



CITY OF SALEM

Investment Performance Review For the Quarter Ended March 31, 2020

Client Management Team

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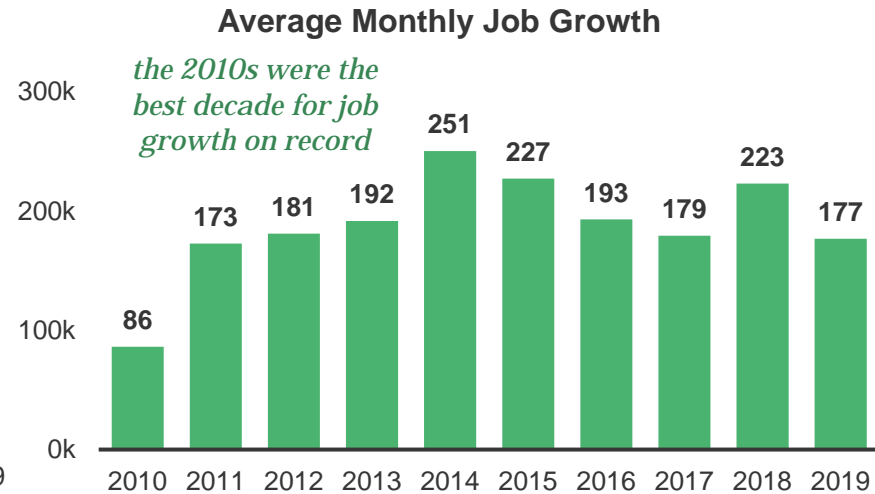
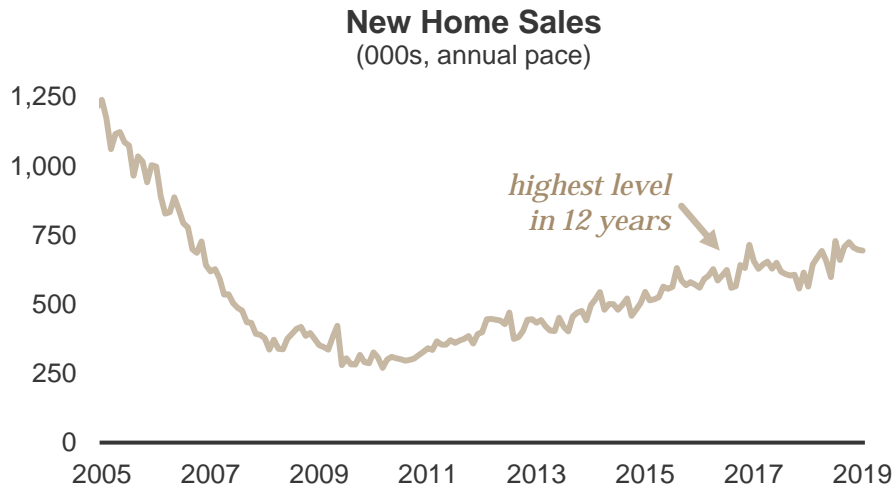
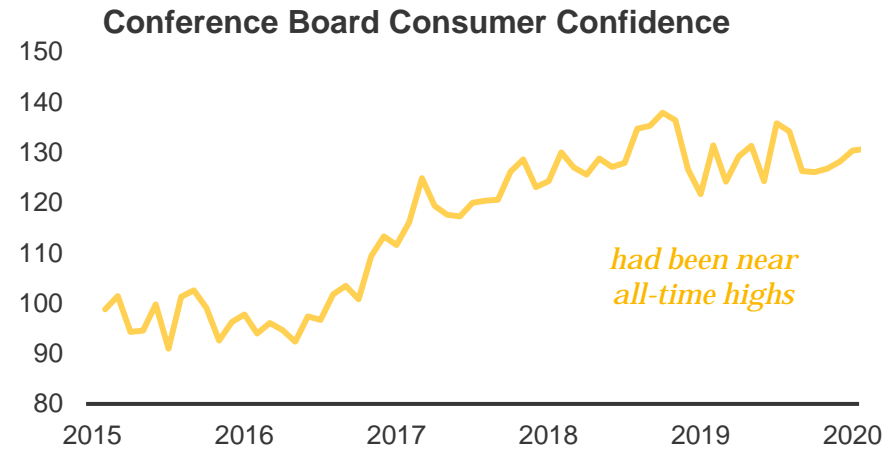
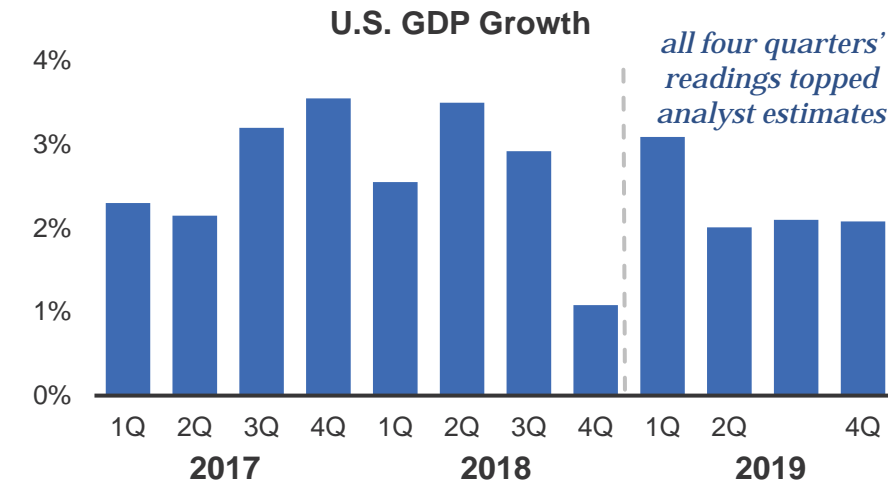
503-837-8445

717-232-2723

Allison Kaune, Senior Client Representative

Market Update

Domestic Data Was Strong Prior to Coronavirus Outbreak



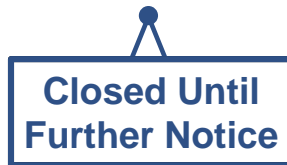
Source: Bloomberg, latest data available as of 2/29/2020.

COVID-19: A Three-Pronged Crisis



Health Crisis Pandemic

The rapidly spreading coronavirus is overwhelming healthcare facilities around the world as the number of cases and deaths related to the virus continue to grow.



Effects on the Economy

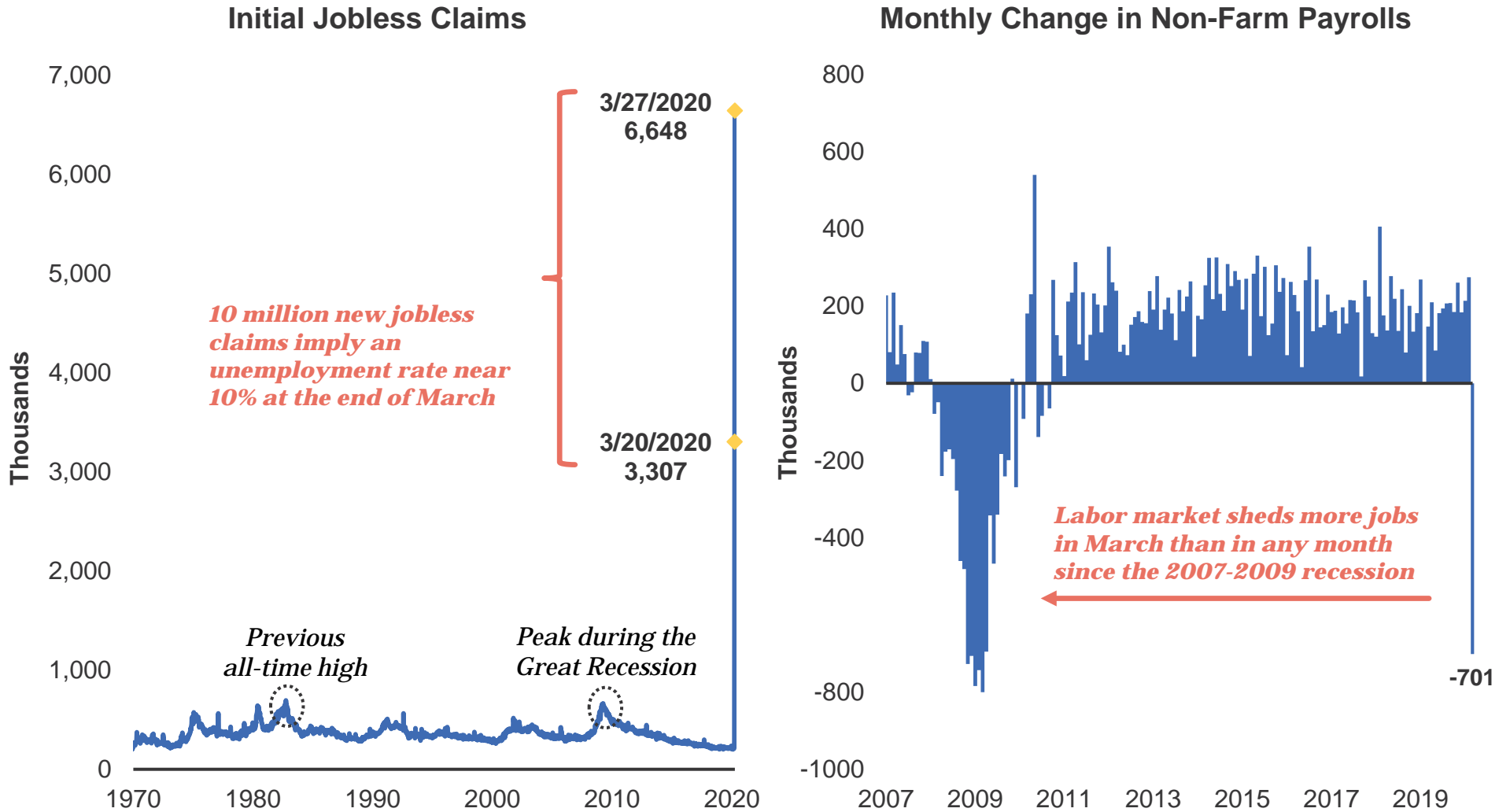
With businesses forced to close their doors and consumers stuck at home “social distancing,” the economy has come to a near standstill over a very short period of time.



Effects on Financial Markets

Treasury yields and stock prices have plummeted while credit spreads and volatility have soared in reaction to the uncertainty created by the pandemic.

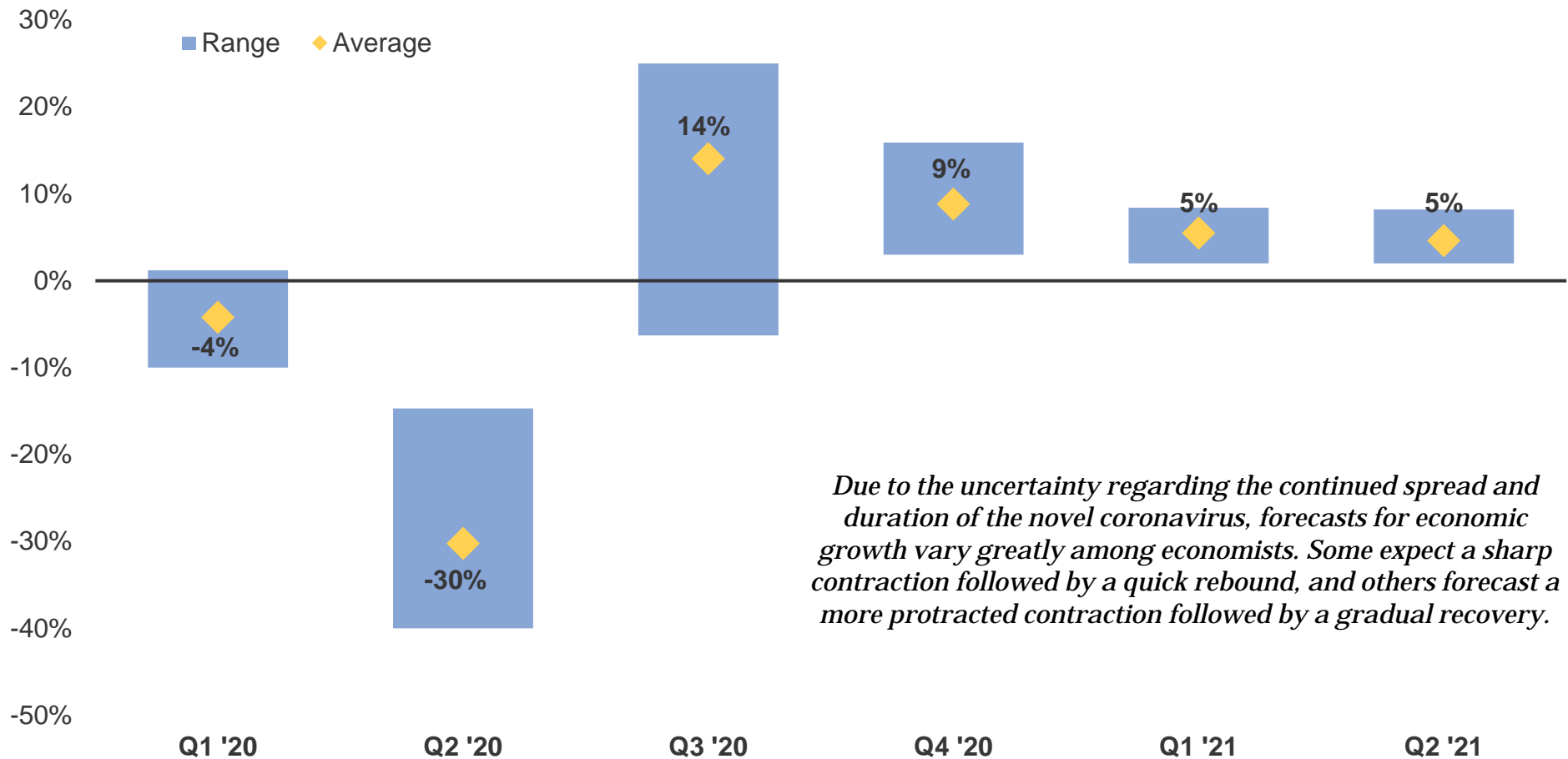
U.S. Economy Posts Massive Job Losses in March



Source: Bloomberg, as of 4/3/2020. Data is seasonally adjusted.

Economists Expect a Significant, Immediate Downturn in the U.S. Economy

U.S. GDP Forecasts



Stocks Plummet From All-Time Highs During a Volatile Quarter

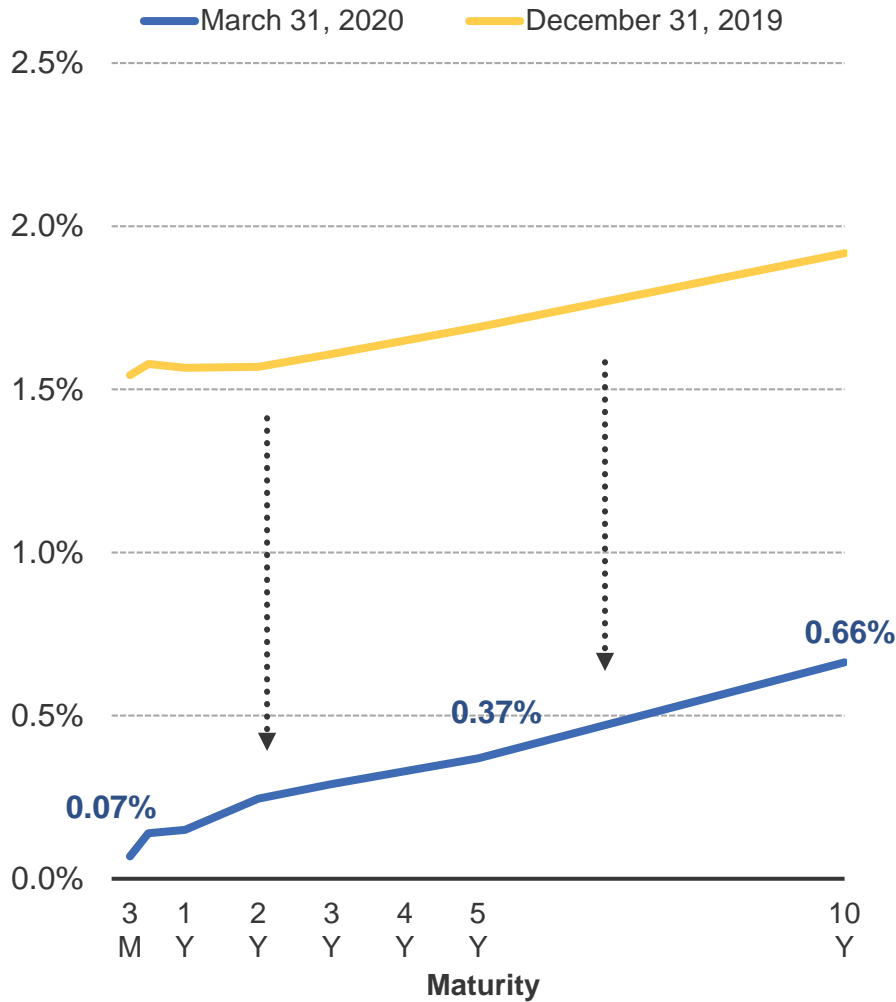
S&P Price Change



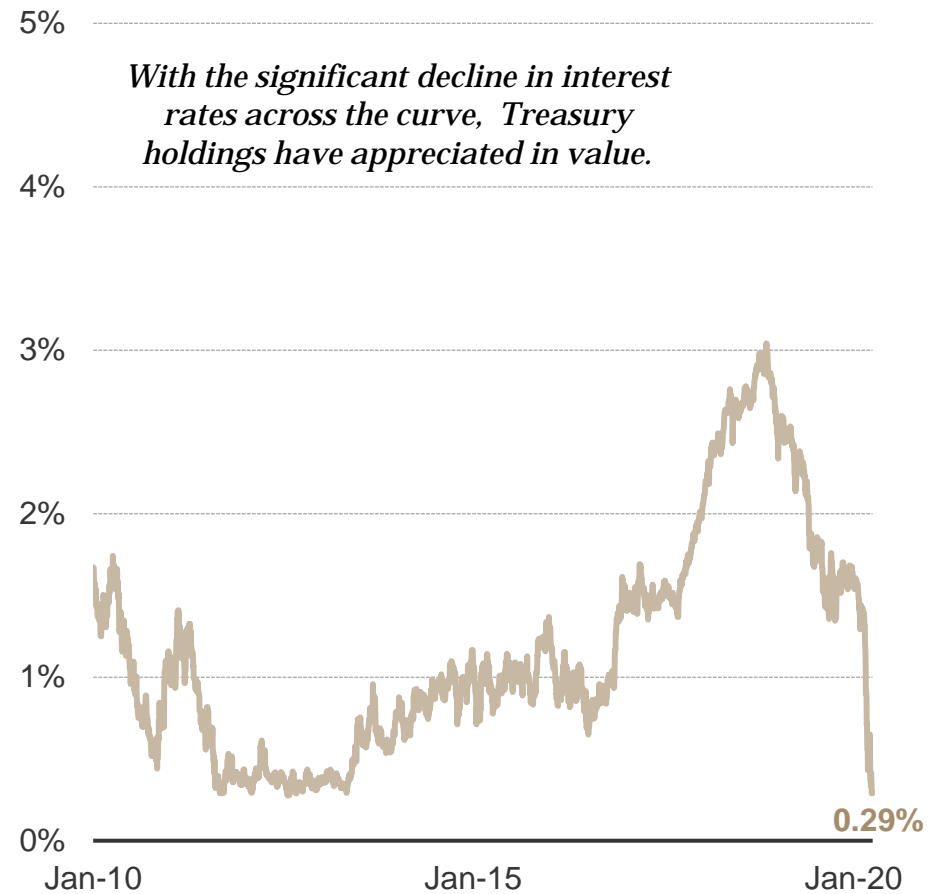
Source: Bloomberg as of 3/31/2020.

Interest Rates Plunge; Likely to Stay Ultra-Low Through the Crisis

US Treasury Yield Curve

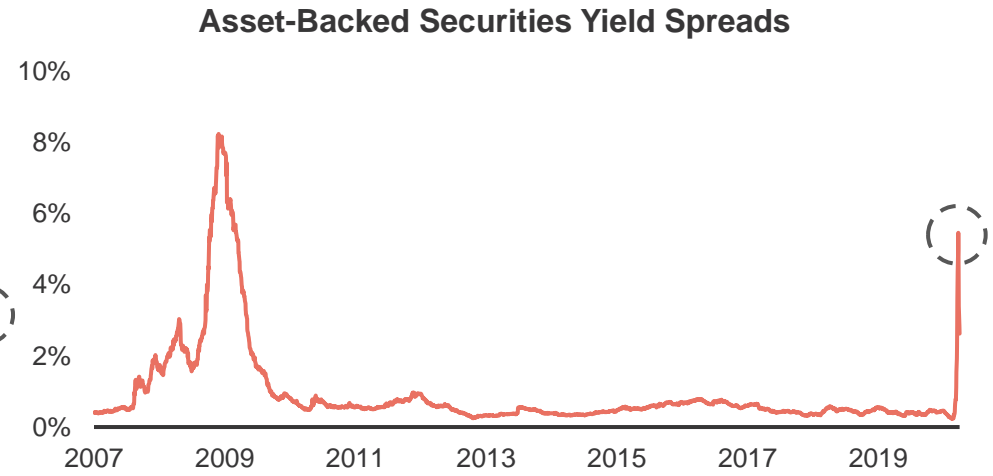
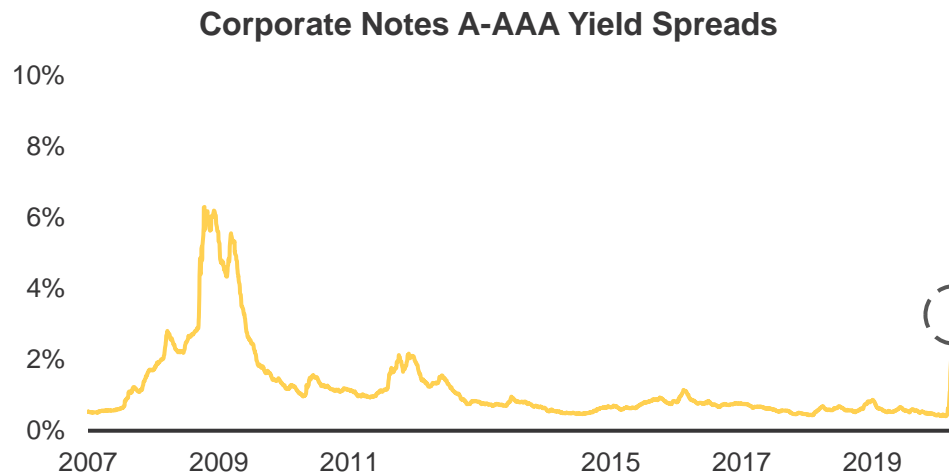
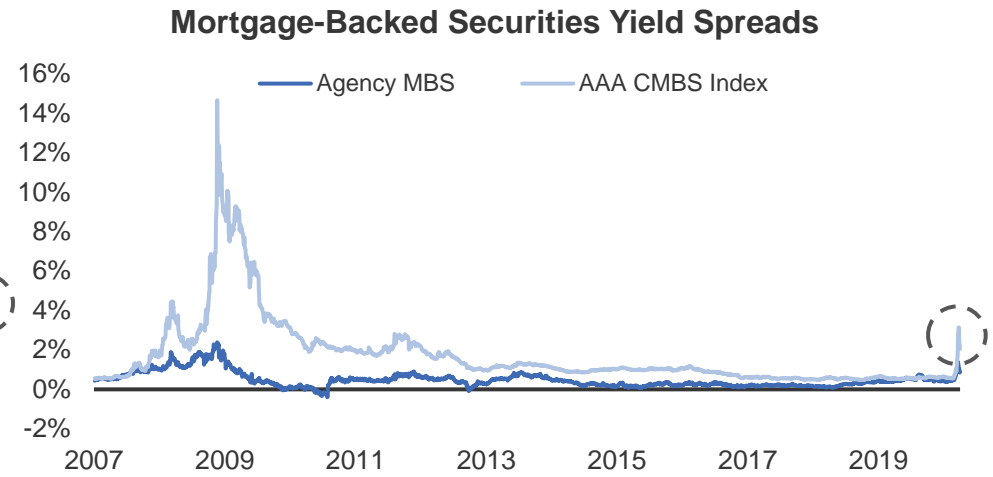
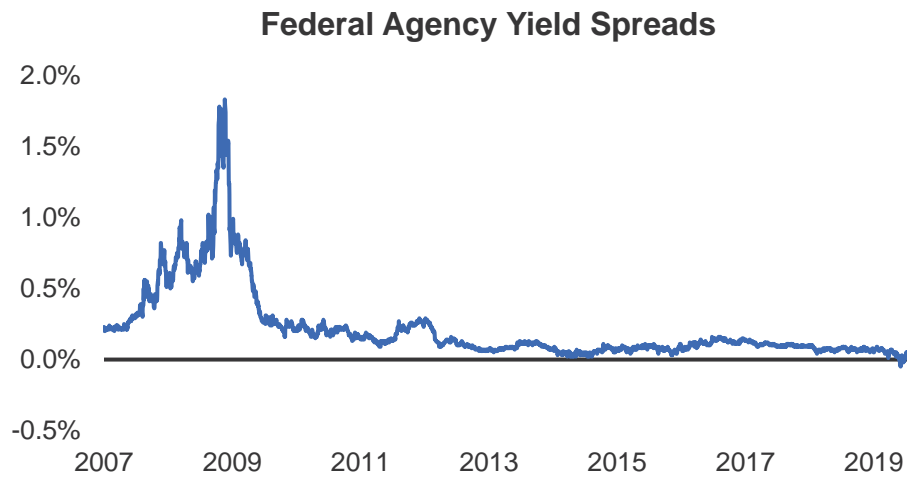


3-Year Treasury Yield



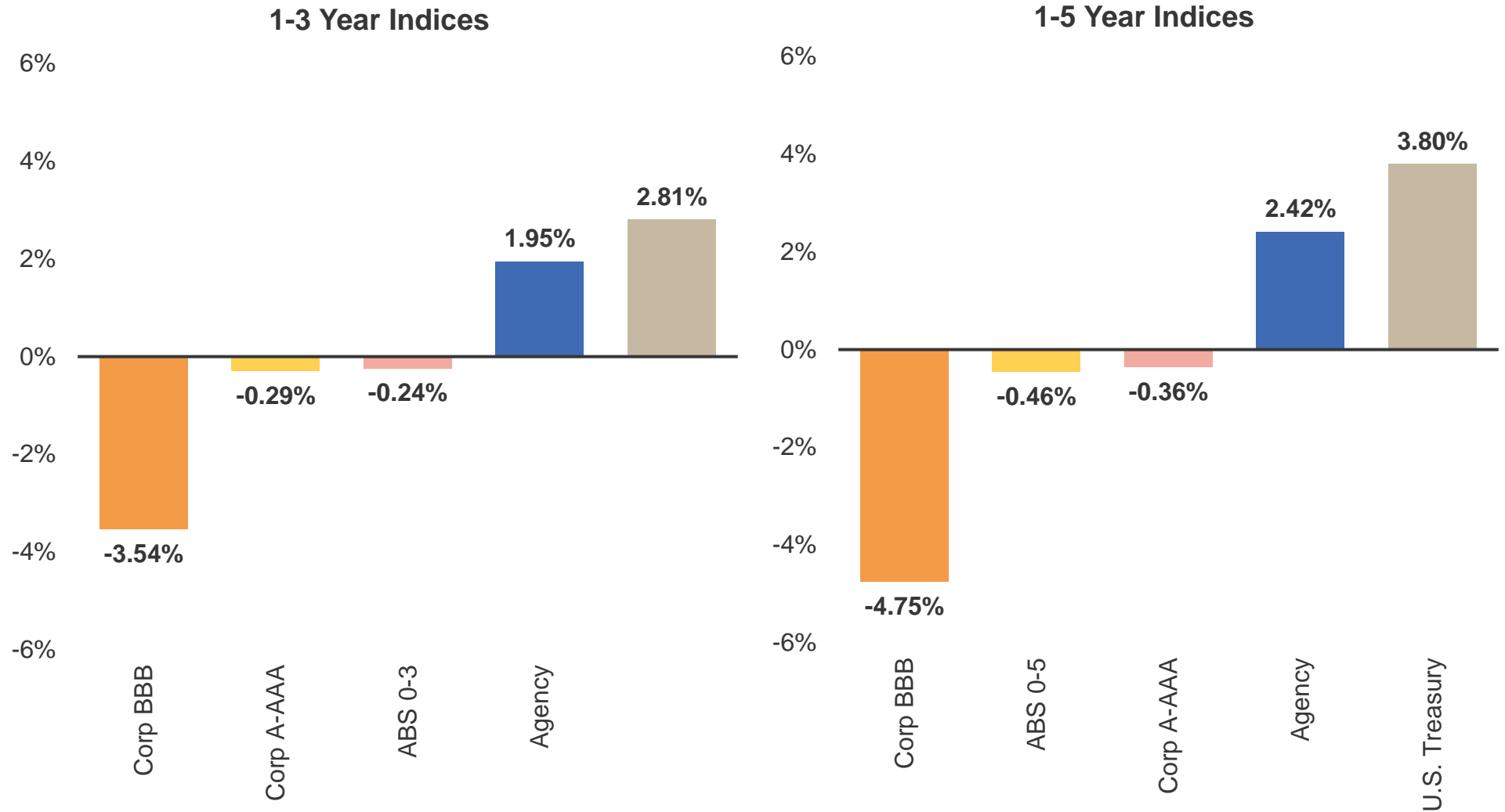
Source: Bloomberg as of 3/31/2020.

Sector Spreads Spike to Levels Not Seen Since the Great Recession



Source: ICE BofAML 1-5 year Indices via Bloomberg, MarketAxess and PFM as of 3/31/20. Spreads on ABS and MBS are option-adjusted spreads of 0-5 year indices based on weighted average life; spreads on agencies are relative to comparable-maturity Treasuries. CMBS is Commercial Mortgage-Backed Securities.

Government Sectors Outperform in the First Quarter



Source: Bloomberg, as of 3/31/2020.

Federal Reserve Broadens Tool Kit to Support Markets

Zero Interest Rates

Cut rates by 150 bps at two emergency meetings in March

Asset Purchase Programs

Treasury and Agency MBS purchase program

U.S. Dollar Swap Lines

Expanded swap lines with additional foreign central banks

Liquidity Support

Funding for CP, corporate bonds, ABS, MMF & primary dealers

Discount Window

Decreased rate charged and extended term of loans

Repurchase Agreements

Increased the amount offered in repurchase operations

Regulatory Relief

Moved reserve requirement to 0, extended the filing deadline for 3/31 financial statements, and eased capital liquidity restraints



CITY OF SALEM COMBINED PORTFOLIO

**Investment Performance Review
For the Quarter Ended March 31, 2020**

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

Quarter Ended March 31, 2020– 1Q20¹

Quarterly Summary

| | |
|---|---------------|
| Market Value (MV) | \$382,648,264 |
| Amortized Cost | \$375,998,914 |
| Portfolio Yield on Cost | 1.88% |
| Weighted Average Maturity | 1.28 years |
| Cash Basis Earnings for Quarter ² | \$1,467,903 |
| Accrual Basis Earnings for Quarter ² | \$1,360,555 |

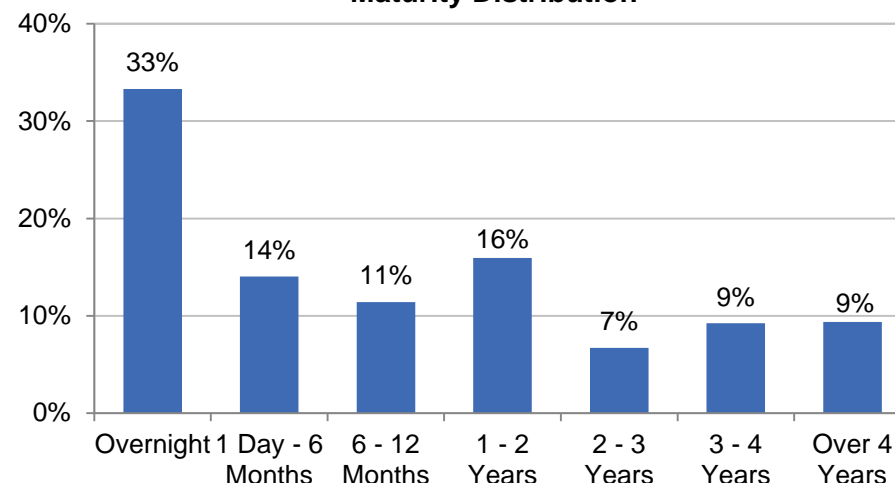
Quarterly Change

| | |
|-----------------------|----------------|
| Ending Amortized Cost | \$375,998,914 |
| Beginning MV | \$381,368,045 |
| Net Contributions | (\$16,965,100) |
| Change in Cash | \$12,774,999 |
| Change in MV | \$5,470,320 |
| Ending MV | \$382,648,264 |

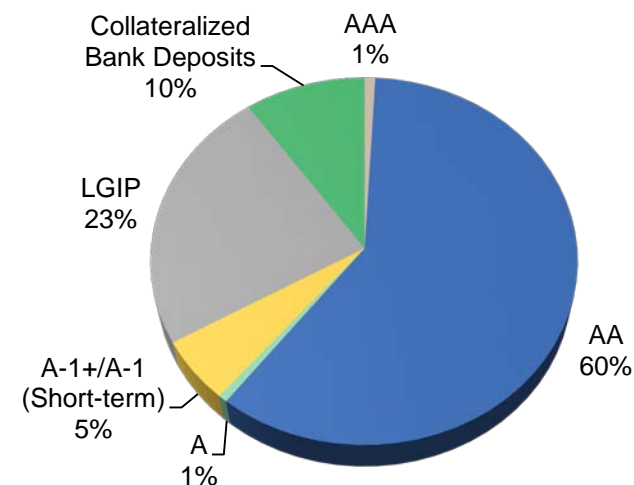
Sector Distribution¹

| Sector | Amortized Cost | Market Value | % of Portfolio | Allowed by Policy |
|---------------------------------|----------------------|----------------------|----------------|----------------------|
| U.S. Treasuries | \$199,345,209 | \$205,629,721 | 54% | 100% |
| Federal Agencies | \$11,957,825 | \$12,051,020 | 3% | 100% |
| Municipal Obligations | \$1,480,015 | \$1,500,276 | <1% | 10% |
| Commercial Paper | \$12,152,996 | \$12,159,040 | 3% | Combined 35% Max. |
| Corporate Notes | \$23,296,559 | \$23,541,897 | 6% | |
| LGIP | \$90,356,765 | \$90,356,765 | 24% | ORS limit |
| Collateralized Deposit Accounts | \$37,409,545 | \$37,409,545 | 10% | 100% |
| Total | \$375,998,914 | \$382,648,264 | 100% | |

Maturity Distribution⁴



Credit Quality Distribution³



1. Combined portfolio includes funds in the PFM-managed portfolios, funds in the Oregon LGIP, and the City's US Bank account. Portfolio values are as of March 31, 2020 and exclude accrued interest on the PFM-managed funds.
2. Excludes earnings on LGIP and deposit accounts.
3. Ratings by Standard & Poor's (S&P).
4. Callable securities are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.

Portfolio Recap

- ◆ Our strategy throughout the first quarter included the following elements:
 - PFM took a proactive response to the emerging crisis and fast-moving markets by further emphasizing safety and liquidity in the portfolio's strategy, as well as holding frequent ad-hoc Credit and Investment Committee meetings to assess emerging news and market trends. Our first step was to restrict all new credit purchases.
 - We enhanced the liquidity profile of the portfolio by increasing our target allocation of U.S. Treasuries while also reassessing our clients' potential near-term cash needs.
 - Entering the quarter, we had a modestly defensive posture on corporate credit, reflective of our eye on narrow yield spreads and concerns about overall increased leverage by issuers in the sector. In prior quarters, we had modestly reduced allocations to the sector but still viewed corporate securities as a core holding in the portfolio.
 - Investment grade corporate bond spreads widened significantly in the second half of the quarter, although not to the same degree as during the 2008-09 financial crisis. The move in spreads resulted in significant negative excess returns in the sector to the tune of 200 to 400 basis points (-2% to -4%), depending on credit quality, industry, and maturity. The unprecedented economic conditions will stress many companies' revenue, profits, liquidity, and credit ratings. As noted above, we initially paused all new credit purchases and subsequently re-approved a limited number of issuers for short-term purchases only. PFM has also undertaken a wholesale review of all issuers on our approved list and redoubled our ongoing monitoring and due diligence efforts.
 - Like their longer-term counterparts, short-term credit (negotiable CDs and commercial paper) spreads widened sharply due to credit and liquidity concerns. We partially returned to the CP/CD market in a cautious manner late in the quarter, emphasizing the largest, strongest banks and industrial issuers.
- ◆ As the result of falling interest rates, the Long-Term Portfolio returned strong absolute performance for the past quarter and year. However, because yield differences (or spreads) between Treasuries and all other sectors widened significantly during the month of March, the portfolio's diversification in asset classes that normally create significant economic benefit, was a major detractor of performance during the quarter and the portfolio underperformed the benchmark for the past quarter and 12 months. Since quarter end, markets have calmed, largely as a result of the massive intervention by the Federal Reserve. This enabled non-government holdings to regain some market value relative to U.S. Treasury securities.

Investment Strategy Outlook

- ◆ U.S. economic fundamentals are expected to deteriorate significantly in the second quarter as the full effect of COVID-19 materializes. The real question is the duration of the economic shutdown and the speed and trajectory of the eventual recovery. As a result of this uncertainty, we plan to maintain the portfolio's duration relative to the benchmark into April as we monitor guidance from index vendors regarding future rebalancing.
- ◆ Our outlook for major investment-grade sectors includes the following:
 - Federal agencies currently offer value, materially less credit risk, and better liquidity than most other sectors. Moving into the second quarter, we will likely target increased allocations to agencies. Given low yields, we also find value in callable agencies but will evaluate them on an issue-specific basis.
 - The investment grade corporate market faces numerous challenges and uncertainties. We believe the prudent action is to remain cautious and vigilant until longer-term economic consequences are better understood and market liquidity stabilizes. While spreads are significantly wider, PFM's view is that under current conditions the risks still outweigh the potential benefits. The late quarter surge in new issues that were easily absorbed by investors is an early, optimistic sign.
 - In the municipal sector, recent monetary and fiscal stimulus is expected to benefit local government issuers. We anticipate continuing to search for and scrutinize high-quality municipal issuers that are best positioned to weather current challenges.



CITY OF SALEM LONG-TERM PORTFOLIO

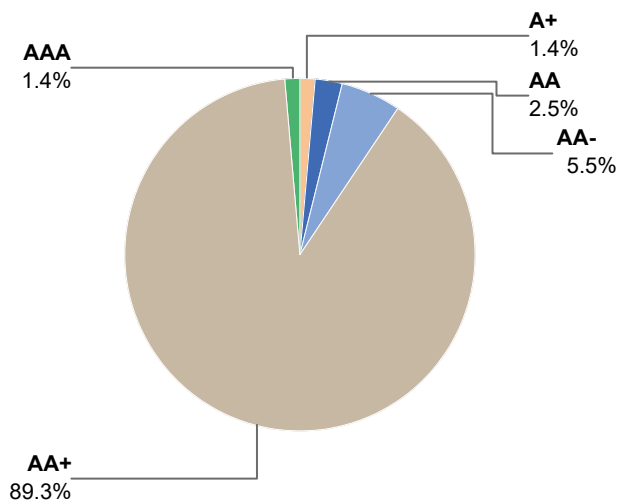
**Investment Performance Review
For the Quarter Ended March 31, 2020**

Portfolio Statistics

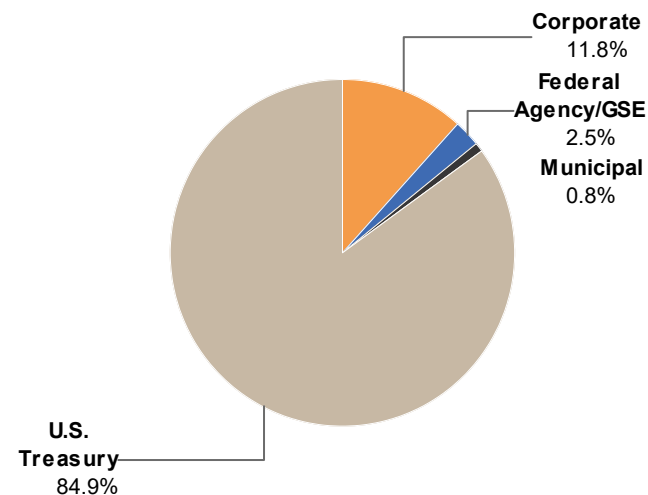
As of March 31, 2020

| | |
|------------------------|---------------|
| Par Value: | \$178,010,000 |
| Total Market Value: | \$185,094,763 |
| Security Market Value: | \$184,263,547 |
| Accrued Interest: | \$831,216 |
| Cash: | - |
| Amortized Cost: | \$177,937,277 |
| Yield at Market: | 0.49% |
| Yield at Cost: | 2.13% |
| Effective Duration: | 2.42 Years |
| Duration to Worst: | 2.43 Years |
| Average Maturity: | 2.51 Years |
| Average Credit: * | AA |

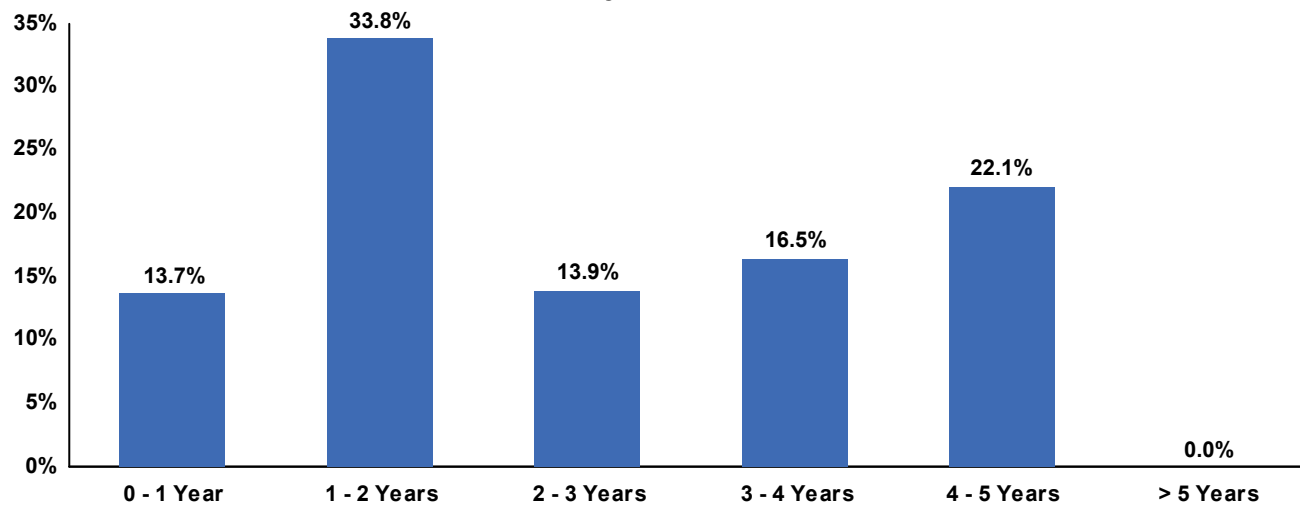
Credit Quality (S&P Ratings)



Sector Allocation



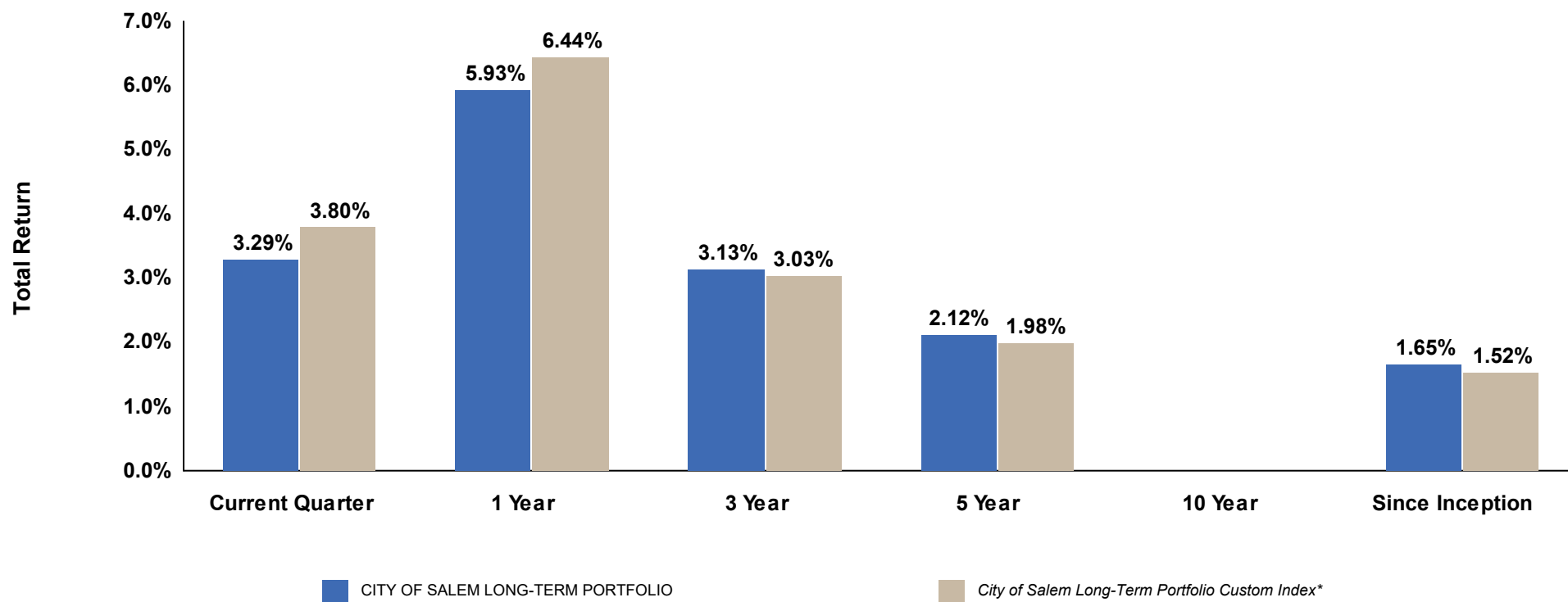
Maturity Distribution



* 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 | 2.42 | 3.29% | 5.93% | 3.13% | 2.12% | - | 1.65% |
| City of Salem Long-Term Portfolio Custom Index* | 2.58 | 3.80% | 6.44% | 3.03% | 1.98% | - | 1.52% |
| Difference | | -0.51% | -0.51% | 0.10% | 0.14% | - | 0.13% |



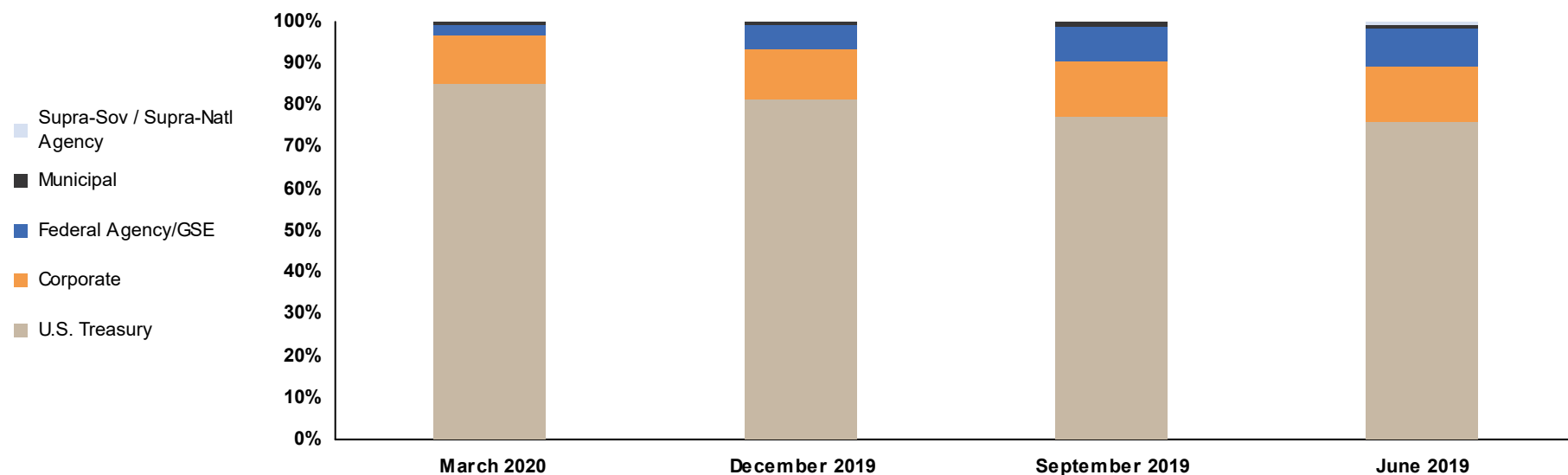
Portfolio performance is gross of fees unless otherwise indicated. *Performance benchmark is the ICE BofAML 1-5 Year U.S. Treasury index as of 12/31/19. Prior to that, it was the ICE BofAML 0-3 Year U.S. Treasury Index from inception through 6/30/2016 and the ICE BofAML 1-3 Year U.S. Treasury Index from 6/30/16 to 12/31/19.

Portfolio Earnings**Quarter-Ended March 31, 2020**

| | Market Value Basis | Accrual (Amortized Cost) Basis |
|-------------------------------------|---------------------------|---------------------------------------|
| Beginning Value (12/31/2019) | \$179,313,038.21 | \$177,894,947.56 |
| Net Purchases/Sales | (\$81,812.09) | (\$81,812.09) |
| Change in Value | \$5,032,320.69 | \$124,141.51 |
| Ending Value (03/31/2020) | \$184,263,546.81 | \$177,937,276.98 |
| Interest Earned | \$870,312.40 | \$870,312.40 |
| Portfolio Earnings | \$5,902,633.09 | \$994,453.91 |

Sector Allocation

| Sector | March 31, 2020 | | December 31, 2019 | | September 30, 2019 | | June 30, 2019 | |
|-------------------------------|----------------|---------------|-------------------|---------------|--------------------|---------------|----------------|---------------|
| | MV (\$MM) | % of Total | MV (\$MM) | % of Total | MV (\$MM) | % of Total | MV (\$MM) | % of Total |
| U.S. Treasury | 156.5 | 84.9% | 145.5 | 81.2% | 97.5 | 77.0% | 96.4 | 75.8% |
| Corporate | 21.7 | 11.8% | 21.7 | 12.1% | 17.1 | 13.5% | 17.1 | 13.4% |
| Federal Agency/GSE | 4.6 | 2.5% | 10.5 | 5.9% | 10.5 | 8.3% | 11.2 | 8.8% |
| Municipal | 1.5 | 0.8% | 1.5 | 0.8% | 1.5 | 1.2% | 1.5 | 1.2% |
| Supra-Sov / Supra-Natl Agency | 0.0 | 0.0% | 0.0 | 0.0% | 0.0 | 0.0% | 1.0 | 0.8% |
| Total | \$184.3 | 100.0% | \$179.3 | 100.0% | \$126.6 | 100.0% | \$127.1 | 100.0% |

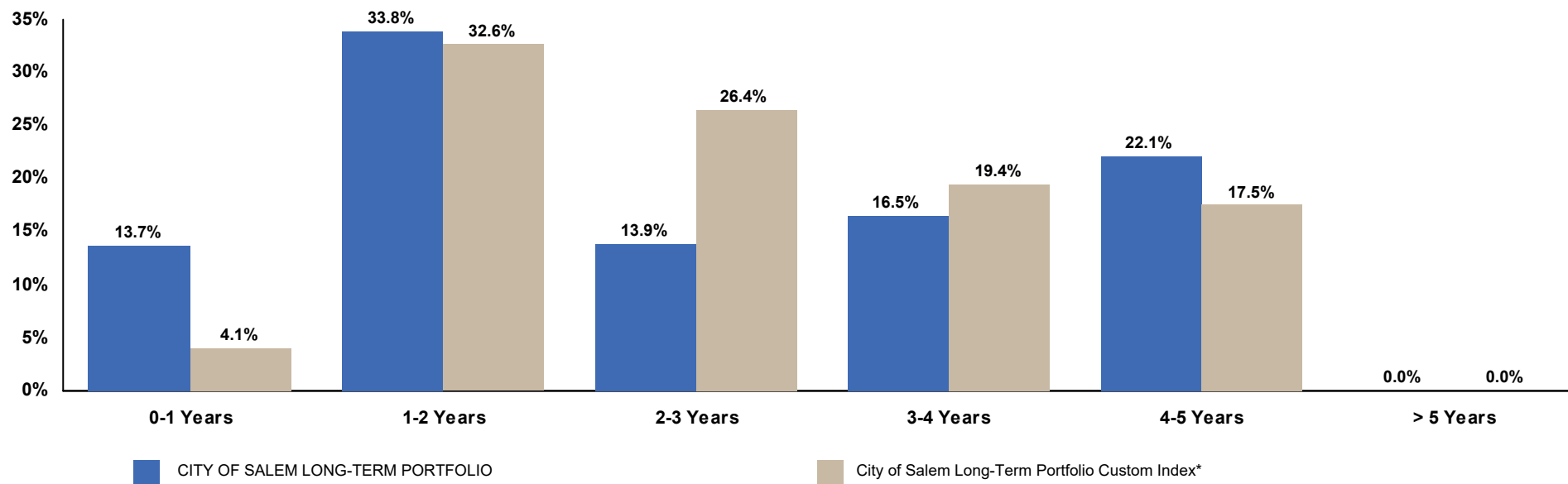


Detail may not add to total due to rounding.

Maturity Distribution

As of March 31, 2020

| 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 | 0.49% | 2.51 yrs | 13.7% | 33.8% | 13.9% | 16.5% | 22.1% | 0.0% |
| City of Salem Long-Term Portfolio Custom Index* | 0.25% | 2.67 yrs | 4.1% | 32.6% | 26.4% | 19.4% | 17.5% | 0.0% |



Portfolio performance is gross of fees unless otherwise indicated. *Performance benchmark is the ICE BofAML 1-5 Year U.S. Treasury Index.



CITY OF SALEM SHORT TERM PORTFOLIO

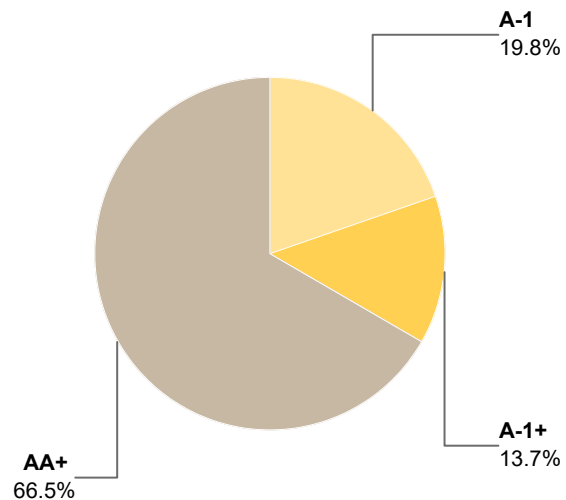
**Investment Performance Review
For the Quarter Ended March 31, 2020**

Portfolio Statistics

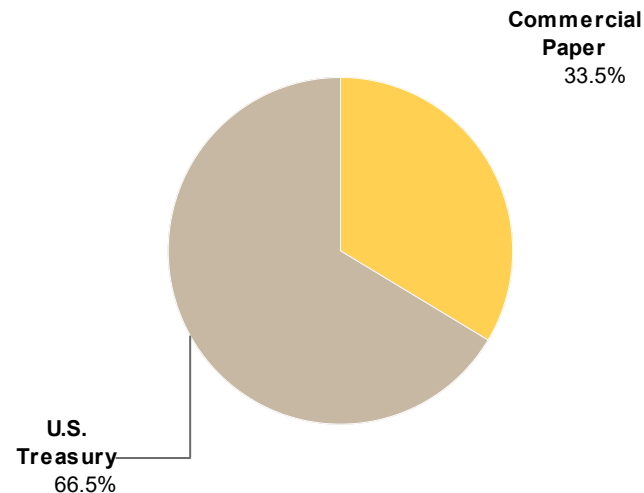
As of March 31, 2020

| | |
|-------------------------------|--------------|
| Par Value: | \$32,670,000 |
| Total Market Value: | \$32,854,656 |
| Security Market Value: | \$32,765,210 |
| Accrued Interest: | \$89,446 |
| Cash: | - |
| Amortized Cost: | \$32,616,087 |
| Yield at Market: | 0.72% |
| Yield at Cost: | 1.73% |
| Effective Duration: | 0.39 Years |
| Duration to Worst: | 0.39 Years |
| Average Maturity: | 0.39 Years |
| Average Credit: * | AA |

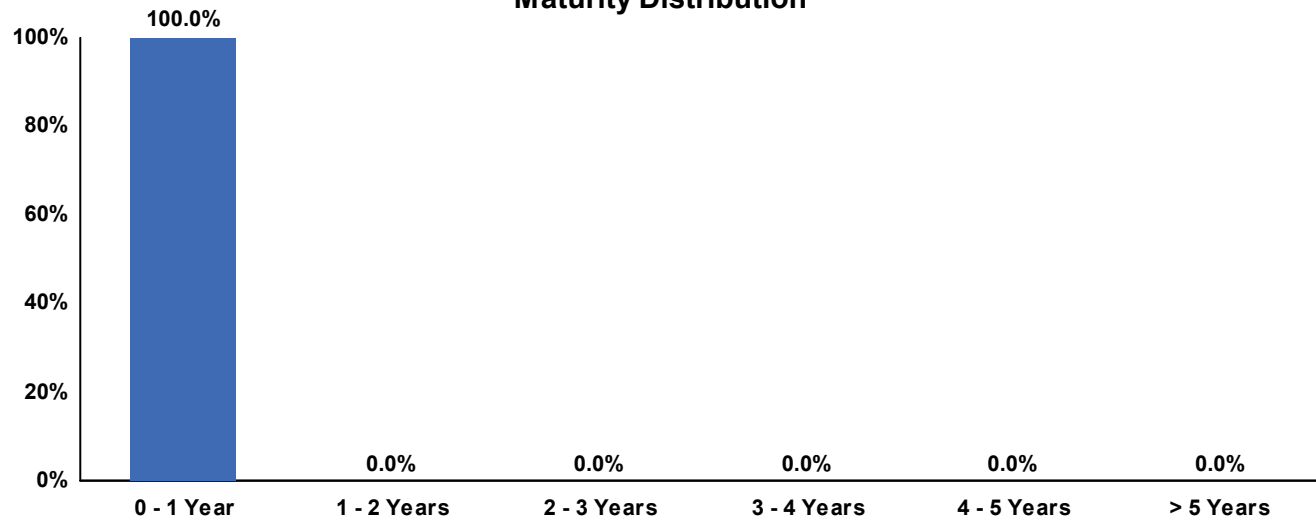
Credit Quality (S&P Ratings)



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 March 31, 2020**

| | Market Value Basis | Accrual (Amortized Cost) Basis |
|-------------------------------------|---------------------------|---------------------------------------|
| Beginning Value (12/31/2019) | \$35,803,156.48 | \$35,798,576.07 |
| Net Purchases/Sales | (\$3,260,866.67) | (\$3,260,866.67) |
| Change in Value | \$222,920.54 | \$78,377.98 |
| Ending Value (03/31/2020) | \$32,765,210.35 | \$32,616,087.38 |
| Interest Earned | \$82,433.08 | \$82,433.08 |
| Portfolio Earnings | \$305,353.62 | \$160,811.06 |



CITY OF SALEM STREETS & BRIDGES GO BONDS

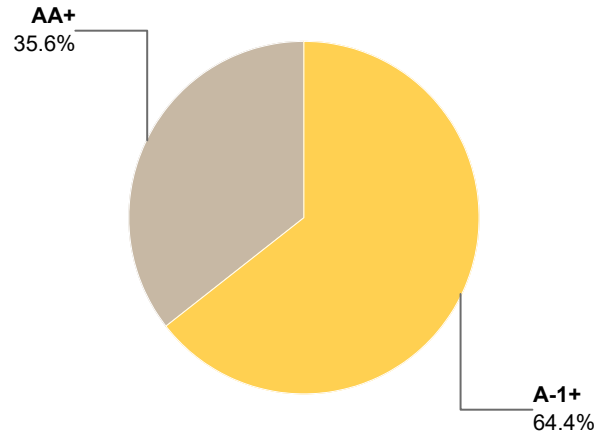
**Investment Performance Review
For the Quarter Ended March 31, 2020**

Portfolio Statistics

As of March 31, 2020

| | |
|-------------------------------|-------------|
| Par Value: | \$5,424,000 |
| Total Market Value: | \$5,435,389 |
| Security Market Value: | \$5,424,321 |
| Accrued Interest: | \$11,068 |
| Cash: | - |
| Amortized Cost: | \$5,406,251 |
| Yield at Market: | 0.26% |
| Yield at Cost: | 1.83% |
| Effective Duration: | 0.23 Years |
| Duration to Worst: | 0.23 Years |
| Average Maturity: | 0.23 Years |
| Average Credit: * | AA |

Credit Quality (S&P Ratings)



Sector Allocation

U.S. Treasury
100.0%

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 March 31, 2020**

| | Market Value Basis | Accrual (Amortized Cost) Basis |
|-------------------------------------|---------------------------|---------------------------------------|
| Beginning Value (12/31/2019) | \$5,393,053.29 | \$5,388,377.86 |
| Net Purchases/Sales | \$0.00 | \$0.00 |
| Change in Value | \$31,267.87 | \$17,872.83 |
| Ending Value (03/31/2020) | \$5,424,321.16 | \$5,406,250.69 |
| Interest Earned | \$6,925.00 | \$6,925.00 |
| Portfolio Earnings | \$38,192.87 | \$24,797.83 |



CITY OF SALEM POLICE FACILITY BONDS 2017

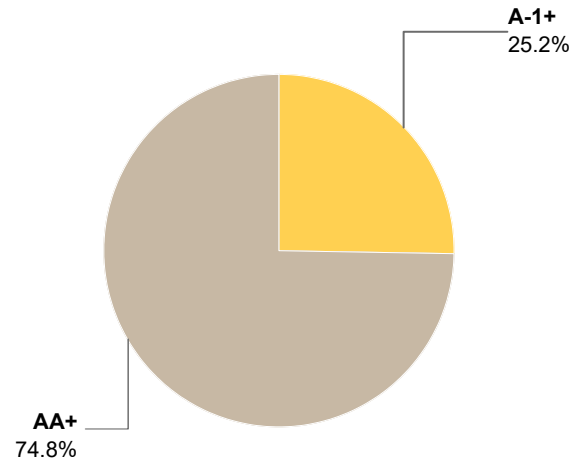
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For the Quarter Ended March 31, 2020**

Portfolio Statistics

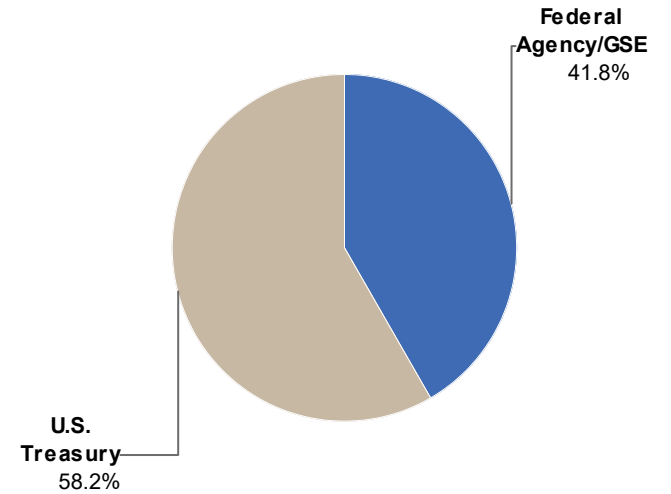
As of March 31, 2020

| | |
|-------------------------------|--------------|
| Par Value: | \$17,815,000 |
| Total Market Value: | \$17,920,559 |
| Security Market Value: | \$17,866,890 |
| Accrued Interest: | \$53,669 |
| Cash: | - |
| Amortized Cost: | \$17,816,624 |
| Yield at Market: | 0.30% |
| Yield at Cost: | 1.49% |
| Effective Duration: | 0.24 Years |
| Duration to Worst: | 0.24 Years |
| Average Maturity: | 0.24 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 March 31, 2020 | |
| | Market Value Basis | Accrual (Amortized Cost) Basis |
| Beginning Value (12/31/2019) | \$29,315,365.03 | \$29,327,470.28 |
| Net Purchases/Sales | (\$11,550,806.31) | (\$11,550,806.31) |
| Change in Value | \$102,331.25 | \$39,959.72 |
| Ending Value (03/31/2020) | \$17,866,889.97 | \$17,816,623.69 |
| Interest Earned | \$56,358.30 | \$56,358.30 |
| Portfolio Earnings | \$158,689.55 | \$96,318.02 |



CITY OF SALEM LIBRARY PROJ GO BONDS 2018

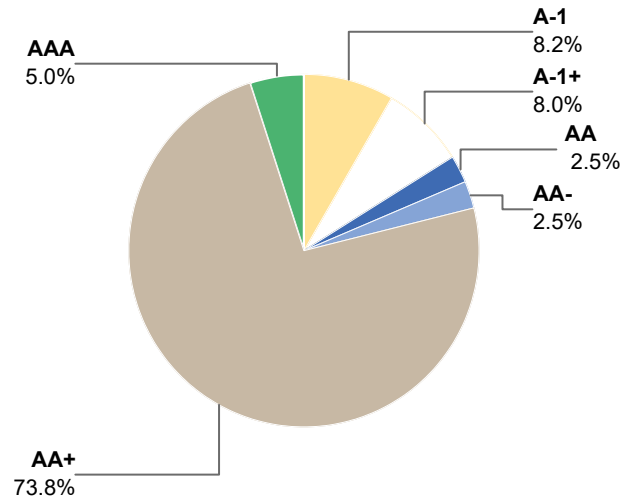
**Investment Performance Review
For the Quarter Ended March 31, 2020**

Portfolio Statistics

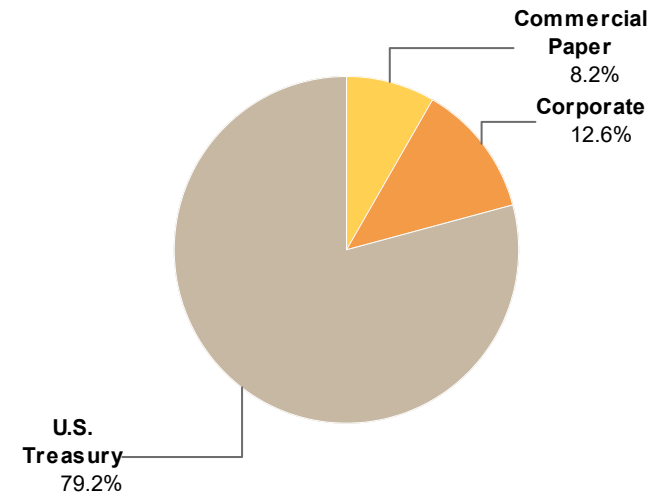
As of March 31, 2020

| | |
|-------------------------------|--------------|
| Par Value: | \$14,489,000 |
| Total Market Value: | \$14,611,365 |
| Security Market Value: | \$14,561,986 |
| Accrued Interest: | \$49,379 |
| Cash: | - |
| Amortized Cost: | \$14,456,366 |
| Yield at Market: | 0.49% |
| Yield at Cost: | 2.25% |
| Effective Duration: | 0.38 Years |
| Duration to Worst: | 0.38 Years |
| Average Maturity: | 0.38 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 March 31, 2020**

| | Market Value Basis | Accrual (Amortized Cost) Basis |
|-------------------------------------|---------------------------|---------------------------------------|
| Beginning Value (12/31/2019) | \$15,500,506.81 | \$15,444,864.12 |
| Net Purchases/Sales | (\$1,020,000.00) | (\$1,020,000.00) |
| Change in Value | \$81,479.31 | \$31,501.67 |
| Ending Value (03/31/2020) | \$14,561,986.12 | \$14,456,365.79 |
| Interest Earned | \$52,672.63 | \$52,672.63 |
| Portfolio Earnings | \$134,151.94 | \$84,174.30 |

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 | | | | | | | | | |
| 1/17/20 | 1/22/20 | 2,380,000 | 037833CG3 | APPLE INC (CALLABLE) BONDS | 3.00% | 2/9/24 | 2,510,027.33 | 1.94% | |
| 1/17/20 | 1/22/20 | 5,250,000 | 912828YM6 | UNITED STATES TREASURY NOTES | 1.50% | 10/31/24 | 5,237,195.01 | 1.63% | |
| 1/17/20 | 1/22/20 | 5,250,000 | 912828XT2 | US TREASURY N/B NOTES | 2.00% | 5/31/24 | 5,349,081.87 | 1.62% | |
| 1/17/20 | 1/22/20 | 4,750,000 | 912828YY0 | US TREASURY N/B | 1.75% | 12/31/24 | 4,782,299.43 | 1.63% | |
| 1/17/20 | 1/22/20 | 4,500,000 | 9128282D1 | US TREASURY NOTES | 1.37% | 8/31/23 | 4,490,903.80 | 1.59% | |
| 1/17/20 | 1/22/20 | 5,250,000 | 912828YE4 | UNITED STATES TREASURY NOTES | 1.25% | 8/31/24 | 5,189,418.57 | 1.62% | |
| 1/17/20 | 1/22/20 | 4,500,000 | 912828R28 | US TREASURY N/B NOTES | 1.62% | 4/30/23 | 4,523,178.02 | 1.58% | |
| Total BUY | | 31,880,000 | | | | | 32,082,104.03 | | |
| INTEREST | | | | | | | | | |
| 1/11/20 | 1/11/20 | 2,750,000 | 89236TDP7 | TOYOTA MOTOR CREDIT CORP BONDS | 2.60% | 1/11/22 | 35,750.00 | | |
| 1/15/20 | 1/15/20 | 2,000,000 | 084664BQ3 | BERKSHIRE HATHAWAY FINANCE CORP NOTES | 4.25% | 1/15/21 | 42,500.00 | | |
| 1/15/20 | 1/15/20 | 8,100,000 | 9128285V8 | US TREASURY NOTES | 2.50% | 1/15/22 | 101,250.00 | | |
| 1/31/20 | 1/31/20 | 4,600,000 | 912828V80 | US TREASURY N/B NOTES | 2.25% | 1/31/24 | 51,750.00 | | |
| 1/31/20 | 1/31/20 | 5,000,000 | 912828N89 | US TREASURY NOTES | 1.37% | 1/31/21 | 34,375.00 | | |
| 1/31/20 | 1/31/20 | 3,750,000 | 912828S92 | US TREASURY NOTES | 1.25% | 7/31/23 | 23,437.50 | | |
| 2/7/20 | 2/7/20 | 2,500,000 | 88579YAQ4 | 3M COMPANY CORP NOTES | 2.00% | 8/7/20 | 25,000.00 | | |
| 2/9/20 | 2/9/20 | 2,380,000 | 037833CG3 | APPLE INC (CALLABLE) BONDS | 3.00% | 2/9/24 | 35,700.00 | | |
| 2/11/20 | 2/11/20 | 2,500,000 | 742718EU9 | PROCTER & GAMBLE CO/THE CORP NOTES | 2.15% | 8/11/22 | 26,875.00 | | |
| 2/28/20 | 2/28/20 | 1,250,000 | 17275RBD3 | CISCO SYSTEMS INC CORP NOTES | 2.20% | 2/28/21 | 13,750.00 | | |
| 2/29/20 | 2/29/20 | 4,500,000 | 9128282D1 | US TREASURY NOTES | 1.37% | 8/31/23 | 30,937.50 | | |
| 2/29/20 | 2/29/20 | 5,250,000 | 912828YE4 | UNITED STATES TREASURY NOTES | 1.25% | 8/31/24 | 32,812.50 | | |
| 2/29/20 | 2/29/20 | 2,500,000 | 912828W55 | US TREASURY N/B NOTES | 1.87% | 2/28/22 | 23,437.50 | | |
| 2/29/20 | 2/29/20 | 7,440,000 | 9128286D7 | US TREASURY N/B | 2.50% | 2/28/21 | 93,000.00 | | |

CITY OF SALEM LONG-TERM PORTFOLIO

Portfolio Activity

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | | Transact Amt (\$) | Yield at Market | Realized G/L (BV) |
|-----------------------|-------------|-------------------|-----------|------------------------------|--------|---------|-------------------|-----------------|-------------------|
| 3/3/20 | 3/3/20 | 2,500,000 | 478160CD4 | JOHNSON & JOHNSON CORP NOTES | 2.25% | 3/3/22 | 28,125.00 | | |
| 3/15/20 | 3/15/20 | 5,470,000 | 912828YF1 | UNITED STATES TREASURY NOTES | 1.50% | 9/15/22 | 41,025.00 | | |
| 3/18/20 | 3/18/20 | 2,000,000 | 09247XAL5 | BLACKROCK INC CORP NOTES | 3.50% | 3/18/24 | 35,000.00 | | |
| 3/28/20 | 3/28/20 | 1,400,000 | 3130ACE26 | FHLB NOTES | 1.37% | 9/28/20 | 9,625.00 | | |
| 3/31/20 | 3/31/20 | 3,750,000 | 912828T26 | US TREASURY N/B | 1.37% | 9/30/23 | 25,781.25 | | |
| 3/31/20 | 3/31/20 | 4,600,000 | 912828YH7 | UNITED STATES TREASURY NOTES | 1.50% | 9/30/24 | 34,500.00 | | |
| 3/31/20 | 3/31/20 | 7,125,000 | 912828T34 | US TREASURY NOTES | 1.12% | 9/30/21 | 40,078.13 | | |
| 3/31/20 | 3/31/20 | 1,250,000 | 912828T34 | US TREASURY NOTES | 1.12% | 9/30/21 | 7,031.25 | | |
| 3/31/20 | 3/31/20 | 4,600,000 | 912828W71 | US TREASURY N/B | 2.12% | 3/31/24 | 48,875.00 | | |
| 3/31/20 | 3/31/20 | 3,750,000 | 912828Q29 | US TREASURY NOTES | 1.50% | 3/31/23 | 28,125.00 | | |
| Total INTEREST | | 90,965,000 | | | | | 868,740.63 | | |

SELL

| | | | | | | | | | |
|-------------------|---------|-------------------|-----------|-----------------------|-------|----------|----------------------|-------|------------------|
| 1/17/20 | 1/22/20 | 2,930,000 | 912828UV0 | US TREASURY NOTES | 1.12% | 3/31/20 | 2,937,749.04 | 1.58% | 681.44 |
| 1/17/20 | 1/22/20 | 2,500,000 | 037833BD1 | APPLE INC CORP NOTE | 2.00% | 5/6/20 | 2,511,233.33 | 1.76% | 75.12 |
| 1/17/20 | 1/22/20 | 1,100,000 | 912828XH8 | US TREASURY NOTES | 1.62% | 6/30/20 | 1,101,338.17 | 1.57% | (203.39) |
| 1/17/20 | 1/22/20 | 6,000,000 | 3135G0T29 | FNMA NOTES | 1.50% | 2/28/20 | 6,035,340.00 | 1.60% | (354.18) |
| 1/17/20 | 1/22/20 | 2,500,000 | 912828K58 | US TREASURY NOTES | 1.37% | 4/30/20 | 2,506,764.04 | 1.53% | 8,361.58 |
| 1/17/20 | 1/22/20 | 6,500,000 | 912828L99 | US TREASURY NOTES | 1.37% | 10/31/20 | 6,507,938.05 | 1.62% | 5,230.72 |
| 1/17/20 | 1/22/20 | 2,500,000 | 912828VA5 | US TREASURY NOTES | 1.12% | 4/30/20 | 2,503,581.09 | 1.54% | (367.68) |
| 1/17/20 | 1/22/20 | 4,000,000 | 9128284Q0 | US TREASURY N/B NOTES | 2.50% | 5/31/20 | 4,027,449.62 | 1.58% | 13,977.75 |
| 1/17/20 | 1/22/20 | 4,000,000 | 912828XH8 | US TREASURY NOTES | 1.62% | 6/30/20 | 4,004,866.07 | 1.57% | 17,573.22 |
| Total SELL | | 32,030,000 | | | | | 32,136,259.41 | | 44,974.58 |

Quarterly Portfolio Transactions

| Trade Date | | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amt (\$) | Yield at Market | Realized G/L (BV) |
|-----------------------|---------|------------------|-----------|----------------------------------|--------|---------------|---------------------|-----------------|-------------------|
| BUY | | | | | | | | | |
| 2/5/20 | 2/6/20 | 2,000,000 | 09659BF54 | BNP PARIBAS NY BRANCH COMM PAPER | 0.00% | 6/5/20 | 1,989,133.33 | 1.64% | |
| Total BUY | | 2,000,000 | | | | | 1,989,133.33 | | |
| INTEREST | | | | | | | | | |
| 2/15/20 | 2/15/20 | 4,920,000 | 9128282Q2 | US TREASURY N/B NOTES | 1.50% | 8/15/20 | 36,900.00 | | |
| 3/15/20 | 3/15/20 | 5,000,000 | 9128282V1 | US TREASURY N/B NOTES | 1.37% | 9/15/20 | 34,375.00 | | |
| Total INTEREST | | 9,920,000 | | | | | 71,275.00 | | |
| MATURITY | | | | | | | | | |
| 3/13/20 | 3/13/20 | 5,250,000 | 62479LCD5 | MUFG BANK LTD/NY COMM PAPER | 0.00% | 3/13/20 | 5,250,000.00 | | 0.00 |
| Total MATURITY | | 5,250,000 | | | | | 5,250,000.00 | | 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 | | | | | | | | | |
| 1/14/20 | 1/17/20 | 4,500,000 | 912796TQ2 | UNITED STATES TREASURY BILL | 0.00% | 4/9/20 | 4,484,193.69 | 1.53% | |
| Total BUY | | 4,500,000 | | | | | 4,484,193.69 | | |
| INTEREST | | | | | | | | | |
| 1/17/20 | 1/17/20 | 6,270,000 | 3137EAE5 | FREDDIE MAC NOTES | 1.50% | 1/17/20 | 47,025.00 | | |
| 1/30/20 | 1/30/20 | 2,480,000 | 3135G0T60 | FNMA NOTES | 1.50% | 7/30/20 | 18,600.00 | | |
| 2/7/20 | 2/7/20 | 1,050,000 | 037833AX8 | APPLE INC BONDS | 1.55% | 2/7/20 | 8,047.08 | | |
| 3/31/20 | 3/31/20 | 1,295,000 | 912828L65 | US TREASURY NOTES | 1.37% | 9/30/20 | 8,903.13 | | |
| Total INTEREST | | 11,095,000 | | | | | 82,575.21 | | |
| MATURITY | | | | | | | | | |
| 1/17/20 | 1/17/20 | 6,270,000 | 3137EAE5 | FREDDIE MAC NOTES | 1.50% | 1/17/20 | 6,270,000.00 | | 0.00 |
| 2/7/20 | 2/7/20 | 1,050,000 | 037833AX8 | APPLE INC BONDS | 1.55% | 2/7/20 | 1,050,000.00 | | 0.00 |
| 2/13/20 | 2/13/20 | 940,000 | 912796TF6 | US TREASURY BILL | 0.00% | 2/13/20 | 940,000.00 | | 0.00 |
| 2/20/20 | 2/20/20 | 700,000 | 912796TG4 | TREASURY BILL | 0.00% | 2/20/20 | 700,000.00 | | 0.00 |
| 2/24/20 | 2/24/20 | 1,300,000 | 22533TBQ8 | CREDIT AGRICOLE CIB NY COMM PAPER | 0.00% | 2/24/20 | 1,300,000.00 | | 0.00 |
| 3/18/20 | 3/18/20 | 1,300,000 | 02665JCJ7 | AMERICAN HONDA FINANCE COMM PAPER | 0.00% | 3/18/20 | 1,300,000.00 | | 0.00 |
| 3/18/20 | 3/18/20 | 1,050,000 | 62479LCJ2 | MUFG BANK LTD/NY COMM PAPER | 0.00% | 3/18/20 | 1,050,000.00 | | 0.00 |
| 3/25/20 | 3/25/20 | 1,525,000 | 09659BCR9 | BNP PARIBAS NY BRANCH COMM PAPER | 0.00% | 3/25/20 | 1,525,000.00 | | 0.00 |
| 3/26/20 | 3/26/20 | 850,000 | 912796SH3 | UNITED STATES TREASURY BILL | 0.00% | 3/26/20 | 850,000.00 | | 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 | | 14,985,000 | | | | | 14,985,000.00 | | 0.00 |
| SELL | | | | | | | | | |
| 1/13/20 | 1/13/20 | 1,050,000 | 594918AY0 | MICROSOFT CORP (CALLABLE) NOTE | 1.85% | 2/12/20 | 1,058,093.75 | 1.84% | 0.00 |
| Total SELL | | 1,050,000 | | | | | 1,058,093.75 | | 0.00 |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Yield at Market | Realized G/L (BV) |
|-----------------------|-------------|------------------|-----------|---------------------------------|--------|---------------|---------------------|-------------------|
| INTEREST | | | | | | | | |
| 1/8/20 | 1/8/20 | 360,000 | 931142CU5 | WAL MART STORES INC. CORP NOTES | 3.62% | 7/8/20 | 6,525.00 | |
| 1/31/20 | 1/31/20 | 1,265,000 | 912828XM7 | US TREASURY NOTES | 1.62% | 7/31/20 | 10,278.13 | |
| 1/31/20 | 1/31/20 | 310,000 | 912828N89 | US TREASURY NOTES | 1.37% | 1/31/21 | 2,131.25 | |
| 2/29/20 | 2/29/20 | 1,625,000 | 912828L32 | US TREASURY NOTES | 1.37% | 8/31/20 | 11,171.88 | |
| 3/1/20 | 3/1/20 | 365,000 | 478160AW4 | JOHNSON & JOHNSON GLOBAL NOTES | 2.95% | 9/1/20 | 5,383.75 | |
| 3/31/20 | 3/31/20 | 1,260,000 | 912828L65 | US TREASURY NOTES | 1.37% | 9/30/20 | 8,662.50 | |
| 3/31/20 | 3/31/20 | 645,000 | 912828L65 | US TREASURY NOTES | 1.37% | 9/30/20 | 4,434.37 | |
| Total INTEREST | | 5,830,000 | | | | | 48,586.88 | |
| MATURITY | | | | | | | | |
| 3/12/20 | 3/12/20 | 1,020,000 | 912796TK5 | TREASURY BILL | 0.00% | 3/12/20 | 1,020,000.00 | 0.00 |
| Total MATURITY | | 1,020,000 | | | | | 1,020,000.00 | 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 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 | 29,216.70 | 5,334,537.27 | 5,400,991.92 |
| 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 | 11,521.29 | 4,970,474.95 | 5,049,219.00 |
| US TREASURY N/B DTD 02/28/2019 2.500% 02/28/2021 | 9128286D7 | 7,440,000.00 | AA+ | Aaa | 3/7/2019 | 3/11/2019 | 7,443,778.13 | 2.47 | 16,173.91 | 7,441,787.91 | 7,595,775.00 |
| US TREASURY 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 | 10,101.20 | 1,014,725.89 | 1,042,436.67 |
| 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 | 34,950.82 | 5,159,099.76 | 5,308,062.24 |
| 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 | 16,803.28 | 2,482,643.50 | 2,551,953.00 |
| 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 | 14,217.03 | 4,903,925.40 | 5,056,250.00 |
| US TREASURY NOTES 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 | 38.42 | 1,224,273.88 | 1,265,429.75 |
| US TREASURY NOTES DTD 09/30/2016 1.125% 09/30/2021 | 912828T34 | 7,125,000.00 | AA+ | Aaa | 9/11/2018 | 9/12/2018 | 6,774,873.05 | 2.82 | 219.01 | 6,949,354.93 | 7,212,949.58 |
| UNITED STATES TREASURY NOTES DTD 10/15/2018 2.875% 10/15/2021 | 9128285F3 | 9,965,000.00 | AA+ | Aaa | 11/9/2018 | 11/13/2018 | 9,932,691.60 | 2.99 | 132,288.10 | 9,947,712.32 | 10,360,485.94 |
| US TREASURY NOTES DTD 11/30/2016 1.750% 11/30/2021 | 912828U65 | 5,000,000.00 | AA+ | Aaa | 12/4/2018 | 12/7/2018 | 4,850,390.63 | 2.80 | 29,405.74 | 4,915,001.10 | 5,121,875.00 |
| US TREASURY NOTES DTD 01/15/2019 2.500% 01/15/2022 | 9128285V8 | 8,100,000.00 | AA+ | Aaa | 1/30/2019 | 1/31/2019 | 8,085,761.72 | 2.56 | 42,836.54 | 8,091,292.74 | 8,418,937.50 |
| US TREASURY N/B NOTES DTD 02/28/2017 1.875% 02/28/2022 | 912828W55 | 2,500,000.00 | AA+ | Aaa | 2/26/2019 | 2/27/2019 | 2,458,203.13 | 2.46 | 4,076.09 | 2,473,025.08 | 2,575,781.25 |
| US TREASURY N/B NOTES DTD 04/30/2015 1.750% 04/30/2022 | 912828WZ9 | 1,750,000.00 | AA+ | Aaa | 5/8/2019 | 5/13/2019 | 1,726,074.22 | 2.23 | 12,872.60 | 1,733,059.46 | 1,801,953.13 |
| US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022 | 912828X47 | 5,400,000.00 | AA+ | Aaa | 5/10/2019 | 5/16/2019 | 5,348,531.25 | 2.21 | 42,558.38 | 5,363,470.67 | 5,572,968.48 |

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 05/31/2017 1.750% 05/31/2022 | 912828XR6 | 960,000.00 | AA+ | Aaa | 9/19/2019 | 9/20/2019 | 961,312.50 | 1.70 | 5,645.90 | 961,065.54 | 988,800.00 |
| UNITED STATES TREASURY NOTES DTD 09/16/2019 1.500% 09/15/2022 | 912828YF1 | 5,470,000.00 | AA+ | Aaa | 11/13/2019 | 11/15/2019 | 5,448,632.81 | 1.64 | 3,790.35 | 5,451,465.78 | 5,628,971.88 |
| US TREASURY NOTES DTD 11/15/2012 1.625% 11/15/2022 | 912828TY6 | 5,000,000.00 | AA+ | Aaa | 11/13/2019 | 11/15/2019 | 4,995,117.19 | 1.66 | 30,803.57 | 4,995,721.60 | 5,170,312.50 |
| US TREASURY NOTES DTD 03/31/2016 1.500% 03/31/2023 | 912828Q29 | 3,750,000.00 | AA+ | Aaa | 11/19/2019 | 11/21/2019 | 3,738,574.22 | 1.59 | 153.69 | 3,739,792.76 | 3,880,078.13 |
| US TREASURY N/B NOTES DTD 05/02/2016 1.625% 04/30/2023 | 912828R28 | 4,500,000.00 | AA+ | Aaa | 1/17/2020 | 1/22/2020 | 4,506,503.91 | 1.58 | 30,736.61 | 4,506,153.75 | 4,675,781.25 |
| US TREASURY NOTES DTD 08/01/2016 1.250% 07/31/2023 | 912828S92 | 3,750,000.00 | AA+ | Aaa | 11/19/2019 | 11/21/2019 | 3,702,685.55 | 1.60 | 7,855.43 | 3,707,208.30 | 3,859,570.50 |
| US TREASURY NOTES DTD 08/31/2016 1.375% 08/31/2023 | 912828D1 | 4,500,000.00 | AA+ | Aaa | 1/17/2020 | 1/22/2020 | 4,466,425.78 | 1.59 | 5,380.43 | 4,468,182.26 | 4,653,984.60 |
| US TREASURY N/B DTD 09/30/2016 1.375% 09/30/2023 | 912828T26 | 3,750,000.00 | AA+ | Aaa | 11/19/2019 | 11/21/2019 | 3,717,480.47 | 1.61 | 140.88 | 3,720,455.29 | 3,880,664.25 |
| US TREASURY NOTES DTD 01/03/2017 2.250% 12/31/2023 | 912828V23 | 3,530,000.00 | AA+ | Aaa | 11/19/2019 | 11/21/2019 | 3,619,491.02 | 1.61 | 20,074.45 | 3,611,866.98 | 3,777,651.39 |
| US TREASURY N/B NOTES DTD 01/31/2017 2.250% 01/31/2024 | 912828V80 | 4,600,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,718,953.13 | 1.61 | 17,344.78 | 4,709,478.80 | 4,929,187.50 |
| US TREASURY N/B DTD 03/31/2017 2.125% 03/31/2024 | 912828W71 | 4,600,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,698,289.06 | 1.61 | 267.08 | 4,690,782.01 | 4,921,281.48 |
| US TREASURY N/B NOTES DTD 05/31/2017 2.000% 05/31/2024 | 912828XT2 | 5,250,000.00 | AA+ | Aaa | 1/17/2020 | 1/22/2020 | 5,333,876.95 | 1.62 | 35,286.89 | 5,330,332.72 | 5,602,734.38 |
| US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024 | 912828XX3 | 4,600,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,678,343.75 | 1.61 | 23,252.75 | 4,672,672.27 | 4,911,937.50 |
| UNITED STATES TREASURY NOTES DTD 09/03/2019 1.250% 08/31/2024 | 912828YE4 | 5,250,000.00 | AA+ | Aaa | 1/17/2020 | 1/22/2020 | 5,163,457.03 | 1.62 | 5,706.52 | 5,166,953.14 | 5,452,617.45 |
| UNITED STATES TREASURY NOTES DTD 09/30/2019 1.500% 09/30/2024 | 912828YH7 | 4,600,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,575,742.19 | 1.61 | 188.52 | 4,577,433.41 | 4,828,562.50 |

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 |
|--|-----------|-----------------------|---------------|-------------------|---------------|----------------|-----------------------|----------------|---------------------|-----------------------|-----------------------|
| U.S. Treasury Bond / Note | | | | | | | | | | | |
| UNITED STATES TREASURY NOTES DTD 10/31/2019 1.500% 10/31/2024 | 912828YM6 | 5,250,000.00 | AA+ | Aaa | 1/17/2020 | 1/22/2020 | 5,219,238.28 | 1.63 | 33,100.96 | 5,220,459.72 | 5,517,421.88 |
| US TREASURY NOTES DTD 11/17/2014 2.250% 11/15/2024 | 912828G38 | 4,070,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,192,735.94 | 1.62 | 34,717.99 | 4,184,496.43 | 4,413,406.25 |
| US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024 | 912828YY0 | 4,750,000.00 | AA+ | Aaa | 1/17/2020 | 1/22/2020 | 4,777,275.39 | 1.63 | 21,009.62 | 4,776,259.00 | 5,055,039.30 |
| Security Type Sub-Total | | 150,775,000.00 | | | | | 149,843,986.95 | 2.07 | 672,735.53 | 150,495,164.62 | 156,483,071.20 |
| Municipal Bond / Note | | | | | | | | | | | |
| CA ST TXBL GO BONDS DTD 04/25/2018 2.800% 04/01/2021 | 13063DGA0 | 1,480,000.00 | AA- | Aa2 | 4/18/2018 | 4/25/2018 | 1,480,059.20 | 2.80 | 20,720.00 | 1,480,014.96 | 1,500,276.00 |
| Security Type Sub-Total | | 1,480,000.00 | | | | | 1,480,059.20 | 2.80 | 20,720.00 | 1,480,014.96 | 1,500,276.00 |
| Federal Agency Bond / Note | | | | | | | | | | | |
| 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 | 160.42 | 1,399,262.58 | 1,406,385.40 |
| 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 | 36,166.67 | 3,098,369.49 | 3,168,634.00 |
| Security Type Sub-Total | | 4,500,000.00 | | | | | 4,490,887.00 | 2.22 | 36,327.09 | 4,497,632.07 | 4,575,019.40 |
| Corporate Note | | | | | | | | | | | |
| 3M COMPANY CORP NOTES DTD 08/07/2015 2.000% 08/07/2020 | 88579YAQ4 | 2,500,000.00 | A+ | A1 | 8/2/2017 | 8/7/2017 | 2,522,500.00 | 1.69 | 7,500.00 | 2,502,680.58 | 2,500,015.00 |
| 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 | 17,944.44 | 2,019,982.80 | 2,035,910.00 |
| 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 | 2,520.83 | 1,242,614.78 | 1,254,498.75 |

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 |
|---|-----------|-------------------------|---------------|-------------------|---------------|----------------|-------------------------|----------------|---------------------|-------------------------|-------------------------|
| 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 | 11,630.21 | 882,105.04 | 900,822.13 |
| 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 | 21,267.36 | 2,499,944.55 | 2,552,712.50 |
| TOYOTA MOTOR CREDIT CORP BONDS DTD 01/09/2017 2.600% 01/11/2022 | 89236TDP7 | 2,750,000.00 | AA- | A1 | 1/8/2019 | 1/10/2019 | 2,705,972.50 | 3.16 | 15,888.89 | 2,723,449.27 | 2,756,283.75 |
| JOHNSON & JOHNSON CORP NOTES DTD 03/03/2017 2.250% 03/03/2022 | 478160CD4 | 2,500,000.00 | AAA | Aaa | 3/5/2019 | 3/7/2019 | 2,467,900.00 | 2.70 | 4,375.00 | 2,479,069.00 | 2,545,997.50 |
| PROCTER & GAMBLE CO/THE CORP NOTES DTD 08/11/2017 2.150% 08/11/2022 | 742718EU9 | 2,500,000.00 | AA- | Aa3 | 11/13/2019 | 11/15/2019 | 2,524,850.00 | 1.78 | 7,465.28 | 2,521,515.23 | 2,538,200.00 |
| APPLE INC (CALLABLE) BONDS DTD 02/09/2017 3.000% 02/09/2024 | 037833CG3 | 2,380,000.00 | AA+ | Aa1 | 1/17/2020 | 1/22/2020 | 2,477,699.00 | 1.94 | 10,313.33 | 2,473,043.48 | 2,504,690.58 |
| BLACKROCK INC CORP NOTES DTD 03/18/2014 3.500% 03/18/2024 | 09247XAL5 | 2,000,000.00 | AA- | Aa3 | 11/19/2019 | 11/21/2019 | 2,130,520.00 | 1.92 | 2,527.78 | 2,120,060.60 | 2,116,050.00 |
| Security Type Sub-Total | | 21,255,000.00 | | | | | 21,514,761.50 | 2.46 | 101,433.12 | 21,464,465.33 | 21,705,180.21 |
| Managed Account Sub Total | | 178,010,000.00 | | | | | 177,329,694.65 | 2.13 | 831,215.74 | 177,937,276.98 | 184,263,546.81 |
| Securities Sub-Total | | \$178,010,000.00 | | | | | \$177,329,694.65 | 2.13% | \$831,215.74 | \$177,937,276.98 | \$184,263,546.81 |
| Accrued Interest | | | | | | | | | | | \$831,215.74 |
| Total Investments | | | | | | | | | | | \$185,094,762.55 |

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 04/17/2017 1.500% 04/15/2020 | 912828X21 | 1,750,000.00 | AA+ | Aaa | 4/26/2019 | 4/29/2019 | 1,735,166.02 | 2.40 | 12,120.90 | 1,749,407.00 | 1,750,273.35 |
| US TREASURY N/B NOTES DTD 08/15/2017 1.500% 08/15/2020 | 912828Q2 | 4,920,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,915,771.88 | 1.62 | 9,326.37 | 4,917,813.16 | 4,943,062.50 |
| US TREASURY N/B NOTES DTD 09/15/2017 1.375% 09/15/2020 | 912828V1 | 5,000,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,989,843.75 | 1.63 | 3,175.95 | 4,994,239.90 | 5,025,000.00 |
| US TREASURY N/B NOTES DTD 10/16/2017 1.625% 10/15/2020 | 912828Z2 | 5,000,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,999,414.06 | 1.64 | 37,517.08 | 4,999,656.95 | 5,038,281.00 |
| US TREASURY NOTES DTD 11/30/2015 1.625% 11/30/2020 | 912828M98 | 5,000,000.00 | AA+ | Aaa | 11/26/2019 | 11/27/2019 | 4,999,609.38 | 1.63 | 27,305.33 | 4,999,744.00 | 5,047,656.00 |
| Security Type Sub-Total | | 21,670,000.00 | | | | | 21,639,805.09 | 1.69 | 89,445.63 | 21,660,861.01 | 21,804,272.85 |
| Commercial Paper | | | | | | | | | | | |
| BNP PARIBAS NY BRANCH COMM PAPER DTD 09/12/2019 0.000% 06/05/2020 | 09659BF54 | 2,000,000.00 | A-1 | P-1 | 2/5/2020 | 2/6/2020 | 1,989,133.33 | 1.64 | 0.00 | 1,994,113.88 | 1,994,332.00 |
| TOYOTA MOTOR CREDIT CORP COMM PAPER DTD 11/18/2019 0.000% 06/25/2020 | 89233GFR2 | 4,500,000.00 | A-1+ | P-1 | 11/18/2019 | 11/19/2019 | 4,449,630.00 | 1.86 | 0.00 | 4,480,449.98 | 4,484,434.50 |
| CREDIT AGRICOLE CIB NY COMM PAPER DTD 11/07/2019 0.000% 06/25/2020 | 22533TFR2 | 4,500,000.00 | A-1 | P-1 | 11/7/2019 | 11/8/2019 | 4,447,675.00 | 1.84 | 0.00 | 4,480,662.51 | 4,482,171.00 |
| Security Type Sub-Total | | 11,000,000.00 | | | | | 10,886,438.33 | 1.81 | 0.00 | 10,955,226.37 | 10,960,937.50 |
| Managed Account Sub Total | | 32,670,000.00 | | | | | 32,526,243.42 | 1.73 | 89,445.63 | 32,616,087.38 | 32,765,210.35 |
| Securities Sub-Total | | \$32,670,000.00 | | | | | \$32,526,243.42 | 1.73% | \$89,445.63 | \$32,616,087.38 | \$32,765,210.35 |
| Accrued Interest | | | | | | | | | | | \$89,445.63 |
| Total Investments | | | | | | | | | | | \$32,854,655.98 |

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 04/30/2015 1.375% 04/30/2020 | 912828K58 | 1,000,000.00 | AA+ | Aaa | 4/10/2019 | 4/11/2019 | 989,335.94 | 2.41 | 5,779.53 | 999,187.72 | 1,000,781.20 |
| US TREASURY N/B NOTES DTD 05/15/2017 1.500% 05/15/2020 | 912828X96 | 930,000.00 | AA+ | Aaa | 5/10/2019 | 5/16/2019 | 922,153.13 | 2.36 | 5,288.74 | 929,043.36 | 931,017.23 |
| Security Type Sub-Total | | 1,930,000.00 | | | | | 1,911,489.07 | 2.38 | 11,068.27 | 1,928,231.08 | 1,931,798.43 |
| U.S. Treasury Bill | | | | | | | | | | | |
| UNITED STATES TREASURY BILL DTD 12/05/2019 0.000% 06/04/2020 | 912796TX7 | 1,879,000.00 | A-1+ | P-1 | 12/18/2019 | 12/19/2019 | 1,865,667.24 | 1.53 | 0.00 | 1,873,920.86 | 1,878,649.19 |
| UNITED STATES TREASURY BILL DTD 09/12/2019 0.000% 09/10/2020 | 912796TJ8 | 1,615,000.00 | A-1+ | P-1 | 12/18/2019 | 12/19/2019 | 1,597,100.42 | 1.52 | 0.00 | 1,604,098.75 | 1,613,873.54 |
| Security Type Sub-Total | | 3,494,000.00 | | | | | 3,462,767.66 | 1.52 | 0.00 | 3,478,019.61 | 3,492,522.73 |
| Managed Account Sub Total | | 5,424,000.00 | | | | | 5,374,256.73 | 1.83 | 11,068.27 | 5,406,250.69 | 5,424,321.16 |
| Securities Sub-Total | | \$5,424,000.00 | | | | | \$5,374,256.73 | 1.83% | \$11,068.27 | \$5,406,250.69 | \$5,424,321.16 |
| Accrued Interest | | | | | | | | | | | \$11,068.27 |
| Total Investments | | | | | | | | | | | \$5,435,389.43 |

Bolted 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 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 | 12,602.46 | 2,500,281.08 | 2,505,078.00 |
| 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 | 48.65 | 1,294,339.47 | 1,302,082.10 |
| 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 | 9,111.54 | 2,063,333.29 | 2,083,818.75 |
| Security Type Sub-Total | | 5,855,000.00 | | | | | 5,870,077.93 | 1.48 | 21,762.65 | 5,857,953.84 | 5,890,978.85 |
| U.S. Treasury Bill | | | | | | | | | | | |
| UNITED STATES TREASURY BILL DTD 10/10/2019 0.000% 04/09/2020 | 912796TQ2 | 4,500,000.00 | A-1+ | P-1 | 1/14/2020 | 1/17/2020 | 4,484,193.69 | 1.53 | 0.00 | 4,498,476.48 | 4,499,910.00 |
| Security Type Sub-Total | | 4,500,000.00 | | | | | 4,484,193.69 | 1.53 | 0.00 | 4,498,476.48 | 4,499,910.00 |
| Federal Agency Bond / Note | | | | | | | | | | | |
| 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 | 15,373.26 | 2,499,882.08 | 2,500,950.00 |
| 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 | 10,230.00 | 2,480,289.89 | 2,486,343.84 |
| 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 | 6,303.33 | 2,480,021.40 | 2,488,707.28 |
| Security Type Sub-Total | | 7,460,000.00 | | | | | 7,457,920.20 | 1.47 | 31,906.59 | 7,460,193.37 | 7,476,001.12 |
| Managed Account Sub Total | | 17,815,000.00 | | | | | 17,812,191.82 | 1.49 | 53,669.24 | 17,816,623.69 | 17,866,889.97 |
| Securities Sub-Total | | \$17,815,000.00 | | | | | \$17,812,191.82 | 1.49% | \$53,669.24 | \$17,816,623.69 | \$17,866,889.97 |
| Accrued Interest | | | | | | | | | | | \$53,669.24 |
| Total Investments | | | | | | | | | | | \$17,920,559.21 |

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 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 | 3,063.15 | 529,608.43 | 530,414.04 |
| 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 | 2,646.52 | 524,304.92 | 526,066.38 |
| 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 | 3,696.43 | 898,480.35 | 903,234.42 |
| 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 | 3,444.87 | 1,262,086.83 | 1,270,929.69 |
| 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 | 1,942.93 | 1,618,579.53 | 1,632,617.19 |
| 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 | 47.34 | 1,254,001.28 | 1,266,890.69 |
| US TREASURY NOTES DTD 09/30/2015 1.375% 09/30/2020 | 912828L65 | 645,000.00 | AA+ | Aaa | 9/25/2019 | 9/30/2019 | 642,026.95 | 1.84 | 24.23 | 643,514.82 | 648,527.38 |
| 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 | 4,854.81 | 835,272.73 | 845,775.00 |
| 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 | 6,553.28 | 1,194,240.35 | 1,211,437.44 |
| 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 | 7,173.28 | 1,195,148.10 | 1,214,232.09 |
| 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 | 714.32 | 307,454.00 | 313,051.58 |
| Security Type Sub-Total | | 10,295,000.00 | | | | | 10,121,522.07 | 2.31 | 34,161.16 | 10,262,691.34 | 10,363,175.90 |
| U.S. Treasury Bill | | | | | | | | | | | |
| UNITED STATES TREASURY BILL -- 0.000% 04/02/2020 | 912796TM1 | 1,100,000.00 | A-1+ | P-1 | 10/9/2019 | 10/10/2019 | 1,091,364.24 | 1.63 | 0.00 | 1,099,950.65 | 1,099,998.79 |
| UNITED STATES TREASURY BILL DTD 02/20/2020 0.000% 05/21/2020 | 912796SR1 | 64,000.00 | A-1+ | P-1 | 11/26/2019 | 11/27/2019 | 63,509.23 | 1.58 | 0.00 | 63,860.58 | 63,992.44 |

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 |
|--|-----------|------------------------|---------------|-------------------|---------------|----------------|------------------------|----------------|---------------------|------------------------|------------------------|
| Security Type Sub-Total | | 1,164,000.00 | | | | | 1,154,873.47 | 1.63 | 0.00 | 1,163,811.23 | 1,163,991.23 |
| Corporate Note | | | | | | | | | | | |
| TOYOTA MOTOR CREDIT CORP DTD 04/17/2017 1.950% 04/17/2020 | 89236TDU6 | 370,000.00 | AA- | A1 | 3/27/2018 | 3/29/2018 | 363,991.20 | 2.77 | 3,286.83 | 369,866.99 | 370,002.59 |
| 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 | 2,625.00 | 374,688.99 | 375,187.88 |
| 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 | 3,008.75 | 361,085.46 | 361,520.28 |
| 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 | 897.29 | 365,730.26 | 367,067.36 |
| 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 | 5,400.00 | 360,721.69 | 362,938.68 |
| Security Type Sub-Total | | 1,830,000.00 | | | | | 1,834,806.40 | 2.58 | 15,217.87 | 1,832,093.39 | 1,836,716.79 |
| Commercial Paper | | | | | | | | | | | |
| MUFG BANK LTD/NY COMM PAPER DTD 10/10/2019 0.000% 04/07/2020 | 62479LD77 | 450,000.00 | A-1 | P-1 | 10/9/2019 | 10/10/2019 | 445,657.50 | 1.95 | 0.00 | 449,855.25 | 449,894.70 |
| CREDIT AGRICOLE CIB NY COMM PAPER DTD 11/26/2019 0.000% 05/26/2020 | 22533TES1 | 750,000.00 | A-1 | P-1 | 11/26/2019 | 11/27/2019 | 743,137.08 | 1.84 | 0.00 | 747,914.58 | 748,207.50 |
| Security Type Sub-Total | | 1,200,000.00 | | | | | 1,188,794.58 | 1.88 | 0.00 | 1,197,769.83 | 1,198,102.20 |
| Managed Account Sub Total | | 14,489,000.00 | | | | | 14,299,996.52 | 2.25 | 49,379.03 | 14,456,365.79 | 14,561,986.12 |
| Securities Sub-Total | | \$14,489,000.00 | | | | | \$14,299,996.52 | 2.25% | \$49,379.03 | \$14,456,365.79 | \$14,561,986.12 |
| Accrued Interest | | | | | | | | | | | \$49,379.03 |
| Total Investments | | | | | | | | | | | \$14,611,365.15 |

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 Refinitiv, 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.