

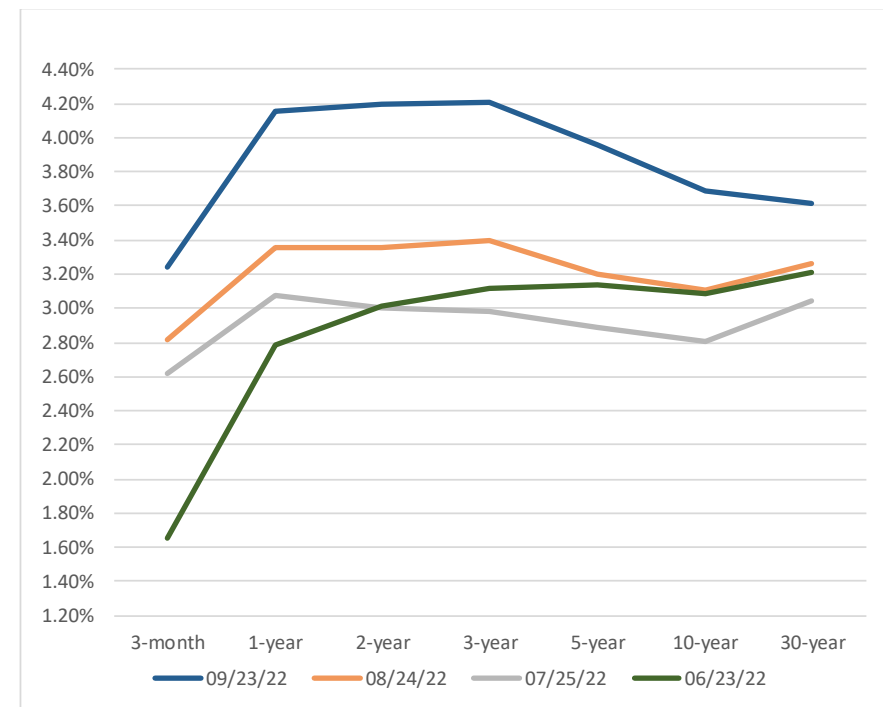
Finance Committee

September 26, 2022

U.S. Treasury Yield Curve

The higher the yields on long-term U.S. Treasuries, the more confidence investors have in the economic outlook. High long-term yields can also be a signal of rising inflation in the future. In this case, the drop in long-term interest rates shows that investors are moving funds away from short-term bonds and into longer term ones.

	09/23/22	08/24/22	07/25/22	06/23/22
3-month	3.24%	2.82%	2.62%	1.65%
1-year	4.15%	3.35%	3.07%	2.78%
2-year	4.20%	3.36%	3.00%	3.01%
3-year	4.21%	3.40%	2.98%	3.12%
5-year	3.96%	3.20%	2.89%	3.14%
10-year	3.69%	3.11%	2.81%	3.09%
30-year	3.61%	3.26%	3.04%	3.21%



<https://emma.msrb.org/ToolsAndResources/TreasuryYieldCurve?daily=True>

6/30/22 Account Statement

Managed by City Staff	
U.S. Bank	LGIP
* High degree of liquidity	* High degree of liquidity
* Competitive yield	* Competitive yield
* Suitable for operational cash needs	* Suitable for operational cash needs
No Benchmark	No Benchmark
Balances as of:	(excludes accrued interest) Total market value
June 30, 2022	\$380,787,688
\$56,695,861	\$105,378,057
14.9%	27.7%

Managed by PFM		
GO Bond Portfolios	Short-Term Portfolio	Long-Term Portfolio
* Bond Proceeds from: 2018 Library Project, 2017 Police Facility Salem Streets & Bridges, and 2020 Water-Sewer	* Complement to LGIP and U.S. Bank balances	* "Core" portfolio whose assets may be invested to take advantage of longer maturity securities at potentially higher yields
* Invested to meet draw scheduled needs	* Targets cash needs up to 12 months	
* Reasonable level of liquidity	* Capitalizes on yields in money market	
Matched to Project Needs	Benchmark: Oregon LGIP	Benchmark: Bank of America/Merrill Lynch 1-5 Year US Treasury Index
\$7,773,695	\$43,249,881	\$167,690,194
2.0%	11.4%	44.0%

Sector Compliance

Sector Distribution ¹				
Sector	Amortized Cost	Market Value	% of Portfolio	Allowed by Policy
U.S. Treasuries	\$142,578,019	\$138,042,189	36%	100%
Federal Agencies	\$17,282,123	\$16,622,405	4%	100%
Commercial Paper	\$28,978,891	\$28,886,997	8%	35%
Corporate Notes	\$37,432,022	\$35,162,178	9%	
LGIP	\$105,378,057	\$105,378,057	28%	ORS limit
Collateralized Deposit Accounts	\$56,695,861	\$56,695,861	15%	100%
Total	\$388,344,973	\$380,787,688	100%	