



GOVERNMENT PORTFOLIO ADVISORS

Monthly Report

Account

12/31/2017

Walla Walla County

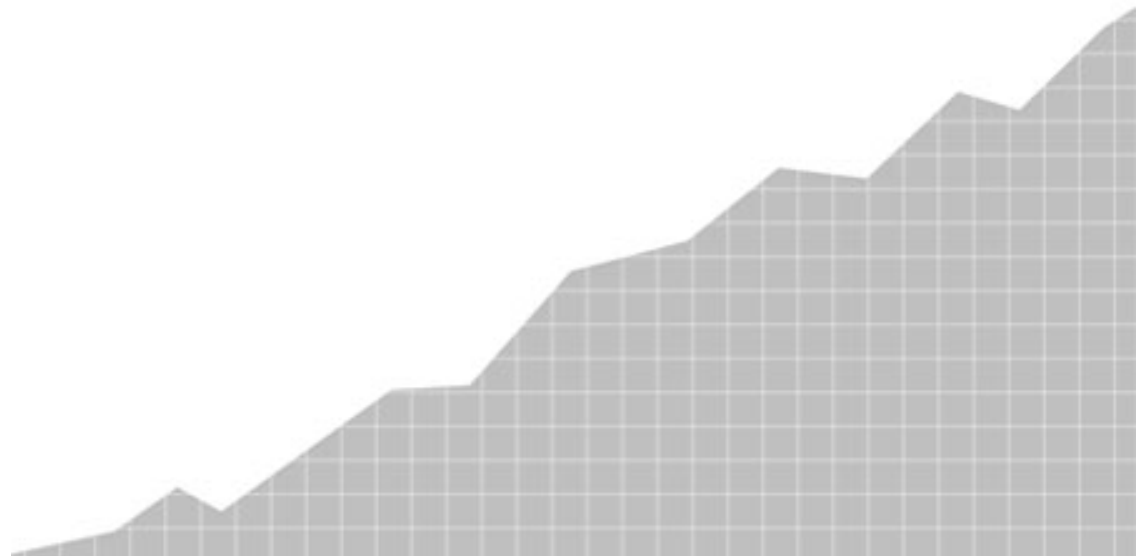




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MONTH END COMMENTARY –DECEMBER 2017

Interest rates in the short end of the curve continued to rise during December. Good economic news, both domestically and abroad has contributed to the upward pressure on rates and the consensus is for additional rate hikes by the Fed. Yields on Treasuries were further supported by the passage of a sweeping tax reform package on 12/19/17. The Treasury yield curve has flattened, with long maturity yields falling modestly and shorter yields rising steadily.

FOMC: As expected, the Federal Reserve raised rates by 25 basis points from the range of 1% to 1.25% to a new Fed Funds target range of 1.25% to 1.50%. This is the fifth tightening since December 2015. The vote was 7-2 in favor of raising rates. In addition to raising the Fed Funds level, they also raised their economic forecast for 2018 and reiterated their expectations for three additional hikes over the next four quarters. The Fed also raised their economic growth forecast for next year. Economic growth for 2018 was forecasted to increase from a growth rate of 2.1% to a growth rate of 2.5%. Predictions for future rate hikes are mixed; the Dot Plot is indicating three hikes in 2018, Fed Funds futures predicts two and a survey of analysts has the consensus at four.

12/13/17 FOMC Meeting highlights:

- Change in language about the labor markets, shifted from its prior expectation that they would “strengthen somewhat further” to instead saying they would “remain strong.”
- Household spending was seen as expanding at a moderate rate, while business fixed investment was described as picking up in recent quarters.
- Regarding inflation, the Fed reiterated that the “near-term risks to the economic outlook appear roughly balanced, but the Committee is monitoring inflation developments closely.”
- Of the nine voting members of the FOMC, two dissented.

Non-farm Payrolls/Unemployment: Non-farm payrolls increased by 228,000 in November and private jobs increased 221,000, both above market expectations. The unemployment rate remained at 4.1% with participation unchanged at 62.7%. Average hourly earnings were up 0.2% vs. last month’s decline of -0.1%.

GDP: Third quarter GDP increased at an annual rate of 3.2%, according to the “third” estimate. In the second quarter, real GDP increased 3.1%.

Retail Sales: November retail sales surged .8% after an upward revision, from 0.2% to 0.5% in October.

Durable Goods Orders: November durable goods orders rose 1.3%, not as strong as expected, but still showing underlying strength.

CPI: The CPI rose 0.4% in November as energy prices rebounded. Core inflation was softer at 0.1%, but was held down by weakness in more volatile components like airfare, lodging and apparel.

Strategy going forward: GPA is still suggesting that portfolios maintain a defensive position to higher rates by managing portfolio durations at a range of 90% to 95% of benchmark durations. We continue to expect higher rates during the next two quarters but expect a slight slowing in the pace of those increases. Due to the expectation of higher rates in 2018, we will continue to advocate for a defensive portfolio duration posture. Earning yields in most short fixed income portfolios are increasing nicely, and we expect this trend to continue into 2018. Corporate credit spreads remain very tight, and GPA will continue to limit corporate credit to higher quality issues and with maturities limited to 2 years or shorter. With the recent significant increase in yields, we have been slowly increasing exposure into the 3-5 year sector.

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

3month bill	0.86
1 year note	0.58
2 year note	0.19
3 year note	0.44
5 year note	0.72

TREASURY BENCHMARK TOTAL RETURNS IN MONTH*

Benchmark	Period Return	Duration
BAML 0-3 Year Treasury	0.04%	1.40
BAML 0-5 Year Treasury	0.02%	2.15
BAML 1-3 Year Treasury	0.01%	1.83
BAML 1-5 Year Treasury	-0.01%	2.63

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

	12/31/16	10/31/17	11/30/17	12/31/17	Change in December	Change from Prior Year
3 month bill	.50	1.13	1.26	1.38	+.12	+.88
6 month bill	.61	1.28	1.44	1.53	+.07	+.92
2 year note	1.19	1.60	1.78	1.88	+.10	+.69
3 year note	1.45	1.73	1.89	1.97	+.08	+.52
5 year note	1.93	2.02	2.14	2.20	+.06	+.27
10 year note	2.44	2.38	2.41	2.41	unch	-.03

*Source: Bloomberg



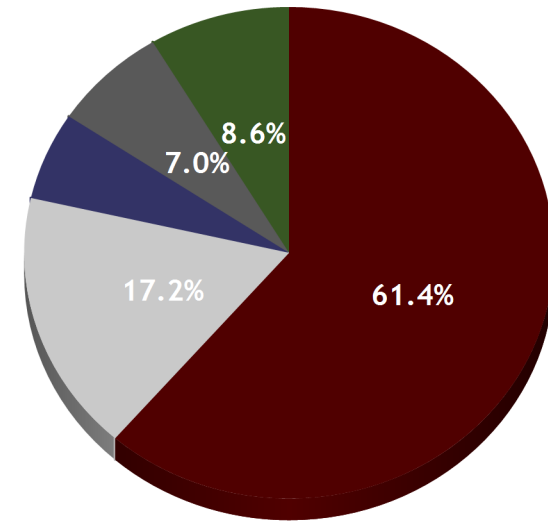
Weighted Averages

Book Yield	1.30
Maturity	1.26
Coupon	1.50
Moody	Aa1
S&P	AA

Fixed Income Totals

Par Value	86,309,222
Market Value	86,111,096.21
Amortized Book Value	86,566,247.17
Unrealized Gain/Loss	-455,150.96
Estimated Annual Cash Flow	1,290,827.69

Fixed Income Allocation



Security Type	Market Value	% Assets
US Agency (USD)	52,873,485.12	61.4
Municipal (USD)	14,794,203.32	17.2
US Treasury (USD)	4,981,289.00	5.8
LGIP State Pool (USD)	6,051,546.68	7.0
Bank or Cash Deposit (USD)	7,410,572.09	8.6
Fixed Income Total	86,111,096.21	100.0

Portfolio Summary

December 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	86,309,222	86,749,218.28	86,566,247.17	86,111,096.21	-455,150.96	1.30	1.22	1.16	1.40	BofA Merrill 0-3 Treasury
TOTAL PORTFOLIO	86,309,222	86,749,218.28	86,566,247.17	86,111,096.21	-455,150.96	1.30	1.22	1.16	1.40	



Cost Basis Summary

	Month End Ending 12/31/2017	Fiscal Year-to-Date 12/31/2016
Beginning Amortized Cost	90,234,255.07	82,546,254.85
Investment Purchases	0.00	34,325,806.54
Investment Maturities/Sells/Calls	(3,012,340.06)	(25,032,031.95)
Amortization	(16,531.83)	(241,171.76)
Change in Cash Equivalents	(635,452.83)	(5,028,637.73)
Realized Gains / Losses	(3,683.17)	(3,972.78)
Ending Amortized Costs	86,566,247.17	86,566,247.17

Accrual Earnings Summary

	Month End Ending 12/31/2017	Fiscal Year-to-Date 12/31/2016
Amortization/Accretion	(16,531.83)	(241,171.76)
Interest Earned	108,077.29	1,236,809.88
Realized Gain (Loss)	(3,683.17)	(3,972.78)
Total Income	87,862.28	991,665.34
Average Portfolio Balance	88,361,613.89	89,099,293.02
Earnings Yield	1.17%	1.11%

MarketValue Summary

	As of 12/31/2017
Ending Market Value	86,111,096.21
Unrealized Gain/Loss	(455,150.96)
Net Asset Value (NAV)	0.9947

Interest Earnings Summary

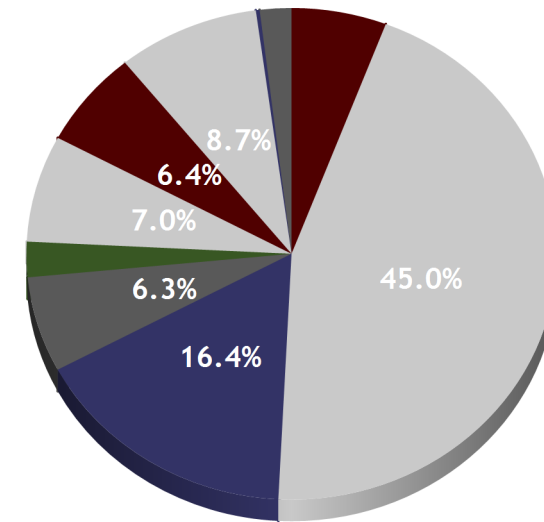
	Month End Ending 12/31/2017	Fiscal Year-to-Date 12/31/2016
Beginning Accrued Interest	396,897.56	351,959.68
Coupons Paid	154,897.46	1,055,840.50
Purchased Accrued Interest	0.00	(92,130.67)
Sold Accrued Interest	32,575.45	307,557.80
Ending Accrued Interest	317,501.93	317,501.93
Interest Earned	108,077.29	1,236,809.88



Total Return For Period

	Since 11/30/2017
Beginning Principal Value	89,810,589.94
Beginning Accrued Interest	396,897.56
Net Contributions/Withdrawals	-3,835,265.80
Market Value Change	-51,700.84
Interest Earnings	108,077.29
Ending Principal Value	86,111,096.21
Accrued Interest	317,501.93
Total Return	56,376.45
Advisory Fees for Period	-1,000.00
Net Total Return	55,376.45

Portfolio Allocation as of 12/31/2017



Industry Group	Market Value	% Assets	Yield
US Treasury	4,981,289.00	5.8	1.0
US Agency Bullet	38,758,992.62	45.0	1.2
US Agency Callable	14,114,492.50	16.4	1.5
Bank Deposit	5,410,572.09	6.3	0.9
Certificate of Deposit	2,000,000.00	2.3	1.5
State Investment Pool	6,051,546.68	7.0	1.3
Muni GO	5,478,382.15	6.4	1.1
Muni Rev	7,458,718.25	8.7	1.7
Muni BABS	200,000.00	0.2	1.5
Municipal Direct	1,657,102.92	1.9	2.4
Total	86,111,096.21	100.0	1.3

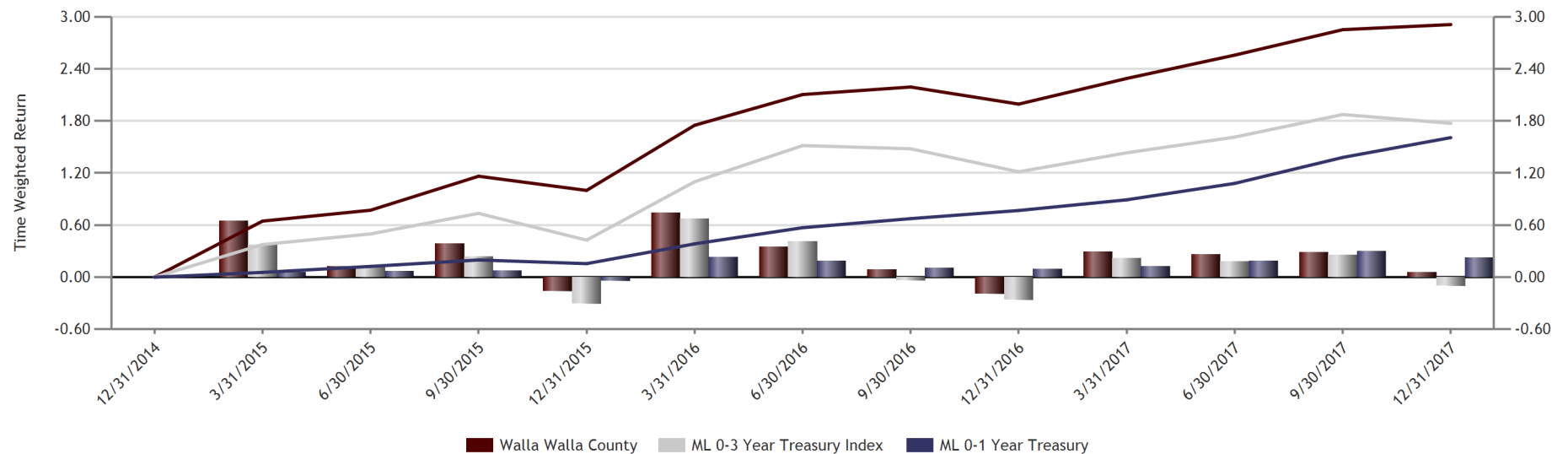


Performance History

Portfolio	Month To Date	Quarter To Date	Fiscal Year To Date	Annualized Inception To Date
Account	0.07	0.06	0.90	0.96

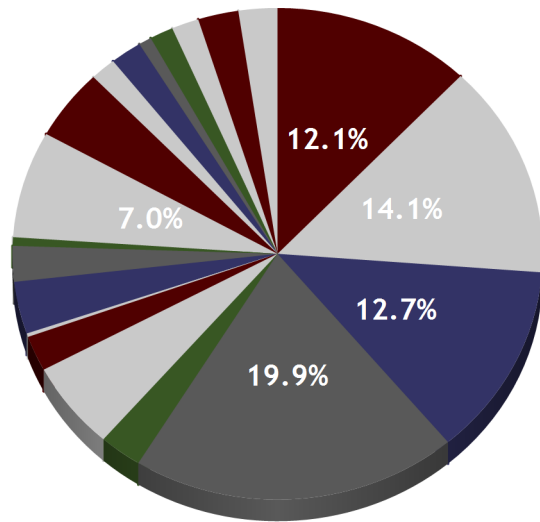
Index	Month To Date	Quarter To Date	Fiscal Year To Date	Annualized Inception To Date
ML 0-3 Year Treasury Index	0.04	-0.10	0.55	0.59
ML 0-1 Year Treasury	0.10	0.23	0.83	0.53

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





Portfolio Allocation as of 12/31/2017



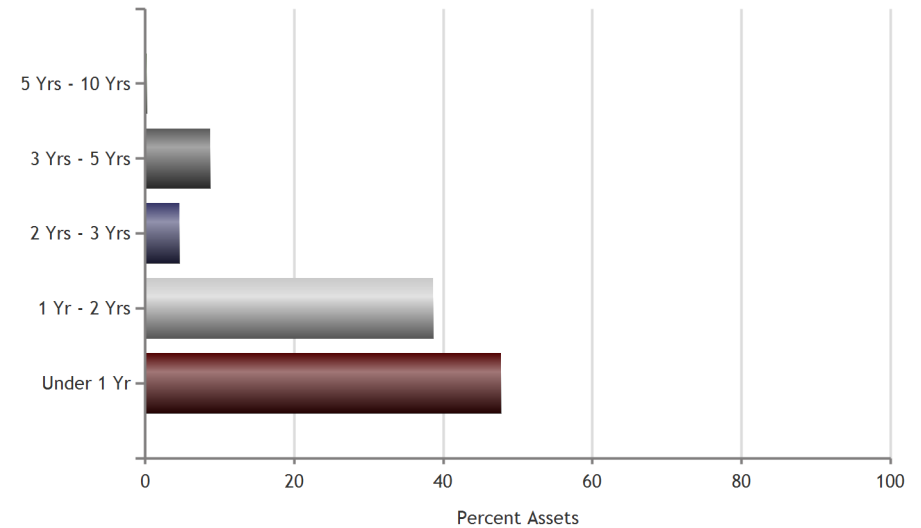
Issuer	Market Value	% Assets	Yield
FEDERAL NATL MTG ASSN	10,443,681.00	12.1	1.2
FEDERAL HOME LOAN BANKS	12,121,017.87	14.1	1.3
FEDERAL FARM CR BKS	10,922,158.00	12.7	1.4
FEDERAL HOME LN MTG CORP	17,144,393.50	19.9	1.2
FEDERAL AGRIC MTG CORP	2,242,234.75	2.6	2.0
UNITED STATES TREAS NTS	4,981,289.00	5.8	1.0
ENERGY NW WA ELEC REVENUE	2,003,260.00	2.3	1.4
GRANT CNTY PUB UTIL	200,000.00	0.2	1.5
UNIV OF WASHINGTON	2,953,478.25	3.4	1.8
ENERGY NORTHWEST WASH ELEC REV	2,016,980.00	2.3	1.8
GRANT CNTY WA PUB UTIL DIST	485,000.00	0.6	2.0
WA LGIP	6,051,546.68	7.0	1.3
UMPQUA BANK	4,018,352.11	4.7	1.3
BAKER BOYER	1,352,000.00	1.6	0.1
WALLA WALLA COUNTY BONDS	1,657,102.92	1.9	2.4
OREGON SCHOOL BOARD	676,319.00	0.8	1.5
NORTH SLOPE BORO ALASKA	1,241,820.75	1.4	1.1
CA ST PUB WKS BD LS	1,432,402.40	1.7	1.1
TACOMA METROPOLITAN PARK DISTRICT	2,127,840.00	2.5	1.1
WASHINGTON FEDERAL BANK	2,040,219.98	2.4	1.2
Total	86,111,096.21	100.0	1.3



Distribution by Maturity

Maturity	Number	Market Value	% FI Holdings	Average Curr. Yld	Average Coupon	Average Duration
Under 1 Yr	24	41,107,116.70	47.7	1.2	1.165%	0.4
1 Yr - 2 Yrs	19	33,270,727.37	38.6	1.7	1.713%	1.4
2 Yrs - 3 Yrs	2	4,006,928.00	4.7	2.3	2.279%	2.6
3 Yrs - 5 Yrs	5	7,546,997.90	8.8	2.0	1.984%	4.1
5 Yrs - 10 Yrs	2	179,326.24	0.2	3.2	3.157%	7.1

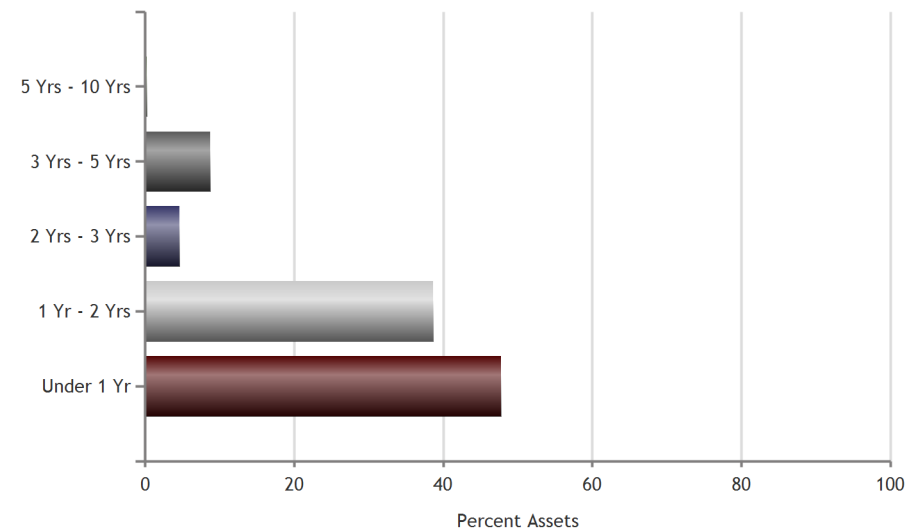
Distribution by Maturity



Distribution by Duration

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Distribution by Duration

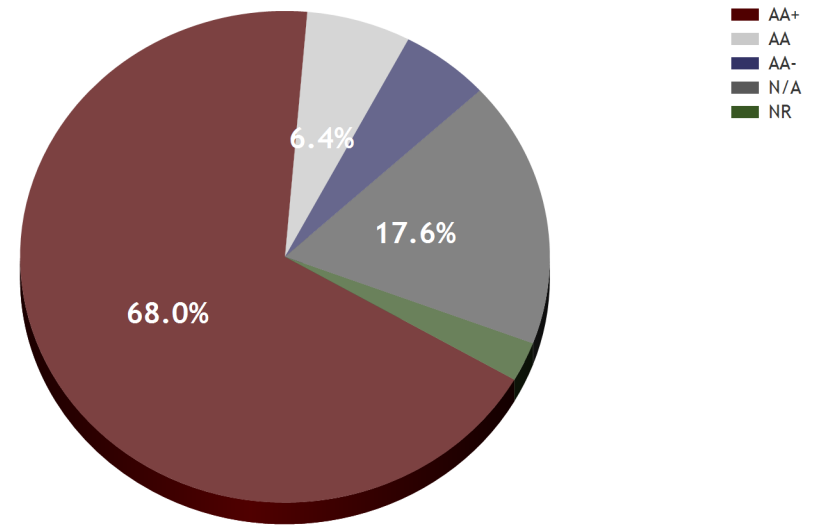




Distribution by S&P Rating

S&P Rating	Number	Market Value	% FI Holdings	Average YTM	Average Coupon	Average Duration
AA+	33	58,566,017.62	68.0	1.8	1.268%	1.3
AA	5	5,487,063.15	6.4	1.5	3.929%	1.3
AA-	3	4,696,559.00	5.5	2.1	2.055%	1.4
N/A	9	15,119,221.69	17.6	1.3	1.304%	0.6
NR	2	2,242,234.75	2.6	2.1	1.952%	3.5

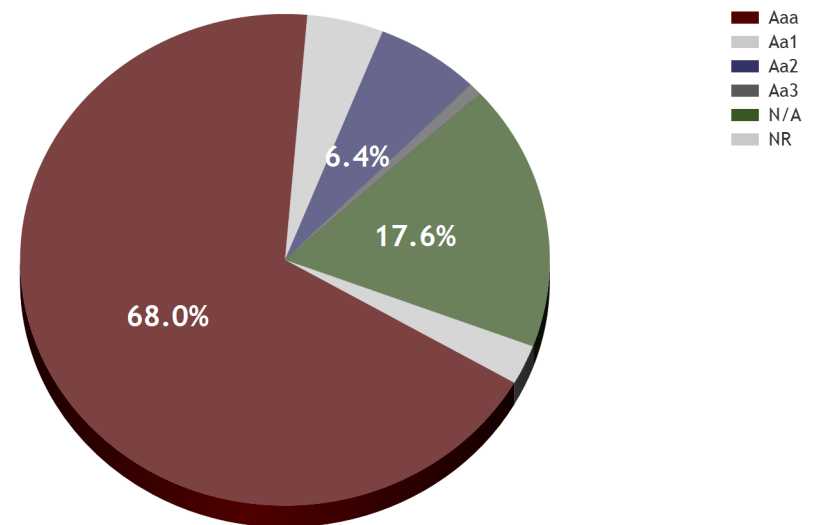
Distribution by S&P Rating



Distribution by Moody Rating

Moody Rating	Number	Market Value	% FI Holdings	Average YTM	Average Coupon	Average Duration
Aaa	33	58,566,017.62	68.0	1.8	1.268%	1.3
Aa1	2	4,020,240.00	4.7	2.1	2.401%	1.4
Aa2	4	5,478,382.15	6.4	1.8	3.598%	1.5
Aa3	2	685,000.00	0.8	0.0	2.696%	0.0
N/A	9	15,119,221.69	17.6	1.3	1.304%	0.6
NR	2	2,242,234.75	2.6	2.1	1.952%	3.5

Distribution by Moody Rating



Portfolio Holdings

Walla Walla County

December 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
US Treasury															
912828VE7	2,000,000	UNITED STATES TREAS NTS 1.000% Due 05-31-18		10-28-15	100.04	0.89	99.7969	1.49	1,995,938.00	1,758.24	1,997,696.24	-4,957.84	2.3	0.41	0.40
912828A34	3,000,000	UNITED STATES TREAS NTS 1.250% Due 11-30-18		04-24-15	100.18	1.05	99.5117	1.79	2,985,351.00	3,296.70	2,988,647.70	-20,035.65	3.5	0.90	0.90
	5,000,000					0.99		1.67	4,981,289.00	5,054.95	4,986,343.95	-24,993.49	5.8	0.71	0.70
US Agency Bullet															
3137EADN6	1,000,000	FEDERAL HOME LN MTG CORP 0.750% Due 01-12-18		06-11-14	99.99	1.22	99.9836	1.18	999,836.00	3,520.83	1,003,356.83	-26.80	1.2	0.03	0.02
3130A7SQ9	2,000,000	FEDERAL HOME LOAN BANKS 0.900% Due 01-26-18		04-25-16	100.00	0.91	99.9840	1.08	1,999,680.00	7,750.00	2,007,430.00	-304.42	2.3	0.07	0.06
3134G8M71	2,000,000	FEDERAL HOME LN MTG CORP 1.050% Due 02-26-18		04-19-17	100.00	1.05	99.9531	1.33	1,999,062.00	7,291.67	2,006,353.67	-938.00	2.3	0.16	0.15
3133EGDN2	2,000,000	FEDERAL FARM CR BKS 0.900% Due 03-02-18		04-19-17	99.97	1.09	99.9362	1.25	1,998,724.00	5,950.00	2,004,674.00	-649.42	2.3	0.17	0.16
3137EADP1	2,000,000	FEDERAL HOME LN MTG CORP 0.875% Due 03-07-18		10-20-16	100.01	0.81	99.9135	1.32	1,998,270.00	5,541.67	2,003,811.67	-1,964.73	2.3	0.19	0.17
31315PZZ5	250,000	FEDERAL AGRIC MTG CORP 0.770% Due 03-09-18		11-08-13	99.85	1.61	99.8731	1.42	249,682.75	598.89	250,281.64	58.22	0.3	0.19	0.18
3134G8XA2	2,000,000	FEDERAL HOME LN MTG CORP 1.000% Due 07-27-18		04-26-16	99.99	1.02	99.6241	1.65	1,992,482.00	3,555.56	1,996,037.56	-7,341.35	2.3	0.57	0.56
3135G0L68	2,000,000	FEDERAL NATL MTG ASSN 0.750% Due 07-27-18		10-21-16	99.91	0.91	99.4852	1.65	1,989,704.00	6,416.67	1,996,120.67	-8,517.33	2.3	0.57	0.55
3134G44S4	1,000,000	FEDERAL HOME LN MTG CORP 1.000% Due 11-29-18		05-18-16	100.00	1.00	99.2913	1.78	992,913.00	888.89	993,801.89	-7,076.26	1.2	0.90	0.89
313381GB5	1,000,000	FEDERAL HOME LOAN BANKS 1.000% Due 11-30-18		05-16-16	100.08	0.91	99.2741	1.80	992,741.00	861.11	993,602.11	-8,091.17	1.2	0.91	0.90

Portfolio Holdings

Walla Walla County
December 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
3133EFX51	2,000,000	FEDERAL FARM CR BKS 1.000% Due 01-07-19		05-16-16	100.05	0.95	99.1967	1.80	1,983,934.00	9,666.67	1,993,600.67	-17,162.84	2.3	1.00	0.99
3136G3YL3	2,000,000	FEDERAL NATL MTG ASSN 0.900% Due 01-25-19		08-02-16	99.91	0.98	99.0124	1.83	1,980,248.00	7,800.00	1,988,048.00	-17,993.12	2.3	1.05	1.04
3133EF3V7	2,000,000	FEDERAL FARM CR BKS 0.875% Due 02-15-19		08-02-16	100.03	0.85	98.8932	1.87	1,977,864.00	6,611.11	1,984,475.11	-22,647.76	2.3	1.11	1.10
3135G0ZA4	2,000,000	FEDERAL NATL MTG ASSN 1.875% Due 02-19-19		04-19-17	100.71	1.23	100.0259	1.85	2,000,518.00	13,750.00	2,014,268.00	-13,781.11	2.3	1.11	1.10
3133782M2	2,000,000	FEDERAL HOME LOAN BANKS 1.500% Due 03-08-19		04-19-17	100.27	1.27	99.5892	1.85	1,991,784.00	9,416.67	2,001,200.67	-13,615.11	2.3	1.17	1.15
313379EE5	2,000,000	FEDERAL HOME LOAN BANKS 1.625% Due 06-14-19		09-27-17	100.18	1.50	99.6016	1.90	1,992,032.00	1,534.72	1,993,566.72	-11,484.38	2.3	1.43	1.42
3136G3A62	1,500,000	FEDERAL NATL MTG ASSN 1.050% Due 07-26-19		11-01-17	99.12	1.62	98.7116	1.88	1,480,674.00	6,781.25	1,487,455.25	-6,168.14	1.7	1.54	1.53
3130ABZX7	1,215,000	FEDERAL HOME LOAN BANKS 1.410% Due 08-07-19		09-28-17	99.83	1.52	99.1818	1.93	1,205,058.87	6,852.60	1,211,911.47	-7,894.08	1.4	1.57	1.56
3137EAEH8	2,000,000	FEDERAL HOME LN MTG CORP 1.375% Due 08-15-19		11-01-17	99.60	1.62	99.1419	1.91	1,982,838.00	12,375.00	1,995,213.00	-9,245.06	2.3	1.59	1.58
3134G9KF3	2,000,000	FEDERAL HOME LN MTG CORP 1.200% Due 11-25-19		05-18-16	99.94	1.23	98.5915	1.96	1,971,830.00	2,400.00	1,974,230.00	-26,979.16	2.3	1.87	1.86
3135G0ZY2	1,000,000	FEDERAL NATL MTG ASSN 1.750% Due 11-26-19		10-20-17	100.21	1.64	99.6617	1.93	996,617.00	1,701.39	998,318.39	-5,444.84	1.2	1.86	1.85
3133EHW58	2,000,000	FEDERAL FARM CR BKS 1.900% Due 11-27-20		11-17-17	100.01	1.90	99.4974	2.08	1,989,948.00	3,588.89	1,993,536.89	-10,245.61	2.3	2.81	2.81
3132X0PX3	2,000,000	FEDERAL AGRIC MTG CORP 2.100% Due 02-23-22		02-16-17	100.15	2.06	99.6276	2.19	1,992,552.00	14,933.33	2,007,485.33	-10,349.64	2.3	3.92	3.92
	38,965,000					1.24		1.73	38,758,992.62	139,786.91	38,898,779.53	-207,862.11	45.0	1.17	1.16

Portfolio Holdings

Walla Walla County

December 31, 2017

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US Agency Callable															
3135G0XK4	2,000,000	FEDERAL NATL MTG ASSN 1.050% Due 05-25-18	02-25-18	05-30-13	100.00	1.07	99.7960	1.55	1,995,920.00	2,100.00	1,998,020.00	-4,080.00	2.3	0.40	0.39
3130A96A4	2,000,000	FEDERAL HOME LOAN BANKS 1.000% Due 06-15-18	03-15-18	08-29-16	100.00	1.00	99.6427	1.78	1,992,854.00	888.89	1,993,742.89	-7,146.00	2.3	0.45	0.44
3134G9JK4	1,000,000	FEDERAL HOME LN MTG CORP 1.125% Due 11-26-18	02-26-18	05-16-16	100.00	1.12	99.3454	1.85	993,454.00	1,093.75	994,547.75	-6,546.00	1.2	0.89	0.86
3134G9MU8	2,000,000	FEDERAL HOME LN MTG CORP 1.300% Due 05-24-19	02-24-18	05-17-16	100.00	1.30	99.2076	1.87	1,984,152.00	2,672.22	1,986,824.22	-15,848.00	2.3	1.38	1.36
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	99.0914	2.09	2,229,556.50	6,093.75	2,235,650.25	-20,443.50	2.6	1.54	1.35
3133EF5V5	1,000,000	FEDERAL FARM CR BKS 1.350% Due 08-02-19	01-02-18	09-28-17	99.72	1.53	99.1278	1.91	991,278.00	5,587.50	996,865.50	-5,908.67	1.2	1.55	1.49
3130A9Z46	2,000,000	FEDERAL HOME LOAN BANKS 1.600% Due 11-26-21	02-26-18	11-15-16	99.43	1.75	97.3434	2.31	1,946,868.00	3,111.11	1,949,979.11	-41,794.75	2.3	3.75	3.53
3133EHKT9	2,000,000	FEDERAL FARM CR BKS 2.220% Due 11-25-22	01-25-18	09-21-17	99.91	2.24	99.0205	2.43	1,980,410.00	4,440.00	1,984,850.00	-17,696.95	2.3	4.61	2.88
	14,250,000					1.46		1.99	14,114,492.50	25,987.22	14,140,479.72	-119,463.87	16.4	1.89	1.58
Bank Deposit															
SYS117600	1,352,000	BAKER BOYER BANK 0.100% Due 01-29-18		12-31-17	100.00	0.10	100.0000	0.10	1,352,000.00	0.00	1,352,000.00	0.00	1.6	0.08	0.05
SYSUMPQ11	2,018,352	UMPQUA BANK MMF 1.160% Due 01-29-18		12-31-15	100.00	1.16	100.0000	1.16	2,018,352.11	0.00	2,018,352.11	0.00	2.3	0.08	0.05
000WAFED3	2,040,220	WASHINGTON FEDERAL 1.200% Due 01-29-18		03-14-17	100.00	1.20	100.0000	1.20	2,040,219.98	0.00	2,040,219.98	0.00	2.4	0.08	0.05
	5,410,572					0.91		0.91	5,410,572.09	0.00	5,410,572.09	0.00	6.3	0.08	0.05
Certificate of Deposit															
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	5,047.12	2,005,047.12	0.00	2.3	1.18	1.18

Portfolio Holdings

Walla Walla County

December 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
State Investment Pool															
WAPOL	6,051,547	WASHINGTON LGIP 1.282% Due 01-29-18		12-31-15	100.00	1.28	100.0000	1.28	6,051,546.68	0.00	6,051,546.68	0.00	7.0	0.08	0.05
Muni GO															
172217ZF1	1,430,000	CINCINNATI OH 2.000% Due 12-01-18		10-20-16	100.86	1.05	100.1680	1.81	1,432,402.40	2,383.33	1,434,785.73	-9,856.96	1.7	0.91	0.89
662523D55	1,185,000	NORTH SLOP BORO AK 5.000% Due 06-30-19		10-26-16	105.74	1.10	104.7950	1.75	1,241,820.75	164.58	1,241,985.33	-11,213.96	1.4	1.45	1.44
686053CJ6	700,000	OREGON ST SCHOOL BOARDS ASSOC 0.000% Due 06-30-19		06-08-17	97.79	1.51	96.6170	2.31	676,319.00	0.00	676,319.00	-8,237.19	0.8	1.48	1.47
592240UE3	2,000,000	MET PARK DIST OF TACOMA WA 5.000% Due 12-01-19		11-04-16	107.37	1.08	106.3920	1.60	2,127,840.00	8,333.33	2,136,173.33	-19,492.60	2.5	1.84	1.82
	5,315,000					1.13		1.77	5,478,382.15	10,881.25	5,489,263.40	-48,800.71	6.4	1.46	1.45
Muni Rev															
387883RK9	485,000	GRANT CNTY WASH PUB UTIL DIST 2.010% Due 01-01-18		09-25-13	100.00	2.01	100.0000	2.00	485,000.00	4,874.25	489,874.25	0.00	0.6	0.00	0.00
29270CYL3	2,000,000	ENERGY NORTHWEST WASH ELEC REV 2.147% Due 07-01-18		05-11-17	100.39	1.36	100.1630	1.81	2,003,260.00	21,470.00	2,024,730.00	-4,493.62	2.3	0.49	0.48
91523NQE9	2,475,000	UNIV OF WASHINGTON 1.750% Due 12-01-19		09-10-15	100.00	1.75	99.2470	2.15	2,456,363.25	3,609.37	2,459,972.62	-18,636.75	2.9	1.87	1.86
29270CYN9	2,000,000	ENERGY NW WA ELEC REVENUE-COLUMBIA 2.653% Due 07-01-20		02-27-17	102.05	1.80	100.8490	2.30	2,016,980.00	26,530.00	2,043,510.00	-23,966.50	2.3	2.38	2.38
91523NMU7	500,000	UNIV OF WASH TXBL REVENUE 2.462% Due 12-01-22		09-22-17	100.81	2.29	99.4230	2.59	497,115.00	1,025.83	498,140.83	-6,933.91	0.6	4.59	4.59
	7,460,000					1.71		1.99	7,458,718.25	57,509.46	7,516,227.71	-54,030.78	8.7	1.70	1.69

Portfolio Holdings

Walla Walla County

December 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
Muni BABS															
387883PC9	200,000	GRANT CNTY WASH PUB UTIL DIST 4.361% Due 01-01-18		10-08-14	100.00	1.50	100.0000	4.31	200,000.00	4,361.00	204,361.00	0.00	0.2	0.00	0.00
Municipal Direct															
WWCO1	347,724	WALLA WALLA COUNTY 4.000% Due 10-01-18		10-01-09	100.00	4.00	100.0000	3.57	347,723.78	41,765.49	389,489.27	0.00	0.4	0.73	0.70
JAIL 2016	1,130,053	WALLA WALLA COUNTY 1.820% Due 12-01-21		12-01-16	100.00	1.82	100.0000	1.78	1,130,052.90	22,280.88	1,152,333.78	0.00	1.3	3.66	3.64
FAIR12820	85,751	WALLA WALLA COUNTY 3.067% Due 12-08-26		12-08-16	100.00	3.07	100.0000	2.97	85,751.47	2,798.03	88,549.50	0.00	0.1	7.06	7.04
FAIR2012B	93,575	WALLA WALLA COUNTY 3.240% Due 04-30-27		04-30-17	100.00	3.24	100.0000	3.17	93,574.77	2,029.64	95,604.41	0.00	0.1	7.20	7.18
	1,657,103					2.42		2.30	1,657,102.92	68,874.03	1,725,976.95	0.00	1.9	3.42	3.40
TOTAL	86,309,222					1.30		1.72	86,111,096.21	317,501.93	86,428,598.14	-455,150.96	100.0	1.22	1.16



Walla Walla County

Transaction Summary

12/1/2017 - 12/31/2017

Sales

Trade Date	Settle Date	Quantity	Symbol	Security	Adj Unit Cost	Adjusted Total Cost	Amort. or Accretion	Unit Price	Proceeds	Gain/Loss
12/8/2017	12/8/2017	4,110	FAIR1282011B	WALLA WALLA COUNTY 3.067% Due 12-08-26	100.00	4,110	0	100.00	4,110	0
12/19/2017	12/21/2017	1,805,000	005158VF4	ADA & CANYON CNTYS IDAHO JT SC 4.000% Due 08-15-18	108.76	1,963,154	-126,241	101.56	1,833,230	-3,683
Total Sales						1,967,264	-126,241		1,837,340	-3,683

Interest

Trade Date	Settle Date	Symbol	Security	Amount
12/1/2017	12/1/2017	172217ZF1	CINCINNATI OH 2.000% Due 12-01-18	14,300
12/1/2017	12/1/2017	592240UE3	MET PARK DIST OF TACOMA WA 5.000% Due 12-01-19	50,000
12/1/2017	12/1/2017	747045MU3	PUYALLUP WASH 1.367% Due 12-01-17	2,666
12/1/2017	12/1/2017	873547JF1	TACOMA WASH WTR REV 1.150% Due 12-01-17	4,514
12/1/2017	12/1/2017	91523NMU7	UNIV OF WASH TXBL REVENUE 2.462% Due 12-01-22	6,155
12/1/2017	12/1/2017	91523NQE9	UNIV OF WASHINGTON 1.750% Due 12-01-19	21,656
12/8/2017	12/8/2017	FAIR1282011B	WALLA WALLA COUNTY 3.067% Due 12-08-26	126
12/14/2017	12/14/2017	313379EE5	FEDERAL HOME LOAN BANKS 1.625% Due 06-14-19	16,250
12/15/2017	12/15/2017	3130A96A4	FEDERAL HOME LOAN BANKS 1.000% Due 06-15-18	10,000
12/19/2017	12/21/2017	005158VF4	ADA & CANYON CNTYS IDAHO JT SC 4.000% Due 08-15-18	25,270
12/30/2017	12/30/2017	662523D55	NORTH SLOP BORO AK 5.000% Due 06-30-19	29,625
12/31/2017	12/31/2017	SYS117600054	BAKER BOYER BANK 0.100% Due 01-29-18	290



Interest

Trade Date	Settle Date	Symbol	Security	Amount
12/31/2017	12/31/2017	SYS117600054	BAKER BOYER BANK 0.100% Due 01-29-18	0
12/31/2017	12/31/2017	SYSUMPQ1	UMPQUA BANK MMF 1.160% Due 01-29-18	4,019
12/31/2017	12/31/2017	SYSUMPQ1	UMPQUA BANK MMF 1.160% Due 01-29-18	0
12/31/2017	12/31/2017	000WAFED	WASHINGTON FEDERAL 1.200% Due 01-29-18	1,049
12/31/2017	12/31/2017	000WAFED	WASHINGTON FEDERAL 1.200% Due 01-29-18	0
12/31/2017	12/31/2017	WAPOL	WASHINGTON LGIP 1.282% Due 01-29-18	1,554
12/31/2017	12/31/2017	WAPOL	WASHINGTON LGIP 1.282% Due 01-29-18	0
Total Interest				187,473

Maturities

Trade Date	Settle Date	Quantity	Symbol	Security	Adj Unit Cost	Adjusted Total Cost	Amort. or Accretion	Unit Price	Proceeds	Gain/Loss
12/1/2017	12/1/2017	390,000	747045MU3	PUYALLUP WASH 1.367% Due 12-01-17	100.54	392,118	-2,118	100.00	390,000	0
12/1/2017	12/1/2017	785,000	873547JF1	TACOMA WASH WTR REV 1.150% Due 12-01-17	100.00	785,000	0	100.00	785,000	0
Total Maturities						1,177,118	-2,118		1,175,000	0

Expenses

Trade Date	Settle Date	Symbol	Security	Amount
12/31/2017	12/31/2017	manfee	Management Fee	1,000
Total Expenses				1,000

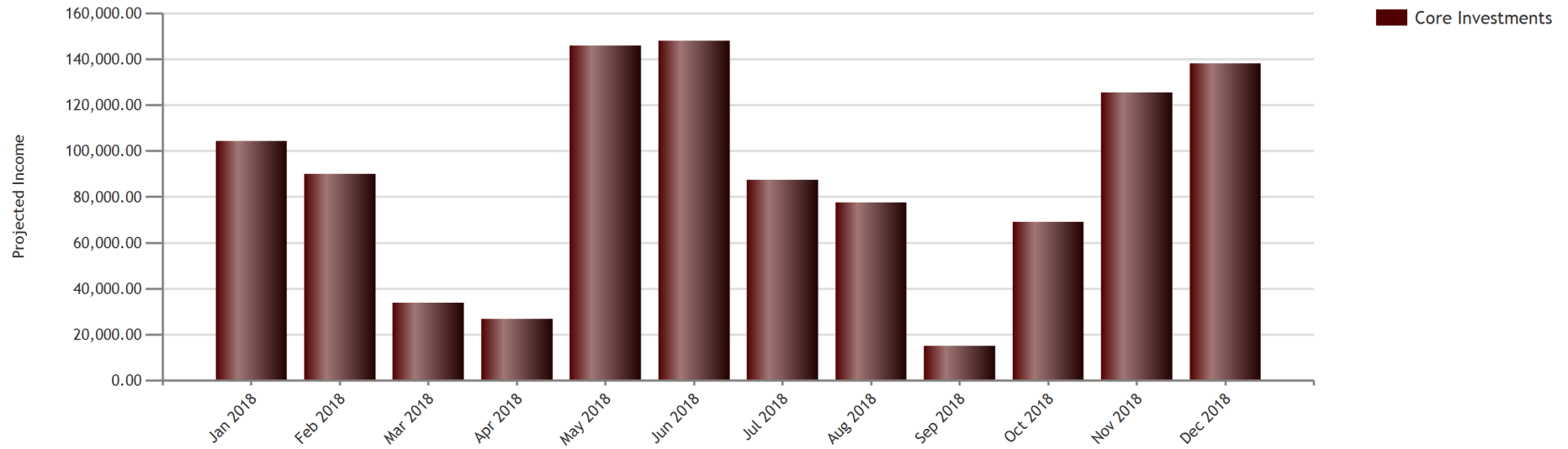


Contributions

Trade Date	Settle Date	Quantity	Symbol	Security	Unit Price	Amount
12/31/2017	12/31/2017	1,352,000	SYS117600054	BAKER BOYER BANK 0.100% Due 01-29-18	100.00	1,352,000
12/31/2017	12/31/2017	1,049	000WAFED	WASHINGTON FEDERAL 1.200% Due 01-29-18	100.00	1,049
12/31/2017	12/31/2017	2,001,705	WAPOL	WASHINGTON LGIP 1.282% Due 01-29-18	100.00	2,001,705
Total Contributions						3,354,754

Withdrawals

Trade Date	Settle Date	Quantity	Symbol	Security	Unit Price	Amount
12/1/2017	12/1/2017		cash	CASH ACCOUNT		1,274,291
12/8/2017	12/8/2017		cash	CASH ACCOUNT		4,236
12/14/2017	12/14/2017		cash	CASH ACCOUNT		16,250
12/15/2017	12/15/2017		cash	CASH ACCOUNT		10,000
12/21/2017	12/21/2017		cash	CASH ACCOUNT		1,858,500
12/31/2017	12/31/2017	3,990,207	SYSUMPQ1	UMPQUA BANK MMF 1.160% Due 01-29-18	100.00	3,990,207
Total Withdrawals						7,153,483



	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018
Core Investments	104,360.25	90,051.86	33,712.50	26,875.00	145,825.00	147,986.25	87,375.00	77,565.75	15,000.00	69,072.20	125,325.00	137,986.25
US Agency (USD)	47,125.00	90,051.86	33,712.50	26,875.00	117,075.00	26,250.00	39,375.00	77,565.75	15,000.00	16,875.00	106,575.00	16,250.00
Municipal (USD)	57,235.25	0.00	0.00	0.00	0.00	121,736.25	48,000.00	0.00	0.00	52,197.20	0.00	121,736.25
US Treasury (USD)	0.00	0.00	0.00	0.00	28,750.00	0.00	0.00	0.00	0.00	0.00	18,750.00	0.00
Total	104,360.25	90,051.86	33,712.50	26,875.00	145,825.00	147,986.25	87,375.00	77,565.75	15,000.00	69,072.20	125,325.00	137,986.25
Grand Total	1,061,135.06											



NAV and Sensitivity Analysis

12/31/17

Weighted Average Maturity (days):	460
Book Value:	\$86,566,247.17
Market Value:	\$86,111,096.21
Market Value (NAV):	0.994742
Total \$ Unrealized Loss:	\$455,151
Total \$ Unrealized Gain:	\$0

<i>Basis Point Shift</i>								Gain (Loss)
300	0.938489	0.952158	0.954676	0.956942	0.958993	0.960857	0.966879	\$ (3,727,355)
250	0.947489	0.959158	0.961308	0.963242	0.964993	0.966584	0.971725	\$ (3,181,988)
200	0.956489	0.966158	0.967939	0.969542	0.970993	0.972311	0.976571	\$ (2,636,620)
150	0.965489	0.973158	0.974571	0.975842	0.976993	0.978038	0.981417	\$ (2,091,253)
100	0.974489	0.980158	0.981202	0.982142	0.982993	0.983766	0.986263	\$ (1,545,886)
50	0.983489	0.987158	0.987834	0.988442	0.988993	0.989493	0.991109	\$ (1,000,518)
0	0.992489	0.994158	0.994465	0.994742	0.994993	0.995220	0.995956	\$ (455,151)
-50	1.001489	1.001158	1.001097	1.001042	1.000993	1.000947	1.000802	\$ 90,216
-100	1.010489	1.008158	1.007729	1.007342	1.006993	1.006675	1.005648	\$ 635,584
-150	1.019489	1.015158	1.014360	1.013642	1.012993	1.012402	1.010494	\$ 1,180,951
-200	1.028489	0.350000	1.020992	1.019942	1.018993	1.018129	1.015340	\$ 1,726,318
-250	1.037489	1.029158	1.027623	1.026242	1.024993	1.023857	1.020186	\$ 2,271,686
-300	1.046489	1.036158	1.034255	1.032542	1.030993	1.029584	1.025032	\$ 2,817,053

Redemption/Inflow O/S Shares	-30%	-10%	-5%	0%	5%	10%	30%
	60,596,373	77,909,622	82,237,935	86,566,247	90,894,560	95,222,872	112,536,121

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

12/31/2017

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.