

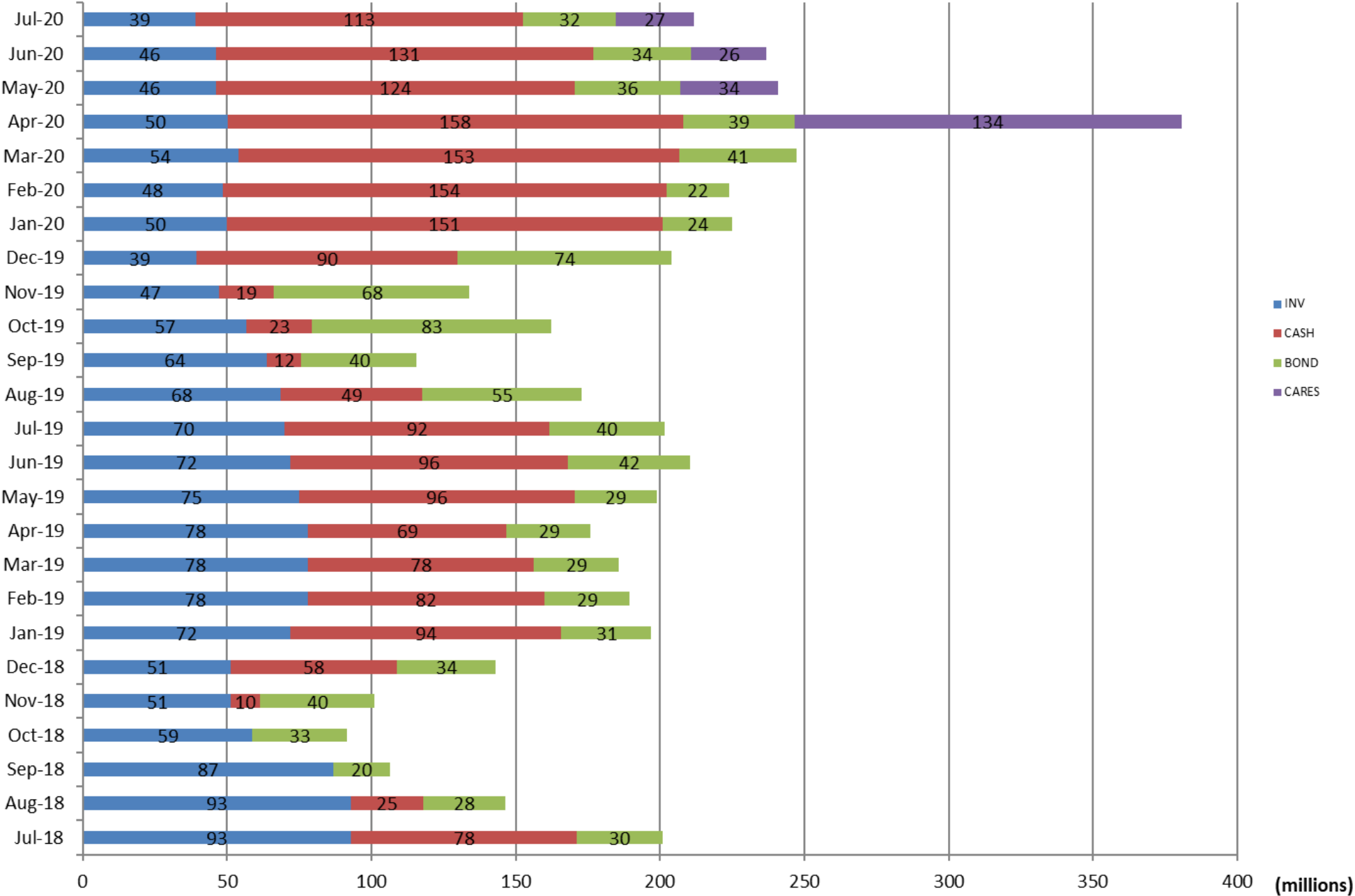
Louisville Metro Investment Council



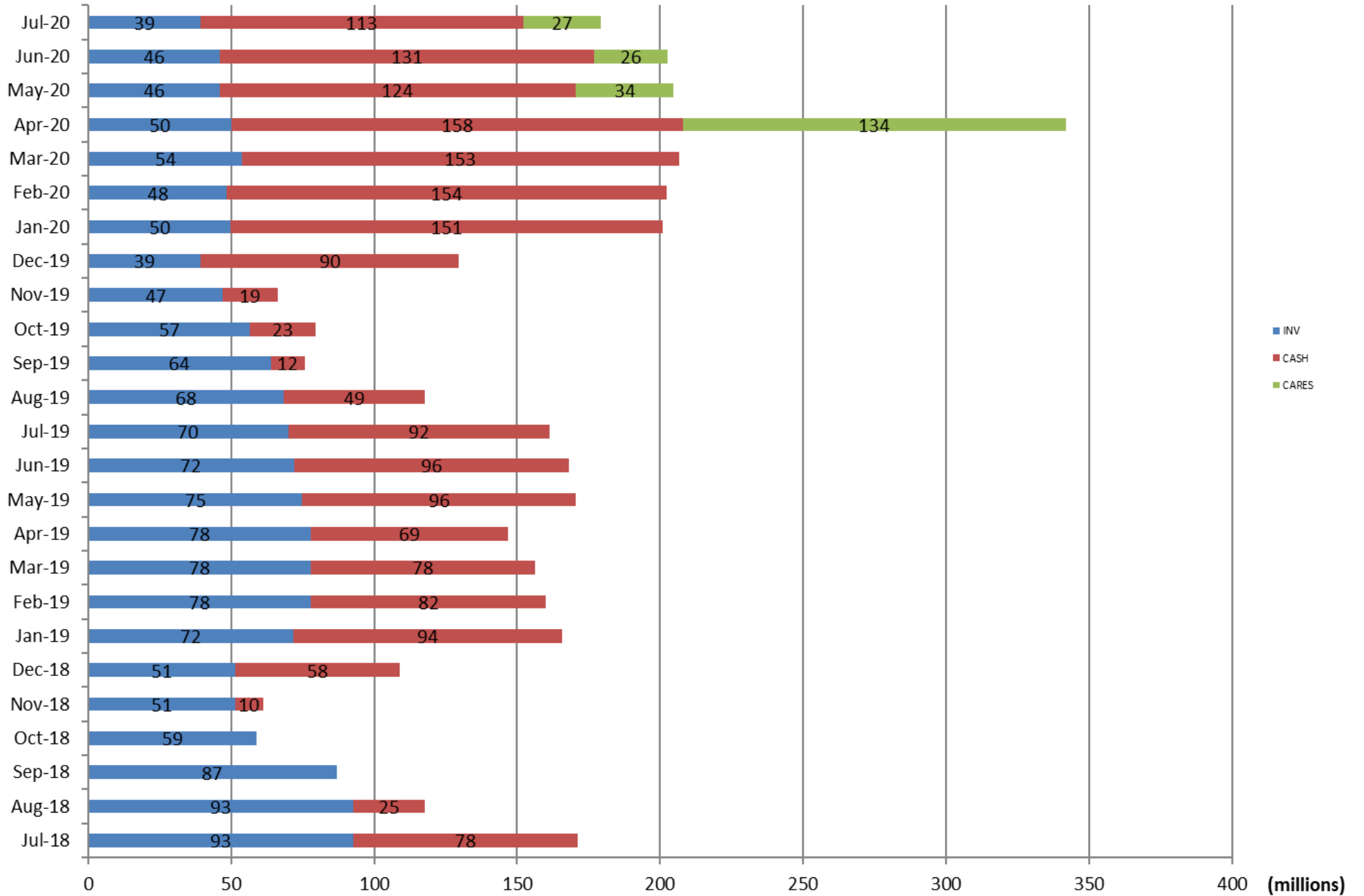
August 20, 2020

PORTFOLIO COMPOSITION

Metro Total Cash Position as of 7/31/20



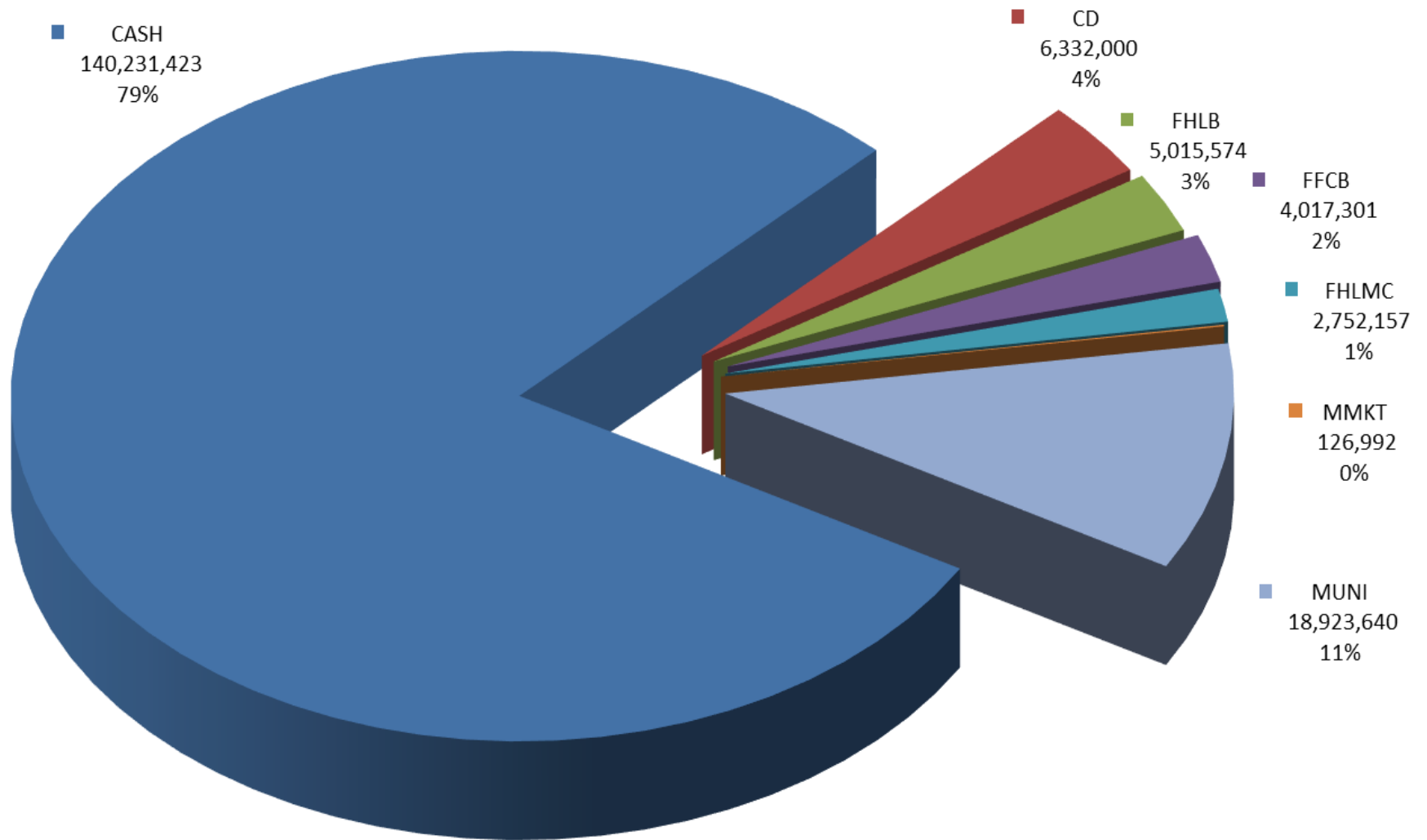
Metro Cash Position (Excluding Bond Proceeds) as of 7/31/20



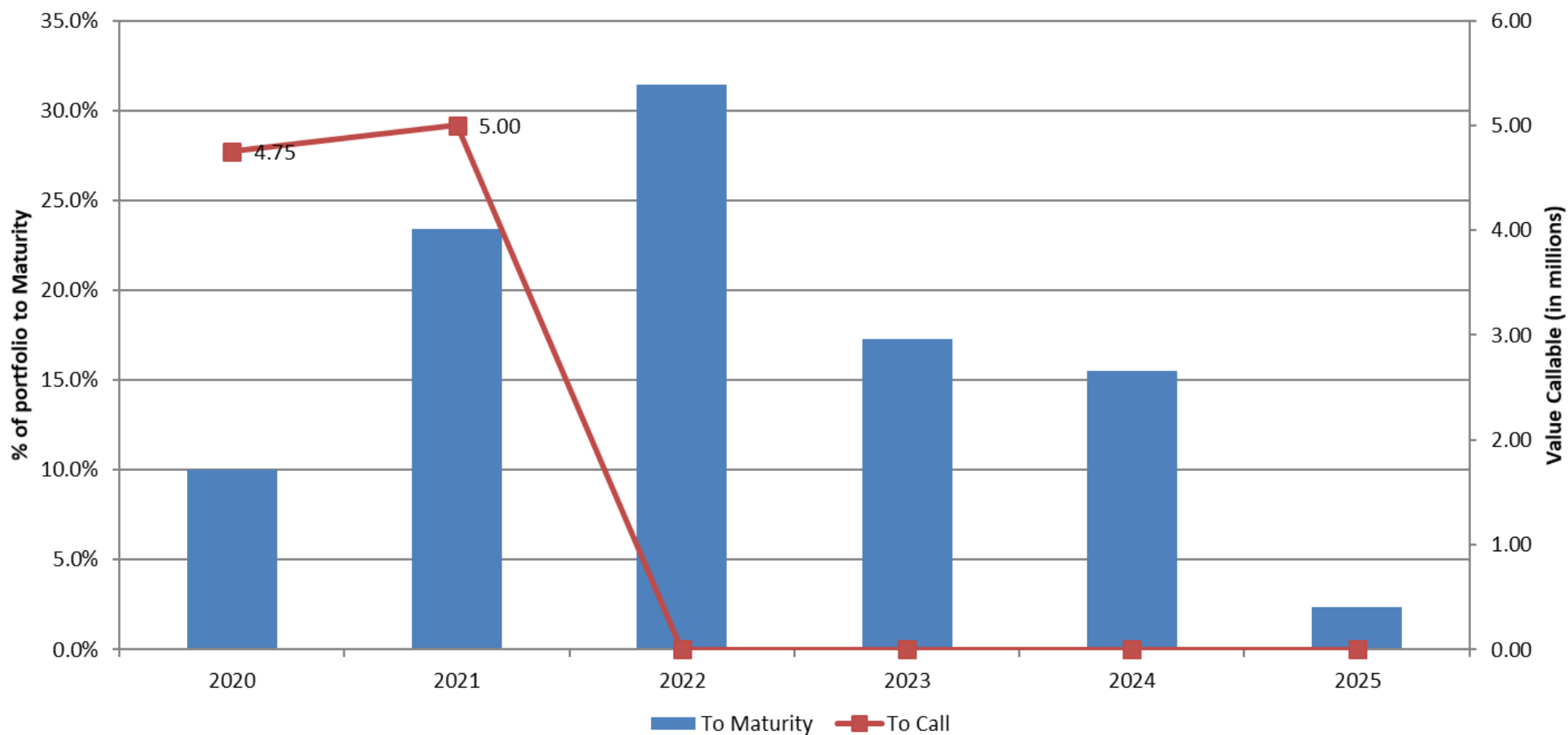
Acc Int / Amort / Mkt Val
Lou / Jeff Cty Metro Finance
 Effective Interest - Callable Life
 Receipts in Period
 7/31/2020

	Invest Number	CUSIP	Security Description	Call Date	Purchase Date	Ending Par Val/Shares	Ending Amor Val/Cost	Ending Market Val	Amortization Purch/Date	PTD Purch Received	Int/Div Rec Purch/Date	Int/Div Accrued Purch/Date	Purch Int + Acc Int
Cash	AR-0046	METRO CONC 53- 714868609	Cash Account	Open	09/22/08	130,970,230.01	130,970,230.01	130,970,230.01	0.00	0.00	2,780,480.72	0.00	0.00
	AR-0054	METRO SAFEKEEPING - 1050996303	Cash Account	Open	12/30/16	9,261,192.60	9,261,192.60	9,261,192.60	0.00	0.00	236,965.64	5,101.71	5,101.71
	Cash Total					140,231,422.61	140,231,422.61	140,231,422.61	0.00	0.00	3,017,446.36	5,101.76	5,101.76
Certificate of Deposit	18-0058	211163GW4	CONT BANK UTAH 2.10 07/26/21	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	13,117.81	87.50	87.50
	18-0059	55266CYB6	MB FINL BK ILL 2.35 01/26/22	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	14,679.45	81.60	81.60
	18-0060	58404DBA8	MEDALLION BK UTAH 2.40 01/26/22	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	14,991.78	83.33	83.33
	18-0061	857894WJ4	STEARNS BK MINN 2.20 01/26/21	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	13,742.37	76.39	76.39
	18-0062	27113PCG4	EAST BOSTON SVGS 2.30 07/30/21	Open	01/30/18	250,000.00	250,000.00	250,000.00	0.00	0.00	14,367.12	31.94	31.94
	18-0065	501798LQ3	LCA BANK CORPORATION 2.60 02/28/22	Open	02/28/18	246,000.00	246,000.00	246,000.00	0.00	0.00	12,791.99	2,753.83	2,753.83
	18-0067	856285JS1	ST BK IND NYC 3.00 03/06/23	Open	03/06/18	246,000.00	246,000.00	246,000.00	0.00	0.00	14,780.22	3,034.00	3,034.00
	18-0068	254673MW3	DISCOVER BANK 2.65 03/08/21	Open	03/07/18	246,000.00	246,000.00	246,000.00	0.00	0.00	13,055.86	2,643.82	2,643.82
	18-0070	75272LAD8	RANDOLPH SAVINGS BANK 2.60 03/09/22	Open	03/09/18	246,000.00	246,000.00	246,000.00	0.00	0.00	12,809.52	2,576.17	2,576.17
	19-0020	86789VXR3	SUNTRUST SILC 3.00 08/12/22	Open	02/12/20	248,000.00	248,000.00	248,000.00	0.00	0.00	9,274.52	1,651.07	1,651.07
	19-0021	38148P5B9	GOLDMAN SACHS NYC 3.10 02/13/24	Open	02/14/19	250,000.00	250,000.00	250,000.00	0.00	21.23	7,750.00	3,609.59	3,630.82
	19-0022	61690UEH9	MORGAN STANLEY, SALT LK CITY 3.05 02/14/24	Open	02/14/19	250,000.00	250,000.00	250,000.00	0.00	0.00	7,625.00	3,530.48	3,530.48
	19-0023	949763XQ4	WELLS FARGO SIOUX FALLS 3.10 02/13/24	Open	02/14/19	250,000.00	250,000.00	250,000.00	0.00	20.50	10,956.19	387.50	408.73
	19-0025	06426KBA5	BANK OF NEW ENGLAND SALEM 2.85 02/15/24	Open	02/15/19	250,000.00	250,000.00	250,000.00	0.00	0.00	10,072.60	312.33	312.33
	19-0026	1731202V0	CTIBANK SIOUX FALLS 3.00 02/15/24	Open	02/15/19	250,000.00	250,000.00	250,000.00	0.00	0.00	7,500.00	3,452.05	3,452.05
	19-0029	87270LBUE	TIAA FSB JACKSONVILLE 3.00 02/22/24	Open	02/22/19	250,000.00	250,000.00	250,000.00	0.00	0.00	7,500.00	3,308.22	3,308.22
	20-0001	CD1499	YCB 0.149 08/23/20	Open	09/23/19	250,000.00	250,000.00	250,000.00	0.00	0.00	280.83	39.32	39.32
	20-0002	2000772	LIBERTY BANK 1.80 10/07/20	Open	10/07/19	100,000.00	100,000.00	100,000.00	0.00	0.00	1,351.26	120.00	120.00
	20-0039	33852	LIBERTY BANK 0.41 05/07/21	Open	05/07/20	1,000,000.00	1,000,000.00	1,000,000.00	0.00	0.00	673.97	273.33	273.33
	20-0041	33867	LIBERTY BANK 0.31 06/07/21	Open	06/08/20	1,000,000.00	1,000,000.00	1,000,000.00	0.00	0.00	263.29	206.67	206.67
	Certificate of Deposit Total					6,332,000.00	6,332,000.00	6,332,000.00	0.00	41.73	187,583.78	28,259.14	28,301.60
FFCB	19-0014	3133EJP60	FFCB 3.00 05/02/23	Open	01/29/19	2,000,000.00	2,017,301.05	2,150,900.00	-8,898.95	14,500.00	90,000.00	14,833.33	29,333.33
	20-0021	3133ELKR4	FFCB 1.54 02/03/22	Open	02/03/21	2,000,000.00	2,000,000.00	2,008,500.00	0.00	0.00	0.00	15,228.89	15,228.89
	FFCB Total					4,000,000.00	4,017,301.05	4,159,400.00	-8,898.95	14,500.00	90,000.00	30,062.22	44,562.22
FHLB	19-0006	3130AFE78	FHLB 3.00 12/09/22	Open	01/29/19	2,000,000.00	2,015,573.94	2,131,640.00	-9,426.06	9,861.11	95,500.00	8,666.67	22,500.00
	20-0015	3130AHWX7	FHLB 1.64 07/22/22	Open	01/22/21	2,000,000.00	2,000,000.00	2,012,380.00	0.00	182.22	16,400.00	820.00	1,002.22
	20-0023	3130AHYF4	FHLB 1.64 02/10/23	Open	02/10/21	1,000,000.00	1,000,000.00	1,005,580.00	0.00	0.00	0.00	7,790.00	7,790.00
	FHLB Total					5,000,000.00	5,015,573.94	5,149,600.00	-9,426.06	10,043.33	111,900.00	17,276.67	31,292.22
FHLMC	19-0010	3134GSTN5	FHLMC 3.00 08/17/22	Open	08/17/20	1,250,000.00	1,250,118.52	1,251,300.00	-3,943.98	16,875.00	56,250.00	17,083.33	33,958.33
	20-0029	3134GVDC9	FHLMC 1.70 11/20/23	Open	11/20/20	1,500,000.00	1,502,038.41	1,504,830.00	-2,733.09	3,683.33	6,375.00	5,029.17	6,020.84
	FHLMC Total					2,750,000.00	2,752,156.93	2,756,130.00	-6,677.07	20,558.33	62,625.00	22,112.50	39,979.17
FNMA	20-0025	3135G0Y49	FNMA 1.70 02/21/23	Open	08/21/20	2,000,000.00	2,000,388.17	2,001,640.00	-2,891.83	0.00	0.00	14,072.22	15,111.11
	FNMA Total					2,000,000.00	2,000,388.17	2,001,640.00	-2,891.83	0.00	0.00	14,072.22	15,111.11
Money Market	AR-0001	MMKT FED - 5000638	Money Market	Open	07/01/99	166.37	166.37	166.37	0.00	0.00	1,652,560.71	0.00	0.00
	AR-0058	JPMORGAN MMKT - 00005017334	Money Market	Open	12/19/17	24,125.43	24,125.43	24,125.43	0.00	0.00	24,125.42	0.00	0.00
	AR-0059	GOLDMAN SACHS MMKT - 0188506760	Money Market	Open	12/19/17	40,119.49	40,119.49	40,119.49	0.00	0.00	40,119.47	0.00	0.00
	AR-0060	FEDERATED MMKT - 06090498885	Money Market	Open	12/19/17	24,248.05	24,248.05	24,248.05	0.00	0.00	24,248.04	0.00	0.00
	AR-0061	DREYFUS MMKT - 0616753258	Money Market	Open	12/19/17	38,332.88	38,332.88	38,332.88	0.00	0.00	38,332.88	0.00	0.00
	Money Market Total					126,992.22	126,992.22	126,992.22	0.00	0.00	1,779,417.13	0.00	0.00
Municipal Bond	16-0065	64971WF39	NYC TRAN FIN AUTH-SUB 1.69 02/01/21	Open	06/23/16	1,350,000.00	1,350,937.06	1,359,409.50	-7,419.44	4,999.58	86,189.99	11,407.50	15,336.75
	17-0012	555542LS6	MACON-BIBB CNTY GA 3.00 12/01/20	Open	08/01/16	425,000.00	427,180.01	427,193.00	-25,385.49	2,104.72	50,939.17	2,125.00	4,250.00
	17-0028	64990EEL7	NY S DORM AUTH C-TXBL 2.12 03/15/21	Open	09/30/16	2,000,000.00	2,007,025.37	2,011,160.00	-41,874.63	1,766.67	148,400.00	16,017.78	17,784.45
	17-0029	64971WN97	NY TRANSITION TXBL 1.35 08/01/20	Open	09/30/16	2,625,000.00	2,625,000.00	2,625,000.00	-19,635.00	4,162.27	119,019.94	17,718.75	18,506.25
	17-0032	597137GZ5	MIDDLETOWN OH 2.053 12/01/20	Open	10/07/16	400,000.00	400,798.09	401,480.00	-8,877.91	2,831.62	32,787.17	1,368.67	4,060.38
	17-0051	696624AV7	CA PTDDEV 2.75 10/01/22	Open	02/06/17	1,000,000.00	998,955.35	1,033,570.00	1,575.35	3,235.92	87,159.72	9,166.67	9,625.00
	17-0075	04104ZV7	ARKANSAS ST 2.875 06/01/21	Open	06/09/17	800,000.00	806,893.33	813,344.00	-25,106.67	511.11	69,000.00	3,833.33	4,344.44
	18-0071	64966MWH8	NYC GO 2.80 03/01/22	Open	03/13/18	2,500,000.00	2,504,525.02	2,594,375.00	-6,449.98	0.00	140,125.00	29,166.67	29,166.67
	20-0012	116421D47	BROWNVILLE TX 3.041 08/15/24	Open	08/15/23	500,000.00	519,988.87	532,225.00	-3,261.13	6,842.25	7,602.50	7,011.19	13,853.44
	20-0013	20772KFJ3	CONNECTICUT ST 0.00 03/15/25	Open	01/27/20	1,000,000.00	916,294.55	928,430.00	8,814.55	0.00	0.00	0.00	0.00
	20-0014	91407ZJ38	ARKANSAS FAYETTEVILL 2.043 09/15/22	Open	01/27/20	295,000.00	297,098.01	298,687.50	-492.09	2,209.85	3,013.43	2,276.81	4,486.66
	20-0024	312782AF2	FAYETTEVILLE NC 3.515 06/01/24	Open	02/27/20	200,000.00	214,182.16	215,924.00	-1,527.84	1,679.39	3,515.00	1,171.67	2,851.06
	20-0026	745401EB1	PULASKI CNTY AR 2.15 02/01/24	Open	03/02/20	750,000.00	766,560.14	770,977.50	-1,897.36	0.00	0.00	6,673.96	8,062.50
	20-0027	49130NDV8	KENTUCKY EDU 3.76 06/01/24	Open	03/03/20	2,000,000.00	2,159,974.14	2,172,760.00	-16,565.86	19,217.78	37,600.00	12,533.33	31,751.11
	20-0028	64971W5X4	NYC TRANS TXBL 2.06 05/01/21	Open	03/03/20	2,000,000.00	2,011,014.09	2,026,080.00	-5,985.91	13,962.22	20,600.00	10,300.00	24,262.22
	20-0030	143287E73	CARMEL IN 2.78 01/15/24	Open	03/05/20	440,000.00	461,930.62	456,200.80	-2,506.98	1,698.89	6,116.00	543.64	2,242.53
	20-0031	143287EU0	CARMEL IN 2.83 07/15/24	Open	03/05/20	430,000.00	455,282.85	449,367.20	-2,516.65	1,690.14	6,084.50	540.84	2,230.98
	Municipal Bond Total					18,715,000.00	18,923,639.66	19,116,183.50	-159,113.04	66,912.41	818,143.42	131,855.81	192,814.44
	Investment Total					179,155,414.83	179,399,474.58	179,873,368.33	-187,006.95	112,055.80			

Total Portfolio Asset Allocation as of 7/31/2020



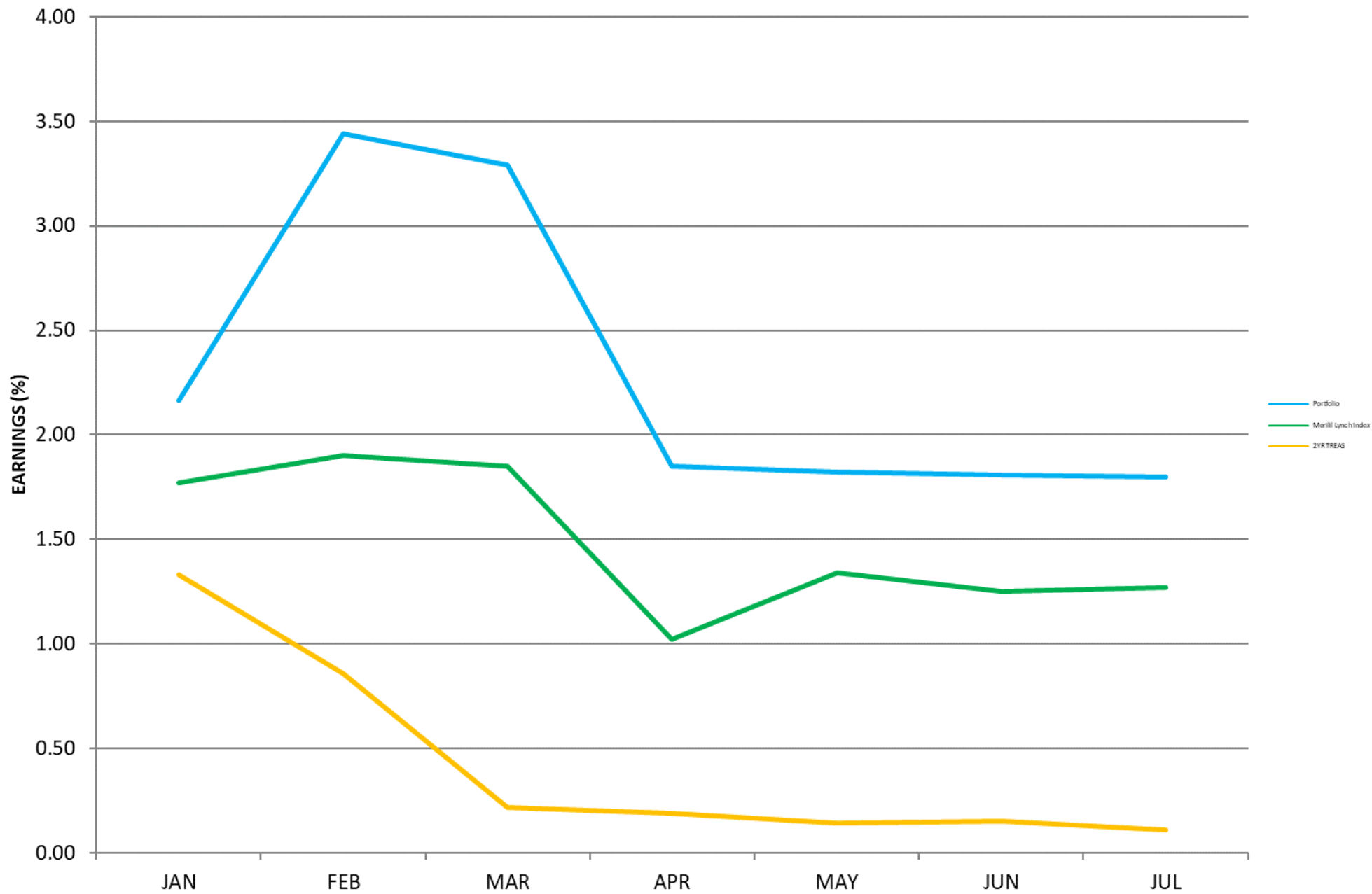
Investment Portfolio Distribution as of 7/31/20



	2020	2021	2022	2023	2024	2025	\$ TOTAL
CD	350,000	2,996,000	1,240,000	246,000	1,500,000	0	6,332,000
AGENCY	0	0	2,015,574	2,017,301	0	0	4,032,875
AGENCY - CALLABLE	0	0	5,250,119	4,502,427	0	0	9,752,545
MMKT	126,992	0	0	0	0	0	126,992
MUNI	3,452,978	6,175,870	3,800,578	0	4,577,919	916,295	18,923,640
\$ TOTAL	3,929,970	9,171,870	12,306,271	6,765,728	6,077,919	916,295	39,168,052
% OF TOTAL	10.0%	23.4%	31.4%	17.3%	15.5%	2.3%	100.0%

PORTFOLIO PERFORMANCE

Portfolio Performance as of 7/31/20



DATA ANALYSIS

Metro Cash Position

Metro's cash position remains solid despite recent challenges. In terms of liquid cash, Metro's balanced increased roughly \$17 million when compared to July 2019. This is mainly due to investments that were called in FY20 and those funds were not reinvested for a myriad of reasons and the balance of CARES funds. You will notice the portfolio total for July decreasing almost \$30 million year-over-year. This will increase over the next month or 2 as funds that were called/matured recently will be reinvested. This is just an internal movement of how funds are represented and won't change the overall cash position of Metro.

Asset Allocation

The following investments were called for the month of July:

FHLMC 1.75 01/29/24	\$4,000,000	YIELD 1.75%
FHLMC 1.65 01/30/23	\$1,000,000	YIELD 1.65%
FHLMC 1.80 07/30/24	\$2,000,000	YIELD 1.80%

Maturity Distribution

Distribution changed according to the activity listed above. There is roughly \$4 million that is set to mature and now only \$4.75 million that could be called in the remaining months of 2020. That called amount is done from nearly \$12 million last month. With rates remaining low for the foreseeable future, the most value will likely be found further along the yield curve which are the sectors in which our portfolio needs to be bolstered.

Portfolio Performance

Yields for the portfolio have remained steady for the last quarter. We'll likely continue this trend for the next few months but will begin trending lower as investments mature and funds are reinvested at lower rates. It's unlikely that the portfolio will fall as far as the 2yr Treasury rate as we will have more risk associated with our investments albeit relatively low, but the gap between the two will certainly narrow. It will become increasingly important to focus on high-quality investments moving forward.

ECONOMIC UPDATE

ECONOMIC UPDATE

As business closed their doors and consumers sheltered in place, the second quarter GDP declined by nearly 10%. While the drop was unprecedented, it was hardly surprising. Unemployment remains at historically high levels and health officials are concerned with a spike in the late summer/early fall as schools in several states resume in-person instruction. Some health officials liken this to a roller coaster in which cases will spike and slow and spike again as people start to return to “normal” habits. If that’s the case, when do we get off and put our feet back on level ground?

The answer to that question is more complicated than you may think according to Senior Economist at the St. Louis Fed, Max Dvorkin. Dvorkin stated his belief that technology, while it has been beneficial to businesses in continuing operations in many industries, it may also be hurting other industries and could impact the economic recovery. Not to sound like a science-fiction thriller but robots may be to blame.

Dvorkin cites an increase in robotic automation replacing jobs primarily in the service and manufacturing sectors in the U.S. economy. Manufacturing isn’t necessarily surprising, but the service industry is. Look at warehouses like Amazon who has invested in robots retrieving items for orders using RFID technology instead of using the traditional “runner” to pull orders. This trend is made more attractive right now because robots can’t catch or transmit disease and you only need a few employees to maintain the robotic workforce.

In a separate publication by the St. Louis Fed, they estimate that 60% of the their district’s jobs could face automation over the next 20 years with the greatest impact being felt in smaller MSA’s as they tend to have a higher concentration of employment in sales and production occupations. This doesn’t inspire any confidence in the unemployment number improving, at least not in the long term.

It also goes beyond the direct concern with current employees. What happens to future jobs if they’re automated? As previously mentioned, employment may shift from the actual work to be done to one of monitoring and maintenance of the robotic workforce. Dvorkin mentions that in order to prepare future workers for this, there will need to be a shift in the curriculum offered by schools. This presents a problem because not everyone has access to technology and the resources needed to make this change.

We’re seeing this play out now in schools as they try to provide remote learning opportunities to students in our city, the largest in the state. If the larger MSA’s have issues providing resources, how are the smaller MSA’s, who are expected to be hit the hardest, expected to be able to prepare for the future? It presents an interesting dilemma.

To be clear, this phenomenon is not new to the U.S. This same issue hit the agriculture industry decades ago and the increased production capacity of farmers meant that labor was freed up to pursue other types of employment. The issue now is that the jobs that the farmers would have likely moved to are now the ones being automated. So, whenever the pandemic ends and things return to “normal”, employment may rebound in the short term, but we should be preparing for what the future holds.

Total Portfolio Shock Table
Lou / Jeff Cty Metro Finance
 Effective Interest - Actual Life
 Receipts in Period
 7/31/2020

<i>Data Category</i>	<i>Down 300</i>	<i>Down 200</i>	<i>Down 100</i>	<i>Current</i>	<i>Up 100</i>	<i>Up 200</i>	<i>Up 300</i>
Current Par	38,923,992.22	38,923,992.22	38,923,992.22	38,923,992.22	38,923,992.22	38,923,992.22	38,923,992.22
Amor. Cost	39,175,763.44	39,175,763.44	39,175,763.44	39,175,763.44	39,175,763.44	39,175,763.44	39,175,763.44
Market Value	39,525,554.72	39,564,351.72	39,603,148.72	39,641,945.72	39,680,742.72	39,719,539.72	39,758,336.72
% Change	-0.29 (0.10)	-0.20 (0.10)	-0.10 (0.10)	0.00 (0.10)	0.10 (0.10)	0.20 (0.10)	0.29 (0.10)
Market Price	101.55	101.65	101.74	101.84	101.94	102.04	102.14
Market Yield	8.6099	6.1436	3.6822	1.2263	-1.226	-3.6729	-6.1149
Gain / Loss	349,791.28	388,588.28	427,385.28	466,182.28	504,979.28	543,776.28	582,573.28

The table above represents the interest rate risk of the investment portfolio of individual fixed incomesecurities. By adjusting current market rates and by using the matrix pricing technique, the portfolio wassubjected to an immediate interest rate shock of plus or minus 300 basis points. The results in weightedaverage total is presented above which details the projected market value, market price, total unrealizedgain (loss) and percentage market value change from the current interest rate environment.