



# **CITY OF LONG BEACH**

DEPARTMENT OF FINANCIAL MANAGEMENT

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

March 7, 2017

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## **RECOMMENDATION:**

Receive and file the Investment Report for Quarter Ending December 31, 2016.  
(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 December 31, 2016, these funds had a book value of approximately \$1.514 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 December 31, 2016, can be found 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 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 \$470 million of the total investment pool, or approximately 31 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 December 31, 2016:

INVESTMENT PORTFOLIO POSITION AND PERFORMANCE SUMMARY						
	INVESTMENT POSITION AS OF December 31, 2016			INVESTMENT PERFORMANCE <sup>4</sup> October 1, 2016 THRU December 31, 2016		
Portfolio	Book Value <sup>1</sup>	Market Value <sup>1</sup>	Unrealized Gain/(Loss) <sup>2</sup>	Portfolio Total Return <sup>3</sup>	Benchmark Total Return <sup>3</sup>	Variance from Benchmark <sup>3</sup>
Short-Term	\$238,850,224	\$238,317,394	(\$532,830)	(0.02) percent	0.09 percent	(0.11) percent
Intermediate-Term	\$677,056,595	\$674,491,383	(\$2,565,212)	(0.34) percent	(0.11) percent	(0.23) percent
Long-Term	\$432,554,541	\$429,480,208	(\$3,074,332)	(1.05) percent	(1.07) percent	0.03 percent
Total Investments	\$1,348,461,360	\$1,342,288,985	(\$6,172,374)	(0.51) percent	(0.38) percent	0.13 percent
Cash	\$165,778,480	\$165,778,480				
<b>Total Cash and Investments</b>	<b>\$1,514,239,840</b>	<b>\$1,508,067,465</b>				

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. 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 December 31, 2016, are included in Attachment B.

This matter was reviewed by Deputy City Attorney Amy R. Webber on February 9, 2017 and by Assistant Finance Director Lea Eriksen on February 13, 2017.

### TIMING CONSIDERATIONS

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  
03-07-17 CCL - QUARTERLY INVESTMENT REPORT ENDING 12-31-16.DOC

ATTACHMENTS

APPROVED:

  
PATRICK H. WEST  
CITY MANAGER

INVESTMENT TRADING ACTIVITY  
OCTOBER 1, 2016 - DECEMBER 31, 2016

ATTACHMENT A

Fund	Inv #	Cusip Number	Issuer	Coupon	Par Value	Trade Date	Maturity Date
<b>SECURITY PURCHASES</b>							
99	15410	3136G4DR1	FNMA	1.100	20,000,000.00	10/17/2016	10/17/2019
97	15411	912828TS9	USTR	0.625	10,000,000.00	10/05/2016	09/30/2017
99	15413	3135G0Q89	FNMA	1.375	10,000,000.00	10/11/2016	10/07/2021
98	15415	912828T34	USTR	1.125	12,000,000.00	10/06/2016	09/30/2021
99	15416	3130A6AE7	FHLB	1.125	7,225,000.00	10/12/2016	09/14/2018
97	15417	3134GATS3	FHLMC	0.625	7,500,000.00	10/26/2016	10/26/2018
97	15418	3134GATS3	FHLMC	0.625	7,500,000.00	10/26/2016	10/26/2018
97	15420	313384R50	FHLB	0.270	4,600,000.00	10/21/2016	11/30/2016
99	15421	3135G0R39	FNMA	1.000	20,000,000.00	10/25/2016	10/24/2019
97	15423	313385FK7	FHLB	0.555	1,000,000.00	11/10/2016	05/10/2017
97	15425	912828K66	USTR	0.500	1,000,000.00	11/10/2016	04/30/2017
98	15426	912828D72	USTR	2.000	10,500,000.00	11/15/2016	08/31/2021
98	15428	912828T67	USTR	1.250	8,400,000.00	12/13/2016	10/31/2021
98	15430	VP6000104	FEDER		794,830.53	12/06/2016	
97	8083	LAIFG	CALIF		25,000,000.00	10/05/2016	
97	8084	LAIFHD	CALIF		25,000,000.00	10/05/2016	
97	8086	LAIFWD	CALIF		25,000,000.00	10/05/2016	
<b>TOTAL SECURITY PURCHASES</b>					<b>195,519,830.53</b>		
<b>SECURITY MATURITIES AND CALLS</b>							
97	15058	912828F88	USTR	0.375	5,000,000.00	04/21/2015	10/31/2016
99	15076	3133EEL24	FECB	0.490	7,000,000.00	05/14/2015	11/14/2016
99	15123	912828F88	USTR	0.375	6,000,000.00	07/07/2015	10/31/2016
99	15154	912828F88	USTR	0.375	5,000,000.00	08/24/2015	10/31/2016
99	15161	912828F88	USTR	0.375	4,000,000.00	08/31/2015	10/31/2016
97	15222	912828G46	USTR	0.500	5,000,000.00	11/05/2015	11/30/2016
97	15239	912828H29	USTR	0.625	7,500,000.00	12/01/2015	12/31/2016
97	15254	3134G5RS6	FHLMC	0.600	15,000,000.00	01/06/2016	11/28/2016
97	15260	912828A59	USTR	0.625	6,000,000.00	01/14/2016	12/15/2016

INVESTMENT TRADING ACTIVITY  
OCTOBER 1, 2016 - DECEMBER 31, 2016

ATTACHMENT A

Fund	Inv #	Cusip Number	Issuer	Coupon	Par Value	Trade Date	Maturity Date
99	15263	3130A6ZD2	FHLB	1.375	5,000,000.00	10/26/2016	10/26/2018
97	15281	3130A6ZD2	FHLB	1.375	10,000,000.00	10/26/2016	10/26/2018
97	15320	3130A7S97	FHLB	0.450	5,000,000.00	04/13/2016	10/13/2016
99	15321	3134G8ZY8	FHLMC	1.100	5,000,000.00	10/28/2016	01/28/2019
97	15350	3130A86D0	FHLB	0.500	7,500,000.00	05/25/2016	11/25/2016
97	15365	313588R72	FNMA	0.430	5,000,000.00	06/09/2016	12/02/2016
97	15369	313396T94	FHLMC	0.390	5,000,000.00	06/20/2016	12/20/2016
97	15376	313384U23	FHLB	0.420	10,000,000.00	06/28/2016	12/21/2016
97	15400	313384R50	FHLB	0.342	5,000,000.00	09/06/2016	11/30/2016
97	15401	313396J61	FHLMC	0.255	3,600,000.00	09/06/2016	10/06/2016
97	15420	313384R50	FHLB	0.270	4,600,000.00	10/21/2016	11/30/2016
TOTAL SECURITY MATURITIES AND CALLS					126,200,000.00		
SECURITY SALES							
98	14780	912828SY7	USTR	0.625	11,800,000.00	10/06/2016	05/31/2017
98	14942	912828UA6	USTR	0.625	10,475,000.00	11/15/2016	11/30/2017
98	15025	912828J68	USTR	1.000	7,500,000.00	12/13/2016	03/15/2018
98	14250	94975P405	MM	1.000	794,830.53	12/6/2016	n/a
TOTAL SECURITY SALES					30,569,830.53		

**INVESTMENT PORTFOLIO HOLDINGS**  
**AS OF DECEMBER 31, 2016**

**ATTACHMENT B**

Inv #	Security Description	CUSIP Number	S&P Rating	Coupon Rate	Par Value	Book Value	Market Value	Trade Date	Settlement Date	Maturity Date
<b>SHORT-TERM</b>										
8083	State of California	LAIFGF	AA-	0.29	34,033,476	34,033,476.23	34,033,476	multiple	multiple	n/a
8084	State of California	LAIFHD	AA-	0.29	34,036,969	34,036,969.02	34,036,969	multiple	multiple	n/a
8086	State of California	LAIFWD	AA-	0.29	34,034,383	34,034,383.06	34,034,383	multiple	multiple	n/a
15169	Federal Home Loan Mtg Corp	3134G7WZ0	AA+	0.90	6,500,000	6,500,000.00	6,502,925	09/10/15	09/15/15	09/15/17
15192	Federal Farm Credit Bank	3133EFEV9	AA+	1.09	6,500,000	6,499,118.56	6,471,855	09/24/15	09/28/15	06/28/18
15193	Federal Farm Credit Bank	3133EFEV9	AA+	1.09	2,400,000	2,399,674.55	2,389,608	09/24/15	09/28/15	06/28/18
15197	Federal National Mtg Assn	3136G2PF8	AA+	1.13	15,000,000	15,000,000.00	14,911,650	10/05/15	10/29/15	10/29/18
15200	Federal National Mtg Assn	3135G0PP2	AA+	1.00	7,500,000	7,518,718.64	7,506,600	10/05/15	10/06/15	09/20/17
15282	Federal Home Loan Mtg Corp	3134G8M48	AA+	1.05	10,000,000	10,000,000.00	9,974,100	02/11/16	02/26/16	02/26/18
15316	U.S. Treasury	912828J35	AA+	0.50	5,000,000	4,999,242.50	5,000,450	04/04/16	04/05/16	02/28/17
15327	Federal Home Loan Bank	3130A7TL9	AAA	0.63	5,000,000	4,999,883.43	4,998,950	04/15/16	04/20/16	04/20/17
15328	Federal Home Loan Bank	3130A7T62	AA+	0.55	5,000,000	4,999,952.78	4,999,950	04/14/16	04/18/16	01/18/17
15358	Federal National Mtg Assn	3136G3SQ9	AA+	1.15	5,000,000	5,000,000.00	4,951,700	06/06/16	06/28/16	06/28/19
15366	Federal Home Loan Mtg Corp	3134G9UY1	AA+	1.00	7,500,000	7,500,000.00	7,488,150	06/09/16	06/29/16	06/29/18
15368	Federal National Mtg Assn	3136G3TF2	AA+	1.20	5,000,000	5,000,000.00	4,922,350	06/13/16	06/30/16	12/30/19
15373	Federal Home Loan Bank	3130A8LC5	AA+	0.63	5,000,000	4,999,198.22	4,995,350	06/22/16	06/27/16	06/27/17
15374	Federal National Mtg Assn	3136G3UG8	AA+	1.25	7,500,000	7,500,000.00	7,385,025	06/22/16	07/13/16	04/13/20
15380	Federal National Mtg Assn	3135G0M26	AA+	1.00	5,000,000	5,000,000.00	4,916,500	07/07/16	07/26/16	07/26/19
15388	U.S. Treasury	912828J92	AA+	0.50	5,000,000	4,999,929.34	5,000,250	07/27/16	07/28/16	03/31/17
15391	Federal National Mtg Assn	3135G0PP2	AA+	1.00	4,580,000	4,590,513.56	4,584,030	07/29/16	08/01/16	09/20/17
15392	Federal Home Loan Bank	313385FC5	AAA	0.58	2,250,000	2,245,577.50	2,245,883	08/01/16	08/02/16	05/03/17
15411	U.S. Treasury	912828TS9	AA+	0.63	10,000,000	9,995,546.02	9,985,900	10/04/16	10/05/16	09/30/17
15417	Federal Home Loan Mtg Corp	3134GATS3	AA+	0.63	7,500,000	7,500,000.00	7,491,675	10/13/16	10/26/16	10/26/18
15418	Federal Home Loan Mtg Corp	3134GATS3	AA+	0.63	7,500,000	7,500,000.00	7,491,675	10/13/16	10/26/16	10/26/18
15423	Federal Home Loan Bank	313385FK7	AAA	0.56	1,000,000	998,011.25	998,060	11/09/16	11/10/16	05/10/17
15425	U.S. Treasury	912828K66	AA+	0.50	1,000,000	1,000,029.38	999,930	11/09/16	11/10/16	04/30/17
<b>TOTAL SHORT-TERM</b>					<b>238,834,828</b>	<b>238,850,224</b>	<b>238,317,394</b>			

<b>INTERMEDIATE-TERM</b>										
14676	Federal National Mtg Assn	3135G0VM2	AA+	0.75	8,000,000	8,000,937.79	8,001,440	05/13/13	05/14/13	03/14/17
14681	Federal Home Loan Mtg Corp	3134G3ZH6	AA+	1.00	10,000,000	10,008,765.90	10,013,200	05/17/13	05/20/13	07/25/17
15001	Federal Home Loan Bank	3130A42K7	AA+	0.63	5,000,000	4,999,980.63	4,999,200	01/29/15	02/02/15	02/02/17
15011	Federal Home Loan Bank	3133782N0	AA+	0.88	12,500,000	12,501,972.93	12,504,625	02/18/15	02/19/15	03/10/17
15030	Federal National Mtg Assn	3135G0VM2	AA+	0.75	5,000,000	5,000,494.92	5,000,900	03/25/15	03/26/15	03/14/17
15041	Federal Home Loan Bank	3130A4QS4	AA+	0.80	2,460,000	2,461,300.28	2,460,320	04/08/15	04/09/15	05/17/17

**INVESTMENT PORTFOLIO HOLDINGS**  
**AS OF DECEMBER 31, 2016**

**ATTACHMENT B**

Inv #	Security Description	CUSIP Number	S&P Rating	Coupon Rate	Par Value	Book Value	Market Value	Trade Date	Settlement Date	Maturity Date
15081	Federal Home Loan Bank	3130A5EP0	AA+	0.63	13,000,000	12,997,812.64	12,994,410	05/14/15	05/15/15	05/30/17
15093	U.S. Treasury	912828TW0	AA+	0.75	8,000,000	7,997,243.14	7,992,800	05/21/15	05/22/15	10/31/17
15094	Federal Home Loan Mtg Corp	3134G62T9	AA+	0.55	3,150,000	3,149,973.26	3,150,063	05/21/15	05/22/15	01/11/17
15095	Federal Home Loan Bank	3130A4K27	AA+	0.72	9,000,000	9,001,253.57	9,001,170	05/21/15	05/22/15	03/06/17
15100	Federal Home Loan Bank	3130A5HX0	AA+	0.68	5,000,000	4,998,981.80	4,999,000	06/01/15	06/02/15	06/02/17
15102	Federal National Mtg Assn	3135G0E33	AA+	1.13	10,000,000	9,990,882.62	10,000,200	06/04/15	06/08/15	07/20/18
15114	Federal Home Loan Bank	313379FW4	AA+	1.00	9,000,000	9,007,279.67	9,012,150	06/24/15	06/25/15	06/09/17
15118	Federal Home Loan Bank	313379FW4	AA+	1.00	5,500,000	5,504,712.46	5,507,425	06/26/15	06/29/15	06/09/17
15119	Federal Home Loan Bank	3130A5KF5	AA+	0.95	1,005,000	1,004,930.04	1,004,508	06/26/15	06/29/15	11/28/17
15131	Federal Home Loan Bank	313379FW4	AA+	1.00	5,105,000	5,112,281.55	5,111,892	07/09/15	07/10/15	06/09/17
15136	Federal Home Loan Mtg Corp	3137EADV8	AA+	0.75	5,000,000	5,000,255.36	5,000,850	07/15/15	07/16/15	07/14/17
15141	Federal Home Loan Bank	3130A5VA4	AA+	0.95	2,590,000	2,589,550.15	2,585,830	07/29/15	07/30/15	12/27/17
15142	Federal Home Loan Bank	3130A5V73	AA+	0.90	6,435,000	6,428,986.72	6,416,982	07/29/15	07/30/15	01/30/18
15145	U.S. Treasury	912828XK1	AA+	0.88	5,000,000	4,991,351.75	4,984,000	08/04/15	08/05/15	07/15/18
15146	Federal Home Loan Bank	3130A6616	AA+	1.05	5,000,000	4,997,612.22	4,986,300	08/04/15	08/05/15	07/25/18
15148	Federal National Mtg Assn	3135G0VM2	AA+	0.75	10,000,000	10,001,223.04	10,001,800	08/10/15	08/11/15	03/14/17
15159	Federal National Mtg Assn	3135G0E58	AA+	1.13	8,500,000	8,498,388.62	8,489,545	08/28/15	09/01/15	10/19/18
15163	Federal Home Loan Bank	313380EC7	AA+	0.75	7,000,000	6,996,408.82	6,996,570	08/28/15	09/01/15	09/08/17
15165	U.S. Treasury	912828H78	AA+	0.50	5,000,000	4,999,896.80	5,000,550	09/04/15	09/08/15	01/31/17
15179	U.S. Treasury	912828H78	AA+	0.50	7,500,000	7,499,734.74	7,500,825	09/21/15	09/22/15	01/31/17
15181	U.S. Treasury	912828H78	AA+	0.50	7,500,000	7,499,946.84	7,500,825	09/22/15	09/23/15	01/31/17
15184	Federal Home Loan Mtg Corp	3134G7MJ7	AA+	0.75	10,000,000	9,999,482.63	9,987,100	09/22/15	09/23/15	08/25/17
15191	U.S. Treasury	912828J35	AA+	0.50	5,000,000	4,999,956.60	5,000,450	09/24/15	09/25/15	02/28/17
15196	U.S. Treasury	912828UI2	AA+	0.75	7,500,000	7,500,733.23	7,478,325	10/05/15	10/06/15	03/31/18
15202	Federal Home Loan Bank	3130A6LZ8	AA+	0.63	15,000,000	14,986,971.17	14,976,900	10/08/15	10/09/15	10/26/17
15203	U.S. Treasury	912828K66	AA+	0.50	5,000,000	4,999,341.81	4,999,650	10/09/15	10/13/15	04/30/17
15204	Federal Home Loan Bank	313379EE5	AA+	1.63	10,000,000	10,094,382.74	10,048,500	10/09/15	10/13/15	06/14/19
15211	Federal National Mtg Assn	3135G0G23	AA+	1.30	10,000,000	10,000,000.00	9,998,700	10/21/15	10/29/15	04/29/19
15213	U.S. Treasury	912828K66	AA+	0.50	5,000,000	4,999,957.74	4,999,650	10/27/15	10/28/15	04/30/17
15215	Federal Home Loan Bank	3130A6LZ8	AA+	0.63	5,000,000	4,996,585.08	4,992,300	10/28/15	10/29/15	10/26/17
15218	Federal National Mtg Assn	3135G0G72	AA+	1.13	15,000,000	14,985,983.90	14,969,100	10/30/15	11/03/15	12/14/18
15219	Federal National Mtg Assn	3135G0G72	AA+	1.13	10,000,000	9,994,481.36	9,979,400	10/30/15	11/03/15	12/14/18
15228	Federal Home Loan Bank	3130A6SW8	AA+	1.00	10,000,000	10,000,000.00	10,006,400	11/19/15	11/20/15	12/19/17
15229	Federal Home Loan Bank	3130A6SW8	AA+	1.00	5,000,000	5,000,000.00	5,003,200	11/19/15	11/20/15	12/19/17
15233	U.S. Treasury	912828SM3	AA+	1.00	5,000,000	5,002,967.80	5,006,200	11/24/15	11/25/15	03/31/17
15236	Federal Farm Credit Bank	3133EFQ2	AA+	1.30	5,000,000	4,998,782.59	5,001,450	11/24/15	12/03/15	12/03/18

**INVESTMENT PORTFOLIO HOLDINGS**  
**AS OF DECEMBER 31, 2016**

**ATTACHMENT B**

Inv #	Security Description	CUSIP Number	S&P Rating	Coupon Rate	Par Value	Book Value	Market Value	Trade Date	Settlement Date	Maturity Date
15237	Federal Farm Credit Bank	3133EFRQ2	AA+	1.30	5,000,000	4,998,984.43	5,001,450	11/24/15	12/03/15	12/03/18
15238	Federal Home Loan Bank	313382XA6	AA+	0.75	10,000,000	9,978,825.74	9,982,100	11/30/15	12/01/15	11/22/17
15242	Federal Home Loan Bank	3130A6UJ4	AA+	1.25	10,000,000	9,992,623.80	9,996,700	12/02/15	12/03/15	11/30/18
15243	Federal Farm Credit Bank	3133EFSJ7	AA+	1.30	5,000,000	4,996,615.19	5,003,050	12/07/15	12/14/15	12/14/18
15245	Federal Home Loan Mtg Corp	3137EADX4	AA+	1.00	20,000,000	19,990,212.15	20,015,200	12/10/15	12/11/15	12/15/17
15250	U.S. Treasury	912828D98	AA+	1.00	5,000,000	4,998,310.74	5,007,800	12/30/15	12/31/15	09/15/17
15252	Federal Home Loan Bank	3130A3HF4	AA+	1.13	7,500,000	7,501,455.23	7,514,625	01/04/16	01/05/16	12/08/17
15256	Federal National Mtg Assn	3135G0H63	AA+	1.38	15,000,000	14,993,684.45	15,020,850	01/06/16	01/08/16	01/28/19
15259	Federal Home Loan Mtg Corp	3137EADT3	AA+	0.88	8,000,000	7,999,388.00	8,003,600	01/11/16	01/12/16	02/22/17
15261	Federal Home Loan Mtg Corp	3137EADN6	AA+	0.75	3,800,000	3,789,962.77	3,792,248	01/12/16	01/13/16	01/12/18
15262	Federal Home Loan Bank	3130A3HF4	AA+	1.13	7,500,000	7,508,523.39	7,514,625	01/12/16	01/13/16	12/08/17
15285	Federal Home Loan Bank	3130A7CX1	AA+	0.88	10,000,000	9,998,192.01	9,983,900	02/17/16	02/18/16	03/19/18
15290	Federal National Mtg Assn	3135G0J53	AA+	1.00	15,000,000	14,974,667.59	14,906,700	02/19/16	02/23/16	02/26/19
15291	Federal National Mtg Assn	3135G0J53	AA+	1.00	5,000,000	4,992,629.27	4,968,900	02/19/16	02/23/16	02/26/19
15295	Federal National Mtg Assn	3136G0P54	AA+	1.20	4,430,000	4,439,479.42	4,414,894	02/29/16	03/01/16	04/17/19
15296	Federal National Mtg Assn	3135G0J61	AA+	0.88	10,000,000	9,987,983.87	9,979,900	03/02/16	03/04/16	03/28/18
15303	Federal Home Loan Mtg Corp	3134G8S83	AA+	1.50	6,500,000	6,500,000.00	6,484,855	03/11/16	03/30/16	12/30/19
15308	Federal Home Loan Mtg Corp	3137EADZ9	AA+	1.13	10,000,000	9,997,536.96	9,959,500	03/18/16	03/21/16	04/15/19
15318	Federal Farm Credit Bank	3133EF3B1	AA+	0.75	5,000,000	4,995,625.90	4,962,150	04/07/16	04/12/16	04/18/18
15325	Federal Home Loan Mtg Corp	3134G8YU7	AA+	1.05	12,500,000	12,498,180.56	12,427,500	04/15/16	04/26/16	10/26/18
15326	Federal National Mtg Assn	3135G0H97	AA+	1.63	10,000,000	10,055,340.33	9,985,700	04/15/16	04/18/16	02/22/19
15334	Federal Home Loan Mtg Corp	3134G9GS0	AA+	1.25	5,000,000	5,000,000.00	4,946,750	04/28/16	05/26/16	08/26/19
15335	Federal Farm Credit Bank	3133EF3T2	AA+	0.85	6,675,000	6,667,284.14	6,622,868	05/03/16	05/04/16	11/19/18
15340	Federal Home Loan Mtg Corp	3134G8W96	AA+	0.75	3,689,000	3,689,000.00	3,685,459	05/11/16	05/12/16	04/26/19
15341	Federal National Mtg Assn	3135G0K69	AA+	1.25	20,000,000	19,908,722.91	19,433,400	05/12/16	05/16/16	05/06/21
15346	Federal Home Loan Mtg Corp	3134G9MA2	AA+	1.13	7,525,000	7,525,000.00	7,447,794	05/17/16	05/27/16	05/24/19
15349	Federal National Mtg Assn	3136G3QD0	AA+	1.30	10,000,000	10,000,000.00	9,916,800	05/18/16	05/26/16	11/26/19
15353	Federal Home Loan Bank	3130A8BD4	AA+	0.88	5,000,000	4,991,379.12	4,982,600	05/26/16	05/27/16	06/29/18
15354	Federal Home Loan Bank	3130A8BD4	AA+	0.88	5,000,000	4,991,379.12	4,982,600	05/26/16	05/27/16	06/29/18
15357	Federal Home Loan Bank	3130A8DB6	AA+	1.13	10,000,000	10,026,740.64	9,943,100	06/03/16	06/06/16	06/21/19
15360	Federal Home Loan Bank	313379DT3	AA+	1.25	7,400,000	7,437,780.44	7,416,872	06/06/16	06/07/16	06/08/18
15383	Federal National Mtg Assn	3135G0M67	AA+	1.00	5,000,000	5,000,000.00	4,966,250	07/13/16	07/25/16	01/25/19
15384	Federal Home Loan Mtg Corp	3134G92H9	AA+	0.85	5,000,000	5,000,640.68	4,975,500	07/21/16	07/27/16	07/27/18
15385	Federal Home Loan Mtg Corp	3134G92D8	AA+	1.15	5,000,000	5,000,000.00	4,922,600	07/21/16	07/26/16	07/26/19
15387	Federal National Mtg Assn	3136G3U37	AA+	1.30	5,700,000	5,700,000.00	5,562,630	07/27/16	08/22/16	05/22/20
15393	Federal Home Loan Bank	3130A7S29	AA+	0.88	7,500,000	7,509,142.43	7,432,200	08/01/16	08/02/16	08/15/18



**INVESTMENT PORTFOLIO HOLDINGS**  
**AS OF DECEMBER 31, 2016**

**ATTACHMENT B**

Inv #	Security Description	CUSIP Number	S&P Rating	Coupon Rate	Par Value	Book Value	Market Value	Trade Date	Settlement Date	Maturity Date
15394	Federal Home Loan Bank	3130A8Y72	AA+	0.88	15,000,000	14,975,116.37	14,787,750	08/03/16	08/04/16	08/05/15
15398	Federal Home Loan Bank	3130A9AE1	AA+	0.88	7,500,000	7,495,744.37	7,458,750	08/25/16	08/26/16	10/01/15
15410	Federal National Mtg Assn	3136G4DR1	AA+	1.10	20,000,000	19,975,781.48	19,743,400	10/04/16	10/17/16	10/17/15
15413	Federal National Mtg Assn	3135G0Q89	AA+	1.38	10,000,000	9,972,099.72	9,728,700	10/06/16	10/11/16	10/07/21
15416	Federal Home Loan Bank	3130A6AE7	AA+	1.13	7,225,000	7,251,098.44	7,220,810	10/11/16	10/12/16	09/14/15
15421	Federal National Mtg Assn	3135G0R39	AA+	1.00	20,000,000	19,949,678.59	19,723,600	10/21/16	10/25/16	10/24/15
TOTAL INTERMEDIATE-TERM				0.96	677,189,000	677,056,595	674,491,383			

**LONG-TERM**

14644	Federal Home Loan Bank	313379DD8	AA+	1.00	10,600,000	10,614,477.20	10,615,900	03/19/13	03/20/13	06/21/17
14667	Federal Farm Credit Bank	3133ECKV5	AA+	0.70	8,400,000	8,400,819.51	8,402,436	05/06/13	05/07/13	06/05/17
14668	Federal Farm Credit Bank	3133ECKC7	AA+	0.65	8,500,000	8,500,643.96	8,503,400	05/06/13	05/07/13	03/28/17
14701	Federal National Mtg Assn	3135G0TG8	AA+	0.88	11,100,000	11,002,432.54	11,092,452	06/24/13	06/25/13	02/08/18
14711	Federal Home Loan Bank	313379DD8	AA+	1.00	950,000	949,592.79	951,425	07/26/13	07/31/13	06/21/17
14721	Federal Home Loan Bank	313378A43	AA+	1.38	4,345,000	4,336,301.23	4,360,555	08/14/13	08/15/13	03/09/18
14722	Federal Home Loan Bank	313378A43	AA+	1.38	5,505,000	5,494,279.85	5,524,708	08/14/13	08/15/13	03/09/18
14732	Federal Home Loan Mtg Corp	3137EADJ5	AA+	1.00	10,750,000	10,739,478.00	10,766,663	09/25/13	09/27/13	07/28/17
14735	Federal Home Loan Bank	313370SZ2	AA+	2.25	9,350,000	9,413,129.33	9,442,939	10/04/13	10/07/13	09/08/17
14791	Federal National Mtg Assn	3135G0PQ0	AA+	0.88	11,000,000	10,974,025.97	11,001,540	12/17/13	12/18/13	10/26/17
14835	Federal National Mtg Assn	3135G0RT2	AA+	0.88	10,600,000	10,563,481.36	10,594,170	04/16/14	04/17/14	12/20/17
14909	Federal Home Loan Mtg Corp	3137EADN6	AA+	0.75	11,000,000	10,939,392.39	10,977,560	07/28/14	07/29/14	01/12/18
14921	Federal Home Loan Mtg Corp	3137EABA6	AA+	5.13	9,100,000	9,415,034.67	9,429,784	08/19/14	08/20/14	11/17/17
14939	Federal National Mtg Assn	3135G0WJ8	AA+	0.88	10,350,000	10,264,727.89	10,321,020	09/17/14	09/18/14	05/21/18
14959	Federal Home Loan Mtg Corp	3137EABP3	AA+	4.88	9,960,000	10,470,963.36	10,500,131	11/18/14	11/19/14	06/13/18
14978	U.S. Treasury	912828VE7	AA+	1.00	8,000,000	7,982,553.73	7,996,880	12/12/14	12/15/14	05/31/18
15009	Federal Home Loan Mtg Corp	3137EADP1	AA+	0.88	11,400,000	11,395,688.04	11,385,180	01/30/15	02/02/15	03/07/18
15024	U.S. Treasury	912828J50	AA+	1.38	5,000,000	4,966,034.07	4,976,150	03/13/15	03/16/15	02/29/20
15026	Federal National Mtg Assn	3135G0A78	AA+	1.63	5,000,000	4,989,913.95	5,014,800	03/13/15	03/16/15	01/21/20
15047	Federal Home Loan Mtg Corp	3137EADC0	AA+	1.00	11,000,000	11,008,720.81	11,008,800	04/15/15	04/16/15	03/08/17
15053	U.S. Treasury	912828K25	AA+	0.75	11,000,000	10,987,455.26	10,966,010	04/17/15	04/20/15	04/15/18
15139	Federal National Mtg Assn	3135G0D75	AA+	1.50	5,750,000	5,712,484.18	5,723,205	07/27/15	07/28/15	06/22/20
15140	Federal National Mtg Assn	3135G0E33	AA+	1.13	5,750,000	5,754,527.53	5,750,115	07/27/15	07/28/15	07/20/18
15143	U.S. Treasury	912828XK1	AA+	0.88	10,300,000	10,282,863.26	10,267,040	07/31/15	08/03/15	07/15/18
15151	Federal Home Loan Bank	3130A62S5	AA+	0.75	5,000,000	4,997,130.71	4,999,050	08/14/15	08/17/15	08/28/17
15152	Federal Home Loan Bank	313383HU8	AA+	1.75	6,000,000	6,000,343.33	6,004,740	08/14/15	08/17/15	06/12/20
15168	Federal Home Loan Mtg Corp	3137EADM8	AA+	1.25	10,000,000	9,925,844.46	9,941,500	09/09/15	09/10/15	10/02/19

**INVESTMENT PORTFOLIO HOLDINGS**  
**AS OF DECEMBER 31, 2016**

**ATTACHMENT B**

Inv #	Security Description	CUSIP Number	S&P Rating	Coupon Rate	Par Value	Book Value	Market Value	Trade Date	Settlement Date	Maturity Date
15216	Federal Home Loan Bank	3130A6AE7	AA+	1.13	6,000,000	6,016,773.10	5,996,520	10/28/15	10/29/15	09/14/18
15217	U.S. Treasury	912828WD8	AA+	1.25	5,125,000	5,153,753.97	5,133,200	10/28/15	10/29/15	10/31/18
15230	Federal Home Loan Mtg Corp	3137EADK2	AA+	1.25	10,200,000	10,128,659.01	10,157,976	11/19/15	11/20/15	08/01/19
15266	Federal Home Loan Bank	313383HU8	AA+	1.75	5,000,000	5,046,370.91	5,003,950	01/15/16	01/19/16	06/12/20
15267	Federal National Mtg Assn	3135G0F73	AA+	1.50	5,000,000	4,990,182.87	4,937,300	01/15/16	01/19/16	11/30/20
15268	U.S. Treasury	912828L65	AA+	1.38	10,400,000	10,378,652.73	10,282,168	01/15/16	01/19/16	09/30/20
15275	Federal National Mtg Assn	3135G0F73	AA+	1.50	7,000,000	6,986,087.74	6,912,220	01/25/16	01/26/16	11/30/20
15276	U.S. Treasury	912828L65	AA+	1.38	2,350,000	2,345,083.11	2,323,375	01/25/16	01/26/16	09/30/20
15277	U.S. Treasury	912828XH8	AA+	1.63	10,000,000	10,077,705.01	10,004,700	01/25/16	01/26/16	06/30/20
15279	U.S. Treasury	912828XH8	AA+	1.63	2,750,000	2,776,419.22	2,751,293	01/28/16	01/29/16	06/30/20
15280	U.S. Treasury	912828J50	AA+	1.38	5,100,000	5,114,035.17	5,075,673	01/28/16	01/29/16	02/29/20
15283	Federal National Mtg Assn	3135G0A78	AA+	1.63	10,450,000	10,590,133.39	10,480,932	02/12/16	02/16/16	01/21/20
15286	Federal Home Loan Bank	3130A7CV5	AA+	1.38	11,230,000	11,192,520.00	11,017,304	02/17/16	02/18/16	02/18/21
15298	Federal National Mtg Assn	3135G0J20	AA+	1.38	10,700,000	10,633,853.76	10,491,457	03/03/16	03/04/16	02/26/21
15299	U.S. Treasury	912828N89	AA+	1.38	10,200,000	10,202,015.21	10,037,004	03/03/16	03/04/16	01/31/21
15306	U.S. Treasury	912828N89	AA+	1.38	4,300,000	4,272,450.85	4,231,286	03/16/16	03/17/16	01/31/21
15307	Federal Home Loan Bank	3130A7CV5	AA+	1.38	5,000,000	4,939,881.87	4,905,300	03/16/16	03/17/16	02/18/21
15332	U.S. Treasury	912828Q37	AA+	1.25	11,750,000	11,699,866.68	11,478,693	04/22/16	04/25/16	03/31/21
15355	U.S. Treasury	912828M98	AA	1.63	5,050,000	5,109,198.41	5,029,699	05/26/16	05/27/16	11/30/20
15356	Federal Home Loan Mtg Corp	3137EADZ9	AA+	1.13	5,000,000	5,002,103.66	4,979,750	05/26/16	05/27/16	04/15/19
15390	Federal Home Loan Bank	3130A8QS5	AA+	1.13	10,600,000	10,521,690.70	10,231,756	07/22/16	07/25/16	07/14/21
15396	Federal Home Loan Mtg Corp	3137EAE9	AA+	1.13	10,500,000	10,418,611.00	10,117,590	08/11/16	08/12/16	08/12/21
15408	Federal National Mtg Assn	3135G0N82	AA+	1.25	11,500,000	11,449,885.80	11,114,405	09/16/16	09/19/16	08/17/21
15415	U.S. Treasury	912828T34	AA+	1.13	12,000,000	11,929,509.66	11,574,840	10/05/16	10/06/16	09/30/21
15426	U.S. Treasury	912828D72	AA+	2.00	10,500,000	10,696,195.18	10,541,790	11/14/16	11/15/16	08/31/21
15428	U.S. Treasury	912828T67	AA+	1.25	8,400,000	8,152,472.87	8,145,396	12/12/16	12/13/16	10/31/21
15430	Federated Investors	VP6000104		0.00	648,089	648,089.40	6,481	- -	12/06/16	- -
<b>TOTAL LONG-TERM</b>					<b>432,463,089</b>	<b>432,554,541</b>	<b>429,480,208</b>			

<b>TOTAL INVESTMENTS</b>	<b>1.03</b>	<b>1,348,486,918</b>	<b>1,348,461,360</b>	<b>1,342,288,985</b>
--------------------------	-------------	----------------------	----------------------	----------------------

CASH										
CASHBO	Bank of America - Cash Account	CASHBOA	AA+	0.20	963,903	963,902.62	963,903	multiple	multiple	n/a
CASHUB	Union Bank - Cash Account	CASHUBOC	AA+	0.36	164,814,577	164,814,577.46	164,814,577	multiple	multiple	n/a
TOTAL CASH				0.28	165,778,480	165,778,480	165,778,480			