Virginia Local Government Investment Pool

About the Pool

Pool Rating: AAm
Pool Type: Stable NAV Government Investment Pool
Investment Adviser: Commonwealth of Virginia Department of the Treasury
Portfolio Manager: Neil Boege. CIO
Pool Rated Since: June 2005
Custodian: JPMorgan Chase & Co.

Rationale

S&P Global rates the Virginia Local Government Investment Pool 'AAAm'. This rating is based on S&P Global's analysis of the pool's credit quality, market price exposure, and management skill. The rating signifies our forward-looking opinion about a fixed-income fund's ability to maintain principal value (i.e., stable net asset value, or 'NAV'). This is accomplished through conservative investment practices and strict internal controls. S&P Global monitors the portfolio on a daily basis.

Overview

The Virginia Local Government Investment Pool was created in 1980 under the administrative control of the Treasury Board. It was designed to provide all local government units of the Commonwealth of Virginia with an investment vehicle for short-term investment of funds. A pooled fund strategy is utilized in accordance with Statement no. 79 of the Government Accounting Standards Board (GASB) for municipalities with the investment objective of minimizing risk of principal loss while offering daily liquidity and a competitive rate of return.

Management

The Treasury Board of the Commonwealth of Virginia serves as the investment adviser and has delegated responsibility for the day-to-day management of the pool's assets to the State Treasurer, subject to Treasury Board guidelines. The entire Treasury Board meets on a monthly or as needed basis to review investment strategies, performance and changes to the investment policy. All changes to the investment policy are done on an as-needed basis and must be approved by the Treasury Board. The Treasury Board reviews the portfolio on a monthly or as needed basis. The Commonwealth's investment team has ad hoc meetings throughout the day where they discuss maturity strategies, markets, sectors, interest rates, the short- and long-term economic outlook and general investment strategies.

Portfolio Assets

The investment objectives of the pool are to achieve current income while it preserves capital and maintains liquidity. The portfolio will invest in high-quality, short-term securities denominated in U.S. dollars. Investments generally consist of direct obligations issued by, or obligations that are fully guaranteed as to principal and interest by, the U.S. government, or any of its agencies or instrumentalities, repurchase agreements backed by such securities, certificates of deposits, other S&P Global rated money-market funds, commercial paper, short-term corporate notes, and floating rate securities.
Principal Stability Rating Approach and Criteria

A S&P Global Ratings principal stability fund rating, also known as a "money market fund rating," is a forward-looking opinion about a fixed income fund’s capacity to maintain stable principal (net asset value). When assigning a principal stability rating to a fund, S&P Global Ratings analysis focuses primarily on the creditworthiness of the fund’s investments and counterparties, and also its investments’ maturity structure and management’s ability and capacities to pay investor redemptions in cash during times of high market stress, because they generally comprise shorter maturity and higher quality investments.

Principal stability fund ratings, or money market fund ratings, are identified by the ‘m’ suffix (e.g., ‘AAAm’) to distinguish the principal stability rating from a S&P Global Ratings traditional issue or issuer credit rating. A traditional issue or issuer credit rating reflects S&P Global Ratings view of a borrower’s ability to meet its financial obligations. Principal stability fund ratings are not commentaries on yield levels.

Generally, when faced with an unanticipated level of redemption requests during periods of high market stress, the manager of any fund may suspend redemptions for up to five business days or meet redemption requests with payments in-kind in lieu of cash. A temporary suspension of redemptions or meeting redemption requests with distributions in-kind does not constitute a failure to maintain stable net asset values. However, higher rated funds are expected to have stronger capacities to pay investor redemptions in cash during times of high market stress because they generally comprise shorter maturity and higher quality investments.

Principal stability fund ratings are not commentaries on yield levels.

Data Bank as of March 31, 2021

<table>
<thead>
<tr>
<th>Net Asset Value per Share</th>
<th>$1.00013</th>
<th>Net Assets (millions)</th>
<th>$7,540.00</th>
<th>Inception Date</th>
<th>July 1980</th>
</tr>
</thead>
<tbody>
<tr>
<td>WAM (R) *</td>
<td>51 days</td>
<td>WAM (F) **</td>
<td>106 days</td>
<td>7 Day Yield</td>
<td>0.09%</td>
</tr>
</tbody>
</table>

* Weighted Average Maturity (Reset) ** Weighted Average Maturity (Final)

Portfolio Credit Quality as of March 31, 2021 *

- A-1 23.4%
- A-1+ 76.6%

*As assessed by S&P Global Ratings

Portfolio 7 Day Net-Yield Comparison *

- S&P Rated GIP Index/General Purpose Taxable
- Fund

* S&P ‘AAAm’ Money Fund Indices are calculated weekly by iMoneyNet, Inc., and are comprised of funds rated or assessed by S&P Global Ratings to within the specific rating categories. The S&P Global Ratings Rated GIP Indices are calculated weekly by S&P Global Ratings and are comprised of ‘AAAm’ and ‘Aam’ government investment pools.

The yield quoted represents past performance. Past performance does not guarantee future results. Current yield may be lower or higher than the yield quoted.

Pool portfolios are monitored weekly for developments that could cause changes in the ratings. Rating decisions are based on periodic meetings with senior credit ratings staff and public information.

S&P Global Ratings is neither associated nor affiliated with the fund.

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