



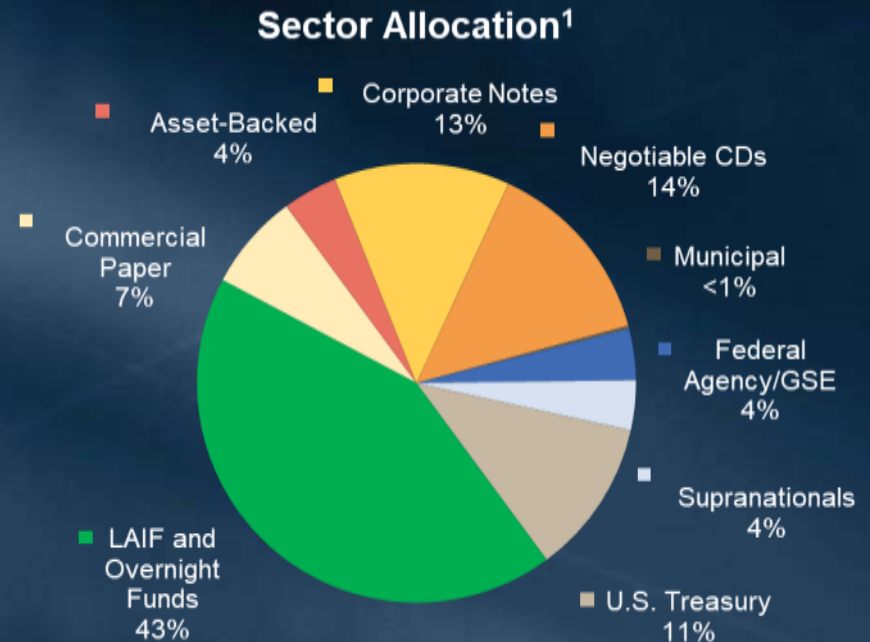
Liquidity Portfolio Update

Finance and Insurance Committee
Item 7b-1
August 17, 2020

Presented By:
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PFM Asset Management LLC

Liquidity Portfolio Overview as of June 30, 2020

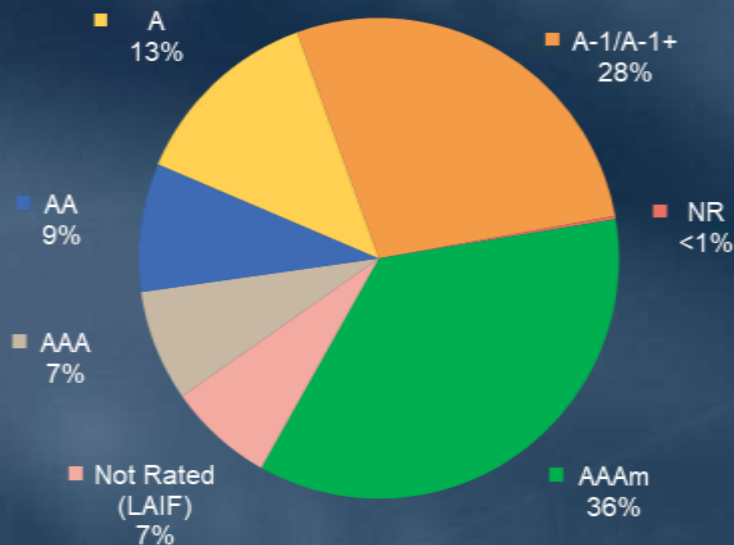
Portfolio Statistics	
Market Value ¹	\$1,051,189,100
Average Duration ¹	0.29 Years
Average Yield at Cost	1.60%
Average Yield at Market	0.53%



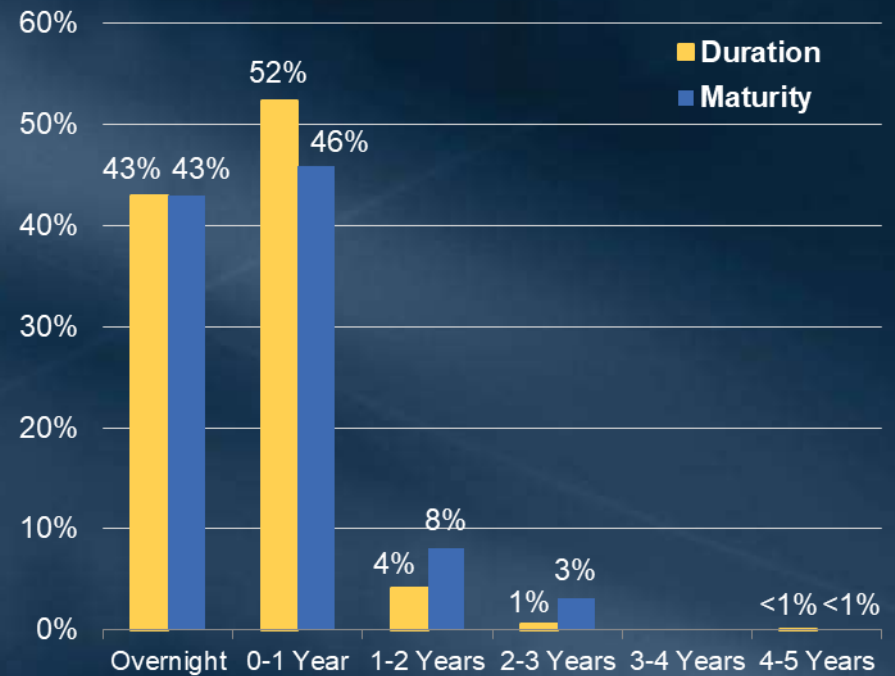
1. Includes CAMP, LAIF, and Dreyfus money market fund balances as of 6/30/2020. Excludes accrued interest.

Liquidity Portfolio Overview as of June 30, 2020 (cont.)

Credit Quality¹



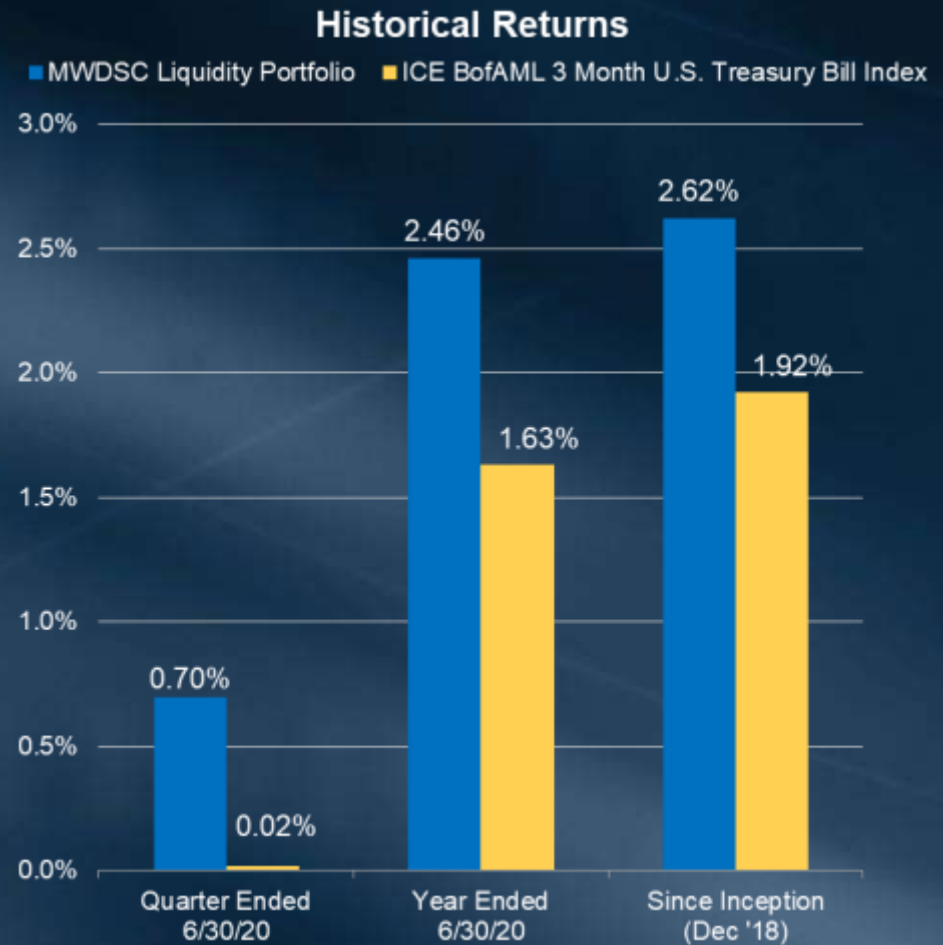
Duration vs. Maturity Distribution¹



1. Includes CAMP, LAIF, and Dreyfus money market fund balances as of 6/30/2020. Excludes accrued interest.

Liquidity Portfolio Investment Strategy and Returns

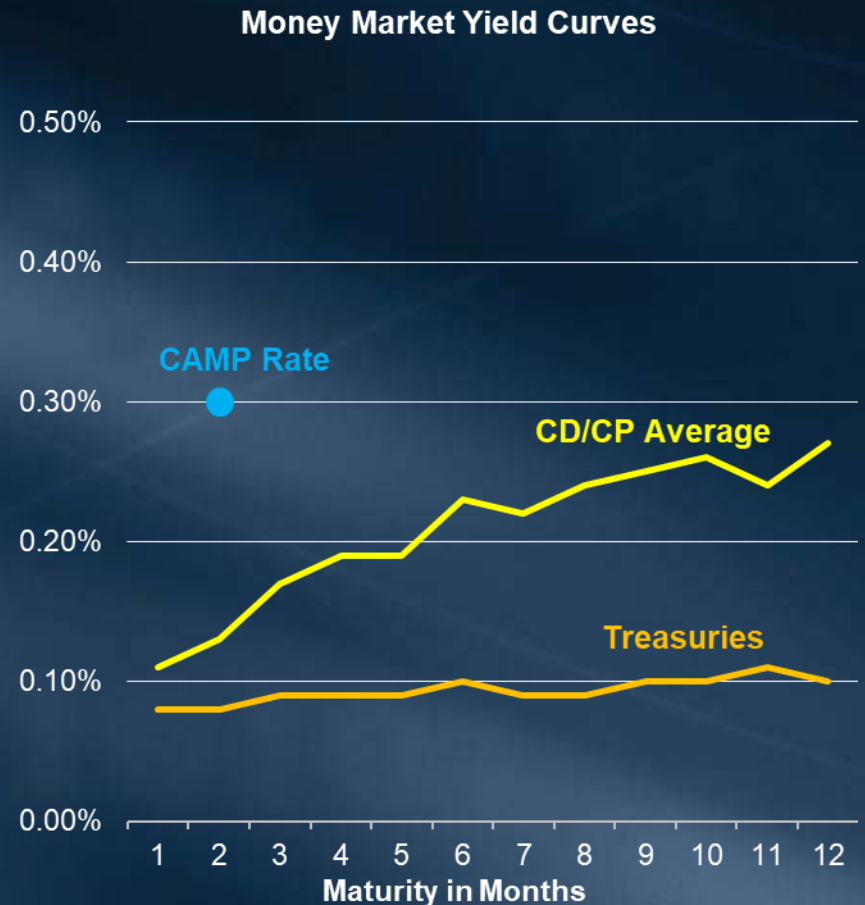
- Communicate with the District to monitor developing cash flow needs while maintaining minimum overnight balance
- Position certain portfolio maturities around targeted cash needs and seasonal trends
- Manage the portfolio's duration within a half-year band around the benchmark's duration
- Maintain broad diversification across issuers and among all permissible sectors in order to safely generate incremental earnings
- Seek opportunities to prudently enhance earnings while maintaining safety and liquidity



Historical returns are gross of investment advisor fee. Returns represent only the PFM-managed Liquidity Portfolio.

Investment Outlook

- The Fed is expected to keep short-term rates near zero through 2022 or until economic conditions have materially improved.
- The Fed will continue to support market stability and liquidity.
- PFM will continue to work with the District to evaluate overnight options vs. open market securities to meet cash flow needs.
- Excess funds will be invested in a manner consistent with the District's objectives and cash flow needs while utilizing the broad range of permitted investment sectors.



Money market yields as of 8/3/2020.

CAMP Rate is the 7-day net yield (0.30%) as of 8/3/2020. Please see Disclosures at the end of this presentation.

Disclosures

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The CAMP 7-day net yield, also known as the current annualized yield, represents the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical account with a balance of one share (normally \$1.00 per share) over a seven-day base period expressed as a percentage of the value of one share at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 7.

