

**NOTICE OF A
REGULAR MEETING OF THE
CALOPTIMA BOARD OF DIRECTORS'
INVESTMENT ADVISORY COMMITTEE**

**MONDAY, OCTOBER 24, 2016
3:00 P.M.**

**CALOPTIMA
505 CITY PARKWAY WEST, SUITE 10-N
ORANGE, CALIFORNIA 92868**

AGENDA

This agenda contains a brief, general description of each item to be considered. The Committee may take any action on all items listed. Except as otherwise provided by law, no action shall be taken on any item not appearing in the following agenda.

Information related to this agenda may be obtained by contacting the CalOptima Clerk of the Board at 714.246.8400 or by visiting our website at www.caloptima.org. In compliance with the Americans with Disabilities Act, those requiring special accommodations for this meeting should notify the Clerk of the Board's office at 714.246.8806. Notification at least 72 hours prior to the meeting will allow time to make reasonable arrangements for accessibility to this meeting.

I. CALL TO ORDER

Pledge of Allegiance

II. ESTABLISH QUORUM

III. APPROVE MINUTES

A. Approve Minutes of the July 25, 2016 Regular Meeting of the CalOptima Board of Directors' Investment Advisory Committee

IV. PUBLIC COMMENT

At this time, members of the public may address the Committee on general topics. Public Comment on posted item(s) will follow staff presentation of the item(s) to the Committee. If you wish to speak on an item contained in the agenda, please complete a Public Comment Request Form(s) identifying the item(s) and submit the form to the assistant to the IAC. When addressing the Committee, it is requested that you state your name for the record. Please address the Committee as a whole through the Chair. Comments to individual Committee members or staff are not permitted. Speakers will be limited to three (3) minutes.

V. Management Reports

A. Chief Executive Officer Report
B. Chief Financial Officer Report

VI. REPORTS

- A. Recommend Approval the Investment Advisory Committee Meetings schedule for 2017
- B. Recommend Approval of the Annual Investment Policy for 2017

VII. INFORMATION ITEMS

- A. Quarterly Investment Report Presentation by Meketa
- B. Investment Portfolio Presentation by Logan Circle Partners
- C. Investment Portfolio Presentation by Wells Capital Management
- D. Investment Portfolio Presentation by Payden & Rygel
- E. August 2016 Unaudited Financial Statements

VIII. COMMITTEE MEMBER COMMENTS

IX. ADJOURNMENT

MINUTES

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

July 25, 2016

A Regular Meeting of the CalOptima Board of Directors' Investment Advisory Committee was held on Monday, July 25, 2016, at CalOptima, 505 City Parkway West, Orange, California.

CALL TO ORDER

The meeting was called to order at 3:05 p.m. Chair Patrick Moore led the Pledge of Allegiance.

ROLL CALL

Members Present: Patrick Moore, Lisa Laird, Chet Uma, Peggy Eckroth, Caroline Harkins

Members Absent: Rodney Johnson

Others Present: Laura Wirick, Ted Benedict, Meketa Investment Group; Asha Joshi, Larry Manis, Thomas Elder, Jeffrey Cleveland, Payden & Rygel; Scott Pavlak, Wendy Kaszak, Logan Circle Partners; Steve Scharre, Tony Mellville, Wells Capital Management; Michael Schrader, Chief Executive Officer, Gary Crockett, Chief Counsel; Nancy Huang, Controller, Pamela Reichardt, Executive Assistant

MINUTES

Approve Minutes of the April 25, 2016, Regular Meeting of the CalOptima Board of Directors' Investment Advisory Committee

Action: On motion of Chair Patrick Moore, seconded and carried, the Minutes of the April 25, 2016, Regular Meeting of the CalOptima Board of Directors' Investment Advisory Committee were approved as presented. (Motion carried 5-0-0; Member Johnson absent)

PUBLIC COMMENT

There were no requests for public comment.

MANAGEMENT REPORTS

Michael Schrader, Chief Executive Officer, provided the CEO update. Mr. Schrader stated CalOptima has had significant growth; revenues increased from \$1.2 billion to \$3.4 billion, while enrollment increased from 380,000 members to 765,000 members and employee growth from 500 to 1,100 over the last three years. Given this growth, the County Supervisors took a look at the Board of Directors' composition. The Board composition has changed and now includes ten members, with one being a non-voting member. Four Board seats are reserved for providers, and three are miscellaneous. There are six new Board members, and the other four are returning members. Mr. Schrader provided an overview of each new member's background and reminded Committee members that the first meeting with the new board will be on August 4, 2016.

Chet Uma, Chief Financial Officer, provided a finance update. He spoke about the May Revise related to the State Budget, specifically highlighting areas pertinent to CalOptima. The other areas which Mr. Uma discussed were the funding of the State's Medi-Cal 2020 Waiver which includes the Whole Person Care pilot and, the increase in the budget and additional funding to cover Behavioral Health Treatment, and Medi-Cal coverage for undocumented children.

Mr. Uma further advised that while the State Budget was still pending, the Department of Health Care Services (DHCS) had delayed our monthly capitation payments for the months of May and June. Payments for both months have now been received and we are current. The next payment is due to be received in August.

Mr. Uma advised the IAC that the Board of Directors had approved the CalOptima's Fiscal Year 2016-17 Operating Budget. We are anticipating \$3.4 billion in revenues with a relatively flat enrollment. CalOptima spends 96 cents of every dollar received to medical care for our members. Our Medical Loss Ratio (MLR) is 96% and is one of the highest in the state of California. CalOptima spends 4.11% on our building and salaries and wages. The budget projects a net surplus of \$9 million.

Additionally, we are amidst of our audits. Moss Adams is conducting the fiscal audit and will present their findings at the September 15, 2016, Finance and Audit Committee Meeting. We also have the DMHC and DHCS audits starting in August.

REPORT

- A. Recommend Reappointment to the Board of Directors' Investment Advisory Committee to the CalOptima Board of Directors' Finance and Audit Committee

Action: On the motion of Committee Member Laird, seconded and carried, the Investment Advisory Committee recommended reappointment of David Young to the Board of Directors' Investment Advisory Committee for a two year term beginning October 6, 2016. (Motion carried 5-0-0; Member Johnson absent)

INFORMATION ITEMS

Presentation by Meketa Investment Group

Laura Wirick, Senior Vice President, presented a summary of investment results, and reported that CalOptima's investment portfolio was in compliance with the annual investment policy as of the end of June, and all account managers remained in compliance through the transition resulting from the reallocation of funds among fund managers and the addition of Wells Capital Management as a fund manager.

David Hetzer, Investment Analyst, presented the customer care group information and the peer group comparative information.

Presentation by Payden & Rygel

Asha Joshi, Managing Principal, presented an update on Payden. The firm just passed the \$100 billion dollar mark in terms of investments under management during the quarter. Ms. Joshi also provided an economic and market update, and went over the Payden & Rygel presentation in further detail and referenced specific pages and charts.

Jeffrey Cleveland, Investment Analyst, presented a further market and economic update. The U.S. economy looks good, and should grow this year by 2% or 2.5%. The global economy will grow this year about 3%.

Larry Manis, Investment Manager, gave a portfolio update in detail. Mr. Manis also reported that the portfolio was in compliance during the quarter.

Presentation by Logan Circle Partners

Wendy Kaszak, Vice President of Client Services, went over their presentation in detail. They had one departure on their team, a manager, but added two junior analysts.

Scott Pavlak, Senior Portfolio Manager, gave an economic and portfolio update in detail. Mr. Pavlak spoke about the Tier One and Tier Two portfolio performance from Logan's presentation, and the changes within the portfolios, and reported that all three portfolios are in compliance.

Presentation by Wells Capital Management

Steve Scharre, Client Relations Director, introduced the Wells Capital team. In attendance with Mr. Scharre was Tony Mellville, Portfolio Manager. Mr. Scharre then provided a company update, and the Wells Capital company structure. Wells Capital manages two portfolios for CalOptima, including one which is the operating account that they have been managing since May 3, 2016. Mr. Scharre then detailed this account performance and the Tier One performance.

Tony Melville, Portfolio Manager, went over the Wells Capital presentation in detail.

February 2016 Financial Update

Nancy Huang, Controller, presented the April Financial Summary. The April statements were presented because they are the last financials that have been approved by the Board. Ms. Huang detailed the enrollment summary, at 772,000 members, which is on track, and is 0.8% higher than our budgeted enrollment. Most of CalOptima's enrollment comes from our Medi-Cal line of business. OneCare Connect, our newest program which began in July 2015 has enrollment 40% lower than our budgeted enrollment. Our smaller programs, PACE and OneCare are on track. Overall, our enrollment is 1% higher than our budgeted enrollment.

Ms. Huang went over the financial highlights in detail, including the balance sheet, net assets, and the cash flow summary. We are currently in the middle of our financial closing for Fiscal Year 2015-16. At the next meeting, we will bring our audited financials for the fiscal year with the most up to date data.

Ms. Huang went into detail on the financials, including revenue, operating income and expenses. Ms. Huang also went over a summary of CalOptima's financials along the different lines of business and the consolidated balance sheet as of April 30, 2016. CalOptima has current assets totaling \$474 million in our Tier One and Tier Two portfolios to cover our obligations. As of April, our total net assets are \$656 million dollars. Ms. Huang next outlined the cash flow schedule. This schedule will be included in our IAC meetings going forward, and Ms. Huang will send this sheet to the IAC Members and the Investment Managers.

Ms. Huang had two additional updates for the group. CalOptima finished the Request for Proposal (RFP) of our operating bank. We chose US Bank, who is our current vendor. They won the contract for another five years, and we also negotiated the rates. We had one CalOptima employee change. Our Accounting Supervisor, Wafaa Girgis has left, and we are in the process of recruiting for that position.

Chet Uma, Chief Financial Officer, introduced Ladan Khamseh, CalOptima Chief Operating Officer, to the Committee.

ADJOURNMENT

Hearing no further business, Chair Moore, adjourned the meeting at 4:38 p.m.

/s/ Pamela Reichardt
Pamela Reichardt
Executive Assistant

Approved: October 24, 2016

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken October 24, 2016 **Regular Meeting of the CalOptima Board of Directors'** **Investment Advisory Committee**

Report Item

VI. A. Adopt CalOptima Board of Directors' Investment Advisory Committee Meeting Schedule for Calendar Year 2017

Contact

Chet Uma, Chief Financial Officer, (714) 246-8400

Recommended Action

Adopt the meeting schedule of the CalOptima Board of Directors' Investment Advisory Committee for Calendar Year 2017.

Background

On September 10, 1996, the Board of Directors resolved to establish an Investment Advisory Committee under Article VII of the Bylaws to provide advice and recommendations regarding the investment of CalOptima's funds. The Investment Advisory Committee meets on a quarterly basis in the months of January, April, July, and October. The schedule for the upcoming calendar year is adopted at the October meeting, and typically is the 4th Monday at 3:00 p.m.

Discussion

The proposed schedule of meetings for Calendar Year 2017 is as follows:

- January 23, 2017
- April 24, 2017
- July 24, 2017
- October 23, 2017

Unless otherwise notified, all meetings of the Investment Advisory Committee are held at 3:00 p.m., at the CalOptima offices located at 505 City Parkway West, Orange, California.

Fiscal Impact

There is no fiscal impact.

Rationale for Recommendation

The recommended action will confirm the Investment Advisory Committee's meeting schedule for the next year.

CalOptima Board Action Agenda Referral
Adopt CalOptima Board of Directors' Investment Advisory Committee
Meeting Schedule
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Concurrence

None

Attachments

Investment Advisory Committee: Calendar Year 2017 - Proposed Meeting Schedule

Authorized Signature

Date



Investment Advisory Committee
Calendar Year 2017 – *Proposed* Meeting Schedule

All Meetings Held At:

CalOptima
505 City Parkway West
Orange, California

3:00 – 5:00 P.M.



Monday, January 23, 2017

Monday, April 24, 2017

Monday, July 24, 2017

Monday, October 23, 2017

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken October 24, 2016 **Regular Meeting of the CalOptima Board of Directors'** **Investment Advisory Committee**

Report Item

B. Consider Annual Investment Policy for Calendar Year 2017

Contact

Chet Uma, Chief Financial Officer (714) 246-8400

Recommended Action

Recommend that the Board of Directors' Finance and Audit Committee (FAC) recommend extension of the current Annual Investment Policy (AIP) for Calendar Year (CY) 2017.

Background

At the February 27, 1996, meeting, the CalOptima Board of Directors (Board) approved the original AIP covering investments made between March 1, 1996 and February 28, 1997. In September 1996, the Board authorized the creation of the Investment Advisory Committee (IAC). The IAC reviews the AIP each year, and recommends changes in said policy to the FAC and the Board for their respective approvals.

At the December 3, 2015, meeting, the Board approved changes to the AIP for CY 2016. At that time, staff, in conjunction with Meketa Investment Group, Inc., and CalOptima's investment managers, Payden & Rygel and Logan Circle Partners, recommended revisions to the AIP to:

- Add the National Credit Union Administration as a permitted investment under "Federal Agencies and U.S. Government Sponsored Enterprises;"
- Add language to allow supranational obligations as a permitted investment pursuant to the 2015 Local Agency guidelines with a maximum term in the Operating Fund of 450 days and a lower maximum amount of fifteen percent (15%) and adds supranationals to the list of eligible floating rate securities; and
- Other minor and conforming changes.

Discussion

Payden & Rygel, Logan Circle Partners, and Wells Capital Management, CalOptima's investment managers, and Meketa Investment Group, Inc., CalOptima's investment adviser submitted proposed revisions to the AIP for CY 2017, which has not been incorporated in the policy at this time. Staff has reviewed the proposed revisions and will submit the AIP to the CalOptima Policy Review Committee to complete the internal administrative policy review process.

Upon completion of policy review process, Management will present the revised AIP for CY 2017 to IAC for review and approval. In the interim, Management recommends that the current AIP remain in effect for CY 2017 until an updated version is approved by the Board.

Fiscal Impact

There is no immediate fiscal impact.

Rationale for Recommendation

Extending the effective date of the current AIP will enable CalOptima to continue meeting our goals to maintain safety of principal, and achieve a market rate of return while maintaining necessary liquidity during periods of uncertainty. Per the review conducted by Meketa Investment Group, Inc., there were no changes in the California Government Code affecting local agencies noted for the ensuing calendar year.

Concurrence

Meketa Investment Group, Inc.
Gary Crockett, Chief Counsel

Attachments

Proposed 2017 Annual Investment Policy (effective January 1, 2017)

Authorized Signature

Date

CalOptima

(The Orange County Health Authority, a Public Agency)

~~2016~~2017

Annual Investment Policy

Adopted

By the

Board of Directors

On

December ~~31, 2015~~2016

CalOptima Annual Investment Policy

I. PURPOSE

This Annual Investment Policy sets forth the investment guidelines for all Operating Funds and Board-Designated Reserve Funds of CalOptima invested on and after January 10, 2006. The objective of this Annual Investment Policy is to ensure CalOptima's funds are prudently invested according to the Board of Director's objectives to preserve capital, provide necessary liquidity and to achieve a market-average rate of return through economic cycles.

Investments may only be made as authorized by this Annual Investment Policy. The CalOptima Annual Investment Policy conforms to California Government Code section 53600 et seq. (the Code) as well as customary standards of prudent investment management. Irrespective of these policy provisions, should the provisions of the Code be or become more restrictive than those contained herein, such provisions will be considered immediately incorporated into the Annual Investment Policy and adhered to.

- A. Safety of Principal -- Safety of principal is the foremost objective of CalOptima. Each investment transaction shall seek to ensure that capital losses are avoided, whether from institutional default, broker-dealer default, or erosion of market value of securities.
- B. Liquidity -- Liquidity is the second most important objective of CalOptima. It is important that each portfolio contain investments for which there is a secondary market and which offer the flexibility to be easily sold at any time with minimal risk of loss of either the principal or interest based upon then prevailing rates.
- C. Total Return -- CalOptima's portfolios shall be designed to attain a market-average rate of return through economic cycles given an acceptable level of risk.

II. OBJECTIVES

Safety of principal is the primary objective of CalOptima. Each investment transaction shall seek to ensure that large capital losses are avoided from securities or broker-dealer default. CalOptima shall seek to ensure that capital losses are minimized from the erosion of market value. CalOptima shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.

Credit risk, the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in only permitted investments and by diversifying the investment portfolio according to this Annual Investment Policy.

Market risk, the risk of market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by matching maturity dates, to the extent possible, with CalOptima's expected cash flow draws. It is explicitly recognized herein, however that, in a diversified portfolio, occasional losses are inevitable and must be considered within the context of the overall investment return.

III. **PRUDENCE**

CalOptima's Board of Directors or persons authorized to make investment decisions on behalf of CalOptima, are trustees and fiduciaries subject to the prudent person standard as defined in the Code and shall be applied in the context of managing an overall portfolio.

Investment managers acting in accordance with written procedures and the Annual Investment Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price fluctuations, provided deviations from expectations are reported as soon as possible and appropriate action is taken to control risk.

THE PRUDENT PERSON STANDARD: When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency (California Government Code section 53600.3)

IV. **ETHICS AND CONFLICTS OF INTEREST**

CalOptima's officers, employees and Board members and Investment Advisory members involved in the investment process shall refrain from personal and professional business activities that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. CalOptima's officers and employees involved in the investment process are not permitted to have any material financial interests in financial institutions, including state or federal credit unions, that conduct business with CalOptima, and they are not permitted to have any personal financial or investment holdings that could be materially related to the performance of CalOptima's investments.

V. **DELEGATION OF AUTHORITY**

Authority to manage CalOptima's investment program is derived from an order of the Board of Directors. Management responsibility for the investment program is hereby delegated to CalOptima's Treasurer as appointed by the Board of Directors, for a one-year period following the approval of the Annual Investment Policy. The Board of Directors may renew the delegation of authority annually. No person may engage in investment transactions except as provided under the terms of this Annual Investment Policy and the procedures established by the Treasurer.

The Treasurer shall be responsible for all actions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and Board approved investment managers.

A. Financial Benchmarks

CalOptima's investment portfolios shall be designed to attain a market-average rate of return through economic cycles given an acceptable level of risk. The performance benchmark for each investment portfolio will be based upon published market indices for short-term investments of comparable risk and duration. These performance benchmarks will be reviewed periodically by CalOptima's Treasurer and the Investment Managers and will be approved by the Board of Directors.

B. Safekeeping

The investments purchased by an Investment Manager shall be held by the custodian bank acting as the agent of CalOptima under the terms of a custody agreement in compliance with California Government Code section 53608.

C. Periodic Review of the Annual Investment Policy

The Treasurer is responsible for providing the Board of Directors with an Annual Investment Policy for review and adoption by the Board and to ensure that all investments made are in compliance with this Annual Investment Policy. This Annual Investment Policy shall be reviewed annually by the Board of Directors at a public meeting pursuant to California Government Code section 53646, subdivision (a).

The Treasurer is responsible for directing CalOptima's investment program and for compliance with this policy pursuant to the delegation of authority to invest funds or to sell or exchange securities. The Treasurer shall make a quarterly report to the Board of Directors in accordance with California Government Code section 53646, subdivision (b).

D. Treasurer's Procedures

The following procedures will be performed by the Treasurer:

1. The Operating Funds and Board-Designated Reserve Funds targeted average maturities will be established and reviewed periodically.
2. All Investment Managers will be provided a copy of the Annual Investment Policy, which will be appended to an Investment Manager's investment contract. Any investments made by an Investment Manager outside the Annual Investment Policy may subject the Investment Manager to termination for cause.
3. Investment diversification and portfolio performance will be reviewed monthly by the Treasurer to ensure that risk levels and returns are reasonable and that investments are diversified in accordance with this policy.
4. The Treasurer will evaluate and select all Investment Managers for review and approval by the Chief Executive Officer and the Board of Directors.

E. Duties and Responsibilities of the Investment Advisory Committee:

The Treasurer and staff are responsible for the oversight of CalOptima's investment portfolio. The Board of Directors is responsible for CalOptima's Annual Investment Policy. The Investment Advisory Committee shall not make or direct CalOptima staff to make any particular investment, purchase any particular investment product, or do business with any particular investment companies or brokers. It shall not be the purpose of the Investment Advisory Committee to advise on particular investment decisions of CalOptima.

The duties and responsibilities of the Investment Advisory Committee shall consist of the following:

1. Annually review CalOptima's Annual Investment Policy before its consideration by the Board of Directors and recommend revisions, as necessary, to the Finance and Audit Committee of the Board of Directors.
2. Quarterly review CalOptima's investment portfolio for conformance with CalOptima's Annual Investment Policy diversification and maturity guidelines, and make recommendations to the Finance and Audit Committee of the Board of Directors as appropriate.
3. Provide comments to CalOptima's staff regarding potential investments and potential investment strategies.
4. Perform such additional duties and responsibilities pertaining to CalOptima's investment program as may be required from time to time by specific action and direction of the Board of Directors.

VI. DEFINITIONS

- A. Operating Funds are intended to serve as a money market account for CalOptima to meet daily operating requirements. Deposits to this fund are comprised of State warrants that represent CalOptima's monthly capitation revenues from its State contracts. Disbursements from this fund to CalOptima's operating cash accounts are intended to meet operating expenses, payments to providers and other payments required in day-to-day operations.
- B. Board-Designated Reserve Funds are established to fund unexpected agency needs and not intended for use in the normal course of business. The amount of Board-Designated Reserve Funds should be offset by any working capital or net current asset deficits. The desired level for these funds is a minimum of 1.4 and maximum of 2.0 months' of capitation revenues as specified by CalOptima Policy GA.3001: Board-Designated Reserve Funds. The Board-Designated Reserve Funds shall be managed and invested as follows:
 1. Tier One
 - a. Used for the benefit and protection of CalOptima's long-term financial viability;
 - b. Used to cover "Special Purposes" as defined in CalOptima Policy GA.3001: Board-Designated Reserve Funds; or

- c. May be used for operational cash flow needs in lieu of a bank line of credit in the event of disruption of monthly capitation revenue receipts from the State, subject to the Board-Designated Reserve Funds having a “floor” equal to Tier Two requirements.
- 2. Tier Two
 - a. Used to meet CalOptima’s regulatory compliance requirements; or
 - b. Currently defined as CalOptima’s tangible net equity requirements as defined by subdivision (e) of section 1300.76 of Title 28 of the California Code of Regulations.

VII. PERMITTED INVESTMENTS

CalOptima shall invest only in instruments as permitted by the Code, subject to the limitations of this Annual Investment Policy. Permitted investments under the Operating Funds, unless otherwise specified, are subject to a maximum stated term of four hundred fifty (450) days (Code is five years). Permitted investments under the Board-Designated Reserve Funds, unless otherwise specified, are subject to a maximum stated term of five (5) years (Code is five years). The Board of Directors must grant express written authority to make an investment or to establish an investment program of a longer term.

Maturity shall mean the stated final maturity of the security. Term or tenure shall mean the remaining time to maturity when purchased.

Permitted investments shall include:

A. U.S. Treasuries

These investments are direct obligations of the United States of America and securities which are fully and unconditionally guaranteed as to the timely payment of principal and interest by the full faith and credit of the United States of America.

U.S. Government securities include:

- 1. Treasury Bills: U.S. government Securities issued and traded at a discount;
- 2. Treasury Notes and Bonds: Interest bearing debt obligations of the U.S. government which guarantees interest and principal payments;
- 3. Treasury Separate Trading of Registered Interest and Principal Securities (STRIPS): U.S. Treasury securities that have been separated into their component parts of principal and interest payments and recorded as such in the Federal Reserve book-entry record-keeping system;
- 4. Treasury Inflation Protected (TIPs) securities: Special Treasury notes or bonds that offer protection from inflation. Coupon payments and underlying principal are automatically increased to compensate for inflation as measured by the consumer price index (CPI); and

5. Treasury Floating Rate Notes (FRNs): U.S. Treasury bonds issued with a variable coupon.

U.S. Treasury coupon and principal STRIPS, as well as TIPs are not considered to be derivatives for the purpose of this Annual Investment Policy and are, therefore, permitted investments pursuant to the Annual Investment Policy.

Maximum Term: Operating Funds – 450 days (Code 5 years)
Board Designated Reserve Funds –

Tier One – five years (Code 5 years)

Tier Two – five years (Code 5 years)

B. Federal Agencies and U.S. Government Sponsored Enterprises

These investments represent obligations, participations, or other instruments of, or issued by, a federal agency or a U.S. government sponsored enterprise, including those issued by, or fully guaranteed as to principal and interest by, the issuers. These are U.S. Government related organizations, the largest of which are government financial intermediaries assisting specific credit markets (e.g., housing, agriculture). Often simply referred to as "Agencies", the following are specifically allowed:

1. Federal Home Loan Banks (FHLB);
2. Federal Home Loan Mortgage Corporation (FHLMC);
3. Federal National Mortgage Association (FNMA);
4. Federal Farm Credit Banks (FFCB);
5. Government National Mortgage Association (GNMA);
6. Small Business Administration (SBA);
7. Export-Import Bank of the United States;
8. U.S. Maritime Administration;
9. Washington Metro Area Transit;
10. U.S. Department of Housing & Urban Development;
11. Tennessee Valley Authority;
12. Federal Agricultural Mortgage Company (FAMC);
13. Temporary Liquidity Guarantee (TLG) Program securities;
14. Temporary Corporate Credit Union Liquidity Guarantee Program (TCCULGP) securities;

15. Federal Deposit Insurance Corporation (FDIC)-backed Structured Sale Guaranteed Notes (SSGNs); and

16. National Credit Union Administration (NCUA) securities.

Any Federal Agency and U.S. Government Sponsored Enterprise security not specifically mentioned above is not a permitted investment.

Maximum Term: Operating Funds – 450 days (Code 5 years)
Board Designated Reserve Funds –

Tier One – five years (Code 5 years)

Tier Two – five years (Code 5 years)

C. State and California Local Agency Obligations

Registered state warrants, treasury notes or bonds of any U.S. state and bonds, notes, warrants or other evidences of indebtedness of any local agency of the State of California, including bonds payable solely out of revenues from a revenue producing property owned, controlled, or operated by the state or local agency or by a department, board, agency or authority of the State or local agency. Such obligations must be issued by an entity whose general obligation debt is rated P-1 by Moody's or A-1 by Standard & Poor's or equivalent or better for short-term obligations, or A by Moody's or A by Standard & Poor's or better for long-term debt. Public agency bonds issued for private purposes (e.g., industrial development bonds) are specifically excluded as allowable investments.

Maximum Term: Operating Funds –450 days (Code 5 years)
Board Designated Reserve Funds –

Tier One – five years (Code 5 years)

Tier Two – five years (Code 5 years)

D. Bankers Acceptances

Time drafts which a bank "accepts" as its financial responsibility as part of a trade finance process. These short-term notes are sold at a discount, and are obligations of the drawer (i.e., the bank's trade finance client) as well as the bank. Once accepted, the bank is irrevocably obligated to pay the bankers acceptance (BA) upon maturity, if the drawer does not. Eligible bankers acceptances:

1. Are eligible for purchase by the Federal Reserve System, and are drawn on and accepted by a bank rated F1 or better by Fitch Ratings or are rated A-1 for short-term deposits by Standard & Poor's or P-1 for short-term deposits by Moody's, or are comparably rated by a nationally recognized rating agency; and
2. May not exceed the five percent (5%) limit of any one commercial bank and may not exceed the five percent (5%) limit for any security of any bank.

Maximum Term: Operating Funds – 180 days (Code)

Board Designated Reserve Funds –

Tier One – 180 days (Code)
Tier Two – 180 days (Code)

E. Commercial Paper

Commercial paper (CP) is unsecured promissory notes issued by companies and government entities at a discount. CP is negotiable (i.e., marketable or transferable), although it is typically held to maturity. The maximum maturity is two hundred seventy (270) days, with most CP issued for terms of less than thirty (30) days. CP must meet the following criteria:

1. Rated P-1 by Moody's or A-1 or better by Standard & Poor's;
2. Have an A or higher rating for the issuer's debt, other than CP, if any, as provided for by Moody's or Standard & Poor's;
3. Issued by corporations organized and operating within the United States and having total assets in excess of five hundred million dollars (\$500,000,000); and
4. May not represent more than ten percent (10%) of the outstanding CP of the issuing corporation.

Maximum Term: Operating Funds – 270 days (Code)
Board Designated Reserve Funds

Tier One – 270 days (Code)
Tier Two – 270 days (Code)

F. Negotiable Certificates of Deposit

A negotiable (i.e., marketable or transferable) receipt for a time deposit at a bank or other financial institution for a fixed time and interest rate. Negotiable Certificates of Deposit must be issued by a nationally or state-chartered bank or state or federal association or by a state licensed branch of a foreign bank, which have been rated F1 or better by Fitch Ratings, or are rated A-1 for short-term deposits by Standard & Poor's and P-1 for short-term deposits by Moody's, or are comparably rated by a nationally recognized rating agency.

Maximum Term: Operating Funds – one year (Code)
Board Designated Reserve Funds –

Tier One – one year (Code 5 years)
Tier Two – one year (Code 5 years)

G. Repurchase Agreements

A purchase of securities under a simultaneous agreement to sell these securities back at a fixed price on some future date.

U.S. Treasury and U.S. Agency Repurchase Agreements collateralized by the U.S. Government may be purchased through any registered primary broker-dealer subject to the Securities Investors Protection Act or any commercial bank insured by the Federal Deposit Insurance Corporation so long as at the time of the investment, such primary dealer (or its parent) has an uninsured, unsecured and unguaranteed obligation rated P-1 short-term or A-2 long-term or better by Moody's, and A-1 short-term or A long-term or better by Standard & Poor's, provided:

1. A broker-dealer master repurchase agreement signed by the investment manager (acting as "Agent") and approved by CalOptima;
2. The securities are held free and clear of any lien by CalOptima's custodian or an independent third party acting as agent ("Agent") for the custodian, and such third party is (i) a Federal Reserve Bank, or (ii) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than fifty million dollars (\$50,000,000) and the custodian shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for CalOptima's custodian;
3. A perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 C.F.R. § 306.1 et seq. or 31 C.F.R. § 350.0 et seq. in such securities is created for the benefit of CalOptima's custodian and CalOptima; and
4. The Agent provides CalOptima's custodian and CalOptima with valuation of the collateral securities no less frequently than weekly and will liquidate the collateral securities if any deficiency in the required one hundred and two percent (102%) collateral percentage is not restored within one (1) business day of such valuation.

Maximum Term: Operating Funds – 30 days (Code 1 year)
Board Designated Reserve Funds –

Tier One – 30 days (Code 1 year)
Tier Two – 30 days (Code 1 year)

Reverse repurchase agreements are not allowed.

H. Corporate Securities

Notes issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state, and operating within the U.S.

1. For the purpose of this Annual Investment Policy, corporate securities that are rated "A" or better by Moody's, Standard & Poor's, or Fitch Ratings Service.
2. Are issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S. and have total assets in excess of five hundred million dollars (\$500,000,000), and

3. May not represent more than ten percent (10%) of the issue in the case of a specific public offering. This limitation does not apply to debt that is "continuously offered" in a mode similar to commercial paper, i.e., medium term notes ("MTNs"). Under no circumstance can the MTNs or any other corporate security of any one corporate issuer represent more than five percent (5%) of the portfolio.

Maximum Term: Operating Funds – 450 days (Code 5 years)
Board Designated Reserve Funds –

Tier One – five years (Code 5 years)

Tier Two – five years (Code 5 years)

I. Money Market Funds

Shares of beneficial interest issued by diversified management companies (i.e., money market funds):

1. Which are rated AAA (or equivalent highest ranking) by two of the three largest nationally recognized rating services; and
2. Such investment may not represent more than ten percent (10%) of the money market fund's assets.

J. Joint Powers Authority Pool

Shares of beneficial interest issued by a joint powers authority organized pursuant to California Government Code section 6509.7. A joint powers authority formed pursuant to California Government Code section 6509.7 may issue shares of beneficial interest to participating public agencies. Each share represents an equal proportional interest in the underlying pool of securities owned by the joint powers authority. The underlying pool of securities are those securities and obligations that are eligible for direct investment by local public agencies. The joint powers authority issuing the shares shall have retained an investment advisor that meets all of the following criteria:

1. Registered or exempt from registration with the Securities and Exchange Commission;
2. No less than five (5) years of experience investing in the securities and obligations authorized in the Code; and
3. Assets under management in excess of five hundred million dollars (\$500,000,000).

A joint powers authority pool shall be rated AAA (or equivalent highest ranking) by two of the three largest nationally recognized rating services.

Such investment may not represent more than ten percent (10%) of the joint powers authority pool's assets.

Term: N/A

K. Mortgage or Asset-backed Securities

Pass-through securities are instruments by which the cash flow from the mortgages, receivables or other assets underlying the security is passed-through as principal and interest payments to the investor.

Though these securities may contain a third party guarantee, they are a package of assets being sold by a trust, not a debt obligation of the sponsor. Other types of "backed" debt instruments have assets (e.g., leases or consumer receivables) pledged to support the debt service.

Any mortgage pass-through security, collateralized mortgage obligations, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond which:

1. Are rated AA- by a nationally recognized rating service; and
2. Are issued by an issuer having an A (Code) or better rating by a nationally recognized rating service for its long-term debt.

Maximum Term: Operating Funds – 450 days (Code 5 years)
Board Designated Reserve Funds –

Tier One – five years stated final maturity (Code 5 years)

Tier Two – five years stated final maturity (Code 5 years)

L. Variable and Floating Rate Securities

Variable and floating rate securities are appropriate investments when used to enhance yield and reduce risk. They should have the same stability, liquidity and quality as traditional money market securities. A variable rate security provides for the automatic establishment of a new interest rate on pre-determined reset dates. For the purposes of this Annual Investment Policy, a variable rate security and floating rate security shall be deemed to have a maturity equal to the period remaining to that pre-determined interest rate reset date, so long as no investment shall be made in a security that at the time of the investment has a term remaining to a stated final maturity in excess of five (5) years.

Variable and floating rate securities, which are restricted to investments in permitted Federal Agencies and U.S. Government Sponsored Enterprises securities, Corporate Securities, Mortgage or Asset-backed Securities, Negotiable Certificates of Deposit, and Municipal Bonds (State and Local Agency Obligations) must utilize a single, market-determined short-term index rate, such as U. S. Treasury bills, Federal Funds, commercial paper, London Interbank Offered Rate (LIBOR), or Securities Industry and Financial Markets Association (SIFMA) that is pre-determined at the time of issuance of the security. In addition, permitted variable and floating rate securities that have an embedded unconditional put option must have a stated final maturity of the security no greater than five (5) years from the date of purchase. Investments in floating rate securities whose reset is calculated using more than one of the above indices are not permitted, i.e., dual index notes. Ratings for variable and floating rate securities shall be

limited to the same minimum ratings as applied to the appropriate asset security class outlined elsewhere in this policy.

Maximum Term: Operating Funds – 450 days (Code 5 years)
Board Designated Reserve Funds –
Tier One – five years (Code 5 years)
Tier Two – five years (Code 5 years)

M. Supranational Obligations

Supranational institutions are international institutions formed by two (2) or more governments that transcend boundaries to pursue mutually beneficial economic or social goals. The three (3) supranational institutions that issue or unconditionally guarantee obligations that are eligible investments are:

1. International Bank for Reconstruction and Development (IBRD);
2. International Finance Corporation (IFC); and
3. Inter-American Development Bank (IADB).

Supranational obligations shall be rated AA by two of the three largest nationally recognized rating services. Such investment may not represent more than fifteen percent (15%) of invested funds.

Maximum Term: Operating Funds – 450 days (Code 5 years)
Board Designated Reserve Funds –
Tier One – five years (Code 5 years)
Tier Two – five years (Code 5 years)

N. Pooled Investments

Pooled investments include deposits or investments pooled with those of other local agencies consistent with the requirements of Government Code section 53635 *et seq.* Such pools may contain a variety of investments but are limited to those permissible under the Code.

VIII. POLICIES

A. Securities Lending

Investment securities shall not be lent to an Investment Manager or broker-dealer.

B. Leverage

The investment portfolio, or investment portfolios managed by an Investment Manager, cannot be used as collateral to obtain additional investable funds.

C. Other Investments

Any investment not specifically referred to herein will be considered a prohibited investment.

D. Underlying Nature of Investments

CalOptima reserves the right to prohibit its Investment Managers from making investments in organizations which have a line of business that is visibly in conflict with the interests of public health, as defined by the CalOptima Board of Directors. Furthermore, CalOptima reserves the right to prohibit investments in organizations with which it has a business relationship through contracting, purchasing or other arrangements.

A list of prohibited investments does not currently exist. However, CalOptima's Board of Directors will provide its Investment Managers, and investment advisors with a list, should such a list be adopted by CalOptima in the future, of corporations that do not comply with this Annual Investment Policy and shall immediately notify its Investment Managers and investment advisors of any changes.

E. Investment Managers

Investment Managers must certify that they will purchase securities from broker-dealers (other than themselves) or financial institutions in compliance with California Government Code section 53601.5 and this Annual Investment Policy.

F. Derivatives

Except as expressly permitted by this policy, investments in derivative securities are not allowed.

G. Rating Category

Rating category shall mean with respect to any long-term category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier.

H. Rating Downgrades

CalOptima may from time to time be invested in a security whose rating is downgraded below the quality criteria permitted by this Annual Investment Policy.

If the rating of any security held as an investment falls below the investment guidelines, the Investment Manager shall notify the Treasurer or designee within two (2) business days of the downgrade. A decision to retain a downgraded security shall be approved by the Treasurer or designee within five (5) business days of the downgrade.

I. Maximum Stated Term

Maximum stated term for permitted investments shall be determined based on the settlement date (not the trade date) upon purchase of the security and the stated final maturity of the security.

J. Diversification Guidelines

Diversification guidelines ensure the portfolio is not unduly concentrated in the securities of one type, industry, or entity, thereby assuring adequate portfolio liquidity should one sector or company experience difficulties.

CalOptima's Investment Managers must review the respective portfolios they manage to ensure compliance with CalOptima's diversification guidelines on a continuous basis.

INSTRUMENTS	MAXIMUM % OF PORTFOLIO AT TIME OF PURCHASE
A. U.S. Treasuries (including U.S. Treasury Coupon and principal STRIPS as well as TIPs)	100% (Code)
B. Federal Agencies and U.S. Government Sponsored Enterprises	100% (Code)
C. State and California Local Agency Obligations	25% (Code 100%)
D. Bankers Acceptances	30% (Code 40%)
E. Commercial Paper	25% (Code)
F. Negotiable Certificates of Deposit	30% (Code)
G. Repurchase Agreements	100% (Code)
H. Corporate Securities	30% (Code)
I. Money Market Funds	20% (Code)
J. Joint Powers Authority Pool	100% (Code)
K. Mortgage and Asset-backed Securities	20% (Code)
L. Variable and Floating Rate Securities	30% (Code)
M. Supranational Obligations	15% (Code 30%)

1. Issuer or Counterparty Diversification Guidelines – The percentages specified below shall be adhered to on the basis of the entire portfolio:
 - a. Any one Federal Agency or Government Sponsored Enterprise None
 - b. Any one repurchase agreement counterparty name

If maturity/term is \leq 7 days	50%
If maturity/term is $>$ 7 days	25%

2. Issuer/Counterparty Diversification Guidelines for All Other Securities described in Section VII, subsections A-L: Permitted Investments of this Annual Investment Policy.

Any one corporation, bank, local agency, or other corporate name for one or more series of securities, and specifically with respect to special purpose vehicles issuers for mortgage and asset-backed securities, the maximum applies to all such securities backed by the same type of assets of the same issuer.

5%

3. Each Investment Manager shall adhere to the diversification limits discussed in this section. If one Investment Manager exceeds the aforementioned diversification limits, the Investment Manager shall inform the CalOptima Treasurer and Investment Advisor (if any) by close of business on the day of the occurrence. Within the parameters authorized by the Code, the Investment Advisory Committee recognizes the practicalities of portfolio management, securities maturing, and changing status, and market volatility, and, as such, will consider breaches in:
 - a. The context of the amount in relation to the total portfolio concentration;
 - b. Market and security specific conditions contributing to a breach in policy; and
 - c. The Investment Managers' actions to enforce the spirit of the policy and decisions made in the best interest of the portfolio.

FUND EVALUATION REPORT

CalOptima Quarterly Review September 30, 2016



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

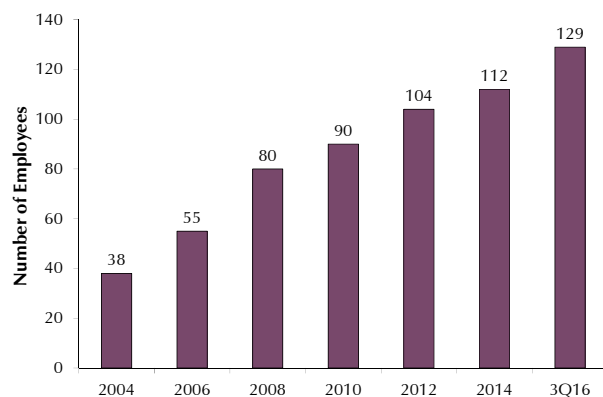
www.meketagroup.com

- 1. Corporate Update**
- 2. 3Q16 Review**
- 3. Quarterly Investment Report Supplement**
- 4. Custom Peer Group**
- 5. Performance Attribution**
- 6. Holdings**
- 7. Disclaimer, Glossary, and Notes**

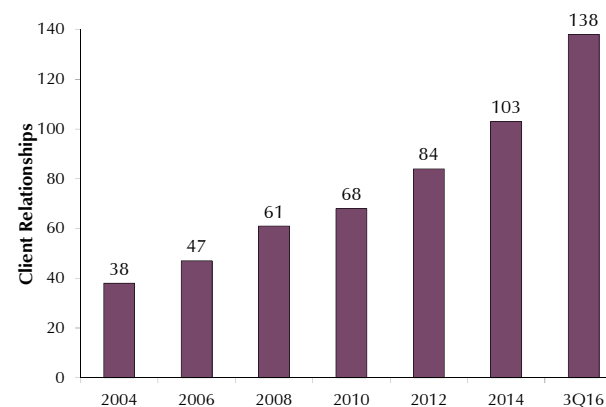
Meketa Investment Group Corporate Update

- Staff of 129, including 81 investment professionals and 26 CFA Charterholders
- 138 clients, with over 235 funds throughout the United States
- Significant investment in staff and resources
- Offices in Boston, Chicago, Miami, Portland (OR), San Diego, and London
- Clients have aggregate assets of over \$870 billion
 - Over \$50 billion in assets committed to alternative investments
 - Private Equity
 - Infrastructure
 - Natural Resources
 - Real Estate
 - Hedge Funds
 - Commodities

Employee Growth



Client Growth



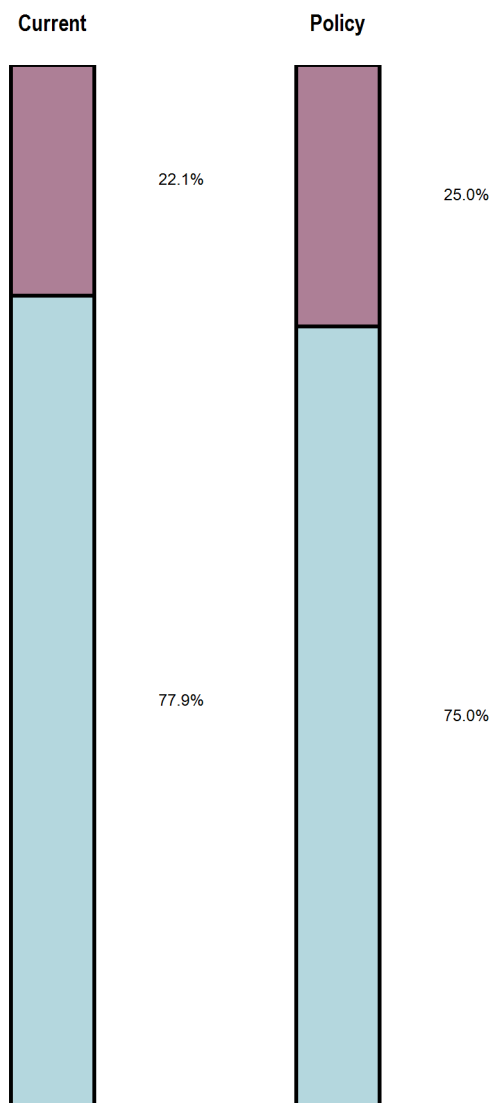
Meketa Investment Group is proud to work for 4.9 million American families everyday



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

3Q16 Review



Allocation vs. Targets and Policy		
	Current Balance	Current Allocation
Fixed Income	\$476,064,220	22%
Cash	\$1,682,724,623	78%
Total	\$2,158,788,843	100%

Asset Allocation History
5 Years Ending September 30, 2016



As of September 30, 2016

Asset Class Performance Summary

	Market Value (\$)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Fund(Gross)	2,158,788,843	100.000	0.144	0.861	0.808	--	--	--	0.678	Oct-14
Total Fund(Net)			0.105	0.774	0.702	--	--	--	0.588	
Fixed Income(Gross)	476,064,220	22.052	0.043	1.618	1.401	--	--	--	1.364	Oct-14
Fixed Income(Net)			0.031	1.538	1.299	--	--	--	1.316	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>			-0.107	1.326	0.884	0.847	0.692	2.251	1.021	Oct-14
Cash(Gross)	1,682,724,623	77.948	0.176	0.500	0.501	0.280	0.214	0.976	2.008	Jul-99
Cash(Net)			0.129	0.513	0.498	0.209	0.118	--	--	
<i>Citi 3mth Treasury Bill</i>			0.070	0.188	0.201	0.086	0.075	0.844	1.811	Jul-99

As of September 30, 2016

Trailing Period Performance

	Market Value (\$)	% of Portfolio	% of Sector	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Fund(Gross)	2,158,788,843	100.000	--	0.144	0.861	0.808	--	--	--	0.678	Oct-14
Fixed Income(Gross)	476,064,220	22.052	22.052	0.043	1.618	1.401	--	--	--	1.364	Oct-14
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				-0.107	1.326	0.884	0.847	0.692	2.251	1.021	Oct-14
Tier One: Payden Low Duration(Gross)	135,408,667	6.272	28.443	0.022	1.323	1.157	1.024	0.957	2.505	3.175	Jul-99
Tier One: Payden Low Duration(Net)				0.003	1.267	1.083	0.928	0.846	--	--	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				-0.107	1.326	0.884	0.847	0.692	2.251	3.107	Jul-99
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>				0.027	1.678	1.320	1.107	1.108	2.595	3.439	Jul-99
Tier One: Logan Circle STAMP 1-3 Year(Gross)	125,473,000	5.812	26.356	0.101	--	--	--	--	--	0.603	Jun-16
Tier One: Logan Circle STAMP 1-3 Year(Net)				0.077	--	--	--	--	--	0.571	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				-0.107	1.326	0.884	0.847	0.692	2.251	0.491	Jun-16
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>				0.027	1.678	1.320	1.107	1.108	2.595	0.620	Jun-16
Tier One: Wells Capital Reserve Account(Gross)	125,410,994	5.809	26.343	0.015	--	--	--	--	--	0.567	Jun-16
Tier One: Wells Capital Reserve Account(Net)				-0.003	--	--	--	--	--	0.543	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				-0.107	1.326	0.884	0.847	0.692	2.251	0.491	Jun-16
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>				0.027	1.678	1.320	1.107	1.108	2.595	0.620	Jun-16
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	89,771,559	4.158	18.857	0.035	2.663	2.222	1.973	--	--	1.577	Apr-13
Tier Two: Logan Circle STAMP 1-5 Year(Net)				-0.007	2.535	2.052	1.804	--	--	1.408	
<i>BofA Merrill Lynch US Treasuries 1-5 Yrs</i>				-0.186	2.202	1.522	1.433	1.107	2.966	1.160	Apr-13
<i>BofA Merrill Lynch US Corp & Gov 1-5 Yrs</i>				0.050	2.661	2.103	1.785	1.686	3.294	1.491	Apr-13



As of September 30, 2016

	Market Value (\$)	% of Portfolio	% of Sector	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Cash(Gross)	1,682,724,623	77.948	77.948	0.176	0.500	0.501	0.280	0.214	0.976	2.008	Jul-99
<i>Citi 3mth Treasury Bill</i>				0.070	0.188	0.201	0.086	0.075	0.844	1.811	Jul-99
Operating: Payden Enhanced Cash(Gross)	580,640,341	26.897	34.506	0.205	0.701	0.702	0.347	0.254	0.996	2.020	Jul-99
Operating: Payden Enhanced Cash(Net)				0.186	0.647	0.632	0.254	0.144	--	--	
<i>Citi 3mth Treasury Bill</i>				0.070	0.188	0.201	0.086	0.075	0.844	1.811	Jul-99
Operating: Logan Circle Enhanced Cash(Gross)	551,157,125	25.531	32.754	0.203	--	--	--	--	--	0.271	Jun-16
Operating: Logan Circle Enhanced Cash(Net)				0.182	--	--	--	--	--	0.244	
<i>Citi 3mth Treasury Bill</i>				0.070	0.188	0.201	0.086	0.075	0.844	0.090	Jun-16
Operating: Wells Capital Enhanced Cash(Gross)	550,927,157	25.520	32.740	0.148	--	--	--	--	--	0.238	Jun-16
Operating: Wells Capital Enhanced Cash(Net)				0.130	--	--	--	--	--	0.214	
<i>Citi 3mth Treasury Bill</i>				0.070	0.188	0.201	0.086	0.075	0.844	0.090	Jun-16

As of September 30, 2016

Asset Class Performance Summary

	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)
Total Fund(Gross)	0.422	--	--	--	--	--	--	--
Total Fund(Net)	0.343	--	--	--	--	--	--	--
Fixed Income(Gross)	0.872	--	--	--	--	--	--	--
Fixed Income(Net)	0.839	--	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	<i>0.541</i>	<i>0.618</i>	<i>0.358</i>	<i>0.429</i>	<i>1.535</i>	<i>2.347</i>	<i>0.783</i>	<i>6.608</i>
Cash(Gross)	0.185	0.137	0.096	0.119	0.184	0.133	0.287	1.838
Cash(Net)	0.098	0.028	-0.029	-0.019	0.042	-0.010	0.146	--
<i>Citi 3mth Treasury Bill</i>	<i>0.028</i>	<i>0.033</i>	<i>0.050</i>	<i>0.072</i>	<i>0.077</i>	<i>0.132</i>	<i>0.165</i>	<i>1.797</i>

As of September 30, 2016

Trailing Period Performance

	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)
Total Fund(Gross)	0.422	--	--	--	--	--	--	--
Fixed Income(Gross)	0.872	--	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	0.541	0.618	0.358	0.429	1.535	2.347	0.783	6.608
Tier One: Payden Low Duration(Gross)	0.846	0.752	0.434	1.118	1.752	2.023	2.485	6.716
Tier One: Payden Low Duration(Net)	0.755	0.642	0.309	0.979	1.608	1.878	2.340	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	0.541	0.618	0.358	0.429	1.535	2.347	0.783	6.608
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	0.668	0.780	0.705	1.475	1.559	2.819	3.834	4.696
Tier One: Logan Circle STAMP 1-3 Year(Gross)	--	--	--	--	--	--	--	--
Tier One: Logan Circle STAMP 1-3 Year(Net)	--	--	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	0.541	0.618	0.358	0.429	1.535	2.347	0.783	6.608
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	0.668	0.780	0.705	1.475	1.559	2.819	3.834	4.696
Tier One: Wells Capital Reserve Account(Gross)	--	--	--	--	--	--	--	--
Tier One: Wells Capital Reserve Account(Net)	--	--	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	0.541	0.618	0.358	0.429	1.535	2.347	0.783	6.608
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	0.668	0.780	0.705	1.475	1.559	2.819	3.834	4.696
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	1.332	1.721	--	--	--	--	--	--
Tier Two: Logan Circle STAMP 1-5 Year(Net)	1.164	1.552	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-5 Yrs</i>	0.976	1.239	-0.188	0.905	3.334	3.612	0.232	8.730
<i>BofA Merrill Lynch US Corp & Gov 1-5 Yrs</i>	1.050	1.508	0.317	2.468	3.094	4.170	4.887	4.648

As of September 30, 2016

	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)
Cash(Gross)	0.185	0.137	0.096	0.119	0.184	0.133	0.287	1.838
<i>Citi 3mth Treasury Bill</i>	<i>0.028</i>	<i>0.033</i>	<i>0.050</i>	<i>0.072</i>	<i>0.077</i>	<i>0.132</i>	<i>0.165</i>	<i>1.797</i>
Operating: Payden Enhanced Cash(Gross)	0.185	0.137	0.096	0.119	0.184	0.133	0.287	1.838
Operating: Payden Enhanced Cash(Net)	0.098	0.028	-0.029	-0.019	0.042	-0.010	0.146	--
<i>Citi 3mth Treasury Bill</i>	<i>0.028</i>	<i>0.033</i>	<i>0.050</i>	<i>0.072</i>	<i>0.077</i>	<i>0.132</i>	<i>0.165</i>	<i>1.797</i>
Operating: Logan Circle Enhanced Cash(Gross)	--	--	--	--	--	--	--	--
Operating: Logan Circle Enhanced Cash(Net)	--	--	--	--	--	--	--	--
<i>Citi 3mth Treasury Bill</i>	<i>0.028</i>	<i>0.033</i>	<i>0.050</i>	<i>0.072</i>	<i>0.077</i>	<i>0.132</i>	<i>0.165</i>	<i>1.797</i>
Operating: Wells Capital Enhanced Cash(Gross)	--	--	--	--	--	--	--	--
Operating: Wells Capital Enhanced Cash(Net)	--	--	--	--	--	--	--	--
<i>Citi 3mth Treasury Bill</i>	<i>0.028</i>	<i>0.033</i>	<i>0.050</i>	<i>0.072</i>	<i>0.077</i>	<i>0.132</i>	<i>0.165</i>	<i>1.797</i>

As of September 30, 2016

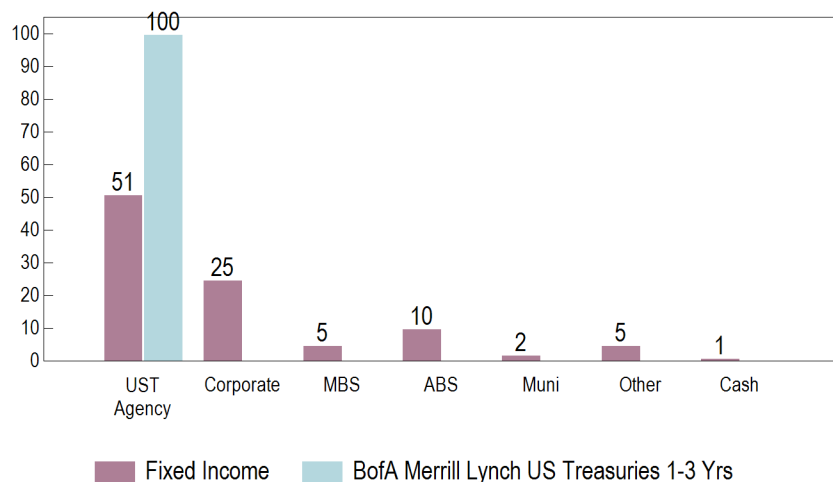
Asset Allocation on September 30, 2016

	Actual (\$)	Actual %
Tier One: Payden Low Duration	\$135,408,667	28.4%
Tier One: Logan Circle STAMP 1-3 Year	\$125,473,000	26.4%
Tier One: Wells Capital Reserve Account	\$125,410,994	26.3%
Tier Two: Logan Circle STAMP 1-5 Year	\$89,771,559	18.9%
Total	\$476,064,220	100.0%

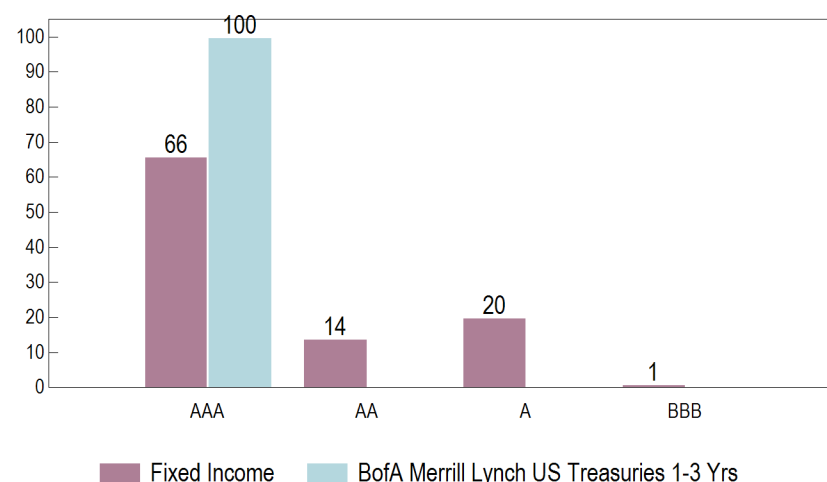
**Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-3 Yrs**

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	1.0	0.8	0.8
Average Duration	1.8	1.9	1.3
Average Quality	AA	AAA	AA

Sector Allocation



Credit Quality Allocation



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	eA US Short Duration Fixed Inc Net

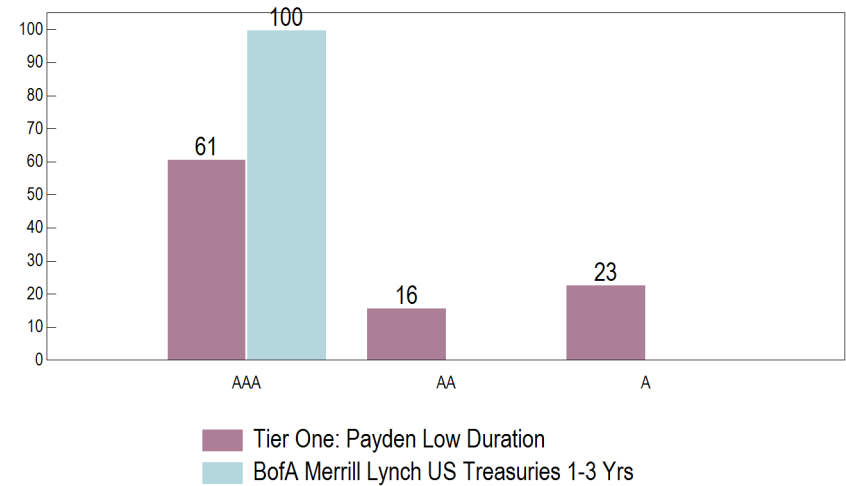
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier One: Payden Low Duration(Gross)	0.022	1.323	1.157	1.024	0.957	2.505	3.175	Jul-99
Tier One: Payden Low Duration(Net)	0.003	1.267	1.083	0.928	0.846	--	--	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	-0.107	1.326	0.884	0.847	0.692	2.251	3.107	Jul-99
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	0.027	1.678	1.320	1.107	1.108	2.595	3.439	Jul-99

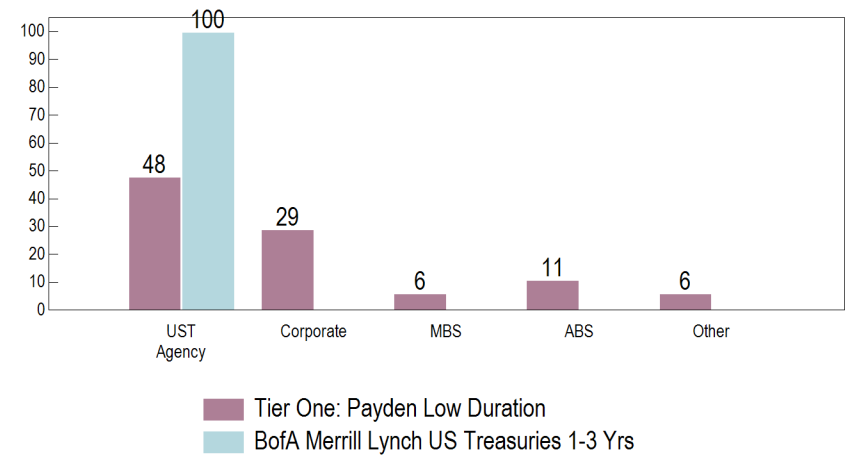
Tier One: Payden Low Duration Fixed Income Characteristics vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	1.12	0.78	0.90
Average Duration	1.54	1.90	1.48
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier One: Wells Capital Reserve Account

As of September 30, 2016

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	eA US Short Duration Fixed Inc Net

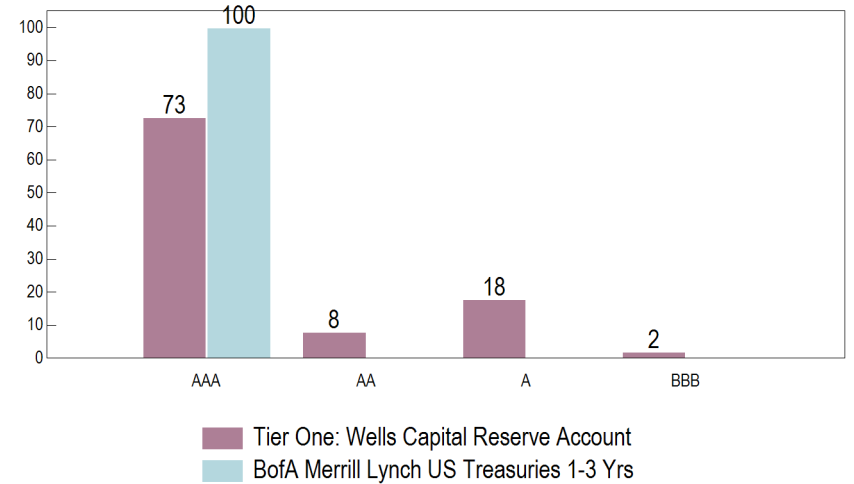
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier One: Wells Capital Reserve Account(Gross)	0.015	--	--	--	--	--	0.567	Jun-16
Tier One: Wells Capital Reserve Account(Net)	-0.003	--	--	--	--	--	0.543	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	-0.107	1.326	0.884	0.847	0.692	2.251	0.491	Jun-16
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	0.027	1.678	1.320	1.107	1.108	2.595	0.620	Jun-16

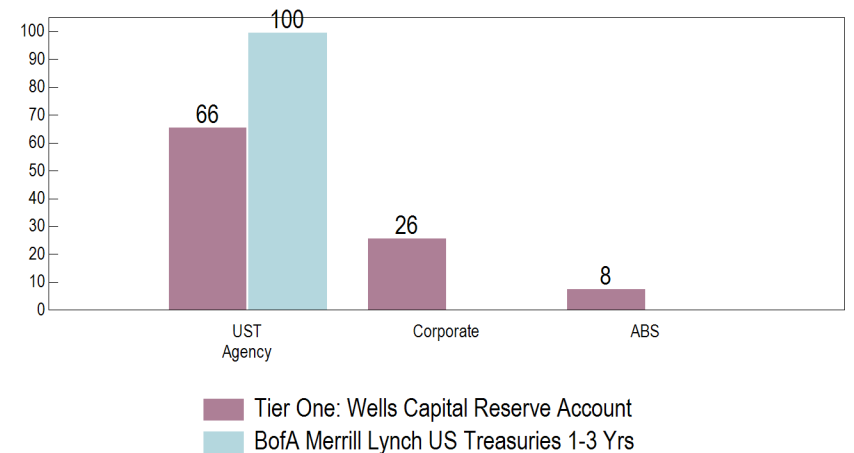
Tier One: Wells Capital Reserve Account Fixed Income Characteristics vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	0.82	0.78	0.53
Average Duration	1.78	1.90	0.36
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier One: Logan Circle STAMP 1-3 Year

As of September 30, 2016

Account Information

Account Name	Tier One: Logan Circle STAMP 1-3 Year
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	eA US Short Duration Fixed Inc Net

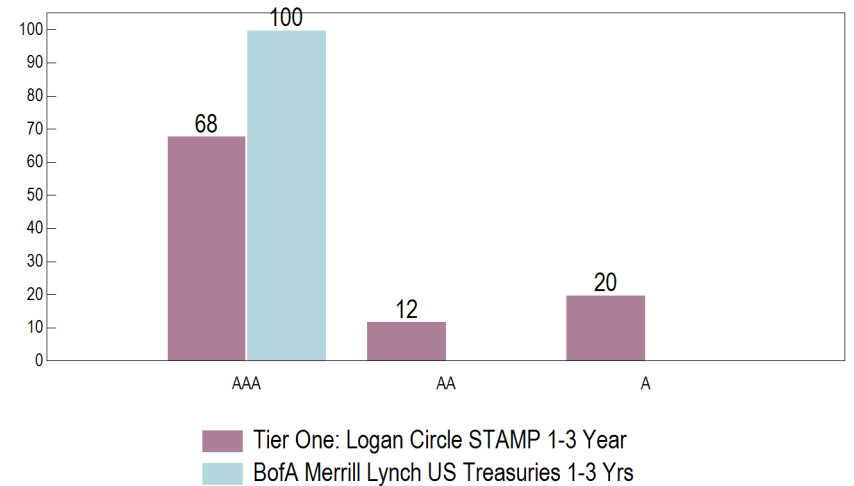
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier One: Logan Circle STAMP 1-3 Year(Gross)	0.101	--	--	--	--	--	0.603	Jun-16
Tier One: Logan Circle STAMP 1-3 Year(Net)	0.077	--	--	--	--	--	0.571	
BofA Merrill Lynch US Treasuries 1-3 Yrs	-0.107	1.326	0.884	0.847	0.692	2.251	0.491	Jun-16
BofA Merrill Lynch US Corp & Gov 1-3 Yrs	0.027	1.678	1.320	1.107	1.108	2.595	0.620	Jun-16

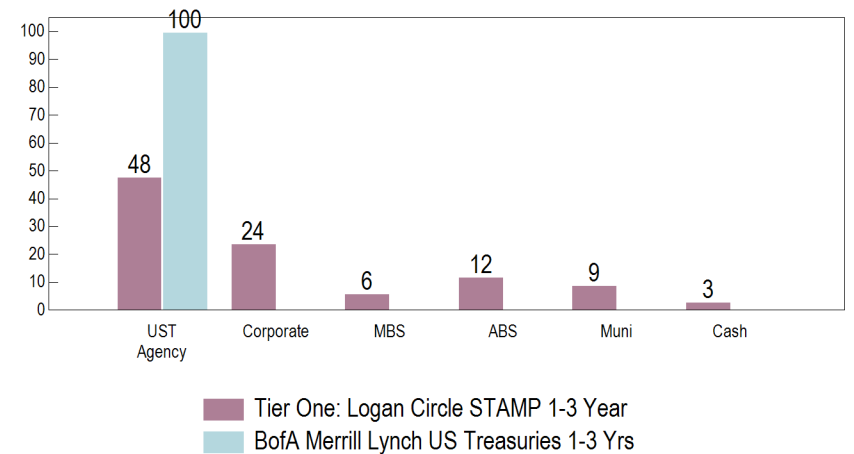
Tier One: Logan Circle STAMP 1-3 Year Fixed Income Characteristics vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	1.05	0.78	0.88
Average Duration	1.55	1.90	1.52
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier Two: Logan Circle STAMP 1-5 Year

As of September 30, 2016

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	eA US Short Duration Fixed Inc Net

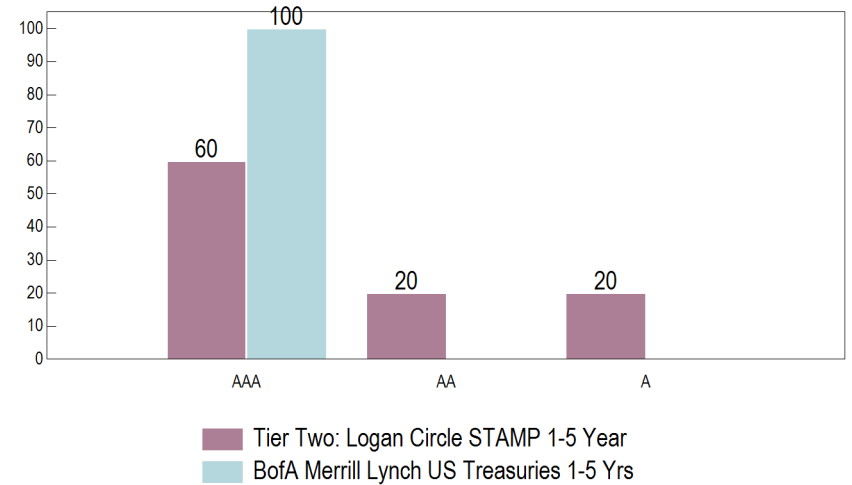
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	0.035	2.663	2.222	1.973	--	--	1.577	Apr-13
Tier Two: Logan Circle STAMP 1-5 Year(Net)	-0.007	2.535	2.052	1.804	--	--	1.408	
BofA Merrill Lynch US Treasuries 1-5 Yrs	-0.186	2.202	1.522	1.433	1.107	2.966	1.160	Apr-13
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	0.050	2.661	2.103	1.785	1.686	3.294	1.491	Apr-13

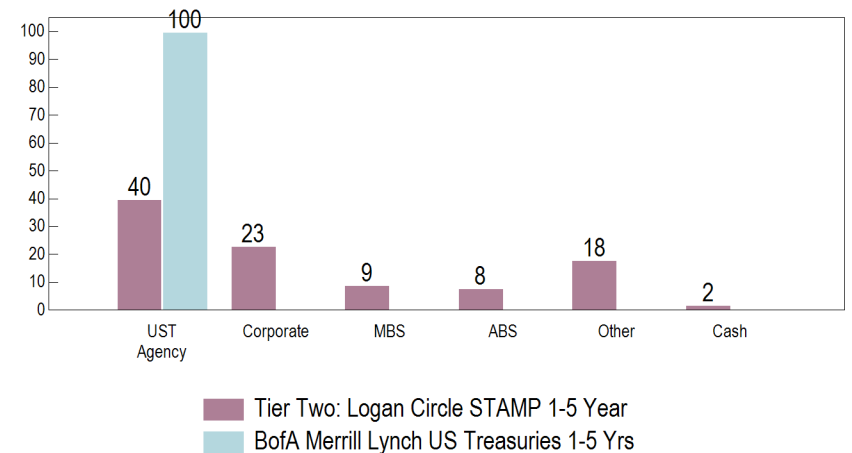
Tier Two: Logan Circle STAMP 1-5 Year Fixed Income Characteristics vs. BofA Merrill Lynch US Treasuries 1-5 Yrs

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	1.22	0.90	1.02
Average Duration	2.43	2.72	2.15
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



As of September 30, 2016

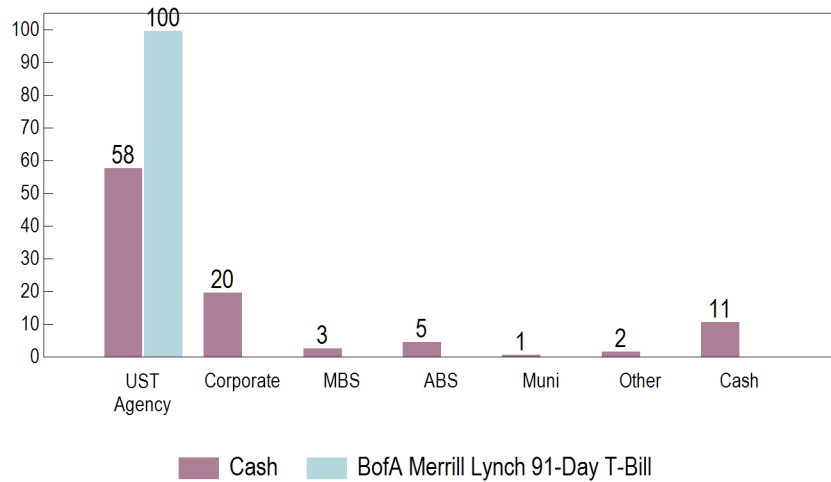
Asset Allocation on September 30, 2016

	Actual (\$)	Actual %
Operating: Logan Circle Enhanced Cash	\$551,157,125	32.8%
Operating: Payden Enhanced Cash	\$580,640,341	34.5%
Operating: Wells Capital Enhanced Cash	\$550,927,157	32.7%
Total	\$1,682,724,623	100.0%

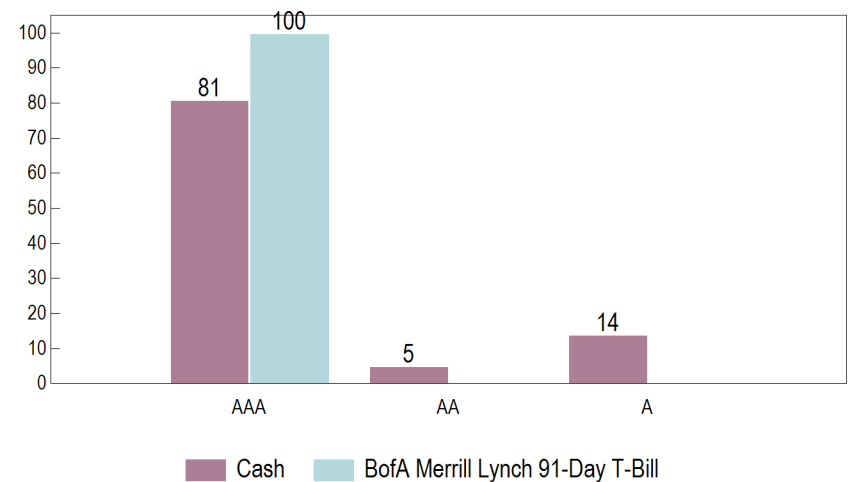
**Cash Characteristics
vs. BofA Merrill Lynch 91-Day T-Bill**

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	0.7	0.3	0.6
Average Duration	0.4	0.2	0.3
Average Quality	AAA	AAA	AAA

Sector Allocation



Credit Quality Allocation



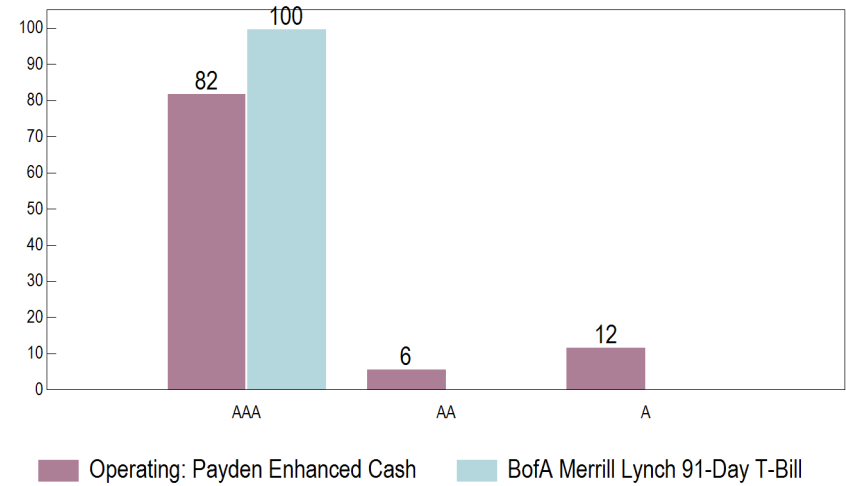
Account Information

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	eA US Enh Cash Management Net

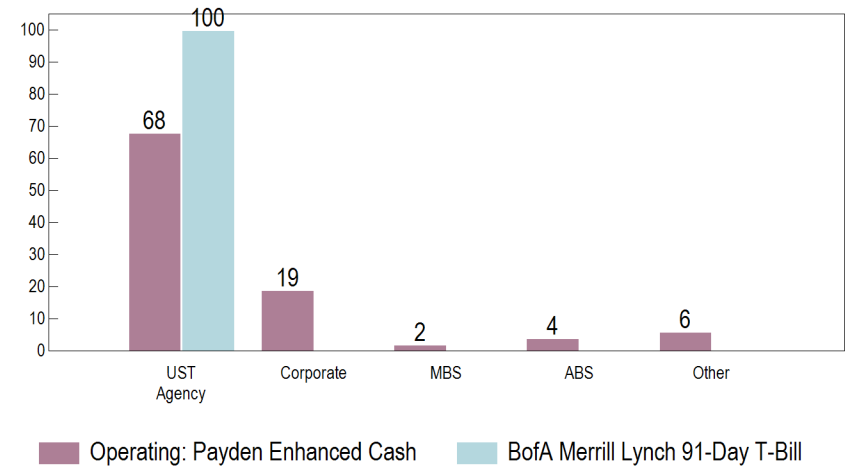
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Operating: Payden Enhanced Cash(Gross)	0.205	0.701	0.702	0.347	0.254	0.996	2.020	Jul-99
Operating: Payden Enhanced Cash(Net)	0.186	0.647	0.632	0.254	0.144	--	--	
<i>Citi 3mth Treasury Bill</i>	<i>0.070</i>	<i>0.188</i>	<i>0.201</i>	<i>0.086</i>	<i>0.075</i>	<i>0.844</i>	<i>1.811</i>	<i>Jul-99</i>

Credit Quality Allocation



US Sector Allocation



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

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	0.71	0.28	0.73
Average Duration	0.50	0.24	0.40
Average Quality	AAA	AAA	AAA



Account Information

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

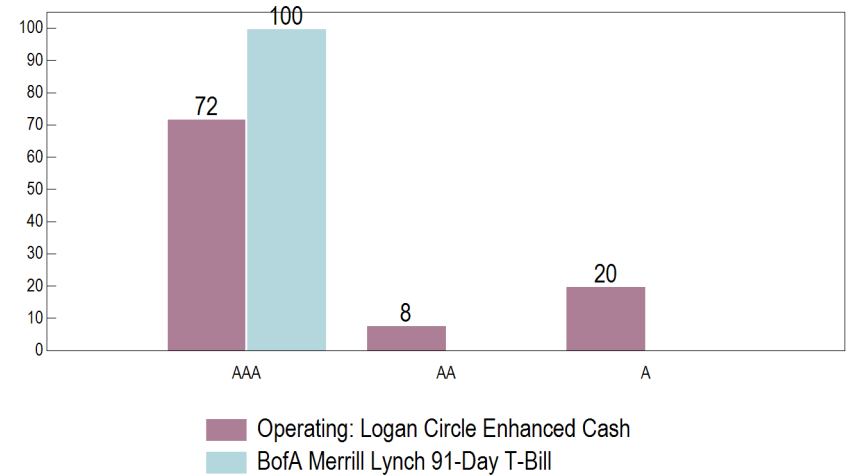
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Operating: Logan Circle Enhanced Cash(Gross)	0.203	--	--	--	--	--	0.271	Jun-16
Operating: Logan Circle Enhanced Cash(Net)	0.182	--	--	--	--	--	0.244	
<i>Citi 3mth Treasury Bill</i>	<i>0.070</i>	<i>0.188</i>	<i>0.201</i>	<i>0.086</i>	<i>0.075</i>	<i>0.844</i>	<i>0.090</i>	<i>Jun-16</i>

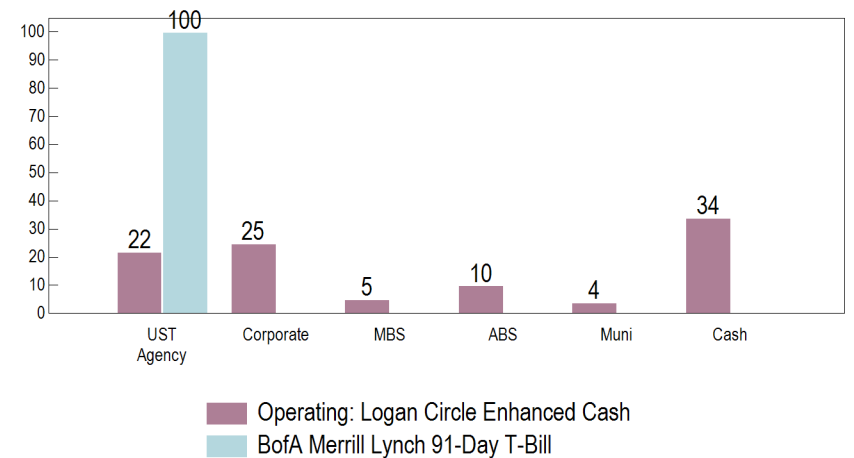
Operating: Logan Circle Enhanced Cash Fixed Income Characteristics vs. BofA Merrill Lynch 91-Day T-Bill

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	0.87	0.28	0.67
Average Duration	0.25	0.24	0.23
Average Quality	AAA	AAA	AAA

Credit Quality Allocation



US Sector Allocation



Operating: Wells Capital Enhanced Cash

As of September 30, 2016

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	eA US Enh Cash Management Net

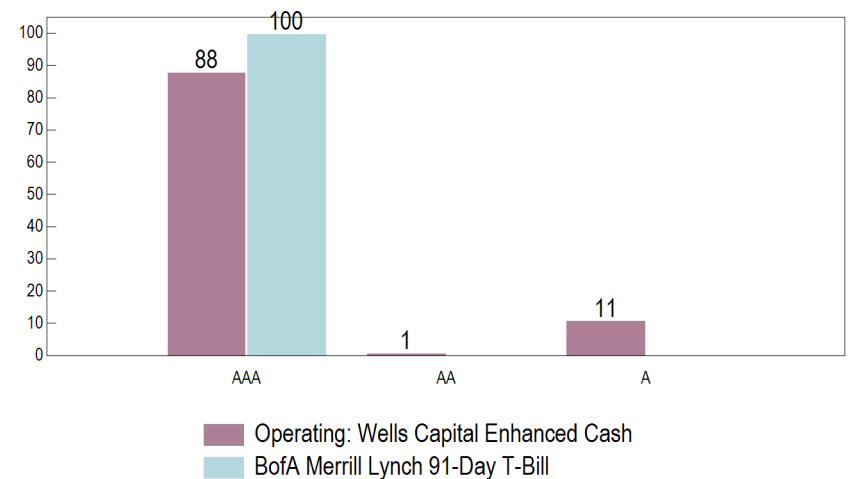
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Operating: Wells Capital Enhanced Cash(Gross)	0.148	--	--	--	--	--	0.238	Jun-16
Operating: Wells Capital Enhanced Cash(Net)	0.130	--	--	--	--	--	0.214	
<i>Citi 3mth Treasury Bill</i>	<i>0.070</i>	<i>0.188</i>	<i>0.201</i>	<i>0.086</i>	<i>0.075</i>	<i>0.844</i>	<i>0.090</i>	<i>Jun-16</i>

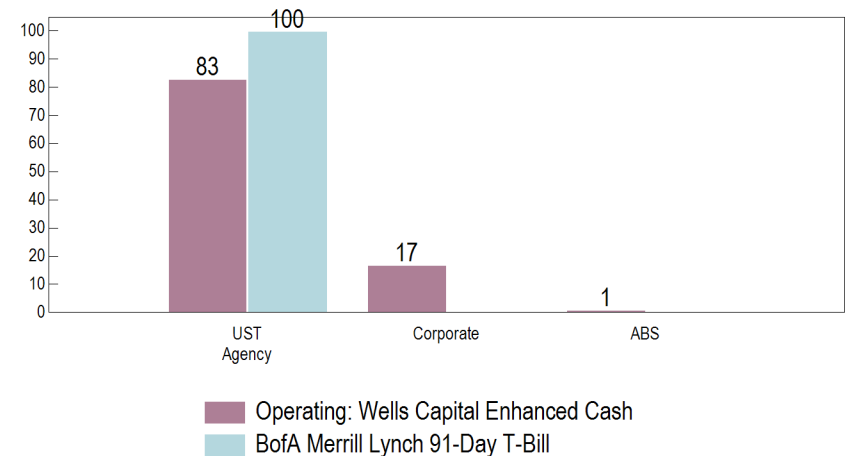
Operating: Wells Capital Enhanced Cash Fixed Income Characteristics vs. BofA Merrill Lynch 91-Day T-Bill

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	0.53	0.28	0.53
Average Duration	0.36	0.24	0.36
Average Quality	AAA	AAA	AAA

Credit Quality Allocation



US Sector Allocation



As of September 30, 2016

Annual Investment Expense Analysis

As Of September 30, 2016

Name	Fee Schedule	Market Value
Fixed Income		\$476,064,220
Tier One: Payden Low Duration	0.10% of First \$100.0 Mil, 0.08% of Next \$250.0 Mil, 0.07% Thereafter	\$135,408,667
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	\$125,473,000
Tier One: Wells Capital Reserve Account	0.09% of First \$100.0 Mil, 0.07% of Next \$200.0 Mil, 0.06% Thereafter	\$125,410,994
Tier Two: Logan Circle STAMP 1-5 Year	0.10% of First \$50.0 Mil, 0.09% of Next \$250.0 Mil, 0.07% Thereafter	\$89,771,559
Cash		\$1,682,724,623
Operating: Payden Enhanced Cash	0.10% of First \$100.0 Mil, 0.08% of Next \$250.0 Mil, 0.07% Thereafter	\$580,640,341
Operating: Logan Circle Enhanced Cash	0.10% of First \$50.0 Mil, 0.09% of Next \$250.0 Mil, 0.07% Thereafter	\$551,157,125
Operating: Wells Capital Enhanced Cash	0.09% of First \$100.0 Mil, 0.07% of Next \$200.0 Mil, 0.06% Thereafter	\$550,927,157
Total		\$2,158,788,843

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 (2016) 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	
				<i>LC</i>	<i>P&R</i>	<i>WF</i>	<i>LC</i>	<i>P&R</i>	<i>WF</i>	<i>LC</i>	
U.S. Treasuries	450 days	5 years	5 years	151 days	411 days	182 days	4.34 years	2.79 years	2.62 years	4.86 years	Yes
U.S. Agencies	450 days	5 years	5 years	291 days	300 days	343 days	2.08 years	2.91 years	2.99 years	2.48 years	Yes
State & Local Obligations ¹	450 days	5 years	5 years	305 days	336 days	NA	4.84 years	3.09 years	1.75 years	4.83 years	Yes
Supranationals	450 days	5 years	5 years	NA	NA	NA	NA	2.62 years	NA	NA	Yes
Negotiable Cert of Deposit	1 year	1 year	1 year	122 days	365 days	NA	NA	0.95 years	NA	NA	Yes
Commercial Paper	270 days	270 days	270 days	91 days	NA	153 days	NA	NA	NA	21 days	Yes
Repurchase Agreements	30 days	30 days	30 days	NA	NA	NA	NA	NA	NA	NA	Yes
Medium Term Notes	450 days	5 years	5 years	278 days	349 days	206 days	4.19 years	3.02 years	2.99 years	4.95 years	Yes
Mortgage/ Asset-Backed	450 days	5 years	5 years	390 days	350 days	206 days	4.71 years	4.16 years	2.24 years	4.66 years	Yes
Variable & Floating Rate	450 days	5 years	5 years	79 days	101 days ²	365 days	3.31 years	75 days	3.00 years	3.94 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 (2016) Diversification Compliance

Allowable Instruments	Maximum (%)	Logan Circle (%)	Logan Circle (\$ mm)	Payden ¹ (%)	Payden ¹ (\$ mm)	Wells Capital (%)	Wells Capital (\$ mm)	Total (%)	Total (\$ mm)
U.S. Treasuries	100	38.5 ²	295.4	40.0	286.4	35.6	240.9	38.1	822.6
U.S. Agencies	100	3.2	24.8	19.7	141.2	22.4	151.8	14.7	317.8
State & Local Obligations ³	25	6.4	49.2	4.4	31.7	0.4	2.6	3.9	83.4
Supranationals	30	6.1	47.0	0.4	2.6	0.0	0.0	2.3	49.6
Negotiable Certificate of Deposit	30	0.0	0.0	5.6	39.8	0.0	0.0	1.8	39.8
Commercial Paper	25	0.0	0.0	0.0	0.0	11.3	76.4	3.5	76.4
Repurchase Agreements	100	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Medium Term Notes	30	18.8	143.9	6.5	46.3	15.3	103.7	13.6	293.9
Money Market Funds	20	0.0	0.0	0.1	0.5	0.0	0.0	0.0	0.5
Mortgage/Asset-Backed	20	8.3	64.0	5.7	40.5	5.9	40.0	6.7	144.4
Variable & Floating Rate	30	18.5	142.1	17.8	127.1	9.0	61.0	15.3	330.2
Total		100.0	766.4	100.0	716.0	100.0	676.3	100.0	2,158.8

- Investment composition of each portfolio and the total portfolio are in compliance with the CalOptima Annual Investment Policy 2016.

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

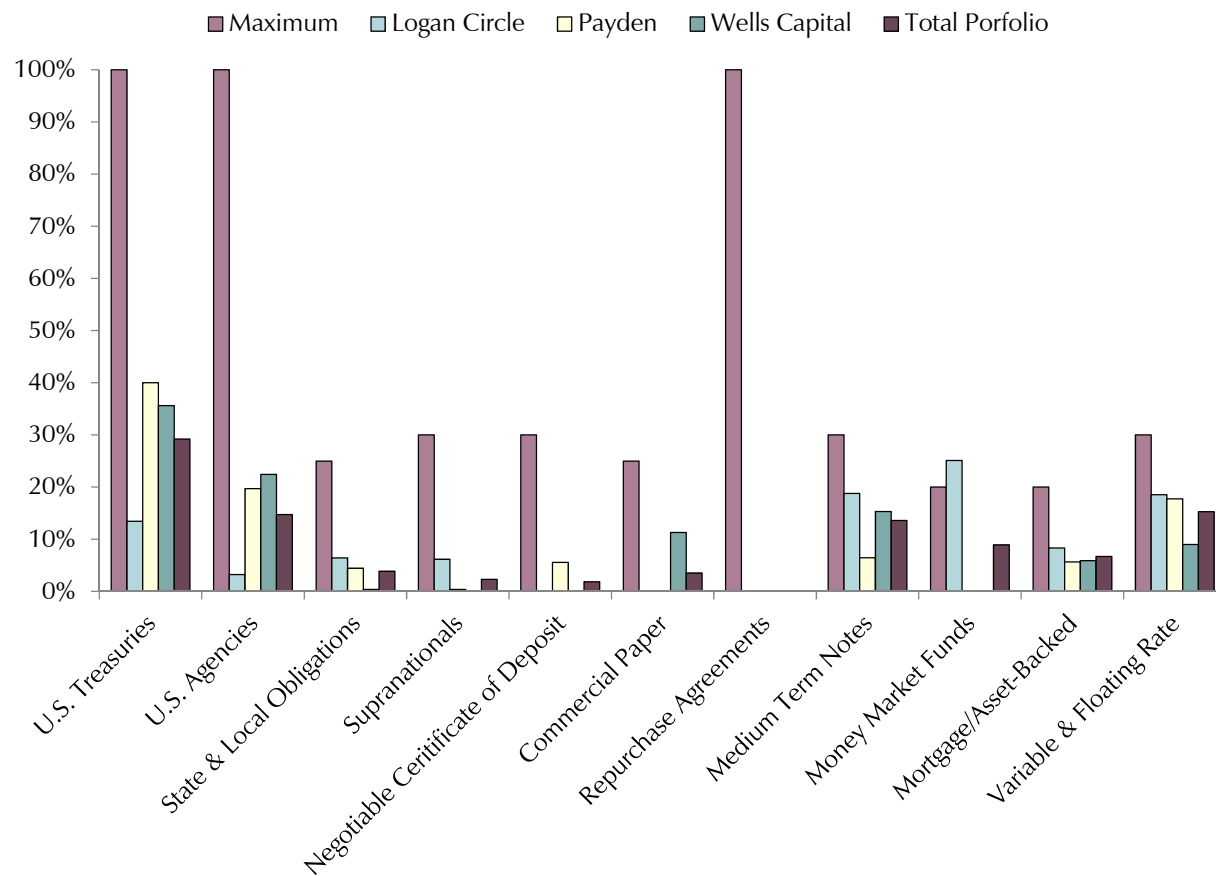
² 25.1% of the 38.5% represent holdings in cash.

³ Includes CA and any other state in the U.S.



Annual Investment Policy (2016) Actual vs. Diversity Requirements

As of September 30, 2016



Custom Peer Group

Custom Peer Group

- Given CalOptima's unique investment guidelines, traditional fixed income peer groups are not the best fit 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 an average effective duration of 1.6 years, while the Tier Two peer group consists of eleven strategies with an average effective duration of 2.1 years as of June 30, 2016.
- Please note that the analysis is as of June 30, 2016, as the universe of investment managers that had reported data as of September 30, 2016 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.
- Newly incepted Tier One portfolios managed by Logan Circle and Wells Capital will be included in this report after a longer performance history is established for these portfolios.

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 (continued)

Gross of Fees Returns as of 6/30/2016 ¹	2Q 2016 (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	0.57	1.46	1.13	1.04	2.71
Peer Group Median Return	0.52	1.60	1.22	1.12	2.82
Peer Group Rank (percentile)	44	71	73	80	65

Standard Deviation as of 6/30/2016 ²	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	0.57	0.53	1.29
Median Standard Deviation	0.71	0.64	1.25
Peer Group Rank (percentile)	19	18	77

- The Tier One portfolio outperformed the short duration peer group in the second quarter of 2016, though performance ranks in the third quartile over the one-, three-, five-, and ten-year trailing periods.
- Standard deviation has ranked favorably versus peers over three- and five-year trailing periods, though ten-year trailing standard deviation is above the peer group median. The ten-year peer group rank is influenced by the tight concentration of peer manager standard deviation between 1.20 and 1.25.

¹ Additionally, the managers are ranked based on performance gross of fees: given the discounted fee structures offered by Logan Circle and Payden & Rygel for the Tier One and Tier Two portfolios, 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.

Custom Peer Group (continued)

Gross of Fees Returns as of 6/30/2016	2Q 2016 (%)	1 Year (%)	3 Years (%)
Tier Two: Logan Circle STAMP 1-5 Year	0.90	3.02	2.20
Peer Group Median Return	0.68	2.16	1.84
Peer Group Rank (percentile)	17	4	31

Standard Deviation as of 6/30/2016 ¹	3 Years (%)
Tier Two: Logan Circle STAMP 1-5 Year	1.23
Median Standard Deviation	1.02
Peer Group Rank (percentile)	88

- Logan Circle has performed well over the trailing three-year period ended June 30, 2016, ranking in the 31st percentile of the peer group.
- Standard deviation for the strategy over the trailing three year period exceeds the peer group median, ranking in the 88th percentile of the peer group.

¹ 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. The operating cash strategies are excluded given the minimal possibility of added value relative to the cash index.
- 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 September 30, 2016.

Payden & Rygel Tier One Performance Attribution
Gross of Fees as of 9/30/2016

Benchmark Relative Attribution (basis points)	3Q 2016	6 Month	1 Year
Duration	3	-2	-1
Yield Curve	1	-4	-16
Sector Selection	9	23	45
Treasury ¹	0	0	0
Agency	2	1	2
Corporate	4	13	28
Financial	2	9	17
Industrial	2	3	10
Utilities	0	1	1
MBS	0	0	0
CMBS	-1	0	-1
ABS	3	6	9
Municipal	1	3	7
Total Excess Return	0.13	0.17	0.28
Payden & Rygel Tier Two Return (%)	0.02	0.59	1.16
Merrill Lynch 1-3 Year U.S. Treasury Return (%)	-0.11	0.42	0.88

¹ Treasury sector selection attribution is included in Duration and Yield Curve attribution figures.

Wells Capital Tier One Performance Attribution
Gross of Fees as of 9/30/2016

Benchmark Relative Attribution (basis points)	3Q 2016 ¹
Interest Rates	1
Sector Selection	14
Agency	2
Corporate	4
Financial	-1
Industrial	5
Utilities	0
MBS	0
CMBS	0
ABS	3
Municipal	1
Total Excess Return	0.11
Wells Capital Tier One Return	0.01
Merrill Lynch 1-3 Year U.S. Treasury Index Return	-0.11

¹ Since inception performance unavailable.



Logan Circle Tier One Performance Attribution
Gross of Fees as of 9/30/2016

Benchmark Relative Attribution (basis points)	3Q 2016
Duration	9
Yield Curve	1
Sector Selection	11
Treasury	-5
Agency	3
Corporate	8
Financial	7
Industrial	0
Utilities	1
MBS	1
CMBS	0
ABS	3
Municipal	1
Total Excess Return (%)	0.21
Logan Circle Tier One Return (%)	0.10
Merrill Lynch 1-3 Year Treasury Return (%)	-0.11

Logan Circle Tier Two Performance Attribution
Gross of Fees as of 9/30/2016

Benchmark Relative Attribution (basis points)	3Q 2016	6 Month	1 Year
Duration	7	1	3
Yield Curve	0	2	2
Sector Selection	15	43	65
Treasury	-4	-7	-1
Agency	1	1	1
Corporate	11	29	40
Financial	10	25	34
Industrial	0	1	3
Utilities	1	3	3
MBS	1	1	1
CMBS	2	4	3
ABS	2	4	5
Municipal	2	11	16
Total Excess Return (%)	0.22	0.46	0.70
Logan Circle Tier Two Return (%)	0.03	2.66	2.22
Merrill Lynch 1-5 Year U.S. Treasury Return (%)	-0.19	2.20	1.52

Holdings

CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
Cash							
	CASH OR STIF	USD	438,019.21	438,019.21	0.00	1.000	0.32%
Total for Cash			438,019.21	438,019.21	0.00		0.32%
Money Markets							
740,000.000	BANK OF AMERICA BNST Mat: 3/3/17 Cpn: 1.18% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 8/26/16 St Date: 8/30/16	06053PRX7	740,000.00 0.00	740,256.11 776.18	256.11	100.035	0.55%
1,150,000.000	SVENSKA HANDELSBANKEN NY YCD FRN Mat: 3/14/17 Cpn: 1.09% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 9/14/16 St Date: 9/16/16	86958JCV9	1,150,000.00 69.49	1,150,000.00 590.69	0.00	100.000	0.85%
1,350,000.000	BANK OF TOKYO-MITSUBISHI NY YCD Mat: 8/30/17 Cpn: 1.53% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 8/29/16 St Date: 8/30/16	06538M7L7	1,350,000.00 0.00	1,350,806.58 1,836.00	806.58	100.060	1.00%
1,350,000.000	BANK OF NOVA SCOTIA HOUSTON YCD FRN Mat: 9/7/17 Cpn: 1.33% Moody's: Aa3e S&P: A-1 Fitch: F1+ Tr Date: 9/1/16 St Date: 9/7/16	06417GPD4	1,350,000.00 0.00	1,350,000.00 1,200.10	0.00	100.000	1.00%
1,180,000.000	RABOBANK NEDERLAND NY YCD FRN Mat: 9/8/17 Cpn: 1.31% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 9/2/16 St Date: 9/8/16	21684BR89	1,180,000.00 0.00	1,180,000.00 988.10	0.00	100.000	0.87%
1,350,000.000	NORDEA BANK FINLAND YCD Mat: 9/8/17 Cpn: 1.35% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 9/8/16 St Date: 9/12/16	65558LSW3	1,350,000.00 0.00	1,350,000.00 961.88	0.00	100.000	1.00%
1,350,000.000	BNP PARIBAS NY YCD Mat: 9/13/17 Cpn: 1.52% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 9/13/16 St Date: 9/15/16	05582WDW1	1,350,000.00 0.00	1,350,000.00 912.00	0.00	100.000	1.00%
Total for Money Markets			8,470,000.00 69.49	8,471,062.69 7,264.94	1,062.69		6.26%
Treasuries							



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
5,241,000.000	U.S. TREASURY NOTE Mat: 5/31/18 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 5/24/16 St Date: 5/31/16	912828R51	5,236,336.87 0.00	5,252,111.23 15,411.55	15,774.36	100.212	3.89%
10,175,000.000	U.S. TREASURY NOTE Mat: 6/30/18 Cpn: 0.63% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/8/16 St Date: 7/13/16	912828R93	10,175,397.46 2,246.52	10,152,716.55 16,071.25	(22,680.91)	99.781	7.51%
790,000.000	U.S. TREASURY NOTE Mat: 9/15/18 Cpn: 1.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/25/16 St Date: 8/26/16	912828L40	793,055.08 3,520.65	793,231.08 349.17	176.00	100.409	0.59%
1,700,000.000	U.S. TREASURY NOTE Mat: 3/15/19 Cpn: 1.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 3/29/16 St Date: 4/1/16	912828P95	1,701,394.53 785.33	1,706,562.03 751.38	5,167.50	100.386	1.26%
865,000.000	U.S. TREASURY NOTE Mat: 6/15/19 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 6/24/16 St Date: 6/29/16	912828R85	868,649.22 289.51	865,250.91 2,233.40	(3,398.31)	100.029	0.64%
6,300,000.000	U.S. TREASURY NOTE Mat: 7/15/19 Cpn: 0.75% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 9/1/16 St Date: 9/6/16	912828S43	6,273,667.97 6,805.03	6,279,840.00 10,014.95	6,172.03	99.680	4.65%
Total for Treasuries			25,048,501.13 13,647.04	25,049,711.80 44,831.69	1,210.67		18.53%

Government Related

1,080,000.000	INTL BANK RECON & DEVELOP Mat: 7/19/18 Cpn: 0.88% Moody's: Aaa S&P: AAA Fitch: AAA Tr Date: 4/12/16 St Date: 4/19/16	459058FE8	1,078,088.40 0.00	1,079,370.14 1,890.00	1,281.74	99.942	0.80%
1,300,000.000	HOUSING URBAN DEVELOPMENT Mat: 8/1/18 Cpn: 1.33% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 5/19/15 St Date: 5/28/15	911759LZ9	1,300,000.00 0.00	1,309,763.00 2,881.67	9,763.00	100.751	0.97%
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	1,499,088.45 7,041.67	3,588.45	99.939	1.11%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2016

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			3,873,588.40	0.00	3,888,221.59	14,633.19		2.88%
Agencies								
2,000,000.000	FHLMC C 5/26/16 Q Mat: 2/26/18 Cpn: 1.05% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/5/16 St Date: 2/26/16	3134G8L98	2,000,000.00	0.00	1,999,000.20 2,041.67	(999.80)	99.950	1.48%
1,350,000.000	FHLMC C 12/19/16 1X Mat: 6/29/18 Cpn: 1.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 6/10/16 St Date: 6/29/16	3134G9UY1	1,350,000.00	0.00	1,349,226.86 3,450.00	(773.15)	99.943	1.00%
1,350,000.000	FNMA C 7/27/17 1X Mat: 7/27/18 Cpn: 0.75% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/7/16 St Date: 7/27/16	3135G0L68	1,347,975.00	0.00	1,346,288.72 1,800.00	(1,686.29)	99.725	1.00%
1,350,000.000	FHLMC C 12/14/16 Q Mat: 9/14/18 Cpn: 1.15% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/29/16 St Date: 9/14/16	3134GAJQ8	1,350,000.00	0.00	1,349,993.25 733.13	(6.75)	100.000	1.00%
1,350,000.000	FHLB Mat: 10/1/18 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/25/16 St Date: 8/26/16	3130A9AE1	1,349,082.00	0.00	1,350,030.38 1,148.44	948.38	100.002	1.00%
1,360,000.000	FHLMC Mat: 10/12/18 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 9/15/16 St Date: 9/16/16	3137EAED7	1,359,415.20	0.00	1,360,115.60 495.83	700.40	100.009	1.00%
2,000,000.000	FHLMC C 1/29/16 Q Mat: 10/29/18 Cpn: 1.20% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/16/15 St Date: 10/29/15	3134G72P5	2,000,000.00	0.00	1,998,942.40 10,133.33	(1,057.60)	99.947	1.48%
3,830,000.000	FNMA Mat: 2/26/19 Cpn: 1.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/19/16 St Date: 2/23/16	3135G0J53	3,820,961.20	0.00	3,839,526.36 3,723.61	18,565.16	100.249	2.84%
1,320,000.000	FNMA C 12/13/16 Q Mat: 6/13/19 Cpn: 1.25% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 6/13/16 St Date: 6/15/16	3135G0K77	1,320,000.00	91.67	1,319,462.50 4,950.00	(537.50)	99.959	0.98%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
935,000.000	FHLMC Mat: 7/19/19 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/19/16 St Date: 7/20/16	3137EAEB1	932,737.30	0.00	932,933.18 1,613.52	195.88	99.779	0.69%
1,420,000.000	FNMA Mat: 8/2/19 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/29/16 St Date: 8/2/16	3135G0N33	1,417,614.40	0.00	1,416,179.63 2,036.32	(1,434.77)	99.731	1.05%
1,350,000.000	FNMA Mat: 8/28/19 Cpn: 1.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/31/16 St Date: 9/2/16	3135G0P49	1,347,894.00	0.00	1,350,324.00 1,087.50	2,430.00	100.024	1.00%
Total for Agencies			19,595,679.10	91.67	19,612,023.06 33,213.35	16,343.96		14.51%

Taxable Muni

1,160,000.000	CA SACRAMENTO CNTY SANI DIST TAXABLE Mat: 12/1/16 Cpn: 0.80% Moody's: Aa3 S&P: AA Fitch: AA- Tr Date: 11/6/14 St Date: 11/19/14	786134UW4	1,160,000.00	0.00	1,159,860.80 3,093.33	(139.20)	99.988	0.86%
600,000.000	MN MINNESOTA ST TAXABLE Mat: 6/1/17 Cpn: 1.05% Moody's: S&P: AA Fitch: AA+ Tr Date: 10/30/15 St Date: 11/4/15	604146AX8	600,492.00	2,685.15	600,354.00 2,106.00	(138.00)	100.059	0.44%
1,600,000.000	CA SACRAMENTO CITY USD GO/ULT TAXABLE Mat: 8/1/17 Cpn: 1.25% Moody's: S&P: AA Fitch: Tr Date: 5/15/15 St Date: 6/4/15	785870WA0	1,600,000.00	0.00	1,603,328.00 3,328.00	3,328.00	100.208	1.19%
2,000,000.000	CA STATE GO TAXABLE Mat: 11/1/17 Cpn: 1.25% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 1/22/15 St Date: 1/27/15	13063CPN4	2,013,560.00	4,305.56	2,006,940.00 10,416.67	(6,620.00)	100.347	1.49%
200,000.000	CA LOS ANGELES PUB WORKS TAXABLE Mat: 12/1/17 Cpn: 1.51% Moody's: Aa3 S&P: AA Fitch: AA- Tr Date: 8/13/15 St Date: 9/2/15	54473ERP1	200,000.00	0.00	201,208.00 1,004.67	1,208.00	100.604	0.15%
610,000.000	WI STATE TAXABLE Mat: 5/1/18 Cpn: 1.64% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 10/27/15 St Date: 10/30/15	977100CQ7	617,411.50	4,986.34	615,416.80 4,178.50	(1,994.70)	100.888	0.46%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
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	672,633.10 3,280.32	(227.80)	100.393	0.50%
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	379,601.25 1,025.63	4,601.25	101.227	0.28%
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	1,514,745.00 11,040.00	14,745.00	100.983	1.13%
1,400,000.000	CA LOS ANGELES MUNI IMPT TAXABLE Mat: 11/1/18 Cpn: 2.34% Moody's: S&P: A+ Fitch: A+ Tr Date: 11/4/15 St Date: 11/19/15	544587B98	1,400,000.00 0.00	1,438,150.00 13,673.33	38,150.00	102.725	1.07%
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	762,097.50 5,815.63	6,277.50	101.613	0.57%
450,000.000	CA LOS ANGELES PUB WORKS TAXABLE Mat: 12/1/18 Cpn: 2.04% Moody's: Aa3 S&P: AA Fitch: AA- Tr Date: 8/13/15 St Date: 9/2/15	54473ERQ9	450,000.00 0.00	455,179.50 3,054.00	5,179.50	101.151	0.34%
2,500,000.000	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	2,529,925.00 7,791.67	2,558,950.00 17,531.25	29,025.00	102.358	1.90%
2,000,000.000	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	2,018,160.00 3,891.33	2,030,240.00 8,980.00	12,080.00	101.512	1.51%
370,000.000	CA LOS ANGELES MUNI IMPT TAXABLE Mat: 11/1/19 Cpn: 2.85% Moody's: S&P: A+ Fitch: A+ Tr Date: 2/25/16 St Date: 3/1/16	544587C22	381,536.60 2,983.56	384,441.10 4,387.58	2,904.50	103.903	0.29%
Total for Taxable Muni			16,274,766.00 33,248.75	16,383,145.05 92,914.90	108,379.05		12.17%

Credit



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
750,000.000	MANUFACTURERS & TRADERS TRUST FRN Mat: 1/30/17 Cpn: 1.13% Moody's: A2 S&P: A Fitch: A Tr Date: 2/3/15 St Date: 2/6/15	55279HAC4	749,347.50 91.82	750,376.50 1,502.00	1,029.00	100.050	0.56%
500,000.000	AFLAC Mat: 2/15/17 Cpn: 2.65% Moody's: A3 S&P: A- Fitch: A- Tr Date: 8/29/14 St Date: 9/4/14	001055AH5	517,810.00 699.31	502,750.00 1,693.06	(15,060.00)	100.550	0.37%
1,100,000.000	AMERICAN EXPRESS CREDIT Mat: 3/24/17 Cpn: 2.38% Moody's: A2 S&P: A- Fitch: A Tr Date: 10/21/14 St Date: 10/24/14	0258M0DD8	1,134,067.00 2,177.08	1,106,689.10 507.99	(27,377.90)	100.608	0.82%
1,000,000.000	PHILLIPS 66 Mat: 5/1/17 Cpn: 2.95% Moody's: A3 S&P: BBB+ Fitch: Tr Date: 10/22/14 St Date: 10/27/14	718546AJ3	1,043,540.00 14,422.22	1,009,143.00 12,291.67	(34,397.00)	100.914	0.75%
1,000,000.000	SO CAL EDISON Mat: 5/1/17 Cpn: 1.13% Moody's: Aa3 S&P: A Fitch: A+ Tr Date: 5/6/14 St Date: 5/9/14	842400GB3	1,001,143.00 2,253.13	999,941.00 4,687.50	(1,202.00)	99.994	0.74%
420,000.000	AMGEN Mat: 5/22/17 Cpn: 1.25% Moody's: Baa1 S&P: A Fitch: BBB Tr Date: 5/19/14 St Date: 5/22/14	031162BR0	419,542.20 0.00	420,208.74 1,881.25	666.54	100.050	0.31%
485,000.000	NATIONAL CITY BANK FRN Mat: 6/7/17 Cpn: 1.20% Moody's: A3 S&P: A- Fitch: A Tr Date: 8/21/14 St Date: 8/26/14	63534PAH0	483,797.20 631.13	485,131.44 389.11	1,334.24	100.027	0.36%
510,000.000	UNITEDHEALTH GROUP Mat: 7/17/17 Cpn: 1.45% Moody's: A3 S&P: A+ Fitch: A- Tr Date: 7/20/15 St Date: 7/23/15	91324PCK6	509,903.10 0.00	511,275.51 1,520.08	1,372.41	100.250	0.38%
260,000.000	MANUFACTURERS & TRADERS TRUST Mat: 7/25/17 Cpn: 1.40% Moody's: A2 S&P: A Fitch: A Tr Date: 7/22/14 St Date: 7/25/14	55279HAF7	259,901.20 0.00	260,512.72 667.33	611.52	100.197	0.19%
1,200,000.000	BRISTOL-MYERS SQUIBB Mat: 8/1/17 Cpn: 0.88% Moody's: A2 S&P: A+ Fitch: A- Tr Date: 1/21/15 St Date: 1/26/15	110122AS7	1,195,956.00 5,104.17	1,198,353.60 1,750.00	2,397.60	99.863	0.89%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
800,000.000	BB&T CORPORATION Mat: 8/15/17 Cpn: 1.60% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 1/22/15 St Date: 1/27/15	05531FAL7	805,896.00 5,760.00	802,753.60 1,635.56	(3,142.40)	100.344	0.59%
1,200,000.000	JPMORGAN CHASE Mat: 8/15/17 Cpn: 2.00% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 1/21/15 St Date: 1/26/15	48126EAA5	1,212,708.00 10,733.33	1,207,021.20 3,066.67	(5,686.80)	100.585	0.89%
160,000.000	CATERPILLAR FINANCIAL Mat: 8/18/17 Cpn: 1.25% Moody's: A2 S&P: A Fitch: A Tr Date: 8/13/14 St Date: 8/20/14	14912L6D8	159,920.00 0.00	160,249.12 238.89	329.12	100.156	0.12%
700,000.000	MORGAN STANLEY Mat: 8/28/17 Cpn: 6.25% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 8/26/14 St Date: 8/29/14	617446V71	791,567.00 121.53	729,253.00 4,010.42	(62,314.00)	104.179	0.54%
1,210,000.000	US BANK OHIO Mat: 9/11/17 Cpn: 1.38% Moody's: A1 S&P: AA- Fitch: AA Tr Date: 9/8/14 St Date: 9/11/14	90331HMH3	1,212,672.40 2,578.13	1,211,770.23 924.31	(902.17)	100.146	0.90%
1,250,000.000	PNC BANK Mat: 9/21/17 Cpn: 4.88% Moody's: A3 S&P: A- Fitch: A Tr Date: 1/21/15 St Date: 1/26/15	69349LAC2	1,354,225.00 21,158.86	1,289,646.25 1,692.71	(64,578.75)	103.172	0.95%
250,000.000	BB&T CORPORATION Mat: 10/1/17 Cpn: 1.35% Moody's: A1 S&P: A Fitch: A+ Tr Date: 8/7/14 St Date: 8/14/14	07330NAK1	249,845.00 0.00	250,433.83 1,687.50	588.83	100.174	0.19%
1,200,000.000	PACCAR FINANCIAL Mat: 11/17/17 Cpn: 1.40% Moody's: A1 S&P: A+ Fitch: Tr Date: 1/22/15 St Date: 1/26/15	69371RM37	1,204,704.00 3,220.00	1,205,238.55 6,253.33	534.55	100.437	0.89%
1,200,000.000	CHEVRON Mat: 12/5/17 Cpn: 1.10% Moody's: Aa2 S&P: AA- Fitch: Tr Date: 1/21/15 St Date: 1/26/15	166764AA8	1,200,624.00 1,876.80	1,199,927.58 4,268.80	(696.42)	99.994	0.89%
250,000.000	METLIFE Mat: 12/15/17 Cpn: 1.90% Moody's: A3 S&P: A- Fitch: A- Tr Date: 9/30/14 St Date: 10/7/14	59156RBK3	250,763.25 376.29	251,330.42 211.44	567.17	100.532	0.19%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
123,000.000	JOHN DEERE CAPITAL CORP Mat: 1/16/18 Cpn: 1.35% Moody's: A2 S&P: A Fitch: Tr Date: 1/13/15 St Date: 1/16/15	24422EST7	122,938.50	0.00	123,188.84	250.34	100.154	0.09%
880,000.000	WELLS FARGO Mat: 1/22/18 Cpn: 1.65% Moody's: Aa2 S&P: AA- Fitch: AA Tr Date: 1/22/16 St Date: 1/29/16	94988J5A1	879,744.80	0.00	882,728.78	2,983.98	100.310	0.65%
695,000.000	CAPITAL ONE BANK Mat: 2/5/18 Cpn: 1.65% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 2/4/15 St Date: 2/9/15	14042E4L1	694,576.05	127.42	696,214.15	1,638.10	100.175	0.52%
1,200,000.000	CITIGROUP Mat: 2/5/18 Cpn: 1.80% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 1/29/15 St Date: 2/5/15	172967JH5	1,199,088.00	0.00	1,203,020.14	3,932.14	100.252	0.89%
410,000.000	CATERPILLAR Mat: 2/23/18 Cpn: 1.50% Moody's: A2 S&P: A Fitch: A Tr Date: 2/22/16 St Date: 2/25/16	14912L6P1	409,905.70	0.00	411,924.38	2,018.68	100.469	0.30%
480,000.000	EXXON MOBIL Mat: 3/1/18 Cpn: 1.44% Moody's: Aaa S&P: AA+ Fitch: Tr Date: 2/29/16 St Date: 3/3/16	30231GAU6	480,000.00	0.00	482,216.09	2,216.09	100.462	0.36%
570,000.000	ELI LILLY & CO Mat: 3/1/18 Cpn: 1.25% Moody's: A2 S&P: AA- Fitch: A Tr Date: 2/24/15 St Date: 3/5/15	532457BK3	569,498.40	0.00	571,521.98	2,023.58	100.267	0.42%
375,000.000	EXXON MOBIL Mat: 3/6/18 Cpn: 1.31% Moody's: Aaa S&P: AA+ Fitch: Tr Date: 3/3/15 St Date: 3/6/15	30231GAL6	375,000.00	0.00	376,037.18	1,037.18	100.277	0.28%
900,000.000	CHARLES SCHWAB Mat: 3/10/18 Cpn: 1.50% Moody's: A2 S&P: A Fitch: A Tr Date: 3/3/15 St Date: 3/10/15	808513AK1	898,866.00	0.00	903,456.00	4,590.00	100.384	0.67%
1,275,000.000	BANK OF AMERICA Mat: 3/26/18 Cpn: 1.65% Moody's: A1 S&P: A Fitch: A+ Tr Date: 3/20/15 St Date: 3/26/15	06050TLY6	1,274,590.25	1,989.17	1,279,494.29	4,904.04	100.353	0.95%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,220,000.000	ABBVIE Mat: 5/14/18 Cpn: 1.80% Moody's: Baa2 S&P: A- Fitch: Tr Date: 5/5/15 St Date: 5/14/15	00287YAN9	1,218,755.60 0.00	1,224,667.61 8,357.00	5,912.01	100.383	0.91%
205,000.000	QUALCOMM Mat: 5/18/18 Cpn: 1.40% Moody's: A1 S&P: A+ Fitch: Tr Date: 5/13/15 St Date: 5/20/15	747525AG8	204,725.30 0.00	204,967.99 1,044.36	242.69	99.984	0.15%
1,200,000.000	BNY MELLON Mat: 5/22/18 Cpn: 1.60% Moody's: A1 S&P: A Fitch: AA- Tr Date: 5/22/15 St Date: 5/29/15	06406HDB2	1,199,892.00 0.00	1,204,804.04 6,880.00	4,912.04	100.400	0.89%
415,000.000	CISCO SYSTEMS Mat: 6/15/18 Cpn: 1.65% Moody's: A1 S&P: AA- Fitch: Tr Date: 6/10/15 St Date: 6/17/15	17275RAU6	414,929.45 0.00	418,215.12 2,016.21	3,285.67	100.775	0.31%
280,000.000	JOHN DEERE CAPITAL Mat: 7/13/18 Cpn: 1.60% Moody's: A2 S&P: A Fitch: Tr Date: 7/9/15 St Date: 7/14/15	24422ESX8	279,893.60 0.00	281,477.08 970.67	1,583.48	100.528	0.21%
590,000.000	UNITEDHEALTH GROUP Mat: 7/16/18 Cpn: 1.90% Moody's: A3 S&P: A+ Fitch: A- Tr Date: 7/20/15 St Date: 7/23/15	91324PCL4	589,250.70 0.00	595,936.05 2,335.42	6,685.35	101.006	0.44%
60,000.000	BERKSHIRE HATHAWAY Mat: 8/15/18 Cpn: 1.15% Moody's: Aa2 S&P: AA Fitch: A+ Tr Date: 8/8/16 St Date: 8/15/16	084670BX5	59,992.80 0.00	59,856.57 88.17	(136.23)	99.761	0.04%
700,000.000	FIFTH THIRD BANK Mat: 8/20/18 Cpn: 2.15% Moody's: A3 S&P: A- Fitch: A Tr Date: 8/17/15 St Date: 8/20/15	31677QBD0	699,881.00 0.00	708,569.06 1,714.03	8,688.06	101.224	0.52%
100,000.000	NEXTERA ENERGY Mat: 9/1/18 Cpn: 1.65% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 8/25/16 St Date: 9/1/16	65339KAJ9	100,250.00 0.00	100,442.20 137.42	192.20	100.442	0.07%
380,000.000	LOWES COMPANIES FRN Mat: 9/14/18 Cpn: 1.46% Moody's: A3 S&P: A- Fitch: Tr Date: 9/9/15 St Date: 9/16/15	548661DF1	380,000.00 0.00	383,489.16 261.23	3,489.16	100.918	0.28%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
395,000.000	JP MORGAN CHASE Mat: 9/21/18 Cpn: 1.45% Moody's: Aa3 S&P: A+ Fitch: AA- Tr Date: 9/20/16 St Date: 9/23/16	48125LRF1	394,814.35 0.00	395,372.03 127.28	557.68	100.094	0.29%
1,000,000.000	MICROSOFT Mat: 11/3/18 Cpn: 1.30% Moody's: Aaa S&P: AAA Fitch: AA+ Tr Date: 10/29/15 St Date: 11/3/15	594918BF0	999,000.00 0.00	1,003,921.66 5,344.44	4,921.66	100.392	0.75%
1,320,000.000	WISCONSIN ELECTRIC POWER Mat: 12/4/18 Cpn: 1.65% Moody's: A1 S&P: A- Fitch: A+ Tr Date: 12/1/15 St Date: 12/4/15	976843BK7	1,318,772.40 0.00	1,326,204.21 7,078.50	7,431.81	100.470	0.98%
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	478,389.59 1,919.17	8,704.49	101.785	0.35%
320,000.000	APPLE Mat: 2/22/19 Cpn: 1.70% Moody's: Aa1 S&P: AA+ Fitch: Tr Date: 2/16/16 St Date: 2/23/16	037833BQ2	319,945.60 0.00	323,560.30 574.22	3,614.70	101.113	0.24%
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	554,206.45 806.67	4,365.95	100.765	0.41%
450,000.000	EXXON MOBIL Mat: 3/1/19 Cpn: 1.71% Moody's: Aaa S&P: AA+ Fitch: Tr Date: 2/29/16 St Date: 3/3/16	30231GAP7	450,000.00 0.00	454,069.61 640.50	4,069.61	100.904	0.34%
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	424,737.72 536.67	5,224.92	101.128	0.31%
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	661,232.97 830.56	(577.53)	101.728	0.49%
790,000.000	BERKSHIRE HATHAWAY Mat: 3/15/19 Cpn: 1.70% Moody's: Aa2 S&P: AA Fitch: A+ Tr Date: 3/8/16 St Date: 3/15/16	084664CG4	789,399.60 0.00	796,533.02 596.89	7,133.42	100.827	0.59%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
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	528,729.26 531.56	8,848.86	101.679	0.39%
120,000.000	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	134,949.24 1,870.75	133,530.73 3,318.00	(1,418.51)	111.276	0.10%
290,000.000	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	289,736.10 0.00	290,359.60 1,646.96	623.50	100.124	0.22%
670,000.000	COCA-COLA Mat: 5/30/19 Cpn: 1.38% Moody's: Aa3 S&P: AA- Fitch: A+ Tr Date: 5/25/16 St Date: 5/31/16	191216BV1	669,531.00 0.00	671,372.18 3,096.42	1,841.18	100.205	0.50%
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	140,961.48 892.89	1,034.28	100.687	0.10%
560,000.000	WALT DISNEY COMPANY Mat: 7/12/19 Cpn: 0.88% Moody's: A2 S&P: A Fitch: A Tr Date: 7/7/16 St Date: 7/12/16	25468PDL7	558,118.40 0.00	554,765.12 1,075.28	(3,353.28)	99.065	0.41%
310,000.000	VERIZON COMMUNICATIONS Mat: 8/15/19 Cpn: 1.38% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 7/27/16 St Date: 8/1/16	92343VDF8	309,972.10 0.00	308,770.54 710.42	(1,201.56)	99.603	0.23%
295,000.000	CISCO SYSTEMS Mat: 9/20/19 Cpn: 1.40% Moody's: A1 S&P: AA- Fitch: Tr Date: 9/13/16 St Date: 9/20/16	17275RBG6	294,672.55 0.00	295,630.19 126.19	957.64	100.214	0.22%
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	284,990.17 51.46	463.27	99.997	0.21%
595,000.000	JOHN DEERE CAPITAL CORP Mat: 10/9/19 Cpn: 1.25% Moody's: A2 S&P: A Fitch: Tr Date: 9/6/16 St Date: 9/9/16	24422ETJ8	593,798.10 0.00	591,553.39 454.51	(2,244.71)	99.421	0.44%



Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
Total for Credit			37,977,602.84	37,883,122.31	(94,480.53)		28.06%
			77,724.32	116,553.50			
Mortgage-Backed							
10,792.130	FHMS K501 A2 CMBS	3137ANLP8	11,128.67	10,783.08	(345.59)	99.916	0.01%
	Mat: 11/25/16 Cpn: 1.66%		4.28	14.88			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 12/5/12 St Date: 12/10/12						
55,227.970	FNA 2014-M4 ASQ2 CMBS	3136AJB21	55,780.25	55,201.02	(579.23)	99.951	0.04%
	Mat: 1/25/17 Cpn: 1.27%		56.60	58.56			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 4/14/14 St Date: 4/30/14						
386,316.420	FNA 2014-M9 ASQ2 CMBS	3136AKXS7	390,177.07	386,564.82	(3,612.25)	100.064	0.29%
	Mat: 4/25/17 Cpn: 1.46%		439.28	470.66			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 8/13/14 St Date: 8/29/14						
285,501.410	FNA 2012-M9 ASQ2 CMBS	3136A7L26	291,813.67	286,393.60	(5,420.07)	100.313	0.21%
	Mat: 12/25/17 Cpn: 1.51%		0.00	359.97			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 4/26/13 St Date: 5/1/13						
2,000,000.000	FNA 2015-M7 ASQ2 CMBS	3136ANJY4	2,019,992.80	2,008,016.00	(11,976.80)	100.401	1.48%
	Mat: 4/25/18 Cpn: 1.55%		2,497.22	2,583.33			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 4/15/15 St Date: 4/30/15						
728,580.097	FNA 2014-M8 FA 1MOFRN CMBS	3136AKQJ5	728,384.84	727,229.31	(1,155.53)	99.815	0.54%
	Mat: 5/25/18 Cpn: 0.76%		244.07	460.06			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 7/11/14 St Date: 7/31/14						
990,609.560	FHMS K704 A2 CMBS	3137AH6Q6	1,014,987.85	1,009,462.84	(5,525.01)	101.903	0.75%
	Mat: 8/25/18 Cpn: 2.41%		398.23	1,991.13			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 10/2/14 St Date: 10/7/14						
968,716.876	FNA 14-M1 ASQ2 CMBS	3136AHUV0	984,676.05	985,141.47	465.42	101.696	0.73%
	Mat: 11/25/18 Cpn: 2.32%		1,768.55	1,875.27			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 1/17/14 St Date: 1/30/14						
319,833.450	FNMA #890170 10YR	31410K6F6	339,223.35	328,271.94	(10,951.42)	102.638	0.24%
	Mat: 9/1/19 Cpn: 4.50%		759.61	1,199.38			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 10/3/14 St Date: 10/20/14						



CALOPTIMA - RESERVE ACCOUNT TIER ONE

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
1,900,000.000	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	1,919,026.41	2,519.29	1,910,336.00	(8,690.41)	100.544	1.41%
452,657.420	FHMS KJ02 A1 CMBS Mat: 10/25/19 Cpn: 1.64% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/10/15 St Date: 11/17/15	3137BLVY1	451,522.15	329.74	453,823.92	2,301.76	100.258	0.34%
Total for Mortgage-Backed			8,206,713.11	9,016.86	8,161,223.99	(45,489.12)		6.04%
Asset-Backed								
6,139.966	USAA 2014-1 A3 CAR Mat: 12/15/17 Cpn: 0.58% Moody's: Aaa S&P: AAA Fitch: Tr Date: 2/25/14 St Date: 2/28/14	90290KAC9	6,136.72	0.48	6,139.25	2.53	99.988	0.00%
2,380,000.000	VOLKSWAGEN 2015-A A3 LEASE Mat: 12/20/17 Cpn: 1.25% Moody's: Aaa S&P: Fitch: AAA Tr Date: 2/25/15 St Date: 3/5/15	92867VAD2	2,379,866.48	0.00	2,379,709.64	(156.84)	99.988	1.76%
695,203.107	TOYOTA 2014-C A3 CAR Mat: 7/16/18 Cpn: 0.93% Moody's: Aaa S&P: AAA Fitch: Tr Date: 10/7/14 St Date: 10/15/14	89190AAC4	695,173.00	0.00	695,191.98	18.98	99.998	0.51%
1,274,876.883	HARLEY 2015-1 A2A CYCLE Mat: 1/15/19 Cpn: 0.80% Moody's: Aaa S&P: AAA Fitch: AAA Tr Date: 1/22/15 St Date: 1/28/15	41284BAB2	1,274,866.56	0.00	1,274,361.83	(504.72)	99.960	0.94%
3,200,000.000	BMW 2016-1 A3 LEASE Mat: 1/22/19 Cpn: 1.34% Moody's: Aaa S&P: Fitch: AAA Tr Date: 2/9/16 St Date: 2/17/16	05581RAD8	3,199,624.00	0.00	3,207,488.00	7,864.00	100.234	2.37%
1,564,000.000	CHASE 2014-A6 A6 CDT Mat: 7/15/19 Cpn: 1.26% Moody's: Aaa S&P: AAA Fitch: AAA Tr Date: 7/17/14 St Date: 7/24/14	161571GP3	1,564,746.80	140.14	1,567,558.10	2,811.30	100.228	1.16%
2,150,000.000	JOHN DEERE 2015-B A3 EQP Mat: 10/15/19 Cpn: 1.44% Moody's: Aaa S&P: Fitch: AAA Tr Date: 9/1/15 St Date: 9/9/15	47787WAC3	2,149,590.00	0.00	2,156,963.85	7,373.86	100.324	1.59%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,850,000.000	JOHN DEERE 2016-A A3 EQP Mat: 4/15/20 Cpn: 1.36% Moody's: Aaa S&P: Fitch: AAA Tr Date: 2/23/16 St Date: 3/2/16	47788MAC4	1,849,708.81	0.00	1,852,408.70	2,699.89	100.130	1.37%
900,000.000	USAA 2016-1 A3 CAR Mat: 6/15/20 Cpn: 1.20% Moody's: Aaa S&P: AAA Fitch: Tr Date: 9/12/16 St Date: 9/21/16	90327CAC4	899,851.95	0.00	900,904.50	1,052.55	100.101	0.67%
1,155,000.000	BMW 2016-A A3 CAR Mat: 11/25/20 Cpn: 1.16% Moody's: Aaa S&P: Fitch: AAA Tr Date: 7/12/16 St Date: 7/20/16	05582QAD9	1,154,994.80	0.00	1,155,727.65	732.85	100.063	0.85%
Total for Asset-Backed			15,174,559.12	140.62	15,196,453.51	21,894.39		11.23%
Grand Total			135,059,428.91	133,938.75	135,082,983.22	23,554.32		100.00%



WELLS CAPITAL-TIER ONE

HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
AMERICAN HONDA FINANCE CORP	HNDA	02665WAC5	US02665WAC55		1.41%	\$1,768,140.65
BANK OF AMERICA NA	BAC	06050TME9	US06050TME90		1.46%	\$1,835,288.40
BANK OF NEW YORK MELLON CORP	BK	06406HCU1	US06406HCU14		0.86%	\$1,077,753.72
BANK OF NEW YORK MELLON CORP	BK	06406HDB2	US06406HDB24		0.26%	\$328,800.98
BERKSHIRE HATHAWAY FINANCE CORP	BRK	084664CK5	US084664CK54		1.20%	\$1,505,025.17
BMWLT 161 A3	BMWLT	05581RAD8	US05581RAD89		0.40%	\$501,238.77
BMWOT 16A A3	BMWOT	05582QAD9	US05582QAD97		0.87%	\$1,090,464.05
BRANCH BANKING AND TRUST CO	BBT	07330NAL9	US07330NAL91		1.52%	\$1,912,420.62
CAPITAL ONE NA	COF	14042E4L1	US14042E4L18		0.48%	\$602,243.20
Cash	---	CCYUSD	---		0.01%	\$13,749.95
CHAIT 155 A	CHAIT	161571GY4	US161571GY45		1.52%	\$1,908,619.81
CHEVRON CORP	CVX	166764BH2	US166764BH21		1.53%	\$1,921,169.33
CISCO SYSTEMS INC	CSCO	17275RAU6	US17275RAU68		0.24%	\$303,920.20
CITIGROUP INC	C	172967HY0	US172967HY01		0.36%	\$451,451.08
CITIGROUP INC	C	172967JH5	US172967JH59		0.59%	\$733,884.33
CITIGROUP INC	C	172967HN4	US172967HN46		0.09%	\$113,032.01
COCA-COLA CO	KO	191216BV1	US191216BV17		1.28%	\$1,611,325.64
EXXON MOBIL CORP	XOM	30231GAL6	US30231GAL68		0.44%	\$552,162.74
FEDERAL HOME LOAN BANKS	FHLB	313379EE5	US313379EE59		1.59%	\$1,990,275.03
FEDERAL HOME LOAN BANKS	FHLB	313379DT3	US313379DT38		6.04%	\$7,580,374.58
FEDERAL HOME LOAN BANKS	FHLB	3130A6LZ8	US3130A6LZ80		2.30%	\$2,880,174.92
FEDERAL HOME LOAN BANKS	FHLB	3130A9EP2	US3130A9EP21		1.20%	\$1,498,894.33
FEDERAL HOME LOAN BANKS	FHLB	3130A8BD4	US3130A8BD45		1.60%	\$2,012,160.22
FEDERAL HOME LOAN BANKS	FHLB	3130A7CX1	US3130A7CX17		1.58%	\$1,982,163.48
FEDERAL HOME LOAN BANKS	FHLB	3130A62S5	US3130A62S59		2.44%	\$3,054,573.48
FEDERAL HOME LOAN MORTGAGE CORP	FHLMC	3134G72P5	US3134G72P50		0.73%	\$914,726.24
FEDERAL HOME LOAN MORTGAGE CORP	FHLMC	3137EADX4	US3137EADX42		2.50%	\$3,129,871.17
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0E58	US3135G0E585		1.61%	\$2,020,483.00
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0P49	US3135G0P490		0.80%	\$1,000,345.56
FIDELITY INST : GOV PT CL I MMF	FIGXX	316175108	US3161751082		0.01%	\$17,810.25
FIFTH THIRD BANK	FITB	31677QBD0	US31677QBD07		0.20%	\$253,835.65
FIFTH THIRD BANK (OHIO)	FITB	31677QBH1	US31677QBH11		0.40%	\$499,805.78
GOLDMAN SACHS GROUP INC	GS	38145XAA1	US38145XAA19		0.82%	\$1,024,874.92
HAROT 134 A3	HAROT	43814FAC6	US43814FAC68		0.03%	\$42,289.64
HAROT 163 A3	HAROT	438124AC3	US438124AC33		1.43%	\$1,799,282.68
HDMOT 151 A2A	HDMOT	41284BAB2	US41284BAB27		0.08%	\$101,171.73
HDMOT 16A A3	HDMOT	41284DAC6	US41284DAC65		1.60%	\$2,005,846.91
HSBC USA INC	HSBC	40428HPQ9	US40428HPQ91		1.20%	\$1,504,916.67
JDOT 15B A3	JDOT	47787WAC3	US47787WAC38		0.50%	\$627,261.81
JDOT 16B A3	JDOT	47788NAC2	US47788NAC20		0.80%	\$1,002,092.96
JPMORGAN CHASE & CO	JPM	46625HQU7	US46625HQU76		1.44%	\$1,810,970.10
KEYBANK NA	KEY	49327M2A1	US49327M2A10		1.20%	\$1,510,086.00
MANUFACTURERS AND TRADERS TRUST CO	MTB	55279HAA8	US55279HAA86		0.80%	\$1,000,775.67
MBART 161 A3	MBART	58769BAD6	US58769BAD64		1.60%	\$2,005,839.60
MICROSOFT CORP	MSFT	594918BF0	US594918BF05		0.29%	\$358,629.68
MORGAN STANLEY	MS	617446C23	US617446C235		0.41%	\$511,699.44
MORGAN STANLEY	MS	617446V71	US617446V714		0.23%	\$288,004.25
MUFG UNION BANK NA	MUFG	90521APJ1	US90521APJ15		1.45%	\$1,823,896.48

WELLS CAPITAL-TIER ONE

HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
NALT 16A A3	NALT	65478QAD0	US65478QAD07		1.44%	\$1,805,048.68
NAROT 16C A3	NAROT	65478WAD7	US65478WAD74		1.00%	\$1,250,787.81
PACCAR FINANCIAL CORP	PCAR	69371RM37	US69371RM374		0.80%	\$1,003,023.79
PNC BANK NA	PNC	69353RER5	US69353RER57		1.49%	\$1,872,850.48
QUALCOMM INC	QCOM	747525AG8	US747525AG87		0.48%	\$604,014.27
Receivable	---	CCYUSD	---		0.00%	\$41.16
SOUTHERN CALIF PUB PWR AUTH REV	CA	84247PHT1	US84247PHT12		2.03%	\$2,550,310.60
TAOT 16C A3	TAOT	89237WAD9	US89237WAD92		0.96%	\$1,198,427.24
TOYOTA MOTOR CREDIT CORP	TOYOTA	89236TDE2	US89236TDE29		1.52%	\$1,912,065.84
UNITED STATES TREASURY	UST	912828L40	US912828L401		3.65%	\$4,582,369.28
UNITED STATES TREASURY	UST	912828UA6	US912828UA67		1.15%	\$1,441,899.95
UNITED STATES TREASURY	UST	912828UR9	US912828UR92		1.20%	\$1,501,431.40
UNITED STATES TREASURY	UST	912828XK1	US912828XK13		4.00%	\$5,018,453.10
UNITED STATES TREASURY	UST	912828RH5	US912828RH57		1.61%	\$2,022,653.55
UNITED STATES TREASURY	UST	912828H37	US912828H375		3.00%	\$3,764,424.82
UNITED STATES TREASURY	UST	912828M72	US912828M722		2.04%	\$2,552,429.68
UNITED STATES TREASURY	UST	912828N55	US912828N555		2.01%	\$2,515,107.93
UNITED STATES TREASURY	UST	912828VE7	US912828VE70		4.02%	\$5,036,528.28
UNITED STATES TREASURY	UST	912828Q52	US912828Q525		4.01%	\$5,023,521.50
UNITED STATES TREASURY	UST	912828R44	US912828R440		4.00%	\$5,019,065.14
UNITED STATES TREASURY	UST	912828Q94	US912828Q947		1.60%	\$2,006,511.17
UNITEDHEALTH GROUP INC	UNH	91324PCF7	US91324PCF71		1.38%	\$1,727,048.26
US BANK NA	USB	90331HMQ3	US90331HMQ38		0.52%	\$652,618.53
US BANK NA	USB	90331HMU4	US90331HMU40		0.53%	\$658,455.27
USAOT 161 A3	USAOT	90327CAC4	US90327CAC47		1.40%	\$1,751,692.66
VISA INC	V	92826CAA0	US92826CAA09		1.52%	\$1,911,355.67
VWALT 15A A3	VWALT	92867VAD2	US92867VAD29		0.72%	\$900,126.40
WALT DISNEY CO	DIS	25468PDL7	US25468PDL76		0.51%	\$644,908.64

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												
60682A2J4	MITSUBISHI TR & BLG	1.000	1/30/2017	1/30/2017	F1	2,000,000	2,000,000.000	.339	.332	1.000	1.59%	2,000,000.00
69372AKM3	PACCAR FINL CORP D D	0.000	10/21/2016	10/21/2016	A-1	700,000	699,848.330	.058	.057	.372	.56%	699,848.33
NA9123459	US DOLLARS	.531	10/1/2016		Agency	3,182,904	3,182,903.570	.001	.001	.531	2.54%	3,182,903.57
USD120030	USD INTEREST RECEIVABLE	-				323,338	0.000	-	-	-	.26%	323,337.69
USD220010	USD PAYABLE FOR INVESTMENTS PURCHASED	-				(2,586,155)	(2,586,154.950)	-	-	-	(2.06%)	(2,586,154.95)
CASH TOTALS							3,296,596.950					3,619,934.64
CASH & CASH EQUIVALENTS TOTALS							3,296,596.950					3,619,934.64
FIXED INCOME												
AGENCIES												
3130A5EP0	FEDERAL HOME LOAN BANKS	.625	5/30/2017	5/30/2017	Agency	3,750,000	3,748,154.320	.667	.658	.599	2.99%	3,750,641.25
3130A6LZ8	FEDERAL HOME LOAN BANKS	.625	10/26/2017	10/26/2017	Agency	2,875,000	2,870,438.200	1.072	1.061	.709	2.29%	2,872,438.38
3130A62S5	FEDERAL HOME LOAN BANKS	.750	8/28/2017	8/28/2017	Agency	3,900,000	3,894,112.620	.911	.903	.660	3.11%	3,903,166.80
3130A7CX1	FEDERAL HOME LOAN BANKS	.875	3/19/2018	3/19/2018	Agency	1,980,000	1,979,538.120	1.469	1.451	.820	1.58%	1,981,585.98
3134G72P5	FEDERAL HOME LOAN MORTGAGE CORP	1.200	10/29/2018	10/29/2018	Agency	910,000	910,000.000	.081	.528	1.037	.73%	910,115.57
3137EADX4	FEDERAL HOME LOAN MORTGAGE CORP	1.000	12/15/2017	12/15/2017	Agency	3,110,000	3,107,687.640	1.208	1.194	.713	2.49%	3,120,713.95
3137EADV8	FEDERAL HOME LOAN MORTGAGE CORP	.750	7/14/2017	7/14/2017	Agency	2,850,000	2,848,508.580	.789	.780	.627	2.27%	2,852,750.25
3134G8L98	FEDERAL HOME LOAN MORTGAGE CORP	1.050	2/26/2018	2/26/2018	Agency	915,000	915,000.000	.156	.601	1.007	.73%	915,046.67
3135G0E58	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.125	10/19/2018	10/19/2018	Agency	2,000,000	1,997,333.520	2.053	2.013	.870	1.60%	2,010,358.00
AGENCIES TOTALS							22,270,773.000					22,316,816.85
ASSET BACKED												
05581RAD8	BMW VEHICLE LEASE TRUST 2016-1	1.340	1/22/2019	7/20/2018	Aaa	500,000	499,957.600	1.440	1.417	1.198	.40%	501,034.05
161571FT6	CHASE ISSUANCE TRUST	.784	12/16/2019	12/15/2017	AAA	2,170,000	2,171,885.600	1.214	.047	.679	1.73%	2,173,138.69
161571BQ6	CHASE ISSUANCE TRUST	.574	4/15/2019	2/15/2017	AAA	300,000	299,804.850	.381	.046	.454	.24%	300,148.86
161571GJ7	CHASE ISSUANCE TRUST	1.150	1/15/2019	1/15/2017	AAA	500,000	500,332.030	.292	.291	.946	.40%	500,300.10
36159LCR5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.032	1/21/2020	1/22/2018	Aaa	600,000	599,150.700	1.306	.055	1.095	.48%	599,677.44
36159LBW5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.282	4/22/2019	4/20/2017	Aaa	1,000,000	1,001,189.160	.556	.055	.849	.80%	1,002,475.50
41284BAB2	HARLEY-DAVIDSON MOTORCYCLE TRUST 2015-1	.800	1/15/2019	3/15/2017	Aaa	101,181	101,180.690	.201	.201	1.023	.08%	101,135.74
43814FAC6	HONDA AUTO RECEIVABLES 2013-4 OWNER TRUST	.690	9/18/2017	12/18/2016	AAA	42,369	42,377.500	.093	.093	.926	.03%	42,359.33
43814KAC5	HONDA AUTO RECEIVABLES 2015-1 OWNER TRUST	1.050	10/15/2018	2/15/2018	Aaa	3,764,392	3,764,181.170	.629	.623	.994	3.00%	3,765,751.70
477877AD6	JOHN DEERE OWNER TRUST 2014-B	1.070	11/15/2018	1/15/2018	Aaa	635,431	635,364.240	.529	.524	.992	.51%	635,699.30
47787UAD5	JOHN DEERE OWNER TRUST 2015	1.320	6/17/2019	7/15/2018	Aaa	465,000	465,717.020	1.011	.997	1.072	.37%	466,167.71
47787UAB9	JOHN DEERE OWNER TRUST 2015	.870	2/15/2018	2/15/2017	Aaa	555,969	555,971.410	.183	.182	1.053	.44%	555,786.24
47787WAC3	JOHN DEERE OWNER TRUST 2015-B	1.440	10/15/2019	12/15/2018	Aaa	625,000	624,904.230	1.360	1.338	1.222	.50%	626,861.81
58769AAD8	MERCEDES BENZ AUTO LEASE TRUST 2015-B	1.340	7/16/2018	12/15/2017	AAA	430,000	430,855.550	.950	.938	1.124	.34%	430,889.71
58772PAD0	MERCEDES-BENZ AUTO RECEIVABLES TRUST 2015-1	1.340	12/16/2019	11/15/2018	AAA	1,050,000	1,052,406.490	1.267	1.246	1.121	.84%	1,052,926.46
65478QAD0	NISSAN AUTO LEASE TRUST 2016-A	1.490	3/15/2019	10/15/2018	Aaa	585,000	584,977.290	1.771	1.737	1.371	.47%	586,253.42
65474VAL5	NISSAN MASTER OWNER TRUST RECEIVABLES	1.540	6/15/2021	6/17/2019	Aaa	400,000	399,947.310	2.714	2.641	1.691	.32%	398,672.96

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)												
92867VAD2	VOLKSWAGEN AUTO LEASE TRUST	1.250	12/20/2017	7/20/2017	Aaa	900,000	899,932.980	.592	.585	1.294	.72%	899,782.65
ASSET BACKED TOTALS							14,630,135.820					14,639,061.67
CMBS												
3136AK2A0	FANNIE MAE-ACES	2.171	9/25/2019	9/25/2019	Agency	200,000	204,068.800	2.986	2.879	1.435	.16%	204,040.44
3136AC3C3	FANNIE MAE-ACES	1.451	2/25/2018	2/25/2018	Agency	653,555	655,764.600	1.310	1.293	1.171	.52%	655,324.37
3136A7L26	FANNIE MAE-ACES	1.513	12/25/2017	6/25/2017	Agency	328,163	329,272.820	.650	.641	.920	.26%	329,095.11
3137AME52	FHLMC MULTICLASS	1.891	12/25/2020	11/25/2019	Agency	478,279	482,570.880	1.617	1.581	1.232	.38%	482,729.05
3137B1AY8	FHLMC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	1.369	5/25/2019	5/25/2018	AAA	223,988	224,442.530	.846	.835	1.081	.18%	224,329.35
3137AQT24	FHLMC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.130	1/25/2019	1/25/2019	Agency	998,294	1,016,413.830	2.144	2.086	1.265	.81%	1,015,207.97
3137AH6Q6	FHLMC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.412	8/25/2018	8/25/2018	Aaa	842,018	858,023.100	1.631	1.589	1.163	.68%	857,682.61
CMBS TOTALS							3,770,556.560					3,768,408.90
CMOS												
31394GB77	FREDDIE MAC REMICS	4.500	7/15/2018	6/15/2018	Agency	469,152	479,968.500	.699	.685	1.314	.38%	478,716.60
31393WN47	FREDDIE MAC REMICS	4.500	7/15/2018	7/15/2018	Agency	498,368	509,932.670	.712	.699	.796	.41%	510,586.98
31393WVB2	FREDDIE MAC REMICS	4.500	7/15/2018	6/15/2018	Agency	1,186,738	1,215,163.990	.750	.736	.988	.97%	1,215,773.21
CMOS TOTALS							2,205,065.160					2,205,076.79
CORPORATES												
0258M0DZ9	AMERICAN EXPRESS CREDIT CORP	1.875	11/5/2018	11/5/2018	A2	1,617,000	1,633,962.470	2.036	2.009	1.470	1.30%	1,630,215.74
037833BR0	APPLE INC	1.637	2/22/2019	2/22/2019	Aa1	425,000	429,902.600	2.403	.166	1.036	.34%	431,604.50
00206RAJ1	AT&T INC	5.500	2/1/2018	2/1/2018	BBB+	800,000	844,584.000	1.336	1.294	1.433	.67%	842,886.40
06050TLT7	BANK OF AMERICA NA	1.250	2/14/2017	2/14/2017	A1	200,000	199,915.280	.372	.373	1.112	.16%	200,101.00
06050TLY6	BANK OF AMERICA NA	1.650	3/26/2018	3/26/2018	A1	1,800,000	1,802,749.660	1.489	1.465	1.367	1.44%	1,807,470.00
05531FAQ6	BB&T CORP	2.250	2/1/2019	2/1/2019	A2	580,000	592,165.480	2.256	2.215	1.389	.47%	591,047.84
05531FAL7	BB&T CORP	1.600	8/15/2017	8/15/2017	A2	748,000	747,089.010	.792	.798	1.177	.60%	750,487.85
084659AB7	BERKSHIRE HATHAWAY ENERGY CO	2.400	2/1/2020	2/3/2020	A3	1,170,000	1,192,857.160	3.253	3.157	1.629	.96%	1,198,442.70
084664CD1	BERKSHIRE HATHAWAY FINANCE CORP	.967	1/12/2018	1/12/2018	Aa2	550,000	550,817.110	1.294	.039	.972	.44%	551,305.70
09062XAB9	BIOGEN IDEC INC SR	6.875	3/1/2018	3/1/2018	Baa1	400,000	429,958.100	1.419	1.362	1.413	.34%	430,588.00
172967JH5	CITIGROUP INC	1.800	2/5/2018	2/5/2018	BBB+	1,805,000	1,806,554.530	1.347	1.330	1.610	1.44%	1,809,550.41
17401QAC5	CITIZENS BANK NA/PROVIDENCE RI	2.300	12/3/2018	12/3/2018	BBB+	850,000	858,362.490	2.089	2.055	1.737	.69%	859,820.90
202795HV5	COMMONWEALTH EDISON CO	4.000	8/1/2020	8/3/2020	A2	470,000	504,978.990	3.581	3.369	1.609	.41%	508,996.84
254010AC5	DIGNITY HEALTH	2.637	11/1/2019	11/1/2019	A	250,000	256,611.340	3.086	2.940	1.654	.21%	257,361.50
26442CAD6	DUKE ENERGY CAROLINAS LLC	5.100	4/15/2018	4/16/2018	AA-	800,000	849,651.200	1.542	1.465	1.096	.68%	848,836.80
31677QAV1	FIFTH THIRD BANK/CINCINNATI OH	1.450	2/28/2018	2/28/2018	A-	800,000	800,806.110	1.328	1.355	1.322	.64%	801,346.40
31677QBD0	FIFTH THIRD BANK/CINCINNATI OH	2.150	8/20/2018	8/20/2018	A-	250,000	249,962.000	1.806	1.785	1.424	.20%	253,223.50
36962G7J7	GENERAL ELECTRIC CO	1.250	5/15/2017	5/15/2017	A1	230,000	229,986.380	.536	.544	.932	.18%	230,390.08
38147MAA3	GOLDMAN SACHS GROUP INC/THE	2.900	7/19/2018	7/19/2018	A3	1,500,000	1,530,359.300	1.803	1.749	1.561	1.22%	1,535,538.00
38141EC49	GOLDMAN SACHS GROUP INC/THE	1.650	12/15/2017	12/15/2017	A3	500,000	500,906.200	1.211	.210	1.419	.40%	501,528.00
446438RR6	HUNTINGTON NATIONAL BANK/THE	2.200	11/6/2018	11/6/2018	A3	1,060,000	1,070,939.550	2.014	1.981	1.570	.86%	1,073,236.22
46623EKD0	JPMORGAN CHASE & CO	1.700	3/1/2018	3/1/2018	A-	950,000	953,746.840	1.336	1.346	1.469	.76%	952,891.80
46625HJF8	JPMORGAN CHASE & CO	1.615	1/25/2018	1/25/2018	A-	485,000	488,017.630	1.319	.073	1.394	.39%	487,409.97

CalOptima (OCHA) STAMP 1-3

Account #: LCEF00238B2

As of 9/30/2016



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)												
48126EAA5	JPMORGAN CHASE & CO	2.000	8/15/2017	8/15/2017	A-	400,000	402,883.800	.875	.864	1.339	.32%	402,289.20
49327M2A1	KEYBANK NA/CLEVELAND OH	1.650	2/1/2018	2/1/2018	A-	1,450,000	1,454,467.170	1.336	1.320	1.348	1.16%	1,455,762.30
49327M2P8	KEYBANK NA/CLEVELAND OH	1.600	8/22/2019	8/22/2019	A-	250,000	249,922.800	2.894	2.819	1.597	.20%	250,021.00
617446C23	MORGAN STANLEY	5.450	1/9/2017	1/9/2017	A3	500,000	517,873.200	.275	.275	1.422	.40%	505,492.50
617446V71	MORGAN STANLEY	6.250	8/28/2017	8/28/2017	A3	275,000	299,495.680	.911	.890	1.634	.23%	286,428.73
61746BDY9	MORGAN STANLEY	2.131	2/1/2019	2/1/2019	A3	500,000	506,107.920	2.339	.113	1.417	.41%	509,668.00
553794AA6	MUFG AMERICAS HOLDINGS CORP	1.625	2/9/2018	2/9/2018	A	500,000	499,801.240	1.275	1.302	1.505	.40%	500,757.00
637432MU6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2.350	6/15/2020	6/15/2020	A1	830,000	854,124.940	3.708	3.532	1.713	.68%	848,923.17
69353RER5	PNC BANK NA	1.850	7/20/2018	7/20/2018	A	700,000	699,949.270	1.717	1.710	1.340	.56%	706,092.10
69349LAC2	PNC BANK NA	4.875	9/21/2017	9/21/2017	A-	750,000	804,278.620	.975	.958	1.598	.62%	773,678.25
90331HMU4	US BANK NA/CINCINNATI OH	1.450	1/29/2018	1/29/2018	AA-	1,005,000	1,006,296.280	1.244	1.267	1.227	.80%	1,007,791.89
90331HMQ3	US BANK NA/CINCINNATI OH	1.350	1/26/2018	1/26/2018	A1	650,000	649,259.620	1.239	1.265	1.220	.52%	651,034.15
92343VBM5	VERIZON COMMUNICATIONS INC	2.606	9/14/2018	9/14/2018	BBB+	1,150,000	1,182,244.230	1.958	.228	1.279	.94%	1,180,203.60
94974BGR5	WELLS FARGO & CO	2.550	12/7/2020	12/7/2020	A	500,000	514,428.000	4.186	3.946	2.058	.41%	509,812.00
94974BFV7	WELLS FARGO & CO	1.162	4/22/2019	4/22/2019	A	1,000,000	997,396.360	2.561	.060	1.443	.79%	997,149.00
94988J5E3	WELLS FARGO BANK NA	1.425	5/24/2019	5/24/2019	Aa2	415,000	416,124.690	2.653	.161	1.270	.33%	417,164.64
CORPORATES TOTALS							29,579,537.250					29,556,547.68
MORTGAGES												
31403CYQ8	FANNIE MAE POOL	5.500	12/1/2019	4/25/2019	Agency	141,198	147,349.040	1.156	1.121	1.216	.12%	147,606.22
31374CNE2	FANNIE MAE POOL	5.000	5/1/2019	2/25/2018	Agency	536,443	549,547.960	.672	.660	.390	.44%	551,234.37
31402DPU8	FANNIE MAE POOL	5.000	11/1/2019	6/25/2019	Agency	290,655	303,463.170	1.218	1.179	1.592	.24%	301,602.79
3128M1B99	FREDDIE MAC GOLD POOL	5.000	4/1/2021	6/15/2020	Agency	139,378	147,153.450	1.579	1.506	.890	.12%	148,061.77
MORTGAGES TOTALS							1,147,513.620					1,148,505.15
MUNICIPALS												
032556BZ4	ANAHEIM HOUSING & PUBLIC IMPROVEMENTS AUTHORITY	1.304	10/1/2019	10/1/2019	AA-	1,410,000	1,410,000.000	3.003	2.940	1.414	1.12%	1,404,472.80
13034PYC5	CALIFORNIA HOUSING FINANCE AGENCY	1.594	2/1/2018	2/1/2018	A2	1,000,000	1,000,000.000	1.336	1.319	1.692	.80%	998,690.00
13077CT46	CALIFORNIA STATE UNIVERSITY	2.332	11/1/2020	11/2/2020	AA-	695,000	711,976.940	4.086	3.870	1.462	.57%	718,908.00
769036AW4	CITY OF RIVERSIDE CA	.980	6/1/2017	6/1/2017	SP-1+	470,000	470,000.000	.669	.662	1.110	.37%	469,595.80
190335HF9	COAST COMMUNITY COLLEGE DISTRICT	1.556	8/1/2021	8/2/2021	AA	585,000	585,000.000	4.836	4.645	1.687	.46%	581,443.20
68428LDQ4	COUNTY OF ORANGE CA	1.208	6/30/2017	6/30/2017	AA	750,000	750,657.670	.750	.741	1.213	.60%	749,970.00
544587B80	MUNICIPAL IMPROVEMENT CORP OF LOS ANGELES	1.924	11/1/2017	11/1/2017	A+	1,100,000	1,110,918.040	1.086	1.068	1.144	.88%	1,109,229.00
842477TV3	SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY	2.029	7/1/2020	7/1/2020	AA-	600,000	614,710.400	3.753	3.596	1.418	.49%	613,344.00
13063A7G3	STATE OF CALIFORNIA	6.200	10/1/2019	10/1/2019	AA-	390,000	444,784.060	3.003	2.712	1.560	.35%	442,887.90
13063BFU1	STATE OF CALIFORNIA	6.200	3/1/2019	3/1/2019	AA-	780,000	871,229.110	2.419	2.267	1.503	.69%	866,720.40
13066YTY5	STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES POWER SUPPLY REVENUE	1.713	5/1/2021	5/3/2021	Aa1	1,185,000	1,185,000.000	4.222	4.065	1.556	.95%	1,192,560.30
20772JL59	STATE OF CONNECTICUT	2.500	8/1/2020	8/3/2020	AA-	795,000	823,907.760	3.836	3.655	1.740	.65%	817,307.70
93265PBQ1	WALNUT ENERGY CENTER AUTHORITY	4.650	1/1/2018	1/2/2018	A+	1,000,000	1,043,172.320	1.253	1.218	1.223	.83%	1,042,460.00
MUNICIPALS TOTALS							11,021,356.300					11,007,589.10

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As of 9/30/2016

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												
45818WAN6	INTER-AMERICAN DEVELOPMENT BANK	.835	12/12/2016	12/12/2016	Aaa	1,250,000	1,250,044.240	.203	.199	.748	1.00%	1,250,221.25
SOVEREIGN DEBT TOTALS							1,250,044.240					1,250,221.25
US TREASURIES												
912828K33	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	4/15/2020	4/15/2020	Govt	3,853,763	3,917,898.220	3.541	3.513	1.144	3.13%	3,928,941.70
912828P95	UNITED STATES TREASURY NOTE/BOND	1.000	3/15/2019	3/15/2019	Govt	2,500,000	2,501,720.400	2.459	2.417	.842	2.00%	2,509,570.00
912828UF5	UNITED STATES TREASURY NOTE/BOND	1.125	12/31/2019	12/31/2019	Govt	8,500,000	8,505,654.030	3.250	3.176	.949	6.81%	8,547,812.50
912828UR9	UNITED STATES TREASURY NOTE/BOND	.750	2/28/2018	2/28/2018	Govt	2,400,000	2,400,000.000	1.417	1.401	.728	1.91%	2,400,748.80
912828N55	UNITED STATES TREASURY NOTE/BOND	1.000	12/31/2017	1/2/2018	Govt	2,500,000	2,497,938.400	1.250	1.243	.717	2.00%	2,508,790.00
912828H37	UNITED STATES TREASURY NOTE/BOND	.875	1/15/2018	1/16/2018	Govt	3,750,000	3,737,789.100	1.291	1.282	.720	2.99%	3,757,470.00
912828B58	UNITED STATES TREASURY NOTE/BOND	2.125	1/31/2021	2/1/2021	Govt	3,000,000	3,106,174.670	4.334	4.135	1.127	2.49%	3,126,327.00
912828XP0	UNITED STATES TREASURY NOTE/BOND	.625	7/31/2017	7/31/2017	Govt	4,600,000	4,593,873.010	.834	.827	.630	3.67%	4,599,820.60
912828L40	UNITED STATES TREASURY NOTE/BOND	1.000	9/15/2018	9/17/2018	Govt	4,563,000	4,583,375.800	1.959	1.939	.793	3.65%	4,581,356.95
US TREASURIES TOTALS							35,844,423.630					35,960,837.55
FIXED INCOME TOTALS							121,719,405.580					121,853,064.94
PORTFOLIO TOTALS							125,016,002.530					125,472,999.58

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												
60682AJ4	MITSUBISHI TR & BLG	1.000	1/30/2017	1/30/2017	F1	1,500,000	1,500,000.000	.339	.332	1.000	1.67%	1,500,000.00
69372AKM3	PACCAR FINL CORP D D	0.000	10/21/2016	10/21/2016	A-1	1,500,000	1,499,675.000	.058	.057	.372	1.67%	1,499,675.00
NA9123459	US DOLLARS	.531	10/1/2016		Agency	886,093	886,093.380	.001	.001	.531	.99%	886,093.38
USD120030	USD INTEREST RECEIVABLE	-				341,985	0.000	-	-	-	.38%	341,984.71
USD220010	USD PAYABLE FOR INVESTMENTS PURCHASED	-				(1,687,490)	(1,687,490.170)	-	-	-	(1.88%)	(1,687,490.17)
CASH TOTALS							2,198,278.210					2,540,262.92
CASH & CASH EQUIVALENTS TOTALS							2,198,278.210					2,540,262.92
FIXED INCOME												
AGENCIES												
3133EFHX8	FEDERAL FARM CREDIT BANKS	.558	4/9/2018	4/9/2018	Agency	1,000,000	998,922.780	1.525	.025	.572	1.11%	1,000,182.00
3137EACA5	FEDERAL HOME LOAN MORTGAGE CORP	3.750	3/27/2019	3/27/2019	Agency	1,425,000	1,491,478.910	2.492	2.388	.946	1.70%	1,523,152.58
AGENCIES TOTALS							2,490,401.690					2,523,334.58
ASSET BACKED												
05522RCT3	BA CREDIT CARD TRUST	.854	6/15/2020	1/16/2018	AAA	1,250,000	1,248,729.520	1.297	.047	.734	1.39%	1,252,245.13
161571BQ6	CHASE ISSUANCE TRUST	.574	4/15/2019	2/15/2017	AAA	915,000	914,309.440	.381	.046	.454	1.02%	915,454.02
17305EFN0	CITIBANK CREDIT CARD ISSUANCE TRUST	1.020	2/22/2019	2/22/2017	Aaa	750,000	749,952.010	.394	.395	.936	.84%	750,243.30
17305EFF7	CITIBANK CREDIT CARD ISSUANCE TRUST	.948	9/10/2020	9/10/2018	Aaa	1,040,000	1,040,381.430	1.947	.035	.736	1.16%	1,044,782.23
36159LBW5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.282	4/22/2019	4/20/2017	Aaa	1,000,000	1,001,252.060	.556	.055	.849	1.12%	1,002,475.50
36159LCR5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.032	1/21/2020	1/22/2018	Aaa	430,000	429,384.160	1.306	.055	1.095	.48%	429,768.83
58769AAD8	MERCEDES BENZ AUTO LEASE TRUST 2015-B	1.340	7/16/2018	12/15/2017	AAA	1,125,000	1,125,942.630	.950	.938	1.124	1.26%	1,127,327.74
58772PAC2	MERCEDES-BENZ AUTO RECEIVABLES TRUST 2015-1	.794	6/15/2018	5/15/2017	AAA	448,652	448,646.620	.282	.046	.713	.50%	448,765.89
ASSET BACKED TOTALS							6,958,597.870					6,971,062.64
CMBS												
3136A7L26	FANNIE MAE-ACES	1.513	12/25/2017	6/25/2017	Agency	853,223	856,109.180	.650	.641	.920	.95%	855,647.27
3136AC3C3	FANNIE MAE-ACES	1.451	2/25/2018	2/25/2018	Agency	928,345	929,552.420	1.310	1.293	1.171	1.04%	930,858.45
3137AH6Q6	FHLMC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.412	8/25/2018	8/25/2018	Aaa	594,366	602,196.800	1.631	1.589	1.163	.67%	605,423.01
3137A1N82	FHLMC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.746	12/25/2019	10/25/2019	Agency	91,398	93,643.060	1.072	1.051	1.161	.10%	92,769.23
CMBS TOTALS							2,481,501.460					2,484,697.96
CMOS												
313921TM0	FANNIE MAE	6.000	10/25/2016	10/25/2016	Agency	1	1.130	.069	.068	.864	0%	1.15
31392BVM5	FANNIE MAE REMICS	5.500	2/25/2017	12/25/2016	Agency	1,386	1,365.910	.139	.138	.887	0%	1,389.66
31393BF91	FANNIE MAE REMICS	5.000	5/25/2018	4/25/2018	Agency	60,435	59,960.200	.667	.655	1.182	.07%	61,764.93
31392GPN9	FANNIE MAE REMICS	5.000	1/25/2018	12/25/2017	Agency	69,401	68,501.750	.542	.533	1.311	.08%	70,551.00
31398M5L6	FANNIE MAE REMICS	3.750	8/25/2018	6/25/2018	Agency	115,540	115,513.290	.792	.778	.960	.13%	117,793.23
31396YXB3	FANNIE MAE REMICS	4.000	12/25/2018	4/25/2018	Agency	101,476	100,691.450	.743	.730	1.072	.12%	103,402.27
31398GZS1	FANNIE MAE REMICS	2.500	12/25/2018	7/25/2018	Agency	73,195	72,892.910	.727	.716	1.093	.08%	73,817.94
31398VUA2	FREDDIE MAC REMICS	2.000	3/15/2019	11/15/2018	Agency	458,965	457,951.920	.860	.847	1.100	.51%	462,147.88
31398WLZ5	FREDDIE MAC REMICS	2.000	11/15/2018	9/15/2018	Agency	62,187	61,976.000	.624	.616	1.073	.07%	62,497.07

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)												
CMOS (Continued)												
31393NDD8	FREDDIE MAC REMICS	5.000	3/15/2018	2/15/2018	Agency	44,517	44,134.780	.605	.594	1.340	.05%	45,411.04
31394GH22	FREDDIE MAC REMICS	4.500	7/15/2018	3/15/2018	Agency	160,074	163,598.740	.659	.647	.987	.18%	163,480.76
3137A5J21	FREDDIE MAC REMICS	1.750	1/15/2017	1/15/2017	Agency	9,066	9,041.450	.199	.198	1.307	.01%	9,067.48
3137A1LC5	FREDDIE MAC REMICS	2.000	8/15/2020	11/15/2019	Agency	186,321	187,602.050	1.409	1.358	1.199	.21%	188,260.79
31393GWV2	FREDDIE MAC REMICS	5.000	12/15/2017	12/15/2017	Agency	58,992	59,135.790	.524	.515	1.175	.07%	60,054.30
62888WAA4	NON GUARANTEED NOT V	1.054	12/8/2020	11/5/2020	Aaa	527,818	529,655.560	2.655	.041	1.056	.59%	528,733.37
CMOS TOTALS							1,932,022.930					1,948,372.87
CORPORATES												
0258M0DZ9	AMERICAN EXPRESS CREDIT CORP	1.875	11/5/2018	11/5/2018	A2	440,000	439,973.640	2.036	2.009	1.470	.49%	443,596.12
0258M0DP1	AMERICAN EXPRESS CREDIT CORP	2.250	8/15/2019	8/15/2019	A2	650,000	649,304.540	2.875	2.778	1.521	.74%	663,269.10
03076CAE6	AMERIPRISE FINANCIAL INC	5.300	3/15/2020	3/16/2020	A3	605,000	662,884.930	3.458	3.198	1.886	.75%	673,827.83
037833BR0	APPLE INC	1.637	2/22/2019	2/22/2019	Aa1	385,000	385,000.000	2.403	.166	1.036	.44%	390,982.90
060505DP6	BANK OF AMERICA CORP	5.750	12/1/2017	12/1/2017	BBB+	700,000	730,017.230	1.169	1.124	1.610	.82%	733,420.10
06050TKN1	BANK OF AMERICA NA	5.300	3/15/2017	3/15/2017	A-	250,000	253,633.890	.458	.452	1.457	.28%	254,370.25
05531FAP8	BB&T CORP	1.710	6/15/2018	6/15/2018	A2	520,000	521,195.580	1.631	.213	1.349	.58%	523,189.16
05531FAU7	BB&T CORP	2.625	6/29/2020	6/29/2020	A2	850,000	860,659.760	3.661	3.504	1.705	.98%	877,690.45
084659AB7	BERKSHIRE HATHAWAY ENERGY CO	2.400	2/1/2020	2/3/2020	A3	750,000	762,340.840	3.253	3.157	1.629	.86%	768,232.50
084664CD1	BERKSHIRE HATHAWAY FINANCE CORP	.967	1/12/2018	1/12/2018	Aa2	445,000	444,764.450	1.294	.039	.972	.50%	446,056.43
17275RAZ5	CISCO SYSTEMS INC	1.411	2/21/2018	2/21/2018	A1	425,000	427,494.110	1.394	.146	1.052	.48%	427,460.33
172967HM6	CITIGROUP INC	2.550	4/8/2019	4/8/2019	BBB+	500,000	501,779.660	2.522	2.416	1.732	.57%	510,053.00
172967JH5	CITIGROUP INC	1.800	2/5/2018	2/5/2018	BBB+	300,000	299,512.590	1.347	1.330	1.610	.34%	300,756.30
17401QAC5	CITIZENS BANK NA/PROVIDENCE RI	2.300	12/3/2018	12/3/2018	BBB+	700,000	701,060.490	2.089	2.055	1.737	.79%	708,087.80
202795HV5	COMMONWEALTH EDISON CO	4.000	8/1/2020	8/3/2020	A2	180,000	190,279.350	3.581	3.369	1.609	.22%	194,934.96
209111ET6	CONSOLIDATED EDISON CO OF NEW YORK INC	5.850	4/1/2018	4/2/2018	A-	250,000	264,438.930	1.503	1.417	1.290	.30%	266,912.75
254010AC5	DIGNITY HEALTH	2.637	11/1/2019	11/1/2019	A	210,000	215,537.660	3.086	2.940	1.654	.24%	216,183.66
31677QBG3	FIFTH THIRD BANK/CINCINNATI OH	2.250	6/14/2021	6/14/2021	A-	715,000	726,663.130	4.622	4.400	1.871	.81%	726,941.22
31677QAV1	FIFTH THIRD BANK/CINCINNATI OH	1.450	2/28/2018	2/28/2018	A-	500,000	497,967.110	1.328	1.355	1.322	.56%	500,841.50
38141GRC0	GOLDMAN SACHS GROUP INC/THE	2.375	1/22/2018	1/22/2018	A3	215,000	216,552.240	1.311	1.288	1.520	.24%	217,376.18
38148FAB5	GOLDMAN SACHS GROUP INC/THE	2.550	10/23/2019	10/23/2019	A3	605,000	607,991.270	3.064	2.919	1.808	.69%	618,314.84
38147MAA3	GOLDMAN SACHS GROUP INC/THE	2.900	7/19/2018	7/19/2018	A3	260,000	264,591.050	1.803	1.749	1.561	.30%	266,159.92
40428HPQ9	HSBC USA INC	1.700	3/5/2018	3/5/2018	A	730,000	729,449.660	1.431	1.407	1.554	.81%	731,496.50
4581XOCB2	INTER-AMERICAN DEVELOPMENT BANK	.875	11/15/2016	11/15/2016	AAA	2,025,000	2,025,735.890	.125	.125	.369	2.26%	2,026,277.78
48121CYK6	JPMORGAN CHASE BANK NA	6.000	10/1/2017	10/2/2017	A	976,000	1,012,612.030	1.003	.959	1.666	1.13%	1,017,888.94
49327M2F0	KEYBANK NA/CLEVELAND OH	2.500	12/15/2019	12/16/2019	A-	900,000	917,530.670	3.208	3.069	1.680	1.03%	922,953.60
55279HAAH3	MANUFACTURERS & TRADERS TRUST CO	1.014	7/25/2017	7/25/2017	A	500,000	498,769.780	.822	.074	1.125	.56%	500,108.50
55279HAA8	MANUFACTURERS & TRADERS TRUST CO	1.450	3/7/2018	3/7/2018	A	500,000	498,759.730	1.436	1.415	1.463	.56%	499,904.50
61746BDY9	MORGAN STANLEY	2.131	2/1/2019	2/1/2019	A3	800,000	800,000.000	2.339	.113	1.417	.91%	815,468.80
637432MU6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2.350	6/15/2020	6/15/2020	A1	610,000	627,073.180	3.708	3.532	1.713	.69%	623,907.39
68389XBK0	ORACLE CORP	1.900	9/15/2021	9/15/2021	A+	650,000	650,342.410	4.836	4.663	1.844	.73%	651,649.05
69353RDD7	PNC BANK NA	2.250	7/2/2019	7/2/2019	A	620,000	623,252.560	2.672	2.604	1.514	.70%	631,910.20
91159HHE3	US BANCORP	1.950	11/15/2018	11/15/2018	A+	366,000	367,857.710	2.042	2.011	1.317	.41%	370,649.30
90331HNV2	US BANK NA/CINCINNATI OH	1.331	1/29/2018	1/29/2018	AA-	500,000	500,000.000	1.247	.082	1.148	.56%	501,847.50
92343VDG6	VERIZON COMMUNICATIONS INC	1.750	8/15/2021	8/16/2021	BBB+	500,000	499,415.890	4.875	4.628	1.986	.55%	494,532.50
94974BGR5	WELLS FARGO & CO	2.550	12/7/2020	12/7/2020	A	950,000	978,892.580	4.186	3.946	2.058	1.08%	968,642.80

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)												
98389BAS9	XCEL ENERGY INC	2.400	3/15/2021	3/15/2021	BBB+	750,000	772,148.890	4.375	4.183	1.778	.86%	769,548.00
CORPORATES TOTALS							22,125,483.430					22,255,442.66
MORTGAGES												
31391WS93	FANNIE MAE POOL	5.500	11/1/2017	8/25/2017	Agency	10,611	10,451.620	.457	.449	1.090	.01%	10,785.34
31371KVC2	FANNIE MAE POOL	5.500	11/1/2017	9/25/2017	Agency	24,611	24,313.630	.492	.484	1.130	.03%	25,048.38
31371KT68	FANNIE MAE POOL	5.500	10/1/2017	8/25/2017	Agency	20,445	20,439.420	.456	.449	1.128	.02%	20,776.65
31404WTT3	FANNIE MAE POOL	4.500	5/1/2019	3/25/2019	Agency	8,948	8,941.080	1.100	1.067	1.623	.01%	9,201.47
31385XBG1	FANNIE MAE POOL	6.000	3/1/2018	4/25/2017	Agency	16,637	16,387.260	.307	.303	.897	.02%	16,830.44
31413XVG5	FANNIE MAE POOL	4.361	6/1/2019	6/25/2019	Agency	600,000	627,666.380	2.736	2.568	3.063	.69%	619,877.30
31374CNE2	FANNIE MAE POOL	5.000	5/1/2019	2/25/2018	Agency	767,597	786,290.630	.672	.660	.390	.88%	788,762.02
31381Q6B7	FANNIE MAE POOL	4.295	6/1/2021	6/25/2021	Agency	1,193,806	1,318,414.040	4.510	4.104	1.724	1.48%	1,326,757.67
3138EJRP5	FANNIE MAE POOL	4.380	6/1/2021	5/25/2021	Agency	861,458	954,829.070	4.447	4.043	1.763	1.07%	957,647.96
31294KUP8	FREDDIE MAC GOLD POOL	5.000	11/1/2018	8/15/2018	Agency	54,683	54,408.820	.851	.831	1.336	.06%	56,268.96
36200MMZ3	GINNIE MAE I POOL	4.500	6/15/2018	3/15/2018	Govt	27,936	27,780.560	.731	.716	1.807	.03%	28,433.74
36200MPV9	GINNIE MAE I POOL	4.500	7/15/2018	4/15/2018	Govt	12,771	12,721.670	.771	.754	1.920	.01%	13,000.68
MORTGAGES TOTALS							3,862,644.180					3,873,390.61
MUNICIPALS												
032556BZ4	ANAHEIM HOUSING & PUBLIC IMPROVEMENTS AUTHORITY	1.304	10/1/2019	10/1/2019	AA-	1,010,000	1,010,000.000	3.003	2.940	1.414	1.12%	1,006,040.80
03667PEB4	ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT	1.954	8/1/2018	8/1/2018	AA-	345,000	345,000.000	1.836	1.797	1.255	.39%	349,360.80
072031AF4	BAY AREA WATER SUPPLY & CONSERVATION AGENCY	1.914	10/1/2019	10/1/2019	Aa3	150,000	150,315.690	3.003	2.890	1.393	.17%	152,292.00
13034PUF2	CALIFORNIA HOUSING FINANCE AGENCY	2.379	8/1/2020	8/3/2020	A1	450,000	447,711.480	3.836	3.662	1.792	.51%	459,742.50
13077CT38	CALIFORNIA STATE UNIVERSITY	1.982	11/1/2019	11/1/2019	AA-	245,000	245,000.000	3.086	2.971	1.333	.28%	249,792.20
13077CT46	CALIFORNIA STATE UNIVERSITY	2.332	11/1/2020	11/2/2020	AA-	495,000	507,042.380	4.086	3.870	1.462	.57%	512,028.00
156792GT4	CERRITOS COMMUNITY COLLEGE DISTRICT	2.165	8/1/2019	8/1/2019	Aa2	175,000	175,000.000	2.836	2.742	1.425	.20%	178,585.75
156792GR8	CERRITOS COMMUNITY COLLEGE DISTRICT	1.312	8/1/2017	8/1/2017	Aa2	500,000	500,000.000	.836	.828	.850	.56%	501,920.00
45656RCK6	CITY OF INDUSTRY CA	2.500	1/1/2020	1/2/2020	A1	230,000	229,735.460	3.253	3.114	1.943	.26%	234,018.10
190335HF9	COAST COMMUNITY COLLEGE DISTRICT	1.556	8/1/2021	8/2/2021	AA	415,000	415,000.000	4.836	4.645	1.687	.46%	412,476.80
70914PPE6	COMMONWEALTH OF PENNSYLVANIA	4.250	7/15/2020	7/15/2020	Aa3	500,000	538,221.700	3.792	3.504	2.089	.60%	539,180.00
797398DH4	COUNTY OF SAN DIEGO CA	5.765	8/15/2019	8/15/2019	AA+	475,000	519,160.770	2.875	2.671	1.376	.59%	533,567.50
452650JD7	IMPERIAL IRRIGATION DISTRICT ELECTRIC SYSTEM REVENUE	1.320	11/1/2019	11/1/2019	AA-	655,000	653,025.840	3.086	3.010	1.599	.72%	649,517.65
492244CS5	KERN COMMUNITY COLLEGE DISTRICT	5.000	11/1/2016	11/1/2016	Aa2	400,000	401,315.650	.086	.087	1.367	.45%	401,240.00
54473ERR7	LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY	2.560	12/1/2019	12/2/2019	AA-	305,000	305,739.860	3.169	3.028	1.813	.35%	311,981.45
621196XM1	MOUNT DIABLO UNIFIED SCHOOL DISTRICT/CA	3.887	8/1/2017	8/1/2017	Aa3	400,000	408,049.320	.836	.822	1.167	.46%	409,020.00
544587C30	MUNICIPAL IMPROVEMENT CORP OF LOS ANGELES	3.146	11/1/2020	11/2/2020	A+	880,000	893,001.890	4.086	3.808	1.763	1.03%	927,766.40
630360EJ0	NAPA VLY CA CMNTY C	1.776	8/1/2018	8/1/2018	AA-	600,000	600,000.000	1.836	1.800	1.125	.68%	607,080.00
661334DS8	NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT/CA	1.540	8/1/2018	8/1/2018	Aa1	165,000	164,537.260	1.836	1.803	1.173	.19%	166,097.25
735000QD6	PORT OF OAKLAND	5.000	5/1/2017	5/1/2017	A+	525,000	535,934.840	.586	.569	1.023	.60%	537,164.25

Portfolio Profile

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FIXED INCOME (Continued)												
MUNICIPALS (Continued)												
913366HV5	REGENTS OF THE UNIVERSITY OF CALIFORNIA MEDICAL CENTER POOLED REVENUE	1.620	5/15/2021	5/17/2021	AA-	300,000	300,000.000	4.625	4.441	1.637	.33%	299,781.00
76886PFB4	RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION	2.848	8/1/2020	8/3/2020	Aa2	355,000	363,541.660	3.836	3.635	1.562	.41%	371,926.40
786005NA2	SACRAMENTO MUNICIPAL UTILITY DISTRICT	5.000	8/15/2017	8/15/2017	AA-	160,000	165,146.120	.875	.858	.826	.18%	165,809.60
79765A7G5	SAN FRANCISCO CITY & COUNTY AIRPORTS COMM-SAN FRANCISCO INTERNATIONAL AIRPORT	5.000	5/1/2017	5/1/2017	A+	600,000	611,872.220	.586	.569	1.005	.68%	613,968.00
83412PDW9	SOLANO COUNTY COMMUNITY COLLEGE DISTRICT	1.840	8/1/2018	8/1/2018	Aa3	600,000	600,000.000	1.836	1.799	1.185	.68%	607,116.00
842477TV3	SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY	2.029	7/1/2020	7/1/2020	AA-	780,000	799,084.400	3.753	3.596	1.418	.89%	797,347.20
13063A7G3	STATE OF CALIFORNIA	6.200	10/1/2019	10/1/2019	AA-	500,000	561,234.740	3.003	2.712	1.560	.63%	567,805.00
13063BFU1	STATE OF CALIFORNIA	6.200	3/1/2019	3/1/2019	AA-	550,000	599,336.860	2.419	2.267	1.503	.68%	611,149.00
13066TY5	STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES POWER SUPPLY REVENUE	1.713	5/1/2021	5/3/2021	Aa1	845,000	845,000.000	4.222	4.065	1.556	.95%	850,391.10
20772JL59	STATE OF CONNECTICUT	2.500	8/1/2020	8/3/2020	AA-	865,000	871,748.120	3.836	3.655	1.740	.99%	889,271.90
649791CJ7	STATE OF NEW YORK	4.290	3/1/2019	3/1/2019	AA+	225,000	237,056.260	2.419	2.306	1.215	.27%	241,447.50
91412GWV3	UNIVERSITY OF CALIFORNIA	2.003	5/15/2019	5/15/2019	AA	250,000	250,000.000	2.625	2.536	1.144	.28%	255,537.50
932889VJ4	WALNUT VALLEY UNIFIED SCHOOL DISTRICT	2.000	8/1/2018	8/1/2018	Aa2	285,000	286,253.150	1.836	1.797	1.057	.32%	289,873.50
MUNICIPALS TOTALS							15,534,065.670					15,700,295.15
SOVEREIGN DEBT												
45950KCE8	INTERNATIONAL FINANCE CORP	.625	10/3/2016	10/3/2016	Aaa	1,350,000	1,350,009.090	.008	.008	.623	1.50%	1,350,000.00
SOVEREIGN DEBT TOTALS							1,350,009.090					1,350,000.00
US TREASURIES												
912828K33	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	4/15/2020	4/15/2020	Govt	3,596,845	3,600,595.650	3.541	3.513	1.144	4.08%	3,667,012.25
912828B58	UNITED STATES TREASURY NOTE/BOND	2.125	1/31/2021	2/1/2021	Govt	5,675,000	5,878,941.150	4.334	4.135	1.127	6.59%	5,913,968.58
912828UB4	UNITED STATES TREASURY NOTE/BOND	1.000	11/30/2019	12/2/2019	Govt	1,700,000	1,681,833.480	3.167	3.103	.936	1.90%	1,703,386.40
912828J84	UNITED STATES TREASURY NOTE/BOND	1.375	3/31/2020	3/31/2020	Govt	5,325,000	5,310,671.680	3.500	3.411	.994	6.01%	5,394,682.95
912828VV9	UNITED STATES TREASURY NOTE/BOND	2.125	8/31/2020	8/31/2020	Govt	5,425,000	5,529,863.050	3.917	3.756	1.068	6.29%	5,644,332.75
912828RC6	UNITED STATES TREASURY NOTE/BOND	2.125	8/15/2021	8/16/2021	Govt	2,150,000	2,237,580.110	4.875	4.625	1.187	2.50%	2,245,238.55
912828UF5	UNITED STATES TREASURY NOTE/BOND	1.125	12/31/2019	12/31/2019	Govt	5,525,000	5,537,749.740	3.250	3.176	.949	6.19%	5,556,078.13
US TREASURIES TOTALS							29,777,234.860					30,124,699.61
FIXED INCOME TOTALS							86,511,961.180					87,231,296.08
PORTFOLIO TOTALS							88,710,239.390					89,771,559.00

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Portfolio Profile

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CASH & CASH EQUIVALENTS												
CASH												
06427K7F8	BANK OF MONTREAL CH	.930	1/9/2017	1/9/2017	F1	10,000,000	10,000,000.000	.281	.275	.929	1.81%	10,000,000.00
06417GNJ3	BANK OF NOVA SCOTIA	.750	11/23/2016	11/23/2016	P-1	10,000,000	10,000,000.000	.150	.147	.749	1.81%	10,000,000.00
06538M6J3	BANK OF TOKYO C/D	.950	12/22/2016	12/22/2016	F1	10,000,000	10,000,000.000	.231	.226	.949	1.81%	10,000,000.00
05582WCV4	BNP PARIBAS NY BRH	.980	12/21/2016	12/21/2016	F1	10,000,000	10,000,000.000	.228	.223	.979	1.81%	10,000,000.00
13606AU71	CANADIAN IMP BK NY	.980	1/17/2017	1/17/2017	P-1	10,000,000	10,000,000.000	.303	.297	.979	1.81%	10,000,000.00
14912DK32	CATERPILLAR FINL D D	0.000	10/3/2016	10/3/2016	F1	8,000,000	7,999,800.000	.008	.008	.300	1.45%	7,999,800.00
21685VRT8	COOPERATIVE CENTRA	.940	1/4/2017	1/4/2017	P-1	10,000,000	10,000,000.000	.267	.261	.939	1.81%	10,000,000.00
22534HPS4	CREDIT AGRICOLE COR	.980	12/19/2016	12/19/2016	F1	10,000,000	10,000,000.000	.222	.218	.979	1.81%	10,000,000.00
22549VLH4	CREDIT SUISSE NY IN	1.130	1/17/2017	1/17/2017	F1	10,000,000	10,000,000.000	.303	.297	1.128	1.81%	10,000,000.00
313384J75	FEDERAL HOME LOAN BANK DISCOUNT NOTES	0.000	10/7/2016	10/7/2016	Agency	17,000,000	16,999,603.330	.019	.019	.120	3.08%	16,999,603.33
46640PMW0	J P MORGAN SEC DIS D	0.000	12/30/2016	12/30/2016	P-1	10,000,000	9,978,749.950	.250	.248	.842	1.81%	9,978,749.95
50066BKS9	KOREA DEV BANK NY I	.990	1/9/2017	1/9/2017	A-1+	10,500,000	10,500,000.000	.281	.275	.989	1.91%	10,500,000.00
60682A2J4	MITSUBISHI TR & BLG	1.000	1/30/2017	1/30/2017	F1	10,000,000	10,000,000.000	.339	.332	1.000	1.81%	10,000,000.00
60689DJ46	MIZUHO BANK LTD INS	.950	12/19/2016	12/19/2016	F1	10,000,000	10,000,000.000	.222	.218	.925	1.81%	10,000,000.00
63873FN87	NATIXIS NY BRH INST	1.000	12/14/2016	12/14/2016	F1	10,000,000	10,000,000.000	.208	.204	.999	1.81%	10,000,000.00
65602UDU9	NORINCHUKIN BK C/D	.950	12/20/2016	12/20/2016	A-1	10,000,000	10,000,884.350	.225	.220	.910	1.81%	10,000,884.35
69372AKM3	PACCAR FINL CORP D D	0.000	10/21/2016	10/21/2016	A-1	10,000,000	9,997,833.330	.058	.057	.372	1.81%	9,997,833.33
83369YBS4	SOCIETE GENERALE NY	.790	11/23/2016	11/23/2016	F1	10,000,000	10,000,000.000	.150	.147	.789	1.81%	10,000,000.00
86563YCC5	SUMITOMO MITSUI BKG	.900	11/29/2016	11/29/2016	F1	10,000,000	10,000,000.000	.167	.163	.899	1.81%	10,000,000.00
NA9123459	US DOLLARS	.531	10/1/2016		Agency	10,672,798	10,672,797.870	.001	.001	.531	1.94%	10,672,797.87
USD120030	USD INTEREST RECEIVABLE	-				1,350,212	0.000	-	-	-	.24%	1,350,211.85
USD220010	USD PAYABLE FOR INVESTMENTS PURCHASED	-				(21,396,216)	(21,396,215.990)	-	-	-	(3.88%)	(21,396,215.99)
CASH TOTALS							184,753,452.840					186,103,664.69
CORPORATES												
00206RCV2	AT&T INC	2.400	3/15/2017	3/15/2017	BBB+	7,500,000	7,547,330.440	.458	.452	1.119	1.37%	7,543,762.50
CORPORATES TOTALS							7,547,330.440					7,543,762.50
MUNICIPALS												
190335HB8	COAST COMMUNITY COLLEGE DISTRICT	.795	8/1/2017	8/1/2017	AA	4,865,000	4,865,000.000	.836	.829	.960	.88%	4,858,334.95
68428LDM3	COUNTY OF ORANGE CA	.938	11/1/2016	11/1/2016	AA	2,000,000	2,000,364.640	.086	.087	.725	.36%	2,000,364.64
MUNICIPALS TOTALS							6,865,364.640					6,858,699.59
SOVEREIGN DEBT												
45950VHJ8	INTERNATIONAL FINANCE CORP	.702	1/20/2017	1/20/2017	Aaa	2,500,000	2,500,000.000	.306	.054	.716	.45%	2,500,000.00
SOVEREIGN DEBT TOTALS							2,500,000.000					2,500,000.00
CASH & CASH EQUIVALENTS TOTALS							201,666,147.920					203,006,126.78
FIXED INCOME												
AGENCIES												
31331K2G4	FEDERAL FARM CREDIT BANKS	.621	12/6/2016	12/6/2016	Agency	5,000,000	5,001,520.130	.183	.016	.420	.91%	5,001,970.00
3133EFC7	FEDERAL FARM CREDIT BANKS	.827	9/18/2018	9/18/2018	Agency	5,000,000	4,997,933.480	1.969	.216	.745	.91%	5,008,775.00

CalOptima (OCHA) - Enhanced Cash

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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)												
AGENCIES (Continued)												
3134G72G5	FEDERAL HOME LOAN MORTGAGE CORP	.537	4/20/2017	4/20/2017	Agency	5,000,000	4,999,427.870	.556	.054	.421	.91%	5,003,360.00
AGENCIES TOTALS							14,998,881.480					15,014,105.00
ASSET BACKED												
05581RAA4	BMW VEHICLE LEASE TRUST 2016-1	.630	2/21/2017	10/20/2016		7,950	7,949.510	.056	.054	.630	0%	7,949.51
05581RAC0	BMW VEHICLE LEASE TRUST 2016-1	1.032	1/22/2018	9/20/2017	Aaa	250,000	250,336.230	.528	.055	.755	.05%	250,383.88
161571GW8	CHASE ISSUANCE TRUST	.774	4/15/2019	4/17/2017	AAA	2,800,000	2,802,839.100	.547	.046	.662	.51%	2,801,950.48
161571FT6	CHASE ISSUANCE TRUST	.784	12/16/2019	12/15/2017	AAA	7,830,000	7,836,803.510	1.214	.047	.679	1.42%	7,841,325.31
17305EDK8	CITIBANK CREDIT CARD ISSUANCE TRUST	.910	12/17/2018	12/15/2016	AAA	5,570,000	5,571,975.110	.214	.046	.826	1.01%	5,570,895.66
36159LCN4	GE DEALER FLOORPLAN MASTER NOTE TRUST	.982	10/20/2019	10/20/2017	Aaa	3,610,000	3,606,762.940	1.056	.055	.945	.66%	3,611,934.96
36159LCR5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.032	1/21/2020	1/22/2018	Aaa	2,160,000	2,156,942.630	1.306	.055	1.095	.39%	2,158,838.78
36159LBW5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.282	4/22/2019	4/20/2017	Aaa	3,700,000	3,704,399.820	.556	.055	.849	.67%	3,709,159.35
41284DAA0	HARLEY-DAVIDSON MOTORCYCLE TRUST	.650	6/15/2017	12/15/2016		1,947,254	1,947,253.600	.128	.124	.582	.35%	1,947,253.60
438124AA7	HONDA AUTO RECEIVABLES 2016-3 OWNER TRUST	.640	8/18/2017	2/21/2017		5,678,110	5,678,109.570	.188	.189	.655	1.03%	5,678,118.09
47788NAA6	JOHN DEERE OWNER TRUST	.640	8/15/2017	4/15/2017		2,722,639	2,722,638.550	.277	.275	.659	.49%	2,722,574.30
58768LAD5	MERCEDES BENZ AUTO LEASE TRUST 2015-A	1.100	8/15/2017	1/15/2017	Aaa	3,555,757	3,556,704.140	.131	.130	.911	.65%	3,556,646.43
58769BAB0	MERCEDES-BENZ AUTO RECEIVABLES TRUST 2016-1	.750	9/15/2017	3/15/2017		6,000,000	6,000,000.000	.197	.193	.751	1.09%	6,000,013.20
55315FAA8	MMAF EQUIPMENT FINANCE LLC 2016-A	-				0	.010	-	-	-	0%	.01
65490BAD7	NISSAN AUTO LEASE TRUST 2014-B	1.120	9/15/2017	4/15/2017	Aaa	1,126,522	1,126,910.860	.270	.268	1.015	.20%	1,126,846.05
65473DAC6	NISSAN AUTO LEASE TRUST 2015-A	.874	11/15/2017	2/15/2017	Aaa	2,338,718	2,339,824.990	.223	.046	.763	.42%	2,339,343.14
65478QAA6	NISSAN AUTO LEASE TRUST 2016-A	.650	6/15/2017	1/17/2017		999,992	999,991.970	.141	.137	.615	.18%	999,991.97
65478VAA5	NISSAN AUTO RECEIVABLES 2016-B OWNER TRUST	.630	5/15/2017	12/15/2016		743,102	743,102.000	.121	.116	.622	.13%	743,102.00
65478WAA3	NISSAN AUTO RECEIVABLES 2016-C OWNER TRUST	.620	8/15/2017	3/15/2017		6,026,202	6,026,202.350	.247	.242	.620	1.09%	6,026,213.80
ASSET BACKED TOTALS							57,078,746.890					57,092,540.52
CMBS												
3136AP3Z3	FANNIE MAE MULTIFAMILY REMIC TRUST 2015-M12	.851	4/25/2020	4/25/2020	Agency	3,730,284	3,732,911.740	2.592	.071	.811	.68%	3,733,960.15
3136ANA98	FANNIE MAE-ACES	.758	3/25/2019	3/25/2019	Agency	4,243,977	4,244,725.790	2.125	.069	.742	.77%	4,246,309.47
3136A8G38	FANNIE MAE-ACES	1.246	8/25/2017	8/25/2017	Agency	623,900	624,044.390	.704	.695	1.147	.11%	623,825.41
3136A9MK1	FANNIE MAE-ACES	1.114	2/25/2017	2/25/2017	Agency	194,104	194,148.510	.346	.345	.977	.04%	194,052.51
3136AGGF3	FANNIE MAE-ACES	1.532	10/25/2017	8/25/2017	Agency	291,187	291,704.470	.481	.475	.857	.05%	291,833.46
3136ANMF1	FANNIE MAE-ACES	.675	11/25/2018	11/25/2018	Agency	6,772,945	6,769,303.630	1.876	.067	.752	1.23%	6,763,562.59
3137A7JT8	FHLMC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.776	6/25/2017	3/25/2017	Agency	2,681,920	2,698,385.480	.350	.345	.780	.49%	2,695,664.84
3137ANLP8	FHLMC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	1.655	11/25/2016	10/25/2016	Aaa	167,163	167,182.570	.069	.068	1.299	.03%	167,020.03
3137B03W2	FHLMC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	1.426	8/25/2017	7/25/2017	AAA	2,398,649	2,402,517.400	.587	.579	1.034	.44%	2,401,903.09
CMBS TOTALS							21,124,923.980					21,118,131.55
CMOS												
62888YAA0	NCUA GUARANTEED NOTES TRUST 2011-R1	.944	1/8/2020		Aaa	4,776,172	4,803,317.480	2.050	.100	.610	.87%	4,785,451.17

CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 9/30/2016



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)												
CMOS (Continued)												
62889FAA0	NCUA GUARANTEED NOTES TRUST 2011-R4	.874	3/6/2020		Agency	585,533	585,695.650	0.000	0.000	0.000	.11%	585,762.66
CMOS TOTALS							5,389,013.130					5,371,213.83
CORPORATES												
025816BH1	AMERICAN EXPRESS CO	1.401	5/22/2018	5/22/2018	A3	1,000,000	1,001,520.920	1.647	.148	1.304	.18%	1,002,488.00
0258M0DN6	AMERICAN EXPRESS CREDIT CORP	1.105	6/5/2017	6/5/2017	A2	1,166,000	1,165,129.620	.683	.180	1.052	.21%	1,166,612.15
037833AN0	APPLE INC	.858	5/5/2017	5/5/2017	Aa1	1,500,000	1,499,811.120	.597	.101	.837	.27%	1,500,759.00
037833AG5	APPLE INC	1.009	5/3/2018	5/3/2018	Aa1	1,500,000	1,500,953.760	1.594	.097	.656	.27%	1,503,504.00
00206RBF8	AT&T INC	1.700	6/1/2017	6/1/2017	BBB+	3,300,000	3,311,094.340	.669	.661	1.248	.60%	3,309,900.00
06050TKW1	BANK OF AMERICA NA	6.100	6/15/2017	6/15/2017	A-	2,175,000	2,243,825.230	.708	.689	1.499	.41%	2,245,187.25
06050TLR1	BANK OF AMERICA NA	1.125	11/14/2016	11/14/2016	A1	8,000,000	8,002,737.300	.122	.122	1.115	1.45%	8,000,048.00
084664CH2	BERKSHIRE HATHAWAY FINANCE CORP	1.540	3/15/2019	3/15/2019	Aa2	1,600,000	1,600,000.000	2.461	.223	1.006	.29%	1,621,588.80
084664CA7	BERKSHIRE HATHAWAY FINANCE CORP	.815	1/10/2017	1/10/2017	Aa2	338,000	338,014.040	.283	.031	.844	.06%	338,131.48
07330NAG0	BRANCH BANKING & TRUST CO	1.050	12/1/2016	12/1/2016	A1	4,025,000	4,025,887.540	.169	.169	.970	.73%	4,025,523.25
14912L6Q9	CATERPILLAR FINANCIAL SERVICES CORP	1.517	2/23/2018	2/23/2018	A	1,215,000	1,215,000.000	1.400	.152	1.057	.22%	1,223,698.19
166764AX8	CHEVRON CORP	1.152	11/9/2017	11/9/2017	AA-	1,250,000	1,250,000.000	1.111	.111	.944	.23%	1,253,862.50
172967HG9	CITIGROUP INC	1.300	11/15/2016	11/15/2016	BBB+	6,500,000	6,502,354.450	1.125	.125	1.140	1.18%	6,501,254.50
172967JQ5	CITIGROUP INC	1.423	4/27/2018	4/27/2018	BBB+	2,340,000	2,336,090.080	1.575	.077	1.427	.43%	2,344,799.34
20030NAP6	COMCAST CORP	6.500	1/15/2017	1/17/2017	A-	10,000,000	10,163,830.360	.292	.297	1.243	1.84%	10,152,300.00
278865AK6	ECOLAB INC	3.000	12/8/2016	12/8/2016	Baa1	5,000,000	5,019,266.840	.189	.188	1.120	.91%	5,017,615.00
30231GAS1	EXXON MOBIL CORP	1.429	2/28/2018	2/28/2018	AA+	2,355,000	2,355,000.000	1.419	.171	.946	.43%	2,372,266.86
316773CF5	FIFTH THIRD BANCORP	5.450	1/15/2017	1/17/2017	Baa1	3,000,000	3,037,697.240	.292	.297	1.558	.55%	3,033,750.00
31677QAZ2	FIFTH THIRD BANK/CINCINNATI OH	1.311	11/18/2016	11/18/2016	A-	1,850,000	1,849,864.160	.083	.090	.946	.34%	1,850,560.55
31677QAY5	FIFTH THIRD BANK/CINCINNATI OH	1.150	11/18/2016	11/18/2016	A-	5,000,000	5,000,621.280	.083	.133	1.132	.91%	5,000,055.00
38141GER1	GOLDMAN SACHS GROUP INC/THE	5.750	10/1/2016	10/3/2016	A3	3,600,000	3,600,000.000	.003	.008	5.590	.65%	3,600,000.00
38141EC49	GOLDMAN SACHS GROUP INC/THE	1.650	12/15/2017	12/15/2017	A3	4,900,000	4,900,669.160	1.211	.210	1.419	.89%	4,914,974.40
437076BJ0	HOME DEPOT INC/THE	1.220	9/15/2017	9/15/2017	A	503,000	504,020.740	.961	.208	.950	.09%	504,383.25
446438RF2	HUNTINGTON NATIONAL BANK/THE	1.300	11/20/2016	11/21/2016	A3	5,720,000	5,721,112.100	.083	.141	.897	1.04%	5,721,899.04
446438RH8	HUNTINGTON NATIONAL BANK/THE	1.375	4/24/2017	4/24/2017	A3	2,750,000	2,752,960.080	.483	.502	1.168	.50%	2,752,739.00
4581XOCB2	INTER-AMERICAN DEVELOPMENT BANK	.875	11/15/2016	11/15/2016	AAA	13,225,000	13,230,541.100	.125	.125	.369	2.40%	13,233,344.98
459058CG6	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	.875	4/17/2017	4/17/2017	AAA	5,000,000	5,002,469.200	.547	.540	.673	.91%	5,005,495.00
24422ESU4	JOHN DEERE CAPITAL CORP	.969	1/16/2018	1/16/2018	A2	1,309,000	1,305,725.230	1.294	.047	1.121	.24%	1,309,581.20
478160BE3	JOHNSON & JOHNSON	.899	11/28/2016	11/28/2016	AAA	850,000	850,095.900	.164	.161	.589	.15%	850,430.95
48121CVZ6	JPMORGAN CHASE BANK NA	6.000	7/5/2017	7/5/2017	A	6,047,000	6,258,407.500	.764	.743	1.368	1.14%	6,258,971.54
49327M2E3	KEYBANK NA/CLEVELAND OH	1.315	11/25/2016	11/25/2016	A-	138,000	138,041.790	.083	.094	.965	.03%	138,040.16
617446C23	MORGAN STANLEY	5.450	1/9/2017	1/9/2017	A3	2,410,000	2,439,181.540	.275	.275	1.422	.44%	2,436,473.85
61746BDB9	MORGAN STANLEY	5.750	10/18/2016	10/18/2016	A3	3,000,000	3,006,793.650	.050	.049	2.209	.55%	3,005,220.00
617446H51	MORGAN STANLEY	5.550	4/27/2017	4/27/2017	A3	4,452,000	4,565,629.320	.575	.556	1.501	.83%	4,554,765.52
63743HEK4	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	1.068	5/12/2017	5/12/2017	A	1,000,000	999,760.600	.619	.123	.917	.18%	1,001,142.00
68389XAT2	ORACLE CORP	.857	7/7/2017	7/7/2017	A+	3,000,000	3,002,924.560	.769	.020	.923	.54%	3,003,174.00
717081DF7	PFIZER INC	1.150	6/15/2018	6/15/2018	A+	500,000	501,088.680	1.717	.214	.981	.09%	501,556.50
86787EAP2	SUNTRUST BANK/ATLANTA GA	1.350	2/15/2017	2/15/2017	A-	3,500,000	3,503,759.840	.292	.327	1.231	.64%	3,501,193.50
91159HHB9	US BANCORP	2.200	11/15/2016	11/15/2016	A+	1,675,000	1,675,878.600	.125	.125	1.899	.30%	1,675,596.30
90331HMD2	US BANK NA/CINCINNATI OH	.982	1/30/2017	1/30/2017	A1	3,000,000	3,001,341.820	.253	.085	.956	.54%	3,000,714.00

CalOptima (OCHA) - Enhanced Cash

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As of 9/30/2016

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)												
92343VCD4	VERIZON COMMUNICATIONS INC	1.234	6/9/2017	6/9/2017	BBB+	4,485,000	4,487,696.830	.694	.191	1.049	.81%	4,491,516.71
929903DU3	WACHOVIA CORP	1.120	6/15/2017	6/15/2017	A	5,000,000	5,000,504.240	.711	.207	1.114	.91%	5,000,655.00
94974BFK1	WELLS FARGO & CO	1.345	4/23/2018	4/23/2018	A	1,052,000	1,053,725.300	1.564	.069	1.346	.19%	1,054,474.30
94974BEZ9	WELLS FARGO & CO	2.625	12/15/2016	12/15/2016	A	5,000,000	5,019,563.280	.208	.207	1.087	.91%	5,015,895.00
CORPORATES TOTALS							145,940,589.340					145,996,140.07
MORTGAGES												
31381NWJ8	FANNIE MAE POOL	2.490	10/1/2017	10/25/2017	Agency	2,207,657	2,226,182.640	1.056	1.036	1.680	.40%	2,223,561.92
31381NUY7	FANNIE MAE POOL	2.623	9/1/2017	9/25/2017	Agency	463,714	468,486.060	.975	.958	1.733	.08%	467,081.62
MORTGAGES TOTALS							2,694,668.700					2,690,643.54
MUNICIPALS												
769036AW4	CITY OF RIVERSIDE CA	.980	6/1/2017	6/1/2017	SP-1+	1,695,000	1,695,000.000	.669	.662	1.110	.31%	1,693,542.30
542411KT9	LONG BEACH COMMUNITY COLLEGE DISTRICT	.930	8/1/2017	8/1/2017	AA-	1,755,000	1,755,000.000	.836	.829	.883	.32%	1,755,684.45
13063BFQ0	STATE OF CALIFORNIA	5.750	3/1/2017	3/1/2017	AA-	1,775,000	1,811,951.350	.419	.414	1.070	.33%	1,809,648.00
546415Z29	STATE OF LOUISIANA	1.087	8/1/2017	8/1/2017	AA-	635,000	636,142.140	.836	.827	1.042	.12%	635,228.60
93974DVT9	STATE OF WASHINGTON	.500	8/1/2017	8/1/2017	AA+	9,745,000	9,727,160.660	.836	.830	.876	1.76%	9,714,498.15
MUNICIPALS TOTALS							15,625,254.150					15,608,601.50
SOVEREIGN DEBT												
45818WAN6	INTER-AMERICAN DEVELOPMENT BANK	.835	12/12/2016	12/12/2016	Aaa	7,000,000	7,000,246.400	.203	.199	.748	1.27%	7,001,239.00
4581X0BV9	INTER-AMERICAN DEVELOPMENT BANK	1.125	3/15/2017	3/15/2017	AAA	1,000,000	1,002,154.320	.458	.452	.823	.18%	1,001,376.00
4581X0CG1	INTER-AMERICAN DEVELOPMENT BANK	1.000	7/14/2017	7/14/2017	AAA	5,000,000	5,009,070.320	.789	.780	.867	.91%	5,005,205.00
459058DC4	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	1.125	7/18/2017	7/18/2017	AAA	8,500,000	8,522,788.800	.800	.790	.654	1.55%	8,531,866.50
459058DS9	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	.625	10/14/2016	10/14/2016	AAA	2,500,000	2,500,120.850	.039	.038	.585	.45%	2,500,037.50
45950VCP9	INTERNATIONAL FINANCE CORP	.625	11/15/2016	11/15/2016	Aaa	13,178,000	13,177,907.150	.125	.125	.640	2.39%	13,177,736.44
45950KBQ2	INTERNATIONAL FINANCE CORP	1.125	11/23/2016	11/23/2016	Aaa	2,000,000	2,001,560.440	.147	.147	.680	.36%	2,001,300.00
45950KCE8	INTERNATIONAL FINANCE CORP	.625	10/3/2016	10/3/2016	Aaa	2,703,000	2,703,018.200	.008	.008	.623	.49%	2,703,000.00
SOVEREIGN DEBT TOTALS							41,916,866.480					41,921,760.44
US TREASURIES												
912828M23	UNITED STATES TREASURY FLOATING RATE NOTE	.418	10/31/2017	10/31/2017	Govt	6,300,000	6,304,285.010	1.086	.011	.367	1.14%	6,306,054.30
912828J35	UNITED STATES TREASURY NOTE/BOND	.500	2/28/2017	2/28/2017	Govt	25,000,000	24,980,112.230	.417	.411	.363	4.54%	25,014,275.00
912828RX0	UNITED STATES TREASURY NOTE/BOND	.875	12/31/2016	1/3/2017	Govt	12,000,000	12,014,120.630	.250	.258	.290	2.18%	12,017,532.00
US TREASURIES TOTALS							43,298,517.870					43,337,861.30
FIXED INCOME TOTALS							348,067,462.020					348,150,997.75
PORTFOLIO TOTALS							549,733,609.940					551,157,124.53

WELLS CAPITAL- OPERATING FUNDS

HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
AMERICAN EXPRESS CREDIT CORP	AXP	0258M0DN6	US0258M0DN61		0.21%	\$1,167,506.98
American Honda Finance Corporation	HNDA	02665JL73	US02665JL733		1.27%	\$6,996,667.58
APPLE INC	AAPL	037833AN0	US037833AN08		0.27%	\$1,502,760.07
BANK OF AMERICA NA	BAC	06050TLR1	US06050TLR13		1.28%	\$7,030,010.75
BERKSHIRE HATHAWAY FINANCE CORP	BRK	084664CA7	US084664CA72		0.91%	\$5,011,222.39
BRANCH BANKING AND TRUST CO	BBT	07330NAG0	US07330NAG07		0.91%	\$5,023,168.15
Cafco, LLC	C	1247P2PD0	US1247P2PD05		1.81%	\$9,959,842.20
Cash	---	CCYUSD	---		-0.85%	-\$4,667,892.23
CATERPILLAR FINANCIAL SERVICES CORP	CAT	14912L5Z0	US14912L5Z02		1.45%	\$8,006,694.22
CCCIT 14A2 A2	CCCIT	17305EFN0	US17305EFN04		0.97%	\$5,316,588.68
CCCIT 14A4 A4	CCCIT	17305EFQ3	US17305EFQ35		0.27%	\$1,510,514.65
CHAIT 141 A	CHAIT	161571GJ7	US161571GJ77		1.51%	\$8,310,224.99
CHAIT 153 A	CHAIT	161571GW8	US161571GW88		0.36%	\$2,002,081.45
Chevron Corporation	CVX	16677JN93	US16677JN936		1.81%	\$9,983,896.10
COMCAST CORP	CMCSA	20030NAP6	US20030NAP69		0.49%	\$2,679,391.59
COMET 142A A	COMET	14041NEP2	US14041NEP24		1.24%	\$6,858,706.43
FEDERAL FARM CREDIT BANKS	FFCB	313312U99	US313312U998		3.63%	\$19,987,580.00
FEDERAL FARM CREDIT BANKS	FFCB	31331K2G4	US31331K2G44		0.91%	\$5,004,125.28
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133ECWV2	US3133ECWV27		0.27%	\$1,505,828.75
FEDERAL HOME LOAN BANKS	FHLB	313385AN6	US313385AN62		3.63%	\$19,984,700.00
FEDERAL HOME LOAN BANKS	FHLB	313385AY2	US313385AY28		1.81%	\$9,991,600.00
FEDERAL HOME LOAN BANKS	FHLB	313370SZ2	US313370SZ24		2.01%	\$11,095,321.72
FEDERAL HOME LOAN BANKS	FHLB	313384R68	US313384R688		3.63%	\$19,991,480.00
FEDERAL HOME LOAN BANKS	FHLB	313384P52	US313384P526		3.63%	\$19,994,860.00
FEDERAL HOME LOAN BANKS	FHLB	313371PV2	US313371PV20		3.29%	\$18,133,066.00
FEDERAL HOME LOAN MORTGAGE CORP	FHLMC	3134G72G5	US3134G72G51		0.91%	\$5,004,180.08
FEDERAL HOME LOAN MORTGAGE CORP	FHLMC	3134G5RS6	US3134G5RS67		0.55%	\$3,007,914.00
FIDELITY INST : GOV PT CL I MMF	FIGXX	316175108	US3161751082		0.86%	\$4,723,648.37
FIFTH THIRD BANK	FITB	31677QAZ2	US31677QAZ28		0.34%	\$1,853,525.50
FIFTH THIRD BANK	FITB	31677QAY5	US31677QAY52		0.78%	\$4,277,141.68
GOLDMAN SACHS GROUP INC	GS	38141EB99	US38141EB990		0.73%	\$4,009,895.86
INTER-AMERICAN DEVELOPMENT BANK	IADB	4581X0CB2	US4581X0CB23		1.82%	\$10,039,365.56
INTER-AMERICAN DEVELOPMENT BANK	IADB	4581X0BV9	US4581X0BV95		1.31%	\$7,209,499.70
INTER-AMERICAN DEVELOPMENT BANK	IADB	45818WAN6	US45818WAN65		1.23%	\$6,794,195.72
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOP	IBRD	459058DU4	US459058DU42		0.55%	\$3,009,163.00
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOP	IBRD	45905UTJ3	US45905UTJ33		1.81%	\$9,997,192.69
INTERNATIONAL FINANCE CORP	IFC	45950VHJ8	US45950VHJ89		0.45%	\$2,500,836.08
JOHNSON & JOHNSON	JNJ	478160BE3	US478160BE31		0.15%	\$851,110.44
JPMORGAN CHASE & CO	JPM	46623EJZ3	US46623EJZ34		1.46%	\$8,025,164.22
KEYBANK NATIONAL ASSOCIATION	KEY	49327M2E3	US49327M2E32		0.02%	\$137,225.09
MANUFACTURERS AND TRADERS TRUST CO	MTB	55279HAD2	US55279HAD26		0.52%	\$2,871,678.47
Microsoft Corporation	MSFT	59515MKS3	US59515MKS34		1.81%	\$9,996,887.20
MORGAN STANLEY	MS	617446C23	US617446C235		0.82%	\$4,543,891.07
NATIONAL RURAL UTILITIES COOP FINANCE CORP	NRUC	63743HEK4	US63743HEK41		0.18%	\$1,002,624.78
NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	NRUC	63743HEM0	US63743HEM07		0.77%	\$4,263,387.65
Old Line Funding, LLC	OLDLLC	67983TPM2	US67983TPM26		1.81%	\$9,957,840.00
ORACLE CORP	ORCL	68389XAT2	US68389XAT28		0.55%	\$3,009,316.55
PNC BANK NA	PNC	69349LAP3	US69349LAP31		0.88%	\$4,823,000.00

WELLS CAPITAL- OPERATING FUNDS

HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
Receivable	---	CCYUSD	---		0.00%	\$1,211.85
The Coca-Cola Company	KO	19121AQ20	US19121AQ207		1.72%	\$9,483,902.60
Toronto Dominion Holdings (U.S.A.), Inc.	TD	89116EM75	US89116EM757		1.81%	\$9,987,212.20
Toyota Motor Credit Corporation	TOYOTA	89233GM11	US89233GM110		1.81%	\$9,989,666.70
U.S. BANCORP	USB	91159HHB9	US91159HHB96		0.69%	\$3,782,501.67
UNITED STATES TREASURY	UST	912828H78	US912828H789		7.27%	\$40,057,095.65
UNITED STATES TREASURY	UST	912828WA4	US912828WA40		4.55%	\$25,076,198.22
UNITED STATES TREASURY	UST	912796KD0	US912796KD07		2.01%	\$11,081,227.81
UNITED STATES TREASURY	UST	912828J35	US912828J355		4.54%	\$25,024,979.42
UNITED STATES TREASURY	UST	912828J92	US912828J926		2.72%	\$15,001,376.04
UNITED STATES TREASURY	UST	912828SC5	US912828SC51		7.21%	\$39,729,895.32
UNITED STATES TREASURY	UST	912828A91	US912828A917		2.60%	\$14,340,078.24
UNITED STATES TREASURY	UST	912828H29	US912828H292		3.64%	\$20,048,729.67
UNITED STATES TREASURY	UST	912828SJ0	US912828SJ05		1.82%	\$10,028,503.09
US BANK NA	USB	90331HMD2	US90331HMD25		0.55%	\$3,005,948.67

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
Cash							
	CASH OR STIF	USD	85,495.51	85,495.51	0.00	1.000	0.01%
Total for Cash			85,495.51	85,495.51	0.00		0.01%
Money Markets							
25,000,000.000	FHLMC DISCOUNT NOTE Mat: 1/20/17 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/27/16 St Date: 7/28/16	313397AV3	24,945,122.22 0.00	24,957,411.11 20,267.36	12,288.89	99.910	4.30%
39,000,000.000	U.S. TREASURY BILL Mat: 2/2/17 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/5/16 St Date: 8/5/16	912796JA8	38,916,566.55 0.00	38,930,717.59 26,274.62	14,151.04	99.889	6.71%
3,800,000.000	TORONTO DOMIN NY YCD FRN Mat: 2/3/17 Cpn: 1.09% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 8/2/16 St Date: 8/3/16	89113WFP6	3,800,000.00 0.00	3,801,017.91 2,865.09	1,017.91	100.027	0.66%
3,100,000.000	BANK OF NOVA SCOTIA HOUSTON YCD FRN Mat: 2/10/17 Cpn: 1.08% Moody's: Aa3e S&P: A-1 Fitch: F1+ Tr Date: 8/1/16 St Date: 8/2/16	06417GMB1	3,100,000.00 94.15	3,100,537.85 1,764.09	537.85	100.017	0.53%
50,000,000.000	FHLB DISCOUNT NOTE Mat: 2/10/17 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/11/16 St Date: 8/12/16	313385BS4	49,881,194.44 0.00	49,907,332.64 32,638.89	26,138.20	99.879	8.60%
1,900,000.000	BANK OF AMERICA BNST Mat: 3/3/17 Cpn: 1.18% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 8/26/16 St Date: 8/30/16	06053PRX7	1,900,000.00 0.00	1,900,657.57 1,992.89	657.57	100.035	0.33%
2,140,000.000	MIZUHO BANK LTD YCD FRN Mat: 3/7/17 Cpn: 1.27% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 9/7/16 St Date: 9/9/16	60689DH89	2,140,000.00 75.29	2,141,463.03 1,731.67	1,463.03	100.068	0.37%
50,000,000.000	U.S. TREASURY BILL Mat: 3/9/17 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 9/7/16 St Date: 9/8/16	912796KM0	49,881,952.78 0.00	49,897,730.56 14,918.06	15,777.78	99.824	8.60%



Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
3,230,000.000	SVENSKA HANDELSBANKEN NY YCD FRN Mat: 3/14/17 Cpn: 1.09% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 9/14/16 St Date: 9/16/16	86958JCV9	3,230,000.00 195.19	3,230,000.00 1,659.08	0.00	100.000	0.56%
3,780,000.000	CREDIT AGRICOLE NY YCD Mat: 3/24/17 Cpn: 1.22% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 9/26/16 St Date: 9/28/16	22534HRM5	3,780,000.00 0.00	3,781,019.92 384.30	1,019.92	100.027	0.65%
3,760,000.000	SKANDINAVISKA ENSKILDA BANKEN YCD Mat: 3/27/17 Cpn: 1.10% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 9/26/16 St Date: 9/28/16	83050FLW9	3,760,000.00 0.00	3,760,000.00 344.67	0.00	100.000	0.65%
5,800,000.000	DNB NOR BANK YCD Mat: 3/28/17 Cpn: 1.09% Moody's: P-1 S&P: A-1 Fitch: Tr Date: 9/27/16 St Date: 9/29/16	23340QSK0	5,800,000.00 0.00	5,800,000.00 351.22	0.00	100.000	1.00%
5,770,000.000	SWEDBANK NY YCD Mat: 3/29/17 Cpn: 1.07% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 9/28/16 St Date: 9/30/16	87019URN1	5,770,000.00 0.00	5,770,000.00 171.50	0.00	100.000	0.99%
1,440,000.000	RABOBANK NEDERLAND NY YCD Mat: 4/21/17 Cpn: 1.07% Moody's: S&P: Fitch: Tr Date: 9/7/16 St Date: 9/9/16	21684BXH2	1,437,782.40 5,906.40	1,440,000.00 6,848.00	2,217.60	100.000	0.25%
19,000,000.000	U.S. TREASURY BILL Mat: 7/20/17 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/19/16 St Date: 7/21/16	912796KB4	18,894,338.89 0.00	18,895,266.72 20,900.00	927.83	99.557	3.26%
38,000,000.000	FAMC DISCOUNT NOTE Mat: 7/27/17 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/27/16 St Date: 7/28/16	31315LJR0	37,750,255.56 0.00	37,785,088.89 44,597.22	34,833.33	99.550	6.52%
3,800,000.000	BANK OF TOKYO-MITSUBISHI NY YCD Mat: 8/30/17 Cpn: 1.53% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 8/29/16 St Date: 8/30/16	06538M7L7	3,800,000.00 0.00	3,802,270.39 5,168.00	2,270.39	100.060	0.66%
2,600,000.000	BANK OF NOVA SCOTIA HOUSTON YCD FRN Mat: 9/7/17 Cpn: 1.33% Moody's: Aa3e S&P: A-1 Fitch: F1+ Tr Date: 9/1/16 St Date: 9/7/16	06417GPD4	2,600,000.00 0.00	2,600,000.00 2,311.30	0.00	100.000	0.45%



Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
3,310,000.000	RABOBANK NEDERLAND NY YCD FRN Mat: 9/8/17 Cpn: 1.31% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 9/2/16 St Date: 9/8/16	21684BR89	3,310,000.00 0.00	3,310,000.00 2,771.70	0.00	100.000	0.57%
3,800,000.000	NORDEA BANK FINLAND YCD Mat: 9/8/17 Cpn: 1.35% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 9/8/16 St Date: 9/12/16	65558LSW3	3,800,000.00 0.00	3,800,000.00 2,707.50	0.00	100.000	0.65%
3,800,000.000	BNP PARIBAS NY YCD Mat: 9/13/17 Cpn: 1.52% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 9/13/16 St Date: 9/15/16	05582WDW1	3,800,000.00 0.00	3,800,000.00 2,567.11	0.00	100.000	0.65%
3,800,000.000	WESTPAC BANKING NY YCD Mat: 10/3/17 Cpn: 1.36% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 9/29/16 St Date: 10/3/16	96121TX52	3,800,000.00 0.00	3,800,000.00 0.00	0.00	100.000	0.65%
Total for Money Markets			276,097,212.84 6,271.03	276,210,514.17 193,234.26	113,301.34		47.60%

Treasuries

17,000,000.000	U.S. TREASURY NOTE Mat: 2/28/17 Cpn: 0.50% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/20/16 St Date: 1/21/16	912828J35	16,972,830.39 33,392.86	17,005,950.68 7,279.01	33,120.29	100.035	2.93%
11,000,000.000	U.S. TREASURY NOTE Mat: 3/15/17 Cpn: 0.75% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/17/16 St Date: 2/18/16	912828C32	11,017,224.35 35,357.14	11,014,630.33 3,646.41	(2,594.02)	100.133	1.90%
18,000,000.000	U.S. TREASURY NOTE Mat: 3/31/17 Cpn: 0.50% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/22/16 St Date: 1/25/16	912828J92	17,955,000.00 28,770.49	18,001,620.54 247.25	46,620.54	100.009	3.10%
37,000,000.000	U.S. TREASURY NOTE Mat: 7/31/17 Cpn: 0.63% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/1/16 St Date: 8/2/16	912828XP0	37,015,898.44 1,256.79	37,001,476.30 38,960.60	(14,422.14)	100.004	6.38%
20,000,000.000	U.S. TREASURY NOTE Mat: 9/15/17 Cpn: 1.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 6/24/16 St Date: 6/29/16	912828D98	20,104,687.50 57,608.70	20,064,799.40 8,839.78	(39,888.10)	100.324	3.46%



CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
50,000,000.000	U.S. TREASURY NOTE Mat: 11/15/17 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 9/7/16 St Date: 9/8/16	912828G20	50,107,421.88 137,907.61	50,096,500.50 165,251.36	(10,921.38)	100.193	8.66%
Total for Treasuries			153,173,062.56 294,293.59	153,184,977.75 224,224.40	11,915.19		26.42%
Agencies							
7,540,000.000	FHLB C 1/20/17 1X Mat: 7/20/17 Cpn: 0.75% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 6/21/16 St Date: 6/24/16	3130A8L35	7,540,000.00 0.00	7,537,662.60 15,237.08	(2,337.40)	99.969	1.30%
Total for Agencies			7,540,000.00 0.00	7,537,662.60 15,237.08	(2,337.40)		1.30%
Tax-Exempt							
2,500,000.000	MA STATE GO/LTD NOTES Mat: 4/24/17 Cpn: 2.00% Moody's: MIG1 S&P: SP-1+ Fitch: AA+ Tr Date: 8/24/16 St Date: 8/30/16	57582RKR6	2,522,625.00 0.00	2,517,350.00 4,383.56	(5,275.00)	100.694	0.43%
Total for Tax-Exempt			2,522,625.00 0.00	2,517,350.00 4,383.56	(5,275.00)		0.43%
Taxable Muni							
6,925,000.000	CA STATE GO/ULT TAXABLE Mat: 11/1/16 Cpn: 1.25% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 2/22/16 St Date: 2/25/16	13063CFD7	6,951,652.75 28,748.27	6,926,385.00 36,067.71	(25,267.75)	100.020	1.20%
1,000,000.000	CA SAN FRANCISCO PUB UTILS TAXABLE Mat: 11/1/16 Cpn: 4.00% Moody's: Aa3 S&P: AA- Fitch: Tr Date: 10/22/15 St Date: 10/27/15	79765RSP5	1,034,320.00 19,555.56	1,002,090.00 16,666.67	(32,230.00)	100.209	0.18%
1,000,000.000	CA STATE DEPT OF WATER TXB Mat: 12/1/16 Cpn: 0.99% Moody's: Aa1 S&P: AAA Fitch: Tr Date: 6/23/16 St Date: 6/28/16	13067WJG8	1,001,740.00 743.25	1,000,130.00 3,303.33	(1,610.00)	100.013	0.17%
750,000.000	NV STATE GO/LT TXB Mat: 2/1/17 Cpn: 1.15% Moody's: Aa2 S&P: AA Fitch: AA+ Tr Date: 6/2/16 St Date: 6/6/16	641461XY9	751,575.00 2,981.77	750,517.50 1,431.25	(1,057.50)	100.069	0.13%



Portfolio Positions

as of September 30, 2016

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	CA LOS ANGELES REDEV AGY TAX TXB Mat: 9/1/17 Cpn: 0.89% Moody's: Aa3 S&P: AA Fitch: Tr Date: 8/5/16 St Date: 8/25/16	54465AGH9	3,000,000.00	0.00	2,995,740.00 2,679.00	(4,260.00)	99.858	0.52%
Total for Taxable Muni			12,739,287.75	52,028.85	12,674,862.50 60,147.96	(64,425.25)		2.19%
Credit								
525,000.000	BRANCH BANKING & TRUST FRN Mat: 12/1/16 Cpn: 1.27% Moody's: A1 S&P: A Fitch: A+ Tr Date: 10/13/15 St Date: 10/16/15	07330NAF2	525,225.75	495.08	525,164.85 556.55	(60.90)	100.031	0.09%
3,245,000.000	ROCKWELL COLLINS FRN Mat: 12/15/16 Cpn: 1.20% Moody's: A3 S&P: A- Fitch: A- Tr Date: 7/31/14 St Date: 8/5/14	774341AD3	3,248,163.75	2,486.30	3,247,222.83 1,731.07	(940.93)	100.069	0.56%
2,600,000.000	UNITEDHEALTH GROUP FRN Mat: 1/17/17 Cpn: 1.13% Moody's: A3 S&P: A+ Fitch: A- Tr Date: 7/20/15 St Date: 7/23/15	91324PCJ9	2,600,770.00	1,756.90	2,602,589.60 6,115.96	1,819.60	100.100	0.45%
2,925,000.000	MANUFACTURERS & TRADERS TRUST FRN Mat: 1/30/17 Cpn: 1.13% Moody's: A2 S&P: A Fitch: A Tr Date: 7/29/14 St Date: 8/1/14	55279HAC4	2,928,844.25	170.69	2,926,468.35 5,857.80	(2,375.90)	100.050	0.51%
3,790,000.000	BANK OF AMERICA FRN Mat: 2/14/17 Cpn: 1.29% Moody's: A1 S&P: A Fitch: A+ Tr Date: 7/29/14 St Date: 8/1/14	06050TLU4	3,789,069.10	5,330.30	3,795,427.28 6,368.15	6,358.18	100.143	0.65%
3,380,000.000	AFLAC Mat: 2/15/17 Cpn: 2.65% Moody's: A3 S&P: A- Fitch: A- Tr Date: 12/9/15 St Date: 12/14/15	001055AH5	3,434,451.80	29,607.86	3,398,590.00 11,445.06	(35,861.80)	100.550	0.59%
1,645,000.000	CITIGROUP FRN Mat: 3/10/17 Cpn: 1.39% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 7/29/14 St Date: 8/1/14	172967HL8	1,648,125.50	1,828.66	1,646,554.53 1,202.83	(1,570.98)	100.095	0.28%
225,000.000	AT&T FRN Mat: 3/30/17 Cpn: 1.26% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 8/4/14 St Date: 8/7/14	00206RCF7	225,614.25	155.35	225,265.50 7.86	(348.75)	100.118	0.04%



Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
2,240,000.000	HUNTINGTON NATL BANK FRN Mat: 4/24/17 Cpn: 1.14% Moody's: A3 S&P: BBB+ Fitch: A- Tr Date: 1/29/15 St Date: 2/3/15	446438RJ4	2,237,827.20 339.04	2,238,832.96 4,821.35	1,005.76	99.948	0.39%
1,150,000.000	GOLDMAN SACHS FRN Mat: 5/22/17 Cpn: 1.48% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 5/19/15 St Date: 5/22/15	38148LAD8	1,150,000.00 0.00	1,152,104.50 1,892.39	2,104.50	100.183	0.20%
2,000,000.000	BRANCH BANKING & TRUST FRN Mat: 5/23/17 Cpn: 1.12% Moody's: A2 S&P: A- Fitch: A Tr Date: 10/21/15 St Date: 10/26/15	10513KAC8	1,990,700.00 2,201.85	1,999,566.00 2,420.41	8,866.00	99.978	0.34%
1,020,000.000	PACCAR FINANCIAL FRN Mat: 6/6/17 Cpn: 1.03% Moody's: A1 S&P: A+ Fitch: Tr Date: 7/31/14 St Date: 8/5/14	69371RL95	1,020,549.90 702.89	1,020,939.42 726.12	389.52	100.092	0.18%
1,800,000.000	VERIZON COMMUNICATIONS FRN Mat: 6/9/17 Cpn: 1.23% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 1/29/15 St Date: 2/3/15	92343VCD4	1,797,038.00 1,693.87	1,802,797.20 1,356.92	5,759.20	100.155	0.31%
3,604,000.000	IBM Mat: 9/14/17 Cpn: 5.70% Moody's: Aa3 S&P: AA- Fitch: A+ Tr Date: 7/11/16 St Date: 7/14/16	459200GJ4	3,804,042.62 68,476.00	3,761,552.46 9,700.77	(42,490.16)	104.372	0.65%
730,000.000	AMERICAN EXPRESS FRN Mat: 9/22/17 Cpn: 1.17% Moody's: A2 S&P: A- Fitch: A Tr Date: 9/18/14 St Date: 9/23/14	0258M0DS5	730,000.00 0.00	729,248.10 212.77	(751.90)	99.897	0.13%
493,000.000	BERKSHIRE HATHAWAY FRN Mat: 1/12/18 Cpn: 0.97% Moody's: Aa2 S&P: AA Fitch: A+ Tr Date: 10/13/15 St Date: 10/16/15	084664CD1	491,895.68 25.50	494,263.56 1,072.76	2,367.88	100.256	0.09%
1,800,000.000	WELLS FARGO FRN Mat: 1/22/18 Cpn: 1.44% Moody's: Aa2 S&P: AA- Fitch: AA Tr Date: 1/22/16 St Date: 1/29/16	94988J5B9	1,800,000.00 0.00	1,808,706.60 5,117.68	8,706.60	100.484	0.31%
5,000,000.000	JPMORGAN CHASE FRN Mat: 1/25/18 Cpn: 1.61% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 4/15/15 St Date: 4/20/15	46625HJF8	5,050,815.70 13,624.35	5,025,820.00 15,248.06	(24,995.70)	100.516	0.87%



Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
2,000,000.000	WELLS FARGO FRN Mat: 4/23/18 Cpn: 1.34% Moody's: A2 S&P: A Fitch: AA- Tr Date: 1/29/15 St Date: 2/3/15	94974BFK1	2,003,940.00 542.12	2,005,164.00 5,079.22	1,224.00	100.258	0.35%
3,000,000.000	GOLDMAN SACHS FRN Mat: 4/30/18 Cpn: 1.95% 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	3,027,918.00 10,408.00	(22,472.00)	100.931	0.52%
5,000,000.000	QUALCOMM FRN Mat: 5/18/18 Cpn: 1.08% Moody's: A1 S&P: A+ Fitch: Tr Date: 5/13/15 St Date: 5/20/15	747525AH6	5,000,000.00 0.00	5,003,065.00 6,005.56	3,065.00	100.061	0.86%
1,825,000.000	AMERICAN EXPRESS FRN Mat: 5/22/18 Cpn: 1.40% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 4/14/15 St Date: 4/17/15	025816BH1	1,828,522.25 2,330.98	1,829,982.25 2,840.92	1,460.00	100.273	0.32%
3,200,000.000	KEYBANK FRN Mat: 6/1/18 Cpn: 1.36% 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	3,195,187.20 3,632.29	(4,812.80)	99.850	0.55%
3,200,000.000	PNC BANK FRN Mat: 6/1/18 Cpn: 1.26% Moody's: A2 S&P: A Fitch: A+ Tr Date: 5/27/15 St Date: 6/1/15	69353REN4	3,200,000.00 0.00	3,203,532.80 3,365.63	3,532.80	100.110	0.55%
2,910,000.000	CISCO SYSTEMS FRN Mat: 6/15/18 Cpn: 1.16% Moody's: A1 S&P: AA- Fitch: Tr Date: 6/10/15 St Date: 6/17/15	17275RAY8	2,910,000.00 0.00	2,913,457.08 1,500.63	3,457.08	100.119	0.50%
3,000,000.000	FIFTH THIRD BANK FRN Mat: 8/20/18 Cpn: 1.72% 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	3,018,468.00 5,593.25	13,218.00	100.616	0.52%
680,000.000	LOWES COMPANIES FRN Mat: 9/14/18 Cpn: 1.46% Moody's: A3 S&P: A- Fitch: Tr Date: 9/9/15 St Date: 9/16/15	548661DF1	680,403.20 93.55	686,243.76 467.47	5,840.56	100.918	0.12%
3,000,000.000	VERIZON COMMUNICATIONS FRN Mat: 9/14/18 Cpn: 2.61% 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	3,079,671.00 3,691.52	(43,929.00)	102.656	0.53%



Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,000,000.000	WELLS FARGO FRN Mat: 9/14/18 Cpn: 1.26% Moody's: A2 S&P: A Fitch: AA- Tr Date: 9/16/14 St Date: 9/23/14	94974BGD6	1,000,000.00 0.00	998,521.00 593.01	(1,479.00)	99.852	0.17%
3,000,000.000	US BANCORP FRN Mat: 11/15/18 Cpn: 1.31% Moody's: A1 S&P: A+ Fitch: AA Tr Date: 10/21/15 St Date: 10/26/15	91159HHF0	3,000,630.00 4,727.92	3,007,518.00 5,119.08	6,888.00	100.251	0.52%
5,050,000.000	CHEVRON FRN Mat: 11/16/18 Cpn: 1.33% Moody's: Aa2 S&P: AA- Fitch: Tr Date: 11/9/15 St Date: 11/17/15	166764BB5	5,050,000.00 0.00	5,064,336.95 8,570.90	14,336.95	100.284	0.87%
1,000,000.000	AT&T FRN Mat: 11/27/18 Cpn: 1.58% 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	1,011,865.00 1,445.17	(7,995.00)	101.187	0.17%
2,220,000.000	CITIGROUP FRN Mat: 12/7/18 Cpn: 1.69% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 12/1/15 St Date: 12/7/15	172967KF7	2,220,000.00 0.00	2,231,703.84 2,506.29	11,703.84	100.527	0.38%
1,828,000.000	ORACLE FRN Mat: 1/15/19 Cpn: 1.26% Moody's: A1 S&P: AA- Fitch: A+ Tr Date: 7/30/14 St Date: 8/4/14	68389XAR6	1,836,100.79 1,073.19	1,842,616.69 4,990.84	6,515.90	100.800	0.32%
3,000,000.000	MORGAN STANLEY FRN Mat: 1/24/19 Cpn: 1.56% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 4/15/15 St Date: 4/20/15	61746BDN3	3,011,250.00 7,742.70	3,011,667.00 8,865.50	417.00	100.389	0.52%
1,280,000.000	BRANCH BANKING & TRUST FRN Mat: 5/1/19 Cpn: 1.29% 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	1,283,185.92 2,790.28	3,185.92	100.249	0.22%
700,000.000	MORGAN STANLEY FRN Mat: 7/23/19 Cpn: 1.45% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 7/29/14 St Date: 8/1/14	61746BDS2	700,350.00 170.30	700,854.00 1,923.17	504.00	100.122	0.12%
720,000.000	BERKSHIRE HATHAWAY FRN Mat: 8/15/19 Cpn: 1.08% Moody's: Aa2 S&P: AA Fitch: A+ Tr Date: 8/8/16 St Date: 8/15/16	084664CL3	720,000.00 0.00	721,332.00 1,012.38	1,332.00	100.185	0.12%



Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,775,000.000	FIFTH THIRD BANK FRN Mat: 9/27/19 Cpn: 1.44% Moody's: A3 S&P: A- Fitch: A Tr Date: 9/22/16 St Date: 9/27/16	31677QBJ7	1,775,000.00 0.00	1,777,201.00 284.58	2,201.00	100.124	0.31%
1,915,000.000	JOHN DEERE CAPITAL CORP FRN Mat: 10/9/19 Cpn: 1.26% Moody's: A2 S&P: A Fitch: Tr Date: 9/6/16 St Date: 9/9/16	24422ETK5	1,915,000.00 0.00	1,914,360.39 1,470.29	(639.61)	99.967	0.33%
Total for Credit			90,003,429.74 166,514.14	89,928,964.61 158,010.46	(74,465.13)		15.52%

Mortgage-Backed

1,133,639.540	FHMS K501 A2 CMBS Mat: 11/25/16 Cpn: 1.66% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 9/17/15 St Date: 9/22/15	3137ANLP8	1,139,981.34 1,094.43	1,132,688.42 1,563.48	(7,292.93)	99.916	0.20%
4,918,275.550	FHMS K502 A2 CMBS Mat: 8/25/17 Cpn: 1.43% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/1/16 St Date: 8/4/16	3137B03W2	4,927,881.56 584.45	4,925,711.98 5,844.55	(2,169.58)	100.151	0.85%
665,016.623	NGN 2010-R2 1A 1MOFRN NCUA GNTD Mat: 11/6/17 Cpn: 0.89% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/17/16 St Date: 8/22/16	62888UAA8	665,224.44 280.15	665,202.16 394.28	(22.28)	100.028	0.11%
4,547,468.484	NGN 2011-R3 1A 1MO FRN NCUA GNTD Mat: 3/11/20 Cpn: 0.92% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 5/18/15 St Date: 5/21/15	62889EAA3	4,567,447.56 695.11	4,546,177.00 2,203.78	(21,270.56)	99.972	0.78%
2,208,506.549	FHMS KF02 A1 1MOFRN CMBS Mat: 7/25/20 Cpn: 0.90% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/19/15 St Date: 11/24/15	3137B5J79	2,208,506.55 1,061.83	2,208,681.02 332.09	174.47	100.008	0.38%
Total for Mortgage-Backed			13,509,041.46 3,715.98	13,478,460.59 10,338.18	(30,580.87)		2.32%

Asset-Backed

76,315.306	BMW 2016-1 A1 LEASE Mat: 2/21/17 Cpn: 0.63% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 2/9/16 St Date: 2/17/16	05581RAA4	76,315.31 0.00	76,315.61 14.69	0.31	100.000	0.01%
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CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of September 30, 2016

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
496,416.118	HONDA 2016-1 A1 CAR Mat: 2/21/17 Cpn: 0.62% Moody's: S&P: A-1+ Fitch: F1+ Tr Date: 2/16/16 St Date: 2/25/16	43814NAA3	496,416.12 0.00	496,233.44 102.59	(182.68)	99.963	0.09%
1,655,165.583	HARLEY 2016-A A1 CYCLE Mat: 6/15/17 Cpn: 0.59% Moody's: P-1 S&P: A-1+ Fitch: Tr Date: 6/7/16 St Date: 6/15/16	41284DAA0	1,655,165.58 0.00	1,655,182.13 434.02	16.55	100.001	0.29%
1,729,564.704	HONDA 2016-2 A1 CAR Mat: 6/15/17 Cpn: 0.62% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 5/24/16 St Date: 5/31/16	43814QAA6	1,729,564.70 0.00	1,728,611.71 476.59	(952.99)	99.945	0.30%
2,799,977.563	NISSAN 2016-A A1 LEASE Mat: 6/15/17 Cpn: 0.62% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 6/28/16 St Date: 7/1/16	65478QAA6	2,799,977.56 771.55	2,799,999.96 771.55	22.40	100.001	0.48%
2,359,431.069	BMW 2016-A A1 CAR Mat: 7/25/17 Cpn: 0.62% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 7/12/16 St Date: 7/20/16	05582QAA5	2,359,431.07 0.00	2,359,473.54 203.17	42.47	100.002	0.41%
3,800,000.000	USAA 2016-1 A1 CAR Mat: 9/15/17 Cpn: 0.68% Moody's: P-1 S&P: A-1+ Fitch: Tr Date: 9/12/16 St Date: 9/21/16	90327CAA8	3,800,000.00 0.00	3,800,083.60 717.78	83.60	100.002	0.65%
728,501.077	HARLEY 2015-1 A2B 1MOFRN CYCLE Mat: 1/15/19 Cpn: 0.82% Moody's: Aaa S&P: AAA Fitch: AAA Tr Date: 1/22/15 St Date: 1/28/15	41284BAC0	728,501.08 0.00	728,777.18 266.88	276.10	100.038	0.13%
4,500,000.000	TOYOTA 2016-C A2B CAR 1MOFRN Mat: 1/15/19 Cpn: 0.70% Moody's: Aaa S&P: AAA Fitch: Tr Date: 8/1/16 St Date: 8/10/16	89237WAC1	4,500,000.00 0.00	4,500,747.00 1,407.58	747.00	100.017	0.78%
6,200,000.000	GEDFT 2014-2 A 1MOFRN FLOOR Mat: 10/20/19 Cpn: 0.98% Moody's: Aaa S&P: Fitch: AAA Tr Date: 1/29/15 St Date: 2/3/15	36159LCN4	6,199,741.60 1,060.04	6,204,798.80 1,859.93	5,057.20	100.077	1.07%
Total for Asset-Backed			24,345,113.02 1,831.58	24,350,222.98 6,254.79	5,109.96		4.19%
Grand Total			580,015,267.88 524,655.18	579,968,510.71 671,830.69	(46,757.17)		100.00%



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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.

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.



Short-Term Actively Managed Program (STAMP)
Client Review for:



October 24th, 2016

Scott Pavlak, CFA – *Senior Portfolio Manager*

Wendy Kaszak – *Client Services*

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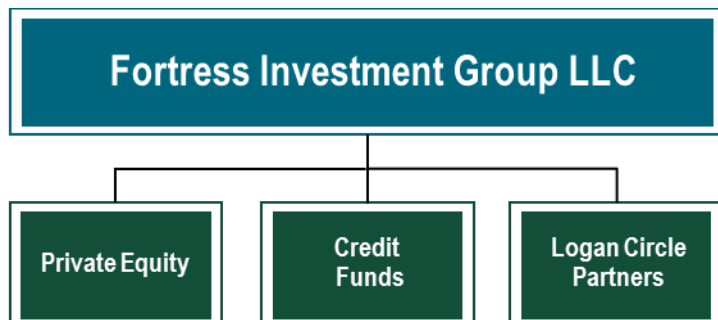
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SECTION I

Firm Overview

ORGANIZATIONAL OVERVIEW

Ownership Structure



LCP Institutional Clients

Assets by Client Type ¹ (Millions as of 6/30/2016)	
Sub-Advisory	\$13,556
Corporate	\$12,078
Public	\$4,622
Insurance	\$1,466
Other	\$2,358
TOTAL:	\$34,080

Firm Overview

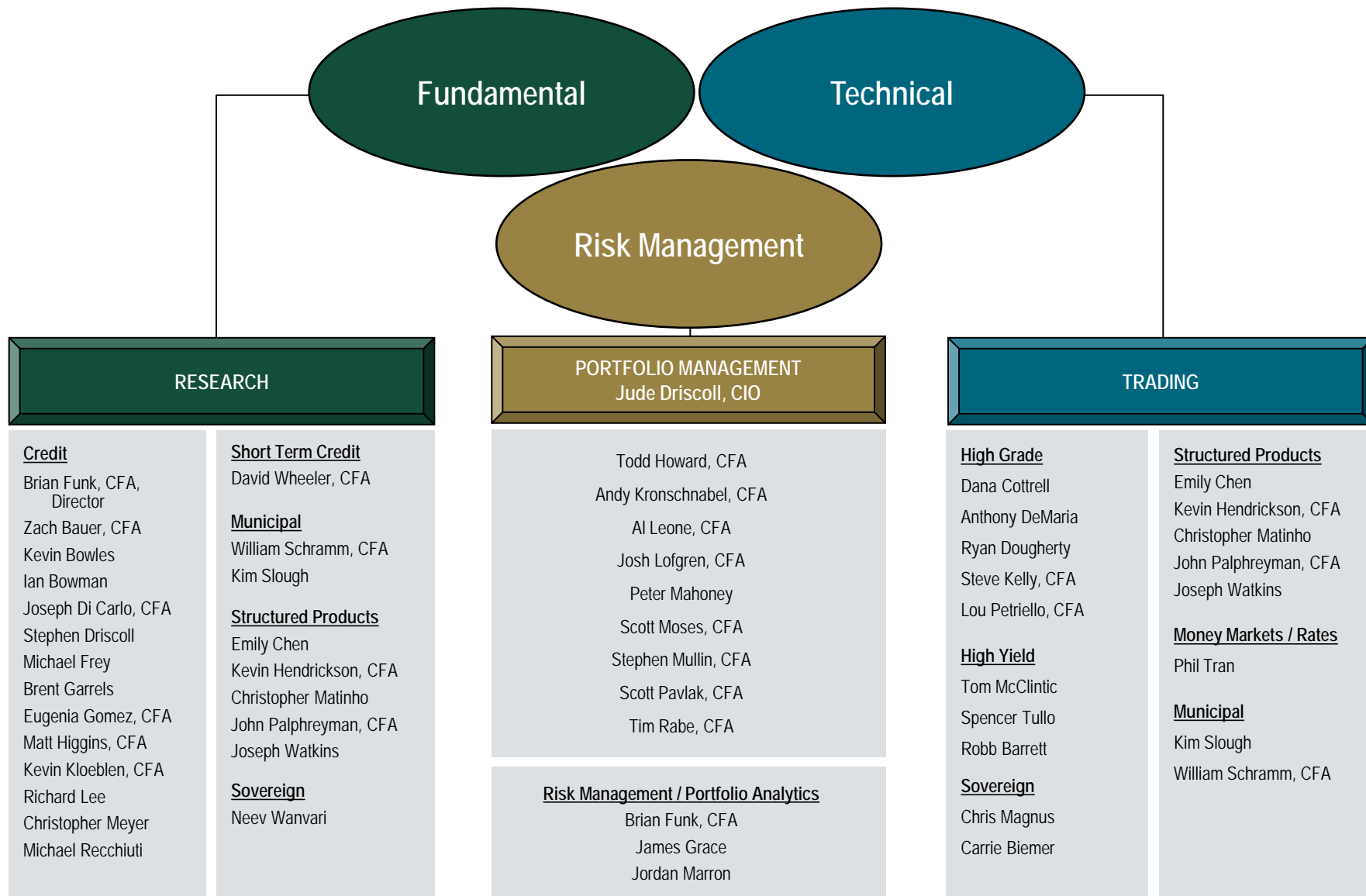
- Logan Circle Partners (“Logan Circle” or “LCP”) is a Fortress Investment Group LLC company.
- Fortress is a diversified asset manager with assets under management of \$70 billion¹.
- Logan Circle is dedicated solely to the institutional marketplace.
- Deep team of highly experienced
 - Portfolio Managers
 - Traders
 - Research Analysts
 - Client Service Professionals

LCP Employees

78 Employees (as of 9/30/2016)	
Portfolio Management	10
Research	19
Trading	15
Risk Management / Portfolio Analytics	2
Client Services	14
Legal / Compliance	4
Administration / Operations	14

¹ Based on unaudited estimates and are subject to change. Fee paying assets under management as of 6/30/2016.

FIXED INCOME TEAM – 46 Investment Professionals (as of September 30, 2016)



SECTION II

Market Review

CURRENT THEMES

- **GDP**

Second-half GDP estimates rely on sustained strength in personal consumption, supported by rising wages and household incomes. Weak business fixed investment and anemic government spending continue to cap upside growth potential. Current forecasts suggest full-year economic growth to fall below 2%. A strengthening dollar and the potential for increased trade barriers could dampen the net exports component of GDP.
- **Consumer**

Higher healthcare costs, including insurance, represent an increasing share of consumer spending and disposable income. Both present situation and expectations components of consumer confidence reach highs not seen since the financial crisis although this confidence has yet to translate into improving retail sales. Rebound in savings rate skewed by strength of upper income earners. Sustained pace of student and auto loan debt growth represents a long-term demographic concern.
- **Business**

Persistent sluggish global growth hampers ability to grow revenues while rising labor costs pressure many industrial sub-sectors. Deterioration of credit metrics continues, highlighted by rising debt/equity ratios and declining operating margins. Although financials continue to build capital and improve balance sheets, the strength and stability of earnings are negatively impacted by less diverse business models and reduced net interest margins. Weak new business formations symptomatic of the broader challenges to growth. Election year and geopolitical uncertainty weigh on business confidence.
- **Employment**

Job growth rate downshifts to a more sustainable range consistent with low unemployment and participation rates. Service sector (e.g. health services, leisure and hospitality) accounts for all of the employment gains since the financial crisis. Overall increase in average hourly earnings led by labor shortages in select service sub-sectors and wage increases at the low end of the spectrum.
- **Central Banks / International**

Interest rates will remain at historically low levels for foreseeable future as Central Bank policies remain accommodative. Stimulus programs have failed to achieve economic growth and inflation objectives. BOJ shifts policy to target ten-year JGB yields at 0%. Although ECB floats tapering of bond buying program, accommodation will continue well into the future. Political posturing over Brexit terms will continue to impact currencies and financial markets. Brexit outcome may fuel broader nationalist sentiments.
- **Housing**

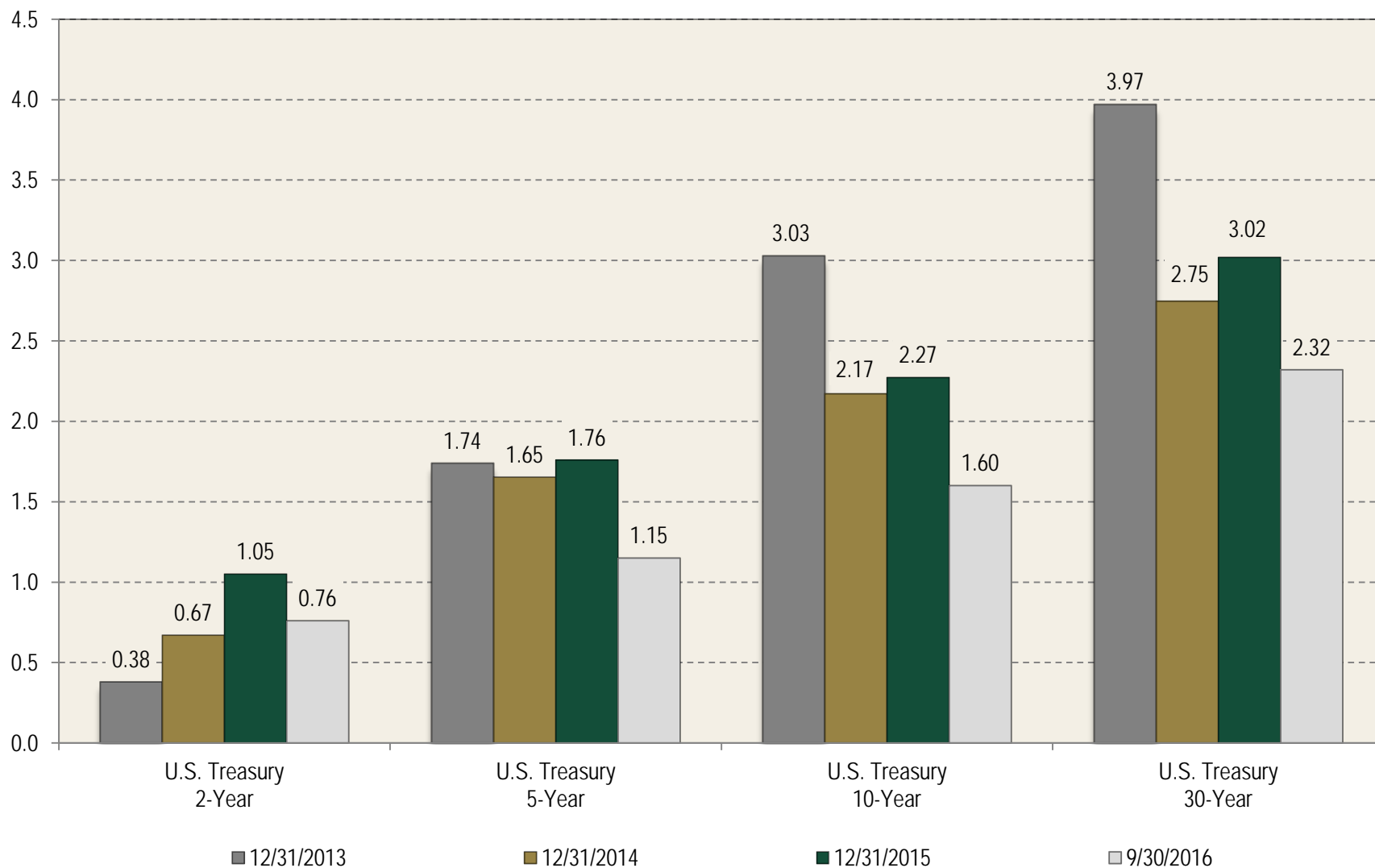
National home price appreciation will decelerate modestly to the low single digits driven by seasonality and a slowdown in higher priced homes sales. The number of homes currently on the market remains low at 4.4 months' supply, however, inventory figures are skewed by a buildup of higher-priced homes. Affordability declines as price appreciation continues to outpace income growth. Refinancing activity will slow as most borrowers who could benefit from current mortgage rates have already acted. New home construction slows due to seasonality but continues to gain momentum on a year-over-year basis.
- **Inflation**

Core PCE continues to edge higher as rents, healthcare insurance and medical costs escalate. Energy prices and wage growth support headline inflation, while stronger dollar acts to mitigate upward pressure. Federal Reserve indicates a willingness to let inflation exceed previous target. Budding protectionist / populist movements expected to have negative (higher) long-term inflation implications as free trade policies are tested.
- **U.S. Monetary and Fiscal Policy**

Federal Reserve's data dependency trumped by geopolitical and market stability concerns, as timing of policy normalization pushed to December at the earliest. Dividing lines between hawks and doves deepen as both sides become more vocal in speeches and policy discussions. Three dissenters emerge at September meeting. Domestic fiscal policy initiatives unlikely to emerge in the near term as election year politics preclude substantive action.

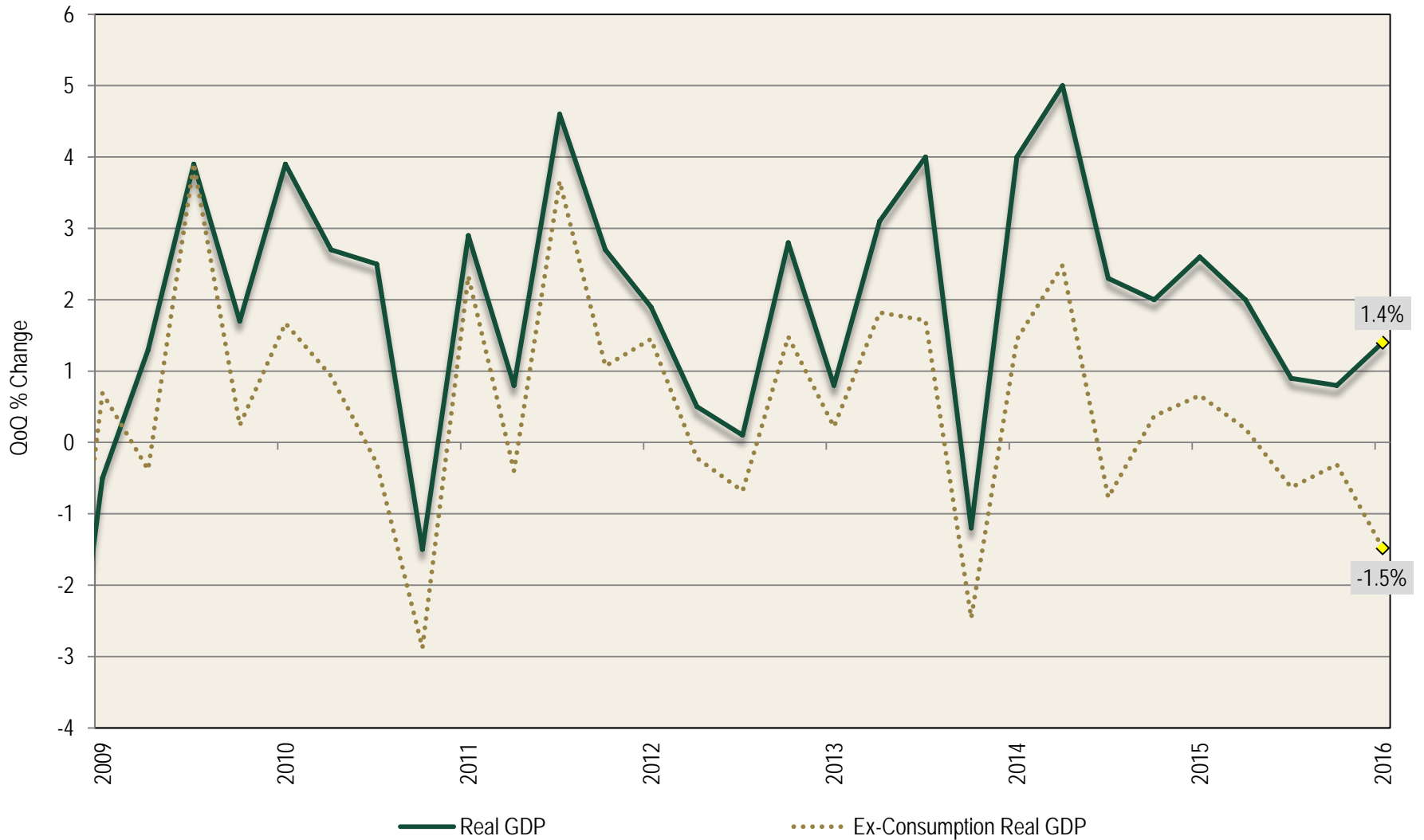
The views presented above are Logan Circle's only and are subject to change over time. There can be no assurance that the views expressed above will prove accurate and should not be relied upon as a reliable indicator of future events.

U.S. TREASURY YIELDS – as of September 30, 2016



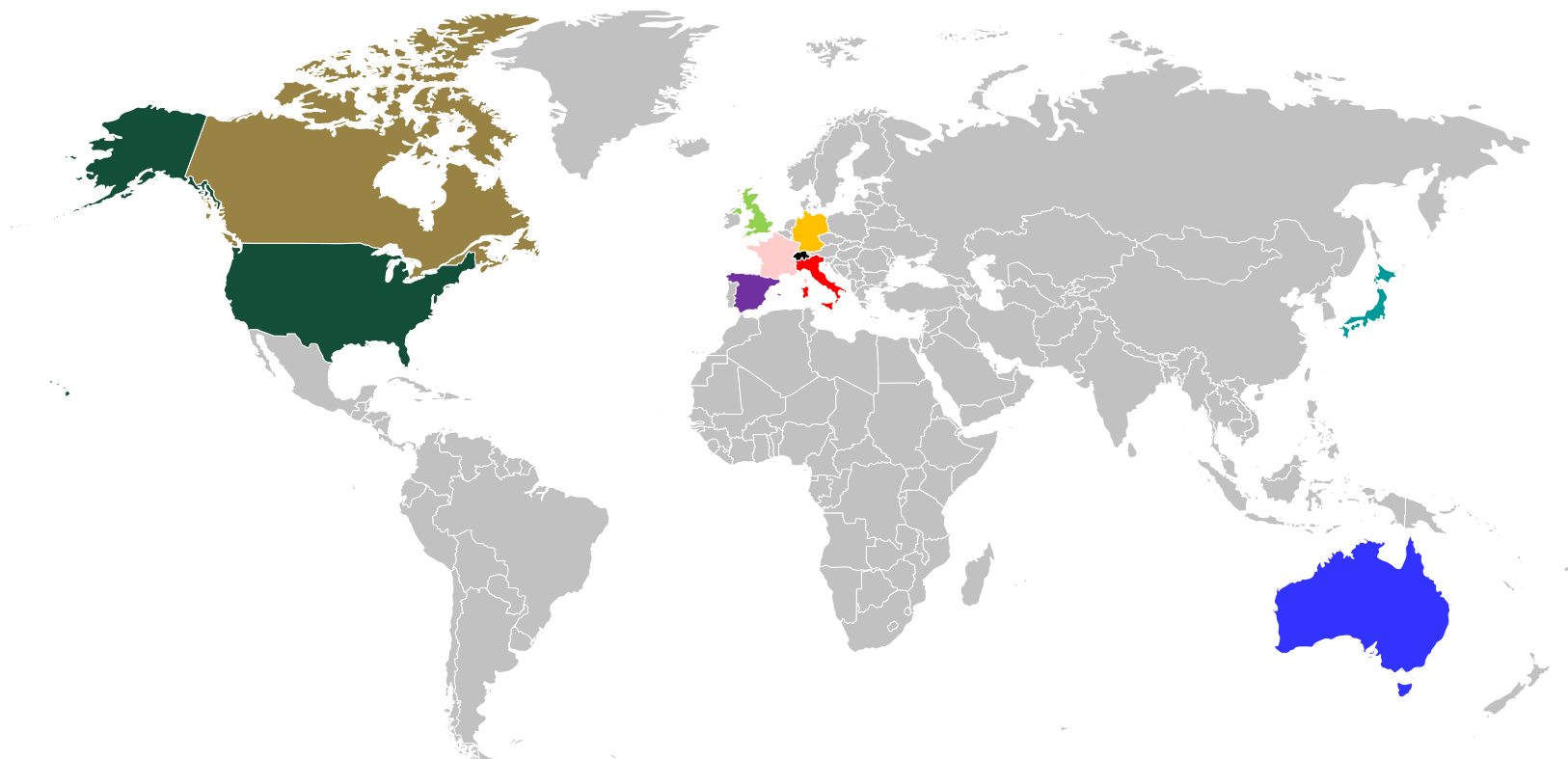
Source: Bloomberg

GDP – as of September 30, 2016



Source: Bloomberg

WORLD INTEREST RATES – as of September 30, 2016*



Country	United States	Canada	United Kingdom	Italy	Spain	France	Germany	Switzerland	Japan	Australia
2-Year	0.76%	0.52%	0.10%	(0.12%)	(0.22%)	(0.65%)	(0.69%)	(1.05%)	(0.29%)	1.55%
	+0.18	0.00	+0.01	(0.01)	(0.02)	(0.10)	(0.03)	+0.14	+0.01	(0.04)
5-Year	1.15%	0.62%	0.22%	0.26%	0.04%	(0.44%)	(0.58%)	(0.88%)	(0.25%)	1.60%
	+0.15	+0.05	(0.13)	(0.03)	(0.14)	(0.08)	(0.01)	+0.17	+0.06	(0.05)
10-Year	1.60%	0.99%	0.75%	1.19%	0.88%	0.18%	(0.12%)	(0.58%)	(0.09%)	1.91%
	+0.13	(0.07)	(0.12)	(0.07)	(0.28)	0.00	+0.01	+0.04	+0.13	(0.07)
30-Year	2.32%	1.66%	1.49%	2.24%	1.98%	0.97%	0.44%	(0.07%)	0.45%	-
	+0.03	(0.05)	(0.21)	(0.03)	(0.26)	+0.06	+0.06	+0.04	+0.32	-

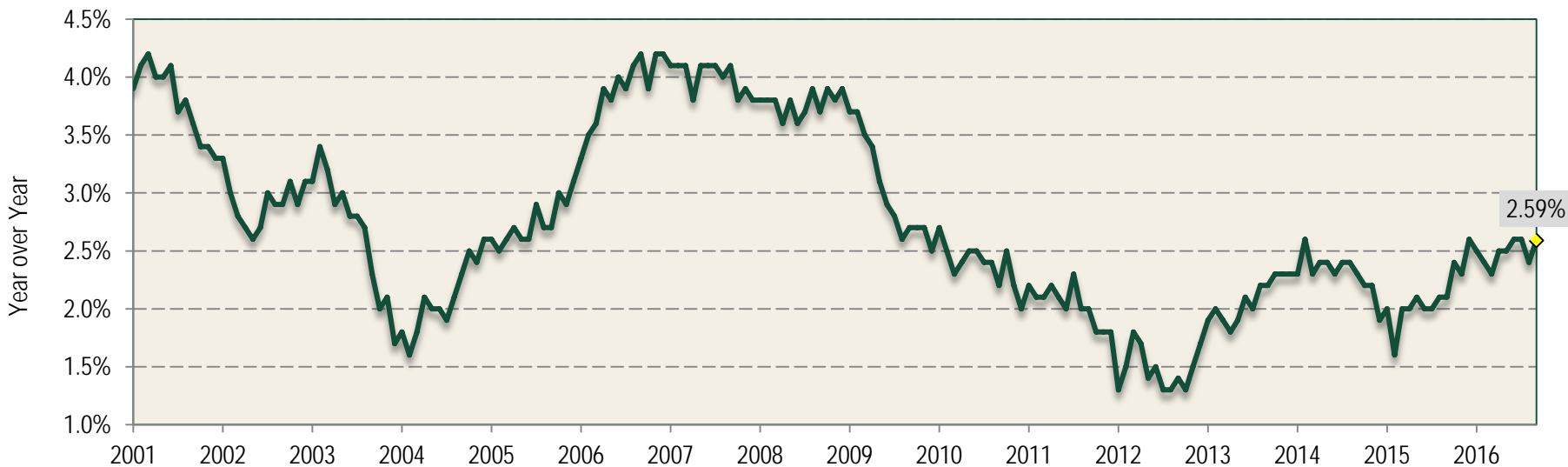
*Shaded rows indicate change from June 30, 2016.

Source: Bloomberg

U.S. EMPLOYMENT – as of September 30, 2016

	Labor Force Participation Rate	Unemployment Rate	Non-Farm Payroll
Average (1982 – 2014)	65.7%	6.4%	125,020
Current	62.9%	5.0%	156,000
Average (2015 – 2016)	62.7%	5.1%	206,905

U.S. Average Hourly Earnings – as of September 30, 2016



Source: Federal Reserve, Bloomberg

U.S. INFLATION – PCE CORE YOY – as of September 30, 2016



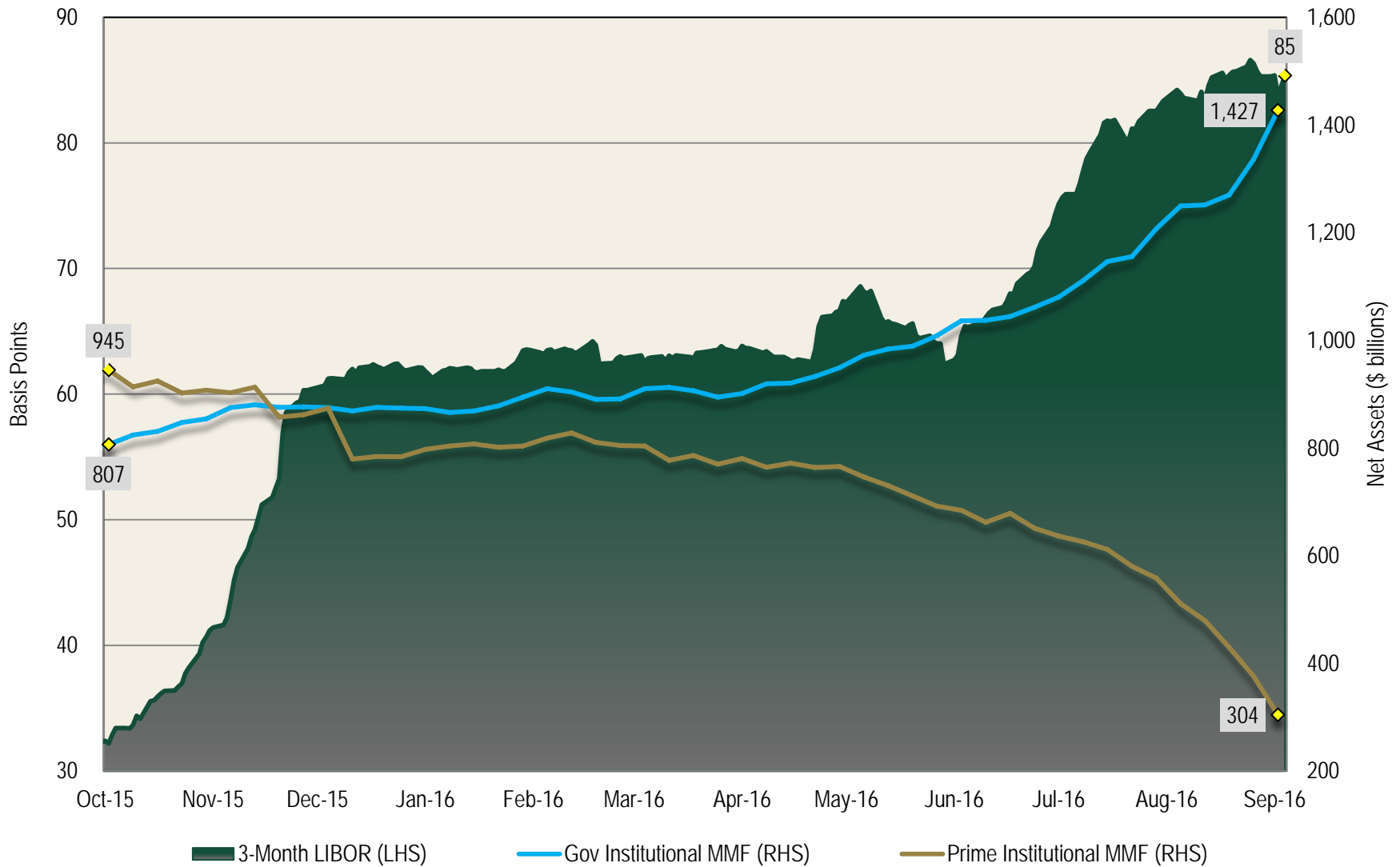
Source: Bloomberg

5-YEAR TIPS BREAKEVEN RATE – as of September 30, 2016



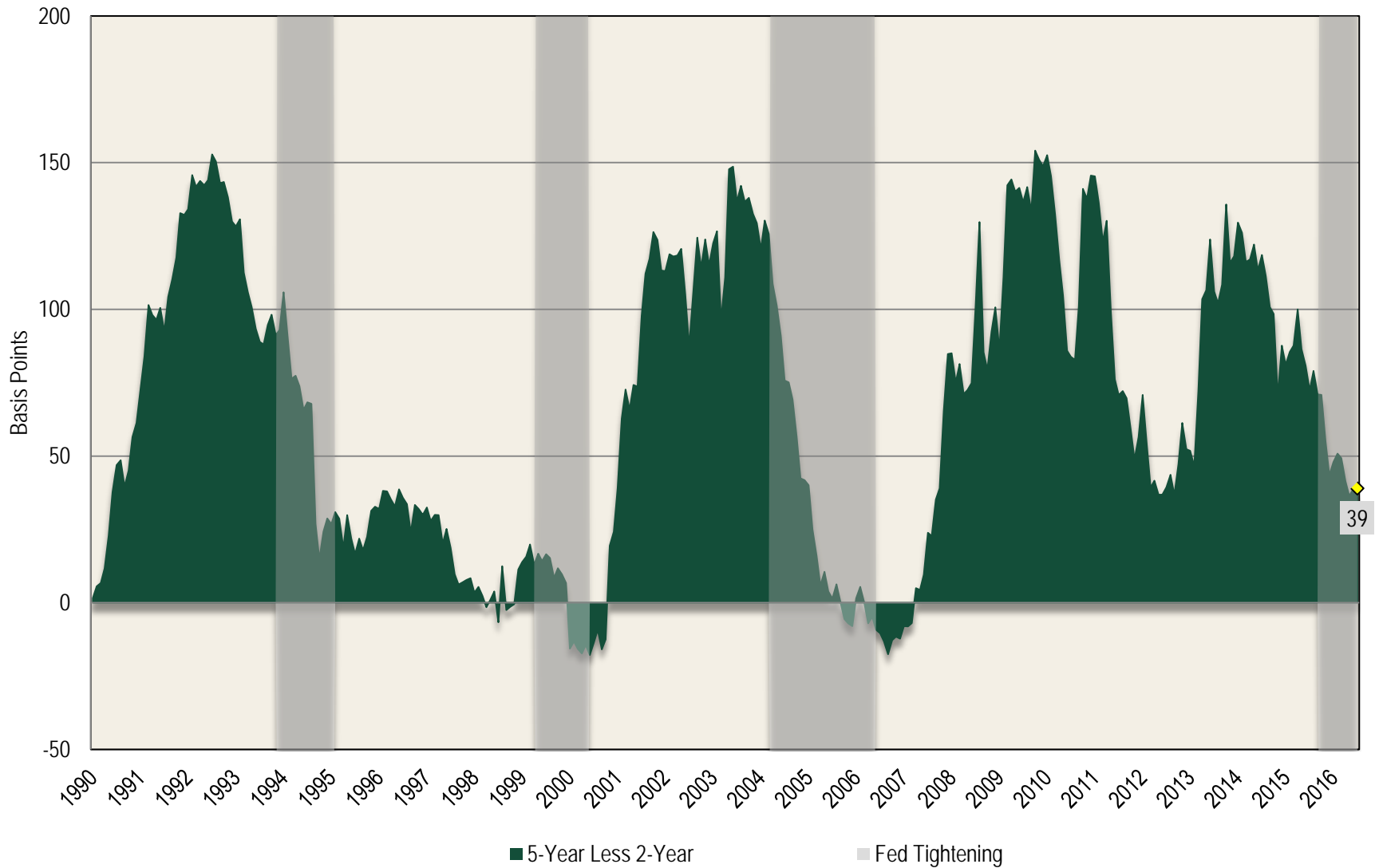
Source: Bloomberg

3-MONTH LIBOR & MONEY MARKET FUND FLOWS – as of September 30, 2016



Source: Bloomberg, Investment Company Institute

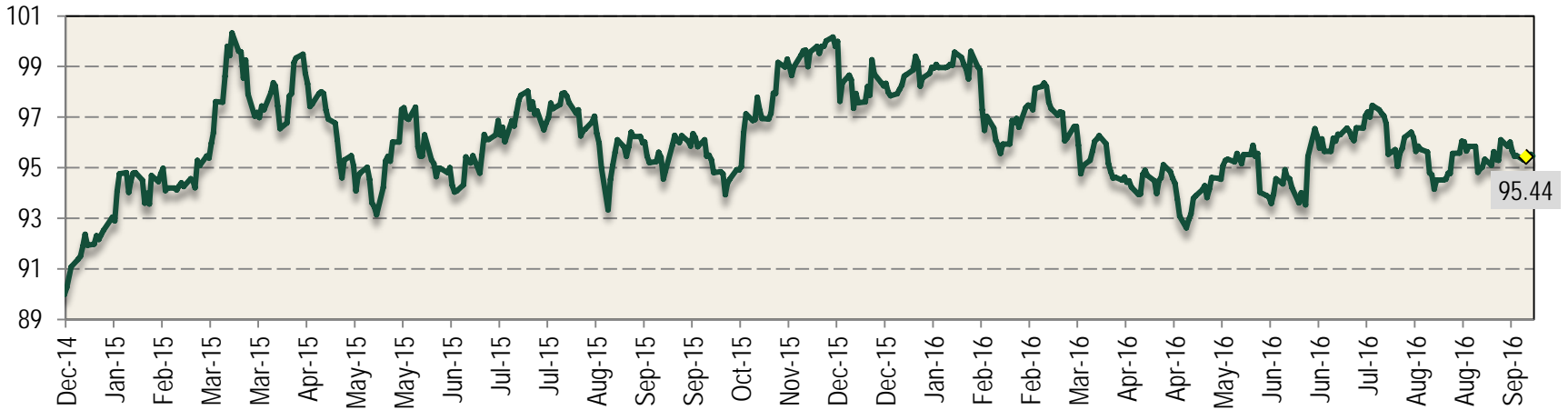
YIELD CURVE POSITIONING – as of September 30, 2016



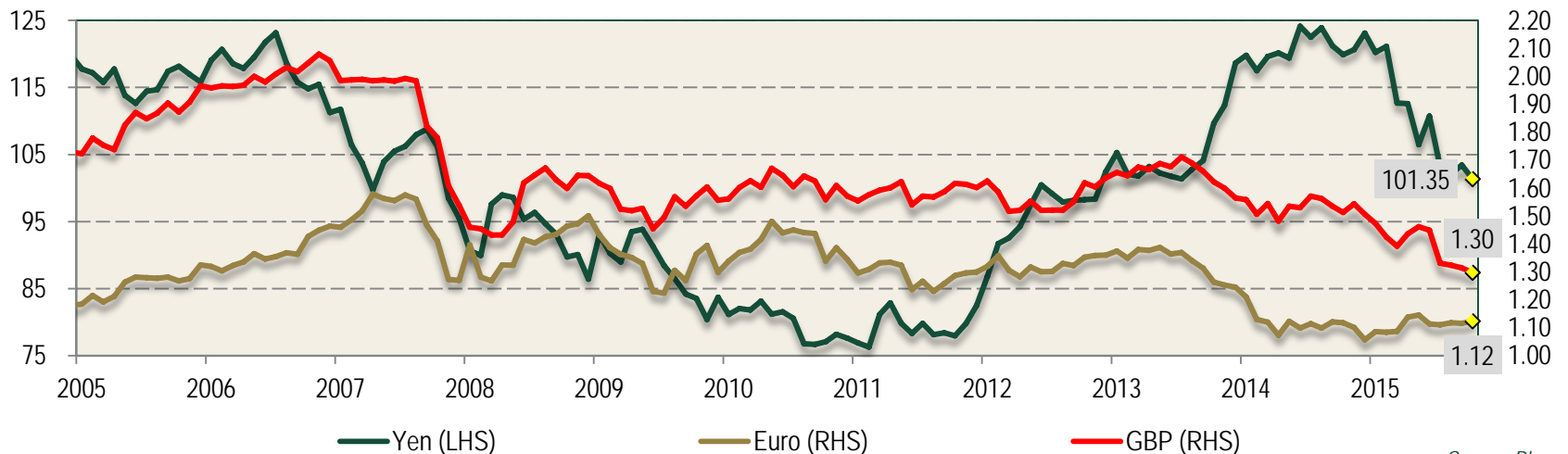
Source: Bloomberg

MARKET REVIEW

U.S. Dollar Index – as of September 30, 2016



U.S. Currency Indices – as of September 30, 2016



Source: Bloomberg

MARKET REVIEW

BofA Merrill Lynch Corporate Year End OAS – as of September 30, 2016

OAS (bps)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Corporate (1–5)	174	70	61	65	62	202	687	183	145	235	114	89	99	121	95
Financial (1–5)	165	51	50	57	56	223	764	243	175	325	135	93	96	104	102
Industrial (1–5)	176	86	73	75	69	181	626	136	117	164	96	85	103	134	90
Utilities (1–5)	236	79	63	73	71	177	590	161	131	173	116	99	89	120	94
Corporate (All)	188	95	83	92	91	203	604	190	166	257	154	128	144	173	143
High Yield (All)	890	418	310	371	289	592	1,812	639	541	723	534	400	504	695	497

Corporate Allocation

	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15	Jun 15	Sep 15	Dec 15	Mar 16	Jun 16	Sep 16
BofA ML 1-5 Year Corporate OAS (bps)	89	78	68	78	99	89	101	126	121	121	112	95
CalOptima Tier Two	30%	23%	24%	20%	25%	29%	29%	23%	24%	26%	21%	23%
CalOptima Tier One	-	-	-	-	-	-	-	-	-	-	22%	24%
CalOptima Operating Fund	-	-	-	-	-	-	-	-	-	-	25%	25%

Source: Bank of America Merrill Lynch

SECTION III

Portfolio Review

PERFORMANCE – as of September 30, 2016

	3Q 2016	YTD	Since Inception ¹ (4/1/13)
Tier Two (Gross of fees)	0.03%	2.66%	1.58%
Tier Two (Net of fees)	-0.01%	2.54%	1.41%
Bank of America Merrill Lynch 1-5 Years U.S. Treasury ²	-0.19%	2.20%	1.16%

	3Q 2016	YTD	Since Inception ¹ (5/2/16)
Tier One (Gross of fees)	0.10%	0.54%	0.54%
Tier One (Net of fees)	0.08%	0.50%	0.50%
Bank of America Merrill Lynch 1-3 Years U.S. Treasury ²	-0.11%	0.38%	0.38%

	3Q 2016	YTD	Since Inception ¹ (5/2/16)
Operating Fund (Gross of fees)	0.20%	0.30%	0.30%
Operating Fund (Net of fees)	0.18%	0.26%	0.26%
Citigroup 3-Month Treasury Bill ²	0.07%	0.11%	0.11%

Past performance is not indicative of future results. ¹Performance for periods greater than one year are annualized.

²The performance benchmark for the CalOptima Tier Two portfolio is the Bank of America Merrill Lynch U.S. Treasury 1-5 Year Index, which is a broad-based index consisting of U.S. Treasury securities with an outstanding par greater than or equal to \$25 million and a maturity range from one to five years, inclusive, reflecting total return. ²The performance benchmark for the CalOptima Tier One portfolio is the Bank of America Merrill Lynch 1-3 Year U.S. Treasury Index, which is a broad-based index consisting of U.S. Treasury securities with an outstanding par greater than or equal to \$250 million and a maturity range from one to three years, reflecting total return. The performance benchmark shown for the CalOptima Operating Fund is the Citigroup 3-Month Treasury Bill, which tracks the return of one three-month Treasury bill until maturity.

PERFORMANCE ATTRIBUTION (in basis points) – as of September 30, 2016

Tier Two	Duration	Yield Curve	Government	Municipal	Corporate	Mortgage	Asset Backed	Excess Return
1Q 2016	0	5	2	2	4	0	1	14
2Q 2016	-7	-2	-4	6	14	1	1	9
3Q 2016	7	0	-3	2	11	3	2	22

Tier One	Duration	Yield Curve	Government	Municipal	Corporate	Mortgage	Asset Backed	Excess Return
3Q 2016	9	1	-2	1	8	1	3	21

Operating Fund	Duration	Yield Curve	Government	Municipal	Corporate	Mortgage	Asset Backed	Excess Return
3Q 2016	1	-1	8	0	4	0	1	13

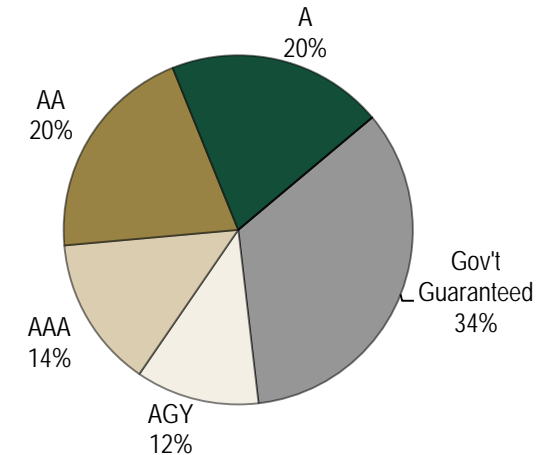
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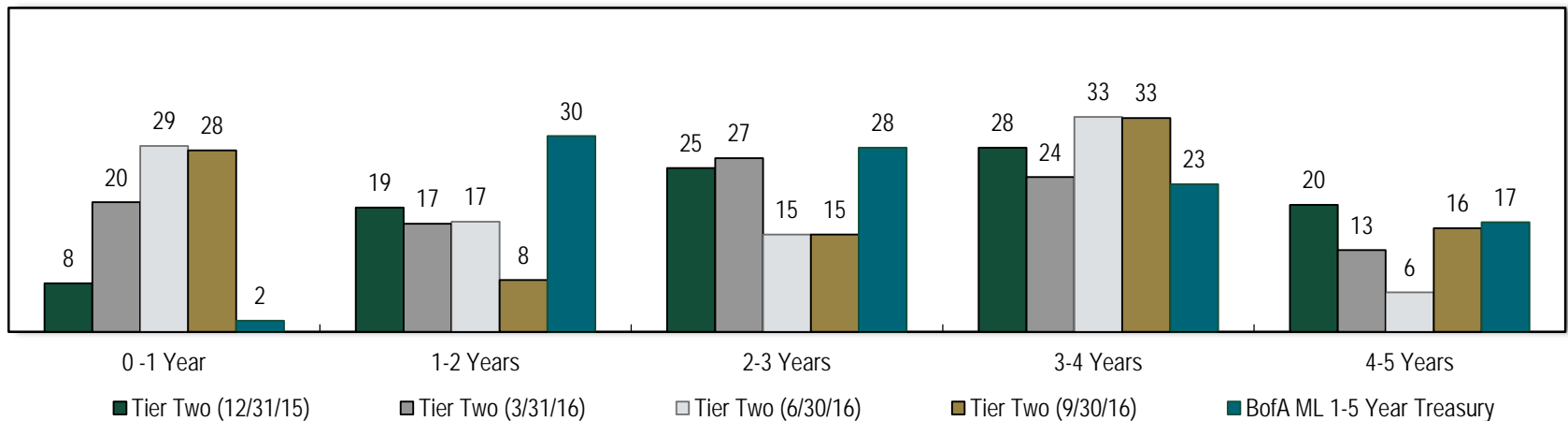
TIER TWO PORTFOLIO – as of September 30, 2016

	Tier Two	BofA ML U.S. Treasury 1-5 Year ¹
Yield to Maturity	1.22%	0.90%
Duration	2.43 Years	2.73 Years
Spread Duration	1.38 Years	NA
Average Quality (<i>Moody's</i>)	Aa2	TSY
Fixed / Floating	89% / 11%	NA
Market Value	\$89,771,559	NA

Quality Ratings Distribution



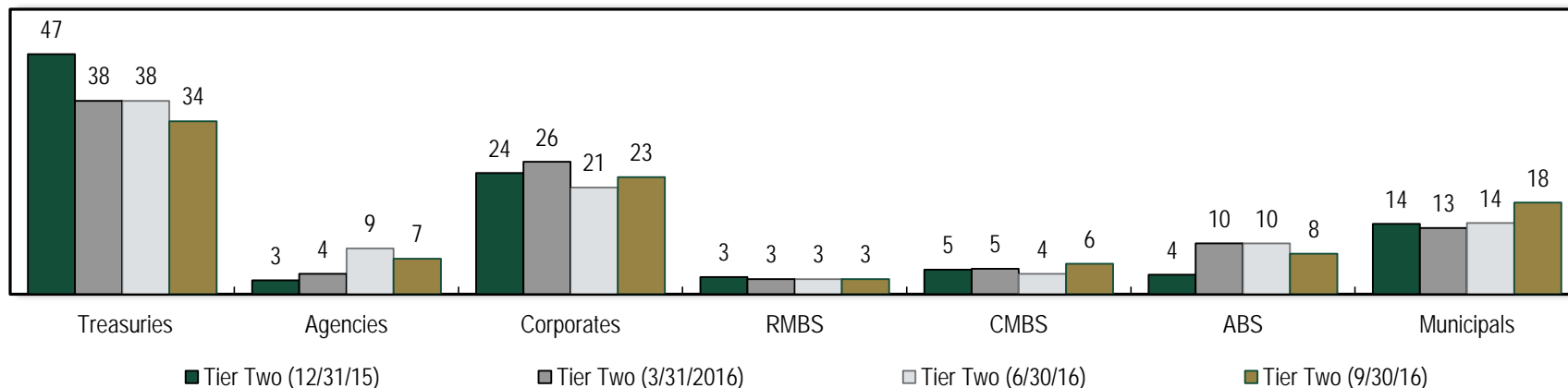
Duration Distribution (% Market Value)



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TIER TWO PORTFOLIO – as of September 30, 2016

Sector Distribution (% Market Value)



Treasuries/Agencies

- Sold two to three-year Treasuries to fund corporate and municipal purchases
- Sold short Supranationals with maturities inside of 2016 to fund Treasury purchases in the four to five-year part of the curve

Corporates

- Modestly increased exposure to corporates as spreads drifted wider in the back half of the quarter
- Sold short-dated or floating-rate corporates including Jackson National Life 2-year [A1/AA], MassMutual 1-year [Aa2/AA+], MetLife 2-year [Aa3/AA-], Simon Property Group 2-year [A2/A], Wells Fargo & Co. 2-year [A2/A], and Wells Fargo & Co. 3-year [A2/A]
- Purchased fixed-rate corporates including Berkshire Hathaway Energy 4-year [A3/A-], Fifth Third Bank 5-year [A3/A-], Key Bank NA 3-year [A3/A-], National Rural Utilities 4-year [A1/A], Oracle Corp. 5-year [A1/AA-]

Structured Products

- Sold ABS Mass Mutual fixed equipment and Chase fixed credit card
- Purchased CMBS exposure in Fannie Mae securities backed by multifamily mortgage loans [AA+/Agency]
- Purchased Fannie Mae specified pools backed by seasoned residential mortgage loans [AA+/Agency]

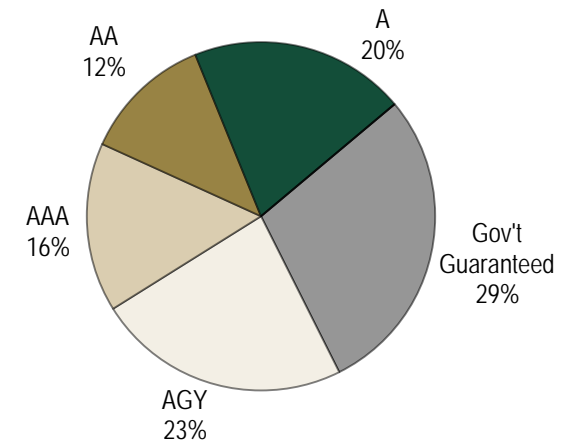
Municipals

- Added to existing state and local exposure: Los Angeles Municipal Improvement Corp 4-year (A+/A+), State of Connecticut GO 4-year (AA-/Aa3/AA-)
- Purchased revenue bonds within the electric utility, housing, healthcare and water utility subsectors: Imperial, CA Irrigation District Electric 3-year (AA-), Anaheim, CA Housing and Public Improvement Authority 3-year (AA-/AA-), Southern CA State Public Power Authority (AA-/AA-) 4-year, University of California Medical Center 5-year (AA-/Aa3/AA-), California State Department of Water Resources 5-year (AA/Aa1/AA+)

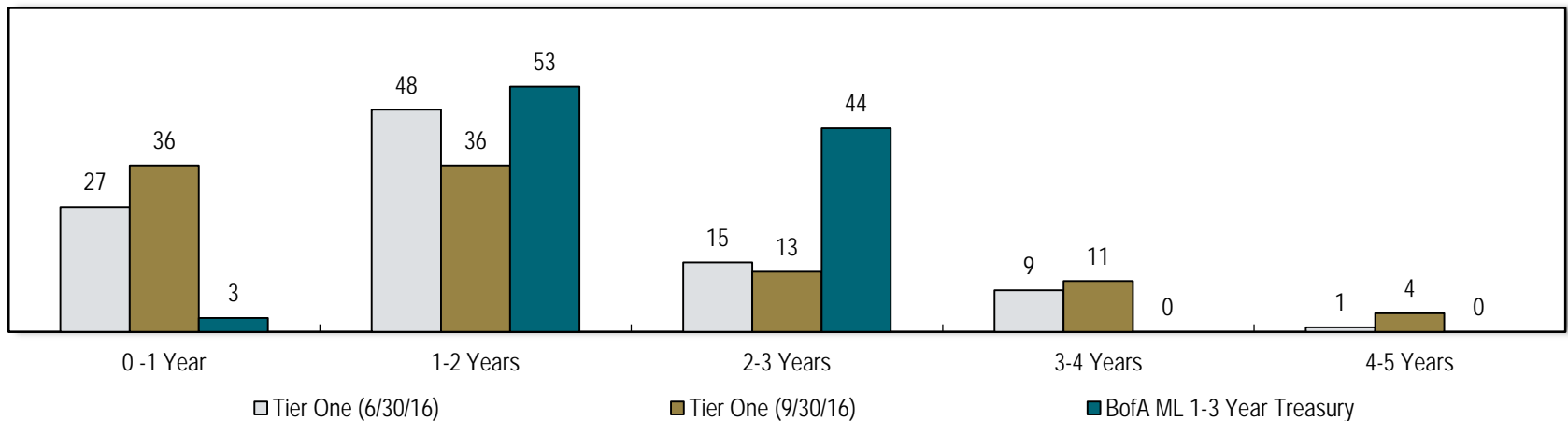
TIER ONE PORTFOLIO – as of September 30, 2016

	Tier One	BofA ML U.S. Treasury 1-3 Year ¹
Yield to Maturity	1.05%	0.78%
Duration	1.55 Years	1.90 Years
Spread Duration	1.01 Years	NA
Average Quality (<i>Moody's</i>)	Aa2	TSY
Fixed / Floating	92% / 8%	NA
Market Value	\$125,473,000	NA

Quality Ratings Distribution



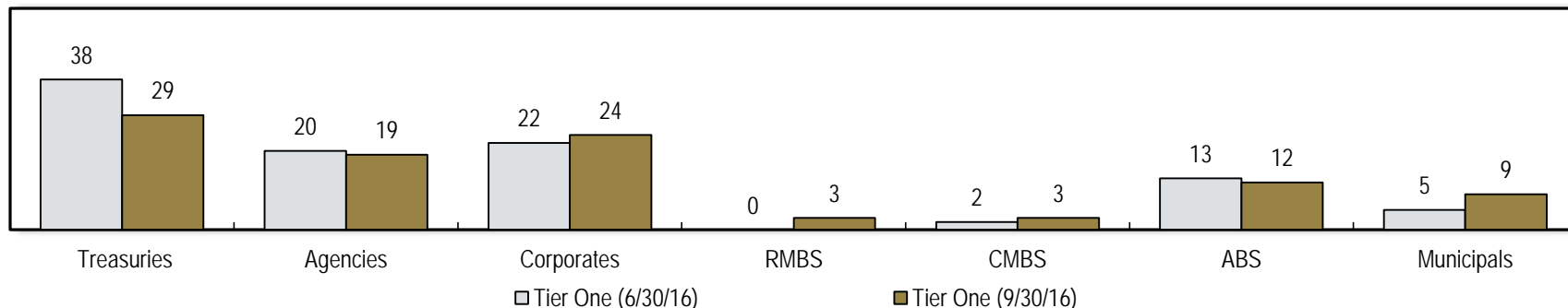
Duration Distribution (% Market Value)



Past performance is not indicative of future results. ¹ The performance benchmark for the CalOptima Tier One portfolio is the Bank of America Merrill Lynch U.S. Treasury 1-3 Year Index, which is a broad-based index consisting of U.S. Treasury securities with an outstanding par greater than or equal to \$25 million and a maturity range from one to three years, inclusive, reflecting total return.

TIER ONE PORTFOLIO – as of September 30, 2016

Sector Distribution (% Market Value)



Treasuries/Agencies

- Sold short Treasuries with durations of 1.5 years and less to fund other spread sector purchases
- Sold short Supranationals, including International Finance Corp and Inter-American Development Bank to fund corporate and municipal purchases
- Added Treasuries in the four to five-year area

Corporates

- Modestly increased exposure to corporates as benchmark Treasury yields rose and spreads drifted wider in the back half of the quarter
- Sold short-dated or floating-rate corporates to fund extension trades
- Purchased fixed-rate corporates including American Express 2-year [A2/A-], BB&T Corp. 3-year [A2/A-], Berkshire Hathaway Finance 2-year [Aa2/AA], Duke Energy 2-year [Aa2/A], JPMorgan Chase 2-year [A3/A-], Key Bank 2-year [A3/A-], Key Bank 3-year [A3/A-], National Rural Utilities 4-year [A1/A], U.S. Bank 2-year [A1/AA-], and Wells Fargo & Co. 3-year [A2/A]

Structured Products

- Purchased ABS [AAA/AAA] Chase fixed credit card, John Deere fixed equipment, Nissan/Mercedes fixed autos
- Increased Agency RMBS exposure in Fannie Mae and Freddie Mac issued specified pools and CMOs [AA+/Agency]
- Added Agency CMBS exposure in Fannie Mae and Freddie Mac issued securities [AA+/Agency]

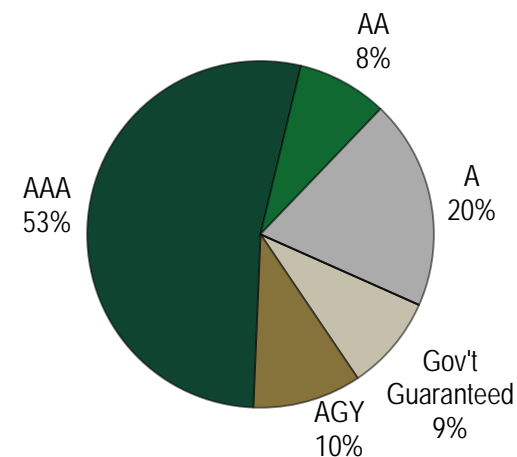
Municipals

- Increased local exposure: Los Angeles Municipal Improvement Corp 1-year (A+/A+), Coast CA Community College District 5-year (AA/Aa1)
- Added to existing state exposure: State of California 3-year (AA-/Aa3/AA-)
- Purchased revenue bonds in the housing and utility subsectors: Anaheim, CA Housing and Public Improvement Authority 3-year (AA-/AA-), Southern CA State Public Power Authority 4-year, (AA-/AA-) California State Department of Water Resources 5-year (AA/Aa1/AA+)

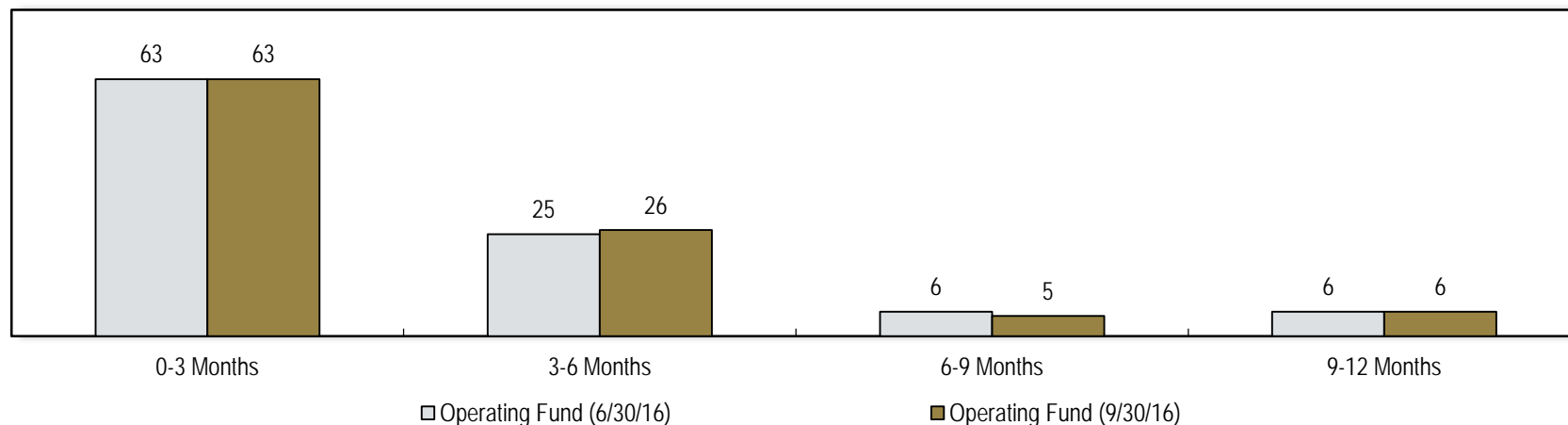
OPERATING FUND PORTFOLIO – as of September 30, 2016

	Operating Fund	Citigroup 3-Month Treasury Bill ¹
Yield to Maturity	0.87%	0.28%
Duration	0.25 Years	0.24 Years
Spread Duration	0.40 Years	NA
Average Quality (<i>Moody's</i>)	Aa3	TSY
Fixed / Floating	78% / 22%	NA
Market Value	\$551,157,125	NA

Quality Ratings Distribution



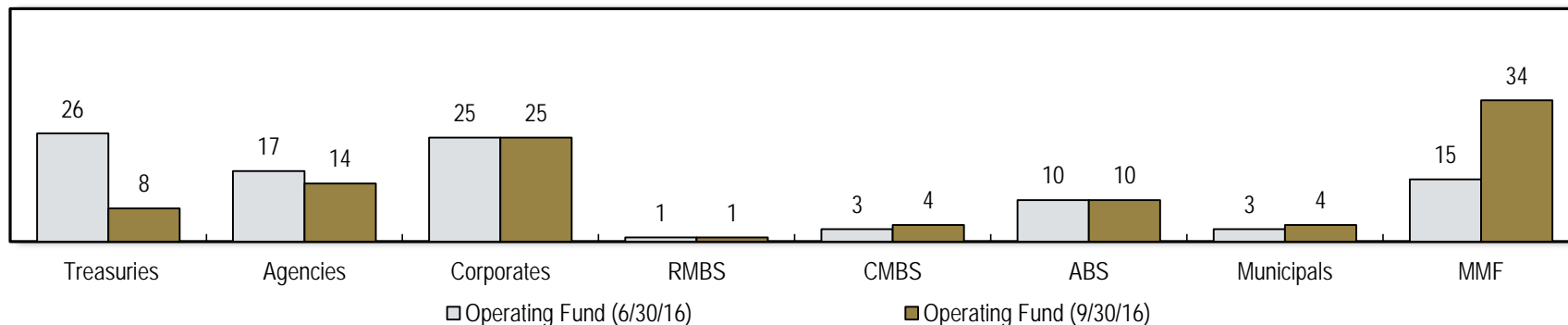
Duration Distribution (% Market Value)



Past performance is not indicative of future results. ¹ The performance benchmark shown for the CalOptima Operating Fund is the Citigroup 3-Month Treasury Bill, which tracks the return of one three-month Treasury bill until maturity.

OPERATING FUND PORTFOLIO – as of September 30, 2016

Sector Distribution (% Market Value)



Treasuries/Agencies

- Sold inherited Treasuries with maturities inside 2016 to purchase higher yielding money market instruments (commercial paper and certificates of deposit)
- Sold Treasury floaters to fund purchases in AAA-rated ABS
- Reinvested Agencies that matured over the quarter into Supranationals, including International Finance Corp, International Bank for Reconstruction and Development, and Inter-American Development Bank

Corporates

- Maintained our exposure to corporates at 25%
- Purchased Comcast Corp. 5-month [A3/A-], Ecolab 4-month [Baa1/A-] bonds, activity focused on the Banking sector including Fifth Third Bank 4-month [A3/A-], Huntington National Bank 4-month [A3/BBB+], Morgan Stanley 6-month and 8-month [A3/BBB+], and SunTrust Banks 6-month [Baa1/A-]

Structured Products

- Purchased ABS [AAA/AAA] Chase and Citi fixed and floating credit cards, John Deere fixed equipment, BMW, Honda, Nissan, and Mercedes fixed autos
- Added Agency CMBS exposure in Fannie Mae and Freddie Mac issued securities [AA+/Agency]

Municipals

- Bought state GOs, including the State of California (AA-/Aa3/AA-) 7-month, State of Louisiana (AA/AA-) 1-year and the State of Washington (AA+/Aa1/AA+) 1-year
- Added local GO bonds from issuers within the State of California, including Coast CA Community College District (AA/Aa1) and Long Beach CA Community College District (AA-/Aa2) bonds, both maturing in one-year

TIER TWO PORTFOLIO COMPLIANCE – as of September 30, 2016

Permitted Investments	Max % of Portfolio	Actual %	Max Stated Term Per Security	Actual Max Maturity	Min Quality Per Security	Actual Min Credit
U.S. Treasuries	100 (Code)	34	5 Years	4.86 Years	TSY	TSY
U.S. Agencies	100 (Code)	7	5 Years	2.48 Years	AGY	AGY
Corporate	30 (Code)	23	5 Years	4.95 Years	A-	A-
Mortgages & Asset-Backed (combined)	20 (Code)	17	5 Years	4.66 Years	AA-	AAA
Municipals	25 (Code 100)	18	5 Years	4.83 Years	A	A+
Commercial Paper	25 (Code)	2	270 Days	21 Days	A1/P1	A1/P1
Bankers Acceptances	30 (Code 40)	NA	180 Days	NA	A1/P1	NA
Certificates of Deposit	30 (Code)	2	1 Year	122 Days	A1/P1	A1/P1
Variable & Floating Rate Securities*	30 (Code)	11	5 Years	3.94 Years	A-	A

*May include securities from other sectors such as US Governments, Agencies, Corporates and Structured..

TIER ONE PORTFOLIO COMPLIANCE – as of September 30, 2016

Permitted Investments	Max % of Portfolio	Actual %	Max Stated Term Per Security	Actual Max Maturity	Min Quality Per Security	Actual Min Credit
U.S. Treasuries	100 (Code)	29	5 Years	4.34 Years	TSY	TSY
U.S. Agencies	100 (Code)	19	5 Years	2.08 Years	AGY	AGY
Corporate	30 (Code)	24	5 Years	4.19 Years	A-	A-
Mortgages & Asset-Backed (combined)	20 (Code)	18	5 Years	4.71 Years	AA-	AAA
Municipals	25 (Code 100)	9	5 Years	4.84 Years	A	A+
Commercial Paper	25 (Code)	1	270 Days	21 Days	A1/P1	A1/P1
Bankers Acceptances	30 (Code 40)	NA	180 Days	NA	A1/P1	NA
Certificates of Deposit	30 (Code)	2	1 Year	122 Days	A1/P1	A1/P1
Variable & Floating Rate Securities*	30 (Code)	8	5 Years	3.31 Years	A-	A-

* May include securities from various asset classes such as Corporates, Structured and US Governments..

OPERATING FUND PORTFOLIO COMPLIANCE – as of September 30, 2016

Permitted Investments	Max % of Portfolio	Actual %	Max Stated Term Per Security	Actual Max Maturity	Min Quality Per Security	Actual Min Credit
U.S. Treasuries	100 (Code)	8	450 Days	151 Days	TSY	TSY
U.S. Agencies	100 (Code)	14	450 Days	291 Days	AGY	AGY
Corporate	30 (Code)	25	450 Days	278 Days	A-	A-
Mortgages & Asset-Backed (combined)	20 (Code)	15	450 Days	390 Days	AA-	AAA
Municipals	25 (Code 100)	4	450 Days	305 Days	A	AA-
Commercial Paper	25 (Code)	5	270 Days	91 Days	A1/P1	A1/P1
Bankers Acceptances	30 (Code 40)	NA	180 Days	NA	A1/P1	NA
Certificates of Deposit	30 (Code)	27	1 Year	122 Days	A1/P1	A1/P1
Variable & Floating Rate Securities*	30 (Code)	22	450 Days	79 Days	A-	A-*

*May include securities from various asset Classes such as Corporates, Structured and US Governments. Contains Treasuries, Agencies, Corporate, Mortgages, and Asset-Backed securities which fall within the sector guidelines and reset in less than 450 days.

Wells Capital Management | September 2016

Portfolio Review

CalOptima

Presented by:

Tony Melville, CFA, Senior Portfolio Manager
Stephen Scharre, CFA, Director, Client Service



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- I. Wells Capital Management
- II. Team Overview
- III. Market Overview
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- V. CalOptima
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Wells Capital Management

Wells Capital Management

Wells Capital Management (WellsCap) is a leading institutional investment management firm and part of Wells Fargo Asset Management.

- We are strongly committed to three beliefs that lead to long-term, successful partnerships with our clients:

Independent investment thinking

Our strong investment culture thrives on independent investment thinking.

Rigorous investment risk management

Rigorous, independent investment risk management is imperative to the consistent generation of risk-adjusted alpha.

Client-centric relationships

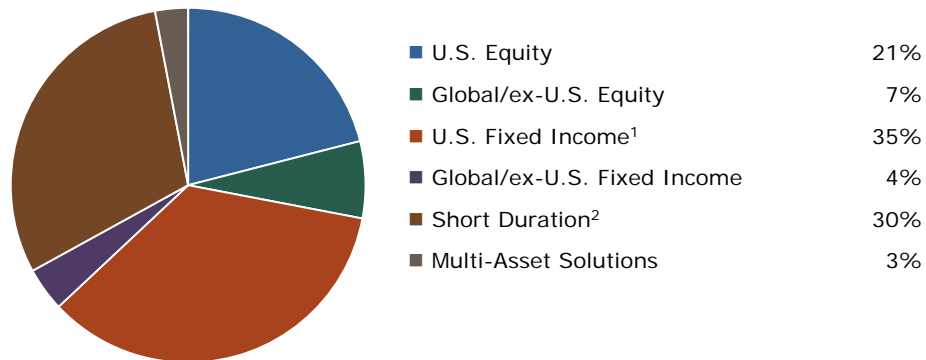
Enduring client relationships are cultivated by being client-centric, not product-centric.

Wells Capital Management

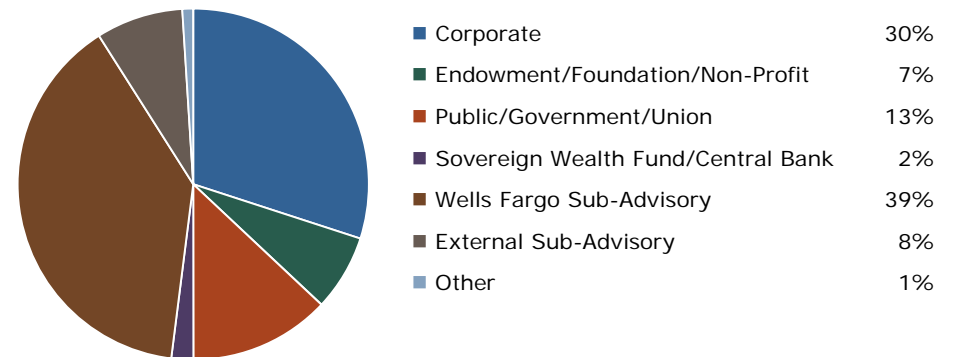
WellsCap profile

- Established in 1996
- AUM in excess of \$340B
- 26 autonomous investment teams
- Over 1,000 clients in more than 30 countries worldwide
- More than 395 investment professionals with an average firm tenure of 11 years

Assets under management



Our clients



As of June 30, 2016. Total firm assets under management are \$340B. The chart above excludes \$117B in Money Market Mutual Funds and other Wells Fargo Affiliated Money Market Accounts. Assets under management, excluding Money Market Mutual Funds and other Wells Fargo Affiliated Money Market accounts total \$229B.

¹ Includes accounts with durations over 1-5 year benchmarks.

² Includes accounts with durations up to 1-5 year benchmarks, excluding Money Market Funds.

WellsCap investment teams

U.S. equity

Beacon Growth Equity Boston, MA	Small Cap Growth
Fundamental Growth Equity Indianapolis, IN	SMID, Mid, Large, All Cap Growth, Global
Heritage Growth Equity Menomonee Falls, WI	Small, Large, All Cap Growth
MetWest Capital Equity Newport Beach, CA	Large Cap Intrinsic Value
Pelican Value Equity Newport Beach, CA	Small, SMID Cap Value
PMV Equity Menomonee Falls, WI	Small, SMID, All Cap
Select Equity Chicago, IL	Small Cap
Special Global Equity Boston, MA, Menomonee Falls, WI	Small, Mid Cap Value
Stageline Value Equity Lake Oswego, OR	Small Cap Value
Value Equity New York, NY	Small, SMID Cap Value

Global/international equity

Berkeley Street Emerging Markets Equity Boston, MA	All, Large/Mid Cap
Closed-End Fund Strategies Richmond, VA	International, Emerging Markets CEF
EverKey Global Equity New York, NY, Nassau Bahamas	Global, International, Long/Short
MetWest Capital Equity Newport Beach, CA	International, Global
Precious Metals Boston, MA	Precious Metals
SF Global Emerging Markets Equity San Francisco, CA	Emerging Markets Equity Income/Total Return/ESG, Asia Pacific
Special Global Equity Boston, MA, Menomonee Falls, WI	International, Global Small Cap

U.S. fixed income

Customized Fixed Income Menomonee Falls, WI	Core, Core Plus, Enhanced Core, Intermediate, Long Duration, Medium Quality, Mortgage-Focused, Short, TIPS
Money Market Funds Charlotte, NC, Minneapolis, MN, San Francisco, CA	Taxable, Tax-Exempt
Montgomery Fixed Income Walnut Creek, CA	Core, Short Duration, Long Credit
Premier Income Strategies San Francisco, CA	Credit Focused, Intermediate, Structured
Short Duration¹ Fixed Income San Francisco, CA	Taxable and Tax-Exempt with durations of 3 months to 1-5 years
Tax-Exempt Fixed Income Menomonee Falls, WI	Tax-Exempt Short, Intermediate, Long Duration, High Yield
U.S. High Yield Fixed Income San Francisco, CA and Menomonee Falls, WI	High Yield, Bank Loans, Short-Term High Yield

Global/International fixed income

ECM Asset Management Limited London, U.K.	Multi-Sector Credit, Sub-Investment Grade, Investment Grade, Financials, European Infrastructure
First International Advisors, LLC London, U.K.	Global, International, Emerging Markets

Investment solutions

Liability Driven Investment San Francisco, CA	Analytics, LDI Design, Glidepathing, Multi-Asset Class Solutions Management
Multi-Asset Solutions San Francisco, CA	Customized Strategic and Tactical Asset Allocation, Multi-Asset Solutions, Target Date, Dynamic Risk Hedging, Absolute Return Solutions

As of June 30, 2016

¹ Excludes Money Market Mutual Funds

Short Duration Fixed Income overview

Short Duration Fixed Income overview

Providing highly customized short duration fixed income solutions has been a core competency of WellsCap since 1988.

- \$58.7 B¹ in assets under management as of June 30, 2016
- Taxable, municipal and crossover strategies for **offshore and domestic** institutional portfolios
- **Competitive risk-adjusted returns** with primary objectives of **principal preservation and liquidity**
- **Tenured team** of investment professionals
- **Depth of credit research** capabilities across corporate, municipal and structured asset classes
- **Emphasis on risk management** in the construction, management and oversight of client portfolios
- Singular focus on **consultative client partnerships**

The financial strength of our parent company, Wells Fargo Bank, N.A., affords us the resources, capital and stability essential to our ongoing commitment to this core business.

¹ Short Duration AUM managed by Short Duration, Municipal, and Customized Fixed Income teams.

Short Duration Fixed Income investment team

Investment team



Jeffrey L. Weaver, CFA
Senior Portfolio Manager
Head of Money Funds & Short Duration
Entered industry in 1991, WellsCap 1994



Andrew Greenberg, CFA
Senior Portfolio Manager
Short Duration Team Lead
Entered industry in 1986, WellsCap 2002



Anthony J. Melville, CFA
Senior Portfolio Manager
Corporates
Entered industry in 1993, WellsCap 1994



Dean Meddaugh, CFA
Senior Portfolio Manager
ABS, MBS & CMBS
Entered industry in 1994, WellsCap 2004



Raymond M. Wong
Senior Portfolio Manager
Municipals
Entered industry in 1980, WellsCap 2002



James Rutzen, CFA, FRM
Senior Portfolio Manager
Municipals/Crossover
Entered industry in 1986, WellsCap 1996



Travis Dugan, CFA
Senior Portfolio Manager
Governments & Corporates
Entered industry in 1997, WellsCap 2011



Janat Ibraev, CFA
Portfolio Manager
Corporates
Entered industry in 1994, WellsCap 2015



Jonathan Buenaventura
Portfolio Manager
Money Market Securities
Entered industry in 2004, WellsCap 2011



Henri Proutt
Associate Portfolio Manager
Corporates
Entered industry in 2008, WellsCap 2011



Samuel Arocha
Repo Trader
Entered industry in 1989, WellsCap 1989



George Hoch
Portfolio Analyst
Entered industry in 2011, WellsCap 2015

Firm-Wide Credit Research

Money Market Research



Matthew Grimes, CFA
Head of Money Markets
Credit Research
Team of 9 Analysts

Global Credit Research Platform Resources



Jamie Newton, CFA
Co-Head of Global Credit
Research
Team of 9 Analysts



Duncan Warwick-Champion
Co-Head of Global Credit
Research
Team of 10 Analysts

Municipal Credit Research



Thomas Stoeckmann
Head of Municipal
Credit Research
Team of 8 Analysts

Additional firm-wide fixed income resources

Global Investment Grade &
High Yield Credit Research

Money Market Research

Municipal Credit Research

Structured Products Research

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WellsCap Fixed Income research resources

Global Credit Research – 72 Investment professionals

Corporate Research Analysts – 44 Total

Ambreesh Bansal, CFA Construction, Manufacturing, Transportation	Brian Barry, CFA Retail	Alex Basman, CFA Chemicals, Healthcare	Marianne Beyer, CFA Cyclicals, Metals & Mining	James Brown, CFA Cable, Telecom, Technology	Matthew Cox, CFA Healthcare, Insurance, Pharmaceuticals
Henry Craik-White Industrials	Paul Davey, CFA Energy, Infrastructure, Utilities	Scott Dreier, CFA Environmental, Utilities	James Fitzpatrick, CFA Media, Telecom, Technology	Rhys Foulkes, CFA Consumer, Paper, Transportation	Nikki Freeman, CFA Entertainment, Media, Utilities
Matthew Grimes, CFA Head of MM Credit Research	Donald Henken, CFA Banking, Financials	Heidi Hermann, CFA Energy, Metals & Mining	Kelly Hunter, CFA Banks, Sovereign	Brian Keller, CFA Energy, Homebuilders	Kevin Maas, CFA Financials, Healthcare
Michael Mallardi Energy	Jodi McGlynn Lodging, REITs, Retailers	Cristiano Mela Construction, Metals & Mining	Robert Montague Financials	David Moon, CFA Autos, Food	Henry Naah Cable, Telecom, Technology
Jamie Newton, CFA Co-Head of Credit Research	Cheryl Ngo Cyclicals, Metals & Mining, Transportation	Oscar Olivas, CFA Energy	Steve Pfeiffer Entertainment, Media, Utilities	Bridget Powers Banks, Brokers, Energy, Utilities	Satish Pulle Financials
Andrew Reed, CFA Chemicals, Consumer Products, Restaurants	Maya Sarda Consumer Products, Retail	Mike Shinnars, CFA Banks, Sovereigns	Michael Schueller, CFA Consumer Products, Metals, Utilities	Anna Tabor Sovereigns	Kirstin Thomas Banks, Sovereigns
Lauren Van Biljon, CFA Sovereigns	Jason Van Buren Industrials	Duncan Warwick-Champion Co-Head of Credit Research	Noah Wise, CFA Taxable Muni	Beatrice Woo Financials	Michie Yana, CFA Chemicals, Pharmaceuticals
Daniel Zaczekiewicz, CFA Banks, Sovereigns	Marcus Zahn Banks, Insurance				

Municipal Research Analysts – 15 Total

Elizabeth Alm, CFA Higher Education, GOs	Ken Anderson Money Markets	Jed Bruss, CFA State & Local GOs, Water & Sewer	Ed Clayton Money Markets	Dennis Derby Land Secured, State & Local GOs	Rick Grimm Money Markets
Luke Hammer State & Local GOs	Kerry Laurin, CFA State & Local GOs	Kim Nakahara State & Local GOs	Brandon Pae State & Local GOs, Water & Sewer	Michi Rives Money Markets	Todd Sisson Healthcare, Long Term Care
Gilbert Southwell Housing, Land, Sales Tax, Structured	Thomas Stoeckmann Head of Municipal Credit Research	David Statham Money Markets			

Structured Products – 13 Total

Sasha Bessonova Structured Products	Joseph Christensen, CFA Structured Products	Andy Greenberg, CFA Short Duration MBS	Mark Hsu, CFA ABS, CLO, CMBS	Jin Im Structured Products	Chris Kauffman, CFA Agency MBS, ARMs
Brian Krum ABS, Asset-Backed CP	Dean Meddaugh, CFA Short Duration ABS, CMBS	Mira Park, CFA Structured Products	Brian Prucyk, Ph.D. Structured Products	Anant Ramgarhia ABS, CMBS	Maddi Rowlett ABS
Grace Wu CMBS					

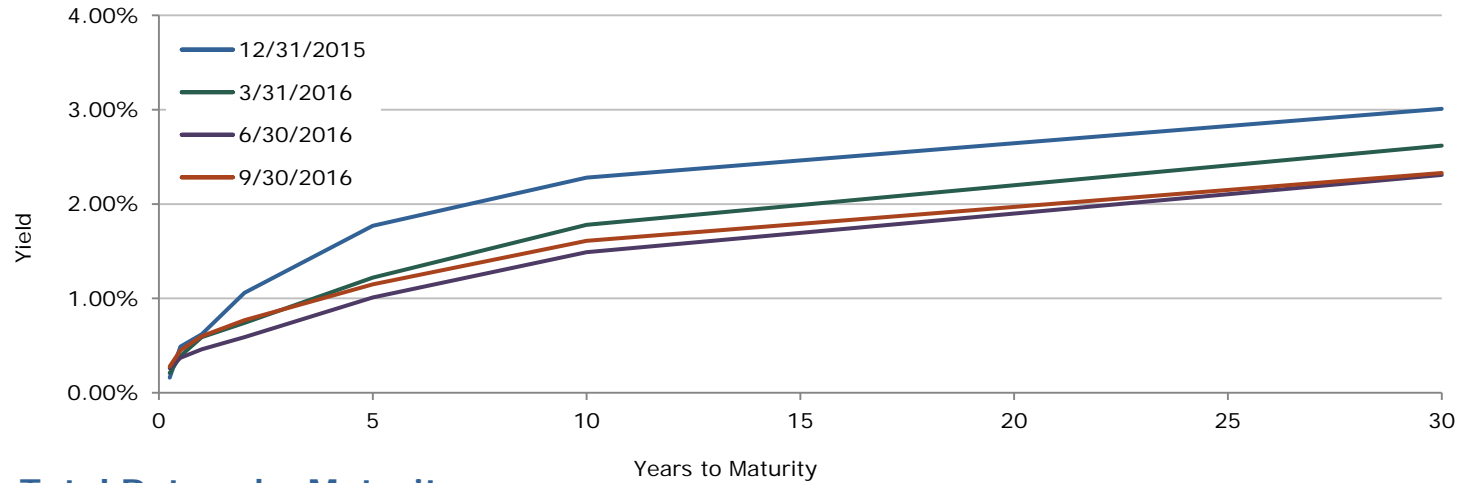
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Market Overview

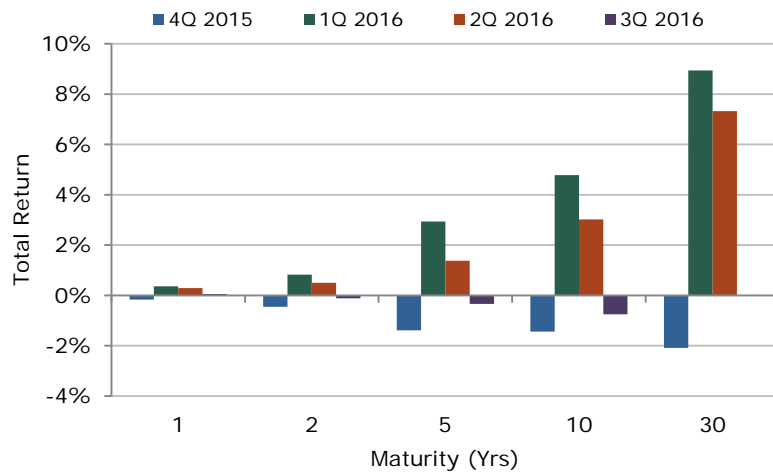
Short duration review

As of September 30, 2016

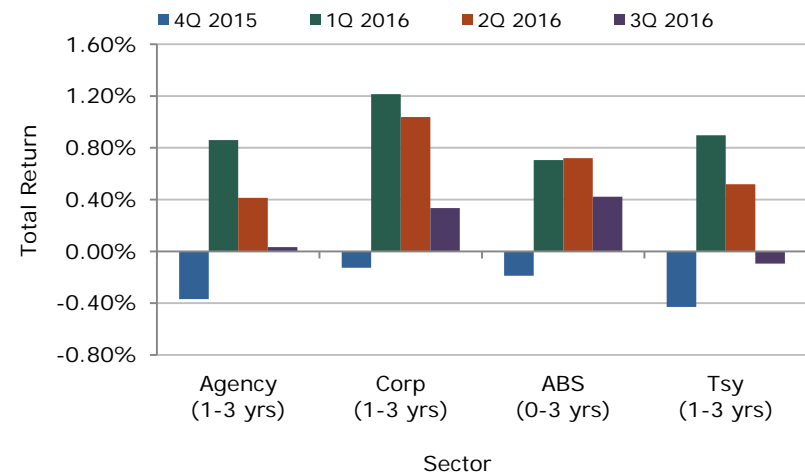
Treasury Yield Curve



Total Return by Maturity



Total Return by Sector

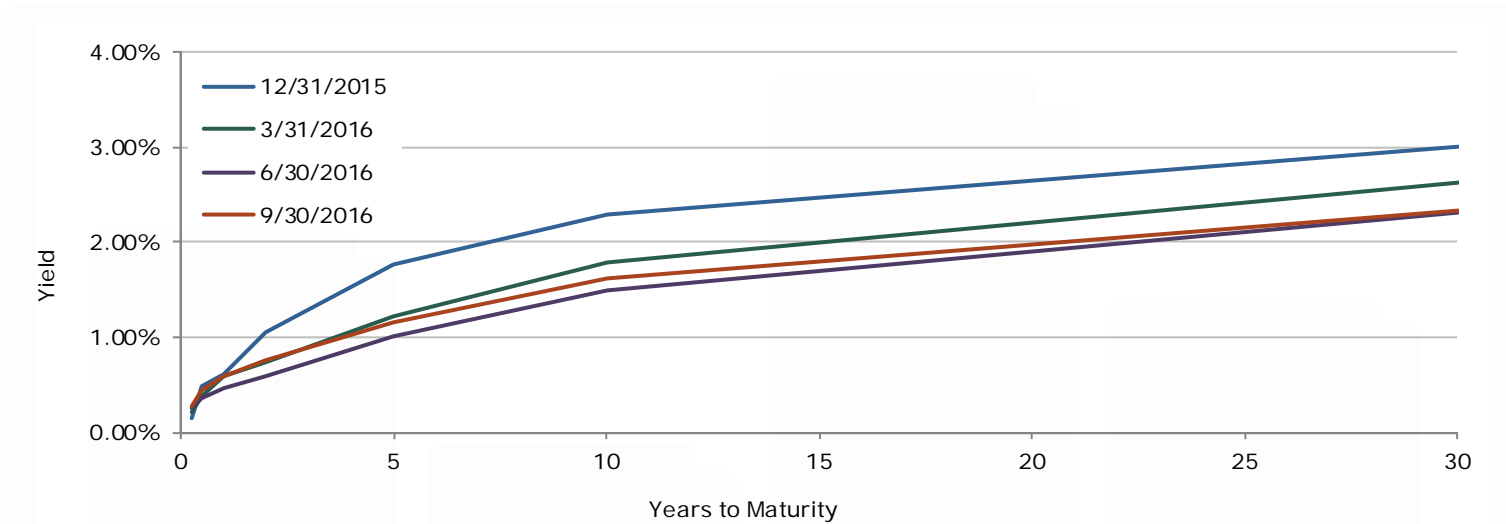


Source: Barclays, BofAML

Short duration review

As of September 30, 2016

Treasury Yield Curve



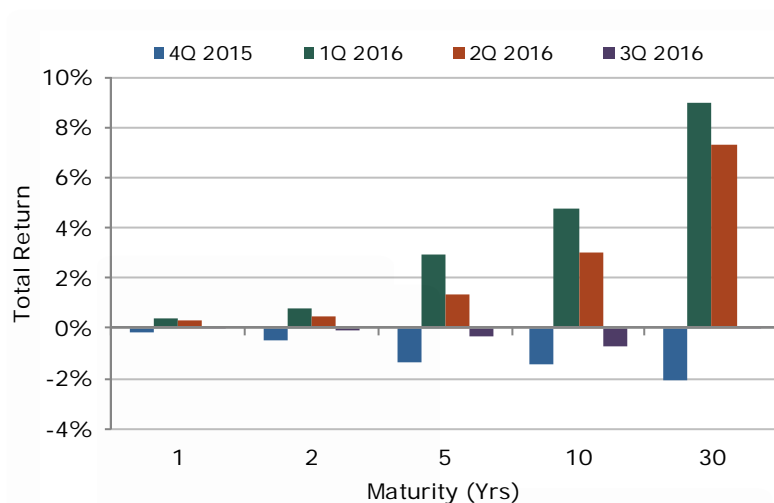
Treasury Yield Curve	9/30/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016
3 Month	0.01%	0.16%	0.21%	0.26%	0.28%
6 Month	0.08%	0.49%	0.39%	0.37%	0.45%
1 Year	0.32%	0.62%	0.59%	0.46%	0.60%
2 Year	0.63%	1.06%	0.74%	0.59%	0.77%
5 Year	1.38%	1.77%	1.22%	1.01%	1.15%
10 Year	2.06%	2.28%	1.78%	1.49%	1.61%
30 Year	2.88%	3.01%	2.62%	2.31%	2.33%

Source: Barclays

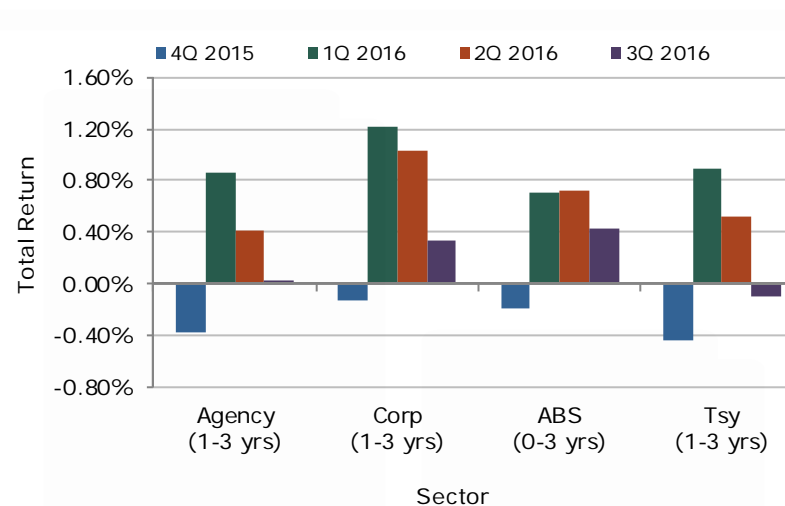
Short duration review

As of September 30, 2016

Total Return by Maturity



Total Return by Sector



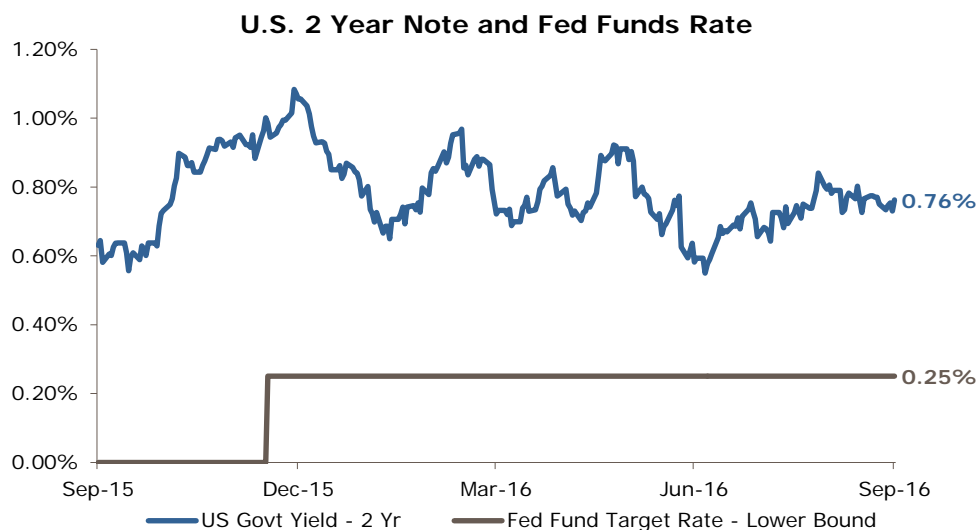
Total Return by Maturity	3Q 2015	4Q 2015	1Q 2016	2Q 2016	3Q 2016
1	0.11%	-0.17%	0.36%	0.29%	0.06%
2	0.29%	-0.45%	0.82%	0.50%	-0.11%
5	1.78%	-1.38%	2.93%	1.38%	-0.34%
10	2.91%	-1.44%	4.78%	3.02%	-0.75%
30	5.14%	-2.09%	8.94%	7.33%	0.02%

Total Return by Sector	3Q 2015	4Q 2015	1Q 2016	2Q 2016	3Q 2016
Agency (1-3 yrs)	0.36%	-0.37%	0.86%	0.41%	0.03%
Corporate (1-3 yrs)	0.18%	-0.13%	1.22%	1.04%	0.34%
Asset Backed (0-3 yrs)	0.38%	-0.19%	0.71%	0.72%	0.42%
Treasury (1-3 yrs)	0.32%	-0.43%	0.90%	0.52%	-0.10%

Source: Barclays, BofAML

Treasury and duration

As of September 27, 2016



Source: Factset, Wells Capital Management

Review & commentary

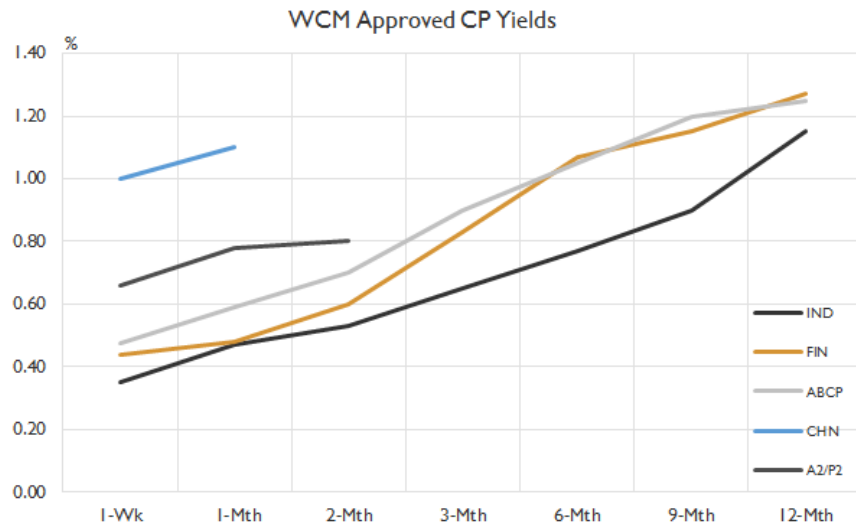
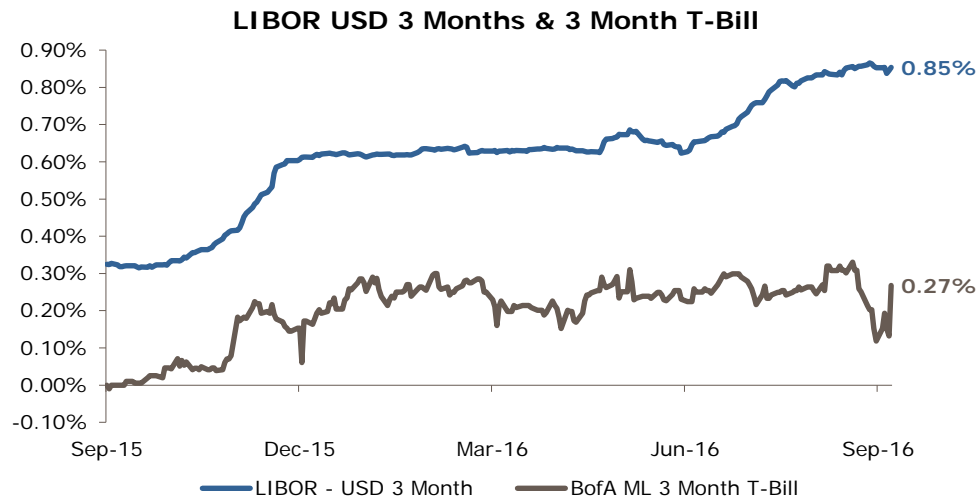
- Treasury yields traded in a narrow range throughout September, between 0.73% and 0.81%.
- There was very little reaction to the Fed's statement on the 21st, noting "near-term risks to the economic outlook appear roughly balanced." For the first time the committee had dissenters (those in favor of raising rates); previous meetings there had only been two.
- The 2 year/5 year yield spread at +38 is little changed over the month and quarter. The relationship has traded in a very narrow range all quarter.

Strategy

- Portfolio durations are currently 0.05 to 0.10 short of benchmark durations in 1-3 year and 1-5 year strategies. We would look to further add duration if yields were to rise above 0.80%.
- We expect the 2 year/5 year curve to remain flat or flatten further as the futures market is pricing in a 60% chance the Fed will raise rates at the conclusion of their December meeting.

Money market instruments

As of September 27, 2016



Source: Factset, BofA Merrill Lynch, Wells Capital Management

Review & commentary

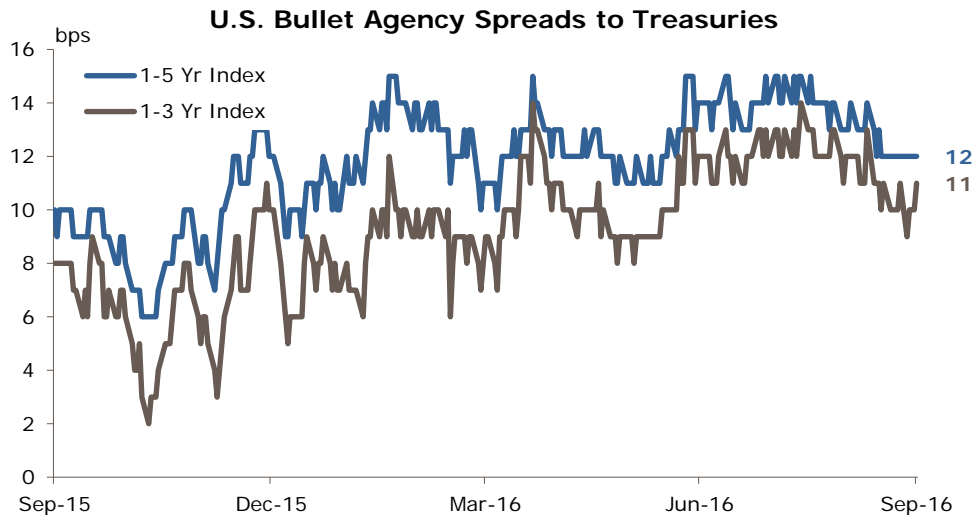
- Based on September prime MMF holdings data, AUM is \$646bn with a \$212bn decrease in the last month alone. In the past year prime MMF AUM has dropped by \$773bn, while government MMF AUM has increased by \$780bn.
- Prime fund holdings of time deposits and VRDNs have increased as they seek liquid assets ahead of expected outflows. Prime MMF WAMs are at record lows with institutional funds at 11 days and retail funds at 24 days. The net yield spread between MMFs and government MMFs has fallen to 11bps along with the decreasing WAMs.
- Issuers will continue to face funding pressure as they look to issue beyond mid-October and even into the beginning of 2017. There continues to be attractive opportunities to invest beyond October and into early next year.

Strategy

- We are taking advantage of increased yield levels in late-2016 and early-2017 maturities due to reduced demand from prime MMFs as they continue to aggressively shorten maturities.
- Where appropriate, municipal VRDNs are an attractive option for ultrashort investments in daily and weekly tenors.
- A-2/P-2 issuers are skewed toward industrial issuers and offer value vs. A-1/P-1 financial issuers. We are selectively investing in issues with stable short-term credit outlooks in tenors longer than 30 days, where lower demand for Tier-2 issues offers opportunity for increased yields.
- Money market reform has been less impactful on A-2/P-2 yields.

U.S. agencies and sovereign, supranational, and foreign agencies

As of September 27, 2016



Recent Sovereign, Supranational and Foreign Agency Trades

Description	Rating	Guarantee	Spread vs. TSY
EDC 0.875% 01/30/2017	Aaa/AAA	Explicit - Canada	+37
KWF 0.75% 03/17/2017	Aaa/AAA	Explicit - Germany	+25
OKB 0.75% 05/19/2017	Aa1/AA+	Explicit - Austria	+41
CPPIB 1.25% 09/20/2019	Aaa/AAA	Implicit - Canada	+40*

Recent U.S. Agency Trades

Description	Rating	Spread vs. TSY
FHLB 1.0% 09/26/2019	Aaa/AA+	+15*

*new issue purchases

**secondary callable purchase

Source: Factset, BofA Merrill Lynch, Wells Capital Management

Review & commentary

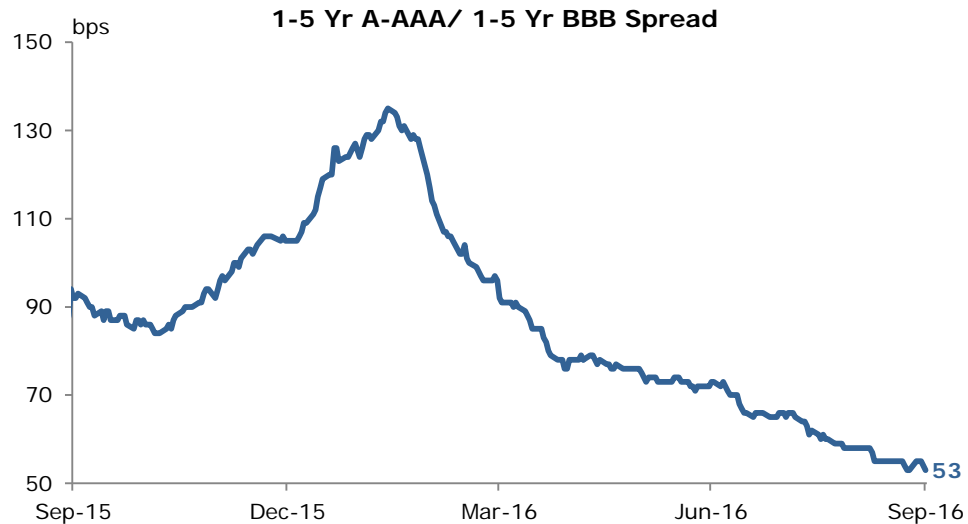
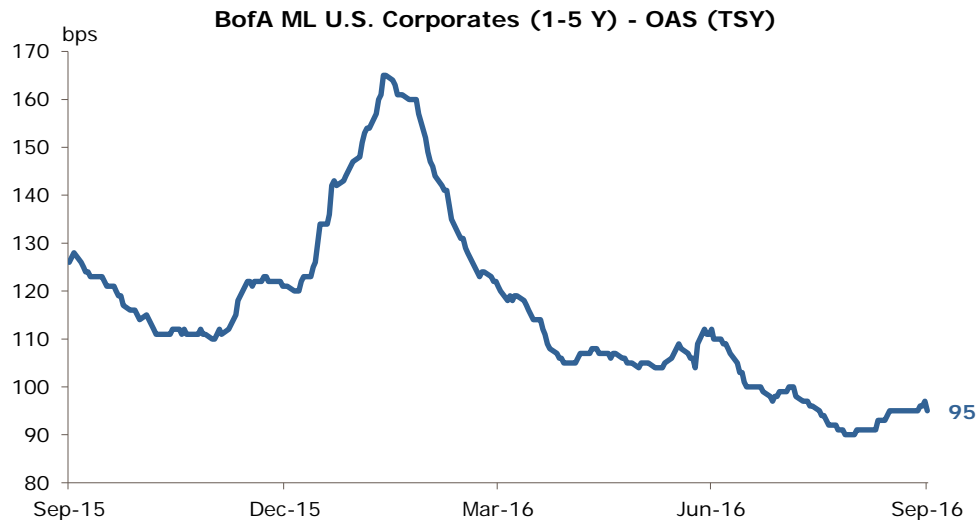
- U.S. Agency excess returns in September were +4 bp in both 1-3 year and 1-5 year maturity indices.
- Agency yield spreads versus Treasuries remain at relatively cheap levels.
- SSA yields remain attractive relative to U.S Treasuries and Agencies.

Strategy

- U.S. Agency valuations look relatively attractive, but with wider bid/ask spreads the sector is fair value, at best. Bid/ask spreads are 2bps for on-the-run issues, and 6bps for off-the-run issues.
- U.S. Agency new issues are being issued at wide yield spreads over Treasuries.
- SSAs, as an alternative to Treasuries and Agencies, are attractive. Given their high quality, SSAs help maintain high average ratings for portfolios.
- SSAs shorter than 3 years do not benefit from roll-down in spreads to Treasuries, making the shorter tenor secondary offerings more attractive.

Corporates

As of September 27, 2016



Source: Factset, BofA Merrill Lynch, Wells Capital Management

Review & commentary

- Corporate notes underperformed duration-matched Treasuries in September. Sizeable selling from investors to Wall Street dealers pushed credit spreads on 2018 corporate note maturities wider.
- Money market reform also contributed to higher yields on 2018 maturity corporate notes as investors looked closer at all-in yield comparisons when making their decisions.
- Foreign buying of 5 year maturity bonds continued, keeping spreads intact.
- New issues were brought with little to no concession and through existing trading levels in some cases. September supply ended the month at \$140bn, at the higher range of expectations. Supply YTD is +9% when compared to September 2015.

Strategy

- We do not expect index spreads or the credit curve to tightening meaningfully from here. Where appropriate, we are taking less credit risk in accounts.
- With LIBOR continuing to tread higher, floaters remain attractive.
- We emphasize bottom-up analysis as unsystematic risks are high in non-financials. Cheap financing continues to drive M&A activity.
- Domestic money center banks offer the most value at current spread levels given their strong fundamentals.
- Given how flat the credit curve is, it is challenging to find compelling trades to extend duration.

Mortgage-backed securities

As of September 27, 2016

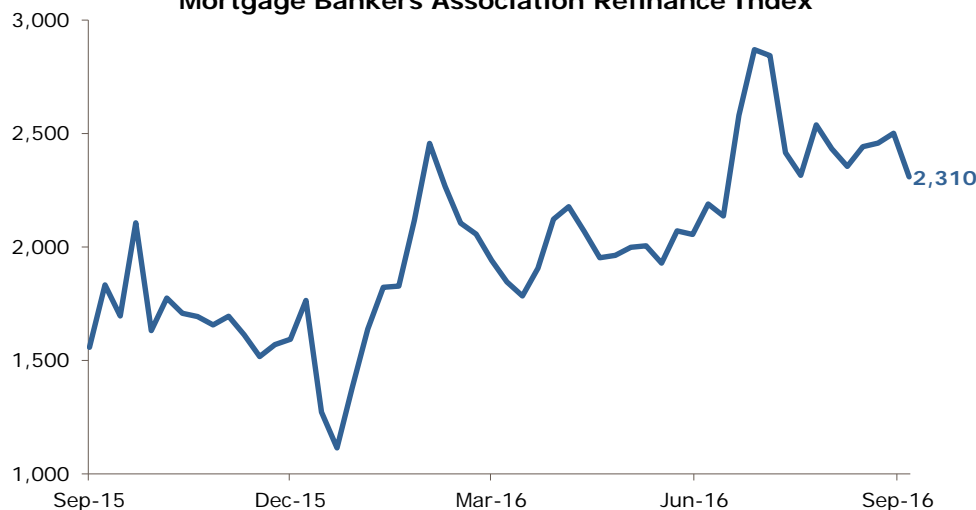
Freddie Mac US 30 Year Mortgage Commitment Rate



Review & commentary

- 30-year agency mortgage rates have been below 3.5% for a few months. Refinancing risk is muted for seasoned, low loan balance paper.
- U.S. banks and the Federal Reserve are the largest buyers of agency mortgages, followed by European and Japanese investors.

Mortgage Bankers Association Refinance Index



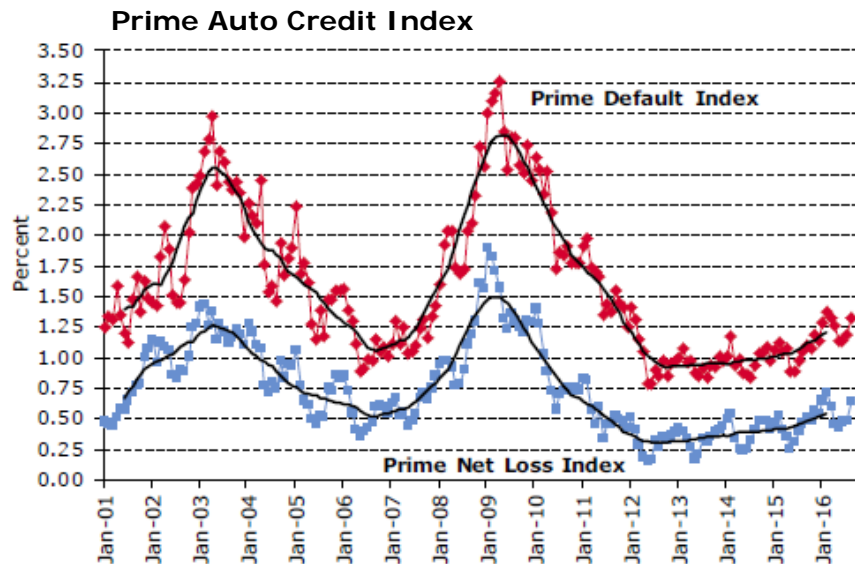
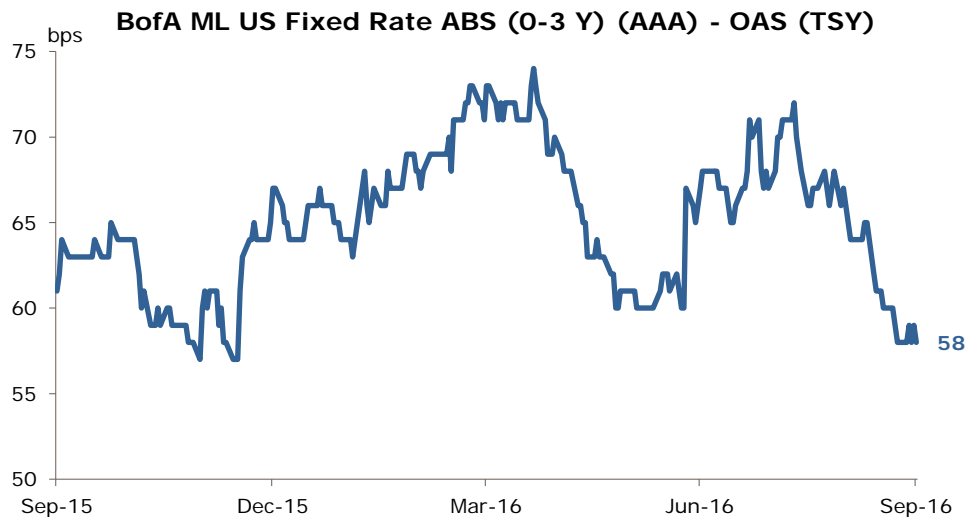
Strategy

- Lower refinancing activity has led to us to focus on higher coupon mortgages.
- We prefer seasoned 15-year and 10-year mortgage pass-through securities over CMO's due to valuations and greater liquidity.
- Agency mortgages look attractive relative to agency debentures.
- Suggested allocation is minimal.

Source: Bloomberg

Asset-backed securities

As of September 27, 2016



Source: Factset, BofA Merrill Lynch, Intex, Wells Fargo Securities

Review & commentary

- September was one of the biggest months of the year for primary issuance with 20 deals pricing and issuance now in-line with all of 2015. The market's ability to absorb a large amount of supply at tight spreads is a good sign for the fourth quarter.
- An increase in subprime auto loan losses earlier this year stoked fears of an impending subprime meltdown, however collateral performance remains fair from a historical perspective as household balance sheets are in good shape, having deleveraged significantly since the recession.
- Credit card collateral performance remains strong.
- New FFELP rating methodologies are leading to severe ratings downgrades (down to single-B) in the student loan ABS market. Limited information on collateral performance makes it difficult to assess the underlying risks. We do not have any

Strategy

- Consumer ABS spreads versus LIBOR have tightened significantly in 2016 and are at the lower end of the post-crisis range. Prime auto lease deals are the most attractive sub-sector in consumer ABS.
- Canadian and UK bank credit card issuers offer a yield pick-up versus US bank credit cards although they are slightly less liquid.
- Select subprime issuers offer enough additional yield with plenty of credit support and structural enhancements for protection against losses. We are avoiding small lenders without funding diversification.
- For portfolios with a higher risk tolerance, consider subordinate tranches of prime auto deals, foreign card bank deals and benchmark subprime issuers.

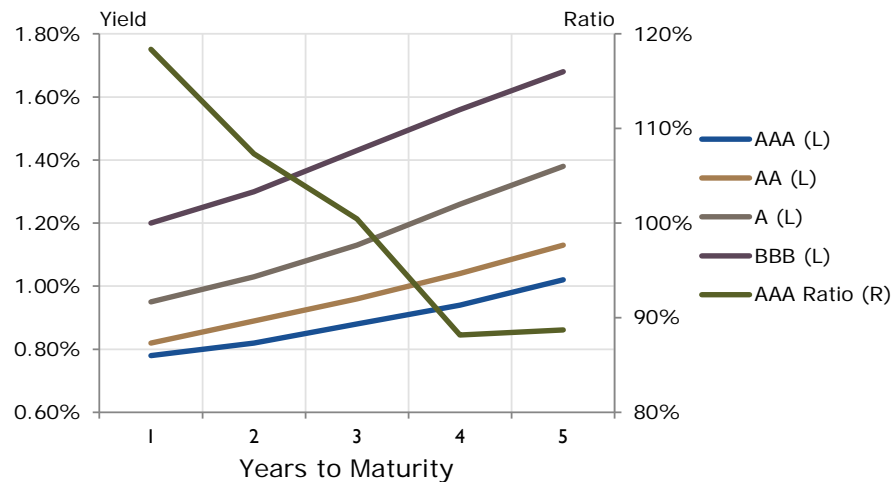
Municipals

As of September 27, 2016

BofA ML Municipals (1-3 Y) - YTW



Municipal/Treasury Ratios



Source: Factset, BofA Merrill Lynch, MMD

Review & commentary

- Technicals have started to weaken due to the recent barrage of new issues and the effect of money market reform on short-dated bonds. An influx of supply is pressuring yields, pushing highly-rated/pre-refunded credit spreads wider.
- Despite increased supply and higher yields, fund flows remained positive for the 52nd straight week. High yield and long-term funds remain the biggest beneficiaries. In the past, fund flows typically turn negative in a rising rate environment.
- Supply remains elevated both on a primary and secondary basis creating a negative technical environment. The sizeable issuance calendar could test municipal distribution in the coming months even as bond fund flows remain positive.
- September issuance is 50% more than last September.

Strategy

- Municipals are attractive across the curve. We view this as one of the better entry points for both traditional and non-traditional investors. If SIFMA stabilizes, better value can be found in short-dated maturities after their recent price adjustment.
- We remain underweight states pressured by rising under-funded pension liabilities and those impacted by low oil prices.
- The current environment offers a wider selection of credits/structure that will allow for better security selection and geographic distribution.
- With ratios over 100%, municipals out to two years are attractive on an absolute basis.

Market summary & outlook – Enhanced cash

As of September 27, 2016

Market summary & outlook

Sector	Target Allocation*	Comments:
Duration and Yield Curve		Portfolios are positioned slightly long their benchmarks. Odds of a rate hike by the Federal Reserve in December of 2016 are 60%.
Government related		SSAs are cheap versus Agencies and Treasuries. The Sovereign, Supranational and Agency (SSAs) asset class is a distinct, high quality, diversifying asset class for investors. Credits are strong with many carrying explicit or implicit government guarantees. Agencies are fair to cheap, but bid/ask spreads remain wide. Limit investments to large, benchmark issues.
Corporate		Due to pending money market fund reform, corporate notes 1 year and shorter continue to get cheaper. Yield spreads on 3 year and longer, A-rated or higher corporate notes are attractive when compared to long-term levels. A compression in spread between A or better and BBB spreads has us taking less credit risk.
Commercial Paper		Commercial paper is very attractive with Tier I securities yielding 0.90% to 1.05% in 3 month maturities and 1.20% to 1.25% in 6 month maturities. Pending money market fund reform has created an opportunity for investors that are able to purchase tenors longer than mid-October. Yields are slightly lower than last month.
ABS		Consumer ABS remains attractive given relatively wide yield spreads and strong collateral fundamentals. We favor shorter-dated fixed rate tranches (1-2 year WALs) in prime auto-related lease bonds. Canadian and UK bank credit card issuers offer a substantial yield pick-up versus US bank credit cards. Select subprime issuers provide additional risk adjusted yield due to credit support and structural enhancements.
Municipals**		The SIFMA (floating-rate) index continues to reset higher due to outflows from tax-exempt MMFs ahead of reform. Ballooning dealer VRDN inventories is pressuring SIFMA and other short-dated yields, resulting in a partially-inverted yield curve, which is very atypical for munis. Muni/Treasury ratios have moved above 100%, making securities out to 2-years attractive on an absolute basis.

*Target allocations applicable to an account with 3.25 year maximum maturity, 1 year maximum duration and limited credit rating constraints.

**Allocation applies to tax-advantaged crossover accounts in lieu of taxable alternatives.

Market summary & outlook – Limited duration

As of September 27, 2016

Market summary & outlook

Sector	Underweight	Neutral	Overweight	Comments:
Duration and Yield Curve				Portfolios are short versus benchmarks durations and remain positioned for a flattening of the 2 year/5 year yield spread. Portfolio durations in 1-3 year and 1-5 year benchmarked accounts are 0.05 to 0.10 short.
Government related				SSAs are cheap versus Agencies and Treasuries. The Sovereign, Supranational and Agency (SSAs) asset class is a distinct, high quality, diversifying asset class for investors. Credits are strong with many carrying explicit or implicit government guarantees. Agencies are fair to cheap, but bid/ask spreads remain wide. Limit investments to large, benchmark issues.
Corporate				Due to pending money market fund reform, corporate notes 1 year and shorter continue to get cheaper. Yield spreads on 3 year and longer, A-rated or higher corporate notes are attractive when compared to long-term levels. A compression in spread between A or better and BBB spreads has us taking less credit risk.
Agency CMO/MBS				Lower interest rates for longer has led to reduced refinancing risk in seasoned mortgages. Opportunities are limited but exist in specified mortgage pools.
ABS				Consumer ABS remains attractive given the wide yield spreads and strong collateral fundamentals. We favor shorter-dated fixed rate tranches (1-2 year WALs) in prime auto-related lease bonds. Canadian and UK bank credit card issuers offer a substantial yield pick-up versus US bank credit cards. Benchmark subprime issuers provide additional risk adjusted yield due to credit support and structural enhancements.
CMBS				We recommend staying higher up in the capital structure particularly when purchasing CMBS 2.0 and 3.0 deals to mitigate any credit and liquidity concerns. Expect supply to pick-up in October, but the front end will see very limited issuance.
Municipals				Underperformance has put municipals in a better position relative to where the market was throughout the summer months. Supply continues to pressure yields and ratios are moving above their 52-week averages. Ratios in three to five year tenors are attractive for all investors that benefit from tax-exemption.

Economic Overview

Economic summary: The Big Six

Growth: growth recovering to trend as inventory drag diminishes

Employment: job growth persists; unemployment stable

Inflation: Core still below Fed target, but rising

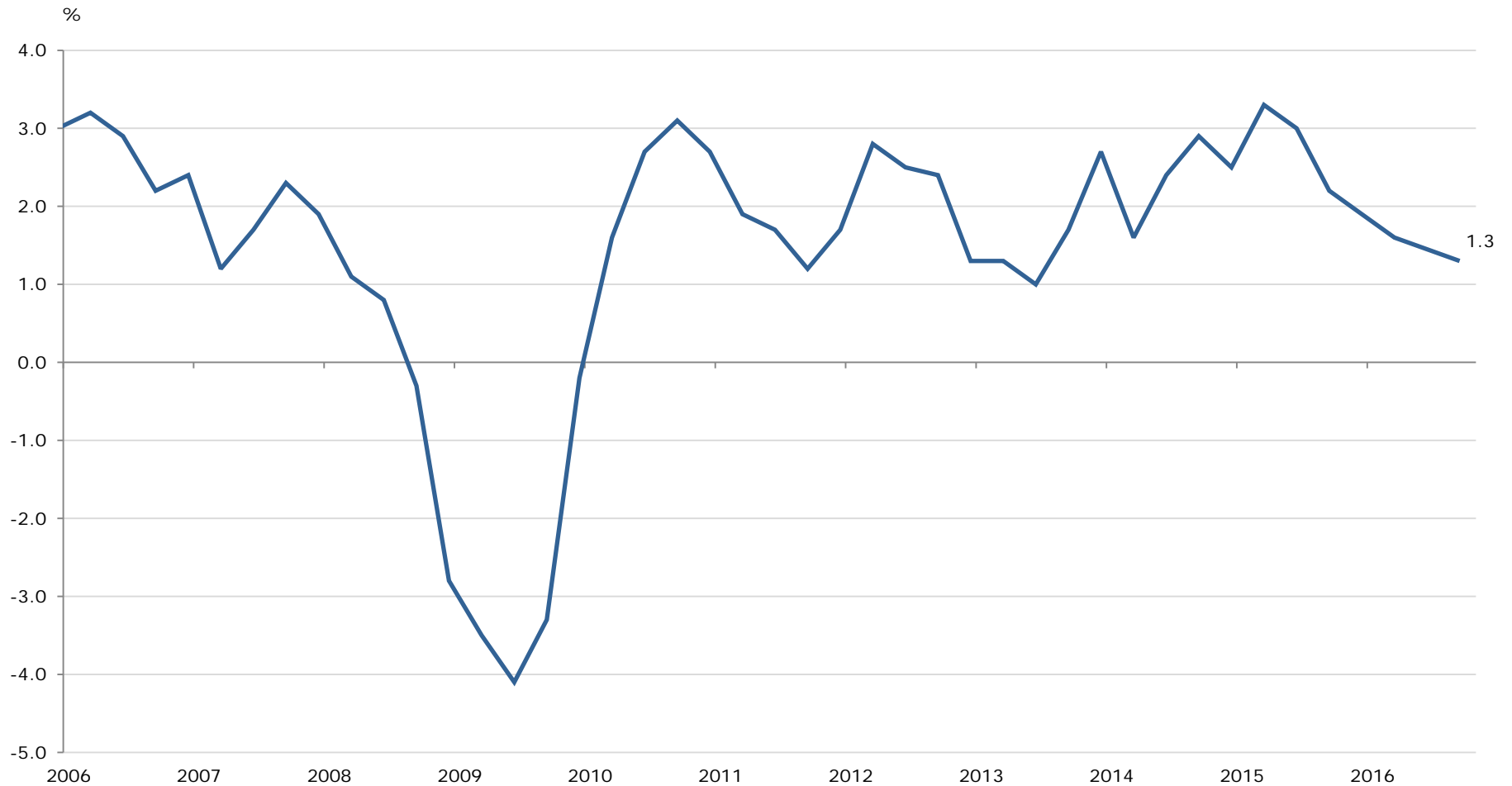
Monetary: December rate hike likely

Fiscal: Policy risk rising as election approaches

International: Brexit prompts further monetary easing

U.S. GDP: growth rate %YoY

Weak investment, inventory effects push year over year growth below trend



GDP CYOY Index - GDP US Chain YoY, quarterly | Last: 09/30/2016, 1.3
Source: Bloomberg, Wells Capital Management

Unemployment rate

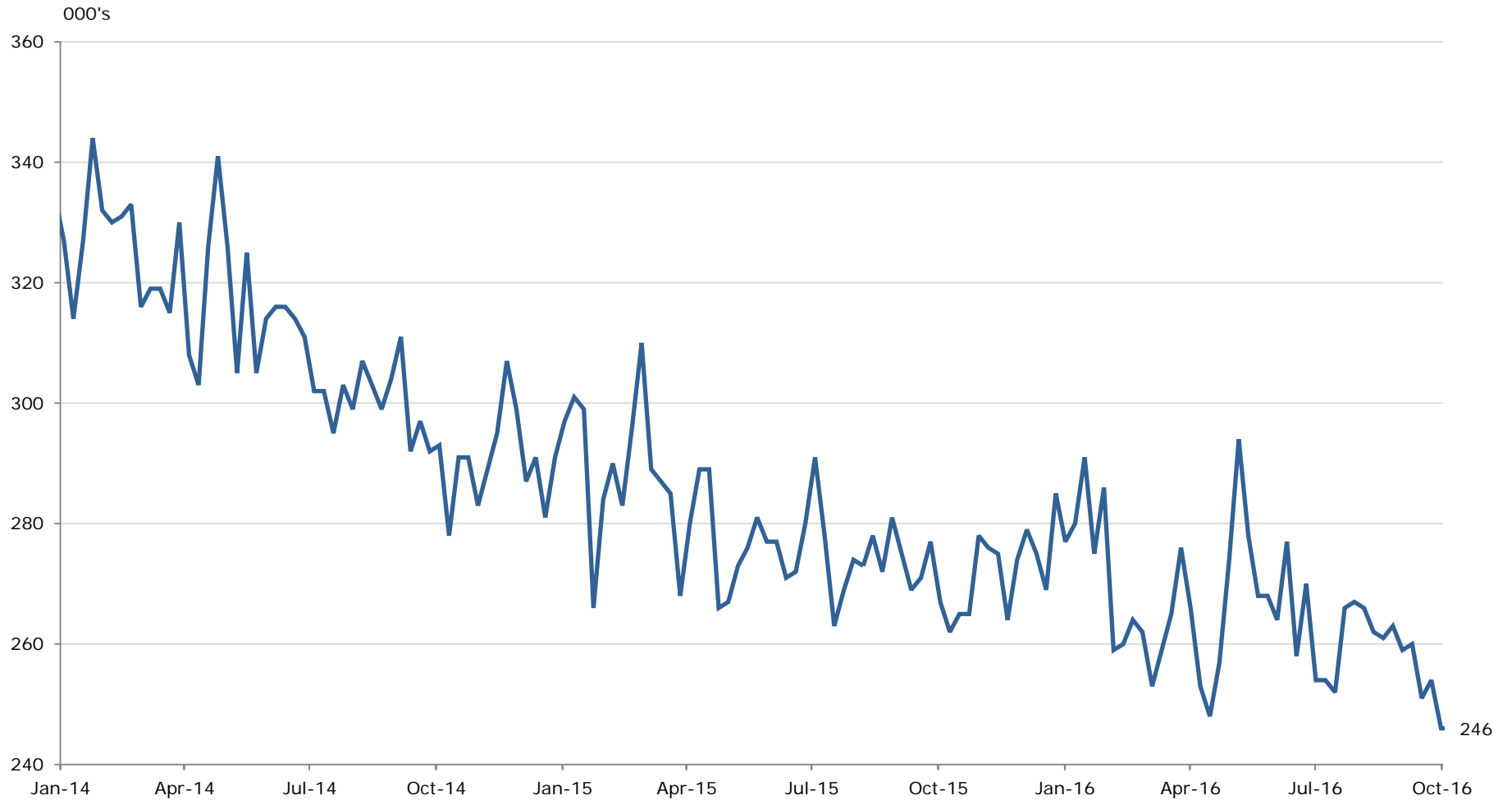
Rate of improvement has slowed as slack is removed



USURTOT Index - US Unemployment Rate Total SA, monthly | Last: 09/30/2016, 5.0
Source: Bloomberg, Wells Capital Management

Initial claims for unemployment insurance (000)

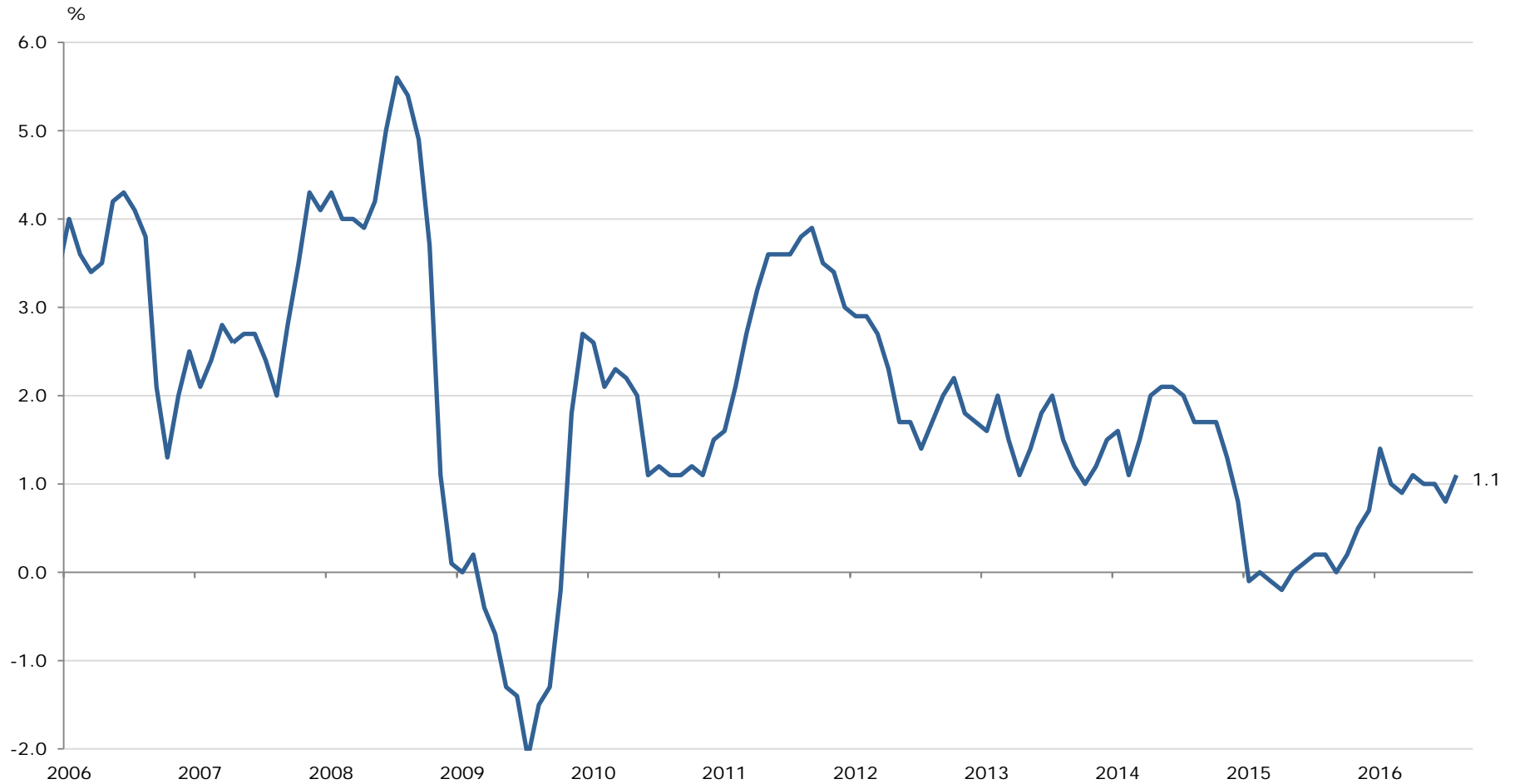
Still trending erratically lower



INJJC Index - US Initial Jobless Claims, weekly | Last: 10/07/2016, 246
Source: Bloomberg, Wells Capital Management

CPI %YoY

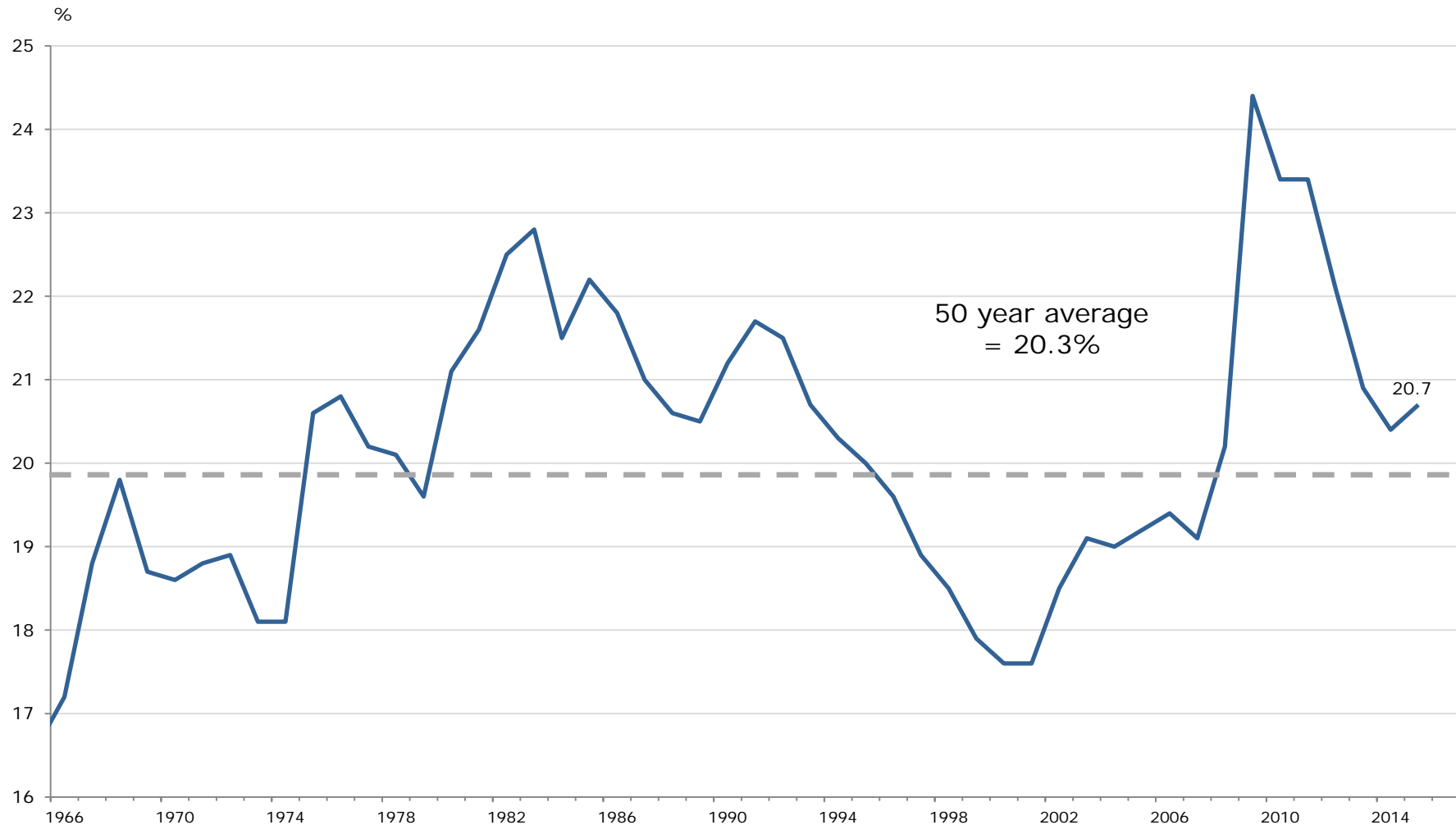
Energy price recovery has pushed headline CPI back above zero



CPI YOY Index - CPI - All Items YoY NSA, monthly | Last: 08/31/2016, 1.1
Source: Bloomberg, Wells Capital Management

U.S. federal expenditure as a % of GDP

Federal spending back down near to its historical average share of GDP... But rising again



Source: Bloomberg, Wells Capital Management

Global data cross section

Eurozone: slow growth, low inflation

USA: slow growth, slowly tightening labor market

China: deceleration persists

Japan: GDP ticks positive

UK: post-Brexit data steady so far

Brazil: recession, high unemployment and inflation

	GDP YoY	Core CPI YoY	Unemployment	IP YoY
Eurozone	1.6%	0.8%	10.1%	1.8%
USA	1.3%	2.3%	5.0%	-1.1%
China	6.7%	1.3%*	4.0%	6.3%
Japan	0.8%	0.2%	3.1%	4.6%
UK	2.1%	1.3%	4.9%	0.7%
Brazil	-3.8%	8.5%*	11.8%	-5.2%

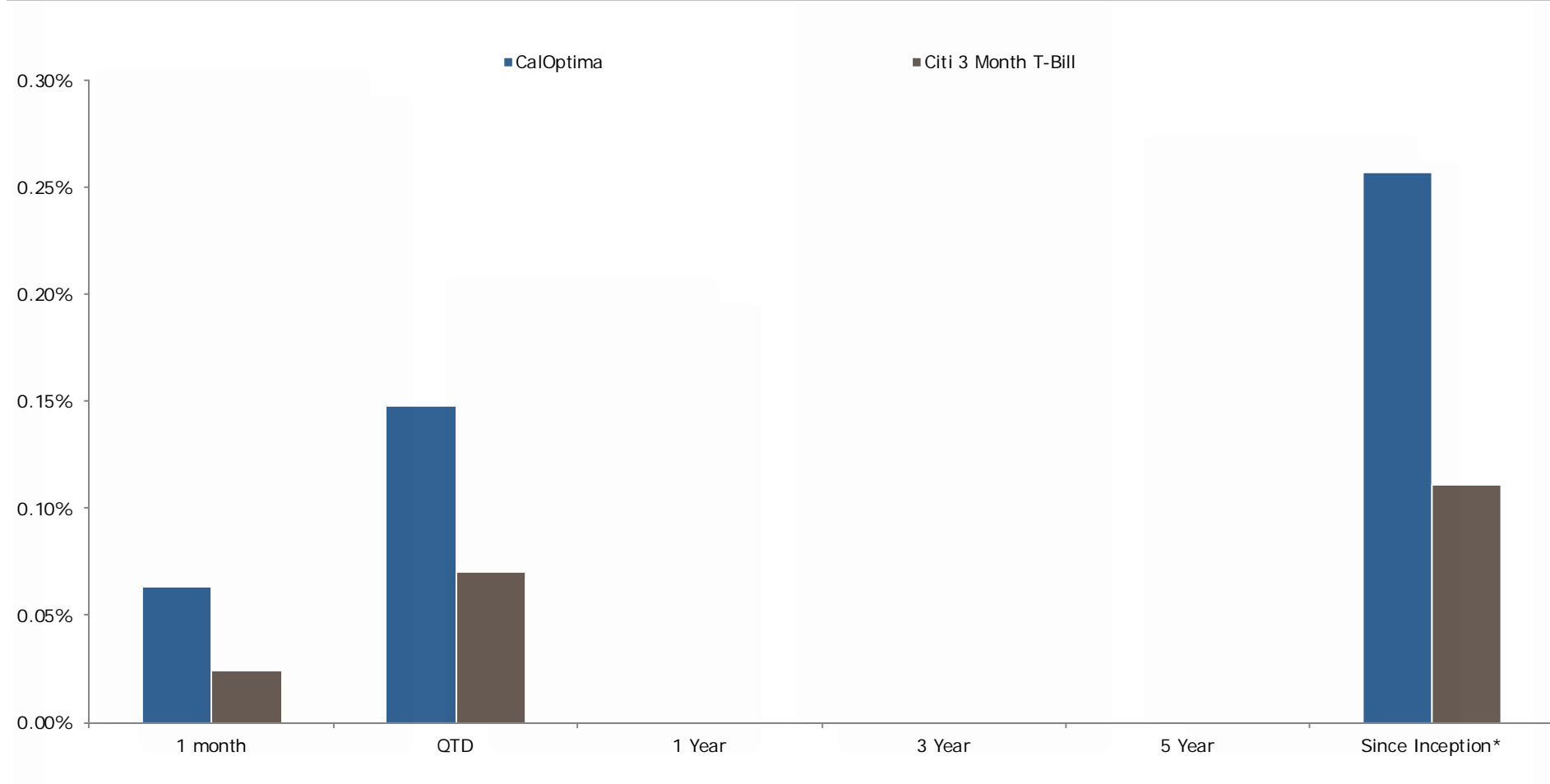
*Headline CPI
Source: Bloomberg, Wells Capital Management

CalOptima

Performance summary

	1 month	QTD	1 Year	3 Year	5 Year	Since Inception*
CalOptima	0.06%	0.15%	-	-	-	0.26%
Citi 3 Month T-Bill	0.02%	0.07%	-	-	-	0.11%

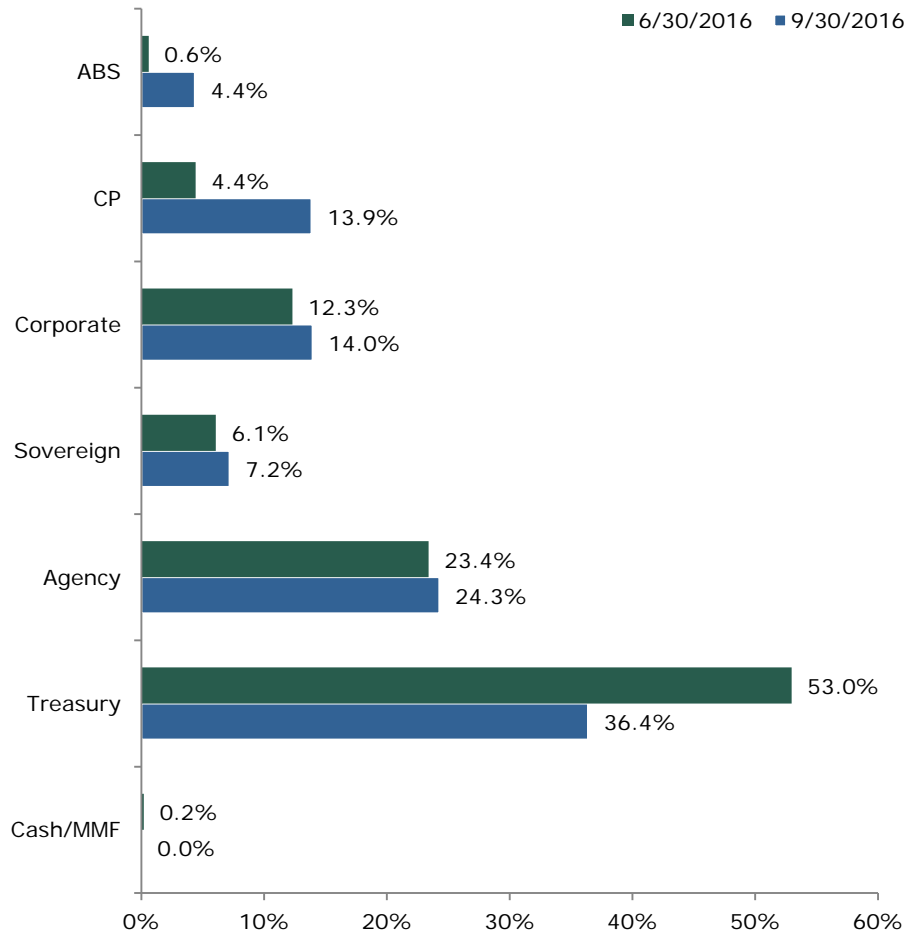
Returns are presented gross of management fees. Returns for periods greater than one year are annualized.



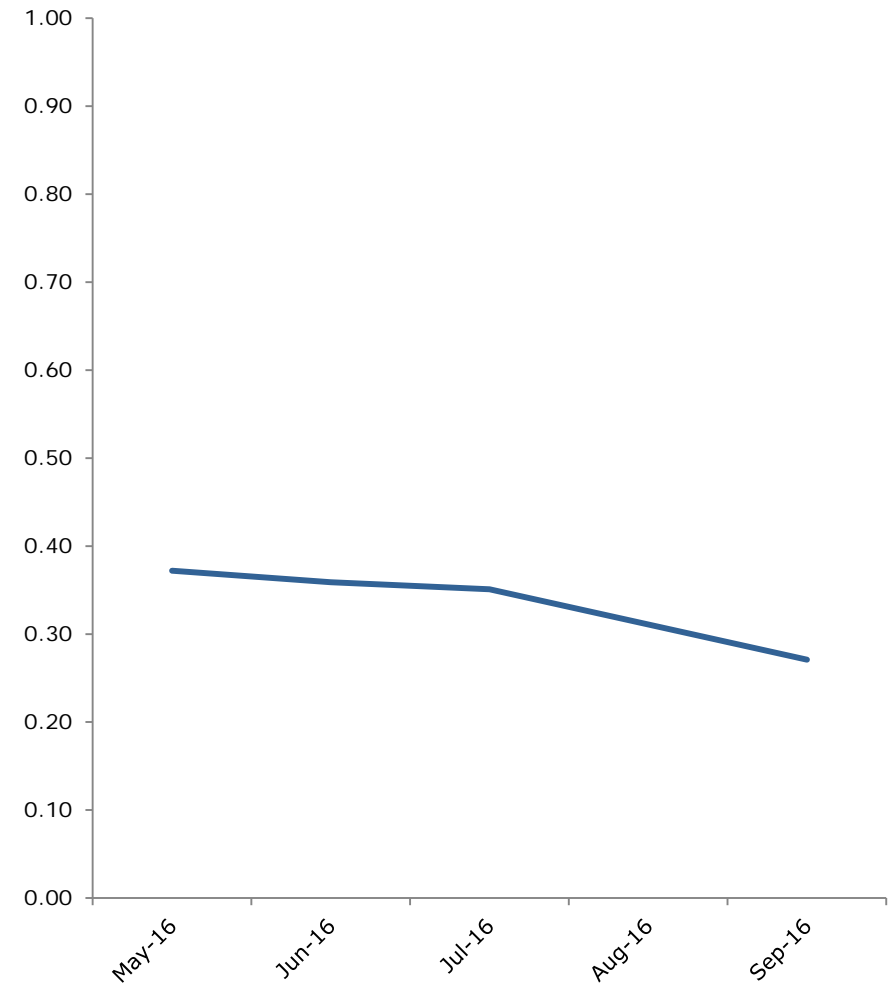
*Inception Date is May 3, 2016

Portfolio changes

Allocation Over Time



Duration



	9/30/2016	6/30/2016	Change
Market Value	\$550,927,157	\$450,163,246	\$100,763,910

— CalOptima

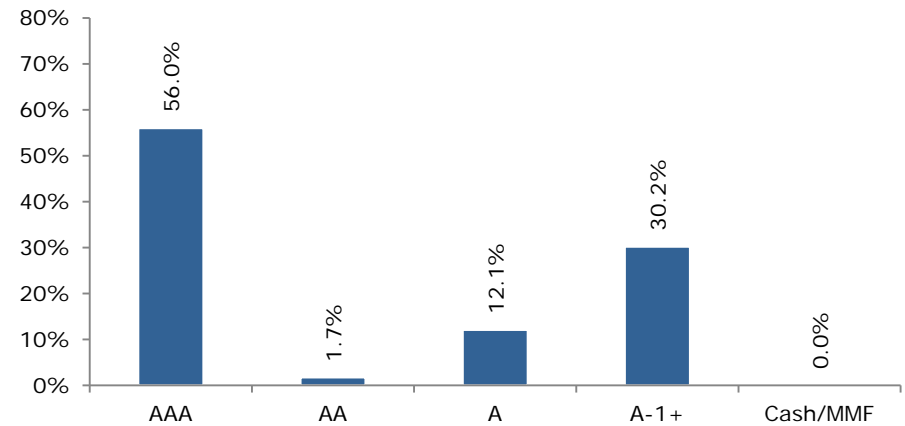
Portfolio summary

September 30, 2016

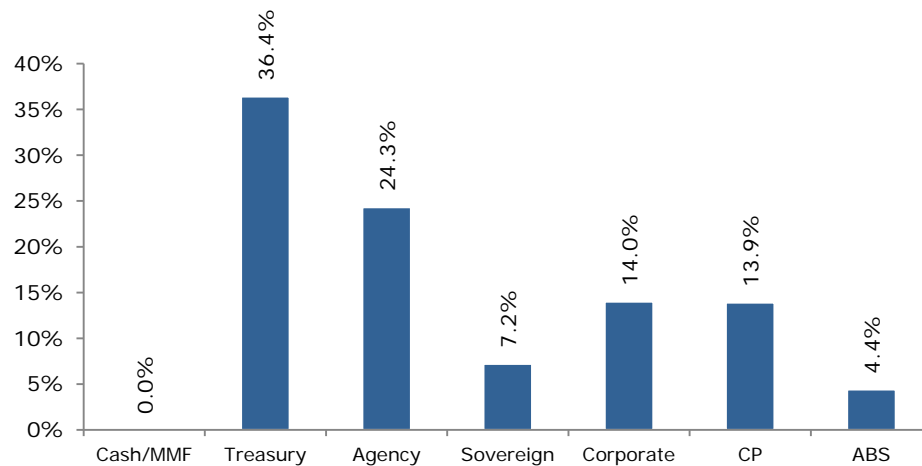
Characteristics

Name	CalOptima
Market Value (\$)	550,927,156.62
Average Effective Maturity (yrs)	0.31
Duration	0.27
Purchase Yield (%)	0.64
Current Market Yield (%)	0.58
Average Quality	AA+

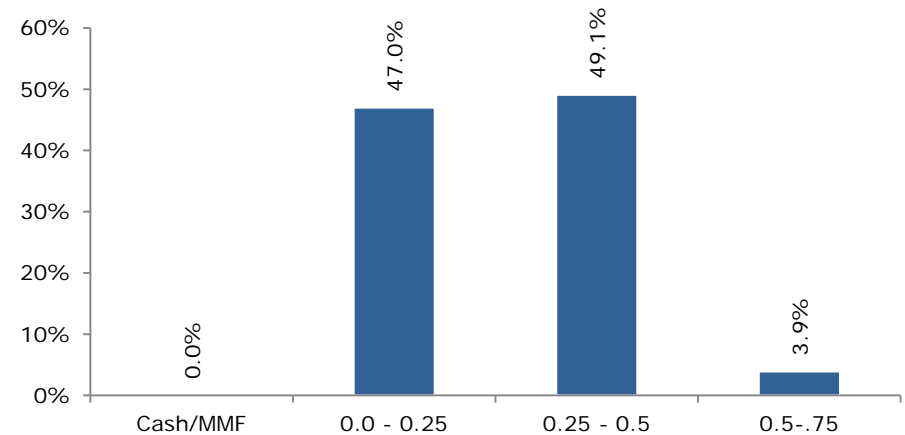
Credit quality



Security type



Duration

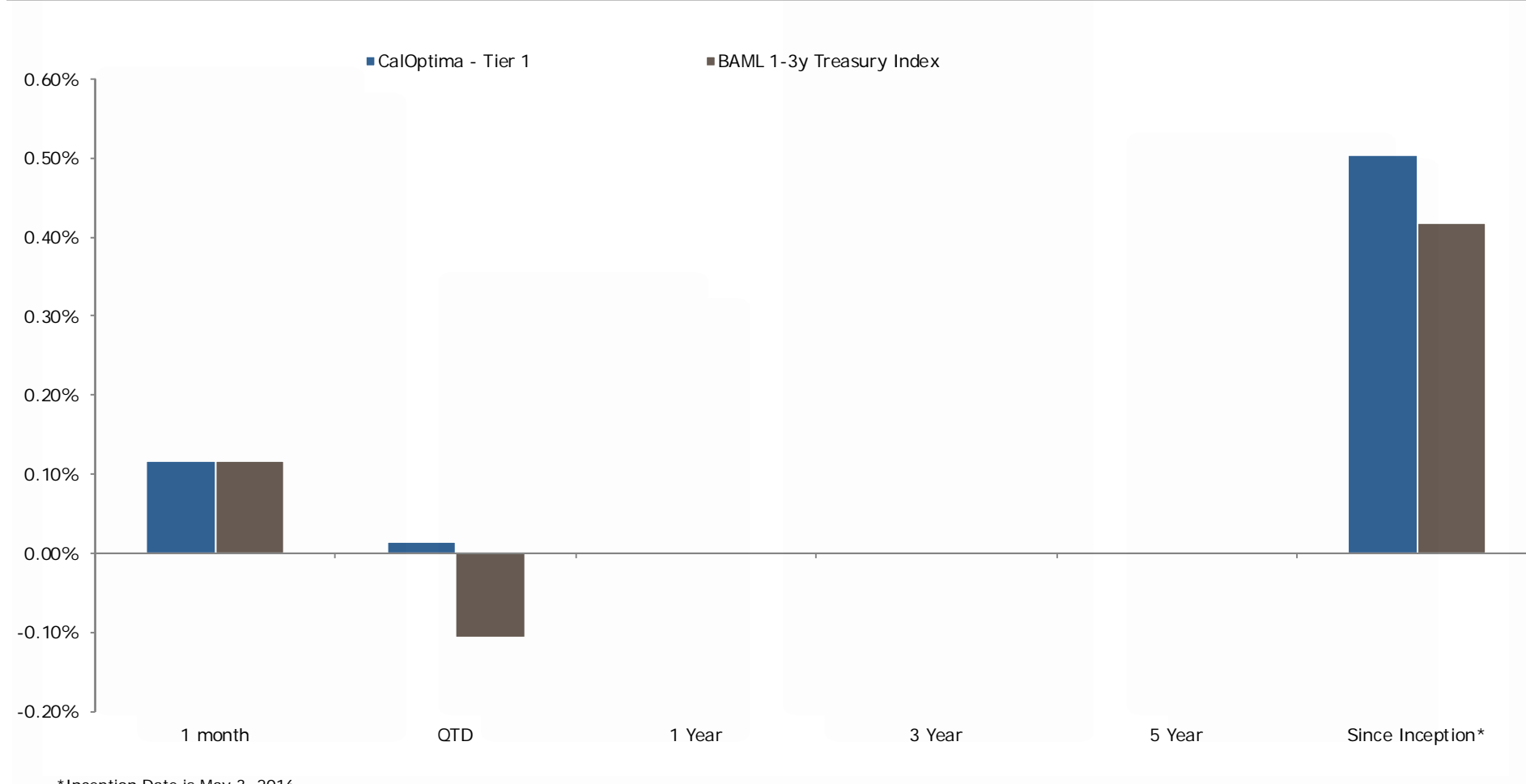


CalOptima – Tier 1

Performance summary

	1 month	QTD	1 Year	3 Year	5 Year	Since Inception*
CalOptima - Tier 1	0.12%	0.01%	-	-	-	0.50%
BAML 1-3y Treasury Index	0.12%	-0.11%	-	-	-	0.42%

Returns are presented gross of management fees. Returns for periods greater than one year are annualized.



* Inception Date is May 3, 2016

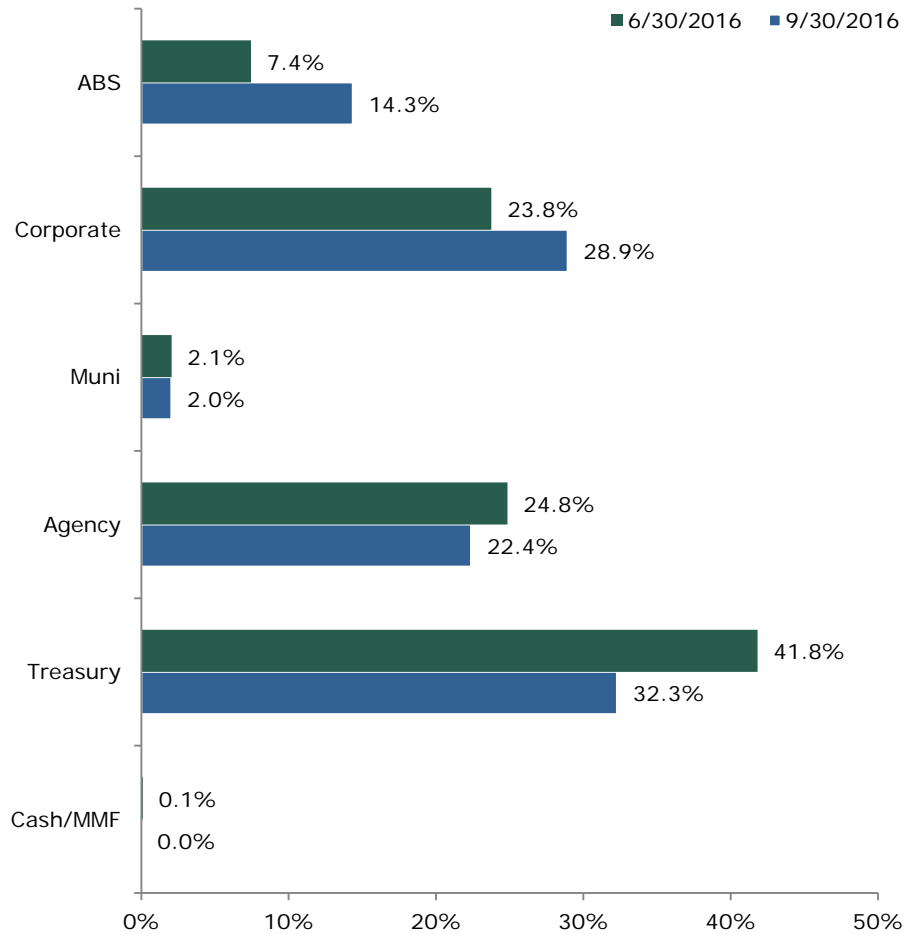
Performance Attribution

(In basis points)	2Q 2016	YTD*	1 Year
Duration	1	-2	
Curve			
Sector Selection			
Agency	2	2	
Corporate			
Financial	-1	-2	
Industrial	5	6	
Utilities			
MBS			
CMBS			
ABS	3	3	
Municipal	1	0	
Total Contribution	11	7	
((Strategy)) Return	1	57	
((Benchmark)) Return	11	49	

* from 6/1/2016

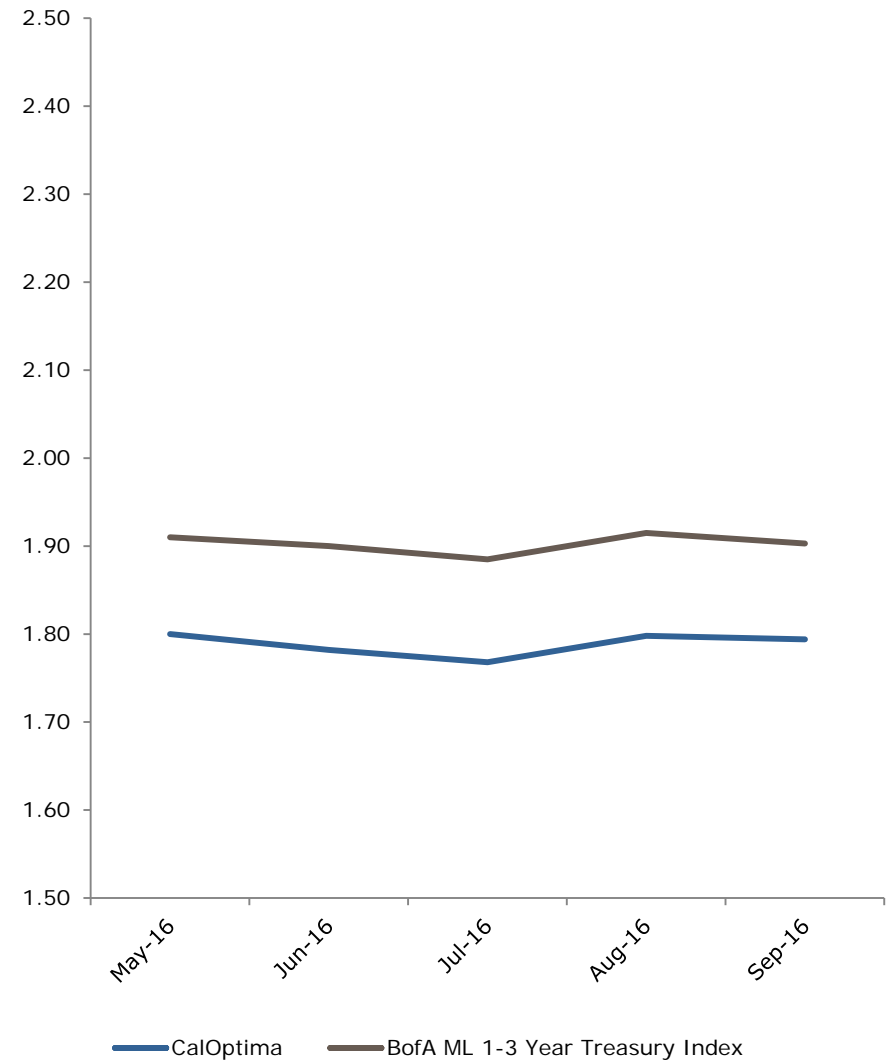
Portfolio changes

Allocation Over Time



	6/30/2016	6/30/2016	Change
Market Value	\$125,410,994	\$125,392,844	\$18,150

Duration



Index comparison

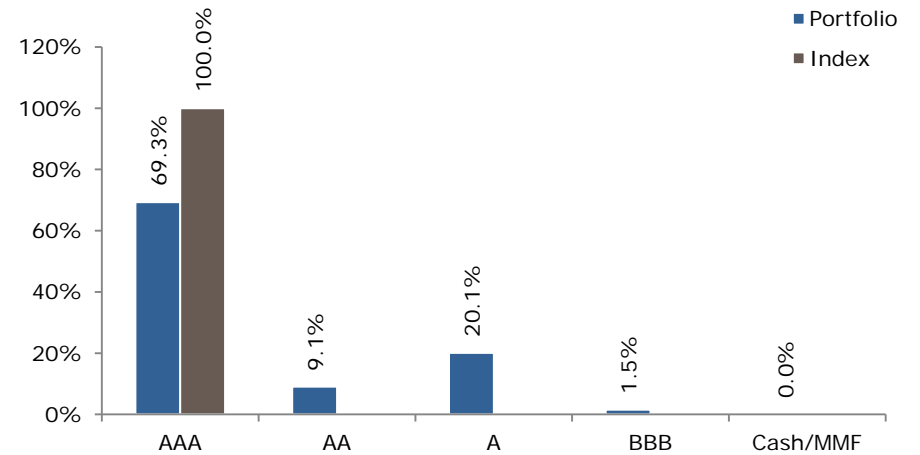
September 30, 2016

Characteristics

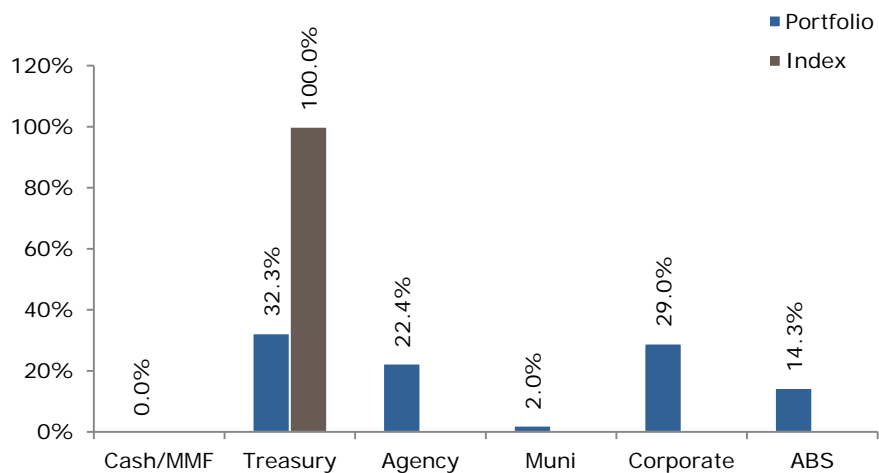
Name	CalOptima – Tier 1	Index*
Market Value (\$)	125,410,993	---
Average Effective Maturity (yrs)	1.81	1.95
Duration	1.79	1.90
Purchase Yield (%)	1.15	---
Current Market Yield (%)	1.02	0.78
Average Quality	AA+	AAA

*BofA ML 1-3 Year Treasury Index

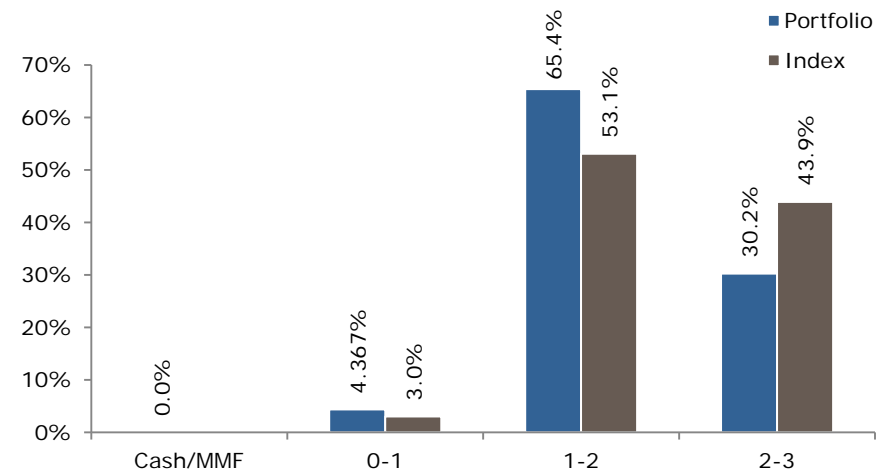
Credit quality



Security type



Duration





Payden & Rygel

LOS ANGELES | BOSTON | LONDON | PARIS

CalOptima Investment Advisory Committee Meeting

October 24, 2016

Asha B. Joshi, CFA
Managing Principal

213-830-4247
ajoshi@payden.com

Larry Manis
Senior Vice President

213-830-4626
lmanis@payden.com

3rd Quarter 2016 Market Overview



Q3 Market Summary: What will Central Banks do next?

Markets began the quarter responding to the surprise outcome of the UK's decision to leave the European Union ("Brexit"). Interest rates fell sharply driven by a general risk-off tone and increased expectations for additional stimulus from global central banks. Interest rates fell to all time lows, with the 10 yr hitting 1.36% on June 8.

In August, the Bank of England reduced their bank rate by 25bps and indicated that they are ready for additional stimulus if necessary. This was a reversal from expectations, as the UK was expected to begin a hiking cycle in the future.

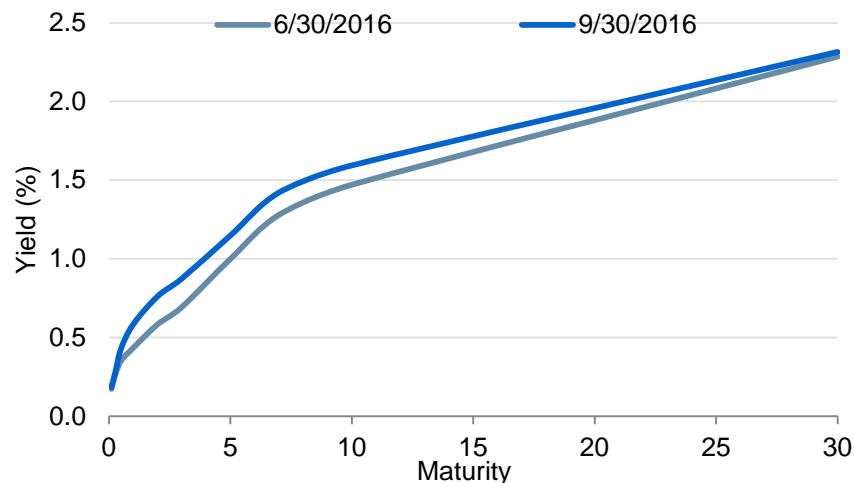
The low yield environment pushed investors into higher risk assets with the S&P 500 reaching all time highs on Aug 15. We also saw record inflows into riskier fixed income such as emerging market debt.

Market volatility remained low through the summer with the 10 yr treasury trading in a 15bp range. Volatility increased after Labor day driven by central banks once again. The ECB downplayed the need for more stimulus and did not extend their quantitative easing program, which was a surprise to markets. The Fed began to discuss potential rate hikes, setting the stage for a December increase. We saw 3 voting members call for hikes during the September meeting. The Bank of Japan restructured their quantitative easing program by moving from expanding their money supply to targeting long dated-interest rates with a goal of trying to overshoot their 2% inflation target.

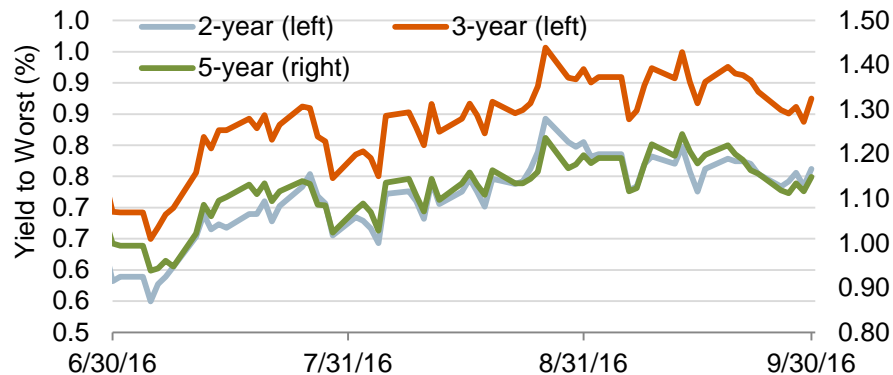
The market shifted focus to the US Presidential election, but the first debate did not impact markets significantly.

Q3 2016 Yield Curve

The US Treasury yield curve shifted higher and steepened



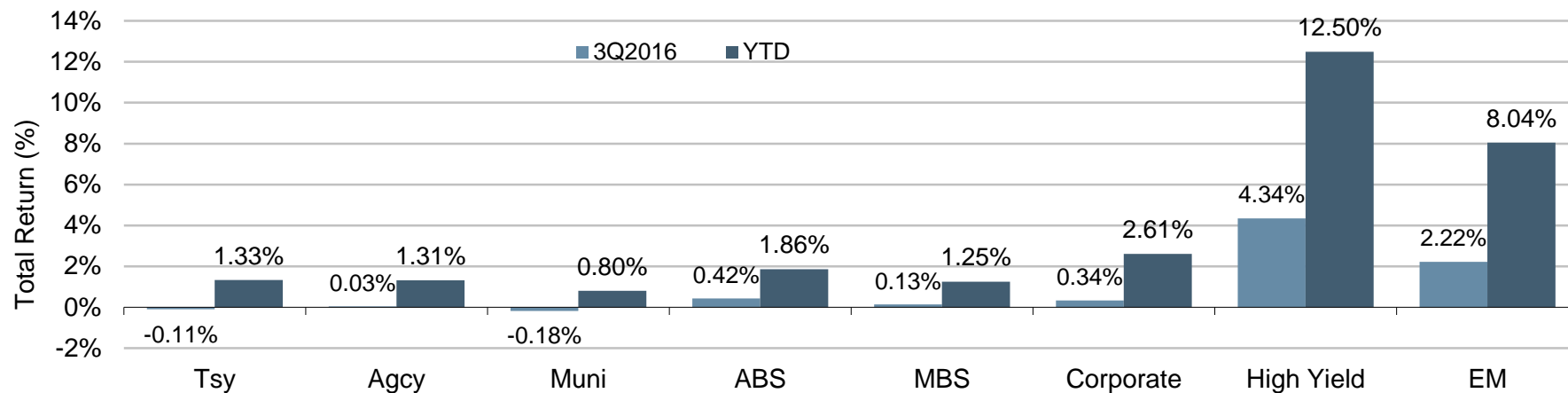
Rates were mainly range bound, moving higher in September



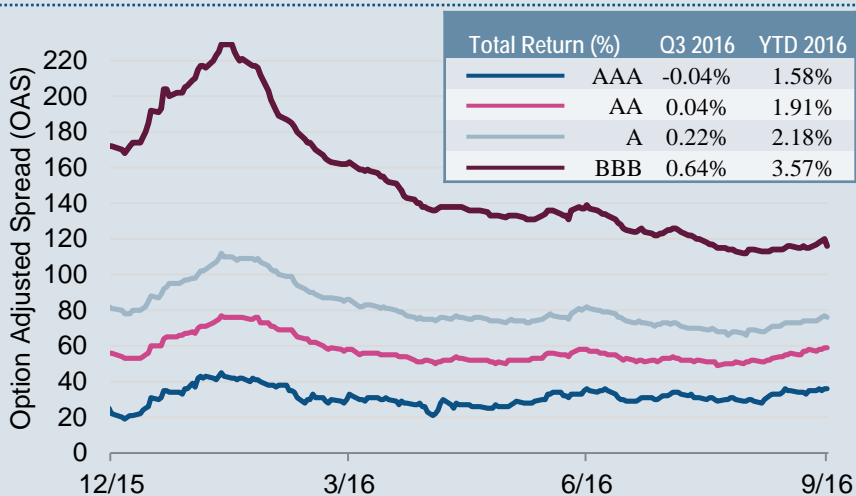
US Bond Market Returns – 3rd Quarter 2016



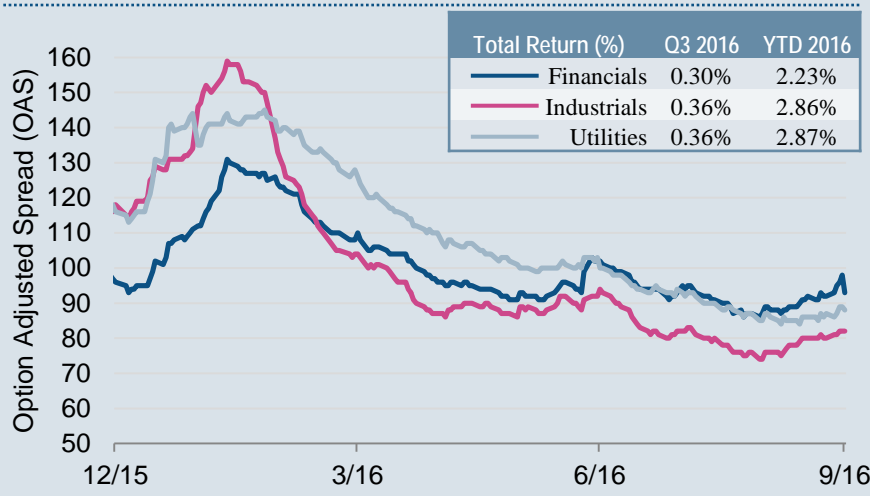
Sector Total Return - 1-3 Year Maturity



BBBs outperform higher quality credit



Financials underperform Industrials and Utilities



Source: Bloomberg, BofA Merrill Lynch 1-3 Year Indices

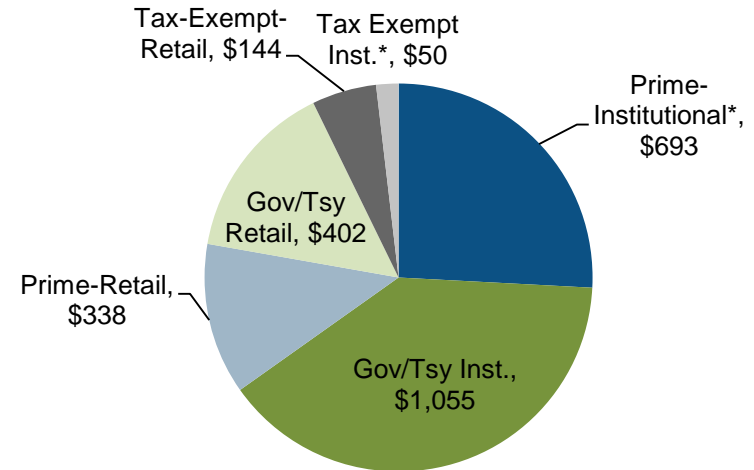


Money Market Reform – SEC Ruling on New 2a-7 rules

Major Changes

- Institutional money funds including Prime and Tax-Exempt must convert to floating NAV (4 decimal places) by October 2016
- Prime Retail and All Government funds stable NAV not affected
- However, all Prime (Retail and Institutional) have mandatory gates/fees, unless waived by the fund Board of Directors
- Government funds must invest 99.5% in Governments (previous 80%)
- Fees and gates will be at discretion of the board for government funds, and the option to impose must be stated in the fund prospectus
- Treasury and IRS to relax wash sale rule and gain/loss reporting on money funds

Assets Under Management by Fund Type (Billions of US Dollars)



* Those impacted by floating NAV

Source: iMoneyNet, as of 6/30/16

Reforms	What it is	Who it Impacts	How it impacts funds and investors	Market Impact
Floating Net Asset Value	The redemption rate for a share of a money market fund will no longer be pegged at exactly \$1, but would fluctuate with the changing values of the fund's underlying assets daily.	Institutional Prime and Institutional Tax-Exempt Funds	Daily impact on pricing of assets. Must report gains and losses for tax reasons, but only once per year.	<ul style="list-style-type: none"> ▪ Downward pressure on government rates and upward pressure on CP as money flows from prime to government funds
Automatic Redemption Restrictions	Require 1% liquidity fee if weekly liquid assets fall below 10%, unless the board determines not in the best interest of fund.	All Prime and Tax-Exempt Funds	Unattractive for investors. Most investors need their operating cash on demand.	
Optional Redemption Restrictions	Allow liquidity fee of up to 2% on redemptions and/or suspended redemptions for up to 10 business days within any 90 day period if weekly liquid assets fall below 30%, to be imposed at the discretion of the fund's board of directors.	All Prime, Tax-Exempt, and Government Funds	Investor uncertainty regarding access to cash. Funds to be more conservative with weekly liquidity.	

Sept. 2008
Lehman collapse; Reserve Primary Fund breaks the buck

Jan. 2010
First round of SEC Reforms targeting MMF guidelines

Nov. 2012
FOSC asks SEC for more MMF reforms

June 2013
SEC suggests NAV float and gates, opens to industry comment

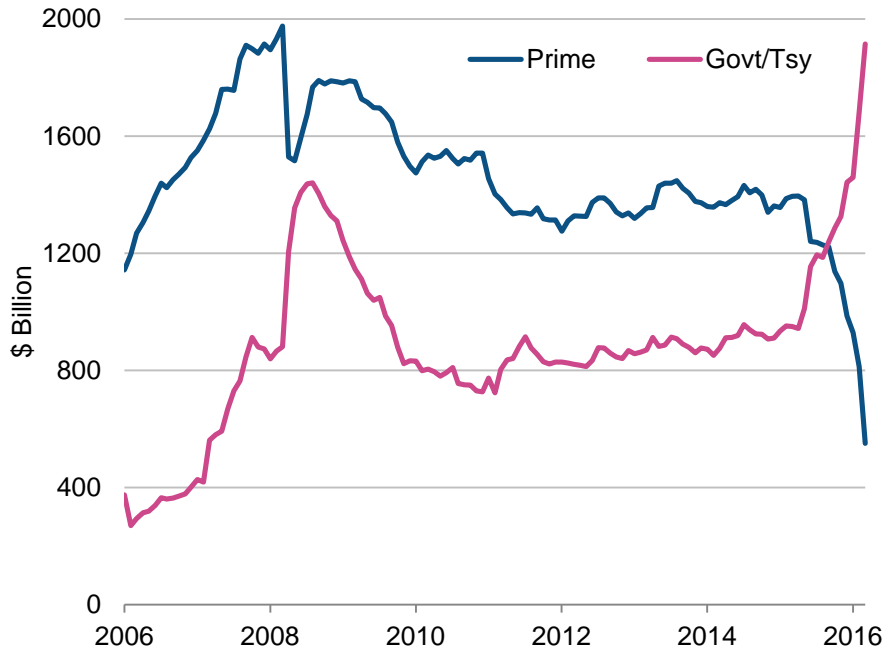
July 2014
SEC rule announcement

Oct. 2016
Rules fully implemented

Libor Rising: Impact of Money Market Reform

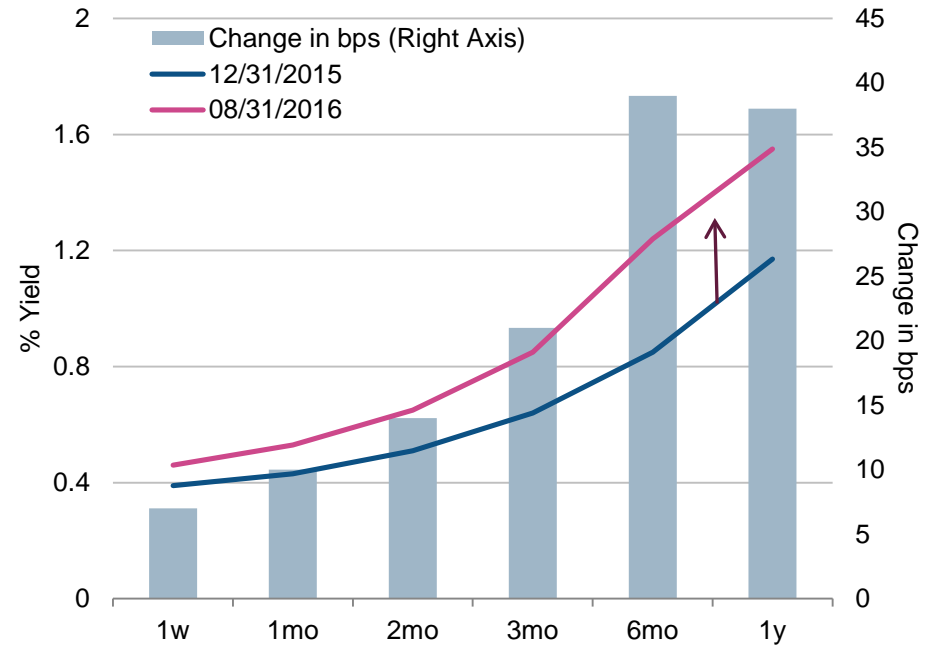


Prime and Government Money Fund AUM



Source: Crane Data, Institutional and Retail Fund data

Libor Curve Steepening



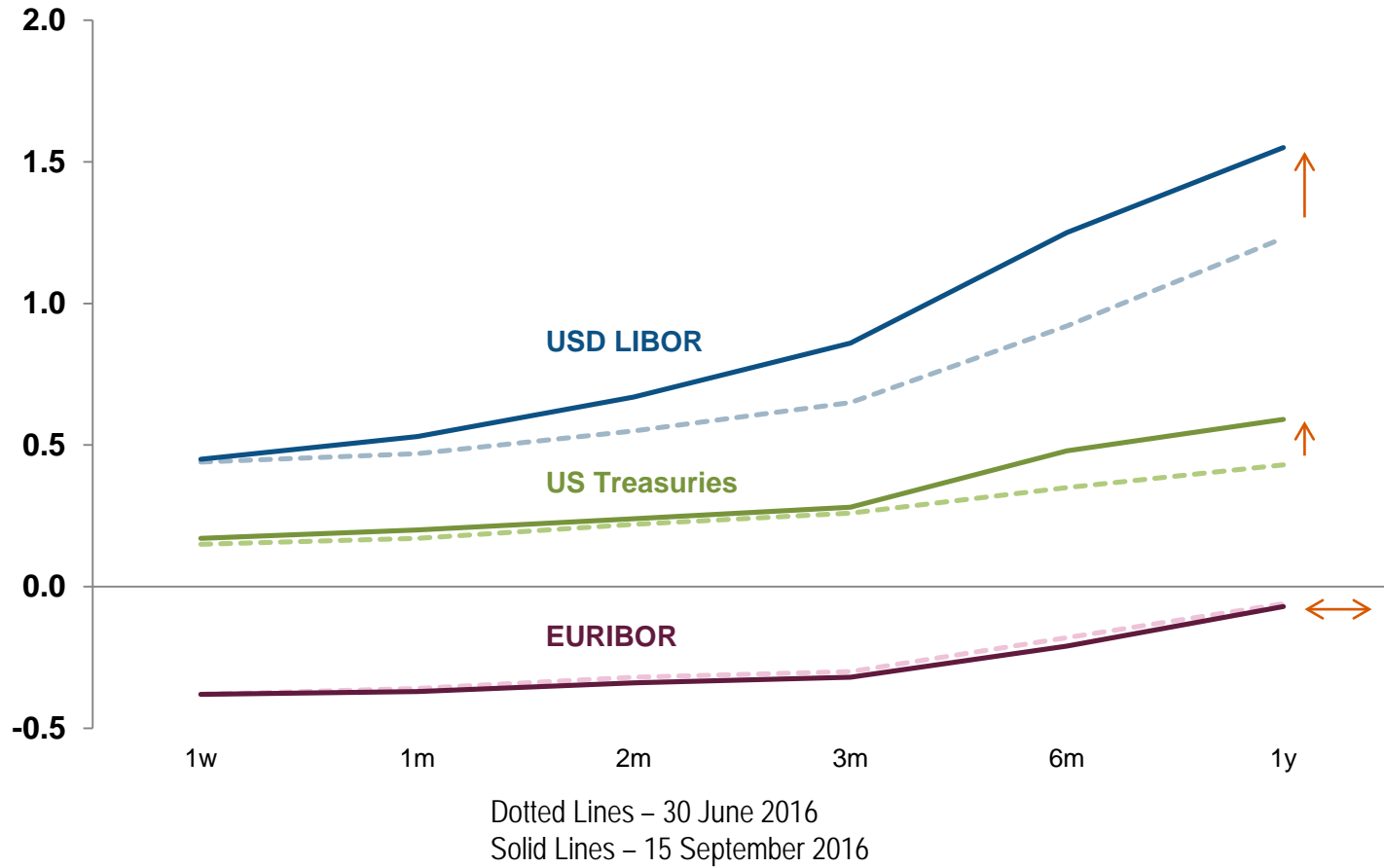
Source: Bloomberg

- Libor is a representative measure of unsecured credit lending in the front end of the curve. Three-month Libor tracks where banks are issuing three-month liabilities.
- The Libor curve has been steepening this year due to money market reform going into effect October 14, 2016.
- Three-month Libor had been relatively stable up until July, when a three-month tenor began to fall past the October implementation for money market reform.
- Prime fund managers are worried about large scale outflows on October 14, so have been shortening up portfolios and increasing liquidity, which has reduced the demand for bank liabilities.
- Banks need to increase offer yields to attract other short term investors, thus pushing up Libor rates.

THE LIBOR "JUMP" IS A USD, NON-FOMC REACTION TO MMMF REFORM



Short-Term Interest Rate Curves (%)



Current Market Yields – As of October 3, 2016



	Tsy	Agy	Call-able Agy	Non-US Gov Gtd Bonds	Supra (AAA)	CP	LIBOR	Corp (A IND)	Corp (A FIN)	Corp (BBB IND)	Corp (BBB FIN)	Covered (AAA)	Corp FRN (IND)	Corp FRN (FIN)	Muni	HY	ABS (Cards)	ABS (Auto)	Short Reset Agy ARM	Agy CMO	15 Yr Fixed Rate Agy MBS	30 Yr Fixed Rate Agy MBS	EM
1-month	0.22	0.19				0.54	0.53								0.55		0.58	0.60					
3-month	0.31	0.29		0.20	0.74	0.85	0.85	0.91	1.12	1.14	1.31				0.55		0.92	0.94					
6-month	0.44	0.38		0.30	0.78	1.18	1.24	0.96	1.19	1.20	1.38				0.55		0.98	1.00	1.30				
12-month	0.61	0.66	0.69	0.39	0.86		1.55	1.04	1.32	1.30	1.51	1.10	1.31	1.32	0.78		1.05	1.11		1.30			2.07
2-year	0.79	0.87	0.92	0.72	0.99			1.25	1.56	1.58	1.81	1.25	1.16	1.56	0.82	3.58	1.21	1.26		1.40			2.53
3-year	0.91	1.02	1.09	1.24	1.12			1.44	1.77	1.84	2.05	1.45	1.48	1.57	0.88	4.03	1.33	1.40		1.60			2.47
5-year	1.18	1.30	1.40	2.26	1.39			1.81	2.14	2.24	2.51	1.75	1.89	2.03	1.02	4.71	1.63			1.85	1.74	2.38	3.07

Front End Rates

- Front-end treasury rates remain close to zero.
- Further out the curve, higher treasury yields and steep slope are attractive

Yields are Payden estimates and should not be relied upon for investment decision making

CalOptima Investment Policy vs. CA Code 53601



CalOptima Policy				
Permitted Investments	Max %	Maturity	Quality	Comments – CA Code
US Treasuries	100%		US Treasury	
Operating Funds		450 days		Opportunity to increase maturity beyond 5 years
Tier One		5 years		
US Agencies	100%		US Government	
Operating Funds		450 days		Opportunity to increase maturity beyond 5 years
Tier One		5 years		
Supranationals	15% (Code 30%)		AA	
Operating Funds		450 days		In process of being added to the 2016 Investment Policy
Tier One		5 years		
Municipals	25% (Code 100%)			
Operating Funds		450 days	A-1 or P-1	Opportunity to increase maturity beyond 5 years
Tier One		5 years	A3 or A-	
Certificates of Deposit	30% (Code)	1 year (Code 5 years)	A-1 or P-1	Opportunity to increase maturity to 5 years
Commercial Paper	25% (Code)	270 days	A-1 or P-1	To Code
Repurchase Agreement Collateral Limited	100%	30 days (Code 1 year)	All Treasury/Agency collateral only	To Code
Corporate Securities	30% (Code)			
Operating Funds		450 days (5 years for FRNs*)	A3 or A-	To Code
Tier One		5 years		
Mortgage or Asset-Backed Securities	20% (Code)		AA	
Operating Funds		450 days		To Code
Tier One		5 years		

Operating Fund Strategy and Performance – As of September 30, 2016



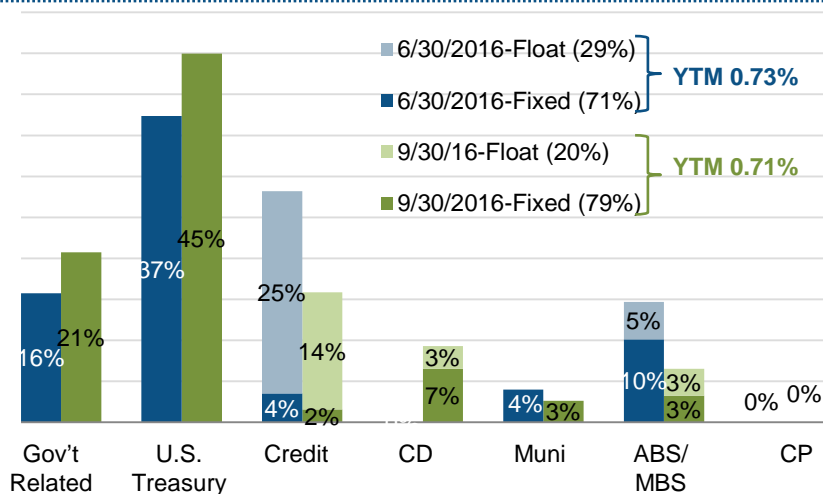
Portfolio Returns - Periods Over 1 Year Annualized

	3rd Qtr	2016 YTD	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years
Operating Fund (Gross)	0.20%	0.70%	0.70%	0.35%	0.25%
Operating Fund (Net)	0.19%	0.64%	0.63%	0.25%	0.14%
Citigroup 3 Month Treasury Bill Index	0.07%	0.19%	0.20%	0.09%	0.08%
Net Alpha	+0.12%	+0.45%	+0.43%	+0.16%	+0.06%

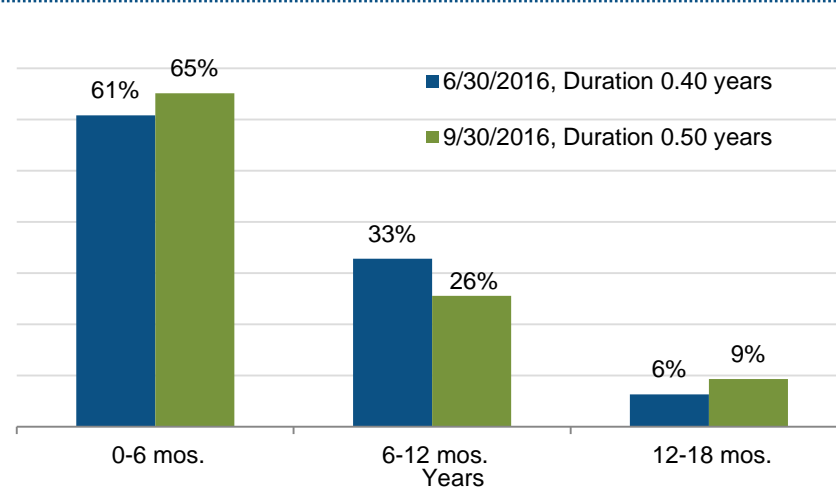
Portfolio Characteristics

Market Value	\$580.7 million
Yield to Maturity	0.71%
Yield at Purchase	0.70%
Benchmark Yield	0.18%
Duration	0.50 years
Benchmark Duration	0.15 years
Credit Quality	AA+

Sector Allocation



Duration Distribution



CalOptima Operating Fund Portfolio Highlights



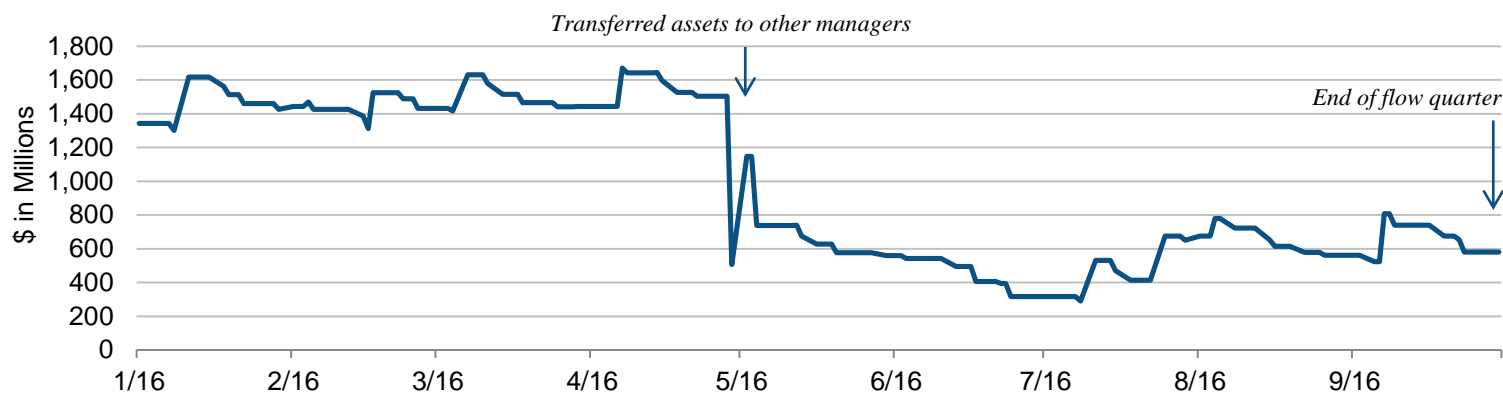
During the third quarter of 2016, the Operating Fund had a net inflow of \$262MM

The portfolio maintains a diversified mix of credit sectors as well as high quality asset backed and mortgage backed securities for income generation, to cushion price volatility.

We added CDs to the portfolio to capture higher front end yields as a result of money market reform.

	16-Jul	16-Aug	16-Sep	3Q 2016
Beginning Market Value	317,429,811	675,775,185	561,120,782	1,554,325,779
Contributions	525,000,000	130,000,000	283,000,000	938,000,000
Withdrawals	-167,000,000	-245,000,000	-264,000,000	-676,000,000
Net Flows	358,000,000	-115,000,000	19,000,000	262,000,000
Investment Gain/(Loss)	345,374	345,597	519,559	1,210,530
Ending Market Value	675,775,185	561,120,782	580,640,341	1,817,536,309

2016 Market Value History



Tier One Strategy and Performance – As of September 30, 2016



Portfolio Returns - Periods Over 1 Year Annualized

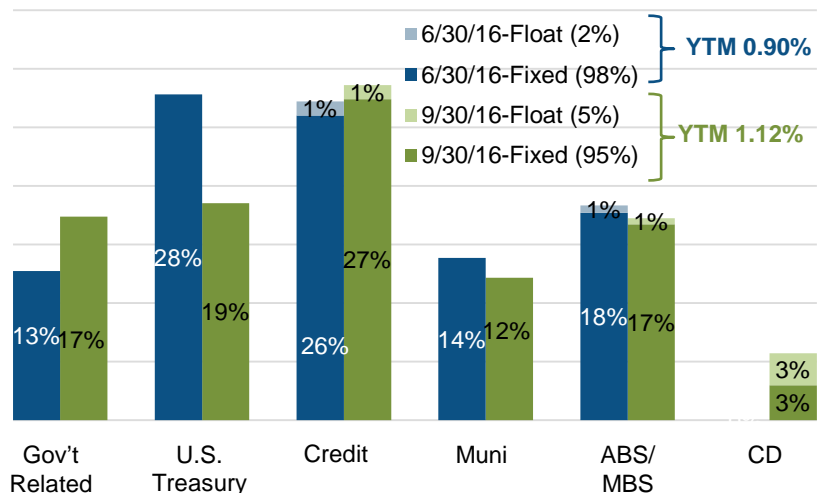
	3rd Qtr	2016 YTD	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years
Tier One (Gross)	0.02%	1.32%	1.16%	1.02%	0.96%
Tier One (Net)	0.00%	1.27%	1.08%	0.93%	0.84%
Merrill Lynch 1-3 year Treasury*	-0.11%	1.32%	0.88%	0.85%	0.69%
Net Alpha	+0.11%	-0.05%	+0.20%	+0.08%	+0.15%

*1/04 Merrill Lynch 1-3 Year Treasury Index; 5/00 Citigroup 1-Year Treasury Index; 7/99-5/00 Citigroup 3-month T-bill Index.

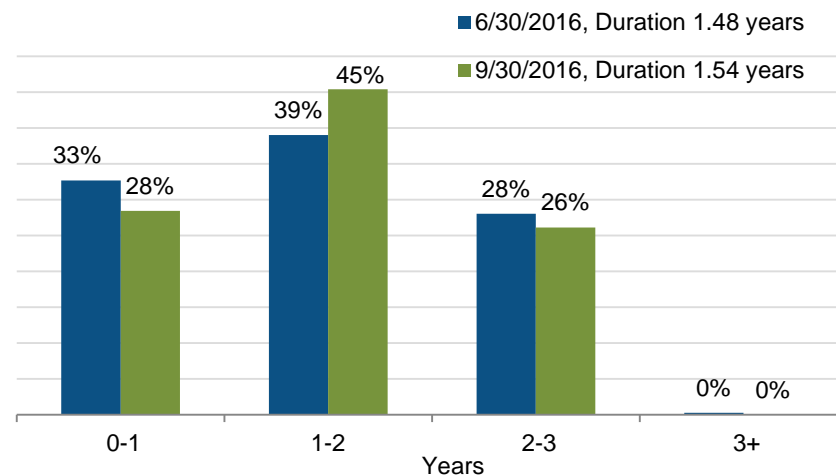
Portfolio Characteristics

Market Value	\$135.4 million
Yield to Maturity	1.12%
Yield at Purchase	1.24%
Benchmark Yield	0.77%
Duration	1.54 years
Benchmark Duration	1.84 years
Credit Quality	AA+

Sector Allocation



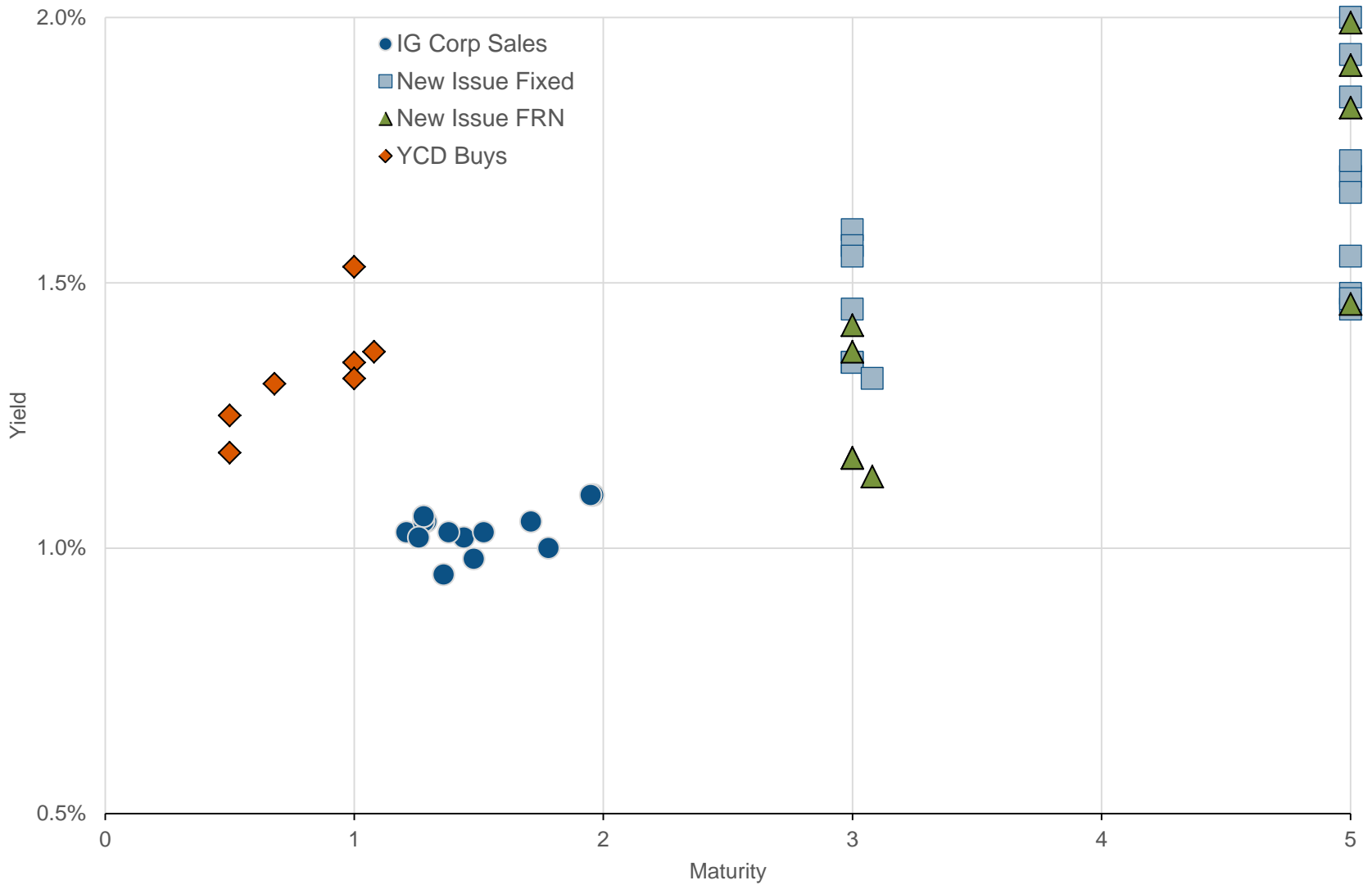
Duration Distribution



Taking Advantage of Flat Credit Curves



In short accounts, we have been selling rich 1-2yr corporates and buying 3yr new issue and 1yr YCDs where possible



CalOptima Tier 1 Portfolio Highlights



Performance Attribution		
(In basis points)	3Q 2016	Trailing 12 Mo
Interest Rates	4	-17
Sector Selection	9	45
Agency	2	2
Corporate	4	28
<i>Financial</i>	2	17
<i>Industrial</i>	2	10
<i>Utilities</i>	0	1
MBS	-1	-1
ABS	3	9
Municipal	1	7
Total Contribution	+13	+28

Duration Positioning

- We were short duration by ~0.3 years vs. the benchmark with a 15% underweight to the 2-3 year portion of the curve, which contributed 4bps of alpha as the yield curve steepened over the quarter as the differential between 3 month and 3 year treasuries increased by 17bps.

Sector Allocation

- Money market reform drove front end rates higher and 3 month LIBOR increased by 20bps in Q3. As a result, we saw the credit curve flatten and typical CP issuers extend maturities and issue CDs at attractive levels, close to 3 year yields.
 - To take advantage of this dynamic, we added 7.7mm (6%) of CDs to the portfolio. These CDs were split between fixed and floating.
- The corporate new issue market continues to provide attractive pricing concessions and we were active in Q3
 - 3 year new issue deals included John Deere, Verizon, Fifth Third Bank, Cisco, and Walt Disney
 - 2 year new issue deals included Nextera Energy, Berkshire Hathaway and JPMorgan Chase
- We increased our Agency exposure by \$6.3mm (4%) through 2y and 3y new issue transactions with an average yield advantage of 15bps over treasuries.

CalOptima – Compliance Report – As of September 30, 2016



Allowable Instruments	CalOPTIMA-Combined		Maximum Stated Term Per Security		Actual Maximum Maturity				Minimum Quality Per Security	Actual Minimum Credit
	Maximum % of Portfolio	Actual %	Operating Funds	Reserve Tier 1	Operating Funds	Reserve Tier 1				
U.S. Treasuries	100	40.00%	450 Days	5 Years	411	Days	2.79	Years	TSY	TSY
Federal Agencies	100	19.72%	450 Days	5 Years	300	Days	2.91	Years	AGY	AGY
State of CA & Other Municipal Obligations	25	4.42%	450 Days	5 Years	336	Days	3.09	Years	A	A
Supranationals	15	0.36%	450 Days	5 Years			2.62	Years	AA	AAA
Bankers Acceptances	30	0.00%	180 Days	180 Days					A1/P1	n/a
Commercial Paper	25	0.00%	270 Days	270 Days					A1/P1	n/a
Negotiable Certificates of Deposit	30	5.56%	1 Year	1 Year	365	Days	0.95	Years	A1/P1	A1/P1
Repurchase Agreements	100	0.00%	30 Days	30 Days					TSY	n/a
Medium Term Notes & Depository Notes	30	6.46%	450 Days	5 Years	349	Days	3.02	Years	A3/A-	A-
Money Market & other Mutual Funds (combined)	20	0.07%	N/A	N/A					AAA	AAA
Mortgage & Asset-Backed Securities (combined)	20	5.65%	450 Days	5 Years	350	Days	4.16	Years	AAA	AAA
Variable & Floating Rate Securities	30	17.75%	450 Days	5 Years	101	Days	75	Days	A3/A-	A-

100.00%

Diversification Guidelines

Maximum per Corporate Issuer	5	1.08%
Repurchase Agreements (Maturity > 7 days)	25	0.00%
Repurchase Agreements (Maturity <= 7 days)	50	0.00%



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Financial Summary

August 2016

Chet Uma
Chief Financial Officer

FY 2016-17: Consolidated Enrollment

- August 2016 MTD:
 - Overall enrollment was 798,243 member months
 - Actual lower than budget by 1,535 or 0.2%
 - Medi-Cal: favorable variance of 2,474 members
 - Medi-Cal Expansion (MCE) growth higher than budget
 - SPD enrollment higher than budget due to less than anticipated dual eligible members transferring to OneCare Connect
 - Offset by lower than budget TANF enrollment
 - OneCare Connect: unfavorable variance of 3,942 members
 - 0.1% decrease from prior month
 - OneCare Connect: decrease of 657 from July
 - Medi-Cal: decrease of 178 from July
 - 4.5% or 34,046 increase in enrollment from prior year

FY 2016-17: Consolidated Enrollment

- August 2016 YTD:
 - Overall enrollment was 1,597,326 member months
 - Actual lower than budget by 946 or 0.1%
 - Medi-Cal: favorable variance of 6,516 members
 - Medi-Cal Expansion (MCE) growth higher than budget
 - SPD enrollment higher than budget due to less than anticipated dual eligible members transferring to OneCare Connect
 - Offset by lower than budget TANF enrollment
 - OneCare Connect: unfavorable variance of 7,326 members
 - OneCare: unfavorable variance of 157 members

FY 2016-17: Consolidated Revenues

- August 2016 MTD:
 - Actual lower than budget by \$2.2 million or 0.8%
 - Medi-Cal: favorable to budget by \$8.5 million
 - ABA prior year revenue adjustment of \$5.1 million
 - IHSS estimated revenue \$2.5 million higher than budget
 - Favorable volume variance of \$0.7 million
 - OneCare Connect: unfavorable variance of \$10.2 million
 - Unfavorable price variance of \$2.0 million due to cohort mix
 - Unfavorable volume variance of \$8.1
 - OneCare: unfavorable to budget by \$0.5 million
- August 2016 YTD:
 - Actual lower than budget by \$3.6 million or 0.6%
 - Medi-Cal: favorable to budget by \$16.2 million
 - OneCare Connect: unfavorable variance of \$19.9 million
 - OneCare: favorable to budget \$9.0 thousand

FY 2016-17: Consolidated Medical Expenses

- August 2016 MTD:
 - Actual higher than budget by \$0.6 million or 0.2%
 - Medi-Cal: unfavorable variance of \$10.0 million
 - MLTSS variance \$7.2 million
 - IHSS \$4.2 million due to higher utilization
 - LTC \$3.0 million due to less than anticipated LTC members enrolled in OneCare Connect
 - Prescription Drugs higher than budget by \$3.0 million
 - OneCare Connect: favorable variance of \$8.7 million
 - Volume variance of \$7.6 million
 - Price variance of \$1.1 million, mainly attributable to
 - \$3.5 million in LTC
 - Offset by \$2.9 million in Prescription Drugs

FY 2016-17: Consolidated Medical Expenses (Cont.)

- August 2016 YTD:

- Actual higher than budget by \$0.4 million

- Medi-Cal: unfavorable variance of \$19.8 million

- Price variance of (\$17.9) million due to IHSS estimated expenses \$4.5 million higher than budget

- Volume variance of (\$1.9) million

- OneCare Connect: favorable variance of \$18.9 million

- Medical Loss Ratio (MLR):

- August 2016 MTD: Actual: 96.8% Budget: 95.9%

- August 2016 YTD: Actual: 96.6% Budget: 95.9%

FY 2016-17: Consolidated Administrative Expenses

- August 2016 MTD:
 - Actual lower than budget by \$2.0 million or 18.1%
 - Salaries and Benefits: favorable variance of \$1.6 million driven by lower than budgeted FTE of 99
 - Other categories: favorable variance of \$0.4 million
- August 2016 YTD:
 - Actual lower than budget by \$5.5 million or 23.1%
 - Salaries and Benefits: favorable variance of \$3.4 million driven by lower than budgeted FTE of 197
 - Other categories: favorable variance of \$2.1 million
- Administrative Loss Ratio (ALR):
 - August 2016 MTD: Actual: 3.3% Budget: 4.0%
 - August 2016 YTD: Actual: 3.3% Budget: 4.2%

FY 2016-17: Change in Net Assets

- August 2016 MTD:
 - \$0.1 million deficit
 - \$0.7 million unfavorable to budget
 - Attributable to:
 - Lower than budgeted revenue of \$2.2 million
 - Higher medical expenses of \$0.6 million
 - Lower administrative expenses of \$2.0 million
 - Lower investment income of \$0.1 million

- August 2016 YTD:
 - \$1.6 million surplus
 - \$1.8 million favorable to budget
 - Attributable to:
 - Lower than budgeted revenue of \$3.6 million
 - Higher medical expenses of \$0.4 million
 - Lower administrative expenses of \$5.5 million
 - Higher investment income of \$0.2 million

Enrollment Summary: August 2016

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
57,464	54,919	2,545	4.6%	Aged	114,398	109,677	4,721	4.3%
635	675	(40)	(5.9%)	BCCTP	1,269	1,351	(82)	(6.1%)
48,331	47,508	823	1.7%	Disabled	96,784	95,048	1,736	1.8%
334,146	338,666	(4,520)	(1.3%)	TANF Child	669,176	676,562	(7,386)	(1.1%)
103,046	109,759	(6,713)	(6.1%)	TANF Adult	207,055	219,488	(12,433)	(5.7%)
3,280	2,677	603	22.5%	LTC	6,516	5,348	1,168	21.8%
231,753	221,978	9,775	4.4%	MCE	462,290	443,503	18,787	4.2%
778,655	776,181	2,474	0.3%	Medi-Cal	1,557,488	1,550,972	6,516	0.4%
18,245	22,187	(3,942)	(17.8%)	OneCare Connect	37,147	44,473	(7,326)	(16.5%)
179	170	9	5.3%	PACE	356	335	21	6.3%
1,164	1,240	(76)	(6.1%)	OneCare	2,335	2,492	(157)	(6.3%)
798,243	799,778	(1,535)	(0.2%)	CalOptima Total	1,597,326	1,598,272	(946)	(0.1%)

Financial Highlights: August 2016

Month-to-Date					Year-to-Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
798,243	799,778	(1,535)	(0.2%)	Member Months	1,597,326	1,598,272	(946)	(0.1%)
279,225,706	281,383,321	(2,157,615)	(0.8%)	Revenues	558,787,416	562,430,774	(3,643,358)	(0.6%)
270,332,425	269,706,404	(626,021)	(0.2%)	Medical Expenses	539,615,901	539,242,597	(373,304)	(0.1%)
9,181,740	11,207,153	2,025,413	18.1%	Administrative Expenses	18,249,897	23,725,147	5,475,251	23.1%
(288,459)	469,764	(758,223)	(161.4%)	Operating Margin	921,618	(536,970)	1,458,589	(271.6%)
141,869	143,250	(1,381)	(1.0%)	Non Operating Income (Loss)	655,782	286,500	369,282	128.9%
(146,590)	613,014	(759,604)	(123.9%)	Change in Net Assets	1,577,401	(250,470)	1,827,871	(729.8%)
96.8%	95.9%	(1.0%)		Medical Loss Ratio	96.6%	95.9%	(0.7%)	
3.3%	4.0%	0.7%		Administrative Loss Ratio	3.3%	4.2%	1.0%	
<u>(0.1%)</u>	<u>0.2%</u>	<u>(0.3%)</u>		Operating Margin Ratio	<u>0.2%</u>	<u>(0.1%)</u>	<u>0.3%</u>	
100.0%	100.0%			Total Operating	100.0%	100.0%		

Consolidated Performance Actual vs. Budget: August 2016 (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>
0.0	0.0	0.0	Medi-Cal	0.2	(0.7)	0.8
(0.1)	0.0	(0.1)	OneCare	0.1	0.1	0.1
(0.4)	0.6	(1.0)	OCC	0.6	0.6	0.0
<u>0.1</u>	<u>(0.2)</u>	<u>0.4</u>	PACE	<u>0.0</u>	<u>(0.5)</u>	<u>0.6</u>
(0.3)	0.5	(0.8)	Operating	0.9	(0.5)	1.5
<u>0.1</u>	<u>0.1</u>	<u>0.0</u>	Inv./Rental Inc, MCO tax	<u>0.7</u>	<u>0.3</u>	<u>0.4</u>
0.1	0.1	0.0	Non-Operating	0.7	0.3	0.4
(0.1)	0.6	(0.8)	TOTAL	1.6	(0.3)	1.8

Consolidated Revenue & Expense: August 2016 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare	OneCare Connect	PACE	Consolidated
Member Months	546,902	231,753	\$ 778,655	1,164	18,245	179	798,243
REVENUES							
Capitation Revenue	136,153,905	105,444,331	\$ 241,598,236	\$ 970,939	\$ 35,570,921	\$ 1,085,610	\$ 279,225,706
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>136,153,905</u>	<u>105,444,331</u>	<u>241,598,236</u>	<u>970,939</u>	<u>35,570,921</u>	<u>1,085,610</u>	<u>279,225,706</u>
MEDICAL EXPENSES							
Provider Capitation	32,281,263	42,129,491	74,410,754	406,913	6,758,132	-	81,575,798
Facilities	25,880,196	31,354,932	57,235,128	91,403	10,278,678	172,199	67,777,407
Ancillary	-	-	-	44,832	893,265	-	938,097
Skilled Nursing	-	-	-	22,191	5,163,325	-	5,185,515
Professional Claims	9,183,960	8,141,524	17,325,484	-	-	137,788	17,463,272
Prescription Drugs	18,859,686	18,624,085	37,483,771	410,052	9,635,600	98,371	47,627,794
Quality Incentives	-	-	-	-	365,120	-	365,120
Long-term Care Facility Payments	38,128,706	6,315,960	44,444,667	-	-	(20,409)	44,424,258
Contingencies	-	-	-	-	-	-	-
Medical Management	2,846,458	-	2,846,458	16,680	932,465	353,615	4,149,217
Reinsurance & Other	(348,968)	948,643	599,675	5,042	127,813	93,417	825,947
Total Medical Expenses	<u>126,831,301</u>	<u>107,514,636</u>	<u>234,345,937</u>	<u>997,111</u>	<u>34,154,397</u>	<u>834,981</u>	<u>270,332,425</u>
Medical Loss Ratio	93.2%	102.0%	97.0%	102.7%	96.0%	76.9%	96.8%
GROSS MARGIN	9,322,604	(2,070,305)	7,252,299	(26,173)	1,416,524	250,630	8,893,280
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Employee Benefits	-	-	5,480,537	(5,046)	415,566	90,960	5,982,016
Professional Fees	-	-	196,487	12,881	78,105	1,938	289,411
Purchased Services	-	-	680,313	24,054	167,420	5,240	877,028
Printing and Postage	-	-	256,375	799	107,365	220	364,759
Depreciation and Amortization	-	-	262,097	-	-	2,014	264,111
Other Expenses	-	-	1,012,645	595	65,097	7,166	1,085,503
Indirect Cost Allocation, Occupancy Expense	-	-	(650,544)	29,494	937,491	2,471	318,912
Total Administrative Expenses	-	-	<u>7,237,910</u>	<u>62,777</u>	<u>1,771,044</u>	<u>110,009</u>	<u>9,181,740</u>
Admin Loss Ratio	-	-	3.0%	6.5%	5.0%	10.1%	3.3%
INCOME (LOSS) FROM OPERATIONS	-	-	14,389	(88,949)	(354,520)	140,621	(288,459)
INVESTMENT INCOME	-	-	-	-	-	-	136,062
NET RENTAL INCOME	-	-	-	-	-	-	5,711
OTHER INCOME	-	-	96	-	-	-	96
CHANGE IN NET ASSETS	-	-	<u>\$ 14,485</u>	<u>\$ (88,949)</u>	<u>\$ (354,520)</u>	<u>\$ 140,621</u>	<u>\$ (146,590)</u>
BUDGETED CHANGE IN ASSETS	-	-	27,268	38,696	643,815	(240,015)	613,014
VARIANCE TO BUDGET - FAV (UNFAV)	-	-	<u>(12,782)</u>	<u>(127,646)</u>	<u>(998,335)</u>	<u>380,636</u>	<u>(759,604)</u>

Consolidated Revenue & Expense: August 2016 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare	OneCare Connect	PACE	Consolidated
Member Months	1,095,198	462,290	\$ 1,557,488	2,335	37,147	356	1,597,326
REVENUES							
Capitation Revenue	272,009,588	209,956,483	\$ 481,966,071	\$ 2,880,270	\$ 71,786,950	\$ 2,154,125	\$ 558,787,416
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>272,009,588</u>	<u>209,956,483</u>	<u>481,966,071</u>	<u>2,880,270</u>	<u>71,786,950</u>	<u>2,154,125</u>	<u>558,787,416</u>
MEDICAL EXPENSES							
Provider Capitation	64,776,776	84,177,000	148,953,776	778,668	14,926,327	-	164,658,771
Facilities	52,616,499	66,183,805	118,800,303	696,427	19,663,801	497,686	139,658,216
Ancillary	-	-	-	81,959	1,422,288	-	1,504,247
Skilled Nursing	-	-	-	65,005	10,217,602	-	10,282,607
Professional Claims	18,778,116	15,609,385	34,387,501	-	-	352,124	34,739,625
Prescription Drugs	35,629,421	34,617,688	70,247,109	897,756	18,036,995	194,781	89,376,641
Quality Incentives	-	-	-	-	743,900	-	743,900
Long-term Care Facility Payments	76,139,357	12,348,805	88,488,162	-	-	(14,808)	88,473,354
Contingencies	-	-	-	-	-	-	-
Medical Management	5,908,162	-	5,908,162	44,769	1,904,589	707,313	8,564,833
Reinsurance & Other	(727,625)	1,921,099	1,193,474	10,250	234,817	175,165	1,613,706
Total Medical Expenses	<u>253,120,707</u>	<u>214,857,782</u>	<u>467,978,488</u>	<u>2,574,833</u>	<u>67,150,319</u>	<u>1,912,261</u>	<u>539,615,901</u>
Medical Loss Ratio	93.1%	102.3%	97.1%	89.4%	93.5%	88.8%	96.6%
GROSS MARGIN	18,888,881	(4,901,299)	13,987,582	305,437	4,636,632	241,864	19,171,515
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Employee Benefits	-	-	10,788,365	12,797	1,509,068	180,881	12,491,111
Professional Fees	-	-	381,698	34,881	182,055	6,876	605,510
Purchased Services	-	-	1,272,134	44,334	284,355	5,240	1,606,062
Printing and Postage	-	-	378,439	3,184	121,783	442	503,848
Depreciation and Amortization	-	-	526,688	-	-	4,028	530,716
Other Expenses	-	-	1,738,866	1,309	66,590	16,202	1,822,966
Indirect Cost Allocation, Occupancy Expense	-	-	(1,249,203)	58,988	1,874,982	4,917	689,682
Total Administrative Expenses	-	-	<u>13,836,986</u>	<u>155,492</u>	<u>4,038,832</u>	<u>218,587</u>	<u>18,249,897</u>
Admin Loss Ratio	-	-	2.9%	5.4%	5.6%	10.1%	3.3%
INCOME (LOSS) FROM OPERATIONS	-	-	150,597	149,945	597,800	23,277	921,618
INVESTMENT INCOME	-	-	-	-	-	-	646,924
NET RENTAL INCOME	-	-	-	-	-	-	8,511
OTHER INCOME	-	-	348	-	-	-	348
CHANGE IN NET ASSETS	-	-	<u>\$ 150,944</u>	<u>\$ 149,945</u>	<u>\$ 597,800</u>	<u>\$ 23,277</u>	<u>\$ 1,577,401</u>
BUDGETED CHANGE IN ASSETS	-	-	(686,420)	68,091	614,287	(532,928)	(250,470)
VARIANCE TO BUDGET - FAV (UNFAV)	-	-	<u>837,364</u>	<u>81,854</u>	<u>(16,488)</u>	<u>556,206</u>	<u>1,827,871</u>

Balance Sheet: As of August 2016

ASSETS	
Current Assets	
Operating Cash	\$170,094,030
Catastrophic Reserves	11,664,256
Investments	1,510,623,228
Capitation receivable	250,869,196
Receivables - Other	17,496,341
Prepaid Expenses	11,604,066
Total Current Assets	<u>1,972,351,118</u>
Capital Assets	
Furniture and equipment	28,851,790
Leasehold improvements	12,185,423
505 City Parkway West	46,707,144
	87,744,356
Less: accumulated depreciation	(32,719,360)
Capital assets, net	<u>55,024,997</u>
Other Assets	
Restricted deposit & Other	281,658
Board-designated assets	
Cash and cash equivalents	2,896,809
Long term investments	472,496,705
Total Board-designated Assets	475,393,514
Total Other Assets	<u>475,675,172</u>
Deferred outflows of Resources - Pension Contributions	3,787,544
Deferred outflows of Resources - Difference in Experience	1,215,473
TOTAL ASSETS & OUTFLOWS	<u>2,508,054,303</u>

LIABILITIES & FUND BALANCES	
Current Liabilities	
Accounts payable	\$3,211,822
Medical claims liability	612,076,921
Accrued payroll liabilities	9,894,997
Deferred revenue	751,980,562
Deferred lease obligations	260,711
Capitation and withholds	431,171,268
Total Current Liabilities	<u>1,808,596,280</u>
Other employment benefits liability	
	27,860,642
Net Pension Liabilities	8,148,262
Long Term Liabilities	150,000
TOTAL LIABILITIES	<u>1,844,755,184</u>
Deferred inflows of Resources - Excess Earnings	502,900
Deferred inflows of Resources - changes in Assumptions	1,651,640
Tangible net equity (TNE)	90,017,313
Funds in excess of TNE	571,127,266
Net Assets	<u>661,144,579</u>
TOTAL LIABILITIES, INFLOWS & FUND BALANCES	<u>2,508,054,303</u>

Board Designated Reserve and TNE Analysis As of August 2016

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	135,228,414				
	Tier 1 - Logan Circle	125,291,977				
	Tier 1 - Wells Capital	125,265,429				
Board-designated Reserve						
		385,785,819	287,128,548	448,762,488	98,657,271	(62,976,669)
TNE Requirement	Tier 2 - Logan Circle	89,607,695	90,017,313	90,017,313	(409,618)	(409,618)
Consolidated:		475,393,514	377,145,861	538,779,801	98,247,653	(63,386,287)
<i>Current reserve level</i>		<i>1.76</i>	<i>1.40</i>	<i>2.00</i>		

Cash Flow Forecast Summary as of September 2016 (in millions)

	2016 Q4	2017 Q1	2017 Q2	2017 Q3	2017 Q4
Total Operating Fund Balance	1,683	1,631	1,627	1,417	1,107
Net Flows	(52)	(4)	(210)	(310)	(650)
Ending Balance	1,631	1,627	1,417	1,107	457
	Logan	Wells	Payden	Logan	Wells

Notes:

- 1) \$31M MCO Tax payment will be sent before/on 11/02/2016. No reimbursement schedule was received from DHCS yet.
- 2) \$37M Shared Risk Pool distribution will be made in Dec-2016.
- 3) CalOptima have not received any notifications from DHCS regarding the MCE rate recoupment and 85% MLR reconciliation.
- 4) The estimated cash outflows in CY2017 are subject to change depending on DHCS final recoupment/reconciliation schedule.





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UNAUDITED FINANCIAL STATEMENTS

August 2016

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CalOptima - Consolidated
Financial Highlights
For the Two Months Ended August 31, 2016

Month-to-Date					Year-to-Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
798,243	799,778	(1,535)	(0.2%)	Member Months	1,597,326	1,598,272	(946)	(0.1%)
279,225,706	281,383,321	(2,157,615)	(0.8%)	Revenues	558,787,416	562,430,774	(3,643,358)	(0.6%)
270,332,425	269,706,404	(626,021)	(0.2%)	Medical Expenses	539,615,901	539,242,597	(373,304)	(0.1%)
9,181,740	11,207,153	2,025,413	18.1%	Administrative Expenses	18,249,897	23,725,147	5,475,251	23.1%
(288,459)	469,764	(758,223)	(161.4%)	Operating Margin	921,618	(536,970)	1,458,589	(271.6%)
141,869	143,250	(1,381)	(1.0%)	Non Operating Income (Loss)	655,782	286,500	369,282	128.9%
(146,590)	613,014	(759,604)	(123.9%)	Change in Net Assets	1,577,401	(250,470)	1,827,871	(729.8%)
96.8%	95.9%	(1.0%)		Medical Loss Ratio	96.6%	95.9%	(0.7%)	
3.3%	4.0%	0.7%		Administrative Loss Ratio	3.3%	4.2%	1.0%	
<u>(0.1%)</u>	<u>0.2%</u>	<u>(0.3%)</u>		Operating Margin Ratio	<u>0.2%</u>	<u>(0.1%)</u>	<u>0.3%</u>	
100.0%	100.0%			Total Operating	100.0%	100.0%		

**CalOptima
Financial Dashboard
For the Two Months Ended August 31, 2016**

MONTH

Enrollment				
	Actual	Budget	Fav / (Unfav)	
Medi-Cal	778,655	776,181	↑	2,474 (0.3%)
OneCare	1,164	1,240	↓	(76) (6.1%)
OneCare Connect	18,245	22,187	↓	(3,942) (17.8%)
PACE	179	170	↑	9 5.3%
Total	798,243	799,778	↓	(1,535) (0.2%)

Change in Net Assets (\$000)				
	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 14	\$ 27	↓	\$(13) (46.9%)
OneCare	(89)	39	↓	(128) (329.9%)
OneCare Connect	(355)	644	↓	(998) (155.1%)
PACE	141	(240)	↑	381 158.6%
505 Bldg.	6	(65)	↑	71 108.8%
Investment Income & Other	136	208	↓	(72) (34.6%)
Total	\$ (146)	\$ 613	↓	\$(760) (123.9%)

MLR			
	Actual	Budget	% Point Var
Medi-Cal	97.0%	96.2%	↓ (0.8)
OneCare	102.7%	90.7%	↓ (12.0)
OneCare Connect	96.0%	93.8%	↓ (2.3)

Administrative Cost (\$000)				
	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 7,238	\$ 8,794	↑	\$ 1,556 17.7%
OneCare	63	95	↑	32 33.8%
OneCare Connect	1,771	2,208	↑	437 19.8%
PACE	110	110	↓	(0) (0.2%)
Total	\$ 9,182	\$ 11,207	↑	\$ 2,025 18.1%

Total FTE's Month			
	Actual	Budget	Fav / (Unfav)
Medi-Cal	830	886	56
OneCare	2	3	1
OneCare Connect	216	239	22
PACE	36	57	20
Total	1,084	1,184	100

MM per FTE			
	Actual	Budget	Fav / (Unfav)
Medi-Cal	938	876	62
OneCare	750	413	337
OneCare Connect	84	93	(9)
PACE	5	3	2
Total	1,777	1,385	392

YEAR - TO - DATE

Year To Date Enrollment				
	Actual	Budget	Fav / (Unfav)	
Medi-Cal	1,557,488	1,550,972	↑	6,516 0.4%
OneCare	2,335	2,492	↓	(157) (6.3%)
OneCare Connect	37,147	44,473	↓	(7,326) (16.5%)
PACE	356	335	↑	21 6.3%
Total	1,597,326	1,598,272	↓	(946) (0.1%)

Change in Net Assets (\$000)				
	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 151	\$ (686)	↑	\$ 837 122.0%
OneCare	150	68	↑	82 120.2%
OneCare Connect	598	614	↓	(16) (2.7%)
PACE	23	(533)	↑	556 104.4%
505 Bldg.	9	(130)	↑	139 106.5%
Investment Income & Other	647	417	↑	231 55.3%
Total	\$ 1,578	\$ (250)	↑	\$ 1,828 729.9%

MLR			
	Actual	Budget	% Point Var
Medi-Cal	97.1%	96.2%	↓ (0.9)
OneCare	89.4%	91.0%	↑ 1.6
OneCare Connect	93.5%	93.8%	↑ 0.3

Administrative Cost (\$000)				
	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 13,837	\$ 18,269	↑	\$ 4,432 24.3%
OneCare	155	191	↑	35 18.5%
OneCare Connect	4,039	5,037	↑	998 19.8%
PACE	219	228	↑	10 4.3%
Total	\$ 18,250	\$ 23,725	↑	\$ 5,475 23.1%

Total FTE's YTD			
	Actual	Budget	Fav / (Unfav)
Medi-Cal	1,624	1,772	148
OneCare	9	6	(3)
OneCare Connect	464	477	13
PACE	74	113	39
Total	2,171	2,368	197

MM per FTE			
	Actual	Budget	Fav / (Unfav)
Medi-Cal	959	875	84
OneCare	268	415	(147)
OneCare Connect	80	93	(13)
PACE	5	3	2
Total	1,312	1,387	(75)

**CalOptima - Consolidated
Statement of Revenue and Expenses
For the One Month Ended August 31, 2016**

	Actual		Month Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	798,243		799,778		(1,535)	
Revenues						
Medi-Cal	\$ 241,598,236	\$ 310.28	\$ 233,142,991	\$ 300.37	\$ 8,455,245	\$ 9.90
OneCare	970,939	834.14	1,427,982	1,151.60	(457,043)	(317.46)
OneCare Connect	35,570,921	1,949.63	45,737,267	2,061.44	(10,166,346)	(111.82)
PACE	1,085,610	6,064.86	1,075,081	6,324.01	10,529	(259.14)
Total Operating Revenue	<u>279,225,706</u>	<u>349.80</u>	<u>281,383,321</u>	<u>351.83</u>	<u>(2,157,615)</u>	<u>(2.03)</u>
Medical Expenses						
Medi-Cal	234,345,937	300.96	224,321,440	289.01	(10,024,497)	(11.96)
OneCare	997,111	856.62	1,294,516	1,043.96	297,404	187.34
OneCare Connect	34,154,397	1,871.99	42,885,096	1,932.89	8,730,700	60.91
PACE	834,981	4,664.70	1,205,352	7,090.31	370,372	2,425.61
Total Medical Expenses	<u>270,332,425</u>	<u>338.66</u>	<u>269,706,404</u>	<u>337.23</u>	<u>(626,021)</u>	<u>(1.43)</u>
Gross Margin	8,893,281	11.14	11,676,917	14.60	(2,783,636)	(3.46)
Administrative Expenses						
Salaries and benefits	5,982,016	7.49	7,588,454	9.49	1,606,438	1.99
Professional fees	289,411	0.36	372,966	0.47	83,555	0.10
Purchased services	877,028	1.10	875,942	1.10	(1,086)	(0.00)
Printing and Postage	364,759	0.46	456,753	0.57	91,994	0.11
Depreciation and amortization	264,111	0.33	385,117	0.48	121,006	0.15
Other	1,085,503	1.36	1,099,752	1.38	14,249	0.02
Indirect Cost Allocation, Occupancy Expense	318,912	0.40	428,170	0.54	109,258	0.14
Total Administrative Expenses	<u>9,181,740</u>	<u>11.50</u>	<u>11,207,153</u>	<u>14.01</u>	<u>2,025,413</u>	<u>2.51</u>
Income (Loss) From Operations	(288,459)	(0.36)	469,764	0.59	(758,223)	(0.95)
Investment income						
Interest income	1,191,786	1.49	208,333	0.26	983,453	1.23
Realized gain/(loss) on investments	45,180	0.06	-	-	45,180	0.06
Unrealized gain/(loss) on investments	(1,100,904)	(1.38)	-	-	(1,100,904)	(1.38)
Total Investment Income	<u>136,062</u>	<u>0.17</u>	<u>208,333</u>	<u>0.26</u>	<u>(72,271)</u>	<u>(0.09)</u>
Net Rental Income	5,711	0.01	(65,083)	(0.08)	70,794	0.09
Other Income	96	0.00	-	-	96	0.00
Change in Net Assets	<u>(146,590)</u>	<u>(0.18)</u>	<u>613,014</u>	<u>0.77</u>	<u>(759,604)</u>	<u>(0.95)</u>
Medical Loss Ratio	96.8%		95.9%		(1.0%)	
Administrative Loss Ratio	3.3%		4.0%		0.7%	

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

** Includes MSSP

**CalOptima - Consolidated - Year to Date
Statement of Revenue and Expenses
For the Two Months Ended August 31, 2016**

	Actual		Year to Date Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	1,597,326		1,598,272		(946)	
Revenues						
Medi-Cal	\$ 481,966,071	\$ 309.45	\$ 465,761,261	\$ 300.30	\$ 16,204,809	\$ 9.15
OneCare	2,880,270	1,233.52	2,871,233	1,152.18	9,037	81.34
OneCare Connect	71,786,950	1,932.51	91,678,973	2,061.45	(19,892,023)	(128.94)
PACE	2,154,125	6,050.91	2,119,307	6,326.29	34,818	(275.38)
Total Operating Revenue	<u>558,787,416</u>	<u>349.83</u>	<u>562,430,774</u>	<u>351.90</u>	<u>(3,643,358)</u>	<u>(2.07)</u>
Medical Expenses						
Medi-Cal	467,978,488	300.47	448,179,025	288.97	(19,799,463)	(11.50)
OneCare	2,574,833	1,102.71	2,612,381	1,048.31	37,548	(54.41)
OneCare Connect	67,150,319	1,807.69	86,027,398	1,934.37	18,877,080	126.68
PACE	1,912,261	5,371.52	2,423,793	7,235.20	511,532	1,863.68
Total Medical Expenses	<u>539,615,901</u>	<u>337.82</u>	<u>539,242,597</u>	<u>337.39</u>	<u>(373,304)</u>	<u>(0.43)</u>
Gross Margin	19,171,515	12.00	23,188,177	14.51	(4,016,662)	(2.51)
Administrative Expenses						
Salaries and benefits	12,491,111	7.82	15,855,541	9.92	3,364,430	2.10
Professional fees	605,510	0.38	710,863	0.44	105,353	0.07
Purchased services	1,606,062	1.01	1,832,659	1.15	226,596	0.14
Printing and Postage	503,848	0.32	915,525	0.57	411,677	0.26
Depreciation and amortization	530,716	0.33	770,234	0.48	239,518	0.15
Other	1,822,966	1.14	2,783,985	1.74	961,019	0.60
Indirect cost allocation, Occupancy Expense	689,682	0.43	856,340	0.54	166,657	0.10
Total Administrative Expenses	<u>18,249,897</u>	<u>11.43</u>	<u>23,725,147</u>	<u>14.84</u>	<u>5,475,251</u>	<u>3.42</u>
Income (Loss) From Operations	921,618	0.58	(536,970)	(0.34)	1,458,589	0.91
Investment income						
Interest income	1,927,489	1.21	416,667	0.26	1,510,822	0.95
Realized gain/(loss) on investments	95,982	0.06	-	-	95,982	0.06
Unrealized gain/(loss) on investments	(1,376,547)	(0.86)	-	-	(1,376,547)	(0.86)
Total Investment Income	<u>646,924</u>	<u>0.41</u>	<u>416,667</u>	<u>0.26</u>	<u>230,257</u>	<u>0.14</u>
Net Rental Income	8,511	0.01	(130,167)	(0.08)	138,678	0.09
Other Income	348	0.00	-	-	348	0.00
Change In Net Assets	<u>1,577,401</u>	<u>0.99</u>	<u>(250,470)</u>	<u>(0.16)</u>	<u>1,827,871</u>	<u>1.14</u>
Medical Loss Ratio	96.6%		95.9%		(0.7%)	
Administrative Loss Ratio	3.3%		4.2%		1.0%	

* 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 August 31, 2016**

	<u>Medi-Cal Classic</u>	<u>Medi-Cal Expansion</u>	<u>Total Medi-Cal</u>	<u>OneCare</u>	<u>OneCare Connect</u>	<u>PACE</u>	<u>Consolidated</u>
Member Months	546,902	231,753	\$ 778,655	1,164	18,245	179	798,243
REVENUES							
Capitation Revenue	136,153,905	105,444,331	\$ 241,598,236	\$ 970,939	\$ 35,570,921	\$ 1,085,610	\$ 279,225,706
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>136,153,905</u>	<u>105,444,331</u>	<u>241,598,236</u>	<u>970,939</u>	<u>35,570,921</u>	<u>1,085,610</u>	<u>279,225,706</u>
MEDICAL EXPENSES							
Provider Capitation	32,281,263	42,129,491	74,410,754	406,913	6,758,132	-	81,575,798
Facilities	25,880,196	31,354,932	57,235,128	91,403	10,278,678	172,199	67,777,407
Ancillary				44,832	893,265	-	938,097
Skilled Nursing				22,191	5,163,325	-	5,185,515
Professional Claims	9,183,960	8,141,524	17,325,484	-	-	137,788	17,463,272
Prescription Drugs	18,859,686	18,624,085	37,483,771	410,052	9,635,600	98,371	47,627,794
Quality Incentives					365,120		365,120
Long-term Care Facility Payments	38,128,706	6,315,960	44,444,667	-	-	(20,409)	44,424,258
Contingencies	-	-	-	-	-	-	-
Medical Management	2,846,458	-	2,846,458	16,680	932,465	353,615	4,149,217
Reinsurance & Other	(348,968)	948,643	599,675	5,042	127,813	93,417	825,947
Total Medical Expenses	<u>126,831,301</u>	<u>107,514,636</u>	<u>234,345,937</u>	<u>997,111</u>	<u>34,154,397</u>	<u>834,981</u>	<u>270,332,425</u>
Medical Loss Ratio	93.2%	102.0%	97.0%	102.7%	96.0%	76.9%	96.8%
GROSS MARGIN	9,322,604	(2,070,305)	7,252,299	(26,173)	1,416,524	250,630	8,893,280
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Employee Benefits			5,480,537	(5,046)	415,566	90,960	5,982,016
Professional Fees			196,487	12,881	78,105	1,938	289,411
Purchased Services			680,313	24,054	167,420	5,240	877,028
Printing and Postage			256,375	799	107,365	220	364,759
Depreciation and Amortization			262,097			2,014	264,111
Other Expenses			1,012,645	595	65,097	7,166	1,085,503
Indirect Cost Allocation, Occupancy Expense			(650,544)	29,494	937,491	2,471	318,912
Total Administrative Expenses			<u>7,237,910</u>	<u>62,777</u>	<u>1,771,044</u>	<u>110,009</u>	<u>9,181,740</u>
Admin Loss Ratio			3.0%	6.5%	5.0%	10.1%	3.3%
INCOME (LOSS) FROM OPERATIONS			14,389	(88,949)	(354,520)	140,621	(288,459)
INVESTMENT INCOME			-	-	-	-	136,062
NET RENTAL INCOME			-	-	-	-	5,711
OTHER INCOME			96	-	-	-	96
CHANGE IN NET ASSETS			<u>\$ 14,485</u>	<u>\$ (88,949)</u>	<u>\$ (354,520)</u>	<u>\$ 140,621</u>	<u>\$ (146,590)</u>
BUDGETED CHANGE IN ASSETS			27,268	38,696	643,815	(240,015)	613,014
VARIANCE TO BUDGET - FAV (UNFAV)			<u>(12,782)</u>	<u>(127,646)</u>	<u>(998,335)</u>	<u>380,636</u>	<u>(759,604)</u>

**CalOptima - Consolidated - Month to Date
Statement of Revenues and Expenses by LOB
For the Two Months Ended August 31, 2016**

	<u>Medi-Cal Classic</u>	<u>Medi-Cal Expansion</u>	<u>Total Medi-Cal</u>	<u>OneCare</u>	<u>OneCare Connect</u>	<u>PACE</u>	<u>Consolidated</u>
Member Months	1,095,198	462,290	\$ 1,557,488	2,335	37,147	356	1,597,326
REVENUES							
Capitation Revenue	272,009,588	209,956,483	\$ 481,966,071	\$ 2,880,270	\$ 71,786,950	\$ 2,154,125	\$ 558,787,416
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>272,009,588</u>	<u>209,956,483</u>	<u>481,966,071</u>	<u>2,880,270</u>	<u>71,786,950</u>	<u>2,154,125</u>	<u>558,787,416</u>
MEDICAL EXPENSES							
Provider Capitation	64,776,776	84,177,000	148,953,776	778,668	14,926,327	-	164,658,771
Facilities	52,616,499	66,183,805	118,800,303	696,427	19,663,801	497,686	139,658,216
Ancillary	-	-	-	81,959	1,422,288	-	1,504,247
Skilled Nursing	-	-	-	65,005	10,217,602	-	10,282,607
Professional Claims	18,778,116	15,609,385	34,387,501	-	-	352,124	34,739,625
Prescription Drugs	35,629,421	34,617,688	70,247,109	897,756	18,036,995	194,781	89,376,641
Quality Incentives	-	-	-	-	743,900	-	743,900
Long-term Care Facility Payments	76,139,357	12,348,805	88,488,162	-	-	(14,808)	88,473,354
Contingencies	-	-	-	-	-	-	-
Medical Management	5,908,162	-	5,908,162	44,769	1,904,589	707,313	8,564,833
Reinsurance & Other	(727,625)	1,921,099	1,193,474	10,250	234,817	175,165	1,613,706
Total Medical Expenses	<u>253,120,707</u>	<u>214,857,782</u>	<u>467,978,488</u>	<u>2,574,833</u>	<u>67,150,319</u>	<u>1,912,261</u>	<u>539,615,901</u>
Medical Loss Ratio	93.1%	102.3%	97.1%	89.4%	93.5%	88.8%	96.6%
GROSS MARGIN	18,888,881	(4,901,299)	13,987,582	305,437	4,636,632	241,864	19,171,515
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Employee Benefits	-	-	10,788,365	12,797	1,509,068	180,881	12,491,111
Professional Fees	-	-	381,698	34,881	182,055	6,876	605,510
Purchased Services	-	-	1,272,134	44,334	284,355	5,240	1,606,062
Printing and Postage	-	-	378,439	3,184	121,783	442	503,848
Depreciation and Amortization	-	-	526,688	-	-	4,028	530,716
Other Expenses	-	-	1,738,866	1,309	66,590	16,202	1,822,966
Indirect Cost Allocation, Occupancy Expense	-	-	(1,249,203)	58,988	1,874,982	4,917	689,682
Total Administrative Expenses	-	-	<u>13,836,986</u>	<u>155,492</u>	<u>4,038,832</u>	<u>218,587</u>	<u>18,249,897</u>
Admin Loss Ratio			2.9%	5.4%	5.6%	10.1%	3.3%
INCOME (LOSS) FROM OPERATIONS			150,597	149,945	597,800	23,277	921,618
INVESTMENT INCOME			-	-	-	-	646,924
NET RENTAL INCOME			-	-	-	-	8,511
OTHER INCOME			348	-	-	-	348
CHANGE IN NET ASSETS			<u>\$ 150,944</u>	<u>\$ 149,945</u>	<u>\$ 597,800</u>	<u>\$ 23,277</u>	<u>\$ 1,577,401</u>
BUDGETED CHANGE IN ASSETS			(686,420)	68,091	614,287	(532,928)	(250,470)
VARIANCE TO BUDGET - FAV (UNFAV)			<u>837,364</u>	<u>81,854</u>	<u>(16,488)</u>	<u>556,206</u>	<u>1,827,871</u>

August 31, 2016 Unaudited Financial Statements

SUMMARY

MONTHLY RESULTS:

- Change in Net Assets is (\$0.1) million, (\$0.8) million unfavorable to budget
- Operating deficit is (\$0.2) million with a surplus in non-operating of \$0.1 million

YEARLY RESULTS:

- Change in Net Assets is \$1.6 million, \$1.8 million favorable to budget
- Operating surplus is \$0.9 million with a surplus in non-operating of \$0.7 million

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>
0.0	0.0	0.0	Medi-Cal	0.2	(0.7)	0.8
(0.1)	0.0	(0.1)	OneCare	0.1	0.1	0.1
(0.4)	0.6	(1.0)	OCC	0.6	0.6	0.0
<u>0.1</u>	<u>(0.2)</u>	<u>0.4</u>	PACE	<u>0.0</u>	<u>(0.5)</u>	<u>0.6</u>
(0.2)	0.4	(0.8)	Operating	0.9	(0.5)	1.5
<u>0.1</u>	<u>0.1</u>	<u>0.0</u>	Inv./Rental Inc, MCO tax	<u>0.7</u>	<u>0.3</u>	<u>0.4</u>
0.1	0.1	0.0	Non-Operating	0.7	0.3	0.4
(0.1)	0.6	(0.8)	TOTAL	1.6	(0.3)	1.8

CalOptima
Enrollment Summary
For the Two Months Ended August 31, 2016

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
57,464	54,919	2,545	4.6%	Aged	114,398	109,677	4,721	4.3%
635	675	(40)	(5.9%)	BCCTP	1,269	1,351	(82)	(6.1%)
48,331	47,508	823	1.7%	Disabled	96,784	95,048	1,736	1.8%
334,146	338,666	(4,520)	(1.3%)	TANF Child	669,176	676,562	(7,386)	(1.1%)
103,046	109,759	(6,713)	(6.1%)	TANF Adult	207,055	219,488	(12,433)	(5.7%)
3,280	2,677	603	22.5%	LTC	6,516	5,348	1,168	21.8%
<u>231,753</u>	<u>221,978</u>	<u>9,775</u>	<u>4.4%</u>	MCE	<u>462,290</u>	<u>443,503</u>	<u>18,787</u>	<u>4.2%</u>
778,655	776,181	2,474	0.3%	Medi-Cal	1,557,488	1,550,972	6,516	0.4%
18,245	22,187	(3,942)	(17.8%)	OneCare Connect	37,147	44,473	(7,326)	(16.5%)
179	170	9	5.3%	PACE	356	335	21	6.3%
<u>1,164</u>	<u>1,240</u>	<u>(76)</u>	<u>(6.1%)</u>	OneCare	<u>2,335</u>	<u>2,492</u>	<u>(157)</u>	<u>(6.3%)</u>
798,243	799,778		(0.2%)	CalOptima Total	1,597,326	1,598,272	(946)	(0.1%)

Enrollment (By Network)								
47,699	47,016	683	1.5%	HMO	94,979	93,646	1,333	1.4%
231,010	233,902	(2,892)	(1.2%)	PHC	463,028	467,441	(4,413)	(0.9%)
343,708	341,361	2,347	0.7%	Shared Risk Group	689,031	683,286	5,745	0.8%
156,238	153,903	2,335	1.5%	Fee for Service	310,450	306,604	3,846	1.3%
<u>778,655</u>	<u>776,181</u>	<u>2,474</u>	<u>0.3%</u>	Medi-Cal	<u>1,557,488</u>	<u>1,550,972</u>	<u>6,516</u>	<u>0.4%</u>
18,245	22,187	(3,942)	(17.8%)	OneCare Connect	37,147	44,473	(7,326)	(16.5%)
179	170	9	5.3%	PACE	356	335	21	6.3%
<u>1,164</u>	<u>1,240</u>	<u>(76)</u>	<u>(6.1%)</u>	OneCare	<u>2,335</u>	<u>2,492</u>	<u>(157)</u>	<u>(6.3%)</u>
798,243	799,778	(1,535)	(0.2%)	CalOptima Total	1,597,326	1,598,272	(946)	(0.1%)

CalOptima
Enrollment Trend by Network Type
Fiscal Year 2017

Network Type	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	MMs
HMO													
Aged	351	350	-	-	-	-	-	-	-	-	-	-	701
BCCTP	1	1	-	-	-	-	-	-	-	-	-	-	2
Disabled	1,799	1,797	-	-	-	-	-	-	-	-	-	-	3,596
TANF Child	24,211	24,455	-	-	-	-	-	-	-	-	-	-	48,666
TANF Adult	7,929	7,872	-	-	-	-	-	-	-	-	-	-	15,801
LTC	-	-	-	-	-	-	-	-	-	-	-	-	-
MCE	12,989	13,224	-	-	-	-	-	-	-	-	-	-	26,213
	47,280	47,699	-	-	-	-	-	-	-	-	-	-	94,979
PHC													
Aged	1,495	1,464	-	-	-	-	-	-	-	-	-	-	2,959
BCCTP	-	-	-	-	-	-	-	-	-	-	-	-	-
Disabled	7,903	7,872	-	-	-	-	-	-	-	-	-	-	15,775
TANF Child	169,358	168,529	-	-	-	-	-	-	-	-	-	-	337,887
TANF Adult	15,260	14,945	-	-	-	-	-	-	-	-	-	-	30,205
LTC	-	-	-	-	-	-	-	-	-	-	-	-	-
MCE	38,002	38,200	-	-	-	-	-	-	-	-	-	-	76,202
	232,018	231,010	-	-	-	-	-	-	-	-	-	-	463,028
Shared Risk Group													
Aged	7,658	7,627	-	-	-	-	-	-	-	-	-	-	15,285
BCCTP	-	-	-	-	-	-	-	-	-	-	-	-	-
Disabled	14,428	14,307	-	-	-	-	-	-	-	-	-	-	28,735
TANF Child	118,748	118,149	-	-	-	-	-	-	-	-	-	-	236,897
TANF Adult	63,849	62,814	-	-	-	-	-	-	-	-	-	-	126,663
LTC	-	-	-	-	-	-	-	-	-	-	-	-	-
MCE	140,640	140,811	-	-	-	-	-	-	-	-	-	-	281,451
	345,323	343,708	-	-	-	-	-	-	-	-	-	-	689,031
Fee for Service (Dual)													
Aged	43,684	45,173	-	-	-	-	-	-	-	-	-	-	88,857
BCCTP	27	26	-	-	-	-	-	-	-	-	-	-	53
Disabled	19,790	20,086	-	-	-	-	-	-	-	-	-	-	39,876
TANF Child	3	2	-	-	-	-	-	-	-	-	-	-	5
TANF Adult	1,179	1,162	-	-	-	-	-	-	-	-	-	-	2,341
LTC	2,868	2,910	-	-	-	-	-	-	-	-	-	-	5,778
MCE	2,960	2,975	-	-	-	-	-	-	-	-	-	-	5,935
	70,511	72,334	-	-	-	-	-	-	-	-	-	-	142,845
Fee for Service (Non-Dual)													
Aged	3,746	2,850	-	-	-	-	-	-	-	-	-	-	6,596
BCCTP	606	608	-	-	-	-	-	-	-	-	-	-	1,214
Disabled	4,533	4,269	-	-	-	-	-	-	-	-	-	-	8,802
TANF Child	22,710	23,011	-	-	-	-	-	-	-	-	-	-	45,721
TANF Adult	15,792	16,253	-	-	-	-	-	-	-	-	-	-	32,045
LTC	368	370	-	-	-	-	-	-	-	-	-	-	738
MCE	35,946	36,543	-	-	-	-	-	-	-	-	-	-	72,489
	83,701	83,904	-	-	-	-	-	-	-	-	-	-	167,605
MEDI-CAL TOTAL													
Aged	56,934	57,464	-	-	-	-	-	-	-	-	-	-	114,398
BCCTP	634	635	-	-	-	-	-	-	-	-	-	-	1,269
Disabled	48,453	48,331	-	-	-	-	-	-	-	-	-	-	96,784
TANF Child	335,030	334,146	-	-	-	-	-	-	-	-	-	-	669,176
TANF Adult	104,009	103,046	-	-	-	-	-	-	-	-	-	-	207,055
LTC	3,236	3,280	-	-	-	-	-	-	-	-	-	-	6,516
MCE	230,537	231,753	-	-	-	-	-	-	-	-	-	-	462,290
	778,833	778,655	-	-	-	-	-	-	-	-	-	-	1,557,488
PACE	177	179	-	-	-	-	-	-	-	-	-	-	356
OneCare	1,171	1,164	-	-	-	-	-	-	-	-	-	-	2,335
OneCare Connect	18,902	18,245	-	-	-	-	-	-	-	-	-	-	37,147
TOTAL	799,083	798,243	-	-	-	-	-	-	-	-	-	-	1,597,326

ENROLLMENT:

Overall MTD enrollment was 798,243

- Unfavorable to budget by 1,535
- Decreased 840 or 0.1% from prior month
- Increased 34,046 or 4.5% from prior year (August 2015)

Medi-Cal enrollment was 778,655

- Favorable to budget by 2,474 primarily driven by:
 - Medi-Cal Expansion favorable by 9,775 and SPD by 3,931
 - Offset by TANF unfavorable by 11,233
- Decreased 178 from prior month

OneCare enrollment was 1,164

- Unfavorable to budget by 76
- Decreased 7 from prior month

OneCare Connect enrollment was 18,245

- Unfavorable to budget by 3,942
- Decreased 657 from prior month

PACE enrollment at 179

- Favorable to budget by 9
- Increased 2 from prior month

**CalOptima - MediCal Total
Statement of Revenues and Expenses
For the Two Months Ended August 31, 2016**

Month				Year - To - Date				
Actual	Budget	\$ Variance	% Variance	Actual	Budget	\$ Variance	% Variance	
778,655	776,181	2,474	0.3%	Member Months	1,557,488	1,550,972	6,516	0.4%
241,598,236	233,142,991	8,455,245	3.6%	Revenues				
241,598,236	233,142,991	8,455,245	3.6%	Capitation revenue	481,966,071	465,761,261	16,204,809	3.5%
				Total Operating Revenues	481,966,071	465,761,261	16,204,809	3.5%
				Medical Expenses				
74,410,754	74,885,459	474,705	0.6%	Provider capitation	148,953,776	149,731,756	777,980	0.5%
57,235,128	56,526,765	(708,362)	(1.3%)	Facilities	118,800,303	112,838,535	(5,961,768)	(5.3%)
17,325,484	16,761,742	(563,742)	(3.4%)	Professional Claims	34,387,501	33,233,263	(1,154,238)	(3.5%)
37,483,771	34,501,873	(2,981,898)	(8.6%)	Prescription drugs	70,247,109	68,863,007	(1,384,102)	(2.0%)
44,444,667	37,278,479	(7,166,188)	(19.2%)	MLTSS	88,488,162	74,497,390	(13,990,773)	(18.8%)
2,846,458	4,320,455	1,473,997	34.1%	Medical Management	5,908,162	8,921,741	3,013,579	33.8%
599,675	46,667	(553,009)	(1185.0%)	Reinsurance & other	1,193,474	93,333	(1,100,141)	(1178.7%)
234,345,937	224,321,440	(10,024,497)	(4.5%)	Total Medical Expenses	467,978,488	448,179,025	(19,799,463)	(4.4%)
7,252,299	8,821,551	(1,569,252)	(17.8%)	Gross Margin	13,987,582	17,582,236	(3,594,654)	(20.4%)
5,480,537	6,565,815	1,085,279	16.5%	Administrative Expenses				
196,487	287,222	90,735	31.6%	Salaries, wages & employee benefits	10,788,365	13,715,420	2,927,055	21.3%
680,313	706,154	25,841	3.7%	Professional fees	381,698	566,650	184,952	32.6%
256,375	310,062	53,687	17.3%	Purchased services	1,272,134	1,413,157	141,023	10.0%
262,097	383,061	120,964	31.6%	Printing and postage	378,439	624,645	246,205	39.4%
1,012,645	1,081,805	69,161	6.4%	Depreciation & amortization	526,688	766,122	239,434	31.3%
(650,544)	(539,837)	110,707	20.5%	Other operating expenses	1,738,866	2,262,338	523,473	23.1%
7,237,910	8,794,283	1,556,373	17.7%	Indirect cost allocation	(1,249,203)	(1,079,674)	169,529	15.7%
				Total Administrative Expenses	13,836,986	18,268,657	4,431,671	24.3%
10,475,660	8,804,221	(1,671,439)	(19.0%)	Operating Tax				
10,281,461	0	(10,281,461)	0.0%	Tax Revenue	20,795,048	17,594,071	(3,200,978)	(18.2%)
194,198	8,804,221	8,610,022	97.8%	Premium tax expense	20,562,923	0	(20,562,923)	0.0%
0	0	0	0.0%	Sales tax expense	232,126	17,594,071	17,361,945	98.7%
157,500	287,500	(130,000)	(45.2%)	Total Net Operating Tax	0	0	0	0.0%
133,875	250,000	116,125	46.5%	Grant Income				
23,625	37,500	13,875	37.0%	Grant Revenue	157,500	575,000	(417,500)	(72.6%)
0	0	0	0.0%	Grant expense - Service Partner	133,875	500,000	366,125	73.2%
96	0	96	0.0%	Grant expense - Administrative	23,625	75,000	51,375	68.5%
14,485	27,268	(12,782)	(46.9%)	Total Net Grant Income	0	0	0	0.0%
				Other income	348	0	348	0.0%
				Change in Net Assets	150,944	(686,420)	837,364	122.0%
97.0%	96.2%	(0.8%)	(0.8%)	Medical Loss Ratio	97.1%	96.2%	(0.9%)	(0.9%)
3.0%	3.8%	0.8%	20.6%	Admin Loss Ratio	2.9%	3.9%	1.1%	26.8%

MEDI-CAL INCOME STATEMENT – AUGUST MONTH:

REVENUES of \$241.6 million are favorable to budget by \$8.5 million, driven by:

- Price related favorable variance of \$7.7 million due to IHSS of \$2.5M and an ABA retro rate adjustment of \$5.1M
- Volume related favorable variance of \$0.7 million

MEDICAL EXPENSES: Overall \$234.3 million, unfavorable to budget by \$10.0 million due to:

- **Long term care claim payments (MLTSS)** are unfavorable to budget \$7.2 million due to:
 - Unfavorable variance of: \$7.0 million related to County IHSS expense reporting (\$4.2M) and LTC experience (\$3.0M) due to less than anticipated LTC members in OneCare Connect
- **Prescription Drugs** are unfavorable to budget \$3.0 million due to:
 - Price related unfavorable variance of: \$2.9 million related to claims actuarial experience
 - Volume related unfavorable variance of: \$0.1 million

ADMINISTRATION EXPENSES are \$7.2 million, favorable to budget \$1.6 million, driven by:

- Salary & Benefits: \$1.1 million favorable to budget due to open positions
- Non-Salary: \$0.5 million favorable to budget across all categories

CHANGE IN NET ASSETS is \$14.5 thousand for the month, unfavorable to budget by \$12.8 thousand

**CalOptima - OneCare Connect
Statement of Revenues and Expenses
For the Two Months Ended August 31, 2016**

Month				Year - To - Date			
Actual	Budget	\$ Variance	% Variance	Actual	Budget	\$ Variance	% Variance
18,245	22,187	(3,942)	(17.8%)	37,147	44,473	(7,326)	(16.5%)
				Member Months			
35,570,921	45,737,267	(10,166,346)	(22.2%)	Revenues			
				71,786,950	91,678,973	(19,892,023)	(21.7%)
35,570,921	45,737,267	(10,166,346)	(22.2%)	Capitation revenue			
				71,786,950	91,678,973	(19,892,023)	(21.7%)
				Total Operating Revenue			
				Medical Expenses			
6,758,132	9,613,301	2,855,169	29.7%	14,926,327	19,269,572	4,343,245	22.5%
10,278,678	11,607,014	1,328,336	11.4%	Provider capitation			
893,265	694,214	(199,051)	(28.7%)	19,663,801	23,255,629	3,591,828	15.4%
5,163,325	10,479,898	5,316,573	50.7%	Facilities			
9,635,600	8,232,950	(1,402,651)	(17.0%)	1,422,288	1,391,533	(30,756)	(2.2%)
365,120	457,868	92,748	20.3%	Ancillary			
932,465	1,160,902	228,438	19.7%	10,217,602	21,006,639	10,789,037	51.4%
127,813	638,950	511,137	80.0%	Long Term Care			
				18,036,995	16,450,706	(1,586,289)	(9.6%)
				Prescription drugs			
				743,900	917,783	173,883	18.9%
				Quality incentives			
				1,904,589	2,454,781	550,192	22.4%
				Medical management			
				234,817	1,280,756	1,045,939	81.7%
				Other medical expenses			
				Total Medical Expenses			
34,154,397	42,885,096	8,730,700	20.4%	67,150,319	86,027,398	18,877,080	21.9%
				Gross Margin			
1,416,524	2,852,171	(1,435,646)	(50.3%)	4,636,632	5,651,575	(1,014,943)	(18.0%)
				Administrative Expenses			
415,566	913,089	497,524	54.5%	Salaries, wages & employee benefits			
78,105	69,077	(9,028)	(13.1%)	1,509,068	1,909,763	400,695	21.0%
167,420	149,312	(18,109)	(12.1%)	Professional fees			
107,365	132,955	25,590	19.2%	182,055	110,880	(71,174)	(64.2%)
65,097	6,432	(58,665)	(912.1%)	Purchased services			
937,491	937,491	(0)	(0.0%)	284,355	378,645	94,290	24.9%
				Printing and postage			
				1,771,044	2,208,356	437,312	19.8%
				Other operating expenses			
				Indirect cost allocation, Occupancy Expense			
				Total Administrative Expenses			
				4,038,832	5,037,287	998,456	19.8%
				Operating Tax			
(757,611)	0	(757,611)	0.0%	Tax Revenue			
(757,560)	0	757,560	0.0%	(1,539)	0	(1,539)	0.0%
(51)	0	51	0.0%	Premium tax expense			
				0	0	0	0.0%
				Sales tax expense			
				(1,539)	0	1,539	0.0%
				Total Net Operating Tax			
				0	0	0	0.0%
				Change in Net Assets			
(354,520)	643,815	(998,335)	(155.1%)	597,800	614,287	(16,488)	(2.7%)
				Medical Loss Ratio			
96.0%	93.8%	(2.3%)	(2.4%)	93.5%	93.8%	0.3%	0.3%
5.0%	4.8%	(0.2%)	(3.1%)	Admin Loss Ratio			
				5.6%	5.5%	(0.1%)	(2.4%)

ONECARE CONNECT INCOME STATEMENT – AUGUST MONTH:

REVENUES of \$35.6 million are unfavorable to budget by \$10.2 million driven by:

- Price related unfavorable variance of: \$2.0 million due to cohort experience
- Volume related unfavorable variance of: \$8.1 million due to the higher enrollment

MEDICAL EXPENSES are favorable to budget \$8.7 million due to:

- Volume variance of \$7.6 million
- Price variance of \$1.1 million
 - \$3.5 million in LTC
 - (\$2.9) million in Prescription Drugs

ADMINISTRATIVE EXPENSES are favorable to budget by \$0.4 million

CHANGE IN NET ASSETS is (\$0.4) million, unfavorable to budget by \$1.0 million

CalOptima - OneCare
Statement of Revenues and Expenses
For the Two Months Ended August 31, 2016

Month				Year - To - Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
1,164	1,240	(76)	(6.1%)	Member Months	2,335	2,492	(157)	(6.3%)
				Revenues				
970,939	1,427,982	(457,043)	(32.0%)	Capitation revenue	2,880,270	2,871,233	9,037	0.3%
970,939	1,427,982	(457,043)	(32.0%)	Total Operating Revenue	2,880,270	2,871,233	9,037	0.3%
				Medical Expenses				
406,913	388,366	(18,547)	(4.8%)	Provider capitation	778,668	780,980	2,312	0.3%
91,403	319,290	227,887	71.4%	Inpatient	696,427	641,999	(54,428)	(8.5%)
44,832	49,538	4,706	9.5%	Ancillary	81,959	99,577	17,618	17.7%
22,191	23,579	1,388	5.9%	Skilled nursing facilities	65,005	47,396	(17,609)	(37.2%)
410,052	473,686	63,634	13.4%	Prescription drugs	897,756	952,157	54,401	5.7%
16,680	12,500	(4,180)	(33.4%)	Medical management	44,769	31,000	(13,769)	(44.4%)
5,042	27,557	22,515	81.7%	Other medical expenses	10,250	59,272	49,022	82.7%
997,111	1,294,516	297,404	23.0%	Total Medical Expenses	2,574,833	2,612,381	37,548	1.4%
(26,173)	133,466	(159,639)	(119.6%)	Gross Margin	305,437	258,852	46,585	18.0%
				Administrative Expenses				
(5,046)	20,536	25,582	124.6%	Salaries, wages & employee benefits	12,797	43,204	30,407	70.4%
12,881	13,333	452	3.4%	Professional fees	34,881	26,667	(8,214)	(30.8%)
24,054	19,422	(4,632)	(23.8%)	Purchased services	44,334	38,804	(5,530)	(14.3%)
799	11,897	11,097	93.3%	Printing and postage	3,184	22,922	19,738	86.1%
595	89	(506)	(571.6%)	Other operating expenses	1,309	177	(1,131)	(638.6%)
29,494	29,494	(0)	(0.0%)	Indirect cost allocation, Occupancy Expense	58,988	58,987	(0)	(0.0%)
62,777	94,770	31,993	33.8%	Total Administrative Expenses	155,492	190,761	35,269	18.5%
(88,949)	38,696	(127,646)	(329.9%)	Change in Net Assets	149,945	68,091	81,854	120.2%
102.7%	90.7%	(12.0%)	(13.3%)	Medical Loss Ratio	89.4%	91.0%	1.6%	1.7%
6.5%	6.6%	0.2%	2.6%	Admin Loss Ratio	5.4%	6.6%	1.2%	18.7%

CalOptima - PACE
Statement of Revenues and Expenses
For the Two Months Ended August 31, 2016

Month				Year - To - Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
179	170	9	5.3%	Member Months	356	335	21	6.3%
				Revenues				
803,200	760,387	42,813	5.6%	Medi-Cal capitation revenue	1,582,609	1,498,243	84,366	5.6%
282,410	314,694	(32,284)	(10.3%)	MediCare capitation revenue	571,516	621,064	(49,548)	(8.0%)
1,085,610	1,075,081	10,529	1.0%	Total Operating Revenues	2,154,125	2,119,307	34,818	1.6%
				Medical Expenses				
257,097	383,493	126,397	33.0%	Clinical salaries & benefits	502,308	800,520	298,212	37.3%
0	0	0	0.0%	Pace Center Support salaries & benefits	0	0	0	0.0%
				Provider capitation				
172,199	221,316	49,117	22.2%	Claims payments to hospitals	497,686	436,124	(61,562)	(14.1%)
137,788	233,061	95,273	40.9%	Professional Claims	352,124	458,650	106,526	23.2%
98,371	126,468	28,097	22.2%	Prescription drugs	194,781	249,216	54,435	21.8%
(20,409)	22,667	43,076	190.0%	Long-term care facility payments	(14,808)	44,667	59,475	133.2%
59,617	70,361	10,744	15.3%	Patient Transportation	115,052	138,652	23,600	17.0%
48,342	49,349	1,007	2.0%	Depreciation & amortization	96,684	98,698	2,014	2.0%
37,655	37,214	(441)	(1.2%)	Occupancy expenses	75,310	74,428	(882)	(1.2%)
10,326	13,833	3,507	25.4%	Utilities & Facilities Expense	32,667	27,666	(5,001)	(18.1%)
195	258	63	24.4%	Purchased Services	345	508	163	32.1%
21,678	24,547	2,869	11.7%	Indirect Allocation	42,718	49,094	6,376	13.0%
12,122	22,785	10,663	46.8%	Other Expenses	17,395	45,570	28,175	61.8%
834,981	1,205,352	370,372	30.7%	Total Medical Expenses	1,912,261	2,423,793	511,532	21.1%
250,630	(130,271)	380,901	292.4%	Gross Margin	241,864	(304,486)	546,350	179.4%
				Administrative Expenses				
90,960	89,013	(1,946)	(2.2%)	Salaries, wages & employee benefits	180,881	187,154	6,273	3.4%
1,938	3,333	1,395	41.9%	Professional fees	6,876	6,667	(210)	(3.1%)
5,240	1,054	(4,186)	(397.2%)	Purchased services	5,240	2,054	(3,186)	(155.1%)
220	1,839	1,619	88.1%	Printing and postage	442	3,559	3,117	87.6%
2,014	2,056	42	2.0%	Depreciation & amortization	4,028	4,112	84	2.0%
7,166	11,426	4,260	37.3%	Other operating expenses	16,202	22,851	6,649	29.1%
2,471	1,023	(1,448)	(141.6%)	Indirect cost allocation, Occupancy Expense	4,917	2,045	(2,871)	(140.4%)
110,009	109,744	(265)	(0.2%)	Total Administrative Expenses	218,587	228,442	9,856	4.3%
140,621	(240,015)	380,636	158.6%	Change in Net Assets	23,277	(532,928)	556,206	104.4%
76.9%	112.1%	35.2%	31.4%	Medical Loss Ratio	88.8%	114.4%	25.6%	22.4%
10.1%	10.2%	0.1%	0.7%	Admin Loss Ratio	10.1%	10.8%	0.6%	5.9%

**CalOptima - Building 505 City Parkway
Statement of Revenues and Expenses
For the Two Months Ended August 31, 2016**

Actual	Month		% Variance
	Budget	\$ Variance	
24,056	21,285	2,772	13.0%
24,056	21,285	2,772	13.0%
1,235	2,085	850	40.8%
32,393	22,405	(9,989)	(44.6%)
144,226	210,141	65,914	31.4%
16,000	14,300	(1,700)	(11.9%)
56,634	189,537	132,903	70.1%
83,596	0	(83,596)	0.0%
(315,739)	(352,100)	(36,361)	(10.3%)
18,346	86,368	68,023	78.8%
5,711	(65,083)	70,794	108.8%

	Year - To - Date			% Variance
	Actual	Budget	\$ Variance	
Revenues				
Rental income	48,113	42,570	5,543	13.0%
Total Operating Revenue	48,113	42,570	5,543	13.0%
Administrative Expenses				
Professional fees	2,469	4,170	1,701	40.8%
Purchase services	69,059	44,810	(24,249)	(54.1%)
Depreciation & amortization	288,453	420,282	131,829	31.4%
Insurance expense	32,001	28,601	(3,400)	(11.9%)
Repair and maintenance	180,489	379,075	198,586	52.4%
Other Operating Expense	148,701	0	(148,701)	0.0%
Indirect allocation, Occupancy Expense	(681,569)	(704,200)	(22,631)	(3.2%)
Total Administrative Expenses	39,602	172,737	133,135	77.1%
Change in Net Assets	8,511	(130,167)	138,678	106.5%

OTHER STATEMENTS – AUGUST MONTH:

ONECARE INCOME STATEMENT

REVENUES of \$1.0 million are unfavorable to budget by \$0.5 million due to prior year direct subsidy restatement

CHANGE IN NET ASSETS is (\$88.9) thousand, \$127.6 thousand unfavorable to budget

PACE INCOME STATEMENT

- **Change in Net Assets** for the month is \$140.6 thousand, which is operating favorable to budget by \$380.6 thousand

505 CITY PARKWAY BUILDING INCOME STATEMENT

- **Change in Net Assets** for the month is \$5.7 thousand which is favorable to budget \$70.8 thousand

**CalOptima
BALANCE SHEET
August 31, 2016**

ASSETS

Current Assets

Operating Cash	\$170,094,030
Catastrophic Reserves	11,664,256
Investments	1,510,623,228
Capitation receivable	250,869,196
Receivables - Other	17,496,341
Prepaid Expenses	11,604,066

Total Current Assets

1,972,351,118

Capital Assets Furniture and equipment

28,851,790

Leasehold improvements

12,185,423

505 City Parkway West

46,707,144

87,744,356

Less: accumulated depreciation

(32,719,360)

Capital assets, net

55,024,997

Other Assets Restricted deposit & Other

281,658

Board-designated assets

Cash and cash equivalents

2,896,809

Long term investments

472,496,705

Total Board-designated Assets

475,393,514

Total Other Assets

475,675,172

Deferred outflows of Resources - Pension Contributions

3,787,544

Deferred outflows of Resources - Difference in Experience

1,215,473

TOTAL ASSETS & OUTFLOWS

2,508,054,303

LIABILITIES & FUND BALANCES

Current Liabilities

Accounts payable	\$3,211,822
Medical claims liability	612,076,921
Accrued payroll liabilities	9,894,997
Deferred revenue	751,980,562
Deferred lease obligations	260,711
Capitation and withholds	431,171,268

Total Current Liabilities

1,808,596,280

Other employment benefits liability

27,860,642

Net Pension Liabilities

8,148,262

Long Term Liabilities

150,000

TOTAL LIABILITIES

1,844,755,184

Deferred inflows of Resources - Excess Earnings

502,900

Deferred inflows of Resources - changes in Assumptions

1,651,640

Tangible net equity (TNE)

90,017,313

Funds in excess of TNE

571,127,266

Net Assets

661,144,579

TOTAL LIABILITIES, INFLOWS & FUND BALANCES

2,508,054,303

CalOptima
Board Designated Reserve and TNE Analysis
as of August 31, 2016

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	135,228,414				
	Tier 1 - Logan Circle	125,291,977				
	Tier 1 - Wells Capital	125,265,429				
Board-designated Reserve						
		385,785,819	287,128,548	448,762,488	98,657,271	(62,976,669)
TNE Requirement	Tier 2 - Logan Circle	89,607,695	90,017,313	90,017,313	(409,618)	(409,618)
	Consolidated:	475,393,514	377,145,861	538,779,801	98,247,653	(63,386,287)
	<i>Current reserve level</i>	<i>1.76</i>	<i>1.40</i>	<i>2.00</i>		

**CalOptima
Statement of Cash Flows
August 31, 2016**

	<u>Month Ended</u>	<u>Year-To-Date</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	(146,590)	1,577,401
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	264,111	530,716
Changes in assets and liabilities:		
Prepaid expenses and other	331,175	(4,819,819)
Catastrophic reserves		
Capitation receivable	(13,557,476)	218,385,470
Medical claims liability	(1,604,310)	13,382,063
Deferred revenue	78,736,771	161,277,921
Payable to providers	16,856,368	29,344,966
Accounts payable	(10,648,953)	(4,140,251)
Other accrued liabilities	249,107	1,726,979
Net cash provided by/(used in) operating activities	<u>70,480,203</u>	<u>417,265,445</u>
 GASB 68 CalPERS Adjustments	 -	 -
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(376,396,009)	(491,358,596)
Purchase of property and equipment	(230,298)	(560,149)
Change in Board designated reserves	545,436	460,194
Net cash provided by/(used in) investing activities	<u>(376,080,870)</u>	<u>(491,458,550)</u>
 NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	 (305,600,668)	 (74,193,106)
 CASH AND CASH EQUIVALENTS, beginning of period	 <u>\$487,358,954</u>	 <u>255,951,393</u>
 CASH AND CASH EQUIVALENTS, end of period	 <u>\$ 181,758,287</u>	 <u>\$ 181,758,287</u>

BALANCE SHEET:

ASSETS Increased \$83.4 million from July

- **Cash and Cash Equivalents** decreased by \$305.6 million from July based upon timing of state checks received, month-end cut-off and cash funding requirements
- **Net Capitation Receivables** increased \$16.4 million based upon membership changes and receipt timing. The retro ABA rate increase contributes \$6.4 million in August.
- **Investments** increased \$376.4 million due to month-end cut-off and cash funding requirements

LIABILITIES increased \$83.6 million from July

- **Deferred Revenue** increased by \$78.7 million from July due to:
 - DHS overpayments
- **Accrued Payables and Accrued Expenses** decreased by \$11.7 million from July based upon tax accruals and payment timing
- **Total Capitation Payable** increased \$16.9 million based upon timing of pool estimates, recalculations and payouts

NET ASSETS are \$661.1 million

CalOptima Foundation
Statement of Revenues and Expenses
For the Two Months Ended August 31, 2016
Consolidated

Month				Year - To - Date				
Actual	Budget	\$ Variance	% Variance	Actual	Budget	\$ Variance	% Variance	
				Revenues				
893	2,264	(1,372)	(60.6%)	Income - Grant	20,277	4,529	15,748	347.7%
10,036	0	10,036	100.0%	In Kind Revenue - HITEC Grant	42,085	0	42,085	100.0%
<hr/>				<hr/>				
10,928	2,264	8,664	382.6%	Total Operating Revenue	62,362	4,529	57,833	1277.0%
<hr/>				<hr/>				
				Operating Expenditures				
(4,295)	6,184	10,479	169.4%	Personnel	16,871	12,368	(4,503)	(36.4%)
10,069	2,985	(7,084)	(237.3%)	Taxes and Benefits	20,863	5,970	(14,893)	(249.5%)
0	0	0	0.0%	Travel	(3)	0	3	100.0%
(13)	0	13	100.0%	Supplies	77	10,000	9,923	99.2%
1,001	0	(1,001)	(100.0%)	Contractual	20,388	17,174	(3,214)	(18.7%)
4,166	232,065	227,899	98.2%	Other	4,166	464,130	459,964	99.1%
<hr/>				<hr/>				
10,928	241,234	230,306	95.5%	Total Operating Expenditures	62,362	509,642	447,280	87.8%
<hr/>				<hr/>				
0	0	0	0.0%	Investment Income				
<hr/>				<hr/>				
0	(238,970)	(238,970)	(100.0%)	Program Income				
<hr/>				<hr/>				
0	(505,114)	(505,114)	(100.0%)					
<hr/>				<hr/>				

**CalOptima Foundation
Balance Sheet
August 31, 2016**

<u>ASSETS</u>		<u>LIABILITIES & NET ASSETS</u>	
Operating cash	2,894,845	Accounts payable-Current	0
Grants receivable	0	Deferred Revenue	0
Prepaid expenses	0	Payable to CalOptima	0
Total Current Assets	2,894,845	Grants-Foundation	0
		Total Current Liabilities	0
		Total Liabilities	0
		Net Assets	2,894,845
 TOTAL ASSETS	 2,894,845	 TOTAL LIABILITIES & NET ASSETS	 2,894,845

CALOPTIMA FOUNDATION

INCOME STATEMENT:

Revenues

- Revenues from Health Information Technology for Economics and Clinical Health (HITEC) and in-kind contributions from CalOptima
- The Foundation recognized \$10.9 thousand for August, 2016
 - HITEC Grant revenue totaled \$20.3 thousand YTD, which leaves \$6.9 thousand remaining in HITEC Grant funding as of August, 2016
 - CalOptima in-kind contribution totaled \$42.1 thousand
- Revenue budget variances attributed to:
 - Grant funding originally allocated July-September 2016 for original extension, later ONC extended it through September 2016
 - CalOptima in-kind revenue was not included in FY17 budget

Expenses

- \$62.3 thousand for grant related activities incurred as of August, 2016 YTD
- Expense categories include staff services, travel and miscellaneous supplies
 - \$447.0 thousand favorable variance YTD
 - FY17 budget was based on remaining fund balance in Foundation total assets
 - Actual expenses were much lower than anticipated for CalOptima support activities

BALANCE SHEET:

Assets

- Cash of \$2.9 million remains from the FY14 \$3.0 million transfer from CalOptima for grants and programs in support of providers and community
- \$0.0 current month grant receivable for ONC draw down of HITEC grant

Liabilities

- \$0.0 current month provider payable for HITEC grant services

Budget Allocation Changes
Reporting changes for August 2016

Transfer Month	Line of Business	From	To	Amount	Expense Description	Fiscal Year
July	OneCare Connect	Office of Compliance - Professional Fees (Consultant for Annual CPE Audit & CMS Mock Audit)	Office of Compliance - Professional Fees - Consultant for DMHC Mock Audit	\$69,000	Re-purpose \$53,631 from Professional Fees (Consultant for Annual CPE Audit) and \$15,369 from Professional Fees (Consultant for CMS Mock Audit) to pay for consultant for DMHC Mock Audit	2017
July	COREC	REC - Other	REC - Comp Supply/Minor Equip	\$10,000	Re-allocate funds to cover costs for computer equipment upgrade which is approved ONC grant managers	2017
July	Medi-Cal	IS-Application Development - Software Maintenance - Corporate Software Maintenance	IS-Application Development - Software Maintenance - Human Resources Corporate Application Software Maintenance	\$63,810	Re-purpose funds within Software Maintenance (from Corporate Software Maintenance to Human Resources Corporate Application Software Maintenance) to pay for FY17 Ceridian Software Maintenance	2017
July	Medi-Cal	IS-Application Development - Software Maintenance - Corporate Software Maintenance	IS-Application Development - Software Maintenance - Human Resources Corporate Application Software Maintenance	\$15,010	Re-purpose funds within Software Maintenance (from Corporate Software Maintenance to Human Resources Corporate Application Software Maintenance) to pay for FY17 Talentova Learning Management System	2017
July	Medi-Cal	IS-Application Development - Software Maintenance - Corporate Software Maintenance	IS-Application Development - Software Maintenance - Human Resources Corporate Application Software Maintenance	\$23,900	Re-purpose funds within Software Maintenance (from Corporate Software Maintenance to Human Resources Corporate Application Software Maintenance) to pay for Silk Road	2017
July	Medi-Cal	Claims Administration - Purchased Services - Integration of Claim Editing Software	Claims Administration - Purchased Services - LTC Rate Adjustments	\$98,000	Re-purpose funds from within Purchased Services (Integration of Claim Editing Software) to pay for LTC Adjustments (TriZetto Robot Process)	2017
July	Medi-Cal	Human Resources - Advertising, Travel, Comp Supply/Minor Equip, Subscriptions, Courier/Delivery	Human Resources - Professional Fees (Salary & Compensation Research), Public Activities, Office Supplies, Food Service Supplies, Professional Dues, Training & Seminars, Cert./Cont. Education	\$84,491	Re-allocate HR FY17 Budget based on HR dept's past spending trends to better meet department's need	2017
July	Medi-Cal	IS-Infrastructure - Telephone - General Telecommunication and Network Connectivity	IS-Infrastructure - Purchased Services - Disaster Recovery Services	\$35,575	Re-allocate funds from Telephone (General Telecommunication and Network Connectivity) to Purchased Services to pay for Disaster Recovery Services	2017
August	Medi-Cal	Other Pay	Quality Analytics - Purchased Services	\$67,000	Re-allocate funds to Quality Analytics Purchased Services for additional funds that is needed for CG-CAHPS survey	2017
August	Medi-Cal	Other Pay	Community Relations - Professional Fees & Printing	\$43,640	Re-allocate funds to Community Relations Professional Fees and Printing budgets for contracts with Tony Lam and Communications Lab and printing costs of Community Option Fair	2017
August	Medi-Cal	IS-Application Management - Purchased Services - Healthcare Productivity Automation	IS-Application Management - Purchased Services - Direct Hire Fees	\$10,957	Re-purpose funds from Purchased Services (Healthcare Productivity Automation) to pay for Direct Hire fees	2017
August	Medi-Cal	Other Pay	IS-Application Development - Comp Supplies/Minor Equipments	\$20,400	Re-allocate funds to cover costs of DocuSign, Box, and Primal Script 2016	2017
August	Medi-Cal	Claims Administration - Purchased Services	Claims Administration - Office Supplies, Training & Seminars, Printing	\$15,000	Re-allocate funds from Purchased Services (Integration of Claim Editing Software & Inventory Management Forecasting) to Office Supplies, Training & Seminars, and Printing to better meet department's needs	2017

This report summarizes budget transfers between general ledger classes that are greater than \$10,000 and less than \$100,000.
This is the result of Board Resolution No. 12-0301-01 which permits the CEO to make budget allocation changes within certain parameters.