



PRINCE WILLIAM

— Finance

Investment Performance Report

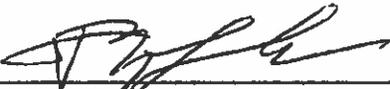
Second Quarter—Fiscal Year 2021
(For the Quarter Ending December 31, 2020)

**This report was reviewed and accepted by the
Prince William County Investment Oversight Committee
on March 5, 2021**

Chairman

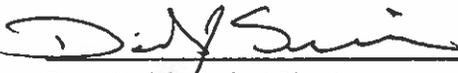

Michelle L. Attreed, Finance Director/CFO

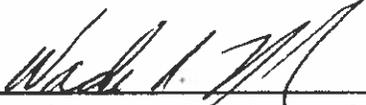
Standing Member


Timothy M. Leclerc, Deputy Finance Director

Appointed by County Executive

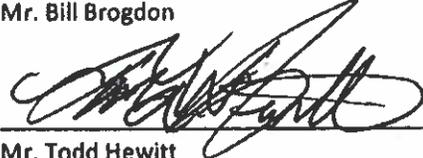

Michelle Casciato, Deputy County Executive


Dave Sinclair, Budget Director


Wade Hugh, Director of Development Services

Citizen Members Appointed by the Board of County Supervisors


Mr. Bill Brogdon


Mr. Todd Hewitt

EXECUTIVE SUMMARY

This report reflects the FY 2021 second quarter performance of the County's investment management program for the quarter ended December 31, 2020. Prince William County's Principles of Sound Financial Management and Investment Policy adopted by the Board of County Supervisors require that the County's investment program meet four criteria, listed below in order of importance:

Legality - *"Investment instruments shall, at a minimum, be limited to security, issuers and maturities in compliance with the Code of Virginia (1950) as amended"*

Safety - *"The next objective is the preservation of capital and the protection of investment principal. The County will employ mechanisms to control risks and diversify its investments regarding specific security types or individual financial institutions"*

Liquidity - *"The investment portfolio will remain sufficiently liquid to enable the County to meet operating requirements which might be reasonably anticipated"*

Yield - *"The County will maximize yield on the portfolio but will avoid unreasonable investment risk to preserve the purchasing power of the portfolio"*

Background

The target Federal Funds rate trend is a significant driver for the average yield of Prince William County's portfolio. While the Fed Funds rate is a prominent factor in determining the portfolio's yield, the timing of securities purchases, cash flow requirements, the general interest rate environment at the time of purchasing securities, and the securities' duration also play a part in determining the overall portfolio yield.

The County's General Portfolio carries an asset mix that is held over a period of time based on yields available at the time of purchase. The portfolio's total return and yield changes to reflect swings in the market price of securities and to reflect the replacement, at current market prices and yields, of securities that are sold or mature.

Prince William County's investment strategy addresses the requirements of legality, safety, and liquidity by investing in a diversified portfolio with specific security types, financial institutions, and sufficient liquidity to meet anticipated operating requirements. In addition, the County seeks to match its cash flow needs to the overall maturity structure of the portfolio in order to maximize yield.

Current Situation

The fragility of the U.S. economy was exposed during the final quarter of 2020 as escalating coronavirus cases dampened labor market progress and American consumers reined in spending. Non-farm payrolls concluded the year in a deficit by approximately 10 million jobs compared to pre-pandemic levels, and the Census Bureau posted revised retail sales declines in November and December of -1.3% and -1.0%, respectively. Although the economic and human toll levied by the pandemic saw 2020 end in somber fashion, the early weeks of 2021 have revealed signs of improvement. COVID-19 deaths and hospitalizations have declined from alarming levels late last year and the vaccine rollout has exhibited progressive momentum. Furthermore, January retail sales shattered expectations by surging 5.3%, led by discretionary spending in categories such as department stores, bars/restaurants, furniture, and electronics/appliances.

Clearly, the trajectory of the U.S. economic recovery in 2021 will be primarily dependent on three factors – the impact of COVID-19 cases, the efficacy of vaccines and speed of distribution, and future federal stimulus. The Federal Reserve has maintained an accommodative stance to support the recovery process, and consistent messaging from Fed officials has indicated that posture will remain to promote its maximum employment and price stability goals. During testimony provided to the Committee on Banking, Housing, and Urban Affairs in December, Federal Reserve Chairman Jerome Powell acknowledged that while measures of improvement have been realized from the early days of the pandemic, "the high level of joblessness has been especially severe for lower-wage workers in the services sector, for women, and for African Americans and Hispanics".

INVESTMENT PORTFOLIO STRUCTURE

The County's General Portfolio is comprised of all funds except certain restricted and special funds, i.e., bond proceeds, escrow, pension funds and self-insurance funds. All general fund interest income is earned from securities in the general portfolio. Bond proceeds are invested in accordance with the requirements and restrictions outlined in the bond documents as directed by the Debt Management Team and reported and provided as an attachment to this report.

EXCEPTIONS TO INVESTMENT POLICY

In accordance with Section 60-17 of the Investment Policy, specific exceptions to the policy guidelines are to be included as part of this report. There were no exceptions to the Investment Policy during the quarter ended December 31, 2020.

INVESTMENT PERFORMANCE

The performance data provided in this report is prepared in accordance with the County's Investment Policy reporting guidelines.

Investment performance is presented on both a total return basis, which includes the impact of adjusting investments to market value, and on an earnings yield basis. Total return is made up of two primary components. The first is the earnings/yield income component that is the result of coupon interest rates, principal value invested and the time period of the investments being measured. That component of the total return is fairly stable and moves slowly as new investments are added to the portfolio or investments are removed from the portfolio as securities mature. The second component of total return is determined by the change in market value of the securities at the end of the period being measured. This portion of the total return can be volatile given changes in the economic environment, Federal Reserve Board (FRB) rate policies, and significant geo-political events. (Note: a change in market value will not impact future cash flow).

The General Portfolio produced a total return of 1.29% for the second quarter of FY 2021, a 21 bps. increase over the previous quarter's mark of 1.08%. Federal Agency positions buoyed results, generating a net quarter-over-quarter gain in yield earned of 92 basis points. While credit risk spreads for AAA taxable Government Obligation (GO) bonds and AA corporate securities tightened modestly across the County's investment horizon, the portfolio's overall total return was inhibited by rising interest rates across County bond holdings in the 5-10 year maturity range.

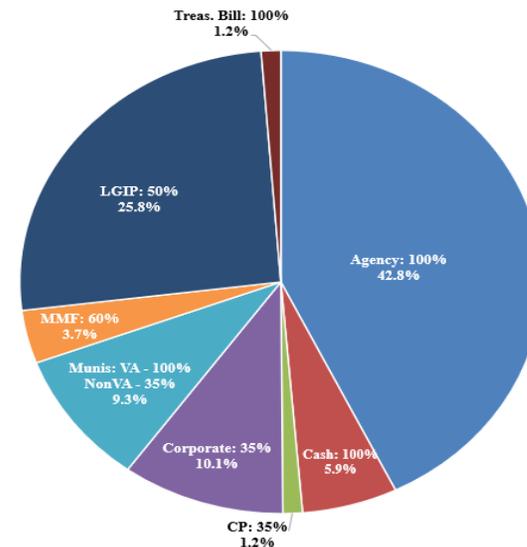
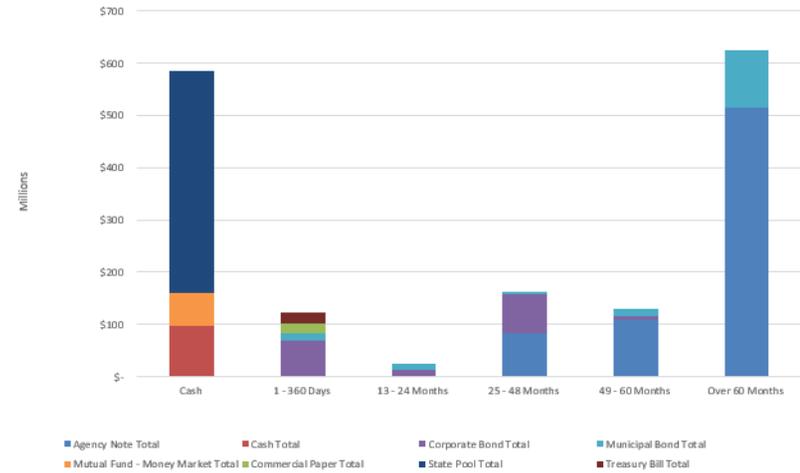
Quarterly Change	FY 2021 Q2	FY 2021 Q1	Basis Point Change
Total Return	1.29%	1.08%	21
Earnings Yield	0.98%	1.10%	-12

Annual Change	FY 2021 Q2	FY 2020 Q2	Basis Point Change
Total Return	1.29%	1.70%	-41
Earnings Yield	0.98%	1.92%	-94

PORTFOLIO COMPOSITION & MATURITY DISTRIBUTION

Investments held by the County are diversified to control the risk of loss resulting from over-concentration of assets in a specific security or class of securities.

The charts below present the percentage of assets held on December 31, 2020, by investment type and the investment guideline limits for each type of security as well as maturity distribution by investment category.



INVESTMENT ACTIVITY

The par value of bonds called during the second quarter of FY 2021 remained flat at \$87.5 million on a quarter-over-quarter basis. Given the current shape of the Treasury yield curve, the County's General Portfolio is forecasted to experience a modest increase of bonds called leading in to the end of the third quarter. The projected trajectory is primarily owed to expiring lockouts on higher yielding structures that were purchased in early 2020. Funds available to invest during the quarter were allocated predominantly in agency and municipal bonds.

Activity	Par Value (millions)	Yield
Purchase	\$356.8	0.73%
Mature/Call	\$87.5	1.66%

MATURITY LIMITATIONS

The weighted average maturity (WAM) on December 31, 2020, was 3.7 years. The average days to maturity on a callable life basis was 482 days. Portfolio duration at quarter end was 3.5 years.

MARKET VALUE

The amortized value of the County's portfolio at quarter end was \$1.654 billion and the market value was \$1.667 billion. This represents an unrealized gain of \$12.1 million, a 1% increase.

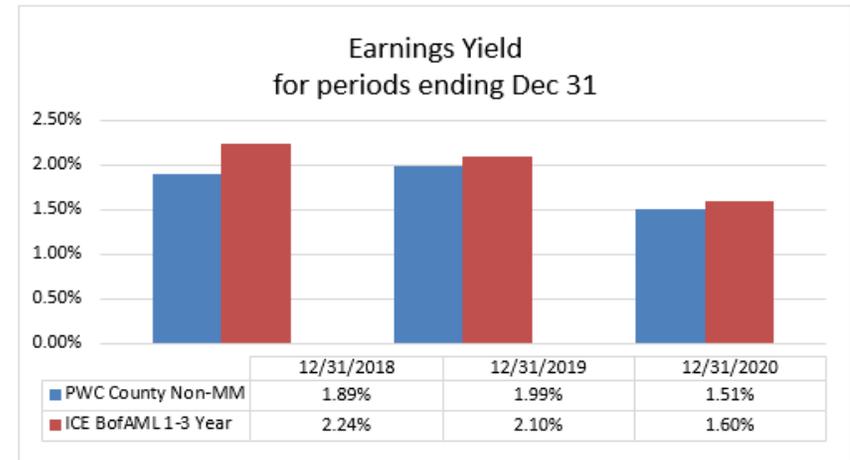
INVESTMENT INCOME

On an total return basis, the General Portfolio recorded \$4.6 million for the quarter. On an earnings yield basis, the portfolio produced \$3.5 million.

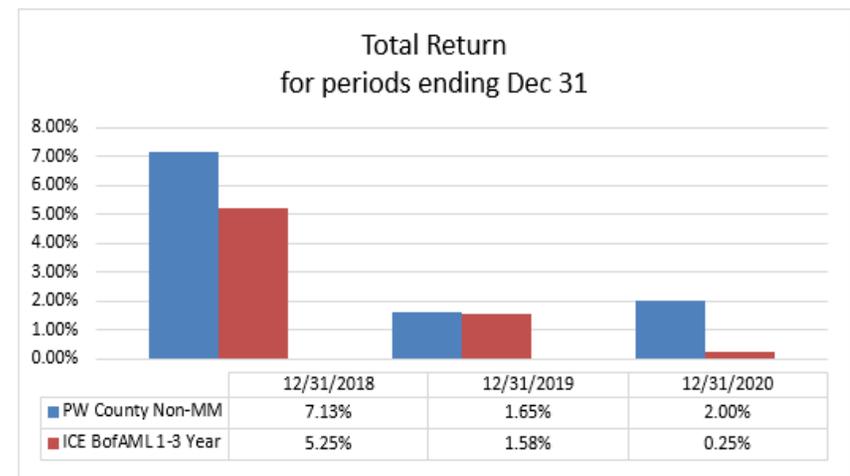
The revised investment income forecast for FY 2021 is \$5.0 million, down \$3.05 million from the original FY 2021 projection. The General Fund portion of the fiscal year-to-date (FYTD) earnings is \$3.8 million which represents 47% of the adopted budget.

PERFORMANCE BENCHMARKS (QTR)

The County's cash/cash equivalents and money market funds earnings yield of 0.17% was 1 basis point higher than the Virginia Local Government Investment Pool (LGIP) yield of 0.16%. The County held an average of \$553 million for the quarter in cash/cash equivalents. For the quarter ended December 31, 2020, the County's non-money market investments, on an earnings yield basis, underperformed the ICE BAML 1-3 year UST Index by a spread of 9 basis points as shown in the chart below.



The County's non-money market total return for the second quarter outperformed the benchmark by 175 basis points.

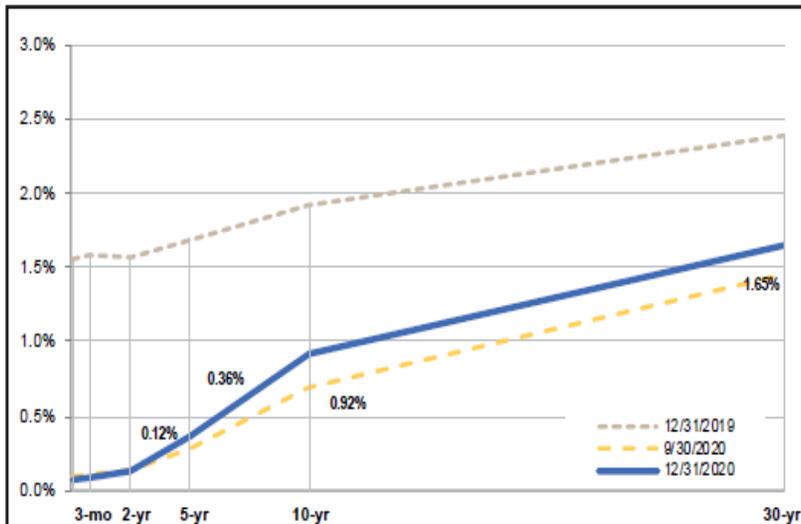


PERFORMANCE BENCHMARKS (FYTD)

The year-to-date total return of 1.18% and earnings yield of 1.04% has been primarily driven by a steep decline in cash holdings rates and the roll-off of higher yielding bonds when compared to the prior year-to-date total return and earnings yield of 2.25% and 1.98%, respectively. The table below provides a comparison of the returns of various government securities and funds.

	Jul-2020 to Dec-2020	Jul-2019 to Dec-2019	BP Change
PWC General Portfolio			
Total Return	1.18%	2.25%	-107
Earnings Yield	1.04%	1.98%	-94
ICE BoAML 1-3 Yr. UST			
Total Return	0.33%	2.34%	-201
Earnings Yield	1.65%	2.15%	-50
Virginia LGIP	0.21%	2.08%	-187
90 Day U.S. Treasury Bill	0.10%	1.82%	-172
2 Year U.S. Treasury Note	0.15%	1.64%	-150

U.S. Treasury Yield Curve



Source: Bloomberg.

ECONOMIC & MARKET COMMENTARY

Select economic and market commentary provided by RBC Capital Markets and Bloomberg journalist Brian Chappatta. Soft copies will be distributed via email prior to the IOC meeting.

INVESTMENT STRATEGY

The County's current investment strategy properly addresses the requirements of legality, safety and liquidity by investing in a diversified portfolio with respect to specific security types, financial institutions and sufficient liquidity to meet reasonably anticipated operating requirements. The County seeks to match its cash flow needs to the maturity structure of the portfolio in order to maximize yield. The current investment strategy attempts to:

- (1) Avoid the premature sale of investments to meet day-to-day operating requirements;
- (2) Maintain higher balances in short-term investments when longer-term interest rates are not favorable; and
- (3) Further diversify short-term investment options in order to reduce the dependence on money market funds.

Prince William County

12/31/2020

CUSIP	Invest Number	Security Description	Purchase Date	Call Date	Yield Matur	Yield Call	Original Unit Cost	Original Par Val/Shares	Original Princ/Cost	Orig Prem Discount	Ending Unit Price	Ending Par Val/Shares	Ending Amor Val/Cost	
3134GVC97	20-0150	FHLMC 0.44	06/02/23	06/03/20	03/02/21	0.4400	0.4400	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00
3133EMHL9	21-0079	FFCB 0.31	11/30/23	12/03/20	11/30/21	0.3335	0.3808	0.999300	10,000,000.00	9,993,000.00	7,000.00	0.999355	10,000,000.00	9,993,548.52
3135GA6J5	21-0081	FNMA 0.32	12/07/23	12/07/20	12/07/21	0.3200	0.3200	1.000000	10,000,000.00	10,000,000.00	0.00	1.000000	10,000,000.00	10,000,000.00
3134GXFZ2	21-0086	FHLMC 0.34	12/11/23	12/11/20	06/11/21	0.3366	0.3200	1.000100	10,000,000.00	10,001,000.00	-1,000.00	1.000089	10,000,000.00	10,000,888.89
3135GA5A5	21-0071	FNMA 0.35	02/23/24	11/27/20	11/23/22	0.3500	0.3500	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3134GWYD2	21-0056	FHLMC 0.375	04/08/24	11/04/20	10/08/21	0.3750	0.3750	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3134GWYD2	21-0075	FHLMC 0.375	04/08/24	11/27/20	10/08/21	0.3750	0.3750	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00
3133EL4J0	21-0025	FFCB 0.47	08/19/24	08/19/20	08/19/21	0.4700	0.4700	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00
3134GWNE2	21-0030	FHLMC 0.50	08/19/24	08/24/20	02/19/21	0.5000	0.5000	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133EMCY6	21-0051	FFCB 0.43	10/15/24	10/15/20	10/15/21	0.4300	0.4300	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00
3134GXDZ4	21-0069	FHLMC 0.45	11/15/24	11/25/20	11/25/22	0.4500	0.4500	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3134GXDZ4	21-0072	FHLMC 0.45	11/15/24	11/27/20	11/25/22	0.4500	0.4500	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00
3137EAEP0	21-0078	FHLMC 1.50	02/12/25	12/02/20	Open	0.4051	0.4051	1.045490	10,000,000.00	10,454,900.00	-454,900.00	1.044624	10,000,000.00	10,446,241.17
3130AK2L9	21-0037	FHLB 0.55	03/04/25	09/04/20	12/04/20	0.5500	0.5500	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00
3134GWDQ6	21-0012	FHLMC 0.675	04/28/25	07/28/20	01/28/21	0.6750	0.6750	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3134GWDQ6	21-0013	FHLMC 0.675	04/28/25	07/28/20	01/28/21	0.6750	0.6750	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00
3134GV4Y1	21-0004	FHLMC 0.75	07/08/25	07/08/20	01/08/21	0.7500	0.7500	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3136G4ZR7	21-0010	FNMA 0.70	07/21/25	07/21/20	07/21/21	0.7000	0.7000	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3134GWAU0	21-0015	FHLMC 0.50	07/23/25	07/23/20	07/23/21	0.5304	0.6507	0.998500	5,000,000.00	4,992,500.00	7,500.00	0.999157	5,000,000.00	4,995,786.32
3133EL2U7	21-0021	FFCB 0.68	08/04/25	08/04/20	11/04/20	0.6800	0.6800	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133EMCP5	21-0046	FFCB 0.52	10/14/25	10/14/20	10/14/21	0.5403	0.6205	0.999000	5,000,000.00	4,995,000.00	5,000.00	0.999214	5,000,000.00	4,996,067.79
3134GWXX9	21-0044	FHLMC 0.55	10/15/25	10/15/20	10/15/21	0.5500	0.5500	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3135GA2Z3	21-0090	FNMA 0.56	11/17/25	12/10/20	11/17/22	0.5662	0.5756	0.999700	9,000,000.00	8,997,300.00	2,700.00	0.999709	9,000,000.00	8,997,381.42
3135GA4P3	21-0074	FNMA 0.65	11/18/25	11/18/20	11/18/23	0.6500	0.6500	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3134GXFA7	21-0076	FHLMC 0.65	11/26/25	11/30/20	11/26/21	0.6500	0.6500	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133EMJT0	21-0082	FFCB 0.60	12/09/25	12/09/20	03/09/21	0.6000	0.6000	1.000000	10,000,000.00	10,000,000.00	0.00	1.000000	10,000,000.00	10,000,000.00
3130AKJW7	21-0088	FHLB 0.60	12/15/25	12/15/20	12/15/21	0.6000	0.6000	1.000000	10,000,000.00	10,000,000.00	0.00	1.000000	10,000,000.00	10,000,000.00
3133ELJU9	20-0069	FFCB 1.98	01/27/26	01/28/20	01/27/22	1.9827	1.9877	0.999850	8,000,000.00	7,998,800.00	1,200.00	0.999919	8,000,000.00	7,999,351.23
3133ELLM4	20-0083	FFCB 2.00	02/04/26	02/04/20	02/04/21	2.0000	2.0000	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133ELSC9	20-0114	FFCB 1.48	03/10/26	03/10/20	03/10/21	1.4800	1.4800	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3130AJTE9	21-0008	FHLB 0.89	07/15/26	07/15/20	10/15/20	0.8900	0.8900	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133EL3X0	21-0023	FFCB 0.70	08/13/26	08/13/20	11/13/20	0.7300	1.4040	0.998240	7,000,000.00	6,987,680.00	12,320.00	1.000000	7,000,000.00	7,000,000.00
3133EL4Z4	21-0034	FFCB 0.68	08/26/26	08/26/20	08/26/22	0.6800	0.6800	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00
3135G0Q22	21-0060	FNMA 1.875	09/24/26	11/10/20	Open	0.6500	0.6500	1.070464	7,000,000.00	7,493,248.00	-493,248.00	1.068795	7,000,000.00	7,481,566.86
3135G0Q22	21-0077	FNMA 1.875	09/24/26	12/02/20	Open	0.6011	0.6011	1.072640	10,000,000.00	10,726,400.00	-726,400.00	1.071650	10,000,000.00	10,716,503.85
3134GWYE0	21-0045	FHLMC 0.70	10/15/26	10/15/20	04/15/21	0.7000	0.7000	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3130AKC46	21-0048	FHLB 0.72	10/19/26	10/19/20	01/19/21	0.7200	0.7200	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3130A9YY1	20-0050	FHLB 2.125	12/11/26	12/20/19	Open	2.0061	2.0061	1.007700	8,000,000.00	8,061,600.00	-61,600.00	1.006631	8,000,000.00	8,053,044.89
3133EMKK7	21-0087	FFCB 0.75	12/16/26	12/16/20	12/16/21	0.7500	0.7500	1.000000	10,000,000.00	10,000,000.00	0.00	1.000000	10,000,000.00	10,000,000.00
3134GXJD7	21-0089	FHLMC 0.72	12/21/26	12/21/20	12/21/21	0.7200	0.7200	1.000000	10,000,000.00	10,000,000.00	0.00	1.000000	10,000,000.00	10,000,000.00
3130AHX32	20-0065	FHLB 2.05	01/27/27	01/27/20	01/27/22	2.0500	2.0500	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00

Prince William County

12/31/2020

CUSIP	Invest Number	Security Description	Purchase Date	Call Date	Yield Matur	Yield Call	Original Unit Cost	Original Par Val/Shares	Original Princ/Cost	Orig Prem Discount	Ending Unit Price	Ending Par Val/Shares	Ending Amor Val/Cost
3134GWT63	21-0040	FHLMC 0.75 03/04/27	09/24/20	03/24/21	0.7500	0.7500	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133ELRS5	20-0112	FFCB 1.69 03/09/27	03/09/20	03/09/21	1.6900	1.6900	1.000000	7,500,000.00	7,500,000.00	0.00	1.000000	7,500,000.00	7,500,000.00
3133ELZ23	21-0017	FFCB 0.98 04/27/27	07/27/20	10/27/20	0.9800	0.9800	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133EMET5	21-0095	FFCB 0.79 04/27/27	12/16/20	04/27/21	0.7900	0.7900	1.000000	6,738,000.00	6,738,000.00	0.00	1.000000	6,738,000.00	6,738,000.00
3133EMKZ4	21-0094	FFCB 0.79 06/21/27	12/21/20	06/21/21	0.7900	0.7900	1.000000	10,000,000.00	10,000,000.00	0.00	1.000000	10,000,000.00	10,000,000.00
3130AJYV5	21-0028	FHLB 0.935 08/24/27	08/24/20	11/24/20	0.9350	0.9350	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3136G42A0	21-0033	FNMA 0.80 08/26/27	08/26/20	08/26/22	0.8000	0.8000	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3130AJYZ6	21-0035	FHLB 0.90 09/02/27	09/02/20	03/02/21	0.9000	0.9000	1.000000	6,730,000.00	6,730,000.00	0.00	1.000000	6,730,000.00	6,730,000.00
3130AJ6Y0	20-0103	FHLB 2.07 09/10/27	03/10/20	03/10/21	2.0700	2.0700	1.000000	9,825,000.00	9,825,000.00	0.00	1.000000	9,825,000.00	9,825,000.00
3135G05Y5	21-0059	FNMA 0.75 10/08/27	11/10/20	Open	0.8601	0.8601	0.992630	7,000,000.00	6,948,410.00	51,590.00	0.992777	7,000,000.00	6,949,440.78
3135GAB42	21-0084	FNMA 0.875 12/14/27	12/14/20	12/14/22	0.8750	0.8750	1.000000	10,000,000.00	10,000,000.00	0.00	1.000000	10,000,000.00	10,000,000.00
3134GWWZ5	21-0042	FHLMC 0.85 12/30/27	09/30/20	09/30/21	0.8500	0.8500	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133ELLF9	20-0075	FFCB 2.22 02/03/28	02/03/20	02/03/21	2.2200	2.2200	1.000000	8,000,000.00	8,000,000.00	0.00	1.000000	8,000,000.00	8,000,000.00
3130AJ3F4	20-0082	FHLB 2.21 02/11/28	02/11/20	02/11/21	2.2100	2.2100	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133EMLU4	21-0097	FFCB 0.95 06/29/28	12/29/20	03/29/21	0.9500	0.9500	1.000000	10,000,000.00	10,000,000.00	0.00	1.000000	10,000,000.00	10,000,000.00
3133EL5U4	21-0036	FFCB 1.12 09/01/28	09/01/20	09/01/21	1.1200	1.1200	1.000000	10,000,000.00	10,000,000.00	0.00	1.000000	10,000,000.00	10,000,000.00
3133ELGZ1	20-0062	FFCB 2.45 01/22/29	01/22/20	01/22/21	2.4500	2.4500	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00
3133ELGZ1	20-0063	FFCB 2.45 01/22/29	01/22/20	01/22/21	2.4593	2.5264	0.999250	7,000,000.00	6,994,750.00	5,250.00	0.999956	7,000,000.00	6,999,691.83
3134GWDS2	21-0016	FHLMC 1.15 01/29/29	07/29/20	01/29/21	1.1500	1.1500	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00
3133ELMV3	20-0089	FFCB 2.375 02/12/29	02/12/20	02/12/21	2.3750	2.3750	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3134GWAF3	21-0011	FHLMC 1.20 04/27/29	07/27/20	01/27/21	1.2000	1.2000	1.000000	6,660,000.00	6,660,000.00	0.00	1.000000	6,660,000.00	6,660,000.00
3134GWAB2	21-0005	FHLMC 1.25 07/20/29	07/20/20	10/20/20	1.2500	1.2500	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133EL4P6	21-0032	FFCB 1.14 08/20/29	08/25/20	08/20/21	1.1400	1.1400	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133EL6D1	21-0039	FFCB 1.23 09/10/29	09/10/20	09/10/21	1.2300	1.2300	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3130AHMU4	20-0051	FHLB 2.34 12/03/29	12/23/19	12/02/21	2.3967	2.6054	0.995000	8,000,000.00	7,960,000.00	40,000.00	0.997606	8,000,000.00	7,980,847.14
3133ELEN0	20-0046	FFCB 2.25 12/18/29	12/18/19	12/18/24	2.2870	2.3201	0.996710	7,000,000.00	6,976,970.00	23,030.00	0.997361	7,000,000.00	6,981,527.50
3133ELEN0	20-0049	FFCB 2.25 12/18/29	12/19/19	12/18/24	2.3081	2.3601	0.994840	5,000,000.00	4,974,200.00	25,800.00	0.995858	5,000,000.00	4,979,292.21
3130AHY64	20-0066	FHLB 2.37 01/28/30	01/28/20	01/28/22	2.3700	2.3700	1.000000	9,900,000.00	9,900,000.00	0.00	1.000000	9,900,000.00	9,900,000.00
3130AHYJ6	20-0067	FHLB 2.23 01/30/30	01/30/20	01/30/23	2.2300	2.2300	1.000000	10,000,000.00	10,000,000.00	0.00	1.000000	10,000,000.00	10,000,000.00
3130AHY72	20-0068	FHLB 2.25 01/30/30	01/30/20	01/30/23	2.2500	2.2500	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00
3133ELLN2	20-0077	FFCB 2.38 02/04/30	02/04/20	02/04/21	2.3800	2.3800	1.000000	8,000,000.00	8,000,000.00	0.00	1.000000	8,000,000.00	8,000,000.00
3133ELMB7	21-0067	FFCB 2.12 02/05/30	11/19/20	02/05/25	1.4507	0.7308	1.057500	6,000,000.00	6,345,000.00	-345,000.00	1.055933	6,000,000.00	6,335,595.63
3133ELMB7	21-0068	FFCB 2.12 02/05/30	11/24/20	02/05/25	1.4555	0.7382	1.057000	6,000,000.00	6,342,000.00	-342,000.00	1.055627	6,000,000.00	6,333,762.16
3133ELNN0	20-0090	FFCB 2.08 02/19/30	02/19/20	02/19/25	2.0800	2.0800	1.000000	8,000,000.00	8,000,000.00	0.00	1.000000	8,000,000.00	8,000,000.00
3133ELNN0	20-0091	FFCB 2.08 02/19/30	02/19/20	02/19/25	2.0800	2.0800	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00
3130AJ7L7	20-0095	FHLB 2.15 02/28/30	02/28/20	02/28/22	2.1500	2.1500	1.000000	6,000,000.00	6,000,000.00	0.00	1.000000	6,000,000.00	6,000,000.00
3133ELSD7	20-0113	FFCB 1.85 03/11/30	03/11/20	03/11/21	1.8500	1.8500	1.000000	8,000,000.00	8,000,000.00	0.00	1.000000	8,000,000.00	8,000,000.00
3133ELSD7	20-0144	FFCB 1.85 03/11/30	05/19/20	03/11/21	1.7736	1.0000	1.006844	5,000,000.00	5,034,220.49	-34,220.49	1.001645	5,000,000.00	5,008,222.78
3130AJAP4	20-0106	FHLB 2.15 03/12/30	03/12/20	03/12/21	2.1500	2.1500	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133ELXP4	20-0137	FFCB 1.68 04/29/30	04/29/20	04/29/21	1.6800	1.6800	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3130AJJS9	20-0139	FHLB 1.72 05/06/30	05/06/20	11/06/20	1.7200	1.7200	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00

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<i>CUSIP</i>	<i>Invest Number</i>	<i>Security Description</i>	<i>Purchase Date</i>	<i>Call Date</i>	<i>Yield Matur</i>	<i>Yield Call</i>	<i>Original Unit Cost</i>	<i>Original Par Val/Shares</i>	<i>Original Princ/Cost</i>	<i>Orig Prem Discount</i>	<i>Ending Unit Price</i>	<i>Ending Par Val/Shares</i>	<i>Ending Amor Val/Cost</i>
3133ELB86	20-0147	FFCB 1.40 05/28/30	06/02/20	05/28/21	1.4000	1.4000	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133ELD84	20-0148	FFCB 1.28 06/03/30	06/03/20	06/03/25	1.2800	1.2800	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133ELM43	21-0007	FFCB 1.25 06/17/30	07/10/20	06/17/22	1.2500	1.2500	1.000000	5,000,000.00	5,000,000.00	0.00	1.000000	5,000,000.00	5,000,000.00
3133EMAZ5	21-0043	FFCB 1.25 06/24/30	09/28/20	12/24/20	1.2637	1.7697	0.998750	7,000,000.00	6,991,250.00	8,750.00	1.000000	7,000,000.00	7,000,000.00
3134GWAN6	21-0009	FHLMC 1.30 07/22/30	07/22/20	07/22/21	1.3000	1.3000	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3134GV7L6	21-0014	FHLMC 1.35 07/29/30	07/29/20	01/29/21	1.3500	1.3500	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3134GWGG5	21-0018	FHLMC 1.15 07/29/30	07/29/20	07/29/21	1.1872	1.5040	0.996500	7,000,000.00	6,975,500.00	24,500.00	0.997972	7,000,000.00	6,985,805.70
3135G05Q2	21-0096	FNMA 0.875 08/05/30	12/16/20	Open	1.1020	1.1020	0.979300	10,000,000.00	9,793,000.00	207,000.00	0.979386	10,000,000.00	9,793,856.34
3136G4J79	21-0024	FNMA 1.10 08/12/30	08/13/20	08/12/22	1.1329	1.2577	0.996900	7,000,000.00	6,978,300.00	21,700.00	0.997489	7,000,000.00	6,982,426.26
3134GWKGO	21-0022	FHLMC 1.25 08/19/30	08/19/20	02/19/21	1.2500	1.2500	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3134GWRV0	21-0027	FHLMC 1.30 08/26/30	08/26/20	02/26/21	1.3000	1.3000	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
3133EL6L3	21-0038	FFCB 1.32 09/09/30	09/09/20	09/09/21	1.3200	1.3200	1.000000	7,800,000.00	7,800,000.00	0.00	1.000000	7,800,000.00	7,800,000.00
3133EMFG2	21-0057	FFCB 1.37 11/04/30	11/05/20	02/04/21	1.3764	1.6081	0.999400	7,000,000.00	6,995,800.00	4,200.00	0.999778	7,000,000.00	6,998,442.70
3133EMKC5	21-0085	FFCB 1.43 12/11/30	12/11/20	03/11/21	1.4354	1.6250	0.999500	9,370,000.00	9,365,315.00	4,685.00	0.999611	9,370,000.00	9,366,356.11
3135GABJ9	21-0091	FNMA 1.30 12/30/30	12/30/20	12/30/21	1.3032	1.3303	0.999700	10,000,000.00	9,997,000.00	3,000.00	0.999701	10,000,000.00	9,997,008.31
Agency Note Total					1.1853	1.1939	1.002839	705,523,000.00	707,526,143.49	-2,003,143.49	1.002839	705,523,000.00	707,525,656.39
SUNTRUST DDA GP	AR-0166	Cash	06/01/97	Open	0.0000	0.0000	0.000000	0.00	0.00	0.00	0.000000	0.00	0.00
United Bank ICS	AR-0304	Cash	10/01/08	Open	0.2500	0.2500	1.000000	322,580.32	322,580.32	0.00	1.000000	58,596,183.96	58,596,183.96
John Marshall Bank ICS	AR-0339	Cash	08/30/13	Open	0.1400	0.1400	1.000000	1,000,000.00	1,000,000.00	0.00	1.000000	39,133,737.49	39,133,737.49
Cash Total					0.2060	0.2060	1.000000	1,322,580.32	1,322,580.32	0.00	1.000000	97,729,921.45	97,729,921.45
8923A0QH9	21-0092	Toyota Cred Puerto Rico 0.00 03/17/21	12/18/20	Open	0.1927	0.1927	0.999530	20,000,000.00	19,990,605.56	9,394.44	0.999604	20,000,000.00	19,992,082.75
Commercial Paper Total					0.1927	0.1927	0.999530	20,000,000.00	19,990,605.56	9,394.44	0.999604	20,000,000.00	19,992,082.75
89114QBG2	16-0149	Toronto-Dominion Bank 2.125 04/07/21	05/04/16	Open	2.0434	2.0434	1.003800	4,500,000.00	4,517,100.00	-17,100.00	1.000216	4,500,000.00	4,500,969.84
89114QBG2	17-0009	Toronto-Dominion Bank 2.125 04/07/21	07/11/16	Open	1.6002	1.6002	1.023850	4,000,000.00	4,095,400.00	-95,400.00	1.001388	4,000,000.00	4,005,553.94
961214CV3	17-0011	WestPac Banking Corp 2.10 05/13/21	07/11/16	Open	1.7556	1.7556	1.015900	2,000,000.00	2,031,800.00	-31,800.00	1.001252	2,000,000.00	2,002,503.61
65557CAS2	17-0042	Nordea Bank AB 2.25 05/27/21	08/15/16	Open	1.7313	1.7313	1.023700	2,300,000.00	2,354,510.00	-54,510.00	1.002085	2,300,000.00	2,304,796.52
05253JAM3	17-0023	Australia & NZ Banking Group NY 2.30 06/01/21	07/15/16	Open	1.9265	1.9265	1.017300	10,000,000.00	10,173,000.00	-173,000.00	1.001541	10,000,000.00	10,015,414.78
90327QCY3	17-0043	USAA Capital Corp 2.00 06/01/21	08/12/16	Open	1.6303	1.6303	1.017000	1,500,000.00	1,525,500.00	-25,500.00	1.001528	1,500,000.00	1,502,291.82
63254AAR9	17-0013	National Australia Bank NY 1.875 07/12/21	07/12/16	Open	1.8498	1.8498	1.001200	4,000,000.00	4,004,800.00	-4,800.00	1.000133	4,000,000.00	4,000,530.41
89114QBL1	17-0015	Toronto-Dominion Bank 1.80 07/13/21	07/13/16	Open	1.8000	1.8000	1.000000	7,000,000.00	7,000,000.00	0.00	1.000000	7,000,000.00	7,000,000.00
89114QBL1	17-0039	Toronto-Dominion Bank 1.80 07/13/21	08/02/16	Open	1.8042	1.8042	0.999800	8,000,000.00	7,998,400.00	1,600.00	0.999978	8,000,000.00	7,999,824.06
89114QBL1	17-0050	Toronto-Dominion Bank 1.80 07/13/21	08/24/16	Open	1.8213	1.8213	0.999000	1,500,000.00	1,498,500.00	1,500.00	0.999887	1,500,000.00	1,499,831.00
00182EBA6	17-0038	ANZ New Zealand Intl/LDN 2.125 07/28/21	07/28/16	Open	2.0426	2.0426	1.003900	10,000,000.00	10,039,000.00	-39,000.00	1.000469	10,000,000.00	10,004,686.65
78012KRV1	17-0051	Royal Bank of Canada 1.50 08/25/21	08/25/16	Open	2.3527	2.3527	1.000000	10,000,000.00	10,000,000.00	0.00	1.000000	10,000,000.00	10,000,000.00
05579HAC6	17-0060	BNZ INTL Funding/London 2.10 09/14/21	09/14/16	Open	2.0400	2.0400	1.002840	4,000,000.00	4,011,360.00	-11,360.00	1.000416	4,000,000.00	4,001,665.74
87020PAH0	18-0010	Swedbank AB 2.80 03/14/22	09/12/17	Open	2.1901	2.1901	1.026030	5,000,000.00	5,130,150.00	-130,150.00	1.007197	5,000,000.00	5,035,985.00
59217GAQ2	18-0009	Met Life Global Fdg 3.875 04/11/22	09/05/17	Open	2.2000	2.2000	1.072880	3,000,000.00	3,218,640.00	-218,640.00	1.020980	3,000,000.00	3,062,938.64
89236TEG6	18-0023	Toyota Motor Credit Corp 2.125 11/29/22	11/29/17	Open	1.4241	1.4241	0.998900	5,000,000.00	4,994,500.00	5,500.00	0.999580	5,000,000.00	4,997,897.78
89114QLD8	18-0046	Toronto-Dominion Bank 2.60 02/15/23	02/15/18	Open	2.6000	2.6000	1.000000	6,500,000.00	6,500,000.00	0.00	1.000000	6,500,000.00	6,500,000.00
30231GBL5	20-0128	Exxon Mobil Corporation 1.571 04/15/23	04/17/20	Open	1.3951	1.3951	1.005140	1,500,000.00	1,507,710.00	-7,710.00	1.003948	1,500,000.00	1,505,921.42
30231GBL5	20-0135	Exxon Mobil Corporation 1.571 04/15/23	04/29/20	Open	1.3921	1.3921	1.005170	1,513,000.00	1,520,822.21	-7,822.21	1.004016	1,513,000.00	1,519,075.71

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CUSIP	Invest Number	Security Description	Purchase Date	Call Date	Yield Matur	Yield Call	Original Unit Cost	Original Par Val/Shares	Original Princ/Cost	Orig Prem Discount	Ending Unit Price	Ending Par Val/Shares	Ending Amor Val/Cost
30231GBL5	20-0138	Exxon Mobil Corporation 1.571 04/15/23	04/30/20	Open	1.3381	1.3381	1.006730	4,000,000.00	4,026,920.00	-26,920.00	1.005231	4,000,000.00	4,020,923.44
166764AH3	20-0119	Chevron Corp 3.191 06/24/23	03/12/20	03/24/23	1.6759	1.5583	1.048190	8,255,000.00	8,652,808.45	-397,808.45	1.035671	8,255,000.00	8,549,460.10
822582AX0	20-0030	Shell International Finance 3.40 08/12/23	11/27/19	Open	1.9661	1.9661	1.051020	7,385,000.00	7,761,782.70	-376,782.70	1.036354	7,385,000.00	7,653,474.86
741531FA0	20-0029	PRICOA Global Funding 1 3.45 09/01/23	11/26/19	Open	2.0889	2.0889	1.049000	6,850,000.00	7,185,650.00	-335,650.00	1.035118	6,850,000.00	7,090,558.77
89236TFN0	20-0035	Toyota Motor Credit Corp 3.45 09/20/23	12/06/19	Open	1.9532	1.9532	1.054390	5,000,000.00	5,271,950.00	-271,950.00	1.039448	5,000,000.00	5,197,239.43
59217GCT4	20-0040	Met Life Global Funding I 3.60 01/11/24	12/13/19	Open	2.1260	2.1260	1.057270	5,667,000.00	5,991,549.09	-324,549.09	1.043000	5,667,000.00	5,910,678.96
037833CG3	20-0028	Apple Inc 3.00 02/09/24	11/25/19	12/09/23	2.0023	1.9641	1.040030	5,000,000.00	5,200,150.00	-200,150.00	1.029452	5,000,000.00	5,147,261.86
57629WBV1	20-0038	Mass Mutual Global Funding 3.60 04/09/24	12/11/19	Open	2.1729	2.1729	1.058620	2,100,000.00	2,223,102.00	-123,102.00	1.044832	2,100,000.00	2,194,146.81
57629WBV1	20-0061	Mass Mutual Global Funding 3.60 04/09/24	01/22/20	Open	2.0000	2.0000	1.064330	3,000,000.00	3,192,990.00	-192,990.00	1.050427	3,000,000.00	3,151,280.16
64952WDG5	20-0057	NEW YORK LIFE GLOBAL FDG 2.875 04/10/24	12/20/19	Open	2.1282	2.1282	1.030550	3,090,000.00	3,184,399.50	-94,399.50	1.023499	3,090,000.00	3,162,610.40
822582CC4	20-0031	Shell International Finance 2.00 11/07/24	12/02/19	10/07/24	2.0341	2.0348	0.998400	5,000,000.00	4,992,000.00	8,000.00	0.998750	5,000,000.00	4,993,748.16
822582CC4	20-0123	Shell International Finance 2.00 11/07/24	03/12/20	10/07/24	1.9440	1.9432	1.002470	10,000,000.00	10,024,700.00	-24,700.00	1.002061	10,000,000.00	10,020,611.10
30231GAF9	20-0126	Exxon Mobil Corp 2.709 03/06/25	03/13/20	12/06/24	1.9464	1.9091	1.036030	5,000,000.00	5,180,150.00	-180,150.00	1.030163	5,000,000.00	5,150,813.40
637639AE5	21-0099	National Secs Clearing 0.75 12/07/25	12/31/20	Open	0.6703	0.6703	1.003860	3,404,000.00	3,417,139.44	-13,139.44	1.003860	3,404,000.00	3,417,139.44
Corporate Bond Total					1.9298	1.9215	1.020371	165,064,000.00	168,426,483.39	-3,362,483.39	1.012455	165,064,000.00	167,119,833.81
882722VH1	17-0107	State of Texas GO 3.523 04/01/21	11/14/16	Open	1.5553	1.5553	1.083000	3,000,000.00	3,249,000.00	-249,000.00	1.004881	3,000,000.00	3,014,643.61
849254SG3	13-0031	VA Spotsylvania County VA 2.70 06/01/21	07/26/12	Open	2.7000	2.7000	1.000000	60,000.00	60,000.00	0.00	1.000000	60,000.00	60,000.00
928077JS6	17-0121	VA St Prt Auth Prt Fac Fev 2.101 07/01/21	11/17/16	Open	2.1010	2.1010	1.000000	395,000.00	395,000.00	0.00	1.000000	395,000.00	395,000.00
16532LNQ5	20-0124	VA City of Chesapeake 1.461 08/01/21	03/30/20	Open	1.4610	1.4610	1.000000	1,000,000.00	1,000,000.00	0.00	1.000000	1,000,000.00	1,000,000.00
927781VR2	17-0026	VA College Bld BABS 4.15 09/01/21	07/20/16	Open	1.5422	1.5422	1.127750	9,055,000.00	10,211,776.25	-1,156,776.25	1.017219	9,055,000.00	9,210,920.85
92778VLD9	17-0075	VA CLG BLDG AUTH EDUCTNL FACS 1.83 02/01/22	10/12/16	06/01/16	1.7802	1.7802	1.002500	3,980,000.00	3,989,950.00	-9,950.00	1.000532	3,980,000.00	3,982,117.01
849254SH1	13-0032	VA Spotsylvania County VA 3.00 06/01/22	07/26/12	Open	3.0000	3.0000	1.000000	60,000.00	60,000.00	0.00	1.000000	60,000.00	60,000.00
928077JT4	17-0122	VA St Prt Auth Prt Fac Rev 2.416 07/01/22	11/17/16	Open	2.4160	2.4160	1.000000	335,000.00	335,000.00	0.00	1.000000	335,000.00	335,000.00
928172R80	17-0071	VA St Pub Bldg Auth Facs REV 2.00 08/01/22	10/05/16	Open	1.7004	1.7004	1.016550	615,000.00	625,178.25	-10,178.25	1.004660	615,000.00	617,865.80
64966MED7	17-0114	City of New York NY 1.70 08/01/22	11/15/16	08/18/16	1.8481	1.8481	0.992000	5,000,000.00	4,960,000.00	40,000.00	0.997700	3,125,000.00	3,117,811.12
64966MED7	17-0127	City of New York NY 1.70 08/01/22	11/17/16	08/18/16	2.1112	2.1112	0.978000	3,000,000.00	2,934,000.00	66,000.00	0.993632	1,875,000.00	1,863,059.73
16532LNR3	20-0125	VA City of Chesapeake 1.501 08/01/22	03/30/20	Open	1.5010	1.5010	1.000000	1,000,000.00	1,000,000.00	0.00	1.000000	1,000,000.00	1,000,000.00
971567SU7	21-0058	City of Wilmington DE 0.533 01/01/23	11/12/20	Open	0.5330	0.5330	1.000000	1,330,000.00	1,330,000.00	0.00	1.000000	1,330,000.00	1,330,000.00
3733842Q8	17-0085	State of Georgia GO 2.78 02/01/23	10/20/16	Open	1.8001	1.8001	1.057930	1,925,000.00	2,036,515.25	-111,515.25	1.019945	1,925,000.00	1,963,395.07
928077JU1	17-0123	VA St Prt Auth Prt Fac Rev 2.616 07/01/23	11/17/16	Open	2.6160	2.6160	1.000000	225,000.00	225,000.00	0.00	1.000000	225,000.00	225,000.00
928172R98	17-0070	VA St Pub Sblld Auth Facs REV 2.00 08/01/23	10/05/16	Open	2.0104	2.0104	0.999350	625,000.00	624,593.75	406.25	0.999739	625,000.00	624,836.82
97705MYK4	20-0070	State of Wisconsin 1.875 05/01/25	02/11/20	Open	1.8750	1.8750	1.000000	2,000,000.00	2,000,000.00	0.00	1.000000	2,000,000.00	2,000,000.00
44256PYR8	21-0049	Howard County MD 0.65 08/15/25	10/20/20	Open	0.6401	0.6401	1.000470	7,295,000.00	7,298,428.65	-3,428.65	1.000450	7,295,000.00	7,298,285.32
92818NHL5	21-0061	VA Virginia Resources Authority 2.257 11/01/25	11/16/20	Open	0.7301	0.7301	1.074220	3,500,000.00	3,759,770.00	-259,770.00	1.072380	3,500,000.00	3,753,329.39
97705MQL2	20-0072	State of Wisconsin 2.038 05/01/26	02/11/20	Open	2.0380	2.0380	1.000000	1,000,000.00	1,000,000.00	0.00	1.000000	1,000,000.00	1,000,000.00
64966QCC2	20-0045	City of New York NY 2.39 08/01/26	12/16/19	Open	2.4171	2.4171	0.998340	7,000,000.00	6,988,380.00	11,620.00	0.998593	7,000,000.00	6,990,153.63
13063DRD2	20-0056	State of California 2.375 10/01/26	01/02/20	Open	2.3412	2.3412	1.002090	8,000,000.00	8,016,720.00	-16,720.00	1.001809	8,000,000.00	8,014,468.46
92818NVD7	21-0063	VA Virginia Resources Authority 1.005 11/01/26	11/18/20	Open	1.0050	1.0050	1.000000	1,175,000.00	1,175,000.00	0.00	1.000000	1,175,000.00	1,175,000.00
64966QCD0	20-0043	City of New York NY 2.49 08/01/27	12/16/19	Open	2.4891	2.4891	1.000050	7,000,000.00	7,000,350.00	-350.00	1.000054	7,000,000.00	7,000,378.72
61334PDD2	21-0020	Montgomery County Md 1.25 11/01/27	08/05/20	Open	0.9902	0.9902	1.018110	5,000,000.00	5,090,550.00	-90,550.00	1.017125	5,000,000.00	5,085,624.87
92818NVE5	21-0064	VA Virginia Resources Authority 1.185 11/01/27	11/18/20	Open	1.1850	1.1850	1.000000	2,000,000.00	2,000,000.00	0.00	1.000000	2,000,000.00	2,000,000.00

Prince William County

12/31/2020

<i>CUSIP</i>	<i>Invest Number</i>	<i>Security Description</i>	<i>Purchase Date</i>	<i>Call Date</i>	<i>Yield Matur</i>	<i>Yield Call</i>	<i>Original Unit Cost</i>	<i>Original Par Val/Shares</i>	<i>Original Princ/Cost</i>	<i>Orig Prem Discount</i>	<i>Ending Unit Price</i>	<i>Ending Par Val/Shares</i>	<i>Ending Amor Val/Cost</i>
172217J93	20-0115	City of Cincinnati OH GO 2.00 12/01/27	03/19/20	Open	1.5203	1.5203	1.034740	5,405,000.00	5,592,769.70	-187,769.70	1.031379	5,405,000.00	5,574,602.19
64966QCE8	20-0044	City of New York Ny 2.63 08/01/28	12/16/19	Open	2.5991	2.5991	1.002360	6,940,000.00	6,956,378.40	-16,378.40	1.002114	6,940,000.00	6,954,668.74
16532LNX0	20-0130	VA City of Chesapeake 1.877 08/01/28	04/23/20	Open	1.7003	1.7003	1.013590	1,000,000.00	1,013,590.00	-13,590.00	1.012525	1,000,000.00	1,012,525.08
426056X36	21-0002	VA Henrico County 1.28 08/01/28	07/02/20	Open	1.2800	1.2800	1.000000	1,540,000.00	1,540,000.00	0.00	1.000000	1,540,000.00	1,540,000.00
92818NVF2	21-0065	VA Virginia Resources Authority 1.413 11/01/28	11/18/20	Open	1.4130	1.4130	1.000000	2,045,000.00	2,045,000.00	0.00	1.000000	2,045,000.00	2,045,000.00
61334PDE0	21-0080	Montgomery Cnty MD 1.25 11/01/28	12/04/20	Open	1.0841	1.0841	1.012540	5,000,000.00	5,062,700.00	-62,700.00	1.012426	5,000,000.00	5,062,131.38
765433LU9	20-0132	VA City of Richmond Rev Bond 2.495 01/15/29	04/27/20	Open	1.7634	1.7634	1.058880	3,675,000.00	3,891,384.00	-216,384.00	1.054607	3,675,000.00	3,875,681.81
97705MQP3	20-0073	State of Wisconsin 2.267 05/01/29	02/11/20	Open	2.2670	2.2670	1.000000	1,000,000.00	1,000,000.00	0.00	1.000000	1,000,000.00	1,000,000.00
426056X44	21-0003	VA Henrico County 1.33 08/01/29	07/02/20	Open	1.3300	1.3300	1.000000	1,975,000.00	1,975,000.00	0.00	1.000000	1,975,000.00	1,975,000.00
44256PYD9	20-0141	Howard County MD 1.99 08/15/29	05/07/20	Open	1.7393	1.7393	1.021390	1,375,000.00	1,404,411.25	-29,411.25	1.019989	1,375,000.00	1,402,484.98
44256PXN8	20-0142	Howard County MD 1.99 08/15/29	05/07/20	Open	1.7393	1.7393	1.021390	1,905,000.00	1,945,747.95	-40,747.95	1.019989	1,905,000.00	1,943,079.20
13063DRE0	20-0060	State of California 2.50 10/01/29	01/21/20	Open	2.3562	2.3562	1.012390	5,000,000.00	5,061,950.00	-61,950.00	1.011311	5,000,000.00	5,056,556.20
13063DRE0	20-0098	State of California 2.50 10/01/29	02/24/20	Open	2.0571	2.0571	1.038410	5,000,000.00	5,192,050.00	-192,050.00	1.035300	5,000,000.00	5,176,501.34
30382AKG6	21-0041	VA Fairfax County 1.233 10/01/29	09/18/20	Open	1.1740	1.1740	1.005040	3,250,000.00	3,266,380.00	-16,380.00	1.004890	3,250,000.00	3,265,892.58
655867J75	21-0054	VA City of Norfolk 1.304 10/01/29	10/15/20	Open	1.3501	1.3501	0.996120	3,750,000.00	3,735,450.00	14,550.00	0.996206	3,750,000.00	3,735,770.97
882724RE9	21-0083	State of Texas GO 2.326 10/01/29	12/08/20	Open	1.2159	1.2159	1.092510	4,000,000.00	4,370,040.00	-370,040.00	1.091875	4,000,000.00	4,367,500.08
172217K34	20-0116	City of Cincinnati OH GO 1.73 12/01/29	03/19/20	Open	1.7300	1.7300	1.000000	7,420,000.00	7,420,000.00	0.00	1.000000	7,420,000.00	7,420,000.00
765433LV7	20-0133	VA City of Richmond Rev Bond 2.595 01/15/30	04/27/20	Open	1.8644	1.8644	1.064670	1,500,000.00	1,597,005.00	-97,005.00	1.060516	1,500,000.00	1,590,773.91
882724QJ9	20-0092	State of Texas GO 2.326 04/01/30	02/19/20	04/01/29	2.1125	2.0653	1.044560	2,075,000.00	2,167,462.00	-92,462.00	1.040671	2,075,000.00	2,159,391.86
041431VM6	21-0062	VA Arlington County 1.403 08/01/30	11/17/20	Open	1.4629	1.4629	0.994580	3,020,000.00	3,003,631.60	16,368.40	0.994657	3,020,000.00	3,003,863.71
655867J83	21-0053	VA City of Norfolk 1.414 10/01/30	10/15/20	Open	1.4170	1.4170	0.999720	4,380,000.00	4,378,773.60	1,226.40	0.999725	4,380,000.00	4,378,794.47
92818NVH8	21-0066	VA Virginia Resources Authority 1.613 11/01/30	11/18/20	Open	1.6130	1.6130	1.000000	1,805,000.00	1,805,000.00	0.00	1.000000	1,805,000.00	1,805,000.00
172217K42	20-0117	City of Cincinnati OH GO 1.83 12/01/30	03/19/20	Open	1.8300	1.8300	1.000000	7,115,000.00	7,115,000.00	0.00	1.000000	7,115,000.00	7,115,000.00
Municipal Bond Total					1.6977	1.6970	1.020256	155,750,000.00	158,904,935.65	-3,154,935.65	1.011961	152,750,000.00	154,577,108.90
FEDERATED GOVT GP	AR-0153	Mutual Fund - Money Market	06/30/97	Open	0.0000	0.0000	1.000000	6,086,902.77	6,086,902.77	0.00	0.000000	0.00	0.00
PFM Govt Select GP prev prime	AR-0186	Mutual Fund - Money Market	11/03/98	Open	0.0300	0.0300	1.000000	10,000,000.00	10,000,000.00	0.00	1.000000	10,137,434.37	10,137,434.37
WELLS FARGO General Pool	AR-0208	Mutual Fund - Money Market	05/01/02	Open	0.0100	0.0100	1.000000	6,007,268.98	6,007,268.98	0.00	1.000000	743,966.86	743,966.86
WELLS FARGO SWEEP GP	AR-0350	Mutual Fund - Money Market	10/01/18	Open	0.0100	0.0100	0.000000	0.00	0.00	0.00	1.000000	50,537,995.56	50,537,995.56
Mutual Fund - Money Market Total					0.0133	0.0133	1.000000	22,094,171.75	22,094,171.75	0.00	1.000000	61,419,396.79	61,419,396.79
LGIP General Pool	AR-0084	State Pool	08/25/93	Open	0.1300	0.1300	0.000000	0.00	0.00	0.00	1.000000	426,121,320.76	426,121,320.76
State Pool Total					0.1300	0.1300	0.000000	0.00	0.00	0.00	1.000000	426,121,320.76	426,121,320.76
912796A74	21-0093	Treasury Bill 0.00 01/19/21	12/21/20	Open	0.0695	0.0695	0.999945	20,000,000.00	19,998,904.44	1,095.56	0.999966	20,000,000.00	19,999,314.29
Treasury Bill Total					0.0695	0.0695	0.999945	20,000,000.00	19,998,904.44	1,095.56	0.999966	20,000,000.00	19,999,314.29
Investment Total					0.9148	0.9176	1.007809	1,089,753,752.07	1,098,263,824.60	-8,510,072.53	1.003565	1,648,607,639.00	1,654,484,635.14

**Attachment B
Investment Statistics**

	FY 2021			FY 2018	FY 2019	FY 2020
	Q1	Q2	YTD			
(In Millions)						
Total Return	\$3.6	\$4.6	\$8.2	\$2.5	\$52.8	\$37.6
Earnings - General Fund	\$1.9	\$1.9	\$3.8	\$9.4	\$11.9	\$11.2
General Fund Participation as a Percent of Earnings	51.7%	53.4%	52.5%	52.3%	51.6%	49.7%
Average Composition						
Government Securities	\$442.3	\$572.8	\$507.5	\$619.4	\$610.1	\$534.7
Cash/NOW Accounts	\$89.0	\$97.4	\$93.2	\$42.8	\$57.1	\$44.7
Certificates of Deposit	\$0.0	\$0.0	\$0.0	\$39.0	\$6.0	\$7.6
Commercial Paper	\$5.4	\$3.0	\$4.2	\$2.1	\$2.6	\$4.2
Corporate Bonds	\$193.7	\$166.4	\$180.0	\$176.8	\$187.1	\$187.3
Negotiable Certificates of Deposit	\$0.0	\$0.0	\$0.0	\$8.9	\$1.1	\$0.0
Municipal Bonds	\$111.8	\$137.4	\$124.6	\$70.7	\$69.5	\$70.4
Money Market	\$109.5	\$42.1	\$75.7	\$27.3	\$46.3	\$107.1
LGIP	\$382.2	\$408.3	\$395.3	\$117.1	\$188.1	\$263.1
Average Invested Balances						
High	\$1,357.3	\$1,612.7	\$1,612.7	\$1,292.3	\$1,323.3	\$1,406.7
Low	\$1,306.8	\$1,297.0	\$1,297.0	\$1,006.5	\$1,067.8	\$1,106.3
Comparative Performance						
PWC Total Return	1.08%	1.29%	1.18%	0.25%	4.52%	3.08%
PWC Earnings Yield	1.10%	0.98%	1.04%	1.64%	1.99%	1.85%
ICE BofAML 1-3 Yr U.S. Treas. Total Return	0.47%	0.25%	0.33%	0.08%	3.96%	4.15%
ICE BofAML 1-3 Yr U.S. Treas. Earnings Yield	1.71%	1.60%	1.65%	1.84%	2.26%	2.10%
VA LGIP	0.27%	0.16%	0.21%	1.48%	2.40%	1.60%
U.S. Treasury (90-Day)	0.11%	0.09%	0.10%	1.41%	2.28%	1.22%
U.S. Treasury (2 Year)	0.14%	0.15%	0.15%	1.93%	2.52%	1.14%

Jan. 27, 2021

Dec. 16, 2020

The Federal Reserve is committed to using its full range of tools to support the U.S. economy in this challenging time, thereby promoting its maximum employment and price stability goals.

The COVID-19 pandemic is causing tremendous human and economic hardship across the United States and around the world. The pace of the recovery in economic activity and employment has moderated in recent months, with weakness concentrated in the sectors most adversely affected by the pandemic. Weaker demand and earlier declines in oil prices have been holding down consumer price inflation. Overall financial conditions remain accommodative, in part reflecting policy measures to support the economy and the flow of credit to U.S. households and businesses.

The path of the economy will depend significantly on the course of the virus, including progress on vaccinations. The ongoing public health crisis continues to weigh on economic activity, employment, and inflation, and poses considerable risks to the economic outlook.

The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. With inflation running persistently below this longer-run goal, the Committee will aim to achieve inflation moderately above 2 percent for some time so that inflation averages 2 percent over time and longer-term inflation expectations remain well anchored at 2 percent. The Committee expects to maintain an accommodative stance of monetary policy until these outcomes are achieved. The Committee decided to keep the target range for the federal funds rate at 0 to 1/4 percent and expects it will be appropriate to maintain this target range until labor market conditions have reached levels consistent with the Committee's assessments of maximum employment and inflation has risen to 2 percent and is on track to moderately exceed 2 percent for some time. In addition, the Federal Reserve will continue to increase its holdings of Treasury securities by at least \$80 billion per month and of agency mortgage-backed securities by at least \$40 billion per month until substantial further progress has been made toward the Committee's maximum employment and price stability goals. These asset purchases help foster smooth market functioning and accommodative financial conditions, thereby supporting the flow of credit to households and businesses.

In assessing the appropriate stance of monetary policy, the Committee will continue to monitor the implications of incoming information for the economic outlook. The Committee would be prepared to adjust the stance of monetary policy as appropriate if risks emerge that could impede the attainment of the Committee's goals. The Committee's assessments will take into account a wide range of information, including readings on public health, labor market conditions, inflation pressures and inflation expectations, and financial and international developments.

Voting for the monetary policy action were Jerome H. Powell, Chair; John C. Williams, Vice Chair; Thomas I. Barkin; Raphael W. Bostic; Michelle W. Bowman; Lael Brainard; Richard H. Clarida; Mary C. Daly; Charles L. Evans; Randal K. Quarles; and Christopher J. Waller.

The Federal Reserve is committed to using its full range of tools to support the U.S. economy in this challenging time, thereby promoting its maximum employment and price stability goals.

The COVID-19 pandemic is causing tremendous human and economic hardship across the United States and around the world. Economic activity and employment have continued to recover but remain well below their levels at the beginning of the year. Weaker demand and earlier declines in oil prices have been holding down consumer price inflation. Overall financial conditions remain accommodative, in part reflecting policy measures to support the economy and the flow of credit to U.S. households and businesses.

The path of the economy will depend significantly on the course of the virus. The ongoing public health crisis will continue to weigh on economic activity, employment, and inflation in the near term, and poses considerable risks to the economic outlook over the medium term.

The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. With inflation running persistently below this longer-run goal, the Committee will aim to achieve inflation moderately above 2 percent for some time so that inflation averages 2 percent over time and longer-term inflation expectations remain well anchored at 2 percent. The Committee expects to maintain an accommodative stance of monetary policy until these outcomes are achieved. The Committee decided to keep the target range for the federal funds rate at 0 to 1/4 percent and expects it will be appropriate to maintain this target range until labor market conditions have reached levels consistent with the Committee's assessments of maximum employment and inflation has risen to 2 percent and is on track to moderately exceed 2 percent for some time. In addition, the Federal Reserve will continue to increase its holdings of Treasury securities by at least \$80 billion per month and of agency mortgage-backed securities by at least \$40 billion per month until substantial further progress has been made toward the Committee's maximum employment and price stability goals. These asset purchases help foster smooth market functioning and accommodative financial conditions, thereby supporting the flow of credit to households and businesses.

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Voting for the monetary policy action were Jerome H. Powell, Chair; John C. Williams, Vice Chair; Michelle W. Bowman; Lael Brainard; Richard H. Clarida; Patrick Harker; Robert S. Kaplan; Neel Kashkari; Loretta J. Mester; and Randal K. Quarles.



Consolidated Summary Statement

Account Statement

For the Month Ending **December 31, 2020**

Prince William County

Portfolio Summary

Portfolio Holdings	Cash Dividends and Income	Closing Market Value	Current Yield
SNAP Fund	15,255.19	107,173,800.18	0.15 %
Total	\$15,255.19	\$107,173,800.18	

Investment Allocation

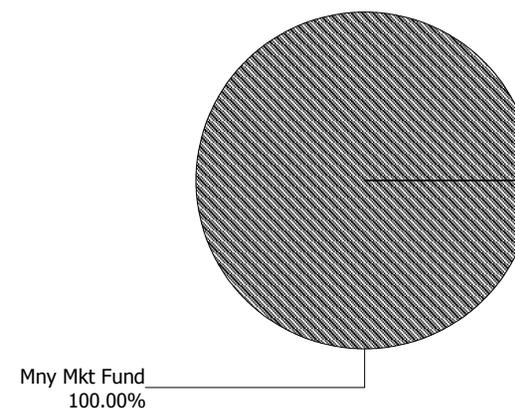
Investment Type	Closing Market Value	Percent
Money Market Mutual Fund	107,173,800.18	100.00
Total	\$107,173,800.18	100.00%

Maturity Distribution (Fixed Income Holdings)

Portfolio Holdings	Closing Market Value	Percent
Under 30 days	107,173,800.18	100.00
31 to 60 days	0.00	0.00
61 to 90 days	0.00	0.00
91 to 180 days	0.00	0.00
181 days to 1 year	0.00	0.00
1 to 2 years	0.00	0.00
2 to 3 years	0.00	0.00
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	0.00	0.00
Total	\$107,173,800.18	100.00%

Weighted Average Days to Maturity 1

Sector Allocation



Glossary

Commonly Used Acronyms

APY	Annual Percentage Yield
CUSIP	Committee on Uniform Securities Identification Procedures
DK	Don't Know
DTC	Depository Trust Company
DVP	Delivery vs. Payment
FDIC	Federal Deposit Insurance Company
FINRA	Financial Industry Regulatory Authority
FOMC	Federal Open Market Committee or 'The Fed'
NRSROs	Nationally Recognized Statistical Rating Organizations
QPD	Qualified Public Depository
REPOS	Repurchase Agreements
SEC	Securities and Exchange Commission
SIFMA	Securities Industry and Financial Markets Association
SNAP	Virginia State Non-Arbitrage Program
YTC	Yield to Call
YTM	Yield to Maturity
YTW	Yield to Worst

Definitions

ABA Transit Number - A unique number assigned by the ABA that identifies a specific federal or state chartered bank or savings institution (also referred to as ABA routing number).

Accrued Interest - The amount of interest that accumulates on a fixed-income security from one interest payment to the next.

Agency Bonds – The informal name that refers to securities issued by agencies of the United States Government and U.S. Government Sponsored Enterprises.

Annual Percentage Yield – The effective annual rate of return taking into account the effect of compounding interest.

Ask - The lowest price at which a seller is willing to sell his or her securities.

Glossary

Asset Allocation – The diversification of assets across different asset classes, such as stocks, bonds and cash, to meet goals given risk tolerance, tax status and time horizon.

Asset Class – The categorization of an asset. Examples of representative asset classes include equities, bonds, money markets and cash.

Basis Point - A unit that is equal to 1/100th of 1% and is used to denote the change in a financial instrument. One basis point on a \$1,000,000 bond is equal to \$100.

Benchmark – A standard index used for measuring the performance of an investment. The goal of most money managers and investors is to outperform their respective benchmark.

Bid – The price a broker is willing to pay for a security.

Bond - A debt instrument issued by corporations and governments in which the issuer promises to pay to the bondholder principal and interest according to the terms and conditions of the bond.

Book Entry - Most bonds are issued in book entry form, which means that there is no physical bond certificate. Bond ownership is evidenced by a trade confirmation issued by the broker/dealer, and by the monthly statements that the brokerage firm provides.

Bullet - A bond that is not able to be redeemed prior to maturity is said to be non-callable. A slang term for a non-callable bond is a “bullet”. A bullet usually carries a lower interest rate since the investor is protected against the possibility of the bond being called when interest rates fall.

Call Date - The date after which a bond issuer can redeem a callable bond. The list of dates on which a specified bond can be called is a call schedule.

Call Protection – A period of time during which a bond issuer cannot call, or buy back, a bond. For example, if the first call on a bond is in 3 years from now, a buyer will have 3 years of call protection, and they are assured that they can own the bond for at least 3 years.

Call Risk – Risk to a bond holder that a bond may be redeemed before scheduled maturity. The main risk of having a bond called before maturity is that the investor will be unable to replace the bond’s yield with another similar quality bond paying the same yield.

Callable Bond - A callable bond can be redeemed by the issuer before it matures if that provision is included in the terms of the bond agreement. Bonds are typically called when interest rates fall, since issuers can save money by paying off existing debt and offering new bonds at lower rates.

Glossary

Certificate of Deposit – A deposit of funds, in a bank or savings and loan association, for a specified term that earns interest at a specified rate or rate formula.

Commercial Paper – Commercial paper consists of unsecured, short-term promissory notes issued by companies or commercial bank holdings. CP maturities are generally limited to a maximum of 270 days.

Corporate Bond - The debt of corporations. The bonds are fully taxable, and issued in maturities ranging from less than one year up to 30 years.

Covered Bonds - A corporate bond with one important enhancement: Recourse to a pool of assets that secures or "covers" the bond if the originator (usually a financial institution) becomes insolvent. This enhancement typically (although not always) results in the bonds being assigned AAA credit ratings.

For the investor, one major advantage to a covered bond is that the debt and the underlying asset pool remain on the issuer's financials, and issuers must ensure that the pool consistently backs the covered bond. In the event of default, the investor has recourse to both the pool and the issuer. Another advantage is that the interest is paid from an identifiable source of projected cash flow versus out of other financing operations.

Coupon – Interest rate on a debt security the issuer promises to pay to the holder until maturity.

Credit Ratings - A financial indicator to potential investors used to assess the credit worthiness of a bond issuer. NRSROs are agencies that study the financial strength of bond issuers, and assign credit ratings. The three major NRSROs are Moody's Investors Service, Inc., Standard & Poor's Inc. and Fitch Ratings.

Current Yield - The rate of return an investor will get, without taking into account the value of the premium or discount of the purchase price. It is calculated by dividing the coupon by the price. The current yield is not a good indication of your return on investment. Yield to maturity and yield to call take into account the value of the discount or premium paid for the bond, and as such they offer a much better indication of the value of the bond.

CUSIP - A CUSIP number identifies a company or issuer and the type of security.

Dated Date - The date a bond is issued and starts to accrue interest.

Default Risk - The event in which companies will be unable to make the required payments on their debt obligations. Default risk is a component in virtually all forms of credit extensions. To mitigate the impact of default risk, lenders often charge rates of return that correspond to the debtor's level of default risk.

Glossary

Delivery vs. Payment – The simultaneous exchange of securities and cash. The safest method of settling either the purchase or sale of a security.

Discount – The amount by which the price for a security is less than its par.

Diversification – The investment of funds in several different asset classes and a variety of securities within each class to help reduce the impact of volatility in a portfolio and assist in managing risk.

DK – “don’t know”. A security is said to be ‘DK’d’ when it is delivered to the purchaser or more typically the purchaser’s correspondent but is rejected because the purchaser either doesn’t know or doesn’t agree with one or more of the aspects of the trade.

Duration – A measure of the average timing of cash flows from an asset or a liability or from an asset portfolio or a liability portfolio. Essentially, duration is a more accurate measure of maturity because it reflects the timing of cash flows from period interest and/or principal payments in addition to the cash flows represented by the funds transferred at maturity. Duration is computed by summing the present values of all of the future cash flows after multiplying each by the time until receipt, and then dividing that product by the sum of the present value of the future cash flows without weighting them for the time of receipt.

Earnings Yield – The result of coupon interest rates, principal value invested and the time period of investments being measured.

Extraordinary Redemption - Some municipal bonds are issued with an extraordinary redemption provision which gives the issuer the right to call the bonds under certain circumstances. The circumstances could range from natural disasters to cancelled projects to almost anything else.

General Obligation Bonds - Municipal bond backed by the full faith and credit of a municipality. A GO bond is repaid with general revenue and borrowings.

Government Obligations - Bonds, notes and other evidences of indebtedness of the: U.S. Government or agency thereof, Commonwealth of Virginia, and Virginia political subdivisions. The principal and interest of which are unconditionally guaranteed. Such securities will include, but not be limited to: U.S. Treasury Bills, Notes and Bonds, State and Local Government Securities (SLGS), Government National Mortgage Association (GNMA), Small Business Administration (SBA), Federal Housing Administration (FHA), Farmers Home Administration (FHMA), General Services Administration (GSA) and Export-Import Bank.

Government Sponsored Enterprises (GSEs) – U.S. Government sponsored corporations which carry the implicit backing of the U.S. Government, but are not direct obligations of the U.S. Government. For this reason, these securities will offer a yield premium over Treasuries. Examples of GSEs include: Federal National Mortgage Association (FNMA), Federal Farm Credit Bank (FFCB), Federal Home Loan Bank or its District Banks (FHLB) and Federal Home Loan Mortgage Corporation (FHLMC).

Glossary

High Yield Bonds – A bond that has a rating of BB or lower and that pays a higher yield to compensate for its greater risk. Also known as non-investment grade, speculative-grade, or junk bonds

Interest Rate – Rate of interest charged for the use of money, usually expressed at an annual rate.

Interest Payment Dates - Most bonds pay interest semi-annually (twice per year). The interest payment dates are usually the same month and day as the maturity date of the bond, and the six month anniversary.

Investment Grade – A rating that indicates that a municipal or corporate bond has a relatively low risk of default. Bonds that are rated at or above 'Baa' by Moody's or 'BBB' by S&P are said to be investment grade bonds

Issuer – A legal entity that develops, registers and sells securities for the purpose of financing its operations. The issuer is a company in the case of a corporate bond, or a state, city, or county in the case of a municipal bond. The U.S. government is the issuer of Treasury bonds.

Laddered Bond Portfolio - A portfolio in which asset classes and investment maturities are staggered, in order to receive regular income and to smooth-out the effect of interest rate fluctuations. This also enables the investor to diversify in terms of default risk and reinvestment risk.

Liquidity – The ability to rapidly buy or sell an asset without substantially affecting the asset's price.

Liquidity Risk - The ability to easily convert securities to cash and is determined by how active the secondary market is for a particular security.

Market Risk – The possibility for an investor to experience losses due to factors that affect the overall performance of the financial markets. Market risk, also called “systemic risk”, cannot be eliminated through diversification, though it can be hedged against.

Mark to Market – When an investment is marked to the market, its value is adjusted to reflect the current market price.

Maturity Date - The date at which a debt instrument is due and payable.

Municipal Bonds - Bonds that are issued by state, county, or city governments to finance general governmental activities or special projects. They are generally exempt from federal tax, and are generally state tax-free for residents of the state in which they are issued.

Par Value - The face value, or named value, of a stock or bond. With bonds, par value, is the amount you pay to purchase at issue and the amount you receive when the bond is redeemed at maturity. Par is also the basis on which the interest you earn on a bond is figured.

Premium - Amount by which a bond sells above its face (par) value.

Glossary

Principal - Basic amount invested, exclusive of earnings

Realized Gain - The amount by which the sale price of an asset exceeds its purchase price.

Rebalancing - The systematic practice of restoring your portfolio to its intended asset allocation

Repurchase Agreement – A form of secured, short-term borrowing in which a security is sold with a simultaneous agreement to buy it back from the purchaser at a future date. Rates paid on repos are short-term money market interest rates and are completely unrelated to the coupon rate paid on the instrument being purchased.

Revenue Bonds - The interest and principal payments for municipal bonds are typically either guaranteed by the issuer or by the revenue from a specific project. If they are guaranteed by a specific project, the bondholder is relying on revenue from the project to pay principal and interest, and the bonds are known as revenue bonds.

Reverse Repurchase Agreement - The mirror image of a REPO. In a reverse REPO, an investor (governmental entity) owns securities, such as a Treasury note, U.S. government agency bond or other security, that a bank or dealer purchases under an agreement and sells back to an investor on a specified date, at an agreed-upon interest rate.

Secondary Market - A market where investors purchase securities or assets from other investors, rather than from issuing companies themselves.

Settlement Date - Date by which an executed order must be settled, either by a buyer paying for the securities with cash or by a seller delivering the securities and receiving the proceeds of the sale for them.

SNAP - The Treasury Board, an agency of the Commonwealth of Virginia, is responsible for implementing and supervising SNAP, which provides assistance to local governments in the investment of bond proceeds and the preparation of rebate calculations in compliance with treasury arbitrage rebate calculations.

Spread - The difference between the yield of the bond and the yield of a Treasury bond with a comparable maturity. Since the Treasury yield is considered risk-free, the spread reflects the risk premium of the bond.

Step-Up Bond - A bond that pays an initial coupon rate for the first period, and then a higher coupon rate for the following periods.

STRIPS - Separate trading of registered interest and principal of securities.

Glossary

Taxable Equivalent Yield - Pretax yield that a taxable bond would have to pay to equal the tax-free yield of a municipal bond in an investor's tax bracket.

Total Return – The return on investment, including income from dividends and interest, as well as appreciation or depreciation in the price of the security, over a given time period.

Trade Date - Day on which a security trade actually takes place.

Treasury Bills - Securities issued by the U.S. Government in 3 month, 6 month and 1 year maturities, and they are sold at a discount to par. The bonds do not pay period interest, and the return an investor receives is based on the amount that the purchase price is discounted from par.

Treasury Bonds and Notes - Securities issued by the U.S. Government in maturities of two, five, ten and 30 years. They all pay interest semi-annually. The issues that mature in ten years or less are called notes, and the 30 year issue is called a bond. The 30 year US Treasury bond is also know as the 'long bond'

Treasury Inflation Protection Securities (TIPS) – Bonds issued by the U.S. Treasury that hedge the purchaser against the impact of inflation by semi-annually increasing the par value of the issue by the amount of inflation. These securities represent a real, inflation-adjusted yield. Because of this the coupon on TIPS is significantly lower than a non-TIP security.

Treasury STRIPS - These zero-coupon bonds come about when the bond's coupons are separated from the bond or note; an investor's return is determined by the difference between the purchase price and the bond's trading value, or face value if held to maturity. Treasury STRIPS are a direct obligation of the U.S. Treasury.

Variable/Floating- Rate Securities - Variable- or floating-rate debt may include corporate, municipal, or asset-backed securities and also senior bank loans. They can be linked to nearly any type of benchmark and pay interest based on a wide range of formulas. The most basic type pays a coupon equal to some widely followed interest rate, such as the one- or three-month LIBOR (London Interbank Offered Rate), plus a fixed spread above that rate.

Yield to Call - The calculated yield based on price paid, coupon rate and amount of time until first call date. The yield is based on the security being called and not maturing and will fluctuate with market price.

Yield Curve - A curve that shows the relationship between the yields on short-term and long-term bonds of the same investment quality.

Yield to Maturity - The calculated return on investment that an investor will get if they hold the bond to maturity. It takes into account the present value of all future cash flows, as well as any premium or discount to par that the investor pays.

Glossary

Yield to Worst - The return if the worst possible bond repayment takes place, or the lowest potential yield that can be received on a bond without the issuer actually defaulting

Zero Coupon Bonds - Bonds that do not pay interest during the life of the bond. They are bought at a discount to the maturity value. For example, a zero coupon bond is bought at \$700 today to get back \$1,000 in 5 years. The difference between the purchase amount and the future amount received is the return. Zero Coupon Bonds are similar to savings bonds.