



**NOTICE OF A
REGULAR MEETING OF THE
CALOPTIMA BOARD OF DIRECTORS'
FINANCE AND AUDIT COMMITTEE**

**THURSDAY, FEBRUARY 15, 2018
2:00 P.M.**

**505 CITY PARKWAY WEST, SUITE, 108-N
ORANGE, CALIFORNIA 92868**

BOARD OF DIRECTORS' FINANCE AND AUDIT COMMITTEE

Lee Penrose, Chair
Ron DiLuigi
Scott Schoeffel

CHIEF EXECUTIVE OFFICER
Michael Schrader

CHIEF COUNSEL
Gary Crockett

CLERK OF THE BOARD
Suzanne Turf

This agenda contains a brief description of each item to be considered. Except as provided by law, no action shall be taken on any item not appearing on the agenda. To speak on an item, complete a Public Comment Request Form(s) identifying the item(s) and submit to the Clerk of the Board. To speak on a matter not appearing on the agenda, but within the subject matter jurisdiction of the Board of Directors' Finance and Audit Committee, you may do so during Public Comments. Public Comment Request Forms must be submitted prior to the beginning of the Consent Calendar, the reading of the individual agenda items, and/or the beginning of Public Comments. When addressing the Committee, it is requested that you state your name for the record. Address the Committee as a whole through the Chair. Comments to individual Committee Members or staff are not permitted. Speakers are limited to three (3) minutes per item.

In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the clerk of the Board's Office at (714) 246-8806, at least 72 hours prior to the meeting.

The Board of Directors' Finance and Audit Committee Meeting Agenda and supporting documentation is available for review at CalOptima, 505 City Parkway West, Orange, CA 92868, 8:00 a.m. – 5:00 p.m., Monday-Friday, and online at www.caloptima.org.

CALL TO ORDER

Pledge of Allegiance
Establish Quorum

PUBLIC COMMENTS

At this time, members of the public may address the Committee on matters not appearing on the agenda, but under the jurisdiction of the Board of Directors' Finance and Audit Committee. Speakers will be limited to three (3) minutes.

MANAGEMENT REPORTS

1. [Chief Financial Officer Report](#)
 - a. Medical Loss Ratio (MLR) – Department of Health Care Services
 - b. MLR – Health Networks

INVESTMENT ADVISORY COMMITTEE UPDATE

2. [Treasurer's Report](#)

CONSENT CALENDAR

3. [Minutes](#)
 - a. Approve Minutes of the November 16, 2017 Regular Meeting of the CalOptima Board of Directors' Finance and Audit Committee
 - b. Receive and File Minutes of the October 30, 2017 Special Meeting of the CalOptima Board of Directors' Investment Advisory Committee

REPORTS

4. [Consider Recommending Board of Directors Receive and File 2017 Compliance Program Effectiveness \(CPE\) Audit Report](#)
5. [Consider Recommending the Board of Directors Authorize Proposed Budget Allocation Changes in the CalOptima Fiscal Year 2017-2018 Operating Budget](#)

INFORMATION ITEMS

6. [December 2017 Financial Summary](#)
7. [Child Health and Disability Prevention Program \(CHDP\) Update](#)
8. [CalOptima Information Systems Security Update](#)
9. [Cost Containment Improvements/Initiatives](#)
10. Quarterly Reports to the Finance and Audit Committee
 - a. [Shared Risk Pool Performance](#)
 - b. [Reinsurance Report](#)
 - c. [Health Network Financial Report](#)
 - d. [Purchasing Report](#)

COMMITTEE MEMBER COMMENTS

ADJOURNMENT

Board of Directors' Finance and Audit Committee Meeting February 15, 2018

Chief Financial Officer Report

Medical Loss Ratio (MLR) – Department of Health Care Services (DHCS)

- DHCS is contractually required to perform a Medical Loss Ratio (MLR) calculation for Medi-Cal Adult Expansion (MCE) members for the 18-month period of January 1, 2014 through June 30, 2015, and the 12-month period of July 1, 2015, through June 30, 2016.
- DHCS has provided the final data request templates and instructions designed to collect the data needed to perform the MCE-MLR calculations to the plans.
- The due date for submitting the data template is Friday, March 9, 2018.
- MLR Corridor: Plans with less than 85%, MLRs shall return the difference. Plans with greater than 95% MLRs shall receive additional payments from DHCS. Plans with MLRs between 85% and 95% will not make an MLR adjustment either to/from DHCS.
- DHCS reserves the right to audit a plan's reported MLR data in the future, at its discretion (the initial data review and MLR determination is not the audit).
- MLR data may also be subject to audit by other state or federal oversight agencies including, but not limited to, the Centers for Medicare & Medicaid Services (CMS), Department of Justice (DOJ) and Government Accountability Office (GAO).
- DHCS will issue a determination letter which will include key findings, material adjustments and any revised MLR calculation. Plans will have 30 days to respond in writing.
- Plans have the right to appeal findings.
- Any amounts due to/from Plans must be completed within 90 days of the MLR Calculation being considered final.
- Estimated timeline:
 - MLR data file due to DHCS – March 9, 2018 (extensions may be granted by DHCS).
 - DHCS review period for data files – estimated March 10 through April 30, 2018.
 - Determination letter to plans at end of review period – estimated sometime in April 2018.
 - Plan has the right to review and appeal findings by DHCS in writing within 30 days of receipt of the determination letter. DHCS required to respond to any appeals within 30 days.

- Plan has 90 days from final MLR calculation to make payment to DHCS – estimated to be sometime in July – August 2018 time period.
- DHCS is required to make any payments due back to CMS within the same 90 days.

MLR – Health Networks

- Eleven (11) Health Networks have contracts that include requirement to maintain a minimum acceptable MLR of 85% for Medi-Cal programs.
 - HMOs - 1
 - PHCs - 3
 - SRGs - 7
- Audit periods are based on a Calendar Year.
- Health Networks are required to develop or maintain quality and/or incentive programs that are compliant with Title 42, Code of Federal Regulations (42 CFR) Parts 431, 433, 438, et al, (i.e., CMS Final Rule), and to ensure adequate payment rates to providers and facilities serving health network members.
- Timeline/Status
 - MLR audits are in process with field work expected to be completed by end of February 2018.
 - Audit review and finalization with Health Networks during March 2018 with final reports expected to be completed by end of March 2018.

Board of Directors' Finance and Audit Committee February 15, 2018

Quarterly Treasurer's Report October 1, 2017, through December 31, 2017

Overview

To fulfill the requirements of Government Code, Section 53646(b) and the 2017 Annual Investment Policy adopted by CalOptima's Board of Directors on December 1, 2016, the Treasurer submits this quarterly investment report for the period October 1, 2017, through December 31, 2017.

Meketa Investment Group, Inc., completed an independent compliance review of the monthly investment reports prepared by CalOptima's three (3) investment managers: Logan Circle Partners, Payden & Rygel and Wells Capital. The review found that all investments were compliant with Government Code, Section 53600 et seq, and CalOptima's 2017 Annual Investment Policy.

Portfolio Summary

As of December 31, 2017, the market values of the Short-Term Operating and Restricted Reserve portfolios are as follows (in millions):

	Payden & Rygel	Logan Circle	Wells Capital	Total
Short-Term Operating	\$468,653,861	\$469,023,337	\$296,556,256	\$1,234,233,454
Board Designated Reserves				
Tier 1	\$146,736,596	\$146,622,040	\$146,295,076	\$439,653,712
Tier 2	--	\$97,243,070	--	\$97,243,070
Total	\$615,390,457	\$712,888,447	\$442,851,332	\$1,771,130,237

Six Month Cash Sufficiency

Based upon a review of forecasted revenues and expenses, CalOptima has sufficient cash on-hand plus projected revenues to meet its operating requirements for the next six (6) months.

Investments Compared to Reserve Policy

In accordance with CalOptima Policy GA.3001: Board-designated Reserve Funds, CalOptima shall maintain a minimum reserve level of one point four (1.4) months and a maximum of two (2) months in consolidated capitation revenues. The following provides a comparison of investments to the minimum and maximum level of Board-designated reserve funds as of December 31, 2017, demonstrating funds in excess to satisfy minimum requirements.

A) Board-designated Reserve Fund (CalOptima Policy GA.3001)

Reserve Name	Market Value	Benchmark		Variance	
		<i>Low 1.4</i>	<i>High 2.0</i>	<i>Low 1.4</i>	<i>High 2.0</i>
Tier 1 - Payden & Rygel	\$146,736,596				
Tier 1 - Logan Circle	\$146,622,040				
Tier 1 - Wells Capital	\$146,295,076				
	\$439,653,712	\$301,731,893	\$469,161,551	\$137,921,819	(\$29,507,839)

B) CalOptima's Regulatory Compliance Requirements

Reserve Name	Market Value	Regulatory Compliance Requirements		Variance	
		<i>TNE</i>	<i>TNE</i>	<i>TNE</i>	<i>TNE</i>
Tier 2 - Logan Circle	\$97,243,070	\$88,937,308	\$88,937,308	\$8,305,763	\$8,305,763
Consolidated:	\$536,896,783	\$390,669,201	\$558,098,859	\$146,227,581	(\$21,202,076)
<i>Compliance Level</i>	<i>1.92</i>	<i>1.40</i>	<i>2.00</i>	-	-

CalOptima continues to meet the minimum level of Board-designated reserve funds with a surplus of \$146,227,581 as of December 31, 2017.

Update on Fund Transfers

Pursuant to CalOptima Policy GA.3001: Board-designated Reserve Funds, CalOptima will monitor liquidity requirements for the next twelve (12) months, and will transfer funds from Short-Term Operating to Board-designated reserves, if necessary. At the January 23, 2018, meeting, Staff provided an update to the Investment Advisory Committee members and CalOptima's investment managers regarding any outflows for the first quarter of 2018. CalOptima's Board-designated reserve compliance level is currently at 1.92.

Attachment

Quarterly Investment Report – October 1, 2017, through December 31, 2017

FUND EVALUATION REPORT

CalOptima

Quarterly Review
December 31, 2017



M E K E T A I N V E S T M E N T G R O U P

BOSTON
MASSACHUSETTS

CHICAGO
ILLINOIS

MIAMI
FLORIDA

PORTLAND
OREGON

SAN DIEGO
CALIFORNIA

LONDON
UNITED KINGDOM

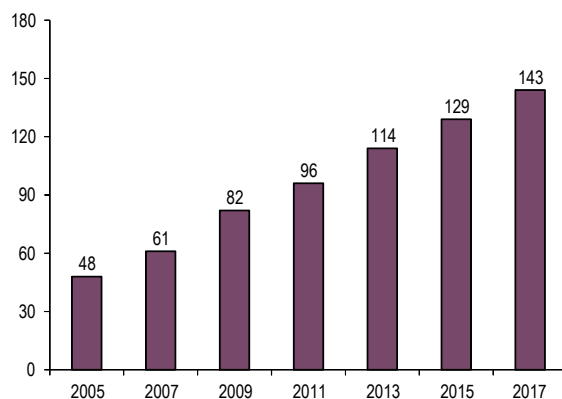
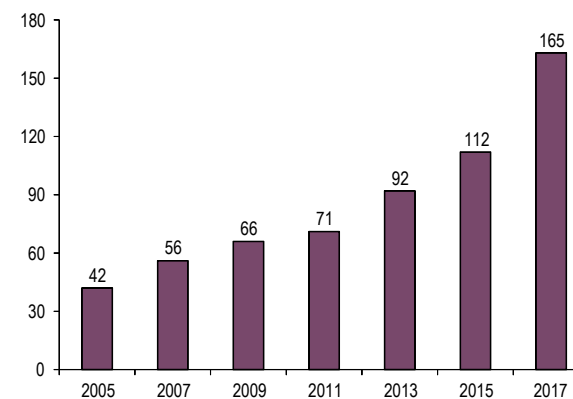
www.meketagroup.com

[Back to Agenda](#)

1. **Corporate Update**
2. **4Q17 Review**
3. **Quarterly Investment Report Supplement**
4. **Custom Peer Group**
5. **Performance Attribution**
6. **Holdings**
7. **Disclaimer, Glossary, and Notes**

Meketa Investment Group Corporate Update

- Staff of 143, including 96 investment professionals and 32 CFA Charterholders
- 165 clients, with over 290 funds throughout the United States
- Significant investment in staff and resources
- Offices in Boston, Chicago, Miami, Portland (OR), San Diego, and London
- We advise on over \$600 billion in client assets
 - Over \$90 billion in assets committed to alternative investments
 - Private Equity ▪ Infrastructure ▪ Natural Resources
 - Real Estate ▪ Hedge Funds ▪ Commodities

Employee Growth**Client Growth**

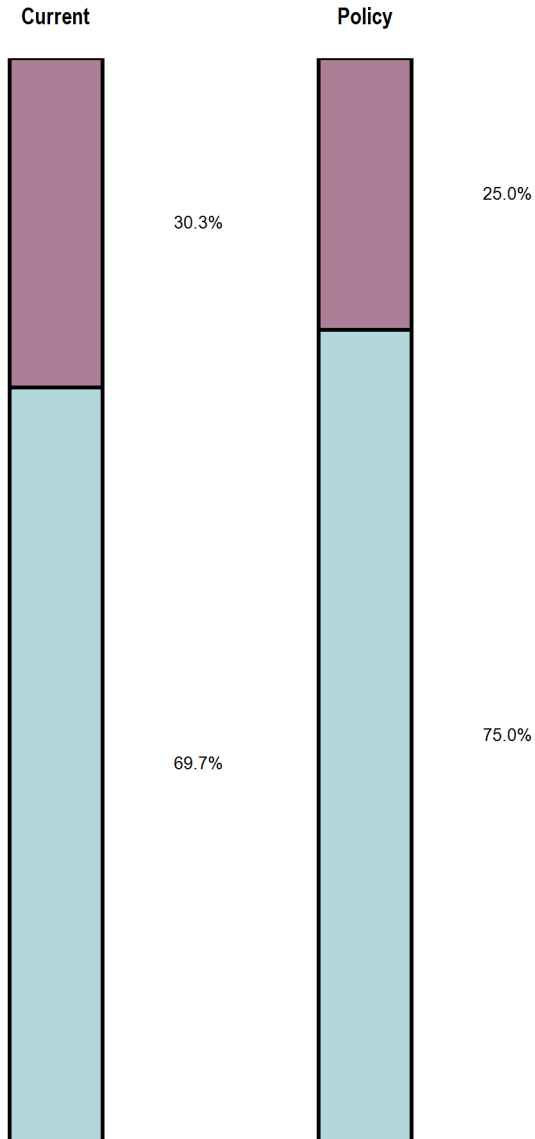
Meketa Investment Group is proud to work for over 5 million American families everyday.



Asset Classes Followed Intensively by Meketa Investment Group

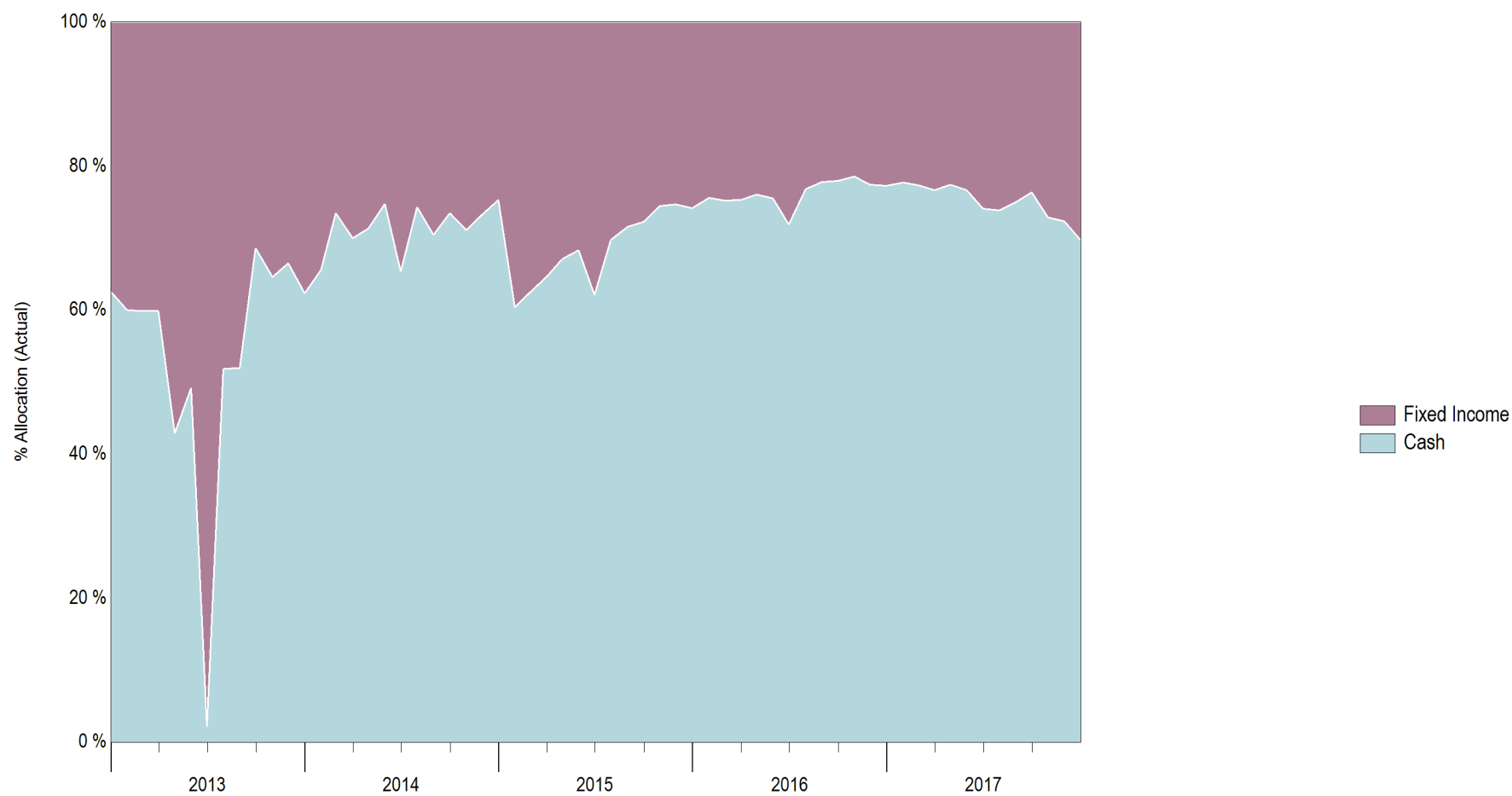
Domestic Equities	International Equities	Private Equity	Real Assets	Fixed Income	Hedge Funds
<ul style="list-style-type: none"> - Passive - Enhanced Index - Large Cap - Midcap - Small Cap - Microcap - 130/30 	<ul style="list-style-type: none"> - Large Cap Developed - Small Cap Developed - Emerging Markets - Frontier Markets 	<ul style="list-style-type: none"> - Buyouts - Venture Capital - Private Debt - Special Situations - Secondaries - Fund of Funds 	<ul style="list-style-type: none"> - Public REITs - Core Real Estate - Value Added Real Estate - Opportunistic Real Estate - Infrastructure - Timber - Natural Resources - Commodities 	<ul style="list-style-type: none"> - Short-Term - Core - Core Plus - TIPS - High Yield - Bank Loans - Distressed - Global - Emerging Markets 	<ul style="list-style-type: none"> - Long/Short Equity - Event Driven - Relative Value - Fixed Income Arbitrage - Multi Strategy - Market Neutral - Global Macro - Fund of Funds - Portable Alpha

4Q17 Review



Allocation vs. Targets and Policy		
	Current Balance	Current Allocation
Fixed Income	\$536,896,783	30%
Cash	\$1,234,233,454	70%
Total	\$1,771,130,237	100%

Asset Allocation History
5 Years Ending December 31, 2017



As of December 31, 2017

Asset Class Performance Summary

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Fund(Gross)	1,771,130,237	100.000	0.209	0.533	1.095	0.809	--	--	0.769	Oct-14
Total Fund(Net)			0.189	0.500	1.019	0.724	--	--	0.686	
Fixed Income(Gross)	536,896,783	30.314	-0.035	0.330	1.143	1.067	--	--	1.058	Oct-14
Fixed Income(Net)			-0.057	0.287	1.057	1.012	--	--	1.015	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>			<i>-0.250</i>	<i>-0.012</i>	<i>0.422</i>	<i>0.616</i>	<i>0.565</i>	<i>1.437</i>	<i>0.623</i>	<i>Oct-14</i>
Cash(Gross)	1,234,233,454	69.686	0.297	0.603	1.094	0.693	0.462	0.486	1.948	Jul-99
Cash(Net)			0.278	0.579	1.024	0.612	0.367	--	--	
<i>Citi 3mth Treasury Bill</i>			<i>0.280</i>	<i>0.535</i>	<i>0.840</i>	<i>0.379</i>	<i>0.244</i>	<i>0.345</i>	<i>1.738</i>	<i>Jul-99</i>

As of December 31, 2017

Trailing Period Performance

	Market Value (\$)	% of Portfolio	% of Sector	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Fund(Gross)	1,771,130,237	100.000	--	0.209	0.533	1.095	0.809	--	--	0.769	Oct-14
Fixed Income(Gross)	536,896,783	30.314	30.314	-0.035	0.330	1.143	1.067	--	--	1.058	Oct-14
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				-0.250	-0.012	0.422	0.616	0.565	1.437	0.623	Oct-14
Tier One: Payden Low Duration(Gross)	146,736,596	8.285	27.331	-0.013	0.350	1.094	1.027	0.853	1.822	3.008	Jul-99
Tier One: Payden Low Duration(Net)				-0.033	0.310	1.016	0.946	0.757	--	--	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				-0.250	-0.012	0.422	0.616	0.565	1.437	2.893	Jul-99
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>				-0.182	0.159	0.857	0.937	0.859	1.859	3.229	Jul-99
<i>BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD</i>				-0.204	0.094	0.700	0.808	0.740	1.691	3.116	Jul-99
Tier One: Logan Circle STAMP 1-3 Year(Gross)	146,622,040	8.278	27.309	0.082	0.432	1.226	--	--	--	0.808	May-16
Tier One: Logan Circle STAMP 1-3 Year(Net)				0.062	0.391	1.146	--	--	--	0.725	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				-0.250	-0.012	0.422	0.616	0.565	1.437	0.222	May-16
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>				-0.182	0.159	0.857	0.937	0.859	1.859	0.613	May-16
<i>BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD</i>				-0.204	0.094	0.700	0.808	0.740	1.691	0.448	May-16
Tier One: Wells Capital Reserve Account(Gross)	146,295,076	8.260	27.248	-0.120	0.227	0.927	--	--	--	0.747	Jun-16
Tier One: Wells Capital Reserve Account(Net)				-0.138	0.191	0.854	--	--	--	0.675	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				-0.250	-0.012	0.422	0.616	0.565	1.437	0.301	Jun-16
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>				-0.182	0.159	0.857	0.937	0.859	1.859	0.688	Jun-16
<i>BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD</i>				-0.204	0.094	0.700	0.808	0.740	1.691	0.521	Jun-16
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	97,243,070	5.490	18.112	-0.115	0.302	1.417	1.464	--	--	1.246	Apr-13
Tier Two: Logan Circle STAMP 1-5 Year(Net)				-0.148	0.238	1.290	1.337	--	--	1.120	
<i>BofA Merrill Lynch US Treasuries 1-5 Yrs</i>				-0.384	-0.099	0.652	0.905	0.752	2.028	0.759	Apr-13
<i>BofA Merrill Lynch US Corp & Gov 1-5 Yrs</i>				-0.276	0.165	1.279	1.315	1.153	2.492	1.150	Apr-13
<i>BofA Merrill Lynch US Corp & Gov 1-5 Yrs Rated A And Above</i>				-0.316	0.059	1.017	1.130	0.982	2.257	0.983	Apr-13

As of December 31, 2017

	Market Value (\$)	% of Portfolio	% of Sector	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Cash(Gross)	1,234,233,454	69.686	69.686	0.297	0.603	1.094	0.693	0.462	0.486	1.948	Jul-99
<i>Citi 3mth Treasury Bill</i>				0.280	0.535	0.840	0.379	0.244	0.345	1.738	Jul-99
Operating: Payden Enhanced Cash(Gross)	468,653,861	26.461	37.971	0.325	0.674	1.186	0.747	0.494	0.502	1.957	Jul-99
Operating: Payden Enhanced Cash(Net)				0.306	0.636	1.112	0.669	0.400	--	--	
<i>Citi 3mth Treasury Bill</i>				0.280	0.535	0.840	0.379	0.244	0.345	1.738	Jul-99
Operating: Logan Circle Enhanced Cash(Gross)	469,023,337	26.482	38.001	0.323	0.630	1.136	--	--	--	0.978	May-16
Operating: Logan Circle Enhanced Cash(Net)				0.302	0.587	1.051	--	--	--	0.893	
<i>Citi 3mth Treasury Bill</i>				0.280	0.535	0.840	0.379	0.244	0.345	0.620	May-16
Operating: Wells Capital Enhanced Cash(Gross)	296,556,256	16.744	24.028	0.247	0.564	0.998	--	--	--	0.870	Jun-16
Operating: Wells Capital Enhanced Cash(Net)				0.229	0.528	0.925	--	--	--	0.797	
<i>Citi 3mth Treasury Bill</i>				0.280	0.535	0.840	0.379	0.244	0.345	0.639	Jun-16

As of December 31, 2017

Asset Class Performance Summary

	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)
Total Fund(Gross)	0.754	0.842	--	--	--	--	--	--
Total Fund(Net)	0.666	0.778	--	--	--	--	--	--
Fixed Income(Gross)	0.427	1.775	--	--	--	--	--	--
Fixed Income(Net)	0.336	1.699	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	-0.108	1.307	0.876	0.765	0.328	0.776	1.331	2.692
Cash(Gross)	0.858	0.509	0.166	0.131	0.112	0.185	0.137	0.138
Cash(Net)	0.758	0.446	0.058	0.018	-0.023	0.044	-0.008	-0.003
<i>Citi 3mth Treasury Bill</i>	0.455	0.138	0.021	0.038	0.079	0.044	0.138	0.123

As of December 31, 2017

Trailing Period Performance

	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)
Total Fund(Gross)	0.754	0.842	--	--	--	--	--	--
Fixed Income(Gross)	0.427	1.775	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	-0.108	1.307	0.876	0.765	0.328	0.776	1.331	2.692
Tier One: Payden Low Duration(Gross)	0.583	1.461	0.893	1.048	0.534	1.248	1.478	2.946
Tier One: Payden Low Duration(Net)	0.508	1.388	0.783	0.933	0.399	1.105	1.331	2.801
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	-0.108	1.307	0.876	0.765	0.328	0.776	1.331	2.692
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	0.336	1.581	0.901	1.246	0.861	1.169	1.947	3.796
<i>BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD</i>	0.147	1.492	0.906	1.038	0.656	1.058	1.782	3.357
Tier One: Logan Circle STAMP 1-3 Year(Gross)	0.478	--	--	--	--	--	--	--
Tier One: Logan Circle STAMP 1-3 Year(Net)	0.395	--	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	-0.108	1.307	0.876	0.765	0.328	0.776	1.331	2.692
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	0.336	1.581	0.901	1.246	0.861	1.169	1.947	3.796
<i>BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD</i>	0.147	1.492	0.906	1.038	0.656	1.058	1.782	3.357
Tier One: Wells Capital Reserve Account(Gross)	0.403	--	--	--	--	--	--	--
Tier One: Wells Capital Reserve Account(Net)	0.330	--	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	-0.108	1.307	0.876	0.765	0.328	0.776	1.331	2.692
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	0.336	1.581	0.901	1.246	0.861	1.169	1.947	3.796
<i>BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD</i>	0.147	1.492	0.906	1.038	0.656	1.058	1.782	3.357
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	0.140	3.021	1.494	2.095	--	--	--	--
Tier Two: Logan Circle STAMP 1-5 Year(Net)	0.016	2.894	1.367	1.969	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-5 Yrs</i>	-0.532	2.426	1.376	1.157	-0.027	2.198	2.154	4.114
<i>BofA Merrill Lynch US Corp & Gov 1-5 Yrs</i>	0.134	2.649	1.344	2.000	0.718	2.524	2.957	5.717
<i>BofA Merrill Lynch US Corp & Gov 1-5 Yrs Rated A And Above</i>	-0.172	2.570	1.376	1.641	0.409	2.362	2.694	5.042

As of December 31, 2017

	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)
Cash(Gross)	0.858	0.509	0.166	0.131	0.112	0.185	0.137	0.138
<i>Citi 3mth Treasury Bill</i>	<i>0.455</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>	<i>0.123</i>
Operating: Payden Enhanced Cash(Gross)	0.887	0.573	0.166	0.131	0.112	0.185	0.137	0.138
Operating: Payden Enhanced Cash(Net)	0.812	0.505	0.058	0.018	-0.023	0.044	-0.008	-0.003
<i>Citi 3mth Treasury Bill</i>	<i>0.455</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>	<i>0.123</i>
Operating: Logan Circle Enhanced Cash(Gross)	0.898	--	--	--	--	--	--	--
Operating: Logan Circle Enhanced Cash(Net)	0.814	--	--	--	--	--	--	--
<i>Citi 3mth Treasury Bill</i>	<i>0.455</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>	<i>0.123</i>
Operating: Wells Capital Enhanced Cash(Gross)	0.721	--	--	--	--	--	--	--
Operating: Wells Capital Enhanced Cash(Net)	0.649	--	--	--	--	--	--	--
<i>Citi 3mth Treasury Bill</i>	<i>0.455</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>	<i>0.123</i>

As of December 31, 2017

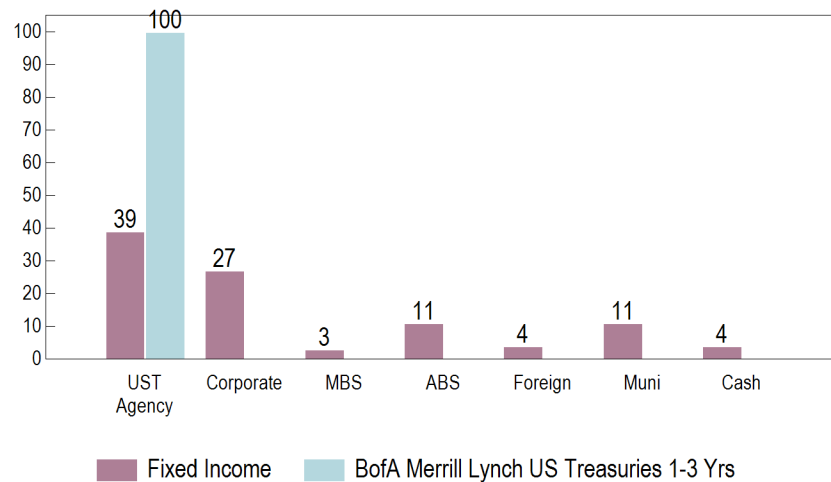
Asset Allocation on December 31, 2017

	Actual	Actual
Tier One: Payden Low Duration	\$146,736,596	27.3%
Tier One: Logan Circle STAMP 1-3 Year	\$146,622,040	27.3%
Tier One: Wells Capital Reserve Account	\$146,295,076	27.2%
Tier Two: Logan Circle STAMP 1-5 Year	\$97,243,070	18.1%
Total	\$536,896,783	100.0%

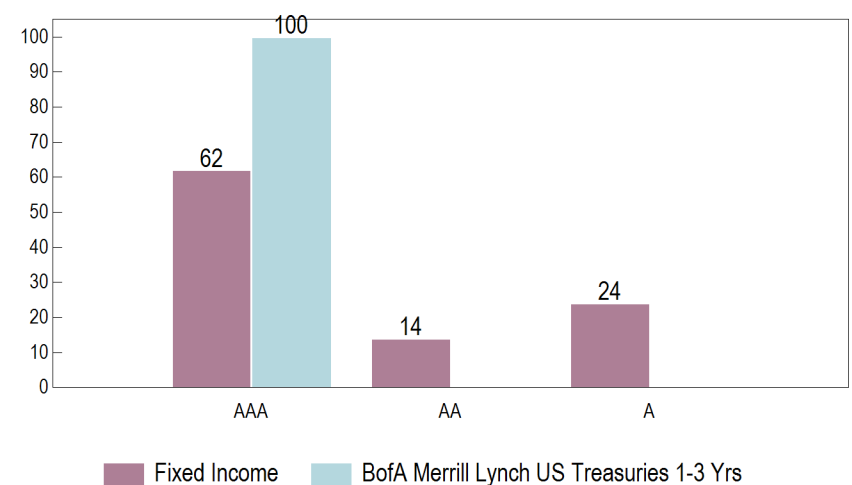
Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q4-17	Index Q4-17	Portfolio Q3-17
Fixed Income Characteristics			
Yield to Maturity	2.0	1.9	1.6
Average Duration	1.7	1.9	1.7
Average Quality	AA	AAA	AA

Sector Allocation



Credit Quality Allocation



Tier One: Payden Low Duration

As of December 31, 2017

Account Information

Account Name	Tier One: Payden Low Duration
Account Structure	Separate Account
Investment Style	Active
Inception Date	7/01/99
Account Type	US Fixed Income Short Term
Benchmark	BofA Merrill Lynch US Treasuries 1-3 Yrs
Universe	eV US Short Duration Fixed Inc Net

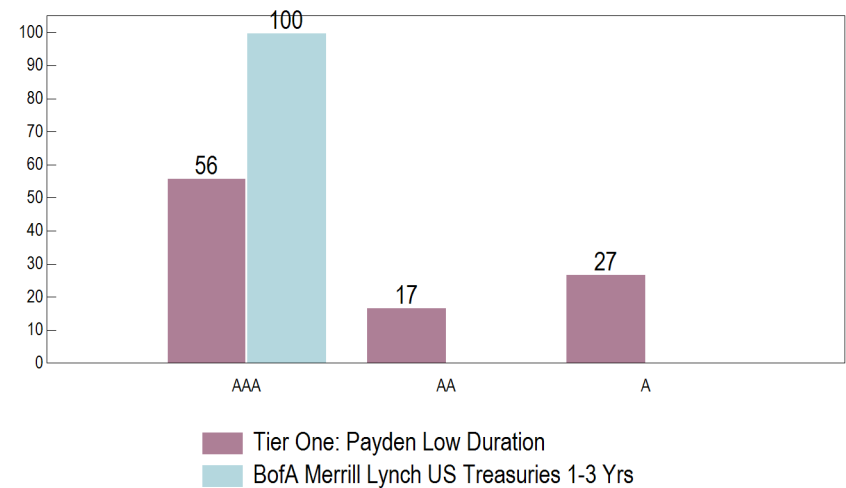
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier One: Payden Low Duration(Gross)	-0.013	1.094	1.094	1.027	0.853	1.822	3.008	Jul-99
Tier One: Payden Low Duration(Net)	-0.033	1.016	1.016	0.946	0.757	--	--	
BofA Merrill Lynch US Treasuries 1-3 Yrs	-0.250	0.422	0.422	0.616	0.565	1.437	2.893	Jul-99
BofA Merrill Lynch US Corp & Gov 1-3 Yrs	-0.182	0.857	0.857	0.937	0.859	1.859	3.229	Jul-99
BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD	-0.204	0.700	0.700	0.808	0.740	1.691	3.116	Jul-99

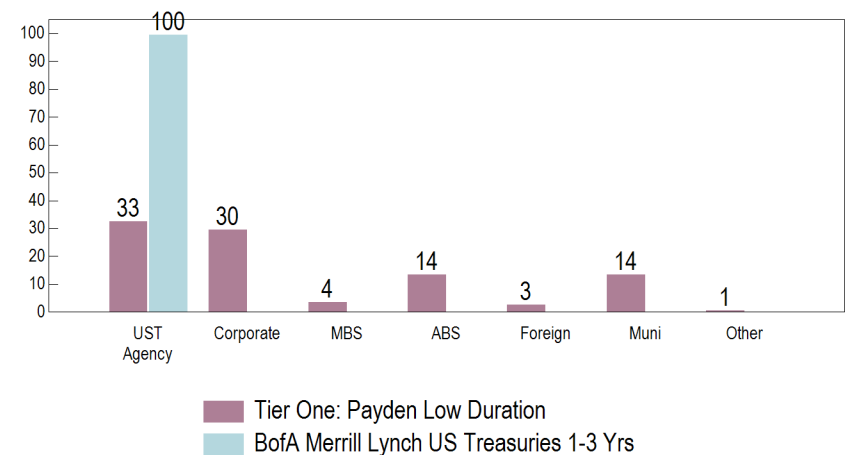
Tier One: Payden Low Duration Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q4-17	Index Q4-17	Portfolio Q3-17
Fixed Income Characteristics			
Yield to Maturity	2.03	1.89	1.67
Average Duration	1.49	1.86	1.55
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier One: Wells Capital Reserve Account

As of December 31, 2017

Account Information

Account Name	Tier One: Wells Capital Reserve Account
Account Structure	Separate Account
Investment Style	Active
Inception Date	6/01/16
Account Type	US Fixed Income
Benchmark	BofA Merrill Lynch US Treasuries 1-3 Yrs
Universe	eV US Short Duration Fixed Inc Net

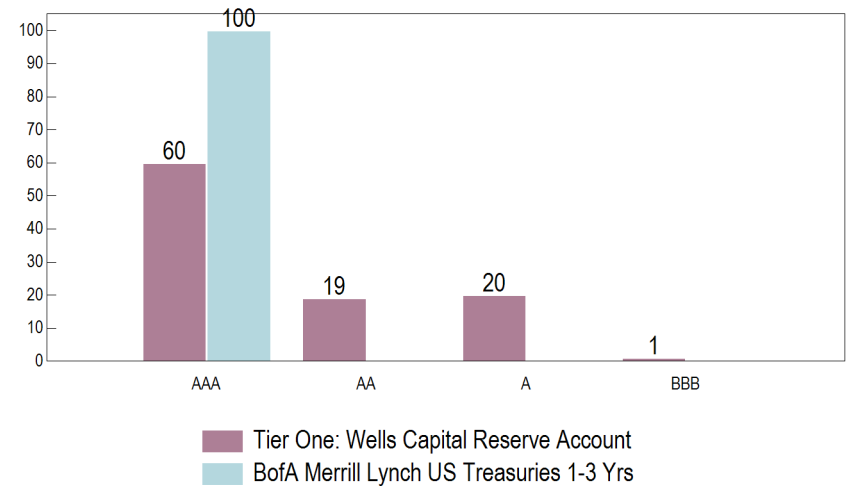
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier One: Wells Capital Reserve Account(Gross)	-0.120	0.927	0.927	--	--	--	0.747	Jun-16
Tier One: Wells Capital Reserve Account(Net)	-0.138	0.854	0.854	--	--	--	0.675	
BofA Merrill Lynch US Treasuries 1-3 Yrs	-0.250	0.422	0.422	0.616	0.565	1.437	0.301	Jun-16
BofA Merrill Lynch US Corp & Gov 1-3 Yrs	-0.182	0.857	0.857	0.937	0.859	1.859	0.688	Jun-16
BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD	-0.204	0.700	0.700	0.808	0.740	1.691	0.521	Jun-16

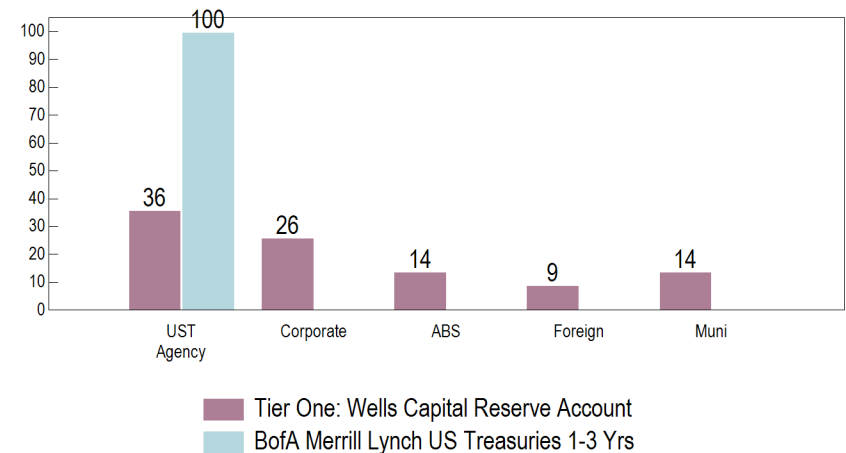
Tier One: Wells Capital Reserve Account Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q4-17	Index Q4-17	Portfolio Q3-17
Fixed Income Characteristics			
Yield to Maturity	2.06	1.89	1.67
Average Duration	1.78	1.86	1.74
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier One: Logan Circle STAMP 1-3 Year

As of December 31, 2017

Account Information

Account Name	Tier One: Logan Circle STAMP 1-3 Year
Account Structure	Separate Account
Investment Style	Active
Inception Date	5/02/16
Account Type	US Fixed Income
Benchmark	BofA Merrill Lynch US Treasuries 1-3 Yrs
Universe	eV US Short Duration Fixed Inc Net

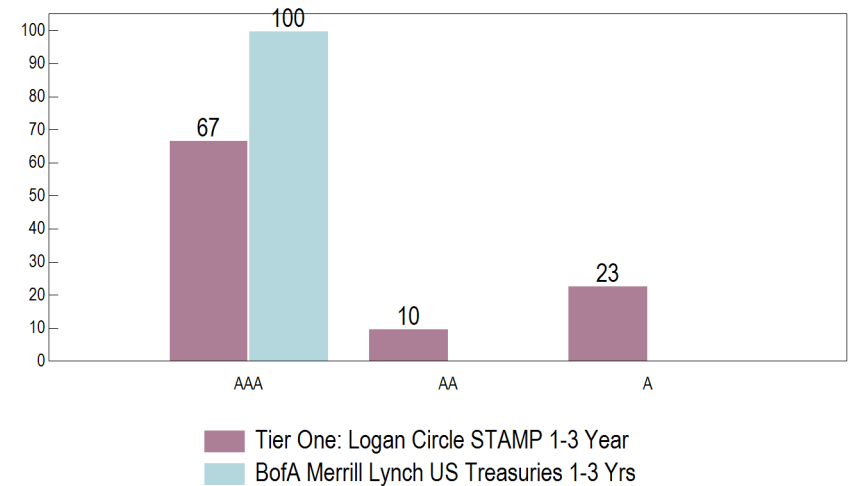
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier One: Logan Circle STAMP 1-3 Year(Gross)	0.082	1.226	1.226	--	--	--	0.808	May-16
Tier One: Logan Circle STAMP 1-3 Year(Net)	0.062	1.146	1.146	--	--	--	0.725	
BofA Merrill Lynch US Treasuries 1-3 Yrs	-0.250	0.422	0.422	0.616	0.565	1.437	0.222	May-16
BofA Merrill Lynch US Corp & Gov 1-3 Yrs	-0.182	0.857	0.857	0.937	0.859	1.859	0.613	May-16
BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD	-0.204	0.700	0.700	0.808	0.740	1.691	0.448	May-16

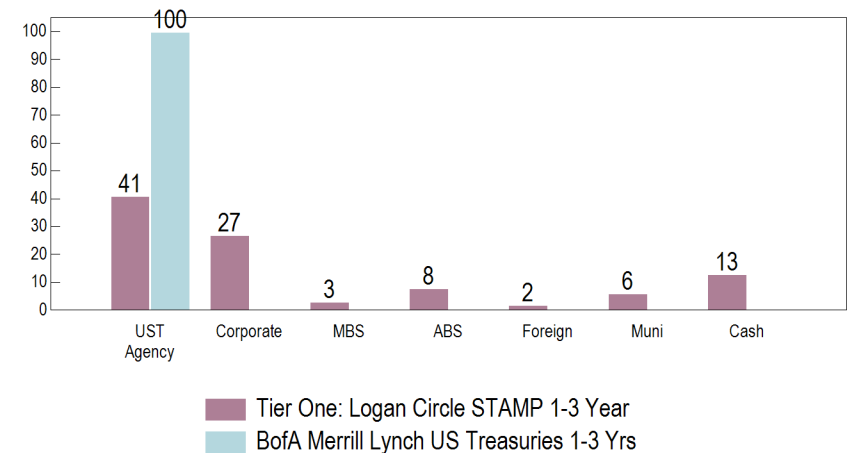
Tier One: Logan Circle STAMP 1-3 Year Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q4-17	Index Q4-17	Portfolio Q3-17
Fixed Income Characteristics			
Yield to Maturity	1.90	1.89	1.53
Average Duration	1.36	1.86	1.24
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier Two: Logan Circle STAMP 1-5 Year

As of December 31, 2017

Account Information

Account Name	Tier Two: Logan Circle STAMP 1-5 Year
Account Structure	Separate Account
Investment Style	Active
Inception Date	4/01/13
Account Type	US Fixed Income Short Term
Benchmark	BofA Merrill Lynch US Treasuries 1-5 Yrs
Universe	eV US Short Duration Fixed Inc Net

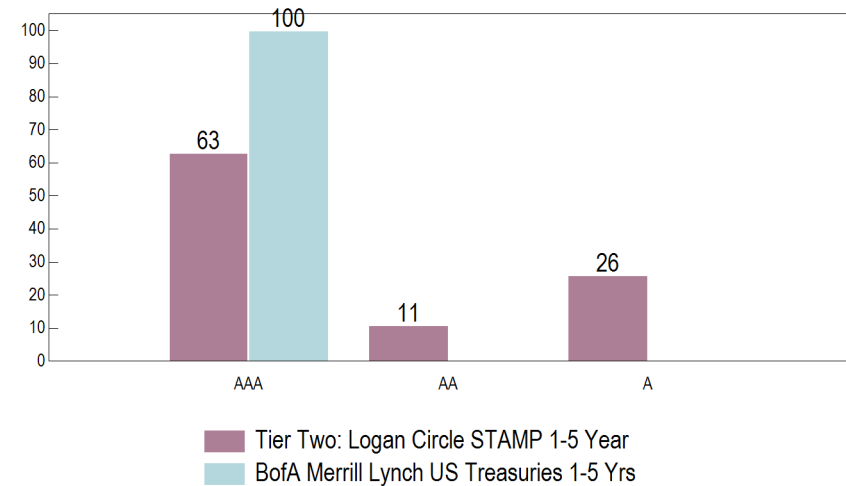
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	-0.115	1.417	1.417	1.464	--	--	1.246	Apr-13
Tier Two: Logan Circle STAMP 1-5 Year(Net)	-0.148	1.290	1.290	1.337	--	--	1.120	
BofA Merrill Lynch US Treasuries 1-5 Yrs	-0.384	0.652	0.652	0.905	0.752	2.028	0.759	Apr-13
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	-0.276	1.279	1.279	1.315	1.153	2.492	1.150	Apr-13
BofA Merrill Lynch US Corp & Gov 1-5 Yrs Rated A And Above	-0.316	1.017	1.017	1.130	0.982	2.257	0.983	Apr-13

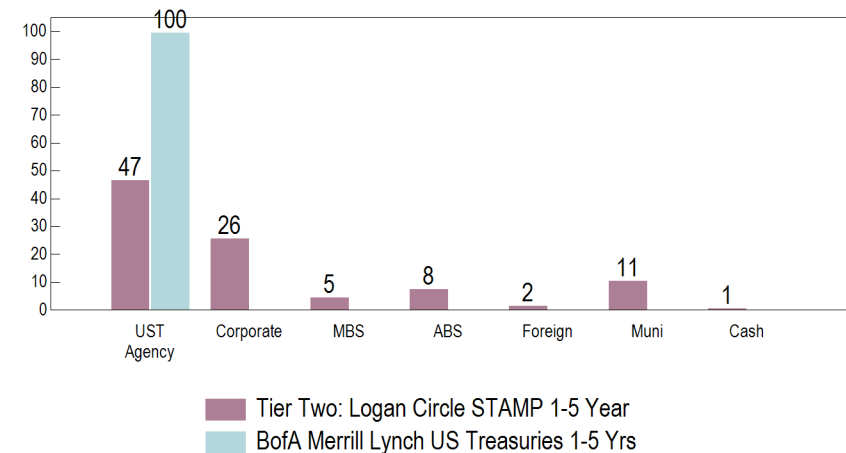
Tier Two: Logan Circle STAMP 1-5 Year Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-5 Yrs

	Portfolio Q4-17	Index Q4-17	Portfolio Q3-17
Fixed Income Characteristics			
Yield to Maturity	2.10	1.98	1.76
Average Duration	2.31	2.65	2.32
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



As of December 31, 2017

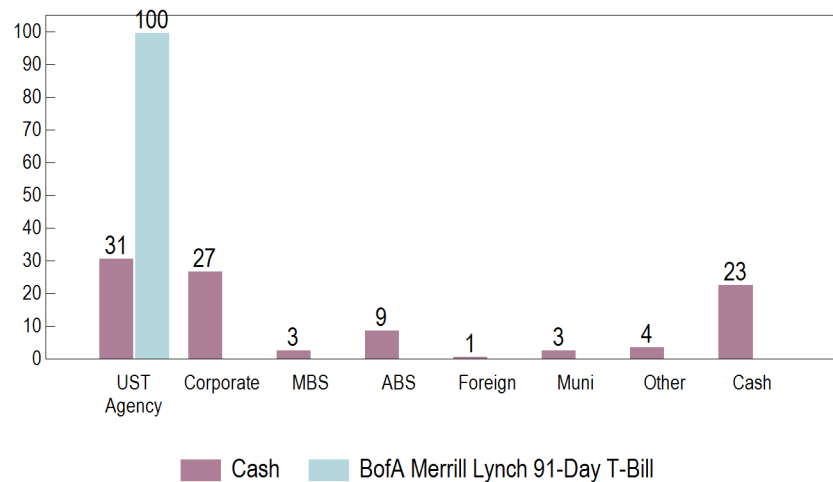
Asset Allocation on December 31, 2017

	Actual	Actual
Operating: Logan Circle Enhanced Cash	\$469,023,337	38.0%
Operating: Payden Enhanced Cash	\$468,653,861	38.0%
Operating: Wells Capital Enhanced Cash	\$296,556,256	24.0%
Total	\$1,234,233,454	100.0%

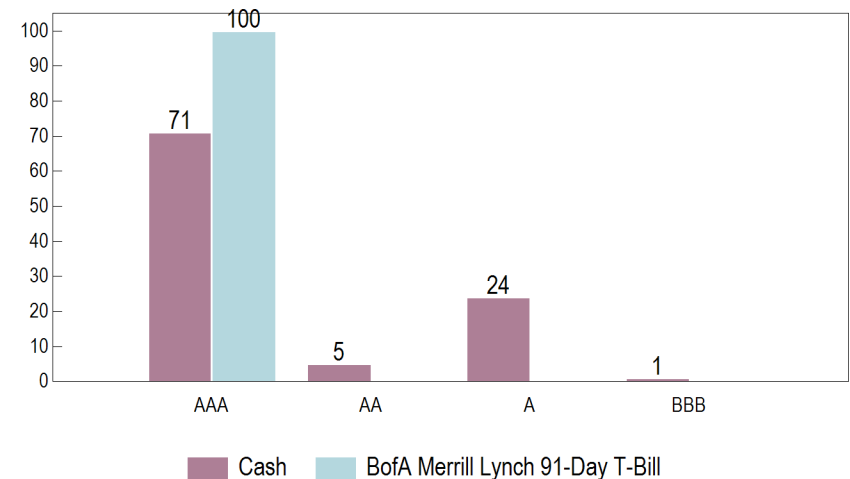
Cash Characteristics
vs. BofA Merrill Lynch 91-Day T-Bill

	Portfolio Q4-17	Index Q4-17	Portfolio Q3-17
Fixed Income Characteristics			
Yield to Maturity	1.5	1.4	1.4
Average Duration	0.2	0.2	0.2
Average Quality	AA	AAA	AA

Sector Allocation



Credit Quality Allocation



Operating: Payden Enhanced Cash

As of December 31, 2017

Account Information

Account Name	Operating: Payden Enhanced Cash
Account Structure	Separate Account
Investment Style	Active
Inception Date	7/01/99
Account Type	Cash Alternatives
Benchmark	Citi 3mth Treasury Bill
Universe	eV US Enh Cash Management Net

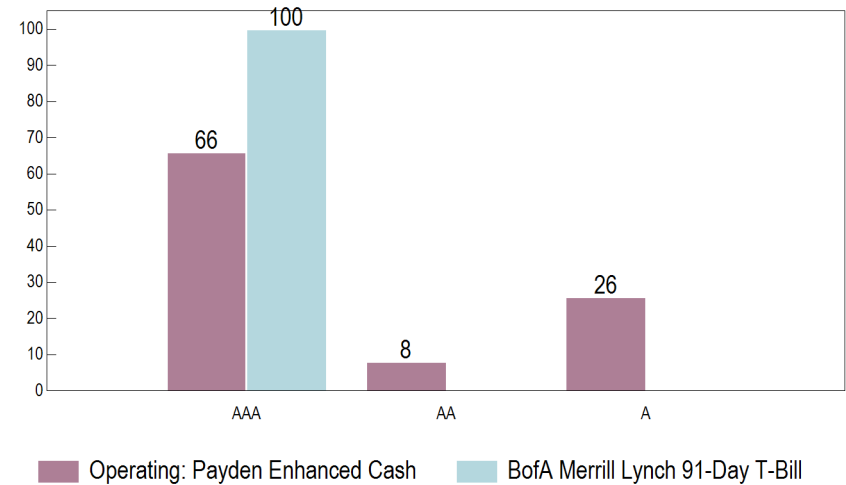
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Operating: Payden Enhanced Cash(Gross)	0.325	1.186	1.186	0.747	0.494	0.502	1.957	Jul-99
Operating: Payden Enhanced Cash(Net)	0.306	1.112	1.112	0.669	0.400	--	--	
<i>Citi 3mth Treasury Bill</i>	<i>0.280</i>	<i>0.840</i>	<i>0.840</i>	<i>0.379</i>	<i>0.244</i>	<i>0.345</i>	<i>1.738</i>	<i>Jul-99</i>

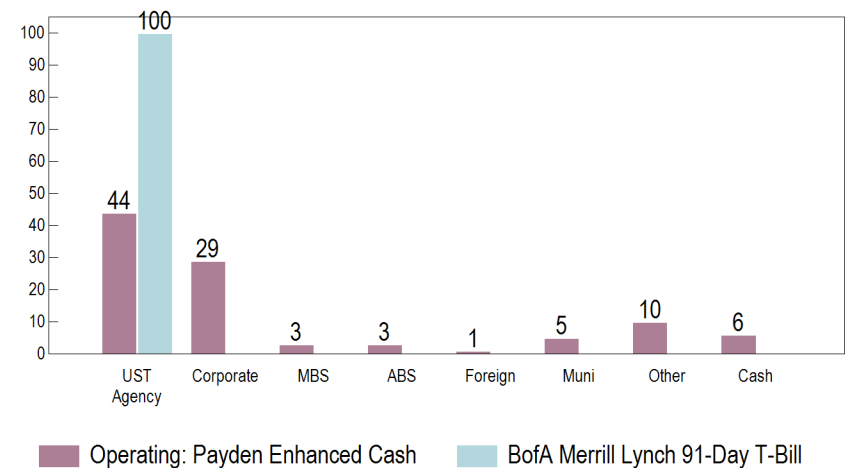
Operating: Payden Enhanced Cash Fixed Income Characteristics
vs. BofA Merrill Lynch 91-Day T-Bill

	Portfolio Q4-17	Index Q4-17	Portfolio Q3-17
Fixed Income Characteristics			
Yield to Maturity	1.58	1.39	1.31
Average Duration	0.22	0.24	0.29
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Operating: Logan Circle Enhanced Cash

As of December 31, 2017

Account Information

Account Name	Operating: Logan Circle Enhanced Cash
Account Structure	Separate Account
Investment Style	Active
Inception Date	5/02/16
Account Type	Cash
Benchmark	Citi 3mth Treasury Bill
Universe	eV US Enh Cash Management Net

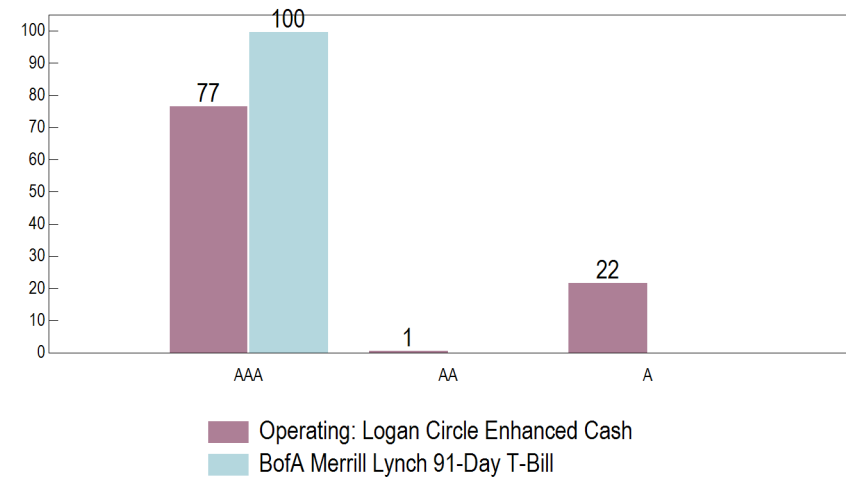
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Operating: Logan Circle Enhanced Cash(Gross)	0.323	1.136	1.136	--	--	--	0.978	May-16
Operating: Logan Circle Enhanced Cash(Net)	0.302	1.051	1.051	--	--	--	0.893	
Citi 3mth Treasury Bill	0.280	0.840	0.840	0.379	0.244	0.345	0.620	May-16

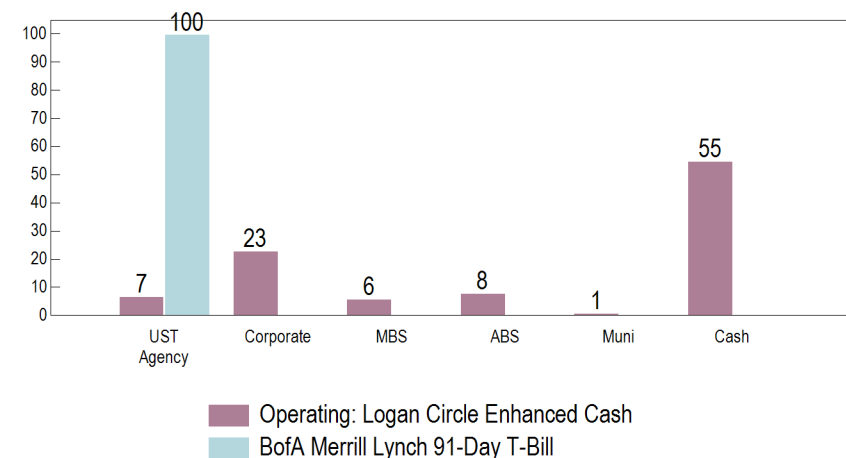
Operating: Logan Circle Enhanced Cash Fixed Income Characteristics
vs. BofA Merrill Lynch 91-Day T-Bill

	Portfolio Q4-17	Index Q4-17	Portfolio Q3-17
Fixed Income Characteristics			
Yield to Maturity	1.25	1.39	1.22
Average Duration	0.11	0.24	0.08
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Operating: Wells Capital Enhanced Cash

As of December 31, 2017

Account Information

Account Name	Operating: Wells Capital Enhanced Cash
Account Structure	Separate Account
Investment Style	Active
Inception Date	6/01/16
Account Type	Cash
Benchmark	Citi 3mth Treasury Bill
Universe	eV US Enh Cash Management Net

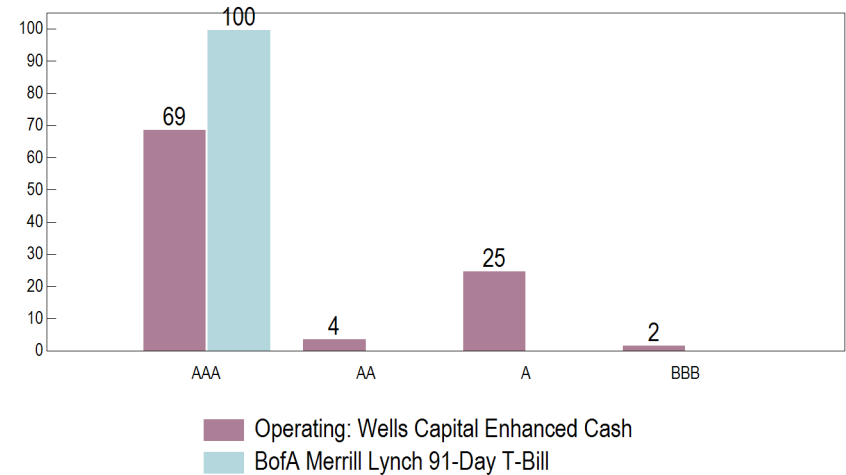
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Operating: Wells Capital Enhanced Cash(Gross)	0.247	0.998	0.998	--	--	--	0.870	Jun-16
Operating: Wells Capital Enhanced Cash(Net)	0.229	0.925	0.925	--	--	--	0.797	
Citi 3mth Treasury Bill	0.280	0.840	0.840	0.379	0.244	0.345	0.639	Jun-16

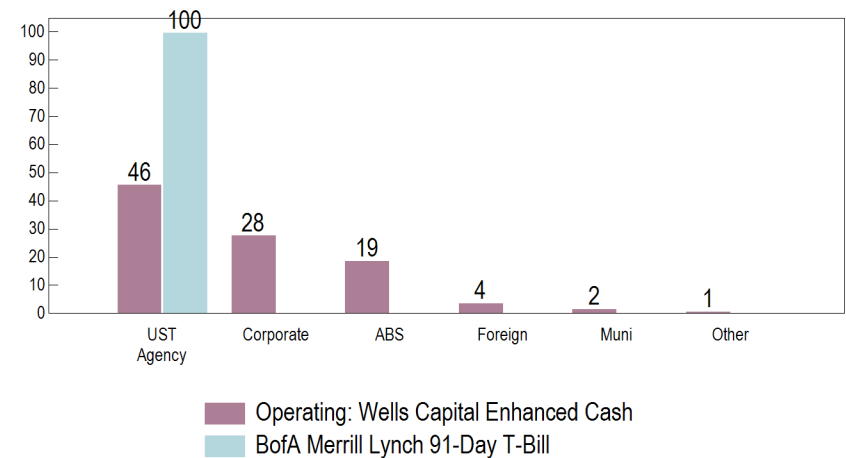
Operating: Wells Capital Enhanced Cash Fixed Income Characteristics
vs. BofA Merrill Lynch 91-Day T-Bill

	Portfolio Q4-17	Index Q4-17	Portfolio Q3-17
Fixed Income Characteristics			
Yield to Maturity	1.83	1.39	1.50
Average Duration	0.48	0.24	0.30
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



As of December 31, 2017

Annual Investment Expense Analysis
As Of December 31, 2017

Name	Fee Schedule	Market Value
Fixed Income		\$536,896,783
Tier One: Payden Low Duration	0.10% of First \$100.0 Mil, 0.08% of Next \$250.0 Mil, 0.07% Thereafter	\$146,736,596
Tier One: Logan Circle STAMP 1-3 Year	0.10% of First \$50.0 Mil, 0.09% of Next \$250.0 Mil, 0.07% Thereafter	\$146,622,040
Tier One: Wells Capital Reserve Account	0.09% of First \$100.0 Mil, 0.07% of Next \$200.0 Mil, 0.06% Thereafter	\$146,295,076
Tier Two: Logan Circle STAMP 1-5 Year	0.15% of First \$50.0 Mil, 0.10% of Next \$250.0 Mil, 0.07% Thereafter	\$97,243,070
Cash		\$1,234,233,454
Operating: Payden Enhanced Cash	0.10% of First \$100.0 Mil, 0.08% of Next \$250.0 Mil, 0.07% Thereafter	\$468,653,861
Operating: Logan Circle Enhanced Cash	0.10% of First \$50.0 Mil, 0.09% of Next \$250.0 Mil, 0.07% Thereafter	\$469,023,337
Operating: Wells Capital Enhanced Cash	0.09% of First \$100.0 Mil, 0.07% of Next \$200.0 Mil, 0.06% Thereafter	\$296,556,256
Total		\$1,771,130,237

Please note that Logan Circle, Payden, and Wells Capital charge their investment management fees on an aggregate basis across Operating Cash, Tier One and Tier Two portfolios.



Quarterly Investment Report Supplement

Annual Investment Policy (2018) Maturity and Quality Requirements

Allowable Instruments	Maximum Permitted Maturity			Actual Maximum Maturity							Compliance
	Operating Funds	Tier One	Tier Two	Operating Funds			Tier One			Tier Two	
				LC	P&R	WF	LC	P&R	WF	LC	
U.S. Treasuries	450 days	5 years	5 years	183 days	311 days	304 days	4.76 years	2.96 years	2.96 years	4.76 years	Yes
U.S. Agencies	450 days	5 years	5 years	263 days	40 days	263 days	0.81 years	2.88 years	2.70 years	1.24 years	Yes
State & Local Obligations ¹	450 days	5 years	5 years	215 days	305 days	91 days	3.59 years	3.25 years	2.59 years	3.59 years	Yes
Supranationals	450 days	5 years	5 years	N/A	N/A	331 days	4.71 years	2.67 years	2.68 years	4.71 years	Yes
Negotiable Cert of Deposit	1 year	1 year	1 year	189 days	92 days	N/A	0.07 years	0.12 years	N/A	N/A	Yes
Commercial Paper	270 days	270 days	270 days	12 days	102 days	32 days	25 days	N/A	N/A	N/A	Yes
Repurchase Agreements	30 days	30 days	30 days	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Yes
Medium Term Notes	450 days	5 years	5 years	137 days	287 days	269 days	3.95 years	3.08 years	2.82 years	4.74 years	Yes
Mortgage/ Asset-Backed	450 days	5 years	5 years	392 days	85 days	N/A	4.80 years	2.37 years	4.13 years	4.80 years	Yes
Variable & Floating Rate	450 days	5 years	5 years	81 days	86 days ²	82 days	4.80 years	2.75 years	N/A	4.80 years	Yes

- Investment Managers have independently verified that they have maintained compliance with CalOptima's Investment Policy Statement-designated security credit rating requirements during the review quarter.

¹ Includes CA and any other state in the U.S.

² Effective Maturity.



Annual Investment Policy (2018) Diversification Compliance¹

Allowable Instruments	Maximum (%)	Logan Circle (%)	Logan Circle (\$ mm)	Payden (%)	Payden (\$ mm)	Wells Capital (%)	Wells Capital (\$ mm)	Total (%)	Total (\$ mm)
U.S. Treasuries	100	18.2	129.8	29.7	182.7	27.2	120.7	24.5	433.1
U.S. Agencies	100	1.6	11.4	8.5	52.5	15.6	69.2	7.5	133.1
State & Local Obligations ²	25	3.0	21.5	6.9	42.5	5.8	25.6	5.1	89.5
Supranationals	15	0.7	4.9	0.6	3.9	5.6	25.0	1.9	33.7
Negotiable Certificate of Deposit	30	17.0	121.0	6.4	39.3	0.0	0.0	9.1	160.3
Commercial Paper	25	2.7	19.0	1.2	7.6	0.7	3.0	1.7	29.6
Repurchase Agreements	100	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Medium Term Notes	30	12.3	88.0	9.2	56.6	20.8	92.0	13.4	236.6
Money Market Funds	20	14.2	101.6	3.2	19.9	0.2	0.7	6.9	122.2
Mortgage/Asset-Backed	20	11.3	80.8	6.3	38.7	4.8	21.1	7.9	140.6
Variable & Floating Rate	30	18.9	134.9	29.2	179.4	19.3	85.6	22.6	399.9
Total		100.0	712.9	100.0	615.4	100.0	442.9	100.0	1771.1

- Investment composition of each portfolio and the total portfolio are in compliance with the CalOptima Annual Investment Policy 2018.

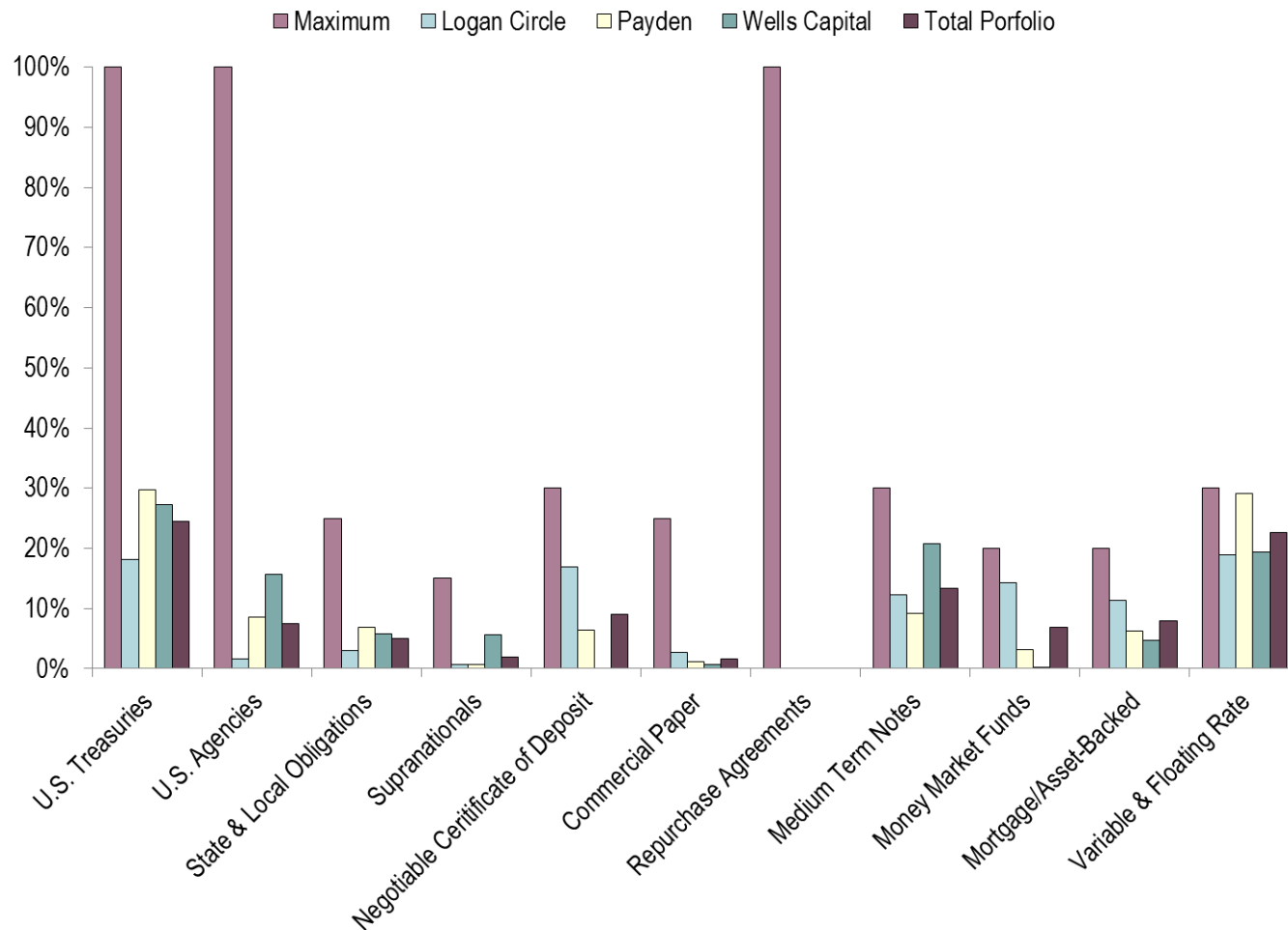
¹ Blended allocations for Payden & Rygel, Logan Circle, and Wells Capital accounts.

² Includes CA and any other state in the U.S.



Annual Investment Policy (2018) Actual vs. Diversity Requirements

As of December 31, 2017



Custom Peer Group

Custom Peer Group

- Given CalOptima's unique investment guidelines, traditional fixed income peer groups are not the best comparison tool for the Tier One and Tier Two pools.
- Meketa Investment Group surveyed the eVestment Alliance U.S. Short Duration Fixed Income universe and Morningstar's Short Duration Fixed Income universe to create custom peer universes for each of the Tier One and Tier Two pools in order to provide a more accurate performance comparison¹.
 - For the analysis, the combined eVestment and Morningstar universe was pared down through the elimination of funds with exposure to securities with below-"A"-rated credit.
 - Two unique buckets were established based on each portfolio's historical average effective duration relative to the Merrill Lynch 1-3 Year Treasury index (Tier One peer group) and the Merrill Lynch 1-5 year Treasury index (Tier Two peer group).
 - The Tier One peer group consists of sixteen strategies with a median effective duration of 1.76 years, while the Tier Two peer group consists of ten strategies with a median effective duration of 2.58 years as of September 30, 2017.
- Please note that the analysis is as of September 30, 2017, as the universe of investment managers that had reported data as of December 31, 2017 was very small at the date that these materials were submitted.
- This analysis is based on a small peer universe that may change significantly over time, potentially resulting in large changes in peer rankings quarter-to-quarter.

¹ Though this comparison is more accurate than ranking the managers relative to the broad short duration peer group, these peer managers are not subject to the restrictions of the California Government Code. They are likely to have more degrees of freedom to invest across fixed income securities and sectors.

Custom Peer Group: Logan Circle Tier One

Gross of Fees Returns as of 9/30/2017 ¹	3Q 2017 (%)	1 Year (%)	Since Inception ² (%)
Tier One: Logan Circle STAMP 1-3 Year	0.35	0.73	1.00
Peer Group Median Return	0.35	0.86	1.15
Peer Group Rank (percentile)	47	66	57

- The Logan Circle Tier One portfolio outperformed the peer group in the third quarter of 2017, ranking in the 47th percentile. The strategy underperformed the custom peer group over the trailing 1-year period and since inception.

¹ Investment managers are ranked based on performance gross of fees; given the discounted fee structures offered by CalOptima's investment managers, performance on a net-of-fee basis is more compelling relative to peers.

² Formal inception date is June 2016.

Custom Peer Group: Payden Tier One

Gross of Fees Returns as of 9/30/2017¹	3Q 2017 (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	0.36	0.93	1.09	0.88	2.06
Peer Group Median Return	0.35	0.87	1.27	1.05	2.11
Peer Group Rank (percentile)	44	43	65	69	54

Standard Deviation as of 9/30/2017²	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	0.58	0.52	1.20
Median Standard Deviation	0.74	0.68	1.10
Peer Group Rank (percentile)	82	89	36

- The Payden Tier One portfolio's trailing returns rank in the third quartile of the peer group over the three-, five-, and ten-year trailing periods. The strategy outperformed the custom peer group over the third quarter and the one-year trailing period.
- Standard deviation has ranked favorably versus peers over three- and five-year trailing periods, though ten-year trailing standard deviation is slightly above the peer group median. The ten-year peer group rank is influenced by the tight concentration of peer manager standard deviation between 1.07 and 1.24.

¹ Investment managers are ranked based on performance gross of fees; given the discounted fee structures offered by CalOptima's investment managers, performance on a net-of-fee basis is more compelling relative to peers.

² For peer group standard deviation rankings, a percentile rank of 99 would indicate that the strategy exhibited the lowest standard deviation relative to the peer group, and a percentile rank of 1 would indicate that the strategy exhibited the highest standard deviation relative to the peer group.

Custom Peer Group: Wells Capital Tier One

Gross of Fees Returns as of 9/30/2017 ¹	3Q 2017 (%)	1 Year (%)	Since Inception ² (%)
Tier One: Wells Capital Reserve Account	0.35	0.74	0.98
Peer Group Median Return	0.35	0.87	1.13
Peer Group Rank (percentile)	48	65	58

- The Wells Capital Tier One portfolio outperformed the short duration peer group in the third quarter of 2017. The strategy underperformed over the trailing one-year and since inception periods, ranking in the third quartile of the custom peer group.

¹ Investment managers are ranked based on performance gross of fees; given the discounted fee structures offered by CalOptima's investment managers, performance on a net-of-fee basis is more compelling relative to peers.

² Formal inception date is June 2016.

Custom Peer Group: Logan Circle Tier Two

Gross of Fees Returns as of 9/30/2017¹	3Q 2017 (%)	1 Year (%)	3 Years (%)
Tier Two: Logan Circle STAMP 1-5 Year	0.42	0.52	1.70
Peer Group Median Return	0.35	0.33	1.36
Peer Group Rank (percentile)	40	22	21

Standard Deviation as of 9/30/2017²	3 Years (%)
Tier Two: Logan Circle STAMP 1-5 Year	1.27
Median Standard Deviation	1.08
Peer Group Rank (percentile)	39

- Logan Circle's Tier Two portfolio performed well over the third quarter, and ranked in the top quartile of the custom peer group over the one- and three-year trailing periods ended September 30, 2017.
- Standard deviation for the strategy over the trailing three year period exceeds the peer group median, ranking in the 39th percentile of the peer group.

¹ Investment managers are ranked based on performance gross of fees; given the discounted fee structures offered by CalOptima's investment managers, performance on a net-of-fee basis is more compelling relative to peers.

² For peer group standard deviation rankings, a percentile rank of 1 would indicate that the strategy exhibited the lowest standard deviation relative to the peer group, and a percentile rank of 99 would indicate that the strategy exhibited the highest standard deviation relative to the peer group.

Performance Attribution

Performance Attribution

- The following pages present attribution data for the Logan Circle Tier One and Tier Two portfolios, the Payden & Rygel Tier One portfolio, and the Wells Capital Tier One portfolio.
- Attribution represents outperformance or underperformance, based on active investment decisions across fixed income sub-sectors, relative to a manager's benchmark index. Attribution data demonstrates where managers are able to most effectively add incremental value versus the benchmark.
- Attribution data is provided by the investment managers and is presented gross of investment management fees as of December 31, 2017. Attribution data fields will vary slightly across investment managers.

Logan Circle Tier One Performance Attribution
Gross of Fees as of 12/31/2017

Benchmark Relative Attribution (basis points)	4Q 2017	1 Year
Duration	9	10
Yield Curve	2	7
Sector Selection	22	63
Treasury	16	34
Agency	0	-2
Corporate	5	23
Financial	4	18
Industrial	0	2
Utilities	1	4
MBS	0	-1
CMBS	1	1
ABS	0	2
Municipal	0	6
Total Excess Return	33	80
Logan Circle Tier One Return	8	122
Merrill Lynch 1-3 Year Treasury Return	-25	42

Payden & Rygel Tier One Performance Attribution
Gross of Fees as of 12/31/2017

Benchmark Relative Attribution (basis points)	4Q 2017	6 Month	1 Year
Duration	13	16	22
Yield Curve	-3	-5	-13
Sector Selection	14	25	60
Treasury	NA	NA	NA
Agency	3	5	11
Corporate	9	17	38
Financial	5	10	22
Industrial	3	6	13
Utilities	1	1	3
MBS	0	0	0
CMBS	0	0	2
ABS	2	3	9
Municipal	0	0	0
Residual	0	0	-2
Total Excess Return	24	36	67
Payden & Rygel Tier One Return	-1	35	109
Merrill Lynch 1-3 Year U.S. Treasury Return	-25	-1	42

Wells Capital Tier One Performance Attribution
Gross of Fees as of 12/31/2017

Benchmark Relative Attribution (basis points)	4Q 2017	1 Year
Duration	3	2
Sector Selection	11	49
Treasury ¹	NA	NA
Agency	1	3
Corporate	4	32
Financial	3	21
Industrial	1	8
Utilities	0	3
MBS	0	0
CMBS	0	0
ABS	2	9
Municipal	3	4
Error Factor	1	1
Total Excess Return	14	51
Wells Capital Tier One Return (%)	-12	93
Merrill Lynch 1-3 Year U.S. Treasury Return (%)	-26	42

¹ Treasury sector selection attribution is included in Duration figure.



Logan Circle Tier Two Performance Attribution
Gross of Fees as of 12/31/2017

Benchmark Relative Attribution (basis points)	4Q 2017	1 Year
Duration	6	4
Yield Curve	0	5
Sector Selection	20	67
Treasury	12	21
Agency	0	0
Corporate	5	34
Financial	5	25
Industrial	0	5
Utilities	0	4
MBS	0	0
CMBS	2	2
ABS	0	1
Municipal	1	9
Total Excess Return	26	76
Logan Circle Tier Two Return	-12	142
Merrill Lynch 1-5 Year U.S. Treasury Return	-38	65

Holdings

CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
Cash							
	CASH OR STIF	USD	628,169.27	628,169.27	0.00	1.000	0.43%
Total for Cash			628,169.27	628,169.27	0.00		0.43%
Money Markets							
1,350,000.000	NORDEA BANK NY YCD	65590ALF1	1,350,000.00	1,349,388.96	(611.04)	99.955	0.92%
	Mat: 2/15/18 Cpn: 1.32%		0.00	5,692.50			
	Moody's: P-1 S&P: A-1+ Fitch: F1+						
	Tr Date: 9/7/17 St Date: 9/8/17						
Total for Money Markets			1,350,000.00	1,349,388.96	(611.04)		0.92%
			0.00	5,692.50			
Treasuries							
3,600,000.000	U.S. TREASURY NOTE	9128282K5	3,601,898.44	3,573,293.40	(28,605.04)	99.258	2.45%
	Mat: 7/31/19 Cpn: 1.38%		448.37	20,714.67			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 7/27/17 St Date: 7/31/17						
11,635,000.000	U.S. TREASURY NOTE	9128282T6	11,615,911.33	11,517,599.36	(98,311.97)	98.991	7.88%
	Mat: 8/31/19 Cpn: 1.25%		5,624.65	49,416.61			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 9/12/17 St Date: 9/14/17						
425,000.000	U.S. TREASURY NOTE	9128282X7	424,067.39	421,357.37	(2,710.02)	99.143	0.29%
	Mat: 9/30/19 Cpn: 1.38%		179.42	1,493.05			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 10/4/17 St Date: 10/6/17						
4,800,000.000	U.S. TREASURY NOTE	912828F62	4,792,939.54	4,767,517.92	(25,421.62)	99.323	3.26%
	Mat: 10/31/19 Cpn: 1.50%		0.00	12,331.49			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 10/23/17 St Date: 10/31/17						
2,910,000.000	U.S. TREASURY NOTE	912828XU9	2,910,391.60	2,880,902.91	(29,488.69)	99.000	1.96%
	Mat: 6/15/20 Cpn: 1.50%		596.31	2,038.60			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 6/15/17 St Date: 6/20/17						
5,330,000.000	U.S. TREASURY NOTE	9128282V1	5,298,873.28	5,254,431.79	(44,441.48)	98.582	3.60%
	Mat: 9/15/20 Cpn: 1.38%		1,907.15	21,864.78			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 9/15/17 St Date: 9/22/17						



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CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
3,000,000.000	U.S. TREASURY NOTE Mat: 12/15/20 Cpn: 1.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 12/12/17 St Date: 12/15/17	9128283L2	2,992,617.19 0.00	2,991,796.89 2,627.06	(820.30)	99.727	2.04%
Total for Treasuries			31,636,698.76 8,755.91	31,406,899.64 110,486.26	(229,799.12)		21.48%
Government Related							
1,080,000.000	INTL BANK RECON & DEVELOP Mat: 7/19/18 Cpn: 0.88% Moody's: Aaa S&P: AAA Fitch: AAAu Tr Date: 4/12/16 St Date: 4/19/16	459058FE8	1,078,088.40 0.00	1,075,129.20 4,252.50	(2,959.20)	99.549	0.74%
1,500,000.000	INTER-AMERICAN DEVELOPMENT BANK Mat: 5/13/19 Cpn: 1.00% Moody's: Aaa S&P: AAA Fitch: AAA Tr Date: 4/5/16 St Date: 4/12/16	458182DX7	1,495,500.00 0.00	1,480,680.00 2,000.00	(14,820.00)	98.712	1.01%
1,310,000.000	INTL BANK RECON & DEVELOP Mat: 9/4/20 Cpn: 1.63% Moody's: Aaa S&P: AAA Fitch: AAAu Tr Date: 8/22/17 St Date: 8/29/17	459058GA5	1,309,724.90 0.00	1,293,769.10 7,214.10	(15,955.80)	98.761	0.89%
Total for Government Related			3,883,313.30 0.00	3,849,578.30 13,466.60	(33,735.00)		2.63%
Agencies							
2,090,000.000	FHLB Mat: 5/28/19 Cpn: 1.38% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 5/11/17 St Date: 5/12/17	3130ABF92	2,086,049.90 0.00	2,075,704.40 2,634.27	(10,345.50)	99.316	1.42%
1,320,000.000	FNMA C 09/13/17 Q Mat: 6/13/19 Cpn: 1.25% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 6/13/16 St Date: 6/15/16	3135G0K77	1,320,000.00 91.67	1,309,136.40 825.00	(10,863.60)	99.177	0.89%
935,000.000	FHLMC Mat: 7/19/19 Cpn: 0.88% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 7/19/16 St Date: 7/20/16	3137EAEB1	932,737.30 0.00	920,301.80 3,681.56	(12,435.50)	98.428	0.63%
1,420,000.000	FNMA Mat: 8/2/19 Cpn: 0.88% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 7/29/16 St Date: 8/2/16	3135G0N33	1,417,614.40 0.00	1,396,981.80 5,142.57	(20,632.60)	98.379	0.96%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,460,000.000	FHLMC Mat: 8/15/19 Cpn: 1.38% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 7/18/17 St Date: 7/19/17	3137EAEH8	1,457,853.80 0.00	1,447,517.00 9,033.75	(10,336.80)	99.145	0.99%
1,350,000.000	FNMA Mat: 8/28/19 Cpn: 1.00% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 8/31/16 St Date: 9/2/16	3135G0P49	1,347,894.00 0.00	1,329,966.00 4,612.50	(17,928.00)	98.516	0.91%
1,560,000.000	FHLB Mat: 10/21/19 Cpn: 1.50% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 10/12/17 St Date: 10/13/17	3130ACM92	1,557,238.80 0.00	1,548,471.60 5,070.00	(8,767.20)	99.261	1.06%
870,000.000	FNMA Mat: 2/28/20 Cpn: 1.50% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 2/24/17 St Date: 2/28/17	3135G0T29	869,443.20 0.00	861,334.80 4,458.75	(8,108.40)	99.004	0.59%
380,000.000	FFCB 1ML+1.0 FRN Mat: 8/24/20 Cpn: 1.56% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 8/17/17 St Date: 8/24/17	3133EHVR1	380,000.00 0.00	380,554.80 131.91	554.80	100.146	0.26%
1,040,000.000	FHLB Mat: 9/28/20 Cpn: 1.38% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 9/7/17 St Date: 9/8/17	3130ACE26	1,036,661.60 0.00	1,021,852.00 3,694.17	(14,809.60)	98.255	0.70%
1,580,000.000	FHLMC Mat: 11/17/20 Cpn: 1.88% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 11/14/17 St Date: 11/15/17	3137EAEK1	1,578,483.20 0.00	1,572,495.00 3,785.42	(5,988.20)	99.525	1.07%
1,450,000.000	FFCB 1ML+1 FRN Mat: 12/11/20 Cpn: 1.44% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 12/4/17 St Date: 12/11/17	3133EH2J1	1,450,000.00 0.00	1,451,972.00 1,219.56	1,972.00	100.136	0.99%
880,000.000	FFCB 1ML+8.0 FRN Mat: 7/13/22 Cpn: 1.54% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 7/7/17 St Date: 7/13/17	3133EHRD7	880,000.00 0.00	879,978.00 715.02	(22.00)	99.998	0.60%
660,000.000	FFCB 1ML+7.0 FRN Mat: 8/1/22 Cpn: 1.43% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 7/26/17 St Date: 8/1/17	3133EHTJ2	660,000.00 0.00	659,650.20 813.11	(349.80)	99.947	0.45%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
730,000.000	FFCB 1ML+8.0 FRN Mat: 9/6/22 Cpn: 1.47% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 8/29/17 St Date: 9/6/17	3133EHXH1	730,000.00 0.00	729,945.25 775.97	(54.75)	99.993	0.50%
Total for Agencies			17,703,976.20 91.67	17,585,861.05 46,593.56	(118,115.15)		12.02%
Taxable Muni							
610,000.000	WI STATE TAXABLE Mat: 5/1/18 Cpn: 1.64% Moody's: Aa2 S&P: AA- Fitch: AA Tr Date: 10/27/15 St Date: 10/30/15	977100CQ7	617,411.50 4,986.34	609,954.25 1,671.40	(7,457.25)	99.993	0.42%
670,000.000	CA UNIV OF CALIFORNIA TXB Mat: 5/15/18 Cpn: 1.30% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 9/27/16 St Date: 9/29/16	91412GPZ2	672,860.90 3,232.08	669,112.92 1,109.52	(3,747.98)	99.868	0.46%
375,000.000	CA MORGAN HILL UNIF SCH DIST GO/ULT TXB Mat: 8/1/18 Cpn: 1.64% Moody's: Aa1 S&P: Fitch: Tr Date: 11/18/15 St Date: 12/17/15	617403EJ5	375,000.00 0.00	374,862.75 2,564.06	(137.25)	99.963	0.26%
1,500,000.000	MS STATE ULT/OG TAXABLE Mat: 10/1/18 Cpn: 1.47% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 2/4/15 St Date: 2/18/15	605581FY8	1,500,000.00 0.00	1,496,604.00 5,520.00	(3,396.00)	99.774	1.02%
1,400,000.000	CA LOS ANGELES MUNI IMPT TAXABLE Mat: 11/1/18 Cpn: 2.34% Moody's: S&P: AA- Fitch: A+ Tr Date: 11/4/15 St Date: 11/19/15	544587B98	1,400,000.00 0.00	1,405,744.20 5,469.33	5,744.20	100.410	0.96%
750,000.000	CA PASADENA UNIF SCH DIST GO/ULT TXB Mat: 11/1/18 Cpn: 1.86% Moody's: Aa2 S&P: A+ Fitch: Tr Date: 7/23/15 St Date: 7/28/15	702282ND2	755,820.00 3,373.06	749,027.25 2,326.25	(6,792.75)	99.870	0.51%
450,000.000	CA LOS ANGELES PUB WORKS TAXABLE Mat: 12/1/18 Cpn: 2.04% Moody's: Aa2 S&P: AA Fitch: AA- Tr Date: 8/13/15 St Date: 9/2/15	54473ERQ9	450,000.00 0.00	450,228.60 763.50	228.60	100.051	0.31%
750,000.000	CA STATE GO/ULT TXB Mat: 4/1/19 Cpn: 1.59% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 4/21/17 St Date: 4/27/17	13063DAB4	750,000.00 0.00	747,339.75 2,986.88	(2,660.25)	99.645	0.51%



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CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
270,000.000	CA LOS ANGELES DEPT AIRPORTS-LAX TXBL Mat: 5/15/19 Cpn: 1.75% Moody's: Aa3 S&P: AA Fitch: AA Tr Date: 11/16/16 St Date: 12/6/16	544445AY5	270,000.00 0.00	268,854.93 603.75	(1,145.07)	99.576	0.18%
75,000.000	CA UNIV OF CALIFORNIA TXB Mat: 5/15/19 Cpn: 1.61% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 5/5/17 St Date: 5/18/17	91412GS71	75,000.00 0.00	74,611.43 154.29	(388.58)	99.482	0.05%
2,100,000.000	CA EARTHQUAKE AUTH TAXABLE Mat: 7/1/19 Cpn: 2.81% Moody's: A3 S&P: Fitch: A Tr Date: 2/6/15 St Date: 2/11/15	13017HAE6	2,125,137.00 6,545.00	2,102,583.00 29,452.50	(22,554.00)	100.123	1.45%
750,000.000	CA SAN FRANCISCO BART-SALES TAX TXB Mat: 7/1/19 Cpn: 2.01% Moody's: S&P: AA+ Fitch: AA+ Tr Date: 12/15/17 St Date: 12/28/17	797669XS2	750,000.00 0.00	750,000.00 125.69	0.00	100.000	0.51%
2,655,000.000	CA UNIVERSITY OF CALIFORNIA TAXABLE Mat: 7/1/19 Cpn: 1.80% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 3/2/15 St Date: 3/5/15	91412GSB2	2,676,120.60 8,074.01	2,645,561.48 23,841.90	(30,559.13)	99.645	1.82%
335,000.000	CA SAN FRANCISCO REDEV AGY TXB Mat: 8/1/19 Cpn: 2.19% Moody's: S&P: A Fitch: Tr Date: 3/10/17 St Date: 3/29/17	79770GFZ4	335,000.00 0.00	334,236.20 3,061.06	(763.80)	99.772	0.23%
910,000.000	CA SAN JOSE REDEV AGY TAB TXB Mat: 8/1/19 Cpn: 2.10% Moody's: S&P: AA Fitch: AA Tr Date: 12/8/17 St Date: 12/21/17	798170AB2	910,000.00 0.00	910,000.00 530.33	0.00	100.000	0.62%
500,000.000	NY ST GO/ULT-TXBL Mat: 9/1/19 Cpn: 3.60% Moody's: Aa1 S&P: AA+ Fitch: AA+ Tr Date: 6/1/17 St Date: 6/6/17	649791EJ5	521,530.00 4,750.00	512,087.00 6,000.00	(9,443.00)	102.417	0.35%
745,000.000	CA STATE GO/ULT TXB Mat: 10/1/19 Cpn: 2.25% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 12/5/17 St Date: 12/7/17	13063DDD7	748,657.95 1,909.06	748,136.45 3,026.56	(521.50)	100.421	0.51%
370,000.000	CA CALIFORNIA ST UNIV SYS REV TAXABLE Mat: 11/1/19 Cpn: 1.98% Moody's: Aa2 S&P: AA- Fitch: Tr Date: 7/5/17 St Date: 7/7/17	13077CT38	371,431.90 1,344.46	369,493.84 1,222.23	(1,938.06)	99.863	0.25%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
590,000.000	CA CULVER CITY RDA-TXBL Mat: 11/1/19 Cpn: 1.63% Moody's: S&P: AA- Fitch: Tr Date: 11/15/17 St Date: 12/4/17	230340AL5	587,185.70 0.00	585,605.68 719.06	(1,580.02)	99.255	0.40%
370,000.000	CA LOS ANGELES MUNI IMPT TAXABLE Mat: 11/1/19 Cpn: 2.85% Moody's: S&P: AA- Fitch: A+ Tr Date: 2/25/16 St Date: 3/1/16	544587C22	381,536.60 2,983.56	374,714.54 1,755.03	(6,822.06)	101.274	0.26%
260,000.000	CA UNIVERSITY OF CALIFORNIA-TXBL Mat: 5/15/20 Cpn: 1.88% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 9/20/17 St Date: 9/28/17	91412G2R5	260,000.00 0.00	257,260.90 1,260.72	(2,739.10)	98.947	0.18%
690,000.000	CA ST HSG FIN AGY REV-TXBL Mat: 8/1/20 Cpn: 2.30% Moody's: A1 S&P: AA- Fitch: Tr Date: 6/21/17 St Date: 6/29/17	13034PZF7	690,000.00 0.00	686,307.12 8,023.17	(3,692.88)	99.465	0.47%
850,000.000	CA SAN FRANCISCO REDEV AGY-TXBL Mat: 8/1/20 Cpn: 2.00% Moody's: S&P: AA- Fitch: Tr Date: 11/10/17 St Date: 11/30/17	79770GGM2	848,886.50 0.00	845,518.80 1,463.89	(3,367.70)	99.473	0.58%
550,000.000	CA SAN JOSE REDEV AGY TAB TXB Mat: 8/1/20 Cpn: 2.26% Moody's: S&P: AA Fitch: AA Tr Date: 12/8/17 St Date: 12/21/17	798170AC0	550,000.00 0.00	550,000.00 345.13	0.00	100.000	0.38%
920,000.000	CA SAN DIEGO REDEV AGY TAB PRE-20 TXB Mat: 9/1/20 Cpn: 7.75% Moody's: WR S&P: A- Fitch: Tr Date: 8/30/17 St Date: 9/5/17	79730PDE2	1,078,589.60 792.22	1,047,638.04 23,766.67	(30,951.56)	113.874	0.73%
310,000.000	CA SAN MARCOS REDEV AGY TAB TXB Mat: 10/1/20 Cpn: 2.00% Moody's: S&P: AA- Fitch: Tr Date: 12/1/17 St Date: 12/14/17	79876CBQ0	307,904.40 0.00	307,070.50 292.78	(833.90)	99.055	0.21%
350,000.000	CA LOS ANGELES MUNI IMPT CORP LEASE TXB Mat: 11/1/20 Cpn: 3.15% Moody's: S&P: AA- Fitch: A+ Tr Date: 4/26/17 St Date: 5/1/17	544587C30	360,734.50 0.00	357,934.85 1,835.17	(2,799.65)	102.267	0.25%
410,000.000	CA ST EDU FACS AUTH REV-CHAPMAN UNV TXB Mat: 4/1/21 Cpn: 2.26% Moody's: A2 S&P: Fitch: Tr Date: 11/9/17 St Date: 11/16/17	130179KQ6	410,000.00 0.00	407,853.65 1,156.71	(2,146.35)	99.477	0.28%



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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
305,180.582	CA DEPT WTR RESOURCES-PWR SUPPLY TXB Mat: 5/1/21 Cpn: 1.71% Moody's: Aa1 S&P: AA Fitch: AA+ Tr Date: 9/22/17 St Date: 9/26/17	13066YTY5	302,107.41 2,105.62	298,481.26 871.29	(3,626.15)	97.805	0.20%
Total for Taxable Muni			21,080,914.56 40,095.41	20,936,823.38 131,918.87	(144,091.18)		14.36%
Credit							
515,000.000	WELLS FARGO Mat: 11/28/18 Cpn: 1.80% Moody's: Aa2 S&P: AA- Fitch: AA- Tr Date: 12/1/16 St Date: 12/8/16	94988J5F0	514,572.55 0.00	514,276.94 849.75	(295.61)	99.860	0.35%
570,000.000	CITIZENS BANK Mat: 12/3/18 Cpn: 2.30% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 5/16/17 St Date: 5/19/17	17401QAC5	572,490.90 6,045.17	570,425.79 1,019.67	(2,065.11)	100.075	0.39%
1,320,000.000	WISCONSIN ELECTRIC POWER Mat: 12/4/18 Cpn: 1.65% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 12/1/15 St Date: 12/4/15	976843BK7	1,318,772.40 0.00	1,315,843.32 1,633.50	(2,929.08)	99.685	0.90%
782,000.000	BNY MELLON Mat: 1/15/19 Cpn: 2.10% Moody's: A1 S&P: A Fitch: AA- Tr Date: 7/18/17 St Date: 7/21/17	06406HCP2	786,954.78 273.70	781,628.55 7,572.37	(5,326.23)	99.953	0.54%
470,000.000	MORGAN STANLEY Mat: 2/1/19 Cpn: 2.45% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 1/22/16 St Date: 1/27/16	61746BDX1	469,685.10 0.00	471,357.36 4,797.92	1,672.26	100.289	0.32%
200,000.000	CHEVRON Mat: 2/28/19 Cpn: 1.69% Moody's: Aa2 S&P: AA- Fitch: Tr Date: 2/28/17 St Date: 3/3/17	166764BS8	200,000.00 0.00	199,531.00 1,152.10	(469.00)	99.766	0.14%
550,000.000	CISCO SYSTEMS Mat: 2/28/19 Cpn: 1.60% Moody's: A1 S&P: AA- Fitch: Tr Date: 2/22/16 St Date: 2/29/16	17275RBB7	549,840.50 0.00	547,670.75 3,006.67	(2,169.75)	99.577	0.38%
420,000.000	STRYKER Mat: 3/8/19 Cpn: 2.00% Moody's: Baa1 S&P: A Fitch: Tr Date: 3/3/16 St Date: 3/10/16	863667AK7	419,512.80 0.00	419,190.24 2,636.67	(322.56)	99.807	0.29%



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650,000.000	AT&T Mat: 3/11/19 Cpn: 2.30% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 5/3/16 St Date: 5/12/16	00206RCC4	661,810.50 2,533.19	650,566.15 4,568.06	(11,244.35)	100.087	0.45%
790,000.000	BERKSHIRE HATHAWAY Mat: 3/15/19 Cpn: 1.70% Moody's: Aa2 S&P: AA Fitch: A+u Tr Date: 3/8/16 St Date: 3/15/16	084664CG4	789,399.60 0.00	787,197.87 3,954.39	(2,201.73)	99.645	0.54%
225,000.000	EXXON MOBIL Mat: 3/15/19 Cpn: 1.82% Moody's: Aaa S&P: AA+ Fitch: Tr Date: 5/8/17 St Date: 5/11/17	30231GAD4	225,866.25 636.65	224,650.58 1,205.09	(1,215.68)	99.845	0.15%
520,000.000	FIFTH THIRD BANK Mat: 3/15/19 Cpn: 2.30% Moody's: A3 S&P: A- Fitch: A- Tr Date: 3/10/16 St Date: 3/15/16	31677QBF5	519,880.40 0.00	520,882.96 3,521.56	1,002.56	100.170	0.36%
350,000.000	OGLETHORPE POWER Mat: 3/15/19 Cpn: 6.10% Moody's: Baa1 S&P: A- Fitch: A- Tr Date: 3/29/17 St Date: 4/3/17	677050AE6	377,244.00 1,067.50	365,261.75 6,286.39	(11,982.25)	104.361	0.25%
330,000.000	CATERPILLAR FINANCIAL Mat: 3/22/19 Cpn: 1.90% Moody's: A3 S&P: A Fitch: A Tr Date: 3/20/17 St Date: 3/23/17	14912L6W6	329,802.00 0.00	329,496.75 1,724.25	(305.25)	99.848	0.23%
420,000.000	JPMORGAN CHASE Mat: 4/23/19 Cpn: 6.30% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 7/15/16 St Date: 7/20/16	46625HHL7	455,463.24 10,218.25	442,457.82 4,998.00	(13,005.42)	105.347	0.30%
1,210,000.000	US BANK OHIO Mat: 4/26/19 Cpn: 1.40% Moody's: A1 S&P: AA- Fitch: AA Tr Date: 5/5/17 St Date: 5/10/17	90331HMY6	1,202,413.45 632.53	1,200,753.18 3,058.61	(1,660.27)	99.236	0.82%
875,000.000	PEPSICO Mat: 5/2/19 Cpn: 1.55% Moody's: A1 S&P: A+ Fitch: Au Tr Date: 4/27/17 St Date: 5/2/17	713448DR6	874,343.75 0.00	870,349.38 2,222.74	(3,994.38)	99.469	0.59%
195,000.000	AMERICAN EXPRESS Mat: 5/3/19 Cpn: 1.88% Moody's: A2 S&P: A- Fitch: A Tr Date: 4/27/17 St Date: 5/3/17	0258M0EK1	194,920.05 0.00	194,254.52 589.06	(665.54)	99.618	0.13%



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515,000.000	AMGEN Mat: 5/10/19 Cpn: 1.90% Moody's: Baa1 S&P: A Fitch: BBBu Tr Date: 5/8/17 St Date: 5/11/17	031162CK4	514,737.35 0.00	513,594.05 1,386.21	(1,143.30)	99.727	0.35%
640,000.000	BRANCH BANKING & TRUST Mat: 5/10/19 Cpn: 1.45% Moody's: A1 S&P: A Fitch: A+ Tr Date: 5/5/16 St Date: 5/10/16	07330NAL9	637,027.10 126.88	634,065.28 1,314.67	(2,961.82)	99.073	0.43%
340,000.000	BNY MELLON Mat: 5/15/19 Cpn: 2.20% Moody's: A1 S&P: A Fitch: AA- Tr Date: 9/28/17 St Date: 10/2/17	06406HCU1	342,019.60 2,846.56	340,669.46 955.78	(1,350.14)	100.197	0.23%
240,000.000	QUALCOMM Mat: 5/20/19 Cpn: 1.85% Moody's: A1 S&P: A Fitch: Tr Date: 5/19/17 St Date: 5/26/17	747525AM5	239,889.60 0.00	239,094.72 505.67	(794.88)	99.623	0.16%
235,000.000	COCA-COLA Mat: 5/30/19 Cpn: 1.38% Moody's: Aa3 S&P: AA- Fitch: A+u Tr Date: 5/25/16 St Date: 5/31/16	191216BV1	234,835.50 0.00	233,120.94 278.25	(1,714.56)	99.200	0.16%
140,000.000	CITIGROUP Mat: 6/7/19 Cpn: 2.05% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 6/2/16 St Date: 6/9/16	172967KS9	139,927.20 0.00	139,611.64 191.33	(315.56)	99.723	0.10%
220,000.000	GOLDMAN SACHS Mat: 7/23/19 Cpn: 1.95% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 7/19/17 St Date: 7/24/17	38141GWP5	219,973.60 0.00	218,769.54 1,870.92	(1,204.06)	99.441	0.15%
480,000.000	IBM Mat: 9/6/19 Cpn: 1.63% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 9/5/17 St Date: 9/8/17	44932HAA1	479,635.20 0.00	477,163.68 2,448.33	(2,471.52)	99.409	0.33%
510,000.000	CITIBANK Mat: 9/18/19 Cpn: 1.85% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 9/13/17 St Date: 9/18/17	17325FAF5	509,989.80 0.00	506,576.37 2,699.46	(3,413.43)	99.329	0.35%
225,000.000	GILEAD SCIENCES Mat: 9/20/19 Cpn: 1.85% Moody's: A3 S&P: A Fitch: Tr Date: 9/14/17 St Date: 9/21/17	375558BR3	224,921.25 0.00	224,121.60 1,156.25	(799.65)	99.610	0.15%



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285,000.000	FIFTH THIRD BANK Mat: 9/27/19 Cpn: 1.63% Moody's: A3 S&P: A- Fitch: A- Tr Date: 9/22/16 St Date: 9/27/16	31677QBH1	284,526.90 0.00	281,759.27 1,209.27	(2,767.64)	98.863	0.19%
145,000.000	PEPSICO Mat: 10/4/19 Cpn: 1.35% Moody's: A1 S&P: A+ Fitch: Au Tr Date: 10/3/16 St Date: 10/6/16	713448DJ4	144,978.25 0.00	143,312.06 473.06	(1,666.20)	98.836	0.10%
595,000.000	JOHN DEERE CAPITAL CORP Mat: 10/9/19 Cpn: 1.25% Moody's: A2 S&P: A Fitch: A Tr Date: 9/6/16 St Date: 9/9/16	24422ETJ8	593,798.10 0.00	585,904.24 1,694.10	(7,893.87)	98.471	0.40%
845,000.000	WAL-MART STORES Mat: 10/9/19 Cpn: 1.75% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 10/11/17 St Date: 10/20/17	931142DY6	844,983.10 0.00	842,045.04 2,916.42	(2,938.07)	99.650	0.58%
400,000.000	PNC BANK Mat: 10/18/19 Cpn: 2.40% Moody's: A2 S&P: A Fitch: A+ Tr Date: 9/12/17 St Date: 9/14/17	69353RDZ8	404,552.00 3,893.33	400,742.40 1,946.67	(3,809.60)	100.186	0.27%
430,000.000	PROCTER & GAMBLE Mat: 10/25/19 Cpn: 1.75% Moody's: Aa3 S&P: AA- Fitch: Tr Date: 10/23/17 St Date: 10/25/17	742718EZ8	429,849.50 0.00	428,139.39 1,379.58	(1,710.11)	99.567	0.29%
475,000.000	HONEYWELL INTL Mat: 10/30/19 Cpn: 1.40% Moody's: A2 S&P: A Fitch: A Tr Date: 10/24/16 St Date: 10/31/16	438516BJ4	474,624.75 0.00	469,670.50 1,126.81	(4,954.25)	98.878	0.32%
165,000.000	HONEYWELL INTL Mat: 10/30/19 Cpn: 1.80% Moody's: A2 S&P: A Fitch: A Tr Date: 10/23/17 St Date: 10/30/17	438516BQ8	164,871.30 0.00	164,172.36 503.25	(698.94)	99.498	0.11%
355,000.000	CHEVRON Mat: 11/15/19 Cpn: 2.19% Moody's: Aa2 S&P: AA- Fitch: Tr Date: 5/8/17 St Date: 5/11/17	166764AN0	357,879.05 3,806.07	355,889.63 994.77	(1,989.42)	100.251	0.24%
730,000.000	CATERPILLAR FINANCIAL Mat: 11/29/19 Cpn: 2.00% Moody's: A3 S&P: A Fitch: A Tr Date: 11/27/17 St Date: 11/29/17	14913Q2F5	729,299.20 0.00	728,074.26 1,297.78	(1,224.94)	99.736	0.50%



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170,000.000	CATERPILLAR FINANCIAL Mat: 1/10/20 Cpn: 2.10% Moody's: A3 S&P: A Fitch: A Tr Date: 1/5/17 St Date: 1/12/17	14912L6Y2	169,813.00 0.00	169,682.10 1,695.75	(130.90)	99.813	0.12%
510,000.000	CITIGROUP Mat: 1/10/20 Cpn: 2.45% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 1/4/17 St Date: 1/10/17	172967LF6	509,796.00 0.00	510,330.48 5,935.13	534.48	100.065	0.35%
510,000.000	BRANCH BANKING & TRUST Mat: 1/15/20 Cpn: 2.10% Moody's: A1 S&P: A Fitch: A+ Tr Date: 1/23/17 St Date: 1/26/17	07330NAN5	509,959.20 0.00	508,815.27 4,938.50	(1,143.93)	99.768	0.35%
545,000.000	US BANK CINCINNATI Mat: 1/24/20 Cpn: 2.00% Moody's: A1 S&P: AA- Fitch: AA Tr Date: 1/19/17 St Date: 1/24/17	90331HNB5	543,850.05 0.00	542,857.61 4,753.61	(992.45)	99.607	0.37%
520,000.000	IBM Mat: 1/27/20 Cpn: 1.90% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 1/24/17 St Date: 1/27/17	459200JN2	519,500.80 0.00	517,669.88 4,226.44	(1,830.92)	99.552	0.36%
530,000.000	CAPITAL ONE Mat: 1/31/20 Cpn: 2.35% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 1/26/17 St Date: 1/31/17	14042RFH9	529,682.00 0.00	528,552.57 5,224.18	(1,129.43)	99.727	0.36%
495,000.000	SUNTRUST BANK Mat: 1/31/20 Cpn: 2.25% Moody's: Baa1 S&P: A- Fitch: A- Tr Date: 1/25/17 St Date: 2/1/17	86787EAR8	494,811.90 0.00	494,517.87 4,671.56	(294.03)	99.903	0.34%
505,000.000	MICROSOFT Mat: 2/6/20 Cpn: 1.85% Moody's: Aaa S&P: AAA Fitch: AA+u Tr Date: 1/30/17 St Date: 2/6/17	594918BV5	504,661.65 0.00	502,904.25 3,762.95	(1,757.40)	99.585	0.35%
535,000.000	ESTEE LAUDER CO Mat: 2/7/20 Cpn: 1.80% Moody's: A2 S&P: A+ Fitch: Tr Date: 2/6/17 St Date: 2/9/17	29736RAL4	534,925.10 0.00	531,276.94 3,852.00	(3,648.17)	99.304	0.36%
225,000.000	PACCAR FINANCIAL Mat: 2/27/20 Cpn: 1.95% Moody's: A1 S&P: A+ Fitch: Tr Date: 2/22/17 St Date: 2/27/17	69371RN69	224,595.00 0.00	223,718.63 1,511.25	(876.38)	99.431	0.15%



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690,000.000	KIMBERLY-CLARK Mat: 3/1/20 Cpn: 1.85% Moody's: A2 S&P: A Fitch: A Tr Date: 5/5/17 St Date: 5/10/17	494368BP7	689,710.20 2,446.63	684,081.87 4,255.00	(5,628.33)	99.142	0.47%
250,000.000	CITIZENS BANK Mat: 3/2/20 Cpn: 2.25% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 2/27/17 St Date: 3/2/17	17401QAG6	249,762.50 0.00	248,788.75 1,859.38	(973.75)	99.516	0.17%
375,000.000	AMERICAN EXPRESS Mat: 3/3/20 Cpn: 2.20% Moody's: A2 S&P: A- Fitch: A Tr Date: 2/28/17 St Date: 3/3/17	0258M0EE5	374,610.00 0.00	374,065.50 2,704.17	(544.50)	99.751	0.26%
250,000.000	HUNTINGTON NATL BANK Mat: 3/10/20 Cpn: 2.38% Moody's: A3 S&P: BBB+ Fitch: A- Tr Date: 3/7/17 St Date: 3/10/17	446438RU9	249,985.00 0.00	249,979.50 1,830.73	(5.50)	99.992	0.17%
730,000.000	HUNTINGTON NATL BANK FRN Mat: 3/10/20 Cpn: 2.05% Moody's: A3 S&P: BBB+ Fitch: A- Tr Date: 11/14/17 St Date: 11/16/17	446438RV7	734,234.00 2,445.43	733,452.90 871.28	(781.10)	100.473	0.50%
400,000.000	JOHN DEERE CAPITAL Mat: 3/13/20 Cpn: 2.20% Moody's: A2 S&P: A Fitch: A Tr Date: 3/10/17 St Date: 3/15/17	24422ETQ2	399,688.00 0.00	399,704.40 2,640.00	16.40	99.926	0.27%
605,000.000	CONSOLIDATED EDISON Mat: 3/15/20 Cpn: 2.00% Moody's: A3 S&P: BBB+ Fitch: BBB+ Tr Date: 2/27/17 St Date: 3/2/17	209115AD6	604,800.35 0.00	602,060.31 3,562.78	(2,740.05)	99.514	0.41%
290,000.000	AMGEN FRN Mat: 5/11/20 Cpn: 1.86% Moody's: Baa1 S&P: A Fitch: BBBu Tr Date: 5/8/17 St Date: 5/11/17	031162CN8	290,000.00 0.00	291,363.00 765.34	1,363.00	100.470	0.20%
665,000.000	APPLE Mat: 5/11/20 Cpn: 1.80% Moody's: Aa1 S&P: AA+ Fitch: Tr Date: 5/4/17 St Date: 5/11/17	037833CS7	664,321.70 0.00	659,596.88 1,662.50	(4,724.83)	99.188	0.45%
725,000.000	INTEL Mat: 5/11/20 Cpn: 1.85% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 5/8/17 St Date: 5/11/17	458140AZ3	724,724.50 0.00	721,623.68 1,862.85	(3,100.83)	99.534	0.49%



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720,000.000	PNC BANK Mat: 5/19/20 Cpn: 2.00% Moody's: A2 S&P: A Fitch: A+ Tr Date: 5/16/17 St Date: 5/19/17	69353RFC7	719,186.40 0.00	714,225.60 1,680.00	(4,960.80)	99.198	0.49%
730,000.000	VERIZON COMMUNICATIONS FRN Mat: 5/22/20 Cpn: 2.00% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 5/11/17 St Date: 5/22/17	92343VDZ4	730,000.00 0.00	733,613.50 1,618.93	3,613.50	100.495	0.50%
250,000.000	CITIZENS BANK Mat: 5/26/20 Cpn: 2.20% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 5/22/17 St Date: 5/26/17	17401QAJ0	249,770.00 0.00	248,146.50 534.72	(1,623.50)	99.259	0.17%
455,000.000	HOME DEPOT FRN Mat: 6/5/20 Cpn: 1.64% Moody's: A2 S&P: A Fitch: Au Tr Date: 5/24/17 St Date: 6/5/17	437076BR2	455,000.00 0.00	456,030.58 561.23	1,030.58	100.227	0.31%
515,000.000	CITIBANK Mat: 6/12/20 Cpn: 2.10% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 6/6/17 St Date: 6/12/17	17325FAE8	514,778.55 0.00	511,439.81 570.79	(3,338.75)	99.309	0.35%
360,000.000	JOHN DEERE CAPITAL CORP Mat: 6/22/20 Cpn: 1.95% Moody's: A2 S&P: A Fitch: A Tr Date: 6/19/17 St Date: 6/22/17	24422ETS8	359,780.40 0.00	357,411.96 175.50	(2,368.44)	99.281	0.24%
270,000.000	MANUFACTURERS & TRADERS TRUST Mat: 8/17/20 Cpn: 2.05% Moody's: A3 S&P: A Fitch: A Tr Date: 8/14/17 St Date: 8/17/17	55279HAN0	269,773.20 0.00	267,999.84 2,060.25	(1,773.36)	99.259	0.18%
640,000.000	CATERPILLAR FINANCIAL Mat: 9/4/20 Cpn: 1.85% Moody's: A3 S&P: A Fitch: A Tr Date: 9/5/17 St Date: 9/7/17	14913Q2A6	639,462.40 0.00	632,832.64 3,749.33	(6,629.76)	98.880	0.43%
730,000.000	UNITEDHEALTH GROUP Mat: 10/15/20 Cpn: 1.95% Moody's: A3 S&P: A+ Fitch: A- Tr Date: 10/18/17 St Date: 10/25/17	91324PDC3	728,788.20 0.00	723,219.03 2,609.75	(5,569.17)	99.071	0.49%
325,000.000	CITIBANK Mat: 10/20/20 Cpn: 2.13% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 10/13/17 St Date: 10/20/17	17325FAJ7	324,886.25 0.00	322,040.23 1,362.07	(2,846.03)	99.089	0.22%



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Portfolio 2481

Portfolio Positions

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Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
685,000.000	AMERICAN EXPRESS Mat: 10/30/20 Cpn: 2.20% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 10/23/17 St Date: 10/30/17	025816BP3	684,109.50 0.00	679,919.36 2,553.53	(4,190.15)	99.258	0.47%
200,000.000	FIFTH THIRD BANK Mat: 10/30/20 Cpn: 2.20% Moody's: A3 S&P: A- Fitch: A- Tr Date: 10/25/17 St Date: 10/30/17	31677QBK4	199,924.00 0.00	198,733.20 745.56	(1,190.80)	99.367	0.14%
370,000.000	PNC BANK Mat: 11/5/20 Cpn: 2.45% Moody's: A2 S&P: A Fitch: A+ Tr Date: 10/18/17 St Date: 10/23/17	69353REU8	373,478.00 4,230.33	370,993.82 1,410.11	(2,484.18)	100.269	0.25%
240,000.000	ANTHEM Mat: 11/21/20 Cpn: 2.50% Moody's: Baa2 S&P: A Fitch: BBB Tr Date: 11/14/17 St Date: 11/21/17	036752AE3	239,572.80 0.00	239,808.96 666.67	236.16	99.920	0.16%
435,000.000	STARBUCKS Mat: 11/22/20 Cpn: 2.20% Moody's: A3 S&P: A- Fitch: A- Tr Date: 11/20/17 St Date: 11/22/17	855244AL3	434,647.65 0.00	434,935.62 1,036.75	287.97	99.985	0.30%
755,000.000	PINNACLE WEST CAPITAL Mat: 11/30/20 Cpn: 2.25% Moody's: A3 S&P: BBB+ Fitch: A- Tr Date: 11/28/17 St Date: 11/30/17	723484AG6	754,524.35 0.00	751,955.84 1,462.81	(2,568.51)	99.597	0.51%
505,000.000	GOLDMAN SACHS Mat: 12/27/20 Cpn: 2.60% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 3/22/17 St Date: 3/27/17	38141GWG5	504,651.55 0.00	505,717.10 145.89	1,065.55	100.142	0.34%
770,000.000	BB&T CORPORATION Mat: 2/1/21 Cpn: 2.15% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 10/23/17 St Date: 10/26/17	05531FAZ6	769,645.80 0.00	762,829.76 2,989.10	(6,816.04)	99.069	0.52%
730,000.000	JPMORGAN CHASE FRN Mat: 3/9/21 Cpn: 2.09% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 11/14/17 St Date: 11/16/17	46647PAC0	732,547.70 2,498.96	731,890.70 888.31	(657.00)	100.259	0.50%
620,000.000	JPMORGAN CHASE FRN Mat: 6/1/21 Cpn: 2.16% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 5/23/17 St Date: 6/1/17	46647PAG1	620,000.00 0.00	623,484.40 1,153.54	3,484.40	100.562	0.43%



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845,000.000	BANK OF AMERICA Mat: 7/21/21 Cpn: 2.37% Moody's: A3 S&P: A- Fitch: A Tr Date: 7/18/17 St Date: 7/21/17	06051GGP8	845,000.00 0.00	843,495.90 8,896.91	(1,504.10)	99.822	0.58%
360,000.000	BANK OF AMERICA Mat: 10/1/21 Cpn: 2.33% Moody's: A3 S&P: A- Fitch: A Tr Date: 9/13/17 St Date: 9/18/17	06051GGS2	360,000.00 0.00	358,864.20 2,397.84	(1,135.80)	99.685	0.25%
500,000.000	MORGAN STANLEY FRN Mat: 1/20/22 Cpn: 2.54% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 3/3/17 St Date: 3/8/17	61746BEE2	505,560.00 1,442.71	507,917.50 2,577.92	2,357.50	101.584	0.35%
390,000.000	WELLS FARGO FRN Mat: 2/11/22 Cpn: 2.34% Moody's: A2 S&P: A Fitch: A+ Tr Date: 2/6/17 St Date: 2/13/17	949746SP7	390,000.00 0.00	394,715.10 1,243.68	4,715.10	101.209	0.27%
510,000.000	CAPITAL ONE FINL FRN Mat: 3/9/22 Cpn: 2.49% Moody's: Baa1 S&P: BBB Fitch: A- Tr Date: 3/6/17 St Date: 3/9/17	14040HBM6	510,000.00 0.00	513,141.60 739.60	3,141.60	100.616	0.35%
510,000.000	CITIGROUP FRN Mat: 4/25/22 Cpn: 2.33% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 4/18/17 St Date: 4/25/17	172967LH2	510,000.00 0.00	515,602.35 2,242.08	5,602.35	101.099	0.35%
405,000.000	UNITED PARCEL SERVICE FRN Mat: 5/16/22 Cpn: 1.80% Moody's: A1 S&P: A+ Fitch: Tr Date: 5/11/17 St Date: 5/16/17	911312BB1	405,000.00 0.00	406,346.63 930.98	1,346.63	100.333	0.28%
535,000.000	MANUFACTURERS & TRADERS TRUST FRN Mat: 5/18/22 Cpn: 2.05% Moody's: A3 S&P: A Fitch: A Tr Date: 5/15/17 St Date: 5/18/17	55279HAM2	535,000.00 0.00	537,212.23 1,276.84	2,212.23	100.414	0.37%
640,000.000	MORGAN STANLEY FRN Mat: 7/22/22 Cpn: 2.29% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 7/19/17 St Date: 7/24/17	61744YAJ7	640,000.00 0.00	645,318.40 2,852.89	5,318.40	100.831	0.44%
730,000.000	GOLDMAN SACHS FRN Mat: 10/31/22 Cpn: 2.16% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 11/14/17 St Date: 11/16/17	38148YAB4	729,284.60 700.83	731,580.45 2,715.71	2,295.85	100.217	0.50%



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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
Total for Credit			43,693,092.92 45,844.72	43,548,756.45 197,580.02	(144,336.48)		29.81%
Mortgage-Backed							
730,680.120	FNA 2015-M7 ASQ2 CMBS Mat: 4/25/18 Cpn: 1.55% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 4/15/15 St Date: 4/30/15	3136ANJY4	737,984.29 912.33	729,760.92 943.80	(8,223.37)	99.874	0.50%
65,688.638	FNA 2014-M8 FA 1MOFRN CMBS Mat: 5/25/18 Cpn: 1.49% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/11/14 St Date: 7/31/14	3136AKQJ5	65,671.03 22.01	65,638.39 84.16	(32.65)	99.924	0.04%
965,060.980	FHMS K704 A2 CMBS Mat: 8/25/18 Cpn: 2.41% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/2/14 St Date: 10/7/14	3137AH6Q6	988,810.53 387.95	965,562.81 1,939.77	(23,247.72)	100.052	0.66%
674,881.802	FNA 14-M1 ASQ2 CMBS Mat: 11/25/18 Cpn: 2.32% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/17/14 St Date: 1/30/14	3136AHUV0	686,000.18 1,232.11	675,833.39 1,306.46	(10,166.79)	100.141	0.46%
387,627.620	FHMS KP03 A2 CMBS Mat: 7/25/19 Cpn: 1.78% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 6/7/17 St Date: 6/12/17	3137BNN26	388,596.69 210.83	386,031.37 574.98	(2,565.32)	99.588	0.26%
135,046.800	FNMA #890170 10YR Mat: 9/1/19 Cpn: 4.50% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/3/14 St Date: 10/20/14	31410K6F6	143,234.01 320.74	137,202.69 506.43	(6,031.32)	101.596	0.09%
946,037.702	FNA 2015-M13 ASQ2 CMBS Mat: 9/25/19 Cpn: 1.65% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/7/15 St Date: 10/30/15	3136AQDQ0	955,511.23 1,254.39	943,092.69 1,297.65	(12,418.54)	99.689	0.64%
1,670,000.000	FHMS KP04 AG1 1MOFRN CMBS Mat: 7/25/20 Cpn: 1.57% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/15/17 St Date: 11/28/17	3137FBUV6	1,670,000.00 0.00	1,671,047.09 436.08	1,047.09	100.063	1.14%
465,928.005	NGN 2010-R3 2A 1MOFRN NCUA GNTD Mat: 12/8/20 Cpn: 1.96% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/7/17 St Date: 7/12/17	62888WAB2	468,512.45 115.41	468,739.41 635.21	226.96	100.603	0.32%



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Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
Total for Mortgage-Backed			6,104,320.41	4,455.76	6,042,908.76	(61,411.66)		4.12%
Asset-Backed								
1,212,794.888	JOHN DEERE 2015-B A3 EQP	47787WAC3	1,212,563.61		1,211,215.83	(1,347.78)	99.870	0.83%
	Mat: 10/15/19 Cpn: 1.44%		0.00		776.19			
	Moody's: Aaa S&P: Fitch: AAA							
	Tr Date: 9/1/15 St Date: 9/9/15							
1,708,881.603	JOHN DEERE 2016-A A3 EQP	47788MAC4	1,708,612.63		1,704,248.83	(4,363.80)	99.729	1.16%
	Mat: 4/15/20 Cpn: 1.36%		0.00		1,032.92			
	Moody's: Aaa S&P: Fitch: AAA							
	Tr Date: 2/23/16 St Date: 3/2/16							
1,060,000.000	MERCEDES 2017-A A3 LEASE	58769DAD2	1,059,975.83		1,056,195.38	(3,780.45)	99.641	0.72%
	Mat: 4/15/20 Cpn: 1.79%		0.00		843.29			
	Moody's: S&P: AAA Fitch: AAA							
	Tr Date: 4/19/17 St Date: 4/26/17							
1,150,000.000	BMW 2017-1 A3 LEASE	055657AC4	1,149,867.87		1,147,954.43	(1,913.44)	99.822	0.78%
	Mat: 5/20/20 Cpn: 1.98%		0.00		695.75			
	Moody's: Aaa S&P: Fitch: AAA							
	Tr Date: 3/15/17 St Date: 3/22/17							
900,000.000	USAA 2016-1 A3 CAR	90327CAC4	899,851.95		896,627.70	(3,224.25)	99.625	0.61%
	Mat: 6/15/20 Cpn: 1.20%		0.00		480.00			
	Moody's: Aaa S&P: AAA Fitch:							
	Tr Date: 9/12/16 St Date: 9/21/16							
650,000.000	NISSAN 2017-B A3 LEASE	65479BAD2	649,886.45		648,233.33	(1,653.12)	99.728	0.44%
	Mat: 9/15/20 Cpn: 2.05%		0.00		592.22			
	Moody's: Aaa S&P: Fitch: AAA							
	Tr Date: 10/3/17 St Date: 10/10/17							
300,000.000	BMW 2017-2 A3 LEASE	05584PAD9	299,999.76		299,131.70	(868.07)	99.711	0.20%
	Mat: 10/20/20 Cpn: 2.07%		0.00		189.75			
	Moody's: Aaa S&P: Fitch: AAA							
	Tr Date: 10/17/17 St Date: 10/25/17							
1,155,000.000	BMW 2016-A A3 CAR	05582QAD9	1,154,994.80		1,146,284.37	(8,710.43)	99.245	0.78%
	Mat: 11/25/20 Cpn: 1.16%		0.00		223.30			
	Moody's: Aaa S&P: Fitch: AAA							
	Tr Date: 7/12/16 St Date: 7/20/16							
1,360,000.000	CITI 2017-A2 A2 CDT	17305EGA7	1,359,739.56		1,356,665.78	(3,073.78)	99.755	0.93%
	Mat: 1/19/21 Cpn: 1.74%		0.00		10,780.27			
	Moody's: Aaa S&P: AAA Fitch:							
	Tr Date: 1/19/17 St Date: 1/26/17							



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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,069,000.000	TOYOTA 2017-A A3 CAR Mat: 2/16/21 Cpn: 1.73% Moody's: Aaa S&P: AAA Fitch: Tr Date: 3/7/17 St Date: 3/15/17	89238MAD0	1,068,874.18 0.00	1,063,600.19 821.94	(5,273.99)	99.495	0.73%
870,000.000	JOHN DEERE 2017-A A3 EQP Mat: 4/15/21 Cpn: 1.78% Moody's: Aaa S&P: Fitch: AAA Tr Date: 2/22/17 St Date: 3/2/17	47787XAC1	869,876.11 0.00	866,050.20 688.27	(3,825.91)	99.546	0.59%
420,000.000	USAA 2017-1 A3 CAR Mat: 5/17/21 Cpn: 1.70% Moody's: Aaa S&P: AAA Fitch: Tr Date: 9/13/17 St Date: 9/20/17	90290AAC1	419,955.73 0.00	417,641.28 317.33	(2,314.45)	99.438	0.28%
1,080,000.000	SDART 2017-1 B CAR Mat: 6/15/21 Cpn: 2.10% Moody's: Aaa S&P: AA Fitch: Tr Date: 2/23/17 St Date: 2/28/17	80284TAH8	1,079,917.16 0.00	1,077,267.60 1,008.00	(2,649.56)	99.747	0.73%
1,500,000.000	TOYOTA 2017-B A3 CAR Mat: 7/15/21 Cpn: 1.76% Moody's: Aaa S&P: AAA Fitch: Tr Date: 5/9/17 St Date: 5/17/17	89190BAD0	1,499,884.95 0.00	1,490,019.36 1,173.33	(9,865.59)	99.335	1.02%
1,240,000.000	HONDA 2017-1 A3 CAR Mat: 7/21/21 Cpn: 1.72% Moody's: Aaa S&P: Fitch: AAA Tr Date: 3/21/17 St Date: 3/28/17	43814TAC6	1,239,926.22 0.00	1,231,941.56 592.44	(7,984.66)	99.350	0.84%
830,000.000	HONDA 2017-3 A3 CAR Mat: 9/20/21 Cpn: 1.79% Moody's: S&P: AAA Fitch: AAA Tr Date: 9/25/17 St Date: 9/29/17	43814PAC4	829,910.11 0.00	824,074.16 536.50	(5,835.95)	99.286	0.56%
420,000.000	JOHN DEERE 2017-B A3 EQP Mat: 10/15/21 Cpn: 1.82% Moody's: Aaa S&P: Fitch: AAA Tr Date: 7/11/17 St Date: 7/18/17	47788BAD6	419,969.26 0.00	417,022.62 339.73	(2,946.64)	99.291	0.28%
1,200,000.000	AMEX 2017-4 A CDT Mat: 12/15/21 Cpn: 1.64% Moody's: S&P: AAA Fitch: AAA Tr Date: 5/22/17 St Date: 5/30/17	02582JHG8	1,199,807.76 0.00	1,193,506.96 874.67	(6,300.80)	99.459	0.81%
1,340,000.000	CHASE 2017-A1 A CDT 1MOFRN Mat: 1/18/22 Cpn: 1.78% Moody's: NR S&P: AAA Fitch: AAA Tr Date: 1/30/17 St Date: 2/6/17	161571HJ6	1,340,000.00 0.00	1,346,444.06 1,124.47	6,444.06	100.481	0.92%



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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,460,000.000	CITI 2017-A3 A3 CDT Mat: 4/7/22 Cpn: 1.92% Moody's: NR S&P: AAA Fitch: AAA Tr Date: 4/4/17 St Date: 4/11/17	17305EGB5	1,459,579.37 0.00	1,450,991.46 6,540.80	(8,587.91)	99.383	0.99%
Total for Asset-Backed			20,923,193.30 0.00	20,845,116.79 29,631.18	(78,076.51)		14.23%
Grand Total			147,003,678.73 99,243.48	146,193,502.59 543,093.52	(810,176.13)		100.00%



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Account #: LCEF00238B2

As of 12/31/2017

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
CASH & CASH EQUIVALENTS												
CASH												
06539RL9	BNK OF TKYO-MTBSHI	-				2,200,000	2,200,000.000	-	-	-	1.50%	2,200,000.00
05582WZS6	BNP PARIBAS NY BRH C/D	1.450	1/22/2018	1/22/2018	A-1	1,500,000	1,500,000.000	.067	.065	1.441	1.02%	1,500,000.00
60683BCS0	MITSUBISHI TR & BKG	-				2,275,000	2,275,000.000	-	-	-	1.55%	2,275,000.00
60700AMC5	MIZUHO BANK C/D	-				2,500,000	2,500,000.000	-	-	-	1.71%	2,500,000.00
65602UYN2	NORINCHUKIN BK C/D	-				2,225,000	2,225,000.000	-	-	-	1.52%	2,225,000.00
69372BAP5	PACCAR FINL CORP-DISC C 0.0 23JAN18	-				2,500,000	2,497,784.660	-	-	-	1.70%	2,497,784.66
89113XRZ9	TORONTO-DOMINION BK	-				2,500,000	2,500,000.000	-	-	-	1.71%	2,500,000.00
NA9123459	US DOLLARS	1.564	1/2/2018		Agency	402,244	402,243.960	0.000	-	1.564	.27%	402,243.96
USD120030	USD INTEREST RECEIVABLE	-				608,062	0.000	-	-	-	.41%	608,062.26
93884FAA0	WASHINGTON GAS/LT D	-				2,500,000	2,499,093.680	-	-	-	1.70%	2,499,093.68
CASH TOTALS							18,599,122.300					19,207,184.56
CASH & CASH EQUIVALENTS TOTALS							18,599,122.300					19,207,184.56
FIXED INCOME												
AGENCIES												
3130A7CX1	FEDERAL HOME LOAN BANKS	.875	3/19/2018	3/19/2018	Agency	1,980,000	1,979,930.340	.222	.217	1.347	1.35%	1,977,917.04
3134G8L98	FEDERAL HOME LOAN MORTGAGE CORP	1.050	2/26/2018	2/26/2018	Agency	915,000	915,000.000	.158	.160	1.379	.62%	914,570.87
3135G0E58	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.125	10/19/2018	10/19/2018	Agency	2,000,000	1,998,956.290	.806	.795	1.755	1.36%	1,989,960.00
AGENCIES TOTALS							4,893,886.630					4,882,447.91
ASSET BACKED												
055657AC4	BMW VEHICLE LEASE TRUST	1.980	5/20/2020	9/20/2019	Aaa	670,000	672,482.540	1.393	1.359	2.091	.46%	669,059.86
05581RAD8	BMW VEHICLE LEASE TRUST 2016-1	1.340	1/22/2019	7/20/2018	Aaa	307,758	307,746.480	.321	.317	1.759	.21%	307,352.22
05582XAD4	BMW VEHICLE LEASE TRUST 2016-2	1.430	9/20/2019	3/20/2019	AAA	995,000	994,922.140	.891	.877	1.918	.68%	990,780.11
161571GT5	CHASE ISSUANCE TRUST	1.590	2/18/2020	2/15/2018	AAA	1,125,000	1,125,861.580	.128	.130	1.743	.77%	1,124,788.61
36159LCR5	GE DEALER FLOORPLAN MASTER NOTE TRUST	2.001	1/21/2020	1/22/2018	Aaa	600,000	600,010.080	.064	.065	1.724	.41%	600,139.14
43814KAC5	HONDA AUTO RECEIVABLES 2015-1 OWNER TRUST	1.050	10/15/2018	2/15/2018	Aaa	205,451	205,450.750	.060	.062	1.693	.14%	205,372.55
47787UAD5	JOHN DEERE OWNER TRUST 2015	1.320	6/17/2019	6/15/2018	Aaa	140,130	140,247.040	.219	.217	1.757	.10%	139,997.89
47787WAC3	JOHN DEERE OWNER TRUST 2015-B	1.440	10/15/2019	11/15/2018	Aaa	408,966	408,976.500	.357	.352	1.830	.28%	408,410.56
47787XAC1	JOHN DEERE OWNER TRUST 2017	1.780	4/15/2021	6/15/2020	Aaa	450,000	449,958.310	1.548	1.509	2.105	.31%	447,839.91
58769DAD2	MERCEDES-BENZ AUTO LEASE TRUST 2017-A	1.790	4/15/2020	6/15/2019	AAA	1,405,000	1,404,975.270	1.176	1.152	1.972	.96%	1,402,167.52
58772PAD0	MERCEDES-BENZ AUTO RECEIVABLES TRUST 2015-1	1.340	12/16/2019	11/15/2018	AAA	840,536	840,633.770	.425	.420	1.880	.57%	838,646.02
65478QAD0	NISSAN AUTO LEASE TRUST 2016-A	1.490	3/15/2019	9/15/2018	Aaa	585,000	584,991.000	.364	.359	1.797	.40%	584,363.52
65479AAB8	NISSAN AUTO LEASE TRUST 2017-A	1.640	9/16/2019	5/15/2019	Aaa	1,800,000	1,799,927.930	.833	.818	1.954	1.22%	1,795,458.42
65474VAL5	NISSAN MASTER OWNER TRUST RECEIVABLES	1.540	6/15/2021	6/17/2019	Aaa	400,000	399,971.780	1.464	1.435	2.159	.27%	396,623.20
65474VAP6	NISSAN MASTER OWNER TRUST RECEIVABLES	-				1,540,000	1,540,000.000	-	-	-	1.05%	1,543,057.67
89231UAD9	TOYOTA AUTO RECEIVABLES 2016-B OWNER TRUST	-				199,840	199,337.830	-	-	-	.14%	199,089.80
ASSET BACKED TOTALS							11,675,493.000					11,653,147.00
CMBS												
3136AC3C3	FANNIE MAE-ACES	1.451	2/25/2018	2/25/2018	Agency	45,022	45,038.390	.125	.127	1.725	.03%	44,963.16
3136AK2A0	FANNIE MAE-ACES	2.171	9/25/2019	9/25/2019	Agency	180,357	182,509.000	1.666	1.621	2.093	.12%	180,355.18

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Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
CMBS (Continued)												
3137AME52	FHLMC MULTICLASS	1.891	12/25/2020	11/25/2019	Agency	294,132	296,011.710	.970	.949	1.928	.20%	293,679.02
3137AH6Q6	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.412	8/25/2018	8/25/2018	Aaa	820,302	825,682.180	.502	.493	2.019	.56%	820,626.57
3137AXHP1	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.573	9/25/2022	9/25/2022	Aaa	1,665,000	1,689,340.950	4.639	4.328	2.416	1.14%	1,674,492.00
CMBS TOTALS							3,038,582.230					3,014,115.93
CMOS												
31394GB77	FREDDIE MAC REMICS	4.500	7/15/2018	7/15/2018	Agency	80,455	81,025.090	.227	.224	2.212	.06%	80,731.82
31393WN47	FREDDIE MAC REMICS	4.500	7/15/2018	7/15/2018	Agency	87,788	88,414.510	.227	.224	2.505	.06%	88,033.35
31393WVB2	FREDDIE MAC REMICS	4.500	7/15/2018	7/15/2018	Agency	254,570	256,443.080	.255	.251	2.435	.17%	255,463.46
CMOS TOTALS							425,882.680					424,228.63
CORPORATES												
0258M0EF2	AMERICAN EXPRESS CREDIT CORP	1.917	3/3/2020	3/3/2020	A2	835,000	835,000.000	2.100	.183	2.026	.57%	836,981.19
0258M0EJ4	AMERICAN EXPRESS CREDIT CORP	1.715	5/3/2019	5/3/2019	A2	325,000	325,000.000	1.261	.099	1.874	.22%	325,628.12
0258M0DZ9	AMERICAN EXPRESS CREDIT CORP	1.875	11/5/2018	11/5/2018	A2	1,867,000	1,874,439.590	.850	.831	1.927	1.27%	1,866,167.84
037833BR0	APPLE INC	2.274	2/22/2019	2/22/2019	Aa1	425,000	427,372.190	1.158	.157	1.730	.29%	428,760.30
037833BD1	APPLE INC	-				1,100,000	1,098,719.520	-	-	-	.75%	1,095,090.43
06051GGS2	BANK OF AMERICA CORP	2.328	10/1/2021	10/1/2021	A-	1,770,000	1,770,017.820	3.756	3.162	2.406	1.20%	1,765,010.19
05531FAQ6	BB&T CORP	2.250	2/1/2019	2/1/2019	A2	580,000	585,466.700	1.008	1.037	2.077	.40%	580,998.03
084659AB7	BERKSHIRE HATHAWAY ENERGY CO	2.400	2/1/2020	2/3/2020	A3	1,420,000	1,437,633.700	2.006	1.986	2.161	.97%	1,426,630.92
084664CP4	BERKSHIRE HATHAWAY FINANCE CORP	1.606	1/11/2019	1/11/2019	Aa2	500,000	500,389.550	1.036	.037	1.775	.34%	500,959.92
07330NAP0	BRANCH BANKING & TRUST CO	1.809	1/15/2020	1/15/2020	A1	790,000	790,000.000	2.047	.055	1.963	.54%	793,263.75
14040HBQ7	CAPITAL ONE FINANCIAL CORP	2.173	5/12/2020	5/12/2020	Baa1	620,000	620,000.000	2.292	.130	2.268	.42%	622,847.26
14912L6M8	CATERPILLAR FINANCIAL SERVICES CORP	1.800	11/13/2018	11/13/2018	A	1,410,000	1,412,542.440	.872	.861	1.945	.96%	1,408,233.54
17325FAD0	CITIBANK NA	2.049	6/12/2020	6/12/2020	A+	400,000	400,000.000	2.453	.206	2.017	.27%	401,934.40
172967LC3	CITIGROUP INC	2.900	12/8/2021	12/8/2021	BBB+	1,355,000	1,371,013.500	3.858	3.670	2.719	.93%	1,363,916.94
17401QAC5	CITIZENS BANK NA/PROVIDENCE RI	2.300	12/3/2018	12/3/2018	BBB+	1,100,000	1,104,235.030	.842	.884	2.224	.75%	1,100,752.51
202795HV5	COMMONWEALTH EDISON CO	4.000	8/1/2020	8/3/2020	A	470,000	493,058.550	2.333	2.215	2.351	.33%	487,548.76
207597ED3	CONNECTICUT LIGHT & POWER CO/THE	5.650	5/1/2018	5/1/2018	A+	890,000	901,984.110	.339	.334	1.975	.61%	900,955.31
209111ET6	CONSOLIDATED EDISON CO OF NEW YORK INC	5.850	4/1/2018	4/2/2018	A-	1,100,000	1,111,659.440	.256	.255	2.140	.76%	1,110,287.56
254010AC5	DIGNITY HEALTH	2.637	11/1/2019	11/1/2019	A	660,000	666,356.670	1.839	1.784	2.704	.45%	659,204.60
26442CAD6	DUKE ENERGY CAROLINAS LLC	5.100	4/15/2018	4/16/2018	A	1,050,000	1,062,079.150	.294	.293	1.904	.72%	1,059,765.93
31677QBD0	FIFTH THIRD BANK/CINCINNATI OH	2.150	8/20/2018	8/20/2018	A-	250,000	249,988.000	.558	.590	1.938	1.7%	250,292.67
375558BQ5	GILEAD SCIENCES INC	1.875	9/20/2019	9/20/2019	A3	880,000	880,000.000	1.736	.228	1.877	.60%	881,108.80
38145GAK6	GOLDMAN SACHS GROUP INC/THE	2.363	12/13/2019	12/13/2019	A3	500,000	500,000.000	1.956	.209	2.157	.34%	503,481.61
38141GGQ1	GOLDMAN SACHS GROUP INC/THE	5.250	7/27/2021	7/27/2021	A3	945,000	1,032,061.620	3.578	3.218	2.773	.70%	1,024,182.07
446438RR6	HUNTINGTON NATIONAL BANK/THE	2.200	11/6/2018	11/6/2018	A3	1,310,000	1,315,231.510	.767	.813	2.089	.89%	1,311,163.87
24422ESF7	JOHN DEERE CAPITAL CORP	1.950	12/13/2018	12/13/2018	A	980,000	983,422.530	.956	.942	1.996	.67%	979,570.19
46625HQJ2	JPMORGAN CHASE & CO	2.550	3/1/2021	3/1/2021	A-	400,000	403,419.230	3.089	2.972	2.532	.27%	400,211.49
46647PAG1	JPMORGAN CHASE & CO	2.161	6/1/2021	6/1/2021	A-	1,340,000	1,340,032.040	3.342	.181	2.226	.92%	1,347,535.26
46625HQV5	JPMORGAN CHASE & CO	-				725,000	730,213.160	-	-	-	.50%	730,406.48
49327M2P8	KEYBANK NA/CLEVELAND OH	1.600	8/22/2019	8/22/2019	A-	600,000	596,993.480	1.647	1.607	2.279	.40%	593,444.33
49327M2A1	KEYBANK NA/CLEVELAND OH	1.650	2/1/2018	2/1/2018	A-	1,450,000	1,450,283.210	.089	.092	1.930	.99%	1,449,622.87
55279HAA8	MANUFACTURERS & TRADERS TRUST CO	1.450	3/7/2018	3/7/2018	A	800,000	800,128.480	.189	.185	1.686	.55%	799,633.14

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FIXED INCOME (Continued)												
CORPORATES (Continued)												
61747WAF6	MORGAN STANLEY	5.750	1/25/2021	1/25/2021	A3	1,095,000	1,201,283.270	3.072	2.779	2.687	.81%	1,193,260.41
61746BEH5	MORGAN STANLEY	2.213	2/14/2020	2/14/2020	A3	690,000	690,000.000	1.131	.131	2.139	.47%	692,750.20
637432MU6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2.350	6/15/2020	6/15/2020	A1	1,080,000	1,099,807.910	2.461	2.379	2.239	.74%	1,082,859.16
65339KAJ9	NEXTERA ENERGY CAPITAL HOLDINGS INC	1.649	9/1/2018	9/4/2018	BBB+	825,000	824,551.660	.672	.672	2.083	.56%	822,615.34
69353RER5	PNC BANK NA	1.850	7/20/2018	7/20/2018	A	950,000	950,630.520	.558	.536	2.006	.65%	949,176.43
69353RFD5	PNC BANK NA	1.796	5/19/2020	5/19/2020	A	545,000	545,000.000	2.394	.147	1.925	.37%	546,796.84
842434CN0	SOUTHERN CALIFORNIA GAS CO	1.550	6/15/2018	6/15/2018	AA-	410,000	409,939.090	.461	.456	2.069	.28%	409,025.19
86787EAS6	SUNTRUST BANK/ATLANTA GA	1.910	1/31/2020	1/31/2020	A-	1,000,000	1,000,000.000	2.011	.096	1.960	.69%	1,005,492.16
867914BF9	SUNTRUST BANKS INC	2.350	11/1/2018	11/1/2018	BBB+	200,000	200,842.940	.756	.776	1.988	.14%	200,539.72
90331HMu4	US BANK NA/CINCINNATI OH	1.450	1/29/2018	1/29/2018	AA-	1,505,000	1,504,977.740	.083	.084	1.441	1.03%	1,505,000.00
927804FM1	VIRGINIA ELECTRIC & POWER CO	1.200	1/15/2018	1/16/2018	A2	725,000	724,896.700	.044	.049	1.829	.49%	724,794.17
94974BFV7	WELLS FARGO & CO	1.823	4/22/2019	4/22/2019	A	1,000,000	998,660.420	1.317	.068	1.994	.68%	1,002,215.51
971807AD4	WILMINGTON TRUST CORP	8.500	4/2/2018	4/2/2018	A3	415,000	421,411.610	.258	.255	2.285	.29%	421,573.24
CORPORATES TOTALS							39,640,743.080					39,561,688.65
MORTGAGES												
31402DPu8	FANNIE MAE POOL	5.000	11/1/2019	7/25/2019	Agency	127,418	127,509.940	.744	.725	1.767	.09%	130,034.06
31403CYQ8	FANNIE MAE POOL	5.500	12/1/2019	5/25/2019	Agency	57,650	59,208.810	.675	.658	2.088	.04%	58,756.26
31374CNE2	FANNIE MAE POOL	5.000	5/1/2019	8/25/2018	Agency	59,032	59,794.570	.347	.342	(1.128)	.04%	60,095.12
3128M1B99	FREDDIE MAC GOLD POOL	5.000	4/1/2021	8/15/2020	Agency	75,369	76,430.560	1.106	1.067	1.974	.05%	77,709.02
MORTGAGES TOTALS							322,943.880					326,594.46
MUNICIPALS												
032556BZ4	ANAHEIM HOUSING & PUBLIC IMPROVEMENTS AUTHORITY	1.304	10/1/2019	10/1/2019	AA-	1,245,000	1,245,000.000	1.756	1.719	2.246	.84%	1,224,905.70
13034PZF7	CALIFORNIA HOUSING FINANCE AGENCY	2.300	8/1/2020	8/3/2020	A1	1,000,000	1,000,000.000	2.589	2.480	2.339	.68%	999,020.00
13077CT46	CALIFORNIA STATE UNIVERSITY	2.332	11/1/2020	11/2/2020	AA-	695,000	706,894.750	2.839	2.729	2.264	.47%	696,285.75
544445AY5	CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS	1.750	5/15/2019	5/15/2019	AA	600,000	600,000.000	1.378	1.349	2.023	.41%	597,780.00
769036AY0	CITY OF RIVERSIDE CA	1.625	6/1/2019	6/3/2019	AA-	1,450,000	1,444,037.120	1.422	1.401	2.356	.98%	1,435,253.50
190335HF9	COAST COMMUNITY COLLEGE DISTRICT	1.556	8/1/2021	8/2/2021	Aa1	585,000	585,000.000	3.589	3.445	2.365	.39%	568,813.05
842477TV3	SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY	2.029	7/1/2020	7/1/2020	AA-	600,000	609,891.160	2.506	2.405	2.260	.41%	596,646.00
13066YTY5	STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES POWER SUPPLY REVENUE	1.713	5/1/2021	5/3/2021	Aa1	1,166,577	1,166,577.400	3.032	2.924	2.306	.78%	1,146,430.61
93265PBQ1	WALNUT ENERGY CENTER AUTHORITY	4.650	1/1/2018	1/2/2018	A+	1,000,000	999,999.260	.006	.011	4.545	.68%	1,000,000.00
MUNICIPALS TOTALS							8,357,399.690					8,265,134.61
SOVEREIGN DEBT												
4581XOCZ9	INTER-AMERICAN DEVELOPMENT BANK	1.750	9/14/2022	9/14/2022	Aaa	750,000	740,431.170	4.708	4.465	2.294	.50%	731,871.00
45950KCA6	INTERNATIONAL FINANCE CORP	1.750	9/4/2018	9/4/2018	Aaa	2,500,000	2,512,873.870	.681	.672	1.831	1.70%	2,498,618.83
SOVEREIGN DEBT TOTALS							3,253,305.040					3,230,489.83
US TREASURIES												
912828K33	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	4/15/2020	4/15/2020	Govt	3,686,620	3,723,378.300	2.294	2.268	1.877	2.51%	3,679,059.66

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Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
US TREASURIES (Continued)												
912828SA9	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	1/15/2022	1/18/2022	Govt	708,396	715,629.010	4.046	3.999	2.154	.48%	705,542.45
912828Q37	UNITED STATES TREASURY NOTE/BOND	1.250	3/31/2021	3/31/2021	Govt	9,235,000	9,058,039.920	3.253	3.152	2.038	6.14%	9,007,010.94
912828VA5	UNITED STATES TREASURY NOTE/BOND	1.125	4/30/2020	4/30/2020	Govt	4,435,000	4,405,833.840	2.337	2.284	1.909	2.97%	4,355,828.33
912828L40	UNITED STATES TREASURY NOTE/BOND	1.000	9/15/2018	9/17/2018	Govt	4,563,000	4,570,369.430	.710	.709	1.689	3.10%	4,540,897.97
912828L57	UNITED STATES TREASURY NOTE/BOND	1.750	9/30/2022	9/30/2022	Govt	3,500,000	3,457,840.520	4.753	4.509	2.196	2.34%	3,429,863.29
912828B58	UNITED STATES TREASURY NOTE/BOND	2.125	1/31/2021	2/1/2021	Govt	2,200,000	2,229,189.960	3.090	2.953	2.007	1.51%	2,207,734.36
912828H37	UNITED STATES TREASURY NOTE/BOND	.875	1/15/2018	1/16/2018	Govt	825,000	824,919.470	.046	.049	1.138	.56%	824,898.05
912828UF5	UNITED STATES TREASURY NOTE/BOND	1.125	12/31/2019	12/31/2019	Govt	13,300,000	13,312,121.910	2.005	1.957	1.881	8.94%	13,103,097.62
912828VV9	UNITED STATES TREASURY NOTE/BOND	2.125	8/31/2020	8/31/2020	Govt	6,100,000	6,243,317.800	2.669	2.567	1.946	4.18%	6,128,117.22
912828VK3	UNITED STATES TREASURY NOTE/BOND	1.375	6/30/2018	7/2/2018	Govt	2,750,000	2,754,318.310	.505	.499	1.500	1.87%	2,748,281.25
912828UR9	UNITED STATES TREASURY NOTE/BOND	.750	2/28/2018	2/28/2018	Govt	3,900,000	3,898,662.900	.169	.166	1.306	2.66%	3,896,334.00
912828QQ6	UNITED STATES TREASURY NOTE/BOND	2.375	5/31/2018	5/31/2018	Govt	1,425,000	1,432,057.260	.420	.416	1.475	.98%	1,430,343.75
US TREASURIES TOTALS							56,625,678.630					56,057,008.89
FIXED INCOME TOTALS							128,233,914.860					127,414,855.91
PORTFOLIO TOTALS							146,833,037.160					146,622,040.47

HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
AMERICAN EXPRESS CREDIT CORP	AXP	0258M0EK1	US0258M0EK14	0258M0EK1	0.68%	\$999,001.83
APPLE INC	AAPL	037833CK4	US037833CK41	037833CK4	0.94%	\$1,381,314.00
BANK OF AMERICA NA	BAC	06050TME9	US06050TME90	06050TME9	1.51%	\$2,202,377.47
BANK OF NEW YORK MELLON CORP	BK	06406HCU1	US06406HCU14	06406HCU1	0.72%	\$1,054,350.27
BERKSHIRE HATHAWAY FINANCE CORP	BNSF	084664CK5	US084664CK54	084664CK5	1.02%	\$1,488,421.67
BMWLT 171 A3	BMWLT	055657AC4	US055657AC48	055657AC4	0.41%	\$599,521.08
BMWLT 172 A3	BMWLT	05584PAD9	US05584PAD96	05584PAD9	0.80%	\$1,172,534.15
BMWOT 16A A3	BMWOT	05582QAD9	US05582QAD97	05582QAD9	0.74%	\$1,081,817.08
BRANCH BANKING AND TRUST CO	BBT	07330NAL9	US07330NAL91	07330NAL9	1.49%	\$2,183,682.97
CALIFORNIA ST	CA	13063DAB4	US13063DAB47	13063DAB4	1.37%	\$1,998,325.00
CALIFORNIA ST DEPT WTR RES CENT VY PROJ REV	CA	13067WPB2	US13067WPB27	13067WPB2	0.68%	\$998,784.00
CAPITAL ONE NA	COF	14042RBS9	US14042RBS94	14042RBS9	0.95%	\$1,394,269.80
Cash	---	CCYUSD	---	CCYUSD	0.00%	\$1.12
CCCIT 16A1 A1	CCCIT	17305EFW0	US17305EFW03	17305EFW0	1.84%	\$2,687,297.76
CCCIT 17A9 A9	CCCIT	17305EGH2	US17305EGH27	17305EGH2	0.34%	\$499,667.30
CHAIT 162 A	CHAIT	161571HC1	US161571HC16	161571HC1	2.03%	\$2,973,039.27
CHEVRON CORP	CVX	166764BH2	US166764BH21	166764BH2	1.29%	\$1,892,850.78
CITIBANK NA	C	17325FAA6	US17325FAA66	17325FAA6	0.69%	\$1,003,681.11
CITIBANK NA	C	17325FAE8	US17325FAE88	17325FAE8	0.58%	\$845,383.08
COAST CMNTY COLLEGE DIST CALIF	CA	190335JD2	US190335JD27	190335JD2	1.00%	\$1,457,658.26
COCA-COLA CO	KO	191216BT6	US191216BT60	191216BT6	0.34%	\$499,082.17
COCA-COLA CO	KO	191216BV1	US191216BV17	191216BV1	1.09%	\$1,588,486.44
E I DU PONT DE NEMOURS AND CO	DD	263534CL1	US263534CL10	263534CL1	0.34%	\$501,392.83
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EGW92	US3133EGW921	3133EGW92	1.02%	\$1,486,437.00
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EHEZ2	US3133EHEZ20	3133EHEZ2	2.04%	\$2,982,605.33
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EHFL2	US3133EHFL25	3133EHFL2	0.68%	\$993,515.33
FEDERAL HOME LOAN BANKS	FHLB	313379EE5	US313379EE59	313379EE5	1.33%	\$1,943,727.55
FEDERAL HOME LOAN BANKS	FHLB	313380FB8	US313380FB82	313380FB8	2.04%	\$2,984,571.00
FEDERAL HOME LOAN BANKS	FHLB	3130A0JR2	US3130A0JR23	3130A0JR2	4.83%	\$7,064,851.50
FEDERAL HOME LOAN BANKS	FHLB	313383HU8	US313383HU84	313383HU8	1.16%	\$1,690,064.54
FEDERAL HOME LOAN BANKS	FHLB	3130A66T9	US3130A66T96	3130A66T9	3.02%	\$4,423,314.59
FEDERAL HOME LOAN BANKS	FHLB	3130A9EP2	US3130A9EP21	3130A9EP2	1.01%	\$1,480,978.33
FEDERAL HOME LOAN BANKS	FHLB	3130ABF92	US3130ABF921	3130ABF92	2.04%	\$2,983,375.25
FEDERAL HOME LOAN BANKS	FHLB	3130ACM92	US3130ACM925	3130ACM92	1.36%	\$1,991,912.00
FEDERAL HOME LOAN MORTGAGE CORP	FHLMC	3134G9Q75	US3134G9Q755	3134G9Q75	0.34%	\$497,855.47
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0P49	US3135G0P490	3135G0P49	0.68%	\$988,665.67
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0R39	US3135G0R397	3135G0R39	2.36%	\$3,449,442.89
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0T29	US3135G0T294	3135G0T29	0.56%	\$820,667.10
FIDELITY IMM:GOVT;I	FIGXX	316175108	US3161751082	316175108	0.02%	\$32,713.99
FIFTH THIRD BANK (OHIO)	FITB	31677QBH1	US31677QBH11	31677QBH1	0.34%	\$496,349.03
FITAT 171 A3	FITAT	31679RAD7	US31679RAD70	31679RAD7	0.41%	\$606,072.82
FREDDIE MAC	FHLMC	3137EAAE5	US3137EAAE51	3137EAAE5	1.02%	\$1,496,057.00
GEORGIA POWER CO	SO	373334KG5	US373334KG57	373334KG5	1.30%	\$1,897,350.56
GOLDMAN SACHS GROUP INC	GS	38145XAA1	US38145XAA19	38145XAA1	0.97%	\$1,421,462.58
HAROT 163 A3	HAROT	438124AC3	US438124AC33	438124AC3	1.22%	\$1,789,865.44
HAROT 173 A3	HAROT	43814PAC4	US43814PAC41	43814PAC4	0.18%	\$258,219.13
HAWAII ST	HI	419792SM9	US419792SM99	419792SM9	1.67%	\$2,444,476.23
HONEYWELL INTERNATIONAL INC	HON	438516BQ8	US438516BQ81	438516BQ8	0.83%	\$1,217,272.08

WELLS CAPITAL - TIER 1
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HSBC USA INC (NEW)	HSBC	40428HPJ5	US40428HPJ58	40428HPJ5	1.52%	\$2,225,733.22
INTER-AMERICAN DEVELOPMENT BANK	IADB	4581X0BY3	US4581X0BY35	4581X0BY3	0.30%	\$445,024.01
INTER-AMERICAN DEVELOPMENT BANK	IADB	4581X0CX4	US4581X0CX43	4581X0CX4	1.02%	\$1,489,225.21
INTERCONTINENTALEXCHANGE INC	ICE	45866FAB0	US45866FAB04	45866FAB0	0.34%	\$504,588.89
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOP	IBRD	459058FQ1	US459058FQ12	459058FQ1	1.35%	\$1,978,136.67
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	IBRD	459058DW0	US459058DW08	459058DW0	1.37%	\$2,004,410.67
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	IBRD	459058FC2	US459058FC26	459058FC2	2.04%	\$2,980,133.83
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	IBRD	459058FK4	US459058FK42	459058FK4	1.68%	\$2,464,103.89
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	IBRD	459058GA5	US459058GA50	459058GA5	1.36%	\$1,985,875.89
JOHN DEERE CAPITAL CORP	DE	24422ETJ8	US24422ETJ81	24422ETJ8	0.68%	\$987,855.22
JPMORGAN CHASE & CO	JPM	46625HQU7	US46625HQU76	46625HQU7	1.44%	\$2,102,991.45
LOS ANGELES CALIF WASTEWTR SYS REV	CA	53945CGW4	US53945CGW47	53945CGW4	0.79%	\$1,155,239.17
MANUFACTURERS AND TRADERS TRUST CO	MTB	55279HAG5	US55279HAG56	55279HAG5	0.97%	\$1,414,996.80
MARIN CALIF CMNTY COLLEGE DIST	CA	56781RGL5	US56781RGL50	56781RGL5	0.34%	\$500,455.42
MBART 161 A3	MBART	58769BAD6	US58769BAD64	58769BAD6	1.36%	\$1,987,532.00
MORGAN STANLEY	MS	61746BDX1	US61746BDX10	61746BDX1	0.76%	\$1,114,015.47
NALT 17A A3	NALT	65479AAD4	US65479AAD46	65479AAD4	0.51%	\$747,941.54
NAROT 16C A3	NAROT	65478WAD7	US65478WAD74	65478WAD7	2.17%	\$3,168,740.30
OREGON ST DEPT ADMINISTRATIVE SVCS LOTTERY REV	OR	68607VS71	US68607VS710	68607VS71	0.68%	\$991,295.00
PNC BANK NA	PNC	69353RFC7	US69353RFC79	69353RFC7	1.36%	\$1,988,376.67
Receivable	---	CCYUSD	---	CCYUSD	0.00%	\$302.19
SAN DIEGO CNTY CALIF PENSION OBLIG	CA	797398DH4	US797398DH41	797398DH4	1.11%	\$1,619,248.33
SAN FRANCISCO CALIF BAY AREA RAPID TRAN DIST SALES	CA	797669XT0	US797669XT03	797669XT0	1.25%	\$1,823,486.62
SAN FRANCISCO CALIF CITY & CNTY ARPTS COMMN INTL A	CA	79766DKL2	US79766DKL28	79766DKL2	2.01%	\$2,945,180.11
SAN FRANCISCO CALIF CITY & CNTY REDEV AGY SUCCESSO	CA	79770GFG6	US79770GFG64	79770GFG6	0.41%	\$603,819.50
SAN JOSE CALIF REDEV AGY SUCCESSOR AGY TAX ALLOCAT	CA	798170AC0	US798170AC09	798170AC0	1.03%	\$1,508,426.25
SMAT 162US A3A	SMAT	83191GAD1	US83191GAD16	83191GAD1	1.42%	\$2,076,562.95
TAOT 16C A3	TAOT	89237WAD9	US89237WAD92	89237WAD9	0.82%	\$1,192,516.28
TAOT 16D A3	TAOT	89231LAD9	US89231LAD91	89231LAD9	0.20%	\$297,549.53
TOYOTA MOTOR CREDIT CORP	TOYOTA	89236TDE2	US89236TDE29	89236TDE2	1.29%	\$1,885,870.54
UNITED STATES TREASURY	UST	912828XS4	US912828XS49	912828XS4	0.10%	\$143,958.60
UNITED STATES TREASURY	UST	9128282T6	US9128282T61	9128282T6	0.49%	\$720,687.87
UNITED STATES TREASURY	UST	9128282V1	US9128282V18	9128282V1	3.79%	\$5,543,127.58
UNITED STATES TREASURY	UST	9128282Z2	US9128282Z22	9128282Z2	2.96%	\$4,326,575.87
UNITED STATES TREASURY	UST	9128283G3	US9128283G32	9128283G3	2.04%	\$2,989,590.30
UNITED STATES TREASURY	UST	9128283L2	US9128283L27	9128283L2	1.52%	\$2,220,515.93
UNITEDHEALTH GROUP INC	UNH	91324PDC3	US91324PDC32	91324PDC3	0.72%	\$1,054,101.10
UNIVERSITY CALIF REVS	CA	91412GSB2	US91412GSB22	91412GSB2	1.03%	\$1,508,085.00
US BANK NA	USB	90331HML4	US90331HML41	90331HML4	1.37%	\$2,008,165.50
WALT DISNEY CO	DIS	25468PDL7	US25468PDL76	25468PDL7	0.44%	\$640,845.82
YUBA CALIF LEVEE FING AUTH REV	CA	988211BL1	US988211BL13	988211BL1	0.69%	\$1,005,026.67

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
CASH & CASH EQUIVALENTS												
CASH												
NA9123459	US DOLLARS	1.564	1/2/2018		Agency	701,676	701,676.350	0.000	-	1.564	.72%	701,676.35
USD120030	USD INTEREST RECEIVABLE	-				506,225	0.000	-	-	-	.52%	506,225.34
CASH TOTALS							701,676.350					1,207,901.69
CASH & CASH EQUIVALENTS TOTALS							701,676.350					1,207,901.69
FIXED INCOME												
AGENCIES												
3137EAC5	FEDERAL HOME LOAN MORTGAGE CORP	3.750	3/27/2019	3/27/2019	Agency	1,425,000	1,457,618.250	1.244	1.202	1.839	1.50%	1,458,322.20
AGENCIES TOTALS							1,457,618.250					1,458,322.20
ASSET BACKED												
05522RCT3	BA CREDIT CARD TRUST	1.807	6/15/2020	1/16/2018	AAA	1,250,000	1,249,157.710	.047	.049	1.589	1.29%	1,250,190.75
05582XAD4	BMW VEHICLE LEASE TRUST 2016-2	1.430	9/20/2019	3/20/2019	AAA	710,000	709,946.470	.891	.877	1.918	.73%	706,988.82
17305EFF7	CITIBANK CREDIT CARD ISSUANCE TRUST	1.862	9/10/2020	9/10/2018	Aaa	1,040,000	1,040,260.180	.697	.033	1.667	1.07%	1,042,579.62
36159LCR5	GE DEALER FLOORPLAN MASTER NOTE TRUST	2.001	1/21/2020	1/22/2018	Aaa	430,000	429,980.780	.064	.065	1.724	.44%	430,099.72
47787XAC1	JOHN DEERE OWNER TRUST 2017	1.780	4/15/2021	6/15/2020	Aaa	300,000	299,972.810	1.548	1.509	2.105	.31%	298,559.94
58769DAD2	MERCEDES-BENZ AUTO LEASE TRUST 2017-A	1.790	4/15/2020	6/15/2019	AAA	935,000	934,983.680	1.176	1.152	1.972	.96%	933,115.04
65479AAB8	NISSAN AUTO LEASE TRUST 2017-A	1.640	9/16/2019	5/15/2019	Aaa	1,200,000	1,199,951.680	.833	.818	1.954	1.23%	1,196,972.28
65475WAD0	NISSAN AUTO RECEIVABLES 2015-B OWNER TRUST	1.340	3/16/2020	2/15/2019	Aaa	523,217	522,852.350	.507	.500	1.900	.54%	521,762.75
65474VAP6	NISSAN MASTER OWNER TRUST RECEIVABLES	-				1,025,000	1,025,000.000	-	-	-	1.06%	1,027,035.14
ASSET BACKED TOTALS							7,412,105.660					7,407,304.06
CMBS												
3136AC3C3	FANNIE MAE-ACES	1.451	2/25/2018	2/25/2018	Agency	63,951	63,662.290	.125	.127	1.725	.07%	63,868.05
3137AXHP1	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.573	9/25/2022	9/25/2022	Aaa	1,100,000	1,116,036.450	4.639	4.328	2.416	1.14%	1,106,270.99
3137AH6Q6	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.412	8/25/2018	8/25/2018	Aaa	579,037	581,679.320	.502	.493	2.019	.60%	579,265.82
CMBS TOTALS							1,761,378.060					1,749,404.86
CMOS												
31398M5L6	FANNIE MAE REMICS	3.750	8/25/2018	7/25/2018	Agency	25,436	25,430.390	.307	.302	1.702	.03%	25,532.51
31393BF91	FANNIE MAE REMICS	5.000	5/25/2018	4/25/2018	Agency	5,225	5,183.720	.176	.174	1.634	.01%	5,238.18
31398GZS1	FANNIE MAE REMICS	2.500	12/25/2018	8/25/2018	Agency	11,216	11,169.960	.237	.234	2.327	.01%	11,202.38
31392GPN9	FANNIE MAE REMICS	5.000	1/25/2018	1/25/2018	Agency	16	15.820	.072	.073	1.754	0%	16.00
31396YXB3	FANNIE MAE REMICS	4.000	12/25/2018	6/25/2018	Agency	14,376	14,264.750	.271	.267	2.072	.01%	14,412.71
31393NDD8	FREDDIE MAC REMICS	5.000	3/15/2018	3/15/2018	Agency	3,838	3,805.340	.111	.112	1.935	0%	3,843.90
31398VUA2	FREDDIE MAC REMICS	2.000	3/15/2019	1/15/2019	Agency	130,091	129,803.940	.390	.384	2.344	.13%	129,822.34
3137A1LC5	FREDDIE MAC REMICS	2.000	8/15/2020	1/15/2020	Agency	85,157	84,893.490	.968	.951	2.206	.09%	84,931.30
31398WLZ5	FREDDIE MAC REMICS	2.000	11/15/2018	10/15/2018	Agency	6,889	6,865.720	.249	.246	2.364	.01%	6,877.70
62888WAA4	NON GUARANTEED NOT V	1.802	12/8/2020	11/5/2020	Aaa	427,613	428,664.240	2.165	.036	1.987	.44%	429,092.23
CMOS TOTALS							710,097.370					710,969.25

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
CORPORATES												
0258M0EF2	AMERICAN EXPRESS CREDIT CORP	1.917	3/3/2020	3/3/2020	A2	555,000	555,000.000	2.100	.183	2.026	.57%	556,316.84
0258M0DZ9	AMERICAN EXPRESS CREDIT CORP	1.875	11/5/2018	11/5/2018	A2	440,000	439,991.920	.850	.831	1.927	.45%	439,803.88
0258M0DP1	AMERICAN EXPRESS CREDIT CORP	2.250	8/15/2019	8/15/2019	A2	650,000	649,607.970	1.628	1.578	2.118	.67%	651,357.93
03076CAE6	AMERIPRISE FINANCIAL INC	5.300	3/15/2020	3/16/2020	A3	605,000	641,275.900	2.211	2.070	2.457	.66%	641,767.46
037833BD1	APPLE INC	-				585,000	584,319.160	-	-	-	.60%	582,389.00
06051GGS2	BANK OF AMERICA CORP	2.328	10/1/2021	10/1/2021	A-	645,000	645,000.000	3.756	3.162	2.406	.66%	643,181.68
05531FAU7	BB&T CORP	2.625	6/29/2020	6/29/2020	A2	850,000	857,081.480	2.414	2.411	2.336	.88%	855,793.84
084659AB7	BERKSHIRE HATHAWAY ENERGY CO	2.400	2/1/2020	2/3/2020	A3	750,000	757,684.900	2.006	1.986	2.161	.77%	753,502.25
07330NAP0	BRANCH BANKING & TRUST CO	1.809	1/15/2020	1/15/2020	A1	525,000	525,000.000	2.047	.055	1.963	.54%	527,168.95
14040HBQ7	CAPITAL ONE FINANCIAL CORP	2.173	5/12/2020	5/12/2020	Baa1	410,000	410,000.000	2.292	.130	2.268	.42%	411,882.87
14912L6M8	CATERPILLAR FINANCIAL SERVICES CORP	1.800	11/13/2018	11/13/2018	A	650,000	651,266.550	.872	.861	1.945	.67%	649,185.67
17325FAD0	CITIBANK NA	2.049	6/12/2020	6/12/2020	A+	300,000	300,000.000	2.453	.206	2.017	.31%	301,450.80
172967LC3	CITIGROUP INC	2.900	12/8/2021	12/8/2021	BBB+	900,000	910,592.780	3.858	3.670	2.719	.93%	905,922.69
172967HM6	CITIGROUP INC	2.550	4/8/2019	4/8/2019	BBB+	880,000	883,723.110	1.275	1.243	2.266	.91%	883,106.82
17401QAC5	CITIZENS BANK NA/PROVIDENCE RI	2.300	12/3/2018	12/3/2018	BBB+	950,000	951,319.690	.842	.884	2.224	.98%	950,649.90
202795HV5	COMMONWEALTH EDISON CO	4.000	8/1/2020	8/3/2020	A	480,000	503,442.820	2.333	2.215	2.351	.51%	497,922.14
209111ET6	CONSOLIDATED EDISON CO OF NEW YORK INC	5.850	4/1/2018	4/2/2018	A-	250,000	252,335.550	.256	.255	2.140	.26%	252,338.08
254010AC5	DIGNITY HEALTH	2.637	11/1/2019	11/1/2019	A	410,000	413,967.910	1.839	1.784	2.704	.42%	409,505.89
31677QBG3	FIFTH THIRD BANK/CINCINNATI OH	2.250	6/14/2021	6/14/2021	A-	715,000	723,542.240	3.458	3.282	2.540	.73%	708,164.59
31677QAV1	FIFTH THIRD BANK/CINCINNATI OH	1.450	2/28/2018	2/28/2018	A-	500,000	499,871.420	.164	.166	1.785	.51%	499,718.91
375558BQ5	GILEAD SCIENCES INC	1.875	9/20/2019	9/20/2019	A3	585,000	585,000.000	1.736	.228	1.877	.60%	585,737.10
38145GAK6	GOLDMAN SACHS GROUP INC/THE	2.363	12/13/2019	12/13/2019	A3	575,000	577,653.190	1.956	.209	2.157	.60%	579,003.85
38141GGQ1	GOLDMAN SACHS GROUP INC/THE	5.250	7/27/2021	7/27/2021	A3	650,000	710,586.700	3.578	3.218	2.773	.72%	704,463.86
446438RR6	HUNTINGTON NATIONAL BANK/THE	2.200	11/6/2018	11/6/2018	A3	460,000	462,121.890	.767	.813	2.089	.47%	460,408.69
446438RV7	HUNTINGTON NATIONAL BANK/THE	2.046	3/10/2020	3/10/2020	A3	450,000	450,000.000	2.200	.205	2.006	.46%	452,099.74
46647PAG1	JPMORGAN CHASE & CO	2.161	6/1/2021	6/1/2021	A-	795,000	795,000.000	3.342	.181	2.226	.82%	799,470.55
46625HJE1	JPMORGAN CHASE & CO	3.250	9/23/2022	9/23/2022	A-	920,000	948,206.840	4.733	4.345	2.709	.97%	941,943.73
49327M2T0	KEYBANK NA/CLEVELAND OH	2.300	9/14/2022	9/14/2022	A-	1,675,000	1,662,986.450	4.708	4.408	2.748	1.69%	1,642,038.16
55279HAA8	MANUFACTURERS & TRADERS TRUST CO	1.450	3/7/2018	3/7/2018	A	500,000	499,900.280	.189	.185	1.686	.51%	499,770.71
55279HAL4	MANUFACTURERS & TRADERS TRUST CO	2.500	5/18/2022	5/18/2022	A	900,000	904,776.530	4.386	4.090	2.604	.92%	896,126.60
61747WAF6	MORGAN STANLEY	5.750	1/25/2021	1/25/2021	A3	730,000	800,366.540	3.072	2.779	2.687	.82%	795,506.94
637432MU6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2.350	6/15/2020	6/15/2020	A1	810,000	824,406.190	2.461	2.379	2.239	.84%	812,144.37
69353RDD7	PNC BANK NA	2.250	7/2/2019	7/2/2019	A	620,000	621,773.800	1.425	1.431	2.208	.64%	620,367.24
86787EAS6	SUNTRUST BANK/ATLANTA GA	1.910	1/31/2020	1/31/2020	A-	660,000	660,000.000	2.011	.096	1.960	.68%	663,624.83
91159HHE3	US BANCORP	1.950	11/15/2018	11/15/2018	A+	366,000	366,760.480	.794	.847	1.937	.38%	366,036.23
927804FM1	VIRGINIA ELECTRIC & POWER CO	1.200	1/15/2018	1/16/2018	A2	480,000	479,930.900	.044	.049	1.829	.49%	479,863.72
949748CR5	WELLS FARGO & CO	2.550	12/7/2020	12/7/2020	A	950,000	970,160.830	2.939	2.817	2.406	.98%	953,848.04
971807AD4	WILMINGTON TRUST CORP	8.500	4/2/2018	4/2/2018	A3	275,000	283,784.520	.258	.255	2.285	.29%	279,355.76
98389BAS9	XCEL ENERGY INC	2.400	3/15/2021	3/15/2021	BBB+	750,000	765,847.930	3.211	3.023	2.616	.77%	745,034.99
CORPORATES TOTALS							25,524,286.470					25,397,975.30
MORTGAGES												
31385XBG1	FANNIE MAE POOL	6.000	3/1/2018	1/25/2018	Agency	0	.060	.072	.073	3.078	0%	.07
31374CNE2	FANNIE MAE POOL	5.000	5/1/2019	8/25/2018	Agency	84,468	85,523.840	.347	.342	(1.128)	.09%	85,990.19
31381Q6B7	FANNIE MAE POOL	4.295	6/1/2021	6/25/2021	Agency	1,169,249	1,257,405.400	3.464	3.193	2.503	1.27%	1,238,260.24

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
MORTGAGES (Continued)												
3138EJRP5	FANNIE MAE POOL	4.380	6/1/2021	5/25/2021	Agency	900,098	969,811.250	3.287	3.036	2.448	.98%	954,386.67
31294KUP8	FREDDIE MAC GOLD POOL	5.000	11/1/2018	9/15/2018	Agency	15,003	14,928.100	.357	.352	(1.054)	.02%	15,299.30
36200MMZ3	GINNIE MAE I POOL	4.500	6/15/2018	4/15/2018	Govt	4,065	4,042.510	.169	.167	2.179	0%	4,073.98
36200MPV9	GINNIE MAE I POOL	4.500	7/15/2018	6/15/2018	Govt	2,419	2,409.770	.251	.247	2.627	0%	2,426.28
MORTGAGES TOTALS							2,334,120.930					2,300,436.73
MUNICIPALS												
032556BZ4	ANAHEIM HOUSING & PUBLIC IMPROVEMENTS AUTHORITY	1.304	10/1/2019	10/1/2019	AA-	885,000	885,000.000	1.756	1.719	2.246	.90%	870,716.10
03667PEB4	ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT	1.954	8/1/2018	8/1/2018	Aa2	345,000	345,000.000	.589	.579	1.939	.35%	345,027.60
072031AF4	BAY AREA WATER SUPPLY & CONSERVATION AGENCY	1.914	10/1/2019	10/1/2019	Aa3	150,000	150,183.160	1.756	1.710	2.171	.15%	149,338.50
13034PUF2	CALIFORNIA HOUSING FINANCE AGENCY	2.379	8/1/2020	8/3/2020	A1	450,000	448,457.250	2.589	2.482	2.339	.46%	450,445.50
13034PZH3	CALIFORNIA HOUSING FINANCE AGENCY	2.512	8/1/2021	8/2/2021	A1	675,000	675,000.000	3.589	3.378	2.509	.69%	675,060.75
13077CT46	CALIFORNIA STATE UNIVERSITY	2.332	11/1/2020	11/2/2020	AA-	495,000	503,318.100	2.839	2.729	2.264	.51%	495,915.75
13077CT38	CALIFORNIA STATE UNIVERSITY	1.982	11/1/2019	11/1/2019	AA-	245,000	245,000.000	1.839	1.793	2.207	.25%	244,010.20
156792GT4	CERRITOS COMMUNITY COLLEGE DISTRICT	2.165	8/1/2019	8/1/2019	Aa2	175,000	175,000.000	1.589	1.542	2.239	.18%	174,798.75
45656RCK6	CITY OF INDUSTRY CA	2.500	1/1/2020	1/2/2020	A1	230,000	229,836.000	2.006	1.930	2.560	.24%	229,733.20
544445AZ2	CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS	2.092	5/15/2020	5/15/2020	AA	715,000	715,000.000	2.378	2.301	2.299	.73%	711,589.45
190335HF9	COAST COMMUNITY COLLEGE DISTRICT	1.556	8/1/2021	8/2/2021	Aa1	415,000	415,000.000	3.589	3.445	2.365	.41%	403,516.95
70914PPE6	COMMONWEALTH OF PENNSYLVANIA	4.250	7/15/2020	7/15/2020	Aa3	500,000	525,293.930	2.544	2.372	2.323	.54%	523,670.00
452650JD7	IMPERIAL IRRIGATION DISTRICT ELECTRIC SYSTEM REVENUE	1.320	11/1/2019	11/1/2019	AA-	655,000	653,827.970	1.839	1.803	2.392	.66%	642,437.10
54473ERR7	LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY	2.560	12/1/2019	12/2/2019	Aa2	305,000	305,447.380	1.922	1.869	2.265	.32%	306,677.50
630360EJ0	NAPA VLY CA CMNTY C	1.776	8/1/2018	8/1/2018	AA-	600,000	600,000.000	.589	.580	1.809	.62%	599,880.00
661334DS8	NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT/CA	1.540	8/1/2018	8/1/2018	Aa1	165,000	164,854.400	.589	.580	1.736	.17%	164,810.25
683042AC9	ONTARIO INTERNATIONAL AIRPORT AUTHORITY	1.818	5/15/2019	5/15/2019	A-	490,000	490,000.000	1.378	1.349	2.678	.50%	484,330.70
76886PFB4	RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION	2.848	8/1/2020	8/3/2020	Aa2	355,000	360,736.460	2.589	2.467	2.321	.37%	359,671.80
83412PDW9	SOLANO COUNTY COMMUNITY COLLEGE DISTRICT	1.840	8/1/2018	8/1/2018	Aa3	600,000	600,000.000	.589	.579	1.868	.62%	599,898.00
842477TV3	SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY	2.029	7/1/2020	7/1/2020	AA-	780,000	792,673.140	2.506	2.405	2.260	.80%	775,639.80
13066YTY5	STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES POWER SUPPLY REVENUE	1.713	5/1/2021	5/3/2021	Aa1	831,863	831,863.210	3.032	2.924	2.306	.84%	817,496.93
649791CJ7	STATE OF NEW YORK	4.290	3/1/2019	3/1/2019	AA+	225,000	230,723.650	1.172	1.129	2.040	.24%	230,829.75
932889VJ4	WALNUT VALLEY UNIFIED SCHOOL DISTRICT	2.000	8/1/2018	8/1/2018	Aa2	285,000	285,397.700	.589	.579	1.743	.29%	285,424.65
MUNICIPALS TOTALS							10,627,612.350					10,540,919.23
SOVEREIGN DEBT												
4581XOCZ9	INTER-AMERICAN DEVELOPMENT BANK	1.750	9/14/2022	9/14/2022	Aaa	1,000,000	987,266.130	4.708	4.465	2.294	1.00%	975,828.00

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
SOVEREIGN DEBT (Continued)												
459058DL4	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	1.875	3/15/2019	3/15/2019	AAA	725,000	728,701.430	1.211	1.183	1.927	.75%	724,543.98
SOVEREIGN DEBT TOTALS							1,715,967.560					1,700,371.98
US TREASURIES												
912828SA9	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	1/15/2022	1/18/2022	Govt	2,931,670	2,938,363.480	4.046	3.999	2.154	3.00%	2,919,860.28
912828L57	UNITED STATES TREASURY NOTE/BOND	1.750	9/30/2022	9/30/2022	Govt	4,495,000	4,432,304.600	4.753	4.509	2.196	4.53%	4,404,924.43
912828L99	UNITED STATES TREASURY NOTE/BOND	1.375	10/31/2020	11/2/2020	Govt	5,000,000	4,964,073.120	2.837	2.763	1.962	5.06%	4,919,335.95
912828Q37	UNITED STATES TREASURY NOTE/BOND	1.250	3/31/2021	3/31/2021	Govt	1,890,000	1,848,867.340	3.253	3.152	2.038	1.90%	1,843,340.63
912828VA5	UNITED STATES TREASURY NOTE/BOND	1.125	4/30/2020	4/30/2020	Govt	1,280,000	1,267,497.220	2.337	2.284	1.909	1.29%	1,257,150.00
912828S76	UNITED STATES TREASURY NOTE/BOND	1.125	7/31/2021	8/2/2021	Govt	4,900,000	4,787,349.680	3.590	3.474	2.083	4.87%	4,738,453.13
912828J43	UNITED STATES TREASURY NOTE/BOND	1.750	2/28/2022	2/28/2022	Govt	4,555,000	4,486,459.780	4.169	3.969	2.136	4.61%	4,485,251.56
912828VK3	UNITED STATES TREASURY NOTE/BOND	1.375	6/30/2018	7/2/2018	Govt	2,200,000	2,203,169.140	.505	.499	1.500	2.26%	2,198,625.00
912828N55	UNITED STATES TREASURY NOTE/BOND	1.000	12/31/2017	1/2/2018	Govt	400,000	399,999.920	.005	.011	.995	.41%	400,000.00
912828B58	UNITED STATES TREASURY NOTE/BOND	2.125	1/31/2021	2/1/2021	Govt	6,520,000	6,664,366.160	3.090	2.953	2.007	6.73%	6,542,921.84
912828VV9	UNITED STATES TREASURY NOTE/BOND	2.125	8/31/2020	8/31/2020	Govt	6,130,000	6,221,444.300	2.669	2.567	1.946	6.33%	6,158,255.50
912828UF5	UNITED STATES TREASURY NOTE/BOND	1.125	12/31/2019	12/31/2019	Govt	4,975,000	4,981,364.990	2.005	1.957	1.881	5.04%	4,901,346.67
US TREASURIES TOTALS							45,195,259.730					44,769,464.99
FIXED INCOME TOTALS							96,738,446.380					96,035,168.60
PORTFOLIO TOTALS							97,440,122.730					97,243,070.29

CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
Cash							
	CASH OR STIF	USD	19,297,642.82	19,297,642.82	0.00	1.000	4.12%
Total for Cash			19,297,642.82	19,297,642.82	0.00		4.12%
Money Markets							
5,000,000.000	CREDIT SUISSE NY YCD	22549LDA0	5,001,752.41	4,999,960.20	(1,792.21)	99.999	1.07%
	Mat: 1/4/18 Cpn: 1.50%		23,125.00	37,500.00			
	Moody's: P-1 S&P: A-1 Fitch: F1						
	Tr Date: 10/23/17 St Date: 10/24/17						
4,000,000.000	MIZUHO BANK YCD	60700AFQ2	4,000,000.00	3,999,851.92	(148.08)	99.996	0.86%
	Mat: 1/5/18 Cpn: 1.30%		0.00	16,900.00			
	Moody's: P-1 S&P: A-1 Fitch: F1						
	Tr Date: 9/5/17 St Date: 9/6/17						
17,000,000.000	FHLB DISCOUNT NOTE	313385RS7	16,985,006.94	16,985,120.28	113.34	99.958	3.63%
	Mat: 1/12/18 Cpn: 0.00%		0.00	8,396.11			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 12/15/17 St Date: 12/18/17						
3,800,000.000	SWEDBANK NY YCD	87019UU56	3,800,000.00	3,799,274.62	(725.38)	99.981	0.82%
	Mat: 1/23/18 Cpn: 1.31%		0.00	21,709.61			
	Moody's: P-1 S&P: A-1+ Fitch: F1+						
	Tr Date: 7/27/17 St Date: 7/28/17						
8,000,000.000	FHLB DISCOUNT NOTE	313385SG2	7,985,277.78	7,985,127.56	(150.22)	99.908	1.71%
	Mat: 1/26/18 Cpn: 0.00%		0.00	7,777.78			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 12/1/17 St Date: 12/4/17						
32,040,000.000	U.S. TREASURY BILL	912796LJ6	31,830,767.40	31,824,434.28	(6,333.12)	99.891	6.83%
	Mat: 2/1/18 Cpn: 0.00%		0.00	181,459.70			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 1/31/17 St Date: 2/2/17						
3,800,000.000	BANK OF TOKYO-MITSUBISHI YCD	06539RDL8	3,800,000.00	3,799,126.76	(873.24)	99.977	0.81%
	Mat: 2/2/18 Cpn: 1.39%		0.00	18,193.56			
	Moody's: P-1 S&P: A-1 Fitch: F1						
	Tr Date: 8/29/17 St Date: 8/30/17						
6,000,000.000	U.S. TREASURY BILL	912796NR6	5,974,152.50	5,973,106.00	(1,046.50)	99.868	1.28%
	Mat: 2/8/18 Cpn: 0.00%		0.00	19,165.83			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 9/13/17 St Date: 9/14/17						



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CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
14,000,000.000	FHLB DISCOUNT NOTE Mat: 2/9/18 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/22/17 St Date: 11/24/17	313385SW7	13,962,569.44 0.00	13,961,978.33 18,472.22	(591.11)	99.857	2.98%
4,000,000.000	NORDEA BANK NY YCD Mat: 2/15/18 Cpn: 1.32% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 9/7/17 St Date: 9/8/17	65590ALF1	4,000,000.00 0.00	3,998,189.52 16,866.67	(1,810.48)	99.955	0.86%
3,800,000.000	TOYOTA MOTOR CREDIT CP Mat: 3/1/18 Cpn: 0.00% Moody's: P-1 S&P: A-1+ Fitch: F1 Tr Date: 9/5/17 St Date: 9/6/17	89233HC10	3,775,105.78 0.00	3,772,817.55 16,549.00	(2,288.23)	99.717	0.81%
3,800,000.000	SOCIETE GENERALE NY YCD Mat: 3/5/18 Cpn: 1.63% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 12/14/17 St Date: 12/15/17	83369YYF7	3,800,000.00 0.00	3,799,493.27 2,924.94	(506.73)	99.987	0.81%
10,000,000.000	U.S. TREASURY BILL Mat: 3/8/18 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 12/5/17 St Date: 12/6/17	912796NU9	9,967,646.67 0.00	9,967,181.39 9,143.33	(465.28)	99.760	2.13%
3,800,000.000	BANK OF NOVA SCOTIA HOUSTON YCD Mat: 3/16/18 Cpn: 1.39% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 9/6/17 St Date: 9/7/17	06417GYD4	3,800,000.00 0.00	3,797,405.44 17,019.78	(2,594.56)	99.932	0.81%
3,800,000.000	BNP PARIBAS NY YCD Mat: 3/20/18 Cpn: 1.43% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 9/12/17 St Date: 9/13/17	05582WE91	3,800,000.00 0.00	3,797,578.94 16,603.89	(2,421.06)	99.936	0.81%
5,800,000.000	DNB NOR BANK YCD Mat: 4/3/18 Cpn: 1.41% Moody's: P-1 S&P: A-1 Fitch: Tr Date: 9/27/17 St Date: 9/28/17	23340Q4A8	5,800,000.00 0.00	5,795,206.42 21,580.83	(4,793.58)	99.917	1.24%
3,800,000.000	COOPERATIEVE RABOBANK FRN YCD Mat: 4/11/18 Cpn: 1.55% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 9/7/17 St Date: 9/11/17	21684B2Y9	3,800,000.00 0.00	3,800,000.00 3,439.93	0.00	100.000	0.81%
3,800,000.000	KAISER FOUNDATION CP Mat: 4/12/18 Cpn: 0.00% Moody's: NR S&P: NR Fitch: NR Tr Date: 10/3/17 St Date: 10/4/17	48306BDC6	3,772,925.00 0.00	3,768,812.13 12,682.50	(4,112.87)	99.509	0.81%



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CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
3,800,000.000	TORONTO DOMINION NY YCD FRN Mat: 4/27/18 Cpn: 1.44% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 8/2/17 St Date: 8/3/17	89113XAH7	3,800,000.00 0.00	3,800,000.00 10,063.07	0.00	100.000	0.81%
11,400,000.000	U.S. TREASURY BILL Mat: 11/8/18 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/7/17 St Date: 11/9/17	912796PD5	11,228,829.00 0.00	11,205,215.80 24,923.25	(23,613.20)	98.506	2.40%
Total for Money Markets			150,884,032.92 23,125.00	150,829,880.39 481,372.01	(54,152.53)		32.29%

Treasuries

10,000,000.000	U.S. TREASURY NOTE Mat: 2/28/18 Cpn: 0.75% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/21/17 St Date: 2/22/17	912828UR9	9,982,812.50 36,256.91	9,991,223.00 25,483.43	8,410.50	99.912	2.14%
10,000,000.000	U.S. TREASURY NOTE Mat: 5/15/18 Cpn: 1.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 5/10/17 St Date: 5/11/17	912828XA3	9,980,859.38 48,895.03	9,987,362.00 12,983.43	6,502.62	99.874	2.13%
27,000,000.000	U.S. TREASURY NOTE Mat: 5/31/18 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 3/9/17 St Date: 3/10/17	912828R51	26,896,171.88 66,057.69	26,939,468.70 20,769.23	43,296.82	99.776	5.75%
15,000,000.000	U.S. TREASURY NOTE Mat: 7/15/18 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 5/2/17 St Date: 5/3/17	912828XK1	14,950,195.31 39,157.46	14,944,593.00 60,631.79	(5,602.31)	99.631	3.20%
30,000,000.000	U.S. TREASURY NOTE Mat: 7/31/18 Cpn: 0.75% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 5/9/17 St Date: 5/10/17	912828S68	29,823,046.88 61,533.15	29,855,322.00 94,157.61	32,275.12	99.518	6.39%
Total for Treasuries			91,633,085.95 251,900.24	91,717,968.70 214,025.48	84,882.75		19.62%

Government Related

3,820,000.000	INTL FINANCE CORP FRN Mat: 3/6/18 Cpn: 1.44% Moody's: Aaa S&P: AAA Fitch: Tr Date: 2/27/17 St Date: 3/6/17	45950VKP0	3,820,000.00 0.00	3,820,191.00 3,977.79	191.00	100.005	0.82%
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CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
Total for Government Related			3,820,000.00 0.00	3,820,191.00 3,977.79	191.00		0.82%
Agencies							
2,200,000.000	FFCB 1ML+14.0 FRN Mat: 8/1/18 Cpn: 1.50% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 10/13/16 St Date: 10/14/16	3133EGPA7	2,203,429.98 530.07	2,202,827.00 2,842.97	(602.98)	100.129	0.47%
5,990,000.000	FNMA 1ML+0.0 FRN Mat: 2/28/19 Cpn: 1.56% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 10/12/16 St Date: 10/13/16	3135G0HZ9	5,969,454.30 4,010.60	5,995,810.30 7,717.65	26,356.00	100.097	1.28%
4,670,000.000	FFCB 1ML+0 FRN Mat: 9/25/20 Cpn: 1.55% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 9/14/17 St Date: 9/25/17	3133EHZK2	4,670,000.00 0.00	4,675,604.00 1,409.42	5,604.00	100.120	1.00%
3,760,000.000	FFCB 1ML+1 FRN Mat: 12/11/20 Cpn: 1.44% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 12/4/17 St Date: 12/11/17	3133EH2J1	3,760,000.00 0.00	3,765,113.60 3,162.46	5,113.60	100.136	0.80%
Total for Agencies			16,602,884.28 4,540.67	16,639,354.90 15,132.50	36,470.62		3.55%
Tax-Exempt							
600,000.000	CA SAN MARCOS REDEV AGY TAB Mat: 10/1/18 Cpn: 1.50% Moody's: S&P: AA- Fitch: Tr Date: 12/1/17 St Date: 12/14/17	79876CBN7	598,158.00 0.00	598,338.00 425.00	180.00	99.723	0.13%
Total for Tax-Exempt			598,158.00 0.00	598,338.00 425.00	180.00		0.13%
Taxable Muni							
2,680,000.000	CA OAKLAND-ALAMEDA LEASE TXB Mat: 2/1/18 Cpn: 1.69% Moody's: Aa3 S&P: Fitch: AA Tr Date: 5/12/17 St Date: 5/17/17	672211BE8	2,681,611.35 13,419.61	2,679,091.48 18,905.17	(2,519.87)	99.966	0.58%
2,120,000.000	CA STATE GO/ULT CP-TXBL Mat: 3/13/18 Cpn: 1.75% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 12/19/17 St Date: 12/19/17	13068BDB0	2,120,000.00 0.00	2,120,000.00 1,321.37	0.00	100.000	0.45%



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CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
830,000.000	CA ST EDU FACS AUTH REV-CHAPMAN UNI TXB Mat: 4/1/18 Cpn: 1.37% Moody's: A2 S&P: Fitch: Tr Date: 11/9/17 St Date: 11/16/17	130179KM5	830,000.00 0.00	829,639.78 1,420.34	(360.22)	99.957	0.18%
1,050,000.000	CA STATE GO/ULT TXB Mat: 4/1/18 Cpn: 1.25% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 4/21/17 St Date: 4/27/17	13063DAA6	1,050,000.00 0.00	1,049,307.00 3,276.00	(693.00)	99.934	0.22%
1,000,000.000	CA UNIVERSITY OF CALIFORNIA-TXBL Mat: 5/15/18 Cpn: 1.48% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 9/20/17 St Date: 9/28/17	91412G2P9	1,000,000.00 0.00	999,026.00 3,825.92	(974.00)	99.903	0.21%
3,040,000.000	CA LOS ANGELES CMNTY CLG DIST GO NT TXB Mat: 8/1/18 Cpn: 1.62% Moody's: Aa1 S&P: Fitch: Tr Date: 11/9/17 St Date: 11/30/17	54438CWT5	3,040,000.00 0.00	3,036,029.76 4,240.80	(3,970.24)	99.869	0.65%
2,680,000.000	CA SAN JOSE REDEV AGY TAB TXB Mat: 8/1/18 Cpn: 1.90% Moody's: S&P: AA Fitch: AA Tr Date: 12/8/17 St Date: 12/21/17	798170AA4	2,680,000.00 0.00	2,680,000.00 1,412.96	0.00	100.000	0.57%
1,520,000.000	CA LOS ANGELES CNTY REDEV AGY TAB-TXBL Mat: 9/1/18 Cpn: 1.00% Moody's: Aa3 S&P: AA Fitch: Tr Date: 6/16/17 St Date: 6/21/17	54465AGJ5	1,510,648.30 4,984.44	1,509,513.52 5,066.67	(1,134.78)	99.310	0.32%
3,800,000.000	CA CULVER CITY RDA-TXBL Mat: 11/1/18 Cpn: 1.50% Moody's: S&P: AA- Fitch: Tr Date: 11/15/17 St Date: 12/4/17	230340AK7	3,795,516.00 0.00	3,792,525.40 4,275.00	(2,990.60)	99.803	0.81%
1,000,000.000	CA LONG BEACH TIDELANDS REV-TXBL Mat: 11/1/18 Cpn: 1.79% Moody's: A1 S&P: Fitch: Tr Date: 11/22/17 St Date: 11/27/17	54245HAJ3	1,000,160.00 598.00	998,447.00 2,292.33	(1,713.00)	99.845	0.21%
1,060,000.000	CA LOS ANGELES MUNI IMPT TAXABLE Mat: 11/1/18 Cpn: 2.34% Moody's: S&P: AA- Fitch: A+ Tr Date: 9/11/17 St Date: 9/12/17	544587B98	1,069,565.40 9,068.67	1,064,349.18 4,141.07	(5,216.22)	100.410	0.23%
Total for Taxable Muni			20,777,501.05 28,070.72	20,757,929.12 50,177.61	(19,571.93)		4.44%

Credit



CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

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Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,500,000.000	BANK OF AMERICA FRN Mat: 3/22/18 Cpn: 2.73% Moody's: A3 S&P: A- Fitch: A Tr Date: 8/10/17 St Date: 8/15/17	06051GEW5	1,508,295.00 5,303.75	1,502,910.00 1,136.64	(5,385.00)	100.194	0.32%
3,000,000.000	GOLDMAN SACHS FRN Mat: 4/30/18 Cpn: 2.58% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 7/29/14 St Date: 8/1/14	38141GVK7	3,050,390.00 6,625.48	3,009,270.00 13,534.29	(41,120.00)	100.309	0.65%
5,000,000.000	QUALCOMM FRN Mat: 5/18/18 Cpn: 1.71% Moody's: A1 S&P: A Fitch: Tr Date: 5/13/15 St Date: 5/20/15	747525AH6	5,000,000.00 0.00	5,001,275.00 9,949.74	1,275.00	100.026	1.07%
2,325,000.000	AMERICAN EXPRESS FRN Mat: 5/22/18 Cpn: 2.04% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 4/14/15 St Date: 4/17/15	025816BH1	2,330,342.25 4,410.79	2,328,638.63 5,259.51	(1,703.63)	100.157	0.50%
3,200,000.000	KEYBANK FRN Mat: 6/1/18 Cpn: 2.00% Moody's: A3 S&P: A- Fitch: A- Tr Date: 5/27/15 St Date: 6/1/15	49327M2L7	3,200,000.00 0.00	3,204,432.00 5,512.85	4,432.00	100.139	0.68%
2,145,000.000	PNC BANK Mat: 6/1/18 Cpn: 1.60% Moody's: A2 S&P: A Fitch: A+ Tr Date: 6/21/17 St Date: 6/26/17	69353REM6	2,147,317.20 2,383.33	2,142,507.51 2,860.00	(4,809.69)	99.884	0.46%
500,000.000	PNC BANK FRN Mat: 6/1/18 Cpn: 1.90% Moody's: A2 S&P: A Fitch: A+ Tr Date: 8/10/17 St Date: 8/15/17	69353REN4	501,600.00 1,689.35	500,497.50 818.33	(1,102.50)	100.100	0.11%
750,000.000	BB&T CORPORATION FRN Mat: 6/15/18 Cpn: 2.45% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 8/10/17 St Date: 8/15/17	05531FAP8	754,297.50 2,675.82	751,920.00 867.17	(2,377.50)	100.256	0.16%
5,700,000.000	CISCO SYSTEMS Mat: 6/15/18 Cpn: 1.65% Moody's: A1 S&P: AA- Fitch: Tr Date: 8/11/17 St Date: 8/16/17	17275RAU6	5,711,364.80 15,936.25	5,697,970.80 4,180.00	(13,394.00)	99.964	1.22%
5,700,000.000	UNITEDHEALTH GROUP Mat: 7/16/18 Cpn: 1.90% Moody's: A3 S&P: A+ Fitch: A- Tr Date: 8/11/17 St Date: 8/16/17	91324PCL4	5,720,976.00 9,025.00	5,701,157.10 49,637.50	(19,818.90)	100.020	1.23%



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Portfolio Positions

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Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
3,800,000.000	BNY MELLON FRN Mat: 8/1/18 Cpn: 1.94% Moody's: A1 S&P: A Fitch: AA- Tr Date: 8/10/17 St Date: 8/15/17	06406HCM9	3,820,786.00 2,764.27	3,809,899.00 12,470.71	(10,887.00)	100.261	0.82%
2,500,000.000	PRUDENTIAL FINANCIAL FRN Mat: 8/15/18 Cpn: 2.20% Moody's: Baa1 S&P: A Fitch: A- Tr Date: 8/10/17 St Date: 8/15/17	74432QBX2	2,517,047.50 386.99	2,509,912.50 7,167.04	(7,135.00)	100.397	0.54%
500,000.000	CAPITAL ONE FRN Mat: 8/17/18 Cpn: 2.57% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 8/10/17 St Date: 8/15/17	14042E5W6	504,075.00 2,911.80	502,655.00 1,607.44	(1,420.00)	100.531	0.11%
3,000,000.000	FIFTH THIRD BANK FRN Mat: 8/20/18 Cpn: 2.35% Moody's: A3 S&P: A- Fitch: A- Tr Date: 10/13/15 St Date: 10/16/15	31677QBE8	3,005,250.00 5,903.54	3,014,370.00 8,014.37	9,120.00	100.479	0.64%
3,000,000.000	VERIZON COMMUNICATIONS FRN Mat: 9/14/18 Cpn: 3.32% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 4/15/15 St Date: 4/20/15	92343VBM5	3,123,600.00 6,230.18	3,033,360.00 4,985.28	(90,240.00)	101.112	0.65%
1,000,000.000	WELLS FARGO FRN Mat: 9/14/18 Cpn: 1.97% Moody's: A2 S&P: A Fitch: A+ Tr Date: 9/16/14 St Date: 9/23/14	94974BGD6	1,000,000.00 0.00	1,001,455.00 986.76	1,455.00	100.146	0.21%
2,632,000.000	JOHN DEERE CAPITAL CORP FRN Mat: 10/15/18 Cpn: 1.63% Moody's: A2 S&P: A Fitch: A Tr Date: 1/3/17 St Date: 1/6/17	24422ETN9	2,636,126.86 2,972.35	2,636,408.60 9,171.50	281.74	100.168	0.56%
725,000.000	INTERCONTINENTALEXCHANGE GROUP Mat: 10/15/18 Cpn: 2.50% Moody's: A2 S&P: A Fitch: Tr Date: 8/11/17 St Date: 8/16/17	45866FAB0	732,134.00 6,092.01	728,055.88 3,826.39	(4,078.13)	100.422	0.16%
1,330,000.000	CITIBANK FRN Mat: 11/9/18 Cpn: 1.63% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 5/3/17 St Date: 5/9/17	17325FAC2	1,330,000.00 0.00	1,330,990.85 3,196.68	990.85	100.075	0.28%
1,000,000.000	GOLDMAN SACHS FRN Mat: 11/15/18 Cpn: 2.52% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 8/10/17 St Date: 8/15/17	38141EB73	1,010,030.00 0.00	1,006,610.00 3,284.60	(3,420.00)	100.661	0.22%



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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
3,160,000.000	US BANCORP FRN Mat: 11/15/18 Cpn: 1.91% Moody's: A1 S&P: A+ Fitch: AA Tr Date: 10/21/15 St Date: 10/26/15	91159HHF0	3,161,110.00 5,015.92	3,167,663.00 7,862.73	6,553.00	100.243	0.68%
1,000,000.000	AT&T FRN Mat: 11/27/18 Cpn: 2.37% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 7/30/14 St Date: 8/4/14	00206RCB6	1,019,860.00 2,179.54	1,006,235.00 2,306.17	(13,625.00)	100.624	0.22%
890,000.000	CITIGROUP FRN Mat: 12/7/18 Cpn: 2.38% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 12/1/15 St Date: 12/7/15	172967KF7	890,000.00 0.00	894,610.20 1,468.08	4,610.20	100.518	0.19%
1,100,000.000	MORGAN STANLEY FRN Mat: 1/24/19 Cpn: 2.21% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 4/15/15 St Date: 4/20/15	61746BDN3	1,104,125.00 2,838.99	1,106,176.50 4,669.45	2,051.50	100.562	0.24%
1,430,000.000	CITIBANK FRN Mat: 3/20/19 Cpn: 1.97% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 3/13/17 St Date: 3/20/17	17325FAB4	1,430,000.00 0.00	1,431,980.55 936.88	1,980.55	100.139	0.31%
1,075,000.000	CATERPILLAR FINANCIAL FRN Mat: 3/22/19 Cpn: 1.94% Moody's: A3 S&P: A Fitch: A Tr Date: 3/20/17 St Date: 3/23/17	14912L6X4	1,075,000.00 0.00	1,077,322.00 578.69	2,322.00	100.216	0.23%
1,280,000.000	BRANCH BANKING & TRUST FRN Mat: 5/1/19 Cpn: 1.91% Moody's: A1 S&P: A Fitch: A+ Tr Date: 5/5/16 St Date: 5/10/16	07330NAM7	1,280,000.00 0.00	1,285,996.80 4,135.59	5,996.80	100.469	0.28%
1,825,000.000	AMERICAN EXPRESS FRN Mat: 5/3/19 Cpn: 1.71% Moody's: A2 S&P: A- Fitch: A Tr Date: 4/27/17 St Date: 5/3/17	0258M0EJ4	1,825,000.00 0.00	1,828,367.13 5,129.01	3,367.13	100.185	0.39%
1,315,000.000	QUALCOMM FRN Mat: 5/20/19 Cpn: 1.80% Moody's: A1 S&P: A Fitch: Tr Date: 5/19/17 St Date: 5/26/17	747525AN3	1,315,000.00 0.00	1,317,715.48 2,754.86	2,715.48	100.207	0.28%
1,905,000.000	US BANK CINCINNATI FRN Mat: 5/24/19 Cpn: 1.61% Moody's: A1 S&P: AA- Fitch: Tr Date: 5/25/17 St Date: 5/31/17	90331HNE9	1,905,000.00 0.00	1,905,790.58 3,242.13	790.58	100.042	0.41%



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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
720,000.000	BERKSHIRE HATHAWAY FRN Mat: 8/15/19 Cpn: 1.68% Moody's: Aa2 S&P: AA Fitch: A+u Tr Date: 8/8/16 St Date: 8/15/16	084664CL3	720,000.00 0.00	721,810.80 1,575.31	1,810.80	100.252	0.15%
2,000,000.000	GILEAD SCIENCES FRN Mat: 9/20/19 Cpn: 1.88% Moody's: A3 S&P: A Fitch: Tr Date: 9/14/17 St Date: 9/21/17	375558BQ5	2,000,000.00 0.00	2,003,090.00 1,250.32	3,090.00	100.155	0.43%
1,775,000.000	FIFTH THIRD BANK FRN Mat: 9/27/19 Cpn: 2.26% Moody's: A3 S&P: A- Fitch: A- Tr Date: 9/22/16 St Date: 9/27/16	31677QB7	1,775,000.00 0.00	1,785,854.13 558.30	10,854.13	100.612	0.38%
1,915,000.000	JOHN DEERE CAPITAL CORP FRN Mat: 10/9/19 Cpn: 1.64% Moody's: A2 S&P: A Fitch: A Tr Date: 9/6/16 St Date: 9/9/16	24422ETK5	1,915,000.00 0.00	1,920,247.10 7,219.99	5,247.10	100.274	0.41%
1,970,000.000	HONEYWELL INTL FRN Mat: 10/30/19 Cpn: 1.42% Moody's: A2 S&P: A Fitch: A Tr Date: 10/23/17 St Date: 10/30/17	438516BP0	1,970,000.00 0.00	1,967,557.20 4,888.42	(2,442.80)	99.876	0.42%
1,390,000.000	CATERPILLAR FINANCIAL FRN Mat: 1/10/20 Cpn: 1.86% Moody's: A3 S&P: A Fitch: A Tr Date: 1/5/17 St Date: 1/12/17	14912L6Z9	1,390,000.00 0.00	1,399,841.20 5,961.68	9,841.20	100.708	0.30%
1,330,000.000	CITIGROUP FRN Mat: 1/10/20 Cpn: 2.14% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 1/4/17 St Date: 1/10/17	172967LE9	1,330,000.00 0.00	1,339,802.10 6,562.93	9,802.10	100.737	0.29%
1,385,000.000	BRANCH BANKING & TRUST FRN Mat: 1/15/20 Cpn: 1.81% Moody's: A1 S&P: A Fitch: A+ Tr Date: 1/23/17 St Date: 1/26/17	07330NAP0	1,385,000.00 0.00	1,389,328.13 5,359.41	4,328.13	100.313	0.30%
1,150,000.000	SUNTRUST BANK FRN Mat: 1/31/20 Cpn: 1.91% Moody's: Baa1 S&P: A- Fitch: A- Tr Date: 1/25/17 St Date: 2/1/17	86787EAS6	1,150,000.00 0.00	1,156,940.25 3,783.04	6,940.25	100.604	0.25%
1,900,000.000	MORGAN STANLEY FRN Mat: 2/14/20 Cpn: 2.21% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 2/14/17 St Date: 2/17/17	61746BEH5	1,900,000.00 0.00	1,908,160.50 5,605.99	8,160.50	100.430	0.41%



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Portfolio 2480

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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
2,645,000.000	CITIZENS BANK FRN Mat: 3/2/20 Cpn: 2.03% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 2/27/17 St Date: 3/2/17	17401QAH4	2,648,329.80 6,516.81	2,651,255.43 4,170.77	2,925.63	100.237	0.57%
930,000.000	AMERICAN EXPRESS FRN Mat: 3/3/20 Cpn: 1.92% Moody's: A2 S&P: A- Fitch: A Tr Date: 2/28/17 St Date: 3/3/17	0258M0EF2	930,000.00 0.00	932,664.45 1,386.90	2,664.45	100.287	0.20%
3,845,000.000	HUNTINGTON NATL BANK FRN Mat: 3/10/20 Cpn: 2.05% Moody's: A3 S&P: BBB+ Fitch: A- Tr Date: 3/7/17 St Date: 3/10/17	446438RV7	3,862,490.00 10,283.82	3,863,186.85 4,589.14	696.85	100.473	0.83%
2,755,000.000	AMGEN FRN Mat: 5/11/20 Cpn: 1.86% Moody's: Baa1 S&P: A Fitch: BBBu Tr Date: 5/8/17 St Date: 5/11/17	031162CN8	2,763,660.00 977.32	2,767,948.50 7,270.70	4,288.50	100.470	0.59%
1,900,000.000	CAPITAL ONE FINL FRN Mat: 5/12/20 Cpn: 2.17% Moody's: Baa1 S&P: BBB Fitch: A- Tr Date: 8/16/17 St Date: 8/21/17	14040HBQ7	1,909,842.00 764.42	1,914,031.50 5,619.34	4,189.50	100.739	0.41%
1,930,000.000	PNC BANK FRN Mat: 5/19/20 Cpn: 1.80% Moody's: A2 S&P: A Fitch: A+ Tr Date: 5/16/17 St Date: 5/19/17	69353RFD5	1,930,000.00 0.00	1,934,699.55 4,043.25	4,699.55	100.244	0.41%
2,380,000.000	VERIZON COMMUNICATIONS FRN Mat: 5/22/20 Cpn: 2.00% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 5/11/17 St Date: 5/22/17	92343VDZ4	2,380,000.00 0.00	2,391,781.00 5,278.15	11,781.00	100.495	0.51%
405,000.000	CITIZENS BANK FRN Mat: 5/26/20 Cpn: 2.03% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 5/22/17 St Date: 5/26/17	17401QAK7	405,000.00 0.00	406,225.13 800.12	1,225.13	100.303	0.09%
1,185,000.000	HOME DEPOT FRN Mat: 6/5/20 Cpn: 1.64% Moody's: A2 S&P: A Fitch: Au Tr Date: 5/24/17 St Date: 6/5/17	437076BR2	1,185,000.00 0.00	1,187,684.03 1,461.66	2,684.03	100.227	0.25%
1,595,000.000	BB&T CORPORATION FRN Mat: 6/15/20 Cpn: 2.16% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 8/16/17 St Date: 8/21/17	05531FAW3	1,605,335.60 5,389.44	1,601,978.13 1,625.76	(3,357.48)	100.438	0.34%



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1,115,000.000	JOHN DEERE CAPITAL CORP FRN Mat: 6/22/20 Cpn: 1.95% Moody's: A2 S&P: A Fitch: A Tr Date: 6/19/17 St Date: 6/22/17	24422ETR0	1,115,000.00 0.00	1,116,700.38 603.32	1,700.38	100.153	0.24%
885,000.000	FIFTH THIRD BANK FRN Mat: 10/30/20 Cpn: 1.63% Moody's: A3 S&P: A- Fitch: A- Tr Date: 10/25/17 St Date: 10/30/17	31677QBL2	885,000.00 0.00	884,234.48 2,521.30	(765.53)	99.914	0.19%
1,095,000.000	FLORIDA POWER & LIGHT FRN Mat: 11/6/20 Cpn: 1.67% Moody's: A1 S&P: A- Fitch: A+ Tr Date: 11/1/17 St Date: 11/6/17	341081FN2	1,095,000.00 0.00	1,095,450.05 2,846.93	450.05	100.041	0.23%
1,325,000.000	GOLDMAN SACHS FRN Mat: 12/27/20 Cpn: 2.40% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 3/22/17 St Date: 3/27/17	38141GWF7	1,325,000.00 0.00	1,330,452.38 442.52	5,452.38	100.412	0.28%
1,585,000.000	AVALONBAY COMMUNITIES FRN Mat: 1/15/21 Cpn: 1.85% Moody's: A3 S&P: A- Fitch: Tr Date: 11/8/17 St Date: 11/15/17	05348EBD0	1,585,000.00 0.00	1,586,318.72 3,819.65	1,318.72	100.083	0.34%
1,895,000.000	IBM FRN Mat: 1/20/21 Cpn: 1.62% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 9/5/17 St Date: 9/8/17	44932HAE3	1,895,000.00 0.00	1,899,538.53 6,235.10	4,538.53	100.240	0.41%
645,000.000	BB&T CORPORATION FRN Mat: 2/1/21 Cpn: 1.61% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 10/23/17 St Date: 10/26/17	05531FBA0	645,000.00 0.00	642,848.93 1,930.15	(2,151.08)	99.667	0.14%
2,000,000.000	APPLE FRN Mat: 2/23/21 Cpn: 2.58% Moody's: Aa1 S&P: AA+ Fitch: Tr Date: 8/17/17 St Date: 8/22/17	037833BT6	2,064,240.00 11,710.89	2,058,000.00 5,455.11	(6,240.00)	102.900	0.44%
1,330,000.000	JPMORGAN CHASE FRN Mat: 3/9/21 Cpn: 2.09% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 3/2/17 St Date: 3/9/17	46647PAC0	1,330,000.00 0.00	1,333,444.70 1,618.43	3,444.70	100.259	0.28%
3,900,000.000	BANK OF AMERICA FRN Mat: 7/21/21 Cpn: 2.02% Moody's: A3 S&P: A- Fitch: A Tr Date: 7/18/17 St Date: 7/21/17	06051GGN3	3,901,790.00 1,530.06	3,920,494.50 15,337.29	18,704.50	100.526	0.84%



CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,785,000.000	BANK OF AMERICA FRN Mat: 10/1/21 Cpn: 1.97% Moody's: A3 S&P: A- Fitch: A Tr Date: 9/13/17 St Date: 9/18/17	06051GGU7	1,785,000.00 0.00	1,794,558.68 10,262.09	9,558.68	100.536	0.39%
1,485,000.000	MORGAN STANLEY FRN Mat: 1/20/22 Cpn: 2.54% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 1/17/17 St Date: 1/20/17	61746BEE2	1,485,000.00 0.00	1,508,514.98 7,656.43	23,514.98	101.584	0.32%
1,647,000.000	WELLS FARGO FRN Mat: 2/11/22 Cpn: 2.34% Moody's: A2 S&P: A Fitch: A+ Tr Date: 2/6/17 St Date: 2/13/17	949746SP7	1,654,935.46 1,762.61	1,666,912.23 5,252.17	11,976.77	101.209	0.36%
1,330,000.000	CAPITAL ONE FINL FRN Mat: 3/9/22 Cpn: 2.49% Moody's: Baa1 S&P: BBB Fitch: A- Tr Date: 3/6/17 St Date: 3/9/17	14040HBM6	1,330,000.00 0.00	1,338,192.80 1,928.77	8,192.80	100.616	0.29%
1,325,000.000	CITIGROUP FRN Mat: 4/25/22 Cpn: 2.33% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 4/18/17 St Date: 4/25/17	172967LH2	1,325,000.00 0.00	1,339,555.13 5,825.02	14,555.13	101.099	0.29%
2,825,000.000	APPLE FRN Mat: 5/11/22 Cpn: 1.76% Moody's: Aa1 S&P: AA+ Fitch: Tr Date: 5/4/17 St Date: 5/11/17	037833CP3	2,825,000.00 0.00	2,843,800.38 7,055.23	18,800.38	100.666	0.61%
3,385,000.000	INTEL FRN Mat: 5/11/22 Cpn: 1.76% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 5/8/17 St Date: 5/11/17	458140BC3	3,391,480.00 921.76	3,403,549.80 8,122.27	12,069.80	100.548	0.73%
2,000,000.000	UNITED PARCEL SERVICE FRN Mat: 5/16/22 Cpn: 1.80% Moody's: A1 S&P: A+ Fitch: Tr Date: 8/17/17 St Date: 8/22/17	911312BB1	2,010,180.00 564.72	2,006,650.00 4,597.42	(3,530.00)	100.333	0.43%
3,390,000.000	MANUFACTURERS & TRADERS TRUST FRN Mat: 5/18/22 Cpn: 2.05% Moody's: A3 S&P: A Fitch: A Tr Date: 5/15/17 St Date: 5/18/17	55279HAM2	3,395,520.00 321.11	3,404,017.65 8,090.62	8,497.65	100.414	0.73%
Total for Credit			134,806,529.97 126,088.32	134,853,472.81 360,161.43	46,942.84		28.85%

Mortgage-Backed


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CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,840,000.000	FHMS KP04 AG2 1MOFRN CMBS Mat: 10/25/19 Cpn: 1.55% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/15/17 St Date: 11/28/17	3137FBWU4	1,840,000.00 0.00	1,843,159.28 474.34	3,159.28	100.172	0.39%
3,030,000.000	FMPRE 2017-TK01A 1MOFRN CMBS Mat: 2/25/20 Cpn: 1.56% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/31/17 St Date: 2/16/17	30258EAA3	3,030,000.00 0.00	3,039,053.64 786.73	9,053.64	100.299	0.65%
3,027,360.998	NGN 2011-R3 1A 1MO FRN NCUA GNTD Mat: 3/11/20 Cpn: 1.73% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 5/18/15 St Date: 5/21/15	62889EAA3	3,040,661.56 462.75	3,032,380.36 2,907.31	(8,281.20)	100.166	0.65%
117,229.900	FHMS KF02 A1 1MOFRN CMBS Mat: 7/25/20 Cpn: 1.75% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/19/15 St Date: 11/24/15	3137B5J79	117,229.90 56.36	117,294.96 39.93	65.06	100.056	0.03%
5,637,728.863	NGN 2010-R3 2A 1MOFRN NCUA GNTD Mat: 12/8/20 Cpn: 1.96% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/17/16 St Date: 10/20/16	62888WAB2	5,657,989.44 2,383.68	5,671,746.92 7,686.06	13,757.48	100.603	1.21%
Total for Mortgage-Backed			13,685,880.90 2,902.80	13,703,635.16 11,894.38	17,754.26		2.93%

Asset-Backed

1,166,225.137	JOHN DEERE 2017-B A1 EQP Mat: 7/16/18 Cpn: 1.35% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 7/11/17 St Date: 7/18/17	47788BAA2	1,166,225.14 0.00	1,166,236.80 743.47	11.66	100.001	0.25%
1,689,099.064	NISSAN 2017-B A1 CAR Mat: 8/15/18 Cpn: 1.27% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 8/16/17 St Date: 8/23/17	65478GAA8	1,689,099.06 0.00	1,688,315.32 1,012.99	(783.74)	99.954	0.36%
2,094,742.500	USAA 2017-1 A1 CAR Mat: 9/17/18 Cpn: 1.28% Moody's: P-1 S&P: A-1+ Fitch: Tr Date: 9/13/17 St Date: 9/20/17	90290AAA5	2,094,742.50 0.00	2,094,780.21 1,266.16	37.71	100.002	0.45%
2,082,835.964	NISSAN 2017-B A1 LEASE Mat: 10/15/18 Cpn: 1.32% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 10/3/17 St Date: 10/10/17	65479BAA8	2,082,835.96 0.00	2,082,856.79 1,298.30	20.83	100.001	0.44%



CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of December 31, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
5,886,988.781	HONDA 2017-3 A1 CAR Mat: 10/18/18 Cpn: 1.28% Moody's: S&P: A-1+ Fitch: F1+ Tr Date: 9/25/17 St Date: 9/29/17	43814PAA8	5,886,988.78 0.00	5,886,953.46 2,930.41	(35.32)	99.999	1.26%
2,370,800.145	BMW 2017-2 A1 LEASE Mat: 10/22/18 Cpn: 1.35% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 10/17/17 St Date: 10/25/17	05584PAA5	2,370,800.15 0.00	2,370,821.48 1,066.86	21.34	100.001	0.51%
Total for Asset-Backed			15,290,691.59 0.00	15,289,964.06 8,318.19	(727.53)		3.26%
Grand Total			467,396,407.48 436,627.75	467,508,376.96 1,145,484.39	111,969.48		100.00%



CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 12/31/2017

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
CASH & CASH EQUIVALENTS												
CASH												
06371ETS6	BANK OF MONTREAL IN	1.460	3/6/2018	3/6/2018	A-1	15,000,000	15,000,000.000	.186	.182	1.457	3.20%	15,000,000.00
06538N5Q6	BANK TOKYO-MITSUBIS	1.630	7/6/2018	7/6/2018	F1	2,000,000	2,000,000.000	.525	.513	1.617	.43%	2,000,000.00
06539RLL9	BNK OF TKYO-MTBSHI	1.340	1/16/2018	1/16/2018	P-1	15,000,000	15,000,000.000	.050	.049	1.338	3.20%	15,000,000.00
22549LGU3	CREDIT SUISSE GROUP	1.460	3/7/2018	3/7/2018	F1	15,000,000	15,000,002.750	.189	.185	1.457	3.20%	15,000,002.75
30229BAA5	EXXON MOBIL CORP D D	0.000	1/10/2018	1/10/2018	A-1+	11,000,000	10,996,177.530	.031	.033	1.043	2.34%	10,996,177.53
313385RG3	FEDERAL HOME LN BK CONS 0.0 02JAN18	-				23,000,000	22,999,207.790	-	-	-	4.90%	22,999,207.79
313385RK4	FEDERAL HOME LOAN BANK DISCOUNT NOTES	-				15,000,000	14,997,966.650	-	-	-	3.20%	14,997,966.65
459053RH9	IBRD DISCOUNT NOTES	-				18,000,000	17,998,748.140	-	-	-	3.84%	17,998,748.14
459515RN4	IFC DISCOUNT NOTES	0.000	1/8/2018	1/8/2018	A-1+	15,000,000	14,996,456.250	.025	.027	.851	3.20%	14,996,456.25
60683BCS0	MITSUBISHI TR & BKG	1.360	1/22/2018	1/22/2018	P-1	6,000,000	6,000,000.000	.067	.065	1.358	1.28%	6,000,000.00
60700AMC5	MIZUHO BANK C/D	1.360	1/22/2018	1/22/2018	P-1	15,000,000	15,000,000.000	.067	.065	1.358	3.20%	15,000,000.00
60700AGP3	MIZUHO BANK C/D	1.300	1/16/2018	1/16/2018	F1	5,400,000	5,399,860.320	.050	.049	1.347	1.15%	5,399,860.32
65602UYN2	NORINCHUKIN BK C/D	1.330	1/16/2018	1/16/2018	A-1	15,000,000	15,000,000.000	.050	.049	1.328	3.20%	15,000,000.00
69372BA34	PACCAR FINL CORP-DISC C 0.0 03JAN18	-				8,000,000	7,999,355.500	-	-	-	1.71%	7,999,355.50
89113XNF7	TORONTO-DOMINION BK	1.380	1/22/2018	1/22/2018	A-1+	15,000,000	15,000,000.000	.067	.065	1.378	3.20%	15,000,000.00
90275DFR6	UBS AG STAMFORD BRH	1.600	2/21/2018	2/21/2018	F1	4,125,000	4,125,643.840	.150	.147	1.476	.88%	4,125,643.84
912796RK7	UNITED STATES CASH MANAGEMENT BILL	-				30,000,000	29,999,056.160	-	-	-	6.40%	29,999,056.16
912796LC1	UNITED STATES TREASURY BILL	0.000	1/4/2018	1/4/2018	Govt	30,000,000	29,997,412.500	.014	.016	.525	6.40%	29,997,412.50
NA9123459	US DOLLARS	1.564	1/2/2018		Agency	797,575	797,575.450	0.000	-	1.564	.17%	797,575.45
USD120030	USD INTEREST RECEIVABLE	-				987,931	0.000	-	-	-	.21%	987,931.05
CASH TOTALS							258,307,462.880					259,295,393.93
CORPORATES												
375558BN2	GILEAD SCIENCES INC	1.795	9/20/2018	9/20/2018	A3	7,500,000	7,504,503.160	.725	.220	1.792	1.60%	7,504,503.16
CORPORATES TOTALS							7,504,503.160					7,504,503.16
MUNICIPALS												
54438CWT5	LOS ANGELES COMMUNITY COLLEGE DISTRICT/CA	1.620	8/1/2018	8/1/2018	Aa1	2,680,000	2,680,000.000	.589	.582	1.621	.57%	2,680,000.00
MUNICIPALS TOTALS							2,680,000.000					2,680,000.00
CASH & CASH EQUIVALENTS TOTALS							268,491,966.040					269,479,897.09
FIXED INCOME												
AGENCIES												
3133EFC7	FEDERAL FARM CREDIT BANKS	1.570	9/18/2018	9/18/2018	Agency	5,000,000	4,999,248.570	.719	.215	1.498	1.07%	5,005,932.35
AGENCIES TOTALS							4,999,248.570					5,005,932.35
ASSET BACKED												
02587TAA1	AMERICAN EXPRESS ISSUANCE TRUST II	1.757	2/15/2019	3/15/2018	AAA	10,000,000	10,007,522.320	.214	.049	1.544	2.13%	10,005,567.00
05582XAB8	BMW VEHICLE LEASE TRUST 2016-2	1.230	1/22/2019	6/20/2018	AAA	283,923	283,724.390	.271	.268	1.707	.06%	283,561.89
36159LCR5	GE DEALER FLOORPLAN MASTER NOTE TRUST	2.001	1/21/2020	1/22/2018	Aaa	2,160,000	2,160,035.980	.064	.065	1.724	.46%	2,160,500.90
43814PAA8	HONDA AUTO RECEIVABLES 2017-3 OWNER TRUST	1.280	10/18/2018	4/18/2018	AA	2,901,215	2,900,928.050	.150	.151	1.340	.62%	2,901,166.36
43813FAA1	HONDA AUTO RECEIVABLES 2017-4 OWNER TRUST	1.500	12/21/2018	6/21/2018		10,115,921	10,115,920.730	.235	.231	1.441	2.16%	10,116,011.77

CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 12/31/2017

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
ASSET BACKED (Continued)												
65474VAP6	NISSAN MASTER OWNER TRUST RECEIVABLES	1.797	10/17/2022	10/15/2020	Aaa	5,125,000	5,125,000.000	2.797	.052	1.843	1.09%	5,135,175.69
65474VAN1	NISSAN MASTER OWNER TRUST RECEIVABLES	1.907	4/18/2022	4/15/2020	Aaa	5,000,000	5,025,822.200	2.297	.055	1.802	1.07%	5,025,189.50
ASSET BACKED TOTALS							35,618,953.670					35,627,173.11
CMBS												
3136AP3Z3	FANNIE MAE MULTIFAMILY REMIC TRUST 2015-M12	1.578	4/25/2020	12/25/2019	Agency	2,896,400	2,897,864.460	1.501	.075	1.747	.62%	2,899,664.42
31398GGH6	FANNIE MAE-ACES	4.001	1/25/2019	1/25/2019	Agency	58,315	58,946.080	1.035	1.007	2.762	.01%	58,905.37
3136AC3C3	FANNIE MAE-ACES	1.451	2/25/2018	2/25/2018	Agency	257,085	257,087.650	.125	.127	1.725	.05%	256,749.81
3136ANA98	FANNIE MAE-ACES	1.488	3/25/2019	3/25/2019	Agency	4,685,633	4,686,652.660	1.010	.074	1.751	1.00%	4,684,400.53
3136AMKW8	FANNIE MAE-ACES	1.626	2/25/2018	1/25/2018	Agency	441,010	440,890.510	.072	.073	1.799	.09%	440,476.74
3136ANJY4	FANNIE MAE-ACES	1.550	4/25/2018	4/25/2018	Agency	3,763,003	3,761,188.720	.177	.177	1.707	.80%	3,758,111.09
3136ANMF1	FANNIE MAE-ACES	1.408	11/25/2018	11/25/2018	Agency	5,313,831	5,312,626.180	.653	.074	1.514	1.13%	5,315,321.38
3137AKKC4	FHLMC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.303	9/25/2018	9/25/2018	Aaa	3,500,000	3,510,900.860	.701	.690	1.899	.75%	3,504,644.85
31398E2E3	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	5.053	1/25/2019	1/25/2019	Agency	800,000	818,666.060	.872	.847	2.193	.17%	817,104.56
3137ABFV8	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	3.154	2/25/2018	2/25/2018	Agency	2,686,401	2,691,849.070	.108	.109	1.878	.57%	2,684,468.26
3137AL6V6	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.323	10/25/2018	10/25/2018	Aaa	1,073,041	1,076,736.880	.780	.766	1.960	.23%	1,074,455.67
CMBS TOTALS							25,513,409.130					25,494,302.68
CMOS												
62888YAA0	NCUA GUARANTEED NOTES TRUST 2011-R1	1.692	1/8/2020		Aaa	3,228,066	3,239,384.420	2.050	.082	.610	.69%	3,234,810.22
CMOS TOTALS							3,239,384.420					3,234,810.22
CORPORATES												
025816BH1	AMERICAN EXPRESS CO	2.036	5/22/2018	5/22/2018	A3	1,000,000	1,000,364.330	.403	.150	1.852	.21%	1,001,303.72
0258M0DL0	AMERICAN EXPRESS CREDIT CORP	2.150	3/18/2019	3/18/2019	A2	11,478,000	11,538,403.650	1.219	.220	1.929	2.46%	11,523,231.35
0258M0DU0	AMERICAN EXPRESS CREDIT CORP	2.192	5/26/2020	5/26/2020	A2	2,000,000	2,019,845.520	2.328	.172	2.041	.43%	2,018,192.74
037833AG5	APPLE INC	1.635	5/3/2018	5/3/2018	Aa1	1,500,000	1,500,203.880	.350	.099	1.579	.32%	1,500,900.32
06051GGU7	BANK OF AMERICA CORP	1.994	10/1/2021	10/1/2021	A-	2,300,000	2,306,824.920	2.764	.265	2.204	.49%	2,310,676.00
06051GFE4	BANK OF AMERICA CORP	2.205	4/1/2019	4/1/2019	A-	3,100,000	3,124,985.600	1.264	.264	1.939	.67%	3,124,754.18
05531FAR4	BB&T CORP	2.037	2/1/2019	2/1/2019	A2	7,000,000	7,040,216.720	1.017	.095	1.829	1.50%	7,036,514.52
084664CH2	BERKSHIRE HATHAWAY FINANCE CORP	2.278	3/15/2019	3/15/2019	Aa2	1,600,000	1,600,000.000	1.211	.211	1.748	.34%	1,612,416.86
14912L6Q9	CATERPILLAR FINANCIAL SERVICES CORP	2.162	2/23/2018	2/23/2018	A	1,215,000	1,215,000.000	.156	.152	1.731	.26%	1,215,806.08
17325FAK4	CITIBANK NA	1.663	10/20/2020	10/20/2020	A+	2,000,000	2,000,000.000	2.811	.070	1.935	.43%	2,004,554.40
172967JQ5	CITIGROUP INC	2.064	4/27/2018	4/27/2018	BBB+	2,340,000	2,339,194.110	.331	.079	1.906	.50%	2,343,103.03
172967JN2	CITIGROUP INC	1.700	4/27/2018	4/27/2018	BBB+	7,635,000	7,634,726.810	.328	.323	2.000	1.63%	7,627,400.12
30231GAS1	EXXON MOBIL CORP	2.068	2/28/2018	2/28/2018	AA+	2,355,000	2,355,000.000	.169	.166	1.719	.50%	2,356,418.44
31677QBL2	FIFTH THIRD BANK/CINCINNATI OH	1.628	10/30/2020	10/30/2020	A-	1,000,000	999,990.590	2.761	.087	2.015	.21%	998,582.82
38148LAB2	GOLDMAN SACHS GROUP INC/THE	2.522	4/23/2020	4/23/2020	A3	2,000,000	2,032,663.370	2.236	.087	2.177	.43%	2,030,814.26
38141GFM1	GOLDMAN SACHS GROUP INC/THE	6.150	4/1/2018	4/2/2018	A3	12,795,000	12,934,721.400	.256	.255	1.981	2.76%	12,929,660.34
24422ESU4	JOHN DEERE CAPITAL CORP	1.649	1/16/2018	1/16/2018	A	1,309,000	1,308,893.770	.050	.049	1.637	.28%	1,309,004.58
46625HJL5	JPMORGAN CHASE & CO	1.625	5/15/2018	5/15/2018	A-	4,965,000	4,963,104.600	.378	.372	1.796	1.06%	4,961,752.79
49327M2A1	KEYBANK NA/CLEVELAND OH	1.650	2/1/2018	2/1/2018	A-	4,250,000	4,250,558.130	.089	.092	1.930	.91%	4,248,894.62

CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 12/31/2017

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
CORPORATES (Continued)												
61746BDN3	MORGAN STANLEY	2.215	1/24/2019	1/24/2019	A3	9,494,000	9,551,739.030	1.072	.075	2.067	2.03%	9,543,478.46
61746BEH5	MORGAN STANLEY	2.213	2/14/2020	2/14/2020	A3	2,000,000	2,008,824.300	1.131	.131	2.139	.43%	2,007,971.58
717081DF7	PFIZER INC	1.888	6/15/2018	6/15/2018	A+	500,000	500,290.820	.467	.211	1.701	.11%	500,575.96
69353RFD5	PNC BANK NA	1.796	5/19/2020	5/19/2020	A	2,000,000	2,007,187.930	2.394	.147	1.925	.43%	2,006,593.90
69353REJ3	PNC BANK NA	1.500	2/23/2018	2/23/2018	A	9,000,000	9,000,988.320	.150	.152	1.701	1.92%	8,997,174.81
74432QBX2	PRUDENTIAL FINANCIAL INC	2.196	8/15/2018	8/15/2018	A-	4,370,000	4,389,446.040	.633	.132	1.822	.94%	4,386,699.04
94974BFK1	WELLS FARGO & CO	1.992	4/23/2018	4/23/2018	A	1,052,000	1,052,344.300	.319	.068	1.825	.22%	1,053,438.68
CORPORATES TOTALS							100,675,518.140					100,649,913.60
MORTGAGES												
3138EGTT1	FANNIE MAE POOL	3.739	6/1/2018	3/25/2018	Agency	538,625	538,891.550	.238	.232	2.090	.12%	539,404.57
MORTGAGES TOTALS							538,891.550					539,404.57
US TREASURIES												
912828VK3	UNITED STATES TREASURY NOTE/BOND	1.375	6/30/2018	7/2/2018	Govt	9,000,000	8,995,342.670	.505	.499	1.500	1.92%	8,994,375.00
912828H37	UNITED STATES TREASURY NOTE/BOND	.875	1/15/2018	1/16/2018	Govt	20,000,000	19,997,990.900	.046	.049	1.138	4.26%	19,997,528.60
US TREASURIES TOTALS							28,993,333.570					28,991,903.60
FIXED INCOME TOTALS							199,578,739.050					199,543,440.13
PORTFOLIO TOTALS							468,070,705.090					469,023,337.22

WELLS CAPITAL - OPERATING
DEC 2017

HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
AMXCA 131 A	AMXCA	02587AAG9	US02587AAG94	02587AAG9	1.55%	\$4,602,810.32
AMXCA 132 A	AMXCA	02582JGG9	US02582JGG94	02582JGG9	0.44%	\$1,294,602.62
AMXCA 141 A	AMXCA	02582JGN4	US02582JGN46	02582JGN4	1.02%	\$3,013,714.83
BACCT 161 A	BACCT	05522RCV8	US05522RCV87	05522RCV8	1.51%	\$4,479,832.07
BANK OF NEW YORK MELLON CORP	BK	06406HDB2	US06406HDB24	06406HDB2	1.35%	\$4,003,309.33
BANK OF NEW YORK MELLON CORP	BK	06406HDC0	US06406HDC07	06406HDC0	1.83%	\$5,416,344.84
BB&T CORP	BBT	05531FAP8	US05531FAP80	05531FAP8	0.50%	\$1,495,853.06
BERKSHIRE HATHAWAY FINANCE CORP	BNSF	084664BE0	US084664BE04	084664BE0	1.16%	\$3,429,214.50
BMWLT 172 A2B	BMWLT	05584PAC1	US05584PAC14	05584PAC1	3.21%	\$9,506,982.30
Cafco, LLC	C	1247P3B19	US1247P3B195	1247P3B19	1.01%	\$2,995,656.51
CALIFORNIA ST	CA	13063DAA6	US13063DAA63	13063DAA6	1.69%	\$5,011,550.00
CAPITAL ONE NA	COF	14042E5W6	US14042E5W63	14042E5W6	0.42%	\$1,259,891.09
Cash	---	CCYUSD	---	CCYUSD	0.00%	-\$706.99
CATERPILLAR FINANCIAL SERVICES CORP	CAT	14912L5T4	US14912L5T42	14912L5T4	0.76%	\$2,266,106.79
CHAIT 145 A	CHAIT	161571GN8	US161571GN89	161571GN8	0.74%	\$2,185,100.28
CHARLES SCHWAB CORP	SCHW	808513AJ4	US808513AJ47	808513AJ4	2.01%	\$5,949,723.80
CITIGROUP INC	C	172967JV4	US172967JV44	172967JV4	1.94%	\$5,743,345.25
COMET 143A A	COMET	14041NER8	US14041NER89	14041NER8	2.96%	\$8,785,934.77
CREDIT SUISSE AG (NEW YORK BRANCH)	CS	22546QAV9	US22546QAV95	22546QAV9	0.51%	\$1,503,417.33
CREDIT SUISSE AG (NEW YORK BRANCH)	CS	22546QAW7	US22546QAW78	22546QAW7	1.02%	\$3,015,700.53
FEDERAL FARM CREDIT BANKS	FFCB	313313ZZ4	US313313ZZ41	313313ZZ4	0.67%	\$1,982,584.00
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EGFX8	US3133EGFX89	3133EGFX8	6.73%	\$19,961,892.22
FEDERAL HOME LOAN BANKS	FHLB	3130A8WT6	US3130A8WT67	3130A8WT6	3.37%	\$9,995,366.11
FIDELITY IMM:GOVT;I	FIGXX	316175108	US3161751082	316175108	0.21%	\$628,324.29
FITAT 171 A2B	FITAT	31679RAC9	US31679RAC97	31679RAC9	0.76%	\$2,252,460.21
GOLDMAN SACHS GROUP INC	GS	38141GFM1	US38141GFM15	38141GFM1	0.35%	\$1,025,899.00
GOLDMAN SACHS GROUP INC	GS	38141EB73	US38141EB735	38141EB73	0.68%	\$2,018,945.19
HSBC USA INC	HSBC	40428HPQ9	US40428HPQ91	40428HPQ9	1.23%	\$3,648,780.81
HSBC USA INC	HSBC	40428HPU0	US40428HPU04	40428HPU0	1.02%	\$3,024,414.00
HSBC USA INC (NEW)	HSBC	40428HPH9	US40428HPH92	40428HPH9	0.93%	\$2,770,278.27
INTERNATIONAL FINANCE CORP	IFC	45950VHE9	US45950VHE92	45950VHE9	0.53%	\$1,585,338.56
INTERNATIONAL FINANCE CORP	IFC	45950KCC2	US45950KCC27	45950KCC2	3.38%	\$10,028,551.67
JPMORGAN CHASE & CO	JPM	46623EKD0	US46623EKD03	46623EKD0	1.70%	\$5,027,853.33
JPMORGAN CHASE BANK NA	JPM	48125LRJ3	US48125LRJ34	48125LRJ3	1.13%	\$3,342,422.25
MANUFACTURERS AND TRADERS TRUST CO	MTB	55279HAA8	US55279HAA86	55279HAA8	0.34%	\$1,004,132.67
MBALT 17A A2B	MBALT	58769DAC4	US58769DAC48	58769DAC4	2.08%	\$6,178,561.14
MORGAN STANLEY	MS	6174467V5	US6174467V53	6174467V5	0.85%	\$2,520,666.71
MORGAN STANLEY	MS	61746BDS2	US61746BDS25	61746BDS2	0.68%	\$2,020,452.39
MORGAN STANLEY	MS	61746BDY9	US61746BDY92	61746BDY9	0.17%	\$507,993.87
MUFG UNION BANK NA	UNBC	90521APJ1	US90521APJ15	90521APJ1	3.58%	\$10,608,413.38
NALT 17A A2B	NALT	65479AAC6	US65479AAC62	65479AAC6	1.92%	\$5,706,593.94
NALT 17B A2B	NALT	65479BAC4	US65479BAC46	65479BAC4	1.69%	\$5,005,614.96
NAROT 17B A2B	NAROT	65478GAC4	US65478GAC42	65478GAC4	0.84%	\$2,501,379.27
PNC BANK NA	PNC	69353REM6	US69353REM60	69353REM6	1.45%	\$4,305,212.38
PNC BANK NA	PNC	69353REN4	US69353REN44	69353REN4	0.42%	\$1,235,563.75
QUALCOMM INC	QCOM	747525AL7	US747525AL72	747525AL7	0.12%	\$351,620.37
QUALCOMM INC	QCOM	747525AH6	US747525AH60	747525AH6	0.39%	\$1,152,800.19
Receivable	---	CCYUSD	---	CCYUSD	0.01%	\$23,109.67

WELLS CAPITAL - OPERATING
DEC 2017

STATE STREET CORP	STT	857477AK9	US857477AK94	857477AK9	1.84%	\$5,459,917.11
UNITED STATES TREASURY	UST	912828WD8	US912828WD88	912828WD8	26.93%	\$79,852,550.72
UNITED STATES TREASURY	UST	912828T42	US912828T420	912828T42	8.39%	\$24,870,180.22

Disclaimer, Glossary, and Notes

The material contained in this report is confidential and may not be reproduced, disclosed, or distributed, in whole or in part, to any person or entity other than the intended recipient. The data are provided for informational purposes only, may not be complete, and cannot be relied upon for any purpose other than for discussion.

Meketa Investment Group has prepared this report on the basis of sources believed to be reliable. The data are based on matters as they are known as of the date of preparation of the report, and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available.

In general, the valuation numbers presented in this report are prepared by the custodian bank for listed securities, and by the fund manager or appropriate General Partner in the case of unlisted securities. The data used in the market comparison sections of this report are sourced from various databases. These data are continuously updated and are subject to change.

This report does not contain all the information necessary to fully evaluate the potential risks of any of the investments described herein. Because of inherent uncertainties involved in the valuations of investments that are not publicly traded, any estimated fair values shown in this report may differ significantly from the values that would have been used had a ready market for the underlying securities existed, and the differences could be material. Note that for unlisted securities the valuations may be lagged by one or more calendar quarters, or may reflect original cost.

This document may contain certain forward-looking statements, forecasts, estimates, projections, and opinions ("Forward Statements"). No representation is made or will be made that any Forward Statements will be achieved or will prove to be correct. A number of factors, in addition to any risk factors stated in this material, could cause actual future results to vary materially from the Forward Statements. No representation is given that the assumptions disclosed in this document upon which Forward Statements may be based are reasonable. There can be no assurance that the investment strategy or objective of any fund or investment will be achieved, or that the Fund will receive a return of the amount invested.

In some cases, Meketa Investment Group assists the Trustees in handling capital calls or asset transfers among investment managers. In these cases, we do not make any representations as to the managers' use of the funds, but do confirm that the capital called or transferred is within the amounts authorized by the Trustees.

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security.)

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. Portfolio Return- [Risk Free Rate+Beta*(market return-Risk Free Rate)].

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991.

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.

MINUTES
REGULAR MEETING
OF THE
CALOPTIMA BOARD OF DIRECTORS'
FINANCE AND AUDIT COMMITTEE

CALOPTIMA
505 CITY PARKWAY WEST
ORANGE, CALIFORNIA

NOVEMBER 16, 2017

CALL TO ORDER

Chair Lee Penrose called the meeting to order at 2:04 p.m. Director DiLuigi led the Pledge of Allegiance.

Members Present: Lee Penrose, Chair; Scott Schoeffel, Ron DiLuigi

Members Absent: All members present

Others Present: Michael Schrader, Chief Executive Officer; Gary Crockett, Chief Counsel; Greg Hamblin, Chief Financial Officer; Ladan Khamseh, Chief Operating Officer; Len Rosignoli, Chief Information Officer; Suzanne Turf, Clerk of the Board

PUBLIC COMMENT

There were no requests for public comment.

INVESTMENT ADVISORY COMMITTEE UPDATE

1. Treasurer's Report

Chief Financial Officer Greg Hamblin presented an overview of the Treasurer's Report for the period July 1, 2017 through September 30, 2017. Based on a review by the Board of Directors' Investment Advisory Committee, all investments were compliant with Government Code section 53600 *et seq.*, and with CalOptima's Annual Investment Policy.

CONSENT CALENDAR

2. Approve the Minutes of the September 21, 2017 Regular Meeting of the CalOptima Board of Directors' Finance and Audit Committee; Receive and File Minutes of the July 24, 2017 Meeting of the CalOptima Board of Directors' Investment Advisory Committee

Action: On motion of Director Schoeffel, seconded and carried, the Committee approved the Consent Calendar as presented. (Motion carried 3-0-0)

REPORTS

3. Consider Recommending Board of Directors' Approval of the Annual Investment Policy for Calendar Year 2018

Mr. Hamblin presented the action to recommend that the CalOptima Board of Directors approve the Annual Investment Policy (AIP) for Calendar Year 2018. CalOptima's investment managers, Payden & Rygel, Logan Circle Partners, and Wells Capital Management, and CalOptima's investment advisor, Meketa Investment Group, Inc., submitted proposed revisions to the AIP for 2018. The proposed revisions were reviewed by the Board of Directors' Investment Advisory Committee. Mr. Hamblin provided a brief overview of the recommended changes for the Committee's consideration.

Action: On motion of Director Schoeffel, seconded and carried, the Committee recommended Board of Directors' approval of the Annual Investment Policy for Calendar Year 2018. (Motion carried 3-0-0)

4. Consider Recommending Appointment to the CalOptima Board of Directors' Investment Advisory Committee

Mr. Hamblin presented the action to recommend that the Board of Directors appoint Susan Munson for a two-year term to fill the current vacancy on the CalOptima Board of Directors' Investment Advisory Committee effective December 7, 2017.

Action: On motion of Director DiLuigi, seconded and carried, the Committee recommended that the Board of Directors appoint Susan Munson for a two-year term on the Board of Directors' Investment Advisory Committee effective December 7, 2017. (Motion carried 3-0-0)

5. Consider Recommending Board of Directors' Approval of Updates to Policy for Acceptable Use of Company-Issued Mobile Phones

Len Rosignoli, Chief Information Officer, presented the action to recommend Board of Directors' approval of proposed updates to CalOptima Policy GA.5005d: Acceptable Use of a Company-Issued Mobile Phone for Business Purposes. The proposed updates to the policy were reviewed with the Committee.

Action: On motion of Director Schoeffel, seconded and carried, the Committee recommended Board of Directors' approval of the updates to Policy GA.5005d: Acceptable Use of a Company-Issued Mobile Phone for Business Purposes as presented. (Motion carried 3-0-0)

INFORMATION ITEMS

6. September 2017 and August 2017 Financial Summaries

Mr. Hamblin provided an overview of the balance sheet, Board-Designated Reserves and tangible net equity (TNE) requirement as of September 30, 2017.

7. CalOptima Computer Systems Security Update

Mr. Rosignoli presented a review of the Information Security Update for the quarter ending September 30, 2017, as well as employee activities related to National Cyber Security Awareness during the month of October 2017.

The following Information Items were accepted as presented:

8. Cost Containment Improvements/Initiatives
9. Quarterly Reports to the Finance and Audit Committee
 - a. Shared Risk Pool Performance
 - b. Reinsurance Report
 - c. Health Network Financial Report
 - d. Purchasing Report

COMMITTEE MEMBER COMMENTS

Committee members extended their appreciation to Nancy Huang for her service as Interim Chief Financial Officer.

ADJOURNMENT

Hearing no further business, Chair Penrose adjourned the meeting at 2:40 p.m.

/s/ Suzanne Turf
Suzanne Turf
Clerk of the Board

Approved: February 15, 2018

MINUTES

SPECIAL MEETING OF THE CALOPTIMA BOARD OF DIRECTORS' INVESTMENT ADVISORY COMMITTEE

October 30, 2017

A Special Meeting of the CalOptima Board of Directors' Investment Advisory Committee was held on Monday, October 30, 2017, at CalOptima, 505 City Parkway West, Orange, California.

CALL TO ORDER

The meeting was called to order at 3:05 p.m. Caroline Harkins, Acting Chair, led the Pledge of Allegiance.

ROLL CALL

Members Present: Caroline Harkins, Acting Chair; Peggy Eckroth, Greg Hamblin, Rodney Johnson, David Young

Members Absent: Patrick Moore, Chair

Others Present: Hanna Schriener, Laura Wirick, Nika Barbakadze, Meketa Investment Group; Asha Joshi, Jeffrey Cleveland, Darren Marco, Payden & Rygel; Scott Pavlak, Wendy Kaszak, Logan Circle Partners; Steve Scharre, Tony Mellville, Wells Capital Management; Ladan Khamseh, Chief Operating Officer; Gary Crockett, Chief Counsel; Nancy Huang, Controller; Joyce Mellinger, Accounting Manager; Pamela Reichardt, Executive Assistant

MINUTES

Approve Minutes of the July 24, 2017, Regular Meeting of the CalOptima Board of Directors' Investment Advisory Committee

Action: On motion of Acting Chair Harkins, seconded and carried, the Minutes of the July 24, 2017, Regular Meeting of the CalOptima Board of Directors' Investment Advisory Committee were approved as presented. (Motion carried 5-0-0, Chair Patrick Moore Absent)

PUBLIC COMMENT

There were no requests for public comment.

MANAGEMENT REPORTS

Chief Executive Officer (CEO) Report

Ladan Khamseh, Chief Operating Officer, introduced Greg Hamblin, CalOptima's new Chief Financial Officer and Treasurer, who started with CalOptima on October 23, 2017.

Chief Financial Officer Report

Nancy Huang, Controller, reported that CalOptima distributed \$160 million from shared risk pools in September 2017; an additional \$350 million is scheduled for distribution at the end of this year. Staff will keep the Committee informed on the distributions.

Ms. Huang provided an update on the Department of Health Care Services (DHCS) Medical Loss Ratio (MLR) audit for the Medi-Cal Expansion Population. In September 2017, DHCS shared a methodology template with Managed Care Plans. CalOptima has not received a confirmed date from DHCS on when the audit will occur. Ms. Huang also reported that in August 2017, DHCS started the recoupment related to CalOptima's Medi-Cal Expansion Members rate adjustments. CalOptima has reserved the potential recoupments.

REPORTS

Consider Recommending Approval the Annual Investment Policy (AIP) for Calendar Year 2018 to the CalOptima Board of Directors' Finance and Audit Committee for Consideration

Ms. Huang presented the action to approve of the Annual Investment Policy for Calendar Year (CY) 2018. Proposed changes were reviewed with the Committee include: 1) Section III.D.2.b.ii.m. and n., Delete Temporary Liquidity Guarantee (TLG) Program securities and Temporary Corporate Credit Union Liquidity Guarantee Program (TCCULGP) securities from the list of permitted investments with U.S. Government related organizations, as both programs expired; 2) Section III.D.1.c., Add language that prohibits private placement (144a) securities as a permitted investment; and 3) Sections III.E.3.c. and m., Revise the maximum holding percentages for State and California Local Agency Obligations from 25% to 30% and Supranational Obligations from 15% to 30%. The increase to the holding percentages fall within the allowable limit under California Government Code section 53600 et seq. Management recommended that all other provisions in the current AIP remain in effect in CY 2018.

Action: On motion of Acting Chair Harkin, seconded and carried, the Investment Advisory Committee recommended the approval of the Annual Investment Policy for 2018. (Motion carried 5-0-0, Chair Patrick Moore Absent)

Consider Recommending the Investment Advisory Committee Meeting 2018 Meeting Dates to the CalOptima Board of Directors' Finance and Audit Committee for Consideration

Action: On motion of Acting Chair Harkins, seconded and carried, the Investment Advisory Committee recommended the approval of the IAC Meeting Dates for Calendar Year 2018. (Motion carried 5-0-0, Chair Patrick Moore Absent)

Consider Recommending Susan Munson as a new IAC member Susan Munson for a two-year term

Action: On motion of Acting Chair Harkins, seconded and carried, the Investment Advisory Committee recommended the appointment of Susan Munson to the Board of Directors' Investment Advisory Committee for a two-year term beginning December 7, 2017. (Motion carried 5-0-0, Chair Patrick Moore Absent)

INFORMATION ITEMS

Presentation by Meketa Investment Group

Laura Wirick, Principal, Meketa Investment Group, presented a firm update, and a review of CalOptima's investment results, as well as an investment compliance report. She reported that funds were in compliance for quarter, ended September 30, 2017.

Hanna Schriner, Vice President, gave a fund and performance update as of September 30, 2017.

Presentation by Payden & Rygel

Asha Joshi, Managing Principal, Payden & Rygel provided a firm update. Ms. Joshi's presentation outlined how Payden has managed CalOptima's fund since 1999. Jeffrey Cleveland, Principal, provided a global and US forecast for 2018 including a federal update.

Darren Marco, Vice President, reported on the operating fund portfolio. He reported that this fund was in compliance for the quarter.

Presentation by Wells Capital Management

Steve Scharre, Client Relations, Wells Capital Management, provided a brief firm update, and reported that Wells Capital had approximately \$353 billion under management.

Tony Melville, Portfolio Manager, provided a review of CalOptima's portfolio and a market outlook. He also reported that CalOptima's investment portfolio at Wells Fargo was in compliance for the quarter.

Presentation by Logan Circle Partners

Wendy Kaszak, Vice President of Client Services, Logan Circle Partners, provided a company update. She reported that Logan was acquired by MetLife, and the transaction was completed on September 15, 2017. She also reported that this change would not impact Logan's investment portfolio balance, strategy, or relationship with CalOptima.

Scott Pavlak, Senior Portfolio Manager, presented a market overview and forecast, including historical bonds and asset allocations, and reported that CalOptima's portfolio was in compliance for the quarter.

September 2017 Financial Update

Ms. Huang reported that the CalOptima's portfolio distribution among the three managers was not rebalanced at the end of September 2017, due to the timing of quarter-end cash inflows from DHCS for the Quality Assurance Fee (QAF). As a result, the Wells Capital portfolio balance is temporarily higher, but she expected the balance will be in line with other managers after the distribution in mid-October 2017.

Ms. Huang presented financial summary, as of July 2017. CalOptima enrollment at the start of FY2018 (July), is at 788,000 members. Compared to the budget, CalOptima is 1.7% below projections as of July 2017. The lower membership levels are driven by the smaller number of members in the CalOptima Temporary Assistance for Needy Families (TANF) category.

ADJOURNMENT

Hearing no further business, Acting Chair Harkins, adjourned the meeting at 4:42 p.m.

/s/ Pamela Reichardt
Pamela Reichardt
Executive Assistant

Approved: January 22, 2018

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken February 15, 2018 **Regular Meeting of the CalOptima Board of Directors'** **Finance and Audit Committee**

Report Item

4. Consider Recommending Board of Directors Receive and File 2017 Compliance Program Effectiveness (CPE) Audit Report

Contact

Silver Ho, Compliance Officer, (714) 246-8400

Recommended Action

Recommend the Board of Directors receive and file 2017 Compliance Program Effectiveness (CPE) Audit Report.

Background

The Centers for Medicare & Medicaid Services (CMS) requires that all Medicare Advantage (Part C) and Prescription Drug (Part D) plan sponsors conduct an independent audit to assess the effectiveness of its Compliance Program on at least an annual basis, and share the results with its Board of Directors (“Board”). As such, CalOptima selected Compliance Strategies, Inc. (“Compliance Strategies”) to evaluate its overall performance in adopting and implementing an effective compliance program to prevent, detect and correct Medicare Parts C and D program non-compliance and fraud, waste and abuse (FWA).

Compliance Strategies conducted the CPE audit using the 2017 CMS audit protocols, and requested that CalOptima provide universes of data for the time period of October 1, 2016 to September 30, 2017. Audit field work began on November 6, 2017 and concluded on November 9, 2017. Compliance Strategies’ approach to conducting the assessment included:

- Reviewing documentation submitted by CalOptima prior to the onsite review
- Analyzing and selecting samples from data universes submitted by CalOptima prior to the onsite examination to probe for and evaluate areas of potential non-compliance
- Reviewing CalOptima data systems, operations, and documentation by conducting onsite reviews of the samples
- Interviewing CalOptima personnel

Overall, Compliance Strategies determined that CalOptima demonstrated it had an effective Compliance Program.

Discussion

Compliance Strategies selected a sample of six (6) cases, also known as tracers, from the universes to trace and test CalOptima's response to compliance issues. Two (2) tracers were selected from each of the following universes:

- Internal Monitoring (IM): CalOptima provided a list of all monitoring activities performed during the audit period to demonstrate that its internal business and/or operational areas were in compliance with Medicare Parts C and D program requirements and to show that corrective actions were undertaken timely and effectively.
- First Tier Entity Auditing and Monitoring (FTEAM): CalOptima provided a list of all auditing and monitoring activities performed during the audit period to demonstrate that its First-Tier Entities were in compliance with Medicare Parts C and D program requirements.
- Internal Audit (IA): CalOptima provided a list of all internal audit activities performed during the audit period to demonstrate its internal business and/or operational areas were in compliance with Medicare Parts C and D program requirements.

Although CalOptima demonstrated it had an effective Compliance Program during this audit, the following two (2) areas for improvement were noted:

- Condition #1: Plan should ensure communications to the Compliance Committee and other responsible personnel include more robust disclosure of issues, corrective actions, and level of urgency. As evidenced in several tracers, current reporting is more quantitative/key performance indicator (KPI) based versus detailed, qualitative information on issues identified.
 - *Corrective Action Plan (CAP)*: The Office of Compliance has already taken steps to report more qualitative and detailed information to the Compliance Committee by modifying its reporting template to include areas for escalation, assignment of risk level, and any recommendations for action. The Office of Compliance will continue to work with its Compliance Committee members to balance the appropriate level of information needed to make informed decisions.
- Condition #2: Plan should implement improved escalation activities to support timely CAP development and implementation.
 - *Corrective Action Plan (CAP)*: The Office of Compliance will continue to work diligently with internal departments and First Tier, Downstream, and Related (FDRs) entities to ensure corrective actions are developed and implemented timely. If the resolution to a CAP is unacceptable, or the internal department or FDR fails to timely respond to a CAP, the Office of Compliance may, as part of its CAP remediation process, escalate the issue to both senior level management and/or the Compliance Committee for further review and action.

In addition, Compliance Strategies commended CalOptima for the following two (2) best practices:

- Completing annual audits for 100% of its first-tier entities
- Utilizing a “high touch” approach in corrective action plan remediation with internal operational areas

Fiscal Impact

There is no anticipated fiscal impact for the recommendation to the Board to receive and file the 2017 CPE audit report. To the extent that there is any fiscal impact due to increases in Compliance Program resources, such impact will be addressed in separate recommended Board actions and/or in the CalOptima Fiscal Year 2018-19 Operating Budget.

Rationale for Recommendation

To ensure CalOptima meets the CMS requirement to conduct an independent audit of its Compliance Program on at least an annual basis, CalOptima staff recommends that the Finance and Audit Committee consider recommending to the Board of Directors the file and receipt of CalOptima’s 2017 CPE audit report.

Concurrence

Gary Crockett, Chief Counsel

Attachments

1. 2017 Compliance Program Effectiveness (CPE) Audit Report
2. PowerPoint Presentation: CalOptima 2017 Compliance Program Effectiveness (CPE) Audit

/s/ Michael Schrader
Authorized Signature

2/8/2018
Date

EXECUTIVE SUMMARY

Medicare Advantage and Prescription Drug Program Compliance Program Effectiveness Audit Findings

Prepared by Compliance Strategies, Inc., for CalOptima

February 15, 2018

INTRODUCTION:

The Medicare Advantage (Part C) and Prescription Drug (Part D) program, administered by the Centers for Medicare & Medicaid Services (CMS), requires Plan Sponsors have an independent review and audit of their performance. This may be accomplished by an internal source or external entity. Compliance Strategies, Inc. was selected to evaluate CalOptima's overall performance in administering the Compliance Program.

PURPOSE:

The purpose of this audit was to evaluate CalOptima's performance related to Medicare Part C and Part D Compliance Program Effectiveness (CPE) and to assess CalOptima's ability to meet its regulatory requirements and assure beneficiaries are receiving necessary health care services in a timely and appropriate manner.

CONCLUSION:

The 2017 Compliance Program Effectiveness Audit for CalOptima provided evidence that the current Compliance Program is effective. In reviewing actual cases identified during the audit period, Compliance Strategies was able to witness the process, including reviews of supporting policies and procedures, in which the CalOptima staff handled the resolution of these as dictated in its Compliance Program. CalOptima is effectively using the seven elements of an effective Compliance Program to review and address issues of non-compliance and potential fraud and abuse.

In addition, CalOptima was commended for two *best practices* in the following areas:

- Plan performs audits of all identified first tier entities (100%) and reviews/refreshes FDR inventory annually.
- Recent process/protocol of "high touch" business partnering with internal operation areas to develop CAPs in support of more timely and effective issue resolution

BACKGROUND:

The Medicare Advantage (Part C) and Prescription Drug (Part D) programs provide health and prescription drug benefits for eligible individuals 65 and older and eligible individuals with disabilities. CMS contracts with private companies, like CalOptima to administer these benefits through Medicare Advantage (MA), Medicare Advantage with Prescription Drug (MA-PD), or stand alone Prescription Drug Plans (PDPs). Both One Care and One Care Connect were part of this review and audit.

PROCESS:

CalOptima submitted data consistent with CMS CY2017 audit protocols to Compliance Strategies for review. Compliance Strategies selected six initial cases, also referred to as *tracers*, to review during the audit performed in November 2017. The tracer process requires Compliance Strategies to walk through each case to find evidence that the seven elements of an effective compliance program were considered and that appropriate preventive, detective and corrective controls were applied during issue resolution.

The tracers were selected from various areas of the organization including: Utilization Management, Pharmacy, Special Investigations Unit (2), as well as from CalOptima's First Tier Entities: MedImpact Pharmacy, Liberty Dental and Hanna Interpreting Services.

RECOMMENDATIONS:

Below is a summary of Compliance Strategies' recommendations for process changes, closing gaps, and/or additional details to further refine CalOptima's existing Compliance processes.

- Sponsor must ensure that communications to the Compliance Committee and other responsible personnel include more robust disclosure of issues, corrective actions, and level of urgency.
- Sponsor must implement improved escalation activities to support timelier CAP development and implementation.

FOR MORE INFORMATION:

Virgilio Florentino,
Principal
Compliance Strategies
virgilio@csteam.us
917-520-7866

CalOptima 2017 Compliance Program Effectiveness (CPE) Audit

Compliance Strategies, Inc.
Virgilio Florentino

February 15, 2018

[Back to Agenda](#)

Background

- The Centers for Medicare & Medicaid Services (CMS) requires plan sponsors to audit the effectiveness of its compliance program using an independent auditor.
 - Results must be shared with the governing body.
 - Audit must be conducted annually.
- For 2017, Compliance Strategies conducted the independent audit of CalOptima's Compliance Program.
- Compliance Strategies selected six (6) initial cases, also referred to as *tracers*, to review during the audit performed in November 2017.
- Audit was conducted using the CMS 2017 audit protocols.

Components of the Audit

- Review documentation submitted by CalOptima prior to the onsite review
- Analyze and select samples from data universes submitted by CalOptima, prior to the onsite examination, to evaluate areas of potential non-compliance
- Review CalOptima data systems, operations, and documentation by conducting onsite reviews of the samples
- Interview CalOptima personnel

Audit Results

- Compliance Strategies determined that CalOptima demonstrated it had an effective Compliance Program to review and address issues of non-compliance and potential fraud and abuse.
 - Two Conditions
 - Two Best Practices

Audit Results: Condition 1

- Plan should ensure communications to the Compliance Committee and other responsible personnel include more robust disclosure of issues, corrective actions, and level of urgency. As evidenced in several tracers, current reporting is more quantitative/key performance indicator (KPI) based versus detailed, qualitative information on issues identified.
- Corrective Action Plan:
 - The Office of Compliance has already taken steps to report more qualitative and detailed information to the Compliance Committee by modifying its reporting template to include areas for escalation, assignment of risk level, and any recommendations for action.
 - The Office of Compliance will continue to work with its Compliance Committee members to balance the appropriate level of information needed to make informed decisions.

Audit Results: Condition 2

- Plan should implement improved escalation activities to support timely CAP development and implementation.
- Corrective Action Plan:
 - The Office of Compliance will continue to work diligently with internal departments and First Tier, Downstream, and Related (FDRs) entities to ensure corrective actions are developed and implemented timely. If the resolution to a CAP is unacceptable, or the internal department or FDR fails to timely respond to a CAP, the Office of Compliance may, as part of its CAP remediation process, escalate the issue to both senior level management and/or the Compliance Committee for further review and action.

Audit Results: Best Practices

- Completing annual audits for 100% of its first-tier entities
- Utilizing a “high touch” approach in corrective action plan remediation with internal operational areas

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken February 15, 2018 **Regular Meeting of the CalOptima Board of Directors'** **Finance and Audit Committee**

Report Item

5. Consider Recommending the Board of Directors Authorize Proposed Budget Allocation Changes in the CalOptima Fiscal Year 2017-2018 Operating Budget

Contact

Sesha Mudunuri, Executive Director of Operations, (714) 246-8400

Recommended Actions

Recommend that the Board of Directors authorize reallocation of budgeted but unused funds in the amount of:

1. \$150,000 from Claims Administration Purchased Services - Claims Imaging and Indexing Services to fund the annual fees through June 30, 2018 of the Claims Administration Purchased Services – Electronic Data Interchange (EDI) Clearinghouse Services; and
2. \$70,000 from Claims Administration Purchased Services – Trizetto Group for Robot Process for Rate Adjustments to fund the annual fees through June 30, 2018 of the Claims Administration Purchased Services – Electronic Data Interchange (EDI) Clearinghouse Services.

Background/Discussion

On March 1, 2012, the CalOptima Board of Directors adopted CalOptima Resolution No. 12-0301-01, which includes provisions that delegate authority to the Chief Executive Officer to make budget allocation changes within certain parameters. Pursuant to this resolution, budget allocation changes (i.e., movement of unexpended budget dollars from one Board-approved program, item, or activity to another within the same expense category) of \$100,000 or more require Board approval.

CalOptima budgets for two EDI Clearinghouse Services: Office Ally, LLC and Change Healthcare Solutions, LLC. Payments for clearing house services are calculated on a transaction volume basis. Staff projects a shortfall of nearly \$220,000 for Claims Administration Purchased Services – Electronic Data Interchange (EDI) Clearinghouse Services by June 30, 2018 due to under estimation of the expenses related to the two EDI clearinghouses. Management anticipates that the proposed budget allocations will correspond to the expected transactional volume for these services during the current fiscal year. By way of background, in FY2016-17, CalOptima budgeted \$565,000 and spent approximately \$608,000 for clearinghouse expenses. However, for FY 2017-18, these services were budgeted at \$425,000.

To address this anticipated shortfall, management proposes to make a reallocation of budgeted but unused funds within the Medi-Cal line of business of \$150,000 from Claims Administration Purchased Services - Claims Imaging and Indexing Services and unused funds of \$70,000 from Claims Administration Purchased Services – Trizetto Group for Robot Process for Rate Adjustments. The expenditures for Trizetto Group for Robot/automated process for Rate Adjustments is an exception process and used only in unique circumstances when cost effective. For the current fiscal year, there

has been less than anticipated need for such special one-time activities, resulting in unused funds related to the Robot/automated process. With respect to the Claims Imaging and Indexing Services, which are related to enhancements of the processing of crossover claims, customization activities which had been planned for the current year have been postponed due to resource prioritization focusing on the activities related to the Behavioral Health program, resulting in unused funds. The current forecasted expenses in these categories are below budget, thereby making these funds available for reallocation.

Fiscal Impact

The fiscal impact for this recommended action is budget neutral. As proposed, unspent funds of \$220,000 that were approved as part of the CalOptima FY 2017-18 Operating Budget on June 1, 2017, will fund additional expenses in Claims Administration Purchased Services – EDI Clearinghouse Services, through June 30, 2018.

Rationale for Recommendation

Staff recommends approval of the recommended action as a budget-neutral way to fund Claims Administration Purchased Services – Electronic Data Interchange (EDI) Clearinghouse Services expenses through June 30, 2018.

Concurrence

Gary Crockett, Chief Counsel

Attachments

None

/s/ Michael Schrader
Authorized Signature

2/8/2018
Date



CalOptima

Better. Together.

Financial Summary

December 2017

Board of Directors' Finance and Audit Committee Meeting
February 15, 2018

Greg Hamblin
Chief Financial Officer

FY 2017-18: Consolidated Enrollment

- December 2017 MTD:

- Overall enrollment was 791,476 member months
 - Actual lower than budget by 11,880 or 1.5%
 - Medi-Cal: unfavorable variance of 11,548 members
 - TANF unfavorable variance of 12,853 members
 - SPD unfavorable variance of 2,550 members
 - Medi-Cal Expansion (MCE) favorable variance of 3,653 members
 - LTC favorable variance of 202 members
 - OneCare Connect: unfavorable variance of 335 members
 - 6,531 or 0.8% increase from prior month
 - Medi-Cal: increase of 6,566 from November
 - OneCare Connect: decrease of 31 from November
 - OneCare: decrease of 6 from November
 - PACE: increase of 2 from November

FY 2017-18: Consolidated Enrollment

- December 2017 YTD:

- Overall enrollment was 4,738,924 member months
 - Actual lower than budget by 76,296 or 1.6%
 - Medi-Cal: unfavorable variance of 74,994 members or 1.6%
 - TANF unfavorable variance of 73,891 members
 - SPD unfavorable variance of 15,898 members
 - MCE favorable variance of 13,778 members
 - LTC favorable variance of 1,017 members
 - OneCare Connect: unfavorable variance of 1,569 members or 1.7%
 - OneCare: favorable variance of 279 members or 3.5%
 - PACE: unfavorable variance of 12 member or 0.9%

FY 2017-18: Consolidated Revenues

- December 2017 MTD:

- Actual higher than budget by \$7.7 million or 2.8%
 - Medi-Cal: favorable to budget by \$6.3 million or 2.6%
 - Unfavorable volume variance of \$3.6 million
 - Favorable price variance of \$9.9 million due to:
 - \$6.2 million of FY18 Coordinated Care Initiative (CCI) revenues including In Home Supportive Services (IHSS) Dual and Non-Dual revenue
 - \$2.0 million of FY18 revenue including LTC Revenue from Non-LTC members and Non-Medical Transportation
 - \$1.7 million of FY18 Behavioral Health Treatment (BHT) revenue

FY 2017-18: Consolidated Revenues (cont.)

- December 2017 MTD:
 - OneCare Connect: favorable to budget by \$1.2 million or 4.3%
 - Unfavorable volume variance of \$0.6 million due to lower enrollment
 - Favorable price variance of \$1.8 million due to FY18 rate increase
 - OneCare: favorable to budget by \$0.1 million or 8.5%
 - Favorable volume variance of \$9.3 thousand
 - Favorable price variance of \$0.1 million due rate increase
 - PACE: favorable to budget by \$86.7 thousand or 5.5%
 - Unfavorable volume variance of \$39.5 thousand
 - Favorable price variance of \$126.2 thousand

FY 2017-18: Consolidated Revenues (cont.)

- December 2017 YTD:

- Actual higher than budget by \$55.7 million or 3.4%
 - Medi-Cal: favorable to budget by \$48.1 million or 3.3%
 - Unfavorable volume variance of \$23.4 million
 - Favorable price variance of \$71.5 million due to:
 - \$30.3 million of FY18 CCI revenues including IHSS Dual and Non-Dual revenue
 - \$9.4 million of FY18 BHT revenue
 - \$6.0 million of FY17 LTC Revenue from Non-LTC members
 - \$22.9 million of prior year revenue

FY 2017-18: Consolidated Revenues (cont.)

- December 2017 YTD:

- OneCare Connect: favorable to budget by \$8.5 million or 5.2%
 - Unfavorable volume variance of \$2.8 million
 - Favorable price variance of \$11.3 million due to 15% rate increase
- OneCare: Unfavorable to budget by \$1.5 million or 17.5%
 - Favorable volume variance of \$0.3 million
 - Unfavorable price variance of \$1.7 million
 - Due to Part D and Hierarchical Condition Category (HCC) reconciliation
- PACE: favorable to budget by \$0.6 million or 6.4%
 - Favorable price variance of \$0.7 million due to Part D true-up

FY 2017-18: Consolidated Medical Expenses

- December 2017 MTD:
 - Actual lower than budget by \$1.8 million or 0.7%
 - Medi-Cal: favorable variance of \$3.0 million
 - Favorable volume variance of \$3.5 million
 - Unfavorable price variance of \$0.5 million
 - Prescription Drugs favorable variance of \$4.5 million due to lower drug costs and \$0.8 million in adjustments
 - Managed Long-Term Services and Support (MLTSS) unfavorable variance of \$3.4 million due to \$4.1 million for IHSS offset by favorable IBNR
 - Professional Claims unfavorable variance of \$0.5 million
 - Facilities expenses favorable variance of \$1.9 million
 - OneCare Connect: unfavorable variance of \$0.4 million
 - Favorable volume variance of \$0.5 million
 - Unfavorable price variance of \$0.9 million

FY 2017-18: Consolidated Medical Expenses (cont.)

- December 2017 YTD:

- Actual higher than budget by \$63.7 million or 4.0%
 - Medi-Cal: unfavorable variance of \$61.5 million
 - Favorable volume variance of \$22.4 million
 - Unfavorable price variance of \$83.9 million
 - MLTSS expenses unfavorable variance of \$38.5 million
 - Provider Capitation expenses unfavorable variance of \$12.1 million
 - Professional Claims expenses unfavorable variance of \$11.1 million
 - Facilities expenses unfavorable variance of \$2.5 million
 - OneCare Connect: unfavorable variance of \$5.1 million
 - Favorable volume variance of \$2.6 million
 - Unfavorable price variance of \$7.6 million

- Medical Loss Ratio (MLR):

- | | | |
|----------------------|---------------|---------------|
| ➤ December 2017 MTD: | Actual: 93.5% | Budget: 96.7% |
| ➤ December 2017 YTD: | Actual: 95.9% | Budget: 95.3% |

FY 2017-18: Consolidated Administrative Expenses

- December 2017 MTD:

- Actual lower than budget by \$2.7 million or 21.3%
 - Purchased Services: favorable variance of \$1.4 million due to lower claims processing fees
 - Other categories: favorable variance of \$1.2 million

- December 2017 YTD:

- Actual lower than budget by \$16.0 million or 21.7%
 - Purchased Services: favorable variance of \$6.8 million driven lower claims processing fees
 - Other categories: favorable variance of \$9.1 million

- Administrative Loss Ratio (ALR):

- December 2017 MTD: Actual: 3.5% Budget: 4.5%
- December 2017 YTD: Actual: 3.4% Budget: 4.4%

FY 2017-18: Change in Net Assets

- December 2017 MTD:

- \$10.4 million surplus
- \$13.6 million favorable to budget
 - Higher than budgeted revenue of \$7.7 million
 - Lower than budgeted medical expenses of \$1.8 million
 - Lower than budgeted administrative expenses of \$2.7 million
 - Higher than budgeted investment and other income of \$1.5 million

- December 2017 YTD:

- \$23.0 million surplus
- \$17.0 million favorable to budget
 - Higher than budgeted revenue of \$55.7 million
 - Higher than budgeted medical expenses of \$63.7 million
 - Lower than budgeted administrative expenses of \$16.0 million
 - Higher than budgeted investment and other income of \$9.0 million

Enrollment Summary:

December 2017

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
62,897	63,796	(899)	(1.4%)	Aged	371,472	376,943	(5,471)	(1.5%)
617	618	(1)	(0.2%)	BCCTP	3,667	3,708	(41)	(1.1%)
47,146	48,796	(1,650)	(3.4%)	Disabled	282,234	292,620	(10,386)	(3.5%)
324,940	329,355	(4,415)	(1.3%)	TANF Child	1,954,853	1,978,286	(23,433)	(1.2%)
95,221	103,659	(8,438)	(8.1%)	TANF Adult	572,853	623,311	(50,458)	(8.1%)
3,470	3,268	202	6.2%	LTC	20,625	19,608	1,017	5.2%
240,355	236,702	3,653	1.5%	MCE	1,431,978	1,418,200	13,778	1.0%
774,646	786,194	(11,548)	(1.5%)	Medi-Cal	4,637,682	4,712,676	(74,994)	(1.6%)
15,223	15,558	(335)	(2.2%)	OneCare Connect	91,570	93,139	(1,569)	(1.7%)
235	241	(6)	(2.5%)	PACE	1,359	1,371	(12)	(0.9%)
1,372	1,363	9	0.7%	OneCare	8,313	8,034	279	3.5%
791,476	803,356	(11,880)	(1.5%)	CalOptima Total	4,738,924	4,815,220	(76,296)	(1.6%)

Financial Highlights: December 2017

Month-to-Date

Actual	Budget	\$ Variance	% Variance
791,476	803,356	(11,880)	(1.5%)
283,343,384	275,693,125	7,650,259	2.8%
264,819,397	266,593,714	1,774,317	0.7%
9,868,144	12,531,002	2,662,858	21.3%
8,655,843	(3,431,591)	12,087,434	352.2%
1,753,228	231,157	1,522,071	658.5%
10,409,072	(3,200,434)	13,609,506	425.2%

93.5%	96.7%	3.2%
3.5%	4.5%	1.1%
<u>3.1%</u>	<u>(1.2%)</u>	4.3%
100.0%	100.0%	

Year-to-Date

	Actual	Budget	\$ Variance	% Variance
Member Months	4,738,924	4,815,220	(76,296)	(1.6%)
Revenues	1,707,910,458	1,652,163,156	55,747,302	3.4%
Medical Expenses	1,637,889,772	1,574,189,765	(63,700,007)	(4.0%)
Administrative Expenses	57,484,517	73,447,504	15,962,987	21.7%
Operating Margin	12,536,170	4,525,887	8,010,282	177.0%
Non Operating Income (Loss)	10,463,272	1,429,716	9,033,556	631.8%
Change in Net Assets	22,999,442	5,955,603	17,043,839	286.2%

Medical Loss Ratio	95.9%	95.3%	(0.6%)
Administrative Loss Ratio	3.4%	4.4%	1.1%
Operating Margin Ratio	<u>0.7%</u>	<u>0.3%</u>	0.5%
Total Operating	100.0%	100.0%	

Consolidated Performance Actual vs. Budget: December (in millions)

MONTH-TO-DATE				YEAR-TO-DATE		
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
8.6	(3.4)	12.0	Medi-Cal	6.0	4.9	1.1
0.9	0.1	0.8	OCC	5.3	0.7	4.6
(0.9)	(0.1)	(0.8)	OneCare	0.4	(0.8)	1.2
<u>0.1</u>	<u>0.0</u>	<u>0.1</u>	PACE	<u>0.7</u>	<u>(0.3)</u>	<u>1.0</u>
8.7	(3.4)	12.1	Operating	12.5	4.5	8.0
<u>1.8</u>	<u>0.2</u>	<u>1.5</u>	Inv./Rental Inc, MCO tax	<u>10.5</u>	<u>1.4</u>	<u>9.0</u>
1.8	0.2	1.5	Non-Operating	10.5	1.4	9.0
10.4	(3.2)	13.6	TOTAL	23.0	6.0	17.0

Consolidated Revenue & Expense:

December 2017 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	534,291	240,355	774,646	15,223	1,372	235	791,476
REVENUES							
Capitation Revenue	\$ 149,550,891	\$ 102,135,233	\$ 251,686,124	\$ 28,448,503	\$ 1,534,959	\$ 1,673,799	\$ 283,343,384
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	149,550,891	102,135,233	251,686,124	28,448,503	1,534,959	1,673,799	283,343,384
MEDICAL EXPENSES							
Provider Capitation	36,303,674	50,858,648	87,162,322	11,235,554	447,657	-	98,845,532
Facilities	23,872,453	18,656,453	42,528,906	3,210,266	1,104,483	362,097	47,205,752
Ancillary	-	-	-	616,337	37,263	-	653,599
Skilled Nursing	-	-	-	-	37,274	-	37,274
Professional Claims	7,131,177	8,009,498	15,140,675	-	-	364,135	15,504,810
Prescription Drugs	17,569,103	15,156,897	32,726,000	4,664,471	366,475	115,465	37,872,411
Quality Incentives	-	-	-	-	-	-	-
MLTSS Facility Payments	52,418,742	2,507,446	54,926,188	5,128,691	-	-	60,054,879
Medical Management	1,433,200	707,697	2,140,898	656,180	244,767	524,928	3,566,773
Reinsurance & Other	514,736	306,787	821,524	149,243	6,556	101,045	1,078,367
Total Medical Expenses	139,243,086	96,203,426	235,446,512	25,660,741	2,244,474	1,467,669	264,819,397
Medical Loss Ratio	93.1%	94.2%	93.5%	90.2%	146.2%	87.7%	93.5%
GROSS MARGIN	10,307,805	5,931,807	16,239,612	2,787,762	(709,515)	206,129	18,523,988
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			5,946,204	942,919	31,110	93,341	7,013,574
Professional fees			(12,396)	(41,108)	13,333	1,333	(38,837)
Purchased services			574,731	157,754	20,880	5,269	758,635
Printing and Postage			168,884	113,562	25,677	16,238	324,361
Depreciation and Amortization			363,827	-	-	2,168	365,995
Other expenses			1,065,091	10,826	0	8,730	1,084,647
Indirect cost allocation, Occupancy expense			(486,904)	746,957	93,065	6,652	359,770
Total Administrative Expenses			7,619,437	1,930,910	184,066	133,732	9,868,144
Admin Loss Ratio			3.0%	6.8%	12.0%	8.0%	3.5%
INCOME (LOSS) FROM OPERATIONS			8,620,175	856,852	(893,581)	72,398	8,655,843
INVESTMENT INCOME			-	-	-	-	1,741,395
NET RENTAL INCOME			-	-	-	-	10,623
NET GRANT INCOME			1,202	-	-	-	1,202
OTHER INCOME			9	-	-	-	9
CHANGE IN NET ASSETS			\$ 8,621,386	\$ 856,852	\$ (893,581)	\$ 72,398	\$ 10,409,072
BUDGETED CHANGE IN ASSETS			(3,359,402)	84,693	(137,190)	(19,692)	(3,200,434)
VARIANCE TO BUDGET - FAV (UNFAV)			11,980,788	772,159	(756,391)	92,090	13,609,505

Consolidated Revenue & Expense: December 2017 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	3,205,704	1,431,978	4,637,682	91,570	8,313	1,359	4,738,924
REVENUES							
Capitation Revenue	\$ 896,748,544	\$ 621,909,649	\$ 1,518,658,193	\$ 172,821,540	6,827,621	\$ 9,603,105	\$ 1,707,910,458
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	<u>896,748,544</u>	<u>621,909,649</u>	<u>1,518,658,193</u>	<u>172,821,540</u>	<u>6,827,621</u>	<u>9,603,105</u>	<u>1,707,910,458</u>
MEDICAL EXPENSES							
Provider Capitation	232,526,166	301,737,891	534,264,057	66,959,450	(82,082)	-	601,141,425
Facilities	150,939,577	114,544,752	265,484,329	16,958,305	2,493,220	1,669,718	286,605,573
Ancillary	-	-	-	3,671,043	259,231	-	3,930,274
Skilled Nursing	-	-	-	-	137,375	-	137,375
Professional Claims	45,190,403	50,012,643	95,203,046	-	-	2,092,469	97,295,516
Prescription Drugs	106,067,583	107,258,732	213,326,314	30,570,998	2,694,595	686,870	247,278,778
MLTSS Facility Payments	322,052,369	15,282,844	337,335,213	31,955,995	-	17,511	369,308,718
Medical Management	11,564,805	4,414,375	15,979,180	5,936,423	313,962	3,144,440	25,374,005
Reinsurance & Other	3,366,596	1,789,334	5,155,930	1,025,648	44,691	591,838	6,818,107
Total Medical Expenses	<u>871,707,498</u>	<u>595,040,572</u>	<u>1,466,748,070</u>	<u>157,077,862</u>	<u>5,860,993</u>	<u>8,202,847</u>	<u>1,637,889,772</u>
Medical Loss Ratio	97.2%	95.7%	96.6%	90.9%	85.8%	85.4%	95.9%
GROSS MARGIN	25,041,045	26,869,078	51,910,123	15,743,679	966,628	1,400,257	70,020,687
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			32,115,166	4,614,066	147,105	445,788	37,322,124
Professional fees			910,290	101,538	92,349	16,672	1,120,849
Purchased services			4,142,909	913,306	116,036	30,413	5,202,664
Printing and Postage			1,631,480	461,190	56,758	21,416	2,170,844
Depreciation and Amortization			2,473,970	-	-	12,936	2,486,906
Other expenses			6,748,013	241,462	(32)	89,710	7,079,154
Indirect cost allocation, Occupancy expense			(2,173,902)	4,070,948	160,830	44,100	2,101,976
Total Administrative Expenses			<u>45,847,925</u>	<u>10,402,510</u>	<u>573,046</u>	<u>661,036</u>	<u>57,484,517</u>
Admin Loss Ratio			3.0%	6.0%	8.4%	6.9%	3.4%
INCOME (LOSS) FROM OPERATIONS			6,062,198	5,341,169	393,582	739,222	12,536,170
INVESTMENT INCOME			-	-	-	-	10,480,161
NET RENTAL INCOME			-	-	-	-	54,103
NET GRANT INCOME			(71,525)	-	-	-	(71,525)
OTHER INCOME			533	-	-	-	533
CHANGE IN NET ASSETS			<u>\$ 5,991,207</u>	<u>\$ 5,341,169</u>	<u>\$ 393,582</u>	<u>\$ 739,222</u>	<u>\$ 22,999,442</u>
BUDGETED CHANGE IN ASSETS			4,922,764	717,666	(835,563)	(278,979)	5,955,603
VARIANCE TO BUDGET - FAV (UNFAV)			<u>1,068,443</u>	<u>4,623,503</u>	<u>1,229,145</u>	<u>1,018,201</u>	<u>17,043,839</u>

Balance Sheet:

As of December 2017

ASSETS

Current Assets	
Operating Cash	\$481,885,979
Investments	833,329,387
Capitation receivable	383,482,587
Receivables - Other	17,374,740
Prepaid Expenses	4,986,816
Total Current Assets	<u>1,721,059,509</u>
Capital Assets	
Furniture and equipment	34,039,048
Building/Leasehold improvements	6,228,243
505 City Parkway West	49,433,337
	89,700,629
Less: accumulated depreciation	(38,197,224)
Capital assets, net	<u>51,503,404</u>
Other Assets	
Restricted deposit & Other	300,000
Board-designated assets	
Cash and cash equivalents	30,352,767
Long term investments	506,544,015
Total Board-designated Assets	<u>536,896,783</u>
Total Other Assets	<u>537,196,783</u>
Deferred outflows of Resources - Pension Contributions	5,234,198
Deferred outflows of Resources - Difference in Experience	1,072,771
Deferred outflows of Resources - Excess Earnings	<u>5,270,171</u>
TOTAL ASSETS & OUTFLOWS	<u>2,321,336,835</u>

LIABILITIES & FUND BALANCES

Current Liabilities	
Accounts payable	\$13,807,781
Medical claims liability	964,364,976
Accrued payroll liabilities	9,341,768
Deferred revenue	167,061,116
Deferred lease obligations	158,970
Capitation and withholds	382,720,721
Total Current Liabilities	<u>1,537,455,331</u>
Other employment benefits liability	29,618,397
Net Pension Liabilities	16,365,263
Long Term Liabilities	100,000
TOTAL LIABILITIES	<u>1,583,538,991</u>
Deferred inflows of Resources - Excess Earnings	-
Deferred inflows of Resources - Changes in Assumptions	1,340,010
Tangible net equity (TNE)	88,937,308
Funds in excess of TNE	647,520,526
Net Assets	<u>736,457,834</u>
TOTAL LIABILITIES, INFLOWS & FUND BALANCES	<u>2,321,336,835</u>

Board Designated Reserve and TNE Analysis

As of December 2017

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	146,736,596				
	Tier 1 - Logan Circle	146,622,040				
	Tier 1 - Wells Capital	146,295,076				
Board-designated Reserve		439,653,712	301,731,893	469,161,551	137,921,819	(29,507,839)
TNE Requirement	Tier 2 - Logan Circle	97,243,070	88,937,308	88,937,308	8,305,763	8,305,763
Consolidated:		536,896,783	390,669,201	558,098,859	146,227,581	(21,202,076)
<i>Current reserve level</i>		1.92	1.40	2.00		



UNAUDITED FINANCIAL STATEMENTS

December 2017

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**CalOptima - Consolidated
Financial Highlights
For the Six Months Ended December 31, 2017**

Month-to-Date					Year-to-Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
791,476	803,356	(11,880)	(1.5%)	Member Months	4,738,924	4,815,220	(76,296)	(1.6%)
283,343,384	275,693,125	7,650,259	2.8%	Revenues	1,707,910,458	1,652,163,156	55,747,302	3.4%
264,819,397	266,593,714	1,774,317	0.7%	Medical Expenses	1,637,889,772	1,574,189,765	(63,700,007)	(4.0%)
9,868,144	12,531,002	2,662,858	21.3%	Administrative Expenses	57,484,517	73,447,504	15,962,987	21.7%
8,655,843	(3,431,591)	12,087,434	352.2%	Operating Margin	12,536,170	4,525,887	8,010,282	177.0%
1,753,228	231,157	1,522,071	658.5%	Non Operating Income (Loss)	10,463,272	1,429,716	9,033,556	631.8%
10,409,072	(3,200,434)	13,609,506	425.2%	Change in Net Assets	22,999,442	5,955,603	17,043,839	286.2%
93.5%	96.7%	3.2%		Medical Loss Ratio	95.9%	95.3%	(0.6%)	
3.5%	4.5%	1.1%		Administrative Loss Ratio	3.4%	4.4%	1.1%	
<u>3.1%</u>	<u>(1.2%)</u>	4.3%		Operating Margin Ratio	<u>0.7%</u>	<u>0.3%</u>	0.5%	
100.0%	100.0%			Total Operating	100.0%	100.0%		

CalOptima
Financial Dashboard
For the Six Months Ended December 31, 2017

MONTH - TO - DATE

Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	774,646	786,194	↓	(11,548) (1.5%)
OneCare Connect	15,223	15,558	↓	(335) (2.2%)
OneCare	1,372	1,363	↑	9 0.7%
PACE	235	241	↓	(6) (2.5%)
Total	791,476	803,356	↓	(11,880) (1.5%)

Change in Net Assets (000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 8,621	\$ (3,359)	↑	\$ 11,981 356.6%
OneCare Connect	857	85	↑	772 911.7%
OneCare	(894)	(137)	↓	(756) (551.3%)
PACE	72	(20)	↑	92 467.7%
505 Bldg.	11	(19)	↑	29 156.4%
Investment Income & Other	1,741	250	↑	1,491 596.6%
Total	\$ 10,409	\$ (3,200)	↑	\$ 13,610 425.2%

MLR

	Actual	Budget	% Point Var	
Medi-Cal	93.5%	97.1%	↑	3.6
OneCare Connect	90.2%	92.6%	↑	2.4
OneCare	146.2%	102.9%	↓	(43.4)

Administrative Cost (000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 7,619	\$ 10,354	↑	\$ 2,735 26.4%
OneCare Connect	1,931	1,931	↑	0 0.0%
OneCare	184	97	↓	(87) (90.3%)
PACE	134	149	↑	15 10.1%
Total	\$ 9,868	\$ 12,531	↑	\$ 2,663 21.3%

Total FTE's Month

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	912	900		(11)
OneCare Connect	217	237		20
OneCare	3	3		0
PACE	57	64		7
Total	1,189	1,205		16

MM per FTE

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	850	873		(23)
OneCare Connect	70	66		4
OneCare	460	454		5
PACE	4	4		0
Total	1,384	1,397		(13)

YEAR - TO - DATE

Year To Date Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	4,637,682	4,712,676	↓	(74,994) (1.6%)
OneCare Connect	91,570	93,139	↓	(1,569) (1.7%)
OneCare	8,313	8,034	↑	279 3.5%
PACE	1,359	1,371	↓	(12) (0.9%)
Total	4,738,924	4,815,220	↓	(76,296) (1.6%)

Change in Net Assets (000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 5,991	\$ 4,923	↑	\$ 1,068 21.7%
OneCare Connect	5,341	718	↑	4,624 644.2%
OneCare	394	(836)	↑	1,229 147.1%
PACE	739	(279)	↑	1,018 365.0%
505 Bldg.	54	(70)	↑	124 177.0%
Investment Income & Other	10,480	1,500	↑	8,980 598.7%
Total	\$ 22,999	\$ 5,956	↑	\$ 17,044 286.2%

MLR

	Actual	Budget	% Point Var	
Medi-Cal	96.6%	95.6%	↓	(1.0)
OneCare Connect	90.9%	92.5%	↑	1.6
OneCare	85.8%	103.0%	↑	17.1

Administrative Cost (000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 45,848	\$ 60,410	↑	\$ 14,562 24.1%
OneCare Connect	10,403	11,553	↑	1,151 10.0%
OneCare	573	590	↑	17 2.8%
PACE	661	895	↑	234 26.1%
Total	\$ 57,485	\$ 73,448	↑	\$ 15,963 21.7%

Total FTE's YTD

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	5,301	5,403		102
OneCare Connect	1,336	1,422		86
OneCare	18	18		(0)
PACE	321	380		58
Total	6,976	7,222		246

MM per FTE

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	875	872		3
OneCare Connect	69	65		3
OneCare	451	446		5
PACE	4	4		1
Total	1,399	1,388		11

**CalOptima - Consolidated
Statement of Revenue and Expenses
For the One Month Ended December 31, 2017**

	Actual		Month Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	791,476		803,356		(11,880)	
Revenues						
Medi-Cal	\$ 251,686,124	\$ 324.90	\$ 245,405,770	\$ 312.14	\$ 6,280,354	\$ 12.76
OneCare Connect	28,448,503	1,868.78	27,285,160	1,753.77	1,163,343	115.01
OneCare	1,534,959	1,118.77	1,415,050	1,038.19	119,909	80.59
PACE	1,673,799	7,122.55	1,587,145	6,585.66	86,654	536.88
Total Operating Revenue	283,343,384	357.99	275,693,125	343.18	7,650,259	14.82
Medical Expenses						
Medi-Cal	235,446,512	303.94	238,411,015	303.25	2,964,503	(0.69)
OneCare Connect	25,660,741	1,685.66	25,269,108	1,624.19	(391,633)	(61.47)
OneCare	2,244,474	1,635.91	1,455,527	1,067.88	(788,947)	(568.03)
PACE	1,467,669	6,245.40	1,458,064	6,050.06	(9,605)	(195.34)
Total Medical Expenses	264,819,397	334.59	266,593,714	331.85	1,774,317	(2.74)
Gross Margin	18,523,988	23.40	9,099,411	11.33	9,424,577	12.08
Administrative Expenses						
Salaries and Benefits	7,013,574	8.86	7,044,809	8.77	31,235	(0.09)
Professional fees	(38,837)	(0.05)	384,191	0.48	423,028	0.53
Purchased services	758,635	0.96	2,196,942	2.73	1,438,307	1.78
Printing and Postage	324,361	0.41	551,874	0.69	227,513	0.28
Depreciation and Amortization	365,995	0.46	463,298	0.58	97,303	0.11
Other	1,084,647	1.37	1,549,471	1.93	464,824	0.56
Indirect cost allocation, Occupancy expense	359,770	0.45	340,417	0.42	(19,353)	(0.03)
Total Administrative Expenses	9,868,144	12.47	12,531,002	15.60	2,662,858	3.13
Income (Loss) From Operations	8,655,843	10.94	(3,431,591)	(4.27)	12,087,434	15.21
Investment income						
Interest income	2,376,206	3.00	250,000	0.31	2,126,206	2.69
Realized gain/(loss) on investments	(303,855)	(0.38)	-	-	(303,855)	(0.38)
Unrealized gain/(loss) on investments	(330,957)	(0.42)	-	-	(330,957)	(0.42)
Total Investment Income	1,741,395	2.20	250,000	0.31	1,491,395	1.89
Net Rental Income	10,623	0.01	(18,843)	(0.02)	29,466	0.04
Total Net Operating Tax	-	-	-	-	-	-
Total Net Grant Income	1,202	0.00	-	-	1,202	0.00
QAF/IGT	-	-	-	-	-	-
Other Income	9	0.00	-	-	9	0.00
Change In Net Assets	10,409,072	13.15	(3,200,434)	(3.98)	13,609,506	17.14
Medical Loss Ratio	93.5%		96.7%		3.2%	
Administrative Loss Ratio	3.5%		4.5%		1.1%	

* PMPMs for Revenues and Medical Expenses are calculated using line of business enrollment

** Includes MSSP

**CalOptima - Consolidated
Statement of Revenue and Expenses
For the Six Months Ended December 31, 2017**

	Actual		Month Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	4,738,924		4,815,220		(76,296)	
Revenues						
Medi-Cal	\$ 1,518,658,193	\$ 327.46	\$ 1,470,580,910	\$ 312.05	\$ 48,077,283	\$ 15.41
OneCare Connect	172,821,540	1,887.32	164,281,426	1,763.83	8,540,114	123.49
OneCare	6,827,621	821.32	8,279,090	1,030.51	(1,451,469)	(209.19)
PACE	9,603,105	7,066.30	9,021,730	6,580.40	581,375	485.90
Total Operating Revenue	1,707,910,458	360.40	1,652,163,156	343.11	55,747,302	17.29
Medical Expenses						
Medi-Cal	1,466,748,070	316.27	1,405,248,630	298.18	(61,499,440)	(18.08)
OneCare Connect	157,077,862	1,715.39	152,010,381	1,632.08	(5,067,481)	(83.30)
OneCare	5,860,993	705.04	8,524,828	1,061.09	2,663,835	356.05
PACE	8,202,847	6,035.94	8,405,926	6,131.24	203,079	95.29
Total Medical Expenses	1,637,889,772	345.62	1,574,189,765	326.92	(63,700,007)	(18.71)
Gross Margin	70,020,687	14.78	77,973,391	16.19	(7,952,704)	(1.42)
Administrative Expenses						
Salaries and Benefits	37,322,124	7.88	41,931,512	8.71	4,609,388	0.83
Professional fees	1,120,849	0.24	2,321,637	0.48	1,200,788	0.25
Purchased services	5,202,664	1.10	12,022,550	2.50	6,819,886	1.40
Printing and Postage	2,170,844	0.46	3,198,738	0.66	1,027,894	0.21
Depreciation and Amortization	2,486,906	0.52	2,779,788	0.58	292,882	0.05
Other	7,079,154	1.49	9,150,777	1.90	2,071,623	0.41
Indirect cost allocation, Occupancy expense	2,101,976	0.44	2,042,502	0.42	(59,474)	(0.02)
Total Administrative Expenses	57,484,517	12.13	73,447,504	15.25	15,962,987	3.12
Income (Loss) From Operations	12,536,170	2.65	4,525,887	0.94	8,010,282	1.71
Investment income						
Interest income	13,415,192	2.83	1,500,000	0.31	11,915,192	2.52
Realized gain/(loss) on investments	(805,065)	(0.17)	-	-	(805,065)	(0.17)
Unrealized gain/(loss) on investments	(2,129,966)	(0.45)	-	-	(2,129,966)	(0.45)
Total Investment Income	10,480,161	2.21	1,500,000	0.31	8,980,161	1.90
Net Rental Income	54,103	0.01	(70,284)	(0.01)	124,387	0.03
Total Net Operating Tax	-	-	-	-	-	-
Total Net Grant Income	(71,525)	(0.02)	-	-	(71,525)	(0.02)
QAF/IGT	-	-	-	-	-	-
Other Income	533	0.00	-	-	533	0.00
Change In Net Assets	22,999,442	4.85	5,955,603	1.24	17,043,839	3.62
Medical Loss Ratio	95.9%		95.3%		(0.6%)	
Administrative Loss Ratio	3.4%		4.4%		1.1%	

* PMPMs for Revenues and Medical Expenses are calculated using line of business enrollment

** Includes MSSP

**CalOptima - Consolidated - Month to Date
Statement of Revenues and Expenses by LOB
For the One Month Ended December 31, 2017**

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	534,291	240,355	774,646	15,223	1,372	235	791,476
REVENUES							
Capitation Revenue	\$ 149,550,891	\$ 102,135,233	\$ 251,686,124	\$ 28,448,503	\$ 1,534,959	\$ 1,673,799	\$ 283,343,384
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	<u>149,550,891</u>	<u>102,135,233</u>	<u>251,686,124</u>	<u>28,448,503</u>	<u>1,534,959</u>	<u>1,673,799</u>	<u>283,343,384</u>
MEDICAL EXPENSES							
Provider Capitation	36,303,674	50,858,648	87,162,322	11,235,554	447,657	-	98,845,532
Facilities	23,872,453	18,656,453	42,528,906	3,210,266	1,104,483	362,097	47,205,752
Ancillary	-	-	-	616,337	37,263	-	653,599
Skilled Nursing	-	-	-	-	37,274	-	37,274
Professional Claims	7,131,177	8,009,498	15,140,675	-	-	364,135	15,504,810
Prescription Drugs	17,569,103	15,156,897	32,726,000	4,664,471	366,475	115,465	37,872,411
Quality Incentives	-	-	-	-	-	-	-
MLTSS Facility Payments	52,418,742	2,507,446	54,926,188	5,128,691	-	-	60,054,879
Medical Management	1,433,200	707,697	2,140,898	656,180	244,767	524,928	3,566,773
Reinsurance & Other	514,736	306,787	821,524	149,243	6,556	101,045	1,078,367
Total Medical Expenses	<u>139,243,086</u>	<u>96,203,426</u>	<u>235,446,512</u>	<u>25,660,741</u>	<u>2,244,474</u>	<u>1,467,669</u>	<u>264,819,397</u>
Medical Loss Ratio	93.1%	94.2%	93.5%	90.2%	146.2%	87.7%	93.5%
GROSS MARGIN	10,307,805	5,931,807	16,239,612	2,787,762	(709,515)	206,129	18,523,988
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			5,946,204	942,919	31,110	93,341	7,013,574
Professional fees			(12,396)	(41,108)	13,333	1,333	(38,837)
Purchased services			574,731	157,754	20,880	5,269	758,635
Printing and Postage			168,884	113,562	25,677	16,238	324,361
Depreciation and Amortization			363,827	-	-	2,168	365,995
Other expenses			1,065,091	10,826	0	8,730	1,084,647
Indirect cost allocation, Occupancy expense			(486,904)	746,957	93,065	6,652	359,770
Total Administrative Expenses			<u>7,619,437</u>	<u>1,930,910</u>	<u>184,066</u>	<u>133,732</u>	<u>9,868,144</u>
Admin Loss Ratio			3.0%	6.8%	12.0%	8.0%	3.5%
INCOME (LOSS) FROM OPERATIONS			8,620,175	856,852	(893,581)	72,398	8,655,843
INVESTMENT INCOME			-	-	-	-	1,741,395
NET RENTAL INCOME			-	-	-	-	10,623
NET GRANT INCOME			1,202	-	-	-	1,202
OTHER INCOME			9	-	-	-	9
CHANGE IN NET ASSETS			<u>\$ 8,621,386</u>	<u>\$ 856,852</u>	<u>\$ (893,581)</u>	<u>\$ 72,398</u>	<u>\$ 10,409,072</u>
BUDGETED CHANGE IN ASSETS			(3,359,402)	84,693	(137,190)	(19,692)	(3,200,434)
VARIANCE TO BUDGET - FAV (UNFAV)			<u>11,980,788</u>	<u>772,159</u>	<u>(756,391)</u>	<u>92,090</u>	<u>13,609,505</u>

CalOptima - Consolidated - Year to Date
Statement of Revenues and Expenses by LOB
For the Six Months Ended December 31, 2017

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	3,205,704	1,431,978	4,637,682	91,570	8,313	1,359	4,738,924
REVENUES							
Capitation Revenue	\$ 896,748,544	\$ 621,909,649	\$ 1,518,658,193	\$ 172,821,540	6,827,621	\$ 9,603,105	\$ 1,707,910,458
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	<u>896,748,544</u>	<u>621,909,649</u>	<u>1,518,658,193</u>	<u>172,821,540</u>	<u>6,827,621</u>	<u>9,603,105</u>	<u>1,707,910,458</u>
MEDICAL EXPENSES							
Provider Capitation	232,526,166	301,737,891	534,264,057	66,959,450	(82,082)	-	601,141,425
Facilities	150,939,577	114,544,752	265,484,329	16,958,305	2,493,220	1,669,718	286,605,573
Ancillary	-	-	-	3,671,043	259,231	-	3,930,274
Skilled Nursing	-	-	-	-	137,375	-	137,375
Professional Claims	45,190,403	50,012,643	95,203,046	-	-	2,092,469	97,295,516
Prescription Drugs	106,067,583	107,258,732	213,326,314	30,570,998	2,694,595	686,870	247,278,778
MLTSS Facility Payments	322,052,369	15,282,844	337,335,213	31,955,995	-	17,511	369,308,718
Medical Management	11,564,805	4,414,375	15,979,180	5,936,423	313,962	3,144,440	25,374,005
Reinsurance & Other	3,366,596	1,789,334	5,155,930	1,025,648	44,691	591,838	6,818,107
Total Medical Expenses	<u>871,707,498</u>	<u>595,040,572</u>	<u>1,466,748,070</u>	<u>157,077,862</u>	<u>5,860,993</u>	<u>8,202,847</u>	<u>1,637,889,772</u>
Medical Loss Ratio	97.2%	95.7%	96.6%	90.9%	85.8%	85.4%	95.9%
GROSS MARGIN	25,041,045	26,869,078	51,910,123	15,743,679	966,628	1,400,257	70,020,687
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			32,115,166	4,614,066	147,105	445,788	37,322,124
Professional fees			910,290	101,538	92,349	16,672	1,120,849
Purchased services			4,142,909	913,306	116,036	30,413	5,202,664
Printing and Postage			1,631,480	461,190	56,758	21,416	2,170,844
Depreciation and Amortization			2,473,970	-	-	12,936	2,486,906
Other expenses			6,748,013	241,462	(32)	89,710	7,079,154
Indirect cost allocation, Occupancy expense			(2,173,902)	4,070,948	160,830	44,100	2,101,976
Total Administrative Expenses			<u>45,847,925</u>	<u>10,402,510</u>	<u>573,046</u>	<u>661,036</u>	<u>57,484,517</u>
Admin Loss Ratio			3.0%	6.0%	8.4%	6.9%	3.4%
INCOME (LOSS) FROM OPERATIONS			6,062,198	5,341,169	393,582	739,222	12,536,170
INVESTMENT INCOME			-	-	-	-	10,480,161
NET RENTAL INCOME			-	-	-	-	54,103
NET GRANT INCOME			(71,525)	-	-	-	(71,525)
OTHER INCOME			533	-	-	-	533
CHANGE IN NET ASSETS			<u>\$ 5,991,207</u>	<u>\$ 5,341,169</u>	<u>\$ 393,582</u>	<u>\$ 739,222</u>	<u>\$ 22,999,442</u>
BUDGETED CHANGE IN ASSETS			4,922,764	717,666	(835,563)	(278,979)	5,955,603
VARIANCE TO BUDGET - FAV (UNFAV)			<u>1,068,443</u>	<u>4,623,503</u>	<u>1,229,145</u>	<u>1,018,201</u>	<u>17,043,839</u>

December 31, 2017 Unaudited Financial Statements

SUMMARY

MONTHLY RESULTS:

- Change in Net Assets is \$10.4 million, \$13.6 million favorable to budget
- Operating surplus is \$8.7 million with a surplus in non-operating of \$1.8 million

YEAR TO DATE RESULTS:

- Change in Net Assets is \$23.0 million, \$17.0 million favorable to budget
- Operating surplus is \$12.5 million, \$8.0 million favorable to budget

Change in Net Assets by LOB (\$millions)

MONTH-TO-DATE				YEAR-TO-DATE		
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
8.6	(3.4)	12.0	Medi-Cal	6.0	4.9	1.1
0.9	0.1	0.8	OCC	5.3	0.7	4.6
(0.9)	(0.1)	(0.8)	OneCare	0.4	(0.8)	1.2
<u>0.1</u>	<u>0.0</u>	<u>0.1</u>	PACE	<u>0.7</u>	<u>(0.3)</u>	<u>1.0</u>
8.7	(3.4)	12.1	Operating	12.5	4.5	8.0
<u>1.8</u>	<u>0.2</u>	<u>1.5</u>	Inv./Rental Inc, MCO	<u>10.5</u>	<u>1.4</u>	<u>9.0</u>
1.8	0.2	1.5	Non-Operating	10.5	1.4	9.0
10.4	(3.2)	13.6	TOTAL	23.0	6.0	17.0

CalOptima
Enrollment Summary
For the Six Months Ended December 31, 2017

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
62,897	63,796	(899)	(1.4%)	Aged	371,472	376,943	(5,471)	(1.5%)
617	618	(1)	(0.2%)	BCCTP	3,667	3,708	(41)	(1.1%)
47,146	48,796	(1,650)	(3.4%)	Disabled	282,234	292,620	(10,386)	(3.5%)
324,940	329,355	(4,415)	(1.3%)	TANF Child	1,954,853	1,978,286	(23,433)	(1.2%)
95,221	103,659	(8,438)	(8.1%)	TANF Adult	572,853	623,311	(50,458)	(8.1%)
3,470	3,268	202	6.2%	LTC	20,625	19,608	1,017	5.2%
240,355	236,702	3,653	1.5%	MCE	1,431,978	1,418,200	13,778	1.0%
774,646	786,194	(11,548)	(1.5%)	Medi-Cal	4,637,682	4,712,676	(74,994)	(1.6%)
15,223	15,558	(335)	(2.2%)	OneCare Connect	91,570	93,139	(1,569)	(1.7%)
235	241	(6)	(2.5%)	PACE	1,359	1,371	(12)	(0.9%)
1,372	1,363	9	0.7%	OneCare	8,313	8,034	279	3.5%
791,476	803,356	(11,880)	(1.5%)	CalOptima Total	4,738,924	4,815,220	(76,296)	(1.6%)

Enrollment (By Network)								
170,698	174,384	(3,686)	(2.1%)	HMO	1,024,860	1,045,052	(20,192)	(1.9%)
222,780	225,829	(3,049)	(1.4%)	PHC	1,337,108	1,359,201	(22,093)	(1.6%)
198,753	209,052	(10,299)	(4.9%)	Shared Risk Group	1,203,405	1,259,095	(55,690)	(4.4%)
182,415	176,929	5,486	3.1%	Fee for Service	1,072,309	1,049,328	22,981	2.2%
774,646	786,194	(11,548)	(1.5%)	Medi-Cal	4,637,682	4,712,676	(74,994)	(1.6%)
15,223	15,558	(335)	(2.2%)	OneCare Connect	91,570	93,139	(1,569)	(1.7%)
235	241	(6)	(2.5%)	PACE	1,359	1,371	(12)	(0.9%)
1,372	1,363	9	0.7%	OneCare	8,313	8,034	279	3.5%
791,476	803,356	(11,880)	(1.5%)	CalOptima Total	4,738,924	4,815,220	(76,296)	(1.6%)

CalOptima
Enrollment Trend by Network Type
Fiscal Year 2018

Network Type	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	MMs
HMO													
Aged	4,058	4,045	4,051	3,864	4,020	3,980	-	-	-	-	-	-	24,018
BCCTP	1	1	1	5	1	5	-	-	-	-	-	-	14
Disabled	6,749	6,740	6,729	6,703	6,733	6,743	-	-	-	-	-	-	40,397
TANF Child	61,492	61,733	61,361	61,023	60,598	60,595	-	-	-	-	-	-	366,802
TANF Adult	30,429	30,420	30,313	30,127	29,905	30,059	-	-	-	-	-	-	181,253
LTC	3	4	6	4	4	3	-	-	-	-	-	-	24
MCE	68,020	68,792	69,169	68,294	68,764	69,313	-	-	-	-	-	-	412,352
	170,752	171,735	171,630	170,020	170,025	170,698	-	-	-	-	-	-	1,024,860
PHC													
Aged	1,480	1,493	1,530	1,401	1,561	1,581	-	-	-	-	-	-	9,046
BCCTP	-	-	-	-	-	-	-	-	-	-	-	-	-
Disabled	7,318	7,264	7,258	7,236	7,229	7,221	-	-	-	-	-	-	43,526
TANF Child	162,801	163,976	163,202	162,046	162,030	162,046	-	-	-	-	-	-	976,101
TANF Adult	12,604	12,571	12,410	12,356	12,311	12,312	-	-	-	-	-	-	74,564
LTC	-	-	1	1	-	-	-	-	-	-	-	-	2
MCE	38,398	38,821	39,088	38,681	39,261	39,620	-	-	-	-	-	-	233,869
	222,601	224,125	223,489	221,721	222,392	222,780	-	-	-	-	-	-	1,337,108
Shared Risk Group													
Aged	3,809	3,756	3,831	3,029	3,765	3,641	-	-	-	-	-	-	21,831
BCCTP	-	-	-	1	-	-	-	-	-	-	-	-	1
Disabled	8,108	8,058	8,035	7,951	7,978	7,887	-	-	-	-	-	-	48,017
TANF Child	72,723	72,861	72,102	71,427	71,139	70,753	-	-	-	-	-	-	431,005
TANF Adult	32,775	32,737	32,316	31,441	31,785	31,475	-	-	-	-	-	-	192,529
LTC	-	1	2	-	-	2	-	-	-	-	-	-	5
MCE	85,799	86,330	86,191	81,677	85,025	84,995	-	-	-	-	-	-	510,017
	203,214	203,743	202,477	195,526	199,692	198,753	-	-	-	-	-	-	1,203,405
Fee for Service (Dual)													
Aged	48,036	48,599	48,846	48,863	49,108	49,578	-	-	-	-	-	-	293,030
BCCTP	25	22	25	23	22	23	-	-	-	-	-	-	140
Disabled	20,343	20,528	20,516	20,448	20,494	20,691	-	-	-	-	-	-	123,020
TANF Child	3	3	2	2	1	1	-	-	-	-	-	-	12
TANF Adult	1,205	1,226	1,184	1,156	1,118	1,165	-	-	-	-	-	-	7,054
LTC	3,002	3,124	3,126	3,068	3,137	3,112	-	-	-	-	-	-	18,569
MCE	2,816	2,848	2,758	2,831	2,113	1,660	-	-	-	-	-	-	15,026
	75,430	76,350	76,457	76,391	75,993	76,230	-	-	-	-	-	-	456,851
Fee for Service (Non-Dual)													
Aged	3,580	3,855	4,031	3,714	4,250	4,117	-	-	-	-	-	-	23,547
BCCTP	601	602	599	523	598	589	-	-	-	-	-	-	3,512
Disabled	4,466	4,559	4,578	4,364	4,703	4,604	-	-	-	-	-	-	27,274
TANF Child	27,513	31,414	31,119	30,822	28,520	31,545	-	-	-	-	-	-	180,933
TANF Adult	18,753	19,744	20,087	19,517	19,142	20,210	-	-	-	-	-	-	117,453
LTC	372	364	379	194	363	353	-	-	-	-	-	-	2,025
MCE	43,457	44,664	44,438	40,986	42,402	44,767	-	-	-	-	-	-	260,714
	98,742	105,202	105,231	100,120	99,978	106,185	-	-	-	-	-	-	615,458
MEDI-CAL TOTAL													
Aged	60,963	61,748	62,289	60,871	62,704	62,897	-	-	-	-	-	-	371,472
BCCTP	627	625	625	552	621	617	-	-	-	-	-	-	3,667
Disabled	46,984	47,149	47,116	46,702	47,137	47,146	-	-	-	-	-	-	282,234
TANF Child	324,532	329,987	327,786	325,320	322,288	324,940	-	-	-	-	-	-	1,954,853
TANF Adult	95,766	96,698	96,310	94,597	94,261	95,221	-	-	-	-	-	-	572,853
LTC	3,377	3,493	3,514	3,267	3,504	3,470	-	-	-	-	-	-	20,625
MCE	238,490	241,455	241,644	232,469	237,565	240,355	-	-	-	-	-	-	1,431,978
	770,739	781,155	779,284	763,778	768,080	774,646	-	-	-	-	-	-	4,637,682
PACE	215	221	228	227	233	235	-	-	-	-	-	-	1,359
OneCare	1,367	1,386	1,404	1,406	1,378	1,372	-	-	-	-	-	-	8,313
OneCare Connect	15,365	15,229	15,265	15,234	15,254	15,223	-	-	-	-	-	-	91,570
TOTAL	787,686	797,991	796,181	780,645	784,945	791,476	-	-	-	-	-	-	4,738,924

ENROLLMENT:

Overall MTD enrollment was 791,476

- Unfavorable to budget by 11,880 or 1.1%
- Increased 6,531 or 0.8% from prior month
- Decreased 8,525 from prior year (December 2016)

Medi-Cal enrollment was 774,646

- Unfavorable to budget by 11,548
 - TANF unfavorable by 12,853
 - SPD unfavorable by 2,550
 - Medi-Cal Expansion favorable by 3,653
 - LTC favorable by 202
- Increased 6,566 from prior month

OneCare Connect enrollment was 15,223

- Unfavorable to budget by 335
- Decreased 31 from prior month

OneCare enrollment was 1,372

- Favorable to budget by 9
- Decreased 6 from prior month

PACE enrollment was 235

- Unfavorable to budget by 6
- Increased 2 from prior month

**CalOptima - Medi-Cal Total
Statement of Revenues and Expenses
For the Six Months Ended December 31, 2017**

Actual	Month Budget	\$ Variance	% Variance
774,646	786,194	(11,548)	(1.5%)
251,686,124	245,405,770	6,280,354	2.6%
251,686,124	245,405,770	6,280,354	2.6%
87,162,322	86,932,521	(229,801)	(0.3%)
42,528,906	44,446,053	1,917,147	4.3%
15,140,675	14,659,256	(481,419)	(3.3%)
32,726,000	37,218,229	4,492,229	12.1%
54,926,188	51,568,950	(3,357,238)	(6.5%)
2,140,898	3,270,989	1,130,091	34.5%
821,524	315,017	(506,507)	(160.8%)
235,446,512	238,411,015	2,964,503	1.2%
16,239,612	6,994,755	9,244,857	132.2%
5,946,204	6,016,614	70,410	1.2%
(12,396)	327,524	339,920	103.8%
574,731	1,923,948	1,349,217	70.1%
168,884	423,238	254,354	60.1%
363,827	461,246	97,419	21.1%
1,065,091	1,480,372	415,281	28.1%
(486,904)	(278,785)	208,119	74.7%
7,619,437	10,354,157	2,734,720	26.4%
10,093,118	0	(10,093,118)	0.0%
10,190,882	0	(10,190,882)	0.0%
(97,764)	0	97,764	0.0%
0	0	0	0.0%
96,516	291,249	(194,733)	(66.9%)
84,703	258,276	173,573	67.2%
10,610	32,973	22,363	67.8%
1,202	0	1,202	0.0%
9	0	9	0.0%
8,621,386	(3,359,402)	11,980,788	356.6%
93.5%	97.1%	3.6%	3.7%
3.0%	4.2%	1.2%	28.2%

Actual	Year - To - Date Budget	\$ Variance	% Variance
4,637,682	4,712,676	(74,994)	(1.6%)
1,518,658,193	1,470,580,910	48,077,283	3.3%
1,518,658,193	1,470,580,910	48,077,283	3.3%
534,264,057	522,157,714	(12,106,343)	(2.3%)
265,484,329	262,940,821	(2,543,508)	(1.0%)
95,203,046	84,146,802	(11,056,244)	(13.1%)
213,326,314	216,084,580	2,758,266	1.3%
337,335,213	298,814,188	(38,521,025)	(12.9%)
15,979,180	19,214,423	3,235,243	16.8%
5,155,930	1,890,102	(3,265,828)	(172.8%)
1,466,748,070	1,405,248,630	(61,499,440)	(4.4%)
51,910,123	65,332,280	(13,422,157)	(20.5%)
32,115,166	35,793,020	3,677,855	10.3%
910,290	1,981,638	1,071,348	54.1%
4,142,909	10,384,437	6,241,528	60.1%
1,631,480	2,419,422	787,942	32.6%
2,473,970	2,767,476	293,506	10.6%
6,748,013	8,736,234	1,988,221	22.8%
(2,173,902)	(1,672,710)	501,192	30.0%
45,847,925	60,409,517	14,561,591	24.1%
74,512,221	0	(74,512,221)	0.0%
61,232,883	0	(61,232,883)	0.0%
13,279,338	0	(13,279,338)	0.0%
0	0	0	0.0%
116,799	1,747,494	(1,630,695)	(93.3%)
104,501	1,549,656	1,445,155	93.3%
83,823	197,838	114,015	57.6%
(71,525)	0	(71,525)	0.0%
533	0	533	0.0%
5,991,207	4,922,764	1,068,443	21.7%
96.6%	95.6%	-1.0%	-1.1%
3.0%	4.1%	1.1%	26.5%

MEDI-CAL INCOME STATEMENT – DECEMBER MONTH:

REVENUES of \$251.7 million are favorable to budget by \$6.3 million, driven by:

- Unfavorable volume related variance of \$3.6 million
- Favorable price related variance of \$9.9 million due to:
 - \$6.2 million of fiscal year 2018 Coordinated Care Initiative (CCI) revenues including In-Home Supportive Services (IHSS) Dual and Non-Dual revenue
 - \$2.0 million of fiscal year 2018 revenue including Long Term Care (LTC) Revenue from Non-LTC members and Non-Medical Transportation
 - \$1.7 million of fiscal year 2018 Behavioral Health Treatment (BHT) Revenue

MEDICAL EXPENSES: Overall \$235.4 million, favorable to budget by \$3.0 million due to:

- **Prescription Drug** expense is favorable to budget \$4.5 million due to lower drug costs and \$0.8 million prior year rebate
- **Managed Long-Term Services and Support (MLTSS)** is unfavorable to budget \$3.4 million due to IHSS expense of \$4.1
- **Facility** expense is favorable to budget \$1.9 million due to Crossover of \$1.5 million

ADMINISTRATIVE EXPENSES are \$7.6 million, favorable to budget \$2.7 million, driven by:

- Purchased Services: \$1.3 million favorable to budget due to lower claims processing fees, mostly from mental health claims processing being brought in-house.
- Salary & Benefits: in line with budget
- Other Non-Salary: \$1.3 million favorable to budget

CHANGE IN NET ASSETS is \$8.6 million for the month, favorable to budget by \$12.0 million

CalOptima - OneCare Connect
Statement of Revenues and Expenses
For the Six Months Ended December 31, 2017

Month			
Actual	Budget	\$ Variance	% Variance
15,223	15,558	(335)	(2.2%)
7,192,713	7,495,752	(303,039)	(4.0%)
16,219,508	14,663,334	1,556,174	10.6%
5,036,281	5,126,074	(89,793)	(1.8%)
28,448,503	27,285,160	1,163,343	4.3%
11,235,554	8,510,479	(2,725,075)	(32.0%)
3,210,266	5,167,247	1,956,981	37.9%
616,337	634,609	18,272	2.9%
5,128,691	4,273,142	(855,549)	(20.0%)
4,664,471	5,411,129	746,658	13.8%
656,180	1,165,624	509,444	43.7%
149,243	106,878	(42,365)	(39.6%)
25,660,741	25,269,108	(391,633)	(1.5%)
2,787,762	2,016,052	771,710	38.3%
942,919	914,507	(28,412)	(3.1%)
(41,108)	38,334	79,442	207.2%
157,754	239,868	82,114	34.2%
113,562	103,801	(9,761)	(9.4%)
10,826	50,421	39,595	78.5%
746,957	584,428	(162,529)	(27.8%)
1,930,910	1,931,359	449	0.0%
0	0	0	0.0%
856,852	84,693	772,159	911.7%
90.2%	92.6%	2.4%	2.6%
6.8%	7.1%	0.3%	4.1%

	Year - To - Date			
	Actual	Budget	\$ Variance	% Variance
Member Months	91,570	93,139	(1,569)	(1.7%)
Revenues				
Medi-Cal Capitation revenue	43,510,574	45,021,155	(1,510,581)	(3.4%)
Medicare Capitation revenue part C	96,588,174	87,529,360	9,058,814	10.3%
Medicare Capitation revenue part D	32,722,792	31,730,911	991,881	3.1%
Total Operating Revenue	172,821,540	164,281,426	8,540,114	5.2%
Medical Expenses				
Provider capitation	66,959,450	50,764,866	(16,194,584)	(31.9%)
Facilities	16,958,305	30,428,816	13,470,511	44.3%
Ancillary	3,671,043	3,739,928	68,885	1.8%
Long Term Care	31,955,995	25,419,683	(6,536,312)	(25.7%)
Prescription drugs	30,570,998	33,738,989	3,167,991	9.4%
Medical management	5,936,423	7,245,898	1,309,475	18.1%
Other medical expenses	1,025,648	672,201	(353,447)	(52.6%)
Total Medical Expenses	157,077,862	152,010,381	(5,067,481)	(3.3%)
Gross Margin	15,743,679	12,271,045	3,472,634	28.3%
Administrative Expenses				
Salaries, wages & employee benefits	4,614,066	5,452,262	838,196	15.4%
Professional fees	101,538	230,001	128,463	55.9%
Purchased services	913,306	1,439,308	526,002	36.5%
Printing and postage	461,190	622,806	161,616	25.9%
Other operating expenses	241,462	302,435	60,973	20.2%
Indirect cost allocation, Occupancy Expense	4,070,948	3,506,568	(564,380)	(16.1%)
Total Administrative Expenses	10,402,510	11,553,379	1,150,869	10.0%
Operating Tax				
Total Net Operating Tax	0	0	0	0.0%
Change in Net Assets	5,341,169	717,666	4,623,503	644.2%
Medical Loss Ratio	90.9%	92.5%	1.6%	1.8%
Admin Loss Ratio	6.0%	7.0%	1.0%	14.4%

ONECARE CONNECT INCOME STATEMENT – DECEMBER MONTH:

REVENUES of \$28.4 million are favorable to budget by \$1.2 million driven by:

- Unfavorable volume related variance of \$0.6 million due to lower enrollment
- Favorable price related variance of \$1.8 million due to fiscal year 2018 rate adjustment

MEDICAL EXPENSES of \$25.7 million are unfavorable to budget \$0.4 million due to:

- Favorable volume related variance of \$0.5 million due to lower enrollment
- Unfavorable price related variance of \$0.9 million due to increase IHSS expense

ADMINISTRATIVE EXPENSES of 1.9 million are in line with budget

CHANGE IN NET ASSETS is \$0.9 million, \$0.8 million favorable to budget

**CalOptima - OneCare
Statement of Revenues and Expenses
For the Six Months Ended December 31, 2017**

Month					Year - To - Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
1,372	1,363	9	0.7%	Member Months	8,313	8,034	279	3.5%
				Revenues				
69,464	47,347	22,117	46.7%	Medi-Cal Capitation revenue	420,887	279,129	141,758	50.8%
1,118,145	879,846	238,299	27.1%	Medicare Part C Revenue	4,144,068	5,154,339	(1,010,271)	(19.6%)
347,350	487,857	(140,507)	(28.8%)	Medicare Part D Revenue	2,262,666	2,845,622	(582,956)	(20.5%)
1,534,959	1,415,050	119,909	8.5%	Total Operating Revenue	6,827,621	8,279,090	(1,451,469)	(17.5%)
				Medical Expenses				
447,657	387,409	(60,248)	(15.6%)	Provider capitation	(82,082)	2,271,305	2,353,387	103.6%
1,104,483	453,559	(650,924)	(143.5%)	Inpatient	2,493,220	2,660,738	167,518	6.3%
37,263	49,345	12,082	24.5%	Ancillary	259,231	288,046	28,815	10.0%
37,274	42,956	5,682	13.2%	Skilled nursing facilities	137,375	249,285	111,910	44.9%
366,475	493,091	126,616	25.7%	Prescription drugs	2,694,595	2,875,708	181,113	6.3%
244,767	21,911	(222,856)	(1,017.1%)	Medical management	313,962	134,602	(179,360)	(133.3%)
6,556	7,256	700	9.7%	Other medical expenses	44,691	45,144	453	1.0%
2,244,474	1,455,527	(788,947)	(54.2%)	Total Medical Expenses	5,860,993	8,524,828	2,663,835	31.2%
(709,515)	(40,477)	(669,038)	(1,652.9%)	Gross Margin	966,628	(245,738)	1,212,366	493.4%
				Administrative Expenses				
31,110	20,020	(11,090)	(55.4%)	Salaries, wages & employee benefits	147,105	122,071	(25,034)	(20.5%)
13,333	13,333	(0)	(0.0%)	Professional fees	92,349	79,998	(12,351)	(15.4%)
20,880	11,990	(8,890)	(74.1%)	Purchased services	116,036	71,990	(44,046)	(61.2%)
25,677	19,288	(6,389)	(33.1%)	Printing and postage	56,758	123,228	66,470	53.9%
0	172	172	99.8%	Other operating expenses	(32)	1,078	1,110	102.9%
93,065	31,910	(61,155)	(191.6%)	Indirect cost allocation, Occupancy Expense	160,830	191,460	30,630	16.0%
184,066	96,713	(87,353)	(90.3%)	Total Administrative Expenses	573,046	589,825	16,779	2.8%
(893,581)	(137,190)	(756,391)	(551.3%)	Change in Net Assets	393,582	(835,563)	1,229,145	147.1%
146.2%	102.9%	-43.4%	-42.2%	Medical Loss Ratio	85.8%	103.0%	17.1%	16.6%

CalOptima - PACE
Statement of Revenues and Expenses
For the Six Months Ended December 31, 2017

Month					Year - To - Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
235	241	(6)	(2.5%)	Member Months	1,359	1,371	(12)	(0.9%)
				Revenues				
1,166,177	1,219,032	(52,855)	(4.3%)	Medi-Cal capitation revenue	7,081,861	6,933,016	148,845	2.1%
318,558	289,136	29,422	10.2%	Medicare part C revenue	2,023,170	1,642,480	380,690	23.2%
189,064	78,977	110,087	139.4%	Medicare part D revenue	498,074	446,234	51,840	11.6%
1,673,799	1,587,145	86,654	5.5%	Total Operating Revenues	9,603,105	9,021,730	581,375	6.4%
				Medical Expenses				
524,928	581,193	56,265	9.7%	Medical Management	3,144,440	3,499,036	354,596	10.1%
362,097	347,966	(14,131)	(4.1%)	Claims payments to hospitals	1,669,718	1,959,162	289,444	14.8%
364,135	287,222	(76,913)	(26.8%)	Professional Claims	2,092,469	1,617,095	(475,374)	(29.4%)
115,465	120,772	5,307	4.4%	Prescription drugs	686,870	680,323	(6,547)	(1.0%)
0	11,350	11,350	100.0%	Long-term care facility payments	17,511	70,084	52,573	75.0%
93,045	99,561	6,516	6.5%	Patient Transportation	559,838	560,226	388	0.1%
0	0	0	0.0%	Reinsurance	0	0	0	0.0%
8,000	10,000	2,000	20.0%	Other Expenses	32,000	20,000	(12,000)	(60.0%)
1,467,669	1,458,064	(9,605)	(0.7%)	Total Medical Expenses	8,202,847	8,405,926	203,079	2.4%
206,129	129,081	77,048	59.7%	Gross Margin	1,400,257	615,804	784,453	127.4%
				Administrative Expenses				
93,341	93,668	327	0.3%	Salaries, wages & employee benefits	445,788	564,159	118,371	21.0%
1,333	5,000	3,667	73.3%	Professional fees	16,672	30,000	13,328	44.4%
5,269	21,136	15,867	75.1%	Purchased services	30,413	126,816	96,403	76.0%
16,238	5,547	(10,691)	(192.7%)	Printing and postage	21,416	33,282	11,866	35.7%
2,168	2,052	(116)	(5.7%)	Depreciation & amortization	12,936	12,312	(624)	(5.1%)
8,730	18,506	9,776	52.8%	Other operating expenses	89,710	111,030	21,320	19.2%
6,652	2,864	(3,788)	(132.2%)	Indirect cost allocation, Occupancy Expense	44,100	17,184	(26,916)	(156.6%)
133,732	148,773	15,041	10.1%	Total Administrative Expenses	661,036	894,783	233,747	26.1%
				Operating Tax				
3,281	0	3,281	0.0%	Tax Revenue	34,660	0	34,660	0.0%
3,281	0	(3,281)	0.0%	Premium tax expense	34,660	0	(34,660)	0.0%
0	0	0	0.0%	Total Net Operating Tax	0	0	0	0.0%
72,398	(19,692)	92,090	467.7%	Change in Net Assets	739,222	(278,979)	1,018,201	365.0%
=====	=====	=====	=====		=====	=====	=====	=====
87.7%	91.9%	4.2%	4.6%	Medical Loss Ratio	85.4%	93.2%	7.8%	8.3%
8.0%	9.4%	1.4%	14.8%	Admin Loss Ratio	6.9%	9.9%	3.0%	30.6%

**CalOptima - Building 505 City Parkway
Statement of Revenues and Expenses
For the Six Months Ended December 31, 2017**

Actual	Month Budget	Month	
		\$ Variance	% Variance
10,598	0	10,598	0.0%
10,598	0	10,598	0.0%
29,467	23,186	(6,282)	(27.1%)
159,543	161,474	1,930	1.2%
14,913	9,117	(5,797)	(63.6%)
134,044	158,122	24,078	15.2%
28,560	0	(28,560)	0.0%
(366,553)	(333,055)	33,498	10.1%
(25)	18,843	18,868	100.1%
10,623	(18,843)	29,466	156.4%
=====	=====	=====	=====

Revenues

Rental income

Total Operating Revenue

Administrative Expenses

Purchase services

Depreciation & amortization

Insurance expense

Repair and maintenance

Other Operating Expense

Indirect allocation, Occupancy Expense

Total Administrative Expenses

Change in Net Assets

Actual	Year - To - Date Budget	Year - To - Date	
		\$ Variance	% Variance
155,426	42,774	112,652	263.4%
155,426	42,774	112,652	263.4%
191,499	139,115	(52,384)	(37.7%)
957,931	968,842	10,911	1.1%
89,480	54,700	(34,780)	(63.6%)
687,737	948,730	260,992	27.5%
285,484	0	(285,484)	0.0%
(2,110,808)	(1,998,329)	112,478	5.6%
101,324	113,058	11,734	10.4%
54,103	(70,284)	124,387	177.0%
=====	=====	=====	=====

OTHER STATEMENTS – DECEMBER MONTH:

ONECARE INCOME STATEMENT

CHANGE IN NET ASSETS is (\$893.6) thousand, \$756.4 thousand unfavorable to budget

PACE INCOME STATEMENT

CHANGE IN NET ASSETS for the month is \$72.4 thousand, \$92.1 thousand favorable to budget

505 CITY PARKWAY BUILDING INCOME STATEMENT

CHANGE IN NET ASSETS for the month is \$10.6 thousand, \$29.5 thousand favorable to budget

**CalOptima
BALANCE SHEET
December 31, 2017**

ASSETS

Current Assets

Operating Cash	\$481,885,979
Investments	833,329,387
Capitation receivable	383,482,587
Receivables - Other	17,374,740
Prepaid Expenses	4,986,816
Total Current Assets	<u>1,721,059,509</u>

Capital Assets Furniture and equipment	34,039,048
Building/Leasehold improvements	6,228,243
505 City Parkway West	49,433,337
	<u>89,700,629</u>
Less: accumulated depreciation	(38,197,224)
Capital assets, net	<u>51,503,404</u>

Other Assets Restricted deposit & Other	300,000
Board-designated assets	
Cash and cash equivalents	30,352,767
Long term investments	506,544,015
Total Board-designated Assets	<u>536,896,783</u>
Total Other Assets	<u>537,196,783</u>

Deferred outflows of Resources - Pension Contributions	5,234,198
Deferred outflows of Resources - Difference in Experience	1,072,771
Deferred outflows of Resources - Excess Earnings	<u>5,270,171</u>

TOTAL ASSETS & OUTFLOWS	<u>2,321,336,835</u>
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LIABILITIES & FUND BALANCES

Current Liabilities

Accounts payable	\$13,807,781
Medical claims liability	964,364,976
Accrued payroll liabilities	9,341,768
Deferred revenue	167,061,116
Deferred lease obligations	158,970
Capitation and withholds	382,720,721
Total Current Liabilities	<u>1,537,455,331</u>

Other employment benefits liability	29,618,397
Net Pension Liabilities	16,365,263
Long Term Liabilities	100,000
TOTAL LIABILITIES	<u>1,583,538,991</u>

Deferred inflows of Resources - Excess Earnings	-
Deferred inflows of Resources - Changes in Assumptions	1,340,010
Tangible net equity (TNE)	88,937,308
Funds in excess of TNE	647,520,526

Net Assets	<u>736,457,834</u>
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TOTAL LIABILITIES, INFLOWS & FUND BALANCES	<u>2,321,336,835</u>
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CalOptima
Board Designated Reserve and TNE Analysis
as of December 31, 2017

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	146,736,596				
	Tier 1 - Logan Circle	146,622,040				
	Tier 1 - Wells Capital	146,295,076				
Board-designated Reserve		439,653,712	301,731,893	469,161,551	137,921,819	(29,507,839)
TNE Requirement	Tier 2 - Logan Circle	97,243,070	88,937,308	88,937,308	8,305,763	8,305,763
Consolidated:		536,896,783	390,669,201	558,098,859	146,227,581	(21,202,076)
<i>Current reserve level</i>		1.92	1.40	2.00		

CalOptima
Statement of Cash Flows
December 31, 2017

	<u>Month Ended</u>	<u>Year-To-Date</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	10,409,072	22,999,442
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	525,539	3,444,837
Changes in assets and liabilities:		
Prepaid expenses and other	(81,418)	667,830
Catastrophic reserves		
Capitation receivable	(13,520,961)	142,691,408
Medical claims liability	(54,629,776)	(282,061,044)
Deferred revenue	2,901,424	63,087,991
Payable to providers	(62,126,110)	(198,118,990)
Accounts payable	(25,008,390)	(26,614,827)
Other accrued liabilities	456,865	1,928,744
Net cash provided by/(used in) operating activities	<u>(141,073,756)</u>	<u>(271,974,607)</u>
GASB 68 CalPERS Adjustments	-	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in Investments	174,386,193	249,096,365
Change in property and equipment	(192,801)	(647,215)
Change in Board designated reserves	(323,992)	(1,758,409)
Net cash provided by/(used in) investing activities	<u>173,869,400</u>	<u>246,690,742</u>
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	32,795,643	(25,283,866)
CASH AND CASH EQUIVALENTS, beginning of period	<u>\$449,090,336</u>	<u>507,169,844</u>
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 481,885,979</u>	<u>\$ 481,885,979</u>

BALANCE SHEET:

ASSETS decreased \$128.0 million from November

- **Investments** decreased \$174.4 million due to transfer of funds for shared risk, Manages Care Organization (MCO) tax and claim payments
- **Cash and Cash Equivalents** increased by \$32.8 million due to transfer of funds from investment and payment receipt timing
- **Net Capitation Receivables** increased \$11.1 million based upon payment receipt timing and receivables

LIABILITIES decreased \$138.4 million from November

- **Capitation Payable** decreased \$62.1 million due to payment of shared risk group
- **Medical Claims Liability** by line of business decreased \$54.6 million due to recoupment of overpayments
- **Accrued Expenses** decreased \$22.7 million due to timing of payments

NET ASSETS are \$736.5 million, an increase of \$10.4 million from November

CalOptima Foundation
Statement of Revenues and Expenses
For the Six Months Ended December 31, 2017
Consolidated

Actual	Month		% Variance
	Budget	\$ Variance	
0	0	0	0.0%
0	6,184	6,184	100.0%
0	2,985	2,985	100.0%
0	0	0	0.0%
0	0	0	0.0%
0	0	0	0.0%
2,083	231,923	229,840	99.1%
2,083	241,092	239,009	99.1%
0	0	0	0.0%
(2,083)	(241,092)	(239,009)	(99.1%)
=====	=====	=====	=====

Revenues

Total Operating Revenue

Operating Expenditures

Personnel

Taxes and Benefits

Travel

Supplies

Contractual

Other

Total Operating Expenditures

Investment Income

Program Income

Actual	Year - To - Date		% Variance
	Budget	\$ Variance	
0	0	0	0.0%
0	37,105	37,105	100.0%
0	17,909	17,909	100.0%
0	0	0	0.0%
0	0	0	0.0%
0	0	0	0.0%
12,498	1,391,538	1,379,040	99.1%
12,498	1,446,552	1,434,054	99.1%
0	0	0	0.0%
(12,498)	(1,446,552)	(1,434,054)	(99.1%)
=====	=====	=====	=====

**CalOptima Foundation
Balance Sheet
December 31, 2017**

<u>ASSETS</u>		<u>LIABILITIES & NET ASSETS</u>	
Operating cash	2,868,139	Accounts payable-Current	12,498
Grants receivable	0	Deferred Revenue	0
Prepaid expenses	0	Payable to CalOptima	0
Total Current Assets	<u>2,868,139</u>	Grants-Foundation	0
		Total Current Liabilities	<u>12,498</u>
		Total Liabilities	<u>12,498</u>
		Net Assets	<u>2,855,641</u>
TOTAL ASSETS	<u>2,868,139</u>	TOTAL LIABILITIES & NET ASSETS	<u>2,868,139</u>

CALOPTIMA FOUNDATION - DECEMBER MONTH

INCOME STATEMENT:

OPERATING REVENUE

- No activity

OPERATING EXPENSES

- Audit Fees \$2.1 thousand

BALANCE SHEET:

ASSETS

- Cash--\$2.8 million remains from the FY14 \$3.0 million transferred by CalOptima for grants and programs in support of providers and community

LIABILITIES

- Accrued Payables--\$12.5 thousand for Audit fees

NET INCOME is (\$12.5) thousand

**Budget Allocation Changes
Reporting Changes for December 2017**

Transfer Month	Line of Business	From	To	Amount	Expense Description	Fiscal Year
July	Medi-Cal	IS - Infrastructure - Professional Fee (Virtualization Architecture Assessment)	IS - Infrastructure - Professional Fee (On-Site Staff for the Phone System)	\$48,600	Re-Purpose \$48,600 from Professional Fees (Virtualization Architecture Assessment) to pay for an on-site staff for the phone system	2018
July	Medi-Cal	Facilities - Purchased Services (Restacking Services)	Facilities - Purchased Services (Reconfiguration Services)	\$15,000	Re-Purpose \$15,000 from Purchased Services (Restacking Services) to reconfiguration and breakdown of furniture for the mail room and the Rover Rock Offices and other related expenses	2018
August	Medi-Cal	Health Education & Disease Mgmt. - Purchased Services (Adult Weight Management Vendor)	Health Education & Disease Mgmt. - Purchased Services (Ansafone)	\$30,000	Re-Purpose \$30,000 from Purchased Services (Adult Weight Management Vendor) to pay for Ansafone services	2018
August	Medi-Cal	Health Education & Disease Mgmt. - Purchased Services (Pediatric Weight Management Vendor)	Health Education & Disease Mgmt. - Purchased Services (Captivate contract and other initiatives)	\$25,000	Re-Purpose \$25,000 from Purchased Services (Pediatric Weight Management Vendor) to pay for Captivate contract and other initiatives	2018
August	PACE	PACE Administrative - Purchased Services (Encounter Reporting & Translation Services)	PACE Administrative - Purchased Services (Satisfaction Survey)	\$12,208	Re-Purpose \$12,208 from Purchased Services (Encounter Reporting & Translation Services) to pay for Satisfaction Survey	2018
August	Medi-Cal	Facilities - Capital Project (Upgrade CalOptima and Building Access System)	Facilities - Capital Project (Mail Room/Basement/Property Management Office)	\$15,000	Reallocate \$15,000 from Capital Project (Upgrade CalOptima and Building Access System) to Capital Project (Mail Room/Basement/Property Management Office)	2018
September	Medi-Cal	Other G&A - Other Operating Expenses	Facilities - Building Repair and Maintenance	\$65,000	Reallocate \$65,000 from Other G&A (other operating expenses) to cover cost to conduct a review/study from soil engineer and the necessary repairs of the east entry sinkhole.	2018
September	OCC	Health Education & Disease Management - Member Communications	Health Education & Disease Management - Purchased Services	\$12,000	Reallocate \$12,000 within medical management activities budget for additional funding needed on CareNet in OneCare Connect.	2018
November	Medi-Cal	Human Resources - Purchased Services -Temporary Outsource Service	Human Resources - Purchased Services - General	\$10,000	Re-Purpose \$10,000 from Purchased Services (Temporary Outsource Service) to fund for training module design and other department initiatives in Purchased Services	2018



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Child Health and Disability Prevention (CHDP) Update

**Board of Directors' Finance and Audit Committee Meeting
February 15, 2018**

**Candice Gomez
Executive Director, Program Implementation**

[Back to Agenda](#)

Background

- CHDP is a preventive program for children and youth up to age 21
 - Services include:
 - Periodic health assessments provided by:
 - Enrolled physicians
 - Local health departments
 - Community clinics
 - Some local school districts
 - Care coordination to assist with appointment scheduling and transportation
 - Immunizations
 - Access to diagnostic and treatment services
- CHDP services were historically billed on a Confidential Screening/Billing Report Form (PM 160)

Background (Cont.)

- Since 1998, CalOptima has covered CHDP services on a fee-for-service basis for all members up to age 21
- CHDP is carved-out of health networks
 - CHDP process is outlined in CalOptima Policy GG.1116 Pediatric Preventive Services
 - Claims submitted on PM 160 form
- Information from the PM 160 is reported to:
 - Health networks
 - DHCS
 - Orange County Health Care Agency

Recent Changes

- DHCS transition of CHDP fee-for-service claims to national standards on a phased basis completed on October 1, 2017:
 - **Billing From** two-character CHDP codes on PM 160
 - **Billing To** CPT-4 national codes on the CMS-1500 or UB-04 claim form, or electronic equivalent
- DHCS allowing Medi-Cal managed care plans, including CalOptima, to transition from PM 160 to CMS-1500 or UB-04 starting January 1, 2018

Impact of Phasing Out the PM 160

- Unable to distinguish between CHDP and non-CHDP after transition to CMS-1500 or UB-04
 - Services no longer reported on a PM 160
 - Specific two-digit CHDP procedure codes eliminated
- DHCS confirmed that plans are no longer required to report data elements from the PM 160 that are not collected on CMS-1500 or UB-04
 - May require identification of CHDP services
- Minimal impact to HEDIS reporting

Considerations and Next Steps

- Considering “carve-in” to health networks
 - More streamlined claims submission and processing
 - Contractual changes and financial analysis
 - Modification of policy and procedures
 - Future Board approval
 - Soonest effective date: July 1, 2018
- Pending final reporting guidance from DHCS

Board of Directors' Finance and Audit Committee Meeting February 15, 2018

Information Systems Security Update - Quarter Ending December 31, 2017

Recent and Upcoming Activities:

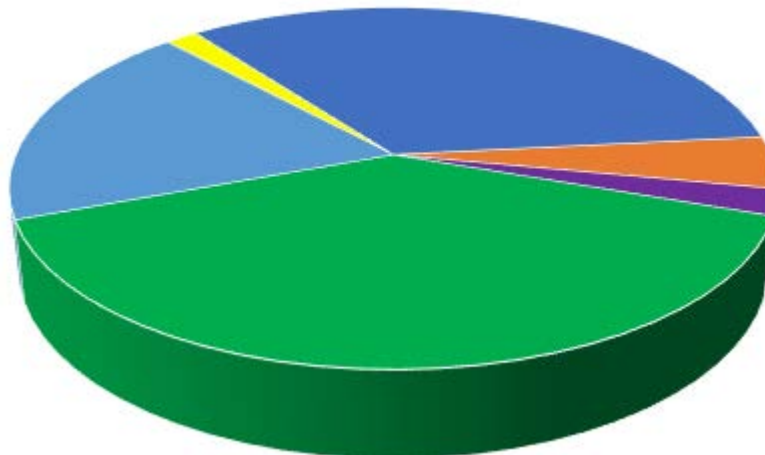
1. In this quarter, the Information Security team has reported five Data Loss Prevention (DLP) incidents to the Privacy team.
2. The Information Security team has completed the installation of the new Risk Management solution (i.e. Archer) which will establish and track reliable quantitative and qualitative data of cyber security and risk. (first phase).
3. The Information Security team has also initiated and completed 3 RFPs:
 - a. Consulting services for the annual Internal & External Penetration Tests
 - b. Consulting services for Annual HIPAA Risk Assessment
 - c. Integration services to integrate the new Symantec Optical Character Recognition solution with the current data loss prevention solution







Top External Attempts

Background

The following report shows the malicious activities that were prevented from accessing CalOptima's network. **None of the attempts were successful.** Also, it is important to note that these attempts are not specifically targeted at CalOptima, but rather are commonly triggered attempts against entire areas of the Internet. The results are typical of many organizations and are not considered out of the ordinary.

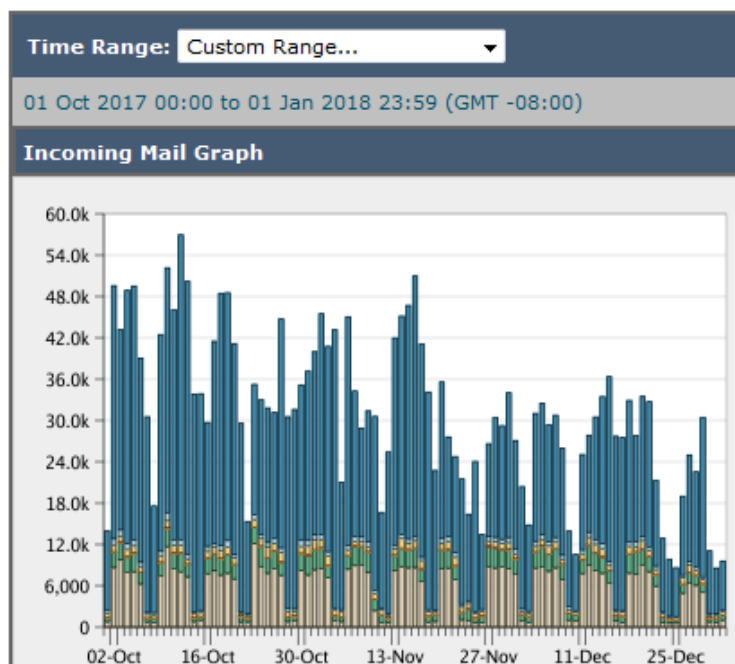
Top Attacks















1:  12781 2:  1775 3:  889 4:  14817 5:  7143 6:  612

	Attack Name	Severity	Hit count	Description
1	CLDAP: MS Windows Server CLDAP Reflection DDoS Vulnerability	Critical	12781	This uses native windows LDAP to amplify denial of service type attacks.
2	HTTP: Adobe Flash ATF Filesize Buffer Overflow Vulnerability	Critical	1775	An exploit which when used can result in arbitrary code execution.
3	Backdoor: Zero Access Trojan Communication Attempt	Major	889	Uses a Trojan program to try to direct and control compromised machines by delivering malware.
4	Invalid TCP Traffic: Possible Recon Scan (No Flags Set)	Minor	14817	An attack designed to map internal networks for further attack and exploitation.
5	0560: DNS: Version Request (UDP)	Minor	7143	Attempts to slow down/deny service or usability to several machines.
6	DNS: Suspicious DNS Lookup NOERROR Response (DGA)	Minor	612	A compromised host on the Internet tried to contact CalOptima's systems to launch an attack on other hosts but was unsuccessful.

The following charts show the inbound email traffic through our IronPort appliances with the ultimate goal of delivering clean messages to the intended CalOptima email recipients. The majority of the messages that are stopped are from senders of poor reputation and spammers. Other protection that is applied protects CalOptima against malicious emails containing known viruses, malware and malicious URLs.



Incoming Mail Summary +		
Message Category	%	Messages
 Stopped by Reputation Filtering	71.8%	2.1M
 Stopped as Invalid Recipients	1.8%	52.8k
 Spam Detected	2.6%	75.2k
 Virus Detected	0.0%	14
 Detected by Advanced Malware Protection	0.0%	0
 Messages with Malicious URLs	0.2%	5,037
 Stopped by Content Filter	0.1%	2,074
 Stopped by DMARC	0.0%	0
 S/MIME Verification/Decryption Failed	0.0%	0
Total Threat Messages:	76.3%	2.2M
 Marketing Messages	5.8%	165.9k
 S/MIME Verification/Decryption Successful	0.0%	0
 Clean Messages	17.9%	517.0k
Total Attempted Messages:		2.9M



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Cost Containment Improvements/Initiatives

**Board of Directors' Finance & Audit Committee Meeting
February 15, 2018**

**Greg Hamblin, Chief Financial Officer
Ken Wong, Director, Budget and Vendor Management**

Resources Committee - Labor

Report of Open Position/Temporary - December 2017

Line of Business	Dec-17		YTD Open Position (\$)	Temporary Help		Variance
	FTE's	Dollars		Actual	Budget	
MC	62.73	\$ 613,369	\$ 2,939,566	\$ 863,978	\$ 327,903	\$ (536,075)
EX	1.00	\$ 4,641	\$ 4,641	\$ -	\$ -	\$ -
OC		\$ -	\$ -	\$ 14,815	\$ -	\$ (14,815)
OCC	15.00	\$ 125,387	\$ 529,252	\$ 1,008	\$ 57,246	\$ 56,238
PACE	8.25	\$ 65,176	\$ 440,163	\$ 190,417	\$ 147,378	\$ (43,039)
MSSP		\$ -	\$ 45,633	\$ 620	\$ 19,998	\$ 19,378
Total	86.98	\$ 808,572	\$ 3,959,255	\$ 1,070,837	\$ 552,525	\$ (518,312)

Notes:

- Dollars include Employee Benefits.
- FTE's and Dollars include Medical and Administrative Positions.

Resources Committee – Non-Labor

Professional Fees

LOB	Dec MTD		Variance		YTD		Variance		FY 2018
	Actual	Budget	\$	%	Actual	Budget	\$	%	
MC	\$ 236,562	\$ 324,805	\$ 88,243	27%	\$ 1,138,956	\$ 1,931,324	\$ 792,368	41%	\$ 3,855,633
OC	\$ 13,333	\$ 13,333	\$ (0)	0%	\$ 92,349	\$ 81,498	\$ (10,851)	-13%	\$ 161,500
OCC	\$ (41,108)	\$ 39,751	\$ 80,859	203%	\$ 100,162	\$ 328,503	\$ 228,341	70%	\$ 567,000
PACE	\$ 1,333	\$ 5,000	\$ 3,667	73%	\$ 16,672	\$ 30,000	\$ 13,328	44%	\$ 60,000
MSSP	\$ 710	\$ 833	\$ 124	15%	\$ 4,257	\$ 4,998	\$ 741	15%	\$ 9,996
Total	\$ 210,830	\$ 383,722	\$ 172,892	45%	\$ 1,352,396	\$ 2,376,323	\$ 1,023,927	43%	\$ 4,654,129

Purchased Services

LOB	Dec MTD		Variance		YTD		Variance		FY 2018
	Actual	Budget	\$	%	Actual	Budget	\$	%	
MC	\$ 502,432	\$ 1,169,430	\$ 666,998	57%	\$ 4,454,138	\$ 6,568,509	\$ 2,114,371	32%	\$ 12,912,242
OC	\$ 12,310	\$ 29,607	\$ 17,297	58%	\$ 82,774	\$ 178,192	\$ 95,418	54%	\$ 355,834
OCC	\$ 68,175	\$ 183,534	\$ 115,359	63%	\$ 424,314	\$ 1,098,904	\$ 674,590	61%	\$ 2,200,117
PACE	\$ 5,299	\$ 21,284	\$ 15,985	75%	\$ 30,566	\$ 127,704	\$ 97,138	76%	\$ 255,408
MSSP	\$ 4	\$ 167	\$ 163	98%	\$ 13	\$ 1,002	\$ 989	99%	\$ 2,004
Total	\$ 588,219	\$ 1,404,022	\$ 815,803	58%	\$ 4,991,804	\$ 7,974,311	\$ 2,982,507	37%	\$ 15,725,605

Resources Committee – Non-Labor (cont.)

Printing and Postage

LOB	Dec MTD		Variance		YTD		Variance		FY 2018 Budget
	Actual	Budget	\$	%	Actual	Budget	\$	%	
MC	\$ 257,696	\$ 443,293	\$ 185,597	42%	\$ 1,801,868	\$ 2,541,258	\$ 739,390	29%	\$ 5,068,992
OC	\$ 25,677	\$ 20,550	\$ (5,127)	-25%	\$ 58,450	\$ 131,800	\$ 73,350	56%	\$ 255,097
OCC	\$ 73,925	\$ 110,017	\$ 36,092	33%	\$ 404,930	\$ 662,502	\$ 257,572	39%	\$ 1,322,606
PACE	\$ 16,238	\$ 5,547	\$ (10,691)	-193%	\$ 21,416	\$ 33,282	\$ 11,866	36%	\$ 66,566
MSSP	\$ -	\$ 333	\$ 333	100%	\$ -	\$ 1,998	\$ 1,998	100%	\$ 3,996
Total	\$ 373,536	\$ 579,740	\$ 206,204	36%	\$ 2,286,664	\$ 3,370,840	\$ 1,084,176	32%	\$ 6,717,257

Other Operating Expenses

LOB	Dec MTD		Variance		YTD		Variance		FY 2018 Budget
	Actual	Budget	\$	%	Actual	Budget	\$	%	
MC	\$ 1,148,941	\$ 1,643,172	\$ 494,231	30%	\$ 7,333,421	\$ 9,696,833	\$ 2,363,412	24%	\$ 19,562,047
OC	\$ 12	\$ 1,120	\$ 1,108	99%	\$ 2,242	\$ 6,902	\$ 4,660	68%	\$ 13,249
OCC	\$ 15,597	\$ 58,528	\$ 42,931	73%	\$ 255,519	\$ 356,727	\$ 101,208	28%	\$ 706,796
PACE	\$ 29,611	\$ 60,142	\$ 30,531	51%	\$ 250,248	\$ 356,746	\$ 106,498	30%	\$ 720,487
MSSP	\$ 6,051	\$ 7,748	\$ 1,697	22%	\$ 34,086	\$ 46,488	\$ 12,402	27%	\$ 92,976
Total	\$ 1,200,212	\$ 1,770,710	\$ 570,497	32%	\$ 7,875,516	\$ 10,463,696	\$ 2,588,179	25%	\$ 21,095,555

Resources Committee – Non-Labor (cont.)

Consolidated - Non-Labor

LOB	Dec MTD		Variance		YTD		Variance		FY 2018 Budget
	Actual	Budget	\$	%	Actual	Budget	\$	%	
MC	\$ 2,145,630	\$ 3,580,700	\$ 1,435,070	40%	\$ 14,728,383	\$ 20,737,924	\$ 6,009,541	29%	\$ 41,398,914
OC	\$ 51,333	\$ 64,610	\$ 13,277	21%	\$ 235,815	\$ 398,392	\$ 162,577	41%	\$ 785,680
OCC	\$ 116,588	\$ 391,830	\$ 275,242	70%	\$ 1,184,925	\$ 2,446,635	\$ 1,261,710	52%	\$ 4,796,519
PACE	\$ 52,481	\$ 91,973	\$ 39,492	43%	\$ 318,902	\$ 547,732	\$ 228,830	42%	\$ 1,102,461
MSSP	\$ 6,764	\$ 9,081	\$ 2,317	26%	\$ 38,355	\$ 54,486	\$ 16,131	30%	\$ 108,972
Total	\$ 2,372,797	\$ 4,138,194	\$ 1,765,397	43%	\$ 16,506,380	\$ 24,185,170	\$ 7,678,789	32%	\$ 48,192,545

Contingency Contract Report

CalOptima Active Contingency Contracts			Q2 FY18		invoiced and paid as of 1/30/2018									
Quarterly & Annual Medical Cost Savings or Additional Revenue and Fees Paid														
	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18				
	Total	Total	Total	Total	Total	Total	Total	Total	Total	Qtr 1	Qtr 2 *	Total		
MEDICAL COST														
<i>HMS - Coordination of Benefits i.e. ensure Medi-Cal is the payor of last resort - (expires 5/14/20)</i>														
Savings	\$ 1,189,393	\$ 2,811,751	\$ 1,937,748	\$ 2,565,125	\$ 2,346,048	\$ 1,444,807	\$ 3,336,995	\$ 3,954,564	\$ 4,067,881	\$ 647,480	\$ 2,369,074	\$ 3,016,554		
Fee	\$ 297,348	\$ 702,938	\$ 484,359	\$ 641,281	\$ 586,762	\$ 361,202	\$ 794,557	\$ 909,550	\$ 935,613	\$ 148,920	\$ 544,887	\$ 693,807		
Net Savings	\$ 892,045	\$ 2,108,813	\$ 1,453,389	\$ 1,923,843	\$ 1,759,286	\$ 1,083,605	\$ 2,542,438	\$ 3,045,014	\$ 3,132,268	\$ 498,560	1,824,187	\$ 2,322,747		
<i>Verscend (Verisk/HCI) - Claims review for appropriate billing</i>														
Savings	\$ 164,913	\$ 2,397,831	\$ 3,385,560	\$ 2,517,497	\$ 2,817,113	\$ 2,647,841	\$ 3,562,859	\$ 3,524,096	\$ 2,690,597			\$ -		
Fee	\$ 37,165	\$ 483,209	\$ 691,554	\$ 559,136	\$ 595,632	\$ 727,333	\$ 1,371,137	\$ 638,601	\$ 393,455			\$ -		
Net Savings	\$ 127,748	\$ 1,914,622	\$ 2,694,006	\$ 1,958,361	\$ 2,221,482	\$ 1,920,508	\$ 2,191,722	\$ 2,885,495	\$ 2,297,143	\$ -	-	\$ -		
<i>Verscend (Verisk/HCI)/ TAG - Facility claims forensic review - (services terminated 12/31/17)</i>														
Savings		-	\$ 900,976	\$ 1,362,980	\$ 3,516,297	\$ 3,727,308	\$ 16,538,781	\$ 3,726,475	\$ 4,068,735	\$ 653,567	\$ 580,738	\$ 1,234,305		
Fee		-	\$ 270,293	\$ 408,904	\$ 1,054,889	\$ 1,118,193	\$ 2,008,000	\$ 791,798	\$ 1,140,356	\$ 163,392	\$ 145,184	\$ 308,576		
Net Savings	-	-	\$ 630,683	\$ 954,076	\$ 2,461,408	\$ 2,609,114	\$ 14,530,781	\$ 2,934,678	\$ 2,928,380	\$ 490,176	435,553	\$ 925,729		
TOTAL														
Savings	\$ 1,354,306	\$ 5,209,582	\$ 6,238,068	\$ 6,767,087	\$ 8,758,803	\$ 7,853,309	\$ 23,438,635	\$ 11,469,227	\$ 10,827,214	\$ 1,301,048	2,949,812	\$ 4,250,860		
Fee	\$ 334,514	\$ 1,186,146	\$ 1,449,652	\$ 1,679,749	\$ 2,253,713	\$ 2,211,134	\$ 4,173,694	\$ 2,400,143	\$ 2,469,423	\$ 312,312	690,071	\$ 1,002,384		
Net Savings	\$ 1,019,792	\$ 4,023,436	\$ 4,788,416	\$ 5,087,338	\$ 6,505,090	\$ 5,642,175	\$ 19,264,941	\$ 9,069,083	\$ 8,357,791	\$ 988,735	\$ 2,259,740	\$ 3,248,476		
REVENUE														
<i>Human Arc - SSI Outreach & Aid Code Conversion - (expires 6/30/18)</i>														
Capitation Revenue				\$ 1,723,235	\$ 4,526,183	\$ 5,231,987	\$ 6,539,353	\$ 7,782,145	\$ 9,281,708	\$ 2,633,803	\$ 2,738,113	\$ 5,371,916		
Fee				\$ 501,700	\$ 345,100	\$ 285,650	\$ 232,092	\$ 301,556	\$ 360,018	\$ 81,302	\$ 85,508	\$ 166,810		
Total Net Revenue	-	-	-	\$ 1,221,535	\$ 4,181,083	\$ 4,946,337	\$ 6,307,261	\$ 7,480,589	\$ 8,921,690	\$ 2,552,501	\$ 2,652,605	\$ 5,205,106		
Note:														
* December 2017 HMS invoice not received as of 1/30/2018; report reflects information for October and November 2017 only														

Board of Directors' Finance and Audit Committee Meeting February 15, 2018

Shared Risk Pool Performance Update

Medi-Cal: As of December 31, 2017, Medi-Cal has five (5) Shared Risk Groups (SRGs).

Effective Dates:

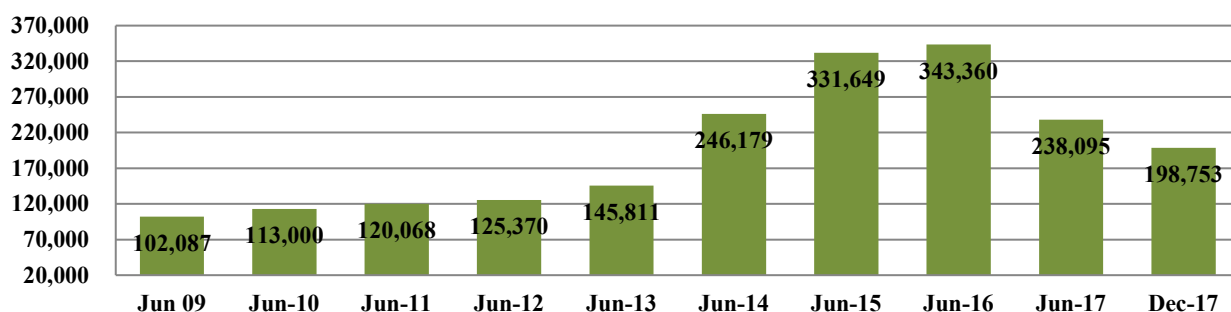
- Noble and Talbert – January 2008
- Arta and UCMG – July 2008
- AltaMed – March 2014
- Monarch* – July 2008 to January 2017
- Prospect* – May 2007 to June 2017

** Monarch became an HMO group in February 2017. Prospect became an HMO group in July 2017.*

Enrollment

- SRGs are serving approximately 200,000 members. It represents about 26% of CalOptima's Medi-Cal enrollment.

**Medi-Cal Shared Risk Groups (SRG)
Enrollment**



Pool Performance - (Medi-Cal Classic + Expansion)

Period	Gross Deficit	Gross Surplus	CalOptima Share (40%)	Group Share (60%)	Number of SRGs		
					Total	In Deficit	In Surplus
2007	\$(729,095)	\$ -	\$(573,542)	\$(155,553)	1	1	0
2008	(534,826)	618,829	247,532	(163,529)	3	1	2
2009	(6,786,764)	623,088	(2,465,470)	(3,698,206)	6	3	3
2010	(5,890,543)	1,636,861	(1,701,473)	(2,552,209)	6	4	2
2011	(5,127,172)	5,042,040	(34,053)	(51,079)	6	3	3
2012	(1,688,610)	7,574,810	2,354,480	3,531,720	6	3	3
One-Time Revenue		17,233,958	12,917,452	4,316,506	6	3	3
2013	(1,568,113)	10,019,190	3,380,430	5,070,646	6	1	5
2014	-	57,791,489	23,116,595	34,674,893	7	0	7
2015	-	358,004,843	143,201,937	214,802,906	7	0	7
2016	-	402,449,648	160,979,859	241,469,789	7	0	7
2017	-	292,021,508	116,808,603	175,212,905	7	0	7

Period	Gross Deficit	Gross Surplus	CalOptima Share (40%)	Group Share (60%)	Number of SRGs		
					Total	In Deficit	In Surplus
2018Q1	-	25,417,068	10,166,827	15,250,241	5	0	5
	\$(22,325,123)	\$1,178,433,332	\$ 468,399,179	\$ 687,709,030			

Note: IBNR is calculated based on the paid claims experience.

OneCare: As of December 31, 2017, OneCare has eight (8) Participating Medical Groups (PMGs).

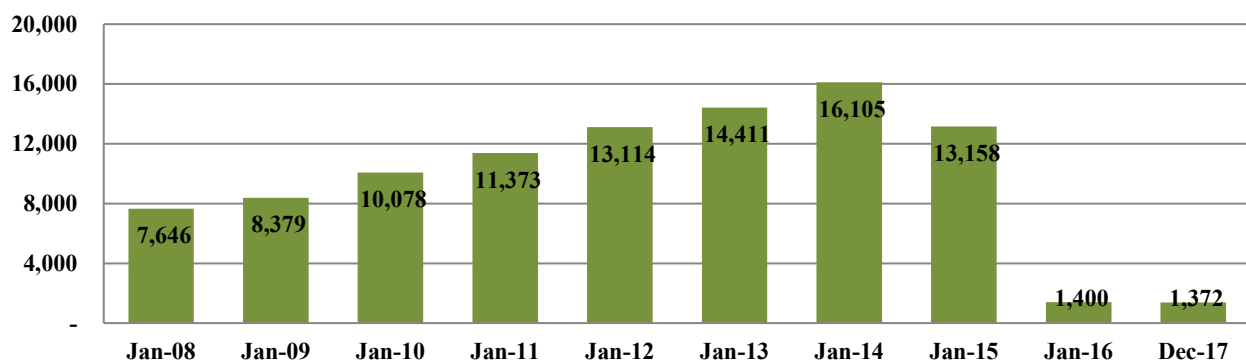
Effective Dates:

- AMVI/Prospect - October 2005
- Talbert and Monarch – October 2005
- Noble – December 2012
- Family Choice – October 2005
- AltaMed – August 2008
- Arta and UCMG – January 2013

Enrollment

- Overall enrollment decrease due to transitioning of members from OneCare to OneCare Connect in January 2016.

**OneCare Shared Risk Groups (PMG)
Enrollment**



Pool Performance

CY	Gross Deficit	Gross Surplus	CalOptima Share (50%)	Group Share (50%)	Total	In Deficit	In Surplus
2005	\$(14,221)	\$163,580	\$67,920	\$81,435	4	1	3
2006	-	15,004,268	7,502,134	7,502,134	5	0	5
2007	(21,936)	3,759,945	1,859,817	1,878,193	8	2	6
2008	(491,522)	3,919,765	1,591,331	1,836,913	8	2	6
2009	(313,648)	5,643,332	2,525,933	2,803,751	9	2	7
2010	(566,705)	4,767,002	1,891,456	2,308,841	8	3	5
2011	-	9,406,281	4,703,141	4,703,141	8	0	8
2012	(433,732)	7,325,076	3,305,088	3,586,257	11	2	9
2013	(1,949,544)	11,124,918	4,015,560	5,159,814	13	2	11
2014	(3,485,139)	10,050,507	1,962,394	4,602,974	13	3	10
2015	(149,155)	9,720,088	4,729,164	4,841,769	8	1	7
2016	(600,839)	264,060	(397,985)	61,206	8	4	4

CY	Gross Deficit	Gross Surplus	CalOptima Share (50%)	Group Share (50%)	Total	In Deficit	In Surplus
2017Q2	(875,877)	114,029	(782,488)	20,640	8	7	1
	\$ (8,902,318)	\$81,262,851	\$32,973,465	\$ 39,387,067			

Note: Group share deficit limited to \$5.00 PMPM

OneCare Connect: As of December 31, 2017, OneCare Connect has six (6) Shared Risk Groups (SRGs).

Effective Dates:

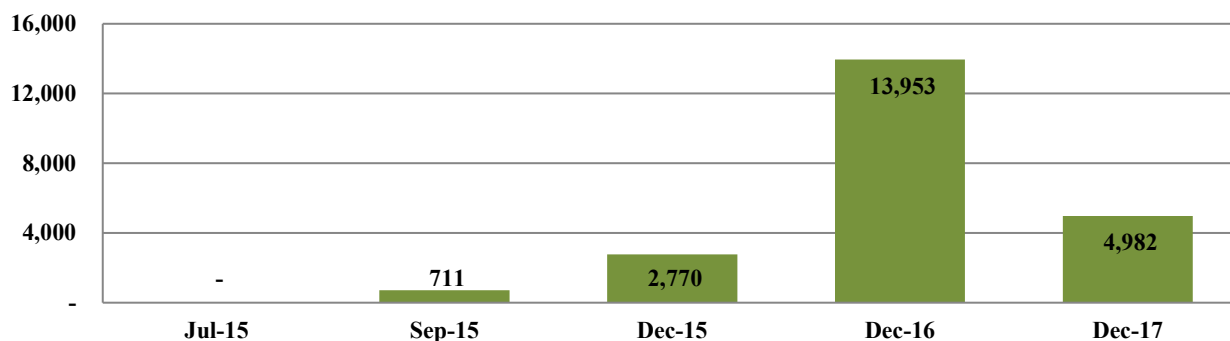
- Noble – July 2015
- UCMG – July 2015
- AltaMed – July 2015
- Monarch* – July 2015 to January 2017
- FCMG – January 2016
- Talbert – January 2016
- Arta Western – January 2016
- Prospect* – July 2015 to June 2017

* Monarch became an HMO group in February 2017. Prospect became an HMO group in July 2017.

Enrollment

SRGs are serving approximately 5,000 members. It represents about 33% of CalOptima's OneCare Connect enrollment.

**OneCare Connect Shared Risk Groups (PMG)
Enrollment**



Pool Performance

CY	Gross Deficit	Gross Surplus	CalOptima Share (50%)	Group Share (50%)	Total	In Deficit	In Surplus
2015	\$(264,328)	\$233,671	\$(120,302)	\$89,646	5	2	3
2016	(1,722,345)	8,335,492	2,512,761	4,100,386	8	2	6
2017Q4	(1,125,630)	7,207,569	2,634,970	3,446,969	8	3	5
	\$(3,112,303)	\$15,776,732	\$5,027,429	\$7,637,001			

Note: Group share deficit limited to \$5.00 PMPM

Board of Directors' Finance and Audit Committee Meeting February 15, 2018

Quarterly Reinsurance Report

Summary of Reinsurance Payments Made by CalOptima to Contracted Medi-Cal Providers for Policy Years (PY) 2016, 2017, and 2018

Reinsurance is an after-the-fact payment mechanism CalOptima provides that is intended to mitigate the financial impact of catastrophic claims on participating providers. CalOptima's policy allows participating providers through December 31st following the policy year end (i.e., June 30) to submit reinsurance claims. CalOptima issues payment to providers within forty-five (45) business days after the quarter's end.

The figures reported below reflect the estimated results for PY 2016, 2017, and PY 2018 as of December 31, 2017.

	PY 2016	PY 2017	PY 2018
Total Budgeted Reinsurance Costs	\$4,680,964	\$4,628,918*	\$2,780,209
Amount paid through 12/31/17	\$2,793,856	\$3,184,960	\$77,556
Potential Remaining Payments by CY	\$1,887,108	\$1,443,958	\$2,702,653
Total Accrued Liability @ 12/31/17	\$1,935,100	\$1,244,794	\$1,671,781
Under/(Over) Budget	\$(47,992)	\$199,163	\$1,030,872

* The total estimated liability at December 31, 2017 is \$4.85 million. PY 2016's remaining balance will be trued-up during the year-end process.

PY 2016 and PY 2017 thresholds are \$13,000 for Professional and \$100,000 for Hospital; coinsurance level is at 10%.

PY 2018 threshold increased to \$17,000 for Professional and \$150,000 for Hospital; coinsurance level is at 20%.

Policy Years:

PY 2016 = Fiscal Year 2016 (July 1, 2015, through June 30, 2016)

PY 2017 = Fiscal Year 2017 (July 1, 2016, through June 30, 2017)

PY 2018 = Fiscal Year 2018 (July 1, 2017, through June 30, 2018)



Board of Directors' Finance and Audit Committee Meeting February 15, 2018

Quarterly Health Network Financial Update

On a quarterly basis, CalOptima reviews the unaudited financial statements of the capitated hospitals and physician groups in the health network. After internal review, CalOptima's financial staff makes a determination as to whether the capitated entity has the ability to assume the risk of a capitated contract.

With the exception of one entity whose quarter-end financial statements ended as of July 31, 2017, all other Health Network entities were required to submit their unaudited financial statements for the period ending September 30, 2017.

Results of the September 30, 2017 Financial Review

	Physician Groups	Hospitals	HMOs
Total	9	4	4
Passed Review	9	4	4
Failed Review	0	0	0
On Notice	0	0	0
On-Site Review	0	0	0
Did Not Submit Statements	0	0	0

Note 1: Physician Groups and Hospitals must pass the following tests:

- a) Current Ratio - must be ≥ 1.0
- b) Tangible Net Equity - must be ≥ 1.0
- c) Cash to Claims Ratio - must be ≥ 0.75

Note 2: HMOs must pass the following test:

- a) Tangible Net Equity - Greater of \$1M, % of premium revenues, or % of healthcare expenses

Note 3: Financial Security Reserves:

- a) Medi-Cal, OneCare, and OneCare Connect Total Current Balance = \$19.4M



CalOptima
Better. Together.

Purchasing Report

**Board of Directors' Finance and Audit Committee Meeting
February 15, 2018**

Greg Hamblin, Chief Financial Officer

Ken Wong, Director, Budget and Procurement

Quarterly Purchasing Reports Commitments

Quarterly Purchasing Report
October 1, 2017 through December 31, 2017
Completed Major Commitments over \$100,000

<i>Nature of Services</i>	<i>FY18 Q2 Budgeted Current Year</i>	<i>Purchase or Contract Highlights</i>	<i>Bidding Outcome</i>	<i>Previous Vendor</i>	<i>Contract Amount</i>	<i>Spent Year 2018</i>	<i>Remaining Amount on Contract</i>	<i>Expires</i>
Member Newsletters	\$ 107,757	Kenny the Printer	Renewal	Kenny the Printer	\$ 107,757	-	107,757	12/29/2017
Electronic Health Records Software	\$ 118,151	Mediture, LLC	Renewal	Mediture, LLC	\$ 118,151	43,334	74,817	12/28/2019
Advocacy Services - Washington D.C.	\$ 120,000	Akin Gump Strauss Hauer & Feld LLC	Renewal	Akin Gump Strauss Hauer & Feld LLC	\$ 120,000	50,822	69,178	2/20/2020
Provider Coaching Services	\$ 150,000	SullivanLuallin Group	New (Three proposals)	None	\$ 150,000	-	150,000	12/31/2018
Avaya Telephony Software	\$ 151,643	Intelli-Flex Inc	Renewal	Intelli-Flex	\$ 151,643	151,643	0	11/30/2018
Claims Scanning Service	\$ 158,536	Imagenet LLC	Renewal	Imagenet LLC	\$ 158,536	-	158,536	12/31/2020
TANF to SSI Conversion Services	\$ 160,000	Human Arc Corporation of Ohio	Renewal	NCQA	\$ 160,000	-	160,000	6/30/2018
HEDIS Medical Record Copy Services	\$ 187,258	J & H Copy Services Inc	Renewal	J & H Copy Services Inc	\$ 187,258	-	187,258	10/31/2018

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Quarterly Purchasing Reports Commitments

<i>Nature of Services</i>	<i>FY18 Q2 Budgeted Current Year</i>	<i>Purchase or Contract Highlights</i>	<i>Bidding Outcome</i>	<i>Previous Vendor</i>	<i>Contract Amount</i>	<i>Spent Year 2018</i>	<i>Remaining Amount on Contract</i>	<i>Expires</i>
Fraud, Waste and Abuse Software	\$ 228,398	Verisk Health Inc	Renewal	Verisk Health Inc	\$ 228,398	133,220	95,178	12/31/2017
DME Assessments	\$ 405,000	The DME Consulting Group	Renewal	The DME Consulting Group	\$ 405,000	21,000	384,000	6/30/2018
Tableau BI software	\$ 441,631	Intuitive Technology Group Inc	New (10 proposals)	Microstrategies	\$ 441,631	213,345	228,286	11/30/2021
Reimbursement Software	\$ 489,750	Burgess Group	Renewal	Burgess Group	\$ 489,750	489,750	0	12/31/2019
Fulfillment Services	\$ 548,000	Dome Printing	Renewal	Dome Printing	\$ 548,000	377,352	170,648	6/30/2018
Network Switch Maintenance	\$ 629,107	JT Tech Inc	New (5 proposals)	Birdrock	\$ 629,107	-	629,107	12/31/2018
Microsoft License Services	\$ 660,126	Crayon Software Experts LLC	Bid Exception - Using County of Riverside Contract	Software One	\$ 660,126	660,126	0	10/31/2018
Hospital Observation Stay Services	\$ 750,000	Regents of the University of	Renewal	Regents of the University of	\$ 750,000	-	750,000	11/30/2018
Data Warehouse Upgrade Services	\$ 1,589,880	Teksystems Inc.	New (11 proposals)	None	\$ 1,589,880	12,440	1,577,440	6/30/2019

Quarterly Purchasing Report – In Process

Quarterly Purchasing Report
October 1, 2017 through December 31, 2017
Major Commitments Greater than \$100,000 in Process

<i>Nature of Services</i>	<i>Procurement Status</i>
<u>Internal Auditor</u> 16-074	RFP issued 4/8/16 Four proposals received Staff is negotiating contract terms
<u>Perinatal Services</u> 18-015	RFP issued 11/15/17 Three proposals received Staff is reviewing proposals
<u>457(b) Benefit</u> 17-027	RFP issued 9/13/17 Seven proposals received Contract under review
<u>State Advocacy Services</u> 18-004	RFP issued 8/31/17 Two proposals received Staff is presenting recommendation to 2/1 Board meeting
<u>Office 365 Exchange Software</u> 18-009	RFP issued 9/25/17 ? Proposals received Staff is interviewing prospective vendors
<u>PACE/ACS</u> 18-011	RFP issued 11/3/17 Seven proposals received Staff is presenting recommendation to 2/1 Board meeting
<u>CG CAHPS Survey</u> 18-026	RFP issued 11/30/17 Staff is awaiting proposals
<u>NMT Taxi and Administrative Services</u> 18-006	RFP issued 12/27/17