



# GOVERNMENT PORTFOLIO ADVISORS

## Monthly Report

Account

5/31/2017

Walla Walla County

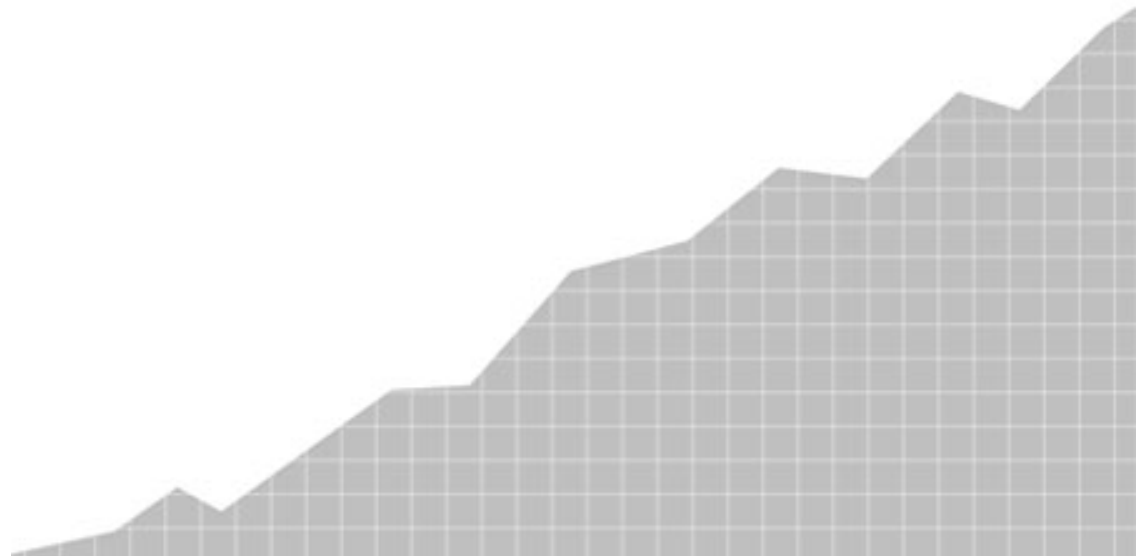




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## MONTH END COMMENTARY – MAY 2017

Bond yields continued to rise in the two-year and shorter part of the curve and the yield curve continued to flatten during May. The spread between two-year notes and five-year notes flattened to 47 basis points from 56 basis points last month. The one-year Treasury bill reached its eight year high of 1.15%. Similarly, the six month bill also reached its eight year high at 1.07%. One month LIBOR increased from .99% to 1.06%. These increases in the short end were in contrast to the five year Treasury which dropped from 1.82% to 1.75%. The market consensus has changed from pricing in two more hikes this year to a 90% chance of one rate hike at the 6/14/17 FOMC meeting. Speculation is also that the Fed will start downsizing their MBS and Treasury holdings by the fourth quarter of 2017.

**FOMC:** The FOMC held rates steady at .75% to 1.00% after raising rates at their December and March meetings. This was as expected. There was very little change to its post-meeting statement and there were no dissents. Economic activity “has slowed” but the FOMC also views “the slowing in growth during the first quarter as likely to be transitory”.

However, another rate hike could be around the corner. Although the economy grew at a slow pace in the first three months of the year, Fed leaders don’t seem to be worried. They see growth rebounding, which gives them the confidence to resume raising rates at the June 2017 meeting. “With gradual adjustments in the stance of monetary policy, economic activity will expand at a moderate pace.” Fed Chair Yellen stressed that interest rates are likely to remain low and will only rise gradually. Fed officials have five more meetings left this year potentially to raise, lower or keep interest rates at current levels.

**Non-farm Payrolls/Unemployment:** Total non-farm payroll employment increased by 211,000 jobs, much higher than the expected increase of 190K. However the unemployment rate dropped to 4.4% from 4.5% while an increase was expected. Average hourly earnings rose .3%, as expected, but the year-on-year rate of earnings growth slowed from 2.6% to 2.5%. It was 2.9% in December. There is not yet any evidence of significant wage pressures from tight labor markets.

**GDP:** Real GDP increased at an annual rate of 0.7% in the first quarter, according to the advance estimates of the national income and product accounts. In the fourth quarter of 2016, real GDP increased 2.1%. The increase in real GDP in the first quarter reflected positive contributions from nonresidential fixed investment, exports, residential fixed investment, and consumer spending. Negative contributions were from inventory investment, state and local government spending, and federal government spending. Excluding food and energy, gross domestic purchases prices increased 2.3% after increasing 1.6% last quarter.

**Dow Jones:** The stock market has continued to rally, while closing over 21,000 for the month.

**China:** Growing evidence that China’s economy is slowing has raised concerns about the impact of softer demand on global commodity markets and Moody’s downgraded Chinese debt.

**Durable Goods:** Durable goods orders fell by .7%, although that was a little better than the expectations of a 1.2% decline. It follows an upwardly revised 2.3% gain in the previous month.

### Treasury Yield Curve Total Returns over the last 12 months:\*

3month bill	0.44
1 year note	0.66
2 year note	0.40
3 year note	0.32
5 year note	-0.29

### TREASURY BENCHMARK TOTAL RETURNS IN MONTH

Benchmark	Period Return	Duration
BAML 0-3 Year Treasury	0.09%	1.40
BAML 0-5 Year Treasury	0.18%	2.20
BAML 1-3 Year Treasury	0.12%	1.85
BAML 1-5 Year Treasury	0.22%	2.65

### Changes in the Treasury Market (absolute yield levels):\*

	05/31/16	04/30/17	05/31/17	Change in May	Change from Prior Year
3 month bill	.29	.80	.97	+.17	+.68
6 month bill	.45	.97	1.07	+.10	+.62
2 year note	.88	1.26	1.28	+.02	+.40
3 year note	1.03	1.44	1.43	-.01	+.40
5 year note	1.37	1.82	1.75	-.07	+.38
10 year	1.85	2.28	2.20	-.08	+.35

\*Source: Bloomberg



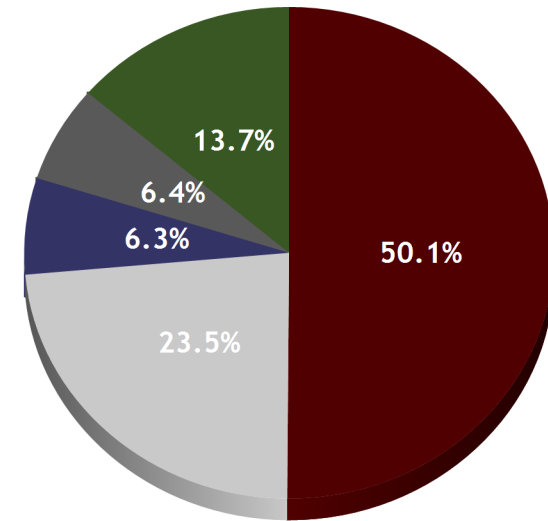
## Weighted Averages

Book Yield	1.17
Maturity	1.38
Coupon	1.47
Moody	Aa1
S&P	AA

## Fixed Income Totals

Par Value	94,246,967
Market Value	94,593,229.22
Amortized Book Value	94,711,677.26
Unrealized Gain/Loss	-118,448.04
Estimated Annual Cash Flow	1,372,282.54

## Fixed Income Allocation



Security Type	Market Value	% Assets
US Agency (USD)	47,401,512.75	50.1
Municipal (USD)	22,200,544.72	23.5
US Treasury (USD)	5,993,828.00	6.3
LGIP State Pool (USD)	6,017,332.52	6.4
Bank or Cash Deposit (USD)	12,980,011.23	13.7
<b>Fixed Income Total</b>	<b>94,593,229.22</b>	<b>100.0</b>

# Portfolio Summary

May 31, 2017

Portfolio Name	Par Amount	Total Original Cost	Total Adjusted Cost	Market Value	Unrealized Gain/Loss	Yield At Cost	Mod Dur	Eff Dur	Bench Dur	Benchmark
Walla Walla County	94,246,967	95,013,285.26	94,711,677.26	94,593,229.22	-118,448.04	1.17	1.32	1.15	1.40	BofA Merrill 0-3 Treasury
<b>TOTAL PORTFOLIO</b>	<b>94,246,967</b>	<b>95,013,285.26</b>	<b>94,711,677.26</b>	<b>94,593,229.22</b>	<b>-118,448.04</b>	<b>1.17</b>	<b>1.32</b>	<b>1.15</b>	<b>1.40</b>	



## Cost Basis Summary

	Month End Ending 5/31/2017	Fiscal Year-to-Date 12/31/2016
Beginning Amortized Cost	101,753,175.22	82,546,461.93
Investment Purchases	4,017,600.00	18,451,992.42
Investment Maturities/Sells/Calls	(2,919,362.20)	(8,686,281.70)
Amortization	(22,076.77)	(106,793.04)
Change in Cash Equivalents	(8,117,659.00)	2,506,587.25
Realized Gains / Losses	0.00	(289.61)
<b>Ending Amortized Costs</b>	<b>94,711,677.26</b>	<b>94,711,677.26</b>

## Accrual Earnings Summary

	Month End Ending 5/31/2017	Fiscal Year-to-Date 12/31/2016
Amortization/Accretion	(22,076.77)	(106,793.04)
Interest Earned	117,138.61	477,185.73
Realized Gain (Loss)	0.00	(289.61)
Total Income	95,061.85	370,103.08
Average Portfolio Balance	102,944,605.18	85,327,356.45
<b>Earnings Yield</b>	<b>1.09%</b>	<b>1.05%</b>

## MarketValue Summary

	As of 5/31/2017
Ending Market Value	94,593,229.22
Unrealized Gain/Loss	(118,448.04)
Net Asset Value (NAV)	0.9987

## Interest Earnings Summary

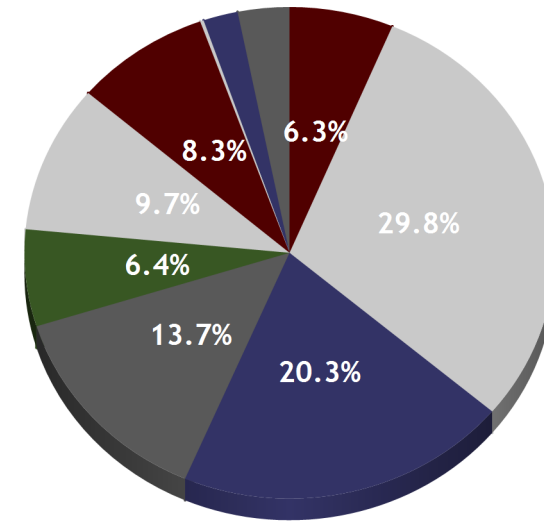
	Month End Ending 5/31/2017	Fiscal Year-to-Date 12/31/2016
Beginning Accrued Interest	493,509.78	351,197.54
Coupons Paid	137,516.56	309,243.29
Purchased Accrued Interest	(16,102.50)	(40,497.39)
Sold Accrued Interest	10,213.40	80,616.43
Ending Accrued Interest	479,020.94	479,020.94
<b>Interest Earned</b>	<b>117,138.61</b>	<b>477,185.73</b>



## Total Return For Period

	Since 4/30/2017
<b>Beginning Principal Value</b>	<b>101,592,842.29</b>
Beginning Accrued Interest	493,509.78
Net Contributions/Withdrawals	-7,151,048.66
Market Value Change	19,808.14
Interest Earnings	117,138.61
<b>Ending Principal Value</b>	<b>94,593,229.22</b>
Accrued Interest	479,020.94
<b>Total Return</b>	<b>136,946.75</b>
Advisory Fees for Period	-1,000.00
<b>Net Total Return</b>	<b>135,946.75</b>

## Portfolio Allocation as of 5/31/2017



Industry Group	Market Value	% Assets	Yield
US Treasury	5,993,828.00	6.3	0.9
US Agency Bullet	28,211,158.25	29.8	1.1
US Agency Callable	19,190,354.50	20.3	1.3
Bank Deposit	12,980,011.23	13.7	0.7
State Investment Pool	6,017,332.52	6.4	0.9
Muni GO	9,211,319.95	9.7	1.2
Muni Rev	7,811,251.80	8.3	1.6
Muni BABS	203,650.00	0.2	1.5
Muni COPS	1,999,700.00	2.1	1.0
Municipal Direct	2,974,622.97	3.1	3.0
<b>Total</b>	<b>94,593,229.22</b>	<b>100.0</b>	<b>1.2</b>

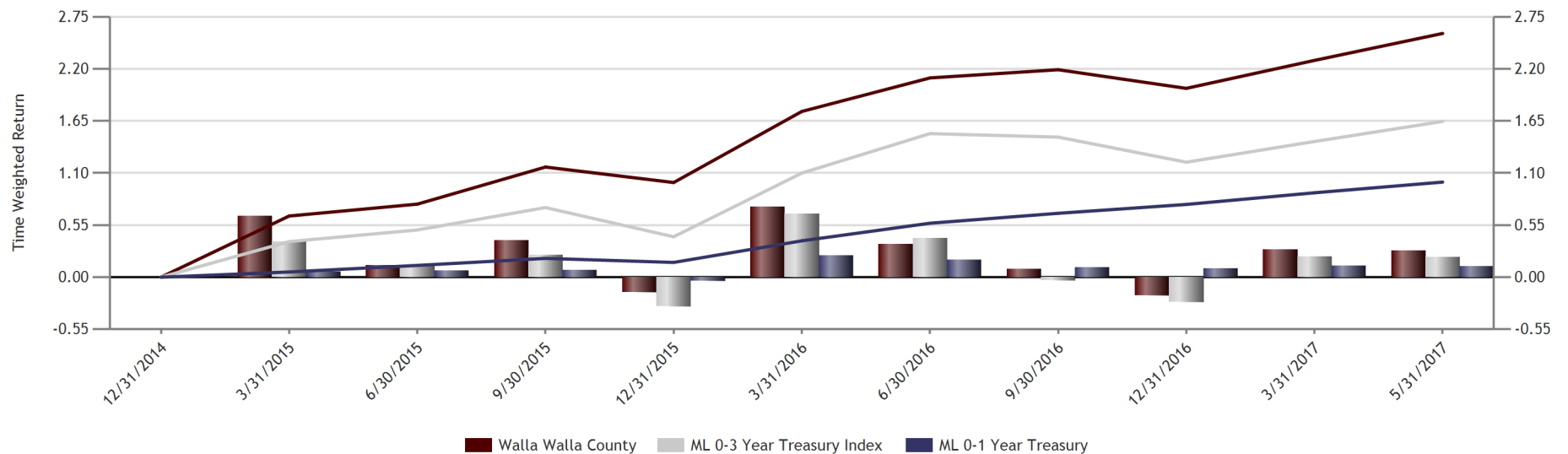


## Performance History

Portfolio	Month To Date	Quarter To Date	Fiscal Year To Date	Annualized Inception To Date
Account	0.13	0.28	0.57	1.06

Index	Month To Date	Quarter To Date	Fiscal Year To Date	Annualized Inception To Date
ML 0-3 Year Treasury Index	0.09	0.21	0.43	0.68
ML 0-1 Year Treasury	0.04	0.11	0.23	0.41

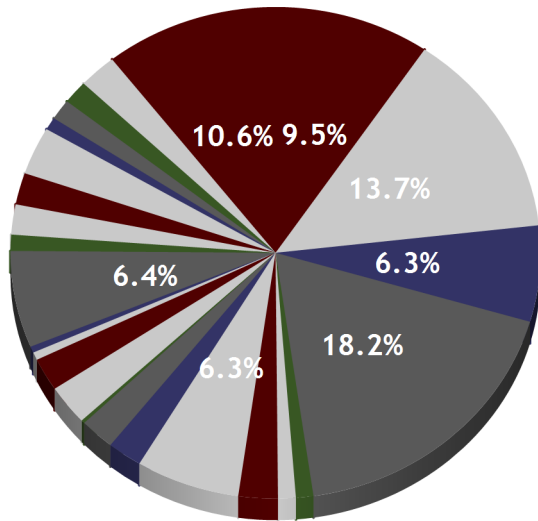
## Time Weighted Return Inception (12/31/2014) to Date







## Portfolio Allocation as of 5/31/2017



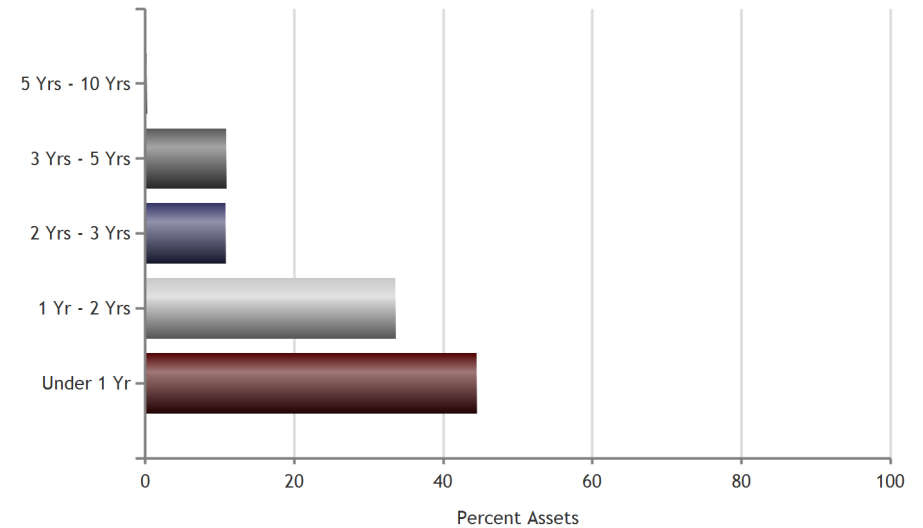
Issuer	Market Value	% Assets	Yield
FEDERAL NATL MTG ASSN	8,984,595.00	9.5	1.0
FEDERAL HOME LOAN BANKS	12,972,544.00	13.7	1.1
FEDERAL FARM CR BKS	5,973,080.00	6.3	1.0
FEDERAL HOME LN MTG CORP	17,202,254.50	18.2	1.3
NEW YORK N Y	1,006,120.00	1.1	1.4
POLK MARION & BENTON CNTYS ORE	1,020,071.40	1.1	1.2
FEDERAL AGRIC MTG CORP	2,269,039.25	2.4	2.0
UNITED STATES TREAS NTS	5,993,828.00	6.3	0.9
WASHINGTON ST CTFS PARTN	1,999,700.00	2.1	1.0
ENERGY NW WA ELEC REVENUE	2,016,560.00	2.1	1.4
GRANT CNTY PUB UTIL	203,650.00	0.2	1.5
UNIV OF WASHINGTON	2,481,633.00	2.6	1.8
ENERGY NORTHWEST WASH ELEC REV	2,042,640.00	2.2	1.8
GRANT CNTY WA PUB UTIL DIST	486,455.00	0.5	2.0
PUYALLUP WASH	390,120.90	0.4	1.3
WA LGIP	6,017,332.52	6.4	0.9
UMPQUA BANK	1,004,747.36	1.1	0.7
ADA & CANYON CNTYS ID JT SD	1,874,474.45	2.0	1.2
BAKER BOYER	1,970,000.00	2.1	0.1
WALLA WALLA COUNTY BONDS	2,974,622.97	3.1	3.0
CITY OF TACOMA WA	783,963.80	0.8	1.1
NORTH SLOPE BORO ALASKA	1,279,918.50	1.4	1.1
CA ST PUB WKS BD LS	1,444,714.70	1.5	1.1
TACOMA METROPOLITAN PARK DISTRICT	2,195,900.00	2.3	1.1
WASHINGTON FEDERAL BANK	10,005,263.87	10.6	0.9
<b>Total</b>	<b>94,593,229.22</b>	<b>100.0</b>	<b>1.2</b>



## Distribution by Maturity

Maturity	Number	Market Value	% FI Holdings	Average Curr. Yld	Average Coupon	Average Duration
Under 1 Yr	22	42,110,118.10	44.5	1.0	0.986%	0.3
1 Yr - 2 Yrs	18	31,785,754.08	33.6	1.4	1.448%	1.4
2 Yrs - 3 Yrs	5	10,193,801.00	10.8	2.6	2.696%	2.3
3 Yrs - 5 Yrs	6	10,311,894.50	10.9	2.3	2.279%	4.0
5 Yrs - 10 Yrs	2	191,661.54	0.2	3.2	3.155%	7.5

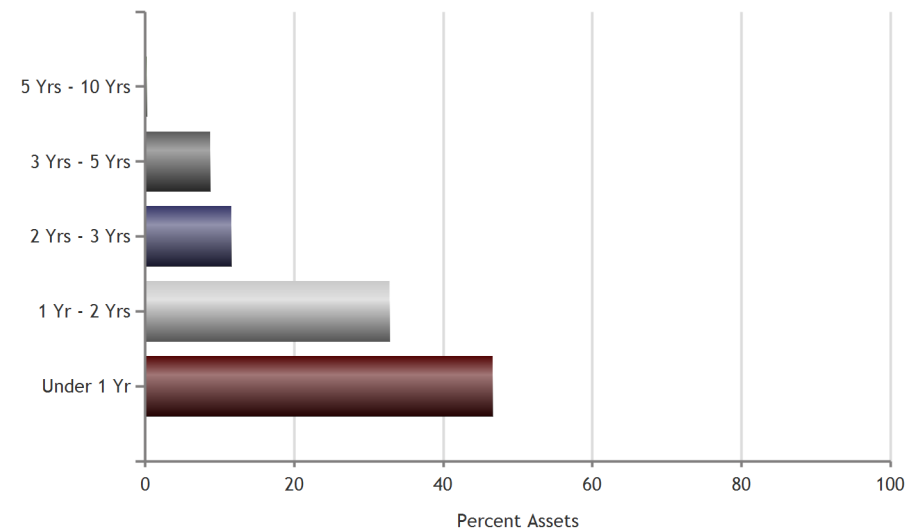
## Distribution by Maturity



## Distribution by Duration

Duration	Number	Market Value	% FI Holdings	Average Curr. Yld	Average Coupon	Average Duration
Under 1 Yr	23	44,105,978.10	46.6	1.0	0.987%	0.4
1 Yr - 2 Yrs	18	31,069,812.58	32.8	1.6	1.623%	1.5
2 Yrs - 3 Yrs	5	10,956,522.50	11.6	2.3	2.419%	2.4
3 Yrs - 5 Yrs	5	8,269,254.50	8.7	2.2	2.186%	4.3
5 Yrs - 10 Yrs	2	191,661.54	0.2	3.2	3.155%	7.5

## Distribution by Duration

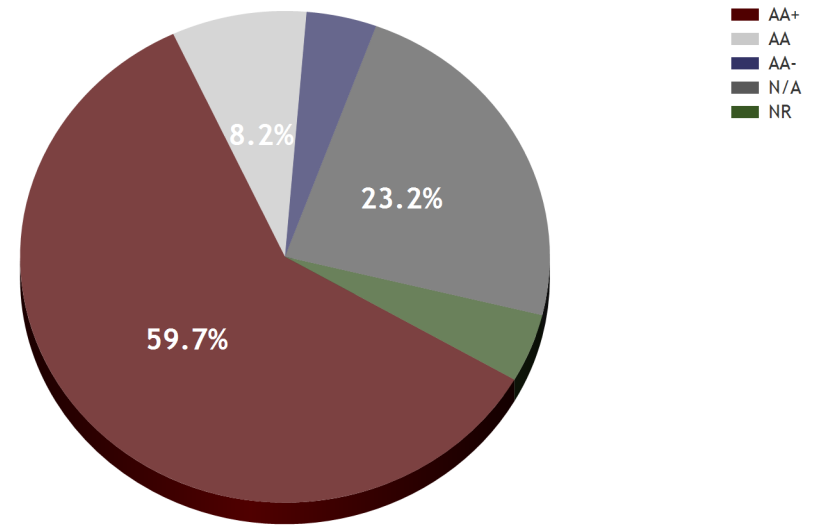




## Distribution by S&P Rating

S&P Rating	Number	Market Value	% FI Holdings	Average YTM	Average Coupon	Average Duration
AA+	31	56,502,480.35	59.7	1.3	1.262%	1.5
AA	8	7,790,842.90	8.2	1.2	3.645%	1.4
AA-	2	4,059,200.00	4.3	1.7	2.402%	2.0
N/A	9	21,971,966.72	23.2	1.0	1.068%	0.5
NR	3	4,268,739.25	4.5	1.4	1.460%	2.2

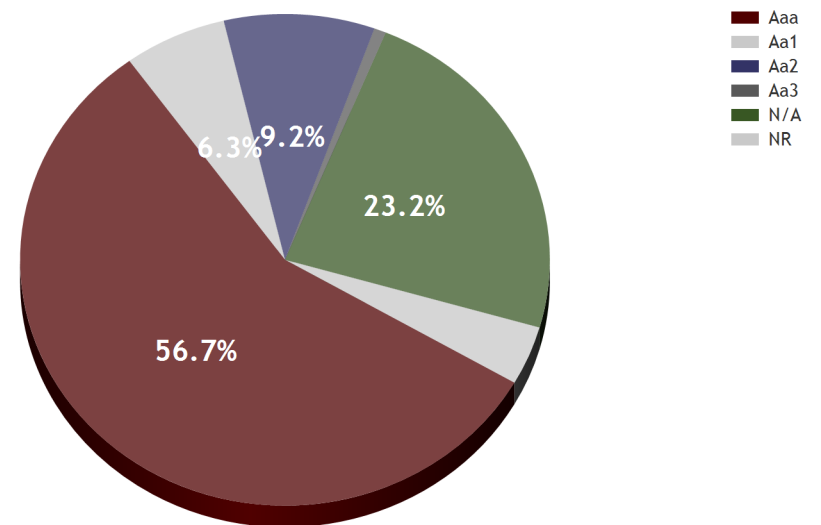
## Distribution by S&P Rating



## Distribution by Moody Rating

Moody Rating	Number	Market Value	% FI Holdings	Average YTM	Average Coupon	Average Duration
Aaa	29	53,607,934.50	56.7	1.3	1.167%	1.5
Aa1	3	5,933,674.45	6.3	1.4	2.907%	1.7
Aa2	6	8,710,317.00	9.2	1.1	3.192%	1.2
Aa3	2	690,105.00	0.7	1.4	2.704%	0.6
N/A	9	21,971,966.72	23.2	1.0	1.068%	0.5
NR	4	3,679,231.55	3.9	1.5	1.691%	2.6

## Distribution by Moody Rating



# Portfolio Holdings

Walla Walla County  
May 31, 2017

Cusip	Quantity	Security	Call Date	Trade Date	Amor Price	Book Yield	Market Price	Market Yield	Market Value	Accrued Interest	Total Value	Unrealized Gain/Loss	Pct. Assets	Dur Mat	Eff Dur
<b>US Treasury</b>															
912828UA6	1,000,000	UNITED STATES TREAS NTS 0.625% Due 11-30-17		04-24-15	99.96	0.71	99.7500	1.13	997,500.00	0.00	997,500.00	-2,064.83	1.1	0.50	0.49
912828VE7	2,000,000	UNITED STATES TREAS NTS 1.000% Due 05-31-18		10-28-15	100.11	0.89	99.7930	1.21	1,995,860.00	0.00	1,995,860.00	-6,310.25	2.1	0.99	0.99
912828A34	3,000,000	UNITED STATES TREAS NTS 1.250% Due 11-30-18		04-24-15	100.29	1.05	100.0156	1.24	3,000,468.00	0.00	3,000,468.00	-8,381.99	3.2	1.48	1.48
	6,000,000					0.94		1.21	5,993,828.00	0.00	5,993,828.00	-16,757.06	6.3	1.15	1.15
<b>US Agency Bullet</b>															
3130A4Q70	2,000,000	FEDERAL HOME LOAN BANKS 1.000% Due 11-17-17		04-08-15	100.09	0.80	99.9788	1.04	1,999,576.00	777.78	2,000,353.78	-2,226.99	2.1	0.46	0.46
3130A6SA6	2,000,000	FEDERAL HOME LOAN BANKS 0.940% Due 11-17-17		11-17-15	100.00	0.95	99.9222	1.10	1,998,444.00	731.11	1,999,175.11	-1,509.63	2.1	0.46	0.46
3136G1LZ0	1,000,000	FEDERAL NATL MTG ASSN 0.750% Due 11-28-17		10-28-15	99.99	0.78	99.8975	0.95	998,975.00	62.50	999,037.50	-885.57	1.1	0.49	0.49
3137EADN6	1,000,000	FEDERAL HOME LN MTG CORP 0.750% Due 01-12-18		06-11-14	99.72	1.22	99.7539	1.15	997,539.00	2,895.83	1,000,434.83	346.07	1.1	0.61	0.61
3133EGDN2	2,000,000	FEDERAL FARM CR BKS 0.900% Due 03-02-18		04-19-17	99.86	1.09	99.8091	1.15	1,996,182.00	4,450.00	2,000,632.00	-956.61	2.1	0.75	0.74
3137EADP1	2,000,000	FEDERAL HOME LN MTG CORP 0.875% Due 03-07-18		10-20-16	100.05	0.81	99.7716	1.17	1,995,432.00	4,083.33	1,999,515.33	-5,570.54	2.1	0.76	0.75
31315PZZ5	250,000	FEDERAL AGRIC MTG CORP 0.770% Due 03-09-18		11-08-13	99.37	1.61	99.7413	1.10	249,353.25	438.47	249,791.72	915.93	0.3	0.77	0.76
3134G8XA2	2,000,000	FEDERAL HOME LN MTG CORP 1.000% Due 07-27-18		04-26-16	99.98	1.02	99.5525	1.39	1,991,050.00	1,888.89	1,992,938.89	-8,590.94	2.1	1.15	1.14
3134G44S4	1,000,000	FEDERAL HOME LN MTG CORP 1.000% Due 11-29-18		05-18-16	100.00	1.00	99.6075	1.26	996,075.00	55.56	996,130.56	-3,907.30	1.1	1.48	1.48

# Portfolio Holdings

Walla Walla County  
May 31, 2017

Cusip	Quantity	Security	Call Date	Trade Date	Amor Price	Book Yield	Market Price	Market Yield	Market Value	Accrued Interest	Total Value	Unrealized Gain/Loss	Pct. Assets	Dur Mat	Eff Dur
313381GB5	1,000,000	FEDERAL HOME LOAN BANKS 1.000% Due 11-30-18		05-16-16	100.14	0.91	99.6632	1.23	996,632.00	0.00	996,632.00	-4,736.19	1.1	1.48	1.48
3133EFX51	2,000,000	FEDERAL FARM CR BKS 1.000% Due 01-07-19		05-16-16	100.09	0.95	99.5206	1.30	1,990,412.00	8,000.00	1,998,412.00	-11,320.05	2.1	1.58	1.57
3136G3YL3	2,000,000	FEDERAL NATL MTG ASSN 0.900% Due 01-25-19		08-02-16	99.86	0.98	99.1490	1.42	1,982,980.00	6,300.00	1,989,280.00	-14,290.19	2.1	1.63	1.62
3133EF3V7	2,000,000	FEDERAL FARM CR BKS 0.875% Due 02-15-19		08-02-16	100.04	0.85	99.3243	1.27	1,986,486.00	5,152.78	1,991,638.78	-14,294.00	2.1	1.68	1.68
3135G0ZA4	2,000,000	FEDERAL NATL MTG ASSN 1.875% Due 02-19-19		04-19-17	101.09	1.23	100.9005	1.34	2,018,010.00	10,625.00	2,028,635.00	-3,712.98	2.1	1.68	1.68
3133782M2	2,000,000	FEDERAL HOME LOAN BANKS 1.500% Due 03-08-19		04-19-17	100.40	1.27	100.2789	1.34	2,005,578.00	6,916.67	2,012,494.67	-2,496.85	2.1	1.74	1.73
3134G9KF3	2,000,000	FEDERAL HOME LN MTG CORP 1.200% Due 11-25-19		05-18-16	99.92	1.23	99.4374	1.43	1,988,748.00	400.00	1,989,148.00	-9,692.63	2.1	2.44	2.44
3132X0PX3	2,000,000	FEDERAL AGRIC MTG CORP 2.100% Due 02-23-22		02-16-17	100.17	2.06	100.9843	1.88	2,019,686.00	11,433.33	2,031,119.33	16,373.95	2.1	4.46	4.46
	28,250,000					1.09		1.29	28,211,158.25	64,211.25	28,275,369.50	-66,554.53	29.8	1.48	1.48
<b>US Agency Callable</b>															
3130A7SQ9	2,000,000	FEDERAL HOME LN BKS 0.900% Due 01-26-18	07-26-17	04-25-16	100.00	0.91	99.7803	1.23	1,995,606.00	6,250.00	2,001,856.00	-4,394.00	2.1	0.65	0.37
3134G8M71	2,000,000	FEDERAL HOME LN MTG CORP 1.050% Due 02-26-18	08-26-17	04-19-17	100.00	1.05	99.9053	1.17	1,998,106.00	5,541.67	2,003,647.67	-1,894.00	2.1	0.73	0.52
3135G0XK4	2,000,000	FEDERAL NATL MTG ASSN 1.050% Due 05-25-18	08-25-17	05-30-13	100.00	1.07	99.7990	1.25	1,995,980.00	350.00	1,996,330.00	-4,020.00	2.1	0.98	0.77
3130A96A4	2,000,000	FEDERAL HOME LOAN BANKS 1.000% Due 06-15-18	06-15-17	08-29-16	100.00	1.00	99.6055	1.38	1,992,110.00	9,222.22	2,001,332.22	-7,890.00	2.1	1.03	0.50
3135G0L68	2,000,000	FEDERAL NATL MTG ASSN 0.750% Due 07-27-18	07-27-17	10-21-16	99.82	0.91	99.4325	1.24	1,988,650.00	5,166.67	1,993,816.67	-7,735.64	2.1	1.15	1.13

# Portfolio Holdings

Walla Walla County  
May 31, 2017

Cusip	Quantity	Security	Call Date	Trade Date	Amor Price	Book Yield	Market Price	Market Yield	Market Value	Accrued Interest	Total Value	Unrealized Gain/Loss	Pct. Assets	Dur Mat	Eff Dur
3134G9JK4	1,000,000	FEDERAL HOME LN MTG CORP 1.125% Due 11-26-18	08-26-17	05-16-16	100.00	1.12	99.6525	1.36	996,525.00	156.25	996,681.25	-3,475.00	1.1	1.47	0.88
3134G9MU8	2,000,000	FEDERAL HOME LN MTG CORP 1.300% Due 05-24-19	08-24-17	05-17-16	100.00	1.30	99.6340	1.49	1,992,680.00	505.56	1,993,185.56	-7,320.00	2.1	1.95	1.02
3134GBEW8	2,250,000	FEDERAL HOME LN MTG CORP 1.500% Due 07-26-19	04-26-18	04-12-17	100.00	1.50	99.8934	1.55	2,247,601.50	3,281.25	2,250,882.75	-2,398.50	2.4	2.11	1.58
3130A9Z46	2,000,000	FEDERAL HOME LOAN BANKS 1.600% Due 11-26-21	08-26-17	11-15-16	99.35	1.75	99.2299	1.78	1,984,598.00	444.44	1,985,042.44	-2,359.89	2.1	4.31	2.63
3134GBLN0	2,000,000	FEDERAL HOME LN MTG CORP 2.250% Due 05-25-22	08-25-17	05-02-17	100.00	2.25	99.9249	2.26	1,998,498.00	750.00	1,999,248.00	-1,502.00	2.1	4.69	1.69
	19,250,000					1.30		1.48	19,190,354.50	31,668.06	19,222,022.56	-42,989.03	20.3	1.93	1.13
<b>Bank Deposit</b>															
SYS117600	1,970,000	BAKER BOYER BANK 0.100% Due 06-29-17		12-31-15	100.00	0.10	100.0000	0.10	1,970,000.00	0.00	1,970,000.00	0.00	2.1	0.08	0.05
SYSUMPQ11	1,004,747	UMPQUA BANK MMF 0.680% Due 06-29-17		12-31-15	100.00	0.68	100.0000	0.68	1,004,747.36	0.00	1,004,747.36	0.00	1.1	0.08	0.05
000WAFED3	10,005,264	WASHINGTON FEDERAL 0.850% Due 06-29-17		03-14-17	100.00	0.85	100.0000	0.85	10,005,263.87	0.00	10,005,263.87	0.00	10.6	0.08	0.05
	12,980,011					0.72		0.72	12,980,011.23	0.00	12,980,011.23	0.00	13.7	0.08	0.05
<b>State Investment Pool</b>															
WAP00L	6,017,333	WASHINGTON LGIP 0.870% Due 06-29-17		12-31-15	100.00	0.87	100.0000	0.87	6,017,332.52	0.00	6,017,332.52	0.00	6.4	0.08	0.05
<b>Muni GO</b>															
731418KV0	1,020,000	POLK MARION & BENTON CNTYS ORE 1.231% Due 06-15-17		02-13-13	100.00	1.23	100.0070	0.98	1,020,071.40	5,789.80	1,025,861.20	71.40	1.1	0.04	0.02
64966E3Q8	1,000,000	NEW YORK N Y 4.800% Due 08-01-17		10-22-13	100.54	1.45	100.6120	1.09	1,006,120.00	16,000.00	1,022,120.00	677.21	1.1	0.17	0.15
747045MU3	390,000	PUYALLUP WASH 1.367% Due 12-01-17		02-12-13	100.06	1.25	100.0310	1.30	390,120.90	2,665.65	392,786.55	-101.16	0.4	0.50	0.48

# Portfolio Holdings

Walla Walla County  
May 31, 2017

Cusip	Quantity	Security	Call Date	Trade Date	Amor Price	Book Yield	Market Price	Market Yield	Market Value	Accrued Interest	Total Value	Unrealized Gain/Loss	Pct. Assets	Dur Mat	Eff Dur
005158VF4	1,805,000	ADA & CANYON CNTYS IDAHO JT SC 4.000% Due 08-15-18		05-29-15	103.30	1.20	103.8490	0.78	1,874,474.45	21,258.89	1,895,733.34	9,928.99	2.0	1.18	1.16
172217ZF1	1,430,000	CINCINNATI OH 2.000% Due 12-01-18		10-20-16	101.41	1.05	101.0290	1.30	1,444,714.70	16,762.78	1,461,477.48	-5,390.11	1.5	1.46	1.46
662523D55	1,185,000	NORTH SLOP BORO AK 5.000% Due 06-30-19		10-26-16	107.99	1.10	108.0100	1.10	1,279,918.50	32,916.67	1,312,835.17	243.62	1.4	1.95	1.93
592240UE3	2,000,000	MET PARK DIST OF TACOMA WA 5.000% Due 12-01-19		11-04-16	109.62	1.08	109.7950	1.02	2,195,900.00	50,000.00	2,245,900.00	3,461.28	2.3	2.33	2.33
	8,830,000					1.17		1.04	9,211,319.95	145,393.79	9,356,713.74	8,891.22	9.7	1.34	1.33
<b>Muni Rev</b>															
873547JF1	785,000	TACOMA WASH WTR REV 1.150% Due 12-01-17		04-17-15	100.00	1.15	99.8680	1.41	783,963.80	4,513.75	788,477.55	-1,036.20	0.8	0.50	0.48
387883RK9	485,000	GRANT CNTY WASH PUB UTIL DIST 2.010% Due 01-01-18		09-25-13	100.00	2.01	100.3000	1.48	486,455.00	4,061.87	490,516.87	1,455.00	0.5	0.58	0.56
29270CYL3	2,000,000	ENERGY NORTHWEST WASH ELEC REV 2.147% Due 07-01-18		05-11-17	100.85	1.36	100.8280	1.37	2,016,560.00	17,891.67	2,034,451.67	-355.03	2.1	1.06	1.04
91523NQE9	2,475,000	UNIV OF WASHINGTON 1.750% Due 12-01-19		09-10-15	100.00	1.75	100.2680	1.64	2,481,633.00	21,656.25	2,503,289.25	6,633.00	2.6	2.42	2.43
29270CYN9	2,000,000	ENERGY NW WA ELEC REVENUE-COLUMBIA 2.653% Due 07-01-20		02-27-17	102.53	1.80	102.1320	1.94	2,042,640.00	22,108.33	2,064,748.33	-7,928.43	2.2	2.93	2.91
	7,745,000					1.62		1.61	7,811,251.80	70,231.87	7,881,483.67	-1,231.67	8.3	1.89	1.88
<b>Muni BABS</b>															
387883PC9	200,000	GRANT CNTY WASH PUB UTIL DIST 4.361% Due 01-01-18		10-08-14	101.63	1.50	101.8250	1.20	203,650.00	3,634.17	207,284.17	396.35	0.2	0.57	0.56

# Portfolio Holdings

Walla Walla County  
May 31, 2017

Cusip	Quantity	Security	Call Date	Trade Date	Amor Price	Book Yield	Market Price	Market Yield	Market Value	Accrued Interest	Total Value	Unrealized Gain/Loss	Pct. Assets	Dur Mat	Eff Dur
<b>Muni COPS</b>															
939720LJ5	2,000,000	WASHINGTON ST CTFS PARTN 0.900% Due 07-01-17		03-19-13	100.00	0.96	99.9850	1.04	1,999,700.00	7,500.00	2,007,200.00	-203.32	2.1	0.09	0.07
<b>Municipal Direct</b>															
WWCO1	516,489	WALLA WALLA COUNTY 4.000% Due 10-01-18		10-01-09	100.00	4.00	100.0000	3.65	516,488.93	49,927.26	566,416.19	0.00	0.5	1.27	1.24
HS12	1,000,835	WALLA WALLA COUNTY 3.860% Due 12-30-20		12-30-10	100.00	3.86	100.0000	3.53	1,000,834.70	93,361.20	1,094,195.90	0.00	1.1	3.18	3.15
JAIL 2016	1,265,638	WALLA WALLA COUNTY 1.820% Due 12-01-21		12-01-16	100.00	1.82	100.0000	1.80	1,265,637.80	11,453.32	1,277,091.12	0.00	1.3	4.16	4.14
FAIR12820	93,909	WALLA WALLA COUNTY 3.067% Due 12-08-26		12-08-16	100.00	3.07	100.0000	3.02	93,909.12	1,376.09	95,285.21	0.00	0.1	7.39	7.37
FAIR2012B	97,752	WALLA WALLA COUNTY 3.240% Due 04-30-27		04-30-17	100.00	3.24	100.0000	3.23	97,752.42	263.93	98,016.35	0.00	0.1	7.51	7.49
	2,974,623					2.97		2.79	2,974,622.97	156,381.80	3,131,004.77	0.00	3.1	3.54	3.52
<b>TOTAL</b>	<b>94,246,967</b>					<b>1.17</b>		<b>1.26</b>	<b>94,593,229.22</b>	<b>479,020.94</b>	<b>95,072,250.16</b>	<b>-118,448.04</b>	<b>100.0</b>	<b>1.32</b>	<b>1.15</b>





Walla Walla County

# Transaction Summary

5/1/2017 - 5/31/2017

## Purchases

Trade Date	Settle Date	Quantity	Symbol	Security	Adj Unit Cost	Adjusted Total Cost
5/11/2017	5/16/2017	2,000,000	29270CYL3	ENERGY NORTHWEST WASH ELEC REV 2.147% Due 07-01-18	100.88	2,017,600
5/2/2017	5/25/2017	2,000,000	3134GBLN0	FEDERAL HOME LN MTG CORP 2.250% Due 05-25-22	100.00	2,000,000
<b>Total Purchases</b>						<b>4,017,600</b>

## Sales

Trade Date	Settle Date	Quantity	Symbol	Security	Adj Unit Cost	Adjusted Total Cost	Amort. or Accretion	Unit Price	Proceeds	Gain/Loss
5/31/2017	5/31/2017	134,362	JAIL 2016	WALLA WALLA COUNTY 1.820% Due 12-01-21	100.00	134,362	0	100.00	134,362	0
<b>Total Sales</b>						<b>134,362</b>	<b>0</b>		<b>134,362</b>	<b>0</b>

## Interest

Trade Date	Settle Date	Symbol	Security	Amount
5/8/2017	5/8/2017	3134G43Y2	FEDERAL HOME LN MTG CORP 0.700% Due 05-08-17	2,748
5/11/2017	5/16/2017	29270CYL3	ENERGY NORTHWEST WASH ELEC REV 2.147% Due 07-01-18	-16,103
5/17/2017	5/17/2017	3130A6SA6	FEDERAL HOME LOAN BANKS 0.940% Due 11-17-17	9,400
5/17/2017	5/17/2017	3130A4Q70	FEDERAL HOME LOAN BANKS 1.000% Due 11-17-17	10,000
5/24/2017	5/24/2017	3134G9MU8	FEDERAL HOME LN MTG CORP 1.300% Due 05-24-19	13,000
5/25/2017	5/25/2017	3134G9KF3	FEDERAL HOME LN MTG CORP 1.200% Due 11-25-19	12,000
5/2/2017	5/25/2017	3134GBLN0	FEDERAL HOME LN MTG CORP 2.250% Due 05-25-22	0
5/25/2017	5/25/2017	3135G0XK4	FEDERAL NATL MTG ASSN 1.050% Due 05-25-18	10,500



## Interest

Trade Date	Settle Date	Symbol	Security	Amount
5/26/2017	5/26/2017	3134G9JK4	FEDERAL HOME LN MTG CORP 1.125% Due 11-26-18	5,625
5/26/2017	5/26/2017	3130A9Z46	FEDERAL HOME LOAN BANKS 1.600% Due 11-26-21	15,644
5/28/2017	5/28/2017	3136G1LZ0	FEDERAL NATL MTG ASSN 0.750% Due 11-28-17	3,750
5/29/2017	5/29/2017	3134G44S4	FEDERAL HOME LN MTG CORP 1.000% Due 11-29-18	5,000
5/30/2017	5/30/2017	3130A5EP0	FEDERAL HOME LOAN BANKS 0.625% Due 05-30-17	6,250
5/30/2017	5/30/2017	313381GB5	FEDERAL HOME LOAN BANKS 1.000% Due 11-30-18	5,000
5/31/2017	5/31/2017	SYS117600054	BAKER BOYER BANK 0.100% Due 06-29-17	295
5/31/2017	5/31/2017	SYS117600054	BAKER BOYER BANK 0.100% Due 06-29-17	0
5/31/2017	5/31/2017	SYSUMPQ1	UMPQUA BANK MMF 0.680% Due 06-29-17	580
5/31/2017	5/31/2017	SYSUMPQ1	UMPQUA BANK MMF 0.680% Due 06-29-17	0
5/31/2017	5/31/2017	912828UA6	UNITED STATES TREAS NTS 0.625% Due 11-30-17	3,125
5/31/2017	5/31/2017	912828VE7	UNITED STATES TREAS NTS 1.000% Due 05-31-18	10,000
5/31/2017	5/31/2017	912828A34	UNITED STATES TREAS NTS 1.250% Due 11-30-18	18,750
5/31/2017	5/31/2017	JAIL 2016	WALLA WALLA COUNTY 1.820% Due 12-01-21	1,216
5/31/2017	5/31/2017	000WAFED	WASHINGTON FEDERAL 0.850% Due 06-29-17	8,108
5/31/2017	5/31/2017	000WAFED	WASHINGTON FEDERAL 0.850% Due 06-29-17	0



Walla Walla County

# Transaction Summary

5/1/2017 - 5/31/2017

## Interest

Trade Date	Settle Date	Symbol	Security	Amount
5/31/2017	5/31/2017	WAP00L	WASHINGTON LGIP 0.870% Due 06-29-17	6,739
5/31/2017	5/31/2017	WAP00L	WASHINGTON LGIP 0.870% Due 06-29-17	0
<b>Total Interest</b>				<b>131,627</b>

## Maturities

Trade Date	Settle Date	Quantity	Symbol	Security	Adj Unit Cost	Adjusted Total Cost	Amort. or Accretion	Unit Price	Proceeds	Gain/Loss
5/8/2017	5/8/2017	785,000	3134G43Y2	FEDERAL HOME LN MTG CORP 0.700% Due 05-08-17	99.83	783,626	1,374	100.00	785,000	0
5/30/2017	5/30/2017	2,000,000	3130A5EP0	FEDERAL HOME LOAN BANKS 0.625% Due 05-30-17	99.97	1,999,435	566	100.00	2,000,000	0
<b>Total Maturities</b>						<b>2,783,061</b>	<b>1,939</b>		<b>2,785,000</b>	<b>0</b>

## Expenses

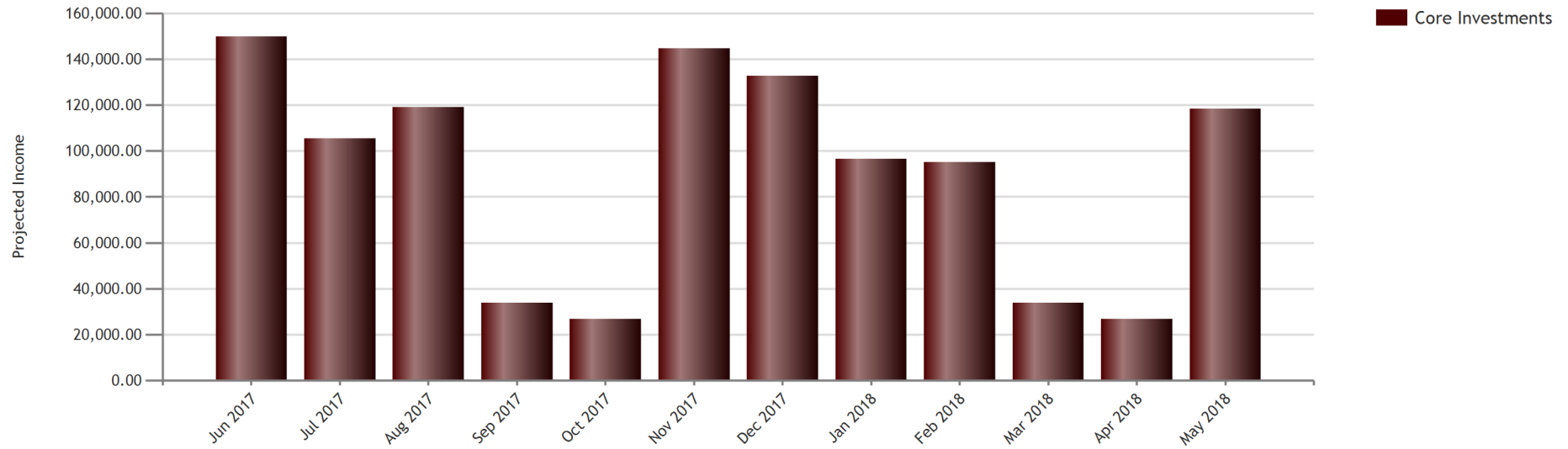
Trade Date	Settle Date	Symbol	Security	Amount
5/31/2017	5/31/2017	manfee	Management Fee	1,000
<b>Total Expenses</b>				<b>1,000</b>

## Contributions

Trade Date	Settle Date	Quantity	Symbol	Security	Unit Price	Amount
5/16/2017	5/16/2017		cash	CASH ACCOUNT		2,033,703
5/25/2017	5/25/2017		cash	CASH ACCOUNT		2,000,000
5/31/2017	5/31/2017	1,875,000	SYS117600054	BAKER BOYER BANK 0.100% Due 06-29-17	100.00	1,875,000
5/31/2017	5/31/2017	838	SYSUMPQ1	UMPQUA BANK MMF 0.680% Due 06-29-17	100.00	838
5/31/2017	5/31/2017	2,000,000	000WAFED	WASHINGTON FEDERAL 0.850% Due 06-29-17	100.00	2,000,000
<b>Total Contributions</b>						<b>7,909,541</b>

**Withdrawals**

Trade Date	Settle Date	Quantity	Symbol	Security	Unit Price	Amount
5/8/2017	5/8/2017		cash	CASH ACCOUNT		787,748
5/17/2017	5/17/2017		cash	CASH ACCOUNT		19,400
5/24/2017	5/24/2017		cash	CASH ACCOUNT		13,000
5/25/2017	5/25/2017		cash	CASH ACCOUNT		22,500
5/26/2017	5/26/2017		cash	CASH ACCOUNT		21,269
5/30/2017	5/30/2017		cash	CASH ACCOUNT		2,020,000
5/31/2017	5/31/2017		cash	CASH ACCOUNT		31,875
5/31/2017	5/31/2017		cash	CASH ACCOUNT		135,578
5/31/2017	5/31/2017	11,993,497	WAP00L	WASHINGTON LGIP 0.870% Due 06-29-17	100.00	11,993,497
<b>Total Withdrawals</b>						<b>15,044,867</b>



	Jun 2017	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018
Core Investments	149,730.70	105,485.25	119,100.00	33,712.50	26,875.00	144,650.00	132,760.65	96,485.25	95,100.00	33,712.50	26,875.00	118,375.00
US Agency (USD)	10,000.00	39,250.00	59,000.00	33,712.50	26,875.00	112,775.00	10,000.00	39,250.00	59,000.00	33,712.50	26,875.00	89,625.00
Municipal (USD)	139,730.70	66,235.25	60,100.00	0.00	0.00	0.00	122,760.65	57,235.25	36,100.00	0.00	0.00	0.00
US Treasury (USD)	0.00	0.00	0.00	0.00	0.00	31,875.00	0.00	0.00	0.00	0.00	0.00	28,750.00
<b>Total</b>	<b>149,730.70</b>	<b>105,485.25</b>	<b>119,100.00</b>	<b>33,712.50</b>	<b>26,875.00</b>	<b>144,650.00</b>	<b>132,760.65</b>	<b>96,485.25</b>	<b>95,100.00</b>	<b>33,712.50</b>	<b>26,875.00</b>	<b>118,375.00</b>
<b>Grand Total</b>	<b>1,082,861.85</b>											



## NAV and Sensitivity Analysis

5/31/17

Weighted Average Maturity (days):	504
Book Value:	\$94,711,680.26
Market Value:	\$94,593,232.22
Market Value (NAV):	0.998749
Total \$ Unrealized Loss:	\$118,448
Total \$ Unrealized Gain:	\$0

<i>Basis Point Shift</i>								Gain (Loss)
300	0.939071	0.952610	0.955105	0.957349	0.959380	0.961227	0.967192	\$ (4,039,512)
250	0.948928	0.960277	0.962368	0.964249	0.965952	0.967499	0.972500	\$ (3,386,001)
200	0.958785	0.967944	0.969631	0.971149	0.972523	0.973772	0.977807	\$ (2,732,490)
150	0.968642	0.975610	0.976894	0.978049	0.979095	0.980045	0.983115	\$ (2,078,980)
100	0.978499	0.983277	0.984157	0.984949	0.985666	0.986318	0.988423	\$ (1,425,469)
50	0.988356	0.990944	0.991420	0.991849	0.992238	0.992590	0.993730	\$ (771,959)
0	<b>0.998213</b>	<b>0.998610</b>	<b>0.998684</b>	<b>0.998749</b>	<b>0.998809</b>	<b>0.998863</b>	<b>0.999038</b>	\$ (118,448)
-50	1.008071	1.006277	1.005947	1.005649	1.005380	1.005136	1.004346	\$ 535,063
-100	1.017928	1.013944	1.013210	1.012549	1.011952	1.011409	1.009653	\$ 1,188,573
-150	1.027785	1.021610	1.020473	1.019449	1.018523	1.017681	1.014961	\$ 1,842,084
-200	1.037642	1.035000	1.027736	1.026349	1.025095	1.023954	1.020269	\$ 2,495,594
-250	1.047499	1.036944	1.034999	1.033249	1.031666	1.030227	1.025576	\$ 3,149,105
-300	1.057356	1.044610	1.042263	1.040149	1.038238	1.036499	1.030884	\$ 3,802,616

Redemption/Inflow O/S Shares	-30%	-10%	-5%	0%	5%	10%	30%
	66,298,176	85,240,512	89,976,096	94,711,680	99,447,264	104,182,848	123,125,184

*Shift Upon NAV =*  $NAV - (APM/365) * (Bp/10,000)$

*Dilution Upon NAV =*  $(NAV + Change) / (1 + Change)$

*NAV =* Market Value / Book Value

\* Source: S&P rating matrix



# Disclaimer & Terms

5/31/2017

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 custodian bank maintains the control of assets and executes (ie. Settles) all investment transactions. The custodian 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 custodian bank statement and the GPA report should be reconciled and differences resolved. Many custodians use a settlement date basis which may result in the need to reconcile due to a timing difference.

GPA relies on the information provided by the client's when reporting pool balances, bank balances and other assets that are not held at the client's custodial bank.

**Account Control:**

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

**Market Value:**

Generally, market prices in GPA's reports are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data or Bloomberg. Where prices are not available from generally recognized sources the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although GPA believes the prices to be reliable, the values of the securities do not always represent the prices at which the securities could have been bought or sold.

**Amortized Cost:**

The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premiums with respect to short term securities (those with less than one year to maturity at time of issuance) is amortized on a straightline basis. Such discount or premium with respect to longer term securities is amortized using a straight-line basis.

**Financial Situation:**

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

**Callable Securities:**

Securities subject to redemption prior to maturity may be redeemed in whole or in part before maturity, which could affect the yield represented. Certain call dates may not show up on the report if the call date has passed and it is continuously callable. Bonds purchased at a premium will be amortized to call date versus all others will be amortized to maturity.

**Duration:**

The duration listed on the reports is duration to maturity and duration to call. Effective duration is calculated on Bloomberg and imported into these reports and reflects the OAS duration which incorporates the probability of the bond being called. Effective duration is what GPA compares to the benchmark to reflect current market risk.

**Benchmark Duration:**

The benchmark duration is the historical weighted average of the benchmark duration over monthly periods. GPA is reporting this number as a static amount period over period.

**Portfolio:**

The securities in this 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.

**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:**

Oftentimes, coupon payments and maturities will occur on a weekend or holiday. GPA will track these payments on an accrual basis, while the custodian bank may track on a cash basis. The accrual basis allocates the earnings in the period earned.