

Treasury Group

To: Deborah Kafoury - Chair, Board of County Commissioners
Peggy Brey - Chief Operating Officer
Travis Graves - DCM Director
Investment Advisory Board Members (IAB)
Eric Arellano - Chief Financial Officer
Jennifer McGuirk - County Auditor

From: Jeff DeCosta, County Treasury

Date: October 14, 2020

Re: Investment Portfolio Results for September 2020

The County Investment Pool's annualized earnings rate for September was 1.76%. This was a fifty-four basis point decrease from the previous month's return of 2.30%. The year-to-date rate of return for Fiscal Year 2021 is 2.03%.

The U.S. Treasury 90-day T-Bill yield at the end of September was .10%. A one basis point decrease from August 31st.

The current yield for the State's Local Government Investment Pool is 1.00%.

Total nonfarm payroll employment rose by 661k jobs in September, with the unemployment rate declining to 7.9%. Although the labor market is steadily improving, millions remain unemployed with the labor market adding slightly more than half of the 22.2 million jobs lost during the pandemic. The prospects for a stimulus package before the election are growing dimmer by the day.

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

Quarterly Investment Report Multnomah County

September 30, 2020

Total Aggregate Portfolio

Multnomah County | Total Aggregate Portfolio

Market Commentary

Market Yields: Interest rates traded in a narrow band during the quarter with many tenors remaining near historic lows. Fresh forecasts from the Federal Reserve show little desire from policy makers to hike rates for at least the next three years as the economic recovery is expected to take time. Should the Fed's forecasts prove accurate, the policy stance will keep front-end interest rates anchored near current levels. Intermediate and longer-term yields will continue to take their cues from developments around economic growth and inflation which has become reliant on fiscal stimulus given the economic shutdowns that continue to weigh on the services sector. All eyes will remain on the coming November election to see if either party can wrest full control over the legislative process. Should such an outcome occur, we believe long-term interest rates could prove vulnerable as markets will begin to price in an increase in fiscal spending and a related increase in debt issuance.

Employment and Inflation: The labor market continues to improve albeit at a slower pace than we witnessed in early summer. The employment data continues to be messy leading us to focus on the total number of employed as well as the participation rate for a better indication of overall labor market health than purely looking at the headline unemployment rate. At the end of September, labor reports indicate 141 million Americans are employed. This level remains approximately 10 million below levels the economy experienced at the start of the year. The labor force participation rate, currently at 61.4%, remains below the pre-pandemic level of 63.4%. Given what is occurring with schools, childcare, and elderly care we focus on the participation measure to see if prime age workers bow out of the labor market for competing obligations. Like the labor data, we continue to experience noise in the inflation picture given supply chain disruptions, changing consumer habits in lockdown, fiscal stimulus efforts, and pricing dynamics in sectors directly impacted by the shutdowns. Forward looking inflation breakeven markets are currently pricing in inflation levels around 1.5% to 1.75% over the next 5 to 10 years.

Market Outlook

GDP: Growth for the third quarter is set to rebound strongly after a historic dip in the second quarter due to economic shutdowns enacted to quell the coronavirus outbreak. Expectations for the rebound vary widely with the New York Federal Reserve Bank currently forecasting a growth rate of 14% while the Atlanta Federal Reserve Bank's economic model estimates growth at 34%. Leading the rebound in growth will be a snap back in consumer spending on services which bore a disproportionate impact in the first quarter as restaurants, hotels, retail outlets, health care facilities and other venues saw a rapid decline in activity.

Fed Funds: The Federal Reserve released their summary of economic projections in September where they painted an outlook with no rate hikes for at least the next three years as the economy slowly returns toward more normal levels. Consistent with the Fed's outlook, markets are not pricing in any hikes over the next five years and very few beyond five years.

Two-year Yield Expectations: We continue to expect the two-year yield to be anchored around current levels for some time as we have a Fed on hold for the foreseeable future.

Portfolio Positioning: We continue to be constructive on duration and guide clients to remain close to their strategic target. Within this view, we are slightly underweight on securities with maturities beyond 3 years given the increasing probability of large fiscal stimulus after the election leading to a more rapid improvement in the economy and increased Treasury issuance. Spreads in high-quality sectors have recovered strongly over the summer. We continue to find decent value in defensive sectors within the municipal and corporate markets in issuers who have benefitted from the current conditions given their business model and end markets. Agency spreads continue to be compelling beyond 2-years as elevated issuance has kept spreads attractive.

Quarterly Yield Change

| | 12/31/19 | 03/31/20 | 06/30/20 | 09/30/20 |
|--------------|----------|----------|----------|----------|
| 3 month bill | 1.54 | 0.06 | 0.13 | 0.09 |
| 2 year note | 1.57 | 0.25 | 0.15 | 0.13 |
| 5 year note | 1.69 | 0.38 | 0.29 | 0.28 |
| 10 year note | 1.92 | 0.67 | 0.66 | 0.68 |

Economists' Survey Projections

| | Q4-20 | Q1-21 | Q2-21 | Q3-21 |
|-----------------|-------|-------|-------|-------|
| Real GDP | 5.0 | 4.0 | 4.0 | 3.2 |
| Core PCE (YOY%) | 1.2 | 1.2 | 1.7 | 1.6 |
| Unemployment | 8.0 | 7.5 | 7.1 | 6.7 |

Economists' Survey Projections for Rates

| | Q4-20 | Q1-21 | Q2-21 | Q3-21 |
|-----------|-------|-------|-------|-------|
| Fed Funds | 0.25 | 0.25 | 0.25 | 0.25 |
| 2 Year | 0.21 | 0.28 | 0.33 | 0.38 |
| 10 year | 0.76 | 0.88 | 0.97 | 1.05 |

Compliance Report

Multnomah County | Total Aggregate Portfolio



September 30, 2020

Category

| Policy Diversification Constraint | Policy Limit | Actual Value* | Status |
|---|--------------|---------------|-----------|
| US Treasury Obligations Maximum % of Holdings | 100 | 10.048 | Compliant |
| US Agency Callable Securities Maximum % of Total Portfolio | 25 | 1.630 | Compliant |
| US Agency FFCB Issuer Concentration | 40 | 24.808 | Compliant |
| US Agency FHLB Issuer Concentration | 40 | 4.419 | Compliant |
| US Agency FHLMC Issuer Concentration | 40 | 9.104 | Compliant |
| US Agency FNMA Issuer Concentration | 40 | 4.962 | Compliant |
| US Agency Obligations - Primary FHLB, FNMA, FHLMC, FFCB Maximum % of Holdings | 100 | 47.647 | Compliant |
| US Agency Obligations - Secondary FICO, FARMER MAC etc. Maximum % of Holdings | 10 | 0.000 | Compliant |
| US Agency Obligations - Secondary Must be rated by one NRSRO | 0 | 0.000 | Compliant |
| US Agency Obligations Issuer Concentration - Primary FHLB, FNMA, FHLMC, FFCB | 25 | 24.808 | Compliant |
| US Agency Obligations Issuer Concentration - Secondary FICO, FARMER MAC etc. | 10 | 0.000 | Compliant |
| Municipal Bonds Issuer Concentration | 5 | 2.511 | Compliant |
| Municipal Bonds Maximum % of Holdings | 25 | 9.154 | Compliant |
| Municipal Bonds Only OR, CA, ID, WA | 0 | 0.000 | Compliant |
| Corporate Notes & Commercial Paper Maximum % of Holdings | 35 | 12.526 | Compliant |
| Corporate Notes & Commercial Paper Single Issuer % | 5 | 0.000 | Compliant |
| Corporate Notes must be Issued by US Corporation | 0 | 0.000 | Compliant |
| Certificates of Deposit Issuer Concentration | 10 | 1.417 | Compliant |
| Certificates of Deposit Maximum % of Holdings | 20 | 1.903 | Compliant |
| Banker's Acceptance Issuer Concentration | 5 | 0.000 | Compliant |
| Banker's Acceptance Maximum % of Holdings | 10 | 0.000 | Compliant |
| LGIP-Oregon Short Term Fund Maximum | 51771000 | 46129929.72 | Compliant |
| Bank Time Deposits/Savings Accounts Issuer Concentration | 25 | 3.676 | Compliant |
| Bank Time Deposits/Savings Accounts Maximum % of Holdings | 50 | 1.969 | Compliant |
| Repurchase Agreements Issuer Concentration | 5 | 0.000 | Compliant |
| Repurchase Agreements Maximum % of Holdings | 10 | 0.000 | Compliant |
| Reverse Repurchase Agreements Issuer Concentration | 5 | 0.000 | Compliant |
| Reverse Repurchase Agreements Maximum % of Holdings | 10 | 0.000 | Compliant |
| No 144A or 4(2) | 0 | 0.000 | Compliant |
| Policy Maturity Structure Constraint | Policy Limit | Actual % | Status |
| Maturity Constraints Under 30 days Minimum % of Total Portfolio | 10 | 25.194 | Compliant |

*Market Value

Compliance Report

Multnomah County | Total Aggregate Portfolio



September 30, 2020

Category

| | | | |
|--|---------------------|--------------------|---------------|
| Maturity Constraints Under 1 year Minimum % of Total Portfolio | 35 | 52.136 | Compliant |
| Maturity Constraints Under 5 years Minimum % of Total Portfolio | 100 | 100.000 | Compliant |
| Policy Maturity Constraint | Policy Limit | Actual Term | Status |
| US Treasury Maximum Maturity At Time of Purchase (years) | 5 | 2.052 | Compliant |
| US Agency Maximum Maturity At Time of Purchase (years) | 5 | 3.134 | Compliant |
| Municipals Maximum Maturity At Time of Purchase (years) | 5 | 4.112 | Compliant |
| Corporate Maximum Maturity of Single Issue At Time of Purchase (years) | 5 | 3.431 | Compliant |
| Commercial Paper Maximum Maturity At Time of Purchase (days) | 270 | 0.000 | Compliant |
| Certificates of Deposit Maximum Maturity At Time of Purchase (years) | 5 | 1.384 | Compliant |
| Maximum Single Maturity (years) | 5 | 3.126 | Compliant |
| Weighted Average Maturity (years) | 2 | 1.163 | Compliant |
| Policy Credit Constraint | | | Status |
| Municipal Bonds Ratings Minimum AA-/Aa3/AA- (Rated by 1 NRSRO) | | | Compliant |
| Corporate Notes Ratings Minimum AA-/Aa3/AA- (Rated by 1 NRSRO) | | | Compliant |
| Commercial Paper Ratings Minimum A1/P1/F1 (Rated by 1 NRSRO) | | | Compliant |
| Banker's Acceptance Ratings Minimum A1+/ P1/F1+ (Rated by 1 NRSRO) | | | Compliant |
| Repurchase Agreements Ratings by AA-/ Aa3/AA- if rated by all | | | Compliant |

*Market Value

Strategic Quarterly Update

Multnomah County | Total Aggregate Portfolio



September 30, 2020

Strategic Outlook

- Members of the Federal Reserve continue to publicly call for more fiscal stimulus to ensure the economic recovery continues as we enter the fall season. While we don't expect anything major leading up to the election, we do anticipate a package once leadership in Washington emerges and take their seats.
- Spread sectors continued to perform well during the third quarter as investors cheered the continued economic growth, support from central banks and inflows of capital seeking out yield in a yield starved world. We continue to find value in high-quality municipals and corporates with a selective approach toward more defensively postured exposures.
- The economy and labor market showed rapid improvement during the second quarter. We expect a robust growth number led by a rebound in personal consumption, but we temper our expectations for a strong continuation of the trend into the fourth quarter as recent economic data points to a slowdown ahead. In all, the healing process is moving faster than most had predicted. Positive news on a vaccine, additional fiscal stimulus, as well as a smooth voting season appear to be the catalysts ahead to boost the recovery further.

Portfolio Positioning

- Duration ended the quarter in-line with the strategic target. Going forward, continued efforts to diversify the maturity profile and manage duration will be the focus.
- Account remains conservatively positioned and has the ability to take advantage of opportunities in the corporate and municipal markets to safely add income to the portfolio.
- The total portfolio book yield decreased from 1.742 to 1.485.
- The total portfolio unrealized gain/loss ended the quarter at \$4,037,742.
- The core portfolio duration increased over the quarter from 1.244 last quarter to 1.484 this quarter. The benchmark duration ended the quarter at 1.468.
- Net total return for the core portfolio, which includes change in market value and interest income, was 0.17%. The benchmark total return for the period was 0.09%.

| Strategy | 06/30/2020 | 09/30/2020 |
|---------------------------------|--------------|--------------|
| Effective Duration | | |
| Investment Core | 1.244 | 1.484 |
| Benchmark Duration | 1.461 | 1.468 |
| Total Effective Duration | 0.780 | 1.113 |

Total Return (Net of Fees)*

| | | |
|-------------------------------------|--------------|--------------|
| Investment Core | 0.65% | 0.17% |
| ICE BofA 0-3 Year US Treasury Index | 0.09% | 0.09% |
| Total Portfolio Performance | 0.40% | 0.16% |

*Changes in Market Value include net unrealized and realized gains/losses.

Maturity Total Portfolio

| | | |
|--|--------------|--------------|
| Average Maturity Total Holdings | 0.833 | 1.165 |
|--|--------------|--------------|

| Book Yield | 06/30/2020 | 09/30/2020 |
|--------------------------|--------------|--------------|
| Ending Book Yield | | |
| Investment Core | 1.998 | 1.651 |
| Investment Cash Match | 1.720 | 2.033 |
| Liquidity | 0.903 | 0.791 |
| Certificates of Deposit | 0.716 | 0.314 |
| Total Book Yield | 1.742 | 1.485 |

| Values | 06/30/2020 | 09/30/2020 |
|-------------------------------|--------------------|--------------------|
| Market Value + Accrued | | |
| Investment Core | 283,859,511 | 263,280,347 |
| Investment Cash Match | 124,115,932 | 18,207,195 |
| Liquidity | 75,031,849 | 66,045,010 |
| Certificates of Deposit | 6,743,005 | 6,727,121 |
| Total MV + Accrued | 489,750,298 | 354,259,674 |

Net Unrealized Gain/Loss

| | | |
|---------------------------------------|------------------|------------------|
| Total Net Unrealized Gain/Loss | 5,462,240 | 4,037,742 |
|---------------------------------------|------------------|------------------|

Asset Allocation Change over Quarter

Multnomah County | Total Aggregate Portfolio



September 30, 2020

Asset Allocation Changes

| Security Type | 06/30/2020 | | 09/30/2020 | | Change | |
|------------------------|------------------------|----------------|------------------------|----------------|------------------------|----------------|
| | Market Value + Accrued | % of Portfolio | Market Value + Accrued | % of Portfolio | Market Value + Accrued | % of Portfolio |
| US Treasury | 157,864,174.43 | 32.23% | 35,612,841.78 | 10.05% | (122,251,332.65) | (22.18%) |
| US Agency | 150,544,355.32 | 30.74% | 168,729,042.34 | 47.63% | 18,184,687.02 | 16.89% |
| Municipals | 31,928,717.87 | 6.52% | 32,604,454.44 | 9.20% | 675,736.56 | 2.68% |
| Corporate | 57,639,395.92 | 11.77% | 44,541,203.60 | 12.57% | (13,098,192.32) | 0.80% |
| Commercial Paper | 9,998,800.00 | 2.04% | 0.00 | 0.00% | (9,998,800.00) | (2.04%) |
| Bank Deposit | 9,934,786.21 | 2.03% | 6,946,001.15 | 1.96% | (2,988,785.06) | (0.07%) |
| Pooled Funds | 46,136,371.52 | 9.42% | 46,129,929.72 | 13.02% | (6,441.80) | 3.60% |
| Bank Deposits | 18,960,691.49 | 3.87% | 12,969,079.48 | 3.66% | (5,991,612.01) | (0.21%) |
| Certificate of Deposit | 6,743,005.29 | 1.38% | 6,727,121.36 | 1.90% | (15,883.93) | 0.52% |
| Total | 489,750,298.06 | 100.00% | 354,259,673.87 | 100.00% | (135,490,624.19) | |



If negative cash balance is showing, it is due to a pending trade payable at the end of period.

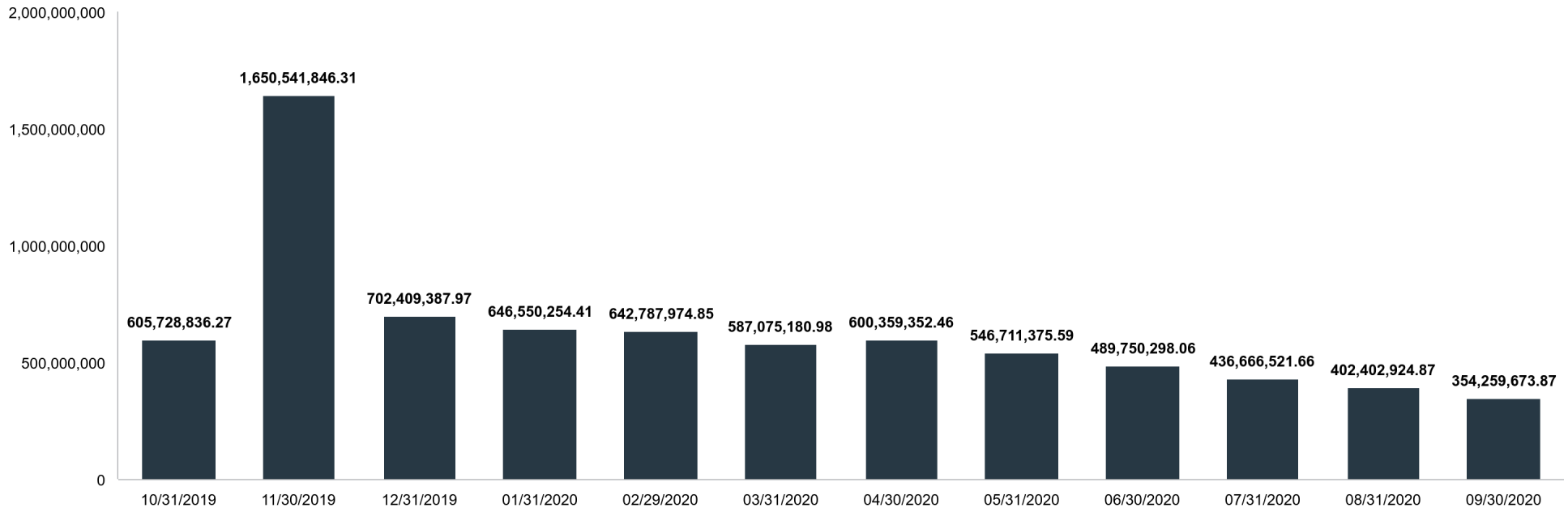
Historical Balances

Multnomah County | Total Aggregate Portfolio



September 30, 2020

Market Value Growth



Market Value and Return

| Period Begin | Period End | Market Value + Accrued | Interest Income | Book Yield | Effective Duration | Maturity in Years |
|--------------|------------|------------------------|-----------------|------------|--------------------|-------------------|
| 10/01/2019 | 10/31/2019 | 605,728,836 | 749,399 | 2.190 | 0.614 | 0.640 |
| 11/01/2019 | 11/30/2019 | 1,650,541,846 | 2,281,633 | 2.207 | 0.241 | 0.250 |
| 12/01/2019 | 12/31/2019 | 702,409,388 | 1,465,439 | 1.905 | 0.732 | 0.753 |
| 01/01/2020 | 01/31/2020 | 646,550,254 | 877,621 | 1.941 | 0.707 | 0.728 |
| 02/01/2020 | 02/29/2020 | 642,787,975 | 832,497 | 1.965 | 0.688 | 0.711 |
| 03/01/2020 | 03/31/2020 | 587,075,181 | 847,599 | 1.878 | 0.722 | 0.750 |
| 04/01/2020 | 04/30/2020 | 600,359,352 | 801,945 | 1.831 | 0.686 | 0.715 |
| 05/01/2020 | 05/31/2020 | 546,711,376 | 835,196 | 1.706 | 0.760 | 0.805 |
| 06/01/2020 | 06/30/2020 | 489,750,298 | 778,497 | 1.742 | 0.780 | 0.833 |
| 07/01/2020 | 07/31/2020 | 436,666,522 | 740,463 | 1.620 | 0.881 | 0.941 |
| 08/01/2020 | 08/31/2020 | 402,402,925 | 634,656 | 1.615 | 0.940 | 0.981 |
| 09/01/2020 | 09/30/2020 | 354,259,674 | 549,694 | 1.485 | 1.113 | 1.165 |

Summary Overview

Multnomah County | Total Aggregate Portfolio

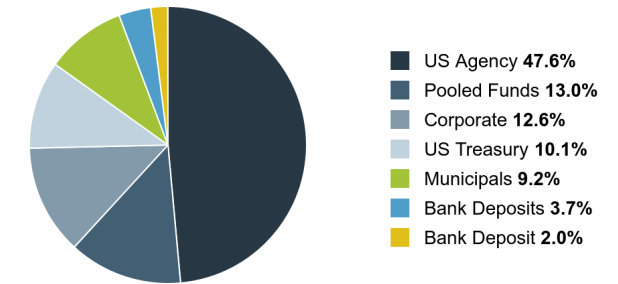


September 30, 2020

Portfolio Characteristics

| Metric | Value |
|---------------------------|----------------|
| Cash and Cash Equivalents | 66,045,010.35 |
| Investments | 288,214,663.52 |
| Book Yield | 1.485 |
| Effective Duration | 1.113 |
| Years to Maturity | 1.165 |
| Avg Credit Rating | AA+ |

Allocation by Asset Class



Strategic Structure

| Account | Par Amount | Book Value | Original Cost | Market Value | Net Unrealized Gain (Loss) | Accrued | Yield at Cost | Effective Duration | Benchmark Duration | Benchmark |
|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------------|---------------------|---------------|--------------------|--------------------|---|
| MULTCO-Investment Core | 256,437,000.00 | 257,969,361.42 | 258,467,603.97 | 261,981,769.94 | 4,012,408.51 | 1,298,577.02 | 1.651 | 1.484 | 1.468 | ICE BofA 0-3 Year US Treasury Index |
| MULTCO-Investment Cash Match | 18,000,000.00 | 18,004,437.00 | 18,034,884.00 | 18,029,770.20 | 25,333.20 | 177,425.00 | 2.033 | 0.083 | 0.514 | ICE BofA 0-1 Year US Treasury Notes & Bonds |
| MULTCO-Liquidity | 66,045,010.35 | 66,045,010.35 | 66,045,010.35 | 66,045,010.35 | 0.00 | 0.00 | 0.791 | 0.010 | 0.090 | ICE BofA US 1-Month Treasury Bill Index |
| MULTCO-Certificates of Deposit | 6,715,000.00 | 6,715,000.00 | 6,715,000.00 | 6,715,000.00 | 0.00 | 12,121.36 | 0.314 | 0.210 | 0.514 | ICE BofA 0-1 Year US Treasury Notes & Bonds |
| Total | 347,197,010.35 | 348,733,808.77 | 349,262,498.32 | 352,771,550.49 | 4,037,741.71 | 1,488,123.38 | 1.485 | 1.113 | 1.144 | |

Portfolio Activity

Multnomah County | Total Aggregate Portfolio



September 30, 2020

Accrual Activity Summary

| | Quarter to Date | Fiscal Year to Date (07/01/2020) |
|---------------------------------------|------------------|-------------------------------------|
| Beginning Book Value | 482,143,464.32 | 482,143,464.32 |
| Maturities/Calls | (68,865,000.00) | (68,865,000.00) |
| Purchases | 48,184,017.55 | 48,184,017.55 |
| Sales | (103,970,422.66) | (103,970,422.66) |
| Change in Cash, Payables, Receivables | (8,986,838.87) | (8,986,838.87) |
| Amortization/Accretion | (197,264.93) | (197,264.93) |
| Realized Gain (Loss) | 425,853.36 | 425,853.36 |
| Ending Book Value | 348,733,808.77 | 348,733,808.77 |

Fair Market Activity Summary

| | Quarter to Date | Fiscal Year to Date (07/01/2020) |
|---------------------------------------|------------------|-------------------------------------|
| Beginning Market Value | 487,605,704.52 | 487,605,704.52 |
| Maturities/Calls | (68,865,000.00) | (68,865,000.00) |
| Purchases | 48,184,017.55 | 48,184,017.55 |
| Sales | (103,970,422.66) | (103,970,422.66) |
| Change in Cash, Payables, Receivables | (8,986,838.87) | (8,986,838.87) |
| Amortization/Accretion | (197,264.93) | (197,264.93) |
| Change in Net Unrealized Gain (Loss) | (1,424,498.48) | (1,424,498.48) |
| Net Realized Gain (Loss) | 425,853.36 | 425,853.36 |
| Ending Market Value | 352,771,550.49 | 352,771,550.49 |

| Maturities/Calls | Market Value |
|---------------------|-----------------|
| Quarter to Date | (68,865,000.00) |
| Fiscal Year to Date | (68,865,000.00) |

| Purchases | Market Value |
|---------------------|---------------|
| Quarter to Date | 48,184,017.55 |
| Fiscal Year to Date | 48,184,017.55 |

| Sales | Market Value |
|---------------------|------------------|
| Quarter to Date | (103,970,422.66) |
| Fiscal Year to Date | (103,970,422.66) |

Return Management-Income Detail

Multnomah County | Total Aggregate Portfolio



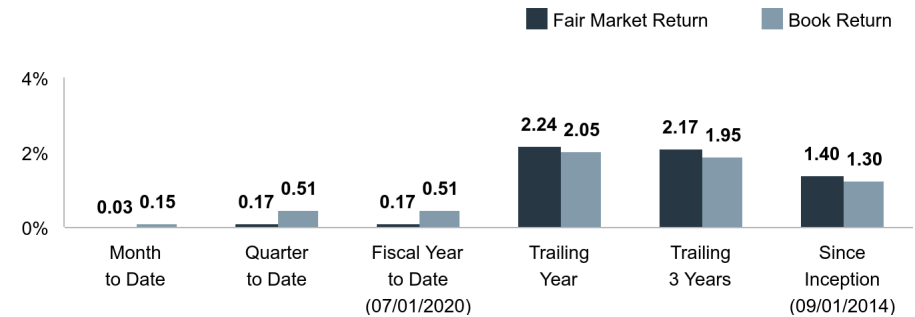
September 30, 2020

Accrued Book Return

| | Quarter to Date | Fiscal Year to Date (07/01/2020) |
|---------------------------|-----------------|-------------------------------------|
| Amortization/Accretion | (197,264.93) | (197,264.93) |
| Interest Earned | 1,924,813.05 | 1,924,813.05 |
| Realized Gain (Loss) | 425,853.36 | 425,853.36 |
| Book Income | 2,153,401.48 | 2,153,401.48 |
| Average Portfolio Balance | 426,665,030.86 | 426,665,030.86 |
| Book Return for Period | 0.51% | 0.51% |

Return Comparisons

Periodic for performance less than one year. Annualized for performance greater than one year.



Fair Market Return

| | Quarter to Date | Fiscal Year to Date (07/01/2020) |
|-------------------------------|-----------------|-------------------------------------|
| Market Value Change | (1,424,498.48) | (1,424,498.48) |
| Amortization/Accretion | (197,264.93) | (197,264.93) |
| Interest Earned | 1,924,813.05 | 1,924,813.05 |
| Fair Market Earned Income | 303,049.64 | 303,049.64 |
| Average Portfolio Balance | 426,665,030.86 | 426,665,030.86 |
| Fair Market Return for Period | 0.17% | 0.17% |

Interest Income

| | Quarter to Date | Fiscal Year to Date (07/01/2020) |
|----------------------------|-----------------|-------------------------------------|
| Beginning Accrued Interest | 2,144,593.55 | 2,144,593.55 |
| Coupons Paid | 1,885,661.75 | 1,885,661.75 |
| Purchased Accrued Interest | 2,676.78 | 2,676.78 |
| Sold Accrued Interest | (698,298.24) | (698,298.24) |
| Ending Accrued Interest | 1,488,123.38 | 1,488,123.38 |
| Interest Earned | 1,924,813.05 | 1,924,813.05 |

Security Type Distribution

Multnomah County | Total Aggregate Portfolio

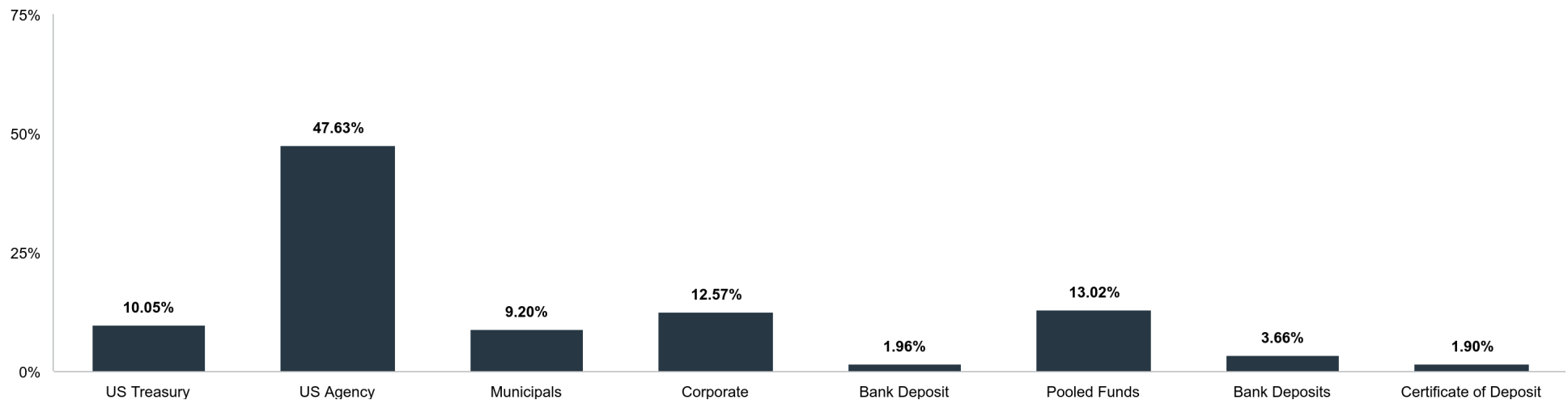


September 30, 2020

Security Type Distribution

| Security Type | Par Amount | Book Yield | Market Value + Accrued | % of Market Value + Accrued |
|------------------------|-----------------------|--------------|------------------------|-----------------------------|
| US Treasury | 35,000,000.00 | 1.833 | 35,612,841.78 | 10.05% |
| US Agency | 165,357,000.00 | 1.562 | 168,729,042.34 | 47.63% |
| Municipals | 30,510,000.00 | 1.594 | 32,604,454.44 | 9.20% |
| Corporate | 43,570,000.00 | 2.039 | 44,541,203.60 | 12.57% |
| Bank Deposit | 6,946,001.15 | 0.416 | 6,946,001.15 | 1.96% |
| Pooled Funds | 46,129,929.72 | 1.000 | 46,129,929.72 | 13.02% |
| Bank Deposits | 12,969,079.48 | 0.250 | 12,969,079.48 | 3.66% |
| Certificate of Deposit | 6,715,000.00 | 0.314 | 6,727,121.36 | 1.90% |
| Total | 347,197,010.35 | 1.485 | 354,259,673.87 | 100.00% |

Security Type Distribution



Risk Management-Credit/Issuer

Multnomah County | Total Aggregate Portfolio

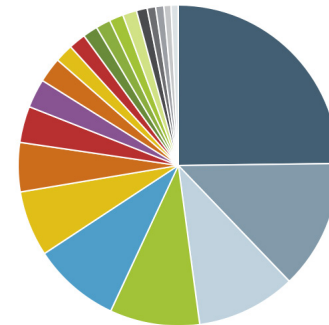


September 30, 2020

Credit Rating S&P/Moody's/Fitch

| | Market Value + Accrued | % |
|----------------|------------------------|---------------|
| S&P | | |
| A+ | 5,539,871.85 | 1.56 |
| AA+ | 228,207,693.56 | 64.42 |
| AA- | 33,654,456.49 | 9.50 |
| AAA | 11,124,067.52 | 3.14 |
| NA | 75,733,584.45 | 21.38 |
| Moody's | | |
| A1 | 3,003,560.97 | 0.85 |
| Aa1 | 20,567,250.29 | 5.81 |
| Aa2 | 28,908,477.72 | 8.16 |
| Aa3 | 12,799,442.39 | 3.61 |
| Aaa | 216,208,810.79 | 61.03 |
| NA | 72,772,131.71 | 20.54 |
| Fitch | | |
| A+ | 5,539,871.85 | 1.56 |
| AA | 2,955,863.80 | 0.83 |
| AA+ | 38,925,758.11 | 10.99 |
| AA- | 2,030,000.00 | 0.57 |
| AAA | 204,341,884.12 | 57.68 |
| NA | 95,194,617.22 | 26.87 |
| WR | 5,271,678.78 | 1.49 |
| Total | 354,259,673.87 | 100.00 |

Issuer Concentration



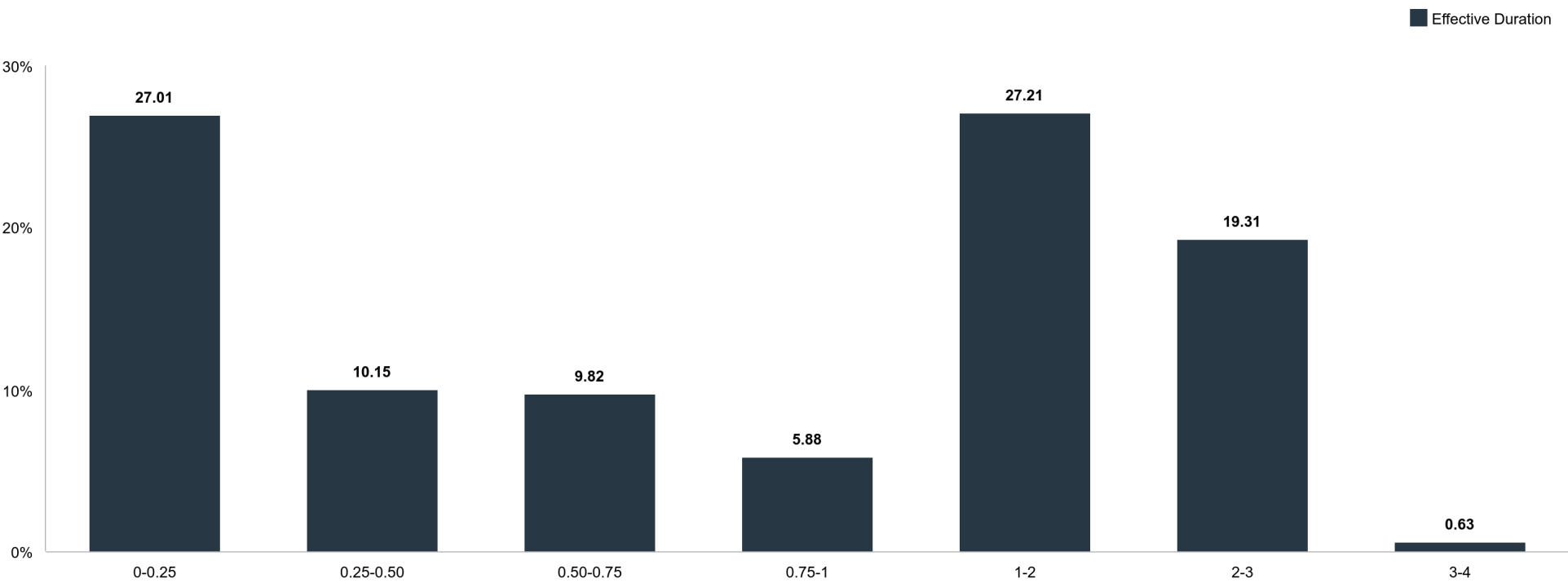
| | |
|--|-------|
| Farm Credit System | 24.8% |
| OREGON SHORT TERM FUND | 13.0% |
| United States | 10.1% |
| Freddie Mac | 9.1% |
| Federal Home Loan Banks | 8.8% |
| Royal Bank of Canada | 6.6% |
| Federal National Mortgage Association | 4.9% |
| UMPQUA BANK MONEY FUND | 3.7% |
| Apple Inc. | 2.9% |
| State of Oregon | 2.5% |
| State Of Washington | 1.8% |
| Other | 1.7% |
| Metro Ore | 1.5% |
| Colgate-Palmolive Company | 1.5% |
| JP Morgan Chase | 1.4% |
| State of California | 1.4% |
| WASHINGTON FEDERAL DEPOSIT | 1.1% |
| Toyota Motor Corporation | 0.8% |
| King County Public Hospital District No. 2 | 0.8% |
| Oregon State Department of Administrative Services | 0.7% |
| Citigroup Inc. | 0.7% |

Risk Management-Maturity/Duration

Multnomah County | Total Aggregate Portfolio

| | | | | | |
|----------|--------------------|----------|-------------------|-----|------------------|
| 1.11 Yrs | Effective Duration | 1.16 Yrs | Years to Maturity | 425 | Days to Maturity |
|----------|--------------------|----------|-------------------|-----|------------------|

Distribution by Effective Duration



Holdings by Maturity & Ratings

Multnomah County | Total Aggregate Portfolio



September 30, 2020

| Cusip | Par Amount | Security | Coupon Rate | Maturity Date | Call Date | Market Value | Accrued | Market Value + Accrued | Book Yield | Market Yield | % of Portfolio | Years to Maturity | Eff Duration | S&P, Moody, Fitch |
|----------------|---------------|--|-------------|---------------|-----------|---------------|------------|------------------------|------------|--------------|----------------|-------------------|--------------|-------------------|
| MULT_BA_DEP | 1,240,474.16 | BANK OF AMERICA DEPOSIT | 0.010 | 09/30/2020 | | 1,240,474.16 | 0.00 | 1,240,474.16 | 0.010 | | 0.35 | 0.010 | 0.010 | NA NA NA |
| OSTF_LGIP | 46,129,929.72 | OREGON SHORT TERM FUND | 1.000 | 09/30/2020 | | 46,129,929.72 | 0.00 | 46,129,929.72 | 1.000 | | 13.02 | 0.010 | 0.010 | NA NA NA |
| MULT_UMP_MMF | 12,969,079.48 | UMPQUA BANK MONEY FUND | 0.250 | 09/30/2020 | | 12,969,079.48 | 0.00 | 12,969,079.48 | 0.250 | | 3.66 | 0.010 | 0.010 | NA NA NA |
| MULT_USB_DEP | 189,686.51 | US BANK DEPOSIT | 0.010 | 09/30/2020 | | 189,686.51 | 0.00 | 189,686.51 | 0.010 | | 0.05 | 0.010 | 0.010 | NA NA NA |
| MULT_WAFED_DEP | 3,877,740.62 | WASHINGTON FEDERAL DEPOSIT | 0.150 | 09/30/2020 | | 3,877,740.62 | 0.00 | 3,877,740.62 | 0.150 | | 1.09 | 0.010 | 0.010 | NA NA NA |
| MULT_WLMT_DEP | 1,638,099.86 | WILLAMETTE COMMUNITY DEPOSIT | 1.400 | 09/30/2020 | | 1,638,099.86 | 0.00 | 1,638,099.86 | 1.400 | | 0.46 | 0.010 | 0.010 | NA NA NA |
| MULT-SYS7620 | 5,000,000.00 | JP Morgan Chase | 0.090 | 10/06/2020 | | 5,000,000.00 | 1,035.62 | 5,001,035.62 | 0.090 | 0.090 | 1.41 | 0.016 | 0.016 | NA NA NA |
| 78012KJA6 | 18,000,000.00 | ROYAL BANK OF CANADA | 2.350 | 10/30/2020 | | 18,029,770.20 | 177,425.00 | 18,207,195.20 | 2.033 | 0.361 | 5.14 | 0.082 | 0.083 | AA- Aa2 AA+ |
| MULT-SYS7581 | 245,000.00 | Summit Bank | 0.700 | 11/14/2020 | | 245,000.00 | 1,508.26 | 246,508.26 | 0.700 | 0.700 | 0.07 | 0.123 | 0.123 | NA NA NA |
| 494791RN8 | 2,945,000.00 | KING CNTY WASH PUB HOSP DIST NO 002 | 1.295 | 12/01/2020 | | 2,948,740.15 | 12,712.58 | 2,961,452.73 | 1.296 | 0.542 | 0.84 | 0.170 | 0.169 | NA Aa3 NA |
| 3133EJAW9 | 10,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 2.250 | 01/29/2021 | | 10,069,148.10 | 38,750.00 | 10,107,898.10 | 2.464 | 0.156 | 2.85 | 0.331 | 0.330 | AA+ Aaa AAA |
| 3133EJCE7 | 10,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 2.350 | 02/12/2021 | | 10,080,366.90 | 31,986.11 | 10,112,353.01 | 2.722 | 0.156 | 2.85 | 0.370 | 0.366 | AA+ Aaa AAA |
| MULT-SYS7601 | 245,000.00 | Pacific West Bank | 1.750 | 02/18/2021 | | 245,000.00 | 2,654.73 | 247,654.73 | 1.750 | 1.750 | 0.07 | 0.386 | 0.386 | NA NA NA |
| 3133EJEM7 | 10,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 2.500 | 03/01/2021 | | 10,098,329.80 | 20,833.33 | 10,119,163.13 | 2.576 | 0.154 | 2.86 | 0.416 | 0.419 | AA+ Aaa AAA |

Holdings by Maturity & Ratings

Multnomah County | Total Aggregate Portfolio



September 30, 2020

| Cusip | Par Amount | Security | Coupon Rate | Maturity Date | Call Date | Market Value | Accrued | Market Value + Accrued | Book Yield | Market Yield | % of Portfolio | Years to Maturity | Eff Duration | S&P, Moody, Fitch |
|--------------|---------------|---|-------------|---------------|-----------|---------------|------------|------------------------|------------|--------------|----------------|-------------------|--------------|-------------------|
| MULT-SYS7573 | 245,000.00 | Homestreet Bank | 2.000 | 03/18/2021 | | 245,000.00 | 5,087.95 | 250,087.95 | 2.000 | 2.000 | 0.07 | 0.463 | 0.463 | NA NA NA |
| 68607VZ40 | 2,500,000.00 | OREGON ST DEPT ADMINISTRATIVE SVCS LOTTERY REV | 2.450 | 04/01/2021 | | 2,525,075.00 | 30,625.00 | 2,555,700.00 | 2.450 | 0.451 | 0.72 | 0.501 | 0.496 | AAA Aa2 NA |
| 9128284G2 | 10,000,000.00 | UNITED STATES TREASURY | 2.375 | 04/15/2021 | | 10,122,270.00 | 109,665.30 | 10,231,935.30 | 2.286 | 0.113 | 2.89 | 0.539 | 0.535 | AA+ Aaa AAA |
| 037833AR1 | 5,000,000.00 | APPLE INC | 2.850 | 05/06/2021 | | 5,074,488.15 | 57,395.83 | 5,131,883.98 | 2.852 | 0.362 | 1.45 | 0.597 | 0.592 | AA+ Aa1 NA |
| 13032UUY2 | 2,000,000.00 | CALIFORNIA HEALTH FACS FING AUTH REV | 1.896 | 06/01/2021 | | 2,017,360.00 | 12,640.00 | 2,030,000.00 | 1.896 | 0.594 | 0.57 | 0.668 | 0.663 | AA- Aa3 AA- |
| 313373ZY1 | 15,000,000.00 | FEDERAL HOME LOAN BANKS | 3.625 | 06/11/2021 | | 15,360,800.40 | 166,145.83 | 15,526,946.23 | 2.842 | 0.171 | 4.38 | 0.695 | 0.688 | AA+ Aaa AAA |
| 93974EHG4 | 2,000,000.00 | WASHINGTON ST | 5.000 | 07/01/2021 | | 2,072,720.00 | 25,000.00 | 2,097,720.00 | 0.882 | 0.165 | 0.59 | 0.750 | 0.740 | AA+ Aaa AA+ |
| MULT-SYS7621 | 245,000.00 | Premier Community Bank | 0.300 | 07/08/2021 | | 245,000.00 | 171.16 | 245,171.16 | 0.300 | 0.300 | 0.07 | 0.770 | 0.770 | NA NA NA |
| 89236TGS8 | 3,000,000.00 | TOYOTA MOTOR CREDIT CORP | 0.378 | 08/13/2021 | | 3,002,015.43 | 1,545.54 | 3,003,560.97 | 0.383 | 0.281 | 0.85 | 0.868 | 0.122 | A+ A1 A+ |
| 912828YC8 | 20,000,000.00 | UNITED STATES TREASURY | 1.500 | 08/31/2021 | | 20,250,000.00 | 25,690.61 | 20,275,690.61 | 1.666 | 0.136 | 5.72 | 0.917 | 0.913 | AA+ Aaa AAA |
| MULT-SYS7610 | 245,000.00 | NW Community Credit Union | 1.000 | 09/14/2021 | | 245,000.00 | 1,342.47 | 246,342.47 | 1.000 | 1.000 | 0.07 | 0.956 | 0.956 | NA NA NA |
| 3133EJK24 | 10,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 3.000 | 10/19/2021 | | 10,295,537.00 | 135,000.00 | 10,430,537.00 | 2.963 | 0.189 | 2.94 | 1.052 | 1.030 | AA+ Aaa AAA |
| 912828YP9 | 5,000,000.00 | UNITED STATES TREASURY | 1.500 | 10/31/2021 | | 5,073,830.00 | 31,385.87 | 5,105,215.87 | 1.589 | 0.137 | 1.44 | 1.085 | 1.072 | AA+ Aaa AAA |
| 68607DTS4 | 500,000.00 | OREGON ST DEPT TRANSN HWY USER TAX REV | 1.798 | 11/15/2021 | | 509,020.00 | 3,396.22 | 512,416.22 | 1.798 | 0.192 | 0.14 | 1.126 | 1.111 | AAA Aa1 AA+ |

Holdings by Maturity & Ratings

Multnomah County | Total Aggregate Portfolio



September 30, 2020

| Cusip | Par Amount | Security | Coupon Rate | Maturity Date | Call Date | Market Value | Accrued | Market Value + Accrued | Book Yield | Market Yield | % of Portfolio | Years to Maturity | Eff Duration | S&P, Moody, Fitch |
|---------------|---------------|--|-------------|---------------|------------|---------------|-----------|------------------------|------------|--------------|----------------|-------------------|--------------|-------------------|
| 3133ELHR8 | 10,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 1.600 | 01/21/2022 | | 10,187,819.80 | 31,111.11 | 10,218,930.91 | 1.500 | 0.162 | 2.88 | 1.309 | 1.296 | AA+ Aaa AAA |
| MULT-SYS76 24 | 245,000.00 | Unitus Community CU | 0.300 | 01/31/2022 | | 245,000.00 | 124.85 | 245,124.85 | 0.300 | 0.300 | 0.07 | 1.337 | 1.337 | NA NA NA |
| 78012KZG5 | 5,000,000.00 | ROYAL BANK OF CANADA | 2.750 | 02/01/2022 | | 5,166,802.05 | 22,916.67 | 5,189,718.72 | 1.792 | 0.247 | 1.46 | 1.339 | 1.315 | AA- Aa2 AA+ |
| MULT-SYS76 25 | 245,000.00 | Willamette Community Bank | 0.650 | 02/17/2022 | | 245,000.00 | 196.34 | 245,196.34 | 0.650 | 0.650 | 0.07 | 1.384 | 1.384 | NA NA NA |
| 17325FAV0 | 2,500,000.00 | CITIBANK NA | 3.165 | 02/19/2022 | 02/19/2021 | 2,527,079.62 | 9,231.25 | 2,536,310.88 | 1.357 | 0.639 | 0.72 | 1.389 | 0.386 | A+ Aa3 A+ |
| 19416QDZ0 | 3,570,000.00 | COLGATE-PALMOLIVE CO | 2.300 | 05/03/2022 | | 3,681,289.36 | 33,756.33 | 3,715,045.69 | 1.470 | 0.335 | 1.05 | 1.589 | 1.556 | AA- Aa3 WR |
| 037833CQ1 | 5,000,000.00 | APPLE INC | 2.300 | 05/11/2022 | 04/11/2022 | 5,156,132.85 | 44,722.22 | 5,200,855.07 | 3.265 | 0.358 | 1.47 | 1.611 | 1.497 | AA+ Aa1 NA |
| 59163PKE2 | 5,000,000.00 | METRO ORE | 3.500 | 06/01/2022 | | 5,258,750.00 | 58,333.33 | 5,317,083.33 | 2.399 | 0.387 | 1.50 | 1.668 | 1.617 | AAA Aaa NA |
| 313379Q69 | 10,000,000.00 | FEDERAL HOME LOAN BANKS | 2.125 | 06/10/2022 | | 10,332,404.30 | 65,520.83 | 10,397,925.13 | 1.857 | 0.160 | 2.94 | 1.693 | 1.662 | AA+ Aaa AAA |
| 3133EKRD0 | 10,017,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 1.875 | 06/14/2022 | | 10,307,134.69 | 55,823.91 | 10,362,958.60 | 1.920 | 0.173 | 2.93 | 1.704 | 1.677 | AA+ Aaa AAA |
| 3137EAET2 | 6,085,000.00 | FEDERAL HOME LOAN MORTGAGE CORP | 0.125 | 07/25/2022 | | 6,079,489.06 | 1,436.74 | 6,080,925.80 | 0.204 | 0.175 | 1.72 | 1.816 | 1.816 | AA+ Aaa AAA |
| 93974CRA0 | 2,000,000.00 | WASHINGTON ST | 4.369 | 08/01/2022 | | 2,148,500.00 | 14,563.33 | 2,163,063.33 | 2.999 | 0.310 | 0.61 | 1.835 | 1.773 | AA+ Aaa AA+ |
| 3133EKPC4 | 15,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 2.125 | 09/06/2022 | | 15,565,175.10 | 22,135.42 | 15,587,310.52 | 1.923 | 0.172 | 4.40 | 1.934 | 1.901 | AA+ Aaa AAA |
| 68607DTT2 | 500,000.00 | OREGON ST DEPT TRANSN HWY USER TAX REV | 1.855 | 11/15/2022 | | 516,595.00 | 3,503.89 | 520,098.89 | 1.855 | 0.287 | 0.15 | 2.126 | 2.078 | AAA Aa1 AA+ |

Holdings by Maturity & Ratings

Multnomah County | Total Aggregate Portfolio



September 30, 2020

| Cusip | Par Amount | Security | Coupon Rate | Maturity Date | Call Date | Market Value | Accrued | Market Value + Accrued | Book Yield | Market Yield | % of Portfolio | Years to Maturity | Eff Duration | S&P, Moody, Fitch |
|-----------|---------------|---|-------------|---------------|-----------|---------------|------------|------------------------|------------|--------------|----------------|-------------------|--------------|-------------------|
| 3133ELJH8 | 5,000,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 1.600 | 01/23/2023 | | 5,161,459.55 | 15,111.11 | 5,176,570.66 | 1.472 | 0.200 | 1.46 | 2.315 | 2.273 | AA+ Aaa AAA |
| 19416QEA4 | 1,500,000.00 | COLGATE-PALMOLIVE CO | 1.950 | 02/01/2023 | | 1,551,758.08 | 4,875.00 | 1,556,633.08 | 1.815 | 0.463 | 0.44 | 2.339 | 2.284 | AA- Aa3 WR |
| 13063DSU3 | 1,350,000.00 | CALIFORNIA ST | 4.000 | 03/01/2023 | | 1,473,417.00 | 4,500.00 | 1,477,917.00 | 1.071 | 0.210 | 0.42 | 2.416 | 2.326 | AA- Aa2 AA |
| 13063CSB7 | 1,320,000.00 | CALIFORNIA ST | 5.000 | 03/01/2023 | | 1,472,446.80 | 5,500.00 | 1,477,946.80 | 0.930 | 0.212 | 0.42 | 2.416 | 2.306 | AA- Aa2 AA |
| 3137EAEQ8 | 1,000,000.00 | FEDERAL HOME LOAN MORTGAGE CORP | 0.375 | 04/20/2023 | | 1,005,285.78 | 1,677.08 | 1,006,962.86 | 0.359 | 0.168 | 0.28 | 2.553 | 2.539 | AA+ Aaa AAA |
| 68609TKW7 | 5,000,000.00 | OREGON ST | 5.000 | 05/01/2023 | | 5,623,550.00 | 104,166.67 | 5,727,716.67 | 0.990 | 0.165 | 1.62 | 2.583 | 2.421 | AA+ Aa1 AA+ |
| 3137EAER6 | 5,000,000.00 | FEDERAL HOME LOAN MORTGAGE CORP | 0.375 | 05/05/2023 | | 5,021,450.40 | 7,500.00 | 5,028,950.40 | 0.346 | 0.209 | 1.42 | 2.594 | 2.581 | AA+ Aaa AAA |
| 3135G04Q3 | 7,500,000.00 | FEDERAL NATIONAL MORTGAGE ASSOCIATION | 0.250 | 05/22/2023 | | 7,505,377.35 | 6,718.75 | 7,512,096.10 | 0.351 | 0.223 | 2.12 | 2.641 | 2.632 | AA+ Aaa AAA |
| 3133834G3 | 5,000,000.00 | FEDERAL HOME LOAN BANKS | 2.125 | 06/09/2023 | | 5,254,995.90 | 33,055.56 | 5,288,051.46 | 0.350 | 0.223 | 1.49 | 2.690 | 2.614 | AA+ Aaa AAA |
| 938429V46 | 1,250,000.00 | WASHINGTON CNTY ORE SCH DIST NO 48J BEAVERTON | 0.569 | 06/15/2023 | | 1,253,712.50 | 1,797.88 | 1,255,510.38 | 0.569 | 0.459 | 0.35 | 2.706 | 2.682 | AA+ Aa1 NA |
| 93974EHJ8 | 2,000,000.00 | WASHINGTON ST | 5.000 | 07/01/2023 | | 2,264,060.00 | 25,000.00 | 2,289,060.00 | 1.031 | 0.189 | 0.65 | 2.750 | 2.587 | AA+ Aaa AA+ |
| 3135G05G4 | 10,000,000.00 | FEDERAL NATIONAL MORTGAGE ASSOCIATION | 0.250 | 07/10/2023 | | 9,997,940.50 | 5,625.00 | 10,003,565.50 | 0.287 | 0.257 | 2.82 | 2.775 | 2.765 | AA+ Aaa AAA |
| 3137EAEV7 | 10,000,000.00 | FEDERAL HOME LOAN MORTGAGE CORP | 0.250 | 08/24/2023 | | 10,006,781.10 | 2,777.78 | 10,009,558.88 | 0.283 | 0.227 | 2.83 | 2.898 | 2.887 | AA+ Aaa AAA |

Holdings by Maturity & Ratings

Multnomah County | Total Aggregate Portfolio



September 30, 2020

| Cusip | Par Amount | Security | Coupon Rate | Maturity Date | Call Date | Market Value | Accrued | Market Value + Accrued | Book Yield | Market Yield | % of Portfolio | Years to Maturity | Eff Duration | S&P, Moody, Fitch |
|--------------|-----------------------|--|--------------|---------------|------------|-----------------------|---------------------|------------------------|--------------|--------------|----------------|-------------------|--------------|-------------------|
| 3133EL5J9 | 5,755,000.00 | FEDERAL FARM CREDIT BANKS FUNDING CORP | 0.300 | 09/01/2023 | 09/01/2021 | 5,751,366.01 | 1,438.75 | 5,752,804.76 | 0.316 | 0.322 | 1.62 | 2.920 | 1.646 | AA+ Aaa AAA |
| 3137EAEW5 | 10,000,000.00 | FEDERAL HOME LOAN MORTGAGE CORP | 0.250 | 09/08/2023 | | 10,003,658.30 | 1,875.00 | 10,005,533.30 | 0.261 | 0.237 | 2.82 | 2.939 | 2.926 | AA+ Aaa AAA |
| 68607DTU9 | 1,500,000.00 | OREGON ST DEPT TRANSN HWY USER TAX REV | 1.946 | 11/15/2023 | | 1,562,625.00 | 11,027.33 | 1,573,652.33 | 1.946 | 0.595 | 0.44 | 3.126 | 3.019 | AAA Aa1 AA+ |
| 68607DUZ6 | 645,000.00 | OREGON ST DEPT TRANSN HWY USER TAX REV | 0.414 | 11/15/2023 | | 645,012.90 | 103.84 | 645,116.74 | 0.414 | 0.413 | 0.18 | 3.126 | 3.101 | AAA Aa1 AA+ |
| Total | 347,197,010.35 | | 1.742 | | | 352,771,550.49 | 1,488,123.38 | 354,259,673.87 | 1.485 | 0.230 | 100.00 | 1.165 | 1.113 | |

This report is for general informational purposes only and is not intended to provide specific advice or recommendations. Government Portfolio Advisors (GPA) 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.

Questions About an Account: GPA's monthly & quarterly reports are intended to detail the investment advisory activity managed by GPA. The custodial bank maintains the control of assets and settles all investment transactions. The custodial statement is the official record of security and cash holdings and transactions. GPA recognizes that clients may use these reports to facilitate record keeping and that the custodial bank statement and the GPA report should be reconciled, and differences documented.

Trade Date versus Settlement Date: Many custodial banks use settlement date basis and post coupons or maturities on the following business days when they occur on weekend. These items may result in the need to reconcile due to a timing difference. GPA reports are on a trade date basis in accordance with GIPS performance standards. GPA can provide all account settings to support the reason for any variance.

Bank Deposits and Pooled Investment Funds Held in Liquidity Accounts Away from the Custodial Bank are Referred to as Line Item Securities: GPA relies on the information provided by clients when reporting pool balances, bank balances and other assets that are not held at the client's custodial bank. GPA does not guarantee the accuracy of information received from third parties. Balances cannot be adjusted once submitted however corrective transactions can be entered as adjustments in the following months activity. Assets held outside the custodial bank that are reported to GPA are included in GPA's oversight compliance reporting and strategic plan.

Account Control: GPA does not have the authority to withdraw or deposit funds from or to any client's custodial account. Clients retain responsibility for the deposit and withdrawal of funds to the custodial account. Our clients retain responsibility for their internal accounting policies, implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

Custodial Bank Interface: Our contract provides for the ability for GPA to interface into our client's custodial bank to reconcile transactions, maturities and coupon payments. The GPA client portal will be available to all clients to access this information directly at any time.

Market Price: Generally, GPA has set all securities market pricing to match custodial bank pricing. There may be certain securities that will require pricing override due to inaccurate custodial bank pricing that will otherwise distort portfolio performance returns. GPA may utilize Refinitiv pricing source for commercial paper, discount notes and supranational bonds when custodial bank pricing does not reflect current market levels. The pricing variances are obvious when market yields are distorted from the current market levels.

Amortized Cost: The original cost on 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. Discounts or premiums are amortized on a straight-line basis on all securities. This can be changed at the client's request.

Callable Securities: Securities subject to redemption in whole or in part prior to the stated final maturity at the discretion of the security's issuer are referred to as "callable". Certain call dates may not show up on the report if the call date has passed or if the security is continuously callable until maturity date. Bonds purchased at a premium will be amortized to the next call date while all other callable securities will be amortized to maturity. If the bond is amortized to the call date, amortization will be reflected to that date and once the call date passes, the bond will be fully amortized.

Duration: The duration is the effective duration. Duration on callable securities is based on the probability of the security being called given market rates and security characteristics.

Benchmark Duration: The benchmark duration is based on the duration of the stated benchmark that is assigned to each account.

Rating: Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed.

Coupon Payments and Maturities on Weekends: On occasion, coupon payments and maturities occur on a weekend or holiday. GPA's report settings are on the accrual basis so the coupon postings and maturities will be accounted for in the period earned. The bank may be set at a cash basis, which may result in a reconciliation variance.

Cash and Cash Equivalents: GPA has defined cash and cash equivalents to be cash, bank deposits, LGIP pools and repurchase agreements. This may vary from your custodial bank which typically defines cash and equivalents as all securities that mature under 90 days. Check with your custodial bank to understand their methodology.

Account Settings: GPA has the portfolio settings at the lot level, if a security is sold our setting will remove the lowest cost security first. First-in-first-out (FIFO) settings are available at the client's request.

Historical Numbers: Data was transferred from GPA's legacy system, however, variances may exist from the data received due to a change of settings on Clearwater. GPA is utilizing this information for historical return data with the understanding the accrual settings and pricing sources may differ slightly.

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

No Guarantee: The securities in the portfolio are not guaranteed or otherwise protected by GPA, the FDIC (except for non-negotiable certificates of deposit) or any government agency. Investment in securities involves risks, including the possible loss of the amount invested.

