



CITY OF BRENTWOOD

Investment Performance Review For the Quarter Ended September 30, 2017

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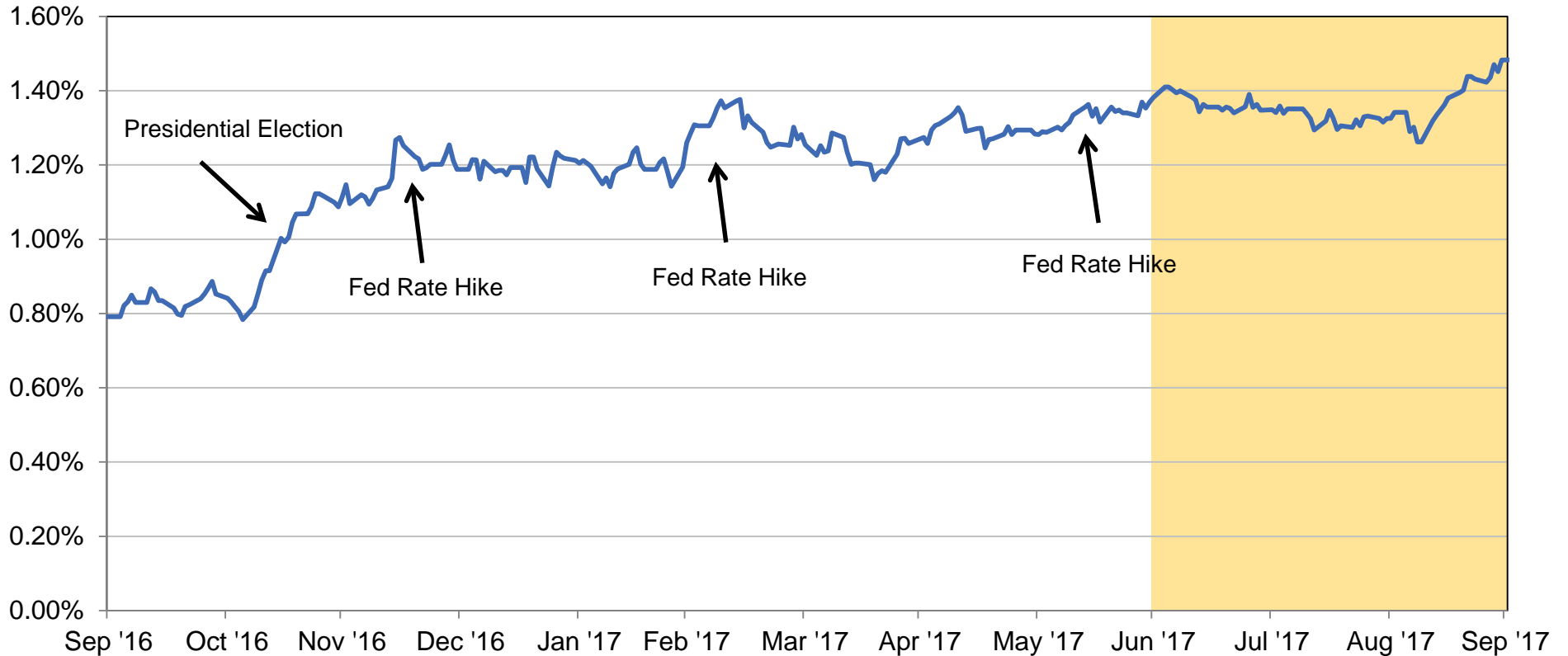
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Market Update

Interest Rate Update

- Two-year treasury yields moved modestly higher towards the end of the quarter, possibly due to heightened expectations of another rate hike and a tax overhaul that could increase government borrowing.

2-Year Treasury Yields September 30, 2016 – September 30, 2017

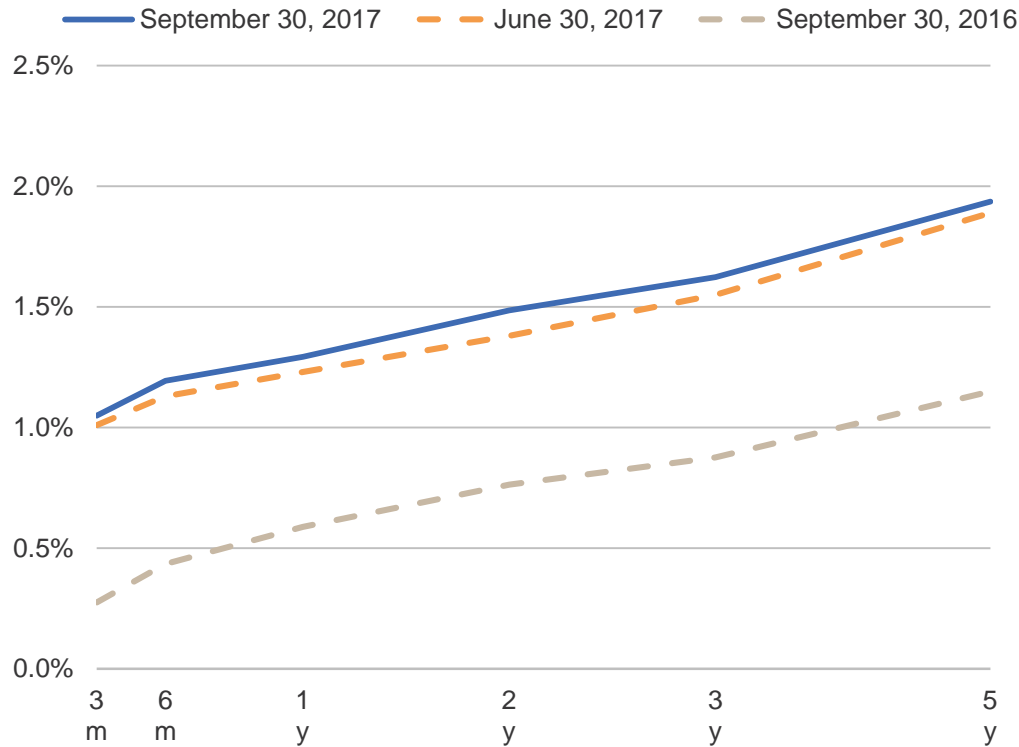


Source: Bloomberg, as of 9/30/17.

Short-Term Yields Higher but Curve Flatter in Third Quarter

- Treasury yields are substantially higher compared to a year ago. Short-term yields continue to rise in response to the Fed raising rates in their efforts to normalize policy. Longer-term yields still remain relatively low in response to lower inflation and growth expectations.

U.S. Treasury Yield Curve



Yield Curve History

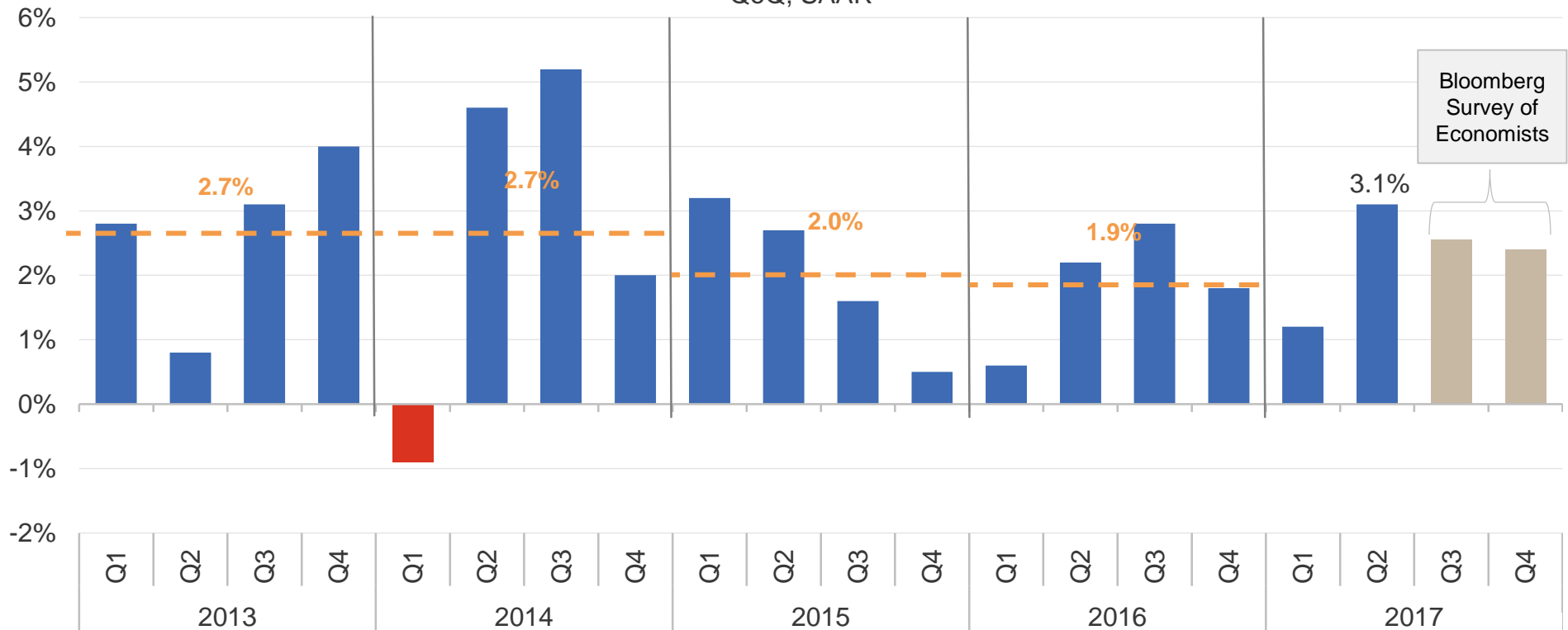
Maturity	6/30/17	9/30/17	Change
3-Mo.	1.01	1.05	0.04
6-Mo.	1.13	1.19	0.06
1-Yr.	1.23	1.29	0.06
2-Yr.	1.38	1.49	0.11
3-Yr.	1.55	1.62	0.07
5-Yr.	1.89	1.94	0.05
10-Yr.	2.31	2.33	0.02
20-Yr.	2.61	2.60	0.01
30-Yr.	2.84	2.86	0.02

Source: Bloomberg, as of 9/30/17.

Economic Growth

- ◆ Gross domestic product (GDP) increased at an annualized rate of 3.1% in the second quarter of 2017.
- ◆ The acceleration in second quarter GDP reflected positive contributions from personal consumption, nonresidential private investments, exports, and federal government spending, offset by negative contributions from residential fixed investments, imports, and state and local government spending.

U.S. Real GDP
QoQ, SAAR

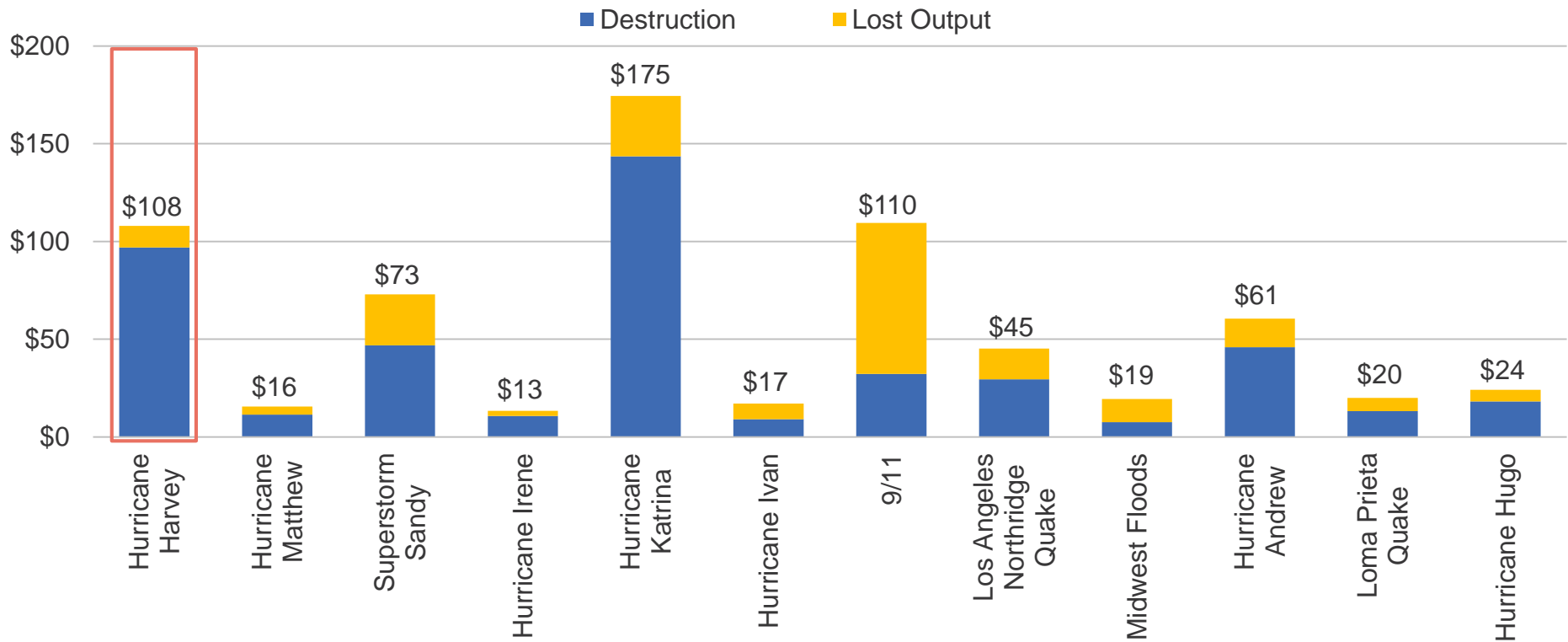


Source: Bloomberg, as of 9/30/17. SAAR is seasonally adjusted annualized rate. Orange dashes denotes four-quarter averages.

Hurricane Disruption

- Hurricane Harvey is expected to be the second most destructive natural disaster over the last three decades.
- Destruction to property caused by Hurricane Harvey is estimated to range from \$77 to \$97 billion. The lost economic output is forecasted to be \$9 – \$11 billion.

Total Economic Loss Due to Disasters
(Billions of Today's Dollars)

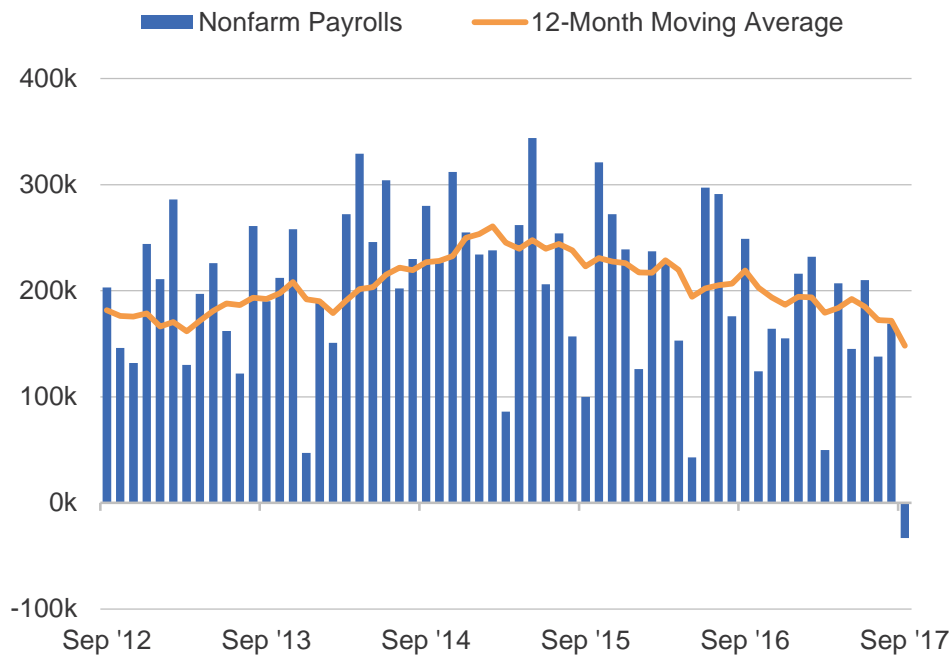


Hurricane Harvey estimates are preliminary and shown in the chart at the high end of the estimated range. Source: The Economic Impact of Hurricane Harvey, Moody's Analytics, 9/5/17.

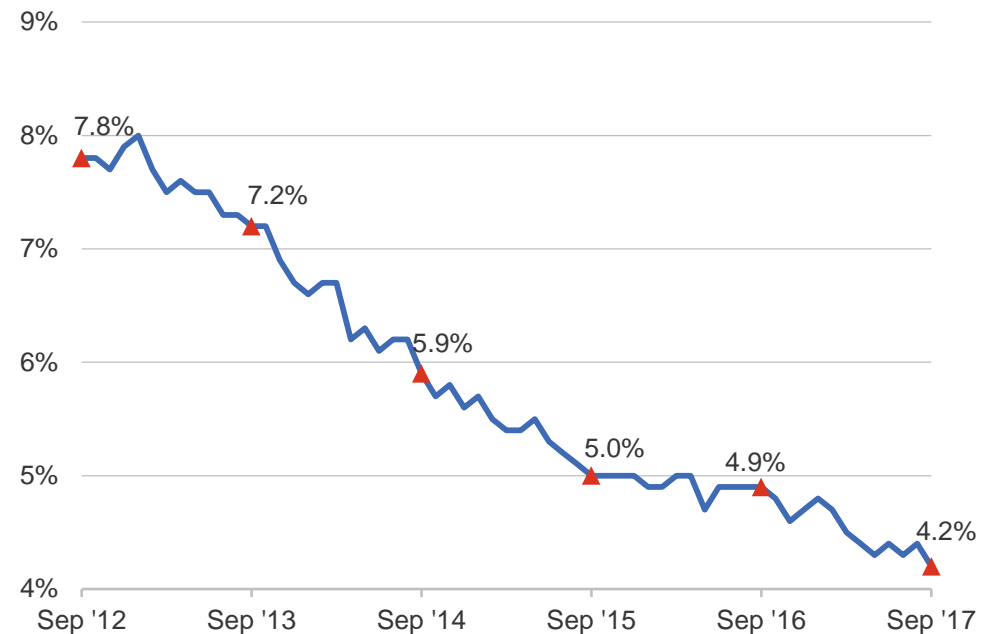
Labor Market Remains Strong Despite the Impact of Hurricanes

- The U.S. labor market lost 33,000 jobs in September. The first decline in U.S. nonfarm payrolls in seven years.
- Despite the impact of the hurricanes on the September job numbers, the headline unemployment rate ticked down to 4.2%, hitting the lowest level in more than 16 years. The U6 unemployment rate also decreased slightly from 8.6% in June to 8.3% in September, while the labor force participation rate ticked up from 62.8% in June to 63.1% in September.
- Average hourly earnings—an important gauge of wage growth—grew 2.9% over the past 12 months.

Monthly Change in Nonfarm Payrolls



Unemployment Rate

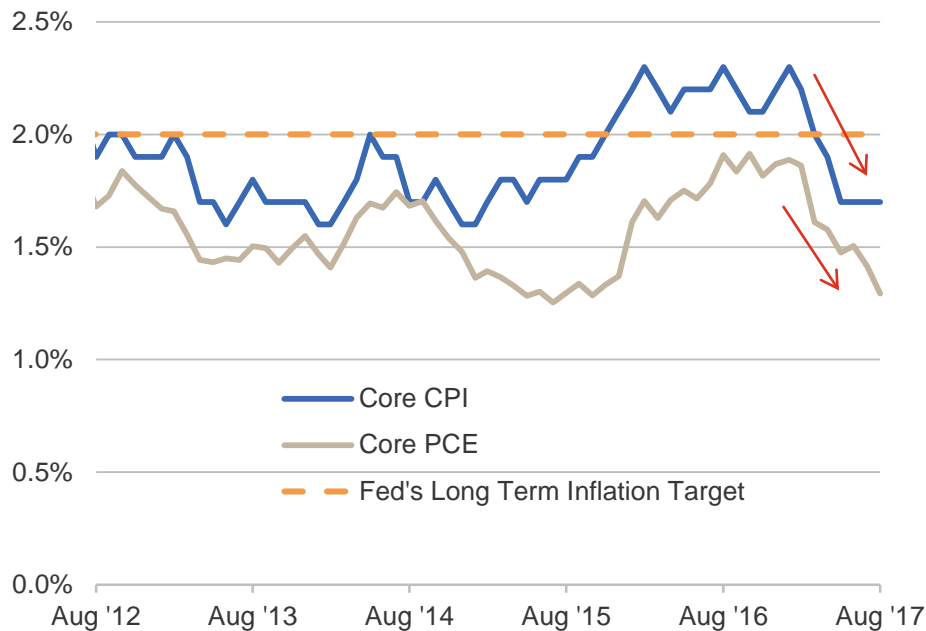


Source: Bloomberg, as of 9/30/17.

Inflation Steadies but Outlook Remains Weak

- Inflation pressures have declined from levels at the beginning of the year. The core personal consumption expenditures (PCE) price index, the Fed's preferred measure of inflation, slipped to 1.3% year-over-year in August. While some Fed officials expect this weakness to be transitory, the prospect for another rate hike in 2017 may be diminished should this trend continue.
- Although inflation expectations jumped following the U.S. election, the outlook has since softened, reflecting doubts in the administration's ability to implement its agenda.

Inflation Measures
(YoY)

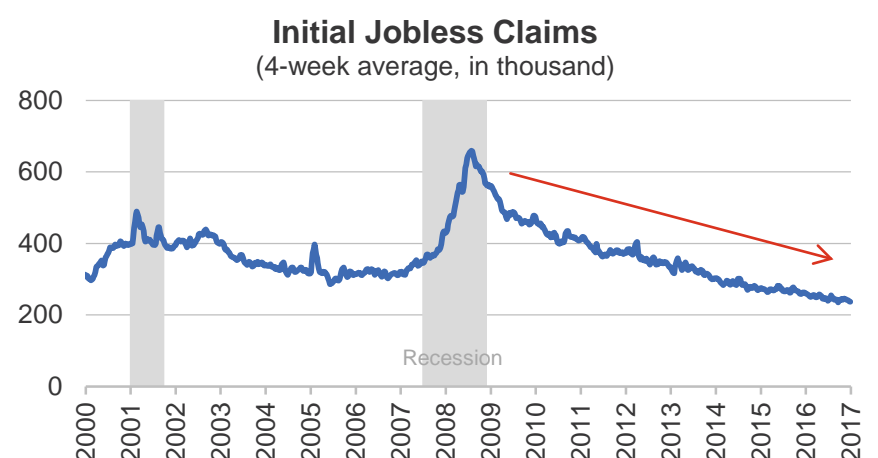
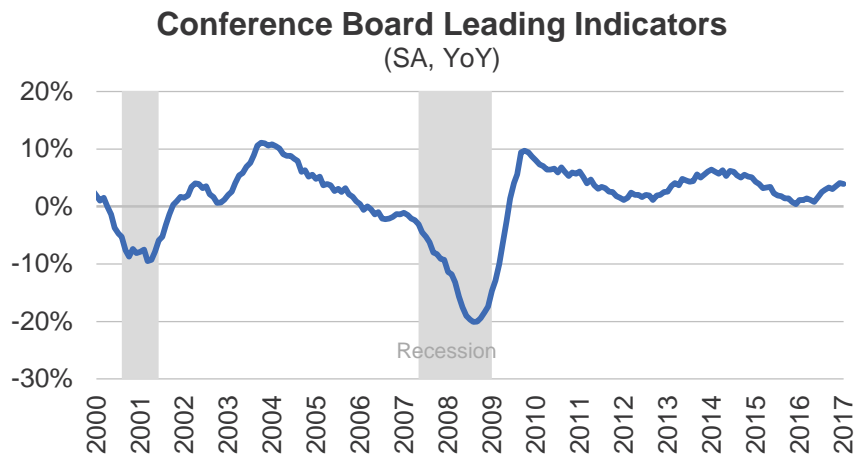
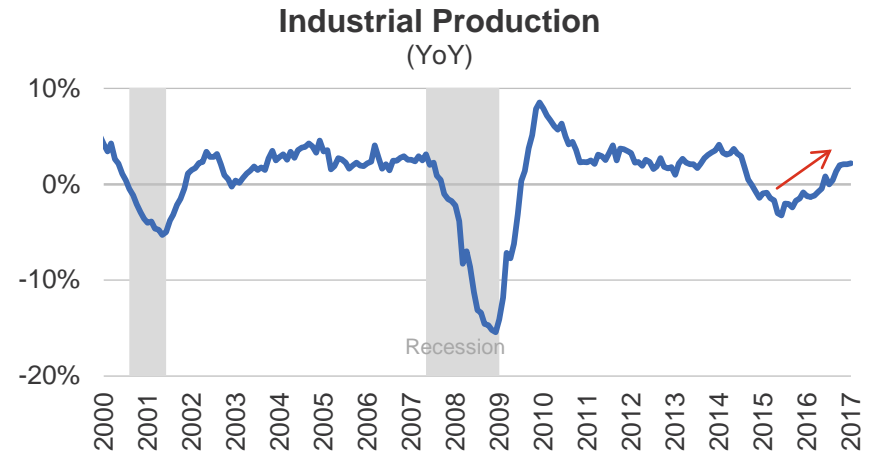
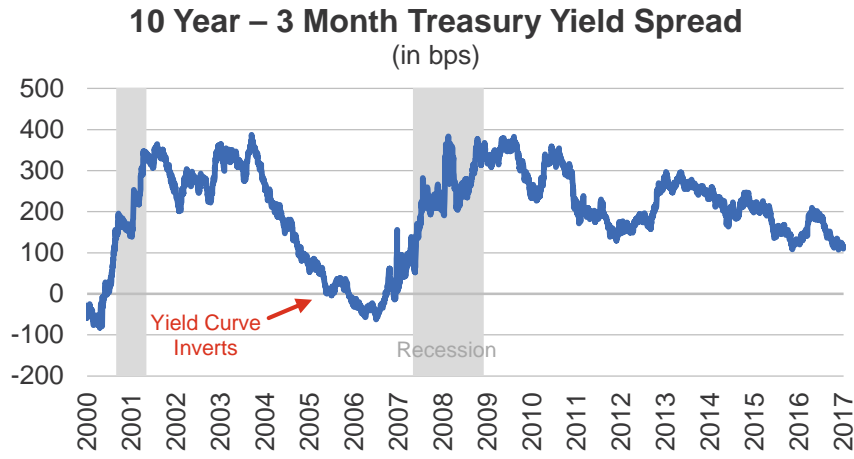


Expectations for Average Inflation Rate Over Next 5 Years



Source: Bloomberg, as of 9/30/17. Inflation expectations based on yield difference between 5-year Treasury note and 5-year Treasury Inflation Protected Securities (TIPS).

U.S. Recession Indicators: Low Risk in the Near-Term

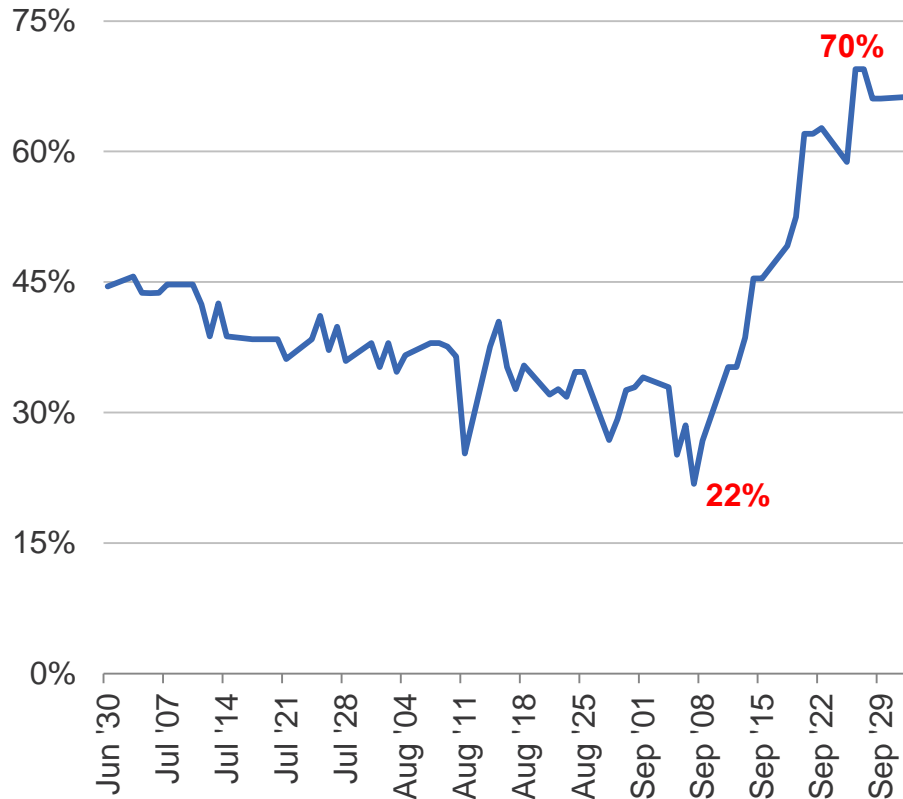


Source: Bloomberg, as of 8/31/17. SA is seasonally adjusted.

Probability of Fed Rate Hike at the December Meeting

- The probability of a third rate hike in 2017 at the FOMC’s December meeting increased following their September meeting.
- The FOMC will initiate the balance sheet normalization program described in the June 2017 Addendum to the Committee’s Policy Normalization Principles and Plans in October.

Historical Probability of December Rate Hike



Probability of Fed Rate Hike

Meeting	Probability (25bps)
12/13/2017	70%
1/31/2018	68%
3/21/2018	54%
5/2/2018	54%
6/13/2018	43%

Source: Bloomberg, as of 9/30/2017.

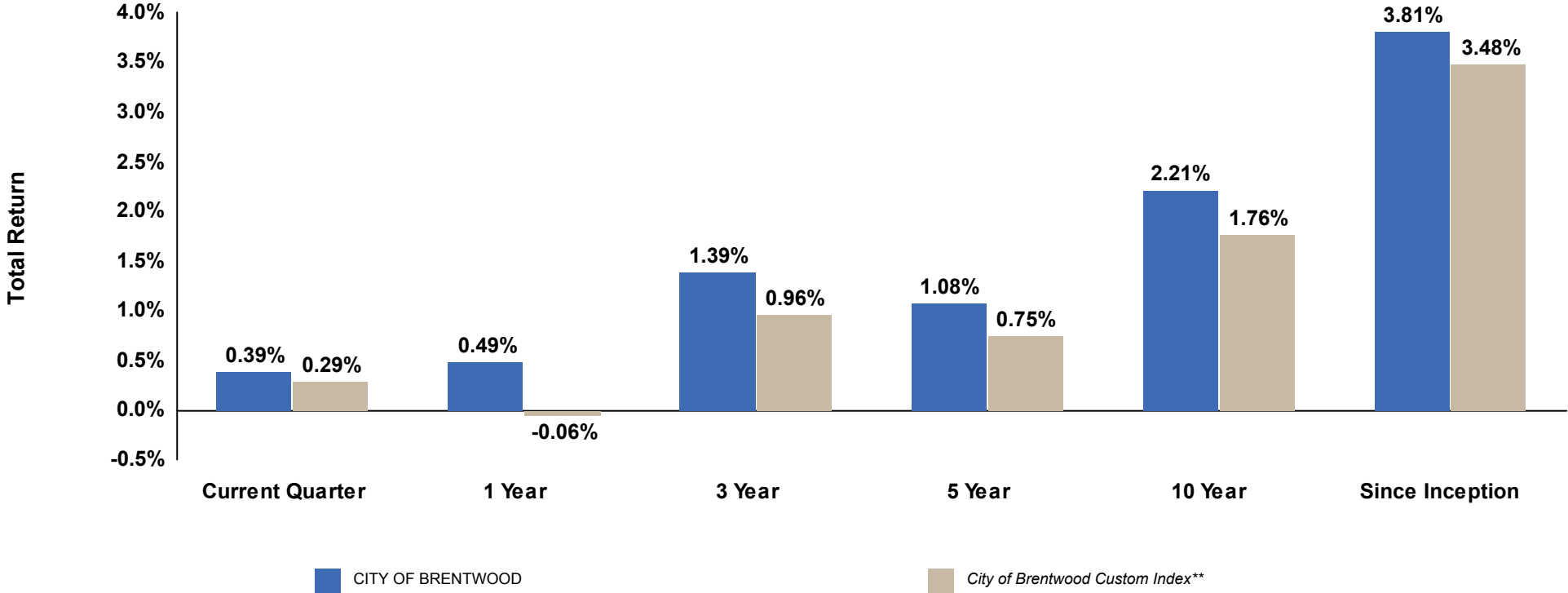
Investment Performance Review

Portfolio Recap

- ◆ Policy challenges in the U.S., combined with escalating tensions on the geopolitical front, led to bouts of uncertainty which triggered periods of “risk-off” and “risk-on” during the third quarter. Nonetheless, volatility remained low and equities continued to book new record highs, reflective of investor complacency.
- ◆ After three rate hikes since December 2016, the Federal Reserve (Fed) shifted gears and announced the beginning of their program to reduce the central bank’s enormous balance sheet. The plan is to gradually reduce the Fed's securities holdings by decreasing its reinvestment of the principal payments on its large holdings of Treasury and agency mortgage-backed securities. This had little impact on our strategy as the process was telegraphed well in advance and will be gradual and predictable.
- ◆ Strong investor appetite for high-quality bonds generally caused the yield spreads on investment-grade fixed income sectors (relative to U.S. Treasuries) to tighten over the quarter.
 - The yield spreads on federal agency securities vs. comparable-maturity Treasuries narrowed to historic lows, in some cases near zero, leading to diminished value of the agency sector.
 - Supranationals carried more yield spread and offered an attractive alternative in the high-quality government agency space.
 - Corporate yield spreads also tightened to multi-year lows as investors reaching for yield piled into a limited market supply of investment-grade securities.
 - Following three straight quarters of underperformance, the MBS sector generated solid excess returns during the third quarter and is now in positive excess return territory year-to-date.
 - Despite weakening collateral metrics in some higher risk areas of the ABS sector (e.g., subprime auto loans which PFM does not purchase), higher quality prime auto loan and credit-card-backed tranches performed well, benefitting from higher initial yields.
- ◆ Without a clear trend in the direction of interest rates, we maintained the portfolio duration in line with the benchmark to minimize return volatility.

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	Annualized Return				Since Inception (12/31/92)
			1 Year	3 Year	5 Year	10 Year	
CITY OF BRENTWOOD*	2.60	0.39%	0.49%	1.39%	1.08%	2.21%	3.81%
City of Brentwood Custom Index**	2.61	0.29%	-0.06%	0.96%	0.75%	1.76%	3.48%
Difference		0.10%	0.55%	0.43%	0.33%	0.45%	0.33%



*Portfolio performance is gross of fees unless otherwise indicated.

**The City's Custom Index was the Merrill Lynch 9-12 month U.S. Treasury index from inception to September 31, 2002, the Merrill Lynch 1-3 Year U.S. Treasury Index from September 31, 2002 to March 31, 2015, and is the Merrill Lynch 1-5 Year U.S. Treasury Index beginning March 31, 2015.

Portfolio Earnings
Quarter-Ended September 30, 2017

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (06/30/2017)	\$190,793,202.62	\$191,230,916.56
Net Purchases/Sales	\$921,907.75	\$921,907.75
Change in Value	(\$85,028.60)	(\$234,441.89)
Ending Value (09/30/2017)	\$191,630,081.77	\$191,918,382.42
Interest Earned	\$830,248.65	\$830,248.65
Portfolio Earnings	\$745,220.05	\$595,806.76

Sector Allocation and Compliance

- The portfolio is in compliance with the City of Brentwood's Investment Policy and the California Government Code.

<u>Security Type</u>	<u>Market Value</u>	<u>% of Portfolio</u>	<u>Permitted by Policy</u>	<u>In Compliance</u>
U.S. Treasury	\$64,414,293	30.3%	100%	✓
Federal Agency	\$37,691,273	17.8%	100%	✓
Federal Agency CMOs	\$2,464,261	1.2%	20%	✓
Municipal Bond	\$240,000	0.1%	100%	✓
Supranationals	\$5,675,836	2.7%	30%	✓
Negotiable CDs	\$34,784,756	16.4%	30%	✓
Corporate Notes	\$31,208,243	14.7%	30%	✓
Commercial Paper	\$4,017,645	1.9%	25%	✓
Asset-Backed Securities	\$11,133,777	5.2%	20%	✓
Securities Sub-Total	\$191,630,082	90.3%		
Accrued Interest	\$792,948			
Securities Total	\$192,423,030			
Money Market Fund	\$55,226	<0.1%	15%	✓
LAIF	\$20,639,035	9.7%	\$50 Million	✓
Total Investments	\$213,117,291	100.0%		

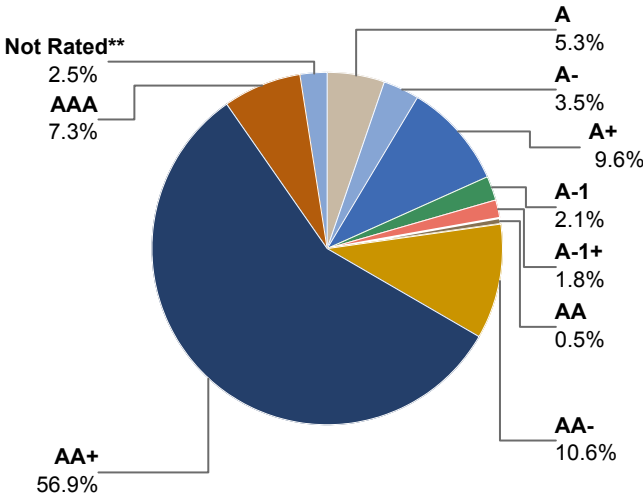
As of 9/30/2017. Detail may not add to total due to rounding.

Portfolio Statistics

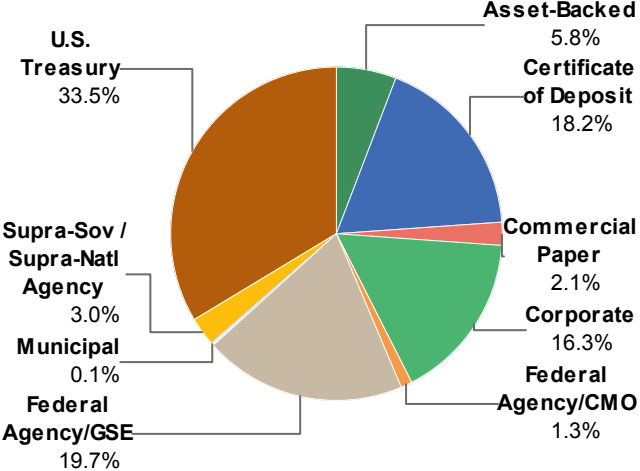
As of September 30, 2017

Par Value:	\$191,541,819
Total Market Value:	\$192,478,256
Security Market Value:	\$191,630,082
Accrued Interest:	\$792,948
Cash:	\$55,226
Amortized Cost:	\$191,918,382
Yield at Market:	1.72%
Yield at Cost:	1.72%
Effective Duration:	2.60 Years
Duration to Worst:	2.66 Years
Average Maturity:	2.82 Years
Average Credit: *	AA

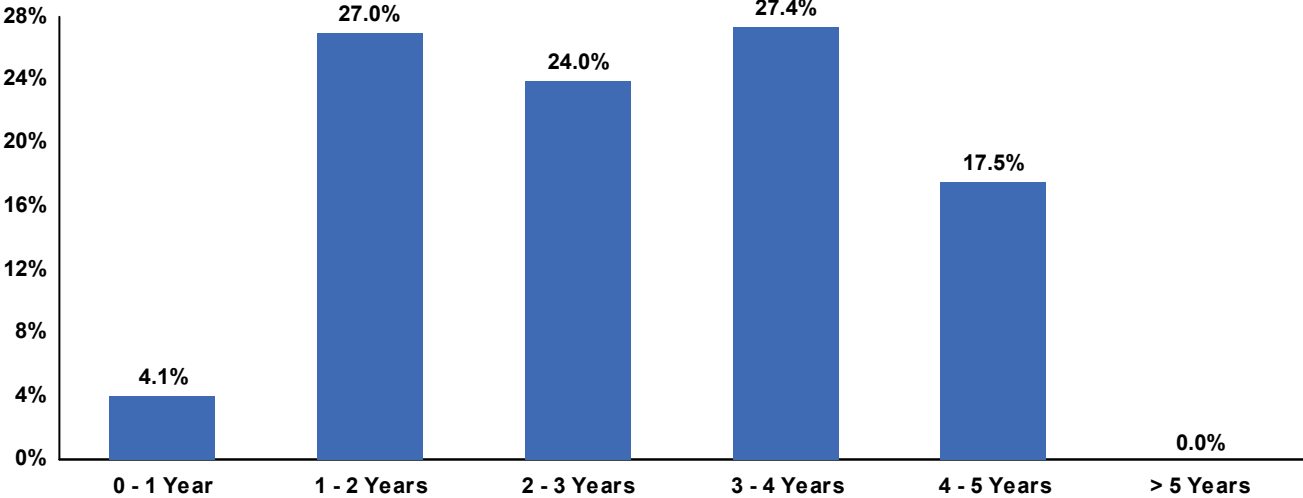
Credit Quality (S&P Ratings)



Sector Allocation



Maturity Distribution

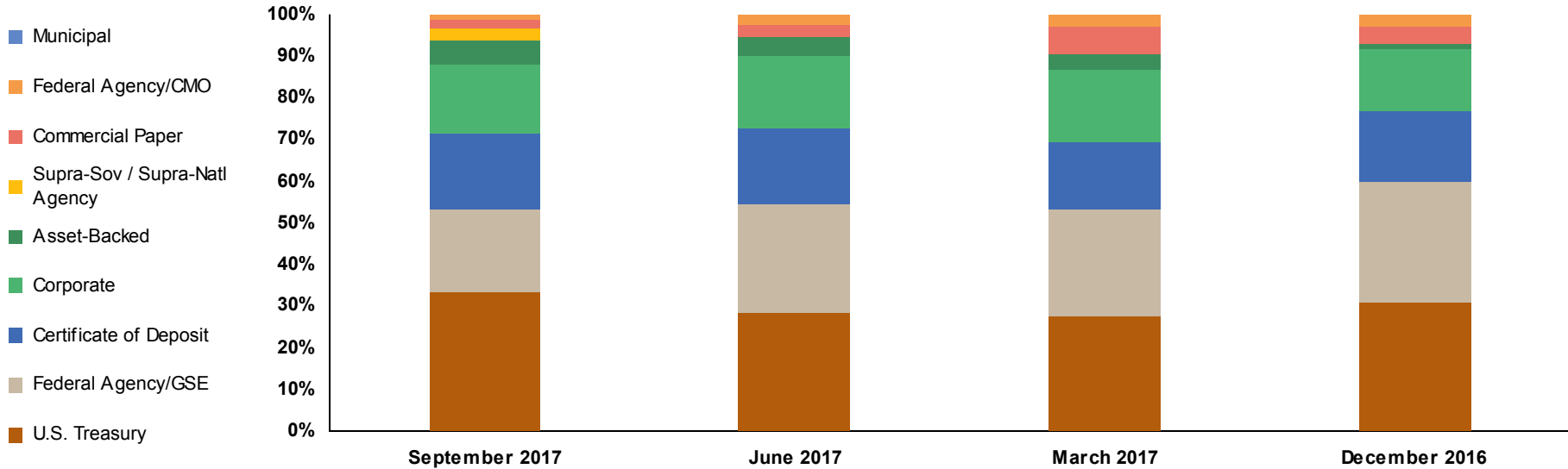


*An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

**The "Not Rated" category comprises asset-backed securities and supranationals rated Aaa by Moody's.

Sector Allocation

Sector	September 30, 2017		June 30, 2017		March 31, 2017		December 31, 2016	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	64.4	33.5%	54.6	28.6%	52.3	27.5%	58.8	31.2%
Federal Agency/GSE	37.7	19.7%	49.5	25.9%	48.5	25.5%	53.9	28.5%
Certificate of Deposit	34.8	18.2%	34.4	18.0%	31.3	16.5%	32.1	17.0%
Corporate	31.2	16.3%	32.9	17.3%	32.2	17.0%	28.1	14.9%
Asset-Backed	11.1	5.8%	9.3	4.9%	7.4	3.9%	2.6	1.4%
Supra-Sov / Supra-Natl Agency	5.7	3.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Commercial Paper	4.0	2.1%	4.9	2.6%	12.6	6.7%	7.8	4.1%
Federal Agency/CMO	2.5	1.3%	5.0	2.6%	5.3	2.8%	5.4	2.8%
Municipal	0.2	0.1%	0.2	0.1%	0.2	0.1%	0.2	0.1%
Total	\$191.6	100.0%	\$190.8	100.0%	\$189.9	100.0%	\$188.8	100.0%

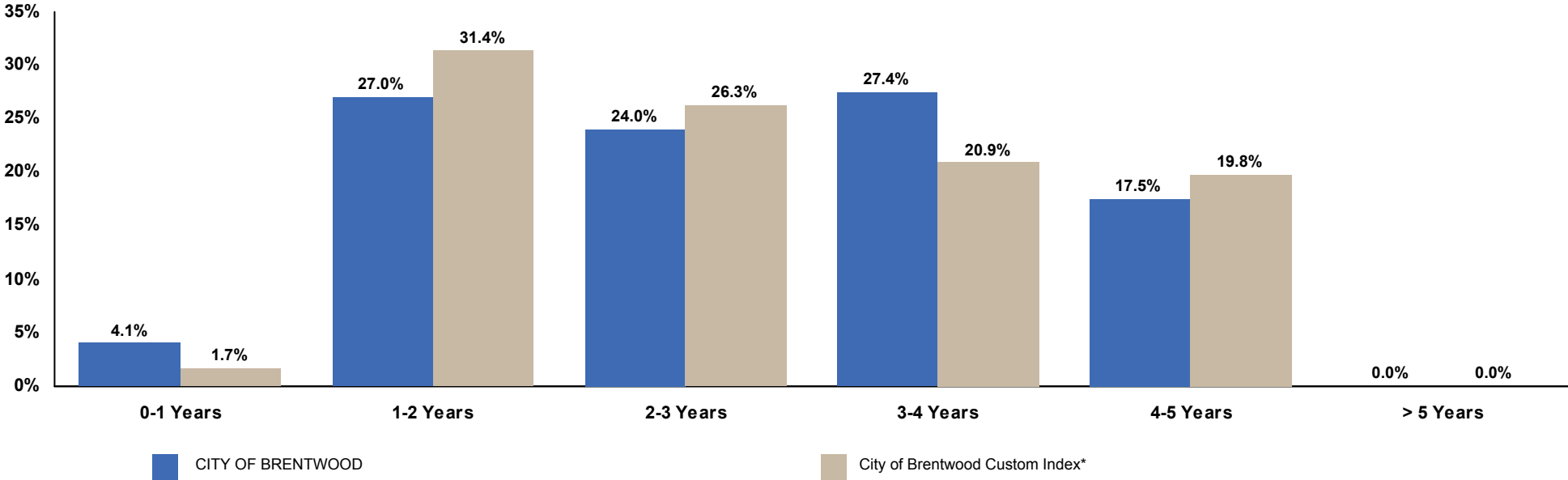


Detail may not add to total due to rounding.

Maturity Distribution

As of September 30, 2017

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
CITY OF BRENTWOOD	1.72%	2.82 yrs	4.1%	27.0%	24.0%	27.4%	17.5%	0.0%
City of Brentwood Custom Index*	1.61%	2.79 yrs	1.7%	31.4%	26.3%	20.9%	19.8%	0.0%



*The City's Custom Index was the Merrill Lynch 9-12 month U.S. Treasury index from inception to September 31, 2002, the Merrill Lynch 1-3 Year U.S. Treasury Index from September 31, 2002 to March 31, 2015, and is the Merrill Lynch 1-5 Year U.S. Treasury Index beginning March 31, 2015.

Sector/Issuer Distribution

As of September 30, 2017

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Asset-Backed			
ALLY AUTO RECEIVABLES TRUST	2,173,402	19.5%	1.1%
HONDA AUTO RECEIVABLES	2,765,701	24.8%	1.4%
HYUNDAI AUTO RECEIVABLES	3,474,566	31.2%	1.8%
JOHN DEERE OWNER TRUST	1,353,250	12.2%	0.7%
NISSAN AUTO RECEIVABLES	378,292	3.4%	0.2%
TOYOTA MOTOR CORP	988,567	8.9%	0.5%
Sector Total	11,133,777	100.0%	5.8%
Certificate of Deposit			
BANK OF MONTREAL	4,016,228	11.5%	2.1%
BANK OF NOVA SCOTIA	3,745,121	10.8%	2.0%
CANADIAN IMPERIAL BANK OF COMMERCE	3,493,786	10.0%	1.8%
MITSUBISHI UFJ FINANCIAL GROUP INC	1,909,393	5.5%	1.0%
NORDEA BANK AB	3,493,786	10.0%	1.8%
ROYAL BANK OF CANADA	3,504,830	10.1%	1.8%
SKANDINAVISKA ENSKILDA BANKEN AB	3,746,588	10.8%	2.0%
SUMITOMO MITSUI FINANCIAL GROUP INC	3,506,545	10.1%	1.8%
SVENSKA HANDELSBANKEN AB	3,987,180	11.5%	2.1%
WESTPAC BANKING CORP	3,381,300	9.7%	1.8%

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Sector Total	34,784,756	100.0%	18.2%
Commercial Paper			
ING GROUP NV	3,221,644	80.2%	1.7%
MITSUBISHI UFJ FINANCIAL GROUP INC	796,001	19.8%	0.4%
Sector Total	4,017,645	100.0%	2.1%
Corporate			
AMERICAN EXPRESS CO	3,126,688	10.0%	1.6%
AMERICAN HONDA FINANCE	1,254,483	4.0%	0.7%
APPLE INC	4,467,951	14.3%	2.3%
BERKSHIRE HATHAWAY INC	646,249	2.1%	0.3%
BURLINGTON NORTHERN SANTA FE	892,416	2.9%	0.5%
CHEVRON CORPORATION	1,120,343	3.6%	0.6%
DEERE & COMPANY	450,455	1.4%	0.2%
GENERAL ELECTRIC CO	4,855,671	15.6%	2.5%
JP MORGAN CHASE & CO	3,534,993	11.3%	1.8%
MICROSOFT CORP	1,927,905	6.2%	1.0%
THE BANK OF NEW YORK MELLON CORPORATION	1,918,909	6.1%	1.0%
TOYOTA MOTOR CORP	3,419,285	11.0%	1.8%
UNILEVER PLC	274,750	0.9%	0.1%
WELLS FARGO & COMPANY	3,318,147	10.6%	1.7%
Sector Total	31,208,243	100.0%	16.3%

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Federal Agency/CMO			
FANNIE MAE	1,649,202	66.9%	0.9%
FREDDIE MAC	815,059	33.1%	0.4%
Sector Total	2,464,261	100.0%	1.3%
Federal Agency/GSE			
FANNIE MAE	27,693,769	73.5%	14.5%
FEDERAL HOME LOAN BANKS	4,558,195	12.1%	2.4%
FREDDIE MAC	5,439,309	14.4%	2.8%
Sector Total	37,691,273	100.0%	19.7%
Municipal			
MISSISSIPPI STATE	240,000	100.0%	0.1%
Sector Total	240,000	100.0%	0.1%
Supra-Sov / Supra-Natl Agency			
INTL BANK OF RECONSTRUCTION AND DEV	5,675,836	100.0%	3.0%
Sector Total	5,675,836	100.0%	3.0%
U.S. Treasury			
UNITED STATES TREASURY	64,414,293	100.0%	33.6%
Sector Total	64,414,293	100.0%	33.6%

Portfolio Total	191,630,082	100.0%	100.0%
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Outlook and Strategy

- ◆ Although current low inflation is a conundrum, recent signaling from Fed officials boosted expectations for another rate hike this year, raising the market-implied probability of a December hike from 30% mid-third quarter to over 70%.
- ◆ With 2-year Treasury yields at the highest level since 2008, we plan to maintain the portfolio duration generally in line with the benchmark. However, the significant flattening of the yield curve since the beginning of the year has reduced the benefit of some maturity extensions, so we will carefully assess value along the yield curve.
- ◆ As we near the end of Janet Yellen's term as Chair of the Federal Reserve, which will expire early next year, we will assess the market implications of all new appointees to the Fed (there will be a total of 4 openings on the Fed's 7-member Board of Governors).
- ◆ Our prevailing economic theme includes moderate growth expectations in the U.S. and abroad, further improvements in the tightening U.S. labor market, healthy consumer demand, and a stable corporate backdrop.
- ◆ The impact from the recent Gulf Coast hurricanes will likely manifest itself in weaker economic data for September and early fourth quarter. However, history shows that the effects of weather-related events are typically short-lived and may be smoothed over by the subsequent recovery and rebuilding activity.
- ◆ On the policy front, the potential for tax reform is worth watching, as will be the debt ceiling debate, which will resurface in December.
- ◆ Our outlook on each of the major investment-grade fixed income sectors are as follows:
 - Limited supply and robust demand are likely to keep yield spreads on federal agencies tight. Generally, we favor U.S. Treasuries over agencies, except for new issues that offer a fair yield concession. Supranationals remain an attractive alternative.
 - Corporate fundamentals remain stable, and we continue to view the sector positively. However, recent richness in the sector warrants being more selective with industries, issuers, and individual issues.
 - In the credit space, we find that negotiable certificates of deposit (CDs) offer the best value, especially in the 2-year and under maturity range.
 - ABS continue to offer opportunity for modest incremental yield. We continue to closely monitor developments in the underlying collateral.

Portfolio Transactions and Holdings

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
7/6/17	7/7/17	3,985,000	912828R77	US TREASURY NOTES	1.37%	5/31/21	3,926,250.00	1.81%	
7/6/17	7/11/17	5,325,000	912828XG0	US TREASURY N/B NOTES	2.12%	6/30/22	5,373,312.08	1.95%	
7/6/17	7/11/17	1,800,000	912828V72	US TREASURY NOTES	1.87%	1/31/22	1,813,111.92	1.90%	
7/6/17	7/11/17	1,900,000	06406RAA5	BANK OF NY MELLON CORP NOTES	2.60%	2/7/22	1,931,962.22	2.47%	
7/11/17	7/18/17	550,000	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	549,959.74	1.82%	
7/12/17	7/13/17	3,950,000	912828X47	US TREASURY NOTES	1.87%	4/30/22	3,966,281.67	1.87%	
7/12/17	7/13/17	4,050,000	912828T67	US TREASURY NOTES	1.25%	10/31/21	3,968,738.62	1.80%	
7/28/17	8/1/17	3,665,000	3135G0T60	FNMA NOTES	1.50%	7/30/20	3,653,895.05	1.60%	
8/2/17	8/3/17	2,975,000	912828R77	US TREASURY NOTES	1.37%	5/31/21	2,949,962.58	1.67%	
8/3/17	8/7/17	3,365,000	96121T4A3	WESTPAC BANKING CORP NY CD	2.05%	8/3/20	3,365,000.00	2.05%	
8/3/17	8/4/17	3,750,000	83050FXT3	SKANDINAV ENSKILDA BANKEN NY CD	1.84%	8/2/19	3,748,537.50	1.85%	
8/8/17	8/9/17	800,000	06538CB59	BANK OF TOKYO MITSUBISHI UFJ LTD CP	0.00%	2/5/18	794,360.00	1.42%	
8/9/17	8/16/17	1,255,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	1,254,782.51	1.78%	
8/10/17	8/11/17	3,250,000	4497W1E28	ING (US) FUNDING LLC COMM PAPER	0.00%	5/2/18	3,215,203.33	1.48%	
8/30/17	8/31/17	4,100,000	912828XG0	US TREASURY N/B NOTES	2.12%	6/30/22	4,189,791.95	1.73%	
9/12/17	9/19/17	3,800,000	45905UP32	INTL BANK OF RECONSTRUCTION AND DEV NOTE	1.56%	9/12/20	3,790,880.00	1.64%	
9/25/17	9/27/17	1,910,000	06539RGM3	BANK TOKYO MITSUBISHI UFJ LTD LT CD	2.07%	9/25/19	1,910,000.00	2.07%	
9/27/17	9/29/17	1,900,000	459058DW0	INTL BANK OF RECONSTRUCTION&DEV NOTES	1.87%	10/7/19	1,927,289.91	1.60%	
Total BUY		52,330,000					52,329,319.08		

INTEREST

7/1/17	7/25/17	750,000	3136AQS1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	1,186.30		
7/1/17	7/25/17	1,394,434	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	3,254.10		
7/1/17	7/25/17	2,879,019	3137BNN26	FHLMC SERIES KP03 A2	1.78%	7/1/19	4,270.55		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
7/5/17	7/5/17	0	MONEY0002	MONEY MARKET FUND			116.27		
7/8/17	7/8/17	4,500,000	36962G4J0	GENERAL ELECTRIC CAP CORP NOTES	5.50%	1/8/20	123,750.00		
7/10/17	7/10/17	4,000,000	86958JHB8	SVENSKA HANDELSBANKEN NY LT CD	1.89%	1/10/19	37,590.00		
7/15/17	7/15/17	1,525,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	2,262.08		
7/15/17	7/15/17	650,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	920.83		
7/15/17	7/15/17	505,000	44930UAD8	HYUNDAI ABS 2016-A A3	1.56%	9/15/20	656.50		
7/15/17	7/15/17	485,000	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	699.21		
7/15/17	7/15/17	480,000	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	712.00		
7/15/17	7/15/17	380,000	65478VAD9	NISSAN ABS 2016-B A3	1.32%	1/15/21	418.00		
7/15/17	7/15/17	905,000	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	972.88		
7/15/17	7/15/17	820,000	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/15/21	1,202.67		
7/15/17	7/15/17	325,000	47788NAC2	JOHN DEERE ABS 2016-B A3	1.25%	6/15/20	338.54		
7/15/17	7/15/17	505,000	89231UAD9	TOYOTA ABS 2016-B A3	1.30%	4/15/20	547.08		
7/16/17	7/16/17	1,900,000	43811BAC8	HONDA ABS 2017-2 A3	1.68%	8/15/21	1,596.00		
7/19/17	7/19/17	1,200,000	3137EAEB1	FHLMC REFERENCE NOTE	0.87%	7/19/19	5,250.00		
7/21/17	7/21/17	870,000	43814TAC6	HONDA ABS 2017-1 A3	1.72%	7/21/21	1,247.00		
7/31/17	7/31/17	2,250,000	912828N89	US TREASURY NOTES	1.37%	1/31/21	15,468.75		
7/31/17	7/31/17	1,800,000	912828V72	US TREASURY NOTES	1.87%	1/31/22	16,875.00		
7/31/17	7/31/17	3,250,000	912828N89	US TREASURY NOTES	1.37%	1/31/21	22,343.75		
7/31/17	7/31/17	3,405,000	912828WY2	US TREASURY N/B	2.25%	7/31/21	38,306.25		
8/1/17	8/1/17	2,565,000	3137EADK2	FREDDIE MAC GLOBAL NOTES	1.25%	8/1/19	16,031.25		
8/1/17	8/25/17	818,069	3137BNN26	FHLMC SERIES KP03 A2	1.78%	7/1/19	1,213.47		
8/1/17	8/25/17	750,000	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	1,530.44		
8/1/17	8/25/17	1,319,881	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	1,923.93		
8/2/17	8/2/17	0	MONEY0002	MONEY MARKET FUND			355.90		
8/2/17	8/2/17	4,650,000	3135G0N33	FNMA BENCHMARK NOTE	0.87%	8/2/19	20,343.75		
8/5/17	8/5/17	1,900,000	3130A8Y72	FHLB GLOBAL NOTE	0.87%	8/5/19	8,312.50		
8/6/17	8/6/17	1,920,000	594918BV5	MICROSOFT CORP	1.85%	2/6/20	17,760.00		
8/7/17	8/7/17	4,000,000	06427KRC3	BANK OF MONTREAL CHICAGO CERT DEPOS	1.88%	2/7/19	37,182.22		
8/7/17	8/7/17	1,900,000	06406RAA5	BANK OF NY MELLON CORP NOTES	2.60%	2/7/22	24,700.00		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
8/9/17	8/9/17	3,480,000	037833AX8	APPLE INC BONDS	1.55%	2/7/20	26,970.00		
8/11/17	8/11/17	4,350,000	90333VPF1	US BANK NA CINCIN CD(CALLED OMD 9/11/17)	1.37%	8/11/17	24,921.88		
8/15/17	8/15/17	480,000	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	712.00		
8/15/17	8/15/17	505,000	89231UAD9	TOYOTA ABS 2016-B A3	1.30%	4/15/20	547.08		
8/15/17	8/15/17	505,000	44930UAD8	HYUNDAI ABS 2016-A A3	1.56%	9/15/20	656.50		
8/15/17	8/15/17	820,000	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/15/21	1,202.67		
8/15/17	8/15/17	650,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	920.83		
8/15/17	8/15/17	325,000	47788NAC2	JOHN DEERE ABS 2016-B A3	1.25%	6/15/20	338.54		
8/15/17	8/15/17	1,525,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	2,262.08		
8/15/17	8/15/17	380,000	65478VAD9	NISSAN ABS 2016-B A3	1.32%	1/15/21	418.00		
8/15/17	8/15/17	1,900,000	43811BAC8	HONDA ABS 2017-2 A3	1.68%	8/15/21	2,660.00		
8/15/17	8/15/17	905,000	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	972.88		
8/15/17	8/15/17	485,000	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	699.21		
8/17/17	8/17/17	4,500,000	3135G0N82	FNMA NOTES	1.25%	8/17/21	28,125.00		
8/17/17	8/17/17	4,050,000	3135G0N82	FNMA NOTES	1.25%	8/17/21	25,312.50		
8/17/17	8/17/17	1,250,000	3135G0N82	FNMA NOTES	1.25%	8/17/21	7,812.50		
8/21/17	8/21/17	870,000	43814TAC6	HONDA ABS 2017-1 A3	1.72%	7/21/21	1,247.00		
8/22/17	8/22/17	1,255,000	02665WBA8	AMERICAN HONDA FINANCE CORP NOTES	1.70%	2/22/19	10,667.50		
8/28/17	8/28/17	2,000,000	3135G0P49	FNMA NOTES	1.00%	8/28/19	10,000.00		
8/28/17	8/28/17	1,120,000	166764BS8	CHEVRON CORP NOTES	1.68%	2/28/19	9,179.33		
8/28/17	8/28/17	2,370,000	3135G0T29	FNMA NOTES	1.50%	2/28/20	17,775.00		
8/31/17	8/31/17	2,000,000	912828D72	US TREASURY NOTES	2.00%	8/31/21	20,000.00		
8/31/17	8/31/17	2,500,000	912828B90	US TREASURY NOTES	2.00%	2/28/21	25,000.00		
8/31/17	8/31/17	1,575,000	912828J43	US TREASURY NOTES	1.75%	2/28/22	13,781.25		
9/1/17	9/1/17	3,500,000	46625HQJ2	JP MORGAN CHASE & CO CORP NT (CALLABLE)	2.55%	3/1/21	44,625.00		
9/1/17	9/25/17	1,286,972	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	1,988.18		
9/1/17	9/25/17	816,741	3137BNN26	FHLMC SERIES KP03 A2	1.78%	7/1/19	1,211.50		
9/1/17	9/25/17	608,243	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	1,286.13		
9/3/17	9/3/17	1,110,000	0258M0EE5	AMERICAN EXPRESS CREDIT (CALLABLE) CORP	2.20%	3/3/20	12,210.00		
9/5/17	9/5/17	0	MONEY0002	MONEY MARKET FUND			327.33		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
9/9/17	9/9/17	3,500,000	78009NZZ2	ROYAL BANK OF CANADA NY CD	1.70%	3/9/18	29,750.00		
9/12/17	9/12/17	2,000,000	3135G0ZG1	FNMA NOTES	1.75%	9/12/19	17,500.00		
9/15/17	9/15/17	325,000	47788NAC2	JOHN DEERE ABS 2016-B A3	1.25%	6/15/20	338.54		
9/15/17	9/15/17	505,000	89231UAD9	TOYOTA ABS 2016-B A3	1.30%	4/15/20	547.08		
9/15/17	9/15/17	480,000	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	712.00		
9/15/17	9/15/17	645,000	084664CG4	BERKSHIRE HATHAWAY INC NOTES	1.70%	3/15/19	5,482.50		
9/15/17	9/15/17	1,900,000	43811BAC8	HONDA ABS 2017-2 A3	1.68%	8/15/21	2,660.00		
9/15/17	9/15/17	820,000	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/15/21	1,202.67		
9/15/17	9/15/17	485,000	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	699.21		
9/15/17	9/15/17	505,000	44930UAD8	HYUNDAI ABS 2016-A A3	1.56%	9/15/20	656.50		
9/15/17	9/15/17	1,255,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	1,883.60		
9/15/17	9/15/17	550,000	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	1,584.92		
9/15/17	9/15/17	380,000	65478VAD9	NISSAN ABS 2016-B A3	1.32%	1/15/21	418.00		
9/15/17	9/15/17	1,525,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	2,262.08		
9/15/17	9/15/17	650,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	920.83		
9/15/17	9/15/17	905,000	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	972.88		
9/18/17	9/18/17	2,000,000	0258M0DK2	AMERICAN EXPRESS CREDIT CORP NOTES	2.12%	3/18/19	21,250.00		
9/21/17	9/21/17	870,000	43814TAC6	HONDA ABS 2017-1 A3	1.72%	7/21/21	1,247.00		
9/30/17	9/30/17	1,957,000	912828J84	US TREASURY NOTES	1.37%	3/31/20	13,454.38		
9/30/17	9/30/17	630,000	912828J84	US TREASURY NOTES	1.37%	3/31/20	4,331.25		
9/30/17	9/30/17	895,000	912828J84	US TREASURY NOTES	1.37%	3/31/20	6,153.13		
Total INTEREST		124,505,359					817,193.68		
MATURITY									
8/8/17	8/8/17	800,000	06538BV83	BANK TOKYO MITSUBISHI UFJ LTD COMM PAPER	0.00%	8/8/17	800,000.00		0.00
8/11/17	8/11/17	4,350,000	90333VPF1	US BANK NA CINCIN CD(CALLED OMD 9/11/17)	1.37%	8/11/17	4,350,000.00		0.00

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
Total MATURITY		5,150,000					5,150,000.00		0.00
PAYDOWNS									
7/1/17	7/25/17	2,060,950	3137BNN26	FHLMC SERIES KP03 A2	1.78%	7/1/19	2,060,950.29		0.00
7/1/17	7/25/17	74,553	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	74,552.71		0.00
8/1/17	8/25/17	1,328	3137BNN26	FHLMC SERIES KP03 A2	1.78%	7/1/19	1,327.86		0.00
8/1/17	8/25/17	141,757	3136QSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	141,757.10		0.00
8/1/17	8/25/17	32,909	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	32,909.32		0.00
9/1/17	9/25/17	1,335	3137BNN26	FHLMC SERIES KP03 A2	1.78%	7/1/19	1,334.51		0.00
9/1/17	9/25/17	113,819	3136QSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	113,818.70		0.00
9/1/17	9/25/17	131,983	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	131,983.10		0.00
Total PAYDOWNS		2,558,634					2,558,633.59		0.00
SELL									
7/6/17	7/7/17	4,000,000	3135G0K69	FNMA BENCHMARK NOTE	1.25%	5/6/21	3,933,032.22	1.76%	(89,200.48)
7/6/17	7/11/17	5,390,000	912828K58	US TREASURY NOTES	1.37%	4/30/20	5,376,708.08	1.56%	(46,780.08)
7/6/17	7/11/17	3,595,000	06406HDB2	BANK OF NEW YORK MELLON CORP (CALLABLE)	1.60%	5/22/18	3,605,561.31	1.51%	2,814.71
7/12/17	7/13/17	7,765,000	313385JX5	FEDERAL HOME LOAN BANKS DISC NOTE	0.00%	8/2/17	7,760,686.11	1.00%	107.89
7/17/17	7/18/17	760,000	3137EADZ9	FREDDIE MAC NOTES	1.12%	4/15/19	758,895.15	1.38%	(3,169.32)
7/28/17	8/1/17	3,625,000	912828VJ6	US TREASURY NOTES	1.87%	6/30/20	3,670,700.37	1.49%	1,177.88
8/2/17	8/3/17	425,000	83050FBG5	SKANDINAVISKA ENSKILDA BANKEN NY CD	1.48%	11/16/17	429,760.39	1.27%	217.61
8/3/17	8/4/17	3,815,000	83050FBG5	SKANDINAVISKA ENSKILDA BANKEN NY CD	1.48%	11/16/17	3,857,869.19	1.27%	1,934.24
8/3/17	8/7/17	3,365,000	912828XH8	US TREASURY NOTES	1.62%	6/30/20	3,385,105.41	1.47%	(29,851.64)
8/30/17	8/31/17	4,100,000	21687AXP3	COOPERATIEVE RABOBANK U.A. COMM PAPER	0.00%	10/23/17	4,092,213.42	1.29%	(60.38)
9/12/17	9/19/17	1,905,000	912828XH8	US TREASURY NOTES	1.62%	6/30/20	1,921,041.08	1.45%	(14,861.10)
9/12/17	9/19/17	875,000	912828VJ6	US TREASURY NOTES	1.87%	6/30/20	888,967.61	1.44%	1,454.14

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
9/12/17	9/19/17	1,025,000	912828VF4	US TREASURY NOTES	1.37%	5/31/20	1,027,832.92	1.43%	3,556.71
9/25/17	9/27/17	1,200,000	3137EAEB1	FHLMC REFERENCE NOTE	0.87%	7/19/19	1,189,047.33	1.48%	(11,171.52)
9/27/17	9/29/17	1,810,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	1,804,628.83	1.48%	(10,479.03)
Total SELL		43,655,000					43,702,049.42		-194,310.37



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2017**

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 03/31/2015 1.375% 03/31/2020	912828J84	630,000.00	AA+	Aaa	06/22/16	06/27/16	637,727.34	1.04	23.80	635,168.25	627,071.76
US TREASURY NOTES DTD 03/31/2015 1.375% 03/31/2020	912828J84	895,000.00	AA+	Aaa	06/22/16	06/27/16	906,397.27	1.03	33.81	902,622.06	890,840.04
US TREASURY NOTES DTD 03/31/2015 1.375% 03/31/2020	912828J84	1,957,000.00	AA+	Aaa	06/23/16	06/28/16	1,979,245.59	1.07	73.93	1,971,891.83	1,947,903.86
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	630,685.92	629,812.80
US TREASURY NOTES DTD 05/31/2013 1.375% 05/31/2020	912828VF4	4,475,000.00	AA+	Aaa	12/02/15	12/04/15	4,439,165.04	1.56	20,678.53	4,453,438.56	4,451,049.80
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	2,250,000.00	AA+	Aaa	12/20/16	12/21/16	2,199,375.00	1.95	5,212.30	2,208,687.77	2,226,181.50
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	3,250,000.00	AA+	Aaa	05/26/16	05/27/16	3,252,539.06	1.36	7,528.87	3,251,836.67	3,215,595.50
US TREASURY NOTES DTD 02/28/2014 2.000% 02/28/2021	912828B90	2,500,000.00	AA+	Aaa	10/03/16	10/05/16	2,591,015.63	1.15	4,281.77	2,570,976.95	2,524,022.50
US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828O78	2,775,000.00	AA+	Aaa	06/27/16	06/29/16	2,826,164.06	0.98	15,967.56	2,813,122.76	2,739,879.60
US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828O78	3,000,000.00	AA+	Aaa	12/01/16	12/05/16	2,940,351.56	1.85	17,262.23	2,951,136.60	2,962,032.00
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	2,975,000.00	AA+	Aaa	08/02/17	08/03/17	2,942,809.57	1.67	13,747.18	2,944,135.86	2,934,789.90
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	3,985,000.00	AA+	Aaa	07/06/17	07/07/17	3,920,710.74	1.81	18,414.29	3,924,475.02	3,931,138.74
US TREASURY N/B DTD 07/31/2014 2.250% 07/31/2021	912828WY2	3,405,000.00	AA+	Aaa	11/22/16	11/23/16	3,477,356.25	1.78	12,907.54	3,464,612.05	3,463,657.94
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	2,000,000.00	AA+	Aaa	12/01/16	12/05/16	2,007,031.25	1.92	3,425.41	2,005,877.38	2,015,938.00



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2017**

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 10/31/2014 2.000% 10/31/2021	912828F96	4,000,000.00	AA+	Aaa	12/20/16	12/21/16	3,980,781.25	2.10	33,478.26	3,983,764.12	4,028,752.00
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	4,050,000.00	AA+	Aaa	07/12/17	07/13/17	3,958,558.59	1.80	21,185.46	3,963,037.47	3,959,506.80
US TREASURY NOTES DTD 10/31/2014 2.000% 10/31/2021	912828F96	5,000,000.00	AA+	Aaa	04/03/17	04/05/17	5,031,054.69	1.86	41,847.83	5,027,887.30	5,035,940.00
US TREASURY NOTES DTD 01/31/2017 1.875% 01/31/2022	912828V72	1,800,000.00	AA+	Aaa	07/06/17	07/11/17	1,798,101.56	1.90	5,686.14	1,798,198.72	1,800,914.40
US TREASURY NOTES DTD 03/02/2015 1.750% 02/28/2022	912828J43	1,575,000.00	AA+	Aaa	03/15/17	03/17/17	1,545,960.94	2.14	2,360.32	1,548,983.96	1,567,247.85
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	3,950,000.00	AA+	Aaa	07/12/17	07/13/17	3,951,388.67	1.87	30,993.55	3,951,356.63	3,946,452.90
US TREASURY N/B NOTES DTD 06/30/2015 2.125% 06/30/2022	912828XG0	4,100,000.00	AA+	Aaa	08/30/17	08/31/17	4,175,113.28	1.73	22,018.00	4,173,863.67	4,139,396.90
US TREASURY N/B NOTES DTD 06/30/2015 2.125% 06/30/2022	912828XG0	5,325,000.00	AA+	Aaa	07/06/17	07/11/17	5,369,929.69	1.95	28,596.55	5,368,008.59	5,376,167.93
Security Type Sub-Total		64,497,000.00					64,587,847.34	1.71	313,655.40	64,543,768.14	64,414,292.72
Supra-National Agency Bond / Note											
INTL BANK OF RECONSTRUCTION&DEV NOTES DTD 10/07/2014 1.875% 10/07/2019	459058DW0	1,900,000.00	AAA	Aaa	09/27/17	09/29/17	1,910,260.00	1.60	17,218.75	1,910,233.00	1,908,230.80
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	3,800,000.00	NR	Aaa	09/12/17	09/19/17	3,790,880.00	1.64	1,977.27	3,790,979.67	3,767,605.00
Security Type Sub-Total		5,700,000.00					5,701,140.00	1.63	19,196.02	5,701,212.67	5,675,835.80
Municipal Bond / Note											



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2017**

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
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	240,000.00
Security Type Sub-Total		240,000.00					240,000.00	1.09	1,308.00	240,000.00	240,000.00

Federal Agency Collateralized Mortgage Obligation											
FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	494,424.20	AA+	Aaa	11/06/15	11/30/15	499,368.39	1.20	782.05	495,912.63	494,908.34
FHLMC SERIES KP03 A2 DTD 04/01/2016 1.780% 07/01/2019	3137BNN26	815,406.51	AA+	Aaa	04/15/16	04/28/16	823,541.01	1.10	1,209.52	819,274.39	815,058.98
FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	1,154,988.66	AA+	Aaa	10/07/15	10/30/15	1,166,554.59	1.08	1,584.26	1,159,938.71	1,154,293.36
Security Type Sub-Total		2,464,819.37					2,489,463.99	1.11	3,575.83	2,475,125.73	2,464,260.68

Federal Agency Bond / Note											
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	2,538,010.25	2,552,816.25
FNMA BENCHMARK NOTE DTD 08/02/2016 0.875% 08/02/2019	3135G0N33	4,650,000.00	AA+	Aaa	07/29/16	08/02/16	4,642,188.00	0.93	6,668.23	4,645,193.57	4,595,171.85
FHLB GLOBAL NOTE DTD 08/04/2016 0.875% 08/05/2019	3130A8Y72	1,900,000.00	AA+	Aaa	08/03/16	08/04/16	1,896,352.00	0.94	2,586.11	1,897,747.30	1,877,521.10
FNMA NOTES DTD 09/02/2016 1.000% 08/28/2019	3135G0P49	2,000,000.00	AA+	Aaa	08/31/16	09/02/16	1,996,880.00	1.05	1,833.33	1,997,996.50	1,980,404.00
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	2,003,411.08	2,008,480.00
FHLB NOTES DTD 11/17/2016 1.375% 11/15/2019	3130AA3R7	2,690,000.00	AA+	Aaa	11/16/16	11/17/16	2,689,381.30	1.38	13,973.06	2,689,558.46	2,680,673.77
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	1,504,622.48	1,505,700.00



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2017**

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											
FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	2,370,000.00	AA+	Aaa	02/24/17	02/28/17	2,368,483.20	1.52	3,258.75	2,368,777.06	2,364,364.14
FHLMC AGENCY NOTES DTD 04/20/2017 1.375% 04/20/2020	3137EAEF2	2,905,000.00	AA+	Aaa	04/19/17	04/20/17	2,895,064.90	1.49	17,863.73	2,896,518.59	2,886,492.25
FNMA NOTES DTD 08/01/2017 1.500% 07/30/2020	3135G0T60	3,665,000.00	AA+	Aaa	07/28/17	08/01/17	3,653,895.05	1.60	9,162.50	3,654,500.14	3,644,967.11
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	1,995,565.72	2,005,284.23
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	1,250,000.00	AA+	Aaa	08/17/16	08/19/16	1,245,723.75	1.32	1,909.72	1,246,655.63	1,223,137.50
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	4,050,000.00	AA+	Aaa	08/17/16	08/19/16	4,033,597.50	1.33	6,187.50	4,037,171.10	3,962,965.50
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	4,500,000.00	AA+	Aaa	09/01/16	09/02/16	4,472,460.00	1.38	6,875.00	4,478,308.92	4,403,295.00

Security Type Sub-Total		38,040,000.00					37,902,871.90	1.40	96,286.76	37,954,036.80	37,691,272.70
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Corporate Note											
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	2,311.29	1,254,881.78	1,254,482.94
CHEVRON CORP NOTES DTD 03/03/2017 1.686% 02/28/2019	166764BS8	1,120,000.00	AA-	Aa2	02/28/17	03/03/17	1,120,000.00	1.69	1,730.96	1,120,000.00	1,120,342.72
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	644,759.03	646,248.72
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	2,007,619.24	2,010,880.00
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	3,313,818.88	3,318,146.70
BURLINGTON NRTH CORP DTD 09/24/2009 4.700% 10/01/2019	12189TBC7	845,000.00	A	A3	06/03/16	06/08/16	932,795.50	1.48	19,857.50	898,507.54	892,416.33



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2017**

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											
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	4,842,134.64	4,855,671.00
MICROSOFT CORP DTD 02/06/2017 1.850% 02/06/2020	594918BV5	1,920,000.00	AAA	Aaa	01/30/17	02/06/17	1,918,713.60	1.87	5,426.67	1,918,987.62	1,927,904.64
APPLE INC BONDS 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	3,458,063.82	3,462,815.76
AMERICAN EXPRESS CREDIT CORP NOTES DTD 03/03/2017 2.200% 03/03/2020	0258M0EE5	1,110,000.00	A-	A2	02/28/17	03/03/17	1,108,845.60	2.24	1,899.33	1,109,062.12	1,115,807.52
UNILEVER CAPITAL CORP BONDS DTD 05/05/2017 1.800% 05/05/2020	904764AV9	275,000.00	A+	A1	05/02/17	05/05/17	274,122.75	1.91	2,007.50	274,238.54	274,750.30
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	999,173.28	1,005,135.00
JOHN DEERE CAPITAL CORP NOTES DTD 06/22/2017 1.950% 06/22/2020	24422ETS8	450,000.00	A	A2	06/19/17	06/22/17	449,725.50	1.97	2,413.13	449,750.05	450,454.50
JP MORGAN CHASE & CO CORP NT (CALLABLE) DTD 03/01/2016 2.550% 03/01/2021	46625HQJ2	3,500,000.00	A-	A3	01/03/17	01/05/17	3,494,190.00	2.59	7,437.50	3,495,229.89	3,534,993.00
TOYOTA MOTOR CREDIT CORP BONDS DTD 05/16/2014 2.750% 05/17/2021	89236TBJ3	3,350,000.00	AA-	Aa3	02/01/17	02/03/17	3,401,288.50	2.37	34,290.97	3,393,766.78	3,419,284.70
BANK OF NY MELLON CORP NOTES DTD 02/07/2017 2.600% 02/07/2022	06406RAA5	1,900,000.00	A	A1	07/06/17	07/11/17	1,910,830.00	2.47	7,410.00	1,910,347.65	1,918,908.80
Security Type Sub-Total		30,650,000.00					31,499,146.65	2.06	190,299.28	31,090,340.86	31,208,242.63

Commercial Paper											
BANK OF TOKYO MITSUBISHI UFJ LTD CP DTD 05/11/2017 0.000% 02/05/2018	06538CB59	800,000.00	A-1	P-1	08/08/17	08/09/17	794,360.00	1.42	0.00	796,020.66	796,000.80
ING (US) FUNDING LLC COMM PAPER DTD 08/10/2017 0.000% 05/02/2018	4497W1E28	3,250,000.00	A-1	P-1	08/10/17	08/11/17	3,215,203.33	1.48	0.00	3,221,925.40	3,221,643.75



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2017**

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
Security Type Sub-Total		4,050,000.00					4,009,563.33	1.46	0.00	4,017,946.06	4,017,644.55

Certificate of Deposit

ROYAL BANK OF CANADA NY CD DTD 03/15/2016 1.700% 03/09/2018	78009NZZ2	3,500,000.00	A-1+	P-1	03/11/16	03/15/16	3,500,000.00	1.69	3,636.11	3,500,000.00	3,504,830.00
CANADIAN IMPERIAL BANK NY CD DTD 12/05/2016 1.760% 11/30/2018	13606A5Z7	3,485,000.00	A+	A1	12/01/16	12/05/16	3,482,281.70	1.78	20,615.71	3,483,406.52	3,493,785.69
NORDEA BANK FINLAND NY CD DTD 12/05/2016 1.760% 11/30/2018	65558LWA6	3,485,000.00	AA-	Aa3	12/01/16	12/05/16	3,485,000.00	1.74	21,126.84	3,485,000.00	3,493,785.69
SVENSKA HANDELSBANKEN NY LT CD DTD 01/12/2017 1.890% 01/10/2019	86958JHB8	4,000,000.00	AA-	Aa2	01/10/17	01/12/17	4,000,000.00	1.91	17,430.00	4,000,000.00	3,987,180.00
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 02/09/2017 1.880% 02/07/2019	06427KRC3	4,000,000.00	A+	A1	02/08/17	02/09/17	4,000,000.00	1.90	11,280.00	4,000,000.00	4,016,228.00
BANK OF NOVA SCOTIA HOUSTON LT CD DTD 04/06/2017 1.910% 04/05/2019	06417GUE6	3,750,000.00	A+	A1	04/05/17	04/06/17	3,750,000.00	1.91	35,414.58	3,750,000.00	3,745,121.25
SUMITOMO MITSUI BANK NY CD DTD 05/04/2017 2.050% 05/03/2019	86563YVNO	3,500,000.00	A	A1	05/03/17	05/04/17	3,500,000.00	2.05	29,297.92	3,500,000.00	3,506,545.00
SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	3,750,000.00	A+	Aa3	08/03/17	08/04/17	3,748,537.50	1.85	11,116.67	3,748,654.01	3,746,587.50
BANK TOKYO MITSUBISHI UFJ LTD LT CD DTD 09/27/2017 2.070% 09/25/2019	06539RGM3	1,910,000.00	A+	A1	09/25/17	09/27/17	1,910,000.00	2.07	439.30	1,910,000.00	1,909,392.62
WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	3,365,000.00	AA-	Aa3	08/03/17	08/07/17	3,365,000.00	2.05	10,347.38	3,365,000.00	3,381,300.06

Security Type Sub-Total		34,745,000.00					34,740,819.20	1.89	160,704.51	34,742,060.53	34,784,755.81
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Asset-Backed Security / Collateralized Mortgage Obligation

TOYOTA ABS 2016-B A3 DTD 05/11/2016 1.300% 04/15/2020	89231UAD9	505,000.00	AAA	Aaa	05/02/16	05/11/16	504,974.19	1.30	291.78	504,984.63	503,873.50
JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	325,000.00	NR	Aaa	07/19/16	07/27/16	324,974.13	1.25	180.56	324,983.24	323,622.98



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2017**

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
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	350.13	504,938.25	504,487.17
NISSAN ABS 2016-B A3 DTD 04/27/2016 1.320% 01/15/2021	65478VAD9	380,000.00	NR	Aaa	04/18/16	04/27/16	379,941.06	1.33	222.93	379,961.63	378,291.82
TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	485,000.00	AAA	Aaa	03/07/17	03/15/17	484,942.92	1.74	372.91	484,942.92	484,693.33
JOHN DEERE ABS 2017-A A3 DTD 03/02/2017 1.780% 04/15/2021	47787XAC1	480,000.00	NR	Aaa	02/22/17	03/02/17	479,931.65	1.79	379.73	479,931.65	479,989.01
HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	905,000.00	AAA	Aaa	09/14/16	09/21/16	904,878.19	1.30	518.87	904,908.46	897,976.48
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	650,000.00	NR	Aaa	01/24/17	01/31/17	649,943.19	1.70	491.11	649,952.36	649,185.36
HONDA ABS 2017-1 A3 DTD 03/28/2017 1.720% 07/21/2021	43814TAC6	870,000.00	NR	Aaa	03/21/17	03/28/17	869,948.24	1.72	415.67	869,948.24	869,517.50
HYUNDAI ABS 2017-A A3 DTD 03/29/2017 1.760% 08/15/2021	44931PAD8	820,000.00	AAA	NR	03/22/17	03/29/17	819,933.66	1.76	641.42	819,933.66	819,507.92
ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	1,525,000.00	NR	Aaa	03/21/17	03/29/17	1,524,820.20	1.79	1,206.44	1,524,820.20	1,524,216.15
HONDA ABS 2017-2 A3 DTD 06/27/2017 1.680% 08/15/2021	43811BAC8	1,900,000.00	AAA	Aaa	06/20/17	06/27/17	1,899,835.65	1.68	1,418.67	1,899,835.65	1,896,183.66
JOHN DEERE ABS 2017-B A3 DTD 07/15/2017 1.820% 10/15/2021	47788BAD6	550,000.00	NR	Aaa	07/11/17	07/18/17	549,959.74	1.82	444.89	549,962.35	549,637.83
HYUNDAI ABS 2017-B A3 DTD 08/16/2017 1.770% 01/15/2022	44932GAD7	1,255,000.00	AAA	Aaa	08/09/17	08/16/17	1,254,782.51	1.78	987.27	1,254,788.39	1,252,594.17
Security Type Sub-Total		11,155,000.00					11,153,767.36	1.65	7,922.38	11,153,891.63	11,133,776.88
Managed Account Sub-Total		191,541,819.37					192,324,619.77	1.72	792,948.18	191,918,382.42	191,630,081.77



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2017**

CITY OF BRENTWOOD

Securities Sub-Total	\$191,541,819.37	\$192,324,619.77	1.72%	\$792,948.18	\$191,918,382.42	\$191,630,081.77
Accrued Interest						\$792,948.18
Total Investments						\$192,423,029.95

IMPORTANT DISCLOSURES

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

GLOSSARY

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **DURATION TO WORST:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years, computed from cash flows to the maturity date or to the put date, whichever results in the highest yield to the investor.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.

GLOSSARY

- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.
- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.