	1,951,815.92	1.89%	
Total BUY		3,900,000					3,891,042.17		
INTEREST									
4/2/18	4/2/18	2,570,000	3137EADM8	FREDDIE MAC GLOBAL NOTES	1.25%	10/2/19	16,062.50		
4/20/18	4/20/18	2,500,000	3137EAEF2	FHLMC AGENCY NOTES	1.37%	4/20/20	17,187.50		
5/15/18	5/15/18	1,050,000	166764AN0	CHEVRON CORP (CALLABLE) NOTE	2.19%	11/15/19	11,513.25		
5/15/18	5/15/18	1,515,000	3130AA3R7	FHLB NOTES	1.37%	11/15/19	10,415.63		
5/28/18	5/28/18	2,390,000	3130ABF92	FEDERAL HOME LOAN BANK AGENCY NOTES	1.37%	5/28/19	16,431.25		
5/31/18	5/31/18	2,500,000	912828XE5	US TREASURY NOTES	1.50%	5/31/20	18,750.00		
6/21/18	6/21/18	2,365,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	13,303.13		
6/22/18	6/22/18	2,480,000	3135G0D75	FNMA BENCHMARK NOTES	1.50%	6/22/20	18,600.00		
6/30/18	6/30/18	2,550,000	912828G95	US TREASURY NOTES	1.62%	12/31/19	20,718.75		
6/30/18	6/30/18	2,060,000	912828N48	US TREASURY NOTES	1.75%	12/31/20	18,025.00		
Total INTEREST		21,980,000					161,007.01		
MATURITY									
5/1/18	5/1/18	1,950,000	46640QE15	JP MORGAN SECURITIES LLC COMM PAPER	0.00%	5/1/18	1,950,000.00		0.00
5/25/18	5/25/18	1,950,000	09659CER5	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	5/25/18	1,950,000.00		0.00
5/25/18	5/25/18	1,950,000	06538CER8	MUFG BANK LTD/NY COMM PAPER	0.00%	5/25/18	1,950,000.00		0.00

CITY OF SALEM POLICE FACILITY BONDS 2017

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
Total MATURITY		5,850,000					5,850,000.00		0.00

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
4/2/18	4/4/18	550,000	09659CMH8	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	12/17/18	540,341.08	2.50%	
4/2/18	4/4/18	550,000	62479MMH3	MUFG BANK LTD/NY COMM PAPER	0.00%	12/17/18	540,223.29	2.54%	
4/4/18	4/5/18	550,000	46640QK42	JP MORGAN SECURITIES LLC COMM PAPER	0.00%	10/4/18	543,326.67	2.43%	
4/4/18	4/5/18	550,000	89233HMH4	TOYOTA MOTOR CREDIT CORP COMM PAPER	0.00%	12/17/18	540,691.56	2.42%	
6/1/18	6/4/18	920,000	912796QL6	UNITED STATES TREASURY BILL	0.00%	11/29/18	910,720.27	2.06%	
Total BUY		3,120,000					3,075,302.87		
INTEREST									
4/1/18	4/1/18	360,000	594918AH7	MICROSOFT CORP NOTES	3.00%	10/1/20	5,400.00		
4/17/18	4/17/18	370,000	89236TDU6	TOYOTA MOTOR CREDIT CORP	1.95%	4/17/20	3,607.50		
4/25/18	4/25/18	370,000	742718EZ8	THE PROCTER & GAMBLE CO CORP NOTES	1.75%	10/25/19	3,237.50		
4/30/18	4/30/18	530,000	912828K58	US TREASURY NOTES	1.37%	4/30/20	3,643.75		
4/30/18	4/30/18	840,000	912828L99	US TREASURY NOTES	1.37%	10/31/20	5,775.00		
5/11/18	5/11/18	375,000	037833CS7	APPLE INC BONDS	1.80%	5/11/20	3,375.00		
5/31/18	5/31/18	1,200,000	912828M98	US TREASURY NOTES	1.62%	11/30/20	9,750.00		
5/31/18	5/31/18	920,000	912828R51	US TREASURY NOTES	0.87%	5/31/18	4,025.00		
5/31/18	5/31/18	525,000	912828XE5	US TREASURY NOTES	1.50%	5/31/20	3,937.50		
6/15/18	6/15/18	320,000	717081EB5	PFIZER INC CORP NOTE	1.70%	12/15/19	2,720.00		
6/30/18	6/30/18	1,195,000	912828A83	US TREASURY NOTES	2.37%	12/31/20	14,190.63		
6/30/18	6/30/18	900,000	912828XH8	US TREASURY NOTES	1.62%	6/30/20	7,312.50		
Total INTEREST		7,905,000					66,974.38		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
MATURITY									
5/31/18	5/31/18	920,000	912828R51	US TREASURY NOTES	0.87%	5/31/18	920,000.00		0.00
Total MATURITY		920,000					920,000.00		0.00

Portfolio Holdings

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 04/30/2014 1.625% 04/30/2019	912828D23	5,000,000.00	AA+	Aaa	5/3/2016	5/5/2016	5,105,468.75	0.91	13,688.86	5,029,644.90	4,971,290.00
US TREASURY NOTES DTD 04/01/2013 1.125% 03/31/2020	912828UV0	2,930,000.00	AA+	Aaa	3/15/2017	3/17/2017	2,879,526.17	1.71	8,285.66	2,900,645.65	2,860,412.50
US TREASURY NOTES DTD 04/30/2013 1.125% 04/30/2020	912828VA5	2,500,000.00	AA+	Aaa	4/26/2017	4/27/2017	2,473,242.19	1.49	4,738.45	2,483,571.30	2,437,792.50
US TREASURY N/B NOTES DTD 05/31/2018 2.500% 05/31/2020	9128284Q0	4,000,000.00	AA+	Aaa	6/14/2018	6/18/2018	3,994,531.25	2.57	8,469.95	3,994,630.64	3,998,124.00
US TREASURY NOTES DTD 06/30/2015 1.625% 06/30/2020	912828XH8	1,100,000.00	AA+	Aaa	6/27/2017	6/28/2017	1,103,093.75	1.53	48.57	1,102,071.89	1,080,449.70
US TREASURY NOTES DTD 06/30/2015 1.625% 06/30/2020	912828XH8	4,000,000.00	AA+	Aaa	6/14/2018	6/18/2018	3,924,531.25	2.58	176.63	3,925,842.08	3,928,908.00
US TREASURY NOTES DTD 10/31/2015 1.375% 10/31/2020	912828L99	6,500,000.00	AA+	Aaa	2/1/2017	2/7/2017	6,416,718.75	1.73	15,057.74	6,447,310.68	6,323,278.00
US TREASURY NOTES DTD 11/30/2015 1.625% 11/30/2020	912828M98	5,350,000.00	AA+	Aaa	1/8/2018	1/10/2018	5,284,169.92	2.07	7,363.56	5,294,708.12	5,230,042.30
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	5,000,000.00	AA+	Aaa	1/8/2018	1/10/2018	4,893,945.31	2.09	28,677.49	4,909,983.95	4,847,460.00
US TREASURY N/B NOTES DTD 05/15/2018 2.625% 05/15/2021	9128284P2	1,015,000.00	AA+	Aaa	5/24/2018	5/29/2018	1,014,286.33	2.65	3,402.87	1,014,308.25	1,015,079.17
US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	2,500,000.00	AA+	Aaa	6/5/2018	6/7/2018	2,456,542.97	2.61	4,234.97	2,457,468.93	2,456,737.50
US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	5,200,000.00	AA+	Aaa	6/14/2018	6/18/2018	5,098,640.63	2.69	8,808.74	5,099,822.36	5,110,014.00
US TREASURY N/B DTD 06/30/2016 1.125% 06/30/2021	912828S27	5,000,000.00	AA+	Aaa	6/14/2018	6/18/2018	4,771,679.69	2.70	152.85	4,774,285.25	4,783,985.00
US TREASURY N/B DTD 09/30/2016 1.125% 09/30/2021	912828T34	1,250,000.00	AA+	Aaa	3/6/2018	3/7/2018	1,190,283.20	2.53	3,534.84	1,195,399.50	1,190,966.25
Security Type Sub-Total		51,345,000.00					50,606,660.16	2.11	106,641.18	50,629,693.50	50,234,538.92

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Supra-National Agency Bond / Note											
INTER-AMERICAN DEVELOPMENT BANK DTD 04/12/2016 1.000% 05/13/2019	458182DX7	1,750,000.00	AAA	Aaa	4/5/2016	4/12/2016	1,744,750.00	1.10	2,333.33	1,748,507.16	1,727,293.75
AFRICAN DEVELOPMENT BANK NOTE DTD 09/20/2016 1.125% 09/20/2019	00828EBQ1	975,000.00	AAA	Aaa	9/14/2016	9/20/2016	973,966.50	1.16	3,077.34	974,575.69	958,171.50
Security Type Sub-Total		2,725,000.00					2,718,716.50	1.12	5,410.67	2,723,082.85	2,685,465.25
Municipal Bond / Note											
CA ST TXBL GO BONDS DTD 04/25/2018 2.800% 04/01/2021	13063DGA0	1,480,000.00	AA-	Aa3	4/18/2018	4/25/2018	1,480,059.20	2.80	7,597.33	1,480,049.65	1,476,477.60
Security Type Sub-Total		1,480,000.00					1,480,059.20	2.80	7,597.33	1,480,049.65	1,476,477.60
Federal Agency Bond / Note											
FNMA BENCHMARK NOTE DTD 02/23/2016 1.000% 02/26/2019	3135G0J53	2,500,000.00	AA+	Aaa	5/3/2016	5/5/2016	2,501,875.00	0.97	8,680.56	2,500,441.90	2,479,250.00
FREDDIE MAC NOTES DTD 03/21/2016 1.125% 04/15/2019	3137EADZ9	5,000,000.00	AA+	Aaa	9/2/2016	9/8/2016	5,020,550.00	0.96	11,875.00	5,006,284.10	4,953,905.00
FHLB GLOBAL NOTE DTD 06/03/2016 1.125% 06/21/2019	3130A8DB6	5,000,000.00	AA+	Aaa	7/8/2016	7/12/2016	5,048,300.00	0.79	1,562.50	5,016,088.65	4,939,295.00
FHLMC REFERENCE NOTE DTD 07/20/2016 0.875% 07/19/2019	3137EAEB1	5,000,000.00	AA+	Aaa	7/21/2016	7/25/2016	4,986,450.00	0.97	19,687.50	4,995,187.35	4,921,015.00
FNMA BENCHMARK NOTE DTD 08/02/2016 0.875% 08/02/2019	3135G0N33	3,200,000.00	AA+	Aaa	8/4/2016	8/8/2016	3,198,112.00	0.90	11,588.89	3,199,307.30	3,146,812.80
FHLB GLOBAL NOTE DTD 08/04/2016 0.875% 08/05/2019	3130A8Y72	3,200,000.00	AA+	Aaa	8/4/2016	8/8/2016	3,196,896.00	0.91	11,355.56	3,198,855.07	3,146,185.60
FHLB GLOBAL NOTES DTD 09/09/2016 1.000% 09/26/2019	3130A9EP2	3,450,000.00	AA+	Aaa	10/4/2016	10/7/2016	3,448,344.00	1.02	9,104.17	3,449,305.83	3,390,266.70
FREDDIE MAC NOTES DTD 01/17/2017 1.500% 01/17/2020	3137EAEE5	7,500,000.00	AA+	Aaa	4/7/2017	4/10/2017	7,504,050.00	1.48	51,250.00	7,502,307.75	7,382,182.50

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	6,000,000.00	AA+	Aaa	2/27/2017	2/28/2017	5,991,000.00	1.55	30,750.00	5,994,974.70	5,898,600.00
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	1,400,000.00	AA+	Aaa	9/7/2017	9/8/2017	1,395,506.00	1.48	4,972.92	1,396,681.37	1,361,150.00
FANNIE MAE NOTES DTD 04/13/2018 2.500% 04/13/2021	3135G0U27	3,100,000.00	AA+	Aaa	4/12/2018	4/13/2018	3,095,381.00	2.55	16,791.67	3,095,704.11	3,083,594.80
Security Type Sub-Total		45,350,000.00					45,386,464.00	1.23	177,618.77	45,355,138.13	44,702,257.40
Corporate Note											
MICROSOFT CORP NOTES DTD 11/03/2015 1.300% 11/03/2018	594918BF0	1,845,000.00	AAA	Aaa	10/29/2015	11/3/2015	1,843,155.00	1.33	3,864.25	1,844,788.10	1,838,166.12
WELLS FARGO & COMPANY NOTES DTD 10/28/2013 2.150% 01/15/2019	94974BFQ8	2,500,000.00	A-	A2	8/23/2016	8/25/2016	2,549,325.00	1.31	24,784.72	2,511,262.40	2,491,692.50
CHEVRON CORP NOTES DTD 05/16/2016 1.561% 05/16/2019	166764BH2	2,000,000.00	AA-	Aa2	5/9/2016	5/16/2016	2,000,000.00	1.56	3,902.50	2,000,000.00	1,981,910.00
TOYOTA MOTOR CREDIT CORP NOTES DTD 05/20/2016 1.400% 05/20/2019	89236TDE2	2,750,000.00	AA-	Aa3	5/17/2016	5/20/2016	2,746,150.00	1.45	4,384.72	2,748,845.85	2,720,135.00
COCA-COLA COMPANY CORP NOTES DTD 05/31/2016 1.375% 05/30/2019	191216BV1	1,335,000.00	A+	Aa3	5/25/2016	5/31/2016	1,334,065.50	1.40	1,580.68	1,334,711.25	1,321,002.53
APPLE INC CORP NOTE DTD 05/13/2015 2.000% 05/06/2020	037833BD1	2,500,000.00	AA+	Aa1	6/27/2017	6/28/2017	2,515,225.00	1.78	6,666.67	2,509,949.33	2,464,915.00
3M COMPANY CORP NOTES DTD 08/07/2015 2.000% 08/07/2020	88579YQA4	2,500,000.00	AA-	A1	8/2/2017	8/7/2017	2,522,500.00	1.69	20,000.00	2,515,866.45	2,456,107.50
BERKSHIRE HATHAWAY FINANCE CORP NOTES DTD 01/11/2011 4.250% 01/15/2021	084664BQ3	2,000,000.00	AA	Aa2	5/15/2018	5/17/2018	2,065,600.00	2.96	39,194.44	2,062,745.08	2,066,876.00
CISCO SYSTEMS INC CORP NOTES DTD 02/29/2016 2.200% 02/28/2021	17275RBD3	1,250,000.00	AA-	A1	3/6/2018	3/7/2018	1,226,487.50	2.86	9,395.83	1,228,927.90	1,226,375.00

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
ALPHABET INC CORP NOTE DTD 04/27/2016 3.625% 05/19/2021	02079KAA5	875,000.00	AA+	Aa2	5/16/2018	5/17/2018	893,357.50	2.89	3,700.52	892,638.90	893,547.38
WAL-MART STORES INC CORP NOTES DTD 06/27/2018 3.125% 06/23/2021	931142EJ8	2,500,000.00	AA	Aa2	6/20/2018	6/27/2018	2,499,875.00	3.13	868.06	2,499,875.33	2,512,402.50
Security Type Sub-Total		22,055,000.00					22,195,740.50	1.97	118,342.39	22,149,610.59	21,973,129.53
Commercial Paper											
BNP PARIBAS NY BRANCH COMM PAPER DTD 05/31/2018 0.000% 02/22/2019	09659CPN2	2,500,000.00	A-1	P-1	5/31/2018	6/1/2018	2,455,112.50	2.47	0.00	2,460,175.00	2,458,515.00
Security Type Sub-Total		2,500,000.00					2,455,112.50	2.47	0.00	2,460,175.00	2,458,515.00
Managed Account Sub Total		125,455,000.00					124,842,752.86	1.76	415,610.34	124,797,749.72	123,530,383.70
Securities Sub-Total		\$125,455,000.00					\$124,842,752.86	1.76%	\$415,610.34	\$124,797,749.72	\$123,530,383.70
Accrued Interest											\$415,610.34
Total Investments											\$123,945,994.04

Bolded items are forward settling trades.

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 09/15/2015 1.000% 09/15/2018	912828L40	18,000,000.00	AA+	Aaa	11/30/2017	12/4/2017	17,915,625.00	1.61	52,826.09	17,977,605.12	17,965,440.00
US TREASURY NOTES DTD 09/15/2015 1.000% 09/15/2018	912828L40	5,500,000.00	AA+	Aaa	11/22/2017	11/27/2017	5,473,574.22	1.61	16,141.30	5,493,154.54	5,489,440.00
US TREASURY NOTES DTD 10/15/2015 0.875% 10/15/2018	912828L81	5,500,000.00	AA+	Aaa	11/22/2017	11/27/2017	5,464,335.94	1.62	10,124.66	5,488,257.17	5,482,290.00
US TREASURY NOTES DTD 10/31/2016 0.750% 10/31/2018	912828T83	18,000,000.00	AA+	Aaa	11/30/2017	12/4/2017	17,855,156.25	1.65	22,744.57	17,946,842.58	17,925,462.00
Security Type Sub-Total		47,000,000.00					46,708,691.41	1.62	101,836.62	46,905,859.41	46,862,632.00
Commercial Paper											
JP MORGAN SECURITIES LLC COMM PAPER DTD 12/05/2017 0.000% 08/31/2018	46640QHX2	4,750,000.00	A-1	P-1	3/13/2018	3/14/2018	4,699,755.56	2.26	0.00	4,731,971.09	4,732,135.25
Security Type Sub-Total		4,750,000.00					4,699,755.56	2.26	0.00	4,731,971.09	4,732,135.25
Managed Account Sub Total		51,750,000.00					51,408,446.97	1.68	101,836.62	51,637,830.50	51,594,767.25
Securities Sub-Total		\$51,750,000.00					\$51,408,446.97	1.68%	\$101,836.62	\$51,637,830.50	\$51,594,767.25
Accrued Interest											\$101,836.62
Total Investments											\$51,696,603.87

Bolded items are forward settling trades.

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bill											
UNITED STATES TREASURY BILL DTD 10/12/2017 0.000% 10/11/2018	912796NZ8	1,000,000.00	A-1+	P-1	4/2/2018	4/4/2018	990,251.42	1.87	0.00	994,766.55	994,589.00
Security Type Sub-Total		1,000,000.00					990,251.42	1.87	0.00	994,766.55	994,589.00
Commercial Paper											
MUFG BANK LTD/NY COMM PAPER DTD 04/09/2018 0.000% 10/05/2018	62479MK51	930,000.00	A-1	P-1	4/9/2018	4/10/2018	918,872.03	2.45	0.00	923,998.39	924,245.16
Security Type Sub-Total		930,000.00					918,872.03	2.45	0.00	923,998.39	924,245.16
Managed Account Sub Total		1,930,000.00					1,909,123.45	2.15	0.00	1,918,764.94	1,918,834.16
Securities Sub-Total		\$1,930,000.00					\$1,909,123.45	2.15%	\$0.00	\$1,918,764.94	\$1,918,834.16
Accrued Interest											\$0.00
Total Investments											\$1,918,834.16

Bolded items are forward settling trades.

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY N/B DTD 08/17/2015 1.000% 08/15/2018	912828K82	1,950,000.00	AA+	Aaa	5/25/2018	5/29/2018	1,946,267.58	1.89	7,325.97	1,947,846.67	1,947,925.20
US TREASURY NOTES DTD 12/31/2014 1.625% 12/31/2019	912828G95	2,550,000.00	AA+	Aaa	9/1/2017	9/7/2017	2,564,044.92	1.38	112.60	2,559,155.49	2,518,323.90
US TREASURY NOTES DTD 06/01/2015 1.500% 05/31/2020	912828XE5	2,500,000.00	AA+	Aaa	9/1/2017	9/7/2017	2,504,589.84	1.43	3,176.23	2,503,250.65	2,451,757.50
US TREASURY NOTES DTD 09/30/2015 1.375% 09/30/2020	912828L65	1,295,000.00	AA+	Aaa	9/1/2017	9/7/2017	1,291,003.71	1.48	4,475.89	1,292,051.79	1,261,359.79
US TREASURY NOTES DTD 12/31/2015 1.750% 12/31/2020	912828N48	2,060,000.00	AA+	Aaa	9/1/2017	9/7/2017	2,074,484.38	1.53	97.96	2,070,999.49	2,018,237.62
Security Type Sub-Total		10,355,000.00					10,380,390.43	1.53	15,188.65	10,373,304.09	10,197,604.01
Federal Agency Bond / Note											
FEDERAL HOME LOAN BANK AGENCY NOTES DTD 05/12/2017 1.375% 05/28/2019	3130ABF92	2,390,000.00	AA+	Aaa	9/5/2017	9/8/2017	2,392,748.50	1.31	3,012.40	2,391,463.90	2,368,853.28
FHLB GLOBAL NOTE DTD 06/03/2016 1.125% 06/21/2019	3130A8DB6	2,365,000.00	AA+	Aaa	9/5/2017	9/8/2017	2,357,195.50	1.31	739.06	2,360,735.43	2,336,286.54
FHLMC REFERENCE NOTE DTD 07/20/2016 0.875% 07/19/2019	3137EAE81	2,525,000.00	AA+	Aaa	9/5/2017	9/8/2017	2,503,310.25	1.34	9,942.19	2,512,720.70	2,485,112.58
FREDDIE MAC NOTES DTD 07/19/2017 1.375% 08/15/2019	3137EAEH8	1,940,000.00	AA+	Aaa	9/5/2017	9/8/2017	1,940,426.80	1.36	10,077.22	1,940,251.62	1,917,282.60
FNMA NOTES DTD 09/02/2016 1.000% 08/28/2019	3135G0P49	625,000.00	AA+	Aaa	9/5/2017	9/8/2017	620,537.50	1.37	2,135.42	622,365.70	614,778.13
FHLB GLOBAL NOTES DTD 09/09/2016 1.000% 09/26/2019	3130A9EP2	1,525,000.00	AA+	Aaa	9/1/2017	9/7/2017	1,512,327.25	1.41	4,024.31	1,517,329.34	1,498,596.15
FREDDIE MAC GLOBAL NOTES DTD 10/02/2012 1.250% 10/02/2019	3137EADM8	2,570,000.00	AA+	Aaa	9/1/2017	9/7/2017	2,560,696.60	1.43	7,942.01	2,564,341.48	2,530,951.42
FHLB NOTES DTD 11/17/2016 1.375% 11/15/2019	3130AA3R7	1,515,000.00	AA+	Aaa	9/1/2017	9/7/2017	1,513,303.20	1.43	2,661.77	1,513,935.85	1,492,453.77

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FREDDIE MAC NOTES DTD 01/17/2017 1.500% 01/17/2020	3137EAAE5	6,270,000.00	AA+	Aaa	9/1/2017	9/7/2017	6,277,398.60	1.45	42,845.00	6,274,889.97	6,171,504.57
FHLMC AGENCY NOTES DTD 04/20/2017 1.375% 04/20/2020	3137EAEF2	2,500,000.00	AA+	Aaa	9/1/2017	9/7/2017	2,494,225.00	1.47	6,779.51	2,496,010.70	2,448,037.50
FNMA BENCHMARK NOTES DTD 04/27/2015 1.500% 06/22/2020	3135G0D75	2,480,000.00	AA+	Aaa	9/1/2017	9/7/2017	2,483,521.60	1.45	930.00	2,482,517.52	2,429,735.36
FNMA NOTES DTD 08/01/2017 1.500% 07/30/2020	3135G0T60	2,480,000.00	AA+	Aaa	9/1/2017	9/7/2017	2,480,173.60	1.50	15,603.33	2,480,133.15	2,423,664.32
Security Type Sub-Total		29,185,000.00					29,135,864.40	1.41	106,692.22	29,156,695.36	28,717,256.22
Corporate Note											
BERKSHIRE HATHAWAY FIN GLOBAL NOTES DTD 08/15/2013 2.000% 08/15/2018	084664BY6	1,050,000.00	AA	Aa2	9/5/2017	9/8/2017	1,055,523.00	1.43	7,933.33	1,050,723.89	1,049,265.00
EXXON MOBIL CORP NOTES DTD 03/03/2016 1.708% 03/01/2019	30231GAP7	1,050,000.00	AA+	Aaa	9/5/2017	9/8/2017	1,053,643.50	1.47	5,978.00	1,051,649.94	1,044,711.15
CISCO SYSTEMS INC CORP NOTES DTD 09/20/2016 1.400% 09/20/2019	17275RBG6	1,050,000.00	AA-	A1	9/1/2017	9/7/2017	1,045,558.50	1.61	4,124.17	1,047,324.80	1,035,210.75
CHEVRON CORP (CALLABLE) NOTE DTD 11/18/2014 2.193% 11/15/2019	166764AN0	1,050,000.00	AA-	Aa2	9/1/2017	9/7/2017	1,062,358.50	1.64	2,942.28	1,057,621.91	1,042,633.20
APPLE INC BONDS DTD 02/09/2015 1.550% 02/07/2020	037833AX8	1,050,000.00	AA+	Aa1	9/1/2017	9/7/2017	1,047,637.50	1.65	6,419.58	1,048,428.79	1,030,349.25
MICROSOFT CORP (CALLABLE) NOTE DTD 02/12/2015 1.850% 02/12/2020	594918AY0	1,050,000.00	AAA	Aaa	9/1/2017	9/7/2017	1,055,901.00	1.61	7,500.21	1,053,876.97	1,037,074.50
Security Type Sub-Total		6,300,000.00					6,320,622.00	1.57	34,897.57	6,309,626.30	6,239,243.85
Commercial Paper											

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Commercial Paper											
CREDIT AGRICOLE CIB NY COMM PAPER DTD 11/01/2017 0.000% 07/27/2018	22533UGT4	1,500,000.00	A-1	P-1	1/31/2018	2/1/2018	1,486,213.33	1.90	0.00	1,497,963.33	1,497,762.00
MUFG BANK LTD/NY COMM PAPER DTD 01/05/2018 0.000% 08/07/2018	06538CH79	1,070,000.00	A-1	P-1	2/7/2018	2/8/2018	1,059,407.00	2.00	0.00	1,067,822.55	1,067,559.33
BNP PARIBAS NY BRANCH COMM PAPER DTD 11/30/2017 0.000% 08/27/2018	09659CHT8	1,950,000.00	A-1	P-1	5/25/2018	5/29/2018	1,939,226.25	2.22	0.00	1,943,176.62	1,943,297.85
TOYOTA MOTOR CREDIT CORP COMM PAPER DTD 01/31/2018 0.000% 10/26/2018	89233HKS2	1,500,000.00	A-1+	P-1	1/31/2018	2/1/2018	1,478,083.75	2.00	0.00	1,490,396.25	1,488,516.00
Security Type Sub-Total		6,020,000.00					5,962,930.33	2.05	0.00	5,999,358.75	5,997,135.18
Managed Account Sub Total		51,860,000.00					51,799,807.16	1.53	156,778.44	51,838,984.50	51,151,239.26
Securities Sub-Total		\$51,860,000.00					\$51,799,807.16	1.53%	\$156,778.44	\$51,838,984.50	\$51,151,239.26
Accrued Interest											\$156,778.44
Total Investments											\$51,308,017.70

Bolded items are forward settling trades.

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY N/B NOTES DTD 10/02/2017 1.375% 09/30/2019	9128282X7	645,000.00	AA+	Aaa	3/27/2018	3/29/2018	636,912.30	2.23	2,229.30	638,277.09	636,609.84
US TREASURY NOTES DTD 04/30/2015 1.375% 04/30/2020	912828K58	530,000.00	AA+	Aaa	3/27/2018	3/29/2018	519,917.58	2.31	1,227.79	521,137.50	519,151.43
US TREASURY NOTES DTD 06/01/2015 1.500% 05/31/2020	912828XE5	525,000.00	AA+	Aaa	3/27/2018	3/29/2018	515,956.05	2.32	667.01	517,011.55	514,869.08
US TREASURY NOTES DTD 06/30/2015 1.625% 06/30/2020	912828XH8	900,000.00	AA+	Aaa	3/27/2018	3/29/2018	886,394.53	2.32	39.74	887,933.31	884,004.30
US TREASURY NOTES DTD 07/31/2015 1.625% 07/31/2020	912828XM7	1,265,000.00	AA+	Aaa	3/27/2018	3/29/2018	1,244,888.48	2.33	8,574.57	1,247,074.92	1,241,182.58
US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	1,625,000.00	AA+	Aaa	3/27/2018	3/29/2018	1,588,183.59	2.34	7,468.16	1,591,982.13	1,584,628.50
US TREASURY NOTES DTD 09/30/2015 1.375% 09/30/2020	912828L65	1,260,000.00	AA+	Aaa	3/27/2018	3/29/2018	1,230,468.75	2.34	4,354.92	1,233,426.45	1,227,268.98
US TREASURY NOTES DTD 10/31/2015 1.375% 10/31/2020	912828L99	840,000.00	AA+	Aaa	3/27/2018	3/29/2018	819,360.94	2.36	1,945.92	821,363.21	817,162.08
US TREASURY NOTES DTD 11/30/2015 1.625% 11/30/2020	912828M98	1,200,000.00	AA+	Aaa	3/27/2018	3/29/2018	1,177,312.50	2.36	1,651.64	1,179,454.08	1,173,093.60
US TREASURY NOTES DTD 12/31/2013 2.375% 12/31/2020	912828A83	1,195,000.00	AA+	Aaa	3/27/2018	3/29/2018	1,195,513.48	2.36	77.12	1,195,485.40	1,188,791.98
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	310,000.00	AA+	Aaa	3/27/2018	3/29/2018	301,499.22	2.38	1,778.00	302,254.84	300,542.52
Security Type Sub-Total		10,295,000.00					10,116,407.42	2.33	30,014.17	10,135,400.48	10,087,304.89
U.S. Treasury Bill											
UNITED STATES TREASURY BILL DTD 05/31/2018 0.000% 11/29/2018	912796QL6	920,000.00	A-1+	P-1	6/1/2018	6/4/2018	910,720.27	2.06	0.00	912,127.86	912,227.84
Security Type Sub-Total		920,000.00					910,720.27	2.06	0.00	912,127.86	912,227.84

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
THE PROCTER & GAMBLE CO CORP NOTES DTD 10/25/2017 1.750% 10/25/2019	742718EZ8	370,000.00	AA-	Aa3	3/27/2018	3/29/2018	366,522.00	2.36	1,187.08	367,082.09	366,247.46
PFIZER INC CORP NOTE DTD 11/21/2016 1.700% 12/15/2019	717081EB5	320,000.00	AA	A1	3/27/2018	3/29/2018	316,089.60	2.43	241.78	316,667.37	315,367.04
TOYOTA MOTOR CREDIT CORP DTD 04/17/2017 1.950% 04/17/2020	89236TDU6	370,000.00	AA-	Aa3	3/27/2018	3/29/2018	363,991.20	2.77	1,483.08	364,726.26	363,634.89
APPLE INC BONDS DTD 05/11/2017 1.800% 05/11/2020	037833CS7	375,000.00	AA+	Aa1	3/27/2018	3/29/2018	369,191.25	2.56	937.50	369,881.21	368,646.00
WAL MART STORES INC. CORP NOTES DTD 07/08/2010 3.625% 07/08/2020	931142CU5	360,000.00	AA	Aa2	3/27/2018	3/29/2018	368,956.80	2.49	6,271.25	367,983.60	365,727.24
JOHNSON & JOHNSON GLOBAL NOTES DTD 08/17/2010 2.950% 09/01/2020	478160AW4	365,000.00	AAA	Aaa	3/27/2018	3/29/2018	369,142.75	2.46	3,589.17	368,718.48	367,995.56
MICROSOFT CORP NOTES DTD 09/27/2010 3.000% 10/01/2020	594918AH7	360,000.00	AAA	Aaa	3/27/2018	3/29/2018	363,524.40	2.59	2,700.00	363,174.50	362,365.92
Security Type Sub-Total		2,520,000.00					2,517,418.00	2.53	16,409.86	2,518,233.51	2,509,984.11
Commercial Paper											
JP MORGAN SECURITIES LLC COMM PAPER DTD 04/04/2018 0.000% 10/04/2018	46640QK42	550,000.00	A-1	P-1	4/4/2018	4/5/2018	543,326.67	2.43	0.00	546,516.66	546,548.75
BNP PARIBAS NY BRANCH COMM PAPER DTD 04/02/2018 0.000% 12/17/2018	09659CMH8	550,000.00	A-1	P-1	4/2/2018	4/4/2018	540,341.08	2.50	0.00	543,648.41	543,716.80
TOYOTA MOTOR CREDIT CORP COMM PAPER DTD 04/04/2018 0.000% 12/17/2018	89233HMH4	550,000.00	A-1+	P-1	4/4/2018	4/5/2018	540,691.56	2.42	0.00	543,854.97	543,787.75

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Commercial Paper											
MUFG BANK LTD/NY COMM PAPER DTD 04/02/2018 0.000% 12/17/2018	62479MMH3	550,000.00	A-1	P-1	4/2/2018	4/4/2018	540,223.29	2.54	0.00	543,570.96	543,716.80
Security Type Sub-Total		2,200,000.00					2,164,582.60	2.47	0.00	2,177,591.00	2,177,770.10
Managed Account Sub Total		15,935,000.00					15,709,128.29	2.37	46,424.03	15,743,352.85	15,687,286.94
Securities Sub-Total		\$15,935,000.00					\$15,709,128.29	2.37%	\$46,424.03	\$15,743,352.85	\$15,687,286.94
Accrued Interest											\$46,424.03
Total Investments											\$15,733,710.97

Bolded items are forward settling trades.

IMPORTANT DISCLOSURES

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

GLOSSARY

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **DURATION TO WORST:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years, computed from cash flows to the maturity date or to the put date, whichever results in the highest yield to the investor.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.

GLOSSARY

- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.
- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.