



City of Brentwood



Investment Performance Review
First Quarter 2016

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Summary

- Volatility ushered in the New Year, as slowing global growth drove investors out of riskier assets, such as equities and high-yield bonds, and into safe-haven securities such as U.S. government debt. Stocks posted one of their worst-ever starts to a year, with the S&P 500 falling more than 10% while commodity prices plunged. As a result, U.S. Treasury yields retraced nearly all of their fourth-quarter increases.
- Fear began to abate in February, spurring a rebound in stocks and commodities, which finished the quarter at or near 2016 highs. Interest rates rose off their February lows before giving back gains after the Federal Open Market Committee's (FOMC's) "dovish" March statement.
- The Federal Reserve (Fed) left policy rates unchanged in the 1st quarter. The FOMC lowered expectations for only two rate hikes in 2016, and acknowledged that global economic and financial market conditions posed a risk to its outlook.
- While the Fed embarks on a tightening path, other global central banks are still easing monetary policy. The European Central Bank expanded its bond purchase program to 80 billion euros per month, including the purchase of corporate bonds, while the Bank of Japan cut rates to -0.10%.

Economic Snapshot

- U.S. gross domestic product (GDP) grew at a 1.4% rate in the fourth quarter of 2015 and 2.4% for all of 2015 as consumer spending continued to drive growth, while business investment and net exports were a drag. Preliminary estimates of growth in the first quarter are approximately 1%.
- The labor market remained strong, as employers added 628,000 net new jobs in the first three months of the year. The unemployment rate held around 5%, while the labor participation rate rose four months in a row.
- Inflationary pressures picked up in the first quarter as energy prices stabilized, home prices rose, and wages showed modest improvements. The personal consumption expenditure (PCE) price index, the Fed's most favored metric of inflation, rose 1.7% year-over-year ended February 29, 2016.
- Global commodity price declines deepened early in the year, as the supply-demand imbalance remained in focus. Domestic crude oil fell to less than

\$30 a barrel in February, before staging a comeback and rebounding above \$40 a barrel on the possibility of an output freeze by the Organization of the Petroleum Exporting Countries (OPEC).

- The Chinese economy continued to slow, stoking concern that weakness in the world's second-largest economy may negatively impact global growth, but especially emerging market countries — those dependent on commodity exports.

Interest Rates

- Interest rates declined in the first quarter, first due to widespread concern about the global economy and then later in the quarter after the Fed signaled a slower pace of rate increases. The two-year Treasury yield fell 33 basis points (0.33%) during the quarter, while the 10-year Treasury yield fell 50 basis points (0.50%).
- In the money market space, shorter Treasuries posted small declines, but short-term credit instruments, such as commercial paper and bank certificates of deposit (CDs) offered unusually wide yield spreads.

Sector Performance

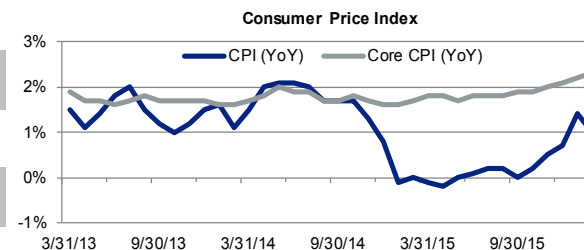
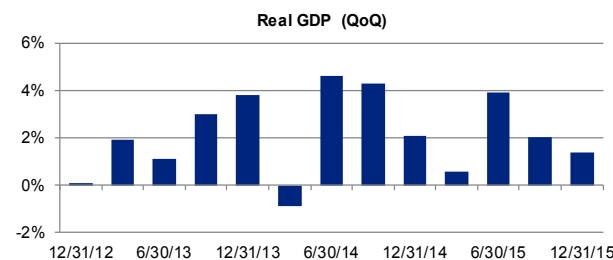
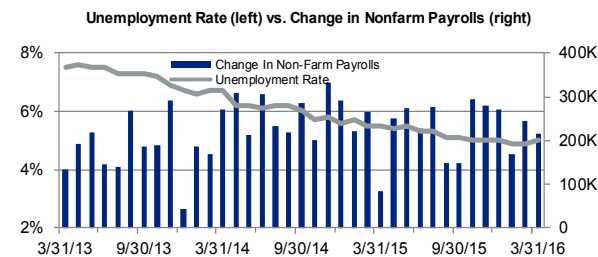
- U.S. Treasury indexes posted strong returns for the first quarter, as rate declines boosted market values. Longer maturity issues performed best.
- Non-callable federal agency securities performed generally in line with comparable-maturity Treasuries.
- Corporate yield spreads widened significantly through the middle of February amid energy-related weakness and declining corporate profits. Although corporates suffered sharp underperformance through January and much of February, spreads tightened dramatically in March, generating enough outperformance for the sector to surpass comparable-maturity Treasuries over the entire quarter.
- Mortgage-backed securities were the worst-performing sector in the quarter, underperforming Treasuries. They were hurt as declining interest rates increased anticipated pre-payments.

Economic Snapshot

Labor Market		Latest	Dec 2015	Mar 2015
Unemployment Rate	Mar'16	5.0%	5.0%	5.5%
Change In Non-Farm Payrolls	Mar'16	215,000	271,000	84,000
Average Hourly Earnings (YoY)	Mar'16	2.3%	2.6%	2.2%
Personal Income (YoY)	Feb'16	4.0%	3.9%	4.0%
Initial Jobless Claims (week)	3/26/16	276,000	285,000	268,000

Growth				
Real GDP (QoQ SAAR)	2015Q4	1.4%	2.0% ¹	2.1% ²
GDP Personal Consumption (QoQ SAAR)	2015Q4	2.4%	3.0% ¹	4.3% ²
Retail Sales (YoY)	Feb'16	3.1%	2.6%	2.1%
ISM Manufacturing Survey (month)	Mar'16	51.8	48.0	52.3
Existing Home Sales SAAR (month)	Feb'16	5.08 mil.	5.45 mil.	5.25 mil.

Inflation / Prices				
Personal Consumption Expenditures (YoY)	Feb'16	1.0%	0.7%	0.3%
Consumer Price Index (YoY)	Feb'16	1.0%	0.7%	-0.1%
Consumer Price Index Core (YoY)	Feb'16	2.3%	2.1%	1.8%
Crude Oil Futures (WTI, per barrel)	Mar 31	\$38.34	\$37.04	\$47.60
Gold Futures (oz.)	Mar 31	\$1,234	\$1,060	\$1,183



1. Data as of Third Quarter 2015

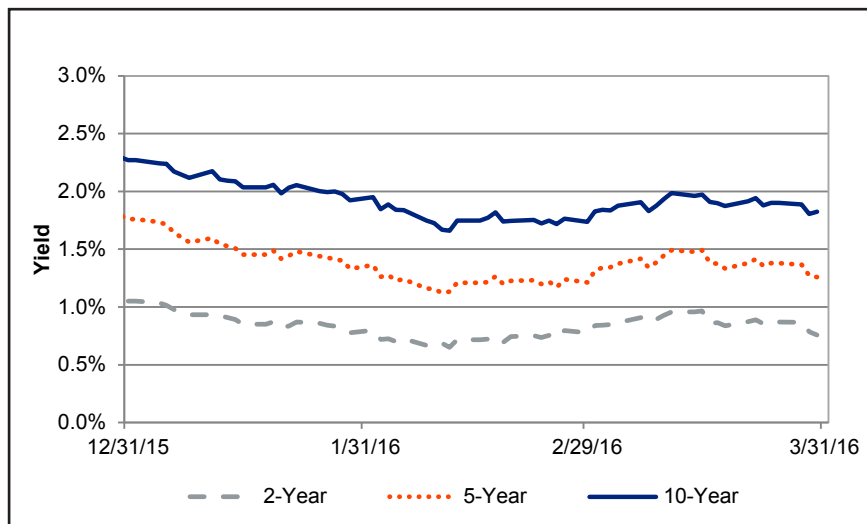
2. Data as of Fourth Quarter 2014

Note: YoY = year over year, QoQ = quarter over quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil

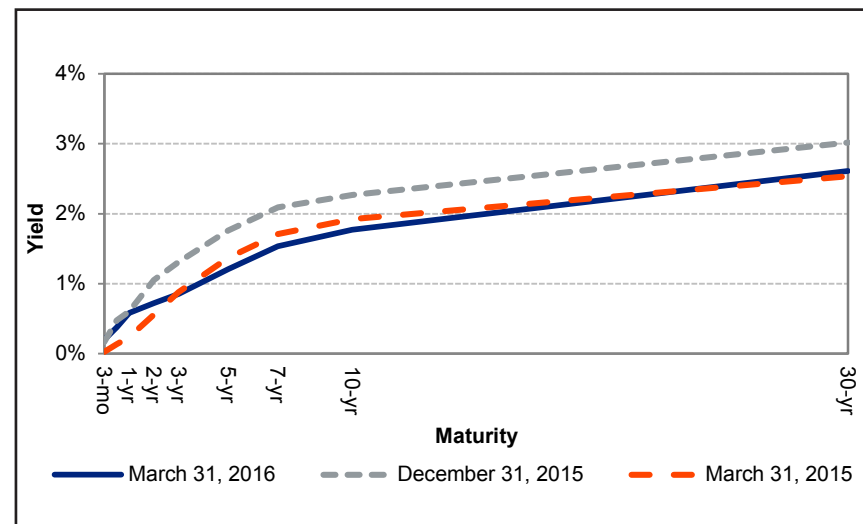
Source: Bloomberg

Interest Rate Overview

U.S. Treasury Note Yields



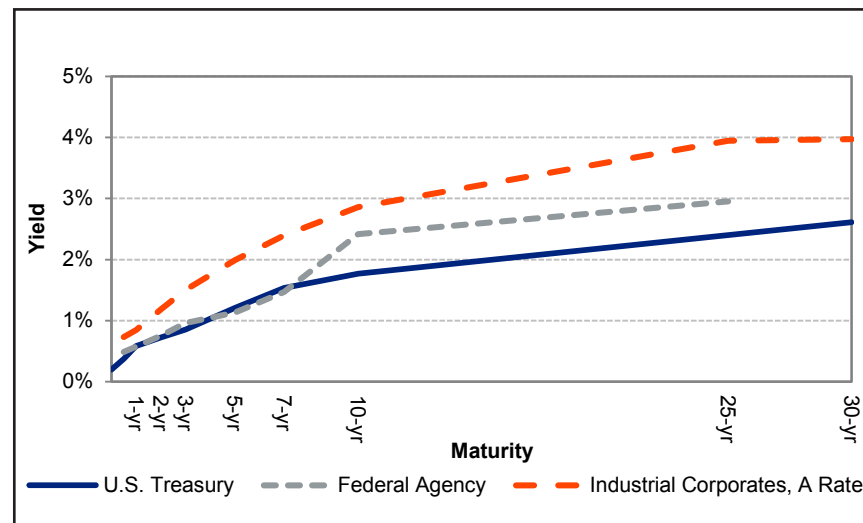
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	3/31/16	12/31/15	Change over Quarter	3/31/15	Change over Year
3-month	0.20%	0.17%	0.03%	0.02%	0.18%
1-year	0.58%	0.60%	(0.02%)	0.23%	0.35%
2-year	0.72%	1.05%	(0.33%)	0.56%	0.16%
5-year	1.21%	1.76%	(0.55%)	1.37%	(0.16%)
10-year	1.77%	2.27%	(0.50%)	1.92%	(0.15%)
30-year	2.61%	3.02%	(0.41%)	2.54%	0.07%

Yield Curves as of 3/31/2016



Source: Bloomberg

BofA Merrill Lynch Index Returns

	As of 3/31/2016		Returns for Periods ended 3/31/2016		
	Duration	Yield	3 Month	1 Year	3 Years
1-3 Year Indices					
U.S. Treasury	1.89	0.75%	0.90%	0.92%	0.77%
Federal Agency	1.56	0.80%	0.86%	1.02%	0.86%
U.S. Corporates, A-AAA rated	1.95	1.52%	1.09%	1.48%	1.43%
Agency MBS (0 to 3 years)	2.13	1.41%	0.50%	1.77%	1.37%
Municipals	1.79	0.84%	0.51%	1.01%	0.87%
1-5 Year Indices					
U.S. Treasury	2.72	0.89%	1.57%	1.62%	1.14%
Federal Agency	2.06	0.91%	1.26%	1.43%	1.14%
U.S. Corporates, A-AAA rated	2.77	1.77%	1.70%	2.02%	1.97%
Agency MBS (0 to 5 years)	3.18	1.88%	1.47%	1.86%	2.19%
Municipals	2.46	1.00%	0.72%	1.58%	1.27%
Master Indices (Maturities 1 Year or Greater)					
U.S. Treasury	6.43	1.34%	3.35%	2.42%	2.30%
Federal Agency	3.65	1.26%	2.14%	1.86%	1.75%
U.S. Corporates, A-AAA rated	6.96	2.70%	3.67%	2.13%	3.26%
Agency MBS (0 to 30 years)	3.79	2.14%	1.95%	2.41%	2.68%
Municipals	6.77	2.05%	1.64%	4.12%	3.73%

Returns for periods greater than one year are annualized

Source: BofA Merrill Lynch Indices

Disclosures

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Investment Report

First Quarter 2016

Fixed Income
Management

Portfolio Summary

<u>Total Portfolio Value</u>	<u>March 31, 2016</u>	<u>December 31, 2015</u>
Market Value	\$191,553,974.41	\$191,738,981.86
Amortized Cost	\$190,102,249.01	\$192,405,530.64

PORTFOLIO RECAP

- Treasury yields ended the quarter significantly lower as fears of a global economic slowdown and plummeting oil prices pummeled equity and credit markets around the globe. The Federal Open Market Committee's "dovish" tone in the March meeting statement, and subsequent comments in speeches by Fed officials, kept Treasury yields low even as equities rallied and corporate yield spreads recovered.
- In this volatile and uncertain market environment, PFMAM maintained core portfolio duration position near-neutral relative to its benchmarks during the quarter.
- The yield relationship between U.S. Treasury and federal agency securities fluctuated throughout the quarter. Agency yield spreads increased to multi-year wide levels in the first half of the quarter, and we increased the core portfolio's allocation through swaps from Treasuries. We purchased a number of new issues at very attractive yield spreads.
- The potential impact of slower global economic growth on corporate profits caused yield spreads in the corporate sector to widen significantly in the first half of the quarter. Subsequently, yield spreads on high-grade issues rebounded, ultimately driving the sector's outperformance over Treasuries for the quarter.
- We participated in a new issue of asset-backed securities as we felt AAA-rated tranches of high quality structures offered value and would further diversify our allocation to "spread products."

PORTFOLIO STRATEGY

- We expect the U.S. economy to expand at a moderate pace in 2016 as consumer spending continues to drive positive growth. Outside the U.S., economic prospects are more challenged due to weak commodity prices, slowing growth in China, and various geopolitical risks. The market's concerns about the strength of the global economy will likely keep interest rates lower than previously expected.
- Economic projections released following the FOMC's March meeting indicated that FOMC participants believe that appropriate monetary policy warrants only two fed funds hikes in 2016, down from four hikes projected in December.
- Given the likelihood that rates will not move significantly higher in the near-term, we will position the maturity distribution of the core portfolio to generally match the distribution of their benchmarks, except where shifting to short-term credit securities offers better value.
- Because of narrowed yield spreads, federal agencies currently have less appeal relative to comparable-maturity U.S. Treasuries. We will monitor the yield relationship and take advantage of any opportunities that arise — opportunities are most likely to occur with newly-issued federal agency securities.
- Our strategy continues to favor credit sectors, including corporates notes, commercial paper, and negotiable CDs. We believe the best opportunities are currently with issuers in the financial industry, where capital is strong and spreads are wide. We are also watching the industrial sector, but are being more selective when making investments in industrial companies, especially those with exposure to energy or to slowing overseas economies.
- Yields on commercial paper and negotiable CDs adjusted to the new level of short-term rates in December and have remained elevated. These short-term credit sectors are attractive alternatives to short-term government securities, especially in the 6-12 month maturity range. We will continue to utilize these sectors as part of our overall duration and yield curve strategy, although supply constraints may hinder availability.

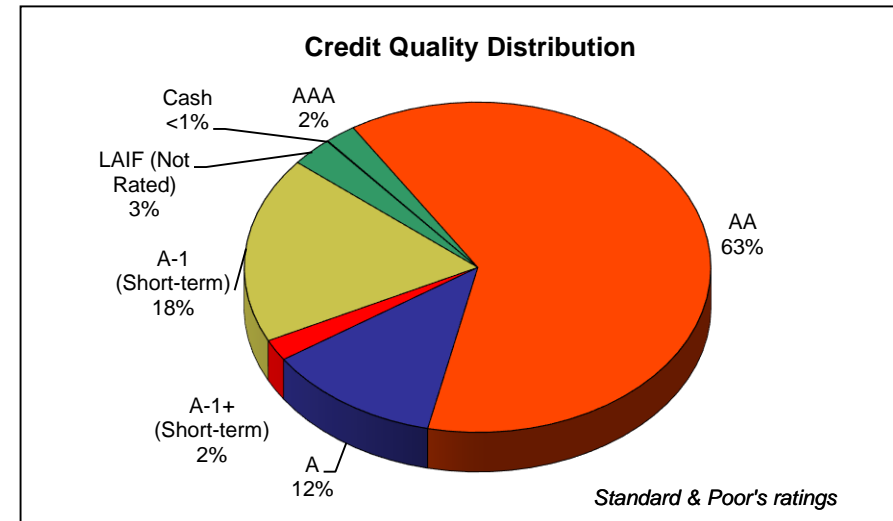
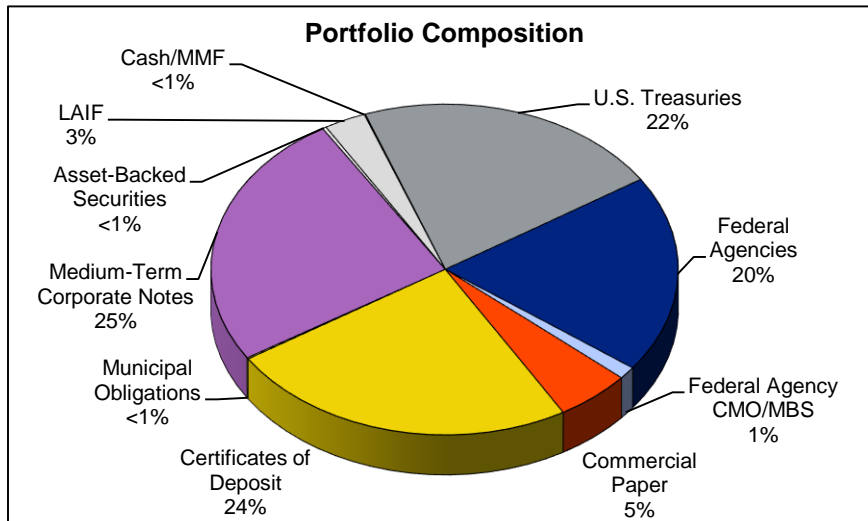
Investment Report

First Quarter 2016

Fixed Income
Management

Portfolio Composition and Credit Quality Characteristics

<u>Security Type</u> ¹	<u>March 31, 2016</u>	<u>% of Portfolio</u>	<u>December 31, 2015</u>	<u>% of Portfolio</u>	<u>Permitted by Policy</u>
U.S. Treasuries	\$40,977,621	21%	\$54,053,107	28%	100%
Federal Agencies	\$37,028,356	19%	\$30,179,043	16%	100%
Federal Agency CMO/MBS	\$2,327,488	1%	\$2,310,728	1%	20%
Commercial Paper	\$9,979,000	5%	\$0	0%	25%
Certificates of Deposit	\$46,533,604	25%	\$46,334,061	24%	30%
Municipal Obligations	\$242,282	<1%	\$1,077,363	1%	100%
Medium-Term Corporate Notes	\$48,321,461	25%	\$49,034,001	26%	30%
Asset-Backed Securities	\$506,680	<1%	\$0	0%	20%
Money Market Fund/Cash	\$132,040	<1%	\$249,476	<1%	15%
LAIF	\$5,505,440	3%	\$8,501,204	4%	\$50 Million
Totals	\$191,553,974	100%	\$191,738,982	100%	



Notes:

1. End of quarter trade-date market values of portfolio holdings, including accrued interest.

Investment Report

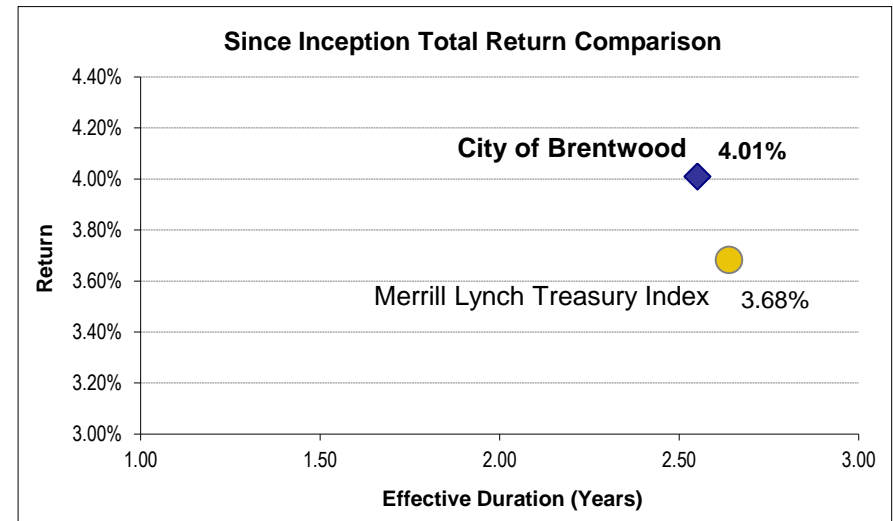
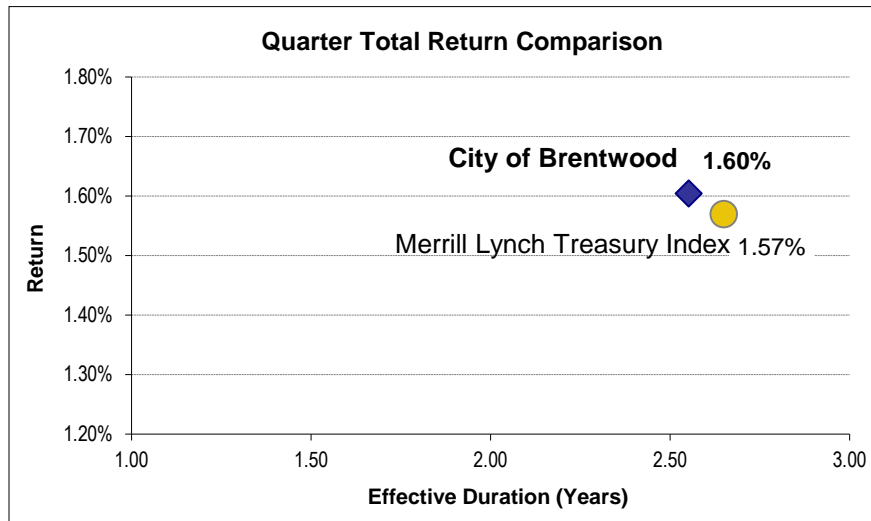
First Quarter 2016

Fixed Income
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Portfolio Performance

	Quarter Ended March 31, 2016	Past Year	Past 5 Years	Past 10 Years	Since Inception
Total Return ^{1,2,3,4,5}					
City of Brentwood	1.60%	1.91%	1.36%	2.91%	4.01%
Merrill Lynch Treasury Index	1.57%	1.62%	1.01%	2.54%	3.68%

	<u>March 31, 2016</u>	<u>December 31, 2015</u>	<u>Yields</u>	<u>March 31, 2016</u>	<u>December 31, 2015</u>
Effective Duration ^{4,5,6}					
City of Brentwood	2.55	2.55	Yield at Market	1.12%	1.46%
Merrill Lynch Treasury Index	2.65	2.64	Yield on Cost	1.39%	1.33%



Notes:

1. Performance on trade-date basis, gross (i.e., before fees), in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).
2. Quarterly returns are presented on an unannualized basis. Performance numbers for periods greater than one year are presented on an annualized basis.
3. Merrill Lynch Indices provided by Bloomberg Financial Markets.
4. Includes money market fund/cash in performance and duration computations and excludes LAIF from performance, yield, and duration computations.
5. Short-term funds are not included in performance and duration calculations.
6. Merrill Lynch 9-12 Month U.S. Treasury Bill Index through March 31, 2001, Merrill Lynch 9-12 Month U.S. Treasury Note Index through June 30, 2002, Merrill Lynch 1-3 Year U.S. Treasury Note Index through March 31, 2015 and Merrill Lynch 1-5 Year U.S. Treasury Index beginning April 1, 2015. Inception date is December 31, 1992.

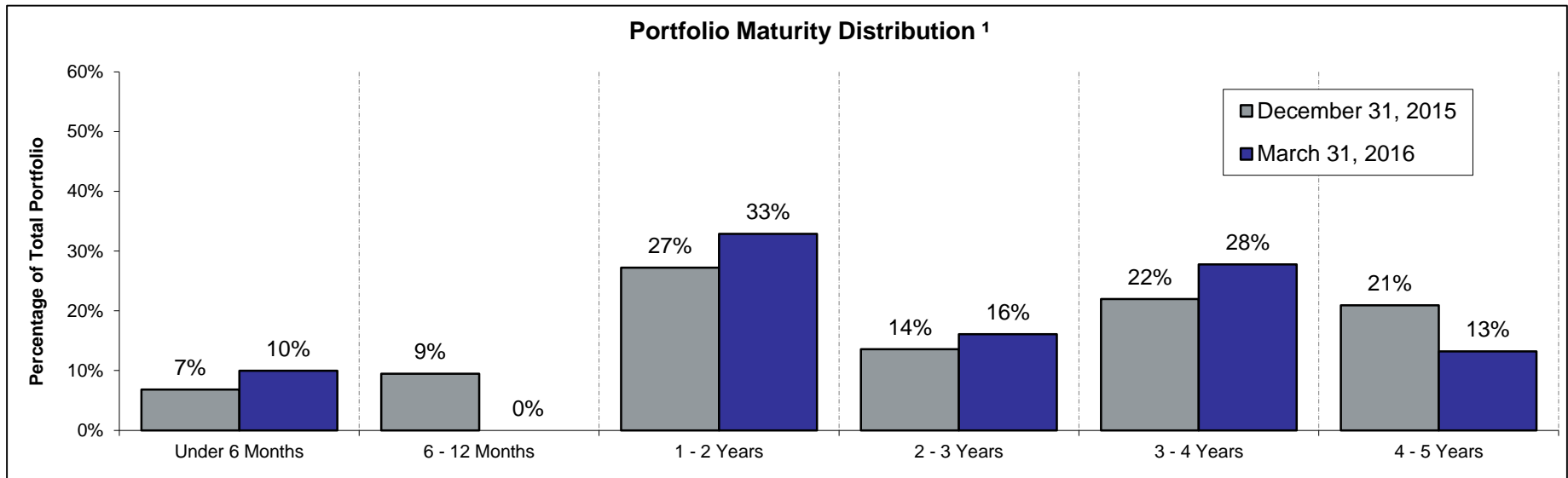
Investment Report

First Quarter 2016

Fixed Income
Management

Portfolio Maturity Distribution

<u>Maturity Distribution</u> ¹	<u>March 31, 2016</u>	<u>December 31, 2015</u>
Under 6 Months	\$19,119,440	\$13,095,805
6 - 12 Months	\$0	\$18,187,003
1 - 2 Years	\$63,034,641	\$52,221,972
2 - 3 Years	\$30,839,568	\$26,023,634
3 - 4 Years	\$53,208,531	\$42,118,481
4 - 5 Years	\$25,351,794	\$40,092,086
Totals	\$191,553,974	\$191,738,982



Notes:

1. Callable securities in portfolio are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2016**

CITY OF BRENTWOOD

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 01/03/2012 1.375% 12/31/2018	912828RY8	105,000.00	AA+	Aaa	12/28/15	12/30/15	105,053.32	1.36	364.90	105,048.87	106,529.85
US TREASURY NOTES DTD 02/29/2012 1.375% 02/28/2019	912828SH4	1,250,000.00	AA+	Aaa	02/26/15	02/27/15	1,251,855.47	1.34	1,494.57	1,251,360.10	1,268,163.75
US TREASURY NOTES DTD 02/29/2012 1.375% 02/28/2019	912828SH4	1,730,000.00	AA+	Aaa	03/26/15	03/27/15	1,736,622.66	1.27	2,068.48	1,734,947.80	1,755,138.63
US TREASURY NOTES DTD 04/30/2014 1.625% 04/30/2019	912828D23	1,975,000.00	AA+	Aaa	04/28/15	04/30/15	2,006,862.30	1.21	13,489.96	1,999,665.42	2,017,972.05
US TREASURY NOTES DTD 06/30/2014 1.625% 06/30/2019	912828WS5	1,055,000.00	AA+	Aaa	12/18/14	12/19/14	1,056,483.59	1.59	4,333.04	1,056,074.99	1,078,531.78
US TREASURY NOTES DTD 09/30/2014 1.750% 09/30/2019	912828F39	2,375,000.00	AA+	Aaa	03/26/15	03/27/15	2,410,810.55	1.40	113.56	2,402,959.97	2,436,695.38
US TREASURY NOTES DTD 09/30/2014 1.750% 09/30/2019	912828F39	4,800,000.00	AA+	Aaa	10/08/15	10/14/15	4,896,187.50	1.23	229.51	4,885,158.53	4,924,689.60
US TREASURY NOTES DTD 11/30/2012 1.000% 11/30/2019	912828UB4	2,000,000.00	AA+	Aaa	12/01/14	12/03/14	1,954,531.25	1.47	6,721.31	1,966,306.62	1,999,140.00
US TREASURY NOTES DTD 02/02/2015 1.250% 01/31/2020	912828H52	1,750,000.00	AA+	Aaa	03/02/16	03/04/16	1,750,957.03	1.24	3,665.87	1,750,939.45	1,762,031.25
US TREASURY NOTES DTD 02/28/2013 1.250% 02/29/2020	912828UO1	2,800,000.00	AA+	Aaa	11/05/15	11/09/15	2,765,000.00	1.55	3,043.48	2,768,127.26	2,818,264.40
US TREASURY NOTES DTD 02/28/2013 1.250% 02/29/2020	912828UO1	4,360,000.00	AA+	Aaa	04/28/15	04/30/15	4,332,579.69	1.38	4,739.13	4,337,683.03	4,388,440.28
US TREASURY NOTES DTD 04/30/2015 1.375% 04/30/2020	912828K58	5,390,000.00	AA+	Aaa	02/01/16	02/03/16	5,418,423.83	1.25	31,151.68	5,417,399.85	5,445,797.28
US TREASURY NOTES DTD 05/17/2010 3.500% 05/15/2020	912828ND8	600,000.00	AA+	Aaa	05/28/15	05/29/15	657,070.31	1.50	7,961.54	647,691.13	657,258.00
US TREASURY NOTES DTD 05/31/2013 1.375% 05/31/2020	912828VF4	5,500,000.00	AA+	Aaa	12/02/15	12/04/15	5,455,957.03	1.56	25,414.96	5,459,050.63	5,555,214.50



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2016**

CITY OF BRENTWOOD

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 07/01/2013 1.875% 06/30/2020	912828VJ6	4,500,000.00	AA+	Aaa	09/01/15	09/03/15	4,578,222.66	1.50	21,325.55	4,569,197.76	4,637,637.00
Security Type Sub-Total		40,190,000.00					40,376,617.19	1.39	126,117.54	40,351,611.41	40,851,503.75

Municipal Bond / Note											
MS ST TXBL GO BONDS DTD 02/18/2015 1.090% 10/01/2017	605581FX0	240,000.00	AA	Aa2	02/04/15	02/18/15	240,000.00	1.09	1,308.00	240,000.00	240,974.40
Security Type Sub-Total		240,000.00					240,000.00	1.09	1,308.00	240,000.00	240,974.40

Federal Agency Collateralized Mortgage Obligation											
FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	750,000.00	AA+	Aaa	11/06/15	11/30/15	757,499.93	1.20	1,186.30	756,542.54	758,698.50
FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	1,555,000.00	AA+	Aaa	10/07/15	10/30/15	1,570,571.61	1.08	2,132.94	1,568,645.42	1,565,470.59
Security Type Sub-Total		2,305,000.00					2,328,071.54	1.12	3,319.24	2,325,187.96	2,324,169.09

Federal Agency Bond / Note											
FNMA BENCHMARK NOTE DTD 09/01/2015 1.125% 10/19/2018	3135G0E58	4,725,000.00	AA+	Aaa	08/27/15	09/01/15	4,717,345.50	1.18	23,920.31	4,718,737.15	4,757,937.98
FANNIE MAE GLOBAL NOTES DTD 10/01/2013 1.625% 11/27/2018	3135G0YT4	1,940,000.00	AA+	Aaa	10/22/14	10/23/14	1,958,430.00	1.39	10,858.61	1,952,075.45	1,978,460.50
FANNIE MAE GLOBAL NOTES DTD 10/01/2013 1.625% 11/27/2018	3135G0YT4	2,500,000.00	AA+	Aaa	10/09/14	10/10/14	2,517,500.00	1.45	13,993.06	2,511,377.93	2,549,562.50
FNMA BENCHMARK NOTE DTD 01/08/2016 1.375% 01/28/2019	3135G0H63	2,695,000.00	AA+	Aaa	01/06/16	01/08/16	2,693,329.10	1.40	6,484.84	2,693,447.03	2,730,113.16
FNMA BENCHMARK NOTE DTD 02/23/2016 1.000% 02/26/2019	3135G0J53	3,000,000.00	AA+	Aaa	02/19/16	02/23/16	2,992,920.00	1.08	2,916.67	2,993,164.41	3,006,636.00
FREDDIE MAC NOTES DTD 03/21/2016 1.125% 04/15/2019	3137EADZ9	4,150,000.00	AA+	Aaa	03/18/16	03/21/16	4,148,630.50	1.14	1,296.88	4,148,643.12	4,166,292.90



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2016**

CITY OF BRENTWOOD

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FREDDIE MAC NOTES DTD 04/16/2012 1.750% 05/30/2019	3137EADG1	2,000,000.00	AA+	Aaa	02/05/15	02/06/15	2,037,580.00	1.30	11,763.89	2,027,755.76	2,047,910.00
FREDDIE MAC GLOBAL NOTES DTD 07/30/2012 1.250% 08/01/2019	3137EADK2	2,565,000.00	AA+	Aaa	09/03/14	09/04/14	2,494,693.35	1.84	5,343.75	2,516,584.68	2,585,814.98
FNMA NOTES DTD 07/28/2014 1.750% 09/12/2019	3135G0ZG1	2,000,000.00	AA+	Aaa	10/27/14	10/28/14	2,008,320.00	1.66	1,847.22	2,005,965.10	2,049,612.00
FNMA BENCHMARK NOTE DTD 11/07/2014 1.750% 11/26/2019	3135G0ZY2	1,500,000.00	AA+	Aaa	02/26/15	02/27/15	1,509,975.00	1.60	9,114.58	1,507,751.25	1,534,849.50
FNMA NOTES DTD 01/12/2015 1.625% 01/21/2020	3135G0A78	2,055,000.00	AA+	Aaa	01/21/15	01/22/15	2,071,008.45	1.46	6,493.23	2,067,295.07	2,090,272.02
FNMA BENCHMARK NOTES DTD 04/27/2015 1.500% 06/22/2020	3135G0D75	5,300,000.00	AA+	Aaa	07/01/15	07/06/15	5,223,150.00	1.81	21,862.50	5,234,143.37	5,358,527.90
FNMA BENCHMARK NOTES DTD 11/16/2015 1.875% 12/28/2020	3135G0H55	1,995,000.00	AA+	Aaa	12/28/15	12/29/15	1,995,857.85	1.87	9,663.28	1,995,816.01	2,046,808.16

Security Type Sub-Total		36,425,000.00					36,368,739.75	1.45	125,558.82	36,372,756.33	36,902,797.60
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Corporate Note											
THE WALT DISNEY CORPORATION CORP NOTE DTD 06/02/2014 0.875% 05/30/2017	25468PCZ7	1,900,000.00	A	A2	05/28/14	06/02/14	1,896,580.00	0.94	5,587.85	1,898,659.55	1,901,867.70
HSBC USA INC DTD 06/23/2014 1.300% 06/23/2017	40434CAA3	1,325,000.00	A	A2	06/16/14	06/23/14	1,322,986.00	1.35	4,689.03	1,324,166.18	1,324,505.78
AMERICAN HONDA FINANCE GLOBAL NOTE DTD 07/15/2014 1.200% 07/14/2017	02665WAF8	820,000.00	A+	A1	07/08/14	07/15/14	818,843.80	1.25	2,104.67	819,498.70	821,439.92
CHEVRON CORP NOTE DTD 11/18/2014 1.345% 11/15/2017	166764AL4	1,760,000.00	AA-	Aa1	11/10/14	11/18/14	1,760,000.00	1.35	8,942.76	1,760,000.00	1,770,602.24
TOYOTA MOTOR CREDIT CORP NOTE DTD 01/12/2015 1.450% 01/12/2018	89236TCA1	440,000.00	AA-	Aa3	01/07/15	01/12/15	439,397.20	1.50	1,400.06	439,639.07	442,240.48



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CITY OF BRENTWOOD

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Corporate Note											
JPMORGAN CHASE & CO NOTES DTD 12/20/2007 6.000% 01/15/2018	46625HGY0	3,500,000.00	A-	A3	02/05/16	02/10/16	3,773,385.00	1.86	44,333.33	3,753,616.37	3,769,342.50
IBM CORP NOTES DTD 02/06/2015 1.125% 02/06/2018	459200HZ7	4,500,000.00	AA-	Aa3	02/03/15	02/06/15	4,486,275.00	1.23	7,734.38	4,491,490.86	4,508,122.50
EXXON MOBIL CORP NOTES DTD 03/06/2015 1.305% 03/06/2018	30231GAL6	3,580,000.00	AAA	Aaa	03/04/15	03/06/15	3,580,000.00	1.31	3,244.38	3,580,000.00	3,596,077.78
AMERICAN HONDA FINANCE CORP NOTES DTD 03/13/2015 1.500% 03/13/2018	02665WAT8	1,540,000.00	A+	A1	03/10/15	03/13/15	1,537,936.40	1.55	1,155.00	1,538,647.96	1,548,323.70
BANK OF NEW YORK MELLON CORP (CALLABLE) DTD 05/29/2015 1.600% 05/22/2018	06406HDB2	3,595,000.00	A	A1	05/22/15	05/29/15	3,594,676.45	1.60	20,611.33	3,594,762.95	3,622,059.57
CISCO SYSTEMS INC CORP NOTE DTD 06/17/2015 1.650% 06/15/2018	17275RAU6	1,510,000.00	AA-	A1	06/10/15	06/17/15	1,509,743.30	1.66	7,336.08	1,509,809.33	1,531,278.92
TOYOTA MOTOR CREDIT CORP DTD 07/13/2015 1.550% 07/13/2018	89236TCP8	900,000.00	AA-	Aa3	07/08/15	07/13/15	899,235.00	1.58	3,022.50	899,414.60	908,020.80
TOYOTA MOTOR CREDIT CORP DTD 02/19/2016 1.700% 02/19/2019	89236TCU7	1,810,000.00	AA-	Aa3	02/16/16	02/19/16	1,809,782.80	1.70	3,589.83	1,809,791.07	1,826,894.54
AMERICAN HONDA FINANCE CORP NOTES DTD 02/23/2016 1.700% 02/22/2019	02665WBA8	1,255,000.00	A+	A1	02/18/16	02/23/16	1,254,749.00	1.71	2,252.03	1,254,757.61	1,265,425.29
BERKSHIRE HATHAWAY INC NOTES DTD 03/15/2016 1.700% 03/15/2019	084664CG4	645,000.00	AA	Aa2	03/08/16	03/15/16	644,509.80	1.73	487.33	644,516.91	653,950.67
AMERICAN EXPRESS CREDIT CORP NOTES DTD 03/18/2014 2.125% 03/18/2019	0258M0DK2	2,000,000.00	A-	A2	10/26/15	10/29/15	2,017,300.00	1.86	1,534.72	2,015,215.96	2,018,576.00
WELLS FARGO & COMPANY DTD 04/22/2014 2.125% 04/22/2019	94974BFU9	3,300,000.00	A	A2	03/23/15	03/26/15	3,335,277.00	1.85	30,971.88	3,326,752.87	3,352,869.30
GENERAL ELECTRIC CAP CORP NOTES DTD 01/08/2010 5.500% 01/08/2020	36962G4J0	4,500,000.00	AA+	A1	03/20/15	03/25/15	5,203,485.00	2.05	57,062.50	5,059,781.19	5,161,752.00
APPLE INC DTD 02/09/2015 1.550% 02/07/2020	037833AX8	3,480,000.00	AA+	Aa1	02/23/15	02/26/15	3,434,864.40	1.83	7,791.33	3,444,540.33	3,505,052.52



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2016**

CITY OF BRENTWOOD

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
ABBOTT LABORATORIES DTD 03/10/2015 2.000% 03/15/2020	002824AZ3	3,500,000.00	A+	A2	03/24/15	03/27/15	3,523,135.00	1.86	3,111.11	3,518,603.31	3,549,605.50
APPLE INC CORP NOTE DTD 05/13/2015 2.000% 05/06/2020	037833BD1	1,000,000.00	AA+	Aa1	05/06/15	05/13/15	998,450.00	2.03	7,666.67	998,714.09	1,018,825.00

Security Type Sub-Total		46,860,000.00					47,840,611.15	1.64	224,628.77	47,682,378.91	48,096,832.71
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Certificate of Deposit											
GOLDMAN SACHS BANK USA CD DTD 08/19/2014 0.900% 08/12/2016	38147J2L5	3,500,000.00	A-1	P-1	08/14/14	08/19/14	3,500,000.00	0.90	3,624.66	3,500,000.00	3,499,335.00
CANADIAN IMPERIAL BANK NY YCD DTD 04/10/2015 1.010% 04/06/2017	13606JYY9	4,700,000.00	A-1	P-1	04/06/15	04/10/15	4,700,000.00	1.01	23,075.69	4,700,000.00	4,692,433.00
RABOBANK NEDERLAND NV CERT DEPOS DTD 04/27/2015 1.070% 04/21/2017	21684BXH2	4,000,000.00	A-1	P-1	04/22/15	04/27/15	4,000,000.00	1.07	19,022.22	4,000,000.00	3,994,500.00
BMO HARRIS BANK NA CD DTD 10/23/2015 1.000% 04/24/2017	05574BFW5	4,320,000.00	A-1	Aa3	10/22/15	10/23/15	4,320,000.00	1.01	19,320.00	4,320,000.00	4,324,259.52
NORDEA BANK FINLAND NY CD DTD 05/29/2015 1.150% 05/26/2017	65558LFA5	4,800,000.00	AA-	Aa3	05/27/15	05/29/15	4,800,000.00	1.15	19,473.33	4,800,000.00	4,789,176.00
TORONTO DOMINION BANK NY YCD DTD 06/19/2015 1.240% 06/16/2017	89113ESN7	4,800,000.00	AA-	Aa1	06/16/15	06/19/15	4,800,000.00	1.25	47,285.33	4,800,000.00	4,806,264.00
SVENSKA HANDELSBANKEN NY FLT CERT DEPOS DTD 11/24/2015 1.075% 08/24/2017	86958DH54	4,000,000.00	A-1+	P-1	11/20/15	11/24/15	4,000,000.00	0.84	4,417.80	4,000,000.00	3,994,000.00
US BANK NA CINCINNATI (CALLABLE) CD DTD 09/11/2014 1.375% 09/11/2017	90333VPF1	4,350,000.00	AA-	A1	09/09/14	09/11/14	4,342,996.50	1.41	3,322.92	4,346,626.05	4,357,473.30
BANK OF NOVA SCOTIA HOUSTON YCD DTD 11/09/2015 1.560% 11/06/2017	06417GAS7	4,135,000.00	A-1	P-1	11/06/15	11/09/15	4,135,000.00	1.55	25,444.03	4,135,000.00	4,147,859.85
SKANDINAVISKA ENSKILDA BANKEN NY CD DTD 11/17/2015 1.480% 11/16/2017	83050FBG5	4,240,000.00	A-1	P-1	11/16/15	11/17/15	4,240,000.00	1.48	23,706.31	4,240,000.00	4,218,185.20



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2016**

CITY OF BRENTWOOD

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Certificate of Deposit											
ROYAL BANK OF CANADA NY CD DTD 03/11/2016 1.700% 03/09/2018	78009NZZ2	3,500,000.00	AA-	Aa3	03/11/16	03/15/16	3,500,000.00	1.69	3,470.83	3,500,000.00	3,517,955.00
Security Type Sub-Total		46,345,000.00					46,337,996.50	1.21	192,163.12	46,341,626.05	46,341,440.87
Asset-Backed Security / Collateralized Mortgage Obligation											
HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	505,000.00	AAA	Aaa	03/22/16	03/30/16	504,902.03	1.57	21.88	504,902.03	506,658.57
Security Type Sub-Total		505,000.00					504,902.03	1.57	21.88	504,902.03	506,658.57
Managed Account Sub-Total		172,870,000.00					173,996,938.16	1.42	673,117.37	173,818,462.69	175,264,376.99
Securities Sub-Total		\$172,870,000.00					\$173,996,938.16	1.42%	\$673,117.37	\$173,818,462.69	\$175,264,376.99
Accrued Interest											\$673,117.37
Total Investments											\$175,937,494.36



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2016**

CITY OF BRENTWOOD, SHORT TERM FUNDS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Commercial Paper											
BANK OF TOKYO MITSUBISHI UFJ COMM PAPER -- 0.000% 07/07/2016	06538BG72	5,000,000.00	A-1	P-1	01/06/16	01/07/16	4,978,261.11	0.86	0.00	4,988,413.90	4,991,275.00
BNP PARIBAS NY BRANCH COMM PAPER -- 0.000% 08/05/2016	09659BH52	5,000,000.00	A-1	P-1	01/06/16	01/07/16	4,974,504.17	0.87	0.00	4,984,775.00	4,987,725.00
Security Type Sub-Total		10,000,000.00					9,952,765.28	0.87	0.00	9,973,188.90	9,979,000.00
Managed Account Sub-Total		10,000,000.00					9,952,765.28	0.87	0.00	9,973,188.90	9,979,000.00
Securities Sub-Total		\$10,000,000.00					\$9,952,765.28	0.87%	\$0.00	\$9,973,188.90	\$9,979,000.00
Accrued Interest											\$0.00
Total Investments											\$9,979,000.00