



City of Brentwood



Investment Performance Review
Third Quarter 2015

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Summary

- The U.S. economy continued its forward progress, but more recent economic data suggested it is slowing from the strong second-quarter pace.
- Weakness in emerging-markets economies, most notably China, changed market psychology, triggering heightened volatility and significant downward pressure on equity markets worldwide.
- The Federal Open Market Committee (FOMC) chose not to raise the federal funds target rate at either of its two meetings during the quarter, most recently citing concern about “recent global economic and financial developments.” FOMC officials, however, continue to condition investors for a possible rate hike before year-end.

Economic Snapshot

- Concern over Greece’s financial state last quarter was quickly resolved, only to be superseded by growth concerns emanating from emerging-markets economies, especially China, Russia and Brazil. A slowdown in emerging markets also negatively impacted commodity, oil, and export-driven economies, such as Australia, Canada, and the oil states.
- Second-quarter gross domestic product (GDP) grew at a 3.9% annualized pace, a strong rebound from the first quarter’s lackluster growth. The surge was bolstered by strong consumer spending and a pickup in business investment and inventories.
- Job growth slowed in the third quarter — averaging 167,000 new jobs per month, which was down from 231,000 per month in the prior quarter — but the unemployment rate fell further to 5.1%, its lowest rate since April 2008. Wage growth remained subdued.

Interest Rates

- Long-term Treasury yields trended lower throughout the quarter, supported by low inflation, slowing global growth, and a hesitant FOMC. The yield on the 10-year U.S. Treasury fell 31 basis points (0.31%), ending the quarter just above 2.0%.

- Yields on shorter-term instruments (two years and under) initially moved in the opposite direction, rising to peaks in mid-September in anticipation of a near-term federal funds target rate increase. When those hopes were dashed, yields retreated. Short-term Treasury yields ended the quarter mostly lower by a few basis points, while money market instruments like commercial paper and bank certificates of deposit held on to most of their rate increases during the quarter.
- Global sovereign debt yields followed those in the U.S., with lower long-term rates and fractionally lower short-term yields.

Sector Performance

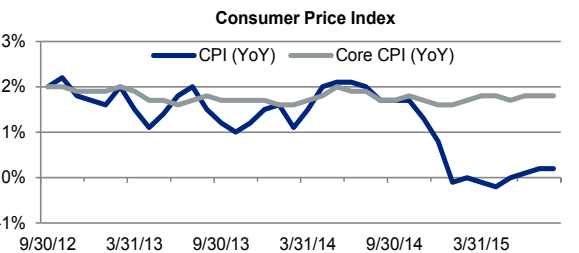
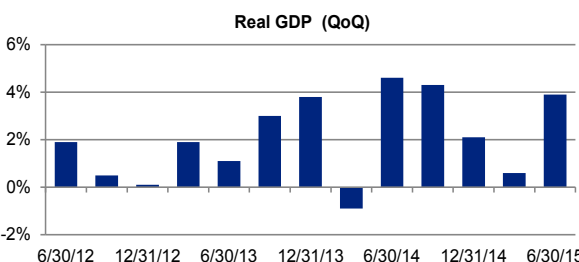
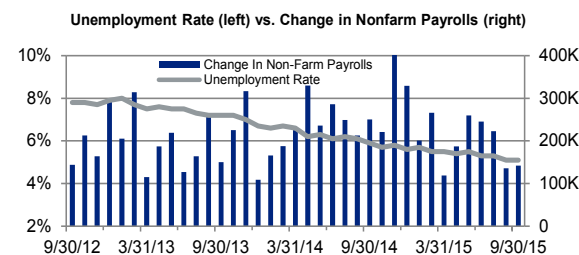
- U.S. Treasury benchmark indices generated strong returns as yields ended the quarter lower, providing price appreciation in addition to yield-based income. While this was true for maturities across the yield curve, longer maturities fared better due to their longer durations and more significant fall in rates.
- Federal Agency securities modestly outperformed comparable maturity Treasuries as yield spreads tightened modestly.
- Corporate yield spreads widened throughout the quarter, in some cases significantly. Returns were correlated with credit ratings. BBB-rated and high-yield issues performed poorly. A-rated issuers modestly underperformed government securities, while higher-rated issuers performed better.
- Mortgage-backed securities (MBS) underperformed comparable duration government securities; as heightened volatility negatively impacted securities with imbedded optionality where underlying mortgage holders can refinance if it is to their advantage — a scenario that has persisted for much of 2015.

Economic Snapshot

Labor Market	Latest	Jun 2015	Sep 2014	
Unemployment Rate	Sep'15	5.1%	5.3%	5.9%
Change In Non-Farm Payrolls	Sep'15	142,000	245,000	250,000
Average Hourly Earnings (YoY)	Sep'15	2.2%	2.0%	2.0%
Personal Income (YoY)	Aug'15	4.2%	4.1%	4.5%
Initial Jobless Claims (week)	10/2/15	263,000	282,000	292,000

Growth	Latest	Jun 2015	Sep 2014	
Real GDP (QoQ SAAR)	2015Q2	3.9%	0.6% ¹	4.6% ²
GDP Personal Consumption (QoQ SAAR)	2015Q2	3.6%	1.8% ¹	3.8% ²
Retail Sales (YoY)	Sep'15	2.4%	1.8%	4.4%
ISM Manufacturing Survey (month)	Sep'15	50.2	53.5	56.1
Existing Home Sales SAAR (month)	Aug'15	5.31 mil.	5.48 mil.	5.10 mil.

Inflation / Prices	Latest	Jun 2015	Sep 2014	
Personal Consumption Expenditures (YoY)	Aug'15	0.3%	0.3%	1.5%
Consumer Price Index (YoY)	Aug'15	0.2%	0.1%	1.7%
Consumer Price Index Core (YoY)	Aug'15	1.8%	1.8%	1.7%
Crude Oil Futures (WTI, per barrel)	Sep 30	\$45.09	\$59.47	\$91.16
Gold Futures (oz.)	Sep 30	\$1,116	\$1,172	\$1,211



1. Data as of First Quarter 2015

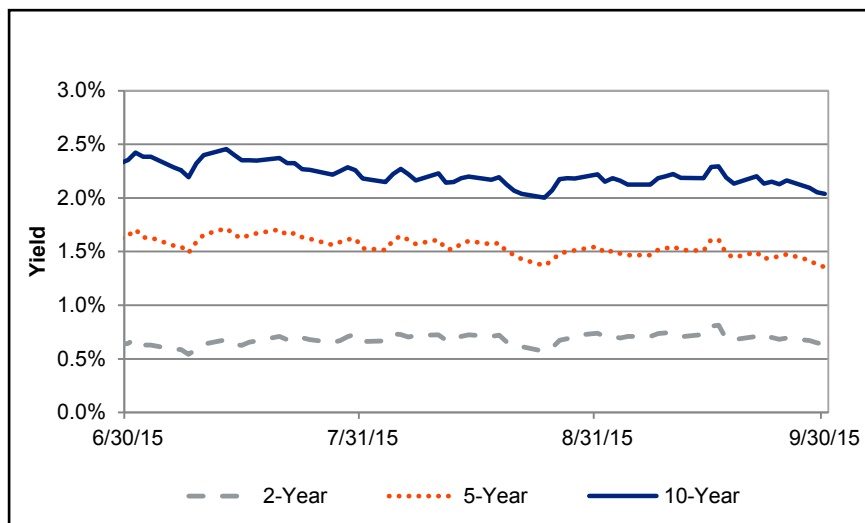
2. Data as of Second Quarter 2014

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

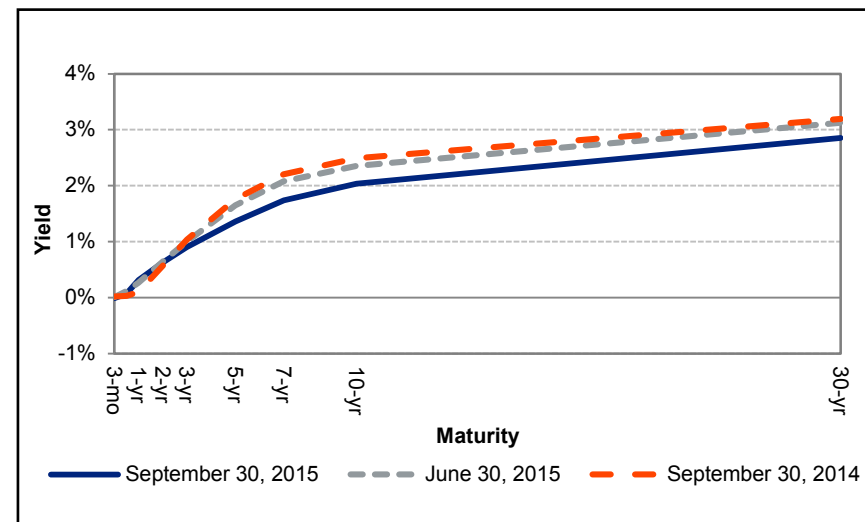
Source: Bloomberg

Interest Rate Overview

U.S. Treasury Note Yields



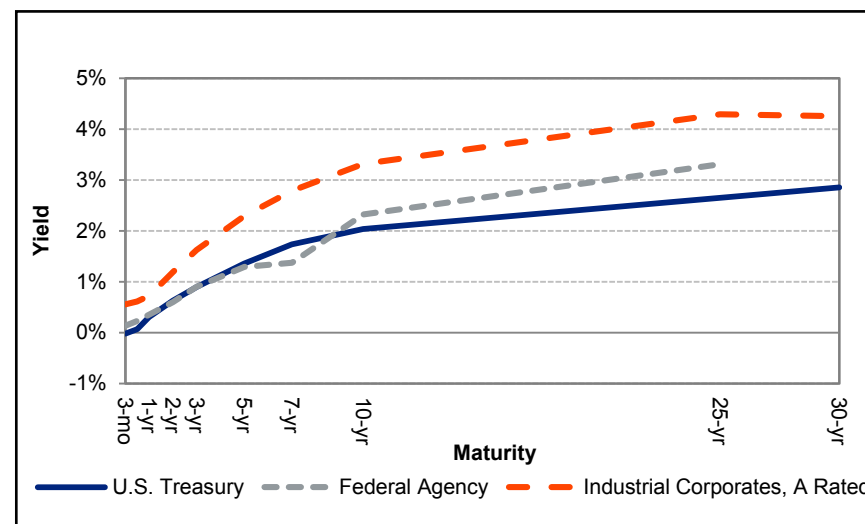
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	9/30/15	6/30/15	Change over Quarter	9/30/14	Change over Year
3-month	(0.02%)	0.01%	(0.03%)	0.02%	(0.04%)
1-year	0.31%	0.27%	0.04%	0.10%	0.21%
2-year	0.63%	0.65%	(0.02%)	0.57%	0.06%
5-year	1.36%	1.65%	(0.29%)	1.76%	(0.40%)
10-year	2.04%	2.35%	(0.31%)	2.49%	(0.45%)
30-year	2.85%	3.12%	(0.27%)	3.20%	(0.35%)

Yield Curves as of 9/30/15



Source: Bloomberg

BofA Merrill Lynch Index Returns

	As of 9/30/2015	Returns for Periods ended 9/30/2015			
	Duration	Yield	3 Month	1 Year	3 Years
1-3 Year Indices					
U.S. Treasury	1.87	0.63%	0.31%	1.16%	0.67%
Federal Agency	1.64	0.70%	0.36%	1.29%	0.77%
U.S. Corporates, A-AAA rated	1.98	1.53%	0.36%	1.37%	1.38%
Agency MBS (0 to 3 years)	1.92	1.58%	0.35%	1.11%	0.77%
Municipals	1.87	0.74%	0.57%	0.85%	0.88%
1-5 Year Indices					
U.S. Treasury	2.71	0.87%	0.70%	2.15%	0.91%
Federal Agency	2.07	0.86%	0.58%	1.90%	0.98%
U.S. Corporates, A-AAA rated	2.76	1.83%	0.61%	2.18%	1.83%
Agency MBS (0 to 5 years)	3.40	2.10%	0.69%	2.23%	1.55%
Municipals	2.58	1.01%	0.78%	1.09%	1.18%
Master Indices (Maturities 1 Year or Greater)					
U.S. Treasury	6.20	1.42%	1.90%	4.10%	1.38%
Federal Agency	3.68	1.29%	1.05%	2.93%	1.35%
U.S. Corporates, A-AAA rated	6.70	2.88%	1.23%	2.82%	2.27%
Agency MBS (0 to 30 years)	4.34	2.39%	1.31%	3.34%	1.93%
Municipals	6.93	2.38%	1.70%	3.16%	2.94%

Returns for periods greater than one year are annualized

Source: BofA Merrill Lynch Indices

Disclosures

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Investment Report

Third Quarter 2015

Fixed Income
Management

Portfolio Summary

<u>Total Portfolio Value</u>	<u>September 30, 2015</u>	<u>June 30, 2015</u>
Market Value	\$177,404,100.72	\$195,600,646.76
Amortized Cost	\$176,804,963.88	\$195,670,645.59

PORTFOLIO RECAP

- Treasury yields moved up and down in response to evolving economic conditions. Low inflation and tepid economic data, both in the U.S. and abroad, pushed longer-term yields lower. Yields on securities with maturities of two years or less, the part of the curve that is most dependent on Federal Reserve policy, moved up in advance of the September FOMC meeting, but quickly reversed after the “no hike” decision. The end result was that the quarter ended with generally lower yields and a flatter yield curve than at the beginning of the quarter.
- PFMAM moved portfolio durations to be modestly shorter than their respective benchmarks in anticipation of a Fed rate hike sometime before the end of this year. A shorter duration is more conservative and helps mitigate the impact that rising rates have on portfolio market values.
- The yield relationship between U.S. Treasury and Federal agency securities remained near historically narrow levels throughout the third quarter. However, we sought opportunities to capture value from minor shifts in that relationship, favoring agencies only when they offered yields in excess of the recent narrow spread levels.
- Corporates offered higher yields at a time when economic conditions and corporate fundamentals were reasonably strong, making them look attractive relative to other fixed-income security types. Despite favorable conditions, yield spreads on corporate securities widened over the quarter, which hurt performance relative to other sectors. This was caused primarily by an apparent slowdown in economic growth in China and other emerging market economies, which reduced demand for investments with credit risk. The market’s reaction did not fundamentally alter our view on the sector, and PFMAM continued to favor the corporate sector as a key vehicle for generating incremental performance over the longer term.

PORTFOLIO STRATEGY

- We expect the U.S. economy to continue to expand, but at a slightly slower pace. An open question is how much evolving market conditions—the slowdown in emerging market economies, more volatile equity markets, and falling commodity prices—will impact the U.S. economy. This is important because it could delay Fed action or affect yield relationships between sectors.
- The FOMC continues to monitor economic progress towards its dual objectives of full employment and price stability. It recently added an acknowledgement that global economic instability has the potential to affect Fed policy. Because this creates a new level of uncertainty about the timing and pace of future rate hikes, our strategy may need to adapt to changing conditions throughout the fourth quarter. At present, we believe the Fed will raise rates in late 2015 or early 2016, and the subsequent pace of rate increases will likely be gradual and prolonged. If this occurs as expected, it is likely that rates on the shorter end of the curve will again rise ahead of upcoming FOMC meetings, while longer maturities will remain range bound in response to tempered global growth and dampened inflation expectations.
- Duration management in this environment will be particularly tricky. We started the quarter with portfolio durations generally shorter and more conservative than respective benchmarks. We believe this is appropriate given the potential for a Fed rate hike over the next few months.
- We will continue to examine the impact that economic growth concerns have on the corporate sector as a whole, and on specific issuers. Because of recent spread widening, we believe the corporate sector has good value today, and we plan to continue to emphasize the sector. In doing so, we will select industry, issuer, and maturity allocations strategically in response to evolving market conditions.

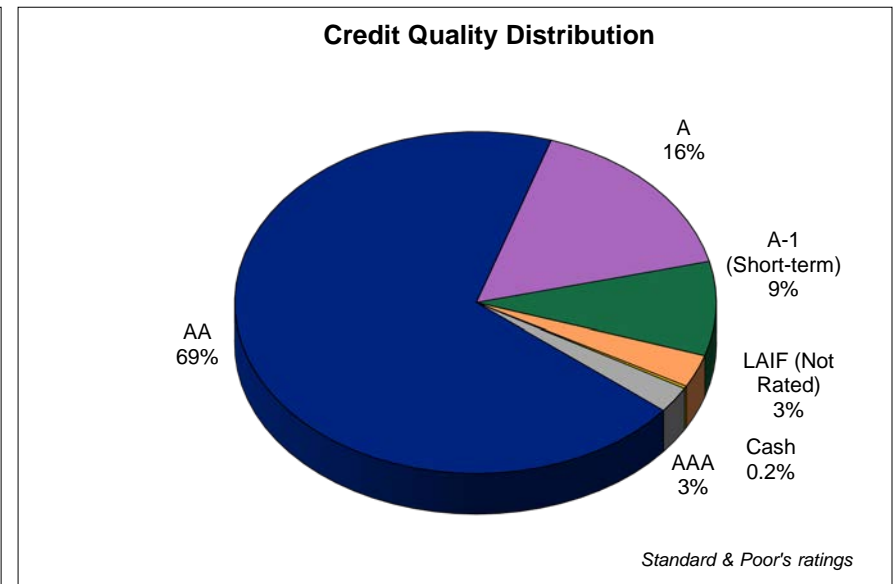
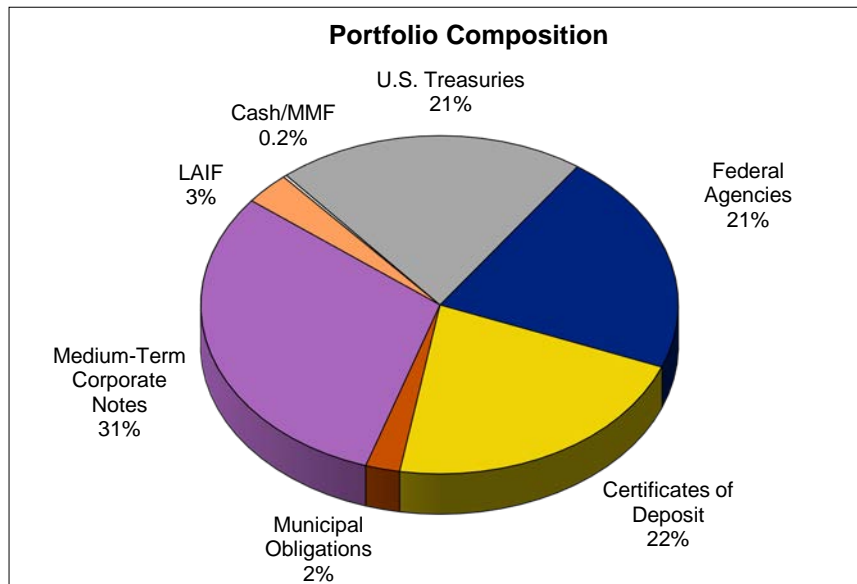
Investment Report

Third Quarter 2015

Fixed Income
Management

Portfolio Composition and Credit Quality Characteristics

<u>Security Type</u> ¹	<u>September 30, 2015</u>	<u>% of Portfolio</u>	<u>June 30, 2015</u>	<u>% of Portfolio</u>	<u>Permitted by Policy</u>
U.S. Treasuries	\$37,021,682	21%	\$53,342,796	27%	100%
Federal Agencies	\$37,652,898	21%	\$34,894,947	18%	100%
Certificates of Deposit	\$38,525,841	22%	\$34,982,614	18%	30%
Municipal Obligations	\$4,120,758	2%	\$4,122,994	2%	100%
Medium-Term Corporate Notes	\$54,166,086	31%	\$54,123,164	28%	30%
Money Market Fund/Cash	\$420,896	<1%	\$142,878	<1%	15%
LAIF	\$5,495,938	3%	\$13,991,253	7%	\$50 Million
Totals	\$177,404,101	100%	\$195,600,647	100%	



Notes:

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

Investment Report

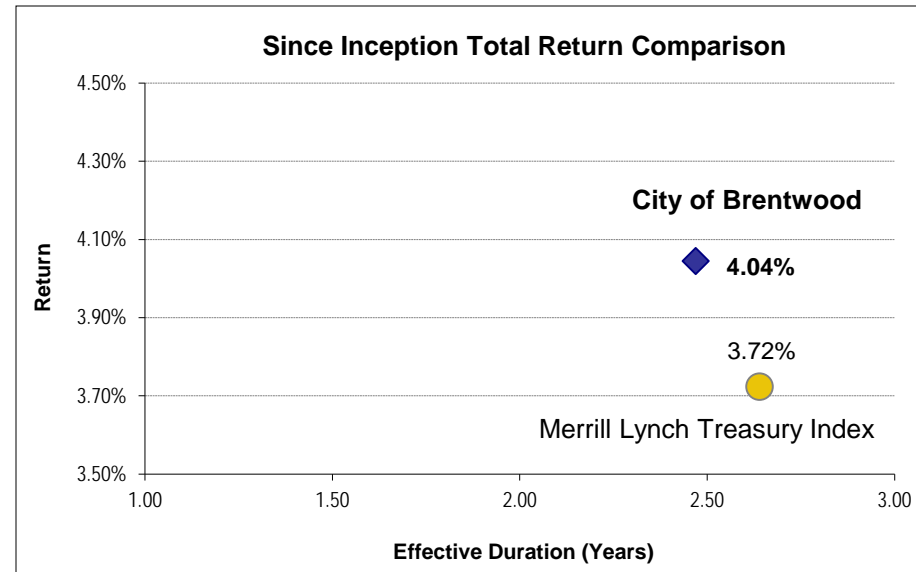
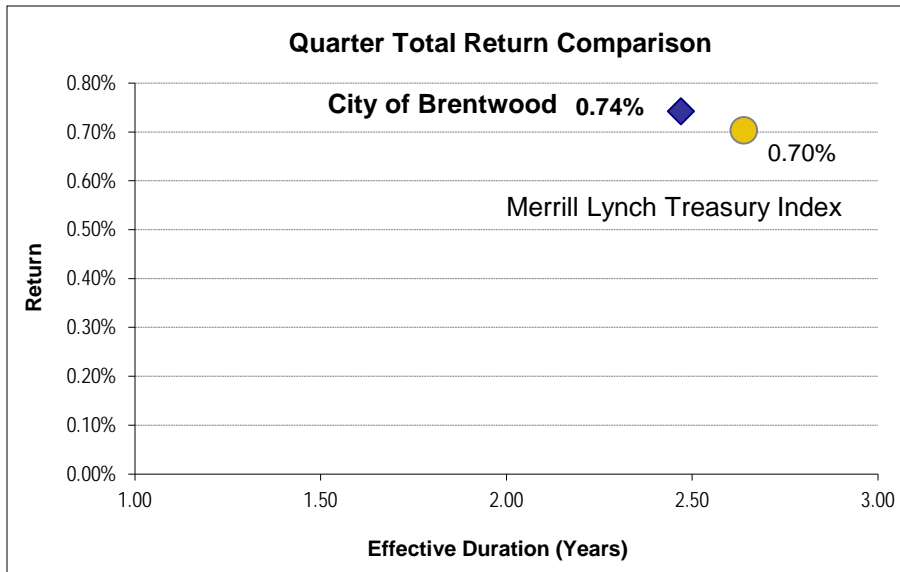
Third Quarter 2015

Fixed Income
Management

Portfolio Performance

Total Return ^{1,2,3,4,5}	Quarter Ended September 30, 2015	Past Year	Past 5 Years	Past 10 Years	Since Inception
City of Brentwood	0.74%	1.72%	1.13%	2.92%	4.04%
Merrill Lynch Treasury Index	0.70%	1.43%	0.81%	2.56%	3.72%

Effective Duration ^{4,5,6}	<u>September 30, 2015</u>	<u>June 30, 2015</u>	Yields	<u>September 30, 2015</u>	<u>June 30, 2015</u>
City of Brentwood	2.47	2.51	Yield at Market	1.12%	1.17%
Merrill Lynch Treasury Index	2.64	2.64	Yield on Cost	1.24%	1.17%



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.

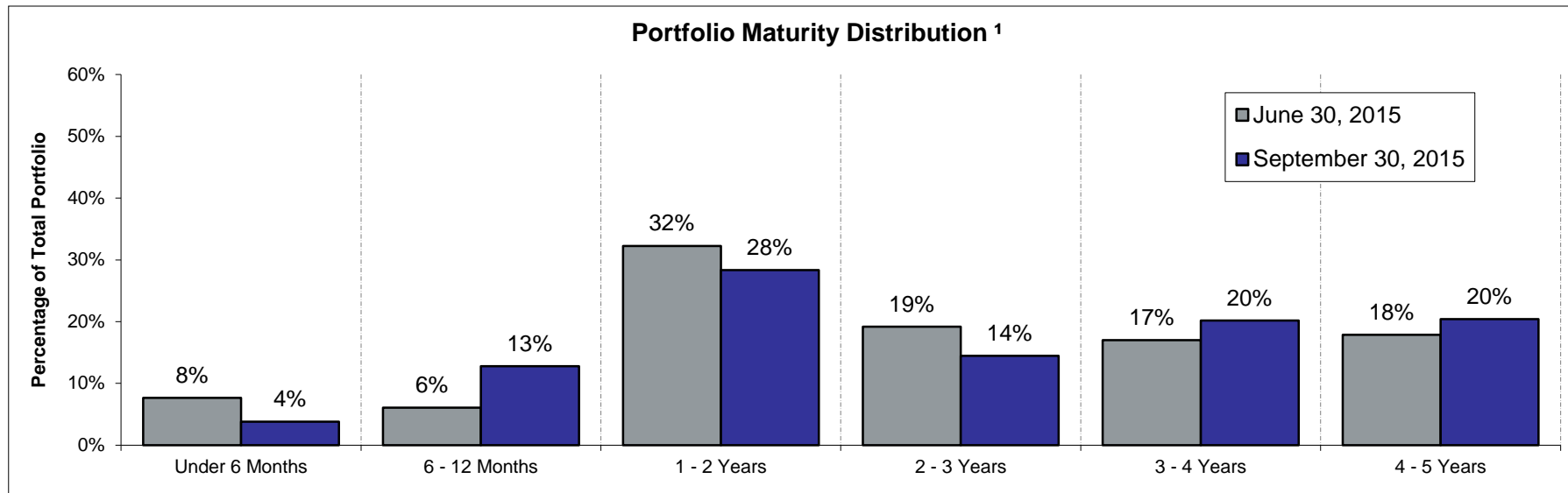
Investment Report

Third Quarter 2015

Fixed Income
Management

Portfolio Maturity Distribution

<u>Maturity Distribution</u> ¹	<u>September 30, 2015</u>	<u>June 30, 2015</u>
Under 6 Months	\$6,759,134	\$14,975,493
6 - 12 Months	\$22,697,151	\$11,848,422
1 - 2 Years	\$50,317,656	\$63,101,151
2 - 3 Years	\$25,672,765	\$37,471,984
3 - 4 Years	\$35,787,078	\$33,295,029
4 - 5 Years	\$36,170,317	\$34,908,568
Totals	\$177,404,101	\$195,600,647



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 **September 30, 2015**

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 04/01/2013 0.750% 03/31/2018	912828UU2	1,590,000.00	AA+	Aaa	03/26/15	03/27/15	1,578,509.76	0.99	32.58	1,580,446.26	1,587,723.12
US TREASURY NOTES DTD 04/01/2013 0.750% 03/31/2018	912828UU2	4,250,000.00	AA+	Aaa	04/28/15	04/30/15	4,234,726.56	0.88	87.09	4,236,909.11	4,243,914.00
US TREASURY NOTES DTD 07/31/2013 1.375% 07/31/2018	912828VQ0	910,000.00	AA+	Aaa	02/02/15	02/04/15	924,289.84	0.92	2,108.08	921,631.16	922,192.18
US TREASURY NOTES DTD 09/30/2011 1.375% 09/30/2018	912828RH5	1,845,000.00	AA+	Aaa	02/19/15	02/20/15	1,852,495.31	1.26	69.31	1,851,257.35	1,868,879.84
US TREASURY NOTES DTD 02/29/2012 1.375% 02/28/2019	912828SH4	2,000,000.00	AA+	Aaa	02/26/15	02/27/15	2,002,968.75	1.34	2,342.03	2,002,542.60	2,020,546.00
US TREASURY NOTES DTD 02/29/2012 1.375% 02/28/2019	912828SH4	2,375,000.00	AA+	Aaa	03/26/15	03/27/15	2,384,091.80	1.27	2,781.16	2,382,937.49	2,399,398.38
US TREASURY NOTES DTD 02/29/2012 1.375% 02/28/2019	912828SH4	2,525,000.00	AA+	Aaa	02/24/15	02/25/15	2,522,336.91	1.40	2,956.82	2,522,722.85	2,550,939.33
US TREASURY NOTES DTD 04/30/2014 1.625% 04/30/2019	912828D23	1,975,000.00	AA+	Aaa	02/19/15	02/24/15	1,989,503.91	1.44	13,430.54	1,987,492.25	2,011,002.28
US TREASURY NOTES DTD 04/30/2014 1.625% 04/30/2019	912828D23	4,150,000.00	AA+	Aaa	04/28/15	04/30/15	4,216,951.17	1.21	28,221.13	4,210,093.87	4,225,650.35
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	4,332.52	1,056,235.69	1,073,640.80
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	2,406,846.80	2,425,345.25
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	1,961,847.12	1,980,052.00
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	4,641.48	4,334,907.20	4,351,258.20
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	7,932.07	653,295.70	657,757.80



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2015**

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	21,323.03	4,577,037.71	4,606,290.00
Security Type Sub-Total		36,510,000.00					36,695,572.06	1.29	97,092.71	36,686,203.16	36,924,589.53

Municipal Bond / Note											
CA ST DEPT OF WATER TXBL REV BONDS DTD 09/27/2012 0.650% 12/01/2015	13066KX87	840,000.00	AAA	Aa1	09/19/12	09/27/12	840,000.00	0.65	1,820.00	840,000.00	840,478.80
ORANGE CNTY, CA TXBL REV PO BONDS DTD 01/13/2015 0.780% 05/02/2016	68428LDJ0	2,190,000.00	AA-	NR	01/09/15	01/13/15	2,190,000.00	0.78	2,752.10	2,190,000.00	2,193,876.30
UNIV OF CAL TXBL REV BONDS DTD 10/02/2013 0.907% 05/15/2016	91412GSX4	835,000.00	AA	Aa2	09/26/13	10/02/13	835,000.00	0.91	2,861.08	835,000.00	837,530.05
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	240,132.00
Security Type Sub-Total		4,105,000.00					4,105,000.00	0.80	8,741.18	4,105,000.00	4,112,017.15

Federal Agency Bond / Note											
FHLMC REFERENCE NOTE DTD 01/16/2015 0.500% 01/27/2017	3137EADU0	1,410,000.00	AA+	Aaa	01/15/15	01/16/15	1,407,532.50	0.59	1,253.33	1,408,390.34	1,409,729.28
FHLB GLOBAL NOTES (CALLABLE) DTD 03/24/2015 0.840% 03/24/2017	3130A4OV7	3,600,000.00	AA+	Aaa	03/17/15	03/24/15	3,600,000.00	0.84	588.00	3,600,000.00	3,609,738.00
FREDDIE MAC GLOBAL NOTES DTD 06/25/2012 1.000% 07/28/2017	3137EADJ5	2,685,000.00	AA+	Aaa	08/12/14	08/14/14	2,684,820.11	1.00	4,698.75	2,684,890.00	2,703,161.34
FREDDIE MAC GLOBAL NOTES DTD 06/25/2012 1.000% 07/28/2017	3137EADJ5	4,715,000.00	AA+	Aaa	03/19/15	03/20/15	4,731,031.00	0.85	8,251.25	4,727,454.63	4,746,892.26
FNMA BENCHMARK NOTE DTD 09/01/2015 1.125% 10/19/2018	3135G0E58	5,000,000.00	AA+	Aaa	08/27/15	09/01/15	4,991,900.00	1.18	4,687.50	4,992,102.00	5,020,840.00
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	1,954,300.26	1,974,687.20



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2015**

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Federal Agency Bond / Note											
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	2,513,472.13	2,544,700.00
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	2,032,039.34	2,040,630.00
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	2,509,572.40	2,563,499.48
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	2,006,802.46	2,035,490.00
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	1,508,777.63	1,526,593.50
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	2,068,860.56	2,076,187.05
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	5,226,667.24	5,299,994.70
Security Type Sub-Total		37,270,000.00					37,235,940.41	1.30	100,755.67	37,233,328.99	37,552,142.81
Corporate Note											
JPMORGAN CHASE & CO GLOBAL NOTES DTD 06/29/2011 3.150% 07/05/2016	46625HJA9	3,750,000.00	A	A3	02/19/15	02/24/15	3,854,512.50	1.09	28,218.75	3,808,504.73	3,813,487.50
AMERICAN HONDA FINANCE GLOBAL NOTES DTD 10/10/2013 1.125% 10/07/2016	02665WAB7	835,000.00	A+	A1	10/03/13	10/10/13	832,094.20	1.24	4,540.31	834,000.36	837,808.11
BERKSHIRE HATHAWAY FIN (FLT) GLOBAL NT DTD 01/10/2014 0.433% 01/10/2017	084664CA7	1,300,000.00	AA	Aa2	01/06/14	01/10/14	1,300,000.00	0.39	1,252.19	1,300,000.00	1,299,656.80
PFIZER INC GLOBAL NOTES DTD 06/03/2013 0.900% 01/15/2017	717081DD2	3,900,000.00	AA	A1	05/28/13	06/03/13	3,893,760.00	0.95	7,410.00	3,897,749.62	3,907,148.70
PEPSICO CORP NOTES DTD 02/28/2014 0.950% 02/22/2017	713448CL0	2,240,000.00	A	A1	02/25/14	02/28/14	2,237,446.40	0.99	2,305.33	2,238,796.90	2,243,333.12



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Corporate Note											
WAL-MART STORES INC CORP NOTES DTD 04/22/2014 1.000% 04/21/2017	931142DN0	780,000.00	AA	Aa2	04/15/14	04/22/14	779,883.00	1.01	3,466.67	779,938.82	783,065.40
TOYOTA MOTOR CREDIT CORPORATE NOTE DTD 05/22/2012 1.750% 05/22/2017	89233P6D3	1,950,000.00	AA-	Aa3	04/23/14	04/28/14	1,982,136.00	1.20	12,228.13	1,967,349.95	1,970,611.50
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	1,898,088.03	1,898,578.80
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	1,323,830.44	1,322,694.50
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	819,305.90	819,446.50
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	1,766,098.40
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	439,539.40	440,513.04
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	4,489,220.16	4,489,110.00
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	3,588,448.80
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	1,538,307.74	1,537,326.56
CONOCOPHILLIPS COMPANY CORP NOTE DTD 05/18/2015 1.500% 05/15/2018	20826FAL0	785,000.00	A	A2	05/13/15	05/18/15	784,905.80	1.50	4,350.21	784,916.99	784,275.45
BANK OF NEW YORK MELLON CORP 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	19,492.89	3,594,709.99	3,587,856.74
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	7,197.67	1,509,767.28	1,521,000.35
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	899,289.17	904,098.60



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Corporate Note											
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	3,330,985.38	3,323,575.20
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	5,130,860.67	5,149,732.50
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	3,440,113.77	3,442,377.72
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	3,520,866.97	3,496,717.00
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	998,564.10	1,004,178.00

Security Type Sub-Total		53,190,000.00					54,005,622.45	1.43	234,946.27	53,884,706.37	53,931,139.29
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Certificate of Deposit											
WESTPAC BANKING CORP NY LT FLOAT CD DTD 04/17/2014 0.469% 04/15/2016	96121TWF1	4,000,000.00	AA-	Aa2	04/16/14	04/17/14	4,000,000.00	0.41	4,062.93	4,000,000.00	4,001,560.00
CREDIT SUISSE NEW YORK CERT DEPOS DTD 08/11/2015 0.670% 05/06/2016	22549VX73	3,500,000.00	A-1	P-1	08/10/15	08/11/15	3,500,000.00	0.67	3,322.08	3,500,000.00	3,503,173.45
BANK OF NOVA SCOTIA HOUS CD FLOAT DTD 06/13/2014 0.512% 06/10/2016	06417HMU7	4,800,000.00	A+	Aa2	06/11/14	06/13/14	4,797,100.80	0.28	1,433.60	4,798,992.43	4,798,992.00
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	3,710.96	3,500,000.00	3,502,170.00
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	22,548.25	4,700,000.00	4,694,407.00
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	18,308.89	4,000,000.00	3,992,720.00
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	19,166.67	4,800,000.00	4,789,824.00
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	17,029.33	4,800,000.00	4,806,288.00



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CITY OF BRENTWOOD

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Certificate of Deposit												
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	4,345,456.69	4,343,801.25
Security Type Sub-Total			38,450,000.00					38,440,097.30	0.91	92,905.63	38,444,449.12	38,432,935.70
Managed Account Sub-Total			169,525,000.00					170,482,232.22	1.24	534,441.46	170,353,687.64	170,952,824.48
Securities Sub-Total			\$169,525,000.00					\$170,482,232.22	1.24%	\$534,441.46	\$170,353,687.64	\$170,952,824.48
Accrued Interest												\$534,441.46
Total Investments												\$171,487,265.94