

LOCAL GOVERNMENT INVESTMENT POOL PROGRAM

FINANCIAL STATEMENTS

FOR THE YEAR ENDING JUNE 30, 2020



LOCAL GOVERNMENT INVESTMENT POOL PROGRAM
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LOCAL GOVERNMENT INVESTMENT POOL PROGRAM MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

This section of the Local Government Investment Pool Program (Program) annual financial report presents an analysis of the Program’s financial performance during the fiscal year that ended on June 30, 2020. This information should be considered in conjunction with the information contained in the financial statements, which follow this section.

Program Activities and Highlights

The Program was established January 1, 1981 pursuant to the Local Government Investment Pool Act, Section 2.2-4600 of the *Code of Virginia*. The Program enables governmental entities to maximize their return on investments by providing for a State administered fund where monies can be commingled for investment purposes in order to realize the economies of large-scale investing and professional funds management. The Program is comprised of two portfolios: the Local Government Investment Pool (LGIP) portfolio, designed to meet participants’ daily operational cash management needs; and the Local Government Investment Pool – Extended Maturity (LGIP – EM) portfolio, designed to meet the longer term investment needs of Virginia’s public funds investors.

The LGIP portfolio is managed in accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement No. 79, “Certain External Investment Pools and Pool Participants.” The LGIP portfolio is in compliance with all of the standards of GASB Statement No. 79 and elects to report its investments for financial reporting at amortized cost. Participants in the LGIP portfolio should also report their investments in the LGIP portfolio at amortized cost. The LGIP portfolio is rated ‘AAAm’ by S&P Global Ratings (S&P).

The LGIP – EM portfolio, established in July 2017, offers public entities of the Commonwealth of Virginia the opportunity to participate in a professionally managed, ‘AAAf/S1’ rated by S&P, fluctuating NAV, and diversified portfolio structured to meet the unique requirements of Virginia’s Investment of Public Funds Act. Within the framework of the *Code of Virginia*, the LGIP – EM portfolio is structured to provide an investment vehicle for those Virginia public entities who wish to invest monies not needed for daily liquidity. The LGIP – EM portfolio reports its investments at fair value. Participants in the LGIP – EM portfolio should report their investments in the LGIP – EM portfolio at fair value.

Overview of the Financial Statements

This discussion and analysis is an introduction to the Program’s basic financial statements. This report also contains other supplementary information in addition to the basic financial statements. The Program is not required to present government-wide financial statements since all of its activity is reported in a fiduciary fund, which would not change in measurement focus (economic resources) or basis of accounting (accrual) for government-wide statements.

The financial statements of the Program offer financial information about its activities. The Statement of Net Position provides information about the nature and amounts of the Program’s cash, investments, and receivables (assets), and their administrative fees (liabilities). The Statement of Changes in Fiduciary Net Position reports the additions to, deductions from, and net changes in net position.

**LOCAL GOVERNMENT INVESTMENT POOL PROGRAM
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**

Financial Analysis

The primary purpose of the Program is to provide a fund that would allow governmental entities to increase their return on investments with minimal credit risk. Summary financial information for the LGIP program follows.

**Local Government Investment Pool Program
(in millions)**

	2020	2019
Total assets	\$ 8,378	\$ 7,325
Total net position	\$ 8,378	\$ 7,325

Assets in the Program at year-end increased by 14.38% over the previous year. The dollar value of deposits increased by 15.16% and dollar value of withdrawals increased 25.75%. Active accounts numbered 838 in the LGIP portfolio and 24 in the LGIP – EM portfolio at the end of fiscal year 2020.

**Local Government Investment Pool Program
Changes in Net Position
(in millions)**

	2020	2019
Additions:		
Proceeds from units admitted	\$ 13,815	\$ 11,996
Investment earnings	103	119
Total additions	13,918	12,115
Deductions:		
Disbursements for units withdrawn	12,865	10,231
Total deductions	12,865	10,231
Increase/decrease in net position	1,053	1,884
Net position, July 1	7,325	5,441
Net position, June 30	\$ 8,378	\$ 7,325

Participation in the Program is voluntary, so participant activity variances from year to year are normal. Factors that could influence a potential participant in the LGIP portfolio would be the availability of funds to invest and the relative attractiveness of the LGIP portfolio's return as compared to other options that may be available to the entity. Factors that could influence a potential participant in the LGIP – EM portfolio would also include the potential participant's knowledge of the duration over which funds could be invested. The structure of the LGIP – EM portfolio is such that it is only open to investor activity on a weekly basis, rather than on a daily basis as in the LGIP portfolio.

Total Program participant balances continued to increase during the past fiscal year despite the pandemic disruption. The Federal Reserve cut policy rates back down to the 0.00 percent to 0.25 percent range in response to the pandemic's economic impact, causing the average yield for fiscal year 2020 to decline eighty basis points from the average yield for fiscal 2019. The portfolio yield on the last day of fiscal 2020 was 0.38 percent, net of fees, compared to 2.43 percent on the last day of fiscal 2019.

LOCAL GOVERNMENT INVESTMENT POOL PROGRAM

Statement of Fiduciary Net Position As of June 30, 2020

	LGIP Portfolio	LGIP - EM Portfolio	Eliminations (Note 1D)	Total
Assets				
Cash (Note 2A)	\$ 40,742	\$ -	\$ -	\$ 40,742
Investments in cash equivalents, at amortized cost (Note 2A)	2,856,184,519	24,150,944	(24,150,944)	2,856,184,519
Investments in securities, at amortized cost (Note 2A)	5,306,380,665	-	-	5,306,380,665
Investments in cash equivalents, at fair value (Note 2A)	-	1,358,680	-	1,358,680
Investments in securities, at fair value (Note 2A)	-	205,843,574	-	205,843,574
Interest receivable	7,756,898	845,717	(7,828)	8,594,787
Total assets	<u>8,170,362,824</u>	<u>232,198,915</u>	<u>(24,158,772)</u>	<u>8,378,402,967</u>
Liabilities				
Administrative fee payable	433	187	-	620
Total liabilities	<u>433</u>	<u>187</u>	<u>-</u>	<u>620</u>
Net Position				
Held in trust for pool participants	<u>\$ 8,170,362,391</u>	<u>\$ 232,198,728</u>	<u>\$ (24,158,772)</u>	<u>\$ 8,378,402,347</u>

The accompanying notes to the financial statements are an integral part of this statement.

LOCAL GOVERNMENT INVESTMENT POOL PROGRAM

Statement of Changes in Fiduciary Net Position For the year ended June 30, 2020

	LGIP Portfolio	LGIP - EM Portfolio	Eliminations (Note 1D)	Total
Additions				
Contributions:				
Proceeds from units admitted	\$13,713,799,465	\$ 112,810,610	\$ (11,766,272)	\$ 13,814,843,803
Total contributions	<u>13,713,799,465</u>	<u>112,810,610</u>	<u>(11,766,272)</u>	<u>13,814,843,803</u>
Investment earnings:				
Interest income (Note 1C)	94,110,066	2,257,224	-	96,367,290
Net accrued interest	7,756,898	845,717	19,495	8,622,110
Net change in fair value of investments	-	616,840	-	616,840
Less LGIP reserve fund	(1,494,439)	-	-	(1,494,439)
Less administrative fee	(964,718)	(127,064)	-	(1,091,782)
Net investment earnings	<u>99,407,807</u>	<u>3,592,717</u>	<u>19,495</u>	<u>103,020,019</u>
Total additions	<u>13,813,207,272</u>	<u>116,403,327</u>	<u>(11,746,777)</u>	<u>13,917,863,822</u>
Deductions				
Disbursements for units withdrawn	<u>12,840,505,418</u>	<u>24,341,010</u>	<u>-</u>	<u>12,864,846,428</u>
Total deductions	<u>12,840,505,418</u>	<u>24,341,010</u>	<u>-</u>	<u>12,864,846,428</u>
Change in net position	972,701,854	92,062,317	(11,746,777)	1,053,017,394
Net position - July 1, 2019	<u>7,197,660,537</u>	<u>140,136,411</u>	<u>(12,411,995)</u>	<u>7,325,384,953</u>
Net position - June 30, 2020	<u><u>\$ 8,170,362,391</u></u>	<u><u>\$ 232,198,728</u></u>	<u><u>\$ (24,158,772)</u></u>	<u><u>\$ 8,378,402,347</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

LOCAL GOVERNMENT INVESTMENT POOL PROGRAM
NOTES TO THE FINANCIAL STATEMENTS

AS OF JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Local Government Investment Pool Program (Program) was established January 1, 1981 pursuant to the Local Government Investment Pool Act, Section 2.2-4600 of the *Code of Virginia*. The Program enables governmental entities to maximize their return on investments by providing for a State administered fund where monies can be commingled for investment purposes in order to realize the economies of large-scale investing and professional funds management. The Program is comprised of two portfolios: the Local Government Investment Pool (LGIP) portfolio, designed to meet participants' daily operational cash management needs; and the Local Government Investment Pool – Extended Maturity (LGIP – EM) portfolio, designed to meet the longer term investment needs of Virginia's public funds investors. The Program is not registered with the Securities Exchange Commission (SEC) as an investment company.

The LGIP portfolio is managed in accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement No. 79. The LGIP portfolio is in compliance with all of the standards of GASB Statement No. 79 and elects to report its investments for financial reporting at amortized cost. Participants in the LGIP portfolio should also report their investments in the LGIP portfolio at amortized cost.

The LGIP – EM portfolio was opened on July 19, 2017. The LGIP – EM portfolio offers public entities of the Commonwealth of Virginia the opportunity to participate in a professionally managed, 'AAAf/S1' rated by S&P, fluctuating NAV, and diversified portfolio structured to meet the unique requirements of Virginia's Investment of Public Funds Act. Within the framework of the *Code of Virginia*, the LGIP – EM portfolio is structured to provide an investment vehicle for those Virginia public entities who wish to invest monies not needed for daily liquidity. The LGIP – EM portfolio reports its investments at fair value. Participants in the LGIP – EM portfolio should report their investments in the LGIP – EM portfolio at fair value.

A separate report is prepared for the Commonwealth of Virginia which includes all entities over which the Commonwealth exercises or has the ability to exercise oversight authority. The Program is considered part of the reporting entity of the Commonwealth of Virginia and is included in the Commonwealth's basic financial statements as Custodial Funds – External Investment Pool.

A. Basis of Presentation

The Treasury Board of Virginia administers the Program. The accompanying financial statements are reported using the economic resources measurement focus and the accrual basis of accounting under which revenues are recognized when they are earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Earnings and expenses accrue daily, but are credited or charged to participants' accounts on a monthly basis.

LOCAL GOVERNMENT INVESTMENT POOL PROGRAM
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B. Investment Valuation

Investments in the LGIP portfolio are stated at amortized cost (\$8,162,565,184). Shares are purchased and redeemed at amortized cost (as shown on the supplementary Schedule of Investments on pages 13 through 16).

In accordance with GASB Statement No. 72, "Fair Value Measurement and Application," the par value of the LGIP portfolio investments is \$8,162,312,099 and the fair value is \$8,166,075,829. Fair value measurements are based on a three-tiered fair value hierarchy. The LGIP portfolio consists of level one and level two investments within the fair value hierarchy. Level one investments are based on quoted prices (unadjusted) for identical assets in active markets that a government can access at the measurement date. Level two inputs are significant other observable inputs and may include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets, or model-driven valuations. The LGIP portfolio classifies United States Treasury securities in level one of the fair value hierarchy (\$1,076,894,178). The remaining investments are classified in level two (\$7,089,181,651).

The LGIP portfolio's market-based net asset value is determined on a weekly basis. If the LGIP portfolio's current market-based net asset value per share should deviate from its amortized cost price per share by an amount exceeding $\frac{1}{2}$ of 1 percent, the State Treasurer, Chair of the Treasury Board, shall assess the situation and determine what action, if any, is in the best interest of the LGIP portfolio and its participants.

Investments in the LGIP – EM portfolio are stated at fair value (\$207,202,254), with the exception of its investment in the LGIP portfolio (\$24,150,944), which is stated at amortized cost. The par value of the LGIP – EM portfolio investments is \$229,998,176. The LGIP portfolio consists of level one and level two investments within the GASB Statement No. 72 fair value hierarchy. The LGIP - EM portfolio classifies United States Treasury securities in level one of the fair value hierarchy (\$3,015,670). The remaining investments are classified in level two (\$228,337,528). Investment details are shown on the supplementary Schedule of Investments on pages 17 through 19.

Shares are purchased and redeemed at their floating NAV which is determined by market prices. Factors influencing the NAV include interest rates, credit spreads, and other risks, as delineated in the LGIP – EM portfolio Investment Circular (see <https://www.trsvirginia.gov/Cash-Management-Investments/LGIP>). As a result of the expected weighted average one year (+/- three months) maturity, the value of the LGIP – EM portfolio shares will fluctuate with changes in the market value of the portfolio and the redemption of shares may result in a capital gain or loss.

The Program has not provided or obtained any legally binding guarantees during the fiscal year to support the value of shares.

**LOCAL GOVERNMENT INVESTMENT POOL PROGRAM
NOTES TO THE FINANCIAL STATEMENTS**

C. Income

Interest income is recorded as interest that has been earned on securities during the fiscal year.

D. Eliminations

The elimination column on the statements reflects the removal of intrafund transactions so as to not overstate financial activity in total. This relates entirely to the fact that the LGIP – EM portfolio is a participant in the LGIP portfolio.

2. DETAILED NOTES

A. Cash, Cash Equivalents, and Investments

At June 30, 2020, the LGIP portfolio had a cash balance of \$40,742. This was the result of late checks received, without prior notification, after investments had been settled for the day. When proper notification is received, all funds are invested on the day received.

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the “Act”). Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial institutions may choose between two collateralization methodologies and, depending upon that choice, will pledge collateral that ranges in amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Funds in the LGIP portfolio are invested in accordance with Treasury Board investment guidelines and S&P Global Ratings’ AAAM rating criteria. This includes obligations of the United States Government or agencies thereof, repurchase agreements, bankers’ acceptances, commercial paper, short-term corporate notes, bank deposit notes, certificates of deposit, and AAA foreign sovereign governments. The portfolio weighted average maturity to reset (WAM(R)) may not exceed 60 days and the weighted average maturity to final (WAM(F)) may not exceed 90-120 days depending on the structure of the portfolio. The maximum percentage of the LGIP portfolio investments permitted in each category and the actual allocation at June 30, 2020 are shown on the following page:

LOCAL GOVERNMENT INVESTMENT POOL PROGRAM
NOTES TO THE FINANCIAL STATEMENTS

LGIP Portfolio	Maximum <u>Permitted</u>	Actual <u>June 30, 2020</u>
U. S. Treasury/Agency	100%	40%
Repurchase Agreements	50%	7%
Bankers' Acceptances, Negotiable Certificates of Deposit and/or Negotiable Bank Deposit Notes	40%	28%
Commercial Paper	35%	21%
Corporate Notes	25%	3%
IBRD (World Bank)	5%	1%

Funds in the LGIP – EM portfolio are invested in accordance with Treasury Board investment guidelines and S&P Global Ratings' AAAf/S1 rating criteria. This includes obligations of the United States Government or agencies thereof, repurchase agreements, bankers' acceptances, commercial paper, corporate notes, bank deposit notes, certificates of deposit, state and local municipal obligations, AAA foreign sovereign governments, obligations of the International Bank for Reconstruction Development (IBRD), and shares of the LGIP portfolio.

The LGIP – EM portfolio weighted average expected dollar weighted maturity (WAM) is one year +/-3 months, and the maximum final maturity is five years. The maximum percentage of the LGIP – EM portfolio investments permitted in each category and the actual allocation at June 30, 2020 are shown below:

LGIP - EM Portfolio	Maximum <u>Permitted</u>	Actual <u>June 30, 2020</u>
U. S. Treasury/Agency	100%	43%
Bankers' Acceptances, Negotiable Certificates of Deposit and/or Negotiable Bank Deposit Notes	45%	11%
Commercial Paper	35%	11%
Corporate Notes	25%	22%
IBRD (World Bank)	5%	3%
Virginia Treasury LGIP Portfolio	15%	10%

Interest Rate Risk - Investments

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair values of an investment. Interest rate risk is measured and monitored through investing in high quality credits and managing the weighted average maturity (WAM) of the portfolio. The Program WAM is a key measure of the funds tolerance to rising interest rates.

At June 30, 2020 the LGIP portfolio's WAM(R) was 52 days and the WAM(F) was 98 days, which should assure minimal asset value fluctuations under most market conditions. The yields on investments held as of June 30, 2020 ranged from 0.07% to 1.87%. The LGIP portfolio's investments at June 30, 2020 are presented on the following page.

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NOTES TO THE FINANCIAL STATEMENTS

LGIP Portfolio Investments
As of June 30, 2020
(Dollars in Thousands)

	Fair Value	Carrying Value	Par Value	Amortized Cost Uncategorized	Interest Rate Ranges	Weighted Average Days to Maturity
U.S. Treasury and Agency Securities	\$ 2,563,594	\$ 2,563,082	\$ 2,563,236	\$ 2,563,121	0.091 - 2.75	45
Corporate Notes	223,734	223,723	221,950	223,201	2.2 - 3.625	137
Commercial Paper	1,713,087	1,709,469	1,713,500	1,712,462	0.1 - 1.76	51
Negotiable Certificates of Deposit, Deposit Notes and Bankers' Acceptances	2,275,440	2,273,692	2,273,400	2,273,559	0.122 - 1.875	82
Repurchase Agreements	600,000	600,000	600,000	600,000	0.07 - 0.07	1
IBRD (World Bank)	49,995	49,989	50,000	49,996	0.11 - 0.11	29
US Govt Money Market Funds	740,226	740,226	740,226	740,226	0.08 - 0.1	1
Total	<u>\$ 8,166,076</u>	<u>\$ 8,160,181</u>	<u>\$ 8,162,312</u>	<u>\$ 8,162,565</u>		

Portfolio weighted average maturity

52

At June 30, 2020 the LGIP EM portfolio's WAM was 226 days and the longest tenor security in the portfolio matures June 10, 2025. The yields on investments held as of June 30, 2020 ranged from 0.08% to 3.15%. The LGIP – EM portfolio's investments at June 30, 2020 are presented below.

LGIP - EM Portfolio Investments
As of June 30, 2020
(Dollars in Thousands)

	Fair Value	Carrying Value	Par Value	Interest Rate Ranges	Weighted Average Days to Maturity
U.S. Treasury and Agency Securities	\$ 99,127	\$ 98,437	\$ 98,308	0 - 3.875	402
Corporate Notes	50,956	50,898	50,515	0.559 - 4.875	142
Commercial Paper	26,465	26,299	26,480	0.4 - 2.2	91
Negotiable Certificates of Deposit, Deposit Notes and Bankers' Acceptances	24,767	24,709	24,700	0.34 - 2.5	70
IBRD (World Bank)	5,883	5,869	5,840	1.561 - 2	162
US Govt Money Market Funds	4	4	4	0.08 - 0.08	0
Virginia Treasury LGIP Portfolio	24,151	24,151	24,151	0.38 - 0.38	1
Total	<u>\$ 231,353</u>	<u>\$ 230,367</u>	<u>\$ 229,998</u>		

Portfolio weighted average maturity

226

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Program is not exposed to custodial risk because the investments are held by the Program's custodian in the Program's name.

The LGIP portfolio is rated AAAM by S&P Global Ratings (S&P). The AAAM rating definition indicates the fund has an extremely strong capacity to maintain principal stability and limit exposure to principal losses due to credit, market, and/or liquidity risks. In addition to the overall fund rating requirements of S&P to maintain the AAAM rating, the LGIP portfolio Investment Policy and Guidelines require a minimum rating of both P-1 by Moody's Investment Services and A-1 by S&P on individual securities purchased. As of June 30, 2020, 59 percent of the LGIP portfolio was invested in securities within the highest long-term and/or short-term rating categories (AAA, AA+, A-1+, and/or AAAM) by the S&P rating scale and 21 percent was invested in US Government securities which are not subject to credit risk disclosure. The LGIP

LOCAL GOVERNMENT INVESTMENT POOL PROGRAM

NOTES TO THE FINANCIAL STATEMENTS

portfolio's rated debt investments as of June 30, 2020 are presented below using the S&P rating scale.

LGIP Portfolio's Rated Debt Investments
As of June 30, 2020
(Dollars in thousands)

	Total Amortized Cost	A-1+	A-1	AAAm	Not Subject to Credit Risk
U.S. Treasury and Agency Securities ⁽¹⁾	\$ 1,076,300	\$ -	\$ -	\$ -	\$ 1,076,300
Agency Unsecured Bonds and Notes	1,486,821	1,486,821	-	-	-
Corporate Notes	223,201	198,670	24,531	-	-
Commercial Paper	1,712,462	1,334,176	378,286	-	-
Negotiable Certificates of Deposit, Deposit Notes and Bankers' Acceptances	2,273,559	1,023,014	1,250,545	-	-
Repurchase Agreements ⁽¹⁾	600,000	-	-	-	600,000
International Bank for Reconstruction and Development	49,996	49,996	-	-	-
US Govt Money Market Funds	740,226	-	-	740,226	-
Total	\$ 8,162,565	\$ 4,092,677	\$ 1,653,362	\$ 740,226	\$ 1,676,300

(1) Obligations of the U. S. Government or obligations explicitly guaranteed by the U. S. Government are not considered to have credit risk.

The LGIP – EM portfolio is rated AAAsf/S1 by S&P indicating that the credit quality of the fund's portfolio exposure is extremely strong and that the fund exhibits low volatility of returns comparable to a portfolio of short-duration government securities, typically maturing within one to three years and denominated in the base currency of the fund. In addition to the overall fund rating requirements of S&P to achieve and maintain the AAAsf/S1 rating, the LGIP – EM portfolio Investment Policy and Guidelines require a minimum rating of both P-1 by Moody's Investment Services and A-1 by S&P on individual securities purchased. As of June 30, 2020, 85 percent of the LGIP – EM portfolio was invested in securities within the highest long-term and/or short-term rating categories (AAA, AA+, A-1+, and/or AAAsm) by the S&P rating scale. The LGIP – EM portfolio's rated debt investments as of June 30, 2020 are presented below using the S&P rating scale.

LGIP - EM Portfolio's Rated Debt Investments
As of June 30, 2020
(Dollars in thousands)

	Total Fair Value	A-1+	A-1	AAAsm	Not Subject to Credit Risk
U.S. Treasury and Agency Securities ⁽¹⁾	\$ 3,016	\$ -	\$ -	\$ -	\$ 3,016
Agency Unsecured Bonds and Notes	96,111	96,111	-	-	-
Corporate Notes	50,956	39,873	11,083	-	-
Commercial Paper	26,465	23,471	2,994	-	-
Negotiable Certificates of Deposit, Deposit Notes and Bankers' Acceptances	24,767	6,431	18,336	-	-
International Bank for Reconstruction and Development	5,883	5,883	-	-	-
US Govt Money Market Funds	4	-	-	4	-
Virginia Treasury LGIP Portfolio	24,151	-	-	24,151	-
Total	\$ 231,353	\$ 171,769	\$ 32,413	\$ 24,155	\$ 3,016

LOCAL GOVERNMENT INVESTMENT POOL PROGRAM NOTES TO THE FINANCIAL STATEMENTS

Concentration of Credit Risk

The Program's Investment Policies require diversification of assets with not more than 4% of the fund assets invested in the securities of any single issuer. This limitation does not apply to securities of the U.S. Government, agency thereof, government sponsored enterprises (GSEs), or AAA foreign sovereign governments.

As of June 30, 2020, more than 4 percent of LGIP portfolio's investments are in Bank of Nova Scotia U.S. Government Tri-Party Repurchase Agreements (7%), United States Treasuries (13%), Blackrock Liquidity Funds FedFund (9%) and in the Federal Home Loan Bank (13%).

As of June 30, 2020, more than 4 percent of LGIP – EM portfolio's investments are in the Federal Farm Credit Bank (9%), the Federal Home Loan Bank (9%), the Federal Home Loan Mortgage Corporation (15%), the Federal National Mortgage Association (5%) and the Local Government Investment Pool (10%).

B. Distributions

The Program distributes investment income net of expenses to participants on a monthly basis. The dividend distribution is automatically reinvested into additional shares.

C. Risk Management

The Program is exposed to various risks of loss related to torts; theft or, damage to, and destruction of assets; errors and omissions; non-performance of duty; injuries to employees; and natural disasters. The Department of Treasury participates in insurance plans maintained by the Commonwealth of Virginia on behalf of the Program. The risk management insurance plans are administered by the Department of Treasury, Division of Risk Management. Risk management insurance includes property, general liability, medical malpractice, faithful performance of duty bond, automobile, and air and watercraft plans. The Department of Treasury pays premiums to this Department for its insurance coverage. Information relating to the Commonwealth's insurance plans is available at the statewide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

LOCAL GOVERNMENT INVESTMENT POOL PROGRAM **SUPPLEMENTARY INFORMATION**

Schedule of Selected Participant Share and Ratio Information - LGIP Portfolio

Selected ratios and data for the average number of shares outstanding throughout the years ended June 30, 2018, 2019 and 2020

	June 30, 2020	June 30, 2019	June 30, 2018
Investment income	\$ 0.01647	\$ 0.02442	\$ 0.01523
Expenses	0.00040	0.00039	0.00036
Investment income - net	0.01607	0.02403	0.01487
Income distributions	0.01607	0.02403	0.01487
Increase in net value	\$ -	\$ -	\$ -
Net Asset Value:			
Beginning of period	1.00000	1.00000	1.00000
End of period	1.00000	1.00000	1.00000
Ratio of investment income-			
Net to average net assets	1.61%	2.40%	1.49%
Ratio of expenses to average net assets	0.04%	0.04%	0.04%

LOCAL GOVERNMENT INVESTMENT POOL PROGRAM

SUPPLEMENTARY INFORMATION

SCHEDULE OF INVESTMENTS - LGIP PORTFOLIO

As of June 30, 2020

	Yield to Maturity	Carrying Value	Current Amortized Cost	Percentage of Investments at Amortized Cost
United States Treasuries:				
United States Treasury 1.625% due 7/31/2020	1.57%	12,238,643	12,236,417	0.00
United States Treasury 2% due 7/31/2020	0.15%	50,109,375	50,076,308	0.01
United States Treasury 2.75% due 11/30/2020	1.59%	42,412,902	42,200,515	0.00
United States Treasury FRN USTMMR+4.3 due 7/31/2020	0.15%	72,003,644	72,002,469	0.01
United States Treasury FRN USTMMR+11.5 due 1/31/2021	0.27%	49,976,141	49,992,622	0.01
United States Treasury FRN USTMMR+13.9 due 4/30/2021	0.29%	49,998,589	49,999,386	0.01
United States Treasury FRN USTMMR+22 due 7/31/2021	0.37%	49,935,703	49,962,263	0.00
United States Treasury FRN USTMMR+15.4 due 1/31/2022	0.30%	100,007,968	100,006,311	0.01
United States Treasury due 7/14/2020	0.13%	49,995,312	49,997,743	0.01
United States Treasury due 7/28/2020	0.16%	49,976,968	49,993,963	0.01
United States Treasury due 7/30/2020	0.11%	49,985,181	49,995,569	0.01
United States Treasury due 8/4/2020	0.11%	49,984,836	49,994,994	0.01
United States Treasury due 8/6/2020	0.15%	74,965,312	74,988,750	0.01
United States Treasury due 8/25/2020	0.14%	24,994,684	24,994,779	0.00
United States Treasury due 9/3/2020	0.12%	49,981,333	49,989,333	0.01
United States Treasury due 9/24/2020	0.07%	99,950,546	99,966,236	0.01
United States Treasury due 10/1/2020	0.18%	49,972,535	49,977,639	0.00
United States Treasury due 10/13/2020	0.14%	49,971,500	49,980,500	0.01
United States Treasury due 11/12/2020	0.14%	49,964,611	49,973,944	0.00
United States Treasury due 11/19/2020	0.15%	49,962,083	49,970,625	0.00
Total United States Treasuries		1,076,387,866	1,076,300,366	0.13
Agency Unsecured Bonds and Notes:				
Federal Farm Credit Bank Floater PRIME-308 due 6/29/2021	0.17%	24,959,750	24,977,727	0.00
Federal Farm Credit Bank Floater SOFR+14 due 9/24/2021	0.09%	30,000,000	30,000,000	0.00
Federal Farm Credit Bank Floater SOFR+21 due 10/28/2021	0.29%	15,000,000	15,000,000	0.00
Federal Farm Credit Bank Floater PRIME-287 due 2/7/2022	0.39%	24,995,573	24,995,952	0.00
Federal Farm Credit Bank Floater SOFR+13 due 2/11/2022	0.21%	5,000,000	5,000,000	0.00
Federal Farm Credit Bank Floater SOFR+17 due 3/15/2022	0.25%	25,000,000	25,000,000	0.00
Federal Farm Credit Bank Floater PRIME-281 due 5/20/2022	0.29%	22,568,175	22,564,253	0.00
Federal Farm Credit Bank Floater SOFR+20 due 6/23/2022	0.28%	25,000,000	25,000,000	0.00
Federal Home Loan Bank Floater SOFR+8.5 due 9/11/2020	0.17%	49,998,800	49,999,007	0.01
Federal Home Loan Bank Floater SOFR+10 due 12/23/2020	0.09%	50,000,000	50,000,000	0.01
Federal Home Loan Bank Floater SOFR+8.5 due 9/10/2021	0.17%	50,000,000	50,000,000	0.01
Federal Home Loan Bank Floater SOFR+12 due 2/28/2022	0.20%	43,000,000	43,000,000	0.00
Federal Home Loan Bank Discount Note due 7/1/2020	0.10%	20,996,897	21,000,000	0.00
Federal Home Loan Bank Discount Note due 7/13/2020	0.10%	24,995,347	24,999,167	0.00
Federal Home Loan Bank Discount Note due 7/14/2020	0.13%	24,995,576	24,998,826	0.00
Federal Home Loan Bank Discount Note due 7/16/2020	0.11%	23,196,385	23,198,937	0.00
Federal Home Loan Bank Discount Note due 7/22/2020	0.11%	49,995,722	49,996,792	0.01
Federal Home Loan Bank Discount Note due 7/31/2020	0.11%	82,482,342	82,492,177	0.01
Federal Home Loan Bank Discount Note due 8/5/2020	0.12%	12,898,409	12,898,495	0.00
Federal Home Loan Bank Discount Note due 8/7/2020	0.11%	49,985,592	49,994,142	0.01
Federal Home Loan Bank Discount Note due 8/12/2020	0.15%	29,993,000	29,994,750	0.00
Federal Home Loan Bank Discount Note due 8/26/2020	0.13%	49,983,317	49,989,733	0.01
Federal Home Loan Bank Discount Note due 8/27/2020	0.14%	29,890,349	29,893,372	0.00
Federal Home Loan Bank Discount Note due 8/28/2020	0.14%	49,982,889	49,988,722	0.01
Federal Home Loan Bank Discount Note due 8/31/2020	0.14%	49,982,694	49,988,139	0.01
Federal Home Loan Bank Discount Note due 9/1/2020	0.15%	49,982,292	49,987,083	0.01
Federal Home Loan Bank Discount Note due 9/2/2020	0.15%	49,981,458	49,986,875	0.01
Federal Home Loan Bank Discount Note due 9/10/2020	0.13%	49,980,382	49,987,674	0.01
Federal Home Loan Bank Discount Note due 9/14/2020	0.16%	49,979,118	49,983,854	0.01
Federal Home Loan Bank Discount Note due 9/16/2020	0.16%	49,978,222	49,982,889	0.01
Federal Home Loan Bank Discount Note due 9/25/2020	0.16%	49,976,222	49,980,889	0.01
Federal Home Loan Bank Discount Note due 11/12/2020	0.13%	49,968,222	49,975,806	0.01
Federal Home Loan Bank Discount Note due 11/13/2020	0.15%	49,963,347	49,972,812	0.01
Federal Home Loan Mortgage Corporation Floater SOFR+15 due 3/4/2022	0.24%	46,992,300	46,992,556	0.00
Federal Home Loan Mortgage Corporation Floater SOFR+19 due 6/2/2022	0.27%	25,000,000	25,000,000	0.00

LOCAL GOVERNMENT INVESTMENT POOL PROGRAM

SUPPLEMENTARY INFORMATION

SCHEDULE OF INVESTMENTS - LGIP PORTFOLIO (continued)

As of June 30, 2020

	Yield to Maturity	Carrying Value	Current Amortized Cost	Percentage of Investments at Amortized Cost
Federal Home Loan Mortgage Corporation Discount Note due 9/17/2020	0.13%	49,977,250	49,985,917	0.01
Federal National Mortgage Association Floater SOFR+30 due 1/7/2022	0.38%	25,000,000	25,000,000	0.00
Federal National Mortgage Association Floater SOFR+17 due 3/9/2022	0.25%	25,000,000	25,000,000	0.00
Federal National Mortgage Association Floater SOFR+23 due 5/6/2022	0.31%	25,014,332	25,014,020	0.00
Federal National Mortgage Association Floater SOFR+20 due 6/15/2022	0.28%	25,000,000	25,000,000	0.00
 Total Agency Unsecured Bonds and Notes		 1,486,693,962	 1,486,820,566	 0.18
 Repurchase Agreements Collateralized by U.S. Government Obligations:				
The Bank of Nova Scotia 0.07% due 7/1/2020	0.07%	600,000,000	600,000,000	0.07
Total Repurchase Agreements Collateralized by U.S. Government Obligation		600,000,000	600,000,000	0.07
 Negotiable Certificates of Deposit:				
Australia & New Zealand Banking Group NY 0.21% due 12/7/2020	0.21%	25,000,000	25,000,000	0.00
Banco Estado Chile NY 1% due 7/17/2020	1.00%	31,400,000	31,400,000	0.00
Banco Estado Chile NY 0.38% due 8/10/2020	0.38%	10,000,000	10,000,000	0.00
Banco Estado Chile NY 0.3% due 9/18/2020	0.30%	18,000,000	18,000,000	0.00
Bank of America NA 0.9% due 8/14/2020	0.90%	35,000,000	35,000,000	0.00
Bank of Montreal Chicago 1.26% due 10/2/2020	0.22%	50,173,134	50,134,179	0.01
Bank of Nova Scotia Houston 1% due 7/16/2020	1.00%	20,000,000	20,000,000	0.00
Bank of Nova Scotia Houston 0.7% due 10/21/2020	0.70%	29,000,000	29,000,000	0.00
Bank of Nova Scotia Houston 0.68% due 10/22/2020	0.68%	25,000,000	25,000,000	0.00
Bank of Nova Scotia Houston 0.28% due 12/14/2020	0.28%	22,000,000	22,000,000	0.00
BNP Paribas NY 0.23% due 8/11/2020	0.23%	43,000,000	43,000,000	0.01
Canadian Imperial Bank of Commerce NY 1.05% due 9/11/2020	1.05%	34,000,000	34,000,000	0.00
Canadian Imperial Bank of Commerce NY 1.87% due 9/28/2020	1.87%	27,000,000	27,000,000	0.00
Canadian Imperial Bank of Commerce NY 1.18% due 10/13/2020	1.18%	33,000,000	33,000,000	0.00
Canadian Imperial Bank of Commerce NY 0.25% due 11/27/2020	0.25%	18,000,000	18,000,000	0.00
Canadian Imperial Bank of Commerce NY 0.24% due 12/22/2020	0.24%	25,000,000	25,000,000	0.00
Commonwealth Bank of Australia NY 0.17% due 7/27/2020	0.17%	100,000,000	100,000,000	0.01
Commonwealth Bank of Australia NY 0.18% due 9/9/2020	0.22%	24,997,640	24,998,056	0.00
Commonwealth Bank of Australia NY 0.25% due 11/19/2020	0.25%	50,000,000	50,000,000	0.01
Cooperative Rabobank UA NY 1.61% due 8/14/2020	1.40%	28,020,303	28,007,034	0.00
Cooperative Rabobank UA NY 0.95% due 10/16/2020	0.95%	40,000,000	40,000,000	0.01
Cooperative Rabobank UA NY 0.23% due 12/7/2020	0.23%	23,000,000	23,000,000	0.00
Credit Agricole SA CIB NY 0.21% due 8/14/2020	0.21%	43,000,000	43,000,000	0.01
DNB Nor Bank NY 1.7% due 7/16/2020	1.70%	28,000,000	28,000,000	0.00
DNB Nor Bank NY 0.22% due 10/30/2020	0.22%	11,000,000	11,000,000	0.00
DNB Nor Bank NY 0.23% due 11/2/2020	0.23%	25,000,000	25,000,000	0.00
DNB Nor Bank NY 0.23% due 12/8/2020	0.23%	25,000,000	25,000,000	0.00
DNB Nor Bank NY 0.21% due 12/10/2020	0.21%	50,000,000	50,000,000	0.01
Lloyds Bank PLC NY 0.25% due 9/4/2020	0.25%	50,000,000	50,000,000	0.01
Mizuho Bank Ltd NY 0.23% due 9/1/2020	0.23%	45,000,000	45,000,000	0.01
Mizuho Bank Ltd NY 0.25% due 9/23/2020	0.25%	15,000,000	15,000,000	0.00
MUFG Bank Ltd NY 1.06% due 7/16/2020	1.06%	40,000,000	40,000,000	0.01
Nordea Bank Finland NY 1.85% due 7/1/2020	1.85%	63,000,000	63,000,000	0.01
Nordea Bank Finland NY 1.76% due 7/10/2020	1.76%	26,000,000	26,000,000	0.00
Nordea Bank Finland NY 0.92% due 9/4/2020	0.21%	12,020,801	12,015,364	0.00
Nordea Bank Finland NY 0.24% due 9/15/2020	0.24%	30,000,000	30,000,000	0.00
Skandinaviska Enskilda Banken NY 1.85% due 7/2/2020	1.85%	22,000,000	22,000,000	0.00
Skandinaviska Enskilda Banken NY 0.22% due 9/16/2020	0.22%	50,000,000	50,000,000	0.01
Skandinaviska Enskilda Banken NY 0.2% due 9/18/2020	0.20%	50,000,000	50,000,000	0.01
Skandinaviska Enskilda Banken NY 0.22% due 10/21/2020	0.22%	15,000,000	15,000,000	0.00
Sumitomo Mitsui Bank NY 1.15% due 7/14/2020	0.20%	12,014,559	12,004,115	0.00
Sumitomo Mitsui Bank NY 0.27% due 8/13/2020	0.27%	35,000,000	35,000,000	0.01
Sumitomo Mitsui Bank NY 0.25% due 9/15/2020	0.25%	20,000,000	20,000,000	0.00

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SUPPLEMENTARY INFORMATION

SCHEDULE OF INVESTMENTS - LGIP PORTFOLIO (continued)

As of June 30, 2020

	Yield to Maturity	Carrying Value	Current Amortized Cost	Percentage of Investments at Amortized Cost
Sumitomo Mitsui Bank NY Floater SOFR+21 due 7/24/2020	0.29%	65,000,000	65,000,000	0.01
Svenska Handelsbanken NY 1.875% due 7/1/2020	0.15%	50,064,634	50,000,000	0.01
Svenska Handelsbanken NY 0.2% due 8/19/2020	0.20%	25,000,000	25,000,000	0.00
Svenska Handelsbanken NY 1.105% due 9/9/2020	1.10%	50,001,058	50,000,484	0.01
Svenska Handelsbanken NY 0.32% due 3/26/2021	0.32%	45,000,000	45,000,000	0.01
Svenska Handelsbanken NY Floater 3-ML+7 due 8/25/2020	0.43%	30,000,000	30,000,000	0.00
Swedbank AB NY 0.33% due 11/18/2020	0.33%	48,000,000	48,000,000	0.01
Swedbank AB NY 0.29% due 12/1/2020	0.29%	46,000,000	46,000,000	0.01
Swedbank AB NY 0.3% due 12/15/2020	0.30%	38,000,000	38,000,000	0.01
Toronto Dominion Bank NY 1.72% due 7/31/2020	1.72%	21,000,000	21,000,000	0.00
Toronto Dominion Bank NY 0.28% due 10/16/2020	0.28%	27,000,000	27,000,000	0.00
Toronto Dominion Bank NY 1.82% due 11/25/2020	1.82%	35,000,000	35,000,000	0.01
Toronto Dominion Bank NY 0.3% due 3/8/2021	0.30%	25,000,000	25,000,000	0.00
Toronto Dominion Bank NY Floater FF Eff+35 due 8/3/2020	0.43%	50,000,000	50,000,000	0.01
Toronto Dominion Bank NY Floater FF Eff+36 due 9/8/2020	0.44%	40,000,000	40,000,000	0.01
Toronto Dominion Bank NY Floater SOFR+42 due 9/30/2020	0.12%	30,000,000	30,000,000	0.00
UBS AG Stamford CT 0.8% due 9/15/2020	0.80%	25,000,000	25,000,000	0.00
UBS AG Stamford CT 1.35% due 10/5/2020	1.35%	25,000,000	25,000,000	0.00
UBS AG Stamford CT 1.2% due 10/14/2020	1.20%	45,000,000	45,000,000	0.01
US Bank NA 1.76% due 7/6/2020	1.76%	50,000,000	50,000,000	0.01
US Bank NA 0.324% due 2/16/2021	0.32%	50,000,000	50,000,000	0.01
Wells Fargo Bank 1.73% due 10/23/2020	1.73%	50,000,000	50,000,000	0.01
Westpac Banking Corporation NY 0.14% due 7/27/2020	0.14%	25,000,000	25,000,000	0.00
Total Negotiable Certificates of Deposit		2,273,692,129	2,273,559,232	0.28
Commercial Paper:				
Apple, Inc due 8/13/2020	0.15%	9,998,000	9,998,208	0.00
Chevron Corporation due 7/7/2020	1.59%	74,558,687	74,980,292	0.01
Chevron Corporation due 7/23/2020	1.58%	39,741,822	39,961,622	0.01
Chevron Corporation due 8/28/2020	0.83%	39,842,300	39,946,511	0.01
Chevron Corporation due 11/3/2020	0.21%	17,986,035	17,986,875	0.00
Chevron Corporation due 11/10/2020	0.25%	24,975,521	24,977,083	0.00
Export Development Canada due 8/10/2020	0.45%	24,964,062	24,987,500	0.00
Exxon Mobil Corporation due 7/1/2020	1.01%	34,889,937	35,000,000	0.01
Exxon Mobil Corporation due 7/9/2020	1.01%	67,847,378	67,984,738	0.01
Exxon Mobil Corporation due 8/5/2020	0.70%	11,978,300	11,991,833	0.00
Exxon Mobil Corporation due 8/7/2020	0.47%	12,986,253	12,993,720	0.00
Exxon Mobil Corporation due 9/22/2020	0.50%	24,953,819	24,971,181	0.00
Exxon Mobil Corporation due 10/27/2020	0.28%	12,985,339	12,988,069	0.00
ING US Funding LLC due 7/8/2020	0.93%	49,839,833	49,990,958	0.01
ING US Funding LLC due 9/8/2020	0.63%	30,900,723	30,962,568	0.01
ING US Funding LLC due 11/6/2020	0.30%	17,973,300	17,980,800	0.00
John Deere Capital Corporation due 7/8/2020	0.15%	15,498,773	15,499,548	0.00
John Deere Capital Corporation due 8/11/2020	0.16%	29,992,800	29,994,533	0.01
JP Morgan Securities LLC due 7/2/2020	1.78%	9,911,022	9,999,511	0.00
JP Morgan Securities LLC due 7/17/2020	0.84%	49,893,833	49,981,333	0.01
JP Morgan Securities LLC due 10/26/2020	0.45%	49,886,563	49,926,875	0.01
JP Morgan Securities LLC due 11/30/2020	0.23%	24,971,250	24,975,722	0.00
LVMH Moet Hennessy Louis Vuitton Inc due 8/5/2020	0.50%	16,978,278	16,991,736	0.00
LVMH Moet Hennessy Louis Vuitton Inc due 8/12/2020	0.33%	29,977,450	29,988,450	0.01
LVMH Moet Hennessy Louis Vuitton Inc due 9/1/2020	0.20%	12,494,861	12,495,694	0.00
Merck And Co Inc due 8/12/2020	0.25%	24,981,597	24,992,708	0.00
Merck And Co Inc due 8/17/2020	0.25%	24,980,729	24,991,840	0.00
Merck And Co Inc due 9/1/2020	0.20%	46,969,711	46,983,811	0.01
MetLife Short Term Funding LLC due 7/15/2020	1.72%	19,828,050	19,986,700	0.00
MetLife Short Term Funding LLC due 9/8/2020	0.55%	14,968,604	14,984,188	0.00
MetLife Short Term Funding LLC due 10/1/2020	0.19%	14,991,767	14,992,717	0.00
MetLife Short Term Funding LLC due 10/6/2020	0.20%	29,979,500	29,983,833	0.01

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SCHEDULE OF INVESTMENTS - LGIP PORTFOLIO (continued)

As of June 30, 2020

	Yield to Maturity	Carrying Value	Current Amortized Cost	Percentage of Investments at Amortized Cost
MetLife Short Term Funding LLC due 10/30/2020	0.20%	28,975,028	28,980,506	0.00
MetLife Short Term Funding LLC due 9/1/2020	0.85%	24,894,340	24,963,403	0.00
MetLife Short Term Funding LLC due 12/7/2020	0.24%	22,972,247	22,975,620	0.00
National Australia Bank Funding DE due 9/1/2020	0.53%	74,852,917	74,931,111	0.01
National Australia Bank Funding DE Floater 1-ML+22 due 7/28/2020	0.40%	25,000,000	25,000,000	0.00
National Securities Clearing Corporation due 7/2/2020	0.13%	19,997,833	19,999,928	0.00
National Securities Clearing Corporation due 7/10/2020	1.74%	41,654,865	41,981,835	0.01
National Securities Clearing Corporation due 7/14/2020	0.14%	49,995,917	49,997,472	0.01
National Securities Clearing Corporation due 7/15/2020	0.14%	9,998,172	9,999,456	0.00
National Securities Clearing Corporation due 7/20/2020	1.62%	14,898,704	14,987,254	0.00
National Securities Clearing Corporation due 8/4/2020	1.64%	49,603,819	49,923,028	0.01
National Securities Clearing Corporation due 8/24/2020	1.64%	19,830,661	19,951,100	0.00
National Securities Clearing Corporation due 9/1/2020	1.63%	20,817,615	20,941,410	0.00
Nestle Capital Corporation due 7/27/2020	0.24%	24,984,833	24,995,667	0.00
Old Line Funding LLC due 8/17/2020	0.23%	12,991,861	12,996,096	0.00
Old Line Funding LLC due 9/24/2020	0.23%	37,970,624	37,979,364	0.01
Old Line Funding LLC due 10/16/2020	0.25%	26,975,813	26,979,938	0.00
Old Line Funding LLC due 11/12/2020	0.31%	14,976,104	14,982,692	0.00
Paccar Financial Services due 7/1/2020	0.10%	19,998,444	20,000,000	0.00
Paccar Financial Services due 7/28/2020	0.14%	19,497,877	19,497,953	0.00
Pfizer Inc due 7/1/2020	0.85%	27,944,467	28,000,000	0.00
Pfizer Inc due 9/1/2020	0.21%	49,979,875	49,981,917	0.01
Roche Holdings Inc due 8/10/2020	0.13%	19,996,606	19,997,111	0.00
Thunder Bay Funding LLC due 9/15/2020	0.23%	32,980,418	32,984,230	0.01
Thunder Bay Funding LLC due 11/16/2020	0.31%	29,953,758	29,964,350	0.00
Thunder Bay Funding LLC Floater FF Eff+23 due 7/21/2020	0.31%	75,000,000	75,000,000	0.01
Total Commercial Paper		1,709,468,895	1,712,462,598	0.21
Corporate Notes				
Apple, Inc 2.25% due 2/23/2021	1.31%	14,548,903	14,509,380	0.00
Apple, Inc 2.85% due 5/6/2021	0.43%	12,644,301	12,602,608	0.00
Australia & New Zealand Banking Group NY 2.25% due 11/9/2020	0.60%	24,817,482	24,803,993	0.01
Australia & New Zealand Banking Group NY 2.7% due 11/16/2020	1.53%	48,763,821	48,731,356	0.01
Berkshire Hathaway Inc 2.2% due 3/15/2021	1.02%	22,214,500	22,160,524	0.00
National Australia Bank NY 2.625% due 1/14/2021	0.85%	18,628,712	18,574,637	0.00
State Street Corporation 2.55% due 8/18/2020	1.58%	24,599,225	24,530,728	0.00
Toronto Dominion Bank NY 2.55% due 1/25/2021	0.87%	6,173,658	6,142,628	0.00
Walmart Inc 3.625% due 7/8/2020	0.17%	34,092,520	34,022,794	0.01
Walmart Inc 3.25% due 10/25/2020	0.97%	17,239,700	17,121,953	0.00
Total Corporate Notes		223,722,822	223,200,601	0.03
International Bank for Reconstruction and Development				
World Bank Discount Note due 7/29/2020	0.11%	49,989,306	49,995,722	0.01
Total International Bank for Reconstruction and Development		49,989,306	49,995,722	0.01
Money Market Funds:				
Blackrock Liquidity Funds FedFund - Inst. Sh. 0.0997% due 7/1/2020	0.10%	702,929,253	702,929,253	0.09
Invesco Treasury Portfolio 0.0796% due 7/1/2020	0.08%	37,296,846	37,296,846	0.00
Total Money Market Funds		740,226,099	740,226,099	0.09
Total Investments		8,160,181,079	8,162,565,184	1.00

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SCHEDULE OF INVESTMENTS - LGIP - EM PORTFOLIO

As of June 30, 2020

	Yield to Maturity	Carrying Value	Fair Value	Percentage of Investments at Fair Value
United States Treasuries:				
United States Treasury 1.5% due 8/31/2021	1.51%	1,999,688	2,030,540	0.01
United States Treasury Strip 0% due 11/15/2024	1.84%	914,530	985,130	0.00
Total United States Treasuries		2,914,218	3,015,670	0.01
Agency Unsecured Bonds and Notes:				
Federal Farm Credit Bank 1.68% due 10/13/2020	1.69%	2,999,037	3,012,690	0.01
Federal Farm Credit Bank 2.54% due 4/5/2021	1.59%	131,395	132,317	0.00
Federal Farm Credit Bank 1.67% due 5/24/2021	1.53%	500,880	506,690	0.00
Federal Farm Credit Bank 1.53% due 2/10/2022	1.53%	1,000,000	1,007,810	0.01
Federal Farm Credit Bank 1% due 3/30/2022	1.00%	2,000,000	2,001,380	0.01
Federal Farm Credit Bank 1.24% due 3/10/2023	1.24%	2,000,000	2,008,040	0.01
Federal Farm Credit Bank 1.92% due 8/28/2023	1.99%	1,995,000	2,005,460	0.01
Federal Farm Credit Bank 1.6% due 9/17/2024	0.79%	217,562	220,473	0.00
Federal Farm Credit Bank 1.65% due 1/23/2025	1.03%	900,567	922,574	0.00
Federal Farm Credit Bank 1.5% due 3/5/2025	1.50%	1,000,000	1,001,800	0.01
Federal Farm Credit Bank Floater FF Eff+36 due 12/12/2022	0.44%	3,906,045	3,904,875	0.02
Federal Farm Credit Bank Floater 1-ML+7 due 2/21/2023	0.26%	2,988,550	2,988,330	0.01
Federal Farm Credit Bank Floater FF Eff+38 due 5/11/2023	0.46%	1,001,190	1,000,580	0.01
Federal Farm Credit Bank Discount Note due 12/8/2020	1.57%	273,267	276,791	0.00
Federal Home Loan Bank 1.625% due 9/11/2020	1.56%	3,005,640	3,008,310	0.01
Federal Home Loan Bank 1.875% due 9/29/2020	1.80%	250,145	251,025	0.00
Federal Home Loan Bank 1.875% due 12/11/2020	1.57%	2,004,940	2,015,380	0.01
Federal Home Loan Bank 1.5% due 2/3/2021	1.55%	1,998,922	2,015,560	0.01
Federal Home Loan Bank 1.375% due 2/18/2021	1.52%	499,295	503,670	0.00
Federal Home Loan Bank 1.75% due 3/12/2021	1.16%	502,995	505,245	0.00
Federal Home Loan Bank 3.625% due 3/12/2021	1.56%	158,368	158,698	0.00
Federal Home Loan Bank 1.875% due 7/7/2021	0.24%	279,727	279,639	0.00
Federal Home Loan Bank 1.875% due 12/10/2021	0.82%	509,210	511,690	0.00
Federal Home Loan Bank 1.625% due 8/18/2023	1.63%	770,000	775,536	0.00
Federal Home Loan Bank 3.15% due 9/28/2023	3.15%	1,000,000	1,006,590	0.01
Federal Home Loan Bank 3.375% due 12/8/2023	2.67%	1,032,350	1,103,730	0.01
Federal Home Loan Bank 1.92% due 1/21/2025	1.92%	2,000,000	2,014,480	0.01
Federal Home Loan Bank 1.93% due 1/21/2025	1.97%	154,690	155,126	0.00
Federal Home Loan Bank 2% due 1/21/2025	1.91%	1,500,600	1,501,500	0.01
Federal Home Loan Bank 1.8% due 2/12/2025	1.80%	779,844	785,624	0.00
Federal Home Loan Bank 0.5% due 4/14/2025	0.60%	2,985,120	3,004,920	0.01
Federal Home Loan Mortgage Corporation 1.875% due 11/17/2020	1.87%	800,064	805,144	0.00
Federal Home Loan Mortgage Corporation 2.25% due 11/24/2020	2.08%	3,001,800	3,024,000	0.01
Federal Home Loan Mortgage Corporation 2.375% due 2/16/2021	2.45%	4,988,700	5,067,000	0.02
Federal Home Loan Mortgage Corporation 1.8% due 4/21/2023	1.81%	349,895	350,273	0.00
Federal Home Loan Mortgage Corporation 0.4% due 5/15/2023	0.40%	2,000,000	2,000,400	0.01
Federal Home Loan Mortgage Corporation 0.42% due 6/16/2023	0.44%	3,747,750	3,747,778	0.02
Federal Home Loan Mortgage Corporation 1.75% due 8/10/2023	1.75%	2,500,000	2,503,425	0.01
Federal Home Loan Mortgage Corporation 1.7% due 11/20/2023	0.63%	201,190	200,782	0.00
Federal Home Loan Mortgage Corporation 1.75% due 1/22/2024	1.76%	1,749,563	1,762,635	0.01
Federal Home Loan Mortgage Corporation 1.8% due 8/12/2024	1.80%	290,000	290,278	0.00
Federal Home Loan Mortgage Corporation 1.75% due 1/13/2025	1.79%	2,605,383	2,662,174	0.01
Federal Home Loan Mortgage Corporation 1.9% due 1/15/2025	1.90%	2,000,000	2,013,380	0.01
Federal Home Loan Mortgage Corporation 2% due 1/21/2025	1.91%	2,000,800	2,001,420	0.01
Federal Home Loan Mortgage Corporation 1.875% due 1/29/2025	1.88%	1,194,821	1,203,126	0.01
Federal Home Loan Mortgage Corporation 1.8% due 2/12/2025	1.80%	2,500,000	2,517,450	0.01
Federal Home Loan Mortgage Corporation 1.1% due 4/28/2025	1.10%	2,000,000	2,003,900	0.01
Federal Home Loan Mortgage Corporation 0.75% due 4/30/2025	0.77%	644,516	645,097	0.00
Federal Home Loan Mortgage Corporation 0.7% due 5/13/2025	0.72%	749,250	749,262	0.00
Federal Home Loan Mortgage Corporation 0.7% due 6/10/2025	0.71%	799,520	799,526	0.00
Federal Home Loan Mortgage Corporation Discount Note due 11/20/2020	1.44%	198,883	200,865	0.00
Federal National Mortgage Association 1.5% due 7/30/2020	1.59%	2,992,530	3,003,330	0.01

LOCAL GOVERNMENT INVESTMENT POOL PROGRAM

SUPPLEMENTARY INFORMATION

SCHEDULE OF INVESTMENTS - LGIP - EM PORTFOLIO (continued)

As of June 30, 2020

	Yield to Maturity	Carrying Value	Fair Value	Percentage of Investments at Fair Value
Federal National Mortgage Association 1.5% due 9/30/2020	2.02%	397,305	401,328	0.00
Federal National Mortgage Association 2.5% due 4/13/2021	1.16%	131,918	132,375	0.00
Federal National Mortgage Association 1.25% due 5/6/2021	0.76%	1,867,241	1,874,722	0.01
Federal National Mortgage Association 2% due 9/28/2021	1.53%	614,587	623,731	0.00
Federal National Mortgage Association 1.5% due 9/29/2021	3.08%	426,764	426,113	0.00
Federal National Mortgage Association 0.45% due 6/30/2023	0.45%	2,000,000	2,000,000	0.01
Federal National Mortgage Association 1.7% due 10/30/2023	1.70%	999,850	1,004,150	0.01
Federal National Mortgage Association 1.125% due 4/16/2025	1.13%	2,000,000	2,002,180	0.01
Tennessee Valley Authority 3.875% due 2/15/2021	0.82%	1,028,620	1,022,660	0.01
Tennessee Valley Authority 0% due 6/15/2021	1.73%	538,955	551,748	0.00
Tennessee Valley Authority 2.875% due 9/15/2024	0.81%	3,269,500	3,308,873	0.02
Tennessee Valley Authority 0.914% due 12/15/2024	0.91%	47,984	48,442	0.00
Tennessee Valley Authority 0.88% due 1/15/2025	0.88%	239,995	240,110	0.00
Tennessee Valley Authority 0.834% due 3/15/2025	0.83%	1,789,605	1,784,019	0.01
Tennessee Valley Authority 0.995% due 5/1/2025	1.00%	523,369	526,839	0.00
Tennessee Valley Authority 0.75% due 5/15/2025	0.81%	1,994,120	2,026,185	0.01
Total Agency Unsecured Bonds and Notes		95,522,817	96,111,253	0.42
Negotiable Certificates of Deposit:				
Banco Estado Chile NY 1% due 7/17/2020	1.00%	1,600,000	1,600,687	0.01
Bank of America NA 0.9% due 8/14/2020	0.90%	1,600,000	1,601,619	0.01
Bank of America NA 1.68% due 8/14/2020	1.68%	2,000,000	2,003,973	0.01
Canadian Imperial Bank of Commerce NY 1.05% due 9/11/2020	1.05%	1,000,000	1,001,946	0.00
Canadian Imperial Bank of Commerce NY 1.87% due 9/28/2020	1.87%	1,500,000	1,506,670	0.01
Cooperative Rabobank UA NY 1.12% due 8/14/2020	1.07%	3,500,586	3,504,505	0.01
Lloyds Bank PLC NY 1.15% due 7/16/2020	1.15%	1,500,000	1,500,706	0.00
MUFG Bank Ltd NY 1.06% due 7/16/2020	1.06%	1,600,000	1,600,690	0.01
Nordea Bank Finland NY 1.01% due 10/15/2020	1.01%	1,700,000	1,704,190	0.01
Toronto Dominion Bank NY 2.5% due 10/20/2020	2.50%	2,000,000	2,014,420	0.01
Toronto Dominion Bank NY 1.85% due 11/13/2020	1.85%	2,000,000	2,012,593	0.01
UBS AG Stamford CT 0.99% due 10/22/2020	0.99%	2,000,000	2,005,125	0.01
Wells Fargo Bank 1.93% due 10/15/2020	1.25%	2,007,867	2,010,382	0.01
Westpac Banking Corporation NY 2.05% due 8/3/2020	1.70%	200,326	199,984	0.00
Westpac Banking Corporation NY Floater FF Eff+26 due 7/2/2020	0.34%	499,787	500,007	0.00
Total Negotiable Certificates of Deposit		24,708,566	24,767,497	0.11
Commercial Paper:				
Apple Inc due 11/3/2020	1.62%	4,940,000	4,995,660	0.02
Chevron Corporation due 8/12/2020	2.22%	1,983,867	1,999,720	0.01
Chevron Corporation due 10/14/2020	1.31%	2,980,283	2,998,250	0.01
Exxon Mobil Corporation due 7/1/2020	1.05%	1,993,467	2,000,000	0.01
Exxon Mobil Corporation due 9/23/2020	1.06%	2,986,220	2,998,950	0.02
JP Morgan Securities LLC due 1/29/2021	0.40%	2,991,033	2,994,170	0.01
Metlife Short Term Funding LLC due 8/4/2020	1.00%	727,850	729,917	0.00
Metlife Short Term Funding LLC due 9/1/2020	0.85%	1,244,717	1,249,677	0.01
National Securities Clearing Corporation due 7/10/2020	1.74%	1,982,988	1,999,940	0.01
National Securities Clearing Corporation due 8/18/2020	1.63%	991,945	999,840	0.00
National Securities Clearing Corporation due 8/20/2020	1.61%	992,089	999,833	0.00
Thunder Bay Funding LLC due 10/13/2020	1.23%	2,484,581	2,498,556	0.01
Total Commercial Paper		26,299,040	26,464,513	0.11
Corporate Notes				
Apple Inc 2.85% due 5/6/2021	0.34%	327,247	326,976	0.00
Australia & New Zealand Banking Group NY 2.125% due 8/19/2020	1.33%	1,097,931	1,096,341	0.00

LOCAL GOVERNMENT INVESTMENT POOL PROGRAM

SUPPLEMENTARY INFORMATION

SCHEDULE OF INVESTMENTS - LGIP - EM PORTFOLIO (continued)

As of June 30, 2020

	Yield to Maturity	Carrying Value	Fair Value	Percentage of Investments at Fair Value
Australia & New Zealand Banking Group NY 2.25% due 11/9/2020	1.60%	2,210,146	2,215,488	0.01
Australia & New Zealand Banking Group NY 2.7% due 11/16/2020	3.12%	2,443,161	2,471,094	0.01
Bank of Montreal 3.1% due 7/13/2020	1.71%	1,524,987	1,517,273	0.01
Bank of Nova Scotia NY 2.15% due 7/14/2020	1.75%	1,003,825	1,002,611	0.00
Bank of Nova Scotia NY 2.35% due 10/21/2020	0.40%	402,512	402,600	0.00
Bank of Nova Scotia NY Floater 3-ML+39 due 7/14/2020	1.70%	1,289,405	1,300,065	0.01
Berkshire Hathaway Inc 2.9% due 10/15/2020	1.74%	463,931	463,537	0.00
Berkshire Hathaway Inc 4.25% due 1/15/2021	1.67%	3,847,843	3,833,968	0.02
Berkshire Hathaway Inc 2.2% due 3/15/2021	1.02%	2,661,920	2,666,594	0.01
Canadian Imperial Bank of Commerce NY 2.1% due 10/5/2020	1.71%	756,947	758,518	0.00
Commonwealth Bank of Australia NY 2.4% due 11/2/2020	0.78%	1,988,357	1,988,430	0.01
Commonwealth Bank of Australia NY 2.55% due 3/15/2021	0.30%	2,632,424	2,630,430	0.01
HSBC Bank USA NA 4.875% due 8/24/2020	0.73%	454,235	452,853	0.00
Johnson and Johnson Corporation 1.95% due 11/10/2020	1.82%	1,601,408	1,609,856	0.01
Johnson and Johnson Corporation 1.65% due 3/1/2021	1.24%	2,608,272	2,621,320	0.01
Microsoft Corporation 3% due 10/1/2020	1.63%	272,117	271,812	0.00
Microsoft Corporation 2% due 11/3/2020	1.03%	854,582	853,459	0.00
National Australia Bank NY 2.625% due 7/23/2020	1.75%	1,725,237	1,722,288	0.01
National Australia Bank NY 2.5% due 1/12/2021	0.35%	657,659	656,858	0.00
National Australia Bank NY 2.625% due 1/14/2021	0.85%	1,619,888	1,619,504	0.01
Royal Bank of Canada NY 2.15% due 10/26/2020	2.39%	1,461,792	1,471,471	0.01
Royal Bank of Canada NY 2.35% due 10/30/2020	1.43%	2,247,224	2,249,952	0.01
Royal Bank of Canada NY 2.5% due 1/19/2021	1.52%	504,250	505,865	0.00
Svenska Handelsbanken NY 2.4% due 10/1/2020	1.72%	1,405,943	1,407,266	0.01
Toronto Dominion Bank NY 0.559% due 9/17/2020	0.56%	250,370	250,088	0.00
Toronto Dominion Bank NY 2.5% due 12/14/2020	1.76%	479,027	480,741	0.00
Toronto Dominion Bank NY 2.55% due 1/25/2021	1.62%	907,830	911,403	0.00
Toronto Dominion Bank NY 2.125% due 4/7/2021	1.15%	1,110,307	1,115,059	0.01
UBS AG Stamford CT 4.875% due 8/4/2020	1.15%	2,036,181	2,023,000	0.01
US Bank NA 2.05% due 10/23/2020	1.64%	1,353,244	1,355,346	0.01
US Bank NA 3% due 2/4/2021	0.92%	1,252,167	1,251,512	0.01
Walmart Inc 3.125% due 6/23/2021	0.30%	719,705	719,509	0.00
Wells Fargo Bank 2.6% due 1/15/2021	1.17%	1,621,949	1,624,404	0.01
Wells Fargo Bank Floater 3-ML+31 due 1/15/2021	1.53%	1,996,840	2,001,920	0.01
Westpac Banking Corporation NY 2.6% due 11/23/2020	1.65%	195,360	195,643	0.00
Westpac Banking Corporation NY 2.65% due 1/25/2021	0.85%	911,601	911,079	0.00
Total Corporate Notes		50,897,824	50,956,133	0.22
International Bank for Reconstruction and Development				
World Bank 1.561% due 9/12/2020	0.46%	602,202	602,298	0.00
World Bank 2% due 10/5/2020	0.81%	633,622	633,125	0.01
World Bank 1.95% due 11/9/2020	1.70%	2,204,070	2,213,530	0.01
World Bank 1.626% due 3/9/2021	0.77%	2,429,368	2,434,003	0.01
Total International Bank for Reconstruction and Development		5,869,262	5,882,956	0.03
Money Market Funds:				
Local Government Investment Pool 0.3804% due 7/1/2020 reported at amortized cost	0.38%	24,150,944	24,150,944	0.10
Invesco Treasury Portfolio 0.0796% due 7/1/2020	0.08%	4,232	4,232	0.00
Total Money Market Funds		24,155,176	24,155,176	0.10
Total Investments		230,366,903	231,353,198	1.00



Staci A. Henshaw, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

December 15, 2020

The Honorable Ralph S. Northam
Governor of Virginia

The Honorable Kenneth R. Plum
Chairman, Joint Legislative Audit
and Review Commission

The Virginia Treasury Board and
Local Government Investment Pool Program Participants

INDEPENDENT AUDITOR'S REPORT

Report on Financial Statements

We have audited the accompanying financial statements of the **Local Government Investment Pool Program** as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Local Government Investment Pool Program's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Local Government Investment Pool Program as of June 30, 2020, and the changes in its fiduciary net position for the year ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Relationship to the Commonwealth of Virginia

As discussed in Note 1, the basic financial statements of the Local Government Investment Pool Program are intended to present the financial position and the changes in financial position of only that portion of the aggregate remaining fund information of the Commonwealth of Virginia that is attributable to the transactions of the Local Government Investment Pool Program. They do not purport to, and do not, present fairly the Commonwealth of Virginia's overall financial position as of June 30, 2020, and the changes in its financial position, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 1 through 2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical

context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Local Government Investment Pool Program's basic financial statements. The accompanying supplementary information, including the Schedule of Selected Participant Share and Ratio Information - LGIP Portfolio, Schedule of Investments - LGIP Portfolio, and Schedule of Investments - LGIP - EM Portfolio, is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The Schedule of Selected Participant Share and Ratio Information - LGIP Portfolio, Schedule of Investments - LGIP Portfolio, and Schedule of Investments - LGIP - EM Portfolio are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Selected Participant Share and Ratio Information - LGIP Portfolio, Schedule of Investments - LGIP Portfolio, and the Schedule of Investments - LGIP - EM Portfolio are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 15, 2020, on our consideration of the Local Government Investment Pool Program's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Local Government Investment Pool Program's internal control over financial reporting and compliance.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

SAH/vks