

**CITY OF SALEM  
CITY MANAGER'S OFFICE  
FINANCE DIVISION**

Si necesita ayuda para comprender esta información, por favor llame 503-588-6274

Disability-related modification or accommodation, including auxiliary aids or services, in order to participate in this meeting or event, are available upon request. Sign language and interpreters for languages other than English are also available on request. To request such an accommodation or interpretation, contact the Finance Division at 503-588-6040 at least **two business days** before meeting; or TTD/TTY telephone (503) 588-6439, is also available 24/7.

---

**CITY OF SALEM  
FINANCE COMMITTEE**

Committee Members

Councilor Brad Nanke, Chair  
Mayor Chuck Bennett  
Councilor Matthew Ausec  
Alternate-Councilor Tom Andersen

City Staff

Steve Powers, City Manager  
Dan Atchison, City Attorney  
Robert Barron, Chief Financial Officer  
Tony Turley, Financial Reporting Manager  
Kelli Blechschmidt, Administrative Analyst

Next Meeting: October 28, 2019

It is the City of Salem's policy to assure that no person shall be discriminated against on the grounds of race, religion, color, sex, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, and source of income, as provided by Salem Revised Code 97. The City also fully complies with Title VI of the Civil Rights Act of 1964, and related statutes and regulations, in all programs and activities.

**MEETING AGENDA**

September 23, 2019

4:30 PM

PW Traffic Control Room  
555 Liberty Street SE, Room 325

1. Call to Order
2. Approval of Minutes
  - a. June 17, 2019
3. Public Comment  
(Appearance of persons wishing to address the Committee on any matter other than those which appear on this Agenda.)
4. Action Items
  - a. None
5. Management Update/Information Items
  - a. Investment Reports
    - Account Statement Quarter Ending 6/30/19
    - Account Statement Month Ending 8/31/19
  - b. Long Term Investment Strategy
  - c. Moody's Report
  - d. Conduit Financing-Salem Health
6. Continued Business
  - a. TPA Update-Dan Atchison
7. New Business
  - a. None
8. Adjournment

---

## City of Salem Finance Committee Minutes

**DATE:** June 17, 2019

**CHAIRPERSON:** Brad Nanke

**PLACE:** CMO Conference Room

**STAFF LIAISON:**

Robert Barron

503-588-6174

[rbarron@cityofsalem.net](mailto:rbarron@cityofsalem.net)

---

**Members Present:**

Chair Nanke

Mayor Bennett

Member Ausec

Member Andersen-Alternate

**Staff Present:**

Steve Powers, City Manager

Dan Atchison, City Attorney

Robert Barron, Chief Financial Officer

Tony Turley, Financial Reporting Manager

Josh Eggleston, Fiscal Analyst

Kelli Blechschmidt, Administrative Analyst

**Members Absent:**

**Guests Present:**

1. CALL TO ORDER: 12:30 PM Quorum
2. APPROVAL OF FINANCE COMMITTEE MINUTES
  - a. April 15, 2019
3. ITEMS REQUIRING ACTION
  - a. Tourism Improvement District (TID)  
Finance Committee heard update from staff on the TID process with Travel Salem. Committee requests staff negotiate more with the agency and return with more information before going to Council.
4. MANAGEMENT UPDATE / INFORMATION ITEMS
  - a. PERS Update-Josh Eggleston
  - b. Q3 Investment Report-Robert Barron
5. ADJOURNMENT: 1:16 PM

The next meeting is Monday, September 23rd at 4:30 PM.



# CITY OF SALEM

## Investment Performance Review For the Quarter Ended June 30, 2019

Client Management Team

PFM Asset Management LLC

Lauren Brant, Managing Director  
Robert Cheddar, CFA, Managing Director  
Luke Schneider, CFA, Director  
Allison Kaune, Senior Managing Consultant

650 NE Holladay St., Suite 1600  
Portland, OR 97232  
503-837-8445

213 Market Street  
Harrisburg, PA 17101-2141  
717-232-2723

---

# Market Update

---

## QUARTERLY MARKET SUMMARY

### SUMMARY

- The second quarter saw plunging interest rates, surging equity prices, mixed economic data and increasing global growth concerns. While few economists expect the decade-long U.S. expansion to end soon, the Federal Reserve's (Fed) cautionary tone set the stage for rate cuts in the second half of the year.
- U.S. economic conditions are characterized by: (1) solid gross domestic product (GDP) growth in Q1, but more tempered expectations for Q2; (2) strong job growth, with a low unemployment rate of 3.7%; (3) softening inflation pressures; and (4) increased downside risks, including a slowdown in manufacturing, weaker business investments and protracted trade wars.
- At its June meeting, the Federal Open Market Committee (FOMC) maintained the overnight fed funds rate at a target range of 2.25%-2.50%, but acknowledged soft business investment, declining market-based inflation measures and increased uncertainty to the outlook. In their latest assessment of monetary policy, nearly half of respondents viewed two rate cuts as appropriate by year-end. In subsequent communications, Fed chair Jerome Powell all but assured a first preemptive rate cut will occur at the Fed's next meeting on July 30-31.
- Equity investors seemed to rejoice in the Fed's more dovish stance. By quarter-end, domestic equity markets had reversed losses from May and reached new record highs. The S&P 500 returned 4.3% for the quarter and is now up 17.3% for the year – the best first half of a year since 1997.

### ECONOMIC SNAPSHOT

- U.S. GDP grew 3.1% in Q1, up from 2.2% in Q4. Growth was driven by an unexpected improvement in net exports and outsized growth in inventories, factors that are not likely to be sustained. But consumer spending, which makes up more than two thirds of total economic output, increased at a slower pace relative to prior quarters. Forecasts for Q2 are substantially lower – generally in the 1.5% to 2.0% range.
- The U.S. labor market remained strong, with average job growth of 172,000 per month in 2019, compared with average gains of 223,000 in 2018. The unemployment rate stood at 3.7% in June, near a 49-year low, as the economy remains at what is considered “full employment.” Wages also rose, but at a modest 3.1% growth rate over the past year.
- Inflation continued to be tame. The Consumer Price Index (CPI) rose 1.6% over the past year, while the Fed's preferred inflation gauge, the Core Personal Consumption Expenditure (PCE) Price Index, excluding food and energy prices, also rose 1.6% over the past year, below the Fed's target of 2%.
- Recent manufacturing data weakened in the face of slowing global demand. The most recent Institute for Supply Management (ISM) manufacturing survey fell to a 30-month low, while new orders for manufactured goods have fallen in three of the past four months. Conversely, consumer confidence remains near all-time highs, while retail sales rebounded from weakness in Q1.

### INTEREST RATES

- U.S. Treasury yields fell for a third consecutive quarter, with maturities beyond one year falling 40 to 50 basis points (bps). The yield on most longer Treasury maturities are now near 18-month lows. At quarter-end, the yield on a 3-month Treasury bill stood at 2.09%, the 2-year note was 1.76%, the 5-year was 1.77% and the 10-year yielded 2.01%.
- The yield curve reached its greatest level of inversion since 2007, as the spread between the 10-year and 3-month Treasuries reached -28 bps, although it finished the quarter narrower as short-term rates trended lower in expectation of rate cuts.
- Money market yield curves for Treasury bills and commercial paper are also now inverted, reflecting the market's expectation for lower Fed policy rates in the term. However, yields on short-term commercial paper and bank certificates of deposit remain attractive versus short-term government securities, despite the inverted curve.

### SECTOR PERFORMANCE

- Absolute returns were very strong in Q2 as lower yields pushed prices higher. Treasury benchmarks posted some of their strongest quarterly returns in three years. The increasing yield curve inversion further boosted the returns of longer duration instruments, outperforming shorter-maturity counterparts. For example, the 3-month Treasury bill index returned 0.64% for the quarter, while 5-year and 10-year Treasury indices returned 2.81% and 4.23%, respectively.
- Federal agency returns underperformed similar-duration Treasury securities for the quarter, as agency yield spreads continued to trade at very narrow levels. Callable agencies underperformed non-callable structures by a wider margin as the large downward move in yields increased the likelihood of call, limiting price appreciation.
- Modest incremental income on supranational debt compared to federal agencies helped buoy modest positive relative performance over the quarter. Despite the historically tight level of yield spreads, the sector served as a portfolio diversifier and performance enhancer relative to Treasuries and agencies over the past year.
- Following superb performance in Q1, investment-grade corporates continued to be one of the best performing sectors in Q2. Despite intra-quarter spread volatility, the incremental income from the sector-supported positive excess returns – returns in excess of Treasuries adjusted to similar duration. For the second consecutive quarter, lower-quality credits outperformed higher-quality issues as risk appetite held firm.
- AAA-rated asset-backed securities (ABS) were modestly additive to performance for the quarter, despite spreads bouncing off 10-year lows in June. Within ABS, fixed-rate dominated floating rate structures and credit card collateral outpaced auto loans.
- The continued drop in rates pressured mortgage-backed securities (MBS) in Q2, resulting in underperformance and strongly negative excess returns. The decline in mortgage rates triggered expected increases in principal prepayments, generally a negative for the sector. On the flip side, agency-backed commercial mortgage-backed securities (CMBS) generated positive excess returns in back-to-back quarters, as these structures have less prepayment variability and interest rate sensitivity.

## QUARTERLY MARKET SUMMARY

## Economic Snapshot

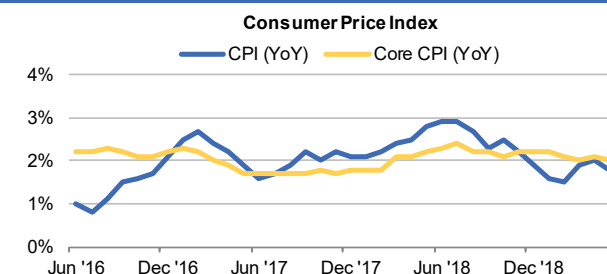
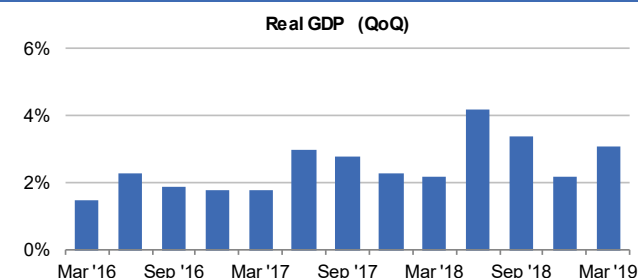
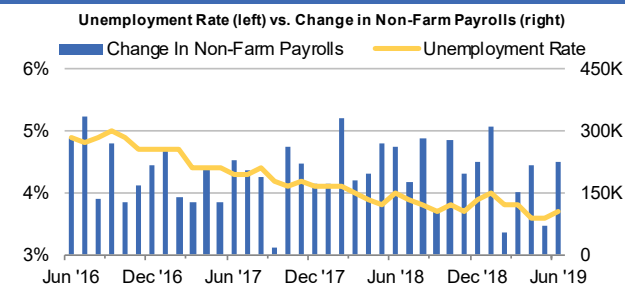
Labor Market		Latest	Mar '19	Jun '18
Unemployment Rate	Jun '19	3.7%	3.8%	4.0%
Change In Non-Farm Payrolls	Jun '19	224,000	153,000	262,000
Average Hourly Earnings (YoY)	Jun '19	3.1%	3.2%	2.9%
Personal Income (YoY)	May '19	4.1%	3.5%	4.6%
Initial Jobless Claims (week)	Jun '19	221,000	204,000	229,000

Growth				
Real GDP (QoQ SAAR)	2019Q1	3.1%	2.2% <sup>1</sup>	2.2% <sup>2</sup>
GDP Personal Consumption (QoQ SAAR)	2019Q1	0.9%	2.5% <sup>1</sup>	0.5% <sup>2</sup>
Retail Sales (YoY)	May '19	2.9%	3.8%	6.1%
ISM Manufacturing Survey (month)	Jun '19	51.7	55.3	60.0
Existing Home Sales SAAR (month)	May '19	5.34 mil.	5.21 mil.	5.39 mil.

Inflation / Prices				
Personal Consumption Expenditures (YoY)	May '19	1.5%	1.5%	2.3%
Consumer Price Index (YoY)	May '19	1.8%	1.9%	2.9%
Consumer Price Index Core (YoY)	May '19	2.0%	2.0%	2.3%
Crude Oil Futures (WTI, per barrel)	Jun '19	\$58.47	\$60.14	\$74.15
Gold Futures (oz.)	Jun '19	\$1,414	\$1,293	\$1,255



1. Data as of Fourth Quarter 2018.

2. Data as of First Quarter 2018.

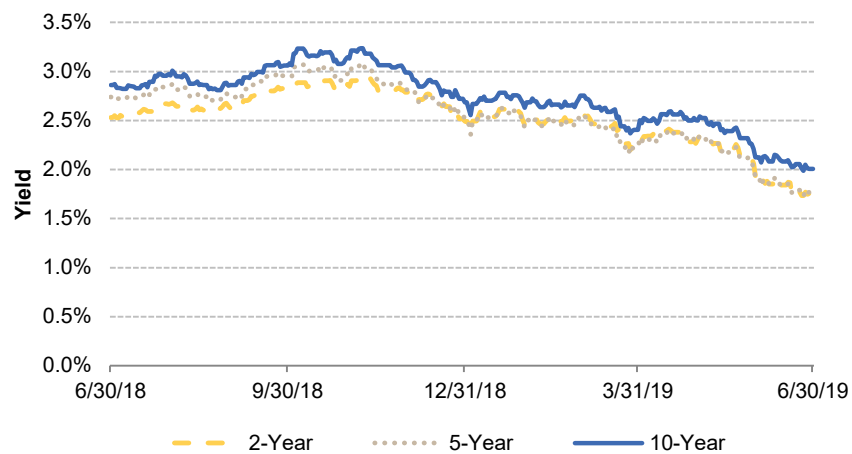
Note: YoY = year-over-year, QoQ = quarter-over-quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil.

Source: Bloomberg.

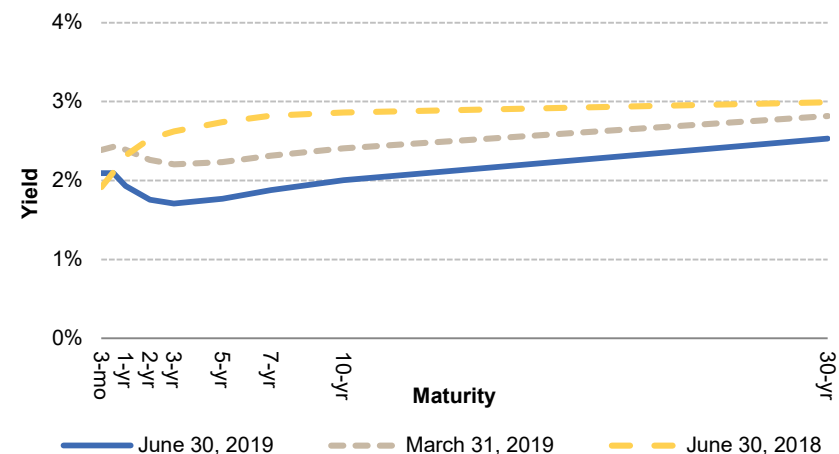
# QUARTERLY MARKET SUMMARY

## Interest Rate Overview

U.S. Treasury Note Yields



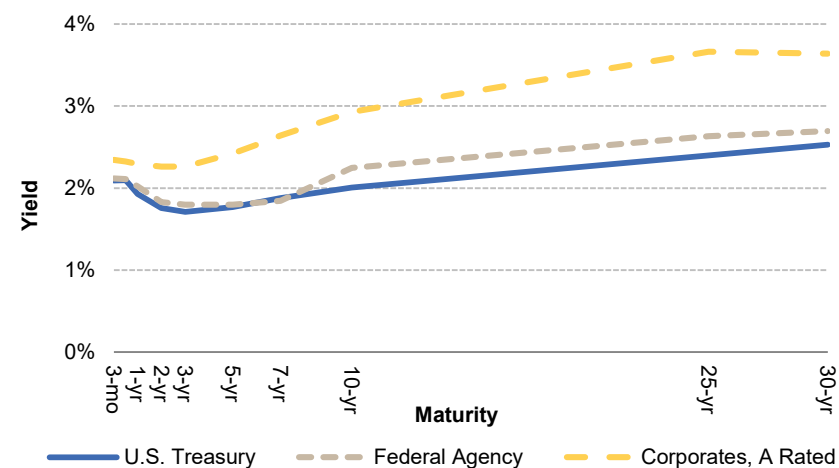
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	Jun '19	Mar '19	Change over Quarter	Jun '18	Change over Year
3-Month	2.09%	2.39%	(0.30%)	1.92%	0.17%
1-Year	1.93%	2.39%	(0.46%)	2.31%	(0.38%)
2-Year	1.76%	2.26%	(0.50%)	2.53%	(0.77%)
5-Year	1.77%	2.23%	(0.46%)	2.74%	(0.97%)
10-Year	2.01%	2.41%	(0.40%)	2.86%	(0.85%)
30-Year	2.53%	2.82%	(0.29%)	2.99%	(0.46%)

Yield Curves as of 6/30/19



Source: Bloomberg.

## QUARTERLY MARKET SUMMARY

## ICE BofAML Index Returns

June 30, 2019	As of 6/30/19	Yield	Returns for Periods ended 6/30/19		
	Duration		3 Month	1 Year	3 Years
<b>1-3 Year Indices</b>					
U.S. Treasury	1.87	1.80%	1.44%	3.96%	1.29%
Federal Agency	1.54	1.83%	1.30%	3.88%	1.46%
U.S. Corporates, A-AAA rated	1.87	2.30%	1.54%	4.84%	2.13%
Agency MBS (0 to 3 years)	3.57	2.63%	1.59%	5.69%	2.10%
Taxable Municipals	1.77	2.19%	1.52%	4.77%	2.56%
<b>1-5 Year Indices</b>					
U.S. Treasury	2.63	1.77%	1.82%	4.89%	1.31%
Federal Agency	1.83	1.80%	1.44%	4.30%	1.46%
U.S. Corporates, A-AAA rated	2.65	2.36%	2.01%	6.06%	2.34%
Agency MBS (0 to 5 years)	3.18	2.68%	1.86%	5.56%	1.71%
Taxable Municipals	2.22	2.43%	1.38%	5.11%	2.45%
<b>Master Indices (Maturities 1 Year or Greater)</b>					
U.S. Treasury	6.64	1.94%	3.06%	7.33%	1.34%
Federal Agency	4.04	1.98%	2.32%	6.20%	1.89%
U.S. Corporates, A-AAA rated	7.46	2.87%	4.04%	10.11%	3.32%
Agency MBS (0 to 30 years)	3.83	2.75%	2.01%	6.32%	2.10%
Taxable Municipals	10.83	3.34%	4.99%	11.36%	4.38%

Returns for periods greater than one year are annualized.

Source: ICE BofAML Indices.



## QUARTERLY MARKET SUMMARY

**DISCLOSURES**

*PFM is the marketing name for a group of affiliated companies providing a range of services. All services are provided through separate agreements with each company. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation.*

*Investment advisory services are provided by PFM Asset Management LLC, which is registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. The information contained is not an offer to purchase or sell any securities. Additional applicable regulatory information is available upon request.*

*For more information regarding PFM's services or entities, please visit [www.pfm.com](http://www.pfm.com).*

*The views expressed within this material constitute the perspective and judgment of PFM Asset Management LLC at the time of distribution and are subject to change. Information is 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 recommendation. The information contained in this report is not an offer to purchase or sell any securities.*

© 2019 PFM Asset Management LLC. Further distribution is not permitted without prior written consent.



---

# Investment Strategy & Portfolio Review

---

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

**Quarter Ended June 30, 2019 – 2Q19**

**Quarterly Summary**

Market Value (MV)	\$341,493,363
Amortized Cost	\$339,997,415
Combined Portfolio Yield on Cost	2.24%
Weighted Average Maturity	0.83 years
Cash Basis Earnings for Quarter <sup>2</sup>	\$1,602,101
Accrual Basis Earnings for Quarter <sup>2</sup>	\$1,452,730

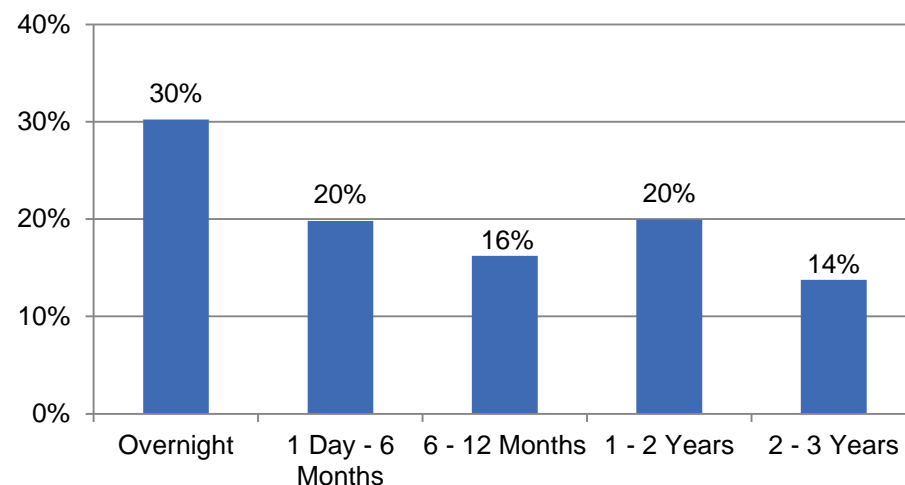
**Quarterly Change**

Amortized Cost – 4Q18	\$387,496,585
Beginning MV – 4Q18	\$388,504,315
Net Contributions	(\$35,910,642)
Change in Cash	(\$13,042,623)
Change in MV	\$1,942,313
Ending MV – 1Q19	\$341,493,363

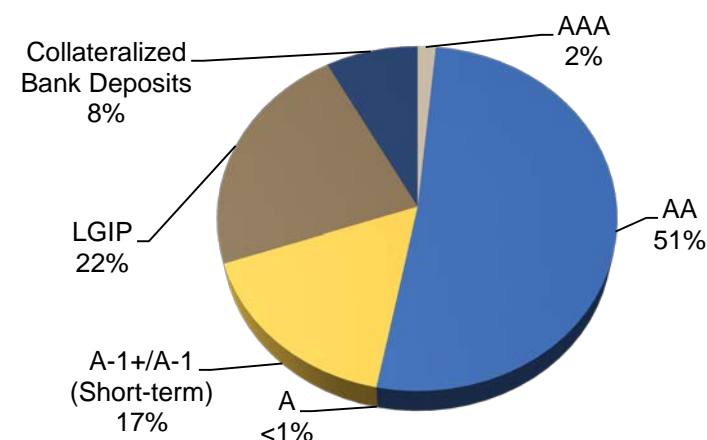
**Sector Distribution**

Sector	Amortized <sup>1</sup> Cost	Market <sup>1</sup> Value	% of Portfolio	Allowed by Policy
U.S. Treasuries	\$167,440,770	\$168,781,522	49%	100%
Federal Agencies	\$35,778,705	\$35,710,825	10%	100%
U.S. Instrumentalities	\$978,001	\$975,406	<1%	10%
Municipal Obligations	\$1,490,386	\$1,513,463	<1%	10%
Commercial Paper	\$7,355,463	\$7,355,379	2%	Combined 35% Max.
Corporate Notes	\$23,752,365	\$23,955,042	7%	
LGIP	\$76,057,469	\$76,057,469	22%	ORS limit
Collateralized Deposit Accounts	\$27,144,258	\$27,144,258	8%	100%
<b>Total</b>	<b>\$339,997,415</b>	<b>\$341,493,363</b>	<b>100%</b>	

**Combined Portfolio Maturity Distribution<sup>4</sup>**



**Credit Quality Distribution<sup>3</sup>**



1. Values as of June 30, 2019 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.

## Portfolio Recap

- ◆ Interest rates plummeted in the second quarter, with yields on 2- to 5-year Treasury securities falling around 50 basis points (0.50%) to the lowest levels since 2017. Rates fell in response to slowing global growth expectations, weakness in manufacturing due to renewed trade disputes, low inflation, and expectations for multiple Fed rate cuts in the second half of the year. Much of the yield curve remains inverted, where longer-term yields are lower than short-term yields.
- ◆ U.S. equity markets reached new all-time highs in the quarter and credit-sensitive fixed income assets performed well despite elevated geopolitical risks and yield spreads on corporate bonds widening modestly over the quarter.
- ◆ Our strategy throughout the quarter included the following elements:
  - Broad diversification, generally including the widest range of permitted investments, which reduces the overall risk in the portfolio and provides the opportunity for better returns over the long term.
  - We maintained a portfolio duration in line with the benchmark. Maintaining a neutral duration—despite the inverted yield curve—drove strong market-value returns across most fixed-income sectors as market prices on fixed-income securities tend to rise as yields fall.
  - We continued to reduce federal agency and supranational allocations as their yields did not offer much value compared to treasury alternatives. This has been driven mainly by a lack of new supply, particularly in supranationals. Non-callable agencies generated small out-performance due to their modestly higher yields, but callable agencies underperformed as lower rates increased the likelihood of a call before maturity.
  - Corporate yield spreads remain tight by historical standards but widened briefly amid trade tensions. Corporates generated excess returns for the second consecutive quarter. We focused allocations on high quality issuers with relatively less exposure to international trade risks. We also had a slight preference for industrials over financials in the quarter.
  - Short-term commercial paper and negotiable bank CD yield spreads narrowed in the second quarter, reducing their overall attractiveness. By quarter-end, the money market yield curve was also inverted.

## Investment Strategy Outlook

- ◆ While we expect U.S. and global economic growth to moderate in the second half of the year amid elevated risks to the economy, we do not believe a recession is imminent.
- ◆ The Fed has officially shifted its stance on monetary policy from “patient” to “appropriate,” and rates have continued to move lower. As such, our view is to continue to maintain a portfolio duration in line with the benchmark in order to minimize risk and optimize performance relative to the benchmark in the event yields continue to decline. While market-implied probabilities and economist surveys strongly suggest that the Fed will cut rates as early as July, the key questions of “when” and “how much” will drive our strategy over the rest of the year.
- ◆ Our outlook for each of the major investment-grade fixed-income sectors are as follows:
  - Federal agency spreads are very tight and we expect them to remain so. Although callable agency spreads are wider than they have been in a while, the sharp downward move in rates has reduced the likelihood of outperformance.
  - In supranationals, supply constraints have led us to recalibrate our strategy to account for lower allocations. We will still seek to add supranationals to the portfolio as attractive issues become available.
  - As a result of the Fed’s more accommodative stance and our positive view of the corporate sector, we will maintain corporate allocations and seek to modestly extend the duration of our allocations, while remaining diligent in our issuer and security selection process.
  - Historically tight spreads have also reduced the range of high-quality, short-term credit issues that offer adequate incremental income to warrant purchase. Careful maturity selection around Fed meeting expectations will be an important consideration going forward, particularly with both the Treasury and credit yield curves inverted.



# CITY OF SALEM LONG-TERM PORTFOLIO

**Investment Performance Review  
For the Quarter Ended June 30, 2019**

---

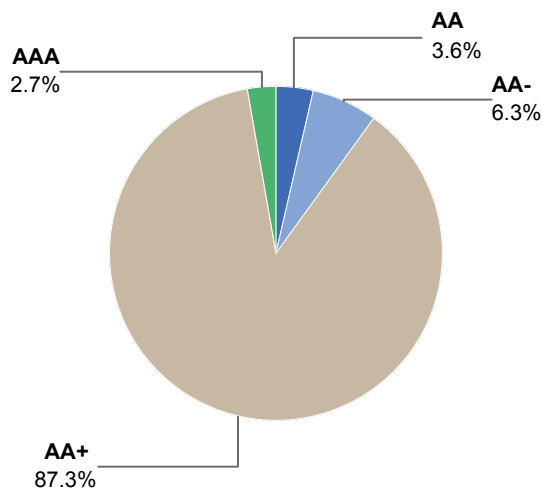
---

**Portfolio Statistics**

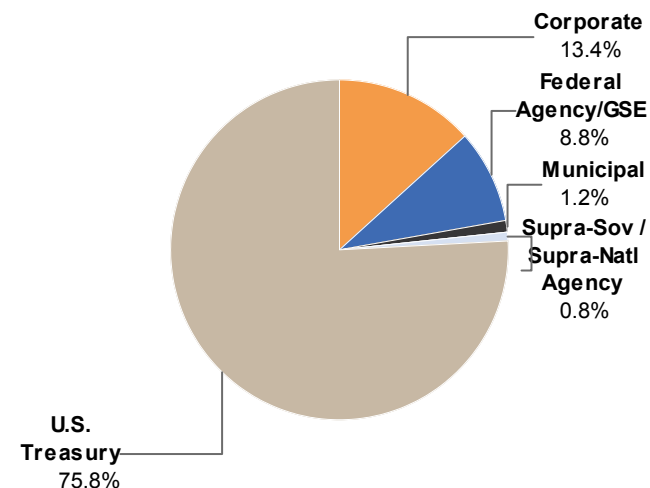
As of June 30, 2019

<b>Par Value:</b>	\$126,655,000
<b>Total Market Value:</b>	\$127,703,494
<b>Security Market Value:</b>	\$127,122,114
<b>Accrued Interest:</b>	\$581,380
<b>Cash:</b>	-
<b>Amortized Cost:</b>	\$125,612,129
<b>Yield at Market:</b>	1.87%
<b>Yield at Cost:</b>	2.41%
<b>Effective Duration:</b>	1.72 Years
<b>Duration to Worst:</b>	1.72 Years
<b>Average Maturity:</b>	1.78 Years
<b>Average Credit: *</b>	AA

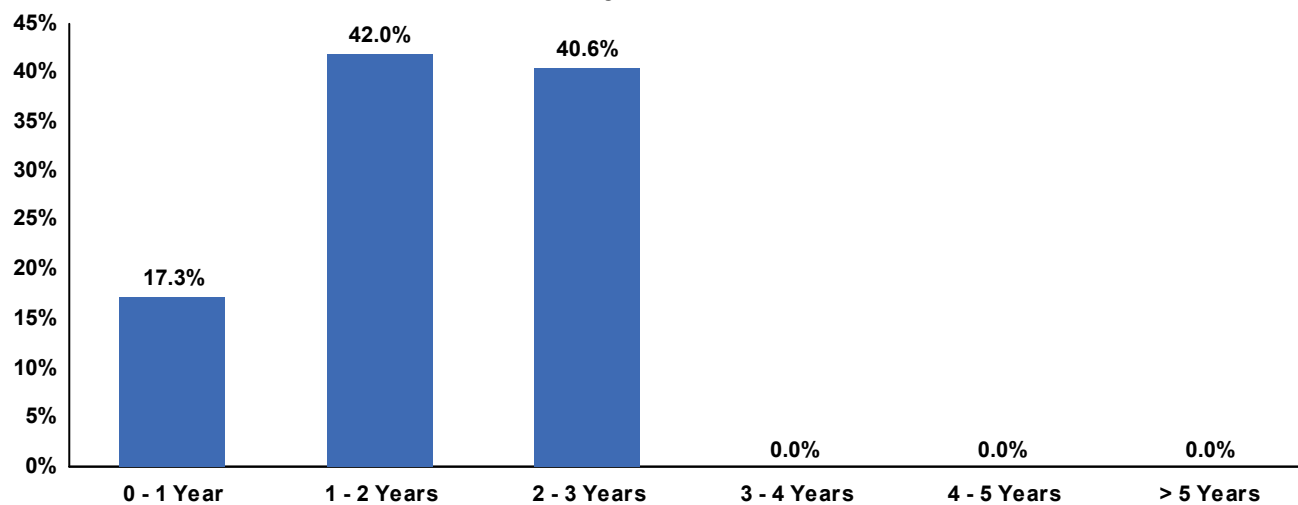
**Credit Quality (S&P Ratings)**



**Sector Allocation**



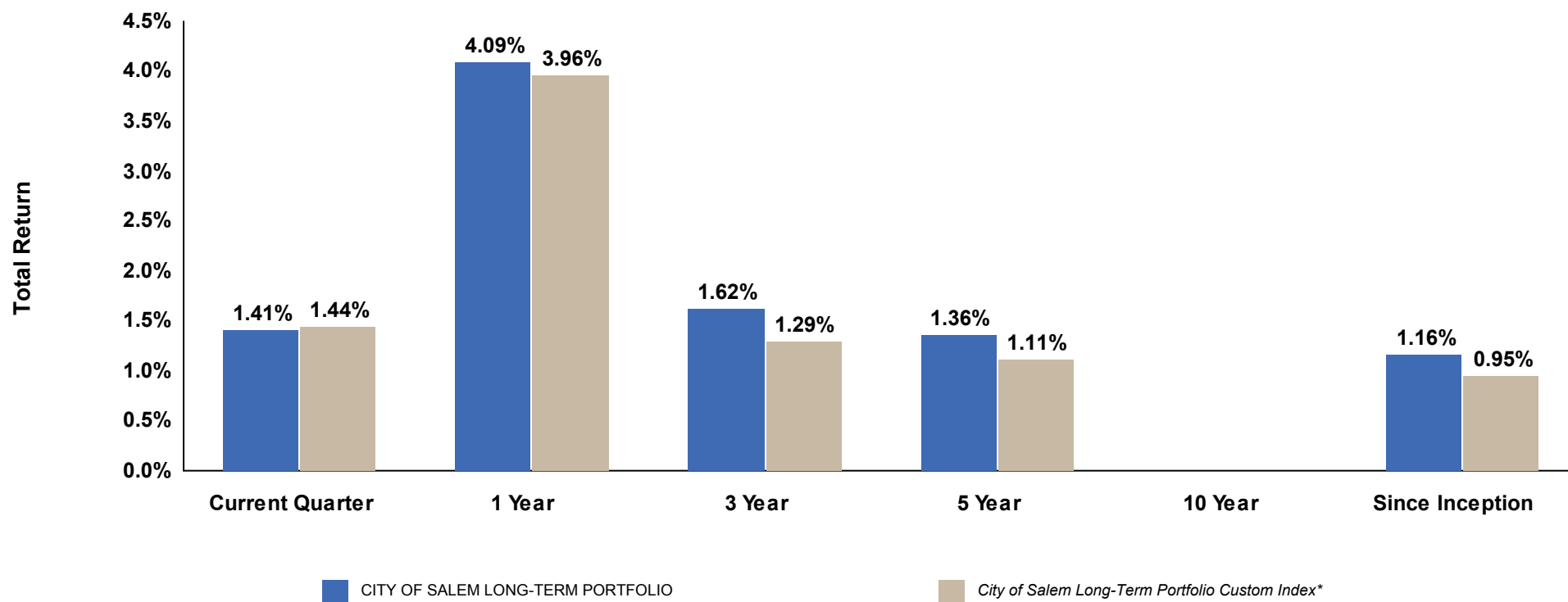
**Maturity Distribution**



\* 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	1.72	1.41%	4.09%	1.62%	1.36%	-	1.16%
City of Salem Long-Term Portfolio Custom Index*	1.81	1.44%	3.96%	1.29%	1.11%	-	0.95%
Difference		-0.03%	0.13%	0.33%	0.25%	-	0.21%



Portfolio performance is gross of fees unless otherwise indicated. \*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.

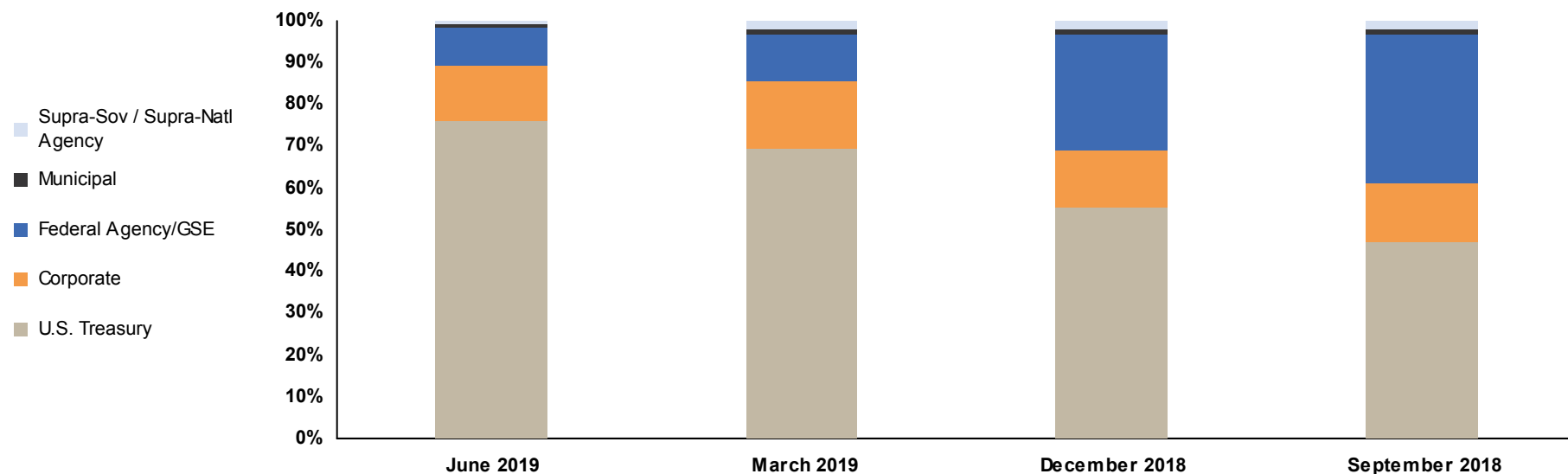


**Portfolio Earnings***Quarter-Ended June 30, 2019*

	<b>Market Value Basis</b>	<b>Accrual (Amortized Cost) Basis</b>
<b>Beginning Value (03/31/2019)</b>	\$127,400,793.85	\$126,943,742.34
<b>Net Purchases/Sales</b>	(\$1,442,454.53)	(\$1,442,454.53)
<b>Change in Value</b>	\$1,163,774.87	\$110,841.03
<b>Ending Value (06/30/2019)</b>	\$127,122,114.19	\$125,612,128.84
<b>Interest Earned</b>	\$630,735.49	\$630,735.49
<b>Portfolio Earnings</b>	\$1,794,510.36	\$741,576.52

Sector Allocation

Sector	June 30, 2019		March 31, 2019		December 31, 2018		September 30, 2018	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	96.4	75.8%	88.3	69.4%	69.9	55.1%	59.3	47.1%
Corporate	17.1	13.4%	20.3	15.9%	17.7	14.0%	17.6	14.0%
Federal Agency/GSE	11.2	8.8%	14.6	11.4%	35.0	27.6%	44.7	35.6%
Municipal	1.5	1.2%	1.5	1.2%	1.5	1.2%	1.5	1.2%
Supra-Sov / Supra-Natl Agency	1.0	0.8%	2.7	2.1%	2.7	2.1%	2.7	2.1%
<b>Total</b>	<b>\$127.1</b>	<b>100.0%</b>	<b>\$127.4</b>	<b>100.0%</b>	<b>\$126.7</b>	<b>100.0%</b>	<b>\$125.9</b>	<b>100.0%</b>

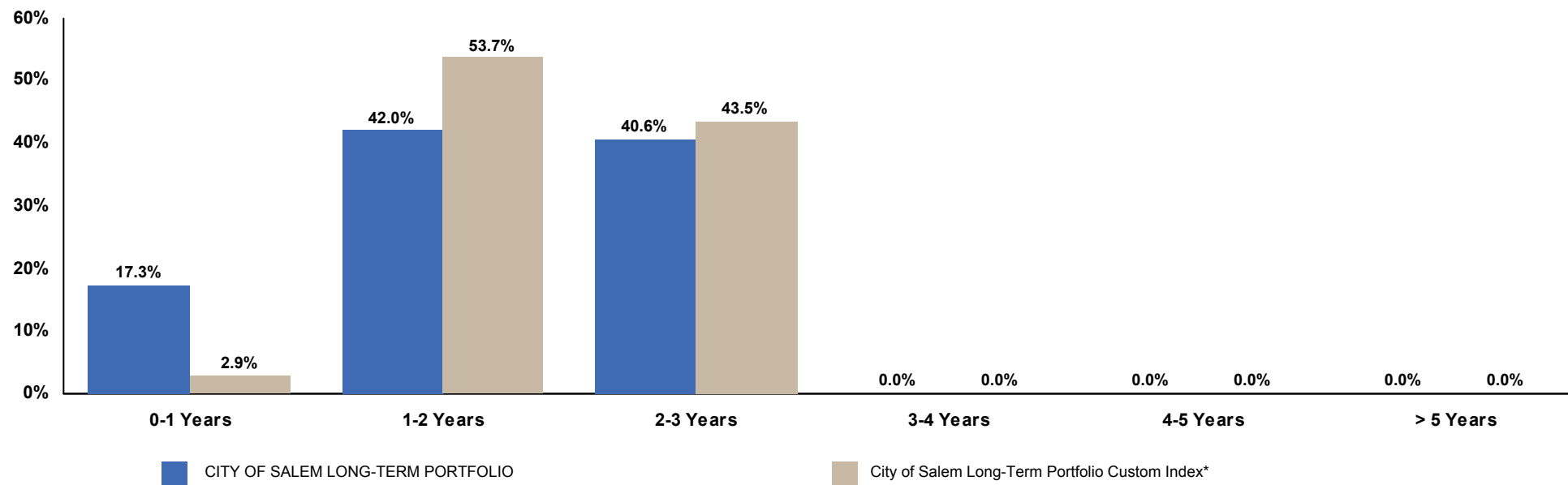


Detail may not add to total due to rounding.

**Maturity Distribution**

*As of June 30, 2019*

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	1.87%	1.78 yrs	17.3%	42.0%	40.6%	0.0%	0.0%	0.0%
City of Salem Long-Term Portfolio Custom Index*	1.80%	1.94 yrs	2.9%	53.7%	43.5%	0.0%	0.0%	0.0%



Portfolio performance is gross of fees unless otherwise indicated. \*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.



# CITY OF SALEM SHORT TERM PORTFOLIO

**Investment Performance Review  
For the Quarter Ended June 30, 2019**

---

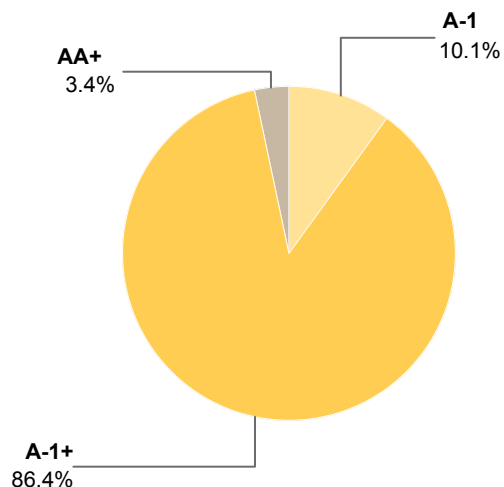
---

**Portfolio Statistics**

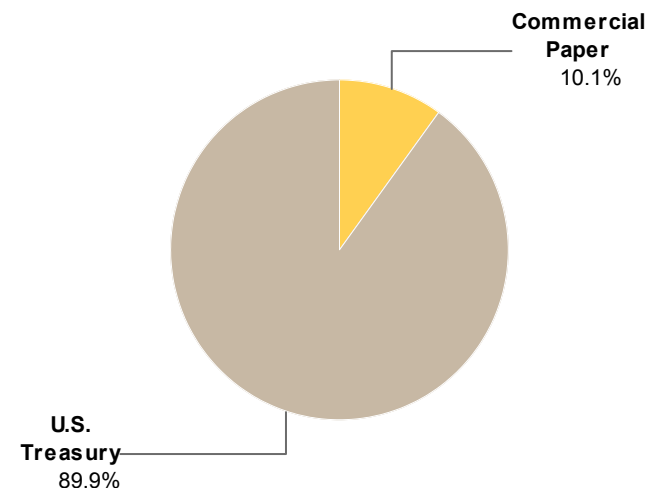
As of June 30, 2019

<b>Par Value:</b>	\$51,250,000
<b>Total Market Value:</b>	\$50,952,712
<b>Security Market Value:</b>	\$50,947,189
<b>Accrued Interest:</b>	\$5,523
<b>Cash:</b>	-
<b>Amortized Cost:</b>	\$50,906,913
<b>Yield at Market:</b>	2.06%
<b>Yield at Cost:</b>	2.46%
<b>Effective Duration:</b>	0.30 Years
<b>Duration to Worst:</b>	0.30 Years
<b>Average Maturity:</b>	0.30 Years
<b>Average Credit: *</b>	AA

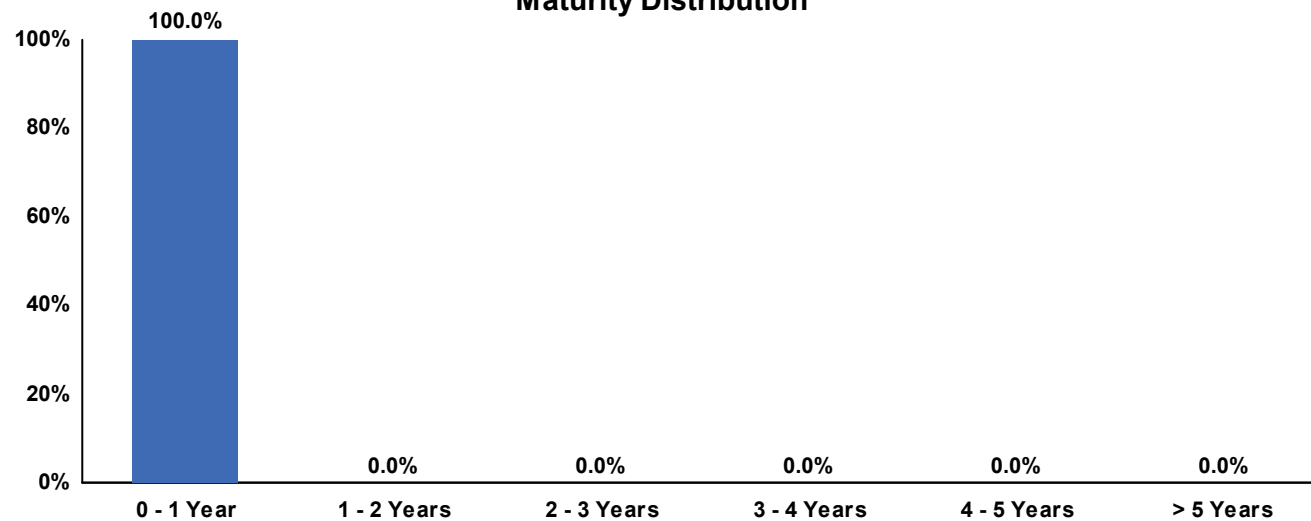
**Credit Quality (S&P Ratings)**



**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, 2019*

	<b>Market Value Basis</b>	<b>Accrual (Amortized Cost) Basis</b>
<b>Beginning Value (03/31/2019)</b>	\$81,595,963.75	\$81,575,663.82
<b>Net Purchases/Sales</b>	(\$31,098,623.07)	(\$31,098,623.07)
<b>Change in Value</b>	\$449,848.32	\$429,872.74
<b>Ending Value (06/30/2019)</b>	\$50,947,189.00	\$50,906,913.49
<b>Interest Earned</b>	\$4,518.44	\$4,518.44
<b>Portfolio Earnings</b>	\$454,366.76	\$434,391.18



# CITY OF SALEM STREETS & BRIDGES GO BONDS

**Investment Performance Review  
For the Quarter Ended June 30, 2019**

---

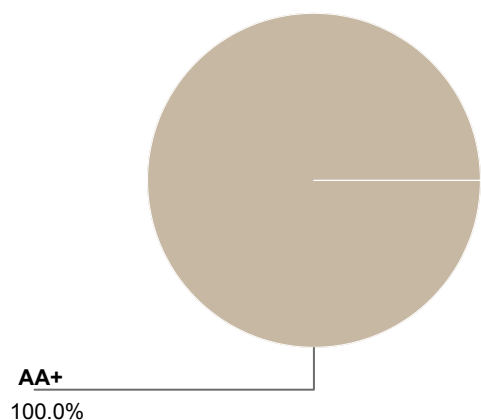
---

**Portfolio Statistics**

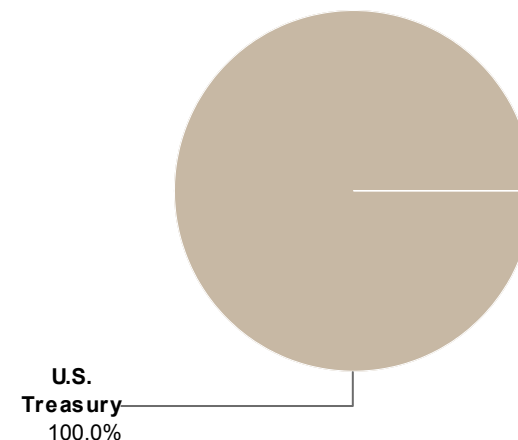
As of June 30, 2019

<b>Par Value:</b>	\$1,930,000
<b>Total Market Value:</b>	\$1,924,720
<b>Security Market Value:</b>	\$1,920,622
<b>Accrued Interest:</b>	\$4,098
<b>Cash:</b>	-
<b>Amortized Cost:</b>	\$1,914,693
<b>Yield at Market:</b>	2.01%
<b>Yield at Cost:</b>	2.38%
<b>Effective Duration:</b>	0.84 Years
<b>Duration to Worst:</b>	0.84 Years
<b>Average Maturity:</b>	0.86 Years
<b>Average Credit: *</b>	AA

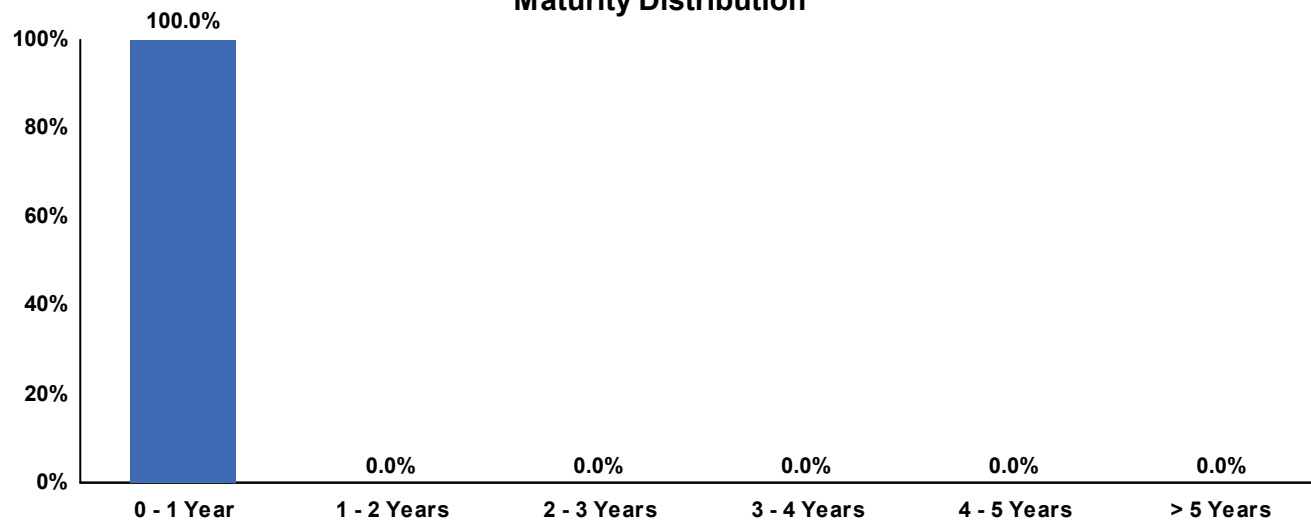
**Credit Quality (S&P Ratings)**



**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, 2019*

	<b>Market Value Basis</b>	<b>Accrual (Amortized Cost) Basis</b>
<b>Beginning Value (03/31/2019)</b>	\$1,926,593.71	\$1,926,531.51
<b>Net Purchases/Sales</b>	(\$18,510.93)	(\$18,510.93)
<b>Change in Value</b>	\$12,539.20	\$6,672.73
<b>Ending Value (06/30/2019)</b>	\$1,920,621.98	\$1,914,693.31
<b>Interest Earned</b>	\$4,782.02	\$4,782.02
<b>Portfolio Earnings</b>	\$17,321.22	\$11,454.75



# CITY OF SALEM POLICE FACILITY BONDS 2017

**Investment Performance Review  
For the Quarter Ended June 30, 2019**

---

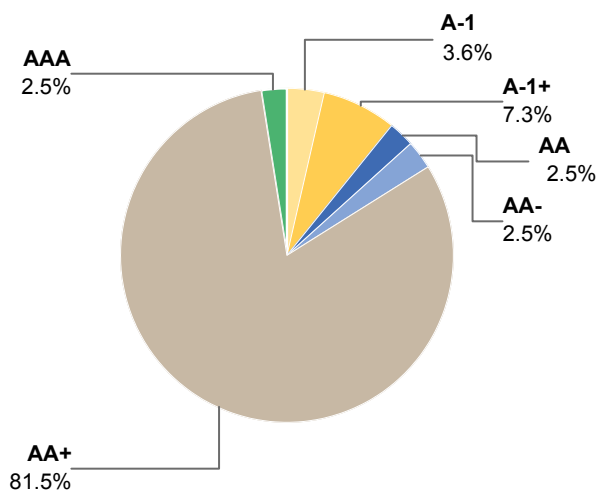
---

**Portfolio Statistics**

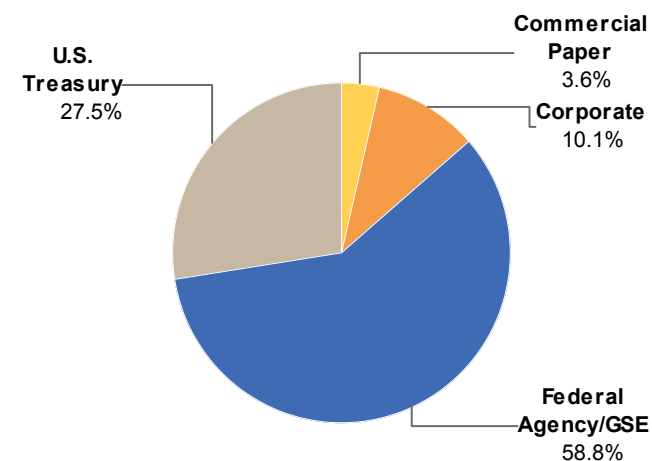
As of June 30, 2019

<b>Par Value:</b>	\$41,585,000
<b>Total Market Value:</b>	\$41,575,339
<b>Security Market Value:</b>	\$41,443,549
<b>Accrued Interest:</b>	\$131,790
<b>Cash:</b>	-
<b>Amortized Cost:</b>	\$41,567,559
<b>Yield at Market:</b>	2.13%
<b>Yield at Cost:</b>	1.57%
<b>Effective Duration:</b>	0.56 Years
<b>Duration to Worst:</b>	0.57 Years
<b>Average Maturity:</b>	0.58 Years
<b>Average Credit: *</b>	AA

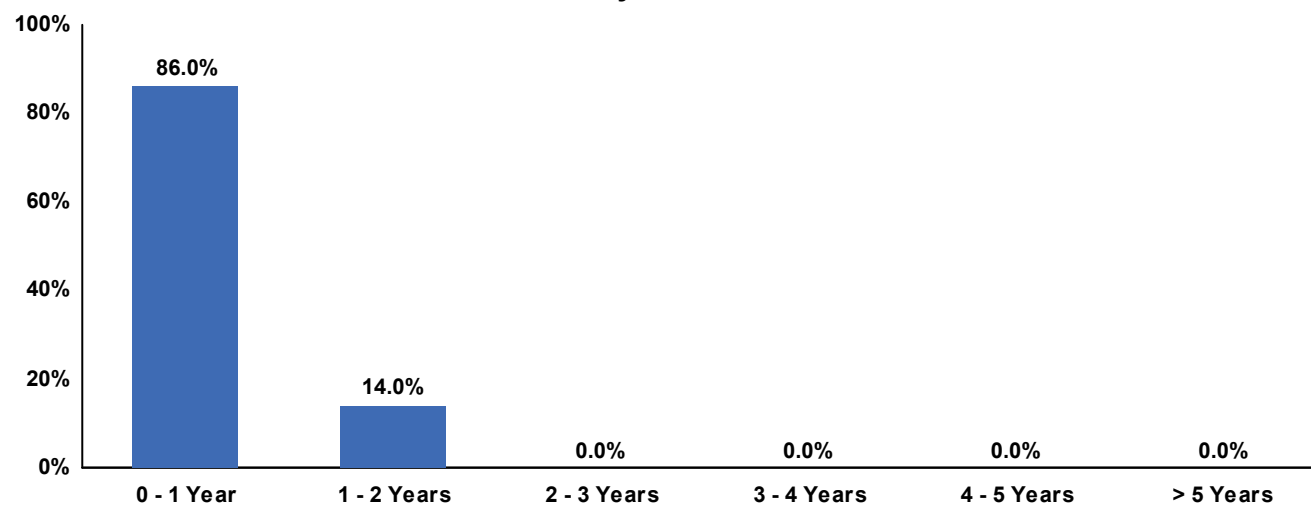
**Credit Quality (S&P Ratings)**



**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, 2019*

	<b>Market Value Basis</b>	<b>Accrual (Amortized Cost) Basis</b>
<b>Beginning Value (03/31/2019)</b>	\$44,012,209.43	\$44,320,402.82
<b>Net Purchases/Sales</b>	(\$2,778,870.14)	(\$2,778,870.14)
<b>Change in Value</b>	\$210,209.80	\$26,026.46
<b>Ending Value (06/30/2019)</b>	\$41,443,549.09	\$41,567,559.14
<b>Interest Earned</b>	\$144,245.07	\$144,245.07
<b>Portfolio Earnings</b>	\$354,454.87	\$170,271.53



# CITY OF SALEM LIBRARY PROJ GO BONDS 2018

**Investment Performance Review  
For the Quarter Ended June 30, 2019**

---

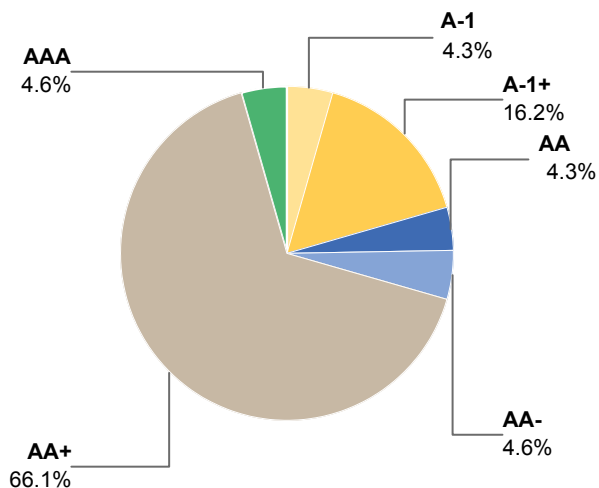
---

**Portfolio Statistics**

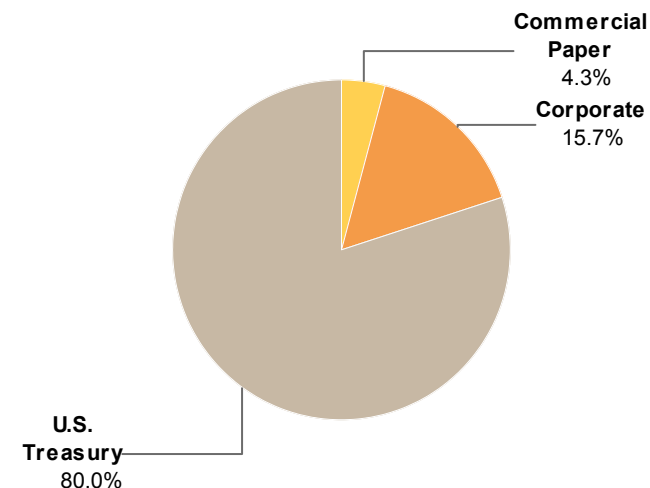
As of June 30, 2019

<b>Par Value:</b>	\$16,135,000
<b>Total Market Value:</b>	\$16,135,372
<b>Security Market Value:</b>	\$16,088,948
<b>Accrued Interest:</b>	\$46,424
<b>Cash:</b>	-
<b>Amortized Cost:</b>	\$16,025,179
<b>Yield at Market:</b>	1.99%
<b>Yield at Cost:</b>	2.38%
<b>Effective Duration:</b>	0.92 Years
<b>Duration to Worst:</b>	0.92 Years
<b>Average Maturity:</b>	0.94 Years
<b>Average Credit: *</b>	AA

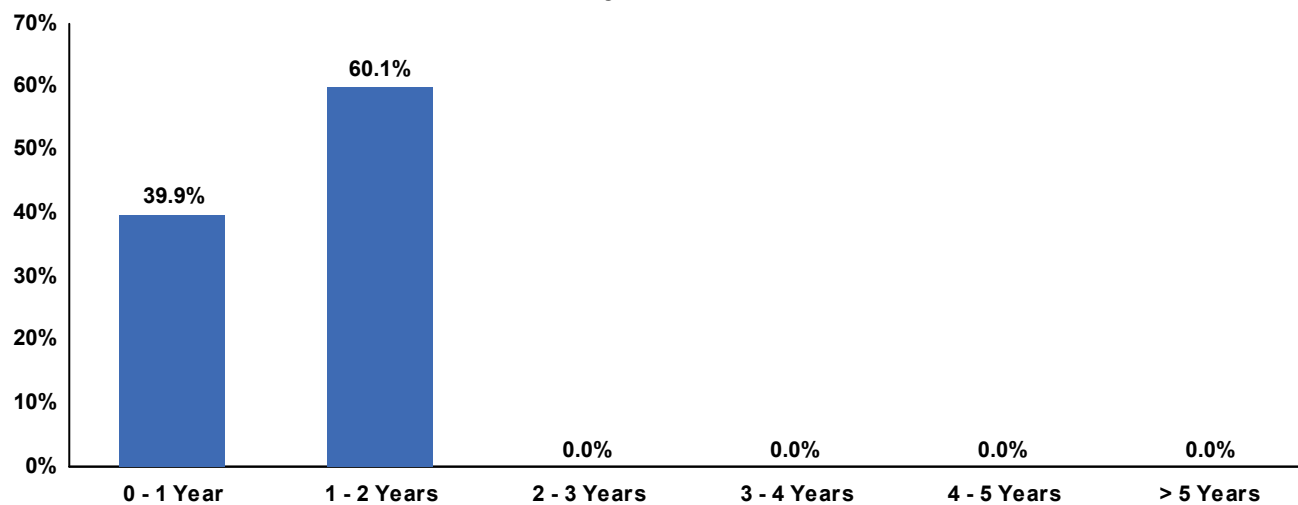
**Credit Quality (S&P Ratings)**



**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, 2019*

	<b>Market Value Basis</b>	<b>Accrual (Amortized Cost) Basis</b>
<b>Beginning Value (03/31/2019)</b>	\$16,015,354.03	\$16,018,214.83
<b>Net Purchases/Sales</b>	(\$32,347.47)	(\$32,347.47)
<b>Change in Value</b>	\$105,941.19	\$39,311.88
<b>Ending Value (06/30/2019)</b>	\$16,088,947.75	\$16,025,179.24
<b>Interest Earned</b>	\$55,724.08	\$55,724.08
<b>Portfolio Earnings</b>	\$161,665.27	\$95,035.96

---

# 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)
<b>BUY</b>									
5/8/19	5/13/19	1,750,000	912828WZ9	US TREASURY N/B NOTES	1.75%	4/30/22	1,727,156.08	2.23%	
5/10/19	5/16/19	5,400,000	912828X47	US TREASURY NOTES	1.87%	4/30/22	5,352,933.42	2.21%	
<b>Total BUY</b>		<b>7,150,000</b>					<b>7,080,089.50</b>		
<b>INTEREST</b>									
4/1/19	4/1/19	1,480,000	13063DGA0	CA ST TXBL GO BONDS	2.80%	4/1/21	20,720.00		
4/13/19	4/13/19	3,100,000	3135G0U27	FANNIE MAE NOTES	2.50%	4/13/21	38,750.00		
4/15/19	4/15/19	9,965,000	9128285F3	UNITED STATES TREASURY NOTES	2.87%	10/15/21	143,246.88		
4/30/19	4/30/19	2,500,000	912828VA5	US TREASURY NOTES	1.12%	4/30/20	14,062.50		
4/30/19	4/30/19	2,500,000	912828K58	US TREASURY NOTES	1.37%	4/30/20	17,187.50		
4/30/19	4/30/19	6,500,000	912828L99	US TREASURY NOTES	1.37%	10/31/20	44,687.50		
5/13/19	5/13/19	1,750,000	458182DX7	INTER-AMERICAN DEVELOPMENT BANK	1.00%	5/13/19	8,750.00		
5/13/19	5/13/19	2,500,000	037833BD1	APPLE INC CORP NOTE	2.00%	5/6/20	25,000.00		
5/15/19	5/15/19	1,015,000	9128284P2	US TREASURY NOTES	2.62%	5/15/21	13,321.88		
5/16/19	5/16/19	2,000,000	166764BH2	CHEVRON CORP NOTES	1.56%	5/16/19	15,610.00		
5/19/19	5/19/19	875,000	02079KAA5	ALPHABET INC CORP NOTE	3.62%	5/19/21	15,859.38		
5/30/19	5/30/19	1,335,000	191216BV1	COCA-COLA COMPANY CORP NOTES	1.37%	5/30/19	9,178.13		
5/31/19	5/31/19	4,000,000	9128284Q0	US TREASURY N/B NOTES	2.50%	5/31/20	50,000.00		
5/31/19	5/31/19	2,500,000	912828WN6	US TREASURY NOTES	2.00%	5/31/21	25,000.00		
5/31/19	5/31/19	5,200,000	912828WN6	US TREASURY NOTES	2.00%	5/31/21	52,000.00		
5/31/19	5/31/19	5,000,000	912828U65	US TREASURY NOTES	1.75%	11/30/21	43,750.00		
5/31/19	5/31/19	5,350,000	912828M98	US TREASURY NOTES	1.62%	11/30/20	43,468.75		
6/23/19	6/23/19	2,500,000	931142EJ8	WAL-MART STORES INC CORP NOTES	3.12%	6/23/21	39,062.50		
6/30/19	6/30/19	4,000,000	912828XH8	US TREASURY NOTES	1.62%	6/30/20	32,500.00		

## 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)
6/30/19	6/30/19	1,100,000	912828XH8	US TREASURY NOTES	1.62%	6/30/20	8,937.50		
6/30/19	6/30/19	5,000,000	912828S27	US TREASURY N/B	1.12%	6/30/21	28,125.00		
<b>Total INTEREST</b>		<b>70,170,000</b>					<b>689,217.52</b>		
<b>MATURITY</b>									
5/13/19	5/13/19	1,750,000	458182DX7	INTER-AMERICAN DEVELOPMENT BANK	1.00%	5/13/19	1,750,000.00		0.00
5/16/19	5/16/19	2,000,000	166764BH2	CHEVRON CORP NOTES	1.56%	5/16/19	2,000,000.00		0.00
5/30/19	5/30/19	1,335,000	191216BV1	COCA-COLA COMPANY CORP NOTES	1.37%	5/30/19	1,335,000.00		0.00
<b>Total MATURITY</b>		<b>5,085,000</b>					<b>5,085,000.00</b>		<b>0.00</b>
<b>SELL</b>									
5/10/19	5/16/19	3,450,000	3130A9EP2	FHLB GLOBAL NOTES	1.00%	9/26/19	3,436,851.67	2.45%	(17,736.38)
<b>Total SELL</b>		<b>3,450,000</b>					<b>3,436,851.67</b>		<b>-17,736.38</b>

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
<b>BUY</b>									
4/26/19	4/29/19	1,750,000	912828X21	US TREASURY N/B NOTES	1.50%	4/15/20	1,736,170.12	2.40%	
5/2/19	5/6/19	2,500,000	912796RM3	UNITED STATES TREASURY BILL	0.00%	11/7/19	2,470,117.36	2.35%	
5/8/19	5/9/19	5,250,000	912796RM3	UNITED STATES TREASURY BILL	0.00%	11/7/19	5,186,963.54	2.40%	
5/10/19	5/16/19	13,500,000	912796RM3	UNITED STATES TREASURY BILL	0.00%	11/7/19	13,344,403.13	2.40%	
6/19/19	6/20/19	5,250,000	62479LCD5	MUFG BANK LTD/NY COMM PAPER	0.00%	3/13/20	5,164,726.88	2.23%	
<b>Total BUY</b>		<b>28,250,000</b>					<b>27,902,381.03</b>		
<b>MATURITY</b>									
4/25/19	4/25/19	1,750,000	912796QC6	UNITED STATES TREASURY BILL	0.00%	4/25/19	1,750,000.00		0.00
5/3/19	5/3/19	2,500,000	89233HS39	TOYOTA MOTOR CREDIT CORP COMM PAPER	0.00%	5/3/19	2,500,000.00		0.00
5/9/19	5/9/19	5,250,000	912796RP6	UNITED STATES TREASURY BILL	0.00%	5/9/19	5,250,000.00		0.00
5/16/19	5/16/19	13,500,000	912796RQ4	UNITED STATES TREASURY BILL	0.00%	5/16/19	13,500,000.00		0.00
5/23/19	5/23/19	5,000,000	912796QH5	UNITED STATES TREASURY BILL	0.00%	5/23/19	5,000,000.00		0.00
5/23/19	5/23/19	13,500,000	912796QH5	UNITED STATES TREASURY BILL	0.00%	5/23/19	13,500,000.00		0.00
5/24/19	5/24/19	1,000,000	62479MSQ7	MUFG BANK LTD/NY COMM PAPER	0.00%	5/24/19	1,000,000.00		0.00
5/24/19	5/24/19	1,500,000	89233HSQ8	TOYOTA MOTOR CREDIT CORP COMM PAPER	0.00%	5/24/19	1,500,000.00		0.00
5/28/19	5/28/19	1,500,000	46640QSU6	JP MORGAN SECURITIES LLC COMM PAPER	0.00%	5/28/19	1,500,000.00		0.00
5/28/19	5/28/19	1,000,000	09659CSU3	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	5/28/19	1,000,000.00		0.00
5/30/19	5/30/19	3,750,000	912796RR2	UNITED STATES TREASURY BILL	0.00%	5/30/19	3,750,000.00		0.00
5/30/19	5/30/19	3,500,000	62479MSW4	MUFG BANK LTD/NY COMM PAPER	0.00%	5/30/19	3,500,000.00		0.00
6/20/19	6/20/19	5,250,000	912796QM4	UNITED STATES TREASURY BILL	0.00%	6/20/19	5,250,000.00		0.00
<b>Total MATURITY</b>		<b>59,000,000</b>					<b>59,000,000.00</b>		<b>0.00</b>

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
<b>BUY</b>									
4/10/19	4/11/19	1,000,000	912828K58	US TREASURY NOTES	1.37%	4/30/20	995,489.25	2.41%	
5/10/19	5/16/19	930,000	912828X96	US TREASURY N/B NOTES	1.50%	5/15/20	922,191.04	2.36%	
<b>Total BUY</b>		<b>1,930,000</b>					<b>1,917,680.29</b>		
<b>INTEREST</b>									
4/30/19	4/30/19	1,000,000	912828K58	US TREASURY NOTES	1.37%	4/30/20	6,875.00		
<b>Total INTEREST</b>		<b>1,000,000</b>					<b>6,875.00</b>		
<b>MATURITY</b>									
4/11/19	4/11/19	1,000,000	912796RG6	UNITED STATES TREASURY BILL	0.00%	4/11/19	1,000,000.00		0.00
5/16/19	5/16/19	930,000	912796RQ4	UNITED STATES TREASURY BILL	0.00%	5/16/19	930,000.00		0.00
<b>Total MATURITY</b>		<b>1,930,000</b>					<b>1,930,000.00</b>		<b>0.00</b>

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
<b>BUY</b>									
5/2/19	5/6/19	2,000,000	912796RM3	UNITED STATES TREASURY BILL	0.00%	11/7/19	1,976,129.86	2.35%	
<b>Total BUY</b>		<b>2,000,000</b>					<b>1,976,129.86</b>		
<b>INTEREST</b>									
4/2/19	4/2/19	2,570,000	3137EADM8	FREDDIE MAC GLOBAL NOTES	1.25%	10/2/19	16,062.50		
4/20/19	4/20/19	2,500,000	3137EAEF2	FHLMC AGENCY NOTES	1.37%	4/20/20	17,187.50		
5/15/19	5/15/19	1,050,000	166764AN0	CHEVRON CORP (CALLABLE) NOTE	2.19%	11/15/19	11,513.25		
5/15/19	5/15/19	1,515,000	3130AA3R7	FHLB NOTES	1.37%	11/15/19	10,415.63		
5/28/19	5/28/19	2,390,000	3130ABF92	FEDERAL HOME LOAN BANK AGENCY NOTES	1.37%	5/28/19	16,431.25		
5/31/19	5/31/19	2,500,000	912828XE5	US TREASURY NOTES	1.50%	5/31/20	18,750.00		
6/21/19	6/21/19	2,365,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	13,303.13		
6/22/19	6/22/19	2,480,000	3135G0D75	FNMA BENCHMARK NOTES	1.50%	6/22/20	18,600.00		
6/30/19	6/30/19	2,550,000	912828G95	US TREASURY NOTES	1.62%	12/31/19	20,718.75		
6/30/19	6/30/19	2,060,000	912828N48	US TREASURY NOTES	1.75%	12/31/20	18,025.00		
<b>Total INTEREST</b>		<b>21,980,000</b>					<b>161,007.01</b>		
<b>MATURITY</b>									
5/28/19	5/28/19	2,390,000	3130ABF92	FEDERAL HOME LOAN BANK AGENCY NOTES	1.37%	5/28/19	2,390,000.00		0.00
6/21/19	6/21/19	2,365,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	2,365,000.00		0.00
<b>Total MATURITY</b>		<b>4,755,000</b>					<b>4,755,000.00</b>		<b>0.00</b>

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
<b>BUY</b>									
4/22/19	4/23/19	1,150,000	912796SN0	UNITED STATES TREASURY BILL	0.00%	10/17/19	1,136,458.27	2.42%	
5/10/19	5/16/19	950,000	912796RM3	UNITED STATES TREASURY BILL	0.00%	11/7/19	939,050.59	2.40%	
6/13/19	6/14/19	700,000	09659CZD3	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	12/13/19	692,143.67	2.25%	
<b>Total BUY</b>		<b>2,800,000</b>					<b>2,767,652.53</b>		
<b>INTEREST</b>									
4/1/19	4/1/19	360,000	594918AH7	MICROSOFT CORP NOTES	3.00%	10/1/20	5,400.00		
4/17/19	4/17/19	370,000	89236TDU6	TOYOTA MOTOR CREDIT CORP	1.95%	4/17/20	3,607.50		
4/25/19	4/25/19	370,000	742718EZ8	THE PROCTER & GAMBLE CO CORP NOTES	1.75%	10/25/19	3,237.50		
4/30/19	4/30/19	840,000	912828L99	US TREASURY NOTES	1.37%	10/31/20	5,775.00		
4/30/19	4/30/19	530,000	912828K58	US TREASURY NOTES	1.37%	4/30/20	3,643.75		
5/11/19	5/11/19	375,000	037833CS7	APPLE INC BONDS	1.80%	5/11/20	3,375.00		
5/31/19	5/31/19	525,000	912828XE5	US TREASURY NOTES	1.50%	5/31/20	3,937.50		
5/31/19	5/31/19	1,200,000	912828M98	US TREASURY NOTES	1.62%	11/30/20	9,750.00		
6/15/19	6/15/19	320,000	717081EB5	PFIZER INC CORP NOTE	1.70%	12/15/19	2,720.00		
6/30/19	6/30/19	1,195,000	912828A83	US TREASURY NOTES	2.37%	12/31/20	14,190.63		
6/30/19	6/30/19	900,000	912828XH8	US TREASURY NOTES	1.62%	6/30/20	7,312.50		
<b>Total INTEREST</b>		<b>6,985,000</b>					<b>62,949.38</b>		
<b>MATURITY</b>									
4/17/19	4/17/19	750,000	62479MRH8	MUFG BANK LTD/NY COMM PAPER	0.00%	4/17/19	750,000.00		0.00
4/18/19	4/18/19	400,000	89233HRJ5	TOYOTA MOTOR CREDIT CORP COMM PAPER	0.00%	4/18/19	400,000.00		0.00

## CITY OF SALEM LIBRARY PROJ GO BONDS 2018

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
5/16/19	5/16/19	950,000	912796RQ4	UNITED STATES TREASURY BILL	0.00%	5/16/19	950,000.00		0.00
6/13/19	6/13/19	700,000	912796RU5	UNITED STATES TREASURY BILL	0.00%	6/13/19	700,000.00		0.00
<b>Total MATURITY</b>		<b>2,800,000</b>					<b>2,800,000.00</b>		<b>0.00</b>

---

# 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
<b>U.S. Treasury Bond / Note</b>											
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	2,917,330.80	2,910,773.34
US TREASURY NOTES DTD 04/30/2015 1.375% 04/30/2020	912828K58	2,500,000.00	AA+	Aaa	9/19/2018	9/20/2018	2,444,921.88	2.78	5,791.44	2,471,309.58	2,486,817.50
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	2,492,487.93	2,481,640.00
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	3,997,414.88	4,017,656.00
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	3,962,496.60	3,986,876.00
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	1,101,042.42	1,096,390.90
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	6,469,654.95	6,457,854.00
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	5,317,271.48	5,333,072.60
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	4,944,266.40	4,964,845.00
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	62,168.48	7,443,221.07	7,522,829.52
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	3,402.87	1,014,546.53	1,030,661.45
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	5,133,339.54	5,222,344.40
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	2,471,703.75	2,510,742.50
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	4,847,582.15	4,938,670.00
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	20,148.57	6,864,041.67	7,030,928.63

## 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
<b>U.S. Treasury Bond / Note</b>											
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	3,534.84	1,211,737.46	1,233,496.25
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	60,273.28	9,939,556.37	10,218,409.95
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	7,411.20	4,877,859.65	5,001,560.00
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	93,418.51	8,087,748.02	8,253,138.60
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	15,667.46	2,462,752.68	2,509,277.50
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	17,058.42	5,350,653.13	5,421,724.20
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	5,159.65	1,727,120.61	1,751,503.25
<b>Security Type Sub-Total</b>		<b>96,125,000.00</b>					<b>94,566,417.02</b>	<b>2.45</b>	<b>380,049.33</b>	<b>95,105,137.67</b>	<b>96,381,211.59</b>
<b>Supra-National Agency Bond / Note</b>											
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	974,923.31	972,328.50
<b>Security Type Sub-Total</b>		<b>975,000.00</b>					<b>973,966.50</b>	<b>1.16</b>	<b>3,077.34</b>	<b>974,923.31</b>	<b>972,328.50</b>
<b>Municipal Bond / Note</b>											
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	10,360.00	1,480,025.90	1,503,102.80
<b>Security Type Sub-Total</b>		<b>1,480,000.00</b>					<b>1,480,059.20</b>	<b>2.80</b>	<b>10,360.00</b>	<b>1,480,025.90</b>	<b>1,503,102.80</b>
<b>Federal Agency Bond / Note</b>											

## 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
<b>Federal Agency Bond / Note</b>											
FHLB GLOBAL NOTE DTD 08/04/2016 0.875% 08/05/2019	3130A8Y72	700,000.00	AA+	Aaa	8/4/2016	8/8/2016	699,321.00	0.91	2,484.03	699,978.33	699,091.40
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	5,997,990.36	5,976,942.00
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	1,398,148.54	1,390,754.40
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	16,791.67	3,097,213.19	3,136,161.50
<b>Security Type Sub-Total</b>		<b>11,200,000.00</b>					<b>11,181,208.00</b>	<b>1.78</b>	<b>54,998.62</b>	<b>11,193,330.42</b>	<b>11,202,949.30</b>
<b>Corporate Note</b>											
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	2,504,603.65	2,497,030.00
3M COMPANY CORP NOTES DTD 08/07/2015 2.000% 08/07/2020	88579YAQ4	2,500,000.00	AA-	A1	8/2/2017	8/7/2017	2,522,500.00	1.69	20,000.00	2,508,379.73	2,497,302.50
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	2,038,593.00	2,065,916.00
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	1,236,680.70	1,250,716.25
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	886,684.61	901,264.00
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	1,736.11	2,499,911.63	2,554,550.00
TOYOTA MOTOR CREDIT CORP BONDS DTD 01/09/2017 2.600% 01/11/2022	89236TDP7	2,750,000.00	AA-	Aa3	1/8/2019	1/10/2019	2,705,972.50	3.16	33,763.89	2,712,668.04	2,778,773.25
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	18,437.50	2,471,190.18	2,516,970.00

## 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
<b>Security Type Sub-Total</b>		<b>16,875,000.00</b>					<b>16,896,917.50</b>	<b>2.61</b>	<b>132,894.96</b>	<b>16,858,711.54</b>	<b>17,062,522.00</b>
<b>Managed Account Sub Total</b>		<b>126,655,000.00</b>					<b>125,098,568.22</b>	<b>2.41</b>	<b>581,380.25</b>	<b>125,612,128.84</b>	<b>127,122,114.19</b>
<b>Securities Sub-Total</b>		<b>\$126,655,000.00</b>					<b>\$125,098,568.22</b>	<b>2.41%</b>	<b>\$581,380.25</b>	<b>\$125,612,128.84</b>	<b>\$127,122,114.19</b>
<b>Accrued Interest</b>											<b>\$581,380.25</b>
<b>Total Investments</b>											<b>\$127,703,494.44</b>

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
<b>U.S. Treasury Bond / Note</b>											
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	5,522.54	1,737,806.23	1,742,753.25
<b>Security Type Sub-Total</b>		<b>1,750,000.00</b>					<b>1,735,166.02</b>	<b>2.40</b>	<b>5,522.54</b>	<b>1,737,806.23</b>	<b>1,742,753.25</b>
<b>U.S. Treasury Bill</b>											
UNITED STATES TREASURY BILL DTD 01/17/2019 0.000% 07/18/2019	912796QR3	7,000,000.00	A-1+	P-1	11/27/2018	11/29/2018	6,887,317.56	2.55	0.00	6,991,707.38	6,993,217.00
UNITED STATES TREASURY BILL DTD 08/16/2018 0.000% 08/15/2019	912796QV4	6,000,000.00	A-1+	P-1	11/29/2018	12/3/2018	5,892,266.75	2.58	0.00	5,980,988.22	5,984,304.00
UNITED STATES TREASURY BILL DTD 08/16/2018 0.000% 08/15/2019	912796QV4	5,000,000.00	A-1+	P-1	11/27/2018	11/29/2018	4,908,778.04	2.58	0.00	4,984,150.60	4,986,920.00
UNITED STATES TREASURY BILL DTD 09/13/2018 0.000% 09/12/2019	912796RA9	5,000,000.00	A-1+	P-1	11/27/2018	11/29/2018	4,898,704.94	2.59	0.00	4,974,235.05	4,979,090.00
UNITED STATES TREASURY BILL DTD 11/08/2018 0.000% 11/07/2019	912796RM3	2,500,000.00	A-1+	P-1	5/2/2019	5/6/2019	2,470,117.36	2.35	0.00	2,479,162.90	2,481,522.50
UNITED STATES TREASURY BILL DTD 11/08/2018 0.000% 11/07/2019	912796RM3	5,250,000.00	A-1+	P-1	5/8/2019	5/9/2019	5,186,963.54	2.40	0.00	5,205,320.30	5,211,197.25
UNITED STATES TREASURY BILL DTD 11/08/2018 0.000% 11/07/2019	912796RM3	13,500,000.00	A-1+	P-1	5/10/2019	5/16/2019	13,344,403.13	2.40	0.00	13,385,302.79	13,400,221.50
<b>Security Type Sub-Total</b>		<b>44,250,000.00</b>					<b>43,588,551.32</b>	<b>2.49</b>	<b>0.00</b>	<b>44,000,867.24</b>	<b>44,036,472.25</b>
<b>Commercial Paper</b>											
MUFG BANK LTD/NY COMM PAPER DTD 06/17/2019 0.000% 03/13/2020	62479LCD5	5,250,000.00	A-1	P-1	6/19/2019	6/20/2019	5,164,726.88	2.23	0.00	5,168,240.02	5,167,963.50
<b>Security Type Sub-Total</b>		<b>5,250,000.00</b>					<b>5,164,726.88</b>	<b>2.23</b>	<b>0.00</b>	<b>5,168,240.02</b>	<b>5,167,963.50</b>
<b>Managed Account Sub Total</b>		<b>51,250,000.00</b>					<b>50,488,444.22</b>	<b>2.46</b>	<b>5,522.54</b>	<b>50,906,913.49</b>	<b>50,947,189.00</b>

## 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
<b>U.S. Treasury Bond / Note</b>											
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	2,316.58	991,562.39	994,727.00
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	1,781.66	923,130.92	925,894.98
<b>Security Type Sub-Total</b>		<b>1,930,000.00</b>					<b>1,911,489.07</b>	<b>2.38</b>	<b>4,098.24</b>	<b>1,914,693.31</b>	<b>1,920,621.98</b>
<b>Managed Account Sub Total</b>		<b>1,930,000.00</b>					<b>1,911,489.07</b>	<b>2.38</b>	<b>4,098.24</b>	<b>1,914,693.31</b>	<b>1,920,621.98</b>
<b>Securities Sub-Total</b>		<b>\$1,930,000.00</b>					<b>\$1,911,489.07</b>	<b>2.38%</b>	<b>\$4,098.24</b>	<b>\$1,914,693.31</b>	<b>\$1,920,621.98</b>
<b>Accrued Interest</b>											<b>\$4,098.24</b>
<b>Total Investments</b>											<b>\$1,924,720.22</b>

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
<b>U.S. Treasury Bond / Note</b>											
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	2,553,061.68	2,543,923.35
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	2,501,564.30	2,488,477.50
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	1,293,351.13	1,286,704.23
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	2,066,645.13	2,057,264.32
<b>Security Type Sub-Total</b>		<b>8,405,000.00</b>					<b>8,434,122.85</b>	<b>1.45</b>	<b>7,862.68</b>	<b>8,414,622.24</b>	<b>8,376,369.40</b>
<b>U.S. Treasury Bill</b>											
UNITED STATES TREASURY BILL DTD 02/28/2019 0.000% 08/29/2019	912796SF7	1,050,000.00	A-1+	P-1	2/28/2019	3/4/2019	1,037,343.76	2.47	0.00	1,045,804.96	1,046,385.90
UNITED STATES TREASURY BILL DTD 11/08/2018 0.000% 11/07/2019	912796RM3	2,000,000.00	A-1+	P-1	5/2/2019	5/6/2019	1,976,129.86	2.35	0.00	1,983,355.42	1,985,218.00
<b>Security Type Sub-Total</b>		<b>3,050,000.00</b>					<b>3,013,473.62</b>	<b>2.39</b>	<b>0.00</b>	<b>3,029,160.38</b>	<b>3,031,603.90</b>
<b>Federal Agency Bond / Note</b>											
FHLMC REFERENCE NOTE DTD 07/20/2016 0.875% 07/19/2019	3137EAEB1	2,525,000.00	AA+	Aaa	9/5/2017	9/8/2017	2,503,310.25	1.34	9,942.19	2,524,413.04	2,522,957.28
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	1,940,027.53	1,937,931.96
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	624,638.19	623,813.75
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	1,523,526.71	1,520,574.45
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	2,568,851.72	2,563,767.75

## 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
<b>Federal Agency Bond / Note</b>											
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	1,514,709.48	1,510,848.90
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	6,271,735.97	6,247,772.85
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	2,498,211.13	2,487,305.00
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	930.00	2,481,251.73	2,467,344.56
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	2,480,069.66	2,467,619.84
<b>Security Type Sub-Total</b>		<b>24,430,000.00</b>					<b>24,385,920.40</b>	<b>1.43</b>	<b>102,940.76</b>	<b>24,427,435.16</b>	<b>24,349,936.34</b>
<b>Corporate Note</b>											
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	1,049,515.61	1,047,742.50
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	1,051,720.64	1,049,749.05
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	1,049,406.10	1,045,628.85
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	1,051,354.01	1,047,943.05
<b>Security Type Sub-Total</b>		<b>4,200,000.00</b>					<b>4,211,455.50</b>	<b>1.63</b>	<b>20,986.24</b>	<b>4,201,996.36</b>	<b>4,191,063.45</b>
<b>Commercial Paper</b>											
MUFG BANK LTD/NY COMM PAPER DTD 11/28/2018 0.000% 08/22/2019	62479MVN0	1,500,000.00	A-1	P-1	2/26/2019	2/27/2019	1,480,860.00	2.64	0.00	1,494,345.00	1,494,576.00
<b>Security Type Sub-Total</b>		<b>1,500,000.00</b>					<b>1,480,860.00</b>	<b>2.64</b>	<b>0.00</b>	<b>1,494,345.00</b>	<b>1,494,576.00</b>



## 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
<b>Managed Account Sub Total</b>		<b>41,585,000.00</b>					<b>41,525,832.37</b>	<b>1.57</b>	<b>131,789.68</b>	<b>41,567,559.14</b>	<b>41,443,549.09</b>
<b>Securities Sub-Total</b>		<b>\$41,585,000.00</b>					<b>\$41,525,832.37</b>	<b>1.57%</b>	<b>\$131,789.68</b>	<b>\$41,567,559.14</b>	<b>\$41,443,549.09</b>
<b>Accrued Interest</b>											<b>\$131,789.68</b>
<b>Total Investments</b>											<b>\$41,575,338.77</b>

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
<b>U.S. Treasury Bond / Note</b>											
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	643,649.46	643,664.85
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	525,931.80	527,205.31
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	521,139.32	522,580.28
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	893,905.55	897,047.10
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	1,255,577.12	1,260,800.20
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	1,607,028.36	1,614,970.50
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	1,245,076.23	1,251,928.44
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	829,234.26	834,553.44
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	1,187,821.21	1,196,203.20
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	1,195,294.44	1,204,429.75
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	305,198.69	307,820.39
<b>Security Type Sub-Total</b>		<b>10,295,000.00</b>					<b>10,116,407.42</b>	<b>2.33</b>	<b>30,014.17</b>	<b>10,209,856.44</b>	<b>10,261,203.46</b>
<b>U.S. Treasury Bill</b>											
UNITED STATES TREASURY BILL DTD 09/13/2018 0.000% 09/12/2019	912796RA9	520,000.00	A-1+	P-1	3/14/2019	3/18/2019	513,693.58	2.48	0.00	517,413.66	517,825.36
UNITED STATES TREASURY BILL DTD 04/18/2019 0.000% 10/17/2019	912796SN0	1,150,000.00	A-1+	P-1	4/22/2019	4/23/2019	1,136,458.27	2.42	0.00	1,141,737.25	1,142,935.55

## 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
<b>U.S. Treasury Bill</b>											
UNITED STATES TREASURY BILL DTD 11/08/2018 0.000% 11/07/2019	912796RM3	950,000.00	A-1+	P-1	5/10/2019	5/16/2019	939,050.59	2.40	0.00	941,928.71	942,978.55
<b>Security Type Sub-Total</b>		<b>2,620,000.00</b>					<b>2,589,202.44</b>	<b>2.43</b>	<b>0.00</b>	<b>2,601,079.62</b>	<b>2,603,739.46</b>
<b>Corporate Note</b>											
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	369,291.12	369,358.42
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	318,944.72	319,233.28
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	367,634.43	369,289.60
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	372,602.47	374,087.63
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	364,080.16	365,828.04
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	367,026.99	368,912.44
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	361,785.80	364,455.72
<b>Security Type Sub-Total</b>		<b>2,520,000.00</b>					<b>2,517,418.00</b>	<b>2.53</b>	<b>16,409.86</b>	<b>2,521,365.69</b>	<b>2,531,165.13</b>
<b>Commercial Paper</b>											
BNP PARIBAS NY BRANCH COMM PAPER DTD 03/20/2019 0.000% 12/13/2019	09659CZD3	700,000.00	A-1	P-1	6/13/2019	6/14/2019	692,143.67	2.25	0.00	692,877.49	692,839.70
<b>Security Type Sub-Total</b>		<b>700,000.00</b>					<b>692,143.67</b>	<b>2.25</b>	<b>0.00</b>	<b>692,877.49</b>	<b>692,839.70</b>

## 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
<b>Managed Account Sub Total</b>		<b>16,135,000.00</b>					<b>15,915,171.53</b>	<b>2.38</b>	<b>46,424.03</b>	<b>16,025,179.24</b>	<b>16,088,947.75</b>
<b>Securities Sub-Total</b>		<b>\$16,135,000.00</b>					<b>\$15,915,171.53</b>	<b>2.38%</b>	<b>\$46,424.03</b>	<b>\$16,025,179.24</b>	<b>\$16,088,947.75</b>
<b>Accrued Interest</b>											<b>\$46,424.03</b>
<b>Total Investments</b>											<b>\$16,135,371.78</b>

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 or 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.



Customer Service  
 PO Box 11813  
 Harrisburg, PA 17108-1813

**ACCOUNT STATEMENT**

**CITY OF SALEM, OR**

For the Month Ending  
**August 31, 2019**

**Client Management Team**

**Lauren Brant**

Managing Director  
 650 NE Holladay St., Suite 1600  
 Portland, OR 97232  
 503-837-8445  
 brantl@pfm.com

**Luke Schneider, CFA**

Director  
 650 NE Holladay Street, Suite 1600  
 Portland, OR 97232  
 503-837-8445  
 schneiderl@pfm.com

**Robert Cheddar, CFA**

Managing Director  
 213 Market Street  
 Harrisburg, PA 17101-2141  
 717-232-2723  
 cheddarr@pfm.com

**Contents**

- Cover/Disclosures
- Summary Statement
- Individual Accounts

**Accounts included in Statement**

76950000	CITY OF SALEM LONG-TERM PORTFOLIO
76950002	CITY OF SALEM STREETS & BRIDGES GO BONDS
76950003	CITY OF SALEM SHORT TERM PORTFOLIO
76950004	CITY OF SALEM POLICE FACILITY BONDS 2017
76950005	CITY OF SALEM LIBRARY PROJ GO BONDS 2018

CITY OF SALEM, OR  
 555 LIBERTY ST. SE- ROOM 230  
 SALEM, OR 97301

**Online Access** [www.pfm.com](http://www.pfm.com)

**Customer Service** 1-717-232-2723



**Important Disclosures****Important Disclosures**

This statement is for general information purposes only and is not intended to provide specific advice or recommendations. PFM Asset Management LLC ("PFM") is an investment advisor registered with the Securities and Exchange Commission, and is required to maintain a written disclosure statement of our background and business experience. If you would like to receive a copy of our current disclosure statement, please contact Service Operations at the address below.

**Proxy Voting** PFM does not normally receive proxies to vote on behalf of its clients. However, it does on occasion receive consent requests. In the event a consent request is received the portfolio manager contacts the client and then proceeds according to their instructions. PFM's Proxy Voting Policy is available upon request by contacting Service Operations at the address below.

**Questions About an Account** PFM's monthly statement is intended to detail our investment advisory activity as well as the activity of any accounts held by clients in pools that are managed by PFM. The custodian bank maintains the control of assets and executes (i.e., settles) all investment transactions. The custodian statement is the official record of security and cash holdings and transactions. PFM recognizes that clients may use these reports to facilitate record keeping and that the custodian bank statement and the PFM statement should be reconciled and differences resolved. Many custodians use a settlement date basis which may result in the need to reconcile due to a timing difference.

**Account Control** PFM does not have the authority to withdraw funds from or deposit funds to the custodian. Our clients retain responsibility for their internal accounting policies; implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

**Market Value** Generally, PFM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services or Bloomberg. 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. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFM believes the prices to be reliable, the values of the securities do not always represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for money market and TERM funds is contained in the appropriate fund information statement.

**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 straightline basis. Such discount or premium with respect to longer term securities is amortized using the constant yield basis.

**Tax Reporting** Cost data and realized gains / losses are provided for informational purposes only. Please review for accuracy and consult your tax advisor to determine the tax consequences of your security transactions. PFM does not report such information to the IRS or other taxing authorities and is not responsible for the accuracy of such information that may be required to be reported to federal, state or other taxing authorities.

**Financial Situation** In order to better serve you, PFM should be promptly notified of any material change in your investment objective or financial situation.

**Callable Securities** Securities subject to redemption prior to maturity may be redeemed in whole or in part before maturity, which could affect the yield represented.

**Portfolio** The securities in this portfolio, including shares of mutual funds, are not guaranteed or otherwise protected by PFM, the FDIC (except for certain non-negotiable certificates of deposit) or any government agency. Investment in securities involves risks, including the possible loss of the amount invested. Actual settlement values, accrued interest, and amortized cost amounts may vary for securities subject to an adjustable interest rate or subject to principal paydowns. Any changes to the values shown may be reflected within the next monthly statement's beginning values.

**Rating** Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed. Shares of some money market and TERM funds are marketed through representatives of PFM's wholly owned subsidiary, PFM Fund Distributors, Inc. PFM Fund Distributors, Inc. is registered with the SEC as a broker/dealer and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Municipal Securities Rulemaking Board ("MSRB"). You may reach the FINRA by calling the FINRA Regulator Public Disclosure Hotline at 1-888-289-9999 or at the FINRA Regulation Internet website address [www.nasd.com](http://www.nasd.com). A brochure describing the FINRA Regulation Public Disclosure Program is also available from the FINRA upon request.

**Key Terms and Definitions**

**Dividends** on money market funds consist of interest earned, plus any discount ratably amortized to the date of maturity, plus all realized gains and losses on the sale of securities prior to maturity, less ratably amortization of any premium and all accrued expenses to the fund. Dividends are accrued daily and may be paid either monthly or quarterly. The monthly earnings on this statement represent the estimated dividend accrued for the month for any program that distributes earnings on a quarterly basis. There is no guarantee that the estimated amount will be paid on the actual distribution date.

**Current Yield** is the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical fund account with a balance of one share over the seven-day base period including the statement date, expressed as a percentage of the value of one share (normally \$1.00 per share) at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by

365 and dividing the result by 7. The yields quoted should not be considered a representation of the yield of the fund in the future, since the yield is not fixed.

**Average maturity** represents the average maturity of all securities and investments of a portfolio, determined by multiplying the par or principal value of each security or investment by its maturity (days or years), summing the products, and dividing the sum by the total principal value of the portfolio. The stated maturity date of mortgage backed or callable securities are used in this statement. However the actual maturity of these securities could vary depending on the level or prepayments on the underlying mortgages or whether a callable security has or is still able to be called.

**Monthly distribution yield** represents the net change in the value of one share (normally \$1.00 per share) resulting from all dividends declared during the month by a fund expressed as a percentage of the value of one share at the beginning of the month. This resulting net change is then annualized by multiplying it by 365 and dividing it by the number of calendar days in the month.

**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.

**Managed Account** A portfolio of investments managed discretely by PFM according to the client's specific investment policy and requirements. The investments are directly owned by the client and held by the client's custodian.

**Unsettled Trade** A trade which has been executed however the final consummation of the security transaction and payment has not yet taken place.

Please review the detail pages of this statement carefully. If you think your statement is wrong, missing account information, or if you need more information about a transaction, please contact PFM within 60 days of receipt. If you have other concerns or questions regarding your account you should contact a member of your client management team or PFM Service Operations at the address below.

PFM Asset Management LLC  
Attn: Service Operations  
213 Market Street  
Harrisburg, PA 17101



Consolidated Summary Statement

CITY OF SALEM, OR

Portfolio Summary

Portfolio Holdings	Cash Dividends and Income	Closing Market Value	Percent
PFM Managed Account	484,200.53	222,257,826.20	67.84
LGIP- CITY	0.00	47,187,585.49	14.40
LGIP-URA	0.00	39,738,278.13	12.14
US Bank	0.00	18,420,826.39	5.62
<b>Total</b>	<b>\$484,200.53</b>	<b>\$327,604,516.21</b>	<b>100.00%</b>

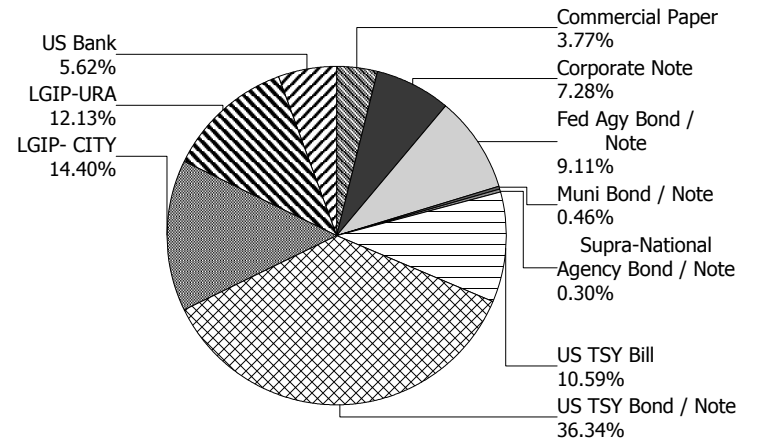
Investment Allocation

Investment Type	Closing Market Value	Percent
Commercial Paper	12,351,544.60	3.77
Corporate Note	23,845,540.35	7.28
Federal Agency Bond / Note	29,831,451.15	9.11
Municipal Bond / Note	1,503,028.80	0.46
Supra-National Agency Bond / Note	974,551.50	0.30
U.S. Treasury Bill	34,704,499.60	10.59
U.S. Treasury Bond / Note	119,047,210.20	36.34
LGIP- CITY	47,187,585.49	14.40
LGIP-URA	39,738,278.13	12.13
US Bank	18,420,826.39	5.62
<b>Total</b>	<b>\$327,604,516.21</b>	<b>100.00%</b>

Maturity Distribution (Fixed Income Holdings)

Portfolio Holdings	Closing Market Value	Percent
Under 30 days	115,056,736.50	35.12
31 to 60 days	7,077,967.20	2.16
61 to 90 days	29,166,534.25	8.90
91 to 180 days	16,826,301.99	5.14
181 days to 1 year	51,115,837.18	15.60
1 to 2 years	61,417,136.91	18.75
2 to 3 years	46,944,002.18	14.33
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	0.00	0.00
<b>Total</b>	<b>\$327,604,516.21</b>	<b>100.00%</b>

Sector Allocation



Weighted Average Days to Maturity 275



**Account Statement**

For the Month Ending **August 31, 2019**

**Consolidated Summary Statement**

**CITY OF SALEM, OR**

<b>Account Number</b>	<b>Account Name</b>	<b>Opening Market Value</b>	<b>Purchases / Deposits</b>	<b>Redemptions / Sales/ Maturities</b>	<b>Unsettled Trades</b>	<b>Change in Value</b>	<b>Closing Market Value</b>	<b>Cash Dividends and Income</b>
76950000	CITY OF SALEM LONG-TERM PORTFOLIO	126,831,973.63	0.00	(700,000.00)	0.00	694,249.81	126,826,223.44	203,929.00
76950002	CITY OF SALEM STREETS & BRIDGES GO BONDS	1,919,984.35	0.00	0.00	0.00	4,526.65	1,924,511.00	0.00
76950003	CITY OF SALEM SHORT TERM PORTFOLIO	47,998,071.00	1,492,050.00	(11,000,000.00)	0.00	89,329.50	38,579,450.50	198,955.21
76950004	CITY OF SALEM POLICE FACILITY BONDS 2017	41,921,333.92	1,925,768.65	(5,115,000.00)	0.00	73,141.24	38,805,243.81	70,144.44
76950005	CITY OF SALEM LIBRARY PROJ GO BONDS 2018	16,080,935.69	0.00	0.00	0.00	41,461.76	16,122,397.45	11,171.88
<b>Total</b>		<b>\$234,752,298.59</b>	<b>\$3,417,818.65</b>	<b>(\$16,815,000.00)</b>	<b>\$0.00</b>	<b>\$902,708.96</b>	<b>\$222,257,826.20</b>	<b>\$484,200.53</b>



**Managed Account Summary Statement**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LONG-TERM PORTFOLIO - 76950000**

**Transaction Summary - Managed Account**

<b>Opening Market Value</b>	<b>\$126,831,973.63</b>
Maturities/Calls	(700,000.00)
Principal Dispositions	0.00
Principal Acquisitions	0.00
Unsettled Trades	0.00
Change in Current Value	694,249.81
<b>Closing Market Value</b>	<b>\$126,826,223.44</b>

**Cash Transactions Summary - Managed Account**

Maturities/Calls	700,000.00
Sale Proceeds	0.00
Coupon/Interest/Dividend Income	203,250.00
Principal Payments	0.00
Security Purchases	0.00
Net Cash Contribution	(903,250.00)
Reconciling Transactions	0.00

**Earnings Reconciliation (Cash Basis) - Managed Account**

Interest/Dividends/Coupons Received	203,250.00
Less Purchased Interest Related to Interest/Coupons	0.00
Plus Net Realized Gains/Losses	679.00
<b>Total Cash Basis Earnings</b>	<b>\$203,929.00</b>

**Cash Balance**

**Closing Cash Balance** **\$0.00**

**Earnings Reconciliation (Accrual Basis)**

	<b>Total</b>
Ending Amortized Value of Securities	125,001,466.87
Ending Accrued Interest	583,257.86
Plus Proceeds from Sales	0.00
Plus Proceeds of Maturities/Calls/Principal Payments	700,000.00
Plus Coupons/Dividends Received	203,250.00
Less Cost of New Purchases	0.00
Less Beginning Amortized Value of Securities	(125,656,822.55)
Less Beginning Accrued Interest	(577,334.55)
<b>Total Accrual Basis Earnings</b>	<b>\$253,817.63</b>





## Managed Account Issuer Summary

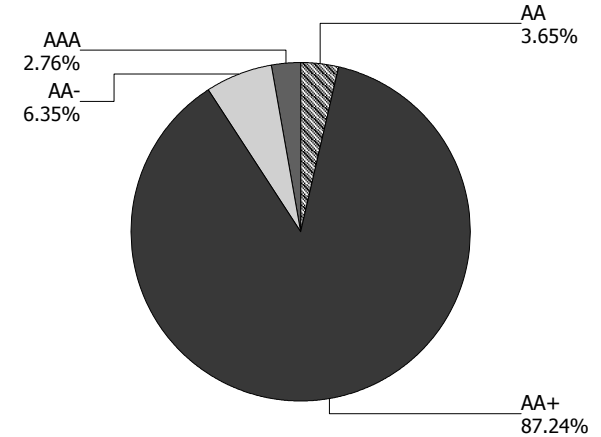
For the Month Ending **August 31, 2019**

CITY OF SALEM LONG-TERM PORTFOLIO - 76950000

### Issuer Summary

Issuer	Market Value of Holdings	Percent
3M COMPANY	2,501,995.00	1.97
AFRICAN DEVELOPMENT BANK	974,551.50	0.77
APPLE INC	2,501,285.00	1.97
BERKSHIRE HATHAWAY INC	2,065,930.00	1.63
CALIFORNIA ST	1,503,028.80	1.19
CISCO SYSTEMS INC	1,258,215.00	0.99
FANNIE MAE	9,133,617.20	7.20
FEDERAL HOME LOAN BANKS	1,394,614.20	1.10
GOOGLE INC	901,404.00	0.71
JOHNSON & JOHNSON	2,532,107.50	2.00
TOYOTA MOTOR CORP	2,794,404.25	2.20
UNITED STATES TREASURY	96,704,018.49	76.25
WAL-MART STORES INC	2,561,052.50	2.02
<b>Total</b>	<b>\$126,826,223.44</b>	<b>100.00%</b>

### Credit Quality (S&P Ratings)





**Managed Account Detail of Securities Held**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LONG-TERM PORTFOLIO - 76950000**

<b>Security Type/Description Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 04/01/2013 1.125% 03/31/2020	912828UV0	2,930,000.00	AA+	Aaa	03/15/17	03/17/17	2,879,526.17	1.71	13,869.47	2,920,181.28	2,917,181.25
US TREASURY NOTES DTD 04/30/2013 1.125% 04/30/2020	912828VA5	2,500,000.00	AA+	Aaa	04/26/17	04/27/17	2,473,242.19	1.49	9,476.90	2,494,003.20	2,487,987.50
US TREASURY NOTES DTD 04/30/2015 1.375% 04/30/2020	912828K58	2,500,000.00	AA+	Aaa	09/19/18	09/20/18	2,444,921.88	2.78	11,582.88	2,477,074.45	2,492,090.00
US TREASURY N/B NOTES DTD 05/31/2018 2.500% 05/31/2020	9128284Q0	4,000,000.00	AA+	Aaa	06/14/18	06/18/18	3,994,531.25	2.57	25,409.84	3,997,889.96	4,018,752.00
US TREASURY NOTES DTD 06/30/2015 1.625% 06/30/2020	912828XH8	1,100,000.00	AA+	Aaa	06/27/17	06/28/17	1,103,093.75	1.53	3,060.12	1,100,866.98	1,098,109.10
US TREASURY NOTES DTD 06/30/2015 1.625% 06/30/2020	912828XH8	4,000,000.00	AA+	Aaa	06/14/18	06/18/18	3,924,531.25	2.58	11,127.72	3,968,791.56	3,993,124.00
US TREASURY NOTES DTD 10/31/2015 1.375% 10/31/2020	912828L99	6,500,000.00	AA+	Aaa	02/01/17	02/07/17	6,416,718.75	1.73	30,115.49	6,473,457.38	6,473,083.50
US TREASURY NOTES DTD 11/30/2015 1.625% 11/30/2020	912828M98	5,350,000.00	AA+	Aaa	01/08/18	01/10/18	5,284,169.92	2.07	22,090.68	5,321,146.22	5,344,773.05
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	5,000,000.00	AA+	Aaa	01/08/18	01/10/18	4,893,945.31	2.09	5,978.26	4,950,160.40	4,979,490.00
US TREASURY N/B DTD 02/28/2019 2.500% 02/28/2021	9128286D7	7,440,000.00	AA+	Aaa	03/07/19	03/11/19	7,443,778.13	2.47	510.99	7,442,912.39	7,533,870.48
US TREASURY NOTES DTD 05/15/2018 2.625% 05/15/2021	9128284P2	1,015,000.00	AA+	Aaa	05/24/18	05/29/18	1,014,286.33	2.65	7,891.76	1,014,586.48	1,032,564.58
US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	2,500,000.00	AA+	Aaa	06/05/18	06/07/18	2,456,542.97	2.61	12,704.92	2,474,155.85	2,517,970.00
US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	5,200,000.00	AA+	Aaa	06/14/18	06/18/18	5,098,640.63	2.69	26,426.23	5,139,112.52	5,237,377.60
US TREASURY N/B DTD 06/30/2016 1.125% 06/30/2021	912828S27	5,000,000.00	AA+	Aaa	06/14/18	06/18/18	4,771,679.69	2.70	9,629.76	4,860,181.10	4,960,155.00



**Managed Account Detail of Securities Held**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LONG-TERM PORTFOLIO - 76950000**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 09/30/2016 1.125% 09/30/2021	912828T34	1,250,000.00	AA+	Aaa	03/06/18	03/07/18	1,190,283.20	2.53	5,917.01	1,214,539.96	1,239,892.50
US TREASURY NOTES DTD 09/30/2016 1.125% 09/30/2021	912828T34	7,125,000.00	AA+	Aaa	09/11/18	09/12/18	6,774,873.05	2.82	33,726.95	6,883,095.35	7,067,387.25
UNITED STATES TREASURY NOTES DTD 10/15/2018 2.875% 10/15/2021	9128285F3	9,965,000.00	AA+	Aaa	11/09/18	11/13/18	9,932,691.60	2.99	108,805.00	9,941,378.47	10,245,265.63
US TREASURY NOTES DTD 11/30/2016 1.750% 11/30/2021	912828U65	5,000,000.00	AA+	Aaa	12/04/18	12/07/18	4,850,390.63	2.80	22,233.61	4,886,181.20	5,028,125.00
US TREASURY NOTES DTD 01/15/2019 2.500% 01/15/2022	9128285V8	8,100,000.00	AA+	Aaa	01/30/19	01/31/19	8,085,761.72	2.56	26,413.04	8,088,545.87	8,290,795.50
US TREASURY N/B NOTES DTD 02/28/2017 1.875% 02/28/2022	912828W55	2,500,000.00	AA+	Aaa	02/26/19	02/27/19	2,458,203.13	2.46	128.78	2,465,027.73	2,524,415.00
US TREASURY N/B NOTES DTD 04/30/2015 1.750% 04/30/2022	912828WZ9	1,750,000.00	AA+	Aaa	05/08/19	05/13/19	1,726,074.22	2.23	10,319.29	1,728,444.59	1,763,602.75
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	5,400,000.00	AA+	Aaa	05/10/19	05/16/19	5,348,531.25	2.21	34,116.85	5,353,513.02	5,458,006.80
<b>Security Type Sub-Total</b>		<b>96,125,000.00</b>					<b>94,566,417.02</b>	<b>2.45</b>	<b>431,535.55</b>	<b>95,195,245.96</b>	<b>96,704,018.49</b>
<b>Supra-National Agency Bond / Note</b>											
AFRICAN DEVELOPMENT BANK NOTE DTD 09/20/2016 1.125% 09/20/2019	00828EBO1	975,000.00	AAA	Aaa	09/14/16	09/20/16	973,966.50	1.16	4,905.47	974,981.55	974,551.50
<b>Security Type Sub-Total</b>		<b>975,000.00</b>					<b>973,966.50</b>	<b>1.16</b>	<b>4,905.47</b>	<b>974,981.55</b>	<b>974,551.50</b>
<b>Municipal Bond / Note</b>											
CA ST TXBL GO BONDS DTD 04/25/2018 2.800% 04/01/2021	13063DGA0	1,480,000.00	AA-	Aa3	04/18/18	04/25/18	1,480,059.20	2.80	17,266.67	1,480,023.49	1,503,028.80
<b>Security Type Sub-Total</b>		<b>1,480,000.00</b>					<b>1,480,059.20</b>	<b>2.80</b>	<b>17,266.67</b>	<b>1,480,023.49</b>	<b>1,503,028.80</b>





**Managed Account Detail of Securities Held**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LONG-TERM PORTFOLIO - 76950000**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Federal Agency Bond / Note</b>											
FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	6,000,000.00	AA+	Aaa	02/27/17	02/28/17	5,991,000.00	1.55	750.00	5,998,496.34	5,987,328.00
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	1,400,000.00	AA+	Aaa	09/07/17	09/08/17	1,395,506.00	1.48	8,181.25	1,398,394.84	1,394,614.20
FANNIE MAE NOTES DTD 04/13/2018 2.500% 04/13/2021	3135G0U27	3,100,000.00	AA+	Aaa	04/12/18	04/13/18	3,095,381.00	2.55	29,708.33	3,097,468.14	3,146,289.20
<b>Security Type Sub-Total</b>		<b>10,500,000.00</b>					<b>10,481,887.00</b>	<b>1.84</b>	<b>38,639.58</b>	<b>10,494,359.32</b>	<b>10,528,231.40</b>
<b>Corporate Note</b>											
APPLE INC CORP NOTE DTD 05/13/2015 2.000% 05/06/2020	037833BD1	2,500,000.00	AA+	Aa1	06/27/17	06/28/17	2,515,225.00	1.78	15,000.00	2,503,701.88	2,501,285.00
3M COMPANY CORP NOTES DTD 08/07/2015 2.000% 08/07/2020	88579YAO4	2,500,000.00	AA-	A1	08/02/17	08/07/17	2,522,500.00	1.69	3,333.33	2,507,120.35	2,501,995.00
BERKSHIRE HATHAWAY FINANCE CORP NOTES DTD 01/11/2011 4.250% 01/15/2021	084664BQ3	2,000,000.00	AA	Aa2	05/15/18	05/17/18	2,065,600.00	2.96	10,861.11	2,034,485.46	2,065,930.00
CISCO SYSTEMS INC CORP NOTES DTD 02/29/2016 2.200% 02/28/2021	17275RBD3	1,250,000.00	AA-	A1	03/06/18	03/07/18	1,226,487.50	2.86	229.17	1,237,986.15	1,258,215.00
ALPHABET INC CORP NOTE DTD 04/27/2016 3.625% 05/19/2021	02079KAA5	875,000.00	AA+	Aa2	05/16/18	05/17/18	893,357.50	2.89	8,986.98	885,674.07	901,404.00
WAL-MART STORES INC CORP NOTES DTD 06/27/2018 3.125% 06/23/2021	931142EJ8	2,500,000.00	AA	Aa2	06/20/18	06/27/18	2,499,875.00	3.13	14,756.94	2,499,918.90	2,561,052.50
TOYOTA MOTOR CREDIT CORP BONDS DTD 01/09/2017 2.600% 01/11/2022	89236TDP7	2,750,000.00	AA-	Aa3	01/08/19	01/10/19	2,705,972.50	3.16	9,930.56	2,715,047.89	2,794,404.25
JOHNSON & JOHNSON CORP NOTES DTD 03/03/2017 2.250% 03/03/2022	478160CD4	2,500,000.00	AAA	Aaa	03/05/19	03/07/19	2,467,900.00	2.70	27,812.50	2,472,921.85	2,532,107.50
<b>Security Type Sub-Total</b>		<b>16,875,000.00</b>					<b>16,896,917.50</b>	<b>2.61</b>	<b>90,910.59</b>	<b>16,856,856.55</b>	<b>17,116,393.25</b>



**Managed Account Detail of Securities Held**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LONG-TERM PORTFOLIO - 76950000**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Managed Account Sub-Total</b>		<b>125,955,000.00</b>					<b>124,399,247.22</b>	<b>2.42</b>	<b>583,257.86</b>	<b>125,001,466.87</b>	<b>126,826,223.44</b>
<b>Securities Sub-Total</b>		<b>\$125,955,000.00</b>					<b>\$124,399,247.22</b>	<b>2.42%</b>	<b>\$583,257.86</b>	<b>\$125,001,466.87</b>	<b>\$126,826,223.44</b>
<b>Accrued Interest</b>											<b>\$583,257.86</b>
<b>Total Investments</b>											<b>\$127,409,481.30</b>



**Managed Account Fair Market Value & Analytics**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LONG-TERM PORTFOLIO - 76950000**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>Duration to Worst at Mkt</b>	<b>YTM</b>
<b>U.S. Treasury Bond / Note</b>												
US TREASURY NOTES	DTD 04/01/2013 1.125% 03/31/2020	912828UV0	2,930,000.00	MORGAN_S		99.56	2,917,181.25	37,655.08	(3,000.03)	0.57	0.57	1.88
US TREASURY NOTES	DTD 04/30/2013 1.125% 04/30/2020	912828VA5	2,500,000.00	BNP_PARI		99.52	2,487,987.50	14,745.31	(6,015.70)	0.66	0.66	1.85
US TREASURY NOTES	DTD 04/30/2015 1.375% 04/30/2020	912828K58	2,500,000.00	BARCLAYS		99.68	2,492,090.00	47,168.12	15,015.55	0.66	0.66	1.85
US TREASURY N/B NOTES	DTD 05/31/2018 2.500% 05/31/2020	9128284Q0	4,000,000.00	BARCLAYS		100.47	4,018,752.00	24,220.75	20,862.04	0.74	0.74	1.86
US TREASURY NOTES	DTD 06/30/2015 1.625% 06/30/2020	912828XH8	1,100,000.00	MERRILL		99.83	1,098,109.10	(4,984.65)	(2,757.88)	0.82	0.82	1.83
US TREASURY NOTES	DTD 06/30/2015 1.625% 06/30/2020	912828XH8	4,000,000.00	BNP_PARI		99.83	3,993,124.00	68,592.75	24,332.44	0.82	0.82	1.83
US TREASURY NOTES	DTD 10/31/2015 1.375% 10/31/2020	912828L99	6,500,000.00	MERRILL		99.59	6,473,083.50	56,364.75	(373.88)	1.15	1.15	1.73
US TREASURY NOTES	DTD 11/30/2015 1.625% 11/30/2020	912828M98	5,350,000.00	BARCLAYS		99.90	5,344,773.05	60,603.13	23,626.83	1.23	1.23	1.70
US TREASURY NOTES	DTD 01/31/2016 1.375% 01/31/2021	912828N89	5,000,000.00	MERRILL		99.59	4,979,490.00	85,544.69	29,329.60	1.39	1.39	1.67
US TREASURY N/B	DTD 02/28/2019 2.500% 02/28/2021	9128286D7	7,440,000.00	MERRILL		101.26	7,533,870.48	90,092.35	90,958.09	1.47	1.47	1.64
US TREASURY NOTES	DTD 05/15/2018 2.625% 05/15/2021	9128284P2	1,015,000.00	MORGAN_S		101.73	1,032,564.58	18,278.25	17,978.10	1.66	1.66	1.59
US TREASURY NOTES	DTD 06/02/2014 2.000% 05/31/2021	912828WN6	2,500,000.00	BNP_PARI		100.72	2,517,970.00	61,427.03	43,814.15	1.71	1.71	1.58
US TREASURY NOTES	DTD 06/02/2014 2.000% 05/31/2021	912828WN6	5,200,000.00	MERRILL		100.72	5,237,377.60	138,736.97	98,265.08	1.71	1.71	1.58
US TREASURY N/B	DTD 06/30/2016 1.125% 06/30/2021	912828S27	5,000,000.00	BNP_PARI		99.20	4,960,155.00	188,475.31	99,973.90	1.80	1.80	1.57
US TREASURY NOTES	DTD 09/30/2016 1.125% 09/30/2021	912828T34	1,250,000.00	MERRILL		99.19	1,239,892.50	49,609.30	25,352.54	2.04	2.04	1.52
US TREASURY NOTES	DTD 09/30/2016 1.125% 09/30/2021	912828T34	7,125,000.00	MORGAN_S		99.19	7,067,387.25	292,514.20	184,291.90	2.04	2.04	1.52
UNITED STATES TREASURY NOTES	DTD 10/15/2018 2.875% 10/15/2021	9128285F3	9,965,000.00	BARCLAYS		102.81	10,245,265.63	312,574.03	303,887.16	2.04	2.04	1.52



**Managed Account Fair Market Value & Analytics**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LONG-TERM PORTFOLIO - 76950000**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>Duration to Worst at Mkt</b>	<b>YTM</b>
<b>U.S. Treasury Bond / Note</b>												
US TREASURY NOTES		912828U65	5,000,000.00	MERRILL		100.56	5,028,125.00	177,734.37	141,943.80	2.19	2.19	1.49
DTD 11/30/2016 1.750% 11/30/2021												
US TREASURY NOTES		9128285V8	8,100,000.00	MERRILL		102.36	8,290,795.50	205,033.78	202,249.63	2.30	2.30	1.49
DTD 01/15/2019 2.500% 01/15/2022												
US TREASURY N/B NOTES		912828W55	2,500,000.00	BARCLAYS		100.98	2,524,415.00	66,211.87	59,387.27	2.44	2.44	1.48
DTD 02/28/2017 1.875% 02/28/2022												
US TREASURY N/B NOTES		912828WZ9	1,750,000.00	BNP_PARI		100.78	1,763,602.75	37,528.53	35,158.16	2.58	2.58	1.45
DTD 04/30/2015 1.750% 04/30/2022												
US TREASURY NOTES		912828X47	5,400,000.00	BARCLAYS		101.07	5,458,006.80	109,475.55	104,493.78	2.58	2.58	1.46
DTD 05/01/2017 1.875% 04/30/2022												
<b>Security Type Sub-Total</b>			<b>96,125,000.00</b>				<b>96,704,018.49</b>	<b>2,137,601.47</b>	<b>1,508,772.53</b>	<b>1.66</b>	<b>1.66</b>	<b>1.62</b>
<b>Supra-National Agency Bond / Note</b>												
AFRICAN DEVELOPMENT BANK NOTE		00828EBO1	975,000.00	TD SEC U		99.95	974,551.50	585.00	(430.05)	0.06	0.06	1.89
DTD 09/20/2016 1.125% 09/20/2019												
<b>Security Type Sub-Total</b>			<b>975,000.00</b>				<b>974,551.50</b>	<b>585.00</b>	<b>(430.05)</b>	<b>0.06</b>	<b>0.06</b>	<b>1.89</b>
<b>Municipal Bond / Note</b>												
CA ST TXBL GO BONDS		13063DGA0	1,480,000.00	JPM_CHAS		101.56	1,503,028.80	22,969.60	23,005.31	1.53	1.53	1.80
DTD 04/25/2018 2.800% 04/01/2021												
<b>Security Type Sub-Total</b>			<b>1,480,000.00</b>				<b>1,503,028.80</b>	<b>22,969.60</b>	<b>23,005.31</b>	<b>1.53</b>	<b>1.53</b>	<b>1.80</b>
<b>Federal Agency Bond / Note</b>												
FNMA NOTES		3135G0T29	6,000,000.00	GOLDMAN		99.79	5,987,328.00	(3,672.00)	(11,168.34)	0.49	0.49	1.93
DTD 02/28/2017 1.500% 02/28/2020												
FHLB NOTES		3130ACE26	1,400,000.00	BARCLAYS		99.62	1,394,614.20	(891.80)	(3,780.64)	1.06	1.06	1.74
DTD 09/08/2017 1.375% 09/28/2020												
FANNIE MAE NOTES		3135G0U27	3,100,000.00	NOMURA		101.49	3,146,289.20	50,908.20	48,821.06	1.57	1.57	1.56
DTD 04/13/2018 2.500% 04/13/2021												
<b>Security Type Sub-Total</b>			<b>10,500,000.00</b>				<b>10,528,231.40</b>	<b>46,344.40</b>	<b>33,872.08</b>	<b>0.89</b>	<b>0.89</b>	<b>1.79</b>



**Managed Account Fair Market Value & Analytics**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LONG-TERM PORTFOLIO - 76950000**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>Duration to Worst at Mkt</b>	<b>YTM</b>
<b>Corporate Note</b>											
APPLE INC CORP NOTE DTD 05/13/2015 2.000% 05/06/2020	037833BD1	2,500,000.00	GOLDMAN		100.05	2,501,285.00	(13,940.00)	(2,416.88)	0.67	0.67	1.92
3M COMPANY CORP NOTES DTD 08/07/2015 2.000% 08/07/2020	88579YAQ4	2,500,000.00	LOOP		100.08	2,501,995.00	(20,505.00)	(5,125.35)	0.92	0.92	1.91
BERKSHIRE HATHAWAY FINANCE CORP NOTES DTD 01/11/2011 4.250% 01/15/2021	084664BO3	2,000,000.00	WELLS_FA		103.30	2,065,930.00	330.00	31,444.54	1.33	1.33	1.81
CISCO SYSTEMS INC CORP NOTES DTD 02/29/2016 2.200% 02/28/2021	17275RBD3	1,250,000.00	GOLDMAN		100.66	1,258,215.00	31,727.50	20,228.85	1.47	1.47	1.75
ALPHABET INC CORP NOTE DTD 04/27/2016 3.625% 05/19/2021	02079KAA5	875,000.00	US_BANCO		103.02	901,404.00	8,046.50	15,729.93	1.65	1.65	1.83
WAL-MART STORES INC CORP NOTES DTD 06/27/2018 3.125% 06/23/2021	931142EJ8	2,500,000.00	CITIGRP		102.44	2,561,052.50	61,177.50	61,133.60	1.75	1.75	1.75
TOYOTA MOTOR CREDIT CORP BONDS DTD 01/09/2017 2.600% 01/11/2022	89236TDP7	2,750,000.00	MKTX		101.61	2,794,404.25	88,431.75	79,356.36	2.28	2.28	1.90
JOHNSON & JOHNSON CORP NOTES DTD 03/03/2017 2.250% 03/03/2022	478160CD4	2,500,000.00	GOLDMAN		101.28	2,532,107.50	64,207.50	59,185.65	2.40	2.40	1.72
<b>Security Type Sub-Total</b>		<b>16,875,000.00</b>				<b>17,116,393.25</b>	<b>219,475.75</b>	<b>259,536.70</b>	<b>1.58</b>	<b>1.58</b>	<b>1.83</b>
<b>Managed Account Sub-Total</b>		<b>125,955,000.00</b>				<b>126,826,223.44</b>	<b>2,426,976.22</b>	<b>1,824,756.57</b>	<b>1.57</b>	<b>1.57</b>	<b>1.67</b>
<b>Securities Sub-Total</b>		<b>\$125,955,000.00</b>				<b>\$126,826,223.44</b>	<b>\$2,426,976.22</b>	<b>\$1,824,756.57</b>	<b>1.57</b>	<b>1.57</b>	<b>1.67%</b>
<b>Accrued Interest</b>						<b>\$583,257.86</b>					
<b>Total Investments</b>						<b>\$127,409,481.30</b>					



**Managed Account Security Transactions & Interest**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LONG-TERM PORTFOLIO - 76950000**

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>INTEREST</b>										
08/05/19	08/05/19	FHLB GLOBAL NOTE DTD 08/04/2016 0.875% 08/05/2019	3130A8Y72	700,000.00	0.00	3,062.50	3,062.50			
08/07/19	08/07/19	3M COMPANY CORP NOTES DTD 08/07/2015 2.000% 08/07/2020	88579YAO4	2,500,000.00	0.00	25,000.00	25,000.00			
08/28/19	08/28/19	CISCO SYSTEMS INC CORP NOTES DTD 02/29/2016 2.200% 02/28/2021	17275RBD3	1,250,000.00	0.00	13,750.00	13,750.00			
08/28/19	08/28/19	FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	6,000,000.00	0.00	45,000.00	45,000.00			
08/31/19	08/31/19	US TREASURY N/B DTD 02/28/2019 2.500% 02/28/2021	9128286D7	7,440,000.00	0.00	93,000.00	93,000.00			
08/31/19	08/31/19	US TREASURY N/B NOTES DTD 02/28/2017 1.875% 02/28/2022	912828W55	2,500,000.00	0.00	23,437.50	23,437.50			
<b>Transaction Type Sub-Total</b>				<b>20,390,000.00</b>	<b>0.00</b>	<b>203,250.00</b>	<b>203,250.00</b>			
<b>MATURITY</b>										
08/05/19	08/05/19	FHLB GLOBAL NOTE DTD 08/04/2016 0.875% 08/05/2019	3130A8Y72	700,000.00	700,000.00	0.00	700,000.00	679.00	0.00	
<b>Transaction Type Sub-Total</b>				<b>700,000.00</b>	<b>700,000.00</b>	<b>0.00</b>	<b>700,000.00</b>	<b>679.00</b>	<b>0.00</b>	
<b>Managed Account Sub-Total</b>					<b>700,000.00</b>	<b>203,250.00</b>	<b>903,250.00</b>	<b>679.00</b>	<b>0.00</b>	
<b>Total Security Transactions</b>					<b>\$700,000.00</b>	<b>\$203,250.00</b>	<b>\$903,250.00</b>	<b>\$679.00</b>	<b>\$0.00</b>	



## Managed Account Summary Statement

For the Month Ending **August 31, 2019**

**CITY OF SALEM STREETS & BRIDGES GO BONDS - 76950002**

### Transaction Summary - Managed Account

<b>Opening Market Value</b>	<b>\$1,919,984.35</b>
Maturities/Calls	0.00
Principal Dispositions	0.00
Principal Acquisitions	0.00
Unsettled Trades	0.00
Change in Current Value	4,526.65
<b>Closing Market Value</b>	<b>\$1,924,511.00</b>

### Cash Transactions Summary - Managed Account

Maturities/Calls	0.00
Sale Proceeds	0.00
Coupon/Interest/Dividend Income	0.00
Principal Payments	0.00
Security Purchases	0.00
Net Cash Contribution	0.00
Reconciling Transactions	0.00

### Earnings Reconciliation (Cash Basis) - Managed Account

Interest/Dividends/Coupons Received	0.00
Less Purchased Interest Related to Interest/Coupons	0.00
Plus Net Realized Gains/Losses	0.00
<b>Total Cash Basis Earnings</b>	<b>\$0.00</b>

### Cash Balance

<b>Closing Cash Balance</b>	<b>\$0.00</b>
-----------------------------	---------------

### Earnings Reconciliation (Accrual Basis)

	<b>Total</b>
Ending Amortized Value of Securities	1,917,708.49
Ending Accrued Interest	8,765.08
Plus Proceeds from Sales	0.00
Plus Proceeds of Maturities/Calls/Principal Payments	0.00
Plus Coupons/Dividends Received	0.00
Less Cost of New Purchases	0.00
Less Beginning Amortized Value of Securities	(1,916,200.90)
Less Beginning Accrued Interest	(6,431.65)
<b>Total Accrual Basis Earnings</b>	<b>\$3,841.02</b>







### Managed Account Issuer Summary

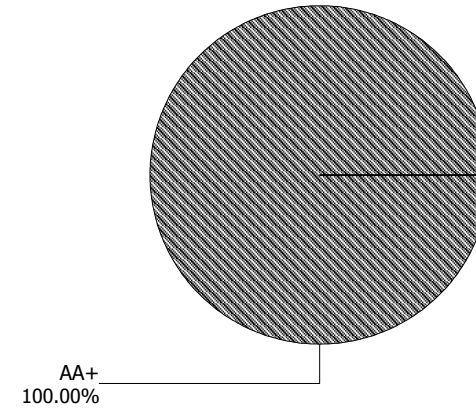
For the Month Ending **August 31, 2019**

CITY OF SALEM STREETS & BRIDGES GO BONDS - 76950002

#### Issuer Summary

Issuer	Market Value of Holdings	Percent
UNITED STATES TREASURY	1,924,511.00	100.00
<b>Total</b>	<b>\$1,924,511.00</b>	<b>100.00%</b>

#### Credit Quality (S&P Ratings)





**Managed Account Detail of Securities Held**

For the Month Ending **August 31, 2019**

**CITY OF SALEM STREETS & BRIDGES GO BONDS - 76950002**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 04/30/2015 1.375% 04/30/2020	912828K58	1,000,000.00	AA+	Aaa	04/10/19	04/11/19	989,335.94	2.41	4,633.15	993,259.69	996,836.00
US TREASURY N/B NOTES DTD 05/15/2017 1.500% 05/15/2020	912828X96	930,000.00	AA+	Aaa	05/10/19	05/16/19	922,153.13	2.36	4,131.93	924,448.80	927,675.00
<b>Security Type Sub-Total</b>		<b>1,930,000.00</b>					<b>1,911,489.07</b>	<b>2.38</b>	<b>8,765.08</b>	<b>1,917,708.49</b>	<b>1,924,511.00</b>
<b>Managed Account Sub-Total</b>		<b>1,930,000.00</b>					<b>1,911,489.07</b>	<b>2.38</b>	<b>8,765.08</b>	<b>1,917,708.49</b>	<b>1,924,511.00</b>
<b>Securities Sub-Total</b>		<b>\$1,930,000.00</b>					<b>\$1,911,489.07</b>	<b>2.38%</b>	<b>\$8,765.08</b>	<b>\$1,917,708.49</b>	<b>\$1,924,511.00</b>
<b>Accrued Interest</b>											<b>\$8,765.08</b>
<b>Total Investments</b>											<b>\$1,933,276.08</b>



**Managed Account Fair Market Value & Analytics**

For the Month Ending **August 31, 2019**

**CITY OF SALEM STREETS & BRIDGES GO BONDS - 76950002**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>Duration to Worst at Mkt</b>	<b>YTM</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 04/30/2015 1.375% 04/30/2020	912828K58	1,000,000.00	MORGAN_S		99.68	996,836.00	7,500.06	3,576.31	0.66	0.66	1.85
US TREASURY N/B NOTES DTD 05/15/2017 1.500% 05/15/2020	912828X96	930,000.00	NOMURA		99.75	927,675.00	5,521.87	3,226.20	0.70	0.70	1.86
<b>Security Type Sub-Total</b>		<b>1,930,000.00</b>				<b>1,924,511.00</b>	<b>13,021.93</b>	<b>6,802.51</b>	<b>0.68</b>	<b>0.68</b>	<b>1.86</b>
<b>Managed Account Sub-Total</b>		<b>1,930,000.00</b>				<b>1,924,511.00</b>	<b>13,021.93</b>	<b>6,802.51</b>	<b>0.68</b>	<b>0.68</b>	<b>1.86</b>
<b>Securities Sub-Total</b>		<b>\$1,930,000.00</b>				<b>\$1,924,511.00</b>	<b>\$13,021.93</b>	<b>\$6,802.51</b>	<b>0.68</b>	<b>0.68</b>	<b>1.86%</b>
<b>Accrued Interest</b>						<b>\$8,765.08</b>					
<b>Total Investments</b>						<b>\$1,933,276.08</b>					



## Managed Account Summary Statement

For the Month Ending **August 31, 2019**

**CITY OF SALEM SHORT TERM PORTFOLIO - 76950003**

### Transaction Summary - Managed Account

<b>Opening Market Value</b>	<b>\$47,998,071.00</b>
Maturities/Calls	(11,000,000.00)
Principal Dispositions	0.00
Principal Acquisitions	1,492,050.00
Unsettled Trades	0.00
Change in Current Value	89,329.50
<b>Closing Market Value</b>	<b>\$38,579,450.50</b>

### Cash Transactions Summary - Managed Account

Maturities/Calls	11,000,000.00
Sale Proceeds	0.00
Coupon/Interest/Dividend Income	0.00
Principal Payments	0.00
Security Purchases	(1,492,050.00)
Net Cash Contribution	(9,507,950.00)
Reconciling Transactions	0.00

### Earnings Reconciliation (Cash Basis) - Managed Account

Interest/Dividends/Coupons Received	0.00
Less Purchased Interest Related to Interest/Coupons	0.00
Plus Net Realized Gains/Losses	198,955.21
<b>Total Cash Basis Earnings</b>	<b>\$198,955.21</b>

### Cash Balance

**Closing Cash Balance** **\$0.00**

### Earnings Reconciliation (Accrual Basis)

	<b>Total</b>
Ending Amortized Value of Securities	38,548,251.00
Ending Accrued Interest	9,969.26
Plus Proceeds from Sales	0.00
Plus Proceeds of Maturities/Calls/Principal Payments	11,000,000.00
Plus Coupons/Dividends Received	0.00
Less Cost of New Purchases	(1,492,050.00)
Less Beginning Amortized Value of Securities	(47,971,637.78)
Less Beginning Accrued Interest	(7,745.90)
<b>Total Accrual Basis Earnings</b>	<b>\$86,786.58</b>





### Managed Account Issuer Summary

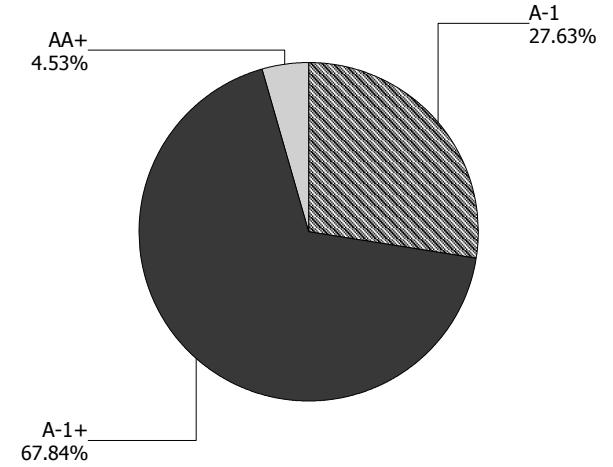
For the Month Ending **August 31, 2019**

CITY OF SALEM SHORT TERM PORTFOLIO - 76950003

#### Issuer Summary

Issuer	Market Value of Holdings	Percent
BNP PARIBAS	3,975,112.00	10.30
MITSUBISHI UFJ FINANCIAL GROUP INC	6,685,072.50	17.33
UNITED STATES TREASURY	27,919,266.00	72.37
<b>Total</b>	<b>\$38,579,450.50</b>	<b>100.00%</b>

#### Credit Quality (S&P Ratings)





**Managed Account Detail of Securities Held**

For the Month Ending **August 31, 2019**

**CITY OF SALEM SHORT TERM PORTFOLIO - 76950003**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY N/B NOTES DTD 04/17/2017 1.500% 04/15/2020	912828X21	1,750,000.00	AA+	Aaa	04/26/19	04/29/19	1,735,166.02	2.40	9,969.26	1,740,404.52	1,746,241.00
<b>Security Type Sub-Total</b>		<b>1,750,000.00</b>					<b>1,735,166.02</b>	<b>2.40</b>	<b>9,969.26</b>	<b>1,740,404.52</b>	<b>1,746,241.00</b>
<b>U.S. Treasury Bill</b>											
UNITED STATES TREASURY BILL DTD 09/13/2018 0.000% 09/12/2019	912796RA9	5,000,000.00	A-1+	P-1	11/27/18	11/29/18	4,898,704.94	2.59	0.00	4,996,117.60	4,997,655.00
UNITED STATES TREASURY BILL DTD 11/08/2018 0.000% 11/07/2019	912796RM3	2,500,000.00	A-1+	P-1	05/02/19	05/06/19	2,470,117.36	2.35	0.00	2,489,177.63	2,491,220.00
UNITED STATES TREASURY BILL DTD 11/08/2018 0.000% 11/07/2019	912796RM3	5,250,000.00	A-1+	P-1	05/08/19	05/09/19	5,186,963.54	2.40	0.00	5,226,794.27	5,231,562.00
UNITED STATES TREASURY BILL DTD 11/08/2018 0.000% 11/07/2019	912796RM3	13,500,000.00	A-1+	P-1	05/10/19	05/16/19	13,344,403.13	2.40	0.00	13,440,428.55	13,452,588.00
<b>Security Type Sub-Total</b>		<b>26,250,000.00</b>					<b>25,900,188.97</b>	<b>2.43</b>	<b>0.00</b>	<b>26,152,518.05</b>	<b>26,173,025.00</b>
<b>Commercial Paper</b>											
MUFG BANK LTD/NY COMM PAPER DTD 07/12/2019 0.000% 11/21/2019	62479MYM9	1,500,000.00	A-1	P-1	08/22/19	08/23/19	1,492,050.00	2.13	0.00	1,492,845.00	1,492,696.50
BNP PARIBAS NY BRANCH COMM PAPER DTD 07/15/2019 0.000% 12/16/2019	09659CZG6	4,000,000.00	A-1	P-1	07/17/19	07/18/19	3,963,592.22	2.19	0.00	3,974,442.20	3,975,112.00
MUFG BANK LTD/NY COMM PAPER DTD 06/17/2019 0.000% 03/13/2020	62479LCD5	5,250,000.00	A-1	P-1	06/19/19	06/20/19	5,164,726.88	2.23	0.00	5,188,041.23	5,192,376.00
<b>Security Type Sub-Total</b>		<b>10,750,000.00</b>					<b>10,620,369.10</b>	<b>2.20</b>	<b>0.00</b>	<b>10,655,328.43</b>	<b>10,660,184.50</b>
<b>Managed Account Sub-Total</b>		<b>38,750,000.00</b>					<b>38,255,724.09</b>	<b>2.37</b>	<b>9,969.26</b>	<b>38,548,251.00</b>	<b>38,579,450.50</b>



**Managed Account Detail of Securities Held**

For the Month Ending **August 31, 2019**

**CITY OF SALEM SHORT TERM PORTFOLIO - 76950003**

<b>Securities Sub-Total</b>	<b>\$38,750,000.00</b>	<b>\$38,255,724.09</b>	<b>2.37%</b>	<b>\$9,969.26</b>	<b>\$38,548,251.00</b>	<b>\$38,579,450.50</b>
<b>Accrued Interest</b>						<b>\$9,969.26</b>
<b>Total Investments</b>						<b>\$38,589,419.76</b>





**Managed Account Fair Market Value & Analytics**

For the Month Ending **August 31, 2019**

**CITY OF SALEM SHORT TERM PORTFOLIO - 76950003**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>Duration to Worst at Mkt</b>	<b>YTM</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY N/B NOTES DTD 04/17/2017 1.500% 04/15/2020	912828X21	1,750,000.00	JPM_CHAS		99.79	1,746,241.00	11,074.98	5,836.48	0.61	0.61	1.85
<b>Security Type Sub-Total</b>		<b>1,750,000.00</b>				<b>1,746,241.00</b>	<b>11,074.98</b>	<b>5,836.48</b>	<b>0.61</b>	<b>0.61</b>	<b>1.85</b>
<b>U.S. Treasury Bill</b>											
UNITED STATES TREASURY BILL DTD 09/13/2018 0.000% 09/12/2019	912796RA9	5,000,000.00	JPM_CHAS		99.95	4,997,655.00	98,950.06	1,537.40	0.03	0.03	1.41
UNITED STATES TREASURY BILL DTD 11/08/2018 0.000% 11/07/2019	912796RM3	2,500,000.00	MORGAN_S		99.65	2,491,220.00	21,102.64	2,042.37	0.18	0.18	1.87
UNITED STATES TREASURY BILL DTD 11/08/2018 0.000% 11/07/2019	912796RM3	5,250,000.00	BNP_PARI		99.65	5,231,562.00	44,598.46	4,767.73	0.18	0.18	1.87
UNITED STATES TREASURY BILL DTD 11/08/2018 0.000% 11/07/2019	912796RM3	13,500,000.00	HSBC		99.65	13,452,588.00	108,184.87	12,159.45	0.18	0.18	1.87
<b>Security Type Sub-Total</b>		<b>26,250,000.00</b>				<b>26,173,025.00</b>	<b>272,836.03</b>	<b>20,506.95</b>	<b>0.16</b>	<b>0.16</b>	<b>1.78</b>
<b>Commercial Paper</b>											
MUFG BANK LTD/NY COMM PAPER DTD 07/12/2019 0.000% 11/21/2019	62479MYM9	1,500,000.00	MITSU		99.51	1,492,696.50	646.50	(148.50)	0.22	0.22	2.15
BNP PARIBAS NY BRANCH COMM PAPER DTD 07/15/2019 0.000% 12/16/2019	09659CZG6	4,000,000.00	BNP_PARI		99.38	3,975,112.00	11,519.78	669.80	0.29	0.29	2.11
MUFG BANK LTD/NY COMM PAPER DTD 06/17/2019 0.000% 03/13/2020	62479LCD5	5,250,000.00	MITSU		98.90	5,192,376.00	27,649.12	4,334.77	0.53	0.53	2.05
<b>Security Type Sub-Total</b>		<b>10,750,000.00</b>				<b>10,660,184.50</b>	<b>39,815.40</b>	<b>4,856.07</b>	<b>0.40</b>	<b>0.40</b>	<b>2.08</b>
<b>Managed Account Sub-Total</b>		<b>38,750,000.00</b>				<b>38,579,450.50</b>	<b>323,726.41</b>	<b>31,199.50</b>	<b>0.24</b>	<b>0.24</b>	<b>1.87</b>
<b>Securities Sub-Total</b>		<b>\$38,750,000.00</b>				<b>\$38,579,450.50</b>	<b>\$323,726.41</b>	<b>\$31,199.50</b>	<b>0.24</b>	<b>0.24</b>	<b>1.87%</b>
<b>Accrued Interest</b>						<b>\$9,969.26</b>					
<b>Total Investments</b>						<b>\$38,589,419.76</b>					



**Managed Account Security Transactions & Interest**

For the Month Ending **August 31, 2019**

**CITY OF SALEM SHORT TERM PORTFOLIO - 76950003**

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>BUY</b>										
08/22/19	08/23/19	MUFG BANK LTD/NY COMM PAPER DTD 07/12/2019 0.000% 11/21/2019	62479MYM9	1,500,000.00	(1,492,050.00)	0.00	(1,492,050.00)			
<b>Transaction Type Sub-Total</b>				<b>1,500,000.00</b>	<b>(1,492,050.00)</b>	<b>0.00</b>	<b>(1,492,050.00)</b>			
<b>MATURITY</b>										
08/15/19	08/15/19	UNITED STATES TREASURY BILL DTD 08/16/2018 0.000% 08/15/2019	912796OV4	6,000,000.00	6,000,000.00	0.00	6,000,000.00	107,733.25	0.00	
08/15/19	08/15/19	UNITED STATES TREASURY BILL DTD 08/16/2018 0.000% 08/15/2019	912796QV4	5,000,000.00	5,000,000.00	0.00	5,000,000.00	91,221.96	0.00	
<b>Transaction Type Sub-Total</b>				<b>11,000,000.00</b>	<b>11,000,000.00</b>	<b>0.00</b>	<b>11,000,000.00</b>	<b>198,955.21</b>	<b>0.00</b>	
<b>Managed Account Sub-Total</b>					<b>9,507,950.00</b>	<b>0.00</b>	<b>9,507,950.00</b>	<b>198,955.21</b>	<b>0.00</b>	
<b>Total Security Transactions</b>					<b>\$9,507,950.00</b>	<b>\$0.00</b>	<b>\$9,507,950.00</b>	<b>\$198,955.21</b>	<b>\$0.00</b>	



## Managed Account Summary Statement

For the Month Ending **August 31, 2019**

**CITY OF SALEM POLICE FACILITY BONDS 2017 - 76950004**

### Transaction Summary - Managed Account

<b>Opening Market Value</b>	<b>\$41,921,333.92</b>
Maturities/Calls	(5,115,000.00)
Principal Dispositions	0.00
Principal Acquisitions	1,925,768.65
Unsettled Trades	0.00
Change in Current Value	73,141.24
<b>Closing Market Value</b>	<b>\$38,805,243.81</b>

### Cash Transactions Summary - Managed Account

Maturities/Calls	5,115,000.00
Sale Proceeds	0.00
Coupon/Interest/Dividend Income	34,312.50
Principal Payments	0.00
Security Purchases	(1,925,768.65)
Net Cash Contribution	(3,223,543.85)
Reconciling Transactions	0.00

### Earnings Reconciliation (Cash Basis) - Managed Account

Interest/Dividends/Coupons Received	34,312.50
Less Purchased Interest Related to Interest/Coupons	0.00
Plus Net Realized Gains/Losses	35,831.94
<b>Total Cash Basis Earnings</b>	<b>\$70,144.44</b>

### Cash Balance

**Closing Cash Balance** **\$0.00**

### Earnings Reconciliation (Accrual Basis)

	<b>Total</b>
Ending Amortized Value of Securities	38,864,714.70
Ending Accrued Interest	105,993.26
Plus Proceeds from Sales	0.00
Plus Proceeds of Maturities/Calls/Principal Payments	5,115,000.00
Plus Coupons/Dividends Received	34,312.50
Less Cost of New Purchases	(1,925,768.65)
Less Beginning Amortized Value of Securities	(42,038,878.76)
Less Beginning Accrued Interest	(98,882.95)
<b>Total Accrual Basis Earnings</b>	<b>\$56,490.10</b>



## Portfolio Summary and Statistics

For the Month Ending **August 31, 2019**

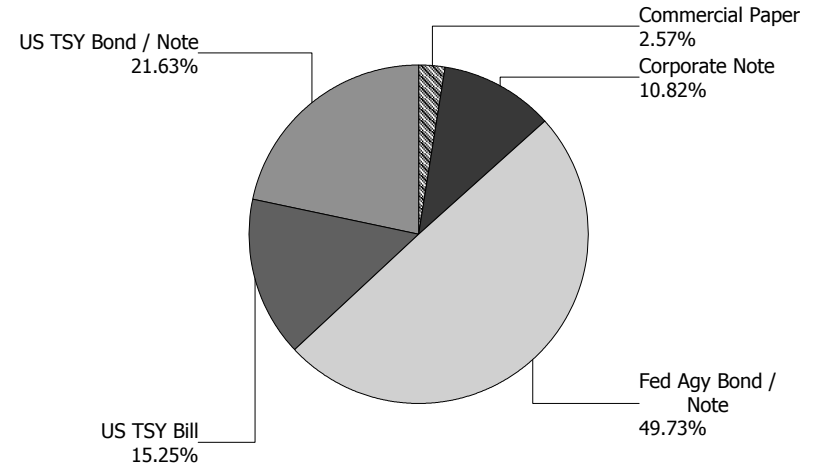
### CITY OF SALEM POLICE FACILITY BONDS 2017 - 76950004

#### Account Summary

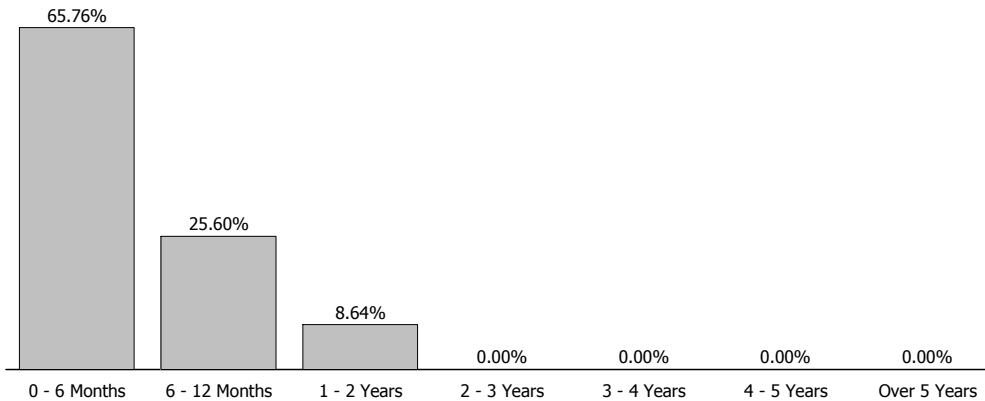
Description	Par Value	Market Value	Percent
U.S. Treasury Bond / Note	8,405,000.00	8,391,747.93	21.63
U.S. Treasury Bill	5,940,000.00	5,917,851.68	15.25
Federal Agency Bond / Note	19,340,000.00	19,303,219.75	49.73
Corporate Note	4,200,000.00	4,196,817.45	10.82
Commercial Paper	1,000,000.00	995,607.00	2.57
<b>Managed Account Sub-Total</b>	<b>38,885,000.00</b>	<b>38,805,243.81</b>	<b>100.00%</b>
Accrued Interest		105,993.26	
<b>Total Portfolio</b>	<b>38,885,000.00</b>	<b>38,911,237.07</b>	

**Unsettled Trades** **0.00** **0.00**

#### Sector Allocation



#### Maturity Distribution



#### Characteristics

Yield to Maturity at Cost	1.59%
Yield to Maturity at Market	1.90%
Duration to Worst	0.46
Weighted Average Days to Maturity	173



## Managed Account Issuer Summary

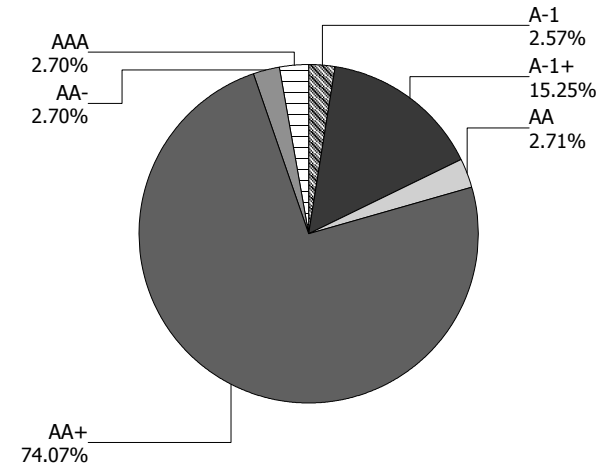
For the Month Ending **August 31, 2019**

CITY OF SALEM POLICE FACILITY BONDS 2017 - 76950004

### Issuer Summary

Issuer	Market Value of Holdings	Percent
APPLE INC	1,047,474.75	2.70
CHEVRON CORPORATION	1,050,205.80	2.71
CISCO SYSTEMS INC	1,049,607.30	2.70
CREDIT AGRICOLE SA	995,607.00	2.57
FANNIE MAE	4,946,171.52	12.75
FEDERAL HOME LOAN BANKS	3,036,822.80	7.83
FREDDIE MAC	11,320,225.43	29.17
MICROSOFT CORP	1,049,529.60	2.70
UNITED STATES TREASURY	14,309,599.61	36.87
<b>Total</b>	<b>\$38,805,243.81</b>	<b>100.00%</b>

### Credit Quality (S&P Ratings)





**Managed Account Detail of Securities Held**

For the Month Ending **August 31, 2019**

**CITY OF SALEM POLICE FACILITY BONDS 2017 - 76950004**

<b>Security Type/Description Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 12/31/2014 1.625% 12/31/2019	912828G95	2,550,000.00	AA+	Aaa	09/01/17	09/07/17	2,564,044.92	1.38	7,093.92	2,552,024.39	2,547,110.85
US TREASURY NOTES DTD 06/01/2015 1.500% 05/31/2020	912828XE5	2,500,000.00	AA+	Aaa	09/01/17	09/07/17	2,504,589.84	1.43	9,528.69	2,501,275.93	2,493,652.50
US TREASURY NOTES DTD 09/30/2015 1.375% 09/30/2020	912828L65	1,295,000.00	AA+	Aaa	09/01/17	09/07/17	1,291,003.71	1.48	7,492.25	1,293,572.85	1,289,536.40
US TREASURY NOTES DTD 12/31/2015 1.750% 12/31/2020	912828N48	2,060,000.00	AA+	Aaa	09/01/17	09/07/17	2,074,484.38	1.53	6,171.60	2,065,903.12	2,061,448.18
<b>Security Type Sub-Total</b>		<b>8,405,000.00</b>					<b>8,434,122.85</b>	<b>1.45</b>	<b>30,286.46</b>	<b>8,412,776.29</b>	<b>8,391,747.93</b>
<b>U.S. Treasury Bill</b>											
UNITED STATES TREASURY BILL DTD 04/18/2019 0.000% 10/17/2019	912796SN0	3,000,000.00	A-1+	P-1	07/17/19	07/19/19	2,984,313.75	2.10	0.00	2,991,982.59	2,992,704.00
UNITED STATES TREASURY BILL DTD 11/08/2018 0.000% 11/07/2019	912796RM3	2,000,000.00	A-1+	P-1	05/02/19	05/06/19	1,976,129.86	2.35	0.00	1,991,355.14	1,992,976.00
US TREASURY BILL DTD 08/15/2019 0.000% 02/13/2020	912796TF6	940,000.00	A-1+	P-1	08/14/19	08/15/19	931,160.87	1.88	0.00	931,986.49	932,171.68
<b>Security Type Sub-Total</b>		<b>5,940,000.00</b>					<b>5,891,604.48</b>	<b>2.15</b>	<b>0.00</b>	<b>5,915,324.22</b>	<b>5,917,851.68</b>
<b>Federal Agency Bond / Note</b>											
FHLB GLOBAL NOTES DTD 09/09/2016 1.000% 09/26/2019	3130A9EP2	1,525,000.00	AA+	Aaa	09/01/17	09/07/17	1,512,327.25	1.41	6,565.97	1,524,566.69	1,523,807.45
FREDDIE MAC GLOBAL NOTES DTD 10/02/2012 1.250% 10/02/2019	3137EADM8	2,570,000.00	AA+	Aaa	09/01/17	09/07/17	2,560,696.60	1.43	13,296.18	2,569,608.82	2,568,252.40
FHLB NOTES DTD 11/17/2016 1.375% 11/15/2019	3130AA3R7	1,515,000.00	AA+	Aaa	09/01/17	09/07/17	1,513,303.20	1.43	6,133.65	1,514,839.56	1,513,015.35
FREDDIE MAC NOTES DTD 01/17/2017 1.500% 01/17/2020	3137EAEE5	6,270,000.00	AA+	Aaa	09/01/17	09/07/17	6,277,398.60	1.45	11,495.00	6,271,205.22	6,259,585.53



**Managed Account Detail of Securities Held**

For the Month Ending **August 31, 2019**

**CITY OF SALEM POLICE FACILITY BONDS 2017 - 76950004**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Federal Agency Bond / Note</b>											
FHLMC AGENCY NOTES DTD 04/20/2017 1.375% 04/20/2020	3137EAEF2	2,500,000.00	AA+	Aaa	09/01/17	09/07/17	2,494,225.00	1.47	12,508.68	2,498,580.83	2,492,387.50
FNMA BENCHMARK NOTES DTD 04/27/2015 1.500% 06/22/2020	3135G0D75	2,480,000.00	AA+	Aaa	09/01/17	09/07/17	2,483,521.60	1.45	7,130.00	2,481,038.55	2,472,788.16
FNMA NOTES DTD 08/01/2017 1.500% 07/30/2020	3135G0T60	2,480,000.00	AA+	Aaa	09/01/17	09/07/17	2,480,173.60	1.50	3,203.33	2,480,058.97	2,473,383.36
<b>Security Type Sub-Total</b>		<b>19,340,000.00</b>					<b>19,321,645.85</b>	<b>1.45</b>	<b>60,332.81</b>	<b>19,339,898.64</b>	<b>19,303,219.75</b>
<b>Corporate Note</b>											
CISCO SYSTEMS INC CORP NOTES DTD 09/20/2016 1.400% 09/20/2019	17275RBG6	1,050,000.00	AA-	A1	09/01/17	09/07/17	1,045,558.50	1.61	6,574.17	1,049,883.50	1,049,607.30
CHEVRON CORP (CALLABLE) NOTE DTD 11/18/2014 2.193% 11/15/2019	166764AN0	1,050,000.00	AA	Aa2	09/01/17	09/07/17	1,062,358.50	1.64	6,780.03	1,050,727.97	1,050,205.80
APPLE INC BONDS DTD 02/09/2015 1.550% 02/07/2020	037833AX8	1,050,000.00	AA+	Aa1	09/01/17	09/07/17	1,047,637.50	1.65	994.58	1,049,570.39	1,047,474.75
MICROSOFT CORP (CALLABLE) NOTE DTD 02/12/2015 1.850% 02/12/2020	594918AY0	1,050,000.00	AAA	Aaa	09/01/17	09/07/17	1,055,901.00	1.61	1,025.21	1,050,929.53	1,049,529.60
<b>Security Type Sub-Total</b>		<b>4,200,000.00</b>					<b>4,211,455.50</b>	<b>1.63</b>	<b>15,373.99</b>	<b>4,201,111.39</b>	<b>4,196,817.45</b>
<b>Commercial Paper</b>											
CREDIT AGRICOLE CIB NY COMM PAPER DTD 08/12/2019 0.000% 11/15/2019	22533UYF4	1,000,000.00	A-1	P-1	08/14/19	08/15/19	994,607.78	2.12	0.00	995,604.16	995,607.00
<b>Security Type Sub-Total</b>		<b>1,000,000.00</b>					<b>994,607.78</b>	<b>2.12</b>	<b>0.00</b>	<b>995,604.16</b>	<b>995,607.00</b>
<b>Managed Account Sub-Total</b>		<b>38,885,000.00</b>					<b>38,853,436.46</b>	<b>1.59</b>	<b>105,993.26</b>	<b>38,864,714.70</b>	<b>38,805,243.81</b>



**Managed Account Detail of Securities Held**

For the Month Ending **August 31, 2019**

**CITY OF SALEM POLICE FACILITY BONDS 2017 - 76950004**

<b>Securities Sub-Total</b>	<b>\$38,885,000.00</b>	<b>\$38,853,436.46</b>	<b>1.59%</b>	<b>\$105,993.26</b>	<b>\$38,864,714.70</b>	<b>\$38,805,243.81</b>
<b>Accrued Interest</b>						<b>\$105,993.26</b>
<b>Total Investments</b>						<b>\$38,911,237.07</b>





**Managed Account Fair Market Value & Analytics**

For the Month Ending **August 31, 2019**

**CITY OF SALEM POLICE FACILITY BONDS 2017 - 76950004**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>Duration to Worst at Mkt</b>	<b>YTM</b>
<b>U.S. Treasury Bond / Note</b>												
US TREASURY NOTES	DTD 12/31/2014 1.625% 12/31/2019	912828G95	2,550,000.00	HSBC		99.89	2,547,110.85	(16,934.07)	(4,913.54)	0.33	0.33	1.96
US TREASURY NOTES	DTD 06/01/2015 1.500% 05/31/2020	912828XE5	2,500,000.00	HSBC		99.75	2,493,652.50	(10,937.34)	(7,623.43)	0.74	0.74	1.84
US TREASURY NOTES	DTD 09/30/2015 1.375% 09/30/2020	912828L65	1,295,000.00	CITIGRP		99.58	1,289,536.40	(1,467.31)	(4,036.45)	1.06	1.06	1.77
US TREASURY NOTES	DTD 12/31/2015 1.750% 12/31/2020	912828N48	2,060,000.00	BARCLAYS		100.07	2,061,448.18	(13,036.20)	(4,454.94)	1.31	1.31	1.70
<b>Security Type Sub-Total</b>			<b>8,405,000.00</b>				<b>8,391,747.93</b>	<b>(42,374.92)</b>	<b>(21,028.36)</b>	<b>0.80</b>	<b>0.80</b>	<b>1.83</b>
<b>U.S. Treasury Bill</b>												
UNITED STATES TREASURY BILL	DTD 04/18/2019 0.000% 10/17/2019	912796SN0	3,000,000.00	MERRILL		99.76	2,992,704.00	8,390.25	721.41	0.13	0.13	1.87
UNITED STATES TREASURY BILL	DTD 11/08/2018 0.000% 11/07/2019	912796RM3	2,000,000.00	CITIGRP		99.65	1,992,976.00	16,846.14	1,620.86	0.18	0.18	1.87
US TREASURY BILL	DTD 08/15/2019 0.000% 02/13/2020	912796TF6	940,000.00	BNP_PARI		99.17	932,171.68	1,010.81	185.19	0.45	0.45	1.82
<b>Security Type Sub-Total</b>			<b>5,940,000.00</b>				<b>5,917,851.68</b>	<b>26,247.20</b>	<b>2,527.46</b>	<b>0.20</b>	<b>0.20</b>	<b>1.86</b>
<b>Federal Agency Bond / Note</b>												
FHLB GLOBAL NOTES	DTD 09/09/2016 1.000% 09/26/2019	3130A9EP2	1,525,000.00	GOLDMAN		99.92	1,523,807.45	11,480.20	(759.24)	0.07	0.07	2.04
FREDDIE MAC GLOBAL NOTES	DTD 10/02/2012 1.250% 10/02/2019	3137EADM8	2,570,000.00	WELLS_FA		99.93	2,568,252.40	7,555.80	(1,356.42)	0.09	0.09	1.97
FHLB NOTES	DTD 11/17/2016 1.375% 11/15/2019	3130AA3R7	1,515,000.00	KEYBANC		99.87	1,513,015.35	(287.85)	(1,824.21)	0.21	0.21	1.98
FREDDIE MAC NOTES	DTD 01/17/2017 1.500% 01/17/2020	3137EAEE5	6,270,000.00	NOMURA		99.83	6,259,585.53	(17,813.07)	(11,619.69)	0.38	0.38	1.93
FHLMC AGENCY NOTES	DTD 04/20/2017 1.375% 04/20/2020	3137EAEF2	2,500,000.00	GOLDMAN		99.70	2,492,387.50	(1,837.50)	(6,193.33)	0.63	0.63	1.86
FNMA BENCHMARK NOTES	DTD 04/27/2015 1.500% 06/22/2020	3135G0D75	2,480,000.00	BARCLAYS		99.71	2,472,788.16	(10,733.44)	(8,250.39)	0.80	0.80	1.86



**Managed Account Fair Market Value & Analytics**

For the Month Ending **August 31, 2019**

**CITY OF SALEM POLICE FACILITY BONDS 2017 - 76950004**

<b>Security Type/Description</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>Duration to Worst</b>	<b>YTM at Mkt</b>
<b>Federal Agency Bond / Note</b>											
FNMA NOTES DTD 08/01/2017 1.500% 07/30/2020	3135G0T60	2,480,000.00	JEFFERIE		99.73	2,473,383.36	(6,790.24)	(6,675.61)	0.90	0.90	1.79
<b>Security Type Sub-Total</b>		<b>19,340,000.00</b>				<b>19,303,219.75</b>	<b>(18,426.10)</b>	<b>(36,678.89)</b>	<b>0.46</b>	<b>0.46</b>	<b>1.91</b>
<b>Corporate Note</b>											
CISCO SYSTEMS INC CORP NOTES DTD 09/20/2016 1.400% 09/20/2019	17275RBG6	1,050,000.00	GOLDMAN		99.96	1,049,607.30	4,048.80	(276.20)	0.06	0.06	1.99
CHEVRON CORP (CALLABLE) NOTE DTD 11/18/2014 2.193% 11/15/2019	166764AN0	1,050,000.00	GOLDMAN	10/15/19	100.02	1,050,205.80	(12,152.70)	(522.17)	0.16	0.12	2.06
APPLE INC BONDS DTD 02/09/2015 1.550% 02/07/2020	037833AX8	1,050,000.00	GOLDMAN		99.76	1,047,474.75	(162.75)	(2,095.64)	0.43	0.43	2.09
MICROSOFT CORP (CALLABLE) NOTE DTD 02/12/2015 1.850% 02/12/2020	594918AY0	1,050,000.00	GOLDMAN	01/12/20	99.96	1,049,529.60	(6,371.40)	(1,399.93)	0.39	0.45	1.94
<b>Security Type Sub-Total</b>		<b>4,200,000.00</b>				<b>4,196,817.45</b>	<b>(14,638.05)</b>	<b>(4,293.94)</b>	<b>0.26</b>	<b>0.26</b>	<b>2.02</b>
<b>Commercial Paper</b>											
CREDIT AGRICOLE CIB NY COMM PAPER DTD 08/12/2019 0.000% 11/15/2019	22533UYF4	1,000,000.00	CRETAG		99.56	995,607.00	999.22	2.84	0.21	0.21	2.09
<b>Security Type Sub-Total</b>		<b>1,000,000.00</b>				<b>995,607.00</b>	<b>999.22</b>	<b>2.84</b>	<b>0.21</b>	<b>0.21</b>	<b>2.09</b>
<b>Managed Account Sub-Total</b>		<b>38,885,000.00</b>				<b>38,805,243.81</b>	<b>(48,192.65)</b>	<b>(59,470.89)</b>	<b>0.46</b>	<b>0.46</b>	<b>1.90</b>
<b>Securities Sub-Total</b>		<b>\$38,885,000.00</b>				<b>\$38,805,243.81</b>	<b>(\$48,192.65)</b>	<b>(\$59,470.89)</b>	<b>0.46</b>	<b>0.46</b>	<b>1.90%</b>
<b>Accrued Interest</b>						<b>\$105,993.26</b>					
<b>Total Investments</b>						<b>\$38,911,237.07</b>					



## Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2019**

### CITY OF SALEM POLICE FACILITY BONDS 2017 - 76950004

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>BUY</b>										
08/14/19	08/15/19	US TREASURY BILL DTD 08/15/2019 0.000% 02/13/2020	912796TF6	940,000.00	(931,160.87)	0.00	(931,160.87)			
08/14/19	08/15/19	CREDIT AGRICOLE CIB NY COMM PAPER DTD 08/12/2019 0.000% 11/15/2019	22533UYF4	1,000,000.00	(994,607.78)	0.00	(994,607.78)			
<b>Transaction Type Sub-Total</b>				<b>1,940,000.00</b>	<b>(1,925,768.65)</b>	<b>0.00</b>	<b>(1,925,768.65)</b>			
<b>INTEREST</b>										
08/09/19	08/09/19	APPLE INC BONDS DTD 02/09/2015 1.550% 02/07/2020	037833AX8	1,050,000.00	0.00	8,137.50	8,137.50			
08/12/19	08/12/19	MICROSOFT CORP (CALLABLE) NOTE DTD 02/12/2015 1.850% 02/12/2020	594918AY0	1,050,000.00	0.00	9,712.50	9,712.50			
08/15/19	08/15/19	FREDDIE MAC NOTES DTD 07/19/2017 1.375% 08/15/2019	3137EAEH8	1,940,000.00	0.00	13,337.50	13,337.50			
08/28/19	08/28/19	FNMA NOTES DTD 09/02/2016 1.000% 08/28/2019	3135G0P49	625,000.00	0.00	3,125.00	3,125.00			
<b>Transaction Type Sub-Total</b>				<b>4,665,000.00</b>	<b>0.00</b>	<b>34,312.50</b>	<b>34,312.50</b>			
<b>MATURITY</b>										
08/15/19	08/15/19	FREDDIE MAC NOTES DTD 07/19/2017 1.375% 08/15/2019	3137EAEH8	1,940,000.00	1,940,000.00	0.00	1,940,000.00	(426.80)	0.00	
08/22/19	08/22/19	MUFG BANK LTD/NY COMM PAPER DTD 11/28/2018 0.000% 08/22/2019	62479MVN0	1,500,000.00	1,500,000.00	0.00	1,500,000.00	19,140.00	0.00	
08/28/19	08/28/19	FNMA NOTES DTD 09/02/2016 1.000% 08/28/2019	3135G0P49	625,000.00	625,000.00	0.00	625,000.00	4,462.50	0.00	
08/29/19	08/29/19	UNITED STATES TREASURY BILL DTD 02/28/2019 0.000% 08/29/2019	912796SF7	1,050,000.00	1,050,000.00	0.00	1,050,000.00	12,656.24	0.00	
<b>Transaction Type Sub-Total</b>				<b>5,115,000.00</b>	<b>5,115,000.00</b>	<b>0.00</b>	<b>5,115,000.00</b>	<b>35,831.94</b>	<b>0.00</b>	
<b>Managed Account Sub-Total</b>					<b>3,189,231.35</b>	<b>34,312.50</b>	<b>3,223,543.85</b>	<b>35,831.94</b>	<b>0.00</b>	
<b>Total Security Transactions</b>					<b>\$3,189,231.35</b>	<b>\$34,312.50</b>	<b>\$3,223,543.85</b>	<b>\$35,831.94</b>	<b>\$0.00</b>	



## Managed Account Summary Statement

For the Month Ending **August 31, 2019**

**CITY OF SALEM LIBRARY PROJ GO BONDS 2018 - 76950005**

### Transaction Summary - Managed Account

<b>Opening Market Value</b>	<b>\$16,080,935.69</b>
Maturities/Calls	0.00
Principal Dispositions	0.00
Principal Acquisitions	0.00
Unsettled Trades	0.00
Change in Current Value	41,461.76
<b>Closing Market Value</b>	<b>\$16,122,397.45</b>

### Cash Transactions Summary - Managed Account

Maturities/Calls	0.00
Sale Proceeds	0.00
Coupon/Interest/Dividend Income	11,171.88
Principal Payments	0.00
Security Purchases	0.00
Net Cash Contribution	(11,171.88)
Reconciling Transactions	0.00

### Earnings Reconciliation (Cash Basis) - Managed Account

Interest/Dividends/Coupons Received	11,171.88
Less Purchased Interest Related to Interest/Coupons	0.00
Plus Net Realized Gains/Losses	0.00
<b>Total Cash Basis Earnings</b>	<b>\$11,171.88</b>

### Cash Balance

**Closing Cash Balance** **\$0.00**

### Earnings Reconciliation (Accrual Basis)

	<b>Total</b>
Ending Amortized Value of Securities	16,051,954.19
Ending Accrued Interest	53,874.56
Plus Proceeds from Sales	0.00
Plus Proceeds of Maturities/Calls/Principal Payments	0.00
Plus Coupons/Dividends Received	11,171.88
Less Cost of New Purchases	0.00
Less Beginning Amortized Value of Securities	(16,038,568.97)
Less Beginning Accrued Interest	(46,284.49)
<b>Total Accrual Basis Earnings</b>	<b>\$32,147.17</b>





## Managed Account Issuer Summary

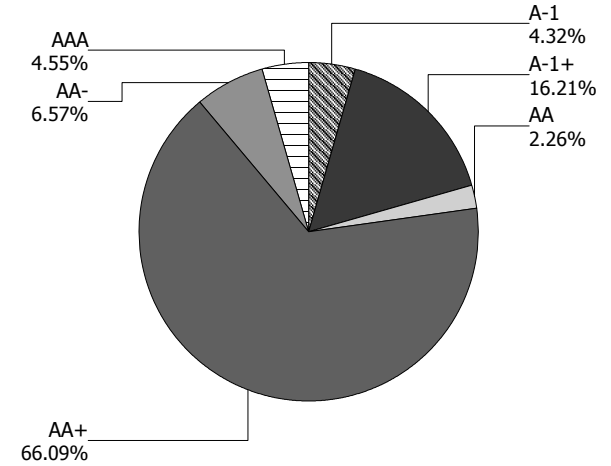
For the Month Ending **August 31, 2019**

CITY OF SALEM LIBRARY PROJ GO BONDS 2018 - 76950005

### Issuer Summary

Issuer	Market Value of Holdings	Percent
APPLE INC	374,591.63	2.32
BNP PARIBAS	695,753.10	4.32
JOHNSON & JOHNSON	368,625.18	2.29
MICROSOFT CORP	364,905.72	2.26
PFIZER INC	319,564.48	1.98
PROCTER & GAMBLE CO	369,807.60	2.29
TOYOTA MOTOR CORP	369,675.88	2.29
UNITED STATES TREASURY	12,894,314.70	79.99
WAL-MART STORES INC	365,159.16	2.26
<b>Total</b>	<b>\$16,122,397.45</b>	<b>100.00%</b>

### Credit Quality (S&P Ratings)





**Managed Account Detail of Securities Held**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LIBRARY PROJ GO BONDS 2018 - 76950005**

<b>Security Type/Description Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY N/B NOTES DTD 10/02/2017 1.375% 09/30/2019	9128282X7	645,000.00	AA+	Aaa	03/27/18	03/29/18	636,912.30	2.23	3,731.66	644,569.61	644,669.12
US TREASURY NOTES DTD 04/30/2015 1.375% 04/30/2020	912828K58	530,000.00	AA+	Aaa	03/27/18	03/29/18	519,917.58	2.31	2,455.57	526,750.38	528,323.08
US TREASURY NOTES DTD 06/01/2015 1.500% 05/31/2020	912828XE5	525,000.00	AA+	Aaa	03/27/18	03/29/18	515,956.05	2.32	2,001.02	521,849.34	523,667.03
US TREASURY NOTES DTD 06/30/2015 1.625% 06/30/2020	912828XH8	900,000.00	AA+	Aaa	03/27/18	03/29/18	886,394.53	2.32	2,503.74	894,929.19	898,452.90
US TREASURY NOTES DTD 07/31/2015 1.625% 07/31/2020	912828XM7	1,265,000.00	AA+	Aaa	03/27/18	03/29/18	1,244,888.48	2.33	1,787.50	1,257,040.06	1,262,776.13
US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	1,625,000.00	AA+	Aaa	03/27/18	03/29/18	1,588,183.59	2.34	61.38	1,609,587.88	1,618,399.25
US TREASURY NOTES DTD 09/30/2015 1.375% 09/30/2020	912828L65	1,260,000.00	AA+	Aaa	03/27/18	03/29/18	1,230,468.75	2.34	7,289.75	1,247,072.69	1,254,684.06
US TREASURY NOTES DTD 10/31/2015 1.375% 10/31/2020	912828L99	840,000.00	AA+	Aaa	03/27/18	03/29/18	819,360.94	2.36	3,891.85	830,578.52	836,521.56
US TREASURY NOTES DTD 11/30/2015 1.625% 11/30/2020	912828M98	1,200,000.00	AA+	Aaa	03/27/18	03/29/18	1,177,312.50	2.36	4,954.92	1,189,260.84	1,198,827.60
US TREASURY NOTES DTD 12/31/2013 2.375% 12/31/2020	912828A83	1,195,000.00	AA+	Aaa	03/27/18	03/29/18	1,195,513.48	2.36	4,858.75	1,195,261.69	1,205,642.67
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	310,000.00	AA+	Aaa	03/27/18	03/29/18	301,499.22	2.38	370.65	305,705.46	308,728.38
<b>Security Type Sub-Total</b>		<b>10,295,000.00</b>					<b>10,116,407.42</b>	<b>2.33</b>	<b>33,906.79</b>	<b>10,222,605.66</b>	<b>10,280,691.78</b>
<b>U.S. Treasury Bill</b>											
UNITED STATES TREASURY BILL DTD 09/13/2018 0.000% 09/12/2019	912796RA9	520,000.00	A-1+	P-1	03/14/19	03/18/19	513,693.58	2.48	0.00	519,610.28	519,756.12
UNITED STATES TREASURY BILL DTD 04/18/2019 0.000% 10/17/2019	912796SN0	1,150,000.00	A-1+	P-1	04/22/19	04/23/19	1,136,458.27	2.42	0.00	1,146,480.68	1,147,203.20



**Managed Account Detail of Securities Held**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LIBRARY PROJ GO BONDS 2018 - 76950005**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bill</b>											
UNITED STATES TREASURY BILL DTD 11/08/2018 0.000% 11/07/2019	912796RM3	950,000.00	A-1+	P-1	05/10/19	05/16/19	939,050.59	2.40	0.00	945,807.94	946,663.60
<b>Security Type Sub-Total</b>		<b>2,620,000.00</b>					<b>2,589,202.44</b>	<b>2.43</b>	<b>0.00</b>	<b>2,611,898.90</b>	<b>2,613,622.92</b>
<b>Corporate Note</b>											
THE PROCTER & GAMBLE CO CORP NOTES DTD 10/25/2017 1.750% 10/25/2019	742718EZ8	370,000.00	AA-	Aa3	03/27/18	03/29/18	366,522.00	2.36	2,266.25	369,664.22	369,807.60
PFIZER INC CORP NOTE DTD 11/21/2016 1.700% 12/15/2019	717081EB5	320,000.00	AA-	A1	03/27/18	03/29/18	316,089.60	2.43	1,148.44	319,330.80	319,564.48
TOYOTA MOTOR CREDIT CORP DTD 04/17/2017 1.950% 04/17/2020	89236TDU6	370,000.00	AA-	Aa3	03/27/18	03/29/18	363,991.20	2.77	2,685.58	368,126.41	369,675.88
APPLE INC BONDS DTD 05/11/2017 1.800% 05/11/2020	037833CS7	375,000.00	AA+	Aa1	03/27/18	03/29/18	369,191.25	2.56	2,062.50	373,063.09	374,591.63
WAL MART STORES INC. CORP NOTES DTD 07/08/2010 3.625% 07/08/2020	931142CU5	360,000.00	AA	Aa2	03/27/18	03/29/18	368,956.80	2.49	1,921.25	363,417.96	365,159.16
JOHNSON & JOHNSON GLOBAL NOTES DTD 08/17/2010 2.950% 09/01/2020	478160AW4	365,000.00	AAA	Aaa	03/27/18	03/29/18	369,142.75	2.46	5,383.75	366,741.96	368,625.18
MICROSOFT CORP NOTES DTD 09/27/2010 3.000% 10/01/2020	594918AH7	360,000.00	AAA	Aaa	03/27/18	03/29/18	363,524.40	2.59	4,500.00	361,551.36	364,905.72
<b>Security Type Sub-Total</b>		<b>2,520,000.00</b>					<b>2,517,418.00</b>	<b>2.53</b>	<b>19,967.77</b>	<b>2,521,895.80</b>	<b>2,532,329.65</b>
<b>Commercial Paper</b>											
BNP PARIBAS NY BRANCH COMM PAPER DTD 03/20/2019 0.000% 12/13/2019	09659CZD3	700,000.00	A-1	P-1	06/13/19	06/14/19	692,143.67	2.25	0.00	695,553.83	695,753.10
<b>Security Type Sub-Total</b>		<b>700,000.00</b>					<b>692,143.67</b>	<b>2.25</b>	<b>0.00</b>	<b>695,553.83</b>	<b>695,753.10</b>
<b>Managed Account Sub-Total</b>		<b>16,135,000.00</b>					<b>15,915,171.53</b>	<b>2.38</b>	<b>53,874.56</b>	<b>16,051,954.19</b>	<b>16,122,397.45</b>





**Managed Account Detail of Securities Held**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LIBRARY PROJ GO BONDS 2018 - 76950005**

<b>Securities Sub-Total</b>	<b>\$16,135,000.00</b>	<b>\$15,915,171.53</b>	<b>2.38%</b>	<b>\$53,874.56</b>	<b>\$16,051,954.19</b>	<b>\$16,122,397.45</b>
<b>Accrued Interest</b>						<b>\$53,874.56</b>
<b>Total Investments</b>						<b>\$16,176,272.01</b>



**Managed Account Fair Market Value & Analytics**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LIBRARY PROJ GO BONDS 2018 - 76950005**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>Duration to Worst at Mkt</b>	<b>YTM</b>
<b>U.S. Treasury Bond / Note</b>												
US TREASURY N/B NOTES		9128282X7	645,000.00	JPM_CHAS		99.95	644,669.12	7,756.82	99.51	0.08	0.08	1.99
DTD 10/02/2017 1.375% 09/30/2019												
US TREASURY NOTES		912828K58	530,000.00	HSBC		99.68	528,323.08	8,405.50	1,572.70	0.66	0.66	1.85
DTD 04/30/2015 1.375% 04/30/2020												
US TREASURY NOTES		912828XE5	525,000.00	MORGAN_S		99.75	523,667.03	7,710.98	1,817.69	0.74	0.74	1.84
DTD 06/01/2015 1.500% 05/31/2020												
US TREASURY NOTES		912828XH8	900,000.00	MERRILL		99.83	898,452.90	12,058.37	3,523.71	0.82	0.82	1.83
DTD 06/30/2015 1.625% 06/30/2020												
US TREASURY NOTES		912828XM7	1,265,000.00	BNP_PARI		99.82	1,262,776.13	17,887.65	5,736.07	0.90	0.90	1.82
DTD 07/31/2015 1.625% 07/31/2020												
US TREASURY NOTES		912828L32	1,625,000.00	BNP_PARI		99.59	1,618,399.25	30,215.66	8,811.37	0.99	0.99	1.79
DTD 08/31/2015 1.375% 08/31/2020												
US TREASURY NOTES		912828L65	1,260,000.00	MORGAN_S		99.58	1,254,684.06	24,215.31	7,611.37	1.06	1.06	1.77
DTD 09/30/2015 1.375% 09/30/2020												
US TREASURY NOTES		912828L99	840,000.00	BNP_PARI		99.59	836,521.56	17,160.62	5,943.04	1.15	1.15	1.73
DTD 10/31/2015 1.375% 10/31/2020												
US TREASURY NOTES		912828M98	1,200,000.00	BNP_PARI		99.90	1,198,827.60	21,515.10	9,566.76	1.23	1.23	1.70
DTD 11/30/2015 1.625% 11/30/2020												
US TREASURY NOTES		912828A83	1,195,000.00	MORGAN_S		100.89	1,205,642.67	10,129.19	10,380.98	1.30	1.30	1.69
DTD 12/31/2013 2.375% 12/31/2020												
US TREASURY NOTES		912828N89	310,000.00	MERRILL		99.59	308,728.38	7,229.16	3,022.92	1.39	1.39	1.67
DTD 01/31/2016 1.375% 01/31/2021												
<b>Security Type Sub-Total</b>			<b>10,295,000.00</b>				<b>10,280,691.78</b>	<b>164,284.36</b>	<b>58,086.12</b>	<b>0.98</b>	<b>0.98</b>	<b>1.78</b>
<b>U.S. Treasury Bill</b>												
UNITED STATES TREASURY BILL		912796RA9	520,000.00	JPM_CHAS		99.95	519,756.12	6,062.54	145.84	0.03	0.03	1.41
DTD 09/13/2018 0.000% 09/12/2019												
UNITED STATES TREASURY BILL		912796SN0	1,150,000.00	JPM_CHAS		99.76	1,147,203.20	10,744.93	722.52	0.13	0.13	1.87
DTD 04/18/2019 0.000% 10/17/2019												
UNITED STATES TREASURY BILL		912796RM3	950,000.00	HSBC		99.65	946,663.60	7,613.01	855.66	0.18	0.18	1.87
DTD 11/08/2018 0.000% 11/07/2019												
<b>Security Type Sub-Total</b>			<b>2,620,000.00</b>				<b>2,613,622.92</b>	<b>24,420.48</b>	<b>1,724.02</b>	<b>0.13</b>	<b>0.13</b>	<b>1.78</b>



**Managed Account Fair Market Value & Analytics**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LIBRARY PROJ GO BONDS 2018 - 76950005**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>Duration to Worst at Mkt</b>	<b>YTM</b>
<b>Corporate Note</b>												
THE PROCTER & GAMBLE CO CORP NOTES	DTD 10/25/2017 1.750% 10/25/2019	742718EZ8	370,000.00	BNP_PARI		99.95	369,807.60	3,285.60	143.38	0.15	0.15	2.05
PFIZER INC CORP NOTE	DTD 11/21/2016 1.700% 12/15/2019	717081EB5	320,000.00	MORGAN_S		99.86	319,564.48	3,474.88	233.68	0.29	0.29	2.15
TOYOTA MOTOR CREDIT CORP	DTD 04/17/2017 1.950% 04/17/2020	89236TDU6	370,000.00	CREDAG		99.91	369,675.88	5,684.68	1,549.47	0.62	0.62	2.09
APPLE INC BONDS	DTD 05/11/2017 1.800% 05/11/2020	037833CS7	375,000.00	MORGAN_S		99.89	374,591.63	5,400.38	1,528.54	0.68	0.68	1.96
WAL MART STORES INC. CORP NOTES	DTD 07/08/2010 3.625% 07/08/2020	931142CU5	360,000.00	BNP_PARI		101.43	365,159.16	(3,797.64)	1,741.20	0.84	0.84	1.92
JOHNSON & JOHNSON GLOBAL NOTES	DTD 08/17/2010 2.950% 09/01/2020	478160AW4	365,000.00	MITSU		100.99	368,625.18	(517.57)	1,883.22	0.97	0.97	1.94
MICROSOFT CORP NOTES	DTD 09/27/2010 3.000% 10/01/2020	594918AH7	360,000.00	CITIGRP		101.36	364,905.72	1,381.32	3,354.36	1.05	1.05	1.72
<b>Security Type Sub-Total</b>			<b>2,520,000.00</b>				<b>2,532,329.65</b>	<b>14,911.65</b>	<b>10,433.85</b>	<b>0.66</b>	<b>0.66</b>	<b>1.97</b>
<b>Commercial Paper</b>												
BNP PARIBAS NY BRANCH COMM PAPER	DTD 03/20/2019 0.000% 12/13/2019	09659CZD3	700,000.00	BNP_PARI		99.39	695,753.10	3,609.43	199.27	0.28	0.28	2.11
<b>Security Type Sub-Total</b>			<b>700,000.00</b>				<b>695,753.10</b>	<b>3,609.43</b>	<b>199.27</b>	<b>0.28</b>	<b>0.28</b>	<b>2.11</b>
<b>Managed Account Sub-Total</b>			<b>16,135,000.00</b>				<b>16,122,397.45</b>	<b>207,225.92</b>	<b>70,443.26</b>	<b>0.76</b>	<b>0.76</b>	<b>1.83</b>
<b>Securities Sub-Total</b>			<b>\$16,135,000.00</b>				<b>\$16,122,397.45</b>	<b>\$207,225.92</b>	<b>\$70,443.26</b>	<b>0.76</b>	<b>0.76</b>	<b>1.83%</b>
<b>Accrued Interest</b>							<b>\$53,874.56</b>					
<b>Total Investments</b>							<b>\$16,176,272.01</b>					



**Managed Account Security Transactions & Interest**

For the Month Ending **August 31, 2019**

**CITY OF SALEM LIBRARY PROJ GO BONDS 2018 - 76950005**

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>INTEREST</b>										
08/31/19	08/31/19	US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	1,625,000.00	0.00	11,171.88	11,171.88			
<b>Transaction Type Sub-Total</b>				<b>1,625,000.00</b>	<b>0.00</b>	<b>11,171.88</b>	<b>11,171.88</b>			
<b>Managed Account Sub-Total</b>					<b>0.00</b>	<b>11,171.88</b>	<b>11,171.88</b>			
<b>Total Security Transactions</b>					<b>\$0.00</b>	<b>\$11,171.88</b>	<b>\$11,171.88</b>			

**FOR COMMITTEE MEETING OF: September 23, 2019  
AGENDA ITEM NO.: 5b**

**TO: SALEM CITY COUNCIL FINANCE COMMITTEE**  
**FROM: ROBERT BARRON, CFO**  
**SUBJECT: LONG TERM INVESTMENT STRATEGY**

**ISSUE:**

The City of Salem's investment program includes a long-term portfolio which currently comprises 38.7% of its total investment portfolio. The goal of the long-term portfolio is to take advantage of potentially higher yields of longer maturity securities. This long-term portfolio currently has a weighted average maturity (WAM) of 18 months. In the event of falling interest rates, the long-term portfolio is only providing interest rate protection for 38.7% of the entire portfolio for a period of 18 months.

**INFORMATION ONLY:**

The City's CFO and investment consultant, PFM Asset Management LLC, recommend extending the investment duration and corresponding benchmark for the City's long-term portfolio strategy. The current strategy is 1-3 years and is benchmarked with the Bank of America/Merrill Lynch 1-3 Year US Treasury Index. The recommended strategy is 1-5 years with a benchmark of the Bank of America/Merrill Lynch 1-5 Year US Treasury Index. The extension would allow broader access to investments across the yield curve and potential for greater returns over a longer period of time.

The City's investment policy requires that the WAM of the City's entire investment portfolio be less than 2.5 years—it is currently 0.74 years. PFM recommends the sale of just under \$40 million of investments maturing in the next 15 months in the City's long-term portfolio which would extend the WAM of the long-term portfolio from 18 months to 31 months and the WAM of the entire portfolio from 0.74 years to 1.15 years, still well within the policy limits. The City's investment policy allows for the sale of securities prior to maturity if the trade will improve the duration of the portfolio.

Robert Barron  
Chief Financial Officer

Attachment 1.

*Sector Allocation and Compliance Graphic-provided by PFM*



## Sector Allocation & Compliance After Proposed Trades

- The City of Salem’s portfolio is in compliance with the City’s Investment Policy and the Oregon Government Code.
- Weighted Average Maturity (WAM) is 1.15 years.

Category	After Trade Recommendations / Salem Investment Policy Requirements						In Compliance?
	Sector Allocation	Maximum Allocation	Longest Maturity	Maximum Maturity	Minimum Credit Ratings	Credit Requirements	
U.S. Treasury Obligations	47.74%	100%	4.98 years	5 years	AA+	None	Yes
Federal Agency Obligations	7.30%	100%	1.59 years	5 years	AA+	None	Yes
Supranationals	0.30%	10%	0.02 years	5 years	AAA	AAA or A-1+	Yes
Municipal Bonds	0.45%	10%	1.56 years	5 years	AA-	Oregon: A CA, WA, ID: AA	Yes
Corporate Notes	8.14%	Up to 35% between both types of securities	4.65 years	5 years	AA-	AA or A if the issuer meets the requirements of ORS Ch. 294	Yes
Commercial Paper	3.81%		0.50 years	270 days	A-1	A-1/P-1	Yes
Money Market Funds (US Bank, City LGIP, URA LGIP)	32.25%	100%	-	-	-	-	Yes

Based on Book Values following the recommended trades to transition portfolio from a 1-3 Year to 1-5 Year strategy. Current Investment Policy as of March 2018.

## ISSUER COMMENT

29 August 2019

### RATING

#### General Obligation (or GO Related) <sup>1</sup>

Aa2 No Outlook

### Contacts

Sam Krouse +1.214.979.6842  
Associate Lead Analyst  
sam.krouse@moodys.com

Eva Bogaty +1.415.274.1765  
VP-Sr Credit Officer/Manager  
eva.bogaty@moodys.com

### CLIENT SERVICES

Americas 1-212-553-1653  
Asia Pacific 852-3551-3077  
Japan 81-3-5408-4100  
EMEA 44-20-7772-5454

## City of Salem, OR

### Annual Comment on Salem

#### Issuer Profile

The City of Salem is the county seat and state capital, located in Marion County in northwestern Oregon, approximately 40 miles south of Portland. The county has a population of 330,453 and a moderate population density of 279 people per square mile. The county's median family income is \$62,694 (3rd quartile) and the June 2019 unemployment rate was 4.2% (3rd quartile) <sup>2</sup>. The largest industry sectors that drive the local economy are health services, retail trade, and state government.

#### Credit Overview

The credit position for Salem is high quality, and its Aa2 rating slightly exceeds the median rating of Aa3 for cities nationwide. The key credit factors include a large tax base, a satisfactory wealth and income profile and an adequate financial position. It also reflects an affordable debt burden and a somewhat elevated pension liability.

**Economy and Tax Base:** Overall, Salem has a very strong economy and tax base, which are comparable to the assigned rating of Aa2. The full value (\$16.2 billion) greatly exceeds the US median, and saw an impressive increase from 2014 to 2018. Moreover, the city's full value per capita (\$99,086) is consistent with the US median. On the contrary, the median family income equals just 88.6% of the US level. The city is anchored by the presence of state government as the capital of Oregon.

**Finances:** The financial position of Salem is adequate overall and is in line with its Aa2 rating. The cash balance as a percent of operating revenues (20.5%) is materially below other Moody's-rated cities nationwide. This indicator remained the same between 2014 and 2018. Yet, the fund balance as a percent of operating revenues (19.4%) is lower than the US median.

**Debt and Pensions:** Overall, the debt and pension liabilities of Salem are moderate. Yet, they are weak when compared to the assigned rating of Aa2. The net direct debt to full value (1.2%) is consistent with the US median, and remained flat from 2014 to 2018. Also, the city's Moody's-adjusted net pension liability to operating revenues (2.6x) unfavorably is materially higher than the US median.

**Management and Governance:** Oregon Cities have an institutional framework score <sup>3</sup> of Aa, which is strong. Property tax, a major revenue source, is subject to a cap which can be overridden with voter approval only. However, the cap of approximately 3% for most properties still allows for moderate revenue-raising ability. Unpredictable revenue fluctuations tend to be minor, or under 5% annually. Across the sector, fixed and mandated costs are generally less than 25% of expenditures but growing pension contributions are

increasing fixed costs burdens. Unpredictable expenditure fluctuations tend to be minor, under 5% annually.

## Sector Trends - Oregon Cities

Oregon cities are expected to perform well as the state's economy continues to expand. Full values are increasing and gaining back much of the loss experienced during the downturn. Property tax revenue growth will be strong as a result of economic expansion. The improving economy continues to attract in-migration, which will, over time, increase the cost of service provision. Additionally, statewide economic expansion should result in increased state revenues, which could mean additional grant funding for local governments. Pension costs remain a long-term concern, and contribution rates are expected to increase in coming years.

EXHIBIT 1

### Key Indicators [4](#) [5](#) Salem

	2014	2015	2016	2017	2018	US Median	Credit Trend
<b>Economy / Tax Base</b>							
Total Full Value	\$12,243M	\$12,917M	\$13,697M	\$14,782M	\$16,198M	\$1,904M	Improved
Full Value Per Capita	\$77,509	\$80,729	\$84,565	\$90,327	\$99,086	\$94,106	Improved
Median Family Income (% of US Median)	85%	86%	87%	89%	89%	111%	Stable
<b>Finances</b>							
Available Fund Balance as % of Operating Revenues	20.0%	22.1%	24.2%	21.6%	19.4%	34.6%	Stable
Net Cash Balance as % of Operating Revenues	20.9%	24.5%	27.4%	23.0%	20.5%	39.6%	Stable
<b>Debt / Pensions</b>							
Net Direct Debt / Full Value	1.4%	1.2%	1.0%	0.9%	1.2%	1.1%	Stable
Net Direct Debt / Operating Revenues	1.67x	1.45x	1.23x	1.04x	1.50x	0.84x	Stable
Moody's-adjusted Net Pension Liability (3-yr average) to Full Value	2.6%	2.1%	1.8%	1.8%	2.1%	1.9%	Improved
Moody's-adjusted Net Pension Liability (3-yr average) to Operating Revenues	3.05x	2.44x	2.10x	2.24x	2.58x	1.56x	Stable
	2014	2015	2016	2017	2018	US Median	
<b>Debt and Financial Data</b>							
Population	157,967	160,008	161,975	163,654	163,480	N/A	
Available Fund Balance (\$000s)	\$20,875	\$24,237	\$27,982	\$26,321	\$25,135	\$8,028	
Net Cash Balance (\$000s)	\$21,796	\$26,972	\$31,746	\$28,053	\$26,535	\$9,530	
Operating Revenues (\$000s)	\$104,374	\$109,892	\$115,808	\$121,874	\$129,630	\$23,172	
Net Direct Debt (\$000s)	\$173,788	\$159,772	\$142,115	\$126,155	\$194,380	\$19,139	
Moody's Adjusted Net Pension Liability (3-yr average) (\$000s)	\$318,211	\$268,028	\$243,506	\$273,215	\$334,217	\$35,448	

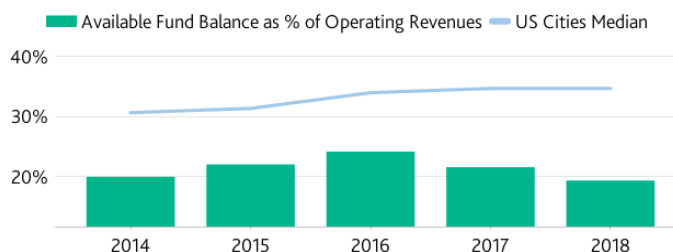
Source: Moody's Investors Service

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on [www.moody's.com](http://www.moody's.com) for the most updated credit rating action information and rating history.



## EXHIBIT 2

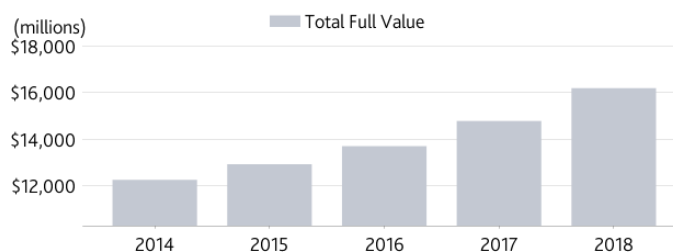
## Available fund balance as a percent of operating revenues was stable from 2014 to 2018



Source: Issuer financial statements; Moody's Investors Service

## EXHIBIT 3

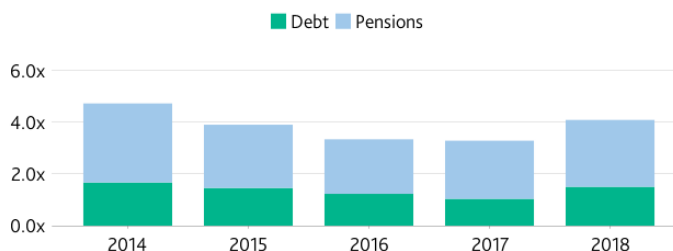
## Full value of the property tax base increased from 2014 to 2018



Source: Issuer financial statements; Government data sources; Offering statements; Moody's Investors Service

## EXHIBIT 4

## Moody's-adjusted net pension liability to operating revenues was stable from 2014 to 2018



Source: Issuer financial statements; Government data sources; Offering statements; Moody's Investors Service

## Endnotes

- The rating referenced in this report is the issuer's General Obligation (GO) rating or its highest public rating that is GO-related. A GO bond is generally backed by the full faith and credit pledge and total taxing power of the issuer. GO-related securities include general obligation limited tax, annual appropriation, lease revenue, non-ad valorem, and moral obligation debt. The referenced ratings reflect the government's underlying credit quality without regard to state guarantees, enhancement programs or bond insurance.
  - The demographic data presented, including population, population density, per capita personal income and unemployment rate are derived from the most recently available US government databases. Population, population density and per capita personal income come from the American Community Survey while the unemployment rate comes from the Bureau of Labor Statistics.
- The largest industry sectors are derived from the Bureau of Economic Analysis. Moody's allocated the per capita personal income data and unemployment data for all counties in the US census into quartiles. The quartiles are ordered from strongest-to-weakest from a credit perspective: the highest per capita personal income quartile is first quartile, and the lowest unemployment rate is first quartile.
- The institutional framework score assesses a municipality's legal ability to match revenues with expenditures based on its constitutionally and legislatively conferred powers and responsibilities. See [US Local Government General Obligation Debt \(December 2016\)](#) methodology report for more details.
  - For definitions of the metrics in the Key Indicators Table, [US Local Government General Obligation Methodology and Scorecard User Guide \(July 2014\)](#). Metrics represented as N/A indicate the data were not available at the time of publication.
  - The medians come from our most recently published local government medians report, [Medians - Tax base growth underpins sector strength, while pension challenges remain \(May 2019\)](#) which is available on Moody's.com. The medians presented here are based on the key metrics outlined in Moody's GO methodology and the associated scorecard.

© 2019 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S INVESTORS SERVICE, INC. AND ITS RATINGS AFFILIATES ("MIS") ARE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MOODY'S PUBLICATIONS MAY INCLUDE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS AND MOODY'S OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. CREDIT RATINGS AND MOODY'S PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. NEITHER CREDIT RATINGS NOR MOODY'S PUBLICATIONS COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS AND PUBLISHES MOODY'S PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS OR MOODY'S PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER. ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.

CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing the Moody's publications.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any rating, agreed to pay to Moody's Investors Service, Inc. for ratings opinions and services rendered by it fees ranging from \$1,000 to approximately \$2,700,000. MCO and MIS also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at [www.moody.com](http://www.moody.com) under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657 AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.

MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any rating, agreed to pay to MJKK or MSFJ (as applicable) for ratings opinions and services rendered by it fees ranging from JPY125,000 to approximately JPY250,000,000.

MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.

REPORT NUMBER

1186579

## CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454