



# GOVERNMENT PORTFOLIO ADVISORS

## Monthly Report

Account

10/31/2017

Walla Walla County

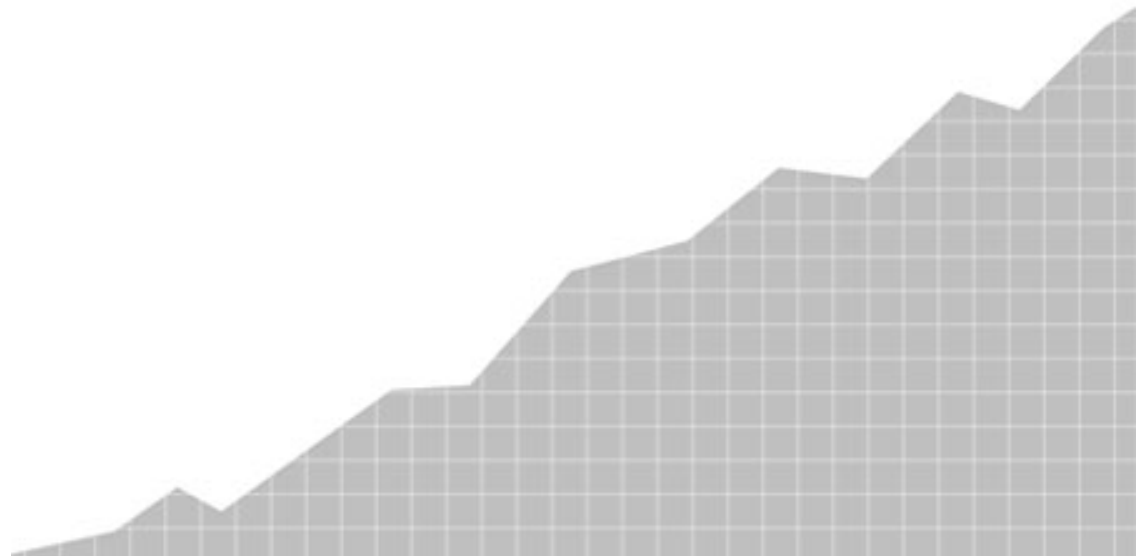




Table of Contents

Market Commentary.....1

Account Summary.....2

Total Return .....5

Portfolio Holdings.....10

NAV .....19

Disclaimer .....20

## MONTH END COMMENTARY – OCTOBER 2017

Interest rates in the short end of the curve continued to rise during October. Sustained strength in the economy, job growth and expectations for tax reform are leading market participants to believe that the Fed will increase the Fed Funds target rate at their December meeting. The Dow Jones reached an all-time high of 23,442 during the month. Stocks are up more than 15% year to date. The 2-year Treasury increased 11 basis points to 1.60% and 5-year notes increased 8 basis points to 2.02% during the month. The 2-year to 5-year spread flattened slightly from 45 basis points to 42. The 10-year low on the spread between 2-year notes and 5-year notes is 22 basis points.

**FOMC:** The Fed minutes from the September 19-20 meeting were released on October 11<sup>th</sup>. The statement and press conference from that meeting were relatively hawkish, confirming that the Fed projected a third rate hike this year, in December. Inflation continues to be the biggest unknown to the members of the committee. The bottom line is that they are predicting that inflation won't stay low for much longer as they signaled that they will move ahead with plans to tighten monetary policy. Fed Chair Yellen said that her "best guess" is consumer prices will soon accelerate after a period of softness. "Many participants continued to believe that the cyclical pressures associated with a tightening labor market or an economy operating above its potential were likely to show through to higher inflation over the medium term."

**New Federal Reserve Chairman:** President Trump nominated Jerome Powell as Fed Chair, a Fed governor who has voted in favor of every Fed policy decision since 2012. He will take over the chairmanship of the Federal Reserve Board beginning in February for a four-year term. In his acceptance, he stated the desire to continue achieving "the goal of price stability and maximum employment." He supports unwinding the Fed's bond purchases and gradually increasing the Fed Funds target rate.

**Fed Funds:** Interest rate forecasts point to one more rate hike this year. The Fed Funds futures are currently pricing in a 92.3% chance of a rate hike at the 12/13/17 meeting. A rate hike will remain dependent on continued strong economic data.

**Non-farm Payrolls/Unemployment:** Non-farm payrolls decreased by 33,000 in September. Much of this drop has been attributed to the slow-down in employment due to the effects of hurricanes Harvey and Irma. The unemployment rate dropped to 4.2% from 4.4%. Average hourly earnings of all private sector workers increased .5%, lifting the increase over the past 12 months to 2.9%. The slack in the job market is narrowing and putting some upward pressure on wages.

**GDP:** Third quarter GDP increased at an annual rate of 3% according to the "advance" estimate. In the second quarter, real GDP increased 3.1%. The increase in GDP reflected positive changes in personal consumption expenditures, fixed investments and government. The U.S. Purchasing Manager's Index reached a 12 year high. The consensus expectation by Bloomberg economists is that the GDP will finish the fourth quarter at +2.3%.

**Strategy going forward:** GPA is recommending that portfolios remain slightly defensive against higher rates by maintaining portfolio durations that are slightly shorter than each portfolio's benchmark duration. We will continue to look for opportunities to extend portfolios to within 90% to 95% of each portfolio's benchmark duration. Corporate spreads remain tight vs. treasuries therefore, GPA's recommendation is to keep corporate exposure in securities with maturities of two years and shorter. GPA is currently underweighting five-year notes, corporate securities and taxable municipals longer than two years.

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

3month bill	0.72
1 year note	0.65
2 year note	0.01
3 year note	-0.18
5 year note	-1.46

### TREASURY BENCHMARK TOTAL RETURNS IN MONTH\*

Benchmark	Period Return	Duration
BAML 0-3 Year Treasury	-0.02%	1.40
BAML 0-5 Year Treasury	-0.06%	2.15
BAML 1-3 Year Treasury	-0.06%	1.85
BAML 1-5 Year Treasury	-0.09%	2.65

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

	10/31/16	08/31/17	09/30/17	10/31/17	Change in October	Change from Prior Year
<b>3 month bill</b>	.30	.99	1.05	1.13	+.08	+.83
<b>6 month bill</b>	.50	1.08	1.19	1.28	+.09	+.78
<b>2 year note</b>	.84	1.33	1.49	1.60	+.11	+.76
<b>3 year note</b>	.99	1.43	1.62	1.73	+.11	+.74
<b>5 year note</b>	1.31	1.70	1.94	2.02	+.08	+.71
<b>10 year</b>	1.83	2.12	2.33	2.38	+.05	+.55

\*Source: Bloomberg



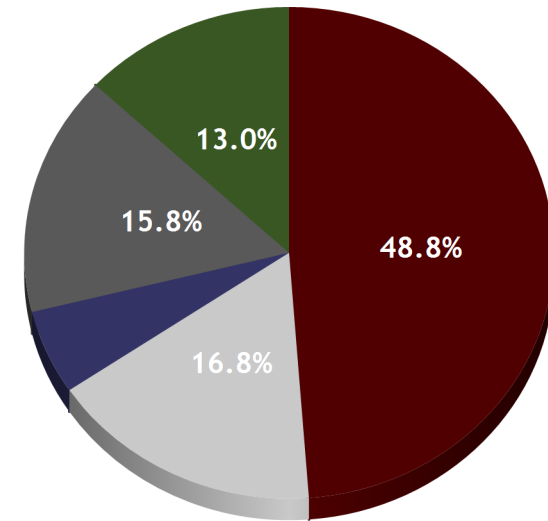
## Weighted Averages

Book Yield	1.21
Maturity	1.05
Coupon	1.43
Moody	Aa1
S&P	AA

## Fixed Income Totals

Par Value	107,542,971
Market Value	107,625,038.62
Amortized Book Value	107,888,953.88
Unrealized Gain/Loss	-263,915.26
Estimated Annual Cash Flow	1,532,551.38

## Fixed Income Allocation



Security Type	Market Value	% Assets
US Agency (USD)	52,525,269.84	48.8
Municipal (USD)	18,036,295.93	16.8
US Treasury (USD)	5,987,300.00	5.6
LGIP State Pool (USD)	17,039,814.26	15.8
Bank or Cash Deposit (USD)	14,036,358.59	13.0
<b>Fixed Income Total</b>	<b>107,625,038.62</b>	<b>100.0</b>

# Portfolio Summary

October 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	107,542,971	108,173,441.53	107,888,953.88	107,625,038.62	-263,915.26	1.21	1.02	0.90	1.40	BofA Merrill 0-3 Treasury
<b>TOTAL PORTFOLIO</b>	<b>107,542,971</b>	<b>108,173,441.53</b>	<b>107,888,953.88</b>	<b>107,625,038.62</b>	<b>-263,915.26</b>	<b>1.21</b>	<b>1.02</b>	<b>0.90</b>	<b>1.40</b>	



## Cost Basis Summary

	Month End Ending 10/31/2017	Fiscal Year-to-Date 12/31/2016
Beginning Amortized Cost	87,432,859.13	82,546,254.85
Investment Purchases	3,002,270.00	28,848,864.88
Investment Maturities/Sells/Calls	(172,942.80)	(15,884,106.99)
Amortization	(19,207.81)	(207,185.61)
Change in Cash Equivalents	17,645,975.36	12,585,416.35
Realized Gains / Losses	0.00	(289.61)
<b>Ending Amortized Costs</b>	<b>107,888,953.88</b>	<b>107,888,953.88</b>

## Accrual Earnings Summary

	Month End Ending 10/31/2017	Fiscal Year-to-Date 12/31/2016
Amortization/Accretion	(19,207.81)	(207,185.61)
Interest Earned	108,412.32	1,005,938.56
Realized Gain (Loss)	0.00	(289.61)
Total Income	89,204.51	798,463.35
Average Portfolio Balance	88,395,120.43	87,308,015.99
<b>Earnings Yield</b>	<b>1.19%</b>	<b>1.10%</b>

## MarketValue Summary

	As of 10/31/2017
Ending Market Value	107,625,038.62
Unrealized Gain/Loss	(263,915.26)
Net Asset Value (NAV)	0.9976

## Interest Earnings Summary

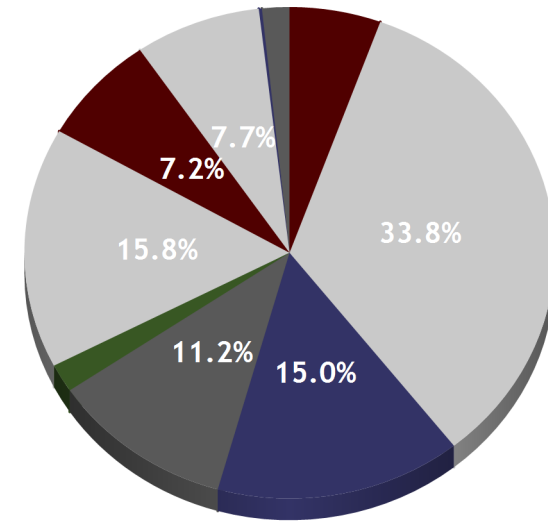
	Month End Ending 10/31/2017	Fiscal Year-to-Date 12/31/2016
Beginning Accrued Interest	375,994.66	351,959.68
Coupons Paid	36,573.31	755,186.61
Purchased Accrued Interest	(7,145.83)	(80,062.61)
Sold Accrued Interest	18,650.60	246,445.34
Ending Accrued Interest	436,328.90	436,328.90
<b>Interest Earned</b>	<b>108,412.32</b>	<b>1,005,938.56</b>



## Total Return For Period

	Since 9/30/2017
<b>Beginning Principal Value</b>	<b>87,220,626.14</b>
Beginning Accrued Interest	375,994.66
Net Contributions/Withdrawals	20,427,224.48
Market Value Change	-70,890.08
Interest Earnings	108,412.32
<b>Ending Principal Value</b>	<b>107,625,038.62</b>
Accrued Interest	436,328.90
<b>Total Return</b>	<b>37,522.24</b>
Advisory Fees for Period	-1,000.00
<b>Net Total Return</b>	<b>36,522.24</b>

## Portfolio Allocation as of 10/31/2017



Industry Group	Market Value	% Assets	Yield
US Treasury	5,987,300.00	5.6	0.9
US Agency Bullet	36,372,007.59	33.8	1.1
US Agency Callable	16,153,262.25	15.0	1.4
Bank Deposit	12,036,358.59	11.2	0.9
Certificate of Deposit	2,000,000.00	1.9	1.5
State Investment Pool	17,039,814.26	15.8	1.1
Muni GO	7,761,228.75	7.2	1.2
Muni Rev	8,277,377.50	7.7	1.7
Muni BABS	200,892.00	0.2	1.5
Municipal Direct	1,796,797.68	1.7	2.4
<b>Total</b>	<b>107,625,038.62</b>	<b>100.0</b>	<b>1.2</b>

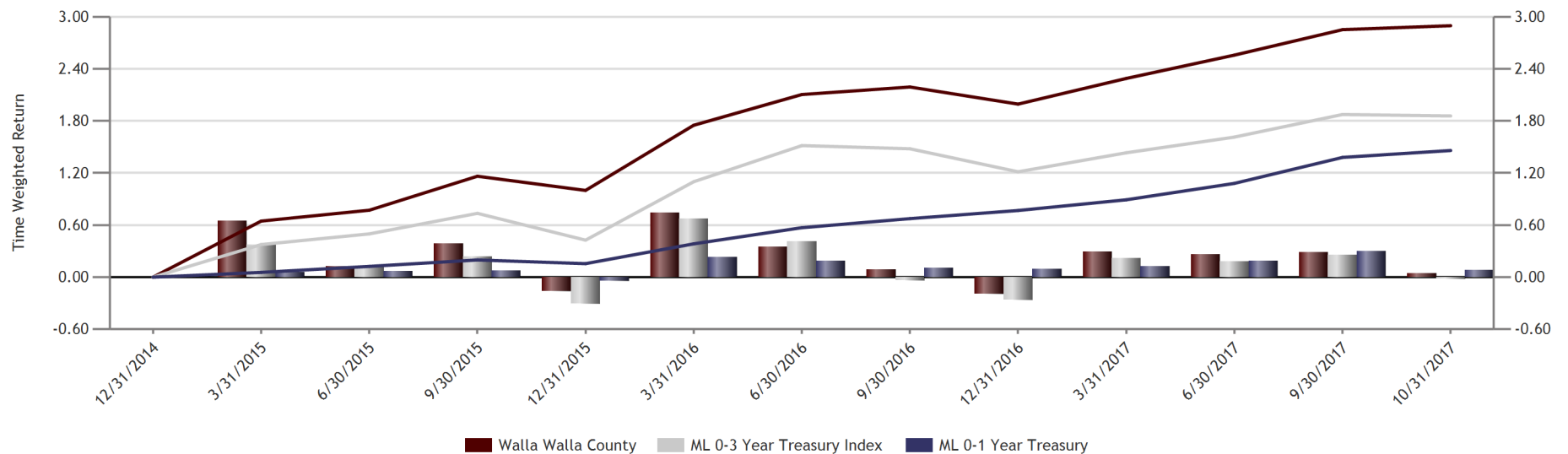


## Performance History

Portfolio	Month To Date	Quarter To Date	Fiscal Year To Date	Annualized Inception To Date
Account	0.04	0.04	0.89	1.01

Index	Month To Date	Quarter To Date	Fiscal Year To Date	Annualized Inception To Date
ML 0-3 Year Treasury Index	-0.02	-0.02	0.64	0.65
ML 0-1 Year Treasury	0.08	0.08	0.69	0.51

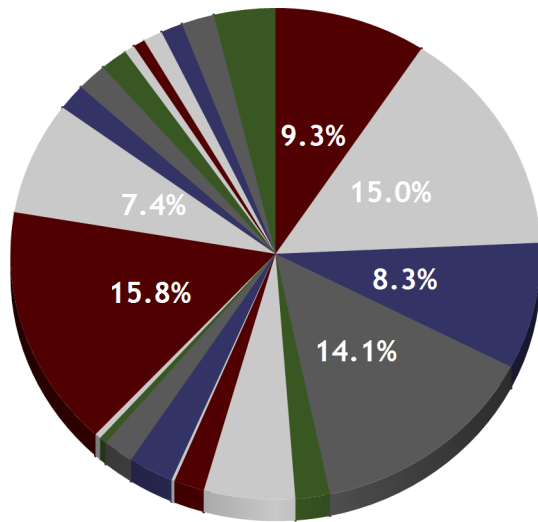
## Time Weighted Return Inception (12/31/2014) to Date







## Portfolio Allocation as of 10/31/2017



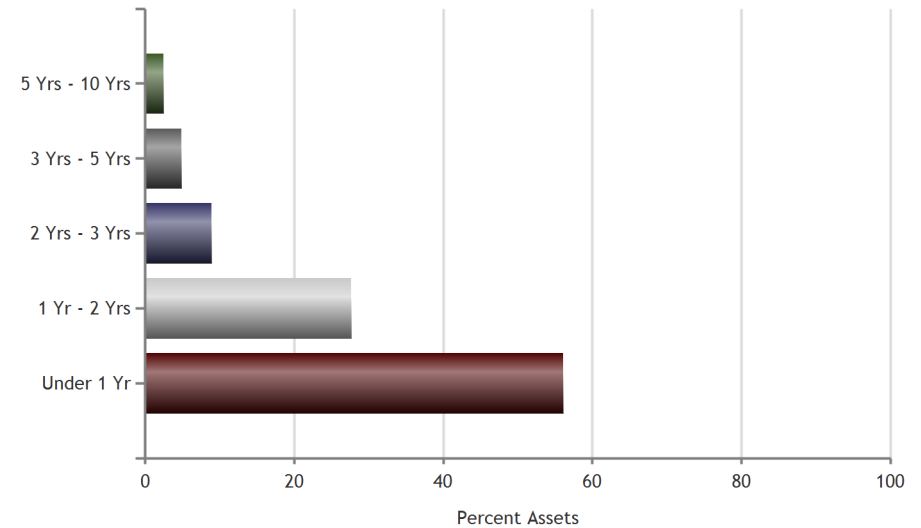
Issuer	Market Value	% Assets	Yield
FEDERAL NATL MTG ASSN	9,977,956.00	9.3	1.1
FEDERAL HOME LOAN BANKS	16,153,245.84	15.0	1.2
FEDERAL FARM CR BKS	8,951,492.00	8.3	1.3
FEDERAL HOME LN MTG CORP	15,186,722.25	14.1	1.1
FEDERAL AGRIC MTG CORP	2,255,853.75	2.1	2.0
UNITED STATES TREAS NTS	5,987,300.00	5.6	0.9
ENERGY NW WA ELEC REVENUE	2,007,360.00	1.9	1.4
GRANT CNTY PUB UTIL	200,892.00	0.2	1.5
UNIV OF WASHINGTON	2,969,243.75	2.8	1.8
ENERGY NORTHWEST WASH ELEC REV	2,030,540.00	1.9	1.8
GRANT CNTY WA PUB UTIL DIST	485,320.10	0.5	2.0
PUYALLUP WASH	389,957.10	0.4	1.3
WA LGIP	17,039,814.26	15.8	1.1
UMPQUA BANK	8,007,634.23	7.4	1.3
ADA & CANYON CNTYS ID JT SD	1,846,117.90	1.7	1.2
BAKER BOYER	1,996,000.00	1.9	0.1
WALLA WALLA COUNTY BONDS	1,796,797.68	1.7	2.4
OREGON SCHOOL BOARD	675,276.00	0.6	1.5
CITY OF TACOMA WA	784,913.65	0.7	1.1
NORTH SLOPE BORO ALASKA	1,258,007.85	1.2	1.1
CA ST PUB WKS BD LS	1,437,049.90	1.3	1.1
TACOMA METROPOLITAN PARK DISTRICT	2,154,820.00	2.0	1.1
WASHINGTON FEDERAL BANK	4,032,724.36	3.7	1.1
<b>Total</b>	<b>107,625,038.62</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	26	60,348,389.13	56.1	1.2	1.166%	0.3
1 Yr - 2 Yrs	18	29,735,546.84	27.6	1.5	1.464%	1.3
2 Yrs - 3 Yrs	5	9,634,644.75	9.0	2.5	2.554%	2.1
3 Yrs - 5 Yrs	3	5,229,765.80	4.9	1.9	1.845%	3.9
5 Yrs - 10 Yrs	4	2,676,692.10	2.5	2.3	2.329%	4.9

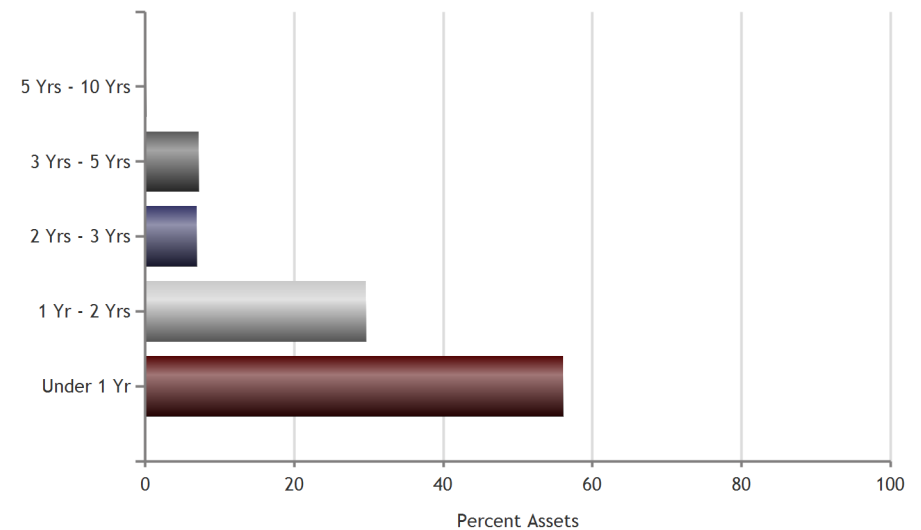
## Distribution by Maturity



## Distribution by Duration

Duration	Number	Market Value	% FI Holdings	Average Curr. Yld	Average Coupon	Average Duration
Under 1 Yr	26	60,348,389.13	56.1	1.2	1.166%	0.3
1 Yr - 2 Yrs	19	31,890,366.84	29.6	1.7	1.703%	1.4
2 Yrs - 3 Yrs	4	7,479,824.75	6.9	1.8	1.850%	2.2
3 Yrs - 5 Yrs	5	7,723,021.80	7.2	2.0	1.982%	4.2
5 Yrs - 10 Yrs	2	183,436.10	0.2	3.2	3.155%	7.2

## Distribution by Duration

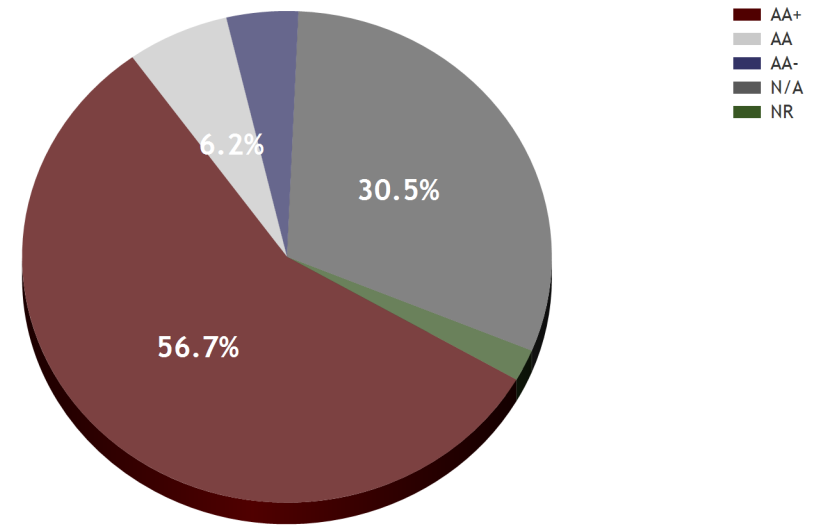




## Distribution by S&P Rating

S&P Rating	Number	Market Value	% FI Holdings	Average YTM	Average Coupon	Average Duration
AA+	35	61,072,077.74	56.7	1.5	1.294%	1.2
AA	7	6,710,960.60	6.2	1.3	3.461%	1.2
AA-	3	4,713,176.00	4.4	1.9	2.057%	1.6
N/A	9	32,872,970.53	30.5	1.2	1.159%	0.3
NR	2	2,255,853.75	2.1	1.9	1.953%	3.7

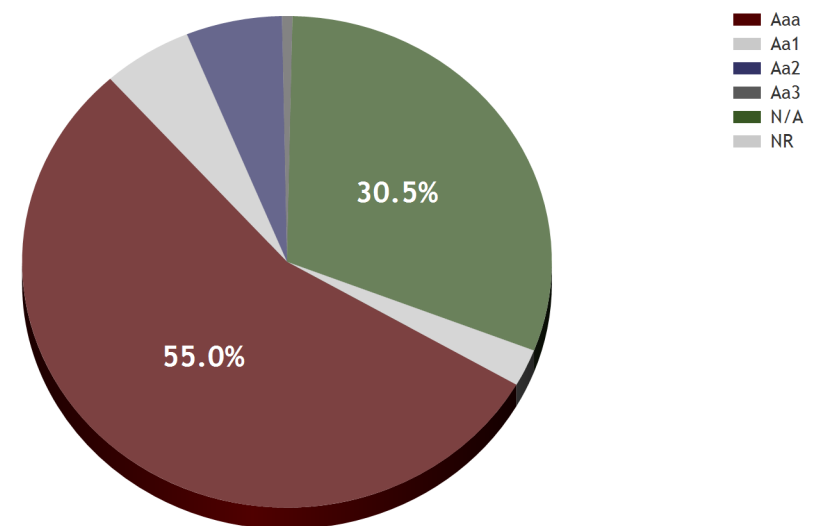
## Distribution by S&P Rating



## Distribution by Moody Rating

Moody Rating	Number	Market Value	% FI Holdings	Average YTM	Average Coupon	Average Duration
Aaa	34	59,225,959.84	55.0	1.5	1.209%	1.2
Aa1	3	5,884,017.90	5.5	1.6	2.903%	1.3
Aa2	5	6,310,067.40	5.9	1.4	3.303%	1.4
Aa3	2	686,212.10	0.6	1.6	2.698%	0.2
N/A	9	32,872,970.53	30.5	1.2	1.159%	0.3
NR	3	2,645,810.85	2.5	1.9	1.867%	3.1

## Distribution by Moody Rating



# Portfolio Holdings

Walla Walla County

October 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	99.99	0.71	99.9606	1.10	999,606.00	2,629.78	1,002,235.78	-324.66	0.9	0.08	0.08
912828VE7	2,000,000	UNITED STATES TREAS NTS 1.000% Due 05-31-18		10-28-15	100.06	0.89	99.8125	1.32	1,996,250.00	8,415.30	2,004,665.30	-5,010.15	1.9	0.58	0.57
912828A34	3,000,000	UNITED STATES TREAS NTS 1.250% Due 11-30-18		04-24-15	100.21	1.05	99.7148	1.52	2,991,444.00	15,778.69	3,007,222.69	-14,929.87	2.8	1.06	1.06
	6,000,000					0.94		1.38	5,987,300.00	26,823.77	6,014,123.77	-20,264.68	5.6	0.74	0.73
<b>US Agency Bullet</b>															
3130A4Q70	2,000,000	FEDERAL HOME LOAN BANKS 1.000% Due 11-17-17		04-08-15	100.01	0.80	99.9982	0.97	1,999,964.00	9,111.11	2,009,075.11	-206.70	1.9	0.05	0.04
3130A6SA6	2,000,000	FEDERAL HOME LOAN BANKS 0.940% Due 11-17-17		11-17-15	100.00	0.95	99.9956	0.97	1,999,912.00	8,564.44	2,008,476.44	-83.61	1.9	0.05	0.04
3136G1LZ0	1,000,000	FEDERAL NATL MTG ASSN 0.750% Due 11-28-17		10-28-15	100.00	0.78	99.9743	1.05	999,743.00	3,187.50	1,002,930.50	-236.41	0.9	0.08	0.07
3137EADN6	1,000,000	FEDERAL HOME LN MTG CORP 0.750% Due 01-12-18		06-11-14	99.91	1.22	99.9201	1.14	999,201.00	2,270.83	1,001,471.83	99.06	0.9	0.20	0.19
3130A7SQ9	2,000,000	FEDERAL HOME LN BKS 0.900% Due 01-26-18		04-25-16	100.00	0.91	99.9047	1.29	1,998,094.00	4,750.00	2,002,844.00	-1,852.39	1.9	0.24	0.23
3133EGDN2	2,000,000	FEDERAL FARM CR BKS 0.900% Due 03-02-18		04-19-17	99.94	1.09	99.8946	1.20	1,997,892.00	2,950.00	2,000,842.00	-844.39	1.9	0.34	0.33
3137EADP1	2,000,000	FEDERAL HOME LN MTG CORP 0.875% Due 03-07-18		10-20-16	100.02	0.81	99.8795	1.21	1,997,590.00	2,625.00	2,000,215.00	-2,865.01	1.9	0.35	0.34
31315PZZ5	250,000	FEDERAL AGRIC MTG CORP 0.770% Due 03-09-18		11-08-13	99.71	1.61	99.8159	1.28	249,539.75	278.06	249,817.81	256.54	0.2	0.36	0.35
3134G8XA2	2,000,000	FEDERAL HOME LN MTG CORP 1.000% Due 07-27-18		04-26-16	99.99	1.02	99.6903	1.42	1,993,806.00	222.22	1,994,028.22	-5,965.35	1.9	0.74	0.72

# Portfolio Holdings

Walla Walla County  
October 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
3135G0L68	2,000,000	FEDERAL NATL MTG ASSN 0.750% Due 07-27-18		10-21-16	99.88	0.91	99.5373	1.38	1,990,746.00	3,916.67	1,994,662.67	-6,951.18	1.8	0.73	0.72
3134G44S4	1,000,000	FEDERAL HOME LN MTG CORP 1.000% Due 11-29-18		05-18-16	100.00	1.00	99.4905	1.47	994,905.00	4,222.22	999,127.22	-5,082.27	0.9	1.07	1.06
313381GB5	1,000,000	FEDERAL HOME LOAN BANKS 1.000% Due 11-30-18		05-16-16	100.10	0.91	99.4575	1.51	994,575.00	4,194.44	998,769.44	-6,409.96	0.9	1.07	1.06
3133EFX51	2,000,000	FEDERAL FARM CR BKS 1.000% Due 01-07-19		05-16-16	100.06	0.95	99.2896	1.60	1,985,792.00	6,333.33	1,992,125.33	-15,485.91	1.8	1.17	1.17
3136G3YL3	2,000,000	FEDERAL NATL MTG ASSN 0.900% Due 01-25-19		08-02-16	99.90	0.98	99.1072	1.63	1,982,144.00	4,800.00	1,986,944.00	-15,820.36	1.8	1.22	1.21
3133EF3V7	2,000,000	FEDERAL FARM CR BKS 0.875% Due 02-15-19		08-02-16	100.03	0.85	99.1472	1.54	1,982,944.00	3,694.44	1,986,638.44	-17,644.22	1.8	1.28	1.27
3135G0ZA4	2,000,000	FEDERAL NATL MTG ASSN 1.875% Due 02-19-19		04-19-17	100.82	1.23	100.4344	1.53	2,008,688.00	7,500.00	2,016,188.00	-7,727.26	1.9	1.28	1.28
3133782M2	2,000,000	FEDERAL HOME LOAN BANKS 1.500% Due 03-08-19		04-19-17	100.31	1.27	99.9280	1.55	1,998,560.00	4,416.67	2,002,976.67	-7,601.82	1.9	1.33	1.32
313379EE5	2,000,000	FEDERAL HOME LOAN BANKS 1.625% Due 06-14-19		09-27-17	100.20	1.50	100.0441	1.59	2,000,882.00	12,368.06	2,013,250.06	-3,039.07	1.9	1.59	1.58
3130ABZX7	1,215,000	FEDERAL HOME LOAN BANKS 1.410% Due 08-07-19		09-28-17	99.81	1.52	99.5576	1.66	1,209,624.84	3,997.35	1,213,622.19	-3,114.29	1.1	1.73	1.73
3134G9KF3	2,000,000	FEDERAL HOME LN MTG CORP 1.200% Due 11-25-19		05-18-16	99.94	1.23	98.9828	1.70	1,979,656.00	10,400.00	1,990,056.00	-19,048.11	1.8	2.02	2.02
3135G0ZY2	1,000,000	FEDERAL NATL MTG ASSN 1.750% Due 11-26-19		10-20-17	100.22	1.64	100.1435	1.68	1,001,435.00	7,534.72	1,008,969.72	-808.24	0.9	2.01	2.01
3132X0PX3	2,000,000	FEDERAL AGRIC MTG CORP 2.100% Due 02-23-22		02-16-17	100.15	2.06	100.3157	2.02	2,006,314.00	7,933.33	2,014,247.33	3,295.37	1.9	4.09	4.09
	36,465,000					1.12		1.44	36,372,007.59	115,270.41	36,487,278.00	-117,135.61	33.8	1.08	1.08

# Portfolio Holdings

Walla Walla County

October 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 Agency Callable</b>															
3134G8M71	2,000,000	FEDERAL HOME LN MTG CORP 1.050% Due 02-26-18	11-26-17	04-19-17	100.00	1.05	99.9284	1.26	1,998,568.00	3,791.67	2,002,359.67	-1,432.00	1.9	0.32	0.24
3135G0XK4	2,000,000	FEDERAL NATL MTG ASSN 1.050% Due 05-25-18	11-25-17	05-30-13	100.00	1.07	99.7600	1.47	1,995,200.00	9,100.00	2,004,300.00	-4,800.00	1.9	0.56	0.49
3130A96A4	2,000,000	FEDERAL HOME LOAN BANKS 1.000% Due 06-15-18	12-15-17	08-29-16	100.00	1.00	99.6910	1.49	1,993,820.00	7,555.56	2,001,375.56	-6,180.00	1.9	0.62	0.49
3134G9JK4	1,000,000	FEDERAL HOME LN MTG CORP 1.125% Due 11-26-18	11-26-17	05-16-16	100.00	1.12	99.4557	1.64	994,557.00	4,843.75	999,400.75	-5,443.00	0.9	1.06	0.84
3134G9MU8	2,000,000	FEDERAL HOME LN MTG CORP 1.300% Due 05-24-19	11-24-17	05-17-16	100.00	1.30	99.5262	1.60	1,990,524.00	11,338.89	2,001,862.89	-9,476.00	1.8	1.53	1.34
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	99.4629	1.81	2,237,915.25	468.75	2,238,384.00	-12,084.75	2.1	1.71	1.25
3133EF5V5	1,000,000	FEDERAL FARM CR BKS 1.350% Due 08-02-19	11-02-17	09-28-17	99.69	1.53	99.2658	1.77	992,658.00	3,337.50	995,995.50	-4,232.32	0.9	1.72	1.56
3130A9Z46	2,000,000	FEDERAL HOME LOAN BANKS 1.600% Due 11-26-21	11-26-17	11-15-16	99.41	1.75	97.8907	2.14	1,957,814.00	13,777.78	1,971,591.78	-30,362.78	1.8	3.89	2.43
3133EHKT9	2,000,000	FEDERAL FARM CR BKS 2.220% Due 11-25-22	11-25-17	09-21-17	99.90	2.24	99.6103	2.30	1,992,206.00	19,240.00	2,011,446.00	-5,836.36	1.9	4.72	1.61
	16,250,000					1.41		1.72	16,153,262.25	73,453.89	16,226,716.14	-79,847.21	15.0	1.84	1.13
<b>Bank Deposit</b>															
SYS117600	1,996,000	BAKER BOYER BANK 0.100% Due 11-29-17		12-31-15	100.00	0.10	100.0000	0.10	1,996,000.00	0.00	1,996,000.00	0.00	1.9	0.08	0.05
SYSUMPQ11	6,007,634	UMPQUA BANK MMF 1.160% Due 11-29-17		12-31-15	100.00	1.16	100.0000	1.16	6,007,634.23	0.00	6,007,634.23	0.00	5.6	0.08	0.05
000WAFED3	4,032,724	WASHINGTON FEDERAL 1.050% Due 11-29-17		03-14-17	100.00	1.05	100.0000	1.05	4,032,724.36	0.00	4,032,724.36	0.00	3.7	0.08	0.05
	12,036,359					0.95		0.95	12,036,358.59	0.00	12,036,358.59	0.00	11.2	0.08	0.05

# Portfolio Holdings

Walla Walla County

October 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>Certificate of Deposit</b>															
SYSUMPQ29	2,000,000	UMPQUA BANK CD 1.510% Due 03-15-19		10-30-17	100.00	1.51	100.0000	1.51	2,000,000.00	165.48	2,000,165.48	0.00	1.9	1.35	1.35
<b>State Investment Pool</b>															
WAPOL	17,039,814	WASHINGTON LGIP 1.139% Due 11-29-17		12-31-15	100.00	1.14	100.0000	1.14	17,039,814.26	0.00	17,039,814.26	0.00	15.8	0.08	0.05
<b>Muni GO</b>															
747045MU3	390,000	PUYALLUP WASH 1.367% Due 12-01-17		02-12-13	100.01	1.25	99.9890	1.45	389,957.10	2,221.37	392,178.47	-79.30	0.4	0.09	0.08
005158VF4	1,805,000	ADA & CANYON CNTYS IDAHO JT SC 4.000% Due 08-15-18		05-29-15	102.15	1.20	102.2780	1.09	1,846,117.90	15,242.22	1,861,360.12	2,296.50	1.7	0.78	0.77
172217ZF1	1,430,000	CINCINNATI OH 2.000% Due 12-01-18		10-20-16	101.01	1.05	100.4930	1.53	1,437,049.90	11,916.67	1,448,966.57	-7,445.78	1.3	1.06	1.05
662523D55	1,185,000	NORTH SLOP BORO AK 5.000% Due 06-30-19		10-26-16	106.38	1.10	106.1610	1.25	1,258,007.85	19,914.58	1,277,922.43	-2,620.55	1.2	1.59	1.58
686053CJ6	700,000	OREGON ST SCHOOL BOARDS ASSOC 0.000% Due 06-30-19		06-08-17	97.55	1.51	96.4680	2.17	675,276.00	0.00	675,276.00	-7,553.71	0.6	1.65	1.64
592240UE3	2,000,000	MET PARK DIST OF TACOMA WA 5.000% Due 12-01-19		11-04-16	108.01	1.08	107.7410	1.22	2,154,820.00	41,666.67	2,196,486.67	-5,369.95	2.0	1.96	1.95
	7,510,000					1.15		1.35	7,761,228.75	90,961.51	7,852,190.26	-20,772.80	7.2	1.33	1.32
<b>Muni Rev</b>															
873547JF1	785,000	TACOMA WASH WTR REV 1.150% Due 12-01-17		04-17-15	100.00	1.15	99.9890	1.24	784,913.65	3,761.46	788,675.11	-86.35	0.7	0.09	0.08
387883RK9	485,000	GRANT CNTY WASH PUB UTIL DIST 2.010% Due 01-01-18		09-25-13	100.00	2.01	100.0660	1.58	485,320.10	3,249.50	488,569.60	320.10	0.5	0.17	0.16
29270CYL3	2,000,000	ENERGY NORTHWEST WASH ELEC REV 2.147% Due 07-01-18		05-11-17	100.52	1.36	100.3680	1.58	2,007,360.00	14,313.33	2,021,673.33	-3,005.05	1.9	0.66	0.65
91523NQE9	2,475,000	UNIV OF WASHINGTON 1.750% Due 12-01-19		09-10-15	100.00	1.75	99.7250	1.88	2,468,193.75	18,046.87	2,486,240.62	-6,806.25	2.3	2.02	2.02

# Portfolio Holdings

Walla Walla County

October 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
29270CYN9	2,000,000	ENERGY NW WA ELEC REVENUE-COLUMBIA 2.653% Due 07-01-20		02-27-17	102.18	1.80	101.5270	2.06	2,030,540.00	17,686.67	2,048,226.67	-13,149.20	1.9	2.55	2.54
91523NMU7	500,000	UNIV OF WASH TXBL REVENUE 2.462% Due 12-01-22		09-22-17	100.84	2.29	100.2100	2.42	501,050.00	5,129.17	506,179.17	-3,136.53	0.5	4.71	4.71
	8,245,000					1.66		1.81	8,277,377.50	62,187.00	8,339,564.50	-25,863.28	7.7	1.69	1.68
<b>Muni BABS</b>															
387883PC9	200,000	GRANT CNTY WASH PUB UTIL DIST 4.361% Due 01-01-18		10-08-14	100.46	1.50	100.4460	1.63	200,892.00	2,907.33	203,799.33	-31.69	0.2	0.17	0.16
<b>Municipal Direct</b>															
WWCO1	347,724	WALLA WALLA COUNTY 4.000% Due 10-01-18		10-01-09	100.00	4.00	100.0000	3.59	347,723.78	39,447.33	387,171.11	0.00	0.3	0.89	0.86
JAIL 2016	1,265,638	WALLA WALLA COUNTY 1.820% Due 12-01-21		12-01-16	100.00	1.82	100.0000	1.79	1,265,637.80	21,115.06	1,286,752.86	0.00	1.2	3.81	3.79
FAIR12820	89,861	WALLA WALLA COUNTY 3.067% Due 12-08-26		12-08-16	100.00	3.07	100.0000	2.99	89,861.33	2,472.79	92,334.12	0.00	0.1	7.16	7.14
FAIR2012B	93,575	WALLA WALLA COUNTY 3.240% Due 04-30-27		04-30-17	100.00	3.24	100.0000	3.19	93,574.77	1,524.33	95,099.10	0.00	0.1	7.29	7.27
	1,796,798					2.38		2.27	1,796,797.68	64,559.51	1,861,357.19	0.00	1.7	3.59	3.57
<b>TOTAL</b>	<b>107,542,971</b>					<b>1.21</b>		<b>1.41</b>	<b>107,625,038.62</b>	<b>436,328.90</b>	<b>108,061,367.52</b>	<b>-263,915.26</b>	<b>100.0</b>	<b>1.02</b>	<b>0.90</b>





Walla Walla County

# Transaction Summary

10/1/2017 - 10/31/2017

## Purchases

Trade Date	Settle Date	Quantity	Symbol	Security	Adj Unit Cost	Adjusted Total Cost				
10/20/2017	10/23/2017	1,000,000	3135G0ZY2	FEDERAL NATL MTG ASSN 1.750% Due 11-26-19	100.23	1,002,270				
10/30/2017	10/30/2017	2,000,000	SYSUMPQ2	UMPQUA BANK CD 1.510% Due 03-15-19	100.00	2,000,000				
<b>Total Purchases</b>						<b>3,002,270</b>				

## Sales

Trade Date	Settle Date	Quantity	Symbol	Security	Adj Unit Cost	Adjusted Total Cost	Amort. or Accretion	Unit Price	Proceeds	Gain/Loss
10/1/2017	10/1/2017	168,765	WWCO1	WALLA WALLA COUNTY 4.000% Due 10-01-18	100.00	168,765	0	100.00	168,765	0
10/30/2017	10/30/2017	4,178	FAIR2012B	WALLA WALLA COUNTY 3.240% Due 04-30-27	100.00	4,178	0	100.00	4,178	0
<b>Total Sales</b>						<b>172,943</b>	<b>0</b>		<b>172,943</b>	<b>0</b>

## Interest

Trade Date	Settle Date	Symbol	Security	Amount
10/1/2017	10/1/2017	WWCO1	WALLA WALLA COUNTY 4.000% Due 10-01-18	18,583
10/20/2017	10/23/2017	3135G0ZY2	FEDERAL NATL MTG ASSN 1.750% Due 11-26-19	-7,146
10/26/2017	10/26/2017	3134GBEW8	FEDERAL HOME LN MTG CORP 1.500% Due 07-26-19	16,875
10/27/2017	10/27/2017	3134G8XA2	FEDERAL HOME LN MTG CORP 1.000% Due 07-27-18	10,000
10/30/2017	10/30/2017	SYSUMPQ2	UMPQUA BANK CD 1.510% Due 03-15-19	0
10/30/2017	10/30/2017	FAIR2012B	WALLA WALLA COUNTY 3.240% Due 04-30-27	68
10/31/2017	10/31/2017	SYS117600054	BAKER BOYER BANK 0.100% Due 11-29-17	184



## Interest

Trade Date	Settle Date	Symbol	Security	Amount
10/31/2017	10/31/2017	SYS117600054	BAKER BOYER BANK 0.100% Due 11-29-17	0
10/31/2017	10/31/2017	SYSUMPQ1	UMPQUA BANK MMF 1.160% Due 11-29-17	924
10/31/2017	10/31/2017	SYSUMPQ1	UMPQUA BANK MMF 1.160% Due 11-29-17	0
10/31/2017	10/31/2017	000WAFED	WASHINGTON FEDERAL 1.050% Due 11-29-17	3,596
10/31/2017	10/31/2017	WAPOL	WASHINGTON LGIP 1.139% Due 11-29-17	4,994
10/31/2017	10/31/2017	WAPOL	WASHINGTON LGIP 1.139% Due 11-29-17	0
Total Interest				48,078

## Expenses

Trade Date	Settle Date	Symbol	Security	Amount
10/31/2017	10/31/2017	manfee	Management Fee	1,000
Total Expenses				1,000

## Contributions

Trade Date	Settle Date	Quantity	Symbol	Security	Unit Price	Amount
10/23/2017	10/23/2017		cash	CASH ACCOUNT		1,009,416
10/30/2017	10/30/2017		cash	CASH ACCOUNT		2,000,000
10/31/2017	10/31/2017	641,000	SYS117600054	BAKER BOYER BANK 0.100% Due 11-29-17	100.00	641,000
10/31/2017	10/31/2017	5,000,000	SYSUMPQ1	UMPQUA BANK MMF 1.160% Due 11-29-17	100.00	5,000,000
10/31/2017	10/31/2017	12,004,975	WAPOL	WASHINGTON LGIP 1.139% Due 11-29-17	100.00	12,004,975
Total Contributions						20,655,391



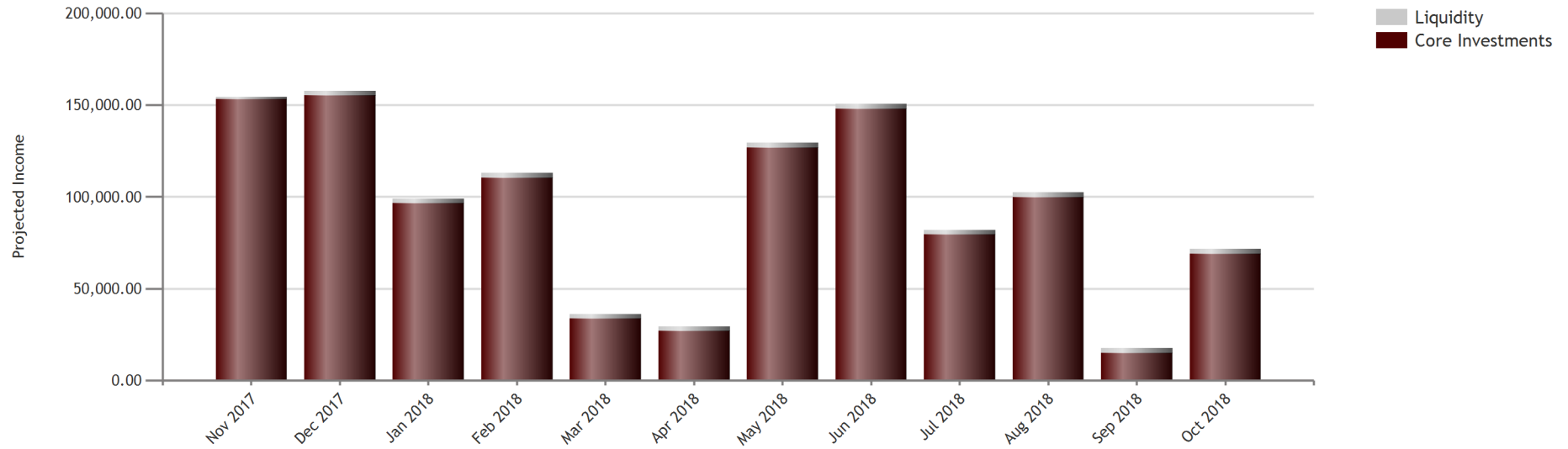
Walla Walla County

## Transaction Summary

10/1/2017 - 10/31/2017

### Withdrawals

Trade Date	Settle Date	Quantity	Symbol	Security	Unit Price	Amount
10/1/2017	10/1/2017		cash	CASH ACCOUNT		187,348
10/26/2017	10/26/2017		cash	CASH ACCOUNT		16,875
10/27/2017	10/27/2017		cash	CASH ACCOUNT		10,000
10/30/2017	10/30/2017		cash	CASH ACCOUNT		4,245
Total Withdrawals						218,468



	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018	Sep 2018	Oct 2018
<b>Core Investments</b>	153,100.00	155,165.65	96,485.25	110,415.75	33,712.50	26,875.00	126,825.00	147,986.25	79,500.00	99,915.75	15,000.00	69,072.20
US Agency (USD)	121,225.00	26,250.00	39,250.00	74,315.75	33,712.50	26,875.00	98,075.00	26,250.00	31,500.00	63,815.75	15,000.00	16,875.00
Municipal (USD)	0.00	128,915.65	57,235.25	36,100.00	0.00	0.00	0.00	121,736.25	48,000.00	36,100.00	0.00	52,197.20
US Treasury (USD)	31,875.00	0.00	0.00	0.00	0.00	0.00	28,750.00	0.00	0.00	0.00	0.00	0.00
<b>Liquidity</b>	1,323.84	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67
Bank or Cash Deposit (USD)	1,323.84	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67	2,516.67
<b>Total</b>	<b>154,423.84</b>	<b>157,682.32</b>	<b>99,001.92</b>	<b>112,932.42</b>	<b>36,229.17</b>	<b>29,391.67</b>	<b>129,341.67</b>	<b>150,502.92</b>	<b>82,016.67</b>	<b>102,432.42</b>	<b>17,516.67</b>	<b>71,588.87</b>
<b>Grand Total</b>	<b>1,143,060.52</b>											

## NAV and Sensitivity Analysis

10/31/17

Weighted Average Maturity (days):	383
Book Value:	\$107,888,953.88
Market Value:	\$107,625,038.62
Market Value (NAV):	0.997554
Total \$ Unrealized Loss:	\$263,915
Total \$ Unrealized Gain:	\$0

<i>Basis Point Shift</i>								Gain (Loss)
300	0.951505	0.962282	0.964267	0.966054	0.967670	0.969140	0.973888	\$ (3,662,417)
250	0.959005	0.968115	0.969794	0.971304	0.972670	0.973913	0.977926	\$ (3,096,000)
200	0.966505	0.973949	0.975320	0.976554	0.977670	0.978685	0.981964	\$ (2,529,583)
150	0.974005	0.979782	0.980846	0.981804	0.982670	0.983458	0.986003	\$ (1,963,166)
100	0.981505	0.985615	0.986372	0.987054	0.987670	0.988231	0.990041	\$ (1,396,749)
50	0.989005	0.991449	0.991899	0.992304	0.992670	0.993003	0.994080	\$ (830,332)
0	<b>0.996505</b>	<b>0.997282</b>	<b>0.997425</b>	<b>0.997554</b>	<b>0.997670</b>	<b>0.997776</b>	<b>0.998118</b>	\$ (263,915)
-50	1.004005	1.003115	1.002951	1.002804	1.002670	1.002549	1.002157	\$ 302,502
-100	1.011505	1.008949	1.008478	1.008054	1.007670	1.007322	1.006195	\$ 868,919
-150	1.019005	1.014782	1.014004	1.013304	1.012670	1.012094	1.010234	\$ 1,435,336
-200	1.026505	0.350000	1.019530	1.018554	1.017670	1.016867	1.014272	\$ 2,001,753
-250	1.034005	1.026449	1.025057	1.023804	1.022670	1.021640	1.018311	\$ 2,568,170
-300	1.041505	1.032282	1.030583	1.029054	1.027670	1.026413	1.022349	\$ 3,134,587

Redemption/Inflow	-30%	-10%	-5%	0%	5%	10%	30%
O/S Shares	75,522,268	97,100,058	102,494,506	107,888,954	113,283,402	118,677,849	140,255,640

*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

10/31/2017

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.