



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

**THURSDAY, FEBRUARY 21, 2019  
2:00 P.M.**

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

BOARD OF DIRECTORS' FINANCE AND AUDIT COMMITTEE

Lee Penrose, Chair

Ron DiLuigi

Scott Schoeffel

CHIEF EXECUTIVE OFFICER

Michael Schrader

CHIEF COUNSEL

Gary Crockett

CLERK OF THE BOARD

Suzanne Turf

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

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

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

**CALL TO ORDER**

Pledge of Allegiance

Establish Quorum

### **PUBLIC COMMENTS**

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

### **INVESTMENT ADVISORY COMMITTEE UPDATE**

1. [Treasurer's Report](#)

### **CONSENT CALENDAR**

2. [Minutes](#)
  - a. Approve Minutes of the November 15, 2018 Regular Meeting of the CalOptima Board of Directors' Finance and Audit Committee
  - b. Receive and File Minutes of the November 5, 2018 Special Meeting of the CalOptima Board of Directors' Investment Advisory Committee

### **REPORTS**

3. [Consider Recommending Board of Directors' Approval of Reappointment to the CalOptima Board of Directors' Investment Advisory Committee](#)
4. [Consider Recommending Board of Directors' Ratification of Amendment to CalOptima's Medi-Cal Fee-For-Service Specialist Physician Contract with Children's Hospital of Orange County \(CHOC\), Authorization of Pediatric Network Recruitment Fee to Ensure Access to Specialists for CalOptima Health Networks, and Authorization of Whole-Child Model Contract Amendments with CHOC-Affiliated Specialists](#)

### **INFORMATION ITEMS**

5. [November 2018 and December 2018 Financial Summaries](#)
6. [Update on Business Insurance Renewal for Policy Year 2020](#)
7. [Proposed Quarterly Budget Actual Review \(QBAR\) Process](#)
8. [CalOptima Information Services Update](#)
9. [Cost Containment Improvements/Initiatives](#)
10. Quarterly Reports to the Finance and Audit Committee
  - a. [Shared Risk Pool Performance](#)
  - b. [Reinsurance Report](#)
  - c. [Health Network Financial Report](#)
  - d. [Purchasing Report](#)

### **COMMITTEE MEMBER COMMENTS**

### **ADJOURNMENT**

**Board of Directors' Finance and Audit Committee  
February 21, 2019**

**Quarterly Treasurer's Report  
October 1, 2018, through December 31, 2018**

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**Overview**

To fulfill the requirements of Government Code section 53646, subdivision (b) and the 2018 Annual Investment Policy adopted by CalOptima's Board of Directors on December 7, 2017, the Treasurer submits this quarterly investment report for the period October 1, 2018, through December 31, 2018.

Meketa Investment Group, Inc., completed an independent compliance review of the monthly investment reports prepared by CalOptima's three (3) investment managers: Logan Circle Partners, Payden & Rygel and Wells Capital. The review found that all investments were compliant with Government Code section 53600 *et seq.*, and CalOptima's 2018 Annual Investment Policy.

**Portfolio Summary**

As of December 31, 2018, the market values of the Short-Term Operating and Restricted Reserve portfolios are as follows:

	<b>Payden &amp; Rygel</b>	<b>Logan Circle</b>	<b>Wells Capital</b>	<b>Total</b>
<b>Short-Term Operating</b>	\$250,096,975	\$249,541,902	\$249,068,766	\$748,707,642
<b>Board Designated Reserves</b>				
<b>Tier 1</b>	\$149,467,614	\$149,216,560	\$148,838,193	\$447,522,367
<b>Tier 2</b>	--	\$98,720,822	--	\$98,720,822
<b>Total</b>	\$399,564,589	\$497,479,284	\$397,906,959	\$1,294,950,831

**Six Month Cash Sufficiency**

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

**Investments Compared to Reserve Policy**

In accordance with CalOptima Policy GA.3001: Board-designated Reserve Funds, CalOptima shall maintain a minimum reserve level of one point four (1.4) months and a maximum of two (2) months in consolidated capitation revenues. The following provides a comparison of investments to the minimum and maximum level of Board-designated reserve funds as of December 31, 2018, demonstrating funds in excess to satisfy minimum requirements.

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

Reserve Name	Market Value	Benchmark		Variance	
		Low 1.4	High 2.0	Low 1.4	High 2.0
Tier 1 - Payden & Rygel	\$149,467,614				
Tier 1 - Logan Circle	\$149,216,560				
Tier 1 - Wells Capital	\$148,838,193				
	\$447,522,367	\$310,055,167	\$477,905,754	\$137,467,200	(\$30,383,387)

**B) CalOptima's Regulatory Compliance Requirements**

Reserve Name	Market Value	Regulatory Compliance Requirements		Variance	
		TNE	TNE	TNE	TNE
Tier 2 - Logan Circle	\$98,720,822	\$81,596,204	\$81,596,204	\$17,124,618	\$17,124,618
<b>Consolidated:</b>	<b>\$546,243,189</b>	<b>\$391,651,371</b>	<b>\$559,501,958</b>	<b>\$154,591,818</b>	<b>(\$13,258,769)</b>
<i>Compliance Level</i>	<i>1.95</i>	<i>1.40</i>	<i>2.00</i>	-	-

CalOptima continues to meet the minimum level of Board-designated reserve funds with a surplus of \$154,591,818 as of December 31, 2018.

**Update on Fund Transfers**

Pursuant to CalOptima Policy GA.3001: Board-designated Reserve Funds, CalOptima will monitor liquidity requirements for the next twelve (12) months and will transfer funds from Short-Term Operating to Board-designated reserves, if necessary. At the January 28, 2019, meeting, Staff provided an update to the Investment Advisory Committee members and CalOptima's investment managers that total payment of \$101 million had been made to the State of California on November 19, 2018. This payment was the result of DHCS' reconciliation of the Medical Loss Ratio (MLR) for Medi-Cal Optional Expansion members.

At the end of December 2018, CalOptima's Board-designated reserve compliance level was 1.95.

**Attachment**

Quarterly Investment Report – October 1, 2018, through December 31, 2018

# FUND EVALUATION REPORT

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## CalOptima

Quarterly Review  
December 31, 2018



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

BOSTON  
MASSACHUSETTS

CHICAGO  
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MIAMI  
FLORIDA

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SAN DIEGO  
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1. **Corporate Update**
2. **4Q18 Review**
3. **Quarterly Investment Report Supplement**
4. **Custom Peer Group**
5. **Performance Attribution**
6. **Appendix**
  - Characteristics
  - Holdings
7. **Disclaimer, Glossary, and Notes**

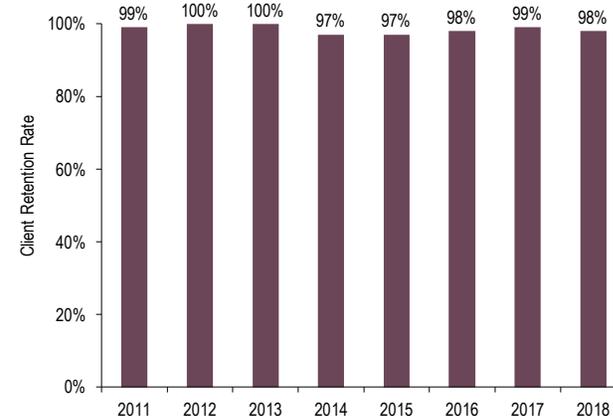
# Meketa Investment Group Corporate Update

- Staff of 153, including 102 investment professionals and 31 CFA Charterholders
- 175 clients, with over 300 funds throughout the United States
- Significant investment in staff and resources
- Offices in Boston, Chicago, Miami, Portland (OR), San Diego, and London
- We advise on over \$640 billion in client assets
  - Over \$90 billion in assets committed to alternative investments
    - Private Equity
    - Infrastructure
    - Natural Resources
    - Real Estate
    - Hedge Funds
    - Commodities

### Client to Consultant Ratio



### Client Retention Rate<sup>1</sup>



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

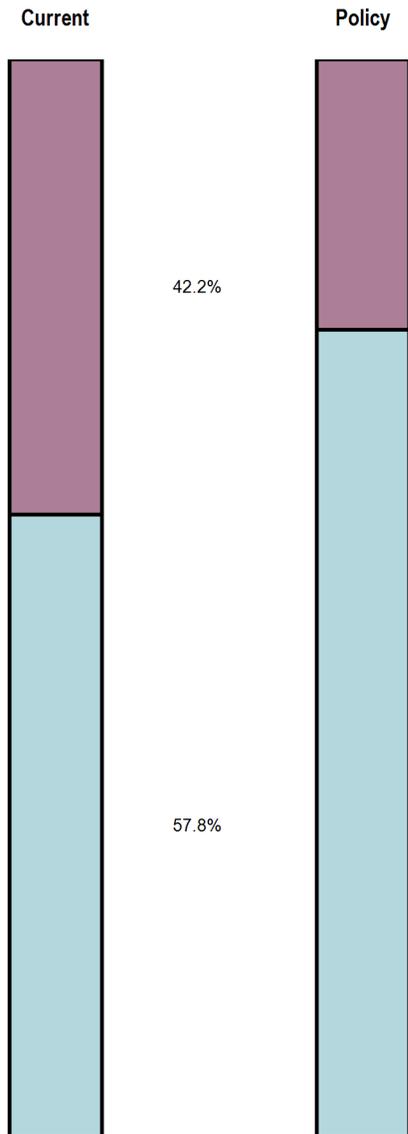
<sup>1</sup> Client Retention Rate is one minus the number of clients lost divided by the number of clients at prior year-end.



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

## 4Q18 Review



Allocation vs. Targets and Policy		
	Current Balance	Current Allocation
Fixed Income	\$546,243,189	42%
Cash	\$748,707,642	58%
<b>Total</b>	<b>\$1,294,950,831</b>	<b>100%</b>



Asset Allocation History  
5 Years Ending December 31, 2018



As of December 31, 2018

## Asset Class Performance Summary

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Fund(Gross)</b>	<b>1,294,950,831</b>	<b>100.000</b>	<b>0.731</b>	<b>1.251</b>	<b>1.944</b>	<b>1.316</b>	--	--	<b>1.044</b>	<b>Oct-14</b>
<b>Total Fund(Net)</b>			<b>0.710</b>	<b>1.208</b>	<b>1.860</b>	<b>1.237</b>	--	--	<b>0.961</b>	
<b>Fixed Income(Gross)</b>	<b>546,243,189</b>	<b>42.183</b>	<b>1.066</b>	<b>1.486</b>	<b>1.741</b>	<b>1.357</b>	--	--	<b>1.218</b>	<b>Oct-14</b>
<b>Fixed Income(Net)</b>			<b>1.045</b>	<b>1.442</b>	<b>1.653</b>	<b>1.271</b>	--	--	<b>1.165</b>	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>			<i>1.304</i>	<i>1.501</i>	<i>1.594</i>	<i>0.966</i>	<i>0.811</i>	<i>0.949</i>	<i>0.850</i>	<i>Oct-14</i>
<b>Cash(Gross)</b>	<b>748,707,642</b>	<b>57.817</b>	<b>0.509</b>	<b>1.075</b>	<b>1.967</b>	<b>1.286</b>	<b>0.835</b>	<b>0.499</b>	<b>1.949</b>	<b>Jul-99</b>
<b>Cash(Net)</b>			<b>0.488</b>	<b>1.034</b>	<b>1.885</b>	<b>1.207</b>	<b>0.748</b>	<b>0.386</b>	--	
<i>FTSE T-Bill 3 Months TR</i>			<i>0.565</i>	<i>1.068</i>	<i>1.862</i>	<i>0.989</i>	<i>0.604</i>	<i>0.351</i>	<i>1.745</i>	<i>Jul-99</i>

As of December 31, 2018

## Trailing Period Performance

	Market Value (\$)	% of Portfolio	% of Sector	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Fund(Gross)</b>	<b>1,294,950,831</b>	<b>100.000</b>	<b>--</b>	<b>0.731</b>	<b>1.251</b>	<b>1.944</b>	<b>1.316</b>	<b>--</b>	<b>--</b>	<b>1.044</b>	<b>Oct-14</b>
<b>Fixed Income(Gross)</b>	<b>546,243,189</b>	<b>42.183</b>	<b>42.183</b>	<b>1.066</b>	<b>1.486</b>	<b>1.741</b>	<b>1.357</b>	<b>--</b>	<b>--</b>	<b>1.218</b>	<b>Oct-14</b>
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>				1.304	1.501	1.594	0.966	0.811	0.949	0.850	Oct-14
Tier One: Payden Low Duration(Gross)	149,467,614	11.542	27.363	1.039	1.512	1.861	1.365	1.138	1.349	2.949	Jul-99
Tier One: Payden Low Duration(Net)				1.018	1.470	1.778	1.286	1.051	1.235	--	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>				1.304	1.501	1.594	0.966	0.811	0.949	2.826	Jul-99
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>				1.179	1.537	1.644	1.262	1.047	1.558	3.148	Jul-99
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>				1.237	1.543	1.648	1.136	0.958	1.344	3.040	Jul-99
Tier One: Logan Circle STAMP 1-3 Year(Gross)	149,216,560	11.523	27.317	0.960	1.356	1.771	--	--	--	1.168	May-16
Tier One: Logan Circle STAMP 1-3 Year(Net)				0.940	1.316	1.688	--	--	--	1.085	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>				1.304	1.501	1.594	0.966	0.811	0.949	0.735	May-16
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>				1.179	1.537	1.644	1.262	1.047	1.558	0.999	May-16
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>				1.237	1.543	1.648	1.136	0.958	1.344	0.896	May-16
Tier One: Wells Capital Reserve Account(Gross)	148,838,193	11.494	27.248	1.077	1.538	1.740	--	--	--	1.130	Jun-16
Tier One: Wells Capital Reserve Account(Net)				1.059	1.502	1.666	--	--	--	1.057	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>				1.304	1.501	1.594	0.966	0.811	0.949	0.800	Jun-16
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>				1.179	1.537	1.644	1.262	1.047	1.558	1.057	Jun-16
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>				1.237	1.543	1.648	1.136	0.958	1.344	0.956	Jun-16
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	98,720,822	7.624	18.073	1.253	1.564	1.518	1.526	1.526	--	1.293	Apr-13
Tier Two: Logan Circle STAMP 1-5 Year(Net)				1.221	1.500	1.392	1.399	1.399	--	1.167	
<i>ICE BofAML 1-5 Yrs US Treasuries TR</i>				1.734	1.785	1.529	1.089	1.096	1.331	0.893	Apr-13
<i>ICE BofAML 1-5 Yrs US Corp &amp; Govt TR</i>				1.447	1.734	1.409	1.435	1.372	2.170	1.195	Apr-13
<i>ICE BofAML 1-5 Yrs AAA-A US Corp &amp; Govt TR</i>				1.582	1.784	1.501	1.273	1.262	1.852	1.073	Apr-13

As of December 31, 2018

	Market Value (\$)	% of Portfolio	% of Sector	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Cash(Gross)</b>	<b>748,707,642</b>	<b>57.817</b>	<b>57.817</b>	<b>0.509</b>	<b>1.075</b>	<b>1.967</b>	<b>1.286</b>	<b>0.835</b>	<b>0.499</b>	<b>1.949</b>	<b>Jul-99</b>
<i>FTSE T-Bill 3 Months TR</i>				<i>0.565</i>	<i>1.068</i>	<i>1.862</i>	<i>0.989</i>	<i>0.604</i>	<i>0.351</i>	<i>1.745</i>	<i>Jul-99</i>
Operating: Payden Enhanced Cash(Gross)	250,096,975	19.313	33.404	0.494	1.083	1.993	1.349	0.873	0.518	1.958	Jul-99
Operating: Payden Enhanced Cash(Net)				0.471	1.038	1.906	1.271	0.786	0.405	--	
<i>FTSE T-Bill 3 Months TR</i>				<i>0.565</i>	<i>1.068</i>	<i>1.862</i>	<i>0.989</i>	<i>0.604</i>	<i>0.351</i>	<i>1.745</i>	<i>Jul-99</i>
Operating: Logan Circle Enhanced Cash(Gross)	249,541,902	19.270	33.330	0.559	1.111	1.987	--	--	--	1.355	May-16
Operating: Logan Circle Enhanced Cash(Net)				0.538	1.069	1.901	--	--	--	1.270	
<i>FTSE T-Bill 3 Months TR</i>				<i>0.565</i>	<i>1.068</i>	<i>1.862</i>	<i>0.989</i>	<i>0.604</i>	<i>0.351</i>	<i>1.084</i>	<i>May-16</i>
Operating: Wells Capital Enhanced Cash(Gross)	249,068,766	19.234	33.266	0.476	1.046	1.929	--	--	--	1.279	Jun-16
Operating: Wells Capital Enhanced Cash(Net)				0.458	1.009	1.856	--	--	--	1.206	
<i>FTSE T-Bill 3 Months TR</i>				<i>0.565</i>	<i>1.068</i>	<i>1.862</i>	<i>0.989</i>	<i>0.604</i>	<i>0.351</i>	<i>1.111</i>	<i>Jun-16</i>

As of December 31, 2018

## Asset Class Performance Summary

	Fiscal 2018 (%)	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)
<b>Total Fund(Gross)</b>	<b>1.221</b>	<b>0.754</b>	<b>0.842</b>	--	--	--	--	--
<b>Total Fund(Net)</b>	<b>1.147</b>	<b>0.666</b>	<b>0.778</b>	--	--	--	--	--
<b>Fixed Income(Gross)</b>	<b>0.582</b>	<b>0.427</b>	<b>1.775</b>	--	--	--	--	--
<b>Fixed Income(Net)</b>	<b>0.495</b>	<b>0.336</b>	<b>1.699</b>	--	--	--	--	--
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	<i>0.079</i>	<i>-0.108</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>
<b>Cash(Gross)</b>	<b>1.492</b>	<b>0.858</b>	<b>0.509</b>	<b>0.166</b>	<b>0.131</b>	<b>0.112</b>	<b>0.185</b>	<b>0.137</b>
<b>Cash(Net)</b>	<b>1.427</b>	<b>0.758</b>	<b>0.446</b>	<b>0.058</b>	<b>0.018</b>	<b>-0.023</b>	<b>0.044</b>	<b>-0.008</b>
<i>FTSE T-Bill 3 Months TR</i>	<i>1.325</i>	<i>0.455</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>

As of December 31, 2018

## Trailing Period Performance

	Fiscal 2018 (%)	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)
<b>Total Fund(Gross)</b>	<b>1.221</b>	<b>0.754</b>	<b>0.842</b>	--	--	--	--	--
<b>Fixed Income(Gross)</b>	<b>0.582</b>	<b>0.427</b>	<b>1.775</b>	--	--	--	--	--
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	0.079	-0.108	1.307	0.876	0.765	0.328	0.776	1.331
Tier One: Payden Low Duration(Gross)	0.695	0.583	1.461	0.893	1.048	0.534	1.248	1.478
Tier One: Payden Low Duration(Net)	0.615	0.508	1.388	0.783	0.933	0.399	1.105	1.331
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	0.079	-0.108	1.307	0.876	0.765	0.328	0.776	1.331
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>	0.265	0.336	1.581	0.901	1.246	0.861	1.169	1.947
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>	0.198	0.147	1.492	0.906	1.038	0.656	1.058	1.782
Tier One: Logan Circle STAMP 1-3 Year(Gross)	0.842	0.478	--	--	--	--	--	--
Tier One: Logan Circle STAMP 1-3 Year(Net)	0.761	0.395	--	--	--	--	--	--
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	0.079	-0.108	1.307	0.876	0.765	0.328	0.776	1.331
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>	0.265	0.336	1.581	0.901	1.246	0.861	1.169	1.947
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>	0.198	0.147	1.492	0.906	1.038	0.656	1.058	1.782
Tier One: Wells Capital Reserve Account(Gross)	0.425	0.403	--	--	--	--	--	--
Tier One: Wells Capital Reserve Account(Net)	0.353	0.330	--	--	--	--	--	--
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	0.079	-0.108	1.307	0.876	0.765	0.328	0.776	1.331
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>	0.265	0.336	1.581	0.901	1.246	0.861	1.169	1.947
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>	0.198	0.147	1.492	0.906	1.038	0.656	1.058	1.782
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	0.258	0.140	3.021	1.494	2.095	--	--	--
Tier Two: Logan Circle STAMP 1-5 Year(Net)	0.131	0.016	2.894	1.367	1.969	--	--	--
<i>ICE BofAML 1-5 Yrs US Treasuries TR</i>	-0.351	-0.532	2.426	1.376	1.157	-0.027	2.198	2.154
<i>ICE BofAML 1-5 Yrs US Corp &amp; Govt TR</i>	-0.156	0.134	2.649	1.344	2.000	0.718	2.524	2.957
<i>ICE BofAML 1-5 Yrs AAA-A US Corp &amp; Govt TR</i>	-0.220	-0.172	2.570	1.376	1.641	0.409	2.362	2.694

As of December 31, 2018

	Fiscal 2018 (%)	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)
<b>Cash(Gross)</b>	<b>1.492</b>	<b>0.858</b>	<b>0.509</b>	<b>0.166</b>	<b>0.131</b>	<b>0.112</b>	<b>0.185</b>	<b>0.137</b>
<i>FTSE T-Bill 3 Months TR</i>	1.325	0.455	0.138	0.021	0.038	0.079	0.044	0.138
Operating: Payden Enhanced Cash(Gross)	1.580	0.887	0.573	0.166	0.131	0.112	0.185	0.137
Operating: Payden Enhanced Cash(Net)	1.500	0.812	0.505	0.058	0.018	-0.023	0.044	-0.008
<i>FTSE T-Bill 3 Months TR</i>	1.325	0.455	0.138	0.021	0.038	0.079	0.044	0.138
Operating: Logan Circle Enhanced Cash(Gross)	1.501	0.898	--	--	--	--	--	--
Operating: Logan Circle Enhanced Cash(Net)	1.416	0.814	--	--	--	--	--	--
<i>FTSE T-Bill 3 Months TR</i>	1.325	0.455	0.138	0.021	0.038	0.079	0.044	0.138
Operating: Wells Capital Enhanced Cash(Gross)	1.443	0.721	--	--	--	--	--	--
Operating: Wells Capital Enhanced Cash(Net)	1.370	0.649	--	--	--	--	--	--
<i>FTSE T-Bill 3 Months TR</i>	1.325	0.455	0.138	0.021	0.038	0.079	0.044	0.138

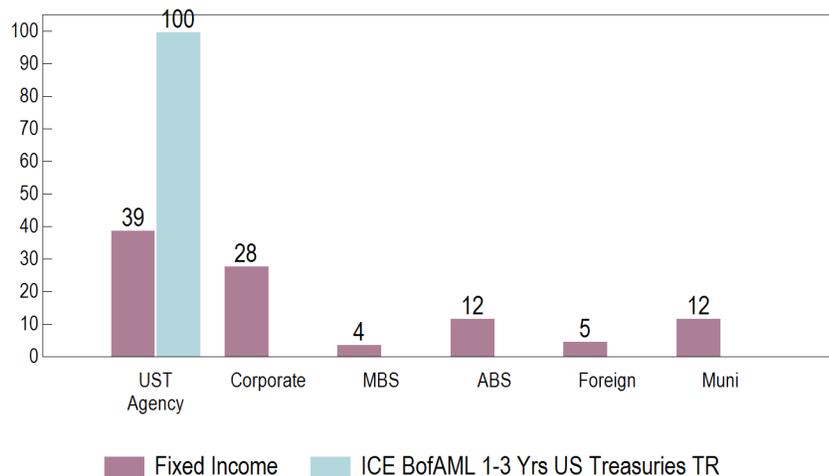
**Asset Allocation on December 31, 2018**

	Actual	Actual
Tier One: Payden Low Duration	\$149,467,614	27.4%
Tier One: Logan Circle STAMP 1-3 Year	\$149,216,560	27.3%
Tier One: Wells Capital Reserve Account	\$148,838,193	27.2%
Tier Two: Logan Circle STAMP 1-5 Year	\$98,720,822	18.1%
<b>Total</b>	<b>\$546,243,189</b>	<b>100.0%</b>

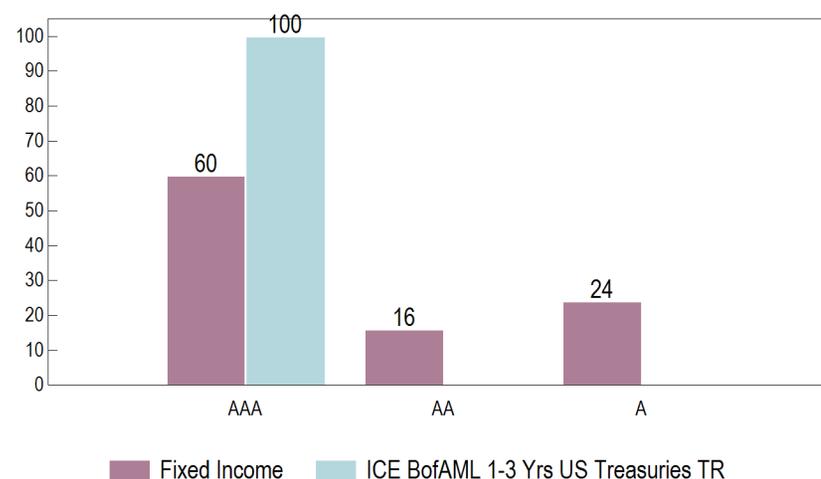
**Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs US Treasuries TR**

	Portfolio Q4-18	Index Q4-18	Portfolio Q3-18
<b>Fixed Income Characteristics</b>			
Yield to Maturity	2.8	2.5	2.9
Average Duration	1.6	1.9	1.8
Average Quality	AA	AAA	AA

**Sector Allocation**



**Credit Quality Allocation**



Tier One: Payden Low Duration

As of December 31, 2018

Account Information

Account Name	<b>Tier One: Payden Low Duration</b>
Account Structure	<b>Separate Account</b>
Investment Style	<b>Active</b>
Inception Date	<b>7/01/99</b>
Account Type	<b>US Fixed Income Short Term</b>
Benchmark	<b>ICE BofAML 1-3 Yrs US Treasuries TR</b>
Universe	<b>eV US Short Duration Fixed Inc Net</b>

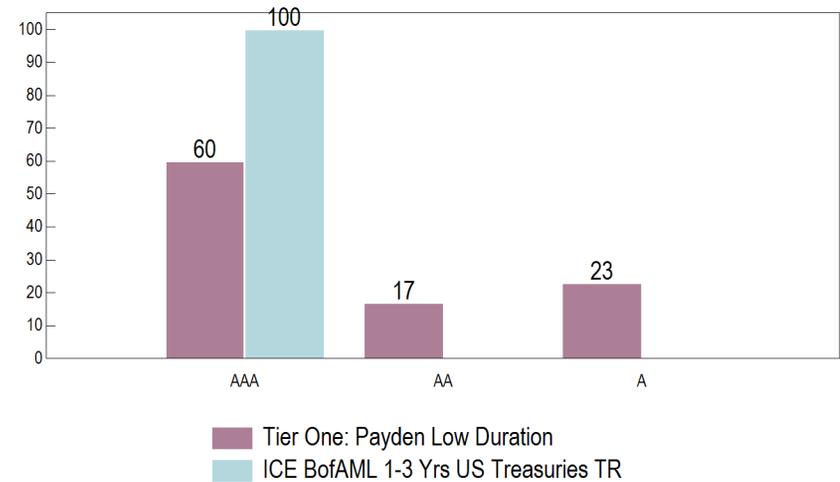
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier One: Payden Low Duration(Gross)	1.039	1.512	1.861	1.365	1.138	1.349	2.949	Jul-99
Tier One: Payden Low Duration(Net)	1.018	1.470	1.778	1.286	1.051	1.235	--	
ICE BofAML 1-3 Yrs US Treasuries TR	1.304	1.501	1.594	0.966	0.811	0.949	2.826	Jul-99
ICE BofAML 1-3 Yrs US Corp & Govt TR	1.179	1.537	1.644	1.262	1.047	1.558	3.148	Jul-99
ICE BofAML 1-3 Yrs AAA-A US Corp & Govt TR	1.237	1.543	1.648	1.136	0.958	1.344	3.040	Jul-99

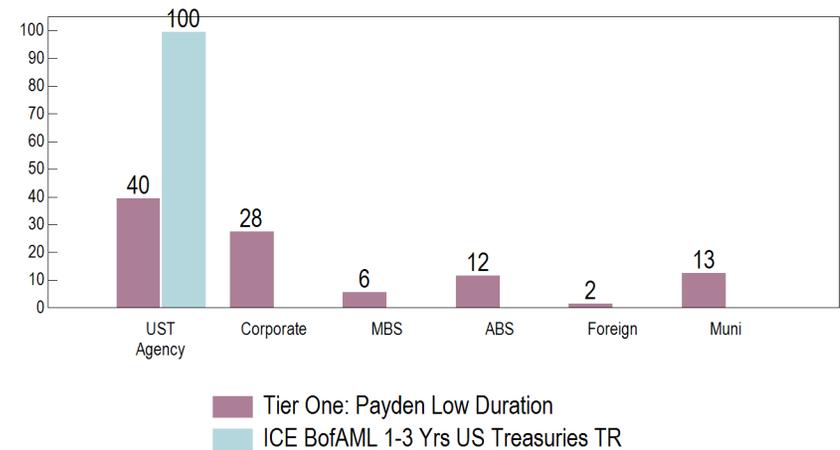
Tier One: Payden Low Duration Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs US Treasuries TR

	Portfolio Q4-18	Index Q4-18	Portfolio Q3-18
Fixed Income Characteristics			
Yield to Maturity	2.83	2.53	2.87
Average Duration	1.57	1.87	1.51
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier One: Wells Capital Reserve Account

As of December 31, 2018

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 Short Term
Benchmark	ICE BofAML 1-3 Yrs US Treasuries TR
Universe	eV US Short Duration Fixed Inc Net

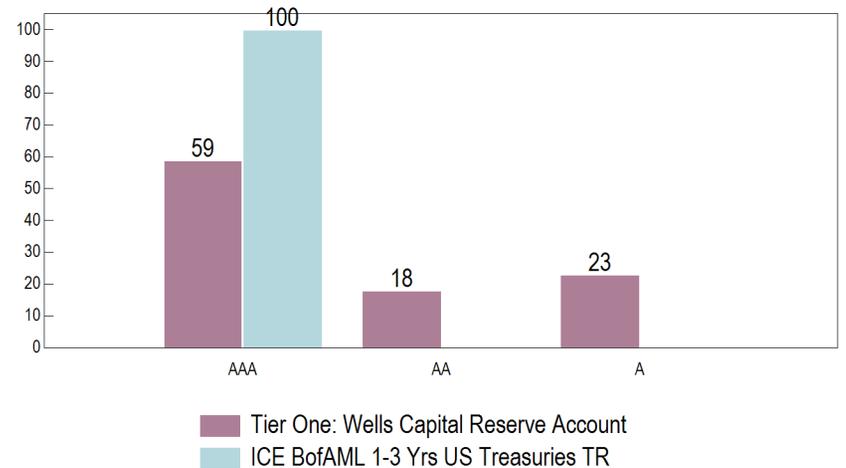
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier One: Wells Capital Reserve Account(Gross)	1.077	1.538	1.740	--	--	--	1.130	Jun-16
Tier One: Wells Capital Reserve Account(Net)	1.059	1.502	1.666	--	--	--	1.057	
ICE BofAML 1-3 Yrs US Treasuries TR	1.304	1.501	1.594	0.966	0.811	0.949	0.800	Jun-16
ICE BofAML 1-3 Yrs US Corp & Govt TR	1.179	1.537	1.644	1.262	1.047	1.558	1.057	Jun-16
ICE BofAML 1-3 Yrs AAA-A US Corp & Govt TR	1.237	1.543	1.648	1.136	0.958	1.344	0.956	Jun-16

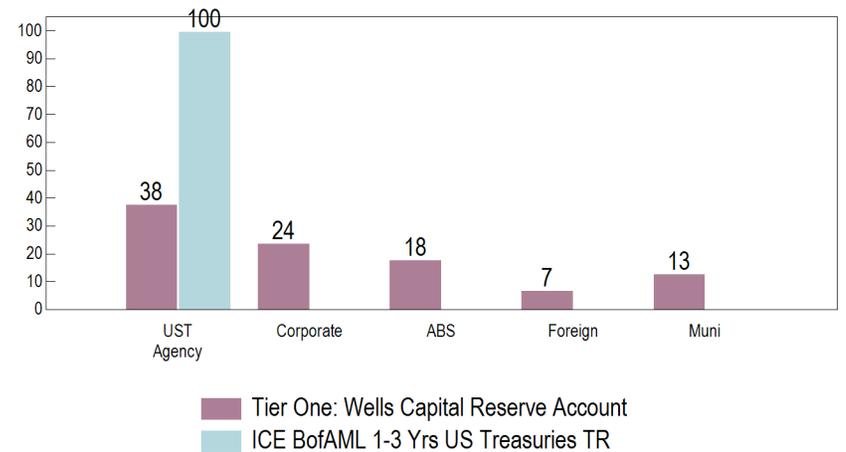
Tier One: Wells Capital Reserve Account Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs US Treasuries TR

	Portfolio Q4-18	Index Q4-18	Portfolio Q3-18
<b>Fixed Income Characteristics</b>			
Yield to Maturity	2.81	2.53	2.96
Average Duration	1.66	1.87	1.69
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier One: Logan Circle STAMP 1-3 Year

As of December 31, 2018

Account Information

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

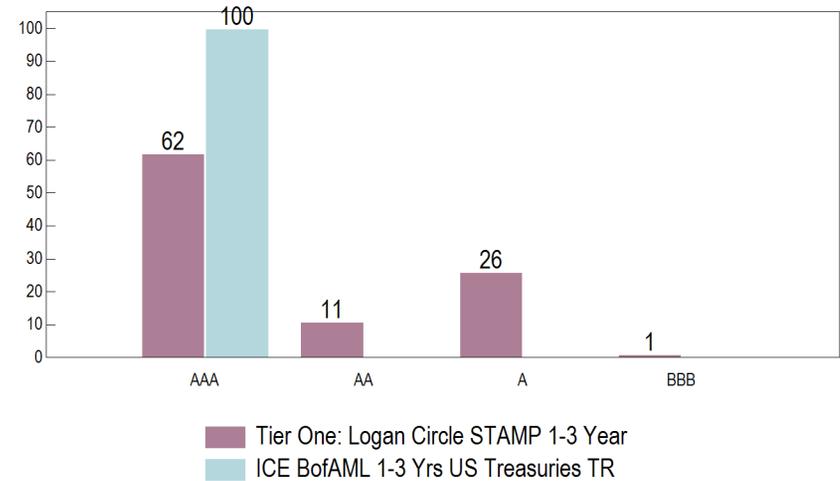
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier One: Logan Circle STAMP 1-3 Year(Gross)	0.960	1.356	1.771	--	--	--	1.168	May-16
Tier One: Logan Circle STAMP 1-3 Year(Net)	0.940	1.316	1.688	--	--	--	1.085	
ICE BofAML 1-3 Yrs US Treasuries TR	1.304	1.501	1.594	0.966	0.811	0.949	0.735	May-16
ICE BofAML 1-3 Yrs US Corp & Govt TR	1.179	1.537	1.644	1.262	1.047	1.558	0.999	May-16
ICE BofAML 1-3 Yrs AAA-A US Corp & Govt TR	1.237	1.543	1.648	1.136	0.958	1.344	0.896	May-16

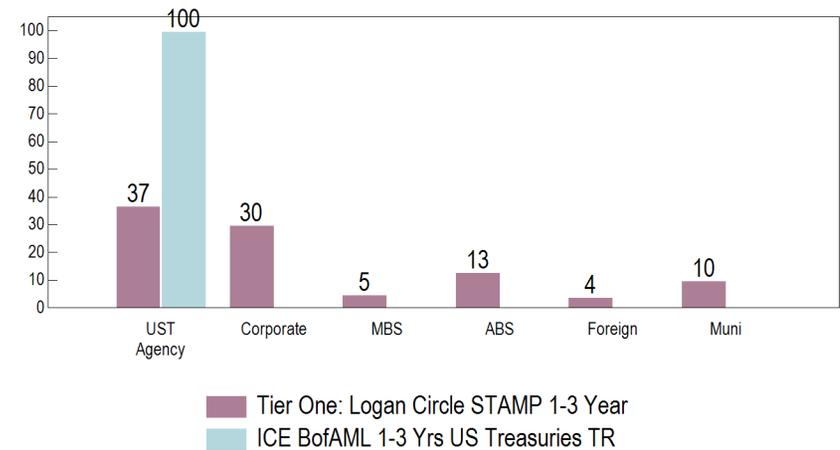
Tier One: Logan Circle STAMP 1-3 Year Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs US Treasuries TR

	Portfolio Q4-18	Index Q4-18	Portfolio Q3-18
Fixed Income Characteristics			
Yield to Maturity	2.86	2.53	2.92
Average Duration	1.41	1.87	1.73
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier Two: Logan Circle STAMP 1-5 Year

As of December 31, 2018

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	ICE BofAML 1-5 Yrs US Treasuries TR
Universe	eV US Short Duration Fixed Inc Net

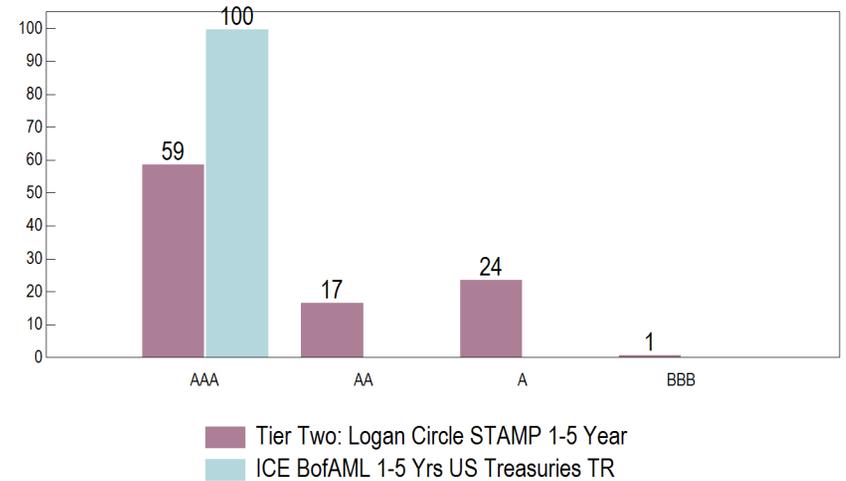
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	1.253	1.564	1.518	1.526	1.526	--	1.293	Apr-13
Tier Two: Logan Circle STAMP 1-5 Year(Net)	1.221	1.500	1.392	1.399	1.399	--	1.167	
ICE BofAML 1-5 Yrs US Treasuries TR	1.734	1.785	1.529	1.089	1.096	1.331	0.893	Apr-13
ICE BofAML 1-5 Yrs US Corp & Govt TR	1.447	1.734	1.409	1.435	1.372	2.170	1.195	Apr-13
ICE BofAML 1-5 Yrs AAA-A US Corp & Govt TR	1.582	1.784	1.501	1.273	1.262	1.852	1.073	Apr-13

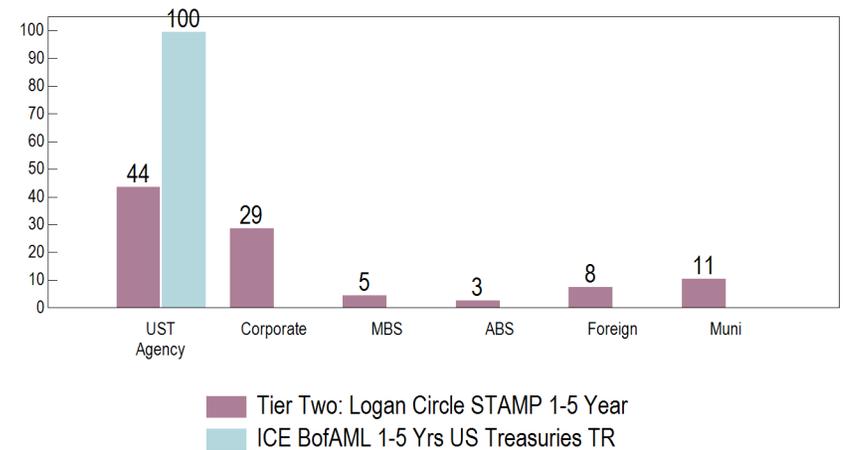
Tier Two: Logan Circle STAMP 1-5 Year Fixed Income Characteristics vs. ICE BofAML 1-5 Yrs US Treasuries TR

	Portfolio Q4-18	Index Q4-18	Portfolio Q3-18
Fixed Income Characteristics			
Yield to Maturity	2.82	2.52	3.04
Average Duration	2.08	2.62	2.48
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



As of December 31, 2018

**Asset Allocation on December 31, 2018**

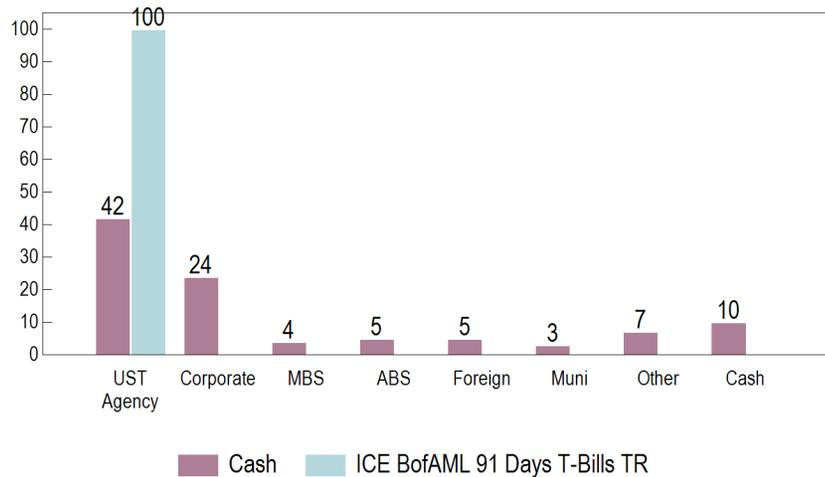
	Actual	Actual
Operating: Logan Circle Enhanced Cash	\$249,541,902	33.3%
Operating: Payden Enhanced Cash	\$250,096,975	33.4%
Operating: Wells Capital Enhanced Cash	\$249,068,766	33.3%
<b>Total</b>	<b>\$748,707,642</b>	<b>100.0%</b>

**Cash Characteristics**

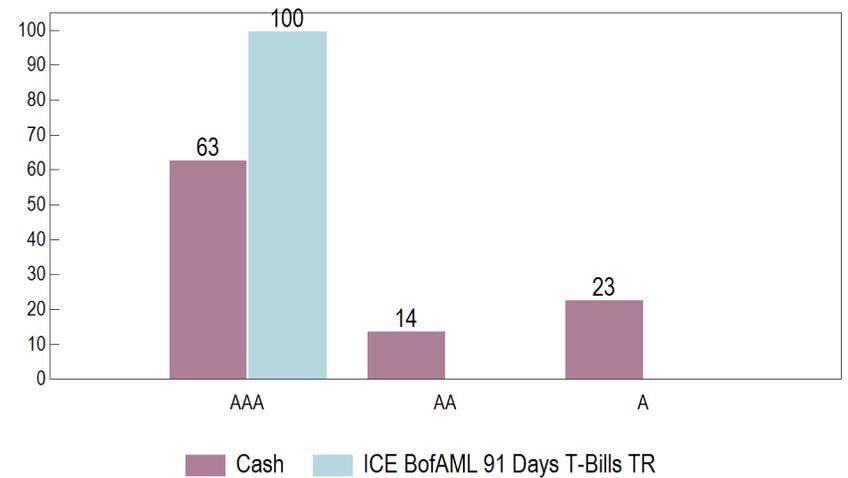
vs. ICE BofAML 91 Days T-Bills TR

	Portfolio Q4-18	Index Q4-18	Portfolio Q3-18
<b>Fixed Income Characteristics</b>			
Yield to Maturity	2.7	2.4	2.3
Average Duration	0.2	0.2	0.2
Average Quality	AA	AAA	AA

**Sector Allocation**



**Credit Quality Allocation**



**Account Information**

Account Name	<b>Operating: Payden Enhanced Cash</b>
Account Structure	<b>Separate Account</b>
Investment Style	<b>Active</b>
Inception Date	<b>7/01/99</b>
Account Type	<b>Cash Alternatives</b>
Benchmark	<b>FTSE T-Bill 3 Months TR</b>
Universe	<b>eV US Enh Cash Management Net</b>

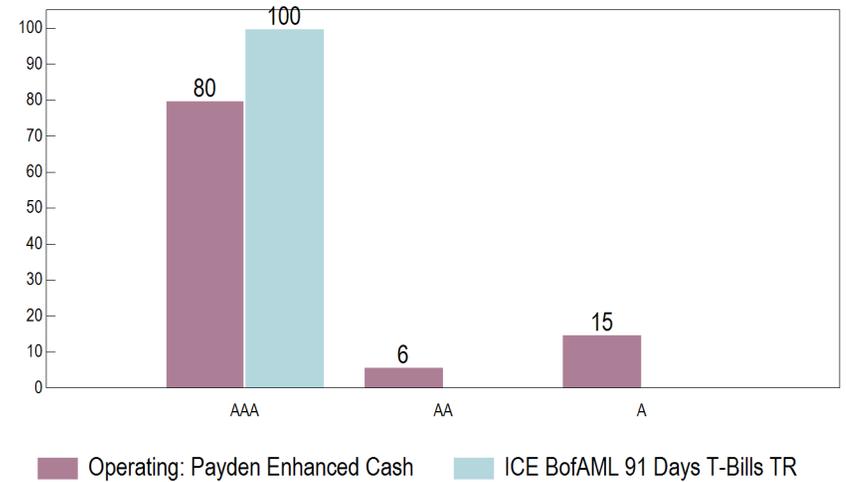
**Portfolio Performance Summary**

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Operating: Payden Enhanced Cash(Gross)	0.494	1.083	1.993	1.349	0.873	0.518	1.958	Jul-99
Operating: Payden Enhanced Cash(Net)	0.471	1.038	1.906	1.271	0.786	0.405	--	
<i>FTSE T-Bill 3 Months TR</i>	<i>0.565</i>	<i>1.068</i>	<i>1.862</i>	<i>0.989</i>	<i>0.604</i>	<i>0.351</i>	<i>1.745</i>	<i>Jul-99</i>

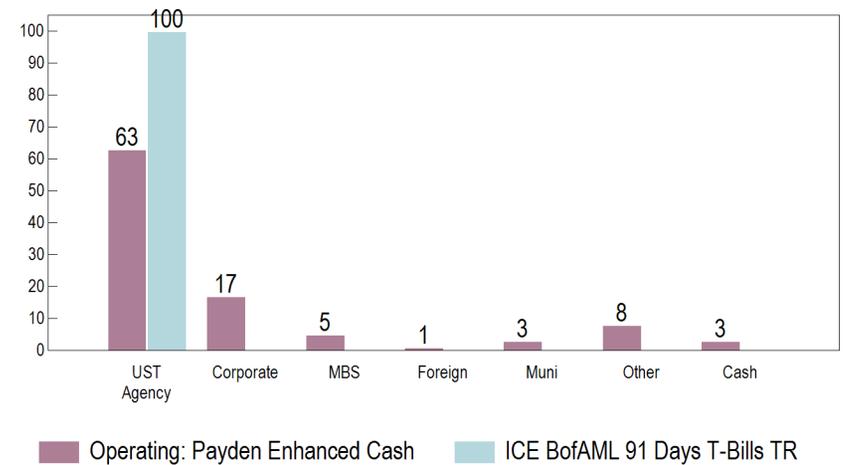
**Operating: Payden Enhanced Cash Fixed Income Characteristics vs. ICE BofAML 91 Days T-Bills TR**

	Portfolio Q4-18	Index Q4-18	Portfolio Q3-18
<b>Fixed Income Characteristics</b>			
Yield to Maturity	2.61	2.38	2.26
Average Duration	0.13	0.24	0.15
Average Quality	AA	AAA	AA

**Credit Quality Allocation**



**US Sector Allocation**



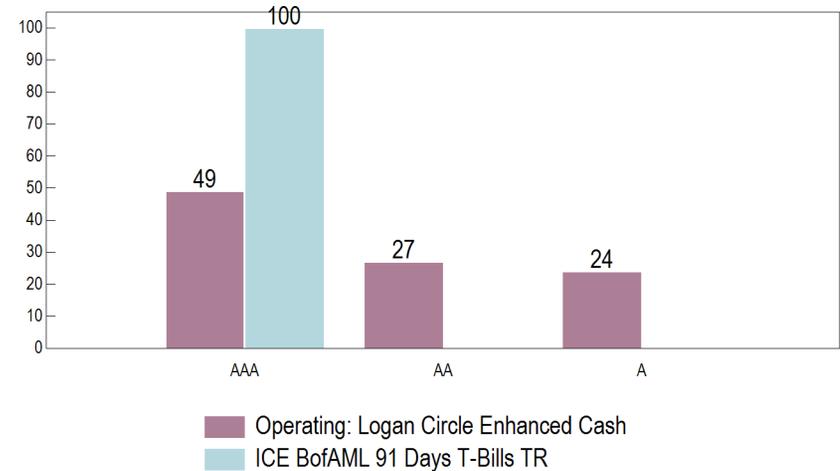
**Account Information**

Account Name	<b>Operating: Logan Circle Enhanced Cash</b>
Account Structure	<b>Separate Account</b>
Investment Style	<b>Active</b>
Inception Date	<b>5/02/16</b>
Account Type	<b>Cash</b>
Benchmark	<b>FTSE T-Bill 3 Months TR</b>
Universe	<b>eV US Enh Cash Management Net</b>

**Portfolio Performance Summary**

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Operating: Logan Circle Enhanced Cash(Gross)	0.559	1.111	1.987	--	--	--	1.355	May-16
Operating: Logan Circle Enhanced Cash(Net)	0.538	1.069	1.901	--	--	--	1.270	
<i>FTSE T-Bill 3 Months TR</i>	<i>0.565</i>	<i>1.068</i>	<i>1.862</i>	<i>0.989</i>	<i>0.604</i>	<i>0.351</i>	<i>1.084</i>	<i>May-16</i>

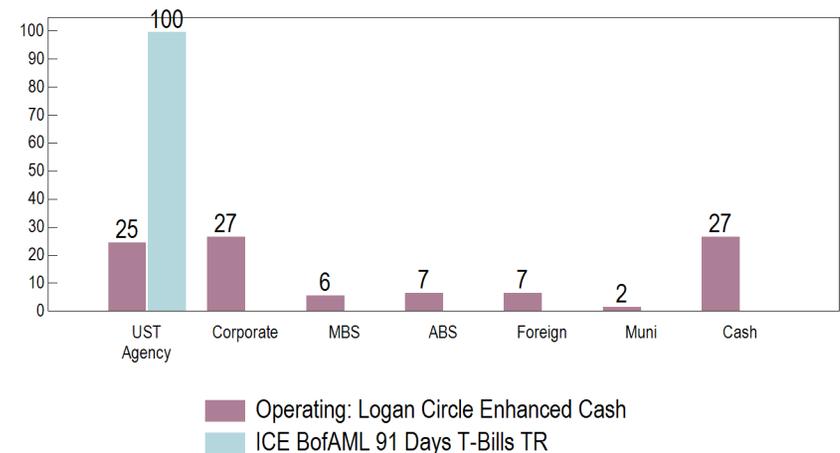
**Credit Quality Allocation**



**Operating: Logan Circle Enhanced Cash Fixed Income Characteristics vs. ICE BofAML 91 Days T-Bills TR**

Fixed Income Characteristics	Portfolio Q4-18	Index Q4-18	Portfolio Q3-18
Yield to Maturity	2.76	2.38	2.34
Average Duration	0.13	0.24	0.16
Average Quality	AA	AAA	AA

**US Sector Allocation**



Operating: Wells Capital Enhanced Cash

As of December 31, 2018

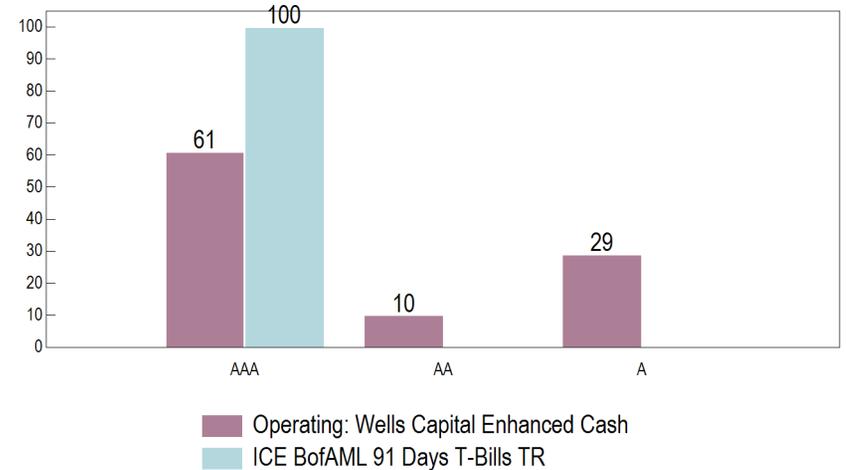
Account Information

Account Name	Operating: Wells Capital Enhanced Cash
Account Structure	Separate Account
Investment Style	Active
Inception Date	6/01/16
Account Type	Cash
Benchmark	FTSE T-Bill 3 Months TR
Universe	eV US Enh Cash Management Net

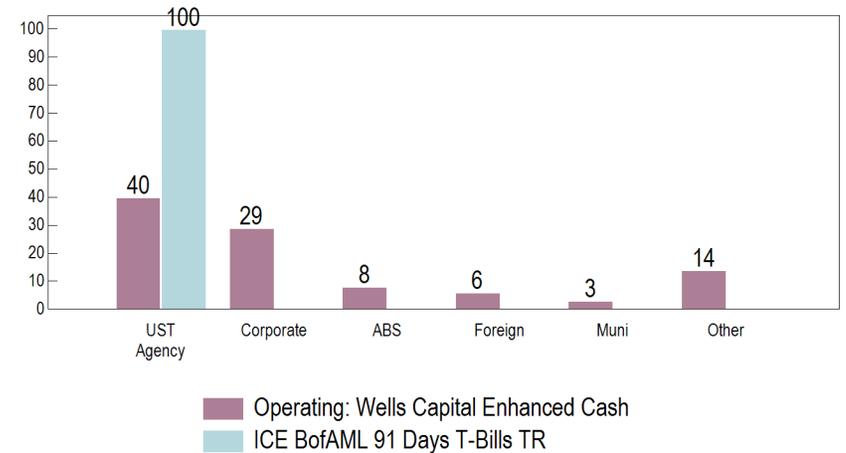
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Operating: Wells Capital Enhanced Cash(Gross)	0.476	1.046	1.929	--	--	--	1.279	Jun-16
Operating: Wells Capital Enhanced Cash(Net)	0.458	1.009	1.856	--	--	--	1.206	
FTSE T-Bill 3 Months TR	0.565	1.068	1.862	0.989	0.604	0.351	1.111	Jun-16

Credit Quality Allocation



US Sector Allocation



Operating: Wells Capital Enhanced Cash Fixed Income Characteristics vs. ICE BofAML 91 Days T-Bills TR

Fixed Income Characteristics	Portfolio Q4-18	Index Q4-18	Portfolio Q3-18
Yield to Maturity	2.68	2.38	2.41
Average Duration	0.24	0.24	0.17
Average Quality	AA	AAA	AA



As of December 31, 2018

**Annual Investment Expense Analysis**  
As Of December 31, 2018

Name	Fee Schedule	Market Value
<b>Fixed Income</b>		<b>\$546,243,189</b>
Tier One: Payden Low Duration	0.10% of First 100.0 Mil, 0.08% of Next 250.0 Mil, 0.07% Thereafter	\$149,467,614
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	\$149,216,560
Tier One: Wells Capital Reserve Account	0.09% of First 100.0 Mil, 0.07% of Next 200.0 Mil, 0.06% Thereafter	\$148,838,193
Tier Two: Logan Circle STAMP 1-5 Year	0.15% of First 50.0 Mil, 0.10% of Next 250.0 Mil, 0.07% Thereafter	\$98,720,822
<b>Cash</b>		<b>\$748,707,642</b>
Operating: Payden Enhanced Cash	0.10% of First 100.0 Mil, 0.08% of Next 250.0 Mil, 0.07% Thereafter	\$250,096,975
Operating: Logan Circle Enhanced Cash	0.10% of First 50.0 Mil, 0.09% of Next 250.0 Mil, 0.07% Thereafter	\$249,541,902
Operating: Wells Capital Enhanced Cash	0.09% of First 100.0 Mil, 0.07% of Next 200.0 Mil, 0.06% Thereafter	\$249,068,766
<b>Total</b>		<b>\$1,294,950,831</b>

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 (2019) Maturity and Quality Requirements

Allowable Instruments	Maximum Permitted Maturity			Actual Maximum Maturity							Compliance
	Operating Funds	Tier One	Tier Two	Operating Funds			Tier One			Tier Two	
				LC	P&R	WF	LC	P&R	WF	LC	
U.S. Treasuries	2 years	5 years	5 years	46 days	45 days	304 days	4.04 years	2.96 years	2.88 years	4.04 years	Yes
U.S. Agencies	2 years	5 years	5 years	86 days	N/A	295 days	2.65 years	3.50 years	4.46 years	2.65 years	Yes
State & Local Obligations <sup>1</sup>	2 years	5 years	5 years	196 days	244 days	244 days	2.59 years	3.37 years	2.42 years	4.42 years	Yes
Supranationals	2 years	5 years	5 years	207 days	N/A	288 days	3.71 years	2.56 years	2.56 years	3.71 years	Yes
Negotiable Cert of Deposit	1 year	1 year	1 year	24 days	50 days	N/A	N/A	N/A	N/A	N/A	Yes
Commercial Paper	270 days	270 days	270 days	24 days	N/A	84 days	N/A	N/A	N/A	N/A	Yes
Repurchase Agreements	30 days	30 days	30 days	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Yes
Medium Term Notes	2 years	5 years	5 years	130 days	254 days	317 days	3.25 years	2.75 years	2.61 years	4.42 years	Yes
Mortgage/ Asset-Backed	2 years	5 years	5 years	352 days	52 days	N/A	4.07 years	3.00 years	4.30 years	4.07 years	Yes
Variable & Floating Rate	2 years	5 years	5 years	57 days	86 days <sup>2</sup>	91 days	3.80 years	2.38 years	N/A	2.82 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.

<sup>1</sup> Includes CA and any other state in the U.S.

<sup>2</sup> Effective Maturity.



### Annual Investment Policy (2019) Diversification Compliance<sup>1</sup>

Allowable Instruments	Maximum (%)	Logan Circle (%)	Logan Circle (\$ mm)	Payden (%)	Payden (\$ mm)	Wells Capital (%)	Wells Capital (\$ mm)	Total (%)	Total (\$ mm)
U.S. Treasuries	100	25.7	127.8	51.3	205.2	9.7	38.6	28.7	371.6
U.S. Agencies	100	4.5	22.5	2.4	9.5	29.3	116.5	11.5	148.4
State & Local Obligations <sup>2</sup>	30	6.0	29.9	7.7	31.0	6.9	27.4	6.8	88.3
Supranationals	30	6.3	31.6	0.6	2.3	6.3	25.1	4.6	59.0
Negotiable Certificate of Deposit	30	2.2	11.0	0.5	2.0	0.0	0.0	1.0	13.0
Commercial Paper	25	11.2	55.7	0.0	0.0	8.7	34.5	7.0	90.2
Repurchase Agreements	100	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Medium Term Notes	30	19.5	97.1	9.6	38.5	14.3	56.8	14.9	192.4
Money Market Funds	20	2.7	13.6	0.5	1.8	0.4	1.5	1.3	16.9
Mortgage/Asset-Backed	20	8.8	43.8	5.7	22.9	6.7	26.7	7.2	93.4
Variable & Floating Rate	30	13.0	64.5	21.6	86.4	17.8	70.7	17.1	221.6
<b>Total</b>		<b>100.0</b>	<b>497.5</b>	<b>100.0</b>	<b>399.6</b>	<b>100.0</b>	<b>397.9</b>	<b>100.0</b>	<b>1295.0</b>

- Investment composition of each portfolio and the total portfolio are in compliance with the CalOptima Annual Investment Policy 2019.

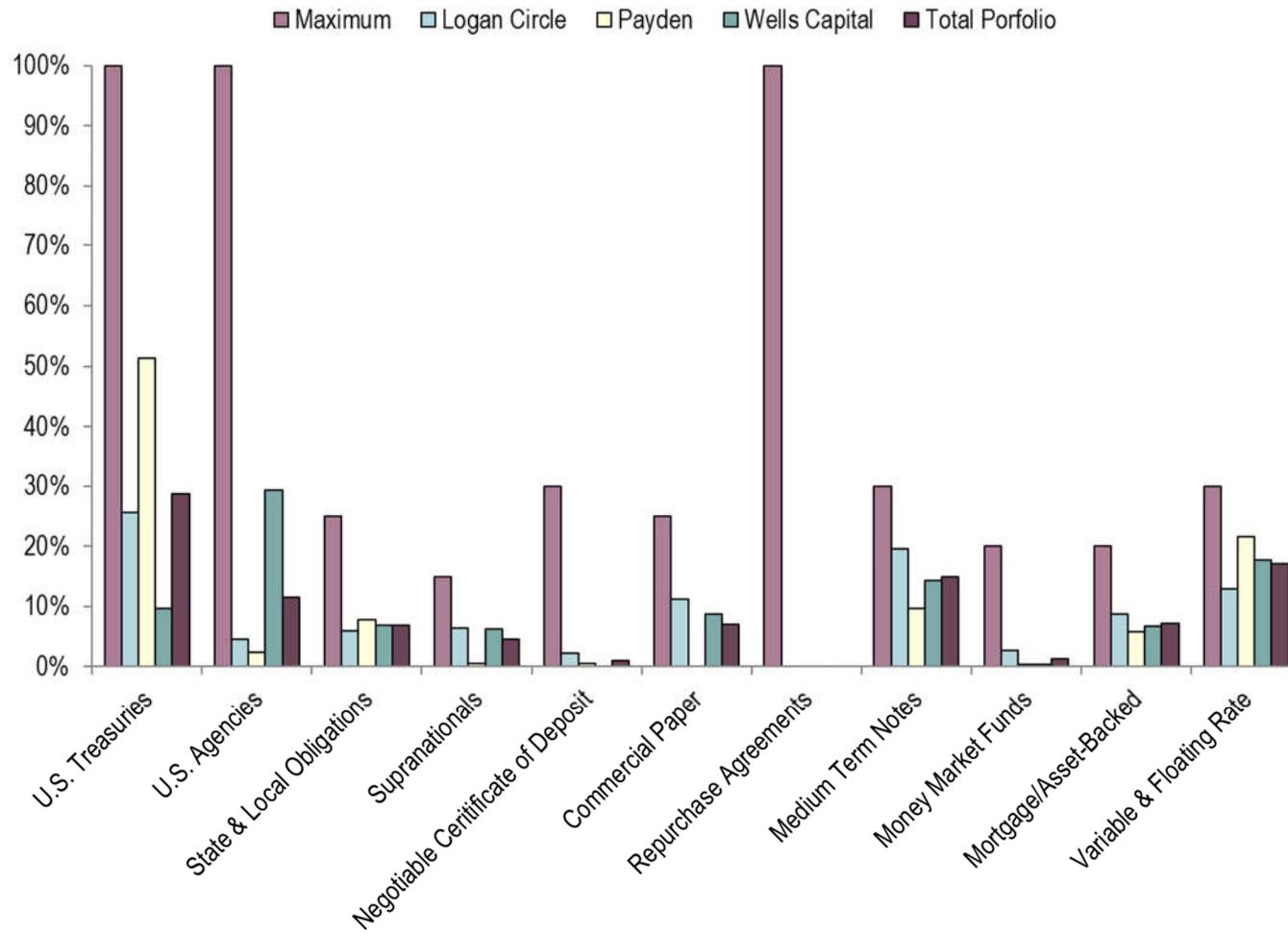
<sup>1</sup> Blended allocations for Payden & Rygel, Logan Circle, and Wells Capital accounts.

<sup>2</sup> Includes CA and any other state in the U.S.



## Annual Investment Policy (2019) Actual vs. Diversity Requirements

As of December 31, 2018



## 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 comparison<sup>1</sup>.
  - 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 ICE BofA Merrill Lynch 1-3 Year Treasury index (Tier One peer group) and the ICE BofA Merrill Lynch 1-5 year Treasury index (Tier Two peer group).
  - The Tier One peer group consists of twelve strategies with a median effective duration of 1.46 years, while the Tier Two peer group consists of eight strategies with a median effective duration of 2.52 years as of September 30, 2018.
- Please note that the analysis is as of September 30, 2018, as the universe of investment managers that had reported data as of December 31, 2018 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.

<sup>1</sup> 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 9/30/2018 <sup>1</sup>	3Q 2018 (%)	1 Year (%)	Since Inception <sup>2</sup> (%)
Tier One: Logan Circle STAMP 1-3 Year	0.39	0.88	0.95
Peer Group Median Return	0.41	0.64	0.93
Peer Group Rank (percentile)	64	34	43

- The Logan Circle Tier One portfolio underperformed the peer group in the third quarter of 2018, but outperformed over the trailing one-year period, ranking in the 64th and 34th percentiles, respectively. The strategy outperformed the custom peer group since inception.

<sup>1</sup> 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.

<sup>2</sup> Formal inception date is June 2016.



### Custom Peer Group: Payden Tier One

Gross of Fees Returns as of 9/30/2018 <sup>1</sup>	3Q 2018 (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	0.47	0.80	0.96	0.96	1.56
Peer Group Median Return	0.41	0.64	1.02	1.11	1.91
Peer Group Rank (percentile)	27	39	56	71	74

Standard Deviation as of 9/30/2018 <sup>2</sup>	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	0.54	0.53	0.88
Median Standard Deviation	0.71	0.70	0.96
Peer Group Rank (percentile)	10	7	28

- The Payden Tier One portfolio's trailing returns rank in the second quartile of the peer group in the third quarter of 2018 and in the one-year trailing period. Trailing returns ranked in the third quartile over the three-, five-, and ten-year trailing periods. The strategy outperformed the custom peer group in the third quarter of 2018 and over the trailing one-year period.
- Standard deviation has ranked favorably versus peers over all trailing periods.

<sup>1</sup> 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.

<sup>2</sup> 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 9/30/2018 <sup>1</sup>	3Q 2018 (%)	1 Year (%)	Since Inception <sup>2</sup> (%)
Tier One: Wells Capital Reserve Account	0.46	0.54	0.79
Peer Group Median Return	0.41	0.64	0.93
Peer Group Rank (percentile)	28	68	76

- The Wells Capital Tier One portfolio outperformed the custom short duration peer group over the third quarter, but underperformed the trailing one-year and since inception periods.

<sup>1</sup> 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.

<sup>2</sup> Formal inception date is June 2016.



### Custom Peer Group: Logan Circle Tier Two

Gross of Fees Returns as of 9/30/2018 <sup>1</sup>	3Q 2018 (%)	1 Year (%)	3 Years (%)	5 Years (%)
Tier Two: Logan Circle STAMP 1-5 Year	0.31	0.15	0.96	1.32
Peer Group Median Return	0.29	0.09	0.70	1.13
Peer Group Rank (percentile)	39	42	11	29

Standard Deviation as of 9/30/2018 <sup>2</sup>	3 Years (%)	5 Years (%)
Tier Two: Logan Circle STAMP 1-5 Year	1.18	1.17
Median Standard Deviation	1.15	1.08
Peer Group Rank (percentile)	56	59

- Logan Circle's Tier Two portfolio outperformed the peer group over all periods measured, and ranked in the top quartile of the custom peer group over the three-year trailing period.
- Standard deviation for the strategy over the trailing three- and five-year periods exceeds the peer group median, ranking in the 56th and 59th percentiles, respectively.

<sup>1</sup> 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.

<sup>2</sup> 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, 2018. Attribution data fields will vary slightly across investment managers.

**Logan Circle Tier One Performance Attribution<sup>1</sup>**  
Gross of Fees as of 12/31/2018

Benchmark Relative Attribution (basis points)	ICE BofA Merrill Lynch 1-3 Year U.S. Treasury		ICE BofA Merrill Lynch 1-3 Year AAA-A U.S. Corp & Govt	
	4Q 2018	1 Year	4Q 2018	1 Year
<b>Duration</b>	<b>-13</b>	<b>9</b>	<b>-13</b>	<b>10</b>
<b>Yield Curve</b>	<b>-2</b>	<b>3</b>	<b>-2</b>	<b>2</b>
<b>Sector Selection</b>	<b>-18</b>	<b>7</b>	<b>-12</b>	<b>1</b>
Treasury	-1	13	-2	5
Agency	0	0	0	-1
Corporate	-16	-6	-8	-2
Financial	-12	-4	-7	-2
Industrial	-4	-2	-1	0
Utilities	0	0	0	0
MBS	0	0	0	0
CMBS	0	0	-1	-1
ABS	-1	0	-1	0
Municipal	0	0	0	0
<b>Total Excess Return</b>	<b>-33</b>	<b>19</b>	<b>-27</b>	<b>13</b>
<b>Logan Circle Tier One Return</b>	<b>96</b>	<b>177</b>	<b>96</b>	<b>177</b>
<b>Benchmark Return</b>	<b>129</b>	<b>158</b>	<b>123</b>	<b>164</b>

<sup>1</sup> Performance attribution provided by Logan Circle.



**Payden & Rygel Tier One Performance Attribution<sup>1</sup>**  
Gross of Fees as of 12/31/2018

Benchmark Relative Attribution (basis points)	ICE BofA Merrill Lynch 1-3 Year U.S. Treasury		ICE BofA Merrill Lynch 1-3 Year AAA-A U.S. Corp & Govt	
	4Q 2018	1 Year	4Q 2018	1 Year
<b>Duration</b>	-12	21	-12	15
<b>Yield Curve</b>	-1	-2	-1	-1
<b>Sector Selection</b>	-12	8	-6	10
Treasury	NA	NA	NA	NA
Agency	0	2	-1	1
Corporate	-9	2	-2	6
Financial	-8	1	-3	3
Industrial	-1	1	1	3
Utilities	0	0	0	0
MBS	0	0	0	0
CMBS	0	0	0	0
ABS	-2	2	-1	2
Municipal	-1	2	-2	1
Residual	0	1	0	0
<b>Total Excess Return</b>	<b>-25</b>	<b>28</b>	<b>-19</b>	<b>24</b>
<b>Payden &amp; Rygel Tier One Return</b>	<b>104</b>	<b>186</b>	<b>104</b>	<b>186</b>
<b>Benchmark Return</b>	<b>129</b>	<b>158</b>	<b>123</b>	<b>164</b>

<sup>1</sup> Performance attribution provided by Payden & Rygel.



**Wells Capital Tier One Performance Attribution<sup>1</sup>**  
Gross of Fees as of 12/31/2018

Benchmark Relative Attribution (basis points)	ICE BofA Merrill Lynch 1-3 Year U.S. Treasury		ICE BofA Merrill Lynch 1-3 Year AAA-A U.S. Corp & Govt	
	4Q 2018	1 Year	4Q 2018	1 Year
<b>Duration</b>	-11	2	-10	6
<b>Sector Selection</b>	-10	14	-5	4
Treasury <sup>2</sup>	NA	NA	NA	NA
Agency	0	3	0	0
Corporate	-6	6	-1	2
Financial	-4	4	-1	1
Industrial	-2	2	0	1
Utilities	0	0	0	0
MBS	0	0	0	0
CMBS	0	0	0	0
ABS	-3	-3	-3	-4
Municipal	-1	3	0	2
Error Factor	0	5	-1	4
<b>Total Excess Return</b>	-21	16	-15	10
<b>Wells Capital Tier One Return (%)</b>	108	174	108	174
<b>Benchmark Return (%)</b>	129	158	123	164

<sup>1</sup> Performance attribution provided by Wells Capital.

<sup>2</sup> Treasury sector selection attribution is included in Duration figure.



**Logan Circle Tier Two Performance Attribution<sup>1</sup>**  
Gross of Fees as of 12/31/2018

Benchmark Relative Attribution (basis points)	ICE BofA Merrill Lynch 1-5 Year U.S. Treasury		ICE BofA Merrill Lynch 1-5 Year AAA-A U.S. Corp & Govt	
	4Q 2018	1 Year	4Q 2018	1 Year
<b>Duration</b>	-18	4	-17	3
<b>Yield Curve</b>	-1	1	-1	1
<b>Sector Selection</b>	-28	-5	-14	-1
Treasury	-4	5	-7	-1
Agency	-1	0	1	-1
Corporate	-22	-11	-7	-1
Financial	-17	-8	-8	-2
Industrial	-5	-3	1	1
Utilities	0	0	0	0
MBS	0	0	0	0
CMBS	-1	-1	-1	0
ABS	0	0	0	0
Municipal	0	2	0	2
<b>Total Excess Return</b>	<b>-47</b>	<b>0</b>	<b>-32</b>	<b>3</b>
<b>Logan Circle Tier Two Return</b>	<b>125</b>	<b>152</b>	<b>125</b>	<b>152</b>
<b>Benchmark Return</b>	<b>172</b>	<b>152</b>	<b>157</b>	<b>149</b>

<sup>1</sup> Performance attribution provided by Logan Circle.



# Appendix

# Characteristics

**Account Information**

Account Name	<b>Tier One: Payden Low Duration</b>
Account Structure	<b>Separate Account</b>
Investment Style	<b>Active</b>
Inception Date	<b>7/01/99</b>
Account Type	<b>US Fixed Income Short Term</b>
Benchmark	<b>ICE BofAML 1-3 Yrs US Treasuries TR</b>
Universe	<b>eV US Short Duration Fixed Inc Net</b>

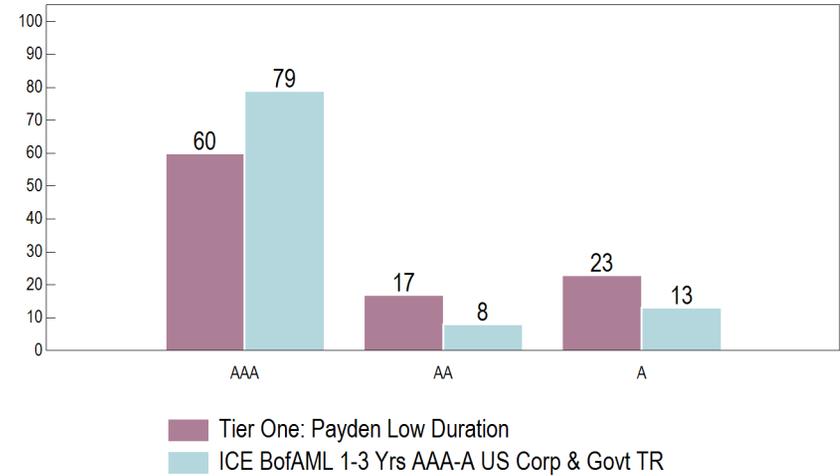
**Portfolio Performance Summary**

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier One: Payden Low Duration(Gross)	1.039	1.512	1.861	1.365	1.138	1.349	2.949	Jul-99
Tier One: Payden Low Duration(Net)	1.018	1.470	1.778	1.286	1.051	1.235	--	
ICE BofAML 1-3 Yrs US Treasuries TR	1.304	1.501	1.594	0.966	0.811	0.949	2.826	Jul-99
ICE BofAML 1-3 Yrs US Corp & Govt TR	1.179	1.537	1.644	1.262	1.047	1.558	3.148	Jul-99
ICE BofAML 1-3 Yrs AAA-A US Corp & Govt TR	1.237	1.543	1.648	1.136	0.958	1.344	3.040	Jul-99

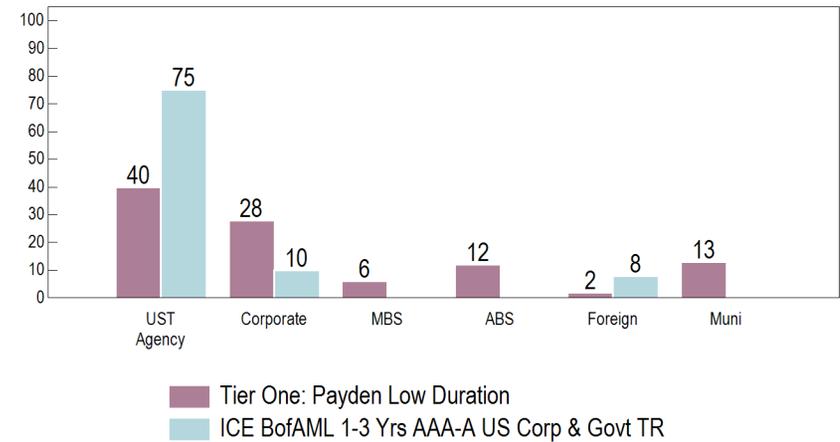
**Tier One: Payden Low Duration Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs AAA-A US Corp & Govt TR**

	Portfolio Q4-18	Index Q4-18	Portfolio Q3-18
<b>Fixed Income Characteristics</b>			
Yield to Maturity	2.83	2.67	2.87
Average Duration	1.57	1.87	1.51
Average Quality	AA	AAA	AA

**Credit Quality Allocation**



**US Sector Allocation**



Tier One: Wells Capital Reserve Account

As of December 31, 2018

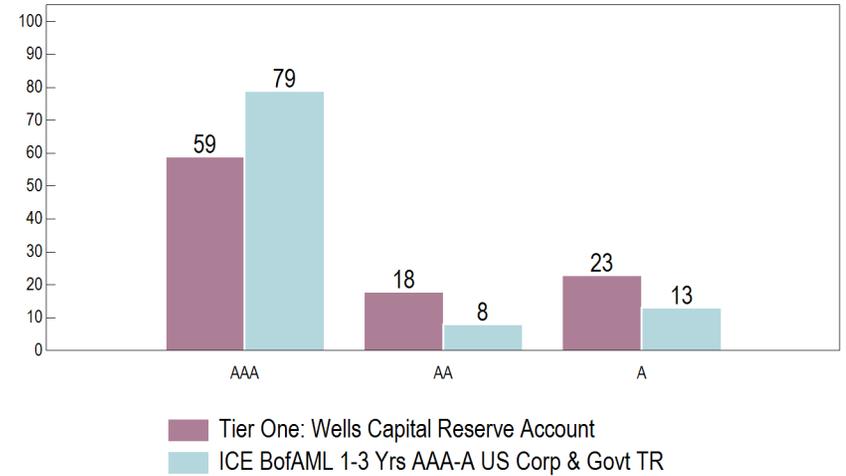
Account Information

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 Short Term
Benchmark	ICE BofAML 1-3 Yrs US Treasuries TR
Universe	eV US Short Duration Fixed Inc Net

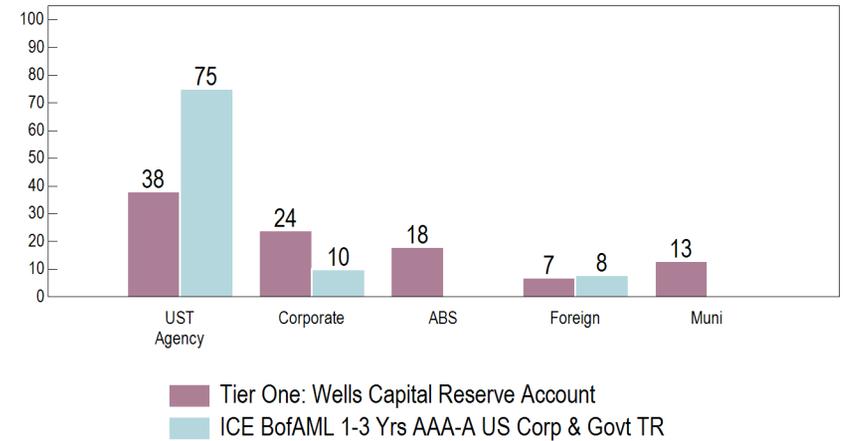
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier One: Wells Capital Reserve Account(Gross)	1.077	1.538	1.740	--	--	--	1.130	Jun-16
Tier One: Wells Capital Reserve Account(Net)	1.059	1.502	1.666	--	--	--	1.057	
ICE BofAML 1-3 Yrs US Treasuries TR	1.304	1.501	1.594	0.966	0.811	0.949	0.800	Jun-16
ICE BofAML 1-3 Yrs US Corp & Govt TR	1.179	1.537	1.644	1.262	1.047	1.558	1.057	Jun-16
ICE BofAML 1-3 Yrs AAA-A US Corp & Govt TR	1.237	1.543	1.648	1.136	0.958	1.344	0.956	Jun-16

Credit Quality Allocation



US Sector Allocation



Tier One: Wells Capital Reserve Account Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs AAA-A US Corp & Govt TR

	Portfolio Q4-18	Index Q4-18	Portfolio Q3-18
Yield to Maturity	2.81	2.67	2.96
Average Duration	1.66	1.87	1.69
Average Quality	AA	AAA	AA



Tier One: Logan Circle STAMP 1-3 Year

As of December 31, 2018

Account Information

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

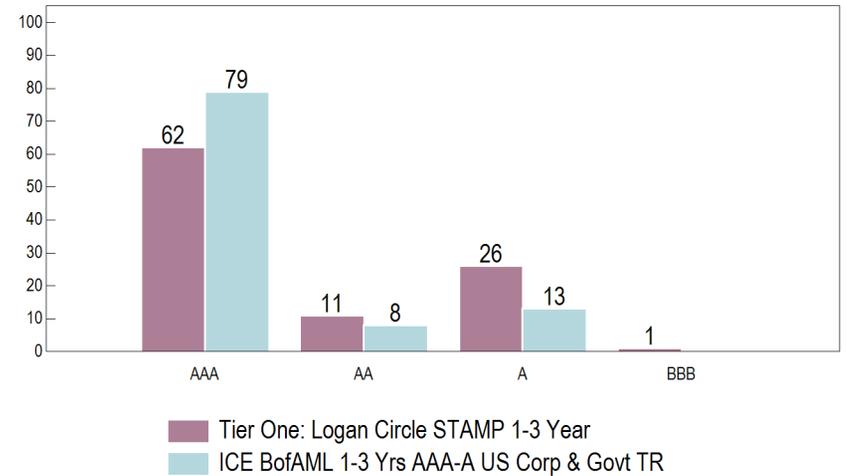
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier One: Logan Circle STAMP 1-3 Year(Gross)	0.960	1.356	1.771	--	--	--	1.168	May-16
Tier One: Logan Circle STAMP 1-3 Year(Net)	0.940	1.316	1.688	--	--	--	1.085	
ICE BofAML 1-3 Yrs US Treasuries TR	1.304	1.501	1.594	0.966	0.811	0.949	0.735	May-16
ICE BofAML 1-3 Yrs US Corp & Govt TR	1.179	1.537	1.644	1.262	1.047	1.558	0.999	May-16
ICE BofAML 1-3 Yrs AAA-A US Corp & Govt TR	1.237	1.543	1.648	1.136	0.958	1.344	0.896	May-16

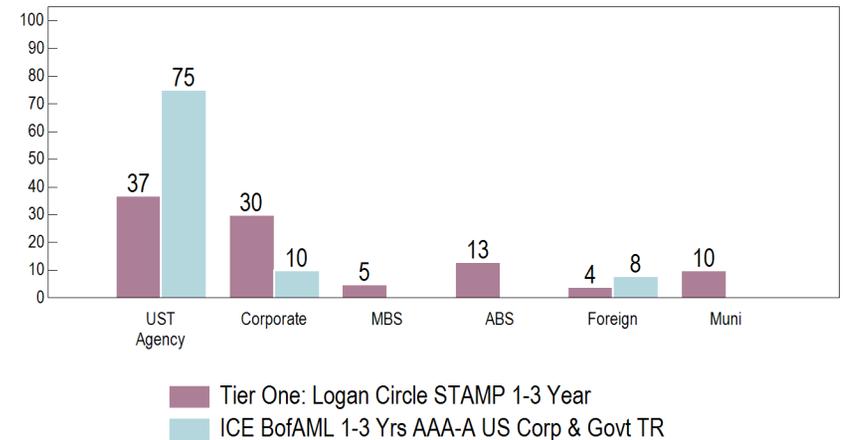
Tier One: Logan Circle STAMP 1-3 Year Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs AAA-A US Corp & Govt TR

	Portfolio Q4-18	Index Q4-18	Portfolio Q3-18
Fixed Income Characteristics			
Yield to Maturity	2.86	2.67	2.92
Average Duration	1.41	1.87	1.73
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier Two: Logan Circle STAMP 1-5 Year

As of December 31, 2018

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	ICE BofAML 1-5 Yrs US Treasuries TR
Universe	eV US Short Duration Fixed Inc Net

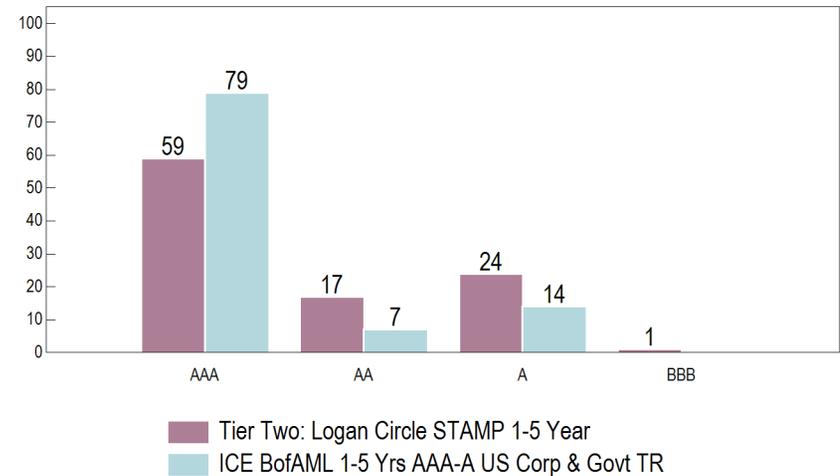
Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	1.253	1.564	1.518	1.526	1.526	--	1.293	Apr-13
Tier Two: Logan Circle STAMP 1-5 Year(Net)	1.221	1.500	1.392	1.399	1.399	--	1.167	
ICE BofAML 1-5 Yrs US Treasuries TR	1.734	1.785	1.529	1.089	1.096	1.331	0.893	Apr-13
ICE BofAML 1-5 Yrs US Corp & Govt TR	1.447	1.734	1.409	1.435	1.372	2.170	1.195	Apr-13
ICE BofAML 1-5 Yrs AAA-A US Corp & Govt TR	1.582	1.784	1.501	1.273	1.262	1.852	1.073	Apr-13

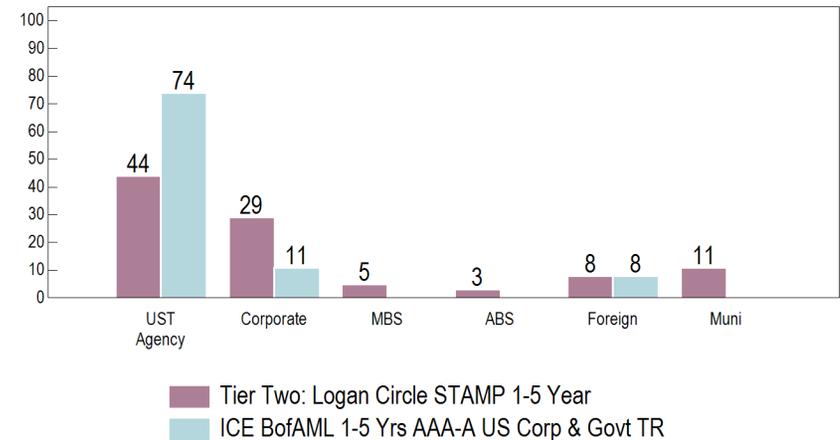
Tier Two: Logan Circle STAMP 1-5 Year Fixed Income Characteristics vs. ICE BofAML 1-5 Yrs AAA-A US Corp & Govt TR

	Portfolio Q4-18	Index Q4-18	Portfolio Q3-18
Yield to Maturity	2.82	2.70	3.04
Average Duration	2.08	2.59	2.48
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



# Holdings

**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
<b>Cash</b>							
	CASH OR STIF	USD	159,911.51	159,911.51	0.00	1.000	0.11%
<b>Total for Cash</b>			<b>159,911.51</b>	<b>159,911.51</b>	<b>0.00</b>		<b>0.11%</b>
<b>Treasuries</b>							
26,390,000.000	U.S. TREASURY NOTE	9128285Q9	26,384,845.70	26,510,899.19	126,053.49	100.458	17.78%
	Mat: 11/30/20 Cpn: 2.75%		33,893.75	63,800.00			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 12/13/18 St Date: 12/17/18						
540,000.000	U.S. TREASURY NOTE	9128285S5	539,767.97	540,044.70	276.73	100.008	0.36%
	Mat: 12/31/20 Cpn: 2.50%		0.00	37.29			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 12/28/18 St Date: 12/31/18						
445,000.000	U.S. TREASURY NOTE	9128285A4	442,896.68	448,136.13	5,239.45	100.705	0.30%
	Mat: 9/15/21 Cpn: 2.75%		371.86	3,650.97			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 9/25/18 St Date: 9/26/18						
2,960,000.000	U.S. TREASURY NOTE	9128285F3	2,950,163.26	2,991,548.95	41,385.69	101.066	2.01%
	Mat: 10/15/21 Cpn: 2.88%		2,688.60	18,235.71			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 10/10/18 St Date: 10/15/18						
2,970,000.000	U.S. TREASURY NOTE	9128285L0	2,973,596.48	3,003,319.27	29,722.79	101.122	2.02%
	Mat: 11/15/21 Cpn: 2.88%		4,481.66	11,086.22			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 12/3/18 St Date: 12/4/18						
14,880,000.000	U.S. TREASURY NOTE	9128285R7	14,843,850.39	14,947,739.86	103,889.47	100.455	10.01%
	Mat: 12/15/21 Cpn: 2.63%		3,434.13	18,242.31			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 12/13/18 St Date: 12/17/18						
<b>Total for Treasuries</b>			<b>48,135,120.48</b>	<b>48,441,688.11</b>	<b>306,567.63</b>		<b>32.49%</b>
			<b>44,870.00</b>	<b>115,052.50</b>			
<b>Government Related</b>							
910,000.000	INTL FINANCE CORP	45950KCM0	907,324.60	903,961.24	(3,363.36)	99.336	0.61%
	Mat: 1/25/21 Cpn: 2.25%		0.00	8,872.50			
	Moody's: Aaa S&P: AAA Fitch:						
	Tr Date: 1/18/18 St Date: 1/25/18						



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,350,000.000	INTL BANK RECON & DEVELOP Mat: 7/23/21 Cpn: 2.75% Moody's: Aaa S&P: AAA Fitch: Tr Date: 7/18/18 St Date: 7/25/18	459058GH0	1,346,841.00 0.00	1,355,921.10 16,087.50	9,080.10	100.439	0.92%
<b>Total for Government Related</b>			<b>2,254,165.60</b> <b>0.00</b>	<b>2,259,882.34</b> <b>24,960.00</b>	<b>5,716.74</b>		<b>1.53%</b>

**Agencies**

1,020,000.000	FHLMC Mat: 2/16/21 Cpn: 2.38% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 2/15/18 St Date: 2/16/18	3137EAEL9	1,017,307.20 0.00	1,016,755.38 9,084.38	(551.82)	99.682	0.69%
1,460,000.000	FNMA Mat: 6/22/21 Cpn: 2.75% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 6/22/18 St Date: 6/25/18	3135G0U35	1,459,664.20 0.00	1,467,390.52 1,003.75	7,726.32	100.506	0.98%
740,000.000	FNMA C 09/28/18 Q Mat: 6/28/21 Cpn: 2.90% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 6/18/18 St Date: 6/28/18	3136G4SW4	739,630.00 0.00	738,298.74 178.83	(1,331.26)	99.770	0.49%
1,480,000.000	FHLMC BERM C 11/27/18 Mat: 8/27/21 Cpn: 2.90% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 8/22/18 St Date: 8/27/18	3134GSWC5	1,480,000.00 0.00	1,479,052.80 14,783.56	(947.20)	99.936	1.00%
750,000.000	FFCB AMER 12/18 Mat: 9/13/21 Cpn: 2.96% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 9/25/18 St Date: 9/26/18	3133EJZD4	746,887.50 801.67	748,293.75 6,660.00	1,406.25	99.773	0.51%
1,790,000.000	FHLB Mat: 10/12/21 Cpn: 3.00% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 10/11/18 St Date: 10/12/18	3130AF5B9	1,788,836.50 0.00	1,813,150.07 11,784.17	24,313.57	101.293	1.22%
1,430,000.000	FHLMC Mat: 6/29/22 Cpn: 2.10% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 6/29/18 St Date: 7/2/18	3134GBTL6	1,386,299.20 250.25	1,400,343.23 166.83	14,044.03	97.926	0.94%
660,000.000	FFCB 1ML+7.0 FRN Mat: 8/1/22 Cpn: 2.42% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 7/26/17 St Date: 8/1/17	3133EHTJ2	660,000.00 0.00	658,956.54 1,374.94	(1,043.46)	99.842	0.44%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
730,000.000	FFCB 1ML+8.0 FRN Mat: 9/6/22 Cpn: 2.46% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 8/29/17 St Date: 9/6/17	3133EHXH1	730,000.00	0.00	728,845.87 1,296.70	(1,154.13)	99.842	0.49%
740,000.000	FHLB C AMER 4/18/19 Mat: 10/18/22 Cpn: 3.36% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 10/9/18 St Date: 10/18/18	3130AF4M6	738,890.00	0.00	740,406.26 5,041.87	1,516.26	100.055	0.50%
<b>Total for Agencies</b>			<b>10,747,514.60</b>	<b>1,051.92</b>	<b>10,791,493.16</b> <b>51,375.02</b>	<b>43,978.56</b>		<b>7.25%</b>

**Taxable Muni**

750,000.000	CA STATE GO/ULT TXB Mat: 4/1/19 Cpn: 1.59% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 4/21/17 St Date: 4/27/17	13063DAB4	750,000.00	0.00	747,780.00 2,986.88	(2,220.00)	99.704	0.50%
270,000.000	CA LOS ANGELES DEPT AIRPORTS-LAX TXBL Mat: 5/15/19 Cpn: 1.75% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 11/16/16 St Date: 12/6/16	544445AY5	270,000.00	0.00	269,066.88 603.75	(933.12)	99.654	0.18%
750,000.000	CA ALAMEDA CNTY JT POWER REV TXB Mat: 6/1/19 Cpn: 2.49% Moody's: Aa1 S&P: AA+ Fitch: AA+ Tr Date: 3/23/18 St Date: 4/24/18	010831DL6	750,000.00	0.00	749,042.25 1,553.13	(957.75)	99.872	0.50%
1,050,000.000	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	1,062,568.50	3,272.50	1,045,966.95 14,726.25	(16,601.55)	99.616	0.71%
750,000.000	CA SAN FRANCISCO BART-SALES TAX TXB Mat: 7/1/19 Cpn: 2.01% Moody's: S&P: AA+ Fitch: AA+ Tr Date: 12/15/17 St Date: 12/28/17	797669XS2	750,000.00	0.00	747,487.50 7,541.25	(2,512.50)	99.665	0.51%
335,000.000	CA SAN FRANCISCO REDEV AGY TXB Mat: 8/1/19 Cpn: 2.19% Moody's: S&P: A Fitch: Tr Date: 3/10/17 St Date: 3/29/17	79770GFZ4	335,000.00	0.00	333,844.92 3,061.06	(1,155.08)	99.655	0.23%
910,000.000	CA SAN JOSE REDEV AGY TAB TXB Mat: 8/1/19 Cpn: 2.10% Moody's: S&P: AA Fitch: AA Tr Date: 12/8/17 St Date: 12/21/17	798170AB2	910,000.00	0.00	906,721.27 7,954.92	(3,278.73)	99.640	0.61%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
500,000.000	NY ST GO/ULT-TXBL Mat: 9/1/19 Cpn: 3.60% Moody's: Aa1 S&P: AA+ Fitch: AA+ Tr Date: 6/1/17 St Date: 6/6/17	649791EJ5	521,530.00 4,750.00	503,117.00 6,000.00	(18,413.00)	100.623	0.34%
370,000.000	CA CALIFORNIA ST UNIV SYS REV TAXABLE Mat: 11/1/19 Cpn: 1.98% Moody's: Aa2 S&P: AA- Fitch: Tr Date: 7/5/17 St Date: 7/7/17	13077CT38	371,431.90 1,344.46	367,819.59 1,222.23	(3,612.31)	99.411	0.25%
590,000.000	CA CULVER CITY RDA-TXBL Mat: 11/1/19 Cpn: 1.63% Moody's: S&P: AA- Fitch: Tr Date: 11/15/17 St Date: 12/4/17	230340AL5	587,185.70 0.00	583,838.63 1,597.92	(3,347.07)	98.956	0.39%
370,000.000	CA LOS ANGELES MUNI IMPT TAXABLE Mat: 11/1/19 Cpn: 2.85% Moody's: S&P: AA- Fitch: A+ Tr Date: 2/25/16 St Date: 3/1/16	544587C22	381,536.60 2,983.56	369,976.69 1,755.03	(11,559.91)	99.994	0.25%
370,000.000	CA SACRAMENTO WTR DIST REV TXB Mat: 11/1/19 Cpn: 2.71% Moody's: S&P: AA+ Fitch: Tr Date: 5/3/18 St Date: 5/30/18	78607QAT2	370,000.00 0.00	369,747.29 1,672.40	(252.71)	99.932	0.25%
665,000.000	CA INLAND VLY REDEV AGY TAB TXB Mat: 3/1/20 Cpn: 3.63% Moody's: S&P: AA Fitch: Tr Date: 5/17/18 St Date: 5/18/18	45750TAG8	672,753.90 5,158.90	670,100.55 8,039.85	(2,653.35)	100.767	0.45%
285,000.000	CA LOS ANGELES DEPT AIRPORTS-LAX TXBL Mat: 5/15/20 Cpn: 2.09% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 4/20/18 St Date: 4/24/18	544445AZ2	281,545.80 2,633.31	282,457.80 761.84	912.00	99.108	0.19%
260,000.000	CA UNIVERSITY OF CALIFORNIA-TXBL Mat: 5/15/20 Cpn: 1.88% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 9/20/17 St Date: 9/28/17	91412G2R5	260,000.00 0.00	256,652.50 623.58	(3,347.50)	98.713	0.17%
690,000.000	CA ST HSG FIN AGY REV-TXBL Mat: 8/1/20 Cpn: 2.30% Moody's: A1 S&P: AA Fitch: Tr Date: 6/21/17 St Date: 6/29/17	13034PZF7	690,000.00 0.00	683,698.23 6,612.50	(6,301.77)	99.087	0.46%
850,000.000	CA SAN FRANCISCO REDEV AGY-TXBL Mat: 8/1/20 Cpn: 2.00% Moody's: S&P: AA- Fitch: Tr Date: 11/10/17 St Date: 11/30/17	79770GGM2	848,886.50 0.00	837,230.45 7,083.33	(11,656.05)	98.498	0.56%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
550,000.000	CA SAN JOSE REDEV AGY TAB TXB Mat: 8/1/20 Cpn: 2.26% Moody's: S&P: AA Fitch: AA Tr Date: 12/8/17 St Date: 12/21/17	798170AC0	550,000.00 0.00	546,417.85 5,176.88	(3,582.15)	99.349	0.37%
920,000.000	CA SAN DIEGO REDEV AGY TAB PRE-20 TXB Mat: 9/1/20 Cpn: 7.75% Moody's: WR S&P: A- Fitch: Tr Date: 8/30/17 St Date: 9/5/17	79730PDE2	1,078,589.60 792.22	992,346.04 23,766.67	(86,243.56)	107.864	0.68%
220,000.000	CA BRENTWOOD INFRA FIN AUTH REV TXB Mat: 9/2/20 Cpn: 2.59% Moody's: S&P: AA Fitch: Tr Date: 2/7/18 St Date: 2/28/18	10727XVB1	220,000.00 0.00	217,702.10 1,884.23	(2,297.90)	98.956	0.15%
310,000.000	CA SAN MARCOS REDEV AGY TAB TXB Mat: 10/1/20 Cpn: 2.00% Moody's: S&P: AA- Fitch: Tr Date: 12/1/17 St Date: 12/14/17	79876CBQ0	307,904.40 0.00	304,225.01 1,550.00	(3,679.39)	98.137	0.20%
500,000.000	CA SAN DIEGO PUBLIC FACS LEASE REV TXB Mat: 10/15/20 Cpn: 2.82% Moody's: S&P: AA- Fitch: AA- Tr Date: 6/4/18 St Date: 6/21/18	797299LS1	500,000.00 0.00	499,084.00 2,974.56	(916.00)	99.817	0.34%
350,000.000	CA LOS ANGELES MUNI IMPT CORP LEASE TXB Mat: 11/1/20 Cpn: 3.15% Moody's: S&P: AA- Fitch: A+ Tr Date: 4/26/17 St Date: 5/1/17	544587C30	360,734.50 0.00	351,752.80 1,835.17	(8,981.70)	100.501	0.24%
735,000.000	CA INLAND VLY REDEV AGY TAB TXB Mat: 3/1/21 Cpn: 3.98% Moody's: S&P: AA Fitch: Tr Date: 6/12/18 St Date: 6/14/18	45750TAJ2	750,993.60 8,363.30	750,751.79 9,743.65	(241.82)	102.143	0.51%
410,000.000	CA ST EDU FACS AUTH REV-CHAPMAN UNV TXB Mat: 4/1/21 Cpn: 2.26% Moody's: A2 S&P: Fitch: Tr Date: 11/9/17 St Date: 11/16/17	130179KQ6	410,000.00 0.00	402,405.57 2,313.43	(7,594.43)	98.148	0.27%
1,400,000.000	CA STATE GO/ULT TXBL Mat: 4/1/21 Cpn: 2.80% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 4/18/18 St Date: 4/25/18	13063DGA0	1,400,056.00 0.00	1,397,963.00 9,800.00	(2,093.00)	99.855	0.94%
299,068.599	CA DEPT WTR RESOURCES-PWR SUPPLY TXB Mat: 5/1/21 Cpn: 1.71% Moody's: Aa1 S&P: AA Fitch: AA+ Tr Date: 9/22/17 St Date: 9/26/17	13066YTY5	296,056.98 2,063.45	291,340.07 853.84	(4,716.91)	97.416	0.20%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
545,000.000	CA SACRAMENTO TRANSIENT OCC TAX REV TXB Mat: 6/1/21 Cpn: 3.46% Moody's: A1 S&P: Fitch: Tr Date: 10/18/18 St Date: 11/1/18	786073AA4	545,000.00	0.00	550,487.06 1,569.15	5,487.06	101.007	0.37%
450,000.000	CA SAN JOSE REDEV AGY TAB TXB Mat: 8/1/21 Cpn: 2.48% Moody's: S&P: AA Fitch: AA Tr Date: 5/16/18 St Date: 5/18/18	798170AD8	440,883.00	3,317.00	447,299.55 4,650.00	6,416.55	99.400	0.30%
450,000.000	CA HESPERIA REDEV AGY SUCCESSOR TXB Mat: 9/1/21 Cpn: 3.00% Moody's: S&P: AA Fitch: Tr Date: 9/12/18 St Date: 10/2/18	42806KAQ6	446,715.00	0.00	450,722.25 3,337.50	4,007.25	100.161	0.30%
520,000.000	CA OAKLAND REDEV AGY PRE-21 TXB Mat: 9/1/21 Cpn: 9.25% Moody's: Baa1 S&P: AA- Fitch: Tr Date: 5/24/18 St Date: 5/29/18	67232PBB8	618,259.20	11,757.78	604,110.52 16,033.33	(14,148.68)	116.175	0.41%
220,000.000	CA BRENTWOOD INFR FIN AUTH REV TXB Mat: 9/2/21 Cpn: 2.81% Moody's: S&P: AA Fitch: Tr Date: 2/7/18 St Date: 2/28/18	10727XVC9	220,000.00	0.00	217,755.34 2,043.49	(2,244.66)	98.980	0.15%
560,000.000	CA SAN DIEGO CITY PUB FACS LEASE TXB Mat: 10/15/21 Cpn: 2.99% Moody's: S&P: AA- Fitch: AA- Tr Date: 6/4/18 St Date: 6/21/18	797299LT9	560,000.00	0.00	560,520.24 3,539.57	520.24	100.093	0.38%
640,000.000	CA POMONA REDEV AGY TAX ALLOCATION TXB Mat: 2/1/22 Cpn: 3.55% Moody's: S&P: A+ Fitch: Tr Date: 9/27/18 St Date: 10/11/18	73209MAD9	640,000.00	0.00	648,200.32 5,051.73	8,200.32	101.281	0.44%
820,000.000	CA UNIV OF CALIFORNIA REV TXB Mat: 5/15/22 Cpn: 3.28% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 12/13/18 St Date: 12/17/18	91412HDJ9	822,878.20	2,392.94	829,040.50 3,439.85	6,162.30	101.103	0.56%
<b>Total for Taxable Muni</b>			<b>19,980,509.38</b>	<b>48,829.42</b>	<b>19,786,672.50</b>	<b>(193,836.87)</b>		<b>13.35%</b>

**Credit**

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	469,750.90 4,797.92	65.80	99.947	0.32%
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**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
200,000.000	CHEVRON Mat: 2/28/19 Cpn: 1.69% Moody's: Aa2 S&P: AA Fitch: Tr Date: 2/28/17 St Date: 3/3/17	166764BS8	200,000.00	0.00	199,622.00 1,152.10	(378.00)	99.811	0.13%
650,000.000	AT&T Mat: 3/11/19 Cpn: 2.30% Moody's: Baa2 S&P: BBB Fitch: A- Tr Date: 5/3/16 St Date: 5/12/16	00206RCC4	661,810.50	2,533.19	649,041.25 4,568.06	(12,769.25)	99.853	0.44%
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	788,467.40 3,954.39	(932.20)	99.806	0.53%
420,000.000	JPMORGAN CHASE Mat: 4/23/19 Cpn: 6.30% Moody's: A2 S&P: A- Fitch: AA- Tr Date: 7/15/16 St Date: 7/20/16	46625HHL7	455,463.24	10,218.25	424,279.80 4,998.00	(31,183.44)	101.019	0.29%
195,000.000	AMERICAN EXPRESS Mat: 5/3/19 Cpn: 1.88% Moody's: A2 S&P: A- Fitch: A Tr Date: 4/27/17 St Date: 5/3/17	0258M0EK1	194,920.05	0.00	194,340.90 589.06	(579.15)	99.662	0.13%
515,000.000	AMGEN Mat: 5/10/19 Cpn: 1.90% Moody's: Baa1 S&P: A Fitch: BBBu Tr Date: 5/8/17 St Date: 5/11/17	031162CK4	514,737.35	0.00	513,009.53 1,386.21	(1,727.83)	99.614	0.34%
640,000.000	BRANCH BANKING & TRUST Mat: 5/10/19 Cpn: 1.45% Moody's: A1 S&P: A Fitch: A+ Tr Date: 5/5/16 St Date: 5/10/16	07330NAL9	637,027.10	126.88	636,848.00 1,314.67	(179.10)	99.508	0.43%
340,000.000	BNY MELLON Mat: 5/15/19 Cpn: 2.20% Moody's: A1 S&P: A Fitch: AA- Tr Date: 9/28/17 St Date: 10/2/17	06406HCU1	342,019.60	2,846.56	339,265.60 955.78	(2,754.00)	99.784	0.23%
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	139,381.20 191.33	(546.00)	99.558	0.09%
220,000.000	GOLDMAN SACHS Mat: 7/23/19 Cpn: 1.95% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 7/19/17 St Date: 7/24/17	38141GWP5	219,973.60	0.00	218,556.80 1,882.83	(1,416.80)	99.344	0.15%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
510,000.000	CITIBANK Mat: 9/18/19 Cpn: 1.85% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 9/13/17 St Date: 9/18/17	17325FAF5	509,989.80	0.00	505,767.00 2,699.46	(4,222.80)	99.170	0.34%
225,000.000	GILEAD SCIENCES Mat: 9/20/19 Cpn: 1.85% Moody's: A3 S&P: A Fitch: Tr Date: 9/14/17 St Date: 9/21/17	375558BR3	224,921.25	0.00	223,072.88 1,167.81	(1,848.38)	99.144	0.15%
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	282,043.13 1,209.27	(2,483.78)	98.963	0.19%
245,000.000	WAL-MART STORES Mat: 10/9/19 Cpn: 1.75% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 10/11/17 St Date: 10/20/17	931142DY6	244,995.10	0.00	243,250.70 976.60	(1,744.40)	99.286	0.16%
400,000.000	PNC BANK Mat: 10/18/19 Cpn: 2.40% Moody's: A2 S&P: A Fitch: A+ Tr Date: 9/12/17 St Date: 9/14/17	69353RDZ8	404,552.00	3,893.33	397,984.00 1,946.67	(6,568.00)	99.496	0.27%
430,000.000	PROCTER & GAMBLE Mat: 10/25/19 Cpn: 1.75% Moody's: Aa3 S&P: AA- Fitch: Tr Date: 10/23/17 St Date: 10/25/17	742718EZ8	429,849.50	0.00	426,084.85 1,379.58	(3,764.65)	99.090	0.29%
475,000.000	HONEYWELL INTL Mat: 10/30/19 Cpn: 1.40% Moody's: A2 S&P: A Fitch: A Tr Date: 10/24/16 St Date: 10/31/16	438516BJ4	474,624.75	0.00	469,822.50 1,126.81	(4,802.25)	98.910	0.32%
355,000.000	CHEVRON Mat: 11/15/19 Cpn: 2.19% Moody's: Aa2 S&P: AA Fitch: Tr Date: 5/8/17 St Date: 5/11/17	166764AN0	357,879.05	3,806.07	352,800.78 994.77	(5,078.28)	99.381	0.24%
350,000.000	DUKE ENERGY FLORIDA Mat: 12/15/19 Cpn: 2.10% Moody's: A3 S&P: A- Fitch: Tr Date: 5/24/18 St Date: 5/29/18	26444HAD3	347,970.00	1,510.83	348,178.25 326.67	208.25	99.480	0.23%
170,000.000	CATERPILLAR FINANCIAL Mat: 1/10/20 Cpn: 2.10% Moody's: A3 S&P: A Fitch: A Tr Date: 1/5/17 St Date: 1/12/17	14912L6Y2	169,813.00	0.00	168,433.45 1,695.75	(1,379.55)	99.079	0.11%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
510,000.000	CITIGROUP Mat: 1/10/20 Cpn: 2.45% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 1/4/17 St Date: 1/10/17	172967LF6	509,796.00	0.00	505,858.80 5,935.13	(3,937.20)	99.188	0.34%
510,000.000	BRANCH BANKING & TRUST Mat: 1/15/20 Cpn: 2.10% Moody's: A1 S&P: A Fitch: A+ Tr Date: 1/23/17 St Date: 1/26/17	07330NAN5	509,959.20	0.00	504,902.55 4,938.50	(5,056.65)	99.001	0.34%
760,000.000	WELLS FARGO Mat: 1/15/20 Cpn: 2.40% Moody's: Aa2 S&P: A+ Fitch: AA- Tr Date: 1/16/18 St Date: 1/23/18	94988J5L7	759,361.60	0.00	753,692.00 8,410.67	(5,669.60)	99.170	0.51%
735,000.000	US BANK CINCINNATI Mat: 1/23/20 Cpn: 2.35% Moody's: A1 S&P: AA- Fitch: AA- Tr Date: 1/18/18 St Date: 1/23/18	90331HJN8	734,669.25	0.00	729,950.55 7,580.71	(4,718.70)	99.313	0.49%
545,000.000	US BANK CINCINNATI Mat: 1/24/20 Cpn: 2.00% Moody's: A1 S&P: AA- Fitch: AA- Tr Date: 1/19/17 St Date: 1/24/17	90331HNB5	543,850.05	0.00	539,746.20 4,753.61	(4,103.85)	99.036	0.36%
520,000.000	IBM Mat: 1/27/20 Cpn: 1.90% Moody's: A1 S&P: A Fitch: Au Tr Date: 1/24/17 St Date: 1/27/17	459200JN2	519,500.80	0.00	514,126.60 4,226.44	(5,374.20)	98.871	0.35%
530,000.000	CAPITAL ONE Mat: 1/31/20 Cpn: 2.35% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 1/26/17 St Date: 1/31/17	14042RFH9	529,682.00	0.00	523,995.10 5,224.18	(5,686.90)	98.867	0.35%
495,000.000	SUNTRUST BANK Mat: 1/31/20 Cpn: 2.25% Moody's: Baa1 S&P: A- Fitch: A- Tr Date: 1/25/17 St Date: 2/1/17	86787EAR8	494,811.90	0.00	489,168.90 4,671.56	(5,643.00)	98.822	0.33%
505,000.000	MICROSOFT Mat: 2/6/20 Cpn: 1.85% Moody's: Aaa S&P: AAA Fitch: AA+u Tr Date: 1/30/17 St Date: 2/6/17	594918BV5	504,661.65	0.00	501,475.10 3,762.95	(3,186.55)	99.302	0.34%
535,000.000	ESTEE LAUDER CO Mat: 2/7/20 Cpn: 1.80% Moody's: A2 S&P: A+ Fitch: Tr Date: 2/6/17 St Date: 2/9/17	29736RAL4	534,925.10	0.00	529,302.25 3,852.00	(5,622.85)	98.935	0.36%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
225,000.000	PACCAR FINANCIAL Mat: 2/27/20 Cpn: 1.95% Moody's: A1 S&P: A+ Fitch: Tr Date: 2/22/17 St Date: 2/27/17	69371RN69	224,595.00 0.00	222,421.50 1,511.25	(2,173.50)	98.854	0.15%
690,000.000	KIMBERLY-CLARK Mat: 3/1/20 Cpn: 1.85% Moody's: A2 S&P: A Fitch: WD Tr Date: 5/5/17 St Date: 5/10/17	494368BP7	689,710.20 2,446.63	681,785.55 4,255.00	(7,924.65)	98.810	0.46%
250,000.000	CITIZENS BANK Mat: 3/2/20 Cpn: 2.25% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 2/27/17 St Date: 3/2/17	17401QAG6	249,762.50 0.00	247,227.50 1,859.38	(2,535.00)	98.891	0.17%
375,000.000	AMERICAN EXPRESS Mat: 3/3/20 Cpn: 2.20% Moody's: A2 S&P: A- Fitch: A Tr Date: 2/28/17 St Date: 3/3/17	0258M0EE5	374,610.00 0.00	371,128.13 2,704.17	(3,481.88)	98.968	0.25%
250,000.000	HUNTINGTON NATL BANK Mat: 3/10/20 Cpn: 2.38% Moody's: A3 S&P: A- Fitch: A- Tr Date: 3/7/17 St Date: 3/10/17	446438RU9	249,985.00 0.00	247,740.00 1,830.73	(2,245.00)	99.096	0.17%
730,000.000	HUNTINGTON NATL BANK FRN Mat: 3/10/20 Cpn: 3.28% Moody's: A3 S&P: A- Fitch: A- Tr Date: 11/14/17 St Date: 11/16/17	446438RV7	734,234.00 2,445.43	730,018.25 1,461.96	(4,215.75)	100.003	0.49%
400,000.000	JOHN DEERE CAPITAL Mat: 3/13/20 Cpn: 2.20% Moody's: A2 S&P: A Fitch: A Tr Date: 3/10/17 St Date: 3/15/17	24422ETQ2	399,688.00 0.00	397,006.00 2,640.00	(2,682.00)	99.252	0.27%
665,000.000	APPLE Mat: 5/11/20 Cpn: 1.80% Moody's: Aa1 S&P: AA+ Fitch: Tr Date: 5/4/17 St Date: 5/11/17	037833CS7	664,321.70 0.00	657,179.60 1,662.50	(7,142.10)	98.824	0.44%
725,000.000	INTEL Mat: 5/11/20 Cpn: 1.85% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 5/8/17 St Date: 5/11/17	458140AZ3	724,724.50 0.00	717,104.75 1,862.85	(7,619.75)	98.911	0.48%
720,000.000	PNC BANK Mat: 5/19/20 Cpn: 2.00% Moody's: A2 S&P: A Fitch: A+ Tr Date: 5/16/17 St Date: 5/19/17	69353RFC7	719,186.40 0.00	708,994.80 1,680.00	(10,191.60)	98.472	0.48%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
440,000.000	VERIZON COMMUNICATIONS FRN Mat: 5/22/20 Cpn: 3.20% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 5/11/17 St Date: 5/22/17	92343VDZ4	440,000.00	0.00	439,100.64 1,565.97	(899.36)	99.796	0.29%
250,000.000	CITIZENS BANK Mat: 5/26/20 Cpn: 2.20% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 5/22/17 St Date: 5/26/17	17401QAJ0	249,770.00	0.00	246,387.50 534.72	(3,382.50)	98.555	0.17%
515,000.000	CITIBANK Mat: 6/12/20 Cpn: 2.10% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 6/6/17 St Date: 6/12/17	17325FAE8	514,778.55	0.00	506,587.48 570.79	(8,191.08)	98.367	0.34%
360,000.000	JOHN DEERE CAPITAL CORP Mat: 6/22/20 Cpn: 1.95% Moody's: A2 S&P: A Fitch: A Tr Date: 6/19/17 St Date: 6/22/17	24422ETS8	359,780.40	0.00	355,174.20 175.50	(4,606.20)	98.660	0.24%
270,000.000	MANUFACTURERS & TRADERS TRUST Mat: 8/17/20 Cpn: 2.05% Moody's: A3 S&P: A Fitch: A Tr Date: 8/14/17 St Date: 8/17/17	55279HAN0	269,773.20	0.00	265,013.10 2,060.25	(4,760.10)	98.153	0.18%
640,000.000	CATERPILLAR FINANCIAL Mat: 9/4/20 Cpn: 1.85% Moody's: A3 S&P: A Fitch: A Tr Date: 9/5/17 St Date: 9/7/17	14913Q2A6	639,462.40	0.00	627,433.60 3,848.00	(12,028.80)	98.037	0.42%
590,000.000	COMCAST Mat: 10/1/20 Cpn: 3.30% Moody's: A3 S&P: A- Fitch: A- Tr Date: 10/2/18 St Date: 10/5/18	20030NCP4	589,834.80	0.00	592,740.55 4,651.17	2,905.75	100.465	0.40%
730,000.000	UNITEDHEALTH GROUP Mat: 10/15/20 Cpn: 1.95% Moody's: A3 S&P: A+ Fitch: A- Tr Date: 10/18/17 St Date: 10/25/17	91324PDC3	728,788.20	0.00	717,148.35 3,005.17	(11,639.85)	98.240	0.48%
325,000.000	CITIBANK Mat: 10/20/20 Cpn: 2.13% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 10/13/17 St Date: 10/20/17	17325FAJ7	324,886.25	0.00	318,628.38 1,362.07	(6,257.88)	98.040	0.21%
685,000.000	AMERICAN EXPRESS Mat: 10/30/20 Cpn: 2.20% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 10/23/17 St Date: 10/30/17	025816BP3	684,109.50	0.00	672,443.95 2,553.53	(11,665.55)	98.167	0.45%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
200,000.000	FIFTH THIRD BANK Mat: 10/30/20 Cpn: 2.20% Moody's: A3 S&P: A- Fitch: A- Tr Date: 10/25/17 St Date: 10/30/17	31677QBK4	199,924.00	0.00	196,167.00 745.56	(3,757.00)	98.084	0.13%
370,000.000	PNC BANK Mat: 11/5/20 Cpn: 2.45% Moody's: A2 S&P: A Fitch: A+ Tr Date: 10/18/17 St Date: 10/23/17	69353REU8	373,478.00	4,230.33	365,225.15 1,410.11	(8,252.85)	98.710	0.25%
240,000.000	ANTHEM Mat: 11/21/20 Cpn: 2.50% Moody's: Baa2 S&P: A Fitch: BBB Tr Date: 11/14/17 St Date: 11/21/17	036752AE3	239,572.80	0.00	236,756.40 666.67	(2,816.40)	98.649	0.16%
755,000.000	PINNACLE WEST CAPITAL Mat: 11/30/20 Cpn: 2.25% Moody's: A3 S&P: BBB+ Fitch: A- Tr Date: 11/28/17 St Date: 11/30/17	723484AG6	754,524.35	0.00	740,434.54 1,462.81	(14,089.81)	98.071	0.50%
505,000.000	GOLDMAN SACHS Mat: 12/27/20 Cpn: 2.60% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 3/22/17 St Date: 3/27/17	38141GWG5	504,651.55	0.00	495,884.75 145.89	(8,766.80)	98.195	0.33%
435,000.000	JOHN DEERE CAPITAL CORP Mat: 1/8/21 Cpn: 2.35% Moody's: A2 S&P: A Fitch: A Tr Date: 1/3/18 St Date: 1/8/18	24422ETZ2	434,773.80	0.00	429,821.33 4,912.48	(4,952.48)	98.810	0.29%
500,000.000	AVALONBAY COMMUNITIES FRN Mat: 1/15/21 Cpn: 2.87% Moody's: A3 S&P: A- Fitch: Tr Date: 5/3/18 St Date: 5/7/18	05348EBD0	500,156.20	1,466.78	496,532.50 3,105.17	(3,623.70)	99.307	0.33%
710,000.000	MANUFACTURERS & TRADERS TRUST Mat: 1/25/21 Cpn: 2.63% Moody's: A3 S&P: A Fitch: A Tr Date: 1/22/18 St Date: 1/25/18	55279HAR1	709,041.50	0.00	700,908.45 8,076.25	(8,133.05)	98.720	0.47%
740,000.000	SUNTRUST BANK Mat: 1/29/21 Cpn: 2.59% Moody's: Baa1 S&P: A- Fitch: A- Tr Date: 1/26/18 St Date: 2/2/18	86787EAU1	740,000.00	0.00	733,595.30 8,092.31	(6,404.70)	99.135	0.50%
770,000.000	BB&T CORPORATION Mat: 2/1/21 Cpn: 2.15% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 10/23/17 St Date: 10/26/17	05531FAZ6	769,645.80	0.00	754,380.55 6,897.92	(15,265.25)	97.972	0.51%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
390,000.000	JPMORGAN CHASE Mat: 2/1/21 Cpn: 2.60% Moody's: Aa2 S&P: A+ Fitch: AA Tr Date: 1/29/18 St Date: 2/1/18	48125LRK0	390,000.00	0.00	387,363.60 4,231.50	(2,636.40)	99.324	0.26%
730,000.000	JPMORGAN CHASE FRN Mat: 3/9/21 Cpn: 3.32% Moody's: A2 S&P: A- Fitch: AA- Tr Date: 11/14/17 St Date: 11/16/17	46647PAC0	732,547.70	2,498.96	726,717.19 1,479.81	(5,830.51)	99.550	0.49%
685,000.000	REGIONS BANK Mat: 4/1/21 Cpn: 2.75% Moody's: Baa2 S&P: A- Fitch: BBB+ Tr Date: 1/23/18 St Date: 1/26/18	759187CB1	684,931.50	0.00	673,950.95 4,709.38	(10,980.55)	98.387	0.45%
725,000.000	US BANK CINCINNATI FRN Mat: 4/26/21 Cpn: 2.83% Moody's: A1 S&P: AA- Fitch: AA- Tr Date: 4/24/18 St Date: 4/26/18	90331HNQ2	725,000.00	0.00	722,463.95 3,815.84	(2,536.05)	99.650	0.49%
600,000.000	PACCAR FINANCIAL FRN Mat: 5/10/21 Cpn: 2.88% Moody's: A1 S&P: A+ Fitch: Tr Date: 5/7/18 St Date: 5/10/18	69371RP34	600,000.00	0.00	600,371.40 2,350.47	371.40	100.062	0.40%
500,000.000	AMERICAN EXPRESS FRN Mat: 5/17/21 Cpn: 3.17% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 5/14/18 St Date: 5/17/18	025816BV0	500,000.00	0.00	497,919.00 1,890.21	(2,081.00)	99.584	0.33%
265,000.000	DTE ELECTRIC Mat: 6/1/21 Cpn: 3.90% Moody's: Aa3 S&P: A Fitch: A+ Tr Date: 10/4/18 St Date: 10/9/18	250847EG1	267,618.20	3,674.67	268,838.53 861.25	1,220.33	101.449	0.18%
620,000.000	JPMORGAN CHASE FRN Mat: 6/1/21 Cpn: 3.42% Moody's: A2 S&P: A- Fitch: AA- Tr Date: 5/23/17 St Date: 6/1/17	46647PAG1	620,000.00	0.00	616,896.28 1,707.17	(3,103.72)	99.499	0.41%
500,000.000	WAL-MART STORES Mat: 6/23/21 Cpn: 3.13% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 6/20/18 St Date: 6/27/18	931142EJ8	499,975.00	0.00	503,887.50 347.22	3,912.50	100.778	0.34%
845,000.000	BANK OF AMERICA Mat: 7/21/21 Cpn: 2.37% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 7/18/17 St Date: 7/21/17	06051GGP8	845,000.00	0.00	831,260.30 8,896.91	(13,739.70)	98.374	0.56%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
770,000.000	WELLS FARGO Mat: 7/23/21 Cpn: 3.33% Moody's: Aa2 S&P: A+ Fitch: AA- Tr Date: 7/16/18 St Date: 7/23/18	94988J5P8	770,000.00	0.00	768,783.40 11,236.65	(1,216.60)	99.842	0.52%
735,000.000	FIFTH THIRD BANK Mat: 7/26/21 Cpn: 3.35% Moody's: A3 S&P: A- Fitch: A- Tr Date: 7/23/18 St Date: 7/26/18	31677QBN8	734,816.25	0.00	736,745.63 10,601.35	1,929.38	100.238	0.50%
730,000.000	CATERPILLAR FINANCIAL Mat: 9/7/21 Cpn: 3.15% Moody's: A3 S&P: A Fitch: A Tr Date: 9/4/18 St Date: 9/7/18	14913Q2N8	729,437.90	0.00	732,073.20 7,281.75	2,635.30	100.284	0.49%
490,000.000	JOHN DEERE CAPITAL CORP Mat: 9/10/21 Cpn: 3.13% Moody's: A2 S&P: A Fitch: A Tr Date: 9/5/18 St Date: 9/10/18	24422EUK3	489,848.10	0.00	490,744.80 4,721.35	896.70	100.152	0.33%
360,000.000	BANK OF AMERICA Mat: 10/1/21 Cpn: 2.33% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 9/13/17 St Date: 9/18/17	06051GGS2	360,000.00	0.00	352,585.80 2,095.20	(7,414.20)	97.941	0.24%
295,000.000	COMCAST Mat: 10/1/21 Cpn: 3.45% Moody's: A3 S&P: A- Fitch: A- Tr Date: 10/2/18 St Date: 10/5/18	20030NCQ2	294,702.05	0.00	298,183.05 2,431.29	3,481.00	101.079	0.20%
126,000.000	MORGAN STANLEY FRN Mat: 1/20/22 Cpn: 3.65% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 3/3/17 St Date: 3/8/17	61746BEE2	127,401.12	363.56	125,989.42 906.78	(1,411.70)	99.992	0.08%
680,000.000	BANK OF AMERICA Mat: 1/23/22 Cpn: 2.74% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 1/18/18 St Date: 1/23/18	06051GGY9	680,000.00	0.00	669,973.40 8,171.41	(10,026.60)	98.526	0.45%
121,000.000	WELLS FARGO FRN Mat: 2/11/22 Cpn: 3.55% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 2/6/17 St Date: 2/13/17	949746SP7	121,000.00	0.00	120,267.47 584.36	(732.53)	99.395	0.08%
510,000.000	CAPITAL ONE FINL FRN Mat: 3/9/22 Cpn: 3.72% Moody's: Baa1 S&P: BBB Fitch: A- Tr Date: 3/6/17 St Date: 3/9/17	14040HBM6	510,000.00	0.00	505,107.06 1,158.51	(4,892.94)	99.041	0.34%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
510,000.000	CITIGROUP FRN Mat: 4/25/22 Cpn: 3.45% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 4/18/17 St Date: 4/25/17	172967LH2	510,000.00 0.00	503,618.88 3,323.38	(6,381.12)	98.749	0.34%
460,000.000	BANK OF AMERICA Mat: 5/17/22 Cpn: 3.50% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 5/14/18 St Date: 5/17/18	06051GHH5	460,000.00 0.00	460,418.60 1,967.22	418.60	100.091	0.31%
730,000.000	GOLDMAN SACHS FRN Mat: 10/31/22 Cpn: 3.31% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 11/14/17 St Date: 11/16/17	38148YAB4	729,284.60 700.83	711,676.27 4,157.17	(17,608.33)	97.490	0.48%
<b>Total for Credit</b>			<b>41,154,633.26</b> <b>42,762.31</b>	<b>40,759,024.39</b> <b>258,905.80</b>	<b>(395,608.87)</b>		<b>27.44%</b>

**Mortgage-Backed**

190,824.640	FHMS KP03 A2 CMBS Mat: 7/25/19 Cpn: 1.78% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 6/7/17 St Date: 6/12/17	3137BNN26	191,301.70 103.79	189,670.15 283.06	(1,631.55)	99.395	0.13%
37,184.600	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	39,438.92 88.31	37,889.69 139.44	(1,549.22)	101.896	0.03%
127,210.042	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	128,483.91 168.67	126,452.12 174.49	(2,031.79)	99.404	0.08%
1,130,000.000	FHMS K005 A2 CMBS Mat: 11/25/19 Cpn: 4.32% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 6/12/18 St Date: 6/15/18	31398WD35	1,151,805.47 1,897.08	1,138,797.05 4,065.18	(13,008.42)	100.779	0.76%
1,670,000.000	FHMS KP04 AG1 1MOFRN CMBS Mat: 7/25/20 Cpn: 2.57% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/15/17 St Date: 11/28/17	3137FBUV6	1,670,000.00 0.00	1,669,637.61 833.54	(362.39)	99.978	1.12%
1,848,299.133	FHMS K504 A2 CMBS Mat: 9/25/20 Cpn: 2.57% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 5/29/18 St Date: 6/1/18	3137BMLC8	1,842,128.04 1,869.19	1,839,140.81 3,952.28	(2,987.23)	99.505	1.23%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
390,172.766	NGN 2010-R3 2A 1MOFRN NCUA GNTD Mat: 12/8/20 Cpn: 2.94% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/7/17 St Date: 7/12/17	62888WAB2	392,337.01 96.64	391,947.27 828.33	(389.74)	100.455	0.26%
271,739.710	FNA 2011-M5 A2 Mat: 7/25/21 Cpn: 2.94% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 9/26/18 St Date: 9/28/18	3136A07H4	270,211.18 599.18	272,481.02 665.76	2,269.84	100.273	0.18%
540,402.720	FNA 2018-M5 A2 CMBS Mat: 9/25/21 Cpn: 3.56% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 4/10/18 St Date: 4/30/18	3136B1XP4	551,151.87 1,549.76	546,757.86 1,603.19	(4,394.01)	101.176	0.37%
560,037.856	FHMS KI02 A 1MOFRN CMBS Mat: 2/25/23 Cpn: 2.55% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/1/18 St Date: 8/14/18	3137FGZN8	560,037.86 0.00	559,654.23 277.35	(383.63)	99.932	0.37%
570,000.000	FHMS KI03 A 1MOFRN CMBS Mat: 2/25/23 Cpn: 2.60% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/23/18 St Date: 10/31/18	3137FJXN4	570,000.00 0.00	568,684.44 287.83	(1,315.56)	99.769	0.38%
583,269.070	FHMS K724 A1 CMBS Mat: 3/25/23 Cpn: 2.78% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/9/18 St Date: 7/12/18	3137BTTZ4	579,350.24 494.74	580,746.43 1,349.30	1,396.20	99.568	0.39%
1,087,423.545	FHMS J22F A1 Mat: 5/25/23 Cpn: 3.45% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/7/18 St Date: 11/19/18	3137FJYA1	1,087,394.18 1,877.98	1,104,411.28 3,129.97	17,017.09	101.562	0.74%
<b>Total for Mortgage-Backed</b>			<b>9,033,640.37</b> <b>8,745.35</b>	<b>9,026,269.96</b> <b>17,589.71</b>	<b>(7,370.41)</b>		<b>6.05%</b>
<b>Asset-Backed</b>							
1,060,000.000	MERCEDES 2017-A A3 LEASE Mat: 4/15/20 Cpn: 1.79% Moody's: Aaa S&P: AAA Fitch: AAA Tr Date: 4/19/17 St Date: 4/26/17	58769DAD2	1,059,975.83 0.00	1,056,870.88 843.29	(3,104.95)	99.705	0.71%
570,908.553	BMW 2017-1 A3 LEASE Mat: 5/20/20 Cpn: 1.98% Moody's: Aaa S&P: Fitch: AAA Tr Date: 3/15/17 St Date: 3/22/17	055657AC4	570,842.96 0.00	568,807.61 345.40	(2,035.35)	99.632	0.38%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
650,000.000	NISSAN 2017-B A3 LEASE Mat: 9/15/20 Cpn: 2.05% Moody's: Aaa S&P: Fitch: AAA Tr Date: 10/3/17 St Date: 10/10/17	65479BAD2	649,886.45 0.00	645,321.30 592.22	(4,565.15)	99.280	0.43%
300,000.000	BMW 2017-2 A3 LEASE Mat: 10/20/20 Cpn: 2.07% Moody's: Aaa S&P: Fitch: AAA Tr Date: 10/17/17 St Date: 10/25/17	05584PAD9	299,999.76 0.00	298,146.30 189.75	(1,853.46)	99.382	0.20%
523,544.086	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	523,541.73 0.00	520,176.13 101.22	(3,365.60)	99.357	0.35%
961,052.020	TOYOTA 2017-A A3 CAR Mat: 2/16/21 Cpn: 1.73% Moody's: Aaa S&P: AAA Fitch: Tr Date: 3/7/17 St Date: 3/15/17	89238MAD0	960,938.91 0.00	954,307.36 738.94	(6,631.55)	99.298	0.64%
766,209.663	JOHN DEERE 2017-A A3 EQP Mat: 4/15/21 Cpn: 1.78% Moody's: Aaa S&P: Fitch: AAA Tr Date: 2/22/17 St Date: 3/2/17	47787XAC1	766,100.55 0.00	760,823.21 606.16	(5,277.34)	99.297	0.51%
420,000.000	USAA 2017-1 A3 CAR Mat: 5/17/21 Cpn: 1.70% Moody's: Aaa S&P: AAA Fitch: Tr Date: 9/13/17 St Date: 9/20/17	90290AAC1	419,955.73 0.00	416,940.72 317.33	(3,015.01)	99.272	0.28%
968,786.510	SDART 2017-1 B CAR Mat: 6/15/21 Cpn: 2.10% Moody's: Aaa S&P: AAA Fitch: Tr Date: 2/23/17 St Date: 2/28/17	80284TAH8	968,712.20 0.00	966,488.55 904.20	(2,223.65)	99.763	0.65%
1,500,000.000	TOYOTA 2017-B A3 CAR Mat: 7/15/21 Cpn: 1.76% Moody's: Aaa S&P: AAA Fitch: Tr Date: 5/9/17 St Date: 5/17/17	89190BAD0	1,499,884.95 0.00	1,488,037.50 1,173.33	(11,847.45)	99.203	1.00%
270,000.000	BMW 2018-1 A3 LEASE Mat: 7/20/21 Cpn: 3.26% Moody's: Aaa S&P: AAA Fitch: Tr Date: 10/10/18 St Date: 10/17/18	05586CAC8	269,962.47 0.00	271,373.49 268.95	1,411.02	100.509	0.18%
1,018,745.662	HONDA 2017-1 A3 CAR Mat: 7/21/21 Cpn: 1.72% Moody's: Aaa S&P: Fitch: AAA Tr Date: 3/21/17 St Date: 3/28/17	43814TAC6	1,018,685.05 0.00	1,010,125.04 486.73	(8,560.01)	99.154	0.68%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
570,000.000	NISSAN 2018-A A3 LEASE Mat: 9/15/21 Cpn: 3.25% Moody's: Aaa S&P: AAA Fitch: Tr Date: 10/16/18 St Date: 10/24/18	65478BAD3	569,950.18 0.00	570,901.17 823.33	950.99	100.158	0.38%
830,000.000	HONDA 2017-3 A3 CAR Mat: 9/20/21 Cpn: 1.79% Moody's: S&P: AAA Fitch: AAA Tr Date: 9/25/17 St Date: 9/29/17	43814PAC4	829,910.11 0.00	820,008.46 536.50	(9,901.65)	98.796	0.55%
420,000.000	JOHN DEERE 2017-B A3 EQP Mat: 10/15/21 Cpn: 1.82% Moody's: Aaa S&P: Fitch: AAA Tr Date: 7/11/17 St Date: 7/18/17	47788BAD6	419,969.26 0.00	415,339.26 339.73	(4,630.00)	98.890	0.28%
700,000.000	AMEX 2017-4 A CDT Mat: 12/15/21 Cpn: 1.64% Moody's: S&P: AAA Fitch: AAA Tr Date: 5/22/17 St Date: 5/30/17	02582JHG8	699,887.86 0.00	696,763.90 510.22	(3,123.96)	99.538	0.47%
1,340,000.000	CHASE 2017-A1 A CDT 1MOFRN Mat: 1/15/22 Cpn: 2.76% Moody's: NR S&P: AAA Fitch: AAA Tr Date: 1/30/17 St Date: 2/6/17	161571HJ6	1,340,000.00 0.00	1,342,324.90 1,538.28	2,324.90	100.174	0.90%
270,000.000	BMW 2018-1 A4 LEASE Mat: 3/21/22 Cpn: 3.36% Moody's: Aaa S&P: AAA Fitch: Tr Date: 10/10/18 St Date: 10/17/18	05586CAD6	269,997.60 0.00	271,809.81 277.20	1,812.21	100.670	0.18%
1,460,000.000	CITI 2017-A3 A3 CDT Mat: 4/7/22 Cpn: 1.92% Moody's: NR S&P: AAA Fitch: AAA Tr Date: 4/4/17 St Date: 4/11/17	17305EGB5	1,459,579.37 0.00	1,441,751.46 6,540.80	(17,827.91)	98.750	0.97%
740,000.000	TOYOTA 2018-A A3 CAR Mat: 5/16/22 Cpn: 2.35% Moody's: Aaa S&P: AAA Fitch: Tr Date: 1/23/18 St Date: 1/31/18	89238BAD4	739,991.49 0.00	733,106.16 772.89	(6,885.33)	99.068	0.49%
1,020,000.000	HONDA 2018-3 A3 CAR Mat: 8/22/22 Cpn: 2.95% Moody's: Aaa S&P: Fitch: AAA Tr Date: 8/21/18 St Date: 8/28/18	43815HAC1	1,019,860.06 0.00	1,021,033.26 835.83	1,173.20	100.101	0.68%
1,300,000.000	NISSAN 2018-C A3 CAR Mat: 6/15/23 Cpn: 3.22% Moody's: Aaa S&P: AAA Fitch: Tr Date: 12/4/18 St Date: 12/12/18	65478NAD7	1,299,750.92 0.00	1,310,021.70 2,209.28	10,270.78	100.771	0.88%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
<b>Total for Asset-Backed</b>		<b>17,657,383.43</b>	<b>17,580,478.16</b>	<b>(76,905.28)</b>		<b>11.78%</b>
		<b>0.00</b>	<b>20,951.60</b>			
<b>Grand Total</b>		<b>149,122,878.63</b>	<b>148,805,420.13</b>	<b>(317,458.50)</b>		<b>100.00%</b>
		<b>146,259.00</b>	<b>662,193.61</b>			



CalOptima (OCHA) STAMP 1-3

Account #: LCEF00238B2

As of 12/31/2018

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
<b>CASH &amp; CASH EQUIVALENTS</b>												
<b>CASH</b>												
NA9123459	US DOLLARS	2.503	1/2/2019		Agency	595,630	595,630.480	0.000	-	2.503	.40%	595,630.48
USD120030	USD INTEREST RECEIVABLE	-				763,436	0.000	-	-	-	.51%	763,436.37
<b>CASH TOTALS</b>							<b>595,630.480</b>					<b>1,359,066.85</b>
<b>MUNICIPALS</b>												
15324VAL2	CENTRAL CONTRA COSTA SANITARY DISTRICT	2.620	9/1/2019	9/3/2019	AAA	630,000	630,000.000	.667	.659	2.709	.42%	630,000.00
<b>MUNICIPALS TOTALS</b>							<b>630,000.000</b>					<b>630,000.00</b>
<b>CASH &amp; CASH EQUIVALENTS TOTALS</b>							<b>1,225,630.480</b>					<b>1,989,066.85</b>
<b>FIXED INCOME</b>												
<b>AGENCIES</b>												
3130AAMQ8	FEDERAL HOME LOAN BANKS	1.250	1/18/2019	1/18/2019	Agency	2,950,000	2,948,318.800	.047	.049	2.324	1.98%	2,948,486.65
3134G9V38	FEDERAL HOME LOAN MORTGAGE CORP	1.500	7/27/2021	7/27/2021	Agency	2,250,000	2,211,923.750	1.572	1.358	2.534	1.49%	2,225,074.50
3134GSTK1	FEDERAL HOME LOAN MORTGAGE CORP	3.000	8/23/2021	8/23/2021	Agency	2,600,000	2,601,161.400	.144	.380	2.748	1.74%	2,600,832.00
<b>AGENCIES TOTALS</b>							<b>7,761,403.950</b>					<b>7,774,393.15</b>
<b>ASSET BACKED</b>												
02587AAJ3	AMERICAN EXPRESS CREDIT ACCOUNT MASTER TRUST	1.930	9/15/2022	2/18/2020	Aaa	650,000	641,576.580	1.125	1.106	3.029	.43%	642,312.45
02582JHG8	AMERICAN EXPRESS CREDIT ACCOUNT MASTER TRUST	1.640	12/15/2021	5/15/2019	AAA	1,583,000	1,575,262.530	.375	.364	2.899	1.06%	1,575,606.92
05522RCQ9	BA CREDIT CARD TRUST	2.835	6/15/2021	1/15/2019	AAA	1,075,000	1,076,802.140	.042	.041	2.653	.72%	1,075,080.20
055657AC4	BMW VEHICLE LEASE TRUST	1.980	5/20/2020	9/20/2019	Aaa	2,030,937	2,029,768.970	.378	.367	2.984	1.36%	2,023,323.20
05582XAD4	BMW VEHICLE LEASE TRUST 2016-2	1.430	9/20/2019	2/20/2019	AAA	286,667	286,657.500	.092	.091	3.022	1.9%	286,241.20
161571HB3	CHASE ISSUANCE TRUST	2.865	5/15/2021	5/15/2019	AAA	1,230,000	1,233,675.200	.375	.041	2.702	.82%	1,231,012.17
161571GN8	CHASE ISSUANCE TRUST	2.825	4/15/2021	4/15/2019	AAA	1,415,000	1,418,485.740	.292	.041	2.656	.95%	1,415,921.59
17305EFM2	CITIBANK CREDIT CARD ISSUANCE TRUST	2.880	1/23/2023	1/21/2021	Aaa	855,000	853,528.180	2.058	1.961	2.903	.57%	854,536.16
26208KAD2	DRIVE AUTO RECEIVABLES TRUST	3.010	11/15/2021	12/15/2019	Aaa	1,300,000	1,297,882.470	.680	.661	3.214	.87%	1,298,299.60
26209BAE9	DRIVE AUTO RECEIVABLES TRUST	-				955,000	954,993.060	-	-	-	.64%	953,111.58
47787XAC1	JOHN DEERE OWNER TRUST 2017	1.780	4/15/2021	5/15/2020	Aaa	396,315	396,301.490	.606	.589	2.986	.26%	393,483.63
47788BAD6	JOHN DEERE OWNER TRUST 2017-B	1.820	10/15/2021	11/15/2020	Aaa	650,000	641,809.890	.997	.969	2.987	.43%	642,656.17
58769DAD2	MERCEDES-BENZ AUTO LEASE TRUST 2017-A	1.790	4/15/2020	7/15/2019	AAA	1,750,000	1,748,974.370	.268	.260	2.916	1.17%	1,744,752.45
65477XAE4	NISSAN AUTO LEASE TRUST 2016-B	1.610	1/18/2022	2/15/2019	Aaa	518,812	515,401.910	.088	.087	2.988	.35%	518,172.83
65479AAB8	NISSAN AUTO LEASE TRUST 2017-A	1.640	9/16/2019	4/15/2019	Aaa	419,809	419,802.030	.131	.127	2.623	.28%	419,258.18
65479AAD4	NISSAN AUTO LEASE TRUST 2017-A	1.910	4/15/2020	10/15/2019	Aaa	1,425,000	1,421,170.480	.523	.509	2.880	.95%	1,417,894.10
65474VAK7	NISSAN MASTER OWNER TRUST RECEIVABLES	3.095	6/15/2021	6/17/2019	Aaa	300,000	301,447.600	.458	.041	3.028	.20%	300,253.29
65474VAP6	NISSAN MASTER OWNER TRUST RECEIVABLES	2.775	10/17/2022	10/15/2020	Aaa	1,540,000	1,540,000.000	1.792	.040	2.959	1.03%	1,537,855.70
65474VAL5	NISSAN MASTER OWNER TRUST RECEIVABLES	1.540	6/15/2021	6/17/2019	Aaa	400,000	399,990.370	.458	.452	3.059	.27%	397,324.28
89231UAD9	TOYOTA AUTO RECEIVABLES 2016-B OWNER TRUST	1.300	4/15/2020	7/15/2019	Aaa	53,082	53,006.770	.251	.244	3.475	.04%	52,796.02
<b>ASSET BACKED TOTALS</b>							<b>18,806,537.280</b>					<b>18,779,891.72</b>
<b>CMBS</b>												
3136AK2A0	FANNIE MAE-ACES	2.171	9/25/2019	9/25/2019	Agency	574,739	575,176.560	.730	.713	2.857	.38%	571,100.56
31398M6U5	FANNIE MAE-ACES	4.332	3/25/2020	3/25/2020	Agency	526,396	530,710.940	.961	.926	3.040	.36%	531,331.23

# CalOptima (OCHA) STAMP 1-3

Account #: LCEF00238B2

As of 12/31/2018



## 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
<b>FIXED INCOME (Continued)</b>												
<b>CMBS (Continued)</b>												
3137AXHP1	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.573	9/25/2022	9/25/2022	Aaa	1,665,000	1,684,411.250	3.459	3.265	2.871	1.10%	1,646,623.06
<b>CMBS TOTALS</b>							<b>2,790,298.750</b>					<b>2,749,054.85</b>
<b>CMOS</b>												
3136A5KR6	FANNIE MAE REMICS	1.750	10/25/2022	5/25/2021	Agency	451,010	444,086.840	1.150	1.134	2.960	.30%	444,428.71
<b>CMOS TOTALS</b>							<b>444,086.840</b>					<b>444,428.71</b>
<b>CORPORATES</b>												
0258M0DY2	AMERICAN EXPRESS CREDIT CORP	3.828	9/14/2020	9/14/2020	A2	460,000	463,336.340	1.703	.205	3.525	.31%	463,083.33
0258M0EE5	AMERICAN EXPRESS CREDIT CORP	2.200	3/3/2020	3/3/2020	A2	1,265,000	1,252,717.310	1.172	1.130	3.140	.84%	1,251,400.25
031162CM0	AMGEN INC	2.200	5/11/2020	5/11/2020	Baa1	800,000	791,332.550	1.361	1.326	3.153	.53%	789,910.66
06051GGS2	BANK OF AMERICA CORP	2.328	10/1/2021	10/1/2021	A-	1,770,000	1,770,014.120	2.750	1.716	3.469	1.16%	1,735,450.95
06406FAB9	BANK OF NEW YORK MELLON CORP/THE	2.050	5/3/2021	5/3/2021	A1	1,345,000	1,315,699.740	2.339	2.239	3.120	.88%	1,312,753.07
05531FAX1	BB&T CORP	2.750	4/1/2022	4/1/2022	A2	750,000	737,669.800	3.250	3.042	3.303	.49%	737,294.52
05531FAU7	BB&T CORP	2.625	6/29/2020	6/29/2020	A2	640,000	635,270.510	1.494	1.434	3.243	.43%	634,270.75
05531FAQ6	BB&T CORP	2.250	2/1/2019	2/1/2019	A2	580,000	580,015.140	.083	.086	2.960	.39%	579,644.30
084659AB7	BERKSHIRE HATHAWAY ENERGY CO	2.400	2/1/2020	2/3/2020	A3	1,420,000	1,428,899.750	1.083	1.049	3.016	.95%	1,410,728.28
14040HBY0	CAPITAL ONE FINANCI	3.450	4/30/2021	4/30/2021	Baa1	900,000	899,379.000	2.333	2.175	3.470	.60%	899,576.97
14913Q2G3	CATERPILLAR FINANCIAL SERVICES CORP	2.900	3/15/2021	3/15/2021	A	600,000	598,643.950	2.206	2.105	2.932	.40%	599,573.32
14913Q2P3	CATERPILLAR FINANCIAL SERVICES CORP	3.046	9/7/2021	9/7/2021	A	500,000	497,194.340	2.683	.173	3.414	.33%	496,595.63
808513AW5	CHARLES SCHWAB CORP/THE	3.250	5/21/2021	5/21/2021	A	775,000	774,981.230	2.300	2.229	3.035	.52%	778,782.27
172967KB6	CITIGROUP INC	2.650	10/26/2020	10/26/2020	BBB+	380,000	375,412.740	1.819	1.757	3.408	.25%	374,948.06
172967LC3	CITIGROUP INC	2.900	12/8/2021	12/8/2021	BBB+	1,355,000	1,367,009.990	2.936	2.766	3.484	.89%	1,333,086.34
172967KK6	CITIGROUP INC	2.700	3/30/2021	3/30/2021	BBB+	400,000	391,756.600	2.250	2.149	3.390	.26%	394,059.94
17401QAN1	CITIZENS BANK NA/PROVIDENCE RI	2.250	10/30/2020	10/30/2020	BBB+	1,150,000	1,127,129.190	1.833	1.773	3.323	.76%	1,128,196.25
20030NCP4	COMCAST CORP	-				1,190,000	1,189,618.040	-	-	-	.80%	1,194,551.57
202795HV5	COMMONWEALTH EDISON CO	4.000	8/1/2020	8/3/2020	A	470,000	483,317.480	1.328	1.293	2.913	.32%	476,664.98
26078JAA8	DOWDUPONT INC	3.766	11/15/2020	11/16/2020	BBB+	530,000	530,000.000	1.872	1.800	3.233	.36%	535,081.21
31677QBK4	FIFTH THIRD BANK/CINCINNATI OH	2.200	10/30/2020	10/30/2020	A-	1,550,000	1,521,041.180	1.833	1.774	3.312	1.02%	1,519,560.74
369550BA5	GENERAL DYNAMICS CORP	2.875	5/11/2020	5/11/2020	A2	1,210,000	1,207,062.930	1.361	1.322	2.822	.81%	1,210,830.94
36962G5J9	GENERAL ELECTRIC CO	4.650	10/17/2021	10/18/2021	BBB+	1,025,000	1,060,041.150	2.794	2.598	4.532	.69%	1,028,074.37
375558BB8	GILEAD SCIENCES INC	2.550	9/1/2020	9/1/2020	A3	735,000	728,185.200	1.667	1.610	3.050	.49%	729,055.68
38148PP84	GOLDMAN SACHS BANK USA/NEW YORK NY	3.200	6/5/2020	6/5/2020	A+	500,000	499,916.470	1.428	1.387	3.330	.33%	499,095.40
38141GGQ1	GOLDMAN SACHS GROUP INC/THE	5.250	7/27/2021	7/27/2021	A3	1,050,000	1,109,584.240	2.572	2.359	3.683	.73%	1,089,997.17
44932HAK9	IBM CREDIT LLC	3.450	11/30/2020	11/30/2020	A	1,620,000	1,618,775.240	1.917	1.841	3.169	1.09%	1,628,375.69
46625HHS2	JPMORGAN CHASE & CO	4.400	7/22/2020	7/22/2020	A2	905,000	921,847.730	1.558	1.475	3.200	.62%	921,366.73
46625HQJ2	JPMORGAN CHASE & CO	2.550	3/1/2021	3/1/2021	A2	880,000	875,247.320	2.167	2.046	3.228	.58%	867,591.68
49327M2Q6	KEYBANK NA/CLEVELAND OH	2.500	11/22/2021	11/22/2021	A-	500,000	490,606.080	2.892	2.765	3.218	.33%	490,159.63
49327M2G8	KEYBANK NA/CLEVELAND OH	2.250	3/16/2020	3/16/2020	A3	300,000	296,509.900	1.208	1.175	3.151	.20%	296,812.36
49326EEF6	KEYCORP	2.900	9/15/2020	9/15/2020	BBB+	650,000	644,273.060	1.706	1.643	3.357	.43%	645,093.62
55279HAN0	MANUFACTURERS & TRADERS TRUST CO	2.050	8/17/2020	8/17/2020	A	1,280,000	1,255,204.640	1.628	1.568	3.302	.84%	1,254,777.14
61746BED4	MORGAN STANLEY	2.625	11/17/2021	11/17/2021	A3	1,085,000	1,062,004.960	2.878	2.747	3.507	.71%	1,058,989.31
61747WAF6	MORGAN STANLEY	5.750	1/25/2021	1/25/2021	A3	1,095,000	1,167,467.170	2.067	1.911	3.589	.77%	1,141,702.57
637432MU6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2.350	6/15/2020	6/15/2020	A1	1,080,000	1,091,535.300	1.456	1.401	3.071	.72%	1,068,984.36

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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
<b>FIXED INCOME (Continued)</b>												
<b>CORPORATES (Continued)</b>												
69371RP26	PACCAR FINANCIAL CORP	3.100	5/10/2021	5/10/2021	A1	1,515,000	1,514,686.860	2.358	2.251	3.276	1.01%	1,508,951.70
69353RFD5	PNC BANK NA	3.000	5/19/2020	5/19/2020	A	500,000	501,479.680	1.389	.135	3.354	.33%	498,927.07
69353RES3	PNC BANK NA	2.600	7/21/2020	7/21/2020	A	385,000	381,900.610	1.556	1.471	3.182	.26%	381,622.73
69353REP9	PNC BANK NA	2.300	6/1/2020	6/1/2020	A	490,000	484,648.020	1.417	1.371	3.279	.32%	483,402.86
69353RFH6	PNC BANK NA	2.500	1/22/2021	1/22/2021	A	800,000	789,969.100	2.058	1.948	3.170	.53%	789,393.38
74432QBP9	PRUDENTIAL FINANCIAL INC	4.500	11/15/2020	11/16/2020	A-	835,000	855,000.420	1.872	1.789	3.229	.57%	854,099.44
74432QBM6	PRUDENTIAL FINANCIAL INC	5.375	6/21/2020	6/22/2020	A-	420,000	431,322.960	1.472	1.418	3.239	.29%	432,793.12
86787EBA4	SUNTRUST BANK/ATLANTA GA	-				590,000	590,000.000	-	-	-	.40%	590,705.27
867914BK8	SUNTRUST BANKS INC	2.900	3/3/2021	3/3/2021	BBB+	1,010,000	1,002,540.480	2.172	2.036	3.315	.67%	1,001,262.97
91324PCH3	UNITEDHEALTH GROUP INC	2.875	12/15/2021	12/15/2021	A-	1,405,000	1,392,525.170	2.956	2.815	2.990	.94%	1,400,458.89
91159HHP8	US BANCORP	2.625	1/24/2022	1/24/2022	A+	805,000	792,570.340	3.064	2.865	3.149	.53%	792,768.19
90331HNP4	US BANK NA/CINCINNATI OH	3.150	4/26/2021	4/26/2021	AA-	1,300,000	1,299,939.500	2.236	2.169	3.106	.87%	1,301,197.95
94974BGM6	WELLS FARGO & CO	2.600	7/22/2020	7/22/2020	A2	1,650,000	1,635,971.910	1.558	1.499	3.242	1.10%	1,634,006.57
<b>CORPORATES TOTALS</b>							<b>44,431,255.440</b>					<b>44,245,710.18</b>
<b>MORTGAGES</b>												
31403CYQ8	FANNIE MAE POOL	5.500	12/1/2019	7/25/2019	Agency	14,134	14,320.210	.287	.278	3.213	.01%	14,173.01
3138L33G8	FANNIE MAE POOL	2.010	6/1/2020	6/25/2020	Agency	375,000	369,975.900	1.486	1.432	2.899	.25%	369,892.99
31374CNE2	FANNIE MAE POOL	5.000	5/1/2019	2/25/2019	Agency	521	522.360	.105	.104	(5.000)	0%	529.63
31402DPU8	FANNIE MAE POOL	5.000	11/1/2019	9/25/2019	Agency	40,804	40,804.460	.357	.348	(.840)	.03%	41,515.66
31381R5T7	FANNIE MAE POOL	3.770	9/1/2021	9/25/2021	Agency	1,805,000	1,839,166.990	2.736	2.501	2.963	1.23%	1,842,106.29
31381QB54	FANNIE MAE POOL	4.410	3/1/2021	3/25/2021	Agency	1,084,311	1,105,507.980	2.179	2.005	2.937	.75%	1,116,700.07
31381PTG3	FANNIE MAE POOL	3.800	12/1/2020	12/25/2020	Agency	220,857	222,783.510	1.943	1.813	2.814	.15%	224,700.08
3138L2GH4	FANNIE MAE POOL	1.870	7/1/2021	7/25/2021	Agency	1,017,738	990,380.570	2.484	2.361	2.771	.67%	995,458.65
3128MBQD2	FREDDIE MAC GOLD POOL	6.000	12/1/2022	1/15/2022	Agency	210,071	217,597.530	1.297	1.231	3.105	.15%	217,260.28
3128M1B99	FREDDIE MAC GOLD POOL	5.000	4/1/2021	10/15/2020	Agency	38,856	38,861.420	.782	.751	3.729	.03%	39,161.58
<b>MORTGAGES TOTALS</b>							<b>4,839,920.930</b>					<b>4,861,498.24</b>
<b>MUNICIPALS</b>												
032556BZ4	ANAHEIM HOUSING & PUBLIC IMPROVEMENTS AUTHORITY	1.304	10/1/2019	10/1/2019	AA-	1,245,000	1,245,000.000	.750	.737	2.947	.82%	1,229,923.05
130179RQ9	CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY	3.258	10/1/2020	10/1/2020	A2	820,000	820,000.000	1.750	1.688	2.956	.55%	824,198.40
13034PZF7	CALIFORNIA HOUSING FINANCE AGENCY	2.300	8/1/2020	8/3/2020	A1	1,000,000	1,000,000.000	1.583	1.535	3.009	.66%	989,110.00
13077CT46	CALIFORNIA STATE UNIVERSITY	2.332	11/1/2020	11/2/2020	AA-	695,000	702,758.170	1.833	1.780	2.897	.46%	688,029.15
50520PAB6	CITY OF LA VERNE CA	2.992	6/1/2020	6/1/2020	AA+	1,245,000	1,245,000.000	1.417	1.377	2.867	.84%	1,247,128.95
769036AY0	CITY OF RIVERSIDE CA	1.625	6/1/2019	6/3/2019	AA-	1,450,000	1,448,235.990	.417	.416	2.821	.97%	1,442,837.00
190335HF9	COAST COMMUNITY COLLEGE DISTRICT	1.556	8/1/2021	8/2/2021	Aa1	585,000	585,000.000	2.583	2.495	2.605	.38%	569,766.60
010878AK2	COUNTY OF ALAMEDA CA	3.500	8/1/2019	8/1/2019	AAA	1,250,000	1,257,676.730	.583	.567	2.761	.84%	1,255,287.50
713575S22	PERALTA COMMUNITY COLLEGE DISTRICT	6.159	8/1/2020	8/3/2020	A2	400,000	421,438.330	1.583	1.485	3.430	.28%	416,668.00
842477TV3	SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY	2.029	7/1/2020	7/1/2020	AA-	600,000	605,974.860	1.503	1.450	2.727	.40%	593,844.00
13063A7G3	STATE OF CALIFORNIA	6.200	10/1/2019	10/1/2019	AA-	525,000	537,941.790	.750	.726	2.794	.36%	538,151.25
13066YTY5	STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES POWER SUPPLY REVENUE	1.713	5/1/2021	5/3/2021	Aa1	1,143,214	1,143,213.860	2.082	2.020	2.874	.75%	1,116,599.84
677521DA1	STATE OF OHIO	4.424	5/1/2020	5/1/2020	AA+	2,195,000	2,233,657.520	1.333	1.284	2.913	1.50%	2,238,000.05

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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
<b>FIXED INCOME (Continued)</b>												
<b>MUNICIPALS (Continued)</b>												
91412HDG5	UNIVERSITY OF CALIFORNIA	2.836	5/15/2020	5/15/2020	AA-	1,000,000	1,000,000.000	1.372	1.333	2.822	.67%	1,000,170.00
<b>MUNICIPALS TOTALS</b>							<b>14,245,897.250</b>					<b>14,149,713.79</b>
<b>SOVEREIGN DEBT</b>												
4581XOCZ9	INTER-AMERICAN DEVELOPMENT BANK	1.750	9/14/2022	9/14/2022	AAA	750,000	742,392.920	3.706	3.537	2.658	.49%	726,100.50
45818WAV8	INTER-AMERICAN DEVELOPMENT BANK	2.476	1/15/2019	1/15/2019	Aaa	2,975,000	2,974,955.570	.042	.041	2.439	1.99%	2,975,029.75
459058GK3	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2.660	8/21/2020	8/21/2020	AAA	1,840,000	1,840,351.030	1.644	.016	2.680	1.23%	1,839,392.76
45950VHC3	INTERNATIONAL FINANCE CORP	2.468	1/9/2019	1/9/2019	Aaa	750,000	749,993.490	.025	.024	2.414	.50%	750,007.50
<b>SOVEREIGN DEBT TOTALS</b>							<b>6,307,693.010</b>					<b>6,290,530.51</b>
<b>US TREASURIES</b>												
912828SA9	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	1/15/2022	1/18/2022	Govt	726,206	731,646.090	3.041	3.004	2.480	.47%	704,904.36
912828UH1	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	1/15/2023	1/17/2023	Govt	1,533,728	1,517,351.930	4.041	3.984	2.481	.99%	1,481,352.28
912828VV9	UNITED STATES TREASURY NOTE/BOND	2.125	8/31/2020	8/31/2020	Govt	12,020,000	12,066,661.870	1.663	1.614	2.534	8.00%	11,940,179.75
912828B58	UNITED STATES TREASURY NOTE/BOND	2.125	1/31/2021	2/1/2021	Govt	11,125,000	11,057,657.820	2.084	2.009	2.506	7.40%	11,039,389.68
912828UF5	UNITED STATES TREASURY NOTE/BOND	1.125	12/31/2019	12/31/2019	Govt	6,775,000	6,778,147.990	1.000	.984	2.627	4.47%	6,675,227.56
912828VA5	UNITED STATES TREASURY NOTE/BOND	1.125	4/30/2020	4/30/2020	Govt	16,400,000	16,157,999.330	1.331	1.304	2.572	10.78%	16,091,218.83
<b>US TREASURIES TOTALS</b>							<b>48,309,465.030</b>					<b>47,932,272.46</b>
<b>FIXED INCOME TOTALS</b>							<b>147,936,558.480</b>					<b>147,227,493.61</b>
<b>PORTFOLIO TOTALS</b>							<b>149,162,188.960</b>					<b>149,216,560.46</b>

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HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
ALLSTATE CORP	ALL	020002BE0	US020002BE09	020002BE0	0.32%	\$791,396.64
AMERICAN EXPRESS CREDIT CORP	AXP	0258M0DY2	US0258M0DY27	0258M0DY2	0.81%	\$2,017,233.50
AMERICAN EXPRESS CREDIT CORP	AXP	0258M0EK1	US0258M0EK14	0258M0EK1	0.40%	\$999,329.83
AMERICAN HONDA FINANCE CORP	HNDA	02665WBJ9	US02665WBJ99	02665WBJ9	0.80%	\$2,002,069.60
AMERICAN HONDA FINANCE CORP	HNDA	02665WCL3	US02665WCL37	02665WCL3	0.80%	\$1,998,578.23
AMXCA 141 A	AMXCA	02582JGN4	US02582JGN46	02582JGN4	0.40%	\$1,001,823.74
ANAHEIM CALIF REDEV AGY SUCCESSOR AGY TAX ALLOCATI	ANADEV	032564AN6	US032564AN61	032564AN6	0.28%	\$706,251.00
BACCT 161 A	BACCT	05522RCV8	US05522RCV87	05522RCV8	0.88%	\$2,204,031.22
BANK OF AMERICA CORP	BAC	06051GFE4	US06051GFE44	06051GFE4	0.33%	\$828,051.94
BANK OF AMERICA CORP	BAC	06051GFD6	US06051GFD60	06051GFD6	0.66%	\$1,634,064.25
BANK OF AMERICA NA	BAC	06050TMH2	US06050TMH22	06050TMH2	0.40%	\$999,188.54
BB&T CORP	BBT	05531FAW3	US05531FAW32	05531FAW3	1.01%	\$2,506,458.11
BERKSHIRE HATHAWAY FINANCE CORP	BRK	084664CP4	US084664CP42	084664CP4	0.93%	\$2,314,010.84
BRANCH BANKING AND TRUST CO	BBT	07330NAL9	US07330NAL91	07330NAL9	0.69%	\$1,728,497.51
Cafco, LLC	C	1247P3QC9	US1247P3QC95	1247P3QC9	2.00%	\$4,972,931.25
Cash	---	CCYUSD	---	CCYUSD	0.00%	\$5,708.56
CATERPILLAR FINANCIAL SERVICES CORP	CAT	14912L6R7	US14912L6R76	14912L6R7	0.38%	\$946,888.35
CATERPILLAR FINANCIAL SERVICES CORP	CAT	14913Q2P3	US14913Q2P38	14913Q2P3	0.40%	\$995,306.10
CHAIT 145 A	CHAIT	161571GN8	US161571GN89	161571GN8	0.87%	\$2,178,976.85
CHARLES SCHWAB CORP	SCHW	808513AV7	US808513AV74	808513AV7	1.60%	\$3,996,798.91
CHEVRON CORP	CVX	166751AJ6	US166751AJ66	166751AJ6	1.01%	\$2,516,819.59
CITIBANK NA	C	17325FAG3	US17325FAG37	17325FAG3	1.10%	\$2,749,365.49
CITIBANK NA	C	17325FAM0	US17325FAM05	17325FAM0	0.50%	\$1,241,794.94
COMCAST CORP	CMCSA	20030NCW9	US20030NCW92	20030NCW9	0.64%	\$1,595,959.02
COMET 144A A	COMET	14041NES6	US14041NES62	14041NES6	1.06%	\$2,651,309.65
CREDIT SUISSE FIRST BOSTON NEW YORK BRANCH	CS	22546QAC1	US22546QAC15	22546QAC1	1.64%	\$4,079,993.18
FEDERAL FARM CREDIT BANKS	FFCBDN	313312DF4	US313312DF42	313312DF4	3.99%	\$9,948,910.00
FEDERAL FARM CREDIT BANKS	FFCBDN	313312KB5	US313312KB54	313312KB5	0.20%	\$492,500.00
FEDERAL FARM CREDIT BANKS	FFCBDN	313312LV0	US313312LV00	313312LV0	1.97%	\$4,910,060.00
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EFLA3	US3133EFLA30	3133EFLA3	0.40%	\$991,012.67
FEDERAL HOME LOAN BANKS	FHLB	3133XU3G6	US3133XU3G68	3133XU3G6	0.41%	\$1,030,528.00
FEDERAL HOME LOAN BANKS	FHLBDN	313384DQ9	US313384DQ91	313384DQ9	2.00%	\$4,971,430.00
FEDERAL HOME LOAN BANKS	FHLBDN	313384AT6	US313384AT67	313384AT6	4.01%	\$9,989,420.00
FEDERAL HOME LOAN BANKS	FHLBDN	313384AY5	US313384AY52	313384AY5	0.52%	\$1,298,195.60
FEDERAL HOME LOAN BANKS	FHLBDN	313384BE8	US313384BE89	313384BE8	4.01%	\$9,982,150.00
FEDERAL HOME LOAN BANKS	FHLBDN	313384DW6	US313384DW69	313384DW6	2.00%	\$4,969,160.00
FEDERAL HOME LOAN BANKS	FHLBDN	313384AL3	US313384AL32	313384AL3	4.01%	\$9,994,050.00
FEDERAL HOME LOAN BANKS	FHLBDN	313384AP4	US313384AP46	313384AP4	0.40%	\$999,207.00
FEDERAL HOME LOAN BANKS	FHLBDN	313384FV6	US313384FV68	313384FV6	2.82%	\$7,033,316.80
FEDERAL HOME LOAN MORTGAGE CORP	FHLMC	3134G92B2	US3134G92B29	3134G92B2	2.21%	\$5,516,025.47
FEDERAL HOME LOAN MORTGAGE CORP	FHLMC	3134GABN3	US3134GABN39	3134GABN3	1.20%	\$2,987,604.67
FEDERAL HOME LOAN MORTGAGE CORP	FHLMC	3134GAK78	US3134GAK781	3134GAK78	1.21%	\$3,015,735.00
FEDERAL HOME LOAN MORTGAGE CORP	FREDN	313396AT0	US313396AT06	313396AT0	4.05%	\$10,089,314.20
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0K77	US3135G0K772	3135G0K77	0.80%	\$1,989,812.00
FIDELITY IMM:GOVT I	FIGXX	316175108	US3161751082	316175108	0.54%	\$1,341,452.78
FIFTH THIRD BANK	FITB	31677QBB4	US31677QBB41	31677QBB4	0.60%	\$1,493,412.35
FITAT 171 A2B	FITAT	31679RAC9	US31679RAC97	31679RAC9	0.13%	\$325,525.49

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GENERAL DYNAMICS CORP	GD	369550BF4	US369550BF47	369550BF4	1.71%	\$4,252,957.10
GOLDMAN SACHS GROUP INC	GS	38141GWF7	US38141GWF70	38141GWF7	1.00%	\$2,490,898.20
HSBC USA INC (NEW)	HSBC	40434CAC9	US40434CAC91	40434CAC9	0.40%	\$996,504.00
HSBC USA INC (NEW)	HSBC	40428HPP1	US40428HPP19	40428HPP1	0.89%	\$2,211,699.26
HSBC USA INC (NEW)	HSBC	40428HPN6	US40428HPN60	40428HPN6	0.62%	\$1,550,025.04
INTER-AMERICAN DEVELOPMENT BANK	IADB	4581X0BG2	US4581X0BG29	4581X0BG2	0.72%	\$1,783,994.53
INTER-AMERICAN DEVELOPMENT BANK	IADB	4581X0CH9	US4581X0CH92	4581X0CH9	0.50%	\$1,245,325.56
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	IBRD	459058DW0	US459058DW08	459058DW0	2.00%	\$4,988,756.67
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	IBRD	459058FC2	US459058FC26	459058FC2	0.56%	\$1,397,209.72
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	IBRD	459058FK4	US459058FK42	459058FK4	1.99%	\$4,961,027.78
JOHN DEERE CAPITAL CORP	DE	24422EUL1	US24422EUL19	24422EUL1	1.61%	\$4,004,196.71
JPMORGAN CHASE BANK NA	JPM	48125LRP9	US48125LRP93	48125LRP9	0.80%	\$1,992,052.89
JPMORGAN CHASE BANK NA	JPM	48125LRQ7	US48125LRQ76	48125LRQ7	0.80%	\$1,997,039.99
Kaiser Foundation Hospitals	KPERM	48306BP66	US48306BP662	48306BP66	1.60%	\$3,988,599.88
Kaiser Foundation Hospitals	KPERM	48306BNG6	US48306BNG67	48306BNG6	1.00%	\$2,497,047.78
LOS ANGELES CALIF	LOS	544351MK2	US544351MK20	544351MK2	1.49%	\$3,712,669.27
MORGAN STANLEY	MS	61747YJC2	US61747YJC29	61747YJC2	1.03%	\$2,575,278.75
MUFG UNION BANK NA	UNBC	90520EAF8	US90520EAF88	90520EAF8	0.40%	\$1,000,239.50
NAROT 17B A2B	NAROT	65478GAC4	US65478GAC42	65478GAC4	0.35%	\$881,344.42
National Securities Clearing Corporation	DEPTCC	63763QQR1	US63763QQR10	63763QQR1	1.99%	\$4,968,196.65
National Securities Clearing Corporation	DEPTCC	63763QP84	US63763QP845	63763QP84	0.32%	\$797,781.34
Old Line Funding, LLC	OLDLLC	67983UN82	US67983UN826	67983UN82	1.61%	\$3,997,792.00
Old Line Funding, LLC	OLDLLC	67983UP80	US67983UP805	67983UP80	0.44%	\$1,096,910.01
PNC BANK NA	PNC	69353RDZ8	US69353RDZ82	69353RDZ8	0.59%	\$1,468,470.71
Receivable	---	CCYUSD	---	CCYUSD	0.00%	\$949.04
SOUTHERN CALIF PUB PWR AUTH TRANSMISSION PROJ REV	STNPWR	842477TU5	US842477TU51	842477TU5	0.40%	\$1,004,715.00
TAOT 17D A2B	TAOT	89238KAC6	US89238KAC62	89238KAC6	0.54%	\$1,357,120.47
The Coca-Cola Company	KO	19121BNH8	US19121BNH86	19121BNH8	1.60%	\$3,995,296.68
The Coca-Cola Company	KO	19121BNF2	US19121BNF21	19121BNF2	0.80%	\$1,997,933.34
Thunder Bay Funding, LLC	TBLLC	88602UN89	US88602UN892	88602UN89	1.30%	\$3,228,217.04
Thunder Bay Funding, LLC	TBLLC	88602UPC8	US88602UPC89	88602UPC8	1.20%	\$2,990,654.67
TOYOTA MOTOR CREDIT CORP	TOYOTA	89236TEV3	US89236TEV35	89236TEV3	1.26%	\$3,142,705.67
TULARE CNTY CALIF PENSION OBLIG	TULGEN	899154AR9	US899154AR99	899154AR9	0.59%	\$1,457,302.54
UNITED STATES TREASURY	T	912828TV2	US912828TV24	912828TV2	3.58%	\$8,917,666.96
UNITEDHEALTH GROUP INC	UNH	91324PDG4	US91324PDG46	91324PDG4	0.60%	\$1,490,004.12
UNIVERSITY CALIF REVS	UNVHGR	91412HBF9	US91412HBF91	91412HBF9	0.44%	\$1,103,069.00
US BANK NA	USB	90331HNE9	US90331HNE98	90331HNE9	0.36%	\$901,941.53
US BANK NA	USB	90331HNN2	US90331HNN20	90331HNN2	1.20%	\$2,993,024.94
VALET 181 A2B	VALET	92868LAC5	US92868LAC54	92868LAC5	1.21%	\$3,003,505.73
VZOT 18A A1B	VZOT	92348XAB1	US92348XAB10	92348XAB1	2.25%	\$5,601,395.39
WALMART INC	WMT	931142EH2	US931142EH28	931142EH2	0.80%	\$1,995,586.88

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
<b>CASH &amp; CASH EQUIVALENTS</b>												
<b>CASH</b>												
NA9123459	US DOLLARS	2.503	1/2/2019		Agency	2,163,476	2,163,475.900	0.000	-	2.503	2.19%	2,163,475.90
USD120030	USD INTEREST RECEIVABLE	-				556,114	0.000	-	-	-	.56%	556,113.58
USD220010	USD PAYABLE FOR INVESTMENTS PURCHASED	-				(1,996,181)	(1,996,181.180)	-	-	-	(2.02%)	(1,996,181.18)
<b>CASH TOTALS</b>							<b>167,294.720</b>					<b>723,408.30</b>
<b>CASH &amp; CASH EQUIVALENTS TOTALS</b>							<b>167,294.720</b>					<b>723,408.30</b>
<b>FIXED INCOME</b>												
<b>AGENCIES</b>												
3130AAMQ8	FEDERAL HOME LOAN BANKS	1.250	1/18/2019	1/18/2019	Agency	1,925,000	1,923,902.920	.047	.049	2.324	1.95%	1,924,012.48
3134G9V38	FEDERAL HOME LOAN MORTGAGE CORP	1.500	7/27/2021	7/27/2021	Agency	500,000	491,557.500	1.572	1.358	2.534	.50%	494,461.00
3134GSTK1	FEDERAL HOME LOAN MORTGAGE CORP	3.000	8/23/2021	8/23/2021	Agency	1,500,000	1,500,664.320	.144	.380	2.748	1.52%	1,500,480.00
<b>AGENCIES TOTALS</b>							<b>3,916,124.740</b>					<b>3,918,953.48</b>
<b>ASSET BACKED</b>												
17305EFM2	CITIBANK CREDIT CARD ISSUANCE TRUST	2.880	1/23/2023	1/21/2021	Aaa	565,000	564,017.330	2.058	1.961	2.903	.57%	564,693.49
26209BAE9	DRIVE AUTO RECEIVABLES TRUST	-				550,000	550,114.810	-	-	-	.56%	548,912.43
47787XAC1	JOHN DEERE OWNER TRUST 2017	1.780	4/15/2021	5/15/2020	Aaa	264,210	264,202.350	.606	.589	2.986	.27%	262,322.42
58769DAD2	MERCEDES-BENZ AUTO LEASE TRUST 2017-A	1.790	4/15/2020	7/15/2019	AAA	1,380,000	1,378,100.540	.268	.260	2.916	1.39%	1,375,861.93
65475WAD0	NISSAN AUTO RECEIVABLES 2015-B OWNER TRUST	1.340	3/16/2020	2/15/2019	Aaa	60,647	60,623.210	.079	.078	2.919	.06%	60,569.78
65478DAD9	NISSAN AUTO RECEIVABLES 2018-A OWNER TRUST	2.650	5/16/2022	4/15/2021	Aaa	255,000	252,448.010	1.525	1.473	2.986	.26%	253,786.07
<b>ASSET BACKED TOTALS</b>							<b>3,069,506.250</b>					<b>3,066,146.12</b>
<b>CMBS</b>												
3137AXHP1	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.573	9/25/2022	9/25/2022	Aaa	1,100,000	1,112,640.600	3.459	3.265	2.871	1.10%	1,087,859.08
<b>CMBS TOTALS</b>							<b>1,112,640.600</b>					<b>1,087,859.08</b>
<b>CMOS</b>												
3136A5KR6	FANNIE MAE REMICS	1.750	10/25/2022	5/25/2021	Agency	297,502	292,935.740	1.150	1.134	2.960	.30%	293,160.27
31398VUA2	FREDDIE MAC REMICS	2.000	3/15/2019	2/15/2019	Agency	1,153	1,153.180	.062	.061	4.405	0%	1,150.54
3137A1LC5	FREDDIE MAC REMICS	2.000	8/15/2020	2/15/2020	Agency	33,230	33,235.850	.514	.500	3.071	.03%	33,024.82
62888WAA4	NON GUARANTEED NOT V	2.878	12/8/2020	11/5/2020	Aaa	366,825	367,426.980	1.546	.096	2.927	.37%	367,823.96
<b>CMOS TOTALS</b>							<b>694,751.750</b>					<b>695,159.59</b>
<b>CORPORATES</b>												
0258M0EE5	AMERICAN EXPRESS CREDIT CORP	2.200	3/3/2020	3/3/2020	A2	820,000	812,063.600	1.172	1.130	3.140	.82%	811,184.35
0258M0DY2	AMERICAN EXPRESS CREDIT CORP	3.828	9/14/2020	9/14/2020	A2	300,000	302,176.210	1.703	.205	3.525	.31%	302,010.87
03076CAE6	AMERIPRISE FINANCIAL INC	5.300	3/15/2020	3/16/2020	A3	605,000	624,543.050	1.206	1.154	3.130	.63%	620,386.38
06051GEU9	BANK OF AMERICA CORP	3.300	1/11/2023	1/11/2023	A-	370,000	367,914.900	4.028	3.698	3.708	.37%	364,397.84
06051GGS2	BANK OF AMERICA CORP	2.328	10/1/2021	10/1/2021	A-	1,295,000	1,291,078.460	2.750	1.716	3.469	1.29%	1,269,722.58
06406RAE7	BANK OF NEW YORK MELLON CORP/THE	2.950	1/29/2023	1/30/2023	A1	882,000	878,353.450	4.078	3.750	3.366	.88%	868,118.78
05531FAU7	BB&T CORP	2.625	6/29/2020	6/29/2020	A2	850,000	854,232.740	1.494	1.434	3.243	.85%	842,390.83
14040HBY0	CAPITAL ONE FINANCI	3.450	4/30/2021	4/30/2021	Baa1	600,000	599,590.080	2.333	2.175	3.470	.61%	599,717.98
808513AW5	CHARLES SCHWAB CORP/THE	3.250	5/21/2021	5/21/2021	A	510,000	509,986.940	2.300	2.229	3.035	.52%	512,488.98

CalOptima (The Orange County Health Authority)

Account #: LCEF0023802

As of 12/31/2018



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
<b>FIXED INCOME (Continued)</b>												
<b>CORPORATES (Continued)</b>												
172967LC3	CITIGROUP INC	2.900	12/8/2021	12/8/2021	BBB+	1,610,000	1,602,424.040	2.936	2.766	3.484	1.60%	1,583,962.37
20030NCP4	COMCAST CORP	-				620,000	619,847.520	-	-	-	.63%	622,371.41
202795HV5	COMMONWEALTH EDISON CO	4.000	8/1/2020	8/3/2020	A	480,000	494,236.700	1.328	1.293	2.913	.49%	486,806.79
31677QBG3	FIFTH THIRD BANK/CINCINNATI OH	2.250	6/14/2021	6/14/2021	A-	715,000	721,058.800	2.453	2.348	3.267	.71%	697,980.25
369550BE7	GENERAL DYNAMICS CORP	3.000	5/11/2021	5/11/2021	A2	800,000	795,624.290	2.361	2.257	2.963	.81%	800,646.94
36962G5J9	GENERAL ELECTRIC CO	4.650	10/17/2021	10/18/2021	BBB+	675,000	697,743.550	2.794	2.598	4.532	.69%	677,024.59
38148PP84	GOLDMAN SACHS BANK USA/NEW YORK NY	3.200	6/5/2020	6/5/2020	A+	480,000	479,920.800	1.428	1.387	3.330	.49%	479,131.58
44644AAB3	HUNTINGTON NATIONAL BANK/THE	2.500	8/7/2022	8/8/2022	A-	445,000	431,191.100	3.600	3.369	3.510	.44%	429,914.34
44932HAK9	IBM CREDIT LLC	3.450	11/30/2020	11/30/2020	A	1,070,000	1,069,192.140	1.917	1.841	3.169	1.09%	1,075,532.09
46625HJE1	JPMORGAN CHASE & CO	3.250	9/23/2022	9/23/2022	A2	920,000	942,165.620	3.728	3.466	3.478	.92%	912,694.72
46625HHS2	JPMORGAN CHASE & CO	4.400	7/22/2020	7/22/2020	A2	595,000	605,958.890	1.558	1.475	3.200	.61%	605,760.45
46625HJH4	JPMORGAN CHASE & CO	3.200	1/25/2023	1/25/2023	A2	1,000,000	987,295.130	4.067	3.745	3.588	1.00%	985,430.70
49327M2T0	KEYBANK NA/CLEVELAND OH	2.300	9/14/2022	9/14/2022	A-	1,675,000	1,665,536.180	3.703	3.500	3.380	1.63%	1,612,516.20
55279HAL4	MANUFACTURERS & TRADERS TRUST CO	2.500	5/18/2022	5/18/2022	A	900,000	903,683.430	3.381	3.186	3.402	.89%	874,255.06
61746BED4	MORGAN STANLEY	2.625	11/17/2021	11/17/2021	A3	715,000	699,969.230	2.878	2.747	3.507	.71%	697,859.31
61747WAF6	MORGAN STANLEY	5.750	1/25/2021	1/25/2021	A3	730,000	776,695.760	2.067	1.911	3.589	.77%	761,135.05
637432MU6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2.350	6/15/2020	6/15/2020	A1	810,000	818,499.130	1.456	1.401	3.071	.81%	801,738.27
68389XBR5	ORACLE CORP	2.625	2/15/2023	2/15/2023	A1	1,000,000	975,779.680	4.122	3.822	3.270	.99%	975,310.23
69371RP26	PACCAR FINANCIAL CORP	3.100	5/10/2021	5/10/2021	A1	1,000,000	999,796.640	2.358	2.251	3.276	1.01%	996,007.72
69353RFH6	PNC BANK NA	2.500	1/22/2021	1/22/2021	A	1,300,000	1,282,023.680	2.058	1.948	3.170	1.30%	1,282,764.24
74432QBP9	PRUDENTIAL FINANCIAL INC	4.500	11/15/2020	11/16/2020	A-	615,000	629,589.210	1.872	1.789	3.229	.64%	629,067.25
86787EBA4	SUNTRUST BANK/ATLANTA GA	-				390,000	390,000.000	-	-	-	.40%	390,466.20
867914BK8	SUNTRUST BANKS INC	2.900	3/3/2021	3/3/2021	BBB+	500,000	497,294.240	2.172	2.036	3.315	.50%	495,674.74
91159HHP8	US BANCORP	2.625	1/24/2022	1/24/2022	A+	530,000	521,876.970	3.064	2.865	3.149	.53%	521,946.76
90331HNP4	US BANK NA/CINCINNATI OH	3.150	4/26/2021	4/26/2021	AA-	840,000	839,962.100	2.236	2.169	3.106	.85%	840,774.06
94974BGR5	WELLS FARGO & CO	2.550	12/7/2020	12/7/2020	A2	950,000	963,238.040	1.933	1.872	3.308	.95%	936,613.10
98389BAS9	XCEL ENERGY INC	2.400	3/15/2021	3/15/2021	BBB+	750,000	760,860.110	2.206	2.089	3.122	.75%	738,532.60
<b>CORPORATES TOTALS</b>							<b>28,411,402.410</b>					<b>28,102,335.61</b>
<b>MORTGAGES</b>												
31374CNE2	FANNIE MAE POOL	5.000	5/1/2019	2/25/2019	Agency	745	747.120	.105	.104	(5.000)	0%	757.83
31381Q6B7	FANNIE MAE POOL	4.295	6/1/2021	6/25/2021	Agency	1,148,406	1,208,994.830	2.485	2.271	2.939	1.20%	1,184,478.36
3138EJRP5	FANNIE MAE POOL	4.381	6/1/2021	5/25/2021	Agency	774,571	811,381.840	2.340	2.144	2.851	.81%	800,360.55
31381R5T7	FANNIE MAE POOL	3.770	9/1/2021	9/25/2021	Agency	1,190,000	1,212,390.410	2.736	2.501	2.963	1.23%	1,214,463.43
<b>MORTGAGES TOTALS</b>							<b>3,233,514.200</b>					<b>3,200,060.17</b>
<b>MUNICIPALS</b>												
032556BZ4	ANAHEIM HOUSING & PUBLIC IMPROVEMENTS AUTHORITY	1.304	10/1/2019	10/1/2019	AA-	885,000	885,000.000	.750	.737	2.947	.89%	874,282.65
072031AF4	BAY AREA WATER SUPPLY & CONSERVATION AGENCY	1.914	10/1/2019	10/1/2019	Aa3	150,000	150,077.310	.750	.736	2.912	.15%	148,894.50
13034PUF2	CALIFORNIA HOUSING FINANCE AGENCY	2.379	8/1/2020	8/3/2020	A1	450,000	449,053.980	1.583	1.534	2.999	.45%	445,711.50
13034PZH3	CALIFORNIA HOUSING FINANCE AGENCY	2.512	8/1/2021	8/2/2021	A1	675,000	675,000.000	2.583	2.462	2.956	.68%	667,595.25
13077CT46	CALIFORNIA STATE UNIVERSITY	2.332	11/1/2020	11/2/2020	AA-	495,000	500,364.890	1.833	1.780	2.897	.50%	490,035.15
13077CT38	CALIFORNIA STATE UNIVERSITY	1.982	11/1/2019	11/1/2019	AA-	245,000	245,000.000	.833	.819	2.970	.25%	243,017.95

Portfolio Profile

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<b>FIXED INCOME (Continued)</b>												
<b>MUNICIPALS (Continued)</b>												
45656RCK6	CITY OF INDUSTRY CA	2.500	1/1/2020	1/2/2020	A1	230,000	229,916.300	1.003	.973	2.936	.23%	228,999.50
50520PAD2	CITY OF LA VERNE CA	3.216	6/1/2022	6/1/2022	AA+	1,000,000	994,189.320	3.417	3.215	2.844	1.03%	1,012,020.00
544445AZ2	CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS	2.092	5/15/2020	5/15/2020	AA	715,000	715,000.000	1.372	1.338	2.798	.72%	708,236.10
190335HF9	COAST COMMUNITY COLLEGE DISTRICT	1.556	8/1/2021	8/2/2021	Aa1	415,000	415,000.000	2.583	2.495	2.605	.41%	404,193.40
70914PPE6	COMMONWEALTH OF PENNSYLVANIA	4.250	7/15/2020	7/15/2020	Aa3	500,000	515,178.790	1.539	1.458	2.783	.52%	510,970.00
899154AV0	COUNTY OF TULARE CA	3.348	6/1/2023	6/1/2023	A1	1,000,000	1,000,000.000	4.417	4.082	3.035	1.03%	1,012,830.00
452650JD7	IMPERIAL IRRIGATION DISTRICT ELECTRIC SYSTEM REVENUE	1.320	11/1/2019	11/1/2019	AA-	655,000	654,468.500	.833	.821	2.897	.65%	646,550.50
54473ERR7	LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY	2.560	12/1/2019	12/2/2019	Aa2	305,000	305,213.780	.917	.902	2.917	.31%	304,017.90
683042AC9	ONTARIO INTERNATIONAL AIRPORT AUTHORITY	1.818	5/15/2019	5/15/2019	A-	490,000	490,000.000	.372	.365	2.816	.49%	488,187.00
76886PFB4	RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION	2.848	8/1/2020	8/3/2020	Aa2	355,000	358,505.560	1.583	1.528	2.771	.36%	355,415.35
786073AA4	SACRAMENTO CA TRANS	3.455	6/1/2021	6/1/2021	A1	805,000	805,000.000	2.417	2.304	2.952	.82%	814,362.15
842477TV3	SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY	2.029	7/1/2020	7/1/2020	AA-	780,000	787,579.970	1.503	1.450	2.727	.78%	771,997.20
784710AB1	SSM HEALTH CARE CORP	3.688	6/1/2023	6/1/2023	A+	600,000	597,421.380	4.167	3.935	3.450	.61%	605,503.40
13066TY5	STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES POWER SUPPLY REVENUE	1.713	5/1/2021	5/3/2021	Aa1	815,203	815,203.130	2.082	2.020	2.874	.81%	796,225.20
<b>MUNICIPALS TOTALS</b>							<b>11,587,172.910</b>					<b>11,529,044.70</b>
<b>SOVEREIGN DEBT</b>												
4581XOCZ9	INTER-AMERICAN DEVELOPMENT BANK	1.750	9/14/2022	9/14/2022	AAA	1,000,000	989,962.950	3.706	3.537	2.658	.98%	968,134.00
45818WAV8	INTER-AMERICAN DEVELOPMENT BANK	2.476	1/15/2019	1/15/2019	Aaa	2,985,000	2,984,956.340	.042	.041	2.439	3.02%	2,985,029.85
459058GK3	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2.660	8/21/2020	8/21/2020	AAA	725,000	725,074.040	1.644	.016	2.680	.73%	724,760.74
45950VHC3	INTERNATIONAL FINANCE CORP	2.468	1/9/2019	1/9/2019	Aaa	2,800,000	2,799,999.400	.025	.024	2.414	2.84%	2,800,028.00
<b>SOVEREIGN DEBT TOTALS</b>							<b>7,499,992.730</b>					<b>7,477,952.59</b>
<b>US TREASURIES</b>												
912828SA9	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	1/15/2022	1/18/2022	Govt	3,005,376	3,010,404.690	3.041	3.004	2.480	2.96%	2,917,219.58
912828UH1	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	1/15/2023	1/17/2023	Govt	1,013,356	1,002,540.710	4.041	3.984	2.481	.99%	978,750.61
912828VV9	UNITED STATES TREASURY NOTE/BOND	2.125	8/31/2020	8/31/2020	Govt	5,400,000	5,450,966.200	1.663	1.614	2.534	5.43%	5,364,140.65
912828B58	UNITED STATES TREASURY NOTE/BOND	2.125	1/31/2021	2/1/2021	Govt	5,505,000	5,560,202.590	2.084	2.009	2.506	5.53%	5,462,637.32
912828J43	UNITED STATES TREASURY NOTE/BOND	1.750	2/28/2022	2/28/2022	Govt	3,125,000	3,089,160.610	3.163	3.032	2.470	3.10%	3,056,884.75
912828L57	UNITED STATES TREASURY NOTE/BOND	1.750	9/30/2022	9/30/2022	Govt	6,585,000	6,445,101.810	3.747	3.580	2.492	6.49%	6,411,114.84
912828L99	UNITED STATES TREASURY NOTE/BOND	1.375	10/31/2020	11/2/2020	Govt	4,895,000	4,854,001.670	1.831	1.794	2.516	4.86%	4,795,570.31
912828S76	UNITED STATES TREASURY NOTE/BOND	1.125	7/31/2021	8/2/2021	Govt	8,250,000	8,008,661.080	2.584	2.511	2.483	8.07%	7,971,240.26

**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
<i>FIXED INCOME (Continued)</i>												
<i>US TREASURIES (Continued)</i>												
912828VA5	UNITED STATES TREASURY NOTE/BOND	1.125	4/30/2020	4/30/2020	Govt	2,000,000	1,960,899.590	1.331	1.304	2.572	1.99%	1,962,343.76
<b>US TREASURIES TOTALS</b>							<b>39,381,938.950</b>					<b>38,919,902.08</b>
<b>FIXED INCOME TOTALS</b>							<b>98,907,044.540</b>					<b>97,997,413.42</b>
<b>PORTFOLIO TOTALS</b>							<b>99,074,339.260</b>					<b>98,720,821.72</b>

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
<b>Cash</b>							
	CASH OR STIF	USD	1,649,144.41	1,649,144.41	0.00	1.000	0.66%
<b>Total for Cash</b>			<b>1,649,144.41</b>	<b>1,649,144.41</b>	<b>0.00</b>		<b>0.66%</b>
<b>Money Markets</b>							
7,000,000.000	U.S. TREASURY BILL	912796UJ6	6,985,937.78	6,986,000.78	63.00	99.907	2.80%
	Mat: 1/15/19	Cpn: 0.00%	0.00	7,910.00			
	Moody's: Aaa	S&P: AA+u	Fitch: AAA				
	Tr Date: 12/14/18	St Date: 12/14/18					
2,500,000.000	TORONTO DOMINION NY YCD 3ML FRN	89113XK78	2,500,000.00	2,500,082.23	82.23	100.003	1.00%
	Mat: 1/18/19	Cpn: 2.52%	0.00	13,148.75			
	Moody's: P-1	S&P: A-1+	Fitch: F1+				
	Tr Date: 4/26/18	St Date: 4/27/18					
2,500,000.000	TOYOTA MOTOR CREDIT 3ML FRN CPI	89233AB32	2,500,000.00	2,500,136.73	136.73	100.006	1.00%
	Mat: 1/18/19	Cpn: 2.57%	0.00	12,302.03			
	Moody's: P-1	S&P: A-1+	Fitch: F1				
	Tr Date: 4/23/18	St Date: 4/24/18					
1,220,000.000	SVENSKA HANDELSBANKEN NY YCD 3ML FRN	86958JE88	1,220,000.00	1,220,036.73	36.73	100.003	0.49%
	Mat: 1/28/19	Cpn: 2.55%	0.00	5,529.04			
	Moody's: P-1	S&P: A-1+	Fitch: F1+				
	Tr Date: 5/2/18	St Date: 5/3/18					
100,000,000.000	U.S. TREASURY BILL	912796QW2	99,643,951.38	99,643,117.49	(833.89)	99.753	39.89%
	Mat: 2/7/19	Cpn: 0.00%	0.00	116,525.00			
	Moody's: Aaa	S&P: AA+u	Fitch: AAA				
	Tr Date: 12/14/18	St Date: 12/14/18					
2,500,000.000	CREDIT AGRICOLE NY FRN YCD	22532XJK5	2,500,000.00	2,500,266.60	266.60	100.011	1.00%
	Mat: 2/12/19	Cpn: 2.69%	0.00	8,032.64			
	Moody's: P-1	S&P: A-1	Fitch: F1				
	Tr Date: 5/16/18	St Date: 5/18/18					
1,400,000.000	NATL BANK OF CANADA FRN YCD	63307UMF5	1,401,272.60	1,400,382.86	(889.74)	100.027	0.56%
	Mat: 2/14/19	Cpn: 2.83%	3,554.95	5,290.38			
	Moody's: P-1	S&P: A-1	Fitch: F1				
	Tr Date: 9/18/18	St Date: 9/19/18					
50,000,000.000	U.S. TREASURY BILL	912796QX0	49,724,501.39	49,721,320.14	(3,181.25)	99.705	19.93%
	Mat: 2/14/19	Cpn: 0.00%	0.00	134,545.83			
	Moody's: Aaa	S&P: AA+u	Fitch: AAA				
	Tr Date: 11/19/18	St Date: 11/20/18					



**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
2,000,000.000	OVERSEA-CHINESE BANKING NY YCD Mat: 2/19/19 Cpn: 2.65% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 11/7/18 St Date: 11/9/18	69033MCY1	1,999,996.71	441.67	2,000,007.54 8,244.44	10.83	100.000	0.80%
2,500,000.000	BANK OF NOVA SCOTIA HOUSTON YCD 3ML FRN Mat: 2/28/19 Cpn: 2.92% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 4/18/18 St Date: 4/20/18	06417GXV5	2,500,725.00	7,771.09	2,500,882.18 6,481.40	157.18	100.035	1.00%
2,290,000.000	BNP PARIBAS NY YCD 3ML FRN Mat: 4/17/19 Cpn: 2.62% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 4/16/18 St Date: 4/17/18	05582W3L6	2,290,000.00	0.00	2,290,000.00 12,660.49	0.00	100.000	0.92%
2,500,000.000	DNB BANK ASA FRN CD Mat: 5/16/19 Cpn: 2.68% Moody's: P-1 S&P: A-1 Fitch: NR Tr Date: 5/15/18 St Date: 5/16/18	23341VGH8	2,500,000.00	0.00	2,498,000.00 8,557.92	(2,000.00)	99.920	1.00%
2,350,000.000	NORDEA BANK NY YCD FRN Mat: 5/21/19 Cpn: 2.72% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 5/18/18 St Date: 5/21/18	65590AWK8	2,350,000.00	0.00	2,350,070.50 7,268.56	70.50	100.003	0.94%
<b>Total for Money Markets</b>			<b>178,116,384.86</b>	<b>11,767.71</b>	<b>178,110,303.77</b>	<b>(6,081.09)</b>		<b>71.36%</b>

**Government Related**

2,370,000.000	IBRD FRN SOFR+22 Mat: 8/21/20 Cpn: 2.68% Moody's: Aaa S&P: AAA Fitch: Tr Date: 8/14/18 St Date: 8/21/18	459058GK3	2,370,000.00	0.00	2,372,033.46 6,779.52	2,033.46	100.086	0.95%
<b>Total for Government Related</b>			<b>2,370,000.00</b>	<b>0.00</b>	<b>2,372,033.46</b>	<b>2,033.46</b>		<b>0.95%</b>

**Taxable Muni**

1,245,000.000	HI STATE GO/ULT TXB Mat: 1/1/19 Cpn: 2.20% Moody's: Aa1 S&P: AA+ Fitch: AA Tr Date: 1/31/18 St Date: 2/14/18	419792WZ5	1,245,000.00	0.00	1,245,000.00 13,695.00	0.00	100.000	0.50%
2,750,000.000	CA POMONA REDEV AGY TAX ALLOCATION TXB Mat: 2/1/19 Cpn: 2.65% Moody's: S&P: A+ Fitch: Tr Date: 9/27/18 St Date: 10/11/18	73209MAA5	2,750,000.00	0.00	2,749,213.50 16,194.44	(786.50)	99.971	1.11%



**CALOPTIMA - OPERATING FUND**

Portfolio 2480

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,350,000.000	CA SAN JOSE FIN AUTH CP TXB Mat: 3/7/19 Cpn: 2.80% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 12/20/18 St Date: 12/20/18	79815QFE6	1,350,000.00	0.00	1,350,000.01 1,242.74	0.01	100.000	0.54%
2,500,000.000	CA STATE GO/ULT TXB Mat: 4/1/19 Cpn: 1.59% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 4/27/18 St Date: 5/1/18	13063DAB4	2,481,420.00	4,071.00	2,492,600.00 9,956.25	11,180.00	99.704	1.00%
1,600,000.000	CA UNIVERSITY OF CALIFORNIA TXBL PRE-19 Mat: 5/15/19 Cpn: 6.27% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 7/11/18 St Date: 7/13/18	91412F7X9	1,650,160.00	16,162.67	1,619,203.20 12,818.67	(30,956.80)	101.200	0.65%
210,000.000	CA UNIV OF CALIFORNIA TXB Mat: 5/15/19 Cpn: 2.36% Moody's: Aa2 S&P: AA Fitch: Tr Date: 6/27/18 St Date: 6/29/18	91412GUW3	209,714.40	606.76	209,753.04 634.34	38.64	99.882	0.08%
280,000.000	CA UNIVERSITY OF CALIFORNIA TAXABLE Mat: 7/1/19 Cpn: 1.80% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 6/25/18 St Date: 6/27/18	91412GSB2	277,902.80	2,458.52	278,741.40 2,514.40	838.60	99.551	0.11%
1,000,000.000	CA HESPERIA REDEV AGY SUCCESSOR TXB Mat: 9/1/19 Cpn: 2.50% Moody's: S&P: AA Fitch: Tr Date: 9/12/18 St Date: 10/2/18	42806KAN3	997,190.00	0.00	997,484.00 6,180.56	294.00	99.748	0.40%
<b>Total for Taxable Muni</b>			<b>10,961,387.20</b>	<b>23,298.95</b>	<b>10,941,995.15</b>	<b>(19,392.05)</b>		<b>4.40%</b>

**Credit**

2,300,000.000	FIFTH THIRD BANK Mat: 3/15/19 Cpn: 2.30% Moody's: A3 S&P: A- Fitch: A- Tr Date: 7/17/18 St Date: 7/19/18	31677QBF5	2,295,538.00	18,221.11	2,297,665.50 15,576.11	2,127.50	99.899	0.92%
3,750,000.000	PNC BANK Mat: 7/2/19 Cpn: 2.25% Moody's: A2 S&P: A Fitch: A+ Tr Date: 7/18/18 St Date: 7/20/18	69353RDD7	3,734,962.50	4,218.75	3,738,243.75 41,953.13	3,281.25	99.687	1.51%
2,500,000.000	BNY MELLON Mat: 9/11/19 Cpn: 2.30% Moody's: A1 S&P: A Fitch: AA- Tr Date: 7/16/18 St Date: 7/18/18	06406HCW7	2,487,750.00	20,284.72	2,489,537.50 17,569.44	1,787.50	99.582	1.00%



**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,385,000.000	BRANCH BANKING & TRUST FRN Mat: 1/15/20 Cpn: 2.89% Moody's: A1 S&P: A Fitch: A+ Tr Date: 1/23/17 St Date: 1/26/17	07330NAP0	1,385,000.00 0.00	1,386,559.51 8,661.34	1,559.51	100.113	0.56%
1,900,000.000	MORGAN STANLEY FRN Mat: 2/14/20 Cpn: 3.41% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 2/14/17 St Date: 2/17/17	61746BEH5	1,900,000.00 0.00	1,900,083.60 8,649.13	83.60	100.004	0.76%
1,845,000.000	HUNTINGTON NATL BANK FRN Mat: 3/10/20 Cpn: 3.28% Moody's: A3 S&P: A- Fitch: A- Tr Date: 8/17/17 St Date: 8/22/17	446438RV7	1,855,756.35 6,324.55	1,845,046.13 3,694.96	(10,710.23)	100.003	0.74%
470,000.000	WELLS FARGO FRN Mat: 3/25/20 Cpn: 2.94% Moody's: Aa2 S&P: A+ Fitch: AA- Tr Date: 9/18/18 St Date: 9/25/18	94988J5S2	470,000.00 0.00	467,860.56 263.46	(2,139.44)	99.545	0.19%
1,230,000.000	GENERAL DYNAMICS FRN Mat: 5/11/20 Cpn: 2.91% Moody's: A2 S&P: A+ Fitch: WD Tr Date: 5/8/18 St Date: 5/11/18	369550BB3	1,230,000.00 0.00	1,228,610.10 4,868.69	(1,389.90)	99.887	0.49%
1,380,000.000	VERIZON COMMUNICATIONS FRN Mat: 5/22/20 Cpn: 3.20% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 5/11/17 St Date: 5/22/17	92343VDZ4	1,380,000.00 0.00	1,377,179.28 4,911.47	(2,820.72)	99.796	0.55%
405,000.000	CITIZENS BANK FRN Mat: 5/26/20 Cpn: 3.26% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 5/22/17 St Date: 5/26/17	17401QAK7	405,000.00 0.00	405,591.30 1,320.00	591.30	100.146	0.16%
650,000.000	GOLDMAN SACHS FRN Mat: 9/15/20 Cpn: 3.99% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 3/16/18 St Date: 3/20/18	38141GVQ4	660,900.50 300.13	653,175.90 1,080.13	(7,724.60)	100.489	0.26%
1,190,000.000	COMCAST FRN Mat: 10/1/20 Cpn: 2.74% Moody's: A3 S&P: A- Fitch: A- Tr Date: 10/2/18 St Date: 10/5/18	20030NCV1	1,190,000.00 0.00	1,184,869.91 7,965.27	(5,130.09)	99.569	0.48%
1,325,000.000	GOLDMAN SACHS FRN Mat: 12/27/20 Cpn: 3.55% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 3/22/17 St Date: 3/27/17	38141GWF7	1,325,000.00 0.00	1,320,972.00 653.60	(4,028.00)	99.696	0.53%



**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,585,000.000	AVALONBAY COMMUNITIES FRN Mat: 1/15/21 Cpn: 2.87% Moody's: A3 S&P: A- Fitch: Tr Date: 11/8/17 St Date: 11/15/17	05348EBD0	1,585,000.00 0.00	1,574,008.03 9,843.39	(10,991.98)	99.307	0.63%
645,000.000	BB&T CORPORATION FRN Mat: 2/1/21 Cpn: 2.76% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 10/23/17 St Date: 10/26/17	05531FBA0	645,000.00 0.00	639,187.26 3,017.54	(5,812.74)	99.099	0.26%
1,330,000.000	JPMORGAN CHASE FRN Mat: 3/9/21 Cpn: 3.32% Moody's: A2 S&P: A- Fitch: AA- Tr Date: 3/2/17 St Date: 3/9/17	46647PAC0	1,330,000.00 0.00	1,324,018.99 2,696.09	(5,981.01)	99.550	0.53%
1,000,000.000	REGIONS BANK FRN Mat: 4/1/21 Cpn: 2.78% Moody's: Baa2 S&P: A- Fitch: BBB+ Tr Date: 1/23/18 St Date: 1/26/18	759187CC9	1,000,000.00 0.00	981,448.00 7,094.22	(18,552.00)	98.145	0.40%
1,235,000.000	US BANK CINCINNATI FRN Mat: 4/26/21 Cpn: 2.83% Moody's: A1 S&P: AA- Fitch: AA- Tr Date: 4/24/18 St Date: 4/26/18	90331HNQ2	1,235,000.00 0.00	1,230,679.97 6,500.08	(4,320.03)	99.650	0.49%
1,300,000.000	PACCAR FINANCIAL FRN Mat: 5/10/21 Cpn: 2.88% Moody's: A1 S&P: A+ Fitch: Tr Date: 5/7/18 St Date: 5/10/18	69371RP34	1,300,000.00 0.00	1,300,804.70 5,092.69	804.70	100.062	0.52%
850,000.000	AMERICAN EXPRESS FRN Mat: 5/17/21 Cpn: 3.17% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 5/14/18 St Date: 5/17/18	025816BV0	850,000.00 0.00	846,462.30 3,213.35	(3,537.70)	99.584	0.34%
640,000.000	WELLS FARGO FRN Mat: 7/23/21 Cpn: 2.98% Moody's: Aa2 S&P: A+ Fitch: AA- Tr Date: 7/16/18 St Date: 7/23/18	94988J5Q6	640,000.00 0.00	636,583.68 3,704.95	(3,416.32)	99.466	0.26%
1,350,000.000	CATERPILLAR FINANCIAL FRN Mat: 9/7/21 Cpn: 3.05% Moody's: A3 S&P: A Fitch: A Tr Date: 9/4/18 St Date: 9/7/18	14913Q2P3	1,350,000.00 0.00	1,339,649.55 2,855.39	(10,350.45)	99.233	0.54%
1,250,000.000	JOHN DEERE CAPITAL CORP FRN Mat: 9/10/21 Cpn: 3.03% Moody's: A2 S&P: A Fitch: A Tr Date: 9/5/18 St Date: 9/10/18	24422EUJ6	1,250,000.00 0.00	1,243,395.00 2,312.39	(6,605.00)	99.472	0.50%



**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,785,000.000	BANK OF AMERICA FRN Mat: 10/1/21 Cpn: 3.05% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 9/13/17 St Date: 9/18/17	06051GGU7	1,785,000.00 0.00	1,772,574.62 13,894.84	(12,425.39)	99.304	0.71%
660,000.000	COMCAST FRN Mat: 10/1/21 Cpn: 2.85% Moody's: A3 S&P: A- Fitch: A- Tr Date: 10/2/18 St Date: 10/5/18	20030NCW9	660,000.00 0.00	653,730.00 4,595.18	(6,270.00)	99.050	0.26%
1,185,000.000	WELLS FARGO FRN Mat: 10/22/21 Cpn: 2.99% Moody's: Aa2 S&P: A+ Fitch: AA- Tr Date: 10/16/18 St Date: 10/23/18	94988J5U7	1,185,000.00 0.00	1,173,364.49 6,882.98	(11,635.52)	99.018	0.47%
1,215,000.000	TD AMERITRADE FRN Mat: 11/1/21 Cpn: 2.97% Moody's: A2 S&P: A Fitch: Tr Date: 10/30/18 St Date: 11/1/18	87236YAG3	1,215,000.00 0.00	1,212,238.31 6,116.55	(2,761.70)	99.773	0.49%
377,000.000	MORGAN STANLEY FRN Mat: 1/20/22 Cpn: 3.65% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 1/17/17 St Date: 1/20/17	61746BEE2	377,000.00 0.00	376,968.33 2,713.13	(31.67)	99.992	0.15%
552,000.000	WELLS FARGO FRN Mat: 2/11/22 Cpn: 3.55% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 10/3/17 St Date: 10/5/17	949746SP7	557,944.56 1,027.10	548,658.19 2,665.83	(9,286.37)	99.395	0.22%
1,330,000.000	CAPITAL ONE FINL FRN Mat: 3/9/22 Cpn: 3.72% Moody's: Baa1 S&P: BBB Fitch: A- Tr Date: 3/6/17 St Date: 3/9/17	14040HBM6	1,330,000.00 0.00	1,317,239.98 3,021.20	(12,760.02)	99.041	0.53%
1,325,000.000	CITIGROUP FRN Mat: 4/25/22 Cpn: 3.45% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 4/18/17 St Date: 4/25/17	172967LH2	1,325,000.00 0.00	1,308,421.60 8,634.28	(16,578.40)	98.749	0.53%
1,300,000.000	UNITED PARCEL SERVICE FRN Mat: 5/16/22 Cpn: 3.01% Moody's: A1 S&P: A+ Fitch: Tr Date: 8/17/17 St Date: 8/22/17	911312BB1	1,306,617.00 367.07	1,296,393.80 4,998.28	(10,223.20)	99.723	0.52%
1,240,000.000	JPMORGAN CHASE FRN Mat: 6/18/22 Cpn: 3.41% Moody's: A2 S&P: A- Fitch: AA- Tr Date: 6/11/18 St Date: 6/18/18	46647PAT3	1,240,000.00 0.00	1,220,420.40 1,644.71	(19,579.60)	98.421	0.49%



**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
<b>Total for Credit</b>			<b>42,486,468.91</b>		<b>42,291,642.22</b>	<b>(194,826.69)</b>		<b>17.00%</b>
			<b>50,743.43</b>		<b>218,663.80</b>			
<b>Mortgage-Backed</b>								
3,030,000.000	FMPRE 2017-KT01 A 1MOFRN CMBS	30258EAA3	3,030,000.00		3,027,112.41	(2,887.59)	99.905	1.21%
	Mat: 2/25/20 Cpn: 2.82%			0.00	1,663.66			
	Moody's: Aaa S&P: AA+u Fitch: AAA							
	Tr Date: 1/31/17 St Date: 2/16/17							
2,101,496.789	NGN 2011-R3 1A 1MO FRN NCUA GNTD	62889EAA3	2,110,729.61		2,104,203.52	(6,526.10)	100.129	0.84%
	Mat: 3/11/20 Cpn: 2.72%			321.23	3,487.13			
	Moody's: Aaa S&P: AA+ Fitch: AAA							
	Tr Date: 5/18/15 St Date: 5/21/15							
4,721,090.470	NGN 2010-R3 2A 1MOFRN NCUA GNTD	62888WAB2	4,738,056.88		4,742,561.99	4,505.11	100.455	1.90%
	Mat: 12/8/20 Cpn: 2.94%			1,996.12	10,022.74			
	Moody's: Aaa S&P: AA+u Fitch: AAA							
	Tr Date: 10/17/16 St Date: 10/20/16							
584,915.835	FHMS KI01 A CMBS 1MOFRN	3137FEC81	585,190.02		583,578.13	(1,611.88)	99.771	0.23%
	Mat: 9/25/22 Cpn: 2.51%			1,045.84	285.12			
	Moody's: Aaa S&P: AA+u Fitch: AAA							
	Tr Date: 3/19/18 St Date: 3/22/18							
952,064.356	FHMS KI02 A 1MOFRN CMBS	3137FGZN8	952,064.36		951,412.19	(652.16)	99.932	0.38%
	Mat: 2/25/23 Cpn: 2.55%			0.00	471.50			
	Moody's: Aaa S&P: AA+u Fitch: AAA							
	Tr Date: 8/1/18 St Date: 8/14/18							
1,900,000.000	FHMS KI03 A 1MOFRN CMBS	3137FJXN4	1,900,000.00		1,895,614.80	(4,385.20)	99.769	0.76%
	Mat: 2/25/23 Cpn: 2.60%			0.00	959.43			
	Moody's: Aaa S&P: AA+u Fitch: AAA							
	Tr Date: 10/23/18 St Date: 10/31/18							
<b>Total for Mortgage-Backed</b>			<b>13,316,040.87</b>		<b>13,304,483.04</b>	<b>(11,557.83)</b>		<b>5.33%</b>
			<b>3,363.19</b>		<b>16,889.58</b>			
<b>Asset-Backed</b>								
661,846.451	JOHN DEERE 2018-B A1 EQP	47788EAA6	661,846.45		661,477.14	(369.31)	99.944	0.26%
	Mat: 8/15/19 Cpn: 2.54%			0.00	699.07			
	Moody's: P-1 S&P: Fitch: F1+							
	Tr Date: 7/18/18 St Date: 7/25/18							
113,042.389	MERCEDES 2018-1 A1 CAR	58772RAA2	113,042.39		113,020.35	(22.04)	99.981	0.05%
	Mat: 8/15/19 Cpn: 2.35%			0.00	110.69			
	Moody's: P-1 S&P: A-1+ Fitch:							
	Tr Date: 7/17/18 St Date: 7/25/18							



**CALOPTIMA - OPERATING FUND**

Portfolio 2480

**Portfolio Positions**

as of December 31, 2018

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
<b>Total for Asset-Backed</b>			<b>774,888.84</b>	<b>0.00</b>	<b>774,497.49</b>	<b>(391.35)</b>		<b>0.31%</b>
<b>Grand Total</b>			<b>249,674,315.08</b>	<b>89,173.28</b>	<b>249,444,099.53</b>	<b>(230,215.55)</b>		<b>100.00%</b>



# CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 12/31/2018

## 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
<b>CASH &amp; CASH EQUIVALENTS</b>												
<b>AGENCIES</b>												
3135G0U68	FEDERAL NATIONAL MORTGAGE ASSOCIATION	2.510	10/30/2019	10/30/2019	Agency	1,400,000	1,400,000.000	.833	.012	2.516	.56%	1,400,000.00
<b>AGENCIES TOTALS</b>							<b>1,400,000.000</b>					<b>1,400,000.00</b>
<b>ASSET BACKED</b>												
26209BAA7	DRIVE AUTO RECEIVABLES TRUST	2.451	9/16/2019	2/15/2019	Aaa	442,272	442,271.840	.044	.043	3.087	.18%	442,271.84
26208MAA4	DRIVE AUTO RECEIVABLES TRUST	2.640	11/15/2019	3/15/2019		1,907,970	1,907,969.500	.111	.108	2.944	.76%	1,907,485.07
58769LAA0	MERCEDES-BENZ AUTO LEASE TRUST 2018-B	2.716	11/15/2019	7/15/2019		1,880,488	1,880,487.900	.263	.256	2.877	.75%	1,880,487.90
80285MAA7	SANTANDER DRIVE AUTO RECEIVABLES TRUST 2018-4	2.413	8/15/2019	2/15/2019	Aaa	576,278	576,278.400	.053	.051	3.144	.23%	576,068.46
<b>ASSET BACKED TOTALS</b>							<b>4,807,007.640</b>					<b>4,806,313.27</b>
<b>CASH</b>												
06370RKY4	BANK OF MONTREAL IN	2.450	1/24/2019	1/24/2019	P-1	6,000,000	5,999,457.970	.067	.065	2.443	2.40%	5,999,457.97
14912EN29	CATERPILLAR FINL D D	0.000	1/2/2019	1/2/2019	A-1	5,000,000	4,999,655.500	.006	.005	2.592	2.00%	4,999,655.50
34108BNF8	FLORIDA PWR & LT D D	0.000	1/15/2019	1/15/2019	F1	8,000,000	7,991,444.450	.042	.041	2.924	3.20%	7,991,444.45
50000EN42	KOCH INDUSTRIES IN D	0.000	1/4/2019	1/4/2019	P-1	4,000,000	3,999,166.680	.011	.011	2.548	1.60%	3,999,166.68
55379WBX3	MUFG BANK LTD NY BR	2.590	1/22/2019	1/22/2019	F1	5,000,000	5,000,144.440	.061	.059	2.442	2.00%	5,000,144.44
63743DN80	NATIONAL RURAL DIS D	0.000	1/8/2019	1/8/2019	F1	3,500,000	3,498,332.690	.022	.022	2.431	1.40%	3,498,332.69
64587BN24	NEW JERSEY NAT DIS D	0.000	1/2/2019	1/2/2019	F2	7,000,000	6,999,469.120	.006	.005	2.989	2.80%	6,999,469.12
64587BN99	NEW JERSEY NAT DIS D	0.000	1/9/2019	1/9/2019	F2	5,000,000	4,996,888.920	.025	.024	2.994	2.00%	4,996,888.92
69372BN30	PACCAR FINL CP DIS D	0.000	1/3/2019	1/3/2019	A-1	5,000,000	4,999,350.000	.008	.008	2.400	2.00%	4,999,350.00
69372BNQ9	PACCAR FINL CP DIS D	0.000	1/24/2019	1/24/2019	A-1	3,000,000	2,995,227.500	.067	.065	2.550	1.20%	2,995,227.50
912796UH0	UNITED STATES TREASURY BILL	0.000	1/8/2019	1/8/2019	Govt	10,000,000	9,995,446.160	.017	.016	2.282	4.01%	9,995,446.16
NA9123459	US DOLLARS	2.503	1/2/2019		Agency	923,611	923,610.620	0.000	-	2.503	.37%	923,610.62
USD120030	USD INTEREST RECEIVABLE	-				856,627	0.000	-	-	-	.34%	856,627.30
93884FN99	WASHINGTON GAS/LT D	0.000	1/9/2019	1/9/2019	F2	7,000,000	6,995,566.760	.025	.024	2.922	2.80%	6,995,566.76
97684HN80	WISCONSIN PUB SVC D	0.000	1/8/2019	1/8/2019	F1	8,000,000	7,995,644.380	.022	.022	2.823	3.20%	7,995,644.38
<b>CASH TOTALS</b>							<b>77,389,405.190</b>					<b>78,246,032.49</b>
<b>MUNICIPALS</b>												
50520PAA8	CITY OF LA VERNE CA	2.702	6/1/2019	6/3/2019	AA+	620,000	620,000.000	.417	.416	2.866	.25%	620,000.00
<b>MUNICIPALS TOTALS</b>							<b>620,000.000</b>					<b>620,000.00</b>
<b>CASH &amp; CASH EQUIVALENTS TOTALS</b>							<b>84,216,412.830</b>					<b>85,072,345.76</b>
<b>FIXED INCOME</b>												
<b>AGENCIES</b>												
3137EACA5	FEDERAL HOME LOAN MORTGAGE CORP	3.750	3/27/2019	3/27/2019	Agency	3,355,000	3,364,816.340	.239	.232	2.428	1.35%	3,365,346.82
3136G4TH6	FEDERAL NATIONAL MORTGAGE ASSOCIATION	2.600	1/30/2020	1/30/2020	Agency	6,000,000	6,003,882.360	1.083	.014	2.523	2.41%	6,004,938.30
<b>AGENCIES TOTALS</b>							<b>9,368,698.700</b>					<b>9,370,285.12</b>
<b>ASSET BACKED</b>												
02582JGN4	AMERICAN EXPRESS CREDIT ACCOUNT MASTER TRUST	2.825	12/15/2021	5/15/2019	AAA	1,250,000	1,252,072.340	.375	.041	2.709	.50%	1,250,808.25
43814LAC3	HONDA AUTO RECEIVABLES 2015-4 OWNER TRUST	1.230	9/23/2019	1/21/2019	Aaa	27,015	26,973.270	.058	.057	2.016	.01%	27,001.26

# CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 12/31/2018



## 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
<b>FIXED INCOME (Continued)</b>												
<b>ASSET BACKED (Continued)</b>												
43814NAC9	HONDA AUTO RECEIVABLES 2016-1 OWNER TRUST	1.220	12/18/2019	4/18/2019	AAA	267,123	266,387.160	.144	.140	2.808	.11%	266,511.39
65474VAN1	NISSAN MASTER OWNER TRUST RECEIVABLES	2.885	4/15/2022	4/15/2020	Aaa	5,000,000	5,019,962.930	1.292	.041	3.011	2.00%	4,998,551.00
65474VAP6	NISSAN MASTER OWNER TRUST RECEIVABLES	2.775	10/17/2022	10/15/2020	Aaa	5,125,000	5,125,000.000	1.792	.040	2.959	2.05%	5,117,863.95
<b>ASSET BACKED TOTALS</b>							<b>11,690,395.700</b>					<b>11,660,735.85</b>
<b>CMBS</b>												
3136AP3Z3	FANNIE MAE MULTIFAMILY REMIC TRUST 2015-M12	2.622	4/25/2020	12/25/2019	Agency	1,015,724	1,015,881.380	.625	.068	2.709	.41%	1,014,725.21
3136ANA98	FANNIE MAE-ACES	2.532	3/25/2019	3/25/2019	Agency	361,679	361,666.520	.164	.068	2.685	.14%	361,082.01
3136AK2A0	FANNIE MAE-ACES	2.171	9/25/2019	9/25/2019	Agency	2,093,691	2,084,944.260	.730	.713	2.857	.83%	2,080,437.73
3136AJ6Z4	FANNIE MAE-ACES	2.034	3/25/2019	3/25/2019	Agency	85,646	85,570.220	.131	.128	2.850	.03%	85,435.93
31398GGH6	FANNIE MAE-ACES	4.001	1/25/2019	1/25/2019	Agency	5,627	5,630.740	.069	.068	3.346	0%	5,613.85
3136A4M97	FANNIE MAE-ACES	2.430	1/25/2019	1/25/2019	Agency	16,207	16,206.500	.069	.068	2.976	.01%	16,173.48
31398MC46	FANNIE MAE-ACES	4.450	9/25/2019	9/25/2019	Agency	341,003	343,392.170	.650	.629	3.224	.14%	342,681.20
31398F2N0	FANNIE MAE-ACES	4.287	7/25/2019	7/25/2019	Agency	212,301	212,967.910	.362	.350	3.615	.09%	212,201.17
3137AQVW5	FHLMC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.086	3/25/2019	3/25/2019	Agency	1,252,914	1,251,289.270	.145	.142	2.890	.50%	1,249,675.39
3137B1AZ5	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	1.869	11/25/2019	11/25/2019	AAA	3,386,558	3,358,393.960	.584	.569	3.118	1.35%	3,358,115.48
3137ARPY6	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	1.883	5/25/2019	4/25/2019	Agency	733,450	731,373.570	.213	.207	2.997	.29%	730,788.21
<b>CMBS TOTALS</b>							<b>9,467,316.500</b>					<b>9,456,929.66</b>
<b>CMOS</b>												
62888YAA0	NCUA GUARANTEED NOTES TRUST 2011-R1	2.829	1/8/2020	1/8/2020	Aaa	2,142,759	2,146,510.510	.771	.094	2.816	.86%	2,145,631.73
<b>CMOS TOTALS</b>							<b>2,146,510.510</b>					<b>2,145,631.73</b>
<b>CORPORATES</b>												
0258M0DU0	AMERICAN EXPRESS CREDIT CORP	3.419	5/26/2020	5/26/2020	A2	2,000,000	2,011,676.340	1.322	.157	3.378	.80%	2,005,050.46
0258M0DL0	AMERICAN EXPRESS CREDIT CORP	3.351	3/18/2019	3/18/2019	A2	5,678,000	5,683,244.330	.214	.208	3.082	2.28%	5,681,195.86
06051GGU7	BANK OF AMERICA CORP	3.046	10/1/2021	10/1/2021	A-	2,300,000	2,305,115.250	2.753	.242	3.805	.91%	2,283,096.75
06051GFE4	BANK OF AMERICA CORP	3.266	4/1/2019	4/1/2019	A-	3,100,000	3,105,035.600	.253	.246	3.046	1.24%	3,104,565.00
06051GFD6	BANK OF AMERICA CORP	2.650	4/1/2019	4/1/2019	A-	5,000,000	4,999,908.580	.250	.246	3.052	2.00%	4,994,762.65
05531FAR4	BB&T CORP	3.201	2/1/2019	2/1/2019	A2	7,000,000	7,003,213.560	.028	.052	3.184	2.81%	7,000,000.00
084664CH2	BERKSHIRE HATHAWAY FINANCE CORP	3.478	3/15/2019	3/15/2019	Aa2	1,600,000	1,600,000.000	.206	.200	3.049	.64%	1,601,388.45
07330NAL9	BRANCH BANKING & TRUST CO	1.450	5/10/2019	5/10/2019	A1	4,000,000	3,983,020.980	.358	.351	3.081	1.59%	3,976,793.96
17325FAK4	CITIBANK NA	2.769	10/20/2020	10/20/2020	A+	2,000,000	2,000,000.000	1.806	.056	3.560	.80%	1,985,880.00
172967HM6	CITIGROUP INC	2.550	4/8/2019	4/8/2019	BBB+	5,000,000	4,996,858.180	.269	.265	3.069	2.00%	4,992,830.85
17401QAD3	CITIZENS BANK NA/PROVIDENCE RI	2.500	3/14/2019	3/14/2019	BBB+	5,345,000	5,343,861.070	.203	.195	2.951	2.14%	5,339,899.43
31677QBB4	FIFTH THIRD BANK/CINCINNATI OH	2.375	4/25/2019	4/25/2019	A-	2,185,000	2,183,072.230	.317	.311	3.020	.87%	2,180,490.12
31677QBL2	FIFTH THIRD BANK/CINCINNATI OH	2.770	10/30/2020	10/30/2020	A-	1,000,000	999,994.240	1.833	.077	3.508	.40%	992,789.51
38148LAB2	GOLDMAN SACHS GROUP INC/THE	3.637	4/23/2020	4/23/2020	A3	2,000,000	2,018,688.180	1.231	.066	3.723	.80%	2,006,913.78
38141GVT8	GOLDMAN SACHS GROUP INC/THE	2.000	4/25/2019	4/25/2019	A3	4,218,000	4,206,323.260	.317	.311	3.101	1.68%	4,203,285.59
46625HQU7	JPMORGAN CHASE & CO	1.850	3/22/2019	3/22/2019	A2	5,000,000	4,990,702.960	.225	.219	3.120	2.00%	4,985,632.35
61746BDN3	MORGAN STANLEY	3.337	1/24/2019	1/24/2019	A3	5,494,000	5,496,022.390	.067	.065	2.911	2.20%	5,495,492.83
61746BEH5	MORGAN STANLEY	3.414	2/14/2020	2/14/2020	A3	2,000,000	2,000,944.080	.125	.122	3.378	.80%	2,000,052.00

CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 12/31/2018

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
<b>FIXED INCOME (Continued)</b>												
<b>CORPORATES (Continued)</b>												
69353RFD5	PNC BANK NA	3.000	5/19/2020	5/19/2020	A	2,000,000	2,004,204.260	1.389	.135	3.354	.80%	1,995,708.28
94988J5S2	WELLS FARGO BANK NA	2.940	3/25/2020	3/25/2020	AA-	1,000,000	1,000,000.000	1.233	.011	3.315	.40%	995,398.41
<b>CORPORATES TOTALS</b>							<b>67,931,885.490</b>					<b>67,821,226.28</b>
<b>MORTGAGES</b>												
3138L6SH2	FANNIE MAE POOL	2.320	5/1/2019	5/25/2019	Agency	2,281,261	2,277,914.710	.401	.388	3.111	.91%	2,270,725.95
<b>MORTGAGES TOTALS</b>							<b>2,277,914.710</b>					<b>2,270,725.95</b>
<b>MUNICIPALS</b>												
70914PPD8	COMMONWEALTH OF PENNSYLVANIA	4.050	7/15/2019	7/15/2019	Aa3	3,000,000	3,020,025.750	.539	.520	2.813	1.21%	3,019,680.00
<b>MUNICIPALS TOTALS</b>							<b>3,020,025.750</b>					<b>3,019,680.00</b>
<b>SOVEREIGN DEBT</b>												
45818WAV8	INTER-AMERICAN DEVELOPMENT BANK	2.476	1/15/2019	1/15/2019	Aaa	3,000,000	2,999,955.200	.042	.041	2.439	1.20%	3,000,030.00
458182DX7	INTER-AMERICAN DEVELOPMENT BANK	1.000	5/13/2019	5/13/2019	AAA	5,000,000	4,973,460.810	.367	.359	2.668	1.99%	4,969,645.00
459058EV1	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	1.250	7/26/2019	7/26/2019	AAA	5,000,000	4,964,380.900	.569	.556	2.634	1.99%	4,961,130.00
459058GK3	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2.660	8/21/2020	8/21/2020	AAA	4,855,000	4,855,990.980	1.644	.016	2.680	1.94%	4,853,397.75
<b>SOVEREIGN DEBT TOTALS</b>							<b>17,793,787.890</b>					<b>17,784,202.75</b>
<b>US TREASURIES</b>												
912828V56	UNITED STATES TREASURY NOTE/BOND	1.125	1/31/2019	1/31/2019	Govt	20,000,000	19,979,560.170	.084	.084	2.252	8.01%	19,980,869.20
912828P53	UNITED STATES TREASURY NOTE/BOND	.750	2/15/2019	2/15/2019	Govt	21,000,000	20,960,134.190	.125	.124	2.300	8.40%	20,959,269.45
<b>US TREASURIES TOTALS</b>							<b>40,939,694.360</b>					<b>40,940,138.65</b>
<b>FIXED INCOME TOTALS</b>							<b>164,636,229.610</b>					<b>164,469,555.99</b>
<b>PORTFOLIO TOTALS</b>							<b>248,852,642.440</b>					<b>249,541,901.75</b>

WELLS CAPITAL - OPERATING FUND  
DECEMBER 31, 2018

HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
ALAMEDA CNTY CALIF JT PWRS AUTH LEASE REV	ALAUTL	010831DM4	US010831DM47	010831DM4	1.34%	\$1,994,428.33
AMXCA 171 A	AMXCA	02587AAJ3	US02587AAJ34	02587AAJ3	0.84%	\$1,256,069.09
AMXCA 173 A	AMXCA	02582JHE3	US02582JHE38	02582JHE3	1.06%	\$1,573,434.27
APPLE INC	AAPL	037833CK4	US037833CK41	037833CK4	0.92%	\$1,373,510.88
BANK OF AMERICA CORP	BAC	06051GEE5	US06051GEE52	06051GEE5	1.23%	\$1,837,953.68
BANK OF NEW YORK MELLON CORP	BK	06406HDF3	US06406HDF38	06406HDF3	0.67%	\$990,680.89
BMWLT 172 A3	BMWLT	05584PAD9	US05584PAD96	05584PAD9	0.78%	\$1,167,013.76
BMWLT 181 A3	BMWLT	05586CAC8	US05586CAC82	05586CAC8	0.37%	\$553,148.65
BRANCH BANKING AND TRUST CO	BBT	07330NAR6	US07330NAR61	07330NAR6	1.40%	\$2,077,836.60
CALIFORNIA ST	CA	13063DGA0	US13063DGA00	13063DGA0	0.84%	\$1,257,650.00
CALIFORNIA ST DEPT WTR RES CENT VY PROJ REV	CASWTR	13067WPB2	US13067WPB27	13067WPB2	0.17%	\$259,030.20
Cash	---	CCYUSD	---	CCYUSD	0.00%	\$1.05
CATERPILLAR FINANCIAL SERVICES CORP	CAT	14913Q2J7	US14913Q2J77	14913Q2J7	1.35%	\$2,006,106.89
CCCIT 16A1 A1	CCCIT	17305EFW0	US17305EFW03	17305EFW0	1.80%	\$2,676,861.99
CCCIT 17A9 A9	CCCIT	17305EGH2	US17305EGH27	17305EGH2	0.33%	\$498,492.65
CITIBANK NA	C	17325FAE8	US17325FAE88	17325FAE8	0.56%	\$836,872.03
CITIBANK NA	C	17325FAL2	US17325FAL22	17325FAL2	0.81%	\$1,202,360.60
COCA-COLA CO	KO	191216BT6	US191216BT60	191216BT6	0.33%	\$493,099.67
COMET 164 A	COMET	14041NFF3	US14041NFF33	14041NFF3	0.40%	\$594,291.01
COMET 171 A	COMET	14041NFK2	US14041NFK28	14041NFK2	0.63%	\$943,369.26
E I DU PONT DE NEMOURS AND CO	DD	263534CL1	US263534CL10	263534CL1	0.33%	\$498,323.83
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EGW92	US3133EGW921	3133EGW92	1.00%	\$1,483,861.50
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EHEZ2	US3133EHEZ20	3133EHEZ2	2.00%	\$2,975,579.33
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EHFL2	US3133EHFL25	3133EHFL2	0.67%	\$990,177.33
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EJW70	US3133EJW701	3133EJW70	2.03%	\$3,027,627.42
FEDERAL HOME LOAN BANKS	FHLB	3130A0JR2	US3130A0JR23	3130A0JR2	4.70%	\$6,990,637.50
FEDERAL HOME LOAN BANKS	FHLB	313383HU8	US313383HU84	313383HU8	1.13%	\$1,681,958.94
FEDERAL HOME LOAN BANKS	FHLB	3130A66T9	US3130A66T96	3130A66T9	2.96%	\$4,403,294.04
FEDERAL HOME LOAN BANKS	FHLB	3130AF5B9	US3130AF5B90	3130AF5B9	0.68%	\$1,019,339.33
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0T29	US3135G0T294	3135G0T29	0.55%	\$819,837.98
FHR 4019D EV	FHR	3137AN2K0	US3137AN2K00	3137AN2K0	0.92%	\$1,375,649.53
FIDELITY IMM:GOVT I	FIGXX	316175108	US3161751082	316175108	0.11%	\$165,298.10
FITAT 171 A3	FITAT	31679RAD7	US31679RAD70	31679RAD7	0.41%	\$603,842.29
FREDDIE MAC	FHLMC	3137EAE5	US3137EAE51	3137EAE5	1.00%	\$1,493,424.50
GENERAL DYNAMICS CORP	GD	369550BE7	US369550BE71	369550BE7	1.01%	\$1,507,463.50
GEORGIA POWER CO	SO	373334KG5	US373334KG57	373334KG5	1.26%	\$1,878,589.96
HAROT 172 A3	HAROT	43811BAC8	US43811BAC81	43811BAC8	1.60%	\$2,385,889.90
HAROT 173 A3	HAROT	43814PAC4	US43814PAC41	43814PAC4	0.17%	\$256,984.15
HAWAII ST	HIS	419792SM9	US419792SM99	419792SM9	1.64%	\$2,436,865.73
HSBC USA INC	HSBC	40428HPV8	US40428HPV86	40428HPV8	1.48%	\$2,200,261.80
HUNTINGTON NATIONAL BANK	HBAN	44644AAD9	US44644AAD90	44644AAD9	1.35%	\$2,003,512.11
IBM CREDIT LLC	IBM	44932HAK9	US44932HAK95	44932HAK9	0.68%	\$1,008,140.83
INTER-AMERICAN DEVELOPMENT BANK	IADB	4581X0BY3	US4581X0BY35	4581X0BY3	0.30%	\$446,729.51
INTER-AMERICAN DEVELOPMENT BANK	IADB	4581X0CX4	US4581X0CX43	4581X0CX4	1.00%	\$1,484,083.21
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOP	IBRD	459058FQ1	US459058FQ12	459058FQ1	1.33%	\$1,982,860.67
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	IBRD	459058DW0	US459058DW08	459058DW0	1.34%	\$1,995,502.67
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	IBRD	459058GA5	US459058GA50	459058GA5	1.33%	\$1,978,678.50

WELLS CAPITAL - OPERATING FUND  
DECEMBER 31, 2018

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	IBRD	459058GH0	US459058GH04	459058GH0	1.02%	\$1,523,975.50
INTERNATIONAL FINANCE CORP	IFC	45950KCM0	US45950KCM09	45950KCM0	0.91%	\$1,354,302.45
JDOT 2018 A3	JDOT	47788CAC6	US47788CAC64	47788CAC6	0.50%	\$748,457.72
JOHN DEERE CAPITAL CORP	DE	24422ETZ2	US24422ETZ24	24422ETZ2	0.67%	\$997,584.06
JPMORGAN CHASE & CO	JPM	46625HNX4	US46625HNX43	46625HNX4	1.33%	\$1,986,549.33
LOS ANGELES CALIF MUN IMPT CORP LEASE REV	LOSGEN	544587K64	US544587K641	544587K64	0.40%	\$599,734.00
LOS ANGELES CALIF WASTEWTR SYS REV	LOSUTL	53945CGW4	US53945CGW47	53945CGW4	0.77%	\$1,147,385.97
MBART 181 A3	MBART	58772RAD6	US58772RAD61	58772RAD6	1.78%	\$2,648,315.38
MORGAN STANLEY	MS	61761JB32	US61761JB325	61761JB32	0.94%	\$1,392,538.93
NAROT 18B A3	NAROT	65479GAD1	US65479GAD16	65479GAD1	1.27%	\$1,884,787.13
NORTHERN TRUST CORP	NTRS	665859AL8	US665859AL80	665859AL8	0.41%	\$609,409.50
PACCAR FINANCIAL CORP	PCAR	69371RP42	US69371RP427	69371RP42	1.36%	\$2,029,248.00
PNC BANK NA	PNC	69353RFC7	US69353RFC79	69353RFC7	1.33%	\$1,973,546.67
Receivable	---	CCYUSD	---	CCYUSD	0.00%	\$440.40
SAN DIEGO CALIF TOB SETTLEMENT REV FDG CORP	SDGGEN	797330AD9	US797330AD98	797330AD9	0.68%	\$1,006,502.03
SAN FRANCISCO CALIF BAY AREA RAPID TRAN DIST SALES	SFOTRN	797669XT0	US797669XT03	797669XT0	1.23%	\$1,830,046.13
SAN MARCOS CALIF REDEV AGY TAX ALLOCATION	SMSDEV	798754DL8	US798754DL82	798754DL8	1.59%	\$2,363,852.70
SMAT 162US A3A	SMAT	83191GAD1	US83191GAD16	83191GAD1	1.13%	\$1,680,240.37
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF TH	SJSDEV	798170AC0	US798170AC09	798170AC0	1.01%	\$1,500,723.75
TAOT 17D A3	TAOT	89238KAD4	US89238KAD46	89238KAD4	1.11%	\$1,652,112.75
TOYOTA MOTOR CREDIT CORP	TOYOTA	89236TCZ6	US89236TCZ66	89236TCZ6	1.32%	\$1,969,457.11
TULARE CNTY CALIF PENSION OBLIG	TULGEN	899154AT5	US899154AT55	899154AT5	1.35%	\$2,012,693.33
UNITED STATES TREASURY	T	9128282V1	US9128282V18	9128282V1	0.43%	\$635,451.56
UNITED STATES TREASURY	T	9128282Z2	US9128282Z22	9128282Z2	4.88%	\$7,261,036.65
UNITED STATES TREASURY	T	9128283G3	US9128283G32	9128283G3	1.99%	\$2,964,864.30
UNITED STATES TREASURY	T	9128283L2	US9128283L27	9128283L2	1.48%	\$2,200,439.75
UNITED STATES TREASURY	T	9128284B3	US9128284B36	9128284B3	2.02%	\$3,013,288.91
UNITED STATES TREASURY	T	9128284G2	US9128284G23	9128284G2	2.02%	\$3,007,767.86
UNITED STATES TREASURY	T	9128285A4	US9128285A44	9128285A4	2.73%	\$4,060,629.68
UNITED STATES TREASURY	T	9128285G1	US9128285G14	9128285G1	2.72%	\$4,044,696.13
UNITED STATES TREASURY	T	9128285L0	US9128285L09	9128285L0	1.70%	\$2,537,164.34
UNITEDHEALTH GROUP INC	UNH	91324PDC3	US91324PDC32	91324PDC3	0.70%	\$1,045,864.55
UNIVERSITY CALIF REVS	UNVHGR	91412HBG7	US91412HBG74	91412HBG7	1.35%	\$2,011,386.67
VALET 181 A3	VALET	92868LAD3	US92868LAD38	92868LAD3	1.75%	\$2,602,882.30
VISA INC	V	92826CAB8	US92826CAB81	92826CAB8	1.26%	\$1,881,334.19
VZOT 18A B	VZOT	92348XAC9	US92348XAC92	92348XAC9	1.99%	\$2,955,351.78
WALMART INC	WMT	931142EJ8	US931142EJ83	931142EJ8	1.35%	\$2,015,598.89
YUBA CALIF LEVEE FING AUTH REV	YUBGEN	988211BL1	US988211BL13	988211BL1	0.67%	\$1,001,906.67

## Disclaimer, Glossary, and Notes

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



# MINUTES

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

CALOPTIMA  
505 CITY PARKWAY WEST  
ORANGE, CALIFORNIA

November 15, 2018

### **CALL TO ORDER**

Chair Lee Penrose called the meeting to order at 2:01 p.m. Director DiLuigi led the Pledge of Allegiance.

**Members Present:** Lee Penrose, Chair; Ron DiLuigi

**Members Absent:** Scott Schoeffel

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

### **PUBLIC COMMENT**

There were no requests for public comment.

### **INVESTMENT ADVISORY COMMITTEE UPDATE**

#### 1. Treasurer's Report

Greg Hamblin, Chief Financial Officer, presented an overview of the Treasurer's Report for the period July 1, 2018 through September 30, 2018. Based on a review by the Board of Directors' Investment Advisory Committee, all investments were compliant with Government Code section 53600 *et seq.*, and with CalOptima's Annual Investment Policy.

### **CONSENT CALENDAR**

2. Approve the Minutes of the September 18, 2018 Regular Meeting of the CalOptima Board of Directors' Finance and Audit Committee; Receive and File Minutes of the July 23, 2018 Meeting of the CalOptima Board of Directors' Investment Advisory Committee

***Action:*** ***On motion of Director DiLuigi, seconded and carried, the Committee approved the Consent Calendar as presented. (Motion carried 2-0-0; Director Schoeffel absent)***

## **REPORTS**

### **3. Consider Recommending Board of Directors' Approval of Proposed Changes to the Annual Investment Policy for Calendar Year 2019**

Mr. Hamblin presented the action to recommend that the Board of Directors approve proposed changes to Policy GA.3400: Annual Investments, for Calendar Year 2019. A review of the proposed revisions was provided to the Committee, including: increase the maximum term of the Operating Fund from 450 days to two years; modify language from "rated 'A' or better to "A" rating category; added Secured Overnight Financing Rate (SOFR) to variable and floating rate securities to the allowed index list; and revised glossary terms pertaining to State and California Local Agency Obligations. It was noted that the proposed changes reflect the recommendations of CalOptima's investment managers, and concurrence by the Board of Directors' Investment Advisory Committee.

***Action: On motion of Director DiLuigi, seconded and carried, the Committee recommended Board of Directors' approval of the proposed changes to Policy GA.3400, Annual Investments, as presented. (Motion carried 2-0-0; Director Schoeffel absent)***

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

***Action: On motion of Director DiLuigi, seconded and carried, the Committee recommended that the Board of Directors appoint David Young for a two-year term on the CalOptima Board of Directors' Investment Advisory Committee ending October 7, 2020. (Motion carried 2-0-0; Director Schoeffel absent)***

## **INFORMATION ITEMS**

### **5. Intergovernmental Transfer (IGT) Funding Update**

Mr. Hamblin presented an overview of the usage of CalOptima's share of IGT 1 through 7 funds to provide enhanced benefits to Medi-Cal members for services not already paid for or provided under CalOptima's contract with the Department of Health Care Services (DHCS). Effective July 1, 2017, the Final Rule prohibits retrospective payments to Medicaid managed care plans, and the DHCS implemented a new payment model for IGT funding. Beginning with IGT 8, IGT funds must be used for Medi-Cal members, must be tied to Medi-Cal covered services provided under CalOptima's contract with the DHCS, must be authorized only one year at a time, and the IGT expenditures must be for a limited time and amount. It was noted that IGT 8 and 9 will include an Affordable Care Act (ACA) funding formula for the Medicaid Expansion population, and ACA enhanced federal funding for the Children's Health Insurance Program (CHIP) population. An overview of potential strategic areas for IGT 8 and 9 funds was provided for discussion, including incentives to increase member satisfaction and access to care, increase provider rates, and increased incentives related to Medi-Cal Pay for Value Program measures.

After considerable discussion, the Committee requested that staff solicit input from the Provider Advisory Committee and CalOptima's contracted health networks, and that staff present an update at a future Finance and Audit Committee and/or Board of Directors meeting.

6. September 2018 Financial Summary

Mr. Hamblin provided an overview of the balance sheet, Board-Designated Reserves and tangible net equity (TNE) requirement as of September 30, 2018.

The following Information Items were accepted as presented:

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

**COMMITTEE MEMBER COMMENTS**

Committee members thanked staff for their work on the IGT update.

**ADJOURNMENT**

Hearing no further business, Chair Penrose adjourned the meeting at 3:11 p.m.

/s/ Suzanne Turf  
Suzanne Turf  
Clerk of the Board

*Approved: February 21, 2019*

## MINUTES

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

November 5, 2018

A special meeting of the CalOptima Board of Directors' Investment Advisory Committee (IAC) was held on Monday, November 5, 2018, at CalOptima, 505 City Parkway West, Orange, California.

#### **CALL TO ORDER**

Acting Chair Greg Hamblin called the meeting to order at 3:16 p.m. and led the Pledge of Allegiance.

#### **ROLL CALL**

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

Members Absent: Chair Patrick Moore, Susan Munson, David Young

Others Present: Laura Wirick, Hanna Schriner, Nika Barbakadze, Meketa Investment Group; Asha Joshi, Adam Congdon, Payden & Rygel; Scott Pavlak, Wendy Kaszak, Logan Circle Partners; Steve Scharre, Tony Mellville, Gary Schlossberg, Wells Capital Management; Michael Schrader, Chief Executive Officer, Ladan Khamseh, Chief Operating Officer, Gary Crockett, Chief Counsel, Nancy Huang, Controller, Joyce Mellinger, Accounting Manager, Faye Heidari, Senior Accountant, Pamela Reichardt, Executive Assistant

#### **MINUTES**

#### **Approve Minutes of the July 23, 2018, Regular Meeting of the CalOptima Board of Directors' Investment Advisory Committee**

*Action: On motion of Acting Chair Hamblin, seconded and carried, the Minutes of the July 23, 2018, Regular Meeting of the CalOptima Board of Directors' Investment Advisory Committee were approved as presented. (Motion carried 4-0-0, Chair Patrick Moore, Susan Munson and David Young absent)*

#### **PUBLIC COMMENT**

There were no requests for public comment.

## **MANAGEMENT REPORTS**

### **Chief Executive Officer (CEO) Report**

CEO Michael Schrader reported that CalOptima was recognized as California's top-rated Medi-Cal Plan for the fifth consecutive year by the National Committee for Quality Assurance (NCQA). CalOptima was also honored by the Department of Health Care Services (DHCS) with the 2018 Outstanding Performance Award for a Large-Scale Plan. This was the fourth year in a row that CalOptima has received this recognition.

### **Chief Financial Officer (CFO) Report**

CFO Greg Hamblin reported that CalOptima had received a preliminary result of \$102 million payback to the State from the 85% Medical Loss Ratio (MLR) reconciliation for the Medi-Cal Expansion population for the 18-month period of January 1, 2014 through June 30, 2015, and the 12-month period of July 1, 2015 through June 30, 2016. The payment to DHCS is scheduled on November 19, 2018. This amount is subject to future audits by state and federal regulators.

Mr. Hamblin also reported that the Whole Child Model (WCM) program is scheduled to start in January 2019, which represents \$20 million a month in both revenue and expenses for CalOptima.

## **REPORTS**

### **Consider Recommending Approval the Annual Investment Policy (AIP) for Calendar Year 2019 to the CalOptima Board of Directors' Finance and Audit Committee for Consideration**

Acting Chair Greg Hamblin presented the action to recommend approval of the Annual Investment Policy for Calendar Year (CY) 2019. The proposed changes reviewed with the Committee include:

- Section III.D.1.a: Increase the maximum term of Operating Fund from four hundred fifty (450) days to two (2) years, unless otherwise specified in the policy. The increase to the term falls within the 5-year term allowed by California Government Code section 53600 *et seq.*
  - Section III.D.2.a.iv: U.S. Treasuries, maximum term assigned changed from 450 days to 2 years.
  - Section III.D.2.b.iii: Federal Agencies and U.S. Government Sponsored Enterprises, maximum term assigned changed from 450 days to 2 years.
  - Section III.D.2.c.ii: State and California Local Agency Obligations, maximum term assigned changed from 450 days to 2 years.
  - Section III.D.2.h.ii: Corporate Securities, maximum term assigned changed from 450 days to 2 years.

- Section III.D.2.k.iv: Mortgage and Asset-backed Securities, maximum term assigned changed from 450 days to 2 years.
- Section III.D.2.l.iii: Variables and Floating Rate Securities, maximum term assigned changed from 450 days to 2 years.
- Section III.D.2.m.iii: Supranational Obligations, maximum term assigned changed from 450 days to 2 years.
- Section III.D.2.h.i: Corporate Securities, modify language from “rated ‘A’ or better” to “A” rating category to include “A-” securities.
- Sections III.D.2.l.ii: Variable and Floating Rate Securities, add the Secured Overnight Financing Rate (SOFR) to the allowed index list.
- Glossary Term: State and California Local Agency Obligations, revised existing language to allow the purchase of registered warrants, notes or bonds issued by a state or by a department, board, agency or authority of any of the fifty U.S. states, and local California agencies, which is consistent with California Code section 53601. This change updates the existing glossary term to be consistent with California Code.

Management recommends all other provisions in the current AIP to remain in effect in CY 2019.

*Action: On motion of Acting Chair Hamblin, seconded and carried, the Investment Advisory Committee recommended the approval of the Annual Investment Policy for 2019. (Motion carried 4-0-0, Chair Patrick Moore, Susan Munson and David Young absent)*

**Consider Recommending the Investment Advisory Committee Meeting 2019 Meeting Dates to the CalOptima Board of Directors' Finance and Audit Committee for Consideration**

*Action: On motion of Acting Chair Hamblin, seconded and carried, the Investment Advisory Committee recommended the approval of the IAC Meeting Dates for Calendar Year 2019. (Motion carried 4-0-0, Chair Patrick Moore, Susan Munson and David Young absent)*

**Consider Recommending Reappointment to the CalOptima Board of Directors' Investment Advisory Committee**

*Action: On motion of Acting Chair Hamblin, seconded and carried, the Investment Advisory Committee recommended the reappointment of David Young to the Board of Directors' Investment Advisory Committee for a two-year term beginning October 7, 2018.*

## **INFORMATION ITEMS**

### **Presentation by Meketa Investment Group**

Hanna Schriner, Vice President, Meketa Investment Group, presented the third quarter portfolio performance and fund update. CalOptima's total investment balance at the end of third quarter of the calendar year was \$1.46 billion. Fixed income assets were about \$540 million. The cash account balance was \$922

million at the end of the third quarter. Ms. Schriner also presented the investment compliance report for CalOptima's overall investment. She reported that CalOptima's investment portfolio was in compliance for the quarter.

Nika Barbakadze, Research Analyst, reported on the custom peer group used for benchmarking and on performance attributes for the quarter and throughout the year.

### **Presentation by Wells Capital Management**

Steve Scharre, Client Relations Director, Wells Capital Management, provided a firm update for the third quarter.

Gary Schlossberg, Senior Economist provided an economic overview for the third quarter.

Tony Melville, Portfolio Manager, provided a review of CalOptima's Tier One portfolio and allocation update as of September 30, 2018. He also reported that CalOptima's investment portfolio at Wells Fargo was in compliance for the quarter.

### **Presentation by Logan Circle Partners**

Wendy Kaszak, Vice President of Client Services, Logan Circle Partners, presented a firm update. Scott Pavlak, Senior Portfolio Manager, presented a CalOptima portfolio review and fund performance update, as of September 30, 2018, for the Tier One and Tier Two funds. Ms. Kaszak reported that all CalOptima funds in the Logan Circle portfolio were in compliance for the quarter.

### **Presentation by Payden & Rygel**

Asha Joshi, Managing Principal, Payden & Rygel, provided a firm update.

Adam Congdon, Senior Strategist, provided a report on the CalOptima Operating Fund portfolio and Tier One Account as of September 30, 2018. He reported that CalOptima's portfolio was in compliance for the quarter.

### **Financial Update**

Controller Nancy Huang presented a summary of CalOptima's financial performance through August 2018. CalOptima's overall enrollment totaled about 790,000 members. CalOptima's

year-to-date Change in Net Assets was \$9.5 million, which included \$4.1 million from operations and \$5.4 million from investment activities. CalOptima's fiscal year-to-date

consolidated Medical Loss Ratio (MLR) was approximately 96.0%, and the Administrative Loss Ratio (ALR) was approximately 3.6%. Ms. Huang also reported on the CalOptima balance sheet. Total Assets at the end of August totaled \$1.9 billion, which includes Board-designated reserves of \$541 million. Total Liabilities were around \$1.1 billion.

**ADJOURNMENT**

Hearing no further business, Acting Chair Hamblin adjourned the meeting at 4:32 p.m.

/s/ Pamela Reichardt  
Pamela Reichardt  
Executive Assistant

*Approved: January 28, 2019*

## **CALOPTIMA BOARD ACTION AGENDA REFERRAL**

### **Action To Be Taken February 21, 2019** **Regular Meeting of the CalOptima Board of Directors'** **Finance and Audit Committee**

#### **Report Item**

3. Consider Recommending Board of Directors' Approval of Reappointment to the CalOptima Board of Directors' Investment Advisory Committee

#### **Contact**

Nancy Huang, Controller, (714) 246-8400

#### **Recommended Action**

Recommend that the Board of Directors reappoint Patrick Moore to the CalOptima Board of Directors' Investment Advisory Committee for a two-year term effective March 7, 2019.

#### **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, represented health care provider clients for 40 years before retiring in 2018. 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. Mr. Moore now serves as an arbitrator, mediator and expert witness in health care disputes. He holds preeminent A/V peer review rating in the Martindale-Hubbell Law Directory.

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

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, 2019.

**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  
Board of Directors' Investment Advisory Committee

**Attachment**

None

/s/ Michael Schrader  
**Authorized Signature**

2/14/2019  
**Date**

## **CALOPTIMA BOARD ACTION AGENDA REFERRAL**

### **Action To Be Taken February 21, 2019** **Regular Meeting of the CalOptima Board of Directors'** **Finance and Audit Committee**

#### **Report Item**

4. Consider Recommending Board of Directors' Ratification of Amendment to CalOptima's Medi-Cal Fee-For-Service Specialist Physician Contract with Children's Hospital of Orange County (CHOC), Authorization of Pediatric Network Recruitment Fee to Ensure Access to Specialists for CalOptima Health Networks, and Authorization of WCM Contract Amendments with CHOC-Affiliated Specialists

#### **Contact**

Michelle Laughlin, Executive Director, Network Operations, (714) 246-8400  
Greg Hamblin, Chief Financial Officer, (714) 246-8400

#### **Recommended Actions**

Recommend that the Board of Directors:

1. Ratify amendment to the CalOptima Medi-Cal, Fee-For-Service Specialist Physician Contract with Children's Hospital of Orange County (CHOC) to incorporate California Children Services (CCS) under the Whole-Child Model (WCM) program and other regulatory updates; and
2. Authorize a pediatric network recruitment fee to ensure access to CHOC specialists for CalOptima health networks in an amount not to exceed \$1.4 million in Fiscal Year (FY) 2019-20.

#### **Background**

CCS is a statewide program providing medical care, case management, physical/occupational therapy, and financial assistance for children (to age 21) meeting financial and health condition eligibility criteria. The California Department of Health Care Services (DHCS) is incorporating CCS services into Medi-Cal managed care plan contracts for County Organized Health System plans on a phased-in basis. This transition, referred to as the WCM program, is outlined in Senate Bill 586, signed by former Governor Brown on September 25, 2016, and All Plan Letter (APL) 18-011: California Children's Services Whole Child Model Program released on June 28, 2018. This APL was superseded by APL 18-023 released on December 23, 2018.

On November 9, 2018, DHCS changed the timing of Orange County's transition of the CCS program to WCM from January 1, 2019, to no sooner than July 1, 2019. On November 21, 2018, DHCS released new health network adequacy standards that more explicitly established the number and type of CCS-paneled providers required for a health network to participate in WCM. DHCS established adequacy standards for 27 identified provider types and specialties. CalOptima health networks are required to contract with 23 specialties. Health networks that do not meet these requirements will not be eligible to participate in the WCM program on July 1, 2019.

CalOptima is responsible for contracting with the remaining four following rare specialty types on behalf of the entire network:

CalOptima Board Action Agenda Referral  
 Consider Recommending Board of Directors' Ratification of Amendment to CalOptima's Medi-Cal Fee-For-Service Specialist Physician Contract with Children's Hospital of Orange County (CHOC), Authorization of Pediatric Network Recruitment Fee to Ensure Access to Specialists for CalOptima Health Networks, and Authorization of WCM Contract Amendments with CHOC-Affiliated Specialists  
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Specialty Type	Number of CCS-paneled Providers Statewide
Pediatric Dermatology	23
Pediatric Developmental and Behavioral Medicine	5
Oral and Maxillofacial Surgery	20
Transplant Hepatology	6

The CCS-paneled physicians in Orange County affiliated with CHOC are an-integral part of CalOptima's-WCM provider network providing coordination of care to a significant number of CalOptima Orange County members with CCS conditions. As such, this panel of CCS physicians affiliated with CHOC, is currently necessary for health networks to provide a continuum of care to assigned members with CCS conditions and to newly eligible members with qualifying conditions once the CCS program transitions to CalOptima. Of CalOptima's 13 Medi-Cal health networks, 11 either have contracts with or are planning to contract with CHOC Children's Specialists as part of their-network to provide access to CCS paneled providers and for purposes of providing care under the WCM. As a children's hospital, CHOC is able to provide a broad continuum of care for members with CCS conditions. Through its CCS specialty care centers, CHOC provides services to members with conditions including Sickle Cell disease, renal failure, infectious diseases, hemophilia, cancer, metabolic diseases, congenital anomalies and cystic fibrosis. In all, CHOC is uniquely situated as the exclusive children's hospital in Orange County and provider continuum of services for 15 types of Specialty Care Centers

The target implementation date for the WCM program in Orange County is July 1, 2019, and subject to DHCS approval, CalOptima staff anticipates that all currently-contracted health networks will participate in the WCM program, provided that they meet network adequacy requirements, including meeting the DHCS adequacy standards for the 27 identified provider types and specialties referenced above. As indicated, many of CalOptima's health networks will, at least initially, contract with CHOC to meet these requirements.

**Discussion**

*Pediatric Specialty Access Program Fee*

CHOC's specialist network is part of CHOC Children's Hospital Network, which is the primary pediatric safety net provider and CCS Regional Center in Orange County. It includes approximately 245 CCS-paneled providers.

Staff recommends that the Board authorize the establishment of a pediatric network recruitment fee to ensure access to specialists for CalOptima health networks (Specialist Access Fee). In other words, members in the WCM program assigned to other networks which contract with CHOC would have

CalOptima Board Action Agenda Referral  
 Consider Recommending Board of Directors' Ratification of Amendment to CalOptima's Medi-Cal Fee-For-Service Specialist Physician Contract with Children's Hospital of Orange County (CHOC), Authorization of Pediatric Network Recruitment Fee to Ensure Access to Specialists for CalOptima Health Networks, and Authorization of WCM Contract Amendments with CHOC-Affiliated Specialists  
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access to CHOC specialists when medically indicated and when such a specialist is not otherwise available in the member's health network.

Subject to Board approval, the Specialist Access Fee would total an amount not to exceed \$1.4 million in FY 2019-20 (assuming a July 1, 2019 start date for the CalOptima WCM program).

As part of ongoing efforts to provide access to pediatric specialty services to CalOptima members, CalOptima staff proposes to provide 25% of the total FY 2019-20 Fee to CHOC in the form of a lump sum payment beginning the first month of the WCM implementation, anticipated to begin July 1, 2019. CHOC will be eligible to receive distribution of the remaining 75% in equal increments over the next four quarters (i.e., 18.75% of the total fee amount will be available for payment each quarter beginning in the second quarter of fiscal year 2019-20). Each quarterly payment will be calculated based on the number of executed contracts between CHOC and CalOptima's other health networks, including the CalOptima Community Network, that provide access for both CCS and non-CCS services for CalOptima members and access to CHOC CCS-paneled specialists (see table below). For example, if CHOC executes 6 contracts in the first quarter, CalOptima will provide 65% of that quarter's available funding, or 0.65 multiplied by 18.75% of the total fee amount for that quarter.

Number of health networks contracted with CHOC Children's as of the beginning of the quarter	Percent of Available Quarterly Fee
0-3	0%
4-5	40%
6-7	65%
8 or more	100%

Staff requests Board approval of the Specialist Access Fee to facilitate access of WCM members to CHOC CCS-paneled providers (via contracts with other health networks) and will return with recommendations for future years.

**Fiscal Impact**

Based on draft capitation rates received from DHCS on September 13, 2018, staff estimates the total WCM program costs to be approximately \$274 million annually, with the CalOptima Community Network comprising approximately 8% of the WCM population and projected costs. Staff anticipates WCM revenues will be sufficient to cover the costs associated with the recommended actions. However, given the high acuity and variability of medical utilization associated with the relatively small CCS population, costs for the program are difficult to predict. CalOptima staff will continue to work closely with DHCS to ensure that Medi-Cal revenue will be sufficient to support the WCM program on an ongoing basis.

Staff estimates the recommended action to pay a establish a Specialist Access Fee for services provided to all CalOptima members from CHOC providers, and amend contracts, as necessary, at a maximum of

CalOptima Board Action Agenda Referral  
Consider Recommending Board of Directors' Ratification of Amendment to CalOptima's Medi-Cal Fee-For-Service Specialist Physician Contract with Children's Hospital of Orange County (CHOC), Authorization of Pediatric Network Recruitment Fee to Ensure Access to Specialists for CalOptima Health Networks, and Authorization of WCM Contract Amendments with CHOC-Affiliated Specialists  
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\$1.4 million in FY 2019-20. Since the first quarter payment is tied to the launch of the WCM program (currently targeted to begin on July 1, 2019), costs associated with the Specialty Access Fee will be included in the CalOptima FY 2019-20 Operating Budget.

**Rationale for Recommendation**

The approval of this Board action promotes the transition the CCS program to CalOptima and supports local access to specialty care services to CalOptima's pediatric members and children with CCS-eligible conditions. The Pediatric Specialty Access Fee recognizes CalOptima's commitment to support Orange County's safety net providers, including CHOC, which serves the complex care needs of some of the most vulnerable children in our community.

**Concurrence**

Gary Crockett, Chief Counsel

**Attachments**

None

/s/ Michael Schrader  
**Authorized Signature**

2/14/2019  
**Date**



**CalOptima**  
Better. Together.

# **Financial Summary**

**November 2018**

**Board of Directors' Finance and Audit Committee Meeting**

**February 21, 2019**

**Greg Hamblin**

**Chief Financial Officer**

# FY 2018-19: Consolidated Enrollment

- November 2018 MTD:
  - Overall enrollment was 769,216 member months
    - Actual lower than budget 15,027 or 1.9%
      - Medi-Cal: unfavorable variance of 14,865 members
        - Temporary Assistance for Needy Families (TANF) unfavorable variance of 8,822 members
        - Medi-Cal Expansion (MCE) unfavorable variance of 5,913 members
        - Seniors and Persons with Disabilities (SPD) unfavorable variance of 73 members
        - Long-Term Care (LTC) unfavorable variance of 57 members
      - OneCare Connect: unfavorable variance of 259 members
    - 3,630 decrease from prior month
      - Medi-Cal: decrease of 3,600 from October
      - OneCare Connect: decrease of 55 from October
      - OneCare: increase of 19 from October
      - PACE: increase of 6 from October

# FY 2018-19: Consolidated Enrollment (cont.)

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- November 2018 YTD:
  - Overall enrollment was 3,870,877 member months
    - Actual lower than budget 52,388 members or 1.3%
      - Medi-Cal: unfavorable variance of 51,779 members or 1.3%
        - TANF unfavorable variance of 28,190 members
        - MCE unfavorable variance of 21,595 members
        - SPD unfavorable variance of 1,646 members
        - LTC unfavorable variance of 348 members
      - OneCare Connect: unfavorable variance of 976 members or 1.3%
      - OneCare: favorable variance of 356 members or 5.4%
      - PACE: favorable variance of 11 members or 0.8%

# FY 2018-19: Consolidated Revenues

- November 2018 MTD:
  - Actual lower than budget \$2.3 million or 0.8%
    - Medi-Cal: unfavorable to budget \$4.6 million or 1.8%
      - Unfavorable volume variance of \$4.8 million
      - Favorable price variance of \$0.2 million
    - OneCare Connect: favorable to budget \$1.7 million or 6.9%
      - Unfavorable volume variance of \$0.4 million
      - Favorable price variance of \$2.1 million due to calendar year (CY) 2016 Hierarchical Condition Category (HCC) and risk adjustments
    - OneCare: favorable to budget \$658.6 thousand or 41.5%
      - Favorable volume variance of \$118.7 thousand
      - Favorable price variance of \$540.0 thousand
    - PACE: Unfavorable to budget \$7.3 thousand or 0.3%
      - Unfavorable volume variance of \$14.5 thousand
      - Favorable price variance of \$7.2 thousand

# FY 2018-19: Consolidated Revenues (cont.)

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- November 2018 YTD:
  - Actual lower than budget \$9.2 million or 0.7%
    - Medi-Cal: unfavorable to budget \$10.9 million or 0.9%
      - Unfavorable volume variance of \$16.7 million
      - Favorable price variance of \$5.8 million due to:
        - \$4.7 million of FY18 non-LTC revenue from non-LTC aid codes
        - \$4.0 million of FY18 Coordinated Care Initiative (CCI)
        - \$2.0 million of FY19 Hepatitis C revenue
        - \$1.9 million of FY19 CCI revenue offset by:
        - (\$6.5) million of FY19 non-LTC revenue from non-LTC aid codes

# FY 2018-19: Consolidated Revenues (cont.)

- November 2018 YTD:

- OneCare Connect: favorable to budget \$2.1 million or 1.7%
  - Unfavorable volume variance of \$1.6 million due to enrollment adjustment
  - Favorable price variance of \$3.7 million related to:
    - \$1.7 million CY 2016 HCC and risk adjustments
    - \$1.7 million for prior year Quality Incentive (QI) withhold distributed by CMS
  
- OneCare: Unfavorable to budget \$0.6 million or 7.3%
  - Favorable volume variance of \$0.4 million
  - Unfavorable price variance of \$1.0 million due to:
    - CY 2015 risk adjustment
  
- PACE: favorable to budget \$0.3 million or 2.5%
  - Favorable volume variance of \$0.1 million
  - Favorable price variance of \$0.2 million

# FY 2018-19: Consolidated Medical Expenses

- November 2018 MTD:

- Actual lower than budget \$9.7 million or 3.7%

- Medi-Cal: favorable variance of \$11.0 million

- Favorable volume variance of \$4.6 million

- Favorable price variance of \$6.5 million

- Professional Claim expenses favorable variance of \$8.3 million due to:

- Child Health and Disability Prevention Program (CHDP) expenses of \$2.0 million

- Behavioral Health Treatment (BHT) expenses of \$3.6 million

- Proposition 56 expenses of \$2.6 million

- Offset by Non-Medical Transportation (NMT)

- Prescription Drug expenses favorable variance of \$1.9 million

- Provider Capitation expenses unfavorable variance of \$4.2 million due to Proposition 56 and CHDP expenses that were budgeted in Professional Claims

- Managed Long Term Services and Supports (MLTSS) expenses favorable variance of \$1.3 million due to claims Incurred But Not Reported (IBNR)

# FY 2018-19: Consolidated Medical Expenses (cont.)

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- November 2018 MTD:

- OneCare Connect: unfavorable variance of \$1.7 million or 7.1%

- Favorable volume variance of \$0.4 million

- Unfavorable price variance of \$2.1 million

- OneCare: favorable variance of \$124.9 thousand or 8.2%

- PACE: favorable variance of \$295.0 thousand or 15.2%

# FY 2018-19: Consolidated Medical Expenses (cont.)

- November 2018 YTD:

- Actual lower than budget \$22.4 million or 1.7%
  - Medi-Cal: favorable variance of \$22.7 million
    - Favorable volume variance of \$15.9 million
    - Favorable price variance of \$6.8 million
      - Professional Claim expenses favorable variance of \$28.5 million
      - Provider Capitation expenses unfavorable variance of \$18.7 million
      - Facilities expenses unfavorable variance of \$15.7 million
      - Prescription Drug expenses favorable variance of \$7.6 million
      - MLTSS expenses favorable variance of \$4.0 million
  - OneCare Connect: unfavorable variance of \$1.1 million
    - Favorable volume variance of \$1.6 million
    - Unfavorable price variance of \$2.7 million

- Medical Loss Ratio (MLR):

- November 2018 MTD:      Actual: 91.7%      Budget: 94.4%
- November 2018 YTD:      Actual: 94.2%      Budget: 95.2%

# FY 2018-19: Consolidated Administrative Expenses

- November 2018 MTD:
  - Actual lower than budget \$1.5 million or 12.5%
    - Salaries, wages and benefits: favorable variance of \$0.5 million
    - Other categories: favorable variance of \$1.0 million
- November 2018 YTD:
  - Actual lower than budget \$12.2 million or 19.3%
    - Salaries, wages & benefits: favorable variance of \$6.1 million
    - Purchased Services: favorable variance of \$2.0 million
    - Other categories: favorable variance of \$4.1 million
- Administrative Loss Ratio (ALR):
  - November 2018 MTD:      Actual: 3.9%              Budget: 4.4%
  - November 2018 YTD:      Actual: 3.7%              Budget: 4.6%

# FY 2018-19: Change in Net Assets

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- November 2018 MTD:

- \$15.2 million surplus
- \$11.5 million favorable to budget
  - Lower than budgeted revenue of \$2.3 million
  - Lower than budgeted medical expenses of \$9.7 million
  - Lower than budgeted administrative expenses of \$1.5 million
  - Higher than budgeted investment and other income of \$2.5 million

- November 2018 YTD:

- \$40.8 million surplus
- \$35.0 million favorable to budget
  - Lower than budgeted revenue of \$9.2 million
  - Lower than budgeted medical expenses of \$22.4 million
  - Lower than budgeted administrative expenses of \$12.2 million
  - Higher than budgeted investment and other income of \$9.5 million

# Enrollment Summary: November 2018

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
64,173	64,667	(494)	(0.8%)	Aged	319,484	321,095	(1,611)	(0.5%)
603	620	(17)	(2.7%)	BCCTP	3,061	3,100	(39)	(1.3%)
47,578	47,140	438	0.9%	Disabled	235,614	235,610	4	0.0%
307,491	314,634	(7,143)	(2.3%)	TANF Child	1,556,487	1,578,356	(21,869)	(1.4%)
92,758	94,437	(1,679)	(1.8%)	TANF Adult	469,324	475,645	(6,321)	(1.3%)
3,436	3,493	(57)	(1.6%)	LTC	17,007	17,355	(348)	(2.0%)
236,849	242,762	(5,913)	(2.4%)	MCE	1,188,003	1,209,598	(21,595)	(1.8%)
<b>752,888</b>	<b>767,753</b>	<b>(14,865)</b>	<b>(1.9%)</b>	<b>Medi-Cal</b>	<b>3,788,980</b>	<b>3,840,759</b>	<b>(51,779)</b>	<b>(1.3%)</b>
<b>14,610</b>	<b>14,869</b>	<b>(259)</b>	<b>(1.7%)</b>	<b>OneCare Connect</b>	<b>73,492</b>	<b>74,468</b>	<b>(976)</b>	<b>(1.3%)</b>
<b>295</b>	<b>297</b>	<b>(2)</b>	<b>(0.7%)</b>	<b>PACE</b>	<b>1,429</b>	<b>1,418</b>	<b>11</b>	<b>0.8%</b>
<b>1,423</b>	<b>1,324</b>	<b>99</b>	<b>7.5%</b>	<b>OneCare</b>	<b>6,976</b>	<b>6,620</b>	<b>356</b>	<b>5.4%</b>
<b>769,216</b>	<b>784,243</b>	<b>(15,027)</b>	<b>(1.9%)</b>	<b>CalOptima Total</b>	<b>3,870,877</b>	<b>3,923,265</b>	<b>(52,388)</b>	<b>(1.3%)</b>

# Financial Highlights: November 2018

Month-to-Date				Year-to-Date				
Actual	Budget	\$ Budget	% Budget		Actual	Budget	\$ Budget	% Budget
769,216	784,242	(15,026)	-1.9%	Member Months	3,870,877	3,923,264	(52,387)	-1.3%
275,444,105	277,699,103	(2,254,998)	-0.8%	Revenues	1,373,781,192	1,382,977,427	(9,196,235)	-0.7%
252,503,980	262,253,313	9,749,333	3.7%	Medical Expenses	1,293,586,055	1,316,028,513	22,442,458	1.7%
10,641,080	12,158,089	1,517,009	12.5%	Administrative Expenses	50,966,592	63,139,307	12,172,716	19.3%
<b>12,299,045</b>	<b>3,287,701</b>	<b>9,011,344</b>	<b>274.1%</b>	<b>Operating Margin</b>	<b>29,228,545</b>	<b>3,809,606</b>	<b>25,418,939</b>	<b>667.2%</b>
2,939,879	416,667	2,523,213	605.6%	Non Operating Income (Loss)	11,621,218	2,083,333	9,537,885	457.8%
<b>15,238,924</b>	<b>3,704,368</b>	<b>11,534,556</b>	<b>311.4%</b>	<b>Change in Net Assets</b>	<b>40,849,763</b>	<b>5,892,940</b>	<b>34,956,824</b>	<b>593.2%</b>
91.7%	94.4%	2.8%		Medical Loss Ratio	94.2%	95.2%	1.0%	
3.9%	4.4%	0.5%		Administrative Loss Ratio	3.7%	4.6%	0.9%	
4.5%	1.2%	3.3%		Operating Margin Ratio	2.1%	0.3%	1.9%	
100.0%	100.0%			Total Operating	100.0%	100.0%		

# Consolidated Performance Actual vs. Budget: November 2018 (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>
11.8	4.2	7.7	Medi-Cal	31.6	9.2	22.4
(0.6)	(0.9)	0.2	OCC	(3.1)	(5.1)	2.0
0.7	(0.1)	0.8	OneCare	(0.5)	(0.3)	(0.2)
<u>0.4</u>	<u>0.0</u>	<u>0.3</u>	<u>PACE</u>	<u>1.2</u>	<u>0.1</u>	<u>1.1</u>
<b>12.3</b>	<b>3.3</b>	<b>9.0</b>	<b>Operating</b>	<b>29.2</b>	<b>3.8</b>	<b>25.4</b>
<u>2.9</u>	<u>0.4</u>	<u>2.4</u>	<u>Inv./Rental Inc, MCO tax</u>	<u>11.6</u>	<u>2.1</u>	<u>9.6</u>
<b>2.9</b>	<b>0.4</b>	<b>2.4</b>	<b>Non-Operating</b>	<b>11.6</b>	<b>2.1</b>	<b>9.6</b>
<b>15.2</b>	<b>3.7</b>	<b>11.5</b>	<b>TOTAL</b>	<b>40.8</b>	<b>5.9</b>	<b>35.0</b>

# Consolidated Revenue & Expense:

## November 2018 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
<b>MEMBER MONTHS</b>	516,039	236,849	752,888	14,610	1,423	295	769,216
<b>REVENUES</b>							
Capitation Revenue	\$ 134,876,107	\$ 109,739,057	\$ 244,615,164	\$ 26,434,733	\$ 2,245,866	\$ 2,148,343	\$ 275,444,105
Other Income	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<u>134,876,107</u>	<u>109,739,057</u>	<u>244,615,164</u>	<u>26,434,733</u>	<u>2,245,866</u>	<u>2,148,343</u>	<u>275,444,105</u>
<b>MEDICAL EXPENSES</b>							
Provider Capitation	35,493,882	50,655,015	86,148,897	11,738,503	472,302	-	98,359,702
Facilities	19,969,774	23,096,700	43,066,474	3,916,268	302,071	124,686	47,409,500
Ancillary	-	-	-	827,357	25,624	-	852,981
Professional Claims	14,430,987	5,418,484	19,849,471	-	-	509,308	20,358,779
Prescription Drugs	16,531,943	19,169,297	35,701,240	5,428,782	485,810	168,552	41,784,384
MLTSS	30,941,569	2,863,487	33,805,056	1,639,375	46,338	(1,090)	35,489,679
Medical Management	2,252,849	920,408	3,173,257	1,269,523	44,903	665,719	5,153,402
Quality Incentives	770,032	412,585	1,182,616	426,000	-	2,950	1,611,566
Reinsurance & Other	721,004	374,959	1,095,963	201,728	13,981	172,315	1,483,987
<b>Total Medical Expenses</b>	<u>121,112,040</u>	<u>102,910,934</u>	<u>224,022,975</u>	<u>25,447,535</u>	<u>1,391,030</u>	<u>1,642,441</u>	<u>252,503,980</u>
<b>Medical Loss Ratio</b>	89.8%	93.8%	91.6%	96.3%	61.9%	76.5%	91.7%
<b>GROSS MARGIN</b>	<b>13,764,066</b>	<b>6,828,123</b>	<b>20,592,189</b>	<b>987,198</b>	<b>854,836</b>	<b>505,902</b>	<b>22,940,125</b>
<b>ADMINISTRATIVE EXPENSES</b>							
Salaries & Benefits			6,116,184	751,358	41,219	108,884	7,017,644
Professional fees			279,122	51,921	14,667	6,044	351,753
Purchased services			696,784	156,790	25,582	3,844	883,001
Printing & Postage			518,049	5,830	3,827	-	527,707
Depreciation & Amortization			370,878	-	-	2,072	372,950
Other expenses			1,072,180	50,186	1,535	10,112	1,134,013
Indirect cost allocation & Occupancy			(296,346)	617,602	29,172	3,584	354,013
<b>Total Administrative Expenses</b>			<u>8,756,851</u>	<u>1,633,686</u>	<u>116,003</u>	<u>134,539</u>	<u>10,641,080</u>
<b>Admin Loss Ratio</b>			3.6%	6.2%	5.2%	6.3%	3.9%
<b>INCOME (LOSS) FROM OPERATIONS</b>			11,835,338	(646,488)	738,833	371,363	12,299,045
<b>INVESTMENT INCOME</b>							2,954,357
<b>TOTAL GRANT INCOME</b>			(14,583)				(14,583)
<b>OTHER INCOME</b>			105				105
<b>CHANGE IN NET ASSETS</b>			<u>\$ 11,820,860</u>	<u>\$ (646,488)</u>	<u>\$ 738,833</u>	<u>\$ 371,363</u>	<u>\$ 15,238,924</u>
<b>BUDGETED CHANGE IN NET ASSETS</b>			4,160,368	(863,107)	(58,410)	48,850	3,704,368
<b>VARIANCE TO BUDGET - FAV (UNFAV)</b>			<u>\$ 7,660,492</u>	<u>\$ 216,619</u>	<u>\$ 797,243</u>	<u>\$ 322,513</u>	<u>\$ 11,534,556</u>

# Consolidated Revenue & Expense: November 2018 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
MEMBER MONTHS	2,600,977	1,188,003	3,788,980	73,492	6,976	1,429	3,870,877
<b>REVENUES</b>							
Capitation Revenue	\$ 676,277,679	\$ 553,185,459	\$ 1,229,463,138	\$ 126,415,618	\$ 7,374,552	\$ 10,527,884	\$ 1,373,781,192
Other Income	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>676,277,679</b>	<b>553,185,459</b>	<b>1,229,463,138</b>	<b>126,415,618</b>	<b>7,374,552</b>	<b>10,527,884</b>	<b>1,373,781,192</b>
<b>MEDICAL EXPENSES</b>							
Provider Capitation	178,525,102	251,559,175	430,084,276	58,427,630	1,708,290	-	490,220,197
Facilities	114,189,410	116,515,526	230,704,936	16,631,907	2,551,484	1,867,108	251,755,435
Ancillary	-	-	-	3,185,465	159,805	-	3,345,270
Professional Claims	79,837,845	31,216,280	111,054,125	-	-	2,149,307	113,203,432
Prescription Drugs	85,918,375	98,134,574	184,052,949	27,138,397	2,245,528	784,822	214,221,697
MLTSS	160,795,430	14,278,783	175,074,214	7,385,834	429,201	(1,933)	182,887,316
Medical Management	10,116,831	4,878,397	14,995,228	5,651,811	265,852	3,056,125	23,969,016
Quality Incentives	3,860,303	2,043,281	5,903,584	1,548,480	-	14,290	7,466,354
Reinsurance & Other	2,817,796	1,703,425	4,521,221	1,119,654	34,259	842,204	6,517,338
<b>Total Medical Expenses</b>	<b>636,061,092</b>	<b>520,329,441</b>	<b>1,156,390,533</b>	<b>121,089,178</b>	<b>7,394,420</b>	<b>8,711,923</b>	<b>1,293,586,055</b>
Medical Loss Ratio	94.1%	94.1%	94.1%	95.8%	100.3%	82.8%	94.2%
<b>GROSS MARGIN</b>	<b>40,216,586</b>	<b>32,856,018</b>	<b>73,072,604</b>	<b>5,326,440</b>	<b>(19,868)</b>	<b>1,815,961</b>	<b>80,195,137</b>
<b>ADMINISTRATIVE EXPENSES</b>							
Salaries & Benefits	-	-	29,589,178	3,788,247	161,894	483,333	34,022,652
Professional fees	-	-	960,000	154,924	73,334	6,121	1,194,379
Purchased services	-	-	3,201,295	879,305	77,615	47,548	4,205,763
Printing & Postage	-	-	1,695,921	285,746	35,528	21,082	2,038,277
Depreciation & Amortization	-	-	1,935,292	-	-	10,365	1,945,657
Other expenses	-	-	5,547,922	222,843	1,596	14,572	5,786,933
Indirect cost allocation & Occupancy	-	-	(1,478,659)	3,088,012	145,861	17,717	1,772,931
<b>Total Administrative Expenses</b>	-	-	<b>41,450,948</b>	<b>8,419,077</b>	<b>495,828</b>	<b>600,738</b>	<b>50,966,592</b>
Admin Loss Ratio	-	-	3.4%	6.7%	6.7%	5.7%	3.7%
<b>INCOME (LOSS) FROM OPERATIONS</b>	-	-	<b>31,621,656</b>	<b>(3,092,637)</b>	<b>(515,696)</b>	<b>1,215,223</b>	<b>29,228,545</b>
<b>INVESTMENT INCOME</b>	-	-	-	-	-	-	<b>11,638,565</b>
<b>TOTAL GRANT INCOME</b>	-	-	<b>(18,043)</b>	-	-	-	<b>(18,043)</b>
<b>OTHER INCOME</b>	-	-	<b>697</b>	-	-	-	<b>697</b>
<b>CHANGE IN NET ASSETS</b>	-	-	<b>\$ 31,604,309</b>	<b>\$ (3,092,637)</b>	<b>\$ (515,696)</b>	<b>\$ 1,215,223</b>	<b>\$ 40,849,763</b>
<b>BUDGETED CHANGE IN NET ASSETS</b>	-	-	<b>9,154,722</b>	<b>(5,092,655)</b>	<b>(332,131)</b>	<b>79,670</b>	<b>5,892,940</b>
<b>VARIANCE TO BUDGET - FAV (UNFAV)</b>	-	-	<b>\$ 22,449,588</b>	<b>\$ 2,000,017</b>	<b>\$ (183,565)</b>	<b>\$ 1,135,553</b>	<b>\$ 34,956,824</b>

# Balance Sheet:

## As of November 2018

<b>ASSETS</b>	<b>LIABILITIES &amp; FUND BALANCES</b>																																																																																																														
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# Board Designated Reserve and TNE Analysis As of November 2018

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	148,526,291				
	Tier 1 - Logan Circle	148,322,655				
	Tier 1 - Wells Capital	147,856,624				
<b>Board-designated Reserve</b>						
		444,705,570	311,983,928	481,008,333	132,721,642	(36,302,763)
TNE Requirement	Tier 2 - Logan Circle	97,889,374	82,406,352	82,406,352	15,483,022	15,483,022
<b>Consolidated:</b>		<b>542,594,944</b>	<b>394,390,280</b>	<b>563,414,686</b>	<b>148,204,664</b>	<b>(20,819,741)</b>
<i>Current reserve level</i>		<i>1.93</i>	<i>1.40</i>	<i>2.00</i>		



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## **UNAUDITED FINANCIAL STATEMENTS**

**November 2018**

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**CalOptima - Consolidated  
Financial Highlights  
For the Five Months Ended November 30, 2018**

Month-to-Date			
Actual	Budget	\$ Budget	% Budget
769,216	784,242	(15,026)	-1.9%
275,444,105	277,699,103	(2,254,998)	-0.8%
252,503,980	262,253,313	9,749,333	3.7%
10,641,080	12,158,089	1,517,009	12.5%
<b>12,299,045</b>	<b>3,287,701</b>	<b>9,011,344</b>	<b>274.1%</b>
2,939,879	416,667	2,523,213	605.6%
<b>15,238,924</b>	<b>3,704,368</b>	<b>11,534,556</b>	<b>311.4%</b>
91.7%	94.4%	2.8%	
3.9%	4.4%	0.5%	
<u>4.5%</u>	<u>1.2%</u>	3.3%	
100.0%	100.0%		

Year-to-Date				
Actual	Budget	\$ Budget	% Budget	
Member Months	3,870,877	3,923,264	(52,387)	-1.3%
Revenues	1,373,781,192	1,382,977,427	(9,196,235)	-0.7%
Medical Expenses	1,293,586,055	1,316,028,513	22,442,458	1.7%
Administrative Expenses	50,966,592	63,139,307	12,172,716	19.3%
<b>Operating Margin</b>	<b>29,228,545</b>	<b>3,809,606</b>	<b>25,418,939</b>	<b>667.2%</b>
Non Operating Income (Loss)	11,621,218	2,083,333	9,537,885	457.8%
<b>Change in Net Assets</b>	<b>40,849,763</b>	<b>5,892,940</b>	<b>34,956,824</b>	<b>593.2%</b>
Medical Loss Ratio	94.2%	95.2%	1.0%	
Administrative Loss Ratio	3.7%	4.6%	0.9%	
Operating Margin Ratio	<u>2.1%</u>	<u>0.3%</u>	1.9%	
Total Operating	100.0%	100.0%		

**CalOptima**  
**Financial Dashboard**  
**For the Five Months Ended November 30, 2018**

**MONTH - TO - DATE**

Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	752,888	767,753 ↓	(14,865)	(1.9%)
OneCare Connect	14,610	14,868 ↓	(258)	(1.7%)
OneCare	1,423	1,324 ↑	99	7.5%
PACE	295	297 ↓	(2)	(0.7%)
<b>Total</b>	<b>769,216</b>	<b>784,242 ↓</b>	<b>(15,026)</b>	<b>(1.9%)</b>

Change in Net Assets (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 11,821	\$ 4,160 ↑	\$ 7,661	184.2%
OneCare Connect	(646)	(863) ↑	217	25.1%
OneCare	739	(58) ↑	797	1374.1%
PACE	371	49 ↑	322	657.1%
505 Bldg	-	- ↑	-	0.0%
Investment Income & Other	2,954	417 ↑	2,537	608.4%
<b>Total</b>	<b>\$ 15,239</b>	<b>\$ 3,705 ↑</b>	<b>\$ 11,534</b>	<b>311.3%</b>

MLR	Actual	Budget	% Point Var
Medi-Cal	91.6%	94.3% ↑	2.7
OneCare Connect	96.3%	96.1% ↓	(0.2)
OneCare	61.9%	95.5% ↑	33.6

Administrative Cost (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 8,757	\$ 10,025 ↑	\$ 1,268	12.6%
OneCare Connect	1,634	1,834 ↑	200	10.9%
OneCare	116	130 ↑	14	10.6%
PACE	135	169 ↑	35	20.6%
<b>Total</b>	<b>\$ 10,641</b>	<b>\$ 12,158 ↑</b>	<b>\$ 1,517</b>	<b>12.5%</b>

Total FTE's Month	Actual	Budget	Fav / (Unfav)
Medi-Cal	961	1,085	125
OneCare Connect	216	234	18
OneCare	5	6	1
PACE	65	81	15
<b>Total</b>	<b>1,248</b>	<b>1,406</b>	<b>158</b>

MM per FTE	Actual	Budget	Fav / (Unfav)
Medi-Cal	784	707	76
OneCare Connect	68	64	4
OneCare	264	221	43
PACE	5	4	1
<b>Total</b>	<b>1,119</b>	<b>995</b>	<b>124</b>

**YEAR - TO - DATE**

Year To Date Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	3,788,980	3,840,759 ↓	(51,779)	(1.3%)
OneCare Connect	73,492	74,467 ↓	(975)	(1.3%)
OneCare	6,976	6,620 ↑	356	5.4%
PACE	1,429	1,418 ↑	11	0.8%
<b>Total</b>	<b>3,870,877</b>	<b>3,923,264 ↓</b>	<b>(52,387)</b>	<b>(1.3%)</b>

Change in Net Assets (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 31,604	\$ 9,155 ↑	\$ 22,449	245.2%
OneCare Connect	(3,093)	(5,093) ↓	2,000	39.3%
OneCare	(516)	(332) ↓	(184)	(55.4%)
PACE	1,215	80 ↑	1,135	1418.8%
505 Bldg	-	- ↑	-	0.0%
Investment Income & Other	11,639	2,083 ↑	9,556	458.8%
<b>Total</b>	<b>\$ 40,849</b>	<b>\$ 5,893 ↑</b>	<b>\$ 34,956</b>	<b>593.2%</b>

MLR	Actual	Budget	% Point Var
Medi-Cal	94.1%	95.1% ↑	1.0
OneCare Connect	95.8%	96.5% ↑	0.7
OneCare	100.3%	95.9% ↓	(4.4)

Administrative Cost (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 41,451	\$ 52,211 ↑	\$ 10,760	20.6%
OneCare Connect	8,419	9,433 ↑	1,014	10.8%
OneCare	496	659 ↑	163	24.8%
PACE	601	836 ↑	235	28.1%
<b>Total</b>	<b>\$ 50,967</b>	<b>\$ 63,139 ↑</b>	<b>\$ 12,173</b>	<b>19.3%</b>

Total FTE's YTD	Actual	Budget	Fav / (Unfav)
Medi-Cal	4,687	5,268	581
OneCare Connect	1,094	1,170	76
OneCare	24	30	6
PACE	304	382	78
<b>Total</b>	<b>6,109</b>	<b>6,850</b>	<b>2,234</b>

MM per FTE	Actual	Budget	Fav / (Unfav)
Medi-Cal	808	729	(4,460)
OneCare Connect	67	64	(1,103)
OneCare	292	221	262
PACE	5	4	(377)
<b>Total</b>	<b>1,172</b>	<b>1,017</b>	<b>(5,678)</b>

**CalOptima - Consolidated**  
**Statement of Revenues and Expenses**  
**For the One Month Ended November 30, 2018**

	Actual		Budget		Variance	
	\$	PMPM	\$	PMPM	\$	PMPM
<b>MEMBER MONTHS</b>	769,216		784,242		(15,026)	
<b>REVENUE</b>						
Medi-Cal	\$ 244,615,164	\$ 324.90	\$ 249,216,939	\$ 324.61	\$ (4,601,775)	\$ 0.29
OneCare Connect	26,434,733	1,809.36	24,739,301	1,663.93	1,695,432	145.43
OneCare	2,245,866	1,578.26	1,587,225	1,198.81	658,640	379.45
PACE	2,148,343	7,282.52	2,155,638	7,258.04	(7,295)	24.48
Total Operating Revenue	<u>275,444,105</u>	<u>358.08</u>	<u>277,699,103</u>	<u>354.10</u>	<u>(2,254,998)</u>	<u>3.98</u>
<b>MEDICAL EXPENSES</b>						
Medi-Cal	224,022,975	297.55	235,031,712	306.13	11,008,737	8.58
OneCare Connect	25,447,535	1,741.79	23,768,312	1,598.62	(1,679,223)	(143.17)
OneCare	1,391,030	977.53	1,515,887	1,144.93	124,858	167.40
PACE	1,642,441	5,567.59	1,937,401	6,523.24	294,960	955.65
Total Medical Expenses	<u>252,503,980</u>	<u>328.26</u>	<u>262,253,313</u>	<u>334.40</u>	<u>9,749,333</u>	<u>6.14</u>
<b>GROSS MARGIN</b>	22,940,125	29.82	15,445,790	19.70	7,494,335	10.12
<b>ADMINISTRATIVE EXPENSES</b>						
Salaries and benefits	7,017,644	9.12	7,557,830	9.64	540,186	0.52
Professional fees	351,753	0.46	412,958	0.53	61,205	0.07
Purchased services	883,001	1.15	1,235,014	1.57	352,013	0.42
Printing & Postage	527,707	0.69	533,146	0.68	5,439	(0.01)
Depreciation & Amortization	372,950	0.48	464,167	0.59	91,217	0.11
Other expenses	1,134,013	1.47	1,582,742	2.02	448,730	0.55
Indirect cost allocation & Occupancy expense	354,013	0.46	372,233	0.47	18,220	0.01
Total Administrative Expenses	<u>10,641,080</u>	<u>13.83</u>	<u>12,158,089</u>	<u>15.50</u>	<u>1,517,009</u>	<u>1.67</u>
<b>INCOME (LOSS) FROM OPERATIONS</b>	12,299,045	15.99	3,287,701	4.19	9,011,344	11.80
<b>INVESTMENT INCOME</b>						
Interest income	2,761,008	3.59	416,667	0.53	2,344,342	3.06
Realized gain/(loss) on investments	(173,429)	(0.23)	-	-	(173,429)	(0.23)
Unrealized gain/(loss) on investments	366,777	0.48	-	-	366,777	0.48
Total Investment Income	<u>2,954,357</u>	<u>3.84</u>	<u>416,667</u>	<u>0.53</u>	<u>2,537,690</u>	<u>3.31</u>
<b>TOTAL GRANT INCOME</b>	(14,583)	(0.02)	-	-	(14,583)	(0.02)
<b>OTHER INCOME</b>	105	-	-	-	105	-
<b>CHANGE IN NET ASSETS</b>	<u>15,238,924</u>	<u>19.81</u>	<u>3,704,368</u>	<u>4.72</u>	<u>11,534,556</u>	<u>15.09</u>
<b>MEDICAL LOSS RATIO</b>	<b>91.7%</b>		<b>94.4%</b>		<b>28%</b>	
<b>ADMINISTRATIVE LOSS RATIO</b>	<b>3.9%</b>		<b>4.4%</b>		<b>05%</b>	

**CalOptima - Consolidated**  
**Statement of Revenues and Expenses**  
**For the Five Months Ended November 30, 2018**

	Actual		Budget		Variance	
	\$	PMPM	\$	PMPM	\$	PMPM
<b>MEMBER MONTHS</b>	3,870,877		3,923,264		(52,387)	
<b>REVENUE</b>						
Medi-Cal	\$ 1,229,463,138	\$ 324.48	\$ 1,240,411,138	\$ 322.96	\$ (10,948,000)	\$ 1.52
OneCare Connect	126,415,618	1,720.13	124,338,605	1,669.71	2,077,013	50.42
OneCare	7,374,552	1,057.13	7,952,873	1,201.34	(578,321)	(144.21)
PACE	10,527,884	7,367.31	10,274,811	7,245.99	253,073	121.32
Total Operating Revenue	<u>1,373,781,192</u>	<u>354.90</u>	<u>1,382,977,427</u>	<u>352.51</u>	<u>(9,196,235)</u>	<u>2.39</u>
<b>MEDICAL EXPENSES</b>						
Medi-Cal	1,156,390,533	305.20	1,179,045,277	306.98	22,654,744	1.78
OneCare Connect	121,089,178	1,647.65	119,998,061	1,611.43	(1,091,117)	(36.22)
OneCare	7,394,420	1,059.98	7,625,787	1,151.93	231,367	91.95
PACE	8,711,923	6,096.52	9,359,388	6,600.41	647,465	503.89
Total Medical Expenses	<u>1,293,586,055</u>	<u>334.18</u>	<u>1,316,028,513</u>	<u>335.44</u>	<u>22,442,458</u>	<u>1.26</u>
<b>GROSS MARGIN</b>	80,195,137	20.72	66,948,914	17.07	13,246,223	3.65
<b>ADMINISTRATIVE EXPENSES</b>						
Salaries and benefits	34,022,652	8.79	40,143,510	10.23	6,120,858	1.44
Professional fees	1,194,379	0.31	2,062,291	0.53	867,912	0.22
Purchased services	4,205,763	1.09	6,177,566	1.57	1,971,802	0.48
Printing & Postage	2,038,277	0.53	2,665,727	0.68	627,450	0.15
Depreciation & Amortization	1,945,657	0.50	2,320,831	0.59	375,174	0.09
Other expenses	5,786,933	1.49	7,908,217	2.02	2,121,284	0.53
Indirect cost allocation & Occupancy expense	1,772,931	0.46	1,861,166	0.47	88,235	0.01
Total Administrative Expenses	<u>50,966,592</u>	<u>13.17</u>	<u>63,139,307</u>	<u>16.09</u>	<u>12,172,716</u>	<u>2.92</u>
<b>INCOME (LOSS) FROM OPERATIONS</b>	29,228,545	7.55	3,809,606	0.97	25,418,939	6.58
<b>INVESTMENT INCOME</b>						
Interest income	12,908,427	3.33	2,083,333	0.53	10,825,093	2.80
Realized gain/(loss) on investments	(997,098)	(0.26)	-	-	(997,098)	(0.26)
Unrealized gain/(loss) on investments	(272,764)	(0.07)	-	-	(272,764)	(0.07)
Total Investment Income	<u>11,638,565</u>	<u>3.01</u>	<u>2,083,333</u>	<u>0.53</u>	<u>9,555,231</u>	<u>2.48</u>
<b>TOTAL GRANT INCOME</b>	(18,043)	-	-	-	(18,043)	-
<b>OTHER INCOME</b>	697	-	-	-	697	-
<b>CHANGE IN NET ASSETS</b>	<u><b>40,849,763</b></u>	<u><b>10.55</b></u>	<u><b>5,892,940</b></u>	<u><b>1.50</b></u>	<u><b>34,956,824</b></u>	<u><b>9.05</b></u>
<b>MEDICAL LOSS RATIO</b>	<b>94.2%</b>		<b>95.2%</b>		<b>1.0%</b>	
<b>ADMINISTRATIVE LOSS RATIO</b>	<b>3.7%</b>		<b>4.6%</b>		<b>0.9%</b>	

**CalOptima - Consolidated - Month to Date  
Statement of Revenues and Expenses by LOB  
For the One Month Ended November 30, 2018**

	<u>Medi-Cal Classic</u>	<u>Medi-Cal Expansion</u>	<u>Total Medi-Cal</u>	<u>OneCare Connect</u>	<u>OneCare</u>	<u>PACE</u>	<u>Consolidated</u>
<b>MEMBER MONTHS</b>	516,039	236,849	752,888	14,610	1,423	295	769,216
<b>REVENUES</b>							
Capitation Revenue	\$ 134,876,107	\$ 109,739,057	\$ 244,615,164	\$ 26,434,733	\$ 2,245,866	\$ 2,148,343	\$ 275,444,105
Other Income	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<u>134,876,107</u>	<u>109,739,057</u>	<u>244,615,164</u>	<u>26,434,733</u>	<u>2,245,866</u>	<u>2,148,343</u>	<u>275,444,105</u>
<b>MEDICAL EXPENSES</b>							
Provider Capitation	35,493,882	50,655,015	86,148,897	11,738,503	472,302		98,359,702
Facilities	19,969,774	23,096,700	43,066,474	3,916,268	302,071	124,686	47,409,500
Ancillary	-	-	-	827,357	25,624	-	852,981
Professional Claims	14,430,987	5,418,484	19,849,471	-	-	509,308	20,358,779
Prescription Drugs	16,531,943	19,169,297	35,701,240	5,428,782	485,810	168,552	41,784,384
MLTSS	30,941,569	2,863,487	33,805,056	1,639,375	46,338	(1,090)	35,489,679
Medical Management	2,252,849	920,408	3,173,257	1,269,523	44,903	665,719	5,153,402
Quality Incentives	770,032	412,585	1,182,616	426,000	-	2,950	1,611,566
Reinsurance & Other	721,004	374,959	1,095,963	201,728	13,981	172,315	1,483,987
<b>Total Medical Expenses</b>	<u>121,112,040</u>	<u>102,910,934</u>	<u>224,022,975</u>	<u>25,447,535</u>	<u>1,391,030</u>	<u>1,642,441</u>	<u>252,503,980</u>
<b>Medical Loss Ratio</b>	89.8%	93.8%	91.6%	96.3%	61.9%	76.5%	91.7%
<b>GROSS MARGIN</b>	<b>13,764,066</b>	<b>6,828,123</b>	<b>20,592,189</b>	<b>987,198</b>	<b>854,836</b>	<b>505,902</b>	<b>22,940,125</b>
<b>ADMINISTRATIVE EXPENSES</b>							
Salaries & Benefits			6,116,184	751,358	41,219	108,884	7,017,644
Professional fees			279,122	51,921	14,667	6,044	351,753
Purchased services			696,784	156,790	25,582	3,844	883,001
Printing & Postage			518,049	5,830	3,827		527,707
Depreciation & Amortization			370,878			2,072	372,950
Other expenses			1,072,180	50,186	1,535	10,112	1,134,013
Indirect cost allocation & Occupancy			(296,346)	617,602	29,172	3,584	354,013
<b>Total Administrative Expenses</b>			<u>8,756,851</u>	<u>1,633,686</u>	<u>116,003</u>	<u>134,539</u>	<u>10,641,080</u>
<b>Admin Loss Ratio</b>			3.6%	6.2%	5.2%	6.3%	3.9%
<b>INCOME (LOSS) FROM OPERATIONS</b>			11,835,338	(646,488)	738,833	371,363	12,299,045
<b>INVESTMENT INCOME</b>							2,954,357
<b>TOTAL GRANT INCOME</b>			(14,583)				(14,583)
<b>OTHER INCOME</b>			105				105
<b>CHANGE IN NET ASSETS</b>			<u>\$ 11,820,860</u>	<u>\$ (646,488)</u>	<u>\$ 738,833</u>	<u>\$ 371,363</u>	<u>\$ 15,238,924</u>
<b>BUDGETED CHANGE IN NET ASSETS</b>			4,160,368	(863,107)	(58,410)	48,850	3,704,368
<b>VARIANCE TO BUDGET - FAV (UNFAV)</b>			<u>\$ 7,660,492</u>	<u>\$ 216,619</u>	<u>\$ 797,243</u>	<u>\$ 322,513</u>	<u>\$ 11,534,556</u>

**CalOptima - Consolidated - Year to Date**  
**Statement of Revenues and Expenses by LOB**  
**For the Five Months Ended November 30, 2018**

	<u>Medi-Cal Classic</u>	<u>Medi-Cal Expansion</u>	<u>Total Medi-Cal</u>	<u>OneCare Connect</u>	<u>OneCare</u>	<u>PACE</u>	<u>Consolidated</u>
<b>MEMBER MONTHS</b>	2,600,977	1,188,003	3,788,980	73,492	6,976	1,429	3,870,877
<b>REVENUES</b>							
Capitation Revenue	\$ 676,277,679	\$ 553,185,459	\$ 1,229,463,138	\$ 126,415,618	\$ 7,374,552	\$ 10,527,884	\$ 1,373,781,192
Other Income	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<u>676,277,679</u>	<u>553,185,459</u>	<u>1,229,463,138</u>	<u>126,415,618</u>	<u>7,374,552</u>	<u>10,527,884</u>	<u>1,373,781,192</u>
<b>MEDICAL EXPENSES</b>							
Provider Capitation	178,525,102	251,559,175	430,084,276	58,427,630	1,708,290		490,220,197
Facilities	114,189,410	116,515,526	230,704,936	16,631,907	2,551,484	1,867,108	251,755,435
Ancillary	-	-	-	3,185,465	159,805	-	3,345,270
Professional Claims	79,837,845	31,216,280	111,054,125	-	-	2,149,307	113,203,432
Prescription Drugs	85,918,375	98,134,574	184,052,949	27,138,397	2,245,528	784,822	214,221,697
MLTSS	160,795,430	14,278,783	175,074,214	7,385,834	429,201	(1,933)	182,887,316
Medical Management	10,116,831	4,878,397	14,995,228	5,651,811	265,852	3,056,125	23,969,016
Quality Incentives	3,860,303	2,043,281	5,903,584	1,548,480	-	14,290	7,466,354
Reinsurance & Other	2,817,796	1,703,425	4,521,221	1,119,654	34,259	842,204	6,517,338
<b>Total Medical Expenses</b>	<u>636,061,092</u>	<u>520,329,441</u>	<u>1,156,390,533</u>	<u>121,089,178</u>	<u>7,394,420</u>	<u>8,711,923</u>	<u>1,293,586,055</u>
<b>Medical Loss Ratio</b>	94 1%	94 1%	94 1%	95 8%	100 3%	82 8%	94 2%
<b>GROSS MARGIN</b>	<b>40,216,586</b>	<b>32,856,018</b>	<b>73,072,604</b>	<b>5,326,440</b>	<b>(19,868)</b>	<b>1,815,961</b>	<b>80,195,137</b>
<b>ADMINISTRATIVE EXPENSES</b>							
Salaries & Benefits			29,589,178	3,788,247	161,894	483,333	34,022,652
Professional fees			960,000	154,924	73,334	6,121	1,194,379
Purchased services			3,201,295	879,305	77,615	47,548	4,205,763
Printing & Postage			1,695,921	285,746	35,528	21,082	2,038,277
Depreciation & Amortization			1,935,292	-	-	10,365	1,945,657
Other expenses			5,547,922	222,843	1,596	14,572	5,786,933
Indirect cost allocation & Occupancy			(1,478,659)	3,088,012	145,861	17,717	1,772,931
<b>Total Administrative Expenses</b>			<u>41,450,948</u>	<u>8,419,077</u>	<u>495,828</u>	<u>600,738</u>	<u>50,966,592</u>
<b>Admin Loss Ratio</b>			3 4%	6 7%	6 7%	5 7%	3 7%
<b>INCOME (LOSS) FROM OPERATIONS</b>			31,621,656	(3,092,637)	(515,696)	1,215,223	29,228,545
<b>INVESTMENT INCOME</b>							11,638,565
<b>TOTAL GRANT INCOME</b>			(18,043)				(18,043)
<b>OTHER INCOME</b>			697				697
<b>CHANGE IN NET ASSETS</b>			<u>\$ 31,604,309</u>	<u>\$ (3,092,637)</u>	<u>\$ (515,696)</u>	<u>\$ 1,215,223</u>	<u>\$ 40,849,763</u>
<b>BUDGETED CHANGE IN NET ASSETS</b>			9,154,722	(5,092,655)	(332,131)	79,670	5,892,940
<b>VARIANCE TO BUDGET - FAV (UNFAV)</b>			<u>\$ 22,449,588</u>	<u>\$ 2,000,017</u>	<u>\$ (183,565)</u>	<u>\$ 1,135,553</u>	<u>\$ 34,956,824</u>

**November 30, 2018 Unaudited Financial Statements**

**SUMMARY**

**MONTHLY RESULTS:**

- Change in Net Assets is \$15.2 million, \$11.5 million favorable to budget
- Operating surplus is \$12.3 million, with a surplus in non-operating income of \$2.9 million

**YEAR TO DATE RESULTS:**

- Change in Net Assets is \$40.8 million, \$35.0 million favorable to budget
- Operating surplus is \$29.2 million, with a surplus in non-operating of \$11.6 million

**Change in Net Assets by Line of Business (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>	
11.8	4.2	7.7	Medi-Cal	31.6	9.2	22.4	
(0.6)	(0.9)	0.2	OCC	(3.1)	(5.1)	2.0	
0.7	(0.1)	0.8	OneCare	(0.5)	(0.3)	(0.2)	
<u>0.4</u>	<u>0.0</u>	<u>0.3</u>	<u>PACE</u>	<u>1.2</u>	<u>0.1</u>	<u>1.1</u>	
<b>12.3</b>	<b>3.3</b>	<b>9.0</b>	<b>Operating</b>	<b>29.2</b>	<b>3.8</b>	<b>25.4</b>	
<u>2.9</u>	<u>0.4</u>	<u>2.5</u>	<u>Inv./Rental Inc, MCO</u>	<u>11.6</u>	<u>2.1</u>	<u>9.6</u>	
			<u>tax</u>				
<b>2.9</b>	<b>0.4</b>	<b>2.5</b>	<b>Non-Operating</b>	<b>11.6</b>	<b>2.1</b>	<b>9.6</b>	
<b>15.2</b>	<b>3.7</b>	<b>11.5</b>	<b>TOTAL</b>	<b>40.8</b>	<b>5.9</b>	<b>35.0</b>	

**CalOptima - Consolidated  
Enrollment Summary  
For the Five Months Ended November 30, 2018**

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
64,173	64,667	(494)	(0.8%)	Aged	319,484	321,095	(1,611)	(0.5%)
603	620	(17)	(2.7%)	BCCTP	3,061	3,100	(39)	(1.3%)
47,578	47,140	438	0.9%	Disabled	235,614	235,610	4	0.0%
307,491	314,634	(7,143)	(2.3%)	TANF Child	1,556,487	1,578,356	(21,869)	(1.4%)
92,758	94,437	(1,679)	(1.8%)	TANF Adult	469,324	475,645	(6,321)	(1.3%)
3,436	3,493	(57)	(1.6%)	LTC	17,007	17,355	(348)	(2.0%)
236,849	242,762	(5,913)	(2.4%)	MCE	1,188,003	1,209,598	(21,595)	(1.8%)
<b>752,888</b>	<b>767,753</b>	<b>(14,865)</b>	<b>(1.9%)</b>	<b>Medi-Cal</b>	<b>3,788,980</b>	<b>3,840,759</b>	<b>(51,779)</b>	<b>(1.3%)</b>
<b>14,610</b>	<b>14,869</b>	<b>(259)</b>	<b>(1.7%)</b>	<b>OneCare Connect</b>	<b>73,492</b>	<b>74,468</b>	<b>(976)</b>	<b>(1.3%)</b>
<b>295</b>	<b>297</b>	<b>(2)</b>	<b>(0.7%)</b>	<b>PACE</b>	<b>1,429</b>	<b>1,418</b>	<b>11</b>	<b>0.8%</b>
<b>1,423</b>	<b>1,324</b>	<b>99</b>	<b>7.5%</b>	<b>OneCare</b>	<b>6,976</b>	<b>6,620</b>	<b>356</b>	<b>5.4%</b>
<b>769,216</b>	<b>784,243</b>	<b>(15,027)</b>	<b>(1.9%)</b>	<b>CalOptima Total</b>	<b>3,870,877</b>	<b>3,923,265</b>	<b>(52,388)</b>	<b>(1.3%)</b>
<b>Enrollment (By Network)</b>								
167,356	167,796	(440)	(0.3%)	HMO	836,413	840,789	(4,376)	(0.5%)
218,380	222,110	(3,730)	(1.7%)	PHC	1,091,185	1,111,186	(20,001)	(1.8%)
193,529	190,923	2,606	1.4%	Shared Risk Group	966,293	962,683	3,610	0.4%
173,623	186,924	(13,301)	(7.1%)	Fee for Service	895,089	926,101	(31,012)	(3.3%)
<b>752,888</b>	<b>767,753</b>	<b>(14,865)</b>	<b>(1.9%)</b>	<b>Medi-Cal</b>	<b>3,788,980</b>	<b>3,840,759</b>	<b>(51,779)</b>	<b>(1.3%)</b>
<b>14,610</b>	<b>14,869</b>	<b>(259)</b>	<b>(1.7%)</b>	<b>OneCare Connect</b>	<b>73,492</b>	<b>74,468</b>	<b>(976)</b>	<b>(1.3%)</b>
<b>295</b>	<b>297</b>	<b>(2)</b>	<b>(0.7%)</b>	<b>PACE</b>	<b>1,429</b>	<b>1,418</b>	<b>11</b>	<b>0.8%</b>
<b>1,423</b>	<b>1,324</b>	<b>99</b>	<b>7.5%</b>	<b>OneCare</b>	<b>6,976</b>	<b>6,620</b>	<b>356</b>	<b>5.4%</b>
<b>769,216</b>	<b>784,243</b>	<b>(15,027)</b>	<b>(1.9%)</b>	<b>CalOptima Total</b>	<b>3,870,877</b>	<b>3,923,265</b>	<b>(52,388)</b>	<b>(1.3%)</b>

CalOptima - Consolidated  
Enrollment Trend by Network Type  
Fiscal Year 2019

Network Type	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	MMs
<b>HMO</b>													
Aged	3,844	3,866	3,841	3,841	3,854								19,246
BCCTP	1	1	1	1	1								5
Disabled	6,744	6,789	6,789	6,811	6,838								33,971
TANF Child	58,435	58,267	58,162	58,110	57,723								290,697
TANF Adult	29,473	29,373	29,404	29,529	29,392								147,171
LTC	2	2	3	4	1								12
MCE	68,597	68,602	68,919	69,646	69,547								345,311
	<b>167,096</b>	<b>166,900</b>	<b>167,119</b>	<b>167,942</b>	<b>167,356</b>								<b>836,413</b>
<b>PHC</b>													
Aged	1,600	1,621	1,620	1,673	1,673								8,187
BCCTP	-	-	-	-	-								-
Disabled	7,243	7,239	7,230	7,212	7,226								36,150
TANF Child	157,157	156,755	157,444	158,169	157,483								787,008
TANF Adult	12,731	12,684	12,787	12,785	12,596								63,583
LTC	-	1	-	-	-								1
MCE	39,060	38,992	39,234	39,568	39,402								196,256
	<b>217,791</b>	<b>217,292</b>	<b>218,315</b>	<b>219,407</b>	<b>218,380</b>								<b>1,091,185</b>
<b>Shared Risk Group</b>													
Aged	3,593	3,605	3,621	3,642	3,610								18,071
BCCTP	-	-	-	-	-								-
Disabled	7,626	7,554	7,486	7,473	7,493								37,632
TANF Child	67,471	67,226	67,159	67,251	66,739								335,846
TANF Adult	30,936	30,567	30,622	30,670	30,417								153,212
LTC	2	-	1	1	-								4
MCE	83,554	83,443	84,008	85,253	85,270								421,528
	<b>193,182</b>	<b>192,395</b>	<b>192,897</b>	<b>194,290</b>	<b>193,529</b>								<b>966,293</b>
<b>Fee for Service (Dual)</b>													
Aged	49,903	50,943	50,657	50,741	51,018								253,262
BCCTP	16	15	18	14	13								76
Disabled	20,706	20,863	20,741	20,761	20,812								103,883
TANF Child	2	3	2	2	1								10
TANF Adult	1,081	1,083	1,064	1,055	1,038								5,321
LTC	3,025	3,019	3,007	3,077	3,079								15,207
MCE	2,327	2,367	2,416	2,388	2,237								11,735
	<b>77,060</b>	<b>78,293</b>	<b>77,905</b>	<b>78,038</b>	<b>78,198</b>								<b>389,494</b>
<b>Fee for Service (Non-Dual)</b>													
Aged	4,702	3,727	4,153	4,118	4,018								20,718
BCCTP	613	596	601	581	589								2,980
Disabled	4,802	4,672	4,617	4,678	5,209								23,978
TANF Child	30,166	31,801	28,765	26,649	25,545								142,926
TANF Adult	20,308	20,588	20,198	19,628	19,315								100,037
LTC	353	360	367	347	356								1,783
MCE	44,399	44,410	43,161	40,810	40,393								213,173
	<b>105,343</b>	<b>106,154</b>	<b>101,862</b>	<b>96,811</b>	<b>95,425</b>								<b>505,595</b>
<b>MEDI-CAL TOTAL</b>													
Aged	63,642	63,762	63,892	64,015	64,173								319,484
BCCTP	630	612	620	596	603								3,061
Disabled	47,121	47,117	46,863	46,935	47,578								235,614
TANF Child	313,231	314,052	311,532	310,181	307,491								1,556,487
TANF Adult	94,529	94,295	94,075	93,667	92,758								469,324
LTC	3,382	3,382	3,378	3,429	3,436								17,007
MCE	237,937	237,814	237,738	237,665	236,849								1,188,003
	<b>760,472</b>	<b>761,034</b>	<b>758,098</b>	<b>756,488</b>	<b>752,888</b>								<b>3,788,980</b>
<b>PACE</b>													
	273	286	286	289	295								1,429
<b>OneCare</b>													
	1,390	1,384	1,375	1,404	1,423								6,976
<b>OneCare Connect</b>													
	16,399	13,137	14,681	14,665	14,610								73,492
<b>TOTAL</b>	<b>778,534</b>	<b>775,841</b>	<b>774,440</b>	<b>772,846</b>	<b>769,216</b>								<b>3,870,877</b>

## **ENROLLMENT:**

**Overall** November enrollment was 769,216

- Unfavorable to budget 15,027 or 1.9%
- Decreased 3,630 or 0.5% from prior month (October 2018)
- Decreased 15,729 or 2.0% from prior year (November 2017)

**Medi-Cal** enrollment was 752,888

- Unfavorable to budget 14,865
  - Temporary Assistance for Needy Families (TANF) unfavorable 8,822
  - Medi-Cal Expansion (MCE) unfavorable 5,913
  - Seniors and Persons with Disabilities (SPD) unfavorable 73
  - Long-Term Care (LTC) unfavorable 57
- Decreased 3,600 from prior month

**OneCare Connect** enrollment was 14,610

- Unfavorable to budget 259
- Decreased 55 from prior month

**OneCare** enrollment was 1,423

- Favorable to budget 99
- Increased 19 from prior month

**PACE** enrollment was 295

- Unfavorable to budget 2
- Increased 6 from prior month

**CalOptima  
Medi-Cal Total  
Statement of Revenues and Expenses  
For the Five Months Ending November 30, 2018**

Month				Year to Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
<b>752,888</b>	<b>767,753</b>	<b>(14,865)</b>	<b>(1.9%)</b>	<b>Member Months</b>	<b>3,788,980</b>	<b>3,840,759</b>	<b>(51,779)</b>	<b>(1.3%)</b>
				<b>Revenues</b>				
244,615,164	249,216,939	(4,601,775)	(1.8%)	Capitation revenue	1,229,463,138	1,240,411,138	(10,948,000)	(0.9%)
-	-	-	0.0%	Other income	-	-	-	0.0%
<b>244,615,164</b>	<b>249,216,939</b>	<b>(4,601,775)</b>	<b>(1.8%)</b>	<b>Total Operating Revenue</b>	<b>1,229,463,138</b>	<b>1,240,411,138</b>	<b>(10,948,000)</b>	<b>(0.9%)</b>
				<b>Medical Expenses</b>				
87,331,513	84,796,555	(2,534,958)	(3.0%)	Provider capitation	435,987,860	423,021,618	(12,966,243)	(3.1%)
43,066,474	43,181,816	115,341	0.3%	Facilities	230,704,936	217,915,045	(12,789,890)	(5.9%)
19,849,471	28,706,771	8,857,300	30.9%	Professional Claims	111,054,125	141,468,045	30,413,920	21.5%
35,701,240	38,343,674	2,642,434	6.9%	Prescription drugs	184,052,949	194,221,579	10,168,630	5.2%
33,805,056	35,835,198	2,030,142	5.7%	MLTSS	175,074,214	181,561,218	6,487,005	3.6%
3,173,257	3,637,064	463,807	12.8%	Medical management	14,995,228	18,204,602	3,209,374	17.6%
1,095,963	530,634	(565,329)	(106.5%)	Reinsurance & other	4,521,221	2,653,170	(1,868,051)	(70.4%)
<b>224,022,975</b>	<b>235,031,712</b>	<b>11,008,737</b>	<b>4.7%</b>	<b>Total Medical Expenses</b>	<b>1,156,390,533</b>	<b>1,179,045,277</b>	<b>22,654,744</b>	<b>1.9%</b>
<b>20,592,189</b>	<b>14,185,226</b>	<b>6,406,963</b>	<b>45.2%</b>	<b>Gross Margin</b>	<b>73,072,604</b>	<b>61,365,861</b>	<b>11,706,743</b>	<b>19.1%</b>
				<b>Administrative Expenses</b>				
6,116,184	6,572,679	456,495	6.9%	Salaries, wages & employee benefits	29,589,178	34,955,741	5,366,563	15.4%
279,122	350,275	71,153	20.3%	Professional fees	960,000	1,748,874	788,874	45.1%
696,784	945,147	248,363	26.3%	Purchased services	3,201,295	4,728,232	1,526,937	32.3%
518,049	423,310	(94,739)	(22.4%)	Printing and postage	1,695,921	2,116,547	420,627	19.9%
370,878	462,076	91,198	19.7%	Depreciation and amortization	1,935,292	2,310,378	375,086	16.2%
1,072,180	1,494,964	422,784	28.3%	Other operating expenses	5,547,922	7,469,324	1,921,402	25.7%
(296,346)	(223,592)	72,754	32.5%	Indirect cost allocation, Occupancy Expense	(1,478,659)	(1,117,957)	360,702	32.3%
<b>8,756,851</b>	<b>10,024,858</b>	<b>1,268,007</b>	<b>12.6%</b>	<b>Total Administrative Expenses</b>	<b>41,450,948</b>	<b>52,211,140</b>	<b>10,760,191</b>	<b>20.6%</b>
				<b>Operating Tax</b>				
10,563,111	10,771,568	(208,457)	(1.9%)	Tax Revenue	53,159,725	53,885,855	(726,131)	(1.3%)
10,563,111	10,771,568	208,457	1.9%	Premium tax expense	53,159,725	43,101,717	(10,058,007)	(23.3%)
-	-	-	0.0%	Sales tax expense	-	10,784,138	10,784,138	100.0%
<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>Total Net Operating Tax</b>	<b>(0)</b>	<b>-</b>	<b>0</b>	<b>0.0%</b>
				<b>Grant Income</b>				
41,096	249,874	(208,778)	(83.6%)	Grant Revenue	281,762	1,249,370	(967,608)	(77.4%)
28,050	223,107	195,057	87.4%	Grant expense - Service Partner	198,900	1,115,535	916,635	82.2%
27,629	26,767	(862)	(3.2%)	Grant expense - Administrative	100,905	133,835	32,930	24.6%
(14,583)	-	(14,583)	0.0%	<b>Total Grant Income</b>	<b>(18,043)</b>	<b>-</b>	<b>(18,043)</b>	<b>0.0%</b>
<b>105</b>	<b>-</b>	<b>105</b>	<b>0.0%</b>	<b>Other income</b>	<b>697</b>	<b>-</b>	<b>697</b>	<b>0.0%</b>
105	-	105	0.0%	MC Other income	697	-	697	0.0%
<b>11,820,860</b>	<b>4,160,368</b>	<b>7,660,492</b>	<b>184.1%</b>	<b>Change in Net Assets</b>	<b>31,604,309</b>	<b>9,154,722</b>	<b>22,449,588</b>	<b>245.2%</b>
<b>91.6%</b>	<b>94.3%</b>	<b>2.7%</b>	<b>2.9%</b>	<b>Medical Loss Ratio</b>	<b>94.1%</b>	<b>95.1%</b>	<b>1.0%</b>	<b>1.0%</b>
<b>3.6%</b>	<b>4.0%</b>	<b>0.4%</b>	<b>11.0%</b>	<b>Admin Loss Ratio</b>	<b>3.4%</b>	<b>4.2%</b>	<b>0.8%</b>	<b>19.9%</b>

## **MEDI-CAL INCOME STATEMENT – NOVEMBER MONTH:**

**REVENUES** of \$244.6 million are unfavorable to budget \$4.6 million, driven by:

- Unfavorable volume related variance of \$4.8 million
- Favorable price related variance of \$0.2 million

**MEDICAL EXPENSES** are \$224.0 million, favorable to budget \$11.0 million due to:

- **Professional Claims** expense is favorable to budget \$8.9 million due to Child Health and Disability Prevention Program (CHDP) expenses of \$2.0 million, Behavioral Health Treatment (BHT) expenses of \$3.6 million, Proposition 56 expenses of \$2.6 million, offset by Non-Medical Transportation (NMT)
- **Prescription Drug** expense is favorable to budget \$2.6 million
- **Provider Capitation** expense is unfavorable to budget \$2.5 million due to Proposition 56 expenses and CHDP expenses of \$4.2 million that were budgeted in Professional Claims, offset by volume variance of \$1.6 million
- **Managed Long Term Services and Supports (MLTSS)** expenses favorable to budget \$2.0 million due to claims Incurred But Not Reported (IBNR)

**ADMINISTRATIVE EXPENSES** are \$8.8 million, favorable to budget \$1.3 million, driven by:

- **Salary & Benefits:** \$0.5 million favorable to budget from open positions
- **Purchased Services:** \$0.2 million favorable to budget
- **Other Non-Salary:** \$0.6 million favorable to budget

**CHANGE IN NET ASSETS** is \$11.8 million for the month, \$7.7 million favorable to budget

**CalOptima  
OneCare Connect Total  
Statement of Revenue and Expenses  
For the Five Months Ending November 30, 2018**

Month				Year to Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
<b>14,610</b>	<b>14,869</b>	<b>(259)</b>	<b>(1.7%)</b>	<b>Member Months</b>	<b>73,492</b>	<b>74,468</b>	<b>(976)</b>	<b>(1.3%)</b>
				Revenues				
2,646,200	3,273,331	(627,131)	(19.2%)	Medi-Cal Capitation revenue	13,070,196	16,630,776	(3,560,580)	(21.4%)
18,131,721	16,778,243	1,353,478	8.1%	Medicare Capitation revenue part C	87,223,182	84,230,709	2,992,473	3.6%
5,656,812	4,687,727	969,085	20.7%	Medicare Capitation revenue part D	26,122,241	23,477,120	2,645,121	11.3%
-	-	-	0.0%	Other Income	-	-	-	0.0%
<b>26,434,733</b>	<b>24,739,301</b>	<b>1,695,432</b>	<b>6.9%</b>	<b>Total Operating Revenue</b>	<b>126,415,618</b>	<b>124,338,605</b>	<b>2,077,013</b>	<b>1.7%</b>
				Medical Expenses				
12,164,503	11,402,654	(761,849)	(6.7%)	Provider capitation	59,976,110	56,772,616	(3,203,494)	(5.6%)
3,916,268	3,545,342	(370,926)	(10.5%)	Facilities	16,631,907	17,899,307	1,267,400	7.1%
827,357	641,307	(186,050)	(29.0%)	Ancillary	3,185,465	3,239,837	54,372	1.7%
1,639,375	1,612,929	(26,446)	(1.6%)	Long Term Care	7,385,834	8,398,481	1,012,647	12.1%
5,428,782	5,200,492	(228,290)	(4.4%)	Prescription drugs	27,138,397	26,443,881	(694,516)	(2.6%)
1,269,523	1,221,478	(48,045)	(3.9%)	Medical management	5,651,811	6,499,163	847,352	13.0%
201,728	144,110	(57,618)	(40.0%)	Other medical expenses	1,119,654	744,776	(374,878)	(50.3%)
<b>25,447,535</b>	<b>23,768,312</b>	<b>(1,679,223)</b>	<b>(7.1%)</b>	<b>Total Medical Expenses</b>	<b>121,089,178</b>	<b>119,998,061</b>	<b>(1,091,117)</b>	<b>(0.9%)</b>
<b>987,198</b>	<b>970,989</b>	<b>16,209</b>	<b>1.7%</b>	<b>Gross Margin</b>	<b>5,326,440</b>	<b>4,340,544</b>	<b>985,896</b>	<b>22.7%</b>
				Administrative Expenses				
751,358	819,132	67,775	8.3%	Salaries, wages & employee benefits	3,788,247	4,358,379	570,132	13.1%
51,921	42,917	(9,004)	(21.0%)	Professional fees	154,924	214,583	59,660	27.8%
156,790	251,415	94,625	37.6%	Purchased services	879,305	1,257,075	377,771	30.1%
5,830	86,202	80,372	93.2%	Printing and postage	285,746	431,008	145,262	33.7%
-	-	-	0.0%	Depreciation & amortization	-	-	-	0.0%
50,186	77,036	26,851	34.9%	Other operating expenses	222,843	385,182	162,339	42.1%
617,602	557,394	(60,208)	(10.8%)	Indirect cost allocation	3,088,012	2,786,970	(301,042)	(10.8%)
<b>1,633,686</b>	<b>1,834,096</b>	<b>200,410</b>	<b>10.9%</b>	<b>Total Administrative Expenses</b>	<b>8,419,077</b>	<b>9,433,199</b>	<b>1,014,121</b>	<b>10.8%</b>
<b>(646,488)</b>	<b>(863,107)</b>	<b>216,619</b>	<b>25.1%</b>	<b>Change in Net Assets</b>	<b>(3,092,637)</b>	<b>(5,092,655)</b>	<b>2,000,017</b>	<b>39.3%</b>
<b>96.3%</b>	<b>96.1%</b>	<b>(0.2%)</b>	<b>(0.2%)</b>	<b>Medical Loss Ratio</b>	<b>95.8%</b>	<b>96.5%</b>	<b>0.7%</b>	<b>0.7%</b>
<b>6.2%</b>	<b>7.4%</b>	<b>1.2%</b>	<b>16.6%</b>	<b>Admin Loss Ratio</b>	<b>6.7%</b>	<b>7.6%</b>	<b>0.9%</b>	<b>12.2%</b>

**ONECARE CONNECT INCOME STATEMENT – NOVEMBER MONTH:**

**REVENUES** of \$26.4 million are favorable to budget \$1.7 million due to:

- Unfavorable volume related variance of \$0.4 million
- Favorable price related variance of \$2.1 million due to calendar year (CY) 2016 Hierarchical Condition Category (HCC) and risk adjustments

**MEDICAL EXPENSES** of \$25.4 million are unfavorable to budgeted amount of \$23.8 million

**ADMINISTRATIVE EXPENSES** of \$1.6 million are favorable to budgeted amount of \$0.2 million

**CHANGE IN NET ASSETS** is (\$0.6) million, \$0.2 million favorable to budget

**CalOptima  
OneCare  
Statement of Revenues and Expenses  
For the Five Months Ending November, 30, 2018**

Month				Year to Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
1,423	1,324	99	7.5%	<b>Member Months</b>	6,976	6,620	356	5.4%
				<b>Revenues</b>				
1,321,525	1,096,243	225,282	20.6%	Medicare Part C revenue	4,488,948	5,465,261	(976,314)	(17.9%)
924,341	490,983	433,358	88.3%	Medicare Part D revenue	2,885,604	2,487,611	397,993	16.0%
<b>2,245,866</b>	<b>1,587,225</b>	<b>658,640</b>	<b>41.5%</b>	<b>Total Operating Revenue</b>	<b>7,374,552</b>	<b>7,952,873</b>	<b>(578,321)</b>	<b>(7.3%)</b>
				<b>Medical Expenses</b>				
472,302	449,898	(22,405)	(5.0%)	Provider capitation	1,708,290	2,243,318	535,027	23.8%
302,071	511,617	209,546	41.0%	Inpatient	2,551,484	2,570,853	19,369	0.8%
25,624	55,150	29,526	53.5%	Ancillary	159,805	274,938	115,133	41.9%
46,338	25,991	(20,347)	(78.3%)	Skilled nursing facilities	429,201	132,554	(296,647)	(223.8%)
485,810	433,279	(52,531)	(12.1%)	Prescription drugs	2,245,528	2,200,772	(44,756)	(2.0%)
44,903	33,384	(11,519)	(34.5%)	Medical management	265,852	170,539	(95,314)	(55.9%)
13,981	6,568	(7,413)	(112.9%)	Other medical expenses	34,259	32,814	(1,445)	(4.4%)
<b>1,391,030</b>	<b>1,515,887</b>	<b>124,858</b>	<b>8.2%</b>	<b>Total Medical Expenses</b>	<b>7,394,420</b>	<b>7,625,787</b>	<b>231,367</b>	<b>3.0%</b>
<b>854,836</b>	<b>71,338</b>	<b>783,498</b>	<b>1098.3%</b>	<b>Gross Margin</b>	<b>(19,868)</b>	<b>327,086</b>	<b>(346,954)</b>	<b>(106.1%)</b>
				<b>Administrative Expenses</b>				
41,219	37,669	(3,550)	(9.4%)	Salaries, wages & employee benefits	161,894	198,820	36,926	18.6%
14,667	19,600	4,933	25.2%	Professional fees	73,334	98,000	24,666	25.2%
25,582	17,425	(8,157)	(46.8%)	Purchased services	77,615	87,125	9,510	10.9%
3,827	13,206	9,379	71.0%	Printing and postage	35,528	66,030	30,501	46.2%
1,535	6,883	5,348	77.7%	Other operating expenses	1,596	34,417	32,821	95.4%
29,172	34,965	5,793	16.6%	Indirect cost allocation, occupancy expense	145,861	174,825	28,964	16.6%
<b>116,003</b>	<b>129,748</b>	<b>13,745</b>	<b>10.6%</b>	<b>Total Administrative Expenses</b>	<b>495,828</b>	<b>659,216</b>	<b>163,389</b>	<b>24.8%</b>
<b>738,833</b>	<b>(58,410)</b>	<b>797,243</b>	<b>1364.9%</b>	<b>Change in Net Assets</b>	<b>(515,696)</b>	<b>(332,131)</b>	<b>(183,565)</b>	<b>(55.3%)</b>
<b>61.9%</b>	<b>95.5%</b>	<b>33.6%</b>	<b>35.1%</b>	<b>Medical Loss Ratio</b>	<b>100.3%</b>	<b>95.9%</b>	<b>(4.4%)</b>	<b>(4.6%)</b>
<b>5.2%</b>	<b>8.2%</b>	<b>3.0%</b>	<b>36.8%</b>	<b>Admin Loss Ratio</b>	<b>6.7%</b>	<b>8.3%</b>	<b>1.6%</b>	<b>18.9%</b>

**CalOptima**  
**PACE**  
**Statement of Revenues and Expenses**  
**For the Five Months Ending November, 30, 2018**

Month				Year to Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
295	297	(2)	(0.7%)	<b>Member Months</b>	1,429	1,418	11	0.8%
				<b>Revenues</b>				
1,637,237	1,662,425	(25,188)	(1.5%)	Medi-Cal capitation revenue	7,936,704	7,938,158	(1,454)	(0.0%)
420,599	397,779	22,820	5.7%	Medicare Part C revenue	2,031,125	1,881,229	149,896	8.0%
90,507	95,434	(4,927)	(5.2%)	Medicare Part D revenue	560,055	455,424	104,631	23.0%
<b>2,148,343</b>	<b>2,155,638</b>	<b>(7,295)</b>	<b>(0.3%)</b>	<b>Total Operating Revenue</b>	<b>10,527,884</b>	<b>10,274,811</b>	<b>253,073</b>	<b>2.5%</b>
				<b>Medical Expenses</b>				
665,719	687,326	21,607	3.1%	Medical Management	3,056,125	3,449,931	393,806	11.4%
124,686	449,913	325,227	72.3%	Claims payments to hospitals	1,867,108	2,121,622	254,514	12.0%
509,308	477,221	(32,087)	(6.7%)	Professional claims	2,149,307	2,269,508	120,201	5.3%
172,315	132,400	(39,915)	(30.1%)	Patient transportation	842,204	632,130	(210,074)	(33.2%)
168,552	172,514	3,962	2.3%	Prescription drugs	784,822	818,327	33,505	4.1%
(1,090)	15,127	16,217	107.2%	MLTSS	(1,933)	53,870	55,803	103.6%
2,950	2,900	(50)	(1.7%)	Other Expenses	14,290	14,000	(290)	(2.1%)
<b>1,642,441</b>	<b>1,937,401</b>	<b>294,960</b>	<b>15.2%</b>	<b>Total Medical Expenses</b>	<b>8,711,923</b>	<b>9,359,388</b>	<b>647,465</b>	<b>6.9%</b>
<b>505,902</b>	<b>218,237</b>	<b>287,665</b>	<b>131.8%</b>	<b>Gross Margin</b>	<b>1,815,961</b>	<b>915,423</b>	<b>900,538</b>	<b>98.4%</b>
				<b>Administrative Expenses</b>				
108,884	128,350	19,466	15.2%	Salaries, wages & employee benefits	483,333	630,570	147,237	23.3%
6,044	167	(5,877)	(3526.1%)	Professional fees	6,121	833	(5,288)	(634.5%)
3,844	21,027	17,182	81.7%	Purchased services	47,548	105,133	57,585	54.8%
-	10,428	10,428	100.0%	Printing and postage	21,082	52,142	31,060	59.6%
2,072	2,091	19	0.9%	Depreciation & amortization	10,365	10,453	88	0.8%
10,112	3,859	(6,253)	(162.1%)	Other operating expenses	14,572	19,293	4,722	24.5%
3,584	3,466	(118)	(3.4%)	Indirect cost allocation, Occupancy Expense	17,717	17,328	(389)	(2.2%)
<b>134,539</b>	<b>169,387</b>	<b>34,847</b>	<b>20.6%</b>	<b>Total Administrative Expenses</b>	<b>600,738</b>	<b>835,753</b>	<b>235,015</b>	<b>28.1%</b>
<b>371,363</b>	<b>48,850</b>	<b>322,513</b>	<b>660.2%</b>	<b>Change in Net Assets</b>	<b>1,215,223</b>	<b>79,670</b>	<b>1,135,553</b>	<b>1425.3%</b>
<b>76.5%</b>	<b>89.9%</b>	<b>13.4%</b>	<b>14.9%</b>	<b>Medical Loss Ratio</b>	<b>82.8%</b>	<b>91.1%</b>	<b>8.3%</b>	<b>9.2%</b>
<b>6.3%</b>	<b>7.9%</b>	<b>1.6%</b>	<b>20.3%</b>	<b>Admin Loss Ratio</b>	<b>5.7%</b>	<b>8.1%</b>	<b>2.4%</b>	<b>29.8%</b>

**CalOptima**  
**BUILDING 505 - CITY PARKWAY**  
**Statement of Revenues and Expenses**  
**For the Five Months Ending November 30, 2018**

Month				Year to Date			
Actual	Budget	\$ Variance	% Variance	Actual	Budget	\$ Variance	% Variance
<b>Revenues</b>							
-	-	-	0.0%	-	-	-	0.0%
<b>Total Operating Revenue</b>				<b>Total Operating Revenue</b>			
-	-	-	<b>0.0%</b>	-	-	-	<b>0.0%</b>
<b>Administrative Expenses</b>							
34,986	22,981	(12,005)	(52.2%)	170,390	114,908	(55,482)	(48.3%)
160,607	162,935	2,328	1.4%	805,049	814,673	9,624	1.2%
15,816	15,917	101	0.6%	79,079	79,584	505	0.6%
116,098	173,136	57,038	32.9%	530,145	865,680	335,535	38.8%
32,775	1,635	(31,140)	(1904.6%)	269,121	8,175	(260,946)	(3192.0%)
(360,282)	(376,604)	(16,322)	(4.3%)	(1,853,785)	(1,883,020)	(29,235)	(1.6%)
<b>Total Administrative Expenses</b>				<b>Total Administrative Expenses</b>			
<b>(0)</b>	<b>-</b>	<b>0</b>	<b>0.0%</b>	<b>(0)</b>	<b>-</b>	<b>0</b>	<b>0.0%</b>
<b>Change in Net Assets</b>				<b>Change in Net Assets</b>			
<b>0</b>	<b>-</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0.0%</b>

**OTHER STATEMENTS – NOVEMBER MONTH:**

**ONECARE INCOME STATEMENT**

**CHANGE IN NET ASSETS** is \$738.8 thousand, \$797.2 thousand favorable to budget

**PACE INCOME STATEMENT**

**CHANGE IN NET ASSETS** is \$371.4 thousand, \$322.5 thousand favorable to budget

**CalOptima  
Balance Sheet  
November 30, 2018**

**ASSETS**

Current Assets	
Operating Cash	\$461,074,566
Investments	424,655,308
Capitation receivable	311,408,803
Receivables - Other	19,830,299
Prepaid expenses	4,733,003

<b>Total Current Assets</b>	<b>1,221,701,979</b>
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Capital Assets	
Furniture & Equipment	34,328,849
Building/Leasehold Improvements 505 City Parkway West	8,607,784
	49,743,943
	92,680,576
Less: accumulated depreciation	(43,889,210)
Capital assets, net	48,791,365

Other Assets	
Restricted Deposit & Other	300,000
Board-designated assets	
Cash and Cash Equivalents	9,546,588
Long-term Investments	533,048,357
Total Board-designated Assets	542,594,945
<b>Total Other Assets</b>	<b>542,894,945</b>

<b>TOTAL ASSETS</b>	<b>1,813,388,288</b>
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Deferred Outflows	
Pension Contributions	953,907
Difference in Experience	1,365,903
Excess Earnings	1,017,387
Changes in Assumptions	7,795,853

<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS</b>	<b>1,824,521,338</b>
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**LIABILITIES & FUND BALANCES**

Current Liabilities	
Accounts Payable	\$24,233,791
Medical Claims liability	700,665,944
Accrued Payroll Liabilities	9,802,049
Deferred Revenue	109,629,803
Deferred Lease Obligations	89,023
Capitation and Withholds	123,872,816

<b>Total Current Liabilities</b>	<b>968,293,426</b>
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Other (than pensions) post employment benefits liability	25,181,912
Net Pension Liabilities	25,135,291
Bldg 505 Development Rights	100,000

<b>TOTAL LIABILITIES</b>	<b>1,018,710,628</b>
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Deferred Inflows	
Change in Assumptions	3,329,380

TNE	82,406,352
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Funds in Excess of TNE	720,074,978
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Net Assets	802,481,330
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<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b>1,824,521,338</b>
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**CalOptima**  
**Board Designated Reserve and TNE Analysis**  
**as of November 30, 2018**

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	148,526,291				
	Tier 1 - Logan Circle	148,322,655				
	Tier 1 - Wells Capital	147,856,624				
<b>Board-designated Reserve</b>						
		444,705,570	311,983,928	481,008,333	132,721,642	(36,302,763)
TNE Requirement	Tier 2 - Logan Circle	97,889,374	82,406,352	82,406,352	15,483,022	15,483,022
	<b>Consolidated:</b>	<b>542,594,944</b>	<b>394,390,280</b>	<b>563,414,686</b>	<b>148,204,664</b>	<b>(20,819,741)</b>
	<i>Current reserve level</i>	<i>1.93</i>	<i>1.40</i>	<i>2.00</i>		

**CalOptima**  
**Statement of Cash Flows**  
**November 30, 2018**

	<b>Month Ended</b>	<b>Year-To-Date</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	15,238,924	40,849,763
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	533,556	2,750,706
Changes in assets and liabilities:		
Prepaid expenses and other	368,652	1,564,343
Catastrophic reserves		
Capitation receivable	(23,148,565)	(10,088,085)
Medical claims liability	(84,708,981)	(131,953,669)
Deferred revenue	23,391,706	(4,073,146)
Payable to providers	1,452,553	27,423,924
Accounts payable	7,356,564	15,378,748
Other accrued liabilities	479,798	619,588
Net cash provided by/(used in) operating activities	(59,035,791)	(57,527,827)
GASB 68 CalPERS Adjustments	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Change in Investments	34,935,487	155,643,640
Change in Property and Equipment	(51,780)	(783,822)
Change in Board designated reserves	(1,566,122)	(4,347,272)
Net cash provided by/(used in) investing activities	33,317,585	150,512,546
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	(25,718,206)	92,984,719
<b>CASH AND CASH EQUIVALENTS, beginning of period</b>	486,792,772	368,089,847
<b>CASH AND CASH EQUIVALENTS, end of period</b>	<b>461,074,566</b>	<b>461,074,566</b>

## **BALANCE SHEET:**

**ASSETS** decreased \$36.8 million from October or 2.0%

- **Investments** decreased \$34.9 million or 7.6% due to timing of receipts and transfers for daily payments as well as a \$102.0 million payment to the Department of Healthcare Services (DHCS) for the Medi-Cal Expansion Medical Loss Ratio (MLR) reconciliation
- **Capitation Receivables** increased \$26.5 million due to timing of DHCS capitation payments
- **Operating Cash** decreased by \$25.7 million or 5.3% affected by the MLR payment of \$102 million to DHCS, offset by higher capitation revenue received in November

**LIABILITIES** decreased \$52.1 million from October or 4.9%

- **Claims Liability** by line of business decreased \$84.7 million due to a \$102.0 million payment to DHCS for the Medi-Cal Expansion reconciliation
- **Deferred Revenue** increased \$23.4 million due to December capitation check received in November
- **Accounts Payable** increased \$10.4 due to the quarterly sales tax payment

**NET ASSETS** are \$802.5 million, an increase of \$15.2 million from October

**CalOptima Foundation**  
**Statement of Revenues and Expenses**  
**For the Five Months Ended November 30, 2018**

Month				Year - To - Date			
Actual	Budget	\$ Variance	% Variance	Actual	Budget	\$ Variance	% Variance
<b>Revenues</b>							
0	0	0	0.0%	<b>Total Operating Revenue</b>			
				0	0	0	0.0%
<b>Operating Expenditures</b>							
0	6,184	6,184	100.0%	0	30,921	30,921	100.0%
0	2,985	2,985	100.0%	0	14,924	14,924	100.0%
0	0	0	0.0%	0	0	0	0.0%
0	0	0	0.0%	0	0	0	0.0%
0	0	0	0.0%	0	0	0	0.0%
917	229,840	228,923	99.6%	4,584	1,149,199	1,144,615	99.6%
917	239,009	238,092	99.6%	<b>Total Operating Expenditures</b>			
				4,584	1,195,044	1,190,460	99.6%
0	0	0	0.0%	<b>Investment Income</b>			
				305	0	(305)	0.0%
<b>(917)</b>	<b>(239,009)</b>	<b>(238,092)</b>	<b>(99.6%)</b>	<b>Program Income</b>			
				<b>(4,279)</b>	<b>(1,195,044)</b>	<b>(1,190,765)</b>	<b>(99.6%)</b>

**CalOptima Foundation  
Balance Sheet  
November 30, 2018**

<u>ASSETS</u>		<u>LIABILITIES &amp; NET ASSETS</u>	
Operating cash	2,850,709	Accounts payable-Current	4,584
Grants receivable	0	Deferred Revenue	0
Prepaid expenses	<u>0</u>	Payable to CalOptima	7,264
<b>Total Current Assets</b>	<b><u>2,850,709</u></b>	Grants-Foundation	0
		<b>Total Current Liabilities</b>	<b><u>11,848</u></b>
		<b>Total Liabilities</b>	<b><u>11,848</u></b>
		<b>Net Assets</b>	<b><u>2,838,861</u></b>
 <b>TOTAL ASSETS</b>	 <b><u><u>2,850,709</u></u></b>	 <b>TOTAL LIABILITIES &amp; NET ASSETS</b>	 <b><u><u>2,850,709</u></u></b>

**CALOPTIMA FOUNDATION - NOVEMBER MONTH**

**INCOMESTATEMENT:**

Operating Revenue

- No activity

Operating Expenses

- Audit Fees \$0.9 thousand, \$4.6 thousand year to date (YTD)

**BALANCESHEET:**

Assets

- Cash of \$2.9 million remains from the fiscal year (FY) 2014 \$3.0 million transferred by CalOptima for grants and programs in support of providers and community

Liabilities

- \$4.6 thousand for audit fees
- \$7.3 thousand Payable to CalOptima

Net Income is (\$4.3) thousand YTD

**Budget Allocation Changes  
Reporting Changes for November 2018**

<b>Transfer Month</b>	<b>Line of Business</b>	<b>From</b>	<b>To</b>	<b>Amount</b>	<b>Expense Description</b>	<b>Fiscal Year</b>
November	Medi-Cal	Facilities - Capital Project (8th Floor HR Remodel)	Facilities - Capital Project (Replace Master Control Center)	\$22,500	Reallocate \$22,500 from Capital Project (8th Floor hr Remodel) to Capital Project (Replace Master Control Center)	2019

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.



**CalOptima**  
Better. Together.

# **Financial Summary**

**December 2018**

**Board of Directors' Finance and Audit Committee Meeting**

**February 21, 2019**

**Greg Hamblin**

**Chief Financial Officer**

# FY 2018-19: Consolidated Enrollment

- December 2018 MTD:
  - Overall enrollment was 766,194 member months
    - Actual lower than budget 17,702 or 2.3%
      - Medi-Cal: unfavorable variance of 17,248 members
        - Temporary Assistance for Needy Families (TANF) unfavorable variance of 10,394 members
        - Medi-Cal Expansion (MCE) unfavorable variance of 6,289 members
        - Seniors and Persons with Disabilities (SPD) unfavorable variance of 501 members
        - Long-Term Care (LTC) unfavorable variance of 64 members
      - OneCare Connect: unfavorable variance of 560 members
    - 3,022 decrease from November
      - Medi-Cal: decrease of 2,729 from November
      - OneCare Connect: decrease of 309 from November
      - OneCare: increase of 12 from November
      - PACE: increase of 4 from November

# FY 2018-19: Consolidated Enrollment (cont.)

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- December 2018 YTD:

- Overall enrollment was 4,637,071 member months

- Actual lower than budget 70,090 members or 1.5%

- Medi-Cal: unfavorable variance of 69,027 members or 1.5%

- TANF unfavorable variance of 38,584 members

- MCE unfavorable variance of 27,884 members

- SPD unfavorable variance of 2,147 members

- LTC unfavorable variance of 412 members

- OneCare Connect: unfavorable variance of 1,536 members or 1.7%

- OneCare: favorable variance of 467 members or 5.9%

- PACE: favorable variance of 6 members or 0.3%

# FY 2018-19: Consolidated Revenues

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- December 2018 MTD:
  - Actual lower than budget \$14.8 million or 5.3%
    - Medi-Cal: unfavorable to budget \$14.2 million or 5.7%
      - Unfavorable volume variance of \$5.6 million
      - Unfavorable price variance of \$8.6 million
    - OneCare Connect: unfavorable to budget \$0.6 million or 2.4%
      - Unfavorable volume variance of \$0.9 million
      - Favorable price variance of \$0.3 million
    - OneCare: favorable to budget \$158.6 thousand or 9.9%
      - Favorable volume variance of \$133.7 thousand
      - Favorable price variance of \$24.9 thousand
    - PACE: Unfavorable to budget \$202.4 thousand or 9.2%
      - Unfavorable volume variance of \$36.3 thousand
      - Unfavorable price variance of \$166.2 thousand

# FY 2018-19: Consolidated Revenues (cont.)

- December 2018 YTD:

- Actual lower than budget \$24.0 million or 1.4%

- Medi-Cal: unfavorable to budget \$25.1 million or 1.7%

- Unfavorable volume variance of \$22.3 million

- Unfavorable price variance of \$2.8 million due to:

- \$8.0 million of FY18 non-LTC revenue from non-LTC aid codes

- \$2.7 million of FY19 Behavioral Health Treatment (BHT) revenue

- Offset by favorable variance due to:

- \$4.5 million of prior year non-LTC revenue from non-LTC aid codes

- \$2.2 million of FY19 Hepatitis C revenue

- \$1.1 million of prior year BHT revenue

# FY 2018-19: Consolidated Revenues (cont.)

- December 2018 YTD:

- OneCare Connect: favorable to budget \$1.5 million or 1.0%
  - Unfavorable volume variance of \$2.6 million
  - Favorable price variance of \$4.1 million related to:
    - \$1.7 million Calendar Year (CY) 2016 Hierarchical Condition Category (HCC) risk adjustment
    - \$1.7 million for prior year Quality Incentive (QI) withhold distributed by the Centers for Medicare & Medicaid Services (CMS)
- OneCare: unfavorable to budget \$0.4 million or 4.4%
  - Favorable volume variance of \$0.6 million
  - Unfavorable price variance of \$1.0 million due to:
    - \$0.9 million CY 2015 risk adjustment
    - \$0.2 million CY 2016 HCC risk adjustment
- PACE: favorable to budget \$50.7 thousand or 0.4%
  - Favorable volume variance of \$43.5 thousand
  - Favorable price variance of \$7.2 thousand

# FY 2018-19: Consolidated Medical Expenses

- December 2018 MTD:

- Actual lower than budget \$17.9 million or 6.7%
  - Medi-Cal: favorable variance of \$16.6 million
    - Favorable volume variance of \$5.4 million
    - Favorable price variance of \$11.2 million
      - Professional Claim expenses favorable variance of \$9.4 million due to:
        - Child Health and Disability Prevention Program (CHDP) expenses of \$2.0 million
        - BHT expenses of \$3.7 million
        - Proposition 56 expenses of \$2.6 million
      - Prescription Drug expenses favorable variance of \$5.1 million
      - Provider Capitation expenses unfavorable variance of \$4.1 million due to Proposition 56 and CHDP expenses that were budgeted in Professional Claims
      - Managed Long Term Services and Supports (MLTSS) expenses favorable variance of \$3.4 million

# FY 2018-19: Consolidated Medical Expenses (cont.)

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- December 2018 MTD:

- OneCare Connect: favorable variance of \$946.9 thousand or 3.9%

- Favorable volume variance of \$907.7 thousand

- Favorable price variance of \$39.2 thousand

- OneCare: favorable variance of \$46.2 thousand or 3.0%

- PACE: favorable variance of \$329.7 thousand or 16.3%

# FY 2018-19: Consolidated Medical Expenses (cont.)

- December 2018 YTD:

- Actual lower than budget \$40.3 million or 2.5%
  - Medi-Cal: favorable variance of \$39.2 million
    - Favorable volume variance of \$21.2 million
    - Favorable price variance of \$18.0 million
      - Professional Claim expenses favorable variance of \$37.9 million
      - Provider Capitation expenses unfavorable variance of \$22.7 million
      - Facilities expenses unfavorable variance of \$17.4 million
      - Prescription Drug expenses favorable variance of \$12.7 million
      - MLTSS expenses favorable variance of \$7.4 million
  - OneCare Connect: unfavorable variance of \$0.1 million
    - Favorable volume variance of \$2.5 million
    - Unfavorable price variance of \$2.6 million

- Medical Loss Ratio (MLR):

- December 2018 MTD:      Actual: 94.3%      Budget: 95.8%
- December 2018 YTD:      Actual: 94.2%      Budget: 95.3%

# FY 2018-19: Consolidated Administrative Expenses

- December 2018 MTD:

- Actual lower than budget \$2.6 million or 20.7%
  - Salaries, wages and benefits: favorable variance of \$1.1 million
  - Other categories: favorable variance of \$1.5 million

- December 2018 YTD:

- Actual lower than budget \$14.7 million or 19.5%
  - Salaries, wages & benefits: favorable variance of \$7.2 million
  - Purchased Services: favorable variance of \$2.4 million
  - Other categories: favorable variance of \$5.2 million

- Administrative Loss Ratio (ALR):

- December 2018 MTD:      Actual: 3.7%      Budget: 4.5%
- December 2018 YTD:      Actual: 3.7%      Budget: 4.6%

# FY 2018-19: Change in Net Assets

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- December 2018 MTD:

- \$10.2 million surplus
- \$10.4 million favorable to budget
  - Lower than budgeted revenue of \$14.8 million
  - Lower than budgeted medical expenses of \$17.9 million
  - Lower than budgeted administrative expenses of \$2.6 million
  - Higher than budgeted investment and other income of \$4.7 million

- December 2018 YTD:

- \$51.0 million surplus
- \$45.3 million favorable to budget
  - Lower than budgeted revenue of \$24.0 million
  - Lower than budgeted medical expenses of \$40.3 million
  - Lower than budgeted administrative expenses of \$14.7 million
  - Higher than budgeted investment and other income of \$14.3 million

# Enrollment Summary: December 2018

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
64,469	64,891	(422)	(0.7%)	Aged	383,953	385,986	(2,033)	(0.5%)
586	620	(34)	(5.5%)	BCCTP	3,647	3,720	(73)	(2.0%)
47,104	47,149	(45)	(0.1%)	Disabled	282,718	282,759	(41)	(0.0%)
305,557	314,115	(8,558)	(2.7%)	TANF Child	1,862,044	1,892,471	(30,427)	(1.6%)
92,254	94,090	(1,836)	(2.0%)	TANF Adult	561,578	569,735	(8,157)	(1.4%)
3,440	3,504	(64)	(1.8%)	LTC	20,447	20,859	(412)	(2.0%)
236,749	243,038	(6,289)	(2.6%)	MCE	1,424,752	1,452,636	(27,884)	(1.9%)
<b>750,159</b>	<b>767,407</b>	<b>(17,248)</b>	<b>(2.2%)</b>	<b>Medi-Cal</b>	<b>4,539,139</b>	<b>4,608,166</b>	<b>(69,027)</b>	<b>(1.5%)</b>
<b>14,301</b>	<b>14,861</b>	<b>(560)</b>	<b>(3.8%)</b>	<b>OneCare Connect</b>	<b>87,793</b>	<b>89,329</b>	<b>(1,536)</b>	<b>(1.7%)</b>
<b>299</b>	<b>304</b>	<b>(5)</b>	<b>(1.6%)</b>	<b>PACE</b>	<b>1,728</b>	<b>1,722</b>	<b>6</b>	<b>0.3%</b>
<b>1,435</b>	<b>1,324</b>	<b>111</b>	<b>8.4%</b>	<b>OneCare</b>	<b>8,411</b>	<b>7,944</b>	<b>467</b>	<b>5.9%</b>
<b>766,194</b>	<b>783,896</b>	<b>(17,702)</b>	<b>(2.3%)</b>	<b>CalOptima Total</b>	<b>4,637,071</b>	<b>4,707,161</b>	<b>(70,090)</b>	<b>(1.5%)</b>

# Financial Highlights: December 2018

Month-to-Date			
Actual	Budget	\$ Budget	% Budget
766,194	783,896	(17,702)	(2.3%)
262,985,245	277,802,172	(14,816,927)	(5.3%)
248,114,941	266,000,586	17,885,645	6.7%
9,860,640	12,432,137	2,571,497	20.7%
<b>5,009,664</b>	<b>(630,550)</b>	<b>5,640,215</b>	<b>894.5%</b>
5,155,302	416,667	4,738,635	1137.3%
<b>10,164,966</b>	<b>(213,884)</b>	<b>10,378,850</b>	<b>4852.6%</b>
94.3%	95.8%	1.4%	
3.7%	4.5%	0.7%	
<u>1.9%</u>	<u>(0.2%)</u>	2.1%	
100.0%	100.0%		

Year-to-Date				
Actual	Budget	\$ Budget	% Budget	
Member Months	4,637,071	4,707,161	(70,090)	(1.5%)
Revenues	1,636,766,437	1,660,779,599	(24,013,163)	(1.4%)
Medical Expenses	1,541,700,995	1,582,029,099	40,328,103	2.5%
Administrative Expenses	60,827,232	75,571,445	14,744,213	19.5%
<b>Operating Margin</b>	<b>34,238,210</b>	<b>3,179,056</b>	<b>31,059,154</b>	<b>977.0%</b>
Non Operating Income (Loss)	16,776,520	2,500,000	14,276,520	571.1%
<b>Change in Net Assets</b>	<b>51,014,729</b>	<b>5,679,056</b>	<b>45,335,673</b>	<b>798.3%</b>
Medical Loss Ratio	94.2%	95.3%	1.1%	
Administrative Loss Ratio	3.7%	4.6%	0.8%	
Operating Margin Ratio	<u>2.1%</u>	<u>0.2%</u>	1.9%	
Total Operating	100.0%	100.0%		

# Consolidated Performance Actual vs. Budget: December 2018 (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>
5.4	0.7	4.6	Medi-Cal	37.0	9.9	27.1
(0.6)	(1.3)	0.6	OCC	(3.7)	(6.4)	2.6
0.1	(0.1)	0.2	OneCare	(0.4)	(0.4)	0.0
<u>0.2</u>	<u>0.0</u>	<u>0.2</u>	<u>PACE</u>	<u>1.4</u>	<u>0.1</u>	<u>1.3</u>
<b>5.0</b>	<b>(0.6)</b>	<b>5.7</b>	<b>Operating</b>	<b>34.2</b>	<b>3.2</b>	<b>31.1</b>
<u>5.2</u>	<u>0.4</u>	<u>4.7</u>	<u>Inv./Rental Inc, MCO tax</u>	<u>16.8</u>	<u>2.5</u>	<u>14.3</u>
<b>5.2</b>	<b>0.4</b>	<b>4.7</b>	<b>Non-Operating</b>	<b>16.8</b>	<b>2.5</b>	<b>14.3</b>
<b>10.2</b>	<b>(0.2)</b>	<b>10.4</b>	<b>TOTAL</b>	<b>51.0</b>	<b>5.7</b>	<b>45.3</b>

# Consolidated Revenue & Expense:

## December 2018 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
<b>MEMBER MONTHS</b>	513,410	236,749	750,159	14,301	1,435	299	766,194
<b>REVENUES</b>							
Capitation Revenue	\$ 125,346,798	\$ 109,800,211	\$ 235,147,010	\$ 24,081,787	\$ 1,753,661	\$ 2,002,788	\$ 262,985,245
Other Income	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<u>125,346,798</u>	<u>109,800,211</u>	<u>235,147,010</u>	<u>24,081,787</u>	<u>1,753,661</u>	<u>2,002,788</u>	<u>262,985,245</u>
<b>MEDICAL EXPENSES</b>							
Provider Capitation	35,052,513	50,718,354	85,770,867	11,066,222	761,289	-	97,598,377
Facilities	21,868,443	23,023,541	44,891,985	3,314,687	109,126	317,490	48,633,288
Ancillary	-	-	-	691,789	37,556	-	729,346
Professional Claims	13,672,077	5,454,294	19,126,371	-	-	373,313	19,499,684
Prescription Drugs	15,537,299	17,261,037	32,798,336	5,171,614	499,317	177,111	38,646,379
MLTSS	30,483,287	2,439,216	32,922,503	1,385,406	8,914	30,413	34,347,236
Medical Management	2,445,657	1,294,581	3,740,238	941,038	88,460	655,796	5,425,533
Quality Incentives	764,967	411,445	1,176,412	284,120	-	2,990	1,463,522
Reinsurance & Other	862,919	482,801	1,345,720	286,262	2,836	136,757	1,771,575
<b>Total Medical Expenses</b>	<u>120,687,162</u>	<u>101,085,268</u>	<u>221,772,430</u>	<u>23,141,140</u>	<u>1,507,499</u>	<u>1,693,871</u>	<u>248,114,941</u>
<b>Medical Loss Ratio</b>	96.3%	92.1%	94.3%	96.1%	86.0%	84.6%	94.3%
<b>GROSS MARGIN</b>	<b>4,659,636</b>	<b>8,714,943</b>	<b>13,374,579</b>	<b>940,647</b>	<b>246,161</b>	<b>308,917</b>	<b>14,870,304</b>
<b>ADMINISTRATIVE EXPENSES</b>							
Salaries & Benefits			5,928,283	666,664	29,675	90,743	6,715,365
Professional fees			(53,928)	25,374	14,667	123	(13,764)
Purchased services			658,204	187,202	7,396	5,713	858,515
Printing & Postage			120,886	134,161	7,178	27	262,252
Depreciation & Amortization			485,425	-	-	2,128	487,553
Other expenses			1,185,469	38,835	(1,332)	786	1,223,758
Indirect cost allocation & Occupancy			(289,184)	532,164	73,716	10,263	326,960
<b>Total Administrative Expenses</b>			<u>8,035,154</u>	<u>1,584,401</u>	<u>131,300</u>	<u>109,784</u>	<u>9,860,640</u>
<b>Admin Loss Ratio</b>			3.4%	6.6%	7.5%	5.5%	3.7%
<b>INCOME (LOSS) FROM OPERATIONS</b>			5,339,425	(643,755)	114,861	199,133	5,009,664
<b>INVESTMENT INCOME</b>							5,133,996
<b>TOTAL GRANT INCOME</b>			21,306				21,306
<b>CHANGE IN NET ASSETS</b>			<u>\$ 5,360,731</u>	<u>\$ (643,755)</u>	<u>\$ 114,861</u>	<u>\$ 199,133</u>	<u>\$ 10,164,966</u>
<b>BUDGETED CHANGE IN NET ASSETS</b>			733,429	(1,281,406)	(89,220)	6,647	(213,884)
<b>VARIANCE TO BUDGET - FAV (UNFAV)</b>			<u>\$ 4,627,302</u>	<u>\$ 637,651</u>	<u>\$ 204,082</u>	<u>\$ 192,486</u>	<u>\$ 10,378,850</u>

# Consolidated Revenue & Expense: December 2018 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
<b>MEMBER MONTHS</b>	3,114,387	1,424,752	4,539,139	87,793	8,411	1,728	4,637,071
<b>REVENUES</b>							
Capitation Revenue	\$ 801,624,477	\$ 662,985,670	\$ 1,464,610,147	\$ 150,497,405	\$ 9,128,212	\$ 12,530,672	#####
Other Income	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<u>801,624,477</u>	<u>662,985,670</u>	<u>1,464,610,147</u>	<u>150,497,405</u>	<u>9,128,212</u>	<u>12,530,672</u>	<u>1,636,766,437</u>
<b>MEDICAL EXPENSES</b>							
Provider Capitation	213,577,615	302,277,528	515,855,143	69,493,852	2,469,579	-	587,818,574
Facilities	136,057,853	139,539,067	275,596,920	19,946,595	2,660,610	2,184,598	300,388,723
Ancillary	-	-	-	3,877,255	197,361	-	4,074,616
Professional Claims	93,509,922	36,670,574	130,180,496	-	-	2,522,621	132,703,116
Prescription Drugs	101,455,674	115,395,611	216,851,285	32,310,012	2,744,846	961,933	252,868,075
MLTSS	191,278,718	16,717,999	207,996,717	8,771,240	438,116	28,480	217,234,552
Medical Management	12,562,488	6,172,978	18,735,466	6,592,850	354,312	3,711,921	29,394,549
Quality Incentives	4,625,270	2,454,726	7,079,996	1,832,600	-	17,280	8,929,876
Reinsurance & Other	3,680,715	2,186,226	5,866,941	1,405,916	37,095	978,961	8,288,914
<b>Total Medical Expenses</b>	<u>756,748,255</u>	<u>621,414,709</u>	<u>1,378,162,964</u>	<u>144,230,319</u>	<u>8,901,919</u>	<u>10,405,794</u>	<u>1,541,700,995</u>
<b>Medical Loss Ratio</b>	94.4%	93.7%	94.1%	95.8%	97.5%	83.0%	94.2%
<b>GROSS MARGIN</b>	<b>44,876,222</b>	<b>41,570,961</b>	<b>86,447,184</b>	<b>6,267,086</b>	<b>226,293</b>	<b>2,124,878</b>	<b>95,065,441</b>
<b>ADMINISTRATIVE EXPENSES</b>							
Salaries & Benefits			35,517,461	4,454,911	191,569	574,076	40,738,017
Professional fees			906,072	180,298	88,001	6,244	1,180,615
Purchased services			3,859,499	1,066,507	85,011	53,262	5,064,278
Printing & Postage			1,816,806	419,908	42,706	21,108	2,300,529
Depreciation & Amortization			2,420,717	-	-	12,493	2,433,210
Other expenses			6,733,391	261,678	263	15,358	7,010,691
Indirect cost allocation & Occupancy			(1,767,843)	3,620,177	219,577	27,980	2,099,891
<b>Total Administrative Expenses</b>			<u>49,486,103</u>	<u>10,003,479</u>	<u>627,128</u>	<u>710,523</u>	<u>60,827,232</u>
<b>Admin Loss Ratio</b>			3.4%	6.6%	6.9%	5.7%	3.7%
<b>INCOME (LOSS) FROM OPERATIONS</b>			36,961,081	(3,736,392)	(400,835)	1,414,355	34,238,210
<b>INVESTMENT INCOME</b>							16,772,561
<b>TOTAL GRANT INCOME</b>			3,262				3,262
<b>OTHER INCOME</b>			697				697
<b>CHANGE IN NET ASSETS</b>			<u>\$ 36,965,040</u>	<u>\$ (3,736,392)</u>	<u>\$ (400,835)</u>	<u>\$ 1,414,355</u>	<u>\$ 51,014,729</u>
<b>BUDGETED CHANGE IN NET ASSETS</b>			9,888,151	(6,374,061)	(421,351)	86,317	5,679,056
<b>VARIANCE TO BUDGET - FAV (UNFAV)</b>			<u>\$ 27,076,889</u>	<u>\$ 2,637,669</u>	<u>\$ 20,516</u>	<u>\$ 1,328,038</u>	<u>\$ 45,335,673</u>

# Balance Sheet:

## As of December 2018

<b>ASSETS</b>		<b>LIABILITIES &amp; FUND BALANCES</b>	
<b>Current Assets</b>		<b>Current Liabilities</b>	
Operating Cash	\$457,794,347	Accounts Payable	\$39,327,789
Investments	420,689,952	Medical Claims liability	708,778,778
Capitation receivable	317,548,692	Accrued Payroll Liabilities	10,008,152
Receivables - Other	19,077,811	Deferred Revenue	85,678,907
Prepaid expenses	5,453,518	Deferred Lease Obligations	82,664
		Capitation and Withholds	116,807,067
<b>Total Current Assets</b>	<b>1,220,564,321</b>	<b>Total Current Liabilities</b>	<b>960,683,359</b>
<b>Capital Assets</b>			
Furniture & Equipment	35,575,437		
Building/Leasehold Improvements	7,666,542		
505 City Parkway West	50,061,228		
	93,303,207		
Less: accumulated depreciation	(44,598,766)		
Capital assets, net	48,704,441		
<b>Other Assets</b>			
Restricted Deposit & Other	300,000	Other (than pensions) post employment benefits liability	25,320,737
		Net Pension Liabilities	24,865,229
Board-designated assets		Bldg 505 Development Rights	100,000
Cash and Cash Equivalents	24,279,851		
Long-term Investments	521,963,338		
Total Board-designated Assets	546,243,189		
<b>Total Other Assets</b>	<b>546,543,189</b>		
<b>TOTAL ASSETS</b>	<b>1,815,811,951</b>	<b>TOTAL LIABILITIES</b>	<b>1,010,969,324</b>
<b>Deferred Outflows</b>			
Pension Contributions	953,907	Deferred Inflows	
Difference in Experience	1,365,903	Change in Assumptions	3,329,380
Excess Earnings	1,017,387		
Changes in Assumptions	7,795,853	TNE	81,596,204
		Funds in Excess of TNE	731,050,093
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS</b>	<b>1,826,945,001</b>	Net Assets	812,646,296
		<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b>1,826,945,001</b>

# Board Designated Reserve and TNE Analysis

## As of December 2018

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	149,467,614				
	Tier 1 - Logan Circle	149,216,560				
	Tier 1 - Wells Capital	148,838,193				
Board-designated Reserve						
		447,522,367	310,055,167	477,905,754	137,467,200	(30,383,387)
TNE Requirement	Tier 2 - Logan Circle	98,720,822	81,596,204	81,596,204	17,124,618	17,124,618
<b>Consolidated:</b>		<b>546,243,189</b>	<b>391,651,371</b>	<b>559,501,958</b>	<b>154,591,818</b>	<b>(13,258,769)</b>
<i>Current reserve level</i>		<i>1.95</i>	<i>1.40</i>	<i>2.00</i>		



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## **UNAUDITED FINANCIAL STATEMENTS**

**December 2018**

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**CalOptima - Consolidated  
Financial Highlights  
For the Six Months Ended December 31, 2018**

Month-to-Date				Year-to-Date				
Actual	Budget	\$ Budget	% Budget		Actual	Budget	\$ Budget	% Budget
766,194	783,896	(17,702)	(2.3%)	Member Months	4,637,071	4,707,161	(70,090)	(1.5%)
262,985,245	277,802,172	(14,816,927)	(5.3%)	Revenues	1,636,766,437	1,660,779,599	(24,013,163)	(1.4%)
248,114,941	266,000,586	17,885,645	6.7%	Medical Expenses	1,541,700,995	1,582,029,099	40,328,103	2.5%
9,860,640	12,432,137	2,571,497	20.7%	Administrative Expenses	60,827,232	75,571,445	14,744,213	19.5%
<b>5,009,664</b>	<b>(630,550)</b>	<b>5,640,215</b>	<b>894.5%</b>	<b>Operating Margin</b>	<b>34,238,210</b>	<b>3,179,056</b>	<b>31,059,154</b>	<b>977.0%</b>
5,155,302	416,667	4,738,635	1137.3%	Non Operating Income (Loss)	16,776,520	2,500,000	14,276,520	571.1%
<b>10,164,966</b>	<b>(213,884)</b>	<b>10,378,850</b>	<b>4852.6%</b>	<b>Change in Net Assets</b>	<b>51,014,729</b>	<b>5,679,056</b>	<b>45,335,673</b>	<b>798.3%</b>
94.3%	95.8%	1.4%		Medical Loss Ratio	94.2%	95.3%	1.1%	
3.7%	4.5%	0.7%		Administrative Loss Ratio	3.7%	4.6%	0.8%	
<u>1.9%</u>	<u>(0.2%)</u>	2.1%		Operating Margin Ratio	<u>2.1%</u>	<u>0.2%</u>	1.9%	
100.0%	100.0%			Total Operating	100.0%	100.0%		

**CalOptima**  
**Financial Dashboard**  
**For the Six Months Ended December 31, 2018**

**MONTH - TO - DATE**

Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	750,159	767,407 ↓	(17,248)	(2.2%)
OneCare Connect	14,301	14,861 ↓	(560)	(3.8%)
OneCare	1,435	1,324 ↑	111	8.4%
PACE	299	304 ↓	(5)	(1.6%)
<b>Total</b>	<b>766,194</b>	<b>783,896 ↓</b>	<b>(17,702)</b>	<b>(2.3%)</b>

Change in Net Assets (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 5,361	\$ 733 ↑	\$ 4,627	630.9%
OneCare Connect	(644)	(1,281) ↑	638	49.8%
OneCare	115	(89) ↑	204	228.7%
PACE	199	7 ↑	192	2895.8%
505 Bldg	-	- ↑	-	0.0%
Investment Income & Other	5,134	417 ↑	4,717	1131.2%
<b>Total</b>	<b>\$ 10,165</b>	<b>\$ (214) ↑</b>	<b>\$ 10,379</b>	<b>4850.0%</b>

MLR	Actual	Budget	% Point Var
Medi-Cal	94.3%	95.6% ↑	1.3
OneCare Connect	96.1%	97.7% ↑	1.6
OneCare	86.0%	97.4% ↑	11.4

Administrative Cost (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 8,035	\$ 10,268 ↑	\$ 2,233	21.7%
OneCare Connect	1,584	1,858 ↑	274	14.7%
OneCare	131	131 ↓	(1)	(0.6%)
PACE	110	175 ↑	65	37.3%
<b>Total</b>	<b>\$ 9,861</b>	<b>\$ 12,432 ↑</b>	<b>\$ 2,571</b>	<b>20.7%</b>

Total FTE's Month	Actual	Budget	Fav / (Unfav)
Medi-Cal	970	1,085	116
OneCare Connect	226	234	8
OneCare	5	6	1
PACE	68	85	16
<b>Total</b>	<b>1,269</b>	<b>1,410</b>	<b>141</b>

MM per FTE	Actual	Budget	Fav / (Unfav)
Medi-Cal	774	707	67
OneCare Connect	63	63	(0)
OneCare	282	221	61
PACE	4	4	1
<b>Total</b>	<b>1,123</b>	<b>995</b>	<b>128</b>

**YEAR - TO - DATE**

Year To Date Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	4,539,139	4,608,166 ↓	(69,027)	(1.5%)
OneCare Connect	87,793	89,329 ↓	(1,536)	(1.7%)
OneCare	8,411	7,944 ↑	467	5.9%
PACE	1,728	1,722 ↑	6	0.3%
<b>Total</b>	<b>4,637,071</b>	<b>4,707,161 ↓</b>	<b>(70,090)</b>	<b>(1.5%)</b>

Change in Net Assets (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 36,965	\$ 9,888 ↑	\$ 27,077	273.8%
OneCare Connect	(3,736)	(6,374) ↑	2,638	41.4%
OneCare	(401)	(421) ↑	21	4.9%
PACE	1,414	86 ↑	1,328	1538.6%
505 Bldg	-	- ↑	-	0.0%
Investment Income & Other	16,773	2,500 ↑	14,273	570.9%
<b>Total</b>	<b>\$ 51,015</b>	<b>\$ 5,679 ↑</b>	<b>\$ 45,336</b>	<b>798.3%</b>

MLR	Actual	Budget	% Point Var
Medi-Cal	94.1%	95.1% ↑	1.0
OneCare Connect	95.8%	96.7% ↑	0.9
OneCare	97.5%	96.1% ↓	(1.4)

Administrative Cost (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 49,486	\$ 62,480 ↑	\$ 12,993	20.8%
OneCare Connect	10,003	11,291 ↑	1,288	11.4%
OneCare	627	790 ↑	163	20.6%
PACE	711	1,011 ↑	300	29.7%
<b>Total</b>	<b>\$ 60,827</b>	<b>\$ 75,571 ↑</b>	<b>\$ 14,744</b>	<b>19.5%</b>

Total FTE's YTD	Actual	Budget	Fav / (Unfav)
Medi-Cal	5,657	6,354	697
OneCare Connect	1,320	1,404	84
OneCare	29	36	7
PACE	372	466	94
<b>Total</b>	<b>7,378</b>	<b>8,260</b>	<b>882</b>

MM per FTE	Actual	Budget	Fav / (Unfav)
Medi-Cal	802	725	77
OneCare Connect	66	64	3
OneCare	290	221	70
PACE	5	4	1
<b>Total</b>	<b>1,164</b>	<b>1,013</b>	<b>151</b>

**CalOptima - Consolidated**  
**Statement of Revenues and Expenses**  
**For the One Month Ended December 31, 2018**

	Actual		Budget		Variance	
	\$	PMPM	\$	PMPM	\$	PMPM
<b>MEMBER MONTHS</b>	766,194		783,896		(17,702)	
<b>REVENUE</b>						
Medi-Cal	\$ 235,147,010	\$ 313.46	\$ 249,337,098	\$ 324.91	\$ (14,190,088)	\$ (11.45)
OneCare Connect	24,081,787	1,683.92	24,664,833	1,659.70	(583,046)	24.22
OneCare	1,753,661	1,222.06	1,595,033	1,204.71	158,628	17.35
PACE	2,002,788	6,698.29	2,205,209	7,253.98	(202,421)	(555.69)
Total Operating Revenue	<u>262,985,245</u>	<u>343.24</u>	<u>277,802,172</u>	<u>354.39</u>	<u>(14,816,927)</u>	<u>(11.15)</u>
<b>MEDICAL EXPENSES</b>						
Medi-Cal	221,772,430	295.63	238,335,226	310.57	16,562,795	14.94
OneCare Connect	23,141,140	1,618.15	24,088,076	1,620.89	946,936	2.74
OneCare	1,507,499	1,050.52	1,553,696	1,173.49	46,197	122.97
PACE	1,693,871	5,665.12	2,023,588	6,656.54	329,717	991.42
Total Medical Expenses	<u>248,114,941</u>	<u>323.83</u>	<u>266,000,586</u>	<u>339.33</u>	<u>17,885,645</u>	<u>15.50</u>
<b>GROSS MARGIN</b>	14,870,304	19.41	11,801,587	15.06	3,068,718	4.35
<b>ADMINISTRATIVE EXPENSES</b>						
Salaries and benefits	6,715,365	8.76	7,830,124	9.99	1,114,759	1.23
Professional fees	(13,764)	(0.02)	412,959	0.53	426,723	0.55
Purchased services	858,515	1.12	1,238,937	1.58	380,421	0.46
Printing & Postage	262,252	0.34	533,146	0.68	270,894	0.34
Depreciation & Amortization	487,553	0.64	464,166	0.59	(23,387)	(0.05)
Other expenses	1,223,758	1.60	1,580,572	2.02	356,813	0.42
Indirect cost allocation & Occupancy expense	326,960	0.43	372,235	0.47	45,275	0.04
Total Administrative Expenses	<u>9,860,640</u>	<u>12.87</u>	<u>12,432,137</u>	<u>15.86</u>	<u>2,571,497</u>	<u>2.99</u>
<b>INCOME (LOSS) FROM OPERATIONS</b>	5,009,664	6.54	(630,550)	(0.80)	5,640,215	7.34
<b>INVESTMENT INCOME</b>						
Interest income	2,915,709	3.81	416,667	0.53	2,499,042	3.28
Realized gain/(loss) on investments	(410,178)	(0.54)	-	-	(410,178)	(0.54)
Unrealized gain/(loss) on investments	2,628,465	3.43	-	-	2,628,465	3.43
Total Investment Income	<u>5,133,996</u>	<u>6.70</u>	<u>416,667</u>	<u>0.53</u>	<u>4,717,330</u>	<u>6.17</u>
<b>TOTAL GRANT INCOME</b>	21,306	0.03	-	-	21,306	0.03
<b>CHANGE IN NET ASSETS</b>	<u><b>10,164,966</b></u>	<u><b>13.27</b></u>	<u><b>(213,884)</b></u>	<u><b>(0.27)</b></u>	<u><b>10,378,850</b></u>	<u><b>13.54</b></u>
<b>MEDICAL LOSS RATIO</b>	<b>94.3%</b>		<b>95.8%</b>		<b>1.4%</b>	
<b>ADMINISTRATIVE LOSS RATIO</b>	<b>3.7%</b>		<b>4.5%</b>		<b>0.7%</b>	

**CalOptima - Consolidated**  
**Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2018**

	Actual		Budget		Variance	
	\$	PMPM	\$	PMPM	\$	PMPM
<b>MEMBER MONTHS</b>	4,637,071		4,707,160		(70,089)	
<b>REVENUE</b>						
Medi-Cal	\$ 1,464,610,147	\$ 322.66	\$ 1,489,748,236	\$ 323.28	\$ (25,138,088)	\$ (0.62)
OneCare Connect	150,497,405	1,714.23	149,003,438	1,668.05	1,493,967	46.18
OneCare	9,128,212	1,085.27	9,547,905	1,201.90	(419,693)	(116.63)
PACE	12,530,672	7,251.55	12,480,020	7,247.40	50,652	4.15
Total Operating Revenue	<u>1,636,766,437</u>	<u>352.97</u>	<u>1,660,779,599</u>	<u>352.82</u>	<u>(24,013,163)</u>	<u>0.15</u>
<b>MEDICAL EXPENSES</b>						
Medi-Cal	1,378,162,964	303.62	1,417,380,502	307.58	39,217,539	3.96
OneCare Connect	144,230,319	1,642.85	144,086,137	1,613.00	(144,182)	(29.85)
OneCare	8,901,919	1,058.37	9,179,483	1,155.52	277,564	97.15
PACE	10,405,794	6,021.87	11,382,976	6,610.32	977,182	588.45
Total Medical Expenses	<u>1,541,700,995</u>	<u>332.47</u>	<u>1,582,029,099</u>	<u>336.09</u>	<u>40,328,103</u>	<u>3.62</u>
<b>GROSS MARGIN</b>	95,065,441	20.50	78,750,501	16.73	16,314,941	3.77
<b>ADMINISTRATIVE EXPENSES</b>						
Salaries and benefits	40,738,017	8.79	47,973,634	10.19	7,235,617	1.40
Professional fees	1,180,615	0.25	2,475,250	0.53	1,294,635	0.28
Purchased services	5,064,278	1.09	7,416,502	1.58	2,352,224	0.49
Printing & Postage	2,300,529	0.50	3,198,873	0.68	898,344	0.18
Depreciation & Amortization	2,433,210	0.52	2,784,997	0.59	351,787	0.07
Other expenses	7,010,691	1.51	9,488,788	2.02	2,478,097	0.51
Indirect cost allocation & Occupancy expense	2,099,891	0.45	2,233,401	0.47	133,510	0.02
Total Administrative Expenses	<u>60,827,232</u>	<u>13.12</u>	<u>75,571,445</u>	<u>16.05</u>	<u>14,744,213</u>	<u>2.93</u>
<b>INCOME (LOSS) FROM OPERATIONS</b>	34,238,210	7.38	3,179,056	0.68	31,059,154	6.70
<b>INVESTMENT INCOME</b>						
Interest income	15,824,136	3.41	2,500,000	0.53	13,324,136	2.88
Realized gain/(loss) on investments	(1,407,276)	(0.30)	-	-	(1,407,276)	(0.30)
Unrealized gain/(loss) on investments	2,355,701	0.51	-	-	2,355,701	0.51
Total Investment Income	<u>16,772,561</u>	<u>3.62</u>	<u>2,500,000</u>	<u>0.53</u>	<u>14,272,561</u>	<u>3.09</u>
<b>TOTAL GRANT INCOME</b>	3,262	-	-	-	3,262	-
<b>OTHER INCOME</b>	697	-	-	-	697	-
<b>CHANGE IN NET ASSETS</b>	<u><b>51,014,729</b></u>	<u><b>11.00</b></u>	<u><b>5,679,056</b></u>	<u><b>1.21</b></u>	<u><b>45,335,673</b></u>	<u><b>9.79</b></u>
<b>MEDICAL LOSS RATIO</b>	<b>94.2%</b>		<b>95.3%</b>		<b>1.1%</b>	
<b>ADMINISTRATIVE LOSS RATIO</b>	<b>3.7%</b>		<b>4.6%</b>		<b>0.8%</b>	

**CalOptima - Consolidated - Month to Date  
Statement of Revenues and Expenses by LOB  
For the One Month Ended December 31, 2018**

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
<b>MEMBER MONTHS</b>	513,410	236,749	750,159	14,301	1,435	299	766,194
<b>REVENUES</b>							
Capitation Revenue	\$ 125,346,798	\$ 109,800,211	\$ 235,147,010	\$ 24,081,787	\$ 1,753,661	\$ 2,002,788	\$ 262,985,245
Other Income	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<u>125,346,798</u>	<u>109,800,211</u>	<u>235,147,010</u>	<u>24,081,787</u>	<u>1,753,661</u>	<u>2,002,788</u>	<u>262,985,245</u>
<b>MEDICAL EXPENSES</b>							
Provider Capitation	35,052,513	50,718,354	85,770,867	11,066,222	761,289		97,598,377
Facilities	21,868,443	23,023,541	44,891,985	3,314,687	109,126	317,490	48,633,288
Ancillary	-	-	-	691,789	37,556	-	729,346
Professional Claims	13,672,077	5,454,294	19,126,371	-	-	373,313	19,499,684
Prescription Drugs	15,537,299	17,261,037	32,798,336	5,171,614	499,317	177,111	38,646,379
MLTSS	30,483,287	2,439,216	32,922,503	1,385,406	8,914	30,413	34,347,236
Medical Management	2,445,657	1,294,581	3,740,238	941,038	88,460	655,796	5,425,533
Quality Incentives	764,967	411,445	1,176,412	284,120	-	2,990	1,463,522
Reinsurance & Other	862,919	482,801	1,345,720	286,262	2,836	136,757	1,771,575
<b>Total Medical Expenses</b>	<u>120,687,162</u>	<u>101,085,268</u>	<u>221,772,430</u>	<u>23,141,140</u>	<u>1,507,499</u>	<u>1,693,871</u>	<u>248,114,941</u>
<b>Medical Loss Ratio</b>	96 3%	92 1%	94 3%	96 1%	86 0%	84 6%	94 3%
<b>GROSS MARGIN</b>	<b>4,659,636</b>	<b>8,714,943</b>	<b>13,374,579</b>	<b>940,647</b>	<b>246,161</b>	<b>308,917</b>	<b>14,870,304</b>
<b>ADMINISTRATIVE EXPENSES</b>							
Salaries & Benefits			5,928,283	666,664	29,675	90,743	6,715,365
Professional fees			(53,928)	25,374	14,667	123	(13,764)
Purchased services			658,204	187,202	7,396	5,713	858,515
Printing & Postage			120,886	134,161	7,178	27	262,252
Depreciation & Amortization			485,425			2,128	487,553
Other expenses			1,185,469	38,835	(1,332)	786	1,223,758
Indirect cost allocation & Occupancy			(289,184)	532,164	73,716	10,263	326,960
<b>Total Administrative Expenses</b>			<u>8,035,154</u>	<u>1,584,401</u>	<u>131,300</u>	<u>109,784</u>	<u>9,860,640</u>
<b>Admin Loss Ratio</b>			3 4%	6 6%	7 5%	5 5%	3 7%
<b>INCOME (LOSS) FROM OPERATIONS</b>			5,339,425	(643,755)	114,861	199,133	5,009,664
<b>INVESTMENT INCOME</b>							5,133,996
<b>TOTAL GRANT INCOME</b>			21,306				21,306
<b>CHANGE IN NET ASSETS</b>			<u>\$ 5,360,731</u>	<u>\$ (643,755)</u>	<u>\$ 114,861</u>	<u>\$ 199,133</u>	<u>\$ 10,164,966</u>
<b>BUDGETED CHANGE IN NET ASSETS</b>			733,429	(1,281,406)	(89,220)	6,647	(213,884)
<b>VARIANCE TO BUDGET - FAV (UNFAV)</b>			<u>\$ 4,627,302</u>	<u>\$ 637,651</u>	<u>\$ 204,082</u>	<u>\$ 192,486</u>	<u>\$ 10,378,850</u>

**CalOptima - Consolidated - Year to Date  
Statement of Revenues and Expenses by LOB  
For the Six Months Ended December 31, 2018**

	<u>Medi-Cal Classic</u>	<u>Medi-Cal Expansion</u>	<u>Total Medi-Cal</u>	<u>OneCare Connect</u>	<u>OneCare</u>	<u>PACE</u>	<u>Consolidated</u>
<b>MEMBER MONTHS</b>	3,114,387	1,424,752	4,539,139	87,793	8,411	1,728	4,637,071
<b>REVENUES</b>							
Capitation Revenue	\$ 801,624,477	\$ 662,985,670	\$ 1,464,610,147	\$ 150,497,405	\$ 9,128,212	\$ 12,530,672	\$ 1,636,766,437
Other Income	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<u>801,624,477</u>	<u>662,985,670</u>	<u>1,464,610,147</u>	<u>150,497,405</u>	<u>9,128,212</u>	<u>12,530,672</u>	<u>1,636,766,437</u>
<b>MEDICAL EXPENSES</b>							
Provider Capitation	213,577,615	302,277,528	515,855,143	69,493,852	2,469,579		587,818,574
Facilities	136,057,853	139,539,067	275,596,920	19,946,595	2,660,610	2,184,598	300,388,723
Ancillary	-	-	-	3,877,255	197,361	-	4,074,616
Professional Claims	93,509,922	36,670,574	130,180,496	-	-	2,522,621	132,703,116
Prescription Drugs	101,455,674	115,395,611	216,851,285	32,310,012	2,744,846	961,933	252,868,075
MLTSS	191,278,718	16,717,999	207,996,717	8,771,240	438,116	28,480	217,234,552
Medical Management	12,562,488	6,172,978	18,735,466	6,592,850	354,312	3,711,921	29,394,549
Quality Incentives	4,625,270	2,454,726	7,079,996	1,832,600	37,095	17,280	8,929,876
Reinsurance & Other	3,680,715	2,186,226	5,866,941	1,405,916	37,095	978,961	8,288,914
<b>Total Medical Expenses</b>	<u>756,748,255</u>	<u>621,414,709</u>	<u>1,378,162,964</u>	<u>144,230,319</u>	<u>8,901,919</u>	<u>10,405,794</u>	<u>1,541,700,995</u>
<b>Medical Loss Ratio</b>	94.4%	93.7%	94.1%	95.8%	97.5%	83.0%	94.2%
<b>GROSS MARGIN</b>	<b>44,876,222</b>	<b>41,570,961</b>	<b>86,447,184</b>	<b>6,267,086</b>	<b>226,293</b>	<b>2,124,878</b>	<b>95,065,441</b>
<b>ADMINISTRATIVE EXPENSES</b>							
Salaries & Benefits			35,517,461	4,454,911	191,569	574,076	40,738,017
Professional fees			906,072	180,298	88,001	6,244	1,180,615
Purchased services			3,859,499	1,066,507	85,011	53,262	5,064,278
Printing & Postage			1,816,806	419,908	42,706	21,108	2,300,529
Depreciation & Amortization			2,420,717			12,493	2,433,210
Other expenses			6,733,391	261,678	263	15,358	7,010,691
Indirect cost allocation & Occupancy			(1,767,843)	3,620,177	219,577	27,980	2,099,891
<b>Total Administrative Expenses</b>			<u>49,486,103</u>	<u>10,003,479</u>	<u>627,128</u>	<u>710,523</u>	<u>60,827,232</u>
<b>Admin Loss Ratio</b>			3.4%	6.6%	6.9%	5.7%	3.7%
<b>INCOME (LOSS) FROM OPERATIONS</b>			36,961,081	(3,736,392)	(400,835)	1,414,355	34,238,210
<b>INVESTMENT INCOME</b>							16,772,561
<b>TOTAL GRANT INCOME</b>			3,262				3,262
<b>OTHER INCOME</b>			697				697
<b>CHANGE IN NET ASSETS</b>			<u>\$ 36,965,040</u>	<u>\$ (3,736,392)</u>	<u>\$ (400,835)</u>	<u>\$ 1,414,355</u>	<u>\$ 51,014,729</u>
<b>BUDGETED CHANGE IN NET ASSETS</b>			9,888,151	(6,374,061)	(421,351)	86,317	5,679,056
<b>VARIANCE TO BUDGET - FAV (UNFAV)</b>			<u>\$ 27,076,889</u>	<u>\$ 2,637,669</u>	<u>\$ 20,516</u>	<u>\$ 1,328,038</u>	<u>\$ 45,335,673</u>

**December 31, 2018 Unaudited Financial Statements**

**SUMMARY**

**MONTHLY RESULTS:**

- Change in Net Assets is \$10.2 million, \$10.4 million favorable to budget
- Operating surplus is \$5.0 million, with a surplus in non-operating income of \$5.2 million

**YEAR TO DATE RESULTS:**

- Change in Net Assets is \$51.0 million, \$45.3 million favorable to budget
- Operating surplus is \$34.2 million, with a surplus in non-operating of \$16.8 million

**Change in Net Assets by Line of Business (LOB) (\$millions)**

<b>MONTH-TO-DATE</b>				<b>YEAR-TO-DATE</b>		
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
5.4	0.7	4.6	Medi-Cal	37.0	9.9	27.1
(0.6)	(1.3)	0.6	OCC	(3.7)	(6.4)	2.6
0.1	(0.1)	0.2	OneCare	(0.4)	(0.4)	0.0
<u>0.2</u>	<u>0.0</u>	<u>0.2</u>	<u>PACE</u>	<u>1.4</u>	<u>0.1</u>	<u>1.3</u>
<b>5.0</b>	<b>(0.6)</b>	<b>5.7</b>	<b>Operating</b>	<b>34.2</b>	<b>3.2</b>	<b>31.0</b>
<u>5.2</u>	<u>0.4</u>	<u>4.7</u>	<u>Inv./Rental Inc, MCO</u>	<u>16.8</u>	<u>2.5</u>	<u>14.3</u>
			<u>tax</u>			
<b>5.2</b>	<b>0.4</b>	<b>4.7</b>	<b>Non-Operating</b>	<b>16.8</b>	<b>2.5</b>	<b>14.3</b>
<b>10.2</b>	<b>(0.2)</b>	<b>10.4</b>	<b>TOTAL</b>	<b>51.0</b>	<b>5.7</b>	<b>45.3</b>

**CalOptima - Consolidated  
Enrollment Summary  
For the Six Months Ended December 31, 2018**

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
64,469	64,891	(422)	(0.7%)	Aged	383,953	385,986	(2,033)	(0.5%)
586	620	(34)	(5.5%)	BCCTP	3,647	3,720	(73)	(2.0%)
47,104	47,149	(45)	(0.1%)	Disabled	282,718	282,759	(41)	(0.0%)
305,557	314,115	(8,558)	(2.7%)	TANF Child	1,862,044	1,892,471	(30,427)	(1.6%)
92,254	94,090	(1,836)	(2.0%)	TANF Adult	561,578	569,735	(8,157)	(1.4%)
3,440	3,504	(64)	(1.8%)	LTC	20,447	20,859	(412)	(2.0%)
236,749	243,038	(6,289)	(2.6%)	MCE	1,424,752	1,452,636	(27,884)	(1.9%)
<b>750,159</b>	<b>767,407</b>	<b>(17,248)</b>	<b>(2.2%)</b>	<b>Medi-Cal</b>	<b>4,539,139</b>	<b>4,608,166</b>	<b>(69,027)</b>	<b>(1.5%)</b>
<b>14,301</b>	<b>14,861</b>	<b>(560)</b>	<b>(3.8%)</b>	<b>OneCare Connect</b>	<b>87,793</b>	<b>89,329</b>	<b>(1,536)</b>	<b>(1.7%)</b>
<b>299</b>	<b>304</b>	<b>(5)</b>	<b>(1.6%)</b>	<b>PACE</b>	<b>1,728</b>	<b>1,722</b>	<b>6</b>	<b>0.3%</b>
<b>1,435</b>	<b>1,324</b>	<b>111</b>	<b>8.4%</b>	<b>OneCare</b>	<b>8,411</b>	<b>7,944</b>	<b>467</b>	<b>5.9%</b>
<b>766,194</b>	<b>783,896</b>	<b>(17,702)</b>	<b>(2.3%)</b>	<b>CalOptima Total</b>	<b>4,637,071</b>	<b>4,707,161</b>	<b>(70,090)</b>	<b>(1.5%)</b>

Enrollment (By Network)								
166,102	167,614	(1,512)	(0.9%)	HMO	1,002,515	1,008,403	(5,888)	(0.6%)
217,054	222,045	(4,991)	(2.2%)	PHC	1,308,239	1,333,231	(24,992)	(1.9%)
192,306	190,116	2,190	1.2%	Shared Risk Group	1,158,599	1,152,799	5,800	0.5%
174,697	187,632	(12,935)	(6.9%)	Fee for Service	1,069,786	1,113,733	(43,947)	(3.9%)
<b>750,159</b>	<b>767,407</b>	<b>(17,248)</b>	<b>(2.2%)</b>	<b>Medi-Cal</b>	<b>4,539,139</b>	<b>4,608,166</b>	<b>(69,027)</b>	<b>(1.5%)</b>
<b>14,301</b>	<b>14,861</b>	<b>(560)</b>	<b>(3.8%)</b>	<b>OneCare Connect</b>	<b>87,793</b>	<b>89,329</b>	<b>(1,536)</b>	<b>(1.7%)</b>
<b>299</b>	<b>304</b>	<b>(5)</b>	<b>(1.6%)</b>	<b>PACE</b>	<b>1,728</b>	<b>1,722</b>	<b>6</b>	<b>0.3%</b>
<b>1,435</b>	<b>1,324</b>	<b>111</b>	<b>8.4%</b>	<b>OneCare</b>	<b>8,411</b>	<b>7,944</b>	<b>467</b>	<b>5.9%</b>
<b>766,194</b>	<b>783,896</b>	<b>(17,702)</b>	<b>(2.3%)</b>	<b>CalOptima Total</b>	<b>4,637,071</b>	<b>4,707,161</b>	<b>(70,090)</b>	<b>(1.5%)</b>

CalOptima - Consolidated  
Enrollment Trend by Network Type  
Fiscal Year 2019

Network Type	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	MMs
<b>HMO</b>													
Aged	3,844	3,866	3,841	3,841	3,854	3,842							23,088
BCCTP	1	1	1	1	1	1							6
Disabled	6,744	6,789	6,789	6,811	6,838	6,813							40,784
TANF Child	58,435	58,267	58,162	58,110	57,723	56,929							347,626
TANF Adult	29,473	29,373	29,404	29,529	29,392	29,131							176,302
LTC	2	2	3	4	1	1							13
MCE	68,597	68,602	68,919	69,646	69,547	69,385							414,696
	<b>167,096</b>	<b>166,900</b>	<b>167,119</b>	<b>167,942</b>	<b>167,356</b>	<b>166,102</b>							<b>1,002,515</b>
<b>PHC</b>													
Aged	1,600	1,621	1,620	1,673	1,673	1,645							9,832
BCCTP	-	-	-	-	-	-							-
Disabled	7,243	7,239	7,230	7,212	7,226	7,231							43,381
TANF Child	157,157	156,755	157,444	158,169	157,483	156,497							943,505
TANF Adult	12,731	12,684	12,787	12,785	12,596	12,476							76,059
LTC	-	1	-	-	-	1							2
MCE	39,060	38,992	39,234	39,568	39,402	39,204							235,460
	<b>217,791</b>	<b>217,292</b>	<b>218,315</b>	<b>219,407</b>	<b>218,380</b>	<b>217,054</b>							<b>1,308,239</b>
<b>Shared Risk Group</b>													
Aged	3,593	3,605	3,621	3,642	3,610	3,589							21,660
BCCTP	-	-	-	-	-	-							-
Disabled	7,626	7,554	7,486	7,473	7,493	7,463							45,095
TANF Child	67,471	67,226	67,159	67,251	66,739	66,119							401,965
TANF Adult	30,936	30,567	30,622	30,670	30,417	30,217							183,429
LTC	2	1	1	1	-	2							6
MCE	83,554	83,443	84,008	85,253	85,270	84,916							506,444
	<b>193,182</b>	<b>192,395</b>	<b>192,897</b>	<b>194,290</b>	<b>193,529</b>	<b>192,306</b>							<b>1,158,599</b>
<b>Fee for Service (Dual)</b>													
Aged	49,903	50,943	50,657	50,741	51,018	51,265							304,527
BCCTP	16	15	18	14	13	11							87
Disabled	20,706	20,863	20,741	20,761	20,812	20,921							124,804
TANF Child	2	3	2	2	1	2							12
TANF Adult	1,081	1,083	1,064	1,055	1,038	1,029							6,350
LTC	3,025	3,019	3,007	3,077	3,079	3,096							18,303
MCE	2,327	2,367	2,416	2,388	2,237	2,141							13,876
	<b>77,060</b>	<b>78,293</b>	<b>77,905</b>	<b>78,038</b>	<b>78,198</b>	<b>78,465</b>							<b>467,959</b>
<b>Fee for Service (Non-Dual)</b>													
Aged	4,702	3,727	4,153	4,118	4,018	4,128							24,846
BCCTP	613	596	601	581	589	574							3,554
Disabled	4,802	4,672	4,617	4,678	5,209	4,676							28,654
TANF Child	30,166	31,801	28,765	26,649	25,545	26,010							168,936
TANF Adult	20,308	20,588	20,198	19,628	19,315	19,401							119,438
LTC	353	360	367	347	356	340							2,123
MCE	44,399	44,410	43,161	40,810	40,393	41,103							254,276
	<b>105,343</b>	<b>106,154</b>	<b>101,862</b>	<b>96,811</b>	<b>95,425</b>	<b>96,232</b>							<b>601,827</b>
<b>MEDI-CAL TOTAL</b>													
Aged	63,642	63,762	63,892	64,015	64,173	64,469							383,953
BCCTP	630	612	620	596	603	586							3,647
Disabled	47,121	47,117	46,863	46,935	47,578	47,104							282,718
TANF Child	313,231	314,052	311,532	310,181	307,491	305,557							1,862,044
TANF Adult	94,529	94,295	94,075	93,667	92,758	92,254							561,578
LTC	3,382	3,382	3,378	3,429	3,436	3,440							20,447
MCE	237,937	237,814	237,738	237,665	236,849	236,749							1,424,752
	<b>760,472</b>	<b>761,034</b>	<b>758,098</b>	<b>756,488</b>	<b>752,888</b>	<b>750,159</b>							<b>4,539,139</b>
<b>PACE</b>													
	273	286	286	289	295	299							1,728
<b>OneCare</b>													
	1,390	1,384	1,375	1,404	1,423	1,435							8,411
<b>OneCare Connect</b>													
	16,399	13,137	14,681	14,665	14,610	14,301							87,793
<b>TOTAL</b>	<b>778,534</b>	<b>775,841</b>	<b>774,440</b>	<b>772,846</b>	<b>769,216</b>	<b>766,194</b>							<b>4,637,071</b>

## **ENROLLMENT:**

**Overall** December enrollment was 766,194

- Unfavorable to budget 17,702 or 2.3%
- Decreased 3,022 or 0.4% from prior month (November 2018)
- Decreased 25,282 or 3.2% from prior year (December 2017)

**Medi-Cal** enrollment was 750,159

- Unfavorable to budget 17,248
  - Temporary Assistance for Needy Families (TANF) unfavorable 10,394
  - Medi-Cal Expansion (MCE) unfavorable 6,289
  - Seniors and Persons with Disabilities (SPD) unfavorable 501
  - Long-Term Care (LTC) unfavorable 64
- Decreased 2,729 from prior month

**OneCare Connect** enrollment was 14,301

- Unfavorable to budget 560
- Decreased 309 from prior month

**OneCare** enrollment was 1,435

- Favorable to budget 111
- Increased 12 from prior month

**PACE** enrollment was 299

- Unfavorable to budget 5
- Increased 4 from prior month

**CalOptima  
Medi-Cal Total  
Statement of Revenues and Expenses  
For the Six Months Ending December 31, 2018**

Month			
Actual	Budget	\$ Variance	% Variance
750,159	767,407	(17,248)	(2.2%)
235,147,010	249,337,098	(14,190,088)	(5.7%)
-	-	-	0.0%
<b>235,147,010</b>	<b>249,337,098</b>	<b>(14,190,088)</b>	<b>(5.7%)</b>
86,947,279	84,775,372	(2,171,906)	(2.6%)
44,891,985	44,231,376	(660,609)	(1.5%)
19,126,371	29,169,598	10,043,227	34.4%
32,798,336	38,800,779	6,002,443	15.5%
32,922,503	37,119,889	4,197,386	11.3%
3,740,238	3,707,577	(32,661)	(0.9%)
1,345,720	530,634	(815,086)	(153.6%)
<b>221,772,430</b>	<b>238,335,226</b>	<b>16,562,795</b>	<b>6.9%</b>
<b>13,374,579</b>	<b>11,001,872</b>	<b>2,372,707</b>	<b>21.6%</b>
5,928,283	6,814,510	886,227	13.0%
(53,928)	350,276	404,204	115.4%
658,204	949,070	290,866	30.6%
120,886	423,310	302,424	71.4%
485,425	462,075	(23,350)	(5.1%)
1,185,469	1,492,793	307,324	20.6%
(289,184)	(223,590)	65,594	29.3%
<b>8,035,154</b>	<b>10,268,443</b>	<b>2,233,289</b>	<b>21.7%</b>
15,598,486	10,766,721	4,831,765	44.9%
15,598,486	10,766,721	(4,831,765)	(44.9%)
-	-	-	0.0%
(0)	-	0	0.0%
8,394	249,874	(241,480)	(96.6%)
-	223,107	223,107	100.0%
(12,912)	26,767	39,679	148.2%
21,306	-	21,306	0.0%
-	-	-	0.0%
<b>5,360,731</b>	<b>733,429</b>	<b>4,627,302</b>	<b>630.9%</b>
<b>94.3%</b>	<b>95.6%</b>	<b>1.3%</b>	<b>1.3%</b>
<b>3.4%</b>	<b>4.1%</b>	<b>0.7%</b>	<b>17.0%</b>

Year to Date			
Actual	Budget	\$ Variance	% Variance
4,539,139	4,608,166	(69,027)	(1.5%)
<b>Member Months</b>			
<b>Revenues</b>			
1,464,610,147	1,489,748,236	(25,138,088)	(1.7%)
-	-	-	0.0%
<b>1,464,610,147</b>	<b>1,489,748,236</b>	<b>(25,138,088)</b>	<b>(1.7%)</b>
<b>Medical Expenses</b>			
522,935,139	507,796,990	(15,138,149)	(3.0%)
275,596,920	262,146,421	(13,450,499)	(5.1%)
130,180,496	170,637,643	40,457,147	23.7%
216,851,285	233,022,358	16,171,073	6.9%
207,996,717	218,681,107	10,684,391	4.9%
18,735,466	21,912,179	3,176,713	14.5%
5,866,941	3,183,804	(2,683,137)	(84.3%)
<b>1,378,162,964</b>	<b>1,417,380,502</b>	<b>39,217,539</b>	<b>2.8%</b>
<b>86,447,184</b>	<b>72,367,733</b>	<b>14,079,450</b>	<b>19.5%</b>
<b>Administrative Expenses</b>			
35,517,461	41,770,251	6,252,790	15.0%
906,072	2,099,150	1,193,078	56.8%
3,859,499	5,677,302	1,817,803	32.0%
1,816,806	2,539,857	723,051	28.5%
2,420,717	2,772,453	351,736	12.7%
6,733,391	8,962,117	2,228,726	24.9%
(1,767,843)	(1,341,547)	426,296	31.8%
<b>49,486,103</b>	<b>62,479,583</b>	<b>12,993,480</b>	<b>20.8%</b>
<b>Operating Tax</b>			
68,758,210	64,652,576	4,105,634	6.4%
68,758,210	53,868,438	(14,889,773)	(27.6%)
-	10,784,138	10,784,138	100.0%
-	-	-	0.0%
<b>Grant Income</b>			
290,156	1,499,244	(1,209,088)	(80.6%)
198,900	1,338,642	1,139,742	85.1%
87,994	160,602	72,608	45.2%
<b>3,262</b>	<b>-</b>	<b>3,262</b>	<b>0.0%</b>
<b>697</b>	<b>-</b>	<b>697</b>	<b>0.0%</b>
<b>36,965,040</b>	<b>9,888,151</b>	<b>27,076,889</b>	<b>273.8%</b>
<b>94.1%</b>	<b>95.1%</b>	<b>1.0%</b>	<b>1.1%</b>
<b>3.4%</b>	<b>4.2%</b>	<b>0.8%</b>	<b>19.4%</b>

## **MEDI-CAL INCOME STATEMENT – DECEMBER MONTH:**

**REVENUES** of \$235.1 million are unfavorable to budget \$14.2 million, driven by:

- Unfavorable volume related variance of \$5.6 million
- Unfavorable price related variance of \$8.6 million due to:
  - \$6.1 million of prior year (PY) Coordinated Care Initiative (CCI) revenue
  - \$1.3 million of PY secondary revenue
  - \$1.1 million of fiscal year (FY) 2018 Behavioral Health Treatment (BHT) revenue

**MEDICAL EXPENSES** are \$221.8 million, favorable to budget \$16.6 million due to:

- **Professional Claims** expense is favorable to budget \$10.0 million due to Child Health and Disability Prevention Program (CHDP) expenses of \$2.0 million, BHT expenses of \$3.7 million, Proposition 56 expenses of \$2.6 million, and Non-Medical Transportation (NMT)
- **Prescription Drug** expense is favorable to budget \$6.0 million
- **Managed Long Term Services and Supports (MLTSS)** expense is favorable to budget \$4.2 million
- **Provider Capitation** expense is unfavorable to budget \$2.2 million due to Proposition 56 and CHDP expenses of \$4.2 million that were budgeted in Professional Claims, offset by favorable volume related variance of \$1.9 million

**ADMINISTRATIVE EXPENSES** are \$8.0 million, favorable to budget \$2.2 million, driven by:

- **Salary & Benefits:** \$0.9 million favorable to budget due to open positions
- **Professional Fees:** \$0.4 million favorable to budget
- **Other Non-Salary:** \$0.9 million favorable to budget

**CHANGE IN NET ASSETS** is \$5.4 million for the month, \$4.6 million favorable to budget

**CalOptima  
OneCare Connect Total  
Statement of Revenue and Expenses  
For the Six Months Ending December 31, 2018**

Month				Year to Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
<b>14,301</b>	<b>14,861</b>	<b>(560)</b>	<b>(3.8%)</b>	<b>Member Months</b>	<b>87,793</b>	<b>89,329</b>	<b>(1,536)</b>	<b>(1.7%)</b>
				Revenues				
2,736,003	3,248,295	(512,292)	(15.8%)	Medi-Cal Capitation revenue	15,806,199	19,879,071	(4,072,872)	(20.5%)
16,434,364	16,730,979	(296,615)	(1.8%)	Medicare Capitation revenue part C	103,657,546	100,961,688	2,695,858	2.7%
4,911,419	4,685,559	225,860	4.8%	Medicare Capitation revenue part D	31,033,660	28,162,679	2,870,981	10.2%
-	-	-	0.0%	Other Income	-	-	-	0.0%
<b>24,081,787</b>	<b>24,664,833</b>	<b>(583,046)</b>	<b>(2.4%)</b>	<b>Total Operating Revenue</b>	<b>150,497,405</b>	<b>149,003,438</b>	<b>1,493,967</b>	<b>1.0%</b>
				Medical Expenses				
11,350,342	11,365,503	15,161	0.1%	Provider capitation	71,326,452	68,138,119	(3,188,333)	(4.7%)
3,314,687	3,624,663	309,976	8.6%	Facilities	19,946,595	21,523,970	1,577,375	7.3%
691,789	664,344	(27,445)	(4.1%)	Ancillary	3,877,255	3,904,181	26,926	0.7%
1,385,406	1,648,678	263,272	16.0%	Long Term Care	8,771,240	10,047,159	1,275,919	12.7%
5,171,614	5,391,046	219,432	4.1%	Prescription drugs	32,310,012	31,834,927	(475,085)	(1.5%)
941,038	1,256,364	315,326	25.1%	Medical management	6,592,850	7,755,527	1,162,677	15.0%
286,262	137,478	(148,784)	(108.2%)	Other medical expenses	1,405,916	882,254	(523,662)	(59.4%)
<b>23,141,140</b>	<b>24,088,076</b>	<b>946,936</b>	<b>3.9%</b>	<b>Total Medical Expenses</b>	<b>144,230,319</b>	<b>144,086,137</b>	<b>(144,182)</b>	<b>(0.1%)</b>
<b>940,647</b>	<b>576,757</b>	<b>363,890</b>	<b>63.1%</b>	<b>Gross Margin</b>	<b>6,267,086</b>	<b>4,917,301</b>	<b>1,349,785</b>	<b>27.4%</b>
				Administrative Expenses				
666,664	843,199	176,535	20.9%	Salaries, wages & employee benefits	4,454,911	5,201,578	746,667	14.4%
25,374	42,917	17,542	40.9%	Professional fees	180,298	257,500	77,202	30.0%
187,202	251,415	64,213	25.5%	Purchased services	1,066,507	1,508,491	441,984	29.3%
134,161	86,202	(47,960)	(55.6%)	Printing and postage	419,908	517,210	97,302	18.8%
-	-	-	0.0%	Depreciation & amortization	-	-	-	0.0%
38,835	77,037	38,202	49.6%	Other operating expenses	261,678	462,219	200,541	43.4%
532,164	557,394	25,230	4.5%	Indirect cost allocation	3,620,177	3,344,364	(275,813)	(8.2%)
<b>1,584,401</b>	<b>1,858,163</b>	<b>273,762</b>	<b>14.7%</b>	<b>Total Administrative Expenses</b>	<b>10,003,479</b>	<b>11,291,362</b>	<b>1,287,883</b>	<b>11.4%</b>
<b>(643,755)</b>	<b>(1,281,406)</b>	<b>637,651</b>	<b>49.8%</b>	<b>Change in Net Assets</b>	<b>(3,736,392)</b>	<b>(6,374,061)</b>	<b>2,637,669</b>	<b>41.4%</b>
<b>96.1%</b>	<b>97.7%</b>	<b>1.6%</b>	<b>1.6%</b>	<b>Medical Loss Ratio</b>	<b>95.8%</b>	<b>96.7%</b>	<b>0.9%</b>	<b>0.9%</b>
<b>6.6%</b>	<b>7.5%</b>	<b>1.0%</b>	<b>12.7%</b>	<b>Admin Loss Ratio</b>	<b>6.6%</b>	<b>7.6%</b>	<b>0.9%</b>	<b>12.3%</b>

**ONECARE CONNECT INCOME STATEMENT – DECEMBER MONTH:**

**REVENUES** of \$24.1 million are unfavorable to budget \$0.6 million due to:

- Unfavorable volume related variance of \$0.9 million
- Favorable price related variance of \$0.3 million

**MEDICAL EXPENSES** of \$23.1 million are favorable to budget \$0.9 million

**ADMINISTRATIVE EXPENSES** of \$1.6 million are favorable to \$0.3 million

**CHANGE IN NET ASSETS** is (\$0.6) million, \$0.6 million favorable to budget

**CalOptima  
OneCare  
Statement of Revenues and Expenses  
For the Six Months Ending December 31, 2018**

Month				Year to Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
1,435	1,324	111	8.4%	<b>Member Months</b>	8,411	7,944	467	5.9%
				<b>Revenues</b>				
1,156,515	1,088,743	67,772	6.2%	Medicare Part C revenue	5,645,463	6,554,004	(908,541)	(13.9%)
597,146	506,290	90,856	17.9%	Medicare Part D revenue	3,482,750	2,993,901	488,848	16.3%
<b>1,753,661</b>	<b>1,595,033</b>	<b>158,628</b>	<b>9.9%</b>	<b>Total Operating Revenue</b>	<b>9,128,212</b>	<b>9,547,905</b>	<b>(419,693)</b>	<b>(4.4%)</b>
				<b>Medical Expenses</b>				
761,289	446,997	(314,292)	(70.3%)	Provider capitation	2,469,579	2,690,315	220,736	8.2%
109,126	532,754	423,628	79.5%	Inpatient	2,660,610	3,103,607	442,996	14.3%
37,556	57,390	19,833	34.6%	Ancillary	197,361	332,327	134,966	40.6%
8,914	26,857	17,943	66.8%	Skilled nursing facilities	438,116	159,411	(278,704)	(174.8%)
499,317	449,400	(49,917)	(11.1%)	Prescription drugs	2,744,846	2,650,172	(94,673)	(3.6%)
88,460	33,728	(54,732)	(162.3%)	Medical management	354,312	204,267	(150,046)	(73.5%)
2,836	6,570	3,734	56.8%	Other medical expenses	37,095	39,384	2,289	5.8%
<b>1,507,499</b>	<b>1,553,696</b>	<b>46,197</b>	<b>3.0%</b>	<b>Total Medical Expenses</b>	<b>8,901,919</b>	<b>9,179,483</b>	<b>277,564</b>	<b>3.0%</b>
<b>246,161</b>	<b>41,337</b>	<b>204,825</b>	<b>495.5%</b>	<b>Gross Margin</b>	<b>226,293</b>	<b>368,422</b>	<b>(142,129)</b>	<b>(38.6%)</b>
				<b>Administrative Expenses</b>				
29,675	38,478	8,803	22.9%	Salaries, wages & employee benefits	191,569	237,298	45,729	19.3%
14,667	19,600	4,933	25.2%	Professional fees	88,001	117,600	29,599	25.2%
7,396	17,425	10,029	57.6%	Purchased services	85,011	104,550	19,539	18.7%
7,178	13,206	6,028	45.6%	Printing and postage	42,706	79,236	36,529	46.1%
(1,332)	6,883	8,215	119.4%	Other operating expenses	263	41,300	41,037	99.4%
73,716	34,965	(38,751)	(110.8%)	Indirect cost allocation, occupancy expense	219,577	209,790	(9,787)	(4.7%)
<b>131,300</b>	<b>130,557</b>	<b>(743)</b>	<b>(0.6%)</b>	<b>Total Administrative Expenses</b>	<b>627,128</b>	<b>789,773</b>	<b>162,645</b>	<b>20.6%</b>
<b>114,861</b>	<b>(89,220)</b>	<b>204,082</b>	<b>228.7%</b>	<b>Change in Net Assets</b>	<b>(400,835)</b>	<b>(421,351)</b>	<b>20,516</b>	<b>4.9%</b>
<b>86.0%</b>	<b>97.4%</b>	<b>11.4%</b>	<b>11.7%</b>	<b>Medical Loss Ratio</b>	<b>97.5%</b>	<b>96.1%</b>	<b>(1.4%)</b>	<b>(1.4%)</b>
<b>7.5%</b>	<b>8.2%</b>	<b>0.7%</b>	<b>8.5%</b>	<b>Admin Loss Ratio</b>	<b>6.9%</b>	<b>8.3%</b>	<b>1.4%</b>	<b>16.9%</b>

**CalOptima  
PACE  
Statement of Revenues and Expenses  
For the Six Months Ending December 31, 2018**

Month				Year to Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
<b>299</b>	<b>304</b>	<b>(5)</b>	<b>(1.6%)</b>	<b>Member Months</b>	<b>1,728</b>	<b>1,722</b>	<b>6</b>	<b>0.3%</b>
				<b>Revenues</b>				
1,536,124	1,700,786	(164,662)	(9.7%)	Medi-Cal capitation revenue	9,472,828	9,638,944	(166,116)	(1.7%)
390,045	406,571	(16,526)	(4.1%)	Medicare Part C revenue	2,421,170	2,287,800	133,370	5.8%
76,619	97,852	(21,233)	(21.7%)	Medicare Part D revenue	636,673	553,276	83,397	15.1%
<b>2,002,788</b>	<b>2,205,209</b>	<b>(202,421)</b>	<b>(9.2%)</b>	<b>Total Operating Revenue</b>	<b>12,530,672</b>	<b>12,480,020</b>	<b>50,652</b>	<b>0.4%</b>
				<b>Medical Expenses</b>				
655,796	737,550	81,754	11.1%	Medical Management	3,711,921	4,187,481	475,560	11.4%
317,490	463,353	145,863	31.5%	Claims payments to hospitals	2,184,598	2,584,975	400,377	15.5%
373,313	489,397	116,084	23.7%	Professional claims	2,522,621	2,758,905	236,284	8.6%
136,757	135,520	(1,237)	(0.9%)	Patient transportation	978,961	767,650	(211,311)	(27.5%)
177,111	177,151	40	0.0%	Prescription drugs	961,933	995,478	33,545	3.4%
30,413	17,667	(12,746)	(72.1%)	MLTSS	28,480	71,537	43,057	60.2%
2,990	2,950	(40)	(1.4%)	Other Expenses	17,280	16,950	(330)	(1.9%)
<b>1,693,871</b>	<b>2,023,588</b>	<b>329,717</b>	<b>16.3%</b>	<b>Total Medical Expenses</b>	<b>10,405,794</b>	<b>11,382,976</b>	<b>977,182</b>	<b>8.6%</b>
<b>308,917</b>	<b>181,621</b>	<b>127,296</b>	<b>70.1%</b>	<b>Gross Margin</b>	<b>2,124,878</b>	<b>1,097,044</b>	<b>1,027,834</b>	<b>93.7%</b>
				<b>Administrative Expenses</b>				
90,743	133,937	43,194	32.2%	Salaries, wages & employee benefits	574,076	764,507	190,431	24.9%
123	167	43	26.1%	Professional fees	6,244	1,000	(5,244)	(524.4%)
5,713	21,027	15,313	72.8%	Purchased services	53,262	126,160	72,898	57.8%
27	10,428	10,402	99.7%	Printing and postage	21,108	62,570	41,462	66.3%
2,128	2,091	(37)	(1.8%)	Depreciation & amortization	12,493	12,544	51	0.4%
786	3,859	3,072	79.6%	Other operating expenses	15,358	23,152	7,794	33.7%
10,263	3,466	(6,798)	(196.1%)	Indirect cost allocation, Occupancy Expense	27,980	20,794	(7,186)	(34.6%)
<b>109,784</b>	<b>174,974</b>	<b>65,190</b>	<b>37.3%</b>	<b>Total Administrative Expenses</b>	<b>710,523</b>	<b>1,010,727</b>	<b>300,204</b>	<b>29.7%</b>
				<b>Operating Tax</b>				
4,174	-	4,174	0.0%	Tax Revenue	24,123	-	24,123	0.0%
4,174	-	(4,174)	0.0%	Premium tax expense	24,123	-	(24,123)	0.0%
<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>Total Net Operating Tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>199,133</b>	<b>6,647</b>	<b>192,486</b>	<b>2895.8%</b>	<b>Change in Net Assets</b>	<b>1,414,355</b>	<b>86,317</b>	<b>1,328,038</b>	<b>1538.6%</b>
<b>84.6%</b>	<b>91.8%</b>	<b>7.2%</b>	<b>7.8%</b>	<b>Medical Loss Ratio</b>	<b>83.0%</b>	<b>91.2%</b>	<b>8.2%</b>	<b>9.0%</b>
<b>5.5%</b>	<b>7.9%</b>	<b>2.5%</b>	<b>30.9%</b>	<b>Admin Loss Ratio</b>	<b>5.7%</b>	<b>8.1%</b>	<b>2.4%</b>	<b>30.0%</b>

**CalOptima**  
**BUILDING 505 - CITY PARKWAY**  
**Statement of Revenues and Expenses**  
**For the Six Months Ending December 31, 2018**

Month				Year to Date			
Actual	Budget	\$ Variance	% Variance	Actual	Budget	\$ Variance	% Variance
<b>Revenues</b>							
-	-	-	0.0%	-	-	-	0.0%
-	-	-	<b>0.0%</b>	-	-	-	<b>0.0%</b>
<b>Administrative Expenses</b>							
28,525	22,982	(5,543)	(24.1%)	198,916	137,890	(61,026)	(44.3%)
170,936	162,934	(8,002)	(4.9%)	975,984	977,607	1,623	0.2%
15,816	15,916	100	0.6%	94,895	95,500	605	0.6%
94,307	173,136	78,829	45.5%	624,452	1,038,816	414,364	39.9%
29,315	1,635	(27,680)	(1692.9%)	298,436	9,810	(288,626)	(2942.2%)
(338,898)	(376,603)	(37,705)	(10.0%)	(2,192,683)	(2,259,623)	(66,940)	(3.0%)
<b>1</b>	<b>-</b>	<b>(1)</b>	<b>0.0%</b>	<b>0</b>	<b>-</b>	<b>(0)</b>	<b>0.0%</b>
<b>(1)</b>	<b>-</b>	<b>(1)</b>	<b>0.0%</b>	<b>(0)</b>	<b>-</b>	<b>(0)</b>	<b>0.0%</b>
<b>Change in Net Assets</b>							

**OTHER STATEMENTS – DECEMBER MONTH:**

**ONECARE INCOME STATEMENT**

**CHANGE IN NET ASSETS** is \$114.9 thousand, \$204.1 thousand favorable to budget

**PACE INCOME STATEMENT**

**CHANGE IN NET ASSETS** is \$199.1 thousand, \$192.5 thousand favorable to budget

**CalOptima  
Balance Sheet  
December 31, 2018**

**ASSETS**

Current Assets	
Operating Cash	\$457,794,347
Investments	420,689,952
Capitation receivable	317,548,692
Receivables - Other	19,077,811
Prepaid expenses	5,453,518

<b>Total Current Assets</b>	<b>1,220,564,321</b>
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Capital Assets	
Furniture & Equipment	35,575,437
Building/Leasehold Improvements 505 City Parkway West	7,666,542
	50,061,228
	93,303,207
Less: accumulated depreciation	(44,598,766)
Capital assets, net	48,704,441

Other Assets	
Restricted Deposit & Other	300,000
Board-designated assets	
Cash and Cash Equivalents	24,279,851
Long-term Investments	521,963,338
Total Board-designated Assets	546,243,189
<b>Total Other Assets</b>	<b>546,543,189</b>

<b>TOTAL ASSETS</b>	<b>1,815,811,951</b>
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Deferred Outflows	
Pension Contributions	953,907
Difference in Experience	1,365,903
Excess Earnings	1,017,387
Changes in Assumptions	7,795,853

<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS</b>	<b>1,826,945,001</b>
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**LIABILITIES & FUND BALANCES**

Current Liabilities	
Accounts Payable	\$39,327,789
Medical Claims liability	708,778,778
Accrued Payroll Liabilities	10,008,152
Deferred Revenue	85,678,907
Deferred Lease Obligations	82,664
Capitation and Withholds	116,807,067

<b>Total Current Liabilities</b>	<b>960,683,359</b>
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Other (than pensions) post employment benefits liability	25,320,737
Net Pension Liabilities	24,865,229
Bldg 505 Development Rights	100,000

<b>TOTAL LIABILITIES</b>	<b>1,010,969,324</b>
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Deferred Inflows	
Change in Assumptions	3,329,380

TNE	81,596,204
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Funds in Excess of TNE	731,050,093
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Net Assets	812,646,296
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<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b>1,826,945,001</b>
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**CalOptima**  
**Board Designated Reserve and TNE Analysis**  
**as of December 31, 2018**

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	149,467,614				
	Tier 1 - Logan Circle	149,216,560				
	Tier 1 - Wells Capital	148,838,193				
<b>Board-designated Reserve</b>						
		447,522,367	310,055,167	477,905,754	137,467,200	(30,383,387)
TNE Requirement	Tier 2 - Logan Circle	98,720,822	81,596,204	81,596,204	17,124,618	17,124,618
<b>Consolidated:</b>		<b>546,243,189</b>	<b>391,651,371</b>	<b>559,501,958</b>	<b>154,591,818</b>	<b>(13,258,769)</b>
	<i>Current reserve level</i>	<i>1.95</i>	<i>1.40</i>	<i>2.00</i>		

**CalOptima**  
**Statement of Cash Flows**  
**December 31, 2018**

	<b>Month Ended</b>	<b>Year-To-Date</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	10,164,966	51,014,729
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	658,488	3,409,194
Changes in assets and liabilities:		
Prepaid expenses and other	(720,515)	843,828
Catastrophic reserves		
Capitation receivable	(5,387,402)	(15,475,487)
Medical claims liability	8,112,835	(123,840,834)
Deferred revenue	(23,950,896)	(28,024,042)
Payable to providers	(7,065,749)	20,358,176
Accounts payable	15,300,102	30,678,850
Other accrued liabilities	(137,596)	481,993
Net cash provided by/(used in) operating activities	(3,025,767)	(60,553,594)
 GASB 68 CalPERS Adjustments	-	-
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Change in Investments	3,965,355	159,608,996
Change in Property and Equipment	(571,564)	(1,355,385)
Change in Board designated reserves	(3,648,244)	(7,995,517)
Net cash provided by/(used in) investing activities	(254,453)	150,258,093
 <b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>(3,280,220)</b>	<b>89,704,500</b>
 <b>CASH AND CASH EQUIVALENTS, beginning of period</b>	<b>461,074,566</b>	<b>368,089,847</b>
 <b>CASH AND CASH EQUIVALENTS, end of period</b>	<b>457,794,347</b>	<b>457,794,347</b>

## **BALANCESHEET:**

**ASSETS** increased \$2.4 million from November or 0.1%

- **Capitation Receivables** increased \$6.1 million due to timing of Department of Healthcare Services (DHCS) capitation payments
- **Investments** decreased \$4.0 million or 0.9% due to transfer timing requirements for operating cash funding
- **Operating Cash** decreased by \$3.3 million or 0.7% for routine operating requirements

**LIABILITIES** decreased \$7.7 million from November or 0.8%

- **Deferred Revenue** decreased \$24.0 million due to release of December capitation check received in November
- **Accounts Payable** increased \$15.1 for the quarterly sales tax payment liability
- **Claims Liability** by line of business increased \$8.1 million due to increase in Incurred But Not Reported (IBNR) accrual and DHCS overpayments

**NET ASSETS** are \$812.6 million, an increase of \$10.2 million from November

**CalOptima Foundation**  
**Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2018**

<u>Actual</u>	<u>Budget</u>	<u>Month</u>	
		<u>\$</u>	<u>%</u>
		<u>Variance</u>	<u>Variance</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
0	6,184	6,184	100.0%
0	2,985	2,985	100.0%
0	0	0	0.0%
0	0	0	0.0%
0	0	0	0.0%
916	229,840	228,924	99.6%
<u>916</u>	<u>239,009</u>	<u>238,093</u>	<u>99.6%</u>
0	0	0	0.0%
<u>(916)</u>	<u>(239,009)</u>	<u>(238,093)</u>	<u>(99.6%)</u>

**Revenues**

**Total Operating Revenue**

<u>Actual</u>	<u>Budget</u>	<u>Year - To - Date</u>	
		<u>\$</u>	<u>%</u>
		<u>Variance</u>	<u>Variance</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
0	37,105	37,105	100.0%
0	17,909	17,909	100.0%
0	0	0	0.0%
0	0	0	0.0%
0	0	0	0.0%
5,500	1,379,038	1,373,538	99.6%
<u>5,500</u>	<u>1,434,052</u>	<u>1,428,552</u>	<u>99.6%</u>
305	0	(305)	0.0%
<u>(5,195)</u>	<u>(1,434,052)</u>	<u>(1,428,858)</u>	<u>(99.6%)</u>

**Operating Expenditures**

**Investment Income**

**Program Income**

**CalOptima Foundation  
Balance Sheet  
December 31, 2018**

<u><b>ASSETS</b></u>		<u><b>LIABILITIES &amp; NET ASSETS</b></u>	
Operating cash	2,855,286	Accounts payable-Current	5,500
Grants receivable	0	Deferred Revenue	0
Prepaid expenses	0	Payable to CalOptima	11,842
<b>Total Current Assets</b>	<b><u>2,855,286</u></b>	Grants-Foundation	0
		<b>Total Current Liabilities</b>	<b><u>17,342</u></b>
		<b>Total Liabilities</b>	<b><u>17,342</u></b>
		<b>Net Assets</b>	<b><u>2,837,945</u></b>
<b>TOTAL ASSETS</b>	<b><u><u>2,855,286</u></u></b>	<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b><u><u>2,855,286</u></u></b>

**CalOptima Foundation- Consolidated**  
**Narrative Explanations for Budget Variances**  
**December 31, 2018**

**Overview:**

CalOptima Foundation was formed as a not-for-profit corporation in 2010 and is dedicated to the betterment of public health care services in Orange County. The activities of the Foundation are presented in the financial statements attached.

**Income Statement:**

**Operating Revenue**

HITEC Grant - No activity

**Operating Expenses**

CalOptima Foundation operating expenses were \$916 for December and \$5,500 YTD for audit fees.

Major Actual to Budget variance was in "Other" category - \$228,924 for December and \$1,373,538 favorable variance YTD.

**Balance Sheet:**

**Assets**

\* Cash - \$2.9 million remains from the FY14 \$3.0 million transferred by CalOptima for grants and programs in support of providers and community.

**Liabilities**

YTD \$5,500 for audit fees and \$11,842 payable to CalOptima

**Budget Allocation Changes  
Reporting Changes for December 2018**

<b>Transfer Month</b>	<b>Line of Business</b>	<b>From</b>	<b>To</b>	<b>Amount</b>	<b>Expense Description</b>	<b>Fiscal Year</b>
November	Medi-Cal	Facilities - Capital Project (8th Floor HR Remodel)	Facilities - Capital Project (Replace Master Control Center)	\$22,500	Reallocate \$22,500 from Capital Project (8th Floor hr. Remodel) to Capital Project (Replace Master Control Center)	2019
December	Medi-Cal	Facilities - Office Supplies	Facilities - Computer Supply/Minor Equipment	\$60,000	Reallocate \$60,000 from Office Supplies to Computer Supplies/Minor Equipment to furniture needs of the staff	2019
December	Medi-Cal	Strategic Development - Professional Fees (Covered CA Consulting)	Strategic Development - Professional Fees (Strategic Planning Consulting)	\$50,000	Repurpose \$50,000 from Professional Fees (Covered CA Consulting) to Professional Fees (Strategic Planning Consulting)	2019

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.



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# **Business Insurance Policy Year (PY) 2020**

**Board of Directors' Finance and Audit Committee Meeting  
February 21, 2019**

**Kelly Klipfel, Director of Financial Compliance**

# Agenda

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- Coverage Summary
- Timeline
- Process

# Coverage Summary

## Mandatory Coverage

- HMO Model: Managed Care Errors and Omissions (E&O)
- PACE: Medical Malpractice
- Any Business:
  - Workers' Compensation
  - General Liability
  - Property

## Additional Coverage

- Directors and Officers (D&O) – primary and excess
- Employment Practices Liability (EPL)
- Crime
- Network/Privacy (Cyber)
- Commercial Auto
- Earthquake
- Pollution
- Umbrella
- Excess Liability
- Wage and Hour Coverage

# Timeline

Timeline	Action
October – November 2018	<ul style="list-style-type: none"><li>• Complete applications</li><li>• Hold discussions with Finance, Human Resources, Information Services, Legal</li></ul>
December 2018 – March 2019	<ul style="list-style-type: none"><li>• Broker markets coverage lines</li><li>• Quotes/terms presented to Finance on 2/8/19</li><li>• Stakeholder input</li><li>• Board approval on 3/7/19</li><li>• Broker issues bind orders for 4/7/19 policy effective date</li></ul>
April 2019	<ul style="list-style-type: none"><li>• Binders received and reviewed</li><li>• Invoices paid</li></ul>

Note: Carriers are hesitant to issue quotes any further out than approximately two months before policy expiration

# Process

## MARKET

- All current coverages
- Additional coverages
- Carriers familiar with government entity/health plan operation
- Negotiate for specific needs (attorneys, contractors, service expectations)

## REVIEW

- Quotes to Finance
- Premium/coverage analysis
- Stakeholder input (Legal, Information Services, Compliance)

## DECISION

- Business needs
- Desired coverage levels
- Quality of carrier
- Premium



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# **Proposed Quarterly Budget Actual Review (QBAR)**

**Board of Directors' Finance and Audit Committee Meeting  
February 21, 2019**

**Ken Wong, Director, Budget and Procurement**

# Background

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- CalOptima Board approves the Operating and Capital Budget annually
  - Budget assumptions based on the best information available on anticipated expenditures and capital improvements, including estimated volumes and planned activities
  - Over the course of the fiscal year, the estimates and planned activities may alter based on more current facts and assumptions
- Proposed QBAR process
  - Provide a streamlined mechanism to report the shifting or transferring of budget dollars among various budget categories to address CalOptima's changing circumstances in compliance with current policy
  - Intended to reallocate dollars within the overall budget parameters, not to alter the total existing budget

# Current Policy and Review Process

	CEO Approval Authority	Board Approval Required
<b>Current Policy</b>	<p>Budget allocation change &lt;\$100,000</p> <ul style="list-style-type: none"> <li>Restrictions: Changes cannot be made between expense categories, line-of-business, Medical and Administrative expenses, or requests for new programs, items or activities</li> </ul>	<ul style="list-style-type: none"> <li>Budget allocation change of \$100,000 or more</li> <li>Allocations between expense categories</li> <li>Allocations between line-of-business</li> <li>Allocations between Medical and Administrative expenses</li> <li>Requests for new programs, items or activities</li> </ul>
<b>Current Review Process</b>	<p>Quarterly reports to FAC as information items</p> <ul style="list-style-type: none"> <li>Cost Containment Improvements/Initiatives</li> <li>Purchasing Report</li> </ul> <p>Monthly report on budget allocation changes &gt;\$10,000 and &lt;\$100,000 to BOD as information item</p>	<ul style="list-style-type: none"> <li>Separate COBARs to BOD or FAC</li> </ul>

# Overview of Proposed Review Process

---

- Goal: Improve efficiency by streamlining communication of budget allocation changes and approval of COBARs related to budget allocations through FAC
  - Consolidate a piece meal approach into a quarterly review
- Purpose: Review any identified Budget to Actual shortfalls that require a budget allocation change or transfer of funds
- Changes: There are no changes to the Current Policy. This proposal is a change to the review process and timing.

# Proposed Review Process

	CEO Approval Authority Items	Items that Require Board Approval
<b>Current Review Process</b>	<p>Quarterly reports to FAC as information items</p> <ul style="list-style-type: none"> <li>• Cost Containment Improvements/Initiatives</li> <li>• Purchasing Report</li> </ul> <p>Monthly report on budget allocation changes &gt;\$10,000 and &lt;\$100,000 to BOD as information item</p>	<p>Separate COBARs to BOD or FAC</p>
<b>Proposed Review Process</b>	<p>Quarterly QBAR sent to FAC as information item</p> <ul style="list-style-type: none"> <li>• QBAR consolidates current reports above into a single report</li> </ul> <p>FAC receives quarterly QBAR BOD receives quarterly QBAR report as information item</p>	<p>Separate COBARs to FAC</p> <p>FAC recommends approval to BOD</p> <ul style="list-style-type: none"> <li>• Primarily as a Consent Item</li> <li>• As a Report Item, if applicable</li> </ul> <p>Monthly report on budget allocation changes &gt;\$10,000 and &lt;\$100,000 continue as part of monthly financial statement informational item</p>

## Board of Directors' Finance and Audit Committee Meeting February 21, 2019

### Information Services Update - Quarter Ending December 31, 2018

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#### Recent and Upcoming Activities

##### Security:

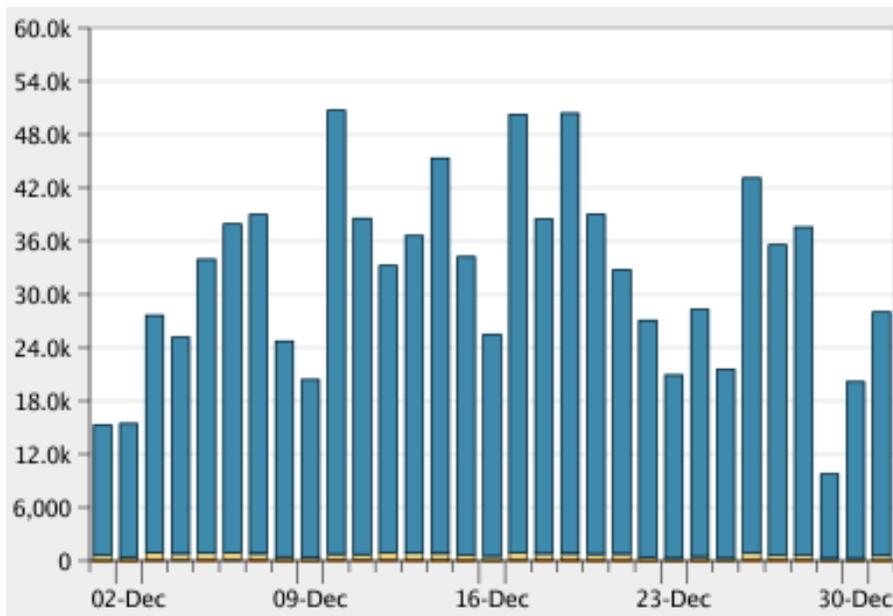
1. During this quarter, the Information Security team reported 17 Data Loss Prevention incidents to the Privacy team. There was a slight increase due to the discovery of a new and minor issue with the Chrome browser that is in the process of being remediated. Until then, an intensive educational campaign has taken place, virtually eliminating the issue.
2. The Internal and External Network Penetration Test Mitigation is in progress. Of the suggested remediations, 21% have been completed, 72% are in progress, and 7% are yet to be started. 95% of these tasks will be completed by end of September 2019. Two will be completed by year end.
3. The Annual HIPAA Risk Assessment Mitigation is in progress. Of the suggested remediations, one (data masking) will require a vendor selection through a request for proposal process (in progress), another is in progress, and the remaining 11 are in the process of solution identification and scheduling. Most will be completed by year end. One, reduction of Microsoft Access databases, is a multi-year effort that is underway.
4. The Information Security Team has completed the fourth quarter phishing test for new employees - the failure rate was 23%, an approximate 13% improvement from the prior quarter. A new "report a phish" button has been added to Microsoft Outlook to help employees more easily and efficiently report a suspected phishing email.
5. To integrate with O365 Exchange, on-premise email Spam Control solution (i.e. Ironport) has been successfully moved to Cisco Email Security Cloud
6. The Data Loss Prevention toll has been successfully engineered to integrate with Microsoft Office 365 Exchange Online.
7. The second annual participation in October's National Cyber Security Awareness Month was executed successfully. The campaign included on-site guest speakers, on-line instructional videos, educational posters and quizzes with reminder tokens for all.
8. All organizations experience malicious attempts/activities to the computing network. Most of these types of attempts are not designed to specifically target any one organization – rather, they are targeted at entire areas of the internet landscape. As has been the case for several years, **none of the attempts involving CalOptima's network have been successful**. These activities are typical of many organizations and are not considered out of the ordinary. In fact, these activities are not considered reportable from a regulatory perspective.

**General:**

1. The CalOptima member portal development project is ongoing. The first version is completed and live, however, not yet deployed for use by members. In February, a focus group of members will evaluate and provide input and feedback. The California Department of Health Services approval of deployment is pending and expected in February.
2. The CalOptima provider portal development project, recently approved by the Board in November, is now in progress. The staff has been hired and trained, projects tasks have begun.
3. The redesign of the caloptima.org public website remains in progress and on-target for deployment in June.

**Email Traffic:**

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



1: 4,951    2: 246    3: 9,830    4: 4,024    5: 940    6: 883

Incoming Mail Summary		
Message Category	%	Messages
Stopped by Reputation Filtering	87.5%	2.9 M
Stopped as Invalid Recipients	0.6%	12.4 k
Spam Detected	2.4%	53.4 k
Virus Detected	0.0%	42
Detected by Advanced Malware Protection	0.0%	0
Messages with Malicious URLs	0.1%	755
Stopped by Content Filter	0.0%	11
Stopped by DMARC	0.0%	0
S/MIME Verification/Decryption Failed	0.0%	0
<b>Total Threat Messages</b>	<b>90.5%</b>	<b>2.9 M</b>
Marketing Messages	2.0%	43.2 k
Social Networking Messages	0.1%	1.9 k
Bulk Messages	1.3%	26.6 k
<b>Total Graymails</b>	<b>3.4%</b>	<b>71.7 k</b>
S/MIME Verification/Decryption Successful	0.0%	0
Clean Messages	6.1%	150.5 k
<b>Total Attempted Messages</b>		<b>3.1 M</b>



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# **Cost Containment Improvements/Initiatives**

**Board of Directors' Finance & Audit Committee Meeting  
February 21, 2019**

**Ken Wong, Director, Budget and Vendor Management**

[Back to Agenda](#)

# Labor Summary – December 2018

## Report of Open Position/Temporary - December 2018

Line of Business	Dec-18		YTD Open Position (\$)	Temporary Help		Variance
	FTE's	Dollars		Actual	Budget	
MC	113.75	\$ 1,087,382	\$ 6,663,755	\$ 1,285,366	\$ 295,995	\$ (989,371)
EX	1.00	\$ 19,976	\$ 19,976	\$ -	\$ -	\$ -
OC		\$ -	\$ -	\$ -	\$ -	\$ -
OCC	11.00	\$ 94,513	\$ 533,744	\$ 45,330	\$ -	\$ (45,330)
PACE	15.50	\$ 138,338	\$ 693,314	\$ 117,422	\$ -	\$ (117,422)
MSSP	1.00	\$ 11,834	\$ 71,006	\$ 9,560	\$ -	\$ (9,560)
<b>Total</b>	<b>142.25</b>	<b>\$ 1,352,043</b>	<b>\$ 7,981,794</b>	<b>\$ 1,457,677</b>	<b>\$ 295,995</b>	<b>\$ (1,161,682)</b>

### Notes:

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

# Non-Labor Summary – December 2018

## Professional Fees

LOB	December MTD		Variance		YTD		Variance		FY 2019 Budget
	Actual	Budget	\$	%	Actual	Budget	\$	%	
MC	\$ 149,920	\$ 354,243	\$ 204,323	58%	\$ 1,145,498	\$ 2,124,780	\$ 979,282	46%	\$ 4,330,430
OC	\$ 14,667	\$ 15,975	\$ 1,308	8%	\$ 88,001	\$ 95,850	\$ 7,849	8%	\$ 191,700
OCC	\$ 25,374	\$ 38,292	\$ 12,917	34%	\$ 180,993	\$ 229,750	\$ 48,757	21%	\$ 459,500
PACE	\$ 3,081	\$ 4,167	\$ 1,086	26%	\$ 8,098	\$ 25,000	\$ 16,902	68%	\$ 50,000
MSSP	\$ 710	\$ 750	\$ 41	5%	\$ 4,257	\$ 4,500	\$ 243	5%	\$ 9,000
<b>Total</b>	<b>\$ 193,752</b>	<b>\$ 413,426</b>	<b>\$ 219,674</b>	<b>53%</b>	<b>\$ 1,426,847</b>	<b>\$ 2,479,880</b>	<b>\$ 1,053,033</b>	<b>42%</b>	<b>\$ 5,040,630</b>

## Purchased Services

LOB	December MTD		Variance		YTD		Variance		FY 2019 Budget
	Actual	Budget	\$	%	Actual	Budget	\$	%	
MC	\$ 822,484	\$ 1,051,703	\$ 229,219	22%	\$ 4,497,108	\$ 6,310,197	\$ 1,813,089	29%	\$ 12,620,394
OC	\$ (1,568)	\$ 22,050	\$ 23,618	107%	\$ 15,509	\$ 132,300	\$ 116,791	88%	\$ 264,600
OCC	\$ 172,089	\$ 200,915	\$ 28,826	14%	\$ 837,242	\$ 1,207,991	\$ 370,748	31%	\$ 2,413,481
PACE	\$ 24,546	\$ 25,667	\$ 1,121	4%	\$ 79,777	\$ 154,000	\$ 74,223	48%	\$ 308,000
MSSP	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -
<b>Total</b>	<b>\$ 1,017,551</b>	<b>\$ 1,300,335</b>	<b>\$ 282,784</b>	<b>22%</b>	<b>\$ 5,429,636</b>	<b>\$ 7,804,488</b>	<b>\$ 2,374,852</b>	<b>30%</b>	<b>\$ 15,606,475</b>

# Non-Labor Summary – December 2018

## Labor (cont.)

### Printing and Postage

LOB	December MTD		Variance		YTD		Variance		FY 2019 Budget
	Actual	Budget	\$	%	Actual	Budget	\$	%	
MC	\$ 260,767	\$ 450,225	\$ 189,458	42%	\$ 2,077,302	\$ 2,701,357	\$ 624,055	23%	\$ 5,402,715
OC	\$ 7,637	\$ 12,039	\$ 4,402	37%	\$ 47,416	\$ 72,236	\$ 24,820	34%	\$ 144,471
OCC	\$ 134,459	\$ 88,902	\$ (45,558)	-51%	\$ 423,787	\$ 533,410	\$ 109,623	21%	\$ 1,066,820
PACE	\$ 664	\$ 12,708	\$ 12,045	95%	\$ 22,196	\$ 76,250	\$ 54,054	71%	\$ 152,500
MSSP	\$ -	\$ 150	\$ 150	100%	\$ -	\$ 900	\$ 900	100%	\$ 1,800
<b>Total</b>	<b>\$ 403,527</b>	<b>\$ 564,024</b>	<b>\$ 160,497</b>	<b>28%</b>	<b>\$ 2,570,701</b>	<b>\$ 3,384,153</b>	<b>\$ 813,451</b>	<b>24%</b>	<b>\$ 6,768,306</b>

### Other Operating Expenses

LOB	December MTD		Variance		YTD		Variance		FY 2019 Budget
	Actual	Budget	\$	%	Actual	Budget	\$	%	
MC	\$ 1,413,549	\$ 1,588,771	\$ 175,222	11%	\$ 7,446,200	\$ 9,512,627	\$ 2,066,427	22%	\$ 19,077,762
OC	\$ 845	\$ 1,368	\$ 523	38%	\$ 3,396	\$ 8,208	\$ 4,812	59%	\$ 16,416
OCC	\$ 42,539	\$ 72,084	\$ 29,545	41%	\$ 273,314	\$ 432,505	\$ 159,191	37%	\$ 865,009
PACE	\$ 18,042	\$ 62,317	\$ 44,275	71%	\$ 236,942	\$ 373,900	\$ 136,958	37%	\$ 747,800
MSSP	\$ 4,242	\$ 7,478	\$ 3,235	43%	\$ 36,447	\$ 44,866	\$ 8,419	19%	\$ 89,732
<b>Total</b>	<b>\$ 1,479,218</b>	<b>\$ 1,732,017</b>	<b>\$ 252,800</b>	<b>15%</b>	<b>\$ 7,996,299</b>	<b>\$ 10,372,106</b>	<b>\$ 2,375,807</b>	<b>23%</b>	<b>\$ 20,796,719</b>

# Non-Labor Summary – December 2018

## Labor (cont.)

### Consolidated - Non-Labor

LOB	December MTD		Variance		YTD		Variance		FY 2019
	Actual	Budget	\$	%	Actual	Budget	\$	%	Budget
<b>MC</b>	\$ 2,646,720	\$ 3,444,942	\$ 798,222	23%	\$ 15,166,108	\$ 20,648,961	\$ 5,482,853	27%	\$ 41,431,301
<b>OC</b>	\$ 21,581	\$ 51,432	\$ 29,851	58%	\$ 154,322	\$ 308,594	\$ 154,272	50%	\$ 617,187
<b>OCC</b>	\$ 374,462	\$ 400,193	\$ 25,731	6%	\$ 1,715,336	\$ 2,403,655	\$ 688,319	29%	\$ 4,804,810
<b>PACE</b>	\$ 46,333	\$ 104,858	\$ 58,526	56%	\$ 347,013	\$ 629,150	\$ 282,137	45%	\$ 1,258,300
<b>MSSP</b>	\$ 4,952	\$ 8,378	\$ 3,426	41%	\$ 40,704	\$ 50,266	\$ 9,562	19%	\$ 100,532
<b>Total</b>	<b>\$ 3,094,048</b>	<b>\$ 4,009,803</b>	<b>\$ 915,755</b>	<b>23%</b>	<b>\$ 17,423,482</b>	<b>\$ 24,040,626</b>	<b>\$ 6,617,143</b>	<b>28%</b>	<b>\$ 48,212,130</b>

# Contingency Contract Report

CalOptima Active Contingency Contracts		Q2 FY19		invoiced as of 1/28/2019									
Quarterly & Annual Medical Cost Savings or Additional Revenue and Fees Paid													
	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19		
	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Qtr 1	Qtr 2	Total
<b>MEDICAL COST</b>													
<i>HMS - Coordination of Benefits i.e. ensure Medi-Cal is the payor of last resort - (expires 5/14/2020)</i>													
Savings	\$ 1,189,393	\$ 2,811,751	\$ 1,937,748	\$ 2,565,125	\$ 2,346,048	\$ 1,444,807	\$ 3,336,995	\$ 3,954,564	\$ 4,067,881	\$ 5,864,338	\$ 1,720,384	\$ 863,127	\$ 2,583,512
Fee	\$ 297,348	\$ 702,938	\$ 484,359	\$ 641,281	\$ 586,762	\$ 361,202	\$ 794,557	\$ 909,550	\$ 935,613	\$ 1,348,798	\$ 395,688	\$ 198,519	\$ 594,208
<b>Net Savings</b>	<b>\$ 892,045</b>	<b>\$ 2,108,813</b>	<b>\$ 1,453,389</b>	<b>\$ 1,923,843</b>	<b>\$ 1,759,286</b>	<b>\$ 1,083,605</b>	<b>\$ 2,542,438</b>	<b>\$ 3,045,014</b>	<b>\$ 3,132,268</b>	<b>\$ 4,515,540</b>	<b>\$ 1,324,696</b>	<b>\$ 664,608</b>	<b>\$ 1,989,304</b>
<i>Cotiviti (Verscend/Verisk/HCI) - Claims review for appropriate billing - (expires 10/07/2021)</i>													
Savings	\$ 164,913	\$ 2,397,831	\$ 3,385,560	\$ 2,517,497	\$ 2,817,113	\$ 2,647,841	\$ 3,562,859	\$ 3,524,096	\$ 2,690,597	\$ 2,571,045	\$ 736,990	\$ 902,582	\$ 1,639,572
Fee	\$ 37,165	\$ 483,209	\$ 691,554	\$ 559,136	\$ 595,632	\$ 727,333	\$ 1,371,137	\$ 638,601	\$ 393,455	\$ 580,345	\$ 184,248	\$ 207,594	\$ 391,841
<b>Net Savings</b>	<b>\$ 127,748</b>	<b>\$ 1,914,622</b>	<b>\$ 2,694,006</b>	<b>\$ 1,958,361</b>	<b>\$ 2,221,482</b>	<b>\$ 1,920,508</b>	<b>\$ 2,191,722</b>	<b>\$ 2,885,495</b>	<b>\$ 2,297,143</b>	<b>\$ 1,990,700</b>	<b>\$ 552,743</b>	<b>\$ 694,988</b>	<b>\$ 1,247,730</b>
<i>Verscend (Verisk/HCI)/ TAG - Facility claims forensic review - (services terminated 12/31/17)</i>													
Savings	-	-	\$ 900,976	\$ 1,362,980	\$ 3,516,297	\$ 3,727,308	\$ 16,538,781	\$ 3,726,475	\$ 4,068,735	\$ 1,234,305			\$ -
Fee	-	-	\$ 270,293	\$ 408,904	\$ 1,054,889	\$ 1,118,193	\$ 2,008,000	\$ 791,798	\$ 1,140,356	\$ 308,576			\$ -
<b>Net Savings</b>	<b>-</b>	<b>-</b>	<b>\$ 630,683</b>	<b>\$ 954,076</b>	<b>\$ 2,461,408</b>	<b>\$ 2,609,114</b>	<b>\$ 14,530,781</b>	<b>\$ 2,934,678</b>	<b>\$ 2,928,380</b>	<b>\$ 925,729</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<i>Varis - Facility claims forensic review - (expires 9/24/2020)</i>													
Savings	-	-	-	-	-	-	-	-	-	-	-	536,895	\$ 536,895
Fee	-	-	-	-	-	-	-	-	-	-	-	134,224	\$ 134,224
<b>Net Savings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>	<b>\$ 402,671</b>	<b>\$ 402,671</b>
<i>OptumInsight - Credit balance recovery - (expires 12/31/2021)</i>													
Savings	-	-	-	\$ 76,715	\$ 26,203	\$ 30,246	N/A	\$ 44,834	\$ 404,824	\$ 154,308	\$ 84,433	\$ 10,895	\$ 95,328
Fee	-	-	-	\$ 9,206	\$ 3,144	\$ 3,630	N/A	\$ 5,380	\$ 48,579	\$ 18,517	\$ 10,132	\$ 1,307	\$ 11,439
<b>Net Savings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 67,509</b>	<b>\$ 23,059</b>	<b>\$ 26,616</b>		<b>\$ 39,454</b>	<b>\$ 356,245</b>	<b>\$ 135,791</b>	<b>\$ 74,301</b>	<b>\$ 9,588</b>	<b>\$ 83,889</b>
<b>TOTAL</b>													
Savings	\$ 1,354,306	\$ 5,209,582	\$ 6,224,285	\$ 6,522,317	\$ 8,705,661	\$ 7,850,202	\$ 23,438,635	\$ 11,249,969	\$ 11,232,038	\$ 9,823,995	\$ 2,541,807	\$ 2,313,499	\$ 4,855,307
Fee	\$ 334,514	\$ 1,186,146	\$ 1,446,206	\$ 1,618,527	\$ 2,240,427	\$ 2,210,357	\$ 4,173,694	\$ 2,345,328	\$ 2,518,002	\$ 2,256,236	\$ 590,068	\$ 541,644	\$ 1,131,712
<b>Net Savings</b>	<b>\$ 1,019,792</b>	<b>\$ 4,023,436</b>	<b>\$ 4,778,079</b>	<b>\$ 4,903,791</b>	<b>\$ 6,465,234</b>	<b>\$ 5,639,844</b>	<b>\$ 19,264,941</b>	<b>\$ 8,904,640</b>	<b>\$ 8,714,036</b>	<b>\$ 7,567,760</b>	<b>\$ 1,951,740</b>	<b>\$ 1,771,855</b>	<b>\$ 3,723,594</b>
<b>REVENUE</b>													
<i>Human Arc - SSI Outreach &amp; Aid Code Conversion - (expires 6/30/2020)</i>													
Capitation Revenue				\$ 1,723,235	\$ 4,526,183	\$ 5,231,987	\$ 6,539,353	\$ 7,782,145	\$ 9,281,708	\$ 11,188,354	\$ 3,058,176	\$ 3,162,614	\$ 6,220,791
Fee				\$ 501,700	\$ 345,100	\$ 285,650	\$ 232,092	\$ 301,556	\$ 360,018	\$ 350,084	\$ 98,000	\$ 100,800	\$ 198,800
<b>Total Net Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 1,221,535</b>	<b>\$ 4,181,083</b>	<b>\$ 4,946,337</b>	<b>\$ 6,307,261</b>	<b>\$ 7,480,589</b>	<b>\$ 8,921,690</b>	<b>\$ 10,838,270</b>	<b>\$ 2,960,176</b>	<b>\$ 3,061,814</b>	<b>\$ 6,021,991</b>

## Board of Directors' Finance and Audit Committee Meeting February 21, 2019

### Shared Risk Pool Performance Update

**Medi-Cal:** As of December 31, 2018, Medi-Cal has five (5) Shared Risk Groups (SRGs).

Effective Dates:

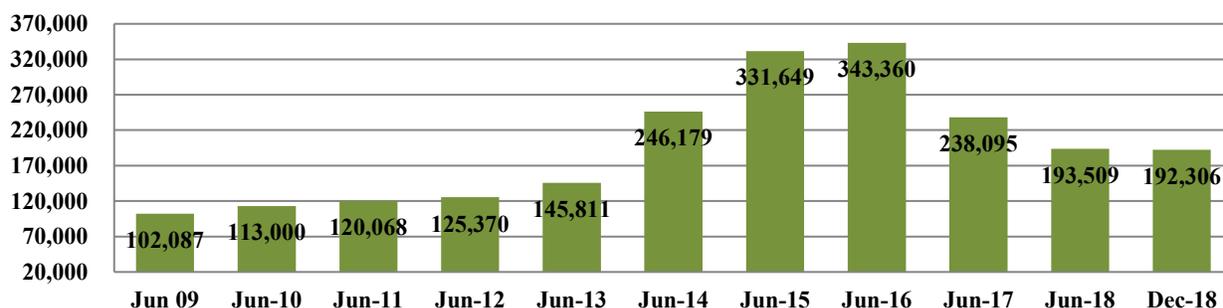
- Noble and Talbert – January 2008
- AltaMed – March 2014
- Prospect\* – May 2007 to June 2017
- Arta and UCMG – July 2008
- Monarch\* – July 2008 to January 2017

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

Enrollment

- SRGs are serving approximately 192,000 members. It represents about 26% of CalOptima's Medi-Cal enrollment.

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



Pool Performance - (Medi-Cal Classic + Expansion)

Period	Gross Deficit	Gross Surplus	CalOptima Share (40%)	Group Share (60%)	Number of SRGs		
					Total	In Deficit	In Surplus
2007	\$ (729,095)	\$ -	\$ (573,542)	\$ (155,553)	1	1	0
2008	(534,826)	618,829	247,532	(163,529)	3	1	2
2009	(6,786,764)	623,088	(2,465,470)	(3,698,206)	6	3	3
2010	(5,890,543)	1,636,861	(1,701,473)	(2,552,209)	6	4	2
2011	(5,127,172)	5,042,040	(34,053)	(51,079)	6	3	3
2012	(1,688,610)	7,574,810	2,354,480	3,531,720	6	3	3
One-Time Revenue		17,233,958	12,917,452	4,316,506	6	3	3
2013	(1,568,113)	10,019,190	3,372,857	5,078,220	6	1	5
2014	-	57,808,875	23,123,550	34,685,325	7	0	7
2015	-	358,004,843	143,201,937	214,802,906	7	0	7
2016	-	403,275,493	161,310,197	241,965,296	7	0	7

Period	Gross Deficit	Gross Surplus	CalOptima Share (40%)	Group Share (60%)	Number of SRGs		
					Total	In Deficit	In Surplus
2017	-	296,558,588	118,623,435	177,935,153	7	0	7
2018	-	106,814,479	42,725,791	64,088,687	5	0	5
2019Q1	-	21,440,143	8,576,057	12,864,086	5	0	5
	\$(22,325,123)	\$1,286,651,197	\$ 511,678,751	\$ 752,647,323			

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

**OneCare:** As of December 31, 2018, OneCare has eight (8) Participating Medical Groups (PMGs).

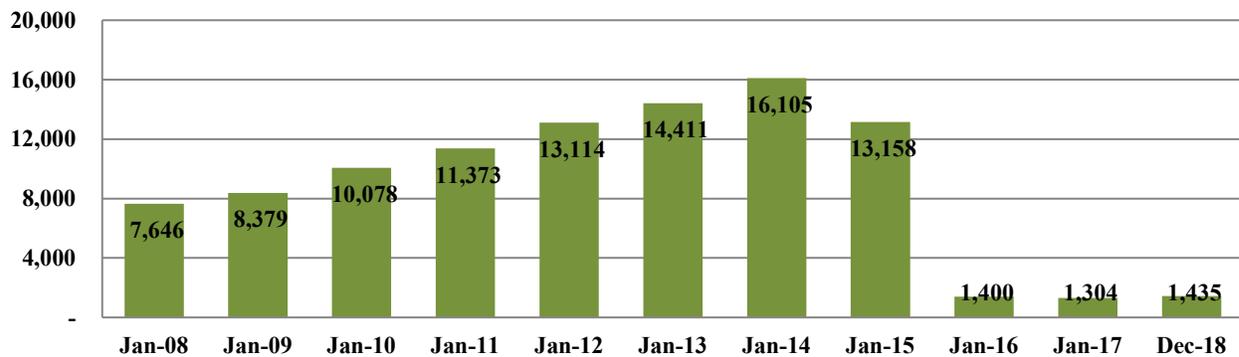
Effective Dates:

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

Enrollment

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

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



Pool Performance

CY	Gross Deficit	Gross Surplus	CalOptima Share (50%)	Group Share (50%)	Total	In Deficit	In Surplus
2005	\$(14,221)	\$163,580	\$67,920	\$81,435	4	1	3
2006	-	15,004,268	7,502,134	7,502,134	5	0	5
2007	(21,936)	3,759,945	1,859,817	1,878,193	8	2	6
2008	(491,522)	3,919,765	1,591,331	1,836,913	8	2	6
2009	(313,648)	5,643,332	2,525,933	2,803,751	9	2	7
2010	(566,705)	4,769,324	1,892,617	2,310,002	8	3	5
2011	-	9,406,281	4,703,141	4,703,141	8	0	8
2012	(433,732)	7,325,076	3,305,088	3,586,257	11	2	9
2013	(1,949,544)	11,124,918	4,015,560	5,159,814	13	2	11
2014	(3,485,139)	10,050,507	1,962,394	4,602,974	13	3	10

## Shared Risk Pool Performance Update

Page 3

2015	(154,268)	10,372,797	5,050,405	5,168,124	8	1	7
2016	(386,678)	340,937	(185,231)	139,490	8	3	5
2017	(334,985)	310,098	(156,120)	131,233	8	5	3
2018Q2	<u>(1,076,659)</u>	<u>273,781</u>	<u>(912,904)</u>	<u>110,026</u>	8	4	4
	\$ (9,229,037)	\$ 82,464,609	\$ 33,222,086	\$ 40,013,486			

Note: Group share deficit limited to \$5.00 PMPM

**OneCare Connect:** As of December 31, 2018, OneCare Connect has six (6) Shared Risk Groups (SRGs).

### Effective Dates:

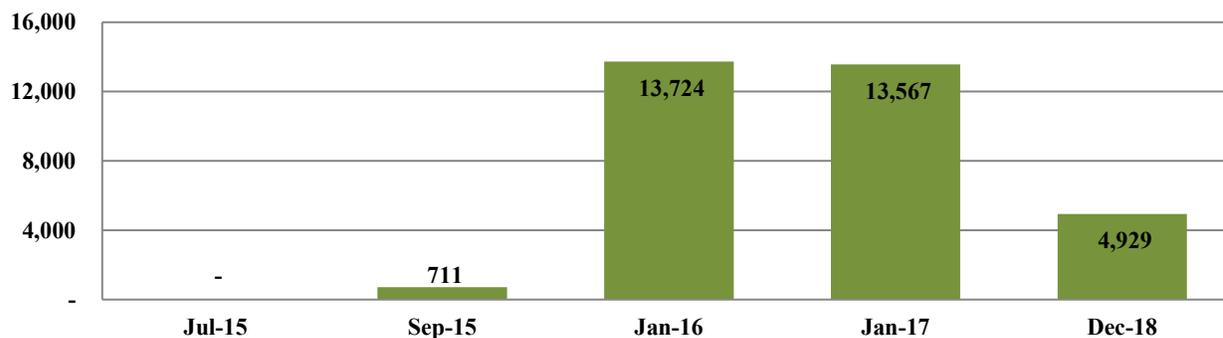
- Noble – July 2015
- UCMG – July 2015
- AltaMed – July 2015
- Monarch\* – July 2015 to January 2017
- FCMG – January 2016
- Talbert – January 2016
- Arta Western – January 2016
- Prospect\* – July 2015 to June 2017

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

### Enrollment

SRGs are serving approximately 4,900 members. It represents about 34% of CalOptima's OneCare Connect enrollment.

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



### Pool Performance

CY	Gross Deficit	Gross Surplus	CalOptima Share (50%)	Group Share (50%)	Total	In Deficit	In Surplus
2015	(261,199)	224,558	(121,755)	85,114	5	2	3
2016	(769,273)	19,502,913	9,016,973	9,716,667	8	1	7
2017	(815,878)	7,030,668	2,856,356	3,358,434	8	3	5
2018Q4	<u>-</u>	<u>8,673,047</u>	<u>4,336,524</u>	<u>4,336,524</u>	6	0	6
	\$ (1,846,350)	\$ 35,431,186	\$ 16,088,098	\$ 17,496,738			

Note: Group share deficit limited to \$5.00 PMPM



**Board of Directors' Finance and Audit Committee Meeting  
February 21, 2019**

**Quarterly Reinsurance Report**

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**Summary of Reinsurance Payments Made by CalOptima to Contracted Medi-Cal Providers for Policy Years (PY) 2017, 2018, and 2019**

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

The figures reported below reflect the estimated results for PY 2017, PY 2018, and PY2019 as of December 31, 2018.

	<b>PY 2017</b>	<b>PY 2018</b>	<b>PY 2019</b>
YTD Budgeted Reinsurance Expense @ 12/31/18	\$4,628,918	\$2,780,209	\$2,508,317
Reinsurance paid through 12/31/18	\$(3,912,268)	\$(3,138,840)	\$(6,659)
Estimated Reinsurance Accrual @ 12/31/18	\$(517,487)	\$(417,893)	\$(1,772,765)
Total Estimated Reinsurance Expense @ 12/31/18	\$(4,429,755)	\$(3,556,733)	\$(1,779,424)
YTD Budgeted Savings/(Deficit) @ 12/31/18	\$199,163	\$(776,524)	\$728,893

The total estimated liability at December 31, 2018 is \$2.7 million.

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

PY 2018 and PY 2019 threshold increased to \$17,000 for Professional and \$150,000 for Hospital; coinsurance level is at 20%.

**Policy Years:**

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

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

PY 2019 = Fiscal Year 2019 (July 1, 2018, through June 30, 2019)

**Board of Directors' Finance and Audit Committee Meeting  
February 21, 2019**

**Quarterly Health Network Financial Update**

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On a quarterly basis, CalOptima reviews the unaudited financial statements of the capitated Physician Groups, Hospitals and HMOs that comprise CalOptima's Health Networks. After internal review, CalOptima's financial staff makes a determination as to whether the capitated entity has the ability to assume the risk of a capitated contract.

With the exception of one entity whose quarter-end financial statements ended as of July 31, 2018, all other Health Network entities were required to submit their unaudited financial statements for the period ending September 30, 2018.

**Results of the September 30, 2018 Financial Review**

	<b>Physician Groups</b>	<b>Hospitals</b>	<b>HMOs</b>
<b>Total</b>	9	4	4
<b>Passed Review</b>	9	4	4
<b>Failed Review</b>	0	0	0
<b>On Notice</b>	0	0	0
<b>Did Not Submit Statements</b>	0	0	0

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

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

Note 2: HMOs must pass the following test:

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

Note 3: Financial Security Reserves:

- a) Medi-Cal, OneCare, and OneCare Connect Total Current Balance = \$18.4M



**CalOptima**  
Better. Together.

# Purchasing Report

**Board of Directors' Finance and Audit Committee Meeting  
February 21, 2019**

**Ken Wong, Director, Budget and Vendor Management**

# Quarterly Purchasing Report

Quarterly Purchase Report  
 October 1, 2018 through December 31, 2018  
 Completed Major Commitments over \$100,000

<i>Nature of Services</i>	<i>FY19 Q2 Budgeted Current Year</i>	<i>Purchase or Contract Highlights</i>	<i>Bidding Outcome</i>	<i>Previous Vendor</i>	<i>Contract Amount</i>	<i>Spent Year 2019</i>	<i>Remaining Amount on Contract</i>	<i>Expires</i>
CMS Audit Preparation	\$ 102,980	MPD Compliance Specialists, LLC	Single Bid	New	\$ 102,980	\$ -	\$ 102,980	12/31/19
SecureAuth (software) Renewal	\$ 113,250	Optiv Security Inc.	Incumbent Renewal		\$ 113,250	\$ -	\$ 113,250	03/29/20
Juniper (software) upgrade	\$ 117,359	FusionStorm	RFQ - 1 bid	FusionStorm	\$ 117,359	\$ 77,789	\$ 39,570	10/25/19
Newsletter Printing	\$ 119,715	Kenny the Printer	RFP - 2 quotes from contracted vendors	N/A	\$ 119,715	\$ 119,446	\$ 269	03/16/19
10th Floor Architechural Services	\$ 120,140	IDS Group, Inc.	Bid Exception	New	\$ 120,140	\$ -	\$ 120,140	12/31/20
CGCAHPS member survey	\$ 127,810	Center for the Study of Services (CSS)	RFP - 3 bids	DataStat	\$ 127,810	\$ -	\$ 127,810	10/31/19
Microsoft True-up	\$ 137,835	Crayon Software Experts LLC	Incumbent Renewal		\$ 137,835	\$ 137,835	\$ -	10/31/18

# Quarterly Purchasing Report

<i>Nature of Services</i>	<i>FY19 Q2 Budgeted Current Year</i>	<i>Purchase or Contract Highlights</i>	<i>Bidding Outcome</i>	<i>Previous Vendor</i>	<i>Contract Amount</i>	<i>Spent Year 2019</i>	<i>Remaining Amount on Contract</i>	<i>Expires</i>
PCP Services at PACE	\$ 150,000	House Call Medical Associates Inc	Incumbent Renewal		\$ 150,000	\$ 41,078	\$ 108,922	06/30/19
Financial Auditing	\$ 155,600	Moss Adams LLP	Incumbent Renewal		\$ 155,600	\$ 155,110	\$ 490	05/20/20
HEDIS Medical Review	\$ 185,959	J & H Copy Services Inc	Incumbent Renewal		\$ 185,959	\$ -	\$ 185,959	10/31/19
Business Intelligence Software License	\$ 198,000	Intuitive Technology Group Inc	Incumbent Renewal		\$ 198,000	\$ 198,000	\$ -	11/22/20
Replacement Computers	\$ 198,255	Dell Computers	Incumbent Renewal		\$ 198,255	\$ -	\$ 198,255	03/31/20
OC and MC Actuarial Services	\$ 200,000	Milliman USA	Incumbent Renewal		\$ 200,000	\$ 62,606	\$ 137,394	03/30/19
CDPS Risk Adjustment and Actuarial Services	\$ 210,100	Milliman USA	Incumbent Renewal		\$ 210,100	\$ 16,827	\$ 193,274	03/30/19
SAN Refresh HW and support	\$ 248,563	Nth Generation Computing Inc	Incumbent Renewal		\$ 248,563	\$ 248,563	\$ -	12/13/18

# Quarterly Purchasing Report

<i>Nature of Services</i>	<i>FY19 Q2 Budgeted Current Year</i>	<i>Purchase or Contract Highlights</i>	<i>Bidding Outcome</i>	<i>Previous Vendor</i>	<i>Contract Amount</i>	<i>Spent Year 2019</i>	<i>Remaining Amount on Contract</i>	<i>Expires</i>
Facets Storage and Server Refresh HW/SW and Support	\$ 252,426	Nth Generation Computing Inc	Incumbent Renewal		\$ 252,426	\$ -	\$ 252,426	01/27/19
Compensation Study Services	\$ 300,000	Grant ThornTon	Incumbent Renewal		\$ 300,000	\$ -	\$ 300,000	06/30/19
Timely Access Member Surveys	\$ 323,000	SPH Analytics	RFP - 4 bids	DataStat	\$ 323,000	\$ 323,000	\$ -	11/01/19
Annual BlueCoat Software renewal	\$ 324,944	SHI International Corp	RFQ - 4 bids	Software House	\$ 324,944	\$ 324,944	\$ -	12/31/19
Provider Directory Term PO	\$ 356,000	Sapphire Printing Group	RFP - 3 bids from Contracted vendors	Saphire	\$ 356,000	\$ 180,043	\$ 175,957	01/31/19
Investment Manager Fees	\$ 410,000	Wells Capital Management Inc	Incumbent Renewal		\$ 410,000	\$ -	\$ 410,000	06/30/19
Facets Monthly support	\$ 435,000	Trizetto Group	Incumbent Renewal		\$ 435,000	\$ 16,428	\$ 418,572	06/30/19
Investment Manager Fees	\$ 475,000	Payden & Rygel	Incumbent Renewal		\$ 475,000	\$ -	\$ 475,000	03/30/19

# Quarterly Purchasing Report

<i>Nature of Services</i>	<i>FY19 Q2 Budgeted Current Year</i>	<i>Purchase or Contract Highlights</i>	<i>Bidding Outcome</i>	<i>Previous Vendor</i>	<i>Contract Amount</i>	<i>Spent Year 2019</i>	<i>Remaining Amount on Contract</i>	<i>Expires</i>
Medi-Cal Fee Software	\$ 489,750	Burgess Group	Incumbent Renewal		\$ 489,750	\$ -	\$ 489,750	12/31/19
Investment Manager Fees	\$ 587,640	Logan Circle Partners LP	Incumbent Renewal		\$ 587,640	\$ 62,496	\$ 525,144	03/31/19
Extreme Software support	\$ 637,297	Integration Partners	RFQ - 6 bids	JT Tech	\$ 637,297	\$ -	\$ 637,297	12/27/19
Coordination of Benefits and Overpayment Contingency	\$ 812,500	Health Management Systems Inc	Incumbent Renewal		\$ 812,500	\$ 238,348	\$ 574,152	06/30/19
Microsoft Annual Licensing	\$ 1,130,627	Crayon Software Experts LLC	Incumbent Renewal		\$ 1,130,627	\$ 1,133,230	\$ (2,603)	10/31/19
Whole Person Care Recuperative Care	\$ 10,000,000	County of Orange HealthCare Agcy	N/A	N/A	\$ 10,000,000	\$ -	\$ 10,000,000	06/30/19

# Quarterly Purchasing Report – In Process

**Quarterly Purchasing Report**  
**October 1, 2018 through December 31, 2018**  
**Major Commitments Greater than \$100,000 in Process**

<i>Nature of Services</i>	<i>Procurement Status</i>
<u>508 Remediation Services</u> 18-037	RFP issued 03/01/18 Seven proposals received Staff is awaiting approval from A&O
<u>Disposable Incontinence Supplies</u> 19-003	RFP issued 7/16/18 Seven proposals received Contracts transferred to Contracting 10/12/18
<u>CMS Audit Prep</u> 19-004	RFP Issued 7/16/18 Single proposal received Contract awarded to MPD
<u>Provider Directories</u> 19-009	RFP issued 11/2/2018 Three proposals received Contract awarded to Sapphire
<u>After hours and Nurse Triage Services</u> 19-012	RFP issued 12/6/2018 Staff is awaiting proposals

# Quarterly Purchasing Report – In Process

<i>Nature of Services</i>	<i>Procurement Status</i>
<u>Blue Coat Software renewal</u> 19-013	RFQ issued 10/2/2018 Four proposals received Contract awarded to Software House International
<u>Extreme Software</u> 19-014	RFP issued 10/3/2018 Six proposals received Contract awarded to Integration Partners
<u>Provider Network Consulting</u> 19-016	RFP issued 11/26/2018 Three proposals received Staff is reviewing proposals
<u>CMS Audit Services</u> 19-019	RFP issued 11/2/2018 Three proposals received Contract awarded to MPD
<u>NCQA Consulting Services</u> 19-023	RFP issued 12/17/2018 Staff is awaiting proposals
<u>Juniper HW renewal</u> 19-024	RFP issued 12/7/2018 Single proposal received Contract awarded to Fusion Storm