

## Treasury Group

To: Deborah Kafoury – Chair, Board of County Commissioners  
Marissa Madrigal - Chief Operating Officer  
Investment Advisory Board Members (IAB)  
Eric Arellano – Chief Financial Officer  
Jennifer McGuirk - County Auditor

From: Jeff DeCosta, County Treasury

Date: December 9, 2019

Re: Investment Portfolio Results for November 2019

The County Investment Pool's annualized earnings rate for November was 2.23%. This was a three basis point increase from the previous month's return of 2.20%. The year-to-date rate of return for Fiscal Year 2020 decreased three basis points to 2.28%.

The U.S. Treasury 90-day T-Bill yield at the end of November was 1.59%. This was a five basis point increase from October 31<sup>st</sup>.

The current yield for the State's Local Government Investment Pool is 2.25%.

Nonfarm payrolls increased by 266,000 in November, well above market expectations of 180,000. The unemployment rate dropped to 3.5%, matching its lowest level since 1969. The S&P 500 continues to hover near record highs and is on track to register its strongest annual performance since 2013. Strong equity market gains will help lift discretionary spending this holiday season.

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



GOVERNMENT  
PORTFOLIO  
ADVISORS

# Executive Summary

Month-End 11/30/19



## Investment Program

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## MONTH END COMMENTARY- NOVEMBER 2019

The two-year Treasury note traded in a very tight range throughout November as investors tried to determine the future direction of interest rates. During the month, the two-year note yield traded from a low of 1.55% to a high of 1.67% before closing the month at a yield of 1.61%. Investors seem to be somewhat indecisive due to the uncertainties surrounding a pending “Phase One” trade deal and a Fed that has announced they are on hold with future interest rate changes. Current economic results remain mixed with a slight downward bias in pending data.

The month began with stronger than expected gains in the labor market as non-farm payrolls came in above expectations along with relatively strong upward revisions to past months. The unemployment rate was reported near a fifty-year low of 3.6%, while average hourly earnings grew to 3% YOY up from 2.9%. The November jobs report will be announced on December 5, and new jobs are expected to grow by 190,000, which is an improvement over October’s growth of 128,000. The November report is expected to get back on track with the 12-month average growth of 190,000 after the GM strike impacted numbers in October.

The Atlanta’s Fed GDPNow report has lowered its estimate of fourth-quarter GDP to come in at a weak growth rate of 1.3%. If their forecast becomes a reality, it would be the weakest quarterly growth in real GDP since the fourth quarter of last year, and down substantially from the third-quarter growth rate of 2.1%. The glide path to slower growth most likely has the Fed’s attention. The Fed meets on December 11, and the concern for declining economic growth will be discussed, but it should not promote another Fed easing. The Fed would be reluctant to ease so soon after stating their intentions to be on hold for the foreseeable future.

The market is now priced for just one 25 basis point ease over the next twelve months. GPA believes that rates should continue in a trading range with a downward bias in yields over the next few months. A “Phase One” trade deal may inspire some hope for an eventual full trade deal with China, but it will take a more substantive deal to raise economic prospects enough to impact interest rates negatively. A failure to get a trade deal done in the first quarter of 2020 will put downward pressure on interest rates. GPA is maintaining portfolio durations very close to benchmark durations with a slight overweight in duration. We are suggesting that all portfolios stay well-diversified with maturities in this uncertain environment.

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

3 month bill	2.323%
1 year note	3.107%
2 year note	4.094%
3 year note	5.472%
5 year note	7.958%

### TREASURY BENCHMARK TOTAL RETURNS IN MONTH:

Benchmark	Period Return	YTM	Duration (Years)
ICE BAML 90 Day Bill	0.13%	1.56%	0.24
ICE BAML 0-1 Year Treasury	0.11%	1.69%	0.48
ICE BAML 0-3 Year Treasury	0.01%	1.66%	1.40
ICE BAML 0-5 Year Treasury	-0.06%	1.65%	2.10

### CHANGES IN THE TREASURY MARKET (ABSOLUTE YIELD LEVELS):

	11/30/2018	9/30/2019	10/31/2019	11/30/2019	1 Month Change	12 Month Change
3 month bill	2.342%	1.807%	1.524%	1.567%	0.043%	-0.78%
6 month bill	2.520%	1.813%	1.547%	1.601%	0.054%	-0.92%
2 year note	2.786%	1.622%	1.524%	1.612%	0.088%	-1.17%
3 year note	2.800%	1.560%	1.516%	1.609%	0.093%	-1.19%
5 year note	2.812%	1.544%	1.520%	1.626%	0.106%	-1.19%
10 year note	2.988%	1.665%	1.691%	1.776%	0.085%	-1.21%

Source: Bloomberg



# Total Funds Multnomah County

# Compliance Report

Policy 2019 | 11/30/2019

Maturity Constraints	Policy Requirement	% of Total Accumulated	Portfolio Allocation	Within Limits	Minimum Ratings at Purchase		
Under 30 days	10%	82%	\$ 1,344,796,066	Yes		S&P	Moody's
Under 1 years	35%	90%	\$ 1,477,285,446	Yes	Muni's	AA-	Aa3
Under 5 years	100%	100%	\$ 1,648,543,037	Yes	Corp Bonds	AA-	Aa3
					C P	A-1	P-1
Maximum Weighted Average Maturity	2 Years		0.30	Yes	B A	A-1+	P-1
Maximum Callable Securities	25%	1%	\$ 10,000,665	Yes			
Maximum Single Maturity	5 Years		3.96	Yes	Policy states ONE rating meets requirement		

Asset Allocation Diversification	Maximum Policy Allocation	Issuer Constraint	Percentage of Portfolio	Market Value	% Within Limits	Ratings Compliance	Issuer Compliance
US Treasury Obligations	100%		7.60%	\$ 125,217,780	Yes		
US Agencies Primary	100%		10.28%	\$ 169,412,037	Yes		
FHLB		25%	3.86%	\$ 63,609,654	Yes		
FNMA		25%	0.61%	\$ 9,989,791	Yes		
FHLMC		25%	1.21%	\$ 19,997,333	Yes		
FFCB		25%	4.60%	\$ 75,815,259	Yes		
US Agencies Secondary	10%	10%					
Municipal Obligations OR, CA, ID, WA	10%	5%	1.02%	\$ 16,893,065	Yes		Yes
Corporate Bonds (No Fossil Fuel)			1.23%	\$ 20,270,165	Yes	Yes	Yes
Commercial Paper	35%	5%	0.61%	\$ 9,975,733	Yes	Yes	Yes
Bank Deposits	50%	25%	2.40%	\$ 39,531,545	Yes	*	*
Certificates of Deposit	20%	10%	0.42%	\$ 6,960,000	Yes	Yes	Yes
Bankers Acceptances	10%	5%					
Repurchase Agreements	10%	5%					
Reverse Repurchase Agreement	10%	5%					
OST Fund Pool	ORS 294.810 ***		76.45%	\$ 1,260,282,713	Yes*	**	**
<b>Total</b>			<b>100%</b>	<b>\$ 1,648,543,037</b>			

\*\*\* Current ORS Maximum \$ 50,400,000 \* FDIC or collateralized  
 \*\* Ratings & Issuer restrictions do not apply to pool funds

## STRATEGY REPORT

**Benchmark: BofA Merrill 0-3 year Treasury**

Name	Par Amount	Total Adjusted Cost	Market Value	Unrealized Gain/Loss	Yield At Cost	Eff Dur	Bench Dur
Multnomah County - Core Investment Fund	\$ 264,567,000	\$ 264,787,792	\$ 266,745,813	\$ 1,958,021	2.26	1.32	1.40
Multnomah Liquidity- Bank and OSTF Pool	\$ 1,299,814,258	\$ 1,299,814,258	\$ 1,299,814,258		2.22	0.05	0.10
Multnomah County Cash Matched	\$ 75,000,000	\$ 74,986,665	\$ 75,022,967	\$ 36,302	1.93	0.30	0.10
Multnomah County CD Fund	\$ 6,960,000	\$ 6,960,000	\$ 6,960,000		1.86	0.20	0.10
<b>TOTAL PORTFOLIO</b>	<b>\$ 1,646,341,258</b>	<b>\$ 1,646,548,715</b>	<b>\$ 1,648,543,037</b>	<b>\$ 1,994,323</b>	<b>2.21</b>	<b>0.27</b>	<b>0.31</b>



# Total Funds Multnomah County

For Period November 01, 2019 - November 30, 2019

# Investment Report

Policy 2019 | 11/30/2019

## HOLDINGS DISTRIBUTION

Investment Holdings at 11/30/2019	Market Value	% of Total Portfolio	Maximum Per Policy
US Treasury Obligations	\$ 125,217,780	7.60%	100%
US Agencies Primary	\$ 169,412,037	10.28%	100%
Municipal Obligations OR, CA, ID, WA	\$ 16,893,065	1.02%	10%
Corporate Bonds (No Fossil Fuel)	\$ 20,270,165	1.23%	35%
Commercial Paper	\$ 9,975,733	0.61%	
Bank Deposits	\$ 39,531,545	2.40%	50%
Certificates of Deposit	\$ 6,960,000	0.42%	20%
Bankers Acceptances	\$ -		10%
Reverse Repurchase Agreement	\$ -		10%
OST Fund Pool	\$ 1,260,282,713	76.45%	ORS
<b>Total Portfolio</b>	<b>\$ 1,648,543,037</b>	<b>100.00%</b>	



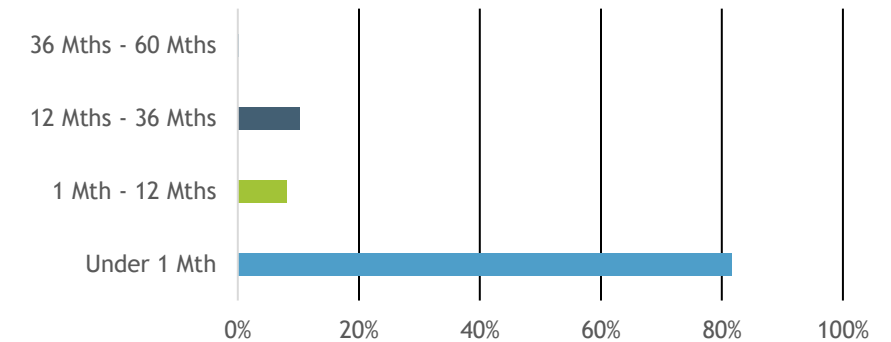
- Treasuries 7.6%
- Agencies 10.3%
- Municipal Obligations 1.0%
- Corporate Bonds 1.2%
- Commercial Paper 0.6%
- Bank Deposits 2.4%
- Certificates of Deposit 0.4%
- OST Fund Pool 76.4%

### % of Portfolio With One Issuer:

Corporate Notes	\$ 10,137,844	0.61%	5%
State Obligations	\$ 5,180,250	0.31%	5%

## MATURITY DISTRIBUTION

Maturities from 11/30/2019	Per Maturity Bucket		Cumulative	
	Market Value	% of Total Portfolio	% of Total Portfolio	Minimum Per Policy
Under 1 Mth	\$ 1,344,796,066	82%	82%	10%
1 Mth - 12 Mths	\$ 132,489,380	8%	90%	
12 Mths - 36 Mths	\$ 169,751,636	10%	100%	35%
36 Mths - 60 Mths	\$ 1,505,955	0%	100%	100%



Average Maturity on 11/30/2019: 0.30 Years  
 Average Maturity of Investments (excluding bank / LGIP deposits): 1.35 Years

Maximum Per Policy: 5 Years

## ACTIVITY & PERFORMANCE SUMMARY

Activity Summary	This Month	Fiscal Year-to-Date
Beginning Amortized Cost	\$ 601,883,715	\$ 536,293,595
Investment purchases	\$ 124,670,628	\$ 285,740,033
Investment maturities and sales	\$ (120,678,569)	\$ (392,649,569)
Amortization	\$ 121,240	\$ 930,183
Net cash deposit (withdrawals)	\$ 1,040,513,773	\$ 1,216,205,546
Realized Gain/Loss	\$ 37,926	\$ 28,926
<b>Ending Amortized Costs</b>	<b>\$ 1,646,548,715</b>	<b>\$ 1,646,548,715</b>

Market Value on 11/30/2019: \$ 1,648,543,037

Performance Summary	This Month	Fiscal Year-to-Date
Amortization	\$ 121,240	\$ 930,183
Interest income	\$ 2,262,052	\$ 5,236,710
Realized gain (loss)	\$ 37,926	\$ 28,926
<b>Total income</b>	<b>\$ 2,421,218</b>	<b>\$ 6,195,820</b>
Average portfolio balance*	\$ 465,073,952	\$ 486,419,218

Daily average annualized earned for the period\*: 2.23%  
 Investment Portfolio yield at cost (excluding bank / LGIP deposits): 2.26%  
 Local Government Investment Pool interest rate: 2.25%



# Portfolio Appraisal - Settled Trades

US Dollar  
11/30/2019

## Multnomah County - Core Investment Fund

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
<b>US Agency (USD)</b>								
10,000,000	3137EAE5	FEDERAL HOME LN MTG CORP 1.500% Due 01-17-20	100.00	9,999,859.03	99.98	9,998,029.20	3.7	1.5
10,000,000	3133EJNW5	FEDERAL FARM CR BKS 2.550% Due 05-15-20	99.96	9,995,723.66	100.43	10,043,153.50	3.8	2.6
10,000,000	3130ABPV2	FEDERAL HOME LOAN BANKS 1.690% Due 06-29-20	99.99	9,999,021.67	100.01	10,000,665.00	3.7	1.7
10,000,000	3135G0T60	FEDERAL NATL MTG ASSN 1.500% Due 07-30-20	99.94	9,993,808.11	99.90	9,989,791.00	3.7	1.6
8,000,000	313370US5	FEDERAL HOME LOAN BANKS 2.875% Due 09-11-20	100.12	8,009,932.04	100.93	8,074,450.16	3.0	2.7
5,000,000	3130ACE26	FEDERAL HOME LOAN BANKS 1.375% Due 09-28-20	98.99	4,949,555.23	99.75	4,987,334.40	1.9	2.6
10,000,000	3137EAEJ4	FEDERAL HOME LN MTG CORP 1.625% Due 09-29-20	99.16	9,916,129.54	99.99	9,999,303.70	3.7	2.7
10,000,000	3133EJAW9	FEDERAL FARM CR BKS 2.250% Due 01-29-21	99.76	9,976,095.71	100.74	10,074,291.20	3.8	2.5
10,000,000	3133EJCE7	FEDERAL FARM CR BKS 2.350% Due 02-12-21	99.57	9,957,343.44	100.82	10,081,553.60	3.8	2.7
10,000,000	3133EJEM7	FEDERAL FARM CR BKS 2.500% Due 03-01-21	99.91	9,990,782.04	101.10	10,109,691.90	3.8	2.6
15,000,000	313373ZY1	FEDERAL HOME LOAN BANKS 3.625% Due 06-11-21	101.14	15,170,715.07	102.95	15,441,792.90	5.8	2.8
10,000,000	3133EJK24	FEDERAL FARM CR BKS 3.000% Due 10-19-21	100.07	10,006,592.71	102.46	10,245,547.40	3.8	3.0
10,000,000	313379Q69	FEDERAL HOME LOAN BANKS 2.125% Due 06-10-22	100.65	10,065,458.73	101.13	10,112,653.50	3.8	1.9
10,017,000	3133EKRD0	FEDERAL FARM CR BKS 1.875% Due 06-14-22	99.89	10,005,880.67	100.55	10,072,209.60	3.8	1.9
15,000,000	3133EKPC4	FEDERAL FARM CR BKS 2.125% Due 09-06-22	100.54	15,080,696.71	101.26	15,188,811.30	5.7	1.9
				<b>153,117,594.38</b>		<b>154,419,278.36</b>	<b>57.9</b>	<b>2.3</b>
<b>Corporate (USD)</b>								
5,000,000	037833AR1	APPLE INC 2.850% Due 05-06-21	100.00	4,999,795.32	101.54	5,076,775.80	1.9	2.9
10,000,000	594918BW3	MICROSOFT CORP 2.400% Due 02-06-22	101.28	10,128,222.56	101.38	10,137,843.60	3.8	1.8
5,000,000	037833CQ1	APPLE INC 2.300% Due 05-11-22	97.79	4,889,373.12	101.11	5,055,545.35	1.9	3.3
				<b>20,017,391.00</b>		<b>20,270,164.75</b>	<b>7.6</b>	<b>2.4</b>
<b>Municipal (USD)</b>								
1,550,000	68607VZ32	OREGON ST LOTTERY REVENUE 2.448% Due 04-01-20	100.00	1,550,000.00	100.24	1,553,704.50	0.6	2.4



# Portfolio Appraisal - Settled Trades

US Dollar  
11/30/2019

## Multnomah County - Core Investment Fund

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
1,000,000	68608VDQ4	OREGON ST DEPT ADMINISTRATIVE COPS 2.678% Due 05-01-20	100.00	1,000,000.00	100.44	1,004,360.00	0.4	2.7
2,500,000	68607VZ40	OREGON ST LOTTERY REVENUE 2.450% Due 04-01-21	100.00	2,500,000.00	100.80	2,520,025.00	0.9	2.5
2,000,000	13032UUY2	CALIFORNIA ST HEALTH FACS FING AUTH REVENUE 1.896% Due 06-01-21	100.00	2,000,000.00	100.24	2,004,740.00	0.8	1.9
500,000	68607DTS4	OREGON ST DEPT TRANSP HWY REV 1.798% Due 11-15-21	100.00	500,000.00	100.04	500,190.00	0.2	1.8
5,000,000	59163PKE2	METRO OREGON 3.500% Due 06-01-22	102.63	5,131,703.68	103.61	5,180,250.00	1.9	2.4
2,000,000	93974CRA0	WASHINGTON ST 4.369% Due 08-01-22	103.41	2,068,165.79	106.18	2,123,520.00	0.8	3.0
500,000	68607DTT2	OREGON ST DEPT TRANSP HWY REV 1.855% Due 11-15-22	100.00	500,000.00	100.06	500,320.00	0.2	1.9
1,500,000	68607DTU9	OREGON ST DEPT TRANSP HWY REV 1.946% Due 11-15-23	100.00	1,500,000.00	100.40	1,505,955.00	0.6	1.9
				<b>16,749,869.47</b>		<b>16,893,064.50</b>	<b>6.3</b>	<b>2.4</b>
<b>US Treasury (USD)</b>								
20,000,000	912828XM7	UNITED STATES TREAS NTS 1.625% Due 07-31-20	99.43	19,886,974.59	99.98	19,995,320.00	7.5	2.5
10,000,000	9128285B2	UNITED STATES TREAS NTS 2.750% Due 09-30-20	100.33	10,033,495.89	100.87	10,087,110.00	3.8	2.3
15,000,000	912828A42	UNITED STATES TREAS NTS 2.000% Due 11-30-20	100.19	15,027,884.34	100.30	15,045,705.00	5.6	1.8
10,000,000	9128284G2	UNITED STATES TREAS NTS 2.375% Due 04-15-21	100.12	10,011,747.58	100.91	10,091,410.00	3.8	2.3
20,000,000	912828YC8	UNITED STATES TREAS NTS 1.500% Due 08-31-21	99.71	19,942,834.84	99.72	19,943,760.00	7.5	1.7
				<b>74,902,937.24</b>		<b>75,163,305.00</b>	<b>28.2</b>	<b>2.1</b>
<b>Total Portfolio</b>				<b>264,787,792.09</b>		<b>266,745,812.61</b>	<b>100.0</b>	<b>2.3</b>



# Portfolio Appraisal - Settled Trades

US Dollar  
11/30/2019

## Multnomah Liquidity- Bank and OSTF Pool

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
<b>LGIP State Pool (USD)</b>								
1,260,282,713	OSTFLGIP	OREGON SHORT TERM FUND POOL 2.250% Due 12-29-19	100.00	1,260,282,713.46	100.00	1,260,282,713.46	97.0	2.3
				<b>1,260,282,713.46</b>		<b>1,260,282,713.46</b>	<b>97.0</b>	<b>2.3</b>
<b>Bank or Cash Deposit (USD)</b>								
12,143,923	SYSBADD1	BANK OF AMERICA 0.010% Due 12-29-19	100.00	12,143,923.40	100.00	12,143,923.40	0.9	0.0
18,233,597	SYSSSBMM1	UMPQUA BANK 1.650% Due 12-29-19	100.00	18,233,597.28	100.00	18,233,597.28	1.4	1.7
194,062	SYSUSB076	US BANK 0.010% Due 12-29-19	100.00	194,061.98	100.00	194,061.98	0.0	0.0
7,340,127	000WAFED	WASHINGTON FEDERAL MMF 1.550% Due 12-29-19	100.00	7,340,127.01	100.00	7,340,127.01	0.6	1.6
1,619,835	SYSWCBMM1	WILLAMETTE COMMUNITY BANK 1.750% Due 12-29-19	100.00	1,619,834.93	100.00	1,619,834.93	0.1	1.8
				<b>39,531,544.60</b>		<b>39,531,544.60</b>	<b>3.0</b>	<b>1.1</b>
<b>Total Portfolio</b>				<b>1,299,814,258.06</b>		<b>1,299,814,258.06</b>	<b>100.0</b>	<b>2.2</b>





Multnomah County Cash Matched

Portfolio Appraisal - Settled Trades

US Dollar  
11/30/2019

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
<b>US Agency (USD)</b>								
15,000,000	313384QL6	FEDL HOME LOAN BKS DISC NT 0.000% Due 12-13-19	99.94	14,990,325.00	99.95	14,992,758.30	20.0	2.0
				<b>14,990,325.00</b>		<b>14,992,758.30</b>	<b>20.0</b>	<b>2.0</b>
<b>US Treasury (USD)</b>								
25,000,000	912796SW0	UNITED STATES TREAS BILLS 0.000% Due 12-12-19	99.94	24,985,688.54	99.96	24,989,050.00	33.3	1.9
25,000,000	912828VZ0	UNITED STATES TREAS NTS 2.000% Due 09-30-20	100.15	25,038,123.29	100.26	25,065,425.00	33.4	1.8
				<b>50,023,811.84</b>		<b>50,054,475.00</b>	<b>66.7</b>	<b>1.9</b>
<b>Commercial Paper (USD)</b>								
10,000,000	89233GAG1	TOYOTA MOTOR CREDIT CP 0.000% Due 01-16-20	99.73	9,972,527.78	99.76	9,975,733.33	13.3	2.2
				<b>9,972,527.78</b>		<b>9,975,733.33</b>	<b>13.3</b>	<b>2.2</b>
<b>Total Portfolio</b>				<b>74,986,664.61</b>		<b>75,022,966.63</b>	<b>100.0</b>	<b>1.9</b>



# Portfolio Appraisal - Settled Trades

US Dollar  
11/30/2019

## Multnomah County CD Fund

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
<b>Bank or Cash Deposit (USD)</b>								
5,000,000	SYS7571	JP MORGAN CHASE CD 1.790% Due 12-12-19	100.00	5,000,000.00	100.00	5,000,000.00	71.8	1.8
245,000	SYS7508	PACIFIC WEST BANK CD 2.000% Due 02-16-20	100.00	245,000.00	100.00	245,000.00	3.5	2.0
245,000	SYS7506	NORTHWEST COMMUNITY CU CD 1.900% Due 03-15-20	100.00	245,000.00	100.00	245,000.00	3.5	1.9
245,000	SYS7521	UMPQUA BANK CD 2.800% Due 05-20-20	100.00	245,000.00	100.00	245,000.00	3.5	2.8
245,000	SYS7567	PREMIER COMMUNITY BK (HERITAGE) CD 2.250% Due 07-05-20	100.00	245,000.00	100.00	245,000.00	3.5	2.3
245,000	SYS7564	UNITUS COMMUNITY CU CD 2.670% Due 07-24-20	100.00	245,000.00	100.00	245,000.00	3.5	2.7
245,000	SYS7568	WILLAMETTE COMMUNITY BK CD 2.000% Due 08-15-20	100.00	245,000.00	100.00	245,000.00	3.5	2.0
245,000	SYS7581	SUMMIT BANK 0.700% Due 11-14-20	100.00	245,000.00	100.00	245,000.00	3.5	0.7
245,000	SYS7573	HOMESTREET BANK CD 2.000% Due 03-18-21	100.00	245,000.00	100.00	245,000.00	3.5	2.0
				<b>6,960,000.00</b>		<b>6,960,000.00</b>	<b>100.0</b>	<b>1.9</b>
<b>Total Portfolio</b>				<b>6,960,000.00</b>		<b>6,960,000.00</b>	<b>100.0</b>	<b>1.9</b>



### **Disclaimer**

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

### **Definition and Terms**

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

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

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

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

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

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

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

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

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

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

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

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

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