



CITY OF KIRKLAND
Department of Finance & Administration
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MEMORANDUM

To: Kurt Triplett, City Manager

From: Michael Olson, Director of Finance and Administration

Date: February 2, 2021

Subject: QUARTERLY INVESTMENT REPORT, 4TH QUARTER 2020

RECOMMENDATION:

It is recommended that the City Council receive the Quarterly Investment Report

BACKGROUND DISCUSSION

This report was previously provided to the Council Finance and Administration Committee and will now be presented to the City Council each quarter on the consent agenda.

The Quarterly Investment report is prepared by the City's Investment Advisor. The City began contracting with an Investment Advisor in late 2014 to supplement limited internal resources, provide for dedicated resources in managing the portfolio and provide for more active trading in the portfolio to ensure the most advantageous yield. The Investment Advisor assists City staff with the management of the City's investment portfolio by providing non-discretionary advisory services for the City's investment portfolio and investment policy. Non-discretionary service means that the City retains control of the portfolio and authorizes all transactions.

Kirkland's Investment Policy, adopted by resolution from the City Council, establishes standards and guidelines for the direction, management and oversight for all the City's investable funds. Government revenues are collected and spent for public purposes and their use must be legal, transparent and accountable to the public. Public funds that are invested must be strongly protected against loss and must be available to be spent if the need arises. Therefore, the primary objectives for the City of Kirkland's investment activities are legality, safety, liquidity and finally, yield. Additionally, the City diversifies its investments according to established maximum allowable exposure limits so that reliance on any one issuer will not place an undue financial burden on the City. As is noted on page 3 of the report, all current investments remain fully compliant with Kirkland's adopted investment policies.

Investments are limited those securities and deposits authorized by statute (RCW 39.58, 39.59, 43.250, and 43.84.080). The current investment portfolio consists primarily of U.S. Treasury obligations, Government Sponsored Enterprises (GSE's) such as the Federal Home Loan Banks (FHLB), the Washington State Local Government Investment Pool and deposits in banks approved by the Public Deposit Protection Commission (PDPC) where those funds are 100% collateralized and protected by other assets.

The attached Quarterly Investment Report includes a brief market commentary and market outlook at the beginning of the report on page 2. Following that, the status of compliance to Kirkland's Investment Policy pages 3 & 4 and a strategic outlook is presented on page 5. A summary of Portfolio characteristics, structure, activity and returns can be found on pages 8-10. The report also includes a full listing of the security holdings in Kirkland's Portfolio is listed on pages 14-16. Information on the Investment Core only begin on page 17.

The City issued a request for proposals in early 2020 for the Investment Advisor as the original contract and extensions for Government Portfolio Advisors were completed. Although the City did receive multiple qualified submittals for the contract, Government Portfolio Advisors provided the best combination of services and expertise and began their new three-year contract on September 1, 2020.



Quarterly Investment Report City of Kirkland

December 31, 2020

Total Aggregate Portfolio

Market Commentary

Market Yields: The interest rate curve steepened during the fourth quarter as longer-dated yields increased in response to continued economic improvement, additional stimulus from Washington, and positive news on the rollout of vaccines. The curve, as measured by the difference in 10-year and 2-year yields, ended the year at 0.80%, a level not seen since early 2018. Front-end interest rates remained anchored at low levels given market's expectation that the Fed will hold interest rates near zero for some time ahead. Going forward, rate markets will grapple with growth and inflation expectations as we begin to see the light at the end of the tunnel and begin the economic healing process more fully. If economic activity and employment gains accelerate in the months to come, higher long-term and intermediate yields and a steeper curve will likely follow.

FOMC: The Federal Reserve concluded their most recent policy-setting meeting on December 16th with no changes to their monetary policy stance. The Fed did commit to maintaining their current pace of asset purchases until substantial further progress was made in the economy and pledged to inform markets well in advance of removing any accommodation. The Fed also updated their economic projections to reflect an economy and labor market that is healing faster than originally projected but left unchanged their long run expectations of an economy growing at 1.8% with inflation at 2%.

Employment and Inflation: The labor market slowed as the year ended with renewed lockdowns dragging on the services sector. The labor market is poised to rebound once people can safely return to normal activities. Market participants and economists have been debating the impact of fiscal stimulus on inflation, a Fed seeking to allow inflation to run above their target, and an economic reopening set to unleash pent up demand. Market pricing for inflation has picked up over recent months with the 5-year inflation swap pricing CPI at 2.2% over the next 5 years well above the 10-year historical average of 1.7%. Meaningful inflation in the economy is something we haven't seen in the United States in several years, but we have seen inflation in asset markets such as stocks, housing, and fine art. A return of sustained inflation would certainly take a toll on the bond market with rates still near historic lows.

Quarterly Yield Change

	03/31/20	06/30/20	09/30/20	12/31/20
3 month bill	0.06	0.13	0.09	0.06
2 year note	0.25	0.15	0.13	0.12
5 year note	0.38	0.29	0.28	0.36
10 year note	0.67	0.66	0.68	0.91

Economists' Survey Projections

	Q1-21	Q2-21	Q3-21	Q4-21
Real GDP	2.5	3.6	3.8	3.4
Core PCE (YOY%)	1.5	2.0	1.7	1.7
Unemployment	6.6	6.3	5.8	5.5

Market Outlook

GDP: Growth for the fourth quarter is set to show another gain despite the recent lockdowns aimed to stem the spread of the COVID-19 virus. Economists expect an annualized growth rate of 4.6% for the quarter which would lead to an annual decline of 3.5% for the year. Looking forward, economists are expecting a buoyant back-half of 2021 and full-year 2022 as economic reopening is expected to spur the services sector and lead to rapid employment gains as schools reopen and activity picks up. Looking past 2022, we face the more challenging question on what the domestic and global economy will look like once healed yet scarred from the pandemic. While long-term forecasts are fraught with error, the Congressional Budget Office projects a long-run GDP growth rate of 1.7% while the Fed and International Monetary Fund predict long-run GDP growth of 1.8%.

Fed Funds: The Federal Reserve provided an update to their summary of economic projections in December where they continue to project the policy rate at zero through at least 2023 as the economy slowly returns toward more normal levels. Fresh stimulus efforts and Democratic control of D.C. led markets to accelerate their call for rate hikes out of the Fed as market pricing now calls for liftoff in 2023 with a shallow path toward a terminal rate around 1%.

Two-year Yield Expectations: We continue to expect the Fed-policy sensitive two-year yield to remain low and trade in a narrow range over the coming months.

Portfolio Positioning: Today's markets are uniquely challenging for conservative investors in the fixed income space as yields are historically low and spread sectors are historically rich in valuation. Within this challenging backdrop, we continue to advise clients to remain at, or near, their duration targets as the curve remains positively sloped and breakeven rates provide compelling reason to remain engaged. Given increased stimulus efforts and a healing economy, we continue to be mildly cautious of yields in the three to five-year sector but fall short of outright avoiding the tenors as we anticipate low rates will be with us for some time. Furthermore, we anticipate 2021 will be another robust year for agency and taxable municipal issuance which should provide pockets of opportunities to safely add income to portfolios.

Economists' Survey Projections for Rates

	Q1-21	Q2-21	Q3-21	Q4-21
Fed Funds	0.25	0.25	0.25	0.25
2 Year	0.2	0.24	0.28	0.33
10 year	0.96	1.07	1.14	1.24

Compliance Report

City of Kirkland | Total Aggregate Portfolio



December 31, 2020

Category

Policy Diversification Constraint	Policy Limit	Actual Value*	Status
US Treasury Obligations Maximum % of Holdings	100.000	8.997	Compliant
US Agency Callable Securities Maximum % of Total Portfolio	25.000	2.055	Compliant
US Agency FFCB Issuer Concentration	30.000	15.054	Compliant
US Agency FHLB Issuer Concentration	30.000	22.949	Compliant
US Agency FHLMC Issuer Concentration	30.000	9.329	Compliant
US Agency FNMA Issuer Concentration	30.000	17.856	Compliant
US Agency Obligations - Primary FHLB, FNMA, FHLMC, FFCB Maximum % of Holdings	100.000	65.187	Compliant
US Agency Obligations - Secondary FICO, FARMER MAC etc. Maximum % of Holdings	20.000	0.000	Compliant
US Agency Obligations Issuer Concentration - Secondary FICO, FARMER MAC etc.	10.000	0.000	Compliant
Municipal Bonds Issuer Concentration	5.000	0.000	Compliant
Municipal Bonds Maximum % of Holdings	20.000	0.000	Compliant
Commercial Paper Issuer Concentration	3.000	0.000	Compliant
Commercial Paper Maximum % of Holdings	25.000	0.000	Compliant
Certificates of Deposit Issuer Concentration	5.000	2.189	Compliant
Certificates of Deposit Maximum % of Holdings	10.000	2.189	Compliant
Banker's Acceptance Issuer Concentration	5.000	0.000	Compliant
Banker's Acceptance Maximum % of Holdings	5.000	0.000	Compliant
LGIP Maximum % of Holdings	100.000	13.992	Compliant
PDPC Bank Deposits Issuer Concentration	100.000	9.634	Compliant
PDPC Bank Deposits Maximum % of Holdings	50.000	11.823	Compliant

*Market Value

Compliance Report

City of Kirkland | Total Aggregate Portfolio



December 31, 2020

Category

Policy Maturity Structure Constraint	Policy Limit	Actual %	Status
Maturity Constraints Under 30 days Minimum % of Total Portfolio	10.000	23.535	Compliant
Maturity Constraints Under 1 year Minimum % of Total Portfolio	25.000	41.592	Compliant
Maturity Constraints Under 5 years Minimum % of Total Portfolio	100.000	100.000	Compliant
Policy Maturity Constraint	Policy Limit	Actual Term	Status
US Treasury Maximum Maturity At Time of Purchase (years)	5.000	4.923	Compliant
US Agency Maximum Maturity At Time of Purchase (years)	5.000	0.000	Compliant
US Agency Obligations - Secondary Must be rated by Atleast one	0.000	0.000	Compliant
Municipals Maximum Maturity At Time of Purchase (years)	5.000	0.000	Compliant
Commercial Paper Days to Final Maturity (days)	270.000	0.000	Compliant
Weighted Average Maturity (years)	3.000	1.653	Compliant
Policy Credit Constraint			Status
US Agency Obligations - Secondary Minimum Ratings AA-/Aa3/AA- if rated			Compliant
Municipal Bonds Ratings Minimum AA-/Aa3/AA- by All if rated			Compliant
Commercial Paper Ratings Minimum Ratings A1/P1 by both and F1 (if rated)			Compliant

*Market Value

Strategic Quarterly Update

City of Kirkland | Total Aggregate Portfolio



Strategic Outlook

- Consistent with our expectations, Congress agreed to another round of fiscal stimulus to help bridge the economy to the other side of the viral pandemic. With the results in, the Democratic Party was able to wrest control of the legislative process for at least the next two years. Policy makers appear willing to bring more stimulus to the economy in late winter or early spring as vaccine rollouts have been slower than originally anticipated.
- Spread sectors ended the year with continued strong performance and end the year near historically rich valuations. As markets come back to life in the new year, our focus will be on the new issue pipeline to source potential opportunities.
- Progress on the vaccine rollout and additional stimulus from Washington will be the focus as we enter a challenging first quarter for the economy. While there is light at the end of the tunnel, fresh lockdowns around the nation will be a drag on the economic healing process that will forestall meaningful economic healing to the back half of the year. Despite the challenges at hand, the domestic economy has proved resilient and is well-positioned to spring back to robust activity once herd immunity is sufficiently at hand.

Portfolio Positioning

- Your core account continues to be well-positioned to the strategic duration target. Efforts going forward will be on maintaining the excellent account structure.
- The agency market ended the year near historically high valuations. Your account has room to take advantage should opportunities arise in the agency market as we expect robust issuance in 2021.
- The total portfolio book yield decreased from 1.528 to 1.415.
- The total portfolio unrealized gain ended the quarter at \$5,076,565.
- The core portfolio duration decreased over the quarter from 2.161 last quarter to 2.106 this quarter. The benchmark duration ended the quarter at 2.181.
- Net total return for the core portfolio, which includes change in market value and interest income, was 0.07%. The benchmark total return for the period was 0.02%.

Strategy	09/30/2020	12/31/2020
Effective Duration		
Investment Core	2.16	2.11
Benchmark Duration	2.19	2.18
Total Effective Duration	1.68	1.58

Total Return (Net of Fees %)*		
Investment Core	0.23	0.07
Benchmark Return	0.11	0.02
Total Portfolio Performance	0.19	0.06

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

Maturity Total Portfolio		
Average Maturity Total Holdings	1.76	1.66

Book Yield	09/30/2020	12/31/2020
Ending Book Yield		
Certificates of Deposit	0.60%	0.60%
Investment Core	1.91%	1.84%
Liquidity	0.21%	0.15%
Total Book Yield	1.53%	1.41%

Values	09/30/2020	12/31/2020
Market Value + Accrued		
Certificates of Deposit	5,325,858	5,333,905
Investment Core	182,343,040	181,705,816
Liquidity	49,790,957	57,567,859
Total MV + Accrued	237,459,855	244,607,581

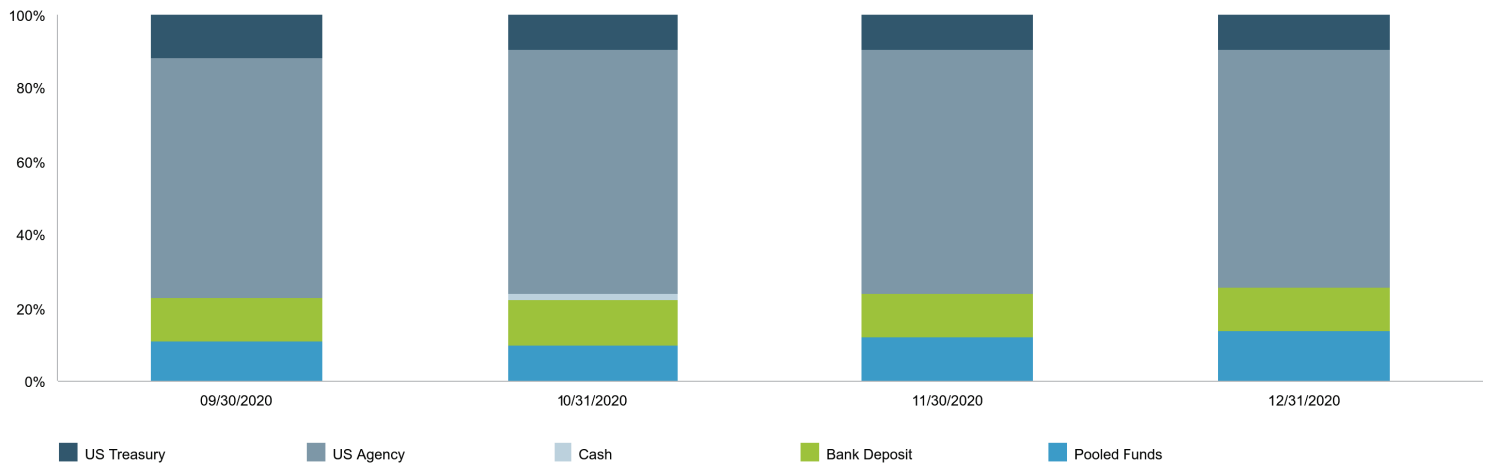
Net Unrealized Gain/Loss		
Total Net Unrealized Gain/Loss	5,769,813	5,076,565

Asset Allocation Change over Quarter

City of Kirkland | Total Aggregate Portfolio

Asset Allocation Changes

Security Type	09/30/2020		12/31/2020		Change	
	Market Value + Accrued	% of Portfolio	Market Value + Accrued	% of Portfolio	Market Value + Accrued	% of Portfolio
US Treasury	27,211,373.09	11.46%	22,011,116.68	9.00%	(5,200,256.41)	(2.46%)
US Agency	155,131,666.81	65.33%	159,694,699.78	65.29%	4,563,032.97	(0.04%)
Bank Deposit	28,788,013.06	12.12%	28,808,122.51	11.78%	20,109.45	(0.35%)
Pooled Funds	26,328,802.23	11.09%	34,093,642.19	13.94%	7,764,839.96	2.85%
Total	237,459,855.18	100.00%	244,607,581.16	100.00%	7,147,725.98	



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

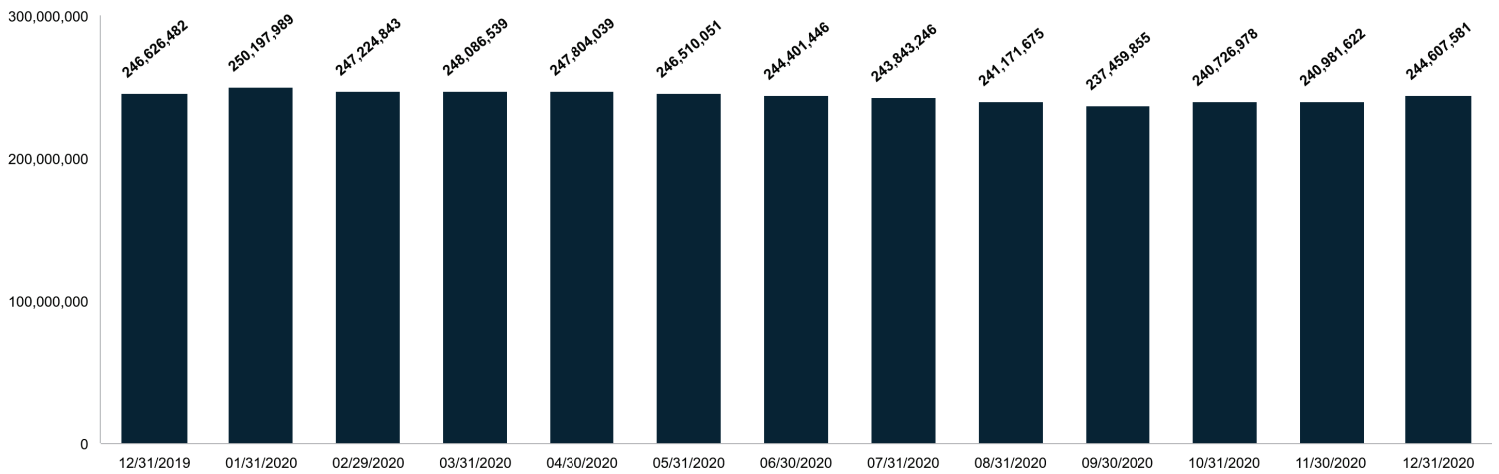
Historical Balances

City of Kirkland | Total Aggregate Portfolio



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Market Value



Market Value and Return

Period Begin	Period End	Market Value + Accrued	Interest Income	Book Yield	Effective Duration	Maturity in Years
12/01/2019	12/31/2019	246,626,482	426,836	1.95%	1.50	1.69
01/01/2020	01/31/2020	250,197,989	430,398	1.95%	1.51	1.68
02/01/2020	02/29/2020	247,224,843	419,994	1.97%	1.54	1.71
03/01/2020	03/31/2020	248,086,539	414,390	1.93%	1.49	1.67
04/01/2020	04/30/2020	247,804,039	378,337	1.77%	1.54	1.71
05/01/2020	05/31/2020	246,510,051	363,675	1.71%	1.48	1.66
06/01/2020	06/30/2020	244,401,446	342,926	1.59%	1.61	1.71
07/01/2020	07/31/2020	243,843,246	330,850	1.55%	1.65	1.75
08/01/2020	08/31/2020	241,171,675	321,712	1.56%	1.61	1.70
09/01/2020	09/30/2020	237,459,855	316,546	1.53%	1.68	1.76
10/01/2020	10/31/2020	240,726,978	309,318	1.48%	1.65	1.73
11/01/2020	11/30/2020	240,981,622	305,959	1.44%	1.67	1.75
12/01/2020	12/31/2020	244,607,581	303,743	1.41%	1.58	1.66

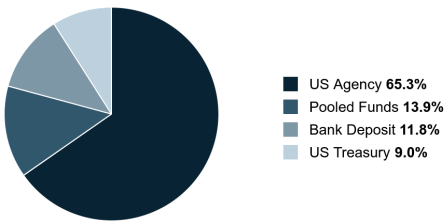
Summary Overview

City of Kirkland | Total Aggregate Portfolio

Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	57,567,859.36
Investments	187,039,721.80
Book Yield	1.41%
Market Yield	0.21%
Effective Duration	1.58
Years to Maturity	1.66
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
KIRK-Investment Core	175,000,000.00	175,678,974.62	176,054,364.69	180,755,539.50	5,076,564.88	950,276.96	1.84%	2.11	2.18	ICE BofA 0-5 Year US Treasury Index
KIRK-Liquidity	57,567,859.36	57,567,859.36	57,567,859.36	57,567,859.36	0.00	0.00	0.15%	0.01	0.09	ICE BofA US 1-Month Treasury Bill Index
KIRK-Certificates of Deposit	5,333,817.81	5,333,817.81	5,333,817.81	5,333,817.81	0.00	87.53	0.60%	0.47	0.16	ICE BofA 0-3 Month US Treasury Bill Index
Total	237,901,677.17	238,580,651.79	238,956,041.86	243,657,216.67	5,076,564.88	950,364.49	1.41%	1.58	1.64	

Portfolio Activity

City of Kirkland | Total Aggregate Portfolio



December 31, 2020

Accrual Activity Summary

	Quarter to Date	Fiscal Year to Date (01/01/2020)
Beginning Book Value	230,890,399.95	243,476,806.22
Maturities/Calls	(10,000,000.00)	(55,310,465.76)
Purchases	9,985,601.92	55,775,846.18
Sales	0.00	0.00
Change in Cash, Payables, Receivables	7,776,902.36	(5,114,075.59)
Amortization/Accretion	(72,252.43)	(249,458.43)
Realized Gain (Loss)	0.00	1,999.18
Ending Book Value	238,580,651.79	238,580,651.79

Maturities/Calls	Market Value
Quarter to Date	(10,000,000.00)
Fiscal Year to Date	(55,310,465.76)

Purchases	Market Value
Quarter to Date	9,985,601.92
Fiscal Year to Date	55,775,846.18

Fair Market Activity Summary

	Quarter to Date	Fiscal Year to Date (01/01/2020)
Beginning Market Value	236,660,212.89	245,623,973.59
Maturities/Calls	(10,000,000.00)	(55,310,465.76)
Purchases	9,985,601.92	55,775,846.18
Sales	0.00	0.00
Change in Cash, Payables, Receivables	7,776,902.36	(5,114,075.59)
Amortization/Accretion	(72,252.43)	(249,458.43)
Change in Net Unrealized Gain (Loss)	(693,248.07)	2,929,397.51
Net Realized Gain (Loss)	0.00	1,999.18
Ending Market Value	243,657,216.67	243,657,216.67

Sales	Market Value
Quarter to Date	0.00
Fiscal Year to Date	0.00

Return Management-Income Detail

City of Kirkland | Total Aggregate Portfolio



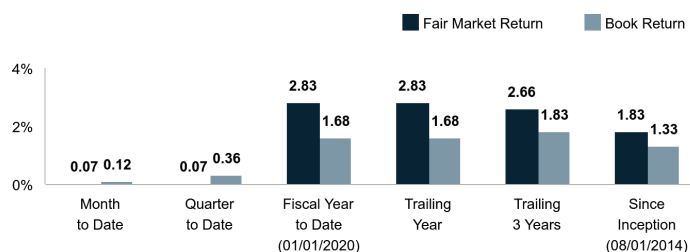
December 31, 2020

Accrued Book Return

	Quarter to Date	Fiscal Year to Date (01/01/2020)
Amortization/Accretion	(72,252.43)	(249,458.43)
Interest Earned	919,020.12	4,237,848.10
Realized Gain (Loss)	0.00	1,999.18
Book Income	846,767.68	3,990,388.84
Average Portfolio Balance	237,431,821.12	243,385,361.80
Book Return for Period	0.36%	1.68%

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 (01/01/2020)
Market Value Change	(693,248.07)	2,929,397.51
Amortization/Accretion	(72,252.43)	(249,458.43)
Interest Earned	919,020.12	4,237,848.10
Fair Market Earned Income	153,519.62	6,917,787.17
Average Portfolio Balance	237,431,821.12	243,385,361.80
Fair Market Return for Period	0.07%	2.83%

Interest Income

	Quarter to Date	Fiscal Year to Date (01/01/2020)
Beginning Accrued Interest	799,642.29	1,002,508.73
Coupons Paid	768,957.64	4,405,456.11
Purchased Accrued Interest	659.72	115,463.77
Sold Accrued Interest	0.00	0.00
Ending Accrued Interest	950,364.49	950,364.49
Interest Earned	919,020.12	4,237,848.10

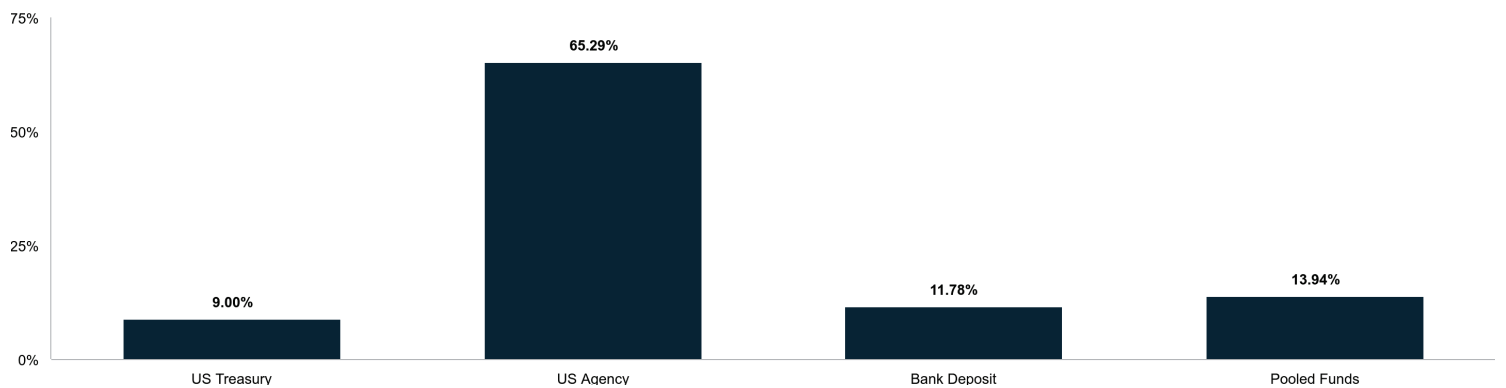
Security Type Distribution

City of Kirkland | Total Aggregate Portfolio

Security Type Distribution

Security Type	Par Amount	Book Yield	Market Value + Accrued	% of Market Value + Accrued
US Treasury	21,000,000.00	1.64%	22,011,116.68	9.00%
US Agency	154,000,000.00	1.87%	159,694,699.78	65.29%
Bank Deposit	28,808,034.98	0.25%	28,808,122.51	11.78%
Pooled Funds	34,093,642.19	0.13%	34,093,642.19	13.94%
Total	237,901,677.17	1.41%	244,607,581.16	100.00%

Security Type Distribution



Risk Management-Credit/Issuer

City of Kirkland | Total Aggregate Portfolio

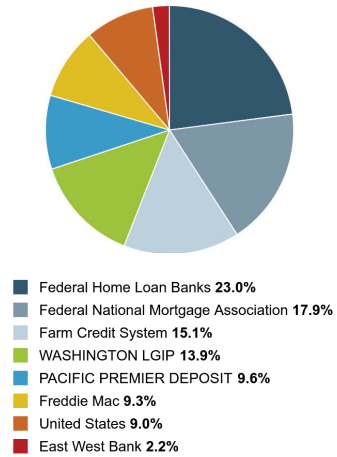


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Credit Rating S&P/Moody's/Fitch

	Market Value + Accrued	%
S&P		
AA+	181,705,816.46	74.28
NA	62,901,764.70	25.72
Moody's		
Aaa	181,705,816.46	74.28
NA	62,901,764.70	25.72
Fitch		
AAA	181,705,816.46	74.28
NA	62,901,764.70	25.72
Total	244,607,581.16	100.00

Issuer Concentration

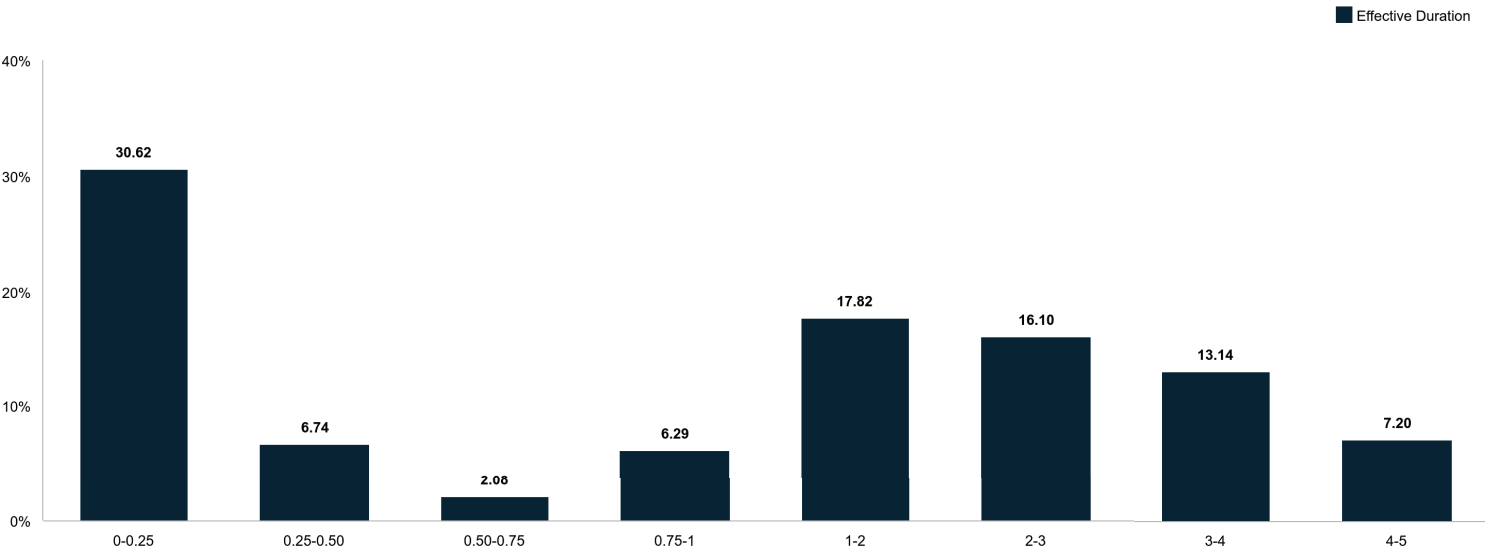


Risk Management-Maturity/Duration

City of Kirkland | Total Aggregate Portfolio

1.58 Yrs	Effective Duration	1.66 Yrs	Years to Maturity	604	Days to Maturity
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Distribution by Effective Duration



Holdings by Maturity & Ratings

City of Kirkland | Total Aggregate Portfolio



December 31, 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
KIRK_PCFC_DEP	23,474,217.17	PACIFIC PREMIER DEPOSIT	0.174%	12/31/2020		23,474,217.17	0.00	23,474,217.17	0.17%		9.60	0.01	0.01	NA NA NA
WA_LGIP	34,093,642.19	WASHINGTON LGIP	0.129%	12/31/2020		34,093,642.19	0.00	34,093,642.19	0.13%		13.94	0.01	0.01	NA NA NA
3130A7CV5	2,000,000.00	FEDERAL HOME LOAN BANKS	1.375%	02/18/2021		2,003,380.00	10,159.72	2,013,539.72	1.63%	0.08%	0.82	0.13	0.13	AA+ Aaa AAA
3135G0J20	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.375%	02/26/2021		5,009,750.00	23,871.53	5,033,621.53	1.45%	0.10%	2.06	0.16	0.15	AA+ Aaa AAA
3130AFV61	5,000,000.00	FEDERAL HOME LOAN BANKS	2.500%	03/12/2021		5,023,000.00	37,847.22	5,060,847.22	2.52%	0.17%	2.07	0.19	0.20	AA+ Aaa AAA
912828WN6	6,000,000.00	UNITED STATES TREASURY	2.000%	05/31/2021		6,046,170.00	10,549.45	6,056,719.45	1.66%	0.14%	2.48	0.41	0.41	AA+ Aaa AAA
313379RB7	5,000,000.00	FEDERAL HOME LOAN BANKS	1.875%	06/11/2021		5,038,235.00	5,208.33	5,043,443.33	1.84%	0.15%	2.06	0.44	0.44	AA+ Aaa AAA
KIRK-17340 25-2021	5,333,817.81	East West Bank	0.599%	06/19/2021		5,333,817.81	87.53	5,333,905.34	0.60%	0.60%	2.18	0.47	0.47	NA NA NA
313378JP7	5,000,000.00	FEDERAL HOME LOAN BANKS	2.375%	09/10/2021		5,076,790.00	36,614.58	5,113,404.58	1.64%	0.15%	2.09	0.69	0.69	AA+ Aaa AAA
3130AF5B9	5,000,000.00	FEDERAL HOME LOAN BANKS	3.000%	10/12/2021		5,112,905.00	32,916.67	5,145,821.67	2.50%	0.10%	2.10	0.78	0.77	AA+ Aaa AAA
3130A0EN6	5,000,000.00	FEDERAL HOME LOAN BANKS	2.875%	12/10/2021		5,129,375.00	8,385.42	5,137,760.42	2.61%	0.12%	2.10	0.94	0.93	AA+ Aaa AAA
3135G0S38	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	2.000%	01/05/2022		5,095,075.00	48,888.89	5,143,963.89	2.05%	0.12%	2.10	1.01	1.00	AA+ Aaa AAA
3135G0U92	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	2.625%	01/11/2022		5,128,855.00	61,979.17	5,190,834.17	2.59%	0.12%	2.12	1.03	1.01	AA+ Aaa AAA
3133EKBV7	5,000,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP	2.550%	03/01/2022		5,140,290.00	42,500.00	5,182,790.00	2.52%	0.14%	2.12	1.16	1.15	AA+ Aaa AAA

Holdings by Maturity & Ratings

City of Kirkland | Total Aggregate Portfolio



December 31, 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
313378WG2	5,000,000.00	FEDERAL HOME LOAN BANKS	2.500%	03/11/2022		5,142,175.00	38,194.44	5,180,369.44	2.36%	0.12%	2.12	1.19	1.18	AA+ Aaa AAA
3135G0T45	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.875%	04/05/2022		5,110,855.00	22,395.83	5,133,250.83	1.11%	0.12%	2.10	1.26	1.25	AA+ Aaa AAA
3130AEBM1	5,000,000.00	FEDERAL HOME LOAN BANKS	2.750%	06/10/2022		5,189,810.00	8,020.83	5,197,830.83	2.84%	0.11%	2.12	1.44	1.42	AA+ Aaa AAA
9128283C2	5,000,000.00	UNITED STATES TREASURY	2.000%	10/31/2022		5,170,900.00	17,127.07	5,188,027.07	1.59%	0.13%	2.12	1.83	1.80	AA+ Aaa AAA
3130A3KM5	7,000,000.00	FEDERAL HOME LOAN BANKS	2.500%	12/09/2022		7,317,282.00	10,694.44	7,327,976.44	2.94%	0.16%	3.00	1.94	1.90	AA+ Aaa AAA
3135G0T94	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	2.375%	01/19/2023		5,228,260.00	53,437.50	5,281,697.50	3.04%	0.14%	2.16	2.05	1.99	AA+ Aaa AAA
3133ELMD3	5,000,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP	1.600%	02/10/2023	02/10/2021	5,007,340.00	31,333.33	5,038,673.33	1.60%	1.53%	2.06	2.11	0.12	AA+ Aaa AAA
3133EJFK0	5,000,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP	2.650%	03/08/2023		5,268,890.00	41,590.28	5,310,480.28	1.60%	0.18%	2.17	2.18	2.12	AA+ Aaa AAA
3135G04Q3	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.250%	05/22/2023		5,011,230.00	1,354.17	5,012,584.17	0.32%	0.16%	2.05	2.39	2.38	AA+ Aaa AAA
3133EJUS6	5,000,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP	2.875%	07/17/2023		5,336,325.00	65,486.11	5,401,811.11	3.07%	0.22%	2.21	2.54	2.44	AA+ Aaa AAA
313383YJ4	5,000,000.00	FEDERAL HOME LOAN BANKS	3.375%	09/08/2023		5,427,040.00	52,968.75	5,480,008.75	3.04%	0.19%	2.24	2.69	2.57	AA+ Aaa AAA
3135G0U43	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	2.875%	09/12/2023		5,357,905.00	43,524.31	5,401,429.31	2.54%	0.21%	2.21	2.70	2.59	AA+ Aaa AAA
3137EAEY1	5,000,000.00	FEDERAL HOME LOAN MORTGAGE CORP	0.125%	10/16/2023		4,995,850.00	1,302.08	4,997,152.08	0.24%	0.15%	2.04	2.79	2.78	AA+ Aaa AAA

Holdings by Maturity & Ratings

City of Kirkland | Total Aggregate Portfolio



December 31, 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
3137EAEZ8	2,500,000.00	FEDERAL HOME LOAN MORTGAGE CORP	0.250%	11/06/2023		2,501,755.00	972.22	2,502,727.22	0.28%	0.23%	1.02	2.85	2.83	AA+ Aaa AAA
912828V80	5,000,000.00	UNITED STATES TREASURY	2.250%	01/31/2024		5,319,530.00	47,078.80	5,366,608.80	1.60%	0.17%	2.19	3.08	2.97	AA+ Aaa AAA
3133EKBW5	5,000,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP	2.610%	02/27/2024		5,369,515.00	44,950.00	5,414,465.00	2.57%	0.26%	2.21	3.16	3.03	AA+ Aaa AAA
3130A1XJ2	5,000,000.00	FEDERAL HOME LOAN BANKS	2.875%	06/14/2024		5,456,935.00	6,788.19	5,463,723.19	2.03%	0.22%	2.23	3.45	3.31	AA+ Aaa AAA
3133EKWV4	10,000,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP	1.850%	07/26/2024		10,556,880.00	79,652.78	10,636,532.78	1.92%	0.28%	4.35	3.57	3.44	AA+ Aaa AAA
912828G38	5,000,000.00	UNITED STATES TREASURY	2.250%	11/15/2024		5,385,155.00	14,606.35	5,399,761.35	1.69%	0.25%	2.21	3.88	3.72	AA+ Aaa AAA
3137EAEPO	5,000,000.00	FEDERAL HOME LOAN MORTGAGE CORP	1.500%	02/12/2025		5,242,700.00	28,958.33	5,271,658.33	0.55%	0.31%	2.16	4.12	3.98	AA+ Aaa AAA
3135G03U5	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.625%	04/22/2025		5,056,505.00	5,989.58	5,062,494.58	0.53%	0.36%	2.07	4.31	4.25	AA+ Aaa AAA
3137EAEU9	5,000,000.00	FEDERAL HOME LOAN MORTGAGE CORP	0.375%	07/21/2025		5,000,145.00	8,229.17	5,008,374.17	0.44%	0.37%	2.05	4.55	4.51	AA+ Aaa AAA
3137EAEX3	5,000,000.00	FEDERAL HOME LOAN MORTGAGE CORP	0.375%	09/23/2025		4,989,410.00	5,000.00	4,994,410.00	0.42%	0.42%	2.04	4.73	4.68	AA+ Aaa AAA
3135G06G3	2,500,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.500%	11/07/2025		2,509,322.50	1,701.39	2,511,023.89	0.52%	0.42%	1.03	4.85	4.78	AA+ Aaa AAA
Total	237,901,677.17		1.542%			243,657,216.67	950,364.49	244,607,581.16	1.41%	0.24%	100.00	1.66	1.58	

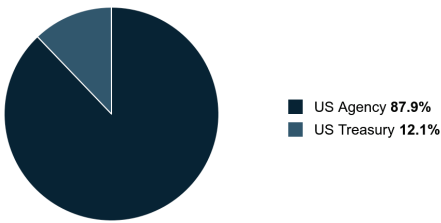
Summary Overview

City of Kirkland | Investment Core

Portfolio Characteristics

Metric	Value
Investments	181,705,816.46
Book Yield	1.84%
Market Yield	0.20%
Effective Duration	2.11
Years to Maturity	2.21
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
KIRK-Investment Core	175,000,000.00	175,678,974.62	176,054,364.69	180,755,539.50	5,076,564.88	950,276.96	1.84%	2.11	2.18	ICE BofA 0-5 Year US Treasury Index
Total	175,000,000.00	175,678,974.62	176,054,364.69	180,755,539.50	5,076,564.88	950,276.96	1.84%	2.11	2.18	

Portfolio Activity

City of Kirkland | Investment Core



December 31, 2020

Accrual Activity Summary

	Quarter to Date	Fiscal Year to Date (01/01/2020)
Beginning Book Value	175,773,672.06	175,536,667.63
Maturities/Calls	(10,000,000.00)	(50,000,000.00)
Purchases	9,977,555.00	50,389,766.25
Sales	0.00	0.00
Change in Cash, Payables, Receivables	0.00	0.00
Amortization/Accretion	(72,252.43)	(249,458.43)
Realized Gain (Loss)	0.00	1,999.18
Ending Book Value	175,678,974.62	175,678,974.62

Maturities/Calls	Market Value
Quarter to Date	(10,000,000.00)
Fiscal Year to Date	(50,000,000.00)

Purchases	Market Value
Quarter to Date	9,977,555.00
Fiscal Year to Date	50,389,766.25

Fair Market Activity Summary

	Quarter to Date	Fiscal Year to Date (01/01/2020)
Beginning Market Value	181,543,485.00	177,683,835.00
Maturities/Calls	(10,000,000.00)	(50,000,000.00)
Purchases	9,977,555.00	50,389,766.25
Sales	0.00	0.00
Change in Cash, Payables, Receivables	0.00	0.00
Amortization/Accretion	(72,252.43)	(249,458.43)
Change in Net Unrealized Gain (Loss)	(693,248.07)	2,929,397.51
Net Realized Gain (Loss)	0.00	1,999.18
Ending Market Value	180,755,539.50	180,755,539.50

Sales	Market Value
Quarter to Date	0.00
Fiscal Year to Date	0.00

Return Management-Income Detail

City of Kirkland | Investment Core



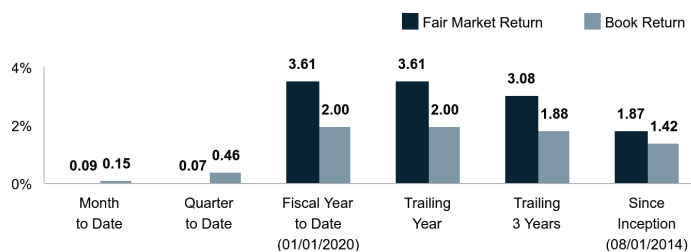
December 31, 2020

Accrued Book Return

	Quarter to Date	Fiscal Year to Date (01/01/2020)
Amortization/Accretion	(72,252.43)	(249,458.43)
Interest Earned	888,013.74	3,760,431.32
Realized Gain (Loss)	0.00	1,999.18
Book Income	815,761.30	3,512,972.06
Average Portfolio Balance	181,336,974.68	181,158,992.79
Book Return for Period	0.46%	2.00%

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 (01/01/2020)
Market Value Change	(693,248.07)	2,929,397.51
Amortization/Accretion	(72,252.43)	(249,458.43)
Interest Earned	888,013.74	3,760,431.32
Fair Market Earned Income	122,513.24	6,440,370.39
Average Portfolio Balance	181,336,974.68	181,158,992.79
Fair Market Return for Period	0.07%	3.61%

Interest Income

	Quarter to Date	Fiscal Year to Date (01/01/2020)
Beginning Accrued Interest	799,554.89	1,002,166.59
Coupons Paid	737,951.39	3,927,784.72
Purchased Accrued Interest	659.72	115,463.77
Sold Accrued Interest	0.00	0.00
Ending Accrued Interest	950,276.96	950,276.96
Interest Earned	888,013.74	3,760,431.32

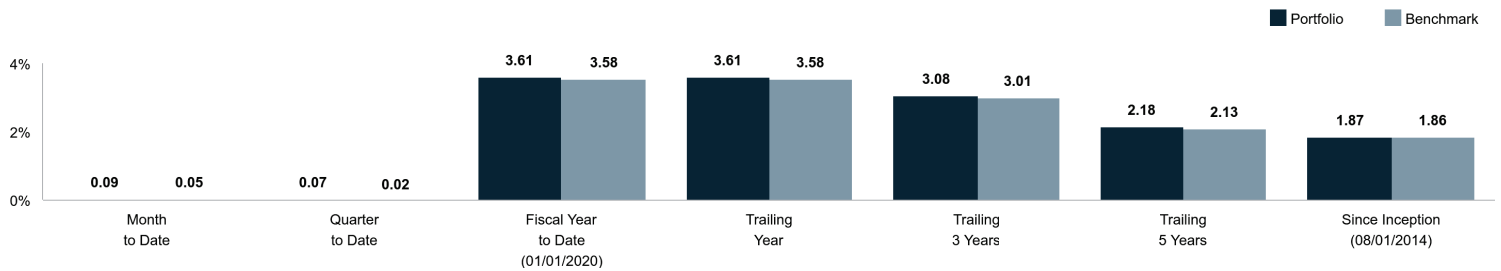
Return Management-Performance

City of Kirkland | Investment Core

GPA
December 31, 2020

Performance Returns Gross of Fees

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



Historical Returns

Period	Month to Date	Quarter to Date	Fiscal Year to Date (01/01/2020)	Trailing Year	Trailing 3 Years	Trailing 5 Years	Since Inception (08/01/2014)
Return (Net of Fees)	0.084%	0.066%	3.582%	3.582%	3.067%	2.151%	1.842%
Return (Gross of Fees)	0.086%	0.074%	3.607%	3.607%	3.084%	2.177%	1.871%
ICE BofA 0-5 Year US Treasury Index	0.053%	0.019%	3.575%	3.575%	3.005%	2.128%	1.864%

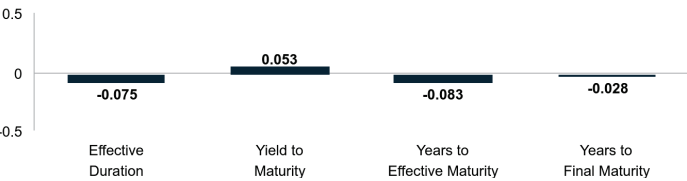
Risk Management-Relative to Benchmark

City of Kirkland | Investment Core

Benchmark Comparison Summary

Risk Metric	Portfolio	Benchmark	Difference
Effective Duration	2.11	2.18	(0.07)
Yield to Maturity	0.23	0.18	0.05
Years to Effective Maturity	2.16	2.24	(0.08)
Years to Final Maturity	2.21	2.24	(0.03)
Avg Credit Rating	AA+	AAA	---

Benchmark Comparison Summary



Benchmark vs. Portfolio Variance-Market Sector



Benchmark Comparison-Market Sector

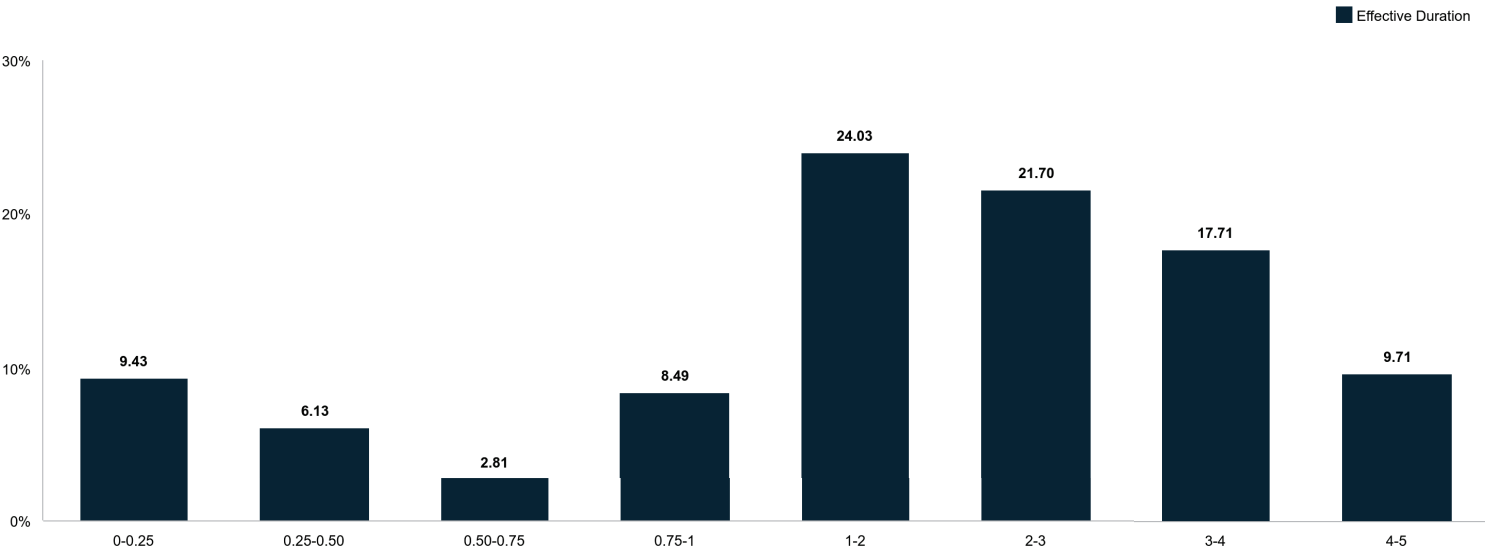
Market Sector	Portfolio	Benchmark	Difference
Treasury	12.11	100.00	(87.89)
Agency	87.89	0.00	87.89

Risk Management-Maturity/Duration

City of Kirkland | Investment Core

2.11 Yrs	Effective Duration	2.21 Yrs	Years to Maturity	808	Days to Maturity
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Distribution by Effective Duration



Risk Management-Credit/Issuer

City of Kirkland | Investment Core

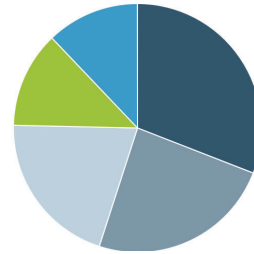


December 31, 2020

Credit Rating S&P/Moody's/Fitch

	Market Value + Accrued	%
S&P		
AA+	181,705,816.46	100.00
Moody's		
Aaa	181,705,816.46	100.00
Fitch		
AAA	181,705,816.46	100.00
Total	181,705,816.46	100.00

Issuer Concentration



- Federal Home Loan Banks **30.9%**
- Federal National Mortgage Association **24.1%**
- Farm Credit System **20.4%**
- Freddie Mac **12.5%**
- United States **12.1%**

Holdings by Maturity & Ratings

City of Kirkland | Investment Core



December 31, 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
3130A7CV5	2,000,000.00	FEDERAL HOME LOAN BANKS	1.375%	02/18/2021		2,003,380.00	10,159.72	2,013,539.72	1.63%	0.08%	1.11	0.13	0.13	AA+ Aaa AAA
3135G0J20	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.375%	02/26/2021		5,009,750.00	23,871.53	5,033,621.53	1.45%	0.10%	2.77	0.16	0.15	AA+ Aaa AAA
3130AFV61	5,000,000.00	FEDERAL HOME LOAN BANKS	2.500%	03/12/2021		5,023,000.00	37,847.22	5,060,847.22	2.52%	0.17%	2.79	0.19	0.20	AA+ Aaa AAA
912828WN6	6,000,000.00	UNITED STATES TREASURY	2.000%	05/31/2021		6,046,170.00	10,549.45	6,056,719.45	1.66%	0.14%	3.33	0.41	0.41	AA+ Aaa AAA
313379RB7	5,000,000.00	FEDERAL HOME LOAN BANKS	1.875%	06/11/2021		5,038,235.00	5,208.33	5,043,443.33	1.84%	0.15%	2.78	0.44	0.44	AA+ Aaa AAA
313378JP7	5,000,000.00	FEDERAL HOME LOAN BANKS	2.375%	09/10/2021		5,076,790.00	36,614.58	5,113,404.58	1.64%	0.15%	2.81	0.69	0.69	AA+ Aaa AAA
3130AF5B9	5,000,000.00	FEDERAL HOME LOAN BANKS	3.000%	10/12/2021		5,112,905.00	32,916.67	5,145,821.67	2.50%	0.10%	2.83	0.78	0.77	AA+ Aaa AAA
3130A0EN6	5,000,000.00	FEDERAL HOME LOAN BANKS	2.875%	12/10/2021		5,129,375.00	8,385.42	5,137,760.42	2.61%	0.12%	2.83	0.94	0.93	AA+ Aaa AAA
3135G0S38	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	2.000%	01/05/2022		5,095,075.00	48,888.89	5,143,963.89	2.05%	0.12%	2.83	1.01	1.00	AA+ Aaa AAA
3135G0U92	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	2.625%	01/11/2022		5,128,855.00	61,979.17	5,190,834.17	2.59%	0.12%	2.86	1.03	1.01	AA+ Aaa AAA
3133EKBV7	5,000,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP	2.550%	03/01/2022		5,140,290.00	42,500.00	5,182,790.00	2.52%	0.14%	2.85	1.16	1.15	AA+ Aaa AAA
313378WG2	5,000,000.00	FEDERAL HOME LOAN BANKS	2.500%	03/11/2022		5,142,175.00	38,194.44	5,180,369.44	2.36%	0.12%	2.85	1.19	1.18	AA+ Aaa AAA
3135G0T45	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.875%	04/05/2022		5,110,855.00	22,395.83	5,133,250.83	1.11%	0.12%	2.83	1.26	1.25	AA+ Aaa AAA

Holdings by Maturity & Ratings

City of Kirkland | Investment Core



December 31, 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
3130AEBM1	5,000,000.00	FEDERAL HOME LOAN BANKS	2.750%	06/10/2022		5,189,810.00	8,020.83	5,197,830.83	2.84%	0.11%	2.86	1.44	1.42	AA+ Aaa AAA
9128283C2	5,000,000.00	UNITED STATES TREASURY	2.000%	10/31/2022		5,170,900.00	17,127.07	5,188,027.07	1.59%	0.13%	2.86	1.83	1.80	AA+ Aaa AAA
3130A3KM5	7,000,000.00	FEDERAL HOME LOAN BANKS	2.500%	12/09/2022		7,317,282.00	10,694.44	7,327,976.44	2.94%	0.16%	4.03	1.94	1.90	AA+ Aaa AAA
3135G0T94	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	2.375%	01/19/2023		5,228,260.00	53,437.50	5,281,697.50	3.04%	0.14%	2.91	2.05	1.99	AA+ Aaa AAA
3133ELMD3	5,000,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP	1.600%	02/10/2023	02/10/2021	5,007,340.00	31,333.33	5,038,673.33	1.60%	1.53%	2.77	2.11	0.12	AA+ Aaa AAA
3133EJFK0	5,000,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP	2.650%	03/08/2023		5,268,890.00	41,590.28	5,310,480.28	1.60%	0.18%	2.92	2.18	2.12	AA+ Aaa AAA
3135G04Q3	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.250%	05/22/2023		5,011,230.00	1,354.17	5,012,584.17	0.32%	0.16%	2.76	2.39	2.38	AA+ Aaa AAA
3133EJUS6	5,000,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP	2.875%	07/17/2023		5,336,325.00	65,486.11	5,401,811.11	3.07%	0.22%	2.97	2.54	2.44	AA+ Aaa AAA
313383YJ4	5,000,000.00	FEDERAL HOME LOAN BANKS	3.375%	09/08/2023		5,427,040.00	52,968.75	5,480,008.75	3.04%	0.19%	3.02	2.69	2.57	AA+ Aaa AAA
3135G0U43	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	2.875%	09/12/2023		5,357,905.00	43,524.31	5,401,429.31	2.54%	0.21%	2.97	2.70	2.59	AA+ Aaa AAA
3137EAEY1	5,000,000.00	FEDERAL HOME LOAN MORTGAGE CORP	0.125%	10/16/2023		4,995,850.00	1,302.08	4,997,152.08	0.24%	0.15%	2.75	2.79	2.78	AA+ Aaa AAA
3137EAEZ8	2,500,000.00	FEDERAL HOME LOAN MORTGAGE CORP	0.250%	11/06/2023		2,501,755.00	972.22	2,502,727.22	0.28%	0.23%	1.38	2.85	2.83	AA+ Aaa AAA
912828V80	5,000,000.00	UNITED STATES TREASURY	2.250%	01/31/2024		5,319,530.00	47,078.80	5,366,608.80	1.60%	0.17%	2.95	3.08	2.97	AA+ Aaa AAA

Holdings by Maturity & Ratings

City of Kirkland | Investment Core



December 31, 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
3133EKBW5	5,000,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP	2.610%	02/27/2024		5,369,515.00	44,950.00	5,414,465.00	2.57%	0.26%	2.98	3.16	3.03	AA+ Aaa AAA
3130A1XJ2	5,000,000.00	FEDERAL HOME LOAN BANKS	2.875%	06/14/2024		5,456,935.00	6,788.19	5,463,723.19	2.03%	0.22%	3.01	3.45	3.31	AA+ Aaa AAA
3133EKWV4	10,000,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP	1.850%	07/26/2024		10,556,880.00	79,652.78	10,636,532.78	1.92%	0.28%	5.85	3.57	3.44	AA+ Aaa AAA
912828G38	5,000,000.00	UNITED STATES TREASURY	2.250%	11/15/2024		5,385,155.00	14,606.35	5,399,761.35	1.69%	0.25%	2.97	3.88	3.72	AA+ Aaa AAA
3137EAEPO	5,000,000.00	FEDERAL HOME LOAN MORTGAGE CORP	1.500%	02/12/2025		5,242,700.00	28,958.33	5,271,658.33	0.55%	0.31%	2.90	4.12	3.98	AA+ Aaa AAA
3135G03U5	5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.625%	04/22/2025		5,056,505.00	5,989.58	5,062,494.58	0.53%	0.36%	2.79	4.31	4.25	AA+ Aaa AAA
3137EAEU9	5,000,000.00	FEDERAL HOME LOAN MORTGAGE CORP	0.375%	07/21/2025		5,000,145.00	8,229.17	5,008,374.17	0.44%	0.37%	2.76	4.55	4.51	AA+ Aaa AAA
3137EAEX3	5,000,000.00	FEDERAL HOME LOAN MORTGAGE CORP	0.375%	09/23/2025		4,989,410.00	5,000.00	4,994,410.00	0.42%	0.42%	2.75	4.73	4.68	AA+ Aaa AAA
3135G06G3	2,500,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.500%	11/07/2025		2,509,322.50	1,701.39	2,511,023.89	0.52%	0.42%	1.38	4.85	4.78	AA+ Aaa AAA
Total	175,000,000.00		2.012%			180,755,539.50	950,276.96	181,705,816.46	1.84%	0.23%	100.00	2.21	2.11	

Holdings by Security Type

City of Kirkland | Investment Core



December 31, 2020

Settlement Date	Cusip	Par Amount	Security	Coupon Rate	Maturity Date	Call Date	Book Yield	Market Yield	Market Value + Accrued	Net Unrealized Gain (Loss)	% Asset	Eff Dur
US Treasury												
06/15/2017	912828WN6	6,000,000.00	United States	2.000%	05/31/2021		1.66%	0.14%	6,056,719.45	38,165.57	3.33	0.41
10/02/2019	9128283C2	5,000,000.00	United States	2.000%	10/31/2022		1.59%	0.13%	5,188,027.07	134,716.67	2.86	1.80
01/21/2020	912828V80	5,000,000.00	United States	2.250%	01/31/2024		1.60%	0.17%	5,366,608.80	223,334.28	2.95	2.97
12/13/2019	912828G38	5,000,000.00	United States	2.250%	11/15/2024		1.69%	0.25%	5,399,761.35	281,225.95	2.97	3.72
Total		21,000,000.00					1.64%	0.17%	22,011,116.68	677,442.46	12.11	2.18
US Agency												
03/15/2016	3130A7CV5	2,000,000.00	Federal Home Loan Banks	1.375%	02/18/2021		1.63%	0.08%	2,013,539.72	4,016.53	1.11	0.13
04/27/2016	3135G0J20	5,000,000.00	Federal National Mortgage Association	1.375%	02/26/2021		1.45%	0.10%	5,033,621.53	10,290.96	2.77	0.15
02/28/2019	3130AFV61	5,000,000.00	Federal Home Loan Banks	2.500%	03/12/2021		2.52%	0.17%	5,060,847.22	23,235.85	2.79	0.20
05/12/2017	313379RB7	5,000,000.00	Federal Home Loan Banks	1.875%	06/11/2021		1.84%	0.15%	5,043,443.33	37,559.66	2.78	0.44
08/31/2017	313378JP7	5,000,000.00	Federal Home Loan Banks	2.375%	09/10/2021		1.64%	0.15%	5,113,404.58	52,404.29	2.81	0.69
02/28/2019	3130AF5B9	5,000,000.00	Federal Home Loan Banks	3.000%	10/12/2021		2.50%	0.10%	5,145,821.67	94,323.20	2.83	0.77
01/15/2019	3130A0EN6	5,000,000.00	Federal Home Loan Banks	2.875%	12/10/2021		2.61%	0.12%	5,137,760.42	117,698.75	2.83	0.93
01/31/2017	3135G0S38	5,000,000.00	Federal National Mortgage Association	2.000%	01/05/2022		2.05%	0.12%	5,143,963.89	97,392.79	2.83	1.00
01/15/2019	3135G0U92	5,000,000.00	Federal National Mortgage Association	2.625%	01/11/2022		2.59%	0.12%	5,190,834.17	127,136.39	2.86	1.01
03/01/2019	3133EKBV7	5,000,000.00	Farm Credit System	2.550%	03/01/2022		2.52%	0.14%	5,182,790.00	138,508.81	2.85	1.15
04/15/2019	313378WG2	5,000,000.00	Federal Home Loan Banks	2.500%	03/11/2022		2.36%	0.12%	5,180,369.44	134,252.45	2.85	1.18
03/04/2020	3135G0T45	5,000,000.00	Federal National Mortgage Association	1.875%	04/05/2022		1.11%	0.12%	5,133,250.83	63,569.57	2.83	1.25
07/16/2018	3130AEBM1	5,000,000.00	Federal Home Loan Banks	2.750%	06/10/2022		2.84%	0.11%	5,197,830.83	195,939.30	2.86	1.42
05/21/2018	3130A3KM5	7,000,000.00	Federal Home Loan Banks	2.500%	12/09/2022		2.94%	0.16%	7,327,976.44	372,370.15	4.03	1.90
10/01/2018	3135G0T94	5,000,000.00	Federal National Mortgage Association	2.375%	01/19/2023		3.04%	0.14%	5,281,697.50	291,768.54	2.91	1.99
02/26/2020	3133ELMD3	5,000,000.00	Farm Credit System	1.600%	02/10/2023	02/10/2021	1.60%	0.24%	5,038,673.33	7,340.00	2.77	0.12
10/22/2019	3133EJFK0	5,000,000.00	Farm Credit System	2.650%	03/08/2023		1.60%	0.18%	5,310,480.28	158,140.77	2.92	2.12
06/17/2020	3135G04Q3	5,000,000.00	Federal National Mortgage Association	0.250%	05/22/2023		0.32%	0.16%	5,012,584.17	20,017.40	2.76	2.38
10/01/2018	3133EJUS6	5,000,000.00	Farm Credit System	2.875%	07/17/2023		3.07%	0.22%	5,401,811.11	359,089.24	2.97	2.44
11/30/2018	313383YJ4	5,000,000.00	Federal Home Loan Banks	3.375%	09/08/2023		3.04%	0.19%	5,480,008.75	385,032.77	3.02	2.57
02/28/2019	3135G0U43	5,000,000.00	Federal National Mortgage Association	2.875%	09/12/2023		2.54%	0.21%	5,401,429.31	315,746.30	2.97	2.59
11/02/2020	3137EAEY1	5,000,000.00	Freddie Mac	0.125%	10/16/2023		0.24%	0.15%	4,997,152.08	11,998.24	2.75	2.78

Holdings by Security Type

City of Kirkland | Investment Core



December 31, 2020

Settlement Date	Cusip	Par Amount	Security	Coupon Rate	Maturity Date	Call Date	Book Yield	Market Yield	Market Value + Accrued	Net Unrealized Gain (Loss)	% Asset	Eff Dur
11/17/2020	3137EAEZ8	2,500,000.00	Freddie Mac	0.250%	11/06/2023		0.28%	0.23%	2,502,727.22	4,175.18	1.38	2.83
02/28/2019	3133EKBW5	5,000,000.00	Farm Credit System	2.610%	02/27/2024		2.57%	0.26%	5,414,465.00	363,925.53	2.98	3.03
06/13/2019	3130A1XJ2	5,000,000.00	Federal Home Loan Banks	2.875%	06/14/2024		2.03%	0.22%	5,463,723.19	318,286.75	3.01	3.31
08/01/2019	3133EKVV4	10,000,000.00	Farm Credit System	1.850%	07/26/2024		1.92%	0.28%	10,636,532.78	579,616.74	5.85	3.44
04/20/2020	3137EAEPO	5,000,000.00	Freddie Mac	1.500%	02/12/2025		0.55%	0.31%	5,271,658.33	50,932.92	2.90	3.98
06/12/2020	3135G03U5	5,000,000.00	Federal National Mortgage Association	0.625%	04/22/2025		0.53%	0.36%	5,062,494.58	36,843.93	2.79	4.25
07/29/2020	3137EAEU9	5,000,000.00	Freddie Mac	0.375%	07/21/2025		0.44%	0.37%	5,008,374.17	15,823.38	2.76	4.51
09/28/2020	3137EAEX3	5,000,000.00	Freddie Mac	0.375%	09/23/2025		0.42%	0.42%	4,994,410.00	(386.60)	2.75	4.68
11/17/2020	3135G06G3	2,500,000.00	Federal National Mortgage Association	0.500%	11/07/2025		0.52%	0.42%	2,511,023.89	12,072.62	1.38	4.78
Total		154,000,000.00					1.87%	0.20%	159,694,699.78	4,399,122.41	87.89	2.10
Portfolio Total		175,000,000.00					1.84%	0.20%	181,705,816.46	5,076,564.88	100.00	2.11

Transactions

City of Kirkland | Investment Core



December 31, 2020

Cusip	Security	Trade Date	Settlement Date	Coupon Payment	Price	Par Amount	Principal Amount	Accrued Amount	Total Amount	Broker
Buy										
3137EAEY1	FREDDIE MAC 0.125 10/16/23 MTN	10/29/2020	11/02/2020	0.00	99.66	5,000,000.00	4,982,900.00	277.78	4,983,177.78	TD SECURITIES
3137EAEZ8	FREDDIE MAC 0.250 11/06/23 MTN	11/13/2020	11/17/2020	0.00	99.90	2,500,000.00	2,497,475.00	208.33	2,497,683.33	TD SECURITIES
3135G06G3	FANNIE MAE 0.500 11/07/25	11/13/2020	11/17/2020	0.00	99.89	2,500,000.00	2,497,180.00	173.61	2,497,353.61	Mizuho
Total				0.00		10,000,000.00	9,977,555.00	659.72	9,978,214.72	
Maturity										
912828L99	US TREASURY 1.375 10/31/20 MATD	10/31/2020	10/31/2020	0.00	100.00	5,000,000.00	5,000,000.00	0.00	5,000,000.00	
3137EAEK1	FREDDIE MAC 1.875 11/17/20 MTN MAT	11/17/2020	11/17/2020	0.00	100.00	5,000,000.00	5,000,000.00	0.00	5,000,000.00	
Total				0.00		10,000,000.00	10,000,000.00	0.00	10,000,000.00	
Coupon										
3135G0T45	FANNIE MAE 1.875 04/05/22	10/05/2020	10/05/2020	46,875.00		0.00	0.00	0.00	46,875.00	
3130AF5B9	FHLBANKS 3.000 10/12/21	10/12/2020	10/12/2020	75,000.00		0.00	0.00	0.00	75,000.00	
3135G03U5	FANNIE MAE 0.625 04/22/25	10/22/2020	10/22/2020	15,451.39		0.00	0.00	0.00	15,451.39	
912828L99	US TREASURY 1.375 10/31/20 MATD	10/31/2020	10/31/2020	34,375.00		0.00	0.00	0.00	34,375.00	
9128283C2	US TREASURY 2.000 10/31/22	10/31/2020	10/31/2020	50,000.00		0.00	0.00	0.00	50,000.00	
912828G38	US TREASURY 2.250 11/15/24	11/15/2020	11/15/2020	56,250.00		0.00	0.00	0.00	56,250.00	
3137EAEK1	FREDDIE MAC 1.875 11/17/20 MTN MAT	11/17/2020	11/17/2020	46,875.00		0.00	0.00	0.00	46,875.00	
3135G04Q3	FANNIE MAE 0.250 05/22/23	11/22/2020	11/22/2020	6,250.00		0.00	0.00	0.00	6,250.00	
912828WN6	US TREASURY 2.000 05/31/21	11/30/2020	11/30/2020	60,000.00		0.00	0.00	0.00	60,000.00	
3130A3KM5	FHLBANKS 2.500 12/09/22	12/09/2020	12/09/2020	87,500.00		0.00	0.00	0.00	87,500.00	
3130A0EN6	FHLBANKS 2.875 12/10/21	12/10/2020	12/10/2020	71,875.00		0.00	0.00	0.00	71,875.00	
3130AEBM1	FHLBANKS 2.750 06/10/22	12/10/2020	12/10/2020	68,750.00		0.00	0.00	0.00	68,750.00	
313379RB7	FHLBANKS 1.875 06/11/21	12/11/2020	12/11/2020	46,875.00		0.00	0.00	0.00	46,875.00	
3130A1XJ2	FHLBANKS 2.875 06/14/24	12/14/2020	12/14/2020	71,875.00		0.00	0.00	0.00	71,875.00	
Total				737,951.39		0.00	0.00	0.00	737,951.39	
Cash Transfer										
CCYUSD	US DOLLAR	10/05/2020	10/05/2020	0.00		46,875.00	(46,875.00)	0.00	(46,875.00)	
CCYUSD	US DOLLAR	10/13/2020	10/13/2020	0.00		75,000.00	(75,000.00)	0.00	(75,000.00)	
CCYUSD	US DOLLAR	10/22/2020	10/22/2020	0.00		15,451.39	(15,451.39)	0.00	(15,451.39)	
CCYUSD	US DOLLAR	10/30/2020	10/30/2020	0.00		4,983,177.78	4,983,177.78	0.00	4,983,177.78	
CCYUSD	US DOLLAR	11/02/2020	11/02/2020	0.00		34,375.00	(34,375.00)	0.00	(34,375.00)	

Transactions

City of Kirkland | Investment Core



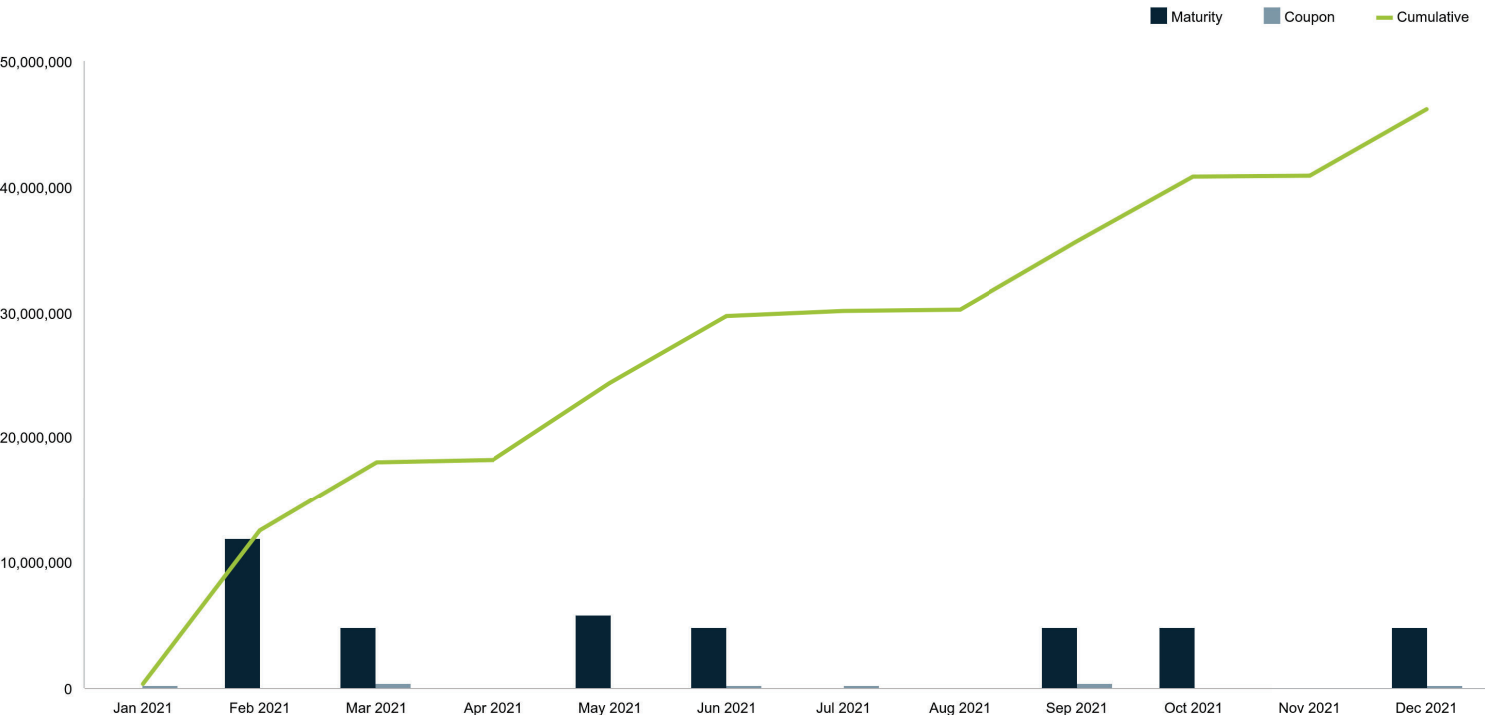
December 31, 2020

Cusip	Security	Trade Date	Settlement Date	Coupon Payment	Price	Par Amount	Principal Amount	Accrued Amount	Total Amount	Broker
CCYUSD	US DOLLAR	11/02/2020	11/02/2020	0.00		50,000.00	(50,000.00)	0.00	(50,000.00)	
CCYUSD	US DOLLAR	11/02/2020	11/02/2020	0.00		5,000,000.00	(5,000,000.00)	0.00	(5,000,000.00)	
CCYUSD	US DOLLAR	11/16/2020	11/16/2020	0.00		2,497,683.33	2,497,683.33	0.00	2,497,683.33	
CCYUSD	US DOLLAR	11/16/2020	11/16/2020	0.00		56,250.00	(56,250.00)	0.00	(56,250.00)	
CCYUSD	US DOLLAR	11/16/2020	11/16/2020	0.00		2,497,353.61	2,497,353.61	0.00	2,497,353.61	
CCYUSD	US DOLLAR	11/17/2020	11/17/2020	0.00		5,000,000.00	(5,000,000.00)	0.00	(5,000,000.00)	
CCYUSD	US DOLLAR	11/17/2020	11/17/2020	0.00		46,875.00	(46,875.00)	0.00	(46,875.00)	
CCYUSD	US DOLLAR	11/23/2020	11/23/2020	0.00		6,250.00	(6,250.00)	0.00	(6,250.00)	
CCYUSD	US DOLLAR	11/30/2020	11/30/2020	0.00		60,000.00	(60,000.00)	0.00	(60,000.00)	
CCYUSD	US DOLLAR	12/09/2020	12/09/2020	0.00		87,500.00	(87,500.00)	0.00	(87,500.00)	
CCYUSD	US DOLLAR	12/10/2020	12/10/2020	0.00		68,750.00	(68,750.00)	0.00	(68,750.00)	
CCYUSD	US DOLLAR	12/10/2020	12/10/2020	0.00		71,875.00	(71,875.00)	0.00	(71,875.00)	
CCYUSD	US DOLLAR	12/11/2020	12/11/2020	0.00		46,875.00	(46,875.00)	0.00	(46,875.00)	
CCYUSD	US DOLLAR	12/14/2020	12/14/2020	0.00		71,875.00	(71,875.00)	0.00	(71,875.00)	
Total				0.00		759,736.67	(759,736.67)	0.00	(759,736.67)	

Cash Flow Forecasting

City of Kirkland | Investment Core

One Year Projection



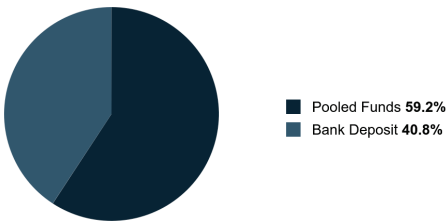
Summary Overview

City of Kirkland | Liquidity

Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	57,567,859.36
Book Yield	0.15%
Market Yield	
Effective Duration	0.01
Years to Maturity	0.01
Avg Credit Rating	NA

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
KIRK-Liquidity	57,567,859.36	57,567,859.36	57,567,859.36	57,567,859.36	0.00	0.00	0.15%	0.01	0.09	ICE BofA US 1-Month Treasury Bill Index
Total	57,567,859.36	57,567,859.36	57,567,859.36	57,567,859.36	0.00	0.00	0.15%	0.01	0.09	

Return Management-Income Detail

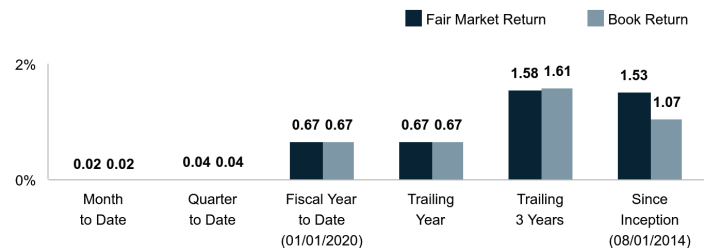
City of Kirkland | Liquidity

Accrued Book Return

	Quarter to Date	Fiscal Year to Date (01/01/2020)
Interest Earned	22,959.33	402,057.85
Book Income	22,959.33	402,057.85
Average Portfolio Balance	50,766,248.07	56,921,419.93
Book Return for Period	0.04%	0.67%

Return Comparisons

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



Interest Income

	Quarter to Date	Fiscal Year to Date (01/01/2020)
Beginning Accrued Interest	0.00	0.00
Coupons Paid	22,959.33	402,057.85
Purchased Accrued Interest	0.00	0.00
Sold Accrued Interest	0.00	0.00
Ending Accrued Interest	0.00	0.00
Interest Earned	22,959.33	402,057.85

Holdings by Security Type

City of Kirkland | Liquidity

Settlement Date	Cusip	Par Amount	Security	Coupon Rate	Maturity Date	Call Date	Book Yield	Market Yield	Market Value + Accrued	Net Unrealized Gain (Loss)	% Asset	Eff Dur
Bank Deposit												
	KIRK_PCFC_DEP	23,474,217.17	PACIFIC PREMIER DEPOSIT	0.174%			0.17%		23,474,217.17	0.00	40.78	0.01
Total		23,474,217.17					0.17%		23,474,217.17	0.00	40.78	0.01
Pooled Funds												
	WA_LGIP	34,093,642.19	WASHINGTON LGIP	0.129%			0.13%		34,093,642.19	0.00	59.22	0.01
Total		34,093,642.19					0.13%		34,093,642.19	0.00	59.22	0.01
Portfolio Total		57,567,859.36					0.15%		57,567,859.36	0.00	100.00	0.01

Transactions

City of Kirkland | Liquidity

Cusip	Security	Trade Date	Settlement Date	Coupon Payment	Price	Par Amount	Principal Amount	Accrued Amount	Total Amount	Broker
Buy										
WA_LGIP	WASHINGTON LGIP	12/13/2020	12/13/2020	0.00	1.00	9,129,183.84	9,129,183.84	0.00	9,129,183.84	Direct
Total				0.00		9,129,183.84	9,129,183.84	0.00	9,129,183.84	
Sell										
WA_LGIP	WASHINGTON LGIP	10/31/2020	10/31/2020	0.00	1.00	1,364,343.88	1,364,343.88	0.00	1,364,343.88	Direct
Total				0.00		1,364,343.88	1,364,343.88	0.00	1,364,343.88	
Interest Income										
WA_LGIP	WASHINGTON LGIP	12/31/2020	12/31/2020	4,029.12		0.00	4,029.12	0.00	4,029.12	
KIRK_OPUS_DEP	OPUS BANK DEPOSIT	10/31/2020	10/31/2020	308.41		0.00	308.41	0.00	308.41	
WA_LGIP	WASHINGTON LGIP	10/31/2020	10/31/2020	3,540.22		0.00	3,540.22	0.00	3,540.22	
WA_LGIP	WASHINGTON LGIP	11/30/2020	11/30/2020	3,327.59		0.00	3,327.59	0.00	3,327.59	
KIRK_PCFC_DEP	PACIFIC PREMIER DEPOSIT	12/31/2020	12/31/2020	5,315.28		0.00	5,315.28	0.00	5,315.28	
KIRK_PCFC_DEP	PACIFIC PREMIER DEPOSIT	11/30/2020	11/30/2020	6,438.71		0.00	6,438.71	0.00	6,438.71	
Total				22,959.33		0.00	22,959.33	0.00	22,959.33	

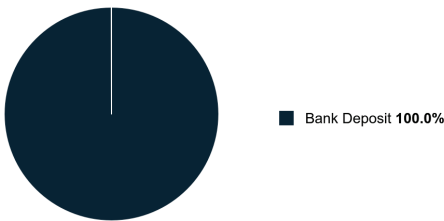
Summary Overview

City of Kirkland | Certificates of Deposit

Portfolio Characteristics

Metric	Value
Investments	5,333,905.34
Book Yield	0.60%
Market Yield	0.60%
Effective Duration	0.47
Years to Maturity	0.47
Avg Credit Rating	NA

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
KIRK-Certificates of Deposit	5,333,817.81	5,333,817.81	5,333,817.81	5,333,817.81	0.00	87.53	0.60%	0.47	0.16	ICE BofA 0-3 Month US Treasury Bill Index
Total	5,333,817.81	5,333,817.81	5,333,817.81	5,333,817.81	0.00	87.53	0.60%	0.47	0.16	

Return Management-Income Detail

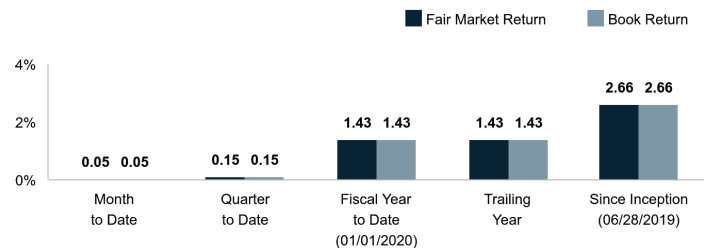
City of Kirkland | Certificates of Deposit

Accrued Book Return

	Quarter to Date	Fiscal Year to Date (01/01/2020)
Amortization/Accretion	0.00	0.00
Interest Earned	8,047.05	75,358.93
Realized Gain (Loss)	0.00	0.00
Book Income	8,047.05	75,358.93
Average Portfolio Balance	5,328,598.36	5,304,949.08
Book Return for Period	0.15%	1.43%

Return Comparisons

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



Interest Income

	Quarter to Date	Fiscal Year to Date (01/01/2020)
Beginning Accrued Interest	87.40	342.14
Coupons Paid	8,046.92	75,613.54
Purchased Accrued Interest	0.00	0.00
Sold Accrued Interest	0.00	0.00
Ending Accrued Interest	87.53	87.53
Interest Earned	8,047.05	75,358.93

Holdings by Security Type

City of Kirkland | Certificates of Deposit

Settlement Date	Cusip	Par Amount	Security	Coupon Rate	Maturity Date	Call Date	Book Yield	Market Yield	Market Value + Accrued	Net Unrealized Gain (Loss)	% Asset	Eff Dur
Bank Deposit												
	KIRK-1734025-2021	5,333,817.81	East West Bank	0.599%	06/19/2021		0.60%	0.60%	5,333,905.34	0.00	100.00	0.47
Total		5,333,817.81					0.60%	0.60%	5,333,905.34	0.00	100.00	0.47
Portfolio Total		5,333,817.81					0.60%	0.60%	5,333,905.34	0.00	100.00	0.47

Transactions

City of Kirkland | Certificates of Deposit



December 31, 2020

Cusip	Security	Trade Date	Settlement Date	Coupon Payment	Price	Par Amount	Principal Amount	Accrued Amount	Total Amount	Broker
Buy										
KIRK-1734025-2021	East West Bank	10/30/2020	10/30/2020	0.00	100.00	2,710.11	2,710.11	0.00	2,710.11	Unknown
KIRK-1734025-2021	East West Bank	11/30/2020	11/30/2020	0.00	100.00	2,623.99	2,623.99	0.00	2,623.99	Unknown
KIRK-1734025-2021	East West Bank	12/31/2020	12/31/2020	0.00	100.00	2,712.82	2,712.82	0.00	2,712.82	Unknown
Total				0.00		8,046.92	8,046.92	0.00	8,046.92	
Coupon										
KIRK-1734025-2021	East West Bank	10/30/2020	10/30/2020	2,710.11		0.00	88.08	0.00	2,710.11	
KIRK-1734025-2021	East West Bank	11/30/2020	11/30/2020	2,623.99		0.00	0.63	0.00	2,623.99	
KIRK-1734025-2021	East West Bank	12/31/2020	12/31/2020	2,712.82		0.00	0.68	0.00	2,712.82	
Total				8,046.92		0.00	89.38	0.00	8,046.92	

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.

