

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

**MONDAY, JANUARY 23, 2017
3:00 P.M.**

**CALOPTIMA
505 CITY PARKWAY WEST, SUITE 109-N
ORANGE, CALIFORNIA 92868**

REVISED 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 October 24, 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. Consider Recommending Appointment to the Board of Directors' Investment Advisory Committee to the CalOptima Board of Directors' Finance and Audit Committee for Consideration
- B. Consider Recommending the Appointment of Chair of the Investment Advisory Committee to the Board of Directors' Finance and Audit Committee for Consideration

VII. INFORMATION ITEMS

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

VIII. COMMITTEE MEMBER COMMENTS

IX. ADJOURNMENT

MINUTES

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

October 24, 2016

A Regular Meeting of the CalOptima Board of Directors' Investment Advisory Committee was held on Monday, October 24, 2016, at CalOptima, 505 City Parkway West, Orange, California.

CALL TO ORDER

The meeting was called to order at 3:02 p.m. Chet Uma, Acting Chair, led the Pledge of Allegiance.

ROLL CALL

Members Present: Chet Uma, Acting Chair; Peggy Eckroth, Caroline Harkins, Lisa Laird

Members Absent: Rodney Johnson, Patrick Moore, David Young

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, Zach Smith, Wells Capital Management; Michael Schrader, Chief Executive Officer, Gary Crockett, Chief Counsel; Nancy Huang, Controller; Pamela Reichardt, Executive Assistant

MINUTES

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

Action: On motion of Acting Chair Uma, seconded and carried, the Minutes of the July 25, 2016 Regular Meeting of the CalOptima Board of Directors' Investment Advisory Committee were approved as presented. (Motion carried 4-0-0; Members Johnson, Young and Moore absent)

PUBLIC COMMENT

There were no requests for public comment.

MANAGEMENT REPORTS

Chief Executive Officer Report

Michael Schrader, Chief Executive Officer, presented an update on CalOptima's proposed three-year Strategic Plan that focuses on improving programs and innovation. The plan will be presented at the December Board of Directors meeting for approval and will be effective on January 1, 2017. In addition, Mr. Schrader mentioned that CalOptima would evaluate pursuing a Knox-Keene license for the Medi-Cal program, potentially by 2018.

Chief Financial Officer Report

Chet Uma, Chief Financial Officer, reported that the annual fiscal audit has been completed by Moss Adams, LLC. As part of the audit, the auditor verified the funds invested through CalOptima's investment managers. The results of the audit were presented to the Board of Directors at its October 6, 2016 meeting. CalOptima received an unqualified opinion on the audit by the auditors.

Mr. Uma provided an update on the Medical Loss Ratio (MLR) reconciliation for the Medi-Cal Expansion (MCE) program. The California Department of Health Care Services (DHCS) will perform a reconciliation of the MCE program, but has not yet provided a date. CalOptima has set aside the funds needed in anticipation of the reconciliation. After the MLR reconciliation, distribution will be made to the state related to the MCE program, and shared risk payouts will be issued to health networks per contract agreements. Both items will reduce CalOptima's total reserves.

REPORTS

Recommend Approval of the Investment Advisory Committee Meeting Schedule for Calendar Year 2017

Action: On motion of Acting Chair Uma, seconded and carried, the Investment Advisory Committee recommended approval of the Investment Advisory Committee Meetings Schedule for Calendar Year 2017. (Motion carried 4-0-0; Members Young, Johnson and Moore absent)

Recommend Approval of the Annual Investment Policy for 2017

Based on staff's recommendation, the Committee recommended extending the 2016 Annual Investment Policy through 2017, with the understanding that staff may be returning with recommended changes subsequent to the completion of the internal vetting process.

Committee Member Laird requested further research on maximum holding percentage change of State and California Local Agency Obligations.

Action: *On motion of Acting Chair Uma, seconded and carried, the Investment Advisory Committee recommended the approval of the Annual Investment Policy for 2017. (Motion carried 4-0-0; Members Young, Johnson and Moore absent)*

INFORMATION ITEMS

Presentation by Meketa Investment Group

Laura Wirick, Senior Vice President, presented a performance summary and a detailed report on the Tier One and Tier Two accounts, which will be rebalanced in early November. Ms. Wirick reported that all funds are outperforming their relative benchmarks both within fixed income and cash.

Ted Benedict, Principal, presented a detailed account summary and independent compliance review of the monthly investment reports prepared by CalOptima's investment managers: Logan Circle Partners, Payden & Rygel, and Wells Capital. The review found that all investments were compliant with the Government Code and CalOptima's 2016 Annual Investment Policy.

Presentation by Logan Circle Partners

Wendy Kaszak, Vice President of Client Services, presented an overview of the firm. Scott Pavlak, Senior Portfolio Manager, provided a detailed economic and Tier One and Tier Two portfolio update. It was noted that all portfolios are in compliance.

Presentation by Wells Capital Management

Steve Scharre, Client Relations Director, gave a company update. Tony Melville, Portfolio Manager, presented the performance summary in detail. It is anticipated that the Tier One account will demonstrate strong performance.

Presentation by Payden & Rygel

Asha Joshi, Managing Principal, gave a company update. Larry Manis, Investment Manager, provided a detailed update on the portfolio. Mr. Manis noted that the portfolio was in compliance during the most recent quarter.

February 2016 Financial Update

Nancy Huang, Controller, presented the August 2016 Unaudited Financial Summary, including a review of CalOptima's enrollment and financial highlights during the month, financial performance by line of business compared to budget, balance sheet, and Board Designated Reserve Analysis. She also noted that the current reserve level is in compliance with policy requirements.

ADJOURNMENT

Hearing no further business, Acting Chair Uma, adjourned the meeting at 4:27 p.m.

/s/ Pamela Reichardt

Pamela Reichardt
Executive Assistant

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken February 16, 2017 **Special Meeting of the CalOptima Board of Directors'** **Finance and Audit Committee**

Consent Calendar

VI. A. Recommend Reappointment to the CalOptima Board of Directors' Investment Advisory Committee

Contact

Nancy Huang, Interim Chief Financial Officer, (714) 246-8400

Recommended Action

Recommend reappointment of Patrick Moore to the CalOptima Board of Directors' Investment Advisory Committee for a two-year term beginning March 7, 2017.

Background

At a Special Meeting of the CalOptima Board of Directors held on September 10, 1996, the Board authorized the creation of the CalOptima Investment Advisory Committee (IAC), established qualifications for committee members, and directed staff to proceed with the recruitment of the volunteer members of the Committee.

When creating the IAC, the Board stipulated that the Committee would consist of five (5) members; one (1) member would automatically serve by virtue of his or her position as CalOptima's Chief Financial Officer. The remaining four (4) members would be Orange County residents who possessing experience in one (1) or more of the following areas: investment banking, investment brokerage and sales, investment management, financial management and planning, commercial banking, or financial accounting.

At the September 5, 2000, meeting, the Board approved expanding the composition of the IAC from five (5) members to seven (7) members in order to have more diverse opinions and backgrounds to advise CalOptima on its investment activities.

Discussion

The candidate recommended for reappointment, Patrick Moore, has consistently provided leadership and service to CalOptima's investment strategies through his participation as an IAC member and chairman.

Mr. Moore, an attorney, has represented health care provider clients for 38 years. He started his own firm, Patrick K. Moore Law Corporation, in March 2001. Prior to that, he was in-house counsel for the University of California and a partner at several law firms with significant health care practices. In addition to representing non-profit and proprietary health systems, hospitals, medical staffs, IPAs, medical groups, ancillary providers and healthcare technology companies, Mr. Moore serves as an arbitrator, mediator and expert witness in health care disputes. He presents and writes frequently on

health care legal topics, and holds the preeminent A/V peer review rating in the Martindale-Hubbell Law Directory.

Mr. Moore is a director of the California Society for Healthcare Attorneys, has served on the boards of the UCI Foundation (Executive and Finance Committees), Laguna Playhouse and Anaheim Memorial Medical Center (Finance and Audit Committees), and was a member of the Audit Committee of Memorial Health Services.

Mr. Moore is an original member of the IAC and served for a time as chairman. Mr. Moore started serving on the committee when it was initiated in November 1996. During the years of 2000 through 2002, he was a partner at Foley & Lardner, which at the time was CalOptima's counsel, and did not allow him to serve on the committee. He returned to the IAC in January 2002, and has served continuously since that time. His current term expires on March 6, 2017.

Fiscal Impact

There is no fiscal impact. Individuals appointed to the IAC would assist CalOptima in safely maintaining an acceptable return on investment of available funds.

Rationale for Recommendation

The individual recommended for CalOptima's IAC has extensive experience that meets or exceeds the specified qualifications for membership on the IAC. In addition, the candidate has already provided outstanding service as a member and chairman of the IAC. Based upon review of counsel, this individual does not appear to have a conflict of interest provided that no CalOptima investment transactions involve his financial interests.

Concurrence

Gary Crockett, Chief Counsel

Attachment

None

/s/ Michael Schrader
Authorized Signature

1/19/17
Date

FUND EVALUATION REPORT

CalOptima

Quarterly Review
December 31, 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

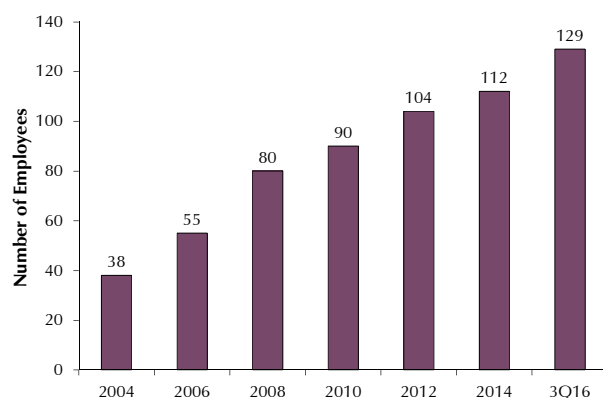
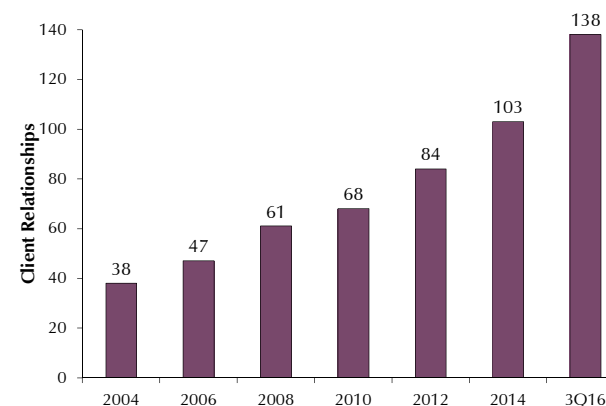
LONDON
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- 1. Corporate Update**
- 2. 4Q16 Review**
- 3. Quarterly Investment Report Supplement**
- 4. Custom Peer Group**
- 5. Performance Attribution**
- 6. Holdings**
- 7. Disclaimer, Glossary, and Notes**

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

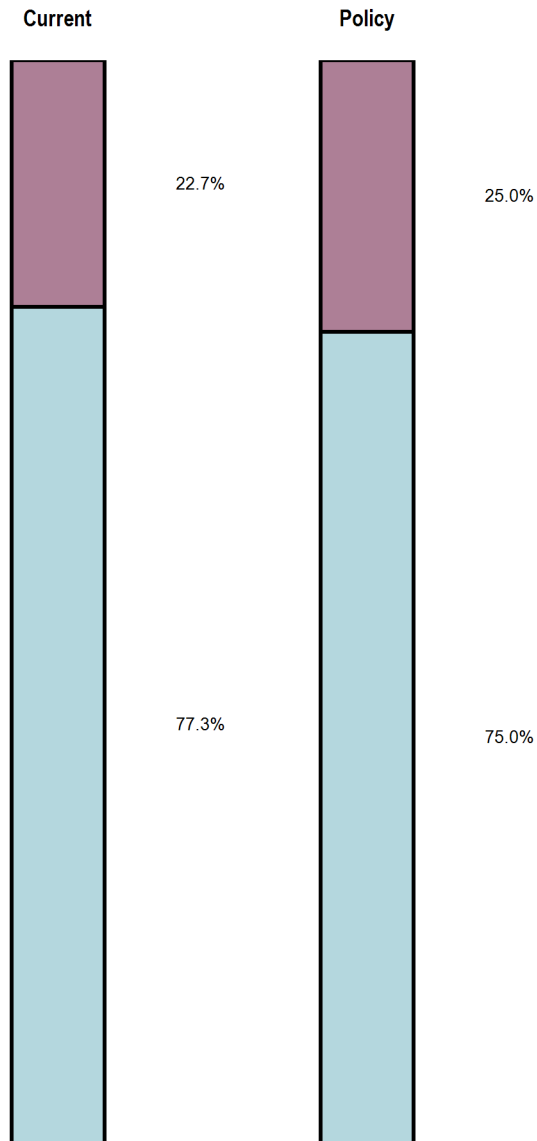


Asset Classes Followed Intensively by Meketa Investment Group

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

4Q16 Review

As of December 31, 2016



Allocation vs. Targets and Policy		
	Current Balance	Current Allocation
Fixed Income	\$530,835,097	23%
Cash	\$1,804,314,799	77%
Total	\$2,335,149,896	100%

Asset Allocation History
5 Years Ending December 31, 2016



As of December 31, 2016

Asset Class Performance Summary

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Fund(Gross)	2,335,149,896	100.000	0.042	0.904	--	--	--	0.621	Oct-14
Total Fund(Net)			0.017	0.825	--	--	--	0.545	
Fixed Income(Gross)	530,835,097	22.732	-0.424	1.187	--	--	--	1.020	Oct-14
Fixed Income(Net)			-0.450	1.086	--	--	--	0.968	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>			<i>-0.434</i>	<i>0.886</i>	<i>0.681</i>	<i>0.566</i>	<i>2.115</i>	<i>0.712</i>	<i>Oct-14</i>
Cash(Gross)	1,804,314,799	77.268	0.177	0.677	0.333	0.243	0.860	1.990	Jul-99
Cash(Net)			0.149	0.705	0.276	0.156	--	--	
<i>Citi 3mth Treasury Bill</i>			<i>0.082</i>	<i>0.270</i>	<i>0.110</i>	<i>0.091</i>	<i>0.726</i>	<i>1.790</i>	<i>Jul-99</i>

As of December 31, 2016

Trailing Period Performance

	Market Value (\$)	% of Portfolio	% of Sector	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Fund(Gross)	2,335,149,896	100.000	--	0.042	0.904	--	--	--	0.621	Oct-14
Fixed Income(Gross)	530,835,097	22.732	22.732	-0.424	1.187	--	--	--	1.020	Oct-14
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				-0.434	0.886	0.681	0.566	2.115	0.712	Oct-14
Tier One: Payden Low Duration(Gross)	145,148,288	6.216	27.343	-0.179	1.142	0.913	0.858	2.384	3.119	Jul-99
Tier One: Payden Low Duration(Net)				-0.197	1.067	0.821	0.750	--	--	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				-0.434	0.886	0.681	0.566	2.115	3.036	Jul-99
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>				-0.385	1.287	0.911	0.982	2.453	3.367	Jul-99
Tier One: Logan Circle STAMP 1-3 Year(Gross)	144,852,055	6.203	27.288	-0.411	--	--	--	--	0.189	Jun-16
Tier One: Logan Circle STAMP 1-3 Year(Net)				-0.430	--	--	--	--	0.138	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				-0.434	0.886	0.681	0.566	2.115	0.055	Jun-16
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>				-0.385	1.287	0.911	0.982	2.453	0.233	Jun-16
Tier One: Wells Capital Reserve Account(Gross)	144,950,870	6.207	27.306	-0.309	--	--	--	--	0.256	Jun-16
Tier One: Wells Capital Reserve Account(Net)				-0.327	--	--	--	--	0.214	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				-0.434	0.886	0.681	0.566	2.115	0.055	Jun-16
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>				-0.385	1.287	0.911	0.982	2.453	0.233	Jun-16
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	95,883,884	4.106	18.063	-0.995	1.642	1.564	--	--	1.201	Apr-13
Tier Two: Logan Circle STAMP 1-5 Year(Net)				-1.025	1.516	1.439	--	--	1.074	
<i>BofA Merrill Lynch US Treasuries 1-5 Yrs</i>				-1.090	1.088	1.101	0.803	2.767	0.788	Apr-13
<i>BofA Merrill Lynch US Corp & Gov 1-5 Yrs</i>				-1.018	1.616	1.391	1.389	3.086	1.115	Apr-13



As of December 31, 2016

	Market Value (\$)	% of Portfolio	% of Sector	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Cash(Gross)	1,804,314,799	77.268	77.268	0.177	0.677	0.333	0.243	0.860	1.990	Jul-99
<i>Citi 3mth Treasury Bill</i>				0.082	0.270	0.110	0.091	0.726	1.790	Jul-99
Operating: Payden Enhanced Cash(Gross)	601,590,834	25.762	33.342	0.170	0.872	0.398	0.282	0.880	2.001	Jul-99
Operating: Payden Enhanced Cash(Net)				0.151	0.799	0.308	0.175	--	--	
<i>Citi 3mth Treasury Bill</i>				0.082	0.270	0.110	0.091	0.726	1.790	Jul-99
Operating: Logan Circle Enhanced Cash(Gross)	601,028,247	25.738	33.311	0.190	--	--	--	--	0.462	Jun-16
Operating: Logan Circle Enhanced Cash(Net)				0.169	--	--	--	--	0.413	
<i>Citi 3mth Treasury Bill</i>				0.082	0.270	0.110	0.091	0.726	0.172	Jun-16
Operating: Wells Capital Enhanced Cash(Gross)	601,695,718	25.767	33.348	0.141	--	--	--	--	0.380	Jun-16
Operating: Wells Capital Enhanced Cash(Net)				0.123	--	--	--	--	0.337	
<i>Citi 3mth Treasury Bill</i>				0.082	0.270	0.110	0.091	0.726	0.172	Jun-16

As of December 31, 2016

Asset Class Performance Summary

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)
Total Fund(Gross)	0.842	--	--	--	--	--	--	--
Total Fund(Net)	0.763	--	--	--	--	--	--	--
Fixed Income(Gross)	1.775	--	--	--	--	--	--	--
Fixed Income(Net)	1.678	--	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	<i>1.307</i>	<i>0.876</i>	<i>0.765</i>	<i>0.328</i>	<i>0.776</i>	<i>1.331</i>	<i>2.692</i>	<i>4.394</i>
Cash(Gross)	0.402	0.166	0.131	0.112	0.185	0.137	0.138	0.774
Cash(Net)	0.434	0.058	0.018	-0.023	0.044	-0.008	-0.003	--
<i>Citi 3mth Treasury Bill</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>	<i>0.123</i>	<i>0.780</i>

As of December 31, 2016

Trailing Period Performance

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)
Total Fund(Gross)	0.842	--	--	--	--	--	--	--
Fixed Income(Gross)	1.775	--	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	1.307	0.876	0.765	0.328	0.776	1.331	2.692	4.394
Tier One: Payden Low Duration(Gross)	1.461	0.893	1.048	0.534	1.248	1.478	2.946	5.823
Tier One: Payden Low Duration(Net)	1.388	0.783	0.933	0.399	1.105	1.331	2.801	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	1.307	0.876	0.765	0.328	0.776	1.331	2.692	4.394
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	1.581	0.901	1.246	0.861	1.169	1.947	3.796	4.576
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>	1.307	0.876	0.765	0.328	0.776	1.331	2.692	4.394
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	1.581	0.901	1.246	0.861	1.169	1.947	3.796	4.576
Tier One: Wells Capital Reserve Account(Gross)	--	--	--	--	--	--	--	--
Tier One: Wells Capital Reserve Account(Net)	--	--	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	1.307	0.876	0.765	0.328	0.776	1.331	2.692	4.394
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	1.581	0.901	1.246	0.861	1.169	1.947	3.796	4.576
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	3.021	1.494	2.095	--	--	--	--	--
Tier Two: Logan Circle STAMP 1-5 Year(Net)	2.894	1.367	1.969	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-5 Yrs</i>	2.426	1.376	1.157	-0.027	2.198	2.154	4.114	5.484
<i>BofA Merrill Lynch US Corp & Gov 1-5 Yrs</i>	2.649	1.344	2.000	0.718	2.524	2.957	5.717	5.052

As of December 31, 2016

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)
Cash(Gross)	0.402	0.166	0.131	0.112	0.185	0.137	0.138	0.774
<i>Citi 3mth Treasury Bill</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>	<i>0.123</i>	<i>0.780</i>
Operating: Payden Enhanced Cash(Gross)	0.573	0.166	0.131	0.112	0.185	0.137	0.138	0.774
Operating: Payden Enhanced Cash(Net)	0.505	0.058	0.018	-0.023	0.044	-0.008	-0.003	--
<i>Citi 3mth Treasury Bill</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>	<i>0.123</i>	<i>0.780</i>
Operating: Logan Circle Enhanced Cash(Gross)	--	--	--	--	--	--	--	--
Operating: Logan Circle Enhanced Cash(Net)	--	--	--	--	--	--	--	--
<i>Citi 3mth Treasury Bill</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>	<i>0.123</i>	<i>0.780</i>
Operating: Wells Capital Enhanced Cash(Gross)	--	--	--	--	--	--	--	--
Operating: Wells Capital Enhanced Cash(Net)	--	--	--	--	--	--	--	--
<i>Citi 3mth Treasury Bill</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>	<i>0.123</i>	<i>0.780</i>

As of December 31, 2016

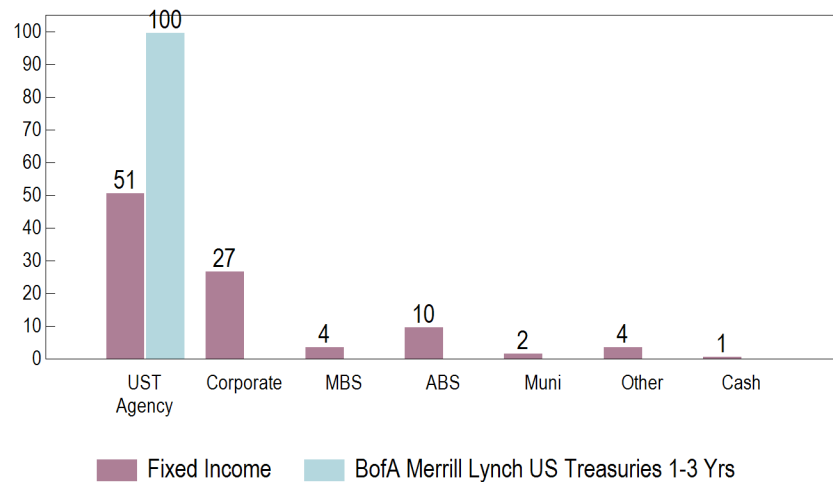
Asset Allocation on December 31, 2016

	Actual (\$)	Actual %
Tier One: Payden Low Duration	\$145,148,288	27.3%
Tier One: Logan Circle STAMP 1-3 Year	\$144,852,055	27.3%
Tier One: Wells Capital Reserve Account	\$144,950,870	27.3%
Tier Two: Logan Circle STAMP 1-5 Year	\$95,883,884	18.1%
Total	\$530,835,097	100.0%

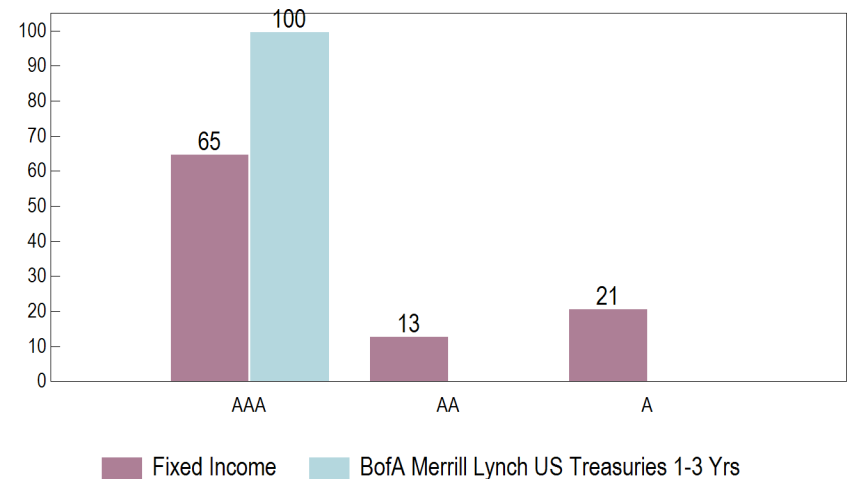
Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Fixed Income Characteristics			
Yield to Maturity	1.5	1.2	1.0
Average Duration	1.8	1.9	1.8
Average Quality	AA	AAA	AA

Sector Allocation



Credit Quality Allocation



Tier One: Payden Low Duration

As of December 31, 2016

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

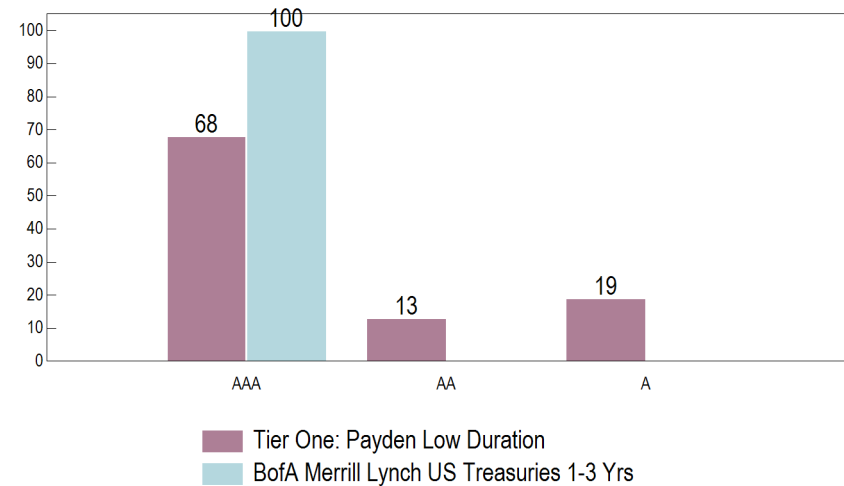
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier One: Payden Low Duration(Gross)	-0.179	1.142	1.142	0.913	0.858	2.384	3.119	Jul-99
Tier One: Payden Low Duration(Net)	-0.197	1.067	1.067	0.821	0.750	--	--	
BofA Merrill Lynch US Treasuries 1-3 Yrs	-0.434	0.886	0.886	0.681	0.566	2.115	3.036	Jul-99
BofA Merrill Lynch US Corp & Gov 1-3 Yrs	-0.385	1.287	1.287	0.911	0.982	2.453	3.367	Jul-99

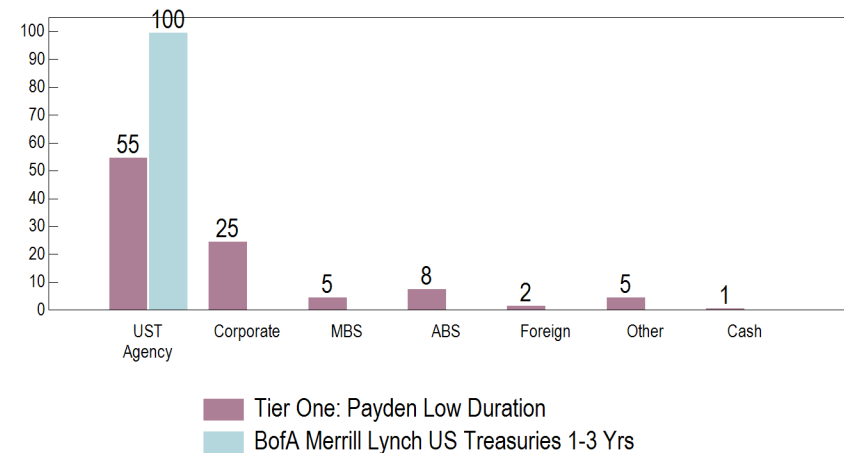
Tier One: Payden Low Duration Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Fixed Income Characteristics			
Yield to Maturity	1.36	1.18	1.12
Average Duration	1.54	1.89	1.54
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier One: Wells Capital Reserve Account

As of December 31, 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

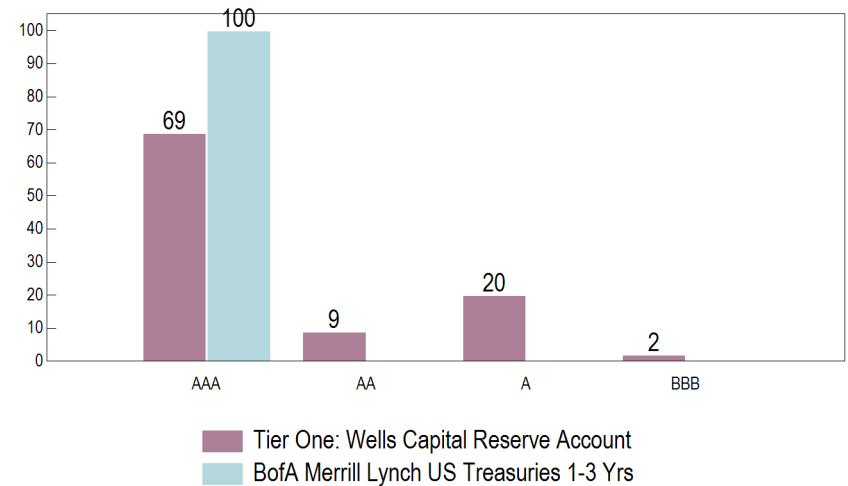
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier One: Wells Capital Reserve Account(Gross)	-0.309	--	--	--	--	--	0.256	Jun-16
Tier One: Wells Capital Reserve Account(Net)	-0.327	--	--	--	--	--	0.214	
BofA Merrill Lynch US Treasuries 1-3 Yrs	-0.434	0.886	0.886	0.681	0.566	2.115	0.055	Jun-16
BofA Merrill Lynch US Corp & Gov 1-3 Yrs	-0.385	1.287	1.287	0.911	0.982	2.453	0.233	Jun-16

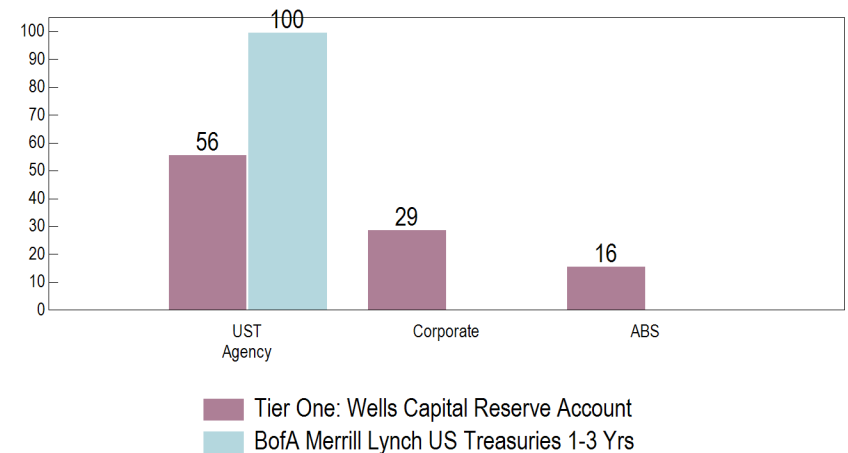
Tier One: Wells Capital Reserve Account Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Fixed Income Characteristics			
Yield to Maturity	1.42	1.18	0.82
Average Duration	1.75	1.89	1.78
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier One: Logan Circle STAMP 1-3 Year

As of December 31, 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

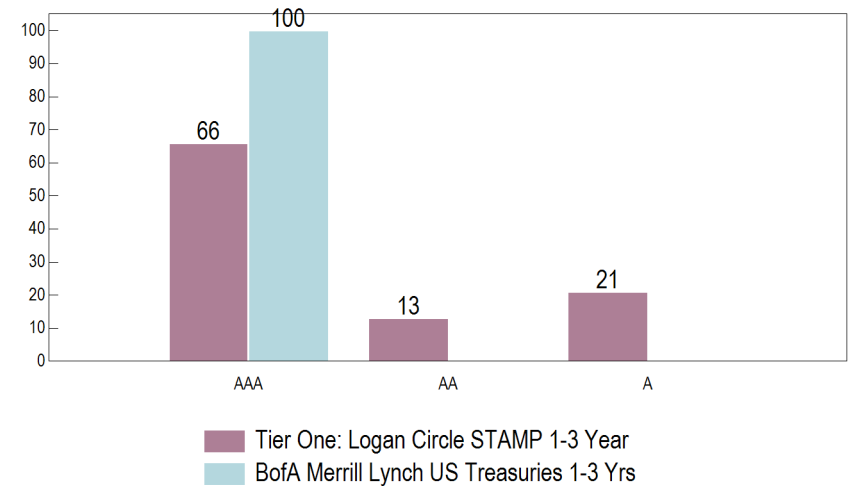
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier One: Logan Circle STAMP 1-3 Year(Gross)	-0.411	--	--	--	--	--	0.189	Jun-16
Tier One: Logan Circle STAMP 1-3 Year(Net)	-0.430	--	--	--	--	--	0.138	
BofA Merrill Lynch US Treasuries 1-3 Yrs	-0.434	0.886	0.886	0.681	0.566	2.115	0.055	Jun-16
BofA Merrill Lynch US Corp & Gov 1-3 Yrs	-0.385	1.287	1.287	0.911	0.982	2.453	0.233	Jun-16

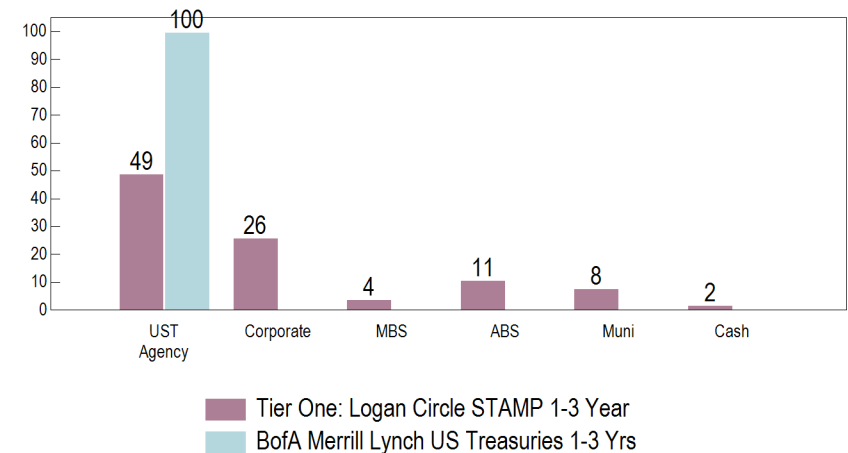
Tier One: Logan Circle STAMP 1-3 Year Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Fixed Income Characteristics			
Yield to Maturity	1.43	1.18	1.05
Average Duration	1.68	1.89	1.55
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier Two: Logan Circle STAMP 1-5 Year

As of December 31, 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

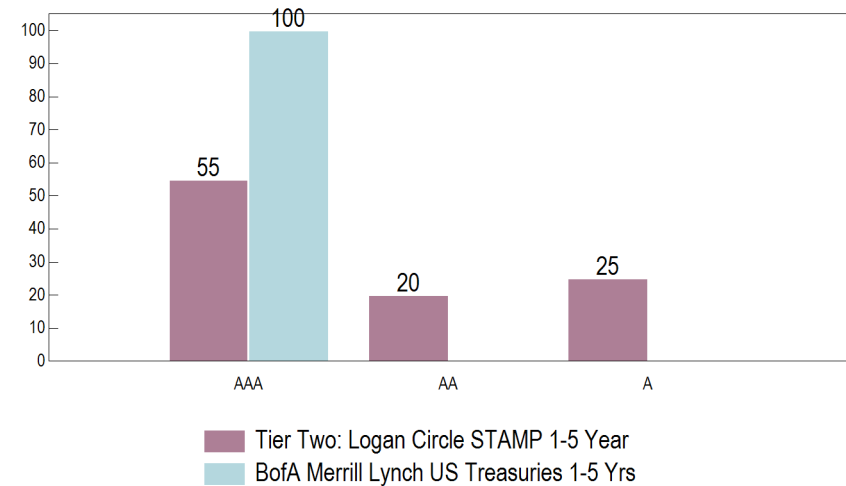
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	-0.995	1.642	1.642	1.564	--	--	1.201	Apr-13
Tier Two: Logan Circle STAMP 1-5 Year(Net)	-1.025	1.516	1.516	1.439	--	--	1.074	
BofA Merrill Lynch US Treasuries 1-5 Yrs	-1.090	1.088	1.088	1.101	0.803	2.767	0.788	Apr-13
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	-1.018	1.616	1.616	1.391	1.389	3.086	1.115	Apr-13

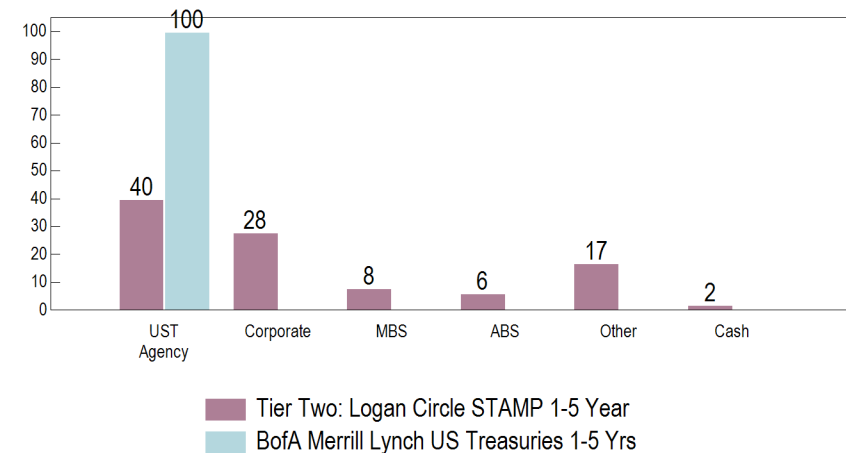
Tier Two: Logan Circle STAMP 1-5 Year Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-5 Yrs

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Fixed Income Characteristics			
Yield to Maturity	1.76	1.42	1.22
Average Duration	2.58	2.70	2.43
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



As of December 31, 2016

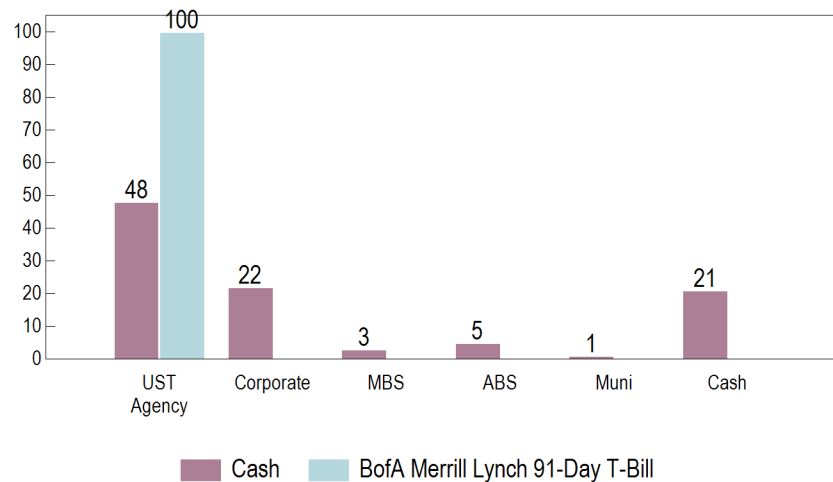
Asset Allocation on December 31, 2016

	Actual (\$)	Actual %
Operating: Logan Circle Enhanced Cash	\$601,028,247	33.3%
Operating: Payden Enhanced Cash	\$601,590,834	33.3%
Operating: Wells Capital Enhanced Cash	\$601,695,718	33.3%
Total	\$1,804,314,799	100.0%

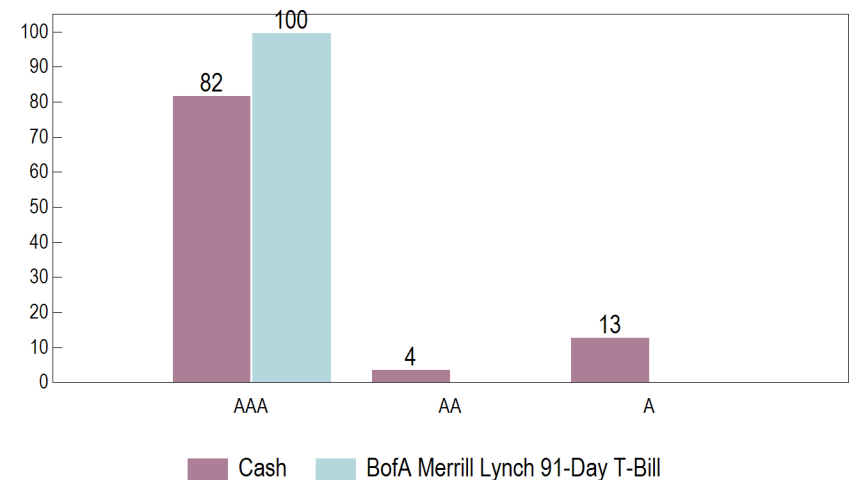
Cash Characteristics
vs. BofA Merrill Lynch 91-Day T-Bill

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Fixed Income Characteristics			
Yield to Maturity	0.8	0.5	0.7
Average Duration	0.2	0.2	0.4
Average Quality	AAA	AAA	AAA

Sector Allocation



Credit Quality Allocation



Operating: Payden Enhanced Cash

As of December 31, 2016

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

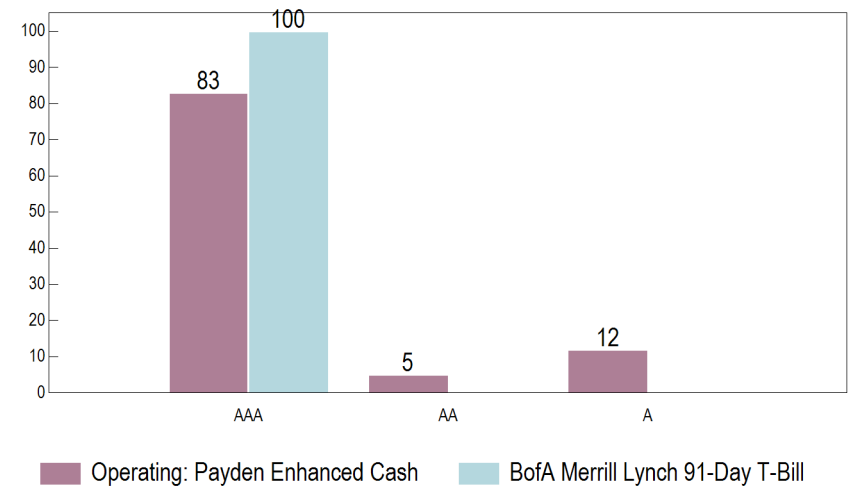
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Operating: Payden Enhanced Cash(Gross)	0.170	0.872	0.872	0.398	0.282	0.880	2.001	Jul-99
Operating: Payden Enhanced Cash(Net)	0.151	0.799	0.799	0.308	0.175	--	--	
<i>Citi 3mth Treasury Bill</i>	<i>0.082</i>	<i>0.270</i>	<i>0.270</i>	<i>0.110</i>	<i>0.091</i>	<i>0.726</i>	<i>1.790</i>	<i>Jul-99</i>

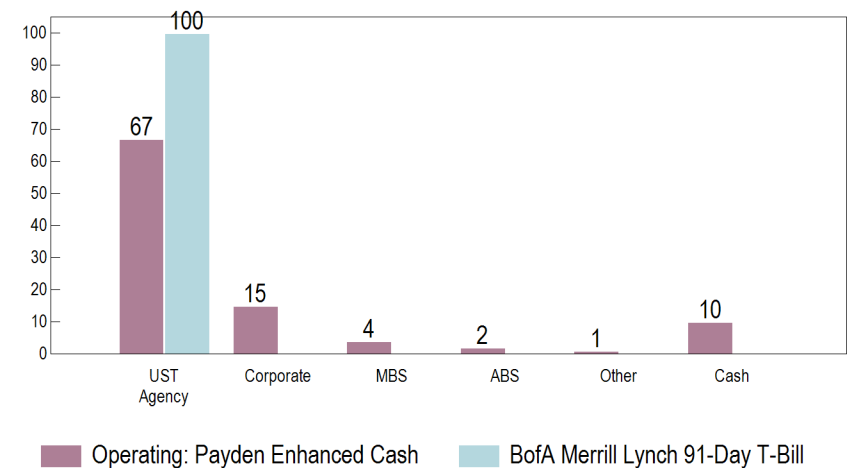
Operating: Payden Enhanced Cash Fixed Income Characteristics
vs. BofA Merrill Lynch 91-Day T-Bill

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Fixed Income Characteristics			
Yield to Maturity	0.81	0.50	0.71
Average Duration	0.34	0.24	0.50
Average Quality	AAA	AAA	AAA

Credit Quality Allocation



US Sector Allocation



Operating: Logan Circle Enhanced Cash

As of December 31, 2016

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

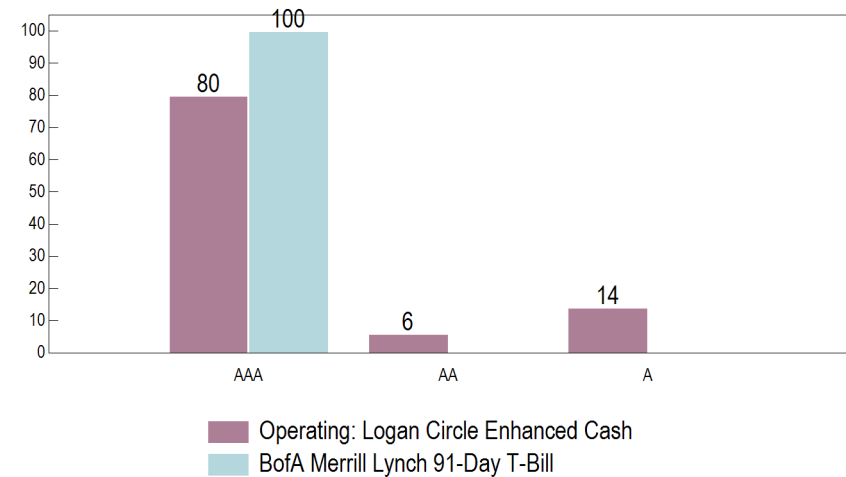
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Operating: Logan Circle Enhanced Cash(Gross)	0.190	--	--	--	--	--	0.462	Jun-16
Operating: Logan Circle Enhanced Cash(Net)	0.169	--	--	--	--	--	0.413	
<i>Citi 3mth Treasury Bill</i>	<i>0.082</i>	<i>0.270</i>	<i>0.270</i>	<i>0.110</i>	<i>0.091</i>	<i>0.726</i>	<i>0.172</i>	<i>Jun-16</i>

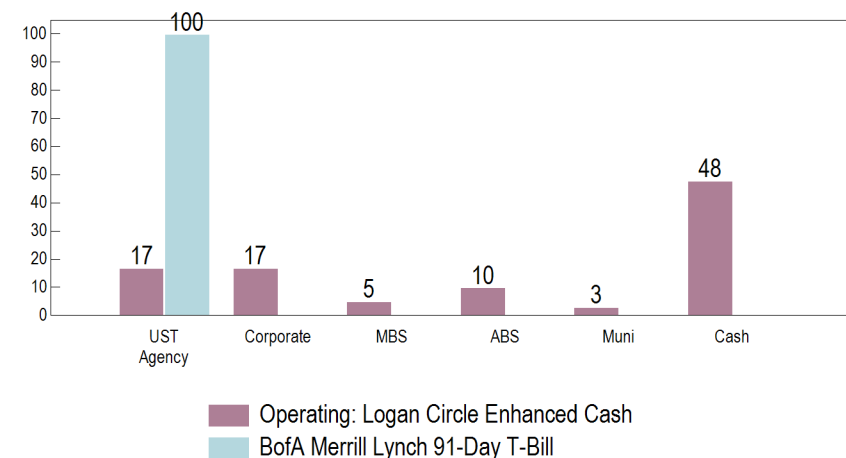
Operating: Logan Circle Enhanced Cash Fixed Income Characteristics
vs. BofA Merrill Lynch 91-Day T-Bill

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Fixed Income Characteristics			
Yield to Maturity	0.89	0.50	0.87
Average Duration	0.12	0.24	0.25
Average Quality	AAA	AAA	AAA

Credit Quality Allocation



US Sector Allocation



Operating: Wells Capital Enhanced Cash

As of December 31, 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

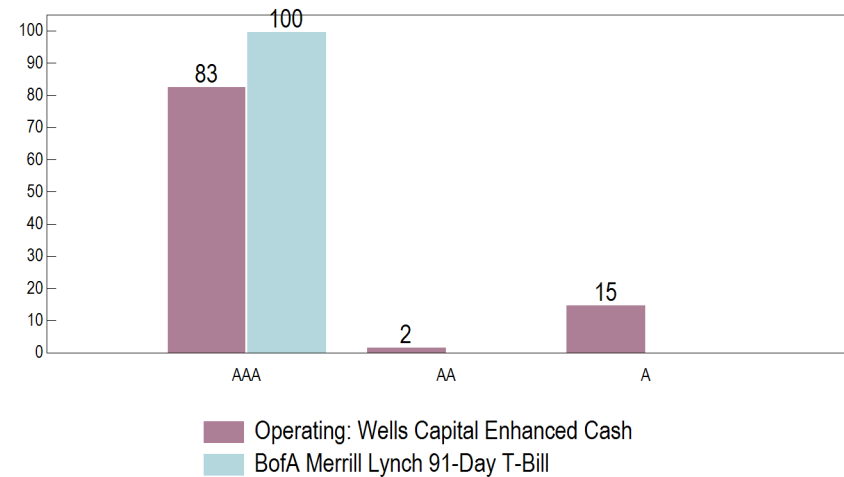
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Operating: Wells Capital Enhanced Cash(Gross)	0.141	--	--	--	--	--	0.380	Jun-16
Operating: Wells Capital Enhanced Cash(Net)	0.123	--	--	--	--	--	0.337	
Citi 3mth Treasury Bill	0.082	0.270	0.270	0.110	0.091	0.726	0.172	Jun-16

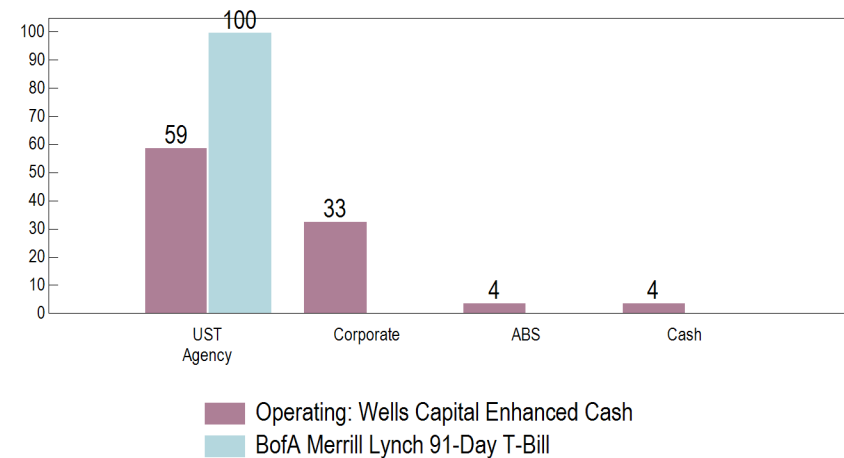
Operating: Wells Capital Enhanced Cash Fixed Income Characteristics
vs. BofA Merrill Lynch 91-Day T-Bill

	Portfolio Q4-16	Index Q4-16	Portfolio Q3-16
Fixed Income Characteristics			
Yield to Maturity	0.67	0.50	0.53
Average Duration	0.16	0.24	0.36
Average Quality	AAA	AAA	AAA

Credit Quality Allocation



US Sector Allocation



As of December 31, 2016

Annual Investment Expense Analysis
As Of December 31, 2016

Name	Fee Schedule	Market Value
Fixed Income		\$530,835,097
Tier One: Payden Low Duration	0.10% of First \$100.0 Mil, 0.08% of Next \$250.0 Mil, 0.07% Thereafter	\$145,148,288
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	\$144,852,055
Tier One: Wells Capital Reserve Account	0.09% of First \$100.0 Mil, 0.07% of Next \$200.0 Mil, 0.06% Thereafter	\$144,950,870
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	\$95,883,884
Cash		\$1,804,314,799
Operating: Payden Enhanced Cash	0.10% of First \$100.0 Mil, 0.08% of Next \$250.0 Mil, 0.07% Thereafter	\$601,590,834
Operating: Logan Circle Enhanced Cash	0.10% of First \$50.0 Mil, 0.09% of Next \$250.0 Mil, 0.07% Thereafter	\$601,028,247
Operating: Wells Capital Enhanced Cash	0.09% of First \$100.0 Mil, 0.07% of Next \$200.0 Mil, 0.06% Thereafter	\$601,695,718
Total		\$2,335,149,896

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

Maximum Permitted Maturity				Actual Maximum Maturity								Compliance
Allowable Instruments	Operating Funds	Tier One	Tier Two	Operating Funds			Tier One			Tier Two		
				LC	P&R	WF	LC	P&R	WF	LC		
U.S. Treasuries	450 days	5 years	5 years	59 days	396 days	212 days	4.62 years	2.54 years	2.37 years	4.62 years	Yes	
U.S. Agencies	450 days	5 years	5 years	209 days	208 days	251 days	1.80 years	2.66 years	2.97 years	2.24 years	Yes	
State & Local Obligations ¹	450 days	5 years	5 years	213 days	244 days	NA	4.59 years	2.84 years	2.67 years	4.59 years	Yes	
Supranationals	450 days	5 years	5 years	NA	NA	250 days	NA	2.36 years	NA	NA	Yes	
Negotiable Cert of Deposit	1 year	1 year	1 year	30 days	276 days	NA	30 days	0.70 years	NA	30 days	Yes	
Commercial Paper	270 days	270 days	270 days	24 days	NA	208 days	NA	NA	NA	NA	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	186 days	417 days	319 days	4.23 years	3.85 years	2.74 years	4.88 years	Yes	
Mortgage/ Asset-Backed	450 days	5 years	5 years	354 days	331 days	NA	4.46 years	1.94 years	2.89 years	4.42 years	Yes	
Variable & Floating Rate	450 days	5 years	5 years	77 days	89 days ²	273 days	3.08 years	73 days	2.27 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 Compliance¹

Allowable Instruments	Maximum (%)	Logan Circle (%)	Logan Circle (\$ mm)	Payden (%)	Payden (\$ mm)	Wells Capital (%)	Wells Capital (\$ mm)	Total (%)	Total (\$ mm)
U.S. Treasuries	100	16.0	134.6	32.4	242.0	33.2	247.7	26.7	624.2
U.S. Agencies	100	5.4	45.5	26.7	199.1	16.3	121.9	15.7	366.5
State & Local Obligations ²	25	4.8	40.5	4.0	30.1	0.5	4.0	3.2	74.6
Supranationals	30	3.0	25.3	0.3	2.6	6.0	44.7	3.1	72.5
Negotiable Certificate of Deposit	30	0.0	0.0	6.1	45.7	0.0	0.0	2.0	45.7
Commercial Paper	25	0.0	0.0	0.0	0.0	17.9	133.6	5.7	133.6
Repurchase Agreements	100	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Medium Term Notes	30	18.9	158.7	6.5	48.8	11.0	81.8	12.4	289.3
MoneyMarket Funds	20	29.4	247.6	0.6	4.5	3.1	23.3	11.8	275.4
Mortgage/Asset-Backed	20	4.9	41.6	4.2	31.3	6.2	46.2	5.1	119.0
Variable & Floating Rate	30	17.6	148.1	19.1	142.8	5.8	43.3	14.3	334.2
Total		100.0	841.8	100.0	746.7	100.0	746.6	100.0	2335.1

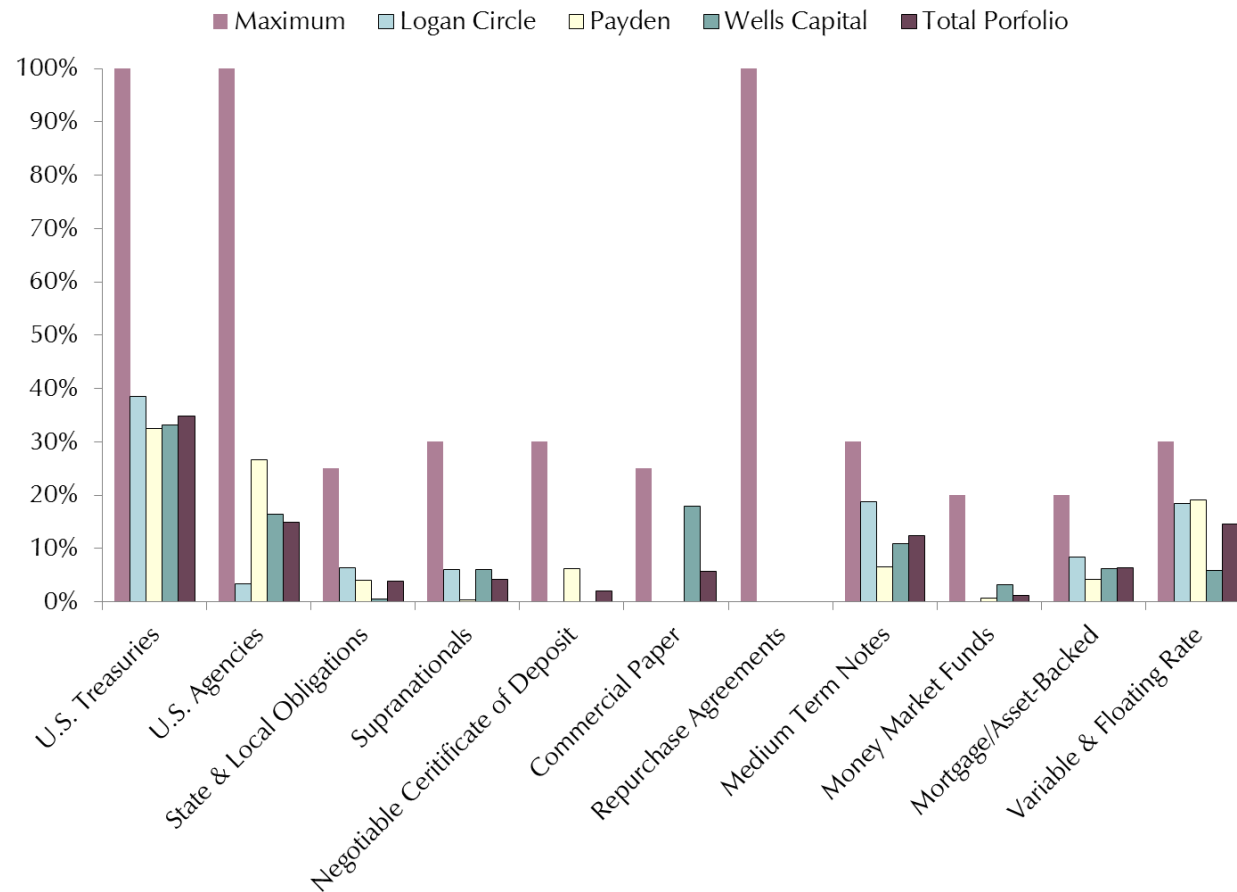
- Investment composition of each portfolio and the total portfolio are in compliance with the CalOptima Annual Investment Policy 2016.
- Logan Circle was in compliance with the Investment Policy as at the time of purchase the Logan Circle Operating Fund's Negotiable Certificate of Deposit allocation was 26%. A \$50 million outflow on December 29, 2016 temporarily increased the allocation to 33%. The Negotiable Certificate of Deposit allocation is included under the Money Market Funds line item in the above chart.

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

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

Annual Investment Policy (2016) Actual vs. Diversity Requirements

As of December 31, 2016



Custom Peer Group

Custom Peer Group

- Given CalOptima's unique investment guidelines, traditional fixed income peer groups are not the best comparison tool for the Tier One and Tier Two pools.
- Meketa Investment Group surveyed the eVestment Alliance U.S. Short Duration Fixed Income universe and Morningstar's Short Duration Fixed Income universe to create custom peer universes for each of the Tier One and Tier Two pools in order to provide a more accurate performance comparison¹.
 - For the analysis, the combined eVestment and Morningstar universe was pared down through the elimination of funds with exposure to securities with below-"A"-rated credit.
 - Two unique buckets were established based on each portfolio's historical average effective duration relative to the Merrill Lynch 1-3 Year Treasury index (Tier One peer group) and the Merrill Lynch 1-5 year Treasury index (Tier Two peer group).
 - The Tier One peer group consists of thirteen strategies with a median effective duration of 1.8 years, while the Tier Two peer group consists of nine strategies with an average effective duration of 2.5 years as of September 30, 2016.
- Please note that the analysis is as of September 30, 2016, as the universe of investment managers that had reported data as of December 31, 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.

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

Custom Peer Group: Logan Circle Tier One

Gross of Fees Returns as of 9/30/2016¹	3Q 2016 (%)
Tier One: Logan Circle STAMP 1-3 Year	0.10
Peer Group Median Return	0.07
Peer Group Rank (percentile)	32

- The Logan Circle Tier One portfolio outperformed the peer group in the third quarter of 2016, ranking in the 32nd percentile.

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

Custom Peer Group: Payden Tier One

Gross of Fees Returns as of 9/30/2016 ¹	3Q 2016 (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	0.02	1.16	1.02	0.96	2.51
Peer Group Median Return	0.07	1.37	1.21	1.11	2.66
Peer Group Rank (percentile)	69	64	79	78	61

Standard Deviation as of 9/30/2016 ²	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	0.57	0.52	1.26
Median Standard Deviation	0.74	0.71	1.17
Peer Group Rank (percentile)	86	86	42

- The Payden Tier One portfolio underperformed the peer group in the third quarter of 2016, and performance ranks in the third or fourth 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 slightly above the peer group median. The ten-year peer group rank is influenced by the tight concentration of peer manager standard deviation between 1.15 and 1.25.

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

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

Custom Peer Group: Wells Capital Tier One

Gross of Fees Returns as of 9/30/2016¹	3Q 2016 (%)
Tier One: Wells Capital Reserve Account	0.01
Peer Group Median Return	0.07
Peer Group Rank (percentile)	71

- The Wells Capital Tier One portfolio underperformed the short duration peer group in the third quarter of 2016, ranking in the 71st percentile of the peer group.

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

Custom Peer Group: Logan Circle Tier Two

Gross of Fees Returns as of 9/30/2016¹	3Q 2016 (%)	1 Year (%)	3 Years (%)
Tier Two: Logan Circle STAMP 1-5 Year	0.03	2.22	1.97
Peer Group Median Return	0.07	2.09	2.05
Peer Group Rank (percentile)	63	33	54

Standard Deviation as of 9/30/2016²	3 Years (%)
Tier Two: Logan Circle STAMP 1-5 Year	1.20
Median Standard Deviation	0.97
Peer Group Rank (percentile)	38

- Logan Circle has performed well over the one-year trailing period ended September 30, 2016, ranking in the 33rd percentile of the peer group, though three-year trailing performance ranks slightly below the peer group median.
- Standard deviation for the strategy over the trailing three year period exceeds the peer group median, ranking in the 38th percentile of the peer group.

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

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

Performance Attribution

Performance Attribution

- The following pages present attribution data for the Logan Circle Tier One and Tier Two portfolios, the Payden & Rygel Tier One portfolio, and the Wells Capital Tier One portfolio.
- Attribution represents outperformance or underperformance, based on active investment decisions across fixed income sub-sectors, relative to a manager's benchmark index. Attribution data demonstrates where managers are able to most effectively add incremental value versus the benchmark.
- Attribution data is provided by the investment managers and is presented gross of investment management fees as of December 31, 2016. Attribution data fields will vary slightly across investment managers.

Logan Circle Tier One Performance Attribution
Gross of Fees as of 12/31/2016

Benchmark Relative Attribution (basis points)	4Q 2016	6 Month
Duration	7	16
Yield Curve	-15	-14
Sector Selection	10	21
Treasury	3	-2
Agency	0	3
Corporate	2	10
Financial	2	9
Industrial	0	0
Utilities	0	1
MBS	1	2
CMBS	1	1
ABS	1	4
Municipal	2	3
Total Excess Return	2	23
Logan Circle Tier One Return	-41	-31
Merrill Lynch 1-3 Year Treasury Return	-43	-54

Payden & Rygel Tier One Performance Attribution
Gross of Fees as of 12/31/2016

Benchmark Relative Attribution (basis points)	4Q 2016	6 Month	1 Year
Duration	15	18	1
Yield Curve	-2	-1	-14
Sector Selection	11	17	39
Treasury ¹	NA	NA	NA
Agency	2	3	2
Corporate	6	8	23
Financial	4	5	15
Industrial	2	2	6
Utilities	0	1	2
MBS	0	0	0
CMBS	0	0	0
ABS	2	5	10
Municipal	1	1	4
Total Excess Return	24	34	26
Payden & Rygel Tier One Return	-19	-20	114
Merrill Lynch 1-3 Year U.S. Treasury Return	-43	-54	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 12/31/2016

Benchmark Relative Attribution (basis points)	4Q 2016	6 Month
Duration	3	4
Sector Selection	9	20
Treasury ¹	NA	NA
Agency	1	3
Corporate	4	8
Financial	3	2
Industrial	1	6
Utilities	NA	NA
MBS	NA	NA
CMBS	NA	NA
ABS	1	4
Municipal	0	1
Error Factor	3	4
Total Excess Return	12	24
Wells Capital Tier One Return (%)	-31	-30
Merrill Lynch 1-3 Year U.S. Treasury Return (%)	-43	-54

¹ Treasury sector selection attribution is included in Duration figure.



Logan Circle Tier Two Performance Attribution
Gross of Fees as of 12/31/2016

Benchmark Relative Attribution (basis points)	4Q 2016	6 Month	1 Year
Duration	6	13	7
Yield Curve	-13	-13	-11
Sector Selection	17	32	60
Treasury	0	-4	-9
Agency	0	1	1
Corporate	6	17	36
Financial	4	14	29
Industrial	2	2	4
Utilities	0	1	3
MBS	0	1	1
CMBS	3	5	7
ABS	1	3	5
Municipal	7	9	19
Total Excess Return	10	31	55
Logan Circle Tier Two Return	-99	-96	164
Merrill Lynch 1-5 Year U.S. Treasury Return	-109	-127	109

Holdings

CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of December 31, 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
Cash							
	CASH OR STIF	USD	986,734.39	986,734.39	0.00	1.000	0.68%
Total for Cash			986,734.39	986,734.39	0.00		0.68%
Money Markets							
1,350,000.000	BANK OF TOKYO-MITSUBISHI NY YCD	06538M7L7	1,350,000.00	1,350,831.65	831.65	100.062	0.94%
	Mat: 8/30/17 Cpn: 1.53%		0.00	7,114.50			
	Moody's: P-1 S&P: A-1 Fitch: F1						
	Tr Date: 8/29/16 St Date: 8/30/16						
1,350,000.000	BANK OF NOVA SCOTIA HOUSTON YCD FRN	06417GPD4	1,350,000.00	1,349,999.89	(0.11)	100.000	0.93%
	Mat: 9/7/17 Cpn: 1.45%		0.00	1,357.56			
	Moody's: P-1 S&P: A-1 Fitch: F1+						
	Tr Date: 9/1/16 St Date: 9/7/16						
1,180,000.000	RABOBANK NEDERLAND NY YCD FRN	21684BR89	1,180,000.00	1,179,758.74	(241.26)	99.980	0.81%
	Mat: 9/8/17 Cpn: 1.42%		0.00	1,117.72			
	Moody's: P-1 S&P: A-1 Fitch: F1+						
	Tr Date: 9/2/16 St Date: 9/8/16						
1,350,000.000	NORDEA BANK FINLAND YCD	65558LSW3	1,350,000.00	1,349,012.43	(987.57)	99.927	0.93%
	Mat: 9/8/17 Cpn: 1.35%		0.00	5,619.38			
	Moody's: P-1 S&P: A-1+ Fitch:						
	Tr Date: 9/8/16 St Date: 9/12/16						
1,350,000.000	BNP PARIBAS NY YCD	05582WDW1	1,350,000.00	1,350,496.91	496.91	100.037	0.93%
	Mat: 9/13/17 Cpn: 1.52%		0.00	6,156.00			
	Moody's: P-1 S&P: A-1 Fitch: F1						
	Tr Date: 9/13/16 St Date: 9/15/16						
Total for Money Markets			6,580,000.00	6,580,099.63	99.63		4.55%
			0.00	21,365.15			
Treasuries							
6,841,000.000	U.S. TREASURY NOTE	912828R51	6,844,725.73	6,827,865.21	(16,860.52)	99.808	4.71%
	Mat: 5/31/18 Cpn: 0.88%		13,770.49	5,262.31			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 5/24/16 St Date: 5/31/16						
10,175,000.000	U.S. TREASURY NOTE	912828R93	10,175,397.46	10,111,406.25	(63,991.21)	99.375	6.97%
	Mat: 6/30/18 Cpn: 0.63%		2,246.52	175.67			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 7/8/16 St Date: 7/13/16						



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CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of December 31, 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
4,390,000.000	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	4,405,008.21 8,791.37	4,380,210.30 13,097.24	(24,797.91)	99.777	3.03%
3,730,000.000	U.S. TREASURY NOTE Mat: 10/31/18 Cpn: 0.75% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 12/14/16 St Date: 12/19/16	912828T83	3,696,696.70 3,786.67	3,703,032.10 4,791.30	6,335.40	99.277	2.55%
3,730,000.000	U.S. TREASURY NOTE Mat: 11/30/18 Cpn: 1.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 12/14/16 St Date: 12/19/16	912828U40	3,714,581.52 1,946.98	3,718,026.74 3,279.12	3,445.22	99.679	2.56%
3,700,000.000	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	3,704,050.78 2,221.79	3,680,316.07 11,038.67	(23,734.71)	99.468	2.54%
6,635,000.000	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	6,614,843.76 21,121.44	6,565,465.40 2,711.42	(49,378.36)	98.952	4.53%
6,030,000.000	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	6,004,796.49 6,513.39	5,942,444.22 20,891.98	(62,352.27)	98.548	4.11%
Total for Treasuries			45,160,100.64 60,398.64	44,928,766.29 61,247.71	(231,334.35)		31.00%

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	1,072,828.80 4,252.50	(5,259.60)	99.336	0.74%
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	1,301,917.50 7,204.17	1,917.50	100.148	0.90%
1,500,000.000	INTER-AMERICAN DEVELOPMENT BANK Mat: 5/13/19 Cpn: 1.00% Moody's: Aaa S&P: AAA Fitch: AAA Tr Date: 4/5/16 St Date: 4/12/16	458182DX7	1,495,500.00 0.00	1,480,950.00 2,000.00	(14,550.00)	98.730	1.02%



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CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of December 31, 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	3,855,696.30	(17,892.10)		2.67%
Agencies								
2,000,000.000	FHLMC C 5/26/16 Q	3134G8L98	2,000,000.00		1,998,740.00	(1,260.00)	99.937	1.38%
	Mat: 2/26/18			Cpn: 1.05%				
	Moody's: Aaa			S&P: AA+u	7,291.67			
	Tr Date: 2/5/16			Fitch: AAA				
				St Date: 2/26/16				
1,350,000.000	FHLMC C 12/19/16 1X	3134G9UY1	1,350,000.00		1,346,044.50	(3,955.50)	99.707	0.93%
	Mat: 6/29/18			Cpn: 1.00%				
	Moody's: Aaa			S&P: AA+u	75.00			
	Tr Date: 6/10/16			Fitch: AAA				
				St Date: 6/29/16				
1,350,000.000	FNMA C 7/27/17 1X	3135G0L68	1,347,975.00		1,339,902.00	(8,073.00)	99.252	0.93%
	Mat: 7/27/18			Cpn: 0.75%				
	Moody's: Aaa			S&P: AA+u	4,331.25			
	Tr Date: 7/7/16			Fitch: AAA				
				St Date: 7/27/16				
1,350,000.000	FHLMC C 12/14/16 Q	3134GAJQ8	1,350,000.00		1,346,206.50	(3,793.50)	99.719	0.93%
	Mat: 9/14/18			Cpn: 1.15%				
	Moody's: Aaa			S&P: AA+u	4,614.38			
	Tr Date: 8/29/16			Fitch: AAA				
				St Date: 9/14/16				
1,350,000.000	FHLB	3130A9AE1	1,349,082.00		1,342,440.00	(6,642.00)	99.440	0.93%
	Mat: 10/1/18			Cpn: 0.88%				
	Moody's: Aaa			S&P: AA+u	2,953.13			
	Tr Date: 8/25/16			Fitch: AAA				
				St Date: 8/26/16				
1,360,000.000	FHLMC	3137EAED7	1,359,415.20		1,352,452.00	(6,963.20)	99.445	0.93%
	Mat: 10/12/18			Cpn: 0.88%				
	Moody's: Aaa			S&P: AA+u	3,470.83			
	Tr Date: 9/15/16			Fitch: AAA				
				St Date: 9/16/16				
2,900,000.000	FHLB	3130AAE46	2,899,884.00		2,898,376.00	(1,508.00)	99.944	2.00%
	Mat: 1/16/19			Cpn: 1.25%				
	Moody's: Aaa			S&P: AA+u	2,315.97			
	Tr Date: 12/7/16			Fitch: AAA				
				St Date: 12/8/16				
3,830,000.000	FNMA	3135G0J53	3,820,961.20		3,805,641.20	(15,320.00)	99.364	2.63%
	Mat: 2/26/19			Cpn: 1.00%				
	Moody's: Aaa			S&P: AA+u	13,298.61			
	Tr Date: 2/19/16			Fitch: AAA				
				St Date: 2/23/16				
1,320,000.000	FNMA C 12/13/16 Q	3135G0K77	1,320,000.00		1,305,506.40	(14,493.60)	98.902	0.90%
	Mat: 6/13/19			Cpn: 1.25%				
	Moody's: Aaa			S&P: AA+u	91.67	825.00		
	Tr Date: 6/13/16			Fitch: AAA				
				St Date: 6/15/16				



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CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of December 31, 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	922,218.55 3,658.84	(10,518.75)	98.633	0.64%
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	1,399,821.80 5,142.57	(17,792.60)	98.579	0.97%
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	1,334,583.00 4,462.50	(13,311.00)	98.858	0.92%
Total for Agencies			20,495,563.10 91.67	20,391,931.95 52,439.74	(103,631.15)		14.09%
Tax-Exempt							
320,000.000	NY ST DORM AUTH PERS INC TAX Mat: 2/15/19 Cpn: 3.00% Moody's: Aa1 S&P: AAA Fitch: Tr Date: 10/7/16 St Date: 10/20/16	64990E4L8	334,483.20 0.00	331,222.40 1,893.33	(3,260.80)	103.507	0.23%
Total for Tax-Exempt			334,483.20 0.00	331,222.40 1,893.33	(3,260.80)		0.23%
Taxable Muni							
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	600,108.00 526.50	(384.00)	100.018	0.41%
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	1,601,568.00 8,320.00	1,568.00	100.098	1.11%
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	200,494.00 251.17	494.00	100.247	0.14%
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	612,714.50 1,671.40	(4,697.00)	100.445	0.42%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of December 31, 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
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	670,971.50 1,109.52	(1,889.40)	100.145	0.46%
375,000.000	CA MORGAN HILL UNIF SCH DIST GO/ULT TXB Mat: 8/1/18 Cpn: 1.64% Moody's: Aa1 S&P: Fitch: Tr Date: 11/18/15 St Date: 12/17/15	617403EJ5	375,000.00 0.00	376,443.75 2,564.06	1,443.75	100.385	0.26%
1,500,000.000	MS STATE ULT/OG TAXABLE Mat: 10/1/18 Cpn: 1.47% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 2/4/15 St Date: 2/18/15	605581FY8	1,500,000.00 0.00	1,500,090.00 5,520.00	90.00	100.006	1.04%
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	1,425,830.00 5,469.33	25,830.00	101.845	0.99%
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	756,525.00 2,326.25	705.00	100.870	0.52%
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	451,885.50 763.50	1,885.50	100.419	0.31%
270,000.000	CA LOS ANGELES DEPT AIRPORTS-LAX TXBL Mat: 5/15/19 Cpn: 1.75% Moody's: Aa3 S&P: AA Fitch: AA Tr Date: 11/16/16 St Date: 12/6/16	544445AY5	270,000.00 0.00	269,721.90 328.13	(278.10)	99.897	0.19%
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	2,543,950.00 35,062.50	14,025.00	101.758	1.78%
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	2,010,540.00 17,960.00	(7,620.00)	100.527	1.40%
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	378,661.70 1,755.03	(2,874.90)	102.341	0.26%



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CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of December 31, 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 Taxable Muni			13,371,206.00 28,943.19	13,399,503.85 83,627.39	28,297.85		9.29%
Credit							
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	1,005,659.00 4,916.67	(37,881.00)	100.566	0.70%
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	1,000,180.00 1,875.00	(963.00)	100.018	0.69%
420,000.000	AMGEN Mat: 5/22/17 Cpn: 1.25% Moody's: Baa1 S&P: A Fitch: BBBu Tr Date: 5/19/14 St Date: 5/22/14	031162BR0	419,542.20 0.00	420,082.32 568.75	540.12	100.020	0.29%
485,000.000	NATIONAL CITY BANK FRN Mat: 6/7/17 Cpn: 1.32% Moody's: A3 S&P: A- Fitch: A Tr Date: 8/21/14 St Date: 8/26/14	63534PAH0	483,797.20 631.13	485,228.92 443.93	1,431.72	100.047	0.33%
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	510,864.96 3,368.83	961.86	100.170	0.35%
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	260,155.74 1,577.33	254.54	100.060	0.18%
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	800,968.00 4,835.56	(4,928.00)	100.121	0.56%
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	1,204,556.40 9,066.67	(8,151.60)	100.380	0.84%
160,000.000	CATERPILLAR FINANCIAL Mat: 8/18/17 Cpn: 1.25% Moody's: A3 S&P: A Fitch: A Tr Date: 8/13/14 St Date: 8/20/14	14912L6D8	159,920.00 0.00	160,065.28 738.89	145.28	100.041	0.11%



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CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of December 31, 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
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	721,367.50 14,947.92	(70,199.50)	103.053	0.51%
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	1,211,072.06 5,083.68	(1,600.34)	100.089	0.84%
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	1,280,031.25 16,927.08	(74,193.75)	102.403	0.89%
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	249,788.75 843.75	(56.25)	99.916	0.17%
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	1,202,336.40 2,053.33	(2,367.60)	100.195	0.83%
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	1,197,451.20 956.80	(3,172.80)	99.788	0.83%
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	250,680.25 211.44	(83.00)	100.272	0.17%
123,000.000	JOHN DEERE CAPITAL CORP Mat: 1/16/18 Cpn: 1.35% Moody's: A2 S&P: A Fitch: A Tr Date: 1/13/15 St Date: 1/16/15	24422EST7	122,938.50 0.00	122,836.41 761.06	(102.09)	99.867	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	880,088.02 6,413.00	343.22	100.010	0.61%
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	693,234.71 4,650.71	(1,341.34)	99.746	0.48%



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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,200,000.000	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	1,199,484.01 8,760.00	396.01	99.957	0.83%
410,000.000	CATERPILLAR Mat: 2/23/18 Cpn: 1.50% Moody's: A3 S&P: A Fitch: A Tr Date: 2/22/16 St Date: 2/25/16	14912L6P1	409,905.70 0.00	409,827.80 2,186.67	(77.90)	99.958	0.28%
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	480,451.17 2,302.40	451.17	100.094	0.33%
570,000.000	ELI LILLY & CO Mat: 3/1/18 Cpn: 1.25% Moody's: A2 S&P: AA- Fitch: Au Tr Date: 2/24/15 St Date: 3/5/15	532457BK3	569,498.40 0.00	568,614.92 2,375.00	(883.48)	99.757	0.39%
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	374,733.75 1,563.28	(266.25)	99.929	0.26%
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	900,358.20 4,162.50	1,492.20	100.040	0.62%
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	1,274,936.29 5,551.56	346.04	99.995	0.88%
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	1,220,622.14 2,867.00	1,866.54	100.051	0.84%
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	204,753.99 326.86	28.69	99.880	0.14%
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	1,200,600.13 2,080.00	708.13	100.050	0.83%



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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	416,137.11 304.33	1,207.66	100.274	0.29%
280,000.000	JOHN DEERE CAPITAL Mat: 7/13/18 Cpn: 1.60% Moody's: A2 S&P: A Fitch: A Tr Date: 7/9/15 St Date: 7/14/15	24422ESX8	279,893.60 0.00	279,857.19 2,090.67	(36.41)	99.949	0.19%
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	592,041.45 5,137.92	2,790.75	100.346	0.41%
60,000.000	BERKSHIRE HATHAWAY Mat: 8/15/18 Cpn: 1.15% Moody's: Aa2 S&P: AA Fitch: A+u Tr Date: 8/8/16 St Date: 8/15/16	084670BX5	59,992.80 0.00	59,662.20 260.67	(330.60)	99.437	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	704,227.97 5,476.53	4,346.97	100.604	0.49%
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	99,726.60 549.67	(523.40)	99.727	0.07%
380,000.000	LOWES COMPANIES FRN Mat: 9/14/18 Cpn: 1.56% Moody's: A3 S&P: A- Fitch: Tr Date: 9/9/15 St Date: 9/16/15	548661DF1	380,000.00 0.00	383,025.94 296.16	3,025.94	100.796	0.26%
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	393,167.21 1,559.15	(1,647.14)	99.536	0.27%
1,000,000.000	MICROSOFT Mat: 11/3/18 Cpn: 1.30% Moody's: Aaa S&P: AAA Fitch: AA+u Tr Date: 10/29/15 St Date: 11/3/15	594918BF0	999,000.00 0.00	999,410.02 2,094.44	410.02	99.941	0.69%
515,000.000	WELLS FARGO Mat: 11/28/18 Cpn: 1.80% Moody's: Aa2 S&P: AA- Fitch: AA Tr Date: 12/1/16 St Date: 12/8/16	94988J5F0	514,572.55 0.00	514,921.72 592.25	349.17	99.985	0.36%



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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	1,317,558.03 1,633.50	(1,214.37)	99.815	0.91%
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	473,050.31 4,797.92	3,365.21	100.649	0.33%
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	320,553.59 1,934.22	607.99	100.173	0.22%
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	548,718.49 3,006.67	(1,122.01)	99.767	0.38%
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	450,387.00 2,562.00	387.00	100.086	0.31%
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	420,319.18 2,636.67	806.38	100.076	0.29%
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	652,099.49 4,568.06	(9,711.01)	100.323	0.45%
790,000.000	BERKSHIRE HATHAWAY Mat: 3/15/19 Cpn: 1.70% Moody's: Aa2 S&P: AA Fitch: A+u Tr Date: 3/8/16 St Date: 3/15/16	084664CG4	789,399.60 0.00	788,846.57 3,954.39	(553.03)	99.854	0.55%
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	522,735.21 3,521.56	2,854.81	100.526	0.36%
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	130,998.00 1,428.00	(3,951.24)	109.165	0.09%



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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	286,870.03 595.71	(2,866.07)	98.921	0.20%
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	665,644.99 793.30	(3,886.01)	99.350	0.46%
140,000.000	CITIGROUP Mat: 6/7/19 Cpn: 2.05% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 6/2/16 St Date: 6/9/16	172967KS9	139,927.20 0.00	139,454.00 191.33	(473.20)	99.610	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	548,946.72 2,300.28	(9,171.68)	98.026	0.38%
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	304,429.31 1,776.04	(5,542.79)	98.203	0.21%
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	291,631.11 1,158.69	(3,041.44)	98.858	0.20%
285,000.000	FIFTH THIRD BANK Mat: 9/27/19 Cpn: 1.63% Moody's: A3 S&P: A- Fitch: A Tr Date: 9/22/16 St Date: 9/27/16	31677QBH1	284,526.90 0.00	281,106.91 1,209.27	(3,419.99)	98.634	0.19%
145,000.000	PEPSICO Mat: 10/4/19 Cpn: 1.35% Moody's: A1 S&P: A Fitch: Au Tr Date: 10/3/16 St Date: 10/6/16	713448DJ4	144,978.25 0.00	143,955.71 462.19	(1,022.54)	99.280	0.10%
595,000.000	JOHN DEERE CAPITAL CORP Mat: 10/9/19 Cpn: 1.25% Moody's: A2 S&P: A Fitch: A Tr Date: 9/6/16 St Date: 9/9/16	24422ETJ8	593,798.10 0.00	583,944.89 2,313.89	(9,853.21)	98.142	0.40%
475,000.000	HONEYWELL INTL Mat: 10/30/19 Cpn: 1.40% Moody's: A2 S&P: A Fitch: A Tr Date: 10/24/16 St Date: 10/31/16	438516BJ4	474,624.75 0.00	470,720.25 1,126.81	(3,904.50)	99.099	0.33%



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270,000.000	UNITED TECHNOLOGIES Mat: 11/1/19 Cpn: 1.50% Moody's: A3 S&P: A- Fitch: A-u Tr Date: 10/27/16 St Date: 11/1/16	913017CF4	269,724.60 0.00	267,483.60 675.00	(2,241.00)	99.068	0.18%
100,000.000	BANK OF AMERICA Mat: 11/9/20 Cpn: 2.15% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 11/4/16 St Date: 11/9/16	06051GGB9	100,000.00 0.00	98,618.00 310.70	(1,382.00)	98.618	0.07%
Total for Credit			35,884,322.49 69,651.95	35,641,278.35 173,733.64	(243,044.14)		24.67%

Mortgage-Backed

30,490.780	FNA 2014-M4 ASQ2 CMBS Mat: 1/25/17 Cpn: 1.27% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 4/14/14 St Date: 4/30/14	3136AJB21	30,795.69 31.25	30,464.83 32.33	(330.86)	99.915	0.02%
179,889.980	FNA 2014-M9 ASQ2 CMBS Mat: 4/25/17 Cpn: 1.46% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/13/14 St Date: 8/29/14	3136AKXS7	181,687.71 204.55	179,844.83 219.17	(1,842.88)	99.975	0.12%
244,393.736	FNA 2012-M9 ASQ2 CMBS Mat: 12/25/17 Cpn: 1.51% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 4/26/13 St Date: 5/1/13	3136A7L26	249,797.13 0.00	244,801.14 308.14	(4,995.99)	100.167	0.17%
2,000,000.000	FNA 2015-M7 ASQ2 CMBS Mat: 4/25/18 Cpn: 1.55% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 4/15/15 St Date: 4/30/15	3136ANJY4	2,019,992.80 2,497.22	2,001,682.00 2,583.33	(18,310.80)	100.084	1.38%
655,170.290	FNA 2014-M8 FA 1MOFRN CMBS Mat: 5/25/18 Cpn: 0.78% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/11/14 St Date: 7/31/14	3136AKQJ5	654,994.70 219.48	654,223.57 441.56	(771.14)	99.856	0.45%
985,591.440	FHMS K704 A2 CMBS Mat: 8/25/18 Cpn: 2.41% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/2/14 St Date: 10/7/14	3137AH6Q6	1,009,846.23 396.21	998,243.48 1,981.04	(11,602.76)	101.284	0.69%
844,108.966	FNA 14-M1 ASQ2 CMBS Mat: 11/25/18 Cpn: 2.32% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/17/14 St Date: 1/30/14	3136AHUV0	858,015.28 1,541.06	853,270.92 1,634.05	(4,744.36)	101.085	0.59%



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279,959.000	FNMA #890170 10YR Mat: 9/1/19 Cpn: 4.50% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/3/14 St Date: 10/20/14	31410K6F6	296,931.51 664.90	287,857.48 1,049.85	(9,074.03)	102.821	0.20%
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	1,898,495.20 2,606.17	(20,531.21)	99.921	1.31%
342,837.754	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	341,977.92 249.74	343,376.35 468.26	1,398.44	100.157	0.24%
Total for Mortgage-Backed			7,563,065.39 8,323.71	7,492,259.81 11,323.89	(70,805.58)		5.17%
Asset-Backed							
2,139,267.798	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	2,139,147.78 0.00	2,139,586.55 817.08	438.76	100.015	1.47%
501,570.066	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	501,548.35 0.00	501,291.69 207.32	(256.65)	99.945	0.35%
527,961.747	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	527,957.47 0.00	527,798.61 187.72	(158.86)	99.969	0.36%
347,602.300	VOLKSWAGEN 2014-2 A3 CAR Mat: 4/22/19 Cpn: 0.95% Moody's: S&P: AAA Fitch: AAA Tr Date: 12/20/16 St Date: 12/23/16	92867TAC9	346,624.67 27.52	346,802.12 100.90	177.45	99.770	0.24%
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	1,565,096.36 875.84	349.56	100.070	1.08%
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	2,152,188.70 1,376.00	2,598.71	100.102	1.48%



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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	1,845,728.35 1,118.22	(3,980.46)	99.769	1.27%
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	893,645.54 480.00	(6,206.41)	99.294	0.62%
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	1,144,183.00 223.30	(10,811.80)	99.064	0.79%
Total for Asset-Backed			11,134,170.63 167.66	11,116,320.92 5,386.38	(17,849.71)		7.66%
Grand Total			145,383,234.24 167,576.81	144,723,813.88 424,473.91	(659,420.36)		100.00%



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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
CASH & CASH EQUIVALENTS												
CASH												
60682A2J4	MITSUBISHI TR & BLG	1.000	1/30/2017	1/30/2017	F1	2,000,000	2,000,000.000	.086	.084	.997	1.38%	2,000,000.00
NA9123459	US DOLLARS	.772	1/3/2017		Agency	1,171,646	1,171,645.610	.001	.001	.772	.81%	1,171,645.61
USD120030	USD INTEREST RECEIVABLE	-				679,794	0.000	-	-	-	.47%	679,793.70
CASH TOTALS							3,171,645.610					3,851,439.31
CASH & CASH EQUIVALENTS TOTALS							3,171,645.610					3,851,439.31
FIXED INCOME												
AGENCIES												
3130A5EP0	FEDERAL HOME LOAN BANKS	.625	5/30/2017	5/30/2017	Agency	3,750,000	3,748,853.720	.417	.412	.727	2.59%	3,748,402.50
3130A62S5	FEDERAL HOME LOAN BANKS	.750	8/28/2017	8/28/2017	Agency	3,900,000	3,895,750.220	.661	.655	.778	2.69%	3,899,262.90
3130A6LZ8	FEDERAL HOME LOAN BANKS	.625	10/26/2017	10/26/2017	Agency	2,875,000	2,871,512.770	.822	.816	.813	1.98%	2,870,575.38
3130A7CX1	FEDERAL HOME LOAN BANKS	.875	3/19/2018	3/19/2018	Agency	1,980,000	1,979,617.240	1.219	1.202	1.008	1.36%	1,976,806.26
3134G8L98	FEDERAL HOME LOAN MORTGAGE CORP	1.050	2/26/2018	2/26/2018	Agency	915,000	915,000.000	1.156	.696	1.069	.63%	914,798.70
3137EADX4	FEDERAL HOME LOAN MORTGAGE CORP	1.000	12/15/2017	12/15/2017	Agency	3,110,000	3,108,167.980	.958	.951	.920	2.15%	3,112,372.93
3137EADV8	FEDERAL HOME LOAN MORTGAGE CORP	.750	7/14/2017	7/14/2017	Agency	2,850,000	2,848,981.460	.539	.532	.719	1.97%	2,850,470.25
3135G0E58	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.125	10/19/2018	10/19/2018	Agency	2,000,000	1,997,658.660	1.803	1.774	1.194	1.38%	1,997,540.00
AGENCIES TOTALS							21,365,542.050					21,370,228.92
ASSET BACKED												
05581RAD8	BMW VEHICLE LEASE TRUST 2016-1	1.340	1/22/2019	7/20/2018	Aaa	500,000	499,962.200	1.184	1.166	1.418	.34%	499,569.35
05582XAD4	BMW VEHICLE LEASE TRUST 2016-2	1.430	9/20/2019	3/20/2019	AAA	995,000	994,878.060	1.936	1.896	1.413	.69%	995,408.35
161571CQ1	CHASE ISSUANCE TRUST	1.380	11/15/2019	11/15/2017	AAA	1,500,000	1,504,245.930	.875	.866	1.284	1.04%	1,501,303.20
161571FT6	CHASE ISSUANCE TRUST	.964	12/16/2019	12/15/2017	AAA	2,170,000	2,171,739.580	.964	.050	.925	1.50%	2,172,374.20
36159LCR5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.239	1/21/2020	1/22/2018	Aaa	600,000	599,328.130	1.056	.058	1.158	.41%	600,886.44
36159LBW5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.489	4/22/2019	4/20/2017	Aaa	1,000,000	1,000,549.110	.306	.057	1.156	.69%	1,001,147.90
41284BAB2	HARLEY-DAVIDSON MOTORCYCLE TRUST 2015-1	.800	1/15/2019	3/15/2017	Aaa	41,902	41,901.700	.094	.096	1.149	.03%	41,887.99
43814KAC5	HONDA AUTO RECEIVABLES 2015-1 OWNER TRUST	1.050	10/15/2018	2/15/2018	Aaa	2,897,717	2,897,635.590	.527	.522	1.163	2.00%	2,896,039.07
477877AD6	JOHN DEERE OWNER TRUST 2014-B	1.070	11/15/2018	1/15/2018	Aaa	483,317	483,272.120	.408	.405	1.089	.33%	483,284.27
47787UAB9	JOHN DEERE OWNER TRUST 2015	.870	2/15/2018	2/15/2017	Aaa	193,287	193,286.690	.062	.065	1.096	.13%	193,259.75
47787UAD5	JOHN DEERE OWNER TRUST 2015	1.320	6/17/2019	7/15/2018	Aaa	465,000	465,651.740	.750	.741	1.289	.32%	465,117.74
47787WAC3	JOHN DEERE OWNER TRUST 2015-B	1.440	10/15/2019	11/15/2018	Aaa	725,000	725,140.090	1.094	1.077	1.368	.50%	725,595.30
58769AAD8	MERCEDES BENZ AUTO LEASE TRUST 2015-B	1.340	7/16/2018	12/15/2017	AAA	430,000	430,736.950	.718	.710	1.237	.30%	430,324.95
58768MAA9	MERCEDES-BENZ AUTO LEASE TRUST	.750	11/15/2017	6/15/2017		590,636	590,635.940	.213	.208	.748	.41%	590,637.12
58772PAD0	MERCEDES-BENZ AUTO RECEIVABLES TRUST 2015-1	1.340	12/16/2019	11/15/2018	AAA	1,675,000	1,678,371.660	1.034	1.022	1.375	1.16%	1,674,463.00
65478QAD0	NISSAN AUTO LEASE TRUST 2016-A	1.490	3/15/2019	10/15/2018	Aaa	585,000	584,980.050	1.517	1.489	1.448	.40%	585,403.53
65474VAL5	NISSAN MASTER OWNER TRUST RECEIVABLES	1.540	6/15/2021	6/17/2019	Aaa	400,000	399,952.050	2.464	2.397	1.831	.27%	397,468.12
92867VAD2	VOLKSWAGEN AUTO LEASE TRUST	1.250	12/20/2017	7/20/2017	Aaa	808,967	808,918.910	.368	.364	1.231	.56%	809,032.42
ASSET BACKED TOTALS							16,071,186.500					16,063,202.70
CMBS												
3136A7L26	FANNIE MAE-ACES	1.513	12/25/2017	6/25/2017	Agency	280,912	281,671.450	.415	.410	.922	.19%	281,317.27
3136AC3C3	FANNIE MAE-ACES	1.451	2/25/2018	2/25/2018	Agency	550,224	551,759.460	1.056	1.044	1.305	.38%	550,555.61

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Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
CMBS (Continued)												
3136AK2A0	FANNIE MAE-ACES	2.171	9/25/2019	9/25/2019	Agency	200,000	203,734.610	2.736	2.638	1.972	.14%	200,814.50
3137AME52	FHLMC MULTICLASS	1.891	12/25/2020	11/25/2019	Agency	442,621	446,366.610	1.485	1.449	1.555	.31%	444,266.99
3137AH6Q6	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.412	8/25/2018	8/25/2018	Aaa	837,753	851,605.030	1.479	1.443	1.454	.59%	848,200.17
CMBS TOTALS							2,335,137.160					2,325,154.54
CMOS												
31394GB77	FREDDIE MAC REMICS	4.500	7/15/2018	6/15/2018	Agency	368,171	375,501.450	.604	.594	1.458	.26%	374,259.75
31393WN47	FREDDIE MAC REMICS	4.500	7/15/2018	7/15/2018	Agency	394,758	402,668.950	.616	.607	.071	.28%	404,829.80
31393WVB2	FREDDIE MAC REMICS	4.500	7/15/2018	6/15/2018	Agency	951,259	970,935.450	.659	.649	.356	.67%	975,527.19
CMOS TOTALS							1,749,105.850					1,754,616.74
CORPORATES												
025816BG3	AMERICAN EXPRESS CO	1.550	5/22/2018	5/22/2018	A3	350,000	349,542.060	1.394	1.371	1.691	.24%	349,319.95
0258M0DZ9	AMERICAN EXPRESS CREDIT CORP	1.875	11/5/2018	11/5/2018	A2	1,867,000	1,884,127.900	1.847	1.794	1.794	1.29%	1,869,710.88
037833BR0	APPLE INC	1.740	2/22/2019	2/22/2019	Aa1	425,000	429,398.970	2.156	.165	1.183	.30%	430,867.13
06050TLY6	BANK OF AMERICA NA	1.650	3/26/2018	3/26/2018	A+	1,800,000	1,802,282.300	1.239	1.216	1.573	1.24%	1,801,679.40
06050TLT7	BANK OF AMERICA NA	1.250	2/14/2017	2/14/2017	A+	200,000	199,972.320	.122	.125	1.193	.14%	200,012.60
05531FAL7	BB&T CORP	1.600	8/15/2017	8/15/2017	A2	998,000	997,939.410	.542	.573	1.389	.69%	999,129.74
05531FAQ6	BB&T CORP	2.250	2/1/2019	2/1/2019	A2	580,000	590,838.840	2.006	1.990	1.852	.40%	584,518.20
084659AB7	BERKSHIRE HATHAWAY ENERGY CO	2.400	2/1/2020	2/3/2020	A3	1,420,000	1,446,217.040	3.003	2.927	2.306	.98%	1,423,866.66
084664CD1	BERKSHIRE HATHAWAY FINANCE CORP	1.174	1/12/2018	1/12/2018	Aa2	550,000	550,660.820	1.047	.042	1.047	.38%	551,430.55
09062XAB9	BIOGEN IDEC INC SR	6.875	3/1/2018	3/1/2018	Baa1	805,000	853,489.910	1.169	1.113	1.875	.59%	851,310.85
17275RAZ5	CISCO SYSTEMS INC	1.511	2/21/2018	2/21/2018	A1	1,100,000	1,105,865.640	1.147	.148	1.102	.76%	1,106,322.80
172967JH5	CITIGROUP INC	1.800	2/5/2018	2/5/2018	BBB+	2,055,000	2,056,929.290	1.097	1.082	1.851	1.42%	2,053,851.26
17401QAC5	CITIZENS BANK NA/PROVIDENCE RI	2.300	12/3/2018	12/3/2018	BBB+	1,100,000	1,109,186.160	1.839	1.848	2.018	.76%	1,105,636.40
202795HV5	COMMONWEALTH EDISON CO	4.000	8/1/2020	8/3/2020	A2	470,000	502,620.640	3.331	3.156	2.311	.34%	495,364.49
209111ET6	CONSOLIDATED EDISON CO OF NEW YORK INC	5.850	4/1/2018	4/2/2018	A-	1,100,000	1,158,486.520	1.253	1.206	1.605	.80%	1,157,648.80
254010AC5	DIGNITY HEALTH	2.637	11/1/2019	11/1/2019	A	250,000	256,084.250	2.836	2.720	2.317	.17%	252,178.00
26442CAD6	DUKE ENERGY CAROLINAS LLC	5.100	4/15/2018	4/16/2018	AA-	1,050,000	1,104,126.320	1.292	1.249	1.564	.76%	1,097,266.80
31677QAV1	FIFTH THIRD BANK/CINCINNATI OH	1.450	2/28/2018	2/28/2018	A-	1,050,000	1,050,894.550	1.161	1.137	1.648	.72%	1,047,608.10
31677QBD0	FIFTH THIRD BANK/CINCINNATI OH	2.150	8/20/2018	8/20/2018	A-	250,000	249,966.600	1.556	1.560	1.736	.17%	251,579.50
36962G7J7	GENERAL ELECTRIC CO	1.250	5/15/2017	5/15/2017	AA-	230,000	229,991.900	.375	.341	1.327	.16%	229,931.92
38147MAA3	GOLDMAN SACHS GROUP INC/THE	2.900	7/19/2018	7/19/2018	A3	1,750,000	1,781,115.360	1.553	1.499	1.992	1.22%	1,774,167.50
38145GAK6	GOLDMAN SACHS GROUP INC/THE	1.756	12/13/2019	12/13/2019	A3	500,000	500,000.000	2.953	.204	1.824	.35%	500,010.50
446438RR6	HUNTINGTON NATIONAL BANK/THE	2.200	11/6/2018	11/6/2018	A3	1,310,000	1,321,990.610	1.764	1.781	2.038	.91%	1,313,707.30
46623EKD0	JPMORGAN CHASE & CO	1.700	3/1/2018	3/1/2018	A-	1,200,000	1,203,679.200	1.169	1.122	1.707	.83%	1,199,890.80
48126EAA5	JPMORGAN CHASE & CO	2.000	8/15/2017	8/15/2017	A-	400,000	402,060.400	.625	.616	1.401	.28%	401,482.40
46625HJF8	JPMORGAN CHASE & CO	1.782	1/25/2018	1/25/2018	A-	485,000	487,447.710	1.072	.075	1.302	.34%	488,169.48
49327M2A1	KEYBANK NA/CLEVELAND OH	1.650	2/1/2018	2/1/2018	A-	1,450,000	1,453,638.250	1.086	1.072	1.595	1.00%	1,450,842.45
49327M2P8	KEYBANK NA/CLEVELAND OH	1.600	8/22/2019	8/22/2019	A-	600,000	593,183.760	2.644	2.564	2.135	.41%	591,783.60
49326EED1	KEYCORP	5.100	3/24/2021	3/24/2021	BBB+	700,000	772,157.040	4.233	3.794	2.744	.53%	765,473.80
55279HAA8	MANUFACTURERS & TRADERS TRUST CO	1.450	3/7/2018	3/7/2018	A	800,000	801,430.200	1.186	1.166	1.564	.55%	798,927.20
617446V71	MORGAN STANLEY	6.250	8/28/2017	8/28/2017	A3	275,000	292,602.120	.661	.642	1.611	.20%	283,348.73
61746BDY9	MORGAN STANLEY	2.261	2/1/2019	2/1/2019	A3	770,000	779,690.780	2.092	.111	1.510	.54%	784,111.02
617446C23	MORGAN STANLEY	5.450	1/9/2017	1/9/2017	A3	500,000	501,429.120	.025	.027	3.393	.35%	500,246.00

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FIXED INCOME (Continued)												
CORPORATES (Continued)												
553794AA6	MUFG AMERICAS HOLDINGS CORP	1.625	2/9/2018	2/9/2018	A	795,000	793,969.250	1.108	1.088	1.946	.55%	792,208.76
637432MU6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2.350	6/15/2020	6/15/2020	A1	1,080,000	1,107,940.610	3.458	3.310	2.306	.75%	1,081,551.96
65339KAJ9	NEXTERA ENERGY CAPITAL HOLDINGS INC	1.649	9/1/2018	9/4/2018	BBB+	825,000	823,878.420	1.669	1.643	1.840	.57%	822,410.33
69353RER5	PNC BANK NA	1.850	7/20/2018	7/20/2018	A	950,000	951,759.390	1.467	1.490	1.736	.66%	951,649.20
69349LAC2	PNC BANK NA	4.875	9/21/2017	9/21/2017	A-	750,000	790,002.980	.725	.710	1.542	.53%	767,937.75
842434CN0	SOUTHERN CALIFORNIA GAS CO	1.550	6/15/2018	6/15/2018	AA-	410,000	409,807.520	1.458	1.437	1.498	.28%	410,307.91
90331HMQ3	US BANK NA/CINCINNATI OH	1.350	1/26/2018	1/26/2018	A1	650,000	649,398.540	1.072	1.047	1.514	.45%	648,866.40
90331HMU4	US BANK NA/CINCINNATI OH	1.450	1/29/2018	1/29/2018	AA-	1,255,000	1,256,817.540	1.081	1.050	1.511	.87%	1,254,175.47
94974BGR5	WELLS FARGO & CO	2.550	12/7/2020	12/7/2020	A	500,000	513,595.000	3.936	3.731	2.519	.35%	500,571.50
94974BFV7	WELLS FARGO & CO	1.342	4/22/2019	4/22/2019	A	1,000,000	997,648.020	2.314	.064	1.562	.69%	998,037.00
94988J5E3	WELLS FARGO BANK NA	1.530	5/24/2019	5/24/2019	Aa2	415,000	416,019.810	2.406	.159	1.471	.29%	416,386.10
CORPORATES TOTALS							37,529,883.070					37,355,497.19
MORTGAGES												
31402DPU8	FANNIE MAE POOL	5.000	11/1/2019	6/25/2019	Agency	250,074	258,983.600	1.115	1.083	1.392	.18%	259,200.17
31374CNE2	FANNIE MAE POOL	5.000	5/1/2019	3/25/2018	Agency	412,930	422,086.460	.600	.591	.534	.29%	422,593.95
31403CYQ8	FANNIE MAE POOL	5.500	12/1/2019	4/25/2019	Agency	122,224	127,153.020	1.052	1.022	1.408	.09%	126,987.62
3128M1B99	FREDDIE MAC GOLD POOL	5.000	4/1/2021	7/15/2020	Agency	124,543	130,460.510	1.516	1.457	1.022	.09%	131,732.35
MORTGAGES TOTALS							938,683.590					940,514.09
MUNICIPALS												
032556BZ4	ANAHEIM HOUSING & PUBLIC IMPROVEMENTS AUTHORITY	1.304	10/1/2019	10/1/2019	AA-	1,410,000	1,410,000.000	2.753	2.684	1.884	.96%	1,388,173.20
13034PYC5	CALIFORNIA HOUSING FINANCE AGENCY	1.594	2/1/2018	2/1/2018	A2	1,000,000	1,000,000.000	1.086	1.071	1.866	.69%	997,080.00
13077CT46	CALIFORNIA STATE UNIVERSITY	2.332	11/1/2020	11/2/2020	AA-	695,000	710,961.370	3.836	3.650	2.096	.48%	701,004.80
544445AY5	CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS	1.750	5/15/2019	5/15/2019	AA	600,000	600,000.000	2.375	2.314	1.894	.41%	598,002.00
769036AW4	CITY OF RIVERSIDE CA	.980	6/1/2017	6/1/2017	SP-1+	470,000	470,000.000	.419	.417	1.152	.32%	469,661.60
190335HF9	COAST COMMUNITY COLLEGE DISTRICT	1.556	8/1/2021	8/2/2021	AA	585,000	585,000.000	4.586	4.378	2.184	.39%	569,058.75
68428LDQ4	COUNTY OF ORANGE CA	1.208	6/30/2017	6/30/2017	AA	750,000	750,437.790	.500	.494	1.272	.52%	749,760.00
544587B80	MUNICIPAL IMPROVEMENT CORP OF LOS ANGELES	1.924	11/1/2017	11/1/2017	A+	1,100,000	1,108,389.260	.836	.829	1.464	.76%	1,104,180.00
842477TV3	SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY	2.029	7/1/2020	7/1/2020	AA-	600,000	613,756.360	3.503	3.336	1.945	.42%	601,692.00
13063A7G3	STATE OF CALIFORNIA	6.200	10/1/2019	10/1/2019	AA-	890,000	1,003,560.940	2.753	2.530	2.035	.68%	988,701.00
13063BFU1	STATE OF CALIFORNIA	6.200	3/1/2019	3/1/2019	AA-	780,000	861,762.310	2.169	2.015	1.901	.59%	850,917.60
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	3.972	3.797	2.236	.80%	1,161,572.55
20772JL59	STATE OF CONNECTICUT	2.500	8/1/2020	8/3/2020	AA-	795,000	822,074.200	3.586	3.394	2.207	.55%	802,989.75
93265PBQ1	WALNUT ENERGY CENTER AUTHORITY	4.650	1/1/2018	1/2/2018	A+	1,000,000	1,034,597.920	1.003	.970	1.401	.71%	1,032,240.00
MUNICIPALS TOTALS							12,155,540.150					12,015,033.25
SOVEREIGN DEBT												
45950KCA6	INTERNATIONAL FINANCE CORP	1.750	9/4/2018	9/4/2018	Aaa	2,500,000	2,531,920.000	1.678	1.642	1.367	1.74%	2,515,825.00
SOVEREIGN DEBT TOTALS							2,531,920.000					2,515,825.00

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FIXED INCOME (Continued)												
US TREASURIES												
912828K33	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	4/15/2020	4/15/2020	Govt	2,477,234	2,511,519.800	3.291	3.258	1.770	1.73%	2,502,972.46
912828P95	UNITED STATES TREASURY NOTE/BOND	1.000	3/15/2019	3/15/2019	Govt	1,650,000	1,651,019.210	2.207	2.164	1.245	1.13%	1,641,235.20
912828N55	UNITED STATES TREASURY NOTE/BOND	1.000	12/31/2017	1/2/2018	Govt	1,750,000	1,748,850.280	1.003	.995	.922	1.21%	1,751,366.75
912828VV9	UNITED STATES TREASURY NOTE/BOND	2.125	8/31/2020	8/31/2020	Govt	6,100,000	6,295,994.810	3.666	3.495	1.668	4.28%	6,198,649.20
912828L40	UNITED STATES TREASURY NOTE/BOND	1.000	9/15/2018	9/17/2018	Govt	4,563,000	4,580,743.680	1.707	1.688	1.125	3.14%	4,553,376.63
912828H37	UNITED STATES TREASURY NOTE/BOND	.875	1/15/2018	1/16/2018	Govt	3,750,000	3,740,143.380	1.043	1.034	.920	2.59%	3,748,241.25
912828B58	UNITED STATES TREASURY NOTE/BOND	2.125	1/31/2021	2/1/2021	Govt	3,910,000	4,039,948.220	4.087	3.870	1.785	2.74%	3,962,081.20
912828VA5	UNITED STATES TREASURY NOTE/BOND	1.125	4/30/2020	4/30/2020	Govt	2,200,000	2,199,918.120	3.334	3.246	1.551	1.50%	2,169,664.20
912828RC6	UNITED STATES TREASURY NOTE/BOND	2.125	8/15/2021	8/16/2021	Govt	4,525,000	4,685,984.590	4.628	4.356	1.910	3.15%	4,567,951.30
912828UF5	UNITED STATES TREASURY NOTE/BOND	1.125	12/31/2019	12/31/2019	Govt	13,300,000	13,318,096.860	3.003	2.920	1.457	9.09%	13,170,630.90
912828UR9	UNITED STATES TREASURY NOTE/BOND	.750	2/28/2018	2/28/2018	Govt	2,400,000	2,400,000.000	1.166	1.152	.953	1.65%	2,394,374.40
US TREASURIES TOTALS							47,172,218.950					46,660,543.49
FIXED INCOME TOTALS							141,849,217.320					141,000,615.92
PORTFOLIO TOTALS							145,020,862.930					144,852,055.23

WELLS CAPITAL - TIER ONE**December 2016**

HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
AMERICAN HONDA FINANCE CORP	HNDA	02665WAC5	US02665WAC55		1.20%	\$1,741,675.87
BANK OF AMERICA NA	BAC	06050TME9	US06050TME90		1.53%	\$2,214,792.07
BANK OF NEW YORK MELLON CORP	BK	06406HCU1	US06406HCU14		0.73%	\$1,059,287.37
BANK OF NEW YORK MELLON CORP	BK	06406HDB2	US06406HDB24		0.22%	\$325,700.48
BERKSHIRE HATHAWAY FINANCE CORP	BRK	084664CK5	US084664CK54		1.03%	\$1,489,150.67
BMWLT 161 A3	BMWLT	05581RAD8	US05581RAD89		0.34%	\$499,774.07
BMWOT 16A A3	BMWOT	05582QAD9	US05582QAD97		0.74%	\$1,079,616.70
BRANCH BANKING AND TRUST CO	BBT	07330NAL9	US07330NAL91		1.50%	\$2,180,024.37
CAPITAL ONE NA	COF	14042RBS9	US14042RBS94		0.96%	\$1,391,856.20
CCCIT 16A1 A1	CCCIT	17305EFW0	US17305EFW03		1.31%	\$1,893,754.81
CHAIT 155 A	CHAIT	161571GY4	US161571GY45		1.31%	\$1,900,031.05
CHEVRON CORP	CVX	166764BH2	US166764BH21		1.31%	\$1,895,904.08
CISCO SYSTEMS INC	CSCO	17275RAU6	US17275RAU68		0.21%	\$301,125.10
CITIGROUP INC	C	172967HY0	US172967HY01		0.31%	\$452,968.48
CITIGROUP INC	C	172967JH5	US172967JH59		0.51%	\$734,920.93
CITIGROUP INC	C	172967HN4	US172967HN46		0.08%	\$113,074.03
COCA-COLA CO	KO	191216BV1	US191216BV17		1.10%	\$1,591,262.44
CREDIT SUISSE AG (NEW YORK BRANCH)	CS	22546QAV9	US22546QAV95		0.86%	\$1,251,022.78
EXXON MOBIL CORP	XOM	30231GAL6	US30231GAL68		0.38%	\$552,162.46
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EGW92	US3133EGW921		1.03%	\$1,499,194.50
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EGJ48	US3133EGJ480		1.03%	\$1,491,656.25
FEDERAL HOME LOAN BANKS	FHLB	313379EE5	US313379EE59		1.35%	\$1,960,955.80
FEDERAL HOME LOAN BANKS	FHLB	313379DT3	US313379DT38		5.19%	\$7,523,059.58
FEDERAL HOME LOAN BANKS	FHLB	3130A8BD4	US3130A8BD45		1.38%	\$1,993,143.22
FEDERAL HOME LOAN BANKS	FHLB	3130A62S5	US3130A62S59		0.28%	\$400,949.40
FEDERAL HOME LOAN BANKS	FHLB	313376BR5	US313376BR50		2.44%	\$3,539,533.86
FEDERAL HOME LOAN BANKS	FHLB	3130A6LZ8	US3130A6LZ80		1.98%	\$2,873,819.73
FEDERAL HOME LOAN BANKS	FHLB	3130A9EP2	US3130A9EP21		1.03%	\$1,486,084.33
FEDERAL HOME LOAN BANKS	FHLB	3130A7CX1	US3130A7CX17		1.37%	\$1,981,715.01
FEDERAL HOME LOAN MORTGAGE CORP	FHLMC	3134G9Q75	US3134G9Q755		0.34%	\$499,518.47
FEDERAL HOME LOAN MORTGAGE CORP	FHLMC	3137EADX4	US3137EADX42		2.15%	\$3,113,755.15
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0R39	US3135G0R397		2.39%	\$3,458,032.67
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0E58	US3135G0E585		1.38%	\$2,002,040.00
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0P49	US3135G0P490		0.68%	\$992,196.56
FIDELITY INST : GOV PT CL I MMF	FIGXX	316175108	US3161751082		0.40%	\$573,019.99
FIFTH THIRD BANK	FITB	31677QBD0	US31677QBD07		0.17%	\$253,535.40
FIFTH THIRD BANK (OHIO)	FITB	31677QBH1	US31677QBH11		0.34%	\$496,142.53
GOLDMAN SACHS GROUP INC	GS	38145XAA1	US38145XAA19		0.99%	\$1,430,465.98
HAROT 163 A3	HAROT	438124AC3	US438124AC33		1.24%	\$1,790,509.66
HDMOT 151 A2A	HDMOT	41284BAB2	US41284BAB27		0.03%	\$41,902.92

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HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
HDMOT 16A A3	HDMOT	41284DAC6	US41284DAC65		1.37%	\$1,992,307.51
HSBC USA INC	HSBC	40428HPQ9	US40428HPQ91		1.53%	\$2,210,814.71
INTERCONTINENTALEXCHANGE INC	ICE	45866FAB0	US45866FAB04		0.35%	\$509,888.89
JDOT 15B A3	JDOT	47787WAC3	US47787WAC38		0.43%	\$625,913.19
JDOT 16B A3	JDOT	47788NAC2	US47788NAC20		0.69%	\$995,790.46
JPMORGAN CHASE & CO	JPM	46625HQU7	US46625HQU76		1.45%	\$2,104,056.15
KEYBANK NA	KEY	49327M2A1	US49327M2A10		1.04%	\$1,511,184.00
MANUFACTURERS AND TRADERS TRUST CO	MTB	55279HAA8	US55279HAA86		0.69%	\$1,003,250.67
MARIN CALIF CMNTY COLLEGE DIST	CA	56781RGL5	US56781RGL50		0.34%	\$499,663.40
MBART 161 A3	MBART	58769BAD6	US58769BAD64		1.37%	\$1,985,027.20
MICROSOFT CORP	MSFT	594918BF0	US594918BF05		0.25%	\$355,459.88
MORGAN STANLEY	MS	617446V71	US617446V714		0.20%	\$289,221.12
MORGAN STANLEY	MS	61746BDX1	US61746BDX10		0.77%	\$1,118,782.87
MUFG UNION BANK NA	MUFG	90521APJ1	US90521APJ15		1.26%	\$1,821,964.18
NALT 16A A3	NALT	65478QAD0	US65478QAD07		1.24%	\$1,802,433.64
NAROT 16C A3	NAROT	65478WAD7	US65478WAD74		0.85%	\$1,238,932.43
PACCAR FINANCIAL CORP	PCAR	69371RM37	US69371RM374		0.69%	\$998,510.47
Payable	---	CCYUSD	---		-0.69%	-\$1,000,000.00
PNC BANK NA	PNC	69353RER5	US69353RER57		1.29%	\$1,868,517.78
Receivable	---	CCYUSD	---		0.02%	\$27,500.00
SMAT 162US A3A	SMAT	83191GAD1	US83191GAD16		1.43%	\$2,070,254.55
SOUTHERN CALIF PUB PWR AUTH REV	CA	84247PHT1	US84247PHT12		1.75%	\$2,542,755.50
TAOT 16B A3	TAOT	89231UAD9	US89231UAD90		0.48%	\$698,160.31
TAOT 16C A3	TAOT	89237WAD9	US89237WAD92		0.82%	\$1,192,726.16
TAOT 16D A3	TAOT	89231LAD9	US89231LAD91		0.21%	\$297,926.21
TOYOTA MOTOR CREDIT CORP	TOYOTA	89236TDE2	US89236TDE29		1.30%	\$1,881,472.04
UNITED STATES TREASURY	UST	912828L40	US912828L401		3.15%	\$4,565,989.13
UNITED STATES TREASURY	UST	912828A75	US912828A750		1.39%	\$2,011,722.87
UNITED STATES TREASURY	UST	912828R44	US912828R440		3.42%	\$4,957,830.25
UNITED STATES TREASURY	UST	912828Q94	US912828Q947		1.38%	\$1,996,007.06
UNITED STATES TREASURY	UST	912828UR9	US912828UR92		1.04%	\$1,500,306.51
UNITED STATES TREASURY	UST	912828XK1	US912828XK13		3.45%	\$5,004,195.60
UNITED STATES TREASURY	UST	912828RH5	US912828RH57		1.39%	\$2,014,526.10
UNITED STATES TREASURY	UST	912828H37	US912828H375		2.60%	\$3,763,399.20
UNITED STATES TREASURY	UST	912828T83	US912828T834		2.74%	\$3,976,386.12
UNITED STATES TREASURY	UST	912828N55	US912828N555		1.73%	\$2,502,021.56
UNITED STATES TREASURY	UST	912828VE7	US912828VE70		3.45%	\$5,002,440.60
UNITED STATES TREASURY	UST	912828Q52	US912828Q525		3.42%	\$4,964,455.00
UNITEDHEALTH GROUP INC	UNH	91324PCF7	US91324PCF71		1.18%	\$1,716,384.39
US BANK NA	USB	90331HML4	US90331HML41		1.04%	\$1,510,997.63

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HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
US BANK NA	USB	90331HMU4	US90331HMU40		0.45%	\$658,579.72
USAOT 161 A3	USAOT	90327CAC4	US90327CAC47		1.20%	\$1,743,877.86
VISA INC	V	92826CAA0	US92826CAA09		1.31%	\$1,900,806.87
VWALT 15A A3	VWALT	92867VAD2	US92867VAD29		0.56%	\$809,341.40
WALT DISNEY CO	DIS	25468PDL7	US25468PDL76		0.44%	\$639,603.67
YUBA CALIF LEVEE FING AUTH REV	CA	988211BL1	US988211BL13		0.69%	\$1,000,150.00

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
CASH & CASH EQUIVALENTS												
CASH												
60682A2J4	MITSUBISHI TR & BLG	1.000	1/30/2017	1/30/2017	F1	1,500,000	1,500,000.000	.086	.084	.997	1.56%	1,500,000.00
NA9123459	US DOLLARS	.772	1/3/2017		Agency	597,569	597,568.640	.001	.001	.772	.62%	597,568.64
USD120030	USD INTEREST RECEIVABLE	-				576,329	0.000	-	-	-	.60%	576,329.28
USD220010	USD PAYABLE FOR INVESTMENTS PURCHASED	-				(337,821)	(337,820.700)	-	-	-	(.35%)	(337,820.70)
CASH TOTALS							1,759,747.940					2,336,077.22
CASH & CASH EQUIVALENTS TOTALS							1,759,747.940					2,336,077.22
FIXED INCOME												
AGENCIES												
3137EACA5	FEDERAL HOME LOAN MORTGAGE CORP	3.750	3/27/2019	3/27/2019	Agency	1,425,000	1,484,566.030	2.242	2.135	1.322	1.57%	1,501,156.28
AGENCIES TOTALS							1,484,566.030					1,501,156.28
ASSET BACKED												
05522RCT3	BA CREDIT CARD TRUST	1.034	6/15/2020	1/16/2018	AAA	1,250,000	1,248,815.510	1.047	.050	.986	1.31%	1,251,678.88
05582XAD4	BMW VEHICLE LEASE TRUST 2016-2	1.430	9/20/2019	3/20/2019	AAA	710,000	709,913.340	1.936	1.896	1.413	.74%	710,291.38
17305EFF7	CITIBANK CREDIT CARD ISSUANCE TRUST	1.094	9/10/2020	9/10/2018	Aaa	1,040,000	1,040,357.120	1.694	.033	1.006	1.09%	1,043,736.10
36159LCR5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.239	1/21/2020	1/22/2018	Aaa	430,000	429,503.880	1.056	.058	1.158	.45%	430,635.28
36159LBW5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.489	4/22/2019	4/20/2017	Aaa	1,000,000	1,000,675.970	.306	.057	1.156	1.04%	1,001,147.90
58769AAD8	MERCEDES BENZ AUTO LEASE TRUST 2015-B	1.340	7/16/2018	12/15/2017	AAA	1,125,000	1,125,714.630	.718	.710	1.237	1.17%	1,125,850.16
ASSET BACKED TOTALS							5,554,980.450					5,563,339.70
CMBS												
3136A7L26	FANNIE MAE-ACES	1.513	12/25/2017	6/25/2017	Agency	730,372	731,891.460	.415	.410	.922	.76%	731,424.89
3136AC3C3	FANNIE MAE-ACES	1.451	2/25/2018	2/25/2018	Agency	781,568	781,575.820	1.056	1.044	1.305	.82%	782,039.18
3137AH6Q6	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.412	8/25/2018	8/25/2018	Aaa	591,355	598,124.450	1.479	1.443	1.454	.62%	598,729.53
CMBS TOTALS							2,111,591.730					2,112,193.60
CMOS												
31393BF91	FANNIE MAE REMICS	5.000	5/25/2018	4/25/2018	Agency	46,210	45,847.420	.567	.557	1.466	.05%	46,977.31
31398GZS1	FANNIE MAE REMICS	2.500	12/25/2018	7/25/2018	Agency	58,597	58,355.510	.630	.622	1.296	.06%	58,942.63
31398M5L6	FANNIE MAE REMICS	3.750	8/25/2018	6/25/2018	Agency	93,663	93,640.930	.702	.691	1.103	.10%	95,161.76
31392GPN9	FANNIE MAE REMICS	5.000	1/25/2018	12/25/2017	Agency	50,463	49,809.370	.441	.434	1.542	.05%	51,061.11
31396YXB3	FANNIE MAE REMICS	4.000	12/25/2018	4/25/2018	Agency	80,101	79,481.020	.636	.626	1.232	.08%	81,291.32
31398VUA2	FREDDIE MAC REMICS	2.000	3/15/2019	12/15/2018	Agency	384,065	383,217.140	.772	.760	1.324	.40%	385,766.24
31398WLZ5	FREDDIE MAC REMICS	2.000	11/15/2018	9/15/2018	Agency	46,920	46,761.220	.541	.535	1.274	.05%	47,067.97
3137A1LC5	FREDDIE MAC REMICS	2.000	8/15/2020	11/15/2019	Agency	162,919	163,700.150	1.324	1.295	1.425	.17%	164,024.27
31393GWV2	FREDDIE MAC REMICS	5.000	12/15/2017	12/15/2017	Agency	42,875	42,979.210	.432	.426	1.409	.05%	43,454.02
31393NDD8	FREDDIE MAC REMICS	5.000	3/15/2018	3/15/2018	Agency	33,339	33,052.530	.512	.504	1.668	.04%	33,839.88
31394GH22	FREDDIE MAC REMICS	4.500	7/15/2018	3/15/2018	Agency	124,729	127,098.200	.565	.556	1.117	.13%	126,886.15
3137A5J21	FREDDIE MAC REMICS	1.750	1/15/2017	1/15/2017	Agency	3,997	3,985.880	.042	.044	.983	0%	3,995.09
62888WAA4	NON GUARANTEED NOT V	1.092	12/8/2020	11/5/2020	Aaa	505,861	507,518.090	2.601	.088	1.129	.53%	507,207.42
CMOS TOTALS							1,635,446.670					1,645,675.17

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												
025816BG3	AMERICAN EXPRESS CO	1.550	5/22/2018	5/22/2018	A3	200,000	199,738.320	1.394	1.371	1.691	.21%	199,611.40
0258M0DP1	AMERICAN EXPRESS CREDIT CORP	2.250	8/15/2019	8/15/2019	A2	650,000	649,365.260	2.625	2.523	2.031	.68%	653,617.25
0258M0DZ9	AMERICAN EXPRESS CREDIT CORP	1.875	11/5/2018	11/5/2018	A2	440,000	439,977.320	1.847	1.794	1.794	.46%	440,638.88
03076CAE6	AMERIPRISE FINANCIAL INC	5.300	3/15/2020	3/16/2020	A3	605,000	658,455.130	3.208	2.938	2.558	.68%	655,766.76
031162BM1	AMGEN INC	3.875	11/15/2021	11/15/2021	Baa1	550,000	572,786.750	4.619	4.324	2.790	.60%	575,749.35
037833BR0	APPLE INC	1.740	2/22/2019	2/22/2019	Aa1	385,000	385,000.000	2.156	.165	1.183	.41%	390,314.93
060505DP6	BANK OF AMERICA CORP	5.750	12/1/2017	12/1/2017	BBB+	700,000	723,426.650	.919	.902	1.799	.76%	725,094.30
06050TKN1	BANK OF AMERICA NA	5.300	3/15/2017	3/15/2017	A-	250,000	251,608.050	.208	.204	1.547	.26%	251,936.25
05531FAP8	BB&T CORP	1.823	6/15/2018	6/15/2018	A2	520,000	521,017.680	1.378	.209	1.466	.55%	522,886.52
05531FAU7	BB&T CORP	2.625	6/29/2020	6/29/2020	A2	850,000	859,939.310	3.411	3.308	2.387	.89%	856,658.90
084659AB7	BERKSHIRE HATHAWAY ENERGY CO	2.400	2/1/2020	2/3/2020	A3	750,000	761,406.120	3.003	2.927	2.306	.78%	752,042.25
084664CD1	BERKSHIRE HATHAWAY FINANCE CORP	1.174	1/12/2018	1/12/2018	Aa2	445,000	444,810.450	1.047	.042	1.047	.47%	446,157.45
09062XAB9	BIOGEN IDEC INC SR	6.875	3/1/2018	3/1/2018	Baa1	505,000	534,687.190	1.169	1.113	1.875	.56%	534,052.15
17275RAZ5	CISCO SYSTEMS INC	1.511	2/21/2018	2/21/2018	A1	875,000	879,442.310	1.147	.148	1.102	.92%	880,029.50
172967HM6	CITIGROUP INC	2.550	4/8/2019	4/8/2019	BBB+	880,000	886,678.120	2.272	2.193	2.180	.93%	887,164.96
172967JH5	CITIGROUP INC	1.800	2/5/2018	2/5/2018	BBB+	635,000	634,928.620	1.097	1.082	1.851	.66%	634,645.04
17401QAC5	CITIZENS BANK NA/PROVIDENCE RI	2.300	12/3/2018	12/3/2018	BBB+	950,000	952,752.010	1.839	1.848	2.018	1.00%	954,867.80
202795HV5	COMMONWEALTH EDISON CO	4.000	8/1/2020	8/3/2020	A2	480,000	512,821.940	3.331	3.156	2.311	.53%	505,904.16
209111ET6	CONSOLIDATED EDISON CO OF NEW YORK INC	5.850	4/1/2018	4/2/2018	A-	250,000	261,960.450	1.253	1.206	1.605	.27%	263,102.00
25401OAC5	DIGNITY HEALTH	2.637	11/1/2019	11/1/2019	A	210,000	215,079.840	2.836	2.720	2.317	.22%	211,829.52
31677QAV1	FIFTH THIRD BANK/CINCINNATI OH	1.450	2/28/2018	2/28/2018	A-	500,000	498,327.750	1.161	1.137	1.648	.52%	498,861.00
31677QBG3	FIFTH THIRD BANK/CINCINNATI OH	2.250	6/14/2021	6/14/2021	A-	715,000	726,036.450	4.456	4.199	2.521	.74%	706,871.88
38141GGQ1	GOLDMAN SACHS GROUP INC/THE	5.250	7/27/2021	7/27/2021	A3	450,000	504,827.150	4.575	4.026	2.989	.51%	493,195.50
38148FAB5	GOLDMAN SACHS GROUP INC/THE	2.550	10/23/2019	10/23/2019	A3	605,000	607,744.010	2.814	2.699	2.323	.63%	608,709.86
40428HPQ9	HSBC USA INC	1.700	3/5/2018	3/5/2018	A	730,000	729,548.100	1.181	1.158	1.748	.76%	729,589.74
446438RR6	HUNTINGTON NATIONAL BANK/THE	2.200	11/6/2018	11/6/2018	A3	460,000	464,643.430	1.764	1.781	2.038	.48%	461,301.80
458140AJ9	INTEL CORP	3.300	10/1/2021	10/1/2021	A+	650,000	691,419.000	4.753	4.368	2.422	.70%	675,457.90
459058CG6	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	.875	4/17/2017	4/17/2017	AAA	807,000	807,238.470	.297	.294	.782	.84%	807,218.70
48121CYK6	JPMORGAN CHASE BANK NA	6.000	10/1/2017	10/2/2017	A	976,000	1,003,272.190	.753	.738	1.702	1.05%	1,007,216.38
49327M2F0	KEYBANK NA/CLEVELAND OH	2.500	12/15/2019	12/16/2019	A-	900,000	916,140.450	2.958	2.847	2.135	.95%	909,373.50
55279HAH3	MANUFACTURERS & TRADERS TRUST CO	1.182	7/25/2017	7/25/2017	A	500,000	499,146.740	.575	.077	1.150	.52%	500,384.50
55279HAA8	MANUFACTURERS & TRADERS TRUST CO	1.450	3/7/2018	3/7/2018	A	500,000	498,979.610	1.186	1.166	1.564	.52%	499,329.50
61746BDY9	MORGAN STANLEY	2.261	2/1/2019	2/1/2019	A3	800,000	800,000.000	2.092	.111	1.510	.85%	814,660.80
637432MU6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2.350	6/15/2020	6/15/2020	A1	810,000	830,360.700	3.458	3.310	2.306	.85%	811,163.97
63946BAE0	NBCUNIVERSAL MEDIA LLC	4.375	4/1/2021	4/1/2021	A-	875,000	939,795.700	4.253	3.866	2.377	.99%	945,279.13
68389XBK0	ORACLE CORP	1.900	9/15/2021	9/15/2021	A+	650,000	650,324.930	4.708	4.418	2.415	.66%	635,175.45
69353RDD7	PNC BANK NA	2.250	7/2/2019	7/2/2019	A	620,000	622,956.320	2.422	2.375	1.966	.65%	624,142.84
91324PBJ0	UNITEDHEALTH GROUP INC	6.000	2/15/2018	2/15/2018	A-	725,000	760,082.460	1.125	1.080	1.629	.79%	760,170.48
91159HHE3	US BANCORP	1.950	11/15/2018	11/15/2018	A+	366,000	367,636.420	1.792	1.805	1.660	.38%	367,862.21
90331HMV2	US BANK NA/CINCINNATI OH	1.467	1/29/2018	1/29/2018	AA-	500,000	500,000.000	1.000	.084	1.259	.52%	501,623.50
92343VDG6	VERIZON COMMUNICATIONS INC	1.750	8/15/2021	8/16/2021	BBB+	800,000	793,819.770	4.625	4.376	2.691	.80%	767,440.80
94974BGR5	WELLS FARGO & CO	2.550	12/7/2020	12/7/2020	A	950,000	977,134.220	3.936	3.731	2.519	.99%	951,085.85

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	770,868.250	4.208	3.938	2.541	.78%	745,800.75
CORPORATES TOTALS							27,306,183.640					27,163,985.41
MORTGAGES												
31391WS93	FANNIE MAE POOL	5.500	11/1/2017	9/25/2017	Agency	6,755	6,653.270	.383	.377	1.183	.01%	6,841.26
31413XVG5	FANNIE MAE POOL	4.361	6/1/2019	6/25/2019	Agency	600,000	625,018.640	2.486	2.339	3.687	.64%	609,081.65
31371KT68	FANNIE MAE POOL	5.500	10/1/2017	9/25/2017	Agency	13,583	13,579.380	.382	.377	1.316	.01%	13,749.54
31371KVC2	FANNIE MAE POOL	5.500	11/1/2017	9/25/2017	Agency	17,102	16,895.650	.382	.376	1.265	.02%	17,315.14
31385XBG1	FANNIE MAE POOL	6.000	3/1/2018	5/25/2017	Agency	9,026	8,890.220	.229	.227	1.887	.01%	9,074.67
31374CNE2	FANNIE MAE POOL	5.000	5/1/2019	3/25/2018	Agency	590,862	603,843.990	.600	.591	.534	.63%	604,690.27
31381Q6B7	FANNIE MAE POOL	4.295	6/1/2021	6/25/2021	Agency	1,188,992	1,306,132.060	4.417	4.002	2.354	1.34%	1,285,896.66
3138EJRP5	FANNIE MAE POOL	4.380	6/1/2021	5/25/2021	Agency	857,903	945,661.530	4.216	3.827	2.342	.97%	927,923.60
31294KUP8	FREDDIE MAC GOLD POOL	5.000	11/1/2018	8/15/2018	Agency	45,813	45,583.720	.747	.732	.709	.05%	47,186.77
36200MPV9	GINNIE MAE I POOL	4.500	7/15/2018	5/15/2018	Govt	10,450	10,409.870	.693	.680	1.117	.01%	10,675.70
36200MMZ3	GINNIE MAE I POOL	4.500	6/15/2018	3/15/2018	Govt	20,887	20,770.930	.612	.602	.760	.02%	21,327.46
MORTGAGES TOTALS							3,603,439.260					3,553,762.72
MUNICIPALS												
032556BZ4	ANAHEIM HOUSING & PUBLIC IMPROVEMENTS AUTHORITY	1.304	10/1/2019	10/1/2019	AA-	1,010,000	1,010,000.000	2.753	2.684	1.884	1.04%	994,365.20
03667PEB4	ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT	1.954	8/1/2018	8/1/2018	AA-	345,000	345,000.000	1.586	1.547	1.516	.36%	347,356.35
072031AF4	BAY AREA WATER SUPPLY & CONSERVATION AGENCY	1.914	10/1/2019	10/1/2019	Aa3	150,000	150,289.010	2.753	2.662	1.837	.16%	150,309.00
13034PUF2	CALIFORNIA HOUSING FINANCE AGENCY	2.379	8/1/2020	8/3/2020	A1	450,000	447,860.520	3.586	3.401	2.380	.47%	449,982.00
13077CT46	CALIFORNIA STATE UNIVERSITY	2.332	11/1/2020	11/2/2020	AA-	495,000	506,289.560	3.836	3.650	2.096	.52%	499,276.80
13077CT38	CALIFORNIA STATE UNIVERSITY	1.982	11/1/2019	11/1/2019	AA-	245,000	245,000.000	2.836	2.743	1.789	.26%	246,298.50
156792GT4	CERRITOS COMMUNITY COLLEGE DISTRICT	2.165	8/1/2019	8/1/2019	Aa2	175,000	175,000.000	2.586	2.488	1.844	.18%	176,412.25
156792GR8	CERRITOS COMMUNITY COLLEGE DISTRICT	1.312	8/1/2017	8/1/2017	Aa2	500,000	500,000.000	.586	.580	.934	.52%	501,100.00
45656RCK6	CITY OF INDUSTRY CA	2.500	1/1/2020	1/2/2020	A1	230,000	229,755.700	3.003	2.857	2.422	.24%	230,519.80
544445AZ2	CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS	2.092	5/15/2020	5/15/2020	AA	715,000	715,000.000	3.375	3.242	2.334	.74%	709,423.00
190335HF9	COAST COMMUNITY COLLEGE DISTRICT	1.556	8/1/2021	8/2/2021	AA	415,000	415,000.000	4.586	4.378	2.184	.42%	403,691.25
70914PPE6	COMMONWEALTH OF PENNSYLVANIA	4.250	7/15/2020	7/15/2020	Aa3	500,000	535,607.980	3.542	3.246	2.023	.56%	537,870.00
797398DH4	COUNTY OF SAN DIEGO CA	5.765	8/15/2019	8/15/2019	AA+	475,000	515,159.690	2.625	2.416	1.802	.55%	523,036.75
452650JD7	IMPERIAL IRRIGATION DISTRICT ELECTRIC SYSTEM REVENUE	1.320	11/1/2019	11/1/2019	AA-	655,000	653,187.440	2.836	2.766	2.055	.67%	641,801.75
54473ERR7	LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY	2.560	12/1/2019	12/2/2019	AA-	305,000	305,680.980	2.919	2.807	2.281	.32%	307,391.20
621196XM1	MOUNT DIABLO UNIFIED SCHOOL DISTRICT/CA	3.887	8/1/2017	8/1/2017	Aa2	400,000	405,619.600	.586	.574	1.267	.42%	406,096.00
544587C30	MUNICIPAL IMPROVEMENT CORP OF LOS ANGELES	3.146	11/1/2020	11/2/2020	A+	880,000	892,185.290	3.836	3.601	2.258	.95%	908,529.60
630360EJ0	NAPA VLY CA CMNTY C	1.776	8/1/2018	8/1/2018	AA-	600,000	600,000.000	1.586	1.550	1.386	.63%	603,660.00
661334DS8	NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT/CA	1.540	8/1/2018	8/1/2018	Aa1	165,000	164,600.740	1.586	1.553	1.473	.17%	165,171.60
683042AC9	ONTARIO INTERNATIONAL AIRPORT AUTHORITY	1.818	5/15/2019	5/15/2019	A-	490,000	490,000.000	2.375	2.308	2.252	.51%	485,104.90

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)												
MUNICIPALS (Continued)												
735000QD6	PORT OF OAKLAND	5.000	5/1/2017	5/1/2017	A+	525,000	531,188.540	.336	.333	1.191	.55%	531,678.00
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	4.375	4.193	2.159	.31%	293,277.00
76886PFB4	RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION	2.848	8/1/2020	8/3/2020	Aa2	355,000	362,978.620	3.586	3.374	2.098	.38%	364,144.80
786005NA2	SACRAMENTO MUNICIPAL UTILITY DISTRICT	5.000	8/15/2017	8/15/2017	AA-	160,000	163,656.640	.625	.610	1.019	.17%	163,956.80
79765A7G5	SAN FRANCISCO CITY & COUNTY AIRPORTS COMM-SAN FRANCISCO INTERNATIONAL AIRPORT	5.000	5/1/2017	5/1/2017	A+	600,000	606,719.910	.336	.333	1.191	.63%	607,632.00
83412PDW9	SOLANO COUNTY COMMUNITY COLLEGE DISTRICT	1.840	8/1/2018	8/1/2018	Aa3	600,000	600,000.000	1.586	1.549	1.446	.63%	603,690.00
842477TV3	SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY	2.029	7/1/2020	7/1/2020	AA-	780,000	797,799.160	3.503	3.336	1.945	.82%	782,199.60
13063BFU1	STATE OF CALIFORNIA	6.200	3/1/2019	3/1/2019	AA-	550,000	593,956.700	2.169	2.015	1.901	.63%	600,006.00
13063A7G3	STATE OF CALIFORNIA	6.200	10/1/2019	10/1/2019	AA-	500,000	555,824.220	2.753	2.530	2.035	.58%	555,450.00
13066YTY5	STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES POWER SUPPLY REVENUE	1.713	5/1/2021	5/3/2021	Aa1	845,000	845,000.000	3.972	3.797	2.236	.86%	828,294.35
20772JL59	STATE OF CONNECTICUT	2.500	8/1/2020	8/3/2020	AA-	865,000	871,305.600	3.586	3.394	2.207	.91%	873,693.25
649791CJ7	STATE OF NEW YORK	4.290	3/1/2019	3/1/2019	AA+	225,000	235,759.980	2.169	2.053	1.572	.25%	237,989.25
91412GWV3	UNIVERSITY OF CALIFORNIA	2.003	5/15/2019	5/15/2019	AA	250,000	250,000.000	2.375	2.306	1.686	.26%	251,835.00
932889VJ4	WALNUT VALLEY UNIFIED SCHOOL DISTRICT	2.000	8/1/2018	8/1/2018	Aa2	285,000	286,082.030	1.586	1.547	1.318	.30%	288,038.10
MUNICIPALS TOTALS							16,301,507.910					16,269,280.10
US TREASURIES												
912828K33	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	4/15/2020	4/15/2020	Govt	1,909,530	1,915,737.820	3.291	3.258	1.770	2.01%	1,929,369.51
912828B58	UNITED STATES TREASURY NOTE/BOND	2.125	1/31/2021	2/1/2021	Govt	6,900,000	7,107,448.260	4.087	3.870	1.785	7.29%	6,991,908.00
912828UB4	UNITED STATES TREASURY NOTE/BOND	1.000	11/30/2019	12/2/2019	Govt	1,300,000	1,289,285.080	2.918	2.862	1.422	1.34%	1,284,359.70
912828J84	UNITED STATES TREASURY NOTE/BOND	1.375	3/31/2020	3/31/2020	Govt	5,325,000	5,311,580.640	3.250	3.153	1.541	5.52%	5,297,128.95
912828VV9	UNITED STATES TREASURY NOTE/BOND	2.125	8/31/2020	8/31/2020	Govt	6,130,000	6,256,185.200	3.666	3.495	1.668	6.50%	6,229,134.36
912828RC6	UNITED STATES TREASURY NOTE/BOND	2.125	8/15/2021	8/16/2021	Govt	8,455,000	8,696,320.020	4.628	4.356	1.910	8.90%	8,535,254.86
912828UF5	UNITED STATES TREASURY NOTE/BOND	1.125	12/31/2019	12/31/2019	Govt	5,525,000	5,536,767.000	3.003	2.920	1.457	5.71%	5,471,258.33
US TREASURIES TOTALS							36,113,324.020					35,738,413.71
FIXED INCOME TOTALS							94,111,039.710					93,547,806.69
PORTFOLIO TOTALS							95,870,787.650					95,883,883.91

CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of December 31, 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
Cash							
	CASH OR STIF	USD	3,465,515.12	3,465,515.12	0.00	1.000	0.58%
Total for Cash			3,465,515.12	3,465,515.12	0.00		0.58%
Money Markets							
22,000,000.000	FHLMC DISCOUNT NOTE	313397AV3	21,951,707.55	21,952,404.22	696.67	99.978	3.66%
	Mat: 1/20/17 Cpn: 0.00%		0.00	43,079.06			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 7/27/16 St Date: 7/28/16						
3,800,000.000	TORONTO DOMIN NY YCD FRN	89113WFP6	3,800,000.00	3,801,665.77	1,665.77	100.044	0.63%
	Mat: 2/3/17 Cpn: 1.19%		0.00	3,404.33			
	Moody's: P-1 S&P: A-1+ Fitch: F1+						
	Tr Date: 8/2/16 St Date: 8/3/16						
3,100,000.000	BANK OF NOVA SCOTIA HOUSTON YCD FRN	06417GMB1	3,100,000.00	3,101,643.25	1,643.25	100.053	0.52%
	Mat: 2/10/17 Cpn: 1.22%		94.15	2,107.81			
	Moody's: P-1 S&P: A-1 Fitch: F1+						
	Tr Date: 8/1/16 St Date: 8/2/16						
50,000,000.000	FHLB DISCOUNT NOTE	313385BS4	49,881,194.44	49,881,536.11	341.67	99.947	8.31%
	Mat: 2/10/17 Cpn: 0.00%		0.00	92,694.45			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 8/11/16 St Date: 8/12/16						
35,000,000.000	FHLB DISCOUNT NOTE	313385CG9	34,971,743.33	34,973,187.08	1,443.75	99.925	5.81%
	Mat: 2/24/17 Cpn: 0.00%		0.00	1,009.17			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 12/29/16 St Date: 12/30/16						
1,900,000.000	BANK OF AMERICA BNST	06053PRX7	1,900,000.00	1,901,090.03	1,090.03	100.057	0.32%
	Mat: 3/3/17 Cpn: 1.18%		0.00	7,722.44			
	Moody's: P-1 S&P: A-1 Fitch: F1						
	Tr Date: 8/26/16 St Date: 8/30/16						
2,140,000.000	MIZUHO BANK LTD YCD FRN	60689DH89	2,140,000.00	2,142,122.32	2,122.32	100.099	0.36%
	Mat: 3/7/17 Cpn: 1.40%		75.29	2,083.44			
	Moody's: P-1 S&P: A-1 Fitch: F1						
	Tr Date: 9/7/16 St Date: 9/9/16						
50,000,000.000	U.S. TREASURY BILL	912796KM0	49,881,952.78	49,881,952.78	(0.01)	99.912	8.30%
	Mat: 3/9/17 Cpn: 0.00%		0.00	74,590.28			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 9/7/16 St Date: 9/8/16						

CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of December 31, 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
3,230,000.000	SVENSKA HANDELSBANKEN NY YCD FRN Mat: 3/14/17 Cpn: 1.25% 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	3,232,381.16 2,026.37	2,381.16	100.074	0.54%
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	3,782,461.23 12,169.50	2,461.23	100.065	0.63%
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	3,761,346.79 10,914.44	1,346.79	100.036	0.63%
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	5,801,902.17 16,507.44	1,902.17	100.033	0.97%
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	5,771,573.02 15,949.24	1,573.02	100.027	0.96%
25,000,000.000	FHLB DISCOUNT NOTE Mat: 3/31/17 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 12/29/16 St Date: 12/30/16	313385DT0	24,966,633.33 0.00	24,966,408.34 733.33	(225.00)	99.867	4.15%
5,760,000.000	SUMITOMO MITSUI NY YCD Mat: 4/5/17 Cpn: 1.25% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 10/3/16 St Date: 10/5/16	86563YFY4	5,760,000.00 0.00	5,763,987.65 17,600.00	3,987.65	100.069	0.96%
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	1,440,086.92 2,996.00	2,304.52	100.006	0.24%
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	18,884,685.31 47,605.55	(9,653.58)	99.642	3.15%
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	37,733,854.76 107,719.44	(16,400.80)	99.581	6.29%

CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of December 31, 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
3,800,000.000	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	3,802,340.95 20,026.00	2,340.95	100.062	0.64%
2,600,000.000	BANK OF NOVA SCOTIA HOUSTON YCD FRN Mat: 9/7/17 Cpn: 1.45% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 9/1/16 St Date: 9/7/16	06417GPD4	2,600,000.00 0.00	2,599,999.79 2,614.55	(0.21)	100.000	0.43%
3,310,000.000	RABOBANK NEDERLAND NY YCD FRN Mat: 9/8/17 Cpn: 1.42% 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	3,309,323.24 3,135.30	(676.76)	99.980	0.55%
3,800,000.000	NORDEA BANK FINLAND YCD Mat: 9/8/17 Cpn: 1.35% Moody's: P-1 S&P: A-1+ Fitch: Tr Date: 9/8/16 St Date: 9/12/16	65558LSW3	3,800,000.00 0.00	3,797,220.19 15,817.50	(2,779.81)	99.927	0.63%
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	3,801,398.70 17,328.00	1,398.70	100.037	0.63%
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	3,795,516.46 12,920.00	(4,483.54)	99.882	0.63%
Total for Money Markets			299,885,608.28 6,271.03	299,880,088.22 532,753.64	(5,520.07)		49.94%

Treasuries

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	11,003,850.44 24,613.26	(13,373.91)	100.035	1.83%
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	17,997,300.18 22,994.51	42,300.18	99.985	3.00%
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	36,988,530.74 96,773.10	(27,367.70)	99.969	6.16%



CALOPTIMA - OPERATING FUND

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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	50,000,000.00 56,802.49	(107,421.88)	100.000	8.32%
11,850,000.000	U.S. TREASURY NOTE Mat: 1/31/18 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 12/14/16 St Date: 12/19/16	912828UJ7	11,831,524.07 39,728.09	11,840,756.64 43,390.96	9,232.57	99.922	1.98%
Total for Treasuries			127,927,068.74 243,020.12	127,830,438.00 244,574.31	(96,630.74)		21.29%
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	7,532,535.40 29,374.58	(7,464.60)	99.901	1.26%
4,200,000.000	FFCB 1ML FRN Mat: 8/1/18 Cpn: 0.76% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/13/16 St Date: 10/14/16	3133EGPA7	4,206,548.14 1,011.95	4,213,482.00 2,736.80	6,933.86	100.321	0.70%
10,000,000.000	FNMA 1ML FRN Mat: 2/28/19 Cpn: 0.76% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/12/16 St Date: 10/13/16	3135G0HZ9	9,965,700.00 6,695.50	9,964,900.00 5,861.78	(800.00)	99.649	1.66%
Total for Agencies			21,712,248.14 7,707.45	21,710,917.40 37,973.17	(1,330.74)		3.62%
Tax-Exempt							
820,000.000	CA STATE PUBLIC WORKS BOARD Mat: 4/1/17 Cpn: 3.00% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 10/6/16 St Date: 10/13/16	13068LZC2	828,339.40 0.00	824,329.60 5,330.00	(4,009.80)	100.528	0.14%
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	2,509,125.00 16,986.30	(13,500.00)	100.365	0.42%
1,350,000.000	CA LOS ANGELES CNTY TRANS Mat: 6/30/17 Cpn: 3.00% Moody's: MIG1 S&P: SP-1+ Fitch: F1+ Tr Date: 10/19/16 St Date: 10/21/16	544657HT9	1,371,019.50 12,375.00	1,364,053.50 20,250.00	(6,966.00)	101.041	0.23%

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3,510,000.000	OR STATE TANS GO/LTD Mat: 6/30/17 Cpn: 2.00% Moody's: MIG1 S&P: SP-1+ Fitch: F1+ Tr Date: 10/18/16 St Date: 10/19/16	68609BVE4	3,539,589.30 17,160.00	3,528,743.40 31,200.00	(10,845.90)	100.534	0.59%
4,100,000.000	CA STATE GO/ULT Mat: 8/1/17 Cpn: 4.00% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 10/19/16 St Date: 11/3/16	13063C4D9	4,199,589.00 0.00	4,173,308.00 26,422.22	(26,281.00)	101.788	0.70%
Total for Tax-Exempt			12,461,162.20 29,535.00	12,399,559.50 100,188.52	(61,602.70)		2.08%
Taxable Muni							
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	750,180.00 3,578.13	(1,395.00)	100.024	0.13%
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	2,994,900.00 9,376.50	(5,100.00)	99.830	0.50%
Total for Taxable Muni			3,751,575.00 2,981.77	3,745,080.00 12,954.63	(6,495.00)		0.62%
Credit							
2,600,000.000	UNITEDHEALTH GROUP FRN Mat: 1/17/17 Cpn: 1.33% 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	2,600,462.80 7,300.22	(307.20)	100.018	0.43%
2,925,000.000	MANUFACTURERS & TRADERS TRUST FRN Mat: 1/30/17 Cpn: 1.26% 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	2,925,728.33 6,358.99	(3,115.93)	100.025	0.49%
3,790,000.000	BANK OF AMERICA FRN Mat: 2/14/17 Cpn: 1.37% 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	3,791,868.47 6,933.48	2,799.37	100.049	0.63%
3,380,000.000	AFLAC Mat: 2/15/17 Cpn: 2.65% Moody's: A3 S&P: A- Fitch: A-u Tr Date: 12/9/15 St Date: 12/14/15	001055AH5	3,434,451.80 29,607.86	3,385,154.50 33,837.56	(49,297.30)	100.153	0.57%

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1,645,000.000	CITIGROUP FRN Mat: 3/10/17 Cpn: 1.49% 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	1,646,064.32 1,364.49	(2,061.19)	100.065	0.27%
225,000.000	AT&T FRN Mat: 3/30/17 Cpn: 1.42% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 8/4/14 St Date: 8/7/14	00206RCF7	225,614.25 155.35	225,142.65 17.73	(471.60)	100.063	0.04%
2,240,000.000	HUNTINGTON NATL BANK FRN Mat: 4/24/17 Cpn: 1.31% 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	2,240,436.80 5,610.44	2,609.60	100.020	0.37%
1,150,000.000	GOLDMAN SACHS FRN Mat: 5/22/17 Cpn: 1.59% 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	1,152,012.50 2,026.84	2,012.50	100.175	0.19%
2,000,000.000	BRANCH BANKING & TRUST FRN Mat: 5/23/17 Cpn: 1.22% 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	1,999,964.00 2,642.97	9,264.00	99.998	0.33%
1,020,000.000	PACCAR FINANCIAL FRN Mat: 6/6/17 Cpn: 1.14% Moody's: A1 S&P: A+ Fitch: Tr Date: 7/31/14 St Date: 8/5/14	69371RL95	1,020,549.90 702.89	1,020,457.98 837.14	(91.92)	100.045	0.17%
1,800,000.000	VERIZON COMMUNICATIONS FRN Mat: 6/9/17 Cpn: 1.35% 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	1,802,203.20 1,553.45	5,165.20	100.122	0.30%
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	3,712,401.11 61,057.77	(91,641.51)	103.008	0.63%
730,000.000	AMERICAN EXPRESS FRN Mat: 9/22/17 Cpn: 1.30% Moody's: A2 S&P: A- Fitch: A Tr Date: 9/18/14 St Date: 9/23/14	0258M0DS5	730,000.00 0.00	730,502.97 262.84	502.97	100.069	0.12%
2,960,000.000	GENERAL MILLS Mat: 10/20/17 Cpn: 1.40% Moody's: A3 S&P: BBB+ Fitch: BBB+ Tr Date: 10/27/16 St Date: 11/1/16	370334BU7	2,969,116.80 1,151.11	2,964,007.84 8,057.78	(5,108.96)	100.135	0.49%

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493,000.000	BERKSHIRE HATHAWAY FRN Mat: 1/12/18 Cpn: 1.17% Moody's: Aa2 S&P: AA Fitch: A+u Tr Date: 10/13/15 St Date: 10/16/15	084664CD1	491,895.68 25.50	494,357.23 1,302.14	2,461.55	100.275	0.08%
1,800,000.000	WELLS FARGO FRN Mat: 1/22/18 Cpn: 1.62% Moody's: Aa2 S&P: AA- Fitch: AA Tr Date: 1/22/16 St Date: 1/29/16	949883JB9	1,800,000.00 0.00	1,809,050.40 5,595.14	9,050.40	100.503	0.30%
5,000,000.000	JPMORGAN CHASE FRN Mat: 1/25/18 Cpn: 1.78% 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	5,033,460.00 16,827.92	(17,355.70)	100.669	0.84%
1,780,000.000	CATERPILLAR Mat: 2/23/18 Cpn: 1.50% Moody's: A3 S&P: A Fitch: A Tr Date: 12/15/16 St Date: 12/20/16	14912L6P1	1,777,828.40 8,677.50	1,779,252.40 9,493.33	1,424.00	99.958	0.30%
2,000,000.000	WELLS FARGO FRN Mat: 4/23/18 Cpn: 1.51% 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	2,007,978.00 5,795.16	4,038.00	100.399	0.33%
3,000,000.000	GOLDMAN SACHS FRN Mat: 4/30/18 Cpn: 2.09% 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	3,026,721.00 10,784.54	(23,669.00)	100.891	0.50%
5,000,000.000	QUALCOMM FRN Mat: 5/18/18 Cpn: 1.18% Moody's: A1 S&P: A+ Fitch: Tr Date: 5/13/15 St Date: 5/20/15	747525AH6	5,000,000.00 0.00	4,997,175.00 6,726.39	(2,825.00)	99.944	0.83%
1,825,000.000	AMERICAN EXPRESS FRN Mat: 5/22/18 Cpn: 1.51% 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	1,829,144.58 3,054.28	622.33	100.227	0.30%
3,200,000.000	KEYBANK FRN Mat: 6/1/18 Cpn: 1.45% Moody's: A3 S&P: A- Fitch: A- Tr Date: 5/27/15 St Date: 6/1/15	49327M2L7	3,200,000.00 0.00	3,204,652.80 3,997.40	4,652.80	100.145	0.53%
3,200,000.000	PNC BANK FRN Mat: 6/1/18 Cpn: 1.35% 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	3,205,321.60 3,721.85	5,321.60	100.166	0.53%

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2,910,000.000	CISCO SYSTEMS FRN Mat: 6/15/18 Cpn: 1.27% Moody's: A1 S&P: AA- Fitch: Tr Date: 6/10/15 St Date: 6/17/15	17275RAY8	2,910,000.00 0.00	2,916,998.55 1,749.92	6,998.55	100.241	0.49%
3,000,000.000	FIFTH THIRD BANK FRN Mat: 8/20/18 Cpn: 1.82% 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	3,019,926.00 6,070.73	14,676.00	100.664	0.50%
680,000.000	LOWES COMPANIES FRN Mat: 9/14/18 Cpn: 1.56% Moody's: A3 S&P: A- Fitch: Tr Date: 9/9/15 St Date: 9/16/15	548661DF1	680,403.20 93.55	685,414.84 529.96	5,011.64	100.796	0.11%
3,000,000.000	VERIZON COMMUNICATIONS FRN Mat: 9/14/18 Cpn: 2.71% 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	3,067,728.00 4,063.08	(55,872.00)	102.258	0.51%
1,000,000.000	WELLS FARGO FRN Mat: 9/14/18 Cpn: 1.36% 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	999,820.00 679.36	(180.00)	99.982	0.17%
3,000,000.000	US BANCORP FRN Mat: 11/15/18 Cpn: 1.40% 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	3,007,296.00 5,466.37	6,666.00	100.243	0.50%
5,050,000.000	CHEVRON FRN Mat: 11/16/18 Cpn: 1.42% Moody's: Aa2 S&P: AA- Fitch: Tr Date: 11/9/15 St Date: 11/17/15	166764BB5	5,050,000.00 0.00	5,071,639.25 9,170.82	21,639.25	100.429	0.84%
1,000,000.000	AT&T FRN Mat: 11/27/18 Cpn: 1.85% 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	1,007,401.00 1,744.45	(12,459.00)	100.740	0.17%
2,220,000.000	CITIGROUP FRN Mat: 12/7/18 Cpn: 1.81% 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	2,231,184.36 2,787.43	11,184.36	100.504	0.37%
1,828,000.000	ORACLE FRN Mat: 1/15/19 Cpn: 1.46% 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	1,843,459.40 5,782.57	7,358.61	100.846	0.31%

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3,000,000.000	MORGAN STANLEY FRN Mat: 1/24/19 Cpn: 1.73% 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	3,019,632.00 9,957.74	8,382.00	100.654	0.50%
1,280,000.000	BRANCH BANKING & TRUST FRN Mat: 5/1/19 Cpn: 1.42% 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	1,282,234.88 3,071.02	2,234.88	100.175	0.21%
700,000.000	MORGAN STANLEY FRN Mat: 7/23/19 Cpn: 1.62% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 7/29/14 St Date: 8/1/14	61746BDS2	700,350.00 170.30	703,251.50 2,175.89	2,901.50	100.465	0.12%
720,000.000	BERKSHIRE HATHAWAY FRN Mat: 8/15/19 Cpn: 1.17% Moody's: Aa2 S&P: AA Fitch: A+u Tr Date: 8/8/16 St Date: 8/15/16	084664CL3	720,000.00 0.00	722,278.80 1,095.73	2,278.80	100.317	0.12%
1,775,000.000	FIFTH THIRD BANK FRN Mat: 9/27/19 Cpn: 1.59% 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	1,776,180.38 391.25	1,180.38	100.067	0.30%
1,915,000.000	JOHN DEERE CAPITAL CORP FRN Mat: 10/9/19 Cpn: 1.26% Moody's: A2 S&P: A Fitch: A Tr Date: 9/6/16 St Date: 9/9/16	24422ETK5	1,915,000.00 0.00	1,915,842.60 7,618.78	842.60	100.044	0.32%
Total for Credit			90,976,985.44 173,361.37	90,853,808.02 267,514.93	(123,177.42)		15.15%

Mortgage-Backed

2,898,272.680	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	2,903,933.37 344.41	2,900,599.99 3,444.11	(3,333.38)	100.080	0.48%
615,701.653	NGN 2010-R2 1A 1MOFRN NCUA GNTD Mat: 11/6/17 Cpn: 1.02% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/17/16 St Date: 8/22/16	62888UAA8	615,894.06 259.38	615,794.01 436.95	(100.05)	100.015	0.10%
1,930,000.000	FHMS K701 A2 CMBS Mat: 11/25/17 Cpn: 3.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/16/16 St Date: 11/21/16	3137A7JU5	1,966,187.50 4,162.37	1,963,535.68 6,243.55	(2,651.82)	101.738	0.33%

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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
7,022,808.500	FNA 2012-M9 ASQ2 CMBS Mat: 12/25/17 Cpn: 1.51% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/20/16 St Date: 10/25/16	3136A7L26	7,046,949.40 7,083.67	7,034,515.52 8,854.59	(12,433.88)	100.167	1.17%
1,752,564.270	NGN 2011-R4 1A 1MOFRN NCUA GNTD Mat: 3/6/20 Cpn: 0.91% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 12/20/16 St Date: 12/23/16	62889FAA0	1,753,248.87 710.37	1,753,139.11 1,109.96	(109.76)	100.033	0.29%
4,239,503.962	NGN 2011-R3 1A 1MO FRN NCUA GNTD Mat: 3/11/20 Cpn: 1.06% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 5/18/15 St Date: 5/21/15	62889EAA3	4,258,130.01 648.04	4,243,026.99 2,505.76	(15,103.02)	100.083	0.71%
997,173.000	FHMS KF02 A1 1MOFRN CMBS Mat: 7/25/20 Cpn: 0.91% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/19/15 St Date: 11/24/15	3137B5J79	997,173.00 479.43	997,313.60 177.18	140.60	100.014	0.17%
6,533,659.149	NGN 2010-R3 2A 1MOFRN NCUA GNTD Mat: 12/8/20 Cpn: 1.21% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/17/16 St Date: 10/20/16	62888WAB2	6,557,139.48 2,762.49	6,566,529.99 5,498.89	9,390.51	100.503	1.09%
Total for Mortgage-Backed			26,098,655.69 16,450.15	26,074,454.89 28,270.99	(24,200.80)		4.34%

Asset-Backed

288.749	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	288.75 0.00	288.75 0.08	0.00	100.000	0.00%
635,421.905	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	635,421.90 0.00	635,264.96 186.04	(156.95)	99.975	0.11%
1,016,711.158	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	1,016,711.16 0.00	1,016,721.33 87.55	10.17	100.001	0.17%
1,742,337.825	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	1,742,337.82 0.00	1,742,362.22 559.48	24.39	100.001	0.29%

REVISED

CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of December 31, 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
301,692.428	HARLEY 2015-1 A2B 1MOFRN CYCLE Mat: 1/15/19 Cpn: 1.00% Moody's: Aaa S&P: AAA Fitch: AAA Tr Date: 1/22/15 St Date: 1/28/15	41284BAC0	301,692.43 0.00	301,707.81 143.02	15.39	100.005	0.05%
4,500,000.000	TOYOTA 2016-C A2B CAR 1MOFRN Mat: 1/15/19 Cpn: 0.88% Moody's: Aaa S&P: AAA Fitch: Tr Date: 8/1/16 St Date: 8/10/16	89237WAC1	4,500,000.00 0.00	4,502,605.50 1,878.27	2,605.50	100.058	0.75%
6,200,000.000	GEDFT 2014-2 A 1MOFRN FLOOR Mat: 10/20/19 Cpn: 1.19% 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	6,202,480.00 2,457.27	2,738.40	100.040	1.03%
Total for Asset-Backed			14,396,193.66 1,060.04	14,401,430.56 5,311.71	5,236.90		2.39%
Grand Total			600,675,012.28 480,386.93	600,361,291.71 1,229,541.90	(313,720.57)		100.00%



CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 12/31/2016

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
CASH & CASH EQUIVALENTS												
CASH												
06427K7F8	BANK OF MONTREAL CH	.930	1/9/2017	1/9/2017	P-1	10,000,000	10,000,000.000	.028	.027	.927	1.66%	10,000,000.00
06427KJR9	BANK OF MONTREAL CH	.600	1/9/2017	1/9/2017	P-1	10,000,000	10,000,000.000	.028	.027	.600	1.66%	10,000,000.00
06538NMR5	BANK TOKYO-MITSUBIS	.630	1/5/2017	1/5/2017	F1	10,000,000	10,000,000.000	.017	.016	.630	1.66%	10,000,000.00
05582WJB1	BNP PARIBAS NY BRH	.580	1/9/2017	1/9/2017	A-1	10,000,000	10,000,000.000	.028	.027	.580	1.66%	10,000,000.00
13606AF52	CANADIAN IMP BK NY	-				15,000,000	15,000,130.700	-	-	-	2.50%	15,000,575.85
13606AU71	CANADIAN IMP BK NY	.980	1/17/2017	1/17/2017	P-1	10,000,000	10,000,000.000	.050	.049	.976	1.66%	10,000,000.00
21685VRT8	COOPERATIEVE CENTRA	.940	1/4/2017	1/4/2017	P-1	10,000,000	10,000,000.000	.014	.014	.937	1.66%	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	.050	.049	1.125	1.66%	10,000,000.00
30229AN62	EXXON CORP DISC D	0.000	1/6/2017	1/6/2017	A-1+	10,000,000	9,999,277.900	.017	.019	.372	1.66%	9,999,277.90
30229AN54	EXXON CORP DISC D	0.000	1/5/2017	1/5/2017	A-1+	10,000,000	9,999,277.850	.014	.016	.490	1.66%	9,999,183.30
38480JNA1	GRAINGER W W INC D D	0.000	1/10/2017	1/10/2017	P-1	4,300,000	4,299,344.240	.028	.030	.487	.72%	4,299,360.12
45818LAJ9	IADB DISCOUNT NOTES	0.000	1/9/2017	1/9/2017	A-1+	5,000,000	4,999,377.830	.025	.027	.227	.83%	4,999,685.00
459053AK0	IBRD DISCOUNT NOTES	0.000	1/10/2017	1/10/2017	A-1+	15,000,000	14,998,124.980	.028	.030	.242	2.50%	14,998,890.00
50066BKS9	KOREA DEV BANK NY I	.990	1/9/2017	1/9/2017	P-1	10,500,000	10,500,000.000	.028	.027	.987	1.75%	10,500,000.00
60682A2J4	MITSUBISHI TR & BLG	1.000	1/30/2017	1/30/2017	F1	10,000,000	10,000,000.000	.086	.084	.997	1.66%	10,000,000.00
60682A3T1	MITSUBISHI TR & BLG	.610	1/6/2017	1/6/2017	F1	10,000,000	10,000,000.000	.019	.019	.610	1.66%	10,000,000.00
60689DR39	MIZUHO BANK LTD INS	.910	1/19/2017	1/19/2017	F1	7,000,000	7,000,661.060	.056	.055	.739	1.16%	7,000,661.06
63743CNA7	NATIONAL RURAL DIS D	0.000	1/10/2017	1/10/2017	F1	14,690,000	14,687,465.950	.028	.030	.518	2.44%	14,687,674.87
63873F3J5	NATIXIS NY BRH INST	.680	1/5/2017	1/5/2017	A-1	25,000,000	25,000,000.000	.017	.016	.680	4.16%	25,000,000.00
65602UEW4	NORINCHUKIN BK C/D	.900	1/13/2017	1/13/2017	A-1	25,000,000	25,001,490.020	.039	.038	.745	4.16%	25,001,490.02
69372ANQ1	PACCAR FINL CORP D D	0.000	1/24/2017	1/24/2017	A-1	8,000,000	7,996,933.230	.067	.068	.552	1.33%	7,996,933.23
86563YMC4	SUMITOMO MITSUI BKG	.540	1/6/2017	1/6/2017	F1	10,000,000	10,000,000.000	.019	.019	.540	1.66%	10,000,000.00
86563YHA4	SUMITOMO MITSUI BKG	.950	1/12/2017	1/12/2017	F1	15,000,000	15,000,451.020	.036	.035	.865	2.50%	15,000,451.02
912796HV4	UNITED STATES TREASURY BILL	0.000	1/5/2017	1/5/2017	Govt	7,000,000	6,999,720.000	.014	.016	.244	1.16%	6,999,720.00
NA9123459	US DOLLARS	.772	1/3/2017		Agency	9,114,469	9,114,469.330	.001	.001	.772	1.52%	9,114,469.33
USD120030	USD INTEREST RECEIVABLE	-				1,891,220	0.000	-	-	-	.31%	1,891,220.02
93884ENQ4	WASHINGTON GAS/LT D	0.000	1/24/2017	1/24/2017	F1	10,000,000	9,996,038.880	.067	.068	.522	1.66%	9,996,375.00
CASH TOTALS							290,592,762.990					292,485,966.72
CORPORATES												
00206RCV2	AT&T INC	2.400	3/15/2017	3/15/2017	BBB+	7,500,000	7,520,940.240	.208	.204	1.209	1.25%	7,518,427.50
CORPORATES TOTALS							7,520,940.240					7,518,427.50
MUNICIPALS												
190335HB8	COAST COMMUNITY COLLEGE DISTRICT	.795	8/1/2017	8/1/2017	AA	4,865,000	4,865,000.000	.586	.582	.845	.81%	4,863,589.15
MUNICIPALS TOTALS							4,865,000.000					4,863,589.15
SOVEREIGN DEBT												
45950VHJ8	INTERNATIONAL FINANCE CORP	.909	1/20/2017	1/20/2017	Aaa	2,500,000	2,500,000.000	.058	.057	.913	.42%	2,500,000.00
SOVEREIGN DEBT TOTALS							2,500,000.000					2,500,000.00
CASH & CASH EQUIVALENTS TOTALS							305,478,703.230					307,367,983.37

CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 12/31/2016

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												
AGENCIES												
3133EFC7	FEDERAL FARM CREDIT BANKS	.963	9/18/2018	9/18/2018	Agency	5,000,000	4,998,198.080	1.717	1.693	.876	.83%	5,008,730.00
3134G72G5	FEDERAL HOME LOAN MORTGAGE CORP	.744	4/20/2017	4/20/2017	Agency	5,000,000	4,999,688.340	.308	.057	.622	.83%	5,002,295.00
AGENCIES TOTALS							9,997,886.420					10,011,025.00
ASSET BACKED												
02587TAA1	AMERICAN EXPRESS ISSUANCE TRUST II	.984	2/15/2019	3/15/2018	AAA	10,000,000	10,014,180.480	1.214	.050	.950	1.67%	10,012,984.00
05580PAD3	BMW VEHICLE LEASE TRUST 2015-1	1.240	12/20/2017	6/20/2017	Aaa	3,167,688	3,170,108.230	.242	.240	1.136	.53%	3,168,507.11
05581RAC0	BMW VEHICLE LEASE TRUST 2016-1	1.239	1/22/2018	9/20/2017	Aaa	2,423,978	2,425,934.790	.365	.057	1.085	.40%	2,425,795.99
05582XAA0	BMW VEHICLE LEASE TRUST 2016-2	.750	10/20/2017	3/20/2017		1,843,505	1,843,504.690	.132	.133	.742	.31%	1,843,506.90
161571GW8	CHASE ISSUANCE TRUST	.954	4/15/2019	4/17/2017	AAA	2,800,000	2,801,332.880	.297	.049	.916	.47%	2,800,875.00
161571FH2	CHASE ISSUANCE TRUST	.974	5/15/2019	5/15/2017	AAA	4,675,000	4,679,682.040	.381	.049	.915	.78%	4,676,987.34
161571FT6	CHASE ISSUANCE TRUST	.964	12/16/2019	12/15/2017	AAA	7,830,000	7,836,276.100	.964	.050	.925	1.30%	7,838,566.80
36159LCN4	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.189	10/20/2019	10/20/2017	Aaa	3,610,000	3,607,026.290	.806	.057	1.213	.60%	3,610,770.37
36159LCR5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.239	1/21/2020	1/22/2018	Aaa	2,160,000	2,157,581.270	1.056	.058	1.158	.36%	2,163,191.18
36159LBW5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.489	4/22/2019	4/20/2017	Aaa	4,000,000	4,002,460.620	.306	.057	1.156	.67%	4,004,591.60
41284DAA0	HARLEY-DAVIDSON MOTORCYCLE TRUST	.650	6/15/2017	1/17/2017		340	339.680	.047	.049	.625	0%	339.68
438124AA7	HONDA AUTO RECEIVABLES 2016-3 OWNER TRUST	.640	8/18/2017	2/21/2017		1,937,488	1,937,488.490	.079	.084	.694	.32%	1,937,489.65
47788NAA6	JOHN DEERE OWNER TRUST	.640	8/15/2017	5/15/2017		1,613,454	1,613,454.420	.150	.150	.662	.27%	1,613,433.45
58768LAD5	MERCEDES BENZ AUTO LEASE TRUST 2015-A	1.100	8/15/2017	1/15/2017	Aaa	224,771	224,813.620	.042	.044	1.550	.04%	224,728.85
58768MAA9	MERCEDES-BENZ AUTO LEASE TRUST	.750	11/15/2017	6/15/2017		3,261,338	3,261,337.600	.213	.208	.748	.54%	3,261,344.12
58769BAB0	MERCEDES-BENZ AUTO RECEIVABLES TRUST 2016-1	.750	9/15/2017	3/15/2017		2,346,550	2,346,549.730	.119	.116	.773	.39%	2,346,482.85
65490BAD7	NISSAN AUTO LEASE TRUST 2014-B	1.120	9/15/2017	3/15/2017	Aaa	401,194	401,296.380	.097	.098	.991	.07%	401,244.63
65473DAC6	NISSAN AUTO LEASE TRUST 2015-A	1.054	11/15/2017	1/17/2017	Aaa	438,691	438,848.800	.047	.049	.927	.07%	438,730.33
65477XAA2	NISSAN AUTO LEASE TRUST 2016-B	.750	9/15/2017	3/15/2017		2,408,268	2,408,268.110	.130	.127	.746	.40%	2,408,267.87
65478VAA5	NISSAN AUTO RECEIVABLES 2016-B OWNER TRUST	.630	5/15/2017	1/17/2017		54,084	54,084.460	.047	.049	.667	.01%	54,084.46
65478WAA3	NISSAN AUTO RECEIVABLES 2016-C OWNER TRUST	.620	8/15/2017	4/17/2017		3,256,958	3,256,957.550	.146	.142	.618	.54%	3,256,961.13
ASSET BACKED TOTALS							58,481,526.230					58,488,883.31
CMBS												
3136AP3Z3	FANNIE MAE MULTIFAMILY REMIC TRUST 2015-M12	.868	4/25/2020	12/25/2019	Agency	3,340,413	3,342,603.400	2.332	.074	1.029	.56%	3,344,454.87
3136ANA98	FANNIE MAE-ACES	.778	3/25/2019	3/25/2019	Agency	9,907,288	9,911,052.230	1.882	.072	.973	1.65%	9,912,411.67
3136ANMF1	FANNIE MAE-ACES	.698	11/25/2018	11/25/2018	Agency	6,733,198	6,729,996.090	1.634	.071	.952	1.12%	6,727,968.88
3136A8G38	FANNIE MAE-ACES	1.246	8/25/2017	8/25/2017	Agency	414,366	414,435.710	.481	.476	1.215	.07%	414,088.62
3136A9MK1	FANNIE MAE-ACES	1.114	2/25/2017	2/25/2017	Agency	60,287	60,292.410	.149	.152	1.092	.01%	60,244.62
3136AGGF3	FANNIE MAE-ACES	1.532	10/25/2017	8/25/2017	Agency	110,845	110,996.280	.516	.511	1.009	.02%	111,031.34
3137A7JT8	FHLMC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.776	6/25/2017	6/25/2017	Agency	1,798,224	1,805,518.550	.279	.276	1.123	.30%	1,803,173.55
3137B03W2	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	1.426	8/25/2017	7/25/2017	AAA	1,413,491	1,415,139.990	.483	.477	1.089	.24%	1,414,456.19
CMBS TOTALS							23,790,034.660					23,787,829.74

CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 12/31/2016

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												
62888YAA0	NCUA GUARANTEED NOTES TRUST 2011-R1	.982	1/8/2020		Aaa	4,519,189	4,542,911.180	2.050	.082	.610	.75%	4,528,197.95
62889FAA0	NCUA GUARANTEED NOTES TRUST 2011-R4	.912	3/6/2020		Agency	441,287	441,399.550	0.000	.082	0.000	.07%	441,416.56
CMOS TOTALS							4,984,310.730					4,969,614.51
CORPORATES												
025816BH1	AMERICAN EXPRESS CO	1.506	5/22/2018	5/22/2018	A3	1,000,000	1,001,290.920	1.400	.150	1.445	.17%	1,002,066.00
0258MODN6	AMERICAN EXPRESS CREDIT CORP	1.212	6/5/2017	6/5/2017	A2	2,066,000	2,064,975.980	.431	.180	1.080	.34%	2,067,609.41
037833AN0	APPLE INC	.951	5/5/2017	5/5/2017	Aa1	1,500,000	1,499,896.200	.350	.104	.942	.25%	1,500,477.00
037833AG5	APPLE INC	1.131	5/3/2018	5/3/2018	Aa1	1,500,000	1,500,804.720	1.347	.099	.870	.25%	1,503,399.00
06050TKW1	BANK OF AMERICA NA	6.100	6/15/2017	6/15/2017	A-	2,175,000	2,219,358.200	.458	.455	1.627	.37%	2,219,222.10
084664CH2	BERKSHIRE HATHAWAY FINANCE CORP	1.653	3/15/2019	3/15/2019	Aa2	1,600,000	1,600,000.000	2.208	.218	1.118	.27%	1,620,537.60
084664CA7	BERKSHIRE HATHAWAY FINANCE CORP	1.026	1/10/2017	1/10/2017	Aa2	338,000	338,001.250	.031	.030	.790	.06%	338,024.00
14912L6Q9	CATERPILLAR FINANCIAL SERVICES CORP	1.620	2/23/2018	2/23/2018	A	1,215,000	1,215,000.000	1.153	.153	1.273	.20%	1,221,065.28
166764AX8	CHEVRON CORP	1.247	11/9/2017	11/9/2017	AA-	1,250,000	1,250,000.000	.864	.113	1.088	.21%	1,252,892.50
172967HL8	CITIGROUP INC	1.493	3/10/2017	3/10/2017	BBB+	6,500,000	6,503,575.580	.194	.191	1.172	1.08%	6,504,036.50
172967JQ5	CITIGROUP INC	1.576	4/27/2018	4/27/2018	BBB+	2,340,000	2,336,705.960	1.328	.080	1.387	.39%	2,349,666.54
20030NAP6	COMCAST CORP	6.500	1/15/2017	1/17/2017	A-	13,861,000	13,890,768.430	.042	.049	3.029	2.31%	13,880,502.43
30231GAS1	EXXON MOBIL CORP	1.537	2/28/2018	2/28/2018	AA+	2,355,000	2,355,000.000	1.167	.167	1.071	.39%	2,369,666.94
316773CF5	FIFTH THIRD BANCORP	5.450	1/15/2017	1/17/2017	Baa1	3,000,000	3,004,979.280	.042	.049	2.099	.50%	3,004,119.00
38148LAD8	GOLDMAN SACHS GROUP INC/THE	1.586	5/22/2017	5/22/2017	A3	5,200,000	5,207,254.720	.397	.153	1.215	.87%	5,208,798.40
38141EC49	GOLDMAN SACHS GROUP INC/THE	1.763	12/15/2017	12/15/2017	A3	4,900,000	4,900,529.900	.958	.207	1.484	.82%	4,915,577.10
437076BJ0	HOME DEPOT INC/THE	1.333	9/15/2017	9/15/2017	A	503,000	503,751.420	.708	.205	1.142	.08%	503,847.56
446438RH8	HUNTINGTON NATIONAL BANK/THE	1.375	4/24/2017	4/24/2017	A3	2,750,000	2,751,397.460	.233	.277	1.366	.46%	2,750,035.75
459058CG6	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	.875	4/17/2017	4/17/2017	AAA	5,000,000	5,001,322.520	.297	.294	.782	.83%	5,001,355.00
24422ESU4	JOHN DEERE CAPITAL CORP	1.170	1/16/2018	1/16/2018	A	1,309,000	1,306,356.050	1.047	.050	1.206	.22%	1,310,291.98
48121CVZ6	JPMORGAN CHASE BANK NA	6.000	7/5/2017	7/5/2017	A	6,047,000	6,189,254.780	.514	.496	1.562	1.03%	6,183,819.42
617446C23	MORGAN STANLEY	5.450	1/9/2017	1/9/2017	A3	8,675,000	8,683,180.640	.025	.027	3.393	1.44%	8,679,268.10
617446H51	MORGAN STANLEY	5.550	4/27/2017	4/27/2017	A3	4,452,000	4,515,441.000	.325	.322	1.445	.75%	4,510,922.22
63743HEK4	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	1.152	5/12/2017	5/12/2017	A	1,000,000	999,858.620	.372	.123	.993	.17%	1,000,796.00
68389XAT2	ORACLE CORP	1.068	7/7/2017	7/7/2017	A+	3,000,000	3,001,972.480	.522	.022	1.054	.50%	3,002,271.00
717081DF7	PFIZER INC	1.263	6/15/2018	6/15/2018	A+	500,000	500,928.090	1.464	.211	1.125	.08%	501,318.00
86787EAP2	SUNTRUST BANK/ATLANTA GA	1.350	2/15/2017	2/15/2017	A-	3,500,000	3,501,235.360	.081	.128	1.194	.58%	3,500,423.50
92343VCD4	VERIZON COMMUNICATIONS INC	1.351	6/9/2017	6/9/2017	BBB+	4,485,000	4,486,712.890	.442	.188	1.133	.75%	4,490,202.60
929903DU3	WACHOVIA CORP	1.233	6/15/2017	6/15/2017	A	5,000,000	5,000,324.260	.458	.205	1.216	.83%	5,001,210.00
94974BFK1	WELLS FARGO & CO	1.512	4/23/2018	4/23/2018	A	1,052,000	1,053,450.440	1.317	.069	1.350	.18%	1,055,992.34
CORPORATES TOTALS							98,383,327.150					98,449,413.27
MORTGAGES												
31381NUY7	FANNIE MAE POOL	2.623	9/1/2017	9/25/2017	Agency	461,230	464,689.260	.730	.720	2.008	.08%	462,636.41
MORTGAGES TOTALS							464,689.260					462,636.41
MUNICIPALS												
769036AW4	CITY OF RIVERSIDE CA	.980	6/1/2017	6/1/2017	SP-1+	1,695,000	1,695,000.000	.419	.417	1.152	.28%	1,693,779.60
542411KT9	LONG BEACH COMMUNITY COLLEGE DISTRICT	.930	8/1/2017	8/1/2017	AA-	1,755,000	1,755,000.000	.586	.581	.964	.29%	1,754,649.00

CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 12/31/2016

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)												
MUNICIPALS (Continued)												
13063BFQ0	STATE OF CALIFORNIA	5.750	3/1/2017	3/1/2017	AA-	1,775,000	1,789,438.030	.169	.166	1.480	.30%	1,787,726.75
546415Z29	STATE OF LOUISIANA	1.087	8/1/2017	8/1/2017	AA-	635,000	635,803.580	.586	.579	1.172	.11%	634,682.50
93974DYT9	STATE OF WASHINGTON	.500	8/1/2017	8/1/2017	AA+	9,745,000	9,732,494.820	.586	.582	.711	1.62%	9,733,013.65
MUNICIPALS TOTALS							15,607,736.430					15,603,851.50
SOVEREIGN DEBT												
4581X0BV9	INTER-AMERICAN DEVELOPMENT BANK	1.125	3/15/2017	3/15/2017	AAA	5,070,000	5,073,924.190	.208	.204	.998	.84%	5,071,308.06
4581X0CG1	INTER-AMERICAN DEVELOPMENT BANK	1.000	7/14/2017	7/14/2017	AAA	5,000,000	5,006,187.040	.539	.532	1.123	.83%	4,996,690.00
459058DC4	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	1.125	7/18/2017	7/18/2017	AAA	8,500,000	8,515,633.960	.550	.542	1.118	1.41%	8,500,297.50
SOVEREIGN DEBT TOTALS							18,595,745.190					18,568,295.56
US TREASURIES												
912828M23	UNITED STATES TREASURY FLOATING RATE NOTE	.724	10/31/2017	10/31/2017	Govt	6,300,000	6,303,296.010	.839	.014	.518	1.05%	6,308,454.60
912828J35	UNITED STATES TREASURY NOTE/BOND	.500	2/28/2017	2/28/2017	Govt	25,000,000	24,992,309.590	.166	.164	.444	4.16%	25,002,300.00
912828RX0	UNITED STATES TREASURY NOTE/BOND	.875	12/31/2016	1/3/2017	Govt	12,000,000	12,000,000.160	.003	.011	.871	2.00%	12,000,000.00
912828SC5	UNITED STATES TREASURY NOTE/BOND	.875	1/31/2017	1/31/2017	Govt	20,000,000	20,007,378.450	.087	.087	.416	3.33%	20,007,960.00
US TREASURIES TOTALS							63,302,984.210					63,318,714.60
FIXED INCOME TOTALS							293,608,240.280					293,660,263.90
PORTFOLIO TOTALS							599,086,943.510					601,028,247.27

WELLS CAPITAL- OPERATING FUNDS
December 2016

HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
AMERICAN EXPRESS CREDIT CORP	AXP	0258M0DN6	US0258M0DN61		0.19%	\$1,167,967.92
American Honda Finance Corporation	HNDA	02665JNT3	US02665JNT33		0.69%	\$4,172,250.18
APPLE INC	AAPL	037833AN0	US037833AN08		0.25%	\$1,502,695.86
Apple Inc.	AAPL	03785DQX7	US03785DQX74		1.82%	\$10,979,924.34
BANK OF AMERICA NA	BAC	06050TLT7	US06050TLT78		0.86%	\$5,164,774.51
BERKSHIRE HATHAWAY FINANCE CORP	BRK	084664CA7	US084664CA72		0.83%	\$5,012,040.68
BRANCH BANKING AND TRUST CO	BBT	07330NAH8	US07330NAH89		0.33%	\$2,004,356.89
Cafco, LLC	C	1247P2PD0	US1247P2PD05		1.66%	\$9,990,875.00
Cash	---	CCYUSD	---		-6.14%	-\$36,946,316.43
CATERPILLAR FINANCIAL SERVICES CORP	CAT	14912L5Z0	US14912L5Z02		1.33%	\$8,024,366.22
CCCIT 14A2 A2	CCCIT	17305EFN0	US17305EFN04		0.89%	\$5,328,198.94
CCCIT 14A4 A4	CCCIT	17305EFQ3	US17305EFQ35		0.50%	\$3,008,068.10
CHAIT 141 A	CHAIT	161571GJ7	US161571GJ77		1.38%	\$8,305,268.47
CHAIT 153 A	CHAIT	161571GW8	US161571GW88		0.33%	\$2,001,525.90
Chevron Corporation	CVX	16677JN93	US16677JN936		1.66%	\$9,989,538.90
Chevron Corporation	CVX	16677JUT1	US16677JUT14		0.17%	\$994,397.64
COMCAST CORP	CMCSA	20030NAP6	US20030NAP69		0.45%	\$2,685,711.49
COMCAST CORP	CMCSA	20030NAU5	US20030NAU54		0.54%	\$3,242,899.38
COMET 142A A	COMET	14041NEP2	US14041NEP24		1.14%	\$6,852,635.60
CRC Funding, LLC	C	12619TPH1	US12619TPH13		1.66%	\$9,989,886.90
Exxon Mobil Corporation	XOM	30229ANH8	US30229ANH85		1.66%	\$9,997,010.00
FEDERAL HOME LOAN BANKS	FHLB	313385AN6	US313385AN62		3.32%	\$19,997,880.00
FEDERAL HOME LOAN BANKS	FHLB	313385BK1	US313385BK15		1.16%	\$6,996,983.00
FEDERAL HOME LOAN BANKS	FHLB	313385AY2	US313385AY28		2.33%	\$13,997,046.00
FEDERAL HOME LOAN BANKS	FHLB	313370SZ2	US313370SZ24		1.85%	\$11,115,782.68
FEDERAL HOME LOAN BANKS	FHLB	313385BP0	US313385BP02		5.15%	\$30,984,934.00
FEDERAL HOME LOAN BANKS	FHLB	313385BS4	US313385BS41		0.66%	\$3,997,888.00
FEDERAL HOME LOAN MORTGAGE CORP	FHLMC	3134G72G5	US3134G72G51		0.83%	\$5,003,535.00
FIDELITY INST : GOV PT CL I MMF	FIGXX	316175108	US3161751082		10.08%	\$60,669,992.90
FIFTH THIRD BANK	FITB	31677QBA6	US31677QBA67		0.45%	\$2,733,756.48
GOLDMAN SACHS GROUP INC	GS	38141EB99	US38141EB990		0.67%	\$4,011,076.01
INTER-AMERICAN DEVELOPMENT BANK	IADB	4581X0BV9	US4581X0BV95		3.72%	\$22,375,607.87
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOP	IBRD	45905UTJ3	US45905UTJ33		1.66%	\$10,000,804.54
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOP	IBRD	45905USB1	US45905USB16		0.42%	\$2,499,485.76
INTERNATIONAL BUSINESS MACHINES CORP	IBM	459200HC8	US459200HC88		0.80%	\$4,812,178.29
INTERNATIONAL FIN CORP MEDIUM TERM NTS BOOK ENTRY	---	45950VJX5	---		0.83%	\$5,002,002.23
INTERNATIONAL FINANCE CORP	IFC	45950VHJ8	US45950VHJ89		0.42%	\$2,500,802.50
Johnson & Johnson	JNJ	47816FNH0	US47816FNH00		1.83%	\$10,997,470.00
JPMORGAN CHASE & CO	JPM	46623EJZ3	US46623EJZ34		1.33%	\$8,019,930.33
MANUFACTURERS AND TRADERS TRUST CO	MTB	55279HAD2	US55279HAD26		0.48%	\$2,880,021.35
Microsoft Corporation	MSFT	59515MQU2	US59515MQU26		0.25%	\$1,497,165.66
Microsoft Corporation	MSFT	59515MP74	US59515MP745		1.66%	\$9,993,976.70
MORGAN STANLEY	MS	617446C23	US617446C235		0.76%	\$4,557,797.15
NATIONAL RURAL UTILITIES COOP FINANCE CORP	NRUC	63743HEK4	US63743HEK41		0.17%	\$1,002,332.08
NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	NRUC	63743HEM0	US63743HEM07		0.71%	\$4,255,157.71
Old Line Funding, LLC	OLDLLC	67983TPM2	US67983TPM26		1.66%	\$9,989,296.90

WELLS CAPITAL- OPERATING FUNDS
December 2016

HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
Old Line Funding, LLC	OLDLLC	67983TQ66	US67983TQ664		0.17%	\$998,551.67
ORACLE CORP	ORCL	68389XAT2	US68389XAT28		0.50%	\$3,009,924.57
Pfizer Inc.	PFE	71708ET13	US71708ET137		1.66%	\$9,963,025.00
The Coca-Cola Company	KO	19121AP70	US19121AP704		0.17%	\$999,430.17
The Coca-Cola Company	KO	19121AQ61	US19121AQ611		0.27%	\$1,608,045.99
The Coca-Cola Company	KO	19121AQ20	US19121AQ207		1.58%	\$9,504,397.63
Toyota Motor Credit Corporation	TOYOTA	89233GQ82	US89233GQ822		1.83%	\$10,983,751.79
UNITED STATES TREASURY	UST	912828H78	US912828H789		6.66%	\$40,088,255.65
UNITED STATES TREASURY	UST	912828J35	US912828J355		8.99%	\$54,096,708.33
UNITED STATES TREASURY	UST	912828J92	US912828J926		2.50%	\$15,019,852.09
UNITED STATES TREASURY	UST	912828SM3	US912828SM34		3.67%	\$22,083,444.79
UNITED STATES TREASURY	UST	912828SC5	US912828SC51		6.61%	\$39,760,763.52
UNITED STATES TREASURY	UST	912828A91	US912828A917		2.39%	\$14,351,503.94
UNITED STATES TREASURY	UST	912828TG5	US912828TG56		1.66%	\$10,010,763.91
UNITED STATES TREASURY	UST	912828SJ0	US912828SJ05		1.67%	\$10,036,430.66
VISA INC	V	92828CQ78	US92828CQ781		1.83%	\$10,984,236.34
WORLD BANK - INTERNATIONAL BANK FOR RECONSTRUCTIO	IBRD	459058CG6	US459058CG66		2.46%	\$14,826,652.38

Disclaimer, Glossary, and Notes

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

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

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

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

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

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

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

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

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

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.



LOS ANGELES | BOSTON | LONDON | PARIS

CalOptima Investment Advisory Committee Meeting

January 23, 2017

Jeffrey C. Cleveland
Principal

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CalOptima and Payden - A Partnership for Over 15 Years



As of 12/31/16	OPERATING FUND	TIER ONE FUND	TOTAL
Market Value	\$601,590,833	\$145,148,288	\$746,739,121
Yield to Maturity (%)	0.81	1.36	0.92
Yield at Purchase (%)	0.74	1.22	0.83
Effective Duration (yrs.)	0.34	1.54	0.57
Average Credit Rating	AA+	AA+	AA+

Payden & Rygel has advised and educated CalOptima on its investment portfolios since 1999 remaining in compliance with the California Government Code. Payden currently manages two portfolios totaling over \$745 million across enhanced cash and low duration 1-3 Year Treasury fixed income strategies.

Our Firm: Meeting Our Clients' Needs Through Customized Investment Solutions



Independent

- Payden & Rygel is 100% privately owned by 22 employees active in the day-to-day management of the firm. There have been no changes in the Investment Policy Committee or the Board of Directors.
- Conflict free: no other affiliated businesses allow us to serve our clients' best interests.
- Investment management is our only source of revenue.

Resources

- Expertise in managing portfolios to the California Government Code.
- Tailored mandates and reporting to client-specified parameters.
- No outsourcing of any business function (portfolio management, settlements, reporting, I.T.)
- Significant spending on I.T. upgrades to software and hardware.

Personnel

- 185 employees worldwide.
- Exceptionally low turnover.
- Average tenure of the Shareholders is about 18 years. Average industry experience is 25+ years.

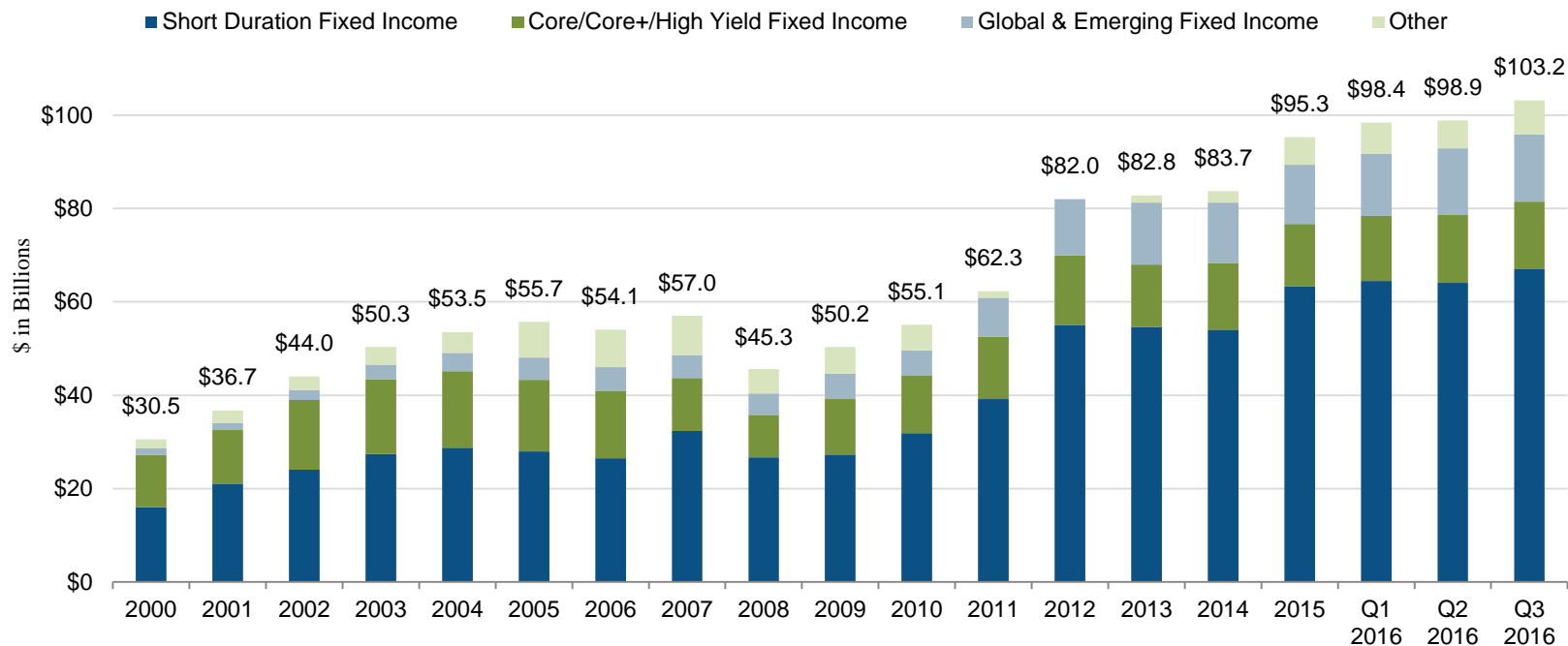
Locations

- Los Angeles – Headquarters: 154 people
- Boston – Client service: 9 people
- London – Client service, research and trading: 22 people

Financial Stability

- Solid asset growth.
- Increasing revenue base coming from East Coast and outside the US clients.

Payden & Rygel Assets Under Management



Assets Under Management by Strategy*

Absolute Return	\$2.7 billion	Global	\$6.0 billion
Core Bond & Strategic Income	\$15.2 billion	High Yield	\$3.1 billion
Emerging Markets	\$8.4 billion	Municipal	\$2.3 billion
Low Duration & Enhanced Cash	\$67.0 billion	Equities	\$1.6 billion

*As of September 30, 2016.



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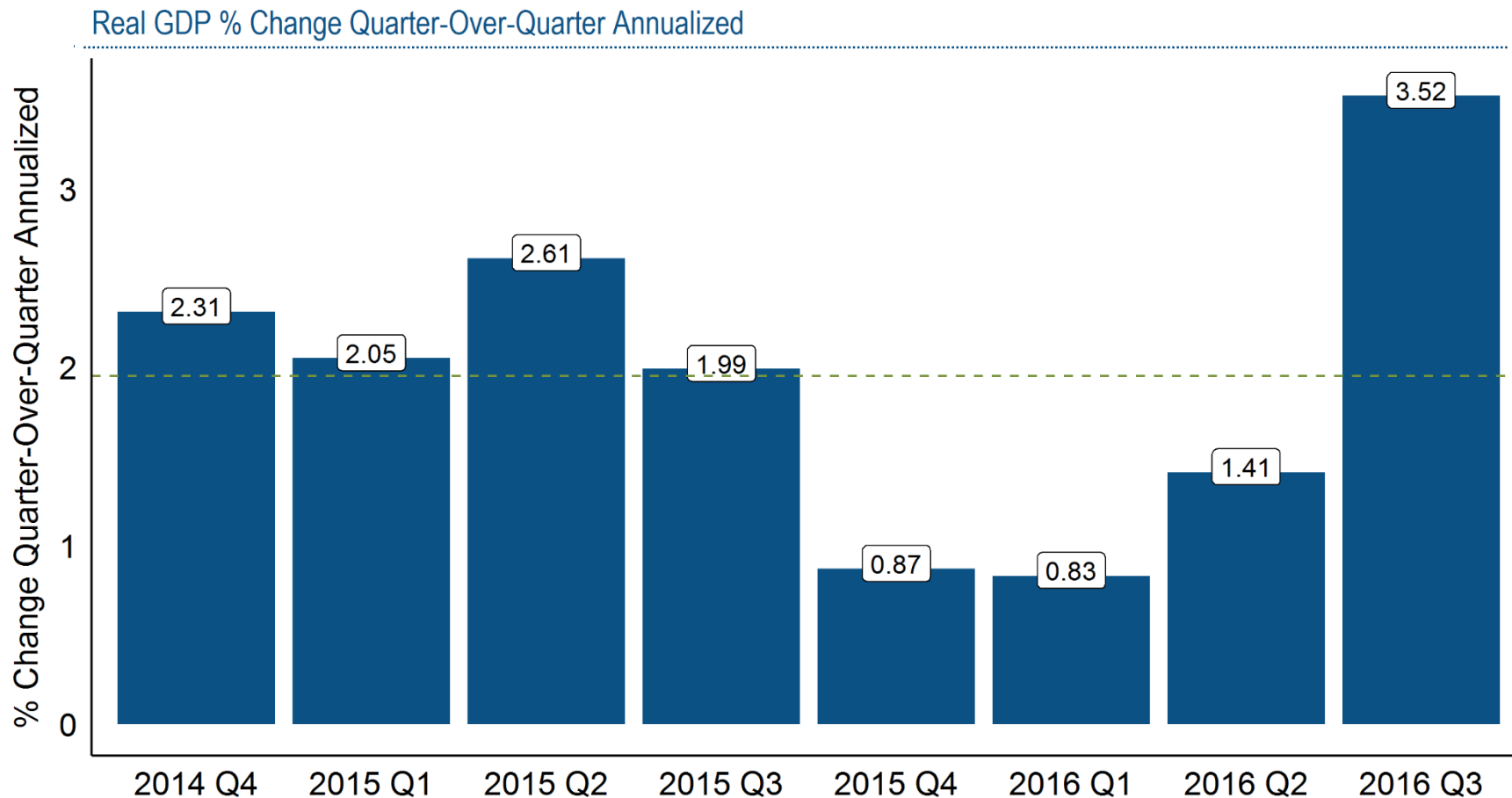


Economic Overview

The Weak GDP Growth Patch Is Behind Us



Gross domestic product (GDP) growth stalled in late 2015 and early 2016 due in large part to the downturn in energy prices and oil production investment. With oil prices back above \$50/barrel to start 2017, we think the drag on growth is behind us and the positive trend in consumer spending will reassert itself as the key driver of economic activity. We expect GDP to exceed 2% in 2017.

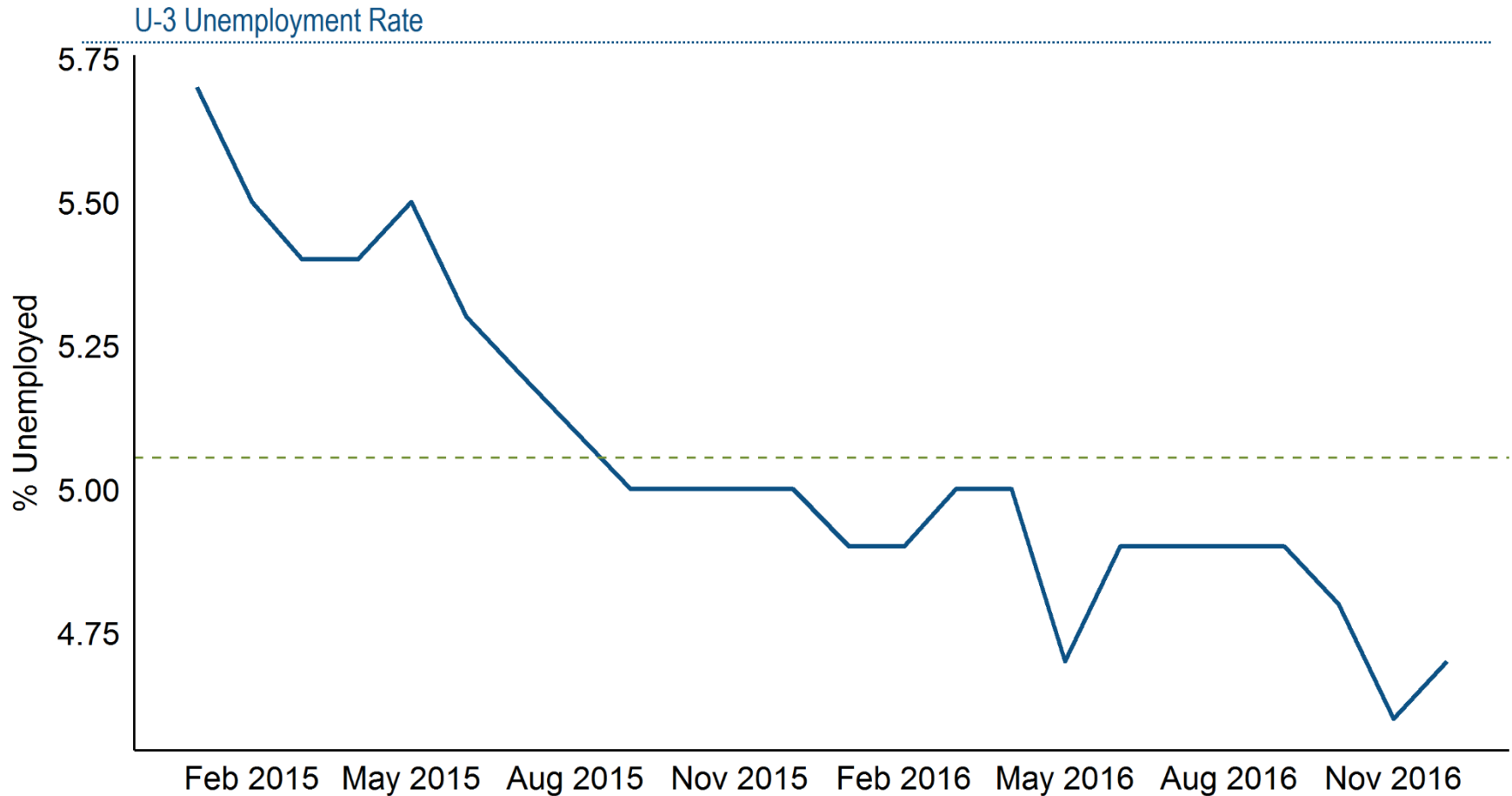


Source: Bureau of Economic Analysis

The Unemployment Rate Will Hover Below 5%



The unemployment rate tumbled back below 5% in 2016. The 5% level is a critical threshold because it is below the long-term average and below most policymakers' estimates of the "natural rate" of unemployment. Below the mythical natural rate, policymakers begin to worry that low employment will stoke inflationary pressures in the economy. We expect the unemployment rate to hover just below 5% in 2017.

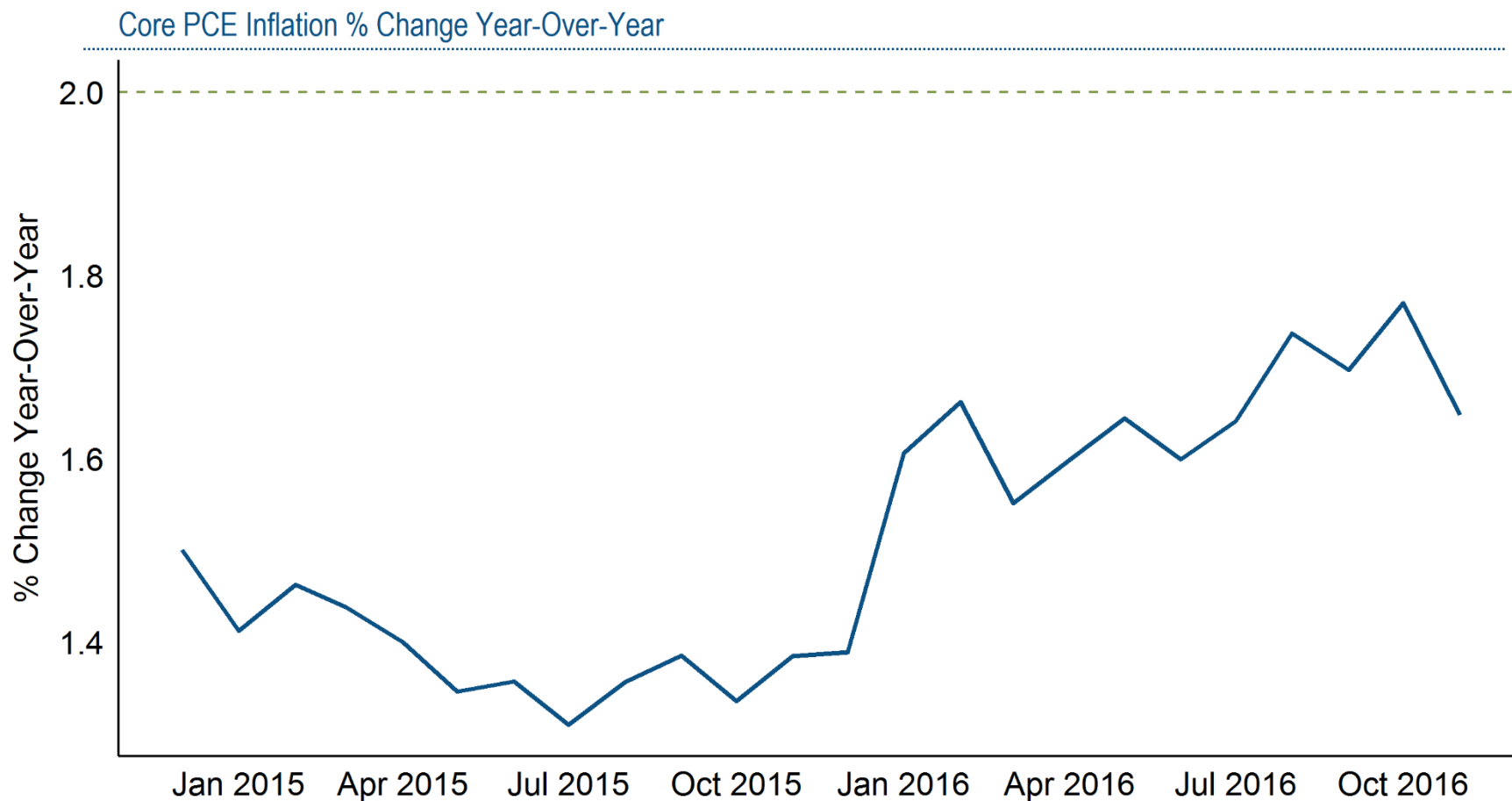


Source: Bureau of Labor Statistics

Inflation Will Breach the Elusive 2% Level in 2017



With solid economic growth, continued job growth, and an unemployment rate below 5%, we expect a continued pick-up in price pressures. The FOMC's preferred metric of prices is the core PCE, which excludes volatile food and energy prices. While core PCE hovered at 1.7% in Q4 2016, we expect prices to rise back above 2% (the Fed's target rate) in 2017.

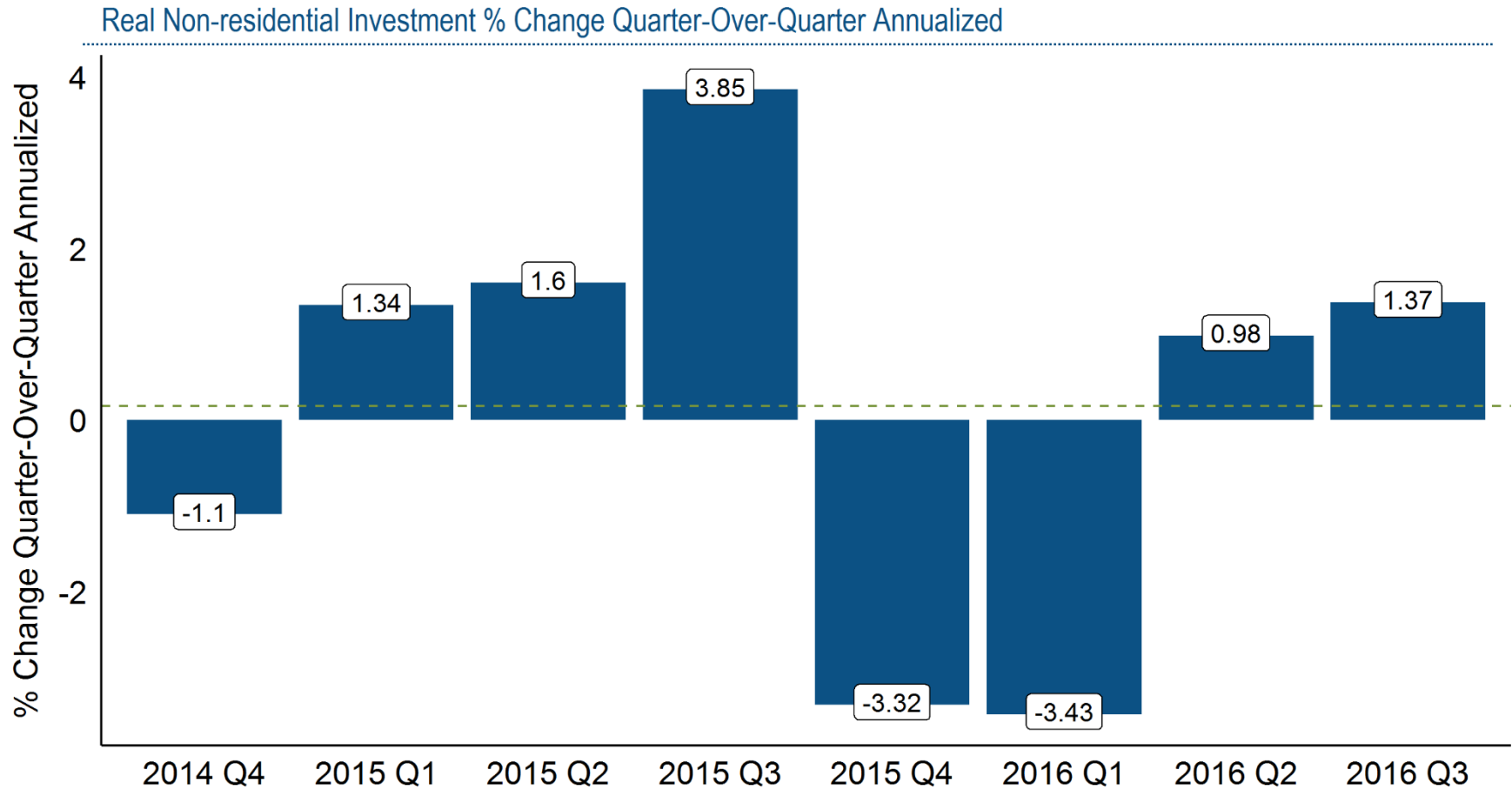


Source: Bureau of Economic Analysis

Business Investment May Surprise To the Upside in 2017



Let's face it: business investment has been a disappointment during the current expansion. Worse, after the oil price plunge, non-residential investment detracted from overall economic growth for 3 of the last 8 quarters—a significant headwind to overall activity. With the oil price decline behind us, we may see an improvement in the pace of business investment activity.



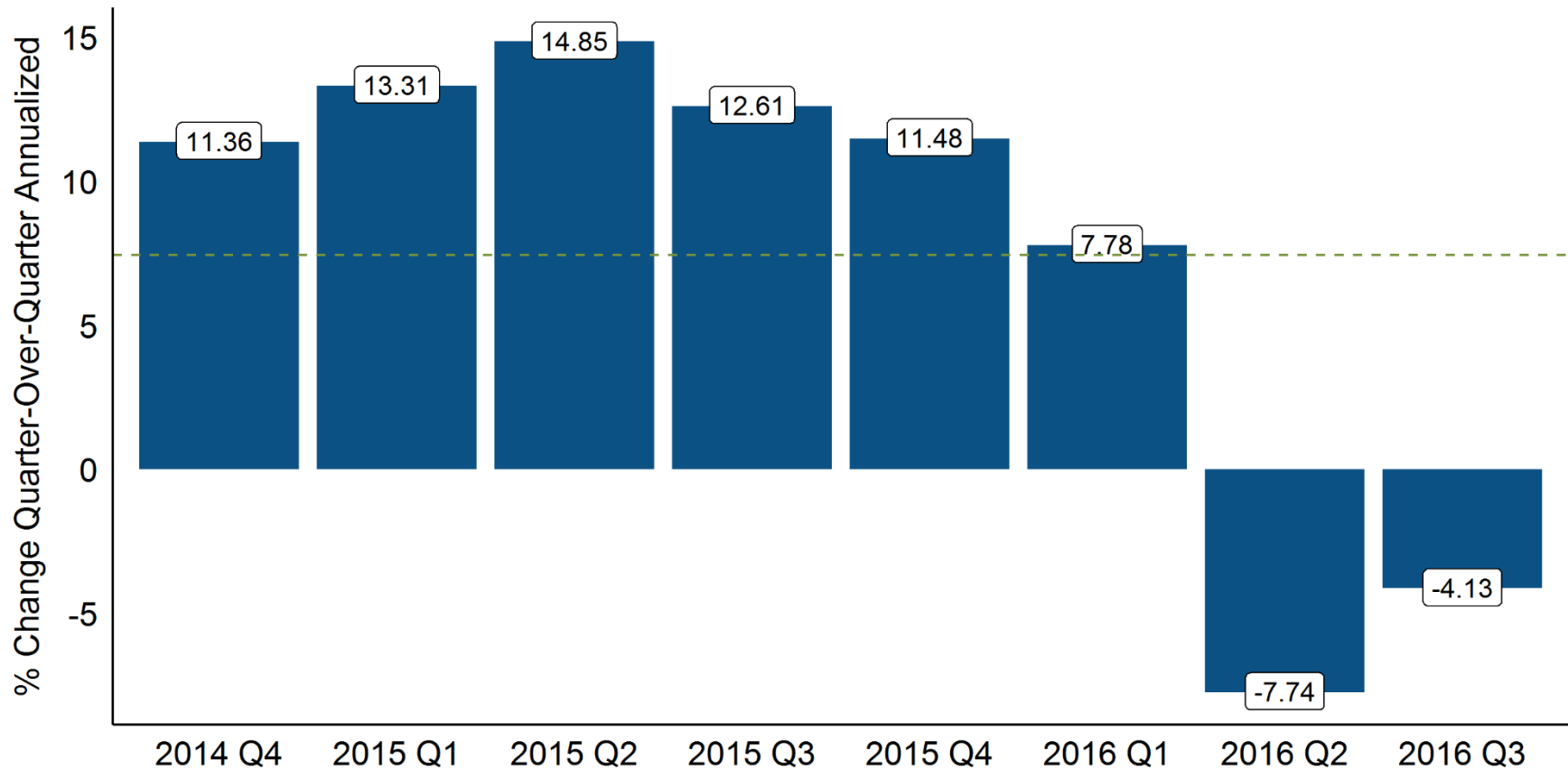
Source: Bureau of Economic Analysis

The Missing Piece to The Economic Cycle: Housing



America has a housing crisis. The crisis is that we don't build enough housing. Housing completions, the Census Bureau's term for nailing the final piece of wood in place, never fell below 1 million in any year dating back to 1967 until 2008. From 2008 until 2015, builders built fewer than a million homes, a completely unprecedented stretch in US economic history. In 2016, residential investment fell for two consecutive quarters. Will builders build in 2017? We expect more contributions to growth from residential investment.

Real Residential Investment % Change Quarter-Over-Quarter Annualized



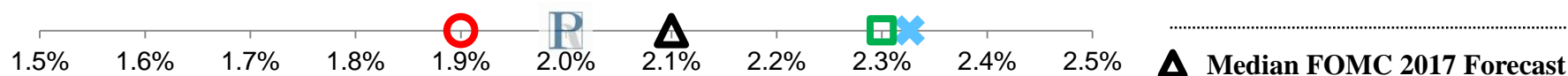
Source: Bureau of Economic Analysis

Our 2017 Outlook Summary: Moderate Growth and Rising Inflation Should Allow The Fed To Continue Their Slow Pace of Normalization. We Expect 2 Hikes Over the Balance of the Year.

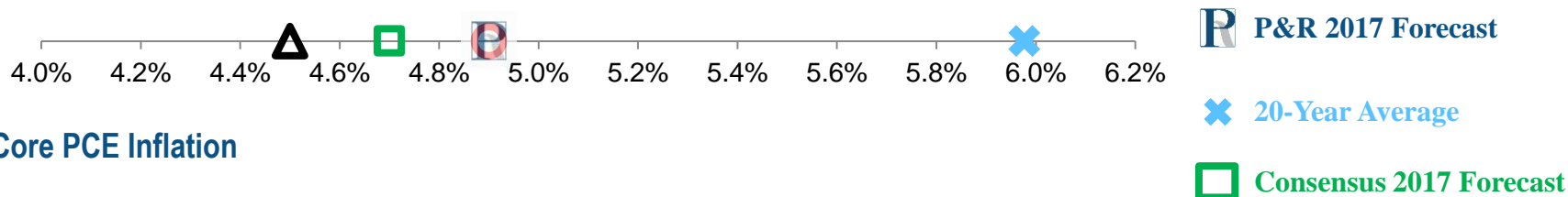


Our 2017 US economic outlook is for annual GDP growth around 2.0%, moderately higher inflation (2.0-2.25% on core PCE), and a stable unemployment rate (4.75-5.0%). The healthy labor market should support growth in consumption and residential investment. For inflation, as long as oil prices and the US dollar remain relatively stable, we expect consumer prices to continue to trudge back above 2%. We think this economic backdrop is consistent with two Fed rate hikes in 2017 (e.g., June and December). We think it is too soon to forecast significantly higher 2017 GDP given the limited details on timing, size, and composition of President-elect Trump's policies.

Economic Growth (Real GDP)



Unemployment Rate



Core PCE Inflation



Policy Interest Rate At Year End



Sources: Bloomberg Consensus, Payden Estimates, Bureau of Labor Statistics and Bureau of Economic Analysis

*2016 Actual represents the consensus expectation for where the data point will finish 2016



II

Market and Portfolio Review

4th Quarter 2016 Market Overview



4th Quarter Market Summary: Setting the tone for 2017

The 4th quarter began with market participants awaiting the outcome of the US Presidential election and the Federal Reserve's continuation of monetary policy normalization. The election outcome and Fed action, or lack thereof, would set the tone for markets in 2017.

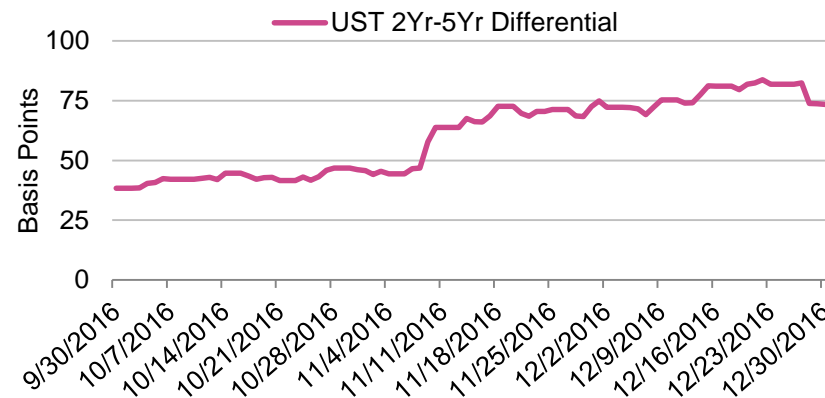
October began with yields on 2 year US Treasuries moving relatively flat. That would change as yields on the 2 year closed the quarter over 40 basis points higher. Much of the move occurred following the surprising outcome of the US Presidential election. With Republicans controlling the White House and both the House and Senate, markets began to reprice and assign higher probabilities towards the President-Elect's policies, corporate and personal tax reform, infrastructure spending, repatriation, and revisions to the ACA, being enacted.

Attention quickly shifted back to monetary policy in December, with the Fed seeing rising inflation, tightening labor conditions and a resilient US economy (Q3 GDP 3.5%) as a confirmation to raise rates. On December 14th, the Fed raised rates by 25 basis points increasing their upper bound for Fed Funds and interest on excess reserves from 0.5% to 0.75%. While the action was highly anticipated, the Fed's optimistic forecast of 3 hikes in the coming year, one more than its September forecast, surprised markets.

While yields are significantly higher over the quarter, they are only marginally higher when compared to yields at the end of 2015 with 2 year yields up 14bps, 5 year yields up 17bps and 10 year yields up 18bps over the year. At the end of 2015, we were of the view that rates should move higher and view this move as a normalization of interest rates. Throughout the backup in US Treasury yields, credit spreads remained stable in less than a 10 basis point range.

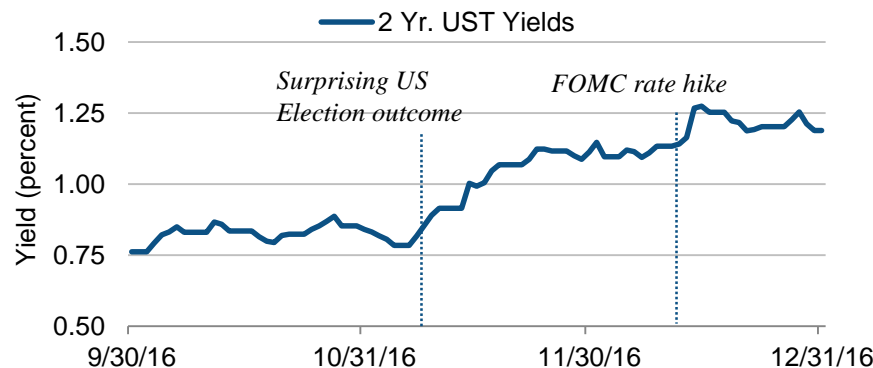
4th Quarter 2016 Yield Curve Steepening

Intermediate & long-term USTs sold off more than short-term USTs



Source: Bloomberg.

Election outcome & rate hike catalysts for yields moving higher

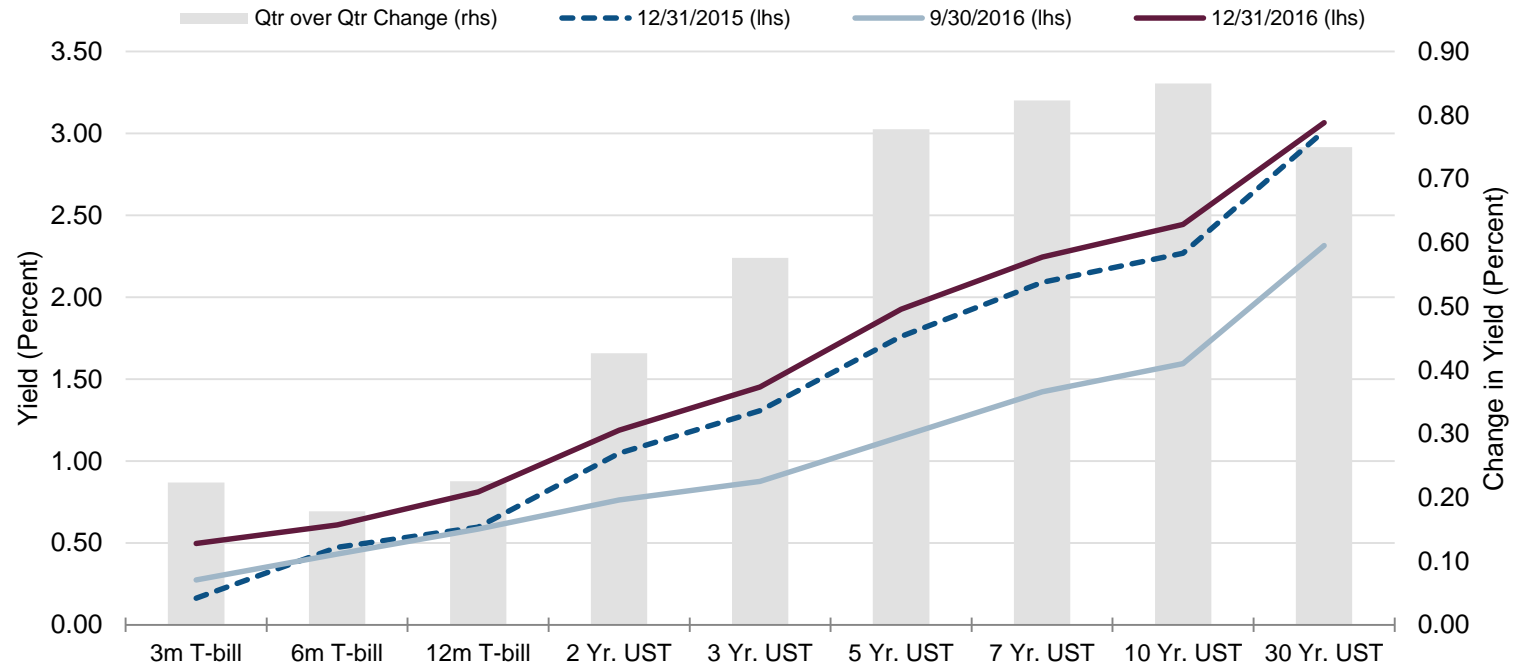


Source: Bloomberg.

2016 Interest Rate Review



US Treasuries Undergo Repricing in the 4th Quarter

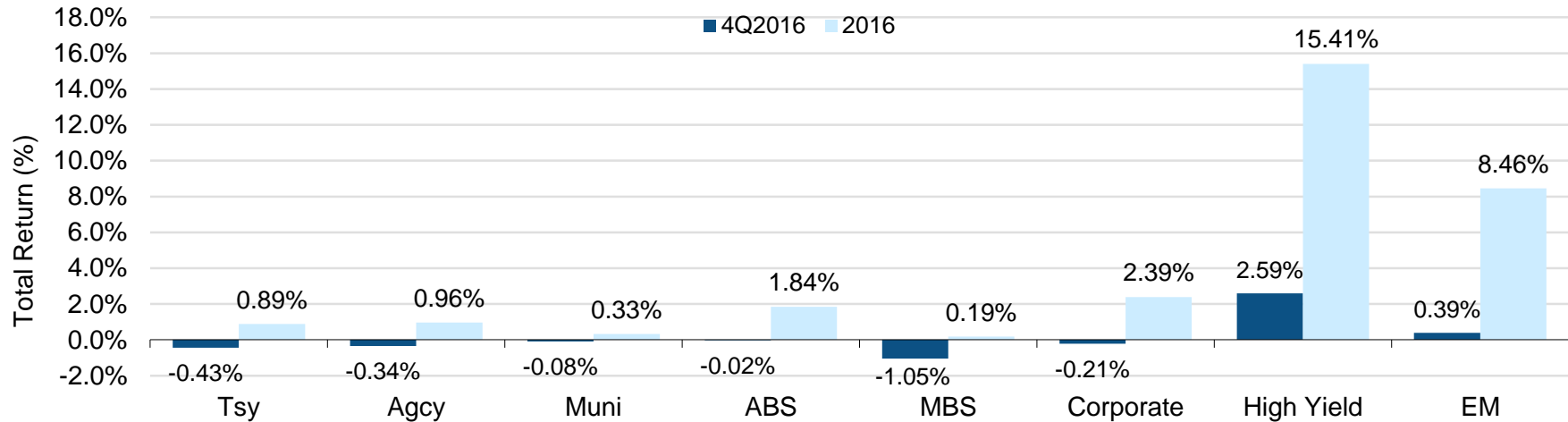


- Yields on US Treasuries moved significantly higher in the 4th quarter with the intermediate and long-end of the curve moving the most as compared to front-end yields
- Overall for 2016, yields are marginally higher when compared to where they ended 2015 with 2 year UST yields up 14 basis points, 5 year UST yields up 17 basis points and 10 year UST yields up 18 basis points
- The move to higher yields in US Treasuries offers more attractive investment opportunities in the front-end and intermediate portion of the curve for income generation

US Bond Market Returns - 4th Quarter 2016

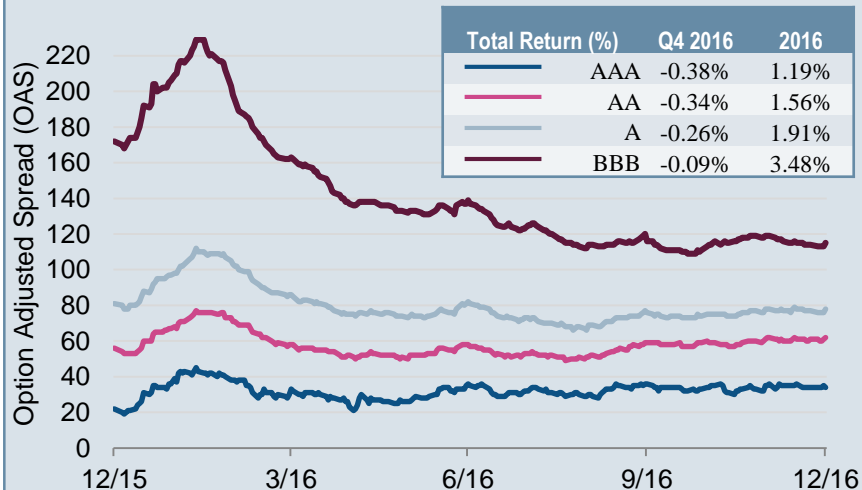


Sector Total Returns: 1-3 Year Maturity

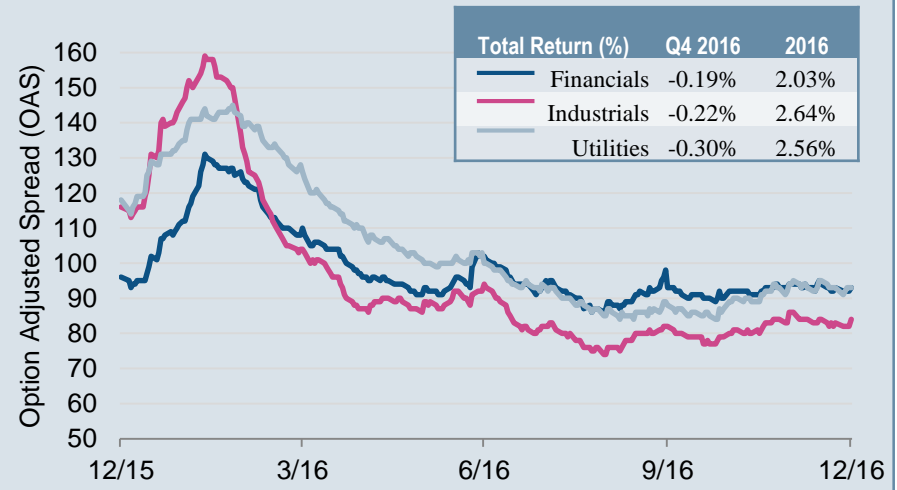


Source: Bloomberg & Bank of America Merrill Lynch 1-3 Year Indices.

BBBs outperform higher quality credit



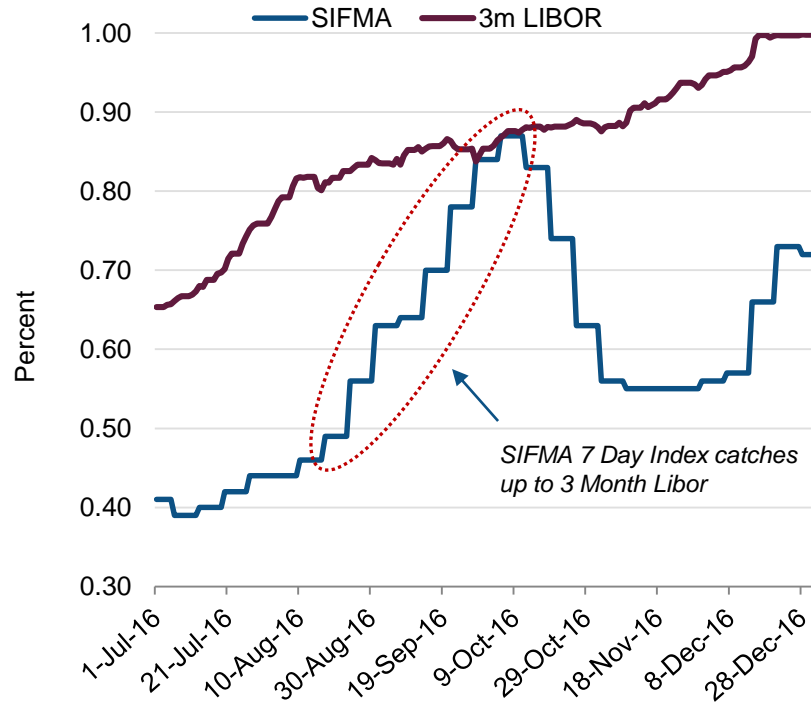
Financials underperform Industrials and Utilities



Libor Continued to Rise Post-Money Market Reform

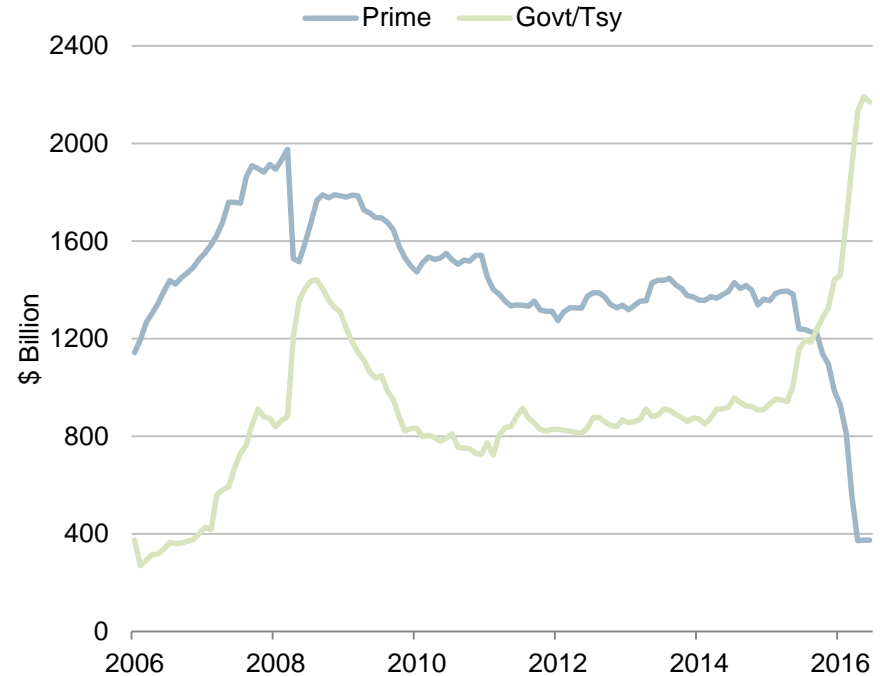


Libor Reset Higher, SIFMA lagged but followed a similar move



Source: Bloomberg.

Prime and Government Money Market Fund AUM



Source: iMoneyNet..

- 3 month Libor continued to reset higher following the October 14th implementation date of money market reform. The SIFMA Municipal Swap index, a 7 day high-grade market index comprised of tax-exempt VRDOs, lagged 3 month Libor's rise but began to move higher at the end of Q3 2016 / beginning of Q4 2016, offering opportunistic relative value in the short duration municipal space.
- Government and Prime Money Market Fund flows continued to head in different directions though the advance/decline of the respective balances slowed in the final quarter of 2016.

Current Market Yields - As of December 27, 2016



December 27, 2016

	Tsy	Agy	Callable Agy	Supra (AAA)	CP	LIBOR	Corp (A IND)	Corp (A FIN)	Corp FRN (IND)	Corp FRN (FIN)	Muni	ABS (Cards)	ABS (Auto)
1-month	0.44	0.46			0.79	0.76					0.55	0.81	0.83
3-month	0.52	0.5		1	1	1	1.16	1.36			0.55	1.02	1.03
6-month	0.64	0.58		1.08	1.26	1.32	1.24	1.46			0.55	1.12	1.12
12-month	0.86	0.96	0.99	1.24		1.69	1.4	1.65	1.2	1.58	0.97	1.32	1.34
2-year	1.23	1.31	1.36	1.53			1.78	2.06	1.25	1.59	1.22	1.74	1.67
3-year	1.57	1.61	1.68	1.81			2.12	2.4	1.41	1.69	1.47	2.04	2.05
5-year	2.06	2.11	2.21	2.27			2.64	2.91	2.99	2.12	1.81	2.51	

Change from September 27, 2016

	Tsy	Agy	Callable Agy	Supra (AAA)	CP	LIBOR	Corp (A IND)	Corp (A FIN)	Corp FRN (IND)	Corp FRN (FIN)	Muni	ABS (Cards)	ABS (Auto)
1-month	0.32	0.25			0.23	0.24						0.24	0.24
3-month	0.26	0.22		0.27	0.15	0.15	0.26	0.28				0.10	0.09
6-month	0.22	0.22		0.31	0.08	0.08	0.30	0.31				0.15	0.13
12-month	0.29	0.31	0.31	0.39		0.13	0.39	0.37	-0.08	0.17	0.21	0.28	0.24
2-year	0.48	0.46	0.46	0.56			0.56	0.53	0.09	0.02	0.42	0.57	0.45
3-year	0.72	0.61	0.61	0.71			0.70	0.66	0.00	0.07	0.60	0.75	0.69
5-year	0.95	0.83	0.83	0.90			0.86	0.79	1.16	0.13	0.77	0.93	

Yields are Payden estimates and should not be relied upon for investment decision making. Red indicates higher yield, green lower yield.

- Yields up post-US election driven more by movements in risk-free rates than material credit spread widening
- US Treasury curve steepening offering more attractive opportunities across the curve

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		

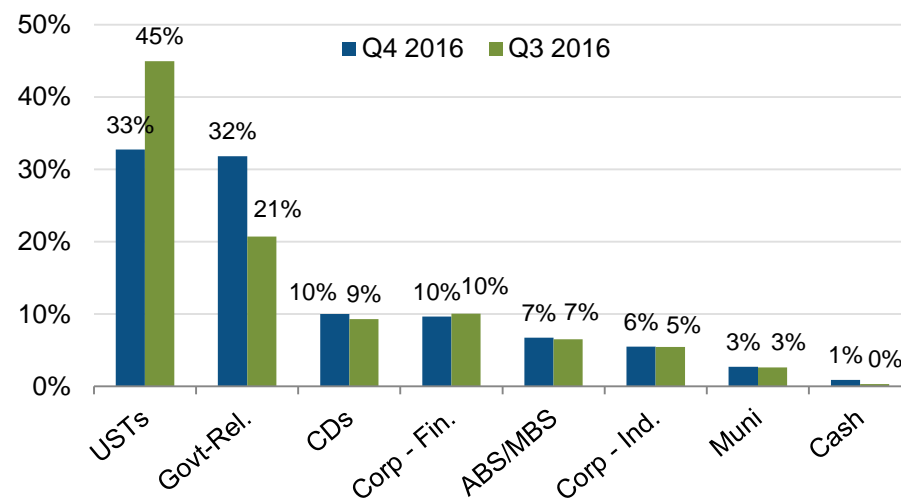
Operating Fund Overview as of December 31, 2016



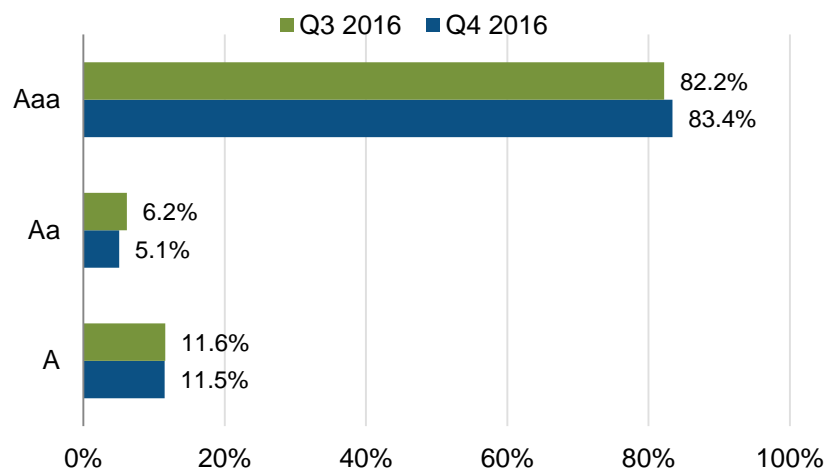
Summary Data

	Operating Fund	Benchmark
Market Value	\$601,590,833	-
Yield to Maturity (%)	0.81	0.47
Effective Duration (yrs.)	0.34	0.15
Average Rating	AA+	Aaa/AA+u

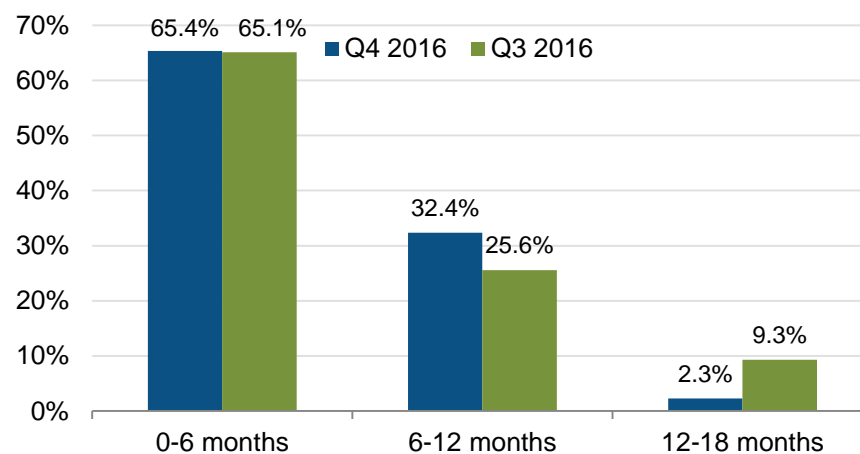
Portfolio Sector Allocation



Credit Quality Breakdown - Percentage of Portfolio



Duration Distribution



Source: Payden.

Q3 2016 period ending September 30, 2016. Q4 2016 period ending December 31, 2016.

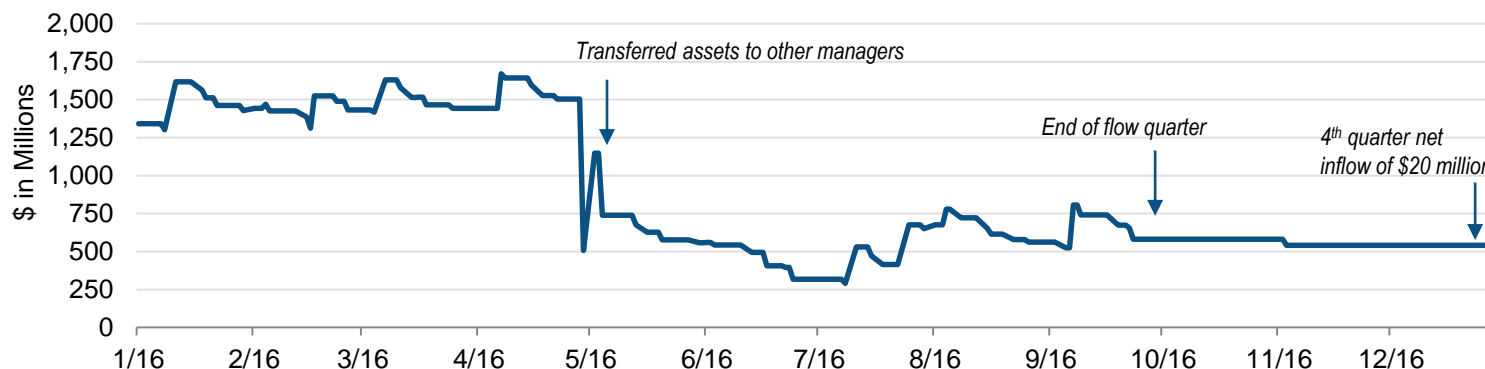
Operating Fund Performance: Returns & Strategy



PORTFOLIO RETURNS (As of 12/31/16)

	4 th Quarter	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years
Operating Fund (Gross)	0.17%	0.87%	0.40%	0.28%
Operating Fund (Net)	0.15%	0.80%	0.31%	0.17%
Citigroup 3 Month Treasury Bill Index	0.08%	0.27%	0.11%	0.09%
Net Alpha	+0.07%	+0.53%	+0.20%	+0.08%

2016 Market Value History



- Continued to take advantage of dislocations in the short-end of the curve driven by Money Market reform, and added high quality issuers such as the state of California and Los Angeles County Transportation Authority
- Added short securitized product, both fixed and floating rate, as it awards the opportunity to reinvest principal and interest at higher rates should rates continue to rise
- Purchased agency discount notes at a yield pickup to US Treasuries

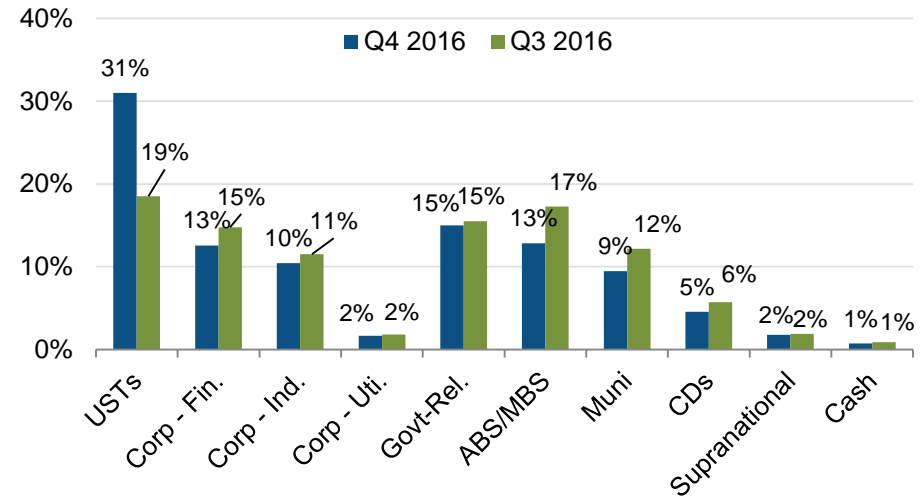
Tier One Fund Overview as of December 31, 2016



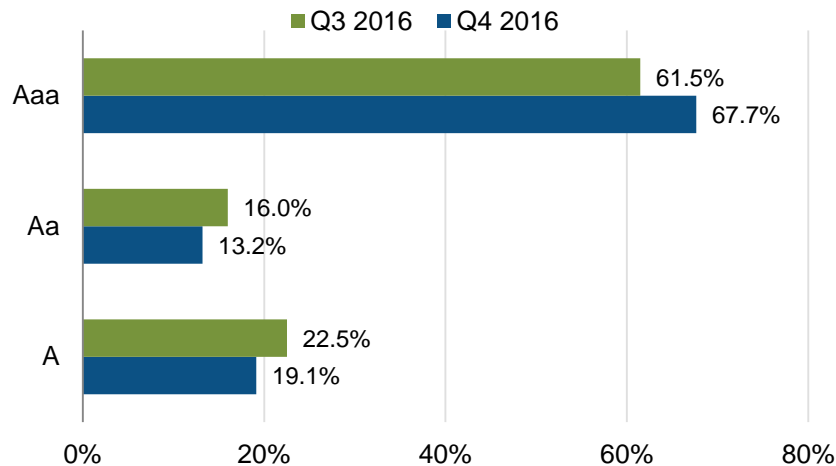
Summary Data

	Tier One	Benchmark
Market Value	\$145,148,288	-
Yield to Maturity (%)	1.36	1.16
Effective Duration (yrs.)	1.54	1.82
Average Rating	AA+	Aaa/AA+u

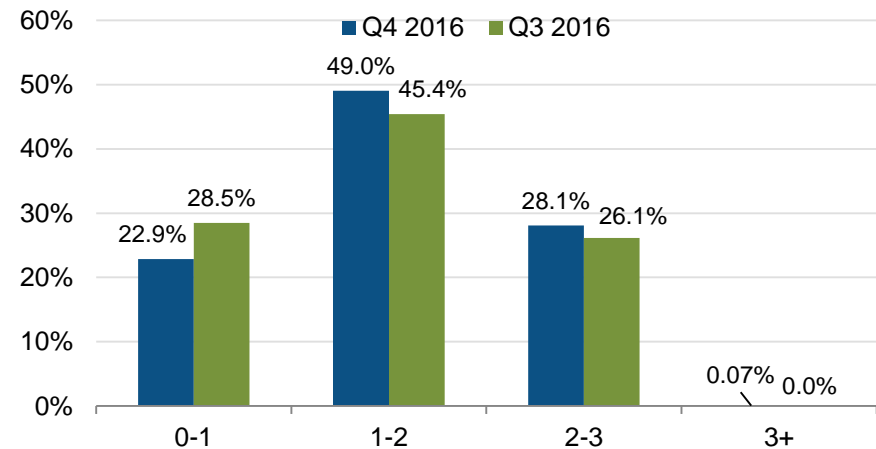
Portfolio Sector Allocation



Credit Quality Breakdown - Percentage of Portfolio



Duration Distribution



Source: Payden.

Q3 2016 period ending September 30, 2016. Q4 2016 period ending December 31, 2016.

Tier One Fund Performance: Returns & Strategy



PORTFOLIO RETURNS (As of 12/31/16)

	4 th Quarter	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years
Tier One Fund (Gross)	-0.18%	1.14%	0.91%	0.86%
Tier One Fund (Net)	-0.20%	1.07%	0.82%	0.75%
Merrill Lynch 1-3 Year Treasury*	-0.43%	0.89%	0.68%	0.57%
Net Alpha	+0.23%	+0.18%	+0.14%	+0.18%

*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.

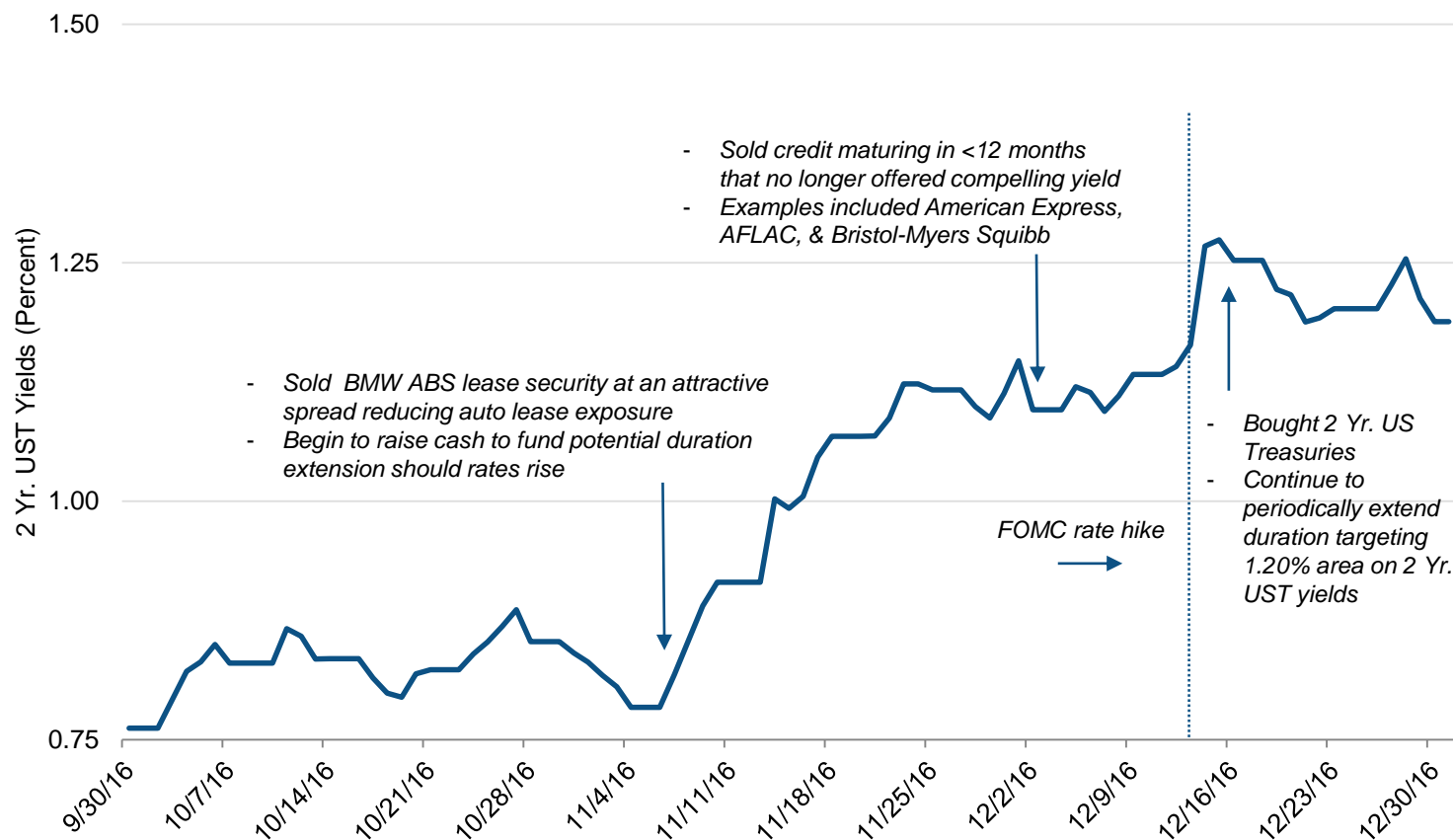
Interest Income in a Rising Rate Environment Can Help to Offset Adverse Market Price Movements

	Oct-16	Nov-16	Dec-16	Q4 2016
Beginning Market Value	\$135,408,667	\$135,453,317	\$145,070,963	\$135,408,667
Interest Income	\$154,941	\$158,153	\$160,336	\$473,430
Amortization	(\$13,822)	(\$14,159)	(\$12,065)	(\$40,046)
Realized Gain/(Loss)	\$933	\$4,810	(\$3,433)	\$2,310
Change in Unrealized Gain/(Loss)	(\$97,940)	(\$531,564)	(\$70,259)	(\$699,763)
Net Contributions / (Withdrawals)	\$0	\$10,000,000	\$0	\$10,000,000
STIF Interest & other	\$538	\$406	\$2,746	\$3,690
Ending Market Value	\$135,453,317	\$145,070,963	\$145,148,288	\$145,148,288

Opportunistic Trade: Funding US Treasury Purchases with Strategic Sales



4th Quarter Rate Rise Leads to Opportunities to Add High Quality US Treasuries at Attractive Yields



- Added US Treasury exposure throughout the 4th quarter as interest rates moved higher, selectively buying securities on the 2 and 3 year part of the curve funded by selling short-term credit and securitized product

Tier One Portfolio Performance Attribution Highlights



Attribution (basis points)	Q4 2016	Calendar Year 2016
Interest Rates	+13	-13
Sector Selection	+11	+39
Agency	+2	+2
Municipals	+1	+4
Corporate	+6	+23
<i>Financial</i>	+4	+15
<i>Industrial</i>	+2	+6
<i>Utilities</i>	-	+2
ABS/MBS	+2	+10
Total	+24	+26

Duration

Remained short of benchmark but strategically lengthened in backup

- Strategic over-allocation to duration in the front-end of the curve vs. the index in the 0-1 and 1-2 year portions of the curve attributed to Q4 outperformance from rate perspective as yields moved higher
- Reduced duration underweight by adding 5% of the portfolio in 2 year US Treasuries after the Fed rate hike when yields rose above 1.20%

Sector Allocations

Remain constructive on credit but beyond the 1 year portion of the curve

- Sold credit and other spread product to fund longer duration purchases in US Treasuries as there were more attractive income opportunities given the backup in yields
- Added new issue agency debentures at a pickup to US Treasuries and short-duration municipals which offered relative value compared to taxable securities

CalOptima – Compliance Report – As of December 31, 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	32.40%	450 Days	5 Years	396	Days	2.54	Years	TSY	TSY
Federal Agencies	100	26.66%	450 Days	5 Years	208	Days	2.66	Years	AGY	AGY
State of CA & Other Municipal Obligations	25	4.03%	450 Days	5 Years	244	Days	2.84	Years	A	A
Supranationals	15	0.34%	450 Days	5 Years			2.36	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	6.12%	1 Year	1 Year	276	Days	0.70	Years	A1/P1	A1/P1
Repurchase Agreements	100	0.00%	30 Days	30 Days					TSY	n/a
Medium Term Notes & Depository Notes	30	6.54%	450 Days	5 Years	417	Days	3.85	Years	A3/A-	A-
Money Market & other Mutual Funds (combined)	20	0.60%	N/A	N/A	1	Days	0.00	Years	AAA	AAA
Mortgage & Asset-Backed Securities (combined)	20	4.19%	450 Days	5 Years	331	Days	1.94	Years	AAA	AAA
Variable & Floating Rate Securities	30	19.12%	450 Days	5 Years	89	Days	0.20	Years	A3/A-	A-

100.00%

Diversification Guidelines

Maximum per Corporate Issuer	5	0.95%
Repurchase Agreements (Maturity > 7 days)	25	0.00%
Repurchase Agreements (Maturity < = 7 days)	50	0.00%



III

Biographies

Biographies



Joan A. Payden, CFA®

President and CEO

1983 – Established Payden & Rygel

Joan Payden, CFA®, is the president and chief executive officer of Payden & Rygel, the global investment management firm that she founded in 1983. Payden has overseen the firm's international expansion and its growth to more than \$100 billion in assets under management. In 1992 the firm launched Payden & Rygel Investment Group, a family of mutual funds, of which she is chairman and chief executive officer. Subsequently many of these strategies were duplicated in UCITS funds domiciled in Ireland. In 1998 Payden & Rygel Global Ltd. was founded in London. At the same time, the firm established Metzler/Payden LLC, its joint venture with Metzler Bank, Germany's oldest private bank. She is a member of the Payden & Rygel Investment Policy Committee and serves as chairman of the board. She serves on the board of visitors of the Anderson School of Business at UCLA, and is a trustee of the University of Southern California, Loyola Marymount University and Occidental College. She is also a member of the board of the Los Angeles Sports Council, the California Chamber of Commerce, and the Natural History Museum of Los Angeles. She is past chairman of the Investment Counsel Association of America.

Joan Payden holds the Chartered Financial Analyst® designation. She is a graduate of the Advanced Management Program at Harvard Business School and earned a BA from Trinity College in Mathematics and Physics.



James P. Sarni, CFA®

Managing Principal

1991 – Joined Payden & Rygel

James Sarni, CFA®, is a managing principal at Payden & Rygel and a member of the Executive Committee of the board of directors. Sarni is a member of the firm's Investment Policy Committee and serves as a senior portfolio manager advising pension funds, insurance companies, corporations, health care organizations, Taft-Hartley plans, universities and endowments. Sarni is a director of Payden & Rygel Global Ltd. and Payden Global Funds plc. He is also a frequent speaker with financial media and is regularly quoted on topics related to investing and the economy.

Prior to joining Payden & Rygel, Sarni was a vice president and senior portfolio manager at First Interstate Bank where he managed the trust department's commingled bond funds as well as institutional client portfolios.

James Sarni is a member of the University of Southern California's (USC) Marshall School of Business Board of Leaders and also the Board of Directors of USC's Center for Investment Studies, the Pasadena City College Foundation, Descanso Gardens and Mayfield Junior School. He is also a member of the CFA® Institute. He is past president of the Washington, DC-based Investment Adviser Association, CFA® Society of Los Angeles and St. Philip the Apostle School board of trustees.

Sarni holds the Chartered Financial Analyst® designation. He earned an MBA with an emphasis in finance and a BS from the University of Southern California.



Brian W. Matthews, CFA®

Managing Principal and CFO

1986 – Joined Payden & Rygel

Brian Matthews, CFA®, is a managing principal and the chief financial officer at Payden & Rygel, and is a member of the Executive Committee of the board of directors. Matthews is a member of the firm's Investment Policy Committee and serves as a senior portfolio manager advising institutional clients, including corporations, pension funds, insurance companies and foundations and endowments. He is a director of Metzler/Payden LLC, the firm's joint venture with Metzler Bank of Frankfurt, Germany. Matthews is also co-chairman of Payden/Kravitz LLC, a joint venture specializing in cash balance retirement plans.

Prior to joining Payden & Rygel, Matthews was an investment officer at Brown Brothers Harriman & Company in New York, where he was responsible for managing fixed-income portfolios and asset/liability management.

Matthews is a member of the CFA® Society of Los Angeles, the CFA® Institute and the Investment Counsel Association of America, Inc. He is past chairman of the board of directors for the Boy Scouts of America Los Angeles Area Council and serves on the board of directors for Oaks Christian School, St. Anne's, Kids in Sports, and the board of visitors for Pepperdine University and is a board member of the Patron of the Arts in the Vatican Museums.

Brian Matthews holds the Chartered Financial Analyst® designation. He earned a BS in Economics at the University of Notre Dame.



Mary Beth Syal, CFA®

Managing Principal

1991 – Joined Payden & Rygel

Mary Beth Syal, CFA®, is a managing principal at Payden & Rygel and a member of the Executive Committee of the board of directors. Syal is a member of the firm's Investment Policy Committee. She directs the firm's low duration strategies and also serves as a senior portfolio manager advising corporations, insurance companies and family offices. She is a trustee of The Payden & Rygel Investment Group, the sponsor of the Paydenfunds, for which Payden & Rygel is the investment adviser.

Prior to joining Payden & Rygel, Syal was a portfolio manager and strategist at Amervest Company, Inc., where she was the co-chair of the Investment Strategy Committee.

Mary Beth Syal is a member of the CFA® Society of Los Angeles and the CFA® Institute. In addition, she serves on the Investment Committee of the Western Province of the Religious of the Sacred Heart of Mary.

Syal holds the Chartered Financial Analyst® designation. She earned a BA degree in Government from Smith College in Northampton, Massachusetts.

Biographies



Scott J. Weiner, PhD
Managing Principal

1993 – Joined Payden & Rygel

Scott Weiner, PhD, is a managing principal at Payden & Rygel and a member of the Executive Committee that manages the firm. Weiner is also a member of the firm's Investment Policy Committee which directs investment strategy and monitors the risk controls for the firm and its clients. As a frequent speaker at industry forums, he specializes in topics relating to asset allocation, risk management and international investing.

Prior to joining Payden & Rygel, Weiner was a senior strategy member of the investment arm of First Interstate. More previously, he was with Goldman Sachs in New York as one of the strategists in the 1980s developing expertise in the mortgage market.

Scott Weiner earned a PhD in Pharmaceutical Chemistry from the University of California, San Francisco focusing on theoretical macromolecular biophysical chemistry. He received an AB degree in Mathematics from Occidental College in Los Angeles.



Edward S. Garlock, Esq.
Managing Principal and General Counsel

1997 – Joined Payden & Rygel

Edward S. Garlock, Esq., is a managing principal at Payden & Rygel, a member of the firm's board of directors, and a member of the Executive Committee of the board of directors. He is responsible for legal, regulatory and compliance issues for the firm and its global subsidiaries in London and Dublin. He oversees similar issues for Metzler/Payden LLC, the firm's joint venture with Metzler Bank of Frankfurt, Germany, and Payden/Kravitz Investment Advisers LLC, the firm's joint venture with Kravitz Investment Services, Inc.

Prior to joining Payden & Rygel, Garlock was a senior vice president, group general counsel and corporate secretary at First Interstate Bancorp.

Edward Garlock is a member of the American Bar Association and the American Corporate Counsel Association. He serves on the board of directors of the Rose Bowl Operating Company, which operates the Rose Bowl Stadium in Pasadena, California.

Garlock earned a JD degree from Northwestern University School of Law and an AB degree in History from Stanford University.



Asha B. Joshi, CFA®
Managing Principal

1994 – Joined Payden & Rygel

Asha Joshi, CFA®, is a managing principal at Payden & Rygel. Joshi is a member of the firm's Investment Policy committee and board of directors. She is a senior portfolio manager serving institutional clients including public plans, corporations, universities and endowments. She chairs the firm's Best Execution Committee and also serves on the board of Payden & Rygel Global Ltd.

Prior to joining Payden & Rygel, Joshi was vice president, Global Capital Markets at CIBC/Wood Gundy and previously, vice president at First Interstate Bank, Ltd where she was responsible for risk management of the Bank's derivatives portfolio.

Joshi is a past president of the CFA® Society of Los Angeles and a member of the CFA® Institute. She currently serves on the board of the California Council on Economic Education where she chairs the Program Committee.

Asha Joshi holds the Chartered Financial Analyst designation. She earned an MBA, with an emphasis in finance, and an MA degree from UCLA the year that she was a Rotary Foundation Ambassadorial Fellow. Joshi received an undergraduate degree with the highest honors from Bangalore University in India.



Michael E. Salvay, CFA®
Managing Principal

1997 – Joined Payden & Rygel

Michael Salvay, CFA®, is a managing principal at Payden & Rygel. He is a member of the firm's Investment Policy Committee and serves as senior portfolio manager advising public pension plans, endowments and universities and corporations. He directs the core bond architecture group and has extensive experience in developing customized mandates for active and passive index replication portfolios as well as hedging programs. Salvay is also a trustee of The Payden & Rygel Investment Group, the sponsor of the Paydenfunds, for which Payden & Rygel is the investment advisor.

Prior to joining Payden & Rygel, Salvay was a senior portfolio manager at Dewey Square Investors in Boston, where he specialized in mortgage-backed securities and duration immunization strategies.

Michael Salvay holds the Chartered Financial Analyst® designation and is a member of the CFA® Institute. He earned an MBA from the Amos Tuck School at Dartmouth College and a BA in Economics from the University of California, San Diego.

Biographies



Robin B.B. Creswell, FCSI

Managing Principal-London

1998 – Joined Payden & Rygel

Robin Creswell is a managing principal at Payden & Rygel and is a member of the firm's board of directors. He is responsible for the firm's London office; Payden & Rygel Global Ltd.

Creswell's 38-year career in the financial industry began in banking. He was then a leading figure in the development of the global hedge fund and derivatives industry in the 1990s. He was responsible for launching the first publicly offered hedge funds in a number of jurisdictions, including Japan, Australia and Hong Kong.

Prior to joining Payden & Rygel, Creswell was responsible for global distribution at ED&F Man. Subsequently he established the fund management company, Greystone International Ltd., for Chicago-based futures broker Gelderman, Inc. later acquired by the Man Group.

Robin Creswell is a Trustee of the Charities Aid Foundation where he Chairs the Investment Advisory Committee and Trustee of a number of other non-profit organisations. He is a Fellow of the Securities & Investment Institute and a member of the CFA Society of the UK.



Gregory T. Morrison, CPA, CFA®

Managing Principal

1998 – Joined Payden & Rygel

Gregory Morrison, CPA, CFA®, is a managing principal and the director of information technology at Payden & Rygel. He is responsible for strategic planning and development of the firm's portfolio management and accounting technology and processes.

Prior to joining Payden & Rygel, Morrison was a member of the assurance and advisory services practice of Deloitte & Touche, where he specialized in audits of global investment managers and securities brokers and dealers. He is a member of the CFA® Institute, the CFA® Society of Los Angeles and the American Institute of Certified Public Accountants.

Greg Morrison is a certified public accountant and holds the Chartered Financial Analyst® designation. He earned a BS in Accounting and Management from Washington University in St. Louis, Missouri.



Kristin Johnson Ceva, PhD, CFA®

Managing Principal

1998 – Joined Payden & Rygel

Kristin Ceva, PhD, CFA®, is a managing principal at Payden & Rygel. Ceva is a member of the firm's Investment Policy Committee and is a senior portfolio manager directing the firm's emerging market debt strategies. She also is a frequent speaker at industry forums, focusing on topics related to international investing and emerging markets.

Prior to joining Payden & Rygel, Ceva worked as a consultant for Deloitte & Touche, and with a number of international policy institutes including: the Pacific Council on International Policy, the Center for U.S.-Mexican Studies and the North America Forum at Stanford University.

Ceva serves as board member for EMpower, a non-profit organization founded by emerging markets financial professionals to support at-risk youth, and is on the California Committee of Human Rights Watch.

Kristin Ceva holds the Chartered Financial Analyst® designation. She earned a PhD from Stanford University in Political Science with an emphasis on international political economy. She was a Fulbright Scholar based in Mexico City. Ceva has completed extensive economic and political research on emerging markets and is fluent in Spanish. She received a BBA in Finance from Texas A&M University.



Justin G. Bullion, CFA®

Managing Principal

2010 – Joined Payden & Rygel

Justin G. Bullion, CFA®, is a managing principal at Payden & Rygel. He is responsible for the firm's US east coast office in Boston. Bullion serves as a senior client portfolio manager for US and global institutional clients, regularly coordinating with the firm's Los Angeles headquarters and non-US efforts.

Prior to joining Payden & Rygel, Bullion was a fixed income professional at Wellington Management Company, LLP, where he held roles in portfolio management, product management, and business management. He also previously spent time in various fixed income roles with Miller Anderson & Sherrerd LLP (now Morgan Stanley Investment Management) and Blackstone (now BlackRock) Financial Management.

Bullion is a member of the Boston Security Analysts Society. He serves on the boards of The Trust for Public Land (Massachusetts), University of Pennsylvania Volleyball, and ARZU Studio Hope.

Justin Bullion holds the Chartered Financial Analyst® designation. He earned a BA in Sociology from the University of Pennsylvania.

Biographies



James T. Wong, CFA®
Managing Principal

1995 – Joined Payden & Rygel

James Wong, CFA®, is a managing principal and co-manager of both the domestic large-cap and global equity strategies at Payden & Rygel. He has worked with the firm's equity products since their inception. Wong has more than 20 years of equity portfolio management experience, during which he has managed the breadth of equity styles and market capitalizations. He has extensive experience managing long/short portfolios, creating hedging strategies using derivatives and developing customized investment solutions for client specific needs. Wong is also a member of the Investment Policy Committee.

Before joining Payden & Rygel, Wong was a trader at the Union Bank of Switzerland where he focused on mortgage-backed securities. Previously, he was in the corporate finance group at Salomon Brothers Inc.

Wong holds the Chartered Financial Analyst® designation and the FINRA series 7, 3 and 63 licenses. He earned an MBA degree from The Anderson School at the University of California, Los Angeles with an emphasis in finance. Wong received a BS degree in Economics from The Wharton School, University of Pennsylvania with a concentration in finance.



David P. Ballantine, CFA®, CFP
Principal

1991 – Joined Payden & Rygel

David Ballantine, CFA®, CFP, is a principal and senior fixed-income portfolio strategist at Payden & Rygel. He oversees the firm's trading operations and is a key member of the portfolio management team responsible for developing strategies for short- and intermediate-term fixed-income portfolios.

Prior to joining Payden & Rygel, Ballantine traded corporate, asset-backed and mortgage securities at The Capital Group and worked in the fixed-income department at Fidelity Investments.

David Ballantine is a member of the CFA® Institute, Investment Counsel Association of America, Inc. and the Financial Planning Association. He is also a member of the Leadership of Southern California and the L.A. Works Organization.

Ballantine holds the Chartered Financial Analyst® designation and is a certified financial planner. He earned a BS in Business Administration from the University of New Hampshire.



Nigel Jenkins, ASIP
Managing Principal-London

2006 – Joined Payden & Rygel

Nigel Jenkins is a managing principal at Payden & Rygel Global Ltd. He is a member of the firm's Investment Policy Committee and directs the Global Fixed Income strategy team, which manages all global, European and UK benchmarked fixed-income portfolios. He also oversees the Interest Rate and Currency strategy teams.

Prior to joining Payden & Rygel, Jenkins was a founding partner of Centric Capital LLP, a fixed income and currency hedge fund. Previously he was head of global fixed-income at WestLB, and a director of the fixed income & currency group at Rothschild Asset Management, both in London.

Nigel Jenkins holds the ASIP designation of the UK Society of Investment Professionals, a member society of the CFA Institute. He earned an MA degree in Economics from the University of Cambridge.



Yot Chattrabhuti
Principal

1997 – Joined Payden & Rygel

Yot Chattrabhuti is a principal and director of operations at Payden & Rygel. He is responsible for the planning, development and implementation of the firm's operational policies, procedures, guidelines and strategies.

Prior to joining Payden & Rygel, Chattrabhuti was a vice president at the Bank of America where he served in various managerial capacities including domestic custody, securities processing and employee benefit trust.

Chattrabhuti is a member of the Investment Company Institute Operations Committee, a national association of the American investment company industry.

Yot Chattrabhuti holds the FINRA series 6, 63 and 26 licenses. He earned a BS in Political Science, with an emphasis on international relations, from Chulalongkorn University in Bangkok.

Biographies



Sabur S. Moini
Principal

2000 – Joined Payden & Rygel

Sabur Moini is a principal at Payden & Rygel. He is a senior high yield portfolio manager. He selects and monitors opportunities in the high-yield bond market, making relative value and total return industry and sector decisions. Moini frequently publishes analysis and commentary related to the high-yield bond market.

Prior to joining Payden & Rygel, Sabur Moini was a vice president at SunAmerica Investments where he invested in high-yield bank loans for the firm's \$2.5 billion loan portfolio. Previously, he was an assistant vice president at Bank of America where he handled Fortune 1000 credit relationships for the bank's US corporate division.

Moini holds the FINRA series 7 and 63 licenses. He earned an MBA from the Anderson School at the University of California, Los Angeles with an emphasis in finance and received a BA from Williams College in economics.



Mark J. Morris, CFA®
Principal-London

2002 – Joined Payden & Rygel

Mark Morris is a principal with Payden & Rygel Global Ltd. responsible for global client relationships and portfolio management in the United Kingdom and in continental Europe.

Prior to joining Payden & Rygel, Morris was a managing director at Credit Suisse Asset Management Ltd where he oversaw a variety of global fixed-income mandates and was a senior member of the Fixed-Income Asset Allocation Committee. Previously he worked in the project finance divisions of Barclays National Industrial Bank in Johannesburg, South Africa, and subsequently at Bank of America in London.

Mark is a member of the CFA Institute and the CFA Society of the UK.

Mark Morris holds the Chartered Financial Analyst designation®. He received a BSc in Electrical Engineering and an MBA from the University of Cape Town.



Erinn R. King, CFA®
Principal

2010 – Joined Payden & Rygel

Erinn King, CFA® is a principal at Payden & Rygel. Based in the firm's Boston office, King is responsible for client relations and business development for East Coast and global clients. She also serves as a liaison to the firm's London office and the Metzler/Payden joint-venture.

Prior to joining Payden & Rygel, King was a vice president at Wellington Management Company, LLP, where she held roles in fixed-income portfolio communications and insurance relationship management. King also worked for Concordia Capital LLC prior to joining Wellington.

King is a director on the board for the Boston Security Analysts Society, as well as chair of its fixed-income programming subcommittee. She is also co-president of the Boston Dance Alliance Board and a trustee for Jose Mateo Ballet Theatre.

Erinn King holds the Chartered Financial Analyst® designation. She earned an MBA in Finance at Boston University and also holds an MFA in Dance from the University of Oklahoma.



Jeffrey C. Cleveland
Principal – Chief Economist

2006 – Joined Payden & Rygel

Jeffrey Cleveland is a principal and the chief economist at Payden & Rygel. He is responsible for developing views on the US and global economy. His research areas include macroeconomics, central banks and the money markets, money supply, and credit cycles. Cleveland is a frequent speaker at industry forums and is often quoted in the financial media on topics related to the economy and investing. He has appeared on CNBC, Bloomberg Television and Fox Business News.

Prior to joining Payden & Rygel, Cleveland was a senior associate at David Taussig & Associates in Newport Beach, California, where he managed the firm's fiscal and economic impact studies and consulting services.

Jeffrey Cleveland is a member of the National Association for Business Economics (NABE). He received NABE's Time Series Analysis and Economic Forecasting Certificate. Cleveland earned a MA in International Political Economy with an emphasis in international money and finance from Claremont Graduate University, and a BA in Economics/Global Political Economy from Whittier College through the Whittier Scholars Program.

An avid open-water swimmer, Cleveland swam across the English Channel in September 2008, across the Catalina Channel in 2009 and around Manhattan in 2010. He was the 34th person in history to complete this "triple crown" of open water swimming.

Biographies



Arthur Hovsepian, CFA®
Principal

2004 – Joined Payden & Rygel

Arthur Hovsepian, CFA®, is a principal and emerging market debt strategist at Payden & Rygel. He heads up Asia sovereign research and is also the lead local market strategist with a focus on Asia and Africa.

Prior to joining Payden & Rygel, Hovsepian was a portfolio associate with Pacific Investment Management Company in the global fixed income group, where he was responsible for the currency risk management process for global portfolios.

Arthur Hovsepian holds the Chartered Financial Analyst® designation and is a member of the CFA® Institute and the CFA® Society of Los Angeles. He received an MBA from The UCLA Anderson School of Management and a BS in Economics and Statistics from University College London.



Larry Manis
Senior Vice President

2014 – Joined Payden & Rygel

Larry Manis is a senior vice president and Low Duration Strategist at Payden & Rygel. He is responsible for the development and implementation of investment strategies for a variety of institutional clients, including pension funds, municipalities, corporations, endowments and foundations.

Prior to joining Payden & Rygel, Manis was at Credit Suisse in New York, where he was responsible for the risk management of the bank's options portfolio and also worked with large institutional clients to identify investment opportunities and manage interest rate exposure. Prior to joining Credit Suisse, Larry worked at Citigroup where he managed a portfolio of alternative investments and advised corporate clients on the financing of transportation and power assets.

Larry Manis is a candidate for Level III in the Chartered Financial Analysts program and holds the Financial Industry Regulatory Authority series 7, 3 and 63 licenses. He earned a BA in economics from Columbia University.



Bradley Hersh
Principal – Treasurer

1998 – Joined Payden & Rygel

Bradley Hersh is principal and treasurer of Payden & Rygel. As a senior financial officer, he is responsible for accounting, budgeting and financial reporting. He also manages mutual fund accounting, regulatory issues and management reporting for Paydenfunds, the firm's family of no-load, low-expense mutual funds.

Prior to joining Payden & Rygel, Hersh was the assistant controller responsible for accounting and financial functions at Sierra Capital Management. He was the assistant treasurer for the Sierra Trust Funds where he managed mutual fund accounting, regulatory issues and management reporting.

Bradley Hersh earned an MBA with an emphasis in finance from the University of Southern California. He received a BBA with an emphasis in accounting from Baylor University.



Darren Marco
Vice President

2016 – Joined Payden & Rygel

Darren Marco is vice president at Payden & Rygel. He is responsible for the implementation and monitoring of investment policies and strategies for a variety of institutional clients, including corporations, endowments, foundations, insurance companies, pension funds and private clients.

Prior to joining Payden & Rygel, Darren was at Toyota Financial Services, where he was a treasury manager responsible for short-term debt issuance and oversight of the company's internally and externally-managed investments. Previously, Darren held various fixed income sales and analyst roles with a focus on mortgage-backed securities at large US banks and primary Wall Street dealers.

Darren earned an MBA from the University of Texas at Austin and received his BA in political science from Princeton University. He holds the Financial Regulatory Authority series 7, 63, and 24 licenses.



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



January 23rd, 2017

Scott Pavlak, CFA – *Senior Portfolio Manager*

Wendy Kaszak – *Client Services*

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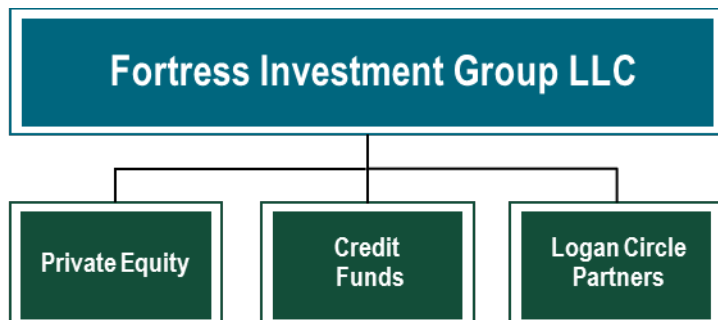
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SECTION I

Firm Overview

ORGANIZATIONAL OVERVIEW

Ownership Structure



LCP Institutional Clients

Assets by Client Type ¹ (Millions as of 9/30/2016)	
Sub-Advisory	\$12,982
Corporate	\$12,390
Public	\$3,634
Insurance	\$1,497
Other	\$2,883
TOTAL:	\$33,386

Firm Overview

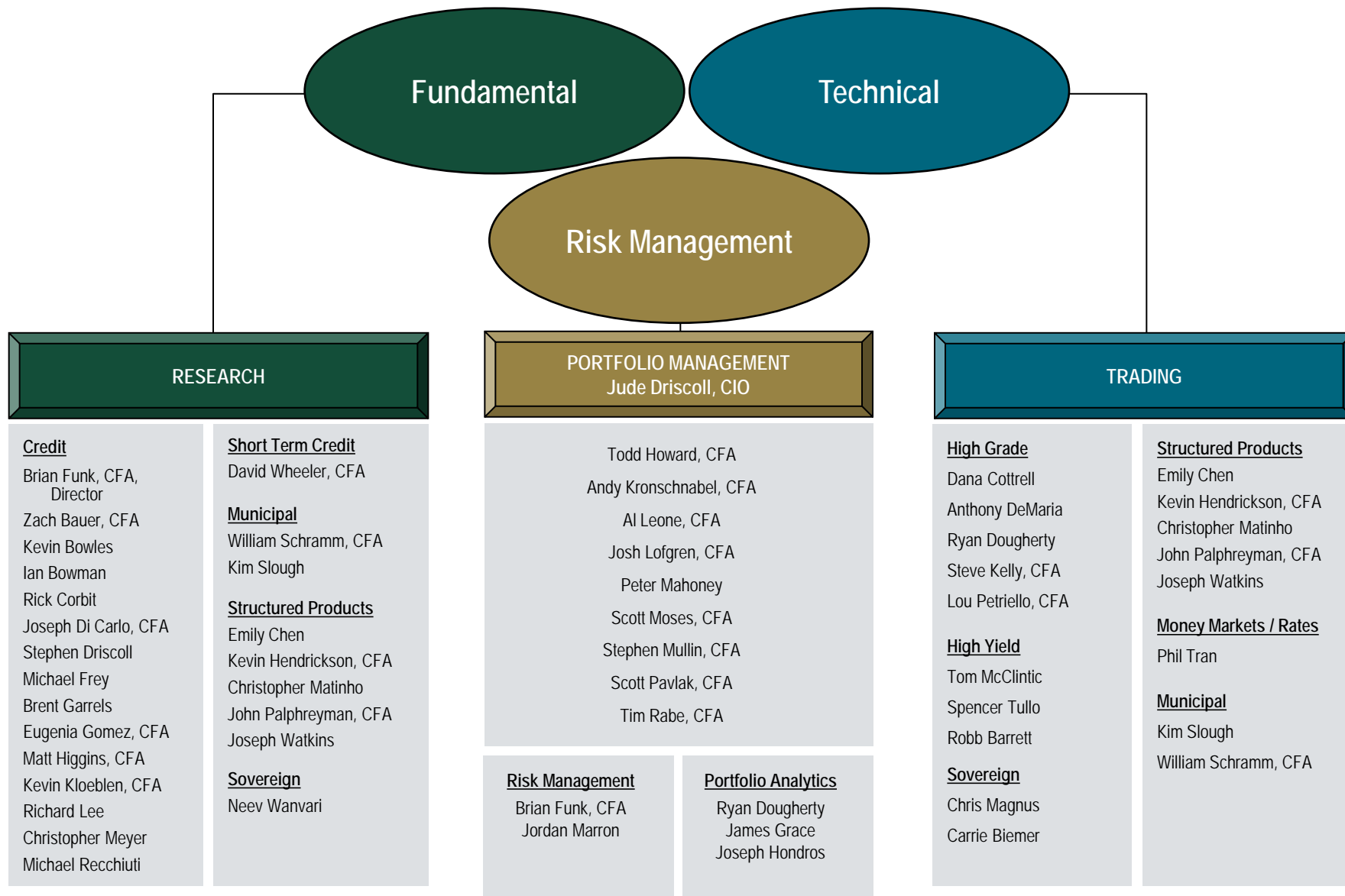
- Logan Circle Partners (“Logan Circle” or “LCP”) is a Fortress Investment Group LLC company.
- Fortress is a diversified asset manager with assets under management of \$70 billion¹.
- Logan Circle is dedicated solely to the institutional marketplace.
- Deep team of highly experienced
 - Portfolio Managers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

LCP Employees

80 Employees (as of 12/31/2016)	
Portfolio Management	10
Research	20
Trading	14
Risk Management / Portfolio Analytics	4
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 9/30/2016.

FIXED INCOME TEAM – 48 Investment Professionals (as of December 31, 2016)



SECTION II

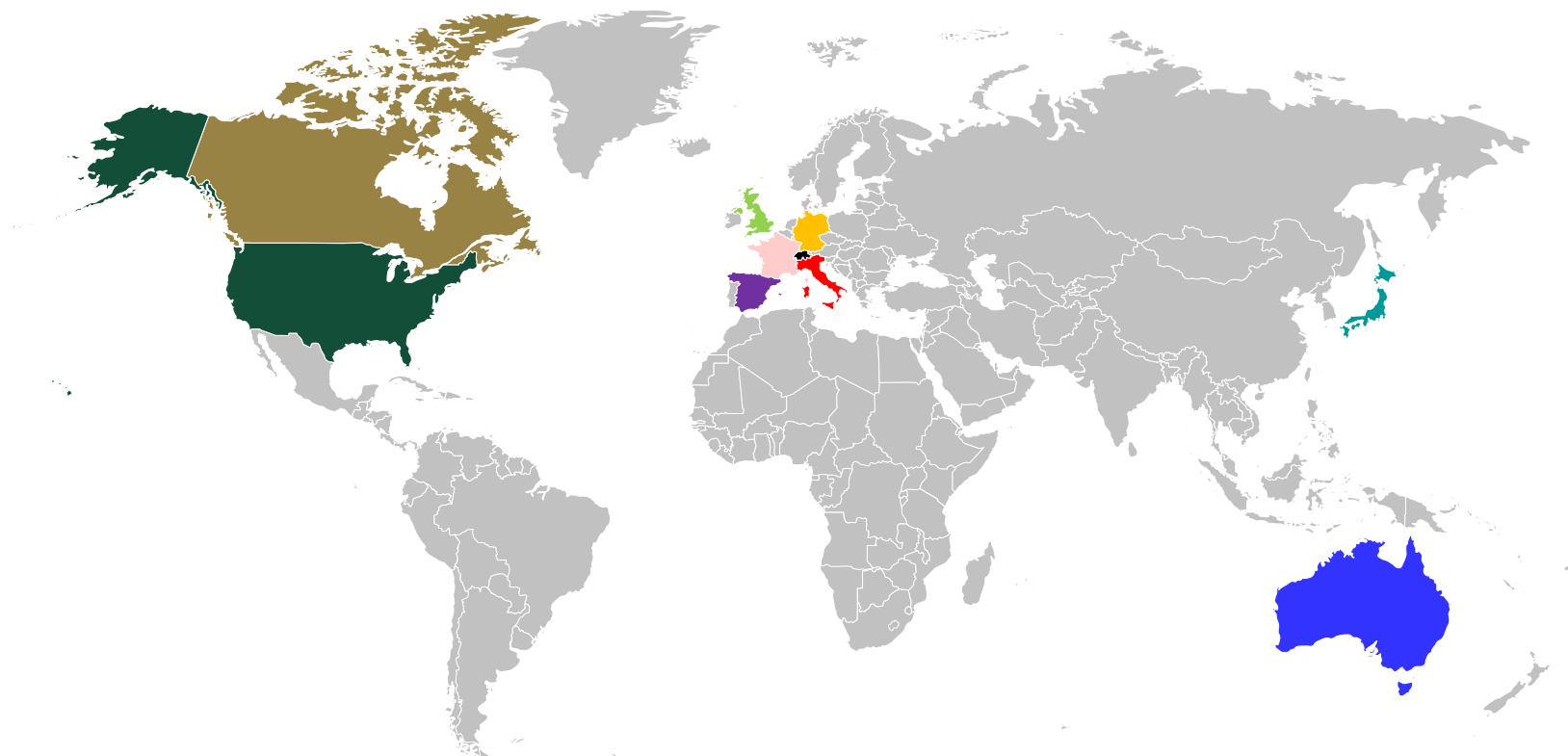
Market Review

CURRENT THEMES

- **GDP**
First-half growth will remain in the low-mid 2% range as fiscal stimulus benefits from Trump/congressional initiatives are not felt until later in the year, at the earliest. Personal consumption, which has been the primary driver of GDP growth, will get help from business fixed investment and government spending as the year progresses. Strong dollar and potential trade battles are headwinds to net exports. Taken together, expectations are for growth running closer to a 3% pace by year-end.
- **Consumer**
Most measures of consumer confidence at cycle highs, reflecting heightened optimism for fiscal policy reforms. Higher healthcare costs represent an increasing share of consumer spending and disposable income. Impact of proposed tax cuts, which will disproportionately benefit high-income earners, likely to have a limited impact on overall consumption.
- **Business**
Prospect of corporate tax and regulatory reform lifts confidence and will push the trajectory of business fixed investment higher, extending the business cycle. Regulatory reform could lead to productivity gains and offset wage pressures. Credit metrics, while exhibiting late-cycle stress, have plateaued but should improve with a pickup in overall activity. Financials benefit from the steeper yield curve and higher interest rates. Small business confidence at post-recession highs.
- **Employment**
The labor market not as strong as headline unemployment indicates. Further improvement would be evidenced by a pickup in workers looking to re-enter the labor force, potentially resulting in a higher unemployment rate. Changes to the Affordable Care Act could lead to a decline in the U-6 (underemployment) rate, should the hours worked ceiling be raised. Service sector continues to account for the majority of employment gains but quality of jobs bears watching. Minimum wage increases in 20 states will keep upward trend in wages intact.
- **Housing**
Home affordability will continue to decline as mortgage rates rise and dwindling supply supports prices. National home price appreciation will remain in the low to mid-single digits with large geographic divergences. Home sales growth is constrained by a lack of inventory in low and moderately priced homes and a lack of demand for higher priced homes. Refinancing of fixed-rate loans will continue to slow while adjustable-rate mortgages may see a spike in prepayments as borrowers move to lock in a fixed rate.
- **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. Budding protectionist / populist movements overseas and new domestic fiscal stimulus expected to have negative (higher) long-term inflation implications as free trade policies are tested.
- **Central Banks / International**
Challenging demographics, increasing populism and constrained fiscal policy keep eurozone growth in check. Recent changes to the ECB's QE program expected to have little impact. Divergent central bank policies support U.S. dollar. Fiscal stimulus affords Fed more leeway to focus on economic data to determine pace of additional tightening. U.S.-China tensions rise as Chinese capital flight and slowing economy continue to weaken the yuan.
- **U.S. Monetary and Fiscal Policy**
Market currently pricing in two federal funds rate increases in 2017 while the Federal Reserve's dot plot anticipates three rate hikes. Fed officials challenged to communicate policy path due to uncertainty over the timing, scope and impact of anticipated fiscal policy initiatives to spur growth, including infrastructure spending increases and reduced taxes. New administration to fill two Board of Governors seats in the new year.

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.

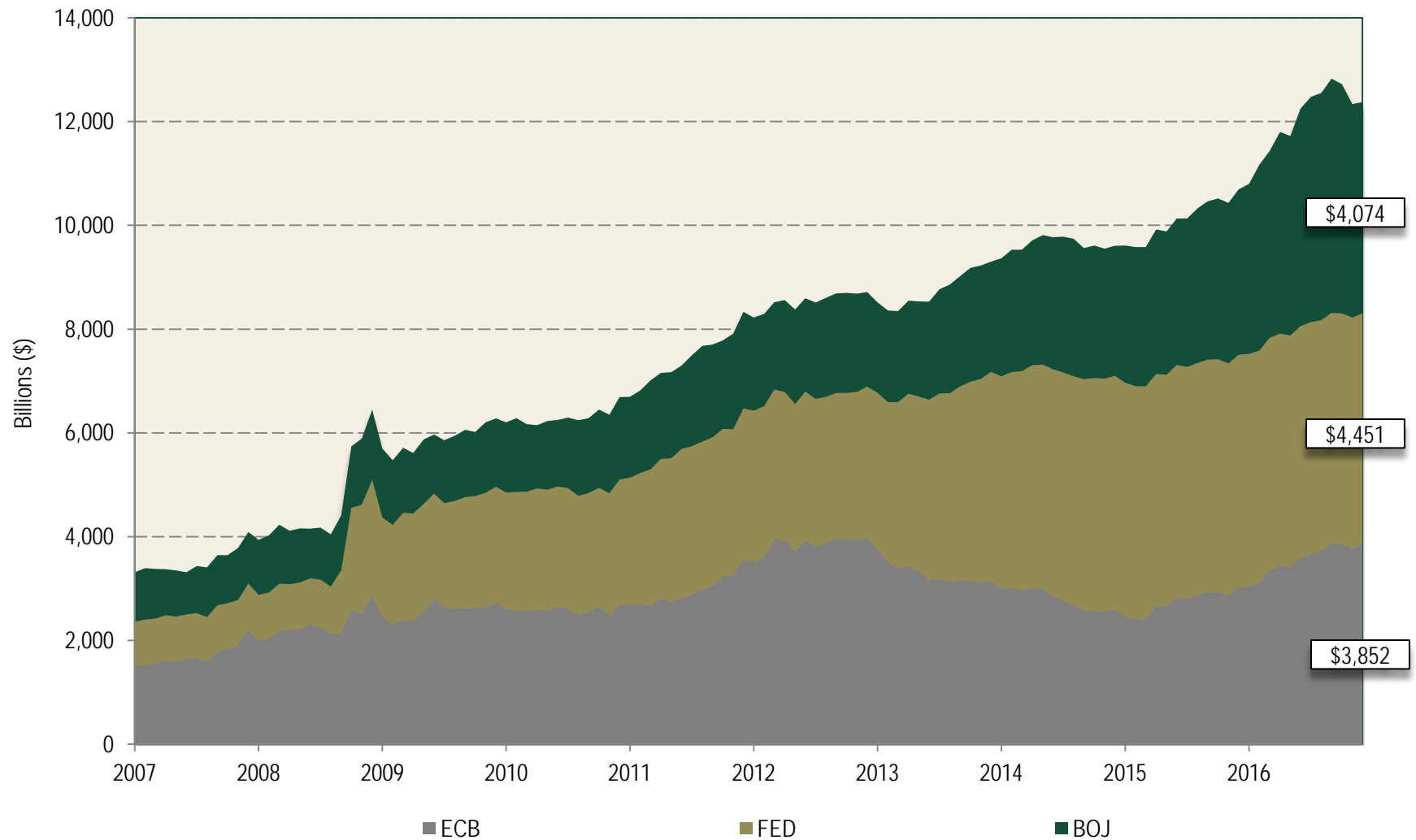
WORLD INTEREST RATES – as of December 31, 2016*



Country	United States	Canada	United Kingdom	Italy	Spain	France	Germany	Switzerland	Japan	Australia
2-Year	1.19%	0.74%	0.04%	(0.19%)	(0.31%)	(0.69%)	(0.80%)	(1.07%)	(0.19%)	1.83%
	+0.14	+0.27	(0.60)	(0.16)	(0.30)	(0.37)	(0.45)	(0.18)	(0.17)	(0.19)
5-Year	1.93%	1.11%	0.47%	0.60%	0.26%	(0.13%)	(0.54%)	(0.71%)	(0.11%)	2.33%
	+0.17	+0.38	(0.87)	+0.10	(0.41)	(0.21)	(0.50)	(0.07)	(0.14)	0.08
10-Year	2.45%	1.72%	1.24%	1.81%	1.38%	0.68%	0.20%	(0.22%)	0.04%	2.77%
	+0.18	+0.33	(0.72)	+0.22	(0.39)	(0.31)	(0.42)	(0.13)	(0.22)	(0.12)
30-Year	3.07%	2.31%	1.87%	2.93%	2.61%	1.61%	0.94%	0.35%	0.72%	-
	+0.05	+0.16	(0.80)	+0.24	(0.36)	(0.40)	(0.54)	(0.29)	(0.55)	-

*Shaded rows indicate change from December 31, 2015.

CENTRAL BANK ASSETS – as of December 31, 2016



Source: Federal Reserve, Bloomberg

CONGRESSIONAL BUDGET OFFICE – as of December 31, 2016

(\$ Billions)	1973	1983	1993	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016*	2020*
Revenues	231	601	1,154	1,782	1,880	2,154	2,407	2,568	2,524	2,105	2,163	2,303	2,450	2,775	3,021	3,250	3,276	3,900
Outlays	246	808	1,409	2,160	2,293	2,472	2,655	2,729	2,983	3,518	3,457	3,603	3,537	3,455	3,506	3,688	3,866	4,614
Social Security	48	169	302	470	492	519	544	581	612	678	701	725	768	808	845	882	910	1,128
Medicare	9	56	143	274	297	335	377	436	456	500	520	560	551	585	600	634	696	848
Medicaid	5	19	76	161	176	182	181	191	201	251	273	275	251	265	301	350	365	459
Income Security	14	64	117	196	191	197	200	203	261	350	437	404	354	340	311	300	304	321
Retirement & Disability	18	58	68	100	104	110	113	122	129	138	138	144	144	153	158	161	164	179
Defense	77	210	292	405	454	494	520	548	612	657	689	699	671	626	596	583	579	623
Other	57	144	212	401	419	452	494	410	458	758	502	566	579	457	466	554	599	651
Net Interest	17	90	199	153	160	184	227	237	253	187	196	230	220	221	229	223	248	405
Deficit (-) or Surplus Total	-15	-208	-255	-378	-413	-318	-248	-161	-459	-1,413	-1,294	-1,300	-1,087	-680	-485	-438	-590	-714
Total U.S. Debt	466	1,372	4,351	6,760	7,355	7,905	8,451	8,951	9,986	11,876	13,529	14,764	16,051	16,719	17,794	18,120	19,433	22,447

*Indicates estimates

Source: Congressional Budget Office

U.S. GDP GROWTH – as of December 31, 2016

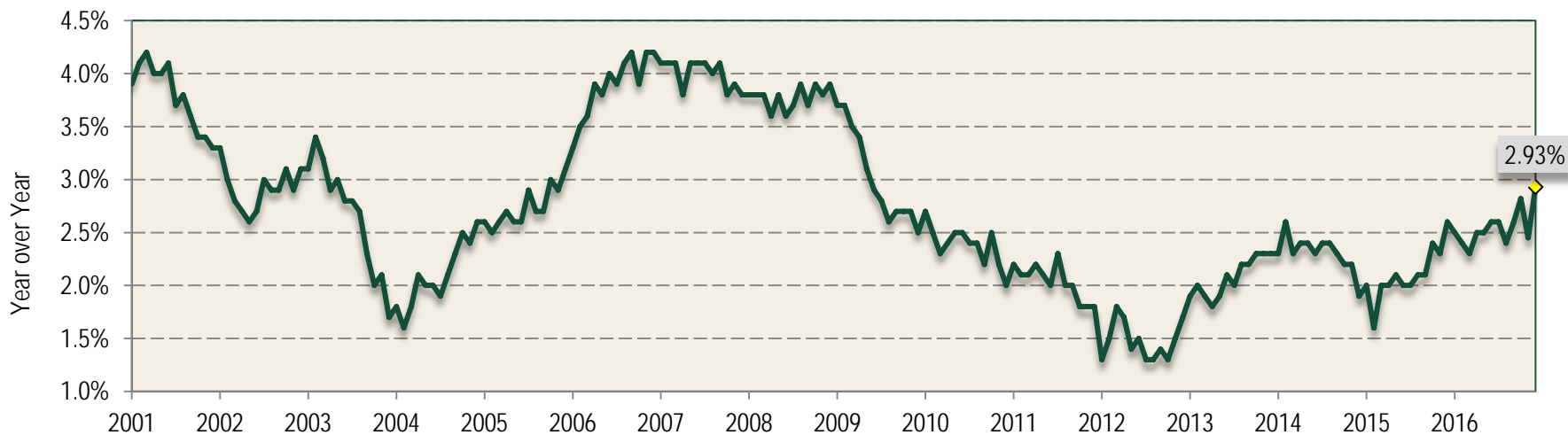
Year	Quarter	Real GDP QoQ (%)	Consumer Spending	Fixed Investment	Government Spending	Net Exports	Inventories
2008	1Q	-2.70	-0.56	-1.31	0.32	-0.11	-1.05
	2Q	2.00	0.48	-0.98	0.62	2.11	-0.24
	3Q	-1.90	-1.94	-2.12	1.13	0.77	0.26
	4Q	-8.20	-3.16	-4.29	0.56	0.15	-1.45
2009	1Q	-5.40	-0.86	-4.75	0.15	2.30	-2.26
	2Q	-0.50	-1.19	-2.13	1.56	2.34	-1.12
	3Q	1.30	1.68	-0.02	0.48	-0.45	-0.38
	4Q	3.90	-0.01	-0.36	-0.17	0.06	4.40
2010	1Q	1.70	1.46	0.11	-0.63	-0.85	1.66
	2Q	3.90	2.23	1.76	0.61	-1.77	1.09
	3Q	2.70	1.77	-0.04	-0.07	-0.83	1.90
	4Q	2.50	2.79	1.13	-0.87	1.12	-1.63
2011	1Q	-1.50	1.38	-0.11	-1.60	-0.24	-0.96
	2Q	2.90	0.57	1.10	-0.08	0.31	1.04
	3Q	0.80	1.20	2.25	-0.52	0.01	-2.10
	4Q	4.60	0.94	1.36	-0.31	-0.21	2.80
2012	1Q	2.30	1.87	1.24	-0.56	-0.11	-0.20
	2Q	1.60	0.86	0.61	-0.08	-0.04	0.27
	3Q	2.50	1.32	0.45	0.52	0.39	-0.19
	4Q	0.10	1.32	0.96	-1.20	0.79	-1.80
2013	1Q	1.90	1.74	0.77	-0.88	-0.01	0.28
	2Q	1.10	0.96	0.40	-0.38	-0.24	0.38
	3Q	3.00	1.17	0.59	-0.42	0.16	1.48
	4Q	3.80	2.36	0.79	-0.51	1.26	-0.08
2014	1Q	-1.20	1.26	0.79	-0.19	-1.16	-1.89
	2Q	4.00	2.56	1.12	0.02	-0.41	0.67
	3Q	5.00	2.52	1.16	0.46	0.50	0.32
	4Q	2.30	3.07	0.22	-0.07	-1.14	0.23
2015	1Q	2.00	1.63	0.61	0.45	-1.65	1.01
	2Q	2.60	1.94	0.70	0.57	-0.08	-0.52
	3Q	2.00	1.81	0.92	0.34	-0.52	-0.57
	4Q	0.90	1.53	-0.03	0.18	-0.45	-0.36
2016	1Q	0.80	1.11	-0.15	0.28	0.01	-0.41
	2Q	1.40	2.88	-0.18	-0.30	0.18	-1.16
	3Q	3.50	2.03	0.02	0.14	0.85	0.49

Source: Federal Reserve, Bloomberg

U.S. EMPLOYMENT – as of December 31, 2016

	Labor Force Participation Rate	Unemployment Rate	Non-Farm Payroll
Average (1982 – 2014)	65.7%	6.4%	125,020
Current (12/31/16)	62.7%	4.7%	156,000
Average (2015 – 2016)	62.7%	5.1%	203,417

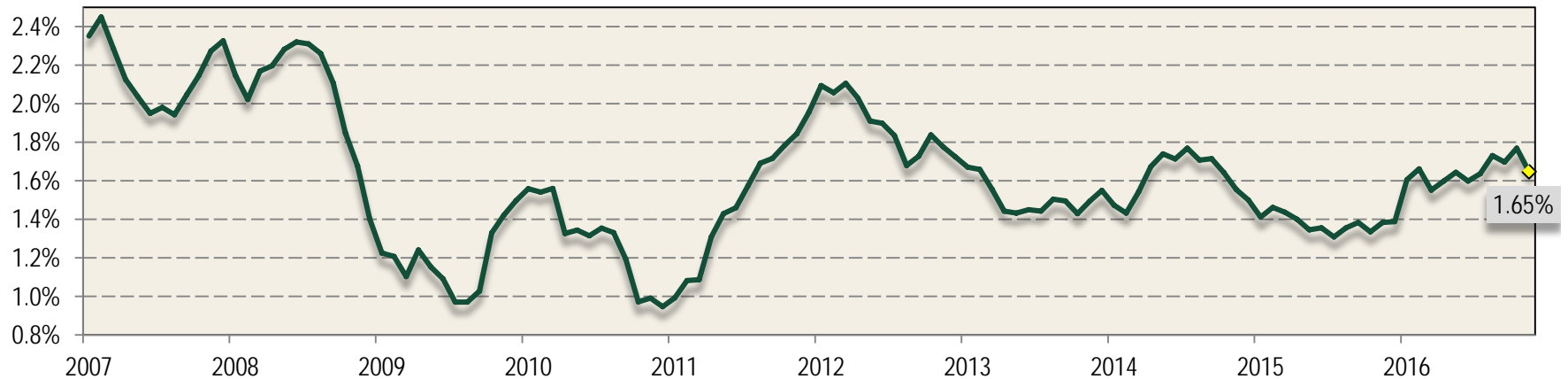
U.S. Average Hourly Earnings – as of December 31, 2016



Source: Federal Reserve, Bloomberg

U.S. INFLATION – as of December 31, 2016

PCE Core YOY – as of December 31, 2016

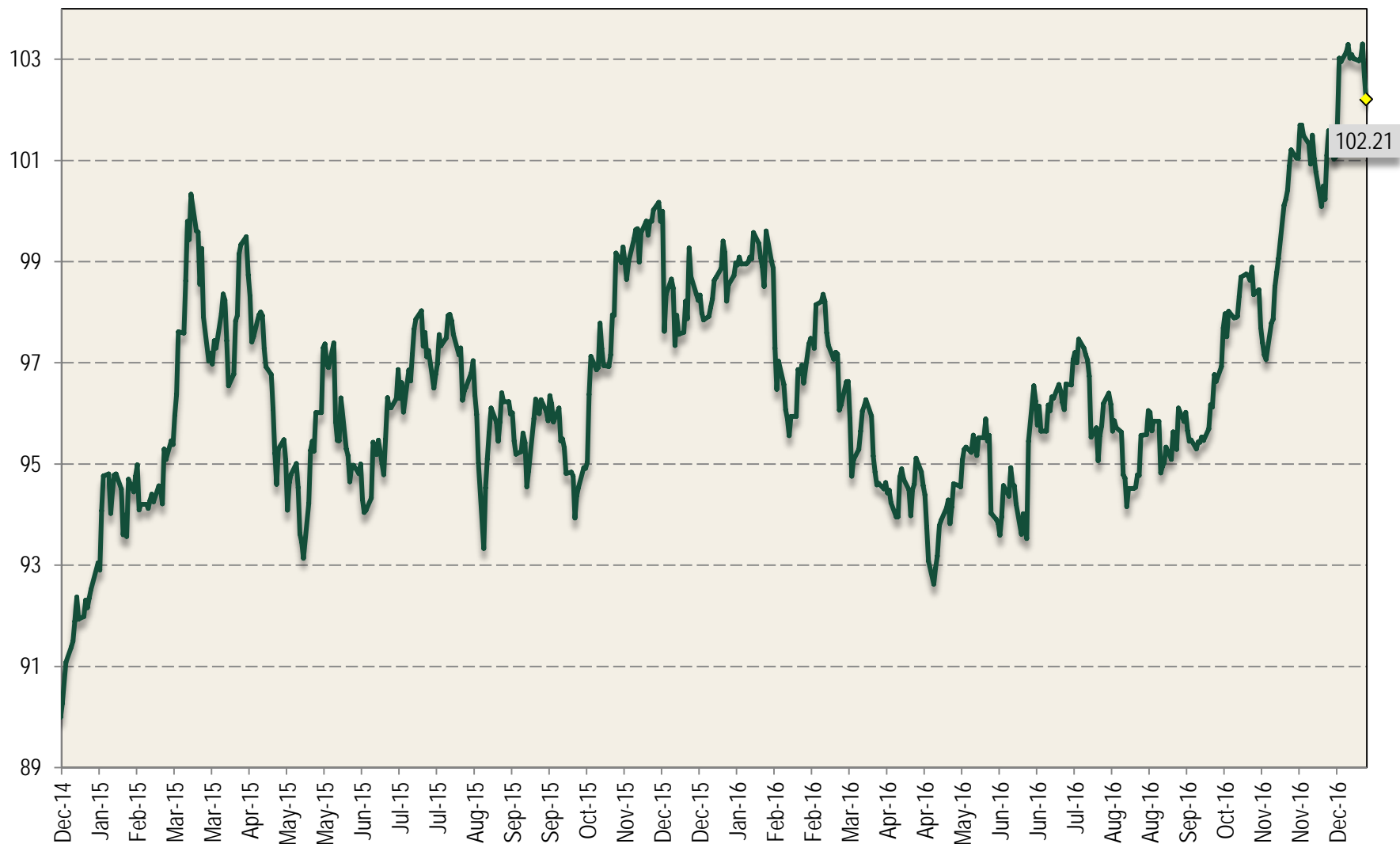


5-Year TIPS Breakeven Rate – as of December 31, 2016



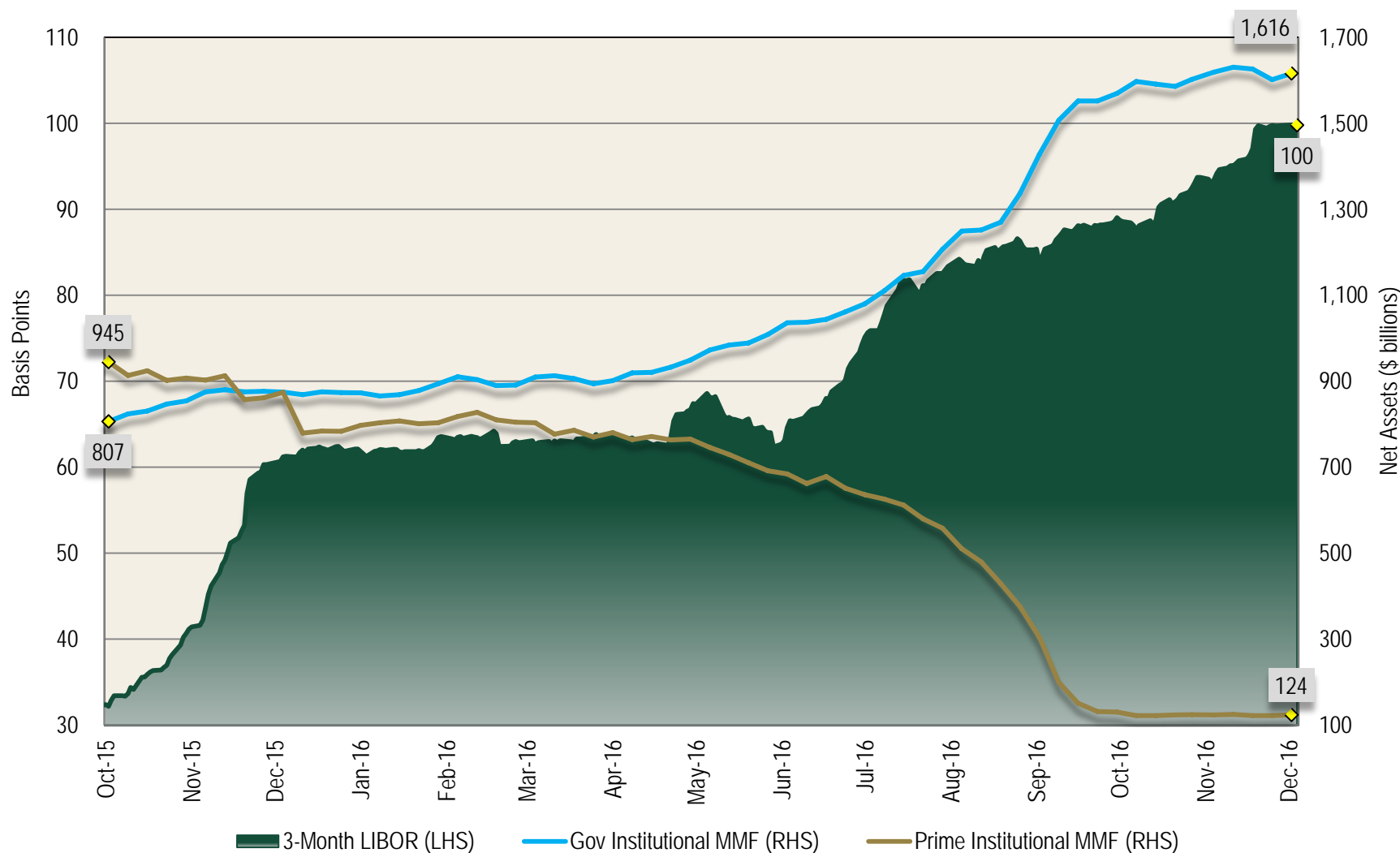
Source: Bloomberg

U.S. DOLLAR INDEX – as of December 31, 2016



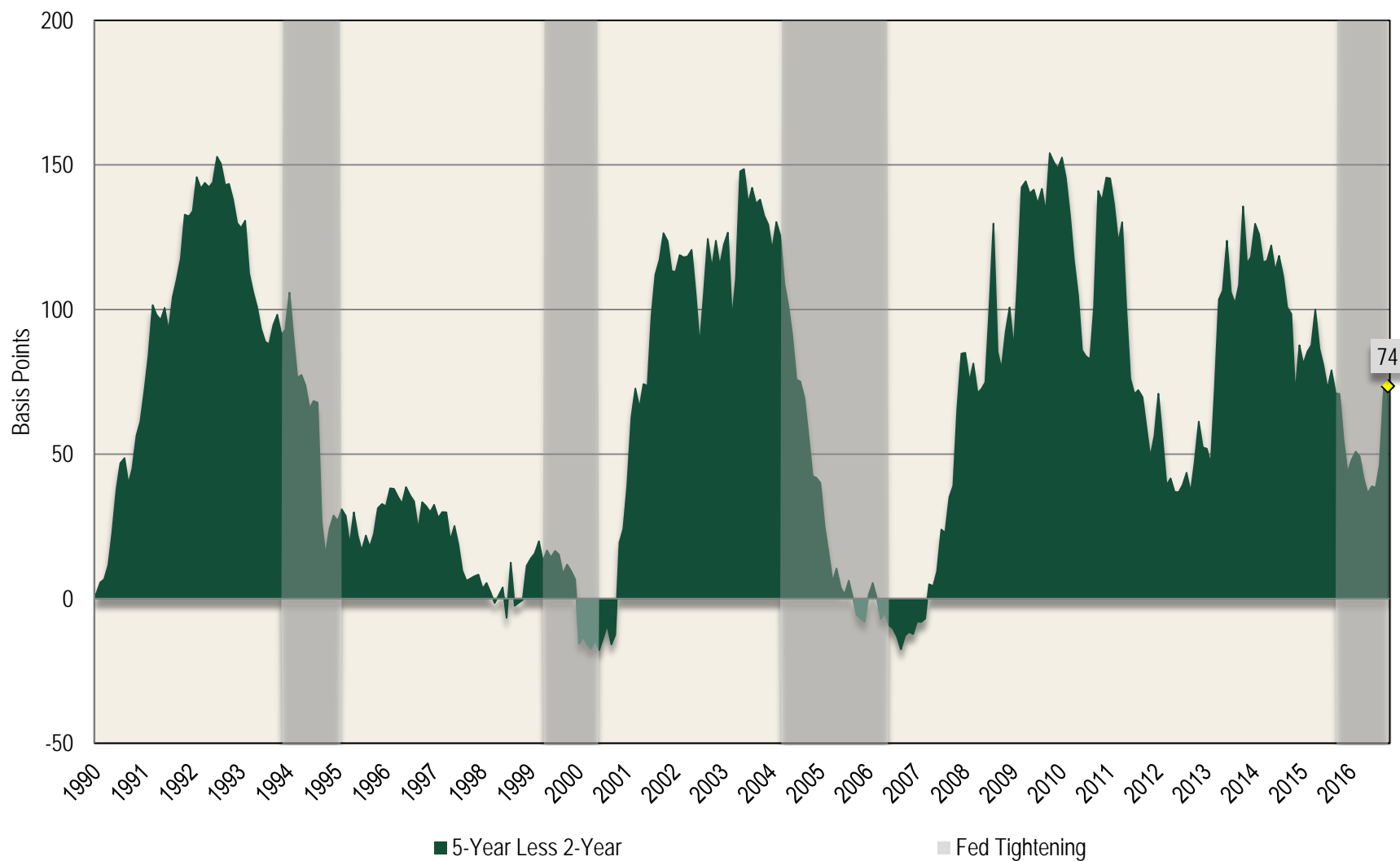
Source: Bloomberg

3-MONTH LIBOR & MONEY MARKET FUND FLOWS – as of December 31, 2016



Source: Bloomberg, Investment Company Institute

YIELD CURVE POSITIONING – as of December 31, 2016



Source: Bloomberg

MARKET REVIEW

BofA Merrill Lynch Corporate Year End OAS – as of December 31, 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	96
Financial (1–5)	165	51	50	57	56	223	764	243	175	325	135	93	96	104	100
Industrial (1–5)	176	86	73	75	69	181	626	136	117	164	96	85	103	134	92
Utilities (1–5)	236	79	63	73	71	177	590	161	131	173	116	99	89	120	101
Corporate (All)	188	95	83	92	91	203	604	190	166	257	154	128	144	173	130
High Yield (All)	890	418	310	371	289	592	1,812	639	541	723	534	400	504	695	422

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	Dec 16
BofA ML 1-5 Year Corporate OAS (bps)	89	78	68	78	99	89	101	126	121	121	112	95	96
CalOptima Tier Two	30%	23%	24%	20%	25%	29%	29%	23%	24%	26%	21%	23%	28%
CalOptima Tier One	-	-	-	-	-	-	-	-	-	-	22%	24%	26%
CalOptima Operating Fund	-	-	-	-	-	-	-	-	-	-	25%	25%	17%

Source: Bank of America Merrill Lynch

SECTION III

Portfolio Review

PERFORMANCE – as of December 31, 2016

	4Q 2016	YTD	Since Inception ¹ (4/1/13)
Tier Two (<i>Gross of fees</i>)	-0.99%	1.64%	1.20%
Tier Two (<i>Net of fees</i>)	-1.02%	1.51%	1.07%
Bank of America Merrill Lynch 1-5 Years U.S. Treasury ²	-1.09%	1.09%	0.79%

	4Q 2016	Since Inception ¹ (5/2/16)
Tier One (<i>Gross of fees</i>)	-0.41%	0.12%
Tier One (<i>Net of fees</i>)	-0.43%	0.07%
Bank of America Merrill Lynch 1-3 Years U.S. Treasury ²	-0.43%	-0.05%

	4Q 2016	Since Inception ¹ (5/2/16)
Operating Fund (<i>Gross of fees</i>)	0.19%	0.49%
Operating Fund (<i>Net of fees</i>)	0.17%	0.43%
Citigroup 3-Month Treasury Bill ²	0.08%	0.19%

Past performance is not indicative of future results. ¹Performance for periods greater than one year are annualized. Performance returns as of 12/31/16 is preliminary and subject to change.

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 December 31, 2016

Tier Two	Duration	Yield Curve	Treasury	Agency	Corporate	RMBS	CBMS	Asset Backed	Municipal	Excess Return
1Q 2016	0	5	1	1	4	0	0	1	2	14
2Q 2016	-7	-2	-4	0	14	0	1	1	6	9
3Q 2016	7	0	-4	1	11	1	2	2	2	22
4Q 2016	6	-13	0	0	6	0	3	1	7	10
Total	6	-10	-7	2	35	1	6	5	17	55

Tier One	Duration	Yield Curve	Treasury	Agency	Corporate	RMBS	CBMS	Asset Backed	Municipal	Excess Return
3Q 2016	9	1	-5	3	8	1	0	3	1	21
4Q 2016	7	-15	3	0	2	1	1	1	2	2
Total	16	-14	-2	3	10	2	1	4	3	23

Operating Fund	Duration	Yield Curve	Treasury	Agency	Corporate	RMBS	CBMS	Asset Backed	Municipal	Excess Return
3Q 2016	1	-1	8	0	4	0	0	1	0	13
4Q 2016	2	-2	11	-1	1	0	0	0	0	11
Total	3	-3	19	-1	5	0	0	1	0	24

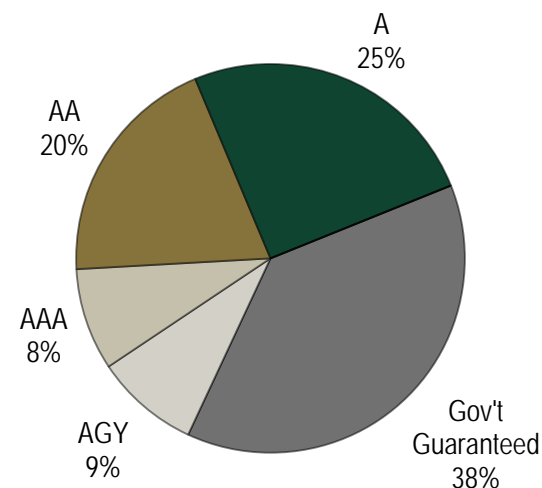
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²The performance benchmark for the CalOptima Tier Two portfolio is the Bank of America Merrill Lynch U.S. Treasury 1-5 Year Index, which is a broad-based index consisting of U.S. Treasury securities with an outstanding par greater than or equal to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

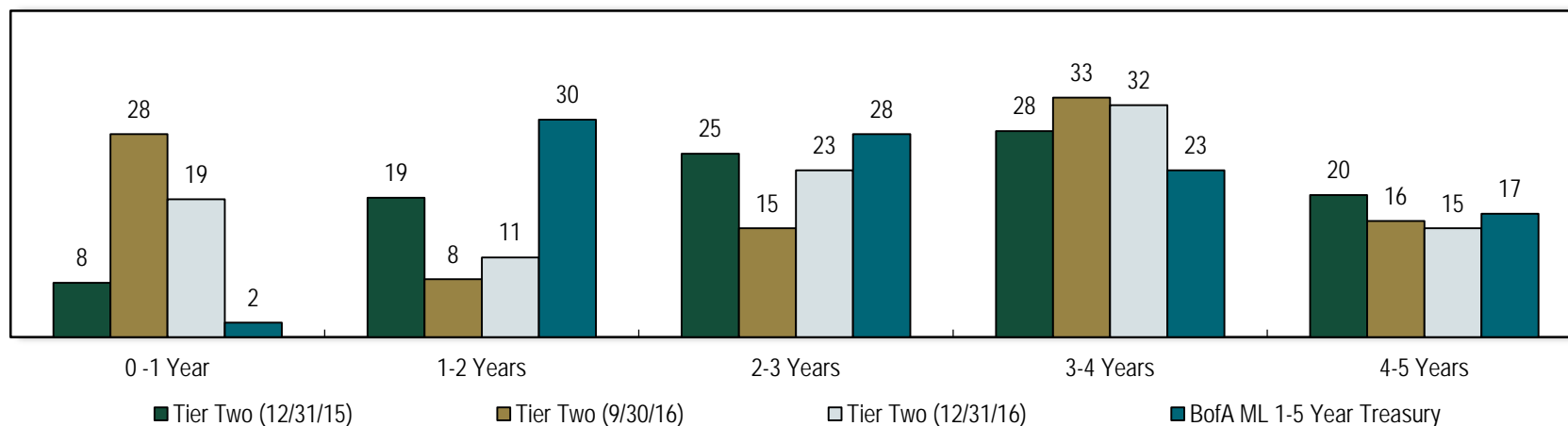
TIER TWO PORTFOLIO – as of December 31, 2016

	Tier Two	BofA ML U.S. Treasury 1-5 Year ¹
Yield to Maturity	1.76%	1.42%
Duration	2.58 Years	2.71 Years
Spread Duration	1.36 Years	NA
Average Quality (<i>Moody's</i>)	Aa2	TSY
Fixed / Floating	91% / 9%	NA
Market Value	\$95,883,884	NA

Quality Ratings Distribution



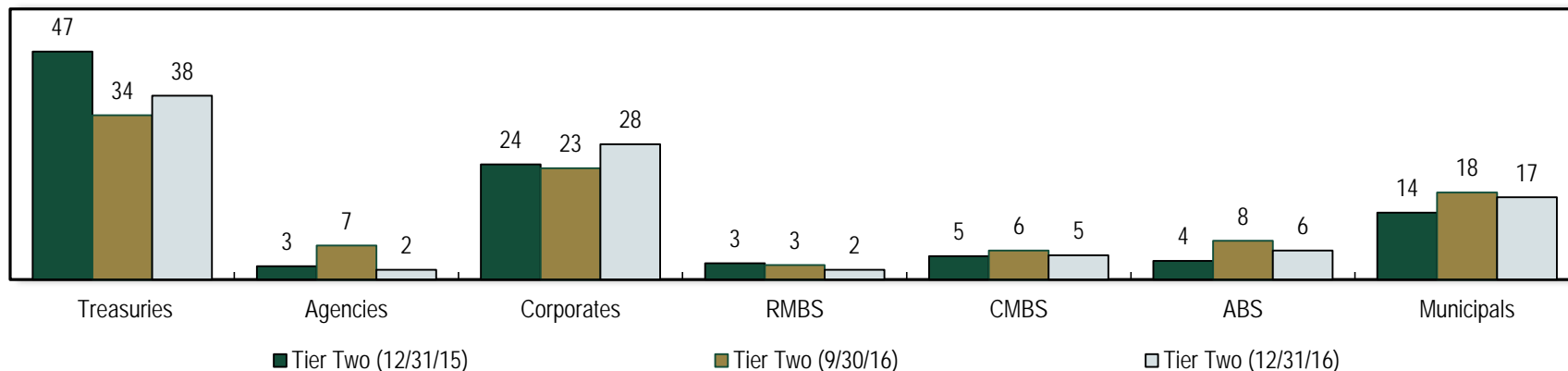
Duration Distribution (% Market Value)



Past performance is not indicative of future results. ¹ The 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.

TIER TWO PORTFOLIO – as of December 31, 2016

Sector Distribution (% Market Value)



Treasuries/Agencies

- Added Treasuries in the three to five-year area of the yield curve after interest rate sell off
- Sold an Agency floater and a short supranational Inter-American Development Bank to purchase Treasuries
- Reduced our TIPS trade in the first half of the quarter when five year breakeven rates were at 161 bps

Structured Products

- Sold BMW fixed auto ABS, Mercedes floating auto ABS, Citi fixed credit card ABS, and Chase floating credit card ABS to fund corporate purchases
- Sold Fannie Mae 15-year 4.5 coupon specified pool originated in 2004 backed by residential loans
- Sold fixed Freddie Mac K originated in 2010 backed by multifamily loans

Corporates

- Purchased fixed-rate corporates including American Express Co. 2-year, Biogen Inc. 2-year, Citigroup Inc. 2-year, Citizens Bank NA 2-year, Huntington National Bank 2-year, UnitedHealth Group 2-year, Citigroup Inc. 3-year, Commonwealth Edison Co. 4-year, National Rural Utilities Cooperative Finance Co. 4-year, Amgen Inc. 5-year, Comcast Corp. 5-year, Goldman Sachs Group 5-year, Intel Corp. 5-year, Verizon Communications 5-year

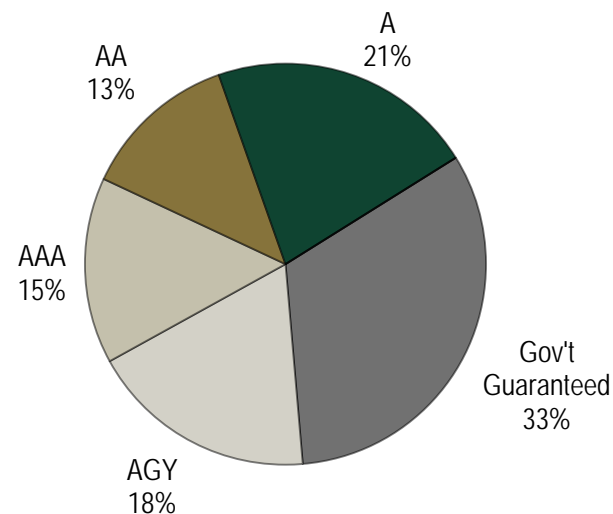
Municipals

- Purchased revenue bonds in the transportation sector: Ontario, CA International Airport 3-year and Los Angeles, CA International Airport 4-year

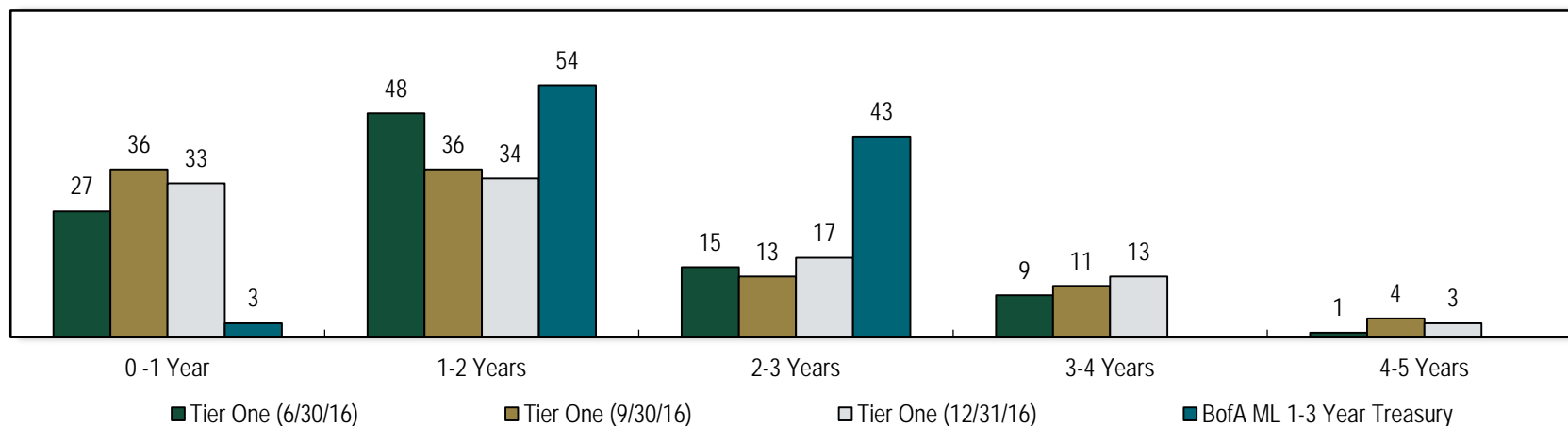
TIER ONE PORTFOLIO – as of December 31, 2016

	Tier One	BofA ML U.S. Treasury 1-3 Year ¹
Yield to Maturity	1.43%	1.18%
Duration	1.68 Years	1.89 Years
Spread Duration	0.89 Years	NA
Average Quality (<i>Moody's</i>)	Aa2	TSY
Fixed / Floating	94% / 6%	NA
Market Value	\$144,852,055	NA

Quality Ratings Distribution



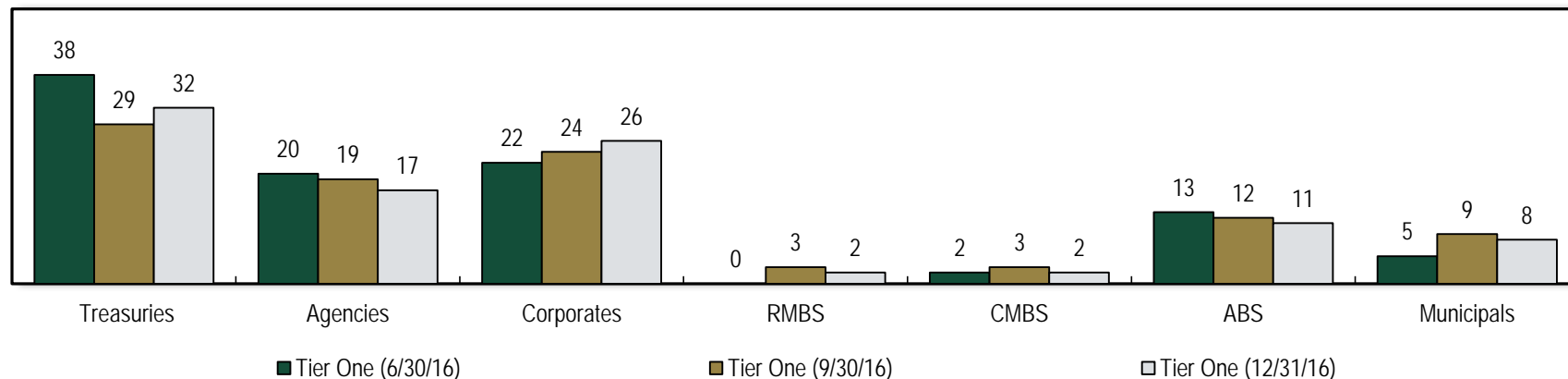
Duration Distribution (% Market Value)



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 December 31, 2016

Sector Distribution (% Market Value)



Treasuries/Agencies

- Added Treasuries in the three to five-year area of the yield curve after interest rate sell off
- Used proceeds from a called agency bond coupled with a supranational Inter-American Development Bank maturity to fund Treasury purchases
- Reduced our TIPS trade in the first half of the quarter when five year breakeven rates were at 161 bps

Structured Products

- Bought fixed and floating auto deals from BMW & Mercedes, John Deere equipment fixed ABS, and Chase credit card fixed ABS
- Sold two fixed Freddie Mac K deals originated in 2013 and 2012 backed by multifamily loans
- Sold fixed and floating Chase credit card ABS

Corporates

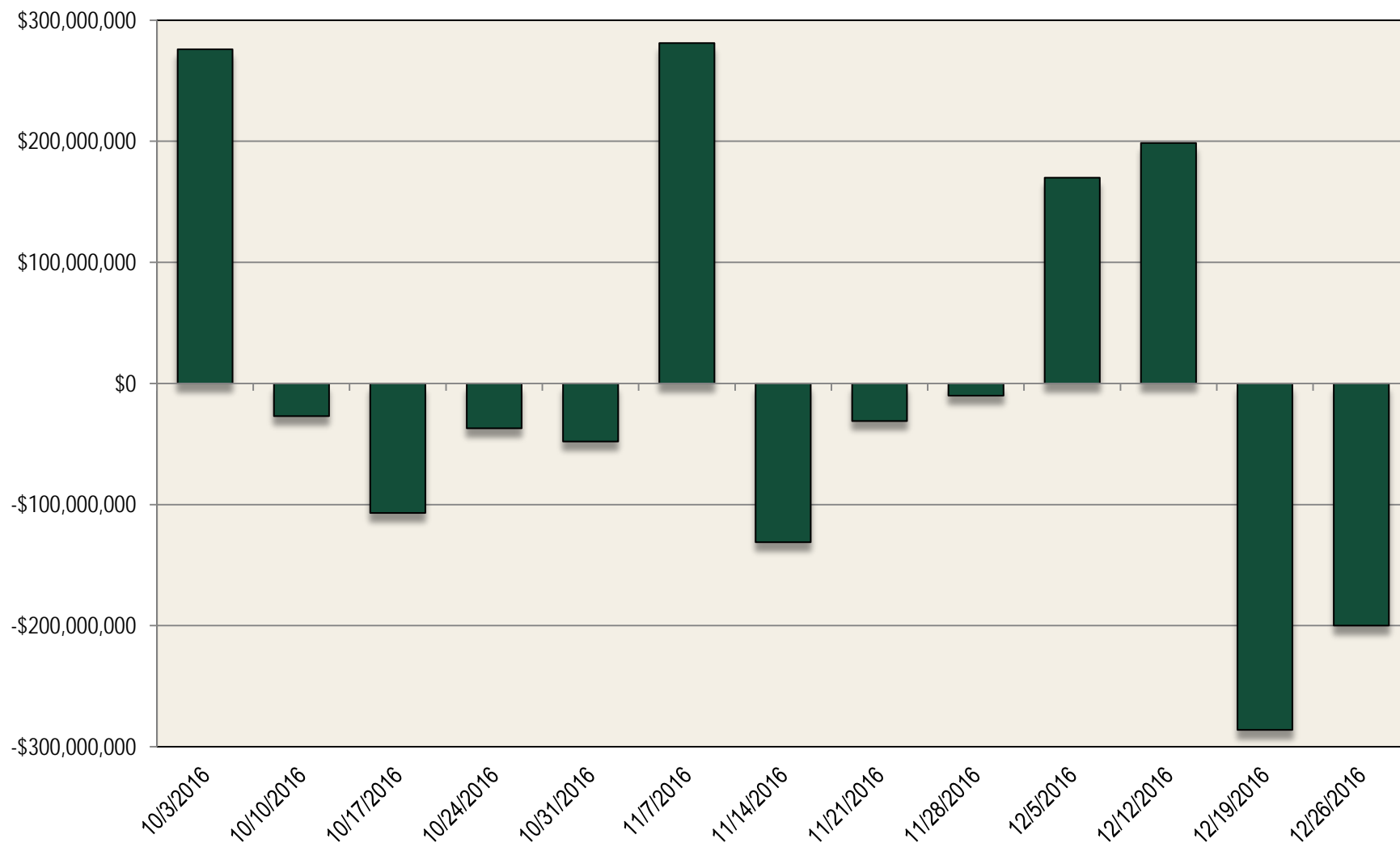
- Sold short-dated or floating-rate corporates to fund extension trades
- Purchased fixed-rate corporates including American Express Co. 2-year, Biogen Inc. 2-year, Citizens Bank NA 2-year, Consolidated Edison of NY 2-year, NextEra Energy Capital 2-year, Southern California Gas 2-year, Key Bank 3-year, and floating-rate corporates including Cisco Systems Inc. 2-year and Goldman Sachs Group 3-year

Municipals

- Purchased revenue bonds in the transportation sector: Los Angeles International Airport 3-year
- Added to existing state exposure: State of California 3-year

OPERATING FUND PORTFOLIO FLOWS – as of December 31, 2016

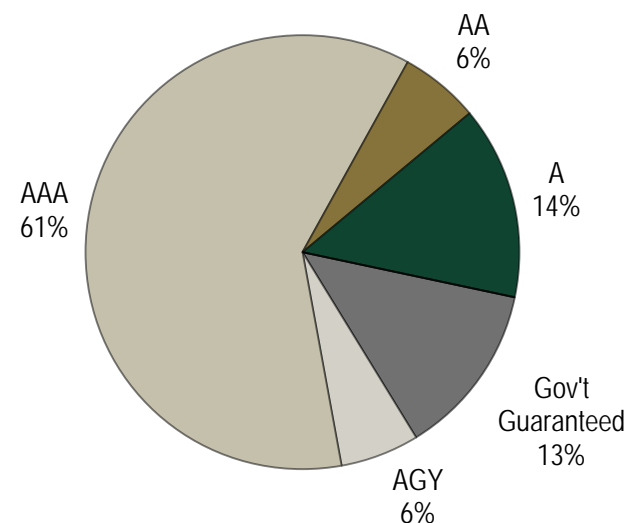
Weekly Net Cash Flows (10/1/16 – 12/31/16)



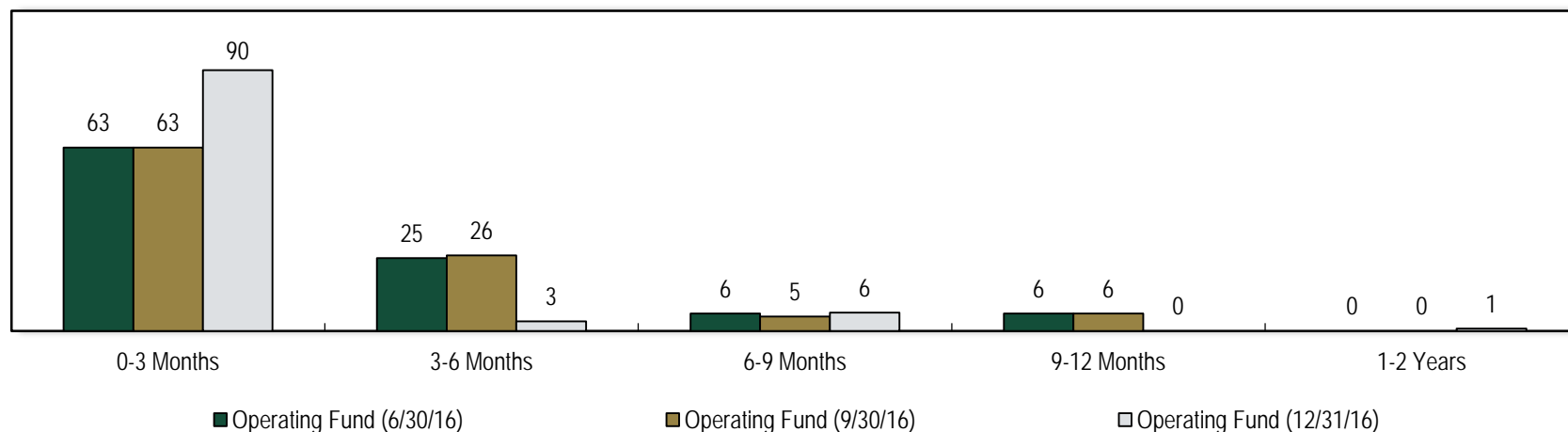
OPERATING FUND PORTFOLIO – as of December 31, 2016

	Operating Fund	Citigroup 3-Month Treasury Bill ¹
Yield to Maturity	0.89%	0.49%
Duration	0.12 Years	0.25 Years
Spread Duration	0.26 Years	NA
Average Quality (<i>Moody's</i>)	Aa3	TSY
Fixed / Floating	78% / 22%	NA
Market Value	\$601,028,247	NA

Quality Ratings Distribution



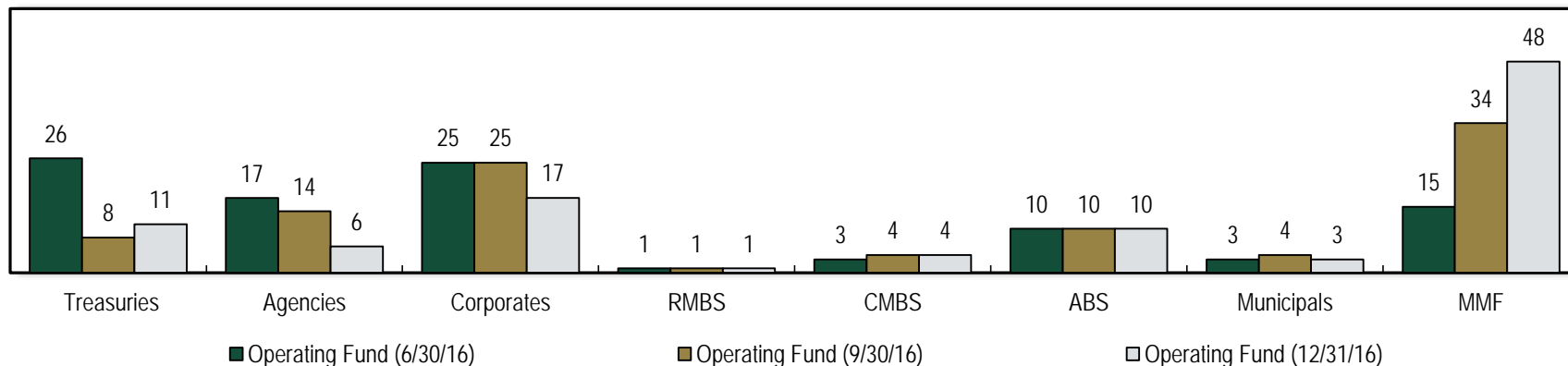
Duration Distribution (% Market Value)



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 December 31, 2016

Sector Distribution (% Market Value)



Treasuries/Agencies

- Used proceeds from Agency maturities to match cash flows and to reinvest in higher yielding money market instruments (commercial paper and certificates of deposit)
- Purchased a supranational Inter-American Development Bank due to mature in March 2017 and a January 2017 Treasury

Structured Products

- Bought floating credit card ABS from American Express, Chase and Citi
- Bought fixed and floating auto deals from BMW, Nissan, and Mercedes
- Sold floating Fannie Mae Aces deal originated in 2015 backed by multifamily loans

Corporates

- Sold short-dated corporates to accommodate fund flows
- Purchased corporates, primarily bank issues, including JPMorgan Chase & Co. 1-month, Comcast Corp. 3-month, Morgan Stanley 3-month, U.S. Bank NA 3-month, Citigroup Inc. 5-month, Goldman Sachs Group 7-month and American Express Credit 8-month

TIER TWO PORTFOLIO COMPLIANCE – as of December 31, 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)	38	5 Years	4.62 Years	TSY	TSY
U.S. Agencies	100 (Code)	2	5 Years	2.24 Years	AGY	AGY
Corporate	30 (Code)	28	5 Years	4.88 Years	A-	A-
Mortgages & Asset-Backed (combined)	20 (Code)	13	5 Years	4.42 Years	AA-	AAA
Municipals	25 (Code 100)	17	5 Years	4.59 Years	A-	A-
Commercial Paper	25 (Code)	NA	270 Days	NA	A1/P1	NA
Bankers Acceptances	30 (Code 40)	NA	180 Days	NA	A1/P1	NA
Certificates of Deposit	30 (Code)	2	1 Year	30 Days	A1/P1	A1/P1
Variable & Floating Rate Securities*	30 (Code)	9	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 December 31, 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)	32	5 Years	4.62 Years	TSY	TSY
U.S. Agencies	100 (Code)	17	5 Years	1.80 Years	AGY	AGY
Corporate	30 (Code)	26	5 Years	4.23 Years	A-	A-
Mortgages & Asset-Backed (combined)	20 (Code)	15	5 Years	4.46 Years	AA-	AAA
Municipals	25 (Code 100)	8	5 Years	4.59 Years	A-	A+
Commercial Paper	25 (Code)	NA	270 Days	NA	A1/P1	NA
Bankers Acceptances	30 (Code 40)	NA	180 Days	NA	A1/P1	NA
Certificates of Deposit	30 (Code)	1	1 Year	30 Days	A1/P1	A1/P1
Variable & Floating Rate Securities*	30 (Code)	6	5 Years	3.08 Years	A-	A

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

OPERATING FUND PORTFOLIO COMPLIANCE – as of December 31, 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)	11	450 Days	59 Days	TSY	TSY
U.S. Agencies	100 (Code)	6	450 Days	199 Days	AGY	AGY
Corporate	30 (Code)	17	450 Days	186 Days	A-	A-
Mortgages & Asset-Backed (combined)	20 (Code)	15	450 Days	354 Days	AA-	AAA
Municipals	25 (Code 100)	3	450 Days	213 Days	A-	AA-
Commercial Paper	25 (Code)	9	270 Days	24 Days	A1/P1	A1/P1
Bankers Acceptances	30 (Code 40)	NA	180 Days	NA	A1/P1	NA
Certificates of Deposit	30 (Code)	33*	1 Year	30 Days	A1/P1	A1/P1
Variable & Floating Rate Securities**	30 (Code)	22	450 Days	77 Days	A-	A-

*Logan Circle Operating Fund CD sector allocation at time of purchase (as per CalOptima investment policy) was 26%; \$150 million outflow on 12/29/16 increased NAV to 33%.

**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 | December 2016

Portfolio Review

CalOptima

Presented by:

Tony Melville, CFA, Senior Portfolio Manager

Gary Schlossberg, Senior Economist

Zachary Smith, Business Development, Insurance Assets



Table of contents

- I. Wells Capital Management
- II. Short Duration Fixed Income overview
- III. Market overview
- IV. Economic overview
- V. CalOptima
- VI. CalOptima – Tier 1

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

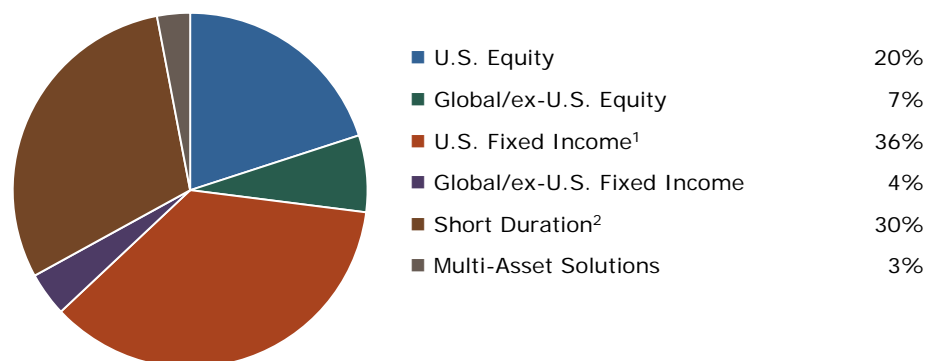
Enduring client relationships are cultivated by being client-centric, not product-centric.

Wells Capital Management

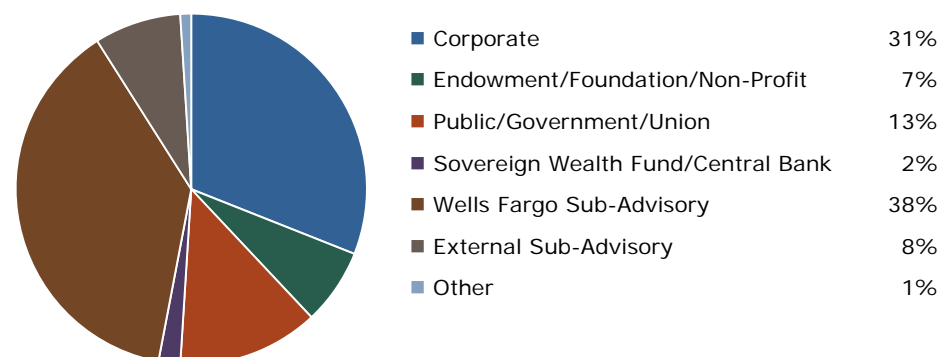
WellsCap profile

- Established in 1996
- AUM in excess of \$356B
- 26 autonomous investment teams
- Over 1,000 clients in more than 30 countries worldwide
- More than 380 investment professionals with an average firm tenure of 11 years
- Signatory to the UN Principles for Responsible Investment

Assets under management



Our clients



As of September 30, 2016. Total firm assets under management are \$356B. The chart above excludes \$118B 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 \$238B.

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.

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.

- \$60.7 B¹ in assets under management as of September 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



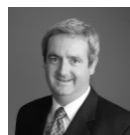
Dean Meddaugh, CFA
Senior Portfolio Manager
ABS, MBS & CMBS
Entered industry in 1994, WellsCap 2004



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 10 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 9 Analysts

Municipal Credit Research



Thomas Stoeckmann
Head of Municipal
Credit Research
Team of 10 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 – 68 Investment professionals

Corporate Research Analysts – 42 Total

Ambreesh Bansal, CFA Construction, Manufacturing, Transportation	Brian Barry, CFA Retail	Alex Basman, CFA Chemicals, Healthcare	Marianne Beyer, CFA Industrials, Paper & Packaging	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, Restaurants, 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 Autos, Industrials, Metals & Mining, Services	Oscar Olivas, CFA Energy	Steve Pfeiffer Entertainment, Lodging, 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	Duncan Warwick-Champion Co-Head of Credit Research	Beatrice Woo Financials	Michie Yana, CFA Chemicals, Pharmaceuticals	Daniel Zaczekiewicz, CFA Banks, Sovereigns	Marcus Zahn Banks, Insurance

Municipal Research Analysts – 13 Total

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

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 Rowlatt ABS
Grace Wu CMBS					

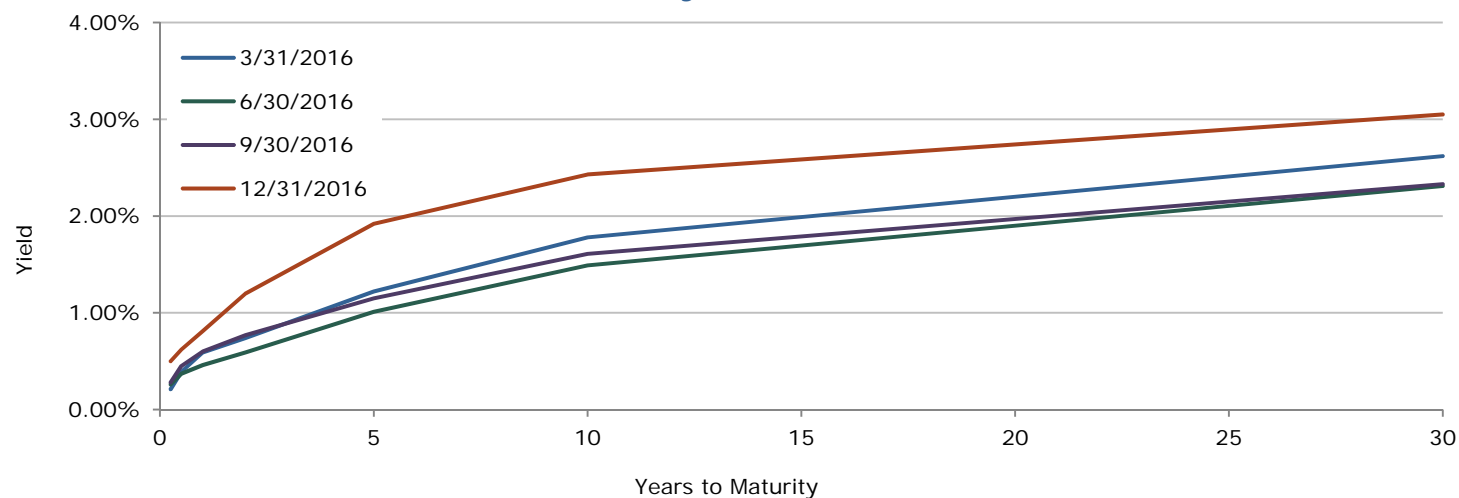
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Market overview

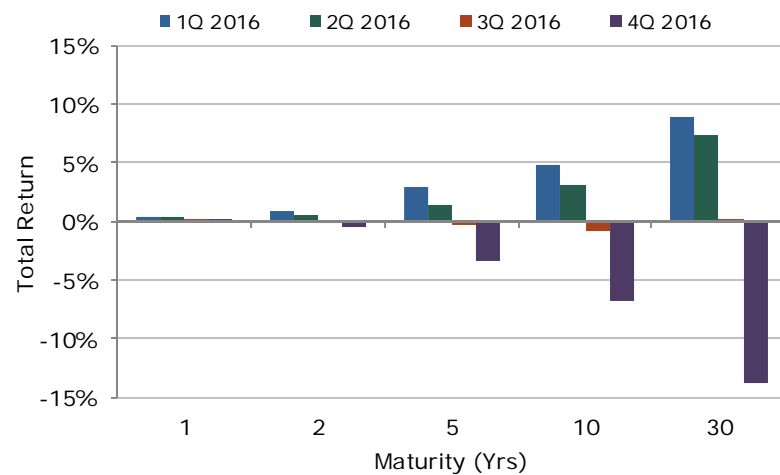
Short duration review

As of December 31, 2016

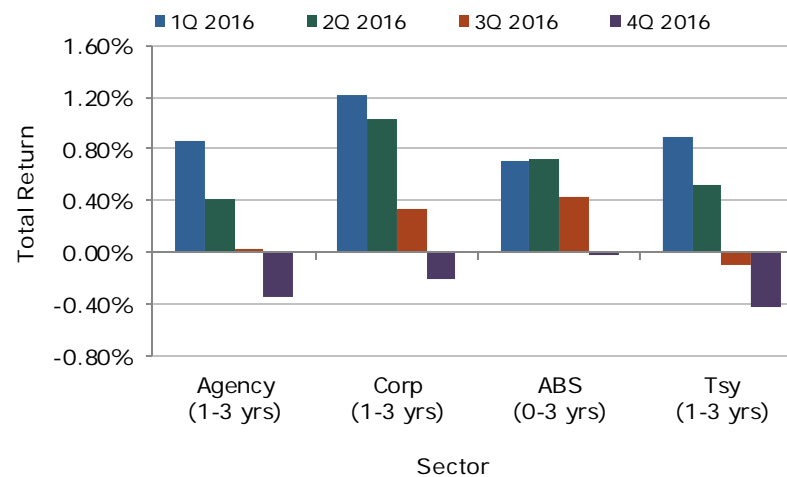
Treasury Yield Curve



Total Return by Maturity



Total Return by Sector

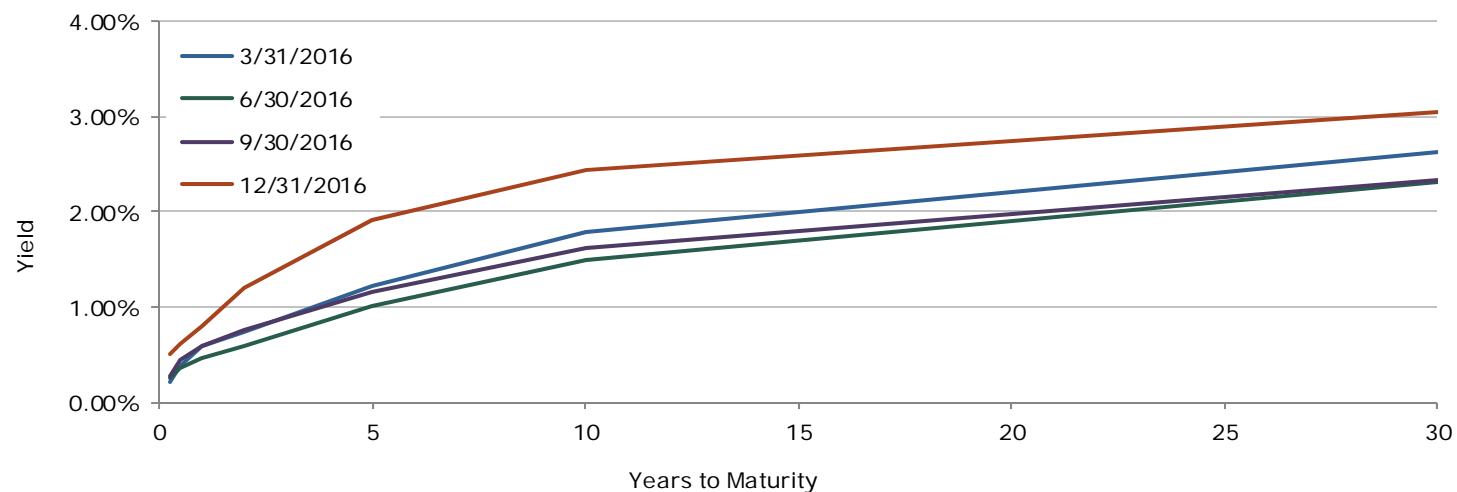


Source: Barclays, BofAML

Short duration review

As of December 31, 2016

Treasury Yield Curve



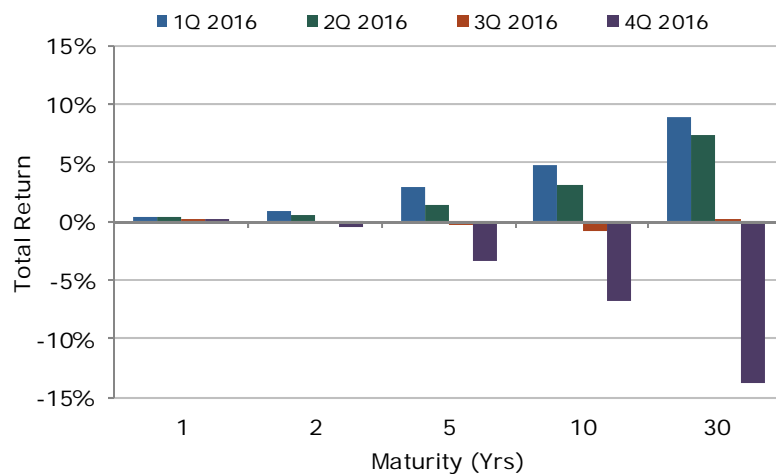
Treasury Yield Curve	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016
3 Month	0.16%	0.21%	0.26%	0.28%	0.50%
6 Month	0.49%	0.39%	0.37%	0.45%	0.62%
1 Year	0.62%	0.59%	0.46%	0.60%	0.81%
2 Year	1.06%	0.74%	0.59%	0.77%	1.20%
5 Year	1.77%	1.22%	1.01%	1.15%	1.92%
10 Year	2.28%	1.78%	1.49%	1.61%	2.43%
30 Year	3.01%	2.62%	2.31%	2.33%	3.05%

Source: Barclays

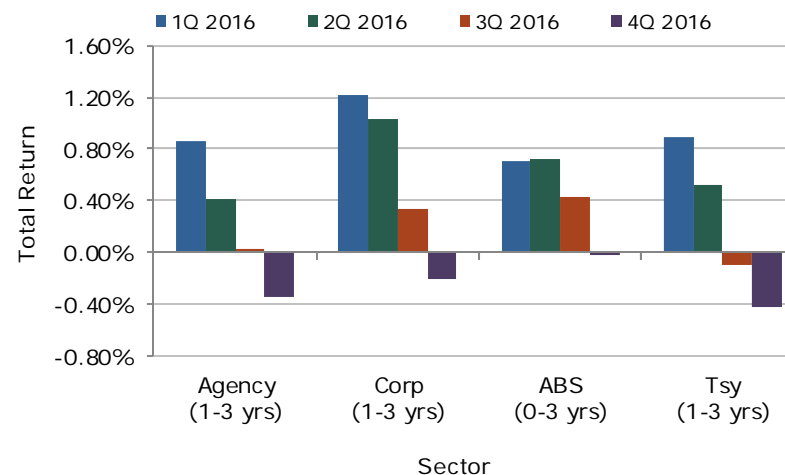
Short duration review

As of December 31, 2016

Total Return by Maturity



Total Return by Sector



Total Return by Maturity	4Q 2015	1Q 2016	2Q 2016	3Q 2016	4Q 2016
1	-0.17%	0.36%	0.29%	0.06%	0.05%
2	-0.45%	0.82%	0.50%	-0.11%	-0.54%
5	-1.38%	2.93%	1.38%	-0.34%	-3.33%
10	-1.44%	4.78%	3.02%	-0.75%	-6.81%
30	-2.09%	8.94%	7.33%	0.02%	-13.74%

Total Return by Sector	4Q 2015	1Q 2016	2Q 2016	3Q 2016	4Q 2016
Agency (1-3 yrs)	-0.37%	0.86%	0.41%	0.03%	-0.35%
Corporate (1-3 yrs)	-0.13%	1.22%	1.04%	0.34%	-0.21%
Asset Backed (0-3 yrs)	-0.19%	0.71%	0.72%	0.42%	-0.02%
Treasury (1-3 yrs)	-0.43%	0.90%	0.52%	-0.10%	-0.43%

Source: Barclays, BofAML

Economic summary: Big Six Summary

Growth: Acceleration in anticipation of a significant fiscal policy shift

Employment: Job growth persists; slack diminishing

Inflation: Core stable for now, expectations rising

Monetary: Quicker pace of tightening: 3-4 rate hikes in 2017

Fiscal: Tax cuts, more spending, wider deficits

International: Anti-globalization risk still rising in DM countries

Market summary & outlook – Enhanced cash

Market summary & outlook


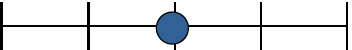
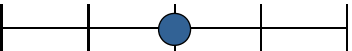



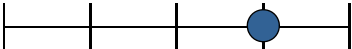
Sector	Target Allocation*	Comments:
Duration and Yield Curve		Portfolios remain positioned slightly long their benchmarks. The market is pricing in at least 2 rate hikes in 2017; front end rates are attractive.
Government related		SSAs are cheap versus Agencies, Treasuries and, in some cases, industrial corporates. 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		The credit curve is flat; we are finding the most opportunity in 12-18 month maturity corporate notes. Financials are cheap to industrials.
Commercial Paper		Tier-1 commercial paper is attractive. Non-financial CP is yielding 0.75% to 0.85%, financial and ABCP is yielding 1.00% to 1.10 in 3 month maturities. Non-financial CP is yielding 0.95% to 1.05%, financial and ABCP is yielding 1.20% to 1.40% in 6 month maturities. The credit curve has steepened due to the rate hike and issuers' desire to have funding in place over year-end.
ABS		ABS remains an attractive asset class with good liquidity. For portfolios with lower risk tolerance, stay in more liquid sectors and higher in the credit structure. For portfolios with higher risk tolerance, consider subordinate tranches of prime auto deals from benchmark issuers and foreign bank credit cards. New issue spread concessions are still wide.
Municipals**		The SIFMA (floating-rate) index reset 9bps higher in anticipation of the Fed rate hike. We expect the index to move higher due to year-end balance sheet pressure. Muni/Treasury ratios for 1yr to 18-month tenors are attractive at 110%; 2yr tenors are fair at 97%.

*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

Market summary & outlook

Sector	Underweight	Neutral	Overweight	Comments:
Duration and Yield Curve				Portfolios were extended to neutral versus benchmark durations and remain positioned for a flattening of the 2 year/5 year yield spread. Our belief is that further rate hikes could pressure 2 year key rates more than 5 year key rates.
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				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				An increase in mortgage rates has caused mortgage durations to extend.
ABS				ABS remains an attractive asset class with good liquidity. For portfolios with lower risk tolerance, stay in more liquid sectors and higher in the credit structure. For portfolios with higher risk tolerance, consider subordinate tranches of prime auto deals from benchmark issuers and foreign bank credit cards. New issue spread concessions are still wide.
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. Despite heavy supply thus far in the 4 th quarter, the front end will see very limited issuance at rich valuations.
Municipals				Ratios in 3 year to 5 year tenors were under pressure as investors and fund managers were sellers of high quality municipals.

Treasury and duration

U.S. 2 Year Note and Fed Funds Rate



Review & Commentary

- Treasuries continued to sell-off (yield higher, prices lower) in December. Post-Fed, 2 year yields reached as high as 1.27% after opening the month at 1.12%, as the Fed noted that they now expect 3 rate hikes in 2017.
- The futures market is fully pricing in two rate hikes in 2017 and 50/50 on a third hike.
- The 2 year/5 year yield spread at +74 is steeper by 4 basis points from the beginning of the year, setting a new 12-month high of +81 mid-month.

U.S. 2s/5s Curve

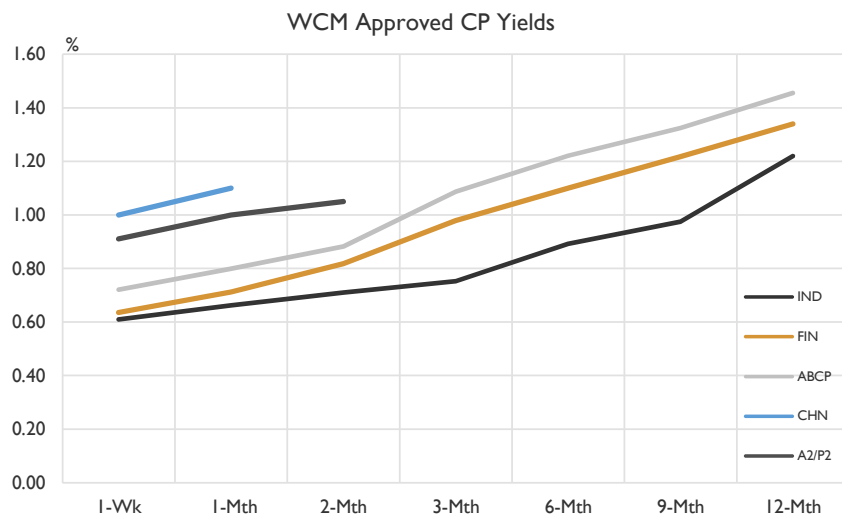


Strategy

- Portfolios have been extended to neutral versus benchmark durations in 1-3 year and 1-5 year strategies. We used the post-Fed sell-off to add duration.
- We continue to favor a flatter curve as further rate hikes should be most impactful on 2 year and shorter tenors.
- Despite the steeper yield curve we are reluctant to increase our flattening bias given the unknowns surrounding the incoming administration.
- Historically the yield curve has flattened as the Fed has tightened monetary policy.

Source: Factset, Wells Capital Management

Money market instruments



Review & Commentary

- After several months of volatility, Prime MMF assets and allocations were stable in December. We believe that prime funds will begin to extend fund maturities. Fund maturities are currently 20 and 29 days in institutional and retail funds, respectively.
- Prime MMF AUM will remain lower than pre-regulation levels due to concerns around gates and fees. The yield differential between prime and government MMFs is 15 bps; we believe a spread of 30-40 bps may entice investors to consider a move back to prime funds.
- Use of the RRP by Government MMFs accelerated going into year-end.
- We anticipate the debt ceiling to again be a concern as we approach March 2017.

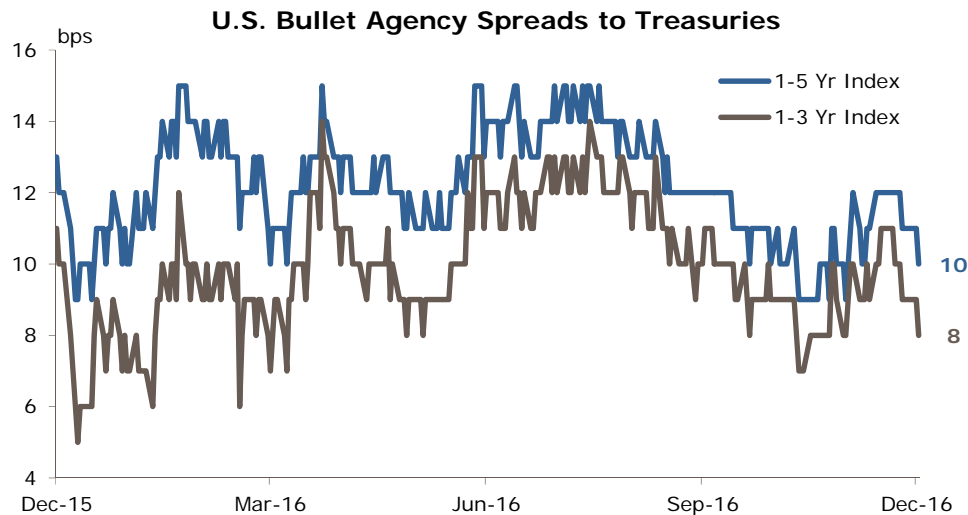
Recent Commercial Paper Purchases

Description	Rating Tier	Purchase Yield (%)
CHARTA 3/17/17 CP	Tier-1	1.05
MATCHPOINT FINANCE 6/16/2017	Tier-1 (ABCP)	1.42
MOLEX ELECTRONICS 1/17/17	Tier-2	1.17
ONTARIO TEACHER 06/1/2017	Tier-1	1.21
SINOCHEM 12/19/16	Tier-1	1.15
STARBIRD 6/16/2017	Tier-1 (ABCP)	1.42
SUNCOR ENERGY 1/13/2017	Tier-2	1.06

Strategy

- We are taking advantage of 2017 maturities to get ahead of seasonal, year-end supply challenges.
- Short corporate bonds are more attractive relative to Yankee bank CP in maturities beyond 6 months.
- 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. Lower demand for Tier-2 issues offers opportunity for higher yields. Tier-2 issuance has increased going into the end of the year with issuers looking to fund into late January and February.

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



Review & Commentary

- U.S. Agency excess returns in December were -1 and -3 bps in 1-3 year and 1-5 year maturity indices, respectively. For 2016 the indices returned +0 and +6 bps.
- Agency yield spreads versus Treasuries narrowed 2-3 bps; bid/ask spreads remain wide.
- SSA yields are very attractive relative to U.S. Treasuries, Agencies and some corporate bonds from industrial issuers. Spreads over Treasuries can be +40 bps or more.

Recent Sovereign, Supranational and Foreign Agency Trades

Description	Rating	Guarantee	Spread vs. TSY
EIB 1% 03/15/2018	Aaa/AAA	Supra	+43
OKB 1.125% 05/29/2018	Aa1/AA+	Explicit - Austria	+40
ALTA 2.25% 12/06/2019	Aa1/AA	CAD Province	+47*

Recent U.S. Agency Trades

Description	Rating	Spread vs. TSY
FHLB 1.25% 01/16/2019	Aaa/AA+	+11*

*new issue purchases

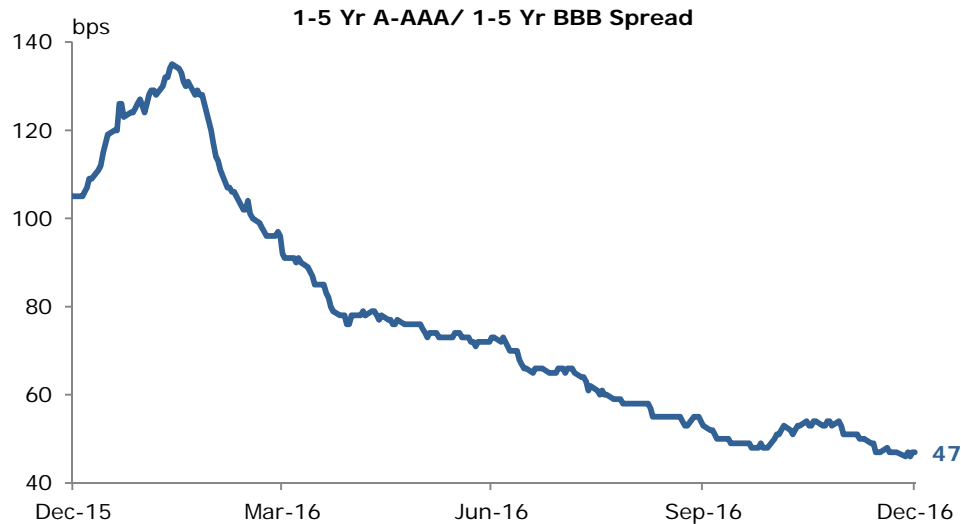
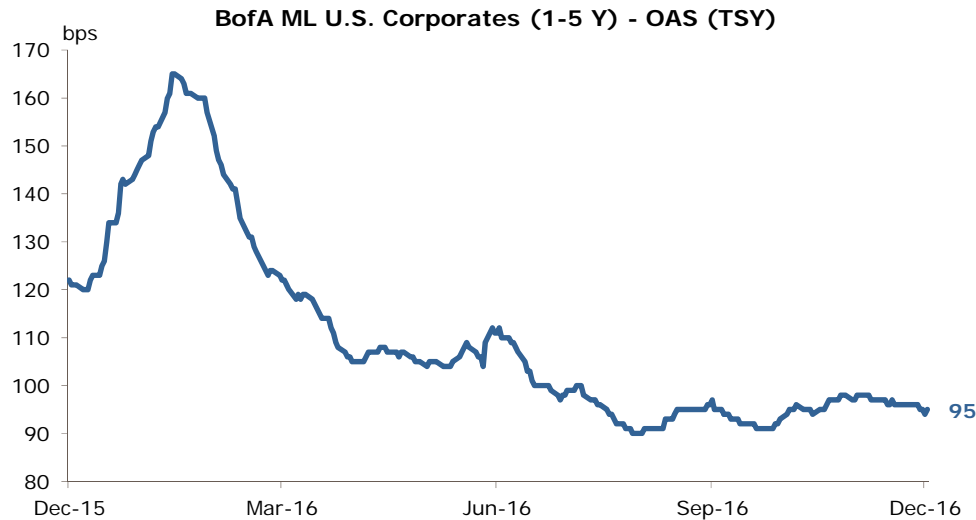
**secondary callable purchase

Source: Factset, BofA Merrill Lynch, Wells Capital Management

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 2 bps for on-the-run issues, and 6 bps for off-the-run issues.
- U.S. Agencies are most attractive at primary issuance.
- SSAs, as an alternative to Treasuries, Agencies and some industrials are very 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.
- SSAs inside of 1 year are particularly attractive as Treasury and Agency yields remain depressed due to increased demand from money market funds.

Corporates



Source: Factset, BofA Merrill Lynch, Wells Capital Management

Review & Commentary

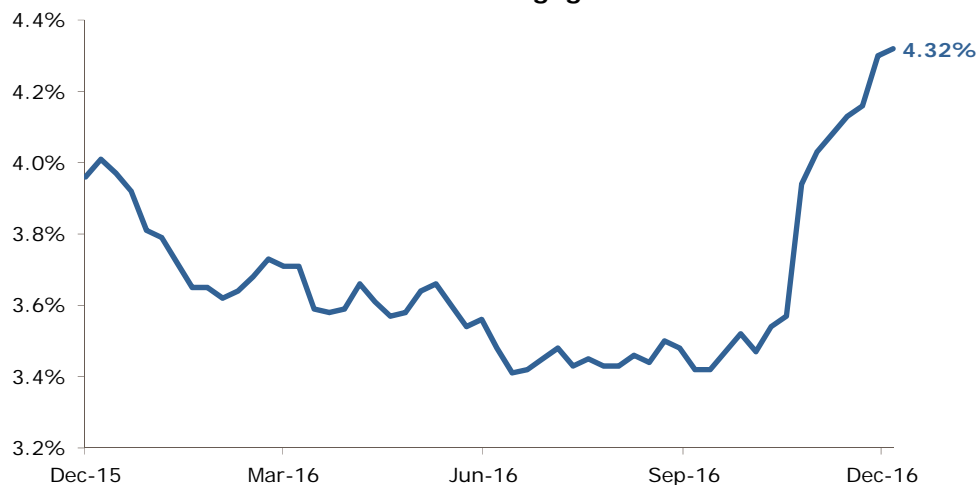
- Corporate notes outperformed duration-matched Treasuries in December after underperforming last month. In 2016 1-3yr and 1-5yr credit returned 1.12% and 1.48% in excess returns, respectively.
- We are buying corporate notes maturing in the first half of 2018 and 2020 as they are the cheapest on the credit curve.
- Corporate supply in excess of \$1.1tn will end the year at a record level in for a third consecutive year, besting last year by 2%. Projections from Wall Street is for a decline of \$100-\$200mm next year.

Strategy

- We do not expect index spreads or the credit curve to tighten meaningfully from here. Where appropriate, we are taking less credit risk in accounts.
- With LIBOR continuing to trend higher, floaters remain attractive.
- Cheap financing continues to drive M&A activity in non-financials. BBB-rated industrials remain well-bid.
- Domestic money center banks offer the most value at current spread levels given their strong fundamentals.

Mortgage-backed securities

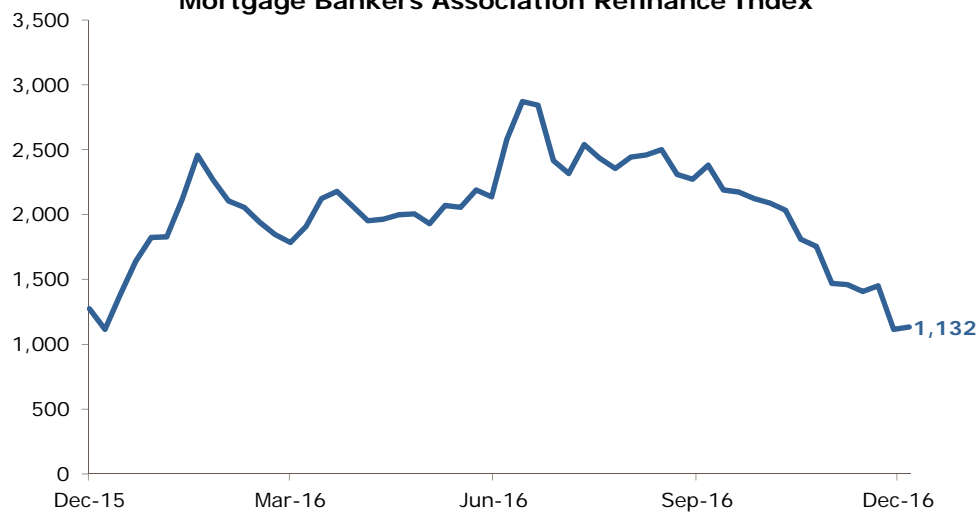
Freddie Mac US 30 Year Mortgage Commitment Rate



Review & Commentary

- 30-year agency mortgage rates have risen to over 4%, or a 75 bp increase since the beginning of November. Market participants are most concerned about extension risk.
- 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

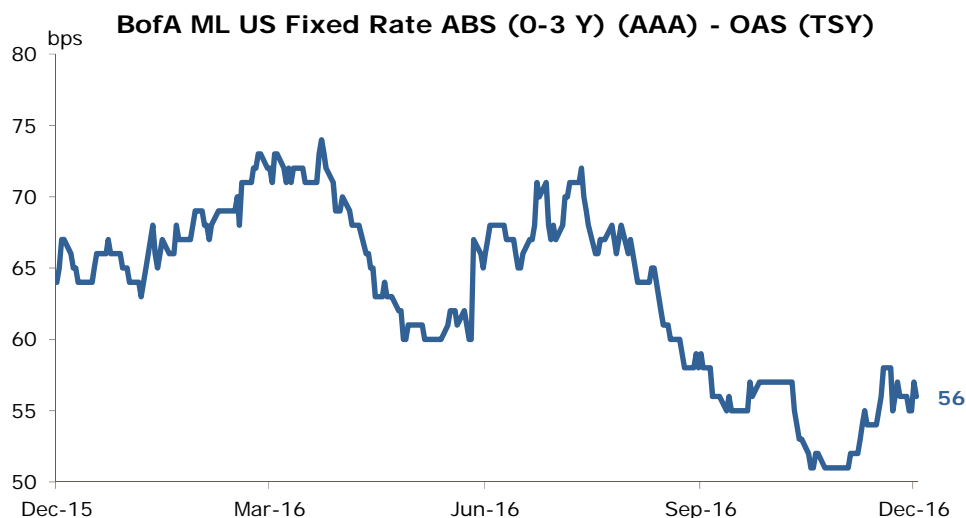


Strategy

- Concerns over extension risk have led us to focus on 15-year sequentials and CMOs and 10 and 15-year mortgage pass-throughs.
- 10 and 15-year pass-throughs offer greater liquidity than CMOs.
- Agency mortgages look attractive relative to agency debentures.
- Suggested allocation is minimal.

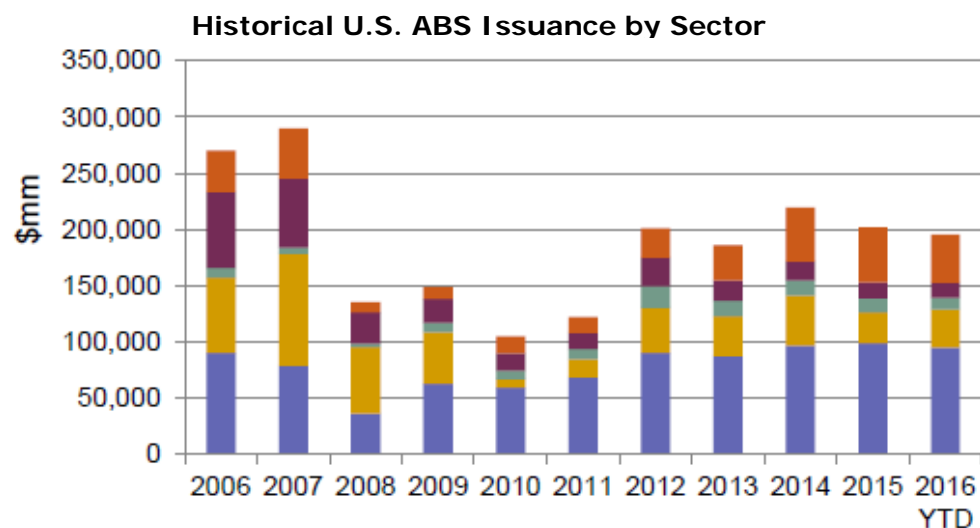
Source: Bloomberg

Asset-backed securities



Review & commentary

- 2016 issuance was approximately \$200bn, in-line with 2015 issuance.
- Secondary liquidity in ABS is stronger than previous years as investor demand remains in-tact. In previous years, spreads have widened due to weak year-end demand. Dealers are adding inventory which is also helping liquidity.
- 2017 should bring increased credit card issuance. Post-recession regulation on the banks made securitization a less-than-ideal funding alternative. Given the rise in short-term interest rates and the possibility of reduced regulation, banks should be more willing to issue credit card ABS as an alternative to bank deposits.

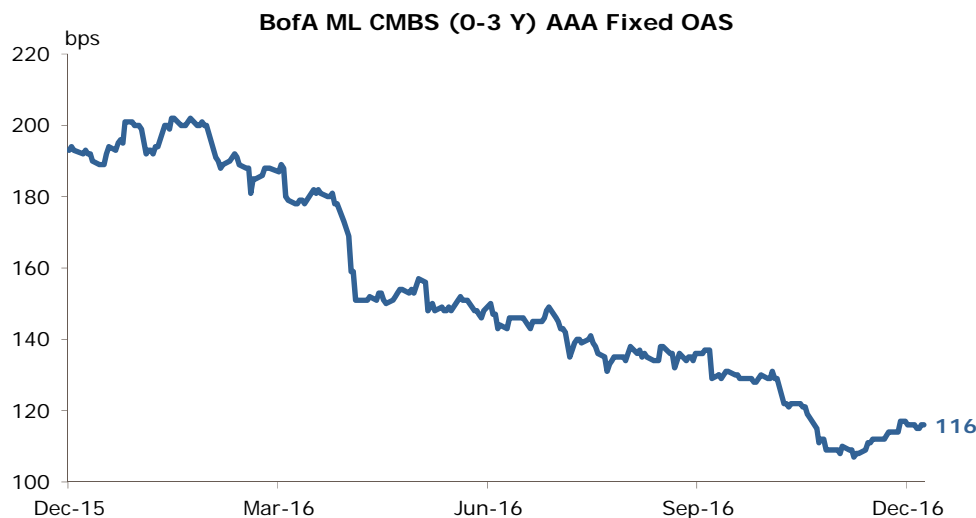


Strategy

- 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.
- The primary market offers better relative value based on wider spreads; new issue concessions are still wide.

Source: Factset, BofA Merrill Lynch, MUFG

Commercial mortgage-backed securities

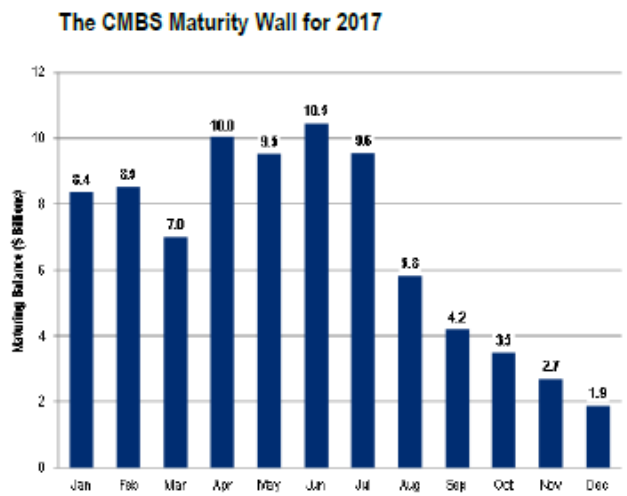


Review & commentary

- New issue deals have been well received, reflecting investors' positive attitudes toward the first few risk-retention compliance deals.
- Supply will continue to come to the market in the form of the new risk-retention deals which is a positive for the market.
- Expectations are for strong credit performance in CMBS to persist. Lenders are tightening the reins on leverage and deals are reflecting lower LTVs.
- The final material wave of CMBS maturities will hit the market in the first half of 2017.

Strategy

- We recommend staying higher in the capital structure, particularly when purchasing CMBS 2.0 and 3.0 deals to mitigate any credit and liquidity concerns. Front-end supply is extremely low. Despite the significant supply, the short tranches in new deals are very small and have been issued at very rich levels.
- We are not buying legacy (pre-crisis) CMBS super senior tranches given their very short average lives and negative exposure to fast prepayment speeds. Bonds remain priced to optimistic scenarios.



Source: Trepp, Citi Research

Source: Factset, BofA Merrill Lynch, Commercial Mortgage Alert, Wells Fargo Securities

Municipals

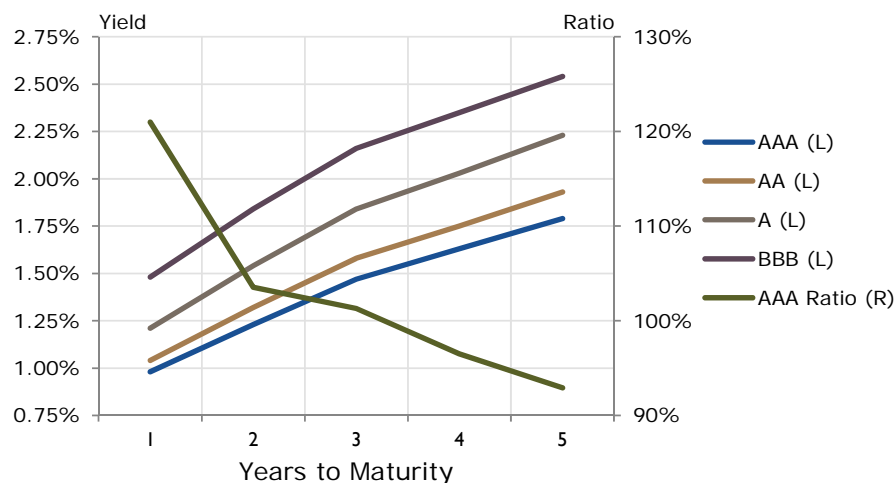
BofA ML Municipals (1-3 Y) - YTW



Review & commentary

- Municipal yields stabilized following their worst performance time in three years due to expected changes in tax rates following the election. Slower issuance and higher and re-investment funds from December 1 maturities and coupon payments pulled the market out of the very weak October and November months.
- Muni bond fund outflows continued for a fifth consecutive week, totaling \$15.5bn. We believe outflows will accelerate if long-dated yields continue to rise.
- Dallas Police and Fire pensions are the latest headline problem credit. Moody's downgraded Dallas, TX GOs to A1.

Municipal/Treasury Ratios



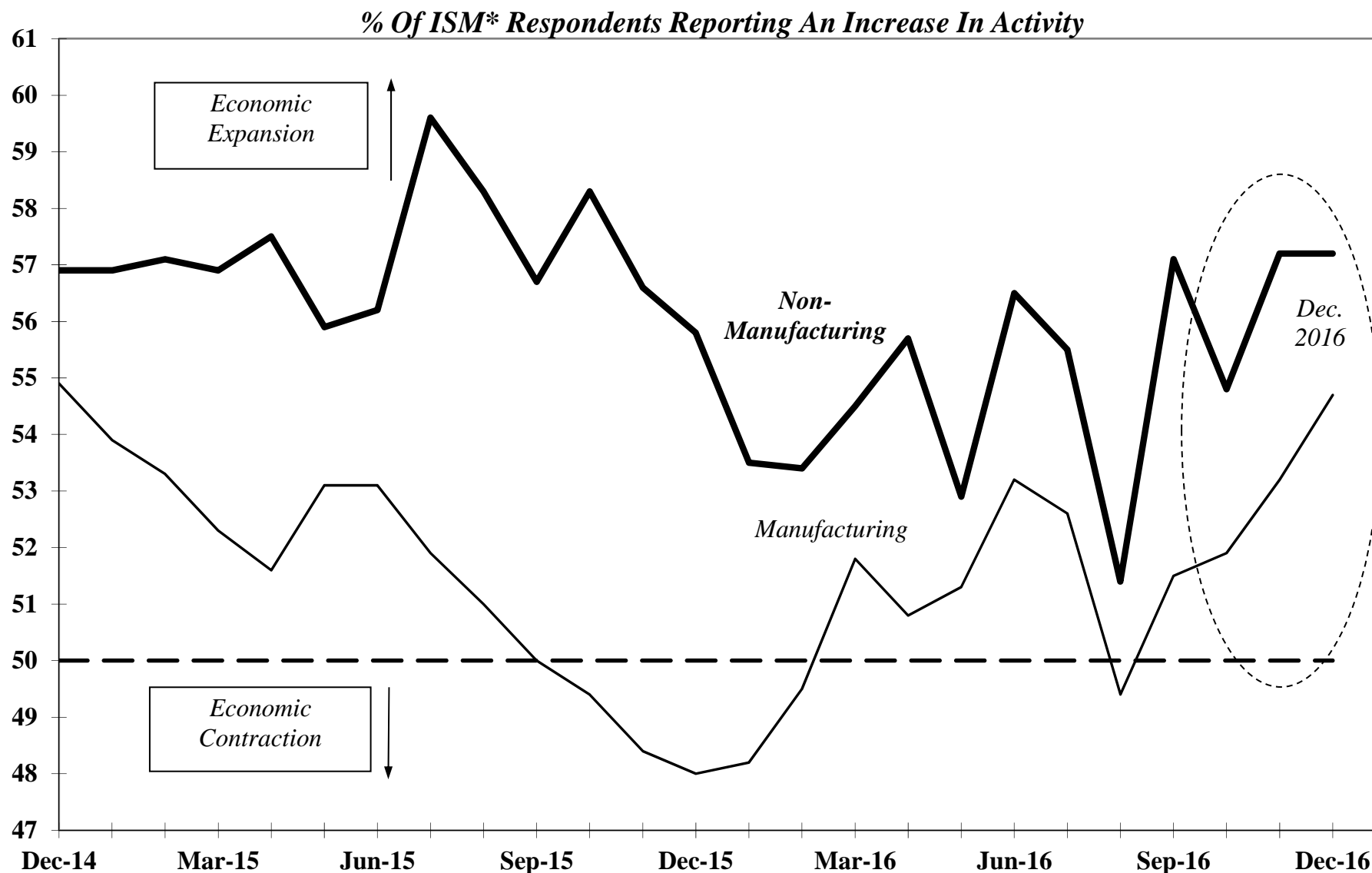
Source: Factset, BofA Merrill Lynch, MMD

Strategy

- Current elevated muni/Treasury ratios are making for opportunities in secondary markets. A wide selection of credits and structure allows for better security selection and geographic diversification.
- At current credit spreads, we prefer dedicated revenue bonds. As struggling pensions become a bigger driver of credit ratings in the coming years, we believe spreads on GO bonds will widen.
- We continue to be overweight pre-refunded bonds.
- Year-end balance sheet pressures will push SIFMA higher. Supply in shorter-dated securities is historically high. Higher nominal yields make them an attractive alternative to Treasuries and Agencies.

Economic overview

A MORE BALANCED GROWTH CYCLE, OVERCOMING DOLLAR, GLOBAL ECONOMIC HEADWINDS

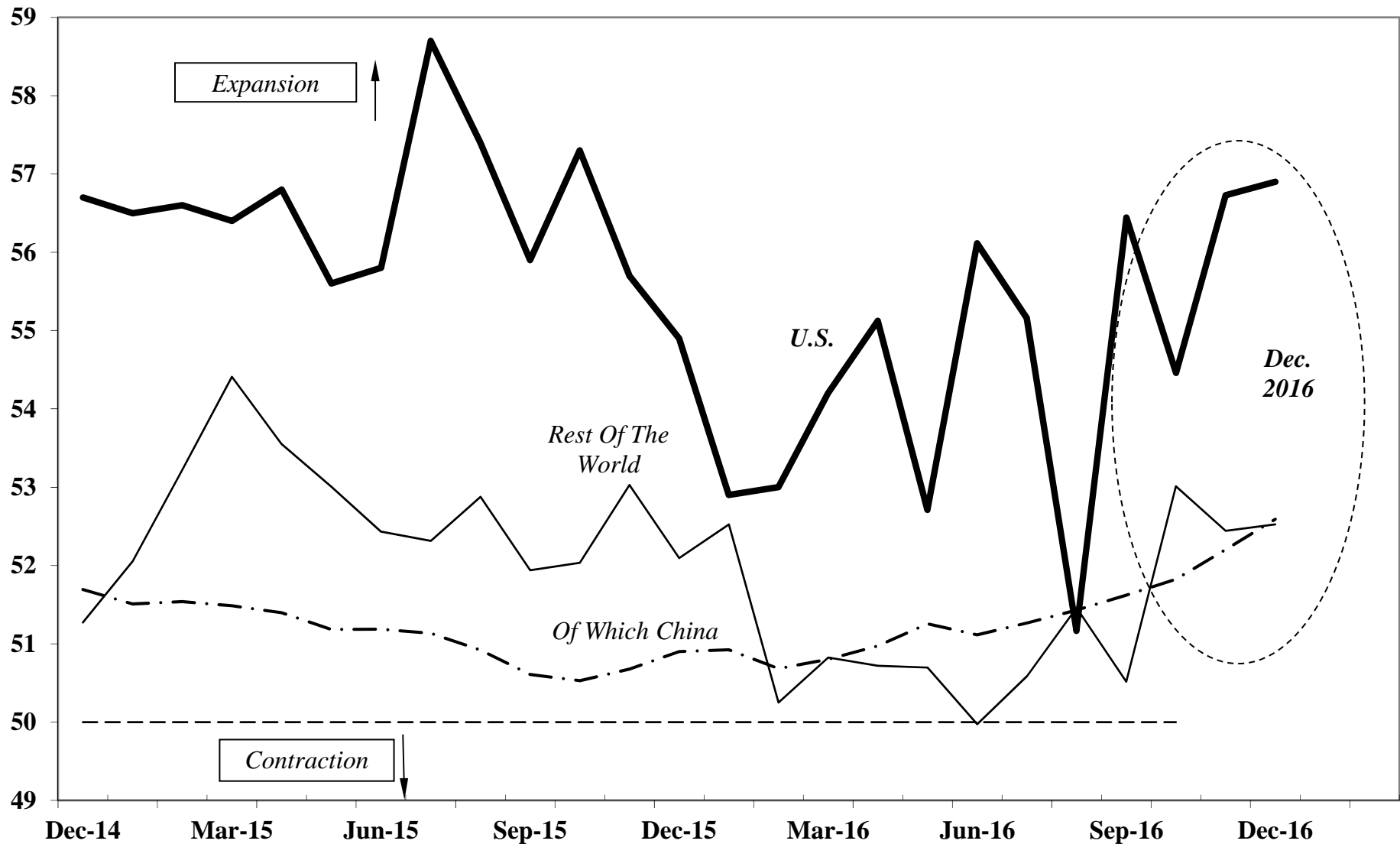


The U.S. economy's growth recovery from the latest in a series of "soft patches" late last summer has become better balanced between leading edge and more domestically driven non-manufacturing--supported in its climb to an October 2015 high by the rotation of dominant consumers toward services spending--vs. the smaller, more trade-sensitive manufacturing sector. Much of the support for more modest manufacturing growth has come from a winding down of oil-industry cuts in capital spending and from a firming of overseas growth, overcoming the effects of dollar strength that has left export competitiveness at its weakest in over thirteen years. More balanced economic growth leaves the economy less vulnerable to a recession and well-positioned to benefit from economic stimulus in the coming year.

Source: Institute Of Supply Management

THE U.S. BACK IN ITS "LOCOMOTIVE" ROLE FOR GLOBAL GROWTH

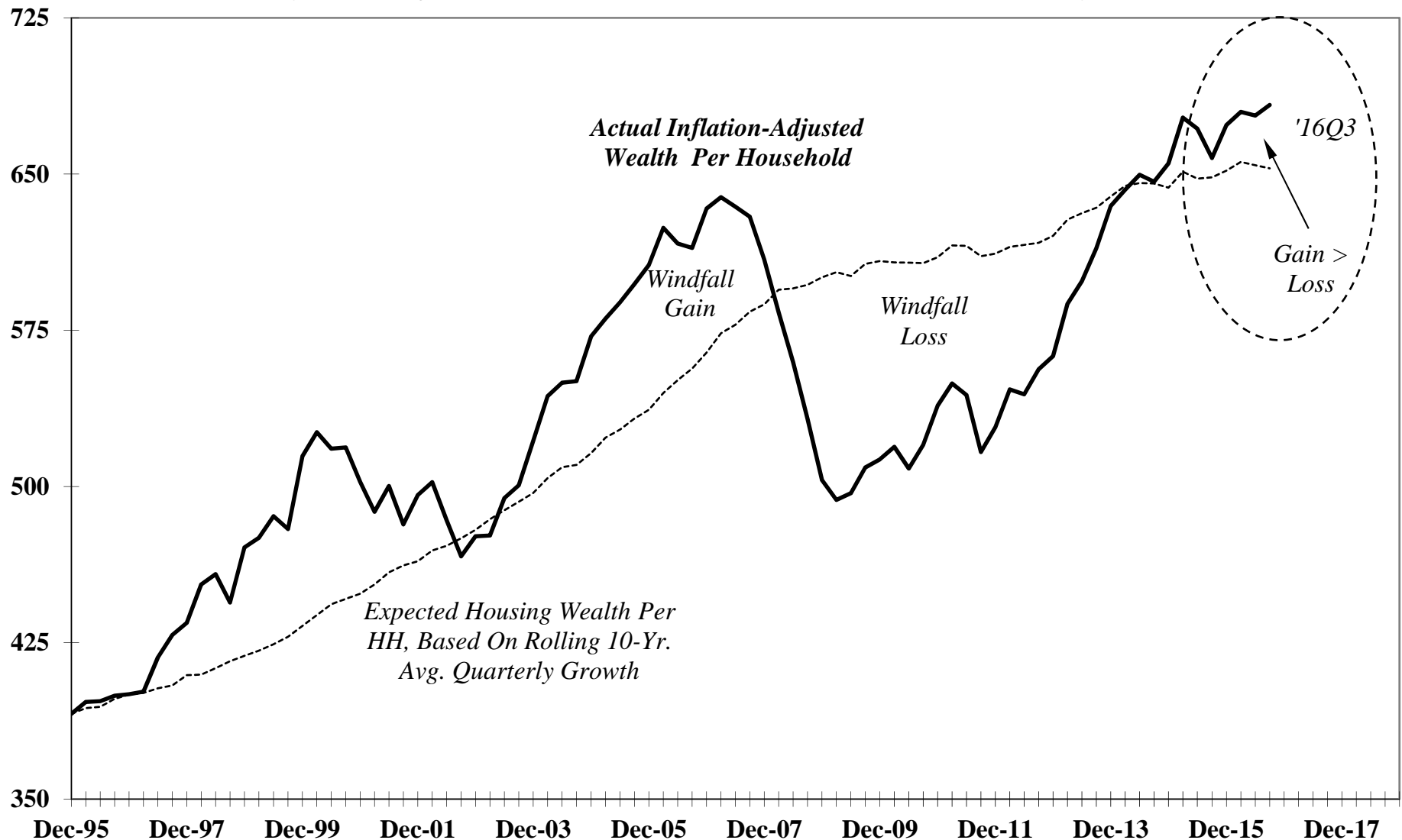
% Of Respondents Reporting Increased Manufacturing & Non-Manufacturing Activity



Relatively strong growth in the U.S. signals a return to its traditional role as a "locomotive" for the global economy, picking up the slack from the faltering expansion in China and its spillover to other emerging-market economies, along with persistent sluggishness in Europe and Japan. Our locomotive role could be reinforced by growth-enhancing deregulation and fiscal stimulus anticipated by the asset markets, boosting domestic spending and undermining U.S. competitiveness through an even stronger dollar. That said, the U.S. growth engine isn't as potent as it has been historically, partly because of more moderate economic growth here and our reduced clout in the global economy.

Sources: JP Morgan Chase, Inc.; Bloomberg Financial News, Inc.

PERSISTENT "WINDFALL" GAINS IN HOUSEHOLD WEALTH SINCE 2014
BODE WELL FOR THE CONSUMER-LED GROWTH CYCLE
Average Inflation-Adjusted Housing Wealth Per Household (Thousands Of 2009 Dollars)

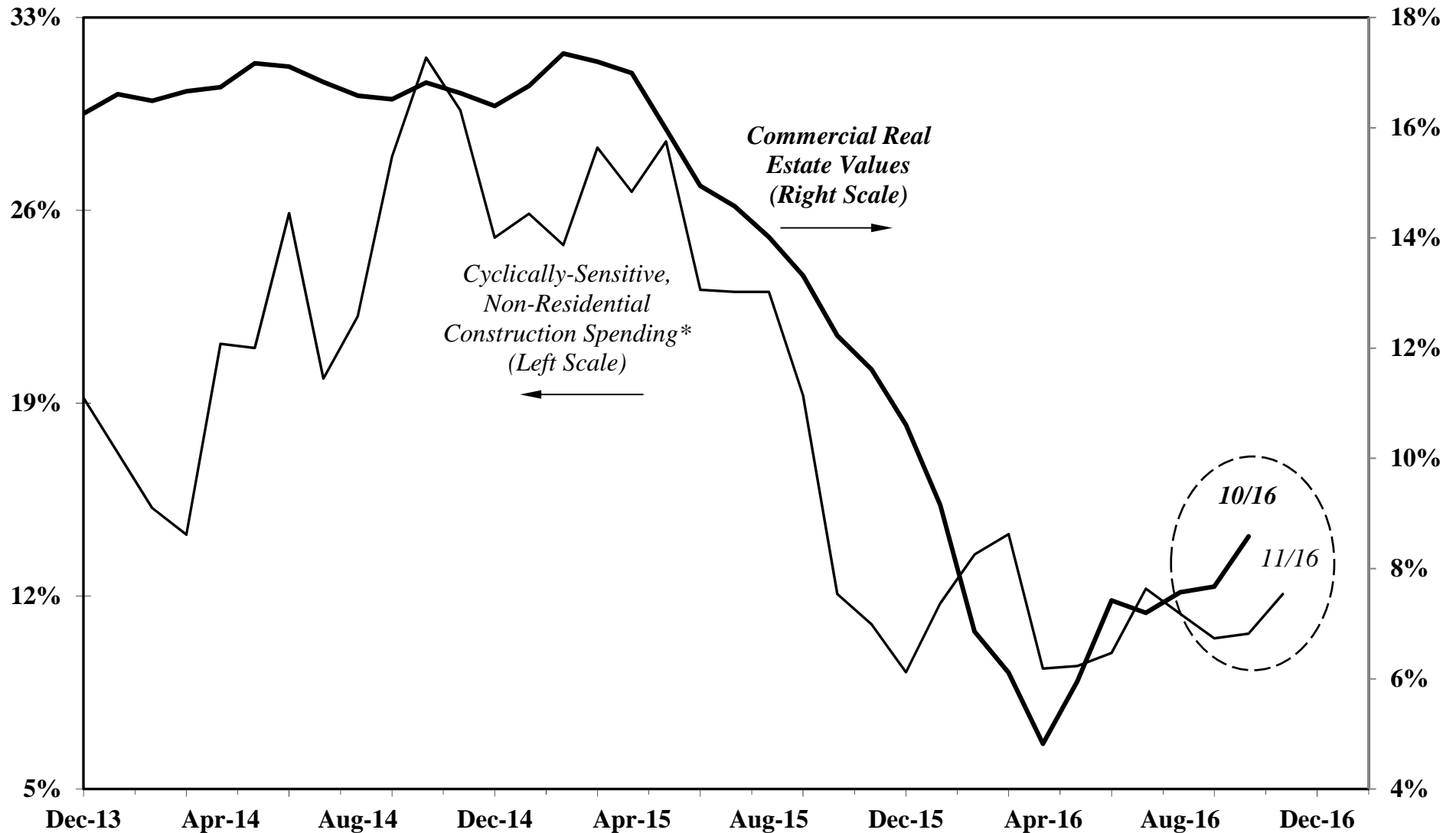


Year-to-year growth of inflation-adjusted income growth per household rebounded in the third quarter to its strongest pace in over a year on double-barrel support from rising stock prices and home values. Recent growth has been strong enough to widen the gap between actual and expected per household wealth (the latter based on a rolling, ten-year rise in net worth), resulting in the largest windfall gain since just before the last recession in September 2007. Though still less than half the gains during the peak of the housing boom a decade ago, their accumulation in recent years adds to the potential for "big ticket" consumer spending directly, or indirectly through increased borrowing.

Sources: Federal Reserve Board; U.S. Census Bureau; WCM estimates

CAN COMMERCIAL REAL-ESTATE'S USUAL LATE-CYCLE SUPPORT CONTINUE IN 2017?

Current-Dollar Construction Spending; Year-Ago % Change

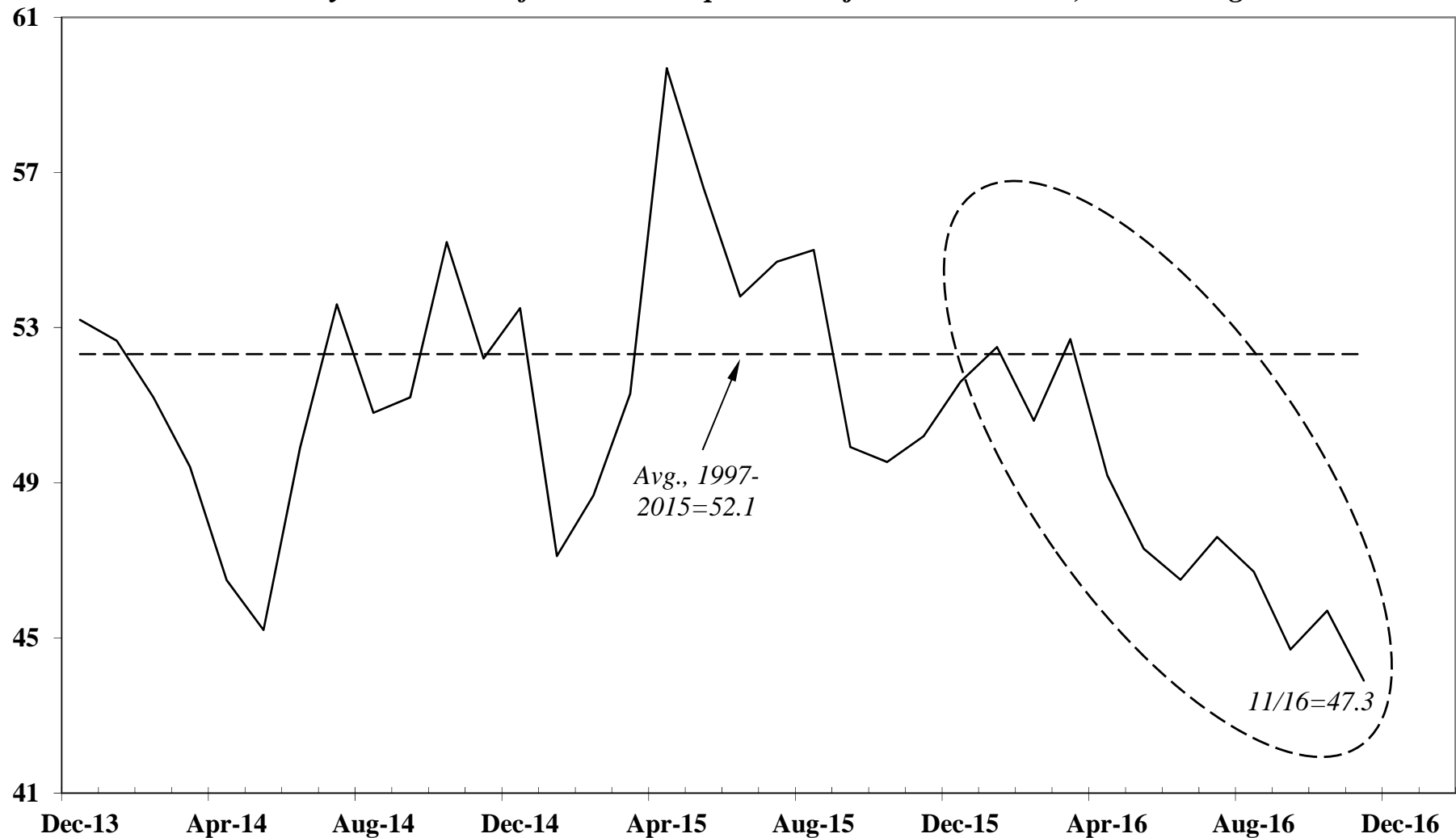


* Including hotels, office buildings, retail stores and manufacturing plants.

Cyclically-sensitive commercial construction (including hotels, offices, retail and manufacturing) continues to provide its usual late-cycle support to economic growth. On average, the rise in property values has re-accelerated to a January 2016 high, in the upper single digits, underpinning a return to double-digit growth in construction spending since last July. Maintaining that support in the coming year will be increasingly difficult as the recent backup in interest rates continues to affect financing costs and as vacancy rates are lifted by increased supply from the recent "boom" in property construction.

Source: U.S. Commerce Department; Moodys Investor Services, Inc.

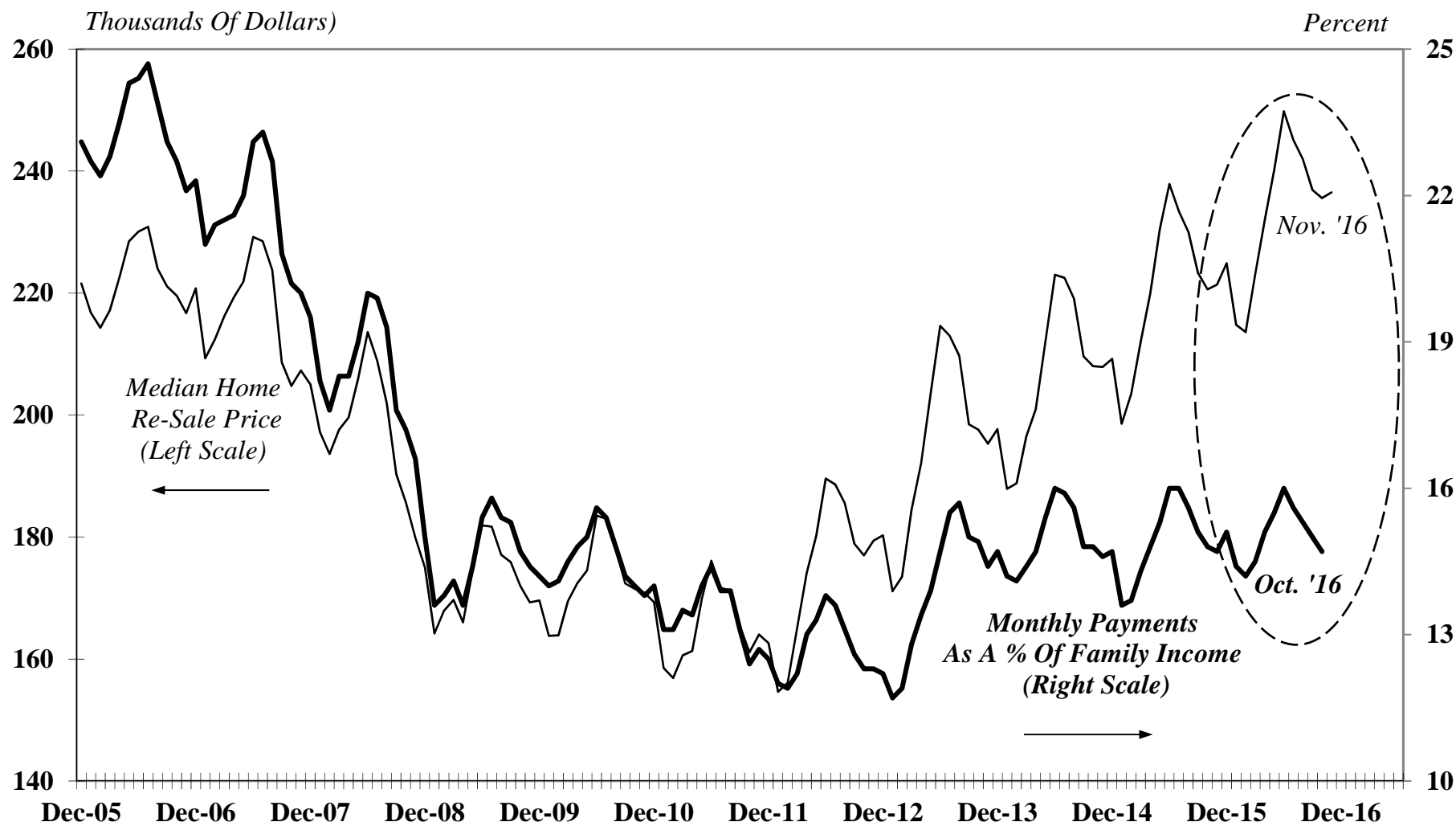
STATE AND LOCAL TAX RECEIPTS COMING IN INCREASINGLY SHORT OF EXPECTATIONS
Monthly Barometer Of Actual Receipts Vs. Projections: 0=Weak; 100=Strong



State and local revenue growth atypically is losing momentum during this seventh year of an economic expansion, hurt by a combination of oil-price declines and fall-out on energy-producing states, weakening economic growth earlier this year compounded by a sideways stock market and poor demographics creating highly uneven revenue performance across the country. A more qualitative measure by International Strategy and Investment, based on a survey of actual vs. expected revenue flows in sixteen major states, has fallen steadily from an April 2015 peak to its lowest reading last month since January of that year, paced by a shortfall in income-tax receipts. State and local finances, much like commercial real estate, is a "late-cycle" sector, often strengthening as housing and other leading-edge parts of the economy are losing momentum during the lates stages of a growth cycle.

Source: International Strategy and Investment.

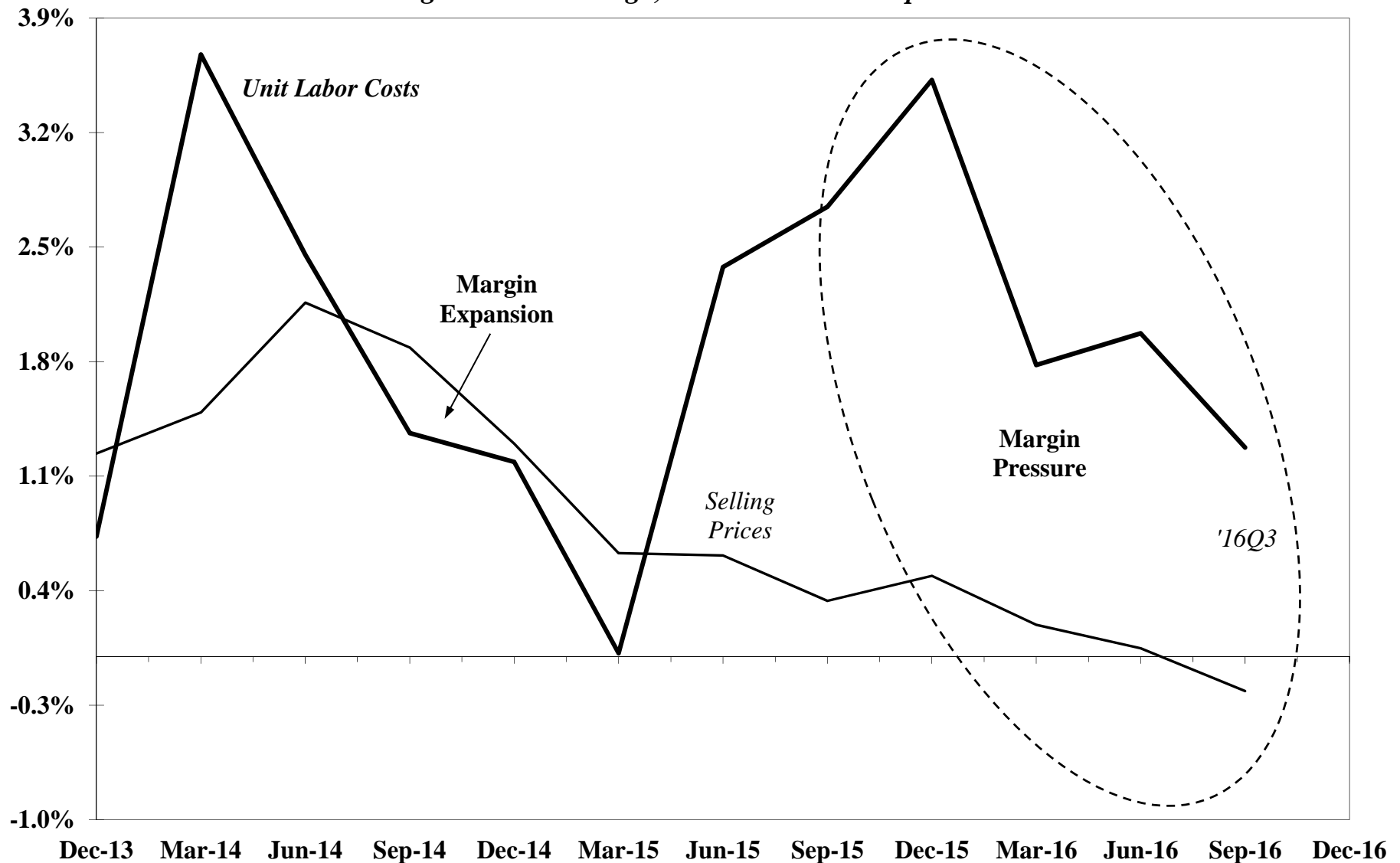
A MORTGAGE REPAYMENT BURDEN SUPPRESSED BY HISTORICALLY LOW BORROWING COSTS LEAVES HOUSING MORE INTEREST-SENSITIVE TO FUTURE RATE CHANGES



Housing nearly has enjoyed the best of both worlds as a result of historically low mortgage rates. Home-price increases exceeding inflation during much of this growth cycle have propelled household wealth, an important engine of consumer-led growth. And despite home values slightly higher than their July 2006 peak during the last housing "boom," the mortgage repayment burden--defined as annual mortgage payments on the median priced existing home as a percent of median family income--is less than 15% compared to the near-25% peak back then. One problem for housing in the here-and-now is that first-time home buyers are having trouble raising the down payment for homes at these prices, despite a still-manageable repayment burden. Another is that housing activity effectively is being inflated by artificially low interest rates fuelling the rise in home values, leaving the sector that much more vulnerable to a sustained rise in borrowing costs during the next interest-rate "up cycle."

Sources: National Home Builders' Association; National Association Of Realtors

***PROFIT MARGINS, COST-DRIVEN EARNINGS GROWTH THREATENED
BY RISING LABOR COSTS, WEAK "PRICING POWER"
Year-Ago Percent Change; Non-Financial Corporations***



Weak "pricing power" and unit labor costs lifted both by accelerated wage gains and by sluggish productivity growth have contributed to a steady decline in profit margins since the second quarter of 2015. Sluggish top-line revenue growth has made margin expansion all the more important as a means of sustaining earnings growth to support cash flow and equity values. The risk to the economy: cost-cutting to sustain margins inevitably will hit hiring and wage gains--the raw material for income growth needed to sustain consumer spending.

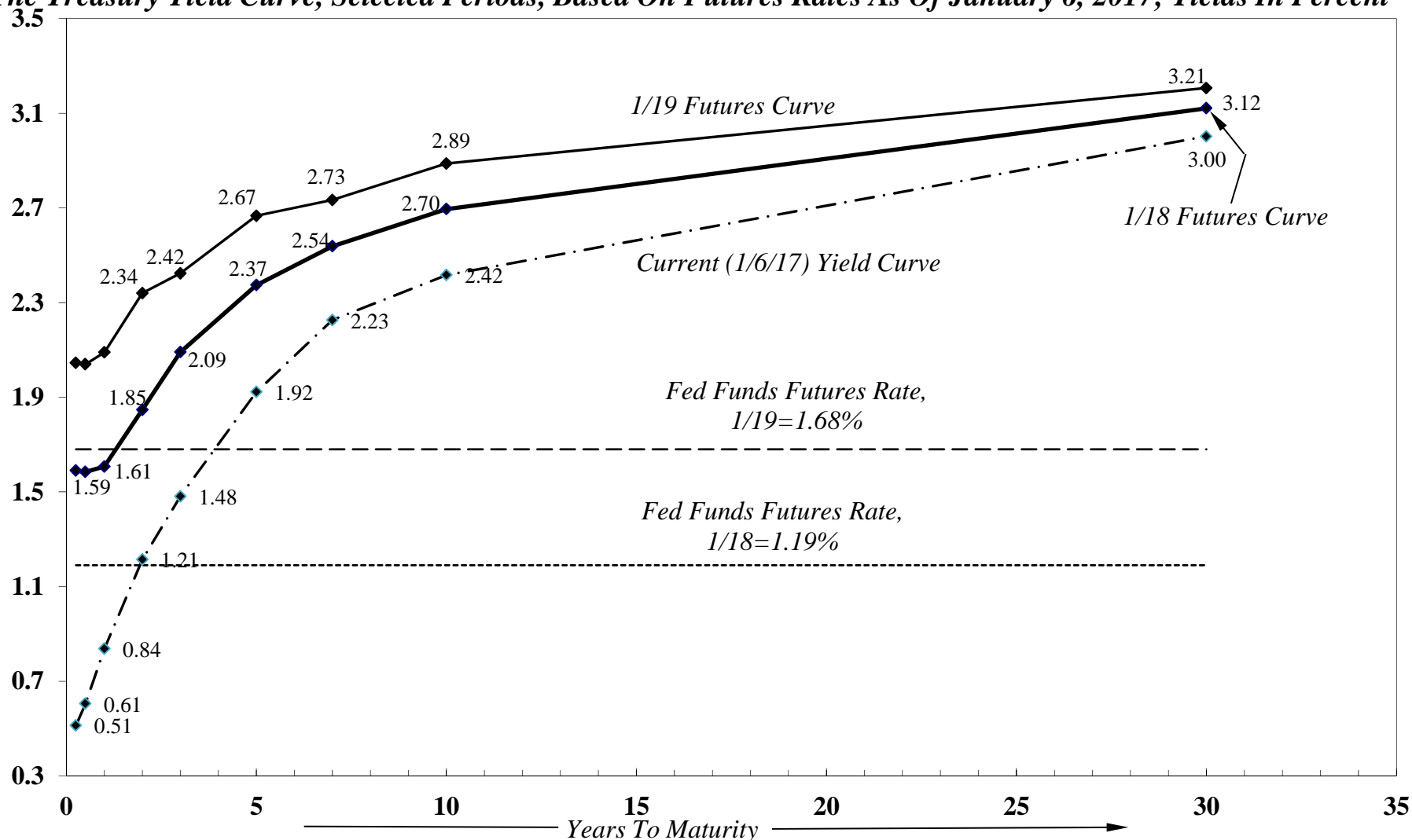
Source: U.S. Commerce Dep't.

AN UNUSUAL INTEREST-RATE CYCLE IN 2017?

- A Cautious “Sea Change” In Monetary Policy
 - Cross Currents In The Outlook For Below-Target Inflation*
 - A Still-Fragile Financial Market*
- An Eroding, But Still-“Friendly” Backdrop For Long-Term Rates
 - A Cautious Nod Toward Subdued Inflation...*
 - ...And Toward Foreign, Yield-Driven Demand For U.S. Debt*
 - Which Way For Longer-Term Interest Rates?*
- A “Bumpy” Ride Higher?
 - More Questions Than Answers In The Political And Policy Outlook Here And Abroad*
 - An Unwinding Of Financial-Market Distortions*

INVESTORS STILL COUNTING ON A TYPICAL YIELD-CURVE "FLATTENING" IN THE COMING YEAR AS THE INTEREST-RATE CYCLE MATURES AMID MORE RATE INCREASES BY THE FED

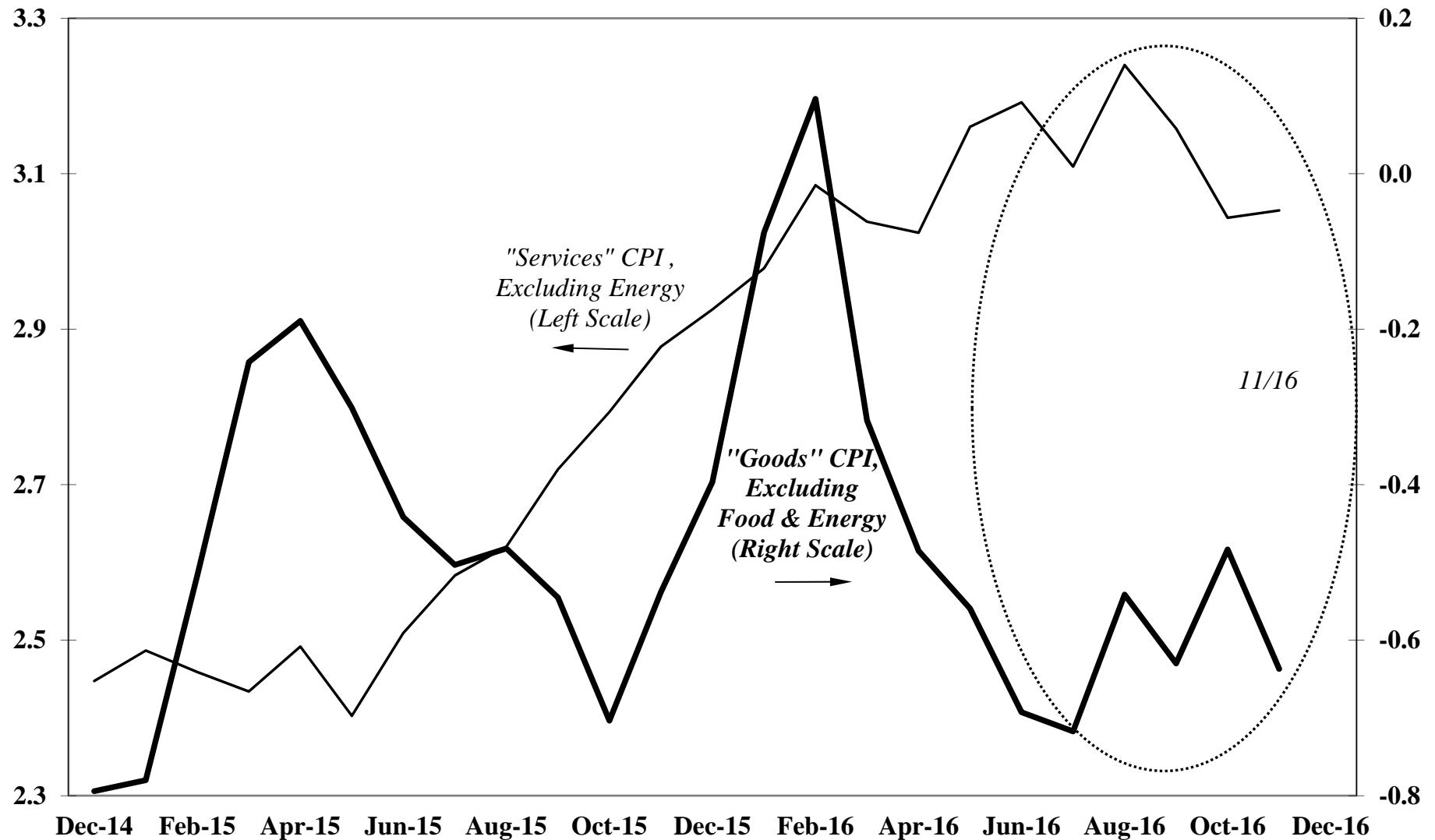
The Treasury Yield Curve, Selected Periods, Based On Futures Rates As Of January 6, 2017; Yields In Percent



The Treasury futures market has been tracing an increasingly "flat" yield curve over the next two years, as the gap between shorter and longer-term yields continues to narrow. Policy-sensitive intermediate yields are poised to take over leadership of the interest-rate "up-cycle" as the Fed continues to lift rates, while increases in long-term rates should become increasingly subdued as the Fed's rate increases restrain inflation and, perhaps, foreign yield-driven demand for U.S. securities is stoked by ultra-low rates abroad. If the past is any guide, money-market rates ultimately should assume leadership of a moderate, but broad rise in interest rates as the Fed's interest-rate "normalization" kicks into gear.

Source: Bloomberg Financial News, Inc.

STILL A "SPLIT-PERSONALITY" CPI *Year-Ago Percent Change In The "Core" CPI Components*



Inflation climbed to a 2½-year high of 1.7% in November, including a "core" rate (i.e., excluding the volatile food and energy components) above the Fed's 2% target set for its close-cousin "PCE deflator." Core's "split personality" was very much on display last month, featuring 3+% inflation in more labor-intensive and domestically driven services, and "deflation" (or declining prices) in the CPI's more trade-sensitive "goods," or merchandise sector. Economic stimulus of the variety now being debated actually could work at cross purposes with the Fed's efforts to achieve its targeted 2%inflation rate, if interest rates and the dollar, sent higher by stronger growth, aggravate declines in U.S. import and goods prices.

Source: U.S. Dep't Of Labor

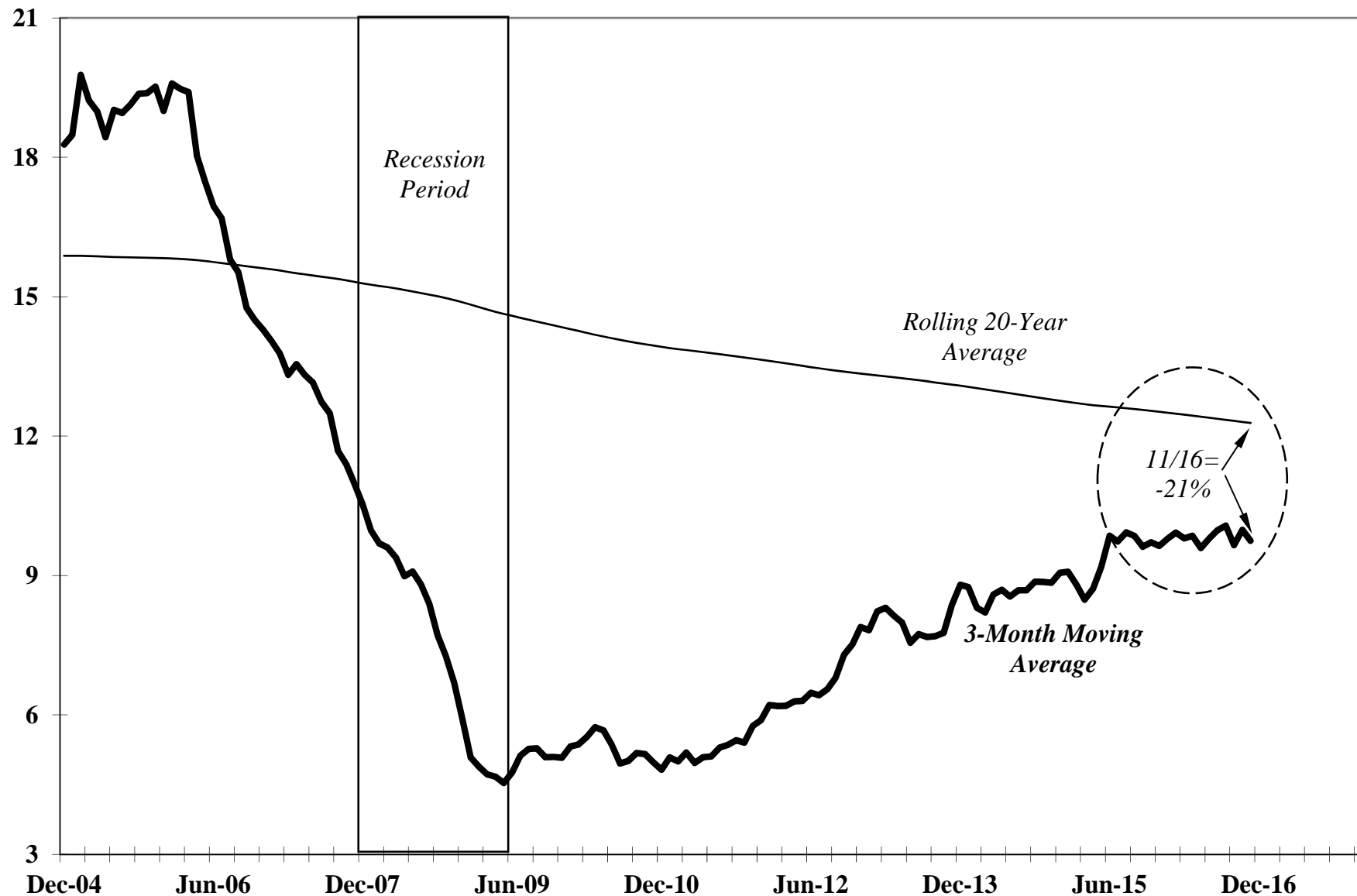
"OLD" OR "NEW NORMAL" FOR THE U.S. ECONOMY?

- The Great Productivity Puzzle
- An Aging, Slower-Growing Workforce
- Housing Construction's Potential As A Growth "Driver"
- Goodbye To Low-Cost Energy?
- A Jobs Mismatch Between Skilled And Less Skilled Workers
- Another Swing In The Policy Pendulum?

--From Central-Bank To Fiscal Stimulus And On To Structural Changes

STILL "CATCH-UP" POTENTIAL FOR HOUSING CONSTRUCTION



Total Housing Starts Per Thousand Households



Solid gains in June-July housing starts have left their rolling, three-month rate at a November 2007 high, cementing their position on the leading edge of the economy's growth recovery. However, construction activity hasn't kept pace to the same extent with the rebound in household formations, leaving starts per household more than 20% below the expected ratio based on a rolling, twenty-year average. The silver lining to housing's still modest recovery is that there's still potential for stronger, enduring gains.

Source: U.S. Commerce Department; U.S. Census Bureau

QUARTERLY INTEREST-RATE FORECAST
Quarterly Averages; In Percent

	Forecast 						Forecast 				
	2016:4	2017:1	2017:2	2017:3	2017:4	2018:1	2018:2	2018:3	2016F	2017F	2018F
FEDERAL FUNDS	0.44	0.63	0.71	0.96	1.21	1.46	1.79	2.04	0.39	0.88	1.88
1-MONTH COMMERCIAL PAPER	0.48	0.50	0.64	0.93	1.20	1.51	1.87	2.21	0.39	0.82	2.01
1-MONTH LIBOR	0.57	0.64	0.65	0.96	1.19	1.46	1.72	1.95	0.47	0.86	1.82
3-MONTH LIBOR	0.92	0.87	0.97	1.23	1.45	1.72	2.02	2.30	0.74	1.13	2.14
3-MONTH T-BILL (Bond Equiv.)	0.43	0.46	0.60	0.88	1.15	1.45	1.79	2.10	0.32	0.77	1.91
6-MONTH T-BILL (Bond Equiv.)	0.56	0.63	0.79	1.09	1.34	1.59	1.91	2.23	0.46	0.96	2.04
ONE-YEAR TREAS. NOTE (Final Maturity)	0.75	1.03	1.18	1.51	1.73	1.93	2.20	2.44	0.61	1.36	2.29
2-YEAR TREASURY NOTES	1.01	1.22	1.41	1.75	2.01	2.25	2.50	2.65	0.84	1.60	2.54
5-YEAR TREASURY NOTES	1.61	2.02	2.15	2.36	2.56	2.70	2.90	3.04	1.34	2.27	2.94
10-YEAR TREASURY BONDS	2.13	2.66	2.71	2.84	2.99	3.08	3.26	3.35	1.84	2.80	3.27
30-YEAR TREASURY BONDS	2.83	3.23	3.32	3.40	3.46	3.54	3.69	3.85	2.60	3.35	3.76
BANKS' PRIME RATE	3.55	3.75	3.83	4.08	4.33	4.58	4.92	5.15	3.51	4.00	4.99
AAA-RATED L.T. CORPORATE BONDS	3.81	4.21	4.32	4.43	4.52	4.62	4.78	4.91	3.67	4.37	4.82
BAA-RATED L.T. CORPORATE BONDS	4.64	5.01	5.13	5.26	5.42	5.60	5.86	6.05	4.73	5.20	5.91
BOND BUYER INDEX OF 20 MUNIS	3.60	4.08	4.16	4.19	4.20	4.22	4.34	4.44	3.26	4.16	4.38
30-YR CONVENTIONAL MORTGAGE	3.82	4.44	4.49	4.61	4.67	4.79	4.91	5.03	3.65	4.55	4.96
Key Yield Spreads (Basis Points) & Ratios											
2-Year-3-Mo Treasurys	58	76	81	86	86	80	71	55	51	82	63
5 Yr-2 Yr Treasurys	60	80	74	62	55	45	40	40	50	68	40
10 Yr-2 Yr Treasurys	112	145	131	110	98	83	77	71	101	121	73
L.T. AAA Corp-30-Yr Treasury Bonds	98	98	100	103	106	108	109	106	107	102	106
Bond Buyer 20/ 30-Yr Treasurys (%)	127%	126%	125%	123%	121%	119%	118%	115%	125%	124%	117%
30-Yr Mortgage-10-Yr TBond	168	177	178	177	168	171	165	168	181	175	169
ECONOMIC ASSUMPTIONS:											
REAL GDP (QTR-QTR % CHG, P.A.)	2.1	2.0	2.8	2.4	2.7	2.6	2.7	2.4	1.6	2.5	2.5
CPI (QTR-QTR % CHG, P.A.)	3.3	2.3	2.3	2.4	2.5	2.7	2.8	2.9	1.3	2.2	2.2
GDP DEFLATOR (QTR-QTR % CHG, P.A.)	2.6	1.7	1.9	1.9	2.0	2.2	2.3	2.5	1.3	2.0	2.2
TRADE-WTD \$ (FRB, 3/73=100)	94.8	98.9	99.2	99.6	99.9	100.0	100.2	100.3	92.4	99.5	100.1

Wells Capital Management-Economics
Wells Fargo & Co.
January 2, 2017

WFAM– Disclosure

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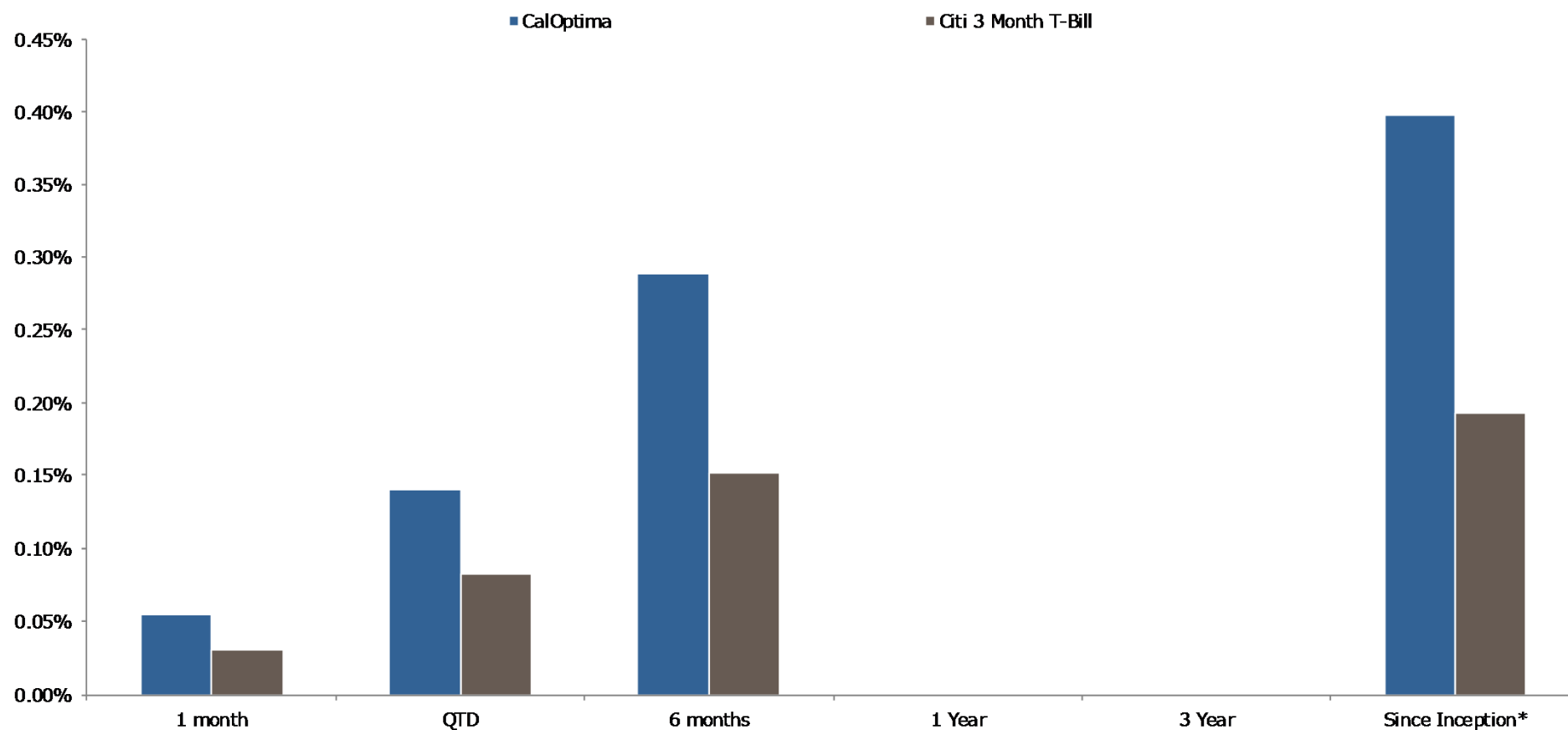
NOT FDIC INSURED – NO BANK GUARANTEE – MAY LOSE VALUE

CalOptima

Performance summary

	1 month	QTD	6 months	1 Year	3 Year	Since Inception*
CalOptima	0.06%	0.14%	0.29%	-	-	0.40%
Citi 3 Month T-Bill	0.03%	0.08%	0.15%	-	-	0.19%

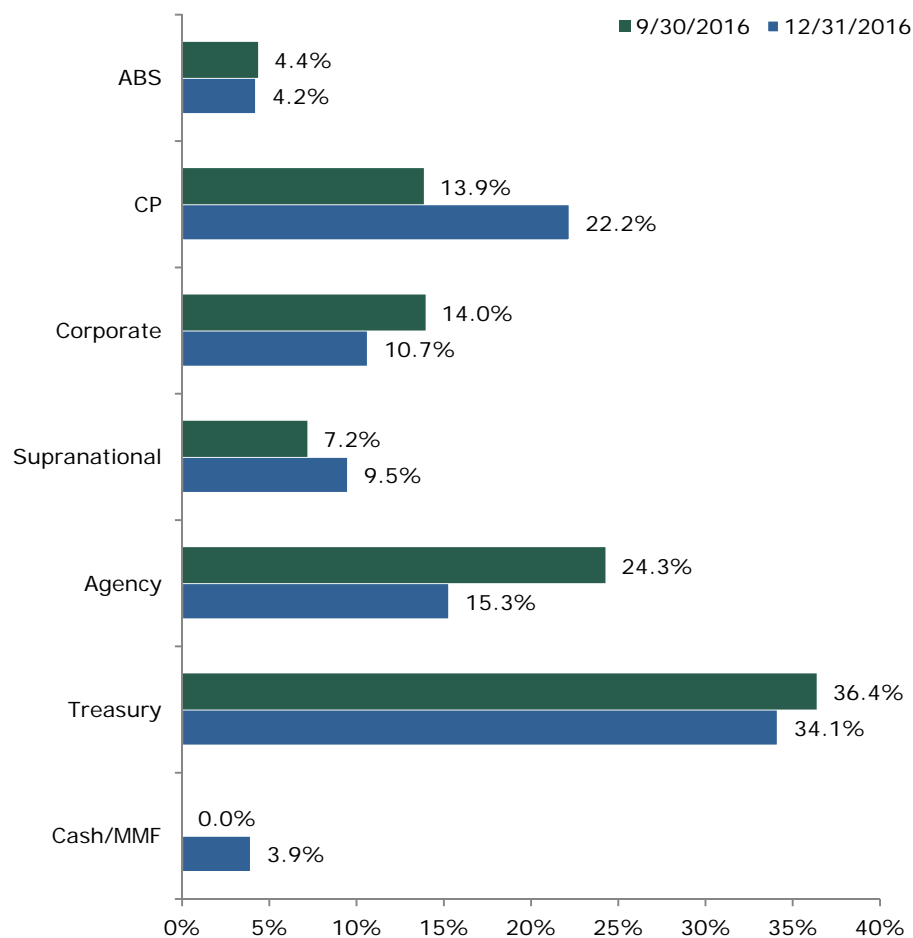
Returns are presented gross of management fees. Returns for periods greater than one year are annualized.



*Inception Date is May 3, 2016

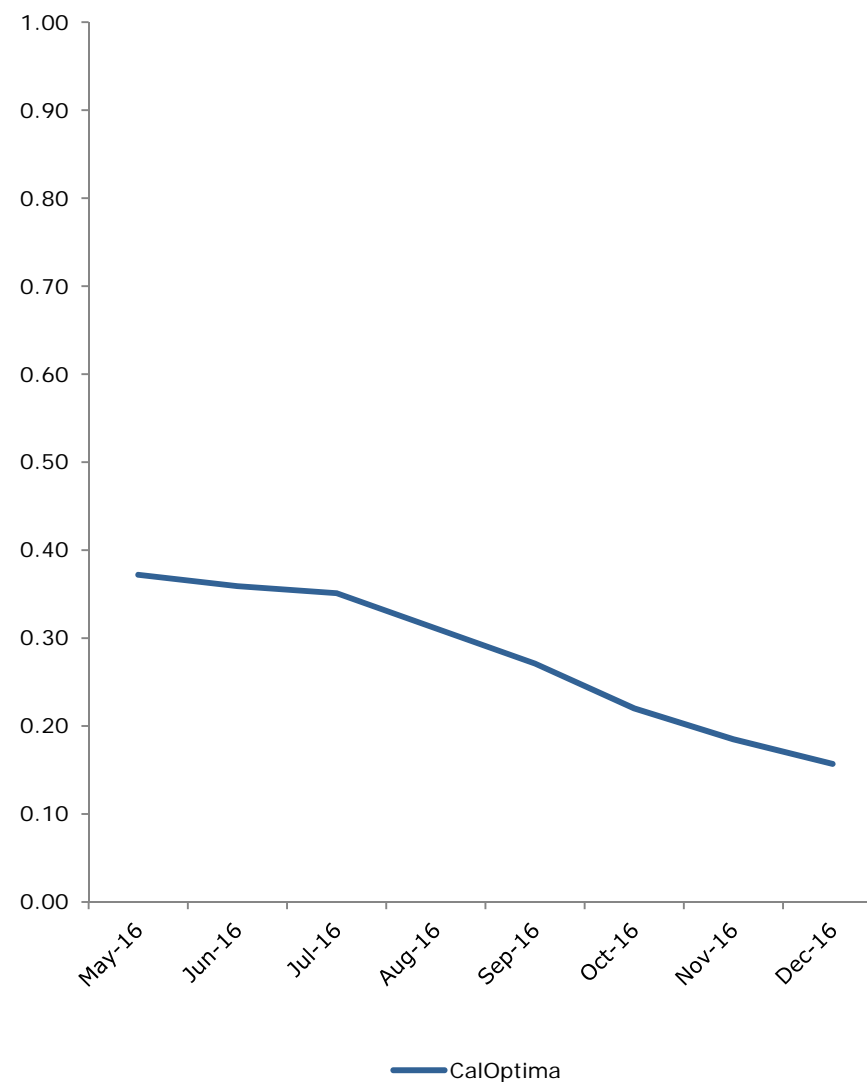
Portfolio changes

Allocation over time



	12/31/2016	9/30/2016	Change
Market Value	\$601,695,718	\$550,927,157	\$50,768,561

Duration



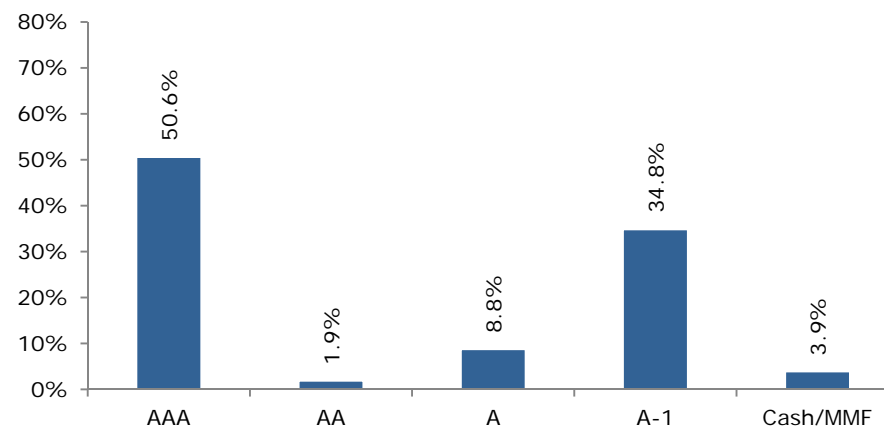
Portfolio summary

As of December 31, 2016

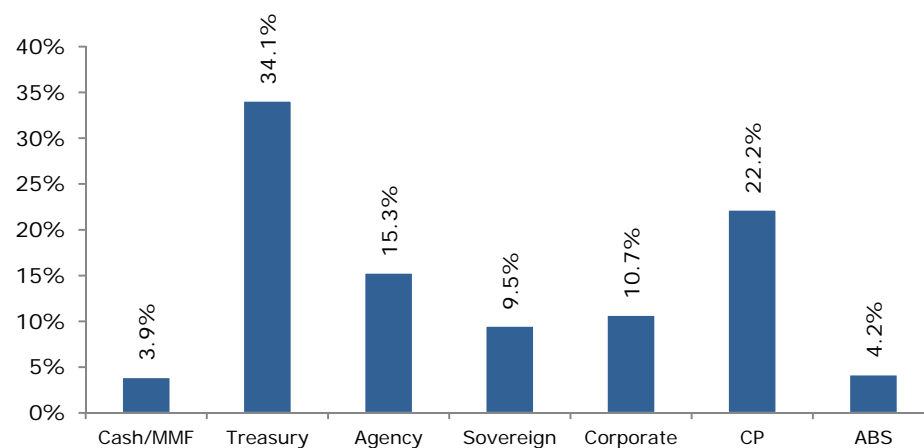
Characteristics

Name	CalOptima
Market Value (\$)	601,695,718.06
Average Effective Maturity (yrs)	0.18
Duration	0.16
Purchase Yield (%)	0.67
Current Market Yield (%)	0.67
Average Quality	AA+

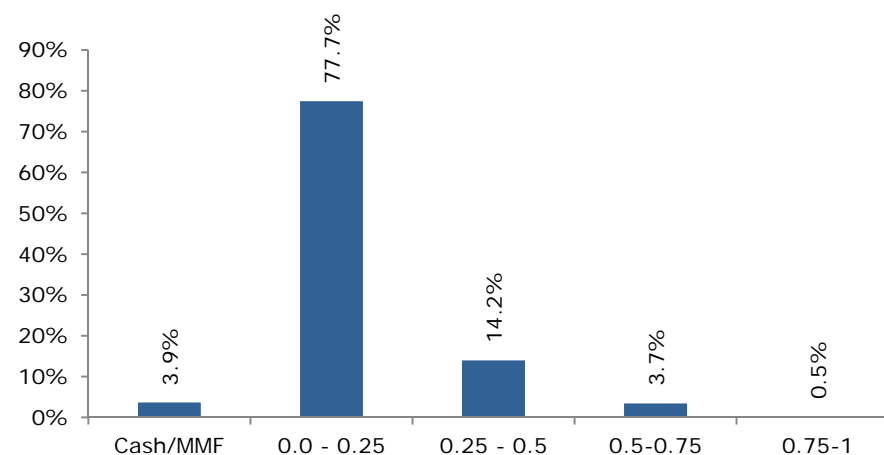
Credit quality



Security type



Duration

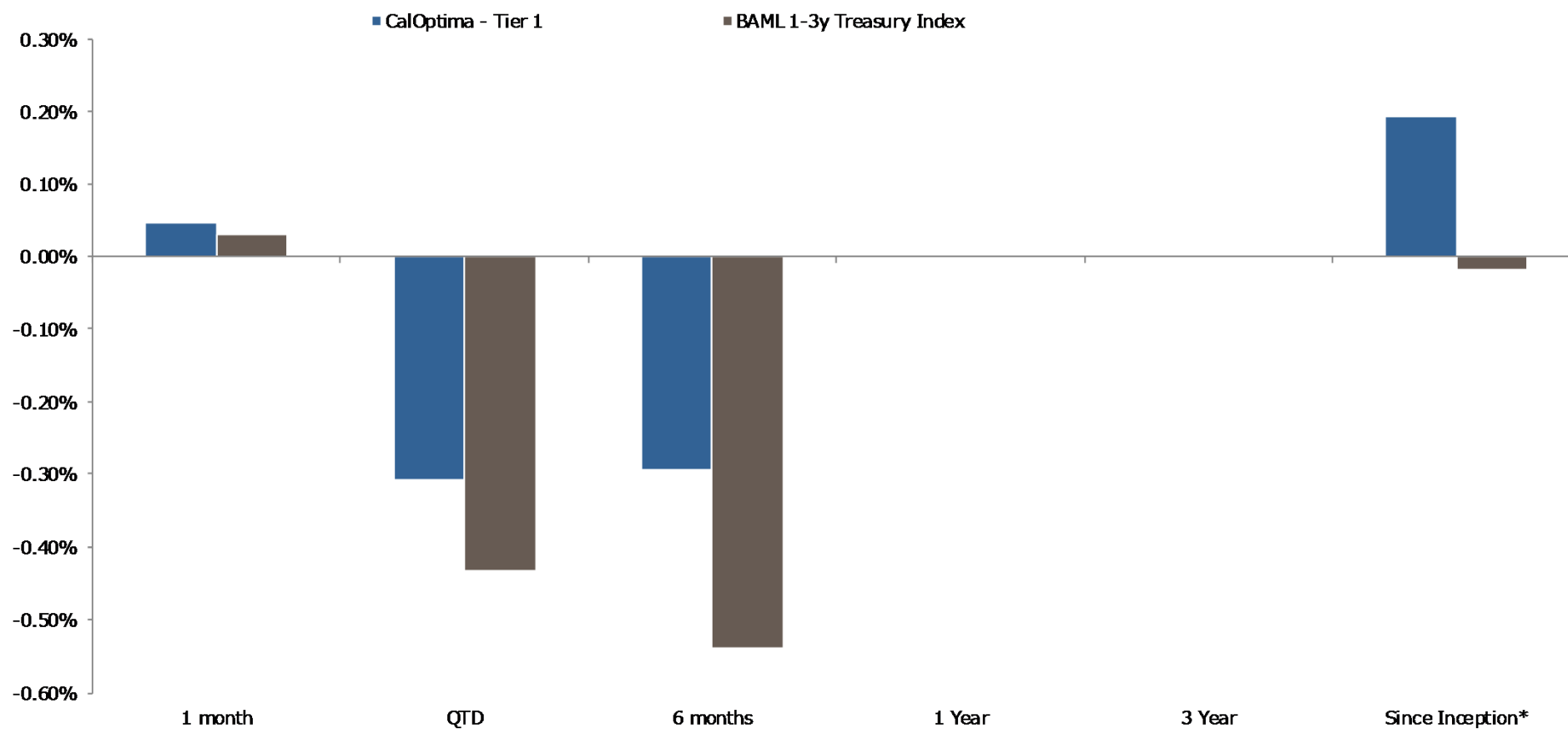


CalOptima – Tier 1

Performance summary

	1 month	QTD	6 months	1 Year	3 Year	Since Inception*
CalOptima - Tier 1	0.05%	-0.31%	-0.30%	-	-	0.19%
BAML 1-3y Treasury Index	0.03%	-0.43%	-0.54%	-	-	-0.02%

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



*Inception Date is May 3, 2016

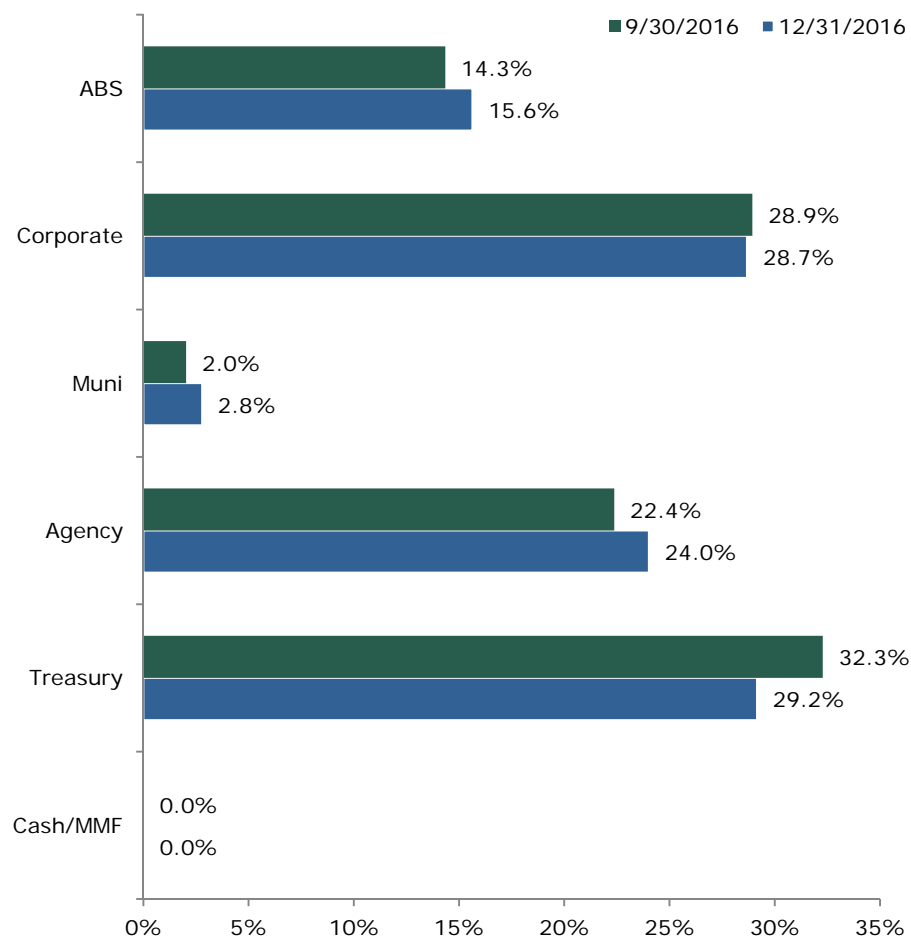
Performance attribution

(In basis points)	4Q 2016	YTD*	1 Year
Duration	3	1	
Curve			
Sector Selection			
Agency	1	3	
Corporate			
Financial	3	1	
Industrial	1	7	
Utilities			
MBS			
CMBS			
ABS	1	4	
Municipal	0	0	
Error factor	3	4	
Total Contribution	12	20	
((Strategy)) Return	(31)	26	
((Benchmark)) Return	(43)	6	

* from 6/1/2016

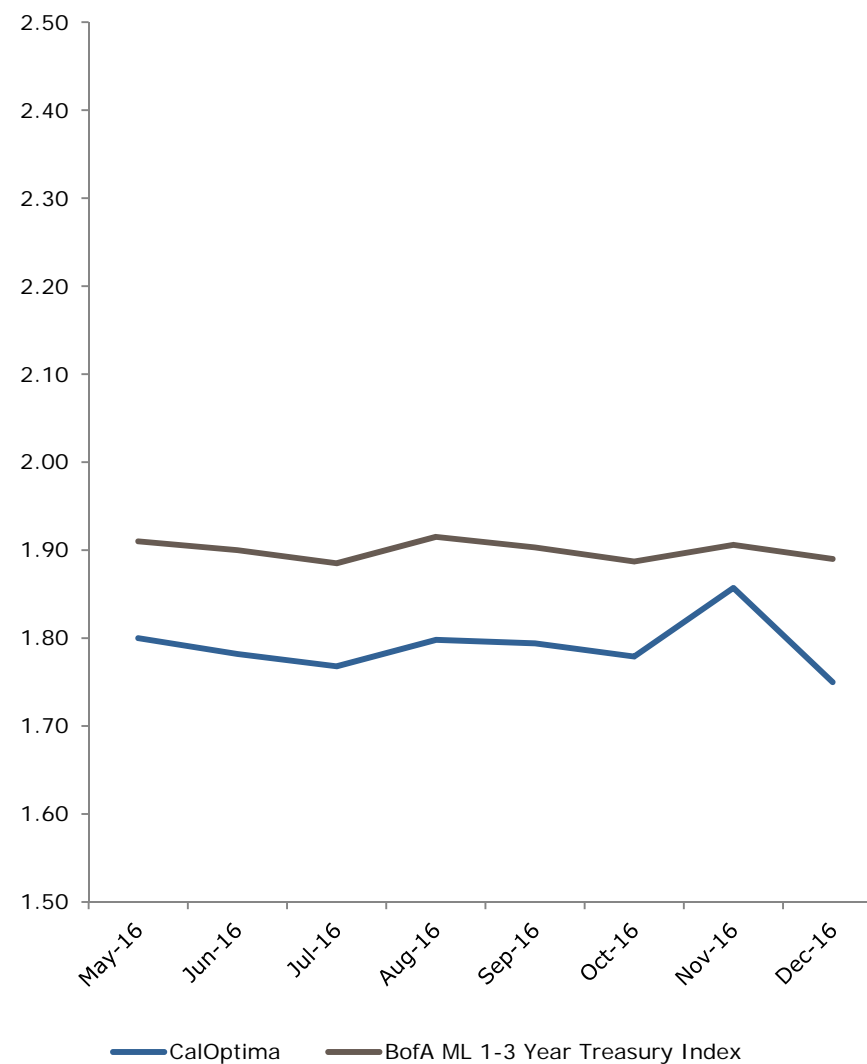
Portfolio changes

Allocation over time



	12/31/2016	9/30/2016	Change
Market Value	\$144,950,870	\$125,410,994	\$19,539,876

Duration



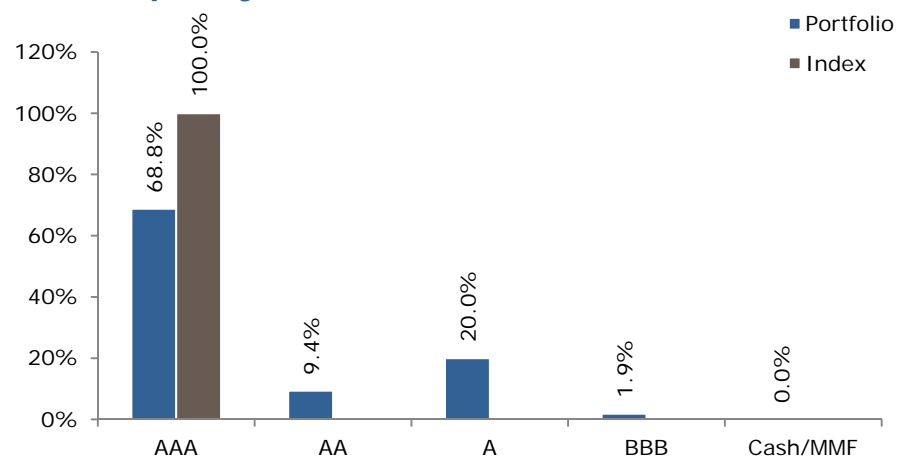
Index comparison

December 31, 2016

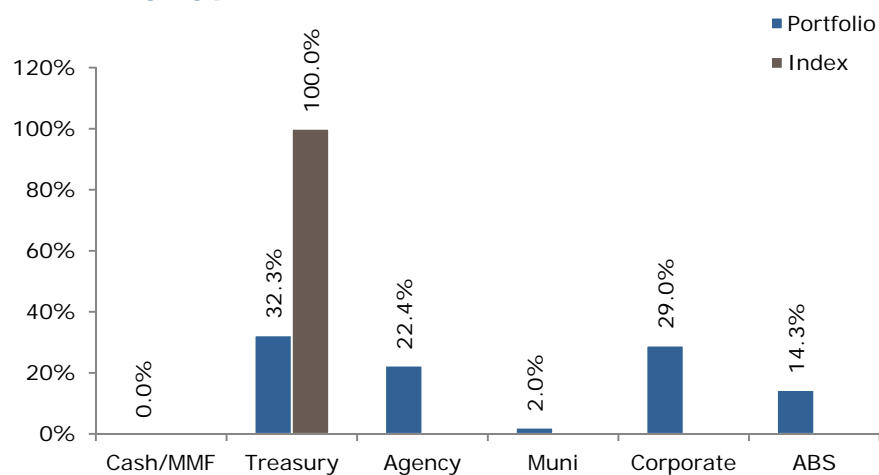
Characteristics

Name	CalOptima – Tier 1	Index*
Market Value (\$)	144,950,869	---
Average Effective Maturity (yrs)	1.78	1.94
Duration	1.75	1.89
Purchase Yield (%)	1.20	---
Current Market Yield (%)	1.42	1.18
Average Quality	AA+	AAA
*BofA ML 1-3 Year Treasury Index		

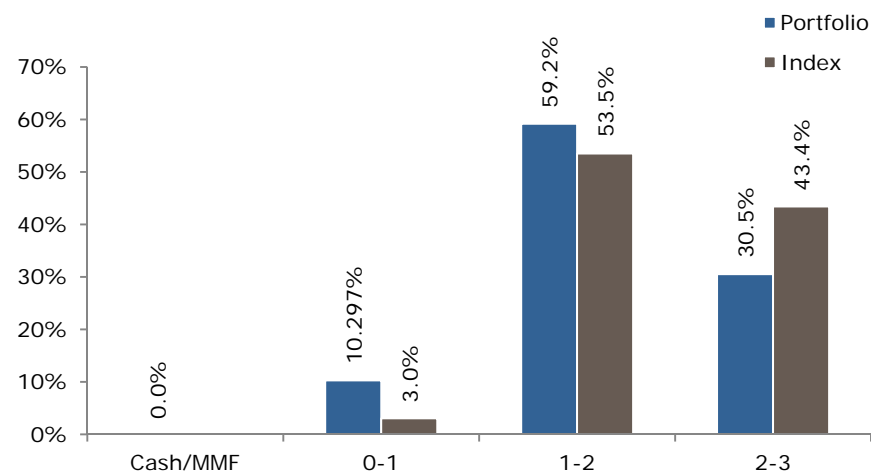
Credit quality



Security type



Duration





CalOptima
Better. Together.

Financial Summary

October 2016

Nancy Huang
Interim Chief Financial Officer

FY 2016-17: Consolidated Enrollment

- October 2016 MTD:
 - Overall enrollment was 800,170 member months
 - Actual lower than budget by 1,989 or 0.2%
 - Medi-Cal: favorable variance of 2,657 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 4,651 members
 - 0.5% increase from prior month
 - OneCare: increase of 28 from September
 - Medi-Cal: increase of 4,343 from September

FY 2016-17: Consolidated Enrollment

- October 2016 YTD:
 - Overall enrollment was 3,193,669 member months
 - Actual lower than budget by 7,814 or 0.2%
 - Medi-Cal: favorable variance of 8,690 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 16,342 members or 18.5%
 - OneCare: unfavorable variance of 187 members or 3.8%
 - PACE: favorable variance of 25 members or 3.6%
 - 2.2% or 16,987 increase in enrollment from prior year

FY 2016-17: Consolidated Revenues

- October 2016 MTD:

- Actual higher than budget by \$5.3 million or 1.9%
 - Medi-Cal: favorable to budget by \$16.4 million
 - Favorable price variance of \$15.6 million
 - \$8.0 million due to Hep C retro adjustment
 - Remainder due to IHSS variance
 - Favorable volume variance of \$0.8 million
 - OneCare Connect: unfavorable variance of \$11.4 million
 - Unfavorable price variance of \$1.8 million due to cohort experience
 - Unfavorable volume variance of \$9.6 million due to lower enrollment
 - OneCare: unfavorable to budget by \$0.5 million due to prior year revenue adjustment

- October 2016 YTD:

- Actual lower than budget by \$3.1 million or 0.3%
 - Medi-Cal: favorable to budget by \$38.0 million
 - OneCare Connect: unfavorable variance of \$40.9 million

FY 2016-17: Consolidated Medical Expenses

- October 2016 MTD:
 - Actual higher than budget by \$6.8 million or 2.5%
 - Medi-Cal: unfavorable variance of \$17.4 million
 - MLTSS unfavorable variance \$14.1 million
 - IHSS related unfavorable variance approximately \$8.3 million
 - LTC unfavorable variance \$5.4 million
 - \$3.4 million due to less than anticipated members enrolling in OneCare Connect
 - \$2.0 million variance from mandated rate accrual
 - Professional Claims unfavorable \$3.1 million due to higher IBNR expense in COD and crossover categories
 - OneCare Connect: favorable variance of \$10.3 million (in-line with lower enrollment)
 - Favorable volume variance of \$9.0 million
 - Favorable price variance of \$1.3 million

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

- October 2016 YTD:

- Actual higher than budget by \$9.1 million or 0.8%
 - Medi-Cal: unfavorable variance of \$48.8 million
 - Unfavorable price variance of \$46.3 million
 - IHSS estimated expense \$20.8 million higher than budget
 - Long Term Care expense \$15.8 million higher than budget
 - Facilities expense \$9.7 million higher than budget
 - Unfavorable volume variance of \$2.5 million
 - OneCare Connect: favorable variance of \$38.5 million
 - Favorable volume variance of \$31.6 million
 - Favorable price variance of \$6.9 million

- Medical Loss Ratio (MLR):

- October 2016 MTD: Actual: 96.7% Budget: 96.1%
- October 2016 YTD: Actual: 96.7% Budget: 95.6%

FY 2016-17: Consolidated Administrative Expenses

- October 2016 MTD:
 - Actual lower than budget by \$2.6 million or 22.4%
 - Salaries and Benefits: favorable variance of \$2.0 million driven by lower than budgeted FTE of 98
 - Other categories: favorable variance of \$0.5 million
- October 2016 YTD:
 - Actual lower than budget by \$10.1 million or 21.7%
 - Salaries and Benefits: favorable variance of \$7.3 million driven by lower than budgeted FTE of 384
 - Other categories: favorable variance of \$2.9 million
- Administrative Loss Ratio (ALR):
 - October 2016 MTD: Actual: 3.1% Budget: 4.1%
 - October 2016 YTD: Actual: 3.2% Budget: 4.1%

FY 2016-17: Change in Net Assets

- October 2016 MTD:

- \$1.5 million surplus
- \$1.9 million favorable to budget
 - Higher than budgeted revenue of \$5.3 million
 - Higher medical expenses of \$6.8 million
 - Lower administrative expenses of \$2.6 million
 - Higher investment income of \$0.8 million

- October 2016 YTD:

- \$4.1 million surplus
- \$0.8 million favorable to budget
 - Lower than budgeted revenue of \$3.1 million
 - Higher medical expenses of \$9.1 million
 - Lower administrative expenses of \$10.1 million
 - Higher investment income of \$2.6 million

Enrollment Summary:

October 2016

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
58,682	55,236	3,446	6.2%	Aged	230,914	219,991	10,923	5.0%
613	677	(64)	(9.5%)	BCCTP	2,505	2,703	(198)	(7.3%)
48,616	47,448	1,168	2.5%	Disabled	193,725	189,971	3,754	2.0%
335,636	340,196	(4,560)	(1.3%)	TANF Child	1,340,205	1,356,196	(15,991)	(1.2%)
103,015	109,584	(6,569)	(6.0%)	TANF Adult	412,897	438,823	(25,926)	(5.9%)
3,227	2,693	534	19.8%	LTC	13,046	10,724	2,322	21.7%
231,629	222,928	8,701	3.9%	MCE	922,689	888,884	33,805	3.8%
781,418	778,761	2,657	0.3%	Medi-Cal	3,115,981	3,107,291	8,690	0.3%
17,352	22,004	(4,651)	(21.1%)	OneCare Connect	72,226	88,568	(16,342)	(18.5%)
180	180	-	0.0%	PACE	715	690	25	3.6%
1,220	1,215	5	0.4%	OneCare	4,747	4,934	(187)	(3.8%)
800,170	802,159	(1,989)	(0.2%)	CalOptima Total	3,193,669	3,201,483	(7,814)	(0.2%)

Financial Highlights:

October 2016

Month-to-Date					Year-to-Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
800,170	802,159	(1,989)	(0.2%)	Member Months	3,193,669	3,201,483	(7,814)	(0.2%)
287,354,235	282,028,360	5,325,875	1.9%	Revenues	1,123,074,547	1,126,179,985	(3,105,439)	(0.3%)
277,873,182	271,029,416	(6,843,766)	(2.5%)	Medical Expenses	1,085,872,456	1,076,803,238	(9,069,218)	(0.8%)
8,901,812	11,464,522	2,562,710	22.4%	Administrative Expenses	36,493,244	46,618,122	10,124,878	21.7%
579,242	(465,578)	1,044,819	(224.4%)	Operating Margin	708,846	2,758,625	(2,049,779)	(74.3%)
966,954	143,250	823,704	575.0%	Non Operating Income (Loss)	3,401,743	573,000	2,828,743	493.7%
1,546,196	(322,328)	1,868,523	579.7%	Change in Net Assets	4,110,590	3,331,626	778,964	23.4%
96.7%	96.1%	(0.6%)		Medical Loss Ratio	96.7%	95.6%	(1.1%)	
3.1%	4.1%	1.0%		Administrative Loss Ratio	3.2%	4.1%	0.9%	
<u>0.2%</u>	<u>(0.2%)</u>	0.4%		Operating Margin Ratio	<u>0.1%</u>	<u>0.2%</u>	(0.2%)	
100.0%	100.0%			Total Operating	100.0%	100.0%		

Consolidated Performance Actual vs. Budget: October 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>
(0.3)	(0.6)	0.3	Medi-Cal	(1.5)	1.7	(3.2)
(0.3)	0.0	(0.3)	OneCare	(0.4)	0.1	(0.5)
0.5	0.4	0.1	OCC	1.9	2.0	0.0
<u>0.6</u>	<u>(0.2)</u>	<u>0.9</u>	PACE	<u>0.7</u>	<u>(1.0)</u>	<u>1.7</u>
0.6	(0.5)	1.0	Operating	0.7	2.8	(2.1)
<u>1.0</u>	<u>0.1</u>	<u>0.8</u>	Inv./Rental Inc, MCO tax	<u>3.4</u>	<u>0.6</u>	<u>2.9</u>
1.0	0.1	0.8	Non-Operating	3.4	0.6	2.9
1.5	(0.3)	1.9	TOTAL	4.1	3.3	0.8

Consolidated Revenue & Expense:

October 2016 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare	OneCare Connect	PACE	Consolidated
Member Months	552,648	228,770	\$ 781,418	1,220	17,352	180	800,170
REVENUES							
Capitation Revenue	146,821,675	103,728,418	\$ 250,550,093	\$ 912,888	\$ 33,964,294	\$ 1,926,960	\$ 287,354,235
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>146,821,675</u>	<u>103,728,418</u>	<u>250,550,093</u>	<u>912,888</u>	<u>33,964,294</u>	<u>1,926,960</u>	<u>287,354,235</u>
MEDICAL EXPENSES							
Provider Capitation	38,576,425	35,916,879	74,493,305	321,063	7,594,469	-	82,408,837
Facilities	26,591,365	31,699,067	58,290,432	313,110	9,448,792	340,757	68,393,090
Ancillary	-	-	-	45,850	698,874	-	744,723
Skilled Nursing	-	-	-	33,274	7,303,176	-	7,336,450
Professional Claims	12,589,008	7,858,631	20,447,638	-	-	219,121	20,666,760
Prescription Drugs	19,592,874	15,536,252	35,129,126	435,603	6,190,562	81,293	41,836,583
Quality Incentives	-	-	-	-	-	-	-
Long-term Care Facility Payments	45,328,466	6,134,677	51,463,143	-	-	13,948	51,477,091
Contingencies	-	-	-	-	-	-	-
Medical Management	2,819,801	-	2,819,801	(51,954)	995,920	448,013	4,211,780
Reinsurance & Other	(316,438)	912,437	595,999	4,806	104,442	92,620	797,867
Total Medical Expenses	<u>145,181,502</u>	<u>98,057,943</u>	<u>243,239,445</u>	<u>1,101,752</u>	<u>32,336,234</u>	<u>1,195,752</u>	<u>277,873,182</u>
Medical Loss Ratio	98.9%	94.5%	97.1%	120.7%	95.2%	62.1%	96.7%
GROSS MARGIN	1,640,173	5,670,475	7,310,649	(188,863)	1,628,060	731,208	9,481,053
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Employee Benefits	-	-	4,835,911	17,871	729,821	85,448	5,669,050
Professional Fees	-	-	66,806	9,954	49,800	3,938	130,498
Purchased Services	-	-	577,013	19,377	102,515	1,133	700,038
Printing and Postage	-	-	103,314	10,899	48,881	1,193	164,287
Depreciation and Amortization	-	-	510,580	-	-	2,014	512,595
Other Expenses	-	-	1,258,077	120	35,772	5,418	1,299,387
Indirect Cost Allocation, Occupancy Expense	-	-	238,773	12,495	172,584	2,105	425,957
Total Administrative Expenses	-	-	<u>7,590,474</u>	<u>70,716</u>	<u>1,139,371</u>	<u>101,250</u>	<u>8,901,812</u>
Admin Loss Ratio	-	-	3.0%	7.7%	3.4%	5.3%	3.1%
INCOME (LOSS) FROM OPERATIONS	-	-	(279,826)	(259,580)	488,689	629,958	579,242
INVESTMENT INCOME	-	-	-	-	-	-	988,412
NET RENTAL INCOME	-	-	-	-	-	-	2,190
OTHER INCOME	-	-	69	-	-	-	69
CHANGE IN NET ASSETS	-	-	<u>\$ (303,474)</u>	<u>\$ (259,580)</u>	<u>\$ 488,689</u>	<u>\$ 629,958</u>	<u>\$ 1,546,196</u>
BUDGETED CHANGE IN ASSETS	-	-	(639,940)	14,045	401,571	(241,253)	(322,328)
VARIANCE TO BUDGET - FAV (UNFAV)	-	-	<u>336,467</u>	<u>(273,625)</u>	<u>87,117</u>	<u>871,212</u>	<u>1,868,523</u>

Consolidated Revenue & Expense: October 2016 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare	OneCare Connect	PACE	Consolidated
Member Months	2,424,921	691,060	\$ 3,115,981	4,747	72,226	715	3,193,669
REVENUES							
Capitation Revenue	657,847,467	313,684,901	\$ 971,532,368	\$ 4,699,462	\$ 141,678,585	\$ 5,164,131	\$ 1,123,074,547
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>657,847,467</u>	<u>313,684,901</u>	<u>971,532,368</u>	<u>4,699,462</u>	<u>141,678,585</u>	<u>5,164,131</u>	<u>1,123,074,547</u>
MEDICAL EXPENSES							
Provider Capitation	176,049,310	120,093,879	296,143,189	1,484,383	30,039,618	-	327,667,190
Facilities	137,759,710	97,882,871	235,642,581	1,191,464	39,073,619	1,008,969	276,916,634
Ancillary	-	-	-	179,828	2,961,858	-	3,141,687
Skilled Nursing	-	-	-	154,483	25,318,073	-	25,472,556
Professional Claims	49,610,085	23,468,015	73,078,101	-	-	764,620	73,842,720
Prescription Drugs	89,625,503	50,153,940	139,779,442	1,686,768	30,871,165	354,310	172,691,686
Quality Incentives	-	-	-	-	-	-	-
Long-term Care Facility Payments	167,360,585	18,483,483	185,844,068	-	-	41,958	185,886,026
Contingencies	-	-	-	-	-	-	-
Medical Management	11,596,450	-	11,596,450	17,578	3,936,606	1,542,807	17,093,442
Reinsurance & Other	(443,973)	2,833,536	2,389,563	17,186	398,044	355,723	3,160,516
Total Medical Expenses	<u>631,557,670</u>	<u>312,915,725</u>	<u>944,473,395</u>	<u>4,731,690</u>	<u>132,598,983</u>	<u>4,068,388</u>	<u>1,085,872,456</u>
Medical Loss Ratio	96.0%	99.8%	97.2%	100.7%	93.6%	78.8%	96.7%
GROSS MARGIN	26,289,797	769,177	27,058,974	(32,229)	9,079,602	1,095,743	37,202,091
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Employee Benefits	-	-	20,687,414	110,928	2,960,361	353,759	24,112,462
Professional Fees	-	-	579,541	57,181	324,341	12,753	973,816
Purchased Services	-	-	2,546,443	84,754	522,912	10,414	3,164,523
Printing and Postage	-	-	720,660	15,742	213,359	1,725	951,486
Depreciation and Amortization	-	-	1,483,246	-	-	8,057	1,491,303
Other Expenses	-	-	4,120,099	1,692	135,606	21,999	4,279,396
Indirect Cost Allocation, Occupancy Expense	-	-	(1,575,294)	100,975	2,985,056	9,521	1,520,258
Total Administrative Expenses	-	-	<u>28,562,110</u>	<u>371,273</u>	<u>7,141,635</u>	<u>418,227</u>	<u>36,493,244</u>
Admin Loss Ratio	-	-	2.9%	7.9%	5.0%	8.1%	3.2%
INCOME (LOSS) FROM OPERATIONS	-	-	(1,503,136)	(403,501)	1,937,967	677,517	708,846
INVESTMENT INCOME	-	-	-	-	-	-	3,421,329
NET RENTAL INCOME	-	-	-	-	-	-	14,859
OTHER INCOME	-	-	528	-	-	-	528
CHANGE IN NET ASSETS	-	-	<u>\$ (1,537,581)</u>	<u>\$ (403,501)</u>	<u>\$ 1,937,967</u>	<u>\$ 677,517</u>	<u>\$ 4,110,590</u>
BUDGETED CHANGE IN ASSETS	-	-	1,676,137	120,541	1,957,870	(995,923)	3,331,626
VARIANCE TO BUDGET - FAV (UNFAV)	-	-	<u>(3,213,718)</u>	<u>(524,042)</u>	<u>(19,903)</u>	<u>1,673,439</u>	<u>778,964</u>

Balance Sheet:

As of October 2016

ASSETS

Current Assets

Operating Cash	\$270,855,000
Catastrophic Reserves	11,631,134
Investments	1,530,023,287
Capitation receivable	315,840,792
Receivables - Other	16,260,007
Prepaid Expenses	10,508,224

Total Current Assets	<u>2,155,118,444</u>
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Capital Assets

Furniture and equipment	28,851,790
Leasehold improvements	13,672,881
505 City Parkway West	46,707,144
	<u>89,231,814</u>
Less: accumulated depreciation	(34,156,427)
Capital assets, net	<u>55,075,387</u>

Other Assets

Restricted deposit & Other	284,715
Board-designated assets	
Cash and cash equivalents	7,193,708
Long term investments	468,806,679
Total Board-designated Assets	<u>476,000,387</u>
Total Other Assets	<u>476,285,102</u>

Deferred outflows of Resources - Pension Contributions	3,787,544
Deferred outflows of Resources - Difference in Experience	1,215,473

TOTAL ASSETS & OUTFLOWS	<u>2,691,481,950</u>
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LIABILITIES & FUND BALANCES

Current Liabilities

Accounts payable	\$19,267,245
Medical claims liability	601,542,015
Accrued payroll liabilities	11,069,277
Deferred revenue	859,374,315
Deferred lease obligations	267,070
Capitation and withholds	496,295,584
Total Current Liabilities	<u>1,987,815,506</u>

Other employment benefits liability	28,397,235
Net Pension Liabilities	9,336,900
Long Term Liabilities	100,000

TOTAL LIABILITIES	<u>2,025,649,641</u>
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Deferred inflows of Resources - Excess Earnings	502,900
Deferred inflows of Resources - changes in Assumptions	1,651,640

Tangible net equity (TNE)	92,537,605
Funds in excess of TNE	571,140,163

Net Assets	<u>663,677,768</u>
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TOTAL LIABILITIES, INFLOWS & FUND BALANCES	<u>2,691,481,950</u>
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Board Designated Reserve and TNE Analysis

As of October 2016

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	135,453,317				
	Tier 1 - Logan Circle	125,485,817				
	Tier 1 - Wells Capital	125,393,598				
Board-designated Reserve						
		386,332,733	282,762,752	443,549,577	103,569,981	(57,216,844)
TNE Requirement	Tier 2 - Logan Circle	89,667,654	92,406,506	92,406,506	(2,738,852)	(2,738,852)
Consolidated:		476,000,387	375,169,258	535,956,083	100,831,129	(59,955,696)
<i>Current reserve level</i>		<i>1.78</i>	<i>1.40</i>	<i>2.00</i>		





CalOptima
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UNAUDITED FINANCIAL STATEMENTS

October 2016

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CalOptima - Consolidated
Financial Highlights
For the Four Months Ended October 31, 2016

Month-to-Date					Year-to-Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
800,170	802,159	(1,989)	(0.2%)	Member Months	3,193,669	3,201,483	(7,814)	(0.2%)
287,354,235	282,028,360	5,325,875	1.9%	Revenues	1,123,074,547	1,126,179,985	(3,105,439)	(0.3%)
277,873,182	271,029,416	(6,843,766)	(2.5%)	Medical Expenses	1,085,872,456	1,076,803,238	(9,069,218)	(0.8%)
8,901,812	11,464,522	2,562,710	22.4%	Administrative Expenses	36,493,244	46,618,122	10,124,878	21.7%
579,242	(465,578)	1,044,819	(224.4%)	Operating Margin	708,846	2,758,625	(2,049,779)	(74.3%)
966,954	143,250	823,704	575.0%	Non Operating Income (Loss)	3,401,743	573,000	2,828,743	493.7%
1,546,196	(322,328)	1,868,523	(579.7%)	Change in Net Assets	4,110,590	3,331,626	778,964	23.4%
96.7%	96.1%	(0.6%)		Medical Loss Ratio	96.7%	95.6%	(1.1%)	
3.1%	4.1%	1.0%		Administrative Loss Ratio	3.2%	4.1%	0.9%	
<u>0.2%</u>	<u>(0.2%)</u>	0.4%		Operating Margin Ratio	<u>0.1%</u>	<u>0.2%</u>	(0.2%)	
100.0%	100.0%			Total Operating	100.0%	100.0%		

CalOptima
Financial Dashboard
For the Four Months Ended October 31, 2016

MONTH					
Enrollment	Actual	Budget	Fav / (Unfav)		
Medi-Cal	781,418	778,761	↑	2,657	0.3%
OneCare	1,220	1,215	↑	5	0.4%
OneCare Connect	17,352	22,003	↓	(4,651)	(21.1%)
PACE	180	180	↑	-	0.0%
Total	800,170	802,159	↓	(1,989)	(0.2%)

Change in Net Assets (\$000)					
	Actual	Budget	Fav / (Unfav)		
Medi-Cal	\$ (303)	\$ (640)	↑	\$ 336	52.6%
OneCare	(260)	14	↓	(274)	(1948.2%)
OneCare Connect	489	402	↑	87	21.7%
PACE	630	(241)	↑	871	361.1%
505 Bldg.	2	(65)	↑	67	103.4%
Investment Income & Other	988	208	↑	780	374.5%
Total	\$ 1,546	\$ (322)	↑	\$ 1,869	579.7%

MLR				
	Actual	Budget	%	Point Var
Medi-Cal	97.1%	96.4%	↓	(0.6)
OneCare	120.7%	92.0%	↓	(28.7)
OneCare Connect	95.2%	94.1%	↓	(1.1)

Administrative Cost (\$000)					
	Actual	Budget	Fav / (Unfav)		
Medi-Cal	\$ 7,590	\$ 8,963	↑	\$ 1,373	15.3%
OneCare	71	97	↑	26	27.2%
OneCare Connect	1,139	2,283	↑	1,144	50.1%
PACE	101	121	↑	20	16.2%
Total	\$ 8,902	\$ 11,465	↑	\$ 2,563	22.4%

Total FTE's Month			
	Actual	Budget	Fav / (Unfav)
Medi-Cal	826	886	60
OneCare	3	3	0
OneCare Connect	217	239	21
PACE	40	57	17
Total	1,086	1,184	98

MM per FTE			
	Actual	Budget	Fav / (Unfav)
Medi-Cal	946	879	67
OneCare	408	405	3
OneCare Connect	80	92	(12)
PACE	5	3	1
Total	1,438	1,379	59

YEAR - TO - DATE					
Year To Date Enrollment	Actual	Budget	Fav / (Unfav)		
Medi-Cal	3,115,981	3,107,291	↑	8,690	0.3%
OneCare	4,747	4,934	↓	(187)	(3.8%)
OneCare Connect	72,226	88,568	↓	(16,342)	(18.5%)
PACE	715	690	↑	25	3.6%
Total	3,193,669	3,201,483	↓	(7,814)	(0.2%)

Change in Net Assets (\$000)					
	Actual	Budget	Fav / (Unfav)		
Medi-Cal	\$ (1,538)	\$ 1,676	↓	\$ (3,214)	(191.7%)
OneCare	(404)	121	↓	(524)	(434.7%)
OneCare Connect	1,938	1,958	↓	(20)	(1.0%)
PACE	678	(996)	↑	1,673	168.0%
505 Bldg.	15	(260)	↑	275	105.7%
Investment Income & Other	3,422	833	↑	2,589	310.6%
Total	\$ 4,111	\$ 3,332	↑	\$ 779	23.4%

MLR				
	Actual	Budget	%	Point Var
Medi-Cal	97.2%	95.9%	↓	(1.3)
OneCare	100.7%	91.1%	↓	(9.6)
OneCare Connect	93.6%	93.7%	↑	0.1

Administrative Cost (\$000)					
	Actual	Budget	Fav / (Unfav)		
Medi-Cal	\$ 28,562	\$ 36,215	↑	\$ 7,652	21.1%
OneCare	371	383	↑	12	3.2%
OneCare Connect	7,142	9,558	↑	2,417	25.3%
PACE	418	462	↑	44	9.5%
Total	\$ 36,493	\$ 46,618	↑	\$ 10,125	21.7%

Total FTE's YTD			
	Actual	Budget	Fav / (Unfav)
Medi-Cal	3,285	3,544	258
OneCare	14	12	(2)
OneCare Connect	899	954	55
PACE	153	226	73
Total	4,352	4,736	384

MM per FTE			
	Actual	Budget	Fav / (Unfav)
Medi-Cal	948	877	72
OneCare	339	411	(72)
OneCare Connect	80	93	(12)
PACE	5	3	2
Total	1,372	1,384	(11)

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

	Actual		Month Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	800,170		802,159		(1,989)	
Revenues						
Medi-Cal	\$ 250,550,093	\$ 320.64	\$ 234,143,010	\$ 300.66	\$ 16,407,083	\$ 19.97
OneCare	912,888	748.27	1,390,124	1,144.13	(477,236)	(395.87)
OneCare Connect	33,964,294	1,957.37	45,358,435	2,061.47	(11,394,141)	(104.10)
PACE	1,926,960	10,705.33	1,136,791	6,315.50	790,170	4,389.83
Total Operating Revenue	287,354,235	359.12	282,028,360	351.59	5,325,875	7.53
Medical Expenses						
Medi-Cal	243,239,445	311.28	225,819,716	289.97	(17,419,729)	(21.31)
OneCare	1,101,752	903.08	1,278,913	1,052.60	177,162	149.53
OneCare Connect	32,336,234	1,863.55	42,673,506	1,939.44	10,337,272	75.90
PACE	1,195,752	6,643.07	1,257,281	6,984.89	61,528	341.82
Total Medical Expenses	277,873,182	347.27	271,029,416	337.87	(6,843,766)	(9.39)
Gross Margin	9,481,053	11.85	10,998,944	13.71	(1,517,891)	(1.86)
Administrative Expenses						
Salaries and benefits	5,669,050	7.08	7,709,189	9.61	2,040,138	2.53
Professional fees	130,498	0.16	439,633	0.55	309,135	0.38
Purchased services	700,038	0.87	947,175	1.18	247,136	0.31
Printing and Postage	164,287	0.21	464,271	0.58	299,984	0.37
Depreciation and amortization	512,595	0.64	385,117	0.48	(127,477)	(0.16)
Other	1,299,387	1.62	1,091,832	1.36	(207,555)	(0.26)
Indirect Cost Allocation, Occupancy Expense	425,957	0.53	427,305	0.53	1,348	0.00
Total Administrative Expenses	8,901,812	11.12	11,464,522	14.29	2,562,710	3.17
Income (Loss) From Operations	579,242	0.72	(465,578)	(0.58)	1,044,819	1.30
Investment income						
Interest income	1,530,608	1.91	208,333	0.26	1,322,275	1.65
Realized gain/(loss) on investments	34,111	0.04	-	-	34,111	0.04
Unrealized gain/(loss) on investments	(576,307)	(0.72)	-	-	(576,307)	(0.72)
Total Investment Income	988,412	1.24	208,333	0.26	780,079	0.98
Net Rental Income	2,190	0.00	(65,083)	(0.08)	67,273	0.08
Other Income	69	0.00	-	-	69	0.00
Change In Net Assets	1,546,196	1.93	(322,328)	(0.40)	1,868,523	2.33
Medical Loss Ratio	96.7%		96.1%		(0.6%)	
Administrative Loss Ratio	3.1%		4.1%		1.0%	

* 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 Four Months Ended October 31, 2016**

	Actual		Year to Date Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	3,193,669		3,201,483		(7,814)	
Revenues						
Medi-Cal	\$ 971,532,368	\$ 311.79	\$ 933,571,329	\$ 300.45	\$ 37,961,040	\$ 11.34
OneCare	4,699,462	989.99	5,666,331	1,148.43	(966,869)	(158.44)
OneCare Connect	141,678,585	1,961.60	182,580,292	2,061.47	(40,901,707)	(99.87)
PACE	5,164,131	7,222.56	4,362,034	6,321.79	802,097	900.77
Total Operating Revenue	1,123,074,547	351.66	1,126,179,985	351.77	(3,105,439)	(0.11)
Medical Expenses						
Medi-Cal	944,473,395	303.11	895,680,642	288.25	(48,792,753)	(14.86)
OneCare	4,731,690	996.77	5,162,432	1,046.30	430,742	49.52
OneCare Connect	132,598,983	1,835.89	171,064,187	1,931.44	38,465,204	95.55
PACE	4,068,388	5,690.05	4,895,976	7,095.62	827,589	1,405.57
Total Medical Expenses	1,085,872,456	340.01	1,076,803,238	336.35	(9,069,218)	(3.66)
Gross Margin	37,202,091	11.65	49,376,748	15.42	(12,174,657)	(3.77)
Administrative Expenses						
Salaries and benefits	24,112,462	7.55	31,368,370	9.80	7,255,908	2.25
Professional fees	973,816	0.30	1,523,462	0.48	549,646	0.17
Purchased services	3,164,523	0.99	3,655,775	1.14	491,252	0.15
Printing and Postage	951,486	0.30	1,838,030	0.57	886,544	0.28
Depreciation and amortization	1,491,303	0.47	1,540,469	0.48	49,166	0.01
Other	4,279,396	1.34	4,977,948	1.55	698,552	0.21
Indirect cost allocation, Occupancy Expense	1,520,258	0.48	1,714,068	0.54	193,810	0.06
Total Administrative Expenses	36,493,244	11.43	46,618,122	14.56	10,124,878	3.13
Income (Loss) From Operations	708,846	0.22	2,758,625	0.86	(2,049,779)	(0.64)
Investment income						
Interest income	4,829,737	1.51	833,334	0.26	3,996,404	1.25
Realized gain/(loss) on investments	274,910	0.09	-	-	274,910	0.09
Unrealized gain/(loss) on investments	(1,683,318)	(0.53)	-	-	(1,683,318)	(0.53)
Total Investment Income	3,421,329	1.07	833,334	0.26	2,587,996	0.81
Net Rental Income	14,859	0.00	(260,333)	(0.08)	275,192	0.09
Other Income	528	0.00	-	-	528	0.00
Change In Net Assets	4,110,590	1.29	3,331,626	1.04	778,964	0.25
Medical Loss Ratio	96.7%		95.6%		(1.1%)	
Administrative Loss Ratio	3.2%		4.1%		0.9%	

* 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 October 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	552,648	228,770	\$ 781,418	1,220	17,352	180	800,170
REVENUES							
Capitation Revenue	146,821,675	103,728,418	\$ 250,550,093	\$ 912,888	\$ 33,964,294	\$ 1,926,960	\$ 287,354,235
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>146,821,675</u>	<u>103,728,418</u>	<u>250,550,093</u>	<u>912,888</u>	<u>33,964,294</u>	<u>1,926,960</u>	<u>287,354,235</u>
MEDICAL EXPENSES							
Provider Capitation	38,576,425	35,916,879	74,493,305	321,063	7,246,369	-	82,060,737
Facilities	26,591,365	31,699,067	58,290,432	313,110	9,448,792	340,757	68,393,090
Ancillary				45,850	698,874	-	744,723
Skilled Nursing				33,274	7,303,176	-	7,336,450
Professional Claims	12,589,008	7,858,631	20,447,638	-	-	219,121	20,666,760
Prescription Drugs	19,592,874	15,536,252	35,129,126	435,603	6,190,562	81,293	41,836,583
Quality Incentives					348,100		348,100
Long-term Care Facility Payments	45,328,466	6,134,677	51,463,143	-	-	13,948	51,477,091
Contingencies	-	-	-	-	-	-	-
Medical Management	2,819,801	-	2,819,801	(51,954)	995,920	448,013	4,211,780
Reinsurance & Other	(316,438)	912,437	595,999	4,806	104,442	92,620	797,867
Total Medical Expenses	<u>145,181,502</u>	<u>98,057,943</u>	<u>243,239,445</u>	<u>1,101,752</u>	<u>32,336,234</u>	<u>1,195,752</u>	<u>277,873,182</u>
Medical Loss Ratio	98.9%	94.5%	97.1%	120.7%	95.2%	62.1%	96.7%
GROSS MARGIN	1,640,173	5,670,475	7,310,649	(188,863)	1,628,060	731,208	9,481,053
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Employee Benefits			4,835,911	17,871	729,821	85,448	5,669,050
Professional Fees			66,806	9,954	49,800	3,938	130,498
Purchased Services			577,013	19,377	102,515	1,133	700,038
Printing and Postage			103,314	10,899	48,881	1,193	164,287
Depreciation and Amortization			510,580			2,014	512,595
Other Expenses			1,258,077	120	35,772	5,418	1,299,387
Indirect Cost Allocation, Occupancy Expense			238,773	12,495	172,584	2,105	425,957
Total Administrative Expenses			<u>7,590,474</u>	<u>70,716</u>	<u>1,139,371</u>	<u>101,250</u>	<u>8,901,812</u>
Admin Loss Ratio			3.0%	7.7%	3.4%	5.3%	3.1%
INCOME (LOSS) FROM OPERATIONS			(279,826)	(259,580)	488,689	629,958	579,242
INVESTMENT INCOME			-	-	-	-	988,412
NET RENTAL INCOME			-	-	-	-	2,190
OTHER INCOME			69	-	-	-	69
CHANGE IN NET ASSETS			<u>\$ (303,474)</u>	<u>\$ (259,580)</u>	<u>\$ 488,689</u>	<u>\$ 629,958</u>	<u>\$ 1,546,196</u>
BUDGETED CHANGE IN ASSETS			(639,940)	14,045	401,571	(241,253)	(322,328)
VARIANCE TO BUDGET - FAV (UNFAV)			<u>336,467</u>	<u>(273,625)</u>	<u>87,117</u>	<u>871,212</u>	<u>1,868,523</u>

CalOptima - Consolidated - Year to Date
Statement of Revenues and Expenses by LOB
For the Four Months Ended October 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	2,424,921	691,060	\$ 3,115,981	4,747	72,226	715	3,193,669
REVENUES							
Capitation Revenue	657,847,467	313,684,901	\$ 971,532,368	\$ 4,699,462	\$ 141,678,585	\$ 5,164,131	\$ 1,123,074,547
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>657,847,467</u>	<u>313,684,901</u>	<u>971,532,368</u>	<u>4,699,462</u>	<u>141,678,585</u>	<u>5,164,131</u>	<u>1,123,074,547</u>
MEDICAL EXPENSES							
Provider Capitation	176,049,310	120,093,879	296,143,189	1,484,383	28,592,778	-	326,220,350
Facilities	137,759,710	97,882,871	235,642,581	1,191,464	39,073,619	1,008,969	276,916,634
Ancillary				179,828	2,961,858	-	3,141,687
Skilled Nursing				154,483	25,318,073	-	25,472,556
Professional Claims	49,610,085	23,468,015	73,078,101	-	-	764,620	73,842,720
Prescription Drugs	89,625,503	50,153,940	139,779,442	1,686,768	30,871,165	354,310	172,691,686
Quality Incentives					1,446,840		1,446,840
Long-term Care Facility Payments	167,360,585	18,483,483	185,844,068	-	-	41,958	185,886,026
Contingencies	-	-	-	-	-	-	-
Medical Management	11,596,450	-	11,596,450	17,578	3,936,606	1,542,807	17,093,442
Reinsurance & Other	(443,973)	2,833,536	2,389,563	17,186	398,044	355,723	3,160,516
Total Medical Expenses	<u>631,557,670</u>	<u>312,915,725</u>	<u>944,473,395</u>	<u>4,731,690</u>	<u>132,598,983</u>	<u>4,068,388</u>	<u>1,085,872,456</u>
Medical Loss Ratio	96.0%	99.8%	97.2%	100.7%	93.6%	78.8%	96.7%
GROSS MARGIN	26,289,797	769,177	27,058,974	(32,229)	9,079,602	1,095,743	37,202,091
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Employee Benefits			20,687,414	110,928	2,960,361	353,759	24,112,462
Professional Fees			579,541	57,181	324,341	12,753	973,816
Purchased Services			2,546,443	84,754	522,912	10,414	3,164,523
Printing and Postage			720,660	15,742	213,359	1,725	951,486
Depreciation and Amortization			1,483,246			8,057	1,491,303
Other Expenses			4,120,099	1,692	135,606	21,999	4,279,396
Indirect Cost Allocation, Occupancy Expense			(1,575,294)	100,975	2,985,056	9,521	1,520,258
Total Administrative Expenses			<u>28,562,110</u>	<u>371,273</u>	<u>7,141,635</u>	<u>418,227</u>	<u>36,493,244</u>
Admin Loss Ratio			2.9%	7.9%	5.0%	8.1%	3.2%
INCOME (LOSS) FROM OPERATIONS			(1,503,136)	(403,501)	1,937,967	677,517	708,846
INVESTMENT INCOME			-	-	-	-	3,421,329
NET RENTAL INCOME			-	-	-	-	14,859
OTHER INCOME			528	-	-	-	528
CHANGE IN NET ASSETS			<u>\$ (1,537,581)</u>	<u>\$ (403,501)</u>	<u>\$ 1,937,967</u>	<u>\$ 677,517</u>	<u>\$ 4,110,590</u>
BUDGETED CHANGE IN ASSETS			1,676,137	120,541	1,957,870	(995,923)	3,331,626
VARIANCE TO BUDGET - FAV (UNFAV)			<u>(3,213,718)</u>	<u>(524,042)</u>	<u>(19,903)</u>	<u>1,673,439</u>	<u>778,964</u>

October 31, 2016 Unaudited Financial Statements

SUMMARY

MONTHLY RESULTS:

- Change in Net Assets is \$1.5 million, \$1.9 million favorable to budget
- Operating surplus is \$0.6 million with a surplus in non-operating of \$1.0 million

YEARLY RESULTS:

- Change in Net Assets is \$4.1 million, \$0.8 million favorable to budget
- Operating surplus is \$0.7 million with a surplus in non-operating of \$3.4 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>	
(0.3)	(0.6)	0.3	Medi-Cal	(1.5)	1.7	(3.2)	
(0.3)	0.0	(0.3)	OneCare	(0.4)	0.1	(0.5)	
0.5	0.4	0.1	OCC	1.9	2.0	0.0	
<u>0.6</u>	<u>(0.2)</u>	<u>0.9</u>	PACE	<u>0.7</u>	<u>(1.0)</u>	<u>1.7</u>	
0.6	(0.5)	1.0	Operating	0.7	2.8	(2.1)	
<u>1.0</u>	<u>0.1</u>	<u>0.8</u>	Inv./Rental Inc, MCO tax	<u>3.4</u>	<u>0.6</u>	<u>2.9</u>	
1.0	0.1	0.8	Non-Operating	3.4	0.6	2.9	
1.5	(0.3)	1.9	TOTAL	4.1	3.3	0.8	

CalOptima
Enrollment Summary
For the Four Months Ended October 31, 2016

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
58,682	55,236	3,446	6.2%	Aged	230,914	219,991	10,923	5.0%
613	677	(64)	(9.5%)	BCCTP	2,505	2,703	(198)	(7.3%)
48,616	47,448	1,168	2.5%	Disabled	193,725	189,971	3,754	2.0%
335,636	340,196	(4,560)	(1.3%)	TANF Child	1,340,205	1,356,196	(15,991)	(1.2%)
103,015	109,584	(6,569)	(6.0%)	TANF Adult	412,897	438,823	(25,926)	(5.9%)
3,227	2,693	534	19.8%	LTC	13,046	10,724	2,322	21.7%
231,629	222,928	8,701	3.9%	MCE	922,689	888,884	33,805	3.8%
781,418	778,761	2,657	0.3%	Medi-Cal	3,115,981	3,107,291	8,690	0.3%
17,352	22,004	(4,651)	(21.1%)	OneCare Connect	72,226	88,568	(16,342)	(18.5%)
180	180	-	0.0%	PACE	715	690	25	3.6%
1,220	1,215	5	0.4%	OneCare	4,747	4,934	(187)	(3.8%)
800,170	802,159	(1,989)	(0.2%)	CalOptima Total	3,193,669	3,201,483	(7,814)	(0.2%)

Enrollment (By Network)								
49,038	47,775	1,263	2.6%	HMO	192,297	188,824	3,473	1.8%
231,705	234,635	(2,930)	(1.2%)	PHC	926,066	936,347	(10,281)	(1.1%)
341,954	340,509	1,445	0.4%	Shared Risk Group	1,370,981	1,364,681	6,300	0.5%
158,721	155,843	2,878	1.8%	Fee for Service	626,637	617,445	9,192	1.5%
781,418	778,761	2,657	0.3%	Medi-Cal	3,115,981	3,107,291	8,689	0.3%
17,352	22,004	(4,651)	(21.1%)	OneCare Connect	72,226	88,568	(16,342)	(18.5%)
180	180	0	0.0%	PACE	715	690	25	3.6%
1,220	1,215	5	0.4%	OneCare	4,747	4,934	(187)	(3.8%)
800,170	802,159	(1,989)	(0.2%)	CalOptima Total	3,193,669	3,201,483	(7,814)	(0.2%)

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	355	368	-	-	-	-	-	-	-	-	1,424
BCCTP	1	1	1	(8)	-	-	-	-	-	-	-	-	(5)
Disabled	1,799	1,797	1,813	1,866	-	-	-	-	-	-	-	-	7,275
TANF Child	24,211	24,455	24,733	24,928	-	-	-	-	-	-	-	-	98,327
TANF Adult	7,929	7,872	7,914	7,850	-	-	-	-	-	-	-	-	31,565
LTC	-	-	-	-	-	-	-	-	-	-	-	-	-
MCE	12,989	13,224	13,464	14,034	-	-	-	-	-	-	-	-	53,711
	47,280	47,699	48,280	49,038	-	-	-	-	-	-	-	-	192,297
PHC													
Aged	1,495	1,464	1,488	1,458	-	-	-	-	-	-	-	-	5,905
BCCTP	-	-	-	1	-	-	-	-	-	-	-	-	1
Disabled	7,903	7,872	7,862	7,865	-	-	-	-	-	-	-	-	31,502
TANF Child	169,358	168,529	169,733	169,714	-	-	-	-	-	-	-	-	677,334
TANF Adult	15,260	14,945	14,649	14,593	-	-	-	-	-	-	-	-	59,447
LTC	-	-	-	4	-	-	-	-	-	-	-	-	4
MCE	38,002	38,200	37,601	38,070	-	-	-	-	-	-	-	-	151,873
	232,018	231,010	231,333	231,705	-	-	-	-	-	-	-	-	926,066
Shared Risk Group													
Aged	7,658	7,627	7,635	7,726	-	-	-	-	-	-	-	-	30,646
BCCTP	-	-	-	8	-	-	-	-	-	-	-	-	8
Disabled	14,428	14,307	14,189	14,253	-	-	-	-	-	-	-	-	57,177
TANF Child	118,748	118,149	118,421	117,922	-	-	-	-	-	-	-	-	473,240
TANF Adult	63,849	62,814	62,579	62,266	-	-	-	-	-	-	-	-	251,508
LTC	-	-	-	3	-	-	-	-	-	-	-	-	3
MCE	140,640	140,811	137,172	139,776	-	-	-	-	-	-	-	-	558,399
	345,323	343,708	339,996	341,954	-	-	-	-	-	-	-	-	1,370,981
Fee for Service (Dual)													
Aged	43,684	45,173	45,173	45,522	-	-	-	-	-	-	-	-	179,552
BCCTP	27	26	24	23	-	-	-	-	-	-	-	-	100
Disabled	19,790	20,086	20,071	20,264	-	-	-	-	-	-	-	-	80,211
TANF Child	3	2	2	3	-	-	-	-	-	-	-	-	10
TANF Adult	1,179	1,162	1,184	1,197	-	-	-	-	-	-	-	-	4,722
LTC	2,868	2,910	2,941	2,906	-	-	-	-	-	-	-	-	11,625
MCE	2,960	2,975	2,721	2,750	-	-	-	-	-	-	-	-	11,406
	70,511	72,334	72,116	72,665	-	-	-	-	-	-	-	-	287,626
Fee for Service (Non-Dual)													
Aged	3,746	2,850	3,183	3,608	-	-	-	-	-	-	-	-	13,387
BCCTP	606	608	598	589	-	-	-	-	-	-	-	-	2,401
Disabled	4,533	4,269	4,390	4,368	-	-	-	-	-	-	-	-	17,560
TANF Child	22,710	23,011	22,504	23,069	-	-	-	-	-	-	-	-	91,294
TANF Adult	15,792	16,253	16,501	17,109	-	-	-	-	-	-	-	-	65,655
LTC	368	370	362	314	-	-	-	-	-	-	-	-	1,414
MCE	35,946	36,543	37,812	36,999	-	-	-	-	-	-	-	-	147,300
	83,701	83,904	85,350	86,056	-	-	-	-	-	-	-	-	339,011
MEDI-CAL TOTAL													
Aged	56,934	57,464	57,834	58,682	-	-	-	-	-	-	-	-	230,914
BCCTP	634	635	623	613	-	-	-	-	-	-	-	-	2,505
Disabled	48,453	48,331	48,325	48,616	-	-	-	-	-	-	-	-	193,725
TANF Child	335,030	334,146	335,393	335,636	-	-	-	-	-	-	-	-	1,340,205
TANF Adult	104,009	103,046	102,827	103,015	-	-	-	-	-	-	-	-	412,897
LTC	3,236	3,280	3,303	3,227	-	-	-	-	-	-	-	-	13,046
MCE	230,537	231,753	228,770	231,629	-	-	-	-	-	-	-	-	922,689
	778,833	778,655	777,075	781,418	-	-	-	-	-	-	-	-	3,115,981
PACE	177	179	179	180	-	-	-	-	-	-	-	-	715
OneCare	1,171	1,164	1,192	1,220	-	-	-	-	-	-	-	-	4,747
OneCare Connect	18,902	18,245	17,727	17,352	-	-	-	-	-	-	-	-	72,226
TOTAL	799,083	798,243	796,173	800,170	-	-	-	-	-	-	-	-	3,193,669

ENROLLMENT:

Overall MTD enrollment was 800,170

- Unfavorable to budget by 1,989
- Decreased 3,997 or 0.5% from prior month
- Increased 16,987 or 2.2% from prior year (October 2015)

Medi-Cal enrollment was 781,418

- Favorable to budget by 2,657 primarily driven by:
 - Medi-Cal Expansion favorable by 8,701 and SPD by 4,550
 - Offset by TANF unfavorable by 11,129
- Increased 4,343 from prior month

OneCare enrollment was 1,220

- Favorable to budget by 5
- Increased 28 from prior month

OneCare Connect enrollment was 17,352

- Unfavorable to budget by 4,651
- Decreased 375 from prior month

PACE enrollment at 180

- In line with budget
- Increased 1 from prior month

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

Month			
Actual	Budget	\$ Variance	% Variance
781,418	778,761	2,657	0.3%
250,550,093	234,143,010	16,407,083	7.0%
250,550,093	234,143,010	16,407,083	7.0%
74,493,305	75,005,966	512,662	0.7%
58,290,432	56,934,189	(1,356,243)	(2.4%)
20,447,638	17,301,360	(3,146,278)	(18.2%)
35,129,126	34,766,998	(362,129)	(1.0%)
51,463,143	37,399,161	(14,063,982)	(37.6%)
2,819,801	4,365,375	1,545,574	35.4%
595,999	46,667	(549,332)	(1,177.1%)
243,239,445	225,819,716	(17,419,729)	(7.7%)
7,310,649	8,323,294	(1,012,646)	(12.2%)
4,835,911	6,656,734	1,820,823	27.4%
66,806	328,112	261,306	79.6%
577,013	745,673	168,660	22.6%
103,314	312,948	209,634	67.0%
510,580	383,061	(127,519)	(33.3%)
1,258,077	1,077,408	(180,669)	(16.8%)
238,773	(540,702)	(779,475)	(144.2%)
7,590,474	8,963,235	1,372,760	15.3%
10,227,488	8,830,945	(1,396,543)	(15.8%)
10,225,313	0	(10,225,313)	0.0%
2,175	8,830,945	8,828,770	100.0%
0	0	0	0.0%
0	287,500	(287,500)	(100.0%)
(118)	250,000	250,118	100.0%
23,835	37,500	13,665	36.4%
(23,717)	0	(23,717)	0.0%
69	0	69	0.0%
(303,474)	(639,940)	336,467	52.6%
97.1%	96.4%	-0.6%	-0.7%
3.0%	3.8%	0.8%	20.9%

	Year - To - Date			
	Actual	Budget	\$ Variance	% Variance
Member Months	3,115,981	3,107,291	8,690	0.3%
Revenues				
Capitation revenue	971,532,368	933,571,329	37,961,040	4.1%
Total Operating Revenues	971,532,368	933,571,329	37,961,040	4.1%
Medical Expenses				
Provider capitation	296,143,189	299,678,555	3,535,367	1.2%
Facilities	235,642,581	225,354,470	(10,288,111)	(4.6%)
Professional Claims	73,078,101	67,207,012	(5,871,089)	(8.7%)
Prescription drugs	139,779,442	137,162,214	(2,617,228)	(1.9%)
MLTSS	185,844,068	148,395,438	(37,448,630)	(25.2%)
Medical Management	11,596,450	17,696,286	6,099,835	34.5%
Reinsurance & other	2,389,563	186,667	(2,202,896)	(1,180.1%)
Total Medical Expenses	944,473,395	895,680,642	(48,792,753)	(5.4%)
Gross Margin	27,058,974	37,890,687	(10,831,713)	(28.6%)
Administrative Expenses				
Salaries, wages & employee benefits	20,687,414	27,121,912	6,434,498	23.7%
Professional fees	579,541	1,181,984	602,443	51.0%
Purchased services	2,546,443	2,864,984	318,541	11.1%
Printing and postage	720,660	1,248,205	527,545	42.3%
Depreciation & amortization	1,483,246	1,532,244	48,998	3.2%
Other operating expenses	4,120,099	4,423,181	303,082	6.9%
Indirect cost allocation	(1,575,294)	(2,157,960)	(582,666)	(27.0%)
Total Administrative Expenses	28,562,110	36,214,550	7,652,440	21.1%
Operating Tax				
Tax Revenue	41,126,965	35,243,581	(5,883,383)	(16.7%)
Premium tax expense	40,901,252	0	(40,901,252)	0.0%
Sales tax expense	225,713	35,243,581	35,017,869	99.4%
Total Net Operating Tax	0	0	0	0.0%
Grant Income				
Grant Revenue	207,500	1,150,000	(942,500)	(82.0%)
Grant expense - Service Partner	176,375	1,000,000	823,625	82.4%
Grant expense - Administrative	66,098	150,000	83,902	55.9%
Total Net Grant Income	(34,973)	0	(34,973)	0.0%
Other income	528	0	528	0.0%
Change in Net Assets	(1,537,581)	1,676,137	(3,213,718)	(191.7%)
Medical Loss Ratio	97.2%	95.9%	-1.3%	-1.3%
Admin Loss Ratio	2.9%	3.9%	0.9%	24.2%

MEDI-CAL INCOME STATEMENT – OCTOBER MONTH:

REVENUES of \$250.6 million are favorable to budget by \$16.4 million, driven by:

- Price related variance of: \$15.6 million due to IHSS variance
- Volume related favorable variance of: \$0.8 million

MEDICAL EXPENSES: Overall \$243.2 million, unfavorable to budget by \$17.4 million due to:

- **Long term care claim payments (MLTSS)** are unfavorable to budget \$14.1 million due to:
 - Price related unfavorable variance of: \$13.9 million related to actuarial experience and County IHSS expense reporting
 - Volume related unfavorable variance of: \$0.1 million
- **Professional claims** are unfavorable to budget \$3.1 million due to:
 - Price related unfavorable variance of: \$3.1 million related to claims actuarial experience

ADMINISTRATION EXPENSES are \$7.6 million, favorable to budget \$1.4 million, driven by:

- Salary & Benefits: \$1.8 million favorable to budget
- Non-Salary: \$0.4 million unfavorable to budget across most categories

CHANGE IN NET ASSETS is \$(0.3) million for the month, favorable to budget by \$0.3 million

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

Actual	Month		
	Budget	\$ Variance	% Variance
17,352	22,003	(4,651)	(21.1%)
33,964,294	45,358,435	(11,394,141)	(25.1%)
33,964,294	45,358,435	(11,394,141)	(25.1%)
7,594,469	9,987,751	2,393,282	24.0%
9,448,792	11,530,849	2,082,057	18.1%
698,874	688,465	(10,408)	(1.5%)
7,303,176	10,393,095	3,089,919	29.7%
6,190,562	8,199,763	2,009,201	24.5%
995,920	1,239,925	244,005	19.7%
104,442	633,658	529,216	83.5%
32,336,234	42,673,506	10,337,272	24.2%
1,628,060	2,684,929	(1,056,869)	(39.4%)
729,821	939,382	209,561	22.3%
49,800	86,521	36,721	42.4%
102,515	181,140	78,626	43.4%
48,881	135,914	87,033	64.0%
35,772	2,910	(32,862)	(1,129.3%)
172,584	937,491	764,907	81.6%
1,139,371	2,283,358	1,143,987	50.1%
(1,869)	0	(1,869)	0.0%
(1,869)	0	1,869	0.0%
0	0	0	0.0%
488,689	401,571	87,117	21.7%
=====	=====	=====	=====
95.2%	94.1%	-1.1%	-1.2%
3.4%	5.0%	1.7%	33.4%

Actual	Year - To - Date		
	Budget	\$ Variance	% Variance
72,226	88,568	(16,342)	(18.5%)
141,678,585	182,580,292	(40,901,707)	(22.4%)
141,678,585	182,580,292	(40,901,707)	(22.4%)
30,039,618	40,203,472	10,163,854	25.3%
39,073,619	46,237,440	7,163,821	15.5%
2,961,858	2,771,262	(190,596)	(6.9%)
25,318,073	41,835,093	16,517,020	39.5%
30,871,165	32,576,166	1,705,001	5.2%
3,936,606	4,890,108	953,502	19.5%
398,044	2,550,648	2,152,604	84.4%
132,598,983	171,064,187	38,465,204	22.5%
9,079,602	11,516,105	(2,436,502)	(21.2%)
2,960,361	3,789,787	829,426	21.9%
324,341	266,478	(57,863)	(21.7%)
522,912	709,097	186,185	26.3%
213,359	534,199	320,840	60.1%
135,606	508,711	373,105	73.3%
2,985,056	3,749,963	764,906	20.4%
7,141,635	9,558,234	2,416,599	25.3%
(2,916)	0	(2,916)	0.0%
(2,916)	0	2,916	0.0%
0	0	0	0.0%
1,937,967	1,957,870	(19,903)	(1.0%)
=====	=====	=====	=====
93.6%	93.7%	0.1%	0.1%
5.0%	5.2%	0.2%	3.7%

OneCare Connect Total
1 B-1 IS FY17
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ONECARE CONNECT INCOME STATEMENT – OCTOBER MONTH:

REVENUES of \$34.0 million are unfavorable to budget by \$11.4 million driven by:

- Price related unfavorable variance of: \$1.8 million due to cohort experience
- Volume related unfavorable variance of: \$9.6 million due to the lower enrollment

MEDICAL EXPENSES are favorable to budget \$10.3 million due to:

- Corresponding to revenue

ADMINISTRATIVE EXPENSES are favorable to budget by \$1.1 million

CHANGE IN NET ASSETS is \$0.5 million, favorable to budget by \$0.1 million

**CalOptima - OneCare
Statement of Revenues and Expenses
For the Four Months Ended October 31, 2016**

Month					Year - To - Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
1,220	1,215	5	0.4%	Member Months	4,747	4,934	(187)	(3.8%)
912,888	1,390,124	(477,236)	(34.3%)	Revenues	4,699,462	5,666,331	(966,869)	(17.1%)
912,888	1,390,124	(477,236)	(34.3%)	Capitation revenue	4,699,462	5,666,331	(966,869)	(17.1%)
				Total Operating Revenue	4,699,462	5,666,331	(966,869)	(17.1%)
321,063	377,003	55,940	14.8%	Medical Expenses	1,484,383	1,539,105	54,722	3.6%
313,110	310,769	(2,341)	(0.8%)	Provider capitation	1,191,464	1,263,724	72,260	5.7%
45,850	48,553	2,703	5.6%	Inpatient	179,828	195,746	15,918	8.1%
33,274	23,110	(10,164)	(44.0%)	Ancillary	154,483	93,096	(61,387)	(65.9%)
435,603	464,261	28,658	6.2%	Skilled nursing facilities	1,686,768	1,885,367	198,599	10.5%
(51,954)	13,960	65,914	472.2%	Prescription drugs	17,578	57,460	39,882	69.4%
4,806	41,257	36,451	88.4%	Medical management	17,186	127,934	110,748	86.6%
1,101,752	1,278,913	177,162	13.9%	Other medical expenses	4,731,690	5,162,432	430,742	8.3%
(188,863)	111,211	(300,074)	(269.8%)	Total Medical Expenses	(32,229)	503,899	(536,128)	(106.4%)
17,871	21,167	3,296	15.6%	Gross Margin				
9,954	13,333	3,380	25.3%	Administrative Expenses	110,928	85,569	(25,359)	(29.6%)
19,377	19,373	(5)	(0.0%)	Salaries, wages & employee benefits	57,181	53,333	(3,848)	(7.2%)
10,899	13,710	2,811	20.5%	Professional fees	84,754	77,598	(7,156)	(9.2%)
120	89	(31)	(35.5%)	Purchased services	15,742	48,529	32,787	67.6%
12,495	29,494	16,999	57.6%	Printing and postage	1,692	354	(1,337)	(377.4%)
70,716	97,166	26,449	27.2%	Other operating expenses	100,975	117,974	16,999	14.4%
(259,580)	14,045	(273,625)	(1,948.2%)	Indirect cost allocation, Occupancy Expense	371,273	383,358	12,085	3.2%
				Total Administrative Expenses	(403,501)	120,541	(524,042)	(434.7%)
				Change in Net Assets				
120.7%	92.0%	-28.7%	-31.2%	Medical Loss Ratio	100.7%	91.1%	-9.6%	-10.5%
7.7%	7.0%	-0.8%	-10.8%	Admin Loss Ratio	7.9%	6.8%	-1.1%	-16.8%

CalOptima - PACE
Statement of Revenues and Expenses
For the Four Months Ended October 31, 2016

Month					Year - To - Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
180	180	0	0.0%	Member Months	715	690	25	3.6%
				Revenues				
1,542,819	805,448	737,371	91.5%	Medi-Cal capitation revenue	3,930,265	3,086,609	843,656	27.3%
384,141	331,342	52,799	15.9%	MediCare capitation revenue	1,233,866	1,275,425	(41,559)	(3.3%)
1,926,960	1,136,791	790,170	69.5%	Total Operating Revenues	5,164,131	4,362,034	802,097	18.4%
				Medical Expenses				
345,849	394,442	48,593	12.3%	Clinical salaries & benefits	1,128,091	1,589,932	461,840	29.0%
0	0	0	0.0%	Pace Center Support salaries & benefits	0	0	0	0.0%
340,757	234,335	(106,422)	(45.4%)	Provider capitation				
219,121	248,095	28,974	11.7%	Claims payments to hospitals	1,008,969	890,935	(118,034)	(13.2%)
81,293	133,907	52,614	39.3%	Professional Claims	764,620	939,555	174,935	18.6%
13,948	24,000	10,052	41.9%	Prescription drugs	354,310	509,111	154,801	30.4%
57,444	74,500	17,056	22.9%	Long-term care facility payments	41,958	91,247	49,289	54.0%
48,342	49,349	1,007	2.0%	Patient Transportation	228,274	283,245	54,971	19.4%
37,655	37,214	(441)	(1.2%)	Depreciation & amortization	193,368	197,396	4,029	2.0%
16,092	13,833	(2,259)	(16.3%)	Occupancy expenses	150,620	148,856	(1,764)	(1.2%)
75	273	198	72.5%	Utilities & Facilities Expense	69,990	55,332	(14,658)	(26.5%)
12,875	24,547	11,672	47.6%	Purchased Services	739	1,038	299	28.8%
22,302	22,785	483	2.1%	Indirect Allocation	77,908	98,188	20,280	20.7%
				Other Expenses	49,541	91,140	41,599	45.6%
1,195,752	1,257,281	61,528	4.9%	Total Medical Expenses	4,068,388	4,895,976	827,589	16.9%
731,208	(120,490)	851,698	706.9%	Gross Margin	1,095,743	(533,943)	1,629,686	305.2%
				Administrative Expenses				
85,448	91,905	6,457	7.0%	Salaries, wages & employee benefits	353,759	371,103	17,344	4.7%
3,938	11,667	7,728	66.2%	Professional fees	12,753	21,667	8,914	41.1%
1,133	988	(145)	(14.6%)	Purchased services	10,414	4,096	(6,318)	(154.2%)
1,193	1,699	506	29.8%	Printing and postage	1,725	7,097	5,372	75.7%
2,014	2,056	42	2.0%	Depreciation & amortization	8,057	8,225	168	2.0%
5,418	11,426	6,008	52.6%	Other operating expenses	21,999	45,702	23,704	51.9%
2,105	1,023	(1,083)	(105.9%)	Indirect cost allocation, Occupancy Expense	9,521	4,091	(5,430)	(132.7%)
101,250	120,764	19,514	16.2%	Total Administrative Expenses	418,227	461,980	43,753	9.5%
629,958	(241,253)	871,212	361.1%	Change in Net Assets	677,517	(995,923)	1,673,439	168.0%
62.1%	110.6%	48.5%	43.9%	Medical Loss Ratio	78.8%	112.2%	33.5%	29.8%
5.3%	10.6%	5.4%	50.5%	Admin Loss Ratio	8.1%	10.6%	2.5%	23.5%

CalOptima - Building 505 City Parkway
Statement of Revenues and Expenses
For the Four Months Ended October 31, 2016

	Month		
		\$	%
Actual	Budget	Variance	Variance
24,056	21,285	2,772	13.0%
24,056	21,285	2,772	13.0%
1,525	2,085	560	26.8%
27,683	22,405	(5,279)	(23.6%)
199,033	210,141	11,108	5.3%
16,000	14,300	(1,700)	(11.9%)
138,506	189,537	51,031	26.9%
15,449	0	(15,449)	0.0%
(376,331)	(352,100)	24,231	6.9%
21,866	86,368	64,502	74.7%
2,190	(65,083)	67,273	103.4%
=====	=====	=====	=====

Revenues

Rental income

Total Operating Revenue

Administrative Expenses

Professional fees

Purchase services

Depreciation & amortization

Insurance expense

Repair and maintenance

Other Operating Expense

Indirect allocation, Occupancy Expense

Total Administrative Expenses

Change in Net Assets

	Year - To - Date		
		\$	%
Actual	Budget	Variance	Variance
96,226	85,140	11,086	13.0%
96,226	85,140	11,086	13.0%
5,520	8,340	2,820	33.8%
123,046	89,619	(33,427)	(37.3%)
668,249	840,563	172,314	20.5%
64,002	57,201	(6,801)	(11.9%)
396,414	758,149	361,735	47.7%
224,498	0	(224,498)	0.0%
(1,400,363)	(1,408,399)	(8,037)	(0.6%)
81,367	345,473	264,106	76.4%
14,859	(260,333)	275,192	105.7%
=====	=====	=====	=====

OTHER STATEMENTS – OCTOBER MONTH:

ONECARE INCOME STATEMENT

REVENUES of \$0.9 million are unfavorable to budget by \$0.5 million due to direct subsidy restatement

CHANGE IN NET ASSETS is (\$0.3) million, \$0.3 million unfavorable to budget

PACE INCOME STATEMENT

- **Change in Net Assets** for the month is \$630.0 thousand, which is operating favorable to budget by \$871.2 thousand

505 CITY PARKWAY BUILDING INCOME STATEMENT

- **Change in Net Assets** for the month is \$2.2 thousand which is favorable to budget \$67.3 thousand

CalOptima
BALANCE SHEET
October 31, 2016

ASSETS

Current Assets	
Operating Cash	\$270,855,000
Catastrophic Reserves	11,631,134
Investments	1,530,023,287
Capitation receivable	315,840,792
Receivables - Other	16,260,007
Prepaid Expenses	10,508,224
Total Current Assets	<u>2,155,118,444</u>
Capital Assets	
Furniture and equipment	28,851,790
Leasehold improvements	13,672,881
505 City Parkway West	46,707,144
	89,231,814
Less: accumulated depreciation	(34,156,427)
Capital assets, net	<u>55,075,387</u>
Other Assets	
Restricted deposit & Other	284,715
Board-designated assets	
Cash and cash equivalents	7,193,708
Long term investments	468,806,679
Total Board-designated Assets	476,000,387
Total Other Assets	<u>476,285,102</u>
Deferred outflows of Resources - Pension Contributions	3,787,544
Deferred outflows of Resources - Difference in Experience	1,215,473
TOTAL ASSETS & OUTFLOWS	<u>2,691,481,950</u>

LIABILITIES & FUND BALANCES

Current Liabilities	
Accounts payable	\$19,267,245
Medical claims liability	601,542,015
Accrued payroll liabilities	11,069,277
Deferred revenue	859,374,315
Deferred lease obligations	267,070
Capitation and withholds	496,295,584
Total Current Liabilities	<u>1,987,815,506</u>
Other employment benefits liability	28,397,235
Net Pension Liabilities	9,336,900
Long Term Liabilities	100,000
TOTAL LIABILITIES	<u>2,025,649,641</u>
Deferred inflows of Resources - Excess Earnings	502,900
Deferred inflows of Resources - changes in Assumptions	1,651,640
Tangible net equity (TNE)	92,537,605
Funds in excess of TNE	571,140,163
Net Assets	<u>663,677,768</u>
TOTAL LIABILITIES, INFLOWS & FUND BALANCES	<u>2,691,481,950</u>

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

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
Board-designated Reserve	Tier 1 - Payden & Rygel	135,453,317				
	Tier 1 - Logan Circle	125,485,817				
	Tier 1 - Wells Capital	125,393,598				
		386,332,733	282,762,752	443,549,577	103,569,981	(57,216,844)
TNE Requirement	Tier 2 - Logan Circle	89,667,654	92,406,506	92,406,506	(2,738,852)	(2,738,852)
Consolidated:		476,000,387	375,169,258	535,956,083	100,831,129	(59,955,696)
<i>Current reserve level</i>		1.78	1.40	2.00		

CalOptima
Statement of Cash Flows
October 31, 2016

	<u>Month Ended</u>	<u>Year-To-Date</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	1,546,196	4,110,590
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	512,595	1,491,303
Changes in assets and liabilities:		
Prepaid expenses and other	926,197	(3,723,977)
Catastrophic reserves		
Capitation receivable	(52,120,700)	181,721,669
Medical claims liability	(4,828,792)	2,847,157
Deferred revenue	52,067,395	268,671,674
Payable to providers	46,914,896	94,469,282
Accounts payable	(20,208,007)	(13,982,008)
Other accrued liabilities	813,166	3,408,569
Net cash provided by/(used in) operating activities	<u>25,622,945</u>	<u>539,014,259</u>
 GASB 68 CalPERS Adjustments	 -	 -
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(16,696,839)	(510,758,655)
Purchase of property and equipment	(458,325)	(1,571,126)
Change in Board designated reserves	62,304	(149,736)
Net cash provided by/(used in) investing activities	<u>(17,092,859)</u>	<u>(512,479,518)</u>
 NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	 8,530,086	 26,534,741
 CASH AND CASH EQUIVALENTS, beginning of period	 <u>\$273,956,048</u>	 <u>255,951,393</u>
 CASH AND CASH EQUIVALENTS, end of period	 <u><u>\$ 282,486,135</u></u>	 <u><u>\$ 282,486,135</u></u>

BALANCE SHEET:

ASSETS Increased \$76.3 million from September

- **Cash and Cash Equivalents** increased by \$8.5 million from September based upon timing of state checks received, month-end cut-off and cash funding requirements
- **Net Capitation Receivables** increased \$53.8 million based upon payment receipt timing and receivables

LIABILITIES increased \$74.8 million from September

- **Deferred Revenue** increased by \$52.1 million from September due to:
 - DHS overpayments
- **Total Capitation Payable** increased \$46.9 million based upon timing of pool estimates, recalculations and payouts
- **Accrued Expenses** decreased \$20.9 million due to tax payments

NET ASSETS are \$663.7 million

CalOptima Foundation
Statement of Revenues and Expenses
For the Four Months Ended October 31, 2016
Consolidated

Month				Year - To - Date			
		\$	%			\$	%
Actual	Budget	Variance	Variance	Actual	Budget	Variance	Variance
				Revenues			
0	2,264	(2,264)	(100.0%)	Income - Grant	27,164	9,058	18,107 199.9%
(10,962)	0	(10,962)	(100.0%)	In Kind Revenue - HITEC Grant	61,997	0	61,997 100.0%
(10,962)	2,264	(13,226)	(584.1%)	Total Operating Revenue	89,161	9,058	80,104 884.4%
				Operating Expenditures			
(8,577)	6,184	14,761	238.7%	Personnel	27,195	24,737	(2,458) (9.9%)
(4,468)	2,985	7,453	249.7%	Taxes and Benefits	26,240	11,939	(14,301) (119.8%)
0	0	0	0.0%	Travel	(3)	0	3 100.0%
0	0	0	0.0%	Supplies	7,009	10,000	2,991 29.9%
0	0	0	0.0%	Contractual	20,388	17,174	(3,214) (18.7%)
2,083	232,065	229,982	99.1%	Other	8,332	928,261	919,929 99.1%
(10,962)	241,234	252,196	104.5%	Total Operating Expenditures	89,161	992,111	902,950 91.0%
0	0	0	0.0%	Investment Income	0	0	0 0.0%
0	(238,970)	(238,970)	100.0%	Program Income	0	(983,053)	(983,053) 100.0%
=====	=====	=====	=====	=====	=====	=====	=====

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

<u>ASSETS</u>		<u>LIABILITIES & NET ASSETS</u>	
Operating cash	2,894,727	Accounts payable-Current	0
Grants receivable	0	Deferred Revenue	0
Prepaid expenses	0	Payable to CalOptima	(118)
Total Current Assets	<u>2,894,727</u>	Grants-Foundation	0
		Total Current Liabilities	<u>(118)</u>
		Total Liabilities	(118)
		Net Assets	2,894,845
TOTAL ASSETS	<u><u>2,894,727</u></u>	TOTAL LIABILITIES & NET ASSETS	<u><u>2,894,727</u></u>

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 \$0 for October, 2016
 - HITEC Grant revenue totaled \$27.2 thousand YTD, which leaves \$0.0 remaining in HITEC Grant funding
 - CalOptima in-kind contribution totaled \$62.0 thousand YTD
- 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

- \$89.2 thousand for grant related activities incurred YTD FY17
- Expense categories include staff services, travel and miscellaneous supplies
 - \$903 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

Budget Allocation Changes
Reporting changes for October 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
September	Medi-Cal	Health Education & Disease Management - Professional Fees	Health Education & Disease Management - Other Operating Expenses	\$30,000	Re-allocate from Professional Fees (Childhood Obesity Program Design & Evaluation) to Member & Provider Incentives to support incentives for the Group Needs Assessment (GNA) and other Health Education / Disease Management activities.	2017
October	Capital	Facilities - Relocate Trash Enclosure	Facilities - 505 Sound Recording System	\$50,555	Re-allocate from Relocate Trash Enclosure project for additional funds that are needed for the 505 Sound Recording System project.	2017
October	Medi-Cal	IS-Infrastructure - Professional Fees - Enterprise Identity Access Management	IS-Infrastructure - Software Maintenance - Security Solution Annual Maintenance	\$21,041	Re-allocate from Professional Services for an Enterprise Identity Access Management to HW/SW Maintenance for Information Security Data Loss Prevention Solution Annual Maintenance.	2017
October	Medi-Cal	Facilities - Computer Supply/Minor Equipment - Office Furniture & Equipment	Facilities - Computer Supply/Minor Equipment - Other Articles of Minor Equipment	\$27,000	Repurpose funds in Comp supply/minor equipment for re-upholstering chairs in the member service lobby and other minor equipment expenses to better meet the Department's need.	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.