INVESTMENT ADVISORY COMMITTEE AGENDA

City of BREA

Monday, January 22, 2018
10:00 AM
Executive Conference Room, Level Three
Brea Civic & Cultural Center, 1 Civic Center Circle, Brea, California

CHAIR: Mayor Pro Tem Christine Marick
ALTERNATE: Council Member Marty Simonoff

Materials related to an item on this agenda submitted to the Investment Advisory Committee after distribution of the agenda packet are available for public inspection in the third floor lobby of the Civic and Cultural Center at 1 Civic Center Circle, Brea, CA during normal business hours. Such documents may also be available on the City's website subject to staff's ability to post documents before the meeting.

CALL TO ORDER / ROLL CALL

1. Matters from the Audience

CONSENT

2. Approval of Action Minutes for October 30, 2017 Special Meeting

 Attachment
 Minutes

3. Monthly Report of Investments for the City of Brea for Period Ending December 31, 2017

 Attachment
 Attachment A

4. Monthly Report of Investments for the Successor Agency to the Brea Redevelopment Agency for Period Ending December 31, 2017

 Attachment
 Attachment A

DISCUSSION

5. Review Quarterly Review Report Period Ending December 31, 2017 from Chandler Asset Management
 - Presentation by Bill Dennehy

 Attachment
 Report

NOTE: This agenda is subject to amendments up to 72 hours prior to the meeting date.

6. PARS Post Employment Benefit Trust Investment Report for Period Ending December 31, 2017 - Presentation by PARS and HighMark Capital Management

Attachment

Report

7. Schedule Next Meeting: Monday, April 23, 2018

cc: Council Member Cecilia Hupp
Mayor Glenn Parker
Council Member Steven Vargas

Special Accommodations

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (714) 990-7757. Notification 48 hours prior to the meeting will enable City staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

NOTE: This agenda is subject to amendments up to 72 hours prior to the meeting date.

Agenda Item 2.

City of Brea

COMMUNICATION

TO: Honorable Chair and Members

FROM: Bill Gallardo

DATE: 01/22/2018

SUBJECT: Approval of Action Minutes for October 30, 2017 Special Meeting

Attachment

Minutes

Return to Agenda

INVESTMENT ADVISORY COMMITTEE MEETING MINUTES

Monday, October 30, 2017
10:00 AM

Executive Conference Room, Level Three
Brea Civic & Cultural Center, 1 Civic Center Circle, Brea, California

CALL TO ORDER / ROLL CALL

ATTENDEES: Christine Marick, Rick Rios, Gary Terrazas, Scott Fujioka, Cindy Russell, Faith Madrazo, Alicia Brenner, Ana Conrique

OTHER ATTENDEES: Bill Dennehy (Chandler), Mia Corral (Chandler)

1. Matters from the Audience – *None.*

CONSENT

2. Approval of Action Minutes for July 17, 2017 Special Meeting – *Receive and file.*

3. Treasurer's Report for the City of Brea for Period Ending September 30, 2017 – *Committee recommends renaming report to "Monthly Report of Investments". Receive and file.*

4. Treasurer's Report for the Successor Agency to the Brea Redevelopment Agency for Period Ending September 30, 2017 – *Committee recommends renaming report to "Monthly Report of Investments". Receive and file.*

DISCUSSION

5. Review Quarterly Review Report from Chandler Asset Management for Period Ending September 30, 2017 - Presentation by Bill Dennehy – *The Committee reviewed the quarterly report as presented and recommended forwarding to the City Council.*

6. Guidelines for Rescheduling Investment Advisory Committee Meetings - *Committee members discussed and prefer to adhere to the scheduled meetings with the assigned alternate if the Chair is not able to attend vs. rescheduling meetings. Meetings should only be rescheduled if a quorum is not expected to be met.*

Meeting Adjourned: 10:35 a.m.

Return to Agenda

Agenda Item 3.

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members

FROM: Bill Gallardo, City Manager

DATE: 01/22/2018

SUBJECT: Monthly Report of Investments for the City of Brea for Period Ending December 31, 2017

RECOMMENDATION

Receive and file.

BACKGROUND/DISCUSSION

The Monthly Report of Investments (formally known as the Treasurer's Report) is in accordance with Government Code Section 53607 and contains information on the investment activities for the month of December. Cash for day-to-day activities is deposited in the demand and interest-bearing checking accounts. The Local Agency Investment Fund (LAIF) is used for short term investment and functions like a savings account. The City's managed investment portfolio is for longer-term investments which are managed through Chandler Asset Management. Together, the short and long-term investment accounts represent the City's investment portfolio. Attachment A includes a Portfolio Summary, Holdings Report, Book Value Report and Compliance with Investment Policy Statement prepared by Chandler Asset Management for the invested funds. The book value is the cost, plus or minus amortization/accretion.

As of December 31, 2017, the total market value of the managed investment portfolio, including accrued interest, was $57,286,289.54 as compared to $57,271,061.89 at November 30, 2017. The weighted average investment yield for December 2017 was 1.73%, which was slightly higher from the prior month of 1.70%. The City's Local Agency Investment Fund (LAIF) had a total market value, including accrued interest of $2,607,662.63 at December 31, 2017. This brings the total value of the City's investment portfolio as of December 31, 2017 to $59,893,952.17, as compared to $59,875,999.41 at November 30, 2017. Restricted cash and investments are held in the post-employment benefits trust account administered by PARS (PARS account) and managed by High Mark Capital and the City's various bond reserve accounts which are managed by Chandler Asset Management. Attachment A includes a monthly statement from US Bank for the PARS account as well as a portfolio report from Chandler Asset Management for each bond reserve account that is invested. As of December 31, 2017, the market value of the PARS account, including short-term cash and accrued interest was $7,287,622.98 as compared to $7,217,706.71 from the prior month. All other restricted cash investments (bond reserve accounts), including short-term cash and accrued interest was $8,141,834.56 in comparison to $6,533,675.24 from the prior month. Furthermore, the City of Brea holds 2,106.5 shares of water common stock with Cal Domestic valued at $6,692,116.02 and 687.85 shares of Class A preferred stock with Pellissier Co-Tenancy, valued at $8,444,403.67 as of June 30, 2016.

All City investments are GASB rated No. 1, where the custodian (The Bank of New York Mellon Trust Company, N.A.) acts as an agent of the City, and is not a counter party to the investment transaction, and all securities are held in the name of the City of Brea. The custodial account at Bank of New York and account records with Chandler Asset Management have been reconciled to par value for the month. The City of Brea has sufficient cash flow to meet its expected expenditures for the next six months.

FISCAL IMPACT/SUMMARY

During the month of December, the total value of the City's investment portfolio increased by $17,952.76. The increase is primarily due to investment activity for the month. The City's PARS account increased by $69,916.27 primarily due to investment activity and the City's bond reserve accounts increased by $1,608,159.32 due to debt service payments received from the City's 2009, 2010 and 2014 Water Revenues Bonds that are scheduled to be paid to the bond holders on January 1, 2018.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager
Prepared by: Alicia Brenner, Senior Management Analyst
Concurrence: Cindy Russell, Administrative Services Director

Attachment

Attachment A

Return to Agenda

ATTACHMENT A

City of Brea
Cash and Investment Information
December 31, 2017

			Cost Value		Market Value*
Demand and Interest-Bearing Checking Accounts	Citizen's Bank	**$**	**8,096,925.64**	**$**	**8,096,925.64**
Local Agency Investment Fund	LAIF	**$**	**2,599,102.63**	**$**	**2,607,662.63**
Managed Investment Portfolio - CHANDLER	Chandler	**$**	**57,467,035.19**	**$**	**57,286,289.54**
PARS Post-Employment Benefits Trust**	US Bank	**$**	**6,643,752.96**	**$**	**7,287,622.98**
Fiscal Agent Cash & Investments**					
2005 Olinda Ranch Public Improvements Bonds (CFD 1997-1)	Chandler/BNY	$	452,846.20	$	450,568.22
2009 Water Revenue Bonds	Chandler/BNY	$	2,699,380.74	$	2,661,141.52
2009 Brea Plaza Public Improvements CFD Bonds (CFD 2008-2)	Chandler/BNY	$	682,002.22	$	682,002.22
2010 Water Revenue Bonds	Chandler/BNY	$	1,777,234.38	$	1,751,223.28
2010 Lease Revenue Bonds	Chandler/BNY	$	302,035.45	$	296,898.14
2011 Tax Allocation Bonds, Series B	Chandler/BNY	$	1,716,817.84	$	1,716,817.84
2014 Downtown Brea Public Improvements CFD Bonds	Chandler/BNY	$	163,648.86	$	163,648.86
2014 Water Revenue Bonds	Chandler/BNY	$	419,534.48	$	419,534.48
Sub-total - Fiscal Agent Cash & Investments		**$**	**8,213,500.17**	**$**	**8,141,834.56**
Report Grand Total		**$**	**83,020,316.59**	**$**	**83,420,335.35**

* Includes accrued interest on invested funds
** Reserve Fund

City of Brea
Cash and Investment Information
December 31, 2017

Fiscal Agent Cash & Investments Detail			Cost Value		Market Value
10103	2005 Olinda Ranch Public Improvements Bonds (CFD 1997-1) **- CHANDLER**	$	452,787.04	$	450,509.06
	Short-Term Treasury Funds - **BNY**	$	59.16	$	59.16
	Sub-total	**$**	**452,846.20**	**$**	**450,568.22**
10073	2009 Water Revenue Bonds - **CHANDLER**	$	1,929,241.37	$	1,891,002.15
	Short-Term Treasury Funds - **BNY**	$	770,139.37	$	770,139.37
		$	**2,699,380.74**	**$**	**2,661,141.52**
10118	2009 Brea Plaza Public Improvements CFD Bonds (CFD 2008-2) - **CHANDLER**	$	-	$	-
	Short-Term Treasury Funds - **BNY**	$	682,002.22	$	682,002.22
	Sub-total	**$**	**682,002.22**	**$**	**682,002.22**
10128	2010 Water Revenue Bonds - **CHANDLER**	$	1,360,850.88	$	1,334,839.78
	Short-Term Treasury Funds - **BNY**	$	416,383.50	$	416,383.50
	Sub-total	**$**	**1,777,234.38**	**$**	**1,751,223.28**
10129	2010 Lease Revenue Bonds - **CHANDLER**	$	267,147.17	$	262,009.86
	Short-Term Treasury Funds - **BNY**	$	34,888.28	$	34,888.28
	Sub-total	**$**	**302,035.45**	**$**	**296,898.14**
	2011 Tax Allocation Bonds, Series B - **CHANDLER**	$	-	$	-
	Short-Term Treasury Funds - **BNY**	$	1,716,817.84	$	1,716,817.84
	Sub-total	**$**	**1,716,817.84**	**$**	**1,716,817.84**
	2014 Downtown Brea Public Improvements CFD Bonds **- CHANDLER**	$	-	$	-
	Short-Term Treasury Funds - **BNY**	$	163,648.86	$	163,648.86
	Sub-total	**$**	**163,648.86**	**$**	**163,648.86**
	2014 Water Revenue Bonds - **CHANDLER**	$	-	$	-
	Short-Term Treasury Funds - **BNY**	$	419,534.48	$	419,534.48
	Sub-total	**$**	**419,534.48**	**$**	**419,534.48**
Report Grand Total		**$**	**8,213,500.17**	**$**	**8,141,834.56**

City of Brea Laif
Account #10164

Portfolio Summary

As of 12/31/2017

ATTACHMENT A

PORTFOLIO CHARACTERISTICS

Average Duration	0.00
Average Coupon	1.28 %
Average Purchase YTM	1.28 %
Average Market YTM	1.28 %
Average S&P/Moody Rating	NR/NR
Average Final Maturity	0.00 yrs
Average Life	0.00 yrs

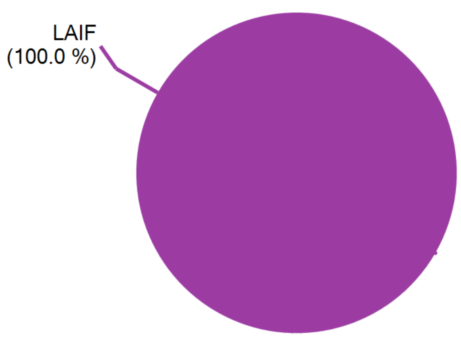
ACCOUNT SUMMARY

	Beg. Values as of 11/30/17	End Values as of 12/31/17
Market Value	2,599,103	2,599,103
Accrued Interest	5,835	8,560
Total Market Value	**2,604,938**	**2,607,663**
Income Earned	3,469	2,725
Cont/WD		0
Par	2,599,103	2,599,103
Book Value	2,599,103	2,599,103
Cost Value	2,599,103	2,599,103

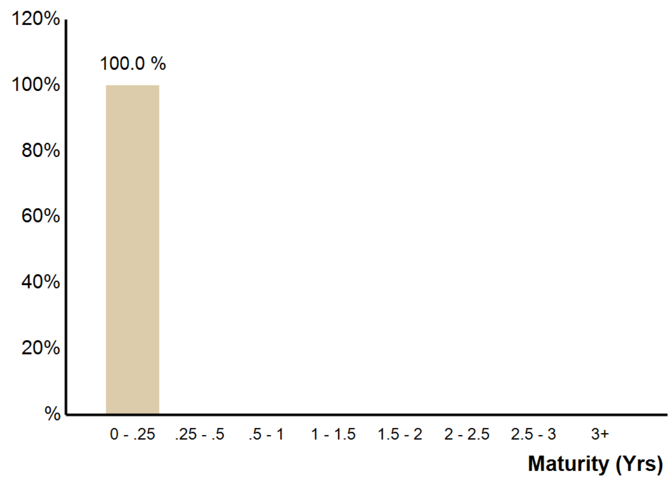
TOP ISSUERS

Issuer	% Portfolio
Local Agency Investment Fund	100.0 %
	100.0 %

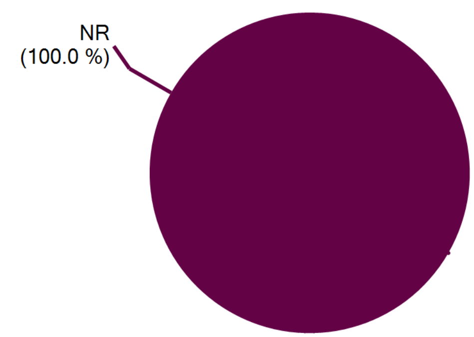
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 12/31/2017	Current Month	Latest 3 Months	Year To Date	Annualized 1 Yr	Annualized 3 Yrs	Annualized 5 Yrs	Annualized 10 Yrs	Annualized 2/28/2012	Since 2/28/2012
City of Brea Laif	0.10 %	0.29 %	0.97 %	0.97 %	0.61 %	0.47 %	N/A	N/A	N/A

City of Brea Laif
Account #10164

Holdings Report

As of 12/31/17

ATTACHMENT A

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
LAIF									
90LAIF$00	Local Agency Investment Fund State Pool	2,599,102.63	Various 1.28 %	2,599,102.63 2,599,102.63	1.00 1.28 %	2,599,102.63 8,560.00	100.00 % 0.00	NR / NR NR	0.00 0.00
Total LAIF		**2,599,102.63**	**1.28 %**	**2,599,102.63 2,599,102.63**	**1.28 %**	**2,599,102.63 8,560.00**	**100.00 % 0.00**	**NR / NR NR**	**0.00 0.00**
TOTAL PORTFOLIO		**2,599,102.63**	**1.28 %**	**2,599,102.63 2,599,102.63**	**1.28 %**	**2,599,102.63 8,560.00**	**100.00 % 0.00**	**NR / NR NR**	**0.00 0.00**
TOTAL MARKET VALUE PLUS ACCRUED						**2,607,662.63**			

City of Brea
Account #120

Portfolio Summary

As of 12/31/2017

ATTACHMENT A

PORTFOLIO CHARACTERISTICS

Average Duration	2.46
Average Coupon	1.66 %
Average Purchase YTM	1.73 %
Average Market YTM	2.06 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.65 yrs
Average Life	2.53 yrs

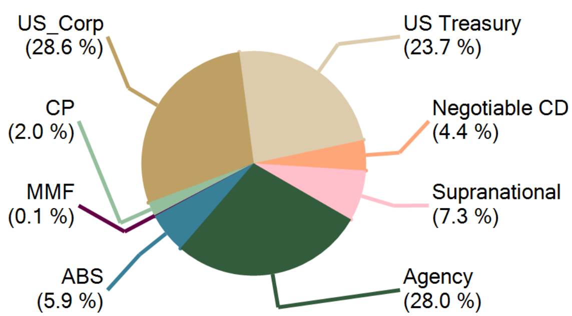
ACCOUNT SUMMARY

	Beg. Values as of 11/30/17	End Values as of 12/31/17
Market Value	57,056,458	57,031,568
Accrued Interest	214,604	254,721
Total Market Value	**57,271,062**	**57,286,290**
Income Earned	81,000	82,844
Cont/WD		0
Par	57,590,895	57,645,624
Book Value	57,485,948	57,528,506
Cost Value	57,430,079	57,467,035

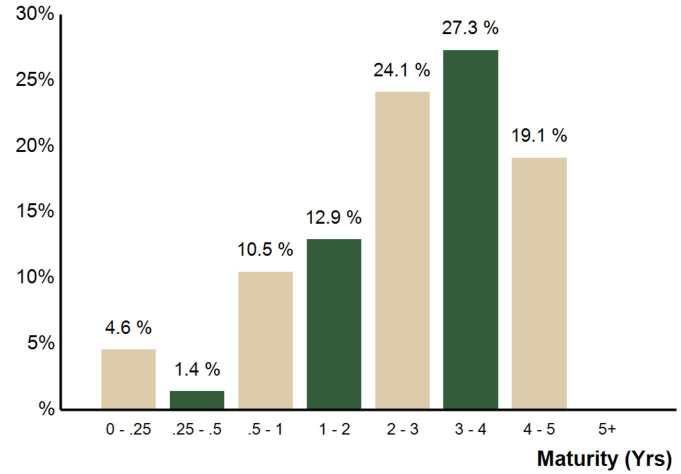
TOP ISSUERS

Issuer	% Portfolio
Government of United States	23.7 %
Federal National Mortgage Assoc	15.8 %
Federal Home Loan Mortgage Corp	8.2 %
Inter-American Dev Bank	4.8 %
Federal Home Loan Bank	4.0 %
Intl Bank Recon and Development	2.5 %
John Deere ABS	2.1 %
Bank of Tokyo-Mit UFJ	2.0 %
	63.1 %

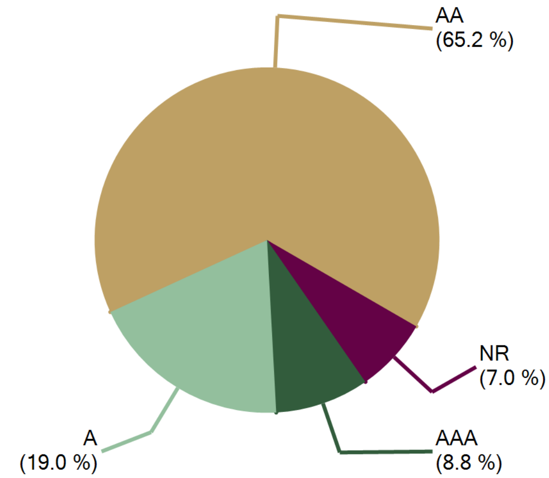
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 12/31/2017	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized 3 Yrs	Annualized 5 Yrs	Annualized 10 Yrs	Annualized 4/30/1996	Since 4/30/1996
City of Brea	0.03 %	-0.29 %	1.10 %	1.10 %	1.19 %	1.02 %	2.29 %	3.91 %	129.61 %
BAML 1-5 Yr US Treasury/Agency Index*	0.00 %	-0.37 %	0.67 %	0.67 %	0.91 %	0.76 %	2.05 %	3.53 %	111.95 %
BAML 1-5 Yr US Issuers Corp/Govt Rated AAA-A Index	0.01 %	-0.34 %	0.86 %	0.86 %	1.05 %	0.90 %	2.15 %	N/A	N/A

*BAML 1-Yr US Treasury Bill Index to 9/30/01,

City of Brea

December 31, 2017

COMPLIANCE WITH INVESTMENT POLICY

Assets managed by Chandler Asset Management are in full compliance with state law and with the Client's investment policy

Category	Standard	Comment
Treasury Issues	No limitations	Complies
US Agencies	25% per issuer	Complies
Supranationals	"AA" rated by a NRSRO; 15% maximum; 5% max per issuer	Complies
Municipal Securities	5% max issuer	Complies
Banker's Acceptances	40% maximum; 5% max issuer; 180 days max maturity	Complies
Commercial Paper	A-1/P-1 by S&P and Moody's; 25% maximum; 5% max per issuer; 270 days max maturity	Complies
Certificates of Deposit(CDs)/ Time Deposits (TDs)	5% max issuer; FDIC Insured and/or Collateralized	Complies
Negotiable CDs	30% maximum; 5% max per issuer	Complies
Medium Term Notes	"A" rated or better by a NRSRO; 30% maximum; 5% max per issuer	Complies
Pass Through Securities, Asset-Backed Securities (ABS), CMOs	"AA" or higher by a NRSRO; "A" rated issuer by a NRSRO; 20% maximum (combined), 10% maximum (ABS); 5% max per issuer; CMOs must pass FFIEC test	Complies
Money Market Funds	Highest rating by two NRSROs; 20% maximum; 5% max per fund	Complies
LAIF	40%;<60%, with OCIP	Complies
OCIP	40%;<60%, with LAIF	Complies
Repurchase Agreements	5% max issuer; 1 year max maturity	Complies
Range notes	Prohibited	Complies
Interest-only strips	Prohibited	Complies
Zero interest accruals	Prohibited	Complies
Agency Callable notes	5% maximum	Complies
Max Per Issuer	5% per issuer for all non government issuers and agencies	Complies
Maximum Maturity	5 years	Complies

City of Brea
Account #120

ATTACHMENT A

Reconciliation Summary

As of 12/31/2017

BOOK VALUE RECONCILIATION		
Beginning Book Value		**$57,485,948.41**
Acquisition		
+ Security Purchases	$1,184,972.41	
+ Money Market Fund Purchases	$443,355.07	
+ Money Market Contributions	$0.00	
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		$1,628,327.48
Dispositions		
- Security Sales	$779,953.20	
- Money Market Fund Sales	$497,154.74	
- MMF Withdrawals	$0.00	
- Security Withdrawals	$0.00	
- Security Transfers	$0.00	
- Other Dispositions	$0.00	
- Maturites	$0.00	
- Calls	$0.00	
- Principal Paydowns	$311,471.64	
Total Dispositions		$1,588,579.58
Amortization/Accretion		
+/- Net Accretion	$2,978.45	
		$2,978.45
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	($168.85)	
		($168.85)
Ending Book Value		**$57,528,505.91**

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		**$114,306.36**
Acquisition		
Contributions	$0.00	
Security Sale Proceeds	$779,953.20	
Accrued Interest Received	$4,366.92	
Interest Received	$39,077.59	
Dividend Received	$192.28	
Principal on Maturities	$0.00	
Interest on Maturities	$0.00	
Calls/Redemption (Principal)	$0.00	
Interest from Calls/Redemption	$0.00	
Principal Paydown	$311,471.64	
Total Acquisitions	$1,135,061.63	
Disposition		
Withdrawals	$0.00	
Security Purchase	$1,184,972.41	
Accrued Interest Paid	$3,888.89	
Total Dispositions	$1,188,861.30	
Ending Book Value		**$60,506.69**

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
89236WAC2	Toyota Auto Receivables Owner 2015-A 1.12% Due 2/15/2019	78,671.38	02/24/2015 1.13 %	78,659.47 78,670.88	99.93 1.64 %	78,612.66 39.16	0.14 % (58.22)	Aaa / AAA NR	1.13 0.14
47788NAB4	John Deere Owner Trust 2016-B A2 1.09% Due 2/15/2019	151,051.86	07/19/2016 1.10 %	151,042.64 151,047.81	99.94 1.81 %	150,958.48 73.18	0.26 % (89.33)	Aaa / NR AAA	1.13 0.09
43814RAB2	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	370,331.03	10/18/2016 1.05 %	370,320.70 370,325.64	99.81 1.73 %	369,631.45 139.08	0.65 % (694.19)	NR / AAA AAA	1.30 0.27
65478WAB1	Nissan Auto Receivables Owner 2016-C A2A 1.07% Due 5/15/2019	137,861.65	08/02/2016 1.08 %	137,856.21 137,858.96	99.93 1.46 %	137,761.25 65.56	0.24 % (97.71)	Aaa / NR AAA	1.37 0.19
89231LAB3	Toyota Auto Receivables Owner 2016-D 1.06% Due 5/15/2019	236,200.92	10/04/2016 1.07 %	236,182.02 236,190.94	99.85 1.70 %	235,840.44 111.28	0.41 % (350.50)	Aaa / AAA NR	1.37 0.24
43814TAB8	Honda Auto Receivables 2017-1 A2 1.42% Due 7/22/2019	256,092.51	03/21/2017 1.43 %	256,086.40 256,088.41	99.86 1.78 %	255,745.74 101.01	0.45 % (342.67)	Aaa / NR AAA	1.56 0.38
89238MAB4	Toyota Auto Receivables Owner 2017-A 1.42% Due 9/16/2019	348,128.16	03/07/2017 1.43 %	348,094.57 348,105.29	99.84 1.86 %	347,556.50 219.71	0.61 % (548.79)	Aaa / AAA NR	1.71 0.40
47787XAB3	John Deere Owner Trust 2017-A A2 1.5% Due 10/15/2019	282,809.64	02/22/2017 1.50 %	282,808.51 282,808.87	99.87 1.84 %	282,439.14 188.54	0.49 % (369.73)	Aaa / NR AAA	1.79 0.39
654747AB0	Nissan Auto Receivables 2017-A A2A 1.47% Due 1/15/2020	251,965.98	03/21/2017 1.47 %	251,964.70 251,965.05	99.82 1.84 %	251,511.68 164.62	0.44 % (453.37)	Aaa / NR AAA	2.04 0.49
47788MAC4	John Deere Owner Trust 2016-A A3 1.36% Due 4/15/2020	448,004.09	02/23/2016 1.37 %	447,933.58 447,964.97	99.72 1.87 %	446,752.79 270.79	0.78 % (1,212.18)	Aaa / NR AAA	2.29 0.55
47788BAB0	John Deere Owner Trust 2017-B A2A 1.59% Due 4/15/2020	185,000.00	07/11/2017 1.60 %	184,983.92 184,986.60	99.75 1.95 %	184,540.65 130.73	0.32 % (445.95)	Aaa / NR AAA	2.29 0.69
654747AD6	Nissan Auto Receivables 2017-A A3 1.74% Due 8/16/2021	500,000.00	12/27/2017 2.10 %	496,816.41 496,823.61	99.39 2.08 %	496,958.50 362.50	0.87 % 134.89	Aaa / NR AAA	3.63 1.80
47788BAD6	John Deere Owner Trust 2017-B A3 1.82% Due 10/15/2021	130,000.00	07/11/2017 1.83 %	129,990.48 129,991.51	99.25 2.22 %	129,029.94 105.16	0.23 % (961.57)	Aaa / NR AAA	3.79 1.89
Total ABS		**3,376,117.22**	**1.45 %**	**3,372,739.61** **3,372,828.54**	**1.85 %**	**3,367,339.22** **1,971.32**	**5.88 %** **(5,489.32)**	**Aaa / AAA** **AAA**	**2.08** **0.65**
AGENCY									
3137EADK2	FHLMC Note 1.25% Due 8/1/2019	570,000.00	Various 1.81 %	555,245.02 565,197.35	99.02 1.88 %	564,424.83 2,968.75	0.99 % (772.52)	Aaa / AA+ AAA	1.58 1.55
3137EADM8	FHLMC Note 1.25% Due 10/2/2019	1,250,000.00	05/26/2015 1.48 %	1,237,873.75 1,245,123.55	98.81 1.94 %	1,235,113.75 3,862.85	2.16 % (10,009.80)	Aaa / AA+ AAA	1.75 1.72
3135G0A78	FNMA Note 1.625% Due 1/21/2020	1,250,000.00	Various 1.46 %	1,260,040.40 1,254,174.56	99.34 1.95 %	1,241,810.00 9,027.78	2.18 % (12,364.56)	Aaa / AA+ AAA	2.06 2.00
3137EADR7	FHLMC Note 1.375% Due 5/1/2020	1,250,000.00	05/28/2015 1.52 %	1,241,437.50 1,245,949.59	98.50 2.03 %	1,231,311.25 2,864.58	2.15 % (14,638.34)	Aaa / AA+ AAA	2.33 2.28
3135G0D75	FNMA Note 1.5% Due 6/22/2020	1,030,000.00	Various 1.57 %	1,026,700.60 1,028,310.32	98.81 1.99 %	1,017,779.05 386.25	1.78 % (10,531.27)	Aaa / AA+ AAA	2.48 2.41

Holdings Report

As of 12/31/17

ATTACHMENT A

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3137EAEK1	FHLMC Note 1.875% Due 11/17/2020	450,000.00	11/21/2017 1.96 %	448,833.97 448,876.72	99.48 2.06 %	447,641.55 1,078.13	0.78 % (1,235.17)	Aaa / AA+ AAA	2.88 2.78
3135G0F73	FNMA Note 1.5% Due 11/30/2020	1,225,000.00	12/16/2015 1.90 %	1,201,847.50 1,211,389.91	98.53 2.02 %	1,206,999.85 1,582.29	2.11 % (4,390.06)	Aaa / AA+ AAA	2.92 2.83
3130A7CV5	FHLB Note 1.375% Due 2/18/2021	1,070,000.00	02/17/2016 1.46 %	1,065,677.20 1,067,293.22	97.76 2.12 %	1,046,065.17 5,435.45	1.84 % (21,228.05)	Aaa / AA+ AAA	3.14 3.03
3135G0J20	FNMA Note 1.375% Due 2/26/2021	1,275,000.00	Various 1.46 %	1,269,953.70 1,271,722.94	97.89 2.07 %	1,248,159.98 6,087.24	2.19 % (23,562.96)	Aaa / AA+ AAA	3.16 3.05
3135G0K69	FNMA Note 1.25% Due 5/6/2021	400,000.00	05/27/2016 1.48 %	395,724.00 397,101.06	97.27 2.10 %	389,060.80 763.89	0.68 % (8,040.26)	Aaa / AA+ AAA	3.35 3.25
3130A8QS5	FHLB Note 1.125% Due 7/14/2021	1,285,000.00	10/04/2016 1.33 %	1,273,126.60 1,276,207.41	96.68 2.10 %	1,242,308.45 6,706.09	2.18 % (33,898.96)	Aaa / AA+ AAA	3.54 3.42
3137EAEC9	FHLMC Note 1.125% Due 8/12/2021	1,250,000.00	08/30/2016 1.33 %	1,237,737.50 1,241,049.12	96.53 2.13 %	1,206,615.00 5,429.69	2.12 % (34,434.12)	Aaa / AA+ AAA	3.62 3.50
3135G0N82	FNMA Note 1.25% Due 8/17/2021	1,285,000.00	Various 1.29 %	1,282,305.71 1,282,996.38	96.90 2.14 %	1,245,198.41 5,978.82	2.18 % (37,797.97)	Aaa / AA+ AAA	3.63 3.50
3135G0S38	FNMA Note 2% Due 1/5/2022	1,350,000.00	04/25/2017 1.92 %	1,354,927.50 1,354,211.66	99.34 2.17 %	1,341,107.55 13,200.00	2.36 % (13,104.11)	Aaa / AA+ AAA	4.02 3.80
3135G0T45	FNMA Note 1.875% Due 4/5/2022	1,315,000.00	06/19/2017 1.88 %	1,314,801.44 1,314,823.57	98.75 2.18 %	1,298,620.36 5,890.10	2.28 % (16,203.21)	Aaa / AA+ AAA	4.26 4.05
Total Agency		**16,255,000.00**	**1.57 %**	**16,166,232.39 16,204,427.36**	**2.07 %**	**15,962,216.00 71,261.91**	**27.99 % (242,211.36)**	**Aaa / AA+ AAA**	**3.04 2.93**
COMMERCIAL PAPER									
06538CCD1	Bank of Tokyo Mitsubishi NY Discount CP 1.45% Due 3/13/2018	1,150,000.00	11/07/2017 1.48 %	1,144,210.07 1,144,210.07	99.50 1.48 %	1,144,210.07 2,501.25	2.00 % 0.00	P-1 / A-1 NR	0.20 0.20
Total Commercial Paper		**1,150,000.00**	**1.48 %**	**1,144,210.07 1,144,210.07**	**1.48 %**	**1,144,210.07 2,501.25**	**2.00 % 0.00**	**P-1 / A-1 NR**	**0.20 0.20**
MONEY MARKET FUND FI									
316175884	Fidelity Institutional Money Market Fund 696	60,506.69	Various 0.90 %	60,506.69 60,506.69	1.00 0.90 %	60,506.69 0.00	0.11 % 0.00	Aaa / AAA NR	0.00 0.00
Total Money Market Fund FI		**60,506.69**	**0.90 %**	**60,506.69 60,506.69**	**0.90 %**	**60,506.69 0.00**	**0.11 % 0.00**	**Aaa / AAA NR**	**0.00 0.00**
NEGOTIABLE CD									
96121T3U0	Westpac Banking Corp Yankee CD 1.51% Due 7/20/2018	540,000.00	07/24/2017 1.51 %	539,998.65 539,999.25	100.00 1.51 %	539,999.25 3,714.60	0.95 % 0.00	P-1 / A-1+ F-1+	0.55 0.55
06417GXH6	Bank of Nova Scotia Yankee CD 1.57% Due 8/9/2018	1,040,000.00	08/08/2017 1.57 %	1,040,000.00 1,040,000.00	100.00 1.57 %	1,040,000.00 6,576.56	1.83 % 0.00	P-1 / A-1 NR	0.61 0.60

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
NEGOTIABLE CD									
06371ETT4	Bank of Motreal Chicago Yankee CD 1.76% Due 11/7/2018	920,000.00	11/06/2017 1.76 %	920,000.00 920,000.00	100.00 1.76 %	920,000.00 2,473.78	1.61 % 0.00	P-1 / A-1 F-1+	0.85 0.84
Total Negotiable CD		**2,500,000.00**	**1.63 %**	**2,499,998.65 2,499,999.25**	**1.63 %**	**2,499,999.25 12,764.94**	**4.39 % 0.00**	**P-1 / A-1 F-1+**	**0.68 0.68**
SUPRANATIONAL									
459058ER0	Intl. Bank Recon & Development Note 1% Due 10/5/2018	1,460,000.00	09/30/2015 1.06 %	1,457,518.00 1,459,371.56	99.37 1.83 %	1,450,841.42 3,487.78	2.54 % (8,530.14)	Aaa / AAA AAA	0.76 0.75
4581X0CX4	Inter-American Dev Bank Note 1.625% Due 5/12/2020	1,065,000.00	04/05/2017 1.70 %	1,062,475.95 1,063,067.73	99.06 2.03 %	1,054,994.33 2,355.57	1.85 % (8,073.40)	Aaa / AAA AAA	2.36 2.30
4581X0CW6	Inter-American Dev Bank Note 2.125% Due 1/18/2022	1,275,000.00	01/10/2017 2.15 %	1,273,431.75 1,273,730.63	99.56 2.24 %	1,269,353.03 12,267.45	2.24 % (4,377.60)	Aaa / NR AAA	4.05 3.82
4581X0CZ9	Inter-American Dev Bank Note 1.75% Due 9/14/2022	400,000.00	09/26/2017 2.01 %	395,060.00 395,319.00	97.58 2.29 %	390,331.20 2,080.56	0.69 % (4,987.80)	NR / NR AAA	4.71 4.46
Total Supranational		**4,200,000.00**	**1.64 %**	**4,188,485.70 4,191,488.92**	**2.05 %**	**4,165,519.98 20,191.36**	**7.31 % (25,968.94)**	**Aaa / AAA AAA**	**2.54 2.43**
US CORPORATE									
084670BH0	Berkshire Hathaway Note 1.55% Due 2/9/2018	700,000.00	09/18/2014 1.65 %	697,725.00 699,928.16	99.95 2.02 %	699,640.90 4,279.72	1.23 % (287.26)	Aa2 / AA A+	0.11 0.11
166764AV2	Chevron Corp Note 1.365% Due 3/2/2018	700,000.00	02/24/2015 1.37 %	700,000.00 700,000.00	99.93 1.75 %	699,531.00 3,158.46	1.23 % (469.00)	Aa2 / AA- NR	0.17 0.17
037833AJ9	Apple Inc Note 1% Due 5/3/2018	810,000.00	Various 1.20 %	802,722.10 809,467.75	99.75 1.73 %	807,997.68 1,305.00	1.41 % (1,470.07)	Aa1 / AA+ NR	0.34 0.34
02665WAC5	American Honda Finance Note 2.125% Due 10/10/2018	800,000.00	Various 1.90 %	807,073.15 801,332.03	100.16 1.92 %	801,261.61 3,825.01	1.41 % (70.42)	A2 / A+ NR	0.78 0.76
74005PBH6	Praxair Note 1.25% Due 11/7/2018	810,000.00	Various 1.67 %	797,684.40 807,238.01	99.59 1.74 %	806,664.42 1,518.75	1.41 % (573.59)	A2 / A NR	0.85 0.84
24422ESF7	John Deere Capital Corp Note 1.95% Due 12/13/2018	430,000.00	12/10/2013 1.99 %	429,084.10 429,826.45	99.96 2.00 %	429,811.23 419.25	0.75 % (15.22)	A2 / A A	0.95 0.94
36962G7G3	General Electric Capital Corp Note 2.3% Due 1/14/2019	800,000.00	Various 2.27 %	800,569.30 800,247.28	100.12 2.18 %	800,996.80 8,535.55	1.41 % 749.52	A2 / A A+	1.04 1.01
17275RAR3	Cisco Systems Note 2.125% Due 3/1/2019	715,000.00	Various 2.04 %	717,853.05 715,664.14	100.11 2.03 %	715,802.95 5,064.58	1.26 % 138.81	A1 / AA- NR	1.16 1.14
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	700,000.00	Various 2.08 %	703,858.75 701,000.64	100.28 1.96 %	701,981.71 2,823.33	1.23 % 981.07	A1 / A+ AA	1.32 1.21

Holdings Report

As of 12/31/17

ATTACHMENT A

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US CORPORATE									
40434CAC9	HSBC USA Inc Note 2.25% Due 6/23/2019	800,000.00	06/20/2017 1.99 %	804,088.00 803,012.80	99.99 2.25 %	799,956.00 400.00	1.40 % (3,056.80)	A2 / A AA-	1.48 1.44
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	705,000.00	Various 2.29 %	705,272.60 705,088.13	100.26 2.13 %	706,837.94 4,954.59	1.24 % 1,749.81	A1 / A AA-	1.70 1.57
94974BGF1	Wells Fargo Corp Note 2.15% Due 1/30/2020	735,000.00	01/26/2015 2.17 %	734,204.40 734,668.75	99.78 2.26 %	733,388.15 6,628.27	1.29 % (1,280.60)	A2 / A A+	2.08 2.01
22160KAG0	Costco Wholesale Corp Note 1.75% Due 2/15/2020	465,000.00	02/05/2015 1.77 %	464,511.75 464,792.55	99.36 2.06 %	462,044.93 3,074.17	0.81 % (2,747.62)	A1 / A+ A+	2.13 2.06
747525AD5	Qualcomm Inc Note 2.25% Due 5/20/2020	750,000.00	06/11/2015 2.49 %	741,693.75 745,985.32	99.23 2.58 %	744,216.76 1,921.88	1.30 % (1,768.56)	A1 / A NR	2.39 2.30
437076BQ4	Home Depot Note 1.8% Due 6/5/2020	330,000.00	05/24/2017 1.82 %	329,808.60 329,845.27	99.20 2.14 %	327,375.84 429.00	0.57 % (2,469.43)	A2 / A A	2.43 2.36
594918BG8	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	325,000.00	10/29/2015 2.02 %	324,740.00 324,852.42	99.61 2.14 %	323,734.77 1,047.22	0.57 % (1,117.65)	Aaa / AAA AA+	2.84 2.66
00440EAT4	ACE INA Holdings Inc Callable Note Cont 10/3/2020 2.3% Due 11/3/2020	800,000.00	02/06/2017 2.16 %	803,768.00 802,845.80	99.84 2.36 %	798,726.40 2,964.44	1.40 % (4,119.40)	A3 / A A	2.84 2.65
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	875,000.00	Various 1.97 %	884,992.10 881,606.11	99.78 2.30 %	873,041.75 6,480.83	1.54 % (8,564.36)	Aaa / AA+ NR	3.17 3.02
24422ESL4	John Deere Capital Corp Note 2.8% Due 3/4/2021	315,000.00	05/24/2017 2.12 %	322,663.95 321,459.14	101.04 2.46 %	318,274.74 2,866.50	0.56 % (3,184.40)	A2 / A A	3.18 3.00
857477AV5	State Street Bank Note 1.95% Due 5/19/2021	440,000.00	05/16/2016 1.96 %	439,771.20 439,845.38	98.56 2.40 %	433,649.04 1,001.00	0.76 % (6,196.34)	A1 / A AA-	3.38 3.24
594918BP8	Microsoft Callable Note Cont 7/8/21 1.55% Due 8/8/2021	590,000.00	Various 1.57 %	589,298.90 589,495.10	97.37 2.31 %	574,467.07 3,632.60	1.01 % (15,028.03)	Aaa / AAA AA+	3.61 3.45
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	804,000.00	11/29/2016 2.40 %	785,998.44 790,066.30	98.42 2.35 %	791,311.27 4,497.93	1.39 % 1,244.97	A1 / AA- A+	3.71 3.53
91159HHP8	US Bancorp Note 2.625% Due 1/24/2022	390,000.00	01/19/2017 2.66 %	389,329.20 389,454.84	100.57 2.48 %	392,239.38 4,464.69	0.69 % 2,784.54	A1 / A+ AA	4.07 3.79
69353RFE3	PNC Bank Callable Note Cont 6/28/2022 2.45% Due 7/28/2022	890,000.00	07/25/2017 2.45 %	889,919.90 889,926.79	99.16 2.64 %	882,514.21 9,267.13	1.56 % (7,412.58)	A2 / A A+	4.58 4.25
44932HAC7	IBM Credit Corp Note 2.2% Due 9/8/2022	700,000.00	11/29/2017 2.58 %	688,156.00 688,366.77	97.93 2.67 %	685,497.40 4,833.89	1.21 % (2,869.37)	A1 / A+ A+	4.69 4.39
Total US Corporate		**16,379,000.00**	**2.02 %**	**16,354,786.64 16,366,015.93**	**2.19 %**	**16,310,963.95 89,393.79**	**28.63 % (55,051.98)**	**A1 / A+ A+**	**2.12 2.01**
US TREASURY									
912828J84	US Treasury Note 1.375% Due 3/31/2020	650,000.00	10/23/2015 1.35 %	650,636.94 650,322.80	98.83 1.91 %	642,382.65 2,283.48	1.13 % (7,940.15)	Aaa / AA+ AAA	2.25 2.19

Holdings Report

As of 12/31/17

ATTACHMENT A

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
912828VF4	US Treasury Note 1.375% Due 5/31/2020	650,000.00	Various 1.63 %	642,866.47 646,232.63	98.72 1.92 %	641,672.20 785.71	1.12 % (4,560.43)	Aaa / AA+ AAA	2.42 2.36
912828L32	US Treasury Note 1.375% Due 8/31/2020	1,250,000.00	09/29/2015 1.37 %	1,250,394.81 1,250,213.77	98.54 1.94 %	1,231,738.75 5,839.95	2.16 % (18,475.02)	Aaa / AA+ AAA	2.67 2.59
912828L99	US Treasury Note 1.375% Due 10/31/2020	800,000.00	11/23/2015 1.71 %	787,471.43 792,815.01	98.39 1.96 %	787,093.60 1,883.98	1.38 % (5,721.41)	Aaa / AA+ AAA	2.84 2.75
912828N89	US Treasury Note 1.375% Due 1/31/2021	1,300,000.00	03/09/2016 1.40 %	1,298,734.82 1,299,202.80	98.09 2.02 %	1,275,219.40 7,480.30	2.24 % (23,983.40)	Aaa / AA+ AAA	3.09 2.98
912828B90	US Treasury Note 2% Due 2/28/2021	1,250,000.00	04/26/2016 1.40 %	1,285,111.61 1,272,930.84	99.94 2.02 %	1,249,267.50 8,494.48	2.20 % (23,663.34)	Aaa / AA+ AAA	3.16 3.03
912828Q37	US Treasury Note 1.25% Due 3/31/2021	800,000.00	12/13/2016 1.81 %	781,471.43 785,997.22	97.53 2.04 %	780,249.60 2,554.95	1.37 % (5,747.62)	Aaa / AA+ AAA	3.25 3.15
912828T34	US Treasury Note 1.125% Due 9/30/2021	1,300,000.00	11/09/2016 1.48 %	1,278,016.07 1,283,151.81	96.49 2.10 %	1,254,347.90 3,736.61	2.20 % (28,803.91)	Aaa / AA+ AAA	3.75 3.63
912828F96	US Treasury Note 2% Due 10/31/2021	1,025,000.00	01/27/2017 1.94 %	1,027,686.05 1,027,165.87	99.57 2.12 %	1,020,595.58 3,511.05	1.79 % (6,570.29)	Aaa / AA+ AAA	3.84 3.66
912828J43	US Treasury Note 1.75% Due 2/28/2022	1,360,000.00	03/13/2017 2.14 %	1,335,407.68 1,339,372.87	98.47 2.14 %	1,339,175.68 8,086.74	2.35 % (197.19)	Aaa / AA+ AAA	4.16 3.97
912828XG0	US Treasury Note 2.125% Due 6/30/2022	1,100,000.00	08/15/2017 1.82 %	1,115,601.34 1,114,399.21	99.82 2.17 %	1,097,980.40 64.57	1.92 % (16,418.81)	Aaa / AA+ AAA	4.50 4.27
912828L24	US Treasury Note 1.875% Due 8/31/2022	1,000,000.00	09/26/2017 1.87 %	1,000,433.04 1,000,409.93	98.59 2.19 %	985,938.00 6,370.86	1.73 % (14,471.93)	Aaa / AA+ AAA	4.67 4.41
912828L57	US Treasury Note 1.75% Due 9/30/2022	1,240,000.00	10/17/2017 1.99 %	1,226,243.75 1,226,814.39	98.00 2.20 %	1,215,151.64 5,544.23	2.13 % (11,662.75)	Aaa / AA+ AAA	4.75 4.50
Total US Treasury		**13,725,000.00**	**1.69 %**	**13,680,075.44 13,689,029.15**	**2.07 %**	**13,520,812.90 56,636.91**	**23.70 % (168,216.25)**	**Aaa / AA+ AAA**	**3.58 3.43**
TOTAL PORTFOLIO		**57,645,623.91**	**1.73 %**	**57,467,035.19 57,528,505.91**	**2.06 %**	**57,031,568.06 254,721.48**	**100.00 % (496,937.85)**	**Aa1 / AA AAA**	**2.65 2.46**
TOTAL MARKET VALUE PLUS ACCRUED						**57,286,289.54**			

City of Brea
Account #120

Book Value Report

As of 12/31/2017 12:00:00 AM

ATTACHMENT A

MIG	Book Value	12 Months or less	13 to 24 Months	25 to 60 Months	Total Holdings
ABS	$3,372,828.54	$1,770,164.49	$538,897.28	$1,063,766.77	$3,372,828.54
Agency	$16,204,427.36	$0.00	$1,810,320.90	$14,394,106.46	$16,204,427.36
Commercial Paper	$1,144,210.07	$1,144,210.07	$0.00	$0.00	$1,144,210.07
Money Market Fund FI	$60,506.69	$60,506.69	$0.00	$0.00	$60,506.69
Negotiable CD	$2,499,999.25	$2,499,999.25	$0.00	$0.00	$2,499,999.25
Supranational	$4,191,488.92	$1,459,371.56	$0.00	$2,732,117.36	$4,191,488.92
US Corporate	$16,366,015.93	$4,247,792.40	$3,725,012.99	$8,393,210.54	$16,366,015.93
US Treasury	$13,689,029.15	$0.00	$0.00	$13,689,029.15	$13,689,029.15
Total	$57,528,505.91	$11,182,044.46	$6,074,231.17	$40,272,230.28	$57,528,505.91

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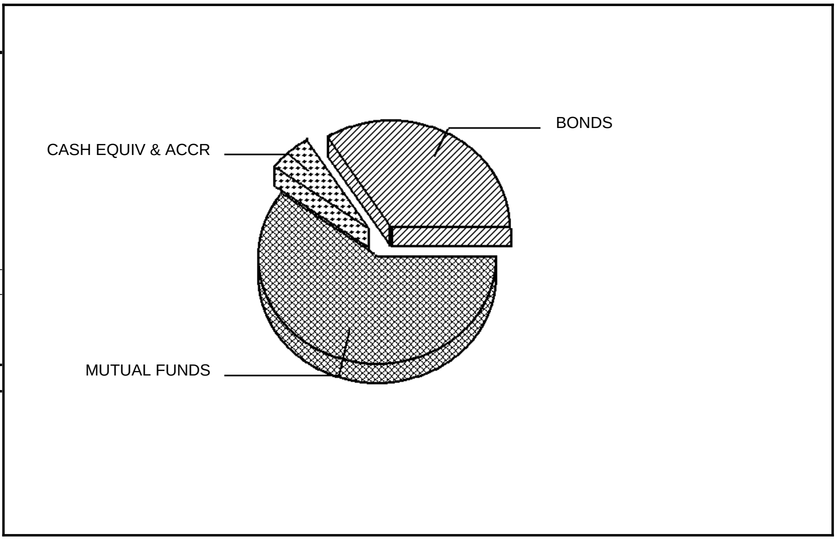
PARS/CITY OF BREA 115P
ACCOUNT 6746050800

Period from December 1, 2017 to December 31, 2017

ASSET SUMMARY

ASSETS	12/31/2017 MARKET	12/31/2017 BOOK VALUE	% OF MARKET
Cash And Equivalents	319,140.52	319,140.52	4.39
Corporate Issues	2,533,289.50	2,637,526.25	34.76
Mutual Funds-Equity	4,285,404.12	3,564,021.18	58.80
Mutual Funds-Fixed Income	122,628.61	123,065.01	1.68
Total Assets	**7,260,462.75**	**6,643,752.96**	**99.63**
Accrued Income	27,160.23	27,160.23	0.37
Grand Total	**7,287,622.98**	**6,670,913.19**	**100.00**



Estimated Annual Income **164,132.81**

ASSET DETAIL

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Cash And Equivalents						
Money Markets						
First Am Govt Ob Fd Cl Z 31846V567 Asset Minor Code 1	318,766.640	318,766.64 1.0000	318,766.64	.00 .00	225.31	1.17
Total Money Markets	**318,766.640**	**318,766.64**	**318,766.64**	**.00** **.00**	**225.31**	**1.17**
Cash						
Cash		373.88	373.88			
Total Cash	**.000**	**373.88**	**373.88**	**.00** **.00**	**.00**	**0.00**
Total Cash And Equivalents	**318,766.640**	**319,140.52**	**319,140.52**	**.00** **.00**	**225.31**	**1.17**
Corporate Issues						
Apple Inc 2.850% 2/23/23 Standard & Poors Rating: AA+ Moodys Rating: Aa1 037833BU3 Asset Minor Code 28	150,000.000	152,032.50 101.3550	158,403.00	- 6,370.50 36.00	1,520.00	2.81
Bank Ny Mellon Mtn 5.450% 5/15/19 Standard & Poors Rating: A Moodys Rating: A1 06406HBM0 Asset Minor Code 28	200,000.000	208,820.00 104.4100	223,052.00	- 14,232.00 - 692.00	1,392.78	5.22

ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Cisco Systems Inc 2.900% 3/04/21 Standard & Poors Rating: AA- Moodys Rating: A1 17275RAP7 Asset Minor Code 28	200,000.000	203,646.00 101.8230	207,884.00	- 4,238.00 148.00	1,885.00	2.85
Gen Elec Cap Crp Mtn 6.000% 8/07/19 Standard & Poors Rating: A Moodys Rating: A2 36962G4D3 Asset Minor Code 28	175,000.000	185,428.25 105.9590	200,947.25	- 15,519.00 - 446.25	4,200.00	5.66
Gen Elec Cap Crp Mtn 5.500% 1/08/20 Standard & Poors Rating: A Moodys Rating: A2 36962G4J0 Asset Minor Code 28	200,000.000	212,356.00 106.1780	228,930.00	- 16,574.00 - 842.00	5,286.11	5.18
General Elec Cap Mtn 3.100% 1/09/23 Standard & Poors Rating: A Moodys Rating: A2 36962G6S8 Asset Minor Code 28	100,000.000	101,567.00 101.5670	106,031.00	- 4,464.00 135.00	1,481.11	3.05
Intercontinental 3.750% 12/01/25 Standard & Poors Rating: A Moodys Rating: A2 45866FAD6 Asset Minor Code 28 Date Last Priced: 11/28/16	100,000.000	103,518.00 103.5180 @	104,231.00	- 713.00 .00	312.50	3.62
Jp Morgan Chase Co 2.700% 5/18/23 Standard & Poors Rating: A- Moodys Rating: A3 46625HRL6 Asset Minor Code 28	75,000.000	74,508.00 99.3440	74,970.75	- 462.75 59.25	241.88	2.72

ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Kimberly Clark Corp 2.750% 2/15/26 Standard & Poors Rating: A Moodys Rating: A2 494368BU6 Asset Minor Code 28	100,000.000	98,715.00 98.7150	103,111.00	- 4,396.00 485.00	1,038.89	2.79
Medtronic Inc 3.125% 3/15/22 Standard & Poors Rating: A Moodys Rating: A3 585055AX4 Asset Minor Code 28	200,000.000	204,404.00 102.2020	208,046.00	- 3,642.00 - 196.00	1,840.28	3.06
Mondelez Int 4.000% 2/01/24 Standard & Poors Rating: BBB Moodys Rating: Baa1 609207AB1 Asset Minor Code 28	100,000.000	105,908.00 105.9080	109,303.00	- 3,395.00 - 179.00	1,666.67	3.78
Pepsico Inc 2.750% 4/30/25 Standard & Poors Rating: A+ Moodys Rating: A1 713448CT3 Asset Minor Code 28	75,000.000	75,186.00 100.2480	73,932.75	1,253.25 1,033.50	349.48	2.74
Suntrust Banks Inc 2.700% 1/27/22 Standard & Poors Rating: BBB+ Moodys Rating: Baa1 867914BM4 Asset Minor Code 28	75,000.000	74,997.75 99.9970	75,130.50	- 132.75 - 132.75	866.25	2.70
Verizon 5.150% 9/15/23 Standard & Poors Rating: BBB+ Moodys Rating: Baa1 92343VBR4 Asset Minor Code 28	200,000.000	222,528.00 111.2640	230,048.00	- 7,520.00 1,294.00	3,032.78	4.63
Visa Inc 2.200% 12/14/20 Standard & Poors Rating: A+ Moodys Rating: A1 92826CAB8 Asset Minor Code 28	200,000.000	199,842.00 99.9210	204,764.00	- 4,922.00 - 78.00	207.78	2.20

ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Wells Fargo Mtn 3.300% 9/09/24 Standard & Poors Rating: A Moodys Rating: A2 94974BGA2 Asset Minor Code 28	100,000.000	101,551.00 101.5510	103,890.00	- 2,339.00 154.00	1,026.67	3.25
Xto Energy Inc 6.500% 12/15/18 Standard & Poors Rating: AA+ Moodys Rating: Aaa 98385XAT3 Asset Minor Code 28	200,000.000	208,282.00 104.1410	224,852.00	- 16,570.00 - 1,286.00	577.78	6.24
Total Corporate Issues	**2,450,000.000**	**2,533,289.50**	**2,637,526.25**	**- 104,236.75** **- 507.25**	**26,925.96**	**3.92**

Mutual Funds

Mutual Funds-Equity

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Columbia Contrarian Core Fd Instl 19765P406 Asset Minor Code 98	13,352.582	345,297.77 25.8600	280,622.87	64,674.90 - 18,474.52	.00	0.95
Dodge & Cox International Stock Fund 256206103 Asset Minor Code 98	5,157.384	238,890.03 46.3200	186,584.10	52,305.93 264.50	.00	1.93
Dodge & Cox Stock Fund 256219106 Asset Minor Code 98	2,780.994	566,238.19 203.6100	484,338.29	81,899.90 - 10,198.94	.00	1.53
Harbor Capital Appreciaton Cl R 411512528 Asset Minor Code 98	2,351.019	163,184.23 69.4100	131,905.95	31,278.28 - 18,971.93	.00	0.24
Hartford Schroders Emerging Markets 41665H797 Asset Minor Code 98	17,738.868	295,352.15 16.6500	201,232.62	94,119.53 5,844.93	.00	0.92

ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Ishares Russell Mid Cap Etf 464287499 Asset Minor Code 94	1,571.000	326,972.23 208.1300	266,500.76	60,471.47 - 35.94	.00	1.52
Mfs International Growth R6 552746356 Asset Minor Code 98	7,165.566	241,981.16 33.7700	188,646.80	53,334.36 - 1,648.24	.00	1.05
Nationwide Bailard Intl Equities R6 63868B815 Asset Minor Code 98	40,216.506	359,937.73 8.9500	298,527.63	61,410.10 3,233.30	.00	2.04
Price T Rowe Growth Stk Fd Inc 741479406 Asset Minor Code 98	2,888.635	181,117.41 62.7000	147,905.52	33,211.89 - 23,118.56	.00	0.41
T Rowe Price New Horizons Fund I 779562206 Asset Minor Code 98	5,153.587	271,233.28 52.6300	216,483.64	54,749.64 - 31,928.30	.00	0.00
Jp Undiscovered Mgrs Be Val Cl L 904504842 Asset Minor Code 98	5,241.478	366,536.56 69.9300	326,466.05	40,070.51 - 12,481.03	.00	1.09
Vanguard Growth & Income Adm Shs#593 921913208 Asset Minor Code 98	10,549.697	813,487.14 77.1100	720,763.53	92,723.61 - 41,575.36	.00	1.59
Vanguard Reit Index Fund Etf 922908553 Asset Minor Code 94	1,388.000	115,176.24 82.9800	114,043.42	1,132.82 - 1,981.38	.00	4.23
Total Mutual Funds-Equity	**115,555.316**	**4,285,404.12**	**3,564,021.18**	**721,382.94** **- 151,071.47**	**.00**	**1.33**
Mutual Funds-Fixed Income						
Eaton Vance Float Rate High Income 277911541 Asset Minor Code 99	9,912.536	87,825.07 8.8600	88,065.02	- 239.95 - 99.12	8.96	4.09

ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Vanguard Short Term Invt Grade #539 922031836 Asset Minor Code 99	3,274.087	34,803.54 10.6300	34,999.99	- 196.45 - 65.49	.00	2.09
Total Mutual Funds-Fixed Income	**13,186.623**	**122,628.61**	**123,065.01**	**- 436.40** **- 164.61**	**8.96**	**3.51**
Total Mutual Funds	**128,741.939**	**4,408,032.73**	**3,687,086.19**	**720,946.54** **- 151,236.08**	**8.96**	**1.39**
Total Assets	**2,897,508.579**	**7,260,462.75**	**6,643,752.96**	**616,709.79** **- 151,743.33**	**27,160.23**	**2.26**
Accrued Income	**.000**	**27,160.23**	**27,160.23**			
Grand Total	**2,897,508.579**	**7,287,622.98**	**6,670,913.19**			

ASSET DETAIL MESSAGES

Time of trade execution and trading party (if not disclosed) will be provided upon request.

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

For further information, please contact your account manager or relationship manager.

@ No current price is available.

Portfolio Summary

As of 12/31/2017

ATTACHMENT A

PORTFOLIO CHARACTERISTICS

Average Duration	2.82
Average Coupon	1.58 %
Average Purchase YTM	1.64 %
Average Market YTM	2.02 %
Average S&P/Moody Rating	AA+/Aaa
Average Final Maturity	2.93 yrs
Average Life	2.93 yrs

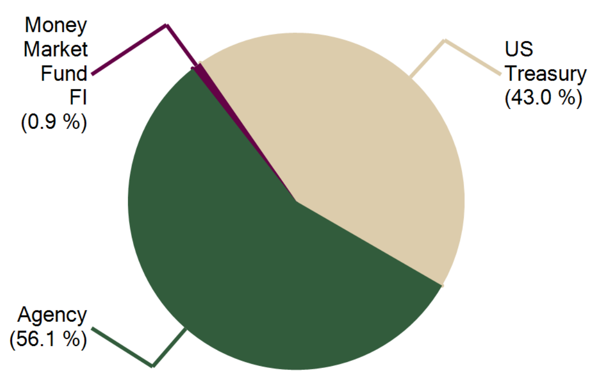
ACCOUNT SUMMARY

	Beg. Values as of 11/30/17	End Values as of 12/31/17
Market Value	449,017	448,678
Accrued Interest	1,579	1,831
Total Market Value	**450,596**	**450,509**
Income Earned	616	626
Cont/WD		0
Par	453,673	454,025
Book Value	453,469	453,842
Cost Value	452,435	452,787

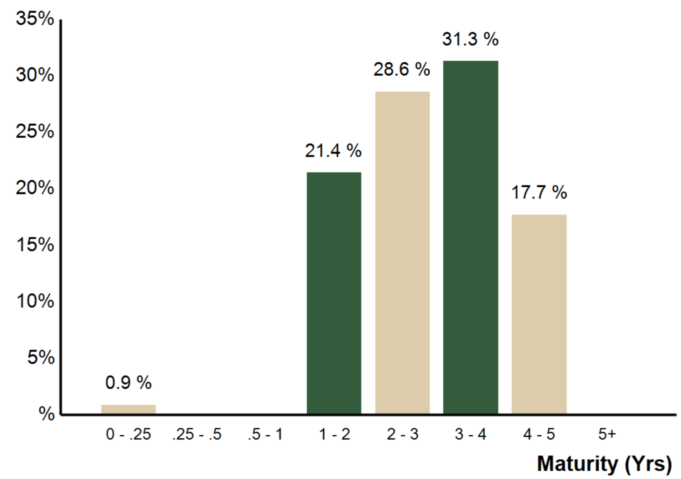
TOP ISSUERS

Issuer	% Portfolio
Government of United States	43.0 %
Federal National Mortgage Assoc	24.2 %
Federal Home Loan Bank	16.5 %
Federal Home Loan Mortgage Corp	15.4 %
AIM STIT-Treasury Portfolio	0.9 %
	100.0 %

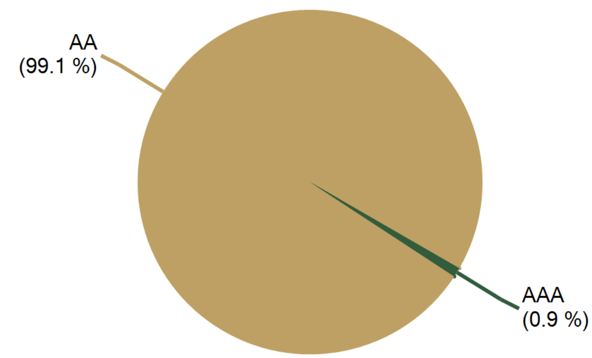
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 12/31/2017	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized 3 Yrs	Annualized 5 Yrs	Annualized 10 Yrs	Annualized 11/30/2009	Since 11/30/2009
Brea 05 CFD 97-1 Spec Tax Reserve Fund	-0.02 %	-0.46 %	0.81 %	0.81 %	1.26 %	1.05 %	N/A	1.98 %	17.19 %
BAML 3-Month US Treasury Bill Index	0.11 %	0.28 %	0.86 %	0.86 %	0.41 %	0.27 %	N/A	0.21 %	1.70 %

Reconciliation Summary

As of 12/31/2017

ATTACHMENT A

BOOK VALUE RECONCILIATION		
Beginning Book Value		**$453,468.84**
Acquisition		
+ Security Purchases	$0.00	
+ Money Market Fund Purchases	$351.69	
+ Money Market Contributions	$0.00	
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		$351.69
Dispositions		
- Security Sales	$0.00	
- Money Market Fund Sales	$0.00	
- MMF Withdrawals	$0.00	
- Security Withdrawals	$0.00	
- Security Transfers	$0.00	
- Other Dispositions	$0.00	
- Maturites	$0.00	
- Calls	$0.00	
- Principal Paydowns	$0.00	
Total Dispositions		$0.00
Amortization/Accretion		
+/- Net Accretion	$21.68	
		$21.68
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	$0.00	
		$0.00
Ending Book Value		**$453,842.21**

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		**$3,672.87**
Acquisition		
Contributions	$0.00	
Security Sale Proceeds	$0.00	
Accrued Interest Received	$0.00	
Interest Received	$350.00	
Dividend Received	$1.69	
Principal on Maturities	$0.00	
Interest on Maturities	$0.00	
Calls/Redemption (Principal)	$0.00	
Interest from Calls/Redemption	$0.00	
Principal Paydown	$0.00	
Total Acquisitions	$351.69	
Disposition		
Withdrawals	$0.00	
Security Purchase	$0.00	
Accrued Interest Paid	$0.00	
Total Dispositions	$0.00	
Ending Book Value		**$4,024.56**

Holdings Report

As of 12/31/17

ATTACHMENT A

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3137EADK2	FHLMC Note 1.25% Due 8/1/2019	30,000.00	09/09/2014 1.84 %	29,180.70 29,735.31	99.02 1.88 %	29,706.57 156.25	6.63 % (28.74)	Aaa / AA+ AAA	1.58 1.55
3135G0ZG1	FNMA Note 1.75% Due 9/12/2019	27,000.00	11/17/2014 1.77 %	26,972.73 26,990.40	99.72 1.92 %	26,923.54 143.06	6.01 % (66.86)	Aaa / AA+ AAA	1.70 1.66
3137EADM8	FHLMC Note 1.25% Due 10/2/2019	40,000.00	03/25/2015 1.40 %	39,735.60 39,897.67	98.81 1.94 %	39,523.64 123.61	8.80 % (374.03)	Aaa / AA+ AAA	1.75 1.72
313383HU8	FHLB Note 1.75% Due 6/12/2020	40,000.00	06/26/2015 1.87 %	39,779.20 39,891.06	99.32 2.03 %	39,729.28 36.94	8.83 % (161.78)	Aaa / AA+ NR	2.45 2.38
3130A7CV5	FHLB Note 1.375% Due 2/18/2021	35,000.00	03/11/2016 1.64 %	34,566.00 34,724.48	97.76 2.12 %	34,217.09 177.80	7.63 % (507.39)	Aaa / AA+ AAA	3.14 3.03
3135G0Q89	FNMA Note 1.375% Due 10/7/2021	43,000.00	10/27/2016 1.50 %	42,738.13 42,800.51	97.25 2.14 %	41,818.45 137.96	9.31 % (982.06)	Aaa / AA+ AAA	3.77 3.63
3135G0S38	FNMA Note 2% Due 1/5/2022	40,000.00	04/24/2017 1.92 %	40,142.40 40,121.64	99.34 2.17 %	39,736.52 391.11	8.91 % (385.12)	Aaa / AA+ AAA	4.02 3.80
Total Agency		**255,000.00**	**1.70 %**	**253,114.76 254,161.07**	**2.04 %**	**251,655.09 1,166.73**	**56.12 % (2,505.98)**	**Aaa / AA+ AAA**	**2.72 2.62**
MONEY MARKET FUND FI									
825252109	Invesco Treasury MMFD Private Class	4,024.56	Various 0.60 %	4,024.56 4,024.56	1.00 0.60 %	4,024.56 0.00	0.89 % 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		**4,024.56**	**0.60 %**	**4,024.56 4,024.56**	**0.60 %**	**4,024.56 0.00**	**0.89 % 0.00**	**Aaa / AAA AAA**	**0.00 0.00**
US TREASURY									
912828UQ1	US Treasury Note 1.25% Due 2/29/2020	30,000.00	Various 1.46 %	29,709.47 29,870.44	98.64 1.90 %	29,591.02 127.42	6.60 % (279.42)	Aaa / AA+ AAA	2.16 2.11
912828UV0	US Treasury Note 1.125% Due 3/31/2020	30,000.00	05/07/2015 1.57 %	29,379.01 29,715.37	98.29 1.90 %	29,487.90 86.23	6.56 % (227.47)	Aaa / AA+ AAA	2.25 2.20
912828WC0	US Treasury Note 1.75% Due 10/31/2020	30,000.00	11/04/2015 1.63 %	30,166.51 30,094.50	99.43 1.96 %	29,830.08 89.92	6.64 % (264.42)	Aaa / AA+ AAA	2.84 2.74
912828WN6	US Treasury Note 2% Due 5/31/2021	30,000.00	07/11/2016 1.01 %	31,406.35 30,982.24	99.83 2.05 %	29,948.43 52.75	6.66 % (1,033.81)	Aaa / AA+ AAA	3.42 3.28
912828G53	US Treasury Note 1.875% Due 11/30/2021	35,000.00	01/18/2017 1.89 %	34,974.14 34,979.19	99.19 2.09 %	34,715.63 57.69	7.72 % (263.56)	Aaa / AA+ AAA	3.92 3.75
912828J43	US Treasury Note 1.75% Due 2/28/2022	10,000.00	04/24/2017 1.84 %	9,960.58 9,966.15	98.47 2.14 %	9,846.88 59.46	2.20 % (119.27)	Aaa / AA+ AAA	4.16 3.97

Holdings Report

As of 12/31/17

ATTACHMENT A

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
912828L24	US Treasury Note 1.875% Due 8/31/2022	30,000.00	09/18/2017 1.84 %	30,051.66 30,048.69	98.59 2.19 %	29,578.14 191.13	6.61 % (470.55)	Aaa / AA+ AAA	4.67 4.41
Total US Treasury		**195,000.00**	**1.59 %**	**195,647.72** **195,656.58**	**2.02 %**	**192,998.08** **664.60**	**42.99 %** **(2,658.50)**	**Aaa / AA+** **AAA**	**3.28** **3.14**
TOTAL PORTFOLIO		**454,024.56**	**1.64 %**	**452,787.04** **453,842.21**	**2.02 %**	**448,677.73** **1,831.33**	**100.00 %** **(5,164.48)**	**Aaa / AA+** **AAA**	**2.93** **2.82**
TOTAL MARKET VALUE PLUS ACCRUED						**450,509.06**			

Brea 2009 Water Revenue Bond Reserve Fund
Account #10073

Portfolio Summary

As of 12/31/2017

ATTACHMENT A

PORTFOLIO CHARACTERISTICS

Average Duration	2.86
Average Coupon	1.70 %
Average Purchase YTM	1.29 %
Average Market YTM	1.99 %
Average S&P/Moody Rating	AA+/Aaa
Average Final Maturity	2.97 yrs
Average Life	2.97 yrs

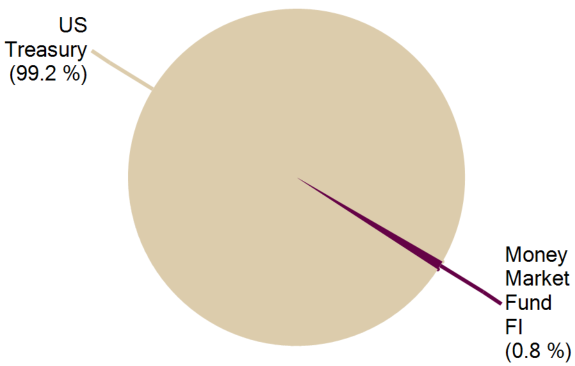
ACCOUNT SUMMARY

	Beg. Values as of 11/30/17	End Values as of 12/31/17
Market Value	1,884,358	1,883,349
Accrued Interest	6,869	7,653
Total Market Value	**1,891,226**	**1,891,002**
Income Earned	2,026	2,097
Cont/WD		0
Par	1,894,043	1,896,009
Book Value	1,918,582	1,919,895
Cost Value	1,927,276	1,929,241

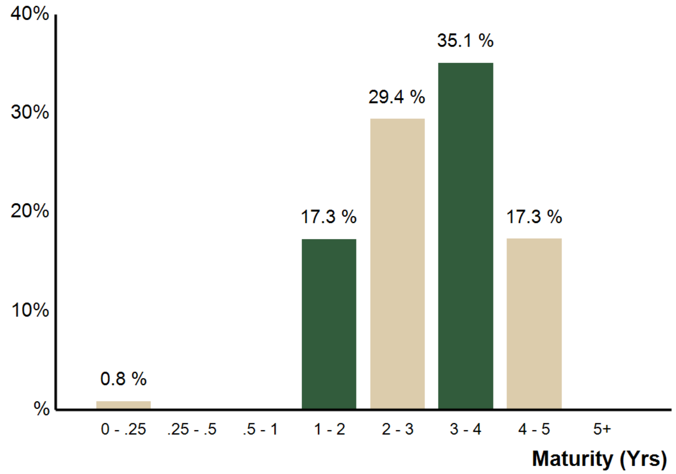
TOP ISSUERS

Issuer	% Portfolio
Government of United States	99.2 %
AIM STIT-Treasury Portfolio	0.8 %
	100.0 %

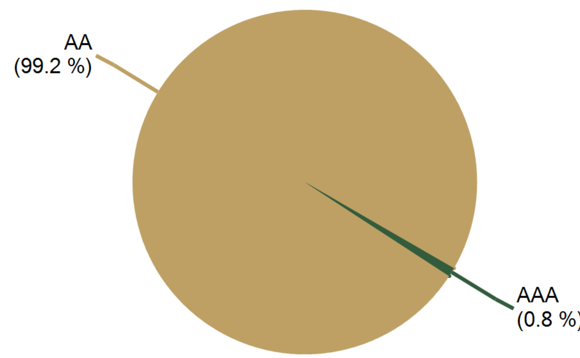
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 12/31/2017	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized 3 Yrs	5 Yrs	10 Yrs	6/30/2009	Since 6/30/2009
Brea 2009 Water Revenue Bond Reserve Fund	-0.01 %	-0.46 %	0.78 %	0.78 %	1.13 %	0.98 %	N/A	2.29 %	21.25 %
BAML 3-Month US Treasury Bill Index	0.11 %	0.28 %	0.86 %	0.86 %	0.41 %	0.27 %	N/A	0.21 %	1.80 %

Reconciliation Summary

As of 12/31/2017

ATTACHMENT A

BOOK VALUE RECONCILIATION		
Beginning Book Value		**$1,918,582.19**
Acquisition		
+ Security Purchases	$0.00	
+ Money Market Fund Purchases	$1,965.55	
+ Money Market Contributions	$0.00	
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		$1,965.55
Dispositions		
- Security Sales	$0.00	
- Money Market Fund Sales	$0.00	
- MMF Withdrawals	$0.00	
- Security Withdrawals	$0.00	
- Security Transfers	$0.00	
- Other Dispositions	$0.00	
- Maturites	$0.00	
- Calls	$0.00	
- Principal Paydowns	$0.00	
Total Dispositions		$0.00
Amortization/Accretion		
+/- Net Accretion	($652.41)	
		($652.41)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	$0.00	
		$0.00
Ending Book Value		**$1,919,895.33**

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		**$14,043.36**
Acquisition		
Contributions	$0.00	
Security Sale Proceeds	$0.00	
Accrued Interest Received	$0.00	
Interest Received	$1,959.38	
Dividend Received	$6.17	
Principal on Maturities	$0.00	
Interest on Maturities	$0.00	
Calls/Redemption (Principal)	$0.00	
Interest from Calls/Redemption	$0.00	
Principal Paydown	$0.00	
Total Acquisitions	$1,965.55	
Disposition		
Withdrawals	$0.00	
Security Purchase	$0.00	
Accrued Interest Paid	$0.00	
Total Dispositions	$0.00	
Ending Book Value		**$16,008.91**

Holdings Report

As of 12/31/17

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
MONEY MARKET FUND FI									
825252109	Invesco Treasury MMFD Private Class	16,008.91	Various 0.60 %	16,008.91 16,008.91	1.00 0.60 %	16,008.91 0.00	0.85 % 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		**16,008.91**	**0.60 %**	**16,008.91 16,008.91**	**0.60 %**	**16,008.91 0.00**	**0.85 % 0.00**	**Aaa / AAA AAA**	**0.00 0.00**
US TREASURY									
912828TH3	US Treasury Note 0.875% Due 7/31/2019	165,000.00	08/24/2016 0.85 %	165,110.12 165,059.28	98.49 1.84 %	162,512.13 604.18	8.63 % (2,547.15)	Aaa / AA+ AAA	1.58 1.56
912828G61	US Treasury Note 1.5% Due 11/30/2019	165,000.00	08/24/2016 0.92 %	168,081.41 166,804.38	99.28 1.89 %	163,807.55 217.58	8.67 % (2,996.83)	Aaa / AA+ AAA	1.92 1.87
912828UQ1	US Treasury Note 1.25% Due 2/29/2020	135,000.00	Various 1.60 %	132,834.83 134,016.09	98.64 1.90 %	133,159.55 573.38	7.07 % (856.54)	Aaa / AA+ AAA	2.16 2.11
912828UV0	US Treasury Note 1.125% Due 3/31/2020	100,000.00	05/07/2015 1.57 %	97,930.02 99,051.21	98.29 1.90 %	98,293.00 287.43	5.21 % (758.21)	Aaa / AA+ AAA	2.25 2.20
912828XM7	US Treasury Note 1.625% Due 7/31/2020	165,000.00	08/24/2016 1.03 %	168,796.84 167,490.68	99.23 1.93 %	163,730.33 1,122.04	8.72 % (3,760.35)	Aaa / AA+ AAA	2.58 2.50
912828WC0	US Treasury Note 1.75% Due 10/31/2020	160,000.00	Various 1.46 %	161,991.55 161,281.03	99.43 1.96 %	159,093.76 479.56	8.44 % (2,187.27)	Aaa / AA+ AAA	2.84 2.74
912828A83	US Treasury Note 2.375% Due 12/31/2020	165,000.00	08/24/2016 1.08 %	174,062.66 171,245.19	101.13 1.99 %	166,856.25 10.83	8.82 % (4,388.94)	Aaa / AA+ AAA	3.00 2.89
912828B90	US Treasury Note 2% Due 2/28/2021	165,000.00	08/24/2016 1.10 %	171,516.76 169,563.31	99.94 2.02 %	164,903.31 1,121.27	8.78 % (4,660.00)	Aaa / AA+ AAA	3.16 3.03
912828WN6	US Treasury Note 2% Due 5/31/2021	160,000.00	Various 1.04 %	167,290.77 165,113.23	99.83 2.05 %	159,724.96 281.32	8.46 % (5,388.27)	Aaa / AA+ AAA	3.42 3.28
912828F21	US Treasury Note 2.125% Due 9/30/2021	170,000.00	10/27/2016 1.38 %	175,983.77 174,552.72	100.06 2.11 %	170,106.25 922.97	9.04 % (4,446.47)	Aaa / AA+ AAA	3.75 3.57
912828J43	US Treasury Note 1.75% Due 2/28/2022	165,000.00	04/24/2017 1.84 %	164,349.58 164,441.50	98.47 2.14 %	162,473.52 981.11	8.64 % (1,967.98)	Aaa / AA+ AAA	4.16 3.97
912828L24	US Treasury Note 1.875% Due 8/31/2022	165,000.00	09/18/2017 1.84 %	165,284.15 165,267.80	98.59 2.19 %	162,679.77 1,051.19	8.66 % (2,588.03)	Aaa / AA+ AAA	4.67 4.41
Total US Treasury		**1,880,000.00**	**1.29 %**	**1,913,232.46 1,903,886.42**	**2.00 %**	**1,867,340.38 7,652.86**	**99.15 % (36,546.04)**	**Aaa / AA+ AAA**	**3.00 2.88**
TOTAL PORTFOLIO		**1,896,008.91**	**1.29 %**	**1,929,241.37 1,919,895.33**	**1.99 %**	**1,883,349.29 7,652.86**	**100.00 % (36,546.04)**	**Aaa / AA+ AAA**	**2.97 2.86**
TOTAL MARKET VALUE PLUS ACCRUED						**1,891,002.15**			

PORTFOLIO CHARACTERISTICS

ACCOUNT SUMMARY

	Beg. Values as of 11/30/17	End Values as of 12/31/17

TOP ISSUERS

Issuer	% Portfolio

SECTOR ALLOCATION

MATURITY DISTRIBUTION

Maturity (Yrs)

CREDIT QUALITY (S&P)

BOOK VALUE RECONCILIATION		
Beginning Book Value		**$0.00**
Acquisition		
+ Security Purchases		
+ Money Market Fund Purchases		
+ Money Market Contributions		
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		$0.00
Dispositions		
- Security Sales		
- Money Market Fund Sales		
- MMF Withdrawals		
- Security Withdrawals		
- Security Transfers	$0.00	
- Other Dispositions	$0.00	
- Maturites		
- Calls		
- Principal Paydowns		
Total Dispositions		$0.00
Amortization/Accretion		
+/- Net Accretion	$0.00	
		$0.00
Gain/Loss on Dispositions		
+/- Realized Gain/Loss		
Ending Book Value		**$0.00**

Portfolio Summary

As of 12/31/2017

ATTACHMENT A

PORTFOLIO CHARACTERISTICS

Average Duration	2.81
Average Coupon	1.67 %
Average Purchase YTM	1.28 %
Average Market YTM	1.98 %
Average S&P/Moody Rating	AA+/Aaa
Average Final Maturity	2.92 yrs
Average Life	2.92 yrs

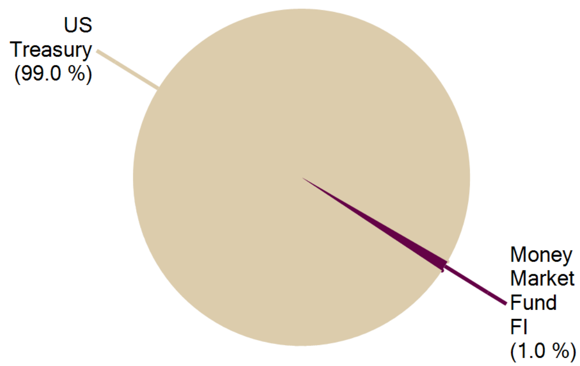
ACCOUNT SUMMARY

	Beg. Values as of 11/30/17	End Values as of 12/31/17
Market Value	1,330,139	1,329,464
Accrued Interest	4,842	5,375
Total Market Value	**1,334,982**	**1,334,840**
Income Earned	1,425	1,474
Cont/WD		0
Par	1,337,712	1,339,083
Book Value	1,353,805	1,354,746
Cost Value	1,359,480	1,360,851

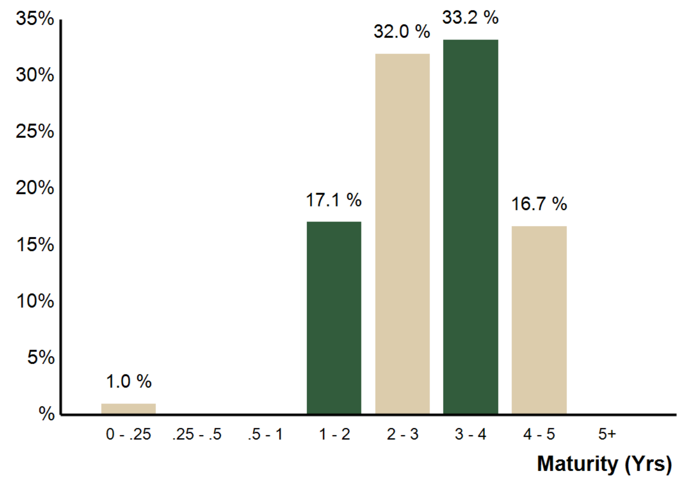
TOP ISSUERS

Issuer	% Portfolio
Government of United States	99.0 %
AIM STIT-Treasury Portfolio	1.0 %
	100.0 %

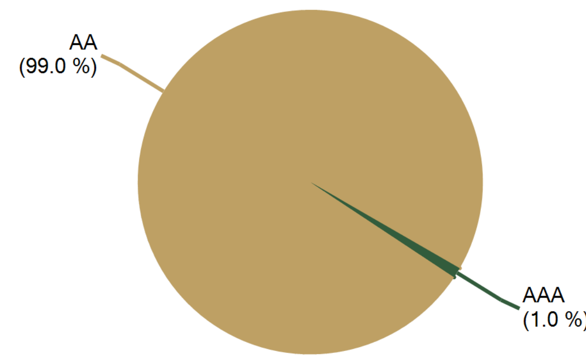
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 12/31/2017	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized 3 Yrs	Annualized 5 Yrs	Annualized 10 Yrs	Annualized 5/31/2010	Since 5/31/2010
Brea Water Revenue Bonds, Series B, Reserve Accoun	-0.01 %	-0.45 %	0.76 %	0.76 %	1.13 %	0.97 %	N/A	1.89 %	15.27 %
BAML 3-Month US Treasury Bill Index	0.11 %	0.28 %	0.86 %	0.86 %	0.41 %	0.27 %	N/A	0.22 %	1.66 %

Brea Water Revenue Bonds, Series B, Reserve Account
Account #10128

Reconciliation Summary

As of 12/31/2017

ATTACHMENT A

BOOK VALUE RECONCILIATION		
Beginning Book Value		**$1,353,805.02**
Acquisition		
+ Security Purchases	$0.00	
+ Money Market Fund Purchases	$1,371.04	
+ Money Market Contributions	$0.00	
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		$1,371.04
Dispositions		
- Security Sales	$0.00	
- Money Market Fund Sales	$0.00	
- MMF Withdrawals	$0.00	
- Security Withdrawals	$0.00	
- Security Transfers	$0.00	
- Other Dispositions	$0.00	
- Maturites	$0.00	
- Calls	$0.00	
- Principal Paydowns	$0.00	
Total Dispositions		$0.00
Amortization/Accretion		
+/- Net Accretion	($429.79)	
		($429.79)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	$0.00	
		$0.00
Ending Book Value		**$1,354,746.27**

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		**$11,711.74**
Acquisition		
Contributions	$0.00	
Security Sale Proceeds	$0.00	
Accrued Interest Received	$0.00	
Interest Received	$1,365.63	
Dividend Received	$5.41	
Principal on Maturities	$0.00	
Interest on Maturities	$0.00	
Calls/Redemption (Principal)	$0.00	
Interest from Calls/Redemption	$0.00	
Principal Paydown	$0.00	
Total Acquisitions	$1,371.04	
Disposition		
Withdrawals	$0.00	
Security Purchase	$0.00	
Accrued Interest Paid	$0.00	
Total Dispositions	$0.00	
Ending Book Value		**$13,082.78**

Brea Water Revenue Bonds, Series B, Reserve Accoun
Account #10128

Holdings Report

As of 12/31/17

ATTACHMENT A

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
MONEY MARKET FUND FI									
825252109	Invesco Treasury MMFD Private Class	13,082.78	Various 0.60 %	13,082.78 13,082.78	1.00 0.60 %	13,082.78 0.00	0.98 % 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		**13,082.78**	**0.60 %**	**13,082.78 13,082.78**	**0.60 %**	**13,082.78 0.00**	**0.98 % 0.00**	**Aaa / AAA AAA**	**0.00 0.00**
US TREASURY									
912828TH3	US Treasury Note 0.875% Due 7/31/2019	115,000.00	08/24/2016 0.85 %	115,076.75 115,041.32	98.49 1.84 %	113,266.03 421.09	8.52 % (1,775.29)	Aaa / AA+ AAA	1.58 1.56
912828G61	US Treasury Note 1.5% Due 11/30/2019	115,000.00	08/24/2016 0.92 %	117,147.65 116,257.60	99.28 1.89 %	114,168.90 151.65	8.56 % (2,088.70)	Aaa / AA+ AAA	1.92 1.87
912828UQ1	US Treasury Note 1.25% Due 2/29/2020	112,000.00	Various 1.40 %	111,138.03 111,642.30	98.64 1.90 %	110,473.11 475.69	8.31 % (1,169.19)	Aaa / AA+ AAA	2.16 2.11
912828UV0	US Treasury Note 1.125% Due 3/31/2020	115,000.00	Various 1.47 %	113,111.52 114,150.69	98.29 1.90 %	113,036.95 330.54	8.49 % (1,113.74)	Aaa / AA+ AAA	2.25 2.20
912828XM7	US Treasury Note 1.625% Due 7/31/2020	115,000.00	08/24/2016 1.03 %	117,646.28 116,735.93	99.23 1.93 %	114,115.08 782.03	8.61 % (2,620.85)	Aaa / AA+ AAA	2.58 2.50
912828WC0	US Treasury Note 1.75% Due 10/31/2020	88,000.00	11/04/2015 1.63 %	88,488.42 88,277.18	99.43 1.96 %	87,501.57 263.76	6.57 % (775.61)	Aaa / AA+ AAA	2.84 2.74
912828A83	US Treasury Note 2.375% Due 12/31/2020	115,000.00	08/24/2016 1.08 %	121,316.40 119,352.71	101.13 1.99 %	116,293.75 7.54	8.71 % (3,058.96)	Aaa / AA+ AAA	3.00 2.89
912828B90	US Treasury Note 2% Due 2/28/2021	115,000.00	08/24/2016 1.10 %	119,541.99 118,180.50	99.94 2.02 %	114,932.61 781.49	8.67 % (3,247.89)	Aaa / AA+ AAA	3.16 3.03
912828WN6	US Treasury Note 2% Due 5/31/2021	101,000.00	Various 1.03 %	105,664.79 104,265.08	99.83 2.05 %	100,826.39 177.58	7.57 % (3,438.69)	Aaa / AA+ AAA	3.42 3.28
912828F21	US Treasury Note 2.125% Due 9/30/2021	110,000.00	10/27/2016 1.38 %	113,871.85 112,945.88	100.06 2.11 %	110,068.75 597.22	8.29 % (2,877.13)	Aaa / AA+ AAA	3.75 3.57
912828J43	US Treasury Note 1.75% Due 2/28/2022	110,000.00	04/24/2017 1.84 %	109,566.38 109,627.66	98.47 2.14 %	108,315.68 654.07	8.16 % (1,311.98)	Aaa / AA+ AAA	4.16 3.97
912828L24	US Treasury Note 1.875% Due 8/31/2022	115,000.00	09/18/2017 1.84 %	115,198.04 115,186.64	98.59 2.19 %	113,382.87 732.65	8.55 % (1,803.77)	Aaa / AA+ AAA	4.67 4.41
Total US Treasury		**1,326,000.00**	**1.29 %**	**1,347,768.10 1,341,663.49**	**1.99 %**	**1,316,381.69 5,375.31**	**99.02 % (25,281.80)**	**Aaa / AA+ AAA**	**2.95 2.84**
TOTAL PORTFOLIO		**1,339,082.78**	**1.28 %**	**1,360,850.88 1,354,746.27**	**1.98 %**	**1,329,464.47 5,375.31**	**100.00 % (25,281.80)**	**Aaa / AA+ AAA**	**2.92 2.81**
TOTAL MARKET VALUE PLUS ACCRUED						**1,334,839.78**			

PORTFOLIO CHARACTERISTICS

Average Duration	2.86
Average Coupon	1.70 %
Average Purchase YTM	1.30 %
Average Market YTM	1.99 %
Average S&P/Moody Rating	AA+/Aaa
Average Final Maturity	2.98 yrs
Average Life	2.98 yrs

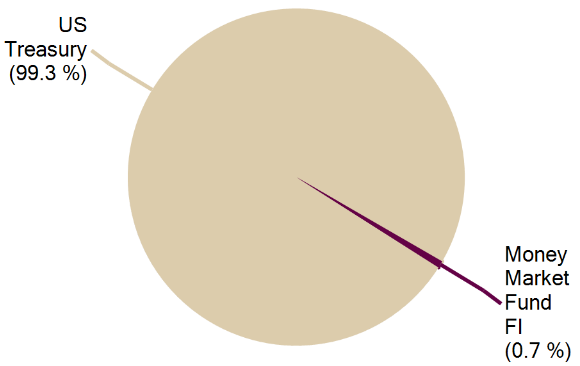
ACCOUNT SUMMARY

	Beg. Values as of 11/30/17	End Values as of 12/31/17
Market Value	261,090	260,940
Accrued Interest	952	1,070
Total Market Value	**262,043**	**262,010**
Income Earned	284	293
Cont/WD		0
Par	262,501	262,762
Book Value	265,764	265,940
Cost Value	266,885	267,147

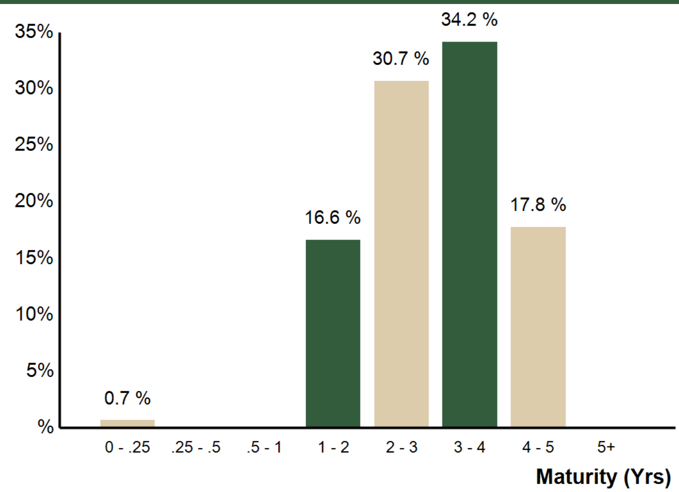
TOP ISSUERS

Issuer	% Portfolio
Government of United States	99.3 %
AIM STIT-Treasury Portfolio	0.7 %
	100.0 %

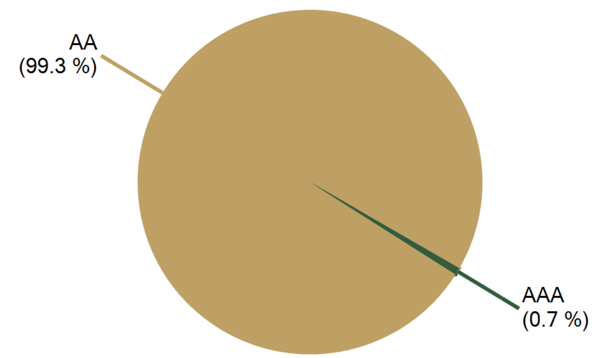
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 12/31/2017	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized 3 Yrs	5 Yrs	10 Yrs	5/31/2010	Since 5/31/2010
Brea Lease Revenue Bonds, Reserve Account	-0.01 %	-0.46 %	0.76 %	0.76 %	1.14 %	0.97 %	N/A	1.91 %	15.42 %
BAML 3-Month US Treasury Bill Index	0.11 %	0.28 %	0.86 %	0.86 %	0.41 %	0.27 %	N/A	0.22 %	1.66 %

Reconciliation Summary

As of 12/31/2017

BOOK VALUE RECONCILIATION		
Beginning Book Value		**$265,764.45**
Acquisition		
+ Security Purchases	$0.00	
+ Money Market Fund Purchases	$261.86	
+ Money Market Contributions	$0.00	
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		$261.86
Dispositions		
- Security Sales	$0.00	
- Money Market Fund Sales	$0.00	
- MMF Withdrawals	$0.00	
- Security Withdrawals	$0.00	
- Security Transfers	$0.00	
- Other Dispositions	$0.00	
- Maturites	$0.00	
- Calls	$0.00	
- Principal Paydowns	$0.00	
Total Dispositions		$0.00
Amortization/Accretion		
+/- Net Accretion	($86.16)	
		($86.16)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	$0.00	
		$0.00
Ending Book Value		**$265,940.15**

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		**$1,500.51**
Acquisition		
Contributions	$0.00	
Security Sale Proceeds	$0.00	
Accrued Interest Received	$0.00	
Interest Received	$261.25	
Dividend Received	$0.61	
Principal on Maturities	$0.00	
Interest on Maturities	$0.00	
Calls/Redemption (Principal)	$0.00	
Interest from Calls/Redemption	$0.00	
Principal Paydown	$0.00	
Total Acquisitions	$261.86	
Disposition		
Withdrawals	$0.00	
Security Purchase	$0.00	
Accrued Interest Paid	$0.00	
Total Dispositions	$0.00	
Ending Book Value		**$1,762.37**

Brea Lease Revenue Bonds, Reserve Account
Account #10129

Holdings Report

As of 12/31/17

ATTACHMENT A

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
MONEY MARKET FUND FI									
825252109	Invesco Treasury MMFD Private Class	1,762.37	Various 0.60 %	1,762.37 1,762.37	1.00 0.60 %	1,762.37 0.00	0.67 % 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		**1,762.37**	**0.60 %**	**1,762.37 1,762.37**	**0.60 %**	**1,762.37 0.00**	**0.67 % 0.00**	**Aaa / AAA AAA**	**0.00 0.00**
US TREASURY									
912828TH3	US Treasury Note 0.875% Due 7/31/2019	22,000.00	08/24/2016 0.85 %	22,014.68 22,007.90	98.49 1.84 %	21,668.28 80.56	8.30 % (339.62)	Aaa / AA+ AAA	1.58 1.56
912828G61	US Treasury Note 1.5% Due 11/30/2019	22,000.00	08/24/2016 0.92 %	22,410.85 22,240.58	99.28 1.89 %	21,841.01 29.01	8.35 % (399.57)	Aaa / AA+ AAA	1.92 1.87
912828UQ1	US Treasury Note 1.25% Due 2/29/2020	20,000.00	Various 1.59 %	19,688.54 19,858.86	98.64 1.90 %	19,727.35 84.95	7.56 % (131.51)	Aaa / AA+ AAA	2.16 2.11
912828UV0	US Treasury Note 1.125% Due 3/31/2020	17,000.00	05/07/2015 1.57 %	16,648.10 16,838.70	98.29 1.90 %	16,709.81 48.86	6.40 % (128.89)	Aaa / AA+ AAA	2.25 2.20
912828XM7	US Treasury Note 1.625% Due 7/31/2020	22,000.00	08/24/2016 1.03 %	22,506.25 22,332.09	99.23 1.93 %	21,830.71 149.61	8.39 % (501.38)	Aaa / AA+ AAA	2.58 2.50
912828WC0	US Treasury Note 1.75% Due 10/31/2020	22,000.00	Various 1.45 %	22,276.59 22,178.08	99.43 1.96 %	21,875.39 65.94	8.37 % (302.69)	Aaa / AA+ AAA	2.84 2.74
912828A83	US Treasury Note 2.375% Due 12/31/2020	22,000.00	08/24/2016 1.08 %	23,208.35 22,832.69	101.13 1.99 %	22,247.50 1.44	8.49 % (585.19)	Aaa / AA+ AAA	3.00 2.89
912828B90	US Treasury Note 2% Due 2/28/2021	22,000.00	08/24/2016 1.10 %	22,868.90 22,608.44	99.94 2.02 %	21,987.11 149.50	8.45 % (621.33)	Aaa / AA+ AAA	3.16 3.03
912828WN6	US Treasury Note 2% Due 5/31/2021	20,000.00	07/11/2016 1.01 %	20,937.57 20,654.83	99.83 2.05 %	19,965.62 35.16	7.63 % (689.21)	Aaa / AA+ AAA	3.42 3.28
912828F21	US Treasury Note 2.125% Due 9/30/2021	25,000.00	10/27/2016 1.38 %	25,879.97 25,669.52	100.06 2.11 %	25,015.63 135.73	9.60 % (653.89)	Aaa / AA+ AAA	3.75 3.57
912828J43	US Treasury Note 1.75% Due 2/28/2022	24,000.00	04/24/2017 1.84 %	23,905.39 23,918.76	98.47 2.14 %	23,632.51 142.71	9.07 % (286.25)	Aaa / AA+ AAA	4.16 3.97
912828L24	US Treasury Note 1.875% Due 8/31/2022	23,000.00	09/18/2017 1.84 %	23,039.61 23,037.33	98.59 2.19 %	22,676.57 146.53	8.71 % (360.76)	Aaa / AA+ AAA	4.67 4.41
Total US Treasury		**261,000.00**	**1.30 %**	**265,384.80 264,177.78**	**2.00 %**	**259,177.49 1,070.00**	**99.33 % (5,000.29)**	**Aaa / AA+ AAA**	**3.00 2.88**
TOTAL PORTFOLIO		**262,762.37**	**1.30 %**	**267,147.17 265,940.15**	**1.99 %**	**260,939.86 1,070.00**	**100.00 % (5,000.29)**	**Aaa / AA+ AAA**	**2.98 2.86**
TOTAL MARKET VALUE PLUS ACCRUED						**262,009.86**			

Return to Agenda

Agenda Item 4.

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members

FROM: Bill Gallardo, City Manager

DATE: 01/22/2018

SUBJECT: Monthly Report of Investments for the Successor Agency to the Brea Redevelopment Agency for Period Ending December 31, 2017

RECOMMENDATION

Receive and file.

BACKGROUND/DISCUSSION

The Monthly Report of Investments (formally known as the Treasurer's Report) is in accordance with Government Code Section 53607 and contains information on the investment activities for the month of December 2017. Funds received by the Successor Agency are typically spent within 3-6 months; therefore are not invested long-term. The Successor Agency's Local Agency Investment Fund (LAIF) is used for short-term investments and functions like a savings account until funds are required to meet expenditures needs. Attachment A includes a Portfolio Summary and Holdings Report prepared by Chandler Asset Management for the funds invested on behalf of the Successor Agency. As of December 31, 2017, the market value, including accrued interest on the Successor Agency's Local Agency Investment Fund (LAIF), was $1,118,389.62 in comparison to $1,117,220.45 at November 30, 2017. The Successor Agency to the Brea Redevelopment Agency has sufficient cash flow to meet its expected expenditures for the next six months.

The Successor Agency also has restricted (fiscal agent) cash and investment accounts related to its various bond reserve accounts which are managed by Chandler Asset Management. Attachment A includes a portfolio report from Chandler Asset Management for each bond reserve account that is invested. As of December 31, 2017, the market value of these funds, including short-term cash and accrued interest was $5,384,660.87 as compared to $5,379,840.27 as of December 30, 2017.

FISCAL IMPACT/SUMMARY

During the month of December, the total value of the Successor Agency to the Brea Redevelopment Agency's investment portfolio increased by $1,169.17 due to changes in market value. The total value of the restricted cash and investments increased by $4,820.60 primarily due to changes in market value.

RESPECTFULLY SUBMITTED:
William Gallardo, City Manager
Prepared by: Alicia Brenner, Senior Management Analyst
Concurrence: Cindy Russell, Administrative Services Director

Attachment

Attachment A

Successor Agency to the Brea Redevelopment Agency

Cash and Investment Information

December 31, 2017

				Cost Value		Market Value*
Demand and Interest-Bearing Checking Accounts		Citizen's Bank	**$**	**571,135.74**	**$**	**571,135.74**
Local Agency Investment Fund		LAIF	**$**	**1,115,066.23**	**$**	**1,118,389.62**
Fiscal Agent Cash & Investments						
2003	Tax Allocation Bonds	Chandler/BNY	$	891.01	$	891.01
2004	Brea Public Financing Authority Lease Revenue Bond	Chandler/BNY	$	27,162.00	$	27,162.00
2011	Tax Allocation Bonds, Series A	Chandler/BNY	$	5,323,432.84	$	5,313,067.38
2011	Tax Allocation Bonds, Series B	Chandler/BNY	$	-	$	-
2013	Tax Allocation Bonds	Chandler/BNY	$	19,711.45	$	19,711.45
2016	Tax Allocation Refunding Bonds, Series A & B	Chandler/BNY	$	23,829.03	$	23,829.03
	Sub-total - Fiscal Agent Cash & Investments		**$**	**5,395,026.33**	**$**	**5,384,660.87**
Grand Total			**$**	**7,081,228.30**	**$**	**7,074,186.23**

* Includes accrued interest on invested funds

Successor Agency to the Brea Redevelopment Agency
Cash and Investment Information
December 31, 2017

	Fiscal Agent Cash & Investments Detail		**Cost Value**		**Market Value**
	2003 Tax Allocation Bonds **- CHANDLER**	$	-	$	-
	Short-Term Treasury Funds - **BNY**	$	891.01	$	891.01
	Sub-total	**$**	**891.01**	**$**	**891.01**
	2004 Brea Public Financing Authority Lease Revenue Bond **- CHANDLER**	$	-	$	-
	Short-Term Treasury Funds - **BNY**	$	27,162.00	$	27,162.00
	Sub-total	**$**	**27,162.00**	**$**	**27,162.00**
10156	2011 Tax Allocation Bonds, Series A - **CHANDLER**	$	-	$	-
	Short-Term Treasury Funds - **BNY**	$	5,323,432.84	$	5,313,067.38
	Sub-total	**$**	**5,323,432.84**	**$**	**5,313,067.38**
10157	2011 Tax Allocation Bonds, Series B **- CHANDLER**	$	-	$	-
	Short-Term Treasury Funds - **BNY**	$	-	$	-
	Sub-total	**$**	**-**	**$**	**-**
	2013 Tax Allocation Bonds - **CHANDLER**	$	-	$	-
	Short-Term Treasury Funds - **BNY**	$	19,711.45	$	19,711.45
	Sub-total	**$**	**19,711.45**	**$**	**19,711.45**
	2016 Tax Allocation Refunding Bonds, Series A & B - **CHANDLER**	$	-	$	-
	Short-Term Treasury Funds - **BNY**	$	23,829.03	$	23,829.03
	Sub-total	**$**	**23,829.03**	**$**	**23,829.03**
Report Grand Total		**$**	**5,395,026.33**	**$**	**5,384,660.87**

PORTFOLIO CHARACTERISTICS

Average Duration	0.00
Average Coupon	1.28 %
Average Purchase YTM	1.28 %
Average Market YTM	1.28 %
Average S&P/Moody Rating	NR/NR
Average Final Maturity	0.00 yrs
Average Life	0.00 yrs

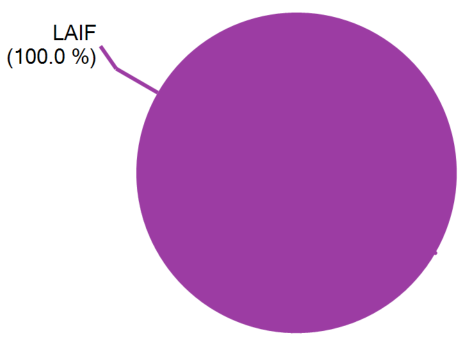
ACCOUNT SUMMARY

	Beg. Values as of 11/30/17	End Values as of 12/31/17
Market Value	1,115,066	1,115,066
Accrued Interest	2,154	3,323
Total Market Value	**1,117,220**	**1,118,390**
Income Earned	1,073	1,169
Cont/WD		0
Par	1,115,066	1,115,066
Book Value	1,115,066	1,115,066
Cost Value	1,115,066	1,115,066

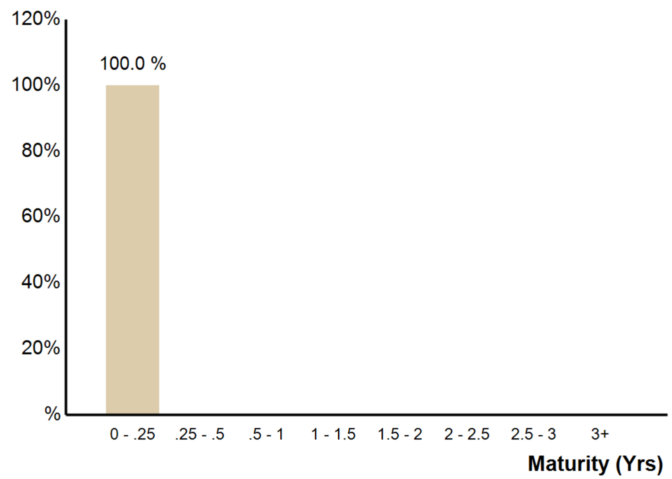
TOP ISSUERS

Issuer	% Portfolio
Local Agency Investment Fund	100.0 %
	100.0 %

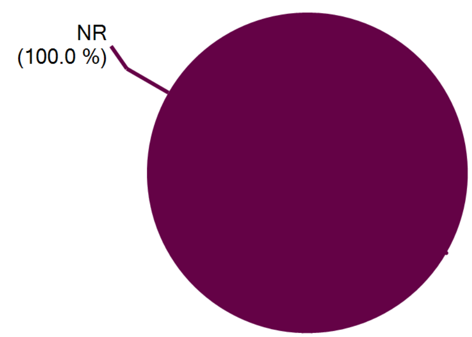
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



Successor Agency to the Brea RDA LAIF
Account #10166

Holdings Report

As of 12/31/17

ATTACHMENT A

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
LAIF									
90LAIF$00	Local Agency Investment Fund State Pool	1,115,066.23	Various 1.28 %	1,115,066.23 1,115,066.23	1.00 1.28 %	1,115,066.23 3,323.39	100.00 % 0.00	NR / NR NR	0.00 0.00
Total LAIF		**1,115,066.23**	**1.28 %**	**1,115,066.23 1,115,066.23**	**1.28 %**	**1,115,066.23 3,323.39**	**100.00 % 0.00**	**NR / NR NR**	**0.00 0.00**
TOTAL PORTFOLIO		**1,115,066.23**	**1.28 %**	**1,115,066.23 1,115,066.23**	**1.28 %**	**1,115,066.23 3,323.39**	**100.00 % 0.00**	**NR / NR NR**	**0.00 0.00**
TOTAL MARKET VALUE PLUS ACCRUED						**1,118,389.62**			

Portfolio Summary

As of 12/31/2017

ATTACHMENT A

PORTFOLIO CHARACTERISTICS

ACCOUNT SUMMARY

	Beg. Values as of 11/30/17	End Values as of 12/31/17

TOP ISSUERS

Issuer	% Portfolio

SECTOR ALLOCATION

MATURITY DISTRIBUTION

Maturity (Yrs)

CREDIT QUALITY (S&P)

Account #10156

Reconciliation Summary

As of 12/31/2017

ATTACHMENT A

BOOK VALUE RECONCILIATION		
Beginning Book Value		**$0.00**
Acquisition		
+ Security Purchases		
+ Money Market Fund Purchases		
+ Money Market Contributions		
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		$0.00
Dispositions		
- Security Sales		
- Money Market Fund Sales		
- MMF Withdrawals		
- Security Withdrawals		
- Security Transfers	$0.00	
- Other Dispositions	$0.00	
- Maturites		
- Calls		
- Principal Paydowns		
Total Dispositions		$0.00
Amortization/Accretion		
+/- Net Accretion	$0.00	
		$0.00
Gain/Loss on Dispositions		
+/- Realized Gain/Loss		
Ending Book Value		**$0.00**

Portfolio Summary

As of 12/31/2017

ATTACHMENT A

PORTFOLIO CHARACTERISTICS

ACCOUNT SUMMARY

	Beg. Values as of 11/30/17	End Values as of 12/31/17

TOP ISSUERS

Issuer	% Portfolio

SECTOR ALLOCATION

MATURITY DISTRIBUTION

Maturity (Yrs)

CREDIT QUALITY (S&P)

BOOK VALUE RECONCILIATION		
Beginning Book Value		**$0.00**
Acquisition		
+ Security Purchases		
+ Money Market Fund Purchases		
+ Money Market Contributions		
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		$0.00
Dispositions		
- Security Sales		
- Money Market Fund Sales		
- MMF Withdrawals		
- Security Withdrawals		
- Security Transfers	$0.00	
- Other Dispositions	$0.00	
- Maturites		
- Calls		
- Principal Paydowns		
Total Dispositions		$0.00
Amortization/Accretion		
+/- Net Accretion	$0.00	
		$0.00
Gain/Loss on Dispositions		
+/- Realized Gain/Loss		
Ending Book Value		**$0.00**

Agenda Item 5.

City of Brea

COMMUNICATION

TO: Honorable Chair and Members

FROM: Bill Gallardo

DATE: 01/22/2018

SUBJECT: Review Quarterly Review Report Period Ending December 31, 2017 from Chandler Asset Management - Presentation by Bill Dennehy

Attachment

Report

CHANDLER ASSET MANAGEMENT

Investment Report

City of Brea

Period Ending
December 31, 2017

Table of Contents

SECTION 1

Economic Update

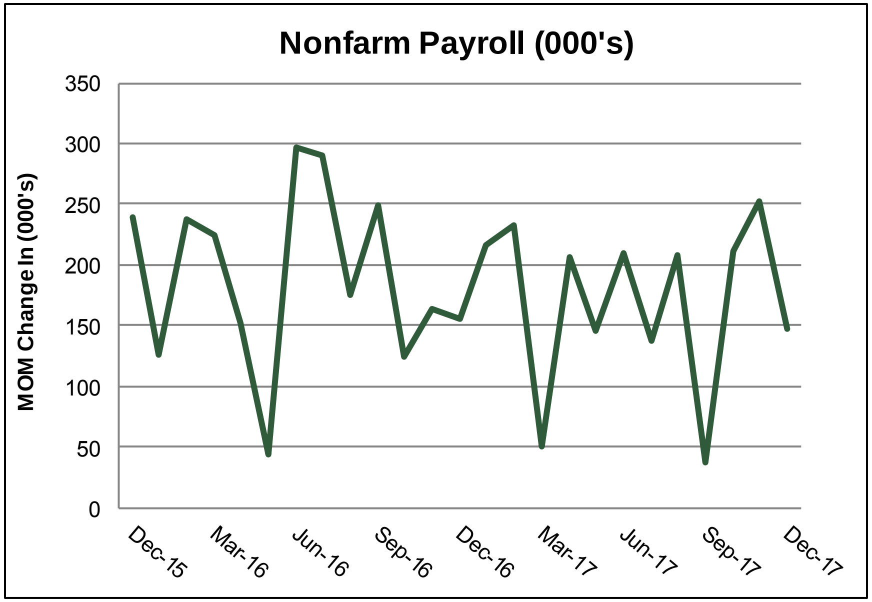
Economic Update

- The Federal Open Market Committee (FOMC) raised the fed funds target rate by 25 basis points to a range of 1.25%-1.50% at the December 13 meeting. Nevertheless, the Fed believes the stance of monetary policy remains accommodative. Notably there were two dissenting votes by Fed Presidents Evans and Kashkari, who preferred to keep the fed funds rate unchanged. Both Evans and Kashkari will rotate out as voting FOMC members this year. The Fed said economic activity had been “rising at a solid rate.” However, overall inflation for items other than food and energy has declined. The FOMC’s economic projections indicate the Fed still plans to hike the fed funds rate three times in 2018 to a median level of 2.1%. The Fed also left its long-run fed funds rate forecast unchanged at 2.8%. We expect the Fed to remain on a path toward monetary policy normalization this year. We also believe the Fed Presidents that are rotating in as voting FOMC members this year may be slightly more hawkish than last year's voting members. However, we continue to believe that the Fed’s terminal rate forecast is too high, and believe the long-run rate is probably closer to 2.0%-2.5%.

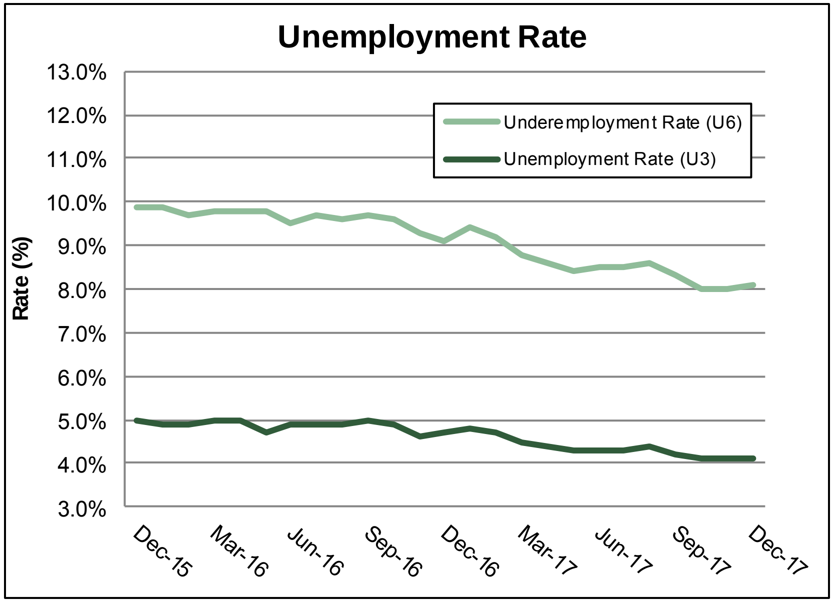
- GDP grew by 3.2% in the third quarter, following growth of 3.1% in the second quarter and 1.2% in the first quarter. The consensus estimate for fourth quarter GDP growth is 2.7%. Overall, economic data has been favorable. The economy is at or near full employment, consumer confidence is strong, and leading indicators suggest the economy will continue to grow modestly. Tax reform may have the propensity to prolong the current business cycle and provide a tailwind to economic growth in 2018, even as we enter the third year of monetary policy tightening by the Fed. We are forecasting GDP growth of about 2.5% in 2018.

- The Treasury yield curve continued to flatten in December. The 2-year Treasury yield increased about ten basis points in December to 1.88% and the 10-year Treasury yield was essentially unchanged. On a year-over-year basis, the 2-year Treasury yield increased nearly 70 basis points in 2017 and the 10-year Treasury yield declined slightly. All else being equal, we believe the Fed's plan to normalize the balance sheet could help promote a steeper yield curve over an intermediate time horizon. Tax reform may also be stimulative to the economy and drive yields at the long end of the curve higher.

Employment



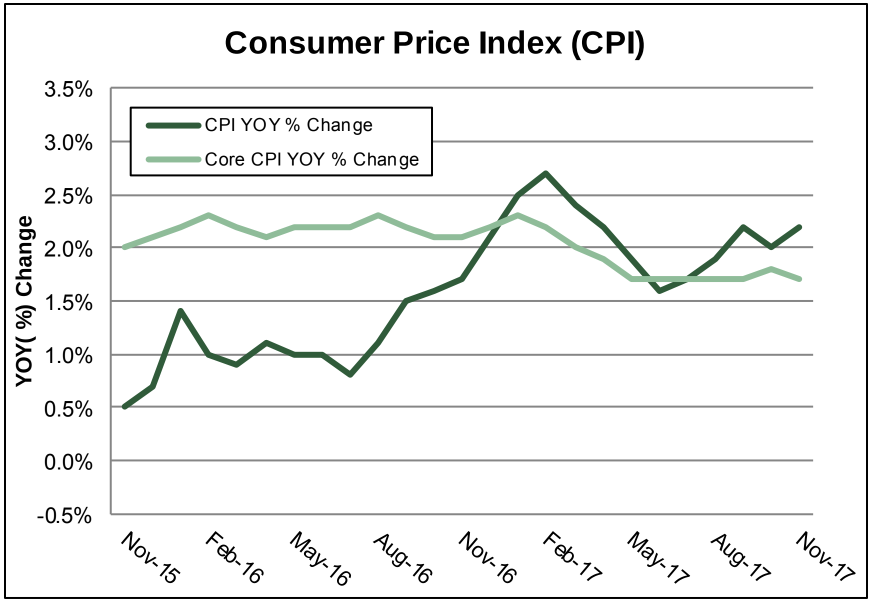
Source: US Department of Labor



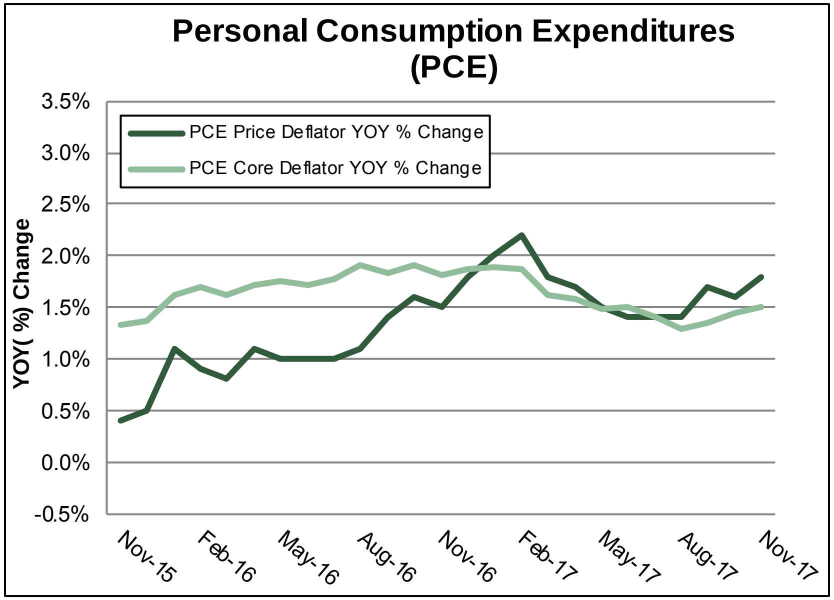
Source: US Department of Labor

U.S. nonfarm payrolls rose by 148,000 in December, below the consensus forecast of 191,000 but still enough to absorb new entrants into the labor market. October and November payrolls were revised down by a net total of 9,000. Nevertheless, on a trailing 3-month and 6-month basis, payrolls increased by an average of 204,000 and 166,000 per month, respectively. The unemployment rate and the labor participation rate were unchanged in December at 4.1% and 62.7%, respectively. A broader measure of unemployment called the U-6, which includes those who are marginally attached to the labor force and employed part time for economic reasons, edged up to 8.1% in December from 8.0% in November and 7.9% in October. Wages rose 0.3% in December, following a downwardly revised 0.1% increase in November. Wages were up 2.5% on a year-over-year basis in December, in line with expectations.

Inflation



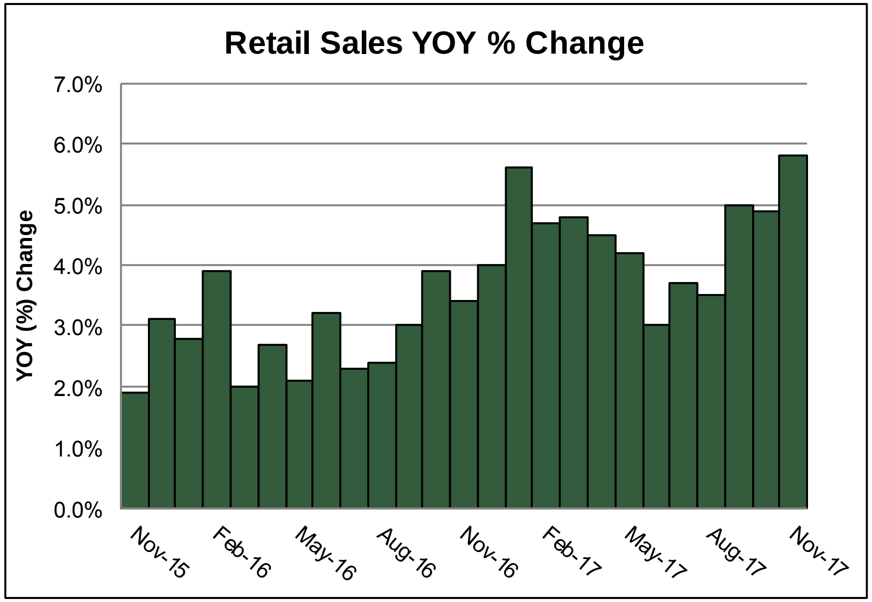
Source: US Department of Labor



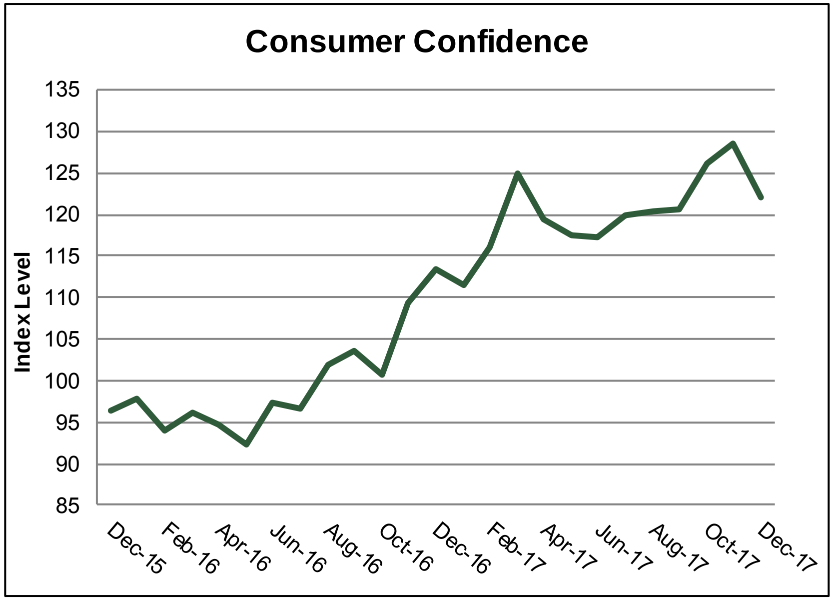
Source: US Department of Labor

The Consumer Price Index (CPI) was up 2.2% year-over-year in November, versus up 2.0% year-over-year in October. Core CPI (CPI less food and energy) was up 1.7% year-over-year in November, versus up 1.8% year-over-year in October. Core CPI remains soft. The Personal Consumption Expenditures (PCE) index was up 1.8% year-over-year in November, versus up 1.6% year-over-year in October. However, Core PCE (excluding food and energy) was up just 1.5% on a year-over-year basis in November. PCE inflation remains well below the Fed's 2.0% target.

Consumer



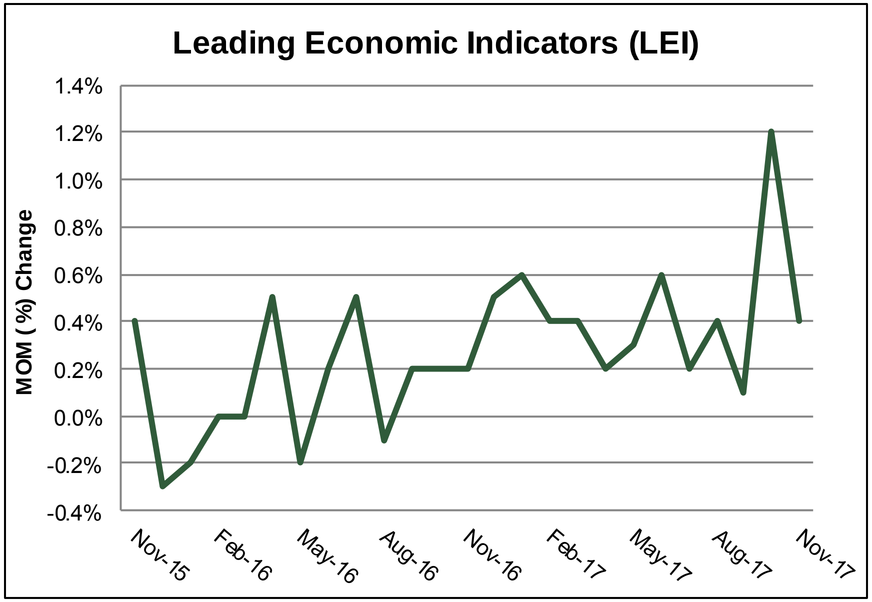
Source: US Department of Commerce



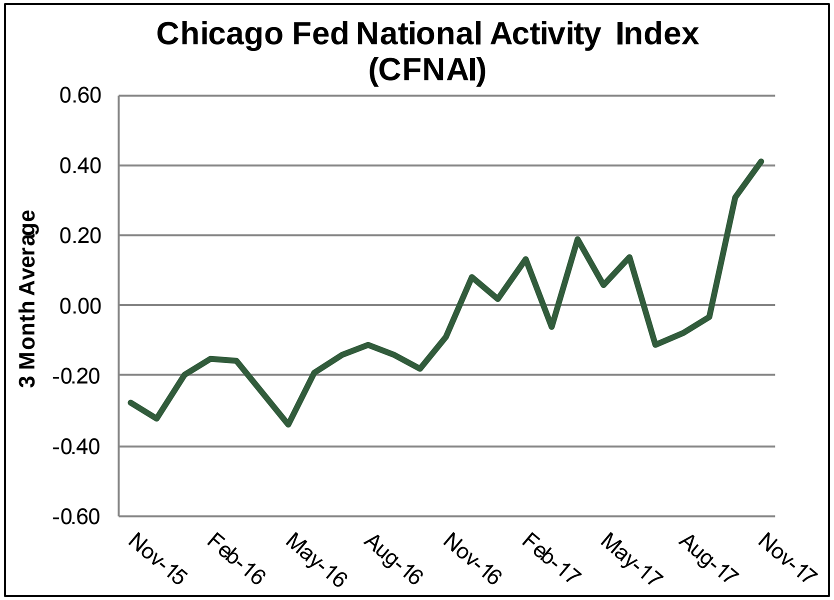
Source: The Conference Board

On a year-over-year basis, retail sales were up 5.8% in November, versus up 4.9% year-over-year in October. On a month-over-month basis, retail sales increased 0.8% in November, far exceeding expectations. Excluding autos and gas, the month-over-month figure was up 0.8% as well. This growth bodes well for retailers in the fourth quarter. Meanwhile, the Consumer Confidence index eased slightly but remained strong in December at 122.1 down from 128.6 in November.

Economic Activity

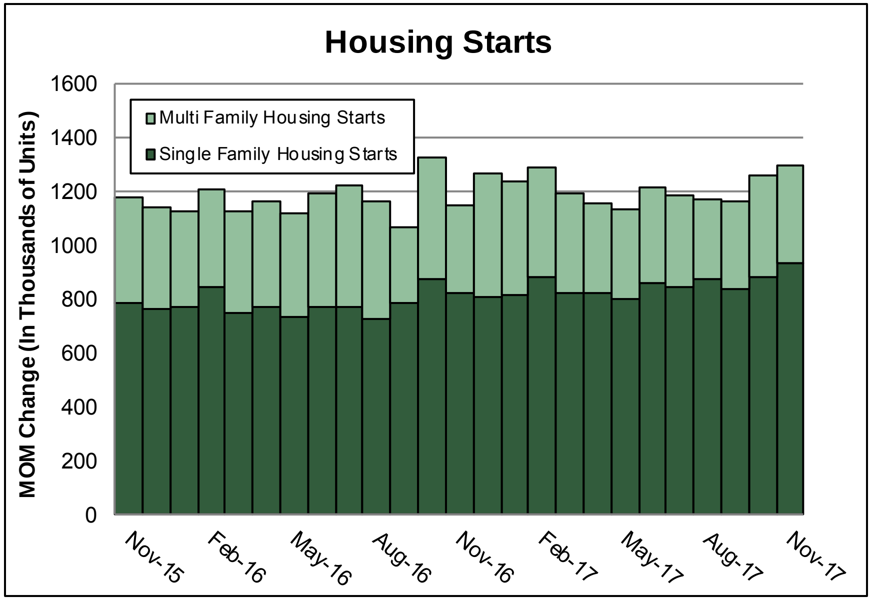


Source: The Conference Board

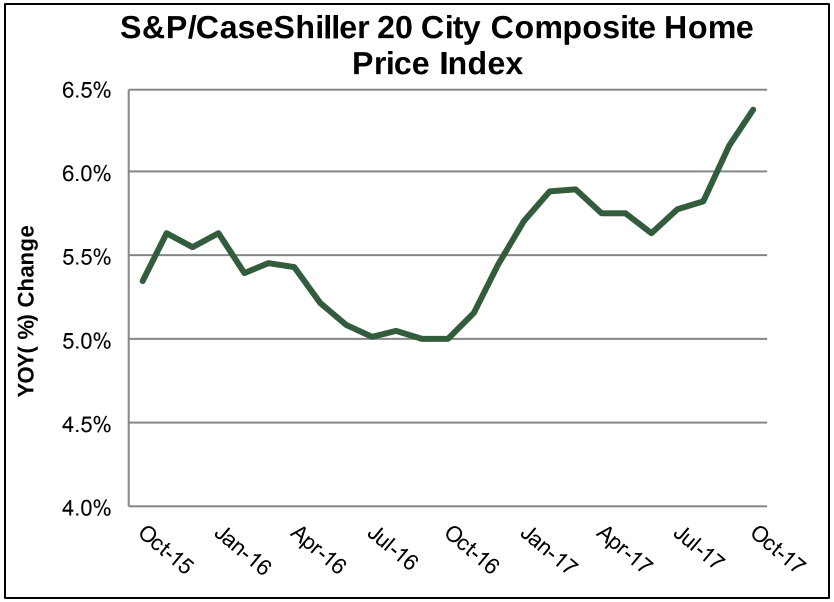


Source: Federal Reserve Bank of Chicago

The Index of Leading Economic Indicators (LEI) rose 0.4% in November, exceeding expectations, following a 1.2% increase in October. The index swung sharply higher in October, driven by a hurricane-related rebound, but returned to a steady pace of growth in November. According to the Conference Board, the growth of the LEI suggests that solid economic growth in the US economy will continue into the first half of 2018. The Chicago Fed National Activity Index (CFNAI) increased in November to 0.41 from 0.31 in October, on a 3-month moving average basis. The index suggests that the economy is growing at a solid pace.



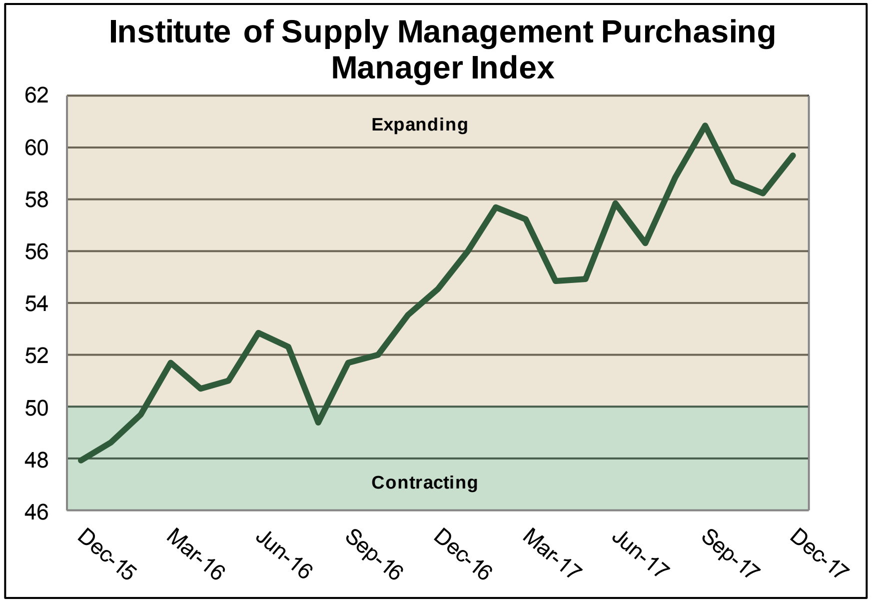
Source: US Census Bureau



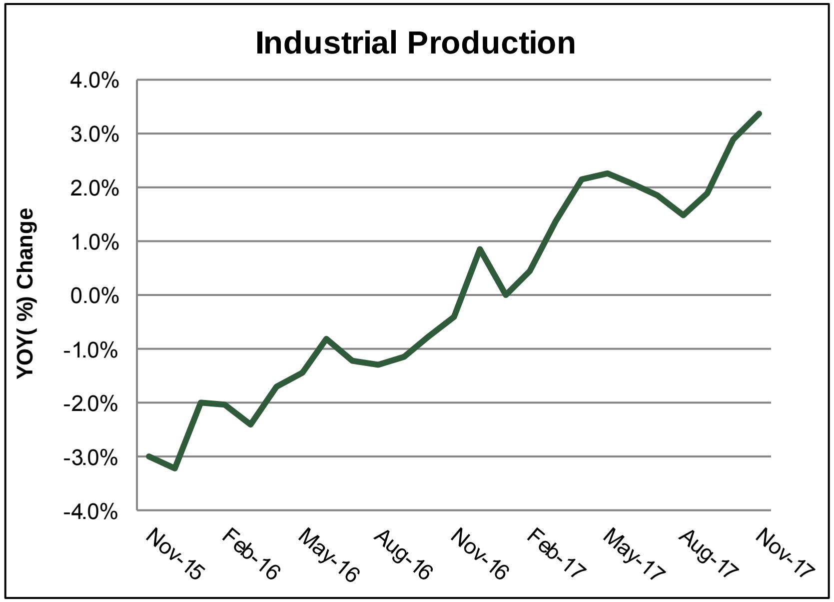
Source: S&P

Total housing starts were stronger than expected in November, up 3.3%. Single-family starts increased 5.3% in November, while multi-family starts were down slightly. Permits were also better than than expected in November. According to the Case-Shiller 20-City home price index, home prices were up 6.4% year-over-year in October, versus up 6.2% year-over-year in September. Pricing remains firm, helped by an acceleration in demand and lack of supply.

Manufacturing



Source: Institute for Supply Management



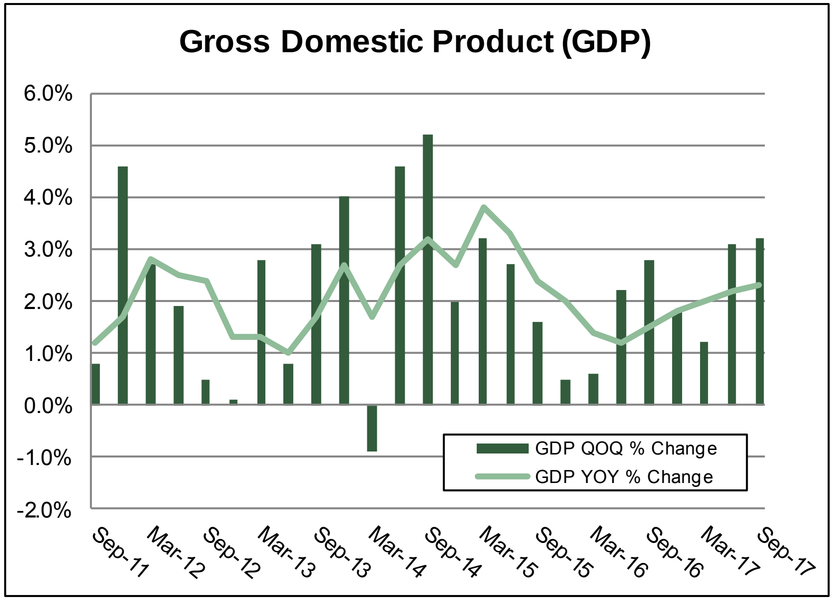
Source: Federal Reserve

The Institute for Supply Management (ISM) manufacturing index rose to 59.7 in December from 58.2 in November. The index remains indicative of strength in the manufacturing sector. A reading above 50.0 suggests the manufacturing sector is expanding. The Industrial Production index was up 3.4% year-over-year in November versus up 2.9% year-over-year in October. The manufacturing component was very strong in October but softened in November. Nevertheless, the index suggests that activity in the factory sector accelerated in the fourth quarter. With Capacity Utilization at just 77.1% in November though, there is still excess capacity for growth.

Gross Domestic Product (GDP)

Components of GDP	12/16	3/17	6/17	9/17
Personal Consumption Expenditures	2.0%	1.3%	2.2%	1.5%
Gross Private Domestic Investment	1.3%	-0.2%	0.6%	1.2%
Net Exports and Imports	-1.6%	0.2%	0.2%	0.4%
Federal Government Expenditures	0.0%	-0.2%	0.1%	0.1%
State and Local (Consumption and Gross Investment)	0.1%	0.1%	-0.2%	0.0%
Total	1.8%	1.2%	3.1%	3.2%

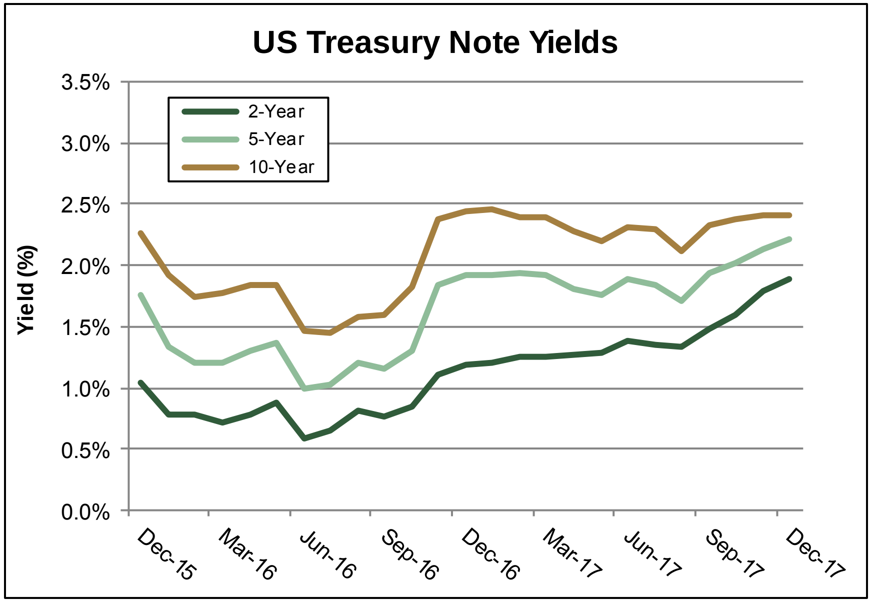
Source: US Department of Commerce



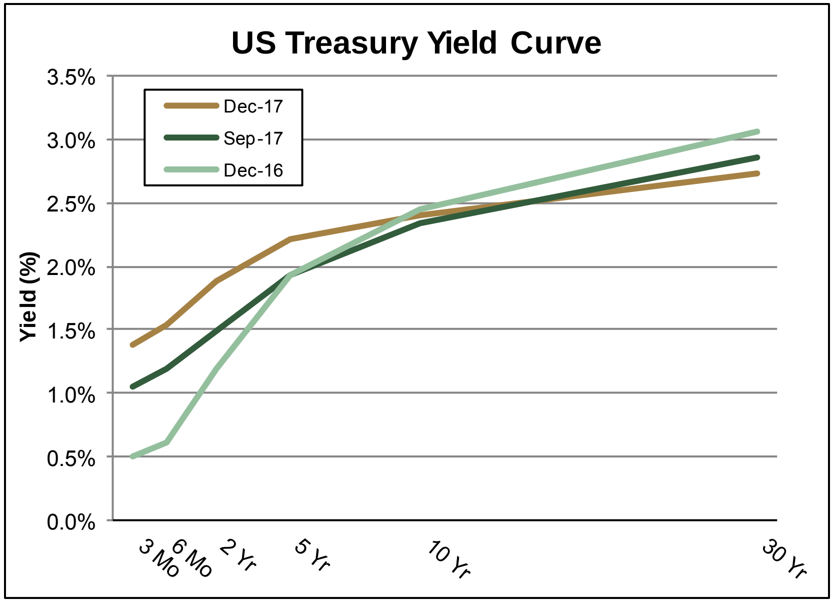
Source: US Department of Commerce

Third quarter GDP grew at an annualized rate of 3.2%, following growth of 3.1% in the second quarter. Third quarter economic growth got a boost from nonresidential fixed investment, along with a build in inventories which may have reversed in the fourth quarter. Nevertheless, the third quarter GDP report was solid.

Bond Yields



Source: Bloomberg



Source: Bloomberg

The yield curve flattened meaningfully in 2017. The spread between 2-year and 10-year Treasury yields was just 52 basis points at the end of the year, compared to 126 at the end of 2016. During 2017, the Federal Reserve raised the fed funds rate three times (in March, June, and December) by a total of 75 basis points, which largely fueled the increase in shorter rates. However, inflation expectations remain muted, which we believe has kept a lid on longer-term rates.

SECTION 2

Account Profile

Objectives

Investment Objectives

The investment objectives of the City of Brea and the Successor Agency to the Brea Redevelopment Agency are first, to preserve principal in the overall portfolio; second, to provide adequate liquidity to meet operating requirements; and third, to earn a return that is commensurate with the first two objectives.

Chandler Asset Management Performance Objective

The performance objective for both accounts is to achieve a rate of return over a market cycle that equals or exceeds the return on a market index of similar duration and sector allocation.

Strategy

In order to achieve these objectives, the portfolio invests in high quality fixed income securities consistent with the investment policy and California Government Code.

City of Brea

December 31, 2017

COMPLIANCE WITH INVESTMENT POLICY

Assets managed by Chandler Asset Management are in full compliance with state law and with the Client's investment policy

Category	Standard	Comment
Treasury Issues	No limitations	Complies
US Agencies	25% per issuer	Complies
Supranationals	"AA" rated by a NRSRO; 15% maximum; 5% max per issuer	Complies
Municipal Securities	5% max issuer	Complies
Banker's Acceptances	40% maximum; 5% max issuer; 180 days max maturity	Complies
Commercial Paper	A-1/P-1 by S&P and Moody's; 25% maximum; 5% max per issuer; 270 days max maturity	Complies
Certificates of Deposit(CDs)/ Time Deposits (TDs)	5% max issuer; FDIC Insured and/or Collateralized	Complies
Negotiable CDs	30% maximum; 5% max per issuer	Complies
Medium Term Notes	"A" rated or better by a NRSRO; 30% maximum; 5% max per issuer	Complies
Pass Through Securities, Asset-Backed Securities (ABS), CMOs	"AA" or higher by a NRSRO; "A" rated issuer by a NRSRO; 20% maximum (combined), 10% maximum (ABS); 5% max per issuer; CMOs must pass FFIEC test	Complies
Money Market Funds	Highest rating by two NRSROs; 20% maximum; 5% max per fund	Complies
LAIF	40%;<60%, with OCIP	Complies
OCIP	40%;<60%, with LAIF	Complies
Repurchase Agreements	5% max issuer; 1 year max maturity	Complies
Range notes	Prohibited	Complies
Interest-only strips	Prohibited	Complies
Zero interest accruals	Prohibited	Complies
Agency Callable notes	5% maximum	Complies
Max Per Issuer	5% per issuer for all non government issuers and agencies	Complies
Maximum Maturity	5 years	Complies

Portfolio Characteristics

City of Brea

	12/31/2017		9/30/2017
	Benchmark*	**Portfolio**	**Portfolio**
Average Maturity (yrs)	2.68	2.65	2.68
Modified Duration	2.57	2.46	2.49
Average Purchase Yield	n/a	1.73%	1.66%
Average Market Yield	1.98%	2.06%	1.71%
Average Quality**	AAA	AA/Aa2	AA/Aa2
Total Market Value		57,286,290	59,451,563

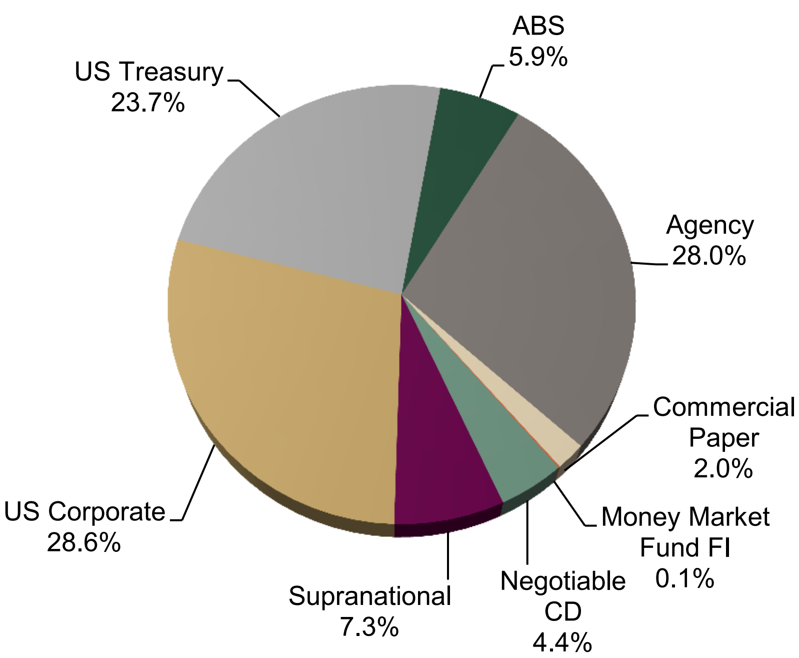
*BAML 1-5 Yr US Treasury/Agency Index
**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

A diverse set of securities was purchased across the Treasury, Agency, Certificate of Deposit, Commercial Paper, and Corporate sectors of the market to keep the portfolio structure in-line with Chandler targets. The purchased securities ranged in maturity from March 2018 to September 2022. Five securities were sold, in the Treasury, Agency, and Corporate sectors, and two matured to help facilitate the new holdings in the portfolio. Two million dollars was withdrawn from the portfolio during the reporting period.

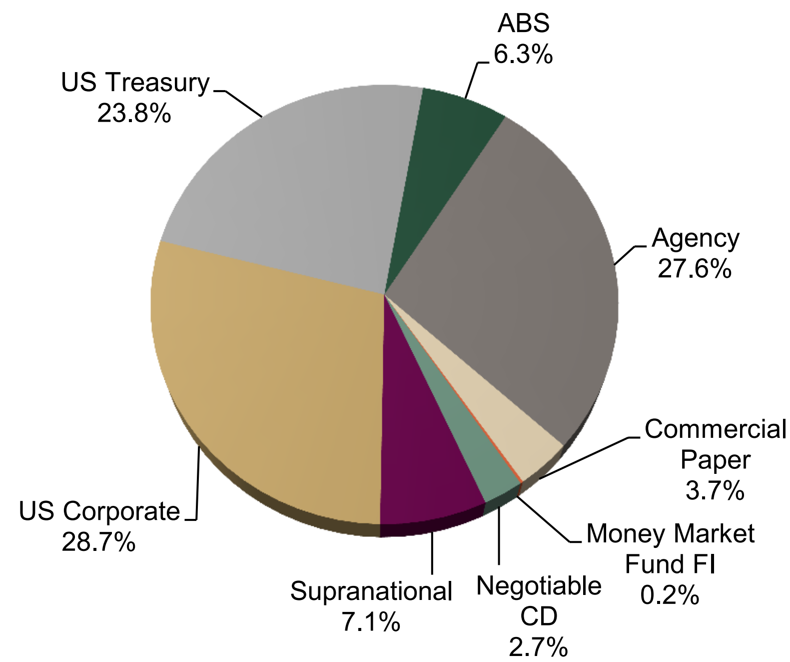
Sector Distribution

City of Brea

December 31, 2017



September 30, 2017



Issuers

City of Brea – Account #120 | As of 12/31/2017

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	23.70%
Federal National Mortgage Association	Agency	15.77%
Federal Home Loan Mortgage Corp	Agency	8.21%
Inter-American Dev Bank	Supranational	4.77%
Federal Home Loan Bank	Agency	4.02%
Intl Bank Recon and Development	Supranational	2.54%
John Deere ABS	ABS	2.09%
Bank of Tokyo-Mit UFJ	Commercial Paper	2.00%
US Bancorp	US Corporate	1.92%
Bank of Nova Scotia Houston	Negotiable CD	1.83%
Bank of Montreal Chicago	Negotiable CD	1.61%
Microsoft	US Corporate	1.58%
PNC Financial Services Group	US Corporate	1.56%
Nissan ABS	ABS	1.55%
Exxon Mobil Corp	US Corporate	1.54%
General Electric Co	US Corporate	1.41%
Apple Inc	US Corporate	1.41%
Praxair	US Corporate	1.41%
Honda Motor Corporation	US Corporate	1.41%
Chubb Corporation	US Corporate	1.40%
HSBC USA Corp	US Corporate	1.40%
Oracle Corp	US Corporate	1.39%
Deere & Company	US Corporate	1.31%
Qualcomm Inc	US Corporate	1.30%
Wells Fargo Corp	US Corporate	1.29%
Cisco Systems	US Corporate	1.26%
Bank of New York	US Corporate	1.24%
Berkshire Hathaway	US Corporate	1.23%
ChevronTexaco Corp	US Corporate	1.23%
IBM Corp	US Corporate	1.21%

Issuers

City of Brea – Account #120

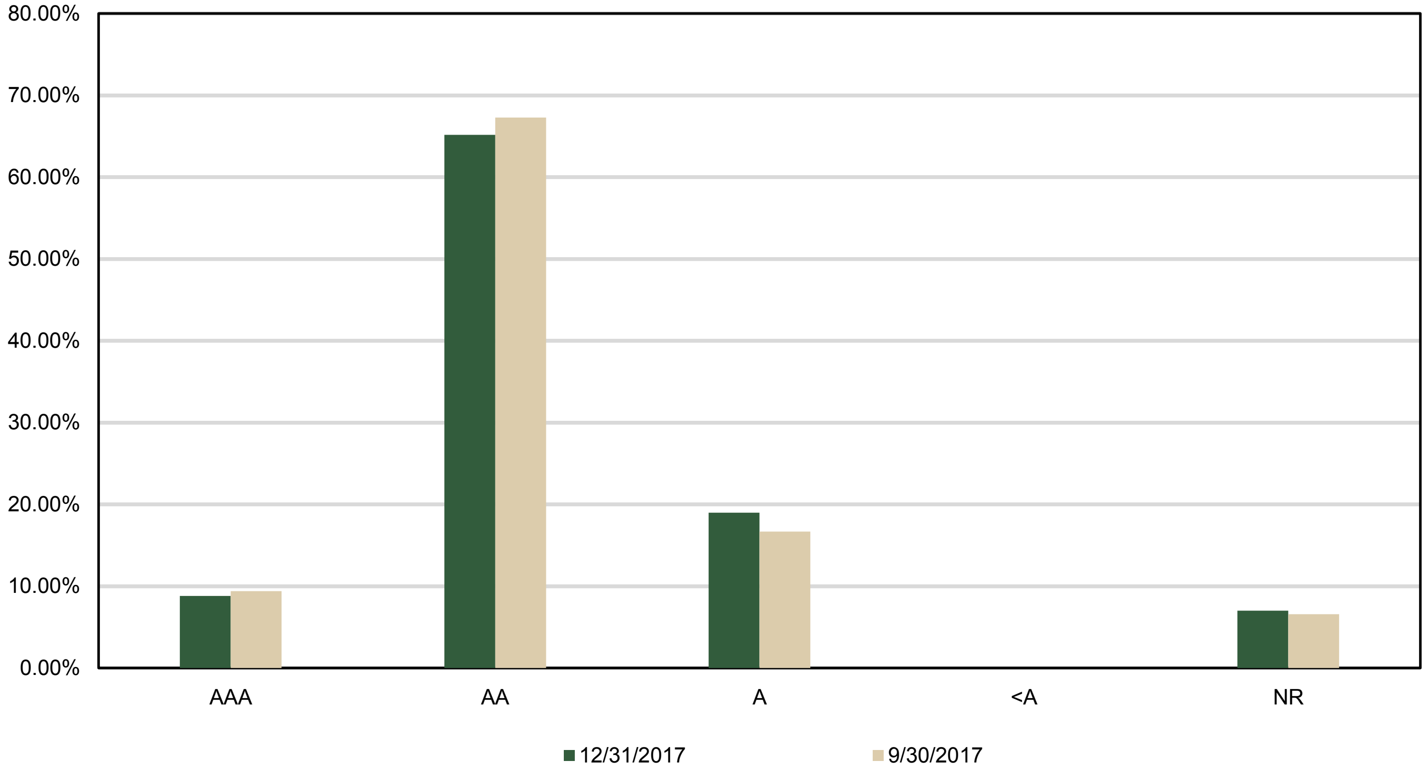
As of 12/31/2017

Issue Name	Investment Type	% Portfolio
Toyota ABS	ABS	1.16%
Honda ABS	ABS	1.09%
Westpac Banking Corp NY	Negotiable CD	0.95%
Costco Wholesale Corporation	US Corporate	0.81%
State Street Bank	US Corporate	0.76%
Home Depot	US Corporate	0.57%
Fidelity Institutional Treasury Portfolio	Money Market Fund FI	0.11%
Total		**100.00%**

Quality Distribution

City of Brea

December 31, 2017 vs. September 30, 2017



	AAA	AA	A	<A	NR
12/31/17	8.8%	65.2%	19.0%	0.0%	7.0%
09/30/17	9.4%	67.3%	16.7%	0.0%	6.6%

Source: S&P Ratings

Sector Commentary

Agency

- Spreads available in the Agency sector remain expensive. Five year Agency notes continue to trade with a spread over Treasuries in the single digits.
- Fannie Mae and Freddie Mac remain in conservatorship but there has recently been an uptick in the rhetoric out of Washington DC on legislation to 'fix' the Government Sponsored Enterprises (GSEs). No firm details have emerged but the Chandler team will remain focused on new legislative developments and the impact on spreads in the sector.

Investment Grade Credit

- Spreads available in the high quality "A" or better rated notes remain expensive.
- The new issue calendar was light in November and December and spreads grinded tighter over the period. The Chandler team expects the new issue calendar to pick up in the first quarter of 2018, which should provide opportunities to diversify and/or add to the portfolio's Corporate exposure.
- The implications of Corporate Tax reform specific to the Corporate bond market should be mostly positive from a fundamental perspective.

Sector Commentary

Asset Backed

- Valuations for the shorter maturity notes Chandler purchases for the City's portfolio remain reasonable priced relative to other high quality fixed income alternatives.
- The securities Chandler purchases for our Local Agency clients are well protected by credit enhancements and have high quality collateral and underwriters.

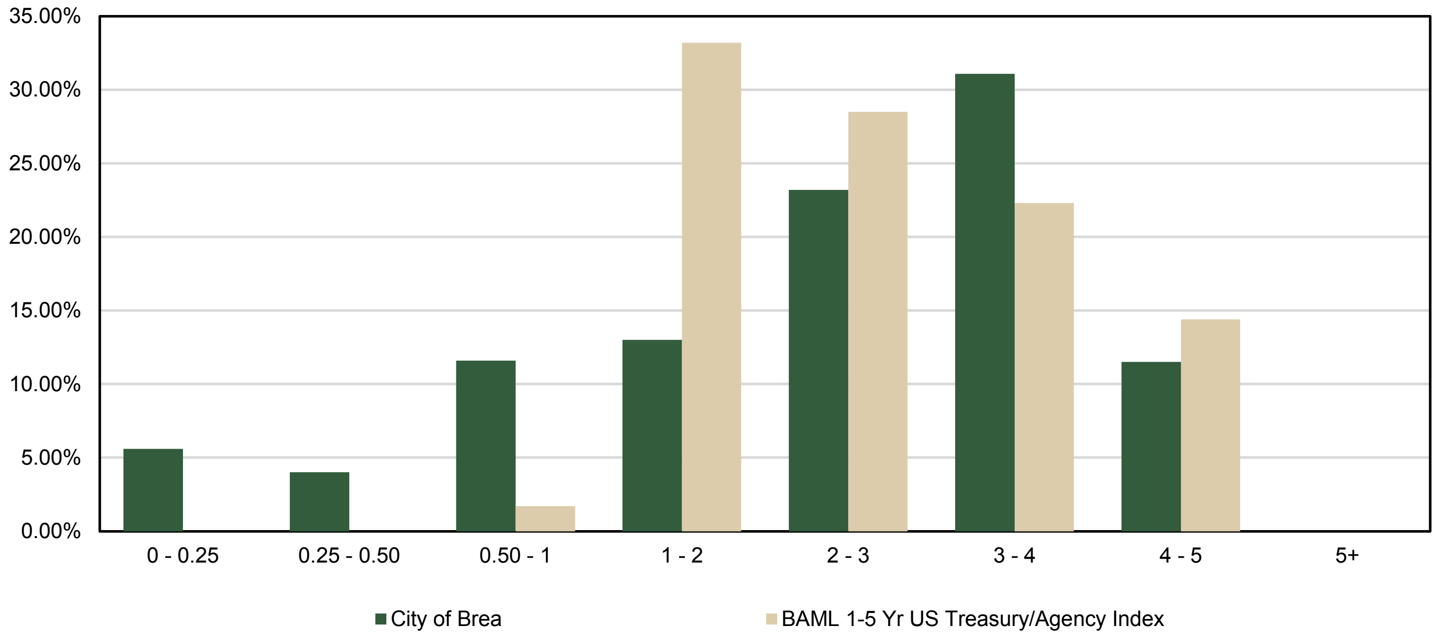
Municipal

- After much debate, tax-exempt private activity bonds were preserved in the new tax law, which could provide a vehicle for infrastructure spending.
- The reduction in the corporate income tax rate from 35% to 21% could reduce corporate, bank, and insurance company demand for municipal securities.

Duration Distribution

City of Brea

Portfolio Compared to the Benchmark as of December 31, 2017



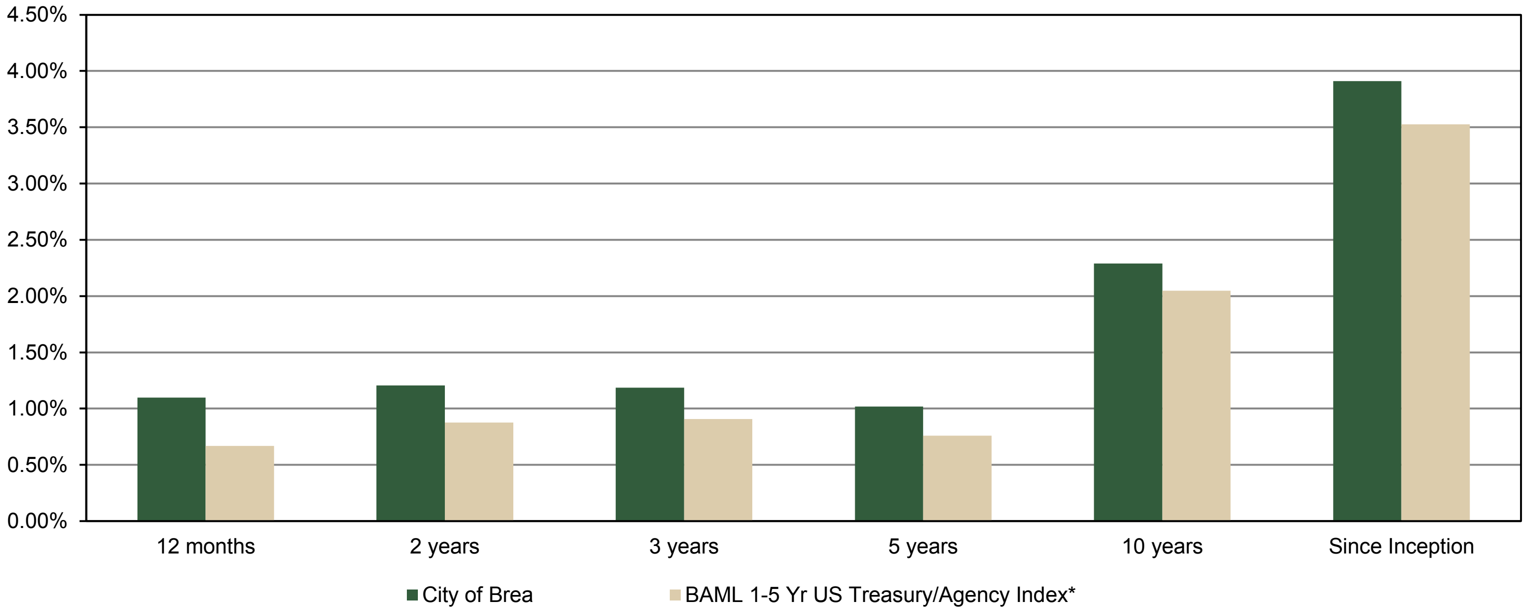
	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Portfolio	5.6%	4.0%	11.6%	13.0%	23.2%	31.1%	11.5%	0.0%
Benchmark*	0.0%	0.0%	1.7%	33.2%	28.5%	22.3%	14.4%	0.0%

*BAML 1-5 Yr US Treasury/Agency Index

Investment Performance

City of Brea
Period Ending
December 31, 2017

Total Rate of Return
Annualized Since Inception
April 30, 1996



			Annualized				
	3 months	**12 months**	**2 years**	**3 years**	**5 years**	**10 years**	**Since Inception**
City of Brea	-0.29%	1.10%	1.21%	1.19%	1.02%	2.29%	3.91%
BAML 1-5 Yr US Treasury/Agency Index	-0.37%	0.67%	0.88%	0.91%	0.76%	2.05%	3.53%

**BAML 1-Yr US Treasury Bill Index to 9/30/01,*

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

Portfolio Characteristics

City of Brea Laif

	12/31/2017	9/30/2017
	Portfolio	**Portfolio**
Average Maturity (yrs)	0.00	0.00
Modified Duration	0.00	0.00
Average Purchase Yield	1.28%	1.12%
Average Market Yield	1.28%	1.12%
Average Quality	NR/NR	NR/NR
Total Market Value	1,604,684	5,599,291

Portfolio Characteristics

Successor Agency to the Brea RDA LAIF

	12/31/2017	9/30/2017
	Portfolio	**Portfolio**
Average Maturity (yrs)	0.00	0.00
Modified Duration	0.00	0.00
Average Purchase Yield	1.28%	1.12%
Average Market Yield	1.28%	1.12%
Average Quality	NR/NR	NR/NR
Total Market Value	1,118,390	1,115,081

City of Brea Bond Reserve Funds
Portfolio Characteristics

Summary of Accounts Under Management

December 31, 2017

Name of Account	Average Maturity (Years)	Average Book Yield	Market Value	Average Quality
Brea 2009 Water Revenue Bond Reserve Fund	2.97	1.29%	1,891,002	AA+/Aaa
Brea 05 CDF 97-1 Spec Tax reserve Fund	2.93	1.64%	450,509	AA+/Aaa
Brea Water Revenue Bonds, Series B, Reserve Account	2.92	1.28%	1,334,840	AA+/Aaa
Brea Lease Revenue Bonds, Reserve Account	2.98	1.30%	262,010	AA+/Aaa
Total	**2.84**	**1.33%**	**$3,938,361**	

SECTION 3

Portfolio Holdings

Holdings Report

City of Brea - Account #120 | **For the Month Ending 12/31/2017**

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
89236WAC2	Toyota Auto Receivables Owner 2015-A 1.120% Due 02/15/2019	78,671.38	02/24/2015 1.13%	78,659.47 78,670.88	99.93 1.64%	78,612.66 39.16	0.14% (58.22)	Aaa / AAA NR	1.13 0.14
47788NAB4	John Deere Owner Trust 2016-B A2 1.090% Due 02/15/2019	151,051.86	07/19/2016 1.10%	151,042.64 151,047.81	99.94 1.81%	150,958.48 73.18	0.26% (89.33)	Aaa / NR AAA	1.13 0.09
43814RAB2	Honda Auto Receivables 2016-4 A2 1.040% Due 04/18/2019	370,331.03	10/18/2016 1.05%	370,320.70 370,325.64	99.81 1.73%	369,631.45 139.08	0.65% (694.19)	NR / AAA AAA	1.30 0.27
65478WAB1	Nissan Auto Receivables Owner 2016-C A2A 1.070% Due 05/15/2019	137,861.65	08/02/2016 1.08%	137,856.21 137,858.96	99.93 1.46%	137,761.25 65.56	0.24% (97.71)	Aaa / NR AAA	1.37 0.19
89231LAB3	Toyota Auto Receivables Owner 2016-D 1.060% Due 05/15/2019	236,200.92	10/04/2016 1.07%	236,182.02 236,190.94	99.85 1.70%	235,840.44 111.28	0.41% (350.50)	Aaa / AAA NR	1.37 0.24
43814TAB8	Honda Auto Receivables 2017-1 A2 1.420% Due 07/22/2019	256,092.51	03/21/2017 1.43%	256,086.40 256,088.41	99.86 1.78%	255,745.74 101.01	0.45% (342.67)	Aaa / NR AAA	1.56 0.38
89238MAB4	Toyota Auto Receivables Owner 2017-A 1.420% Due 09/16/2019	348,128.16	03/07/2017 1.43%	348,094.57 348,105.29	99.84 1.86%	347,556.50 219.71	0.61% (548.79)	Aaa / AAA NR	1.71 0.40
47787XAB3	John Deere Owner Trust 2017-A A2 1.500% Due 10/15/2019	282,809.64	02/22/2017 1.50%	282,808.51 282,808.87	99.87 1.84%	282,439.14 188.54	0.49% (369.73)	Aaa / NR AAA	1.79 0.39
654747AB0	Nissan Auto Receivables 2017-A A2A 1.470% Due 01/15/2020	251,965.98	03/21/2017 1.47%	251,964.70 251,965.05	99.82 1.84%	251,511.68 164.62	0.44% (453.37)	Aaa / NR AAA	2.04 0.49
47788MAC4	John Deere Owner Trust 2016-A A3 1.360% Due 04/15/2020	448,004.09	02/23/2016 1.37%	447,933.58 447,964.97	99.72 1.87%	446,752.79 270.79	0.78% (1,212.18)	Aaa / NR AAA	2.29 0.55
47788BAB0	John Deere Owner Trust 2017-B A2A 1.590% Due 04/15/2020	185,000.00	07/11/2017 1.60%	184,983.92 184,986.60	99.75 1.95%	184,540.65 130.73	0.32% (445.95)	Aaa / NR AAA	2.29 0.69
654747AD6	Nissan Auto Receivables 2017-A A3 1.740% Due 08/16/2021	500,000.00	12/27/2017 2.10%	496,816.41 496,823.61	99.39 2.08%	496,958.50 362.50	0.87% 134.89	Aaa / NR AAA	3.63 1.80
47788BAD6	John Deere Owner Trust 2017-B A3 1.820% Due 10/15/2021	130,000.00	07/11/2017 1.83%	129,990.48 129,991.51	99.25 2.22%	129,029.94 105.16	0.23% (961.57)	Aaa / NR AAA	3.79 1.89
Total ABS		**3,376,117.22**	**1.45%**	**3,372,739.61** **3,372,828.54**	**1.85%**	**3,367,339.22** **1,971.32**	**5.88%** **(5,489.32)**	**Aaa / AAA** **Aaa**	**2.08** **0.65**
Agency									
3137EADK2	FHLMC Note 1.250% Due 08/01/2019	570,000.00	Various 1.81%	555,245.02 565,197.35	99.02 1.88%	564,424.83 2,968.75	0.99% (772.52)	Aaa / AA+ AAA	1.58 1.55
3137EADM8	FHLMC Note 1.250% Due 10/02/2019	1,250,000.00	05/26/2015 1.48%	1,237,873.75 1,245,123.55	98.81 1.94%	1,235,113.75 3,862.85	2.16% (10,009.80)	Aaa / AA+ AAA	1.75 1.72
3135G0A78	FNMA Note 1.625% Due 01/21/2020	1,250,000.00	Various 1.46%	1,260,040.40 1,254,174.56	99.34 1.95%	1,241,810.00 9,027.78	2.18% (12,364.56)	Aaa / AA+ AAA	2.06 2.00
3137EADR7	FHLMC Note 1.375% Due 05/01/2020	1,250,000.00	05/28/2015 1.52%	1,241,437.50 1,245,949.59	98.50 2.03%	1,231,311.25 2,864.58	2.15% (14,638.34)	Aaa / AA+ AAA	2.33 2.28
3135G0D75	FNMA Note 1.500% Due 06/22/2020	1,030,000.00	Various 1.57%	1,026,700.60 1,028,310.32	98.81 1.99%	1,017,779.05 386.25	1.78% (10,531.27)	Aaa / AA+ AAA	2.48 2.41

Holdings Report

City of Brea - Account #120 — **For the Month Ending 12/31/2017**

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
3137EAEK1	FHLMC Note 1.875% Due 11/17/2020	450,000.00	11/21/2017 1.96%	448,833.97 448,876.72	99.48 2.06%	447,641.55 1,078.13	0.78% (1,235.17)	Aaa / AA+ AAA	2.88 2.78
3135G0F73	FNMA Note 1.500% Due 11/30/2020	1,225,000.00	12/16/2015 1.90%	1,201,847.50 1,211,389.91	98.53 2.02%	1,206,999.85 1,582.29	2.11% (4,390.06)	Aaa / AA+ AAA	2.92 2.83
3130A7CV5	FHLB Note 1.375% Due 02/18/2021	1,070,000.00	02/17/2016 1.46%	1,065,677.20 1,067,293.22	97.76 2.12%	1,046,065.17 5,435.45	1.84% (21,228.05)	Aaa / AA+ AAA	3.14 3.03
3135G0J20	FNMA Note 1.375% Due 02/26/2021	1,275,000.00	Various 1.46%	1,269,953.70 1,271,722.94	97.89 2.07%	1,248,159.98 6,087.24	2.19% (23,562.96)	Aaa / AA+ AAA	3.16 3.05
3135G0K69	FNMA Note 1.250% Due 05/06/2021	400,000.00	05/27/2016 1.48%	395,724.00 397,101.06	97.27 2.10%	389,060.80 763.89	0.68% (8,040.26)	Aaa / AA+ AAA	3.35 3.25
3130A8QS5	FHLB Note 1.125% Due 07/14/2021	1,285,000.00	10/04/2016 1.33%	1,273,126.60 1,276,207.41	96.68 2.10%	1,242,308.45 6,706.09	2.18% (33,898.96)	Aaa / AA+ AAA	3.54 3.42
3137EAEC9	FHLMC Note 1.125% Due 08/12/2021	1,250,000.00	08/30/2016 1.33%	1,237,737.50 1,241,049.12	96.53 2.13%	1,206,615.00 5,429.69	2.12% (34,434.12)	Aaa / AA+ AAA	3.62 3.50
3135G0N82	FNMA Note 1.250% Due 08/17/2021	1,285,000.00	Various 1.29%	1,282,305.71 1,282,996.38	96.90 2.14%	1,245,198.41 5,978.82	2.18% (37,797.97)	Aaa / AA+ AAA	3.63 3.50
3135G0S38	FNMA Note 2.000% Due 01/05/2022	1,350,000.00	04/25/2017 1.92%	1,354,927.50 1,354,211.66	99.34 2.17%	1,341,107.55 13,200.00	2.36% (13,104.11)	Aaa / AA+ AAA	4.02 3.80
3135G0T45	FNMA Note 1.875% Due 04/05/2022	1,315,000.00	06/19/2017 1.88%	1,314,801.44 1,314,823.57	98.75 2.18%	1,298,620.36 5,890.10	2.28% (16,203.21)	Aaa / AA+ AAA	4.26 4.05
Total Agency		**16,255,000.00**	**1.57%**	**16,166,232.39** **16,204,427.36**	**2.07%**	**15,962,216.00** **71,261.91**	**27.99%** **(242,211.36)**	**Aaa / AA+** **Aaa**	**3.04** **2.93**
Commercial Paper									
06538CCD1	Bank of Tokyo Mitsubishi NY Discount CP 1.450% Due 03/13/2018	1,150,000.00	11/07/2017 1.48%	1,144,210.07 1,144,210.07	99.50 1.48%	1,144,210.07 2,501.25	2.00% 0.00	P-1 / A-1 NR	0.20 0.20
Total Commercial Paper		**1,150,000.00**	**1.48%**	**1,144,210.07** **1,144,210.07**	**1.48%**	**1,144,210.07** **2,501.25**	**2.00%** **0.00**	**P-1 / A-1** **NR**	**0.20** **0.20**
Money Market Fund FI									
316175884	Fidelity Institutional Money Market Fund 696	60,506.69	Various 0.90%	60,506.69 60,506.69	1.00 0.90%	60,506.69 0.00	0.11% 0.00	Aaa / AAA NR	0.00 0.00
Total Money Market Fund FI		**60,506.69**	**0.90%**	**60,506.69** **60,506.69**	**0.90%**	**60,506.69** **0.00**	**0.11%** **0.00**	**Aaa / AAA** **NR**	**0.00** **0.00**
Negotiable CD									
96121T3U0	Westpac Banking Corp Yankee CD 1.510% Due 07/20/2018	540,000.00	07/24/2017 1.51%	539,998.65 539,999.25	100.00 1.51%	539,999.25 3,714.60	0.95% 0.00	P-1 / A-1+ F-1+	0.55 0.55
06417GXH6	Bank of Nova Scotia Yankee CD 1.570% Due 08/09/2018	1,040,000.00	08/08/2017 1.57%	1,040,000.00 1,040,000.00	100.00 1.57%	1,040,000.00 6,576.56	1.83% 0.00	P-1 / A-1 NR	0.61 0.60

Holdings Report

City of Brea - Account #120 — **For the Month Ending 12/31/2017**

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
06371ETT4	Bank of Motreal Chicago Yankee CD	920,000.00	11/06/2017	920,000.00	100.00	920,000.00	1.61%	P-1 / A-1	0.85
	1.760% Due 11/07/2018		1.76%	920,000.00	1.76%	2,473.78	0.00	F-1+	0.84
				2,499,998.65		**2,499,999.25**	**4.39%**	**Aaa / AA+**	**0.68**
Total Negotiable CD		**2,500,000.00**	**1.63%**	**2,499,999.25**	**1.63%**	**12,764.94**	**0.00**	**Aaa**	**0.68**
Supranational									
459058ER0	Intl. Bank Recon & Development Note	1,460,000.00	09/30/2015	1,457,518.00	99.37	1,450,841.42	2.54%	Aaa / AAA	0.76
	1.000% Due 10/05/2018		1.06%	1,459,371.56	1.83%	3,487.78	(8,530.14)	AAA	0.75
4581X0CX4	Inter-American Dev Bank Note	1,065,000.00	04/05/2017	1,062,475.95	99.06	1,054,994.33	1.85%	Aaa / AAA	2.36
	1.625% Due 05/12/2020		1.70%	1,063,067.73	2.03%	2,355.57	(8,073.40)	AAA	2.30
4581X0CW6	Inter-American Dev Bank Note	1,275,000.00	01/10/2017	1,273,431.75	99.56	1,269,353.03	2.24%	Aaa / NR	4.05
	2.125% Due 01/18/2022		2.15%	1,273,730.63	2.24%	12,267.45	(4,377.60)	AAA	3.82
4581X0CZ9	Inter-American Dev Bank Note	400,000.00	09/26/2017	395,060.00	97.58	390,331.20	0.69%	NR / NR	4.71
	1.750% Due 09/14/2022		2.01%	395,319.00	2.29%	2,080.56	(4,987.80)	AAA	4.46
				4,188,485.70		**4,165,519.98**	**7.31%**	**Aaa / AAA**	**2.54**
Total Supranational		**4,200,000.00**	**1.65%**	**4,191,488.92**	**2.05%**	**20,191.36**	**(25,968.94)**	**Aaa**	**2.43**
US Corporate									
084670BH0	Berkshire Hathaway Note	700,000.00	09/18/2014	697,725.00	99.95	699,640.90	1.23%	Aa2 / AA	0.11
	1.550% Due 02/09/2018		1.65%	699,928.16	2.02%	4,279.72	(287.26)	A+	0.11
166764AV2	Chevron Corp Note	700,000.00	02/24/2015	700,000.00	99.93	699,531.00	1.23%	Aa2 / AA-	0.17
	1.365% Due 03/02/2018		1.37%	700,000.00	1.75%	3,158.46	(469.00)	NR	0.17
037833AJ9	Apple Inc Note	810,000.00	Various	802,722.10	99.75	807,997.68	1.41%	Aa1 / AA+	0.34
	1.000% Due 05/03/2018		1.20%	809,467.75	1.73%	1,305.00	(1,470.07)	NR	0.34
02665WAC5	American Honda Finance Note	800,000.00	Various	807,073.15	100.16	801,261.61	1.41%	A2 / A+	0.78
	2.125% Due 10/10/2018		1.90%	801,332.03	1.92%	3,825.01	(70.42)	NR	0.76
74005PBH6	Praxair Note	810,000.00	Various	797,684.40	99.59	806,664.42	1.41%	A2 / A	0.85
	1.250% Due 11/07/2018		1.67%	807,238.01	1.74%	1,518.75	(573.59)	NR	0.84
24422ESF7	John Deere Capital Corp Note	430,000.00	12/10/2013	429,084.10	99.96	429,811.23	0.75%	A2 / A	0.95
	1.950% Due 12/13/2018		1.99%	429,826.45	2.00%	419.25	(15.22)	A	0.94
36962G7G3	General Electric Capital Corp Note	800,000.00	Various	800,569.30	100.12	800,996.80	1.41%	A2 / A	1.04
	2.300% Due 01/14/2019		2.27%	800,247.28	2.18%	8,535.55	749.52	A+	1.01
17275RAR3	Cisco Systems Note	715,000.00	Various	717,853.05	100.11	715,802.95	1.26%	A1 / AA-	1.16
	2.125% Due 03/01/2019		2.04%	715,664.14	2.03%	5,064.58	138.81	NR	1.14
91159HHH6	US Bancorp Callable Note Cont 3/25/2019	700,000.00	Various	703,858.75	100.28	701,981.71	1.23%	A1 / A+	1.32
	2.200% Due 04/25/2019		2.08%	701,000.64	1.96%	2,823.33	981.07	AA	1.21
40434CAC9	HSBC USA Inc Note	800,000.00	06/20/2017	804,088.00	99.99	799,956.00	1.40%	A2 / A	1.48
	2.250% Due 06/23/2019		1.99%	803,012.80	2.25%	400.00	(3,056.80)	AA-	1.44
06406HCW7	Bank of New York Callable Note Cont 8/11/2019	705,000.00	Various	705,272.60	100.26	706,837.94	1.24%	A1 / A	1.70
	2.300% Due 09/11/2019		2.29%	705,088.13	2.13%	4,954.59	1,749.81	AA-	1.57
94974BGF1	Wells Fargo Corp Note	735,000.00	01/26/2015	734,204.40	99.78	733,388.15	1.29%	A2 / A	2.08
	2.150% Due 01/30/2020		2.17%	734,668.75	2.26%	6,628.27	(1,280.60)	A+	2.01

Holdings Report

City of Brea - Account #120

For the Month Ending 12/31/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
22160KAG0	Costco Wholesale Corp Note	465,000.00	02/05/2015	464,511.75	99.36	462,044.93	0.81%	A1 / A+	2.13
	1.750% Due 02/15/2020		1.77%	464,792.55	2.06%	3,074.17	(2,747.62)	A+	2.06
747525AD5	Qualcomm Inc Note	750,000.00	06/11/2015	741,693.75	99.23	744,216.76	1.30%	A1 / A	2.39
	2.250% Due 05/20/2020		2.49%	745,985.32	2.58%	1,921.88	(1,768.56)	NR	2.30
437076BQ4	Home Depot Note	330,000.00	05/24/2017	329,808.60	99.20	327,375.84	0.57%	A2 / A	2.43
	1.800% Due 06/05/2020		1.82%	329,845.27	2.14%	429.00	(2,469.43)	A	2.36
594918BG8	Microsoft Callable Note Cont. 10/03/20	325,000.00	10/29/2015	324,740.00	99.61	323,734.77	0.57%	Aaa / AAA	2.84
	2.000% Due 11/03/2020		2.02%	324,852.42	2.14%	1,047.22	(1,117.65)	AA+	2.66
00440EAT4	ACE INA Holdings Inc Callable Note Cont 10/3/2020	800,000.00	02/06/2017	803,768.00	99.84	798,726.40	1.40%	A3 / A	2.84
	2.300% Due 11/03/2020		2.16%	802,845.80	2.36%	2,964.44	(4,119.40)	A	2.65
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021	875,000.00	Various	884,992.10	99.78	873,041.75	1.54%	Aaa / AA+	3.17
	2.222% Due 03/01/2021		1.97%	881,606.11	2.30%	6,480.83	(8,564.36)	NR	3.02
24422ESL4	John Deere Capital Corp Note	315,000.00	05/24/2017	322,663.95	101.04	318,274.74	0.56%	A2 / A	3.18
	2.800% Due 03/04/2021		2.12%	321,459.14	2.46%	2,866.50	(3,184.40)	A	3.00
857477AV5	State Street Bank Note	440,000.00	05/16/2016	439,771.20	98.56	433,649.04	0.76%	A1 / A	3.38
	1.950% Due 05/19/2021		1.96%	439,845.38	2.40%	1,001.00	(6,196.34)	AA-	3.24
594918BP8	Microsoft Callable Note Cont 7/8/21	590,000.00	Various	589,298.90	97.37	574,467.07	1.01%	Aaa / AAA	3.61
	1.550% Due 08/08/2021		1.57%	589,495.10	2.31%	3,632.60	(15,028.03)	AA+	3.45
68389XBK0	Oracle Corp Callable Note Cont 8/01/21	804,000.00	11/29/2016	785,998.44	98.42	791,311.27	1.39%	A1 / AA-	3.71
	1.900% Due 09/15/2021		2.40%	790,066.30	2.35%	4,497.93	1,244.97	A+	3.53
91159HHP8	US Bancorp Note	390,000.00	01/19/2017	389,329.20	100.57	392,239.38	0.69%	A1 / A+	4.07
	2.625% Due 01/24/2022		2.66%	389,454.84	2.48%	4,464.69	2,784.54	AA	3.79
69353RFE3	PNC Bank Callable Note Cont 6/28/2022	890,000.00	07/25/2017	889,919.90	99.16	882,514.21	1.56%	A2 / A	4.58
	2.450% Due 07/28/2022		2.45%	889,926.79	2.64%	9,267.13	(7,412.58)	A+	4.25
44932HAC7	IBM Credit Corp Note	700,000.00	11/29/2017	688,156.00	97.93	685,497.40	1.21%	A1 / A+	4.69
	2.200% Due 09/08/2022		2.58%	688,366.77	2.67%	4,833.89	(2,869.37)	A+	4.39
				16,354,786.64		**16,310,963.95**	**28.63%**	**A1 / A+**	**2.12**
Total US Corporate		**16,379,000.00**	**2.02%**	**16,366,015.93**	**2.19%**	**89,393.79**	**(55,051.98)**	**A+**	**2.01**

US Treasury

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
912828J84	US Treasury Note	650,000.00	10/23/2015	650,636.94	98.83	642,382.65	1.13%	Aaa / AA+	2.25
	1.375% Due 03/31/2020		1.35%	650,322.80	1.91%	2,283.48	(7,940.15)	AAA	2.19
912828VF4	US Treasury Note	650,000.00	Various	642,866.47	98.72	641,672.20	1.12%	Aaa / AA+	2.42
	1.375% Due 05/31/2020		1.63%	646,232.63	1.92%	785.71	(4,560.43)	AAA	2.36
912828L32	US Treasury Note	1,250,000.00	09/29/2015	1,250,394.81	98.54	1,231,738.75	2.16%	Aaa / AA+	2.67
	1.375% Due 08/31/2020		1.37%	1,250,213.77	1.94%	5,839.95	(18,475.02)	AAA	2.59
912828L99	US Treasury Note	800,000.00	11/23/2015	787,471.43	98.39	787,093.60	1.38%	Aaa / AA+	2.84
	1.375% Due 10/31/2020		1.71%	792,815.01	1.96%	1,883.98	(5,721.41)	AAA	2.75
912828N89	US Treasury Note	1,300,000.00	03/09/2016	1,298,734.82	98.09	1,275,219.40	2.24%	Aaa / AA+	3.09
	1.375% Due 01/31/2021		1.40%	1,299,202.80	2.02%	7,480.30	(23,983.40)	AAA	2.98
912828B90	US Treasury Note	1,250,000.00	04/26/2016	1,285,111.61	99.94	1,249,267.50	2.20%	Aaa / AA+	3.16
	2.000% Due 02/28/2021		1.40%	1,272,930.84	2.02%	8,494.48	(23,663.34)	AAA	3.03

Holdings Report

City of Brea - Account #120

For the Month Ending 12/31/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
912828Q37	US Treasury Note 1.250% Due 03/31/2021	800,000.00	12/13/2016 1.81%	781,471.43 785,997.22	97.53 2.04%	780,249.60 2,554.95	1.37% (5,747.62)	Aaa / AA+ AAA	3.25 3.15
912828T34	US Treasury Note 1.125% Due 09/30/2021	1,300,000.00	11/09/2016 1.48%	1,278,016.07 1,283,151.81	96.49 2.10%	1,254,347.90 3,736.61	2.20% (28,803.91)	Aaa / AA+ AAA	3.75 3.63
912828F96	US Treasury Note 2.000% Due 10/31/2021	1,025,000.00	01/27/2017 1.94%	1,027,686.05 1,027,165.87	99.57 2.12%	1,020,595.58 3,511.05	1.79% (6,570.29)	Aaa / AA+ AAA	3.84 3.66
912828J43	US Treasury Note 1.750% Due 02/28/2022	1,360,000.00	03/13/2017 2.14%	1,335,407.68 1,339,372.87	98.47 2.14%	1,339,175.68 8,086.74	2.35% (197.19)	Aaa / AA+ AAA	4.16 3.97
912828XG0	US Treasury Note 2.125% Due 06/30/2022	1,100,000.00	08/15/2017 1.82%	1,115,601.34 1,114,399.21	99.82 2.17%	1,097,980.40 64.57	1.92% (16,418.81)	Aaa / AA+ AAA	4.50 4.27
912828L24	US Treasury Note 1.875% Due 08/31/2022	1,000,000.00	09/26/2017 1.87%	1,000,433.04 1,000,409.93	98.59 2.19%	985,938.00 6,370.86	1.73% (14,471.93)	Aaa / AA+ AAA	4.67 4.41
912828L57	US Treasury Note 1.750% Due 09/30/2022	1,240,000.00	10/17/2017 1.99%	1,226,243.75 1,226,814.39	98.00 2.20%	1,215,151.64 5,544.23	2.13% (11,662.75)	Aaa / AA+ AAA	4.75 4.50
Total US Treasury		**13,725,000.00**	**1.69%**	**13,680,075.44** **13,689,029.15**	**2.07%**	**13,520,812.90** **56,636.91**	**23.70%** **(168,216.25)**	**Aaa / AA+** **Aaa**	**3.58** **3.43**
TOTAL PORTFOLIO		**57,645,623.91**	**1.73%**	**57,467,035.19** **57,528,505.91**	**2.06%**	**57,031,568.06** **254,721.48**	**100.00%** **(496,937.85)**	**Aa1 / AA** **Aaa**	**2.65** **2.46**
TOTAL MARKET VALUE PLUS ACCRUALS						**57,286,289.54**			

Holdings Report

Brea 2009 Water Revenue Bond Reserve Fund - Account #10073

For the Month Ending 12/31/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Money Market Fund FI									
825252109	Invesco Treasury MMFD Private Class	16,008.91	Various 0.60%	16,008.91 16,008.91	1.00 0.60%	16,008.91 0.00	0.85% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		**16,008.91**	**0.60%**	**16,008.91 16,008.91**	**0.60%**	**16,008.91 0.00**	**0.85% 0.00**	**Aaa / AAA Aaa**	**0.00 0.00**
US Treasury									
912828TH3	US Treasury Note 0.875% Due 07/31/2019	165,000.00	08/24/2016 0.85%	165,110.12 165,059.28	98.49 1.84%	162,512.13 604.18	8.63% (2,547.15)	Aaa / AA+ AAA	1.58 1.56
912828G61	US Treasury Note 1.500% Due 11/30/2019	165,000.00	08/24/2016 0.92%	168,081.41 166,804.38	99.28 1.89%	163,807.55 217.58	8.67% (2,996.83)	Aaa / AA+ AAA	1.92 1.87
912828UQ1	US Treasury Note 1.250% Due 02/29/2020	135,000.00	Various 1.60%	132,834.83 134,016.09	98.64 1.90%	133,159.55 573.38	7.07% (856.54)	Aaa / AA+ AAA	2.16 2.11
912828UV0	US Treasury Note 1.125% Due 03/31/2020	100,000.00	05/07/2015 1.57%	97,930.02 99,051.21	98.29 1.90%	98,293.00 287.43	5.21% (758.21)	Aaa / AA+ AAA	2.25 2.20
912828XM7	US Treasury Note 1.625% Due 07/31/2020	165,000.00	08/24/2016 1.03%	168,796.84 167,490.68	99.23 1.93%	163,730.33 1,122.04	8.72% (3,760.35)	Aaa / AA+ AAA	2.58 2.50
912828WC0	US Treasury Note 1.750% Due 10/31/2020	160,000.00	Various 1.46%	161,991.55 161,281.03	99.43 1.96%	159,093.76 479.56	8.44% (2,187.27)	Aaa / AA+ AAA	2.84 2.74
912828A83	US Treasury Note 2.375% Due 12/31/2020	165,000.00	08/24/2016 1.08%	174,062.66 171,245.19	101.13 1.99%	166,856.25 10.83	8.82% (4,388.94)	Aaa / AA+ AAA	3.00 2.89
912828B90	US Treasury Note 2.000% Due 02/28/2021	165,000.00	08/24/2016 1.10%	171,516.76 169,563.31	99.94 2.02%	164,903.31 1,121.27	8.78% (4,660.00)	Aaa / AA+ AAA	3.16 3.03
912828WN6	US Treasury Note 2.000% Due 05/31/2021	160,000.00	Various 1.04%	167,290.77 165,113.23	99.83 2.05%	159,724.96 281.32	8.46% (5,388.27)	Aaa / AA+ AAA	3.42 3.28
912828F21	US Treasury Note 2.125% Due 09/30/2021	170,000.00	10/27/2016 1.38%	175,983.77 174,552.72	100.06 2.11%	170,106.25 922.97	9.04% (4,446.47)	Aaa / AA+ AAA	3.75 3.57
912828J43	US Treasury Note 1.750% Due 02/28/2022	165,000.00	04/24/2017 1.84%	164,349.58 164,441.50	98.47 2.14%	162,473.52 981.11	8.64% (1,967.98)	Aaa / AA+ AAA	4.16 3.97
912828L24	US Treasury Note 1.875% Due 08/31/2022	165,000.00	09/18/2017 1.84%	165,284.15 165,267.80	98.59 2.19%	162,679.77 1,051.19	8.66% (2,588.03)	Aaa / AA+ AAA	4.67 4.41
Total US Treasury		**1,880,000.00**	**1.29%**	**1,913,232.46 1,903,886.42**	**2.00%**	**1,867,340.38 7,652.86**	**99.15% (36,546.04)**	**Aaa / AA+ Aaa**	**3.00 2.88**
TOTAL PORTFOLIO		**1,896,008.91**	**1.29%**	**1,929,241.37 1,919,895.33**	**1.99%**	**1,883,349.29 7,652.86**	**100.00% (36,546.04)**	**Aaa / AA+ Aaa**	**2.97 2.86**
TOTAL MARKET VALUE PLUS ACCRUALS						**1,891,002.15**			

Holdings Report

Brea 05 CFD 97-1 Spec Tax Reserve Fund - Account #10103

For the Month Ending 12/31/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Agency									
3137EADK2	FHLMC Note 1.250% Due 08/01/2019	30,000.00	09/09/2014 1.84%	29,180.70 29,735.31	99.02 1.88%	29,706.57 156.25	6.63% (28.74)	Aaa / AA+ AAA	1.58 1.55
3135G0ZG1	FNMA Note 1.750% Due 09/12/2019	27,000.00	11/17/2014 1.77%	26,972.73 26,990.40	99.72 1.92%	26,923.54 143.06	6.01% (66.86)	Aaa / AA+ AAA	1.70 1.66
3137EADM8	FHLMC Note 1.250% Due 10/02/2019	40,000.00	03/25/2015 1.40%	39,735.60 39,897.67	98.81 1.94%	39,523.64 123.61	8.80% (374.03)	Aaa / AA+ AAA	1.75 1.72
313383HU8	FHLB Note 1.750% Due 06/12/2020	40,000.00	06/26/2015 1.87%	39,779.20 39,891.06	99.32 2.03%	39,729.28 36.94	8.83% (161.78)	Aaa / AA+ NR	2.45 2.38
3130A7CV5	FHLB Note 1.375% Due 02/18/2021	35,000.00	03/11/2016 1.64%	34,566.00 34,724.48	97.76 2.12%	34,217.09 177.80	7.63% (507.39)	Aaa / AA+ AAA	3.14 3.03
3135G0Q89	FNMA Note 1.375% Due 10/07/2021	43,000.00	10/27/2016 1.50%	42,738.13 42,800.51	97.25 2.14%	41,818.45 137.96	9.31% (982.06)	Aaa / AA+ AAA	3.77 3.63
3135G0S38	FNMA Note 2.000% Due 01/05/2022	40,000.00	04/24/2017 1.92%	40,142.40 40,121.64	99.34 2.17%	39,736.52 391.11	8.91% (385.12)	Aaa / AA+ AAA	4.02 3.80
Total Agency		**255,000.00**	**1.70%**	**253,114.76** **254,161.07**	**2.04%**	**251,655.09** **1,166.73**	**56.12%** **(2,505.98)**	**Aaa / AA+** **Aaa**	**2.72** **2.62**
Money Market Fund FI									
825252109	Invesco Treasury MMFD Private Class	4,024.56	Various 0.60%	4,024.56 4,024.56	1.00 0.60%	4,024.56 0.00	0.89% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		**4,024.56**	**0.60%**	**4,024.56** **4,024.56**	**0.60%**	**4,024.56** **0.00**	**0.89%** **0.00**	**Aaa / AAA** **Aaa**	**0.00** **0.00**
US Treasury									
912828UQ1	US Treasury Note 1.250% Due 02/29/2020	30,000.00	Various 1.46%	29,709.47 29,870.44	98.64 1.90%	29,591.02 127.42	6.60% (279.42)	Aaa / AA+ AAA	2.16 2.11
912828UV0	US Treasury Note 1.125% Due 03/31/2020	30,000.00	05/07/2015 1.57%	29,379.01 29,715.37	98.29 1.90%	29,487.90 86.23	6.56% (227.47)	Aaa / AA+ AAA	2.25 2.20
912828WC0	US Treasury Note 1.750% Due 10/31/2020	30,000.00	11/04/2015 1.63%	30,166.51 30,094.50	99.43 1.96%	29,830.08 89.92	6.64% (264.42)	Aaa / AA+ AAA	2.84 2.74
912828WN6	US Treasury Note 2.000% Due 05/31/2021	30,000.00	07/11/2016 1.01%	31,406.35 30,982.24	99.83 2.05%	29,948.43 52.75	6.66% (1,033.81)	Aaa / AA+ AAA	3.42 3.28
912828G53	US Treasury Note 1.875% Due 11/30/2021	35,000.00	01/18/2017 1.89%	34,974.14 34,979.19	99.19 2.09%	34,715.63 57.69	7.72% (263.56)	Aaa / AA+ AAA	3.92 3.75
912828J43	US Treasury Note 1.750% Due 02/28/2022	10,000.00	04/24/2017 1.84%	9,960.58 9,966.15	98.47 2.14%	9,846.88 59.46	2.20% (119.27)	Aaa / AA+ AAA	4.16 3.97

Holdings Report

Brea 05 CFD 97-1 Spec Tax Reserve Fund - Account #10103

For the Month Ending 12/31/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
912828L24	US Treasury Note 1.875% Due 08/31/2022	30,000.00	09/18/2017 1.84%	30,051.66 30,048.69	98.59 2.19%	29,578.14 191.13	6.61% (470.55)	Aaa / AA+ AAA	4.67 4.41
Total US Treasury		**195,000.00**	**1.59%**	**195,647.72** **195,656.58**	**2.02%**	**192,998.08** **664.60**	**42.99%** **(2,658.50)**	**Aaa / AA+** **Aaa**	**3.28** **3.14**
TOTAL PORTFOLIO		**454,024.56**	**1.64%**	**452,787.04** **453,842.21**	**2.02%**	**448,677.73** **1,831.33**	**100.00%** **(5,164.48)**	**Aaa / AA+** **Aaa**	**2.93** **2.82**
TOTAL MARKET VALUE PLUS ACCRUALS						**450,509.06**			

Holdings Report

Brea Water Revenue Bonds, Series B, Reserve Accoun - Account #10128

For the Month Ending 12/31/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Money Market Fund FI									
825252109	Invesco Treasury MMFD Private Class	13,082.78	Various 0.60%	13,082.78 13,082.78	1.00 0.60%	13,082.78 0.00	0.98% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		**13,082.78**	**0.60%**	**13,082.78 13,082.78**	**0.60%**	**13,082.78 0.00**	**0.98% 0.00**	**Aaa / AAA Aaa**	**0.00 0.00**
US Treasury									
912828TH3	US Treasury Note 0.875% Due 07/31/2019	115,000.00	08/24/2016 0.85%	115,076.75 115,041.32	98.49 1.84%	113,266.03 421.09	8.52% (1,775.29)	Aaa / AA+ AAA	1.58 1.56
912828G61	US Treasury Note 1.500% Due 11/30/2019	115,000.00	08/24/2016 0.92%	117,147.65 116,257.60	99.28 1.89%	114,168.90 151.65	8.56% (2,088.70)	Aaa / AA+ AAA	1.92 1.87
912828UQ1	US Treasury Note 1.250% Due 02/29/2020	112,000.00	Various 1.40%	111,138.03 111,642.30	98.64 1.90%	110,473.11 475.69	8.31% (1,169.19)	Aaa / AA+ AAA	2.16 2.11
912828UV0	US Treasury Note 1.125% Due 03/31/2020	115,000.00	Various 1.47%	113,111.52 114,150.69	98.29 1.90%	113,036.95 330.54	8.49% (1,113.74)	Aaa / AA+ AAA	2.25 2.20
912828XM7	US Treasury Note 1.625% Due 07/31/2020	115,000.00	08/24/2016 1.03%	117,646.28 116,735.93	99.23 1.93%	114,115.08 782.03	8.61% (2,620.85)	Aaa / AA+ AAA	2.58 2.50
912828WC0	US Treasury Note 1.750% Due 10/31/2020	88,000.00	11/04/2015 1.63%	88,488.42 88,277.18	99.43 1.96%	87,501.57 263.76	6.57% (775.61)	Aaa / AA+ AAA	2.84 2.74
912828A83	US Treasury Note 2.375% Due 12/31/2020	115,000.00	08/24/2016 1.08%	121,316.40 119,352.71	101.13 1.99%	116,293.75 7.54	8.71% (3,058.96)	Aaa / AA+ AAA	3.00 2.89
912828B90	US Treasury Note 2.000% Due 02/28/2021	115,000.00	08/24/2016 1.10%	119,541.99 118,180.50	99.94 2.02%	114,932.61 781.49	8.67% (3,247.89)	Aaa / AA+ AAA	3.16 3.03
912828WN6	US Treasury Note 2.000% Due 05/31/2021	101,000.00	Various 1.03%	105,664.79 104,265.08	99.83 2.05%	100,826.39 177.58	7.57% (3,438.69)	Aaa / AA+ AAA	3.42 3.28
912828F21	US Treasury Note 2.125% Due 09/30/2021	110,000.00	10/27/2016 1.38%	113,871.85 112,945.88	100.06 2.11%	110,068.75 597.22	8.29% (2,877.13)	Aaa / AA+ AAA	3.75 3.57
912828J43	US Treasury Note 1.750% Due 02/28/2022	110,000.00	04/24/2017 1.84%	109,566.38 109,627.66	98.47 2.14%	108,315.68 654.07	8.16% (1,311.98)	Aaa / AA+ AAA	4.16 3.97
912828L24	US Treasury Note 1.875% Due 08/31/2022	115,000.00	09/18/2017 1.84%	115,198.04 115,186.64	98.59 2.19%	113,382.87 732.65	8.55% (1,803.77)	Aaa / AA+ AAA	4.67 4.41
Total US Treasury		**1,326,000.00**	**1.29%**	**1,347,768.10 1,341,663.49**	**1.99%**	**1,316,381.69 5,375.31**	**99.02% (25,281.80)**	**Aaa / AA+ Aaa**	**2.95 2.84**
TOTAL PORTFOLIO		**1,339,082.78**	**1.28%**	**1,360,850.88 1,354,746.27**	**1.98%**	**1,329,464.47 5,375.31**	**100.00% (25,281.80)**	**Aaa / AA+ Aaa**	**2.92 2.81**
TOTAL MARKET VALUE PLUS ACCRUALS						**1,334,839.78**			

Holdings Report

Brea Lease Revenue Bonds, Reserve Account - Account #10129

For the Month Ending 12/31/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Money Market Fund FI									
825252109	Invesco Treasury MMFD Private Class	1,762.37	Various 0.60%	1,762.37 1,762.37	1.00 0.60%	1,762.37 0.00	0.67% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		**1,762.37**	**0.60%**	**1,762.37 1,762.37**	**0.60%**	**1,762.37 0.00**	**0.67% 0.00**	**Aaa / AAA Aaa**	**0.00 0.00**
US Treasury									
912828TH3	US Treasury Note 0.875% Due 07/31/2019	22,000.00	08/24/2016 0.85%	22,014.68 22,007.90	98.49 1.84%	21,668.28 80.56	8.30% (339.62)	Aaa / AA+ AAA	1.58 1.56
912828G61	US Treasury Note 1.500% Due 11/30/2019	22,000.00	08/24/2016 0.92%	22,410.85 22,240.58	99.28 1.89%	21,841.01 29.01	8.35% (399.57)	Aaa / AA+ AAA	1.92 1.87
912828UQ1	US Treasury Note 1.250% Due 02/29/2020	20,000.00	Various 1.59%	19,688.54 19,858.86	98.64 1.90%	19,727.35 84.95	7.56% (131.51)	Aaa / AA+ AAA	2.16 2.11
912828UV0	US Treasury Note 1.125% Due 03/31/2020	17,000.00	05/07/2015 1.57%	16,648.10 16,838.70	98.29 1.90%	16,709.81 48.86	6.40% (128.89)	Aaa / AA+ AAA	2.25 2.20
912828XM7	US Treasury Note 1.625% Due 07/31/2020	22,000.00	08/24/2016 1.03%	22,506.25 22,332.09	99.23 1.93%	21,830.71 149.61	8.39% (501.38)	Aaa / AA+ AAA	2.58 2.50
912828WC0	US Treasury Note 1.750% Due 10/31/2020	22,000.00	Various 1.45%	22,276.59 22,178.08	99.43 1.96%	21,875.39 65.94	8.37% (302.69)	Aaa / AA+ AAA	2.84 2.74
912828A83	US Treasury Note 2.375% Due 12/31/2020	22,000.00	08/24/2016 1.08%	23,208.35 22,832.69	101.13 1.99%	22,247.50 1.44	8.49% (585.19)	Aaa / AA+ AAA	3.00 2.89
912828B90	US Treasury Note 2.000% Due 02/28/2021	22,000.00	08/24/2016 1.10%	22,868.90 22,608.44	99.94 2.02%	21,987.11 149.50	8.45% (621.33)	Aaa / AA+ AAA	3.16 3.03
912828WN6	US Treasury Note 2.000% Due 05/31/2021	20,000.00	07/11/2016 1.01%	20,937.57 20,654.83	99.83 2.05%	19,965.62 35.16	7.63% (689.21)	Aaa / AA+ AAA	3.42 3.28
912828F21	US Treasury Note 2.125% Due 09/30/2021	25,000.00	10/27/2016 1.38%	25,879.97 25,669.52	100.06 2.11%	25,015.63 135.73	9.60% (653.89)	Aaa / AA+ AAA	3.75 3.57
912828J43	US Treasury Note 1.750% Due 02/28/2022	24,000.00	04/24/2017 1.84%	23,905.39 23,918.76	98.47 2.14%	23,632.51 142.71	9.07% (286.25)	Aaa / AA+ AAA	4.16 3.97
912828L24	US Treasury Note 1.875% Due 08/31/2022	23,000.00	09/18/2017 1.84%	23,039.61 23,037.33	98.59 2.19%	22,676.57 146.53	8.71% (360.76)	Aaa / AA+ AAA	4.67 4.41
Total US Treasury		**261,000.00**	**1.31%**	**265,384.80 264,177.78**	**2.00%**	**259,177.49 1,070.00**	**99.33% (5,000.29)**	**Aaa / AA+ Aaa**	**3.00 2.88**
TOTAL PORTFOLIO		**262,762.37**	**1.30%**	**267,147.17 265,940.15**	**1.99%**	**260,939.86 1,070.00**	**100.00% (5,000.29)**	**Aaa / AA+ Aaa**	**2.98 2.86**
TOTAL MARKET VALUE PLUS ACCRUALS						**262,009.86**			

Holdings Report

City of Brea Laif - Account #10164

For the Month Ending 12/31/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
LAIF									
90LAIF$00	Local Agency Investment Fund State Pool	1,599,102.63	Various 1.28%	1,599,102.63 1,599,102.63	1.00 1.28%	1,599,102.63 5,581.72	100.00% 0.00	NR / NR NR	0.00 0.00
Total LAIF		**1,599,102.63**	**1.28%**	**1,599,102.63** **1,599,102.63**	**1.28%**	**1,599,102.63** **5,581.72**	**100.00%** **0.00**	**NR / NR** **NR**	**0.00** **0.00**
TOTAL PORTFOLIO		**1,599,102.63**	**1.28%**	**1,599,102.63** **1,599,102.63**	**1.28%**	**1,599,102.63** **5,581.72**	**100.00%** **0.00**	**NR / NR** **NR**	**0.00** **0.00**
TOTAL MARKET VALUE PLUS ACCRUALS						**1,604,684.35**			

Holdings Report

Successor Agency to the Brea RDA LAIF - Account #10166

For the Month Ending 12/31/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
LAIF									
90LAIF$00	Local Agency Investment Fund State Pool	1,115,066.23	Various 1.28%	1,115,066.23 1,115,066.23	1.00 1.28%	1,115,066.23 3,323.39	100.00% 0.00	NR / NR NR	0.00 0.00
Total LAIF		**1,115,066.23**	**1.28%**	**1,115,066.23 1,115,066.23**	**1.28%**	**1,115,066.23 3,323.39**	**100.00% 0.00**	**NR / NR NR**	**0.00 0.00**
TOTAL PORTFOLIO		**1,115,066.23**	**1.28%**	**1,115,066.23 1,115,066.23**	**1.28%**	**1,115,066.23 3,323.39**	**100.00% 0.00**	**NR / NR NR**	**0.00 0.00**
TOTAL MARKET VALUE PLUS ACCRUALS						**1,118,389.62**			

SECTION 4

Transactions

Transaction Ledger

City of Brea - Account #120 | **September 30, 2017 through December 31, 2017**

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	10/18/2017	912828L57	1,240,000.00	US Treasury Note 1.75% Due: 09/30/2022	98.891	1.99%	1,226,243.75	1,073.08	1,227,316.83	0.00
Purchase	11/07/2017	06371ETT4	920,000.00	Bank of Motreal Chicago Yankee CD 1.76% Due: 11/07/2018	100.000	1.76%	920,000.00	0.00	920,000.00	0.00
Purchase	11/08/2017	06538CCD1	1,150,000.00	Bank of Tokyo Mitsubishi NY Discount CP 1.45% Due: 03/13/2018	99.497	1.48%	1,144,210.07	0.00	1,144,210.07	0.00
Purchase	11/22/2017	3137EAEK1	450,000.00	FHLMC Note 1.875% Due: 11/17/2020	99.741	1.96%	448,833.97	164.06	448,998.03	0.00
Purchase	12/01/2017	44932HAC7	700,000.00	IBM Credit Corp Note 2.2% Due: 09/08/2022	98.308	2.58%	688,156.00	3,550.56	691,706.56	0.00
Purchase	12/29/2017	654747AD6	500,000.00	Nissan Auto Receivables 2017-A A3 1.74% Due: 08/16/2021	99.363	2.10%	496,816.41	338.33	497,154.74	0.00
	Subtotal		**4,960,000.00**				**4,924,260.20**	**5,126.03**	**4,929,386.23**	**0.00**
TOTAL ACQUISITIONS			**4,960,000.00**				**4,924,260.20**	**5,126.03**	**4,929,386.23**	**0.00**
DISPOSITIONS										
Sale	10/18/2017	912828R85	1,100,000.00	US Treasury Note 0.875% Due: 06/15/2019	98.930	1.53%	1,088,226.56	3,287.23	1,091,513.79	-12764.95
Sale	10/24/2017	3137EADK2	700,000.00	FHLMC Note 1.25% Due: 08/01/2019	99.397	1.60%	695,779.00	2,017.36	697,796.36	2382.28
Sale	10/24/2017	912828J84	600,000.00	US Treasury Note 1.375% Due: 03/31/2020	99.371	1.64%	596,226.56	543.96	596,770.52	-4096.49
Sale	10/25/2017	458140AL4	485,000.00	Intel Corp Note 1.35% Due: 12/15/2017	100.001	1.34%	485,004.85	2,364.38	487,369.23	-46.99
Sale	12/01/2017	89236TCA1	780,000.00	Toyota Motor Credit Corp Note 1.45% Due: 01/12/2018	99.994	1.49%	779,953.20	4,366.92	784,320.12	-168.85
	Subtotal		**3,665,000.00**				**3,645,190.17**	**12,579.85**	**3,657,770.02**	**-14,695.00**
Maturity	11/03/2017	21687AY31	910,000.00	Rabobank Nederland NV NY Discount CP 1.2% Due: 11/03/2017	99.273		903,387.33	6,612.67	910,000.00	0.00

Transaction Ledger

City of Brea - Account #120 | **September 30, 2017 through December 31, 2017**

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Maturity	11/08/2017	06538BY80	1,285,000.00	Bank of Tokyo Mitsubishi NY Discount CP 1.33% Due: 11/08/2017	99.542		1,279,113.27	5,886.73	1,285,000.00	0.00
	Subtotal		**2,195,000.00**				**2,182,500.60**	**12,499.40**	**2,195,000.00**	**0.00**
TOTAL DISPOSITIONS			**6,706,895.22**				**6,674,585.99**	**36,383.37**	**6,710,969.36**	**-14,695.00**

Disclosure

Information contained herein is confidential. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Agenda Item 6.

City of Brea

COMMUNICATION

TO: Honorable Chair and Members

FROM: Bill Gallardo

DATE: 01/22/2018

SUBJECT: PARS Post Employment Benefit Trust Investment Report for Period Ending December 31, 2017 - Presentation by PARS and HighMark Capital Management

Attachment

Report

Return to Agenda

Report

PUBLIC AGENCY RETIREMENT SERVICES | PARS

TRUSTED SOLUTIONS. LASTING RESULTS.

CITY OF BREA

Pension Rate Stabilization Program (PRSP) Client Review

January 22, 2018

CONTACTS

DENNIS YU

Executive Vice President

dyu@pars.org

(800) 540-6369 x104

KEITH STRIBLING

Senior Portfolio Manager

keith.stribling@highmarkcapital.com

(949) 553-2591

JENNIFER MEZA

Supervisor, Client Services

jmeza@pars.org

(800) 540-6369 x141

OPEB/PENSION PROGRAM TEAM

PUBLIC AGENCY RETIREMENT SERVICES PARS
TRUSTED SOLUTIONS. LASTING RESULTS.

usbank

HIGHMARK®
CAPITAL MANAGEMENT

Trust Administrator & Consultant	Trustee	Investment Manager
• Recordkeeping/sub-trust accounting • Actuarial coordination • Monitor contributions/process distributions • Monitor plan compliance • Ongoing client liaison	• Safeguard plan assets • Oversight protection • Plan fiduciary • Custodian of assets	• Investment sub-advisor to U.S. Bank • Open architecture • Investment strategy and asset allocation development • Investment policy assistance

Corporate Experience

34 years (1984 – 2018)	**155 years** (1863 – 2018)	**99 years** (1919 – 2018)

Plans Under Administration

1,600+ plans, 850+ public agencies, 400,000+ participants

Dollars under Administration

Over $2.6 billion	Over $4 trillion	Over $15.9 billion under management

SUMMARY OF AGENCY'S PRSP PLAN

Type of Plan:	IRC Section 115 Irrevocable Exclusive Benefit Trust
Trustee Approach:	Discretionary
Plan Effective Date:	November 17, 2015
Plan Administrator:	Bill Gallardo - City Manager
Current Investment Strategy:	Balanced HighMark PLUS (Active) – Individual Acct - Selected on 01/20/2016
Initial Contribution:	February 19, 2016 – $2,000,000
Additional Contributions:	April 22, 2016 - $2,000,000 June 17, 2016 - $2,000,000

PARS Plan: City of Brea

January 22, 2018

Presented by
Keith Stribling, CFA

HIGHMARK®
CAPITAL MANAGEMENT

DISCUSSION HIGHLIGHTS – City of Brea

Investment objective – Balanced

Asset Allocation: PARS/Balanced (As of 12/31/2017)

- Allocation Target – 59.02% stocks (50-70% range), 36.59% bonds (30-50% range), 4.39% cash (0-20% range)
- Large cap 28.5%, Mid-cap 4.5%, Small cap 8.79%, International 15.65%; REIT 1.59%

Performance: City of Brea

(as of 12/31/2017) gross of investment management fees, net of fund fees

- 3-months: 3.30%
- 6-months: 7.03%
- 1-Year: 14.81%
- ITD: 13.15%

- Fixed Income:
  - Credit risk generally outperformed
- Stocks:
  - Stocks are generally strong & active management finally working

12-Month Changes

- Asset Allocation:
  - Recently re-established over weight to value style
  - Modest overweight to international

DISCUSSION HIGHLIGHTS – City of Brea

Economic Review

- Trump and a Republican Congress – a new direction
- Changes in Fiscal policy – finally some inflation…but not much
- Interest rates
- Fed, a new chairman & monetary policy – gradual tightening cycle & addressing the balance sheet
- Strengthening US Economy supporting stocks
- Consumer well positioned
- International economies in recovery & continued QE abroad

2018 Outlook

- Modest GDP growth
    - 2018E 2.25% - 2.75%;
    - 10-yr yield 2.75% - 3.25%
- Fed Funds 1.5% - 2.0%

Selected Period Performance

PARS/ CITY OF BREA PRSP

Period Ending: 12/31/2017

Sector	Market Value	3 Months	6 Months	Year to Date (1 Year)	Inception to Date 02/01/2016
Cash Equivalents	318,767	.15	.37	.66	.42
Total Fixed Income	2,683,537	.01	.86	2.92	
BC US Aggregate Bd Index (USD)	*0*	*.39*	*1.24*	*3.54*	*2.50*
Total Equities	4,285,404	5.52	11.32	23.62	22.40
Large Cap Funds	2,069,325	6.28	11.90	23.16	22.21
S&P 500 Composite Index	*0*	*6.64*	*11.42*	*21.83*	*20.75*
Mid Cap Funds	326,972	6.04	9.72	17.76	20.34
Russell Midcap Index	*0*	*6.07*	*9.75*	*18.52*	*21.10*
Small Cap Funds	637,770	5.14	11.10	21.12	23.95
Russell 2000 Index (USD)	*0*	*3.34*	*9.20*	*14.65*	*24.62*
International Equity Funds	1,136,161	4.50	11.56	30.13	22.59
MSCI EAFE Index (Net)	*0*	*4.23*	*9.86*	*25.03*	*17.46*
MSCI EM Free Index (Net USD)	*0*	*7.44*	*15.92*	*37.28*	*29.13*
Total Managed Portfolio	7,287,708	3.30	7.03	14.81	13.15

Portfolio Inception: 02/01/2016

Returns are gross of account level investment advisory fees and net of any fees, including fees to manage mutual fund or exchange traded fund holdings. Returns for periods over one year are annualized. The information presented has been obtained from sources believed to be accurate and reliable. Past performance is not indicative of future returns. Securities are not FDIC insured, have no bank guarantee, and may lose value.

ASSET ALLOCATION- City of Brea

Current Asset Allocation			Investment Vehicle
Equity	**59.02%**		***Range: 50%-70%***
Large Cap Core	4.76%	SMGIX	Columbia Contrarian Core Cl Z
	11.20%	VGIAX	Vanguard Gro & Inc Admiral Shrs
Large Cap Value	7.80%	DODGX	Dodge & Cox Stock Fund
Large Cap Growth	2.25%	HNACX	Harbor CP Appre Rtrmt Cl
	2.49%	PRUFX	T. Rowe Price Growth Stock Fund
Mid Cap Core	4.50%	IWR	Ishares Russell Mid Cap Core ETF
Small Cap Value	5.05%	UBVLX	Undiscovered Mgrs Behavrl Val I
Small Cap Growth	3.74%	PRJIX	T. Rowe Price New Horizons Fund
International Core	4.96%	NWHMX	Nationwide Bailard Intl Eq I
International Value	3.29%	DODFX	Dodge & Cox International Stock Fund
International Growth	3.33%	MGRDX	MFS International Growth
Emerging Markets	4.07%	HHHYX	Hartford Schroders Mkts Eq Cl Y
REIT	1.59%	VNQ	Vngrd Index Tr Reit Viper Shs
Fixed Income	**36.59%**		***Range: 30%-50%***
Individual Fixed Income	34.90%		Corporate Bonds
Short Term	0.48%	VFSUX	Vngrd St Term Invmt Grade Adm
High Yield	1.21%	EIFHX	Eaton Vance Fltg Rt & Hi Incm I
Cash	**4.39%**		***Range: 0%-20%***
	4.39%	FGZXX	First American Govt Obligations Fund Cl Z
TOTAL	**100.00%**		

ASSET ALLOCATION- City of Brea

Current Asset Allocation		Weight	Ticker	Investment Vehicle		Market Value
Fixed Income				***Range: 30%-50%***		
1-3 yrs	40.04%					
AA+		8.22%	XOM	XTO Energy	6.50% 12/15/18	$208,282.00
A		8.24%	BK	Bank of New York	5.45% 05/15/19	$208,820.00
AA+		7.32%	GE	GE Credit Corp	6.00% 8/07/19	$185,428.25
AA+		8.38%	GE	GE Credit Corp	5.50% 01/08/20	$212,356.00
A+		7.89%	V	Visa Inc	2.20% 12/14/20	$199,842.00
3-5 yrs	19.06%					
AA-		8.04%	CSCO	Cisco Systems	2.90% 3/04/21	$203,646.00
A		8.07%	MDT	Medtronic Inc	3.13% 03/15/22	$204,404.00
BBB+		2.96%	STI	Suntrust Banks NT	2.700% 1/27/22	$74,997.75
5-7 yrs	29.92%					
A		4.01%	GE	GE Credit Corp	3.100% 1/09/23	$101,567.00
AA+		6.00%	AAPL	Apple	2.85% 02/23/23	$152,032.50
A-		2.94%	JPM	JP Morgan Chase & Co	2.700% 5/18/23	$74,508.00
BBB+		8.78%	VZ	Verizon Communications	5.15% 9/15/23	$222,528.00
BBB		4.18%	MDLZ	Mondelez Inc	4.0% 2/01/24	$105,908.00
A		4.01%	WFC	Wells Fargo Corp	3.30% 9/09/24	$101,551.00
7-10 yrs	10.98%					
		2.97%	PEP	Pepsico Inc	2.750% 4/30/25	$75,186.00
A		4.11%	ICE	Intercontinental Exchange	3.75% 12/01/25	$104,211.00
A		3.90%	KMB	Kimberly Clark	2.75% 2/15/26	$98,715.00
TOTAL	**100.00%**					**$ 2,533,982.50**

HIGHMARK®
CAPITAL MANAGEMENT

City of Brea

For Period Ending December 31, 2017

Fund Name	1-Month Return	3-Month Return	Year-to-Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
LARGE CAP EQUITY FUNDS							
Columbia Contrarian Core Cl Z	1.87	5.36	21.70	21.70	10.85	15.86	9.72
Loomis Sayles Value Fund	1.26	4.97	14.71	14.71	7.05	12.99	6.75
T. Rowe Price Growth Stock	-0.31	6.05	33.63	33.63	14.53	17.88	9.99
Dodge & Cox Stock	2.43	5.75	18.33	18.33	11.08	16.29	7.71
Harbor Capital Appreciation Retirement	0.65	7.24	36.68	36.68	14.50	17.84	10.16
S&P 500 Index	**1.11**	**6.64**	**21.83**	**21.83**	**11.41**	**15.79**	**8.50**
MID CAP EQUITY FUNDS							
Ivy Mid Cap Growth I	0.63	7.22	27.31	27.31	8.45	12.42	9.40
Russell Mid Cap Growth Index	**0.54**	**6.81**	**25.27**	**25.27**	**10.30**	**15.30**	**9.10**
TIAA-Cref Mid-Cap Value Instl	0.54	3.85	11.13	11.13	7.29	13.06	7.62
Russell Mid Cap Value Index	**1.24**	**5.50**	**13.34**	**13.34**	**9.00**	**14.68**	**9.10**
SMALL CAP EQUITY FUNDS							
Columbia Small Cap Value II Z	-0.14	3.38	10.94	10.94	10.02	14.32	8.58
T. Rowe Price New Horizons	0.69	4.63	31.49	31.49	13.99	18.57	13.16
Russell 2000 Index	**-0.40**	**3.34**	**14.65**	**14.65**	**9.96**	**14.12**	**8.71**
REAL ESTATE FUNDS							
Nuveen Real Estate Securities I	0.20	2.39	5.61	5.61	5.28	9.19	8.22
INTERNATIONAL EQUITY FUNDS							
Dodge & Cox Intl Stock	2.04	1.21	23.94	23.94	5.96	8.50	3.17
Nationwide Bailard Intl Equities	2.23	3.63	24.44	24.44	7.00	7.89	1.79
MFS International Growth I	1.88	5.84	32.46	32.46	10.89	8.06	4.19
MSCI EAFE Index	**1.61**	**4.23**	**25.03**	**25.03**	**7.80**	**7.90**	**1.94**
Hartford Schroders Emerging Mkts Eq Y	2.98	6.97	41.10	41.10	10.84	4.89	2.40
MSCI Emerging Markets Index	**3.59**	**7.44**	**37.28**	**37.28**	**9.10**	**4.35**	**1.68**
SPDR Euro Stoxx 50 ETF	-1.05	-0.78	24.39	24.39	6.31	7.01	-0.84
BOND FUNDS							
Nationwide HighMark Bond Fid	0.45	0.25	3.13	3.13	2.25	2.08	4.35
Pimco Total Return Inst'l	0.59	0.11	5.13	5.13	2.80	2.21	5.23
Vanguard Short-Term Investment-Grade Adm	0.01	-0.04	2.13	2.13	2.03	1.80	2.96
BarCap US Aggregate Bond	**0.46**	**0.39**	**3.54**	**3.54**	**2.24**	**2.10**	**4.01**
PIMCO High Yield Instl	0.21	0.16	7.01	7.01	5.78	5.28	6.82
Credit Suisse HY	**0.32**	**0.54**	**7.03**	**7.03**	**6.36**	**5.68**	**7.58**

Source: SEI Investments, Morningstar Investments

Returns less than one year are not annualized. Past performance is no indication of future results. The information presented has been obtained from sources

believed to be accurate and reliable. Securities are not FDIC insured, have no bank guarantee and may lose value.