INVESTMENT ADVISORY COMMITTEE AGENDA

Monday, January 28, 2019, 10:00 AM

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

CHAIR: Mayor Christine Marick
ALTERNATE: Mayor Pro Tem 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 22, 2018 Meeting

Attachments
Minutes

DISCUSSION

3. Review Quarterly Investment Report Period Ending December 31, 2018 from Chandler Asset Management - Presented by Bill Dennehy

Attachments
Investment Report

4. Review of PARS Post Employment Benefit Trust Investment Report for Period Ending December 31, 2018 - Presentation by PARS and Highmark Capital Management, Dennis Yu and Keith Stribling

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

Attachments

Investment Report

5. Monthly Report of Investments for the City of Brea for Period Ending December 31, 2018

Attachments

Attachment A

6. Monthly Report of Investments for the Successor Agency to the Brea Redevelopment Agency for Period Ending December 31, 2018

Attachments

Attachment A

7. Schedule Next Meeting: April 22, 2019

cc: Council Member Cecilia Hupp
Council Member 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

INVESTMENT ADVISORY COMMITTEE COMMUNICATION

TO: Honorable Chair and Committee Members

FROM: Bill Gallardo, City Manager

DATE: 01/28/2019

SUBJECT: Approval of Action Minutes for October 22, 2018 Meeting

RESPECTFULLY SUBMITTED

Attachments

Minutes

INVESTMENT ADVISORY COMMITTEE MEETING MINUTES

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

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CALL TO ORDER / ROLL CALL

ATTENDEES: Christine Marick, Gary Terrazas, Ho-El Park, Cindy Russell, Faith Madrazo, Alicia Brenner, Ana Conrique

OTHER ATTENDEES: Martin Cassell (Chandler), Mia Corral (Chandler)

1. Matters from the Audience – *None.*

CONSENT

2. Approval of Action Minutes for July 23, 2018 Meeting - *Approved*

3. Monthly Report of Investments for the City of Brea for Period Ending September 30, 2018 – *Recommended for City Council approval.*

4. Monthly Report of Investments for the Successor Agency to the Brea Redevelopment Agency for Period Ending September 30, 2018 – *Recommended for City Council approval.*

DISCUSSION

5. Review Quarterly Investment Report Period Ending September 30, 2018 from Chandler Asset Management – Presented by Martin (Marty) Cassell and Mia Corral – *The Committee reviewed the quarterly report as presented and recommended to receive and file.*

6. Schedule Next Meeting: January 28, 2019

Meeting Adjourned: 10:53 a.m.

Agenda Item 3.

City of Brea

COMMUNICATION

TO: Honorable Chair and Members

FROM: Bill Gallardo

DATE: 01/28/2019

SUBJECT: Review Quarterly Investment Report Period Ending December 31, 2018 from Chandler Asset Management - Presented by Bill Dennehy

Attachments

Investment Report

INVESTMENT REPORT

City of Brea

Period Ending December 31, 2018

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | www.chandlerasset.com

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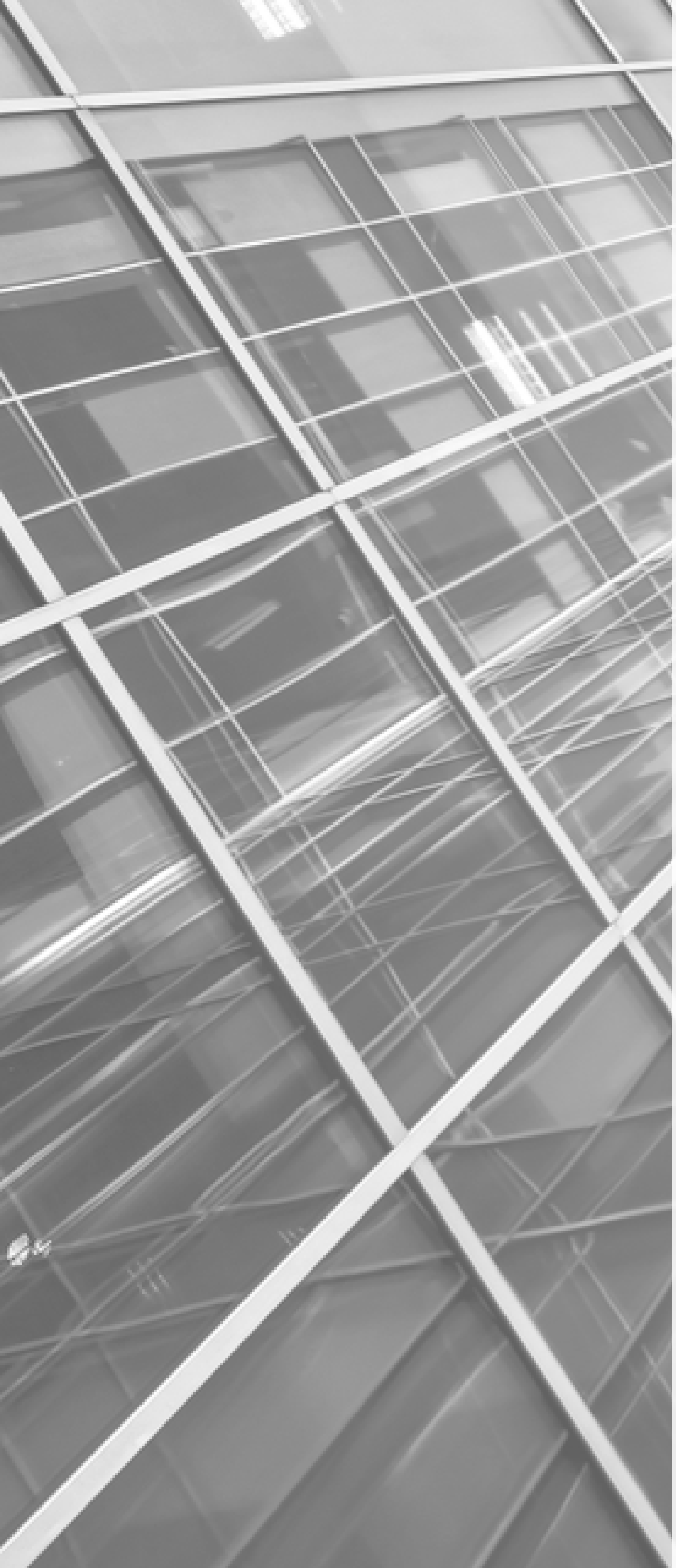
As of December 31, 2018



Section 1 | Economic Update

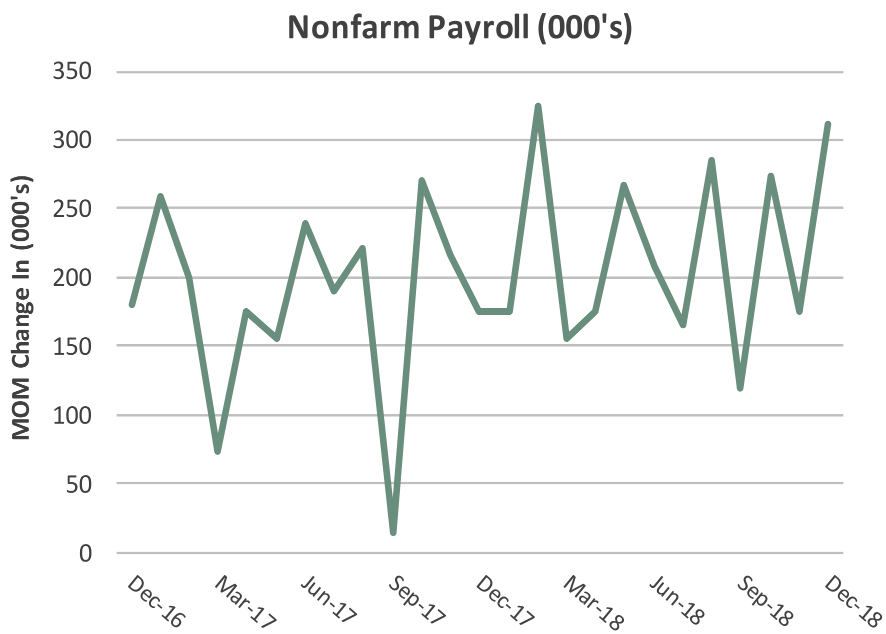
Economic Update

- The Federal Open Market Committee (FOMC) raised the fed funds target rate by 25 basis points in December to a range of 2.25%-2.50%. Although recent economic data has softened, the rate hike was widely expected. The Fed's long run fed funds rate target was lowered to 2.8% from the previous estimate of 3.0%. However, the Fed did little to acknowledge the changing market dynamics and tightening financial conditions, reaffirming their strong economic forecast for 2019 and emphasizing the balance sheet reduction strategy remains on track. Although the modest adjustment in the Fed's projections was a step in the right direction, some market participants were expecting a more dovish tone from the Fed Chair. We continue to believe the terminal fed funds rate will be below 3.0% and believe the Fed is at risk of making a policy error if monetary policy continues to tighten at the same quarterly pace of 2018. We believe there is a high probability that the Fed will keep monetary policy on hold at least through the first quarter.

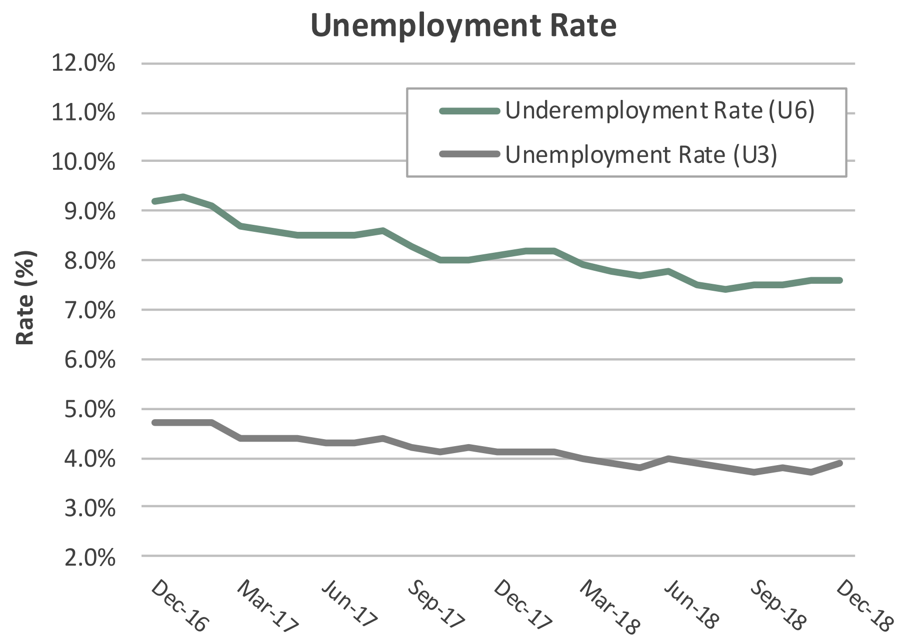
- Interest rate sensitive sectors such as housing and autos have softened, and financial conditions have tightened in recent months as equity prices have declined, borrowing costs have increased, and the US dollar has strengthened. Although labor market conditions remain tight, we expect the pace of job growth is likely to slow as the economy is at or near full employment. Meanwhile, inflation pressures remain subdued. Though we don't foresee a recession in the near-term, economic growth has eased. The economy is expected to grow 2.6% this year versus 2.9% in 2018.

- Treasury yields declined in December. At month-end, the 2-year Treasury yield was down nearly 30 basis points to 2.49%, while the 10-year Treasury yield was down slightly more than 30 basis points to 2.68%. The spread between 2- and 10-year Treasury yields was just 20 basis points at year-end.

Employment



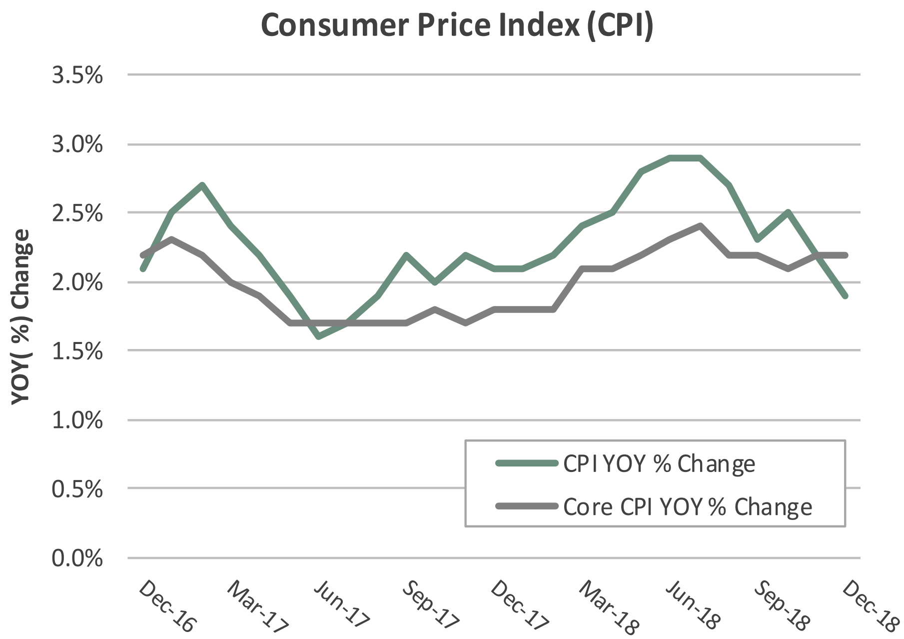
Source: US Department of Labor



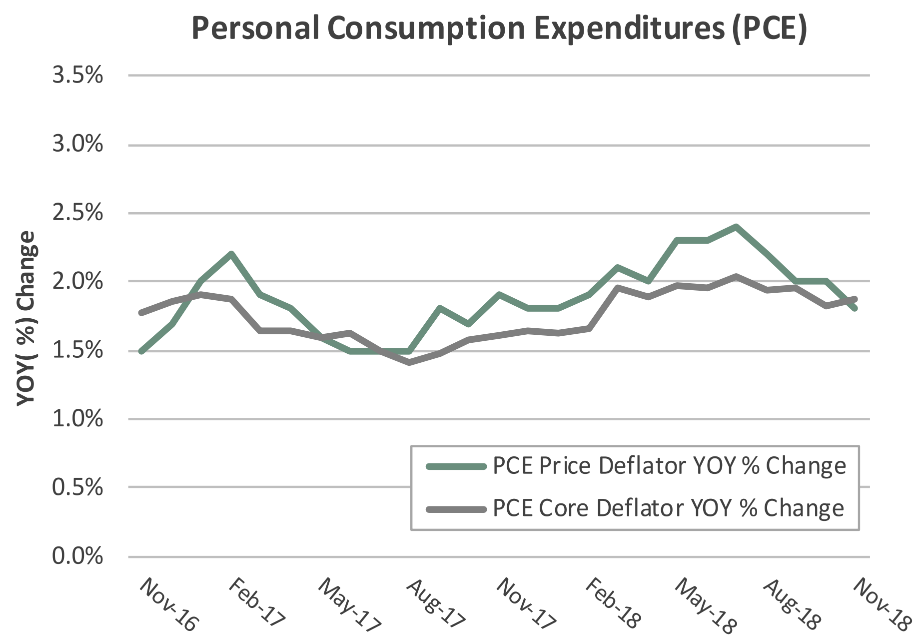
Source: US Department of Labor

U.S. payrolls rose by 312,000 in December, well above the consensus forecast of 184,000. October and November payrolls were revised up by a total of 58,000. On a trailing 3-month and 6-month basis payrolls increased by an average of 254,000 and 222,000 per month, respectively, more than enough to absorb new entrants into the labor market. The unemployment rate increased to 3.9% in December from 3.7% in November as the labor participation rate increased to 63.1% from 62.9%. 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, was unchanged at 7.6%. Wages jumped 0.4% in December on a month-over-month basis, exceeding expectations of 0.3%. Wages were up 3.2% on a year-over-year basis in December, versus up 3.1% year-over-year in November. The average workweek increased to 34.5 hours in December from 34.4 hours in November.

Inflation



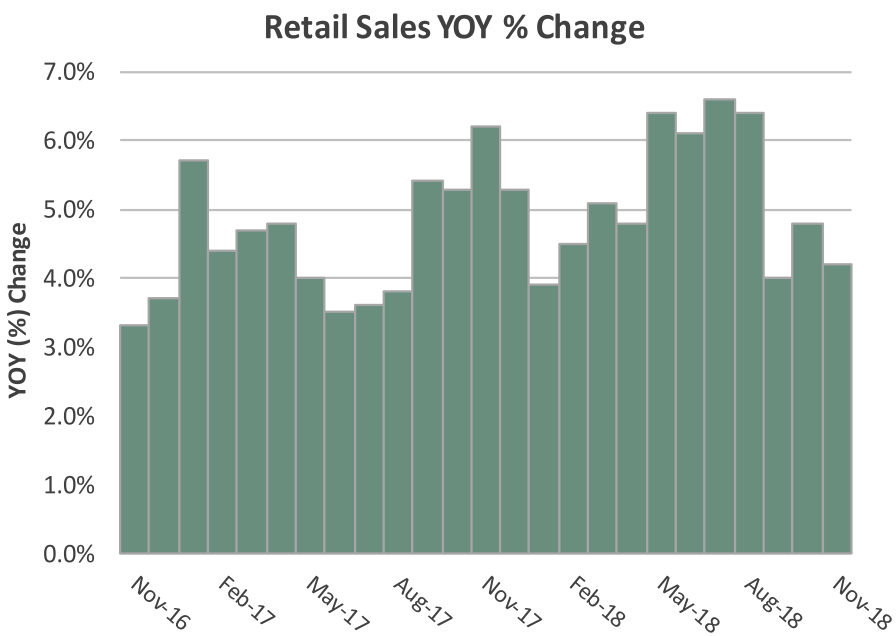
Source: US Department of Labor



Source: US Department of Commerce

The Consumer Price Index (CPI) was up just 1.9% year-over-year in December, versus up 2.2% year-over-year in November, as energy prices pulled down the index month-over-month. Core CPI (CPI less food and energy) was up 2.2% year-over-year in December, unchanged on a year-over-year basis from November. The Personal Consumption Expenditures (PCE) index was up 1.8% year-over-year in November, versus up 2.0% year-over-year in October. Core PCE (excluding food and energy) was up 1.9% on a year-over-year basis in November, versus up 1.8% in October. Core PCE inflation, which is the Fed's primary inflation gauge remains below the Fed's 2.0% target.

Consumer

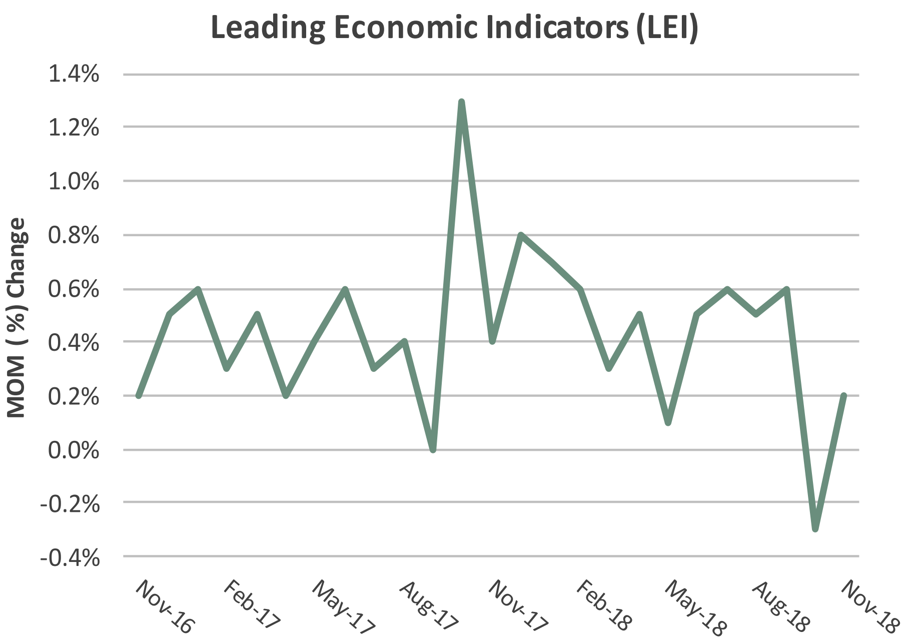


Source: US Department of Commerce

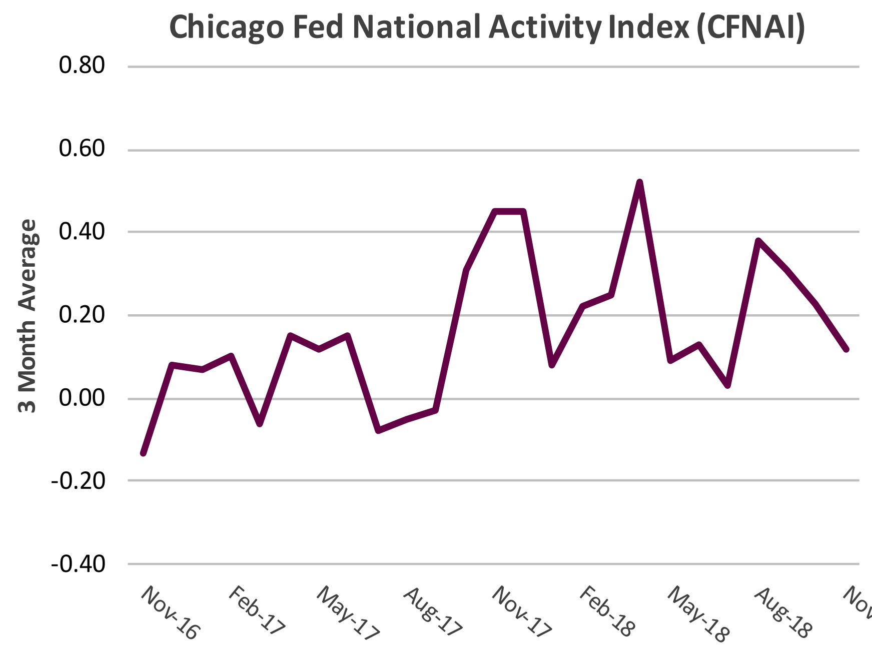
Source: The Conference Board

On a year-over-year basis, retail sales were up 4.2% in November, versus up 4.8% year-over-year in October. On a month-over-month basis, retail sales increased 0.2% in November, above expectations for a 0.1% increase, following growth of 1.1% in October. October sales were likely boosted in part by a hurricane-related rebound in auto sales and building materials. Lower gas prices held back monthly retail sales growth in November, but sales growth excluding autos and gas was solid. The Consumer Confidence Index remains strong but eased to 128.1 in December from 136.4 in November. Looking ahead, labor market strength should continue to support consumer confidence and spending trends.

Economic Activity



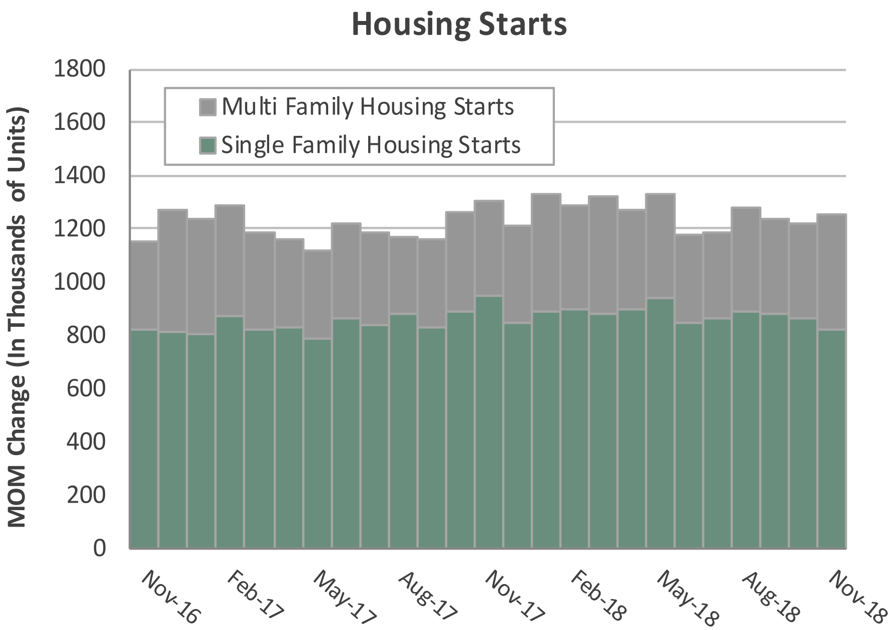
Source: The Conference Board



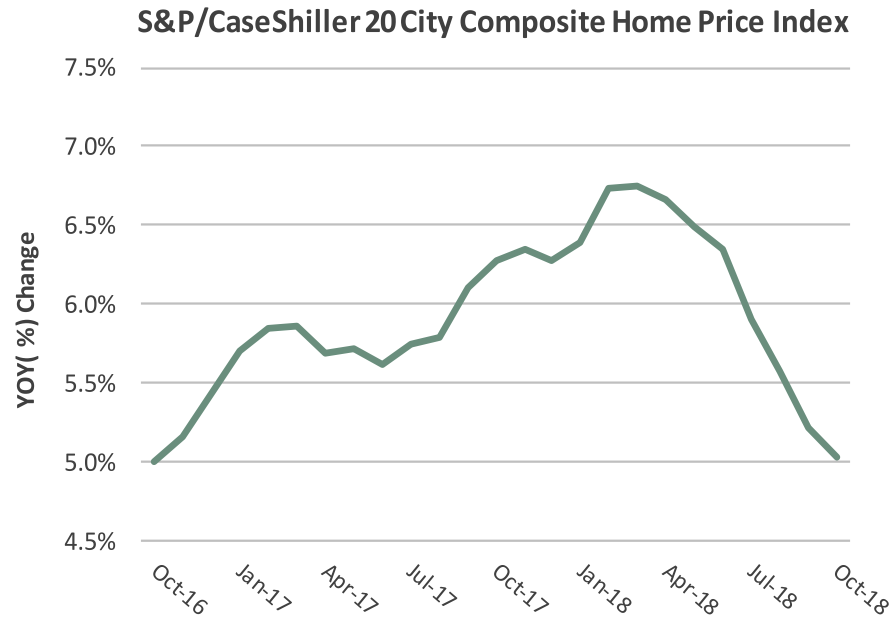
Source: Federal Reserve Bank of Chicago

The Index of Leading Economic Indicators (LEI) rose 0.2% month-over-month in November, following a downwardly revised 0.3% decline in October. Based on the index, the Conference Board believes the US economy will continue to grow at a pace of about 2.8% in early 2019 and then moderate in the second half of the year. The Chicago Fed National Activity Index (CFNAI) increased to 0.22 in November from a sharply downwardly revised 0.0 in October (previously 0.24). On a 3-month moving average basis, the index declined to 0.12 in November from 0.23 in October.

Housing



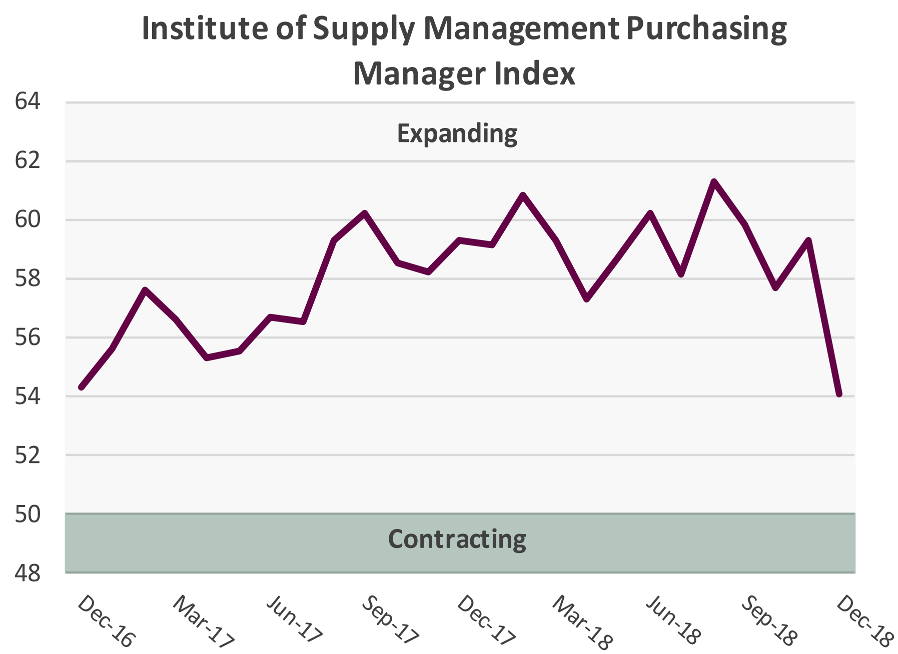
Source: US Department of Commerce



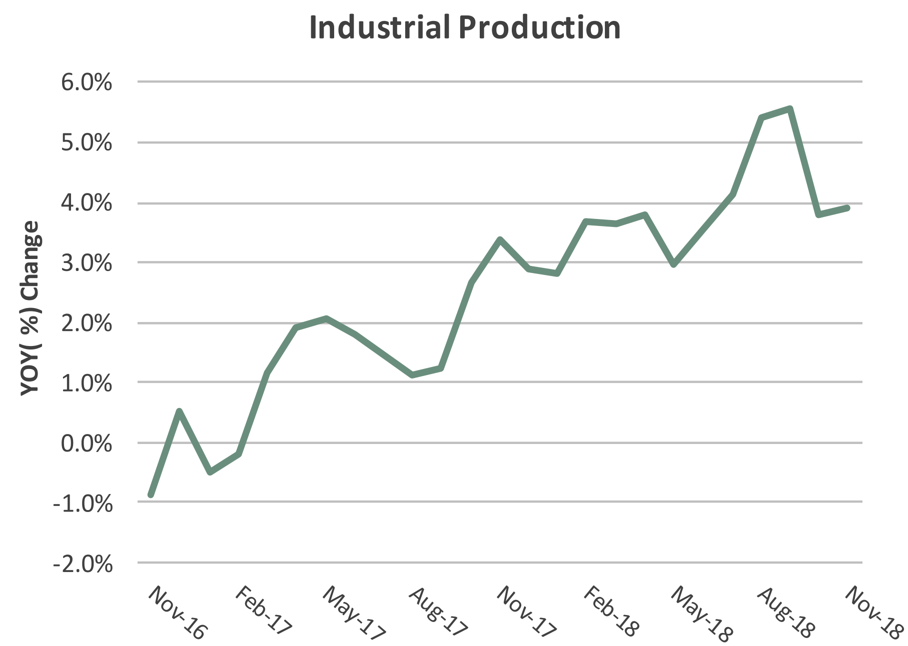
Source: S&P

Total housing starts were stronger than expected in November, up 3.2% to a 1.256 million annualized rate. The growth was driven by multi-family starts which rose 22.4%. Single-family starts declined 4.6% in November. Permits rose 5.0% in the month. According to the Case-Shiller 20-City home price index, home prices were up 5.0% year-over-year in October, versus up 5.2% in September. The housing sector has softened as mortgage rates have increased.

Manufacturing



Source: Institute for Supply Management



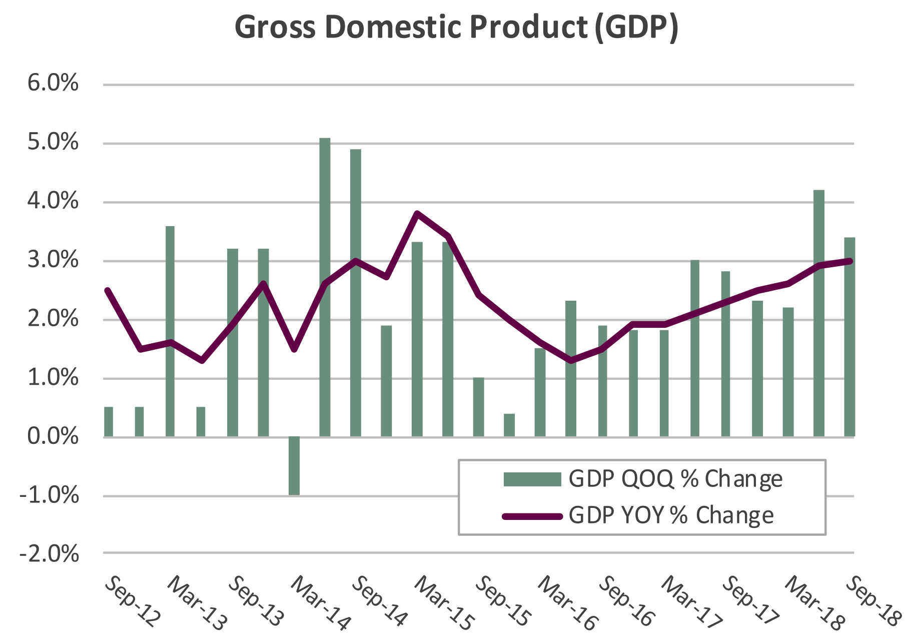
Source: Federal Reserve

The Institute for Supply Management (ISM) manufacturing index fell to 54.1 in December from 59.3 in November. Despite the large decline, a reading above 50.0 suggests the manufacturing sector is expanding. The Industrial Production index was up 3.9% year-over-year in November versus up 3.8% year-over-year in October. On a month-over-month basis, the manufacturing component of the index was flat in November, following a 0.1% decline in October. Capacity Utilization increased to 78.5% in November from 78.1% in October, but remains below the long-run average of 79.8% indicating there is still excess capacity for growth.

Gross Domestic Product (GDP)

Components of GDP	12/17	3/18	6/18	9/18
Personal Consumption Expenditures	2.6%	0.4%	2.6%	2.4%
Gross Private Domestic Investment	0.1%	1.6%	-0.1%	2.5%
Net Exports and Imports	-0.9%	0.0%	1.2%	-2.0%
Federal Government Expenditures	0.3%	0.2%	0.2%	0.2%
State and Local (Consumption and Gross Investment)	0.2%	0.1%	0.2%	0.2%
Total	**2.3%**	**2.2%**	**4.2%**	**3.4%**

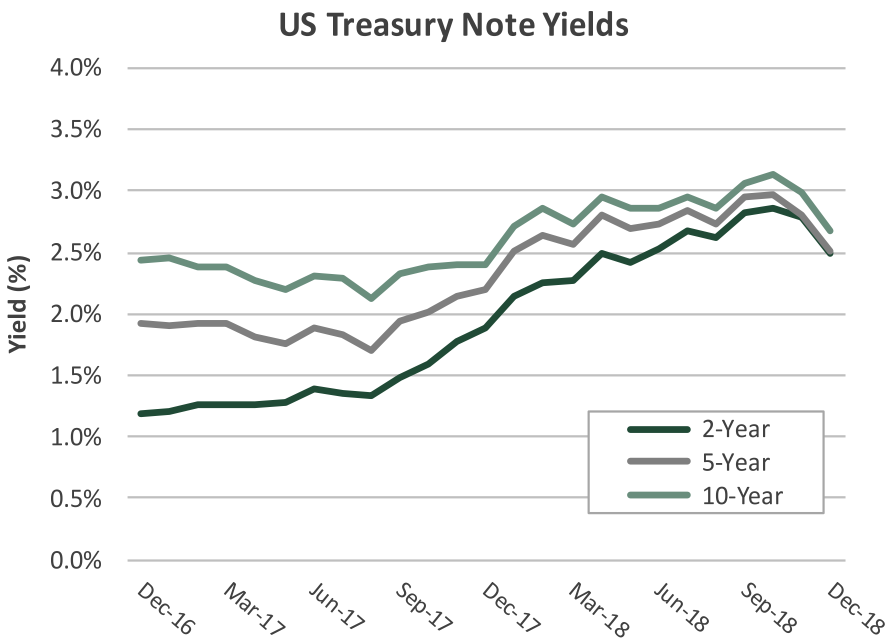
Source: US Department of Commerce



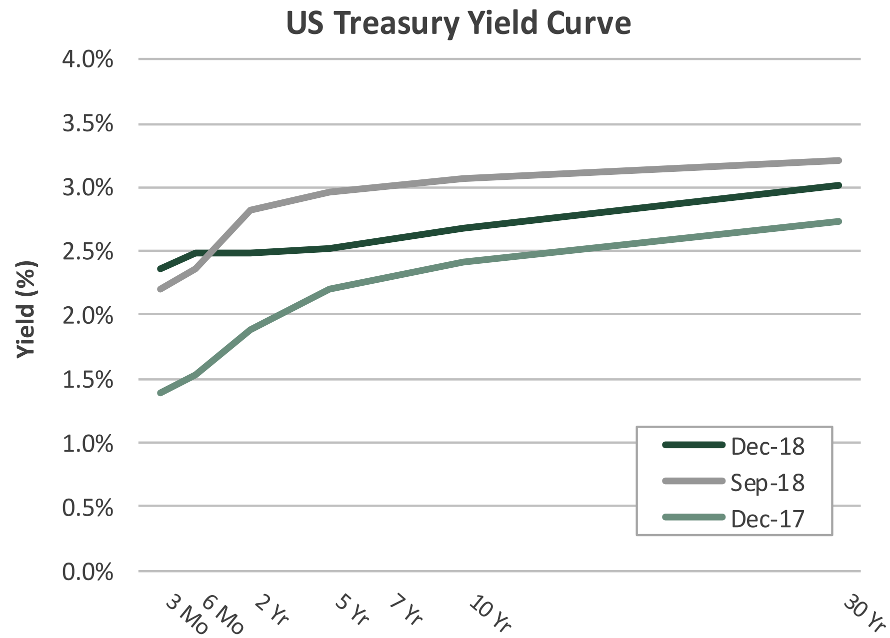
Source: US Department of Commerce

Third quarter GDP grew at an annualized rate of 3.4% (revised down slightly from the second estimate of 3.5%). This follows growth of 4.2% in the second quarter. Inventories and consumer spending drove growth in the third quarter, while net exports were a drag. The consensus forecast calls for GDP growth of 2.6% in the fourth quarter, 2.3% in the current quarter, and 2.6% in 2019.

Bond Yields

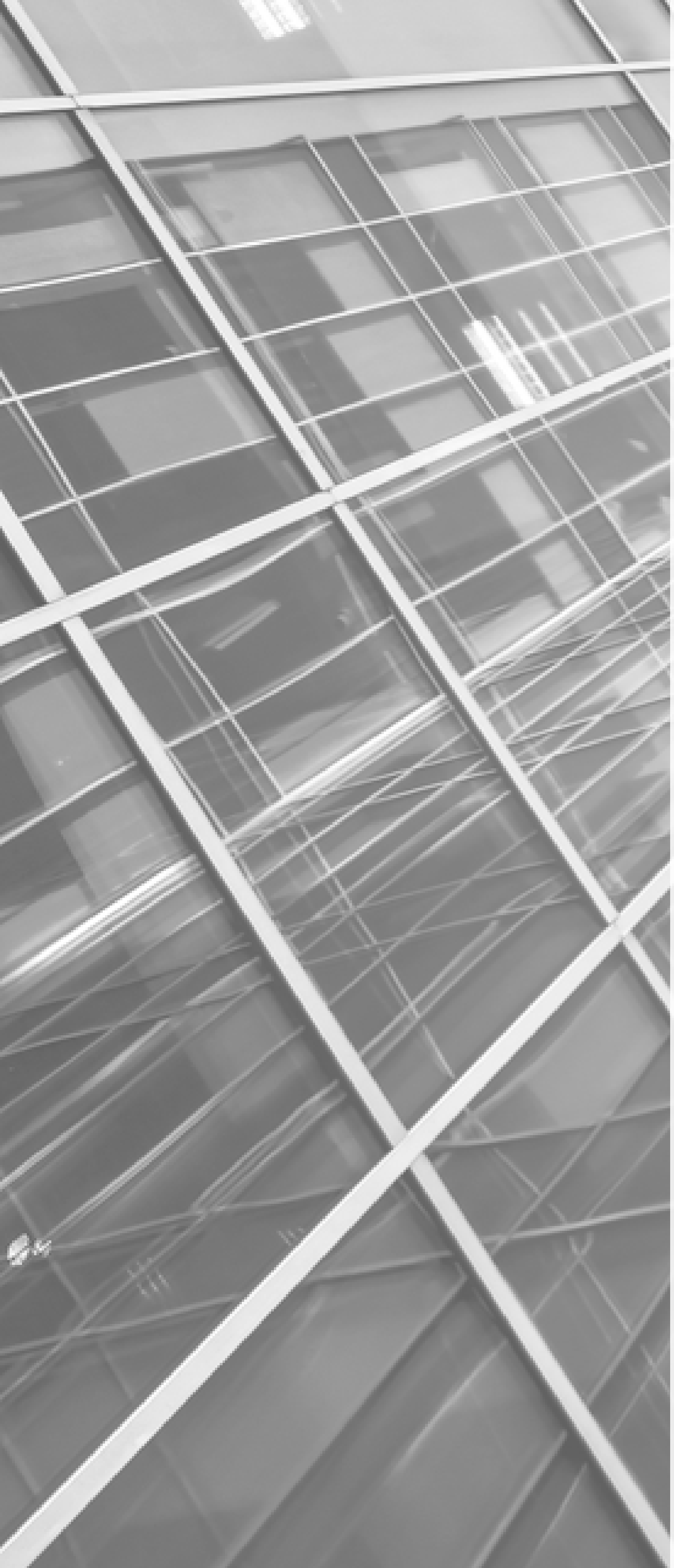


Source: Bloomberg



Source: Bloomberg

On a year-over-year basis, Treasury yields have increased and the Treasury yield curve has flattened. The spread between 2-year and 10-year Treasury yields narrowed from 52 basis points to 20 basis points in 2018. Rate hikes by the Federal Reserve have put upward pressure on rates, while supply and demand imbalances, technical factors, weakening global economic growth, and subdued inflation expectations have contributed to the curve flattening.



Section 2 | Account Profile

Objectives

Investment Objectives

The City of Brea and the Successor Agency to the Brea Redevelopment Agency's investment objectives, in order of priority, are to provide safety to ensure the preservation of capital in the overall portfolio, provide sufficient liquidity for cash needs and a market rate of return consistent with the investment program.

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.

Compliance

As of December 31, 2018

City of Brea

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	*Complied at time of purchase**
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*

**IADB is in compliance on a consolidated portfolio basis.*

** General Electric (36962G7G3) rated Baa1/BBB+/BBB+ was downgraded Novermber 2018 and October 2018 ; Complied at time of purchase.*

Portfolio Characteristics

As of December 31, 2018

City of Brea

	12/31/2018		9/30/2018
	Benchmark*	**Portfolio**	**Portfolio**
Average Maturity (yrs)	2.67	2.65	2.60
Average Modified Duration	2.54	2.39	2.36
Average Purchase Yield	n/a	2.13%	2.01%
Average Market Yield	2.52%	2.75%	2.90%
Average Quality**	AAA	AA/Aa2	AA/Aa2
Total Market Value		58,171,683	57,345,499

**ICE 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.*

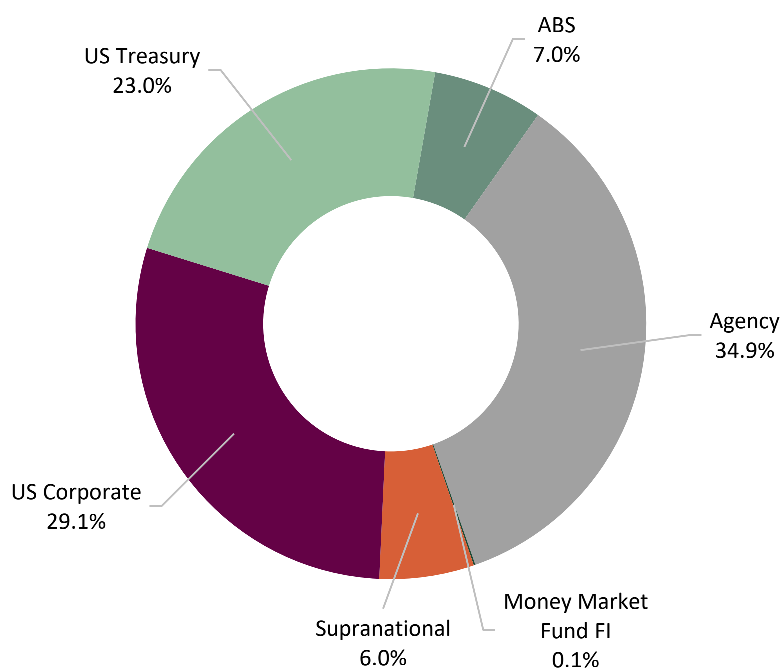
Multiple securities were purchased across the Agency, Asset Backed and Corporate sectors of the market to keep the portfolio structure in-line with Chandler objectives. The purchased securities ranged in maturity from October 2021 to December 2023. Three securities were sold and two matured to help facilitate the new holdings in the City's portfolio.

Sector Distribution

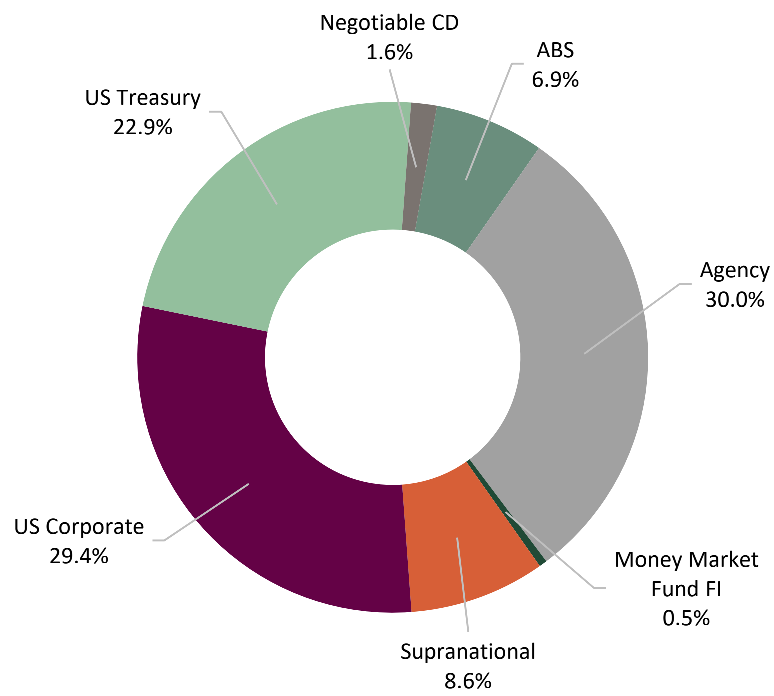
As of December 31, 2018

City of Brea

December 31, 2018



September 30, 2018



Issuers

As of December 31, 2018

City of Brea – Account #120

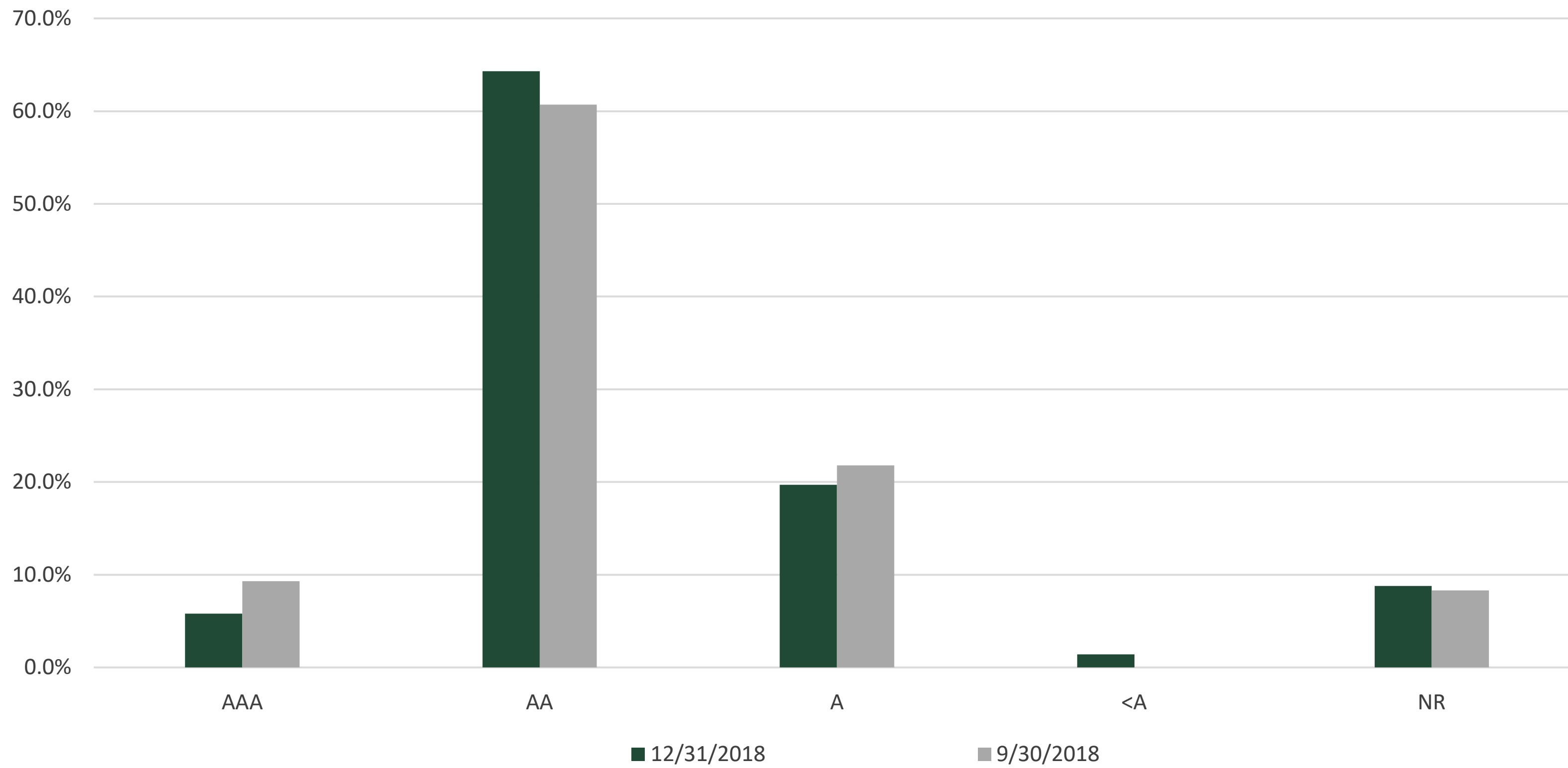
Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	22.95%
Federal National Mortgage Association	Agency	17.62%
Federal Home Loan Bank	Agency	10.19%
Federal Home Loan Mortgage Corp	Agency	7.05%
Inter-American Dev Bank	Supranational	5.33%
US Bancorp	US Corporate	1.87%
American Express ABS	ABS	1.79%
John Deere ABS	ABS	1.77%
Honda ABS	ABS	1.62%
Microsoft	US Corporate	1.55%
PNC Financial Services Group	US Corporate	1.50%
Exxon Mobil Corp	US Corporate	1.49%
General Electric Co	US Corporate	1.39%
HSBC Holdings PLC	US Corporate	1.37%
Chubb Corporation	US Corporate	1.36%
Honda Motor Corporation	US Corporate	1.35%
Oracle Corp	US Corporate	1.35%
Deere & Company	US Corporate	1.31%
Qualcomm Inc	US Corporate	1.27%
Wells Fargo Corp	US Corporate	1.26%
Bank of New York	US Corporate	1.21%
Royal Bank of Canada	US Corporate	1.20%
Occidental Petroleum Corporation	US Corporate	1.18%
IBM Corp	US Corporate	1.15%
JP Morgan Chase & Co	US Corporate	1.06%
Paccar Financial	US Corporate	0.98%
Toyota ABS	ABS	0.94%
Apple Inc	US Corporate	0.89%
Nissan ABS	ABS	0.88%
Costco Wholesale Corporation	US Corporate	0.80%
Toyota Motor Corp	US Corporate	0.77%
Cisco Systems	US Corporate	0.76%
State Street Bank	US Corporate	0.74%
General Dynamics Corp	US Corporate	0.71%
International Finance Corp	Supranational	0.71%
Home Depot	US Corporate	0.56%
Fidelity Institutional Treasury Portfolio	Money Market Fund FI	0.06%
TOTAL		**100.00%**

Quality Distribution

As of December 31, 2018

City of Brea

December 31, 2018 vs. September 30, 2018



	AAA	AA	A	<A	NR
12/31/18	5.8%	64.3%	19.7%	1.4%	8.8%
09/30/18	9.3%	60.7%	21.8%	0.0%	8.3%

Source: S&P Ratings

Sector Commentary

Agency

- Agency spreads moved generically wider during the quarter, but valuation is tenor specific, with longer maturity securities showing better value. Reasonable valuation can be found at new issuance.
- Fannie Mae and Freddie Mac remain in conservatorship and is not a topic either party wants to wrangle with. Several different plans have been proposed but they cannot gather enough momentum to become a key priority. No firm details or timelines have emerged, but the Chandler team will remain focused on new legislative developments and the impact on spreads in the sector.
- Due to Fannie Mae and Freddie Mac being in conservatorship, Federal Home Loan Bank has become a larger issuer of Agency debt.

Investment Grade Credit

- Spreads moved wider during the quarter, as the market digested the impact of amplified trade tensions, government shutting down and mismatch of expectations between the Federal Reserve and the market.
- Issuers are having to price new issues with a concession as the market is becoming more of an investors' market.

Asset Backed

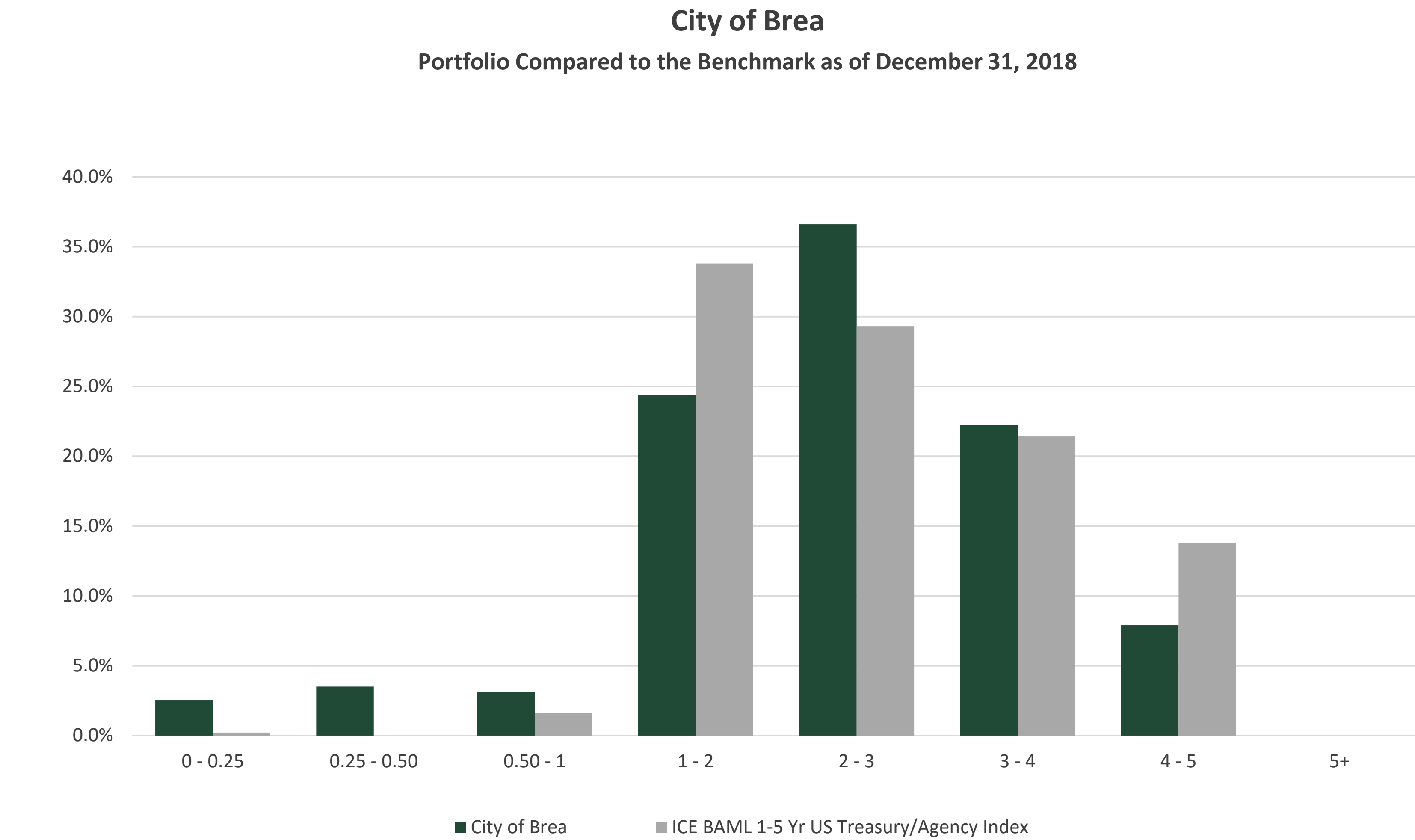
- Valuations in the sector remain attractive compared to other high quality alternatives. Chandler finds the shorter maturity tranches with approximately one to two-year durations to be compelling investments in the current environment.
- Issuance trends in 2019 are poised to be inline or slightly lower than 2018 as higher prevailing rates might deter some loan demand.

Municipal

- Valuation remains challenging as there is significant demand from individuals looking to shield income from taxes.
- Issuers have been able to launch deals at very tight levels due to the overwhelming demand.
- The reduction in the corporate tax rate from 35% to 21% could reduce corporate, bank, and insurance company demand for municipal securities.

Duration Distribution

As of December 31, 2018

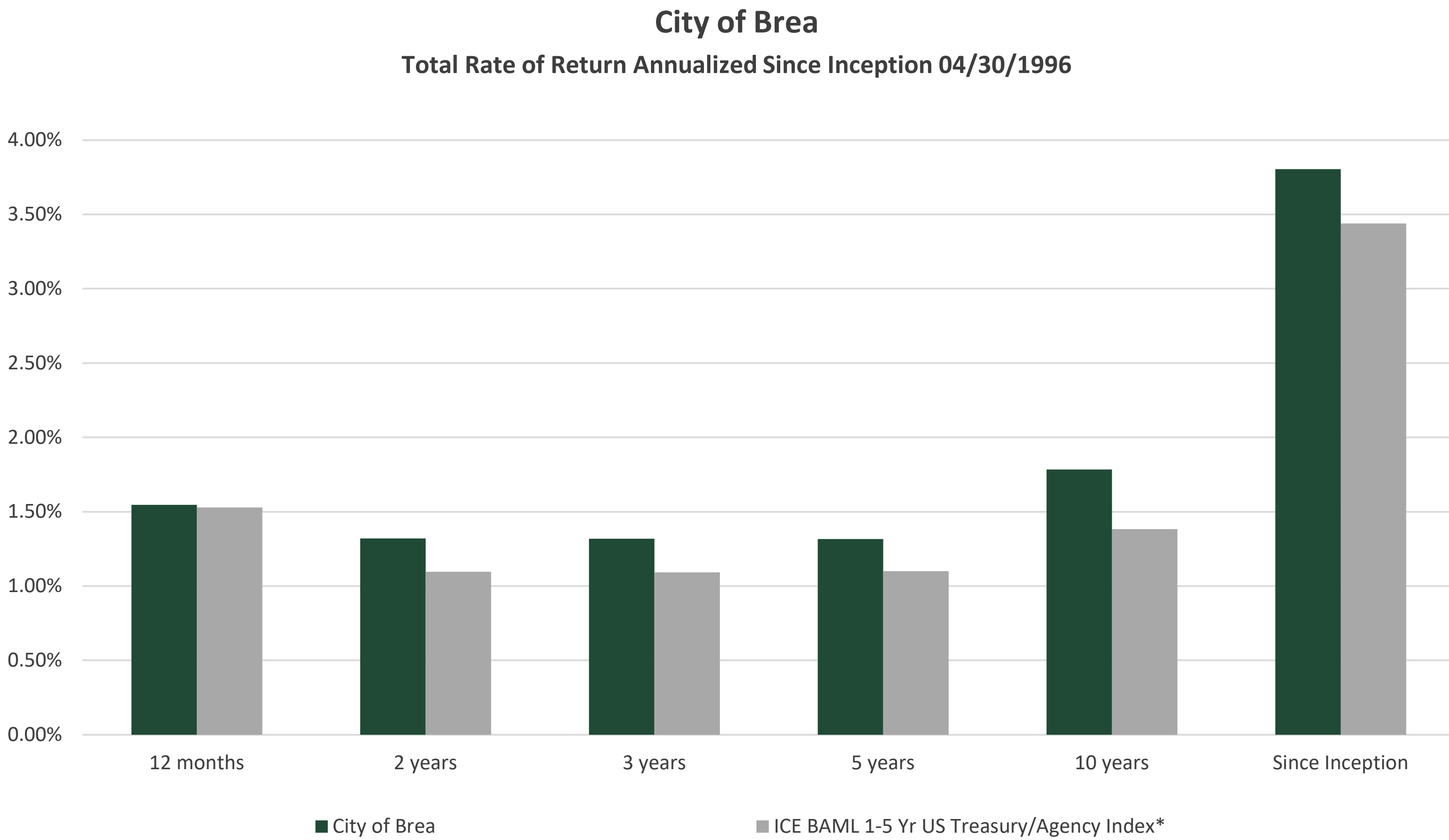


	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Portfolio	2.5%	3.5%	3.1%	24.4%	36.6%	22.2%	7.9%	0.0%
Benchmark*	0.2%	0.0%	1.6%	33.8%	29.3%	21.4%	13.8%	0.0%

******ICE BAML 1-5 Yr US Treasury/Agency Index*

Investment Performance

As of December 31, 2018



			Annualized				
TOTAL RATE OF RETURN	**3 months**	**12 months**	**2 years**	**3 years**	**5 years**	**10 years**	**Since Inception**
City of Brea	1.44%	1.55%	1.32%	1.32%	1.32%	1.78%	3.81%
ICE BAML 1-5 Yr US Treasury/Agency Index	1.71%	1.53%	1.10%	1.09%	1.10%	1.38%	3.44%

**ICE 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

As of December 31, 2018

City of Brea Laif

	12/31/2018 Portfolio	9/30/2018 Portfolio
Average Maturity (yrs)	0.00	0.00
Modified Duration	0.00	0.00
Average Purchase Yield	2.31%	2.09%
Average Market Yield	2.31%	2.09%
Average Quality*	NR/NR	NR/NR
Total Market Value	24,772,151	22,611,173

**Portfolio is S&P and Moody's, respectively.*

Portfolio Characteristics

As of December 31, 2018

Successor Agency to the Brea RDA LAIF

	12/31/2018 Portfolio	9/30/2018 Portfolio
Average Maturity (yrs)	0.00	0.00
Modified Duration	0.00	0.00
Average Purchase Yield	2.31%	2.09%
Average Market Yield	2.31%	2.09%
Average Quality*	NR/NR	NR/NR
Total Market Value	366,232	1,133,626

**Portfolio is S&P and Moody's, respectively.*

Account Profile

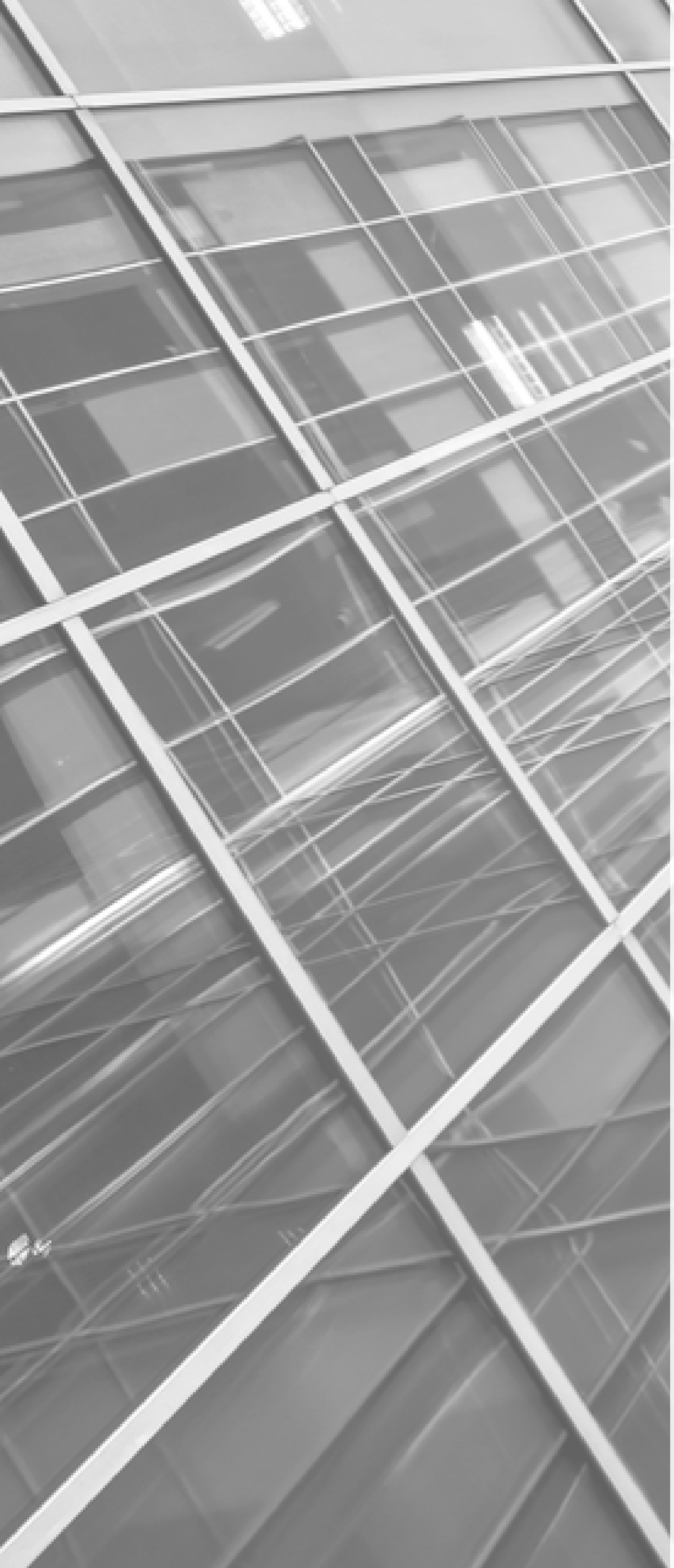
As of December 31, 2018

City Brea Bond Reserve Funds

Portfolio Characteristics

Summary of Accounts Managed

Name of Account	Average Maturity (Years)	Average Book Yield	Market Value	Average Quality
Brea 2009 Water Revenue Bond Reserve Fund	2.26	1.44%	1,915,214	AA+/Aaa
Brea 05 CDF 97-1 Spec Tax reserve Fund	2.56	1.83%	456,938	AA+/Aaa
Brea Water Revenue Bonds, Series B, Reserve Account	2.47	1.55%	1,351,709	AA+/Aaa
Brea Lease Revenue Bonds, Reserve Account	2.50	1.56%	262,867	AA+/Aaa
Brea CFD 2008 2 17 Reserve Fund	2.76	2.63%	677,431	AA+/Aaa
Total	**2.33**	**1.69%**	**$4,664,160**	



Section 3 | Portfolio Holdings

City of Brea - Account #120

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									
654747AB0	Nissan Auto Receivables 2017-A A2A 1.470% Due 01/15/2020	15,729.27	03/21/2017 1.47%	15,729.19 15,729.24	99.95 2.98%	15,722.04 10.28	0.03% (7.20)	Aaa / NR AAA	1.04 0.03
47788MAC4	John Deere Owner Trust 2016-A A3 1.360% Due 04/15/2020	88,423.09	02/23/2016 1.37%	88,409.17 88,418.74	99.77 2.93%	88,215.90 53.45	0.15% (202.84)	Aaa / NR AAA	1.29 0.15
47788BAB0	John Deere Owner Trust 2017-B A2A 1.590% Due 04/15/2020	50,638.65	07/11/2017 1.60%	50,634.25 50,636.59	99.81 2.95%	50,541.89 35.78	0.09% (94.70)	Aaa / NR AAA	1.29 0.14
89238BAB8	Toyota Auto Receivables Owner 2018-A A2A 2.100% Due 10/15/2020	549,525.36	01/23/2018 2.12%	549,469.20 549,488.24	99.61 3.07%	547,383.82 512.89	0.94% (2,104.42)	Aaa / AAA NR	1.79 0.40
654747AD6	Nissan Auto Receivables 2017-A A3 1.740% Due 08/16/2021	500,000.00	12/27/2017 2.10%	496,816.41 497,699.94	99.07 2.97%	495,348.50 362.50	0.85% (2,351.44)	Aaa / NR AAA	2.63 0.76
43811BAC8	Honda Auto Receivables 2017-2 A3 1.680% Due 08/16/2021	450,000.00	04/27/2018 2.62%	443,003.91 444,433.34	98.97 2.95%	445,347.00 336.00	0.77% 913.66	Aaa / AAA NR	2.63 0.82
47788BAD6	John Deere Owner Trust 2017-B A3 1.820% Due 10/15/2021	130,000.00	07/11/2017 1.83%	129,990.48 129,993.75	98.87 2.99%	128,531.26 105.16	0.22% (1,462.49)	Aaa / NR AAA	2.79 0.97
47788CAC6	John Deere Owner Trust 2016-B A4 2.660% Due 04/18/2022	185,000.00	02/21/2018 2.68%	184,986.70 184,989.40	99.68 2.90%	184,400.78 218.71	0.32% (588.62)	Aaa / NR AAA	3.30 1.42
43815HAC1	Honda Auto Receivables Owner 2018-3 A3 2.950% Due 08/22/2022	495,000.00	08/21/2018 2.98%	494,932.09 494,937.97	100.06 2.94%	495,311.35 405.63	0.85% 373.38	Aaa / NR AAA	3.64 1.95
02587AAJ3	American Express Credit 2017-1 1.930% Due 09/15/2022	1,050,000.00	Various 2.61%	1,039,535.16 1,040,632.30	98.82 3.03%	1,037,581.64 900.67	1.79% (3,050.66)	Aaa / NR AAA	3.71 1.09
47788EAC2	John Deere Owner Trust 2018-B A3 3.080% Due 11/15/2022	575,000.00	07/18/2018 3.10%	574,956.42 574,960.85	100.49 2.87%	577,808.87 787.11	0.99% 2,848.02	Aaa / NR AAA	3.88 2.15
TOTAL ABS		**4,089,316.37**	**2.53%**	**4,068,462.98** **4,071,920.36**	**2.98%**	**4,066,193.05** **3,728.18**	**7.00%** **(5,727.31)**	**Aaa / AAA** **Aaa**	**3.08** **1.16**
Agency									
3135G0A78	FNMA Note 1.625% Due 01/21/2020	1,000,000.00	Various 1.46%	1,008,032.32 1,001,714.35	99.00 2.59%	990,047.00 7,222.22	1.71% (11,667.35)	Aaa / AA+ AAA	1.06 1.03
3137EADR7	FHLMC Note 1.375% Due 05/01/2020	1,250,000.00	05/28/2015 1.52%	1,241,437.50 1,247,686.84	98.46 2.56%	1,230,696.25 2,864.58	2.12% (16,990.59)	Aaa / AA+ AAA	1.33 1.31
3135G0D75	FNMA Note 1.500% Due 06/22/2020	1,030,000.00	Various 1.57%	1,026,700.60 1,028,993.31	98.54 2.52%	1,014,932.13 386.25	1.75% (14,061.18)	Aaa / AA+ AAA	1.48 1.45
3137EAEK1	FHLMC Note 1.875% Due 11/17/2020	450,000.00	11/21/2017 1.96%	448,833.97 449,266.82	98.75 2.56%	444,396.60 1,031.25	0.77% (4,870.22)	Aaa / AA+ AAA	1.88 1.83

Holdings Report

As of December 31, 2018

City of Brea - Account #120

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
3135G0F73	FNMA Note 1.500% Due 11/30/2020	1,225,000.00	12/16/2015 1.90%	1,201,847.50 1,216,058.79	98.02 2.57%	1,200,725.40 1,582.29	2.07% (15,333.39)	Aaa / AA+ AAA	1.92 1.87
3130A7CV5	FHLB Note 1.375% Due 02/18/2021	1,070,000.00	02/17/2016 1.46%	1,065,677.20 1,068,156.84	97.68 2.50%	1,045,129.99 5,435.45	1.81% (23,026.85)	Aaa / AA+ AAA	2.14 2.07
3135G0J20	FNMA Note 1.375% Due 02/26/2021	1,275,000.00	Various 1.46%	1,269,953.70 1,272,761.24	97.56 2.54%	1,243,933.35 6,087.24	2.15% (28,827.89)	Aaa / AA+ AAA	2.16 2.09
3135G0K69	FNMA Note 1.250% Due 05/06/2021	400,000.00	05/27/2016 1.48%	395,724.00 397,967.65	97.10 2.53%	388,411.60 763.89	0.67% (9,556.05)	Aaa / AA+ AAA	2.35 2.29
3135G0U35	FNMA Note 2.750% Due 06/22/2021	500,000.00	06/28/2018 2.70%	500,740.00 500,613.61	100.56 2.51%	502,805.50 343.75	0.86% 2,191.89	Aaa / AA+ AAA	2.48 2.38
3130A8QS5	FHLB Note 1.125% Due 07/14/2021	1,285,000.00	10/04/2016 1.33%	1,273,126.60 1,278,695.24	96.58 2.53%	1,241,006.74 6,706.09	2.14% (37,688.50)	Aaa / AA+ AAA	2.54 2.46
3137EAEC9	FHLMC Note 1.125% Due 08/12/2021	1,250,000.00	08/30/2016 1.33%	1,237,737.50 1,243,526.05	96.58 2.48%	1,207,258.75 5,429.69	2.08% (36,267.30)	Aaa / AA+ AAA	2.62 2.54
3135G0N82	FNMA Note 1.250% Due 08/17/2021	1,285,000.00	Various 1.29%	1,282,305.71 1,283,548.74	96.84 2.50%	1,244,363.16 5,978.82	2.15% (39,185.58)	Aaa / AA+ AAA	2.63 2.55
3130AF5B9	FHLB Note 3.000% Due 10/12/2021	1,350,000.00	11/29/2018 2.91%	1,353,402.00 1,353,298.02	101.28 2.52%	1,367,220.60 8,887.50	2.37% 13,922.58	Aaa / AA+ NR	2.78 2.64
3135G0S38	FNMA Note 2.000% Due 01/05/2022	1,350,000.00	04/25/2017 1.92%	1,354,927.50 1,353,162.34	98.52 2.51%	1,330,024.05 13,200.00	2.31% (23,138.29)	Aaa / AA+ AAA	3.02 2.87
3135G0T45	FNMA Note 1.875% Due 04/05/2022	1,315,000.00	06/19/2017 1.88%	1,314,801.44 1,314,864.98	97.99 2.52%	1,288,535.63 5,890.10	2.23% (26,329.35)	Aaa / AA+ AAA	3.26 3.12
3130A3KM5	FHLB Note 2.500% Due 12/09/2022	775,000.00	08/28/2018 2.83%	764,808.75 765,623.79	99.35 2.68%	769,947.00 1,184.03	1.33% 4,323.21	Aaa / AA+ NR	3.94 3.72
3135G0T94	FNMA Note 2.375% Due 01/19/2023	1,000,000.00	03/14/2018 2.73%	984,140.00 986,747.49	99.25 2.57%	992,516.00 10,687.50	1.72% 5,768.51	Aaa / AA+ AAA	4.05 3.79
3137EAEN5	FHLMC Note 2.750% Due 06/19/2023	1,200,000.00	07/20/2018 2.86%	1,193,976.00 1,194,520.58	100.58 2.61%	1,207,011.60 1,100.00	2.08% 12,491.02	Aaa / AA+ AAA	4.47 4.18
313383YJ4	FHLB Note 3.375% Due 09/08/2023	1,200,000.00	10/29/2018 3.08%	1,215,756.00 1,215,205.03	103.00 2.69%	1,236,018.00 12,712.50	2.15% 20,812.97	Aaa / AA+ NR	4.69 4.28
3130A0F70	FHLB Note 3.375% Due 12/08/2023	225,000.00	12/28/2018 2.77%	231,246.00 231,242.54	103.05 2.71%	231,873.53 485.16	0.40% 630.99	Aaa / AA+ AAA	4.94 4.52
TOTAL Agency		**20,435,000.00**	**1.98%**	**20,365,174.29** **20,403,654.25**	**2.55%**	**20,176,852.88** **97,978.31**	**34.85%** **(226,801.37)**	**Aaa / AA+** **Aaa**	**2.75** **2.62**

Holdings Report

As of December 31, 2018

City of Brea - Account #120

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									
316175884	Fidelity Institutional Money Market Fund 696	35,049.27	Various 1.99%	35,049.27 35,049.27	1.00 1.99%	35,049.27 0.00	0.06% 0.00	Aaa / AAA NR	0.00 0.00
TOTAL Money Market Fund FI		**35,049.27**	**1.99%**	**35,049.27 35,049.27**	**1.99%**	**35,049.27 0.00**	**0.06% 0.00**	**Aaa / AAA NR**	**0.00 0.00**
Supranational									
4581X0CX4	Inter-American Dev Bank Note 1.625% Due 05/12/2020	1,065,000.00	04/05/2017 1.70%	1,062,475.95 1,063,885.92	98.72 2.59%	1,051,343.51 2,355.57	1.81% (12,542.41)	Aaa / AAA AAA	1.36 1.33
45950KCM0	International Finance Corp Note 2.250% Due 01/25/2021	410,000.00	01/18/2018 2.35%	408,794.60 409,169.64	99.34 2.58%	407,309.17 3,997.50	0.71% (1,860.47)	Aaa / AAA NR	2.07 1.99
4581X0CW6	Inter-American Dev Bank Note 2.125% Due 01/18/2022	1,275,000.00	01/10/2017 2.15%	1,273,431.75 1,274,044.11	98.56 2.62%	1,256,662.95 12,267.45	2.18% (17,381.16)	Aaa / NR AAA	3.05 2.90
4581X0CZ9	Inter-American Dev Bank Note 1.750% Due 09/14/2022	800,000.00	Various 2.40%	777,732.00 781,959.02	96.81 2.66%	774,507.20 4,161.12	1.34% (7,451.82)	NR / NR AAA	3.71 3.53
TOTAL Supranational		**3,550,000.00**	**2.09%**	**3,522,434.30 3,529,058.69**	**2.61%**	**3,489,822.83 22,781.64**	**6.04% (39,235.86)**	**Aaa / AAA Aaa**	**2.58 2.46**
US Corporate									
36962G7G3	General Electric Capital Corp Note 2.300% Due 01/14/2019	800,000.00	Various 2.27%	800,569.30 800,008.51	99.96 3.35%	799,687.21 8,535.55	1.39% (321.30)	Baa1 / BBB+ BBB+	0.04 0.04
17275RAR3	Cisco Systems Note 2.125% Due 03/01/2019	440,000.00	Various 2.04%	441,755.73 440,056.87	99.86 2.95%	439,380.91 3,116.65	0.76% (675.96)	A1 / AA- NR	0.16 0.17
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 2.200% Due 04/25/2019	700,000.00	Various 2.08%	703,858.75 700,185.39	99.78 2.89%	698,468.40 2,823.33	1.21% (1,716.99)	A1 / A+ AA-	0.32 0.31
40434CAC9	HSBC USA Inc Note 2.250% Due 06/23/2019	800,000.00	06/20/2017 1.99%	804,088.00 800,968.80	99.60 3.10%	796,803.20 400.00	1.37% (4,165.60)	A2 / A AA-	0.48 0.47
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.300% Due 09/11/2019	705,000.00	Various 2.29%	705,272.60 705,032.39	99.48 3.06%	701,335.41 4,954.59	1.21% (3,696.98)	A1 / A AA-	0.70 0.68
94974BGF1	Wells Fargo Corp Note 2.150% Due 01/30/2020	735,000.00	01/26/2015 2.17%	734,204.40 734,828.05	98.91 3.18%	727,006.88 6,628.27	1.26% (7,821.17)	A2 / A- A+	1.08 1.05
22160KAG0	Costco Wholesale Corp Note 1.750% Due 02/15/2020	465,000.00	02/05/2015 1.77%	464,511.75 464,890.25	98.96 2.69%	460,175.63 3,074.17	0.80% (4,714.62)	Aa3 / A+ A+	1.13 1.09
747525AD5	Qualcomm Inc Note 2.250% Due 05/20/2020	750,000.00	06/11/2015 2.49%	741,693.75 747,669.63	98.61 3.28%	739,575.00 1,921.88	1.27% (8,094.63)	A2 / A- NR	1.39 1.35

Holdings Report

As of December 31, 2018

City of Brea - Account #120

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
437076BQ4	Home Depot Note 1.800% Due 06/05/2020	330,000.00	05/24/2017 1.82%	329,808.60 329,909.02	98.57 2.83%	325,278.03 429.00	0.56% (4,630.99)	A2 / A A	1.43 1.39
594918BG8	Microsoft Callable Note Cont. 10/03/20 2.000% Due 11/03/2020	325,000.00	10/29/2015 2.02%	324,740.00 324,904.37	98.89 2.62%	321,380.80 1,047.22	0.55% (3,523.57)	Aaa / AAA AA+	1.84 1.79
00440EAT4	Chubb INA Holdings Inc Callable Note Cont 10/3/2020 2.300% Due 11/03/2020	800,000.00	02/06/2017 2.16%	803,768.00 801,813.28	98.57 3.10%	788,559.20 2,964.44	1.36% (13,254.08)	A3 / A A	1.84 1.78
78012KKU0	Royal Bank of Canada Note 2.500% Due 01/19/2021	700,000.00	01/24/2018 2.64%	697,130.00 698,026.05	98.85 3.08%	691,975.20 7,875.00	1.20% (6,050.85)	Aa2 / AA- AA	2.05 1.96
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 03/01/2021	875,000.00	Various 1.97%	884,992.10 879,518.47	98.56 2.91%	862,401.75 6,480.83	1.49% (17,116.72)	Aaa / AA+ NR	2.17 2.08
24422ESL4	John Deere Capital Corp Note 2.800% Due 03/04/2021	315,000.00	05/24/2017 2.12%	322,663.95 319,423.23	99.43 3.07%	313,195.37 2,866.50	0.54% (6,227.86)	A2 / A A	2.18 2.07
369550BE7	General Dynamics Corp Note 3.000% Due 05/11/2021	410,000.00	05/08/2018 3.24%	407,150.50 407,761.48	100.08 2.96%	410,331.69 1,708.33	0.71% 2,570.21	A2 / A+ NR	2.36 2.26
857477AV5	State Street Bank Note 1.950% Due 05/19/2021	440,000.00	05/16/2016 1.96%	439,771.20 439,891.11	97.19 3.18%	427,646.56 1,001.00	0.74% (12,244.55)	A1 / A AA-	2.38 2.30
594918BP8	Microsoft Callable Note Cont 7/8/21 1.550% Due 08/08/2021	590,000.00	Various 1.57%	589,298.90 589,635.24	97.15 2.69%	573,165.53 3,632.60	0.99% (16,469.71)	Aaa / AAA AA+	2.61 2.51
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.900% Due 09/15/2021	804,000.00	11/29/2016 2.40%	785,998.44 793,825.21	97.02 3.05%	780,046.43 4,497.93	1.35% (13,778.78)	A1 / AA- A	2.71 2.59
89236TDP7	Toyota Motor Credit Corp Note 2.600% Due 01/11/2022	450,000.00	05/16/2018 3.34%	438,612.75 440,559.00	98.41 3.16%	442,837.80 5,525.00	0.77% 2,278.80	Aa3 / AA- A+	3.03 2.85
91159HHP8	US Bancorp Callable Cont 12/23/2021 2.625% Due 01/24/2022	390,000.00	01/19/2017 2.66%	389,329.20 389,588.92	98.48 3.15%	384,073.95 4,464.69	0.67% (5,514.97)	A1 / A+ AA-	3.07 2.88
674599CK9	Occidental Petroleum Callable Note Cont 3/15/2022 2.600% Due 04/15/2022	700,000.00	06/18/2018 3.27%	683,298.00 685,632.69	97.54 3.39%	682,763.90 3,842.22	1.18% (2,868.79)	A3 / A A	3.29 3.10
69353RFE3	PNC Bank Callable Note Cont 6/28/2022 2.450% Due 07/28/2022	890,000.00	07/25/2017 2.45%	889,919.90 889,942.80	96.85 3.39%	862,003.27 9,267.13	1.50% (27,939.53)	A2 / A A+	3.58 3.35
44932HAC7	IBM Credit Corp Note 2.200% Due 09/08/2022	700,000.00	11/29/2017 2.58%	688,156.00 690,848.44	95.28 3.58%	666,948.10 4,833.89	1.15% (23,900.34)	A1 / A A	3.69 3.47
48128BAB7	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 01/15/2023	625,000.00	02/09/2018 3.19%	618,968.75 620,049.47	97.50 3.64%	609,361.88 8,565.14	1.06% (10,687.59)	A2 / A- AA-	4.04 3.48
24422ETG4	John Deere Capital Corp Note 2.800% Due 03/06/2023	450,000.00	06/13/2018 3.44%	437,485.50 438,936.46	97.77 3.38%	439,972.20 4,025.00	0.76% 1,035.74	A2 / A A	4.18 3.87

Holdings Report

As of December 31, 2018

City of Brea - Account #120

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
037833AK6	Apple Inc Note 2.400% Due 05/03/2023	535,000.00	11/28/2018 3.54%	510,277.65 510,767.50	96.69 3.22%	517,308.09 2,068.67	0.89% 6,540.59	Aa1 / AA+ NR	4.34 4.06
02665WCJ8	American Honda Finance Note 3.450% Due 07/14/2023	225,000.00	07/11/2018 3.49%	224,610.75 224,646.82	100.03 3.44%	225,064.13 3,557.81	0.39% 417.31	A2 / A+ NR	4.54 4.10
69371RP59	Paccar Financial Corp Note 3.400% Due 08/09/2023	560,000.00	08/06/2018 3.41%	559,770.40 559,788.63	100.75 3.22%	564,181.52 7,510.22	0.98% 4,392.89	A1 / A+ NR	4.61 4.18
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	550,000.00	10/03/2018 3.64%	549,549.00 549,569.50	100.71 3.46%	553,897.85 4,485.94	0.96% 4,328.35	A2 / A+ NR	4.78 4.32
TOTAL US Corporate		**17,059,000.00**	**2.52%**	**16,971,253.87** **16,978,677.58**	**3.15%**	**16,804,825.89** **122,103.00**	**29.10%** **(173,851.69)**	**A1 / A+** **A+**	**2.31** **2.16**
US Treasury									
912828L32	US Treasury Note 1.375% Due 08/31/2020	1,250,000.00	09/29/2015 1.37%	1,250,394.81 1,250,133.58	98.11 2.54%	1,226,416.25 5,839.95	2.12% (23,717.33)	Aaa / AA+ AAA	1.67 1.62
912828L99	US Treasury Note 1.375% Due 10/31/2020	800,000.00	11/23/2015 1.71%	787,471.43 795,351.30	97.97 2.52%	783,750.40 1,883.98	1.35% (11,600.90)	Aaa / AA+ AAA	1.84 1.79
912828N89	US Treasury Note 1.375% Due 01/31/2021	1,300,000.00	03/09/2016 1.40%	1,298,734.82 1,299,461.22	97.71 2.51%	1,270,191.00 7,480.30	2.20% (29,270.22)	Aaa / AA+ AAA	2.09 2.02
912828B90	US Treasury Note 2.000% Due 02/28/2021	1,250,000.00	04/26/2016 1.40%	1,285,111.61 1,265,678.02	98.96 2.50%	1,237,011.25 8,494.48	2.14% (28,666.77)	Aaa / AA+ AAA	2.16 2.09
912828Q37	US Treasury Note 1.250% Due 03/31/2021	800,000.00	12/13/2016 1.81%	781,471.43 790,310.31	97.34 2.47%	778,750.40 2,554.95	1.34% (11,559.91)	Aaa / AA+ AAA	2.25 2.19
912828T34	US Treasury Note 1.125% Due 09/30/2021	1,300,000.00	11/09/2016 1.48%	1,278,016.07 1,287,647.13	96.45 2.47%	1,253,839.60 3,736.61	2.16% (33,807.53)	Aaa / AA+ AAA	2.75 2.67
912828F96	US Treasury Note 2.000% Due 10/31/2021	1,025,000.00	01/27/2017 1.94%	1,027,686.05 1,026,600.79	98.71 2.47%	1,011,826.70 3,511.05	1.75% (14,774.09)	Aaa / AA+ AAA	2.84 2.72
912828J43	US Treasury Note 1.750% Due 02/28/2022	1,360,000.00	03/13/2017 2.14%	1,335,407.68 1,344,329.36	97.82 2.47%	1,330,356.08 8,086.74	2.30% (13,973.28)	Aaa / AA+ AAA	3.16 3.03
912828XG0	US Treasury Note 2.125% Due 06/30/2022	1,100,000.00	08/15/2017 1.82%	1,115,601.34 1,111,196.46	98.81 2.48%	1,086,937.50 64.57	1.87% (24,258.96)	Aaa / AA+ AAA	3.50 3.35
912828L24	US Treasury Note 1.875% Due 08/31/2022	1,000,000.00	09/26/2017 1.87%	1,000,433.04 1,000,322.07	97.86 2.49%	978,594.00 6,370.86	1.69% (21,728.07)	Aaa / AA+ AAA	3.67 3.49
912828L57	US Treasury Note 1.750% Due 09/30/2022	1,240,000.00	10/17/2017 1.99%	1,226,243.75 1,229,591.51	97.36 2.49%	1,207,256.56 5,544.23	2.08% (22,334.95)	Aaa / AA+ AAA	3.75 3.58

As of December 31, 2018

City of Brea - Account #120

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
912828N30	US Treasury Note 2.125% Due 12/31/2022	1,150,000.00	01/25/2018 2.46%	1,132,121.09 1,135,498.22	98.59 2.50%	1,133,782.70 67.51	1.95% (1,715.52)	Aaa / AA+ AAA	4.00 3.81
TOTAL US Treasury		**13,575,000.00**	**1.77%**	**13,518,693.12** **13,536,119.97**	**2.49%**	**13,298,712.44** **53,635.23**	**22.95%** **(237,407.53)**	**Aaa / AA+** **Aaa**	**2.82** **2.71**
TOTAL PORTFOLIO		**58,743,365.64**	**2.13%**	**58,481,067.83** **58,554,480.12**	**2.75%**	**57,871,456.36** **300,226.36**	**100.00%** **(683,023.76)**	**Aa1 / AA** **Aaa**	**2.65** **2.39**
TOTAL MARKET VALUE PLUS ACCRUALS						**58,171,682.72**			

Holdings Report

As of December 31, 2018

Brea 2009 Water Revenue Bond Reserve Fund - Account #10073

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	49,736.48	Various 0.60%	49,736.48 49,736.48	1.00 0.60%	49,736.48 0.00	2.60% 0.00	Aaa / AAA AAA	0.00 0.00
TOTAL Money Market Fund FI		**49,736.48**	**0.60%**	**49,736.48** **49,736.48**	**0.60%**	**49,736.48** **0.00**	**2.60%** **0.00**	**Aaa / AAA** **Aaa**	**0.00** **0.00**
US Treasury									
912828G61	US Treasury Note 1.500% Due 11/30/2019	165,000.00	08/24/2016 0.92%	168,081.41 165,860.83	98.97 2.65%	163,298.52 217.58	8.54% (2,562.31)	Aaa / AA+ AAA	0.92 0.90
912828UQ1	US Treasury Note 1.250% Due 02/29/2020	135,000.00	Various 1.60%	132,834.83 134,471.26	98.46 2.60%	132,922.22 573.38	6.97% (1,549.04)	Aaa / AA+ AAA	1.16 1.14
912828UV0	US Treasury Note 1.125% Due 03/31/2020	100,000.00	05/07/2015 1.57%	97,930.02 99,473.54	98.26 2.55%	98,261.70 287.43	5.15% (1,211.84)	Aaa / AA+ AAA	1.25 1.22
912828XM7	US Treasury Note 1.625% Due 07/31/2020	165,000.00	08/24/2016 1.03%	168,796.84 166,525.61	98.58 2.54%	162,660.30 1,122.04	8.55% (3,865.31)	Aaa / AA+ AAA	1.58 1.54
912828WC0	US Treasury Note 1.750% Due 10/31/2020	160,000.00	Various 1.46%	161,991.55 160,828.82	98.63 2.52%	157,812.48 479.56	8.26% (3,016.34)	Aaa / AA+ AAA	1.84 1.78
912828A83	US Treasury Note 2.375% Due 12/31/2020	165,000.00	08/24/2016 1.08%	174,062.66 169,163.46	99.78 2.49%	164,632.55 10.83	8.60% (4,530.91)	Aaa / AA+ AAA	2.00 1.94
912828B90	US Treasury Note 2.000% Due 02/28/2021	165,000.00	08/24/2016 1.10%	171,516.76 168,119.98	98.96 2.50%	163,285.49 1,121.27	8.58% (4,834.49)	Aaa / AA+ AAA	2.16 2.09
912828WN6	US Treasury Note 2.000% Due 05/31/2021	160,000.00	Various 1.04%	167,290.77 163,615.37	98.89 2.48%	158,224.96 281.32	8.28% (5,390.41)	Aaa / AA+ AAA	2.42 2.34
912828F21	US Treasury Note 2.125% Due 09/30/2021	170,000.00	10/27/2016 1.38%	175,983.77 173,338.00	99.05 2.48%	168,386.36 922.97	8.84% (4,951.64)	Aaa / AA+ AAA	2.75 2.64
912828J43	US Treasury Note 1.750% Due 02/28/2022	165,000.00	04/24/2017 1.84%	164,349.58 164,575.70	97.82 2.47%	161,403.50 981.11	8.48% (3,172.20)	Aaa / AA+ AAA	3.16 3.03
912828L24	US Treasury Note 1.875% Due 08/31/2022	165,000.00	09/18/2017 1.84%	165,284.15 165,210.40	97.86 2.49%	161,468.01 1,051.19	8.49% (3,742.39)	Aaa / AA+ AAA	3.67 3.49
9128284D9	US Treasury Note 2.500% Due 03/31/2023	165,000.00	06/13/2018 2.84%	162,518.55 162,803.40	100.01 2.50%	165,019.31 1,053.91	8.67% 2,215.91	Aaa / AA+ AAA	4.25 3.98
TOTAL US Treasury		**1,880,000.00**	**1.47%**	**1,910,640.89** **1,893,986.37**	**2.52%**	**1,857,375.40** **8,102.59**	**97.40%** **(36,610.97)**	**Aaa / AA+** **Aaa**	**2.32** **2.23**
TOTAL PORTFOLIO		**1,929,736.48**	**1.45%**	**1,960,377.37** **1,943,722.85**	**2.47%**	**1,907,111.88** **8,102.59**	**100.00%** **(36,610.97)**	**Aaa / AA+** **Aaa**	**2.26** **2.17**
TOTAL MARKET VALUE PLUS ACCRUALS						**1,915,214.47**			

Holdings Report

As of December 31, 2018

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

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									
3137EADM8	FHLMC Note 1.250% Due 10/02/2019	40,000.00	03/25/2015 1.40%	39,735.60 39,956.12	98.97 2.64%	39,586.68 123.61	8.69% (369.44)	Aaa / AA+ AAA	0.75 0.74
313383HU8	FHLB Note 1.750% Due 06/12/2020	40,000.00	06/26/2015 1.87%	39,779.20 39,935.59	98.85 2.57%	39,538.56 36.94	8.66% (397.03)	Aaa / AA+ NR	1.45 1.42
3130A7CV5	FHLB Note 1.375% Due 02/18/2021	35,000.00	03/11/2016 1.64%	34,566.00 34,812.38	97.68 2.50%	34,186.50 177.80	7.52% (625.88)	Aaa / AA+ AAA	2.14 2.07
3135G0Q89	FNMA Note 1.375% Due 10/07/2021	43,000.00	10/27/2016 1.50%	42,738.13 42,853.47	96.99 2.51%	41,707.29 137.96	9.16% (1,146.18)	Aaa / AA+ AAA	2.77 2.68
3135G0S38	FNMA Note 2.000% Due 01/05/2022	40,000.00	04/24/2017 1.92%	40,142.40 40,091.34	98.52 2.51%	39,408.12 391.11	8.71% (683.22)	Aaa / AA+ AAA	3.02 2.87
3135G0T78	FNMA Note 2.000% Due 10/05/2022	30,000.00	01/09/2018 2.36%	29,518.50 29,617.64	98.11 2.53%	29,432.88 143.33	6.47% (184.76)	Aaa / AA+ AAA	3.76 3.58
3135G0T94	FNMA Note 2.375% Due 01/19/2023	30,000.00	06/13/2018 2.91%	29,319.90 29,401.27	99.25 2.57%	29,775.48 320.63	6.59% 374.21	Aaa / AA+ AAA	4.05 3.79
3137EAEN5	FHLMC Note 2.750% Due 06/19/2023	30,000.00	09/14/2018 2.97%	29,707.20 29,725.08	100.58 2.61%	30,175.29 27.50	6.61% 450.21	Aaa / AA+ AAA	4.47 4.18
TOTAL Agency		**288,000.00**	**2.01%**	**285,506.93** **286,392.89**	**2.55%**	**283,810.80** **1,358.88**	**62.41%** **(2,582.09)**	**Aaa / AA+** **Aaa**	**2.68** **2.56**
Money Market Fund FI									
825252109	Invesco Treasury MMFD Private Class	8,930.19	Various 0.60%	8,930.19 8,930.19	1.00 0.60%	8,930.19 0.00	1.95% 0.00	Aaa / AAA AAA	0.00 0.00
TOTAL Money Market Fund FI		**8,930.19**	**0.60%**	**8,930.19** **8,930.19**	**0.60%**	**8,930.19** **0.00**	**1.95%** **0.00**	**Aaa / AAA** **Aaa**	**0.00** **0.00**
US Treasury									
912828UV0	US Treasury Note 1.125% Due 03/31/2020	30,000.00	05/07/2015 1.57%	29,379.01 29,842.06	98.26 2.55%	29,478.51 86.23	6.47% (363.55)	Aaa / AA+ AAA	1.25 1.22
912828WC0	US Treasury Note 1.750% Due 10/31/2020	30,000.00	11/04/2015 1.63%	30,166.51 30,061.14	98.63 2.52%	29,589.84 89.92	6.50% (471.30)	Aaa / AA+ AAA	1.84 1.78
912828WN6	US Treasury Note 2.000% Due 05/31/2021	30,000.00	07/11/2016 1.01%	31,406.35 30,694.50	98.89 2.48%	29,667.18 52.75	6.50% (1,027.32)	Aaa / AA+ AAA	2.42 2.34
912828G53	US Treasury Note 1.875% Due 11/30/2021	35,000.00	01/18/2017 1.89%	34,974.14 34,984.51	98.36 2.46%	34,425.79 57.69	7.55% (558.72)	Aaa / AA+ AAA	2.92 2.81

Holdings Report

As of December 31, 2018

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

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
912828J43	US Treasury Note 1.750% Due 02/28/2022	10,000.00	04/24/2017 1.84%	9,960.58 9,974.28	97.82 2.47%	9,782.03 59.46	2.15% (192.25)	Aaa / AA+ AAA	3.16 3.03
912828L24	US Treasury Note 1.875% Due 08/31/2022	30,000.00	09/18/2017 1.84%	30,051.66 30,038.25	97.86 2.49%	29,357.82 191.13	6.47% (680.43)	Aaa / AA+ AAA	3.67 3.49
TOTAL US Treasury		**165,000.00**	**1.61%**	**165,938.25 165,594.74**	**2.50%**	**162,301.17 537.18**	**35.64% (3,293.57)**	**Aaa / AA+ Aaa**	**2.48 2.39**
TOTAL PORTFOLIO		**461,930.19**	**1.84%**	**460,375.37 460,917.82**	**2.50%**	**455,042.16 1,896.06**	**100.00% (5,875.66)**	**Aaa / AA+ Aaa**	**2.56 2.45**
TOTAL MARKET VALUE PLUS ACCRUALS						**456,938.22**			

Holdings Report

As of December 31, 2018

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

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	36,805.53	Various 0.60%	36,805.53 36,805.53	1.00 0.60%	36,805.53 0.00	2.72% 0.00	Aaa / AAA AAA	0.00 0.00
TOTAL Money Market Fund FI		**36,805.53**	**0.60%**	**36,805.53 36,805.53**	**0.60%**	**36,805.53 0.00**	**2.72% 0.00**	**Aaa / AAA Aaa**	**0.00 0.00**
US Treasury									
912828UQ1	US Treasury Note 1.250% Due 02/29/2020	112,000.00	Various 1.40%	111,138.03 111,807.78	98.46 2.60%	110,276.22 475.69	8.19% (1,531.56)	Aaa / AA+ AAA	1.16 1.14
912828UV0	US Treasury Note 1.125% Due 03/31/2020	115,000.00	Various 1.47%	113,111.52 114,528.73	98.26 2.55%	113,000.97 330.54	8.38% (1,527.76)	Aaa / AA+ AAA	1.25 1.22
912828XM7	US Treasury Note 1.625% Due 07/31/2020	115,000.00	08/24/2016 1.03%	117,646.28 116,063.30	98.58 2.54%	113,369.30 782.03	8.44% (2,694.00)	Aaa / AA+ AAA	1.58 1.54
912828WC0	US Treasury Note 1.750% Due 10/31/2020	88,000.00	11/04/2015 1.63%	88,488.42 88,179.34	98.63 2.52%	86,796.86 263.76	6.44% (1,382.48)	Aaa / AA+ AAA	1.84 1.78
912828A83	US Treasury Note 2.375% Due 12/31/2020	115,000.00	08/24/2016 1.08%	121,316.40 117,901.81	99.78 2.49%	114,743.90 7.54	8.49% (3,157.91)	Aaa / AA+ AAA	2.00 1.94
912828B90	US Treasury Note 2.000% Due 02/28/2021	115,000.00	08/24/2016 1.10%	119,541.99 117,174.53	98.96 2.50%	113,805.04 781.49	8.48% (3,369.49)	Aaa / AA+ AAA	2.16 2.09
912828WN6	US Treasury Note 2.000% Due 05/31/2021	101,000.00	Various 1.03%	105,664.79 103,308.61	98.89 2.48%	99,879.51 177.58	7.40% (3,429.10)	Aaa / AA+ AAA	2.42 2.34
912828F21	US Treasury Note 2.125% Due 09/30/2021	110,000.00	10/27/2016 1.38%	113,871.85 112,159.88	99.05 2.48%	108,955.88 597.22	8.10% (3,204.00)	Aaa / AA+ AAA	2.75 2.64
912828J43	US Treasury Note 1.750% Due 02/28/2022	110,000.00	04/24/2017 1.84%	109,566.38 109,717.13	97.82 2.47%	107,602.33 654.07	8.01% (2,114.80)	Aaa / AA+ AAA	3.16 3.03
912828L24	US Treasury Note 1.875% Due 08/31/2022	115,000.00	09/18/2017 1.84%	115,198.04 115,146.64	97.86 2.49%	112,538.31 732.65	8.38% (2,608.33)	Aaa / AA+ AAA	3.67 3.49
912828N30	US Treasury Note 2.125% Due 12/31/2022	115,000.00	01/09/2018 2.31%	113,993.75 114,191.01	98.59 2.50%	113,378.27 6.75	8.39% (812.74)	Aaa / AA+ AAA	4.00 3.81
9128284D9	US Treasury Note 2.500% Due 03/31/2023	115,000.00	06/13/2018 2.84%	113,270.51 113,469.04	100.01 2.50%	115,013.46 734.55	8.56% 1,544.42	Aaa / AA+ AAA	4.25 3.98
TOTAL US Treasury		**1,326,000.00**	**1.58%**	**1,342,807.96 1,333,647.80**	**2.51%**	**1,309,360.05 5,543.87**	**97.28% (24,287.75)**	**Aaa / AA+ Aaa**	**2.54 2.43**
TOTAL PORTFOLIO		**1,362,805.53**	**1.56%**	**1,379,613.49 1,370,453.33**	**2.46%**	**1,346,165.58 5,543.87**	**100.00% (24,287.75)**	**Aaa / AA+ Aaa**	**2.47 2.36**
TOTAL MARKET VALUE PLUS ACCRUALS						**1,351,709.45**			

Brea Lease Revenue Bonds, Reserve Account - Account #10129

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	6,012.63	Various 0.60%	6,012.63 6,012.63	1.00 0.60%	6,012.63 0.00	2.29% 0.00	Aaa / AAA AAA	0.00 0.00
TOTAL Money Market Fund FI		**6,012.63**	**0.60%**	**6,012.63 6,012.63**	**0.60%**	**6,012.63 0.00**	**2.29% 0.00**	**Aaa / AAA Aaa**	**0.00 0.00**
US Treasury									
912828UQ1	US Treasury Note 1.250% Due 02/29/2020	20,000.00	Various 1.59%	19,688.54 19,924.15	98.46 2.60%	19,692.19 84.95	7.52% (231.96)	Aaa / AA+ AAA	1.16 1.14
912828UV0	US Treasury Note 1.125% Due 03/31/2020	17,000.00	05/07/2015 1.57%	16,648.10 16,910.50	98.26 2.55%	16,704.49 48.86	6.37% (206.01)	Aaa / AA+ AAA	1.25 1.22
912828XM7	US Treasury Note 1.625% Due 07/31/2020	22,000.00	08/24/2016 1.03%	22,506.25 22,203.42	98.58 2.54%	21,688.04 149.61	8.31% (515.38)	Aaa / AA+ AAA	1.58 1.54
912828WC0	US Treasury Note 1.750% Due 10/31/2020	22,000.00	Various 1.45%	22,276.59 22,115.22	98.63 2.52%	21,699.22 65.94	8.28% (416.00)	Aaa / AA+ AAA	1.84 1.78
912828A83	US Treasury Note 2.375% Due 12/31/2020	22,000.00	08/24/2016 1.08%	23,208.35 22,555.13	99.78 2.49%	21,951.01 1.44	8.35% (604.12)	Aaa / AA+ AAA	2.00 1.94
912828B90	US Treasury Note 2.000% Due 02/28/2021	22,000.00	08/24/2016 1.10%	22,868.90 22,416.00	98.96 2.50%	21,771.40 149.50	8.34% (644.60)	Aaa / AA+ AAA	2.16 2.09
912828WN6	US Treasury Note 2.000% Due 05/31/2021	20,000.00	07/11/2016 1.01%	20,937.57 20,463.00	98.89 2.48%	19,778.12 35.16	7.54% (684.88)	Aaa / AA+ AAA	2.42 2.34
912828F21	US Treasury Note 2.125% Due 09/30/2021	25,000.00	10/27/2016 1.38%	25,879.97 25,490.88	99.05 2.48%	24,762.70 135.73	9.47% (728.18)	Aaa / AA+ AAA	2.75 2.64
912828J43	US Treasury Note 1.750% Due 02/28/2022	24,000.00	04/24/2017 1.84%	23,905.39 23,938.28	97.82 2.47%	23,476.87 142.71	8.99% (461.41)	Aaa / AA+ AAA	3.16 3.03
912828L24	US Treasury Note 1.875% Due 08/31/2022	23,000.00	09/18/2017 1.84%	23,039.61 23,029.33	97.86 2.49%	22,507.66 146.53	8.62% (521.67)	Aaa / AA+ AAA	3.67 3.49
912828N30	US Treasury Note 2.125% Due 12/31/2022	20,000.00	01/09/2018 2.31%	19,825.00 19,859.31	98.59 2.50%	19,717.96 1.17	7.50% (141.35)	Aaa / AA+ AAA	4.00 3.81
9128284D9	US Treasury Note 2.500% Due 03/31/2023	22,000.00	06/13/2018 2.84%	21,669.14 21,707.12	100.01 2.50%	22,002.57 140.52	8.42% 295.45	Aaa / AA+ AAA	4.25 3.98
TOTAL US Treasury		**259,000.00**	**1.59%**	**262,453.41 260,612.34**	**2.51%**	**255,752.23 1,102.12**	**97.71% (4,860.11)**	**Aaa / AA+ Aaa**	**2.56 2.45**
TOTAL PORTFOLIO		**265,012.63**	**1.56%**	**268,466.04 266,624.97**	**2.46%**	**261,764.86 1,102.12**	**100.00% (4,860.11)**	**Aaa / AA+ Aaa**	**2.50 2.40**
TOTAL MARKET VALUE PLUS ACCRUALS						**262,866.98**			

Holdings Report

As of December 31, 2018

City of Brea Laif - Account #10164

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	24,644,911.96	Various 2.31%	24,644,911.96 24,644,911.96	1.00 2.31%	24,644,911.96 127,239.53	100.00% 0.00	NR / NR NR	0.00 0.00
TOTAL LAIF		**24,644,911.96**	**2.31%**	**24,644,911.96** **24,644,911.96**	**2.31%**	**24,644,911.96** **127,239.53**	**100.00%** **0.00**	**NR / NR** **NR**	**0.00** **0.00**
TOTAL PORTFOLIO		**24,644,911.96**	**2.31%**	**24,644,911.96** **24,644,911.96**	**2.31%**	**24,644,911.96** **127,239.53**	**100.00%** **0.00**	**NR / NR** **NR**	**0.00** **0.00**
TOTAL MARKET VALUE PLUS ACCRUALS						**24,772,151.49**			

Holdings Report

As of December 31, 2018

Successor Agency to the Brea RDA LAIF - Account #10166

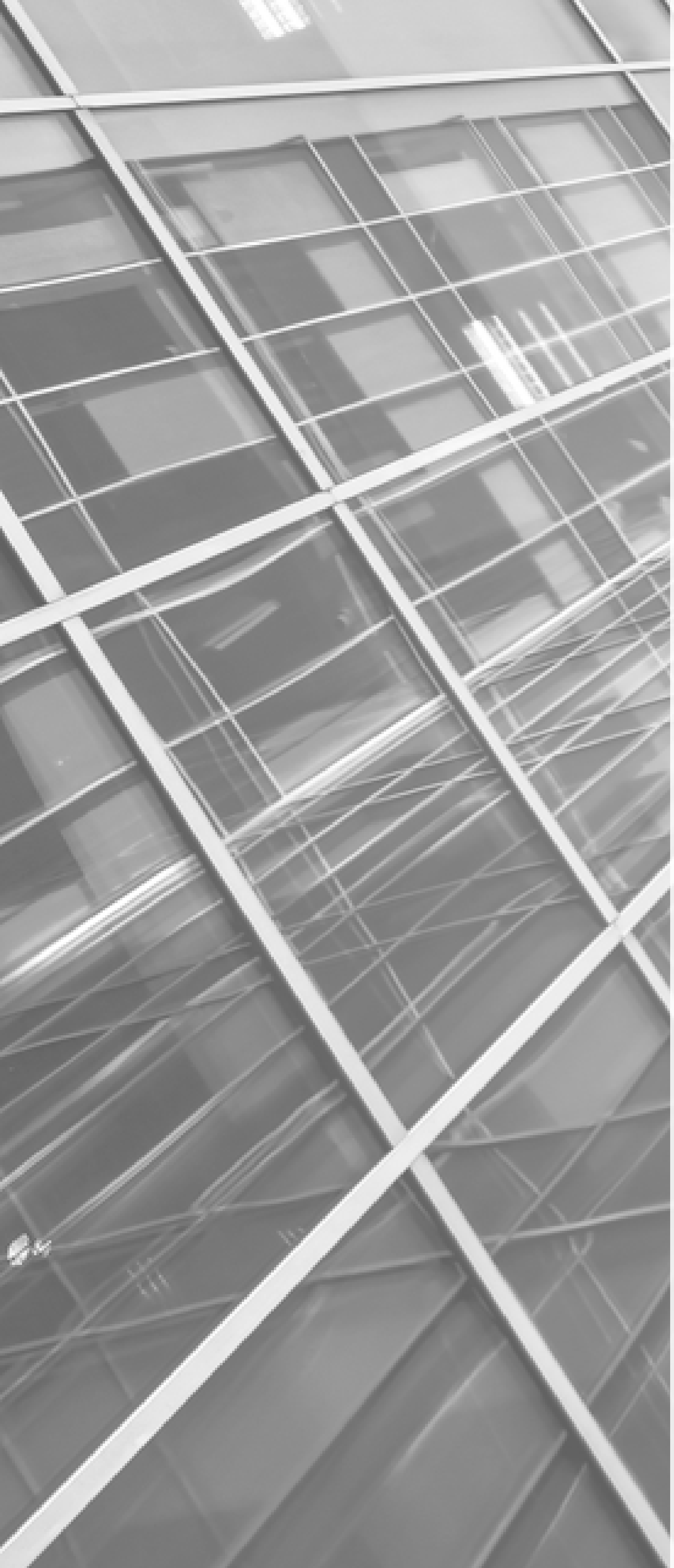
CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
LAIF									
90LAIF$00	Local Agency Investment Fund State Pool	364,068.16	Various 2.31%	364,068.16 364,068.16	1.00 2.31%	364,068.16 2,163.47	100.00% 0.00	NR / NR NR	0.00 0.00
TOTAL LAIF		**364,068.16**	**2.31%**	**364,068.16 364,068.16**	**2.31%**	**364,068.16 2,163.47**	**100.00% 0.00**	**NR / NR NR**	**0.00 0.00**
TOTAL PORTFOLIO		**364,068.16**	**2.31%**	**364,068.16 364,068.16**	**2.31%**	**364,068.16 2,163.47**	**100.00% 0.00**	**NR / NR NR**	**0.00 0.00**
TOTAL MARKET VALUE PLUS ACCRUALS						**366,231.63**			

Holdings Report

As of December 31, 2018

Brea CFD 2008 2 17 Reserve Fund - Account #10600

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	22,393.34	Various 0.60%	22,393.34 22,393.34	1.00 0.60%	22,393.34 0.00	3.31% 0.00	Aaa / AAA AAA	0.00 0.00
TOTAL Money Market Fund FI		**22,393.34**	**0.60%**	**22,393.34 22,393.34**	**0.60%**	**22,393.34 0.00**	**3.31% 0.00**	**Aaa / AAA Aaa**	**0.00 0.00**
US Treasury									
912828UV0	US Treasury Note 1.125% Due 03/31/2020	110,000.00	06/13/2018 2.57%	107,232.81 108,080.68	98.26 2.55%	108,087.87 316.17	16.00% 7.19	Aaa / AA+ AAA	1.25 1.22
912828A83	US Treasury Note 2.375% Due 12/31/2020	110,000.00	06/28/2018 2.58%	109,467.19 109,575.38	99.78 2.49%	109,755.03 7.22	16.20% 179.65	Aaa / AA+ AAA	2.00 1.94
912828F21	US Treasury Note 2.125% Due 09/30/2021	110,000.00	06/28/2018 2.64%	108,242.58 108,517.50	99.05 2.48%	108,955.88 597.22	16.17% 438.38	Aaa / AA+ AAA	2.75 2.64
912828J43	US Treasury Note 1.750% Due 02/28/2022	110,000.00	06/13/2018 2.79%	105,986.72 106,582.05	97.82 2.47%	107,602.33 654.07	15.98% 1,020.28	Aaa / AA+ AAA	3.16 3.03
912828L24	US Treasury Note 1.875% Due 08/31/2022	110,000.00	06/13/2018 2.82%	105,887.89 106,424.95	97.86 2.49%	107,645.34 700.79	15.99% 1,220.39	Aaa / AA+ AAA	3.67 3.49
9128284D9	US Treasury Note 2.500% Due 03/31/2023	110,000.00	06/13/2018 2.84%	108,345.70 108,535.60	100.01 2.50%	110,012.87 702.61	16.34% 1,477.27	Aaa / AA+ AAA	4.25 3.98
TOTAL US Treasury		**660,000.00**	**2.71%**	**645,162.89 647,716.16**	**2.50%**	**652,059.32 2,978.08**	**96.69% 4,343.16**	**Aaa / AA+ Aaa**	**2.85 2.72**
TOTAL PORTFOLIO		**682,393.34**	**2.64%**	**667,556.23 670,109.50**	**2.43%**	**674,452.66 2,978.08**	**100.00% 4,343.16**	**Aaa / AA+ Aaa**	**2.76 2.63**
TOTAL MARKET VALUE PLUS ACCRUALS						**677,430.74**			



Section 4 | Transactions

Transaction Ledger

As of December 31, 2018

City of Brea - Account #120

September 30, 2018 through December 31, 2018

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	10/10/2018	02665WCQ2	550,000.00	American Honda Finance Note 3.625% Due: 10/10/2023	99.918	3.64%	549,549.00	0.00	549,549.00	0.00
Purchase	10/31/2018	313383YJ4	1,200,000.00	FHLB Note 3.375% Due: 09/08/2023	101.313	3.08%	1,215,756.00	5,962.50	1,221,718.50	0.00
Purchase	11/30/2018	02587AAJ3	500,000.00	American Express Credit 2017-1 1.93% Due: 09/15/2022	99.617	2.26%	498,085.94	402.08	498,488.02	0.00
Purchase	11/30/2018	037833AK6	535,000.00	Apple Inc Note 2.4% Due: 05/03/2023	95.379	3.54%	510,277.65	963.00	511,240.65	0.00
Purchase	11/30/2018	3130AF5B9	1,350,000.00	FHLB Note 3% Due: 10/12/2021	100.252	2.91%	1,353,402.00	5,400.00	1,358,802.00	0.00
Purchase	12/31/2018	3130A0F70	225,000.00	FHLB Note 3.375% Due: 12/08/2023	102.776	2.77%	231,246.00	485.16	231,731.16	0.00
Subtotal			**4,360,000.00**				**4,358,316.59**	**13,212.74**	**4,371,529.33**	**0.00**
TOTAL ACQUISITIONS			**4,360,000.00**				**4,358,316.59**	**13,212.74**	**4,371,529.33**	**0.00**
DISPOSITIONS										
Sale	10/10/2018	17275RAR3	275,000.00	Cisco Systems Note 2.125% Due: 03/01/2019	99.856	2.49%	274,604.59	633.07	275,237.66	-480.96
Subtotal			**275,000.00**				**274,604.59**	**633.07**	**275,237.66**	**-480.96**
Maturity	10/05/2018	459058ER0	1,460,000.00	Intl. Bank Recon & Development Note 1% Due: 10/05/2018	100.000		1,460,000.00	0.00	1,460,000.00	0.00
Maturity	11/07/2018	06371ETT4	920,000.00	Bank of Montreal Chicago Yankee CD 1.76% Due: 11/07/2018	100.000		920,000.00	16,416.89	936,416.89	0.00

Transaction Ledger

As of December 31, 2018

City of Brea - Account #120

September 30, 2018 through December 31, 2018

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Maturity	11/07/2018	74005PBH6	810,000.00	Praxair Note 1.25% Due: 11/07/2018	100.000		810,000.00	0.00	810,000.00	0.00
Subtotal			**3,190,000.00**				**3,190,000.00**	**16,416.89**	**3,206,416.89**	**0.00**
TOTAL DISPOSITIONS			**3,465,000.00**				**3,464,604.59**	**17,049.96**	**3,481,654.55**	**-480.96**

Important Disclosures

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.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

Benchmark Disclosures

ICE BAML 3-Month US Treasury Bill Index

The ICE BAML US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. (Index: G0O1. Please visit www.mlindex.ml.com for more information)

0-3 yr Treasury*

The ICE BAML 0-3 Year US Treasury Index tracks the performance of US Dollar denominated Sovereign debt publically issued by the US government in its domestic market with maturities less than three years. Qualifying securities must have at least 18 months to maturity at point of issuance, at least one month and less than three years remaining term to final maturity, a fixed coupon schedule and a minimum amount outstanding of $1 billion. (Index: G1QA. Please visit www.mlindex.ml.com for more information)

The ICE BAML US 1-Year Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. (Index: G0O3. Please visit www.mlindex.ml.com for more information)

The ICE BAML US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. (Index: G0O1. Please visit www.mlindex.ml.com for more information)

The ICE BAML US 6-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. (Index: G0O2. Please visit www.mlindex.ml.com for more information)

The ICE BAML 1-3 Year US Treasury Index tracks the performance of US dollar denominated sovereign debt publicly issued by the US government in its domestic market. Qualifying securities must have at least one year remaining term to final maturity and less than three years remaining term to final maturity, a fixed coupon schedule and a minimum amount outstanding of $1 billion. Qualifying securities must have at least 18 months to final maturity at the time of issuance. (Index: G1O2. Please visit www.mlindex.ml.com for more information)

ICE BAML 3-5 Yr US Treasury/Agency Index

The ICE BAML 3-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least three years remaining term to final maturity and less than five years remaining term to final maturity, at least three years to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of $1 billion for sovereigns and $250 million for agencies. (Index: G2A0. Please visit www.mlindex.ml.com for more information)

ICE BAML 1-5 Yr US Issuers Corp/Govt Rtd AAA-A Idx

The ICE BAML US Issuers 1-5 Year AAA-A US Corporate & Government Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasury, US agency, foreign government, supranational and corporate securities. Qualifying securities must issued from US issuers and be rated AAA through A3 (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to final maturity at point of issuance, a fixed coupon schedule and a minimum amount outstanding of $1 billion for US Treasuries and $250 million for all other securities. (Index: GU10. Please visit www.mlindex.ml.com for more information)

Benchmark Disclosures

ICE BAML 1-5 Yr US Treasury/Agency Index*

The ICE BAML 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of $1 billion for sovereigns and $250 million for agencies. (Index: GVA0. Please visit www.mlindex.ml.com for more information)

The ICE BAML US 1-Year Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. (Index: G0O3. Please visit www.mlindex.ml.com for more information)

Agenda Item 4.

City of Brea

COMMUNICATION

TO: Honorable Chair and Members

FROM: Bill Gallardo

DATE: 01/28/2019

SUBJECT: Review of PARS Post Employment Benefit Trust Investment Report for Period Ending December 31, 2018 - Presentation by PARS and Highmark Capital Management, Dennis Yu and Keith Stribling

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Attachments

Investment Report

PUBLIC AGENCY RETIREMENT SERVICES | PARS

TRUSTED SOLUTIONS. LASTING RESULTS.

CITY OF BREA

Pension Rate Stabilization Program (PRSP) Client Review

January 28, 2019

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OPEB/PENSION PROGRAM TEAM

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

35 years (1984 – 2019)	**156 years** (1863 – 2019)	**100 years** (1919 – 2019)

Plans Under Administration

1,600+ plans, 850+ public agencies, 430,000+ participants

Dollars under Administration

Over $3.5 billion	Over $4 trillion	Over $15.5 billion under management

PUBLIC AGENCY RETIREMENT SERVICES PARS
TRUSTED SOLUTIONS. LASTING RESULTS.

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 28, 2019

Presented by
Keith Stribling, CFA

HighMark®
CAPITAL MANAGEMENT

DISCUSSION HIGHLIGHTS – City of Brea

Investment objective – Balanced

Asset Allocation: PARS/Balanced (As of 12/30/2018)

- Allocation Target – 61.23% stocks (50-70% range), 36.09% bonds (30-50% range), 2.68% cash (0-20% range)
- Large cap 32.62%, Mid-cap 4.92%, Small cap 10.29%, International 11.84%; REIT 1.56%

Performance: City of Brea
(as of 12/30/2018) gross of investment management fees, net of fund fees

- 3 months: -8.48%
- 1 year: -4.63%
- 2 years: 4.64%
- ITD (2/1/2016): 6.71%

12-Month Changes

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

DISCUSSION HIGHLIGHTS – City of Brea

Economic Review

- Democrats take the House – checks and balances coming back to DC
- Changes in Fiscal policy – finally some inflation…but not much
- Interest rates take a pause
- Fed, a new chairman & monetary policy – gradual tightening cycle & addressing the balance sheet
- US Economy…still moving forward
- Consumer well positioned
- International economies in recovery & continued QE abroad

2019 Outlook

- Modest GDP growth
  - 2018E 2.3% - 2.8%;
  - 10-yr yield 3.0% - 3.5%
- Fed Funds 2.75% - 3.25%

Account Name: **PARS/ CITY OF BREA PRSP**

As of: December 31, 2018

Account ID: **xxxxxx0800**

Performance Report

	3 Months	Year to Date (1 Year)	2 Years	Inception to Date 02/01/2016
Cash Equivalents	**.53**	**1.70**	**1.23**	**.89**
Lipper Money Market Funds Index	.51	1.62	1.14	.83
Total Fixed Income	**.64**	**.42**	**1.67**	
BBG Barclays US Aggregate Bd Index (USD)	1.64	.01	1.76	1.64
Total Equities	**-14.35**	**-8.27**	**6.49**	**10.87**
Large Cap Funds	**-14.28**	**-5.24**	**8.03**	**12.00**
S&P 500 Composite Index	-13.52	-4.38	7.93	11.46
Mid Cap Funds	**-15.36**	**-9.12**	**3.45**	**9.30**
Russell Midcap Index	-15.37	-9.06	3.82	9.77
Small Cap Funds	**-18.84**	**-7.14**	**6.05**	**12.26**
Russell 2000 Index (USD)	-20.20	-11.01	1.00	11.03
International Equities	**-11.43**	**-15.46**	**4.89**	**7.93**
MSCI EAFE Index (Net)	-12.54	-13.79	3.82	5.64
MSCI EM Free Index (Net USD)	-7.47	-14.58	8.29	12.07
Real Estate - ETFs / Sctr Fds	**-6.53**	**-6.24**	**-.65**	
Wilshire REIT Index	-6.93	-4.84	-.43	3.54
Total Managed Portfolio	**-8.48**	**-4.63**	**4.64**	**6.71**

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	Weight	Ticker	Investment Vehicle	Market Value
Equity	**61.23%**		***Range: 50%-70%***	**$ 4,215,969.19**
Large Cap Core	5.07%	COFYX	Columbia Contrarian Core C Y	$349,030.20
	13.22%	VGIAX	Vanguard Gro & Inc Admiral Shrs	$910,072.60
Large Cap Value	8.11%	DODGX	Dodge & Cox Stock Fund	$558,452.97
Large Cap Growth	3.11%	HNACX	Harbor CP Appre Rtrmt Cl	$214,080.04
	3.11%	PRUFX	T. Rowe Price Growth Stock Fund	$214,020.52
Mid Cap Core	4.92%	IWR	Ishares Russell Mid Cap Core ETF	$338,839.20
Small Cap Value	5.76%	UBVFX	Undiscovered Mgrs Behavl R6	$396,507.63
Small Cap Growth	4.53%	PRJIX	T. Rowe Price New Horizons Fund	$312,198.91
International Core	3.20%	DFALX	DFA Large Cap International Port	$220,668.49
International Value	2.31%	DODFX	Dodge & Cox International Stock Fund	$159,354.02
International Growth	2.32%	MGRDX	MFS International Growth	$159,941.08
Emerging Markets	4.00%	HHHYX	Hartford Schroders Mkts Eq Cl Y	$275,646.44
REIT	1.56%	VNQ	Vanguard Real Estate ETF	$107,157.09
Fixed Income	**36.09%**		***Range: 30%-50%***	**$ 2,484,705.04**
Individual Fixed Income	33.92%		Corporate Bonds	$ 2,335,713.50
High Yield	2.16%	VFSUX	Vngrd St Term Invmt Grade ADM	$148,991.54
Cash	**2.68%**		***Range: 0%-20%***	**$ 184,656.44**
	2.68%	FGZXX	FIRST AMERN GOVT OBLIG FD CL Z	$184,656.44
TOTAL	**100.00%**			**6,885,330.67**

ASSET ALLOCATION- City of Brea

Current Asset Allocation		Weight	Ticker	Investment Vehicle		Market Value
Fixed Income		**100.00%**		***Range: 30%-50%***		
1-3 yrs	41.93%					
A		8.64%	BK	Bank of New York	5.45% 05/15/19	$201,834.00
AA+		7.57%	GE	GE Credit Corp	6.00% 8/07/19	$176,884.75
AA+		8.66%	GE	GE Credit Corp	5.50% 01/08/20	$202,356.00
AA-		8.58%	CSCO	Cisco Systems	2.90% 3/04/21	$200,346.00
A+		8.47%	V	Visa Inc	2.20% 12/14/20	$197,828.00
3-5 yrs	25.08%					
AA+		6.34%	AAPL	Apple	2.85% 02/23/23	$148,161.00
		3.99%	GE	GE Credit Corp	3.100% 1/09/23	$93,311.00
		3.08%	JPM	JP Morgan Chase & Co	2.70% 5/18/23	$72,039.75
		3.13%	STI	Suntrust Banks	2.700% 1/27/22	$73,146.75
A		8.53%	MDT	Medtronic Inc	3.13% 03/15/22	$199,236.00
5-7 yrs	20.68%					
BBB		4.34%	MDLZ	Mondelez Inc	4.0% 2/01/24	$101,448.00
		3.08%	PEP	Pepsico Inc	2.750% 4/30/25	$71,969.25
BBB+		9.11%	VZ	Verizon Communications	5.15% 9/15/23	$212,872.00
A		4.14%	WFC	Wells Fargo Corp	3.30% 9/09/24	$96,734.00
7-10 yrs	12.31%					
A		4.30%	ICE	Intercontinental Exchange	3.75% 12/01/25	$100,527.00
A		4.09%	KMB	Kimberly Clark	2.75% 2/15/26	$95,418.00
AA-		3.92%	NKE	Nike Inc NT	2.375% 11/01/26	$91,602.00
TOTAL	**100.00%**					**2,335,713.50**

City of Brea

For Period Ending December 31, 2018

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 Inst3	-9.87	-14.78	-8.81	-8.81	6.53	7.15	13.68
Vanguard Growth & Income Adm	-9.00	-14.22	-4.61	-4.61	8.91	8.52	12.92
Harbor Capital Appreciation Retirement	-7.69	-16.39	-0.96	-0.96	10.24	10.33	15.29
T. Rowe Price Growth Stock I	-8.25	-14.10	-0.89	-0.89	10.45	10.22	16.14
Dodge & Cox Stock	-10.68	-13.57	-7.07	-7.07	10.07	7.06	13.17
S&P 500 TR USD	**-9.03**	**-13.52**	**-4.38**	**-4.38**	**9.26**	**8.49**	**13.12**
MID CAP EQUITY FUNDS							
iShares Russell Mid-Cap ETF	-9.85	-15.33	-9.13	-9.13	6.89	6.10	13.85
SMALL CAP EQUITY FUNDS							
Undiscovered Managers Behavioral Val R6	-14.77	-20.42	-15.20	-15.20	5.21	4.99	14.85
T. Rowe Price New Horizons I	-9.92	-17.01	4.17	4.17	13.98	10.43	19.38
Russell 2000 TR USD	**-11.88**	**-20.20**	**-11.01**	**-11.01**	**7.36**	**4.41**	**11.97**
REAL ESTATE FUNDS							
Vanguard Real Estate ETF	-7.96	-6.46	-5.95	-5.95	2.32	7.40	12.04
INTERNATIONAL EQUITY FUNDS							
Dodge & Cox International Stock	-6.73	-12.39	-17.98	-17.98	3.24	-0.48	7.72
Nationwide Bailard Intl Eqs R6	-5.13	-14.89	-19.79	-19.79	-0.71	-0.62	5.83
MFS International Growth R6	-4.28	-11.74	-8.79	-8.79	7.52	3.46	8.66
MSCI EAFE NR USD	**-4.85**	**-12.54**	**-13.79**	**-13.79**	**2.87**	**0.53**	**6.32**
Hartford Schroders Emerging Mkts Eq Y	-3.41	-8.85	-15.42	-15.42	9.67	1.90	8.13
MSCI EM Free Index	**-2.66**	**-7.47**	**-14.58**	**-14.58**	**9.25**	**1.65**	**8.02**
BOND FUNDS							
PIMCO Total Return Instl	1.16	1.39	-0.26	-0.26	2.47	2.56	4.71
Vanguard Short-Term Investment-Grade Adm	0.74	0.67	0.96	0.96	1.97	1.78	3.55
PGIM Total Return Bond R6	1.51	1.36	-0.63	-0.63	3.59	3.59	6.30
DoubleLine Core Fixed Income I	0.96	0.60	-0.02	-0.02	2.90	3.22	--
BBgBarc US Agg Bond TR USD	**1.84**	**1.64**	**0.01**	**0.01**	**2.06**	**2.52**	**3.48**

Agenda Item 5.

City of Brea

INVESTMENT ADVISORY COMMITTEE COMMUNICATION

TO: Honorable Chair and Committee Members

FROM: Bill Gallardo, City Manager

DATE: 01/28/2019

SUBJECT: Monthly Report of Investments for the City of Brea for Period Ending December 31, 2018

RECOMMENDATION

Receive and file.

BACKGROUND/DISCUSSION

The Monthly Report of Investments 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, 2018, the total market value of the managed investment portfolio, including accrued interest, was $58,171,682.72 as compared to $57,593,603.81 at November 30, 2018. The weighted average investment yield for December 2018 was 2.13%, which was slightly higher than the prior month. The City's Local Agency Investment Fund (LAIF) had a total market value, including accrued interest of $24,772,151.49 at December 31, 2018. This brings the total value of the City's investment portfolio as of December 31, 2018 to $82,943,834.21 as compared to $80,918,028.69 at November 30, 2018.

Restricted cash and investments are held in the post-employment benefits trust account administered by PARS (PARS account) and managed by HighMark 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, 2018, the market value of the PARS account, including short-term cash and accrued interest was $6,913,096.51 as compared to $7,278,136.55 from the prior month. All other restricted cash investments (bond reserve accounts), including short-term cash and accrued interest was $6,171,437.05 in comparison to $5,032,936.19

from the prior month.

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 $2,025,805.52. This is primarily due to the receipt of sales tax and property taxes during the month. The City's PARS account decreased by $365,040.04 due to market rate adjustments and the City's bond reserve accounts increased by $1,138,500.86 primarily due to funds being transferred to the Bond Trustee in anticipation of the debt service payments for the 2009, 2010 and 2014 Water Bonds on January 1, 2019.

RESPECTFULLY SUBMITTED

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

Attachments

Attachment A

ATTACHMENT A

City of Brea
Cash and Investment Information
December 31, 2018

			Cost Value		Market Value*
Demand and Interest-Bearing Checking Accounts	Citizen's Bank	**$**	**7,334,603.39**	**$**	**7,334,603.39**
Local Agency Investment Fund	LAIF	**$**	**24,644,911.96**	**$**	**24,772,151.49**
Managed Investment Portfolio - CHANDLER	Chandler	**$**	**58,481,067.83**	**$**	**58,171,682.72**
PARS Post-Employment Benefits Trust**	US Bank	**$**	**7,057,176.10**	**$**	**6,913,096.51**
Fiscal Agent Cash & Investments**					
2005 Olinda Ranch Public Improvements Bonds (CFD 1997-1)	Chandler/BNY	$	460,880.61	$	457,443.46
2009 Water Revenue Bonds	Chandler/BNY	$	2,575,711.68	$	2,530,548.78
2010 Water Revenue Bonds	Chandler/BNY	$	1,690,086.20	$	1,662,182.16
2010 Lease Revenue Bonds	Chandler/BNY	$	268,516.97	$	262,917.91
2014 Downtown Brea Public Improvements CFD Bonds	Chandler/BNY	$	165,384.46	$	165,384.46
2014 Water Revenue Bonds	Chandler/BNY	$	412,734.68	$	412,734.68
2017 Brea Plaza Public Improvements CFD Bonds (CFD 2008-2)	Chandler/BNY	$	670,351.09	$	680,225.60
Sub-total - Fiscal Agent Cash & Investments		**$**	**6,243,665.69**	**$**	**6,171,437.05**
Report Grand Total		**$**	**103,761,424.97**	**$**	**103,362,971.16**

* Includes accrued interest on invested funds
** Reserve Fund

City of Brea
Cash and Investment Information
December 31, 2018

Fiscal Agent Cash & Investments Detail			**Cost Value**		**Market Value**
10103	2005 Olinda Ranch Public Improvements Bonds (CFD 1997-1) **- CHANDLER**	$	460,375.37	$	456,938.22
	Short-Term Treasury Funds - **BNY**	$	505.24	$	505.24
	Sub-total	**$**	**460,880.61**	**$**	**457,443.46**
10073	2009 Water Revenue Bonds - **CHANDLER**	$	1,960,377.37	$	1,915,214.47
	Short-Term Treasury Funds - **BNY**	$	615,334.31	$	615,334.31
		$	**2,575,711.68**	**$**	**2,530,548.78**
10128	2010 Water Revenue Bonds - **CHANDLER**	$	1,379,613.49	$	1,351,709.45
	Short-Term Treasury Funds - **BNY**	$	310,472.71	$	310,472.71
	Sub-total	**$**	**1,690,086.20**	**$**	**1,662,182.16**
10129	2010 Lease Revenue Bonds - **CHANDLER**	$	268,466.04	$	262,866.98
	Short-Term Treasury Funds - **BNY**	$	50.93	$	50.93
	Sub-total	**$**	**268,516.97**	**$**	**262,917.91**
	2014 Downtown Brea Public Improvements CFD Bonds **- CHANDLER**	$	-	$	-
	Short-Term Treasury Funds - **BNY**	$	165,384.46	$	165,384.46
	Sub-total	**$**	**165,384.46**	**$**	**165,384.46**
	2014 Water Revenue Bonds - **CHANDLER**	$	-	$	-
	Short-Term Treasury Funds - **BNY**	$	412,734.68	$	412,734.68
	Sub-total	**$**	**412,734.68**	**$**	**412,734.68**
10600	2017 Brea Plaza Public Improvements CFD Bonds (CFD 2008-2) - **CHANDLER**	$	667,556.23	$	677,430.74
	Short-Term Treasury Funds - **BNY**	$	2,794.86	$	2,794.86
	Sub-total	**$**	**670,351.09**	**$**	**680,225.60**
Report Grand Total		**$**	**6,243,665.69**	**$**	**6,171,437.05**

Portfolio Summary

As of December 31, 2018

ATTACHMENT A

PORTFOLIO CHARACTERISTICS

Average Modified Duration	0.00
Average Coupon	2.31%
Average Purchase YTM	2.31%
Average Market YTM	2.31%
Average S&P/Moody Rating	NR/NR
Average Final Maturity	0.00 yrs
Average Life	0.00 yrs

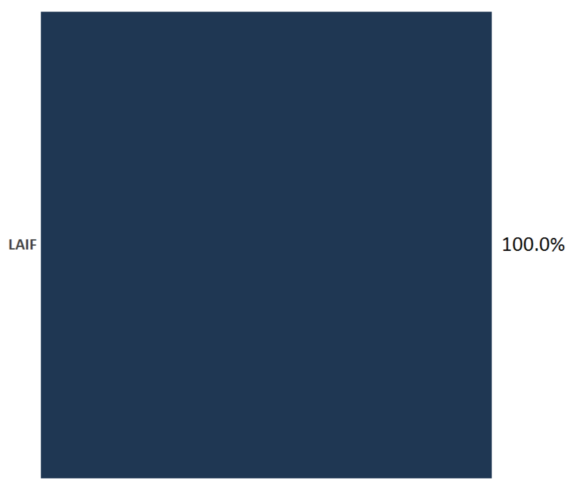
ACCOUNT SUMMARY

	Beg. Values as of 11/30/18	End Values as of 12/31/18
Market Value	23,244,912	24,644,912
Accrued Interest	79,513	127,240
Total Market Value	**23,324,425**	**24,772,151**
Income Earned	42,776	47,727
Cont/WD		1,400,000
Par	23,244,912	24,644,912
Book Value	23,244,912	24,644,912
Cost Value	23,244,912	24,644,912

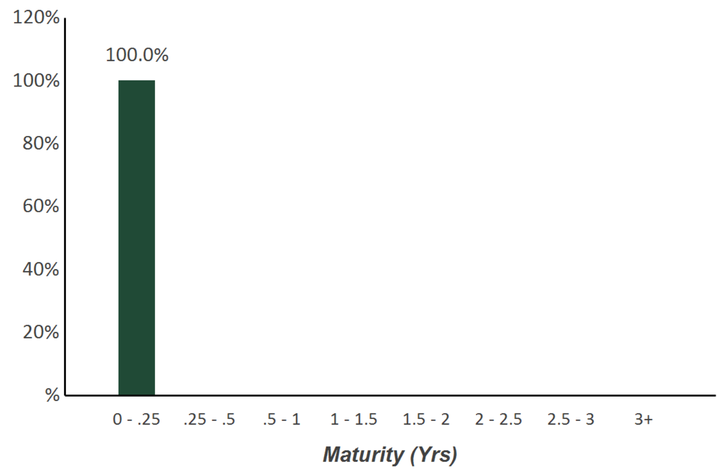
TOP ISSUERS

Local Agency Investment Fund	100.0%
Total	**100.0%**

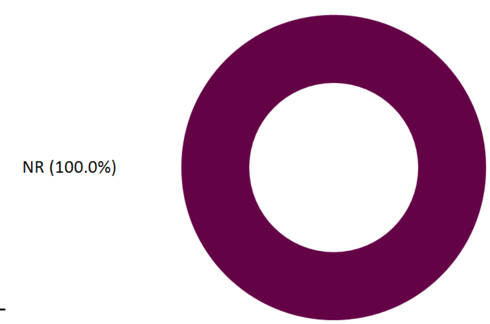
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

					Annualized				
TOTAL RATE OF RETURN	**1M**	**3M**	**YTD**	**1YR**	**2YRS**	**3YRS**	**5YRS**	**10YRS**	**2/28/2012**
City of Brea Laif	0.19%	0.60%	1.95%	1.95%	1.46%	1.16%	0.80%	N/A	N/A

Holdings Report

As of December 31, 2018

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	24,644,911.96	Various 2.31%	24,644,911.96 24,644,911.96	1.00 2.31%	24,644,911.96 127,239.53	100.00% 0.00	NR / NR NR	0.00 0.00
Total LAIF		**24,644,911.96**	**2.31%**	**24,644,911.96 24,644,911.96**	**2.31%**	**24,644,911.96 127,239.53**	**100.00% 0.00**	**NR / NR NR**	**0.00 0.00**
TOTAL PORTFOLIO		**24,644,911.96**	**2.31%**	**24,644,911.96 24,644,911.96**	**2.31%**	**24,644,911.96 127,239.53**	**100.00% 0.00**	**NR / NR NR**	**0.00 0.00**
TOTAL MARKET VALUE PLUS ACCRUED						**24,772,151.49**			

Portfolio Summary

As of December 31, 2018

PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.39
Average Coupon	2.01%
Average Purchase YTM	2.13%
Average Market YTM	2.75%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.65 yrs
Average Life	2.52 yrs

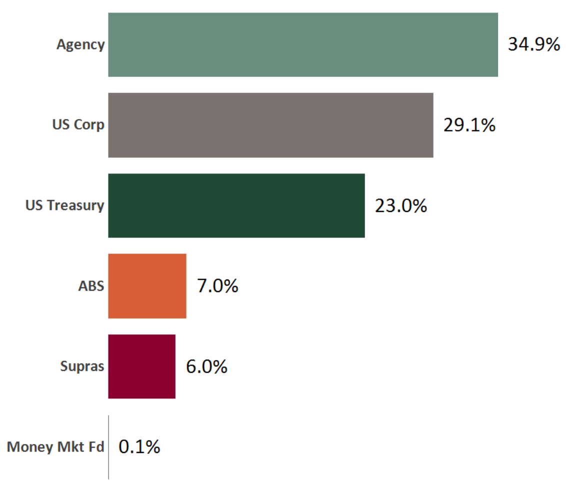
ACCOUNT SUMMARY

	Beg. Values as of 11/30/18	End Values as of 12/31/18
Market Value	57,307,256	57,871,456
Accrued Interest	286,348	300,226
Total Market Value	**57,593,604**	**58,171,683**
Income Earned	99,880	106,103
Cont/WD		0
Par	58,662,327	58,743,366
Book Value	58,462,256	58,554,480
Cost Value	58,393,773	58,481,068

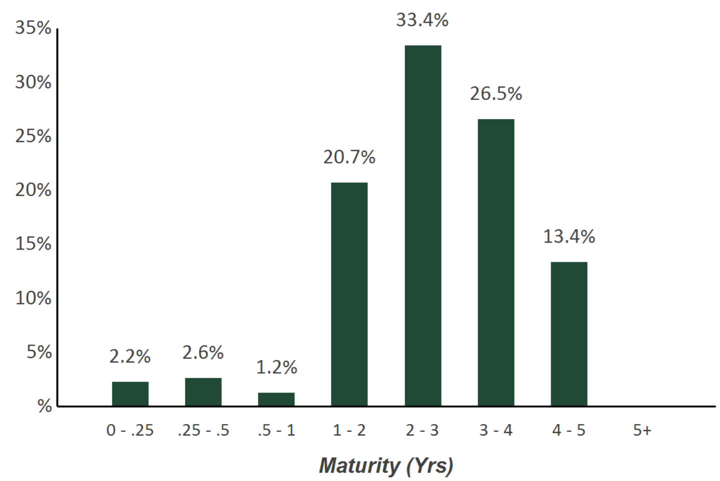
TOP ISSUERS

Government of United States	23.0%
Federal National Mortgage Assoc	17.6%
Federal Home Loan Bank	10.2%
Federal Home Loan Mortgage Corp	7.0%
Inter-American Dev Bank	5.3%
US Bancorp	1.9%
American Express ABS	1.8%
John Deere ABS	1.8%
Total	**68.6%**

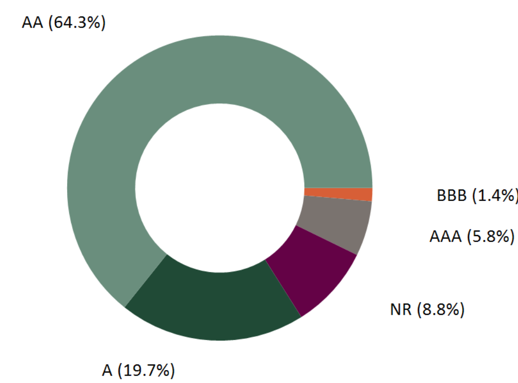
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	4/30/1996
					Annualized				
City of Brea	1.00%	1.44%	1.55%	1.55%	1.32%	1.32%	1.32%	1.78%	3.81%
ICE BAML 1-5 Yr US Treasury/Agency Index*	1.10%	1.71%	1.53%	1.53%	1.10%	1.09%	1.10%	1.38%	3.44%
ICE BAML 1-5 Yr US Issuers Corp/Govt Rtd AAA-A Idx	1.08%	1.61%	1.47%	1.47%	1.16%	1.19%	1.20%	1.70%	N/A

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

Statement of Compliance

As of December 31, 2018

ATTACHMENT A

City of Brea

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	*Complied at time of purchase**
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*

**IADB is in compliance on a consolidated portfolio basis.*

** General Electric (36962G7G3) rated Baa1/BBB+/BBB+ was downgraded Novermber 2018 and October 2018 ; Complied at time of purchase.*

Reconciliation Summary

As of December 31, 2018

ATTACHMENT A

BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		**$58,462,255.61**
Acquisition		
+ Security Purchases	$231,246.00	
+ Money Market Fund Purchases	$189,162.00	
+ Money Market Contributions	$84,800.28	
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		**$505,208.28**
Dispositions		
- Security Sales	$0.00	
- Money Market Fund Sales	$231,731.16	
- MMF Withdrawals	$84,800.28	
- Security Withdrawals	$0.00	
- Security Transfers	$0.00	
- Other Dispositions	$0.00	
- Maturites	$0.00	
- Calls	$0.00	
- Principal Paydowns	$101,391.72	
Total Dispositions		**$417,923.16**
Amortization/Accretion		
+/- Net Accretion	$4,939.39	
		$4,939.39
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	$0.00	
		$0.00
ENDING BOOK VALUE		**$58,554,480.12**

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		**$77,618.43**
Acquisition		
Contributions	$84,800.28	
Security Sale Proceeds	$0.00	
Accrued Interest Received	$0.00	
Interest Received	$84,876.30	
Dividend Received	$2,893.98	
Principal on Maturities	$0.00	
Interest on Maturities	$0.00	
Calls/Redemption (Principal)	$0.00	
Interest from Calls/Redemption	$0.00	
Principal Paydown	$101,391.72	
Total Acquisitions	**$273,962.28**	
Dispositions		
Withdrawals	$84,800.28	
Security Purchase	$231,246.00	
Accrued Interest Paid	$485.16	
Total Dispositions	**$316,531.44**	
ENDING BOOK VALUE		**$35,049.27**

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									
654747AB0	Nissan Auto Receivables 2017-A A2A 1.47% Due 1/15/2020	15,729.27	03/21/2017 1.47%	15,729.19 15,729.24	99.95 2.98%	15,722.04 10.28	0.03% (7.20)	Aaa / NR AAA	1.04 0.03
47788MAC4	John Deere Owner Trust 2016-A A3 1.36% Due 4/15/2020	88,423.09	02/23/2016 1.37%	88,409.17 88,418.74	99.77 2.93%	88,215.90 53.45	0.15% (202.84)	Aaa / NR AAA	1.29 0.15
47788BAB0	John Deere Owner Trust 2017-B A2A 1.59% Due 4/15/2020	50,638.65	07/11/2017 1.60%	50,634.25 50,636.59	99.81 2.95%	50,541.89 35.78	0.09% (94.70)	Aaa / NR AAA	1.29 0.14
89238BAB8	Toyota Auto Receivables Owner 2018-A A2A 2.1% Due 10/15/2020	549,525.36	01/23/2018 2.12%	549,469.20 549,488.24	99.61 3.07%	547,383.82 512.89	0.94% (2,104.42)	Aaa / AAA NR	1.79 0.40
654747AD6	Nissan Auto Receivables 2017-A A3 1.74% Due 8/16/2021	500,000.00	12/27/2017 2.10%	496,816.41 497,699.94	99.07 2.97%	495,348.50 362.50	0.85% (2,351.44)	Aaa / NR AAA	2.63 0.76
43811BAC8	Honda Auto Receivables 2017-2 A3 1.68% Due 8/16/2021	450,000.00	04/27/2018 2.62%	443,003.91 444,433.34	98.97 2.95%	445,347.00 336.00	0.77% 913.66	Aaa / AAA NR	2.63 0.82
47788BAD6	John Deere Owner Trust 2017-B A3 1.82% Due 10/15/2021	130,000.00	07/11/2017 1.83%	129,990.48 129,993.75	98.87 2.99%	128,531.26 105.16	0.22% (1,462.49)	Aaa / NR AAA	2.79 0.97
47788CAC6	John Deere Owner Trust 2016-B A4 2.66% Due 4/18/2022	185,000.00	02/21/2018 2.68%	184,986.70 184,989.40	99.68 2.90%	184,400.78 218.71	0.32% (588.62)	Aaa / NR AAA	3.30 1.42
43815HAC1	Honda Auto Receivables Owner 2018-3 A3 2.95% Due 8/22/2022	495,000.00	08/21/2018 2.98%	494,932.09 494,937.97	100.06 2.94%	495,311.35 405.63	0.85% 373.38	Aaa / NR AAA	3.64 1.95
02587AAJ3	American Express Credit 2017-1 1.93% Due 9/15/2022	1,050,000.00	Various 2.61%	1,039,535.16 1,040,632.30	98.82 3.03%	1,037,581.64 900.67	1.79% (3,050.66)	Aaa / NR AAA	3.71 1.09
47788EAC2	John Deere Owner Trust 2018-B A3 3.08% Due 11/15/2022	575,000.00	07/18/2018 3.10%	574,956.42 574,960.85	100.49 2.87%	577,808.87 787.11	0.99% 2,848.02	Aaa / NR AAA	3.88 2.15
Total ABS		**4,089,316.37**	**2.53%**	**4,068,462.98 4,071,920.36**	**2.98%**	**4,066,193.05 3,728.18**	**7.00% (5,727.31)**	**Aaa / AAA AAA**	**3.08 1.16**
AGENCY									
3135G0A78	FNMA Note 1.625% Due 1/21/2020	1,000,000.00	Various 1.46%	1,008,032.32 1,001,714.35	99.00 2.59%	990,047.00 7,222.22	1.71% (11,667.35)	Aaa / AA+ AAA	1.06 1.03
3137EADR7	FHLMC Note 1.375% Due 5/1/2020	1,250,000.00	05/28/2015 1.52%	1,241,437.50 1,247,686.84	98.46 2.56%	1,230,696.25 2,864.58	2.12% (16,990.59)	Aaa / AA+ AAA	1.33 1.31

Holdings Report

As of December 31, 2018

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									
3135G0D75	FNMA Note	1,030,000.00	Various	1,026,700.60	98.54	1,014,932.13	1.75%	Aaa / AA+	1.48
	1.5% Due 6/22/2020		1.57%	1,028,993.31	2.52%	386.25	(14,061.18)	AAA	1.45
3137EAEK1	FHLMC Note	450,000.00	11/21/2017	448,833.97	98.75	444,396.60	0.77%	Aaa / AA+	1.88
	1.875% Due 11/17/2020		1.96%	449,266.82	2.56%	1,031.25	(4,870.22)	AAA	1.83
3135G0F73	FNMA Note	1,225,000.00	12/16/2015	1,201,847.50	98.02	1,200,725.40	2.07%	Aaa / AA+	1.92
	1.5% Due 11/30/2020		1.90%	1,216,058.79	2.57%	1,582.29	(15,333.39)	AAA	1.87
3130A7CV5	FHLB Note	1,070,000.00	02/17/2016	1,065,677.20	97.68	1,045,129.99	1.81%	Aaa / AA+	2.14
	1.375% Due 2/18/2021		1.46%	1,068,156.84	2.50%	5,435.45	(23,026.85)	AAA	2.07
3135G0J20	FNMA Note	1,275,000.00	Various	1,269,953.70	97.56	1,243,933.35	2.15%	Aaa / AA+	2.16
	1.375% Due 2/26/2021		1.46%	1,272,761.24	2.54%	6,087.24	(28,827.89)	AAA	2.09
3135G0K69	FNMA Note	400,000.00	05/27/2016	395,724.00	97.10	388,411.60	0.67%	Aaa / AA+	2.35
	1.25% Due 5/6/2021		1.48%	397,967.65	2.53%	763.89	(9,556.05)	AAA	2.29
3135G0U35	FNMA Note	500,000.00	06/28/2018	500,740.00	100.56	502,805.50	0.86%	Aaa / AA+	2.48
	2.75% Due 6/22/2021		2.70%	500,613.61	2.51%	343.75	2,191.89	AAA	2.38
3130A8QS5	FHLB Note	1,285,000.00	10/04/2016	1,273,126.60	96.58	1,241,006.74	2.14%	Aaa / AA+	2.54
	1.125% Due 7/14/2021		1.33%	1,278,695.24	2.53%	6,706.09	(37,688.50)	AAA	2.46
3137EAEC9	FHLMC Note	1,250,000.00	08/30/2016	1,237,737.50	96.58	1,207,258.75	2.08%	Aaa / AA+	2.62
	1.125% Due 8/12/2021		1.33%	1,243,526.05	2.48%	5,429.69	(36,267.30)	AAA	2.54
3135G0N82	FNMA Note	1,285,000.00	Various	1,282,305.71	96.84	1,244,363.16	2.15%	Aaa / AA+	2.63
	1.25% Due 8/17/2021		1.29%	1,283,548.74	2.50%	5,978.82	(39,185.58)	AAA	2.55
3130AF5B9	FHLB Note	1,350,000.00	11/29/2018	1,353,402.00	101.28	1,367,220.60	2.37%	Aaa / AA+	2.78
	3% Due 10/12/2021		2.91%	1,353,298.02	2.52%	8,887.50	13,922.58	NR	2.64
3135G0S38	FNMA Note	1,350,000.00	04/25/2017	1,354,927.50	98.52	1,330,024.05	2.31%	Aaa / AA+	3.02
	2% Due 1/5/2022		1.92%	1,353,162.34	2.51%	13,200.00	(23,138.29)	AAA	2.87
3135G0T45	FNMA Note	1,315,000.00	06/19/2017	1,314,801.44	97.99	1,288,535.63	2.23%	Aaa / AA+	3.26
	1.875% Due 4/5/2022		1.88%	1,314,864.98	2.52%	5,890.10	(26,329.35)	AAA	3.12
3130A3KM5	FHLB Note	775,000.00	08/28/2018	764,808.75	99.35	769,947.00	1.33%	Aaa / AA+	3.94
	2.5% Due 12/9/2022		2.83%	765,623.79	2.68%	1,184.03	4,323.21	NR	3.72
3135G0T94	FNMA Note	1,000,000.00	03/14/2018	984,140.00	99.25	992,516.00	1.72%	Aaa / AA+	4.05
	2.375% Due 1/19/2023		2.73%	986,747.49	2.57%	10,687.50	5,768.51	AAA	3.79
3137EAEN5	FHLMC Note	1,200,000.00	07/20/2018	1,193,976.00	100.58	1,207,011.60	2.08%	Aaa / AA+	4.47
	2.75% Due 6/19/2023		2.86%	1,194,520.58	2.61%	1,100.00	12,491.02	AAA	4.18

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									
313383YJ4	FHLB Note 3.375% Due 9/8/2023	1,200,000.00	10/29/2018 3.08%	1,215,756.00 1,215,205.03	103.00 2.69%	1,236,018.00 12,712.50	2.15% 20,812.97	Aaa / AA+ NR	4.69 4.28
3130A0F70	FHLB Note 3.375% Due 12/8/2023	225,000.00	12/28/2018 2.77%	231,246.00 231,242.54	103.05 2.71%	231,873.53 485.16	0.40% 630.99	Aaa / AA+ AAA	4.94 4.52
Total Agency		**20,435,000.00**	**1.97%**	**20,365,174.29** **20,403,654.25**	**2.55%**	**20,176,852.88** **97,978.31**	**34.85%** **(226,801.37)**	**Aaa / AA+** **AAA**	**2.75** **2.62**
MONEY MARKET FUND FI									
316175884	Fidelity Institutional Money Market Fund 696	35,049.27	Various 1.99%	35,049.27 35,049.27	1.00 1.99%	35,049.27 0.00	0.06% 0.00	Aaa / AAA NR	0.00 0.00
Total Money Market Fund FI		**35,049.27**	**1.99%**	**35,049.27** **35,049.27**	**1.99%**	**35,049.27** **0.00**	**0.06%** **0.00**	**Aaa / AAA** **NR**	**0.00** **0.00**
SUPRANATIONAL									
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 1,063,885.92	98.72 2.59%	1,051,343.51 2,355.57	1.81% (12,542.41)	Aaa / AAA AAA	1.36 1.33
45950KCM0	International Finance Corp Note 2.25% Due 1/25/2021	410,000.00	01/18/2018 2.35%	408,794.60 409,169.64	99.34 2.58%	407,309.17 3,997.50	0.71% (1,860.47)	Aaa / AAA NR	2.07 1.99
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 1,274,044.11	98.56 2.62%	1,256,662.95 12,267.45	2.18% (17,381.16)	Aaa / NR AAA	3.05 2.90
4581X0CZ9	Inter-American Dev Bank Note 1.75% Due 9/14/2022	800,000.00	Various 2.40%	777,732.00 781,959.02	96.81 2.66%	774,507.20 4,161.12	1.34% (7,451.82)	NR / NR AAA	3.71 3.53
Total Supranational		**3,550,000.00**	**2.09%**	**3,522,434.30** **3,529,058.69**	**2.61%**	**3,489,822.83** **22,781.64**	**6.04%** **(39,235.86)**	**Aaa / AAA** **AAA**	**2.58** **2.46**
US CORPORATE									
36962G7G3	General Electric Capital Corp Note 2.3% Due 1/14/2019	800,000.00	Various 2.27%	800,569.30 800,008.51	99.96 3.35%	799,687.21 8,535.55	1.39% (321.30)	Baa1 / BBB+ BBB+	0.04 0.04
17275RAR3	Cisco Systems Note 2.125% Due 3/1/2019	440,000.00	Various 2.04%	441,755.73 440,056.87	99.86 2.95%	439,380.91 3,116.65	0.76% (675.96)	A1 / AA- NR	0.16 0.17

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
US CORPORATE									
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	700,000.00	Various 2.08%	703,858.75 700,185.39	99.78 2.89%	698,468.40 2,823.33	1.21% (1,716.99)	A1 / A+ AA-	0.32 0.31
40434CAC9	HSBC USA Inc Note 2.25% Due 6/23/2019	800,000.00	06/20/2017 1.99%	804,088.00 800,968.80	99.60 3.10%	796,803.20 400.00	1.37% (4,165.60)	A2 / A AA-	0.48 0.47
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	705,000.00	Various 2.29%	705,272.60 705,032.39	99.48 3.06%	701,335.41 4,954.59	1.21% (3,696.98)	A1 / A AA-	0.70 0.68
94974BGF1	Wells Fargo Corp Note 2.15% Due 1/30/2020	735,000.00	01/26/2015 2.17%	734,204.40 734,828.05	98.91 3.18%	727,006.88 6,628.27	1.26% (7,821.17)	A2 / A- A+	1.08 1.05
22160KAG0	Costco Wholesale Corp Note 1.75% Due 2/15/2020	465,000.00	02/05/2015 1.77%	464,511.75 464,890.25	98.96 2.69%	460,175.63 3,074.17	0.80% (4,714.62)	Aa3 / A+ A+	1.13 1.09
747525AD5	Qualcomm Inc Note 2.25% Due 5/20/2020	750,000.00	06/11/2015 2.49%	741,693.75 747,669.63	98.61 3.28%	739,575.00 1,921.88	1.27% (8,094.63)	A2 / A- NR	1.39 1.35
437076BQ4	Home Depot Note 1.8% Due 6/5/2020	330,000.00	05/24/2017 1.82%	329,808.60 329,909.02	98.57 2.83%	325,278.03 429.00	0.56% (4,630.99)	A2 / A A	1.43 1.39
594918BG8	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	325,000.00	10/29/2015 2.02%	324,740.00 324,904.37	98.89 2.62%	321,380.80 1,047.22	0.55% (3,523.57)	Aaa / AAA AA+	1.84 1.79
00440EAT4	Chubb INA Holdings Inc Callable Note Cont 10/3/2020 2.3% Due 11/3/2020	800,000.00	02/06/2017 2.16%	803,768.00 801,813.28	98.57 3.10%	788,559.20 2,964.44	1.36% (13,254.08)	A3 / A A	1.84 1.78
78012KKU0	Royal Bank of Canada Note 2.5% Due 1/19/2021	700,000.00	01/24/2018 2.64%	697,130.00 698,026.05	98.85 3.08%	691,975.20 7,875.00	1.20% (6,050.85)	Aa2 / AA- AA	2.05 1.96
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	875,000.00	Various 1.97%	884,992.10 879,518.47	98.56 2.91%	862,401.75 6,480.83	1.49% (17,116.72)	Aaa / AA+ NR	2.17 2.08
24422ESL4	John Deere Capital Corp Note 2.8% Due 3/4/2021	315,000.00	05/24/2017 2.12%	322,663.95 319,423.23	99.43 3.07%	313,195.37 2,866.50	0.54% (6,227.86)	A2 / A A	2.18 2.07
369550BE7	General Dynamics Corp Note 3% Due 5/11/2021	410,000.00	05/08/2018 3.24%	407,150.50 407,761.48	100.08 2.96%	410,331.69 1,708.33	0.71% 2,570.21	A2 / A+ NR	2.36 2.26
857477AV5	State Street Bank Note 1.95% Due 5/19/2021	440,000.00	05/16/2016 1.96%	439,771.20 439,891.11	97.19 3.18%	427,646.56 1,001.00	0.74% (12,244.55)	A1 / A AA-	2.38 2.30
594918BP8	Microsoft Callable Note Cont 7/8/21 1.55% Due 8/8/2021	590,000.00	Various 1.57%	589,298.90 589,635.24	97.15 2.69%	573,165.53 3,632.60	0.99% (16,469.71)	Aaa / AAA AA+	2.61 2.51

Holdings Report

As of December 31, 2018

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									
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	804,000.00	11/29/2016 2.40%	785,998.44 793,825.21	97.02 3.05%	780,046.43 4,497.93	1.35% (13,778.78)	A1 / AA- A	2.71 2.59
89236TDP7	Toyota Motor Credit Corp Note 2.6% Due 1/11/2022	450,000.00	05/16/2018 3.34%	438,612.75 440,559.00	98.41 3.16%	442,837.80 5,525.00	0.77% 2,278.80	Aa3 / AA- A+	3.03 2.85
91159HHP8	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	390,000.00	01/19/2017 2.66%	389,329.20 389,588.92	98.48 3.15%	384,073.95 4,464.69	0.67% (5,514.97)	A1 / A+ AA-	3.07 2.88
674599CK9	Occidental Petroleum Callable Note Cont 3/15/2022 2.6% Due 4/15/2022	700,000.00	06/18/2018 3.27%	683,298.00 685,632.69	97.54 3.39%	682,763.90 3,842.22	1.18% (2,868.79)	A3 / A A	3.29 3.10
69353RFE3	PNC Bank Callable Note Cont 6/28/2022 2.45% Due 7/28/2022	890,000.00	07/25/2017 2.45%	889,919.90 889,942.80	96.85 3.39%	862,003.27 9,267.13	1.50% (27,939.53)	A2 / A A+	3.58 3.35
44932HAC7	IBM Credit Corp Note 2.2% Due 9/8/2022	700,000.00	11/29/2017 2.58%	688,156.00 690,848.44	95.28 3.58%	666,948.10 4,833.89	1.15% (23,900.34)	A1 / A A	3.69 3.47
48128BAB7	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 1/15/2023	625,000.00	02/09/2018 3.19%	618,968.75 620,049.47	97.50 3.64%	609,361.88 8,565.14	1.06% (10,687.59)	A2 / A- AA-	4.04 3.48
24422ETG4	John Deere Capital Corp Note 2.8% Due 3/6/2023	450,000.00	06/13/2018 3.44%	437,485.50 438,936.46	97.77 3.38%	439,972.20 4,025.00	0.76% 1,035.74	A2 / A A	4.18 3.87
037833AK6	Apple Inc Note 2.4% Due 5/3/2023	535,000.00	11/28/2018 3.54%	510,277.65 510,767.50	96.69 3.22%	517,308.09 2,068.67	0.89% 6,540.59	Aa1 / AA+ NR	4.34 4.06
02665WCJ8	American Honda Finance Note 3.45% Due 7/14/2023	225,000.00	07/11/2018 3.49%	224,610.75 224,646.82	100.03 3.44%	225,064.13 3,557.81	0.39% 417.31	A2 / A+ NR	4.54 4.10
69371RP59	Paccar Financial Corp Note 3.4% Due 8/9/2023	560,000.00	08/06/2018 3.41%	559,770.40 559,788.63	100.75 3.22%	564,181.52 7,510.22	0.98% 4,392.89	A1 / A+ NR	4.61 4.18
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	550,000.00	10/03/2018 3.64%	549,549.00 549,569.50	100.71 3.46%	553,897.85 4,485.94	0.96% 4,328.35	A2 / A+ NR	4.78 4.32
Total US Corporate		**17,059,000.00**	**2.51%**	**16,971,253.87** **16,978,677.58**	**3.15%**	**16,804,825.89** **122,103.00**	**29.10%** **(173,851.69)**	**A1 / A+** **A+**	**2.31** **2.16**
US TREASURY									
912828L32	US Treasury Note 1.375% Due 8/31/2020	1,250,000.00	09/29/2015 1.37%	1,250,394.81 1,250,133.58	98.11 2.54%	1,226,416.25 5,839.95	2.12% (23,717.33)	Aaa / AA+ AAA	1.67 1.62

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									
912828L99	US Treasury Note 1.375% Due 10/31/2020	800,000.00	11/23/2015 1.71%	787,471.43 795,351.30	97.97 2.52%	783,750.40 1,883.98	1.35% (11,600.90)	Aaa / AA+ AAA	1.84 1.79
912828N89	US Treasury Note 1.375% Due 1/31/2021	1,300,000.00	03/09/2016 1.40%	1,298,734.82 1,299,461.22	97.71 2.51%	1,270,191.00 7,480.30	2.20% (29,270.22)	Aaa / AA+ AAA	2.09 2.02
912828B90	US Treasury Note 2% Due 2/28/2021	1,250,000.00	04/26/2016 1.40%	1,285,111.61 1,265,678.02	98.96 2.50%	1,237,011.25 8,494.48	2.14% (28,666.77)	Aaa / AA+ AAA	2.16 2.09
912828Q37	US Treasury Note 1.25% Due 3/31/2021	800,000.00	12/13/2016 1.81%	781,471.43 790,310.31	97.34 2.47%	778,750.40 2,554.95	1.34% (11,559.91)	Aaa / AA+ AAA	2.25 2.19
912828T34	US Treasury Note 1.125% Due 9/30/2021	1,300,000.00	11/09/2016 1.48%	1,278,016.07 1,287,647.13	96.45 2.47%	1,253,839.60 3,736.61	2.16% (33,807.53)	Aaa / AA+ AAA	2.75 2.67
912828F96	US Treasury Note 2% Due 10/31/2021	1,025,000.00	01/27/2017 1.94%	1,027,686.05 1,026,600.79	98.71 2.47%	1,011,826.70 3,511.05	1.75% (14,774.09)	Aaa / AA+ AAA	2.84 2.72
912828J43	US Treasury Note 1.75% Due 2/28/2022	1,360,000.00	03/13/2017 2.14%	1,335,407.68 1,344,329.36	97.82 2.47%	1,330,356.08 8,086.74	2.30% (13,973.28)	Aaa / AA+ AAA	3.16 3.03
912828XG0	US Treasury Note 2.125% Due 6/30/2022	1,100,000.00	08/15/2017 1.82%	1,115,601.34 1,111,196.46	98.81 2.48%	1,086,937.50 64.57	1.87% (24,258.96)	Aaa / AA+ AAA	3.50 3.35
912828L24	US Treasury Note 1.875% Due 8/31/2022	1,000,000.00	09/26/2017 1.87%	1,000,433.04 1,000,322.07	97.86 2.49%	978,594.00 6,370.86	1.69% (21,728.07)	Aaa / AA+ AAA	3.67 3.49
912828L57	US Treasury Note 1.75% Due 9/30/2022	1,240,000.00	10/17/2017 1.99%	1,226,243.75 1,229,591.51	97.36 2.49%	1,207,256.56 5,544.23	2.08% (22,334.95)	Aaa / AA+ AAA	3.75 3.58
912828N30	US Treasury Note 2.125% Due 12/31/2022	1,150,000.00	01/25/2018 2.46%	1,132,121.09 1,135,498.22	98.59 2.50%	1,133,782.70 67.51	1.95% (1,715.52)	Aaa / AA+ AAA	4.00 3.81
Total US Treasury		**13,575,000.00**	**1.77%**	**13,518,693.12** **13,536,119.97**	**2.49%**	**13,298,712.44** **53,635.23**	**22.95%** **(237,407.53)**	**Aaa / AA+** **AAA**	**2.82** **2.71**
TOTAL PORTFOLIO		**58,743,365.64**	**2.13%**	**58,481,067.83** **58,554,480.12**	**2.75%**	**57,871,456.36** **300,226.36**	**100.00%** **(683,023.76)**	**Aa1 / AA** **AAA**	**2.65** **2.39**
TOTAL MARKET VALUE PLUS ACCRUED						**58,171,682.72**			

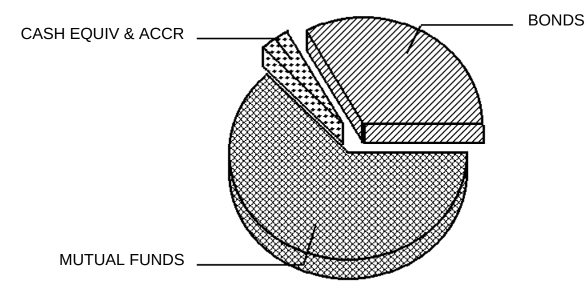
Book Value Report

As of December 31, 2018

MIG	Book Value	12 Months or Less	13 to 24 Months	25 to 60 Months	Total Holdings
ABS	$4,071,920.36	$1,199,210.78	$2,872,709.58	$0.00	$4,071,920.36
Agency	$20,403,654.25	$0.00	$4,943,720.11	$15,459,934.14	$20,403,654.25
Money Market Fund FI	$35,049.27	$35,049.27	$0.00	$0.00	$35,049.27
Supranational	$3,529,058.69	$0.00	$1,063,885.92	$2,465,172.77	$3,529,058.69
US Corporate	$16,978,677.58	$3,446,251.96	$3,404,014.60	$10,128,411.02	$16,978,677.58
US Treasury	$13,536,119.97	$0.00	$2,045,484.88	$11,490,635.09	$13,536,119.97
TOTAL	**$58,554,480.12**	**$4,680,512.01**	**$14,329,815.09**	**$39,544,153.02**	**$58,554,480.12**

ASSET SUMMARY

ASSETS	12/31/2018 MARKET	12/31/2018 BOOK VALUE	% OF MARKET
Cash And Equivalents	185,041.45	185,041.45	2.67
Corporate Issues	2,335,913.50	2,507,287.25	33.79
Mutual Funds-Equity	4,215,969.19	4,215,002.25	60.99
Mutual Funds-Fixed Income	148,991.54	149,845.15	2.16
Total Assets	**6,885,915.68**	**7,057,176.10**	**99.61**
Accrued Income	27,180.83	27,180.83	0.39
Grand Total	**6,913,096.51**	**7,084,356.93**	**100.00**
Estimated Annual Income	**167,799.07**		



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	260,595.220	260,595.22 1.0000	260,595.22	.00 .00	436.82	2.29
Total Money Markets	**260,595.220**	**260,595.22**	**260,595.22**	**.00** **.00**	**436.82**	**2.28**
Cash						
Cash		385.01	385.01			
Pending Cash		- 75,938.78	- 75,938.78			
Total Cash	**.000**	**- 75,553.77**	**- 75,553.77**	**.00** **.00**	**.00**	**0.00**
Total Cash And Equivalents	**260,595.220**	**185,041.45**	**185,041.45**	**.00** **.00**	**436.82**	**3.21**
Corporate Issues						
Apple Inc 2.850% 2/23/23 Standard & Poors Rating: AA+ Moodys Rating: Aa1 037833BU3 Asset Minor Code 28	150,000.000	148,161.00 98.7740	158,403.00	- 10,242.00 1,969.50	1,520.00	2.89
Bank Ny Mellon Mtn 5.450% 5/15/19 Standard & Poors Rating: A Moodys Rating: A1 06406HBM0 Asset Minor Code 28	200,000.000	201,834.00 100.9170	223,052.00	- 21,218.00 - 328.00	1,392.78	5.40

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	200,346.00 100.1730	207,884.00	- 7,538.00 1,552.00	1,885.00	2.89
Gen Elec Cap Crp Mtn 6.000% 8/07/19 Standard & Poors Rating: BBB+ Moodys Rating: Baa1 36962G4D3 Asset Minor Code 28	175,000.000	176,884.75 101.0770	200,947.25	- 24,062.50 - 92.75	4,200.00	5.94
Gen Elec Cap Crp Mtn 5.500% 1/08/20 Standard & Poors Rating: BBB+ Moodys Rating: Baa1 36962G4J0 Asset Minor Code 28	200,000.000	202,356.00 101.1780	228,930.00	- 26,574.00 804.00	5,286.11	5.44
General Elec Cap Mtn 3.100% 1/09/23 Standard & Poors Rating: BBB+ Moodys Rating: Baa1 36962G6S8 Asset Minor Code 28	100,000.000	93,311.00 93.3110	106,031.00	- 12,720.00 2,430.00	1,481.11	3.32
Intercontinental 3.750% 12/01/25 Standard & Poors Rating: A Moodys Rating: A2 45866FAD6 Asset Minor Code 28	100,000.000	100,727.00 100.7270	104,231.00	- 3,504.00 1,235.00	312.50	3.72
Jp Morgan Chase Co 2.700% 5/18/23 Standard & Poors Rating: A- Moodys Rating: A2 46625HRL6 Asset Minor Code 28	75,000.000	72,039.75 96.0530	74,970.75	- 2,931.00 478.50	241.88	2.81
Kimberly Clark Corp 2.750% 2/15/26 Standard & Poors Rating: A Moodys Rating: A2 494368BU6 Asset Minor Code 28	100,000.000	95,418.00 95.4180	103,111.00	- 7,693.00 1,870.00	1,038.89	2.88

ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Medtronic Inc 3.125% 3/15/22 Standard & Poors Rating: A Moodys Rating: A3 585055AX4 Asset Minor Code 28	200,000.000	199,236.00 99.6180	208,046.00	- 8,810.00 1,992.00	1,840.28	3.14
Mondelez Int 4.000% 2/01/24 Standard & Poors Rating: BBB Moodys Rating: Baa1 609207AB1 Asset Minor Code 28	100,000.000	101,448.00 101.4480	109,303.00	- 7,855.00 1,922.00	1,666.67	3.94
Nike Inc 2.375% 11/01/26 Standard & Poors Rating: AA- Moodys Rating: A1 654106AF0 Asset Minor Code 28	100,000.000	91,602.00 91.6020	94,613.00	- 3,011.00 1,256.00	395.83	2.59
Pepsico Inc 2.750% 4/30/25 Standard & Poors Rating: A+ Moodys Rating: A1 713448CT3 Asset Minor Code 28	75,000.000	71,969.25 95.9590	73,932.75	- 1,963.50 966.75	349.48	2.87
Suntrust Banks Inc 2.700% 1/27/22 Standard & Poors Rating: BBB+ Moodys Rating: Baa1 867914BM4 Asset Minor Code 28	75,000.000	73,146.75 97.5290	75,130.50	- 1,983.75 644.25	866.25	2.77
Verizon 5.150% 9/15/23 Standard & Poors Rating: BBB+ Moodys Rating: Baa1 92343VBR4 Asset Minor Code 28	200,000.000	212,872.00 106.4360	230,048.00	- 17,176.00 1,404.00	3,032.78	4.84
Visa Inc 2.200% 12/14/20 Standard & Poors Rating: AA- Moodys Rating: A1 92826CAB8 Asset Minor Code 28	200,000.000	197,828.00 98.9140	204,764.00	- 6,936.00 1,460.00	207.78	2.22

ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Wells Fargo Mtn 3.300% 9/09/24 Standard & Poors Rating: A- Moodys Rating: A2 94974BGA2 Asset Minor Code 28	100,000.000	96,734.00 96.7340	103,890.00	- 7,156.00 953.00	1,026.67	3.41
Xto Energy Inc 6.500% 12/15/18 Standard & Poors Rating: N/R Moodys Rating: WR 98385XAT3 Asset Minor Code 28	.000	.00 100.0000	.00	.00 24,624.00	.00	0.00
Total Corporate Issues	**2,350,000.000**	**2,335,913.50**	**2,507,287.25**	**- 171,373.75** **45,140.25**	**26,744.01**	**3.80**

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 Fund 19766M709 Asset Minor Code 98	15,959.314	349,030.20 21.8700	347,309.80	1,720.40 - 64,010.30	.00	1.49
Dfa Large Cap Intl Port. 233203868 Asset Minor Code 98	11,038.944	220,668.49 19.9900	229,737.90	- 9,069.41 - 14,148.82	.00	3.07
Dodge & Cox International Stock Fund 256206103 Asset Minor Code 98	4,317.367	159,354.02 36.9100	158,247.69	1,106.33 - 15,674.17	.00	2.93
Dodge & Cox Stock Fund 256219106 Asset Minor Code 98	3,231.601	558,452.97 172.8100	572,204.83	- 13,751.86 - 98,339.75	.00	1.68
Harbor Capital Appreciaton Cl R 411512528 Asset Minor Code 98	3,457.365	214,080.04 61.9200	207,962.02	6,118.02 - 38,631.10	.00	0.33

ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Hartford Schroders Emerging Markets 41665H797 Asset Minor Code 98	19,844.956	275,646.44 13.8900	240,529.95	35,116.49 - 16,109.57	.00	1.38
Ishares Russell Mid Cap Etf 464287499 Asset Minor Code 94	7,290.000	338,839.20 46.4800	320,180.15	18,659.05 - 37,592.00	.00	1.98
Mfs International Growth R6 552746356 Asset Minor Code 98	5,405.241	159,941.08 29.5900	145,028.93	14,912.15 - 13,380.10	.00	1.37
Price T Rowe Growth Stk Fd Inc 741479406 Asset Minor Code 98	3,744.891	214,020.52 57.1500	203,363.62	10,656.90 - 35,740.59	.00	0.37
T Rowe Price New Horizons Fund I 779562206 Asset Minor Code 98	6,469.103	312,198.91 48.2600	289,549.41	22,649.50 - 68,170.48	.00	0.00
Undiscovered Mgrs Behavioral Value 904504479 Asset Minor Code 98	7,407.204	396,507.63 53.5300	454,413.58	- 57,905.95 - 95,586.50	.00	1.68
Vanguard Growth & Income Adm Shs#593 921913208 Asset Minor Code 98	13,346.130	910,072.60 68.1900	930,098.21	- 20,025.61 - 145,648.35	.00	1.91
Vanguard Real Estate Etf 922908553 Asset Minor Code 94	1,437.000	107,157.09 74.5700	116,376.16	- 9,219.07 - 10,358.81	.00	4.74
Total Mutual Funds-Equity	**102,949.116**	**4,215,969.19**	**4,215,002.25**	**966.94** **- 653,390.54**	**.00**	**1.64**
Mutual Funds-Fixed Income						
Vanguard Short Term Invt Grade #539 922031836 Asset Minor Code 99	14,271.220	148,991.54 10.4400	149,845.15	- 853.61 713.56	.00	2.78

ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Total Mutual Funds-Fixed Income	**14,271.220**	**148,991.54**	**149,845.15**	**- 853.61**	**.00**	**2.77**
				713.56		
Total Mutual Funds	**117,220.336**	**4,364,960.73**	**4,364,847.40**	**113.33**	**.00**	**1.68**
				- 652,676.98		
Total Assets	**2,727,815.556**	**6,885,915.68**	**7,057,176.10**	**- 171,260.42**	**27,180.83**	**2.44**
				- 607,536.73		
Accrued Income	**.000**	**27,180.83**	**27,180.83**			
Grand Total	**2,727,815.556**	**6,913,096.51**	**7,084,356.93**			

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.

Portfolio Summary

As of December 31, 2018

PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.45
Average Coupon	1.76%
Average Purchase YTM	1.83%
Average Market YTM	2.50%
Average S&P/Moody Rating	AA+/Aaa
Average Final Maturity	2.56 yrs
Average Life	2.56 yrs

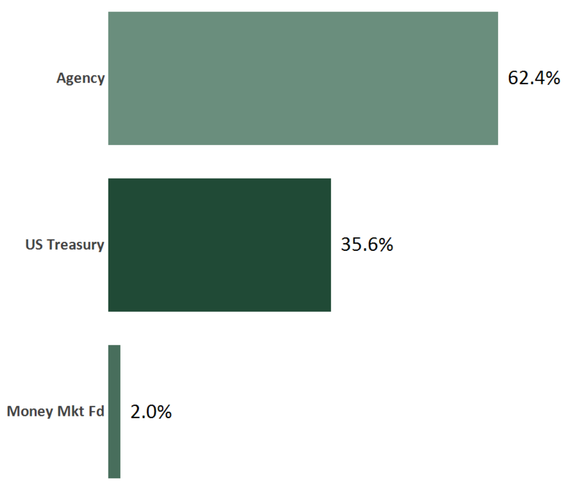
ACCOUNT SUMMARY

	Beg. Values as of 11/30/18	End Values as of 12/31/18
Market Value	449,986	455,042
Accrued Interest	1,999	1,896
Total Market Value	**451,985**	**456,938**
Income Earned	708	718
Cont/WD		0
Par	461,138	461,930
Book Value	460,097	460,918
Cost Value	459,583	460,375

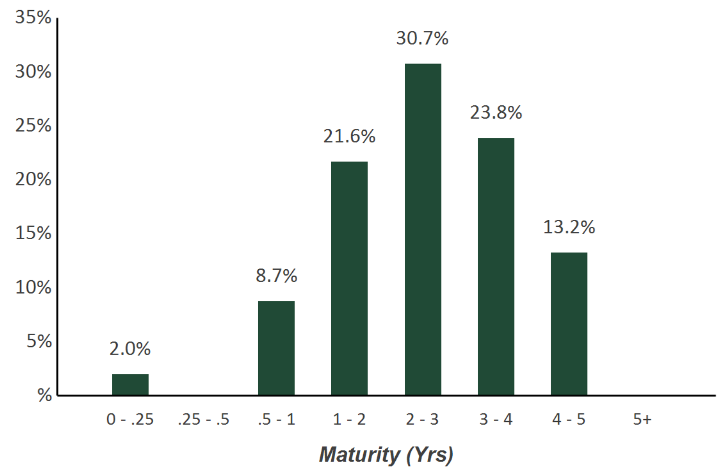
TOP ISSUERS

Government of United States	35.6%
Federal National Mortgage Assoc	30.9%
Federal Home Loan Bank	16.2%
Federal Home Loan Mortgage Corp	15.3%
AIM STIT-Treasury Portfolio	2.0%
Total	**100.0%**

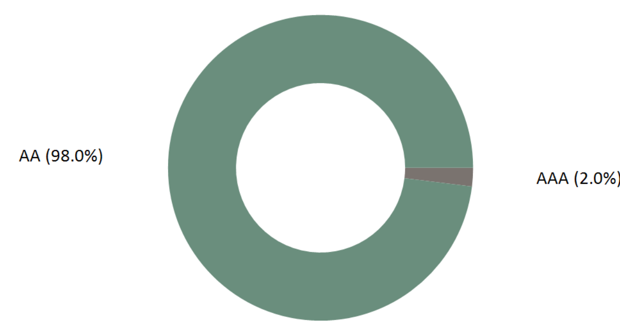
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	*Annualized* 2YRS	3YRS	5YRS	10YRS	11/30/2009
Brea 05 CFD 97-1 Spec Tax Reserve Fund	1.10%	1.70%	1.43%	1.43%	1.12%	1.22%	1.44%	N/A	1.92%
ICE BAML 3-Month US Treasury Bill Index	0.18%	0.56%	1.87%	1.87%	1.36%	1.02%	0.63%	N/A	0.39%

Reconciliation Summary

As of December 31, 2018

ATTACHMENT A

BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		**$460,097.45**
Acquisition		
+ Security Purchases	$0.00	
+ Money Market Fund Purchases	$792.09	
+ Money Market Contributions	$0.00	
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		**$792.09**
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	$28.28	
		$28.28
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	$0.00	
		$0.00
ENDING BOOK VALUE		**$460,917.82**

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		**$8,138.10**
Acquisition		
Contributions	$0.00	
Security Sale Proceeds	$0.00	
Accrued Interest Received	$0.00	
Interest Received	$780.83	
Dividend Received	$11.26	
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	**$792.09**	
Dispositions		
Withdrawals	$0.00	
Security Purchase	$0.00	
Accrued Interest Paid	$0.00	
Total Dispositions	**$0.00**	
ENDING BOOK VALUE		**$8,930.19**

Holdings Report

As of December 31, 2018

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									
3137EADM8	FHLMC Note 1.25% Due 10/2/2019	40,000.00	03/25/2015 1.40%	39,735.60 39,956.12	98.97 2.64%	39,586.68 123.61	8.69% (369.44)	Aaa / AA+ AAA	0.75 0.74
313383HU8	FHLB Note 1.75% Due 6/12/2020	40,000.00	06/26/2015 1.87%	39,779.20 39,935.59	98.85 2.57%	39,538.56 36.94	8.66% (397.03)	Aaa / AA+ NR	1.45 1.42
3130A7CV5	FHLB Note 1.375% Due 2/18/2021	35,000.00	03/11/2016 1.64%	34,566.00 34,812.38	97.68 2.50%	34,186.50 177.80	7.52% (625.88)	Aaa / AA+ AAA	2.14 2.07
3135G0Q89	FNMA Note 1.375% Due 10/7/2021	43,000.00	10/27/2016 1.50%	42,738.13 42,853.47	96.99 2.51%	41,707.29 137.96	9.16% (1,146.18)	Aaa / AA+ AAA	2.77 2.68
3135G0S38	FNMA Note 2% Due 1/5/2022	40,000.00	04/24/2017 1.92%	40,142.40 40,091.34	98.52 2.51%	39,408.12 391.11	8.71% (683.22)	Aaa / AA+ AAA	3.02 2.87
3135G0T78	FNMA Note 2% Due 10/5/2022	30,000.00	01/09/2018 2.36%	29,518.50 29,617.64	98.11 2.53%	29,432.88 143.33	6.47% (184.76)	Aaa / AA+ AAA	3.76 3.58
3135G0T94	FNMA Note 2.375% Due 1/19/2023	30,000.00	06/13/2018 2.91%	29,319.90 29,401.27	99.25 2.57%	29,775.48 320.63	6.59% 374.21	Aaa / AA+ AAA	4.05 3.79
3137EAEN5	FHLMC Note 2.75% Due 6/19/2023	30,000.00	09/14/2018 2.97%	29,707.20 29,725.08	100.58 2.61%	30,175.29 27.50	6.61% 450.21	Aaa / AA+ AAA	4.47 4.18
Total Agency		**288,000.00**	**2.00%**	**285,506.93** **286,392.89**	**2.55%**	**283,810.80** **1,358.88**	**62.41%** **(2,582.09)**	**Aaa / AA+** **AAA**	**2.68** **2.56**
MONEY MARKET FUND FI									
825252109	Invesco Treasury MMFD Private Class	8,930.19	Various 0.60%	8,930.19 8,930.19	1.00 0.60%	8,930.19 0.00	1.95% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		**8,930.19**	**0.60%**	**8,930.19** **8,930.19**	**0.60%**	**8,930.19** **0.00**	**1.95%** **0.00**	**Aaa / AAA** **AAA**	**0.00** **0.00**
US TREASURY									
912828UV0	US Treasury Note 1.125% Due 3/31/2020	30,000.00	05/07/2015 1.57%	29,379.01 29,842.06	98.26 2.55%	29,478.51 86.23	6.47% (363.55)	Aaa / AA+ AAA	1.25 1.22
912828WC0	US Treasury Note 1.75% Due 10/31/2020	30,000.00	11/04/2015 1.63%	30,166.51 30,061.14	98.63 2.52%	29,589.84 89.92	6.50% (471.30)	Aaa / AA+ AAA	1.84 1.78
912828WN6	US Treasury Note 2% Due 5/31/2021	30,000.00	07/11/2016 1.01%	31,406.35 30,694.50	98.89 2.48%	29,667.18 52.75	6.50% (1,027.32)	Aaa / AA+ AAA	2.42 2.34

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									
912828G53	US Treasury Note 1.875% Due 11/30/2021	35,000.00	01/18/2017 1.89%	34,974.14 34,984.51	98.36 2.46%	34,425.79 57.69	7.55% (558.72)	Aaa / AA+ AAA	2.92 2.81
912828J43	US Treasury Note 1.75% Due 2/28/2022	10,000.00	04/24/2017 1.84%	9,960.58 9,974.28	97.82 2.47%	9,782.03 59.46	2.15% (192.25)	Aaa / AA+ AAA	3.16 3.03
912828L24	US Treasury Note 1.875% Due 8/31/2022	30,000.00	09/18/2017 1.84%	30,051.66 30,038.25	97.86 2.49%	29,357.82 191.13	6.47% (680.43)	Aaa / AA+ AAA	3.67 3.49
Total US Treasury		**165,000.00**	**1.61%**	**165,938.25** **165,594.74**	**2.50%**	**162,301.17** **537.18**	**35.64%** **(3,293.57)**	**Aaa / AA+** **AAA**	**2.48** **2.39**
TOTAL PORTFOLIO		**461,930.19**	**1.83%**	**460,375.37** **460,917.82**	**2.50%**	**455,042.16** **1,896.06**	**100.00%** **(5,875.66)**	**Aaa / AA+** **AAA**	**2.56** **2.45**
TOTAL MARKET VALUE PLUS ACCRUED						**456,938.22**			

Portfolio Summary

As of December 31, 2018

ATTACHMENT A

PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.17
Average Coupon	1.82%
Average Purchase YTM	1.44%
Average Market YTM	2.47%
Average S&P/Moody Rating	AA+/Aaa
Average Final Maturity	2.26 yrs
Average Life	2.26 yrs

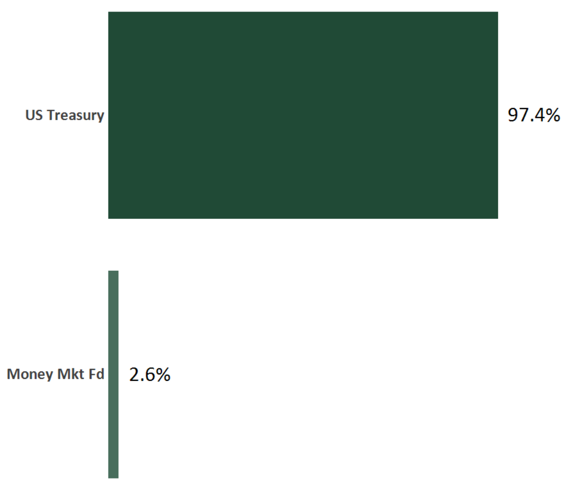
ACCOUNT SUMMARY

	Beg. Values as of 11/30/18	End Values as of 12/31/18
Market Value	1,890,056	1,907,112
Accrued Interest	7,089	8,103
Total Market Value	**1,897,145**	**1,915,214**
Income Earned	2,354	2,435
Cont/WD		0
Par	1,927,710	1,929,736
Book Value	1,942,302	1,943,723
Cost Value	1,958,351	1,960,377

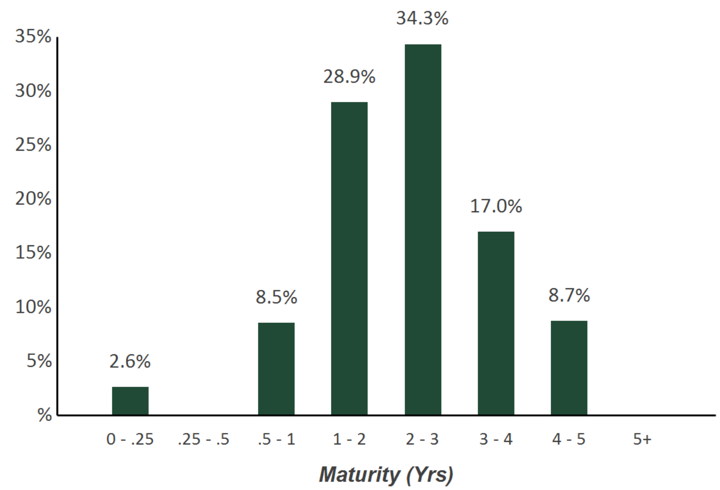
TOP ISSUERS

Government of United States	97.4%
AIM STIT-Treasury Portfolio	2.6%
Total	**100.0%**

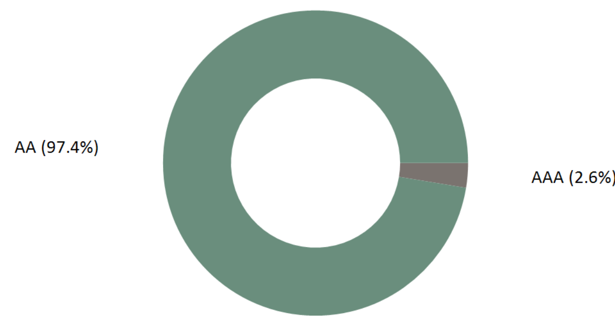
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	*Annualized* 2YRS	3YRS	5YRS	10YRS	6/30/2009
Brea 2009 Water Revenue Bond Reserve Fund	0.95%	1.53%	1.28%	1.28%	1.03%	1.02%	1.34%	N/A	2.19%
ICE BAML 3-Month US Treasury Bill Index	0.18%	0.56%	1.87%	1.87%	1.36%	1.02%	0.63%	N/A	0.38%

Reconciliation Summary

As of December 31, 2018

BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		**$1,942,301.65**
Acquisition		
+ Security Purchases	$0.00	
+ Money Market Fund Purchases	$2,026.51	
+ Money Market Contributions	$0.00	
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		**$2,026.51**
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	($605.31)	
		($605.31)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	$0.00	
		$0.00
ENDING BOOK VALUE		**$1,943,722.85**

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		**$47,709.97**
Acquisition		
Contributions	$0.00	
Security Sale Proceeds	$0.00	
Accrued Interest Received	$0.00	
Interest Received	$1,959.38	
Dividend Received	$67.13	
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	**$2,026.51**	
Dispositions		
Withdrawals	$0.00	
Security Purchase	$0.00	
Accrued Interest Paid	$0.00	
Total Dispositions	**$0.00**	
ENDING BOOK VALUE		**$49,736.48**

Holdings Report

As of December 31, 2018

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	49,736.48	Various 0.60%	49,736.48 49,736.48	1.00 0.60%	49,736.48 0.00	2.60% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		**49,736.48**	**0.60%**	**49,736.48** **49,736.48**	**0.60%**	**49,736.48** **0.00**	**2.60%** **0.00**	**Aaa / AAA** **AAA**	**0.00** **0.00**
US TREASURY									
912828G61	US Treasury Note 1.5% Due 11/30/2019	165,000.00	08/24/2016 0.92%	168,081.41 165,860.83	98.97 2.65%	163,298.52 217.58	8.54% (2,562.31)	Aaa / AA+ AAA	0.92 0.90
912828UQ1	US Treasury Note 1.25% Due 2/29/2020	135,000.00	Various 1.60%	132,834.83 134,471.26	98.46 2.60%	132,922.22 573.38	6.97% (1,549.04)	Aaa / AA+ AAA	1.16 1.14
912828UV0	US Treasury Note 1.125% Due 3/31/2020	100,000.00	05/07/2015 1.57%	97,930.02 99,473.54	98.26 2.55%	98,261.70 287.43	5.15% (1,211.84)	Aaa / AA+ AAA	1.25 1.22
912828XM7	US Treasury Note 1.625% Due 7/31/2020	165,000.00	08/24/2016 1.03%	168,796.84 166,525.61	98.58 2.54%	162,660.30 1,122.04	8.55% (3,865.31)	Aaa / AA+ AAA	1.58 1.54
912828WC0	US Treasury Note 1.75% Due 10/31/2020	160,000.00	Various 1.46%	161,991.55 160,828.82	98.63 2.52%	157,812.48 479.56	8.26% (3,016.34)	Aaa / AA+ AAA	1.84 1.78
912828A83	US Treasury Note 2.375% Due 12/31/2020	165,000.00	08/24/2016 1.08%	174,062.66 169,163.46	99.78 2.49%	164,632.55 10.83	8.60% (4,530.91)	Aaa / AA+ AAA	2.00 1.94
912828B90	US Treasury Note 2% Due 2/28/2021	165,000.00	08/24/2016 1.10%	171,516.76 168,119.98	98.96 2.50%	163,285.49 1,121.27	8.58% (4,834.49)	Aaa / AA+ AAA	2.16 2.09
912828WN6	US Treasury Note 2% Due 5/31/2021	160,000.00	Various 1.04%	167,290.77 163,615.37	98.89 2.48%	158,224.96 281.32	8.28% (5,390.41)	Aaa / AA+ AAA	2.42 2.34
912828F21	US Treasury Note 2.125% Due 9/30/2021	170,000.00	10/27/2016 1.38%	175,983.77 173,338.00	99.05 2.48%	168,386.36 922.97	8.84% (4,951.64)	Aaa / AA+ AAA	2.75 2.64
912828J43	US Treasury Note 1.75% Due 2/28/2022	165,000.00	04/24/2017 1.84%	164,349.58 164,575.70	97.82 2.47%	161,403.50 981.11	8.48% (3,172.20)	Aaa / AA+ AAA	3.16 3.03
912828L24	US Treasury Note 1.875% Due 8/31/2022	165,000.00	09/18/2017 1.84%	165,284.15 165,210.40	97.86 2.49%	161,468.01 1,051.19	8.49% (3,742.39)	Aaa / AA+ AAA	3.67 3.49

Holdings Report

As of December 31, 2018

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									
9128284D9	US Treasury Note 2.5% Due 3/31/2023	165,000.00	06/13/2018 2.84%	162,518.55 162,803.40	100.01 2.50%	165,019.31 1,053.91	8.67% 2,215.91	Aaa / AA+ AAA	4.25 3.98
Total US Treasury		**1,880,000.00**	**1.46%**	**1,910,640.89** **1,893,986.37**	**2.52%**	**1,857,375.40** **8,102.59**	**97.40%** **(36,610.97)**	**Aaa / AA+** **AAA**	**2.32** **2.23**
TOTAL PORTFOLIO		**1,929,736.48**	**1.44%**	**1,960,377.37** **1,943,722.85**	**2.47%**	**1,907,111.88** **8,102.59**	**100.00%** **(36,610.97)**	**Aaa / AA+** **AAA**	**2.26** **2.17**
TOTAL MARKET VALUE PLUS ACCRUED						**1,915,214.47**			

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

Portfolio Summary

As of December 31, 2018

ATTACHMENT A

PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.36
Average Coupon	1.84%
Average Purchase YTM	1.55%
Average Market YTM	2.46%
Average S&P/Moody Rating	AA+/Aaa
Average Final Maturity	2.47 yrs
Average Life	2.47 yrs

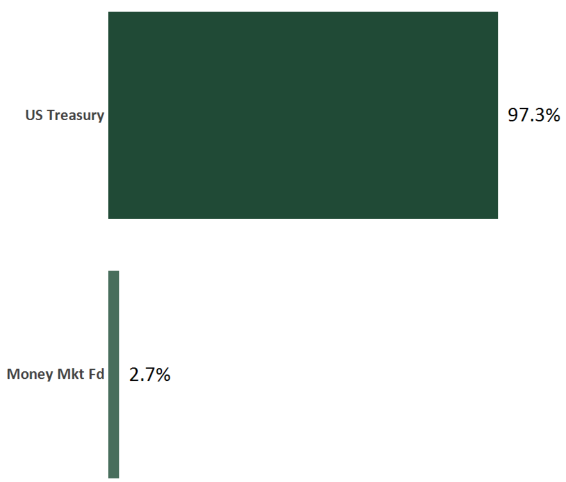
ACCOUNT SUMMARY

	Beg. Values as of 11/30/18	End Values as of 12/31/18
Market Value	1,331,799	1,346,166
Accrued Interest	6,013	5,544
Total Market Value	**1,337,812**	**1,351,709**
Income Earned	1,783	1,844
Cont/WD		0
Par	1,360,168	1,362,806
Book Value	1,368,140	1,370,453
Cost Value	1,376,976	1,379,613

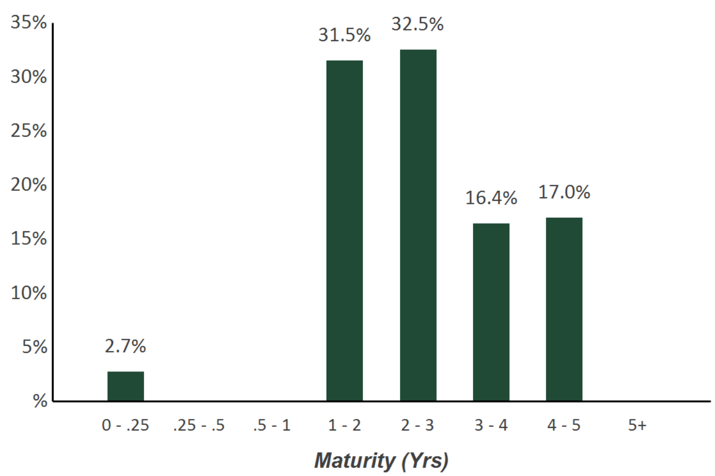
TOP ISSUERS

Government of United States	97.3%
AIM STIT-Treasury Portfolio	2.7%
Total	**100.0%**

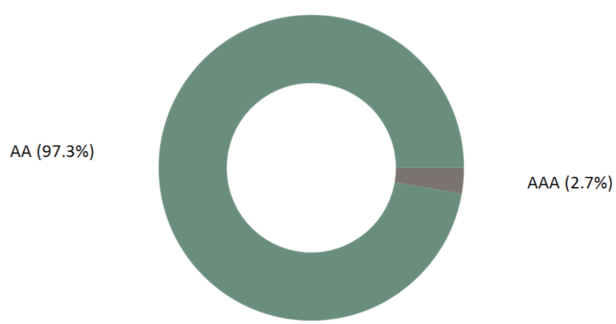
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	*Annualized* 2YRS	3YRS	5YRS	10YRS	5/31/2010
Brea Water Revenue Bonds, Series B, Reserve Accoun	1.04%	1.64%	1.26%	1.26%	1.01%	1.03%	1.34%	N/A	1.82%
ICE BAML 3-Month US Treasury Bill Index	0.18%	0.56%	1.87%	1.87%	1.36%	1.02%	0.63%	N/A	0.41%

Reconciliation Summary

As of December 31, 2018

BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		**$1,368,140.14**
Acquisition		
+ Security Purchases	$0.00	
+ Money Market Fund Purchases	$2,637.12	
+ Money Market Contributions	$0.00	
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		**$2,637.12**
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	($323.93)	
		($323.93)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	$0.00	
		$0.00
ENDING BOOK VALUE		**$1,370,453.33**

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		**$34,168.41**
Acquisition		
Contributions	$0.00	
Security Sale Proceeds	$0.00	
Accrued Interest Received	$0.00	
Interest Received	$2,587.51	
Dividend Received	$49.61	
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	**$2,637.12**	
Dispositions		
Withdrawals	$0.00	
Security Purchase	$0.00	
Accrued Interest Paid	$0.00	
Total Dispositions	**$0.00**	
ENDING BOOK VALUE		**$36,805.53**

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	36,805.53	Various 0.60%	36,805.53 36,805.53	1.00 0.60%	36,805.53 0.00	2.72% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		**36,805.53**	**0.60%**	**36,805.53** **36,805.53**	**0.60%**	**36,805.53** **0.00**	**2.72%** **0.00**	**Aaa / AAA** **AAA**	**0.00** **0.00**
US TREASURY									
912828UQ1	US Treasury Note 1.25% Due 2/29/2020	112,000.00	Various 1.40%	111,138.03 111,807.78	98.46 2.60%	110,276.22 475.69	8.19% (1,531.56)	Aaa / AA+ AAA	1.16 1.14
912828UV0	US Treasury Note 1.125% Due 3/31/2020	115,000.00	Various 1.47%	113,111.52 114,528.73	98.26 2.55%	113,000.97 330.54	8.38% (1,527.76)	Aaa / AA+ AAA	1.25 1.22
912828XM7	US Treasury Note 1.625% Due 7/31/2020	115,000.00	08/24/2016 1.03%	117,646.28 116,063.30	98.58 2.54%	113,369.30 782.03	8.44% (2,694.00)	Aaa / AA+ AAA	1.58 1.54
912828WC0	US Treasury Note 1.75% Due 10/31/2020	88,000.00	11/04/2015 1.63%	88,488.42 88,179.34	98.63 2.52%	86,796.86 263.76	6.44% (1,382.48)	Aaa / AA+ AAA	1.84 1.78
912828A83	US Treasury Note 2.375% Due 12/31/2020	115,000.00	08/24/2016 1.08%	121,316.40 117,901.81	99.78 2.49%	114,743.90 7.54	8.49% (3,157.91)	Aaa / AA+ AAA	2.00 1.94
912828B90	US Treasury Note 2% Due 2/28/2021	115,000.00	08/24/2016 1.10%	119,541.99 117,174.53	98.96 2.50%	113,805.04 781.49	8.48% (3,369.49)	Aaa / AA+ AAA	2.16 2.09
912828WN6	US Treasury Note 2% Due 5/31/2021	101,000.00	Various 1.03%	105,664.79 103,308.61	98.89 2.48%	99,879.51 177.58	7.40% (3,429.10)	Aaa / AA+ AAA	2.42 2.34
912828F21	US Treasury Note 2.125% Due 9/30/2021	110,000.00	10/27/2016 1.38%	113,871.85 112,159.88	99.05 2.48%	108,955.88 597.22	8.10% (3,204.00)	Aaa / AA+ AAA	2.75 2.64
912828J43	US Treasury Note 1.75% Due 2/28/2022	110,000.00	04/24/2017 1.84%	109,566.38 109,717.13	97.82 2.47%	107,602.33 654.07	8.01% (2,114.80)	Aaa / AA+ AAA	3.16 3.03
912828L24	US Treasury Note 1.875% Due 8/31/2022	115,000.00	09/18/2017 1.84%	115,198.04 115,146.64	97.86 2.49%	112,538.31 732.65	8.38% (2,608.33)	Aaa / AA+ AAA	3.67 3.49
912828N30	US Treasury Note 2.125% Due 12/31/2022	115,000.00	01/09/2018 2.31%	113,993.75 114,191.01	98.59 2.50%	113,378.27 6.75	8.39% (812.74)	Aaa / AA+ AAA	4.00 3.81

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

Holdings Report

As of December 31, 2018

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									
9128284D9	US Treasury Note 2.5% Due 3/31/2023	115,000.00	06/13/2018 2.84%	113,270.51 113,469.04	100.01 2.50%	115,013.46 734.55	8.56% 1,544.42	Aaa / AA+ AAA	4.25 3.98
Total US Treasury		**1,326,000.00**	**1.58%**	**1,342,807.96** **1,333,647.80**	**2.51%**	**1,309,360.05** **5,543.87**	**97.28%** **(24,287.75)**	**Aaa / AA+** **AAA**	**2.54** **2.43**
TOTAL PORTFOLIO		**1,362,805.53**	**1.55%**	**1,379,613.49** **1,370,453.33**	**2.46%**	**1,346,165.58** **5,543.87**	**100.00%** **(24,287.75)**	**Aaa / AA+** **AAA**	**2.47** **2.36**
TOTAL MARKET VALUE PLUS ACCRUED						**1,351,709.45**			

Portfolio Summary

As of December 31, 2018

PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.40
Average Coupon	1.86%
Average Purchase YTM	1.56%
Average Market YTM	2.46%
Average S&P/Moody Rating	AA+/Aaa
Average Final Maturity	2.50 yrs
Average Life	2.50 yrs

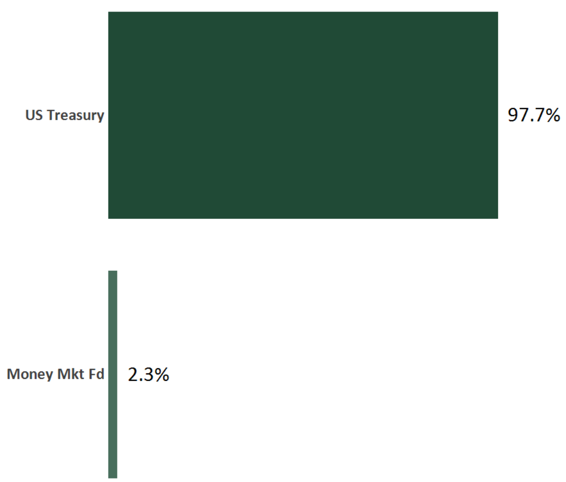
ACCOUNT SUMMARY

	Beg. Values as of 11/30/18	End Values as of 12/31/18
Market Value	258,967	261,765
Accrued Interest	1,159	1,102
Total Market Value	**260,126**	**262,867**
Income Earned	347	359
Cont/WD		0
Par	264,531	265,013
Book Value	266,209	266,625
Cost Value	267,984	268,466

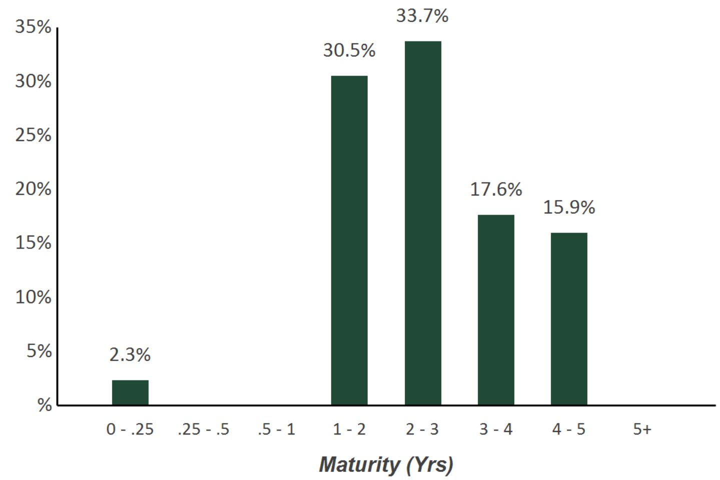
TOP ISSUERS

Government of United States	97.7%
AIM STIT-Treasury Portfolio	2.3%
Total	**100.0%**

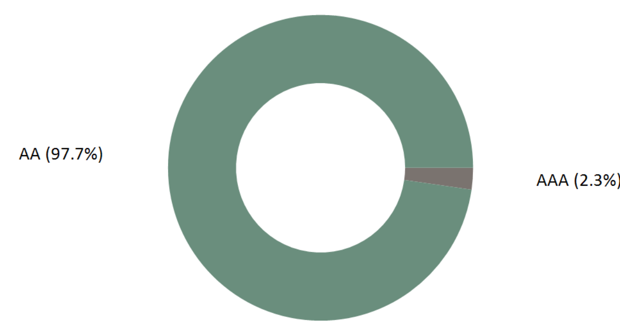
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	*Annualized* 2YRS	3YRS	5YRS	10YRS	5/31/2010
Brea Lease Revenue Bonds, Reserve Account	1.05%	1.66%	1.26%	1.26%	1.01%	1.02%	1.34%	N/A	1.83%
ICE BAML 3-Month US Treasury Bill Index	0.18%	0.56%	1.87%	1.87%	1.36%	1.02%	0.63%	N/A	0.41%

Reconciliation Summary

As of December 31, 2018

ATTACHMENT A

BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		**$266,209.40**
Acquisition		
+ Security Purchases	$0.00	
+ Money Market Fund Purchases	$481.75	
+ Money Market Contributions	$0.00	
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		**$481.75**
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	($66.18)	
		($66.18)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	$0.00	
		$0.00
ENDING BOOK VALUE		**$266,624.97**

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		**$5,530.88**
Acquisition		
Contributions	$0.00	
Security Sale Proceeds	$0.00	
Accrued Interest Received	$0.00	
Interest Received	$473.75	
Dividend Received	$8.00	
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	**$481.75**	
Dispositions		
Withdrawals	$0.00	
Security Purchase	$0.00	
Accrued Interest Paid	$0.00	
Total Dispositions	**$0.00**	
ENDING BOOK VALUE		**$6,012.63**

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	6,012.63	Various 0.60%	6,012.63 6,012.63	1.00 0.60%	6,012.63 0.00	2.29% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		**6,012.63**	**0.60%**	**6,012.63 6,012.63**	**0.60%**	**6,012.63 0.00**	**2.29% 0.00**	**Aaa / AAA AAA**	**0.00 0.00**
US TREASURY									
912828UQ1	US Treasury Note 1.25% Due 2/29/2020	20,000.00	Various 1.59%	19,688.54 19,924.15	98.46 2.60%	19,692.19 84.95	7.52% (231.96)	Aaa / AA+ AAA	1.16 1.14
912828UV0	US Treasury Note 1.125% Due 3/31/2020	17,000.00	05/07/2015 1.57%	16,648.10 16,910.50	98.26 2.55%	16,704.49 48.86	6.37% (206.01)	Aaa / AA+ AAA	1.25 1.22
912828XM7	US Treasury Note 1.625% Due 7/31/2020	22,000.00	08/24/2016 1.03%	22,506.25 22,203.42	98.58 2.54%	21,688.04 149.61	8.31% (515.38)	Aaa / AA+ AAA	1.58 1.54
912828WC0	US Treasury Note 1.75% Due 10/31/2020	22,000.00	Various 1.45%	22,276.59 22,115.22	98.63 2.52%	21,699.22 65.94	8.28% (416.00)	Aaa / AA+ AAA	1.84 1.78
912828A83	US Treasury Note 2.375% Due 12/31/2020	22,000.00	08/24/2016 1.08%	23,208.35 22,555.13	99.78 2.49%	21,951.01 1.44	8.35% (604.12)	Aaa / AA+ AAA	2.00 1.94
912828B90	US Treasury Note 2% Due 2/28/2021	22,000.00	08/24/2016 1.10%	22,868.90 22,416.00	98.96 2.50%	21,771.40 149.50	8.34% (644.60)	Aaa / AA+ AAA	2.16 2.09
912828WN6	US Treasury Note 2% Due 5/31/2021	20,000.00	07/11/2016 1.01%	20,937.57 20,463.00	98.89 2.48%	19,778.12 35.16	7.54% (684.88)	Aaa / AA+ AAA	2.42 2.34
912828F21	US Treasury Note 2.125% Due 9/30/2021	25,000.00	10/27/2016 1.38%	25,879.97 25,490.88	99.05 2.48%	24,762.70 135.73	9.47% (728.18)	Aaa / AA+ AAA	2.75 2.64
912828J43	US Treasury Note 1.75% Due 2/28/2022	24,000.00	04/24/2017 1.84%	23,905.39 23,938.28	97.82 2.47%	23,476.87 142.71	8.99% (461.41)	Aaa / AA+ AAA	3.16 3.03
912828L24	US Treasury Note 1.875% Due 8/31/2022	23,000.00	09/18/2017 1.84%	23,039.61 23,029.33	97.86 2.49%	22,507.66 146.53	8.62% (521.67)	Aaa / AA+ AAA	3.67 3.49
912828N30	US Treasury Note 2.125% Due 12/31/2022	20,000.00	01/09/2018 2.31%	19,825.00 19,859.31	98.59 2.50%	19,717.96 1.17	7.50% (141.35)	Aaa / AA+ AAA	4.00 3.81

Holdings Report

As of December 31, 2018

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									
9128284D9	US Treasury Note 2.5% Due 3/31/2023	22,000.00	06/13/2018 2.84%	21,669.14 21,707.12	100.01 2.50%	22,002.57 140.52	8.42% 295.45	Aaa / AA+ AAA	4.25 3.98
Total US Treasury		**259,000.00**	**1.58%**	**262,453.41** **260,612.34**	**2.51%**	**255,752.23** **1,102.12**	**97.71%** **(4,860.11)**	**Aaa / AA+** **AAA**	**2.56** **2.45**
TOTAL PORTFOLIO		**265,012.63**	**1.56%**	**268,466.04** **266,624.97**	**2.46%**	**261,764.86** **1,102.12**	**100.00%** **(4,860.11)**	**Aaa / AA+** **AAA**	**2.50** **2.40**
TOTAL MARKET VALUE PLUS ACCRUED						**262,866.98**			

Portfolio Summary

As of December 31, 2018

PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.63
Average Coupon	1.91%
Average Purchase YTM	2.63%
Average Market YTM	2.43%
Average S&P/Moody Rating	AA+/Aaa
Average Final Maturity	2.76 yrs
Average Life	2.76 yrs

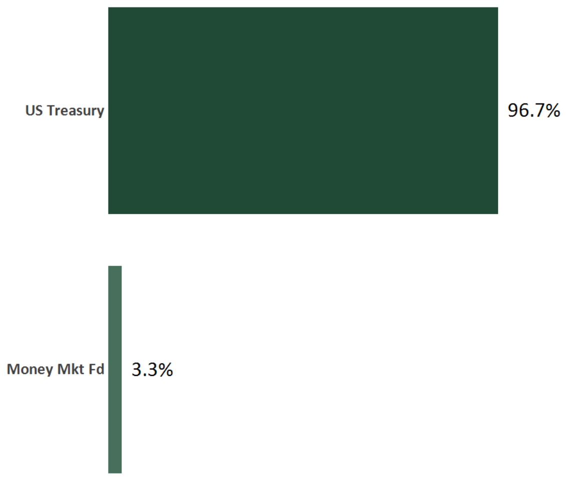
ACCOUNT SUMMARY

	Beg. Values as of 11/30/18	End Values as of 12/31/18
Market Value	666,462	674,453
Accrued Interest	3,184	2,978
Total Market Value	**669,646**	**677,431**
Income Earned	1,487	1,536
Cont/WD		0
Par	681,050	682,393
Book Value	668,368	670,110
Cost Value	666,213	667,556

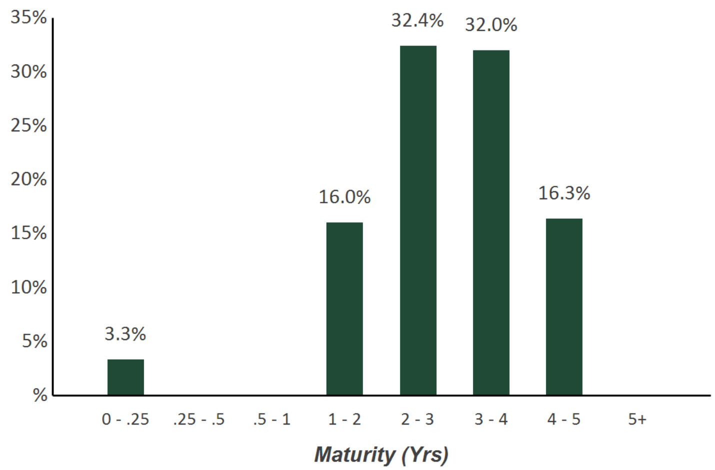
TOP ISSUERS

Government of United States	96.7%
AIM STIT-Treasury Portfolio	3.3%
Total	**100.0%**

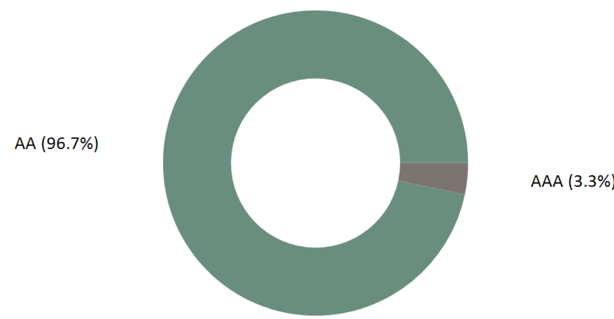
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	2YRS (Annualized)	3YRS (Annualized)	5YRS (Annualized)	10YRS (Annualized)	6/30/2018 (Annualized)
Brea CFD 2008 2 17 Reserve Fund	1.16%	1.81%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ICE BAML 3-5 Yr US Treasury/Agency Index	1.59%	2.37%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Reconciliation Summary

As of December 31, 2018

BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		**$668,368.03**
Acquisition		
+ Security Purchases	$0.00	
+ Money Market Fund Purchases	$1,342.92	
+ Money Market Contributions	$0.00	
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		**$1,342.92**
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	$398.55	
		$398.55
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	$0.00	
		$0.00
ENDING BOOK VALUE		**$670,109.50**

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		**$21,050.42**
Acquisition		
Contributions	$0.00	
Security Sale Proceeds	$0.00	
Accrued Interest Received	$0.00	
Interest Received	$1,306.25	
Dividend Received	$36.67	
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	**$1,342.92**	
Dispositions		
Withdrawals	$0.00	
Security Purchase	$0.00	
Accrued Interest Paid	$0.00	
Total Dispositions	**$0.00**	
ENDING BOOK VALUE		**$22,393.34**

Holdings Report

As of December 31, 2018

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	22,393.34	Various 0.60%	22,393.34 22,393.34	1.00 0.60%	22,393.34 0.00	3.31% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		**22,393.34**	**0.60%**	**22,393.34 22,393.34**	**0.60%**	**22,393.34 0.00**	**3.31% 0.00**	**Aaa / AAA AAA**	**0.00 0.00**
US TREASURY									
912828UV0	US Treasury Note 1.125% Due 3/31/2020	110,000.00	06/13/2018 2.57%	107,232.81 108,080.68	98.26 2.55%	108,087.87 316.17	16.00% 7.19	Aaa / AA+ AAA	1.25 1.22
912828A83	US Treasury Note 2.375% Due 12/31/2020	110,000.00	06/28/2018 2.58%	109,467.19 109,575.38	99.78 2.49%	109,755.03 7.22	16.20% 179.65	Aaa / AA+ AAA	2.00 1.94
912828F21	US Treasury Note 2.125% Due 9/30/2021	110,000.00	06/28/2018 2.64%	108,242.58 108,517.50	99.05 2.48%	108,955.88 597.22	16.17% 438.38	Aaa / AA+ AAA	2.75 2.64
912828J43	US Treasury Note 1.75% Due 2/28/2022	110,000.00	06/13/2018 2.79%	105,986.72 106,582.05	97.82 2.47%	107,602.33 654.07	15.98% 1,020.28	Aaa / AA+ AAA	3.16 3.03
912828L24	US Treasury Note 1.875% Due 8/31/2022	110,000.00	06/13/2018 2.82%	105,887.89 106,424.95	97.86 2.49%	107,645.34 700.79	15.99% 1,220.39	Aaa / AA+ AAA	3.67 3.49
9128284D9	US Treasury Note 2.5% Due 3/31/2023	110,000.00	06/13/2018 2.84%	108,345.70 108,535.60	100.01 2.50%	110,012.87 702.61	16.34% 1,477.27	Aaa / AA+ AAA	4.25 3.98
Total US Treasury		**660,000.00**	**2.70%**	**645,162.89 647,716.16**	**2.50%**	**652,059.32 2,978.08**	**96.69% 4,343.16**	**Aaa / AA+ AAA**	**2.85 2.72**
TOTAL PORTFOLIO		**682,393.34**	**2.63%**	**667,556.23 670,109.50**	**2.43%**	**674,452.66 2,978.08**	**100.00% 4,343.16**	**Aaa / AA+ AAA**	**2.76 2.63**
TOTAL MARKET VALUE PLUS ACCRUED						**677,430.74**			

Agenda Item 6.

City of Brea

INVESTMENT ADVISORY COMMITTEE COMMUNICATION

TO: Honorable Chair and Committee Members

FROM: Bill Gallardo, City Manager

DATE: 01/28/2019

SUBJECT: Monthly Report of Investments for the Successor Agency to the Brea Redevelopment Agency for Period Ending December 31, 2018

RECOMMENDATION

Receive and file.

BACKGROUND/DISCUSSION

The Monthly Report of Investments is in accordance with Government Code Section 53607 and contains information on the investment activities for the month of December 2018. Funds received by the Successor Agency are typically spent within three to six 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, 2018, the market value, including accrued interest on the Successor Agency's Local Agency Investment Fund (LAIF), was $366,231.63 in comparison to $365,522.74 at November 30, 2018. 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, 2018, the market value of these funds, including short-term cash and accrued interest was $177,313.89 as compared to $177,045.88 as of November 30, 2018.

FISCAL IMPACT/SUMMARY

During the month of December, the total value of the Successor Agency to the Brea Redevelopment Agency's investment portfolio decreased by $708.89 due to changes in market value. The total value of the restricted cash and investments increased by $268.01 primarily due to market rate adjustments.

RESPECTFULLY SUBMITTED

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

Attachments

Attachment A

Successor Agency to the Brea Redevelopment Agency

Cash and Investment Information

December 31, 2018

			Cost Value	Market Value*
Demand and Interest-Bearing Checking Accounts		Citizen's Bank	**$ 95,700.69**	**$ 95,700.69**
Local Agency Investment Fund		LAIF	**$ 364,068.16**	**$ 366,231.63**
Fiscal Agent Cash & Investments				
2004	Brea Public Financing Authority Lease Revenue Bond	Chandler/BNY	$ 23,290.87	$ 23,290.87
2010	Brea Public Financing Authority Lease Revenue Bond	Chandler/BNY	$ 66,919.73	$ 66,919.73
2013	Tax Allocation Bonds	Chandler/BNY	$ 62,823.28	$ 62,823.28
2016	Tax Allocation Refunding Bonds, Series A & B	Chandler/BNY	$ 11,370.11	$ 11,370.11
2017	Tax Allocation Refunding Bonds, Series A & B	Chandler/BNY	$ 12,909.90	$ 12,909.90
	Sub-total - Fiscal Agent Cash & Investments		**$ 177,313.89**	**$ 177,313.89**
Grand Total			**$ 637,082.74**	**$ 639,246.21**

* Includes accrued interest on invested funds

Successor Agency to the Brea Redevelopment Agency
Cash and Investment Information
December 31, 2018

Fiscal Agent Cash & Investments Detail	Cost Value	Market Value
2004 Brea Public Financing Authority Lease Revenue Bond **- CHANDLER**	$ -	$ -
Short-Term Treasury Funds - **BNY**	$ 23,290.87	$ 23,290.87
Sub-total	**$ 23,290.87**	**$ 23,290.87**
2010 Brea Public Financing Authority Lease Revenue Bond **- CHANDLER**	$ -	$ -
Short-Term Treasury Funds - **BNY**	$ 66,919.73	$ 66,919.73
Sub-total	**$ 66,919.73**	**$ 66,919.73**
2013 Tax Allocation Bonds - **CHANDLER**	$ -	$ -
Short-Term Treasury Funds - **BNY**	$ 62,823.28	$ 62,823.28
Sub-total	**$ 62,823.28**	**$ 62,823.28**
2016 Tax Allocation Refunding Bonds, Series A & B - **CHANDLER**	$ -	$ -
Short-Term Treasury Funds - **BNY**	$ 11,370.11	$ 11,370.11
Sub-total	**$ 11,370.11**	**$ 11,370.11**
2017 Tax Allocation Refunding Bonds, Series A & B - **CHANDLER**	$ -	$ -
Short-Term Treasury Funds - **BNY**	$ 12,909.90	$ 12,909.90
Sub-total	**$ 12,909.90**	**$ 12,909.90**
Report Grand Total	**$ 177,313.89**	**$ 177,313.89**

Portfolio Summary

As of December 31, 2018

ATTACHMENT A

PORTFOLIO CHARACTERISTICS

Average Modified Duration	0.00
Average Coupon	2.31%
Average Purchase YTM	2.31%
Average Market YTM	2.31%
Average S&P/Moody Rating	NR/NR
Average Final Maturity	0.00 yrs
Average Life	0.00 yrs

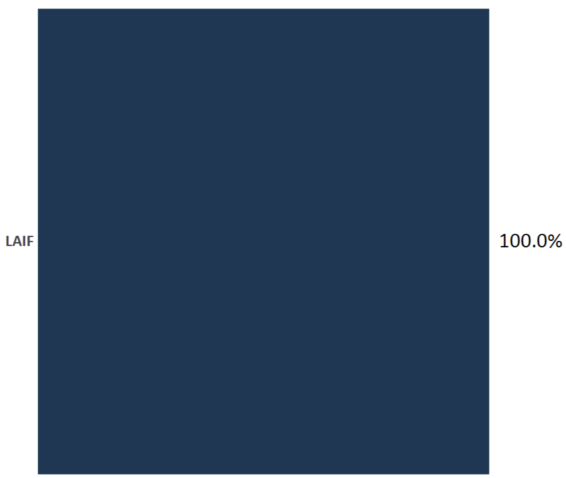
ACCOUNT SUMMARY

	Beg. Values as of 11/30/18	End Values as of 12/31/18
Market Value	364,068	364,068
Accrued Interest	1,455	2,163
Total Market Value	**365,523**	**366,232**
Income Earned	662	709
Cont/WD		0
Par	364,068	364,068
Book Value	364,068	364,068
Cost Value	364,068	364,068

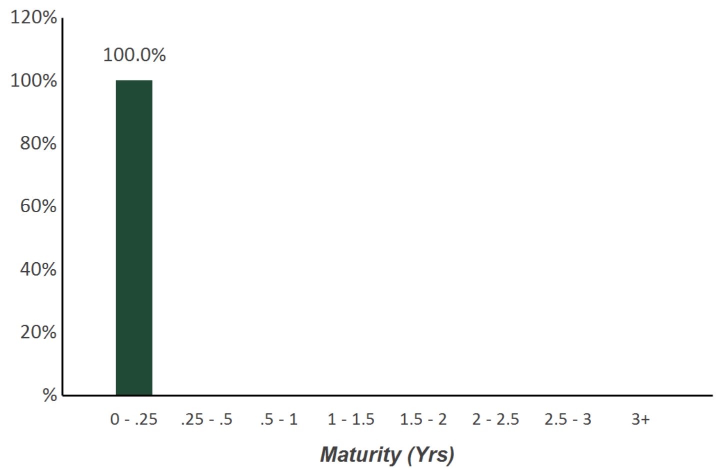
TOP ISSUERS

Local Agency Investment Fund	100.0%
Total	**100.0%**

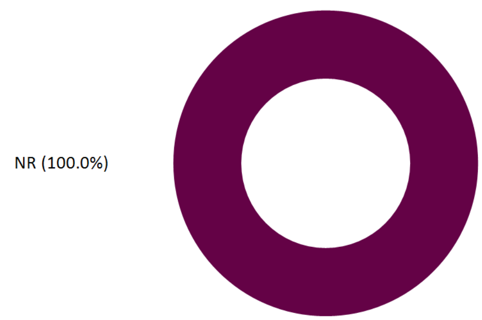
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



Holdings Report

As of December 31, 2018

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	364,068.16	Various 2.31%	364,068.16 364,068.16	1.00 2.31%	364,068.16 2,163.47	100.00% 0.00	NR / NR NR	0.00 0.00
Total LAIF		**364,068.16**	**2.31%**	**364,068.16 364,068.16**	**2.31%**	**364,068.16 2,163.47**	**100.00% 0.00**	**NR / NR NR**	**0.00 0.00**
TOTAL PORTFOLIO		**364,068.16**	**2.31%**	**364,068.16 364,068.16**	**2.31%**	**364,068.16 2,163.47**	**100.00% 0.00**	**NR / NR NR**	**0.00 0.00**
TOTAL MARKET VALUE PLUS ACCRUED						**366,231.63**			