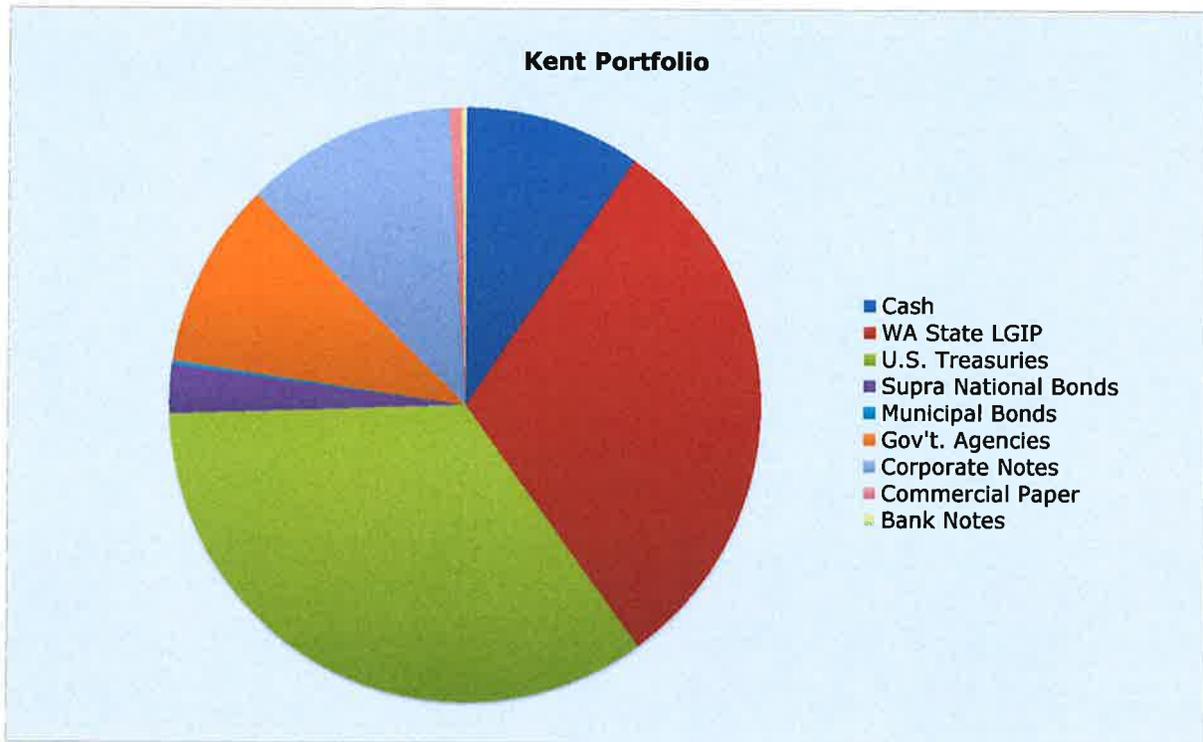


**CITY OF KENT
INVESTMENT PORTFOLIO
September 30, 2018**

Purchase Date	Investment Description	Yield	Maturity	Market Value 9/30/2018	Investment Total
09/30/18	Cash - US Bank	2.000%	Overnight	19,005,341	19,005,341
09/30/18	WA State LGIP	2.062%	Overnight	60,101,711	60,101,711
09/30/18	PFM Managed Portfolio	2.450%	924 Days	117,403,957	118,687,629
				196,511,009	197,794,681



PFM initiated 19 investment trades in the 3rd quarter of 2018.

The PFM managed portfolio held 100 investments at 09/30/2018.

In August 2018 the City added an additional \$40 million to the PFM managed portfolio.

The treasury yield curve is steeper in the 0-3 year and has flattened in the longer term.

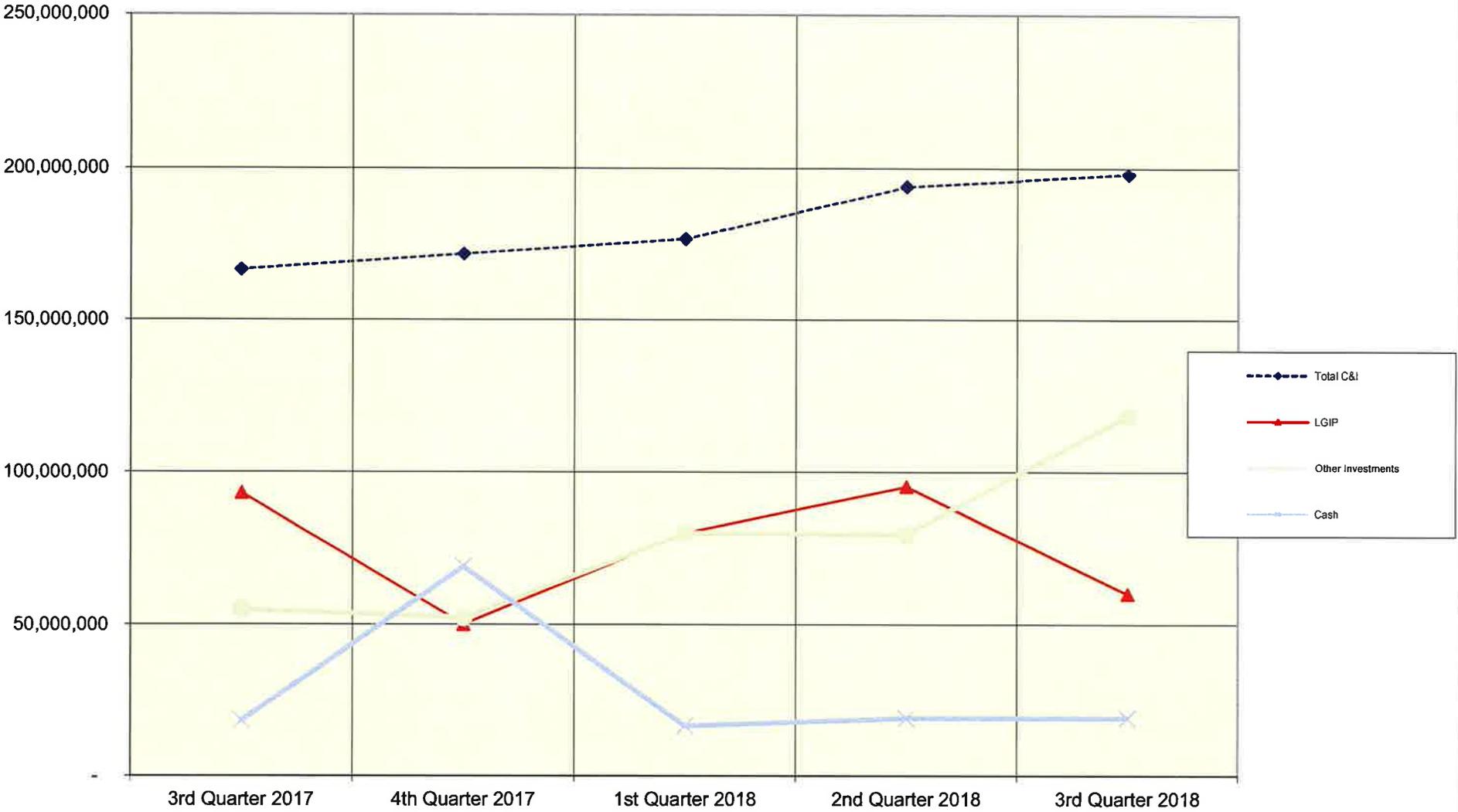
The City is currently carrying a more than adequate balance in cash and the LGIP.

Portfolio allocations at 09/30/2018 were in compliance with the City's investment policy.

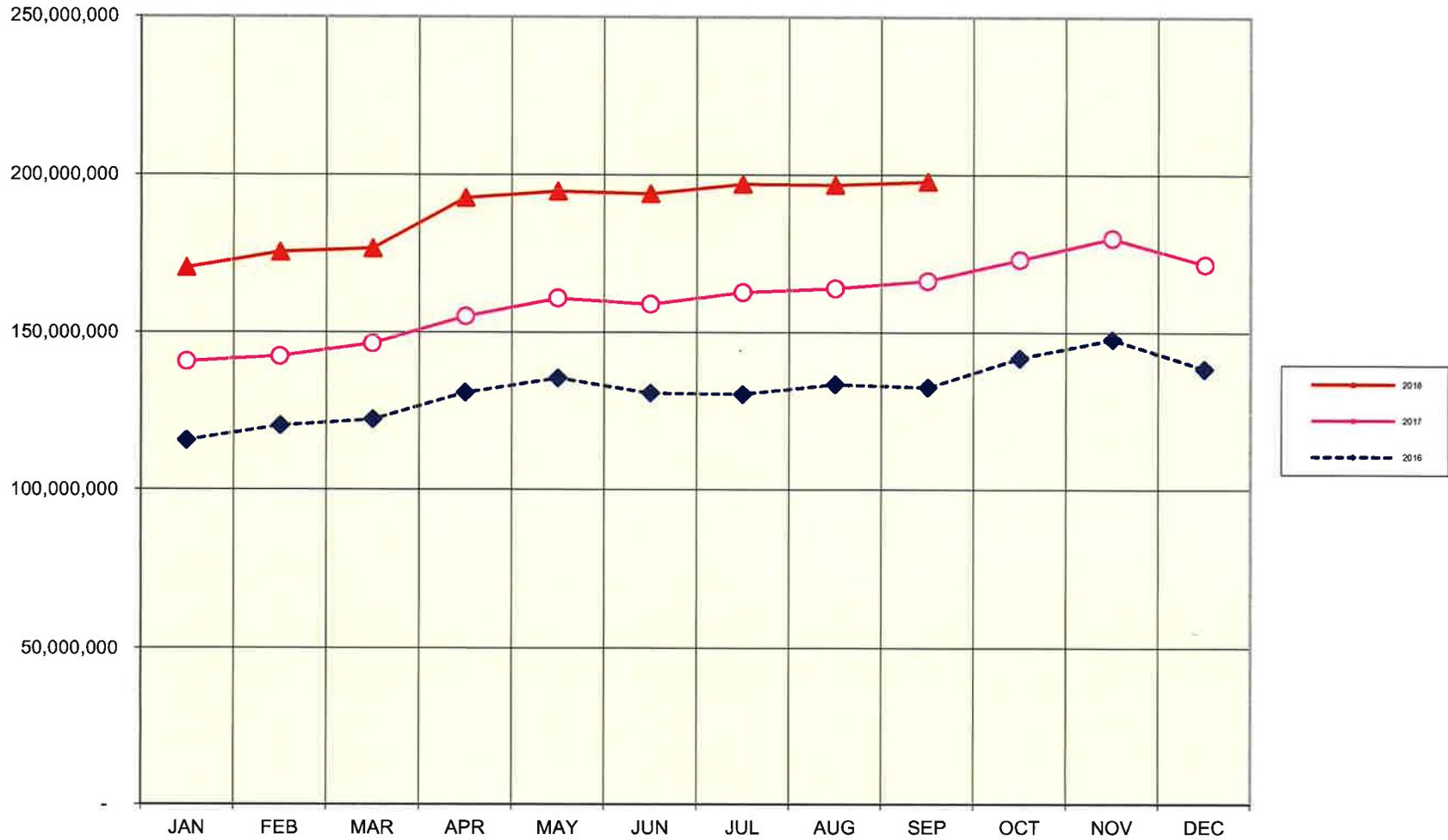
Q3-2018 investment interest revenue: \$896,626.85.

YTD -2018 investment interest revenue: \$2,167,024.04.

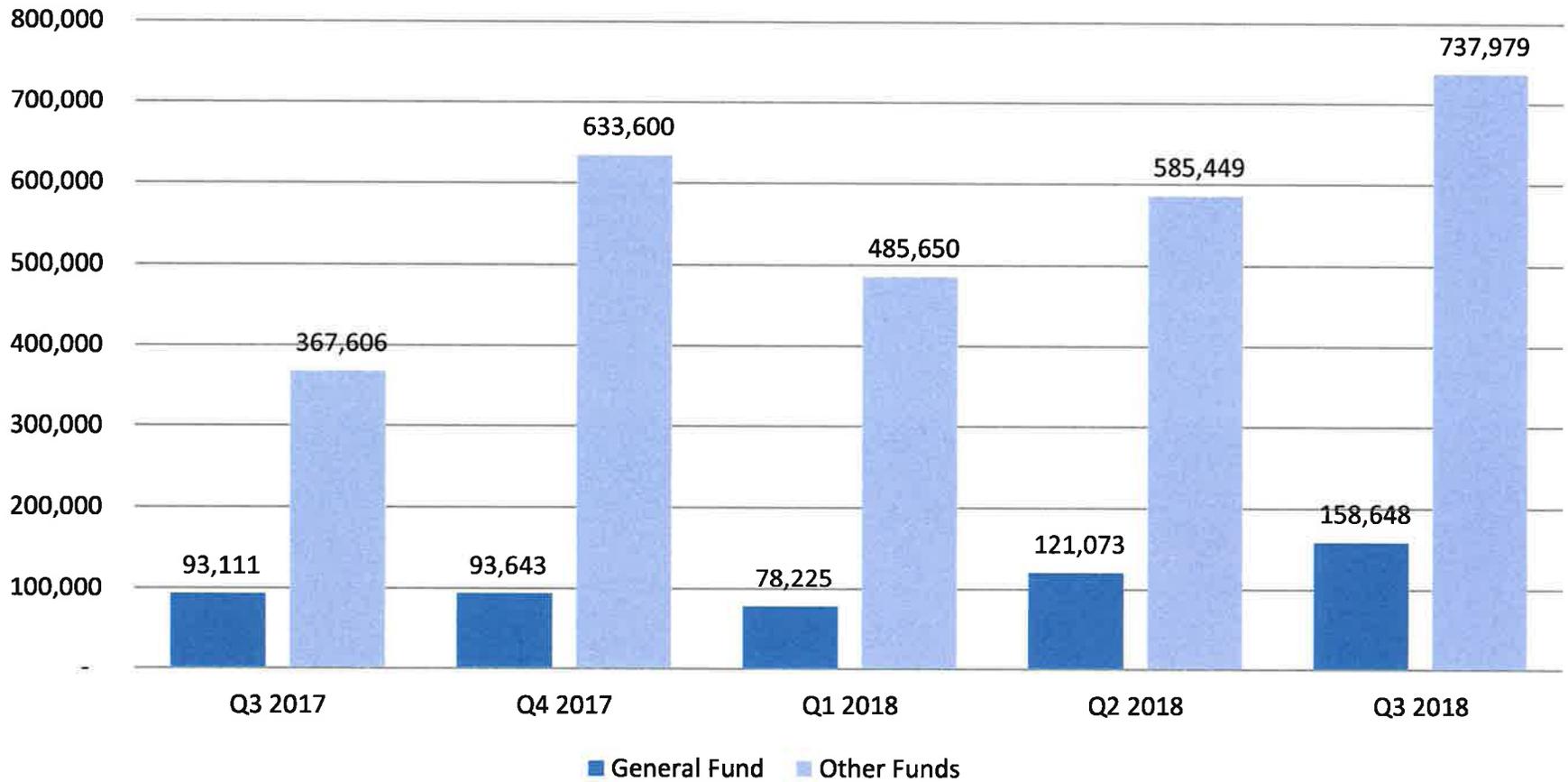
**CITY OF KENT
CASH AND INVESTMENTS BY TYPE
QUARTER ENDING BALANCES
2017 Q3-Q4 AND 2018 Q1-Q3**



**CASH AND INVESTMENTS
MONTH ENDING BALANCES
2016 / 2017 / 2018**



Quarterly Interest Earnings Q3, 2017 - Q3, 2018



**Total Cash and Investments By Fund
September 30, 2018**

1000	General Fund	24,905,514
1100	Street Fund	6,613,066
1200	PS Retiree Healthcare Fund	1,873,913
1300	Lodging Tax Fund	372,978
1400	Youth/Teen Fund	747,215
1500	Capital Resources Fund	25,413,156
1600	Criminal Justice Fund	7,438,794
1800	Housing & Comm Dev Fund	(379,086)
1900	Other Operating Projects Fund	662,392
1950	Kent Events Center Operating Fund	1,916,863
2200	Non-Voted Debt Service Fund	986,220
2500	Spec Assess Debt Service Fund	1,145,601
3100	Street Capital Projects Fund	7,562,692
3200	Parks Capital Projects Fund	4,648,151
3300	Other Capital Projects Fund	965,038
3400	Technology Capital Projects Fund	6,192,674
3500	Facilities Capital Projects Fund	18,944
4100	Water Fund	36,990,900
4400	Drainage Fund	37,355,600
4700	Solid Waste Fund	520,144
4800	Golf Fund	4,235,274
5100	Fleet Service Fund	5,953,455
5200	Central Services Fund	4,031,658
5400	Facilities Management Fund	4,593,916
5600	Insurance Fund	7,999,226
5900	Deferred Compensation Fund	66,330
6200	Firefighters Pension Fund	2,222,574
6400	Deferred Comp Fund	(75)
6500	Payroll Clearing Fund	80,819
6600	Subsystem Clearing Fund	(5,272)
6700	Utility Clearing Fund	687,605
6800	Agency Clearing Fund	1,390,606
7100	Special Events Center-PFD	587,794
	Total:	197,794,681



Portfolio Summary and Statistics

For the Month Ending **September 30, 2018**

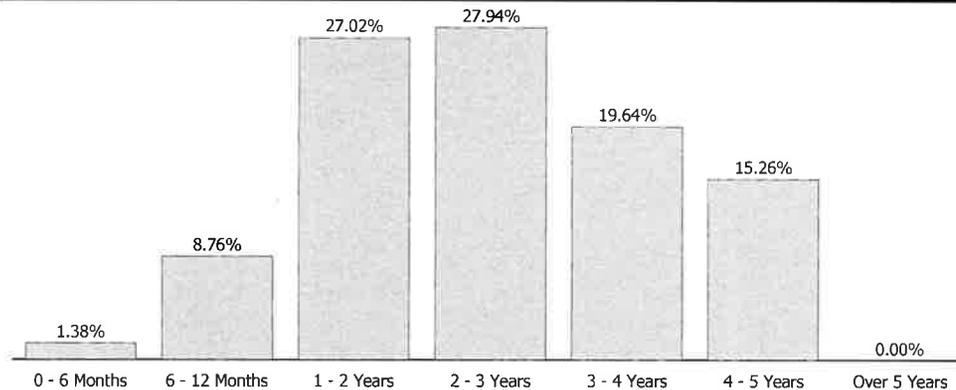
CITY OF KENT - 48820000

Account Summary

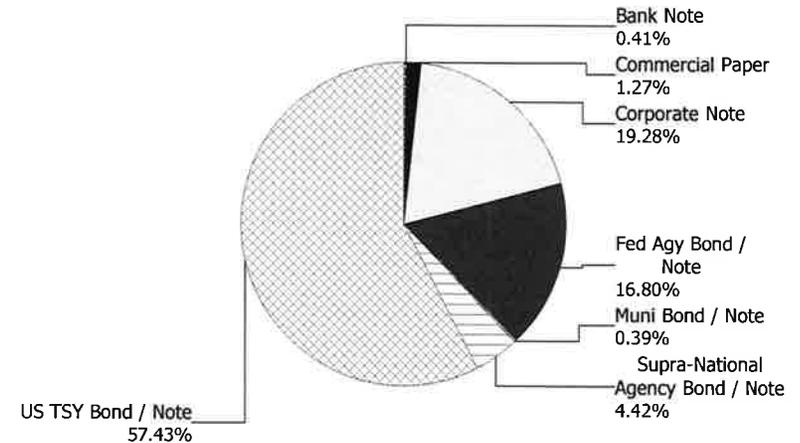
Description	Par Value	Market Value	Percent
U.S. Treasury Bond / Note	69,610,000.00	67,421,229.95	57.43
Supra-National Agency Bond / Note	5,285,000.00	5,189,690.43	4.42
Municipal Bond / Note	455,000.00	453,489.40	0.39
Federal Agency Bond / Note	20,264,000.00	19,728,995.89	16.80
Corporate Note	22,915,000.00	22,639,128.81	19.28
Commercial Paper	1,500,000.00	1,489,102.50	1.27
Bank Note	495,000.00	482,320.08	0.41
Managed Account Sub-Total	120,524,000.00	117,403,957.06	100.00%
Accrued Interest		551,608.73	
Total Portfolio	120,524,000.00	117,955,565.79	

Unsettled Trades **0.00** **0.00**

Maturity Distribution



Sector Allocation



Characteristics

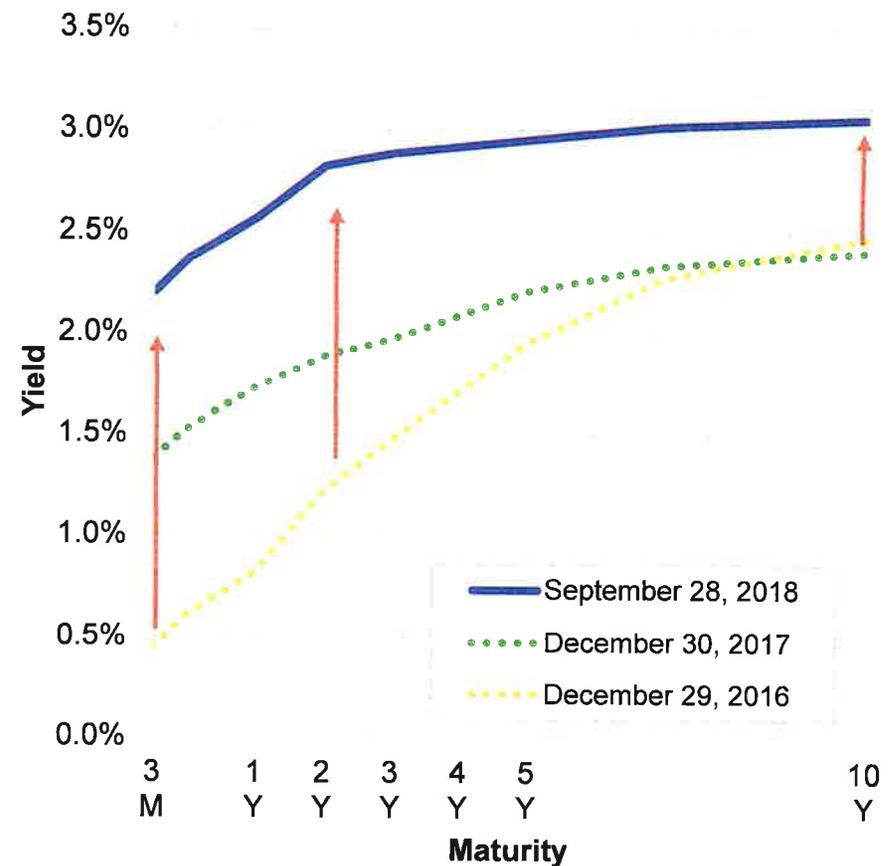
Yield to Maturity at Cost	2.45%
Yield to Maturity at Market	2.90%
Duration to Worst	2.42
Weighted Average Days to Maturity	924



Short-Term Yield Increases Outpace Longer-Term Yields

Tenor	Current 9/28/18	Year-End 12/31/2017	Year-End 12/31/16
3 month	2.20%	1.38%	0.45%
6 month	2.36%	1.53%	0.61%
1 year	2.56%	1.73%	0.82%
2 year	2.82%	1.88%	1.21%
3 year	2.88%	1.97%	1.47%
5 year	2.95%	2.21%	1.95%
10 year	3.06%	2.41%	2.48%

U.S. Treasury Yield Curve



Source: Bloomberg, as of 9/28/2018.