C-13

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-6465 • Fax (562) 570 -5836

November 7, 2017

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and file the Investment Report for Quarter Ending September 30, 2017. (Citywide)

DISCUSSION

The Department of Financial Management, City Treasurer's Office, invests the City's funds in compliance with the California Government Code, Section 53600 et. seq., and the City's Investment Policy. As of September 30, 2017, these funds had a book value of approximately $1.564 billion.

Statutory Compliance

All investment transactions have been executed in conformance with the City's Investment Policy and the California Government Code. The Investment Advisory Committee, composed of the Assistant City Auditor, Deputy City Attorney, City Treasurer, City Controller, Budget Management Bureau staff, and designated representatives from the Harbor and Water Departments, meets quarterly, or as needed, to review investment policies, strategies and performance. All portfolio transactions as of September 30, 2017 are listed in Attachment A.

Investment Strategies

The City's Investment Policy divides the investment portfolio into short-term, intermediate-term, and long-term portfolios. Their respective benchmarks are the Three-Month Treasury Bill, the One-Year Constant Maturity Treasury (CMT) and the BOA Merrill Lynch One-to-Five Year Treasury/Agency.

The short-term portfolio maintains a weighted average maturity of three to six months and provides sufficient liquidity to satisfy the City's short-term cash needs. The intermediate-term portfolio maintains a weighted average maturity of approximately one year and provides for the cash needs with maturities greater than six months. The long-term portfolio maintains a weighted average maturity of one to five years to satisfy the City's longer-term cash needs.

The City's cash management goals are to maintain and preserve the safety of funds in custody and provide adequate liquidity for anticipated expenditure needs. Approximately $572.8 million of the total investment pool, or approximately 36.7 percent of funds, will mature in the next six months, ensuring that sufficient funds are available to meet the City's liquidity needs.

Investment Position and Performance

The following table summarizes the City's investment pool position and performance for the quarter ending September 30, 2017:

INVESTMENT PORTFOLIO POSITION AND PERFORMANCE SUMMARY

	INVESTMENT POSITION As Of September 30, 2017			**INVESTMENT PERFORMANCE[4] July 1, 2017 THRU September 30, 2017**		
Portfolio	Book Value [1]	Market Value [1]	Unrealized Gain/(Loss)[2]	Portfolio Total Return[3]	Benchmark Total Return[3]	Variance From Benchmark[3]
Short-Term	$392,707,068	$391,858,492	($848,576)	0.27 percent	0.26 percent	0.01 percent
Intermediate-Term	$545,653,416	$543,352,360	($2,301,056)	0.30 percent	0.27 percent	0.03 percent
Long-Term	$436,813,852	$434,921,884	($1,891,968)	0.31 percent	0.28 percent	0.03 percent
Total Investments	$1,375,174,335	$1,370,132,736	($5,041,600)	0.29 percent	0.27 percent	0.02 percent
Cash	$188,423,868	$188,423,868				
Total Cash and Investments	**$1,563,598,203**	**$1,558,556,603**				

1 Book value is the initial value/outlay for an investment, while market value represents the value based on current market conditions.

2 Unrealized Gain/(Loss) is the difference between book and market value, it is directly related to the change in interest rates. As interest rates rise, the principal value of fixed income assets falls, causing the unrealized loss to increase, or vice versa. Typically, investments are held to maturity and therefore gains/losses are rarely realized.

3 Total Return is an annualized performance measurement metric that includes income and both realized and unrealized gains/(losses).

4 Investment Performance - Total Investments Total Return numbers are calculated as a weighted average.

Investment portfolio holdings as of September 30, 2017, are included in Attachment B.

This matter was reviewed by Deputy City Attorney Amy R. Webber on October 23, 2017 and by Assistant Finance Director Lea Eriksen on October 13, 2017.

TIMING CONSIDERATIONS

City Council action on this item is not time critical.

FISCAL IMPACT

There is no fiscal or local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

JG:DN
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ATTACHMENTS

APPROVED:

PATRICK H. WEST
CITY MANAGER

INVESTMENT TRADING ACTIVITY
JULY 1, 2017 - SEPTEMBER 30, 2017

ATTACHMENT A

Fund	Inv #	Cusip Number	Issuer	Coupon	Par Value	Trade Date	Maturity Date	Redemption Date
SECURITY PURCHASES								
97	15449	912796LY3	USTR	1.130	10,000,000	7/21/2017	10/19/2017	- -
97	15450	912796LY3	USTR	1.115	5,000	7/21/2017	10/19/2017	- -
97	15451	912828Q45	USTR	0.875	10,000,000	7/24/2017	3/31/2018	- -
97	15452	912828WD8	USTR	1.250	10,000,000	7/24/2017	10/31/2018	- -
97	15453	912828XS4	USTR	1.250	10,000,000	7/24/2017	5/31/2019	- -
97	15454	9128282J8	USTR	1.500	10,000,000	7/24/2017	7/15/2020	- -
97	15456	912828T83	USTR	0.750	20,000,000	7/27/2017	10/31/2018	- -
97	15458	912828QG8	USTR	2.625	20,000,000	7/27/2017	4/30/2018	- -
97	15459	9128282C3	USTR	0.750	10,000,000	7/27/2017	8/31/2018	- -
98	15461	3137EADR7	FHLMC	1.375	9,000,000	7/28/2017	5/1/2020	- -
98	15460	912828M98	USTR	1.625	2,500,000	7/28/2017	11/30/2020	- -
97	15464	912828F54	USTR	0.875	10,000,000	8/16/2017	10/15/2017	- -
97	15466	912796LZ0	USTR	1.050	10,000,000	8/16/2017	10/26/2017	- -
99	15462	912828XA3	USTR	1.000	25,000,000	8/16/2017	5/15/2018	- -
99	15463	912828XK1	USTR	0.875	7,500,000	8/16/2017	7/15/2018	- -
99	15465	912828VK3	USTR	1.375	7,500,000	8/16/2017	6/30/2018	- -
98	15468	313379RB7	FHLB	1.875	5,400,000	8/30/2017	6/11/2021	- -
98	15469	9128282P4	USTR	1.875	9,700,000	9/12/2017	7/31/2022	- -
97	15470	912828Q94	USTR	0.750	40,000,000	9/28/2017	4/30/2018	- -
97	15471	912828UR9	USTR	0.750	10,000,000	9/28/2017	2/28/2018	- -
99	15472	912828XK1	USTR	0.875	20,000,000	9/28/2017	7/15/2018	- -
TOTAL SECURITY PURCHASES					**256,605,000**			

SECURITY MATURITIES								
99	14681	3134G3ZH6	FHLMC	1.000	10,000,000	5/20/2013	7/25/2017	- -
98	14732	3137EADJ5	FHLMC	1.000	10,750,000	9/27/2013	7/28/2017	- -
98	14735	313370SZ2	FHLB	2.250	9,350,000	10/7/2013	9/8/2017	- -
99	15136	3137EADV8	FHLMC	0.750	5,000,000	7/16/2015	7/14/2017	- -
98	15151	3130A62S5	FHLB	0.750	5,000,000	8/17/2015	8/28/2017	- -
99	15163	313380EC7	FHLB	0.750	7,000,000	9/1/2015	9/8/2017	- -
97	15169	3134G7WZ0	FHLMC	0.900	6,500,000	9/15/2015	9/15/2017	- -
99	15184	3134G7MJ7	FHLMC	0.750	10,000,000	9/23/2015	8/25/2017	- -
97	15200	3135G0PP2	FNMA	1.000	7,500,000	10/6/2015	9/20/2017	- -
99	15250	912828D98	USTR	1.000	5,000,000	12/31/2015	9/15/2017	- -
97	15391	3135G0PP2	FNMA	1.000	4,580,000	8/1/2016	9/20/2017	- -
97	15411	912828TS9	USTR	0.625	10,000,000	10/5/2016	9/30/2017	- -
TOTAL SECURITY MATURITIES					**90,680,000**			

SECURITY SALES AND CALLS								
97	8083	LAIFGF	CALIF		14,000,000			8/22/2017
97	8084	LAIFHD	CALIF		14,000,000			8/22/2017
97	8086	LAIFWD	CALIF		14,000,000			8/22/2017
TOTAL SECURITY SALES AND CALLS					**42,000,000**			

INVESTMENT PORTFOLIO HOLDINGS

ATTACHMENT B

AS OF SEPTEMBER 30, 2017

Inv #	Security Description	CUSIP Number	S&P Rating	Coupon Rate	Par Value	Book Value	Market Value	Trade Date	Settlement Date	Maturity Date
SHORT TERM (97)										
8083	CALIF	LAIFGF	A	1.111	49,524,373	49,524,373	49,524,373	- -	- -	- -
8084	CALIF	LAIFHD	A	1.111	49,527,885	49,527,885	49,527,885	- -	- -	- -
8086	CALIF	LAIFWD	A	1.111	49,525,284	49,525,284	49,525,284	- -	- -	- -
15411	USTR	912828TS9	AA+	0.625	10,000,000	10,000,000	10,000,000	10/04/16	10/05/16	09/30/17
15451	USTR	912828Q45	AA+	0.875	10,000,000	10,013,559	9,982,000	07/21/17	07/24/17	03/31/18
15452	USTR	912828WD8	AA+	1.250	10,000,000	10,025,205	9,984,800	07/21/17	07/24/17	10/31/18
15453	USTR	912828XS4	AA+	1.250	10,000,000	10,005,092	9,968,800	07/21/17	07/24/17	05/31/19
15454	USTR	9128282J8	AA+	1.500	10,000,000	10,005,133	9,972,700	07/21/17	07/24/17	07/15/20
15456	USTR	912828T83	AA+	0.750	20,000,000	19,916,415	19,864,000	07/26/17	07/27/17	10/31/18
15458	USTR	912828QG8	AA+	2.625	20,000,000	20,288,777	20,157,000	07/26/17	07/27/17	04/30/18
15459	USTR	9128282C3	AA+	0.750	10,000,000	9,951,909	9,945,300	07/26/17	07/27/17	08/31/18
15464	USTR	912828F54	AA+	0.875	10,000,000	10,028,234	9,999,400	08/15/17	08/16/17	10/15/17
15470	USTR	912828Q94	AA+	0.750	40,000,000	40,014,745	39,884,400	09/27/17	09/28/17	04/30/18
15471	USTR	912828UR9	AA+	0.750	10,000,000	9,989,609	9,981,300	09/27/17	09/28/17	02/28/18
15449	USTR	912796LY3	AA+	1.130	10,000,000	9,994,036	9,995,700	07/20/17	07/21/17	10/19/17
15450	USTR	912796LY3	AA+	1.115	5,000	4,997	4,998	07/20/17	07/21/17	10/19/17
15466	USTR	912796LZ0	AA+	1.050	10,000,000	9,992,417	9,993,800	8/15/2017	8/16/2017	10/26/2017
15192	FFCB	3133EFEY9	AA+	1.090	6,500,000	6,499,560	6,488,170	9/24/2015	9/28/2015	6/28/2018
15193	FFCB	3133EFEY9	AA+	1.090	2,400,000	2,399,838	2,395,632	9/24/2015	9/28/2015	6/28/2018
15282	FHLMC	3134G8M48	AA+	1.050	10,000,000	10,000,000	9,989,100	2/11/2016	2/26/2016	2/26/2018
15366	FHLMC	3134G9UY1	AA+	1.000	7,500,000	7,500,000	7,483,125	6/9/2016	6/29/2016	6/29/2018
15197	FNMA	3136G2PF8	AA+	1.125	15,000,000	15,000,000	14,930,250	10/5/2015	10/29/2015	10/29/2018
15358	FNMA	3136G3SQ9	AA+	1.150	5,000,000	5,000,000	4,962,700	6/6/2016	6/28/2016	6/28/2019
15368	FNMA	3136G3TF2	AA+	1.200	5,000,000	5,000,000	4,946,650	6/13/2016	6/30/2016	12/30/2019
15374	FNMA	3136G3UG8	AA+	1.250	7,500,000	7,500,000	7,403,325	6/22/2016	7/13/2016	4/13/2020
15380	FNMA	3135G0M26	AA+	1.000	5,000,000	5,000,000	4,947,800	7/7/2016	7/26/2016	7/26/2019
TOTAL SHORT TERM				**1.099**	**392,482,542**	**392,707,068**	**391,858,492**			
INTERMEDIATE-TERM (99)										
15236	FFCB	3133EFRQ2	AA+	1.300	5,000,000	4,999,256	4,991,400	11/24/2015	12/3/2015	12/3/2018
15237	FFCB	3133EFRQ2	AA+	1.300	5,000,000	4,999,379	4,991,400	11/24/2015	12/3/2015	12/3/2018
15243	FFCB	3133EFSJ7	AA+	1.300	5,000,000	4,997,910	4,991,600	12/7/2015	12/14/2015	12/14/2018
15318	FFCB	3133EF3B1	AA+	0.750	5,000,000	4,998,145	4,987,150	4/7/2016	4/12/2016	4/18/2018
15335	FFCB	3133EF3T2	AA+	0.850	6,675,000	6,670,345	6,633,548	5/3/2016	5/4/2016	11/19/2018
15119	FHLB	3130A5KF5	AA+	0.950	1,005,000	1,004,988	1,004,910	6/26/2015	6/29/2015	11/28/2017
15141	FHLB	3130A5VA4	AA+	0.950	2,590,000	2,589,890	2,588,912	7/29/2015	7/30/2015	12/27/2017
15142	FHLB	3130A5VT3	AA+	0.900	6,435,000	6,433,145	6,430,689	7/29/2015	7/30/2015	1/30/2018
15146	FHLB	3130A66L6	AA+	1.050	5,000,000	4,998,751	4,991,200	8/4/2015	8/5/2015	7/25/2018
15202	FHLB	3130A6LZ8	AA+	0.625	15,000,000	14,998,852	14,995,950	10/8/2015	10/9/2015	10/26/2017
15204	FHLB	313379EE5	AA+	1.625	10,000,000	10,065,630	10,016,500	10/9/2015	10/13/2015	6/14/2019
15215	FHLB	3130A6LZ8	AA+	0.625	5,000,000	4,999,699	4,998,650	10/28/2015	10/29/2015	10/26/2017
15228	FHLB	3130A6SW8	AA+	1.000	10,000,000	10,000,000	9,998,300	11/19/2015	11/20/2015	12/19/2017

INVESTMENT PORTFOLIO HOLDINGS

ATTACHMENT B

AS OF SEPTEMBER 30, 2017

Inv #	Security Description	CUSIP Number	S&P Rating	Coupon Rate	Par Value	Book Value	Market Value	Trade Date	Settlement Date	Maturity Date
15229	FHLB	3130A6SW8	AA+	1.000	5,000,000	5,000,000	4,999,150	11/19/2015	11/20/2015	12/19/2017
15242	FHLB	3130A6UJ4	AA+	1.250	10,000,000	9,995,504	9,977,800	12/2/2015	12/3/2015	11/30/2018
15252	FHLB	3130A3HF4	AA+	1.125	7,500,000	7,500,294	7,500,750	1/4/2016	1/5/2016	12/8/2017
15262	FHLB	3130A3HF4	AA+	1.125	7,500,000	7,501,720	7,500,750	1/12/2016	1/13/2016	12/8/2017
15285	FHLB	3130A7CX1	AA+	0.875	10,000,000	9,999,302	9,986,200	2/17/2016	2/18/2016	3/19/2018
15353	FHLB	3130A8BD4	AA+	0.875	5,000,000	4,995,690	4,986,050	5/26/2016	5/27/2016	6/29/2018
15354	FHLB	3130A8BD4	AA+	0.875	5,000,000	4,995,690	4,986,050	5/26/2016	5/27/2016	6/29/2018
15357	FHLB	3130A8DB6	AA+	1.125	10,000,000	10,018,658	9,938,200	6/3/2016	6/6/2016	6/21/2019
15360	FHLB	313379DT3	AA+	1.250	7,400,000	7,418,123	7,398,150	6/6/2016	6/7/2016	6/8/2018
15393	FHLB	3130A7SZ9	AA+	0.875	7,500,000	7,504,931	7,466,700	8/1/2016	8/2/2016	8/15/2018
15394	FHLB	3130A8Y72	AA+	0.875	15,000,000	14,982,283	14,822,550	8/3/2016	8/4/2016	8/5/2019
15398	FHLB	3130A9AE1	AA+	0.875	7,500,000	7,497,561	7,467,075	8/25/2016	8/26/2016	10/1/2018
15416	FHLB	3130A6AE7	AA+	1.125	7,225,000	7,236,098	7,205,926	10/11/2016	10/12/2016	9/14/2018
15245	FHLMC	3137EADX4	AA+	1.000	20,000,000	19,997,866	19,996,400	12/10/2015	12/11/2015	12/15/2017
15261	FHLMC	3137EADN6	AA+	0.750	3,800,000	3,797,240	3,795,554	1/12/2016	1/13/2016	1/12/2018
15308	FHLMC	3137EADZ9	AA+	1.125	10,000,000	9,998,341	9,949,200	3/18/2016	3/21/2016	4/15/2019
15384	FHLMC	3134G92H9	AA+	0.850	5,000,000	5,000,336	4,980,400	7/21/2016	7/27/2016	7/27/2018
15102	FNMA	3135G0E33	AA+	1.125	10,000,000	9,995,270	9,980,700	6/4/2015	6/8/2015	7/20/2018
15159	FNMA	3135G0E58	AA+	1.125	8,500,000	8,499,058	8,473,395	8/28/2015	9/1/2015	10/19/2018
15218	FNMA	3135G0G72	AA+	1.125	15,000,000	14,991,347	14,947,950	10/30/2015	11/3/2015	12/14/2018
15219	FNMA	3135G0G72	AA+	1.125	10,000,000	9,996,593	9,965,300	10/30/2015	11/3/2015	12/14/2018
15256	FNMA	3135G0H63	AA+	1.375	15,000,000	14,995,959	14,985,000	1/6/2016	1/8/2016	1/28/2019
15290	FNMA	3135G0J53	AA+	1.000	15,000,000	14,983,460	14,904,450	2/19/2016	2/23/2016	2/26/2019
15291	FNMA	3135G0J53	AA+	1.000	5,000,000	4,995,188	4,968,150	2/19/2016	2/23/2016	2/26/2019
15296	FNMA	3135G0J61	AA+	0.875	10,000,000	9,995,215	9,985,100	3/2/2016	3/4/2016	3/28/2018
15341	FNMA	3135G0K69	AA+	1.250	20,000,000	19,924,412	19,644,600	5/12/2016	5/16/2016	5/6/2021
15413	FNMA	3135G0Q89	AA+	1.375	10,000,000	9,975,185	9,811,300	10/6/2016	10/11/2016	10/7/2021
15421	FNMA	3135G0R39	AA+	1.000	20,000,000	19,963,041	19,769,200	10/21/2016	10/25/2016	10/24/2019
15093	USTR	912828TW0	AA+	0.750	8,000,000	7,999,718	7,998,160	5/21/2015	5/22/2015	10/31/2017
15145	USTR	912828XK1	AA+	0.875	5,000,000	4,995,552	4,983,000	8/4/2015	8/5/2015	7/15/2018
15196	USTR	912828UU2	AA+	0.750	7,500,000	7,500,294	7,482,750	10/5/2015	10/6/2015	3/31/2018
15462	USTR	912828XA3	AA+	1.000	25,000,000	25,033,024	24,963,000	8/15/2017	8/16/2017	5/15/2018

INVESTMENT PORTFOLIO HOLDINGS

ATTACHMENT B

AS OF SEPTEMBER 30, 2017

Inv #	Security Description	CUSIP Number	S&P Rating	Coupon Rate	Par Value	Book Value	Market Value	Trade Date	Settlement Date	Maturity Date
15463	USTR	912828XK1	AA+	0.875	7,500,000	7,485,436	7,474,500	8/15/2017	8/16/2017	7/15/2018
15465	USTR	912828VK3	AA+	1.375	7,500,000	7,521,722	7,504,425	8/15/2017	8/16/2017	6/30/2018
15472	USTR	912828XK1	AA+	0.875	20,000,000	19,968,166	19,932,000	9/27/2017	9/28/2017	7/15/2018
15238	FHLB	313382XA6	AA+	0.750	10,000,000	9,996,570	9,993,800	11/30/2015	12/1/2015	11/22/2017
15303	FHLMC	3134G8S83	AA+	1.500	6,500,000	6,500,000	6,480,305	3/11/2016	3/30/2016	12/30/2019
15325	FHLMC	3134G8YU7	AA+	1.050	12,500,000	12,498,928	12,452,250	4/15/2016	4/26/2016	10/26/2018
15334	FHLMC	3134G9GS0	AA+	1.250	5,000,000	5,000,000	4,967,500	4/28/2016	5/26/2016	8/26/2019
15346	FHLMC	3134G9MA2	AA+	1.125	7,525,000	7,525,000	7,466,907	5/17/2016	5/27/2016	5/24/2019
15385	FHLMC	3134G92D8	AA+	1.150	5,000,000	5,000,000	4,955,850	7/21/2016	7/26/2016	7/26/2019
15211	FNMA	3135G0G23	AA+	1.300	10,000,000	10,000,000	9,957,200	10/21/2015	10/29/2015	4/29/2019
15295	FNMA	3136G0P54	AA+	1.200	4,430,000	4,436,392	4,407,584	2/29/2016	3/1/2016	4/17/2019
15349	FNMA	3136G3QD0	AA+	1.300	10,000,000	10,000,000	9,922,300	5/18/2016	5/26/2016	11/26/2019
15383	FNMA	3135G0M67	AA+	1.000	5,000,000	5,000,000	4,967,750	7/13/2016	7/25/2016	1/25/2019
15387	FNMA	3136G3U37	AA+	1.300	5,700,000	5,700,000	5,635,020	7/27/2016	8/22/2016	5/22/2020
15410	FNMA	3136G4DR1	AA+	1.100	20,000,000	19,982,257	19,795,800	10/4/2016	10/17/2016	10/17/2019
TOTAL INTERMEDIATE-TERM				**1.05**	**545,785,000**	**545,653,416**	**543,352,360**			

INVESTMENT PORTFOLIO HOLDINGS
AS OF SEPTEMBER 30, 2017

ATTACHMENT B

LONG TERM (98)

Inv #	Security Description	CUSIP Number	S&P Rating	Coupon Rate	Par Value	Book Value	Market Value	Trade Date	Settlement Date	Maturity Date
15430	FEDER	VP6000104	AA+	0.000	199,764	199,764	199,764	- -	12/6/2016	- -
14721	FHLB	313378A43	AA+	1.375	4,345,000	4,341,768	4,348,780	8/14/2013	8/15/2013	3/9/2018
14722	FHLB	313378A43	AA+	1.375	5,505,000	5,501,018	5,509,789	8/14/2013	8/15/2013	3/9/2018
15152	FHLB	313383HU8	AA+	1.750	6,000,000	6,000,269	6,009,960	8/14/2015	8/17/2015	6/12/2020
15216	FHLB	3130A6AE7	AA+	1.125	6,000,000	6,009,413	5,984,160	10/28/2015	10/29/2015	9/14/2018
15266	FHLB	313383HU8	AA+	1.750	5,000,000	5,036,320	5,008,300	1/15/2016	1/19/2016	6/12/2020
15286	FHLB	3130A7CV5	AA+	1.375	11,230,000	11,199,300	11,113,994	2/17/2016	2/18/2016	2/18/2021
15307	FHLB	3130A7CV5	AA+	1.375	5,000,000	4,950,757	4,948,350	3/16/2016	3/17/2016	2/18/2021
15390	FHLB	3130A8QS5	AA+	1.125	10,600,000	10,531,547	10,354,822	7/22/2016	7/25/2016	7/14/2021
15443	FHLB	313378CR0	AA+	2.250	5,000,000	5,092,326	5,065,250	6/5/2017	6/6/2017	3/11/2022
15445	FHLB	313378J77	AA+	1.875	4,350,000	4,382,929	4,375,796	6/21/2017	6/22/2017	3/13/2020
15446	FHLB	313379Q69	AA+	2.125	7,500,000	7,590,309	7,547,925	6/21/2017	6/22/2017	6/10/2022
15468	FHLB	313379RB7	AA+	1.875	5,400,000	5,467,477	5,416,254	8/29/2017	8/30/2017	6/11/2021
14909	FHLMC	3137EADN6	AA+	0.750	11,000,000	10,983,337	10,987,130	7/28/2014	7/29/2014	1/12/2018
14959	FHLMC	3137EABP3	AA+	4.875	9,960,000	10,207,651	10,204,219	11/18/2014	11/19/2014	6/13/2018
15009	FHLMC	3137EADP1	AA+	0.875	11,400,000	11,398,411	11,383,812	1/30/2015	2/2/2015	3/7/2018
15168	FHLMC	3137EADM8	AA+	1.250	10,000,000	9,945,973	9,942,700	9/9/2015	9/10/2015	10/2/2019
15230	FHLMC	3137EADK2	AA+	1.250	10,200,000	10,149,294	10,151,550	11/19/2015	11/20/2015	8/1/2019
15356	FHLMC	3137EADZ9	AA+	1.125	5,000,000	5,001,417	4,974,600	5/26/2016	5/27/2016	4/15/2019
15396	FHLMC	3137EAEC9	AA+	1.125	10,500,000	10,431,792	10,233,090	8/11/2016	8/12/2016	8/12/2021
15437	FHLMC	3137EAEE5	AA+	1.500	6,000,000	5,965,835	5,984,220	3/15/2017	3/16/2017	1/17/2020
15461	FHLMC	3137EADR7	AA+	1.375	9,000,000	8,990,163	8,950,860	7/27/2017	7/28/2017	5/1/2020
14701	FNMA	3135G0TG8	AA+	0.875	11,100,000	11,068,542	11,085,237	6/24/2013	6/25/2013	2/8/2018
14835	FNMA	3135G0RT2	AA+	0.875	10,600,000	10,591,629	10,594,912	4/16/2014	4/17/2014	12/20/2017
14939	FNMA	3135G0WJ8	AA+	0.875	10,350,000	10,310,604	10,323,504	9/17/2014	9/18/2014	5/21/2018
15026	FNMA	3135G0A78	AA+	1.625	5,000,000	4,992,380	5,006,300	3/13/2015	3/16/2015	1/21/2020
15139	FNMA	3135G0D75	AA+	1.500	5,750,000	5,720,551	5,733,900	7/27/2015	7/28/2015	6/22/2020
15140	FNMA	3135G0E33	AA+	1.125	5,750,000	5,752,349	5,738,903	7/27/2015	7/28/2015	7/20/2018
15267	FNMA	3135G0F73	AA+	1.500	5,000,000	4,992,057	4,966,500	1/15/2016	1/19/2016	11/30/2020
15275	FNMA	3135G0F73	AA+	1.500	7,000,000	6,988,744	6,953,100	1/25/2016	1/26/2016	11/30/2020
15283	FNMA	3135G0A78	AA+	1.625	10,450,000	10,555,864	10,463,167	2/12/2016	2/16/2016	1/21/2020
15298	FNMA	3135G0J20	AA+	1.375	10,700,000	10,645,756	10,568,283	3/3/2016	3/4/2016	2/26/2021
15408	FNMA	3135G0N82	AA+	1.250	11,500,000	11,447,933	11,252,865	9/16/2016	9/19/2016	8/17/2021
15433	FNMA	3135G0S38	AA+	2.000	11,500,000	11,488,481	11,529,210	1/11/2017	1/12/2017	1/5/2022
15442	FNMA	3135G0T45	AA+	1.875	10,000,000	9,965,659	9,977,300	5/5/2017	5/8/2017	4/5/2022
14978	USTR	912828VE7	AA+	1.000	8,000,000	7,991,768	7,986,240	12/12/2014	12/15/2014	5/31/2018
15024	USTR	912828J50	AA+	1.375	5,000,000	4,974,040	4,979,300	3/13/2015	3/16/2015	2/29/2020
15053	USTR	912828K25	AA+	0.750	11,000,000	10,994,731	10,970,740	4/17/2015	4/20/2015	4/15/2018
15143	USTR	912828XK1	AA+	0.875	10,300,000	10,291,187	10,264,980	7/31/2015	8/3/2015	7/15/2018
15217	USTR	912828WD8	AA+	1.250	5,125,000	5,142,046	5,117,210	10/28/2015	10/29/2015	10/31/2018
15268	USTR	912828L65	AA+	1.375	10,400,000	10,382,897	10,322,000	1/15/2016	1/19/2016	9/30/2020
15276	USTR	912828L65	AA+	1.375	2,350,000	2,346,061	2,332,375	1/25/2016	1/26/2016	9/30/2020
15277	USTR	912828XH8	AA+	1.625	10,000,000	10,061,141	10,008,200	1/25/2016	1/26/2016	6/30/2020

INVESTMENT PORTFOLIO HOLDINGS
AS OF SEPTEMBER 30, 2017

ATTACHMENT B

Inv #	Security Description	CUSIP Number	S&P Rating	Coupon Rate	Par Value	Book Value	Market Value	Trade Date	Settlement Date	Maturity Date
15279	USTR	912828XH8	AA+	1.625	2,750,000	2,770,788	2,752,255	1/28/2016	1/29/2016	6/30/2020
15280	USTR	912828J50	AA+	1.375	5,100,000	5,110,727	5,078,886	1/28/2016	1/29/2016	2/29/2020
15299	USTR	912828N89	AA+	1.375	10,200,000	10,201,648	10,091,982	3/3/2016	3/4/2016	1/31/2021
15306	USTR	912828N89	AA+	1.375	4,300,000	4,277,477	4,254,463	3/16/2016	3/17/2016	1/31/2021
15332	USTR	912828Q37	AA+	1.250	11,750,000	11,708,664	11,559,533	4/22/2016	4/25/2016	3/31/2021
15355	USTR	912828M98	AA+	1.625	5,050,000	5,097,930	5,042,526	5/26/2016	5/27/2016	11/30/2020
15415	USTR	912828T34	AA+	1.125	12,000,000	11,938,697	11,684,520	10/5/2016	10/6/2016	9/30/2021
15426	USTR	912828D72	AA+	2.000	10,500,000	10,627,813	10,583,685	11/14/2016	11/15/2016	8/31/2021
15428	USTR	912828T67	AA+	1.250	8,400,000	8,180,091	8,212,344	12/12/2016	12/13/2016	10/31/2021
15434	USTR	912828U81	AA+	2.000	9,000,000	9,003,363	9,055,890	1/25/2017	1/26/2017	12/31/2021
15438	USTR	912828J43	AA+	1.750	6,000,000	5,901,077	5,970,480	3/15/2017	3/16/2017	2/28/2022
15444	USTR	912828W97	AA+	1.250	3,600,000	3,605,927	3,590,712	6/5/2017	6/6/2017	3/31/2019
15460	USTR	912828M98	AA+	1.625	2,500,000	2,508,111	2,496,300	7/27/2017	7/28/2017	11/30/2020
15469	USTR	9128282P4	AA+	1.875	9,700,000	9,800,051	9,678,757	9/11/2017	9/12/2017	7/31/2022
TOTAL LONG TERM:				**1.45**	**436,914,764**	**436,813,852**	**434,921,884**			

TOTAL INVESTMENTS	**1.20**	**1,375,182,307**	**1,375,174,335**	**1,370,132,736**

CASH

CASH	CASHBOA	CASHBOA	AA+	0.203	999,110	999,110	999,110	- -	- -	- -
CASH	CASHUBOC	CASHUBOC	AA+	0.356	187,424,757	187,424,757	187,424,757	- -	- -	- -
TOTAL CASH:				**0.28**	**188,423,868**	**188,423,868**	**188,423,868**			

TOTAL CASH AND INVESTMENTS	**0.97**	**1,563,606,174**	**1,563,598,203**	**1,558,556,603**