



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

**MONDAY, APRIL 20, 2020  
3:00 P.M.**

**CALOPTIMA  
505 CITY PARKWAY WEST, SUITE 107-N  
ORANGE, CALIFORNIA 92868**

**AGENDA**

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 Committee. To speak on a matter not appearing on the agenda, but within the subject matter jurisdiction of the Investment Advisory 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.

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

**I. CALL TO ORDER**

*Pledge of Allegiance*

**II. ESTABLISH QUORUM**

**III. APPROVE MINUTES**

A. Approve Minutes of the January 27, 2020 Meeting of the CalOptima Board of Directors' Investment Advisory Committee (IAC)

*The Board Meeting Agenda and supporting materials are available for review at CalOptima, 505 City Parkway West, Orange, CA 92868, Monday-Friday, 8:00 a.m. – 5:00 p.m. These materials are also available online at [www.caloptima.org](http://www.caloptima.org).*

**To ensure public safety and compliance with emergency declarations and orders related to the COVID-19 pandemic, individuals are encouraged not to attend the meeting in person. As an alternative, members and the public may:**

**Listen to the live audio at (571) 317-3112 Access Code: 513-234-125 and**

**Participate via GoTo Meeting below. Please join using Google Chrome:**

**<https://global.gotomeeting.com/join/513234125> rather than attending in person.**

**IV. PUBLIC COMMENT**

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

**V. MANAGEMENT REPORTS**

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

**VI. REPORTS**

- A. Consider Recommending Proposed Changes to CalOptima Policy GA.3400: Annual Investments

**VII. INFORMATION ITEMS**

- A. Quarterly Investment Report Presentation by Meketa Investment Group
- B. Investment Portfolio Presentation by Wells Capital Management
- C. Investment Portfolio Presentation by MetLife Investment Management
- D. Investment Portfolio Presentation by Payden & Rygel
- E. February 2020 Unaudited Financial Statements

**VIII. COMMITTEE MEMBER COMMENTS**

**IX. ADJOURNMENT**

## **MINUTES**

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

**January 27, 2020**

A meeting of the CalOptima Board of Directors' Investment Advisory Committee (IAC) was held on Monday, January 27, 2020, at CalOptima, 505 City Parkway West, Orange, California.

#### **CALL TO ORDER**

Chair Patrick Moore called the meeting to order at 3:06 p.m. and led the Pledge of Allegiance.

#### **ROLL CALL**

Members Present: Chair Patrick Moore, Caroline Harkins, Nancy Huang, David Young

Members Absent: Rodney Johnson

Others Present: Hannah Schriener, Stephanie Sorg, Meketa Investment Group; Asha Joshi, Payden & Rygel; Scott Pavlak, Erin Klepper, Juan Peruyero, MetLife Investment Management; Seth Takata, Tony Mellville, Wells Capital Management; Gary Crockett, Chief Counsel; Eric Rustad, Director, Financial Analysis; Joyce Mellinger, Accounting Manager; Faye Heidari, Accounting Supervisor; Hong-Ha Do, Accountant, Senior; Pamela Reichardt, Executive Assistant

#### **MINUTES**

#### **Approve Minutes of the October 21, 2019, Meeting of the CalOptima Board of Directors' Investment Advisory Committee**

*Action: On motion of Chair Moore, seconded and carried, the Minutes of the October 21, 2019, Meeting of the CalOptima Board of Directors' Investment Advisory Committee were approved as presented. (Motion carried 4-0-0, Member Johnson Absent).*

#### **PUBLIC COMMENT**

There were no requests for public comment.

## **MANAGEMENT REPORTS**

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

No report.

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

CFO Nancy Huang reported that the Department of Health Care Services (DHCS) released CalAIM, a proposal that contains changes that could significantly impact the future of the Medi-Cal delivery system framework. DHCS is seeking to integrate delivery systems and align funding, data reporting, quality and infrastructure to incentivize plans and providers toward common goals. Staff is closely monitoring these proposed changes and the impact on CalOptima's future programs and funding.

Ms. Huang reported that staff received notification from DHCS that the Phase II Private Hospital Directed Payment (PHDP) will arrive in March. The total dollar amount is estimated at \$100 million. CalOptima is planning to make the distribution to hospitals within 30 days of receipt.

Ms. Huang provided an update on the 5% limits for credit counter party discussion at the January 2020 meeting. Staff had completed the proposed update to the Annual Investment Policy and forwarded it to CalOptima's internal policy review committee for review. Staff plans to bring proposed updates to the Annual Investment Policy to the April IAC meeting, the May Finance and Audit Committee meeting, and the June Board meeting for approval. As proposed, effective date for the revised policy will be July 1, 2020, after receiving Board approval.

## **REPORTS**

### **Consider the Investment Advisory Committee 2020 Meeting Schedule**

*Action: On motion of Member Caroline Harkins, seconded and carried, the Investment Advisory Committee approved IAC Meeting Dates for Calendar Year 2020.  
(Motion carried 4-0-0, Member Rodney Johnson Absent)*

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

*Action: On motion of Member David Young, seconded and carried, the Investment Advisory Committee recommended the reappointment of Susan Munson to the Board of Directors' Investment Advisory Committee for a two-year term ending March 5, 2022. (Motion Carried 4-0, Member Johnson absent)*



## **INFORMATION ITEMS**

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

Hannah Schriener, Vice President, provided a company and staff update. Ms. Schriener reported that as of Q4 2019, CalOptima's total fund market value was \$1.47 billion. She reported that CalOptima's investment portfolio was in compliance with CalOptima's Annual Investment Policy for the quarter.

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

Asha Joshi, Managing Principal, Payden & Rygel, provided a firm update and discussed overall themes within the U.S. economy and the fund performance summary.

Jeffrey Cleveland, Chief Economist, reported on current economic themes, and provided a U.S. and global economic update.

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

Seth Takata, Director, Asset Management, introduced himself to the Committee and provided a firm update.

Tony Mellville provided an operating portfolio update and a summary of market themes.

### **Presentation by MetLife Investment Management**

Erin Klepper, Associate Director, gave a firm and portfolio update.

Ms. Klepper introduced Juan Peruyero, Portfolio Manager, who gave a portfolio and economic update.

### **Financial Update**

Ms. Huang provided a summary of CalOptima's October 2019 financials. Overall, enrollment was slightly below budget by 0.6%. CalOptima's change in net assets for the month of October was \$2.4 million, which includes \$3.9 million from investment income and a \$1.5 million loss from operations. The year-to-date change in net assets was \$15 million. Also, on a year-to-date basis, the Medical Loss Ratio (MLR) is 96%, and the Administrative Loss Ratio (ALR) is 3.7%.

### **Committee Members' Comments**

Chair Moore and Committee members thanked Peggy Eckroth for her years of service to the IAC, as she was retiring from the committee. Ms. Huang noted that if any committee members would like to refer a potential IAC committee member to please contact staff.

**ADJOURNMENT**

Hearing no further business, Chair Moore adjourned the meeting at 4:43 p.m.

*/s/ Pamela Reichardt* \_\_\_\_\_  
Pamela Reichardt  
Executive Assistant

*Approved: April 20, 2020*

## **CALOPTIMA BOARD ACTION AGENDA REFERRAL**

### **Action To Be Taken April 20, 2020** **Regular Meeting of the CalOptima Board of Directors'** **Investment Advisory Committee**

#### **Report Item**

VI. A. Consider Recommending Proposed Changes to CalOptima Policy GA.3400: Annual Investments

#### **Contact**

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

#### **Recommended Action**

Recommend that the Board of Directors' Finance and Audit Committee (FAC) recommend approval of proposed changes to CalOptima Policy GA.3400: Annual Investments.

#### **Background**

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

At its December 5, 2019 meeting, the Board approved changes to CalOptima Policy GA.3400: Annual Investments for Calendar Year 2020. Staff noted at the time that they had received a recommended change for a 5% portfolio maximum limitation per credit counterparty and by instrument type to clarify the requirement in the current AIP. This change would be considered for possible adoption in a future policy update after further vetting by CalOptima's investment managers and committee members.

#### **Discussion**

CalOptima Policy GA.3400: Annual Investment provides investment guidelines for all Operating Funds and Board-Designated Reserve Funds invested on or after January 10, 2006. These guidelines ensure that CalOptima's funds are prudently invested according to the Board of Directors' objectives and the California Government Code requirements to preserve capital, provide necessary liquidity, and achieve a market-average rate of return through economic cycles. Each annual review takes effect upon the updated AIP's adoption by the Board.

Staff proposes to revise this policy to clarify counterparty diversification limits. This policy change was noted in the December 5, 2019 Board action and was subsequently discussed with CalOptima's investment advisor, Meketa Investment Group, Inc., later in December 2019. Staff recommends revising the policy for a 5% portfolio maximum limitation per credit counterparty and by instrument type to include all permitted investments except for U.S. Government or Agency securities. The proposed effective date for the policy change is July 1, 2020.

**Fiscal Impact**

There is no immediate fiscal impact.

**Rationale for Recommendation**

The proposed changes to CalOptima Policy GA.3400: Annual Investments reflect the recommendations of CalOptima's investment managers, Payden & Rygel, MetLife, and Wells Capital Management and CalOptima's investment adviser, Meketa Investment Group, Inc. The recommended changes will continue to support CalOptima's goals to maintain safety of principal and achieve a market rate of return while maintaining necessary liquidity during periods of uncertainty.

**Concurrence**

Meketa Investment Group, Inc.  
Gary Crockett, Chief Counsel

**Attachments**

Policy GA.3400: Annual Investment Policy – redline and clean versions.

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**Authorized Signature**

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**Date**

Policy: GA.3400  
Title: **Annual Investments**  
Department: CalOptima Administrative  
Section: Finance

*CEO Approval:*

Effective Date: 01/01/2018  
Revised Date: **TBD**

Applicable to:

- Medi-Cal
- OneCare
- OneCare Connect
- PACE
- Administrative

1 **I. PURPOSE**

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3 This policy sets forth the investment guidelines for all Operating Funds and Board-Designated Reserve  
4 Funds of CalOptima invested on or after January 10, 2006 to ensure CalOptima's funds are prudently  
5 invested according to the Board of Directors' objectives and the California Government Code to  
6 preserve Capital, provide necessary Liquidity, and achieve a market-average Rate of Return through  
7 Economic Cycles. Each annual review takes effect upon its adoption by the Board of Directors.  
8

9 **II. POLICY**

10 A. CalOptima investments may only be made as authorized by this Policy.

- 11
- 12 1. This Policy shall conform to California Government Code, Section 53600 et seq. (hereinafter,  
13 the Code) as well as customary standards of prudent investment management. Should the  
14 provisions of the Code be, or become, more restrictive than those contained herein, such  
15 provisions shall be considered immediately incorporated into this Policy and adhered to.  
16
  - 17 2. Safety of Principal: Safety of Principal is the primary objective of CalOptima and, as such,  
18 each investment transaction shall seek to ensure that large Capital losses are avoided from  
19 securities or Broker-Dealer default.  
20
  - 21 a. CalOptima shall seek to ensure that Capital losses are minimized from the erosion of market  
22 value and preserve principal by mitigating the two (2) types of Risk: Credit Risk and  
23 Market Risk.  
24
  - 25 i. Credit Risk shall be mitigated by investing in only permitted investments and by  
26 diversifying the Investment Portfolio, in accordance with this Policy.  
27
  - 28 ii. Market Risk shall be mitigated by matching Maturity Dates, to the extent possible, with  
29 CalOptima's expected cash flow needs and other factors.  
30
  - 31 b. It is explicitly recognized herein, however, that in a diversified portfolio, occasional losses  
32 are inevitable and must be considered within the context of the overall investment return.  
33  
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- 1 3. Liquidity: Liquidity is the second most important objective of CalOptima. It is important that  
2 each portfolio contain investments for which there is a secondary market and which offer the  
3 flexibility to be easily sold at any time with minimal Risk of loss of either the principal or  
4 interest based upon then prevailing rates.  
5  
6 4. Total Return: CalOptima's Investment Portfolios shall be designed to attain a market-average  
7 Rate of Return through Economic Cycles given an acceptable level of Risk, established by the  
8 Board of Directors' and the CalOptima Treasurer's objectives.  
9  
10 a. The performance Benchmark for each Investment Portfolio shall be based upon published  
11 Market Indices as primary Benchmark, and Custom Peer Group Reports, as necessary, for  
12 short-term investments of comparable Risk and duration.  
13  
14 i. These performance Benchmarks shall be reviewed monthly by CalOptima staff, and  
15 quarterly by CalOptima's Treasurer and the Investment Advisory Committee members  
16 and shall be reported to the Board of Directors.  
17  
18 B. The investments purchased by an Investment Manager shall be held by the Custodian Bank acting  
19 as the agent of CalOptima under the terms of a custody agreement in compliance with California  
20 Government Code, Section 53608.  
21  
22 C. Investment Managers must certify that they will purchase securities from Broker-Dealers (other  
23 than themselves) or financial institutions in compliance with California Government Code, Section  
24 53601.5 and this Policy.  
25  
26 D. The Board of Directors, or persons authorized to make investment decisions on behalf of CalOptima  
27 (e.g., Chief Officers), are trustees and fiduciaries subject to the Prudent Person Standard, as defined  
28 in the Code, which shall be applied in the context of managing an overall portfolio.  
29  
30 E. CalOptima's Officers, employees, Board members, and Investment Advisory Committee members  
31 involved in the investment process shall refrain from personal and professional business activities  
32 that could conflict with the proper execution of the investment program, or which could impair their  
33 ability to fulfill their roles in the investment process.  
34  
35 1. CalOptima's Officers and employees involved in the investment process are not permitted to  
36 have any material financial interests in financial institutions, including state or federal credit  
37 unions, that conduct business with CalOptima, and are not permitted to have any personal  
38 financial, or investment holdings, that could be materially related to the performance of  
39 CalOptima's investments.  
40  
41 F. On an annual basis, CalOptima's Treasurer shall provide the Board of Directors with this Policy for  
42 review and adoption by the Board, to ensure that all investments made are following this Policy.  
43  
44 1. This Policy shall be reviewed annually by the Board of Directors at a public meeting pursuant to  
45 California Government Code, Section 53646, Subdivision (a).  
46  
47 2. This policy may only be changed by the Board of Directors.  
48

### 49 III. PROCEDURE

#### 50 A. Delegation of Authority

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- 1 1. Authority to manage CalOptima's investment program is derived from an order of the Board of  
2 Directors.
- 3
- 4 a. Management responsibility for the investment program shall be delegated to CalOptima's  
5 Treasurer, as appointed by the Board of Directors, for a one (1)-year period following the  
6 approval of this Policy.
- 7
- 8 i. The Board of Directors may renew the delegation of authority annually.
- 9
- 10 b. No person may engage in investment transactions except as provided under the terms of this  
11 Policy and the procedures established by CalOptima's Treasurer.
- 12

#### 13 B. CalOptima Treasurer Responsibilities

- 14 1. The Treasurer shall be responsible for:
  - 15 a. All actions undertaken and shall establish a system of controls to regulate the activities of  
16 subordinate officials and Board-approved Investment Managers;
  - 17 b. The oversight of CalOptima's Investment Portfolio;
  - 18 c. Directing CalOptima's investment program and for compliance with this Policy pursuant to  
19 the delegation of authority to invest funds or to sell or exchange securities; and
  - 20 d. Providing a quarterly report to the Board of Directors in accordance with California  
21 Government Code, Section 53646, Subdivision (b).
- 22 2. The Treasurer shall also be responsible for ensuring that:
  - 23 a. The Operating Funds and Board-Designated Reserve Funds targeted average maturities are  
24 established and reviewed monthly.
  - 25 b. All Investment Managers are provided a copy of this Policy, which shall be appended to an  
26 Investment Manager's investment contract.
    - 27 i. Any investments made by an Investment Manager outside this Policy may subject the  
28 Investment Manager to termination for cause or other appropriate remedies or  
29 sanctions, as determined by the Board of Directors.
  - 30 c. Investment diversification and portfolio performance is reviewed monthly to ensure that  
31 Risk levels and returns are reasonable and that investments are diversified in accordance  
32 with this Policy.
  - 33 d. All Investment Managers are selected and evaluated for review by the Chief Executive  
34 Officer and the Board of Directors.

#### 35 C. Investment Advisory Committee

- 36 1. The Investment Advisory Committee shall not make, or direct, CalOptima staff to make any  
37 particular investment, purchase any particular investment product, or conduct business with any  
38 particular investment companies, or brokers.
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- 1 a. It shall not be the purpose of the Investment Advisory Committee to advise on particular  
2 investment decisions of CalOptima.  
3  
4 2. The Investment Advisory Committee shall be responsible for the following functions:  
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6 a. Annual review of this Policy before its consideration by the Board of Directors and revision  
7 recommendations, as necessary, to the Finance and Audit Committee of the Board of  
8 Directors.  
9  
10 b. Quarterly review of CalOptima's Investment Portfolio for conformance with this Policy's  
11 diversification and maturity guidelines, and recommendations to the Finance and Audit  
12 Committee of the Board of Directors, as appropriate.  
13  
14 c. Provision of comments to CalOptima's staff regarding potential investments and potential  
15 investment strategies.  
16  
17 d. Performance of such additional duties and responsibilities pertaining to CalOptima's  
18 investment program as may be required from time to time by specific action and direction  
19 of the Board of Directors.  
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21 D. Permitted Investments

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23 1. CalOptima shall invest only in Instruments as permitted by the Code, subject to the limitations  
24 of this Policy.  
25  
26 a. Permitted investments under the Operating Funds, unless otherwise specified, are subject to  
27 a maximum stated term of two (2) years. Note that the Code allows for up to five (5) years.  
28  
29 b. Permitted investments under the Board-Designated Reserve Funds, unless otherwise  
30 specified, are subject to a maximum stated term of five (5) years. Note that the Code allows  
31 for up to five (5) years.  
32  
33 c. Private placement (144a) securities are prohibited.  
34  
35 d. The Board of Directors must grant express written authority to make an investment, or to  
36 establish an investment program, of a longer term.  
37  
38 2. Permitted investments shall include:  
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40 a. U.S. Treasuries  
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42 i. These investments are direct obligations of the United States of America and securities  
43 which are fully and unconditionally guaranteed as to the timely payment of principal  
44 and interest by the full faith and credit of the United States of America.  
45  
46 ii. U.S. Government securities include:  
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48 a) Treasury Bills: U.S. Government securities issued and traded at a discount;  
49  
50 b) Treasury Notes and Bonds: Interest bearing debt obligations of the U.S.  
51 Government which guarantees interest and principal payments;  
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- c) Treasury Separate Trading of Registered Interest and Principal Securities (STRIPS): U.S. Treasury securities that have been separated into their component parts of principal and interest payments and recorded as such in the Federal Reserve book-entry record-keeping system;
  - d) Treasury Inflation Protected (TIPs) securities: Special U.S. Treasury notes, or Bonds, that offer protection from Inflation. Coupon payments and underlying principal are automatically increased to compensate for Inflation, as measured by the Consumer Price Index (CPI); and
  - e) Treasury Floating Rate Notes (FRNs): U.S. Treasury Bonds issued with a variable coupon.
- iii. U.S. Treasury coupon and principal STRIPS, as well as TIPs, are not considered to be derivatives for the purposes of this Policy and are, therefore, permitted investments pursuant to this Policy.
  - iv. Maximum Term:

<b>Fund Type</b>	<b>Term Assigned</b>	<b>Term Allowed by the Code</b>
Operating Funds	2 years	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

- b. Federal Agencies and U.S. Government Sponsored Enterprises
  - i. These investments represent obligations, participations, or other Instruments of, or issued by, a federal agency or a U.S. government sponsored enterprise, including those issued by, or fully guaranteed as to principal and interest by, the issuers.
  - ii. These are U.S. Government related organizations, the largest of which are government financial intermediaries assisting specific credit markets (e.g., housing, agriculture). Often simply referred to as "Agencies," the following are specifically allowed:
    - a) Federal Home Loan Banks (FHLB);
    - b) Federal Home Loan Mortgage Corporation (FHLMC);
    - c) Federal National Mortgage Association (FNMA);
    - d) Federal Farm Credit Banks (FFCB);
    - e) Government National Mortgage Association (GNMA);
    - f) Small Business Administration (SBA);
    - g) Export-Import Bank of the United States;
    - h) U.S. Maritime Administration;
    - i) Washington Metro Area Transit Authority (WMATA);

- j) U.S. Department of Housing & Urban Development;
- k) Tennessee Valley Authority;
- l) Federal Agricultural Mortgage Company (FAMC);
- m) Federal Deposit Insurance Corporation (FDIC)-backed Structured Sale Guaranteed Notes (SSGNs); and
- n) National Credit Union Administration (NCUA) securities.

iii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	2 years	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

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

c. State and California Local Agency Obligations

- i. Such obligations must be issued by an entity whose general obligation debt is rated P-1 by Moody's, or A-1 by Standard & Poor's, or equivalent or better for short-term obligations, or an "A-" rating or its equivalent or better by a Nationally Recognized Statistical Rating Organization (NRSRO) for long-term obligations. Public agency Bonds issued for private purposes (e.g., industrial development Bonds) are specifically excluded as permitted investments.

ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	2 years	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

d. Banker's Acceptances

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

- a) Are eligible for purchase by the Federal Reserve System, and are drawn on and accepted by a bank rated F1, or better, by Fitch Ratings Service, or are rated A-1 for short-term deposits by Standard & Poor's, or P-1 for short-term deposits by Moody's, or are comparably rated by a nationally recognized rating agency; ~~and~~.

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2 ~~May not exceed the five percent (5%) limit of any one (1) commercial bank and~~  
3 ~~may not exceed the five percent (5%) limit for any security of any bank.~~  
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ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	180 days	180 days
Board-Designated Reserve Funds		
▪ Tier One (1)	180 days	180 days
▪ Tier Two (2)	180 days	180 days

e. Commercial Paper (CP)

i. CP is negotiable (i.e., marketable or transferable), although it is typically held to maturity. The maximum maturity is two hundred seventy (270) days, with most CP issued for terms of less than thirty (30) days. CP must meet the following criteria:

a) CP of “prime” quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical rating organization (NRSRO);

b) The entity that issues the CP shall meet all of the following conditions in either paragraph (1) or (2):

(1) The entity meets the following criteria:

(A) Is organized and operating in the United States as a general corporation.

(B) Has total assets in excess of five hundred million dollars (\$500,000,000).

(C) Has debt other than commercial paper, if any, that is rated in a Rating Category of “A” or its equivalent or higher by an NRSRO.

(2) The entity meets the following criteria:

(A) Is organized within the United States as a special purpose corporation, trust, or limited liability company.

(B) Has program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.

(C) Has commercial paper that is rated “A-1” or higher, or the equivalent, by an NRSRO; and

c) May not represent more than ten percent (10%) of the outstanding CP of the issuing corporation.

ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	270 days	270 days

Board-Designated Reserve Funds		
▪ Tier One (1)	270 days	270 days
▪ Tier Two (2)	270 days	270 days

f. Negotiable Certificates of Deposit

- i. Negotiable Certificates of Deposit must be issued by a Nationally- or state-chartered bank, or state or federal association or by a state licensed branch of a foreign bank, which have been rated F1 or better, by Fitch Ratings Service, or are rated A-1 for short-term deposits by Standard & Poor's and P-1 for short-term deposits by Moody's, or are comparably rated by a nationally recognized rating agency.
- ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	1 year	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	1 year	5 years
▪ Tier Two (2)	1 year	5 years

g. Repurchase Agreements

- i. U.S. Treasury and U.S. Agency Repurchase Agreements collateralized by the U.S. Government may be purchased through any registered primary Broker-Dealer subject to the Securities Investors Protection Act, or any commercial bank insured by the Federal Deposit Insurance Corporation so long as at the time of the investment, such primary dealer (or its parent) has an unsecured, unsecured, and unguaranteed obligation rated P-1 short-term, or A-2 long-term, or better, by Moody's, and A-1 short-term, or A long-term, or better, by Standard & Poor's, and F1 short-term, or A long-term or better by Fitch Ratings Service provided:
  - a) A Broker-Dealer master repurchase agreement signed by the Investment Manager (acting as "Agent") and approved by CalOptima;
  - b) The securities are held free and clear of any Lien by CalOptima's custodian or an independent third party acting as agent ("Agent") for the custodian, and such third party is (i) a Federal Reserve Bank, or (ii) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined Capital, Surplus and undivided profits of not less than fifty million dollars (\$50,000,000) and the custodian receives written confirmation from such third party that it holds such securities, free and clear of any Lien, as agent for CalOptima's custodian;
  - c) A perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at Title 31, Code of Federal Regulations, Section 306.1 et seq., and such securities are created for the benefit of CalOptima's custodian and CalOptima; and
  - d) The Agent will notify CalOptima's custodian and CalOptima if the Valuation of the Collateral Securities falls outside of policy. Upon direction by the CalOptima Treasurer, the Agent will liquidate the Collateral Securities if any deficiency in the required one hundred and two percent (102%) collateral percentage is not restored within one (1) business day of such Valuation.

ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	30 days	1 year
Board-Designated Reserve Funds		
▪ Tier One (1)	30 days	1 year
▪ Tier Two (2)	30 days	1 year

iii. Reverse Repurchase Agreements are not allowed.

h. Corporate Securities

i. For the purpose of this Policy, permissible Corporate Securities shall be rated in a Rating Category of "A" or its equivalent or better by an NRSRO and:

- a) Be issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S. and have total assets in excess of five hundred million dollars (\$500,000,000), and
- b) May not represent more than ten percent (10%) of the issue in the case of a specific public offering. This limitation does not apply to debt that is "continuously offered" in a mode similar to CP, i.e., Medium Term Notes (MTNs).

~~e) Under no circumstance can the MTNs or any other corporate security of any one (1) corporate issuer represent more than five percent (5%) of the portfolio.~~

ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	2 years	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

i. Money Market Funds

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

- a) Which are rated AAA (or equivalent highest ranking) by two (2) of the three (3) largest nationally recognized rating services; and
- b) Such investment may not represent more than ten percent (10%) of the money market fund's assets.

j. Joint Powers Authority Pool

i. A joint powers authority formed pursuant to California Government Code, Section 6509.7 may issue shares of beneficial interest to participating public agencies. The joint

powers authority issuing the shares shall have retained an Investment Advisor that meets all of the following criteria:

- a) Registered or exempt from registration with the Securities and Exchange Commission;
  - b) No less than five (5) years of experience investing in the securities and obligations authorized in the Code; and
  - c) Assets under management in excess of five hundred million dollars (\$500,000,000).
- ii. A Joint Powers Authority Pool shall be rated AAA (or equivalent highest ranking) by two (2) of the three (3) largest nationally recognized rating services.
  - iii. Such investment may not represent more than ten percent (10%) of the Joint Powers Authority Pool's assets.
  - iv. Maximum Term:

<b>Fund Type</b>	<b>Term Assigned</b>	<b>Term Allowed by the Code</b>
Operating Funds	Not Applicable	Not Applicable
Board-Designated Reserve Funds <ul style="list-style-type: none"> <li>▪ Tier One (1)</li> <li>▪ Tier Two (2)</li> </ul>	Not Applicable Not Applicable	Not Applicable Not Applicable

k. Mortgage or Asset-backed Securities

- i. Pass-through securities are instruments by which the cash flow from the mortgages, receivables, or other assets underlying the security, is passed-through as principal and interest payments to the investor.
- ii. Though these securities may contain a third-party guarantee, they are a package of assets being sold by a trust, not a debt obligation of the sponsor. Other types of "backed" debt instruments have assets (e.g., leases or consumer receivables) pledged to support the debt service.
- iii. Any mortgage pass-through security, collateralized mortgage obligations, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond which:
  - a) Are rated AA or better- or equivalent.

iv. Maximum Term:

<b>Fund Type</b>	<b>Term Assigned</b>	<b>Term Allowed by the Code</b>
Operating Funds	2 years	5 years
Board-Designated Reserve Funds <ul style="list-style-type: none"> <li>▪ Tier One (1)</li> <li>▪ Tier Two (2)</li> </ul>	5 years stated final maturity 5 years stated final maturity	5 years 5 years

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2 1. Variable and Floating Rate Securities  
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4 i. Variable and floating rate securities are appropriate investments when used to enhance  
5 yield and reduce Risk.  
6

7 a) They should have the same stability, Liquidity, and quality as traditional money  
8 market securities.  
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10 b) A variable rate security provides for the automatic establishment of a new interest  
11 rate on pre-determined reset dates.  
12

13 c) For the purposes of this Policy, a variable rate security and floating rate security  
14 shall be deemed to have a maturity equal to the period remaining to that pre-  
15 determined interest rate reset date, so long as no investment shall be made in a  
16 security that at the time of the investment has a term remaining to a stated final  
17 maturity in excess of five (5) years.  
18

19 ii. Variable and floating rate securities, which are restricted to investments in permitted  
20 Federal Agencies and U.S. Government Sponsored Enterprises securities, Corporate  
21 Securities, Mortgage or Asset-backed Securities, Negotiable Certificates of Deposit,  
22 and Municipal Bonds (State and California Local Agency Obligations) must utilize a  
23 single, market-determined short-term index rate, such as U. S. Treasury bills, federal  
24 funds, CP, London Interbank Offered Rate (LIBOR), the Secured Overnight Financing  
25 Rate (SOFR), or Securities Industry and Financial Markets Association (SIFMA) that is  
26 pre-determined at the time of issuance of the security.  
27

28 a) Permitted variable and floating rate securities that have an embedded unconditional  
29 put option must have a stated final maturity of the security no greater than five (5)  
30 years from the date of purchase.  
31

32 b) Investments in floating rate securities whose reset is calculated using more than one  
33 (1) of the above indices are not permitted, i.e., dual index notes.  
34

35 c) Ratings for variable and floating rate securities shall be limited to the same  
36 minimum ratings as applied to the appropriate asset security class outlined  
37 elsewhere in this Policy.  
38

39 iii. Maximum Term:  
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Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	2 years	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

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42 m. Supranational Obligations  
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44 i. The three (3) Supranational Institutions that issue, or unconditionally guarantee,  
45 obligations that are eligible investments are:  
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47 a) International Bank for Reconstruction and Development (IBRD);



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- b) International Finance Corporation (IFC); and
  - c) Inter-American Development Bank (IADB).
- ii. Supranational obligations shall be rated in a Rating Category of “AA” or its equivalent or better by a Nationally Statistical Rating Organization (NRSRO).
  - iii. Maximum Term:

<b>Fund Type</b>	<b>Term Assigned</b>	<b>Term Allowed by the Code</b>
Operating Funds	2 years	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

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n. Pooled Investments

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

E. Diversification Guidelines

1. Diversification guidelines ensure the portfolio is not unduly concentrated in the securities of one (1) type, industry, or entity, thereby assuring adequate portfolio Liquidity should one (1) sector or company experience difficulties.
2. CalOptima’s Investment Managers must review the respective portfolios they manage to ensure compliance with CalOptima’s diversification guidelines on a continuous basis.
3. *Table 1: Maximum Percentage (%) of Investment Portfolio, by Instrument Type*

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



INSTRUMENTS	MAXIMUM % OF PORTFOLIO AT TIME OF PURCHASE
M. Supranational Obligations	30% (Code)

4. Issuer or Counterparty Diversification Guidelines: The percentages specified below shall be adhered to on the basis of the entire portfolio:

a. Any one (1) Federal Agency or Government Sponsored Enterprise: None

b. Any one (1) repurchase agreement counterparty name:

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

If maturity/term is  $> 7$  days: 25%

5. Issuer or Counterparty Diversification Guidelines for all other permitted investments described in Section III.D.2.a-n. of this Policy.

a. Any one (1) corporation, bank, local agency, or other corporate name for one (1) or more series of securities, and specifically with respect to special purpose vehicles issuers for mortgage or asset-backed securities, the maximum ~~applies to all such securities backed by the same type of assets of the same issuer~~ issuer limits apply at the deal level.

b. Except for U.S. Government or Agency securities, no more than five percent (5%) of the Portfolio's market value will be invested in securities of a single issuer.

6. Each Investment Manager shall adhere to the diversification limits discussed in this subsection.

a. If an Investment Manager exceeds the aforementioned diversification limits, the Investment Manager shall inform CalOptima's Treasurer and Investment Advisory consultant (if any) by close of business on the day of the occurrence.

b. Within the parameters authorized by the Code, the Investment Advisory Committee recognizes the practicalities of portfolio management, securities maturing and changing status, and market volatility, and, as such, will consider breaches in the context of.

i. The amount in relation to the total portfolio concentration;

ii. Market and security specific conditions contributing to a breach of this Policy; and

iii. The Investment Managers' actions to enforce the spirit of this Policy and decisions made in the best interest of the portfolio.

#### F. Maximum Stated Term

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

#### G. Rating Downgrades

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

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2 2. If the rating of any security held as an investment falls below the investment guidelines, the  
3 Investment Manager shall notify CalOptima's Treasurer, or Designee, within two (2) business  
4 days of the downgrade.  
5  
6 a. A decision to retain a downgraded security shall be approved by CalOptima's Treasurer, or  
7 Designee, within five (5) business days of the downgrade.  
8

9 **H. Investment Restrictions**

- 10 1. Investment securities shall not be lent to an Investment Manager, or Broker-Dealer.  
11  
12 2. The Investment Portfolio or Investment Portfolios, managed by an Investment Manager, shall  
13 not be used as collateral to obtain additional investable funds.  
14  
15 3. Any investment not specifically referred to herein shall be considered a prohibited investment.  
16  
17 4. CalOptima reserves the right to prohibit its Investment Managers from making investments in  
18 organizations which have a line of business that conflicts with the interests of public health, as  
19 determined by the Board of Directors.  
20  
21 5. CalOptima reserves the right to prohibit investments in organizations with which it has a  
22 business relationship through contracting, purchasing, or other arrangements.  
23  
24 6. Except as expressly permitted by this Policy, investments in derivative securities shall not be  
25 allowed.  
26  
27 7. A list of prohibited investments does not currently exist, however, the Board of Directors shall  
28 provide CalOptima's Treasurer, Investment Managers, Investment Advisory consultant, and  
29 Investment Advisory Committee with a list, should such a list be adopted by CalOptima in the  
30 future, of organizations that do not comply with this Policy and shall immediately notify  
31 CalOptima's Treasurer, Investment Managers, Investment Advisory consultant and Investment  
32 Advisory Committee of any changes.  
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35 **IV. ATTACHMENT(S)**

36 Not Applicable  
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39 **V. REFERENCE(S)**

- 40  
41 A. California Government Code, §6509.7  
42 B. California Government Code, §53600 et seq.  
43 C. California Government Code, §53601(h), (k), (q)  
44 D. California Government Code, §53635 et seq.  
45 E. California Government Code. §53646, Subdivision (a) and Subdivision (b)  
46 F. Title 31, Code of Federal Regulations (C.F.R.), §306.1 et seq.  
47

48 **VI. REGULATORY AGENCY APPROVAL(S)**

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50 A. None to Date  
51

52 **VII. BOARD ACTION(S)**  
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<b>Date</b>	<b>Meeting</b>
10/30/2017	Special Meeting of the CalOptima Investment Advisory Committee
11/16/2017	Regular Meeting of the CalOptima Finance and Audit Committee
12/07/2017	Regular Meeting of the CalOptima Board of Directors
11/05/2018	Special Meeting of the CalOptima Investment Advisory Committee
11/15/2018	Regular Meeting of the CalOptima Finance and Audit Committee
12/06/2018	Regular Meeting of the CalOptima Board of Directors
10/21/2019	Regular Meeting of the CalOptima Investment Advisory Committee
11/15/2019	Regular Meeting of the CalOptima Finance and Audit Committee
12/05/2019	Regular Meeting of the CalOptima Board of Directors
	<u>Regular Meeting of the CalOptima Investment Advisory Committee</u>
	<u>Regular Meeting of the CalOptima Finance and Audit Committee</u>
	<u>Regular Meeting of the CalOptima Board of Directors</u>

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**VIII. REVISION HISTORY**

<b>Action</b>	<b>Date</b>	<b>Policy</b>	<b>Policy Title</b>	<b>Program(s)</b>
Effective	01/01/2018	GA.3400	Annual Investments	Administrative
Revised	01/01/2019	GA.3400	Annual Investments	Administrative
Revised	01/01/2020	GA.3400	Annual Investments	Administrative
<u>Revised</u>	<u>TBD</u>	<u>GA.3400</u>	<u>Annual Investments</u>	<u>Administrative</u>

For 20200420 IAC REVIEW ONLY

1 IX. GLOSSARY  
2

Term	Definition
Banker's Acceptance (BA)	<p>Time drafts which a bank "accepts" as its financial responsibility as part of a trade finance process. These short-term notes are sold at a discount, and are obligations of the drawer (i.e., the bank's trade finance client) as well as the bank. Once accepted, the bank is irrevocably obligated to pay the banker's acceptance (BA) upon maturity, if the drawer does not. Eligible banker's acceptances:</p> <ul style="list-style-type: none"> <li>• Are eligible for purchase by the Federal Reserve System, and are drawn on and accepted by a bank rated F1, or better, by Fitch Ratings Service, or are rated A-1 for short-term deposits by Standard &amp; Poor's, or P-1 for short-term deposits by Moody's, or are comparably rated by a nationally recognized rating agency; and</li> <li>• May not exceed the five percent (5%) limit of any one (1) commercial bank and may not exceed the five percent (5%) limit for any security of any bank.</li> </ul>
Benchmark	<p>Benchmarks are usually constructed using unmanaged indices, exchange-traded Funds or mutual fund categories to represent each asset class. Benchmarks are often used as a tool to assess the allocation, Risk and return of a portfolio.</p>
Board-Designated Reserve Funds	<p>Funds established to address unexpected agency needs and not intended for use in the normal course of business. The amount of Board-Designated Reserve Funds should be offset by any working Capital or net current asset deficits. The desired level for these funds is a minimum of 1.4 and maximum of 2.0 months of capitation revenues as specified by CalOptima Policy GA.3001: Board-Designated Reserve Funds. The Board-Designated Reserve Funds shall be managed and invested as follows:</p> <ol style="list-style-type: none"> <li>1. Tier One             <ol style="list-style-type: none"> <li>a. Used for the benefit and protection of CalOptima's long-term financial viability;</li> <li>b. Used to cover "Special Purposes" as defined in CalOptima Policy GA.3001: Board-Designated Reserve Funds; or</li> <li>c. May be used for operational cash flow needs in lieu of a bank line of credit in the event of disruption of monthly capitation revenue receipts from the State, subject to the Board-Designated Reserve Funds having a "floor" equal to Tier Two requirements.</li> </ol> </li> <li>2. Tier Two             <ol style="list-style-type: none"> <li>a. Used to meet CalOptima's regulatory compliance requirements; or</li> <li>b. Currently defined as CalOptima's tangible net equity requirements as defined by Subdivision (e) of Section 1300.76 of Title 28 of the California Code of Regulations.</li> </ol> </li> </ol>
Bonds	<p>A debt security, under which the issuer owes the holders a debt and, depending on the terms of the bond, is obliged to pay them interest (the coupon) and/or to repay the principal at a later date, termed the maturity date.</p>

<b>Term</b>	<b>Definition</b>
Broker-Dealer	In financial services, a Broker-Dealer is a natural person, a company or other organization that engages in the business of trading securities for its own account or on behalf of its customers.
CalOptima Treasurer	Appointed by CalOptima's Board of Directors, the treasurer is a person responsible for overseeing CalOptima's investment funds.
Capital	Capital refers to financial assets or the financial value of assets, in the form of money or other assets owned by an organization.
Cash Flow Draws	Amount of cash needs to support CalOptima business operation.
Chief Officers	For the purposes of this policy, may include, but is not limited to, the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and/or Chief Counsel.
Collateral Securities	A security given in addition to the direct security, and subordinate to it, intended to guarantee its validity or convertibility or insure its performance; so that, if the direct security fails, the creditor may fall back upon the collateral security.
Commercial Paper (CP)	Unsecured promissory notes issued by companies and government entities at a discount.
Consumer Price Index (CPI)	The Consumer Price Indexes (CPI) program produces monthly data on changes in the prices paid by urban consumers for a representative basket of goods and services.
Corporate Securities	Notes issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state, and operating within the U.S.
Credit Risk	The Risk of loss due to failure of the issuer of a security.
Custodian Bank	A specialized financial institution responsible for safeguarding a firm's or individual's financial assets and is not engaged in "traditional" commercial or consumer/retail banking such as mortgage or personal lending, branch banking, personal accounts, automated teller machines (ATMs) and so forth.
Custom Peer Group Report	Developed based on a small peer universe with similar investment guidelines. The Purpose of the report is to provide more accurate performance comparison.
Designee	For purposes of this policy, a person who has been designated to act on behalf of the CalOptima Treasurer.
Economic Cycles	The natural fluctuation of the economy between periods of expansion (growth) and contraction (recession).
Finance and Audit Committee (FAC)	A standing committee of the CalOptima Board of Directors with oversight responsibilities for all financial matters of CalOptima including but not limited to: budget development and approval, financial reporting, investment practices and policies, purchasing and procurement practices and policies, insurance issues, and capitation and claims. The Committee serves as the primary level of Board review for any finance-related issues or policies affecting the CalOptima program.
Inflation	Inflation is the rate at which the general level of prices for goods and services is rising and, consequently, the purchasing power of currency is falling.
Instrument	Refers to a financial Instrument or asset that can be traded. These assets can be cash, Bonds, or shares in a company
Investment Advisor(s)	Registered or non-registered person or group that makes investment recommendations or conducts securities analysis in return for a fee.

<b>Term</b>	<b>Definition</b>
Investment Advisory Committee (IAC)	A standing committee of the CalOptima Board of Directors who provide advice and recommendations regarding CalOptima's Investment Policies, Procedures and Practices..
Investment Manager(s)	A person or organization that makes investments in portfolios of securities on behalf of clients, in accordance with the investment objectives and parameters defined by these clients.
Investment Portfolio	A grouping of financial assets such as stocks, Bonds and cash equivalents, as well as their funds counterparts, including mutual, exchange-traded and closed funds. Portfolios are held directly by investors and/or managed by financial professionals.
Joint Powers Authority Pool	Shares of beneficial interest issued by a joint powers authority organized pursuant to California Government Code, Section 6509.7; each share represents an equal proportional interest in the Underlying Pool of Securities owned by the joint powers authority.
Lien	A legal right granted by the owner of property, by a law or otherwise acquired by a creditor
Liquidity	Liquidity describes the degree to which an asset or security can be quickly bought or sold in the market without affecting the asset's price.
Market Indices	Measurements of the value of a section of the stock market. It is computed from the prices of selected stocks (typically a weighted average).
Market Risk	The Risk of market value fluctuations due to overall changes in the general level of interest rates.
Maturity Dates	The date on which the principal amount of a note, draft, acceptance bond or another debt Instrument becomes due and is repaid to the investor and interest payments stop. It is also the termination or due date on which an installment loan must be paid in full.
Medium Term Notes (MTN)	A debt note that usually matures (is paid back) in five (5) – ten (10) years, but the term may be less than one (1) year or as long as one hundred (100) years. They can be issued on a fixed or floating coupon basis.
Nationally Recognized Statistical Ratings Organization (NRSRO)	A credit rating agency that the Securities and Exchange Commission in the United States registers and uses for regulatory purposes. Current NRSROs listed at <a href="http://www.sec.gov/ocr/ocr-current-nrsros.html">www.sec.gov/ocr/ocr-current-nrsros.html</a> .
Negotiable Certificates of Deposit	A negotiable (i.e., marketable or transferable) receipt for a time deposit at a bank or other financial institution, for a fixed time and interest rate.
Operating Funds	Funds intended to serve as a money market account for CalOptima to meet daily operating requirements. Deposits to this fund are comprised of State warrants that represent CalOptima's monthly capitation revenues from its State contracts. Disbursements from this fund to CalOptima's operating cash accounts are intended to meet operating expenses, payments to providers and other payments required in day-to-day operations.
Prudent Person Standard	When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the Liquidity needs of the agency (California Government Code, Section 53600.3)

<b>Term</b>	<b>Definition</b>
Rate of Return	The gain or loss on an investment over a specified time period, expressed as a percentage of the investment's cost. Gains on investments are defined as income received plus any Capital gains realized on the sale of the investment.
Rating Category	With respect to any long-term category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier.
Repurchase Agreements	A purchase of securities under a simultaneous agreement to sell these securities back at a fixed price on some future date.
Risk	Investment Risk can be defined as the probability or likelihood of occurrence of losses relative to the expected return on any particular investment. Description: Stating simply, it is a measure of the level of uncertainty of achieving the returns as per the expectations of the investor.
State and California Local Agency Obligations	Registered warrants, notes or Bonds of any of the fifty (50) U.S. states, including Bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the fifty (50) U.S. states. Additionally, Bonds, notes, warrants, or other evidences of indebtedness of any local agency within the State of California, including Bonds payable solely out of revenues from a revenue producing property owned, controlled, or operated by the state or local agency, or by a department, board, agency or authority of the State or local agency.
Supranational Institutions	International institutions formed by two (2) or more governments that transcend boundaries to pursue mutually beneficial economic or social goals.
Surplus	Assets beyond liabilities.
Underlying Pool of Securities	Those securities and obligations that are eligible for direct investment by local public agencies.
Valuation	An estimation of the worth of a financial Instrument or asset. CalOptima's asset managers provide CalOptima with reporting that shows the Valuation of each financial Instrument that they own on behalf of CalOptima. Each asset manager uses a variety of market sources to determine individual Valuations.

1



Policy: GA.3400  
Title: **Annual Investments**  
Department: CalOptima Administrative  
Section: Finance

*CEO Approval:*

Effective Date: 01/01/2018  
Revised Date: TBD

Applicable to:

- Medi-Cal
- OneCare
- OneCare Connect
- PACE
- Administrative

1 **I. PURPOSE**

2  
3 This policy sets forth the investment guidelines for all Operating Funds and Board-Designated Reserve  
4 Funds of CalOptima invested on or after January 10, 2006 to ensure CalOptima's funds are prudently  
5 invested according to the Board of Directors' objectives and the California Government Code to  
6 preserve Capital, provide necessary Liquidity, and achieve a market-average Rate of Return through  
7 Economic Cycles. Each annual review takes effect upon its adoption by the Board of Directors.  
8

9 **II. POLICY**

10  
11 A. CalOptima investments may only be made as authorized by this Policy.

- 12  
13 1. This Policy shall conform to California Government Code, Section 53600 et seq. (hereinafter,  
14 the Code) as well as customary standards of prudent investment management. Should the  
15 provisions of the Code be, or become, more restrictive than those contained herein, such  
16 provisions shall be considered immediately incorporated into this Policy and adhered to.  
17  
18 2. Safety of Principal: Safety of Principal is the primary objective of CalOptima and, as such,  
19 each investment transaction shall seek to ensure that large Capital losses are avoided from  
20 securities or Broker-Dealer default.  
21  
22 a. CalOptima shall seek to ensure that Capital losses are minimized from the erosion of market  
23 value and preserve principal by mitigating the two (2) types of Risk: Credit Risk and  
24 Market Risk.  
25  
26 i. Credit Risk shall be mitigated by investing in only permitted investments and by  
27 diversifying the Investment Portfolio, in accordance with this Policy.  
28  
29 ii. Market Risk shall be mitigated by matching Maturity Dates, to the extent possible, with  
30 CalOptima's expected cash flow needs and other factors.  
31  
32 b. It is explicitly recognized herein, however, that in a diversified portfolio, occasional losses  
33 are inevitable and must be considered within the context of the overall investment return.  
34



- 1 3. Liquidity: Liquidity is the second most important objective of CalOptima. It is important that  
2 each portfolio contain investments for which there is a secondary market and which offer the  
3 flexibility to be easily sold at any time with minimal Risk of loss of either the principal or  
4 interest based upon then prevailing rates.  
5
- 6 4. Total Return: CalOptima's Investment Portfolios shall be designed to attain a market-average  
7 Rate of Return through Economic Cycles given an acceptable level of Risk, established by the  
8 Board of Directors' and the CalOptima Treasurer's objectives.  
9
- 10 a. The performance Benchmark for each Investment Portfolio shall be based upon published  
11 Market Indices as primary Benchmark, and Custom Peer Group Reports, as necessary, for  
12 short-term investments of comparable Risk and duration.  
13
- 14 i. These performance Benchmarks shall be reviewed monthly by CalOptima staff, and  
15 quarterly by CalOptima's Treasurer and the Investment Advisory Committee members  
16 and shall be reported to the Board of Directors.  
17
- 18 B. The investments purchased by an Investment Manager shall be held by the Custodian Bank acting  
19 as the agent of CalOptima under the terms of a custody agreement in compliance with California  
20 Government Code, Section 53608.  
21
- 22 C. Investment Managers must certify that they will purchase securities from Broker-Dealers (other  
23 than themselves) or financial institutions in compliance with California Government Code, Section  
24 53601.5 and this Policy.  
25
- 26 D. The Board of Directors, or persons authorized to make investment decisions on behalf of CalOptima  
27 (e.g., Chief Officers), are trustees and fiduciaries subject to the Prudent Person Standard, as defined  
28 in the Code, which shall be applied in the context of managing an overall portfolio.  
29
- 30 E. CalOptima's Officers, employees, Board members, and Investment Advisory Committee members  
31 involved in the investment process shall refrain from personal and professional business activities  
32 that could conflict with the proper execution of the investment program, or which could impair their  
33 ability to fulfill their roles in the investment process.  
34
- 35 1. CalOptima's Officers and employees involved in the investment process are not permitted to  
36 have any material financial interests in financial institutions, including state or federal credit  
37 unions, that conduct business with CalOptima, and are not permitted to have any personal  
38 financial, or investment holdings, that could be materially related to the performance of  
39 CalOptima's investments.  
40
- 41 F. On an annual basis, CalOptima's Treasurer shall provide the Board of Directors with this Policy for  
42 review and adoption by the Board, to ensure that all investments made are following this Policy.  
43
- 44 1. This Policy shall be reviewed annually by the Board of Directors at a public meeting pursuant to  
45 California Government Code, Section 53646, Subdivision (a).  
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- 47 2. This policy may only be changed by the Board of Directors.  
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### 49 III. PROCEDURE

#### 50 A. Delegation of Authority

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- 1 1. Authority to manage CalOptima's investment program is derived from an order of the Board of  
2 Directors.
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- 4 a. Management responsibility for the investment program shall be delegated to CalOptima's  
5 Treasurer, as appointed by the Board of Directors, for a one (1)-year period following the  
6 approval of this Policy.
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- 8 i. The Board of Directors may renew the delegation of authority annually.
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- 10 b. No person may engage in investment transactions except as provided under the terms of this  
11 Policy and the procedures established by CalOptima's Treasurer.
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#### 13 B. CalOptima Treasurer Responsibilities

- 14 1. The Treasurer shall be responsible for:
  - 15 a. All actions undertaken and shall establish a system of controls to regulate the activities of  
16 subordinate officials and Board-approved Investment Managers;
  - 17 b. The oversight of CalOptima's Investment Portfolio;
  - 18 c. Directing CalOptima's investment program and for compliance with this Policy pursuant to  
19 the delegation of authority to invest funds or to sell or exchange securities; and
  - 20 d. Providing a quarterly report to the Board of Directors in accordance with California  
21 Government Code, Section 53646, Subdivision (b).
- 22 2. The Treasurer shall also be responsible for ensuring that:
  - 23 a. The Operating Funds and Board-Designated Reserve Funds targeted average maturities are  
24 established and reviewed monthly.
  - 25 b. All Investment Managers are provided a copy of this Policy, which shall be appended to an  
26 Investment Manager's investment contract.
    - 27 i. Any investments made by an Investment Manager outside this Policy may subject the  
28 Investment Manager to termination for cause or other appropriate remedies or  
29 sanctions, as determined by the Board of Directors.
  - 30 c. Investment diversification and portfolio performance is reviewed monthly to ensure that  
31 Risk levels and returns are reasonable and that investments are diversified in accordance  
32 with this Policy.
  - 33 d. All Investment Managers are selected and evaluated for review by the Chief Executive  
34 Officer and the Board of Directors.

#### 35 C. Investment Advisory Committee

- 36 1. The Investment Advisory Committee shall not make, or direct, CalOptima staff to make any  
37 particular investment, purchase any particular investment product, or conduct business with any  
38 particular investment companies, or brokers.
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- 1 a. It shall not be the purpose of the Investment Advisory Committee to advise on particular  
2 investment decisions of CalOptima.  
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4 2. The Investment Advisory Committee shall be responsible for the following functions:  
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6 a. Annual review of this Policy before its consideration by the Board of Directors and revision  
7 recommendations, as necessary, to the Finance and Audit Committee of the Board of  
8 Directors.  
9  
10 b. Quarterly review of CalOptima's Investment Portfolio for conformance with this Policy's  
11 diversification and maturity guidelines, and recommendations to the Finance and Audit  
12 Committee of the Board of Directors, as appropriate.  
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14 c. Provision of comments to CalOptima's staff regarding potential investments and potential  
15 investment strategies.  
16  
17 d. Performance of such additional duties and responsibilities pertaining to CalOptima's  
18 investment program as may be required from time to time by specific action and direction  
19 of the Board of Directors.  
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21 D. Permitted Investments

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23 1. CalOptima shall invest only in Instruments as permitted by the Code, subject to the limitations  
24 of this Policy.  
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26 a. Permitted investments under the Operating Funds, unless otherwise specified, are subject to  
27 a maximum stated term of two (2) years. Note that the Code allows for up to five (5) years.  
28  
29 b. Permitted investments under the Board-Designated Reserve Funds, unless otherwise  
30 specified, are subject to a maximum stated term of five (5) years. Note that the Code allows  
31 for up to five (5) years.  
32  
33 c. Private placement (144a) securities are prohibited.  
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35 d. The Board of Directors must grant express written authority to make an investment, or to  
36 establish an investment program, of a longer term.  
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38 2. Permitted investments shall include:  
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40 a. U.S. Treasuries  
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42 i. These investments are direct obligations of the United States of America and securities  
43 which are fully and unconditionally guaranteed as to the timely payment of principal  
44 and interest by the full faith and credit of the United States of America.  
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46 ii. U.S. Government securities include:  
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48 a) Treasury Bills: U.S. Government securities issued and traded at a discount;  
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50 b) Treasury Notes and Bonds: Interest bearing debt obligations of the U.S.  
51 Government which guarantees interest and principal payments;  
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- 1 c) Treasury Separate Trading of Registered Interest and Principal Securities  
 2 (STRIPS): U.S. Treasury securities that have been separated into their component  
 3 parts of principal and interest payments and recorded as such in the Federal Reserve  
 4 book-entry record-keeping system;  
 5  
 6 d) Treasury Inflation Protected (TIPs) securities: Special U.S. Treasury notes, or  
 7 Bonds, that offer protection from Inflation. Coupon payments and underlying  
 8 principal are automatically increased to compensate for Inflation, as measured by  
 9 the Consumer Price Index (CPI); and  
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 11 e) Treasury Floating Rate Notes (FRNs): U.S. Treasury Bonds issued with a variable  
 12 coupon.  
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 14 iii. U.S. Treasury coupon and principal STRIPS, as well as TIPs, are not considered to be  
 15 derivatives for the purposes of this Policy and are, therefore, permitted investments  
 16 pursuant to this Policy.  
 17  
 18 iv. Maximum Term:  
 19

<b>Fund Type</b>	<b>Term Assigned</b>	<b>Term Allowed by the Code</b>
Operating Funds	2 years	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

- 20  
 21 b. Federal Agencies and U.S. Government Sponsored Enterprises  
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 23 i. These investments represent obligations, participations, or other Instruments of, or  
 24 issued by, a federal agency or a U.S. government sponsored enterprise, including those  
 25 issued by, or fully guaranteed as to principal and interest by, the issuers.  
 26  
 27 ii. These are U.S. Government related organizations, the largest of which are government  
 28 financial intermediaries assisting specific credit markets (e.g., housing, agriculture).  
 29 Often simply referred to as "Agencies," the following are specifically allowed:  
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 31 a) Federal Home Loan Banks (FHLB);  
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 33 b) Federal Home Loan Mortgage Corporation (FHLMC);  
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 35 c) Federal National Mortgage Association (FNMA);  
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 37 d) Federal Farm Credit Banks (FFCB);  
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 39 e) Government National Mortgage Association (GNMA);  
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 41 f) Small Business Administration (SBA);  
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 43 g) Export-Import Bank of the United States;  
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 45 h) U.S. Maritime Administration;  
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 47 i) Washington Metro Area Transit Authority (WMATA);

- j) U.S. Department of Housing & Urban Development;
- k) Tennessee Valley Authority;
- l) Federal Agricultural Mortgage Company (FAMC);
- m) Federal Deposit Insurance Corporation (FDIC)-backed Structured Sale Guaranteed Notes (SSGNs); and
- n) National Credit Union Administration (NCUA) securities.

iii. Maximum Term:

<b>Fund Type</b>	<b>Term Assigned</b>	<b>Term Allowed by the Code</b>
Operating Funds	2 years	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

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

c. State and California Local Agency Obligations

- i. Such obligations must be issued by an entity whose general obligation debt is rated P-1 by Moody's, or A-1 by Standard & Poor's, or equivalent or better for short-term obligations, or an "A-" rating or its equivalent or better by a Nationally Recognized Statistical Rating Organization (NRSRO) for long-term obligations. Public agency Bonds issued for private purposes (e.g., industrial development Bonds) are specifically excluded as permitted investments.

ii. Maximum Term:

<b>Fund Type</b>	<b>Term Assigned</b>	<b>Term Allowed by the Code</b>
Operating Funds	2 years	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

d. Banker's Acceptances

- i. Time drafts which a bank "accepts" as its financial responsibility as part of a trade finance process. These short-term notes are sold at a discount, and are obligations of the drawer (i.e., the bank's trade finance client) as well as the bank. Once accepted, the bank is irrevocably obligated to pay the Banker's Acceptance (BA) upon maturity, if the drawer does not. Eligible banker's acceptances:
  - a) Are eligible for purchase by the Federal Reserve System, and are drawn on and accepted by a bank rated F1, or better, by Fitch Ratings Service, or are rated A-1 for short-term deposits by Standard & Poor's, or P-1 for short-term deposits by Moody's, or are comparably rated by a nationally recognized rating agency.

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ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	180 days	180 days
Board-Designated Reserve Funds		
▪ Tier One (1)	180 days	180 days
▪ Tier Two (2)	180 days	180 days

e. Commercial Paper (CP)

i. CP is negotiable (i.e., marketable or transferable), although it is typically held to maturity. The maximum maturity is two hundred seventy (270) days, with most CP issued for terms of less than thirty (30) days. CP must meet the following criteria:

- a) CP of “prime” quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical rating organization (NRSRO);
- b) The entity that issues the CP shall meet all of the following conditions in either paragraph (1) or (2):
  - (1) The entity meets the following criteria:
    - (A) Is organized and operating in the United States as a general corporation.
    - (B) Has total assets in excess of five hundred million dollars (\$500,000,000).
    - (C) Has debt other than commercial paper, if any, that is rated in a Rating Category of “A” or its equivalent or higher by an NRSRO.
  - (2) The entity meets the following criteria:
    - (A) Is organized within the United States as a special purpose corporation, trust, or limited liability company.
    - (B) Has program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.
    - (C) Has commercial paper that is rated “A-1” or higher, or the equivalent, by an NRSRO; and
- c) May not represent more than ten percent (10%) of the outstanding CP of the issuing corporation.

ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	270 days	270 days

Board-Designated Reserve Funds		
▪ Tier One (1)	270 days	270 days
▪ Tier Two (2)	270 days	270 days

f. Negotiable Certificates of Deposit

- i. Negotiable Certificates of Deposit must be issued by a Nationally- or state-chartered bank, or state or federal association or by a state licensed branch of a foreign bank, which have been rated F1 or better, by Fitch Ratings Service, or are rated A-1 for short-term deposits by Standard & Poor's and P-1 for short-term deposits by Moody's, or are comparably rated by a nationally recognized rating agency.
- ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	1 year	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	1 year	5 years
▪ Tier Two (2)	1 year	5 years

g. Repurchase Agreements

- i. U.S. Treasury and U.S. Agency Repurchase Agreements collateralized by the U.S. Government may be purchased through any registered primary Broker-Dealer subject to the Securities Investors Protection Act, or any commercial bank insured by the Federal Deposit Insurance Corporation so long as at the time of the investment, such primary dealer (or its parent) has an unsecured, unsecured, and unguaranteed obligation rated P-1 short-term, or A-2 long-term, or better, by Moody's, and A-1 short-term, or A long-term, or better, by Standard & Poor's, and F1 short-term, or A long-term or better by Fitch Ratings Service provided:
  - a) A Broker-Dealer master repurchase agreement signed by the Investment Manager (acting as "Agent") and approved by CalOptima;
  - b) The securities are held free and clear of any Lien by CalOptima's custodian or an independent third party acting as agent ("Agent") for the custodian, and such third party is (i) a Federal Reserve Bank, or (ii) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined Capital, Surplus and undivided profits of not less than fifty million dollars (\$50,000,000) and the custodian receives written confirmation from such third party that it holds such securities, free and clear of any Lien, as agent for CalOptima's custodian;
  - c) A perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at Title 31, Code of Federal Regulations, Section 306.1 et seq., and such securities are created for the benefit of CalOptima's custodian and CalOptima; and
  - d) The Agent will notify CalOptima's custodian and CalOptima if the Valuation of the Collateral Securities falls outside of policy. Upon direction by the CalOptima Treasurer, the Agent will liquidate the Collateral Securities if any deficiency in the required one hundred and two percent (102%) collateral percentage is not restored within one (1) business day of such Valuation.



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ii. Maximum Term:

<b>Fund Type</b>	<b>Term Assigned</b>	<b>Term Allowed by the Code</b>
Operating Funds	30 days	1 year
Board-Designated Reserve Funds		
▪ Tier One (1)	30 days	1 year
▪ Tier Two (2)	30 days	1 year

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iii. Reverse Repurchase Agreements are not allowed.

h. Corporate Securities

i. For the purpose of this Policy, permissible Corporate Securities shall be rated in a Rating Category of "A" or its equivalent or better by an NRSRO and:

- a) Be issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S. and have total assets in excess of five hundred million dollars (\$500,000,000), and
- b) May not represent more than ten percent (10%) of the issue in the case of a specific public offering. This limitation does not apply to debt that is "continuously offered" in a mode similar to CP, i.e., Medium Term Notes (MTNs).

ii. Maximum Term:

<b>Fund Type</b>	<b>Term Assigned</b>	<b>Term Allowed by the Code</b>
Operating Funds	2 years	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

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i. Money Market Funds

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

- a) Which are rated AAA (or equivalent highest ranking) by two (2) of the three (3) largest nationally recognized rating services; and
- b) Such investment may not represent more than ten percent (10%) of the money market fund's assets.

j. Joint Powers Authority Pool

i. A joint powers authority formed pursuant to California Government Code; Section 6509.7 may issue shares of beneficial interest to participating public agencies. The joint powers authority issuing the shares shall have retained an Investment Advisor that meets all of the following criteria:



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- a) Registered or exempt from registration with the Securities and Exchange Commission;
  - b) No less than five (5) years of experience investing in the securities and obligations authorized in the Code; and
  - c) Assets under management in excess of five hundred million dollars (\$500,000,000).
- ii. A Joint Powers Authority Pool shall be rated AAA (or equivalent highest ranking) by two (2) of the three (3) largest nationally recognized rating services.
  - iii. Such investment may not represent more than ten percent (10%) of the Joint Powers Authority Pool's assets.
  - iv. Maximum Term:

<b>Fund Type</b>	<b>Term Assigned</b>	<b>Term Allowed by the Code</b>
Operating Funds	Not Applicable	Not Applicable
Board-Designated Reserve Funds		
▪ Tier One (1)	Not Applicable	Not Applicable
▪ Tier Two (2)	Not Applicable	Not Applicable

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k. Mortgage or Asset-backed Securities

- i. Pass-through securities are Instruments by which the cash flow from the mortgages, receivables, or other assets underlying the security, is passed-through as principal and interest payments to the investor.
- ii. Though these securities may contain a third-party guarantee, they are a package of assets being sold by a trust, not a debt obligation of the sponsor. Other types of "backed" debt Instruments have assets (e.g., leases or consumer receivables) pledged to support the debt service.
- iii. Any mortgage pass-through security, collateralized mortgage obligations, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond which:
  - a) Are rated AA or better- or equivalent.

iv. Maximum Term:

<b>Fund Type</b>	<b>Term Assigned</b>	<b>Term Allowed by the Code</b>
Operating Funds	2 years	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years stated final maturity	5 years
▪ Tier Two (2)	5 years stated final maturity	5 years

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l. Variable and Floating Rate Securities

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- i. Variable and floating rate securities are appropriate investments when used to enhance yield and reduce Risk.
    - a) They should have the same stability, Liquidity, and quality as traditional money market securities.
    - b) A variable rate security provides for the automatic establishment of a new interest rate on pre-determined reset dates.
    - c) For the purposes of this Policy, a variable rate security and floating rate security shall be deemed to have a maturity equal to the period remaining to that pre-determined interest rate reset date, so long as no investment shall be made in a security that at the time of the investment has a term remaining to a stated final maturity in excess of five (5) years.
  
  - ii. Variable and floating rate securities, which are restricted to investments in permitted Federal Agencies and U.S. Government Sponsored Enterprises securities, Corporate Securities, Mortgage or Asset-backed Securities, Negotiable Certificates of Deposit, and Municipal Bonds (State and California Local Agency Obligations) must utilize a single, market-determined short-term index rate, such as U. S. Treasury bills, federal funds, CP, London Interbank Offered Rate (LIBOR), the Secured Overnight Financing Rate (SOFR), or Securities Industry and Financial Markets Association (SIFMA) that is pre-determined at the time of issuance of the security.
    - a) Permitted variable and floating rate securities that have an embedded unconditional put option must have a stated final maturity of the security no greater than five (5) years from the date of purchase.
    - b) Investments in floating rate securities whose reset is calculated using more than one (1) of the above indices are not permitted, i.e., dual index notes.
    - c) Ratings for variable and floating rate securities shall be limited to the same minimum ratings as applied to the appropriate asset security class outlined elsewhere in this Policy.
  
  - iii. Maximum Term:

<b>Fund Type</b>	<b>Term Assigned</b>	<b>Term Allowed by the Code</b>
Operating Funds	2 years	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

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m. Supranational Obligations

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- i. The three (3) Supranational Institutions that issue, or unconditionally guarantee, obligations that are eligible investments are:
    - a) International Bank for Reconstruction and Development (IBRD);
    - b) International Finance Corporation (IFC); and

1 c) Inter-American Development Bank (IADB).

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3 ii. Supranational obligations shall be rated in a Rating Category of “AA” or its equivalent  
4 or better by a Nationally Statistical Rating Organization (NRSRO).

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6 iii. Maximum Term:

<b>Fund Type</b>	<b>Term Assigned</b>	<b>Term Allowed by the Code</b>
Operating Funds	2 years	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

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9 n. Pooled Investments

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11 i. Pooled investments include deposits, or investments pooled with those of other local  
12 agencies consistent with the requirements of California Government Code, Section  
13 53635 et seq. Such pools may contain a variety of investments but are limited to those  
14 permissible under the Code.

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16 E. Diversification Guidelines

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18 1. Diversification guidelines ensure the portfolio is not unduly concentrated in the securities of one  
19 (1) type, industry, or entity, thereby assuring adequate portfolio Liquidity should one (1) sector  
20 or company experience difficulties.
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22 2. CalOptima’s Investment Managers must review the respective portfolios they manage to ensure  
23 compliance with CalOptima’s diversification guidelines on a continuous basis.
- 24  
25 3. *Table 1: Maximum Percentage (%) of Investment Portfolio, by Instrument Type*

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

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4. Issuer or Counterparty Diversification Guidelines: The percentages specified below shall be adhered to on the basis of the entire portfolio:
    - a. Any one (1) Federal Agency or Government Sponsored Enterprise: None
    - b. Any one (1) repurchase agreement counterparty name:
      - If maturity/term is  $\leq$  7 days: 50%
      - If maturity/term is  $>$  7 days: 25%
  5. Issuer or Counterparty Diversification Guidelines for all other permitted investments described in Section III.D.2.a-n. of this Policy.
    - a. Any one (1) corporation, bank, local agency, or other corporate name for one (1) or more series of securities, and specifically with respect to special purpose vehicles issuers for mortgage or asset-backed securities, the maximum issuer limits apply at the deal level.
    - b. Except for U.S. Government or Agency securities, no more than five percent (5%) of the Portfolio's market value will be invested in securities of a single issuer.
  6. Each Investment Manager shall adhere to the diversification limits discussed in this subsection.
    - a. If an Investment Manager exceeds the aforementioned diversification limits, the Investment Manager shall inform CalOptima's Treasurer and Investment Advisory consultant (if any) by close of business on the day of the occurrence.
    - b. Within the parameters authorized by the Code, the Investment Advisory Committee recognizes the practicalities of portfolio management, securities maturing and changing status, and market volatility, and, as such, will consider breaches in the context of.
      - i. The amount in relation to the total portfolio concentration;
      - ii. Market and security specific conditions contributing to a breach of this Policy; and
      - iii. The Investment Managers' actions to enforce the spirit of this Policy and decisions made in the best interest of the portfolio.

38 F. Maximum Stated Term

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

44 G. Rating Downgrades

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1. CalOptima may from time to time be invested in a security whose rating is downgraded below the quality criteria permitted by this Policy.
  2. If the rating of any security held as an investment falls below the investment guidelines, the Investment Manager shall notify CalOptima's Treasurer, or Designee, within two (2) business days of the downgrade.

- a. A decision to retain a downgraded security shall be approved by CalOptima's Treasurer, or Designee, within five (5) business days of the downgrade.

**H. Investment Restrictions**

1. Investment securities shall not be lent to an Investment Manager, or Broker-Dealer.
2. The Investment Portfolio or Investment Portfolios, managed by an Investment Manager, shall not be used as collateral to obtain additional investable funds.
3. Any investment not specifically referred to herein shall be considered a prohibited investment.
4. CalOptima reserves the right to prohibit its Investment Managers from making investments in organizations which have a line of business that conflicts with the interests of public health, as determined by the Board of Directors.
5. CalOptima reserves the right to prohibit investments in organizations with which it has a business relationship through contracting, purchasing, or other arrangements.
6. Except as expressly permitted by this Policy, investments in derivative securities shall not be allowed.
7. A list of prohibited investments does not currently exist, however, the Board of Directors shall provide CalOptima's Treasurer, Investment Managers, Investment Advisory consultant, and Investment Advisory Committee with a list, should such a list be adopted by CalOptima in the future, of organizations that do not comply with this Policy and shall immediately notify CalOptima's Treasurer, Investment Managers, Investment Advisory consultant and Investment Advisory Committee of any changes.

**IV. ATTACHMENT(S)**

Not Applicable

**V. REFERENCE(S)**

- A. California Government Code, §6509.7
- B. California Government Code, §53600 et seq.
- C. California Government Code, §53601(h), (k), (q)
- D. California Government Code, §53635 et seq.
- E. California Government Code. §53646, Subdivision (a) and Subdivision (b)
- F. Title 31, Code of Federal Regulations (C.F.R.), §306.1 et seq.

**VI. REGULATORY AGENCY APPROVAL(S)**

- A. None to Date

**VII. BOARD ACTION(S)**

<b>Date</b>	<b>Meeting</b>
10/30/2017	Special Meeting of the CalOptima Investment Advisory Committee
11/16/2017	Regular Meeting of the CalOptima Finance and Audit Committee
12/07/2017	Regular Meeting of the CalOptima Board of Directors
11/05/2018	Special Meeting of the CalOptima Investment Advisory Committee

11/15/2018	Regular Meeting of the CalOptima Finance and Audit Committee
12/06/2018	Regular Meeting of the CalOptima Board of Directors
10/21/2019	Regular Meeting of the CalOptima Investment Advisory Committee
11/15/2019	Regular Meeting of the CalOptima Finance and Audit Committee
12/05/2019	Regular Meeting of the CalOptima Board of Directors
	Regular Meeting of the CalOptima Investment Advisory Committee
	Regular Meeting of the CalOptima Finance and Audit Committee
	Regular Meeting of the CalOptima Board of Directors

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**VIII. REVISION HISTORY**

Action	Date	Policy	Policy Title	Program(s)
Effective	01/01/2018	GA.3400	Annual Investments	Administrative
Revised	01/01/2019	GA.3400	Annual Investments	Administrative
Revised	01/01/2020	GA.3400	Annual Investments	Administrative
Revised	TBD	GA.3400	Annual Investments	Administrative

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For 20200420 IAC Review ONLY

1 IX. GLOSSARY  
2

Term	Definition
Banker's Acceptance (BA)	<p>Time drafts which a bank "accepts" as its financial responsibility as part of a trade finance process. These short-term notes are sold at a discount, and are obligations of the drawer (i.e., the bank's trade finance client) as well as the bank. Once accepted, the bank is irrevocably obligated to pay the banker's acceptance (BA) upon maturity, if the drawer does not. Eligible banker's acceptances:</p> <ul style="list-style-type: none"> <li>• Are eligible for purchase by the Federal Reserve System, and are drawn on and accepted by a bank rated F1, or better, by Fitch Ratings Service, or are rated A-1 for short-term deposits by Standard &amp; Poor's, or P-1 for short-term deposits by Moody's, or are comparably rated by a nationally recognized rating agency; and</li> <li>• May not exceed the five percent (5%) limit of any one (1) commercial bank and may not exceed the five percent (5%) limit for any security of any bank.</li> </ul>
Benchmark	<p>Benchmarks are usually constructed using unmanaged indices, exchange-traded Funds or mutual fund categories to represent each asset class. Benchmarks are often used as a tool to assess the allocation, Risk and return of a portfolio.</p>
Board-Designated Reserve Funds	<p>Funds established to address unexpected agency needs and not intended for use in the normal course of business. The amount of Board-Designated Reserve Funds should be offset by any working Capital or net current asset deficits. The desired level for these funds is a minimum of 1.4 and maximum of 2.0 months of capitation revenues as specified by CalOptima Policy GA.3001: Board-Designated Reserve Funds. The Board-Designated Reserve Funds shall be managed and invested as follows:</p> <ol style="list-style-type: none"> <li>1. Tier One             <ol style="list-style-type: none"> <li>a. Used for the benefit and protection of CalOptima's long-term financial viability;</li> <li>b. Used to cover "Special Purposes" as defined in CalOptima Policy GA.3001: Board-Designated Reserve Funds; or</li> <li>c. May be used for operational cash flow needs in lieu of a bank line of credit in the event of disruption of monthly capitation revenue receipts from the State, subject to the Board-Designated Reserve Funds having a "floor" equal to Tier Two requirements.</li> </ol> </li> <li>2. Tier Two             <ol style="list-style-type: none"> <li>a. Used to meet CalOptima's regulatory compliance requirements; or</li> <li>b. Currently defined as CalOptima's tangible net equity requirements as defined by Subdivision (e) of Section 1300.76 of Title 28 of the California Code of Regulations.</li> </ol> </li> </ol>
Bonds	<p>A debt security, under which the issuer owes the holders a debt and, depending on the terms of the bond, is obliged to pay them interest (the coupon) and/or to repay the principal at a later date, termed the maturity date.</p>



<b>Term</b>	<b>Definition</b>
Broker-Dealer	In financial services, a Broker-Dealer is a natural person, a company or other organization that engages in the business of trading securities for its own account or on behalf of its customers.
CalOptima Treasurer	Appointed by CalOptima's Board of Directors, the treasurer is a person responsible for overseeing CalOptima's investment funds.
Capital	Capital refers to financial assets or the financial value of assets, in the form of money or other assets owned by an organization.
Cash Flow Draws	Amount of cash needs to support CalOptima business operation.
Chief Officers	For the purposes of this policy, may include, but is not limited to, the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and/or Chief Counsel.
Collateral Securities	A security given in addition to the direct security, and subordinate to it, intended to guarantee its validity or convertibility or insure its performance; so that, if the direct security fails, the creditor may fall back upon the collateral security.
Commercial Paper (CP)	Unsecured promissory notes issued by companies and government entities at a discount.
Consumer Price Index (CPI)	The Consumer Price Indexes (CPI) program produces monthly data on changes in the prices paid by urban consumers for a representative basket of goods and services.
Corporate Securities	Notes issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state, and operating within the U.S.
Credit Risk	The Risk of loss due to failure of the issuer of a security.
Custodian Bank	A specialized financial institution responsible for safeguarding a firm's or individual's financial assets and is not engaged in "traditional" commercial or consumer/retail banking such as mortgage or personal lending, branch banking, personal accounts, automated teller machines (ATMs) and so forth.
Custom Peer Group Report	Developed based on a small peer universe with similar investment guidelines. The Purpose of the report is to provide more accurate performance comparison.
Designee	For purposes of this policy, a person who has been designated to act on behalf of the CalOptima Treasurer.
Economic Cycles	The natural fluctuation of the economy between periods of expansion (growth) and contraction (recession).
Finance and Audit Committee (FAC)	A standing committee of the CalOptima Board of Directors with oversight responsibilities for all financial matters of CalOptima including but not limited to: budget development and approval, financial reporting, investment practices and policies, purchasing and procurement practices and policies, insurance issues, and capitation and claims. The Committee serves as the primary level of Board review for any finance-related issues or policies affecting the CalOptima program.
Inflation	Inflation is the rate at which the general level of prices for goods and services is rising and, consequently, the purchasing power of currency is falling.
Instrument	Refers to a financial Instrument or asset that can be traded. These assets can be cash, Bonds, or shares in a company
Investment Advisor(s)	Registered or non-registered person or group that makes investment recommendations or conducts securities analysis in return for a fee.



<b>Term</b>	<b>Definition</b>
Investment Advisory Committee (IAC)	A standing committee of the CalOptima Board of Directors who provide advice and recommendations regarding CalOptima's Investment Policies, Procedures and Practices.
Investment Manager(s)	A person or organization that makes investments in portfolios of securities on behalf of clients, in accordance with the investment objectives and parameters defined by these clients.
Investment Portfolio	A grouping of financial assets such as stocks, Bonds and cash equivalents, as well as their funds counterparts, including mutual, exchange-traded and closed funds. Portfolios are held directly by investors and/or managed by financial professionals.
Joint Powers Authority Pool	Shares of beneficial interest issued by a joint powers authority organized pursuant to California Government Code, Section 6509.7; each share represents an equal proportional interest in the Underlying Pool of Securities owned by the joint powers authority.
Lien	A legal right granted by the owner of property, by a law or otherwise acquired by a creditor
Liquidity	Liquidity describes the degree to which an asset or security can be quickly bought or sold in the market without affecting the asset's price.
Market Indices	Measurements of the value of a section of the stock market. It is computed from the prices of selected stocks (typically a weighted average).
Market Risk	The Risk of market value fluctuations due to overall changes in the general level of interest rates.
Maturity Dates	The date on which the principal amount of a note, draft, acceptance bond or another debt Instrument becomes due and is repaid to the investor and interest payments stop. It is also the termination or due date on which an installment loan must be paid in full.
Medium Term Notes (MTN)	A debt note that usually matures (is paid back) in five (5) – ten (10) years, but the term may be less than one (1) year or as long as one hundred (100) years. They can be issued on a fixed or floating coupon basis.
Nationally Recognized Statistical Ratings Organization (NRSRO)	A credit rating agency that the Securities and Exchange Commission in the United States registers and uses for regulatory purposes. Current NRSROs listed at <a href="http://www.sec.gov/ocr/ocr-current-nrsros.html">www.sec.gov/ocr/ocr-current-nrsros.html</a> .
Negotiable Certificates of Deposit	A negotiable (i.e., marketable or transferable) receipt for a time deposit at a bank or other financial institution, for a fixed time and interest rate.
Operating Funds	Funds intended to serve as a money market account for CalOptima to meet daily operating requirements. Deposits to this fund are comprised of State warrants that represent CalOptima's monthly capitation revenues from its State contracts. Disbursements from this fund to CalOptima's operating cash accounts are intended to meet operating expenses, payments to providers and other payments required in day-to-day operations.
Prudent Person Standard	When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the Liquidity needs of the agency (California Government Code, Section 53600.3)

<b>Term</b>	<b>Definition</b>
Rate of Return	The gain or loss on an investment over a specified time period, expressed as a percentage of the investment's cost. Gains on investments are defined as income received plus any Capital gains realized on the sale of the investment.
Rating Category	With respect to any long-term category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier.
Repurchase Agreements	A purchase of securities under a simultaneous agreement to sell these securities back at a fixed price on some future date.
Risk	Investment Risk can be defined as the probability or likelihood of occurrence of losses relative to the expected return on any particular investment. Description: Stating simply, it is a measure of the level of uncertainty of achieving the returns as per the expectations of the investor.
State and California Local Agency Obligations	Registered warrants, notes or Bonds of any of the fifty (50) U.S. states, including Bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the fifty (50) U.S. states. Additionally, Bonds, notes, warrants, or other evidences of indebtedness of any local agency within the State of California, including Bonds payable solely out of revenues from a revenue producing property owned, controlled, or operated by the state or local agency, or by a department, board, agency or authority of the State or local agency.
Supranational Institutions	International institutions formed by two (2) or more governments that transcend boundaries to pursue mutually beneficial economic or social goals.
Surplus	Assets beyond liabilities.
Underlying Pool of Securities	Those securities and obligations that are eligible for direct investment by local public agencies.
Valuation	An estimation of the worth of a financial Instrument or asset. CalOptima's asset managers provide CalOptima with reporting that shows the Valuation of each financial Instrument that they own on behalf of CalOptima. Each asset manager uses a variety of market sources to determine individual Valuations.

# CalOptima

Meeting Materials

April 20, 2020

Fund Evaluation Report

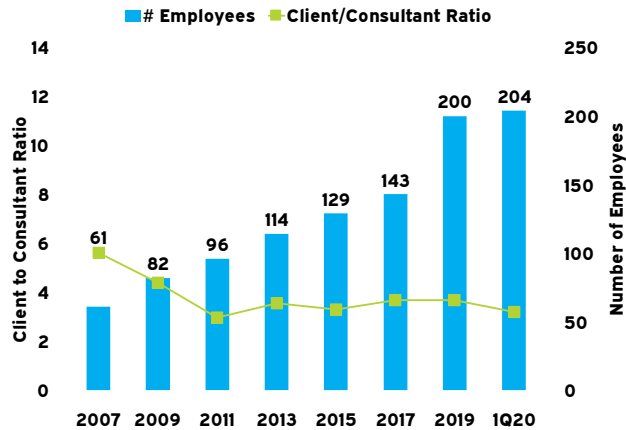
## Agenda

1. Corporate Update
2. 1Q20 Review
3. Quarterly Investment Report Supplement
4. Custom Peer Group
5. Performance Attribution
6. Appendix
  - Characteristics
  - Holdings
  - Economy and Market Update
  - Disclaimer, Glossary, and Notes

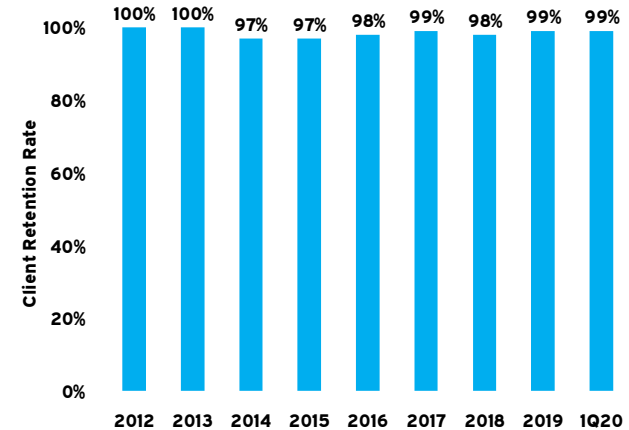
**Meketa Investment Group  
Corporate Update**

- Staff of 204, including 138 investment professionals and 43 CFA Charterholders
- 214 clients, with over 300 funds throughout the United States
- Significant investment in staff and resources
- Offices in Boston, Chicago, Miami, New York, Portland (OR), San Diego, and London
- We advise on \$1.4 trillion in client assets
  - Over \$100 billion in assets committed to alternative investments
    - Private Equity
    - Infrastructure
    - Natural Resources
    - Real Estate
    - Hedge Funds
    - Commodities

**Client to Consultant Ratio<sup>1</sup>**



**Client Retention Rate<sup>2</sup>**



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

<sup>1</sup> On March 15, 2019, 31 employees joined the firm as part of the merger of Meketa Investment Group and Pension Consulting Alliance.

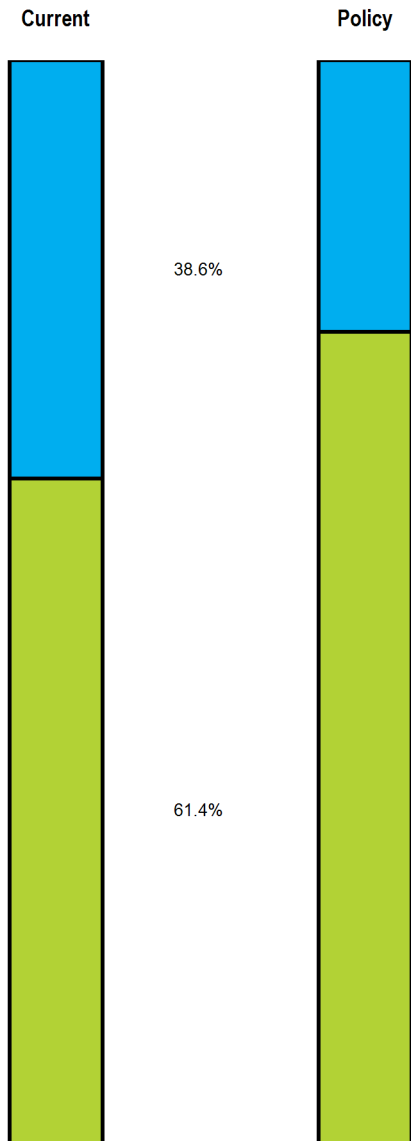
<sup>2</sup> Client Retention Rate is one minus the number of clients lost divided by the number of clients at prior year-end.

### 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>

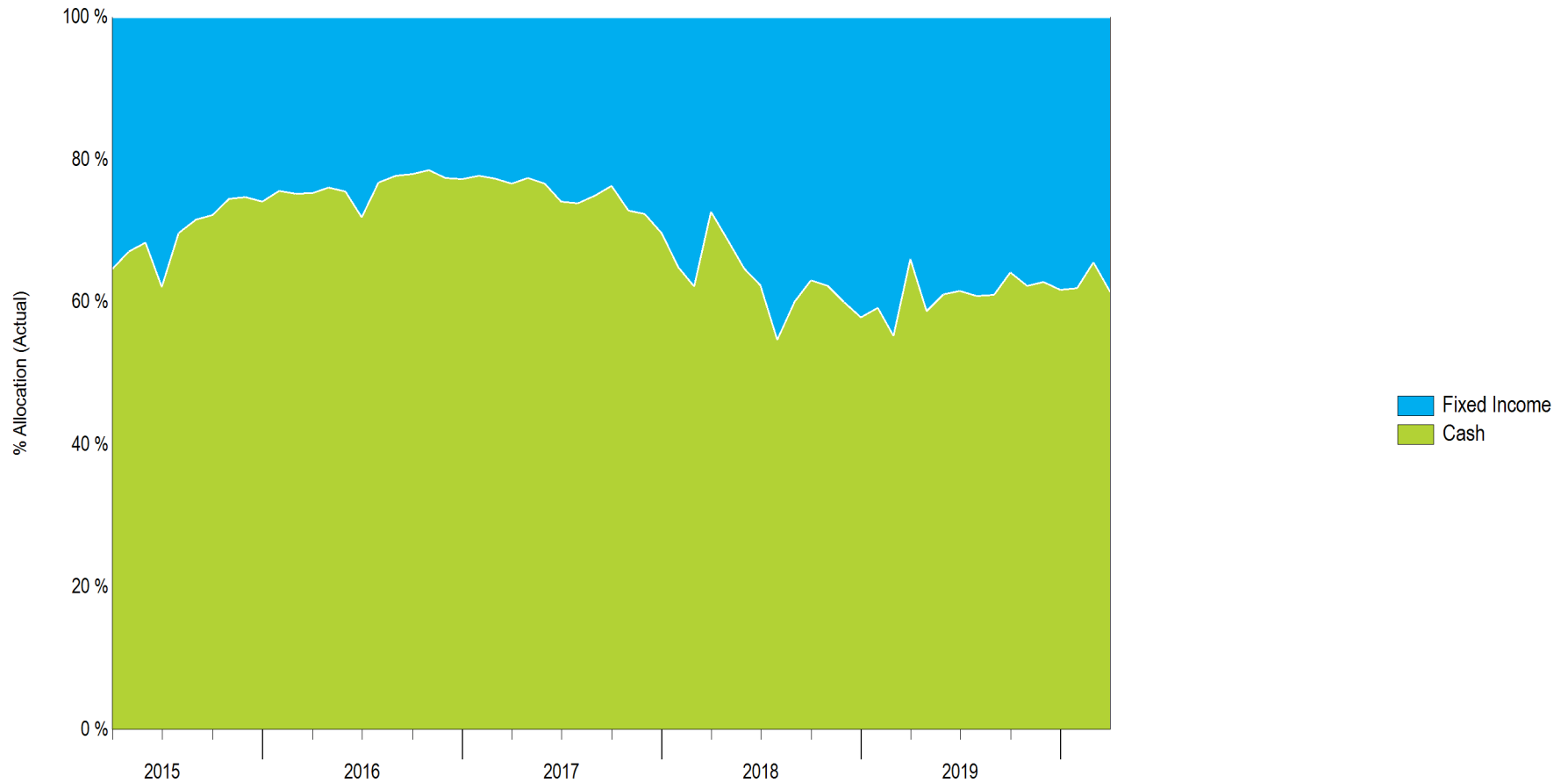
## 1Q20 Review





Allocation vs. Targets and Policy		
	Current Balance	Current Allocation
Fixed Income	\$576,822,608	39%
Cash	\$918,883,674	61%
<b>Total</b>	<b>\$1,495,706,282</b>	<b>100%</b>

Asset Allocation History  
5 Years Ending March 31, 2020



#### 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>1,495,706,282</b>	<b>100.000</b>	<b>0.768</b>	<b>1.938</b>	<b>2.898</b>	<b>2.211</b>	<b>1.599</b>	<b>--</b>	<b>1.508</b>	<b>Oct-14</b>
<b>Total Fund(Net)</b>			<b>0.747</b>	<b>1.875</b>	<b>2.815</b>	<b>2.132</b>	<b>1.519</b>	<b>--</b>	<b>1.425</b>	
<b>Fixed Income(Gross)</b>	<b>576,822,608</b>	<b>38.565</b>	<b>1.718</b>	<b>2.976</b>	<b>4.346</b>	<b>2.664</b>	<b>1.976</b>	<b>--</b>	<b>1.944</b>	<b>Oct-14</b>
<b>Fixed Income(Net)</b>			<b>1.695</b>	<b>2.909</b>	<b>4.262</b>	<b>2.578</b>	<b>1.889</b>	<b>--</b>	<b>1.884</b>	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>			<i>2.808</i>	<i>3.933</i>	<i>5.441</i>	<i>2.705</i>	<i>1.851</i>	<i>1.434</i>	<i>1.809</i>	<i>Oct-14</i>
<b>Cash(Gross)</b>	<b>918,883,674</b>	<b>61.435</b>	<b>0.218</b>	<b>1.334</b>	<b>2.024</b>	<b>1.886</b>	<b>1.361</b>	<b>0.749</b>	<b>1.968</b>	<b>Jul-99</b>
<b>Cash(Net)</b>			<b>0.198</b>	<b>1.272</b>	<b>1.941</b>	<b>1.810</b>	<b>1.281</b>	<b>0.644</b>	<b>--</b>	
<i>FTSE T-Bill 3 Months TR</i>			<i>0.388</i>	<i>1.421</i>	<i>2.043</i>	<i>1.741</i>	<i>1.125</i>	<i>0.596</i>	<i>1.767</i>	<i>Jul-99</i>

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>1,495,706,282</b>	<b>100.000</b>	<b>--</b>	<b>0.768</b>	<b>1.938</b>	<b>2.898</b>	<b>2.211</b>	<b>1.599</b>	<b>--</b>	<b>1.508</b>	<b>Oct-14</b>
<b>Fixed Income(Gross)</b>	<b>576,822,608</b>	<b>38.565</b>	<b>38.565</b>	<b>1.718</b>	<b>2.976</b>	<b>4.346</b>	<b>2.664</b>	<b>1.976</b>	<b>--</b>	<b>1.944</b>	<b>Oct-14</b>
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>				<i>2.808</i>	<i>3.933</i>	<i>5.441</i>	<i>2.705</i>	<i>1.851</i>	<i>1.434</i>	<i>1.809</i>	<i>Oct-14</i>
Tier One: Payden Low Duration(Gross)	157,864,886	10.555	27.368	1.566	2.846	4.343	2.704	1.981	1.583	3.040	Jul-99
Tier One: Payden Low Duration(Net)				1.546	2.785	4.274	2.626	1.903	1.478	--	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>				<i>2.808</i>	<i>3.933</i>	<i>5.441</i>	<i>2.705</i>	<i>1.851</i>	<i>1.434</i>	<i>2.964</i>	<i>Jul-99</i>
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>				<i>1.594</i>	<i>2.934</i>	<i>4.475</i>	<i>2.590</i>	<i>1.901</i>	<i>1.649</i>	<i>3.232</i>	<i>Jul-99</i>
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>				<i>2.225</i>	<i>3.467</i>	<i>4.991</i>	<i>2.687</i>	<i>1.908</i>	<i>1.587</i>	<i>3.150</i>	<i>Jul-99</i>
Tier One: MetLife STAMP 1-3 Year(Gross)	156,881,532	10.489	27.198	1.674	2.905	4.011	2.552	--	--	2.089	May-16
Tier One: MetLife STAMP 1-3 Year(Net)				1.652	2.844	3.945	2.475	--	--	2.010	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>				<i>2.808</i>	<i>3.933</i>	<i>5.441</i>	<i>2.705</i>	<i>1.851</i>	<i>1.434</i>	<i>2.120</i>	<i>May-16</i>
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>				<i>1.594</i>	<i>2.934</i>	<i>4.475</i>	<i>2.590</i>	<i>1.901</i>	<i>1.649</i>	<i>2.123</i>	<i>May-16</i>
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>				<i>2.225</i>	<i>3.467</i>	<i>4.991</i>	<i>2.687</i>	<i>1.908</i>	<i>1.587</i>	<i>2.153</i>	<i>May-16</i>
Tier One: Wells Capital Reserve Account(Gross)	157,161,784	10.508	27.246	1.587	2.872	4.321	2.612	--	--	2.137	May-16
Tier One: Wells Capital Reserve Account(Net)				1.566	2.810	4.237	2.535	--	--	2.062	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>				<i>2.808</i>	<i>3.933</i>	<i>5.441</i>	<i>2.705</i>	<i>1.851</i>	<i>1.434</i>	<i>2.120</i>	<i>May-16</i>
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>				<i>1.594</i>	<i>2.934</i>	<i>4.475</i>	<i>2.590</i>	<i>1.901</i>	<i>1.649</i>	<i>2.123</i>	<i>May-16</i>
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>				<i>2.225</i>	<i>3.467</i>	<i>4.991</i>	<i>2.687</i>	<i>1.908</i>	<i>1.587</i>	<i>2.153</i>	<i>May-16</i>
Tier Two: MetLife STAMP 1-5 Year(Gross)	104,914,407	7.014	18.188	2.212	3.437	4.890	2.853	2.221	--	1.943	Apr-13
Tier Two: MetLife STAMP 1-5 Year(Net)				2.181	3.342	4.761	2.725	2.094	--	1.816	
<i>ICE BofAML 1-5 Yrs US Treasuries TR</i>				<i>3.800</i>	<i>4.951</i>	<i>6.879</i>	<i>3.267</i>	<i>2.256</i>	<i>2.014</i>	<i>1.868</i>	<i>Apr-13</i>
<i>ICE BofAML 1-5 Yrs US Corp &amp; Govt TR</i>				<i>1.954</i>	<i>3.433</i>	<i>5.426</i>	<i>3.050</i>	<i>2.269</i>	<i>2.260</i>	<i>1.981</i>	<i>Apr-13</i>
<i>ICE BofAML 1-5 Yrs AAA-A US Corp &amp; Govt TR</i>				<i>2.967</i>	<i>4.277</i>	<i>6.221</i>	<i>3.205</i>	<i>2.295</i>	<i>2.170</i>	<i>1.958</i>	<i>Apr-13</i>

### Total Fund | As of March 31, 2020

	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>918,883,674</b>	<b>61.435</b>	<b>61.435</b>	<b>0.218</b>	<b>1.334</b>	<b>2.024</b>	<b>1.886</b>	<b>1.361</b>	<b>0.749</b>	<b>1.968</b>	<b>Jul-99</b>
<i>FTSE T-Bill 3 Months TR</i>				<i>0.388</i>	<i>1.421</i>	<i>2.043</i>	<i>1.741</i>	<i>1.125</i>	<i>0.596</i>	<i>1.767</i>	<i>Jul-99</i>
Operating: Payden Enhanced Cash(Gross)	305,981,871	20.457	33.299	0.351	1.427	2.164	1.958	1.421	0.779	1.982	Jul-99
Operating: Payden Enhanced Cash(Net)				0.330	1.364	2.078	1.875	1.340	0.674	--	
<i>FTSE T-Bill 3 Months TR</i>				<i>0.388</i>	<i>1.421</i>	<i>2.043</i>	<i>1.741</i>	<i>1.125</i>	<i>0.596</i>	<i>1.767</i>	<i>Jul-99</i>
Operating: MetLife Enhanced Cash(Gross)	305,200,090	20.405	33.214	-0.096	1.034	1.734	1.799	--	--	1.565	May-16
Operating: MetLife Enhanced Cash(Net)				-0.117	0.970	1.648	1.713	--	--	1.480	
<i>FTSE T-Bill 3 Months TR</i>				<i>0.388</i>	<i>1.421</i>	<i>2.043</i>	<i>1.741</i>	<i>1.125</i>	<i>0.596</i>	<i>1.412</i>	<i>May-16</i>
Operating: Wells Capital Enhanced Cash(Gross)	307,701,712	20.572	33.486	0.363	1.504	2.158	1.917	--	--	1.644	Jun-16
Operating: Wells Capital Enhanced Cash(Net)				0.345	1.446	2.079	1.842	--	--	1.570	
<i>FTSE T-Bill 3 Months TR</i>				<i>0.388</i>	<i>1.421</i>	<i>2.043</i>	<i>1.741</i>	<i>1.125</i>	<i>0.596</i>	<i>1.437</i>	<i>Jun-16</i>

#### Asset Class Performance Summary

	Fiscal 2019 (%)	Fiscal 2018 (%)	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)
<b>Total Fund(Gross)</b>	<b>3.191</b>	<b>1.221</b>	<b>0.754</b>	<b>0.842</b>	--	--	--	--
<b>Total Fund(Net)</b>	<b>3.107</b>	<b>1.147</b>	<b>0.666</b>	<b>0.778</b>	--	--	--	--
<b>Fixed Income(Gross)</b>	<b>4.064</b>	<b>0.582</b>	<b>0.427</b>	<b>1.775</b>	--	--	--	--
<b>Fixed Income(Net)</b>	<b>3.982</b>	<b>0.495</b>	<b>0.336</b>	<b>1.699</b>	--	--	--	--
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	<i>3.974</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>
<b>Cash(Gross)</b>	<b>2.573</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>Cash(Net)</b>	<b>2.489</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>
<i>FTSE T-Bill 3 Months TR</i>	<i>2.294</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>

## Trailing Period Performance

	Fiscal 2019 (%)	Fiscal 2018 (%)	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)
<b>Total Fund(Gross)</b>	<b>3.191</b>	<b>1.221</b>	<b>0.754</b>	<b>0.842</b>	--	--	--	--
<b>Fixed Income(Gross)</b>	<b>4.064</b>	<b>0.582</b>	<b>0.427</b>	<b>1.775</b>	--	--	--	--
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	<i>3.974</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>
Tier One: Payden Low Duration(Gross)	4.239	0.695	0.583	1.461	0.893	1.048	0.534	1.248
Tier One: Payden Low Duration(Net)	4.167	0.615	0.508	1.388	0.783	0.933	0.399	1.105
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	<i>3.974</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>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>	<i>4.302</i>	<i>0.265</i>	<i>0.336</i>	<i>1.581</i>	<i>0.901</i>	<i>1.246</i>	<i>0.861</i>	<i>1.169</i>
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>	<i>4.170</i>	<i>0.198</i>	<i>0.147</i>	<i>1.492</i>	<i>0.906</i>	<i>1.038</i>	<i>0.656</i>	<i>1.058</i>
Tier One: MetLife STAMP 1-3 Year(Gross)	3.544	0.842	0.478	--	--	--	--	--
Tier One: MetLife STAMP 1-3 Year(Net)	3.478	0.761	0.395	--	--	--	--	--
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	<i>3.974</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>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>	<i>4.302</i>	<i>0.265</i>	<i>0.336</i>	<i>1.581</i>	<i>0.901</i>	<i>1.246</i>	<i>0.861</i>	<i>1.169</i>
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>	<i>4.170</i>	<i>0.198</i>	<i>0.147</i>	<i>1.492</i>	<i>0.906</i>	<i>1.038</i>	<i>0.656</i>	<i>1.058</i>
Tier One: Wells Capital Reserve Account(Gross)	4.223	0.425	0.403	--	--	--	--	--
Tier One: Wells Capital Reserve Account(Net)	4.145	0.353	0.330	--	--	--	--	--
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	<i>3.974</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>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>	<i>4.302</i>	<i>0.265</i>	<i>0.336</i>	<i>1.581</i>	<i>0.901</i>	<i>1.246</i>	<i>0.861</i>	<i>1.169</i>
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>	<i>4.170</i>	<i>0.198</i>	<i>0.147</i>	<i>1.492</i>	<i>0.906</i>	<i>1.038</i>	<i>0.656</i>	<i>1.058</i>
Tier Two: MetLife STAMP 1-5 Year(Gross)	4.347	0.258	0.140	3.021	1.494	2.095	--	--
Tier Two: MetLife STAMP 1-5 Year(Net)	4.217	0.131	0.016	2.894	1.367	1.969	--	--
<i>ICE BofAML 1-5 Yrs US Treasuries TR</i>	<i>4.903</i>	<i>-0.351</i>	<i>-0.532</i>	<i>2.426</i>	<i>1.376</i>	<i>1.157</i>	<i>-0.027</i>	<i>2.198</i>
<i>ICE BofAML 1-5 Yrs US Corp &amp; Govt TR</i>	<i>5.384</i>	<i>-0.156</i>	<i>0.134</i>	<i>2.649</i>	<i>1.344</i>	<i>2.000</i>	<i>0.718</i>	<i>2.524</i>
<i>ICE BofAML 1-5 Yrs AAA-A US Corp &amp; Govt TR</i>	<i>5.143</i>	<i>-0.220</i>	<i>-0.172</i>	<i>2.570</i>	<i>1.376</i>	<i>1.641</i>	<i>0.409</i>	<i>2.362</i>

### Total Fund | As of March 31, 2020

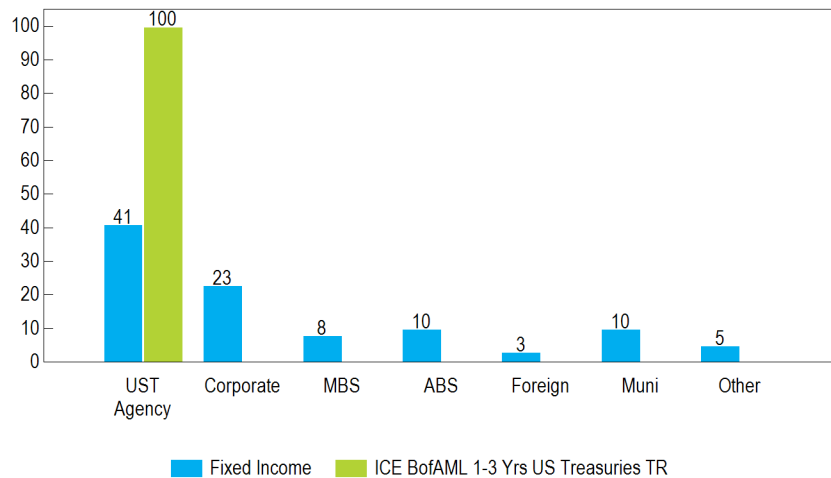
	Fiscal 2019 (%)	Fiscal 2018 (%)	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)
<b>Cash(Gross)</b>	<b>2.573</b>	<b>1.492</b>	<b>0.858</b>	<b>0.509</b>	<b>0.166</b>	<b>0.131</b>	<b>0.112</b>	<b>0.185</b>
<i>FTSE T-Bill 3 Months TR</i>	<i>2.294</i>	<i>1.325</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>
Operating: Payden Enhanced Cash(Gross)	2.597	1.580	0.887	0.573	0.166	0.131	0.112	0.185
Operating: Payden Enhanced Cash(Net)	2.508	1.500	0.812	0.505	0.058	0.018	-0.023	0.044
<i>FTSE T-Bill 3 Months TR</i>	<i>2.294</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>
Operating: MetLife Enhanced Cash(Gross)	2.605	1.501	0.898	--	--	--	--	--
Operating: MetLife Enhanced Cash(Net)	2.519	1.416	0.814	--	--	--	--	--
<i>FTSE T-Bill 3 Months TR</i>	<i>2.294</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>
Operating: Wells Capital Enhanced Cash(Gross)	2.550	1.443	0.721	--	--	--	--	--
Operating: Wells Capital Enhanced Cash(Net)	2.474	1.370	0.649	--	--	--	--	--
<i>FTSE T-Bill 3 Months TR</i>	<i>2.294</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>



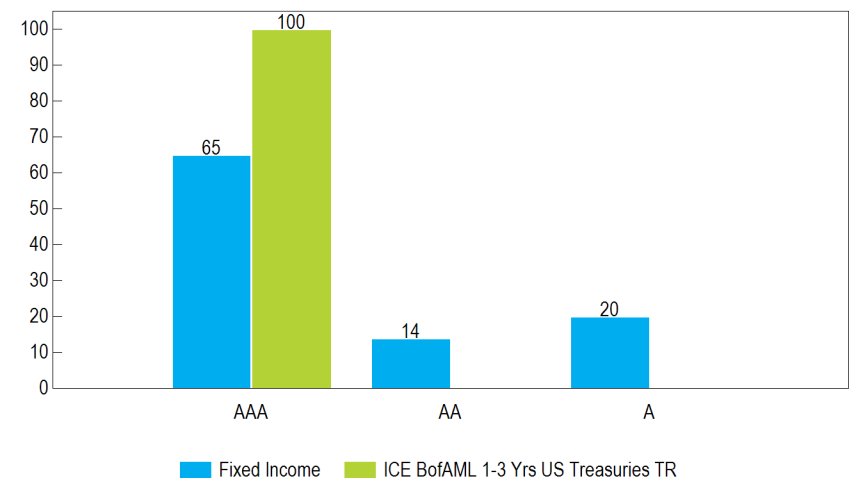
Asset Allocation on March 31, 2020		
	Actual	Actual
Tier One: Payden Low Duration	\$157,864,886	27.4%
Tier One: MetLife STAMP 1-3 Year	\$156,881,532	27.2%
Tier One: Wells Capital Reserve Account	\$157,161,784	27.2%
Tier Two: MetLife STAMP 1-5 Year	\$104,914,407	18.2%
<b>Total</b>	<b>\$576,822,608</b>	<b>100.0%</b>

Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs US Treasuries TR			
	Portfolio Q1-20	Index Q1-20	Portfolio Q4-19
Fixed Income Characteristics			
Yield to Maturity	1.2	0.3	1.8
Average Duration	1.9	1.8	1.9
Average Quality	AA	AAA	AA

### Sector Allocation



### Credit Quality Allocation



## Tier One: Payden Low Duration | As of March 31, 2020

### 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>

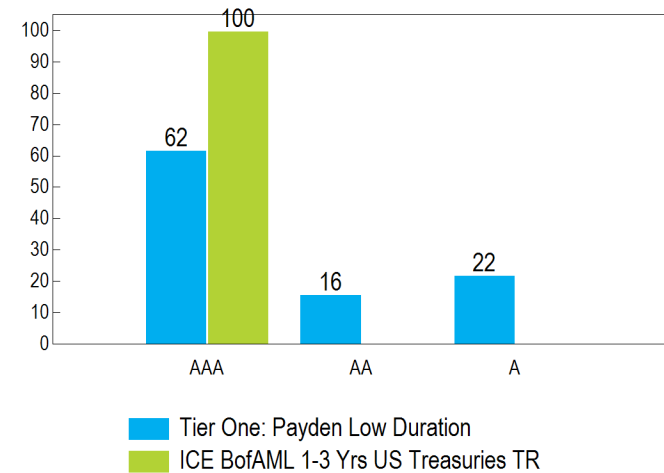
### Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier One: Payden Low Duration(Gross)	1.566	2.846	4.343	2.704	1.981	1.583	3.040	Jul-99
Tier One: Payden Low Duration(Net)	1.546	2.785	4.274	2.626	1.903	1.478	--	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	<i>2.808</i>	<i>3.933</i>	<i>5.441</i>	<i>2.705</i>	<i>1.851</i>	<i>1.434</i>	<i>2.964</i>	<i>Jul-99</i>
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>	<i>1.594</i>	<i>2.934</i>	<i>4.475</i>	<i>2.590</i>	<i>1.901</i>	<i>1.649</i>	<i>3.232</i>	<i>Jul-99</i>
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>	<i>2.225</i>	<i>3.467</i>	<i>4.991</i>	<i>2.687</i>	<i>1.908</i>	<i>1.587</i>	<i>3.150</i>	<i>Jul-99</i>

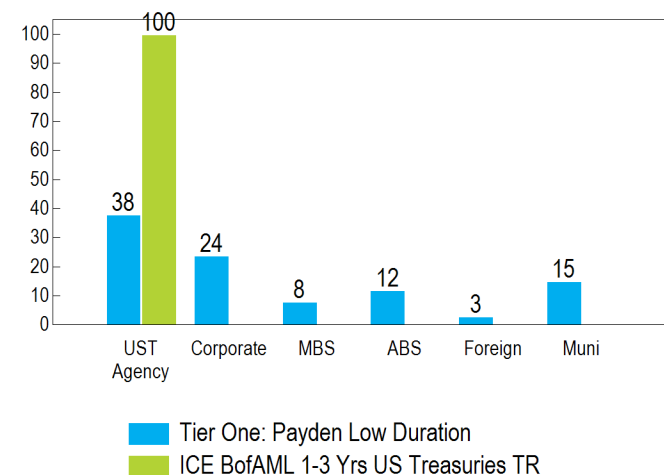
### Tier One: Payden Low Duration Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs US Treasuries TR

Fixed Income Characteristics	Portfolio Q1-20	Index Q1-20	Portfolio Q4-19
Yield to Maturity	1.31	0.28	1.79
Average Duration	1.87	1.81	1.81
Average Quality	AA	AAA	AA

### Credit Quality Allocation



### US Sector Allocation



## Tier One: Wells Capital Reserve Account | As of March 31, 2020

### Account Information

Account Name	<b>Tier One: Wells Capital Reserve Account</b>
Account Structure	<b>Separate Account</b>
Investment Style	<b>Active</b>
Inception Date	<b>5/01/16</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>

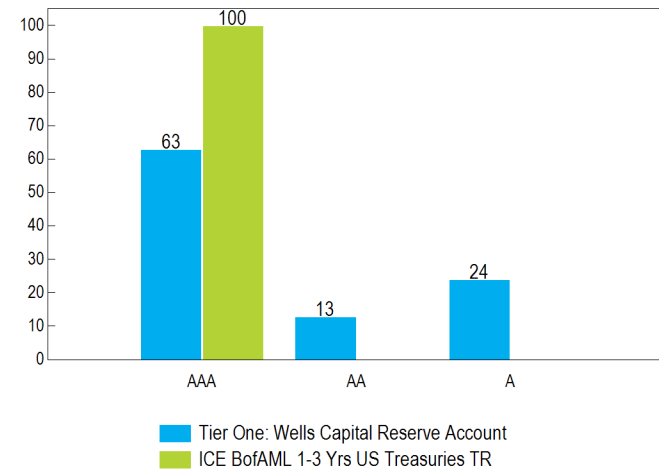
### Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier One: Wells Capital Reserve Account(Gross)	1.587	2.872	4.321	2.612	--	--	2.137	May-16
Tier One: Wells Capital Reserve Account(Net)	1.566	2.810	4.237	2.535	--	--	2.062	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	<i>2.808</i>	<i>3.933</i>	<i>5.441</i>	<i>2.705</i>	<i>1.851</i>	<i>1.434</i>	<i>2.120</i>	<i>May-16</i>
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>	<i>1.594</i>	<i>2.934</i>	<i>4.475</i>	<i>2.590</i>	<i>1.901</i>	<i>1.649</i>	<i>2.123</i>	<i>May-16</i>
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>	<i>2.225</i>	<i>3.467</i>	<i>4.991</i>	<i>2.687</i>	<i>1.908</i>	<i>1.587</i>	<i>2.153</i>	<i>May-16</i>

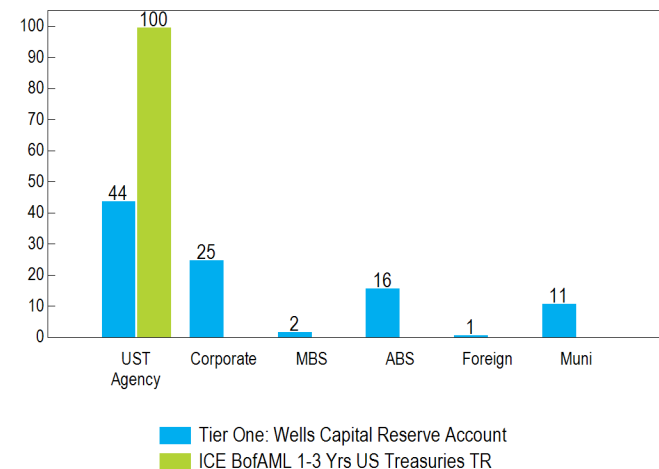
### Tier One: Wells Capital Reserve Account Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs US Treasuries TR

	Portfolio Q1-20	Index Q1-20	Portfolio Q4-19
<b>Fixed Income Characteristics</b>			
Yield to Maturity	1.18	0.28	1.75
Average Duration	1.72	1.81	1.85
Average Quality	AA	AAA	AA

### Credit Quality Allocation



### US Sector Allocation



## Tier One: MetLife STAMP 1-3 Year | As of March 31, 2020

### Account Information

Account Name	<b>Tier One: MetLife STAMP 1-3 Year</b>
Account Structure	<b>Separate Account</b>
Investment Style	<b>Active</b>
Inception Date	<b>5/01/16</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>

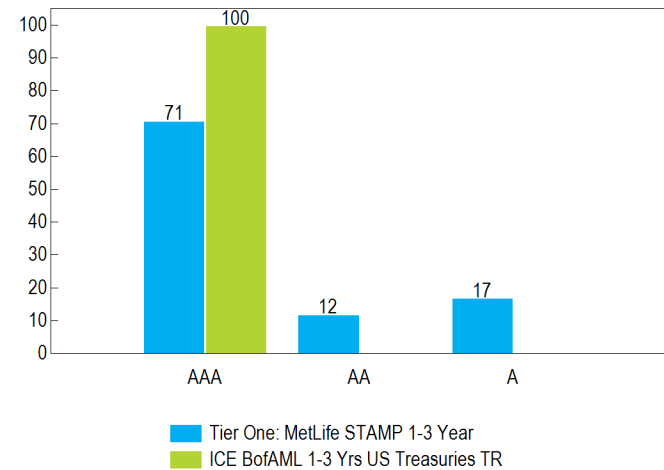
### Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier One: MetLife STAMP 1-3 Year(Gross)	1.674	2.905	4.011	2.552	--	--	2.089	May-16
Tier One: MetLife STAMP 1-3 Year(Net)	1.652	2.844	3.945	2.475	--	--	2.010	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	<i>2.808</i>	<i>3.933</i>	<i>5.441</i>	<i>2.705</i>	<i>1.851</i>	<i>1.434</i>	<i>2.120</i>	<i>May-16</i>
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>	<i>1.594</i>	<i>2.934</i>	<i>4.475</i>	<i>2.590</i>	<i>1.901</i>	<i>1.649</i>	<i>2.123</i>	<i>May-16</i>
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>	<i>2.225</i>	<i>3.467</i>	<i>4.991</i>	<i>2.687</i>	<i>1.908</i>	<i>1.587</i>	<i>2.153</i>	<i>May-16</i>

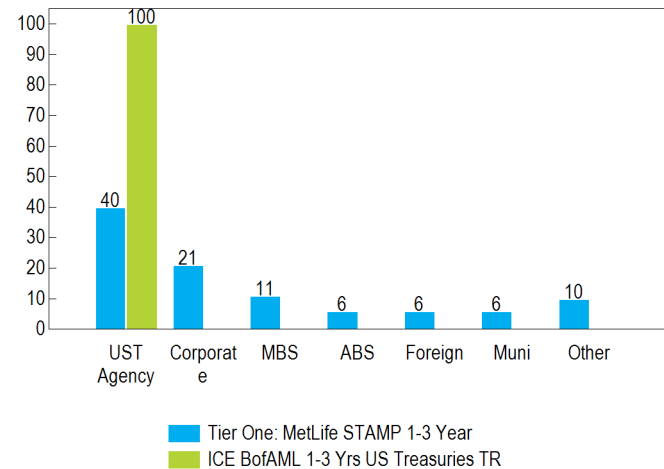
### Tier One: MetLife STAMP 1-3 Year Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs US Treasuries TR

	Portfolio Q1-20	Index Q1-20	Portfolio Q4-19
<b>Fixed Income Characteristics</b>			
Yield to Maturity	1.13	0.28	1.80
Average Duration	1.71	1.81	1.75
Average Quality	AA	AAA	AA

### Credit Quality Allocation



### US Sector Allocation



## Tier Two: MetLife STAMP 1-5 Year | As of March 31, 2020

### Account Information

Account Name	<b>Tier Two: MetLife STAMP 1-5 Year</b>
Account Structure	<b>Separate Account</b>
Investment Style	<b>Active</b>
Inception Date	<b>4/01/13</b>
Account Type	<b>US Fixed Income Short Term</b>
Benchmark	<b>ICE BofAML 1-5 Yrs US Treasuries TR</b>
Universe	<b>eV US Short Duration Fixed Inc Net</b>

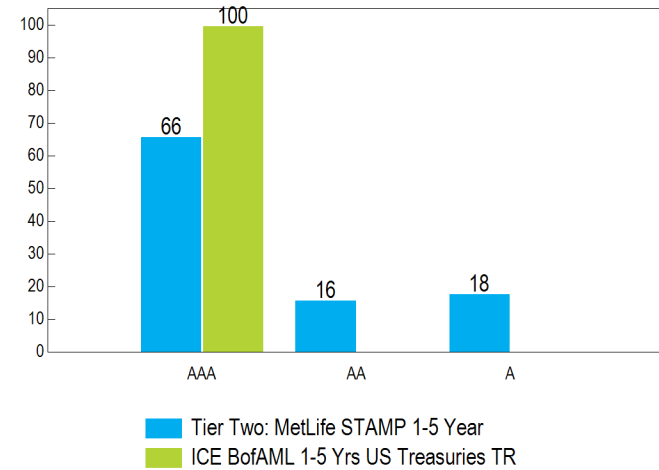
### Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier Two: MetLife STAMP 1-5 Year(Gross)	2.212	3.437	4.890	2.853	2.221	--	1.943	Apr-13
Tier Two: MetLife STAMP 1-5 Year(Net)	2.181	3.342	4.761	2.725	2.094	--	1.816	
<i>ICE BofAML 1-5 Yrs US Treasuries TR</i>	<i>3.800</i>	<i>4.951</i>	<i>6.879</i>	<i>3.267</i>	<i>2.256</i>	<i>2.014</i>	<i>1.868</i>	<i>Apr-13</i>
<i>ICE BofAML 1-5 Yrs US Corp &amp; Govt TR</i>	<i>1.954</i>	<i>3.433</i>	<i>5.426</i>	<i>3.050</i>	<i>2.269</i>	<i>2.260</i>	<i>1.981</i>	<i>Apr-13</i>
<i>ICE BofAML 1-5 Yrs AAA-A US Corp &amp; Govt TR</i>	<i>2.967</i>	<i>4.277</i>	<i>6.221</i>	<i>3.205</i>	<i>2.295</i>	<i>2.170</i>	<i>1.958</i>	<i>Apr-13</i>

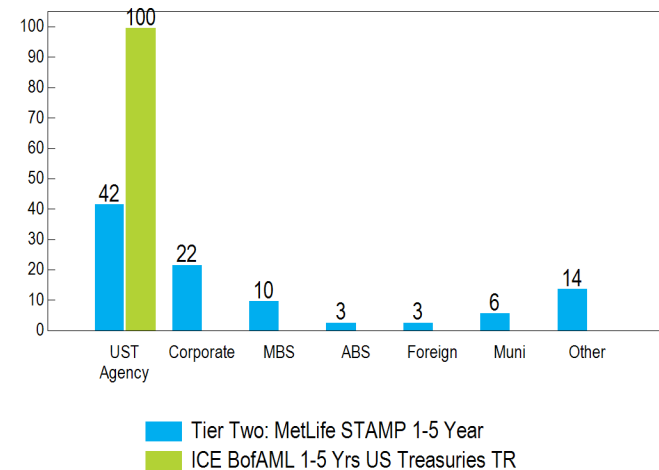
### Tier Two: MetLife STAMP 1-5 Year Fixed Income Characteristics vs. ICE BofAML 1-5 Yrs US Treasuries TR

Fixed Income Characteristics	Portfolio Q1-20	Index Q1-20	Portfolio Q4-19
Yield to Maturity	1.09	0.31	1.82
Average Duration	2.49	2.57	2.49
Average Quality	AA	AAA	AA

### Credit Quality Allocation



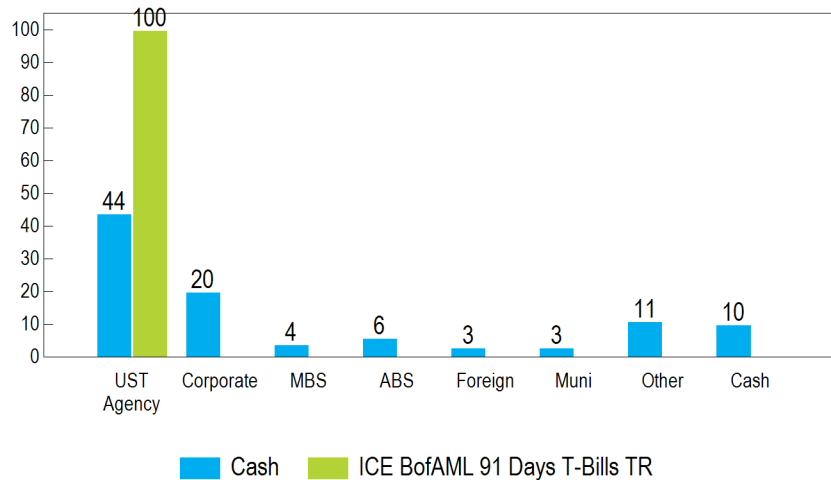
### US Sector Allocation



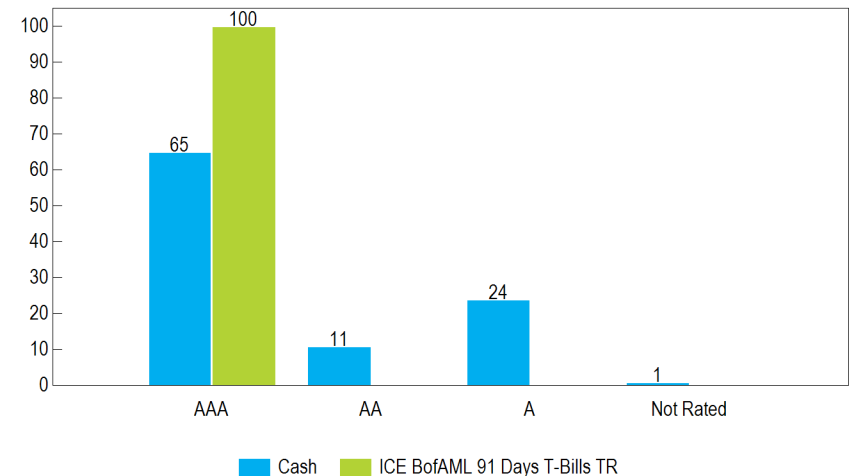
Asset Allocation on March 31, 2020		
	Actual	Actual
Operating: MetLife Enhanced Cash	\$305,200,090	33.2%
Operating: Payden Enhanced Cash	\$305,981,871	33.3%
Operating: Wells Capital Enhanced Cash	\$307,701,712	33.5%
<b>Total</b>	<b>\$918,883,674</b>	<b>100.0%</b>

Cash Characteristics vs. ICE BofAML 91 Days T-Bills TR			
	Portfolio Q1-20	Index Q1-20	Portfolio Q4-19
Fixed Income Characteristics			
Yield to Maturity	1.1	0.1	1.7
Average Duration	0.2	0.2	0.2
Average Quality	AA	AAA	AA

### Sector Allocation



### Credit Quality Allocation



Operating: Payden Enhanced Cash | As of March 31, 2020

### 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>

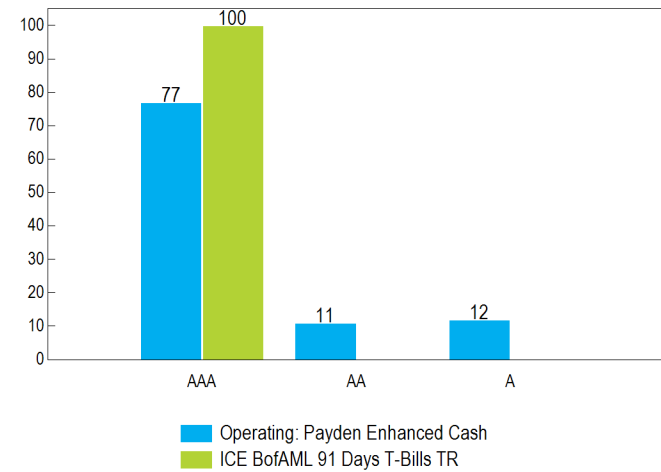
### Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Operating: Payden Enhanced Cash (Gross)	0.351	1.427	2.164	1.958	1.421	0.779	1.982	Jul-99
Operating: Payden Enhanced Cash (Net)	0.330	1.364	2.078	1.875	1.340	0.674	--	
<i>FTSE T-Bill 3 Months TR</i>	<i>0.388</i>	<i>1.421</i>	<i>2.043</i>	<i>1.741</i>	<i>1.125</i>	<i>0.596</i>	<i>1.767</i>	<i>Jul-99</i>

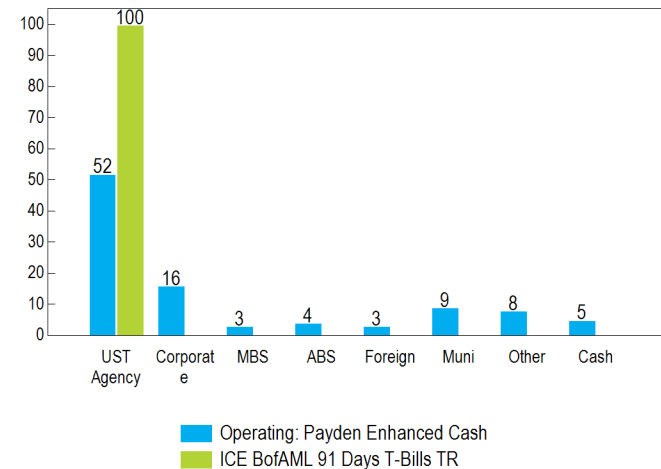
### Operating: Payden Enhanced Cash Fixed Income Characteristics vs. ICE BofAML 91 Days T-Bills TR

Fixed Income Characteristics	Portfolio Q1-20	Index Q1-20	Portfolio Q4-19
Yield to Maturity	1.09	0.08	1.69
Average Duration	0.34	0.16	0.22
Average Quality	AA	AAA	AA

### Credit Quality Allocation



### US Sector Allocation



Operating: MetLife Enhanced Cash | As of March 31, 2020

### Account Information

Account Name	<b>Operating: MetLife 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>

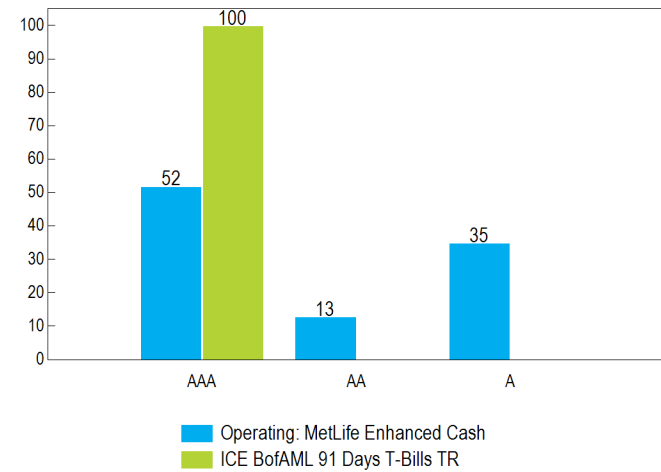
### Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Operating: MetLife Enhanced Cash(Gross)	-0.096	1.034	1.734	1.799	--	--	1.565	May-16
Operating: MetLife Enhanced Cash(Net)	-0.117	0.970	1.648	1.713	--	--	1.480	
<i>FTSE T-Bill 3 Months TR</i>	<i>0.388</i>	<i>1.421</i>	<i>2.043</i>	<i>1.741</i>	<i>1.125</i>	<i>0.596</i>	<i>1.412</i>	<i>May-16</i>

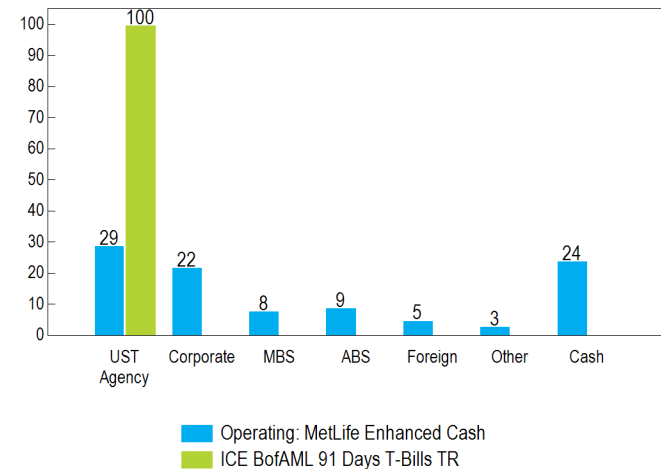
### Operating: MetLife Enhanced Cash Fixed Income Characteristics vs. ICE BofAML 91 Days T-Bills TR

Fixed Income Characteristics	Portfolio Q1-20	Index Q1-20	Portfolio Q4-19
Yield to Maturity	1.48	0.08	1.79
Average Duration	0.19	0.16	0.07
Average Quality	AA	AAA	AA

### Credit Quality Allocation



### US Sector Allocation





## Operating: Wells Capital Enhanced Cash | As of March 31, 2020

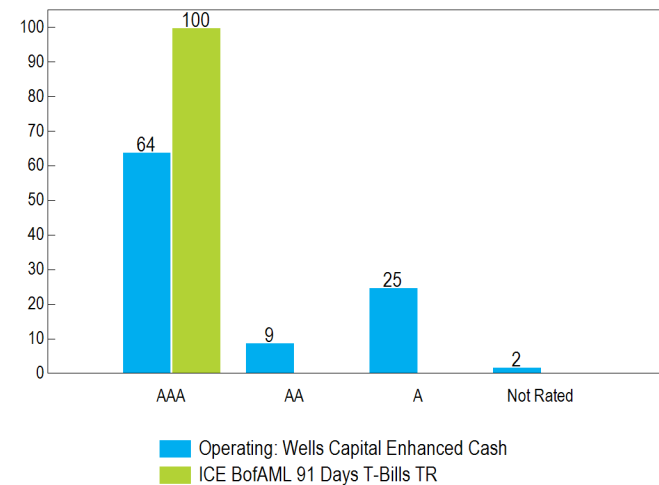
### Account Information

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

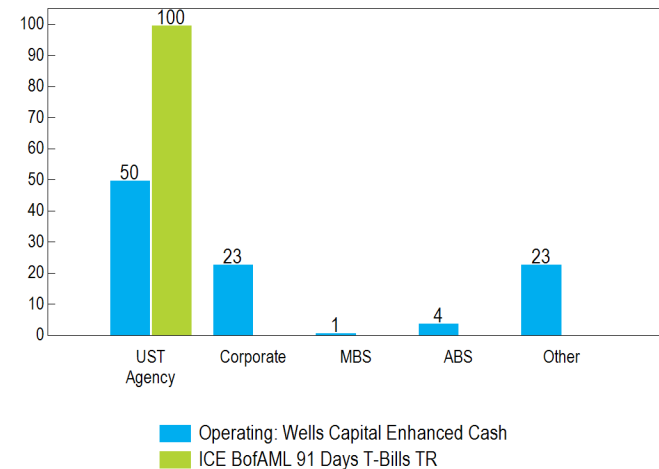
### Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Operating: Wells Capital Enhanced Cash(Gross)	0.363	1.504	2.158	1.917	--	--	1.644	Jun-16
Operating: Wells Capital Enhanced Cash(Net)	0.345	1.446	2.079	1.842	--	--	1.570	
<i>FTSE T-Bill 3 Months TR</i>	<i>0.388</i>	<i>1.421</i>	<i>2.043</i>	<i>1.741</i>	<i>1.125</i>	<i>0.596</i>	<i>1.437</i>	<i>Jun-16</i>

### 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 Q1-20	Index Q1-20	Portfolio Q4-19
Yield to Maturity	0.88	0.08	1.74
Average Duration	0.15	0.16	0.33
Average Quality	AA	AAA	AA

Annual Investment Expense Analysis		
As Of March 31, 2020		
Name	Fee Schedule	Market Value
<b>Fixed Income</b>		<b>\$576,822,608</b>
Tier One: Payden Low Duration	0.10% of First 100.0 Mil, 0.08% of Next 250.0 Mil, 0.07% Thereafter	\$157,864,886
Tier One: MetLife STAMP 1-3 Year	0.10% of First 50.0 Mil, 0.09% of Next 250.0 Mil, 0.07% Thereafter	\$156,881,532
Tier One: Wells Capital Reserve Account	0.09% of First 100.0 Mil, 0.07% of Next 200.0 Mil, 0.06% Thereafter	\$157,161,784
Tier Two: MetLife STAMP 1-5 Year	0.15% of First 50.0 Mil, 0.10% of Next 250.0 Mil, 0.07% Thereafter	\$104,914,407
<b>Cash</b>		<b>\$918,883,674</b>
Operating: Payden Enhanced Cash	0.10% of First 100.0 Mil, 0.08% of Next 250.0 Mil, 0.07% Thereafter	\$305,981,871
Operating: MetLife Enhanced Cash	0.10% of First 50.0 Mil, 0.09% of Next 250.0 Mil, 0.07% Thereafter	\$305,200,090
Operating: Wells Capital Enhanced Cash	0.09% of First 100.0 Mil, 0.07% of Next 200.0 Mil, 0.06% Thereafter	\$307,701,712
<b>Total</b>		<b>\$1,495,706,282</b>

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

Statistics Summary 1 Year Ending March 31, 2020	
	Sharpe Ratio
Fixed Income	2.31
ICE BofAML 1-3 Yrs US Treasuries TR	2.31
Tier One: Payden Low Duration	2.15
ICE BofAML 1-3 Yrs US Treasuries TR	2.31
Tier One: MetLife STAMP 1-3 Year	2.64
ICE BofAML 1-3 Yrs US Treasuries TR	2.31
Tier One: Wells Capital Reserve Account	2.18
ICE BofAML 1-3 Yrs US Treasuries TR	2.31
Tier Two: MetLife STAMP 1-5 Year	2.23
ICE BofAML 1-5 Yrs US Treasuries TR	2.30
Cash	0.25
FTSE T-Bill 3 Months TR	1.75
Operating: Payden Enhanced Cash	0.74
FTSE T-Bill 3 Months TR	1.75
Operating: MetLife Enhanced Cash	-0.31
FTSE T-Bill 3 Months TR	1.75
Operating: Wells Capital Enhanced Cash	1.14
FTSE T-Bill 3 Months TR	1.75

Statistics Summary 3 Years Ending March 31, 2020	
	Sharpe Ratio
Fixed Income	0.94
ICE BofAML 1-3 Yrs US Treasuries TR	0.79
Tier One: Payden Low Duration	1.00
ICE BofAML 1-3 Yrs US Treasuries TR	0.79
Tier One: MetLife STAMP 1-3 Year	1.02
ICE BofAML 1-3 Yrs US Treasuries TR	0.79
Tier One: Wells Capital Reserve Account	0.86
ICE BofAML 1-3 Yrs US Treasuries TR	0.79
Tier Two: MetLife STAMP 1-5 Year	0.83
ICE BofAML 1-5 Yrs US Treasuries TR	0.86
Cash	0.34
FTSE T-Bill 3 Months TR	0.13
Operating: Payden Enhanced Cash	0.66
FTSE T-Bill 3 Months TR	0.13
Operating: MetLife Enhanced Cash	-0.02
FTSE T-Bill 3 Months TR	0.13
Operating: Wells Capital Enhanced Cash	0.55
FTSE T-Bill 3 Months TR	0.13

Statistics Summary 5 Years Ending March 31, 2020	
	Sharpe Ratio
Fixed Income	0.88
ICE BofAML 1-3 Yrs US Treasuries TR	0.65
Tier One: Payden Low Duration	0.95
ICE BofAML 1-3 Yrs US Treasuries TR	0.65
Tier One: MetLife STAMP 1-3 Year	--
ICE BofAML 1-3 Yrs US Treasuries TR	0.65
Tier One: Wells Capital Reserve Account	--
ICE BofAML 1-3 Yrs US Treasuries TR	0.65
Tier Two: MetLife STAMP 1-5 Year	0.77
ICE BofAML 1-5 Yrs US Treasuries TR	0.68
Cash	0.55
FTSE T-Bill 3 Months TR	0.00
Operating: Payden Enhanced Cash	0.77
FTSE T-Bill 3 Months TR	0.00
Operating: MetLife Enhanced Cash	--
FTSE T-Bill 3 Months TR	0.00
Operating: Wells Capital Enhanced Cash	--
FTSE T-Bill 3 Months TR	0.00

## **Quarterly Investment Report Supplement**

Annual Investment Policy (2020)  
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	
				ML	P&R	WF	ML	P&R	WF	ML	
US Treasuries	2 years	5 years	5 years	0.42 years	1.17 years	N/A	4.04 years	3.33 years	2.84 years	4.63 years	Yes
US Agencies	2 years	5 years	5 years	1.41 years	N/A	0.05 years	1.79 years	4.37 years	2.44 years	4.26 years	Yes
State & Local Obligations <sup>1</sup>	2 years	5 years	5 years	0.67 years	1.50 years	1.59 years	4.25 years	3.34 years	2.50 years	4.34 years	Yes
Supranationals	2 years	5 years	5 years	N/A	N/A	N/A	3.22 years	4.70 years	1.31 years	3.22 years	Yes
Negotiable Cert of Deposit	1 year	1 year	1 year	0.06 years	0.82 years <sup>2</sup>	N/A	N/A	N/A	N/A	N/A	Yes
Commercial Paper	270 days	270 days	270 days	20 days	9 days	101 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	1.13 years	1.81 years	1.07 years	2.96 years	5.00 years	2.84 years	4.46 years	Yes
Mortgage/ Asset-Backed	2 years	5 years	5 years	1.71 years	0.34 years	1.71 years	4.74 years	3.08 years	4.63 years	4.74 years	Yes
Variable & Floating Rate	2 years	5 years	5 years	0.21 years	0.57 years	0.25 years	1.84 years	2.87 years	N/A	1.57 years	Yes
<b>Manager Confirmed Adherence to 5% Issuer Limit<sup>3</sup></b>				<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>

- 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 US.

<sup>2</sup> FRN CDs included in Variable & Floating Rate Securities section totaling 4.98% of the combined portfolio.

<sup>3</sup> 5% Issuer Limit is a proposed AIP provision pending approval by the IAC.

**Annual Investment Policy (2020)**  
Diversification Compliance<sup>1</sup>

Allowable Instruments	Maximum (%)	MetLife (%)	MetLife (\$ mm)	Payden (%)	Payden (\$ mm)	Wells Capital (%)	Wells Capital (\$ mm)	Total (%)	Total (\$ mm)
US Treasuries	100	23.7	134.1	41.4	191.9	11.7	54.5	25.4	380.6
US Agencies	100	2.0	11.3	2.6	11.8	36.1	167.9	12.8	191.0
State & Local Obligations <sup>2</sup>	30	6.9	39.2	11.3	52.3	7.6	35.4	8.5	126.9
Supranationals	30	5.0	28.2	1.0	4.8	0.3	1.6	2.3	34.5
Negotiable Certificate of Deposit	30	8.6	48.7	1.8	8.5	0.0	0.0	3.8	57.2
Commercial Paper	25	4.0	22.6	0.4	2.0	15.1	70.0	6.3	94.5
Repurchase Agreements	100	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Medium Term Notes	30	13.2	74.7	8.9	41.2	14.6	68.1	8.1	183.9
Money Market Funds	20	7.6	43.0	2.7	12.6	0.2	0.8	3.8	56.3
Mortgage/Asset-Backed	20	11.6	65.9	8.2	38.1	8.6	40.2	9.6	144.1
Variable & Floating Rate	30	17.5	99.3	21.7	100.7	5.7	26.6	15.1	226.5
<b>Total</b>		<b>100.0</b>	<b>567.0</b>	<b>100.0</b>	<b>463.8</b>	<b>100.0</b>	<b>464.9</b>	<b>100.0</b>	<b>1495.7</b>

- Investment composition of each portfolio and the total portfolio are in compliance with the CalOptima Annual Investment Policy 2020.

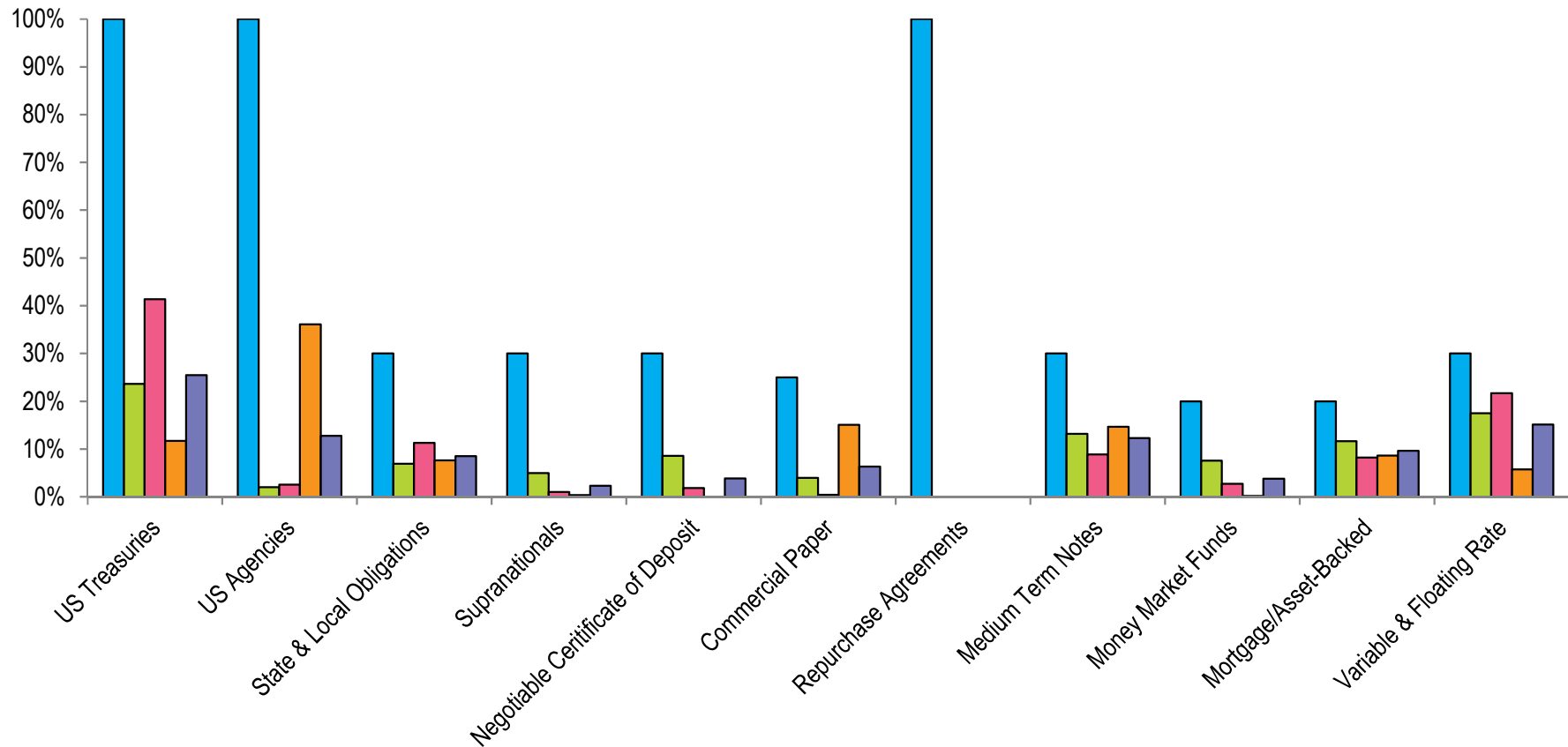
<sup>1</sup> Blended allocations for Payden & Rygel, MetLife, and Wells Capital accounts.

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

**Annual Investment Policy (2020)**  
Actual vs. Diversity Requirements

As of March 31, 2020

■ Maximum ■ MetLife ■ Payden ■ Wells Capital ■ Total Portfolio



## 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 US 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 fourteen strategies with a median effective duration of 1.79 years, while the Tier Two peer group consists of eight strategies with a median effective duration of 2.37 years as of December 31, 2019.
- Please note that the analysis is as of December 31, 2019, as the universe of investment managers that had reported data as of March 31, 2020 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.

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<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: MetLife Tier One

Gross of Fees Returns as of 12/31/2019 <sup>1</sup>	4Q 2019 (%)	1 Year (%)	3 Year (%)	Since Inception <sup>2</sup> (%)
Tier One: MetLife STAMP 1-3 Year	0.60	3.40	2.13	1.77
Peer Group Median Return	0.57	4.03	2.24	2.01
Peer Group Rank (percentile)	40	92	70	72

Standard Deviation as of 12/31/2019 <sup>3</sup>	3 Years (%)
Tier One: MetLife STAMP 1-3 Year	0.61
Median Standard Deviation	0.83
Peer Group Rank (percentile)	25

- The MetLife Tier One portfolio outperformed the peer group in the fourth quarter, but underperformed over the trailing one-, three-year and since inception time periods.
- Standard deviation has ranked favorably versus peers over the trailing three-year period.

<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 May 2016.

<sup>3</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.

Custom Peer Group: Payden Tier One

Gross of Fees Returns as of 12/31/2019 <sup>1</sup>	4Q 2019 (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	0.56	3.98	2.31	1.78	1.50
Peer Group Median Return	0.57	4.03	2.24	1.88	1.78
Peer Group Rank (percentile)	52	54	43	63	78

Standard Deviation as of 12/31/2019 <sup>2</sup>	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	0.81	0.76	0.71
Median Standard Deviation	0.83	0.85	0.82
Peer Group Rank (percentile)	46	15	8

- The Payden Tier One portfolio’s trailing returns rank in the third quartile of the peer group in the fourth quarter of 2019 and one-year time period, but in the second quartile over three-year trailing period. Trailing returns underperformed the custom peer group over the five- and ten-year trailing periods.
- 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 1 would indicate that the strategy exhibited the lowest standard deviation relative to the peer group, and a percentile rank of 99 would indicate that the strategy exhibited the highest standard deviation relative to the peer group.

Custom Peer Group: Wells Capital Tier One

Gross of Fees Returns as of 12/31/2019 <sup>1</sup>	4Q 2019 (%)	1 Year (%)	3 Year (%)	Since Inception <sup>2</sup> (%)
Tier One: Wells Capital Reserve Account	0.57	3.94	2.20	1.85
Peer Group Median Return	0.57	4.03	2.24	2.01
Peer Group Rank (percentile)	50	55	62	68

Standard Deviation as of 12/31/2019 <sup>3</sup>	3 Years (%)
Tier One: Wells Capital Reserve Account	0.85
Median Standard Deviation	0.83
Peer Group Rank (percentile)	54

- The Wells Capital Tier One portfolio performed in line with the custom short duration peer group over the fourth quarter. Trailing returns underperformed the custom peer group over the one-year, three-year and since inception time periods.
- Standard deviation falls in line with the peer median, ranking in the 54th percentile over the trailing three-year period.

<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 May 2016.

<sup>3</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.

### Custom Peer Group: MetLife Tier Two

Gross of Fees Returns as of 12/31/2019 <sup>1</sup>	4Q 2019 (%)	1 Year (%)	3 Years (%)	5 Years (%)
Tier Two: MetLife STAMP 1-5 Year	0.52	3.97	2.30	1.97
Peer Group Median Return	0.48	4.28	2.32	1.82
Peer Group Rank (percentile)	45	73	64	31

Standard Deviation as of 12/31/2019 <sup>2</sup>	3 Years (%)	5 Years (%)
Tier Two: MetLife STAMP 1-5 Year	1.02	1.21
Median Standard Deviation	1.15	1.24
Peer Group Rank (percentile)	22	46

- MetLife’s Tier Two portfolio outperformed the peer group in the fourth quarter of 2019 and over the trailing five-year period, but underperformed the trailing one- and three-year time periods.
- Standard deviation for the strategy ranks in the first and second quartiles of the peer group over the trailing three- and five-year periods, 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 MetLife 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 March 31, 2020. Attribution data fields will vary slightly across investment managers.

MetLife Tier One Performance Attribution<sup>1</sup>  
Gross of Fees as of 3/31/2020

Benchmark Relative Attribution (basis points)	ICE BofA Merrill Lynch 1-3 Year US Treasury		ICE BofA Merrill Lynch 1-3 Year AAA-A US Corp & Govt	
	1Q 2020	1 Year	1Q 2020	1 Year
Duration	-60	-100	-47	-87
Yield Curve	0	-7	0	-6
Sector Selection	-54	-33	-8	-2
Treasury	0	0	0	0
Agency	0	2	5	4
Corporate	-34	-20	7	9
Financial	-31	-20	-6	-3
Industrial	-3	-1	11	10
Utilities	0	1	2	2
MBS	0	1	0	1
CMBS	-5	-5	-5	-5
ABS	-5	-3	-5	-3
Municipal	-10	-8	-10	-8
Total Excess Return <sup>2</sup>	-114	-140	-56	-95
MetLife Tier One Return	167	402	167	402
Benchmark Return	281	542	223	497

<sup>1</sup> Performance attribution provided by MetLife.

<sup>2</sup> May not add to actual out/underperformance due to rounding.



Payden & Rygel Tier One Performance Attribution<sup>1</sup>  
Gross of Fees as of 3/31/2020

Benchmark Relative Attribution (basis points)	ICE BofA Merrill Lynch 1-3 Year US Treasury		ICE BofA Merrill Lynch 1-3 Year AAA-A US Corp & Govt	
	1Q 2020	1 Year	1Q 2020	1 Year
Duration	1	-2	2	0
Yield Curve	0	0	2	0
Sector Selection	-125	-105	-71	-63
Treasury	-1	0	-26	-23
Agency	-4	-4	1	1
Corporate	-68	-54	-14	-12
Financial	-45	-35	-12	-10
Industrial	-13	-10	5	4
Utilities	-10	-9	-7	-6
MBS	0	0	0	0
CMBS	0	0	0	0
ABS	-28	-25	-16	-15
Municipal	-24	-22	-16	-14
Residual	0	0	2	1
Total Excess Return <sup>2</sup>	-124	-107	-65	-62
Payden & Rygel Tier One Return	157	435	157	435
Benchmark Return	281	542	223	497

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

<sup>2</sup> May not add to actual out/underperformance due to rounding.

**Wells Capital Tier One Performance Attribution<sup>1</sup>**  
Gross of Fees as of 3/31/2020

Benchmark Relative Attribution (basis points)	ICE BofA Merrill Lynch 1-3 Year US Treasury		ICE BofA Merrill Lynch 1-3 Year AAA-A US Corp & Govt	
	1Q 2020	1 Year	1Q 2020	1 Year
Duration	-3	-8	-20	-26
Sector Selection	-119	-102	-44	-39
Treasury <sup>2</sup>	NA	NA	NA	NA
Agency	-5	-3	0	0
Corporate	-70	-57	-23	-17
Financial	-40	-32	-15	-12
Industrial	-29	-24	-9	-6
Utilities	-1	-1	0	0
MBS	0	-1	2	2
CMBS	0	0	0	0
ABS	-31	-27	-22	-21
Municipal	-13	-12	-1	-1
Error Factor	-1	-2	1	-2
<b>Total Excess Return<sup>3</sup></b>	<b>-122</b>	<b>-110</b>	<b>-64</b>	<b>-65</b>
<b>Wells Capital Tier One Return (%)</b>	<b>159</b>	<b>432</b>	<b>159</b>	<b>432</b>
<b>Benchmark Return (%)</b>	<b>281</b>	<b>542</b>	<b>223</b>	<b>497</b>

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

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

<sup>3</sup> May not add to actual out/underperformance due to rounding.

**MetLife Tier Two Performance Attribution<sup>1</sup>**  
**Gross of Fees as of 3/31/2020**

Benchmark Relative Attribution (basis points)	ICE BofA Merrill Lynch 1-5 Year US Treasury		ICE BofA Merrill Lynch 1-5 Year AAA-A US Corp & Govt	
	1Q 2020	1 Year	1Q 2020	1 Year
Duration	-61	-120	-47	-103
Yield Curve	0	-5	0	-4
Sector Selection	-98	-72	-29	-24
Treasury	0	0	0	0
Agency	-1	2	6	5
Corporate	-61	-44	0	1
Financial	-54	-40	-15	-13
Industrial	-6	-4	14	12
Utilities	-1	0	1	2
MBS	0	0	0	0
CMBS	-6	-4	-5	-4
ABS	-1	-1	-1	-1
Municipal	-29	-25	-29	-25
<b>Total Excess Return<sup>2</sup></b>	<b>-159</b>	<b>-197</b>	<b>-76</b>	<b>-131</b>
<b>MetLife Tier Two Return</b>	<b>221</b>	<b>489</b>	<b>221</b>	<b>489</b>
<b>Benchmark Return</b>	<b>380</b>	<b>686</b>	<b>297</b>	<b>620</b>

<sup>1</sup> Performance attribution provided by MetLife.

<sup>2</sup> May not add to actual out/underperformance due to rounding.

# Appendix

## Characteristics

## Tier One: Payden Low Duration | As of March 31, 2020

### 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>

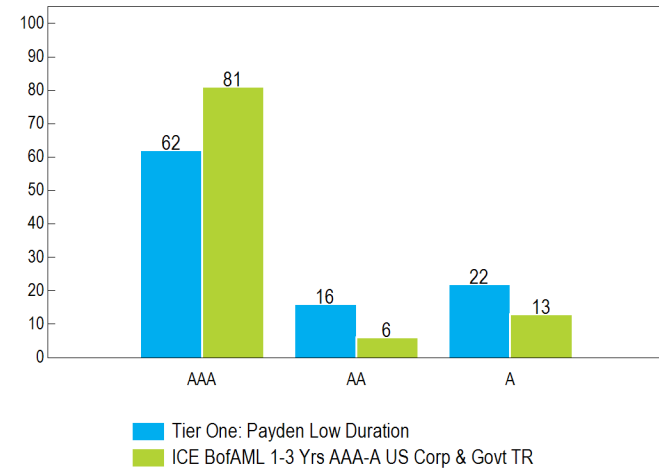
### Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier One: Payden Low Duration(Gross)	1.566	2.846	4.343	2.704	1.981	1.583	3.040	Jul-99
Tier One: Payden Low Duration(Net)	1.546	2.785	4.274	2.626	1.903	1.478	--	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	<i>2.808</i>	<i>3.933</i>	<i>5.441</i>	<i>2.705</i>	<i>1.851</i>	<i>1.434</i>	<i>2.964</i>	<i>Jul-99</i>
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>	<i>1.594</i>	<i>2.934</i>	<i>4.475</i>	<i>2.590</i>	<i>1.901</i>	<i>1.649</i>	<i>3.232</i>	<i>Jul-99</i>
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>	<i>2.225</i>	<i>3.467</i>	<i>4.991</i>	<i>2.687</i>	<i>1.908</i>	<i>1.587</i>	<i>3.150</i>	<i>Jul-99</i>

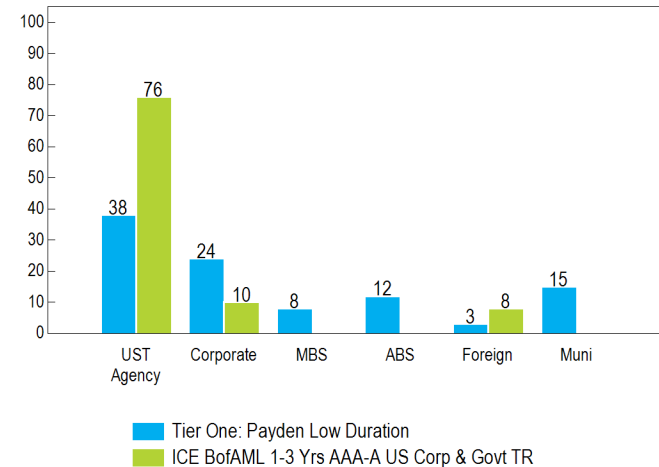
### Tier One: Payden Low Duration Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs AAA-A US Corp & Govt TR

	Portfolio Q1-20	Index Q1-20	Portfolio Q4-19
<b>Fixed Income Characteristics</b>			
Yield to Maturity	1.31	0.66	1.79
Average Duration	1.87	1.81	1.81
Average Quality	AA	AAA	AA

### Credit Quality Allocation



### US Sector Allocation



## Tier One: Wells Capital Reserve Account | As of March 31, 2020

### Account Information

Account Name	<b>Tier One: Wells Capital Reserve Account</b>
Account Structure	<b>Separate Account</b>
Investment Style	<b>Active</b>
Inception Date	<b>5/01/16</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>

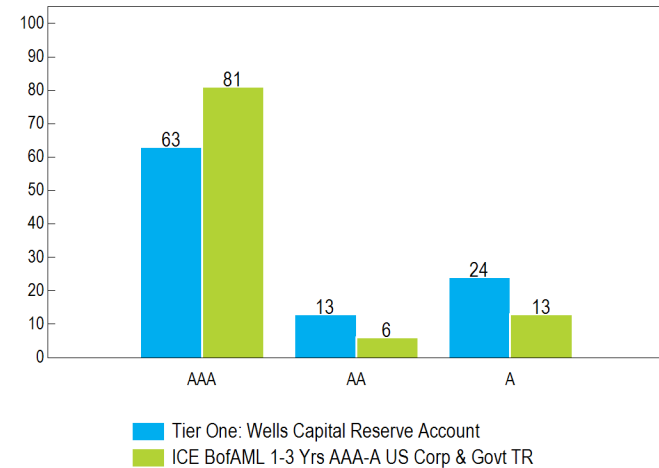
### Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier One: Wells Capital Reserve Account(Gross)	1.587	2.872	4.321	2.612	--	--	2.137	May-16
Tier One: Wells Capital Reserve Account(Net)	1.566	2.810	4.237	2.535	--	--	2.062	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	<i>2.808</i>	<i>3.933</i>	<i>5.441</i>	<i>2.705</i>	<i>1.851</i>	<i>1.434</i>	<i>2.120</i>	<i>May-16</i>
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>	<i>1.594</i>	<i>2.934</i>	<i>4.475</i>	<i>2.590</i>	<i>1.901</i>	<i>1.649</i>	<i>2.123</i>	<i>May-16</i>
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>	<i>2.225</i>	<i>3.467</i>	<i>4.991</i>	<i>2.687</i>	<i>1.908</i>	<i>1.587</i>	<i>2.153</i>	<i>May-16</i>

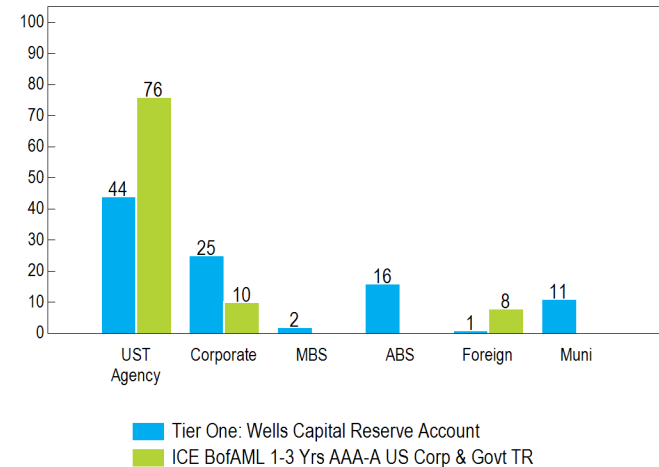
### Tier One: Wells Capital Reserve Account Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs AAA-A US Corp & Govt TR

Fixed Income Characteristics	Portfolio Q1-20	Index Q1-20	Portfolio Q4-19
Yield to Maturity	1.18	0.66	1.75
Average Duration	1.72	1.81	1.85
Average Quality	AA	AAA	AA

### Credit Quality Allocation



### US Sector Allocation



## Tier One: MetLife STAMP 1-3 Year | As of March 31, 2020

### Account Information

Account Name	<b>Tier One: MetLife STAMP 1-3 Year</b>
Account Structure	<b>Separate Account</b>
Investment Style	<b>Active</b>
Inception Date	<b>5/01/16</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>

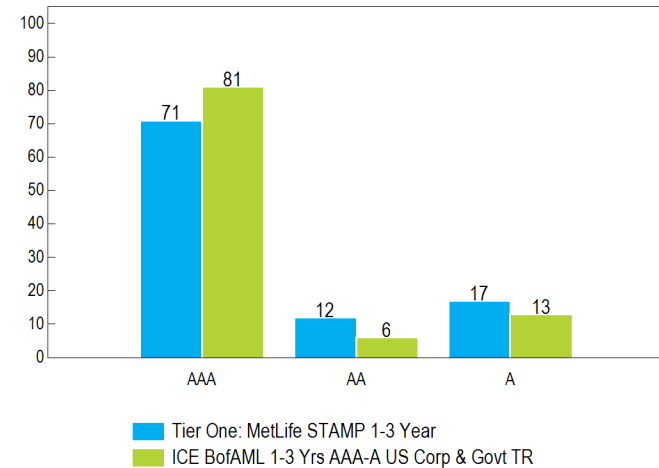
### Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier One: MetLife STAMP 1-3 Year(Gross)	1.674	2.905	4.011	2.552	--	--	2.089	May-16
Tier One: MetLife STAMP 1-3 Year(Net)	1.652	2.844	3.945	2.475	--	--	2.010	
<i>ICE BofAML 1-3 Yrs US Treasuries TR</i>	<i>2.808</i>	<i>3.933</i>	<i>5.441</i>	<i>2.705</i>	<i>1.851</i>	<i>1.434</i>	<i>2.120</i>	<i>May-16</i>
<i>ICE BofAML 1-3 Yrs US Corp &amp; Govt TR</i>	<i>1.594</i>	<i>2.934</i>	<i>4.475</i>	<i>2.590</i>	<i>1.901</i>	<i>1.649</i>	<i>2.123</i>	<i>May-16</i>
<i>ICE BofAML 1-3 Yrs AAA-A US Corp &amp; Govt TR</i>	<i>2.225</i>	<i>3.467</i>	<i>4.991</i>	<i>2.687</i>	<i>1.908</i>	<i>1.587</i>	<i>2.153</i>	<i>May-16</i>

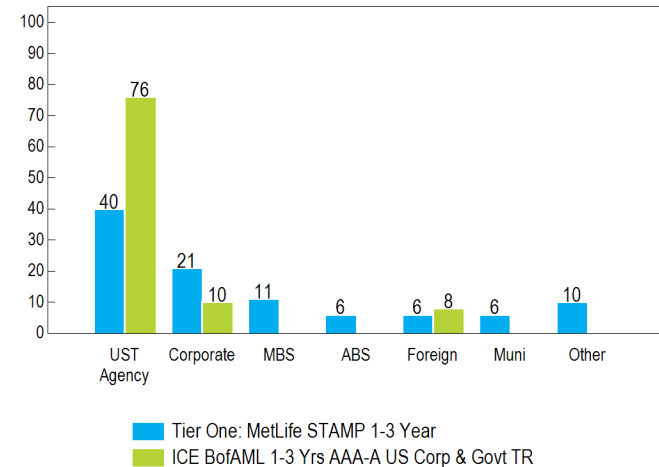
### Tier One: MetLife STAMP 1-3 Year Fixed Income Characteristics vs. ICE BofAML 1-3 Yrs AAA-A US Corp & Govt TR

Fixed Income Characteristics	Portfolio Q1-20	Index Q1-20	Portfolio Q4-19
Yield to Maturity	1.13	0.66	1.80
Average Duration	1.71	1.81	1.75
Average Quality	AA	AAA	AA

### Credit Quality Allocation



### US Sector Allocation





## Tier Two: MetLife STAMP 1-5 Year | As of March 31, 2020

### Account Information

Account Name	<b>Tier Two: MetLife STAMP 1-5 Year</b>
Account Structure	<b>Separate Account</b>
Investment Style	<b>Active</b>
Inception Date	<b>4/01/13</b>
Account Type	<b>US Fixed Income Short Term</b>
Benchmark	<b>ICE BofAML 1-5 Yrs US Treasuries TR</b>
Universe	<b>eV US Short Duration Fixed Inc Net</b>

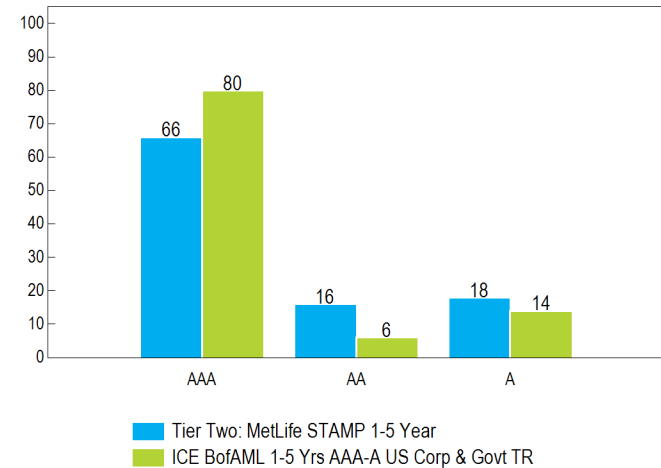
### Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier Two: MetLife STAMP 1-5 Year(Gross)	2.212	3.437	4.890	2.853	2.221	--	1.943	Apr-13
Tier Two: MetLife STAMP 1-5 Year(Net)	2.181	3.342	4.761	2.725	2.094	--	1.816	
<i>ICE BofAML 1-5 Yrs US Treasuries TR</i>	<i>3.800</i>	<i>4.951</i>	<i>6.879</i>	<i>3.267</i>	<i>2.256</i>	<i>2.014</i>	<i>1.868</i>	<i>Apr-13</i>
<i>ICE BofAML 1-5 Yrs US Corp &amp; Govt TR</i>	<i>1.954</i>	<i>3.433</i>	<i>5.426</i>	<i>3.050</i>	<i>2.269</i>	<i>2.260</i>	<i>1.981</i>	<i>Apr-13</i>
<i>ICE BofAML 1-5 Yrs AAA-A US Corp &amp; Govt TR</i>	<i>2.967</i>	<i>4.277</i>	<i>6.221</i>	<i>3.205</i>	<i>2.295</i>	<i>2.170</i>	<i>1.958</i>	<i>Apr-13</i>

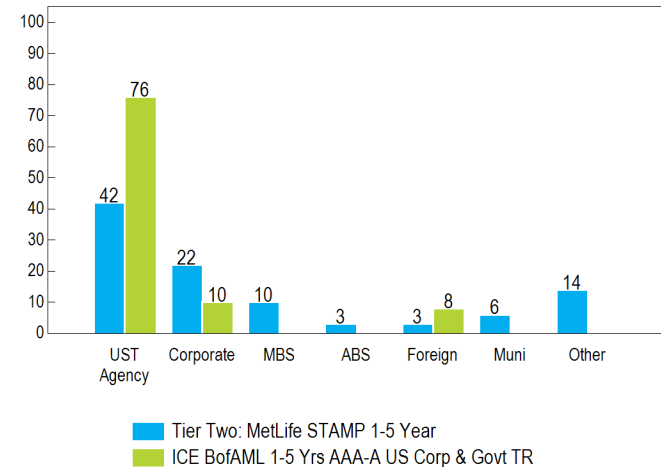
### Tier Two: MetLife STAMP 1-5 Year Fixed Income Characteristics vs. ICE BofAML 1-5 Yrs AAA-A US Corp & Govt TR

	Portfolio Q1-20	Index Q1-20	Portfolio Q4-19
<b>Fixed Income Characteristics</b>			
Yield to Maturity	1.09	0.71	1.82
Average Duration	2.49	2.57	2.49
Average Quality	AA	AAA	AA

### Credit Quality Allocation



### US Sector Allocation



## Holdings

**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of March 31, 2020

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	206,074.17	206,074.17	0.00	1.000	0.13%
<b>Total for Cash</b>			<b>206,074.17</b>	<b>206,074.17</b>	<b>0.00</b>		<b>0.13%</b>
<b>Treasuries</b>							
1,662,000.000	U.S. TREASURY NOTE Mat: 1/15/22 Cpn: 2.50% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/22/20 St Date: 1/23/20	9128285V8	1,694,870.54 1,751.52	1,729,745.98 8,789.42	34,875.44	104.076	1.10%
3,445,000.000	U.S. TREASURY NOTE Mat: 1/31/22 Cpn: 1.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/9/20 St Date: 1/10/20	912828V72	3,467,799.35 28,610.82	3,549,359.28 10,824.78	81,559.93	103.029	2.26%
6,021,000.000	U.S. TREASURY NOTE Mat: 5/15/22 Cpn: 2.13% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/26/20 St Date: 2/27/20	9128286U9	6,149,560.71 36,556.07	6,261,369.64 48,507.09	111,808.93	103.992	4.00%
15,294,000.000	U.S. TREASURY NOTE Mat: 11/15/22 Cpn: 1.63% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/21/19 St Date: 11/22/19	912828TY6	15,298,666.00 9,376.65	15,834,069.38 94,221.96	535,403.38	103.531	10.09%
2,335,000.000	U.S. TREASURY NOTE Mat: 1/15/23 Cpn: 1.50% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/15/20 St Date: 1/16/20	912828Z29	2,339,669.53 1,386.06	2,414,535.94 7,409.13	74,866.41	103.406	1.53%
7,510,000.000	U.S. TREASURY NOTE Mat: 2/15/23 Cpn: 1.38% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/28/20 St Date: 3/2/20	912828Z86	7,629,346.80 4,664.50	7,747,327.72 13,049.66	117,980.92	103.160	4.92%
3,432,000.000	U.S. TREASURY NOTE Mat: 2/28/23 Cpn: 1.50% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 3/13/20 St Date: 3/16/20	912828P79	3,519,810.94 2,238.26	3,553,594.70 4,476.52	33,783.76	103.543	2.25%
741,000.000	U.S. TREASURY NOTE Mat: 5/31/23 Cpn: 2.75% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/10/20 St Date: 1/13/20	9128284S6	768,985.11 2,449.75	798,224.88 6,848.18	29,239.77	107.723	0.51%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
5,005,000.000	U.S. TREASURY NOTE Mat: 7/31/23 Cpn: 2.75% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 3/11/20 St Date: 3/12/20	912828Y61	5,345,590.25 15,503.13	5,409,505.65 23,065.63	63,915.40	108.082	3.44%
<b>Total for Treasuries</b>			<b>46,214,299.22</b> <b>102,536.76</b>	<b>47,297,733.16</b> <b>217,192.37</b>	<b>1,083,433.94</b>		<b>30.10%</b>

**Government Related**

910,000.000	INTL FINANCE CORP Mat: 1/25/21 Cpn: 2.25% Moody's: Aaa S&P: AAA Fitch: Tr Date: 1/18/18 St Date: 1/25/18	45950KCM0	907,324.60 0.00	923,243.10 3,753.75	15,918.50	101.455	0.59%
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	1,389,623.12 7,012.50	42,782.12	102.935	0.88%
1,560,000.000	IBRD C 1/27/21 1X Mat: 1/27/23 Cpn: 1.75% Moody's: Aaa S&P: AAA Fitch: Tr Date: 1/24/20 St Date: 1/28/20	45905U5U4	1,560,000.00 75.83	1,574,436.80 4,853.33	14,436.80	100.925	1.00%
840,000.000	INTL BANK RECON & DEVELOP Mat: 12/12/24 Cpn: 2.00% Moody's: Aaa S&P: AAA Fitch: Tr Date: 3/31/20 St Date: 4/1/20	45905U5S9	845,863.20 5,086.67	845,863.20 5,086.67	0.00	100.698	0.54%
<b>Total for Government Related</b>			<b>4,660,028.80</b> <b>5,162.50</b>	<b>4,733,166.23</b> <b>20,706.25</b>	<b>73,137.43</b>		<b>3.01%</b>

**Agencies**

280,000.000	HOUSING URBAN DEVELOPMENT Mat: 8/1/21 Cpn: 2.57% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 3/20/19 St Date: 3/28/19	911759MU9	280,000.00 0.00	287,810.14 1,199.33	7,810.14	102.789	0.18%
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	1,861,394.02 25,209.17	72,557.52	103.989	1.20%
1,340,000.000	FHLB Mat: 11/19/21 Cpn: 1.63% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 11/7/19 St Date: 11/8/19	3130AHJY0	1,337,708.60 0.00	1,366,272.15 8,649.51	28,563.55	101.961	0.87%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,710,000.000	FNMA Mat: 9/6/22 Cpn: 1.38% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 9/5/19 St Date: 9/6/19	3135G0W33	1,704,049.20	0.00	1,750,809.32 1,632.81	46,760.12	102.387	1.11%
1,560,000.000	FNMA C 7/30/20 Q Mat: 1/30/23 Cpn: 1.75% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 1/28/20 St Date: 1/30/20	3135G0X73	1,560,000.00	0.00	1,563,532.39 4,625.83	3,532.39	100.226	0.99%
1,530,000.000	FFCB Mat: 7/13/23 Cpn: 1.78% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 1/29/20 St Date: 1/30/20	3133ELGR9	1,529,617.50	1,286.05	1,530,540.14 5,900.70	922.64	100.035	0.97%
435,000.000	FHLB Mat: 8/15/24 Cpn: 1.50% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 8/15/19 St Date: 8/16/19	3130AGWK7	433,977.75	0.00	453,730.15 833.75	19,752.40	104.306	0.29%
1,430,000.000	FHLB C 7/21/20 Q Mat: 1/21/25 Cpn: 2.00% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 1/23/20 St Date: 1/24/20	3130AHWB5	1,430,000.00	238.33	1,431,643.18 5,561.11	1,643.18	100.115	0.91%
1,530,000.000	FHLMC C 5/6/20 Q Mat: 2/6/25 Cpn: 1.97% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/6/20 St Date: 2/7/20	3134GU7H7	1,530,000.00	83.73	1,531,303.84 4,604.88	1,303.84	100.085	0.97%
<b>Total for Agencies</b>			<b>11,594,189.55</b>	<b>1,608.11</b>	<b>11,777,035.32</b> <b>58,217.10</b>	<b>182,845.77</b>		<b>7.50%</b>

**Taxable Muni**

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	285,220.79 2,252.39	3,674.99	100.078	0.18%
690,000.000	CA ST HSG FIN AGY REV-TXBL Mat: 8/1/20 Cpn: 2.30% Moody's: A1 S&P: AA Fitch: Tr Date: 6/21/17 St Date: 6/29/17	13034PZF7	690,000.00	0.00	693,510.33 2,645.00	3,510.33	100.509	0.44%
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	851,901.79 2,833.33	3,015.29	100.224	0.54%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of March 31, 2020

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	551,065.58 2,070.75	1,065.58	100.194	0.35%
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	220,438.88 459.18	438.88	100.200	0.14%
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	311,054.25 3,100.00	3,149.85	100.340	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	502,084.24 6,497.06	2,084.24	100.417	0.32%
310,000.000	CA CENTURY HOUSING CORP TXB Mat: 11/1/20 Cpn: 3.82% Moody's: S&P: AA- Fitch: Tr Date: 2/1/19 St Date: 2/7/19	156549AA5	310,000.00 0.00	312,149.48 4,939.33	2,149.48	100.693	0.20%
350,000.000	CA LOS ANGELES MUNI IMPT CORP LEASE TXB Mat: 11/1/20 Cpn: 3.15% Moody's: S&P: AA- Fitch: AA- Tr Date: 4/26/17 St Date: 5/1/17	544587C30	360,734.50 0.00	352,232.23 4,587.92	(8,502.27)	100.638	0.23%
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	752,436.79 2,435.91	1,443.19	102.372	0.48%
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	413,440.14 4,626.85	3,440.14	100.839	0.26%
1,400,000.000	CA STATE GO/ULT TXBL Mat: 4/1/21 Cpn: 2.80% Moody's: Aa2 S&P: AA- Fitch: AA Tr Date: 4/18/18 St Date: 4/25/18	13063DGA0	1,400,056.00 0.00	1,418,284.74 19,600.00	18,228.74	101.306	0.91%
292,851.981	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	289,902.96 2,020.56	293,219.12 2,090.23	3,316.16	100.125	0.19%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,100,000.000	CA SAN FRANCISCO AIRPORT COMMN TXB Mat: 5/1/21 Cpn: 2.93% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 1/11/19 St Date: 2/7/19	79766DLQ0	1,100,000.00 0.00	1,113,416.66 13,415.42	13,416.66	101.220	0.71%
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	555,705.95 6,276.58	10,705.95	101.964	0.36%
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	454,516.82 1,860.00	13,633.82	101.004	0.29%
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	458,520.48 1,125.00	11,805.48	101.893	0.29%
1,025,000.000	CA LA QUINTA REDEV AGY TAB TXB Mat: 9/1/21 Cpn: 4.45% Moody's: S&P: AA Fitch: Tr Date: 4/30/19 St Date: 5/2/19	50420BBD3	1,067,814.25 7,728.78	1,064,923.75 3,801.04	(2,890.50)	103.895	0.68%
520,000.000	CA OAKLAND REDEV AGY PRE-21 TXB Mat: 9/1/21 Cpn: 9.25% Moody's: WR S&P: AA- Fitch: Tr Date: 5/24/18 St Date: 5/29/18	67232PBB8	618,259.20 11,757.78	583,203.10 4,008.33	(35,056.10)	112.154	0.37%
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	222,082.29 497.99	2,082.29	100.947	0.14%
330,000.000	CT STATE GO/ULT TXB Mat: 10/15/21 Cpn: 2.40% Moody's: A1 S&P: A Fitch: A+ Tr Date: 6/13/19 St Date: 6/17/19	20772JKP6	330,594.00 1,364.57	334,942.90 3,653.52	4,348.90	101.498	0.21%
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	568,163.95 7,731.17	8,163.95	101.458	0.36%
540,000.000	HI STATE GO/ULT TXB Mat: 1/1/22 Cpn: 2.77% Moody's: Aa1 S&P: AA+ Fitch: AA+ Tr Date: 2/7/19 St Date: 2/21/19	419792YL4	540,000.00 0.00	549,530.99 3,739.50	9,530.99	101.765	0.35%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

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Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
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	660,440.48 3,788.80	20,440.48	103.194	0.42%
655,000.000	CA STATE GO/ULT-TXBL BABS Mat: 3/1/22 Cpn: 6.65% Moody's: Aa2 S&P: AA- Fitch: AA Tr Date: 7/16/19 St Date: 7/18/19	13063BFS6	715,364.80 16,576.05	701,454.77 3,629.79	(13,910.03)	107.092	0.45%
930,000.000	CA SAN FRANCISCO AIRPORT COMMN TXB Mat: 5/1/22 Cpn: 3.05% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 1/11/19 St Date: 2/7/19	79766DLR8	930,000.00 0.00	952,953.63 11,803.25	22,953.63	102.468	0.61%
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	842,973.47 10,170.00	20,095.27	102.802	0.54%
1,500,000.000	CA HEALTH FACS-NO PLACE LIKE HOME-TXB Mat: 6/1/22 Cpn: 1.89% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 11/20/19 St Date: 11/25/19	13032UUZ9	1,500,000.00 0.00	1,496,084.97 9,938.25	(3,915.03)	99.739	0.95%
500,000.000	CA MANTECA REDEV AGY TAB TXB Mat: 10/1/22 Cpn: 1.64% Moody's: S&P: AA Fitch: Tr Date: 2/20/20 St Date: 2/28/20	56453RAW4	500,000.00 0.00	506,438.60 751.67	6,438.60	101.288	0.32%
435,000.000	CA PALM DESERT REDEV AGY TAB TXB Mat: 10/1/22 Cpn: 2.75% Moody's: S&P: AA Fitch: Tr Date: 7/23/19 St Date: 7/25/19	696624AV7	442,577.70 3,788.13	446,404.48 5,981.25	3,826.78	102.622	0.29%
1,470,000.000	CA BAY AREA TOLL AUTH TOLL BRDG REV TXB Mat: 4/1/23 Cpn: 2.18% Moody's: Aa3 S&P: AA Fitch: AA Tr Date: 9/20/19 St Date: 9/26/19	072024WN8	1,470,000.00 0.00	1,509,871.87 16,498.30	39,871.87	102.712	0.97%
320,000.000	CA BAY AREA TOLL AUTH TOLL BRDG REV TXB Mat: 4/1/23 Cpn: 2.23% Moody's: A1 S&P: AA- Fitch: AA- Tr Date: 9/20/19 St Date: 9/26/19	072024WX6	320,000.00 0.00	322,122.78 3,673.69	2,122.78	100.663	0.21%
570,000.000	CT STATE OF CONNECTICUT TXB Mat: 4/15/23 Cpn: 2.92% Moody's: A1 S&P: A Fitch: A+ Tr Date: 3/29/19 St Date: 4/11/19	20772KGM5	570,000.00 0.00	593,090.02 7,677.36	23,090.02	104.051	0.38%





**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
370,000.000	CA ALAMEDA CNTY JT PWR AUTH LEASE TXB Mat: 6/1/23 Cpn: 3.10% Moody's: Aa1 S&P: AA+ Fitch: AA+ Tr Date: 2/13/20 St Date: 2/18/20	010831DQ5	386,298.50 2,449.35	383,366.60 3,817.17	(2,931.90)	103.613	0.25%
1,110,000.000	CA LOS ALTOS SCH DIST GO BANS TXB Mat: 8/1/23 Cpn: 2.14% Moody's: MIG1 S&P: SP-1+ Fitch: Tr Date: 9/27/19 St Date: 10/17/19	544290JC4	1,110,000.00 0.00	1,113,750.16 3,964.55	3,750.16	100.338	0.71%
300,000.000	MA STATE WATER RES AUTH-GREEN TXB Mat: 8/1/23 Cpn: 1.77% Moody's: Aa1 S&P: AA+ Fitch: AA+ Tr Date: 10/10/19 St Date: 11/1/19	576051VW3	300,000.00 0.00	303,626.47 886.00	3,626.47	101.209	0.19%
1,050,000.000	CA SAN BERNARDINO CCD TXB Mat: 8/1/23 Cpn: 1.96% Moody's: Aa1 S&P: AA Fitch: Tr Date: 11/21/19 St Date: 12/12/19	796720MF4	1,050,000.00 0.00	1,075,565.72 3,437.00	25,565.72	102.435	0.68%
<b>Total for Taxable Muni</b>			<b>23,546,408.41</b> <b>62,391.77</b>	<b>23,770,189.24</b> <b>190,263.60</b>	<b>223,780.83</b>		<b>15.18%</b>

**Credit**

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	681,157.15 6,321.03	(2,952.35)	99.439	0.44%
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	756,094.00 5,709.69	1,569.65	100.145	0.48%
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	504,391.48 3,428.39	(260.08)	99.880	0.32%
500,000.000	AVALONBAY COMMUNITIES FRN Mat: 1/15/21 Cpn: 2.26% Moody's: A3 S&P: A- Fitch: Tr Date: 5/3/18 St Date: 5/7/18	05348EBD0	500,156.20 1,466.78	492,142.50 2,418.28	(8,013.70)	98.429	0.31%
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	714,167.70 3,416.88	5,126.20	100.587	0.45%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

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Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
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	681,595.55 9,418.75	(3,335.95)	99.503	0.44%
725,000.000	US BANK CINCINNATI FRN Mat: 4/26/21 Cpn: 2.11% Moody's: A1 S&P: AA- Fitch: AA- Tr Date: 4/24/18 St Date: 4/26/18	90331HNQ2	725,000.00 0.00	714,061.93 2,767.45	(10,938.08)	98.491	0.45%
85,000.000	BNY MELLON Mat: 5/3/21 Cpn: 2.05% Moody's: A1 S&P: A Fitch: AA- Tr Date: 7/30/19 St Date: 8/1/19	06406FAB9	84,758.60 425.94	85,449.65 716.36	691.05	100.529	0.05%
300,000.000	PACCAR FINANCIAL FRN Mat: 5/10/21 Cpn: 1.99% Moody's: A1 S&P: A+ Fitch: Tr Date: 5/7/18 St Date: 5/10/18	69371RP34	300,000.00 0.00	287,805.90 847.51	(12,194.10)	95.935	0.18%
1,030,000.000	CITIZENS BANK Mat: 5/13/21 Cpn: 2.55% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 7/25/19 St Date: 7/29/19	17401QAE1	1,032,575.00 5,544.83	1,029,557.10 10,068.25	(3,017.90)	99.957	0.66%
500,000.000	AMERICAN EXPRESS FRN Mat: 5/17/21 Cpn: 2.22% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 5/14/18 St Date: 5/17/18	025816BV0	500,000.00 0.00	486,531.50 1,323.89	(13,468.50)	97.306	0.31%
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	263,183.43 3,445.00	(4,434.78)	99.315	0.17%
620,000.000	JPMORGAN CHASE FRN Mat: 6/1/21 Cpn: 2.26% Moody's: A2 S&P: A- Fitch: AA- Tr Date: 5/23/17 St Date: 6/1/17	46647PAG1	620,000.00 0.00	612,464.19 1,167.86	(7,535.81)	98.785	0.39%
845,000.000	BANK OF AMERICA Mat: 7/21/21 Cpn: 2.37% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 7/18/17 St Date: 7/21/17	06051GGP8	845,000.00 0.00	844,180.35 3,892.40	(819.65)	99.903	0.54%
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	771,470.70 4,836.03	1,470.70	100.191	0.49%



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Portfolio 2481

**Portfolio Positions**

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Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
180,000.000	CITIGROUP Mat: 8/2/21 Cpn: 2.35% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 7/25/19 St Date: 7/29/19	172967KV2	179,911.80 2,079.75	180,348.30 693.25	436.50	100.194	0.11%
775,000.000	NEXTERA ENERGY CAPITAL Mat: 9/1/21 Cpn: 2.40% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 8/28/19 St Date: 8/30/19	65339KAS9	779,960.00 1,138.09	774,821.75 1,551.94	(5,138.25)	99.977	0.49%
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	744,337.20 1,533.00	14,899.30	101.964	0.47%
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	498,128.12 893.23	8,280.02	101.659	0.32%
360,000.000	BANK OF AMERICA Mat: 10/1/21 Cpn: 2.33% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 9/13/17 St Date: 9/18/17	06051GGS2	360,000.00 0.00	359,497.80 4,190.40	(502.20)	99.861	0.23%
325,000.000	HONEYWELL INTL Mat: 11/1/21 Cpn: 1.85% Moody's: A2 S&P: A Fitch: A Tr Date: 7/30/19 St Date: 8/1/19	438516BM7	322,686.35 1,503.13	325,747.50 2,505.21	3,061.15	100.230	0.21%
800,000.000	MORGAN STANLEY Mat: 11/17/21 Cpn: 2.63% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 7/19/19 St Date: 7/23/19	61746BED4	803,872.00 3,850.00	803,608.00 7,816.67	(264.00)	100.451	0.51%
126,000.000	MORGAN STANLEY FRN Mat: 1/20/22 Cpn: 3.00% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 3/3/17 St Date: 3/8/17	61746BEE2	127,401.12 363.56	125,366.47 745.28	(2,034.65)	99.497	0.08%
740,000.000	NATL RURAL UTILITIES Mat: 1/21/22 Cpn: 1.75% Moody's: A2 S&P: A Fitch: A Tr Date: 1/22/20 St Date: 2/5/20	63743HET5	739,348.80 0.00	740,943.50 2,014.44	1,594.70	100.128	0.47%
800,000.000	US BANK CINCINNATI Mat: 1/21/22 Cpn: 1.80% Moody's: A1 S&P: AA- Fitch: AA- Tr Date: 1/16/20 St Date: 1/21/20	90331HPJ6	799,720.00 0.00	799,916.00 2,800.00	196.00	99.990	0.51%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

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Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
680,000.000	BANK OF AMERICA Mat: 1/23/22 Cpn: 2.74% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 1/18/18 St Date: 1/23/18	06051GGY9	680,000.00 0.00	678,830.40 3,516.81	(1,169.60)	99.828	0.43%
650,000.000	PACIFICORP Mat: 2/1/22 Cpn: 2.95% Moody's: A1 S&P: A+ Fitch: WD Tr Date: 7/26/19 St Date: 7/30/19	695114CP1	660,484.50 9,534.24	656,100.25 3,195.83	(4,384.25)	100.939	0.42%
121,000.000	WELLS FARGO FRN Mat: 2/11/22 Cpn: 2.66% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 2/6/17 St Date: 2/13/17	949746SP7	121,000.00 0.00	118,705.32 447.18	(2,294.68)	98.104	0.08%
650,000.000	WELLS FARGO Mat: 3/8/22 Cpn: 3.50% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 7/29/19 St Date: 7/31/19	94974BFC9	668,089.50 9,036.81	663,617.50 1,453.47	(4,472.00)	102.095	0.42%
660,000.000	AMERIPRISE FINANCIAL Mat: 3/22/22 Cpn: 3.00% Moody's: A3 S&P: A Fitch: Tr Date: 3/12/19 St Date: 3/22/19	03076CAJ5	658,320.30 0.00	672,375.00 495.00	14,054.70	101.875	0.43%
510,000.000	CITIGROUP FRN Mat: 4/25/22 Cpn: 2.75% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 4/18/17 St Date: 4/25/17	172967LH2	510,000.00 0.00	494,324.88 2,536.09	(15,675.12)	96.926	0.31%
500,000.000	NATL RURAL UTILITIES Mat: 4/25/22 Cpn: 2.40% Moody's: A1 S&P: A Fitch: A+ Tr Date: 7/30/19 St Date: 8/1/19	637432NM3	503,355.00 3,200.00	478,165.00 5,200.00	(25,190.00)	95.633	0.31%
460,000.000	BANK OF AMERICA Mat: 5/17/22 Cpn: 3.50% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 5/14/18 St Date: 5/17/18	06051GHH5	460,000.00 0.00	465,874.20 5,991.07	5,874.20	101.277	0.30%
785,000.000	TRUIST BANK Mat: 5/17/22 Cpn: 2.80% Moody's: A2 S&P: A Fitch: A+ Tr Date: 5/14/19 St Date: 5/17/19	86787EBE6	784,599.65 0.00	797,230.30 8,181.44	12,630.65	101.558	0.51%
620,000.000	AMERICAN EXPRESS Mat: 5/20/22 Cpn: 2.75% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 5/15/19 St Date: 5/20/19	025816CD9	619,256.00 0.00	630,177.30 6,204.31	10,921.30	101.642	0.40%



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Portfolio 2481

**Portfolio Positions**

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Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
375,000.000	CITIBANK Mat: 5/20/22 Cpn: 2.84% Moody's: Aa3 S&P: A+ Fitch: A+ Tr Date: 7/29/19 St Date: 7/31/19	17325FAY4	377,793.75	2,044.13	375,416.25	(2,377.50)	100.111	0.24%
175,000.000	RYDER SYSTEM Mat: 6/1/22 Cpn: 2.88% Moody's: Baa1 S&P: BBB Fitch: BBB+ Tr Date: 5/15/19 St Date: 5/22/19	78355HKM0	174,898.50	0.00	175,685.13	786.63	100.392	0.11%
580,000.000	JOHN DEERE CAPITAL CORP Mat: 6/13/22 Cpn: 1.95% Moody's: A2 S&P: A Fitch: A Tr Date: 9/9/19 St Date: 9/12/19	24422EVA4	579,251.80	0.00	576,692.26	(2,559.54)	99.430	0.37%
775,000.000	FIFTH THIRD BANK Mat: 6/15/22 Cpn: 2.60% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 12/12/19 St Date: 12/16/19	316773CU2	783,021.25	55.97	766,644.73	(16,376.53)	98.922	0.49%
920,000.000	PNC BANK Mat: 7/22/22 Cpn: 2.23% Moody's: A2 S&P: A Fitch: A+ Tr Date: 7/18/19 St Date: 7/23/19	69353RFP8	920,000.00	0.00	921,090.20	1,090.20	100.119	0.59%
405,000.000	HONEYWELL Mat: 8/8/22 Cpn: 2.15% Moody's: A2 S&P: A Fitch: A Tr Date: 7/30/19 St Date: 8/8/19	438516BT2	404,590.95	0.00	409,165.83	4,574.88	101.029	0.26%
550,000.000	PACCAR FINANCIAL Mat: 8/10/22 Cpn: 2.30% Moody's: A1 S&P: A+ Fitch: Tr Date: 7/12/19 St Date: 7/16/19	69371RN77	550,335.50	5,481.67	554,017.75	3,682.25	100.731	0.35%
290,000.000	BNY MELLON Mat: 8/23/22 Cpn: 1.95% Moody's: A1 S&P: A Fitch: AA- Tr Date: 8/20/19 St Date: 8/23/19	06406RAK3	289,907.20	0.00	291,761.75	1,854.55	100.608	0.19%
410,000.000	WALT DISNEY COMPANY Mat: 9/1/22 Cpn: 1.65% Moody's: A2 S&P: A Fitch: A Tr Date: 9/3/19 St Date: 9/6/19	254687FJ0	409,110.30	0.00	412,683.45	3,573.15	100.655	0.26%
545,000.000	CATERPILLAR FINANCIAL Mat: 9/6/22 Cpn: 1.90% Moody's: A3 S&P: A Fitch: A Tr Date: 9/3/19 St Date: 9/6/19	14913Q3A5	544,242.45	0.00	542,852.70	(1,389.75)	99.606	0.34%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
430,000.000	KEYBANK Mat: 9/14/22 Cpn: 2.30% Moody's: A3 S&P: A- Fitch: A- Tr Date: 8/15/19 St Date: 8/19/19	49327M2T0	433,091.70 4,258.19	431,098.65 467.03	(1,993.05)	100.256	0.27%
285,000.000	PACCAR FINANCIAL Mat: 9/26/22 Cpn: 2.00% Moody's: A1 S&P: A+ Fitch: Tr Date: 9/23/19 St Date: 9/26/19	69371RQ33	284,652.30 0.00	282,641.63 79.17	(2,010.68)	99.173	0.18%
730,000.000	GOLDMAN SACHS FRN Mat: 10/31/22 Cpn: 2.56% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 11/14/17 St Date: 11/16/17	38148YAB4	729,284.60 700.83	703,514.14 3,163.03	(25,770.46)	96.372	0.45%
475,000.000	CITIGROUP Mat: 11/4/22 Cpn: 2.31% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 10/28/19 St Date: 11/4/19	17308CC46	475,000.00 0.00	475,617.50 4,484.32	617.50	100.130	0.30%
655,000.000	PNC BANK Mat: 12/9/22 Cpn: 2.03% Moody's: A2 S&P: A Fitch: A+ Tr Date: 12/4/19 St Date: 12/9/19	69353RFS2	655,000.00 0.00	653,297.00 4,132.61	(1,703.00)	99.740	0.42%
800,000.000	WAL-MART STORES Mat: 12/15/22 Cpn: 2.35% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 3/6/20 St Date: 3/10/20	931142DU4	827,264.00 4,438.89	823,076.00 5,535.56	(4,188.00)	102.885	0.52%
800,000.000	PRECISION CASTPARTS Mat: 1/15/23 Cpn: 2.50% Moody's: A2 S&P: AA- Fitch: Tr Date: 7/30/19 St Date: 8/1/19	740189AG0	806,160.00 888.89	805,456.00 4,222.22	(704.00)	100.682	0.51%
865,000.000	BNY MELLON Mat: 1/27/23 Cpn: 1.85% Moody's: A1 S&P: A Fitch: AA- Tr Date: 1/21/20 St Date: 1/28/20	06406RAM9	864,394.50 0.00	866,366.70 2,800.44	1,972.20	100.158	0.55%
595,000.000	CAPITAL ONE Mat: 1/27/23 Cpn: 2.01% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 1/23/20 St Date: 1/28/20	14042TCS4	595,000.00 0.00	581,877.28 2,097.08	(13,122.73)	97.795	0.37%
570,000.000	FIFTH THIRD BANK Mat: 1/30/23 Cpn: 1.80% Moody's: A3 S&P: A- Fitch: A- Tr Date: 1/28/20 St Date: 1/31/20	31677QBS7	569,521.20 0.00	566,477.40 1,738.50	(3,043.80)	99.382	0.36%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
430,000.000	ADOBE Mat: 2/1/23 Cpn: 1.70% Moody's: A2 S&P: A Fitch: Tr Date: 1/22/20 St Date: 2/3/20	00724PAA7	429,410.90 0.00	433,932.35 1,177.72	4,521.45	100.915	0.28%
610,000.000	HUNTINGTON NATL BANK Mat: 2/3/23 Cpn: 1.80% Moody's: A3 S&P: A- Fitch: A- Tr Date: 1/28/20 St Date: 2/4/20	44644MAA9	609,487.60 0.00	599,212.15 1,738.50	(10,275.45)	98.232	0.38%
435,000.000	PNC BANK Mat: 2/24/23 Cpn: 1.74% Moody's: A2 S&P: A Fitch: A+ Tr Date: 2/20/20 St Date: 2/25/20	69353RFT0	435,000.00 0.00	416,612.55 758.21	(18,387.45)	95.773	0.26%
790,000.000	TRUIST BANK Mat: 3/9/23 Cpn: 1.25% Moody's: A2 S&P: A Fitch: A+ Tr Date: 3/4/20 St Date: 3/9/20	89788JAB5	789,447.00 0.00	773,729.95 603.47	(15,717.05)	97.941	0.49%
985,000.000	DUKE ENERGY CAROLINAS Mat: 3/15/23 Cpn: 2.50% Moody's: Aa2 S&P: A Fitch: WD Tr Date: 7/29/19 St Date: 7/31/19	26442CAQ7	995,766.05 9,302.78	998,834.33 1,094.44	3,068.28	101.405	0.63%
775,000.000	TRUIST FIN CORP Mat: 3/16/23 Cpn: 2.20% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 9/9/19 St Date: 9/16/19	05531FBJ1	774,426.50 0.00	775,038.75 710.42	612.25	100.005	0.49%
375,000.000	JPMORGAN CHASE Mat: 4/1/23 Cpn: 3.21% Moody's: A2 S&P: A- Fitch: AA- Tr Date: 3/15/19 St Date: 3/22/19	46647PBB1	375,000.00 0.00	381,810.00 6,013.13	6,810.00	101.816	0.25%
200,000.000	JOHN DEERE CAPITAL CORP Mat: 4/6/23 Cpn: 1.20% Moody's: A2 S&P: A Fitch: A Tr Date: 3/4/20 St Date: 3/9/20	24422EVE6	199,952.00 0.00	195,990.00 146.67	(3,962.00)	97.995	0.12%
780,000.000	COMERICA Mat: 7/31/23 Cpn: 3.70% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 2/19/20 St Date: 2/21/20	200340AS6	826,807.80 1,683.50	802,113.00 4,890.17	(24,694.80)	102.835	0.51%
250,000.000	FIRST REPUBLIC BANK Mat: 2/12/24 Cpn: 1.91% Moody's: Baa1 S&P: A- Fitch: A- Tr Date: 2/5/20 St Date: 2/12/20	33616CHQ6	250,000.00 0.00	240,911.25 650.61	(9,088.75)	96.365	0.15%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
50,000.000	NIKE Mat: 3/27/25 Cpn: 2.40% Moody's: A1 S&P: AA- Fitch: Tr Date: 3/25/20 St Date: 3/27/20	654106AH6	49,932.00	0.00	52,021.50	2,089.50	104.043	0.03%
385,000.000	ORACLE Mat: 4/1/25 Cpn: 2.50% Moody's: S&P: A+ Fitch: Tr Date: 3/30/20 St Date: 4/1/20	68389XBT1	384,857.55	0.00	389,594.98	4,737.43	101.194	0.25%
<b>Total for Credit</b>			<b>37,372,264.82</b>	<b>70,672.66</b>	<b>37,207,601.03</b>	<b>(164,663.79)</b>		<b>23.69%</b>

**Mortgage-Backed**

627,659.635	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	625,564.01	634.75	627,576.78	2,012.77	99.987	0.40%
184,058.070	FNA 2011-M5 A2 CMBS 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	183,022.74	405.85	187,641.31	4,618.57	101.947	0.12%
396,278.759	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	404,161.14	1,136.44	402,607.73	(1,553.41)	101.597	0.26%
1,200,000.000	FHMS K020 A2 CMBS Mat: 5/25/22 Cpn: 2.37% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/25/19 St Date: 7/30/19	3137ATRW4	1,220,943.75	1,467.31	1,229,862.00	8,918.25	102.489	0.78%
541,541.515	FNA 2013-M1 A2 CMBS Mat: 8/25/22 Cpn: 2.36% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/28/19 St Date: 10/31/19	3136ABPW7	545,180.00	1,067.13	554,857.48	9,677.48	102.459	0.35%
1,540,000.000	FHMS KSMC A2 CMBS Mat: 1/25/23 Cpn: 2.62% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/24/20 St Date: 2/27/20	3137B04Y7	1,580,425.00	2,908.46	1,615,592.44	35,167.44	104.909	1.03%
623,907.452	FHMS KS01 A2 CMBS Mat: 1/25/23 Cpn: 2.52% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/22/19 St Date: 11/27/19	3137B1U75	631,365.10	1,136.41	646,519.73	15,154.63	103.624	0.41%





**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
720,000.000	FHMS KJ06 A CMBS Mat: 1/25/23 Cpn: 2.27% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/29/19 St Date: 8/1/19	3137BQR90	722,362.50	0.00	746,182.08 1,363.20	23,819.58	103.636	0.47%
1,370,000.000	FHMS K029 A2 CMBS Mat: 2/25/23 Cpn: 3.32% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/14/19 St Date: 8/19/19	3137B36J2	1,431,430.08	2,245.61	1,452,627.44 3,790.33	21,197.36	106.031	0.92%
433,632.967	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	430,719.50	367.82	447,293.71 1,003.14	16,574.21	103.150	0.28%
1,380,000.000	FHMS K031 A2 Mat: 4/25/23 Cpn: 3.30% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 3/5/20 St Date: 3/10/20	3137B3NX2	1,470,239.06	1,138.50	1,474,120.14 3,795.00	3,881.08	106.820	0.94%
278,108.958	FHMS J22F A1 CMBS 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	278,101.45	480.29	285,221.59 800.49	7,120.15	102.558	0.18%
1,410,000.000	FHMS K033 A2 Mat: 7/25/23 Cpn: 3.06% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/27/20 St Date: 3/3/20	3137B4WB8	1,479,839.06	239.70	1,500,443.04 3,595.50	20,603.98	106.414	0.95%
820,000.000	FHMS K034 A2 Mat: 7/25/23 Cpn: 3.53% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 3/6/20 St Date: 3/11/20	3137B5JM6	881,500.00	804.28	884,953.84 2,412.85	3,453.84	107.921	0.56%
700,000.000	FHMS KI05 A Mat: 7/25/24 Cpn: 1.29% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/16/20 St Date: 1/28/20	3137FQXG3	700,000.00	0.00	700,000.00 175.12	0.00	100.000	0.44%
798,289.304	FHMS KJ28 A1 Mat: 2/25/25 Cpn: 1.77% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/19/20 St Date: 2/27/20	3137FREB3	798,286.11	1,018.18	828,132.55 1,174.82	29,846.44	103.738	0.53%
<b>Total for Mortgage-Backed</b>			<b>13,383,139.50</b>	<b>15,050.72</b>	<b>13,583,631.86</b>	<b>200,492.36</b>		<b>8.62%</b>

**Asset-Backed**



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
15,025.262	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	15,023.12 0.00	15,011.12 11.89	(12.00)	99.906	0.01%
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	270,512.46 268.95	549.99	100.190	0.17%
205,420.841	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	205,408.62 0.00	204,922.70 98.15	(485.92)	99.758	0.13%
304,700.951	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	304,667.95 0.00	304,592.48 196.96	(75.47)	99.964	0.19%
114,412.125	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	114,403.75 0.00	114,047.84 92.55	(355.91)	99.682	0.07%
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	272,763.18 277.20	2,765.58	101.023	0.17%
551,968.852	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	551,962.50 0.00	553,413.35 576.50	1,450.85	100.262	0.35%
1,006,702.227	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	1,006,564.11 0.00	1,017,339.04 824.94	10,774.93	101.057	0.64%
340,000.000	VOLKSWAGEN 2019-A A3 LEASE Mat: 11/21/22 Cpn: 1.99% Moody's: S&P: AAA Fitch: AAA Tr Date: 10/1/19 St Date: 10/4/19	92867XAD8	339,994.63 0.00	345,333.24 206.74	5,338.61	101.569	0.22%
400,000.000	MBALT 2020-A A3 CAR LEASE Mat: 12/15/22 Cpn: 1.84% Moody's: Aaa S&P: AAA Fitch: Tr Date: 1/21/20 St Date: 1/29/20	58770FAC6	399,947.28 0.00	401,505.60 327.11	1,558.32	100.376	0.25%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,600,000.000	CITI 2014-A1 A1 CDT Mat: 1/23/23 Cpn: 2.88% Moody's: Aaa S&P: Fitch: AAA Tr Date: 4/18/19 St Date: 4/23/19	17305EFM2	1,607,250.00 11,776.00	1,616,585.60 8,960.00	9,335.60	101.037	1.03%
755,000.000	JOHN DEERE 2019-A A3 EQP Mat: 7/17/23 Cpn: 2.91% Moody's: Aaa S&P: Fitch: AAA Tr Date: 3/5/19 St Date: 3/13/19	47789JAD8	754,907.21 0.00	770,559.04 976.47	15,651.83	102.061	0.49%
970,000.000	TOYOTA 2019-A A3 CAR Mat: 7/17/23 Cpn: 2.91% Moody's: Aaa S&P: AAA Fitch: Tr Date: 2/5/19 St Date: 2/13/19	89239AAD5	969,823.27 0.00	988,842.25 1,254.53	19,018.98	101.943	0.63%
720,000.000	HONDA 2019-3 A3 CAR Mat: 8/15/23 Cpn: 1.78% Moody's: Aaa S&P: AAA Fitch: Tr Date: 8/20/19 St Date: 8/27/19	43815NAC8	719,994.02 0.00	726,297.12 569.60	6,303.10	100.875	0.46%
730,000.000	TOYOTA 2019-C A3 CAR Mat: 9/15/23 Cpn: 1.91% Moody's: Aaa S&P: AAA Fitch: Tr Date: 8/6/19 St Date: 8/14/19	89238UAD2	729,994.01 0.00	733,475.53 619.69	3,481.52	100.476	0.47%
550,000.000	FIFTH THIRD 2019-1 A3 CAR Mat: 12/15/23 Cpn: 2.64% Moody's: Aaa S&P: AAA Fitch: Tr Date: 4/30/19 St Date: 5/8/19	31680YAD9	549,879.11 0.00	552,204.95 645.33	2,325.84	100.401	0.35%
1,490,000.000	TOYOTA 2019-D A3 CAR Mat: 1/16/24 Cpn: 1.92% Moody's: Aaa S&P: AAA Fitch: Tr Date: 11/5/19 St Date: 11/13/19	89233MAD5	1,489,892.42 0.00	1,492,451.05 1,271.47	2,558.63	100.165	0.95%
950,000.000	BMW 2019-A A3 CAR Mat: 1/25/24 Cpn: 1.92% Moody's: S&P: AAA Fitch: AAA Tr Date: 9/10/19 St Date: 9/18/19	05588CAC6	949,872.32 0.00	962,301.55 304.00	12,429.23	101.295	0.61%
1,440,000.000	AMEX 2018-6 A CDT Mat: 2/15/24 Cpn: 3.06% Moody's: Aaa S&P: Fitch: AAA Tr Date: 4/18/19 St Date: 4/23/19	02582JJF8	1,453,443.75 979.20	1,470,448.80 1,958.40	17,005.05	102.115	0.93%
400,000.000	CAPITAL ONE 2018-A1 A1 CDT Mat: 2/15/24 Cpn: 3.01% Moody's: NR S&P: AAA Fitch: AAA Tr Date: 4/23/19 St Date: 4/25/19	14041NFR7	403,281.25 334.44	405,077.60 535.11	1,796.35	101.269	0.26%



**CALOPTIMA - RESERVE ACCOUNT TIER ONE**

Portfolio 2481

**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,710,000.000	HARLEY 2019-A A3 CYCLE Mat: 2/15/24 Cpn: 2.34% Moody's: Aaa S&P: Fitch: AAA Tr Date: 6/19/19 St Date: 6/26/19	41284WAC4	1,709,867.65	0.00	1,700,025.57 1,778.40	(9,842.08)	99.417	1.08%
790,000.000	MERCEDES 2019-1 A3 CAR Mat: 3/15/24 Cpn: 1.94% Moody's: Aaa S&P: AAA Fitch: Tr Date: 9/18/19 St Date: 9/25/19	58769TAD7	789,891.22	0.00	791,317.72 681.16	1,426.50	100.167	0.50%
850,000.000	VERIZON 2019-C A1A PHONE Mat: 4/22/24 Cpn: 1.94% Moody's: S&P: AAA Fitch: AAA Tr Date: 10/1/19 St Date: 10/8/19	92348AAA3	849,934.47	0.00	813,788.30 503.86	(36,146.17)	95.740	0.52%
1,230,000.000	JOHN DEERE 2020-A A3 EQP Mat: 8/15/24 Cpn: 1.10% Moody's: Aaa S&P: Fitch: AAA Tr Date: 3/4/20 St Date: 3/11/20	47789KAC7	1,229,924.85	0.00	1,213,526.61 751.67	(16,398.24)	98.661	0.77%
830,000.000	CAPTAIN ONE 2020-1 A3 AUTO Mat: 11/15/24 Cpn: 1.60% Moody's: S&P: AAA Fitch: AAA Tr Date: 2/11/20 St Date: 2/19/20	14043MAC5	829,823.54	0.00	821,232.71 590.22	(8,590.83)	98.944	0.52%
<b>Total for Asset-Backed</b>			<b>18,515,711.13</b>		<b>18,557,575.41</b>	<b>41,864.28</b>		<b>11.77%</b>
			<b>13,089.64</b>		<b>24,280.88</b>			
<b>Grand Total</b>			<b>155,492,115.60</b>		<b>157,133,006.41</b>	<b>1,640,890.82</b>		<b>100.00%</b>
			<b>270,512.16</b>		<b>731,879.20</b>			



Reporting Account Name	Security ID	Security Description 1	Security Description 2	Sector	Shares/Par	Base Cost	Accrued Interest	Base Market Value	Base Unrealized Gain	Base Unrealized Loss	Percent of Asset	Moody's Rating	S&P Rating	Fitch Rating
CALOPTIMA S1-3	3135G0S38	FEDERAL NATL MTG ASSN	2.000% 01/05/2022 DD 01/09/17	Agency	3,400,000.0000	3,404,553.87	16,244.44	3,497,418.80	92,864.93	0.00	2.24	Agency	AA+	Agency
CALOPTIMA S1-3	3135G0S38	FEDERAL NATL MTG ASSN	2.000% 01/05/2022 DD 01/09/17	Agency	2,250,000.0000	2,257,750.83	10,750.00	2,314,468.33	56,717.50	0.00	1.48	Agency	AA+	Agency
CALOPTIMA S1-3	3137EADB2	FEDERAL HOME LN MTG CORP	2.375% 01/13/2022 DD 01/13/12	Agency	2,250,000.0000	2,272,144.95	11,578.12	2,328,897.02	56,752.07	0.00	1.49	Agency	AA+	Agency
CALOPTIMA S1-3	3137EADB2	FEDERAL HOME LN MTG CORP	2.375% 01/13/2022 DD 01/13/12	Agency	2,250,000.0000	2,282,756.56	11,578.13	2,328,897.01	46,140.45	0.00	1.49	Agency	AA+	Agency
CALOPTIMA S1-3	4581X0CN6	INTER-AMERICAN DEVELOPMENT BAN	1.750% 04/14/2022 DD 04/15/15	Agency	315,000.0000	315,655.62	2,557.19	3,232,811.83	6,956.21	0.00	0.21	Aaa	AAA	AAA
CALOPTIMA S1-3	4581X0CN6	INTER-AMERICAN DEVELOPMENT BAN	1.750% 04/14/2022 DD 04/15/15	Agency	460,000.0000	460,965.52	3,734.31	4,711,156.69	10,150.17	0.00	0.30	Aaa	AAA	AAA
CALOPTIMA S1-3	4581X0CN6	INTER-AMERICAN DEVELOPMENT BAN	1.750% 04/14/2022 DD 04/15/15	Agency	755,000.0000	756,625.52	6,129.13	773,244.24	16,618.72	0.00	0.50	Aaa	AAA	AAA
CALOPTIMA S1-3	4581X0CZ9	INTER-AMERICAN DEVELOPMENT BAN	1.750% 09/14/2022 DD 09/14/17	Agency	750,000.0000	744,895.70	619.79	772,450.68	27,554.98	0.00	0.50	Aaa	AAA	AAA
CALOPTIMA S1-3	4581X0CZ9	INTER-AMERICAN DEVELOPMENT BAN	1.750% 09/14/2022 DD 09/14/17	Agency	3,000,000.0000	2,996,564.94	2,479.17	3,089,802.72	93,237.78	0.00	1.98	Aaa	AAA	AAA
CALOPTIMA S1-3	459058DT7	INTERNATIONAL BANK FOR RECONST	2.250% 06/24/2021 DD 06/25/14	Agency	1,525,000.0000	1,534,900.32	9,245.31	1,556,478.07	21,577.75	0.00	1.00	Aaa	AAA	AAA
CALOPTIMA S1-3	459058GK3	INTERNATIONAL BANK FOR RECONST	VAR RT 08/21/2020 DD 08/21/18	Agency	100,000.0000	100,003.95	122.69	100,030.11	26.16	0.00	0.06	Aaa	AAA	AAA
CALOPTIMA S1-3	459058GK3	INTERNATIONAL BANK FOR RECONST	VAR RT 08/21/2020 DD 08/21/18	Agency	1,000,000.0000	1,000,138.19	1,226.95	1,000,301.08	162.89	0.00	0.64	Aaa	AAA	AAA
CALOPTIMA S1-3	459058GX5	INTERNATIONAL BANK FOR RECONST	1.875% 06/19/2023 DD 06/19/19	Agency	1,100,000.0000	1,114,430.35	5,843.75	1,142,500.39	28,070.04	0.00	0.73	Aaa	AAA	NR
CALOPTIMA S1-3	02582JUH4	AMERICAN EXPRESS CREDIT AC 8 A	3.180% 04/15/2024 DD 09/24/18	Asset Backed	614,000.0000	627,532.31	867.79	629,171.45	1,639.14	0.00	0.40	NR	AAA	AAA
CALOPTIMA S1-3	02582JUH4	AMERICAN EXPRESS CREDIT AC 8 A	3.180% 04/15/2024 DD 09/24/18	Asset Backed	389,000.0000	397,559.53	549.79	398,611.88	1,052.35	0.00	0.26	NR	AAA	AAA
CALOPTIMA S1-3	05522RCZ9	BA CREDIT CARD TRUST A2 A2	3.000% 09/15/2023 DD 05/17/18	Asset Backed	1,200,000.0000	1,216,689.69	1,600.00	1,217,942.16	1,252.47	0.00	0.78	Aaa	AAA	NR
CALOPTIMA S1-3	05522RCZ9	BA CREDIT CARD TRUST A2 A2	3.000% 09/15/2023 DD 05/17/18	Asset Backed	430,000.0000	435,980.36	573.33	436,429.27	448.91	0.00	0.28	Aaa	AAA	NR
CALOPTIMA S1-3	17305EFM2	CITIBANK CREDIT CARD ISS A1 A1	2.880% 01/23/2023 DD 01/24/14	Asset Backed	855,000.0000	853,964.00	4,788.00	862,429.61	8,465.61	0.00	0.55	Aaa	NR	AAA
CALOPTIMA S1-3	17305EFM2	CITIBANK CREDIT CARD ISS A1 A1	2.490% 01/20/2023 DD 01/31/18	Asset Backed	365,000.0000	366,845.74	1,792.45	367,664.54	818.80	0.00	0.24	Aaa	NR	AAA
CALOPTIMA S1-3	26208RAD7	DRIVE AUTO RECEIVABLES TR 2 A3	3.040% 03/15/2023 DD 03/20/19	Asset Backed	475,000.0000	474,965.48	641.78	476,284.59	1,319.11	0.00	0.31	Aaa	AAA	NR
CALOPTIMA S1-3	26209AAE1	DRIVE AUTO RECEIVABLES TRU 4 B	2.230% 01/16/2024 DD 09/18/19	Asset Backed	585,000.0000	584,930.12	579.80	574,967.48	0.00	-9,962.64	0.37	Aa1	AA	NR
CALOPTIMA S1-3	31680YAB3	FIFTH THIRD AUTO TRUST 2 1 A2A	2.660% 05/16/2022 DD 05/08/19	Asset Backed	677,770.2000	677,743.63	801.27	679,590.08	1,846.45	0.00	0.44	Aaa	AAA	NR
CALOPTIMA S1-3	47787XAC1	JOHN DEERE OWNER TRUST 20 A A3	1.780% 04/15/2021 DD 03/02/17	Asset Backed	7,771.6700	7,771.68	6.15	7,763.68	0.00	-8.00	0.00	Aaa	NR	AAA
CALOPTIMA S1-3	47788BAD6	JOHN DEERE OWNER TRUST 20 B A3	1.820% 10/15/2021 DD 07/18/17	Asset Backed	177,066.3700	175,818.12	143.23	176,418.48	600.36	0.00	0.11	Aaa	NR	AAA
CALOPTIMA S1-3	47789JAB2	JOHN DEERE OWNER TRUST 20 A A2	2.850% 12/15/2021 DD 03/13/19	Asset Backed	765,762.1800	765,740.45	969.97	767,791.14	2,050.69	0.00	0.49	Aaa	NR	AAA
CALOPTIMA S1-3	65478LAB5	NISSAN AUTO LEASE TRUST B A2A	2.270% 10/15/2021 DD 07/24/19	Asset Backed	540,175.9100	540,142.52	544.98	539,923.59	0.00	-218.93	0.35	Aaa	AAA	AAA
CALOPTIMA S1-3	02582JUH4	AMERICAN EXPRESS CREDIT AC 8 A	3.180% 04/15/2024 DD 09/24/18	Asset Backed	243,000.0000	248,373.06	343.43	249,004.33	631.27	0.00	0.16	NR	AAA	AAA
CALOPTIMA S1-3	05586VAD4	BMW VEHICLE LEASE TRUST 2 1 A4	2.920% 08/22/2022 DD 03/20/19	Asset Backed	1,900,000.0000	1,922,345.21	1,695.22	1,921,309.26	0.00	-1,035.95	1.23	Aaa	AAA	NR
CALOPTIMA S1-3	80286GAB7	SANTANDER DRIVE AUTO RECE 2 A2	2.630% 07/15/2022 DD 05/22/19	Asset Backed	480,242.5400	480,216.03	561.35	479,380.36	0.00	-835.67	0.31	Aaa	NR	AAA
CALOPTIMA S1-3	GL-110000	CASH	0.0000	CASH	0.0000	854,503.78	0.00	854,503.78	0.00	0.00	0.00			
CALOPTIMA S1-3	GL-120010	RECEIVABLE FOR INVESTMENTS SOLD	0.0000	CASH	0.0000	2,345,745.28	0.00	2,345,745.28	0.00	0.00	0.00			
CALOPTIMA S1-3	GL-220010	PAYABLE FOR INVESTMENTS PURCHASED	0.0000	CASH	0.0000	-2,910,255.13	0.00	-2,910,255.13	0.00	0.00	0.00			
CALOPTIMA S1-3	3137APP61	FHLMC MULTICLASS MTG K018 A2	2.789% 01/25/2022 DD 05/01/12	CMBS	34,636.4640	35,025.82	80.50	35,593.32	567.50	0.00	0.02	Agency	AA+	AAA
CALOPTIMA S1-3	3137APP61	FHLMC MULTICLASS MTG K018 A2	2.789% 01/25/2022 DD 05/01/12	CMBS	128,649.7260	130,181.76	299.00	132,203.77	2,022.01	0.00	0.08	Agency	AA+	AAA
CALOPTIMA S1-3	3137AXHP1	FHLMC MULTICLASS MTG K024 A2	2.573% 09/25/2022 DD 01/01/13	CMBS	965,000.0000	972,732.05	2,069.12	992,904.42	20,172.37	0.00	0.64	Aaa	AA+	Agency
CALOPTIMA S1-3	3137AXHP1	FHLMC MULTICLASS MTG K024 A2	2.573% 09/25/2022 DD 01/01/13	CMBS	700,000.0000	705,360.10	1,500.92	720,241.55	14,881.45	0.00	0.46	Aaa	AA+	Agency
CALOPTIMA S1-3	3137AYCE9	FHLMC MULTICLASS MTG K025 A2	2.682% 10/25/2022 DD 02/01/13	CMBS	1,425,000.0000	1,449,952.62	3,184.88	1,471,362.23	21,409.61	0.00	0.94	Aaa	AA+	Agency
CALOPTIMA S1-3	3137AYCE9	FHLMC MULTICLASS MTG K025 A2	2.682% 10/25/2022 DD 02/01/13	CMBS	200,000.0000	203,499.21	447.00	206,506.98	3,007.77	0.00	0.13	Aaa	AA+	Agency
CALOPTIMA S1-3	3137B04Y7	FHLMC MULTICLASS MTG KSMC A2	2.615% 01/25/2023 DD 03/01/13	CMBS	750,000.0000	760,770.94	1,634.38	782,002.20	21,231.26	0.00	0.50	Agency	AA+	Agency
CALOPTIMA S1-3	3137B1UG5	FHLMC MULTICLASS MTG K027 A2	2.637% 01/25/2023 DD 05/01/13	CMBS	840,000.0000	840,467.12	1,845.90	868,472.89	28,005.77	0.00	0.56	Agency	AA+	AAA
CALOPTIMA S1-3	3137B1UG5	FHLMC MULTICLASS MTG K027 A2	2.637% 01/25/2023 DD 05/01/13	CMBS	1,000,000.0000	1,000,146.93	2,197.50	1,033,896.30	33,749.37	0.00	0.66	Agency	AA+	AAA
CALOPTIMA S1-3	3137BKRH5	FHLMC MULTICLASS MTG K047 A1	2.827% 12/25/2024 DD 07/01/15	CMBS	351,417.1370	358,564.90	827.88	367,575.09	9,010.19	0.00	0.24	Agency	AA+	AAA
CALOPTIMA S1-3	3137BWWV3	FHLMC MULTICLASS MTG KJ13 A2	2.864% 08/25/2022 DD 04/01/17	CMBS	180,421.3500	183,241.07	430.61	187,173.13	3,932.06	0.00	0.12	Agency	AA+	Agency
CALOPTIMA S1-3	31381PAU2	FNMA POOL #0466319	3.230% 11/01/2020 DD 11/01/10	CMBS	902,068.5670	904,640.90	2,509.00	902,083.12	0.00	-2,557.78	0.58	Agency	AA+	Agency
CALOPTIMA S1-3	31381PEB0	FNMA POOL #0466430	3.370% 11/01/2020 DD 11/01/10	CMBS	369,380.3420	370,024.91	1,071.92	369,785.72	0.00	-239.19	0.24	Agency	AA+	Agency
CALOPTIMA S1-3	31381QB54	FNMA POOL #0467260	4.410% 03/01/2021 DD 03/01/11	CMBS	1,053,379.3520	1,062,280.36	4,000.21	1,067,877.83	5,597.47	0.00	0.69	Agency	AA+	Agency
CALOPTIMA S1-3	31381R5T7	FNMA POOL #0468958	3.770% 09/01/2021 DD 09/01/11	CMBS	1,805,000.0000	1,823,494.77	5,855.73	1,861,311.00	37,816.23	0.00	1.19	Agency	AA+	Agency
CALOPTIMA S1-3	3138EKXL4	FNMA POOL #0AL3382	VAR RT 03/01/2023 DD 03/01/13	CMBS	330,110.8050	334,201.32	662.90	341,348.80	7,147.48	0.00	0.22	Agency	AA+	Agency
CALOPTIMA S1-3	3138LOMH1	FNMA POOL #0AM0359	2.310% 08/01/2022 DD 08/01/12	CMBS	1,037,910.8070	1,046,318.19	2,064.58	1,065,244.33	18,926.14	0.00	0.68	Agency	AA+	Agency
CALOPTIMA S1-3	3138L2GH4	FNMA POOL #0AM1999	1.870% 07/01/2021 DD 01/01/13	CMBS	984,712.8820	971,231.13	1,585.66	994,230.45	22,999.32	0.00	0.64	Agency	AA+	Agency
CALOPTIMA S1-3	3138L2GH4	FNMA POOL #0AM1999	1.870% 07/01/2021 DD 01/01/13	CMBS	251,506.7510	250,617.55	405.00	253,937.65	3,320.10	0.00	0.16	Agency	AA+	Agency
CALOPTIMA S1-3	3138NJAEB	FNMA POOL #0FN0004	VAR RT 12/01/2020 DD 03/01/11	CMBS	99,529.5340	105,240.98	318.91	99,467.38	0.00	-5,773.60	0.06	Agency	AA+	Agency
CALOPTIMA S1-3	3136A72D3	FNMA GTD REMIC P/T 12-M9 A2	2.482% 04/25/2022 DD 08/01/12	CMBS	178,798.3330	179,596.56	369.82	181,745.79	2,149.23	0.00	0.12	Agency	AA+	Agency
CALOPTIMA S1-3	3136A72D3	FNMA GTD REMIC P/T 12-M9 A2	2.482% 04/25/2022 DD 08/01/12	CMBS	35,217.8520	35,374.04	72.84	35,798.41	424.37	0.00	0.02	Agency	AA+	Agency
CALOPTIMA S1-3	31397UPF0	FNMA GTD REMIC P/T 11-M1 A3	3.763% 06/25/2021 DD 05/01/11	CMBS	118,001.1300	118,940.17	370.03	119,883.65	943.48	0.00	0.08	Agency	AA+	Agency
CALOPTIMA S1-3	04609QAC3	ASSOCIATION OF AMERICAN MEDICA	1.926% 10/01/2022 DD 01/29/20	Corporates	1,170,000.0000	1,170,000.00	3,880.89	1,181,556.38	11,556.38	0.00	0.76	NR	A+	AA
CALOPTIMA S1-3	023135AM8	AMAZON.COM INC	3.300% 12/05/2021 DD 12/05/14	Corporates	1,110,000.0000	1,127,350.60	11,803.00	1,148,317.58	20,966.98	0.00	0.74	A2	AA-	A+
CALOPTIMA S1-3	05531FBG7	TRUIST FINANCIAL CORP	3.050% 06/20/2022 DD 03/18/19	Corporates	750,000.0000	748,922.14	6,417.71	765,139.81	0.00	-13,782.33	0.49	A3	A-	A+
CALOPTIMA S1-3	05531FBJ1													



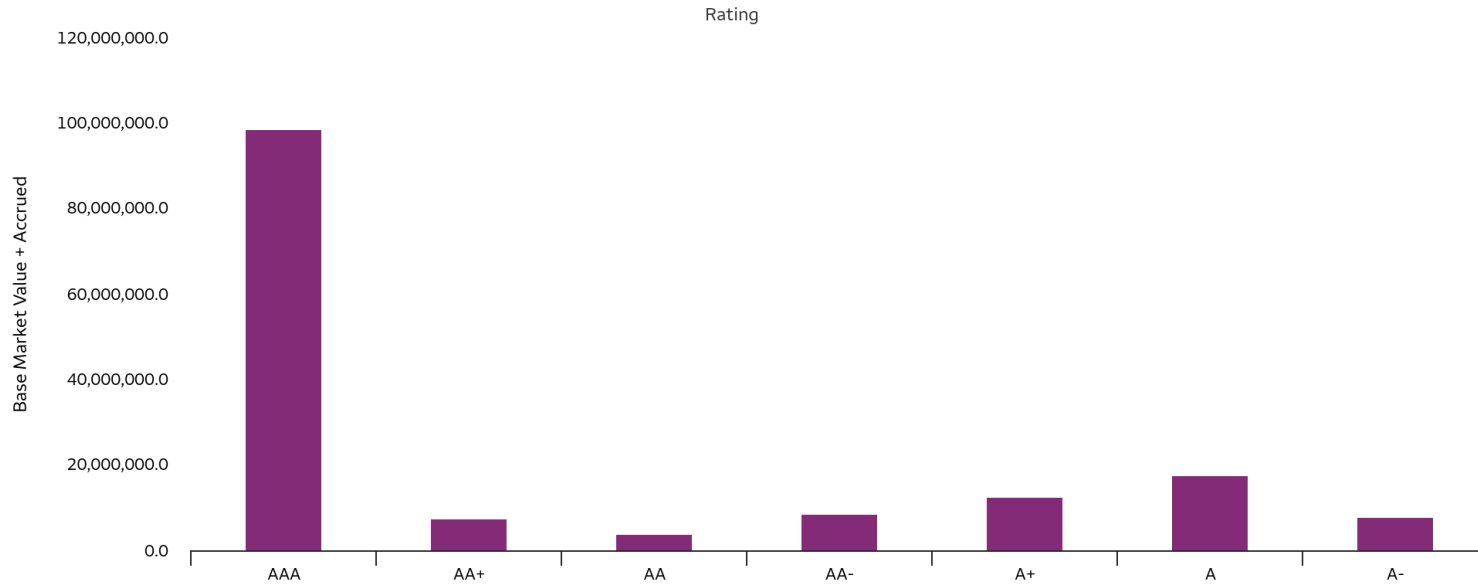


Reporting Account Name	Security ID	Security Description 1	Security Description 2	Sector	Shares/Par	Base Cost	Accrued Interest	Base Market Value	Base Unrealized Gain	Base Unrealized Loss	Percent of Asset	Moody's Rating	S&P Rating	Fitch Rating
CALOPTIMA S1-3	912828T67	U S TREASURY NOTE	1.250% 10/31/2021 DD 10/31/16	US Government	1,200,000.0000	1,197,271.32	6,304.95	1,220,062.50	22,791.18	0.00	0.78	Govt	AA+	Govt
CALOPTIMA S1-3	912828UH1	US TREAS-CPI INFLAT	0.125% 01/15/2023 DD 01/15/13	US Government	1,564,472.0000	1,553,135.44	413.68	1,545,612.82	0.00	-7,522.62	0.99	Govt	AA+	Govt
CALOPTIMA S1-3	912828UH1	US TREAS-CPI INFLAT	0.125% 01/15/2023 DD 01/15/13	US Government	1,592,409.0000	1,560,646.05	421.07	1,573,213.05	12,567.00	0.00	1.01	Govt	AA+	Govt
CALOPTIMA S1-3	912828YK0	U S TREASURY NOTE	1.375% 10/15/2022 DD 10/15/19	US Government	1,235,000.0000	1,226,357.93	7,841.07	1,269,830.85	43,472.92	0.00	0.81	Govt	AA+	Govt
CALOPTIMA S1-3	912828YK0	U S TREASURY NOTE	1.375% 10/15/2022 DD 10/15/19	US Government	2,350,000.0000	2,347,144.04	14,920.25	2,416,277.34	69,133.30	0.00	1.55	Govt	AA+	Govt

# Credit Rating

US Dollar  
As of 31 March 2020

WC-CalOptima - Tier One  
Account: XXXX2501  
Investment Strategy: Short Duration Fixed Income  
Primary Benchmark: ICE BofA 1-3 Year US Treasury Index



## AAA

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
02582JF8 AMXCA 186 A	2,900,000.00	USD 02/15/2024	ABS	AAA	Aaa	NA	AAA	2,957,523.24	1.88%
05522RCZ9 BACCT 18A2 A	1,000,000.00	USD 09/15/2021	ABS	AAA	Aaa	AAA	NA	1,016,285.13	0.65%
05588CAC6 BMWOT 19A A3	730,000.00	USD 01/25/2024	ABS	AAA	NA	AAA	AAA	737,244.23	0.47%
14041NFU0 COMET 192 A	1,000,000.00	USD 09/15/2022	ABS	AAA	NA	AAA	AAA	1,010,401.24	0.64%
14042WAC4 COPAR 191 A3	1,500,000.00	USD 11/15/2023	ABS	AAA	Aaa	AAA	AAA	1,517,944.13	0.97%
14043MAC5 COPAR 201 A3	1,000,000.00	USD 11/15/2024	ABS	AAA	NA	AAA	AAA	985,390.31	0.63%
233854AC2 DTRT 201 A3	3,000,000.00	USD 09/15/2023	ABS	AAA	Aaa	NA	AAA	3,018,284.27	1.92%
3130AF5B9 FEDERAL HOME LOAN BANKS	1,000,000.00	USD 10/12/2021	AGCY BOND	AAA	Aaa	AA+	AAA	1,054,170.65	0.67%
313380GJ0 FEDERAL HOME LOAN BANKS	2,950,000.00	USD 09/09/2022	AGCY BOND	AAA	Aaa	AA+	AAA	3,059,240.54	1.95%

The information contained in this report represents estimated trade date investment calculations. Certain calculations may not be available for all time periods. Please refer to your custody statement for official portfolio holdings and transactions. Note that certain accounting methods may cause differences between this investment report and your custody statement.



# Credit Rating

US Dollar  
As of 31 March 2020

WC-CalOptima - Tier One  
Account: XXXX2501  
Investment Strategy: Short Duration Fixed Income  
Primary Benchmark: ICE BofA 1-3 Year US Treasury Index



Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
3133EJ5P0 FEDERAL FARM CREDIT BANKS FUNDING CORP	3,000,000.00	USD 01/18/2022	AGCY BOND	AAA	Aaa	AA+	AAA	3,129,014.74	1.99%
3133EJW70 FEDERAL FARM CREDIT BANKS FUNDING CORP	3,000,000.00	USD 05/26/2021	AGCY BOND	AAA	Aaa	AA+	AAA	3,112,543.77	1.98%
3133EKVD5 FEDERAL FARM CREDIT BANKS FUNDING CORP	4,400,000.00	USD 01/18/2022	AGCY BOND	AAA	Aaa	AA+	AAA	4,528,469.67	2.88%
3137AN2K0 FHR 4019D EV	1,006,512.05	USD 06/15/2023	FHLMC CMO	AAA	Aaa	AA+	AAA	1,050,789.08	0.67%
3137APP61 FHMS K018 A2	1,286,497.23	USD 01/25/2022	FHLMC	AAA	Aaa	AA+	AAA	1,325,027.65	0.84%
3137BFDQ1 FHMS K717 A2	1,142,923.23	USD 09/25/2021	FHLMC	AAA	Aaa	AA+	AAA	1,173,860.79	0.75%
316175108 FIDELITY IMM:GOVT I	306,437.13	USD 03/31/2020	MMFUND	AAA	Aaa	AAAm	AAA	306,437.13	0.19%
43814WAC9 HAROT 191 A3	1,330,000.00	USD 03/20/2023	ABS	AAA	NA	AAA	AAA	1,352,772.05	0.86%
459058GH0 INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	1,500,000.00	USD 07/23/2021	SUPRANATIONAL	AAA	Aaa	AAA	NA	1,550,950.30	0.99%
47789JAD8 JDOT 2019 A3	2,100,000.00	USD 07/17/2023	ABS	AAA	Aaa	NA	AAA	2,140,116.37	1.36%
58770FAC6 MBALT 20A A3	1,295,000.00	USD 12/15/2022	ABS	AAA	Aaa	AAA	NA	1,296,901.81	0.83%
65479GAD1 NAROT 18B A3	1,875,000.00	USD 03/15/2023	ABS	AAA	Aaa	AAA	NA	1,907,023.69	1.21%
797272QL8 SAN DIEGO CALIF CMNTY COLLEGE DIST	1,500,000.00	USD 08/01/2021	MUNI	AAA	Aaa	AAA	NA	1,520,377.50	0.97%
89231AAD3 TAOT 18C A3	1,850,000.00	USD 12/15/2022	ABS	AAA	Aaa	AAA	NA	1,876,683.33	1.19%
9128284W7 UNITED STATES TREASURY	3,020,000.00	USD 08/15/2021	US GOV	AAA	Aaa	AA+	AAA	3,137,376.15	2.00%
9128285A4 UNITED STATES TREASURY	4,000,000.00	USD 09/15/2021	US GOV	AAA	Aaa	AA+	AAA	4,152,581.52	2.64%
9128285L0 UNITED STATES TREASURY	2,200,000.00	USD 11/15/2021	US GOV	AAA	Aaa	AA+	AAA	2,319,283.40	1.48%
9128285V8 UNITED STATES TREASURY	3,000,000.00	USD 01/15/2022	US GOV	AAA	Aaa	AA+	AAA	3,138,208.38	2.00%
9128285V8 UNITED STATES TREASURY	4,000,000.00	USD 01/15/2022	US GOV	AAA	Aaa	AA+	AAA	4,184,277.85	2.66%
9128286C9 UNITED STATES TREASURY	2,950,000.00	USD 02/15/2022	US GOV	AAA	Aaa	AA+	AAA	3,085,270.30	1.96%
9128286C9 UNITED STATES TREASURY	2,160,000.00	USD 02/15/2022	US GOV	AAA	Aaa	AA+	AAA	2,259,045.38	1.44%
9128286C9 UNITED STATES TREASURY	2,500,000.00	USD 02/15/2022	US GOV	AAA	Aaa	AA+	AAA	2,614,635.85	1.66%

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# Credit Rating

US Dollar  
As of 31 March 2020

WC-CalOptima - Tier One  
Account: XXXX2501  
Investment Strategy: Short Duration Fixed Income  
Primary Benchmark: ICE BofA 1-3 Year US Treasury Index



Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
9128286M7 UNITED STATES TREASURY	475,000.00	USD 04/15/2022	US GOV	AAA	Aaa	AA+	AAA	499,510.16	0.32%
9128286U9 UNITED STATES TREASURY	1,800,000.00	USD 05/15/2022	US GOV	AAA	Aaa	AA+	AAA	1,886,711.97	1.20%
9128286U9 UNITED STATES TREASURY	2,700,000.00	USD 05/15/2022	US GOV	AAA	Aaa	AA+	AAA	2,830,067.96	1.80%
9128286U9 UNITED STATES TREASURY	900,000.00	USD 05/15/2022	US GOV	AAA	Aaa	AA+	AAA	943,355.99	0.60%
9128286U9 UNITED STATES TREASURY	1,400,000.00	USD 05/15/2022	US GOV	AAA	Aaa	AA+	AAA	1,467,442.65	0.93%
9128286U9 UNITED STATES TREASURY	4,800,000.00	USD 05/15/2022	US GOV	AAA	Aaa	AA+	AAA	5,031,231.93	3.20%
912828P38 UNITED STATES TREASURY	1,300,000.00	USD 01/31/2023	US GOV	AAA	Aaa	AA+	AAA	1,357,741.70	0.86%
912828P38 UNITED STATES TREASURY	5,100,000.00	USD 01/31/2023	US GOV	AAA	Aaa	AA+	AAA	5,326,525.13	3.39%
912828TY6 UNITED STATES TREASURY	2,000,000.00	USD 11/15/2022	US GOV	AAA	Aaa	AA+	AAA	2,083,103.43	1.33%
912828TY6 UNITED STATES TREASURY	1,500,000.00	USD 11/15/2022	US GOV	AAA	Aaa	AA+	AAA	1,562,327.57	0.99%
912828YA2 UNITED STATES TREASURY	1,900,000.00	USD 08/15/2022	US GOV	AAA	Aaa	AA+	AAA	1,960,527.55	1.25%
912828YW4 UNITED STATES TREASURY	4,500,000.00	USD 12/15/2022	US GOV	AAA	Aaa	AA+	AAA	4,686,813.37	2.98%
92868LAD3 VALET 181 A3	2,600,000.00	USD 11/21/2022	ABS	AAA	NA	AAA	AAA	2,647,516.50	1.68%
CCYUSD Cash	0.88	USD 03/31/2020	CASH	AAA	Aaa	AAA	AAA	0.88	0.00%
CCYUSD Receivable	219.46	USD 03/31/2020	CASH	AAA	Aaa	AAA	AAA	219.46	0.00%
---	<b>95,477,589.98</b>	<b>USD 07/07/2022</b>	<b>---</b>	<b>AAA</b>	<b>Aaa</b>	<b>AA+</b>	<b>AAA</b>	<b>98,801,226.71</b>	<b>62.87%</b>

## AA+

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
037833DL1 APPLE INC	250,000.00	USD 09/11/2022	CORP	AA+	Aa1	AA+	NA	254,573.73	0.16%
037833DL1 APPLE INC	500,000.00	USD 09/11/2022	CORP	AA+	Aa1	AA+	NA	509,147.47	0.32%
212204JB8 CONTRA COSTA CALIF CMNTY COLLEGE DIST	1,365,000.00	USD 08/01/2021	MUNI	AA+	Aa1	AA+	NA	1,377,612.60	0.88%

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# Credit Rating

US Dollar  
As of 31 March 2020

WC-CalOptima - Tier One  
Account: XXXX2501  
Investment Strategy: Short Duration Fixed Income  
Primary Benchmark: ICE BofA 1-3 Year US Treasury Index



Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
212204JC6 CONTRA COSTA CALIF CMNTY COLLEGE DIST	1,000,000.00	USD 08/01/2022	MUNI	AA+	Aa1	AA+	NA	1,011,253.33	0.64%
677765GS2 OHLONE CALIF CMNTY COLLEGE DIST	1,000,000.00	USD 08/01/2021	MUNI	AA+	Aa1	AA+	NA	1,011,343.33	0.64%
80168ACP0 SANTA CLARA VY CALIF WTR DIST WTR SYS REV	570,000.00	USD 06/01/2022	MUNI	AA+	Aa1	NA	AA+	580,930.46	0.37%
92348XAC9 VZOT 18A B	2,925,000.00	USD 04/20/2023	ABS	AA+	Aa1	AA+	AA	2,828,466.45	1.80%
---	<b>7,610,000.00</b>	<b>USD 07/14/2022</b>	<b>---</b>	<b>AA+</b>	<b>Aa1</b>	<b>AA+</b>	<b>AA</b>	<b>7,573,327.38</b>	<b>4.82%</b>

## AA

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
13063DGA0 CALIFORNIA ST	1,250,000.00	USD 04/01/2021	MUNI	AA	Aa2	AA-	AA	1,285,425.00	0.82%
30231GBB7 EXXON MOBIL CORP	530,000.00	USD 08/16/2022	CORP	AA	Aaa	AA	NA	533,069.53	0.34%
931142EJ8 WALMART INC	2,000,000.00	USD 06/23/2021	CORP	AA	Aa2	AA	AA	2,060,566.17	1.31%
---	<b>3,780,000.00</b>	<b>USD 07/23/2021</b>	<b>---</b>	<b>AA</b>	<b>Aa2</b>	<b>AA</b>	<b>AA</b>	<b>3,879,060.70</b>	<b>2.47%</b>

## AA-

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
032556GN6 ANAHEIM CALIF HSG & PUB IMPT AUTH REV	630,000.00	USD 10/01/2022	MUNI	AA-	NA	AA-	AA-	637,242.01	0.41%
072024VW8 BAY AREA TOLL AUTH CALIF TOLL BRDG REV	2,000,000.00	USD 04/01/2022	MUNI	AA-	A1	AA-	AA-	2,032,651.11	1.29%
376087FX5 GILROY CALIF UNI SCH DIST	500,000.00	USD 08/01/2022	MUNI	AA-	Aa3	AA-	NA	506,418.33	0.32%
738850SV9 POWAY CALIF UNI SCH DIST	1,140,000.00	USD 08/01/2022	MUNI	AA-	NA	AA-	NA	1,159,144.40	0.74%
769059ZY5 RIVERSIDE CALIF UNI SCH DIST	1,000,000.00	USD 02/01/2022	MUNI	AA-	Aa2	AA-	NA	1,017,721.56	0.65%
90331HPA5 US BANK NA	1,750,000.00	USD 02/04/2021	CORP	AA-	A1	AA-	AA-	1,769,515.65	1.13%
90331HPA5 US BANK NA	400,000.00	USD 02/04/2021	CORP	AA-	A1	AA-	AA-	404,460.72	0.26%

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US Dollar  
As of 31 March 2020

WC-CalOptima - Tier One  
Account: XXXX2501  
Investment Strategy: Short Duration Fixed Income  
Primary Benchmark: ICE BofA 1-3 Year US Treasury Index



Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
913366HW3 UNIV CALIF REGTS MED CTR POOLED REV	1,000,000.00	USD 05/15/2022	MUNI	AA-	Aa3	AA-	AA-	1,025,488.67	0.65%
---	<b>8,420,000.00</b>	<b>USD 01/20/2022</b>	<b>---</b>	<b>AA-</b>	<b>Aa3</b>	<b>AA-</b>	<b>AA-</b>	<b>8,552,642.44</b>	<b>5.44%</b>

A+

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
06406RAM9 BANK OF NEW YORK MELLON	2,250,000.00	USD 01/27/2023	CORP	A+	A1	A	AA-	2,243,011.70	1.43%
17325FAL2 CITIBANK NA	1,200,000.00	USD 02/12/2021	CORP	A+	Aa3	A+	A+	1,210,470.20	0.77%
69371RP42 PACCAR FINANCIAL CORP	2,000,000.00	USD 08/09/2021	CORP	A+	A1	A+	NA	1,986,238.94	1.26%
79766DLQ0 SAN FRANCISCO CALIF CITY & CNTY ARPTS COMMN INTL A	1,000,000.00	USD 05/01/2021	MUNI	A+	A1	A+	A+	1,027,085.83	0.65%
857477AV5 STATE STREET CORP	2,000,000.00	USD 05/19/2021	CORP	A+	A1	A	AA-	2,005,514.44	1.28%
89236TCZ6 TOYOTA MOTOR CREDIT CORP	2,000,000.00	USD 04/08/2021	CORP	A+	A1	AA-	A+	2,009,019.07	1.28%
899154AT5 TULARE CNTY CALIF PENSION OBLIG	2,000,000.00	USD 06/01/2021	MUNI	A+	A1	AA-	NA	2,057,833.33	1.31%
---	<b>12,450,000.00</b>	<b>USD 09/04/2021</b>	<b>---</b>	<b>A+</b>	<b>A1</b>	<b>A+</b>	<b>AA-</b>	<b>12,539,173.52</b>	<b>7.98%</b>

A

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
06051GEE5 BANK OF AMERICA CORP	1,700,000.00	USD 01/05/2021	CORP	A	A2	A-	A+	1,757,987.21	1.12%
14913Q3C1 CATERPILLAR FINANCIAL SERVICES CORP	2,250,000.00	USD 11/18/2022	CORP	A	A3	A	A	2,251,857.53	1.43%
24422ETZ2 JOHN DEERE CAPITAL CORP	500,000.00	USD 01/08/2021	CORP	A	A2	A	A	503,507.64	0.32%
24422ETZ2 JOHN DEERE CAPITAL CORP	1,200,000.00	USD 01/08/2021	CORP	A	A2	A	A	1,208,418.33	0.77%
369550BE7 GENERAL DYNAMICS CORP	1,000,000.00	USD 05/11/2021	CORP	A	A2	A	WR	1,019,360.92	0.65%
369550BE7 GENERAL DYNAMICS CORP	500,000.00	USD 05/11/2021	CORP	A	A2	A	WR	509,680.46	0.32%

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As of 31 March 2020

WC-CalOptima - Tier One  
Account: XXXX2501  
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Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
44932HAK9 IBM CREDIT LLC	1,000,000.00	USD 11/30/2020	CORP	A	A2	A	WR	1,022,960.07	0.65%
45866FAE4 INTERCONTINENTAL EXCHANGE INC	2,300,000.00	USD 09/15/2022	CORP	A	A2	A	NA	2,322,090.22	1.48%
46625HJD3 JPMORGAN CHASE & CO	2,300,000.00	USD 01/24/2022	CORP	A	A2	A-	AA-	2,421,659.05	1.54%
63743HER9 NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	1,000,000.00	USD 03/15/2021	CORP	A	A2	A	A	1,002,967.45	0.64%
69353REY0 PNC BANK NA	945,000.00	USD 12/09/2021	CORP	A	A2	A	A+	949,680.12	0.60%
69353REY0 PNC BANK NA	925,000.00	USD 12/09/2021	CORP	A	A2	A	A+	929,581.07	0.59%
797330AD9 SAN DIEGO CALIF TOB SETTLEMENT REV FDG CORP	1,010,000.00	USD 06/01/2020	MUNI	A	NA	A	NA	1,022,227.73	0.65%
808513AW5 CHARLES SCHWAB CORP	950,000.00	USD 05/21/2021	CORP	A	A2	A	A	968,266.19	0.62%
---	<b>17,580,000.00</b>	<b>USD 09/23/2021</b>	<b>---</b>	<b>A</b>	<b>A2</b>	<b>A</b>	<b>A+</b>	<b>17,890,243.99</b>	<b>11.38%</b>

A-

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
02665WBG5 AMERICAN HONDA FINANCE CORP	856,000.00	USD 09/09/2021	CORP	A-	A3	A	NA	842,854.90	0.54%
02665WDC2 AMERICAN HONDA FINANCE CORP	1,000,000.00	USD 01/10/2023	CORP	A-	A3	A	NA	989,847.66	0.63%
05531FBG7 BB&T CORP	2,000,000.00	USD 06/20/2022	CORP	A-	A3	A-	A+	2,057,486.71	1.31%
31677QBS7 FIFTH THIRD BANK NA (OHIO)	2,000,000.00	USD 01/30/2023	CORP	A-	A3	A-	A-	1,981,189.02	1.26%
44644AAD9 HUNTINGTON NATIONAL BANK	1,000,000.00	USD 05/14/2021	CORP	A-	A3	A-	A-	1,020,078.22	0.65%
44644AAH0 HUNTINGTON NATIONAL BANK	1,000,000.00	USD 04/01/2022	CORP	A-	A3	A-	A-	1,034,652.26	0.66%
---	<b>7,856,000.00</b>	<b>USD 06/09/2022</b>	<b>CORP</b>	<b>A-</b>	<b>A3</b>	<b>A-</b>	<b>A</b>	<b>7,926,108.77</b>	<b>5.04%</b>

## Summary

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# Credit Rating

US Dollar  
As of 31 March 2020

WC-CalOptima - Tier One  
Account: XXXX2501  
Investment Strategy: Short Duration Fixed Income  
Primary Benchmark: ICE BofA 1-3 Year US Treasury Index



**Asset  
Management**

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
---	153,173,589.98	USD 04/22/2022	---	AA+	Aa1	AA	AA+	157,161,783.51	100.00%

\* Grouped by: Rating. \* Groups Sorted by: Rating. \* Weighted by: Base Market Value + Accrued.



Reporting Account Name	Security ID	Security Description 1	Security Description 2	Sector	Shares/Par	Base Cost	Accrued Interest	Base Market Value	Base Unrealized Gain	Base Unrealized Loss	Percent of Asset	Moody's Rating	S&P Rating	Fitch Rating
CALOPTIMA S1-5	3135G0S38	FEDERAL NATL MTG ASSN	2.000% 01/05/2022 DD 01/09/17	Agency	2,250,000.0000	2,252,983.82	10,750.00	2,314,468.33	61,484.51	0.00	2.22	Agency	AA+	Agency
CALOPTIMA S1-5	3135G0S38	FEDERAL NATL MTG ASSN	2.000% 01/05/2022 DD 01/09/17	Agency	1,500,000.0000	1,505,130.78	7,166.67	1,542,978.88	37,848.10	0.00	1.48	Agency	AA+	Agency
CALOPTIMA S1-5	3135G0V75	FEDERAL NATL MTG ASSN	1.750% 07/02/2024 DD 07/08/19	Agency	1,100,000.0000	1,106,305.43	4,759.03	1,150,534.88	44,229.45	0.00	1.10	Agency	AA+	Agency
CALOPTIMA S1-5	3135G0V75	FEDERAL NATL MTG ASSN	1.750% 07/02/2024 DD 07/08/19	Agency	1,010,000.0000	1,014,284.35	4,369.65	1,056,400.21	42,115.86	0.00	1.01	Agency	AA+	Agency
CALOPTIMA S1-5	3137EADB2	FEDERAL HOME LN MTG CORP	2.375% 01/13/2022 DD 01/13/12	Agency	1,500,000.0000	1,514,636.82	7,718.75	1,552,598.01	37,961.19	0.00	1.49	Agency	AA+	Agency
CALOPTIMA S1-5	4581X0CZ9	INTER-AMERICAN DEVELOPMENT BAN	1.750% 09/14/2022 DD 09/14/17	Agency	1,000,000.0000	993,338.51	826.39	1,029,934.24	36,595.73	0.00	0.99	Aaa	AAA	AAA
CALOPTIMA S1-5	4581X0CZ9	INTER-AMERICAN DEVELOPMENT BAN	1.750% 09/14/2022 DD 09/14/17	Agency	1,500,000.0000	1,498,281.74	1,239.58	1,544,901.36	46,619.62	0.00	1.48	Aaa	AAA	AAA
CALOPTIMA S1-5	45905GX5	INTERNATIONAL BANK FOR RECONST	1.875% 06/19/2023 DD 06/19/19	Agency	750,000.0000	759,826.30	3,984.38	778,977.54	19,151.24	0.00	0.75	Aaa	AAA	NR
CALOPTIMA S1-5	17305EFM2	CITIBANK CREDIT CARD ISS A1 A1	2.880% 01/23/2023 DD 01/24/14	Asset Backed	565,000.0000	564,289.08	3,164.00	569,909.62	5,620.54	0.00	0.55	Aaa	NR	AAA
CALOPTIMA S1-5	26208RAD7	DRIVE AUTO RECEIVABLES TR 2 A3	3.040% 03/15/2023 DD 03/20/19	Asset Backed	315,000.0000	314,977.37	425.60	315,851.89	874.52	0.00	0.30	Aaa	AAA	NR
CALOPTIMA S1-5	26208RAE5	DRIVE AUTO RECEIVABLES TRU 2 B	3.170% 11/15/2023 DD 03/20/19	Asset Backed	450,000.0000	449,971.98	634.00	448,085.61	0.00	-1,886.37	0.43	Aaa	AA	NR
CALOPTIMA S1-5	477870AB5	JOHN DEERE OWNER TRUST 20 B A2	2.280% 05/16/2022 DD 07/24/19	Asset Backed	437,317.7400	437,316.13	443.15	437,928.76	612.63	0.00	0.42	Aaa	NR	AAA
CALOPTIMA S1-5	47787XAC1	JOHN DEERE OWNER TRUST 20 A A3	1.780% 04/15/2021 DD 03/02/17	Asset Backed	5,181.1100	5,181.11	4.10	5,175.78	0.00	-5.33	0.00	Aaa	NR	AAA
CALOPTIMA S1-5	65479PAB5	NISSAN AUTO LEASE TRUST 2 A A2	2.710% 07/15/2021 DD 04/15/19	Asset Backed	721,596.6900	721,584.60	869.12	723,557.48	1,972.88	0.00	0.69	Aaa	AAA	NR
CALOPTIMA S1-5	80286GAB7	SANTANDER DRIVE AUTO RECE 2 A2	2.630% 07/15/2022 DD 05/22/19	Asset Backed	320,161.7000	320,144.40	374.23	319,586.91	0.00	-557.49	0.31	Aaa	NR	AAA
CALOPTIMA S1-5	GL-110000	CASH		CASH	0.0000	278,739.46	0.00	278,739.46	0.00	0.00	0.00			
CALOPTIMA S1-5	31381PAU2	FNMA POOL #0466319	3.230% 11/01/2020 DD 11/01/10	CMBS	164,012.4640	164,475.43	456.18	164,015.11	0.00	-460.32	0.16	Agency	AA+	Agency
CALOPTIMA S1-5	31381Q6B7	FNMA POOL #0468066	4.295% 06/01/2021 DD 06/01/11	CMBS	1,120,675.3300	1,148,848.39	4,144.79	1,153,891.91	5,043.52	0.00	1.11	Agency	AA+	Agency
CALOPTIMA S1-5	31381R5T7	FNMA POOL #0468958	3.770% 09/01/2021 DD 09/01/11	CMBS	1,190,000.0000	1,201,846.24	3,863.20	1,227,124.70	25,278.46	0.00	1.18	Agency	AA+	Agency
CALOPTIMA S1-5	3138EJRP5	FNMA POOL #0AL2293	VAR RT 06/01/2021 DD 08/01/12	CMBS	405,161.2160	434,306.53	1,519.41	419,753.32	0.00	-14,553.21	0.40	Agency	AA+	Agency
CALOPTIMA S1-5	3138EJRP5	FNMA POOL #0AL2293	VAR RT 06/01/2021 DD 08/01/12	CMBS	27,290.6510	29,125.47	102.34	28,273.54	0.00	-851.93	0.03	Agency	AA+	Agency
CALOPTIMA S1-5	3138EJRP5	FNMA POOL #0AL2293	VAR RT 06/01/2021 DD 08/01/12	CMBS	41,985.6170	43,849.91	157.45	43,497.75	0.00	-352.16	0.04	Agency	AA+	Agency
CALOPTIMA S1-5	3138EJRP5	FNMA POOL #0AL2293	VAR RT 06/01/2021 DD 08/01/12	CMBS	102,864.7600	107,431.98	385.76	106,569.49	0.00	-862.49	0.10	Agency	AA+	Agency
CALOPTIMA S1-5	3138EK7G4	FNMA POOL #0AL3594	VAR RT 04/01/2023 DD 05/01/13	CMBS	502,977.8940	514,468.76	1,167.69	526,544.56	12,075.80	0.00	0.51	Agency	AA+	Agency
CALOPTIMA S1-5	3138EKXL4	FNMA POOL #0AL3382	VAR RT 03/01/2023 DD 03/01/13	CMBS	221,056.3430	223,747.74	443.91	228,581.78	4,834.04	0.00	0.22	Agency	AA+	Agency
CALOPTIMA S1-5	3138L0MH1	FNMA POOL #0AM0359	2.310% 08/01/2022 DD 08/01/12	CMBS	716,652.7030	722,444.30	1,425.54	735,525.85	13,081.55	0.00	0.71	Agency	AA+	Agency
CALOPTIMA S1-5	3137AXHP1	FHLMC MULTICLASS MTG K024 A2	2.573% 09/25/2022 DD 01/01/13	CMBS	640,000.0000	644,990.25	1,372.26	658,506.56	13,516.31	0.00	0.63	Aaa	AA+	Agency
CALOPTIMA S1-5	3137AXHP1	FHLMC MULTICLASS MTG K024 A2	2.573% 09/25/2022 DD 01/01/13	CMBS	460,000.0000	463,427.83	986.32	473,301.59	9,873.76	0.00	0.45	Aaa	AA+	Agency
CALOPTIMA S1-5	3137B1BS0	FHLMC MULTICLASS MTG K026 A2	2.510% 11/25/2022 DD 05/01/13	CMBS	2,005,000.0000	2,020,903.32	4,193.79	2,063,421.89	42,518.57	0.00	1.98	Agency	AA+	AAA
CALOPTIMA S1-5	3137B1UG5	FHLMC MULTICLASS MTG K027 A2	2.637% 01/25/2023 DD 05/01/13	CMBS	560,000.0000	560,309.01	1,230.60	578,981.93	18,672.92	0.00	0.56	Agency	AA+	AAA
CALOPTIMA S1-5	3137B1UG5	FHLMC MULTICLASS MTG K027 A2	2.637% 01/25/2023 DD 05/01/13	CMBS	700,000.0000	700,100.72	1,538.25	723,727.41	23,626.69	0.00	0.69	Agency	AA+	AAA
CALOPTIMA S1-5	3137BKRH5	FHLMC MULTICLASS MTG K047 A1	2.827% 12/25/2024 DD 07/01/15	CMBS	184,956.3870	188,710.26	435.73	193,460.57	4,750.31	0.00	0.19	Agency	AA+	AAA
CALOPTIMA S1-5	023135AM8	AMAZON.COM INC	3.300% 12/05/2021 DD 12/05/14	Corporates	740,000.0000	715,827.42	7,868.67	765,545.05	13,717.63	0.00	0.73	A2	A+	A+
CALOPTIMA S1-5	04609QAD1	ASSOCIATION OF AMERICAN MEDICA	2.027% 10/01/2023 DD 01/29/20	Corporates	710,000.0000	710,000.00	2,478.57	708,745.12	0.00	-1,254.88	0.68	NR	AA-	AA
CALOPTIMA S1-5	05531FBJ1	TRUIST FINANCIAL CORP	2.200% 03/16/2023 DD 09/16/19	Corporates	790,000.0000	789,506.32	724.17	790,478.46	972.14	0.00	0.76	A3	A-	A+
CALOPTIMA S1-5	06051GEU9	BANK OF AMERICA CORP	3.300% 01/11/2023 DD 01/11/13	Corporates	370,000.0000	368,560.55	2,713.33	383,334.76	14,774.21	0.00	0.37	A2	A-	A+
CALOPTIMA S1-5	06051GEU9	BANK OF AMERICA CORP	3.300% 01/11/2023 DD 01/11/13	Corporates	1,000,000.0000	1,040,412.45	7,333.34	1,036,039.90	0.00	-4,372.55	0.99	A2	A-	A+
CALOPTIMA S1-5	06406RAE7	BANK OF NEW YORK MELLON CORP/T	2.950% 01/29/2023 DD 01/29/18	Corporates	882,000.0000	879,470.86	4,481.05	901,713.60	22,242.74	0.00	0.87	A1	A	AA-
CALOPTIMA S1-5	14040HBY0	CAPITAL ONE FINANCIAL CORP	3.450% 04/30/2021 DD 04/30/18	Corporates	600,000.0000	599,810.71	8,682.50	601,043.84	1,233.13	0.00	0.58	Baa1	BBB	A-
CALOPTIMA S1-5	14913QZHI	CATERPILLAR FINANCIAL SERVICES	VAR RT 03/15/2021 DD 03/15/18	Corporates	700,000.0000	637,319.87	343.23	685,146.00	47,826.13	0.00	0.66	A3	A	A
CALOPTIMA S1-5	172967LC3	CITIGROUP INC	2.900% 12/08/2021 DD 12/08/16	Corporates	900,000.0000	904,526.57	8,192.50	906,923.59	2,397.02	0.00	0.87	A3	BBB+	A
CALOPTIMA S1-5	172967LC3	CITIGROUP INC	2.900% 12/08/2021 DD 12/08/16	Corporates	710,000.0000	701,073.09	6,462.97	715,461.95	14,388.86	0.00	0.69	A3	BBB+	A
CALOPTIMA S1-5	250847EG1	DTE ELECTRIC CO	3.900% 06/01/2021 DD 05/18/11	Corporates	750,000.0000	761,854.79	9,750.00	754,493.13	0.00	-7,361.66	0.72	Aa3	A	A+
CALOPTIMA S1-5	31677QBG3	FIFTH THIRD BANK/CINCINNATI OH	2.250% 06/14/2021 DD 06/14/16	Corporates	215,000.0000	216,033.80	1,437.81	215,200.65	0.00	-833.15	0.21	A3	A-	A-
CALOPTIMA S1-5	31677QBG3	FIFTH THIRD BANK/CINCINNATI OH	2.250% 06/14/2021 DD 06/14/16	Corporates	500,000.0000	501,934.03	3,343.75	500,466.62	0.00	-1,467.41	0.48	A3	A-	A-
CALOPTIMA S1-5	38141GGQ1	GOLDMAN SACHS GROUP INC/THE	5.250% 07/27/2021 DD 07/27/11	Corporates	750,000.0000	771,748.83	7,000.00	774,055.98	2,307.15	0.00	0.74	A3	BBB+	A
CALOPTIMA S1-5	38141GWT7	GOLDMAN SACHS GROUP INC/THE	3.200% 02/23/2023 DD 01/23/18	Corporates	1,000,000.0000	1,033,969.49	3,377.78	1,018,616.94	0.00	-15,352.55	0.98	A3	BBB+	A
CALOPTIMA S1-5	44644AAB3	HUNTINGTON NATIONAL BANK/THE	2.500% 08/07/2022 DD 08/07/17	Corporates	445,000.0000	435,931.57	1,668.75	446,195.68	10,264.11	0.00	0.43	A3	A-	A-
CALOPTIMA S1-5	46625HJE1	JPMORGAN CHASE & CO	3.250% 09/23/2022 DD 09/24/12	Corporates	920,000.0000	934,679.63	664.44	948,806.62	14,126.99	0.00	0.91	A2	A-	AA-
CALOPTIMA S1-5	46625HJH4	JPMORGAN CHASE & CO	3.200% 01/25/2023 DD 01/25/13	Corporates	1,000,000.0000	991,182.27	5,866.67	1,028,767.58	37,585.31	0.00	0.99	A2	A-	AA-
CALOPTIMA S1-5	55279HAL4	MANUFACTURERS & TRADERS TRUST	2.500% 05/18/2022 DD 05/18/17	Corporates	900,000.0000	902,319.41	8,312.50	871,180.83	0.00	-31,138.58	0.84	A3	A	A
CALOPTIMA S1-5	61746BED4	MORGAN STANLEY	2.625% 11/17/2021 DD 11/17/16	Corporates	715,000.0000	706,460.39	6,986.15	717,672.51	11,212.12	0.00	0.69	A3	BBB+	A
CALOPTIMA S1-5	61747WAF6	MORGAN STANLEY	5.750% 01/25/2021 DD 01/25/11	Corporates	730,000.0000	748,126.40	7,695.42	749,287.49	1,161.09	0.00	0.72	A3	BBB+	A
CALOPTIMA S1-5	68389XBR5	ORACLE CORP	2.625% 02/15/2023 DD 11/09/17	Corporates	1,000,000.0000	983,050.83	3,354.17	1,026,595.70	43,544.87	0.00	0.99	A3	A+	A-
CALOPTIMA S1-5	69353RF70	PNC BANK NA	VAR RT 02/24/2023 DD 02/25/20	Corporates	750,000.0000	750,000.00	1,307.25	738,050.25	0.00	-11,949.75	0.71	A2	A	A+
CALOPTIMA S1-5	69371RP26	PACCAR FINANCIAL CORP	3.100% 05/10/2021 DD 05/10/18	Corporates	1,000,000.0000	999,908.18	12,141.67	1,004,895.54	4,987.36	0.00	0.96	A1	A+	NR
CALOPTIMA S1-5	74432QBP9	PRUDENTIAL FINANCIAL INC	4.500% 11/15/2020 DD 11/18/10	Corporates	365,000.0000	367,854.94	6,205.00	367,517.93	0.00	-337.01	0.35	A3	A	A-
CALOPTIMA S1-5	74456QBP0	PUBLIC SERVICE ELECTRIC & GAS	1.900% 03/15/2021 DD 03/03/16	Corporates	495,000.0000	486,453.10	4,188.00	490,097.51	3,644.41	0.00	0.47	Aa3	A	A+
CALOPTIMA S1-5	784710AB1	SSM HEALTH CARE CORP	3.688% 06/01/2023 DD 05/08/18	Corporates	100,000.0000	100,363.65	1,229.33	101,569.28	1,205.63	0.00	0.10	A1	A+	AA-
CALOPTIMA S1-5	784710AB1	SSM HEALTH CARE CORP	3.688% 06/01/2023 DD 05/08/18	Corporates	500,000.0000	497,786.82	6,146.67	507,846.41	10,059.59	0.00	0.49	A1	A+	AA-
CALOPTIMA S1-5	828807DG9	SIMON PROPERTY GROUP LP	2.000% 09/13/2024 DD 09/13/19	Corporates	260,000.0000	256,188.98	260.00	250,352.89	0.00	-5,836.09	0.24	A2	A	A
CALOPTIMA S1-5	828807DG9	SIMON PROPERTY GROUP LP	2.000% 09/13/2024 DD 09/13/19	Corporates	525,000.0000	517,278.10	525.00	505,520.25	0.00	-11,757.85	0.49	A2	A	A
CALOPTIMA S1-5	86787EBA4	TRUIST BANK	VAR RT 10/26/2021 DD 10/26/18	Corporates	390,000.0000	390,000.00	5,919.06	390,727.70	727.70	0.00	0.37	A2	A	A+
CALOPTIMA S1-5	94974BFC9	WELLS FARGO & CO	3.500% 03/08/2022 DD 03/08/12	Corporates	1,000,000.0000	1,031,956.32	2,2							

Reporting Account Name	Security ID	Security Description 1	Security Description 2	Sector	Shares/Par	Base Cost	Accrued Interest	Base Market Value	Base Unrealized Gain	Base Unrealized Loss	Percent of Asset	Moody's Rating	S&P Rating	Fitch Rating
CALOPTIMA S1-5	63968A2K0	NEBRASKA ST PUBLIC PWR DIST RE	2.216% 01/01/2024 DD 10/29/19	Municipal Securities	220,000.0000	220,000.00	2,058.42	222,785.20	2,785.20	0.00	0.21	A1	A+	A+
CALOPTIMA S1-5	677765GV5	OHLONE CA CMNTY CLG DIST	1.814% 08/01/2024 DD 09/26/19	Municipal Securities	1,000,000.0000	1,000,000.00	3,023.33	1,021,720.00	21,720.00	0.00	0.98	Aa1	AA+	NR
CALOPTIMA S1-5	762326AD8	RHODE ISLAND ST TURNPIKE & BRI	2.232% 12/01/2023 DD 12/10/19	Municipal Securities	680,000.0000	680,000.00	4,679.76	692,994.80	12,994.80	0.00	0.67	NR	A-	NR
CALOPTIMA S1-5	786073AA4	SACRAMENTO CA TRANSIENT OCCUPA	3.455% 06/01/2021 DD 11/01/18	Municipal Securities	805,000.0000	805,000.00	9,270.92	822,259.20	17,259.20	0.00	0.79	A1	NR	NR
CALOPTIMA S1-5	796720ME7	SAN BERNARDINO CA CMNTY CLG DI	1.883% 08/01/2022 DD 12/12/19	Municipal Securities	735,000.0000	735,000.00	2,306.68	739,049.85	4,049.85	0.00	0.71	Aa1	AA	NR
CALOPTIMA S1-5	797272QP9	SAN DIEGO CA CMNTY CLG DIST	2.046% 08/01/2024 DD 10/16/19	Municipal Securities	760,000.0000	760,000.00	2,591.60	781,310.40	21,310.40	0.00	0.75	Aaa	AAA	NR
CALOPTIMA S1-5	797669ZJ0	SAN FRANCISCO CA BAY AREA RAPI	1.971% 07/01/2024 DD 10/31/19	Municipal Securities	750,000.0000	750,000.00	3,695.63	766,875.00	16,875.00	0.00	0.74	NR	AA+	AA+
CALOPTIMA S1-5	79766DSU4	SAN FRANCISCO CALIF CITY &CNTY	1.977% 05/01/2024 DD 09/10/19	Municipal Securities	510,000.0000	510,000.00	5,629.51	510,810.90	810.90	0.00	0.49	A1	A+	A+
CALOPTIMA S1-5	835569GR9	SONOMA CNTY CA JNR CLG DIST	2.061% 08/01/2024 DD 11/12/19	Municipal Securities	750,000.0000	750,000.00	2,576.25	771,825.00	21,825.00	0.00	0.74	Aa2	AA	NR
CALOPTIMA S1-5	88278PZA5	TEXAS ST UNIV SYS FING REVENUE	2.103% 03/15/2024 DD 11/21/19	Municipal Securities	490,000.0000	490,000.00	457.99	493,552.50	3,552.50	0.00	0.47	Aa2	NR	AA
CALOPTIMA S1-5	899154AV0	TULARE CNTY CA PENSN OBLG	3.348% 06/01/2023 DD 06/25/18	Municipal Securities	1,000,000.0000	1,000,000.00	11,160.00	1,052,280.00	52,280.00	0.00	1.01	A1	AA-	NR
CALOPTIMA S1-5	9174367M3	UTAH ST HSG CORP SF MTGE REVEN	2.340% 01/01/2024 DD 10/02/19	Municipal Securities	500,000.0000	500,000.00	5,817.50	502,600.00	2,600.00	0.00	0.48	Aa2	NR	NR
CALOPTIMA S1-5	977100DA1	WISCONSIN ST GEN FUND ANNUAL A	2.183% 05/01/2024 DD 08/16/16	Municipal Securities	760,000.0000	764,465.37	6,912.83	772,114.40	7,649.03	0.00	0.74	Aa2	AA-	AA
CALOPTIMA S1-5	3136A5KR6	FNMA GTD REMIC P/T 12-31 AD	1.750% 10/25/2022 DD 03/01/12	RMBS	128,622.6240	127,287.90	187.58	129,130.80	1,842.90	0.00	0.12	Agency	AA+	Agency
CALOPTIMA S1-5	3136A5KR6	FNMA GTD REMIC P/T 12-31 AD	1.750% 10/25/2022 DD 03/01/12	RMBS	324,158.7480	321,081.51	472.73	325,439.47	4,357.96	0.00	0.31	Agency	AA+	Agency
CALOPTIMA S1-5	3137A1LC5	FHLMC MULTICLASS MTG 3710 AB	2.000% 08/15/2020 DD 08/01/10	RMBS	802.0100	802.15	1.34	801.95	0.00	-0.20	0.00	Agency	AA+	Agency
CALOPTIMA S1-5	3137B2ZH6	FHLMC MULTICLASS MTG 4221 HJ	1.500% 07/15/2023 DD 06/01/13	RMBS	111,675.9580	110,376.64	139.59	112,610.78	2,234.14	0.00	0.11	Agency	AA+	Agency
CALOPTIMA S1-5	3137GAUY1	FHLMC MULTICLASS MTG 3737 MA	1.500% 10/15/2022 DD 10/01/10	RMBS	200,529.0840	196,553.94	250.66	202,056.61	5,502.67	0.00	0.19	Agency	AA+	Agency
CALOPTIMA S1-5	9128284H0	US TREAS-CPI INFLAT	0.625%004/15/2023 DD 04/15/18	US Government	1,012,757.6560	1,018,601.89	2,922.75	1,020,134.05	1,532.16	0.00	0.98	Govt	AA+	Govt
CALOPTIMA S1-5	9128284H0	US TREAS-CPI INFLAT	0.625%004/15/2023 DD 04/15/18	US Government	508,556.9440	510,219.66	1,467.66	512,261.00	2,041.34	0.00	0.49	Govt	AA+	Govt
CALOPTIMA S1-5	9128286N5	US TREAS-CPI INFLAT	0.500% 04/15/2024 DD 04/15/19	US Government	1,508,512.0000	1,526,969.17	3,482.77	1,530,302.41	3,333.24	0.00	1.47	Govt	AA+	Govt
CALOPTIMA S1-5	9128286N5	US TREAS-CPI INFLAT	0.500% 04/15/2024 DD 04/15/19	US Government	506,246.4000	514,849.90	1,168.79	513,559.11	0.00	-1,290.79	0.49	Govt	AA+	Govt
CALOPTIMA S1-5	912828D56	U S TREASURY NOTE	2.375% 08/15/2024 DD 08/15/14	US Government	690,000.0000	715,605.88	2,070.95	750,294.14	34,688.26	0.00	0.72	Govt	AA+	Govt
CALOPTIMA S1-5	912828D56	U S TREASURY NOTE	2.375% 08/15/2024 DD 08/15/14	US Government	1,465,000.0000	1,518,536.66	4,397.01	1,593,015.82	74,479.16	0.00	1.53	Govt	AA+	Govt
CALOPTIMA S1-5	912828D56	U S TREASURY NOTE	2.375% 08/15/2024 DD 08/15/14	US Government	1,470,000.0000	1,520,193.61	4,412.02	1,598,452.73	78,259.12	0.00	1.53	Govt	AA+	Govt
CALOPTIMA S1-5	912828D56	U S TREASURY NOTE	2.375% 08/15/2024 DD 08/15/14	US Government	640,000.0000	659,041.92	1,920.88	695,925.00	36,883.08	0.00	0.67	Govt	AA+	Govt
CALOPTIMA S1-5	912828D56	U S TREASURY NOTE	2.375% 08/15/2024 DD 08/15/14	US Government	1,475,000.0000	1,517,577.30	4,427.02	1,603,889.64	86,312.34	0.00	1.54	Govt	AA+	Govt
CALOPTIMA S1-5	912828G38	U S TREASURY NOTE	2.250% 11/15/2024 DD 11/15/14	US Government	750,000.0000	769,855.32	6,397.66	814,394.53	44,539.21	0.00	0.78	Govt	AA+	Govt
CALOPTIMA S1-5	912828G38	U S TREASURY NOTE	2.250% 11/15/2024 DD 11/15/14	US Government	495,000.0000	508,083.96	4,224.46	537,500.39	29,416.43	0.00	0.52	Govt	AA+	Govt
CALOPTIMA S1-5	912828G38	U S TREASURY NOTE	2.250% 11/15/2024 DD 11/15/14	US Government	995,000.0000	1,017,402.07	8,487.57	1,080,430.08	63,028.01	0.00	1.04	Govt	AA+	Govt
CALOPTIMA S1-5	912828G38	U S TREASURY NOTE	2.250% 11/15/2024 DD 11/15/14	US Government	950,000.0000	987,239.34	8,103.71	1,031,566.42	44,327.08	0.00	0.99	Govt	AA+	Govt
CALOPTIMA S1-5	912828J43	U S TREASURY NOTE	1.750% 02/28/2022 DD 02/28/15	US Government	575,000.0000	571,098.12	897.46	591,800.78	20,702.66	0.00	0.57	Govt	AA+	Govt
CALOPTIMA S1-5	912828J43	U S TREASURY NOTE	1.750% 02/28/2022 DD 02/28/15	US Government	150,000.0000	148,966.22	234.12	154,382.81	5,416.59	0.00	0.15	Govt	AA+	Govt
CALOPTIMA S1-5	912828J43	U S TREASURY NOTE	1.750% 02/28/2022 DD 02/28/15	US Government	600,000.0000	595,836.11	936.49	617,531.25	21,695.14	0.00	0.59	Govt	AA+	Govt
CALOPTIMA S1-5	912828J43	U S TREASURY NOTE	1.750% 02/28/2022 DD 02/28/15	US Government	1,800,000.0000	1,787,378.55	2,809.46	1,852,593.75	65,215.20	0.00	1.78	Govt	AA+	Govt
CALOPTIMA S1-5	912828J43	U S TREASURY NOTE	1.750% 02/28/2022 DD 02/28/15	US Government	405,000.0000	406,327.81	632.13	416,833.60	10,505.79	0.00	0.40	Govt	AA+	Govt
CALOPTIMA S1-5	912828L57	U S TREASURY NOTE	1.750% 09/30/2022 DD 09/30/15	US Government	350,000.0000	347,777.36	16.74	363,029.30	15,251.94	0.00	0.35	Govt	AA+	Govt
CALOPTIMA S1-5	912828L57	U S TREASURY NOTE	1.750% 09/30/2022 DD 09/30/15	US Government	625,000.0000	621,078.45	29.88	648,266.60	27,188.15	0.00	0.62	Govt	AA+	Govt
CALOPTIMA S1-5	912828L57	U S TREASURY NOTE	1.750% 09/30/2022 DD 09/30/15	US Government	1,000,000.0000	991,543.41	47.81	1,037,226.56	45,683.15	0.00	1.00	Govt	AA+	Govt
CALOPTIMA S1-5	912828L57	U S TREASURY NOTE	1.750% 09/30/2022 DD 09/30/15	US Government	770,000.0000	762,600.07	36.82	798,664.45	36,064.38	0.00	0.77	Govt	AA+	Govt
CALOPTIMA S1-5	912828L57	U S TREASURY NOTE	1.750% 09/30/2022 DD 09/30/15	US Government	990,000.0000	978,858.56	47.34	1,026,854.29	47,995.73	0.00	0.99	Govt	AA+	Govt
CALOPTIMA S1-5	912828L57	U S TREASURY NOTE	1.750% 09/30/2022 DD 09/30/15	US Government	2,850,000.0000	2,789,436.54	136.27	2,956,095.70	166,659.16	0.00	2.84	Govt	AA+	Govt
CALOPTIMA S1-5	912828S76	U S TREASURY NOTE	1.125% 07/31/2021 DD 07/31/16	US Government	3,325,000.0000	3,296,355.38	6,268.63	3,367,341.82	70,986.44	0.00	3.23	Govt	AA+	Govt
CALOPTIMA S1-5	912828S76	U S TREASURY NOTE	1.125% 07/31/2021 DD 07/31/16	US Government	3,850,000.0000	3,762,271.22	7,258.41	3,899,027.36	136,756.14	0.00	3.74	Govt	AA+	Govt
CALOPTIMA S1-5	912828T26	U S TREASURY NOTE	1.375% 09/30/2023 DD 09/30/16	US Government	1,035,000.0000	1,026,347.22	38.89	1,073,408.21	47,060.99	0.00	1.03	Govt	AA+	Govt
CALOPTIMA S1-5	912828T26	U S TREASURY NOTE	1.375% 09/30/2023 DD 09/30/16	US Government	1,200,000.0000	1,198,418.11	45.08	1,244,531.25	46,113.14	0.00	1.19	Govt	AA+	Govt
CALOPTIMA S1-5	912828VM9	US TREAS-CPI INFLAT	0.375% 07/15/2023 DD 07/15/13	US Government	3,048,045.0000	3,072,635.92	2,417.92	3,065,517.00	0.00	-7,118.92	2.94	Govt	AA+	Govt
CALOPTIMA S1-5	912828YK0	U S TREASURY NOTE	1.375% 10/15/2022 DD 10/15/19	US Government	820,000.0000	814,276.92	5,206.22	843,126.56	28,849.64	0.00	0.81	Govt	AA+	Govt
CALOPTIMA S1-5	912828YK0	U S TREASURY NOTE	1.375% 10/15/2022 DD 10/15/19	US Government	770,000.0000	765,225.35	4,888.76	791,716.40	26,491.05	0.00	0.76	Govt	AA+	Govt
CALOPTIMA S1-5	912828YK0	U S TREASURY NOTE	1.375% 10/15/2022 DD 10/15/19	US Government	515,000.0000	511,807.19	3,269.76	529,524.61	17,717.42	0.00	0.51	Govt	AA+	Govt
CALOPTIMA S1-5	912828YK0	U S TREASURY NOTE	1.375% 10/15/2022 DD 10/15/19	US Government	1,030,000.0000	1,023,613.30	6,539.51	1,059,049.21	35,435.91	0.00	1.02	Govt	AA+	Govt
CALOPTIMA S1-5	912828YK0	U S TREASURY NOTE	1.375% 10/15/2022 DD 10/15/19	US Government	1,800,000.0000	1,789,412.38	11,428.28	1,850,765.62	61,353.24	0.00	1.78	Govt	AA+	Govt
CALOPTIMA S1-5	912828YK0	U S TREASURY NOTE	1.375% 10/15/2022 DD 10/15/19	US Government	925,000.0000	919,430.79	5,872.87	951,087.89	31,657.10	0.00	0.91	Govt	AA+	Govt
CALOPTIMA S1-5	912828YK0	U S TREASURY NOTE	1.375% 10/15/2022 DD 10/15/19	US Government	1,030,000.0000	1,022,340.57	6,539.51	1,059,049.21	36,708.64	0.00	1.02	Govt	AA+	Govt



**Portfolio Positions**

as of March 31, 2020

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	12,366,370.10	12,366,370.10	0.00	1.000	4.04%
<b>Total for Cash</b>			<b>12,366,370.10</b>	<b>12,366,370.10</b>	<b>0.00</b>		<b>4.04%</b>
<b>Money Markets</b>							
1,720,000.000	SUMITOMO MITSUI BANK YCD FRN SOFR+33 Mat: 4/2/20 Cpn: 0.34% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 10/2/19 St Date: 10/2/19	86565BT27	1,720,000.00 0.00	1,720,000.00 1,418.04	0.00	100.000	0.56%
2,000,000.000	CT YALE UNIVERSITY CP TXB Mat: 4/9/20 Cpn: 0.00% Moody's: NR S&P: NR Fitch: NR Tr Date: 3/12/20 St Date: 3/12/20	98459RD98	1,998,287.96 0.00	1,997,733.26 1,222.89	(554.70)	99.945	0.65%
790,000.000	BNP PARIBAS YCD FRN 3ML+5 Mat: 4/17/20 Cpn: 1.89% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 4/16/19 St Date: 4/17/19	05586FF28	790,000.00 0.00	790,419.12 3,104.26	419.12	100.053	0.26%
1,000,000.000	BANK OF MONTREAL YCD FRN SOFR+23 Mat: 5/8/20 Cpn: 0.24% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 5/8/19 St Date: 5/9/19	06370RZZ5	1,000,000.00 0.00	998,177.95 1,798.33	(1,822.05)	99.818	0.33%
2,000,000.000	CREDIT AGRICOLE YCD FRN Mat: 5/8/20 Cpn: 1.22% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 11/7/19 St Date: 11/8/19	22532XNH7	2,000,000.00 0.00	1,997,524.38 1,552.67	(2,475.62)	99.876	0.65%
19,000,000.000	U.S. TREASURY BILL Mat: 5/14/20 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/12/20 St Date: 2/13/20	912796TV1	18,925,893.14 0.00	18,960,647.52 39,089.33	34,754.38	99.994	6.21%
15,000,000.000	U.S. TREASURY BILL Mat: 5/21/20 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/19/20 St Date: 2/20/20	912796SR1	14,941,229.17 0.00	14,973,303.92 26,479.17	32,074.75	99.994	4.90%
25,000,000.000	U.S. TREASURY BILL Mat: 5/28/20 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/26/20 St Date: 2/27/20	912796TW9	24,906,630.21 0.00	24,964,537.57 34,885.42	57,907.36	99.994	8.17%



**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
14,400,000.000	U.S. TREASURY BILL Mat: 6/18/20 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 6/19/19 St Date: 6/20/19	912796SV2	14,234,097.22	0.00	14,285,864.69 113,686.11	51,767.47	99.992	4.71%
10,000,000.000	U.S. TREASURY BILL Mat: 7/9/20 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/8/20 St Date: 1/9/20	912796WW5	9,923,534.72	0.00	9,964,181.94 34,871.53	40,647.22	99.986	3.27%
20,000,000.000	U.S. TREASURY BILL Mat: 8/20/20 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/19/20 St Date: 2/20/20	912796XF1	19,847,069.44	0.00	19,960,472.22 34,451.39	113,402.78	99.970	6.53%
1,800,000.000	OVERSEA-CHINESE BANKING NY FRN YCD Mat: 8/21/20 Cpn: 0.96% Moody's: S&P: Fitch: Tr Date: 2/26/20 St Date: 2/27/20	69033MMY0	1,800,041.89	503.81	1,790,358.35 433.63	(9,683.54)	99.464	0.59%
2,300,000.000	LLOYDS BANK FRN YCD Mat: 9/24/20 Cpn: 1.70% Moody's: S&P: Fitch: Tr Date: 1/3/20 St Date: 1/6/20	53947BAC4	2,305,938.10	2,285.96	2,281,575.09 871.00	(24,363.01)	99.199	0.75%
1,550,000.000	SKANDINAV ENSKILDA BK YCD FRN Mat: 10/16/20 Cpn: 2.01% Moody's: S&P: Fitch: Tr Date: 2/19/20 St Date: 2/20/20	83050PEX3	1,551,963.85	3,032.92	1,537,724.25 6,585.77	(14,239.60)	99.208	0.50%
5,000,000.000	U.S. TREASURY BILL Mat: 11/5/20 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/29/19 St Date: 12/2/19	912796TP4	4,927,256.25	0.00	4,972,808.25 25,964.58	45,552.00	99.971	1.63%
2,000,000.000	BANK OF NOVA SCOTIA YCD FRN Mat: 11/13/20 Cpn: 1.84% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 11/14/19 St Date: 11/15/19	06417MEQ4	2,000,000.00	0.00	1,986,397.52 4,899.33	(13,602.48)	99.320	0.65%
5,000,000.000	U.S. TREASURY BILL Mat: 12/3/20 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 12/19/19 St Date: 12/20/19	912796TU3	4,928,382.29	0.00	4,977,603.90 21,136.46	49,221.61	99.971	1.63%
2,000,000.000	WESTPAC BANK FRN YCD Mat: 12/11/20 Cpn: 0.92% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 12/11/19 St Date: 12/12/19	96130AES3	2,000,000.00	0.00	1,981,694.48 1,071.15	(18,305.52)	99.085	0.65%



**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,500,000.000	BAYERISCHE LANDESBANK FRN YCD Mat: 1/22/21 Cpn: 1.99% Moody's: S&P: Fitch: Tr Date: 1/28/20 St Date: 1/29/20	0727MAX30	1,500,280.00	304.66	1,454,988.86 5,400.77	(45,291.15)	96.999	0.48%
1,500,000.000	CREDIT SUISSE NY YCD Mat: 1/22/21 Cpn: 1.80% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 1/23/20 St Date: 1/24/20	22549LZD0	1,500,000.00	0.00	1,504,589.85 5,100.00	4,589.85	100.306	0.49%
1,000,000.000	MIZUHO BANK YCD Mat: 1/22/21 Cpn: 1.73% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 1/24/20 St Date: 1/24/20	60710AJP8	1,000,000.00	0.00	1,002,490.60 3,267.78	2,490.60	100.249	0.33%
2,000,000.000	NATIXIS NY YCD Mat: 1/22/21 Cpn: 1.77% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 1/24/20 St Date: 1/24/20	63873QDQ4	2,000,000.00	0.00	2,005,631.84 6,686.67	5,631.84	100.282	0.66%
1,970,000.000	BANCO SANTANDER YCD Mat: 1/25/21 Cpn: 1.83% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 1/24/20 St Date: 1/27/20	05966DXF4	1,970,000.00	0.00	1,976,903.85 6,509.21	6,903.85	100.351	0.65%
2,000,000.000	CREDIT AGRICOLE YCD Mat: 1/25/21 Cpn: 1.76% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 1/24/20 St Date: 1/27/20	22535CKZ3	2,000,000.00	0.00	2,005,858.64 6,355.56	5,858.64	100.293	0.66%
<b>Total for Money Markets</b>			<b>139,770,604.24</b>	<b>6,127.35</b>	<b>140,091,488.04</b>	<b>320,883.80</b>		<b>45.91%</b>

**Treasuries**

5,000,000.000	U.S. TREASURY NOTE Mat: 12/15/20 Cpn: 1.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 12/19/19 St Date: 12/20/19	9128283L2	5,012,109.38	1,280.74	5,062,792.95 27,663.93	50,683.57	101.256	1.66%
5,250,000.000	U.S. TREASURY NOTE Mat: 1/15/21 Cpn: 2.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/8/20 St Date: 1/9/20	9128283Q1	5,270,712.89	50,788.04	5,327,929.69 22,211.54	57,216.80	101.484	1.75%
10,000,000.000	U.S. TREASURY NOTE Mat: 2/28/21 Cpn: 2.50% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/19/20 St Date: 2/20/20	9128286D7	10,101,953.13	118,818.68	10,217,968.80 21,739.13	116,015.67	102.180	3.35%



**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
10,000,000.000	U.S. TREASURY NOTE Mat: 5/31/21 Cpn: 2.13% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/4/20 St Date: 2/5/20	9128286V7	10,080,468.75 38,900.27	10,230,859.40 71,413.93	150,390.65	102.309	3.37%
10,000,000.000	U.S. TREASURY FRN Mat: 10/31/21 Cpn: 0.39% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 12/19/19 St Date: 12/20/19	912828YN4	10,013,683.86 25,767.90	10,028,282.50 22,404.13	14,598.64	100.283	3.28%
<b>Total for Treasuries</b>			<b>40,478,928.01</b> <b>235,555.63</b>	<b>40,867,833.34</b> <b>165,432.67</b>	<b>388,905.33</b>		<b>13.41%</b>

**Government Related**

2,370,000.000	IBRD FRN SOFR+22 Mat: 8/21/20 Cpn: 0.23% Moody's: Aaa S&P: AAA Fitch: Tr Date: 8/14/18 St Date: 8/21/18	459058GK3	2,370,000.00 0.00	2,366,560.51 2,907.86	(3,439.49)	99.855	0.77%
3,000,000.000	INTL FINANCE CORP FRN Mat: 8/23/21 Cpn: 1.05% Moody's: Aaa S&P: AAA Fitch: Tr Date: 1/29/20 St Date: 2/4/20	45950VNE2	3,003,810.00 1,789.50	3,002,539.29 790.22	(1,270.71)	100.085	0.98%
4,000,000.000	INTER-AMERICAN DEVELOPMENT BANK FRN Mat: 1/15/22 Cpn: 1.83% Moody's: Aaa S&P: AAA Fitch: Tr Date: 1/16/20 St Date: 1/21/20	45818WBA3	4,000,870.00 1,220.83	3,997,689.40 15,667.36	(3,180.60)	99.942	1.31%
1,000,000.000	INTER-AMERICAN DEVELOPMENT BANK FRN Mat: 3/15/22 Cpn: 0.77% Moody's: Aaa S&P: AAA Fitch: Tr Date: 1/30/20 St Date: 2/3/20	45818WCM6	1,000,852.00 2,620.00	998,855.32 342.44	(1,996.68)	99.886	0.33%
<b>Total for Government Related</b>			<b>10,375,532.00</b> <b>5,630.33</b>	<b>10,365,644.52</b> <b>19,707.89</b>	<b>(9,887.48)</b>		<b>3.39%</b>

**Agencies**

2,000,000.000	FHLB FRN SOFR+3 Mat: 9/4/20 Cpn: 0.04% Moody's: Aaa S&P: AA+u Fitch: F1+ Tr Date: 2/28/20 St Date: 3/4/20	3130AJC56	2,000,000.00 0.00	1,998,921.26 968.33	(1,078.74)	99.946	0.65%
2,000,000.000	FFCB FRN Mat: 3/29/21 Cpn: 1.02% Moody's: Aaa S&P: AA+ Fitch: AAA Tr Date: 3/30/20 St Date: 3/31/20	3133EKEX0	2,001,666.28 112.88	2,001,666.28 169.31	0.00	100.083	0.65%



Portfolio Positions

as of March 31, 2020

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 Agencies</b>			<b>4,001,666.28</b>	<b>112.88</b>	<b>4,000,587.54</b>	<b>(1,078.74)</b>		<b>1.31%</b>
<b>Tax-Exempt</b>								
2,070,000.000	CA LOS ANGELES CCD GO/ULT PRE-20	54438CPB2	2,099,373.30		2,098,684.86	(688.44)	101.386	0.69%
	Mat: 8/1/20	Cpn: 5.25%	14,490.00		18,112.50			
	Moody's: Aaa	S&P: AA+						
	Tr Date: 3/13/20	St Date: 3/19/20						
<b>Total for Tax-Exempt</b>			<b>2,099,373.30</b>	<b>14,490.00</b>	<b>2,098,684.86</b>	<b>(688.44)</b>		<b>0.69%</b>
<b>Taxable Muni</b>								
1,770,000.000	CA STATE GO/ULT TXB	13063DFZ6	1,776,159.60		1,770,000.94	(6,158.66)	100.000	0.59%
	Mat: 4/1/20	Cpn: 2.60%	4,346.33		23,010.00			
	Moody's: Aa2	S&P: AA-						
	Tr Date: 11/1/19	St Date: 11/5/19						
1,500,000.000	CA STATE GO/ULT CP TXB	13068BEU7	1,500,000.00		1,499,965.50	(34.50)	99.998	0.49%
	Mat: 4/8/20	Cpn: 1.90%	0.00		6,463.11			
	Moody's: P-1	S&P: A-1+						
	Tr Date: 1/9/20	St Date: 1/9/20						
1,938,000.000	CA SAN JOSE FIN AUTH CP TXB	79815QFJ5	1,938,000.00		1,937,955.43	(44.57)	99.998	0.64%
	Mat: 4/8/20	Cpn: 1.75%	0.00		7,619.26			
	Moody's: P-1	S&P: A-1+						
	Tr Date: 1/10/20	St Date: 1/10/20						
2,000,000.000	CA LOS ANGELES METRO TRANS AUTH CP TXB	54531HBE6	2,000,000.00		1,999,872.00	(128.00)	99.994	0.65%
	Mat: 4/9/20	Cpn: 1.13%	0.00		1,234.97			
	Moody's: P-1	S&P: A-1						
	Tr Date: 3/12/20	St Date: 3/12/20						
1,430,000.000	CT STATE OF CONNECTICUT GO/ULT-TXBL	20772KGJ2	1,436,506.50		1,430,884.04	(5,622.46)	100.062	0.47%
	Mat: 4/15/20	Cpn: 3.13%	0.00		20,605.90			
	Moody's: A1	S&P: A						
	Tr Date: 3/29/19	St Date: 4/11/19						
2,000,000.000	CA STATE GO/ULT CP TXB	13068PDR4	2,000,000.00		1,999,538.00	(462.00)	99.977	0.66%
	Mat: 5/7/20	Cpn: 1.70%	0.00		4,750.68			
	Moody's: P-1	S&P: A-1+						
	Tr Date: 2/10/20	St Date: 2/10/20						
1,030,000.000	CA SHAFFEY UNION HIGH SCH DIST TXB	157411TF6	1,030,721.00		1,031,871.92	1,150.92	100.182	0.34%
	Mat: 8/1/20	Cpn: 1.80%	1,599.16		3,095.15			
	Moody's: Aa1	S&P: AA-						
	Tr Date: 2/27/20	St Date: 3/2/20						



**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
330,000.000	CA SAN BERNARDINO CCD TXB Mat: 8/1/20 Cpn: 1.75% Moody's: Aa1 S&P: AA Fitch: Tr Date: 11/21/19 St Date: 12/12/19	796720MC1	330,000.00 0.00	330,731.75 964.70	731.75	100.222	0.11%
1,000,000.000	CA SAN JOSE REDEV AGY TAB TXB Mat: 8/1/20 Cpn: 2.26% Moody's: S&P: AA Fitch: AA Tr Date: 4/3/19 St Date: 4/5/19	798170AC0	995,250.00 4,016.00	1,001,937.41 3,765.00	6,687.41	100.194	0.33%
500,000.000	CA SONOMA CNTY CLG DIST TXB Mat: 8/1/20 Cpn: 1.84% Moody's: Aa2 S&P: AA Fitch: Tr Date: 10/23/19 St Date: 11/12/19	835569GM0	500,000.00 0.00	501,998.71 1,530.83	1,998.71	100.400	0.16%
635,000.000	CA MADERA SUCCESSOR AGY TAB TXB Mat: 9/1/20 Cpn: 2.98% Moody's: S&P: AA- Fitch: Tr Date: 1/3/20 St Date: 1/7/20	55645HAX5	639,806.95 6,623.05	639,346.20 1,576.92	(460.75)	100.684	0.21%
1,000,000.000	CA SANTA CRUZ REDEV AGY TAB TXB PRE-20 Mat: 9/1/20 Cpn: 7.40% Moody's: A2 S&P: AA Fitch: Tr Date: 10/18/19 St Date: 10/22/19	801825GV6	1,067,410.00 10,483.33	1,040,964.36 6,166.67	(26,445.64)	104.096	0.34%
765,000.000	CA PALM DESERT REDEV AGY TAB TXB Mat: 10/1/20 Cpn: 2.25% Moody's: S&P: AA Fitch: Tr Date: 12/13/19 St Date: 12/17/19	696624AT2	767,669.85 3,633.75	767,418.06 8,606.25	(251.79)	100.316	0.25%
1,500,000.000	CA SAN BERNARDINO CNTY COPS TXBL Mat: 10/1/20 Cpn: 2.00% Moody's: Aa2 S&P: AA Fitch: Tr Date: 11/13/19 St Date: 11/15/19	796815ZE1	1,502,445.00 3,666.67	1,503,661.20 15,000.00	1,216.20	100.244	0.50%
575,000.000	CA SAN FRAN PUB UTIL WATER-GREEN TXB Mat: 11/1/20 Cpn: 1.81% Moody's: Aa2 S&P: AA- Fitch: Tr Date: 12/13/19 St Date: 1/9/20	79765R4K2	575,000.00 0.00	574,906.74 2,375.84	(93.27)	99.984	0.19%
360,000.000	BAYLOR SCOTT & WHITE TAXABLE Mat: 11/15/20 Cpn: 2.12% Moody's: Aa3 S&P: AA- Fitch: Tr Date: 8/21/19 St Date: 8/23/19	072863AA1	360,079.20 2,080.54	358,964.99 2,887.28	(1,114.21)	99.713	0.12%
3,193,031.272	CA DEPT WTR RESOURCES-PWR SUPPLY TXB Mat: 5/1/21 Cpn: 1.71% Moody's: Aa1 S&P: AA+ Fitch: AA+ Tr Date: 6/18/19 St Date: 6/20/19	13066YTY5	3,187,067.27 13,114.96	3,197,034.25 22,790.26	9,966.98	100.125	1.05%



Portfolio Positions

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,000,000.000	CA UNIVERSITY OF CALIFORNIA TXB Mat: 5/15/21 Cpn: 1.79% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 2/27/20 St Date: 3/2/20	91412GD51	1,004,870.00 5,320.28	1,005,394.67 6,762.22	524.67	100.540	0.33%
1,900,000.000	CA HEALTH FACS-NO PLACE LIKE HOME-TXB Mat: 6/1/21 Cpn: 1.90% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 11/20/19 St Date: 11/25/19	13032UUY2	1,900,000.00 0.00	1,897,957.54 12,608.40	(2,042.46)	99.893	0.62%
610,000.000	CA SAN BERNARDINO CCD TXB Mat: 8/1/21 Cpn: 1.82% Moody's: Aa1 S&P: AA Fitch: Tr Date: 11/21/19 St Date: 12/12/19	796720MD9	610,000.00 0.00	615,866.61 1,854.40	5,866.61	100.962	0.20%
1,000,000.000	CA ANAHEIM HSG & PUB IMPT AUTH TXB Mat: 10/1/21 Cpn: 1.65% Moody's: S&P: AA- Fitch: AA- Tr Date: 2/7/20 St Date: 3/4/20	032556GM8	1,000,000.00 0.00	994,440.84 1,235.25	(5,559.16)	99.444	0.33%
<b>Total for Taxable Muni</b>			<b>26,120,985.37</b> <b>54,884.07</b>	<b>26,100,711.14</b> <b>154,903.10</b>	<b>(20,274.23)</b>		<b>8.58%</b>
<b>Credit</b>							
405,000.000	CITIZENS BANK FRN Mat: 5/26/20 Cpn: 2.22% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 5/22/17 St Date: 5/26/17	17401QAK7	405,000.00 0.00	404,932.09 872.80	(67.91)	99.983	0.13%
2,000,000.000	HOME DEPOT FRN Mat: 6/5/20 Cpn: 1.46% Moody's: A2 S&P: A Fitch: Au Tr Date: 3/10/20 St Date: 3/12/20	437076BR2	2,002,180.00 569.43	1,993,848.76 2,196.38	(8,331.24)	99.692	0.65%
1,000,000.000	PNC BANK Mat: 7/21/20 Cpn: 2.60% Moody's: A2 S&P: A Fitch: A+ Tr Date: 2/25/20 St Date: 2/27/20	69353RES3	1,002,880.00 2,600.00	1,000,305.00 5,055.56	(2,575.00)	100.031	0.33%
1,000,000.000	STATE STREET FRN Mat: 8/18/20 Cpn: 2.59% Moody's: A1 S&P: A Fitch: AA- Tr Date: 2/25/20 St Date: 2/27/20	857477AR4	1,004,160.00 647.94	995,197.19 3,095.70	(8,962.81)	99.520	0.33%
650,000.000	GOLDMAN SACHS FRN Mat: 9/15/20 Cpn: 1.94% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 3/16/18 St Date: 3/20/18	38141GVQ4	660,900.50 300.13	646,016.14 560.59	(14,884.36)	99.387	0.21%



**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
750,000.000	PACCAR FINANCIAL Mat: 11/13/20 Cpn: 2.05% Moody's: A1 S&P: A+ Fitch: Tr Date: 3/10/20 St Date: 3/12/20	69371RN85	753,862.50 5,082.29	748,140.00 5,893.75	(5,722.50)	99.752	0.25%
1,000,000.000	PINNACLE WEST CAPITAL Mat: 11/30/20 Cpn: 2.25% Moody's: A3 S&P: BBB+ Fitch: A- Tr Date: 11/1/19 St Date: 11/5/19	723484AG6	1,002,440.00 9,687.50	1,001,449.00 7,562.50	(991.00)	100.145	0.33%
1,585,000.000	AVALONBAY COMMUNITIES FRN Mat: 1/15/21 Cpn: 2.26% Moody's: A3 S&P: A- Fitch: Tr Date: 11/8/17 St Date: 11/15/17	05348EBD0	1,585,000.00 0.00	1,560,091.73 7,665.95	(24,908.28)	98.429	0.51%
1,000,000.000	MORGAN STANLEY Mat: 1/25/21 Cpn: 5.75% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 10/24/19 St Date: 10/28/19	61747WAF6	1,045,110.00 14,854.17	1,026,500.00 10,541.67	(18,610.00)	102.650	0.34%
645,000.000	TRUIST FIN CORP FRN Mat: 2/1/21 Cpn: 1.98% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 10/23/17 St Date: 10/26/17	05531FBA0	645,000.00 0.00	630,645.62 2,060.93	(14,354.38)	97.775	0.21%
1,000,000.000	REGIONS BANK FRN Mat: 4/1/21 Cpn: 2.29% 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	979,050.00 5,723.45	(20,950.00)	97.905	0.32%
1,235,000.000	US BANK CINCINNATI FRN Mat: 4/26/21 Cpn: 2.11% 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	1,216,367.56 4,714.22	(18,632.45)	98.491	0.40%
1,000,000.000	AMERICAN EXPRESS Mat: 5/5/21 Cpn: 2.25% Moody's: A2 S&P: A- Fitch: A Tr Date: 2/28/20 St Date: 3/3/20	0258M0EB1	1,009,080.00 7,375.00	1,003,175.00 9,125.00	(5,905.00)	100.318	0.33%
810,000.000	APPLE Mat: 5/6/21 Cpn: 2.85% Moody's: Aa1 S&P: AA+ Fitch: Tr Date: 3/6/20 St Date: 3/10/20	037833AR1	826,775.10 7,951.50	824,539.50 9,298.13	(2,235.60)	101.795	0.27%
1,000,000.000	TRUIST FIN CORP Mat: 5/10/21 Cpn: 2.05% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 10/24/19 St Date: 10/28/19	05531FAV5	1,001,440.00 9,566.67	999,090.00 8,029.17	(2,350.00)	99.909	0.33%





**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,000,000.000	CITIZENS BANK Mat: 5/13/21 Cpn: 2.55% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 11/1/19 St Date: 11/5/19	17401QAE1	1,007,940.00 12,183.33	999,570.00 9,775.00	(8,370.00)	99.957	0.33%
1,250,000.000	HUNTINGTON NATL BANK Mat: 5/14/21 Cpn: 3.25% Moody's: A3 S&P: A- Fitch: A- Tr Date: 10/24/19 St Date: 10/28/19	44644AAD9	1,273,607.50 19,138.89	1,260,050.00 15,460.07	(13,557.50)	100.804	0.42%
850,000.000	AMERICAN EXPRESS FRN Mat: 5/17/21 Cpn: 2.22% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 5/14/18 St Date: 5/17/18	025816BV0	850,000.00 0.00	827,103.55 2,250.62	(22,896.45)	97.306	0.27%
1,000,000.000	BANK OF AMERICA FRN Mat: 5/24/21 Cpn: 2.03% Moody's: Aa2 S&P: A+ Fitch: AA- Tr Date: 5/20/19 St Date: 5/24/19	06050TML3	1,000,000.00 0.00	981,563.38 2,089.22	(18,436.62)	98.156	0.32%
1,735,000.000	GOLDMAN SACHS FRN Mat: 5/24/21 Cpn: 2.14% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 5/20/19 St Date: 5/24/19	3814267X7	1,736,073.25 2,860.58	1,688,447.82 3,821.65	(47,625.43)	97.317	0.55%
250,000.000	PNC BANK FRN Mat: 6/10/21 Cpn: 1.21% Moody's: A2 S&P: A Fitch: A+ Tr Date: 6/5/19 St Date: 6/10/19	69353RFN3	250,000.00 0.00	245,145.91 184.25	(4,854.09)	98.058	0.08%
635,000.000	CITIGROUP Mat: 7/23/21 Cpn: 3.40% Moody's: Aa3 S&P: A+ Fitch: A+ Tr Date: 10/24/19 St Date: 10/28/19	17325FAQ1	650,119.35 5,697.36	646,842.75 4,078.11	(3,276.60)	101.865	0.21%
1,000,000.000	APPLE Mat: 8/4/21 Cpn: 1.55% Moody's: Aa1 S&P: AA+ Fitch: Tr Date: 2/28/20 St Date: 3/3/20	037833CC2	1,004,176.20 1,248.61	1,006,365.00 2,454.17	2,188.80	100.637	0.33%
1,000,000.000	MICROSOFT Mat: 8/8/21 Cpn: 1.55% Moody's: Aaa S&P: AAA Fitch: AA+u Tr Date: 2/28/20 St Date: 3/3/20	594918BP8	1,004,540.00 1,076.39	1,009,075.00 2,281.94	4,535.00	100.908	0.33%
1,350,000.000	CATERPILLAR FINANCIAL FRN Mat: 9/7/21 Cpn: 1.28% 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	1,323,073.18 1,103.03	(26,926.82)	98.005	0.43%



**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,250,000.000	JOHN DEERE CAPITAL CORP FRN Mat: 9/10/21 Cpn: 1.16% 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	1,212,916.20 883.06	(37,083.80)	97.033	0.40%
1,785,000.000	BANK OF AMERICA FRN Mat: 10/1/21 Cpn: 2.56% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 9/13/17 St Date: 9/18/17	06051GGU7	1,785,000.00 0.00	1,745,265.90 11,421.23	(39,734.10)	97.774	0.57%
660,000.000	COMCAST FRN Mat: 10/1/21 Cpn: 2.35% Moody's: A3 S&P: A- Fitch: A- Tr Date: 10/2/18 St Date: 10/5/18	20030NCW9	660,000.00 0.00	645,595.50 3,919.55	(14,404.50)	97.818	0.21%
1,185,000.000	WELLS FARGO FRN Mat: 10/22/21 Cpn: 2.31% 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	1,154,201.86 5,327.53	(30,798.14)	97.401	0.38%
1,000,000.000	TRUIST BANK Mat: 10/26/21 Cpn: 3.53% Moody's: A2 S&P: A Fitch: A+ Tr Date: 11/1/19 St Date: 11/5/19	86787EBA4	1,014,060.00 881.25	1,005,000.00 15,177.08	(9,060.00)	100.500	0.33%
1,215,000.000	TD AMERITRADE FRN Mat: 11/1/21 Cpn: 2.19% Moody's: A2 S&P: A Fitch: Tr Date: 10/30/18 St Date: 11/1/18	87236YAG3	1,215,000.00 0.00	1,192,370.63 4,441.33	(22,629.38)	98.138	0.39%
960,000.000	CATERPILLAR FINANCIAL FRN Mat: 11/12/21 Cpn: 1.91% Moody's: A3 S&P: A Fitch: A Tr Date: 1/9/20 St Date: 1/13/20	14913Q3D9	960,000.00 0.00	937,513.58 2,499.82	(22,486.42)	97.658	0.31%
545,000.000	DUKE ENERGY FLORIDA FRN Mat: 11/26/21 Cpn: 1.90% Moody's: A3 S&P: A- Fitch: Tr Date: 11/21/19 St Date: 11/26/19	26444HAG6	545,000.00 0.00	524,895.22 1,004.95	(20,104.78)	96.311	0.17%
377,000.000	MORGAN STANLEY FRN Mat: 1/20/22 Cpn: 3.00% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 1/17/17 St Date: 1/20/17	61746BEE2	377,000.00 0.00	375,104.44 2,229.94	(1,895.56)	99.497	0.12%
1,904,000.000	NATL RURAL UTILITIES Mat: 1/21/22 Cpn: 1.75% Moody's: A2 S&P: A Fitch: A Tr Date: 1/22/20 St Date: 2/5/20	63743HET5	1,902,324.48 0.00	1,906,427.60 5,183.11	4,103.12	100.128	0.62%



**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,030,000.000	US BANK CINCINNATI Mat: 1/21/22 Cpn: 1.80% Moody's: A1 S&P: AA- Fitch: AA- Tr Date: 1/16/20 St Date: 1/21/20	90331HPJ6	1,029,639.50 0.00	1,029,891.85 3,605.00	252.35	99.990	0.34%
552,000.000	WELLS FARGO FRN Mat: 2/11/22 Cpn: 2.66% 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	541,531.70 2,040.01	(16,412.86)	98.104	0.18%
1,330,000.000	CAPITAL ONE FINL FRN Mat: 3/9/22 Cpn: 1.95% 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	1,274,512.32 1,656.01	(55,487.68)	95.828	0.42%
1,325,000.000	CITIGROUP FRN Mat: 4/25/22 Cpn: 2.75% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 4/18/17 St Date: 4/25/17	172967LH2	1,325,000.00 0.00	1,284,275.44 6,588.87	(40,724.56)	96.927	0.42%
1,300,000.000	UNITED PARCEL SERVICE FRN Mat: 5/16/22 Cpn: 2.07% Moody's: A2 S&P: A Fitch: Tr Date: 8/17/17 St Date: 8/22/17	911312BB1	1,306,617.00 367.07	1,275,811.58 3,366.40	(30,805.42)	98.139	0.42%
1,000,000.000	WELLS FARGO FRN Mat: 5/27/22 Cpn: 2.26% Moody's: Aa2 S&P: A+ Fitch: AA- Tr Date: 5/20/19 St Date: 5/28/19	94988J5W3	1,000,000.00 0.00	982,090.00 2,132.21	(17,910.00)	98.209	0.32%
1,240,000.000	JPMORGAN CHASE FRN Mat: 6/18/22 Cpn: 1.50% 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	1,192,593.56 723.03	(47,406.44)	96.177	0.39%
1,015,000.000	PNC BANK FRN Mat: 12/9/22 Cpn: 1.43% Moody's: A2 S&P: A Fitch: A+ Tr Date: 12/4/19 St Date: 12/9/19	69353RFR4	1,015,000.00 0.00	959,318.18 926.59	(55,681.82)	94.514	0.31%
1,015,000.000	MORGAN STANLEY FRN Mat: 1/20/23 Cpn: 2.25% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 1/16/20 St Date: 1/22/20	6174468K8	1,015,000.00 0.00	948,226.92 4,446.37	(66,773.08)	93.421	0.31%
745,000.000	PNC BANK FRN Mat: 2/24/23 Cpn: 2.00% Moody's: A2 S&P: A Fitch: A+ Tr Date: 2/20/20 St Date: 2/25/20	69353RFU7	745,000.00 0.00	702,605.48 1,493.17	(42,394.52)	94.310	0.23%



**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
<b>Total for Credit</b>			<b>46,762,869.94</b>	<b>45,906,732.10</b>	<b>(856,137.84)</b>		<b>15.07%</b>
			<b>103,115.21</b>	<b>204,959.09</b>			
<b>Mortgage-Backed</b>							
551,042.699	NGN 2010-R1 1A 1MOFRN NCUA GNTD	62888VAA6	551,903.70	550,773.79	(1,129.91)	99.951	0.18%
	Mat: 10/7/20 Cpn: 1.47%		219.54	583.53			
	Moody's: Aaa S&P: AA+ Fitch: AAA						
	Tr Date: 6/10/19 St Date: 6/12/19						
1,285,182.483	NGN 2010-R2 2A 1MOFRN NCUA GNTD	62888UAB6	1,287,491.80	1,285,528.20	(1,963.60)	100.027	0.42%
	Mat: 11/5/20 Cpn: 1.49%		1,894.65	1,379.52			
	Moody's: Aaa S&P: AA+ Fitch: AAA						
	Tr Date: 9/25/19 St Date: 9/27/19						
5,777,837.170	NGN 2010-R3 2A 1MOFRN NCUA GNTD	62888WAB2	5,797,523.65	5,778,830.96	(18,692.69)	100.017	1.89%
	Mat: 12/8/20 Cpn: 1.58%		4,183.36	6,577.51			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 10/17/16 St Date: 10/20/16						
52,667.817	FHMS KI01 A CMBS 1MOFRN	3137FEC81	52,692.51	51,844.25	(848.25)	98.436	0.02%
	Mat: 9/25/22 Cpn: 1.68%		94.17	17.16			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 3/19/18 St Date: 3/22/18						
379,874.749	FHMS KI02 A 1MOFRN CMBS	3137FGZN8	379,874.75	374,122.31	(5,752.44)	98.486	0.12%
	Mat: 2/25/23 Cpn: 1.72%		0.00	126.70			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 8/1/18 St Date: 8/14/18						
189,255.982	FHMS KI03 A 1MOFRN CMBS	3137FJXN4	189,255.98	186,333.49	(2,922.49)	98.456	0.06%
	Mat: 2/25/23 Cpn: 1.77%		0.00	64.96			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 10/23/18 St Date: 10/31/18						
880,634.812	FHMS KI04 A 1MOFRN CMBS	3137FNAV2	880,634.81	865,643.77	(14,991.05)	98.298	0.28%
	Mat: 7/25/24 Cpn: 1.31%		0.00	223.74			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 8/8/19 St Date: 8/21/19						
1,800,000.000	FHMS KI05 A	3137FQXG3	1,800,000.00	1,800,000.00	0.00	100.000	0.59%
	Mat: 7/25/24 Cpn: 1.29%		0.00	450.32			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 1/16/20 St Date: 1/28/20						
<b>Total for Mortgage-Backed</b>			<b>10,939,377.20</b>	<b>10,893,076.76</b>	<b>(46,300.44)</b>		<b>3.56%</b>
			<b>6,391.72</b>	<b>9,423.43</b>			
<b>Asset-Backed</b>							



**CALOPTIMA - OPERATING FUND**

Portfolio 2480

**Portfolio Positions**

as of March 31, 2020

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
650,793.708	VOLKSWAGEN 2019-A A1 LEASE Mat: 10/20/20 Cpn: 2.13% Moody's: S&P: A-1+ Fitch: F1+ Tr Date: 10/1/19 St Date: 10/4/19	92867XAA4	650,793.71 0.00	650,734.49 461.71	(59.22)	99.991	0.21%
2,232,617.667	DRIVE 2020-1 A1 CAR Mat: 1/15/21 Cpn: 1.74% Moody's: P-1 S&P: A-1+ Fitch: Tr Date: 1/13/20 St Date: 1/22/20	26208QAA5	2,232,617.67 0.00	2,229,934.06 1,729.36	(2,683.61)	99.880	0.73%
1,481,574.573	CAPITAL ONE 2020-1 CAR Mat: 2/16/21 Cpn: 1.64% Moody's: S&P: A-1+ Fitch: F1+ Tr Date: 2/11/20 St Date: 2/19/20	14043MAA9	1,481,574.57 0.00	1,479,725.57 1,078.09	(1,849.01)	99.875	0.48%
1,550,000.000	JOHN DEERE 2020-A A1 EQP Mat: 3/15/21 Cpn: 1.10% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 3/4/20 St Date: 3/11/20	47789KAA1	1,550,000.00 0.00	1,544,296.00 994.58	(5,704.00)	99.632	0.51%
660,523.415	BMW 2019-1 A2 LEASE Mat: 3/22/21 Cpn: 2.79% Moody's: Aaa S&P: AAA Fitch: Tr Date: 3/12/19 St Date: 3/20/19	05586VAB8	660,505.91 0.00	660,926.33 563.10	420.42	100.061	0.22%
770,000.000	TOYOTA 2019-C A2B CAR 1MOFRN Mat: 4/15/22 Cpn: 0.90% Moody's: Aaa S&P: AAA Fitch: Tr Date: 8/6/19 St Date: 8/14/19	89238UAC4	770,000.00 0.00	764,748.60 309.58	(5,251.40)	99.318	0.25%
5,000,000.000	DRYROCK 2017-1 A CDT 1MOFRN Mat: 3/15/23 Cpn: 1.03% Moody's: S&P: AAA Fitch: AAA Tr Date: 1/29/20 St Date: 1/31/20	06742LAN3	5,004,296.88 4,458.33	4,992,425.00 2,299.18	(11,871.88)	99.849	1.63%
<b>Total for Asset-Backed</b>			<b>12,349,788.74</b> <b>4,458.33</b>	<b>12,322,790.05</b> <b>7,435.60</b>	<b>(26,998.69)</b>		<b>4.03%</b>
<b>Grand Total</b>			<b>305,265,495.18</b> <b>430,765.52</b>	<b>305,013,918.45</b> <b>967,952.95</b>	<b>(251,576.73)</b>		<b>100.00%</b>





Source Account Name	Security ID	Security Description 1	Security Description 2	Sector	Shares/Par	Base Cost	Accrued Interest	Base Market Value	Base Unrealized Gain	Base Unrealized Loss	Percent of Asset	Reporting Date	Moody's Rating	S&P Rating	Fitch Rating
CALOPTIMA EC	50000DDD5	KOCH INDUSTRIES DISC	04/13/2020	CP	6,000,000.0000	5,995,800.00	0.00	5,995,800.00	0.00	0.00	1.98	3/31/2020	P-1	A-1+	NR
CALOPTIMA EC	69511JD10	PACIFICORP DISC	04/01/2020	CP	8,500,000.0000	8,499,999.99	0.00	8,499,999.99	0.00	0.00	2.81	3/31/2020	P-2	A-1	F1
CALOPTIMA EC	97665RD17	WISCONSIN EL PWR DISC	04/01/2020	CP	4,000,000.0000	4,000,000.02	0.00	4,000,000.02	0.00	0.00	1.32	3/31/2020	P-1	A-2	F1
CALOPTIMA EC	072024WU2	BAY AREA CA TOLL AUTH TOLL BRI	2.025% 04/01/2020 DD 09/26/19	Municipal Securities	1,815,000.0000	1,815,000.00	18,887.34	1,815,000.00	0.00	0.00	0.60	3/31/2020	A1	AA-	AA-
CALOPTIMA EC	7092243K3	PENNSYLVANIA ST TURNPIKE COMMI	1.812% 12/01/2020 DD 02/26/20	Municipal Securities	1,500,000.0000	1,500,000.00	2,642.50	1,500,000.00	0.00	0.00	0.50	3/31/2020	A3	NR	A-
CALOPTIMA EC	796720MC1	SAN BERNARDINO CA CMNTY CLG DI	1.754% 08/01/2020 DD 12/12/19	Municipal Securities	1,500,000.0000	1,500,000.00	4,385.00	1,500,000.00	0.00	0.00	0.50	3/31/2020	Aa1	AA	NR
CALOPTIMA EC	796720MU1	SAN BERNARDINO CA CMNTY CLG DI	1.754% 08/01/2020 DD 12/12/19	Municipal Securities	1,650,000.0000	1,650,000.00	4,823.50	1,650,000.00	0.00	0.00	0.55	3/31/2020	Aa1	AA	NR
CALOPTIMA EC	797272QK0	SAN DIEGO CA CMNTY CLG DIST	1.935% 08/01/2020 DD 10/16/19	Municipal Securities	1,460,000.0000	1,460,000.00	4,708.50	1,460,000.00	0.00	0.00	0.48	3/31/2020	Aaa	AAA	NR
CALOPTIMA EC	3137AFT77	FHLMC MULTICLASS MTG 3938 BE	2.000% 10/15/2021 DD 10/01/11	RMBS	3,279,827.8600	3,281,358.62	5,466.38	3,300,238.56	18,879.94	0.00	1.09	3/31/2020	Agency	AA+	Agency
CALOPTIMA EC	62888UAB6	NCUA GUARANTEED NOTES TR R2 2A	VAR RT 11/05/2020 DD 11/17/10	RMBS	3,436,316.8450	3,649,703.99	3,546.68	3,436,705.49	0.00	-212,998.50	1.14	3/31/2020	Aaa	AA+	Agency
CALOPTIMA EC	62888VAA6	NCUA GUARANTEED NOTES TR R1 1A	VAR RT 10/07/2020 DD 10/27/10	RMBS	1,355,191.5390	1,520,111.43	1,379.89	1,354,339.67	0.00	-165,771.76	0.45	3/31/2020	Aaa	AA+	AAA
CALOPTIMA EC	62888VAA6	NCUA GUARANTEED NOTES TR R1 1A	VAR RT 10/07/2020 DD 10/27/10	RMBS	391,333.7270	404,429.06	398.47	391,087.73	0.00	-13,341.33	0.13	3/31/2020	Aaa	AA+	AAA
CALOPTIMA EC	62888VAA6	NCUA GUARANTEED NOTES TR R1 1A	VAR RT 10/07/2020 DD 10/27/10	RMBS	398,805.4890	406,368.86	406.08	398,554.80	0.00	-7,814.06	0.13	3/31/2020	Aaa	AA+	AAA
CALOPTIMA EC	9127962A6	U S TREASURY BILL	0.000% 04/07/2020 DD 02/11/20	US Government	14,000,000.0000	13,996,390.32	0.00	13,996,390.32	0.00	0.00	4.62	3/31/2020	Govt	A-1+	Govt
CALOPTIMA EC	912796TT6	U S TREASURY BILL	0.000% 05/07/2020 DD 11/07/19	US Government	5,000,000.0000	4,992,485.00	0.00	4,992,485.00	0.00	0.00	1.65	3/31/2020	Govt	A-1+	Govt
CALOPTIMA EC	912796TV1	U S TREASURY BILL	0.000% 05/14/2020 DD 11/14/19	US Government	20,000,000.0000	19,962,972.08	0.00	19,962,972.08	0.00	0.00	6.60	3/31/2020	Govt	A-1+	Govt
CALOPTIMA EC	912828VV9	U S TREASURY NOTE	2.125% 08/31/2020 DD 08/31/13	US Government	8,500,000.0000	8,519,552.52	16,109.79	8,570,722.63	51,170.11	0.00	2.83	3/31/2020	Govt	AA+	Govt
CALOPTIMA EC	912828VV9	U S TREASURY NOTE	2.125% 08/31/2020 DD 08/31/13	US Government	9,500,000.0000	9,522,692.05	18,005.07	9,579,042.94	56,350.89	0.00	3.16	3/31/2020	Govt	AA+	Govt
CALOPTIMA EC	912828VV9	U S TREASURY NOTE	2.125% 08/31/2020 DD 08/31/13	US Government	10,625,000.0000	10,650,625.25	20,137.25	10,713,403.30	62,778.05	0.00	3.54	3/31/2020	Govt	AA+	Govt
CALOPTIMA EC	912828Y53	U S TREASURY NOTE	VAR RT 07/31/2020 DD 07/31/18	US Government	6,500,000.0000	6,497,955.26	11,726.67	6,499,846.27	1,891.01	0.00	2.15	3/31/2020	Govt	AA+	Govt
CALOPTIMA EC	912828Y53	U S TREASURY NOTE	VAR RT 07/31/2020 DD 07/31/18	US Government	5,500,000.0000	5,499,156.78	9,922.56	5,499,869.93	713.15	0.00	1.82	3/31/2020	Govt	AA+	Govt



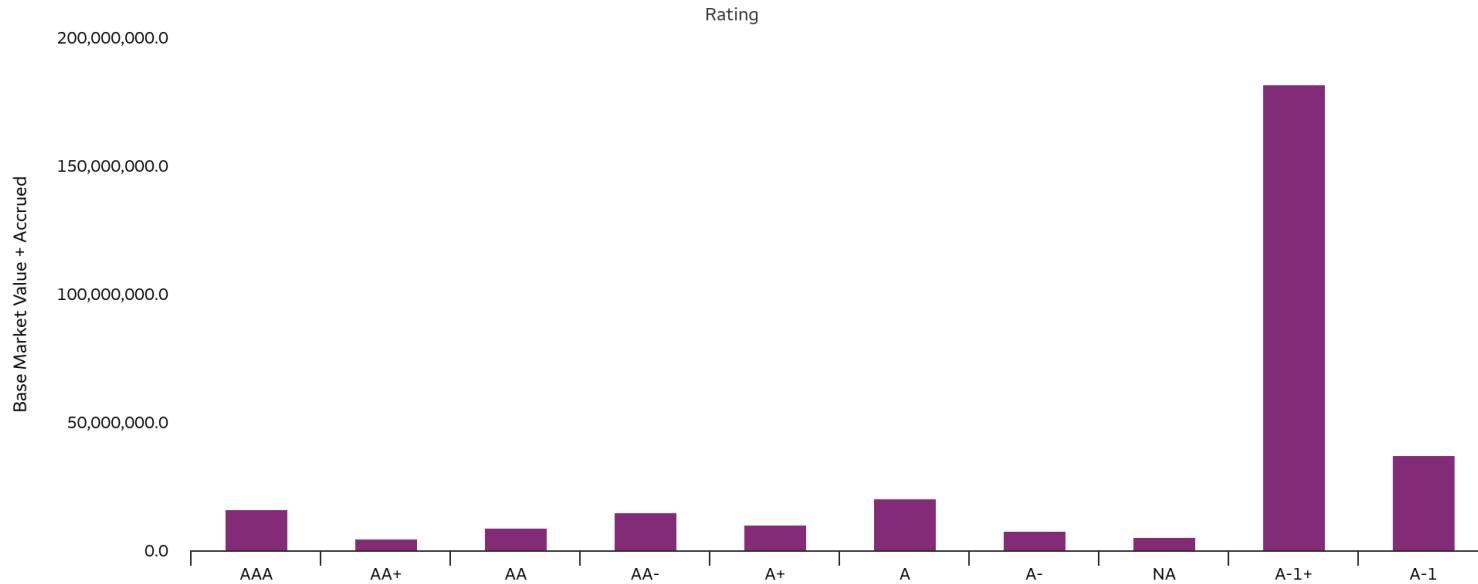
# Credit Rating

US Dollar  
As of 31 March 2020

WC-CalOptima  
Account: XXXX2500  
Investment Strategy: Short Duration Fixed Income  
Primary Benchmark: ICE BofA 3-Month US Treasury Bill Index



Asset Management



## AAA

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
14041NEW7 COMET 153A A	1,000,000.00	USD 05/15/2020	ABS	AAA	NR	AAA	AAA	999,932.95	0.32%
17305EGC3 CCCIT 17A4 A4	850,000.00	USD 04/07/2020	ABS	AAA	NR	AAA	AAA	850,360.33	0.28%
3137BAHA3 FHMS K715 A2	1,844,667.97	USD 01/25/2021	FHLMC	AAA	Aaa	AA+	AAA	1,866,726.51	0.61%
316175108 FIDELITY IMM:GOVT I	410,635.82	USD 03/31/2020	MMFUND	AAA	Aaa	AAA	AAA	410,635.82	0.13%
43814WAB1 HAROT 191 A2	988,578.72	USD 09/20/2021	ABS	AAA	NA	AAA	AAA	987,177.86	0.32%
43814WAB1 HAROT 191 A2	621,747.62	USD 09/20/2021	ABS	AAA	NA	AAA	AAA	620,866.58	0.20%
58769QAB7 MBALT 19B A2	1,000,000.00	USD 12/15/2021	ABS	AAA	NA	AAA	AAA	999,832.10	0.32%
58772QAD8 MBALT 18A A3	276,251.00	USD 02/16/2021	ABS	AAA	NA	AAA	AAA	276,665.79	0.09%
58772QAD8 MBALT 18A A3	241,719.62	USD 02/16/2021	ABS	AAA	NA	AAA	AAA	242,082.57	0.08%

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# Credit Rating

US Dollar  
As of 31 March 2020

WC-CalOptima  
Account: XXXX2500  
Investment Strategy: Short Duration Fixed Income  
Primary Benchmark: ICE BofA 3-Month US Treasury Bill Index



Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
58772QAD8 MBALT 18A A3	276,251.00	USD 02/16/2021	ABS	AAA	NA	AAA	AAA	276,665.79	0.09%
654747AD6 NAROT 17A A3	591,468.33	USD 08/16/2021	ABS	AAA	Aaa	NA	AAA	591,110.04	0.19%
65479PAB5 NALT 19A A2	2,179,222.03	USD 07/15/2021	ABS	AAA	Aaa	AAA	NA	2,187,768.38	0.71%
817409YB5 SEQUOIA CALIF UN HIGH SCH DIST	1,360,000.00	USD 07/01/2021	MUNI	AAA	Aaa	NA	NA	1,446,353.20	0.47%
89231AAB7 TAOT 18C A2A	680,244.73	USD 08/16/2021	ABS	AAA	Aaa	AAA	NA	681,685.97	0.22%
89231AAB7 TAOT 18C A2A	1,004,041.22	USD 08/16/2021	ABS	AAA	Aaa	AAA	NA	1,006,168.50	0.33%
89237RAD0 TAOT 17C A3	1,501,796.87	USD 11/15/2021	ABS	AAA	Aaa	AAA	NA	1,497,148.97	0.49%
89238MAD0 TAOT 17A A3	60,914.28	USD 02/16/2021	ABS	AAA	Aaa	AAA	NA	60,917.60	0.02%
89238TAB9 TAOT 18B A2A	39,217.87	USD 03/15/2021	ABS	AAA	Aaa	AAA	NA	39,274.90	0.01%
89238TAC7 TAOT 18B A2B	265,407.53	USD 03/15/2021	ABS	AAA	Aaa	AAA	NA	265,468.84	0.09%
92868LAC5 VALET 181 A2B	74,828.31	USD 07/20/2021	ABS	AAA	NA	AAA	AAA	74,684.75	0.02%
92869BAC6 VALET 182 A2B	943,584.42	USD 08/20/2021	ABS	AAA	Aaa	AAA	NA	941,441.12	0.31%
CCYUSD Cash	1.27	USD 03/31/2020	CASH	AAA	Aaa	AAA	AAA	1.27	0.00%
CCYUSD Receivable	45,064.97	USD 03/31/2020	CASH	AAA	Aaa	AAA	AAA	45,064.97	0.01%
---	<b>16,255,643.56</b>	<b>USD 05/16/2021</b>	<b>---</b>	<b>AAA</b>	<b>Aaa</b>	<b>AAA</b>	<b>AAA</b>	<b>16,368,034.81</b>	<b>5.32%</b>

## AA+

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
231237N46 CUPERTINO CALIF UN SCH DIST	2,025,000.00	USD 08/01/2020	MUNI	AA+	Aa1	AA+	NA	2,034,463.50	0.66%
797398DJ0 SAN DIEGO CNTY CALIF PENSION OBLIG	2,500,000.00	USD 08/15/2020	MUNI	AA+	Aa2	AAA	AA+	2,562,911.81	0.83%
---	<b>4,525,000.00</b>	<b>USD 08/09/2020</b>	<b>MUNI</b>	<b>AA+</b>	<b>Aa2</b>	<b>AAA</b>	<b>AA+</b>	<b>4,597,375.31</b>	<b>1.49%</b>

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# Credit Rating

US Dollar  
As of 31 March 2020

WC-CalOptima  
Account: XXXX2500  
Investment Strategy: Short Duration Fixed Income  
Primary Benchmark: ICE BofA 3-Month US Treasury Bill Index



## AA

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
06405LAB7 BANK OF NEW YORK MELLON	1,125,000.00	USD 06/04/2021	CORP	AA	Aa2	AA-	AA	1,109,916.75	0.36%
084664BQ3 BERKSHIRE HATHAWAY FINANCE CORP	3,000,000.00	USD 01/15/2021	CORP	AA	Aa2	AA	A+	3,090,841.51	1.00%
189342G51 CLOVIS CALIF UNI SCH DIST	1,750,000.00	USD 08/01/2020	MUNI	AA	NA	AA	NA	1,758,866.67	0.57%
48125LRN4 JPMORGAN CHASE BANK NA	3,000,000.00	USD 04/26/2021	CORP	AA	Aa2	A+	AA	3,038,633.92	0.99%
--- ---	<b>8,875,000.00</b>	<b>USD 02/03/2021</b>	<b>---</b>	<b>AA</b>	<b>Aa2</b>	<b>AA-</b>	<b>AA-</b>	<b>8,998,258.85</b>	<b>2.92%</b>

## AA-

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
032556GLO ANAHEIM CALIF HSG & PUB IMPT AUTH REV	1,000,000.00	USD 10/01/2020	MUNI	AA-	NA	AA-	AA-	1,004,807.75	0.33%
06050TMN9 BANK OF AMERICA NA	3,000,000.00	USD 07/26/2021	CORP	AA-	Aa2	A+	AA-	2,947,671.54	0.96%
06050TMN9 BANK OF AMERICA NA	1,000,000.00	USD 07/26/2021	CORP	AA-	Aa2	A+	AA-	982,557.18	0.32%
072024WV0 BAY AREA TOLL AUTH CALIF TOLL BRDG REV	4,000,000.00	USD 04/01/2021	MUNI	AA-	A1	AA-	AA-	4,054,772.78	1.32%
119144AS2 BUENA PK CALIF CMNTY REDEV AGY SUCCESSOR AGY TAX A	1,000,000.00	USD 09/01/2020	MUNI	AA-	NA	AA-	NA	1,004,813.33	0.33%
684133KY6 ORANGE CALIF UNI SCH DIST ORANGE CNTY	2,000,000.00	USD 05/01/2020	MUNI	AA-	Aa3	AA	NA	2,011,260.00	0.65%
79765R4L0 SAN FRANCISCO CALIF CITY & CNTY PUB UTILS COMMN WT	1,000,000.00	USD 11/01/2021	MUNI	AA-	Aa2	AA-	NA	999,445.78	0.32%
90331HNP4 US BANK NA	1,000,000.00	USD 04/26/2021	CORP	AA-	A1	AA-	AA-	1,021,988.20	0.33%
90331HNU3 US BANK NA	1,250,000.00	USD 07/24/2020	CORP	AA-	A1	AA-	AA-	1,259,146.59	0.41%
--- ---	<b>15,250,000.00</b>	<b>USD 02/15/2021</b>	<b>---</b>	<b>AA-</b>	<b>Aa3</b>	<b>AA-</b>	<b>AA-</b>	<b>15,286,463.14</b>	<b>4.97%</b>

## A+

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# Credit Rating

US Dollar  
As of 31 March 2020

WC-CalOptima  
Account: XXXX2500  
Investment Strategy: Short Duration Fixed Income  
Primary Benchmark: ICE BofA 3-Month US Treasury Bill Index



Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
06406HDD8 BANK OF NEW YORK MELLON CORP	1,000,000.00	USD 08/17/2020	CORP	A+	A1	A	AA-	1,005,050.80	0.33%
06406HDE6 BANK OF NEW YORK MELLON CORP	1,000,000.00	USD 08/17/2020	CORP	A+	A1	A	AA-	1,003,198.05	0.33%
17325FAN8 CITIBANK NA	1,500,000.00	USD 05/01/2020	CORP	A+	Aa3	A+	A+	1,518,463.11	0.49%
69371RN85 PACCAR FINANCIAL CORP	750,000.00	USD 11/13/2020	CORP	A+	A1	A+	NA	752,523.19	0.24%
857477AG8 STATE STREET CORP	950,000.00	USD 03/07/2021	CORP	A+	A1	A	AA-	974,308.02	0.32%
857477AS2 STATE STREET CORP	1,250,000.00	USD 08/18/2020	CORP	A+	A1	A	AA-	1,255,831.93	0.41%
857477AS2 STATE STREET CORP	1,385,000.00	USD 08/18/2020	CORP	A+	A1	A	AA-	1,391,461.78	0.45%
89236TGS8 TOYOTA MOTOR CREDIT CORP	2,250,000.00	USD 08/13/2021	CORP	A+	A1	AA-	NA	2,157,348.96	0.70%
---	<b>10,085,000.00</b>	<b>USD 11/13/2020</b>	<b>CORP</b>	<b>A+</b>	<b>A1</b>	<b>A+</b>	<b>AA-</b>	<b>10,058,185.83</b>	<b>3.27%</b>

A

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
0258M0DY2 AMERICAN EXPRESS CREDIT CORP	2,000,000.00	USD 09/14/2020	CORP	A	A2	A-	A	1,990,762.72	0.65%
06051GEE5 BANK OF AMERICA CORP	819,000.00	USD 01/05/2021	CORP	A	A2	A-	A+	846,936.19	0.28%
14913Q2A6 CATERPILLAR FINANCIAL SERVICES CORP	2,000,000.00	USD 09/04/2020	CORP	A	A3	A	A	1,998,018.84	0.65%
14913Q2P3 CATERPILLAR FINANCIAL SERVICES CORP	1,000,000.00	USD 09/07/2021	CORP	A	A3	A	A	963,841.20	0.31%
14913Q2U2 CATERPILLAR FINANCIAL SERVICES CORP	1,000,000.00	USD 08/26/2020	CORP	A	A3	A	A	1,000,277.74	0.33%
24422EUL1 JOHN DEERE CAPITAL CORP	2,000,000.00	USD 10/09/2020	CORP	A	A2	A	A	1,985,914.46	0.65%
369550BF4 GENERAL DYNAMICS CORP	2,250,000.00	USD 05/11/2021	CORP	A	A2	A	WR	2,203,180.26	0.72%
45866FAC8 INTERCONTINENTAL EXCHANGE INC	4,000,000.00	USD 12/01/2020	CORP	A	A2	A	NA	4,063,786.67	1.32%
46625HQJ2 JPMORGAN CHASE & CO	800,000.00	USD 03/01/2021	CORP	A	A2	A-	AA-	803,613.26	0.26%
69353RES3 PNC BANK NA	1,215,000.00	USD 07/21/2020	CORP	A	A2	A	A+	1,219,271.13	0.40%

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# Credit Rating

US Dollar  
As of 31 March 2020

WC-CalOptima  
Account: XXXX2500  
Investment Strategy: Short Duration Fixed Income  
Primary Benchmark: ICE BofA 3-Month US Treasury Bill Index



Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
808513AD7 CHARLES SCHWAB CORP	2,000,000.00	USD 07/22/2020	CORP	A	A2	A	A	2,012,396.17	0.65%
91324PDG4 UNITEDHEALTH GROUP INC	1,500,000.00	USD 06/15/2021	CORP	A	A3	A+	A	1,488,949.74	0.48%
---	<b>20,584,000.00</b>	<b>USD</b>	<b>CORP</b>	<b>A</b>	<b>A2</b>	<b>A</b>	<b>A</b>	<b>20,576,948.37</b>	<b>6.69%</b>

## A-

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
172967KB6 CITIGROUP INC	4,000,000.00	USD 10/26/2020	CORP	A-	A3	BBB+	A	4,052,659.61	1.32%
20030NCW9 COMCAST CORP	1,600,000.00	USD 10/01/2021	CORP	A-	A3	A-	A-	1,574,168.21	0.51%
20030NCW9 COMCAST CORP	1,000,000.00	USD 10/01/2021	CORP	A-	A3	A-	A-	983,855.13	0.32%
6174467P8 MORGAN STANLEY	1,000,000.00	USD 07/24/2020	CORP	A-	A3	BBB+	A	1,019,679.38	0.33%
---	<b>7,600,000.00</b>	<b>USD</b>	<b>CORP</b>	<b>A-</b>	<b>A3</b>	<b>BBB+</b>	<b>A</b>	<b>7,630,362.33</b>	<b>2.48%</b>

## NA

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
58942PF16 Mercy Health	4,000,000.00	USD 06/01/2020	CP	NA	NA	NA	NA	3,991,388.88	1.30%
835631MU3 SONOMA VALLEY CALIF UNI SCH DIST	1,200,000.00	USD 05/01/2020	MUNI	NA	NA	NA	NA	1,203,232.00	0.39%
---	<b>5,200,000.00</b>	<b>USD</b>	<b>---</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>5,194,620.88</b>	<b>1.69%</b>

## A-1+

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
30229AEC9 Exxon Mobil Corporation	10,000,000.00	USD 05/12/2020	CP	A-1+	P-1	A-1+	NA	9,976,900.00	3.24%
313312VH0 FEDERAL FARM CREDIT BANKS	23,000,000.00	USD 04/08/2020	AGCY DISC	A-1+	P-1	A-1+	F1+	22,999,686.97	7.47%

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# Credit Rating

US Dollar  
As of 31 March 2020

WC-CalOptima  
Account: XXXX2500  
Investment Strategy: Short Duration Fixed Income  
Primary Benchmark: ICE BofA 3-Month US Treasury Bill Index



Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
313312VH0 FEDERAL FARM CREDIT BANKS	10,000,000.00	USD 04/08/2020	AGCY DISC	A-1+	P-1	A-1+	F1+	9,999,863.90	3.25%
313312VH0 FEDERAL FARM CREDIT BANKS	40,000,000.00	USD 04/08/2020	AGCY DISC	A-1+	P-1	A-1+	F1+	39,999,455.60	13.00%
313384VP1 FEDERAL HOME LOAN BANKS	50,000,000.00	USD 04/14/2020	AGCY DISC	A-1+	P-1	A-1+	F1+	49,998,736.00	16.25%
313384VV8 FEDERAL HOME LOAN BANKS	30,000,000.00	USD 04/20/2020	AGCY DISC	A-1+	P-1	A-1+	F1+	29,998,891.80	9.75%
63763PGA1 National Securities Clearing Corporation	5,000,000.00	USD 07/10/2020	CP	A-1+	P-1	A-1+	NA	4,981,272.90	1.62%
67983TDL7 Old Line Funding, LLC	4,000,000.00	USD 04/20/2020	CP	A-1+	P-1	A-1+	F1+	3,996,728.88	1.30%
71708EFF7 Pfizer Inc.	10,000,000.00	USD 06/15/2020	CP	A-1+	P-1	A-1+	F1	9,962,211.10	3.24%
---	<b>182,000,000.00</b>	<b>USD 04/20/2020</b>	<b>---</b>	<b>A-1+</b>	<b>P-1</b>	<b>A-1+</b>	<b>AAA</b>	<b>181,913,747.15</b>	<b>59.12%</b>

## A-1

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
19121AD16 The Coca-Cola Company	5,000,000.00	USD 04/01/2020	CP	A-1	P-1	A-1	NA	5,000,002.35	1.62%
19121AEL1 The Coca-Cola Company	4,000,000.00	USD 05/20/2020	CP	A-1	P-1	A-1	NA	3,991,761.12	1.30%
2546R2EF9 The Walt Disney Company	10,000,000.00	USD 05/15/2020	CP	A-1	P-1	A-1	F1	9,985,000.00	3.25%
38346LD29 Gotham Funding Corporation	1,000,000.00	USD 04/02/2020	CP	A-1	P-1	A-1	F1	1,000,007.28	0.32%
38346LD37 Gotham Funding Corporation	8,902,000.00	USD 04/03/2020	CP	A-1	P-1	A-1	F1	8,902,003.74	2.89%
69372ADB2 PACCAR Financial Corp.	8,200,000.00	USD 04/08/2020	CP	A-1	P-1	A-1	NA	8,198,941.30	2.66%
---	<b>37,102,000.00</b>	<b>USD 04/20/2020</b>	<b>CP</b>	<b>A-1</b>	<b>P-1</b>	<b>A-1</b>	<b>A+</b>	<b>37,077,715.79</b>	<b>12.05%</b>

## Summary

Identifier, Description	Ending Base Current Units	Currency, Ending Final Maturity	Security Type	Rating	Moody's	S&P	Fitch	Base Market Value + Accrued	% of Base Market Value + Accrued
---	<b>307,476,643.56</b>	<b>USD 07/05/2020</b>	<b>---</b>	<b>AA+</b>	<b>Aa1</b>	<b>AA+</b>	<b>AA+</b>	<b>307,701,712.46</b>	<b>100.00%</b>

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# Credit Rating

US Dollar

As of 31 March 2020

WC-CalOptima

Account: XXXX2500

Investment Strategy: Short Duration Fixed Income

Primary Benchmark: ICE BofA 3-Month US Treasury Bill Index



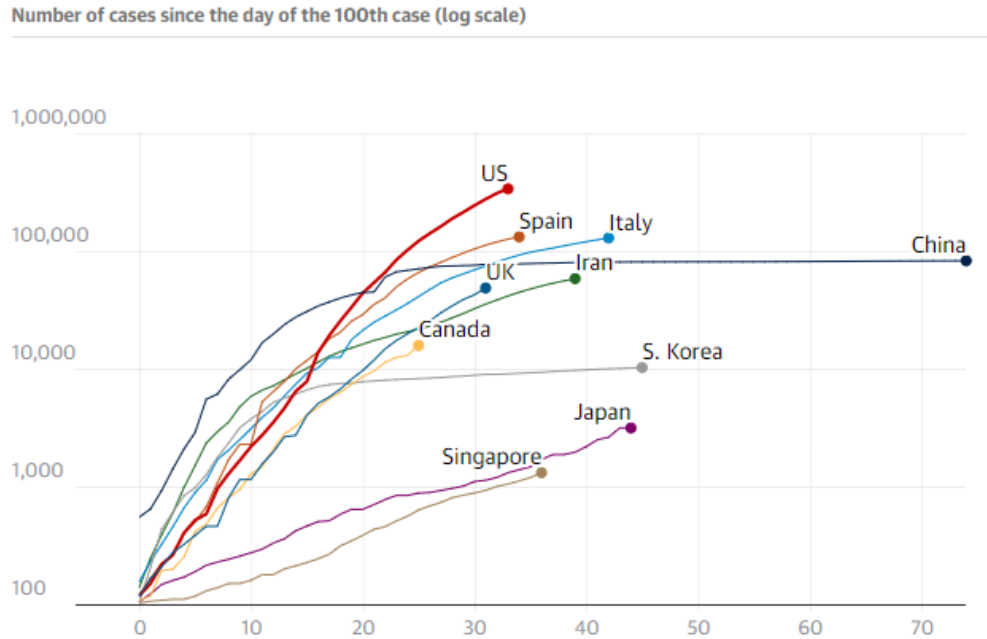
**Asset  
Management**

\* Grouped by: Rating. \* Groups Sorted by: Rating. \* Weighted by: Base Market Value + Accrued.

## **Economy and Market Update**

Data as of April 3, 2020

**Case Count by Select Country: Flattening the Curve<sup>1</sup>**



- There are now close to 1.4 million cases globally across 184 countries with the death toll well over 75,000.
- What was originally a China-focused issue is now a global issue with the fastest spread of the virus in the US and Europe.
- Cases have leveled off in China and South Korea, with Europe and the United States experiencing the fastest growth rate of new cases.

<sup>1</sup> Source: Johns Hopkins CSSE via the Guardian UK. Virus data is as of April 5 2020. Non virus data throughout the rest of the document is through April 3, 2020.



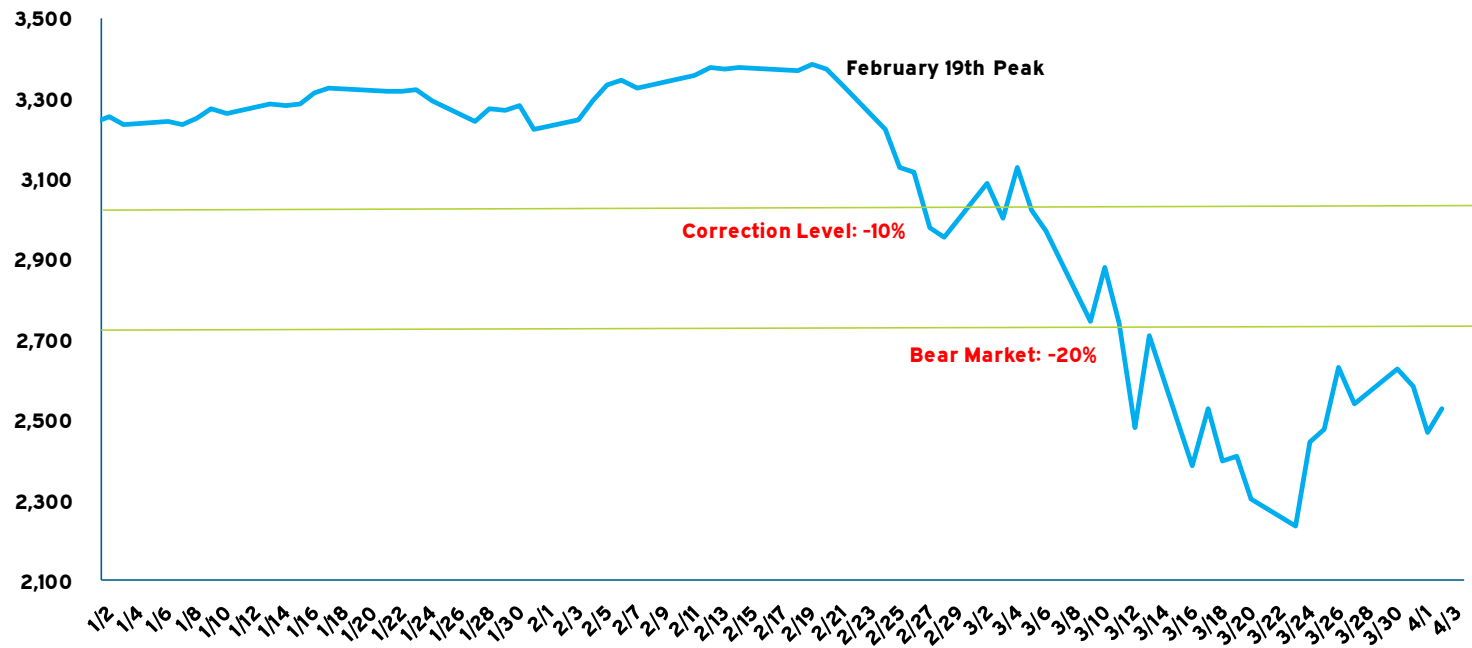
### 2020 Market Returns<sup>1</sup>

Indices	YTD
S&P 500	-22.6%
MSCI EAFE	-26.4%
MSCI Emerging Markets	-25.1%
MSCI China	-13.7%
KOSPI Index (South Korea)	-25.8%
MSCI Italy	-33.9%
Bloomberg Barclays Aggregate	3.4%
Bloomberg Barclays TIPS	3.8%
Bloomberg Barclays High Yield	-14.5%
10-year US Treasury	12.8%
30-year US Treasury	28.9%

- Given uncertainty related to the ultimate impact of the virus on economic growth, company profitability, and societal norms, investors have sought perceived safe haven assets like US Treasuries.
- Stocks have experienced large declines globally, particularly in areas like Europe where the virus is actively spreading, but fiscal and monetary authorities across the globe are deploying emergency measures to offset huge economic losses.

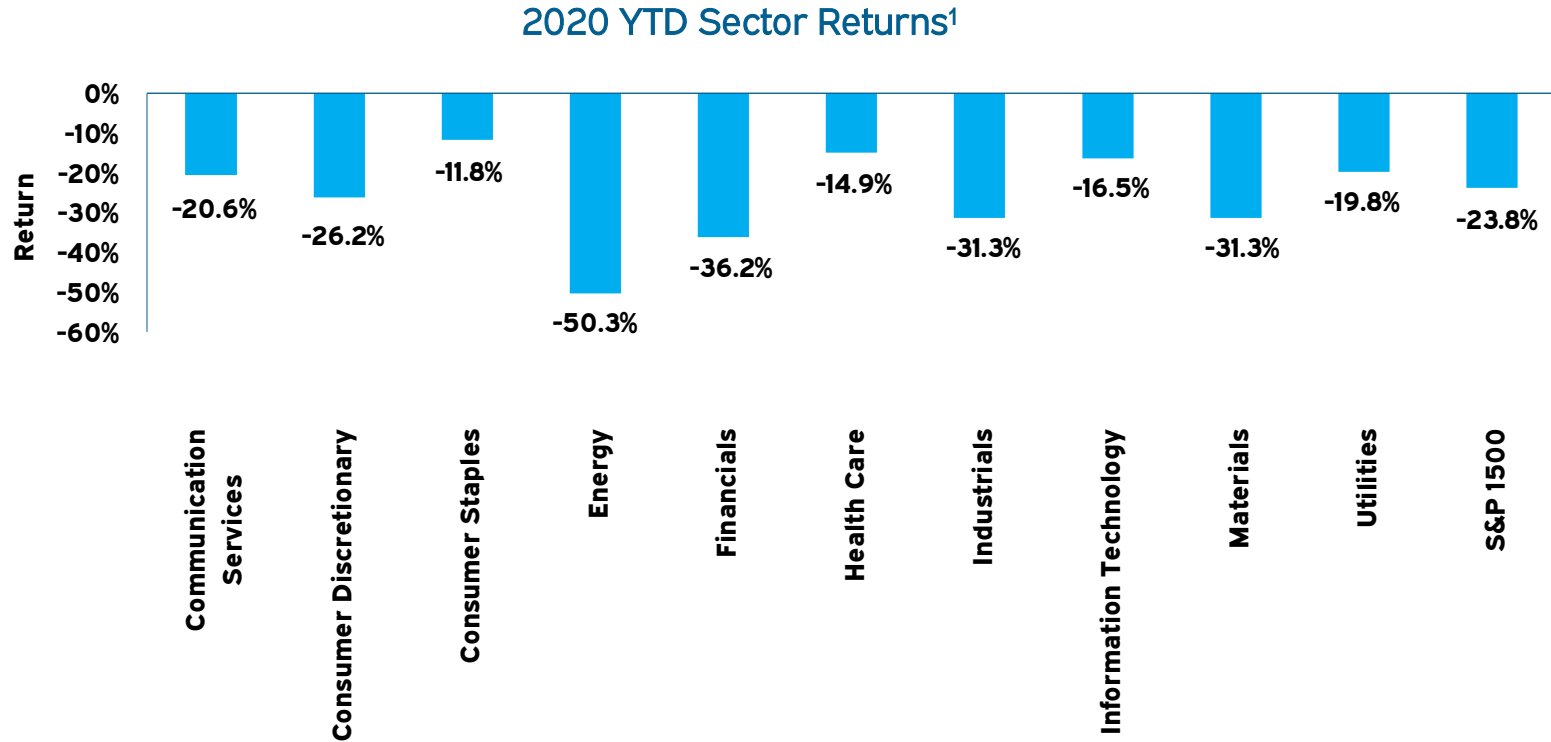
<sup>1</sup> Source: InvestorForce and Bloomberg. Data is as of April 3, 2020.

### S&P 500 Reaches Bear Market Levels<sup>1</sup>



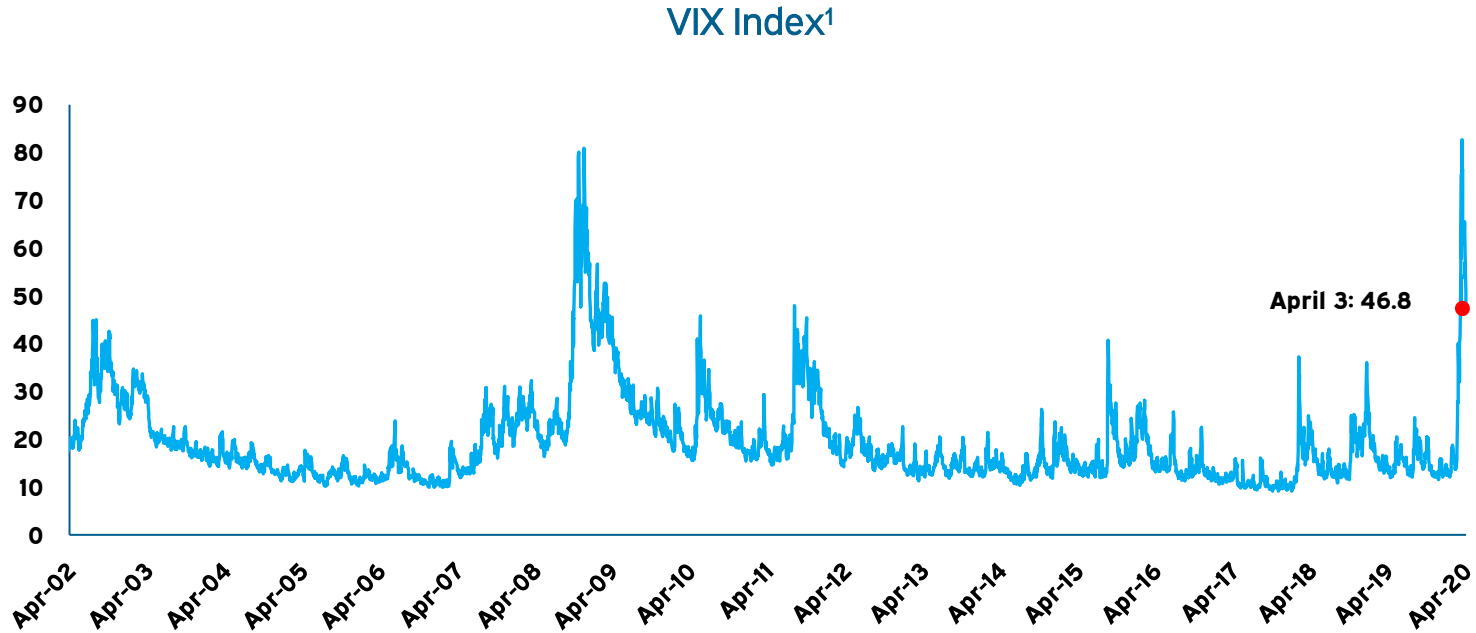
- Given all the uncertainty, US stocks declined from their recent peak into bear market (-20%) territory at the fastest pace in history.
- From the February 19 peak, the S&P 500 declined 34%, or 1,149 points, in a matter of 24 trading days.
- The index has recovered recently from its lows likely due to the unprecedented monetary and fiscal stimulus announced in the US.

<sup>1</sup> Source: Bloomberg. Data is as of April 3, 2020.



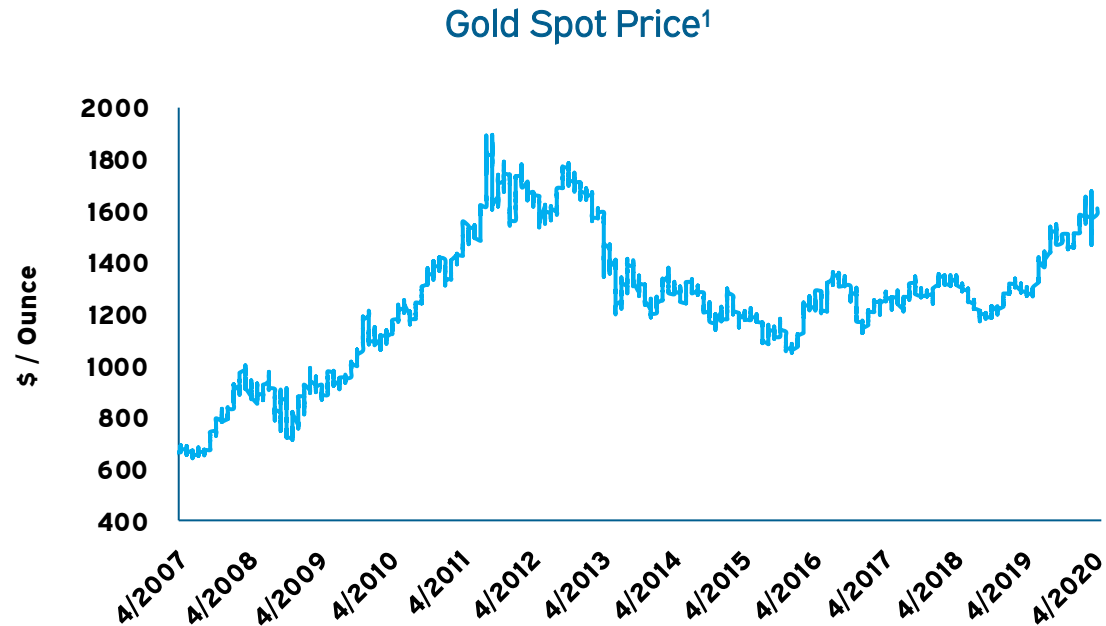
- The energy sector has experienced the largest declines given the fall in oil prices.
- Financials (-36.2%), materials (-31.3%), and industrials (-31.3%) experienced the next largest declines, while defensive sectors like consumer staples and health care experienced the smallest declines.

<sup>1</sup> Source: Bloomberg. Data is as of April 3, 2020.



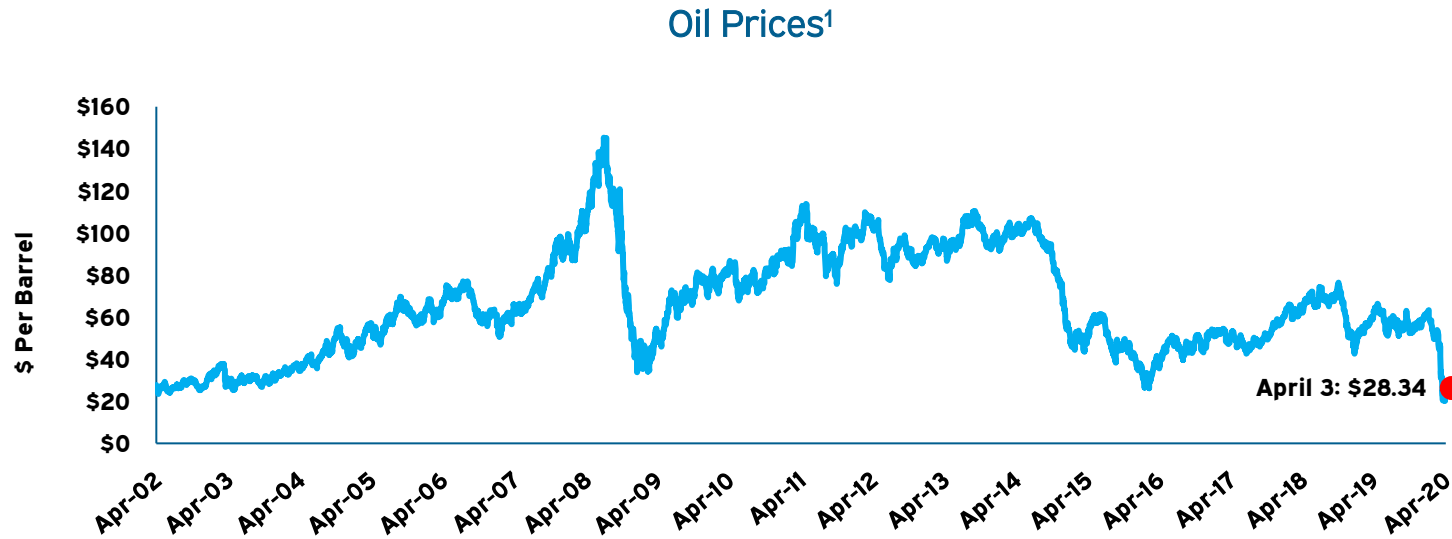
- Given the recent fiscal and monetary support and coresponding modest improvement in investor risk sentiment, expectations of short-term volatility, as measured by the VIX index, declined from record levels but still remains elevated.
- At the recent height, the VIX index reached 82.7, a level surpassing the pinnacle of volatility during the GFC, showing the magnitude of investor fear.
- As investors continue to process the impacts of COVID-19 and the effectiveness of the policy response, it is likely that volatility will remain high.

<sup>1</sup> Source: Chicago Board of Exchange. Data is as of April 3, 2020.



- The price of gold over the last few years has been heavily influenced by central bank demand, particularly from Russia, amidst heightened geopolitical and economic uncertainty; other emerging markets (central banks and private investors) have also been actively purchasing gold.
- However, as risk assets and oil markets declined over the last two months, and liquidity broadly deteriorated, demand for gold declined with its apparently increasing use as a source of funds, and then recovered modestly as markets stabilized.

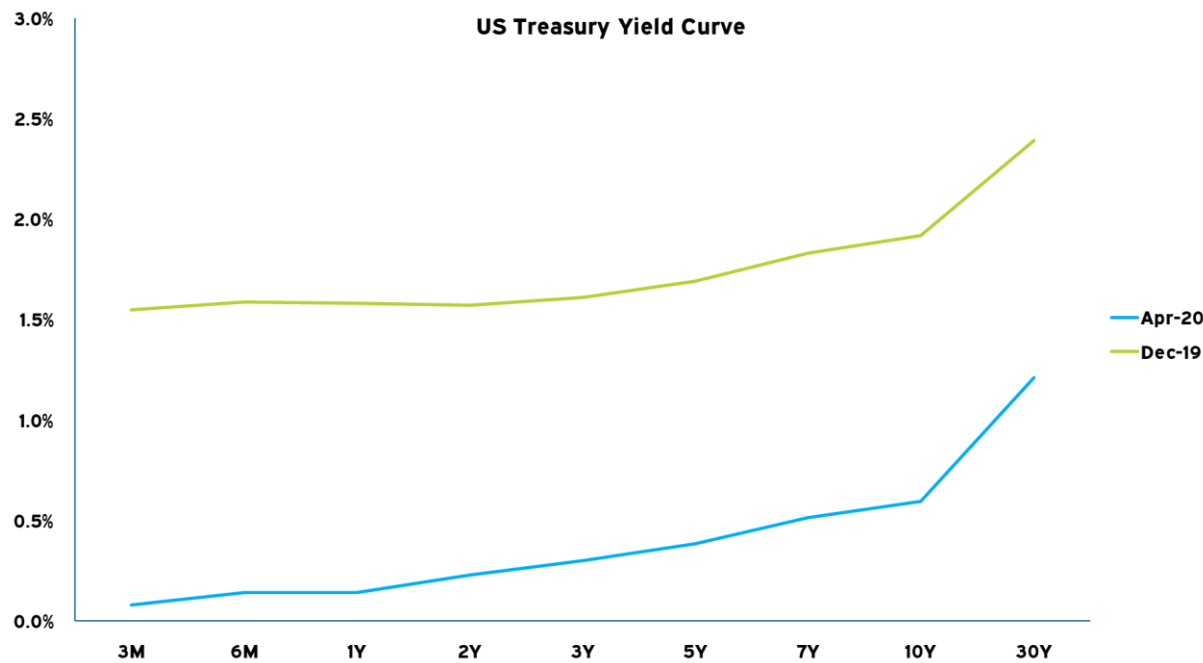
<sup>1</sup> Source: Bloomberg. Data is as of April 3, 2020.



- Oil markets came under pressure as the virus started to lower global growth expectations, but prices deteriorated further when Saudi Arabia initiated a price war due to Russia’s decision to not participate in the proposed OPEC+ supply cuts.
- President Trump announced that he intends to build US oil reserves in an attempt to support the domestic industry and capitalize on lower oil prices.
- During the volatility and aggressive supplier actions, oil prices (as measured by West Texas Intermediate) traded below \$21 per barrel. This represented a decline of over 55% since February 19, to reach levels not seen since 2001. Subsequently, we have seen a modest recovery given the potential for a coordinated supply cut between Saudi Arabia and Russia.

<sup>1</sup> Source: Bloomberg. Represents first available futures contract. Data is as of April 3, 2020.

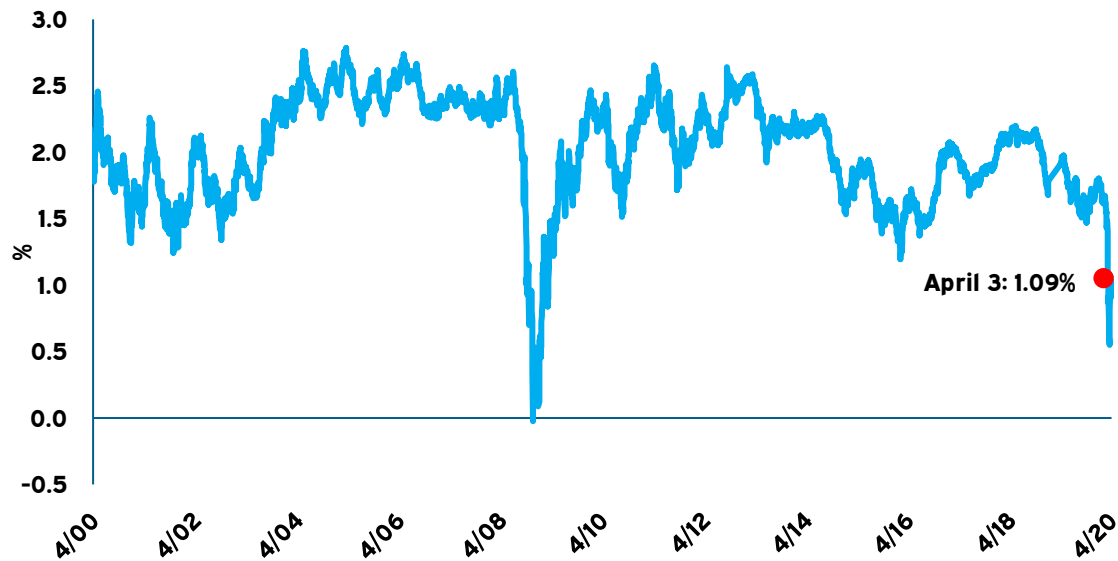
**US Yield Curve Declines<sup>1</sup>**



- The US Treasury yield curve has declined materially since last year, driven by notable cuts in monetary policy rates impacting the shorter-dated maturities, and flight-to-quality flows, low inflation, and declining growth expectations driving longer-dated maturities.

<sup>1</sup> Source: Bloomberg. Data is as of April 3, 2020.

10-Year Breakeven Inflation<sup>1</sup>



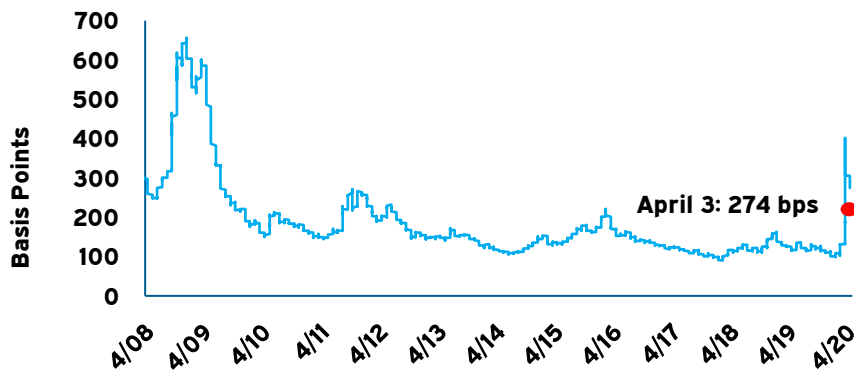
- Inflation breakeven rates declined sharply over the last two months, due to a combination of declines in inflation expectations and liquidity dynamics in TIPS during the height of rate volatility.
- Breakeven rates have not traded near these levels since the GFC, and when they did, the Federal Reserve responded with large-scale asset purchases; this is consistent with recent policy actions.
- Inflation expectation levels have come off of their recent lows as liquidity improved and given the potential inflationary impacts of the unprecedented US fiscal and monetary responses.

<sup>1</sup> Source: Bloomberg. Data is as of April 3, 2020.

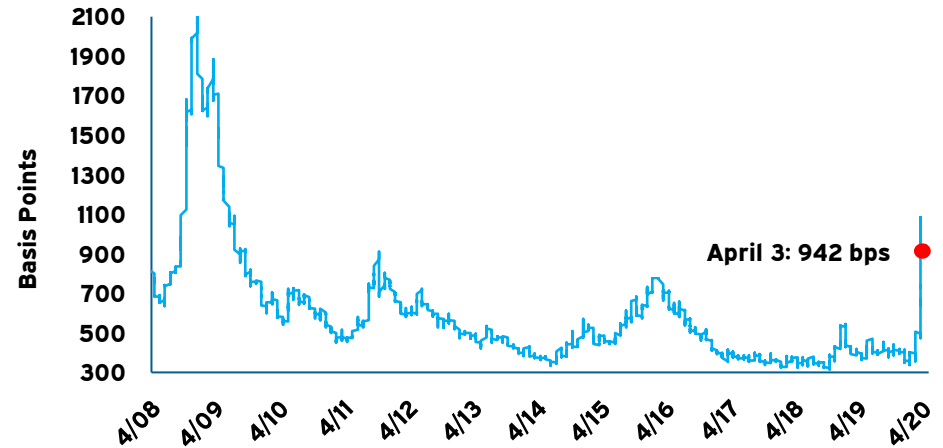


### Credit Spreads (High Yield & Investment Grade)<sup>1</sup>

#### Investment Grade OAS



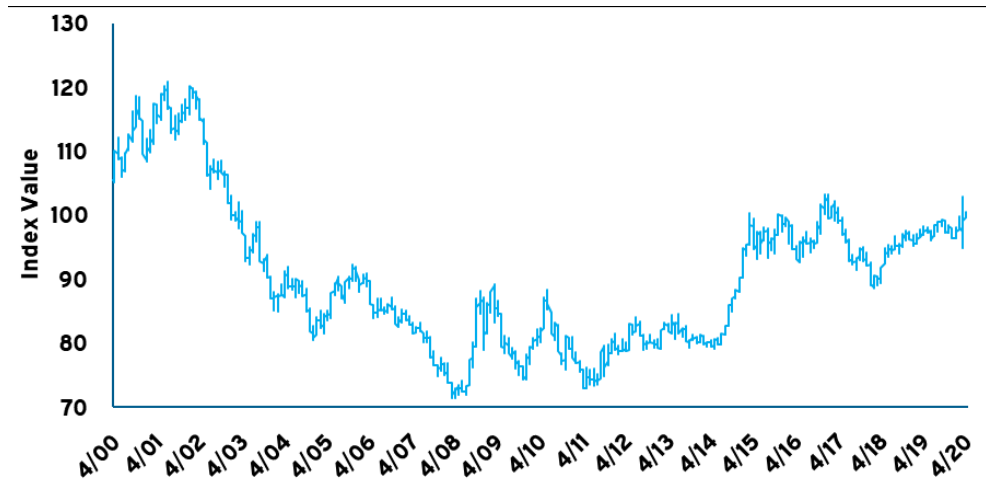
#### High Yield OAS



- Credit spreads (the spread between a comparable Treasury bond) for investment grade and high yield corporate debt expanded sharply as investors preferred perceived safe-haven bonds.
- Investment grade bonds have held up much better than high yield bonds, which have a far greater risk of default in this environment. The Federal Reserve's recently announced corporate debt purchase program for investment grade securities has also provided support.
- Corporate debt issuance has more than doubled since 2008, which magnifies the impact of deterioration in the corporate debt market. This is particularly true for the energy sector, which represents a large portion of the high yield bond market.

<sup>1</sup> Source: Federal Reserve Bank of St. Louis Economic Research. Data is as of April 3, 2020.

### US Dollar versus Broad Currencies<sup>1</sup>

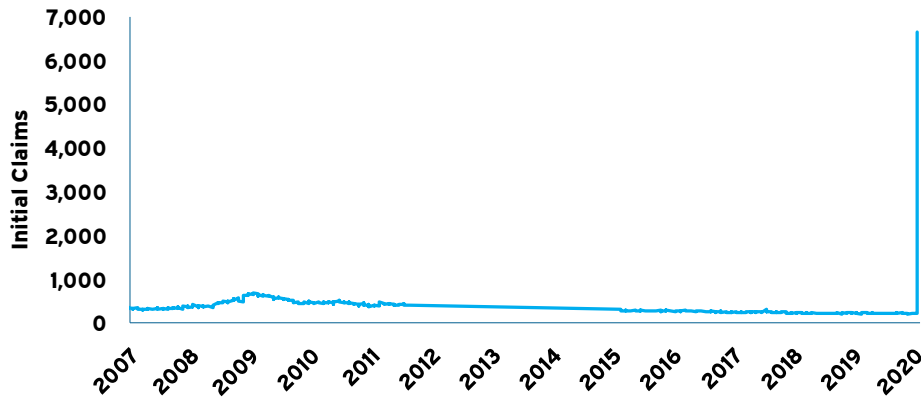


- When financial markets began aggressively reacting to COVID-19 developments, the US dollar came under selling pressure as investors sought safe-haven exposure in currencies like the Japanese yen.
- As the crisis grew into a pandemic, investors' preferences shifted to holding US dollars and highly liquid, short-term securities like US Treasury bills. This global demand for US dollars has resulted in an appreciation against most major currencies.
- A relatively strong US dollar makes US goods more expensive for overseas consumers and causes commodity prices outside the US to rise, negatively impacting foreign countries, and particularly emerging markets.
- To help ease global demand for US dollars, the Federal Reserve, working with a number of global central banks, re-established the US dollar swap program, providing some recent relief to other currencies.

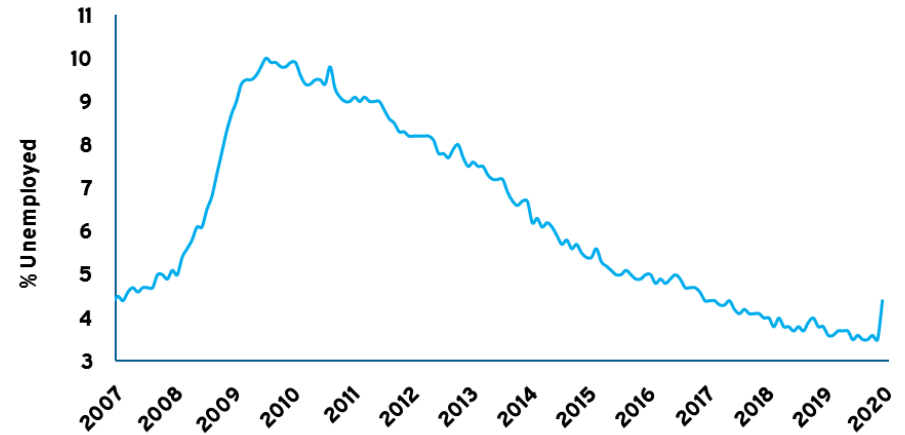
<sup>1</sup> Source: Bloomberg. Represents the DXY Index. Data is as of April 3, 2020.

### US Jobs Data

#### US Initial Jobless Claims<sup>1</sup>



#### US Unemployment Rate<sup>2</sup>



- Layoffs have risen dramatically as businesses have been forced to close in an effort to stop the spread of the disease.
- In addition to the 3.3 million claims last week, an additional 6.6 million people filed claims for initial unemployment benefits, showing just how immediate and unprecedented the impact of the virus is.
- Last week data released showed over 700,000 jobs lost in March and an increase in the unemployment rate to 4.4% from 3.5%.

<sup>1</sup> Source: Bloomberg. First reading of seasonally adjusted initial jobless claims. Data is as of March 28, 2020.

<sup>2</sup> Source: Bloomberg. U-3 US Employment Rate, total in labor force, seasonally adjusted. Data is as of March 31, 2020.

### Historic \$2T US Fiscal Stimulus

Destination	Amount (\$ Billion)
Individuals	\$560
Large Corporations	\$500
Small Business	\$377
State & Local Governments	\$340
Public Health	\$154
Student Loans	\$44
Safety Net	\$26

- Recently, a historic \$2 trillion fiscal package was approved in the US, representing close to 10% of GDP and including support across the economy.
- Individuals will receive a package of cash payments of up to \$1,200 per adult and \$500 per child, and extended and higher weekly unemployment benefits (+\$600/week).
- The package also includes a \$500 billion lending program for distressed industries, like airlines, and \$377 billion in loans to small businesses.
- Other parts of the package include allocations to state and local governments, support for public health, student loan relief, and a safety net.
- The next round of fiscal stimulus is already under discussion in the US and could include money for infrastructure, healthcare equipment, and expanded paid leave.

## Policy Responses

	Fiscal	Monetary
United States	\$50 billion to states for virus related support, interest waived on student loans, flexibility on tax payments and filings, expanded COVID-19 testing, paid sick leave for hourly workers, \$2 trillion package for individuals, businesses, and state/local governments.	Cut policy rates to zero, unlimited QE4, offering trillions in repo market funding, restarted CPFF, PDCF, MMMF programs to support lending and financing market, expanded US dollar swap lines with foreign central banks, announced IG corporate debt buying program, Main Street Lending program, repo facility with foreign central banks, and easing of some financial regulations for lenders.
Euro Area	Germany: Launched 750 billion euro stimulus package. France: 45 billion euro for workers, guaranteed up to 300 billion euro in corporate borrowing. Italy: 25 billion euro emergency decree, suspending mortgage payments for impacted workers. Spain: 200 billion euro and 700 million euro loan and aid package, respectively.	Targeted longer-term refinancing operations aimed at small and medium sized businesses, under more favorable pricing, and announced the 750 billion euro Pandemic Emergency Purchase Program.
Japan	\$20 billion in small business loans, direct funding program to stop virus spread among nursing homes and those affected by school closures, discussion of additional relief in the coming months.	Increase in QE purchases (ETFs, corporate bonds, and CP), and 0% interest loans to businesses hurt by virus.
China	Tax cuts, low-interest business loans, extra payments to gov't benefit recipients.	Expanded repo facility, policy rate cuts, lowered reserve requirements.
Canada	\$7.1 billion in loans to businesses to help with virus damage.	Cut policy rates, expanded bond-buying and repos, lowered bank reserve requirements.
UK (BOE)	Tax cut for retailers, small business cash grants, benefits for those infected with virus, expanded access to gov't benefits for self and un-employed.	Lowered policy rates and capital requirements for UK banks, restarts QE program.
Australia	\$11.4 billion, subsidies for impacted industries like tourism, one-time payment to gov't benefit recipients.	Policy rate cut, started QE.

### Coronavirus Comparison

	Flu in US <sup>1</sup>	SARS (Global)	Coronavirus (Global) <sup>2</sup>
Confirmed Cases	~32,000,000	8,098	1,407,123
Deaths	~18,000	774	79,091
Mortality Ratio	<0.1%	9.6%	5.6%
Infectivity Ratio <sup>3</sup>	1.3	3.0	2.2

- While confirmed cases are notably lower than reported cases of the flu, the number of reported COVID-19 infections continues to rise and infectious disease experts do not see that stopping over the near-term.
- The mortality rate of the COVID-19 virus is a focal point in assessing the severity of the illness versus other viruses, and while higher than the flu, it is expected that as nationwide testing becomes more readily available, the measured ratio should decline.

<sup>1</sup> Source: CDC. Reflects medians of estimates for flu season October 2019 – February 2020.

<sup>2</sup> Source: Johns Hopkins CSSE. As of April 7, 2020. Infectivity Ratio from WHO.

<sup>3</sup> Ratio represents the amount of people infected on average from one patient.

## Potential Economic Impacts

### Supply Chain Disruptions:

- Factories closing, increased cost of stagnant inventory, and disrupted supply agreements.
- Reduced travel, tourism, and separation policies including closed borders: Significant impact on service based economies.

### Labor Force Impacts:

- Huge layoffs are extremely likely, across both service and manufacturing economies.
- Increased strains as workforce productivity declines throughout increased societal responsibilities (e.g., home schooling of children) and decreased functionality working from home.
- Illnesses from the disease will also reduce portions of the labor force temporarily.

### Declines in Business and Consumer Sentiment:

- Sentiment drives investment and consumption, which leads to increased recessionary pressures if sentiment slips.

### Wealth Effect:

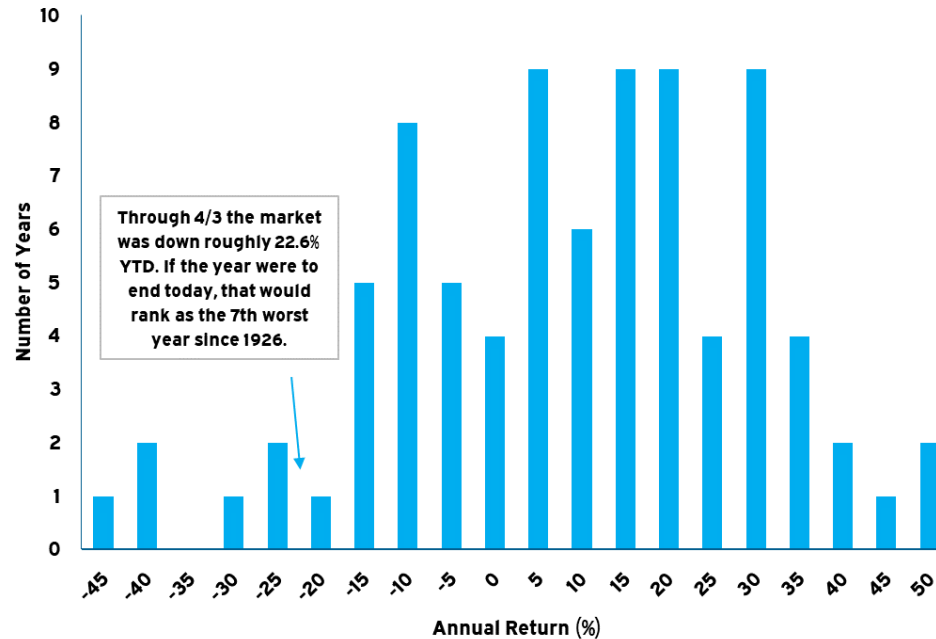
- As financial markets decline and wealth deteriorates, consumer spending will be impacted.

### Looking Forward...

- There will definitely be economic impacts, and likely a recession.
  - How deep it will be and how long it will last depend on a number of factors (below) that are unknowable at this time.
- The length of the virus and country responses will be key considerations.
  - As of now, it is not clear the end is in sight; however, impacted countries are attempting to lay the groundwork to support a recovery.
- Central banks and governments are pledging support, but will it be enough?
  - Based on initial market reactions to announced policies, the answer is no, until the virus gets better contained.
- Expect heightened market volatility given the virus and previous high valuations.
  - This has been a consistent theme over the last few weeks, and volatility is likely to remain elevated for some time.
- It is important to continue to have a long-term focus.
  - History supports the argument that maintaining a long-term focus will ultimately prove positive for diversified portfolios.



**Distribution of Annual S&P 500 Returns<sup>1</sup>  
(1926-2020)**



- The 22.6% year-to-date decline (through 4/3) in the S&P 500 would be the seventh largest in history if it ended the year at this level.
- With around nine months remaining in 2020, and trillions of dollars in fiscal and monetary stimulus being deployed, we expect asset prices to experience notable volatility over the near term.

<sup>1</sup> Source: Bloomberg. Data is as of April 3, 2020.

Prior Drawdowns and Recoveries from 1929-2020<sup>1</sup>

Period	Peak-to-Trough Decline of the S&P 500	Approximate Time to Recovery
Sept 1929 to June 1932	-85%	266 months
February 1937 to April 1942	-57%	48 months
May 1946 to February 1948	-25%	27 months
August 1956 to October 1957	-22%	11 months
December 1961 to June 1962	-28%	14 months
February 1966 to October 1966	-22%	7 months
November 1968 to May 1970	-36%	21 months
January 1973 to October 1974	-48%	69 months
September 1976 to March 1978	-19%	17 months
November 1980 to August 1982	-27%	3 months
August 1987 to December 1987	-32%	19 months
July 1990 to October 1990	-20%	4 months
July 1998 to August 1998	-19%	3 months
March 2000 to October 2002	-49%	56 months
October 2007 to March 2009	-57%	49 months
February 2020 to April 2020	-27%	TBD
<b>Average</b>	<b>-36%</b>	<b>41 months</b>
<b>Average ex. Great Depression</b>	<b>-33%</b>	<b>25 months</b>

- Markets are continuing to reprice amidst the uncertain impact of the virus on markets and the global economy, which means this drawdown is still being defined in the context of history.
- That said, financial markets have experienced material declines with some frequency, and while certain declines took a meaningful time to recover, in all cases they eventually did.
- The current decline is severe, and it is still too early to tell how long a full recovery might take.

<sup>1</sup> Source: Goldman Sachs. Recent peak to trough declines are through April 3, 2020.

### Implications for Clients

- Be prepared to rebalance and take advantage of the age-old wisdom “buy low, sell high”.
  - Before rebalancing, consider changes in liquidity needs given the potential for inflows to decline in some cases.
  - Also, consider the cost of rebalancing as investment liquidity declines.
- Diversification works. The latest decline was an example of a flight to quality.

### Performance YTD (through April 3, 2020)

S&P 500	ACWI (ex. US)	Aggregate Bond Index	Balanced Portfolio <sup>1</sup>
- 22.6%	- 26.3%	3.4%	-14.9%

- Meketa will continue to monitor the situation and communicate frequently.
  - The situation is fluid and the economic impact is uncertain at this stage.
- Please feel free to reach out with any questions.
  - We would be glad to assist with performance estimates, memorandums, or phone calls.

<sup>1</sup> Source: InvestorForce. Balanced Portfolio represents 60% MSCI ACWI and 40% Bloomberg Barclays Global Aggregate.

## Disclaimer, Glossary, and Notes

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

**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.  $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} * (\text{market return} - \text{Risk Free Rate})]$ .

**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.

**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.

**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.

**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.

**Tracking Error:** A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

**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%.

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

**Yield to Worst:** The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

**NCREIF Property Index (NPI):** Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

**NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE):** Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

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.



FIRST QUARTER 2020 PORTFOLIO REVIEW

# CalOptima

## Wells Fargo Asset Management

Gary Schlossberg – Senior Economist  
Tony Melville, CFA - Senior Portfolio Manager  
Seth S. Takata - Director, Insurance

April 20, 2020

# Table of contents

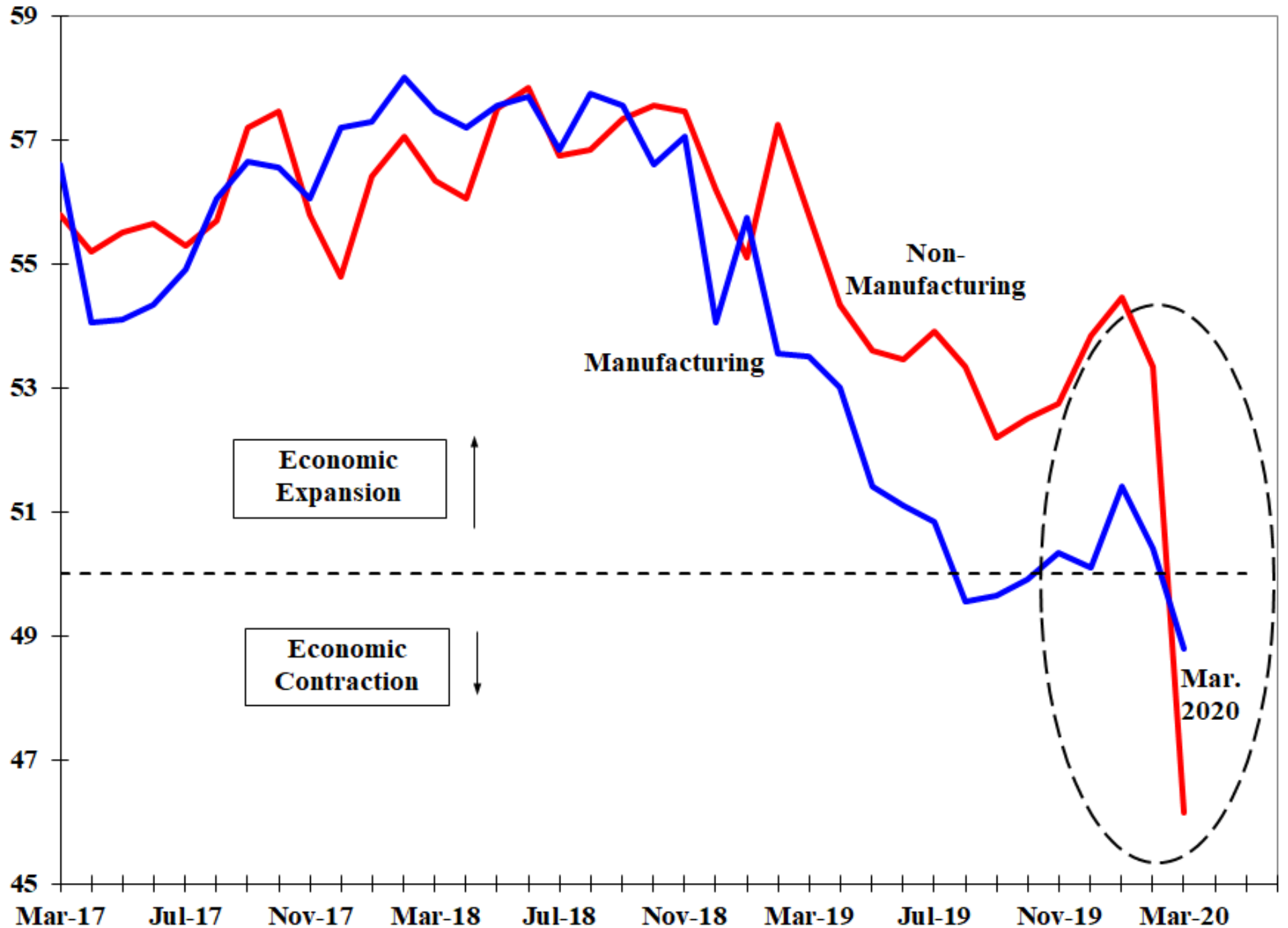
1. Economic Update
2. Wells Fargo Asset Management
3. Short Duration Fixed Income overview
4. Market overview
5. CalOptima
6. CalOptima Tier 1

# Economic Update

The Economic And Financial-Market Outlook Into 2021: “Known Unknowns” Run Wild

# AN UNUSUAL, SERVICES-LED SLUMP RISKS MAGNIFYING ITS IMPACT ON UNEMPLOYMENT

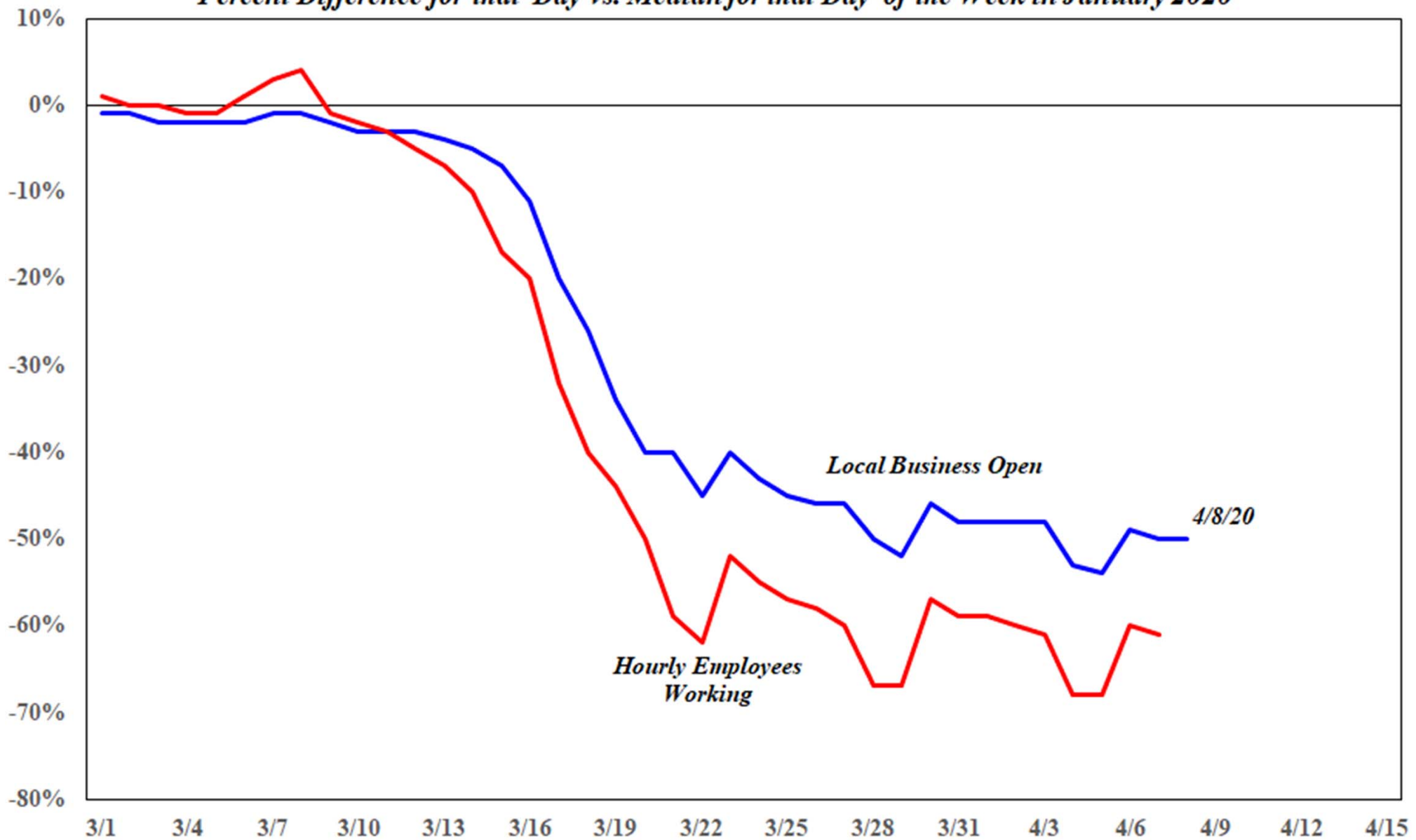
## % Of Respondents Reporting An Increase In Activity



Source: Institute Of Supply Management

# SMALL BUSINESSES AND EMPLOYEE HOURS STABILIZING, BUT AT A PAINFULLY LOW LEVEL...

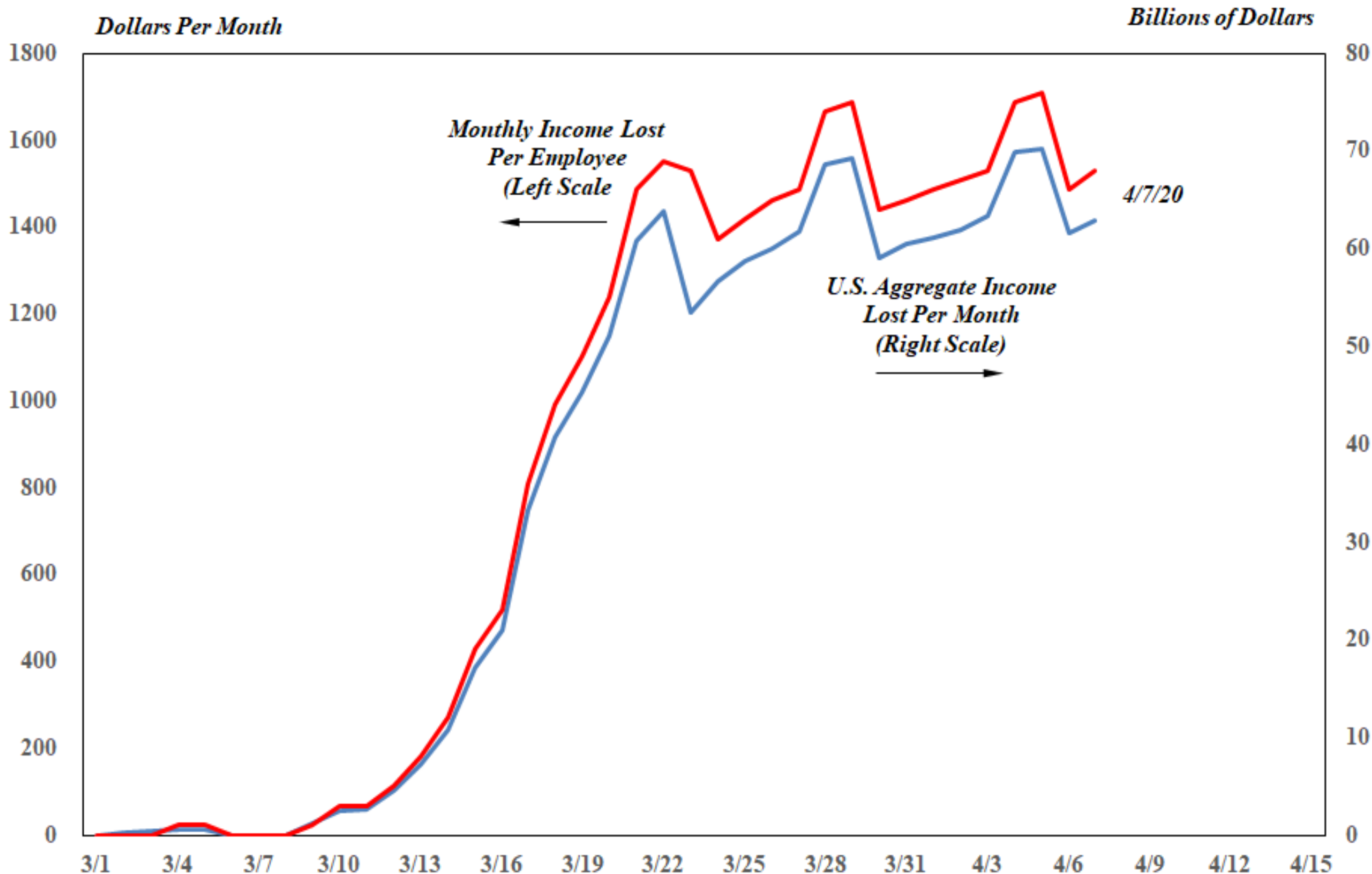
*Percent Difference for that Day vs. Median for that Day of the Week in January 2020*



\* Based on reports from more than 100,000 mostly individually owned and operated managed businesses across the country, primarily in restaurant, food and beverage, retail and services industries.

Source: Homebase

### ...LEAVING A SIZABLE DENT IN EMPLOYEE INCOMES



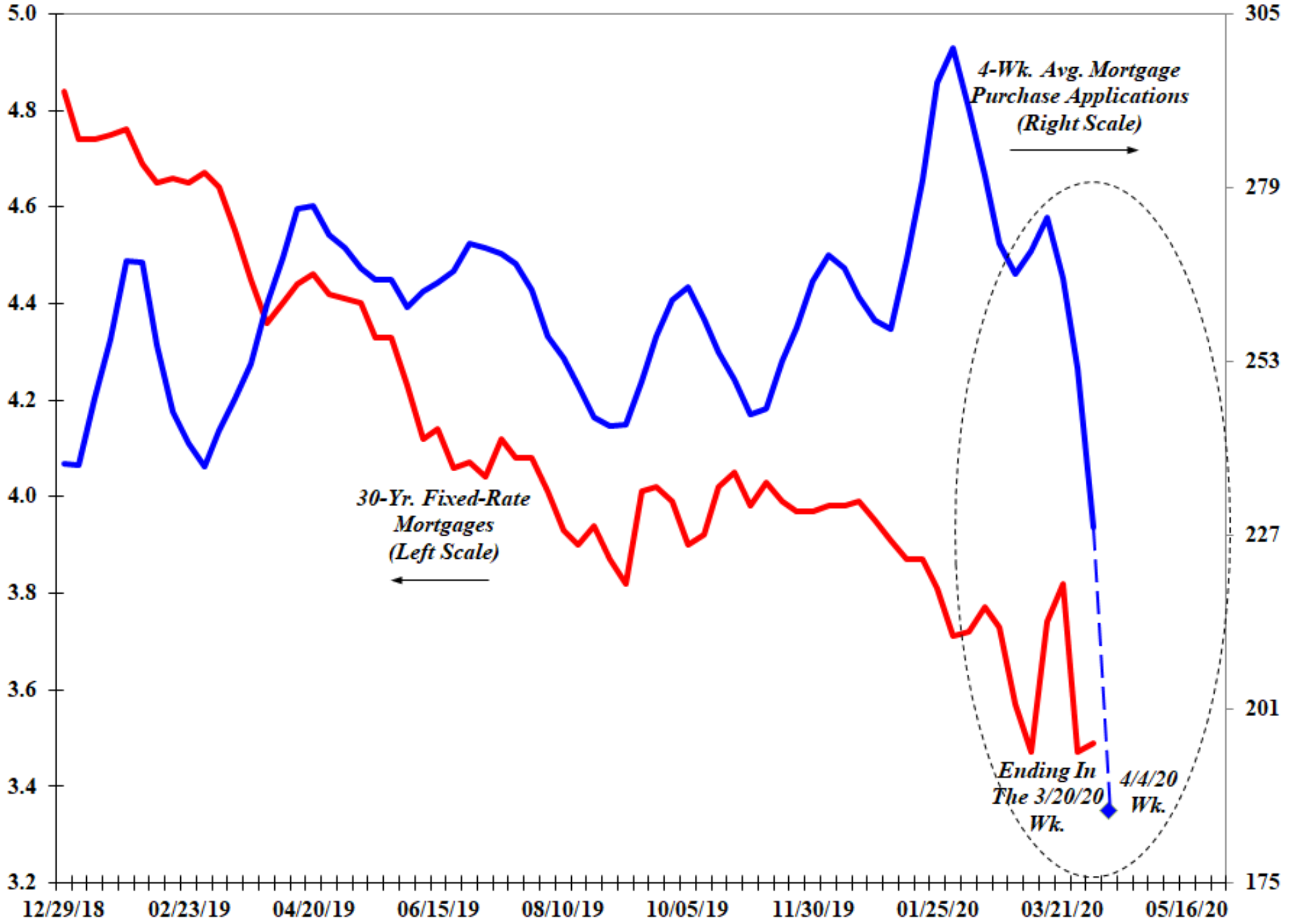
\* Based on reports from more than 100,000 mostly individually owned and operated managed businesses across the country, primarily in restaurant, food and beverage, retail and services industries.

Source: Homebase

**TOWARD A DEEP FREEZE IN HOUSING ACTIVITY DESPITE SUBDUED MORTGAGE RATES**

Percent

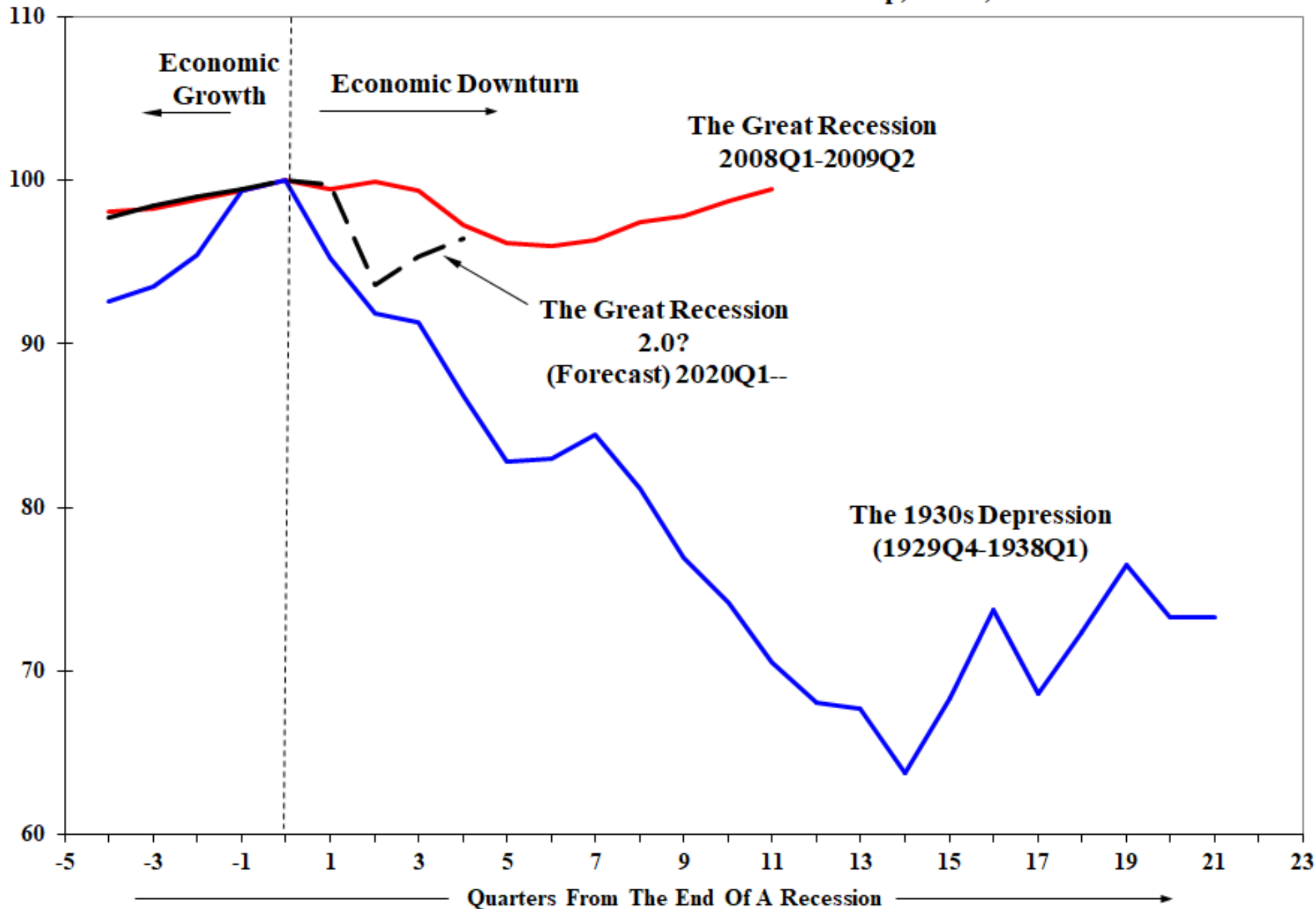
Index: 3/16/90=100



Source: Mortgage Bankers Association

## HOPING FOR MORE OF A RECESSION THAN A DEPRESSION FROM THE LATEST ECONOMIC SLOWDOWN

Cumulative "Real" GDP Decline from the Start of an Economic Slump; Index, Downturn's Start=100



Source: U.S. Commerce Department



# Recession Or Depression?

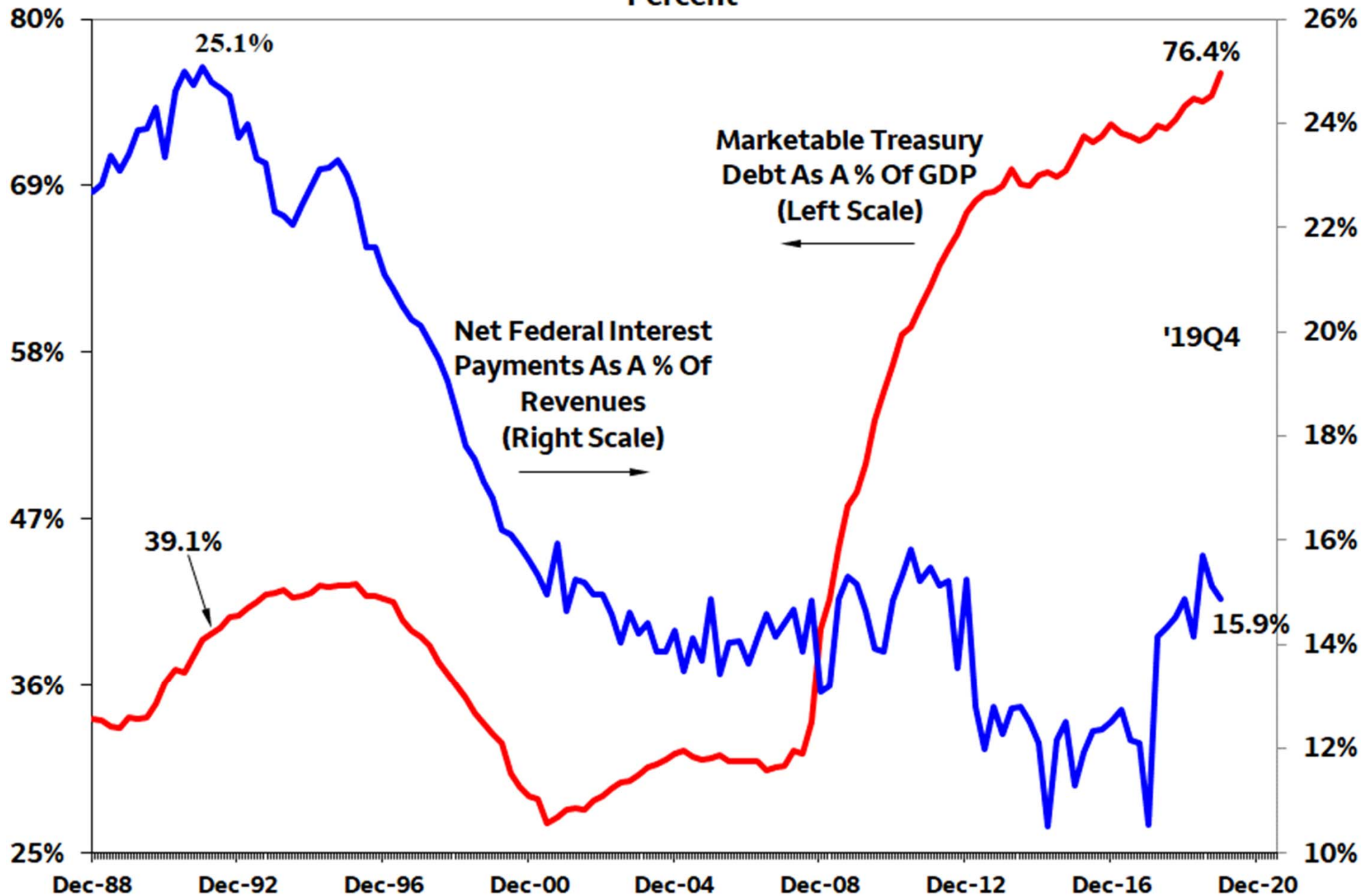
- **Willingness vs. Ability to Spend**
- **Aggressive Fiscal & Monetary Support**  
*--Avoiding the 1930s Gold-Standard Mistakes*
- **Side-Stepping Double-Digit “Deflation”**

# **Debt Financing “Tailwinds”**

- **Unlimited Treasury Debt Purchases by the Fed**
- **Financing Costs Suppressed By Subdued Interest Rates**
- **Reduced Corporate Debt Demand**
- **Increased Treasury-Debt Demand By Foreigners**

# LOWER INTEREST RATES SUPPRESS INVESTOR CONCERNS OVER FEDERAL DEFICITS AND SOARING DEBT

Percent

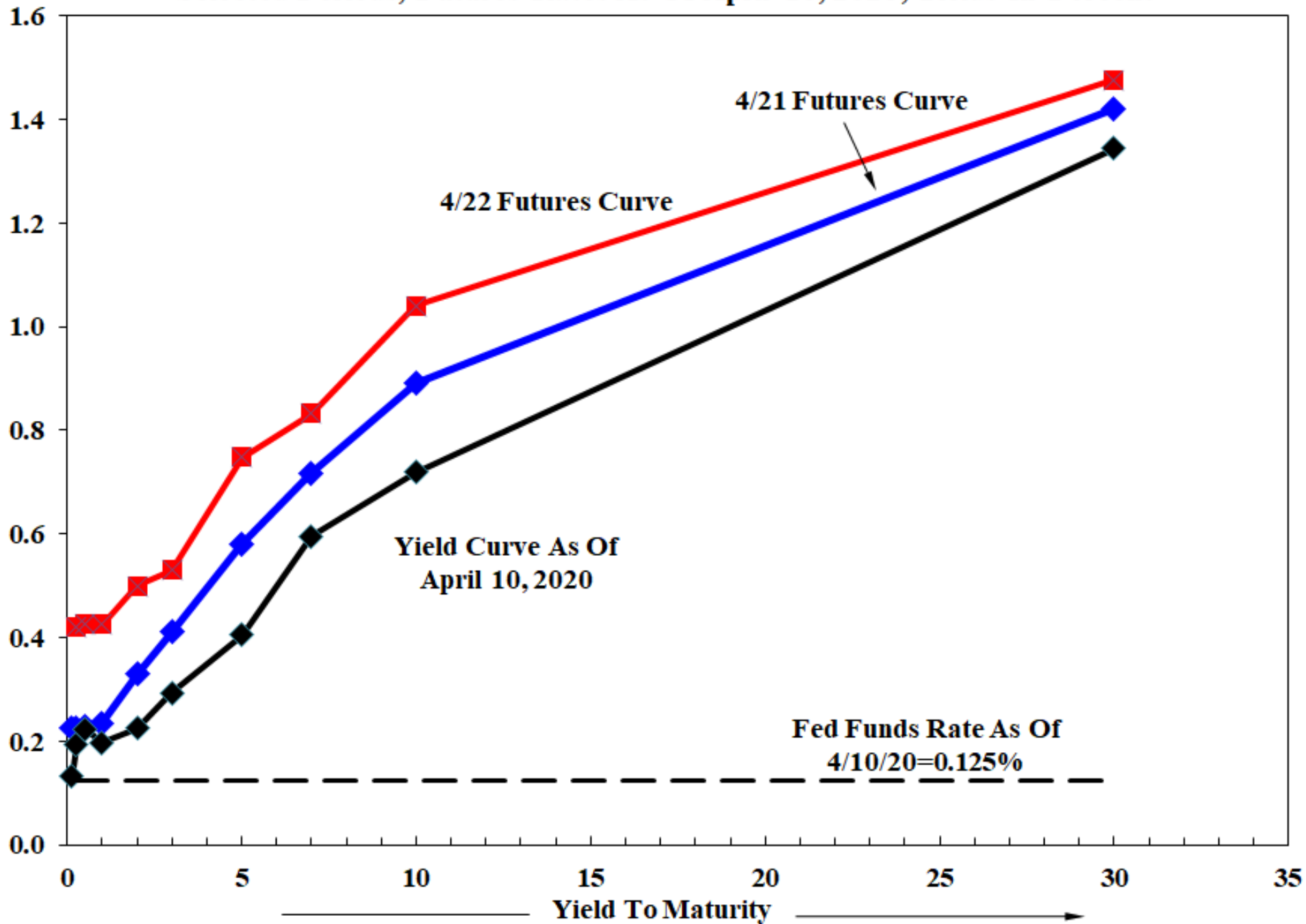


Source: U.S. Treasury Department

# Issues Shaping the Economic Outlook

- **Coronavirus Trajectory**  
*--A Vaccine Timeline?*
- **Success of Aggressive Policy Support in Containing the Pandemic's Economic Fallout**
- **Post-Pandemic Reaction by Households, Businesses**

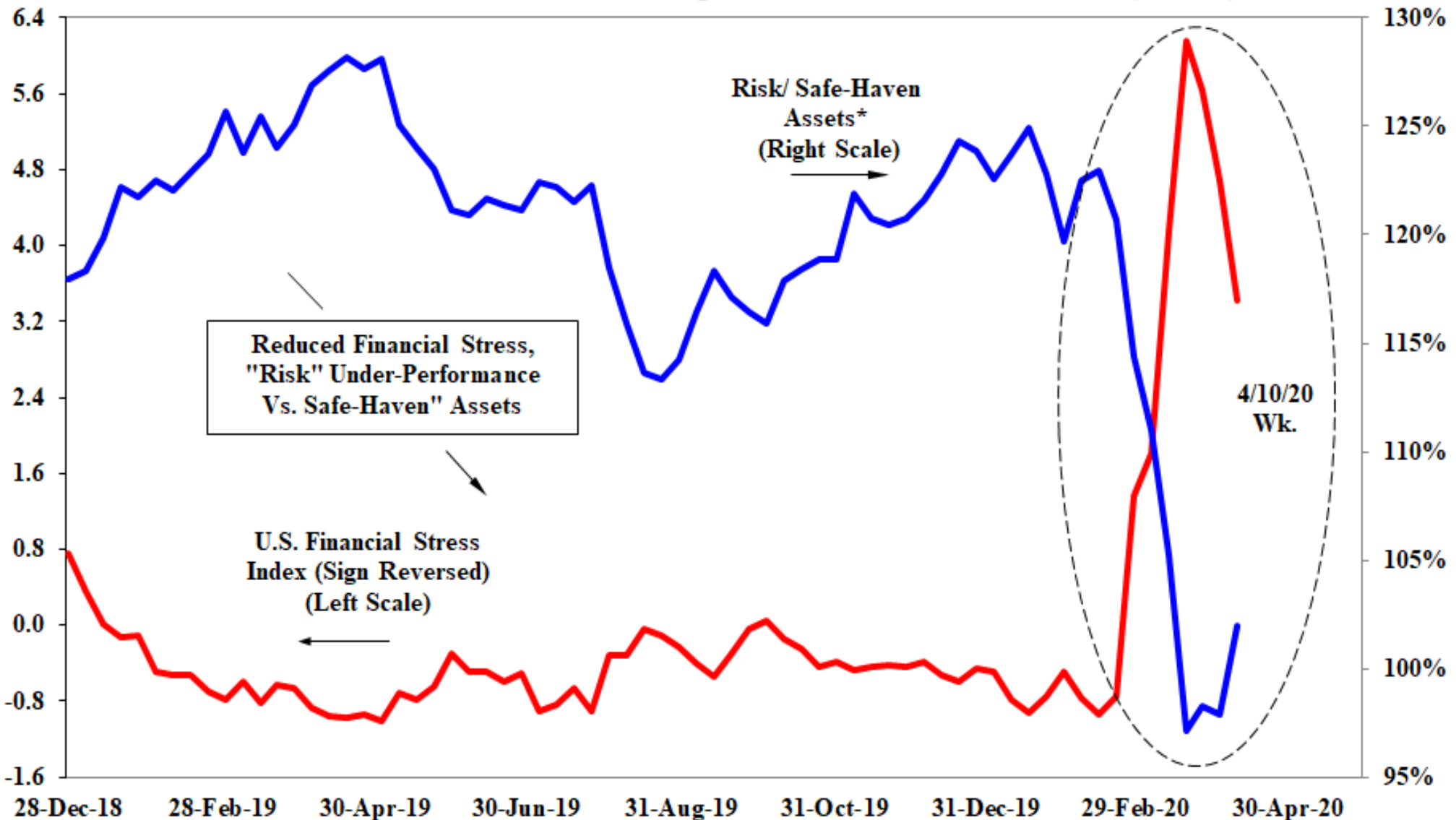
**Still Priced For Economic Growth In The Treasury Futures Market?  
Selected Periods, Futures Rates As Of April 10, 2020; Yields In Percent**



Source: Bloomberg Financial News, Inc.

# THE FED BENDS THE "CURVE" ON FINANCIAL STRESS AND "RISK" VS. "HAVEN" RETURNS

Standard Deviations\*\* Above or Below A 1992-2008 Average "Risk" Vs. "Haven" Returns\* Index, Dec. 21, 2005=100%



\* Risk assets=S&P 500, investment & non-investment grade corporate securities, emerging-market stocks and bonds. Safe-haven assets=U.S. and German Treasury securities, gold, Swiss francs and the Japanese yen. \*\* Keyed to quality spreads and to market volatility in the money, bond and equity markets.

Source: Bloomberg Financial News, Inc.; Federal Reserve Bank of New York

# **An Early Look at a Few Post-COVID Themes**

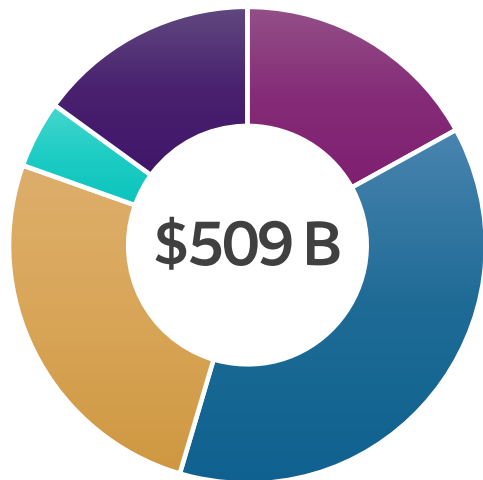
- **Increased Online Everything?**
  - Retailing, telemedicine, education, home working*
- **A Larger, More Active Government**
  - Fringe ideas to the mainstream*
  - The Federal Reserve Subordinate to Fiscal Policy*
- **The Dollar's Enhanced "Key Currency" Role**
- **Low Inflation and Interest Rates Foster A Highly Charged Financial Market**

# Wells Fargo Asset Management



# Wells Fargo Asset Management (WFAM) and affiliate

Our specialized teams provide a broad range of differentiated investment solutions to help our diverse range of clients meet their investment objectives.



Assets under management <sup>1</sup>	\$B
Equity (including alternatives)	\$ 86.3
Fixed income	\$191.3
Money market	\$131.5
Asset Allocation	\$ 23.2
Stable value	\$ 76.3

- Who we serve
- **Consultants**
  - **Corporations**
  - **Endowments & foundations**
  - **Financial advisors**
  - **Financial institutions**
  - **Government/official institutions**
  - **Insurance companies**
  - **Pensions and retirement plans**

**24**

locations worldwide

**1,500+**

dedicated team members

**492**

global investment talent<sup>2</sup>

**19**

average years in industry<sup>3</sup>

Source: Wells Fargo Asset Management. All figures as of December 31, 2019.

<sup>1</sup> AUM includes \$90.1B from Galliard Capital Management, (\$76.3B Stable Value; \$13.8B Fixed Income) an investment advisor that is not part of the WFAM trade name/GIPS firm.

<sup>2</sup> Global investment talent includes directors and associate level professionals.

<sup>3</sup> Represents average years of investment industry experience of global investment talent.

# WFAM Global Fixed Income capabilities



Team AUM by core competency	AUM (\$B)	Assets (%)
Money Market	133.3	32.9%
Municipals	38.1	9.4%
Global Aggregate / Investment Grade <sup>1</sup>	132.7	32.8%
Sovereign & Emerging Markets	5.2	1.3%
High Yield & Loans <sup>2</sup>	5.2	1.3%
Stable Value <sup>3</sup>	90.1	22.3%
<b>Total</b>	<b>404.6</b>	

Source: Wells Fargo Asset Management, December 31, 2019

<sup>1</sup> Figures include \$122.0m of non-discretionary assets

<sup>2</sup> Figures include \$71.7m of non-discretionary assets

<sup>3</sup> AUM includes \$90.1B from Galliard Capital Management, (\$76.3B Stable Value; \$13.8B Fixed Income) an investment advisor that is not part of the WFAM trade name/GIPS firm.

# Short Duration Fixed Income overview

# WFAM Short Duration Fixed Income overview

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

- \$48<sup>1</sup> billion in Short Duration assets under management in addition to \$133<sup>2</sup> billion in Money Market Fund assets as of December 31, 2019
- Taxable, municipal and crossover strategies for **offshore and domestic** institutional portfolios
- **Competitive risk-adjusted returns** with primary objectives of **principal preservation and liquidity**
- **Tenured team** of investment professionals
- **Depth of credit research** capabilities across corporate, municipal and structured asset classes
- **Emphasis on risk management** in the construction, management and oversight of client portfolios
- Singular focus on **consultative client partnerships**

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

Source: Wells Fargo Asset Management.

1 WFAM Short Duration AUM managed by Short Duration, Municipal, and Multi Sector-Plus Fixed Income teams.

2 Includes Security Lending and Offshore Government Money Market Funds.

# Short Duration Fixed Income assets under management

## Customized solutions

- Our team manages to numerous short duration benchmarks, and is also capable of creating customized portfolios to accommodate specific liquidity needs, gain/loss sensitivity, financial statement implications, and tax concerns

### Taxable AUM<sup>1</sup>

As of December 31, 2019

Benchmark duration	Target duration	Amount (\$MM)
U.S. Taxable Cash	0 to 0.25	1,406
U.S. Taxable 3-Month	0.25	11,644
U.S. Taxable 6-Month	0.50	6,770
U.S. Ultra Short Plus	0.50	1,255
U.S. Taxable 1 Year	1.00	4,090
U.S. Taxable 1-3 Year	1.90	9,676
U.S. Short-Term Plus	1.90	455
U.S. Taxable 1-5 Year	2.70	3,802
	<b>Total:</b>	<b>\$39,098<sup>2*</sup></b>

### Tax-advantaged AUM<sup>1</sup>

As of December 31, 2019

Benchmark duration	Target duration	Amount (\$MM)
U.S. Cash Tax-Advantaged	0.25	555
U.S. Enhanced Cash Tax-Advantaged	0.50	478
Municipal Ultra Short	0.75	443
Municipal Ultra Short Plus	0.75	2,620
U.S. Limited Duration Tax-Advantaged	1.40	683
Municipal Short-Term	2.10	785
Municipal Short-Term Plus	2.00	3,791
	<b>Total:</b>	<b>\$9,355<sup>3*</sup></b>

### Money Market Fund solutions

Prime, Government and Municipal Money Fund strategies totaling \$133B<sup>4</sup>

### Short-term Mutual Fund solutions

Adjustable Rate Government Fund

Short-Term Bond Fund

Short-Term Municipal Bond Fund

Short-Duration Government Bond Fund

Ultra-Short Term Income Fund

Ultra-Short Municipal Income Fund

Conservative Income Fund

Source: Wells Fargo Asset Management.

<sup>1</sup> Short Duration AUM managed by Short Duration, Municipal, and Multi Sector-Plus Fixed Income teams.

<sup>2</sup> WFAM has \$39,738 million in Taxable Assets Under Management with \$37,131 million in Separate Accounts and \$1,967 million in Funds.

<sup>3</sup> WFAM has \$9,573 million in Tax-Advantaged Assets Under Management with \$2,587 million in Separate Accounts and \$6,768 million in Funds.

<sup>4</sup> Includes Security Lending and Offshore Government Money Market Funds.

\*Includes exposure to money market fund sweep vehicles.

# Short Duration Fixed Income investment team

Short  
Duration



**Jeffrey L. Weaver, CFA**  
Senior Portfolio Manager  
Head of Municipal &  
Short Duration  
Entered industry: 1991  
Joined firm: 1994



**Andrew Greenberg, CFA**  
Senior Portfolio Manager  
Short Duration Team Lead  
Entered industry: 1986  
Joined firm: 2002



**Anthony J. Melville, CFA**  
Senior Portfolio Manager  
Governments & Corporates  
Entered industry: 1993  
Joined firm: 1994



**Dean Meddaugh, CFA**  
Senior Portfolio Manager  
ABS, CLO, CMBS & MBS  
Entered industry: 1994  
Joined firm: 2004



**Raymond M. Wong**  
Senior Portfolio Manager  
Municipals  
Entered industry: 1980  
Joined firm: 2002



**James Rutzen, CFA, FRM**  
Senior Portfolio Manager  
Municipals/Crossover  
Entered industry: 1986  
Joined firm: 1996



**Travis Dugan, CFA**  
Senior Portfolio Manager  
Governments & Corporates  
Entered industry: 1997  
Joined firm: 2011



**Janat Ibraev, CFA**  
Portfolio Manager  
Corporates  
Entered industry: 1994  
Joined firm: 2015



**Jonathan Buenaventura, CFA**  
Portfolio Manager  
Money Market Securities  
Entered industry: 2004  
Joined firm: 2011



**Henri Proutt**  
Portfolio Manager  
Corporates  
Entered industry: 2008  
Joined firm: 2011



**George Hoch**  
Portfolio Manager  
Entered industry: 2011  
Joined firm: 2015



**Julianne Levinson**  
Portfolio Analyst  
Entered industry: 2016  
Joined firm: 2018

Money  
Market



**Laurie R. White**  
Senior Fund Manager  
Prime & Government Funds  
Entered industry: 1986  
Joined firm: 1991



**Michael C. Bird, CFA**  
Senior Fund Manager  
Government Funds  
Entered industry: 1993  
Joined firm: 2005



**James C. Randazzo**  
Senior Fund Manager  
Municipal Funds  
Entered industry: 1993  
Joined firm: 2000



**Vladislav Stavitskiy**  
Senior Fund Manager  
Money Market Strategy & Analysis  
Entered industry: 2000  
Joined firm: 2000



**Madeleine Gish, CFA**  
Senior Fund Manager  
Prime Funds  
Entered industry: 1989  
Joined firm: 1989



**Daniel Tronstad**  
Senior Fund Manager  
Prime Funds  
Entered industry: 1995  
Joined firm: 2010



**John Kelly**  
Senior Fund Manager  
Government Funds  
Entered industry: 1998  
Joined firm: 2009



**Beatrice Woo**  
Fund Manager & Analyst  
Prime Funds  
Entered industry: 1992  
Joined firm: 2014

Fixed Income Portfolio  
Specialists



**Michael Rodgers**  
Senior Portfolio Specialist  
Entered industry: 1992  
Joined firm: 1992



**Daniel Sarnowski**  
Portfolio Specialist  
Entered Industry: 2002  
Joined firm: 2002

## Firm-wide Credit Research

### Money Market Research

**Matthew Grimes, CFA**  
Head of Money Markets  
Credit Research: Team of 10 Analysts

### Global Credit Research

**Jamie Newton, CFA**  
Head of Global Credit  
Research: Team of 22 Analysts

### Municipal Credit Research

**Thomas Stoeckmann**  
Head of Municipal  
Credit Research: Team of 15 Analysts

## Additional firm-wide fixed income resources

U.S. High Yield

Non-U.S. High Yield

Structured Products Research

Quantitative & Applied

Macro / Economic

Note: CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute. As of December 31, 2019.

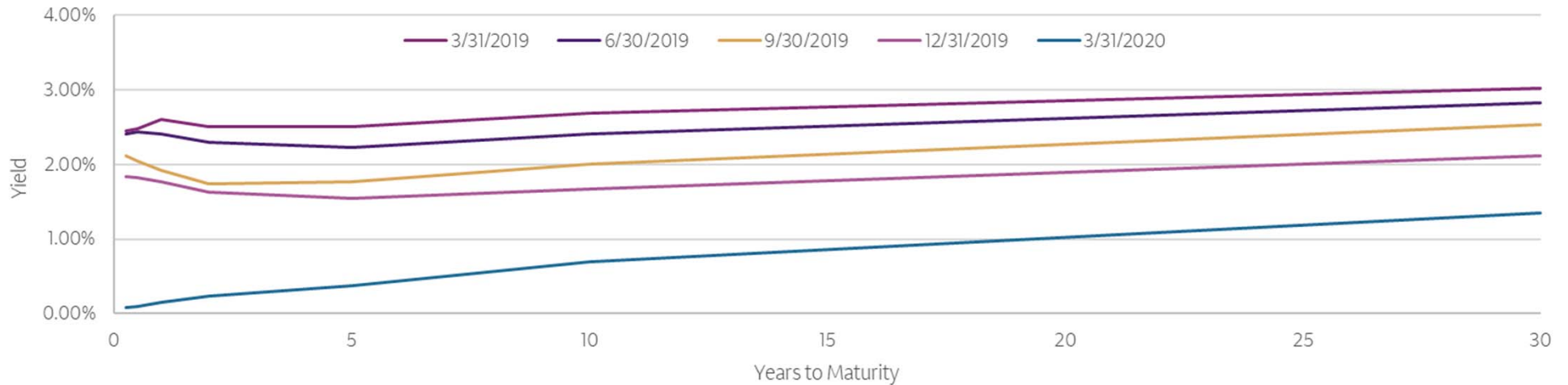
# Market overview

Short Duration strategy

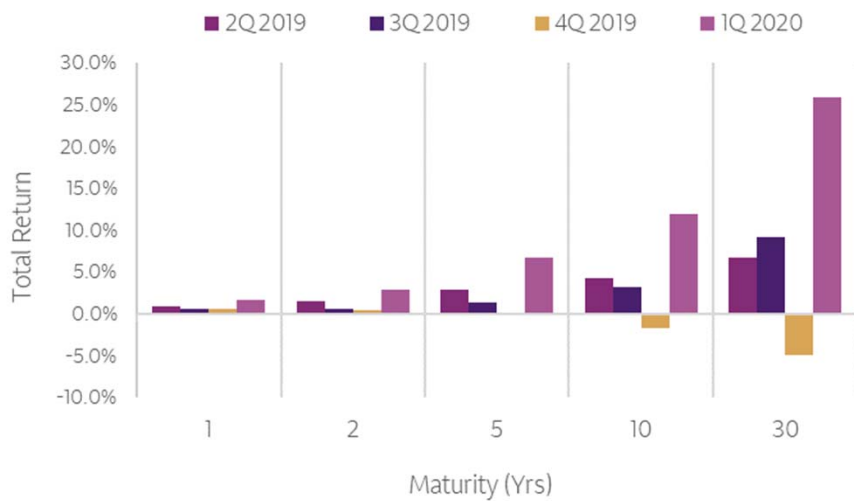
# Short duration review

31 March 2020

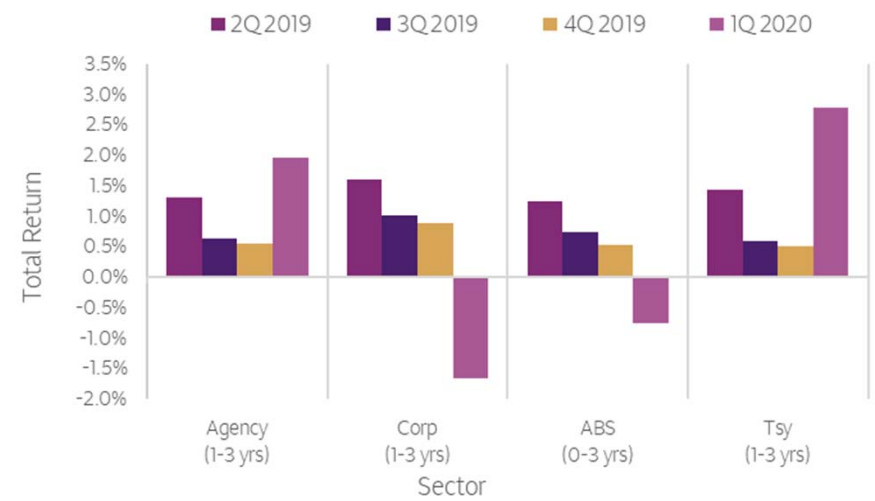
## Treasury yield curve



## Total return by maturity



## Total return by sector



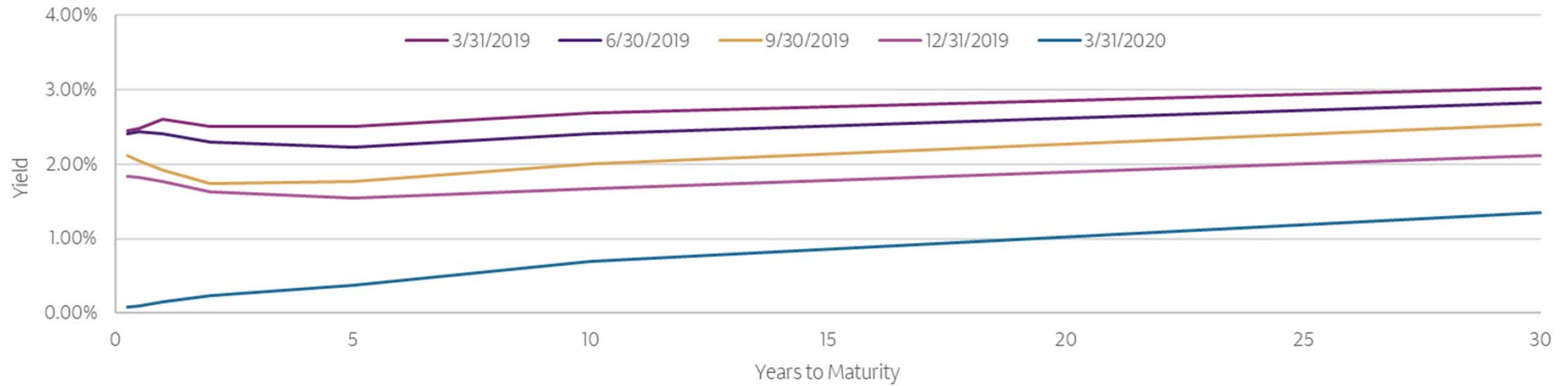
Source: Bloomberg Barclays, ICE BofA



# Short duration review

31 March 2020

## Treasury yield curve



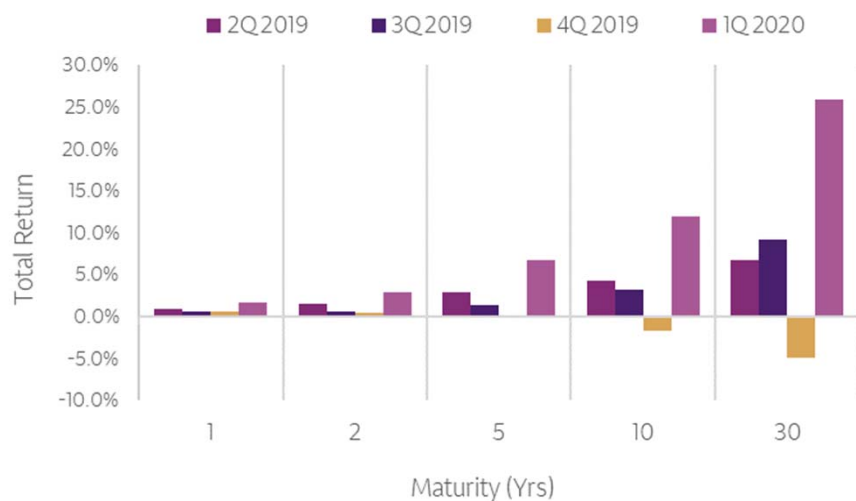
US Treasury Yield Curve	3/31/2019	6/30/2019	9/30/2019	12/31/2019	3/31/2020
3 Month	2.45%	2.40%	2.12%	1.83%	0.08%
6 Month	2.48%	2.44%	2.05%	1.82%	0.10%
1 Year	2.60%	2.40%	1.92%	1.76%	0.15%
2 Year	2.50%	2.29%	1.74%	1.62%	0.23%
5 Year	2.51%	2.23%	1.76%	1.55%	0.38%
10 Year	2.69%	2.41%	2.00%	1.67%	0.70%
30 Year	3.02%	2.82%	2.53%	2.12%	1.35%

Source: Bloomberg Barclays

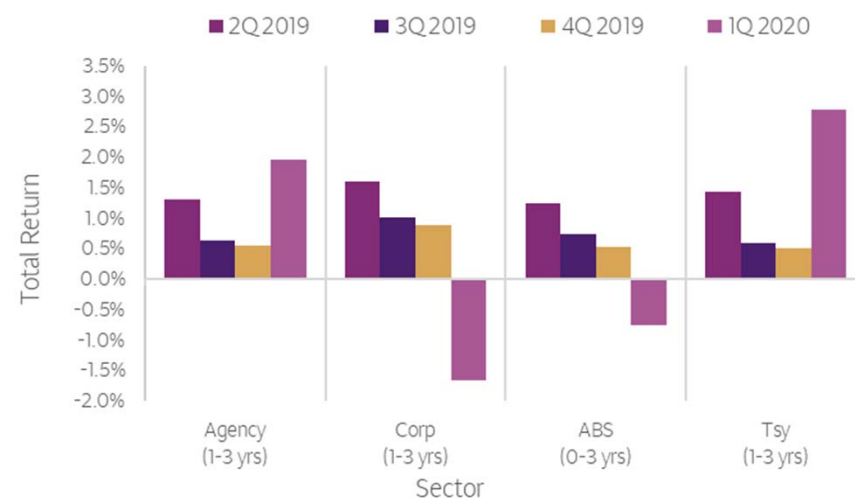
# Short duration review

31 March 2020

## Total return by maturity



## Total return by sector



US Treasury Total Return by Maturity	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
1	0.82%	0.94%	0.56%	0.59%	1.72%
2	0.97%	1.47%	0.57%	0.45%	2.81%
5	1.88%	2.81%	1.36%	-0.24%	6.66%
10	3.10%	4.23%	3.18%	-1.77%	11.93%
30	4.96%	6.76%	9.20%	-4.93%	25.86%

Total Return by ICE BofA Sector	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
Agency (1-3 yrs)	0.97%	1.30%	0.62%	0.55%	1.95%
Corporate (1-3 yrs)	1.84%	1.60%	1.00%	0.88%	-1.68%
Asset Backed (0-3 yrs)	1.12%	1.25%	0.73%	0.53%	-0.76%
Treasury (1-3 yrs)	0.98%	1.44%	0.58%	0.51%	2.78%

Source: Bloomberg Barclays, ICE BofA

# Economic summary: big six

## Growth

Deep drop in output all but certain; pace of recovery depends on policy response + confidence

## Employment

Unemployment likes to jump quickly; how high and for how long: unknowable at present

## Inflation

Near term deflation risk, especially in headline; longer term inflationary pressure could rise

## Monetary

ZIRP + QE for the duration of the crisis

## Fiscal

Stimulus/relief bill likely to equal around 10% of GDP

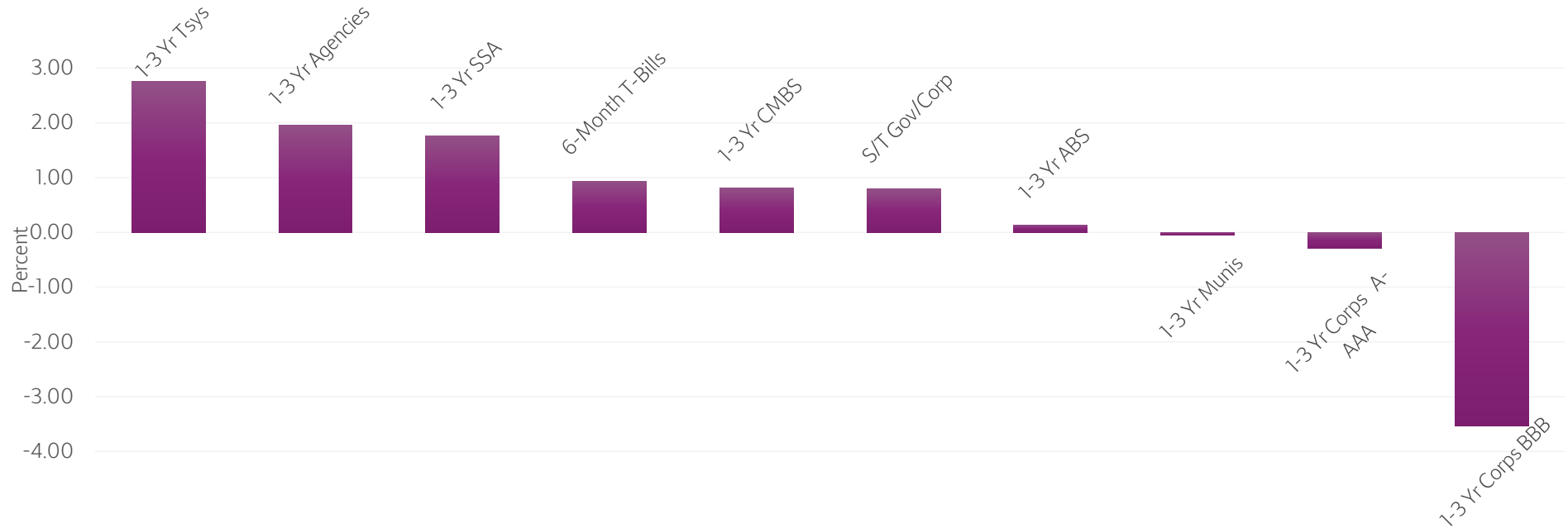
## International

Pandemic drives global downturn; how quickly can it recover?

# Summary of returns

## 3-month rolling returns

As of March 31, 2020



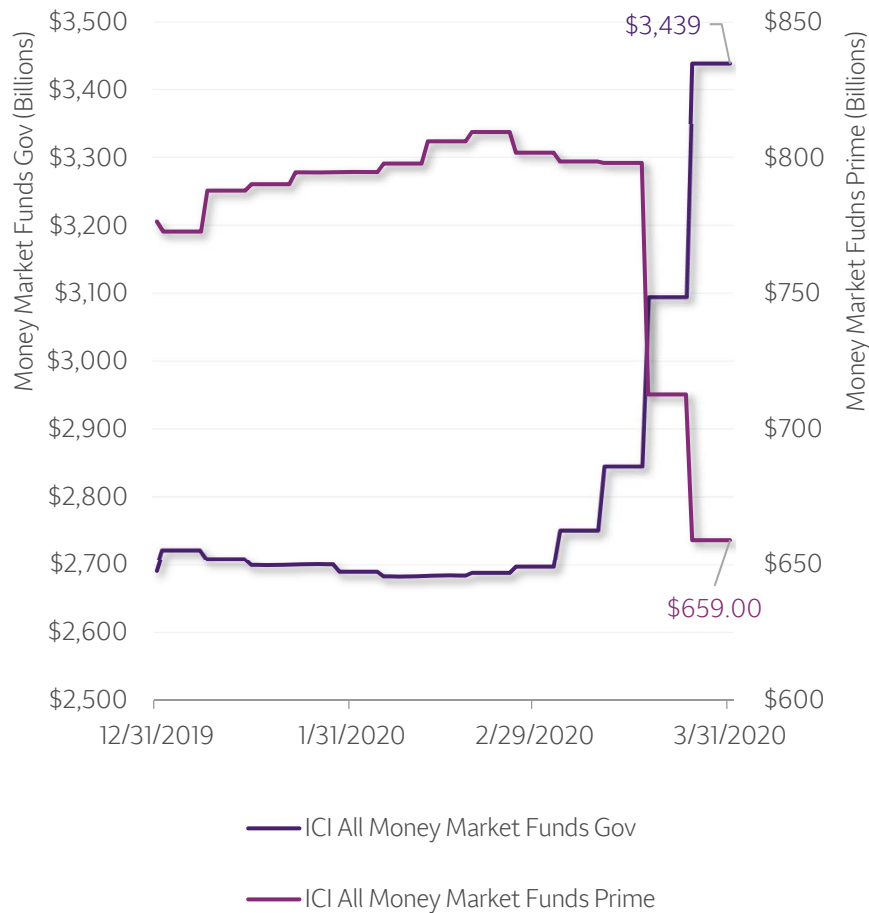
Total Return	1-3 Yr Tsys	1-3 Yr Agencies	1-3 Yr SSA	6-Month T-Bills	1-3 Yr CMBS	S/T Gov/Corp	1-3 Yr ABS	1-3 Yr Munis	1-3 Yr Corps A-AAA	1-3 Yr Corps BBB
1 Month	1.29	0.78	0.41	0.52	-1.09	0.33	-1.40	-0.75	-1.45	-4.61
<b>3 Month</b>	<b>2.76</b>	<b>1.95</b>	<b>1.76</b>	<b>0.94</b>	<b>0.81</b>	<b>0.79</b>	<b>0.13</b>	<b>-0.05</b>	<b>-0.29</b>	<b>-3.54</b>
6 Month	3.28	2.51	2.31	1.48	1.25	1.34	0.62	0.64	0.49	-2.56
YTD	2.76	1.95	1.76	0.94	0.81	0.79	0.13	-0.05	-0.29	-3.54
1 Year	5.40	4.55	4.70	2.85	3.78	2.74	2.88	1.80	2.99	0.16

Source: Bloomberg, Bank of America Merrill Lynch.  
Merrill Lynch indices as of 3/31/20.

Past performance is not a reliable indicator of future results.

# Money Market Funds

## Industry Money Market Fund AUM as of 3/31/2020



## Flight to quality

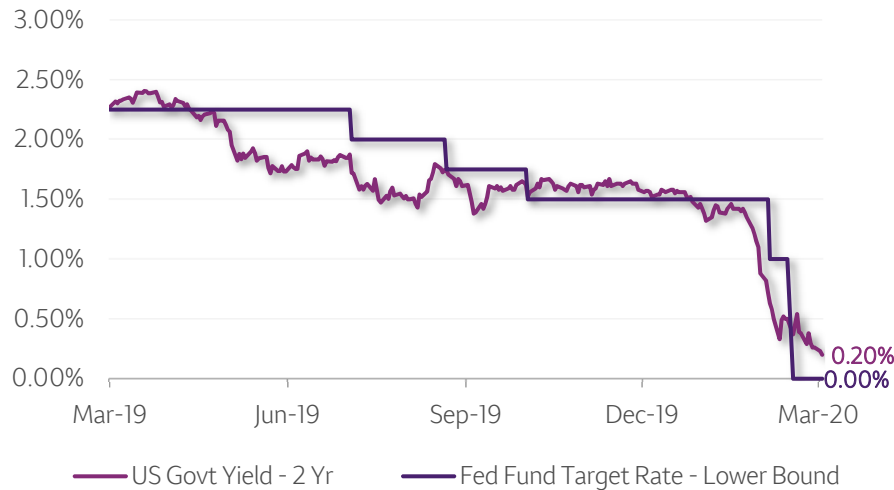
- Government money market funds are experiencing a flight to quality and have experienced record inflows
  - AUM has increased by \$742 billion since the end of February
- Prime money market funds have seen record outflows due to FNAV movements
  - AUM has decreased by \$143 billion since the end of February
- Redemptions in prime money market funds has led to a large imbalance of supply and demand of money market securities contributing to a liquidity crunch in the short end of the fixed income market

# Market summary & outlook

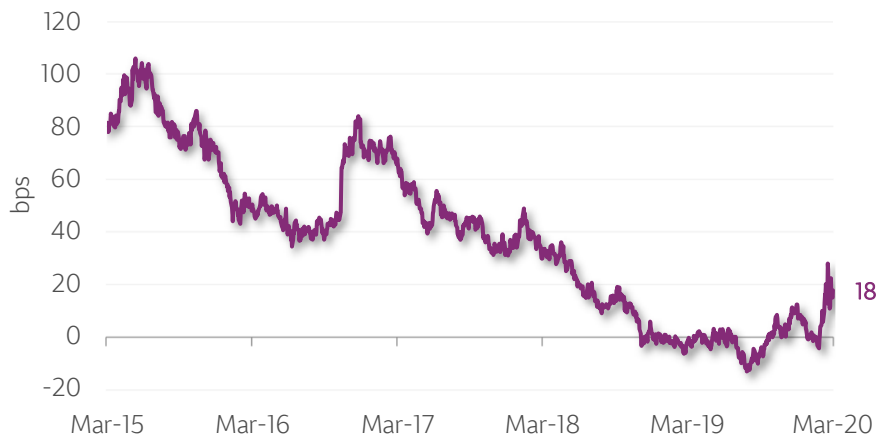
Sector	Underweight	Neutral	Overweight	Comments:
Duration and yield curve				Portfolios across all strategies are 0-0.10 short their benchmark durations.
Government related				US. Agency valuations are attractive as spreads to Treasuries have widened 22-35 bps across the curve. SSA spreads are more attractive versus historical valuations, though volatility leaves still more risk for spread widening.
Corporate				The corporate market experienced severe illiquidity in March, recovering only partly and led by intermediate and long-end tenors. The lack of liquidity was felt most acutely by the shortest tenors. For portfolios which do not need liquidity, this is an opportunity to slowly and methodically increase corporate exposure.
Money market instruments				With liquidity more or less non-existent in the front-end, keep maturities short for any accounts requiring near-term cash. While there are attractive opportunities to take advantage of in these dislocated markets, these opportunities are only for accounts with no liquidity needs at the moment.
Agency MBS				Agency mortgages have held up relatively well compared to other spread sectors and have maintained decent liquidity,
ABS				ABS remains an attractive, high-quality, low-risk asset class. The sector is experiencing mark-to-market losses, but fundamentals should prove resilient. Portfolios without liquidity needs should maintain current positions. .
Municipals				The extraordinary high SIFMA (floating-rate) index rate represents a good opportunity for all investors seeking an ultra-short alternative to money market funds. Munis are attractive for individuals and cross-over investors at current municipal/Treasury ratios.

# Treasury and duration

## U.S. 2 year note and fed funds rate



## U.S. 2s / 5s curve



## Review & commentary

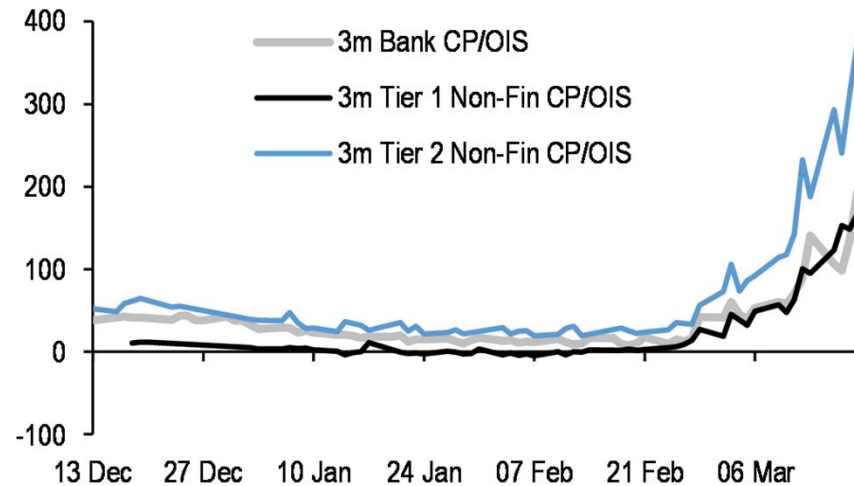
- On March 3rd, the Fed delivered an intermeeting 50 bp rate cut. Twelve days later, it delivered another 100 bp rate cut just days before it was scheduled to meet. This took the rate down to the effective lower bound of 0.00% - 0.25%. It also announced a quantitative easing program of \$700 billion, later amended to “in the amounts needed” to support a functioning market.
- The reaction in front-end interest rates to the Fed’s actions was fairly muted. The market was already anticipating a move towards zero and Treasuries rallied furiously in the weeks prior. The 2-year Note currently yields 0.20%.
- The 2-year/ 5-year curve has steepened during the recent rally. The 2-year/ 5-year curve is currently at +18 after reaching a near-term low of -5 on February 24.

## Strategy

- Portfolios across all strategies are neutral to 0.10 short their benchmark durations.

# Money market instruments

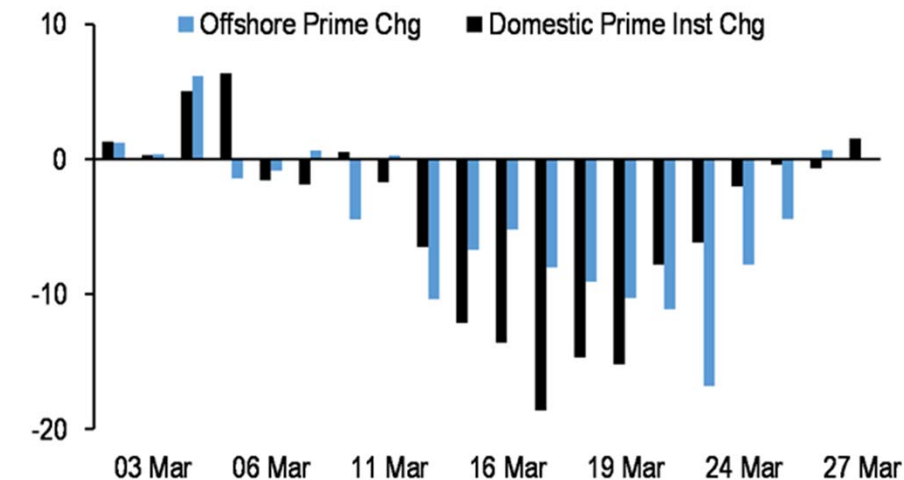
## CP yields spread to 3mth OIS (bps)



## Review & commentary

- The Fed announced a series of measures to enhance liquidity in the CP market including: Commercial Paper Funding Facility (CPFF) to support access to longer-dated funding for US-domiciled Tier-1 rated issuers (including ABCP) and the Money Market Mutual Fund Liquidity Facility (MMLF) to support secondary liquidity for prime MMFs, which went operational on March 23.
- The percentage of CP issued between O/N and 1-week increased as investors prioritized liquidity. Fed data indicated that almost 90% of the market volumes were maturities of 1-week and in.
- Prime fund assets declined by a significant \$85.4 bn while Government funds saw large inflows of \$249.3 bn as investors increasingly sought safe haven assets.

## Net flows of prime institutional MMFs (\$bn)



## Strategy

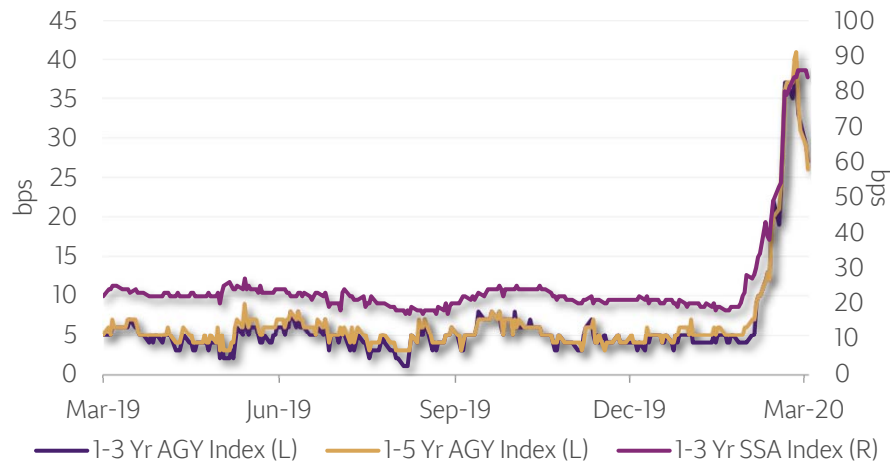
- With liquidity more or less non-existent in the front-end, keep maturities short for any accounts requiring near-term cash.
- Fed facilities do not provide liquidity reprieves for separate accounts and we do not expect to see liquidity improve drastically until all facilities are fully functioning, prime money fund redemptions slow down and more asset classes normalize.
- While there are attractive opportunities to take advantage of in these dislocated market with current A-2/P-2 levels offering very attractive 1-2 week yields, and periodic opportunities in A-1/P-1 where issuers are desperate and/or dealers need to offload inventory, these are only appropriate for accounts without liquidity needs.

Source: JPMorgan, Citigroup, Bloomberg, Wells Fargo Asset Management (3/31/20).



# U.S. agencies and sovereign, supranational, and foreign agencies (SSAs)

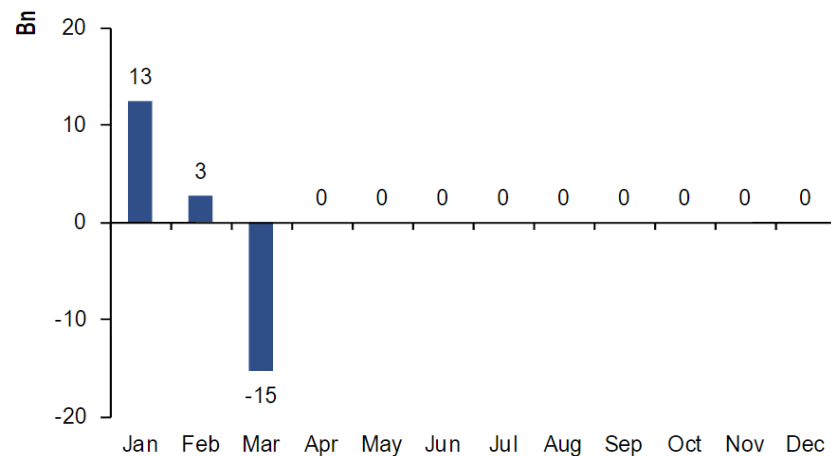
## U.S. agency & SSA spreads to treasuries



## Review & commentary

- SSA spreads widened throughout the month. 2-year spreads widened the most on the curve, by 25 bps to Treasuries. Spreads widened by 21-24 bps in the 3-year to 5-year tenors. Spreads in the sector are at their widest since the European sovereign debt crisis. Yield spread stabilization will not occur until liquidity improves.
- As a result of wider USD swap spreads, SSAs are now trading tighter than dollar-swapped Euro SSAs. USD appears to be the most attractive funding currency for issuers in 2- to 7-year tenors.
- U.S. Agency yield spreads to Treasuries are at their most attractive level since early 2012.

## YTD supra and non-U.S. agency net issuance

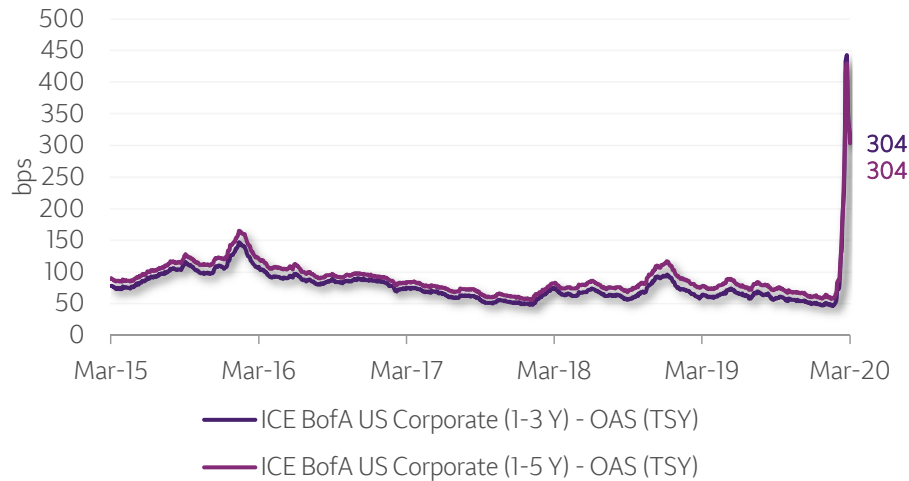


## Strategy

- U.S. Agency valuations are attractive as spreads to Treasuries have widened by 22-35 bps across the yield curve.
- SSA yield spreads are more attractive versus historical valuations, though volatility leaves still more risk for spread widening.
- SSAs shorter than 3 years do not benefit from roll-down in yield spreads to Treasuries.

# Corporates

## U.S. corporate spreads – OAS (TSY)



## ICE BofA 1-5 Yr BBB - AAA-A Yield Spread Pick-up



## Review & commentary

- The corporate market experienced severe illiquidity in March, recovering only partly and led by intermediate and long-end tenors. The lack of liquidity was felt most acutely by the shortest tenors as investors simultaneously sought cash and government money market funds, leaving Wall Street dealers unable to facilitate all the sell requests.
- The Fed announced two programs to buy primary and secondary market front-end investment grade corporate bonds and corporate bond-focused ETFs through a special purpose vehicle. The limit to SPV buying is 10% of outstanding issuance or 20% for ETFs.
- Energy-related companies continue to be under pressure.
- The 1-3 year index yield spread peaked intra-month at +443; the 1-5 year index yield spread peaked intra-month at +430.

## Strategy

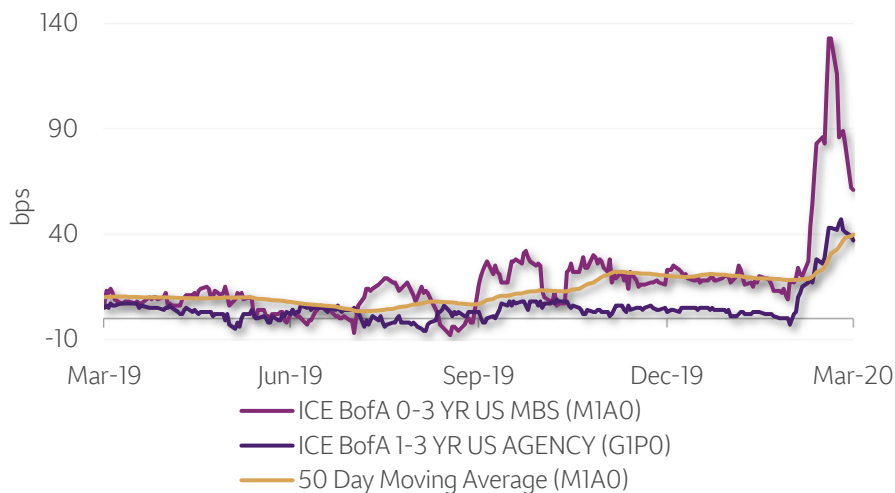
- For portfolios which do not need liquidity, this is an opportunity to slowly and methodically increase corporate exposure.
- Clients which do not need cash are maintaining current holdings as portfolios, prior-to the global downturn, had been focused on sectors and companies with sound fundamentals.
- Despite the rebound in yield spreads, the team believes that there will continue to be pressure on front-end valuations as more sellers emerge daily.

# Mortgage-backed securities

## Mortgage Bankers Association Refinance Index



## U.S. MBS OAS vs. U.S. agency OAS



## Review & commentary

- Mortgages have outperformed credit and ABS during this liquidity crisis.
- Refinancing activity has led to concerns about prepayment risk.
- The Federal Reserve purchased on average a maximum of \$30 billion in agency MBS over the last 2 weeks of March. Prior to this new round of quantitative easing, it had been letting \$20 billion of MBS holdings roll off per month.
- Seasoned 15-year agency mortgages with a 2.5% coupon and Ginnie Mae reverse mortgages were purchased into portfolios.

## Strategy

- Seasoned 15-year mortgage pass-throughs and reverse mortgages offer protection against average life volatility.
- Agency mortgages look attractive but less so relative to other sectors that have underperformed in the short duration space.
- Suggested MBS allocation is 20%.

# Asset-backed securities

## ICE BofA AAA U.S. ABS Index - OAS (TSY)



## TRACE daily trading volumes and net customer buy/sell activity

### ABS - IG

Period	Total Volume (mm)	Client Net Buy/Sell (mm)	Cumulative Net Buy/Sell (mm)
03/25 - 03/31	5,486	825	825
03/18 - 03/24	12,002	373	1,197
03/11 - 03/17	16,118	131	1,329
03/04 - 03/10	7,434	436	1,764
02/26 - 03/03	5,529	(1,026)	738
02/19 - 02/25	4,242	96	835

## Review & commentary

- The new issue market has been shut down for weeks. The Fed's announcement of a Term Asset-Backed Loan Facility (TALF) should get the new issue markets started again.
- Yield spreads (OAS) on the BofA 0-3 year AAA U.S. ABS Index have widened out from +28 to +475 in the past month. The 2008 crisis wide was +753.
- Liquidity is very poor. Dealer balance sheets are constrained and the cost of capital is too high for dealers to bid. Sell volumes have tripled.
- Consumer fundamentals are evolving, but coming from a point of strength. The rebound in employment from the current downturn will be crucial to the state of the consumers and its' ability to meet prior obligations as well as maintain spending habits.

## Strategy

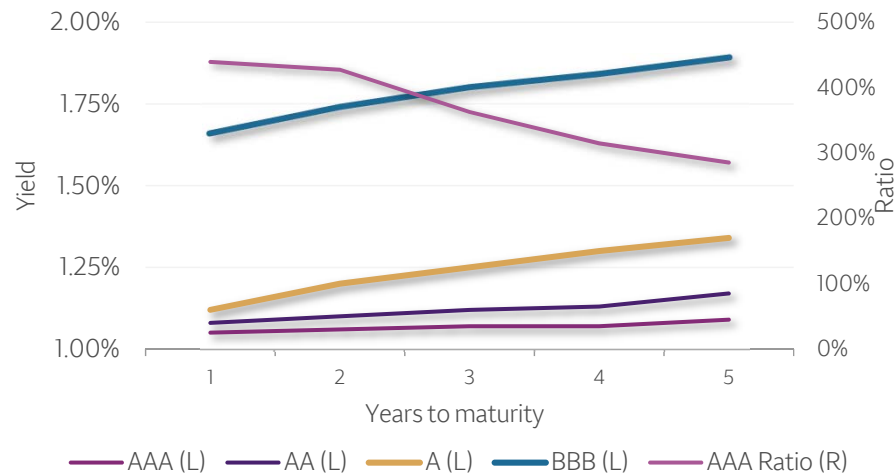
- Maintain current positions if there are no liquidity needs. Fundamentals will weaken, but the consumer coming from a place of strength should be resilient. Ultimately, structures should provide protection from principal loss at the senior level.

# Municipals

## ICE BofA Municipals (1-3 Y) -YTW



## Municipal - treasury ratios



## Review & commentary

- Muni bonds have plummeted to the cheapest levels relative to Treasuries since the 2008 financial crisis due to the severe lack of liquidity and unprecedented selling in a market unable to absorb the tremendous volume of securities available for sale.
- The tax-exempt market's dramatic change from overvalued to undervalued has been driven by an over reliance on higher-tax bracket individuals and the near-elimination of investment by corporations.
- Following a record 60 consecutive weeks of inflows, muni bond funds have experienced three weeks of outflows, including a record \$12.2 bn outflow the week ended March 18.
- The SIFMA (floating-rate) index reached a 12-year high of 5.2%. Heavy dealer inventories, due to continued redemptions, will likely keep SIFMA elevated until inflows come back to the municipal sector.

## Strategy

- The current market dislocation represents an attractive entry point for all taxpayers and may offer higher yields than similar-rated corporate debt after adjusting for the tax-exemption.
- Current valuations have been driven by a lack of liquidity and not a deterioration in credit metrics across the sector. Municipal debt offers superior credit and event risk characteristics when compared to corporate obligations.
- Other positive fundamentals include revenue durability, strong balance sheets as a result of fiscal conservatism, financial flexibility, legal protection and a lower historical default rates.

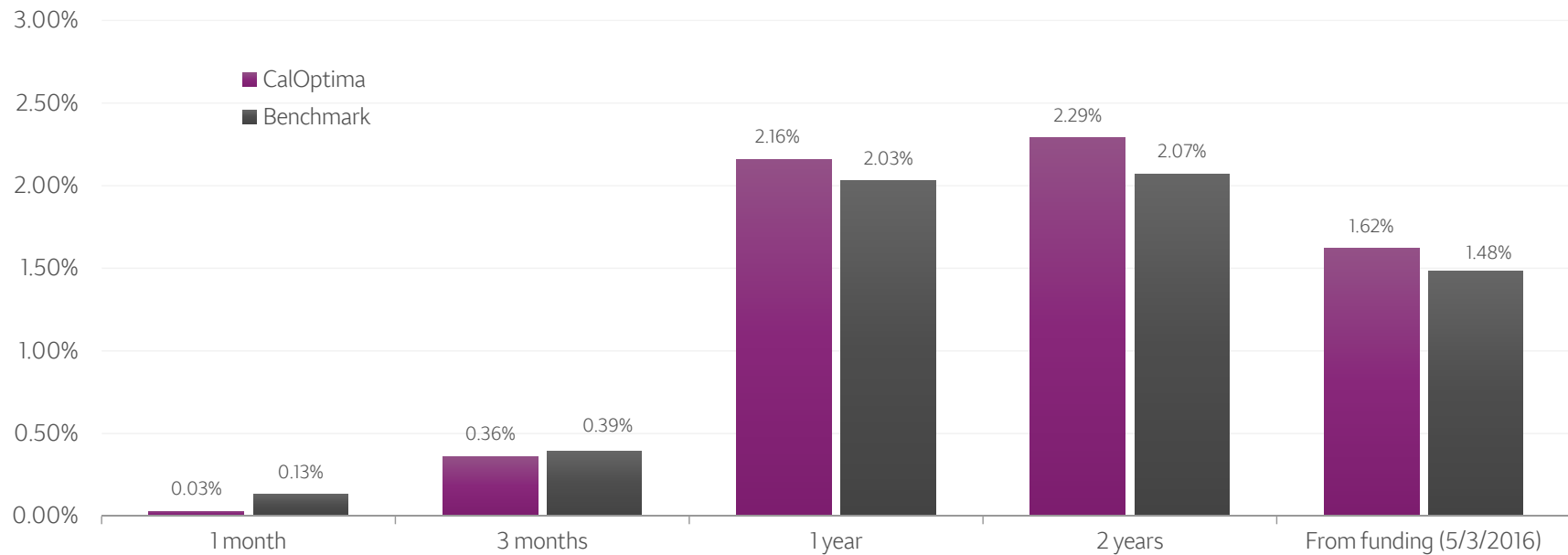
# CalOptima

Portfolio performance and positioning

# Portfolio performance

As of March 31, 2020

	1 month	3 months	1 year	2 years	From funding (5/3/2016)
<b>CalOptima Portfolio (gross)</b>	<b>0.03%</b>	<b>0.36%</b>	<b>2.16%</b>	<b>2.29%</b>	<b>1.62%</b>
FTSE 3 Month T-Bill	0.13%	0.39%	2.03%	2.07%	1.48%



Source: Clearwater. Returns are presented gross of management fees. Returns for periods greater than one year are annualized. Past performance does not guarantee future results.

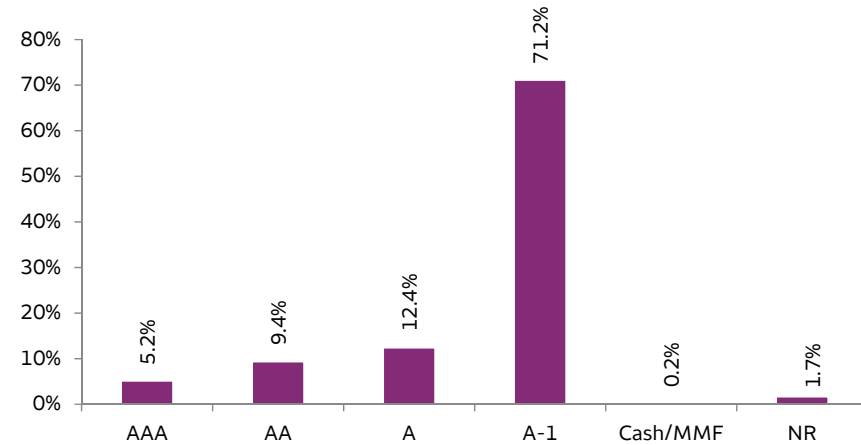
# Portfolio summary

As of March 31, 2020

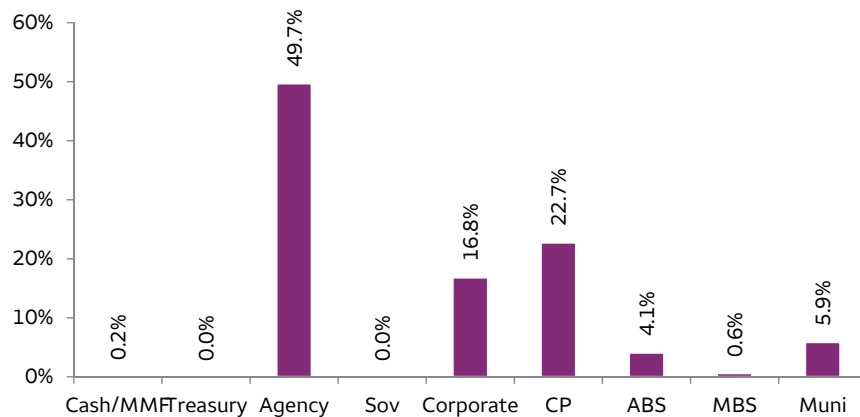
## Characteristics

	CalOptima
Market Value (\$)	\$307,701,712
Avg. Effective Maturity (years)	0.22
Duration (years)	0.15
Purchase Yield (%)	1.17
Market Yield (%)	0.88
Average Quality	AA+

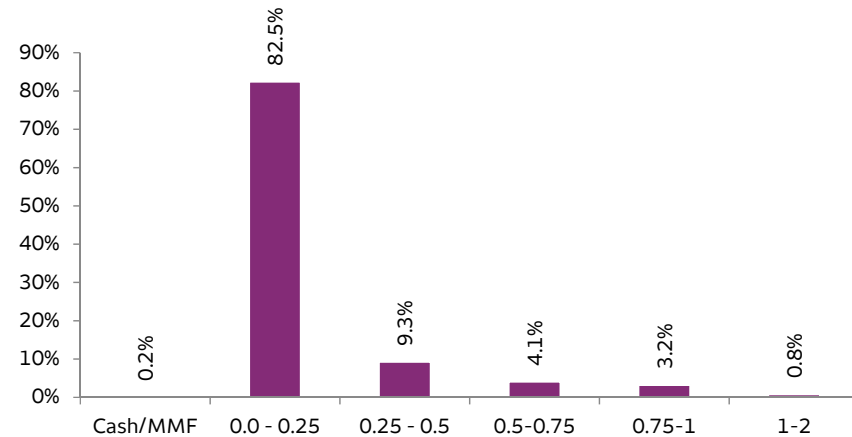
## Credit quality



## Security type



## Duration

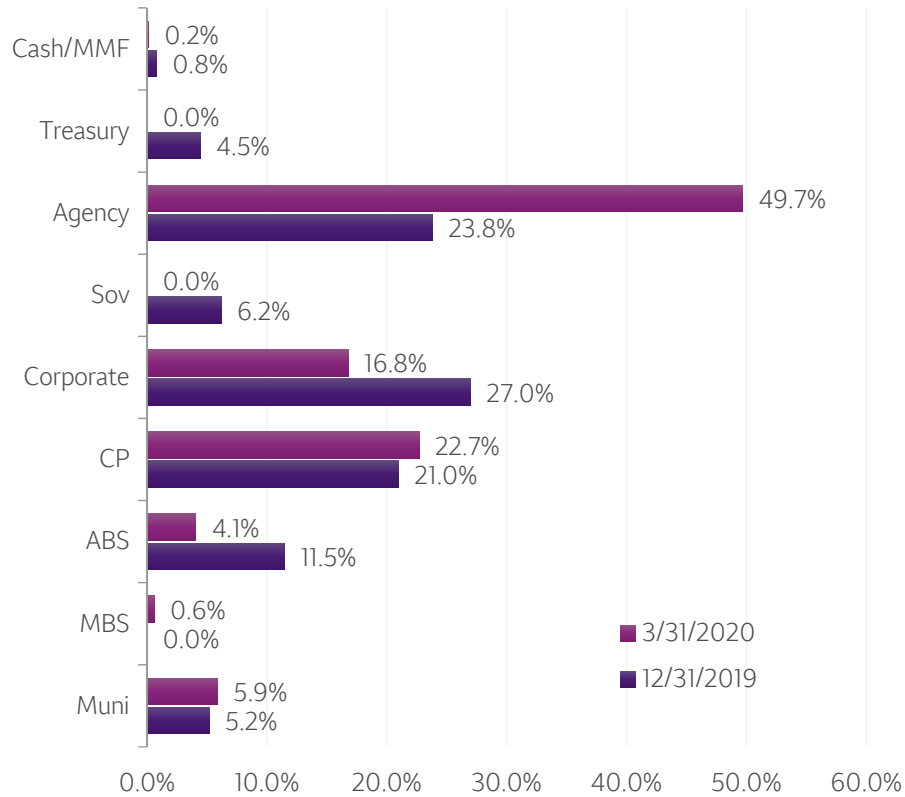




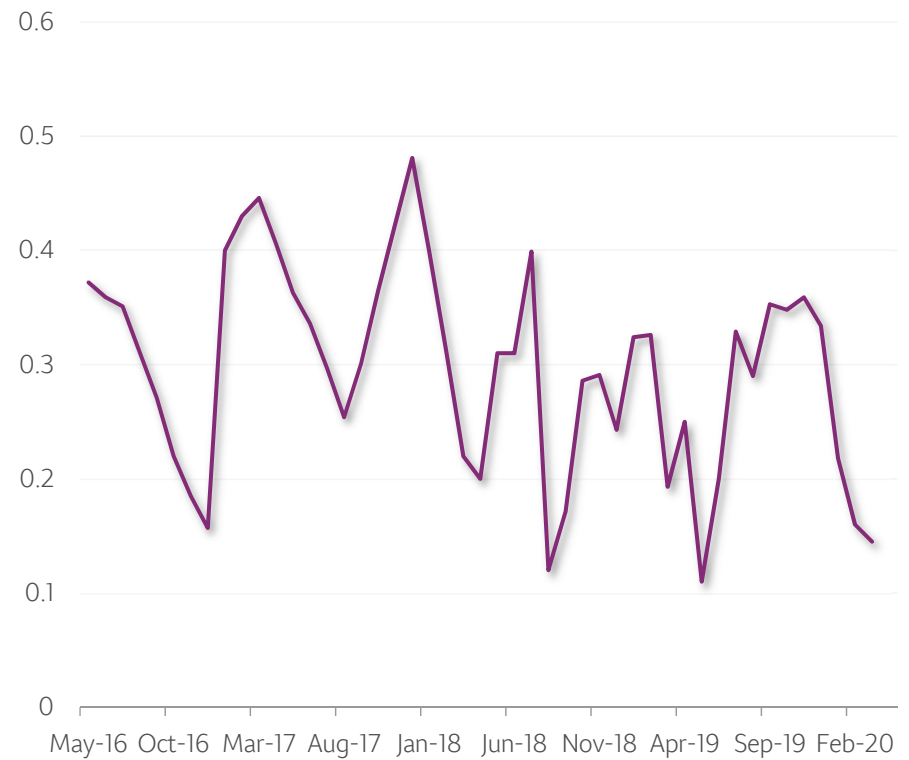
# Portfolio changes

As of March 31, 2020

## Allocation



## Duration since inception



	3/31/2020	12/31/2019	Change
<b>Market Value</b>	\$307,701,712	\$302,463,062	\$5,238,650

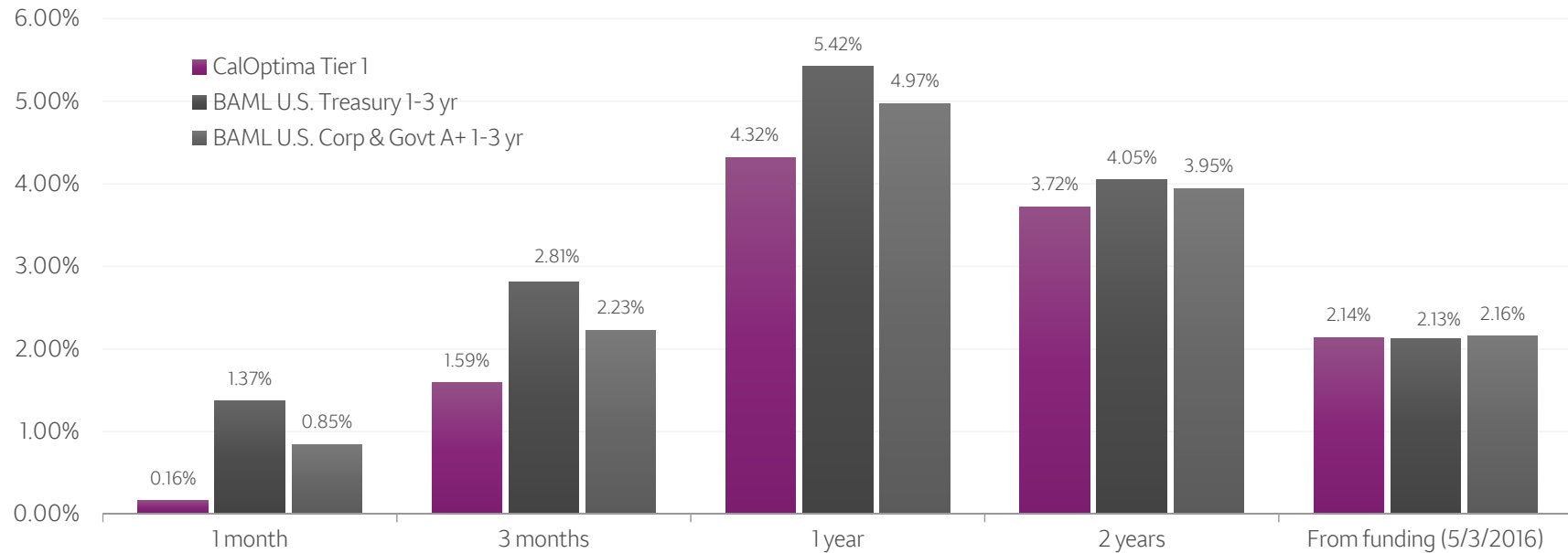
# CalOptima Tier 1

Portfolio performance and positioning

# Portfolio performance

As of March 31, 2020

	1 month	3 months	1 year	2 years	From funding (5/3/2016)
<b>CalOptima Tier 1 Portfolio (gross)</b>	<b>0.16%</b>	<b>1.59%</b>	<b>4.32%</b>	<b>3.72%</b>	<b>2.14%</b>
ICE BofAML U.S. Treasury 1-3 Years Index	1.37%	2.81%	5.42%	4.05%	2.13%
ICE BofAML U.S. Corp & Govt A+ 1-3 Years Index	0.85%	2.23%	4.97%	3.95%	2.16%



Source: Clearwater. Returns are presented gross of management fees. Returns for periods greater than one year are annualized. Past performance does not guarantee future results.

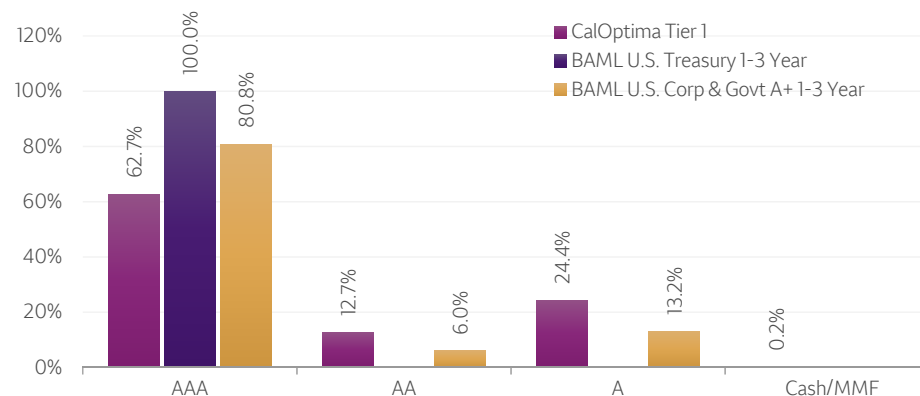
# Portfolio summary

As of March 31, 2020

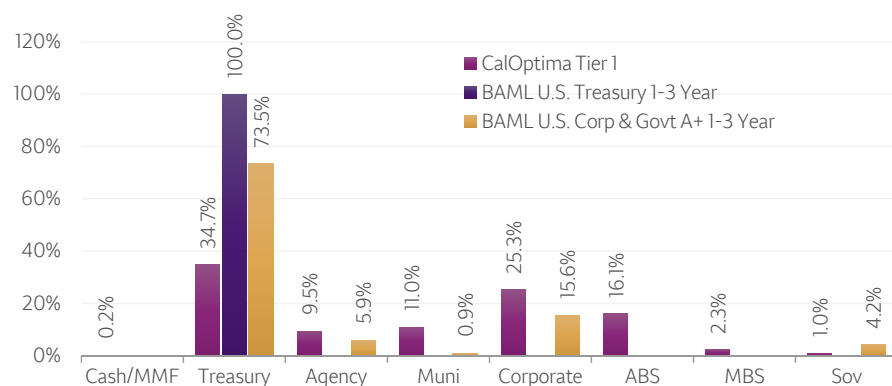
## Characteristics

	CalOptima Tier 1	BAML U.S. Treasury 1-3 Year	BAML U.S. Corp / Gov't A+ 1-3 Year
Market Value (\$)	157,161,784		
Avg. Effective Maturity (years)	1.77	1.85	<b>1.85</b>
Duration (years)	1.72	1.82	<b>1.79</b>
Purchase Yield (%)	2.31	----	----
Market Yield (%)	1.18	0.20	<b>0.60</b>
Average Quality	AA+	AAA	AAA

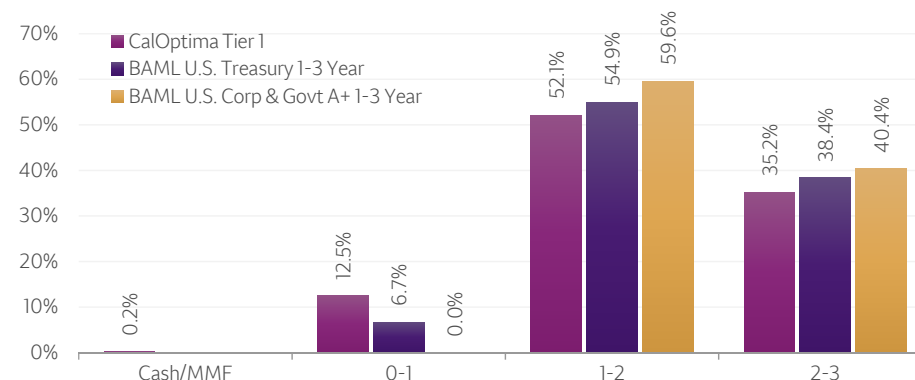
## Credit quality



## Security type



## Duration



Source: Clearwater and Radar



# Short-Term Actively Managed Program (“STAMP”)

**CALOPTIMA**

APRIL 20, 2020

Scott Pavlak, CFA – Portfolio Management

Erin Klepper – Client Service



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1.As of December 31, 2019, subsidiaries of MetLife, Inc. that provide investment management services to MetLife’s general account, separate accounts and/or unaffiliated/third party investors include Metropolitan Life Insurance Company, MetLife Investment Management, LLC, MetLife Investment Management Limited, MetLife Investments Limited, MetLife Investments Asia Limited, MetLife Latin America Asesorias e Inversiones Limitada, MetLife Asset Management Corp. (Japan), and MIM I LLC.

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**01** MetLife Investment Management Overview

**02** Market Review

**03** Portfolio Review



# 1. MetLife Investment Management Overview

# Overview

**MetLife Investment Management (MIM)<sup>1</sup>** manages Public Fixed Income, Private Capital and Real Estate assets for institutional investors worldwide by applying our deep asset class expertise to build tailored portfolio solutions. We also leverage the broader resources and 150-year history of MetLife to skillfully navigate markets.

## MIM Highlights

Total Assets Under Management of \$596.0 billion<sup>2</sup> as of September 30, 2019

Separate accounts, proprietary commingled funds and client-specific portfolio solutions

Experienced and tenured investment teams

Deep fundamental research

Leverages the broader resources of the MetLife enterprise

## Global Presence<sup>1,3</sup>



1. As of September 30, 2019, subsidiaries of MetLife, Inc. that provide investment management services to MetLife's general account, separate accounts and/or unaffiliated/third party investors include Metropolitan Life Insurance Company, MetLife Investment Management, LLC, MetLife Investment Management Limited, MetLife Investments Limited, MetLife Investments Asia Limited, MetLife Latin America Asesorias e Inversiones Limitada, MetLife Asset Management Corp. (Japan), and MIM I LLC.

2. As of September 30, 2019. At estimated fair value.

3. Illustration shown depicts locations of select MIM regional offices, chosen in MIM's discretion; not a complete representation of MIM's regional offices.

See Appendix – End Notes for non-GAAP financial information, definitions and/or reconciliations.

# Short Duration Fixed Income Team

## Portfolio Management

Name	Responsibility	Industry Experience (Years)
Scott Pavlak, CFA	Head of Short Duration Fixed Income	32
Peter Mahoney	Portfolio Manager	43
Juan Peruyero	Portfolio Manager	19

## Short Duration Portfolio Management Support

Name	Role	Industry Experience (Years)
David Wheeler, CFA	Credit	34
Steve Kelly, CFA	Credit	32
Kimberley Slough	Municipals	27
John Palphreyman, CFA	Structured Products	21
Phil Tran	Treasuries, Agencies, Money Markets	17

## Trading

Name	Role	Industry Experience (Years)
Dana Cottrell	Head of Investment Grade Trading	15
Thomas McClintic	Head of High Yield Trading	23
Jason Valentino	Head of Structured Products Trading	24

## Research / Strategy

Name	Role	Industry Experience (Years)
Brian Funk, CFA	Head of Credit Research	22
Ian Bowman	Sector Leader – Consumer & Healthcare	17
	5 Analysts - 18 yrs Average Industry Experience	
Park Benjamin, CFA	Sector Leader – Energy, Basics, Materials	23
	5 Analysts - 13 yrs Average Industry Experience	
Scott O'Donnell	Sector Leader – Financials	35
	3 Analysts - 17 yrs Average Industry Experience	
Richard Davis, CFA	Sector Leader – Industrials	24
	4 Analysts - 17 yrs Average Industry Experience	
Zachary Bauer, CFA	Sector Leader – Telecom, Media, Technology	15
	6 Analysts - 12 yrs Average Industry Experience	
Susan Young	Sector Leader – Utilities & Midstream	15
	2 Analysts - 14 yrs Average Industry Experience	
Brent Garrels	Sector Leader – Special Situations	24
	2 Analysts - 14 yrs Average Industry Experience	
Jiming Tao	Sector Leader – Credit Strategy	14
	2 Strategists - 16 yrs Average Industry Experience	
Joseph Gankiewicz, CFA	Sector Leader – Municipals	15
	5 Analysts - 19 yrs Average Industry Experience	
Francisco Paez, CFA	Head of Structured Products Research	24
Loritta Cheng	Sector Leader – ABS	22
	2 Analysts - 17 yrs Average Industry Experience	
Meena Pursnani	Sector Leader – CMBS	30
	3 Analysts - 20 yrs Average Industry Experience	
Angela Best	Sector Leader – CLO	21
	2 Analysts - 18 yrs Average Industry Experience	

## 2. Market Review & Outlook

# Current Themes

## GDP

Effects of Covid-19 virus shutdowns will likely impact growth for at least several quarters and lead to a recession. We are not in the “V-shaped” recovery camp and believe the negative impacts could last longer than many anticipate and longer-term changes to the economy will evolve from this pandemic. In this unprecedented period, we feel economic numbers over the short run are less relevant given the nature of this self-imposed disruption. The severity of a recession will depend largely on the duration of the shutdown and its impact on the U.S. consumer, who has historically been the main driver of growth.

## Employment

Feeling the immediate impact of the nearly nationwide business shutdowns, unemployment is set to spike to levels not seen since the financial crisis and likely higher. While the CARES package recently passed by Congress incentivizes businesses to retain employees, we have already witnessed an unprecedented increase in new unemployment claims, which does not bode well for the next several months. In the short run, companies may decide to furlough employees with pay but eventually we believe the realities of cash flow (or lack thereof) will hit certain industries extremely hard as “social distancing” likely lingers for some time.

## Inflation

While central banks around the world have changed their playbooks for some time to spark inflation, their efforts to date have been largely unsuccessful. Market-based measures such as Treasury Inflation-Protected Securities (TIPS) breakeven rates have recently declined and at some points currently yield more than maturity-matched nominal Treasuries. A slowing of the global economy along with the recent failure of OPEC+ to come to an agreement prolongs the return to central banks’ inflation targets. While the passage of the \$2 trillion fiscal package and more possibly in the works may potentially augur inflation given the significant deficit financing that would be needed, we still believe inflation is likely to remain muted near term.

## Monetary & Fiscal Policy

The Federal Reserve has eased monetary policy, increased quantitative easing programs and announced several programs designed to provide liquidity to a wide segment of the market. Congress followed with a fiscal stimulus rescue package (approximately 9% of GDP) targeted to help both businesses and consumers. We believe this accommodative environment will be here to stay throughout 2020. With the experience of the 2008 still fresh in people’s minds, we find the aggressiveness, speed and size of policy actions taken to date to be commendable. Still, these actions are not expected to resolve the current crisis by themselves or collectively, but having the Fed acting as a backstop or buyer of last resort for many assets may help prove supportive in the near term.

The views present are MetLife Investment Management’s only, are subject to change, and may not reflect the manager’s current views. Past performance is not indicative of future results. There can be no assurance that the views expressed above will prove accurate and should not be relied upon as a reliable indicator of future events. Any securities mentioned are for informational purposes only and do not represent a recommendation or an offer to buy, hold or sell any securities, and may not be held in client portfolios. Any performance or portfolio holdings cited here were current as of the date stated and are subject to change.

## Consumer

Consumers entered the shutdown in very good shape and will be supported in the near term by generous unemployment benefits and various measures included in the rescue package recently enacted by Congress. An extended shutdown, however, would weigh heavily on both consumer confidence and household balance sheets while dampening the speed of the eventual rebound as debts accumulate faster than jobs rematerialize. In early March, OPEC+ failed to reach an agreement which sent oil below \$30 per barrel. While lower oil prices are generally a positive for consumers and industrial production, the Energy industry has also become a significant employer throughout the fracking boom years in many Energy patch regions across the United States.

## Business

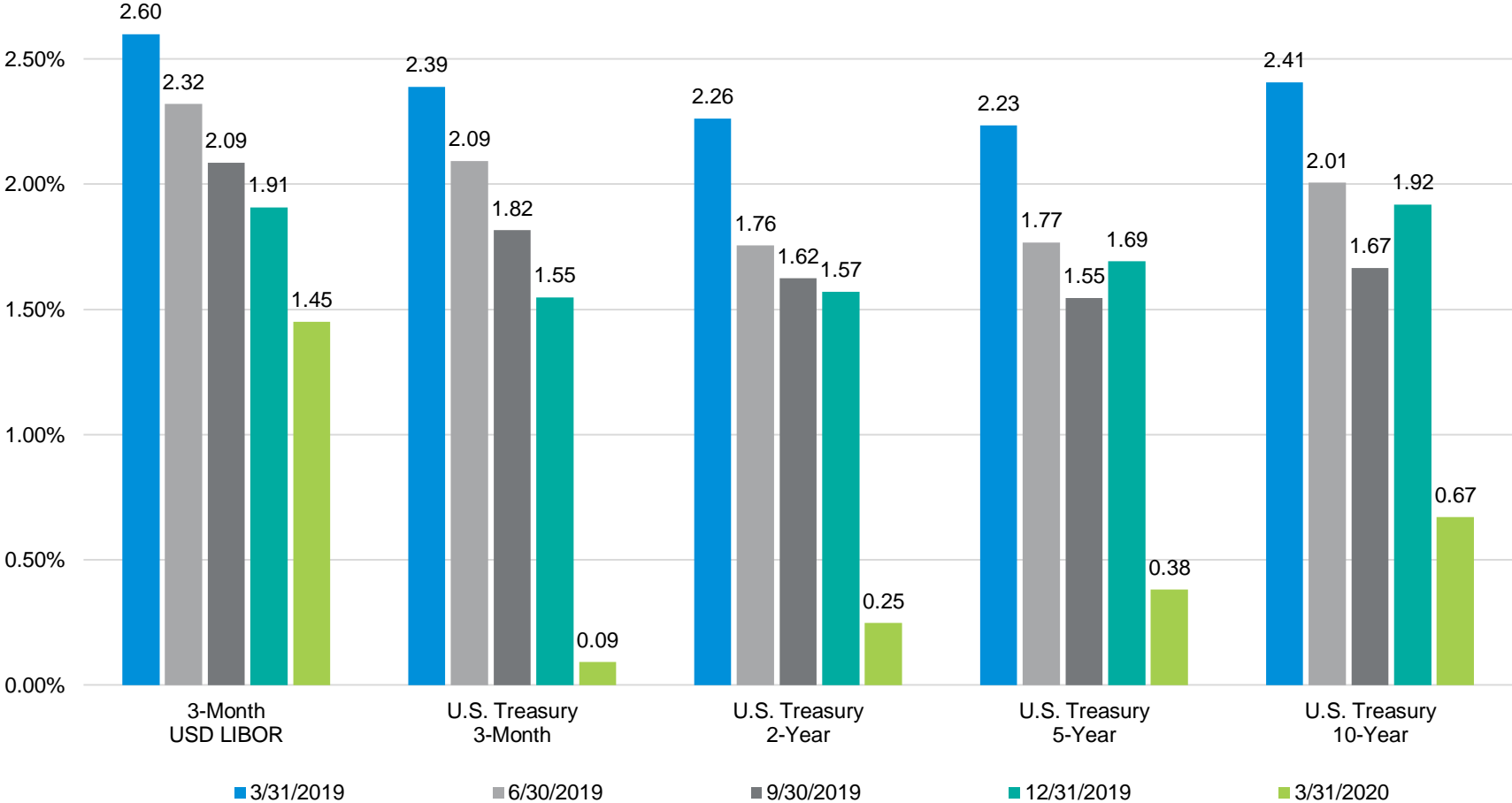
Black Swan events (oil price collapse and spread of COVID-19) have conspired to disrupt almost all businesses. Elevated leverage will weigh on operating fundamentals as strong debt service coverage ratios deteriorate with declining revenue streams. Effects will vary but the Airline, Automotive, Energy, Restaurant, and Retail sectors will be likely particularly hard hit. As distressed ratios have significantly risen, we expect defaults to follow, especially of those companies needing access to capital. Historically, in the investment grade space though, it has been rare to see companies directly default. We do however expect downward ratings pressure and more companies crossing over into high yield (commonly referred to as Fallen Angels). We continue to focus on more domestically driven, non-cyclical sectors including Banks, Healthcare, Technology, Telecommunications and Utilities. While low rates, net interest margin compression and rising credit costs may pressure bank earnings, the strength of their balance sheets may leave them relatively unscathed over the coming quarters. We believe the bank regulations instituted since the financial crisis have made banks part of the solution this time around and not the cause.

## Residential / Commercial Real Estate

Expectations for annual home price growth rates have reset to 0-2% on a national level. Despite record low interest rates, headline mortgage rates to consumers are sticky at current levels with originators challenged by both capacity constraints and operational disruptions caused by the virus. Realized prepayments should fall below prepayment model expectations for the duration of the crisis. Forbearance programs for mortgage borrowers present financial challenges for mortgage servicers obligated to advance cash flows to securitized trusts. Retail and lodging properties stand at the epicenter of the virus with performance metrics collapsing across the board. Multi-family properties are challenged by the prospect of record unemployment and increasing pressure to provide “rent holidays”. Office properties are faced with long-term demand shifts as businesses successfully implement work-from-home policies. We continue to favor AAA-rated securities with ample credit enhancement, performance triggers and/or Agency backing.

# Yields

As of March 31, 2020

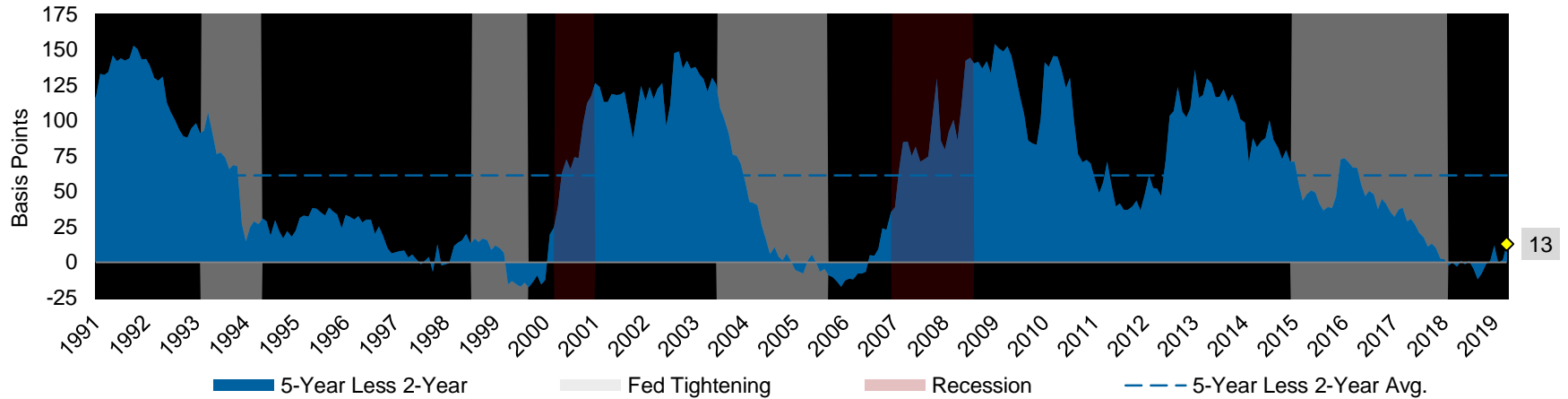


Source: Bloomberg

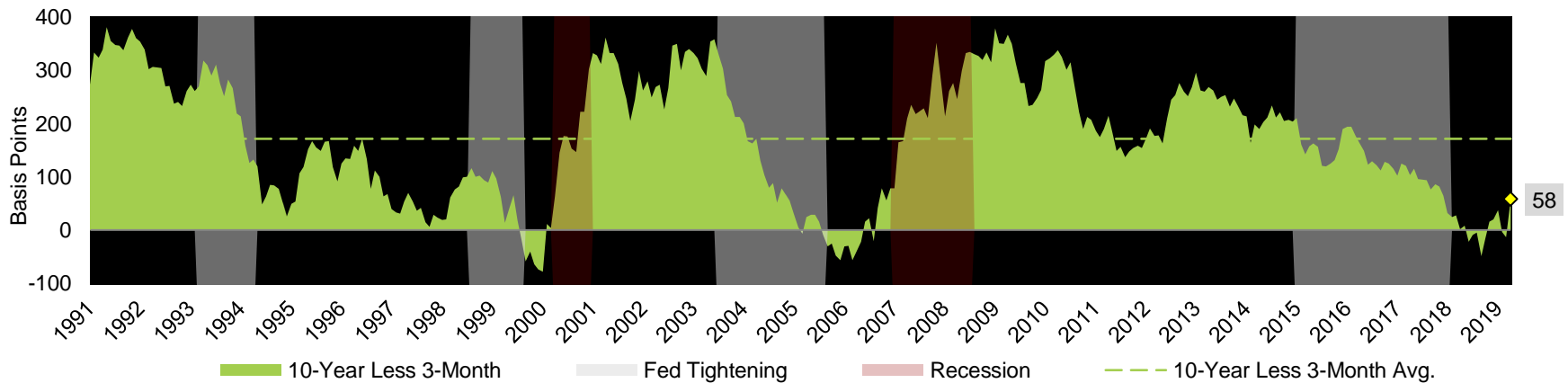
# Yield Curves

As of March 31, 2020

5-Year Less 2-Year



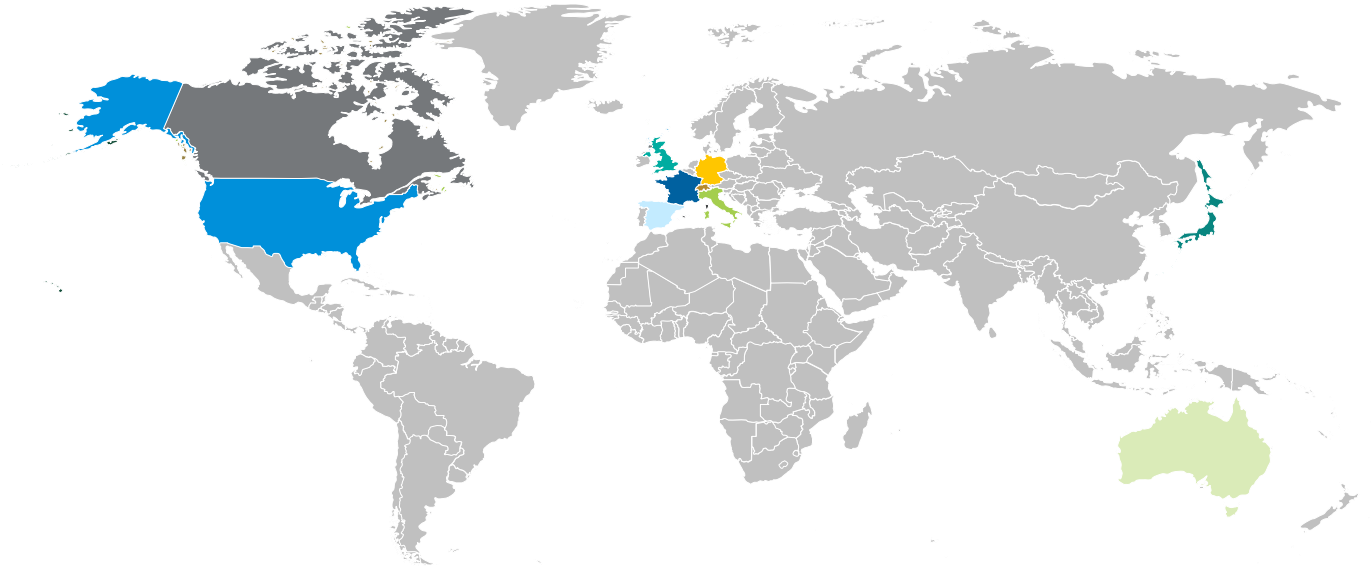
10-Year Less 3-Month



Source: Bloomberg

# World Interest Rates

As of March 31, 2020



Country	United States	Canada	United Kingdom	Italy	Spain	France	Germany	Switzerland	Japan	Australia
<b>3-Month</b>	<b>0.09%</b>	0.21%	NA	-0.05%	-0.23%	-0.50%	-0.71%	NA	-0.30%	NA
<b>2-Year</b>	<b>0.25%</b>	0.42%	0.12%	0.33%	-0.20%	-0.60%	-0.70%	-0.68%	-0.15%	0.25%
<b>5-Year</b>	<b>0.38%</b>	0.58%	0.20%	0.91%	0.15%	-0.35%	-0.66%	-0.60%	-0.12%	0.34%
<b>10-Year</b>	<b>0.67%</b>	0.69%	0.35%	1.52%	0.67%	-0.02%	-0.47%	-0.38%	0.01%	0.76%
<b>30-Year</b>	<b>1.32%</b>	1.30%	0.82%	2.44%	1.51%	0.77%	0.02%	-0.19%	0.42%	1.63%

Source: Bloomberg



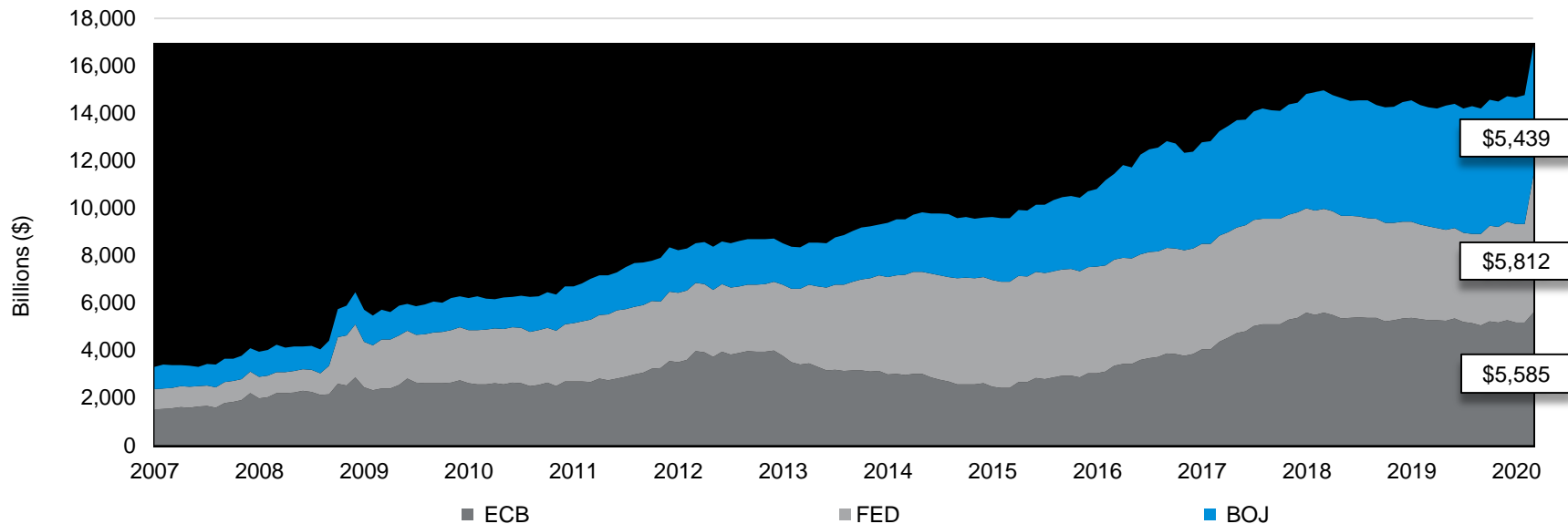
# Federal Reserve Programs

Program	Description	Counterparty/ Who does it help?	Rate	Operational Date/Termination
<b>Monetary Policy</b>				
Treasury QE	Open Market Treasury Purchases	Treasury Market	N/A	3/15/2020
MBS QE	Open Market Agency MBS Purchases	MBS Market	N/A	3/15/2020
<b>Liquidity Measures</b>				
Discount Window	Discount Window	Depository Institutions	25bp	3/15/2020
Central Bank Swap Lines	Fed Swap Lines With Foreign Central Banks	Foreign/Central banks	OIS+25bp	3/15/2020
Repo	Repo Operations with Dealers	Primary dealers	N/A	
<b>Facilities</b>				
CPFF	Commercial Paper Funding Facility	Commercial paper issuers	OIS+120bp	(Est. Apr 1-15) - 3/17/21
PDCF	Primary Dealer Credit Facility	Primary dealers	25bp	at least 6 months
MMLF	Money Market Mutual Fund Liquidity Facility	Money market funds	125bp for CP, 50bp for Municipals	through 9/30/20
PMCCF	Primary Market Corporate Credit Facility	US IG issuers	Market rates 1% commitment fee	through 9/30/20
SMCCF	Secondary Market Corporate Credit Facility	US IG credit market	Prevailing market rates	through 9/30/20
TALF	Term Asset-Backed Securities Loan Facility	US ABS market and issuers	2y swaps+100bp, 3y swaps+100bp	through 9/30/20

Note: All figures in \$ billions. Maximum usage reflects data since Fed cut rates to zero. QE as of today, all other data as Wednesday, March 25 (Fed H.4.1 release).  
Source: Federal Reserve, TD, Barclays

# Central Bank Assets

As of March 31, 2020

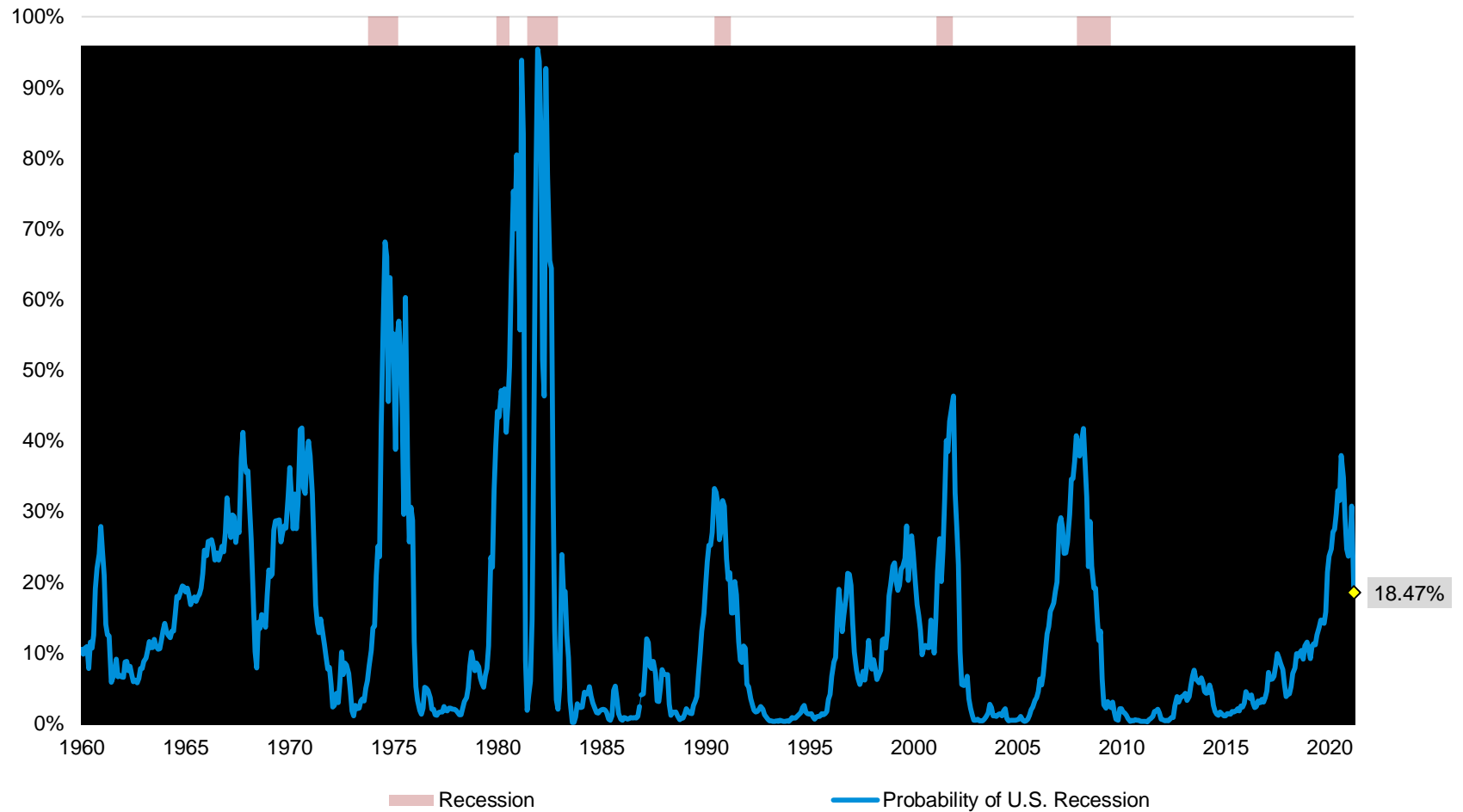


Central Bank	12/31/2008	12/31/2014	12/31/2017	12/31/2018	12/31/2019	3/31/2020
European Central Bank	\$2,855	\$2,601	\$5,368	\$5,354	\$5,261	\$5,585
Federal Reserve	\$2,239	\$4,498	\$4,448	\$4,076	\$4,174	\$5,812
Bank of Japan	\$1,354	\$2,506	\$4,627	\$5,033	\$5,276	\$5,439
<b>Total</b>	<b>\$6,448</b>	<b>\$9,605</b>	<b>\$14,444</b>	<b>\$14,463</b>	<b>\$14,711</b>	<b>\$16,836</b>

Source: European Central Bank, Federal Reserve, Bank of Japan

# U.S. Recession Probability

As of March 31, 2020



Source: New York Federal Reserve

# U.S. Labor

As of March 31, 2020

	3/28/20	3/21/20	3/14/20	2019	2018	2017	2016	2015	2008
<b>Continued Claims</b>	<b>N/A</b>	<b>3,029,000</b>	<b>1,784,000</b>	<b>1,775,000</b>	<b>1,687,000</b>	<b>1,847,000</b>	<b>2,060,000</b>	<b>2,207,000</b>	<b>4,679,000</b>
4-Week Moving Average	N/A	2,053,500	1,726,000	1,736,000	1,702,750	1,894,750	2,063,250	2,203,750	4,522,250
<b>Initial Claims</b>	<b>6,648,000</b>	<b>3,307,000</b>	<b>282,000</b>	<b>220,000</b>	<b>228,000</b>	<b>243,000</b>	<b>236,000</b>	<b>276,000</b>	<b>533,000</b>
4-Week Moving Average	2,612,000	1,004,250	232,500	226,000	216,500	238,250	250,750	271,000	564,000

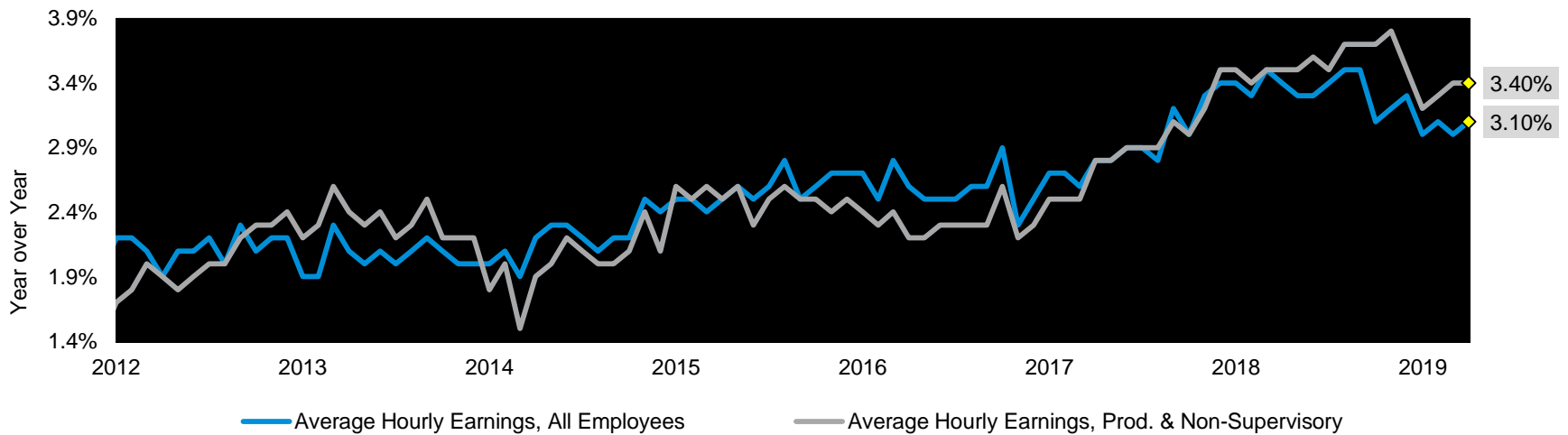
Source: Department of Labor

# U.S. Labor & Average Earnings

As of March 31, 2020

	Labor Force Participation Rate	Unemployment Rate	Non-Farm Payroll
<b>Current</b>	<b>62.7%</b>	<b>4.4%</b>	<b>(701,000)</b>
Average (2017 – 2020)	63.0%	4.0%	162,667

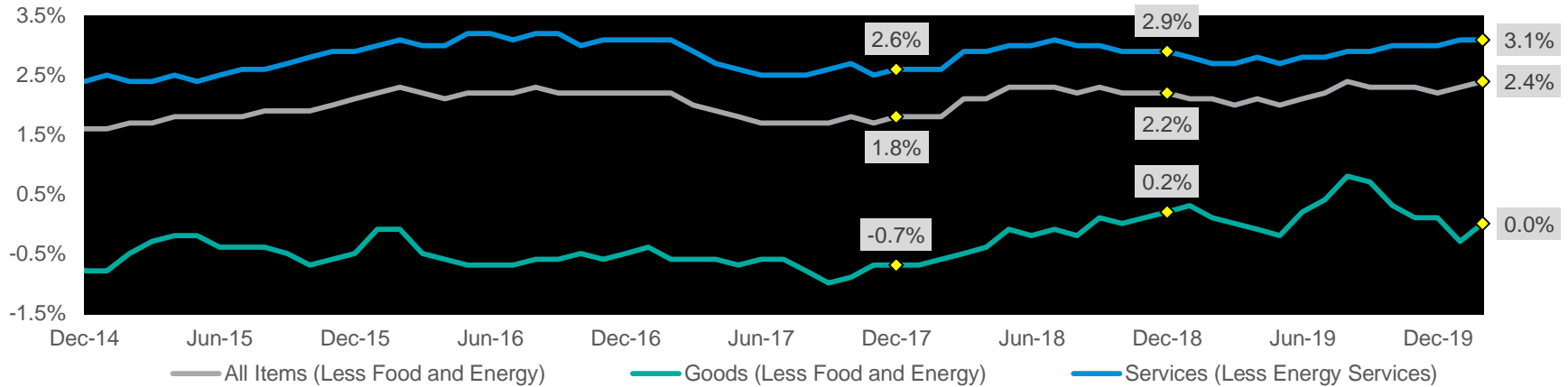
## U.S. Average Hourly Earnings



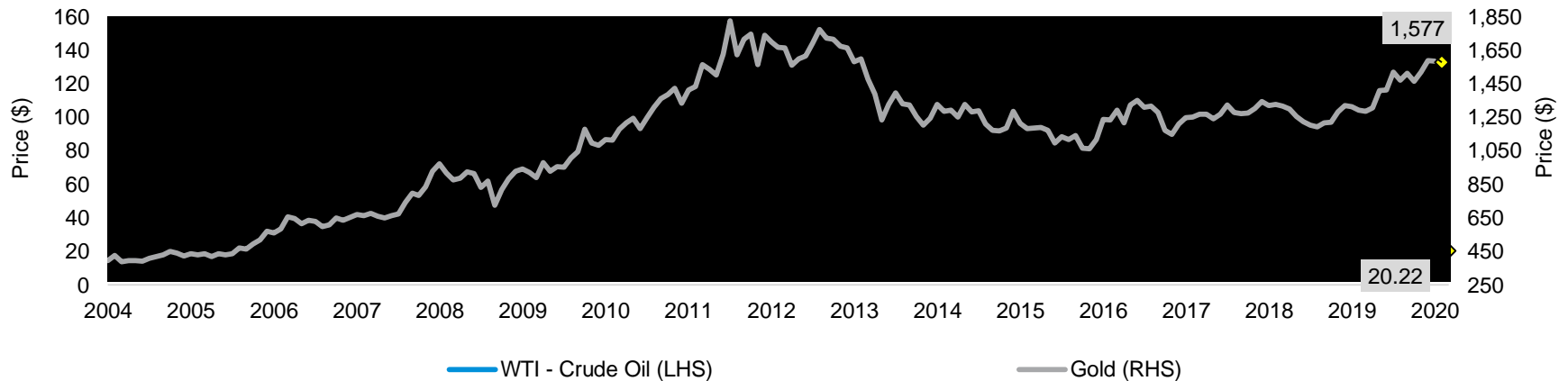
Source: Bureau of Labor Statistics

# U.S. Inflation

CPI Core Breakdown as of February 28, 2020



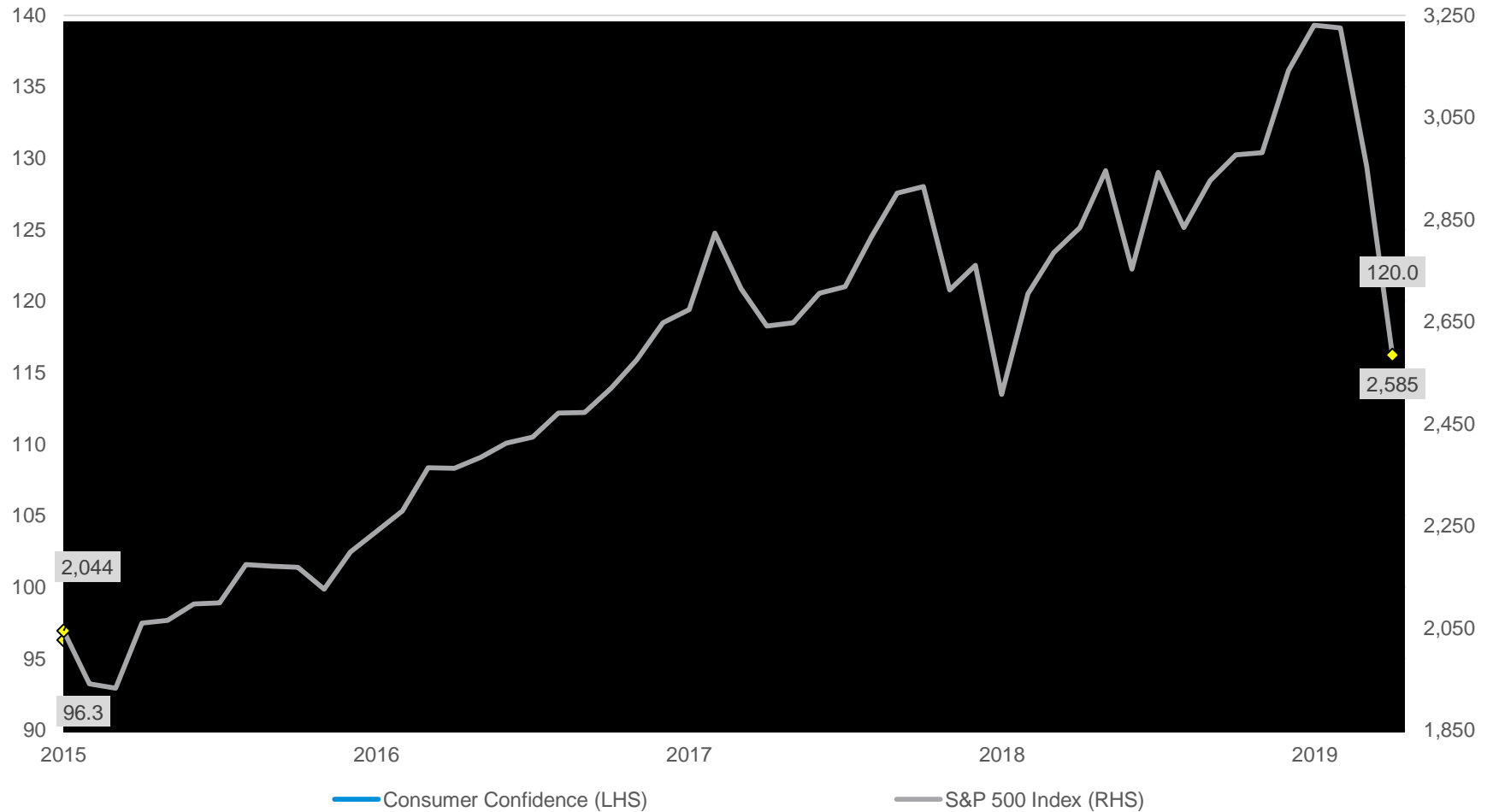
Commodities as of March 31, 2020



Source: Bureau of Labor Statistics, Bloomberg

# Consumer Confidence and S&P 500

As of March 31, 2020



Source: Bloomberg

# Short Duration Cross Sector Relative Value

As of December 26, 2019

Category		WAL (Years)	Min (bps)	Date Range: 01/03/2019 to 12/26/2019	Max (bps)	BOY (bps)	EOY (bps)	Spread Change (bps)
Credit (1-5 Year)	Overall	2.5	61		114	114	61	-53
	Financials	2.5	62		116	116	62	-54
	Utilities	2.5	70		132	125	70	-55
	Industrials	2.5	59		113	113	59	-54
	Banking	2.5	59		114	114	59	-55
	Telecom	2.5	56		112	112	56	-56
Municipals (1-5 Year)	Taxable	2.5	57		89	83	58	-25
Agency RMBS	CMO PAC	3.0	60		74	70	63	-7
	CMO Sequentials	3.0	61		79	78	65	-13
ABS	Auto Floorplan AAA	3.0	32		63	60	59	-1
	Auto Lease AAA	3.0	38		63	56	49	-7
	Auto Prime AAAL	3.0	25		53	51	42	-9
	Auto SubPrime AAAL	3.0	39		73	71	51	-20
	Credit Card AAAL	3.0	24		38	38	28	-10
	Equipment AAA	3.0	39		67	56	56	0
CMBS	CMBS Agency AAA	3.0	23		41	34	37	3
	Conduit AAA	3.0	35		58	56	46	-10

Source: ICE Data Services, MetLife Investment Management  
Past performance is not indicative of future results.



# Short Duration Cross Sector Relative Value

As of March 31, 2020

Category		WAL (Years)	Min (bps)	Date Range: 01/02/2020 to 03/31/2020	Max (bps)	BOP (bps)	EOP (bps)	Spread Change (bps)
Credit (1-5 Year)	Overall	2.5	58		363	61	304	243
	Financial	2.5	59		376	63	285	222
	Utility	2.5	66		313	70	286	216
	Industrial	2.5	57		362	59	319	260
Municipals (1-5 Year)	Taxable	2.5	44		220	60	220	160
Agency RMBS	CMO PAC	3.0	56		106	63	94	31
	CMO Sequentials	3.0	60		110	65	98	33
ABS	Auto Floorplan AAA	3.0	45		400	59	400	341
	Auto Lease AAA	3.0	30		237	48	187	139
	Auto Prime AAAL	3.0	24		220	40	132	92
	Auto SubPrime AAAL	3.0	40		237	50	197	147
	Credit Card AAAL	3.0	21		220	28	110	82
	Equipment AAA	3.0	33		230	55	177	122
CMBS	CMBS Agency AAA	3.0	20		150	35	84	49
	Conduit AAA	3.0	37		210	43	177	134

Source: ICE Data Services, MetLife Investment Management  
Past performance is not indicative of future results.

# ICE BofA Corporate 1-5 Year Index

As of March 31, 2020

OAS (bps)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Corporate (1-5)	174	70	61	65	62	196	639	166	136	227	110	89	99	121	96	61	114	61	304
Financial (1-5)	165	51	50	57	56	212	663	204	158	308	126	93	96	104	100	60	116	63	285
Industrial (1-5)	176	86	73	75	69	181	624	135	116	164	96	85	103	134	92	61	112	59	319
Utility (1-5)	236	79	63	73	71	175	576	155	131	169	110	99	89	120	101	64	126	70	286

## CalOptima Corporate Allocation

	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15	Jun 15	Sep 15	Dec 15	Mar 16	Jun 16	Sep 16	Dec 16	Mar 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19	Sep 19	Dec 19	Mar 20
ICE BofA 1-5 Yr Corporate OAS (bps)	89	78	68	78	99	89	101	126	121	121	112	95	96	84	75	66	61	84	86	70	114	79	81	73	61	304
CalOptima Tier Two	30%	23%	24%	20%	25%	29%	29%	23%	24%	26%	21%	23%	28%	26%	29%	30%	26%	28%	29%	27%	29%	25%	29%	22%	19%	22%
CalOptima Tier One	-	-	-	-	-	-	-	-	-	-	22%	24%	26%	26%	29%	29%	27%	28%	29%	25%	30%	23%	29%	24%	19%	21%
CalOptima Operating Fund	-	-	-	-	-	-	-	-	-	-	25%	25%	17%	26%	7%	12%	23%	17%	12%	25%	27%	11%	29%	25%	12%	22%

Source: ICE Data Services

Past performance is not indicative of future results.

# 3. Portfolio Review

# Performance

As of March 31, 2020

	1Q 2020	1-Year	3-Year	5-Year	Since Inception Annualized (5/2/16)
<b>Operating Fund (Gross of fees)</b>	<b>-0.10%</b>	<b>1.73%</b>	<b>1.80%</b>	<b>--</b>	<b>1.57%</b>
<b>Operating Fund (Net of fees)</b>	<b>-0.12%</b>	<b>1.65%</b>	<b>1.72%</b>	<b>--</b>	<b>1.48%</b>
FTSE 3-Month Treasury Bill <sup>2</sup>	0.39%	2.04%	1.74%	--	1.41%
	1Q 2020	1-Year	3-Year	5-Year	Since Inception Annualized (5/2/16)
<b>Tier One (Gross of fees)</b>	<b>1.67%</b>	<b>4.02%</b>	<b>2.55%</b>	<b>--</b>	<b>2.09%</b>
<b>Tier One (Net of fees)</b>	<b>1.65%</b>	<b>3.94%</b>	<b>2.47%</b>	<b>--</b>	<b>2.01%</b>
ICE BofA 1-3 Years U.S. Treasury <sup>2</sup>	2.81%	5.42%	2.70%	--	2.12%
ICE BofA 1-3 Years AAA-A Corp/Gov <sup>2</sup>	2.22%	4.97%	2.68%	--	2.15%
	1Q 2020	1-Year	3-Year	5-Year	Since Inception Annualized (4/1/13)
<b>Tier Two (Gross of fees)</b>	<b>2.21%</b>	<b>4.89%</b>	<b>2.85%</b>	<b>2.22%</b>	<b>1.94%</b>
<b>Tier Two (Net of fees)</b>	<b>2.18%</b>	<b>4.76%</b>	<b>2.72%</b>	<b>2.09%</b>	<b>1.82%</b>
ICE BofA 1-5 Years U.S. Treasury <sup>2</sup>	3.80%	6.86%	3.26%	2.25%	1.87%
ICE BofA 1-5 Years AAA-A Corp/Gov <sup>2</sup>	2.97%	6.20%	3.20%	2.29%	1.95%

Past performance is not indicative of future results..

1. Performance for periods greater than one year are annualized.

2. The performance benchmark for the CalOptima Tier Two portfolio is the ICE BofA U.S. Treasury 1-5 Year Index, which is a broad-based index consisting of U.S. Treasury securities with an outstanding par greater than or equal to \$1 billion and a maturity range from one to five years, inclusive, reflecting total return. The performance benchmark for the CalOptima Tier One portfolio is the ICE BofA 1-3 Year U.S. Treasury Index, which is a broad-based index consisting of U.S. Treasury securities with an outstanding par greater than or equal to \$1 billion and a maturity range from one to three years, reflecting total return. The performance benchmark shown for the CalOptima Operating Fund is the FTSE 3-Month Treasury Bill, which tracks the return of one three-month Treasury bill until maturity. The ICE BofA U.S. Corporate & Government 1-5 Years, A and above Index, which is a broad-based index consisting of U.S. Government and Corporate securities with an outstanding par greater than or equal to \$250 million and a maturity range from one to five years, and securities rated AAA through A3, inclusive reflecting total return. The ICE BofA U.S. Corporate & Government 1-3 Year, A and above Index, which is a broad-based index consisting of U.S. Corporate and Government securities with an outstanding par greater than or equal to \$250 million and a maturity range from one to three years, and securities rated AAA through A3, inclusive reflecting total return, and is presented here for discussion purposes only.

# Performance Attribution

(in basis points) – as of March 31, 2020

Operating Fund	Duration	Yield Curve	Agency	Corporate	RMBS	CMBS	ABS	Municipal	Excess Return
<b>1Q 2020</b>	11	7	0	-57	0	-3	-7	0	-49
Tier One	Duration	Yield Curve	Agency	Corporate	RMBS	CMBS	ABS	Municipal	Excess Return
<b>1Q 2020 1-3 TSY</b>	-60	0	0	-34	0	-5	-5	-10	-114
<b>1Q 2020 1-3 Gov/Cred AAA-A</b>	-47	0	5	7	0	-5	-5	-10	-55
Tier Two	Duration	Yield Curve	Agency	Corporate	RMBS	CMBS	ABS	Municipal	Excess Return
<b>1Q 2020 1-5 TSY</b>	-61	0	-1	-61	0	-6	-1	-29	-159
<b>1Q 2020 1-5 Gov/Cred AAA-A</b>	-47	0	6	0	0	-5	-1	-29	-76

Past performance is not indicative of future results.

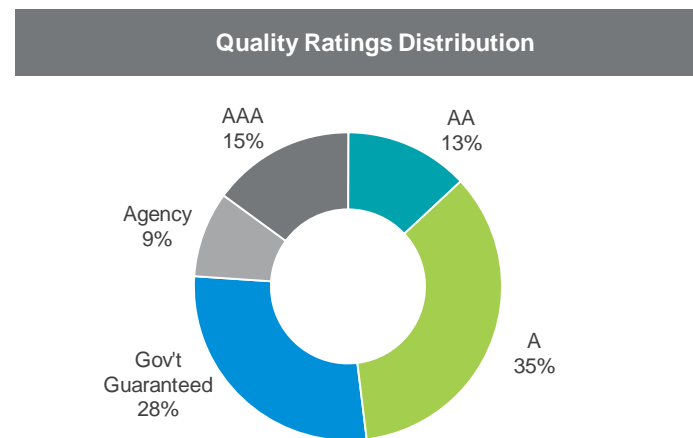
1. Performance for periods greater than one year are annualized. Treasury sector selection attribution is included in Duration figure.

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

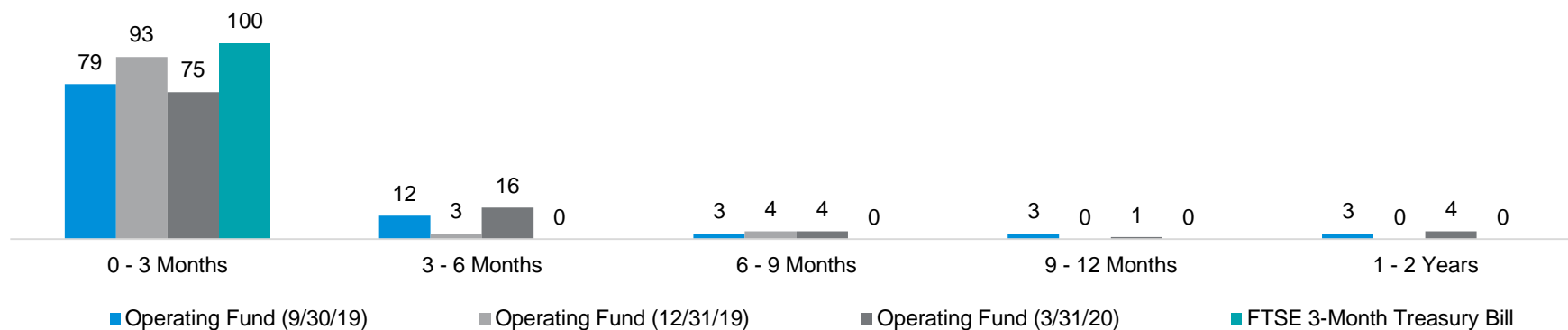
# Operating Fund Portfolio

As of March 31, 2020

	Operating Fund (9/30/19)	Operating Fund (12/31/19)	Operating Fund (3/31/20)	FTSE 3-Month Treasury Bill <sup>1</sup> (3/31/20)
Yield to Maturity	2.04%	1.79%	1.48%	0.08%
Duration	0.17 Years	0.07 Years	0.19 Years	0.25 Years
Average Quality (Moody's)	Aa2	Aa3	Aa2	TSY
Fixed / Floating	71% / 29%	81% / 19%	71% / 29%	100% / 0%
Market Value	\$291,093,390	\$305,492,559	\$305,200,090	NA



Duration Distribution (% Market Value)



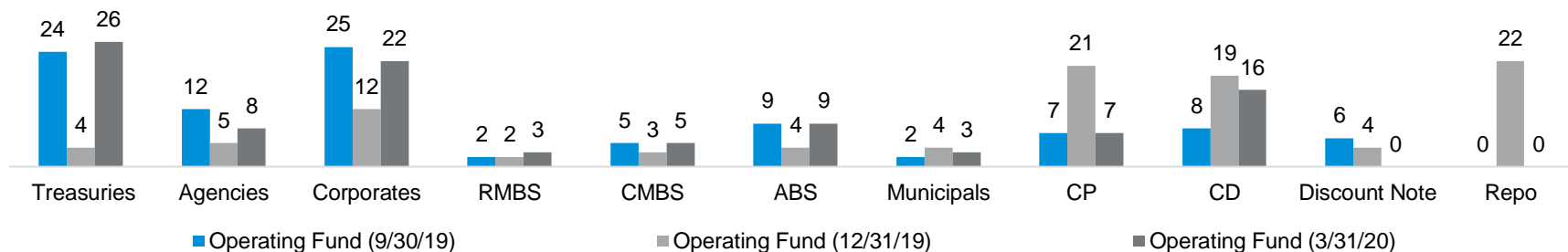
Past performance is not indicative of future results. Portfolio characteristics are preliminary and subject to change.

1. The performance benchmark shown for the CalOptima Operating Fund is the FTSE 3-Month Treasury Bill, which tracks the return of one three-month Treasury bill until maturity.

# Operating Fund Portfolio

As of March 31, 2020

Sector Distribution (% Market Value)



## Treasuries/Agencies

- Bought short Treasury nominals
- Bought commercial paper, CDs and Agency discount notes
- Bought triparty repurchase agreements
- Bought IADB floaters
- Bought GSE callables

## Corporates

- Bought 2020 - 2022 fixed-rate (Comerica Bank, Goldman Sachs, American Express Co., Bank of New York Mellon, JPMorgan Chase, PNC Bank, Citigroup)
- Bought 2020 -2022 floating-rate (Citizens Bank, Goldman Sachs, Credit Suisse/NY Branch, Goldman Sachs, Morgan Stanley, Verizon Communications)

## Structured Products

- Bought new issue 1.9 year floating-rate Freddie Mac "K-bond" CMBS
- Bought 0.8 year floating-rate Freddie Mac "K-bond" CMBS
- Bought 0.6 year floating-rate NCUA RMBS
- Bought 2.1 year floating-rate American Express credit card ABS

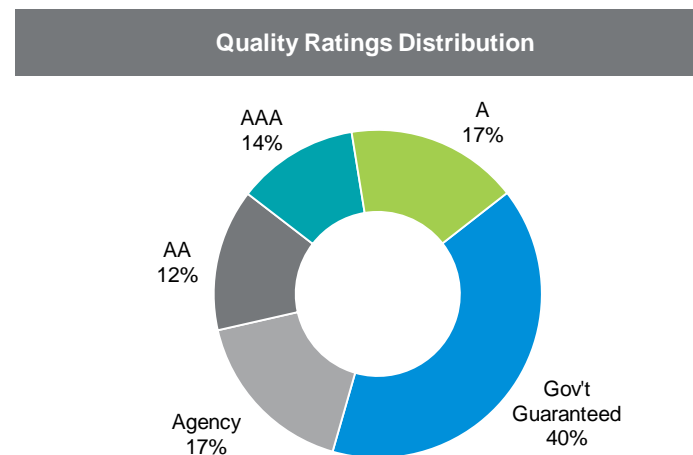
## Municipals

- Bought 2020 PA State Turnpike Commission

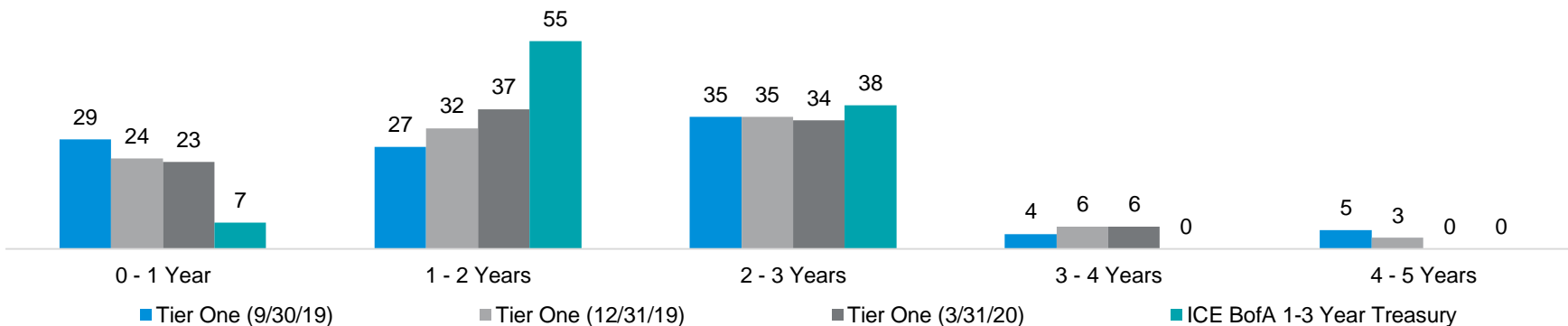
# Tier One Portfolio

As of March 31, 2020

	Tier One (9/30/19)	Tier One (12/31/19)	Tier One (3/31/20)	ICE BofA U.S. Treasury 1-3 Year <sup>1</sup> (3/31/20)
Yield to Maturity	1.92%	1.80%	1.13%	0.20%
Duration	1.71 Years	1.75 Years	1.71 Years	1.82 Years
Average Quality (Moody's)	Aa2	Aa1	Aa1	TSY
Fixed / Floating	86% / 14%	93% / 7%	95% / 5%	100% / 0%
Market Value	\$153,378,668	\$154,299,315	\$156,881,532	NA



Duration Distribution (% Market Value)



Past performance is not indicative of future results. Portfolio characteristics are preliminary and subject to change.

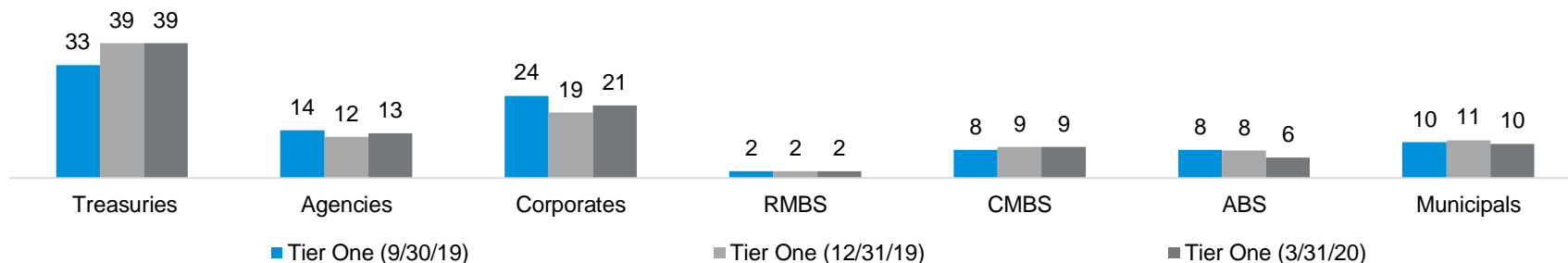
1. The performance benchmark for the CalOptima Tier One portfolio is the ICE BofA U.S. Treasury 1-3 Year Index, which is a broad-based index consisting of U.S. Treasury securities with an outstanding par greater than or equal to \$1 billion and a maturity range from one to three years, inclusive, reflecting total return.



# Tier One Portfolio

As of March 31, 2020

Sector Distribution (% Market Value)



## Treasuries/Agencies

- Bought 2 to 3-year Treasury nominals
- Bought 2 to 3-year fixed-rate IADB and IBRD.
- Sold IFC floaters
- Sold 1-year Treasury nominals

## Corporates

- Bought 2020 -2022 fixed-rate (Intercontinental Exchange, JPMorgan Chase, Public Service Electric & Gas, Truist Financial, Wells Fargo)
- Bought 2021 - 2023 floating-rate (Caterpillar Financial, PNC Bank)
- Sold 2020 - 2022 fixed-rate (Manufacturers & Traders Trust, PNC Bank, NextEra Energy Capital, Truist Financial)
- Sold 2021 floating-rate (JPMorgan Chase Bank)

## Structured Products

- Bought 0.5 year Fannie Mae Sequential CMO
- Bought 1.3 year Fannie Mae Sequential CMO
- Bought 2.6 year Freddie Mac "K-Bond" CMBS
- Sold 0.8 year American Express credit card ABS

## Municipals

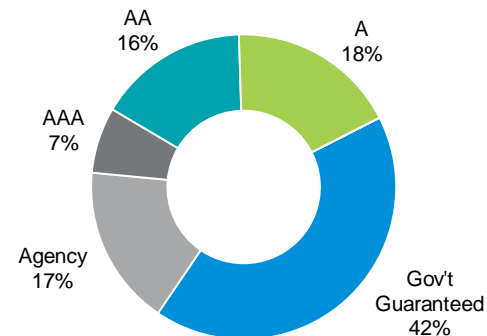
- Sold 2020 Ontario, CA Airport, University of California and California State University

# Tier Two Portfolio

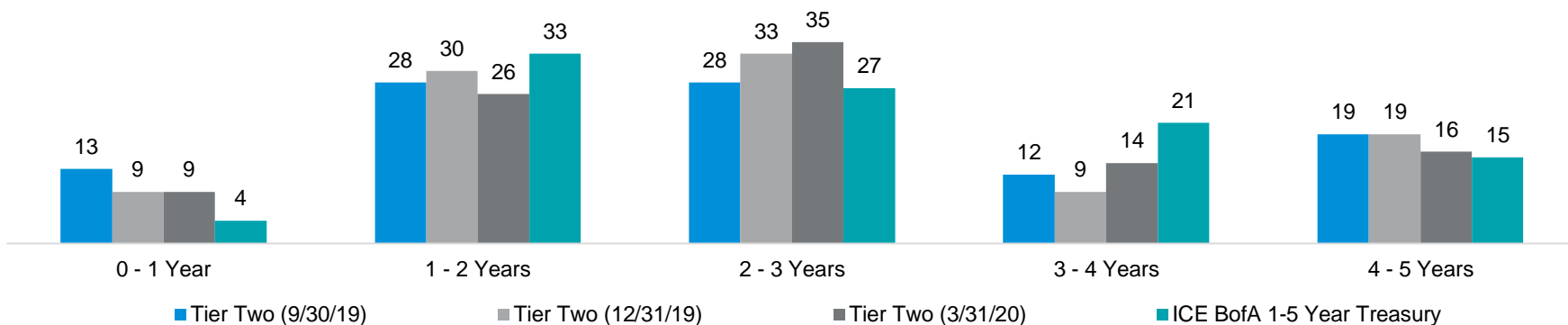
As of March 31, 2020

	Tier Two (9/30/19)	Tier Two (12/31/19)	Tier Two (3/31/20)	ICE BofA U.S. Treasury 1-5 Year <sup>1</sup> (3/31/20)
Yield to Maturity	1.86%	1.82%	1.09%	0.25%
Duration	2.51 Years	2.49 Years	2.49 Years	2.58 Years
Average Quality (Moody's)	Aa1	Aa1	Aa1	TSY
Fixed / Floating	97% / 3%	98% / 2%	99% / 1%	100% / 0%
Market Value	\$102,111,721	\$102,643,334	\$104,914,407	NA

## Quality Ratings Distribution



## Duration Distribution (% Market Value)



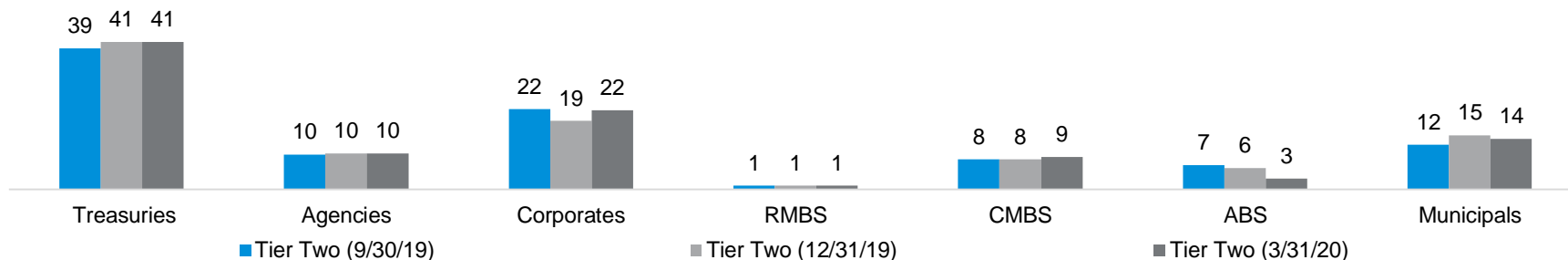
Past performance is not indicative of future results. Portfolio characteristics are preliminary and subject to change.

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

# Tier Two Portfolio

As of March 31, 2020

Sector Distribution (% Market Value)



## Treasuries/Agencies

- Bought 3 to 5-year Treasury nominals
- Bought 3-year fixed-rate IBRD
- Sold 1-year Treasury nominals

## Corporates

- Bought 2021 - 2023 fixed-rate (Public Service Electric & Gas, Wells Fargo, Bank of America, Goldman Sachs, Association of American Medical Colleges)
- Bought 2021 -2023 floating-rate (Caterpillar Financial, PNC Bank)
- Sold 2020 - 2022 fixed-rate (Prudential Financial, Bank of America, Truist Bank, NextEra Energy Capital)

## Structured Products

- Bought 2.6 year Fannie Mae "DUS" CMBS
- Bought 2.6 year Freddie Mac "K-Bond" CMBS
- Sold 0.4 year John Deere equipment ABS
- Sold 0.6 year Nissan auto ABS

## Municipals

- Sold 2020 California State University
- Sold 2021 California Housing Finance Agency

# Operating Fund Portfolio Compliance

As of March 31, 2020

Permitted Investments	Max % of Portfolio	Actual %	Max Stated Term Per Security	Actual Max Maturity	Min Quality Per Security	Actual Min Credit
U.S. Treasuries	100 (Code)	26	2 Years	153 Days	TSY	TSY
U.S. Agencies	100 (Code)	8	2 Years	513 Days	AGY	AGY
Sovereign / Supranationals	100 (Code)	5	2 Years	15 Days	AGY	AGY
Corporate	30 (Code)	22	2 Years	412 Days	A-	A-
Mortgages & Asset-Backed (combined)	20 (Code)	17	2 Years	624 Days	AA-	AAA
Municipals	25 (Code 100)	3	2 Years	245 Days	A-	A-
Commercial Paper	25 (Code)	7	270 Days	20 Days	A1/P1	P1
Bankers Acceptances	30 (Code 40)	NA	180 Days	NA	A1/P1	NA
Certificates of Deposit	30 (Code)	16	1 Year	21 Days	A1/P1	P1
Repurchase Agreements	100 (Code)	NA	30 Days	0 Days	TSY/AGY	NA
Variable & Floating Rate Securities*	30 (Code)	29	2 Years	77 Days	A-	A-

\*May include securities from various asset Classes such as Corporates, Structured and US Governments. Contains Treasuries, Agencies, Corporate, Mortgages, and Asset-Backed securities which fall within the sector guidelines and reset in less than 2 years. Maximum maturity for variable and floating rate securities is based off of next security reset date.

# Tier One Portfolio Compliance

As of March 31, 2020

Permitted Investments	Max % of Portfolio	Actual %	Max Stated Term Per Security	Actual Max Maturity	Min Quality Per Security	Actual Min Credit
U.S. Treasuries	100 (Code)	39	5 Years	4.04 Years	TSY	TSY
U.S. Agencies	100 (Code)	7	5 Years	1.79 Years	AGY	AGY
Sovereign / Supranationals	100 (Code)	6	5 Years	3.22 Years	AGY	AGY
Corporate	30 (Code)	22	5 Years	2.96 Years	A-	A-
Mortgages & Asset-Backed (combined)	20 (Code)	17	5 Years	4.74 Years	AA-	AAA
Municipals	25 (Code 100)	10	5 Years	4.25 Years	A-	A-
Commercial Paper	25 (Code)	NA	270 Days	NA	A1/P1	NA
Bankers Acceptances	30 (Code 40)	NA	180 Days	NA	A1/P1	NA
Certificates of Deposit	30 (Code)	NA	1 Year	NA	A1/P1	NA
Variable & Floating Rate Securities*	30 (Code)	5	5 Years	1.84 Years	A-	A-

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

# Tier Two Portfolio Compliance

As of March 31, 2020

Permitted Investments	Max % of Portfolio	Actual %	Max Stated Term Per Security	Actual Max Maturity	Min Quality Per Security	Actual Min Credit
U.S. Treasuries	100 (Code)	42	5 Years	4.63 Years	TSY	TSY
U.S. Agencies	100 (Code)	7	5 Years	4.26 Years	AGY	AGY
Sovereign / Supranationals	100 (Code)	3	5 Years	3.22 Years	AGY	AGY
Corporate	30 (Code)	22	5 Years	4.46 Years	A-	A-
Mortgages & Asset-Backed (combined)	20 (Code)	12	5 Years	4.74 Years	AA-	AAA
Municipals	25 (Code 100)	14	5 Years	4.34 Years	A-	A+
Commercial Paper	25 (Code)	NA	270 Days	NA	A1/P1	NA
Bankers Acceptances	30 (Code 40)	NA	180 Days	NA	A1/P1	NA
Certificates of Deposit	30 (Code)	NA	1 Year	NA	A1/P1	NA
Variable & Floating Rate Securities*	30 (Code)	1	5 Years	1.57 Years	A-	A-

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

# End Notes

## Explanatory Note on Non-GAAP Financial Information

In this Fact Sheet, MetLife presents certain measures relating to its assets under management ("AUM") that are not calculated in accordance with accounting principles generally accepted in the United States of America ("GAAP"). MetLife believes that these non-GAAP financial measures enhance the understanding of the depth and breadth of its investment management services on behalf of its general account ("GA") investment portfolio, separate account ("SA") investment portfolios and unaffiliated/third party clients. MetLife uses these measures to evaluate its asset management business.

The following non-GAAP financial measures should not be viewed as substitutes for the most directly comparable financial measures calculated in accordance with GAAP:

<u>Non-GAAP financial measures:</u>	<u>Comparable GAAP financial measures:</u>
(i) Total AUM	(i) Total Investments
(ii) GA AUM	(ii) Total Investments
(iii) Total Mortgage Loan AUM	(iii) Mortgage Loans
(iv) GA Mortgage Loan AUM	(iv) Mortgage Loans
(v) Total Real Estate Equity AUM; and	(v) Real Estate and Real Estate Joint Ventures; and
(vi) GA Real Estate Equity AUM	(vi) Real Estate and Real Estate Joint Ventures

Reconciliations of these non-GAAP measures to the most directly comparable GAAP financial measures are set forth in the tables below. Our definitions of non-GAAP and other financial measures discussed herein may differ from those used by other companies.

### ***Total Assets Under Management, General Account Assets Under Management, Gross Market Value of Commercial Real Estate Under Management and related measures:***

***Total Assets Under Management*** ("Total AUM") (as well as all other measures based on Total AUM, such as Total Mortgage Loan AUM, Total Commercial Mortgage Loan AUM, Total Agricultural Mortgage Loan AUM and Total Real Estate Equity AUM) are comprised of GA AUM (or the respective measure based on GA AUM) plus Institutional Client AUM (or the respective measure based on Institutional Client AUM) (each, as defined below).

***General Account Assets Under Management*** ("GA AUM") (as well as other measures based on GA AUM, such as GA Mortgage Loan AUM, GA Commercial Mortgage Loan AUM, GA Agricultural Mortgage Loan AUM, GA Residential Mortgage Loan AUM and GA Real Estate Equity AUM) are used by MetLife to describe assets in its GA investment portfolio which are actively managed and stated at estimated fair value. MetLife believes the use of GA AUM (as well as the other measures based on GA AUM) enhances the understanding and comparability of its GA investment portfolio. GA AUM are comprised of GA Total Investments and cash and cash equivalents, excluding policy loans, other invested assets, contractholder-directed equity securities and fair value option securities, as substantially all of these assets are not actively managed in MetLife's GA investment portfolio. Mortgage loans and real estate and real estate joint ventures included in GA AUM (at net asset value, net of deduction for encumbering debt), have been adjusted from carrying value to estimated fair value. Classification of GA AUM by sector is based on the nature and characteristics of the underlying investments which can vary from how they are classified under GAAP. Accordingly, the underlying investments within certain real estate and real estate joint ventures that are primarily commercial mortgage loans (at net asset value, net of a deduction of encumbering debt) have been reclassified to exclude them from GA Real Estate Equity AUM and include them in both GA Mortgage Loan AUM and GA Commercial Mortgage Loan AUM.

---

# End Notes (cont.)

*The following additional information is relevant to an understanding of our assets under management:*

**Institutional Client Assets Under Management** ("Institutional Client AUM") (as well as other measures based on Institutional Client AUM, such as Institutional Client Mortgage Loan AUM and Institutional Client Real Estate Equity AUM) are comprised of SA AUM and TP AUM (each, as defined below) (or the respective portions of each of SA AUM and TP AUM). MIM manages Institutional Client AUM in accordance with client guidelines contained in each investment contract ("Mandates").

**Separate Account Assets Under Management** ("SA AUM") (as well as other measures based on SA AUM, such as SA Mortgage Loan AUM and SA Real Estate Equity AUM) are comprised of separate account investment portfolios of MetLife insurance companies (or the respective portions of such investment portfolios), which are managed by MetLife and included in MetLife, Inc.'s consolidated financial statements at estimated fair value.

**Third Party Assets Under Management** ("TP AUM") (as well as other measures based on TP AUM, such as TP Mortgage Loan AUM and TP Real Estate Equity AUM) are non-proprietary assets managed by MetLife on behalf of unaffiliated/third party clients (or the respective portions of TP AUM), which are stated at estimated fair value. TP AUM (as well as the other measures based on TP AUM) are owned by such unaffiliated/third party clients; accordingly, unaffiliated/third party non-proprietary assets are not included in MetLife, Inc.'s consolidated financial statements.

Additional information about MetLife's general account investment portfolio is available in MetLife, Inc.'s quarterly financial materials for the quarter ended September 30, 2019, which may be accessed through MetLife's Investor Relations web page at <https://investor.metlife.com>.



# End Notes (cont.)

Reconciliation of Total Investments to General Account Assets Under Management and Total Assets Under Management	
(\$ in Billions)	9/30/2019
<b>Total Investments</b>	<b>\$471.9</b>
Plus Cash and Cash Equivalents	19.5
Plus Fair Value Adjustment – Mortgage Loans	3.1
Plus Fair Value Adjustment – Real Estate and Real Estate Joint Ventures	6.3
Less Policy Loans	9.7
Less Other Invested Assets	22.0
Less Contractholder-Directed Equity Securities and Fair Value Option Securities	12.7
<b>General Account Assets Under Management</b>	
Plus Separate Account Assets Under Management	15.2
Plus Third Party Assets Under Management	124.4
<b>Institutional Client Assets Under Management</b>	<b>\$139.6</b>
<b>Total Assets Under Management</b>	<b>\$596.0</b>

# End Notes (cont.)

Total Assets Under Management - Sector Reconciliations	
(\$ in Billions)	9/30/2019
<b>Mortgage Loans</b>	<b>\$79.0</b>
Plus Fair Value Adjustment	3.1
Plus Joint Venture Reclassification	0.9
<b>General Account Mortgage Loan Assets Under Management</b>	<b>83.0</b>
Plus Separate Account Mortgage Loan Assets Under Management	0.0
Plus Third Party Mortgage Loan Assets Under Management	21.5
<b>Institutional Client Mortgage Loan Assets Under Management</b>	<b>21.5</b>
<b>Total Mortgage Loan Assets Under Management<sup>2</sup></b>	<b>\$104.5</b>
<b>Real Estate and Real Estate Joint Ventures</b>	<b>\$10.2</b>
Plus Fair Value Adjustment	6.3
Plus Joint Venture Reclassification	(0.9)
<b>General Account Real Estate Equity Assets Under Management</b>	<b>15.6</b>
Plus Separate Account Real Estate Equity Assets Under Management	0.0
Plus Third Party Real Estate Equity Assets Under Management	7.4
<b>Institutional Client Real Estate Equity Assets Under Management</b>	<b>7.4</b>
<b>Total Real Estate Equity Assets Under Management</b>	<b>\$23.0</b>



Payden & Rygel

LOS ANGELES | BOSTON | LONDON | MILAN

# CALOPTIMA INVESTMENT ADVISORY

Investment Committee  
Meeting

April 2020



## OUR FIRM

### ESTABLISHED IN 1983

Los Angeles-based, offices in Boston, London, Milan

### OVER \$114 BILLION AUM

A fully-resourced – yet flexible – firm

### ONE GOVERNANCE CENTER

Clients have direct access to business owners

### 100% EMPLOYEE OWNED

## OUR CULTURE

### GLOBAL PERSPECTIVE ON INVESTING

Regardless of benchmark

### COLLABORATIVE APPROACH

Sharing best ideas, constructive debate

### EXCEPTIONAL RETENTION

of talented people and clients

### ALIGNMENT OF INTERESTS

Fully focused on our clients

## OUR GLOBAL REACH

### ★ PAYDEN & RYGEL OFFICES





## CalOptima Portfolio Summary as of March 31, 2020

	Operating Fund	Tier One Fund
Market Value	\$305,981,871	\$157,864,886
Yield to Maturity (%)	1.09%	1.31%
Effective Duration	0.34	1.87
Spread Duration	0.38	1.18
Average Portfolio Credit Quality	AA+	AA+
Inception Date	July 1, 1999	July 1, 1999





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**Our Economic Outlook**

II

**Market Overview, Portfolio Characteristics,  
and Returns**



I

## Our Economic Outlook



## Coronavirus Update

- The Coronavirus has now spread globally and become a pandemic. The 1918 pandemic led to a U.S. recession that lasted 7 months.
- **We expect to see a short-lived, but severe, recession in the U.S. in Q2 2020.** Data is deteriorating sharply. We expect U.S. GDP to decline at an annual rate in excess of 20% in Q2 but start a U-Shaped rebound in H2.
- **The growth rate in virus cases started to taper off in countries that took necessary measures.**
- Economic activity will start to recover once the virus spread subsides, how quickly is an open question
- **Policymakers are not standing still.** The Fed can move the quickest, but we expect aggressive fiscal policy as well, with stimulus in excess of \$1 trillion, ~5% of GDP. Compared to the 2008 Financial Crisis, the Fed has responded much quicker.
- U.S. economy was on solid footing going into the virus outbreak.

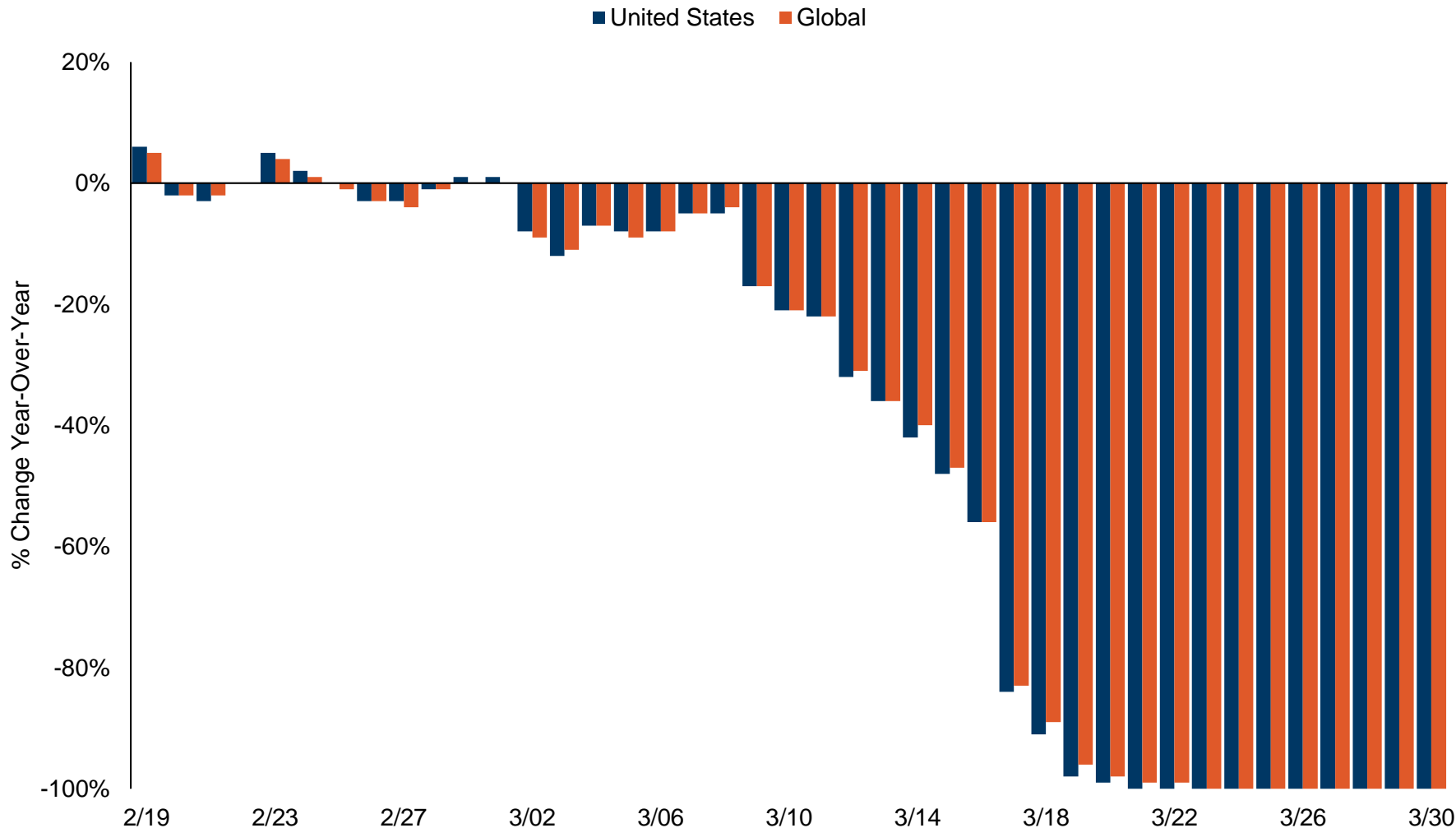




# We Can't Wait For Traditional Economic Releases. High Frequency Data Shows A Slump In Spending.

## Open Table Data Shows Restaurant Bookings Have Fallen To Zero

### Bookings on Open Table In the U.S. and Global

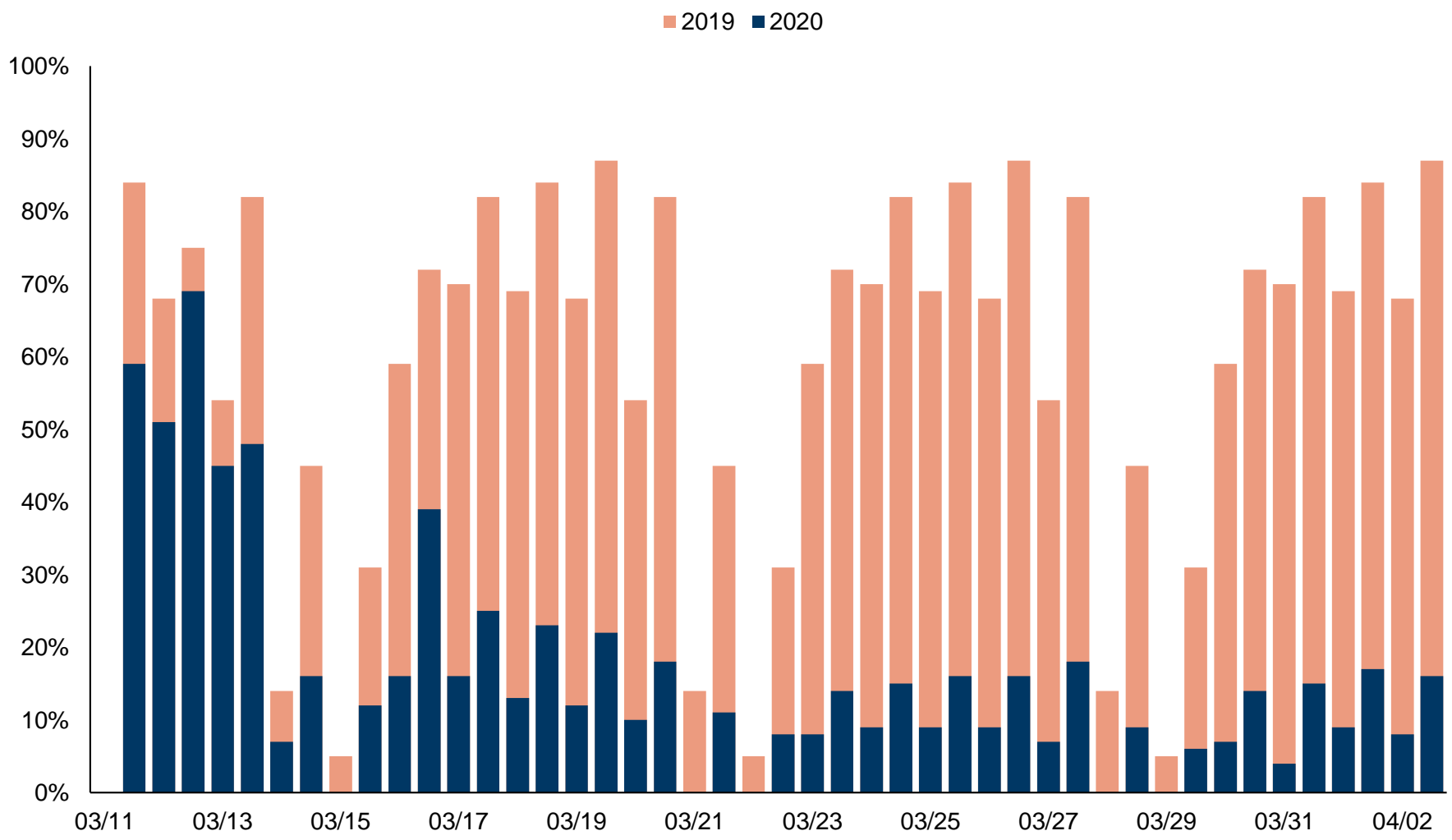


Source: Open Table



# Traffic Data Also Implies U.S. Economic Activity Grinding To A Halt

## Congestion Rate\* During Morning/Evening Rush Hour In Los Angeles, CA (This Year Compared To Last Year)



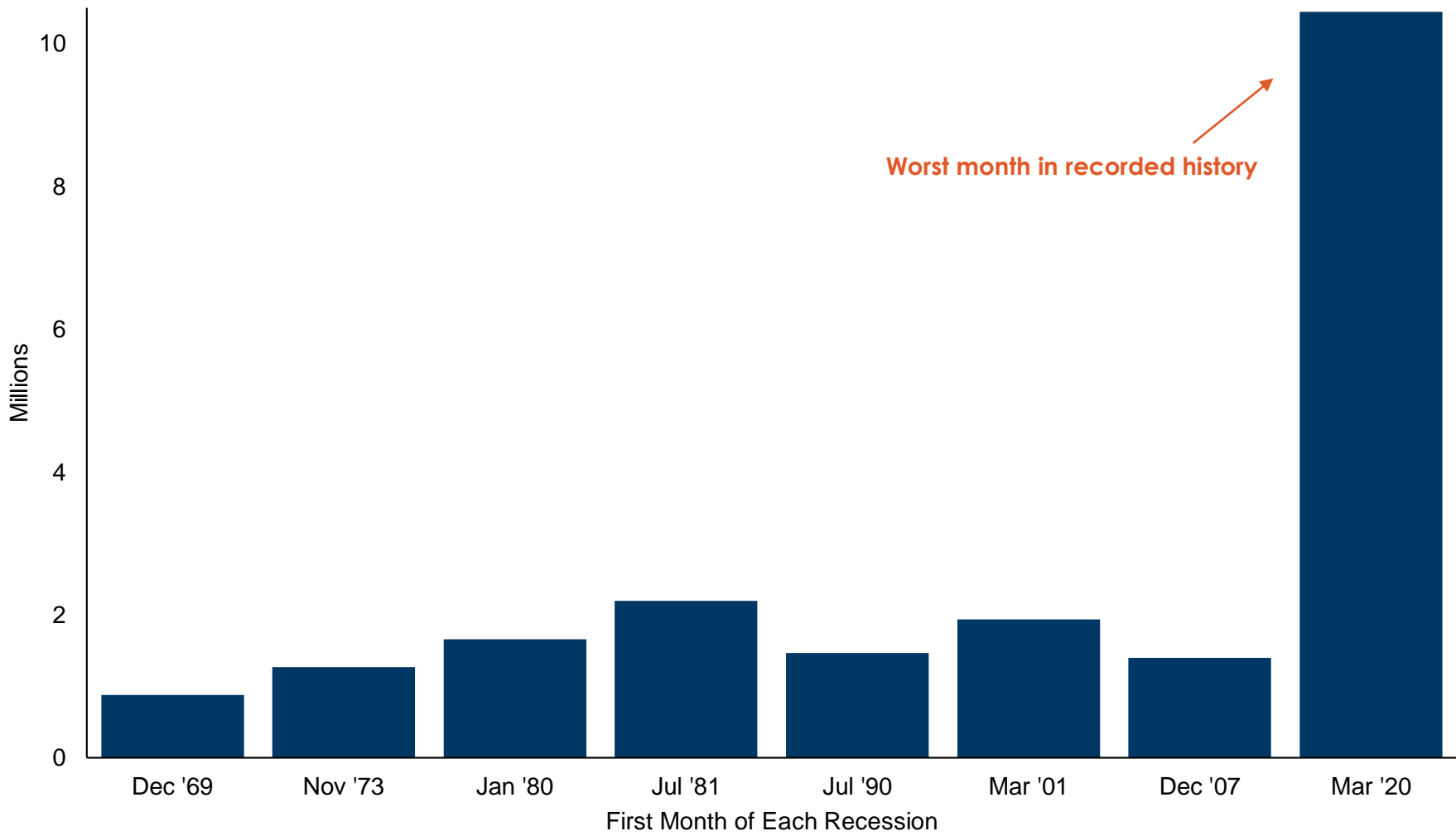
Source: Tom Tom

\*How much longer a commute takes compared to baseline uncongested conditions



# Based On The Mass Layoffs, Jobs Data Will Get Worse Before It Improves

Initial Claims for Unemployment Insurance Filed In The First Month of Each Recession Since 1969



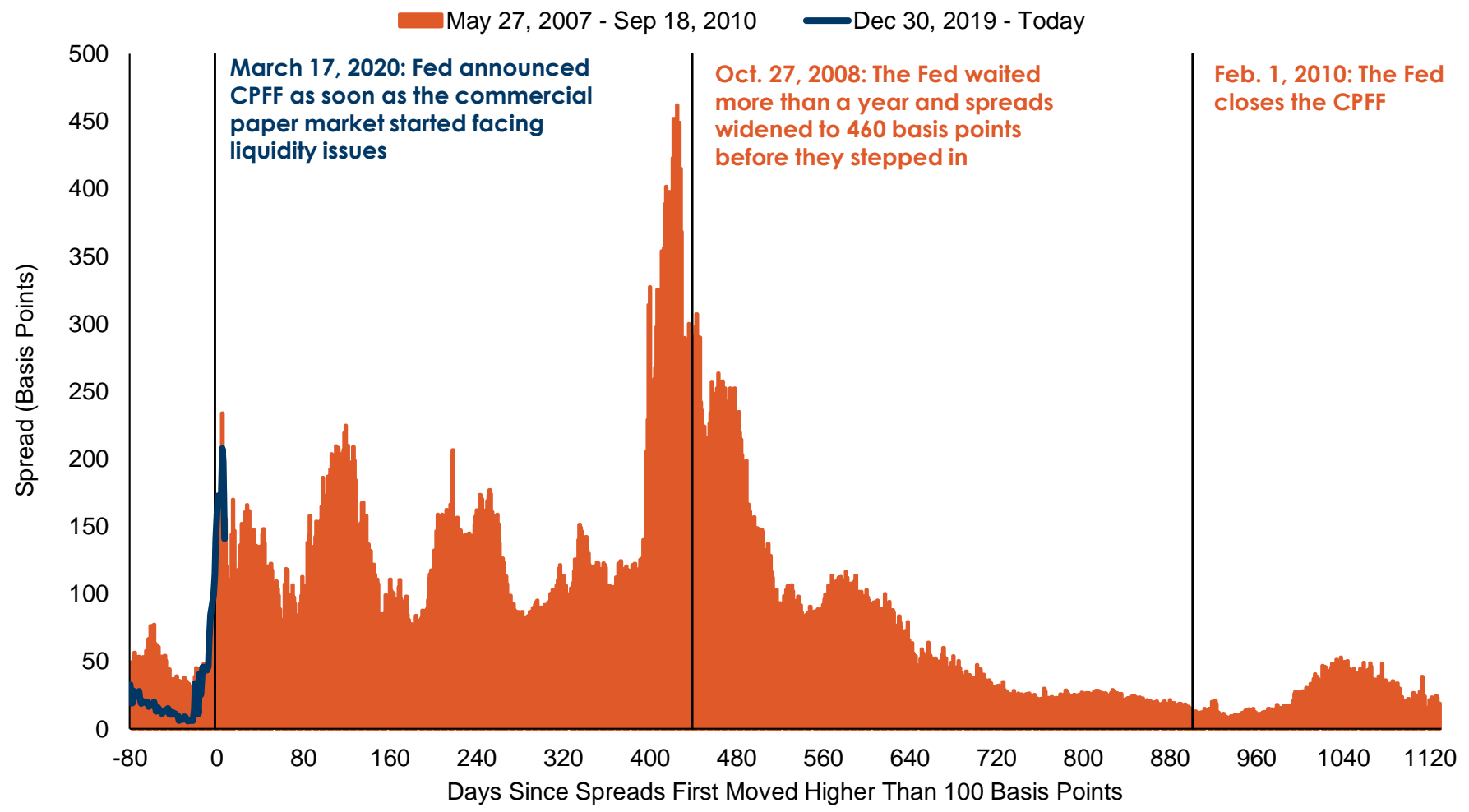
Source: Department of Labor, NBER, Payden Calculations



# The Fed Is Responding Much Faster Than It Did During The 2008 Financial Crisis

## During the Financial Crisis, It Took The Fed More Than A Year To Announce The CPFF\*

### Spread Between 3-Month Commercial Paper 3-Month U.S. Treasury Bills



Source: Bloomberg, Payden Calculations

\*The Commercial Paper Funding Facility aims to improve liquidity in short-term funding markets



# Monetary Policy Has Moved Quickly With The Fed Acting As A Lender of Last Resort

## The Federal Reserve Is Crisis “First Responder”

Policy Measures To Date: ■ **IMPLEMENTED** ■ **ANNOUNCED**

Policy Tool	Details
<b>Fed Funds Rate*</b>	<b>3/15</b> – Cut rate to zero
<b>Repo Operations*</b>	Ongoing - Daily overnight liquidity operations
<b>Regulatory Easing*</b>	Ongoing guidance encouraging banks to be flexible with customers; utilize their liquidity and capital buffers
<b>Discount Window*</b>	<b>3/15</b> – Rate lowered to 0.25%
<b>Quantitative Easing*</b>	<b>3/15</b> - Announced \$500 Billion in Treasuries, \$200 Billion in Agency MBS; <b>3/23</b> – Expanded to unlimited amounts, added agency CMBS
<b>U.S. Dollar Swap Lines*</b>	<b>3/19</b> – Support dollar liquidity for additional central banks (Australia, Brazil, Korea, Mexico, Singapore, Sweden, Denmark, Norway and New Zealand); <b>3/20</b> – Set up daily (from weekly) dollar swaps with BoC, BoE, BoJ, ECB, SNB
<b>Primary Dealer Credit Facility*</b>	<b>Opened 3/20</b> ; lend to primary dealers in exchange for a broad range of collateral
<b>Money Market Fund Facility*</b>	<b>Opened 3/23</b> ; lend to Prime and Municipal money market funds in exchange for US Treasury, Agency, CP, CD, Municipal, and VRDN collateral
<b>Reserve Requirement elimination*</b>	<b>Effective 3/26</b>
<b>Commercial Paper Funding Facility*</b>	<b>Announced 3/17</b> ; purchase of newly issued 3-month A1/P1/F1 commercial paper from U.S. corporate and municipal issuers
<b>Primary Market Corporate Credit Facility (PMCCF)</b>	<b>Announced 3/23</b> ; purchase of newly issued 4-year investment grade corporate debt from U.S. corporate issuers
<b>Secondary Market Corporate Credit Facility (SMCCF)</b>	<b>Announced 3/23</b> ; purchase of outstanding 5-year and shorter investment grade corporate debt from U.S. corporate issuers
<b>Term Asset-Backed Securities Loan Facility (TALF)*</b>	<b>Announced 3/23</b> ; lend through primary dealers in exchange for asset-backed securities collateral (auto loan and leases, student loans, credit cards etc.), \$100 Billion
<b>Main Street Business Lending Program</b>	<b>Announced 3/23</b> ; direct loans from Federal Reserve to individual small business, potentially through the Small Business Association (SBA)

Source: Payden Economics, Federal Reserve

\*Programs from the 2008 Financial Crisis



# While Fiscal Policy Takes Longer To Set Up, Policymakers Are Moving Fast

It Took Almost A Year Before Congress Passed The Stimulus Bill During The 2008 Financial Crisis

Policy Measures To Date: ■ **IMPLEMENTED** ■ **ANNOUNCED** ■ **UNDER CONSIDERATION**

Policy Tool	Details
<b>National Emergency</b>	<ul style="list-style-type: none"> <li>• <b>\$50 Billion</b> in emergency funds</li> <li>• Interest waived on student loans, adding to Strategic Oil Reserve</li> </ul>
<b>House Emergency Bill (Phase I)</b>	<ul style="list-style-type: none"> <li>• <b>\$8.3 Billion</b> in emergency funding</li> </ul>
<b>IRS Guidance</b>	<ul style="list-style-type: none"> <li>• Individuals can delay tax payments up to \$1 million</li> <li>• Corporations defer up to \$10 million for 90 days (<b>\$300 Billion in liquidity</b>)</li> </ul>
<b>House Bill (Phase II)</b>	<ul style="list-style-type: none"> <li>• Free testing, Paid Sick/Family Leave, Enhance unemployment benefits, Food aid, Medicaid funds (<b>~\$150 Billion</b>)</li> </ul>
<b>Phase III Stimulus Bill</b>	<ul style="list-style-type: none"> <li>• <b>\$2 Trillion</b> (+9.2% of GDP)</li> <li>• Direct cash payments (\$1200/person) and expanded unemployment insurance for households (+13 weeks, +\$600/week to existing insurance)</li> <li>• \$377 Billion in federally guaranteed loans to Small Businesses</li> <li>• \$500 Billion lending program for distressed companies (\$50 Billion to airlines, \$8 Billion to air cargo carriers)</li> <li>• \$140 Billion for the healthcare system</li> <li>• \$150 Billion for state/local government</li> </ul>
<b>Phase IV Bill</b>	<ul style="list-style-type: none"> <li>• \$2 Trillion of infrastructure spending?</li> </ul>
<b>Defense Production Act</b>	<ul style="list-style-type: none"> <li>• Government takes over private-sector companies to produce medical equipment</li> </ul>
<b>Tax cuts</b>	<ul style="list-style-type: none"> <li>• Corporate tax cuts, payroll tax cuts</li> </ul>
<b>Bailouts of more sectors</b>	<ul style="list-style-type: none"> <li>• Insurance, Restaurants</li> </ul>

Source: Payden Economics, Strategas Research

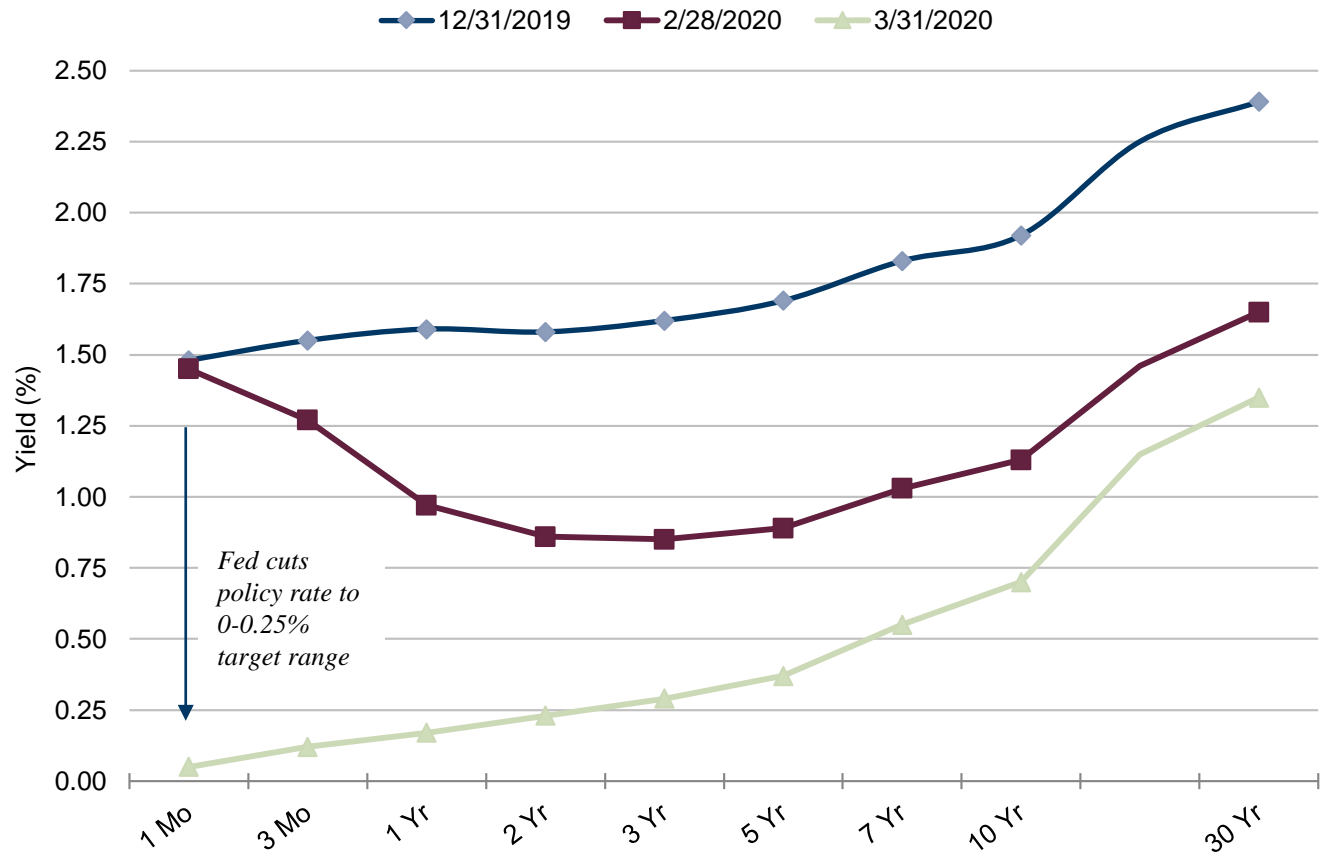


## Market Overview, Portfolio Characteristics, and Returns



# Yields Have Moved Materially Lower

Treasury yields have declined substantially following emergency Fed cuts and expectations for a material slowdown in global economic activity stemming from the pandemic. T-bill yields were negative in the immediate front-end heading into quarter-end.



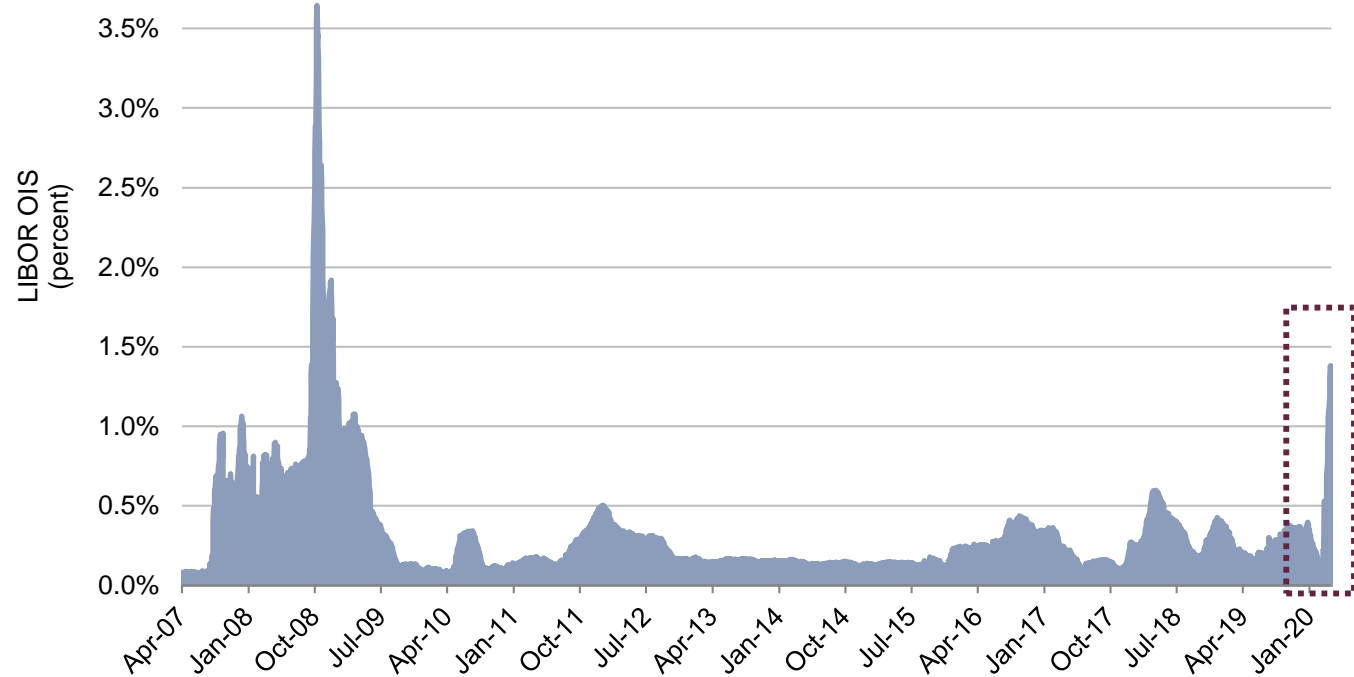
Source: Bloomberg, U.S. Department of The Treasury





# Funding Stress Appeared Quickly

Funding stress, as measured by the difference between 3-month LIBOR and Fed Funds, shot up to levels last witnessed during the Great Financial Crisis ('08) as liquidity dried up and access to the capital markets seized up for issuers.

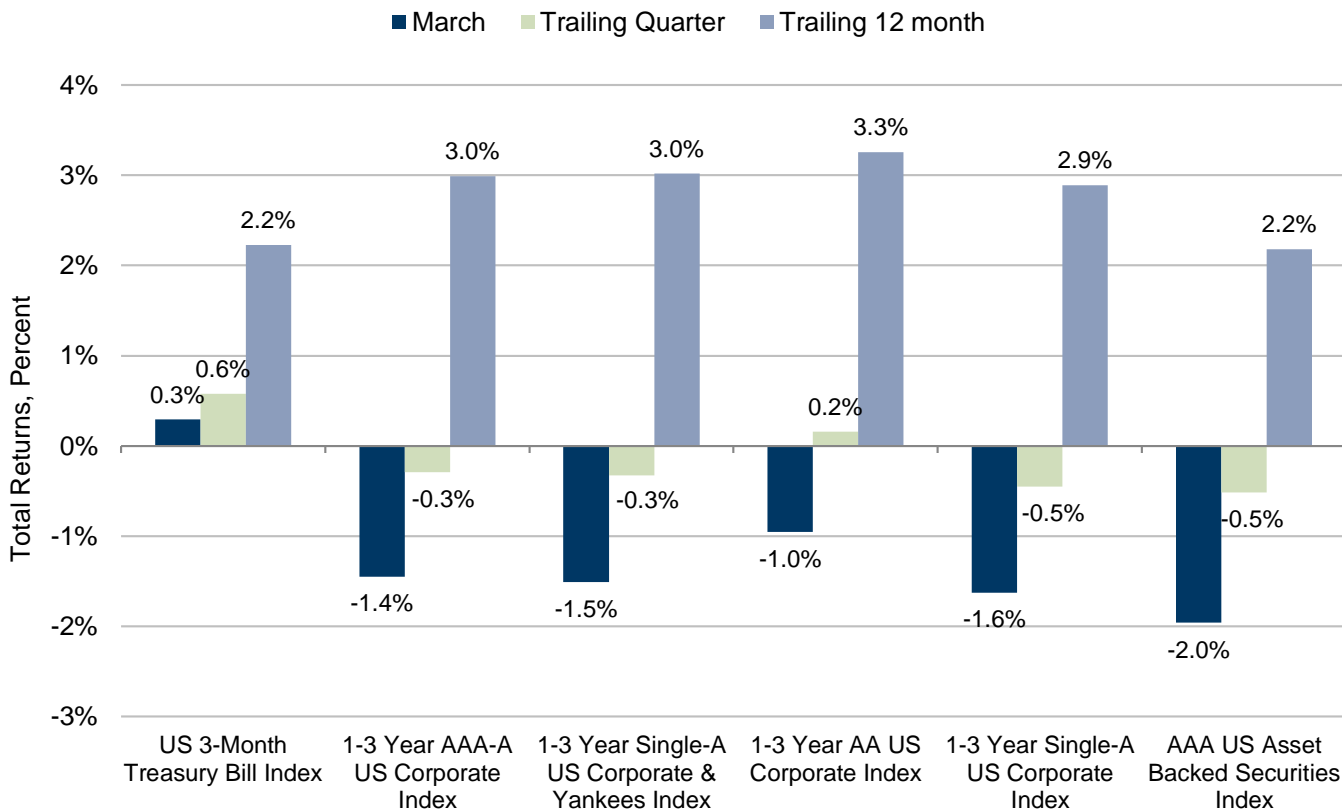


Source: Bloomberg



# March: Few Places to Hide

Returns across various credit sectors were dismal in March with very few safe havens even in short maturities. Treasuries provided protection but liquidity in that market was even constrained until the Fed began utilizing its balance sheet.

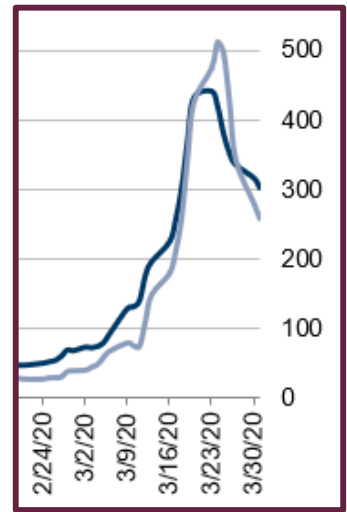
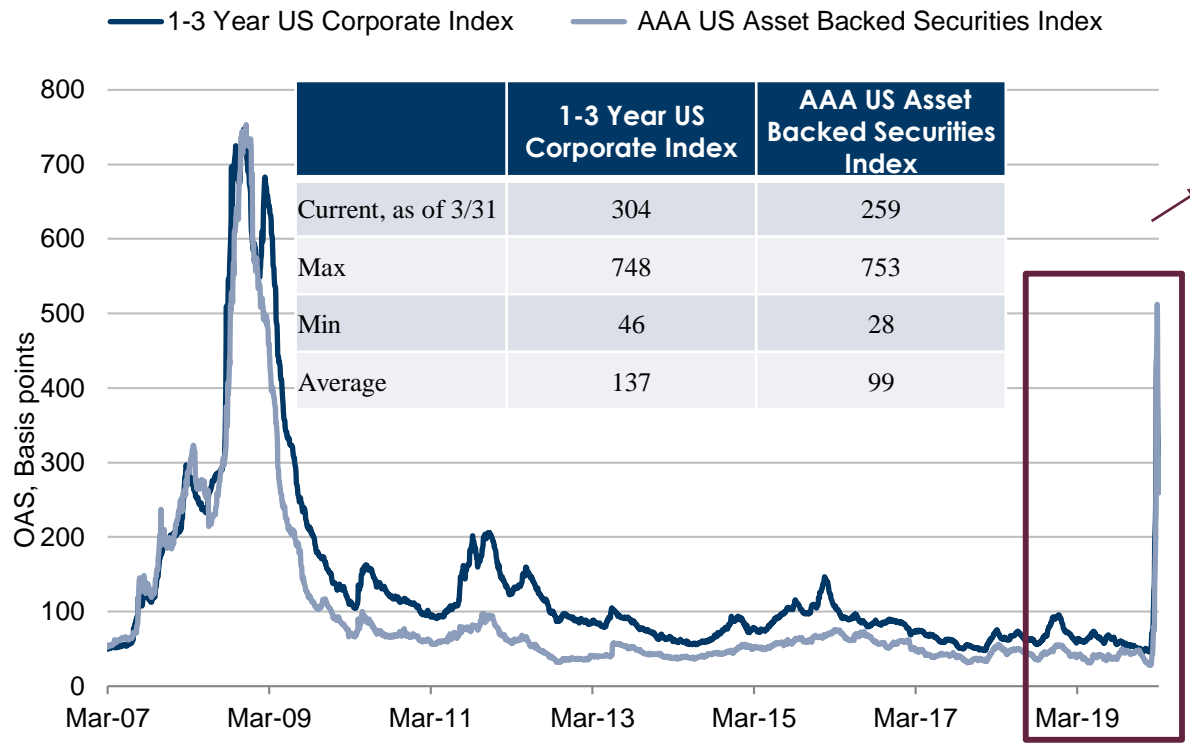


Source: ICE BofA Indices



# Credit Spreads

Credit spreads moved quickly, repricing fundamentals in both the investment grade corporate bond and securitized sectors. We are focused on assessing sector risk and specific names within select sectors that may face more hardships in the near term than others, potentially looking to reduce exposure on any recovery in spreads.



- Index level spreads, although materially wider than the beginning of March (+200 bps), did retrace some of the widening into the end of the quarter

Source: ICE BofA Indices



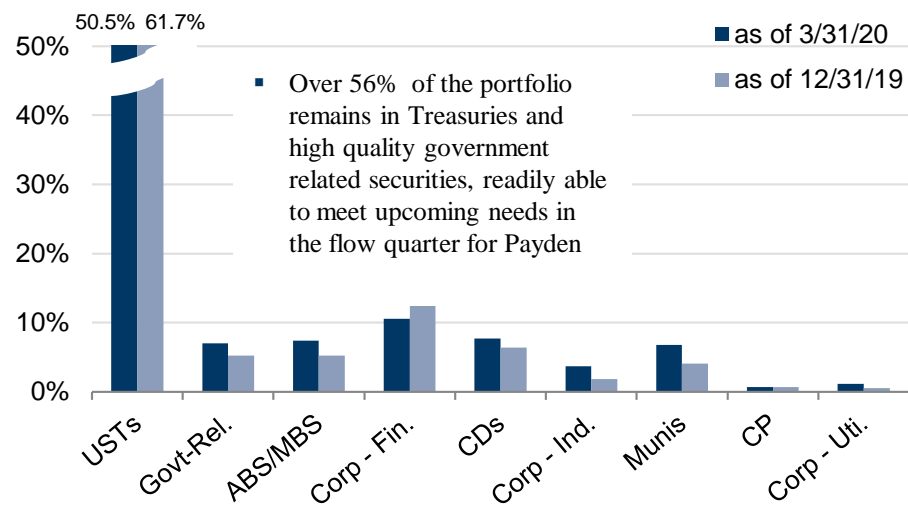
# Operating Fund Portfolio as of March 31, 2020

## Portfolio Characteristics

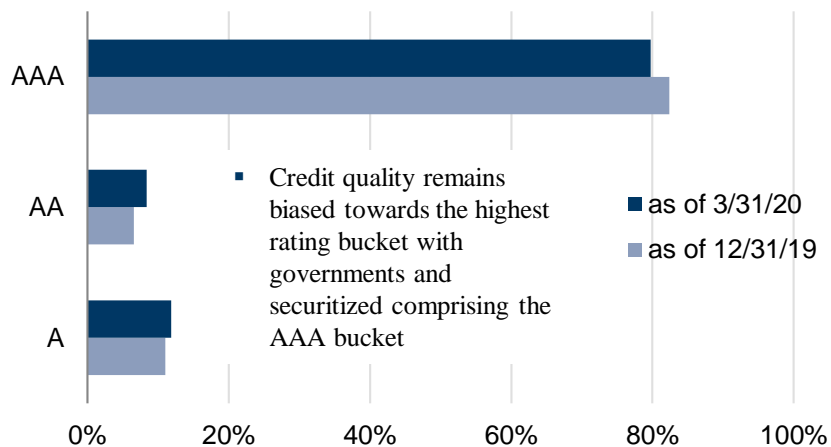
	03/31/20	12/31/19	Benchmark
Market Value	\$305,981,871	\$304,912,107	-
Yield to Maturity	1.09%	1.69%	0.07%
Effective Duration	0.34	0.22	0.16
Average Rating	AA+	AA+	AAA

Benchmark is FTSE 3-month Treasury Bill Index

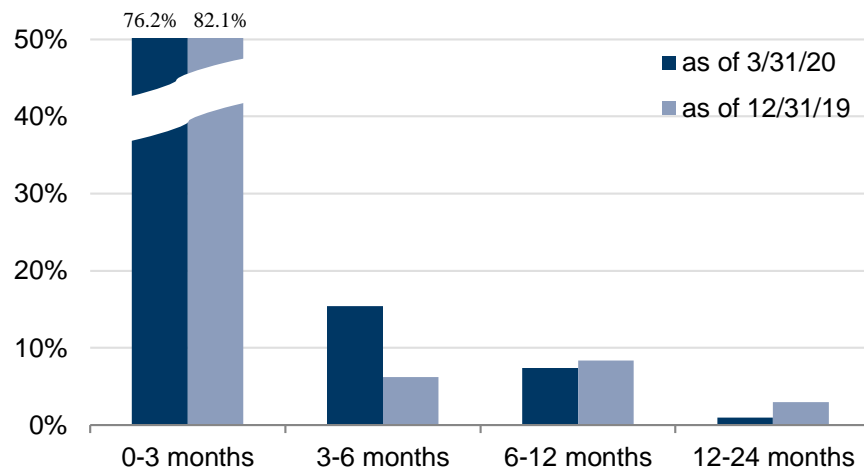
## Portfolio Sector Allocation



## Credit Quality Breakdown - Percentage of Portfolio



## Duration Distribution



Source: Payden & Rygel Calculations



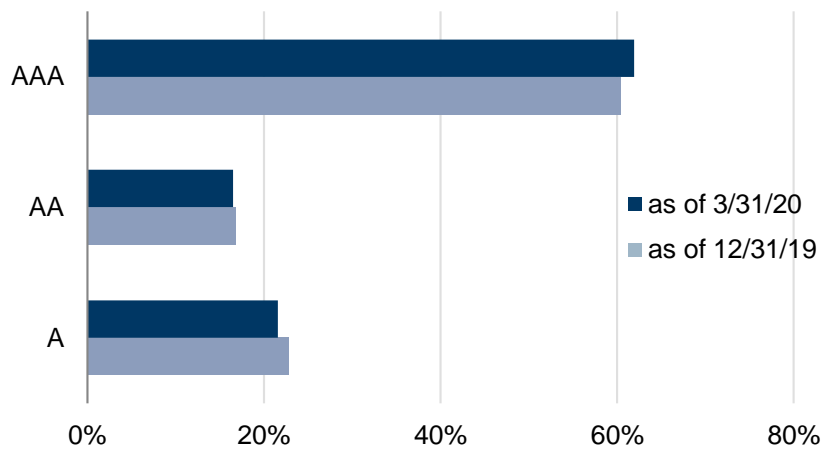
# Tier One Fund Portfolio as of March 31, 2020

## Portfolio Characteristics

	03/31/20	12/31/19	Benchmark
Market Value	\$157,864,886	\$155,430,553	-
Yield to Maturity	1.31%	1.79%	0.20%
Effective Duration	1.87	1.81	1.82
Average Rating	AA+	AA	AAA

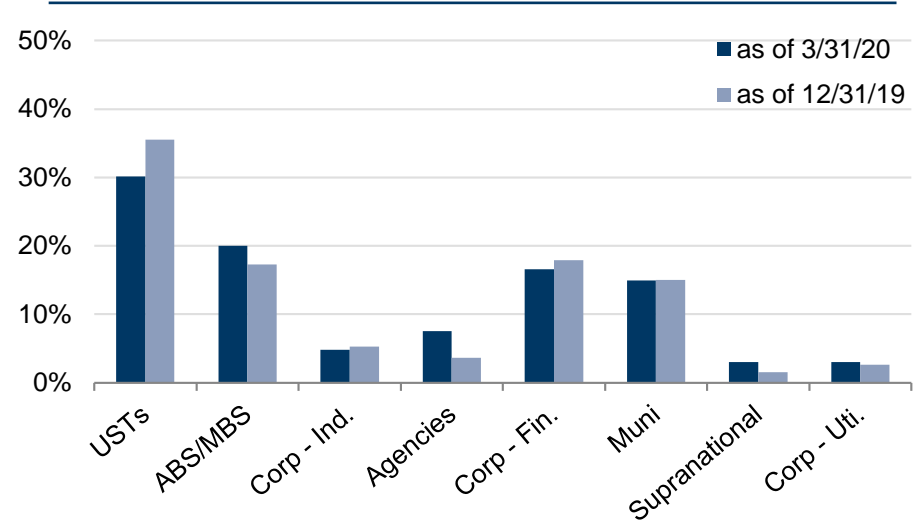
Benchmark is ICE BofA 1-3 Yr. U.S. Treasury Index

## Credit Quality Breakdown - Percentage of Portfolio

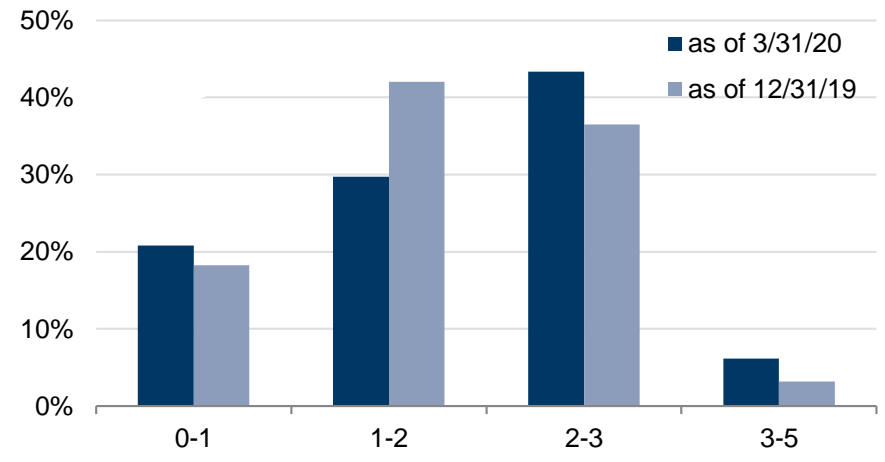


Source: Payden.

## Portfolio Sector Allocation



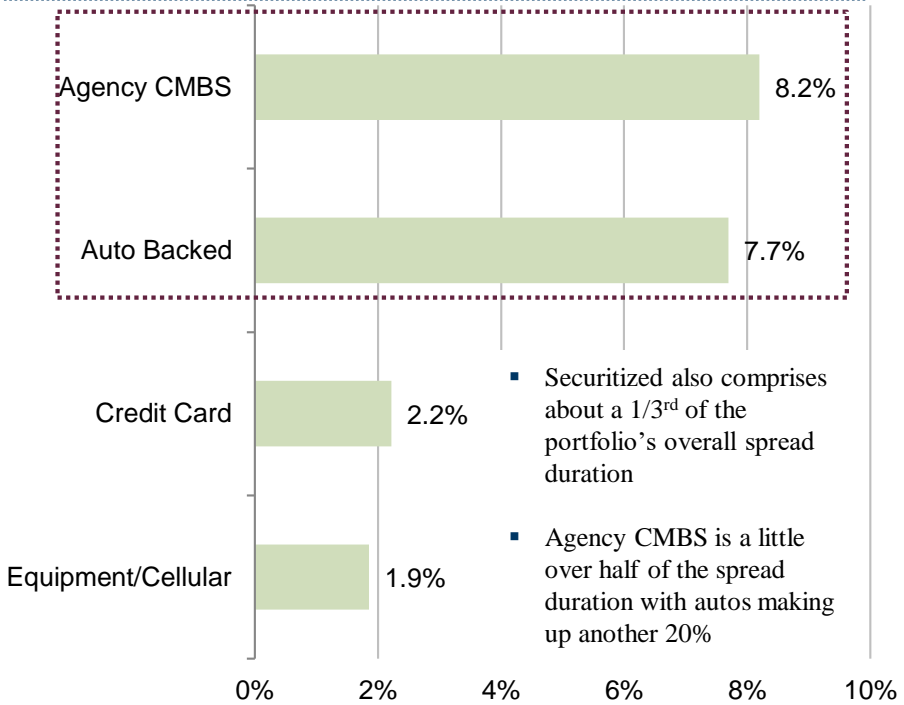
## Duration Distribution





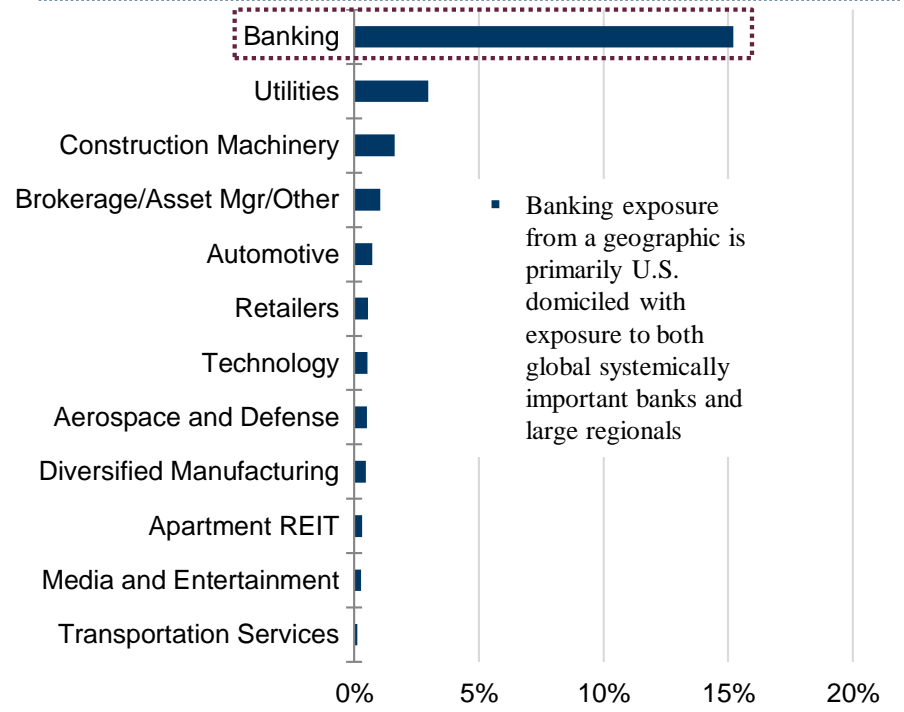
# Tier One Credit Exposure Details, Securitized & Investment Grade Corporates

Securitized holdings are all AAA rated and tied more towards consumer auto related receivables and agency CMBS (~16% of portfolio market value)



Source: Payden

Investment Grade Corporates are biased toward banks with much stronger balance sheets than witnessed back in the 2008 Great Financial Crisis

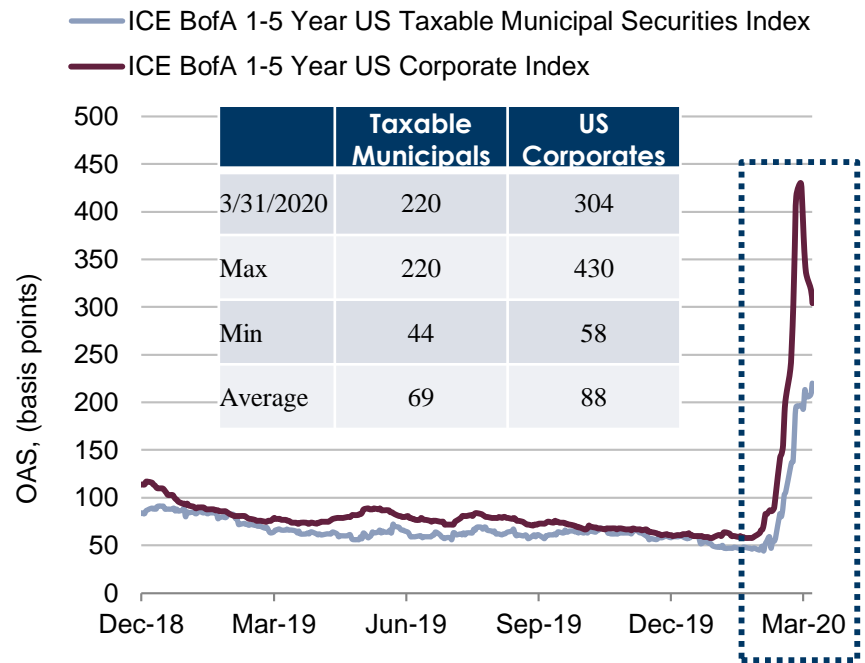


Source: Payden



# Tier One Portfolio: Taxable Municipal Bonds

Taxable municipal bond spreads moved wider along with investment grade corporates in March but not to the same magnitude, providing some protection



Source: ICE BofA Index data

- Taxable municipal bond exposure in the portfolio is approximately 15%, biased towards projects tied to revenue streams and predominantly in California
- Summer budget planning process is clearly impacted as a result of COVID-19 as both expenditure and revenue sides will be stressed in the short and potentially medium term
- Most local governments and enterprises will look to States for interim support. Most States are going into this crisis from **a place of relative strength**, however, much depends on the level of response aid and services the States will have to provide throughout this, balanced against declines in revenues. States **maintain broad authority** to enhance revenues, cut costs, and re-allocate resources.
- **Liquidity, and reliable sources of it**, will be a key component to management teams' ability to maintain credit quality. Most states and large municipal issuers have adequate access to liquidity even in current market conditions.
- The Federal Reserve will implement a Municipal Liquidity Facility to help states, large counties and cities (population requirements for both to have access) manage their cashflows through the purchase of \$500 billion of short term notes. The Fed is also committed to primary and secondary market support for the municipal bond sector



## Performance Summary

### Operating Fund Performance

#### PORTFOLIO RETURNS (As of 03/31/20)

	1 month	Trailing 3 Months	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Trailing 10 Years
Operating Fund (gross)	-0.08%	0.35%	2.16%	1.95%	1.42%	0.78%
Operating Fund (net)	-0.08%	0.33%	2.08%	1.87%	1.34%	0.67%
FTSE U.S. 3-Month Treasury Bill Index	0.13%	0.40%	2.05%	1.74%	1.13%	0.60%

### Tier One Fund Performance

#### PORTFOLIO RETURNS (As of 03/31/20)

	1 month	Trailing 3 Months	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Trailing 10 Years
Tier One Fund (gross)	0.13%	1.57%	4.35%	2.70%	1.98%	1.58%
Tier One Fund (net)	0.12%	1.55%	4.27%	2.62%	1.90%	1.48%
ICE BofA 1-3 Year Treasury Index	1.37%	2.81%	5.42%	2.70%	1.85%	1.43%
ICE BofA 1-3 Yr. AAA-A G/C Index	0.84%	2.22%	4.97%	2.67%	1.90%	1.58%





## Tier One Fund Performance: Attribution

ICE BofA 1-3 Yr. Treasury Index	Q1 2020	Trailing 12 months
<b>Interest Rates</b>	<b>1</b>	<b>-2</b>
Duration	1	-2
Curve	0	0
<b>Sector &amp; Selection</b>	<b>-125</b>	<b>-105</b>
Treasury	-1	0
Agency	-4	-4
Corporate	-68	-54
<i>Financial</i>	-45	-35
<i>Industrial</i>	-13	-10
<i>Utilities</i>	-10	-9
ABS/MBS	-28	-25
Municipals	-24	-22
<b>Residual</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>-124</b>	<b>-107</b>

ICE BofA 1-3 Yr. AAA-A Government / Credit	Q1 2020	Trailing 12 months
<b>Interest Rates</b>	<b>4</b>	<b>0</b>
Duration	2	0
Curve	2	0
<b>Sector &amp; Selection</b>	<b>-71</b>	<b>-63</b>
Treasury	-26	-23
Agency	1	1
Corporate	-14	-12
<i>Financial</i>	-12	-10
<i>Industrial</i>	5	4
<i>Utilities</i>	-7	-6
ABS/MBS	-16	-15
Municipals	-16	-14
<b>Residual</b>	<b>2</b>	<b>1</b>
<b>Total</b>	<b>-65</b>	<b>-62</b>

Figures rounded to the nearest basis point, based on gross returns



# CalOptima – Compliance Report – As of March 31, 2020

Allowable Instruments	CalOPTIMA-Combined		Maximum Stated Term Per Security		Actual Maximum Maturity				Minimum Quality Per Security	Actual Minimum Credit
	Maximum % of Portfolio	Actual %	Operating Funds	Reserve Tier 1	Operating Funds	Reserve Tier 1	Years	Years		
U.S. Treasuries	100	41.37%	2 Years	5 Years	1.17	Years	3.33	Years	TSY	TSY
Federal Agencies	100	2.55%	2 Years	5 Years			4.37	Years	AGY	AGY
State of CA & Other Municipal Obligations	30	11.28%	2 Years	5 Years	1.50	Years	3.34	Years	A3/A-	A2/A
Supranationals	30	1.02%	2 Years	5 Years			4.70	Years	Aa2/AA	Aaa/AAA
Bankers Acceptances	30	0.00%	180 Days	180 Days					A-1/P-1	n/a
Commercial Paper	25	0.43%	270 Days	270 Days	9.00	Days			A-1/P-1	P-1/A-1
Negotiable Certificates of Deposit <sup>1</sup>	30	1.84%	1 Year	1 Year	300.00	Days			A-1/P-1	P-1/A-1
Repurchase Agreements	100	0.00%	30 Days	30 Days					TSY	n/a
Medium Term Notes & Depository Notes	30	8.88%	2 Years	5 Years	1.81	Years	5.00	Years	A3/A-	A3/A-
Money Market & other Mutual Funds (combined)	20	2.71%	N/A	N/A	1.00	Days	0.00	Years	Aaa/AAA	AAA
Mortgage & Asset-Backed Securities (combined) <sup>2</sup>	20	8.21%	2 Years	5 Years	0.34	Years	3.08	Years	Aa3/AA-	AAA
Variable & Floating Rate Securities	30	21.71%	2 Years	5 Years	0.57	Years	2.87	Years	A3/A-	A3/A-

100.00%

## Diversification Guidelines

Maximum per Corporate Issuer	5%	1.10%
Repurchase Agreements (Maturity > 7 days)	25%	0.00%
Repurchase Agreements (Maturity <= 7 days)	50%	0.00%

<sup>1</sup> FRN CDs included in Variable & Floating Rate Securities section totaling 4.98% of combined portfolio.

<sup>2</sup> MBS & ABS minimum for security rating AA-, minimum issuer rating A- despite Code change 1/2019



A Public Agency

**CalOptima**  
Better. Together.

# **Financial Summary**

## **February 2020**

**Nancy Huang**

**Chief Financial Officer**

# FY 2019-20: Consolidated Enrollment

## February 2020 MTD

Overall enrollment was 721,228 members

- Actual lower than budget 19,688 or 2.7%
  - Medi-Cal unfavorable to budget 19,797 or 2.7%
    - Medi-Cal Expansion (MCE) unfavorable variance of 14,083
    - Temporary Assistance for Needy Families (TANF) unfavorable variance of 5,591
    - Whole Child Model (WCM) unfavorable variance of 1,686
    - Seniors and Persons with Disabilities (SPD) favorable variance of 1,458
    - Long-Term Care (LTC) favorable variance of 105
  - OneCare Connect favorable to budget 235 or 1.7%
  - OneCare unfavorable to budget 128 or 8.5%
  - PACE favorable to budget 2 or 0.5%
- 15,672 increase or 2.2% from January
  - Medi-Cal increase of 15,638
  - OneCare Connect increase of 67
  - OneCare decrease of 35
  - PACE increase of 2

# FY 2019-20: Consolidated Enrollment (cont.)

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## February 2020 YTD

Overall enrollment was 5,910,322 member months

- Actual lower than budget 64,365 or 1.1%
  - Medi-Cal unfavorable to budget 64,972 or 1.1%
    - MCE unfavorable variance of 57,432
    - WCM unfavorable variance of 11,149
    - SPD favorable variance of 8,729
    - TANF unfavorable variance 5,712
    - LTC favorable variance of 591
  - OneCare Connect favorable to budget 627 or 0.6%
  - OneCare unfavorable to budget 48 or 0.4%
  - PACE favorable to budget 28 or 1.0%

# FY 2019-20: Consolidated Revenues

## February 2020 MTD

- Actual higher than budget \$2.8 million or 0.9%
  - Medi-Cal favorable to budget \$1.9 million or 0.7%
    - Unfavorable volume variance of \$7.3 million
    - Favorable price variance of \$9.2 million
      - \$8.0 million of Coordinated Care Initiative (CCI) revenue
      - \$3.0 million of acuity rate adjustment revenue
      - \$2.1 million of Behavioral Health Treatment (BHT) revenue
      - Offset by \$3.9 million of WCM revenue
  - OneCare Connect favorable to budget \$1.1 million or 4.4%
    - Favorable volume variance of \$0.4 million
    - Favorable price variance of \$0.7 million

# FY 2019-20: Consolidated Revenues (cont.)

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## February 2020 MTD (cont.)

- OneCare unfavorable to budget \$299.0 thousand or 17.9%
  - Unfavorable volume variance of \$141.3 thousand
  - Unfavorable price variance of \$157.7 thousand
- PACE favorable to budget \$133.0 thousand or 4.4%
  - Favorable volume variance of \$15.5 thousand
  - Favorable price variance of \$117.5 thousand

# FY 2019-20: Consolidated Revenues (cont.)

## February 2020 YTD

- Actual higher than budget \$146.4 million or 6.2%
  - Medi-Cal favorable to budget \$138.2 million or 6.4%
    - Unfavorable volume variance of \$23.9 million
    - Favorable price variance of \$162.1 million
      - \$104.3 million of directed payment (DP) revenue
      - \$56.2 million of CCI revenue due to updated rate and member mix
      - \$24.0 million due to acuity rate adjustment revenue
      - \$10.7 million of BHT revenue
      - Offset by \$26.5 million of WCM revenue
  - OneCare Connect favorable to budget \$6.6 million or 3.5%
    - Favorable volume variance of \$1.1 million
    - Favorable price variance of \$5.6 million



# FY 2019-20: Consolidated Revenues (cont.)

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## February 2020 YTD (cont.)

- OneCare favorable to budget \$713.3 thousand or 5.4%
  - Unfavorable volume variance of \$52.3 thousand
  - Favorable price variance of \$765.6 thousand
- PACE favorable to budget \$893.4 thousand or 3.9%
  - Favorable volume variance of \$217.5 thousand
  - Favorable price variance of \$675.9 thousand

# FY 2019-20: Consolidated Medical Expenses

## February 2020 MTD

- Actual higher than budget \$8.7 million or 3.2%
  - Medi-Cal unfavorable variance of \$8.5 million or 3.4%
    - Favorable volume variance of \$6.8 million
    - Unfavorable price variance of \$15.3 million
      - Prescription Drug claims unfavorable variance \$9.6 million due to prior period claims
      - Facilities Claims unfavorable variance of \$4.6 million due to increased utilization
      - Professional Claims unfavorable variance of \$3.2 million due to crossover claims
  - OneCare Connect unfavorable variance of \$0.5 million or 2.1%
    - Unfavorable volume variance of \$0.4 million
    - Unfavorable price variance of \$0.1 million

# FY 2019-20: Consolidated Medical Expenses (cont.)

## February 2020 YTD

- Actual higher than budget \$160.9 million or 7.1%
  - Medi-Cal unfavorable variance of \$158.6 million or 7.8%
    - Favorable volume variance of \$22.7 million
    - Unfavorable price variance of \$181.3 million
      - Reinsurance and Other Expense category unfavorable variance of \$93.2 million due to \$104.0 million of DP, offset by favorable variance in homeless health initiative
      - Facilities Claims unfavorable variance of \$39.2 million
      - Professional Claims unfavorable variance of \$26.7 million
      - MLTSS unfavorable variance of \$17.9 million
  - OneCare Connect unfavorable variance of \$3.8 million or 2.0%
    - Unfavorable volume variance of \$1.0 million
    - Unfavorable price variance of \$2.8 million

## Medical Loss Ratio (MLR)

- February 2020 MTD:      Actual: 95.0%      Budget: 93.0%
- February 2020 YTD:      Actual: 95.9%      Budget: 95.0%

# FY 2019-20: Consolidated Administrative Expenses

## February 2020 MTD

- Actual lower than budget \$1.8 million or 14.1%
  - Salaries, wages and benefits: favorable variance of \$0.8 million
  - Other categories: favorable variance of \$0.9 million

## February 2020 YTD

- Actual lower than budget \$14.0 million or 13.5%
  - Salaries, wages and benefits: favorable variance of \$6.1 million
  - Other categories: favorable variance of \$7.9 million

## Administrative Loss Ratio (ALR)

- February 2020 MTD:      Actual: 3.6%      Budget: 4.2%
- February 2020 YTD:      Actual: 3.5%      Budget: 4.3%
  - Actual ALR (excluding DP revenue) is 3.7% YTD

# FY 2019-20: Change in Net Assets

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## February 2020 MTD

- \$10.4 million change in net assets
- \$0.8 million favorable to budget
  - Higher than budgeted revenue of \$2.8 million
  - Higher than budgeted medical expenses of \$8.7 million
  - Lower than budgeted administrative expenses of \$1.8 million
  - Higher than budgeted investment and other income of \$5.0 million

## February 2020 YTD

- \$40.9 million change in net assets
- \$16.2 million favorable to budget
  - Higher than budgeted revenue of \$146.4 million
  - Higher than budgeted medical expenses of \$160.9 million
  - Lower than budgeted administrative expenses of \$14.0 million
  - Higher than budgeted investment and other income of \$16.7 million

# Enrollment Summary: February 2020

Month-to-Date				Enrollment (by Aid Category)	Year-to-Date			
<u>Actual</u>	<u>Budget</u>	<u>\$</u> <u>Variance</u>	<u>%</u> <u>Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>\$</u> <u>Variance</u>	<u>%</u> <u>Variance</u>
66,380	66,109	271	0.4%	Aged	526,739	525,189	1,550	0.3%
485	615	(130)	(21.1%)	BCCTP	4,271	4,920	(649)	(13.2%)
44,939	43,622	1,317	3.0%	Disabled	357,779	349,951	7,828	2.2%
275,139	277,984	(2,845)	(1.0%)	TANF Child	2,258,069	2,262,182	(4,113)	(0.2%)
81,999	84,745	(2,746)	(3.2%)	TANF Adult	689,744	691,343	(1,599)	(0.2%)
3,509	3,404	105	3.1%	LTC	27,823	27,232	591	2.2%
221,574	235,657	(14,083)	(6.0%)	MCE	1,825,365	1,882,797	(57,432)	(3.1%)
11,254	12,940	(1,686)	(13.0%)	WCM	92,371	103,520	(11,149)	(10.8%)
<b>705,279</b>	<b>725,076</b>	<b>(19,797)</b>	<b>(2.7%)</b>	<b>Medi-Cal Total</b>	<b>5,782,162</b>	<b>5,847,134</b>	<b>(64,972)</b>	<b>(1.1%)</b>
<b>14,171</b>	<b>13,936</b>	<b>235</b>	<b>1.7%</b>	<b>OneCare Connect</b>	<b>113,230</b>	<b>112,603</b>	<b>627</b>	<b>0.6%</b>
<b>1,382</b>	<b>1,510</b>	<b>(128)</b>	<b>(8.5%)</b>	<b>OneCare</b>	<b>11,968</b>	<b>12,016</b>	<b>(48)</b>	<b>(0.4%)</b>
<b>396</b>	<b>394</b>	<b>2</b>	<b>0.5%</b>	<b>PACE</b>	<b>2,962</b>	<b>2,934</b>	<b>28</b>	<b>1.0%</b>
<b>721,228</b>	<b>740,916</b>	<b>(19,688)</b>	<b>(2.7%)</b>	<b>CalOptima Total</b>	<b>5,910,322</b>	<b>5,974,687</b>	<b>(64,365)</b>	<b>(1.1%)</b>

# Financial Highlights: February 2020

Month-to-Date					Year-to-Date			
Actual	Budget	\$ Budget	% Budget		Actual	Budget	\$ Budget	% Budget
721,228	740,916	(19,688)	(2.7%)	Member Months	5,910,322	5,974,687	(64,365)	(1.1%)
300,202,018	297,388,165	2,813,852	0.9%	Revenues	2,524,518,675	2,378,080,674	146,438,001	6.2%
285,339,143	276,608,340	(8,730,804)	(3.2%)	Medical Expenses	2,421,011,950	2,260,075,965	(160,935,985)	(7.1%)
10,734,765	12,494,493	1,759,728	14.1%	Administrative Expenses	89,288,986	103,248,541	13,959,555	13.5%
<b>4,128,109</b>	<b>8,285,333</b>	<b>(4,157,223)</b>	<b>(50.2%)</b>	<b>Operating Margin</b>	<b>14,217,739</b>	<b>14,756,168</b>	<b>(538,429)</b>	<b>(3.6%)</b>
6,235,120	1,250,000	4,985,120	398.8%	Non Operating Income (Loss)	26,688,785	10,000,000	16,688,785	166.9%
<b>10,363,229</b>	<b>9,535,333</b>	<b>827,897</b>	<b>8.7%</b>	<b>Change in Net Assets</b>	<b>40,906,524</b>	<b>24,756,168</b>	<b>16,150,356</b>	<b>65.2%</b>
95.0%	93.0%	(2.0%)		Medical Loss Ratio	95.9%	95.0%	(0.9%)	
3.6%	4.2%	0.6%		Administrative Loss Ratio	3.5%	4.3%	0.8%	
<u>1.4%</u>	<u>2.8%</u>	(1.4%)		Operating Margin Ratio	<u>0.6%</u>	<u>0.6%</u>	(0.1%)	
100.0%	100.0%			Total Operating	100.0%	100.0%		
				*Administrative Loss Ratio (excluding Directed Payments)*	3.7%	4.3%	0.6%	

\*CalOptima updated the category of Directed Payments per Department of Healthcare Services instructions

# Consolidated Performance Actual vs. Budget: February 2020 (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>
3.4	8.4	(5.0)	Medi-Cal	15.9	24.4	(8.4)
0.3	(0.5)	0.7	OCC	(5.4)	(10.2)	4.7
(0.2)	(0.0)	(0.2)	OneCare	0.8	(0.9)	1.6
<u>0.6</u>	<u>0.4</u>	<u>0.3</u>	<u>PACE</u>	<u>3.0</u>	<u>1.5</u>	<u>1.5</u>
<b>4.1</b>	<b>8.3</b>	<b>(4.2)</b>	<b>Operating</b>	<b>14.2</b>	<b>14.8</b>	<b>(0.5)</b>
<u>6.2</u>	<u>1.3</u>	<u>5.0</u>	<u>Inv./Rental Inc, MCO tax</u>	<u>26.7</u>	<u>10.0</u>	<u>16.7</u>
<b>6.2</b>	<b>1.3</b>	<b>5.0</b>	<b>Non-Operating</b>	<b>26.7</b>	<b>10.0</b>	<b>16.7</b>
<b>10.4</b>	<b>9.5</b>	<b>0.8</b>	<b>TOTAL</b>	<b>40.9</b>	<b>24.8</b>	<b>16.2</b>



# Consolidated Revenue & Expense:

## February 2020 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Whole Child Model	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
<b>MEMBER MONTHS</b>	472,451	221,574	11,254	705,279	14,171	1,382	396	721,228
<b>REVENUES</b>								
Capitation Revenue	145,598,779	\$ 102,298,191	\$ 22,469,096	\$ 270,366,067	\$ 25,280,051	\$ 1,368,401	\$ 3,187,499	\$ 300,202,018
Other Income	-	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<u>145,598,779</u>	<u>102,298,191</u>	<u>22,469,096</u>	<u>270,366,067</u>	<u>25,280,051</u>	<u>1,368,401</u>	<u>3,187,499</u>	<u>300,202,018</u>
<b>MEDICAL EXPENSES</b>								
Provider Capitation	38,741,390	40,277,099	10,827,278	89,845,768	10,550,133	488,152	-	100,884,053
Facilities	23,985,484	21,714,691	4,341,694	50,041,869	3,099,820	295,146	681,563	54,118,399
Ancillary	-	-	-	-	-	-	-	-
Professional Claims	16,183,837	6,802,760	1,822,257	24,808,854	998,569	79,623	477,547	26,364,593
Prescription Drugs	18,695,116	25,625,489	6,241,731	50,562,337	6,218,457	497,050	270,042	57,547,886
MLTSS	31,791,697	2,353,087	1,602,646	35,747,431	1,295,930	26,695	37,825	37,107,880
Medical Management	1,860,488	1,190,897	247,579	3,298,965	910,214	31,987	697,360	4,938,526
Quality Incentives	1,473,800	443,664	140,439	2,057,903	198,265	-	4,588	2,260,756
Reinsurance & Other	892,836	810,358	31,010	1,734,204	190,341	-	192,505	2,117,051
<b>Total Medical Expenses</b>	<u>133,624,649</u>	<u>99,218,046</u>	<u>25,254,635</u>	<u>258,097,330</u>	<u>23,461,729</u>	<u>1,418,653</u>	<u>2,361,431</u>	<u>285,339,143</u>
<b>Medical Loss Ratio</b>	91.8%	97.0%	112.4%	95.5%	92.8%	103.7%	74.1%	95.0%
<b>GROSS MARGIN</b>	<b>11,974,130</b>	<b>3,080,145</b>	<b>(2,785,539)</b>	<b>12,268,737</b>	<b>1,818,321</b>	<b>(50,252)</b>	<b>826,068</b>	<b>14,862,874</b>
<b>ADMINISTRATIVE EXPENSES</b>								
Salaries & Benefits				6,041,509	693,262	67,393	136,033	6,938,197
Professional fees				170,797	4,000	15,000	123	189,921
Purchased services				914,299	119,516	9,354	9,072	1,052,241
Printing & Postage				510,721	111,600	9,241	21,217	652,780
Depreciation & Amortization				283,048	-	-	2,057	285,105
Other expenses				1,271,968	57,547	263	4,443	1,334,222
Indirect cost allocation & Occupancy				(308,736)	548,726	38,274	4,036	282,299
<b>Total Administrative Expenses</b>				<u>8,883,606</u>	<u>1,534,651</u>	<u>139,526</u>	<u>176,981</u>	<u>10,734,765</u>
<b>Admin Loss Ratio</b>				3.3%	6.1%	10.2%	5.6%	3.6%
<b>INCOME (LOSS) FROM OPERATIONS</b>				3,385,131	283,670	(189,778)	649,086	4,128,109
<b>INVESTMENT INCOME</b>								6,802,965
<b>TOTAL MCO TAX</b>				(567,820)				(567,820)
<b>TOTAL GRANT INCOME</b>				(25)				(25)
<b>CHANGE IN NET ASSETS</b>				<u>\$ 2,817,285</u>	<u>\$ 283,670</u>	<u>\$ (189,778)</u>	<u>\$ 649,086</u>	<u>\$ 10,363,229</u>
<b>BUDGETED CHANGE IN NET ASSETS</b>				8,412,553	(459,528)	(26,259)	358,567	9,535,333
<b>VARIANCE TO BUDGET - FAV (UNFAV)</b>				<u>\$ (5,595,267)</u>	<u>\$ 743,198</u>	<u>\$ (163,519)</u>	<u>\$ 290,519</u>	<u>\$ 827,897</u>

# Consolidated Revenue & Expense: February 2020 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Whole Child Model	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
<b>MEMBER MONTHS</b>	3,864,425	1,825,365	92,371	5,782,161	113,230	11,968	2,962	5,910,321
<b>REVENUES</b>								
Capitation Revenue	1,231,553,286	\$ 873,962,444	\$ 183,826,029	\$ 2,289,341,760	\$ 197,683,360	\$ 13,807,011	\$ 23,686,545	\$ 2,524,518,675
Other Income	-	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<u>1,231,553,286</u>	<u>873,962,444</u>	<u>183,826,029</u>	<u>2,289,341,760</u>	<u>197,683,360</u>	<u>13,807,011</u>	<u>23,686,545</u>	<u>2,524,518,675</u>
<b>MEDICAL EXPENSES</b>								
Provider Capitation	311,234,489	351,980,979	80,505,569	743,721,037	87,921,518	3,842,695	-	835,485,251
Facilities	202,275,127	172,684,144	45,599,674	420,558,945	29,623,026	3,132,248	5,246,068	458,560,288
Ancillary	-	-	-	-	-	-	-	-
Professional Claims	141,904,967	55,918,860	11,281,869	209,105,696	6,051,569	390,030	4,298,198	219,845,493
Prescription Drugs	134,435,490	177,103,851	44,461,815	356,001,157	44,972,194	4,133,304	1,872,571	406,979,226
MLTSS	274,707,958	20,979,360	14,730,599	310,417,916	10,826,133	101,275	296,626	321,641,951
Medical Management	16,809,216	9,834,731	2,100,480	28,744,427	8,168,696	305,660	5,714,661	42,933,444
Quality Incentives	7,318,407	3,699,714	1,129,749	12,147,870	1,619,090	-	191,235	13,958,195
Reinsurance & Other	67,828,448	50,362,499	276,355	118,467,303	1,464,349	-	1,676,451	121,608,103
<b>Total Medical Expenses</b>	<u>1,156,514,102</u>	<u>842,564,139</u>	<u>200,086,110</u>	<u>2,199,164,351</u>	<u>190,646,576</u>	<u>11,905,213</u>	<u>19,295,810</u>	<u>2,421,011,950</u>
<b>Medical Loss Ratio</b>	93.9%	96.4%	108.8%	96.1%	96.4%	86.2%	81.5%	95.9%
<b>GROSS MARGIN</b>	<b>75,039,184</b>	<b>31,398,306</b>	<b>(16,260,081)</b>	<b>90,177,409</b>	<b>7,036,784</b>	<b>1,901,798</b>	<b>4,390,735</b>	<b>103,506,725</b>
<b>ADMINISTRATIVE EXPENSES</b>								
Salaries & Benefits	-	-	-	51,275,630	5,696,728	519,785	1,119,353	58,611,495
Professional fees	-	-	-	1,572,340	456,485	159,371	1,383	2,189,579
Purchased services	-	-	-	6,383,657	1,183,248	110,905	66,707	7,744,517
Printing & Postage	-	-	-	2,752,156	473,674	37,546	82,490	3,345,867
Depreciation & Amortization	-	-	-	2,733,320	-	-	16,656	2,749,976
Other expenses	-	-	-	11,537,951	221,451	2,237	32,546	11,794,186
Indirect cost allocation & Occupancy	-	-	-	(2,006,745)	4,448,560	319,465	92,085	2,853,365
<b>Total Administrative Expenses</b>	-	-	-	<u>74,248,309</u>	<u>12,480,147</u>	<u>1,149,310</u>	<u>1,411,220</u>	<u>89,288,986</u>
<b>Admin Loss Ratio</b>				3.2%	6.3%	8.3%	6.0%	3.5%
<b>INCOME (LOSS) FROM OPERATIONS</b>				15,929,100	(5,443,364)	752,488	2,979,514	14,217,739
<b>INVESTMENT INCOME</b>								29,670,624
<b>TOTAL MCO TAX</b>				(2,982,247)				(2,982,247)
<b>TOTAL GRANT INCOME</b>				(86)				(86)
<b>OTHER INCOME</b>				494				494
<b>CHANGE IN NET ASSETS</b>				<u>\$ 12,947,261</u>	<u>\$ (5,443,364)</u>	<u>\$ 752,488</u>	<u>\$ 2,979,514</u>	<u>\$ 40,906,524</u>
<b>BUDGETED CHANGE IN NET ASSETS</b>				24,363,845	(10,183,404)	(881,059)	1,456,786	24,756,168
<b>VARIANCE TO BUDGET - FAV (UNFAV)</b>				<u>\$ (11,416,584)</u>	<u>\$ 4,740,040</u>	<u>\$ 1,633,547</u>	<u>\$ 1,522,728</u>	<u>\$ 16,150,356</u>

# Balance Sheet:

## As of February 2020

### ASSETS

Current Assets	
Operating Cash	\$489,245,301
Investments	603,526,985
Capitation receivable	431,771,211
Receivables - Other	35,353,301
Prepaid expenses	7,568,030
<b>Total Current Assets</b>	<b><u>1,567,464,828</u></b>

Capital Assets	
Furniture & Equipment	37,266,060
Building/Leasehold Improvements	11,166,259
505 City Parkway West	<u>50,489,717</u>
	98,922,036
Less: accumulated depreciation	<u>(50,951,175)</u>
Capital assets, net	<u>47,970,861</u>

Other Assets	
Restricted Deposit & Other	300,000
Homeless Health Reserve	58,198,913
Board-designated assets:	
Cash and Cash Equivalents	6,769,010
Long-term Investments	<u>568,851,831</u>
Total Board-designated Assets	<u>575,620,841</u>
<b>Total Other Assets</b>	<b><u>634,119,754</u></b>

**TOTAL ASSETS** **2,249,555,443**

Deferred Outflows	
Contributions	686,962
Difference in Experience	3,419,328
Excess Earning	-
Changes in Assumptions	6,428,159
Pension Contributions	556,000

**TOTAL ASSETS & DEFERRED OUTFLOWS** **2,260,645,892**

### LIABILITIES & NET POSITION

Current Liabilities	
Accounts Payable	\$118,224,858
Medical Claims liability	913,223,141
Accrued Payroll Liabilities	12,907,342
Deferred Revenue	54,025,966
Deferred Lease Obligations	170,710
Capitation and Withholds	128,765,322
<b>Total Current Liabilities</b>	<b><u>1,227,317,338</u></b>

Other (than pensions) post employment benefits liability	25,683,620
Net Pension Liabilities	23,788,705
Bldg 505 Development Rights	-

**TOTAL LIABILITIES** **1,276,789,664**

Deferred Inflows	
Excess Earnings	156,330
Change in Assumptions	4,747,505
OPEB Changes in Assumptions	2,503,000

Net Position	
TNE	97,174,161
Funds in Excess of TNE	<u>879,275,232</u>

**TOTAL NET POSITION** **976,449,394**

**TOTAL LIABILITIES, DEFERRED INFLOWS & NET POSITION** **2,260,645,892**

# Board Designated Reserve and TNE Analysis As of February 2020

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	157,659,267				
	Tier 1 - Logan Circle	156,404,603				
	Tier 1 - Wells Capital	156,906,818				
<b>Board-designated Reserve</b>						
		470,970,688	323,409,639	503,659,839	147,561,049	(32,689,151)
TNE Requirement	Tier 2 - Logan Circle	104,650,153	97,174,161	97,174,161	7,475,992	7,475,992
<b>Consolidated:</b>		<b>575,620,841</b>	<b>420,583,800</b>	<b>600,834,001</b>	<b>155,037,041</b>	<b>(25,213,159)</b>
<i>Current reserve level</i>		<i>1.92</i>	<i>1.40</i>	<i>2.00</i>		



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**Medi-Cal**  
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**OneCare (HMO SNP)**  
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**OneCare Connect**  
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**PACE**  
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**UNAUDITED FINANCIAL STATEMENTS**

**February 2020**

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## February 29, 2020 Unaudited Financial Statements

### SUMMARY

#### MONTHLY RESULTS:

- Change in Net Assets is \$10.4 million, \$0.8 million favorable to budget
- Operating surplus is \$4.1 million, with a surplus in non-operating income of \$6.2 million

#### YEAR TO DATE RESULTS:

- Change in Net Assets is \$40.9 million, \$16.2 million favorable to budget
- Operating surplus is \$14.2 million, with a surplus in non-operating income of \$26.7 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>
3.4	8.4	(5.0)	Medi-Cal	15.9	24.4	(8.4)
0.3	(0.5)	0.7	OCC	(5.4)	(10.2)	4.7
(0.2)	(0.0)	(0.2)	OneCare	0.8	(0.9)	1.6
<u>0.6</u>	<u>0.4</u>	<u>0.3</u>	<u>PACE</u>	<u>3.0</u>	<u>1.5</u>	<u>1.5</u>
<b>4.1</b>	<b>8.3</b>	<b>(4.2)</b>	<b>Operating</b>	<b>14.2</b>	<b>14.8</b>	<b>(0.5)</b>
<u>6.2</u>	<u>1.3</u>	<u>5.0</u>	<u>Inv./Rental Inc, MCO tax</u>	<u>26.7</u>	<u>10.0</u>	<u>16.7</u>
<b>6.2</b>	<b>1.3</b>	<b>5.0</b>	<b>Non-Operating</b>	<b>26.7</b>	<b>10.0</b>	<b>16.7</b>
<b>10.4</b>	<b>9.5</b>	<b>0.8</b>	<b>TOTAL</b>	<b>40.9</b>	<b>24.8</b>	<b>16.2</b>



**CalOptima - Consolidated  
Financial Highlights  
For the Eight Months Ended February 29, 2020**

Month-to-Date				Year-to-Date				
Actual	Budget	\$ Budget	% Budget		Actual	Budget	\$ Budget	% Budget
721,228	740,916	(19,688)	(2.7%)	Member Months	5,910,322	5,974,687	(64,365)	(1.1%)
300,202,018	297,388,165	2,813,852	0.9%	Revenues	2,524,518,675	2,378,080,674	146,438,001	6.2%
285,339,143	276,608,340	(8,730,804)	(3.2%)	Medical Expenses	2,421,011,950	2,260,075,965	(160,935,985)	(7.1%)
10,734,765	12,494,493	1,759,728	14.1%	Administrative Expenses	89,288,986	103,248,541	13,959,555	13.5%
<b>4,128,109</b>	<b>8,285,333</b>	<b>(4,157,223)</b>	<b>(50.2%)</b>	<b>Operating Margin</b>	<b>14,217,739</b>	<b>14,756,168</b>	<b>(538,429)</b>	<b>(3.6%)</b>
6,235,120	1,250,000	4,985,120	398.8%	Non Operating Income (Loss)	26,688,785	10,000,000	16,688,785	166.9%
<b>10,363,229</b>	<b>9,535,333</b>	<b>827,897</b>	<b>8.7%</b>	<b>Change in Net Assets</b>	<b>40,906,524</b>	<b>24,756,168</b>	<b>16,150,356</b>	<b>65.2%</b>
95.0%	93.0%	(2.0%)		Medical Loss Ratio	95.9%	95.0%	(0.9%)	
3.6%	4.2%	0.6%		Administrative Loss Ratio	3.5%	4.3%	0.8%	
<u>1.4%</u>	<u>2.8%</u>	(1.4%)		Operating Margin Ratio	<u>0.6%</u>	<u>0.6%</u>	(0.1%)	
100.0%	100.0%			Total Operating	100.0%	100.0%		
				*Administrative Loss Ratio (excluding Directed Payments)*	3.7%	4.3%	0.6%	

\*CalOptima updated the category of Directed Payments per Department of Healthcare Services instructions

**CalOptima**  
**Financial Dashboard**  
**For the Eight Months Ended February 29, 2020**

**MONTH - TO - DATE**

Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	705,279	725,076 ↓	(19,797)	(2.7%)
OneCare Connect	14,171	13,936 ↑	235	1.7%
OneCare	1,382	1,510 ↓	(128)	(8.5%)
PACE	396	394 ↑	2	0.5%
<b>Total</b>	<b>721,228</b>	<b>740,916 ↓</b>	<b>(19,688)</b>	<b>(2.7%)</b>

Change in Net Assets (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 2,817	\$ 8,413 ↓	\$ (5,596)	(66.5%)
OneCare Connect	284	(460) ↑	744	161.7%
OneCare	(190)	(26) ↓	(164)	(630.8%)
PACE	649	359 ↑	290	80.8%
505 Bldg.	-	- ↑	-	0.0%
Investment Income & Other	6,803	1,250 ↑	5,553	444.2%
<b>Total</b>	<b>\$ 10,363</b>	<b>\$ 9,536 ↑</b>	<b>\$ 827</b>	<b>8.7%</b>

MLR	Actual	Budget	% Point Var	
Medi-Cal	95.5%	93.0% ↓	(2.5)	
OneCare Connect	92.8%	94.8% ↑	2.0	
OneCare	103.7%	92.9% ↓	(10.8)	

Administrative Cost (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 8,884	\$ 10,465 ↑	\$ 1,581	15.1%
OneCare Connect	1,535	1,709 ↑	175	10.2%
OneCare	140	145 ↑	5	3.6%
PACE	177	176 ↓	(1)	(0.8%)
<b>Total</b>	<b>\$ 10,735</b>	<b>\$ 12,494 ↑</b>	<b>\$ 1,760</b>	<b>14.1%</b>

Total FTE's Month	Actual	Budget	Fav / (Unfav)	
Medi-Cal	1,054	1,183	129	
OneCare Connect	192	211	18	
OneCare	11	9	(2)	
PACE	77	93	15	
<b>Total</b>	<b>1,335</b>	<b>1,496</b>	<b>161</b>	

MM per FTE	Actual	Budget	Fav / (Unfav)	
Medi-Cal	669	613	56	
OneCare Connect	74	66	8	
OneCare	121	162	(41)	
PACE	5	4	1	
<b>Total</b>	<b>869</b>	<b>846</b>	<b>24</b>	

**YEAR - TO - DATE**

Year To Date Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	5,782,162	5,847,134 ↓	(64,972)	(1.1%)
OneCare Connect	113,230	112,603 ↑	627	0.6%
OneCare	11,968	12,016 ↓	(48)	(0.4%)
PACE	2,962	2,934 ↑	28	1.0%
<b>Total</b>	<b>5,910,322</b>	<b>5,974,687 ↓</b>	<b>(64,365)</b>	<b>(1.1%)</b>

Change in Net Assets (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 12,947	\$ 24,364 ↓	\$ (11,417)	(46.9%)
OneCare Connect	(5,443)	(10,183) ↑	4,740	46.5%
OneCare	752	(881) ↑	1,633	185.4%
PACE	2,980	1,457 ↑	1,523	104.5%
505 Bldg.	-	- ↑	-	0.0%
Investment Income & Other	29,671	10,000 ↑	19,671	196.7%
<b>Total</b>	<b>\$ 40,907</b>	<b>\$ 24,757 ↑</b>	<b>\$ 16,150</b>	<b>65.2%</b>

MLR	Actual	Budget	% Point Var	
Medi-Cal	96.1%	94.9% ↓	(1.2)	
OneCare Connect	96.4%	97.8% ↑	1.3	
OneCare	86.2%	97.8% ↑	11.5	

Administrative Cost (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 74,248	\$ 86,199 ↑	\$ 11,950	13.9%
OneCare Connect	12,480	14,420 ↑	1,940	13.5%
OneCare	1,149	1,175 ↑	25	2.2%
PACE	1,411	1,455 ↑	43	3.0%
<b>Total</b>	<b>\$ 89,289</b>	<b>\$ 103,249 ↑</b>	<b>\$ 13,960</b>	<b>13.5%</b>

Total FTE's YTD	Actual	Budget	Fav / (Unfav)	
Medi-Cal	8,313	9,314	1,000	
OneCare Connect	1,533	1,640	107	
OneCare	75	74	(0)	
PACE	575	736	161	
<b>Total</b>	<b>10,496</b>	<b>11,764</b>	<b>1,268</b>	

MM per FTE	Actual	Budget	Fav / (Unfav)	
Medi-Cal	696	628	68	
OneCare Connect	74	69	5	
OneCare	160	162	(2)	
PACE	5	4	1	
<b>Total</b>	<b>934</b>	<b>862</b>	<b>72</b>	

**CalOptima - Consolidated**  
**Statement of Revenues and Expenses**  
**For the One Month Ended February 29, 2020**

	Actual		Budget		Variance	
	\$	PMPM	\$	PMPM	\$	PMPM
<b>MEMBER MONTHS</b>	721,228		740,916		(19,688)	
<b>REVENUE</b>						
Medi-Cal	\$ 270,366,067	\$ 383.35	\$ 268,448,434	\$ 370.23	\$ 1,917,633	\$ 13.12
OneCare Connect	25,280,051	1,783.93	24,217,845	1,737.67	1,062,206	46.26
OneCare	1,368,401	990.16	1,667,399	1,104.24	(298,998)	(114.08)
PACE	3,187,499	8,049.24	3,054,487	7,752.51	133,012	296.73
Total Operating Revenue	<u>300,202,018</u>	<u>416.24</u>	<u>297,388,165</u>	<u>401.38</u>	<u>2,813,852</u>	<u>14.86</u>
<b>MEDICAL EXPENSES</b>						
Medi-Cal	258,097,330	365.95	249,571,039	344.20	(8,526,292)	(21.75)
OneCare Connect	23,461,729	1,655.62	22,968,065	1,647.99	(493,664)	(7.63)
OneCare	1,418,653	1,026.52	1,548,863	1,025.74	130,210	(0.78)
PACE	2,361,431	5,963.21	2,520,373	6,396.89	158,942	433.68
Total Medical Expenses	<u>285,339,143</u>	<u>395.63</u>	<u>276,608,340</u>	<u>373.33</u>	<u>(8,730,804)</u>	<u>(22.30)</u>
<b>GROSS MARGIN</b>	14,862,874	20.61	20,779,826	28.05	(5,916,952)	(7.44)
<b>ADMINISTRATIVE EXPENSES</b>						
Salaries and benefits	6,938,197	9.62	7,748,287	10.46	810,090	0.84
Professional fees	189,921	0.26	481,001	0.65	291,080	0.39
Purchased services	1,052,241	1.46	1,136,276	1.53	84,035	0.07
Printing & Postage	652,780	0.91	565,630	0.76	(87,150)	(0.15)
Depreciation & Amortization	285,105	0.40	457,866	0.62	172,761	0.22
Other expenses	1,334,222	1.85	1,726,234	2.33	392,012	0.48
Indirect cost allocation & Occupancy expense	282,299	0.39	379,199	0.51	96,900	0.12
Total Administrative Expenses	<u>10,734,765</u>	<u>14.88</u>	<u>12,494,493</u>	<u>16.86</u>	<u>1,759,728</u>	<u>1.98</u>
<b>INCOME (LOSS) FROM OPERATIONS</b>	4,128,109	5.72	8,285,333	11.18	(4,157,223)	(5.46)
<b>INVESTMENT INCOME</b>						
Interest income	2,687,736	3.73	1,250,000	1.69	1,437,736	2.04
Realized gain/(loss) on investments	346,014	0.48	-	-	346,014	0.48
Unrealized gain/(loss) on investments	3,769,215	5.23	-	-	3,769,215	5.23
Total Investment Income	<u>6,802,965</u>	<u>9.43</u>	<u>1,250,000</u>	<u>1.69</u>	<u>5,552,965</u>	<u>7.74</u>
<b>TOTAL MCO TAX</b>	(567,820)	(0.79)	-	-	(567,820)	(0.79)
<b>TOTAL GRANT INCOME</b>	(25)	-	-	-	(25)	-
<b>CHANGE IN NET ASSETS</b>	<u>10,363,229</u>	<u>14.37</u>	<u>9,535,333</u>	<u>12.87</u>	<u>827,897</u>	<u>1.50</u>
<b>MEDICAL LOSS RATIO</b>	<b>95.0%</b>		<b>93.0%</b>		<b>(2.0%)</b>	
<b>ADMINISTRATIVE LOSS RATIO</b>	<b>3.6%</b>		<b>4.2%</b>		<b>0.6%</b>	

**CalOptima - Consolidated**  
**Statement of Revenues and Expenses**  
**For the Eight Months Ended February 29, 2020**

	Actual		Budget		Variance	
	\$	PMPM	\$	PMPM	\$	PMPM
<b>MEMBER MONTHS</b>	5,910,322		5,974,687		(64,365)	
<b>REVENUE</b>						
Medi-Cal	\$ 2,289,341,760	\$ 395.93	\$ 2,151,130,613	\$ 367.89	\$ 138,211,147	\$ 28.04
OneCare Connect	197,683,360	1,745.86	191,063,222	1,696.77	6,620,138	49.09
OneCare	13,807,011	1,153.66	13,093,732	1,089.69	713,279	63.97
PACE	23,686,545	7,996.81	22,793,107	7,768.61	893,438	228.20
Total Operating Revenue	<u>2,524,518,675</u>	<u>427.14</u>	<u>2,378,080,674</u>	<u>398.03</u>	<u>146,438,001</u>	<u>29.11</u>
<b>MEDICAL EXPENSES</b>						
Medi-Cal	2,199,164,351	380.34	2,040,568,022	348.99	(158,596,329)	(31.35)
OneCare Connect	190,646,576	1,683.71	186,826,206	1,659.14	(3,820,370)	(24.57)
OneCare	11,905,213	994.75	12,800,001	1,065.25	894,788	70.50
PACE	19,295,810	6,514.45	19,881,736	6,776.32	585,926	261.87
Total Medical Expenses	<u>2,421,011,950</u>	<u>409.62</u>	<u>2,260,075,965</u>	<u>378.28</u>	<u>(160,935,985)</u>	<u>(31.34)</u>
<b>GROSS MARGIN</b>	103,506,725	17.52	118,004,709	19.75	(14,497,984)	(2.23)
<b>ADMINISTRATIVE EXPENSES</b>						
Salaries and benefits	58,611,495	9.92	64,685,425	10.83	6,073,930	0.91
Professional fees	2,189,579	0.37	3,800,977	0.64	1,611,398	0.27
Purchased services	7,744,517	1.31	9,669,208	1.62	1,924,691	0.31
Printing & Postage	3,345,867	0.57	4,533,726	0.76	1,187,859	0.19
Depreciation & Amortization	2,749,976	0.47	3,662,928	0.61	912,952	0.14
Other expenses	11,794,186	2.00	13,830,886	2.31	2,036,700	0.31
Indirect cost allocation & Occupancy expense	2,853,365	0.48	3,065,391	0.51	212,026	0.03
Total Administrative Expenses	<u>89,288,986</u>	<u>15.11</u>	<u>103,248,541</u>	<u>17.28</u>	<u>13,959,555</u>	<u>2.17</u>
<b>INCOME (LOSS) FROM OPERATIONS</b>	14,217,739	2.41	14,756,168	2.47	(538,429)	(0.06)
<b>INVESTMENT INCOME</b>						
Interest income	22,367,150	3.78	10,000,000	1.67	12,367,150	2.11
Realized gain/(loss) on investments	1,857,218	0.31	-	-	1,857,218	0.31
Unrealized gain/(loss) on investments	5,446,256	0.92	-	-	5,446,256	0.92
Total Investment Income	<u>29,670,624</u>	<u>5.02</u>	<u>10,000,000</u>	<u>1.67</u>	<u>19,670,624</u>	<u>3.35</u>
<b>TOTAL MCO TAX</b>	(2,982,247)	(0.50)	-	-	(2,982,247)	(0.50)
<b>TOTAL GRANT INCOME</b>	(86)	-	-	-	(86)	-
<b>OTHER INCOME</b>	494	-	-	-	494	-
<b>CHANGE IN NET ASSETS</b>	<u><b>40,906,524</b></u>	<u><b>6.92</b></u>	<u><b>24,756,168</b></u>	<u><b>4.14</b></u>	<u><b>16,150,356</b></u>	<u><b>2.78</b></u>
<b>MEDICAL LOSS RATIO</b>	<b>95.9%</b>		<b>95.0%</b>		<b>(0.9%)</b>	
<b>ADMINISTRATIVE LOSS RATIO</b>	<b>3.5%</b>		<b>4.3%</b>		<b>0.8%</b>	

**CalOptima - Consolidated - Month to Date  
Statement of Revenues and Expenses by LOB  
For the One Month Ended February 29, 2020**

	<u>Medi-Cal Classic</u>	<u>Medi-Cal Expansion</u>	<u>Whole Child Model</u>	<u>Total Medi-Cal</u>	<u>OneCare Connect</u>	<u>OneCare</u>	<u>PACE</u>	<u>Consolidated</u>
<b>MEMBER MONTHS</b>	472,451	221,574	11,254	705,279	14,171	1,382	396	721,228
<b>REVENUES</b>								
Capitation Revenue	145,598,779	\$ 102,298,191	\$ 22,469,096	\$ 270,366,067	\$ 25,280,051	\$ 1,368,401	\$ 3,187,499	\$ 300,202,018
Other Income	-	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<u>145,598,779</u>	<u>102,298,191</u>	<u>22,469,096</u>	<u>270,366,067</u>	<u>25,280,051</u>	<u>1,368,401</u>	<u>3,187,499</u>	<u>300,202,018</u>
<b>MEDICAL EXPENSES</b>								
Provider Capitation	38,741,390	40,277,099	10,827,278	89,845,768	10,550,133	488,152		100,884,053
Facilities	23,985,484	21,714,691	4,341,694	50,041,869	3,099,820	295,146	681,563	54,118,399
Professional Claims	16,183,837	6,802,760	1,822,257	24,808,854	998,569	79,623	477,547	26,364,593
Prescription Drugs	18,695,116	25,625,489	6,241,731	50,562,337	6,218,457	497,050	270,042	57,547,886
MLTSS	31,791,697	2,353,087	1,602,646	35,747,431	1,295,930	26,695	37,825	37,107,880
Medical Management	1,860,488	1,190,897	247,579	3,298,965	910,214	31,987	697,360	4,938,526
Quality Incentives	1,473,800	443,664	140,439	2,057,903	198,265		4,588	2,260,756
Reinsurance & Other	892,836	810,358	31,010	1,734,204	190,341		192,505	2,117,051
<b>Total Medical Expenses</b>	<u>133,624,649</u>	<u>99,218,046</u>	<u>25,254,635</u>	<u>258,097,330</u>	<u>23,461,729</u>	<u>1,418,653</u>	<u>2,361,431</u>	<u>285,339,143</u>
<b>Medical Loss Ratio</b>	91.8%	97.0%	112.4%	95.5%	92.8%	103.7%	74.1%	95.0%
<b>GROSS MARGIN</b>	<b>11,974,130</b>	<b>3,080,145</b>	<b>(2,785,539)</b>	<b>12,268,737</b>	<b>1,818,321</b>	<b>(50,252)</b>	<b>826,068</b>	<b>14,862,874</b>
<b>ADMINISTRATIVE EXPENSES</b>								
Salaries & Benefits				6,041,509	693,262	67,393	136,033	6,938,197
Professional fees				170,797	4,000	15,000	123	189,921
Purchased services				914,299	119,516	9,354	9,072	1,052,241
Printing & Postage				510,721	111,600	9,241	21,217	652,780
Depreciation & Amortization				283,048			2,057	285,105
Other expenses				1,271,968	57,547	263	4,443	1,334,222
Indirect cost allocation & Occupancy				(308,736)	548,726	38,274	4,036	282,299
<b>Total Administrative Expenses</b>				<u>8,883,606</u>	<u>1,534,651</u>	<u>139,526</u>	<u>176,981</u>	<u>10,734,765</u>
<b>Admin Loss Ratio</b>				3.3%	6.1%	10.2%	5.6%	3.6%
<b>INCOME (LOSS) FROM OPERATIONS</b>				3,385,131	283,670	(189,778)	649,086	4,128,109
<b>INVESTMENT INCOME</b>								6,802,965
<b>TOTAL MCO TAX</b>				(567,820)				(567,820)
<b>TOTAL GRANT INCOME</b>				(25)				(25)
<b>CHANGE IN NET ASSETS</b>				<u>\$ 2,817,285</u>	<u>\$ 283,670</u>	<u>\$ (189,778)</u>	<u>\$ 649,086</u>	<u>\$ 10,363,229</u>
<b>BUDGETED CHANGE IN NET ASSETS</b>				8,412,553	(459,528)	(26,259)	358,567	9,535,333
<b>VARIANCE TO BUDGET - FAV (UNFAV)</b>				<u>\$ (5,595,267)</u>	<u>\$ 743,198</u>	<u>\$ (163,519)</u>	<u>\$ 290,519</u>	<u>\$ 827,897</u>

**CalOptima - Consolidated - Year to Date  
Statement of Revenues and Expenses by LOB  
For the Eight Months Ended February 29, 2020**

	<u>Medi-Cal Classic</u>	<u>Medi-Cal Expansion</u>	<u>Whole Child Model</u>	<u>Total Medi-Cal</u>	<u>OneCare Connect</u>	<u>OneCare</u>	<u>PACE</u>	<u>Consolidated</u>
<b>MEMBER MONTHS</b>	3,864,425	1,825,365	92,371	5,782,161	113,230	11,968	2,962	5,910,321
<b>REVENUES</b>								
Capitation Revenue	1,231,553,286	\$ 873,962,444	\$ 183,826,029	\$ 2,289,341,760	\$ 197,683,360	\$ 13,807,011	\$ 23,686,545	\$ 2,524,518,675
Other Income	-	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<u>1,231,553,286</u>	<u>873,962,444</u>	<u>183,826,029</u>	<u>2,289,341,760</u>	<u>197,683,360</u>	<u>13,807,011</u>	<u>23,686,545</u>	<u>2,524,518,675</u>
<b>MEDICAL EXPENSES</b>								
Provider Capitation	311,234,489	351,980,979	80,505,569	743,721,037	87,921,518	3,842,695		835,485,251
Facilities	202,275,127	172,684,144	45,599,674	420,558,945	29,623,026	3,132,248	5,246,068	458,560,288
Professional Claims	141,904,967	55,918,860	11,281,869	209,105,696	6,051,569	390,030	4,298,198	219,845,493
Prescription Drugs	134,435,490	177,103,851	44,461,815	356,001,157	44,972,194	4,133,304	1,872,571	406,979,226
MLTSS	274,707,958	20,979,360	14,730,599	310,417,916	10,826,133	101,275	296,626	321,641,951
Medical Management	16,809,216	9,834,731	2,100,480	28,744,427	8,168,696	305,660	5,714,661	42,933,444
Quality Incentives	7,318,407	3,699,714	1,129,749	12,147,870	1,619,090		191,235	13,958,195
Reinsurance & Other	67,828,448	50,362,499	276,355	118,467,303	1,464,349		1,676,451	121,608,103
<b>Total Medical Expenses</b>	<u>1,156,514,102</u>	<u>842,564,139</u>	<u>200,086,110</u>	<u>2,199,164,351</u>	<u>190,646,576</u>	<u>11,905,213</u>	<u>19,295,810</u>	<u>2,421,011,950</u>
<b>Medical Loss Ratio</b>	93.9%	96.4%	108.8%	96.1%	96.4%	86.2%	81.5%	95.9%
<b>GROSS MARGIN</b>	<b>75,039,184</b>	<b>31,398,306</b>	<b>(16,260,081)</b>	<b>90,177,409</b>	<b>7,036,784</b>	<b>1,901,798</b>	<b>4,390,735</b>	<b>103,506,725</b>
<b>ADMINISTRATIVE EXPENSES</b>								
Salaries & Benefits				51,275,630	5,696,728	519,785	1,119,353	58,611,495
Professional fees				1,572,340	456,485	159,371	1,383	2,189,579
Purchased services				6,383,657	1,183,248	110,905	66,707	7,744,517
Printing & Postage				2,752,156	473,674	37,546	82,490	3,345,867
Depreciation & Amortization				2,733,320			16,656	2,749,976
Other expenses				11,537,951	221,451	2,237	32,546	11,794,186
Indirect cost allocation & Occupancy				(2,006,745)	4,448,560	319,465	92,085	2,853,365
<b>Total Administrative Expenses</b>				<u>74,248,309</u>	<u>12,480,147</u>	<u>1,149,310</u>	<u>1,411,220</u>	<u>89,288,986</u>
<b>Admin Loss Ratio</b>				3.2%	6.3%	8.3%	6.0%	3.5%
<b>INCOME (LOSS) FROM OPERATIONS</b>				15,929,100	(5,443,364)	752,488	2,979,514	14,217,739
<b>INVESTMENT INCOME</b>								29,670,624
<b>TOTAL MCO TAX</b>				(2,982,247)				(2,982,247)
<b>TOTAL GRANT INCOME</b>				(86)				(86)
<b>OTHER INCOME</b>				494				494
<b>CHANGE IN NET ASSETS</b>				<u>\$ 12,947,261</u>	<u>\$ (5,443,364)</u>	<u>\$ 752,488</u>	<u>\$ 2,979,514</u>	<u>\$ 40,906,524</u>
<b>BUDGETED CHANGE IN NET ASSETS</b>				24,363,845	(10,183,404)	(881,059)	1,456,786	24,756,168
<b>VARIANCE TO BUDGET - FAV (UNFAV)</b>				<u>\$ (11,416,584)</u>	<u>\$ 4,740,040</u>	<u>\$ 1,633,547</u>	<u>\$ 1,522,728</u>	<u>\$ 16,150,356</u>

**Enrollment Summary**  
**For the Eight Months Ended February 29, 2020**

Month-to-Date										Year-to-Date					
		\$	%					\$	%			\$	%		
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>	Enrollment (by Aid Category)		<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>			<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
66,380	66,109	271	0.4%	Aged		526,739	525,189	1,550	0.3%						
485	615	(130)	(21.1%)	BCCTP		4,271	4,920	(649)	(13.2%)						
44,939	43,622	1,317	3.0%	Disabled		357,779	349,951	7,828	2.2%						
275,139	277,984	(2,845)	(1.0%)	TANF Child		2,258,069	2,262,182	(4,113)	(0.2%)						
81,999	84,745	(2,746)	(3.2%)	TANF Adult		689,744	691,343	(1,599)	(0.2%)						
3,509	3,404	105	3.1%	LTC		27,823	27,232	591	2.2%						
221,574	235,657	(14,083)	(6.0%)	MCE		1,825,365	1,882,797	(57,432)	(3.1%)						
11,254	12,940	(1,686)	(13.0%)	WCM		92,371	103,520	(11,149)	(10.8%)						
<b>705,279</b>	<b>725,076</b>	<b>(19,797)</b>	<b>(2.7%)</b>	<b>Medi-Cal Total</b>		<b>5,782,162</b>	<b>5,847,134</b>	<b>(64,972)</b>	<b>(1.1%)</b>						
<b>14,171</b>	<b>13,936</b>	<b>235</b>	<b>1.7%</b>	<b>OneCare Connect</b>		<b>113,230</b>	<b>112,603</b>	<b>627</b>	<b>0.6%</b>						
<b>1,382</b>	<b>1,510</b>	<b>(128)</b>	<b>(8.5%)</b>	<b>OneCare</b>		<b>11,968</b>	<b>12,016</b>	<b>(48)</b>	<b>(0.4%)</b>						
<b>396</b>	<b>394</b>	<b>2</b>	<b>0.5%</b>	<b>PACE</b>		<b>2,962</b>	<b>2,934</b>	<b>28</b>	<b>1.0%</b>						
<b>721,228</b>	<b>740,916</b>	<b>(19,688)</b>	<b>(2.7%)</b>	<b>CalOptima Total</b>		<b>5,910,322</b>	<b>5,974,687</b>	<b>(64,365)</b>	<b>(1.1%)</b>						
<b>Enrollment (by Network)</b>															
154,360	160,942	(6,582)	(4.1%)	HMO		1,273,688	1,297,298	(23,610)	(1.8%)						
199,417	206,504	(7,087)	(3.4%)	PHC		1,646,722	1,672,654	(25,932)	(1.6%)						
165,077	185,606	(20,529)	(11.1%)	Shared Risk Group		1,417,948	1,498,001	(80,053)	(5.3%)						
186,425	172,024	14,401	8.4%	Fee for Service		1,443,803	1,379,181	64,622	4.7%						
<b>705,279</b>	<b>725,076</b>	<b>(19,797)</b>	<b>(2.7%)</b>	<b>Medi-Cal Total</b>		<b>5,782,162</b>	<b>5,847,134</b>	<b>(64,972)</b>	<b>(1.1%)</b>						
<b>14,171</b>	<b>13,936</b>	<b>235</b>	<b>1.7%</b>	<b>OneCare Connect</b>		<b>113,230</b>	<b>112,603</b>	<b>627</b>	<b>0.6%</b>						
<b>1,382</b>	<b>1,510</b>	<b>(128)</b>	<b>(8.5%)</b>	<b>OneCare</b>		<b>11,968</b>	<b>12,016</b>	<b>(48)</b>	<b>(0.4%)</b>						
<b>396</b>	<b>394</b>	<b>2</b>	<b>0.5%</b>	<b>PACE</b>		<b>2,962</b>	<b>2,934</b>	<b>28</b>	<b>1.0%</b>						
<b>721,228</b>	<b>740,916</b>	<b>(19,688)</b>	<b>(2.7%)</b>	<b>CalOptima Total</b>		<b>5,910,322</b>	<b>5,974,687</b>	<b>(64,365)</b>	<b>(1.1%)</b>						

**CalOptima  
Enrollment Trend by Network  
Fiscal Year 2020**

MEDI-CAL		Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	YTD Actual	YTD Budget	Variance
<b>HMOs</b>												
02.Aged	Aged	3,723	3,740	3,754	3,821	3,827	3,743	3,768	3,625	30,001	30,379	(378)
03.BCCTP	BCCTP	1	1	2	2	1	1	1	1	10	8	2
04.Disabled	Disabled	6,539	6,547	6,572	6,613	6,633	6,546	6,468	6,612	52,530	52,923	(393)
05.TANF Child	TANF Child	54,046	53,703	52,620	53,069	52,791	51,642	50,877	50,743	419,491	422,371	(2,880)
06.TANF Adult	TANF Adult	27,944	27,740	27,446	27,279	27,012	27,168	25,104	25,208	214,901	221,721	(6,820)
08.LTC	LTC	2	1	3	3	2	4	5	5	20	16	4
10.MCE	MCE	68,973	69,077	68,729	68,881	68,361	68,256	62,418	66,229	540,924	550,976	(10,052)
11.WCM	WCM	2,026	2,087	2,052	1,987	2,006	2,024	1,692	1,937	15,811	18,904	(3,093)
<b>Total</b>		<b>163,254</b>	<b>162,896</b>	<b>161,178</b>	<b>161,655</b>	<b>160,633</b>	<b>159,384</b>	<b>150,328</b>	<b>154,360</b>	<b>1,273,688</b>	<b>1,297,298</b>	<b>(23,610)</b>
<b>PHCs</b>												
02.Aged	Aged	1,548	1,540	1,524	1,542	1,577	1,579	1,516	1,448	12,274	12,201	73
03.BCCTP	BCCTP											0
04.Disabled	Disabled	5,416	5,499	5,323	5,425	5,500	5,474	5,244	5,422	43,303	42,658	645
05.TANF Child	TANF Child	148,665	148,131	143,994	146,390	145,734	140,237	143,833	140,195	1,157,179	1,172,774	(15,595)
06.TANF Adult	TANF Adult	11,149	11,322	10,925	10,865	10,743	11,285	9,797	9,907	85,993	82,061	3,932
08.LTC	LTC	1	1	1	1	1	1	2	2	7	7	0
10.MCE	MCE	37,510	37,479	37,084	37,037	36,728	36,708	33,716	35,640	291,902	301,488	(9,586)
11.WCM	WCM	7,209	7,276	7,190	7,151	7,070	6,994	6,371	6,803	56,064	61,472	(5,408)
<b>Total</b>		<b>211,497</b>	<b>211,247</b>	<b>206,041</b>	<b>208,410</b>	<b>207,353</b>	<b>202,278</b>	<b>200,479</b>	<b>199,417</b>	<b>1,646,722</b>	<b>1,672,654</b>	<b>(25,932)</b>
<b>Shared Risk Groups</b>												
02.Aged	Aged	3,569	3,523	3,470	3,501	3,527	3,364	3,301	3,225	27,480	29,002	(1,522)
03.BCCTP	BCCTP						1	(1)	1	1	1	1
04.Disabled	Disabled	7,275	7,294	7,144	7,177	7,200	7,139	6,724	7,092	57,045	54,542	2,503
05.TANF Child	TANF Child	63,291	62,381	57,001	59,579	58,690	56,771	56,508	54,614	468,835	492,147	(23,312)
06.TANF Adult	TANF Adult	28,681	28,390	27,842	27,428	26,946	27,269	24,473	24,861	215,890	227,918	(12,028)
08.LTC	LTC	1	3	3	2	1	1	1	1	12	8	4
10.MCE	MCE	84,595	83,922	82,492	81,749	80,096	79,714	69,637	73,826	636,031	678,648	(42,617)
11.WCM	WCM	1,732	1,706	1,620	1,598	1,581	1,593	1,367	1,457	12,654	15,736	(3,082)
<b>Total</b>		<b>189,144</b>	<b>187,219</b>	<b>179,572</b>	<b>181,034</b>	<b>178,041</b>	<b>175,852</b>	<b>162,009</b>	<b>165,077</b>	<b>1,417,948</b>	<b>1,498,001</b>	<b>(80,053)</b>
<b>Fee for Service (Dual)</b>												
02.Aged	Aged	51,730	52,454	52,097	52,050	52,649	51,770	54,711	52,919	420,380	417,492	2,888
03.BCCTP	BCCTP	15	18	17	18	19	20	13	10	130	144	(14)
04.Disabled	Disabled	20,752	20,053	20,586	20,577	20,781	20,848	20,986	20,729	165,312	164,209	1,103
05.TANF Child	TANF Child		19	1	1	1	1	1	1	25	25	0
06.TANF Adult	TANF Adult	964	1,923	949	941	963	938	1,528	917	9,123	7,093	2,030
08.LTC	LTC	3,044	3,097	3,061	3,161	3,204	2,971	3,389	3,142	25,069	24,392	677
10.MCE	MCE	2,116	2,171	1,935	1,717	1,737	2,255	876	1,084	13,891	16,520	(2,629)
11.WCM	WCM	15	15	15	16	15	16	15	14	121	128	(7)
<b>Total</b>		<b>78,636</b>	<b>79,750</b>	<b>78,661</b>	<b>78,481</b>	<b>79,369</b>	<b>78,819</b>	<b>81,519</b>	<b>78,816</b>	<b>634,051</b>	<b>629,978</b>	<b>4,073</b>
<b>Fee for Service (Non-Dual - Total)</b>												
02.Aged	Aged	4,682	4,211	4,370	4,583	4,890	3,841	4,864	5,163	36,604	36,115	489
03.BCCTP	BCCTP	550	542	484	532	525	518	506	473	4,130	4,768	(638)
04.Disabled	Disabled	4,928	5,692	4,374	4,930	5,428	8,670	483	5,084	39,589	35,619	3,970
05.TANF Child	TANF Child	25,571	32,106	16,125	25,295	29,914	21,194	32,748	29,586	212,539	174,890	37,649
06.TANF Adult	TANF Adult	19,658	19,951	19,854	19,854	23,011	22,542	18,203	21,106	163,837	152,550	11,287
08.LTC	LTC	328	326	331	347	364	302	358	359	2,715	2,816	(101)
10.MCE	MCE	40,680	41,152	40,342	41,308	48,994	48,138	37,208	44,795	342,617	335,165	7,452
11.WCM	WCM	843	960	978	1,008	1,079	874	936	1,043	7,721	7,280	441
<b>Total</b>		<b>97,240</b>	<b>104,940</b>	<b>86,516</b>	<b>97,857</b>	<b>114,205</b>	<b>106,079</b>	<b>95,306</b>	<b>107,609</b>	<b>809,752</b>	<b>749,203</b>	<b>60,549</b>
<b>Grand Totals</b>												
02.Aged	Aged	65,252	65,468	65,215	65,497	66,470	64,297	68,160	66,380	526,739	525,189	1,550
03.BCCTP	BCCTP	566	561	503	552	545	540	519	485	4,271	4,920	(649)
04.Disabled	Disabled	44,910	45,085	43,999	44,722	45,542	48,677	39,905	44,939	357,779	349,951	7,828
05.TANF Child	TANF Child	291,573	296,340	269,741	284,334	287,130	269,845	283,967	275,139	2,258,069	2,262,182	(4,113)
06.TANF Adult	TANF Adult	88,396	89,326	86,674	86,367	88,675	89,202	79,105	81,999	689,744	691,343	(1,599)
08.LTC	LTC	3,375	3,399	3,427	3,513	3,279	3,572	3,279	3,509	27,823	27,232	591
10.MCE	MCE	233,874	233,801	230,582	230,692	235,916	235,071	203,855	221,574	1,825,365	1,882,797	(57,432)
11.WCM	WCM	11,825	12,044	11,855	11,760	11,751	11,501	10,381	11,254	92,371	103,520	(11,149)
<b>Total MediCal MM</b>		<b>739,771</b>	<b>746,052</b>	<b>711,968</b>	<b>727,437</b>	<b>739,601</b>	<b>722,412</b>	<b>689,641</b>	<b>705,279</b>	<b>5,782,162</b>	<b>5,847,134</b>	<b>(64,972)</b>
<b>OneCare Connect</b>		<b>14,257</b>	<b>14,090</b>	<b>14,186</b>	<b>14,093</b>	<b>14,065</b>	<b>14,264</b>	<b>14,104</b>	<b>14,171</b>	<b>113,230</b>	<b>112,603</b>	<b>627</b>
<b>OneCare</b>		<b>1,530</b>	<b>1,545</b>	<b>1,564</b>	<b>1,567</b>	<b>1,498</b>	<b>1,465</b>	<b>1,417</b>	<b>1,382</b>	<b>11,968</b>	<b>12,016</b>	<b>(48)</b>
<b>PACE</b>		<b>335</b>	<b>345</b>	<b>356</b>	<b>368</b>	<b>375</b>	<b>393</b>	<b>394</b>	<b>396</b>	<b>2,962</b>	<b>2,934</b>	<b>28</b>
<b>Grand Total</b>		<b>755,893</b>	<b>762,032</b>	<b>728,074</b>	<b>743,465</b>	<b>755,539</b>	<b>738,534</b>	<b>705,556</b>	<b>721,228</b>	<b>5,910,322</b>	<b>5,974,687</b>	<b>(64,365)</b>



## **ENROLLMENT:**

**Overall** February enrollment was 721,228

- Unfavorable to budget 19,688 or 2.7%
- Increased 15,672 or 2.2% from prior month (PM) (January 2020)
- Decreased 39,974 or 5.3% from prior year (PY) (February 2019)

**Medi-Cal** enrollment was 705,279

- Unfavorable to budget 19,797 or 2.7%
  - Medi-Cal Expansion (MCE) unfavorable 14,083
  - Temporary Assistance for Needy Families (TANF) unfavorable 5,591
  - Whole Child Model (WCM) unfavorable 1,686
  - Seniors and Persons with Disabilities (SPD) favorable 1,458
  - Long-Term Care (LTC) favorable 105
- Increased 15,638 from PM

**OneCare Connect** enrollment was 14,171

- Favorable to budget 235 or 1.7%
- Increased 67 from PM

**OneCare** enrollment was 1,382

- Unfavorable to budget 128 or 8.5%
- Decreased 35 from PM

**PACE** enrollment was 396

- Favorable to budget 2 or 0.5%
- Increased 2 from PM

**CalOptima  
Medi-Cal Total  
Statement of Revenues and Expenses  
For the Eight Months Ending February 29, 2020**

Month				Year to Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
705,279	725,076	(19,797)	(2.7%)	<b>Member Months</b>	5,782,162	5,847,134	(64,972)	(1.1%)
				<b>Revenues</b>				
270,366,067	268,448,434	1,917,633	0.7%	Capitation Revenue	2,289,341,760	2,151,130,613	138,211,147	6.4%
-	-	-	0.0%	Other Income	-	-	-	0.0%
<b>270,366,067</b>	<b>268,448,434</b>	<b>1,917,633</b>	<b>0.7%</b>	<b>Total Operating Revenue</b>	<b>2,289,341,760</b>	<b>2,151,130,613</b>	<b>138,211,147</b>	<b>6.4%</b>
				<b>Medical Expenses</b>				
91,903,671	95,031,507	3,127,836	3.3%	Provider Capitation	755,868,907	760,945,725	5,076,818	0.7%
50,041,869	46,710,089	(3,331,780)	(7.1%)	Facilities Claims	420,558,945	385,634,237	(34,924,708)	(9.1%)
24,808,854	22,177,011	(2,631,842)	(11.9%)	Professional Claims	209,105,696	184,452,248	(24,653,448)	(13.4%)
50,562,337	42,106,025	(8,456,311)	(20.1%)	Prescription Drugs	356,001,157	350,907,878	(5,093,278)	(1.5%)
35,747,431	35,351,234	(396,197)	(1.1%)	MLTSS	310,417,916	295,851,927	(14,565,989)	(4.9%)
3,298,965	4,998,254	1,699,289	34.0%	Medical Management	28,744,427	37,179,506	8,435,079	22.7%
1,734,204	3,196,918	1,462,714	45.8%	Reinsurance & Other	118,467,303	25,596,500	(92,870,804)	(362.8%)
<b>258,097,330</b>	<b>249,571,039</b>	<b>(8,526,292)</b>	<b>(3.4%)</b>	<b>Total Medical Expenses</b>	<b>2,199,164,351</b>	<b>2,040,568,022</b>	<b>(158,596,329)</b>	<b>(7.8%)</b>
<b>12,268,737</b>	<b>18,877,396</b>	<b>(6,608,659)</b>	<b>(35.0%)</b>	<b>Gross Margin</b>	<b>90,177,409</b>	<b>110,562,591</b>	<b>(20,385,182)</b>	<b>(18.4%)</b>
				<b>Administrative Expenses</b>				
6,041,509	6,762,602	721,093	10.7%	Salaries, Wages & Employee Benefits	51,275,630	56,586,031	5,310,401	9.4%
170,797	381,572	210,775	55.2%	Professional Fees	1,572,340	3,005,546	1,433,206	47.7%
914,299	957,253	42,954	4.5%	Purchased Services	6,383,657	7,637,026	1,253,369	16.4%
510,721	442,570	(68,151)	(15.4%)	Printing and Postage	2,752,156	3,549,244	797,088	22.5%
283,048	455,750	172,702	37.9%	Depreciation & Amortization	2,733,320	3,646,000	912,680	25.0%
1,271,968	1,645,473	373,505	22.7%	Other Operating Expenses	11,537,951	13,184,790	1,646,839	12.5%
(308,736)	(180,377)	128,359	71.2%	Indirect Cost Allocation, Occupancy Expense	(2,006,745)	(1,409,891)	596,854	42.3%
<b>8,883,606</b>	<b>10,464,843</b>	<b>1,581,237</b>	<b>15.1%</b>	<b>Total Administrative Expenses</b>	<b>74,248,309</b>	<b>86,198,746</b>	<b>11,950,437</b>	<b>13.9%</b>
				<b>Operating Tax</b>				
13,543,285	11,180,942	2,362,343	21.1%	Tax Revenue	110,080,526	90,152,409	19,928,117	22.1%
14,111,106	11,180,942	(2,930,164)	(26.2%)	Premium Tax Expense	113,062,774	90,152,409	(22,910,365)	(25.4%)
-	-	-	0.0%	Sales Tax Expense	-	-	-	0.0%
(567,820)	-	(567,820)	0.0%	<b>Total Net Operating Tax</b>	(2,982,247)	-	(2,982,247)	0.0%
				<b>Grant Income</b>				
16,930	-	16,930	0.0%	Grant Revenue	100,192	-	100,192	0.0%
4,888	-	(4,888)	0.0%	Grant expense - Service Partner	15,513	-	(15,513)	0.0%
12,068	-	(12,068)	0.0%	Grant expense - Administrative	84,765	-	(84,765)	0.0%
(25)	-	(25)	0.0%	<b>Total Grant Income</b>	(86)	-	(86)	0.0%
-	-	-	0.0%	<b>Other income</b>	494	-	494	0.0%
<b>2,817,285</b>	<b>8,412,553</b>	<b>(5,595,267)</b>	<b>(66.5%)</b>	<b>Change in Net Assets</b>	<b>12,947,261</b>	<b>24,363,845</b>	<b>(11,416,584)</b>	<b>(46.9%)</b>
95.5%	93.0%	(2.5%)	(2.7%)	<b>Medical Loss Ratio</b>	96.1%	94.9%	(1.2%)	(1.3%)
3.3%	3.9%	0.6%	15.7%	<b>Admin Loss Ratio</b>	3.2%	4.0%	0.8%	19.1%

## **MEDI-CAL INCOME STATEMENT - FEBRUARY MONTH:**

**REVENUES** of \$270.4 million are favorable to budget \$1.9 million driven by:

- Unfavorable volume related variance of \$7.3 million
- Favorable price related variance of \$9.2 million due to:
  - \$8.0 million of Coordinated Care Initiative (CCI) revenue
  - \$3.0 million of acuity rate adjustment revenue
  - \$2.1 million of Behavioral Health Treatment (BHT) revenue
  - Offset by \$3.9 million of WCM revenue

**MEDICAL EXPENSES** of \$258.1 million are unfavorable to budget \$8.5 million driven by:

- Favorable volume related variance of \$6.8 million
- Unfavorable price related variance of \$15.3 million due to:
  - Prescription Drugs unfavorable variance of \$9.6 million due to prior period claims
  - Facilities Claims unfavorable variance of \$4.6 million due to increased utilization
  - Professional Claims unfavorable variance of \$3.2 million due to crossover claims

**ADMINISTRATIVE EXPENSES** of \$8.9 million are favorable to budget \$1.6 million driven by:

- Salaries & Benefit expenses are favorable to budget \$0.7 million
- Other Non-Salary expenses are favorable to budget \$0.9 million

**CHANGE IN NET ASSETS** is \$2.8 million for the month, unfavorable to budget \$5.6 million

**CalOptima**  
**OneCare Connect Total**  
**Statement of Revenue and Expenses**  
**For the Eight Months Ending February 29, 2020**

Month				Year to Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
14,171	13,936	235	1.7%	<b>Member Months</b>	113,230	112,603	627	0.6%
				Revenues				
2,824,630	2,735,912	88,718	3.2%	Medi-Cal Capitation Revenue	19,721,738	22,202,908	(2,481,170)	(11.2%)
16,916,991	16,658,151	258,840	1.6%	Medicare Capitation Revenue Part C	134,791,828	130,505,264	4,286,564	3.3%
5,538,430	4,823,782	714,648	14.8%	Medicare Capitation Revenue Part D	43,169,794	38,355,050	4,814,744	12.6%
-	-	-	0.0%	Other Income	-	-	-	0.0%
<b>25,280,051</b>	<b>24,217,845</b>	<b>1,062,206</b>	<b>4.4%</b>	<b>Total Operating Revenue</b>	<b>197,683,360</b>	<b>191,063,222</b>	<b>6,620,138</b>	<b>3.5%</b>
				Medical Expenses				
10,748,398	11,007,896	259,498	2.4%	Provider Capitation	89,540,608	87,420,081	(2,120,527)	(2.4%)
3,099,820	3,441,226	341,406	9.9%	Facilities Claims	29,623,026	27,973,066	(1,649,960)	(5.9%)
998,569	663,352	(335,217)	(50.5%)	Ancillary	6,051,569	5,460,038	(591,531)	(10.8%)
1,295,930	1,447,066	151,136	10.4%	MLTSS	10,826,133	12,332,041	1,505,908	12.2%
6,218,457	5,100,168	(1,118,289)	(21.9%)	Prescription Drugs	44,972,194	43,021,127	(1,951,067)	(4.5%)
910,214	1,087,360	177,146	16.3%	Medical Management	8,168,696	8,873,964	705,268	7.9%
190,341	220,997	30,656	13.9%	Other Medical Expenses	1,464,349	1,745,889	281,540	16.1%
<b>23,461,729</b>	<b>22,968,065</b>	<b>(493,664)</b>	<b>(2.1%)</b>	<b>Total Medical Expenses</b>	<b>190,646,576</b>	<b>186,826,206</b>	<b>(3,820,370)</b>	<b>(2.0%)</b>
<b>1,818,321</b>	<b>1,249,780</b>	<b>568,541</b>	<b>45.5%</b>	<b>Gross Margin</b>	<b>7,036,784</b>	<b>4,237,016</b>	<b>2,799,768</b>	<b>66.1%</b>
				Administrative Expenses				
693,262	800,983	107,721	13.4%	Salaries, Wages & Employee Benefits	5,696,728	6,553,819	857,091	13.1%
4,000	77,796	73,796	94.9%	Professional Fees	456,485	622,367	165,882	26.7%
119,516	142,989	23,473	16.4%	Purchased Services	1,183,248	1,743,910	560,662	32.1%
111,600	95,860	(15,740)	(16.4%)	Printing and Postage	473,674	766,882	293,208	38.2%
-	-	-	0.0%	Depreciation & Amortization	-	-	-	0.0%
57,547	71,888	14,341	19.9%	Other Operating Expenses	221,451	575,106	353,655	61.5%
548,726	519,792	(28,934)	(5.6%)	Indirect Cost Allocation	4,448,560	4,158,336	(290,224)	(7.0%)
<b>1,534,651</b>	<b>1,709,308</b>	<b>174,657</b>	<b>10.2%</b>	<b>Total Administrative Expenses</b>	<b>12,480,147</b>	<b>14,420,420</b>	<b>1,940,273</b>	<b>13.5%</b>
<b>283,670</b>	<b>(459,528)</b>	<b>743,198</b>	<b>161.7%</b>	<b>Change in Net Assets</b>	<b>(5,443,364)</b>	<b>(10,183,404)</b>	<b>4,740,040</b>	<b>46.5%</b>
<b>92.8%</b>	<b>94.8%</b>	<b>2.0%</b>	<b>2.1%</b>	<b>Medical Loss Ratio</b>	<b>96.4%</b>	<b>97.8%</b>	<b>1.3%</b>	<b>1.4%</b>
<b>6.1%</b>	<b>7.1%</b>	<b>1.0%</b>	<b>14.0%</b>	<b>Admin Loss Ratio</b>	<b>6.3%</b>	<b>7.5%</b>	<b>1.2%</b>	<b>16.4%</b>

**ONECARE CONNECT INCOME STATEMENT - FEBRUARY MONTH:**

**REVENUES** of \$25.3 million are favorable to budget \$1.1 million driven by:

- Favorable volume related variance of \$0.4 million
- Favorable price related variance of \$0.7 million

**MEDICAL EXPENSES** of \$23.5 million are unfavorable to budget \$0.5 million driven by:

- Unfavorable volume related variance of \$0.4 million
- Unfavorable price related variance of \$0.1 million

**ADMINISTRATIVE EXPENSES** of \$1.5 million are favorable to budget \$0.2 million

**CHANGE IN NET ASSETS** is \$0.3 million, favorable to budget \$0.7 million

**CalOptima  
OneCare  
Statement of Revenues and Expenses  
For the Eight Months Ending February 29, 2020**

Month				Year to Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
1,382	1,510	(128)	(8.5%)	<b>Member Months</b>	11,968	12,016	(48)	(0.4%)
				<b>Revenues</b>				
1,224,069	1,143,116	80,953	7.1%	Medicare Part C revenue	9,731,978	8,937,256	794,722	8.9%
144,332	524,283	(379,951)	(72.5%)	Medicare Part D revenue	4,075,033	4,156,476	(81,443)	(2.0%)
<b>1,368,401</b>	<b>1,667,399</b>	<b>(298,998)</b>	<b>(17.9%)</b>	<b>Total Operating Revenue</b>	<b>13,807,011</b>	<b>13,093,732</b>	<b>713,279</b>	<b>5.4%</b>
				<b>Medical Expenses</b>				
488,152	442,720	(45,432)	(10.3%)	Provider Capitation	3,842,695	3,521,251	(321,444)	(9.1%)
295,146	480,878	185,732	38.6%	Inpatient	3,132,248	4,027,536	895,288	22.2%
79,623	52,619	(27,004)	(51.3%)	Ancillary	390,030	439,969	49,939	11.4%
26,695	43,184	16,489	38.2%	Skilled Nursing Facilities	101,275	361,403	260,128	72.0%
497,050	472,329	(24,721)	(5.2%)	Prescription Drugs	4,133,304	3,981,207	(152,097)	(3.8%)
31,987	46,235	14,248	30.8%	Medical Management	305,660	381,910	76,250	20.0%
-	10,898	10,898	100.0%	Other Medical Expenses	-	86,725	86,725	100.0%
<b>1,418,653</b>	<b>1,548,863</b>	<b>130,210</b>	<b>8.4%</b>	<b>Total Medical Expenses</b>	<b>11,905,213</b>	<b>12,800,001</b>	<b>894,788</b>	<b>7.0%</b>
<b>(50,252)</b>	<b>118,536</b>	<b>(168,788)</b>	<b>(142.4%)</b>	<b>Gross Margin</b>	<b>1,901,798</b>	<b>293,731</b>	<b>1,608,067</b>	<b>547.5%</b>
				<b>Administrative Expenses</b>				
67,393	49,258	(18,135)	(36.8%)	Salaries, wages & employee benefits	519,785	410,494	(109,291)	(26.6%)
15,000	21,480	6,480	30.2%	Professional fees	159,371	171,840	12,469	7.3%
9,354	17,063	7,709	45.2%	Purchased services	110,905	136,504	25,599	18.8%
9,241	16,667	7,426	44.6%	Printing and postage	37,546	133,336	95,790	71.8%
263	4,738	4,475	94.4%	Other operating expenses	2,237	37,904	35,667	94.1%
38,274	35,589	(2,685)	(7.5%)	Indirect cost allocation, occupancy expens	319,465	284,712	(34,753)	(12.2%)
<b>139,526</b>	<b>144,795</b>	<b>5,269</b>	<b>3.6%</b>	<b>Total Administrative Expenses</b>	<b>1,149,310</b>	<b>1,174,790</b>	<b>25,480</b>	<b>2.2%</b>
<b>(189,778)</b>	<b>(26,259)</b>	<b>(163,519)</b>	<b>(622.7%)</b>	<b>Change in Net Assets</b>	<b>752,488</b>	<b>(881,059)</b>	<b>1,633,547</b>	<b>185.4%</b>
<b>103.7%</b>	<b>92.9%</b>	<b>(10.8%)</b>	<b>(11.6%)</b>	<b>Medical Loss Ratio</b>	<b>86.2%</b>	<b>97.8%</b>	<b>11.5%</b>	<b>11.8%</b>
<b>10.2%</b>	<b>8.7%</b>	<b>(1.5%)</b>	<b>(17.4%)</b>	<b>Admin Loss Ratio</b>	<b>8.3%</b>	<b>9.0%</b>	<b>0.6%</b>	<b>7.2%</b>

**CalOptima  
PACE  
Statement of Revenues and Expenses  
For the Eight Months Ending February 29, 2020**

Month				Year to Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
396	394	2	0.5%	<b>Member Months</b>	2,962	2,934	28	1.0%
				<b>Revenues</b>				
2,533,182	2,368,216	164,966	7.0%	Medi-Cal Capitation Revenue	18,504,247	17,640,696	863,551	4.9%
570,846	540,800	30,046	5.6%	Medicare Part C Revenue	4,096,847	4,070,227	26,620	0.7%
83,471	145,471	(62,000)	(42.6%)	Medicare Part D Revenue	1,085,450	1,082,184	3,266	0.3%
<b>3,187,499</b>	<b>3,054,487</b>	<b>133,012</b>	<b>4.4%</b>	<b>Total Operating Revenue</b>	<b>23,686,545</b>	<b>22,793,107</b>	<b>893,438</b>	<b>3.9%</b>
				<b>Medical Expenses</b>				
697,360	850,641	153,281	18.0%	Medical Management	5,714,661	6,975,478	1,260,817	18.1%
681,563	550,589	(130,974)	(23.8%)	Facilities Claims	5,246,068	4,283,511	(962,557)	(22.5%)
477,547	602,022	124,475	20.7%	Professional Claims	4,298,198	4,694,997	396,799	8.5%
192,505	247,014	54,509	22.1%	Patient Transportation	1,676,451	1,880,950	204,499	10.9%
270,042	229,569	(40,473)	(17.6%)	Prescription Drugs	1,872,571	1,786,237	(86,334)	(4.8%)
37,825	33,871	(3,954)	(11.7%)	MLTSS	296,626	207,229	(89,397)	(43.1%)
4,588	6,667	2,079	31.2%	Other Expenses	191,235	53,334	(137,901)	(258.6%)
<b>2,361,431</b>	<b>2,520,373</b>	<b>158,942</b>	<b>6.3%</b>	<b>Total Medical Expenses</b>	<b>19,295,810</b>	<b>19,881,736</b>	<b>585,926</b>	<b>2.9%</b>
<b>826,068</b>	<b>534,114</b>	<b>291,954</b>	<b>54.7%</b>	<b>Gross Margin</b>	<b>4,390,735</b>	<b>2,911,371</b>	<b>1,479,364</b>	<b>50.8%</b>
				<b>Administrative Expenses</b>				
136,033	135,444	(589)	(0.4%)	Salaries, wages & employee benefits	1,119,353	1,135,081	15,728	1.4%
123	153	30	19.4%	Professional fees	1,383	1,224	(159)	(13.0%)
9,072	18,971	9,899	52.2%	Purchased services	66,707	151,768	85,061	56.0%
21,217	10,533	(10,684)	(101.4%)	Printing and postage	82,490	84,264	1,774	2.1%
2,057	2,116	59	2.8%	Depreciation & amortization	16,656	16,928	272	1.6%
4,443	4,135	(308)	(7.4%)	Other operating expenses	32,546	33,086	540	1.6%
4,036	4,195	159	3.8%	Indirect Cost Allocation, Occupancy Expense	92,085	32,234	(59,851)	(185.7%)
<b>176,981</b>	<b>175,547</b>	<b>(1,434)</b>	<b>(0.8%)</b>	<b>Total Administrative Expenses</b>	<b>1,411,220</b>	<b>1,454,585</b>	<b>43,365</b>	<b>3.0%</b>
				<b>Operating Tax</b>				
5,877	-	5,877	0.0%	Tax Revenue	43,956	-	43,956	0.0%
5,877	-	(5,877)	0.0%	Premium Tax Expense	43,956	-	(43,956)	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>649,086</b>	<b>358,567</b>	<b>290,519</b>	<b>81.0%</b>	<b>Change in Net Assets</b>	<b>2,979,514</b>	<b>1,456,786</b>	<b>1,522,728</b>	<b>104.5%</b>
<b>74.1%</b>	<b>82.5%</b>	<b>8.4%</b>	<b>10.2%</b>	<b>Medical Loss Ratio</b>	<b>81.5%</b>	<b>87.2%</b>	<b>5.8%</b>	<b>6.6%</b>
<b>5.6%</b>	<b>5.7%</b>	<b>0.2%</b>	<b>3.4%</b>	<b>Admin Loss Ratio</b>	<b>6.0%</b>	<b>6.4%</b>	<b>0.4%</b>	<b>6.6%</b>

**CalOptima**  
**BUILDING 505 - CITY PARKWAY**  
**Statement of Revenues and Expenses**  
**For the Eight Months Ending February 29, 2020**

Month				Year to Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
				<b>Revenues</b>				
-	-	-	0.0%	Rental Income	-	-	-	0.0%
-	-	-	<b>0.0%</b>	<b>Total Operating Revenue</b>	-	-	-	<b>0.0%</b>
				<b>Administrative Expenses</b>				
47,284	23,101	(24,183)	(104.7%)	Purchase services	387,292	184,809	(202,483)	(109.6%)
164,494	174,725	10,231	5.9%	Depreciation & amortization	1,315,950	1,397,800	81,850	5.9%
17,476	15,866	(1,610)	(10.2%)	Insurance expense	139,812	126,928	(12,884)	(10.2%)
88,093	140,162	52,069	37.1%	Repair and maintenance	822,874	1,121,296	298,422	26.6%
31,368	46,432	15,064	32.4%	Other Operating Expense	351,044	371,456	20,412	5.5%
(348,716)	(400,286)	(51,570)	(12.9%)	Indirect allocation, Occupancy	(3,016,973)	(3,202,289)	(185,316)	(5.8%)
<b>(1)</b>	<b>-</b>	<b>1</b>	<b>0.0%</b>	<b>Total Administrative Expenses</b>	<b>(0)</b>	<b>-</b>	<b>0</b>	<b>0.0%</b>
				<b>Change in Net Assets</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>



**OTHER INCOME STATEMENTS – FEBRUARY MONTH:**

**ONECARE INCOME STATEMENT**

**CHANGE IN NET ASSETS** is (\$189.8) thousand, unfavorable to budget \$163.5 thousand

**PACE INCOME STATEMENT**

**CHANGE IN NET ASSETS** is \$649.1 thousand, favorable to budget \$290.5 thousand

**CalOptima**  
**Balance Sheet**  
**February 29, 2020**

**ASSETS**

Current Assets	
Operating Cash	\$489,245,301
Investments	603,526,985
Capitation receivable	431,771,211
Receivables - Other	35,353,301
Prepaid expenses	7,568,030
<b>Total Current Assets</b>	<b><u>1,567,464,828</u></b>

Capital Assets	
Furniture & Equipment	37,266,060
Building/Leasehold Improvements 505 City Parkway West	11,166,259
	<u>50,489,717</u>
	98,922,036
Less: accumulated depreciation	<u>(50,951,175)</u>
Capital assets, net	<u>47,970,861</u>

Other Assets	
Restricted Deposit & Other	300,000
Homeless Health Reserve	58,198,913
Board-designated assets:	
Cash and Cash Equivalents	6,769,010
Long-term Investments	<u>568,851,831</u>
Total Board-designated Assets	<u>575,620,841</u>
<b>Total Other Assets</b>	<b><u>634,119,754</u></b>

<b>TOTAL ASSETS</b>	<b><u>2,249,555,443</u></b>
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Deferred Outflows	
Contributions	686,962
Difference in Experience	3,419,328
Excess Earning	-
Changes in Assumptions	6,428,159
Pension Contributions	556,000

<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS</b>	<b><u>2,260,645,892</u></b>
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**LIABILITIES & NET POSITION**

Current Liabilities	
Accounts Payable	\$118,224,858
Medical Claims liability	913,223,141
Accrued Payroll Liabilities	12,907,342
Deferred Revenue	54,025,966
Deferred Lease Obligations	170,710
Capitation and Withholds	128,765,322
<b>Total Current Liabilities</b>	<b><u>1,227,317,338</u></b>

Other (than pensions) post employment benefits liability	25,683,620
Net Pension Liabilities	23,788,705
Bldg 505 Development Rights	-

<b>TOTAL LIABILITIES</b>	<b><u>1,276,789,664</u></b>
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Deferred Inflows	
Excess Earnings	156,330
Change in Assumptions	4,747,505
OPEB Changes in Assumptions	2,503,000

Net Position	
TNE	97,174,161
Funds in Excess of TNE	<u>879,275,232</u>

<b>TOTAL NET POSITION</b>	<b><u>976,449,394</u></b>
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<b>TOTAL LIABILITIES, DEFERRED INFLOWS &amp; NET POSITION</b>	<b><u>2,260,645,892</u></b>
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**CalOptima**  
**Board Designated Reserve and TNE Analysis**  
**as of February 29, 2020**

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	157,659,267				
	Tier 1 - Logan Circle	156,404,603				
	Tier 1 - Wells Capital	156,906,818				
<b>Board-designated Reserve</b>						
		470,970,688	323,409,639	503,659,839	147,561,049	(32,689,151)
TNE Requirement	Tier 2 - Logan Circle	104,650,153	97,174,161	97,174,161	7,475,992	7,475,992
<b>Consolidated:</b>		<b>575,620,841</b>	<b>420,583,800</b>	<b>600,834,001</b>	<b>155,037,041</b>	<b>(25,213,159)</b>
<i>Current reserve level</i>		<i>1.92</i>	<i>1.40</i>	<i>2.00</i>		

**CalOptima**  
**Statement of Cash Flows**  
**February 29, 2020**

	<b>Month Ended</b>	<b>Year-To-Date</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	10,363,229	40,906,524
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	449,599	4,065,927
Changes in assets and liabilities:		
Prepaid expenses and other	833,216	(1,780,289)
Catastrophic reserves		
Capitation receivable	(25,834,022)	(115,182,745)
Medical claims liability	164,551,852	160,912,189
Deferred revenue	177,494	2,991,202
Payable to health networks	(8,417,938)	19,862,181
Accounts payable	14,075,615	75,558,131
Accrued payroll	958,587	3,065,131
Other accrued liabilities	170,710	126,198
Net cash provided by/(used in) operating activities	157,328,342	190,524,450
 GASB 68 CalPERS Adjustments	-	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Net Asset transfer from Foundation	-	-
Net cash provided by (used in) in capital and related financing activities	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Change in Investments	(183,652,729)	(29,820,688)
Change in Property and Equipment	(355,290)	(5,411,899)
Change in Board designated reserves	(4,835,791)	(15,475,434)
Change in Homeless Health Reserve	-	1,801,087
Net cash provided by/(used in) investing activities	(188,843,810)	(48,906,934)
 NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(31,515,468)	141,617,517
 CASH AND CASH EQUIVALENTS, beginning of period	\$520,760,769	347,627,784
 <b>CASH AND CASH EQUIVALENTS, end of period</b>	<b>489,245,301</b>	<b>489,245,301</b>

## **BALANCE SHEET – FEBRUARY MONTH:**

**ASSETS** of \$2.3 billion increased \$181.9 million from January or 8.7%

- Investments increased \$183.7 million due to Hospital Quality Assurance Fee (HQAF) funding received for payment to facilities in March
- Operating Cash decreased \$31.5 million due to the timing of month end cut-off and cash flow requirements
- Capitation Receivables increased \$23.9 million due to timing of capitation received

**LIABILITIES** of \$1.3 billion increased \$171.5 million from January or 15.5%

- Claims Liabilities increased \$164.6 million due to timing of HQAF payment
- Accounts Payable increased \$14.1 million due to Managed Care Organization (MCO) tax accruals
- Capitation and Withhold decreased \$8.4 million due to disbursement of shared risk pool, offset by increase in capitation payables

**NET ASSETS** total \$976.4 million

**Budget Allocation Changes  
Reporting Changes for February 2020**

Transfer Month	Line of Business	From	To	Amount	Expense Description
July	Medi-Cal	IS Application Development - Maintenance HW/SW (CalOptima Link Software)	IS Application Development - Maintenance HW/SW (Human Resources Corporate Application)	\$32,700	Repurpose \$32,700 from Maintenance HW/SW (CalOptima Link Software) to Maintenance HW/SW (Human Resources Corporate Application)
July	Medi-Cal	IS Infrastructure - Capital Project (Server 2016 Upgrade)	IS Infrastructure - Capital Projects (505 IDF Upgrade and MDF Switch Upgrade)	\$38,300	Reallocate \$38,300 from Capital Project (Server 2016 Upgrade) to Capital Projects (505 IDF Upgrade and MDF Switch Upgrade)
July	Medi-Cal	IS Infrastructure - Capital Project (LAN Switch Upgrade)	IS Infrastructure - Capital Projects (505 IDF Upgrade and MDF Switch Upgrade)	\$25,700	Reallocate \$25,700 from Capital Project (LAN Switch Upgrades) to Capital Projects (505 IDF Upgrade and MDF Switch Upgrade)
December	Medi-Cal	IS Infrastructure - Maintenance HW/SW - Microsoft True-Up	IS Infrastructure - Maintenance HW/SW - Network Connectivity - Extreme Networks	\$53,000	Repurpose \$53,000 from Microsoft True-Up to Network Connectivity - Extreme Networks.
December	Medi-Cal	Facilities - 6th Floor Lunchroom Remodel	Facilities - Replace Conference Room AV Equipment	\$13,000	To reallocate \$13,000 from Capital Projects 6th Floor Lunchroom Remodel and Conference Room 910 Upgrades to Capital Project Replace Conference Room AV Equipment.
December	Medi-Cal	Facilities - Conference Room 910 Upgrades	Facilities - Replace Conference Room AV Equipment	\$17,000	To reallocate \$17,000 from Capital Projects 6th Floor Lunchroom Remodel and Conference Room 910 Upgrades to Capital Project Replace Conference Room AV Equipment.
January	Medi-Cal	Member Survey - CG CAHPS	Inovalon Contract for HEDIS Software Training and Support hours	\$40,000	To reallocate funds from Member Survey - CG CAHPS to Inovalon Contract for HEDIS Software Training and Support hours.

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.

**Homeless Health Initiative and Allocated Funds  
as of February 29, 2020**

	<b>Amount</b>
<b>Program Commitment</b>	<b>\$ 100,000,000</b>
<b>Funds Allocation, approved initiatives:</b>	
Be Well OC	\$ 11,400,000
Recuperative Care	8,500,000
Housing Supportive Services	2,500,000
Clinical Field Team Start-Up & Federally Qualified Health Center (FQHC)	1,600,000
Homeless Response Team (CalOptima)	6,000,000
Homeless Coordination at Hospitals	10,000,000
CalOptima Day & QI Program	1,231,087
FQHC – Expansion	<u>570,000</u>
<b>Funds Allocation Total</b>	<b><u>41,801,087</u></b>
<b>Program Commitment Balance, available for new initiatives</b>	<b>\$ 58,198,913</b>

**On June 27, 2019 at a Special Board meeting, the Board approved four funding categories.  
This report only lists Board approved projects.**