



**NOTICE OF A
REGULAR MEETING OF THE
CALOPTIMA BOARD OF DIRECTORS'
FINANCE AND AUDIT COMMITTEE**

**THURSDAY, NOVEMBER 16, 2017
2:00 P.M.**

**505 CITY PARKWAY WEST, SUITE, 108-N
ORANGE, CALIFORNIA 92868**

BOARD OF DIRECTORS' FINANCE AND AUDIT COMMITTEE

Lee Penrose, Chair
Ron DiLuigi
Scott Schoeffel

CHIEF EXECUTIVE OFFICER
Michael Schrader

CHIEF COUNSEL
Gary Crockett

CLERK OF THE BOARD
Suzanne Turf

This agenda contains a brief description of each item to be considered. Except as provided by law, no action shall be taken on any item not appearing on the agenda. To speak on an item, complete a Public Comment Request Form(s) identifying the item(s) and submit to the Clerk of the Board. To speak on a matter not appearing on the agenda, but within the subject matter jurisdiction of the Board of Directors' Finance and Audit Committee, you may do so during Public Comments. Public Comment Request Forms must be submitted prior to the beginning of the Consent Calendar, the reading of the individual agenda items, and/or the beginning of Public Comments. When addressing the Committee, it is requested that you state your name for the record. Address the Committee as a whole through the Chair. Comments to individual Committee Members or staff are not permitted. Speakers are limited to three (3) minutes per item.

In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the clerk of the Board's Office at (714) 246-8806, at least 72 hours prior to the meeting.

The Board of Directors' Finance and Audit Committee Meeting Agenda and supporting documentation is available for review at CalOptima, 505 City Parkway West, Orange, CA 92868, 8:00 a.m. – 5:00 p.m., Monday-Friday, and online at www.caloptima.org.

CALL TO ORDER

Pledge of Allegiance
Establish Quorum

MANAGEMENT REPORTS

Chief Executive Officer Report
Chief Financial Officer Report

PUBLIC COMMENTS

At this time, members of the public may address the Committee on matters not appearing on the agenda, but under the jurisdiction of the Board of Directors' Quality Assurance Committee. Speakers will be limited to three (3) minutes.

INVESTMENT ADVISORY COMMITTEE UPDATE

1. [Treasurer's Report](#)

CONSENT CALENDAR

2. [Minutes](#)
 - a. Approve Minutes of the September 21, 2017 Regular Meeting of the CalOptima Board of Directors' Finance and Audit Committee
 - b. Receive and File Minutes of the July 24, 2017 Meeting of the CalOptima Board of Directors' Investment Advisory Committee

REPORTS

3. [Consider Recommending Approval of the Annual Investment Policy for Calendar Year 2018](#)
4. [Consider Recommending Appointment to the CalOptima Board of Directors' Investment Advisory Committee](#)
5. [Consider Recommending Board of Directors' Approval of Updates to Policy for Acceptable Use of Company-Issued Mobile Phones](#)

INFORMATION ITEMS

6. [September 2017 and August 2017 Financial Summaries](#)
7. [CalOptima Computer Systems Security Update](#)
8. [Cost Containment Improvements/Initiatives](#)
9. Quarterly Reports to the Finance and Audit Committee
 - a. [Shared Risk Pool Performance](#)
 - b. [Reinsurance Report](#)
 - c. [Health Network Financial Report](#)
 - d. [Purchasing Report](#)

COMMITTEE MEMBER COMMENTS

ADJOURNMENT

Board of Directors' Finance and Audit Committee November 16, 2017

Quarterly Treasurer's Report July 1, 2017, through September 30, 2017

Overview

To fulfill the requirements of Government Code, Section 53646(b) and the 2017 Annual Investment Policy adopted by CalOptima's Board of Directors on December 1, 2016, the Treasurer submits this quarterly investment report for the period July 1, 2017, through September 30, 2017.

Meketa Investment Group, Inc., completed an independent compliance review of the monthly investment reports prepared by CalOptima's three (3) investment managers: Logan Circle Partners, Payden & Rygel and Wells Capital. The review found that all investments were compliant with Government Code, Section 53600 et seq, and CalOptima's 2017 Annual Investment Policy.

Portfolio Summary

As of September 30, 2017, the market values of the Short-Term Operating and Restricted Reserve portfolios are as follows (in millions):

	Payden & Rygel	Logan Circle	Wells Capital	Total
Short-Term Operating	\$487,073,665	\$487,456,589	\$756,260,318	\$1,730,790,573
Board Designated Reserves				
Tier 1	\$146,756,598	\$146,506,854	\$146,471,481	\$439,734,933
Tier 2	--	\$97,355,862	--	\$97,355,862
Total	\$633,830,263	\$731,319,305	\$902,731,799	\$2,267,881,367

Six Month Cash Sufficiency

Based upon a review of forecasted revenues and expenses, CalOptima has sufficient cash on-hand plus projected revenues to meet its operating requirements for the next six (6) months.

Investments Compared to Reserve Policy

In accordance with CalOptima Policy GA.3001: Board-designated Reserve Funds, CalOptima shall maintain a minimum reserve level of one point four (1.4) months and a maximum of two (2) months in consolidated capitation revenues. The following provides a comparison of investments to the minimum and maximum level of Board-designated reserve funds as of July 31, 2017, demonstrating funds in excess to satisfy minimum requirements.

A) Board-designated Reserve Fund (CalOptima Policy GA.3001)

Reserve Name	Market Value	Benchmark		Variance	
		<i>Low 1.4</i>	<i>High 2.0</i>	<i>Low 1.4</i>	<i>High 2.0</i>
Tier 1 - Payden & Rygel	\$146,756,598				
Tier 1 - Logan Circle	\$146,506,854				
Tier 1 - Wells Capital	\$146,471,481				
	\$439,734,933	\$304,283,513	\$474,137,298	\$135,451,420	(\$34,402,366)

B) CalOptima's Regulatory Compliance Requirements

Reserve Name	Market Value	Regulatory Compliance Requirements		Variance	
		<i>TNE</i>	<i>TNE</i>	<i>TNE</i>	<i>TNE</i>
Tier 2 - Logan Circle	\$97,355,862	\$92,041,987	\$92,041,987	\$5,313,875	\$5,313,875
Consolidated:	\$537,090,795	\$396,325,500	\$566,179,285	\$140,765,295	(\$29,088,491)
<i>Compliance Level</i>	<i>1.90</i>	<i>1.40</i>	<i>2.00</i>	-	-

CalOptima continues to meet the minimum level of Board-designated reserve funds with a surplus of \$140,765,295 as of September 30, 2017. CalOptima's Board-designated reserve compliance level is currently at 1.90.

Update on Fund Transfers

Pursuant to CalOptima Policy GA.3001: Board-designated Reserve Funds, CalOptima will monitor liquidity requirements for the next twelve (12) months, and will transfer funds from Short-Term Operating to Board-designated reserves, if necessary.

In August 2017, the delayed capitation payments from the State of California for the months of May and June were received and Short-Term Operating accounts were rebalanced at that time. CalOptima received the Fiscal Year 2015-16 Hospital Quality Assurance Fee (HQAF) payment at the end of September 2017. Since the HQAF is a pass-through payment to be distributed within 30 days, CalOptima did not evenly spread the funds in the Operating accounts at this quarter-end.

Attachment

Quarterly Investment Report – July 31, 2017, through September 30, 2017

FUND EVALUATION REPORT

CalOptima

Quarterly Review
September 30, 2017



M E K E T A I N V E S T M E N T G R O U P

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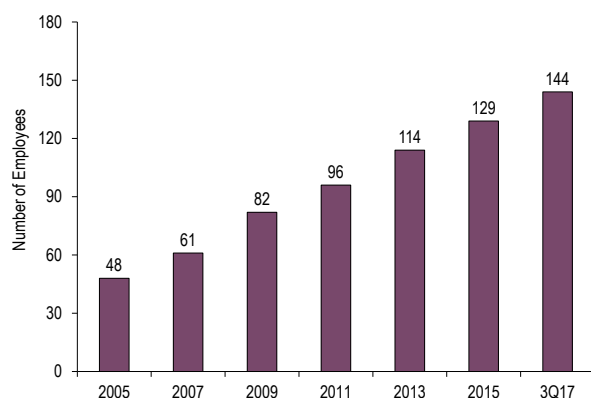
[Back to Agenda](#)

1. **Corporate Update**
2. **3Q17 Review**
3. **Quarterly Investment Report Supplement**
4. **Custom Peer Group**
5. **Performance Attribution**
6. **Holdings**
7. **Disclaimer, Glossary, and Notes**

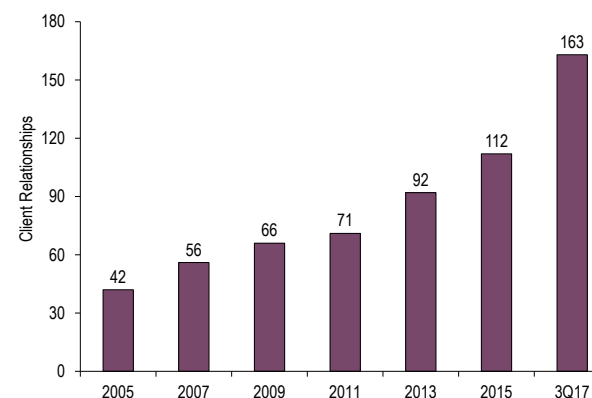
Meketa Investment Group Corporate Update

- Staff of 144, including 97 investment professionals and 31 CFA Charterholders
- 163 clients, with over 270 funds throughout the United States
- Significant investment in staff and resources
- Offices in Boston, Chicago, Miami, Portland (OR), San Diego, and London
- We advise on over \$600 billion in client assets
 - Over \$90 billion in assets committed to alternative investments
 - Private Equity ▪ Infrastructure ▪ Natural Resources
 - Real Estate ▪ Hedge Funds ▪ Commodities

Employee Growth



Client Growth



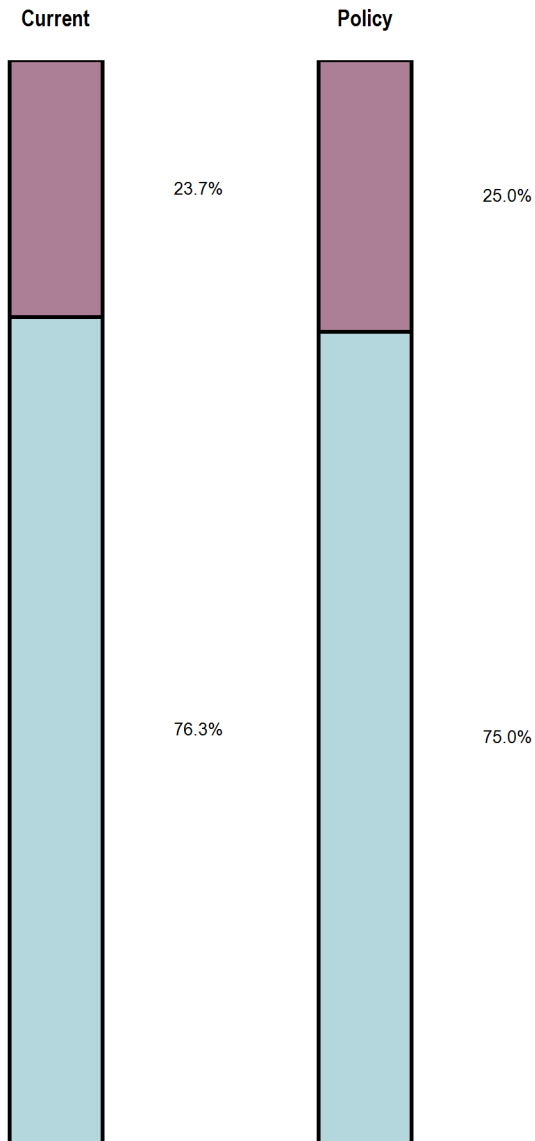
Meketa Investment Group is proud to work for over 5 million American families everyday.



Asset Classes Followed Intensively by Meketa Investment Group

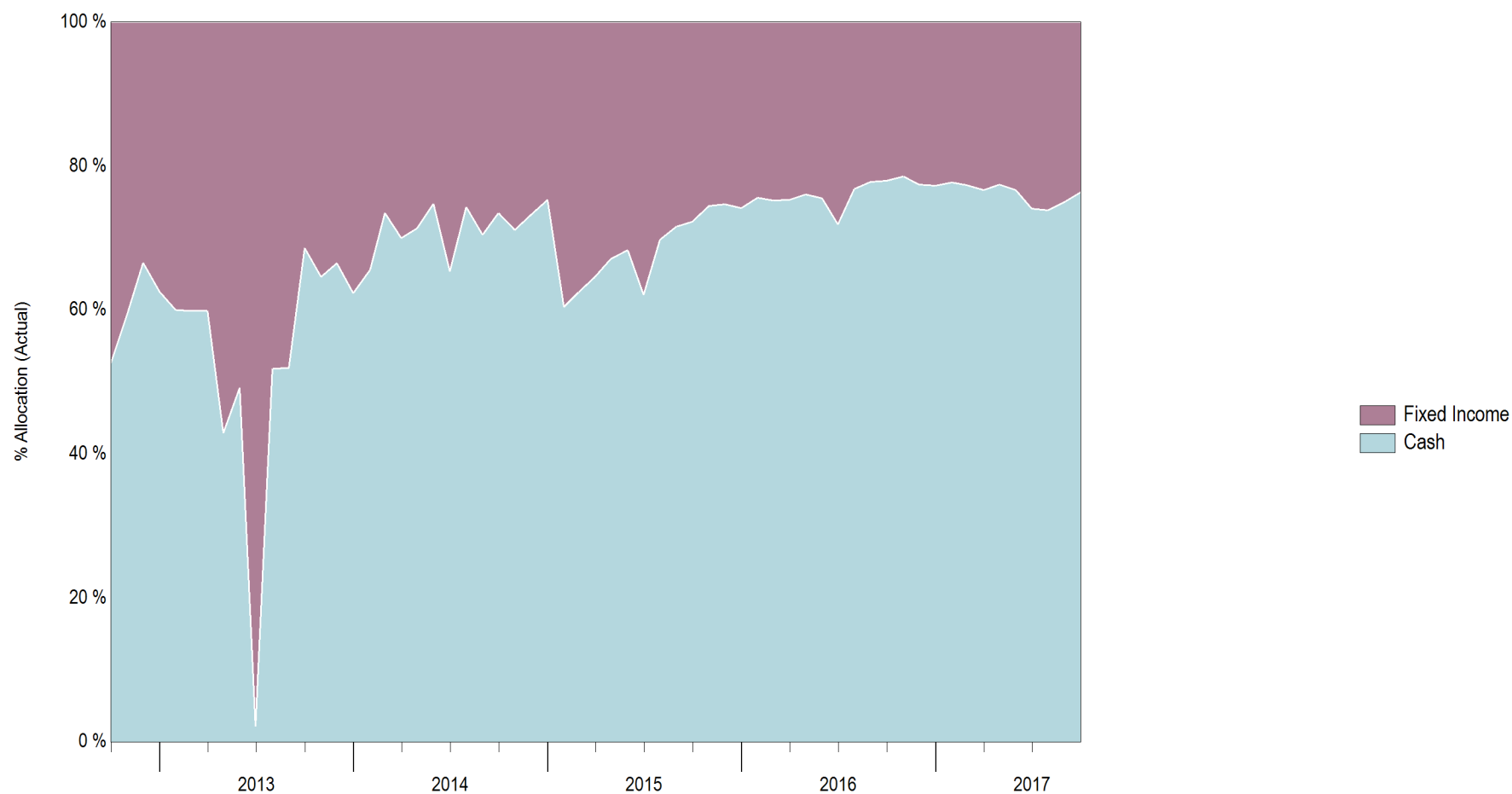
Domestic Equities	International Equities	Private Equity	Real Assets	Fixed Income	Hedge Funds
<ul style="list-style-type: none"> - Passive - Enhanced Index - Large Cap - Midcap - Small Cap - Microcap - 130/30 	<ul style="list-style-type: none"> - Large Cap Developed - Small Cap Developed - Emerging Markets - Frontier Markets 	<ul style="list-style-type: none"> - Buyouts - Venture Capital - Private Debt - Special Situations - Secondaries - Fund of Funds 	<ul style="list-style-type: none"> - Public REITs - Core Real Estate - Value Added Real Estate - Opportunistic Real Estate - Infrastructure - Timber - Natural Resources - Commodities 	<ul style="list-style-type: none"> - Short-Term - Core - Core Plus - TIPS - High Yield - Bank Loans - Distressed - Global - Emerging Markets 	<ul style="list-style-type: none"> - Long/Short Equity - Event Driven - Relative Value - Fixed Income Arbitrage - Multi Strategy - Market Neutral - Global Macro - Fund of Funds - Portable Alpha

3Q17 Review



Allocation vs. Targets and Policy		
	Current Balance	Current Allocation
Fixed Income	\$537,090,795	24%
Cash	\$1,730,790,573	76%
Total	\$2,267,881,367	100%

Asset Allocation History
5 Years Ending September 30, 2017



As of September 30, 2017

Asset Class Performance Summary

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Fund(Gross)	2,267,881,367	100.000	0.323	0.927	0.763	--	--	0.763	Oct-14
Total Fund(Net)			0.311	0.848	0.680	--	--	0.680	
Fixed Income(Gross)	537,090,795	23.682	0.365	0.749	1.159	--	--	1.159	Oct-14
Fixed Income(Net)			0.343	0.660	1.120	--	--	1.120	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>			<i>0.238</i>	<i>0.237</i>	<i>0.759</i>	<i>0.629</i>	<i>1.702</i>	<i>0.759</i>	<i>Oct-14</i>
Cash(Gross)	1,730,790,573	76.318	0.305	0.972	0.594	0.409	0.572	1.958	Jul-99
Cash(Net)			0.300	0.894	0.511	0.311	--	--	
<i>Citi 3mth Treasury Bill</i>			<i>0.255</i>	<i>0.641</i>	<i>0.287</i>	<i>0.193</i>	<i>0.416</i>	<i>1.747</i>	<i>Jul-99</i>

As of September 30, 2017

Trailing Period Performance

	Market Value (\$)	% of Portfolio	% of Sector	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Fund(Gross)	2,267,881,367	100.000	--	0.323	0.927	0.763	--	--	0.763	Oct-14
Fixed Income(Gross)	537,090,795	23.682	23.682	0.365	0.749	1.159	--	--	1.159	Oct-14
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				0.238	0.237	0.759	0.629	1.702	0.759	Oct-14
Tier One: Payden Low Duration(Gross)	146,756,598	6.471	27.324	0.363	0.926	1.087	0.879	2.064	3.051	Jul-99
Tier One: Payden Low Duration(Net)				0.343	0.850	1.004	0.781	--	--	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				0.238	0.237	0.759	0.629	1.702	2.948	Jul-99
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>				0.342	0.652	1.043	0.936	2.098	3.285	Jul-99
<i>BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD</i>				0.299	0.484	0.936	0.812	1.938	3.171	Jul-99
Tier One: Logan Circle STAMP 1-3 Year(Gross)	146,506,854	6.460	27.278	0.349	0.727	--	--	--	0.999	Jun-16
Tier One: Logan Circle STAMP 1-3 Year(Net)				0.329	0.648	--	--	--	0.916	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				0.238	0.237	0.759	0.629	1.702	0.547	Jun-16
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>				0.342	0.652	1.043	0.936	2.098	0.956	Jun-16
<i>BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD</i>				0.299	0.484	0.936	0.812	1.938	0.774	Jun-16
Tier One: Wells Capital Reserve Account(Gross)	146,471,481	6.459	27.271	0.347	0.736	--	--	--	0.979	Jun-16
Tier One: Wells Capital Reserve Account(Net)				0.329	0.664	--	--	--	0.906	
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>				0.238	0.237	0.759	0.629	1.702	0.547	Jun-16
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>				0.342	0.652	1.043	0.936	2.098	0.956	Jun-16
<i>BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD</i>				0.299	0.484	0.936	0.812	1.938	0.774	Jun-16
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	97,355,862	4.293	18.127	0.418	0.524	1.697	--	--	1.342	Apr-13
Tier Two: Logan Circle STAMP 1-5 Year(Net)				0.387	0.401	1.570	--	--	1.216	
<i>BofA Merrill Lynch US Treasuries 1-5 Yrs</i>				0.286	-0.061	1.198	0.838	2.365	0.888	Apr-13
<i>BofA Merrill Lynch US Corp & Gov 1-5 Yrs</i>				0.442	0.526	1.543	1.258	2.775	1.276	Apr-13
<i>BofA Merrill Lynch US Corp & Gov 1-5 Yrs Rated A And Above</i>				0.376	0.269	1.398	1.077	2.556	1.109	Apr-13

As of September 30, 2017

	Market Value (\$)	% of Portfolio	% of Sector	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Cash(Gross)	1,730,790,573	76.318	76.318	0.305	0.972	0.594	0.409	0.572	1.958	Jul-99
<i>Citi 3mth Treasury Bill</i>				0.255	0.641	0.287	0.193	0.416	1.747	Jul-99
Operating: Payden Enhanced Cash(Gross)	487,073,665	21.477	28.142	0.347	1.030	0.639	0.436	0.585	1.966	Jul-99
Operating: Payden Enhanced Cash(Net)				0.328	0.955	0.558	0.339	--	--	
<i>Citi 3mth Treasury Bill</i>				0.255	0.641	0.287	0.193	0.416	1.747	Jul-99
Operating: Logan Circle Enhanced Cash(Gross)	487,456,589	21.494	28.164	0.305	1.002	--	--	--	0.955	Jun-16
Operating: Logan Circle Enhanced Cash(Net)				0.284	0.917	--	--	--	0.871	
<i>Citi 3mth Treasury Bill</i>				0.255	0.641	0.287	0.193	0.416	0.548	Jun-16
Operating: Wells Capital Enhanced Cash(Gross)	756,260,318	33.347	43.695	0.316	0.891	--	--	--	0.847	Jun-16
Operating: Wells Capital Enhanced Cash(Net)				0.298	0.818	--	--	--	0.774	
<i>Citi 3mth Treasury Bill</i>				0.255	0.641	0.287	0.193	0.416	0.548	Jun-16

As of September 30, 2017

Asset Class Performance Summary

	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)
Total Fund(Gross)	0.754	0.842	--	--	--	--	--	--
Total Fund(Net)	0.666	0.778	--	--	--	--	--	--
Fixed Income(Gross)	0.427	1.775	--	--	--	--	--	--
Fixed Income(Net)	0.336	1.699	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	-0.108	1.307	0.876	0.765	0.328	0.776	1.331	2.692
Cash(Gross)	0.858	0.509	0.166	0.131	0.112	0.185	0.137	0.138
Cash(Net)	0.758	0.446	0.058	0.018	-0.023	0.044	-0.008	-0.003
<i>Citi 3mth Treasury Bill</i>	0.455	0.138	0.021	0.038	0.079	0.044	0.138	0.123

As of September 30, 2017

Trailing Period Performance

	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)
Total Fund(Gross)	0.754	0.842	--	--	--	--	--	--
Fixed Income(Gross)	0.427	1.775	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	-0.108	1.307	0.876	0.765	0.328	0.776	1.331	2.692
Tier One: Payden Low Duration(Gross)	0.583	1.461	0.893	1.048	0.534	1.248	1.478	2.946
Tier One: Payden Low Duration(Net)	0.508	1.388	0.783	0.933	0.399	1.105	1.331	2.801
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	-0.108	1.307	0.876	0.765	0.328	0.776	1.331	2.692
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	0.336	1.581	0.901	1.246	0.861	1.169	1.947	3.796
<i>BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD</i>	0.147	1.492	0.906	1.038	0.656	1.058	1.782	3.357
Tier One: Logan Circle STAMP 1-3 Year(Gross)	0.478	--	--	--	--	--	--	--
Tier One: Logan Circle STAMP 1-3 Year(Net)	0.395	--	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	-0.108	1.307	0.876	0.765	0.328	0.776	1.331	2.692
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	0.336	1.581	0.901	1.246	0.861	1.169	1.947	3.796
<i>BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD</i>	0.147	1.492	0.906	1.038	0.656	1.058	1.782	3.357
Tier One: Wells Capital Reserve Account(Gross)	0.403	--	--	--	--	--	--	--
Tier One: Wells Capital Reserve Account(Net)	0.330	--	--	--	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-3 Yrs</i>	-0.108	1.307	0.876	0.765	0.328	0.776	1.331	2.692
<i>BofA Merrill Lynch US Corp & Gov 1-3 Yrs</i>	0.336	1.581	0.901	1.246	0.861	1.169	1.947	3.796
<i>BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD</i>	0.147	1.492	0.906	1.038	0.656	1.058	1.782	3.357
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	0.140	3.021	1.494	2.095	--	--	--	--
Tier Two: Logan Circle STAMP 1-5 Year(Net)	0.016	2.894	1.367	1.969	--	--	--	--
<i>BofA Merrill Lynch US Treasuries 1-5 Yrs</i>	-0.532	2.426	1.376	1.157	-0.027	2.198	2.154	4.114
<i>BofA Merrill Lynch US Corp & Gov 1-5 Yrs</i>	0.134	2.649	1.344	2.000	0.718	2.524	2.957	5.717
<i>BofA Merrill Lynch US Corp & Gov 1-5 Yrs Rated A And Above</i>	-0.172	2.570	1.376	1.641	0.409	2.362	2.694	5.042

As of September 30, 2017

	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)
Cash(Gross)	0.858	0.509	0.166	0.131	0.112	0.185	0.137	0.138
<i>Citi 3mth Treasury Bill</i>	<i>0.455</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>	<i>0.123</i>
Operating: Payden Enhanced Cash(Gross)	0.887	0.573	0.166	0.131	0.112	0.185	0.137	0.138
Operating: Payden Enhanced Cash(Net)	0.812	0.505	0.058	0.018	-0.023	0.044	-0.008	-0.003
<i>Citi 3mth Treasury Bill</i>	<i>0.455</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>	<i>0.123</i>
Operating: Logan Circle Enhanced Cash(Gross)	0.898	--	--	--	--	--	--	--
Operating: Logan Circle Enhanced Cash(Net)	0.814	--	--	--	--	--	--	--
<i>Citi 3mth Treasury Bill</i>	<i>0.455</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>	<i>0.123</i>
Operating: Wells Capital Enhanced Cash(Gross)	0.721	--	--	--	--	--	--	--
Operating: Wells Capital Enhanced Cash(Net)	0.649	--	--	--	--	--	--	--
<i>Citi 3mth Treasury Bill</i>	<i>0.455</i>	<i>0.138</i>	<i>0.021</i>	<i>0.038</i>	<i>0.079</i>	<i>0.044</i>	<i>0.138</i>	<i>0.123</i>

As of September 30, 2017

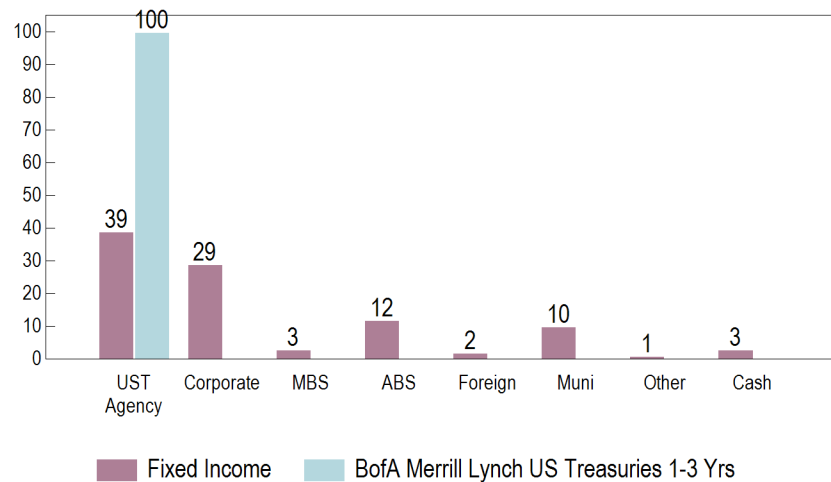
Asset Allocation on September 30, 2017

	Actual	Actual
Tier One: Payden Low Duration	\$146,756,598	27.3%
Tier One: Logan Circle STAMP 1-3 Year	\$146,506,854	27.3%
Tier One: Wells Capital Reserve Account	\$146,471,481	27.3%
Tier Two: Logan Circle STAMP 1-5 Year	\$97,355,862	18.1%
Total	\$537,090,795	100.0%

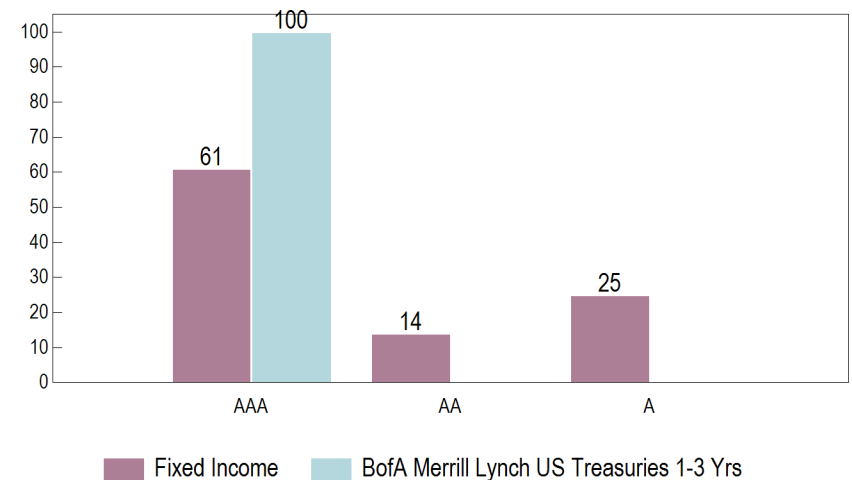
Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q3-17	Index Q3-17	Portfolio Q2-17
Fixed Income Characteristics			
Yield to Maturity	1.6	1.5	1.6
Average Duration	1.7	1.9	1.6
Average Quality	AA	AAA	AA

Sector Allocation



Credit Quality Allocation



Tier One: Payden Low Duration

As of September 30, 2017

Account Information

Account Name	Tier One: Payden Low Duration
Account Structure	Separate Account
Investment Style	Active
Inception Date	7/01/99
Account Type	US Fixed Income Short Term
Benchmark	BofA Merrill Lynch US Treasuries 1-3 Yrs
Universe	eA US Short Duration Fixed Inc Net

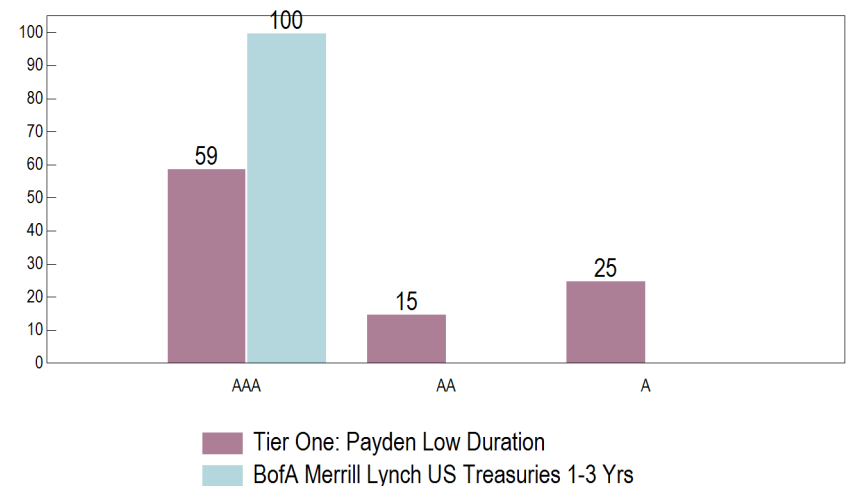
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier One: Payden Low Duration(Gross)	0.363	1.107	0.926	1.087	0.879	2.064	3.051	Jul-99
Tier One: Payden Low Duration(Net)	0.343	1.050	0.850	1.004	0.781	--	--	
BofA Merrill Lynch US Treasuries 1-3 Yrs	0.238	0.674	0.237	0.759	0.629	1.702	2.948	Jul-99
BofA Merrill Lynch US Corp & Gov 1-3 Yrs	0.342	1.041	0.652	1.043	0.936	2.098	3.285	Jul-99
BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD	0.299	0.905	0.484	0.936	0.812	1.938	3.171	Jul-99

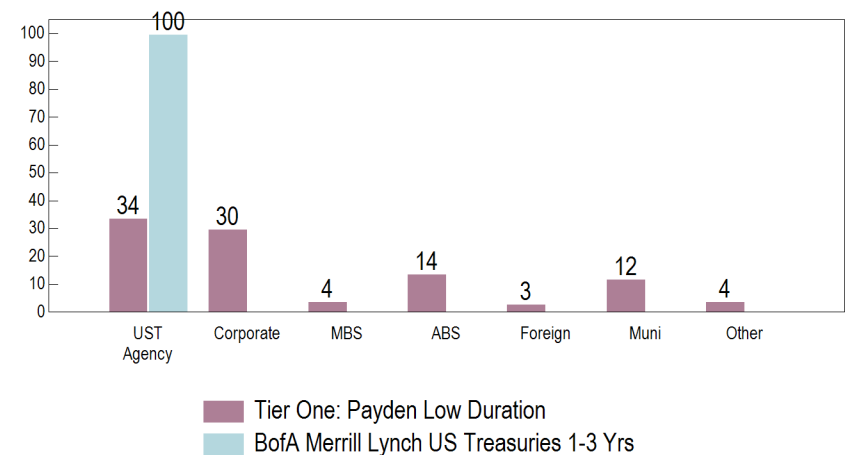
Tier One: Payden Low Duration Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q3-17	Index Q3-17	Portfolio Q2-17
Fixed Income Characteristics			
Yield to Maturity	1.67	1.48	1.61
Average Duration	1.55	1.88	1.60
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier One: Wells Capital Reserve Account

As of September 30, 2017

Account Information

Account Name	Tier One: Wells Capital Reserve Account
Account Structure	Separate Account
Investment Style	Active
Inception Date	6/01/16
Account Type	US Fixed Income
Benchmark	BofA Merrill Lynch US Treasuries 1-3 Yrs
Universe	eA US Short Duration Fixed Inc Net

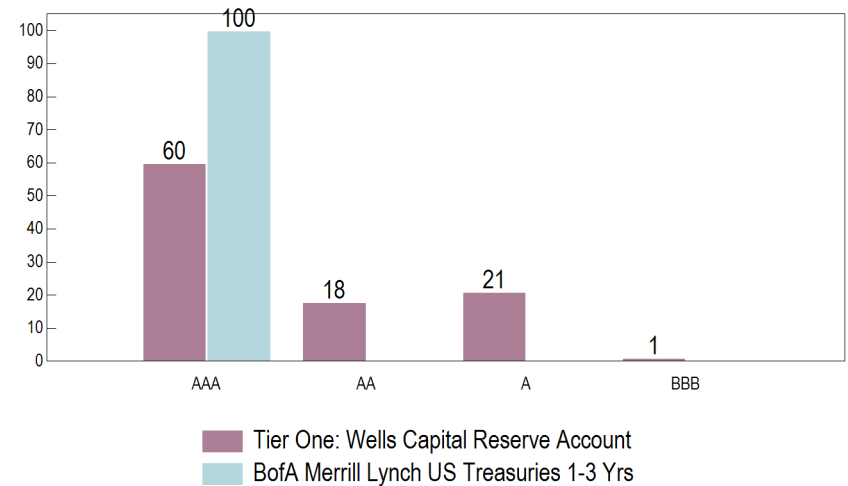
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier One: Wells Capital Reserve Account(Gross)	0.347	1.048	0.736	--	--	--	0.979	Jun-16
Tier One: Wells Capital Reserve Account(Net)	0.329	0.994	0.664	--	--	--	0.906	
BofA Merrill Lynch US Treasuries 1-3 Yrs	0.238	0.674	0.237	0.759	0.629	1.702	0.547	Jun-16
BofA Merrill Lynch US Corp & Gov 1-3 Yrs	0.342	1.041	0.652	1.043	0.936	2.098	0.956	Jun-16
BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD	0.299	0.905	0.484	0.936	0.812	1.938	0.774	Jun-16

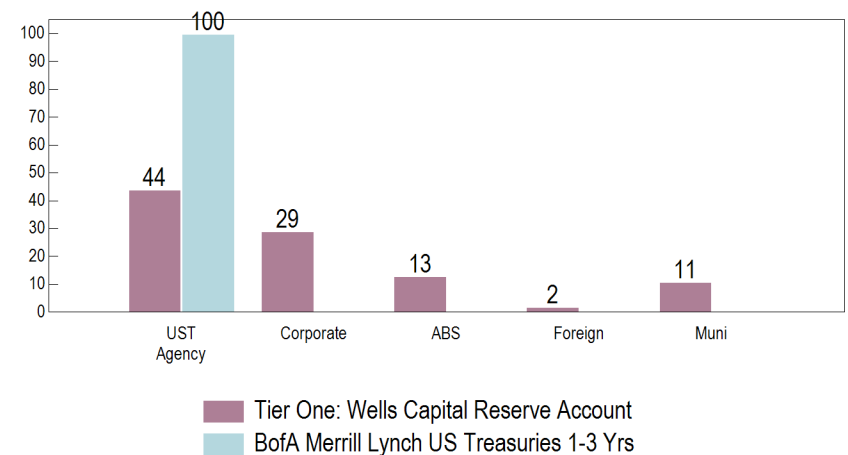
Tier One: Wells Capital Reserve Account Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q3-17	Index Q3-17	Portfolio Q2-17
Fixed Income Characteristics			
Yield to Maturity	1.67	1.48	1.62
Average Duration	1.74	1.88	1.81
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier One: Logan Circle STAMP 1-3 Year

As of September 30, 2017

Account Information

Account Name	Tier One: Logan Circle STAMP 1-3 Year
Account Structure	Separate Account
Investment Style	Active
Inception Date	6/01/16
Account Type	US Fixed Income
Benchmark	BofA Merrill Lynch US Treasuries 1-3 Yrs
Universe	eA US Short Duration Fixed Inc Net

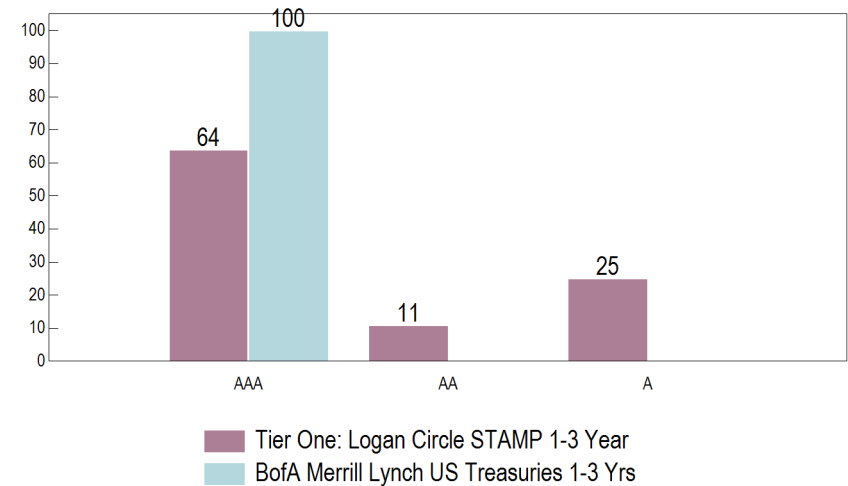
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier One: Logan Circle STAMP 1-3 Year(Gross)	0.349	1.144	0.727	--	--	--	0.999	Jun-16
Tier One: Logan Circle STAMP 1-3 Year(Net)	0.329	1.083	0.648	--	--	--	0.916	
BofA Merrill Lynch US Treasuries 1-3 Yrs	0.238	0.674	0.237	0.759	0.629	1.702	0.547	Jun-16
BofA Merrill Lynch US Corp & Gov 1-3 Yrs	0.342	1.041	0.652	1.043	0.936	2.098	0.956	Jun-16
BofA Merrill Lynch US Corp & Gov 1-3Yr Rated A and above TR USD	0.299	0.905	0.484	0.936	0.812	1.938	0.774	Jun-16

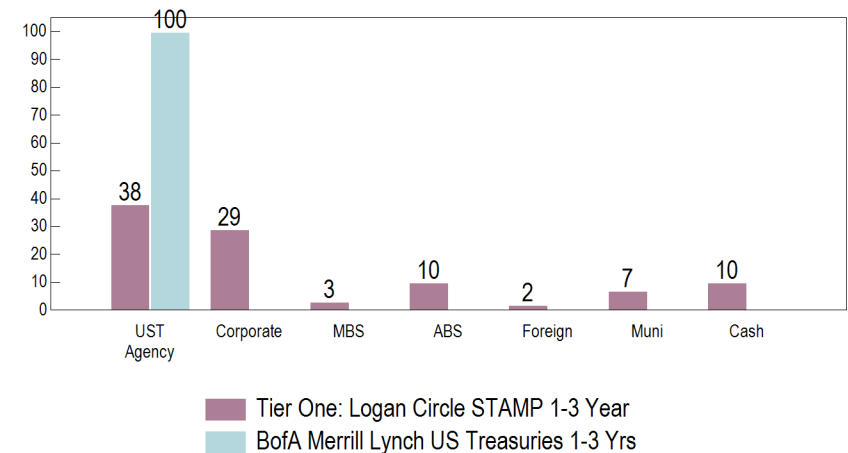
Tier One: Logan Circle STAMP 1-3 Year Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-3 Yrs

	Portfolio Q3-17	Index Q3-17	Portfolio Q2-17
Fixed Income Characteristics			
Yield to Maturity	1.53	1.48	1.47
Average Duration	1.24	1.88	1.16
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Tier Two: Logan Circle STAMP 1-5 Year

As of September 30, 2017

Account Information

Account Name	Tier Two: Logan Circle STAMP 1-5 Year
Account Structure	Separate Account
Investment Style	Active
Inception Date	4/01/13
Account Type	US Fixed Income Short Term
Benchmark	BofA Merrill Lynch US Treasuries 1-5 Yrs
Universe	eA US Short Duration Fixed Inc Net

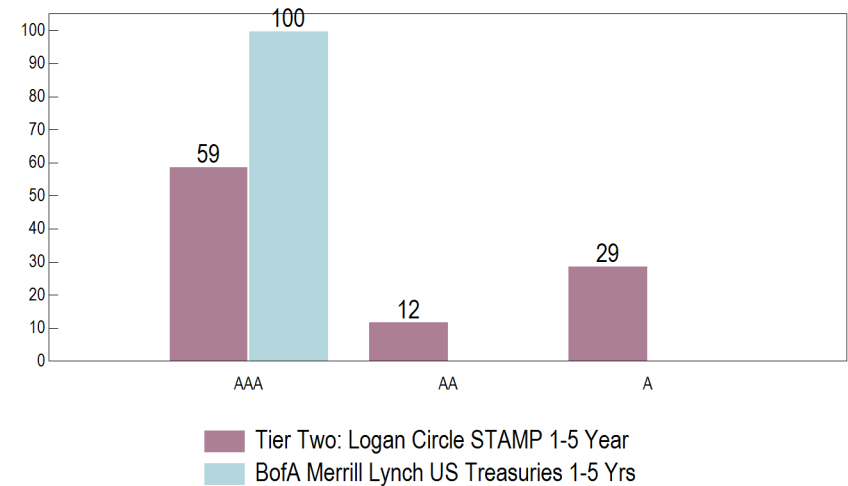
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Tier Two: Logan Circle STAMP 1-5 Year(Gross)	0.418	1.534	0.524	1.697	--	--	1.342	Apr-13
Tier Two: Logan Circle STAMP 1-5 Year(Net)	0.387	1.440	0.401	1.570	--	--	1.216	
BofA Merrill Lynch US Treasuries 1-5 Yrs	0.286	1.040	-0.061	1.198	0.838	2.365	0.888	Apr-13
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	0.442	1.559	0.526	1.543	1.258	2.775	1.276	Apr-13
BofA Merrill Lynch US Corp & Gov 1-5 Yrs Rated A And Above	0.376	1.337	0.269	1.398	1.077	2.556	1.109	Apr-13

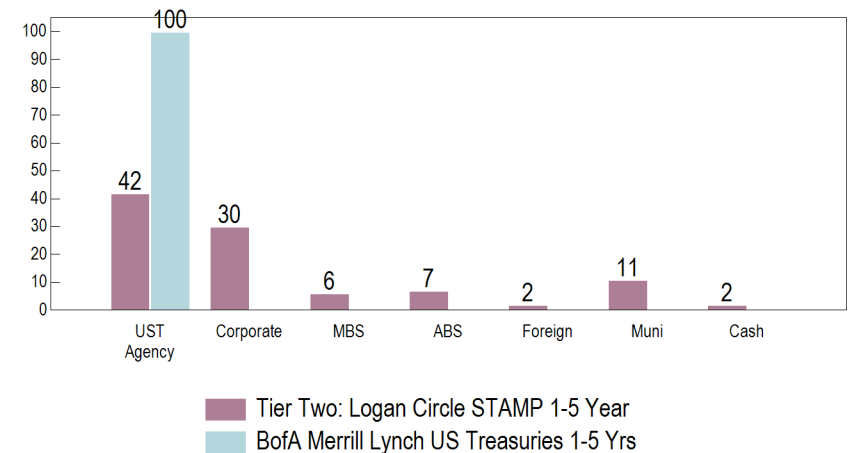
Tier Two: Logan Circle STAMP 1-5 Year Fixed Income Characteristics
vs. BofA Merrill Lynch US Treasuries 1-5 Yrs

	Portfolio Q3-17	Index Q3-17	Portfolio Q2-17
Fixed Income Characteristics			
Yield to Maturity	1.76	1.61	1.71
Average Duration	2.32	2.67	2.16
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



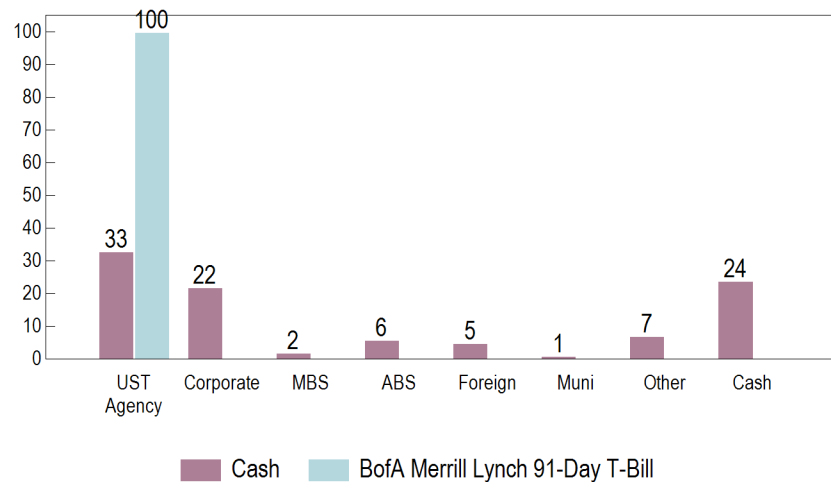
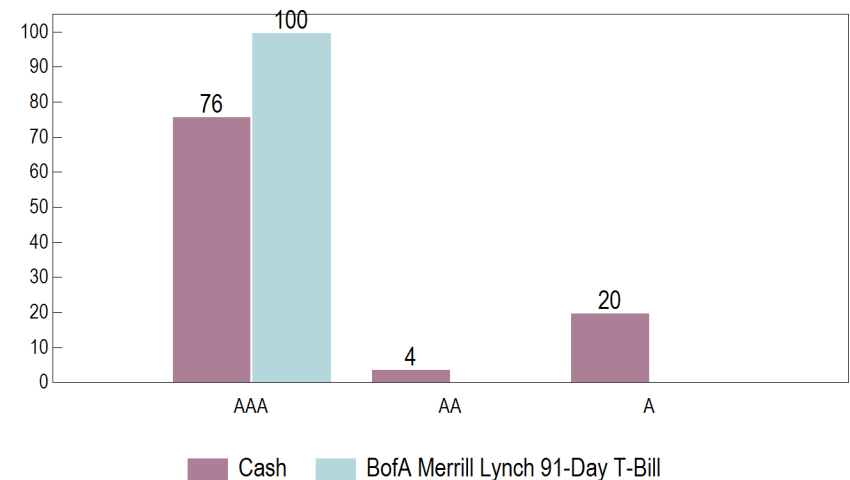
As of September 30, 2017

Asset Allocation on September 30, 2017

	Actual	Actual
Operating: Logan Circle Enhanced Cash	\$487,456,589	28.2%
Operating: Payden Enhanced Cash	\$487,073,665	28.1%
Operating: Wells Capital Enhanced Cash	\$756,260,318	43.7%
Total	\$1,730,790,573	100.0%

**Cash Characteristics
vs. BofA Merrill Lynch 91-Day T-Bill**

	Portfolio Q3-17	Index Q3-17	Portfolio Q2-17
Fixed Income Characteristics			
Yield to Maturity	1.4	1.1	1.2
Average Duration	0.2	0.2	0.2
Average Quality	AA	AAA	AA

Sector Allocation**Credit Quality Allocation**

Operating: Payden Enhanced Cash

As of September 30, 2017

Account Information

Account Name	Operating: Payden Enhanced Cash
Account Structure	Separate Account
Investment Style	Active
Inception Date	7/01/99
Account Type	Cash Alternatives
Benchmark	Citi 3mth Treasury Bill
Universe	eA US Enh Cash Management Net

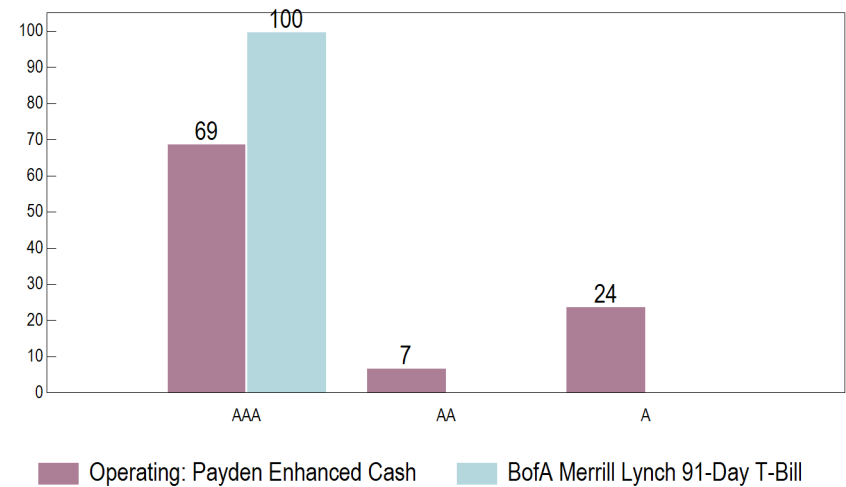
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Operating: Payden Enhanced Cash(Gross)	0.347	0.858	1.030	0.639	0.436	0.585	1.966	Jul-99
Operating: Payden Enhanced Cash(Net)	0.328	0.803	0.955	0.558	0.339	--	--	
<i>Citi 3mth Treasury Bill</i>	0.255	0.559	0.641	0.287	0.193	0.416	1.747	Jul-99

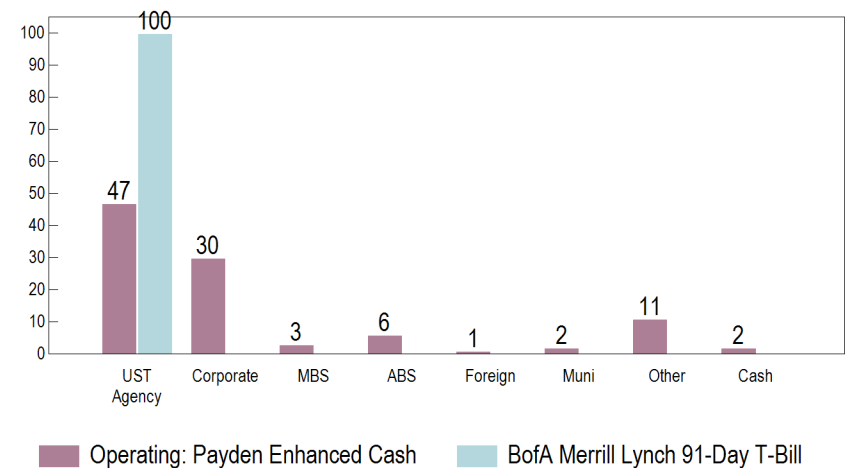
Operating: Payden Enhanced Cash Fixed Income Characteristics
vs. BofA Merrill Lynch 91-Day T-Bill

	Portfolio Q3-17	Index Q3-17	Portfolio Q2-17
Fixed Income Characteristics			
Yield to Maturity	1.31	1.06	1.34
Average Duration	0.29	0.24	0.37
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Operating: Logan Circle Enhanced Cash

As of September 30, 2017

Account Information

Account Name	Operating: Logan Circle Enhanced Cash
Account Structure	Separate Account
Investment Style	Active
Inception Date	6/01/16
Account Type	Cash
Benchmark	Citi 3mth Treasury Bill
Universe	eA US Enh Cash Management Net

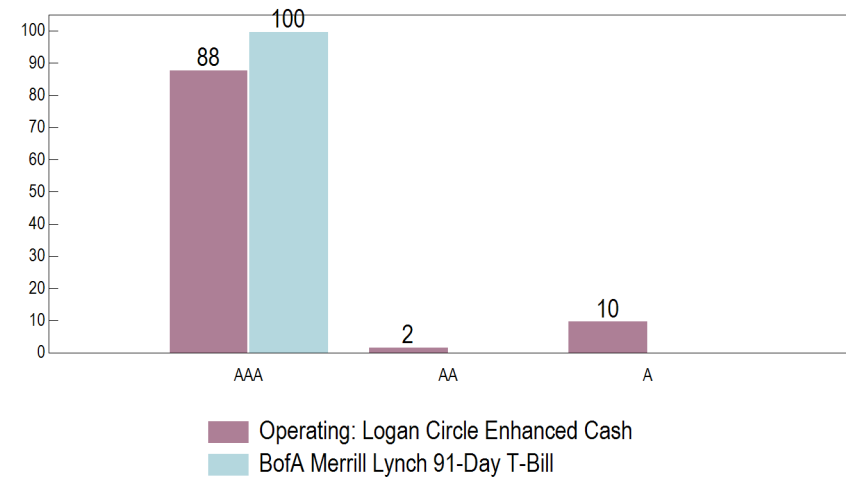
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Operating: Logan Circle Enhanced Cash(Gross)	0.305	0.810	1.002	--	--	--	0.955	Jun-16
Operating: Logan Circle Enhanced Cash(Net)	0.284	0.746	0.917	--	--	--	0.871	
<i>Citi 3mth Treasury Bill</i>	0.255	0.559	0.641	0.287	0.193	0.416	0.548	Jun-16

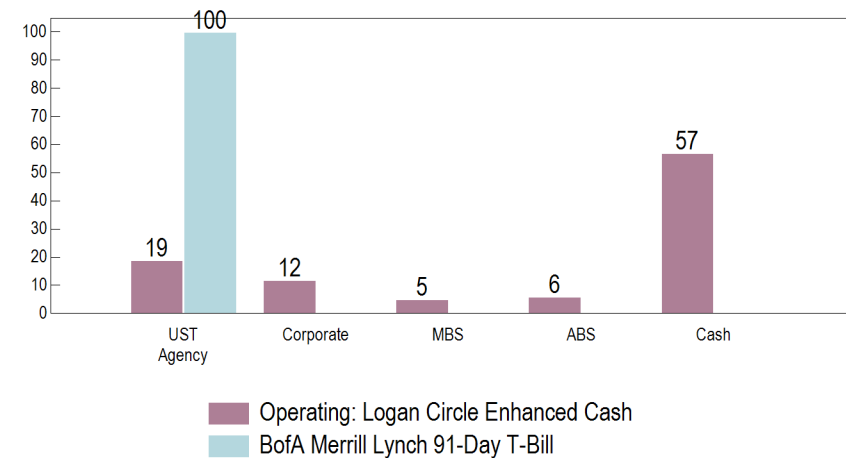
Operating: Logan Circle Enhanced Cash Fixed Income Characteristics
vs. BofA Merrill Lynch 91-Day T-Bill

	Portfolio Q3-17	Index Q3-17	Portfolio Q2-17
Fixed Income Characteristics			
Yield to Maturity	1.22	1.06	1.11
Average Duration	0.08	0.24	0.07
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



Operating: Wells Capital Enhanced Cash

As of September 30, 2017

Account Information

Account Name	Operating: Wells Capital Enhanced Cash
Account Structure	Separate Account
Investment Style	Active
Inception Date	6/01/16
Account Type	Cash
Benchmark	Citi 3mth Treasury Bill
Universe	eA US Enh Cash Management Net

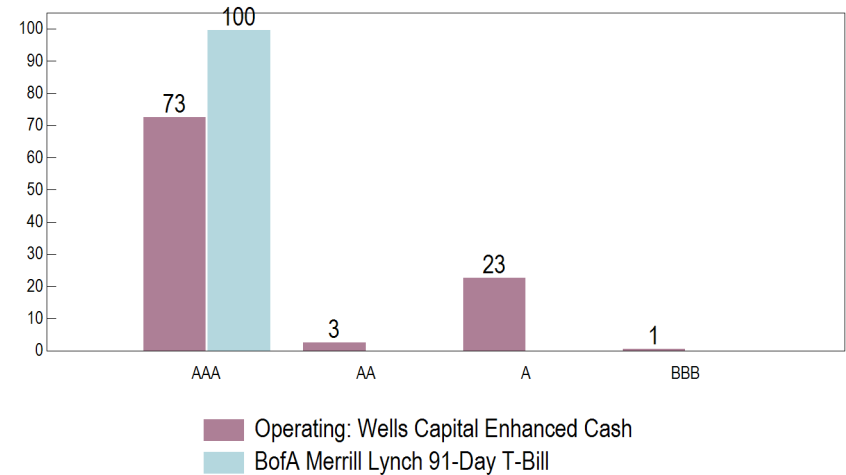
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Operating: Wells Capital Enhanced Cash(Gross)	0.316	0.748	0.891	--	--	--	0.847	Jun-16
Operating: Wells Capital Enhanced Cash(Net)	0.298	0.694	0.818	--	--	--	0.774	
Citi 3mth Treasury Bill	0.255	0.559	0.641	0.287	0.193	0.416	0.548	Jun-16

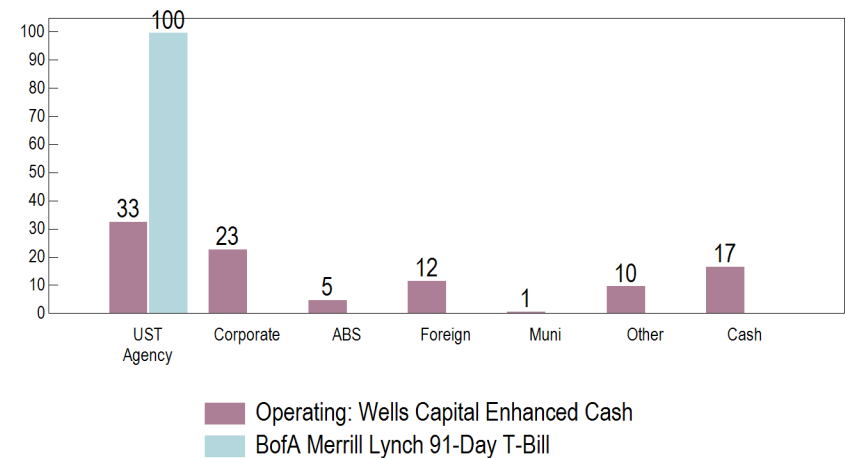
Operating: Wells Capital Enhanced Cash Fixed Income Characteristics
vs. BofA Merrill Lynch 91-Day T-Bill

	Portfolio Q3-17	Index Q3-17	Portfolio Q2-17
Fixed Income Characteristics			
Yield to Maturity	1.50	1.06	1.30
Average Duration	0.30	0.24	0.34
Average Quality	AA	AAA	AA

Credit Quality Allocation



US Sector Allocation



As of September 30, 2017

Annual Investment Expense Analysis
As Of September 30, 2017

Name	Fee Schedule	Market Value
Fixed Income		\$537,090,795
Tier One: Payden Low Duration	0.10% of First \$100.0 Mil, 0.08% of Next \$250.0 Mil, 0.07% Thereafter	\$146,756,598
Tier One: Logan Circle STAMP 1-3 Year	0.10% of First \$50.0 Mil, 0.09% of Next \$250.0 Mil, 0.07% Thereafter	\$146,506,854
Tier One: Wells Capital Reserve Account	0.09% of First \$100.0 Mil, 0.07% of Next \$200.0 Mil, 0.06% Thereafter	\$146,471,481
Tier Two: Logan Circle STAMP 1-5 Year	0.15% of First \$50.0 Mil, 0.10% of Next \$250.0 Mil, 0.07% Thereafter	\$97,355,862
Cash		\$1,730,790,573
Operating: Payden Enhanced Cash	0.10% of First \$100.0 Mil, 0.08% of Next \$250.0 Mil, 0.07% Thereafter	\$487,073,665
Operating: Logan Circle Enhanced Cash	0.10% of First \$50.0 Mil, 0.09% of Next \$250.0 Mil, 0.07% Thereafter	\$487,456,589
Operating: Wells Capital Enhanced Cash	0.09% of First \$100.0 Mil, 0.07% of Next \$200.0 Mil, 0.06% Thereafter	\$756,260,318
Total		\$2,267,881,367

Please note that Logan Circle, Payden, and Wells Capital charge their investment management fees on an aggregate basis across Operating Cash, Tier One and Tier Two portfolios.



Quarterly Investment Report Supplement

Annual Investment Policy (2016) Maturity and Quality Requirements

Allowable Instruments	Maximum Permitted Maturity			Actual Maximum Maturity							Compliance
	Operating Funds	Tier One	Tier Two	Operating Funds			Tier One			Tier Two	
				LC	P&R	WF	LC	P&R	WF	LC	
U.S. Treasuries	450 days	5 years	5 years	31 days	304 days	426 days	4.30 years	2.96 years	2.96 years	4.42 years	Yes
U.S. Agencies	450 days	5 years	5 years	79 days	62 days	275 days	1.05 years	2.99 years	2.95 years	1.49 years	Yes
State & Local Obligations ¹	450 days	5 years	5 years	N/A	397 days	183 days	3.84 years	3.59 years	2.67 years	3.84 years	Yes
Supranationals	450 days	5 years	5 years	N/A	N/A	360 days	4.96 years	2.93 years	2.93 years	4.96 years	Yes
Negotiable Cert of Deposit	1 year	1 year	1 year	279 days	185 days	N/A	114 days	0.47 years	N/A	24 days	Yes
Commercial Paper	270 days	270 days	270 days	37 days	152 days	124 days	N/A	N/A	N/A	N/A	Yes
Repurchase Agreements	30 days	30 days	30 days	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Yes
Medium Term Notes	450 days	5 years	5 years	89 days	380 days	361 days	4.19 years	2.93 years	2.83 years	4.98 years	Yes
Mortgage/ Asset-Backed	450 days	5 years	5 years	198 days	86 days	N/A	4.99 years	2.53 years	4.38 years	4.99 years	Yes
Variable & Floating Rate	450 days	5 years	5 years	79 days	94 days ²	79 days	3.67 years	3.01 years	N/A	3.67 years	Yes

- Investment Managers have independently verified that they have maintained compliance with CalOptima's Investment Policy Statement-designated security credit rating requirements during the review quarter.

¹ Includes CA and any other state in the U.S.

² Effective Maturity.



Annual Investment Policy (2016) Diversification Compliance¹

Allowable Instruments	Maximum (%)	Logan Circle (%)	Logan Circle (\$ mm)	Payden (%)	Payden (\$ mm)	Wells Capital (%)	Wells Capital (\$ mm)	Total (%)	Total (\$ mm)
U.S. Treasuries	100	22.5	164.7	28.8	182.3	22.0	198.6	24.1	545.7
U.S. Agencies	100	2.4	17.4	11.5	72.9	12.5	112.5	8.9	202.7
State & Local Obligations ²	25	2.9	21.3	3.8	24.3	2.3	20.9	2.9	66.5
Supranationals	15	0.7	5.0	0.6	3.9	6.5	58.6	3.0	67.4
Negotiable Certificate of Deposit	30	19.5	142.9	7.9	50.0	0.0	0.0	8.5	193.0
Commercial Paper	25	9.4	69.1	0.6	3.8	7.9	71.6	6.4	144.4
Repurchase Agreements	100	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Medium Term Notes	30	13.0	95.4	8.7	55.0	15.4	138.7	12.7	289.1
Money Market Funds	20	0.5	3.8	0.8	4.9	14.4	130.2	6.1	138.9
Mortgage/Asset-Backed	20	15.6	114.2	8.2	52.0	2.2	19.5	8.2	185.7
Variable & Floating Rate	30	13.9	101.8	29.7	188.4	16.9	152.4	19.5	442.6
Total		100.0	731.3	100.0	633.8	100.0	902.7	100.0	2267.9

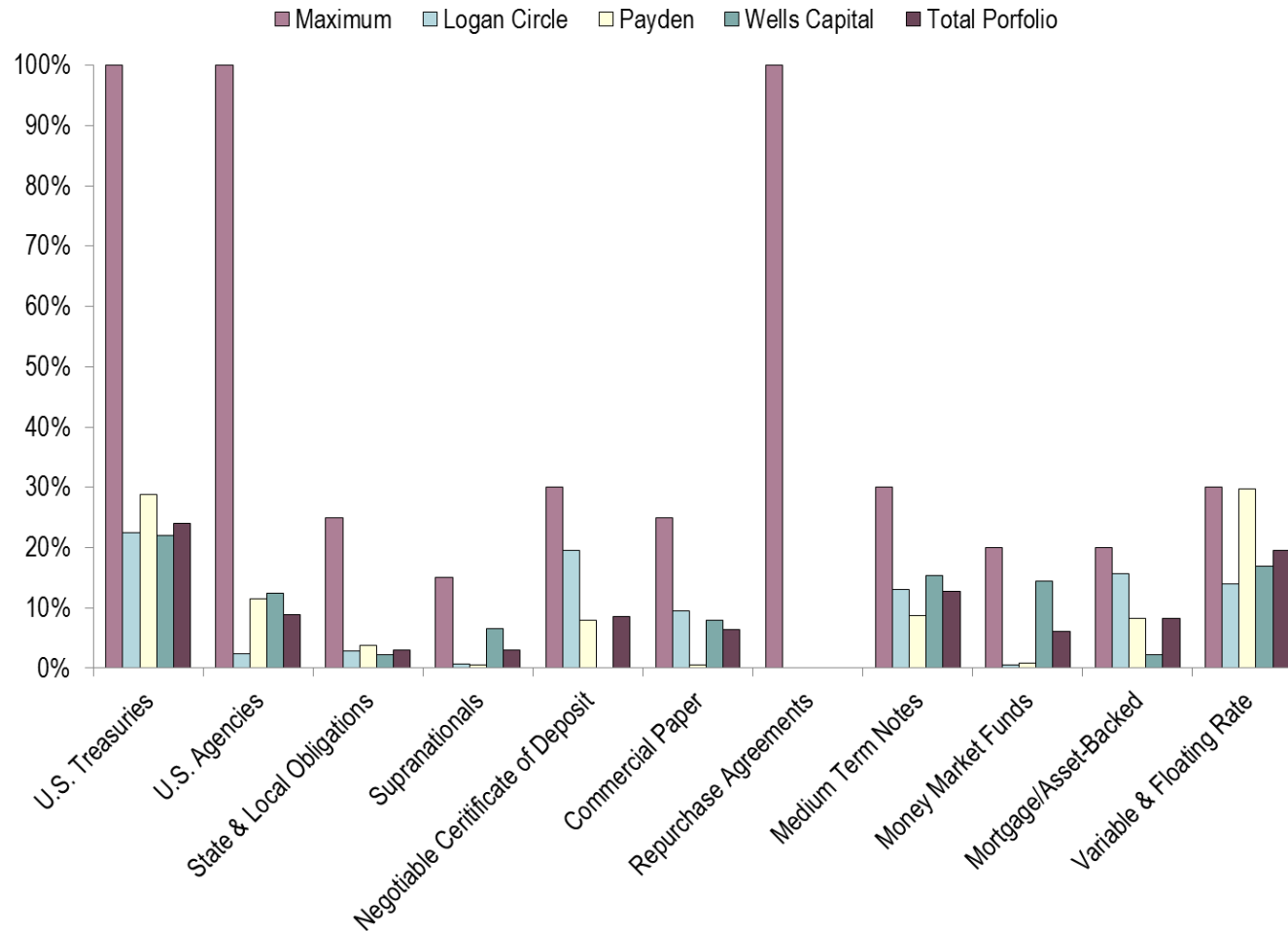
- Investment composition of each portfolio and the total portfolio are in compliance with the CalOptima Annual Investment Policy 2016.

¹ Blended allocations for Payden & Rygel, Logan Circle, and Wells Capital accounts.

² Includes CA and any other state in the U.S.

Annual Investment Policy (2016) Actual vs. Diversity Requirements

As of September 30, 2017



Custom Peer Group

Custom Peer Group

- Given CalOptima's unique investment guidelines, traditional fixed income peer groups are not the best comparison tool for the Tier One and Tier Two pools.
- Meketa Investment Group surveyed the eVestment Alliance U.S. Short Duration Fixed Income universe and Morningstar's Short Duration Fixed Income universe to create custom peer universes for each of the Tier One and Tier Two pools in order to provide a more accurate performance comparison¹.
 - For the analysis, the combined eVestment and Morningstar universe was pared down through the elimination of funds with exposure to securities with below-"A"-rated credit.
 - Two unique buckets were established based on each portfolio's historical average effective duration relative to the Merrill Lynch 1-3 Year Treasury index (Tier One peer group) and the Merrill Lynch 1-5 year Treasury index (Tier Two peer group).
 - The Tier One peer group consists of thirteen strategies with a median effective duration of 1.79 years, while the Tier Two peer group consists of eight strategies with a median effective duration of 2.53 years as of June 30, 2017.
- Please note that the analysis is as of June 30, 2017, as the universe of investment managers that had reported data as of September 30, 2017 was very small at the date that these materials were submitted.
- This analysis is based on a small peer universe that may change significantly over time, potentially resulting in large changes in peer rankings quarter-to-quarter.

¹ Though this comparison is more accurate than ranking the managers relative to the broad short duration peer group, these peer managers are not subject to the restrictions of the California Government Code. They are likely to have more degrees of freedom to invest across fixed income securities and sectors.

Custom Peer Group: Logan Circle Tier One

Gross of Fees Returns as of 6/30/2017 ¹	2Q 2017 (%)	1 Year (%)	Since Inception ² (%)
Tier One: Logan Circle STAMP 1-3 Year	0.38	0.48	0.91
Peer Group Median Return	0.37	0.53	0.85
Peer Group Rank (percentile)	48	57	46

- The Logan Circle Tier One portfolio narrowly outperformed the peer group in the second quarter of 2017, ranking in the 48th percentile. The strategy underperformed the peer group over the trailing 1-year period, but outperformed since inception.

¹ Investment managers are ranked based on performance gross of fees; given the discounted fee structures offered by CalOptima's investment managers, performance on a net-of-fee basis is more compelling relative to peers.

² Formal inception date is June 2016.

Custom Peer Group: Payden Tier One

Gross of Fees Returns as of 6/30/2017¹	2Q 2017 (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	0.35	0.58	0.98	0.90	2.26
Peer Group Median Return	0.37	0.53	1.03	1.02	2.37
Peer Group Rank (percentile)	64	40	57	73	57

Standard Deviation as of 6/30/2017²	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	0.58	0.53	1.24
Median Standard Deviation	0.74	0.73	1.16
Peer Group Rank (percentile)	87	87	43

- The Payden Tier One portfolio's trailing returns rank in the third quartile of the peer group over the three-, five-, and ten-year trailing periods.
- Standard deviation has ranked favorably versus peers over three- and five-year trailing periods, though ten-year trailing standard deviation is slightly above the peer group median. The ten-year peer group rank is influenced by the tight concentration of peer manager standard deviation between 1.09 and 1.30.

¹ Investment managers are ranked based on performance gross of fees; given the discounted fee structures offered by CalOptima's investment managers, performance on a net-of-fee basis is more compelling relative to peers.

² For peer group standard deviation rankings, a percentile rank of 99 would indicate that the strategy exhibited the lowest standard deviation relative to the peer group, and a percentile rank of 1 would indicate that the strategy exhibited the highest standard deviation relative to the peer group.

Custom Peer Group: Wells Capital Tier One

Gross of Fees Returns as of 6/30/2017 ¹	2Q 2017 (%)	1 Year (%)	Since Inception ² (%)
Tier One: Wells Capital Reserve Account	0.34	0.40	0.88
Peer Group Median Return	0.37	0.53	85
Peer Group Rank (percentile)	69	62	48

- The Wells Capital Tier One portfolio underperformed the short duration peer group in the second quarter of 2017 and over the 1-year trailing period, ranking in the 69th and 62nd percentiles, respectively. Since inception, the strategy has outperformed the peer group median slightly, ranking in the 48th percentile.

¹ Investment managers are ranked based on performance gross of fees; given the discounted fee structures offered by CalOptima's investment managers, performance on a net-of-fee basis is more compelling relative to peers.

² Formal inception date is June 2016.



Custom Peer Group: Logan Circle Tier Two

Gross of Fees Returns as of 6/30/2017 ¹	2Q 2017 (%)	1 Year (%)	3 Years (%)
Tier Two: Logan Circle STAMP 1-5 Year	0.55	0.14	1.55
Peer Group Median Return	0.46	0.14	1.51
Peer Group Rank (percentile)	30	51	45

Standard Deviation as of 6/30/2017 ²	3 Years (%)
Tier Two: Logan Circle STAMP 1-5 Year	1.28
Median Standard Deviation	1.13
Peer Group Rank (percentile)	40

- Logan Circle's Tier Two portfolio performed reasonably well over the one-year trailing period ended June 30, 2017, ranking in the 51st percentile of the peer group, and the three-year trailing performance ranks slightly above the peer group median.
- Standard deviation for the strategy over the trailing three year period exceeds the peer group median, ranking in the 40th percentile of the peer group.

¹ Investment managers are ranked based on performance gross of fees; given the discounted fee structures offered by CalOptima's investment managers, performance on a net-of-fee basis is more compelling relative to peers.

² For peer group standard deviation rankings, a percentile rank of 1 would indicate that the strategy exhibited the lowest standard deviation relative to the peer group, and a percentile rank of 99 would indicate that the strategy exhibited the highest standard deviation relative to the peer group.

Performance Attribution

Performance Attribution

- The following pages present attribution data for the Logan Circle Tier One and Tier Two portfolios, the Payden & Rygel Tier One portfolio, and the Wells Capital Tier One portfolio.
- Attribution represents outperformance or underperformance, based on active investment decisions across fixed income sub-sectors, relative to a manager's benchmark index. Attribution data demonstrates where managers are able to most effectively add incremental value versus the benchmark.
- Attribution data is provided by the investment managers and is presented gross of investment management fees as of September 30, 2017. Attribution data fields will vary slightly across investment managers.

Logan Circle Tier One Performance Attribution

Gross of Fees as of 9/30/2017

Benchmark Relative Attribution (basis points)	3Q 2017	YTD	1 Year
Duration	10	16	23
Yield Curve	-5	-11	-26
Sector Selection	6	42	52
Treasury	0	18	22
Agency	0	-2	-3
Corporate	5	19	22
Financial	4	14	17
Industrial	0	1	2
Utilities	1	4	3
MBS	-1	0	0
CMBS	0	0	0
ABS	1	2	3
Municipal	1	5	8
Total Excess Return	11	47	49
Logan Circle Tier One Return	35	114	73
Merrill Lynch 1-3 Year Treasury Return	24	67	24

Payden & Rygel Tier One Performance Attribution
Gross of Fees as of 9/30/2017

Benchmark Relative Attribution (basis points)	3Q 2017	6 Month	1 Year
Duration	0	-1	2
Yield Curve	18	64	74
Sector Selection	NA	NA	NA
Treasury ¹	0	2	3
Agency	8	27	31
Corporate	5	18	21
Financial	2	7	8
Industrial	1	2	2
Utilities	NA	NA	NA
MBS	NA	NA	NA
CMBS	2	7	8
ABS	0	1	1
Municipal	0	2	-3
Total Excess Return	10	38	42
Payden & Rygel Tier One Return	34	105	63
Merrill Lynch 1-3 Year U.S. Treasury Return	24	67	21

¹ Treasury sector selection attribution is included in Duration and Yield Curve attribution figures.



Wells Capital Tier One Performance Attribution
Gross of Fees as of 9/30/2017

Benchmark Relative Attribution (basis points)	3Q 2017	YTD	1 Year
Duration	0	-1	2
Sector Selection	NA	NA	NA
Treasury ¹	NA	NA	NA
Agency	0	2	3
Corporate	8	27	31
Financial	5	18	21
Industrial	2	7	8
Utilities	1	2	2
MBS	NA	NA	NA
CMBS	NA	NA	NA
ABS	2	7	8
Municipal	0	1	1
Error Factor	0	2	-3
Total Excess Return	10	38	42
Wells Capital Tier One Return (%)	34	105	63
Merrill Lynch 1-3 Year U.S. Treasury Return (%)	24	67	21

¹ Treasury sector selection attribution is included in Duration figure.



Logan Circle Tier Two Performance Attribution
Gross of Fees as of 9/30/2017

Benchmark Relative Attribution (basis points)	3Q 2017	YTD	1 Year
Duration	6	7	13
Yield Curve	-3	-4	-17
Sector Selection	10	46	63
Treasury	-1	9	8
Agency	0	-1	-1
Corporate	9	28	34
Financial	6	19	24
Industrial	2	5	6
Utilities	1	4	4
MBS	0	0	1
CMBS	0	1	3
ABS	0	1	2
Municipal	2	8	16
Total Excess Return	13	49	59
Logan Circle Tier Two Return	42	154	53
Merrill Lynch 1-5 Year U.S. Treasury Return	29	104	-6

Holdings

CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased	Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
Cash								
	CASH OR STIF	USD	51,751.75		51,751.75	0.00	1.000	0.04%
Total for Cash			51,751.75		51,751.75	0.00		0.04%
Money Markets								
1,400,000.000	BANK OF TOKYO-MITSUBISHI YCD	06539RDL8	1,400,000.00		1,400,001.64	1.64	100.000	0.96%
	Mat: 2/2/18	Cpn: 1.39%	0.00		1,729.78			
	Moody's: P-1	S&P: A-1						
	Tr Date: 8/29/17	St Date: 8/30/17						
1,350,000.000	NORDEA BANK NY YCD	65590ALF1	1,350,000.00		1,349,555.09	(444.91)	99.967	0.92%
	Mat: 2/15/18	Cpn: 1.32%	0.00		1,138.50			
	Moody's: P-1	S&P: A-1+						
	Tr Date: 9/7/17	St Date: 9/8/17						
1,350,000.000	BANK OF NOVA SCOTIA HOUSTON YCD	06417GYD4	1,350,000.00		1,349,656.09	(343.91)	99.975	0.92%
	Mat: 3/16/18	Cpn: 1.39%	0.00		1,251.00			
	Moody's: P-1	S&P: A-1						
	Tr Date: 9/6/17	St Date: 9/7/17						
1,350,000.000	BNP PARIBAS NY YCD	05582WE91	1,350,000.00		1,349,870.85	(129.15)	99.990	0.92%
	Mat: 3/20/18	Cpn: 1.43%	0.00		965.25			
	Moody's: P-1	S&P: A-1						
	Tr Date: 9/12/17	St Date: 9/13/17						
1,000,000.000	COOPERATIEVE RABOBANK FRN YCD	21684B2Y9	1,000,000.00		999,800.00	(200.00)	99.980	0.68%
	Mat: 4/11/18	Cpn: 1.36%	0.00		752.78			
	Moody's: P-1	S&P: A-1						
	Tr Date: 9/7/17	St Date: 9/11/17						
Total for Money Markets			6,450,000.00		6,448,883.67	(1,116.34)		4.40%
			0.00		5,837.31			
Treasuries								
5,500,000.000	U.S. TREASURY NOTE	912828XV7	5,483,797.11		5,481,134.89	(2,662.22)	99.657	3.75%
	Mat: 6/30/19	Cpn: 1.25%	1,868.20		17,374.32			
	Moody's: Aaa	S&P: AA+u						
	Tr Date: 7/6/17	St Date: 7/10/17						
4,355,000.000	U.S. TREASURY NOTE	912828K5	4,357,075.39		4,348,380.40	(8,694.99)	99.848	2.97%
	Mat: 7/31/19	Cpn: 1.38%	448.37		10,088.69			
	Moody's: Aaa	S&P: AA+u						
	Tr Date: 7/27/17	St Date: 7/31/17						



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CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
11,635,000.000	U.S. TREASURY NOTE Mat: 8/31/19 Cpn: 1.25% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 9/12/17 St Date: 9/14/17	9128282T6	11,615,911.33 5,624.65	11,586,947.22 12,454.59	(28,964.11)	99.587	7.90%
700,000.000	U.S. TREASURY NOTE Mat: 9/30/19 Cpn: 1.38% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 9/26/17 St Date: 10/2/17	9128282X7	698,930.06 52.89	698,614.01 52.89	(316.05)	99.802	0.48%
4,690,000.000	U.S. TREASURY NOTE Mat: 6/15/20 Cpn: 1.50% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 6/15/17 St Date: 6/20/17	912828XU9	4,690,631.13 961.07	4,679,963.54 20,759.02	(10,667.59)	99.786	3.20%
5,770,000.000	U.S. TREASURY NOTE Mat: 9/15/20 Cpn: 1.38% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 9/15/17 St Date: 9/22/17	9128282V1	5,736,999.84 2,024.14	5,730,360.33 3,506.63	(6,639.51)	99.313	3.91%
Total for Treasuries			32,583,344.86 10,979.32	32,525,400.39 64,236.14	(57,944.47)		22.21%
Government Related							
1,080,000.000	INTL BANK RECON & DEVELOP Mat: 7/19/18 Cpn: 0.88% Moody's: Aaa S&P: AAA Fitch: AAAu Tr Date: 4/12/16 St Date: 4/19/16	459058FE8	1,078,088.40 0.00	1,075,226.40 1,890.00	(2,862.00)	99.558	0.73%
1,300,000.000	HOUSING URBAN DEVELOPMENT Mat: 8/1/18 Cpn: 1.33% Moody's: S&P: Fitch: Tr Date: 5/19/15 St Date: 5/28/15	911759LZ9	1,300,000.00 0.00	1,300,325.00 2,881.67	325.00	100.025	0.89%
1,500,000.000	INTER-AMERICAN DEVELOPMENT BANK Mat: 5/13/19 Cpn: 1.00% Moody's: Aaa S&P: AAA Fitch: AAA Tr Date: 4/5/16 St Date: 4/12/16	458182DX7	1,495,500.00 0.00	1,486,470.00 5,750.00	(9,030.00)	99.098	1.02%
1,310,000.000	INTL BANK RECON & DEVELOP Mat: 9/4/20 Cpn: 1.63% Moody's: Aaa S&P: AAA Fitch: AAAu Tr Date: 8/22/17 St Date: 8/29/17	459058GA5	1,309,724.90 0.00	1,305,022.00 1,892.22	(4,702.90)	99.620	0.89%
Total for Government Related			5,183,313.30 0.00	5,167,043.40 12,413.89	(16,269.90)		3.53%
Agencies							



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
2,090,000.000	FHLB Mat: 5/28/19 Cpn: 1.38% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 5/11/17 St Date: 5/12/17	3130ABF92	2,086,049.90 0.00	2,086,363.40 11,095.87	313.50	99.826	1.43%
1,320,000.000	FNMA C 09/13/17 Q Mat: 6/13/19 Cpn: 1.25% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 6/13/16 St Date: 6/15/16	3135G0K77	1,320,000.00 91.67	1,313,558.40 4,950.00	(6,441.60)	99.512	0.90%
935,000.000	FHLMC Mat: 7/19/19 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/19/16 St Date: 7/20/16	3137EAE81	932,737.30 0.00	924,359.70 1,636.25	(8,377.60)	98.862	0.63%
1,420,000.000	FNMA Mat: 8/2/19 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/29/16 St Date: 8/2/16	3135G0N33	1,417,614.40 0.00	1,403,442.80 2,036.32	(14,171.60)	98.834	0.96%
1,460,000.000	FHLMC Mat: 8/15/19 Cpn: 1.38% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/18/17 St Date: 7/19/17	3137EAEH8	1,457,853.80 0.00	1,455,707.60 4,015.00	(2,146.20)	99.706	0.99%
1,350,000.000	FNMA Mat: 8/28/19 Cpn: 1.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/31/16 St Date: 9/2/16	3135G0P49	1,347,894.00 0.00	1,336,797.00 1,237.50	(11,097.00)	99.022	0.91%
870,000.000	FNMA Mat: 2/28/20 Cpn: 1.50% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/24/17 St Date: 2/28/17	3135G0T29	869,443.20 0.00	867,946.80 1,196.25	(1,496.40)	99.764	0.59%
2,170,000.000	FHLMC C 10/27/17 1X Mat: 4/27/20 Cpn: 1.75% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/31/17 St Date: 9/5/17	3134GBFU1	2,171,382.29 13,502.22	2,167,135.60 16,244.86	(4,246.69)	99.868	1.49%
1,460,000.000	FFCB 1ML+0.0 FRN Mat: 6/25/20 Cpn: 1.24% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/17/17 St Date: 7/25/17	3133EHRZ8	1,460,000.00 0.00	1,460,868.70 301.06	868.70	100.060	1.00%
380,000.000	FFCB 1ML+1.0 FRN Mat: 8/24/20 Cpn: 1.25% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/17/17 St Date: 8/24/17	3133EHVR1	380,000.00 0.00	380,307.80 92.16	307.80	100.081	0.26%



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CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,040,000.000	FHLB Mat: 9/28/20 Cpn: 1.38% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 9/7/17 St Date: 9/8/17	3130ACE26	1,036,661.60 0.00	1,030,276.00 119.17	(6,385.60)	99.065	0.70%
880,000.000	FFCB 1ML+8.0 FRN Mat: 7/13/22 Cpn: 1.32% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/7/17 St Date: 7/13/17	3133EHRD7	880,000.00 0.00	878,816.40 579.09	(1,183.60)	99.866	0.60%
660,000.000	FFCB 1ML+7.0 FRN Mat: 8/1/22 Cpn: 1.31% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/26/17 St Date: 8/1/17	3133EHTJ2	660,000.00 0.00	659,785.50 718.97	(214.50)	99.968	0.45%
730,000.000	FFCB 1ML+8.0 FRN Mat: 9/6/22 Cpn: 1.31% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/29/17 St Date: 9/6/17	3133EHXH1	730,000.00 0.00	730,065.70 664.94	65.70	100.009	0.50%
Total for Agencies			16,749,636.49 13,593.89	16,695,431.40 44,887.43	(54,205.09)		11.41%
Taxable Muni							
200,000.000	CA LOS ANGELES PUB WORKS TAXABLE Mat: 12/1/17 Cpn: 1.51% Moody's: Aa2 S&P: AA Fitch: AA- Tr Date: 8/13/15 St Date: 9/2/15	54473ERP1	200,000.00 0.00	200,024.00 1,004.67	24.00	100.012	0.14%
610,000.000	WI STATE TAXABLE Mat: 5/1/18 Cpn: 1.64% Moody's: Aa2 S&P: AA- Fitch: AA- Tr Date: 10/27/15 St Date: 10/30/15	977100CQ7	617,411.50 4,986.34	610,597.80 4,178.50	(6,813.70)	100.098	0.42%
670,000.000	CA UNIV OF CALIFORNIA TXB Mat: 5/15/18 Cpn: 1.30% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 9/27/16 St Date: 9/29/16	91412GPZ2	672,860.90 3,232.08	669,350.10 3,280.32	(3,510.80)	99.903	0.46%
375,000.000	CA MORGAN HILL UNIF SCH DIST GO/ULT TXB Mat: 8/1/18 Cpn: 1.64% Moody's: Aa1 S&P: Fitch: Tr Date: 11/18/15 St Date: 12/17/15	617403EJ5	375,000.00 0.00	375,510.00 1,025.63	510.00	100.136	0.26%
1,500,000.000	MS STATE ULT/OG TAXABLE Mat: 10/1/18 Cpn: 1.47% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 2/4/15 St Date: 2/18/15	605581FY8	1,500,000.00 0.00	1,501,680.00 11,040.00	1,680.00	100.112	1.03%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,400,000.000	CA LOS ANGELES MUNI IMPT TAXABLE Mat: 11/1/18 Cpn: 2.34% Moody's: S&P: AA- Fitch: A+ Tr Date: 11/4/15 St Date: 11/19/15	544587B98	1,400,000.00 0.00	1,411,354.00 13,673.33	11,354.00	100.811	0.97%
750,000.000	CA PASADENA UNIF SCH DIST GO/ULT TXB Mat: 11/1/18 Cpn: 1.86% Moody's: Aa2 S&P: A+ Fitch: Tr Date: 7/23/15 St Date: 7/28/15	702282ND2	755,820.00 3,373.06	753,510.00 5,815.63	(2,310.00)	100.468	0.52%
450,000.000	CA LOS ANGELES PUB WORKS TAXABLE Mat: 12/1/18 Cpn: 2.04% Moody's: Aa2 S&P: AA Fitch: AA- Tr Date: 8/13/15 St Date: 9/2/15	54473ERQ9	450,000.00 0.00	450,972.00 3,054.00	972.00	100.216	0.31%
750,000.000	CA STATE GO/ULT TXB Mat: 4/1/19 Cpn: 1.59% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 4/21/17 St Date: 4/27/17	13063DAB4	750,000.00 0.00	749,362.50 5,110.88	(637.50)	99.915	0.51%
270,000.000	CA LOS ANGELES DEPT AIRPORTS-LAX TXBL Mat: 5/15/19 Cpn: 1.75% Moody's: Aa3 S&P: AA Fitch: AA Tr Date: 11/16/16 St Date: 12/6/16	544445AY5	270,000.00 0.00	269,713.80 1,785.00	(286.20)	99.894	0.19%
75,000.000	CA UNIV OF CALIFORNIA TXB Mat: 5/15/19 Cpn: 1.61% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 5/5/17 St Date: 5/18/17	91412GS71	75,000.00 0.00	75,051.75 446.10	51.75	100.069	0.05%
2,100,000.000	CA EARTHQUAKE AUTH TAXABLE Mat: 7/1/19 Cpn: 2.81% Moody's: A3 S&P: Fitch: A Tr Date: 2/6/15 St Date: 2/11/15	13017HAE6	2,125,137.00 6,545.00	2,110,542.00 14,726.25	(14,595.00)	100.502	1.45%
2,655,000.000	CA UNIVERSITY OF CALIFORNIA TAXABLE Mat: 7/1/19 Cpn: 1.80% Moody's: Aa2 S&P: AA Fitch: AA Tr Date: 3/2/15 St Date: 3/5/15	91412GSB2	2,676,120.60 8,074.01	2,658,345.30 11,920.95	(17,775.30)	100.126	1.82%
335,000.000	CA SAN FRANCISCO REDEV AGY TXB Mat: 8/1/19 Cpn: 2.19% Moody's: S&P: A Fitch: Tr Date: 3/10/17 St Date: 3/29/17	79770GFZ4	335,000.00 0.00	335,324.95 1,224.43	324.95	100.097	0.23%
500,000.000	NY ST GO/ULT-TXBL Mat: 9/1/19 Cpn: 3.60% Moody's: Aa1 S&P: AA+ Fitch: AA+ Tr Date: 6/1/17 St Date: 6/6/17	649791EJ5	521,530.00 4,750.00	516,795.00 1,500.00	(4,735.00)	103.359	0.35%



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CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
370,000.000	CA CALIFORNIA ST UNIV SYS REV TAXABLE Mat: 11/1/19 Cpn: 1.98% Moody's: Aa2 S&P: AA- Fitch: Tr Date: 7/5/17 St Date: 7/7/17	13077CT38	371,431.90 1,344.46	371,058.20 3,055.58	(373.70)	100.286	0.25%
370,000.000	CA LOS ANGELES MUNI IMPT TAXABLE Mat: 11/1/19 Cpn: 2.85% Moody's: S&P: AA- Fitch: A+ Tr Date: 2/25/16 St Date: 3/1/16	544587C22	381,536.60 2,983.56	376,556.40 4,387.58	(4,980.20)	101.772	0.26%
260,000.000	CA UNIVERSITY OF CALIFORNIA-TXBL Mat: 5/15/20 Cpn: 1.88% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 9/20/17 St Date: 9/28/17	91412G2R5	260,000.00 0.00	259,373.40 40.67	(626.60)	99.759	0.18%
690,000.000	CA ST HSG FIN AGY REV-TXBL Mat: 8/1/20 Cpn: 2.30% Moody's: A1 S&P: AA- Fitch: Tr Date: 6/21/17 St Date: 6/29/17	13034PZF7	690,000.00 0.00	696,037.50 4,055.67	6,037.50	100.875	0.48%
920,000.000	CA SAN DIEGO REDEV AGY TAB PRE-20 TXB Mat: 9/1/20 Cpn: 7.75% Moody's: WR S&P: A- Fitch: Tr Date: 8/30/17 St Date: 9/5/17	79730PDE2	1,078,589.60 792.22	1,069,205.60 5,941.67	(9,384.00)	116.218	0.73%
350,000.000	CA LOS ANGELES MUNI IMPT CORP LEASE TXB Mat: 11/1/20 Cpn: 3.15% Moody's: S&P: AA- Fitch: A+ Tr Date: 4/26/17 St Date: 5/1/17	544587C30	360,734.50 0.00	360,013.50 4,587.92	(721.00)	102.861	0.25%
305,180.582	CA DEPT WTR RESOURCES-PWR SUPPLY TXB Mat: 5/1/21 Cpn: 1.71% Moody's: Aa1 S&P: AA Fitch: AA+ Tr Date: 9/22/17 St Date: 9/26/17	13066YTY5	302,107.41 2,105.62	303,065.68 2,178.23	958.27	99.307	0.21%
Total for Taxable Muni			16,168,280.01 38,186.35	16,123,443.48 104,032.99	(44,836.53)		11.06%
Credit							
800,000.000	BANK OF AMERICA Mat: 3/26/18 Cpn: 1.65% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 3/20/15 St Date: 3/26/15	06050TLY6	800,241.00 1,989.17	800,608.00 183.33	367.00	100.076	0.55%
1,220,000.000	ABBVIE Mat: 5/14/18 Cpn: 1.80% Moody's: Baa2 S&P: A- Fitch: Tr Date: 5/5/15 St Date: 5/14/15	00287YAN9	1,218,755.60 0.00	1,221,881.24 8,357.00	3,125.64	100.154	0.84%



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CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
590,000.000	UNITEDHEALTH GROUP Mat: 7/16/18 Cpn: 1.90% Moody's: A3 S&P: A+ Fitch: A- Tr Date: 7/20/15 St Date: 7/23/15	91324PCL4	589,250.70 0.00	591,624.86 2,335.42	2,374.16	100.275	0.40%
60,000.000	BERKSHIRE HATHAWAY Mat: 8/15/18 Cpn: 1.15% Moody's: Aa2 S&P: AA Fitch: A+u Tr Date: 8/8/16 St Date: 8/15/16	084670BX5	59,992.80 0.00	59,831.40 88.17	(161.40)	99.719	0.04%
700,000.000	FIFTH THIRD BANK Mat: 8/20/18 Cpn: 2.15% Moody's: A3 S&P: A- Fitch: A Tr Date: 8/17/15 St Date: 8/20/15	31677QBD0	699,881.00 0.00	703,345.30 1,714.03	3,464.30	100.478	0.48%
395,000.000	JP MORGAN CHASE Mat: 9/21/18 Cpn: 1.45% Moody's: Aa3 S&P: A+ Fitch: AA- Tr Date: 9/20/16 St Date: 9/23/16	48125LRF1	394,814.35 0.00	394,383.80 159.10	(430.55)	99.844	0.27%
515,000.000	WELLS FARGO Mat: 11/28/18 Cpn: 1.80% Moody's: Aa2 S&P: AA- Fitch: AA Tr Date: 12/1/16 St Date: 12/8/16	94988J5F0	514,572.55 0.00	515,705.55 3,167.25	1,133.00	100.137	0.35%
570,000.000	CITIZENS BANK Mat: 12/3/18 Cpn: 2.30% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 5/16/17 St Date: 5/19/17	17401QAC5	572,490.90 6,045.17	572,188.77 4,297.17	(302.13)	100.384	0.39%
1,320,000.000	WISCONSIN ELECTRIC POWER Mat: 12/4/18 Cpn: 1.65% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 12/1/15 St Date: 12/4/15	976843BK7	1,318,772.40 0.00	1,318,291.92 7,078.50	(480.48)	99.871	0.90%
782,000.000	BNY MELLON Mat: 1/15/19 Cpn: 2.10% Moody's: A1 S&P: A Fitch: AA- Tr Date: 7/18/17 St Date: 7/21/17	06406HCP2	786,954.78 273.70	785,401.68 3,466.87	(1,553.10)	100.435	0.54%
470,000.000	MORGAN STANLEY Mat: 2/1/19 Cpn: 2.45% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 1/22/16 St Date: 1/27/16	61746BDX1	469,685.10 0.00	473,186.60 1,919.17	3,501.50	100.678	0.32%
320,000.000	APPLE Mat: 2/22/19 Cpn: 1.70% Moody's: Aa1 S&P: AA+ Fitch: Tr Date: 2/16/16 St Date: 2/23/16	037833BQ2	319,945.60 0.00	320,707.20 574.22	761.60	100.221	0.22%



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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,085,000.000	BRISTOL-MYERS SQUIBB Mat: 2/27/19 Cpn: 1.60% Moody's: A2 S&P: A+ Fitch: A-u Tr Date: 2/22/17 St Date: 2/27/17	110122BA5	1,083,516.05 2,088.44	1,082,558.77 1,639.56	(957.28)	99.775	0.74%
200,000.000	CHEVRON Mat: 2/28/19 Cpn: 1.69% Moody's: Aa2 S&P: AA- Fitch: Tr Date: 2/28/17 St Date: 3/3/17	166764BS8	200,000.00 0.00	200,100.02 309.10	100.02	100.050	0.14%
550,000.000	CISCO SYSTEMS Mat: 2/28/19 Cpn: 1.60% Moody's: A1 S&P: AA- Fitch: Tr Date: 2/22/16 St Date: 2/29/16	17275RBB7	549,840.50 0.00	549,813.02 806.67	(27.48)	99.966	0.38%
450,000.000	EXXON MOBIL Mat: 3/1/19 Cpn: 1.71% Moody's: Aaa S&P: AA+ Fitch: Tr Date: 2/29/16 St Date: 3/3/16	30231GAP7	450,000.00 0.00	450,472.48 640.50	472.48	100.105	0.31%
420,000.000	STRYKER Mat: 3/8/19 Cpn: 2.00% Moody's: Baa1 S&P: A Fitch: Tr Date: 3/3/16 St Date: 3/10/16	863667AK7	419,512.80 0.00	421,007.96 536.67	1,495.16	100.240	0.29%
650,000.000	AT&T Mat: 3/11/19 Cpn: 2.30% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 5/3/16 St Date: 5/12/16	00206RCC4	661,810.50 2,533.19	653,282.48 830.56	(8,528.02)	100.505	0.45%
790,000.000	BERKSHIRE HATHAWAY Mat: 3/15/19 Cpn: 1.70% Moody's: Aa2 S&P: AA Fitch: A+u Tr Date: 3/8/16 St Date: 3/15/16	084664CG4	789,399.60 0.00	791,256.13 596.89	1,856.53	100.159	0.54%
225,000.000	EXXON MOBIL Mat: 3/15/19 Cpn: 1.82% Moody's: Aaa S&P: AA+ Fitch: Tr Date: 5/8/17 St Date: 5/11/17	30231GAD4	225,866.25 636.65	225,589.50 181.90	(276.75)	100.262	0.15%
520,000.000	FIFTH THIRD BANK Mat: 3/15/19 Cpn: 2.30% Moody's: A3 S&P: A- Fitch: A Tr Date: 3/10/16 St Date: 3/15/16	31677QBF5	519,880.40 0.00	523,603.61 531.56	3,723.21	100.693	0.36%
350,000.000	OGLETHORPE POWER Mat: 3/15/19 Cpn: 6.10% Moody's: Baa1 S&P: A- Fitch: A- Tr Date: 3/29/17 St Date: 4/3/17	677050AE6	377,244.00 1,067.50	369,964.70 948.89	(7,279.30)	105.704	0.25%



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325,000.000	CITIBANK Mat: 3/20/19 Cpn: 2.00% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 3/13/17 St Date: 3/20/17	17325FAA6	324,733.50 0.00	325,952.27 198.61	1,218.77	100.293	0.22%
330,000.000	CATERPILLAR FINANCIAL Mat: 3/22/19 Cpn: 1.90% Moody's: A3 S&P: A Fitch: A Tr Date: 3/20/17 St Date: 3/23/17	14912L6W6	329,802.00 0.00	330,838.19 156.75	1,036.19	100.254	0.23%
420,000.000	JPMORGAN CHASE Mat: 4/23/19 Cpn: 6.30% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 7/15/16 St Date: 7/20/16	46625HHL7	455,463.24 10,218.25	448,085.38 11,665.50	(7,377.86)	106.687	0.31%
1,210,000.000	US BANK OHIO Mat: 4/26/19 Cpn: 1.40% Moody's: A1 S&P: AA- Fitch: AA Tr Date: 5/5/17 St Date: 5/10/17	90331HMY6	1,202,413.45 632.53	1,203,723.73 7,293.61	1,310.28	99.481	0.83%
875,000.000	PEPSICO Mat: 5/2/19 Cpn: 1.55% Moody's: A1 S&P: A+ Fitch: Au Tr Date: 4/27/17 St Date: 5/2/17	713448DR6	874,343.75 0.00	874,461.00 5,613.37	117.25	99.938	0.60%
195,000.000	AMERICAN EXPRESS Mat: 5/3/19 Cpn: 1.88% Moody's: A2 S&P: A- Fitch: A Tr Date: 4/27/17 St Date: 5/3/17	0258M0EK1	194,920.05 0.00	195,269.69 1,503.13	349.64	100.138	0.13%
515,000.000	AMGEN Mat: 5/10/19 Cpn: 1.90% Moody's: Baa1 S&P: A Fitch: BBBu Tr Date: 5/8/17 St Date: 5/11/17	031162CK4	514,737.35 0.00	515,370.83 3,805.28	633.48	100.072	0.35%
640,000.000	BRANCH BANKING & TRUST Mat: 5/10/19 Cpn: 1.45% Moody's: A1 S&P: A Fitch: A+ Tr Date: 5/5/16 St Date: 5/10/16	07330NAL9	637,027.10 126.88	636,519.04 3,634.67	(508.06)	99.456	0.44%
340,000.000	BNY MELLON Mat: 5/15/19 Cpn: 2.20% Moody's: A1 S&P: A Fitch: AA- Tr Date: 9/28/17 St Date: 10/2/17	06406HCU1	342,019.60 2,846.56	341,767.96 2,846.56	(251.64)	100.520	0.23%
1,085,000.000	PFIZER Mat: 5/15/19 Cpn: 2.10% Moody's: A1 S&P: AA Fitch: A+u Tr Date: 5/8/17 St Date: 5/11/17	717081DL4	1,093,904.95 11,160.33	1,092,942.22 8,607.67	(962.73)	100.732	0.75%



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240,000.000	QUALCOMM Mat: 5/20/19 Cpn: 1.85% Moody's: A1 S&P: A Fitch: Tr Date: 5/19/17 St Date: 5/26/17	747525AM5	239,889.60 0.00	240,616.81 1,541.67	727.21	100.257	0.17%
670,000.000	COCA-COLA Mat: 5/30/19 Cpn: 1.38% Moody's: Aa3 S&P: AA- Fitch: A+ Tr Date: 5/25/16 St Date: 5/31/16	191216BV1	669,531.00 0.00	667,621.48 3,096.42	(1,909.52)	99.645	0.46%
140,000.000	CITIGROUP Mat: 6/7/19 Cpn: 2.05% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 6/2/16 St Date: 6/9/16	172967KS9	139,927.20 0.00	140,070.02 908.83	142.82	100.050	0.10%
560,000.000	WALT DISNEY COMPANY Mat: 7/12/19 Cpn: 0.88% Moody's: A2 S&P: A+ Fitch: A Tr Date: 7/7/16 St Date: 7/12/16	25468PDL7	558,118.40 0.00	551,648.16 1,075.28	(6,470.24)	98.509	0.38%
220,000.000	GOLDMAN SACHS Mat: 7/23/19 Cpn: 1.95% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 7/19/17 St Date: 7/24/17	38141GWP5	219,973.60 0.00	219,705.19 798.42	(268.41)	99.866	0.15%
680,000.000	IBM Mat: 9/6/19 Cpn: 1.63% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 9/5/17 St Date: 9/8/17	44932HAA1	679,483.20 0.00	680,883.98 705.97	1,400.78	100.130	0.46%
510,000.000	CITIBANK Mat: 9/18/19 Cpn: 1.85% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 9/13/17 St Date: 9/18/17	17325FAF5	509,989.80 0.00	510,433.49 340.71	443.69	100.085	0.35%
225,000.000	GILEAD SCIENCES Mat: 9/20/19 Cpn: 1.85% Moody's: A3 S&P: A Fitch: Tr Date: 9/14/17 St Date: 9/21/17	375558BR3	224,921.25 0.00	225,242.33 115.63	321.08	100.108	0.15%
285,000.000	FIFTH THIRD BANK Mat: 9/27/19 Cpn: 1.63% Moody's: A3 S&P: A- Fitch: A Tr Date: 9/22/16 St Date: 9/27/16	31677QBH1	284,526.90 0.00	283,230.14 51.46	(1,296.76)	99.379	0.19%
145,000.000	PEPSICO Mat: 10/4/19 Cpn: 1.35% Moody's: A1 S&P: A+ Fitch: Au Tr Date: 10/3/16 St Date: 10/6/16	713448DJ4	144,978.25 0.00	144,611.11 962.44	(367.14)	99.732	0.10%



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595,000.000	JOHN DEERE CAPITAL CORP Mat: 10/9/19 Cpn: 1.25% Moody's: A2 S&P: A Fitch: A Tr Date: 9/6/16 St Date: 9/9/16	24422ETJ8	593,798.10 0.00	588,663.24 3,553.47	(5,134.86)	98.935	0.40%
400,000.000	PNC BANK Mat: 10/18/19 Cpn: 2.40% Moody's: A2 S&P: A Fitch: A+ Tr Date: 9/12/17 St Date: 9/14/17	69353RDZ8	404,552.00 3,893.33	403,751.98 4,346.67	(800.02)	100.938	0.28%
475,000.000	HONEYWELL INTL Mat: 10/30/19 Cpn: 1.40% Moody's: A2 S&P: A Fitch: A Tr Date: 10/24/16 St Date: 10/31/16	438516BJ4	474,624.75 0.00	471,779.50 2,789.31	(2,845.25)	99.322	0.32%
355,000.000	CHEVRON Mat: 11/15/19 Cpn: 2.19% Moody's: Aa2 S&P: AA- Fitch: Tr Date: 5/8/17 St Date: 5/11/17	166764AN0	357,879.05 3,806.07	358,141.73 2,941.06	262.68	100.885	0.25%
170,000.000	CATERPILLAR FINANCIAL Mat: 1/10/20 Cpn: 2.10% Moody's: A3 S&P: A Fitch: A Tr Date: 1/5/17 St Date: 1/12/17	14912L6Y2	169,813.00 0.00	170,887.41 803.25	1,074.41	100.522	0.12%
510,000.000	CITIGROUP Mat: 1/10/20 Cpn: 2.45% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 1/4/17 St Date: 1/10/17	172967LF6	509,796.00 0.00	513,019.22 2,811.38	3,223.22	100.592	0.35%
510,000.000	BRANCH BANKING & TRUST Mat: 1/15/20 Cpn: 2.10% Moody's: A1 S&P: A Fitch: A+ Tr Date: 1/23/17 St Date: 1/26/17	07330NAN5	509,959.20 0.00	511,937.95 2,261.00	1,978.75	100.380	0.35%
545,000.000	US BANK CINCINNATI Mat: 1/24/20 Cpn: 2.00% Moody's: A1 S&P: AA- Fitch: AA Tr Date: 1/19/17 St Date: 1/24/17	90331HNB5	543,850.05 0.00	546,645.36 2,028.61	2,795.31	100.302	0.37%
520,000.000	IBM Mat: 1/27/20 Cpn: 1.90% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 1/24/17 St Date: 1/27/17	459200JN2	519,500.80 0.00	521,024.35 1,756.44	1,523.55	100.197	0.36%
530,000.000	CAPITAL ONE Mat: 1/31/20 Cpn: 2.35% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 1/26/17 St Date: 1/31/17	14042RFH9	529,682.00 0.00	533,097.32 2,110.43	3,415.32	100.584	0.36%



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495,000.000	SUNTRUST BANK Mat: 1/31/20 Cpn: 2.25% Moody's: Baa1 S&P: A- Fitch: A- Tr Date: 1/25/17 St Date: 2/1/17	86787EAR8	494,811.90 0.00	497,252.26 1,887.19	2,440.36	100.455	0.34%
505,000.000	MICROSOFT Mat: 2/6/20 Cpn: 1.85% Moody's: Aaa S&P: AAA Fitch: AA+u Tr Date: 1/30/17 St Date: 2/6/17	594918BV5	504,661.65 0.00	506,595.81 1,427.33	1,934.16	100.316	0.35%
535,000.000	ESTEE LAUDER CO Mat: 2/7/20 Cpn: 1.80% Moody's: A2 S&P: A+ Fitch: Tr Date: 2/6/17 St Date: 2/9/17	29736RAL4	534,925.10 0.00	534,796.69 1,444.50	(128.41)	99.962	0.37%
225,000.000	PACCAR FINANCIAL Mat: 2/27/20 Cpn: 1.95% Moody's: A1 S&P: A+ Fitch: Tr Date: 2/22/17 St Date: 2/27/17	69371RN69	224,595.00 0.00	224,997.75 414.38	402.75	99.999	0.15%
690,000.000	KIMBERLY-CLARK Mat: 3/1/20 Cpn: 1.85% Moody's: A2 S&P: A Fitch: A Tr Date: 5/5/17 St Date: 5/10/17	494368BP7	689,710.20 2,446.63	689,897.88 1,063.75	187.68	99.985	0.47%
250,000.000	CITIZENS BANK Mat: 3/2/20 Cpn: 2.25% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 2/27/17 St Date: 3/2/17	17401QAG6	249,762.50 0.00	250,472.00 453.13	709.50	100.189	0.17%
375,000.000	AMERICAN EXPRESS Mat: 3/3/20 Cpn: 2.20% Moody's: A2 S&P: A- Fitch: A Tr Date: 2/28/17 St Date: 3/3/17	0258M0EE5	374,610.00 0.00	377,137.50 641.67	2,527.50	100.570	0.26%
465,000.000	WALT DISNEY COMPANY Mat: 3/4/20 Cpn: 1.95% Moody's: A2 S&P: A+ Fitch: A Tr Date: 3/1/17 St Date: 3/6/17	25468PDP8	464,879.10 0.00	466,678.65 680.06	1,799.55	100.361	0.32%
250,000.000	HUNTINGTON NATL BANK Mat: 3/10/20 Cpn: 2.38% Moody's: A3 S&P: BBB+ Fitch: A- Tr Date: 3/7/17 St Date: 3/10/17	446438RU9	249,985.00 0.00	251,462.50 346.35	1,477.50	100.585	0.17%
400,000.000	JOHN DEERE CAPITAL Mat: 3/13/20 Cpn: 2.20% Moody's: A2 S&P: A Fitch: A Tr Date: 3/10/17 St Date: 3/15/17	24422ETQ2	399,688.00 0.00	402,795.99 440.00	3,107.99	100.699	0.27%



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605,000.000	CONSOLIDATED EDISON Mat: 3/15/20 Cpn: 2.00% Moody's: A3 S&P: BBB+ Fitch: BBB+ Tr Date: 2/27/17 St Date: 3/2/17	209115AD6	604,800.35 0.00	605,095.59 537.78	295.24	100.016	0.41%
290,000.000	AMGEN FRN Mat: 5/11/20 Cpn: 1.76% Moody's: Baa1 S&P: A Fitch: BBBu Tr Date: 5/8/17 St Date: 5/11/17	031162CN8	290,000.00 0.00	291,595.00 722.73	1,595.00	100.550	0.20%
665,000.000	APPLE Mat: 5/11/20 Cpn: 1.80% Moody's: Aa1 S&P: AA+ Fitch: Tr Date: 5/4/17 St Date: 5/11/17	037833CS7	664,321.70 0.00	665,552.62 4,655.00	1,230.92	100.083	0.46%
725,000.000	INTEL Mat: 5/11/20 Cpn: 1.85% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 5/8/17 St Date: 5/11/17	458140AZ3	724,724.50 0.00	726,333.99 5,215.97	1,609.49	100.184	0.50%
720,000.000	PNC BANK Mat: 5/19/20 Cpn: 2.00% Moody's: A2 S&P: A Fitch: A+ Tr Date: 5/16/17 St Date: 5/19/17	69353RFC7	719,186.40 0.00	719,222.39 5,280.00	35.99	99.892	0.49%
730,000.000	VERIZON COMMUNICATIONS FRN Mat: 5/22/20 Cpn: 1.86% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 5/11/17 St Date: 5/22/17	92343VDZ4	730,000.00 0.00	731,288.45 1,512.50	1,288.45	100.177	0.50%
250,000.000	CITIZENS BANK Mat: 5/26/20 Cpn: 2.20% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 5/22/17 St Date: 5/26/17	17401QAJ0	249,770.00 0.00	249,862.50 1,909.72	92.50	99.945	0.17%
455,000.000	HOME DEPOT FRN Mat: 6/5/20 Cpn: 1.47% Moody's: A2 S&P: A Fitch: Au Tr Date: 5/24/17 St Date: 6/5/17	437076BR2	455,000.00 0.00	456,121.12 481.78	1,121.12	100.246	0.31%
515,000.000	CITIBANK Mat: 6/12/20 Cpn: 2.10% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 6/6/17 St Date: 6/12/17	17325FAE8	514,778.55 0.00	515,860.05 3,274.54	1,081.50	100.167	0.35%
360,000.000	JOHN DEERE CAPITAL CORP Mat: 6/22/20 Cpn: 1.95% Moody's: A2 S&P: A Fitch: A Tr Date: 6/19/17 St Date: 6/22/17	24422ETS8	359,780.40 0.00	360,144.03 1,930.50	363.63	100.040	0.25%



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270,000.000	MANUFACTURERS & TRADERS TRUST Mat: 8/17/20 Cpn: 2.05% Moody's: A3 S&P: A Fitch: A Tr Date: 8/14/17 St Date: 8/17/17	55279HAN0	269,773.20 0.00	269,576.11 676.50	(197.09)	99.843	0.18%
640,000.000	CATERPILLAR FINANCIAL Mat: 9/4/20 Cpn: 1.85% Moody's: A3 S&P: A Fitch: A Tr Date: 9/5/17 St Date: 9/7/17	14913Q2A6	639,462.40 0.00	637,875.19 789.33	(1,587.21)	99.668	0.44%
505,000.000	GOLDMAN SACHS Mat: 12/27/20 Cpn: 2.60% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 3/22/17 St Date: 3/27/17	38141GWG5	504,651.55 0.00	508,519.80 3,428.39	3,868.25	100.697	0.35%
620,000.000	JPMORGAN CHASE FRN Mat: 6/1/21 Cpn: 2.00% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 5/23/17 St Date: 6/1/17	46647PAG1	620,000.00 0.00	623,465.80 1,031.32	3,465.80	100.559	0.43%
845,000.000	BANK OF AMERICA Mat: 7/21/21 Cpn: 2.37% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 7/18/17 St Date: 7/21/17	06051GGP8	845,000.00 0.00	845,050.67 3,892.40	50.67	100.006	0.58%
360,000.000	BANK OF AMERICA Mat: 10/1/21 Cpn: 2.33% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 9/13/17 St Date: 9/18/17	06051GGS2	360,000.00 0.00	359,506.08 302.64	(493.92)	99.863	0.25%
500,000.000	MORGAN STANLEY FRN Mat: 1/20/22 Cpn: 2.49% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 3/3/17 St Date: 3/8/17	61746BEE2	505,560.00 1,442.71	507,275.00 2,521.48	1,715.00	101.455	0.35%
390,000.000	WELLS FARGO FRN Mat: 2/11/22 Cpn: 2.24% Moody's: A2 S&P: A Fitch: AA- Tr Date: 2/6/17 St Date: 2/13/17	949746SP7	390,000.00 0.00	393,810.30 1,237.14	3,810.30	100.977	0.27%
510,000.000	CAPITAL ONE FINL FRN Mat: 3/9/22 Cpn: 2.27% Moody's: Baa1 S&P: BBB Fitch: A- Tr Date: 3/6/17 St Date: 3/9/17	14040HBM6	510,000.00 0.00	510,335.58 642.38	335.58	100.066	0.35%
510,000.000	CITIGROUP FRN Mat: 4/25/22 Cpn: 2.27% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 4/18/17 St Date: 4/25/17	172967LH2	510,000.00 0.00	513,419.55 2,191.04	3,419.55	100.671	0.35%



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CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
405,000.000	UNITED PARCEL SERVICE FRN Mat: 5/16/22 Cpn: 1.69% Moody's: A1 S&P: A+ Fitch: Tr Date: 5/11/17 St Date: 5/16/17	911312BB1	405,000.00 0.00	406,433.30 876.73	1,433.30	100.354	0.28%
535,000.000	MANUFACTURERS & TRADERS TRUST FRN Mat: 5/18/22 Cpn: 1.93% Moody's: A3 S&P: A Fitch: A Tr Date: 5/15/17 St Date: 5/18/17	55279HAM2	535,000.00 0.00	536,603.40 1,259.83	1,603.40	100.300	0.37%
640,000.000	MORGAN STANLEY FRN Mat: 7/22/22 Cpn: 2.24% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 7/19/17 St Date: 7/24/17	61744YAJ7	640,000.00 0.00	642,776.32 2,750.80	2,776.32	100.434	0.44%
Total for Credit			43,511,023.52 51,207.11	43,550,555.94 176,604.91	39,532.42		29.80%

Mortgage-Backed

40,402.152	FNA 2012-M9 ASQ2 CMBS Mat: 12/25/17 Cpn: 1.51% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 4/26/13 St Date: 5/1/13	3136A7L26	41,295.42 0.00	40,373.22 50.94	(922.19)	99.928	0.03%
892,122.060	FNA 2015-M7 ASQ2 CMBS Mat: 4/25/18 Cpn: 1.55% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 4/15/15 St Date: 4/30/15	3136ANJY4	901,040.07 1,113.91	891,747.37 1,152.32	(9,292.70)	99.958	0.61%
105,026.275	FNA 2014-M8 FA 1MOFRN CMBS Mat: 5/25/18 Cpn: 1.49% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/11/14 St Date: 7/31/14	3136AKQJ5	104,998.13 35.18	105,031.53 130.16	33.40	100.005	0.07%
970,322.180	FHMS K704 A2 CMBS Mat: 8/25/18 Cpn: 2.41% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/2/14 St Date: 10/7/14	3137AH6Q6	994,201.21 390.07	973,634.86 1,950.35	(20,566.35)	100.341	0.66%
766,492.792	FNA 14-M1 ASQ2 CMBS Mat: 11/25/18 Cpn: 2.32% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/17/14 St Date: 1/30/14	3136AHUV0	779,120.42 1,399.36	769,270.56 1,483.80	(9,849.85)	100.362	0.53%
389,686.910	FHMS KP03 A2 CMBS Mat: 7/25/19 Cpn: 1.78% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 6/7/17 St Date: 6/12/17	3137BNN26	390,661.13 211.95	389,677.95 578.04	(983.18)	99.998	0.27%



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CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
162,447.600	FNMA #890170 10YR Mat: 9/1/19 Cpn: 4.50% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/3/14 St Date: 10/20/14	31410K6F6	172,295.98 385.81	166,210.70 609.18	(6,085.29)	102.317	0.11%
1,411,240.162	FNA 2015-M13 ASQ2 CMBS Mat: 9/25/19 Cpn: 1.65% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/7/15 St Date: 10/30/15	3136AQDQ0	1,425,372.18 1,871.22	1,410,737.76 1,935.75	(14,634.42)	99.964	0.96%
485,345.507	NGN 2010-R3 2A 1MOFRN NCUA GNTD Mat: 12/8/20 Cpn: 1.79% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 7/7/17 St Date: 7/12/17	62888WAB2	488,037.66 120.22	488,404.15 579.54	366.49	100.630	0.33%
Total for Mortgage-Backed			5,297,022.19 5,527.72	5,235,088.10 8,470.08	(61,934.09)		3.57%
Asset-Backed							
1,619,760.810	JOHN DEERE 2015-B A3 EQP Mat: 10/15/19 Cpn: 1.44% Moody's: Aaa S&P: Fitch: AAA Tr Date: 9/1/15 St Date: 9/9/15	47787WAC3	1,619,451.92 0.00	1,619,444.96 1,036.65	(6.97)	99.981	1.10%
1,850,000.000	JOHN DEERE 2016-A A3 EQP Mat: 4/15/20 Cpn: 1.36% Moody's: Aaa S&P: Fitch: AAA Tr Date: 2/23/16 St Date: 3/2/16	47788MAC4	1,849,708.81 0.00	1,847,017.80 1,118.22	(2,691.01)	99.839	1.26%
1,060,000.000	MERCEDES 2017-A A3 LEASE Mat: 4/15/20 Cpn: 1.79% Moody's: S&P: AAA Fitch: AAA Tr Date: 4/19/17 St Date: 4/26/17	58769DAD2	1,059,975.83 0.00	1,060,505.94 843.29	530.11	100.048	0.72%
1,150,000.000	BMW 2017-1 A3 LEASE Mat: 5/20/20 Cpn: 1.98% Moody's: Aaa S&P: Fitch: AAA Tr Date: 3/15/17 St Date: 3/22/17	055657AC4	1,149,867.87 0.00	1,152,999.42 695.75	3,131.55	100.261	0.79%
900,000.000	USAA 2016-1 A3 CAR Mat: 6/15/20 Cpn: 1.20% Moody's: Aaa S&P: AAA Fitch: Tr Date: 9/12/16 St Date: 9/21/16	90327CAC4	899,851.95 0.00	897,384.60 480.00	(2,467.35)	99.709	0.61%
1,155,000.000	BMW 2016-A A3 CAR Mat: 11/25/20 Cpn: 1.16% Moody's: Aaa S&P: Fitch: AAA Tr Date: 7/12/16 St Date: 7/20/16	05582QAD9	1,154,994.80 0.00	1,147,335.96 223.30	(7,658.84)	99.336	0.78%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,360,000.000	CITI 2017-A2 A2 CDT Mat: 1/19/21 Cpn: 1.74% Moody's: Aaa S&P: AAA Fitch: Tr Date: 1/19/17 St Date: 1/26/17	17305EGA7	1,359,739.56 0.00	1,360,962.93 4,864.27	1,223.37	100.071	0.93%
1,069,000.000	TOYOTA 2017-A A3 CAR Mat: 2/16/21 Cpn: 1.73% Moody's: Aaa S&P: AAA Fitch: Tr Date: 3/7/17 St Date: 3/15/17	89238MAD0	1,068,874.18 0.00	1,068,021.32 821.94	(852.86)	99.908	0.73%
870,000.000	JOHN DEERE 2017-A A3 EQP Mat: 4/15/21 Cpn: 1.78% Moody's: Aaa S&P: Fitch: AAA Tr Date: 2/22/17 St Date: 3/2/17	47787XAC1	869,876.11 0.00	870,233.16 688.27	357.05	100.027	0.59%
420,000.000	USAA 2017-1 A3 CAR Mat: 5/17/21 Cpn: 1.70% Moody's: Aaa S&P: AAA Fitch: Tr Date: 9/13/17 St Date: 9/20/17	90290AAC1	419,955.73 0.00	419,376.30 218.17	(579.43)	99.852	0.29%
1,080,000.000	SDART 2017-1 B CAR Mat: 6/15/21 Cpn: 2.10% Moody's: Aa1 S&P: AA Fitch: Tr Date: 2/23/17 St Date: 2/28/17	80284TAH8	1,079,917.16 0.00	1,077,626.47 1,008.00	(2,290.69)	99.780	0.73%
1,500,000.000	TOYOTA 2017-B A3 CAR Mat: 7/15/21 Cpn: 1.76% Moody's: Aaa S&P: AAA Fitch: Tr Date: 5/9/17 St Date: 5/17/17	89190BAD0	1,499,884.95 0.00	1,499,383.61 1,173.33	(501.35)	99.959	1.02%
1,240,000.000	HONDA 2017-1 A3 CAR Mat: 7/21/21 Cpn: 1.72% Moody's: Aaa S&P: Fitch: AAA Tr Date: 3/21/17 St Date: 3/28/17	43814TAC6	1,239,926.22 0.00	1,238,370.60 592.44	(1,555.62)	99.869	0.84%
830,000.000	HONDA 2017-3 A3 CAR Mat: 9/20/21 Cpn: 1.79% Moody's: S&P: AAA Fitch: AAA Tr Date: 9/25/17 St Date: 9/29/17	43814PAC4	829,910.11 0.00	829,441.41 82.54	(468.70)	99.933	0.57%
420,000.000	JOHN DEERE 2017-B A3 EQP Mat: 10/15/21 Cpn: 1.82% Moody's: Aaa S&P: Fitch: AAA Tr Date: 7/11/17 St Date: 7/18/17	47788BAD6	419,969.26 0.00	419,881.56 339.73	(87.70)	99.972	0.29%
1,200,000.000	AMEX 2017-4 A CDT Mat: 12/15/21 Cpn: 1.64% Moody's: S&P: AAA Fitch: AAA Tr Date: 5/22/17 St Date: 5/30/17	02582JHG8	1,199,807.76 0.00	1,197,910.57 874.67	(1,897.19)	99.826	0.82%



CALOPTIMA - RESERVE ACCOUNT TIER ONE

Portfolio 2481

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,340,000.000	CHASE 2017-A1 A CDT 1MOFRN Mat: 1/18/22 Cpn: 1.53% Moody's: NR S&P: AAA Fitch: AAA Tr Date: 1/30/17 St Date: 2/6/17	161571HJ6	1,340,000.00 0.00	1,346,756.28 913.84	6,756.28	100.504	0.92%
1,460,000.000	CITI 2017-A3 A3 CDT Mat: 4/7/22 Cpn: 1.92% Moody's: NR S&P: AAA Fitch: AAA Tr Date: 4/4/17 St Date: 4/11/17	17305EGB5	1,459,579.37 0.00	1,460,652.08 13,237.33	1,072.71	100.045	1.00%
Total for Asset-Backed			20,521,291.59 0.00	20,513,304.97 29,211.74	(7,986.62)		14.00%
Grand Total			146,515,663.71 119,494.40	146,310,903.10 445,694.49	(204,760.61)		100.00%



CalOptima (OCHA) STAMP 1-3

Account #: LCEF00238B2

As of 9/30/2017

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
CASH & CASH EQUIVALENTS												
CASH												
06371ELH8	BANK OF MONTREAL IN	1.270	10/24/2017	10/24/2017	A-1	2,200,000	2,200,000.000	.069	.068	1.268	1.50%	2,200,000.00
06538NB97	BANK TOKYO-MITSUBIS	1.500	10/16/2017	10/16/2017	F1	2,500,000	2,500,240.370	.047	.046	1.285	1.71%	2,500,240.37
05582WZS6	BNP PARIBAS NY BRH C/D	1.450	1/22/2018	1/22/2018	A-1	1,500,000	1,500,000.000	.319	.313	1.446	1.02%	1,500,000.00
60683BBF9	MITSUBISHI TR & BKG	1.210	10/20/2017	10/20/2017	F1	2,200,000	2,200,000.000	.058	.057	1.210	1.50%	2,200,000.00
63873FY93	NATIXIS SA/NEW YORK NY	1.801	11/1/2017	11/1/2017	A-1	1,500,000	1,500,630.110	.092	.090	1.338	1.02%	1,500,630.11
65602UWN4	NORINCHUKIN BK C/D	1.200	11/1/2017	11/1/2017	A-1	1,500,000	1,500,000.000	.092	.090	1.200	1.02%	1,500,000.00
83369YTE6	SOCIETE GENERALE NY C/D 1.340% 10/31/2017 DD 07/26/17	1.340	10/31/2017	10/31/2017	F1	2,500,000	2,500,100.490	.089	.087	1.291	1.71%	2,500,100.49
NA9123459	US DOLLARS	1.232	10/2/2017		Agency	7,509,416	7,509,415.640	0.000	-	1.232	5.13%	7,509,415.64
USD120030	USD INTEREST RECEIVABLE	-				530,534	0.000	-	-	-	.36%	530,534.01
USD220010	USD PAYABLE FOR INVESTMENTS PURCHASED	-				(7,298,389)	(7,298,389.090)	-	-	-	(4.98%)	(7,298,389.09)
USD120010	USD RECEIVABLE FOR INVESTMENTS SOLD	-				784,549	784,549.250	-	-	-	.54%	784,549.25
CASH TOTALS							14,896,546.770					15,427,080.78
CASH & CASH EQUIVALENTS TOTALS							14,896,546.770					15,427,080.78
FIXED INCOME												
AGENCIES												
3130A6LZ8	FEDERAL HOME LOAN BANKS	.625	10/26/2017	10/26/2017	Agency	2,875,000	2,874,706.440	.075	.073	.979	1.96%	2,874,232.38
3130A7CX1	FEDERAL HOME LOAN BANKS	.875	3/19/2018	3/19/2018	Agency	1,980,000	1,979,850.300	.472	.465	1.169	1.35%	1,977,259.68
3134G8L98	FEDERAL HOME LOAN MORTGAGE CORP	1.050	2/26/2018	2/26/2018	Agency	915,000	915,000.000	.408	.398	1.315	.62%	914,063.96
3137EADX4	FEDERAL HOME LOAN MORTGAGE CORP	1.000	12/15/2017	12/15/2017	Agency	3,110,000	3,109,605.610	.211	.210	1.080	2.12%	3,109,452.64
3135G0E58	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.125	10/19/2018	10/19/2018	Agency	2,000,000	1,998,626.730	1.056	1.038	1.424	1.36%	1,993,746.00
AGENCIES TOTALS							10,877,789.080					10,868,754.66
ASSET BACKED												
055657AC4	BMW VEHICLE LEASE TRUST	1.980	5/20/2020	9/20/2019	Aaa	670,000	672,738.530	1.646	1.604	1.808	.46%	671,942.00
05581RAD8	BMW VEHICLE LEASE TRUST 2016-1	1.340	1/22/2019	7/20/2018	Aaa	446,835	446,813.700	.449	.443	1.450	.30%	446,624.89
05582XAD4	BMW VEHICLE LEASE TRUST 2016-2	1.430	9/20/2019	3/20/2019	AAA	995,000	994,911.100	1.155	1.136	1.704	.68%	991,951.12
161571GT5	CHASE ISSUANCE TRUST	1.590	2/18/2020	2/15/2018	AAA	1,125,000	1,125,961.340	.378	.377	1.379	.77%	1,125,908.78
161571FT6	CHASE ISSUANCE TRUST	1.494	12/16/2019	12/15/2017	AAA	2,170,000	2,171,302.830	.214	.046	1.340	1.48%	2,170,726.08
161571GQ1	CHASE ISSUANCE TRUST	1.380	11/15/2019	11/15/2017	AAA	1,500,000	1,503,153.450	.128	.128	1.327	1.02%	1,500,108.15
36159LCR5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.736	1/21/2020	1/22/2018	Aaa	600,000	599,858.440	.308	.057	1.450	.41%	600,645.60
43814KAC5	HONDA AUTO RECEIVABLES 2015-1 OWNER TRUST	1.050	10/15/2018	2/15/2018	Aaa	779,218	779,218.520	.183	.182	1.386	.53%	778,747.71
47787UAD5	JOHN DEERE OWNER TRUST 2015	1.320	6/17/2019	7/15/2018	Aaa	224,653	224,872.910	.330	.326	1.438	.15%	224,568.71
47787WAC3	JOHN DEERE OWNER TRUST 2015-B	1.440	10/15/2019	11/15/2018	Aaa	546,198	546,235.820	.486	.480	1.498	.37%	546,057.99
47787XAC1	JOHN DEERE OWNER TRUST 2017	1.780	4/15/2021	6/15/2020	Aaa	450,000	449,951.870	1.827	1.780	1.788	.31%	449,989.70
58769AAD8	MERCEDES BENZ AUTO LEASE TRUST 2015-B	1.340	7/16/2018	12/15/2017	AAA	157,498	157,637.520	.133	.132	1.433	.11%	157,479.50
58769DAD2	MERCEDES-BENZ AUTO LEASE TRUST 2017-A	1.790	4/15/2020	6/15/2019	AAA	1,405,000	1,404,972.510	1.431	1.400	1.715	.96%	1,406,617.01
58772PAD0	MERCEDES-BENZ AUTO RECEIVABLES TRUST 2015-1	1.340	12/16/2019	12/15/2018	AAA	1,139,539	1,140,209.660	.531	.524	1.512	.78%	1,138,531.49
65478QAD0	NISSAN AUTO LEASE TRUST 2016-A	1.490	3/15/2019	9/15/2018	Aaa	585,000	584,988.240	.674	.664	1.513	.40%	584,929.68
65479AAB8	NISSAN AUTO LEASE TRUST 2017-A	1.640	9/16/2019	5/15/2019	Aaa	1,800,000	1,799,917.510	1.089	1.069	1.669	1.23%	1,799,553.42

CalOptima (OCHA) STAMP 1-3

Account #: LCEF00238B2

As of 9/30/2017

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
ASSET BACKED (Continued)												
65474VAL5	NISSAN MASTER OWNER TRUST RECEIVABLES	1.540	6/15/2021	6/17/2019	Aaa	400,000	399,966.740	1.714	1.678	1.883	.27%	397,888.56
ASSET BACKED TOTALS							15,002,710.690					14,992,270.39
CMBS												
3136AC3C3	FANNIE MAE-ACES	1.451	2/25/2018	2/25/2018	Agency	247,362	247,603.150	.357	.355	1.402	.17%	247,169.37
3136A7L26	FANNIE MAE-ACES	1.513	12/25/2017	10/25/2017	Agency	46,439	46,469.060	.072	.071	1.182	.03%	46,403.45
3136AK2A0	FANNIE MAE-ACES	2.171	9/25/2019	9/25/2019	Agency	186,926	189,473.310	1.907	1.853	1.805	.13%	187,960.17
3137AME52	FHLMC MULTICLASS	1.891	12/25/2020	11/25/2019	Agency	332,125	334,420.360	1.098	1.074	1.659	.23%	332,563.91
3137AH6Q6	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.412	8/25/2018	8/25/2018	Aaa	824,774	832,251.260	.749	.735	1.768	.56%	827,437.11
3137AXHP1	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.573	9/25/2022	9/25/2022	Agency	1,665,000	1,690,523.440	4.889	4.553	2.275	1.15%	1,685,871.44
CMBS TOTALS							3,340,740.580					3,327,405.45
CMOS												
31394GB77	FREDDIE MAC REMICS	4.500	7/15/2018	7/15/2018	Agency	138,557	139,988.200	.316	.311	1.941	.10%	139,431.59
31393WN47	FREDDIE MAC REMICS	4.500	7/15/2018	7/15/2018	Agency	151,896	153,475.550	.326	.321	2.456	.10%	152,642.30
31393WVB2	FREDDIE MAC REMICS	4.500	7/15/2018	7/15/2018	Agency	399,916	404,206.250	.359	.353	2.474	.27%	402,118.60
CMOS TOTALS							697,670.000					694,192.49
CORPORATES												
0258M0EJ4	AMERICAN EXPRESS CREDIT CORP	1.641	5/3/2019	5/3/2019	A2	325,000	325,000.000	1.508	.098	1.519	.22%	325,821.60
0258M0EF2	AMERICAN EXPRESS CREDIT CORP	1.746	3/3/2020	3/3/2020	A2	835,000	835,000.000	2.353	.186	1.688	.57%	836,908.94
0258M0D29	AMERICAN EXPRESS CREDIT CORP	1.875	11/5/2018	11/5/2018	A2	1,867,000	1,876,900.620	1.100	1.062	1.784	1.28%	1,868,823.33
031162CN8	AMGEN INC	1.759	5/11/2020	5/11/2020	Baa1	565,000	565,000.000	2.619	.125	1.609	.39%	567,890.94
037833BR0	APPLE INC	2.134	2/22/2019	2/22/2019	Aa1	425,000	427,880.810	1.406	.157	1.391	.29%	429,629.04
06051GGS2	BANK OF AMERICA CORP	2.328	10/1/2021	10/1/2021	BBB+	1,770,000	1,770,016.000	4.006	3.434	2.383	1.21%	1,766,301.92
05531FAQ6	BB&T CORP	2.250	2/1/2019	2/1/2019	A2	580,000	586,816.340	1.258	1.264	1.755	.40%	583,554.05
084659AB7	BERKSHIRE HATHAWAY ENERGY CO	2.400	2/1/2020	2/3/2020	A3	1,420,000	1,439,792.020	2.256	2.229	1.978	.98%	1,433,142.84
084664CP4	BERKSHIRE HATHAWAY FINANCE CORP	1.555	1/11/2019	1/11/2019	Aa2	500,000	500,483.390	1.283	.034	1.445	.34%	501,046.92
09062XAB9	BIOGEN IDEC INC SR	6.875	3/1/2018	3/1/2018	Baa1	805,000	822,485.520	.422	.416	1.761	.56%	822,221.98
07330NAP0	BRANCH BANKING & TRUST CO	1.754	1/15/2020	1/15/2020	A1	790,000	790,000.000	2.294	.052	1.660	.54%	792,716.19
14040HBQ7	CAPITAL ONE FINANCIAL CORP	2.069	5/12/2020	5/12/2020	Baa1	620,000	620,000.000	2.539	.129	1.919	.43%	623,158.27
14912L6M8	CATERPILLAR FINANCIAL SERVICES CORP	1.800	11/13/2018	11/13/2018	A	1,410,000	1,413,270.540	1.122	1.101	1.685	.96%	1,411,781.93
17325FAD0	CITIBANK NA	1.810	6/12/2020	6/12/2020	A+	400,000	400,000.000	2.706	.209	1.679	.27%	401,909.28
172967LC3	CITIGROUP INC	2.900	12/8/2021	12/8/2021	BBB+	1,355,000	1,371,980.500	4.108	3.871	2.582	.94%	1,371,693.94
17401QAC5	CITIZENS BANK NA/PROVIDENCE RI	2.300	12/3/2018	12/3/2018	BBB+	1,100,000	1,105,491.060	1.092	1.102	1.956	.75%	1,104,118.90
202795HV5	COMMONWEALTH EDISON CO	4.000	8/1/2020	8/3/2020	A	470,000	495,464.350	2.583	2.465	2.050	.34%	492,998.98
207597ED3	CONNECTICUT LIGHT & POWER CO/THE	5.650	5/1/2018	5/1/2018	A+	890,000	911,090.940	.589	.569	1.615	.62%	910,948.82
209111ET6	CONSOLIDATED EDISON CO OF NEW YORK INC	5.850	4/1/2018	4/2/2018	A-	1,100,000	1,123,578.040	.506	.489	1.547	.77%	1,123,743.53
254010AC5	DIGNITY HEALTH	2.637	11/1/2019	11/1/2019	A	660,000	667,216.780	2.089	2.009	2.196	.45%	665,899.79
26442CAD6	DUKE ENERGY CAROLINAS LLC	5.100	4/15/2018	4/16/2018	A	1,050,000	1,072,745.750	.544	.529	1.917	.73%	1,068,003.68
31677QAV1	FIFTH THIRD BANK/CINCINNATI OH	1.450	2/28/2018	2/28/2018	A-	1,050,000	1,050,269.920	.414	.402	1.562	.72%	1,049,505.94
31677QBD0	FIFTH THIRD BANK/CINCINNATI OH	2.150	8/20/2018	8/20/2018	A-	250,000	249,982.480	.808	.809	1.567	.17%	251,164.99
375558BQ5	GILEAD SCIENCES INC	1.576	9/20/2019	9/20/2019	A3	880,000	880,000.000	1.983	.233	1.491	.60%	881,847.44
38145GAK6	GOLDMAN SACHS GROUP INC/THE	2.117	12/13/2019	12/13/2019	A3	500,000	500,000.000	2.208	.214	1.808	.34%	503,835.94

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Account #: LCEF00238B2

As of 9/30/2017

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
CORPORATES (Continued)												
38141GGQ1	GOLDMAN SACHS GROUP INC/THE	5.250	7/27/2021	7/27/2021	A3	945,000	1,037,879.700	3.828	3.471	2.524	.71%	1,038,380.05
446438RR6	HUNTINGTON NATIONAL BANK/THE	2.200	11/6/2018	11/6/2018	A3	1,310,000	1,316,951.390	1.017	1.035	1.888	.90%	1,314,164.18
24422ESF7	JOHN DEERE CAPITAL CORP	1.950	12/13/2018	12/13/2018	A	980,000	984,322.000	1.206	1.182	1.643	.67%	983,564.06
46623EKD0	JPMORGAN CHASE & CO	1.700	3/1/2018	3/1/2018	A-	700,000	700,648.910	.339	.365	1.609	.48%	700,210.00
46647PAG1	JPMORGAN CHASE & CO	1.996	6/1/2021	6/1/2021	A-	1,340,000	1,340,035.720	3.594	.184	1.896	.92%	1,346,793.80
49327M2P8	KEYBANK NA/CLEVELAND OH	1.600	8/22/2019	8/22/2019	A-	600,000	595,723.880	1.897	1.856	1.889	.41%	596,782.00
49327M2A1	KEYBANK NA/CLEVELAND OH	1.650	2/1/2018	2/1/2018	A-	1,450,000	1,451,125.930	.339	.340	1.549	.99%	1,450,471.28
55279HAA8	MANUFACTURERS & TRADERS TRUST CO	1.450	3/7/2018	3/7/2018	A	800,000	800,457.840	.439	.433	1.490	.55%	799,855.63
61747WAF6	MORGAN STANLEY	5.750	1/25/2021	1/25/2021	A3	1,095,000	1,209,526.050	3.322	3.031	2.464	.83%	1,209,060.88
61746BEH5	MORGAN STANLEY	2.109	2/14/2020	2/14/2020	A3	690,000	690,000.000	1.378	.130	1.791	.47%	693,511.30
637432MU6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2.350	6/15/2020	6/15/2020	A1	1,080,000	1,101,863.690	2.711	2.602	2.094	.74%	1,087,227.23
65339KAJ9	NEXTERA ENERGY CAPITAL HOLDINGS INC	1.649	9/1/2018	9/4/2018	BBB+	825,000	824,380.540	.922	.920	1.696	.56%	824,639.95
69353RER5	PNC BANK NA	1.850	7/20/2018	7/20/2018	A	950,000	950,913.880	.719	.750	1.641	.65%	951,490.87
69353RFD5	PNC BANK NA	1.676	5/19/2020	5/19/2020	A	545,000	545,000.000	2.642	.145	1.563	.37%	547,170.70
842434CN0	SOUTHERN CALIFORNIA GAS CO	1.550	6/15/2018	6/15/2018	AA-	410,000	409,905.800	.711	.701	1.674	.28%	409,640.15
86787EAS6	SUNTRUST BANK/ATLANTA GA	1.841	1/31/2020	1/31/2020	A-	1,000,000	1,000,000.000	2.258	.095	1.621	.69%	1,005,926.85
867914BF9	SUNTRUST BANKS INC	2.350	11/1/2018	11/1/2018	BBB+	200,000	201,125.350	1.006	1.005	1.832	.14%	201,027.13
90331HMU4	US BANK NA/CINCINNATI OH	1.450	1/29/2018	1/29/2018	AA-	1,505,000	1,505,463.590	.250	.332	1.410	1.03%	1,505,138.20
90331HMQ3	US BANK NA/CINCINNATI OH	1.350	1/26/2018	1/26/2018	AA-	650,000	649,820.020	.325	.300	1.365	.44%	649,961.10
927804FM1	VIRGINIA ELECTRIC & POWER CO	1.200	1/15/2018	1/16/2018	A2	725,000	724,220.500	.294	.296	1.607	.49%	724,127.27
94974BFV7	WELLS FARGO & CO	1.772	4/22/2019	4/22/2019	A	1,000,000	998,406.500	1.564	.066	1.614	.68%	1,003,154.51
94988J5E3	WELLS FARGO BANK NA	1.917	5/24/2019	5/24/2019	Aa2	415,000	415,703.730	1.656	1.159	1.482	.29%	418,199.80
971807AD4	WILMINGTON TRUST CORP	8.500	4/2/2018	4/2/2018	A3	415,000	427,892.090	.508	.484	2.159	.29%	428,230.76
CORPORATES TOTALS							41,681,832.170					41,677,396.88
MORTGAGES												
31402DPU8	FANNIE MAE POOL	5.000	11/1/2019	7/25/2019	Agency	155,858	157,435.020	.848	.827	1.313	.11%	160,177.69
31374CNE2	FANNIE MAE POOL	5.000	5/1/2019	5/25/2018	Agency	123,245	125,126.980	.347	.343	(2.554)	.09%	126,092.08
31403CYQ8	FANNIE MAE POOL	5.500	12/1/2019	5/25/2019	Agency	71,375	73,544.920	.781	.760	1.870	.05%	73,118.22
3128M1B99	FREDDIE MAC GOLD POOL	5.000	4/1/2021	7/15/2020	Agency	86,039	87,973.820	1.229	1.185	1.720	.06%	89,291.63
MORTGAGES TOTALS							444,080.740					448,679.62
MUNICIPALS												
032556BZ4	ANAHEIM HOUSING & PUBLIC IMPROVEMENTS AUTHORITY	1.304	10/1/2019	10/1/2019	AA-	1,410,000	1,410,000.000	2.006	1.956	1.924	.95%	1,392,882.60
13034PYC5	CALIFORNIA HOUSING FINANCE AGENCY	1.594	2/1/2018	2/1/2018	A1	1,000,000	1,000,000.000	.339	.340	1.306	.68%	1,000,960.00
13034PZF7	CALIFORNIA HOUSING FINANCE AGENCY	2.300	8/1/2020	8/3/2020	A1	1,000,000	1,000,000.000	2.839	2.731	2.031	.69%	1,007,370.00
13077CT46	CALIFORNIA STATE UNIVERSITY	2.332	11/1/2020	11/2/2020	AA-	695,000	707,929.660	3.089	2.948	1.991	.48%	702,068.15
544445AY5	CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS	1.750	5/15/2019	5/15/2019	AA	600,000	600,000.000	1.628	1.586	1.865	.41%	598,890.00
769036AY0	CITY OF RIVERSIDE CA	1.625	6/1/2019	6/3/2019	AA-	1,450,000	1,442,993.170	1.672	1.639	2.052	.98%	1,439,850.00
190335HF9	COAST COMMUNITY COLLEGE DISTRICT	1.556	8/1/2021	8/2/2021	Aa1	585,000	585,000.000	3.839	3.698	2.121	.39%	572,878.80
544587B80	MUNICIPAL IMPROVEMENT CORP OF LOS ANGELES	1.924	11/1/2017	11/1/2017	A+	1,100,000	1,100,851.550	.089	.090	1.440	.75%	1,100,462.00
842477TV3	SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY	2.029	7/1/2020	7/1/2020	AA-	600,000	610,860.840	2.756	2.656	1.977	.41%	600,828.00

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As of 9/30/2017

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
MUNICIPALS (Continued)												
13066YTY5	STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES POWER SUPPLY REVENUE	1.713	5/1/2021	5/3/2021	Aa1	1,166,577	1,166,577.400	3.282	3.151	1.982	.79%	1,156,661.49
93265PBQ1	WALNUT ENERGY CENTER AUTHORITY	4.650	1/1/2018	1/2/2018	A+	1,000,000	1,008,673.940	.256	.259	1.656	.69%	1,007,570.00
MUNICIPALS TOTALS							10,632,886.560					10,580,421.04
SOVEREIGN DEBT												
4581XOCZ9	INTER-AMERICAN DEVELOPMENT BANK	1.750	9/14/2022	9/14/2022	Aaa	750,000	739,942.500	4.958	4.718	2.110	.50%	737,358.75
45950KCA6	INTERNATIONAL FINANCE CORP	1.750	9/4/2018	9/4/2018	Aaa	2,500,000	2,517,730.550	.931	.920	1.522	1.71%	2,505,233.20
SOVEREIGN DEBT TOTALS							3,257,673.050					3,242,591.95
US TREASURIES												
912828K33	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	4/15/2020	4/15/2020	Govt	3,658,585	3,699,414.230	2.544	2.517	1.581	2.51%	3,676,531.31
912828SA9	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	1/15/2022	1/18/2022	Govt	703,008	710,689.470	4.293	4.251	1.868	.48%	705,209.46
912828VA5	UNITED STATES TREASURY NOTE/BOND	1.125	4/30/2020	4/30/2020	Govt	4,435,000	4,402,732.880	2.587	2.521	1.563	2.99%	4,385,972.45
912828H37	UNITED STATES TREASURY NOTE/BOND	.875	1/15/2018	1/16/2018	Govt	3,750,000	3,747,233.610	.293	.297	1.152	2.56%	3,746,937.41
912828VK3	UNITED STATES TREASURY NOTE/BOND	1.375	6/30/2018	7/2/2018	Govt	2,750,000	2,756,513.560	.753	.747	1.296	1.88%	2,751,611.34
912828VV9	UNITED STATES TREASURY NOTE/BOND	2.125	8/31/2020	8/31/2020	Govt	6,100,000	6,256,776.480	2.920	2.818	1.620	4.22%	6,187,449.23
912828L40	UNITED STATES TREASURY NOTE/BOND	1.000	9/15/2018	9/17/2018	Govt	4,563,000	4,572,999.710	.961	.957	1.369	3.10%	4,546,958.23
912828B58	UNITED STATES TREASURY NOTE/BOND	2.125	1/31/2021	2/1/2021	Govt	2,200,000	2,231,453.130	3.337	3.204	1.694	1.52%	2,230,593.75
912828QQ6	UNITED STATES TREASURY NOTE/BOND	2.375	5/31/2018	5/31/2018	Govt	1,425,000	1,436,368.740	.669	.658	1.309	.98%	1,435,075.19
912828UR9	UNITED STATES TREASURY NOTE/BOND	.750	2/28/2018	2/28/2018	Govt	2,400,000	2,400,000.000	.420	.414	1.198	1.64%	2,395,500.00
912828UF5	UNITED STATES TREASURY NOTE/BOND	1.125	12/31/2019	12/31/2019	Govt	13,300,000	13,313,620.020	2.253	2.207	1.512	9.00%	13,186,222.62
US TREASURIES TOTALS							45,527,801.830					45,248,060.99
FIXED INCOME TOTALS							131,463,184.700					131,079,773.47
PORTFOLIO TOTALS							146,359,731.470					146,506,854.25

WELLS CAPITAL - TIER 1
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HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
AMERICAN EXPRESS CREDIT CORP	AXP	0258M0EK1	US0258M0EK14	0258M0EK1	0.69%	\$1,008,870.33
AMERICAN HONDA FINANCE CORP	HNDA	02665WAC5	US02665WAC55	02665WAC5	1.19%	\$1,747,421.53
APPLE INC	AAPL	037833CK4	US037833CK41	037833CK4	0.94%	\$1,383,659.75
BANK OF AMERICA NA	BAC	06050TME9	US06050TME90	06050TME9	1.52%	\$2,221,594.47
BANK OF NEW YORK MELLON CORP	BK	06406HCU1	US06406HCU14	06406HCU1	0.73%	\$1,064,852.37
BERKSHIRE HATHAWAY FINANCE CORP	BRK	084664CK5	US084664CK54	084664CK5	1.02%	\$1,491,772.67
BMWLT 171 A3	BMWLT	055657AC4	US055657AC48	055657AC4	0.41%	\$602,102.10
BMWOT 16A A3	BMWOT	05582QAD9	US05582QAD97	05582QAD9	0.74%	\$1,083,579.39
BRANCH BANKING AND TRUST CO	BBT	07330NAL9	US07330NAL91	07330NAL9	1.50%	\$2,200,011.37
CALIFORNIA ST	CA	13063DAB4	US13063DAB47	13063DAB4	1.37%	\$2,013,209.00
CAPITAL ONE NA	COF	14042RBS9	US14042RBS94	14042RBS9	0.95%	\$1,391,468.40
Cash	---	CCYUSD	---	CCYUSD	-0.18%	-\$259,970.73
CCCIT 16A1 A1	CCCIT	17305EFW0	US17305EFW03	17305EFW0	1.30%	\$1,909,346.42
CHAIT 162 A	CHAIT	161571HC1	US161571HC16	161571HC1	1.36%	\$1,988,131.98
CHEVRON CORP	CVX	166764BH2	US166764BH21	166764BH2	1.30%	\$1,908,435.53
CITIBANK NA	C	17325FAA6	US17325FAA66	17325FAA6	0.69%	\$1,003,939.11
CITIBANK NA	C	17325FAE8	US17325FAE88	17325FAE8	0.58%	\$856,854.68
COAST CMNTY COLLEGE DIST CALIF	CA	190335JD2	US190335JD27	190335JD2	1.00%	\$1,461,874.13
COCA-COLA CO	KO	191216BV1	US191216BV17	191216BV1	1.09%	\$1,602,212.04
CREDIT SUISSE AG (NEW YORK BRANCH)	CS	22546QAV9	US22546QAV95	22546QAV9	0.86%	\$1,260,074.03
E I DU PONT DE NEMOURS AND CO	DD	263534CL1	US263534CL10	263534CL1	0.35%	\$507,770.78
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EGW92	US3133EGW921	3133EGW92	1.03%	\$1,503,877.50
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EHEZ2	US3133EHEZ20	3133EHEZ2	2.06%	\$3,019,541.33
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EHFL2	US3133EHFL25	3133EHFL2	0.69%	\$1,004,891.33
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EGJ48	US3133EGJ480	3133EGJ48	1.02%	\$1,495,923.75
FEDERAL HOME LOAN BANKS	FHLB	313376BR5	US313376BR50	313376BR5	2.41%	\$3,530,808.36
FEDERAL HOME LOAN BANKS	FHLB	3130ABF92	US3130ABF921	3130ABF92	2.06%	\$3,011,172.08
FEDERAL HOME LOAN BANKS	FHLB	3130A66T9	US3130A66T96	3130A66T9	3.03%	\$4,442,687.66
FEDERAL HOME LOAN BANKS	FHLB	313383HU8	US313383HU84	313383HU8	1.17%	\$1,711,826.24
FEDERAL HOME LOAN BANKS	FHLB	313380FB8	US313380FB82	313380FB8	2.04%	\$2,992,987.50
FEDERAL HOME LOAN BANKS	FHLB	313379EE5	US313379EE59	313379EE5	1.34%	\$1,962,639.63
FEDERAL HOME LOAN BANKS	FHLB	3130A9EP2	US3130A9EP21	3130A9EP2	1.01%	\$1,484,626.33
FEDERAL HOME LOAN BANKS	FHLB	3130A0JR2	US3130A0JR23	3130A0JR2	3.15%	\$4,608,648.00
FEDERAL HOME LOAN MORTGAGE CORP	FHLMC	3134G9Q75	US3134G9Q755	3134G9Q75	0.34%	\$498,015.97
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0E58	US3135G0E585	3135G0E58	1.37%	\$2,003,871.00
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0R39	US3135G0R397	3135G0R39	2.37%	\$3,474,870.39
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0T29	US3135G0T294	3135G0T29	0.56%	\$824,172.53
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0P49	US3135G0P490	3135G0P49	0.68%	\$991,118.67
FIDELITY INST : GOV PT CL I MMF	FIGXX	316175108	US3161751082	316175108	0.18%	\$268,732.07
FIFTH THIRD BANK	FITB	31677QBD0	US31677QBD07	31677QBD0	0.17%	\$251,777.15
FIFTH THIRD BANK (OHIO)	FITB	31677QBH1	US31677QBH11	31677QBH1	0.34%	\$497,014.28

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FITAT 171 A3	FITAT	31679RAD7	US31679RAD70	31679RAD7	0.42%	\$608,578.15
FREDDIE MAC	FHLMC	3137EAAA5	US3137EAAA51	3137EAAA5	1.02%	\$1,500,672.50
GEORGIA POWER CO	SO	373334KG5	US373334KG57	373334KG5	1.30%	\$1,901,958.06
GOLDMAN SACHS GROUP INC	GS	38145XAA1	US38145XAA19	38145XAA1	0.97%	\$1,418,310.48
HAROT 163 A3	HAROT	438124AC3	US438124AC33	438124AC3	1.22%	\$1,793,219.20
HAROT 173 A3	HAROT	43814PAC4	US43814PAC41	43814PAC4	0.18%	\$259,757.61
HAWAII ST	HI	419792SM9	US419792SM99	419792SM9	1.69%	\$2,471,218.68
HDMOT 16A A3	HDMOT	41284DAC6	US41284DAC65	41284DAC6	1.36%	\$1,995,514.11
HSBC USA INC (NEW)	HSBC	40428HPJ5	US40428HPJ58	40428HPJ5	1.52%	\$2,222,040.52
INTEL CORP	INTC	458140AQ3	US458140AQ35	458140AQ3	1.05%	\$1,533,603.67
INTER-AMERICAN DEVELOPMENT BANK	IADB	4581X0CX4	US4581X0CX43	4581X0CX4	1.03%	\$1,507,158.71
INTERCONTINENTALEXCHANGE INC	ICE	45866FAB0	US45866FAB04	45866FAB0	0.35%	\$510,063.89
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	IBRD	459058GA5	US459058GA50	459058GA5	1.36%	\$1,994,992.89
JDOT 16B A3	JDOT	47788NAC2	US47788NAC20	47788NAC2	0.68%	\$996,318.56
JOHN DEERE CAPITAL CORP	DE	24422ETJ8	US24422ETJ81	24422ETJ8	0.68%	\$995,660.22
JPMORGAN CHASE & CO	JPM	46625HQU7	US46625HQU76	46625HQU7	1.44%	\$2,102,892.75
LOS ANGELES CALIF WASTEWATER SYS REV	CA	53945CGW4	US53945CGW47	53945CGW4	0.80%	\$1,167,135.19
MANUFACTURERS AND TRADERS TRUST CO	MTB	55279HAG5	US55279HAG56	55279HAG5	0.96%	\$1,412,863.20
MARIN CALIF CMNTY COLLEGE DIST	CA	56781RGL5	US56781RGL50	56781RGL5	0.34%	\$500,094.17
MBART 161 A3	MBART	58769BAD6	US58769BAD64	58769BAD6	1.36%	\$1,990,392.80
MICROSOFT CORP	MSFT	594918BF0	US594918BF05	594918BF0	0.24%	\$356,325.02
MORGAN STANLEY	MS	61746BDX1	US61746BDX10	61746BDX1	0.76%	\$1,112,170.77
MUFG UNION BANK NA	UNBC	90521APJ1	US90521APJ15	90521APJ1	1.23%	\$1,805,652.80
NALT 17A A3	NALT	65479AAD4	US65479AAD46	65479AAD4	0.51%	\$751,590.07
NAROT 16C A3	NAROT	65478WAD7	US65478WAD74	65478WAD7	0.85%	\$1,241,655.18
OREGON ST DEPT ADMINISTRATIVE SVCS LOTTERY REV	OR	68607VS71	US68607VS710	68607VS71	0.69%	\$1,006,212.00
PNC BANK NA	PNC	69353RFC7	US69353RFC79	69353RFC7	1.37%	\$2,013,322.67
QUALCOMM INC	QCOM	747525AP8	US747525AP86	747525AP8	0.16%	\$228,353.78
Receivable	---	CCYUSD	---	CCYUSD	0.01%	\$21,967.54
SAN DIEGO CNTY CALIF PENSION OBLIG	CA	797398DH4	US797398DH41	797398DH4	1.10%	\$1,610,154.58
SAN FRANCISCO CALIF CITY & CNTY REDEV AGY SUCCESSO	CA	79770GFG6	US79770GFG64	79770GFG6	0.41%	\$601,379.00
SMAT 162US A3A	SMAT	83191GAD1	US83191GAD16	83191GAD1	1.42%	\$2,079,011.55
SOUTHERN CALIF PUB PWR AUTH REV	CA	84247PHT1	US84247PHT12	84247PHT1	1.72%	\$2,523,955.60
TAOT 16B A3	TAOT	89231UAD9	US89231UAD90	89231UAD9	0.48%	\$698,842.95
TAOT 16C A3	TAOT	89237WAD9	US89237WAD92	89237WAD9	0.82%	\$1,194,725.60
TAOT 16D A3	TAOT	89231LAD9	US89231LAD91	89231LAD9	0.20%	\$298,425.29
TOYOTA MOTOR CREDIT CORP	TOYOTA	89236TDE2	US89236TDE29	89236TDE2	1.30%	\$1,901,173.14
UNITED STATES TREASURY	UST	912828R44	US912828R440	912828R44	4.21%	\$6,164,306.77
UNITED STATES TREASURY	UST	912828A75	US912828A750	912828A75	1.37%	\$2,009,769.52
UNITED STATES TREASURY	UST	9128282V1	US9128282V18	9128282V1	2.78%	\$4,074,144.31
UNITED STATES TREASURY	UST	912828T83	US912828T834	912828T83	2.58%	\$3,781,116.32
UNITED STATES TREASURY	UST	912828XS4	US912828XS49	912828XS4	0.68%	\$1,001,075.82

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UNITED STATES TREASURY	UST	9128282T6	US9128282T61	9128282T6	0.49%	\$722,689.02
UNITED STATES TREASURY	UST	912828ST8	US912828ST86	912828ST8	1.51%	\$2,205,147.95
UNITED STATES TREASURY	UST	912828Q52	US912828Q525	912828Q52	3.40%	\$4,977,621.50
UNIVERSITY CALIF REVS	CA	91412GSB2	US91412GSB22	91412GSB2	1.03%	\$1,507,905.00
US BANK NA	USB	90331HML4	US90331HML41	90331HML4	1.39%	\$2,031,982.50
WALT DISNEY CO	DIS	25468PDL7	US25468PDL76	25468PDL7	0.44%	\$641,386.29
YUBA CALIF LEVEE FING AUTH REV	CA	988211BL1	US988211BL13	988211BL1	0.68%	\$1,000,561.67

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
CASH & CASH EQUIVALENTS												
CASH												
06371ELH8	BANK OF MONTREAL IN	1.270	10/24/2017	10/24/2017	A-1	1,000,000	1,000,000.000	.069	.068	1.268	1.03%	1,000,000.00
60683BBF9	MITSUBISHI TR & BKG	1.210	10/20/2017	10/20/2017	F1	950,000	950,000.000	.058	.057	1.210	.98%	950,000.00
NA9123459	US DOLLARS	1.232	10/2/2017		Agency	4,935,898	4,935,898.400	0.000	-	1.232	5.07%	4,935,898.40
USD120030	USD INTEREST RECEIVABLE	-				365,034	0.000	-	-	-	.37%	365,034.19
USD220010	USD PAYABLE FOR INVESTMENTS PURCHASED	-				(7,501,133)	(7,501,132.850)	-	-	-	(7.70%)	(7,501,132.85)
USD120010	USD RECEIVABLE FOR INVESTMENTS SOLD	-				2,897,896	2,897,895.620	-	-	-	2.98%	2,897,895.62
CASH TOTALS							2,282,661.170					2,647,695.36
CASH & CASH EQUIVALENTS TOTALS							2,282,661.170					2,647,695.36
FIXED INCOME												
AGENCIES												
3137EAC5	FEDERAL HOME LOAN MORTGAGE CORP	3.750	3/27/2019	3/27/2019	Agency	1,425,000	1,464,406.010	1.494	1.452	1.503	1.51%	1,472,143.28
AGENCIES TOTALS							1,464,406.010					1,472,143.28
ASSET BACKED												
05522RCT3	BA CREDIT CARD TRUST	1.564	6/15/2020	1/16/2018	AAA	1,250,000	1,249,071.720	.297	.046	1.299	1.29%	1,251,098.63
05582XAD4	BMW VEHICLE LEASE TRUST 2016-2	1.430	9/20/2019	3/20/2019	AAA	710,000	709,938.190	1.155	1.136	1.704	.73%	707,824.42
17305EFF7	CITIBANK CREDIT CARD ISSUANCE TRUST	1.665	9/10/2020	9/10/2018	Aaa	1,040,000	1,040,284.490	.947	.032	1.286	1.07%	1,043,951.79
36159LCR5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.736	1/21/2020	1/22/2018	Aaa	430,000	429,860.080	.308	.057	1.450	.44%	430,462.68
47787XAC1	JOHN DEERE OWNER TRUST 2017	1.780	4/15/2021	6/15/2020	Aaa	300,000	299,968.210	1.827	1.780	1.788	.31%	299,993.13
58769AAD8	MERCEDES BENZ AUTO LEASE TRUST 2015-B	1.340	7/16/2018	12/15/2017	AAA	412,059	412,062.230	.133	.132	1.433	.42%	412,010.32
58769DAD2	MERCEDES-BENZ AUTO LEASE TRUST 2017-A	1.790	4/15/2020	6/15/2019	AAA	935,000	934,981.840	1.431	1.400	1.715	.96%	936,076.09
65479AAB8	NISSAN AUTO LEASE TRUST 2017-A	1.640	9/16/2019	5/15/2019	Aaa	1,200,000	1,199,944.940	1.089	1.069	1.669	1.23%	1,199,702.28
65475WAD0	NISSAN AUTO RECEIVABLES 2015-B OWNER TRUST	1.340	3/16/2020	2/15/2019	Aaa	665,313	664,797.930	.605	.597	1.536	.68%	664,548.25
ASSET BACKED TOTALS							6,940,909.630					6,945,667.59
CMBS												
3136A7L26	FANNIE MAE-ACES	1.513	12/25/2017	10/25/2017	Agency	120,742	120,534.010	.072	.071	1.182	.12%	120,649.03
3136AC3C3	FANNIE MAE-ACES	1.451	2/25/2018	2/25/2018	Agency	351,366	350,142.710	.357	.355	1.402	.36%	351,092.79
3137AH6Q6	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.412	8/25/2018	8/25/2018	Aaa	582,193	585,849.580	.749	.735	1.768	.60%	584,073.25
3137AXHP1	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	2.573	9/25/2022	9/25/2022	Agency	1,100,000	1,116,864.060	4.889	4.553	2.275	1.14%	1,113,788.94
CMBS TOTALS							2,173,390.360					2,169,604.01
CMOS												
31393BF91	FANNIE MAE REMICS	5.000	5/25/2018	4/25/2018	Agency	12,135	12,039.280	.269	.265	2.440	.01%	12,177.46
31398M5L6	FANNIE MAE REMICS	3.750	8/25/2018	7/25/2018	Agency	39,841	39,831.440	.396	.390	1.482	.04%	40,097.69
31392GPN9	FANNIE MAE REMICS	5.000	1/25/2018	12/25/2017	Agency	6,593	6,507.180	.143	.141	1.757	.01%	6,601.10
31396YXB3	FANNIE MAE REMICS	4.000	12/25/2018	5/25/2018	Agency	26,673	26,466.880	.347	.342	1.776	.03%	26,807.59
31398GZS1	FANNIE MAE REMICS	2.500	12/25/2018	8/25/2018	Agency	20,477	20,392.970	.337	.333	1.994	.02%	20,478.52
31398VUA2	FREDDIE MAC REMICS	2.000	3/15/2019	1/15/2019	Agency	182,187	181,784.610	.490	.482	1.949	.19%	182,097.43
31398WLZ5	FREDDIE MAC REMICS	2.000	11/15/2018	10/15/2018	Agency	13,489	13,443.500	.298	.294	1.995	.01%	13,479.27
31393GWV2	FREDDIE MAC REMICS	5.000	12/15/2017	12/15/2017	Agency	7,972	7,991.700	.125	.124	1.560	.01%	7,991.19

CalOptima (The Orange County Health Authority)

Account #: LCEF0023802

As of 9/30/2017

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
CMOS (Continued)												
3137A1LC5	FREDDIE MAC REMICS	2.000	8/15/2020	12/15/2019	Agency	101,063	100,928.340	1.038	1.018	1.786	.10%	101,212.77
31393NDD8	FREDDIE MAC REMICS	5.000	3/15/2018	3/15/2018	Agency	9,221	9,142.090	.221	.219	2.220	.01%	9,259.94
62888WAA4	NON GUARANTEED NOT V	1.791	12/8/2020	11/5/2020	Aaa	445,321	446,506.810	2.314	.085	1.724	.46%	446,234.80
CMOS TOTALS							865,034.800					866,437.76
CORPORATES												
0258M0EF2	AMERICAN EXPRESS CREDIT CORP	1.746	3/3/2020	3/3/2020	A2	555,000	555,000.000	2.353	.186	1.688	.57%	556,268.82
0258M0DZ9	AMERICAN EXPRESS CREDIT CORP	1.875	11/5/2018	11/5/2018	A2	440,000	439,988.240	1.100	1.062	1.784	.45%	440,429.71
0258M0DP1	AMERICAN EXPRESS CREDIT CORP	2.250	8/15/2019	8/15/2019	A2	650,000	649,547.250	1.878	1.828	1.798	.67%	655,398.26
03076CAE6	AMERIPRISE FINANCIAL INC	5.300	3/15/2020	3/16/2020	A3	605,000	645,589.780	2.461	2.321	2.149	.67%	650,457.84
031162CN8	AMGEN INC	1.759	5/11/2020	5/11/2020	Baa1	375,000	375,000.000	2.619	.125	1.609	.39%	376,918.77
06051GGS2	BANK OF AMERICA CORP	2.328	10/1/2021	10/1/2021	BBB+	645,000	645,000.000	4.006	3.434	2.383	.66%	643,652.40
06051GEM7	BANK OF AMERICA CORP	5.700	1/24/2022	1/24/2022	BBB+	590,000	667,005.400	4.319	3.847	2.605	.68%	664,127.59
05531FAU7	BB&T CORP	2.625	6/29/2020	6/29/2020	A2	850,000	857,799.170	2.664	2.631	1.996	.89%	863,855.16
084659AB7	BERKSHIRE HATHAWAY ENERGY CO	2.400	2/1/2020	2/3/2020	A3	750,000	758,613.180	2.256	2.229	1.978	.78%	756,941.64
09062XAB9	BIOGEN IDEC INC SR	6.875	3/1/2018	3/1/2018	Baa1	505,000	515,464.060	.422	.416	1.761	.53%	515,803.85
07330NAP0	BRANCH BANKING & TRUST CO	1.754	1/15/2020	1/15/2020	A1	525,000	525,000.000	2.294	.052	1.660	.54%	526,805.07
14040HBQ7	CAPITAL ONE FINANCIAL CORP	2.069	5/12/2020	5/12/2020	Baa1	410,000	410,000.000	2.539	.129	1.919	.42%	412,088.54
14912L6M8	CATERPILLAR FINANCIAL SERVICES CORP	1.800	11/13/2018	11/13/2018	A	650,000	651,637.000	1.122	1.101	1.685	.67%	650,821.46
17325FAD0	CITIBANK NA	1.810	6/12/2020	6/12/2020	A+	300,000	300,000.000	2.706	.209	1.679	.31%	301,431.96
172967LC3	CITIGROUP INC	2.900	12/8/2021	12/8/2021	BBB+	900,000	911,275.900	4.108	3.871	2.582	.94%	911,088.23
172967HM6	CITIGROUP INC	2.550	4/8/2019	4/8/2019	BBB+	880,000	884,467.250	1.525	1.474	1.974	.91%	887,577.66
17401QAC5	CITIZENS BANK NA/PROVIDENCE RI	2.300	12/3/2018	12/3/2018	BBB+	950,000	951,679.990	1.092	1.102	1.956	.98%	953,557.23
202795HV5	COMMONWEALTH EDISON CO	4.000	8/1/2020	8/3/2020	A	480,000	505,773.180	2.583	2.465	2.050	.52%	503,488.32
209111ET6	CONSOLIDATED EDISON CO OF NEW YORK INC	5.850	4/1/2018	4/2/2018	A-	250,000	254,722.950	.506	.489	1.547	.26%	255,396.26
254010AC5	DIGNITY HEALTH	2.637	11/1/2019	11/1/2019	A	410,000	414,519.270	2.089	2.009	2.196	.42%	413,665.02
31677QAV1	FIFTH THIRD BANK/CINCINNATI OH	1.450	2/28/2018	2/28/2018	A-	500,000	499,437.780	.414	.402	1.562	.51%	499,764.74
31677QBG3	FIFTH THIRD BANK/CINCINNATI OH	2.250	6/14/2021	6/14/2021	A-	715,000	724,169.120	3.708	3.492	2.249	.73%	715,015.87
375558BQ5	GILEAD SCIENCES INC	1.576	9/20/2019	9/20/2019	A3	585,000	585,000.000	1.983	.233	1.491	.60%	586,228.13
38145GAK6	GOLDMAN SACHS GROUP INC/THE	2.117	12/13/2019	12/13/2019	A3	575,000	577,998.950	2.208	.214	1.808	.60%	579,411.33
38141GGQ1	GOLDMAN SACHS GROUP INC/THE	5.250	7/27/2021	7/27/2021	A3	650,000	715,044.100	3.828	3.471	2.524	.73%	714,229.67
446438RV7	HUNTINGTON NATIONAL BANK/THE	1.827	3/10/2020	3/10/2020	A3	450,000	450,000.000	2.453	.210	1.602	.47%	452,849.13
446438RR6	HUNTINGTON NATIONAL BANK/THE	2.200	11/6/2018	11/6/2018	A3	460,000	462,757.130	1.017	1.035	1.888	.47%	461,462.23
46625HJE1	JPMORGAN CHASE & CO	3.250	9/23/2022	9/23/2022	A-	920,000	949,746.920	4.983	4.598	2.523	.98%	951,114.98
46647PAG1	JPMORGAN CHASE & CO	1.996	6/1/2021	6/1/2021	A-	795,000	795,000.000	3.594	.184	1.896	.82%	799,030.65
49327M2T0	KEYBANK NA/CLEVELAND OH	2.300	9/14/2022	9/14/2022	A-	1,675,000	1,662,353.750	4.958	4.662	2.508	1.70%	1,658,868.19
55279HAL4	MANUFACTURERS & TRADERS TRUST CO	2.500	5/18/2022	5/18/2022	A	900,000	905,049.000	4.553	4.291	2.419	.93%	903,133.65
55279HAA8	MANUFACTURERS & TRADERS TRUST CO	1.450	3/7/2018	3/7/2018	A	500,000	499,636.240	.439	.433	1.490	.51%	499,909.77
61747WAF6	MORGAN STANLEY	5.750	1/25/2021	1/25/2021	A3	730,000	806,350.700	3.322	3.031	2.464	.83%	806,040.59
637432MU6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2.350	6/15/2020	6/15/2020	A1	810,000	825,900.780	2.711	2.602	2.094	.84%	815,420.42
69353RDD7	PNC BANK NA	2.250	7/2/2019	7/2/2019	A	620,000	622,069.120	1.675	1.659	1.794	.64%	624,637.02
86787EAS6	SUNTRUST BANK/ATLANTA GA	1.841	1/31/2020	1/31/2020	A-	660,000	660,000.000	2.258	.095	1.621	.68%	663,911.72
87236YAE8	TD AMERITRADE HOLDING CORP	2.950	4/1/2022	4/1/2022	A2	880,000	897,466.500	4.339	4.075	2.448	.92%	898,100.03
91324PBJ0	UNITEDHEALTH GROUP INC	6.000	2/15/2018	2/15/2018	A-	725,000	736,508.660	.378	.378	1.687	.76%	736,703.23
91159HHE3	US BANCORP	1.950	11/15/2018	11/15/2018	A+	366,000	366,981.320	1.044	1.054	1.549	.38%	367,513.64

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
CORPORATES (Continued)												
92343VDC6	VERIZON COMMUNICATIONS INC	1.750	8/15/2021	8/16/2021	BBB+	800,000	794,816.630	3.878	3.706	2.323	.80%	783,076.41
927804FM1	VIRGINIA ELECTRIC & POWER CO	1.200	1/15/2018	1/16/2018	A2	480,000	479,482.860	.294	.296	1.607	.49%	479,422.20
949748GR5	WELLS FARGO & CO	2.550	12/7/2020	12/7/2020	A	950,000	971,912.340	3.189	3.032	2.174	.99%	960,930.88
971807AD4	WILMINGTON TRUST CORP	8.500	4/2/2018	4/2/2018	A3	275,000	286,797.520	.508	.484	2.159	.29%	283,767.37
98389BAS9	XCEL ENERGY INC	2.400	3/15/2021	3/15/2021	BBB+	750,000	767,119.370	3.378	3.269	2.239	.77%	753,898.28
CORPORATES TOTALS							28,959,681.410					28,934,213.92
MORTGAGES												
31374CNE2	FANNIE MAE POOL	5.000	5/1/2019	5/25/2018	Agency	176,351	178,971.150	.347	.343	(2.554)	.19%	180,425.35
31381Q6B7	FANNIE MAE POOL	4.295	6/1/2021	6/25/2021	Agency	1,174,328	1,269,602.290	3.707	3.405	2.381	1.29%	1,253,640.34
3138EJRP5	FANNIE MAE POOL	4.380	6/1/2021	5/25/2021	Agency	904,116	979,472.390	3.521	3.241	2.319	.99%	966,538.31
31385XBG1	FANNIE MAE POOL	6.000	3/1/2018	10/25/2017	Agency	44	43.050	.072	.071	.090	0%	43.72
31371KVC2	FANNIE MAE POOL	5.500	11/1/2017	10/25/2017	Agency	587	580.240	.072	.071	2.783	0%	586.32
31391WS93	FANNIE MAE POOL	5.500	11/1/2017	11/25/2017	Agency	528	520.280	.113	.112	1.836	0%	528.46
31294KUP8	FREDDIE MAC GOLD POOL	5.000	11/1/2018	9/15/2018	Agency	21,225	21,118.430	.467	.460	(.790)	.02%	21,759.25
36200MPV9	GINNIE MAE I POOL	4.500	7/15/2018	5/15/2018	Govt	4,103	4,087.290	.333	.328	.963	0%	4,144.16
36200MMZ3	GINNIE MAE I POOL	4.500	6/15/2018	4/15/2018	Govt	7,106	7,066.840	.292	.288	.682	.01%	7,173.00
MORTGAGES TOTALS							2,461,461.960					2,434,838.91
MUNICIPALS												
032556BZ4	ANAHEIM HOUSING & PUBLIC IMPROVEMENTS AUTHORITY	1.304	10/1/2019	10/1/2019	AA-	1,010,000	1,010,000.000	2.006	1.956	1.924	1.02%	997,738.60
03667PEB4	ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT	1.954	8/1/2018	8/1/2018	Aa2	345,000	345,000.000	.839	.827	1.689	.36%	345,755.55
072031AF4	BAY AREA WATER SUPPLY & CONSERVATION AGENCY	1.914	10/1/2019	10/1/2019	Aa3	150,000	150,209.840	2.006	1.942	1.828	.15%	150,253.50
13034PUF2	CALIFORNIA HOUSING FINANCE AGENCY	2.379	8/1/2020	8/3/2020	A1	450,000	448,308.210	2.839	2.733	2.031	.47%	454,288.50
13034PZH3	CALIFORNIA HOUSING FINANCE AGENCY	2.512	8/1/2021	8/2/2021	A1	675,000	675,000.000	3.839	3.630	2.230	.70%	681,939.00
13077CT46	CALIFORNIA STATE UNIVERSITY	2.332	11/1/2020	11/2/2020	AA-	495,000	504,067.250	3.089	2.948	1.991	.51%	500,034.15
13077CT38	CALIFORNIA STATE UNIVERSITY	1.982	11/1/2019	11/1/2019	AA-	245,000	245,000.000	2.089	2.024	1.891	.25%	245,453.25
156792GT4	CERRITOS COMMUNITY COLLEGE DISTRICT	2.165	8/1/2019	8/1/2019	Aa2	175,000	175,000.000	1.839	1.791	1.899	.18%	175,834.75
45656RCK6	CITY OF INDUSTRY CA	2.500	1/1/2020	1/2/2020	A1	230,000	229,815.760	2.256	2.180	2.435	.24%	230,322.00
544445AZ2	CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS	2.092	5/15/2020	5/15/2020	AA	715,000	715,000.000	2.628	2.527	2.131	.73%	714,277.85
190335HF9	COAST COMMUNITY COLLEGE DISTRICT	1.556	8/1/2021	8/2/2021	Aa1	415,000	415,000.000	3.839	3.698	2.121	.42%	406,401.20
70914PPE6	COMMONWEALTH OF PENNSYLVANIA	4.250	7/15/2020	7/15/2020	Aa3	500,000	527,857.970	2.794	2.623	2.030	.54%	529,995.00
452650JD7	IMPERIAL IRRIGATION DISTRICT ELECTRIC SYSTEM REVENUE	1.320	11/1/2019	11/1/2019	AA-	655,000	653,666.060	2.089	2.040	2.077	.66%	644,913.00
54473ERR7	LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY	2.560	12/1/2019	12/2/2019	Aa2	305,000	305,506.260	2.172	2.095	2.085	.32%	308,056.10
630360EJ0	NAPA VLY CA CMNTY C	1.776	8/1/2018	8/1/2018	AA-	600,000	600,000.000	.839	.828	1.558	.62%	601,080.00
661334DS8	NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT/CA	1.540	8/1/2018	8/1/2018	Aa1	165,000	164,790.920	.839	.828	1.485	.17%	165,074.25
683042AC9	ONTARIO INTERNATIONAL AIRPORT AUTHORITY	1.818	5/15/2019	5/15/2019	A-	490,000	490,000.000	1.628	1.584	2.323	.50%	486,065.30
76886PFB4	RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION	2.848	8/1/2020	8/3/2020	Aa2	355,000	361,295.820	2.839	2.718	2.040	.37%	362,866.80

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
MUNICIPALS (Continued)												
83412PDW9	SOLANO COUNTY COMMUNITY COLLEGE DISTRICT	1.840	8/1/2018	8/1/2018	Aa3	600,000	600,000.000	.839	.828	1.617	.62%	601,104.00
842477TV3	SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY	2.029	7/1/2020	7/1/2020	AA-	780,000	793,952.860	2.756	2.656	1.977	.80%	781,076.40
13066YTY5	STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES POWER SUPPLY REVENUE	1.713	5/1/2021	5/3/2021	Aa1	831,863	831,863.210	3.282	3.151	1.982	.85%	824,792.37
649791CJ7	STATE OF NEW YORK	4.290	3/1/2019	3/1/2019	AA+	225,000	231,992.330	1.422	1.377	1.664	.24%	233,268.75
932889VJ4	WALNUT VALLEY UNIFIED SCHOOL DISTRICT	2.000	8/1/2018	8/1/2018	Aa2	285,000	285,568.820	.839	.827	1.492	.29%	286,199.85
MUNICIPALS TOTALS							10,758,895.310					10,726,790.17
SOVEREIGN DEBT												
4581XOCZ9	INTER-AMERICAN DEVELOPMENT BANK	1.750	9/14/2022	9/14/2022	Aaa	1,000,000	986,590.000	4.958	4.718	2.110	1.01%	983,145.00
459058DL4	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	1.875	3/15/2019	3/15/2019	AAA	725,000	729,486.190	1.461	1.432	1.534	.75%	728,553.23
SOVEREIGN DEBT TOTALS							1,716,076.190					1,711,698.23
US TREASURIES												
912828SA9	UNITED STATES TREASURY INFLATION INDEXED BONDS	.125	1/15/2022	1/18/2022	Govt	1,941,382	1,953,022.850	4.293	4.251	1.868	2.00%	1,947,463.05
912828VA5	UNITED STATES TREASURY NOTE/BOND	1.125	4/30/2020	4/30/2020	Govt	1,280,000	1,266,146.780	2.587	2.521	1.563	1.30%	1,265,850.00
912828S76	UNITED STATES TREASURY NOTE/BOND	1.125	7/31/2021	8/2/2021	Govt	4,900,000	4,779,585.800	3.837	3.726	1.784	4.91%	4,780,753.89
912828B58	UNITED STATES TREASURY NOTE/BOND	2.125	1/31/2021	2/1/2021	Govt	6,520,000	6,676,247.040	3.337	3.204	1.694	6.79%	6,610,668.75
912828J43	UNITED STATES TREASURY NOTE/BOND	1.750	2/28/2022	2/28/2022	Govt	4,555,000	4,482,304.140	4.420	4.221	1.866	4.66%	4,532,580.84
912828L99	UNITED STATES TREASURY NOTE/BOND	1.375	10/31/2020	11/2/2020	Govt	5,000,000	4,960,874.480	3.087	2.994	1.651	5.09%	4,958,593.75
912828N55	UNITED STATES TREASURY NOTE/BOND	1.000	12/31/2017	1/2/2018	Govt	2,000,000	1,999,531.250	.253	.259	1.145	2.05%	1,999,254.04
912828VV9	UNITED STATES TREASURY NOTE/BOND	2.125	8/31/2020	8/31/2020	Govt	6,130,000	6,230,252.380	2.920	2.818	1.620	6.39%	6,217,879.31
912828VK3	UNITED STATES TREASURY NOTE/BOND	1.375	6/30/2018	7/2/2018	Govt	2,200,000	2,204,764.690	.753	.747	1.296	2.26%	2,201,289.07
912828UF5	UNITED STATES TREASURY NOTE/BOND	1.125	12/31/2019	12/31/2019	Govt	4,975,000	4,982,162.770	2.253	2.207	1.512	5.07%	4,932,440.42
US TREASURIES TOTALS							39,534,892.180					39,446,773.12
FIXED INCOME TOTALS							94,874,747.850					94,708,166.99
PORTFOLIO TOTALS							97,157,409.020					97,355,862.35

CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
Cash							
	CASH OR STIF	USD	4,858,152.66	4,858,152.66	0.00	1.000	1.00%
Total for Cash			4,858,152.66	4,858,152.66	0.00		1.00%
Money Markets							
3,800,000.000	WESTPAC BANKING NY YCD	96121TX52	3,800,000.00	3,800,045.45	45.45	100.001	0.79%
	Mat: 10/3/17 Cpn: 1.36%		0.00	52,110.67			
	Moody's: P-1 S&P: A-1+ Fitch: F1+						
	Tr Date: 9/29/16 St Date: 10/3/16						
5,700,000.000	SUMITOMO MITSUI NY YCD	86563YZE6	5,700,000.00	5,700,052.44	52.44	100.001	1.17%
	Mat: 10/5/17 Cpn: 1.27%		0.00	17,695.33			
	Moody's: P-1 S&P: A-1 Fitch: F1						
	Tr Date: 7/3/17 St Date: 7/5/17						
30,000,000.000	FHLB DISCOUNT NOTE	313385MQ6	29,954,950.00	29,955,550.00	600.00	99.985	6.16%
	Mat: 10/6/17 Cpn: 0.00%		0.00	40,800.00			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 8/11/17 St Date: 8/14/17						
8,000,000.000	FHLB DISCOUNT NOTE	313385MV5	7,995,023.11	7,995,311.56	288.45	99.973	1.64%
	Mat: 10/11/17 Cpn: 0.00%		0.00	2,714.67			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 9/18/17 St Date: 9/19/17						
5,000,000.000	SVENSKA HANDELSBANKEN NY YCD	86958JMD8	4,999,999.85	4,999,994.65	(5.20)	100.000	1.03%
	Mat: 10/24/17 Cpn: 1.23%		19,736.11	27,222.22			
	Moody's: P-1 S&P: A-1+ Fitch: F1+						
	Tr Date: 8/17/17 St Date: 8/18/17						
6,000,000.000	FHLB DISCOUNT NOTE	313385NS1	5,990,775.00	5,991,004.33	229.33	99.913	1.23%
	Mat: 11/1/17 Cpn: 0.00%		0.00	3,929.17			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 9/7/17 St Date: 9/8/17						
10,000,000.000	FAMC DISCOUNT NOTE	31315LNU8	9,949,644.44	9,950,085.50	441.06	99.907	2.05%
	Mat: 11/3/17 Cpn: 0.00%		0.00	40,913.89			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 5/10/17 St Date: 5/11/17						
1,000,000.000	CREDIT AGRICOLE NY YCD	22534HN64	1,000,016.03	999,990.65	(25.38)	99.999	0.21%
	Mat: 12/1/17 Cpn: 1.29%		967.50	1,146.67			
	Moody's: P-1 S&P: A-1 Fitch: F1						
	Tr Date: 9/25/17 St Date: 9/26/17						



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Portfolio 2480

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
5,000,000.000	FHLMC DISCOUNT NOTE Mat: 12/1/17 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 9/13/17 St Date: 9/14/17	313397PY1	4,988,841.67 0.00	4,989,074.17 2,431.94	232.50	99.827	1.02%
20,000,000.000	U.S. TREASURY BILL Mat: 1/4/18 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/8/17 St Date: 8/8/17	912796LC1	19,913,828.33 0.00	19,915,535.00 31,230.00	1,706.67	99.731	4.10%
4,000,000.000	MIZUHO BANK YCD Mat: 1/5/18 Cpn: 1.30% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 9/5/17 St Date: 9/6/17	60700AFQ2	4,000,000.00 0.00	3,999,522.48 3,611.11	(477.52)	99.988	0.82%
3,800,000.000	SWEDBANK NY YCD Mat: 1/23/18 Cpn: 1.31% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 7/27/17 St Date: 7/28/17	87019UU56	3,800,000.00 0.00	3,799,196.30 8,988.06	(803.70)	99.979	0.78%
32,040,000.000	U.S. TREASURY BILL Mat: 2/1/18 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/31/17 St Date: 2/2/17	912796LJ6	31,830,767.40 0.00	31,824,767.04 99,036.90	(6,000.36)	99.635	6.55%
3,800,000.000	BANK OF TOKYO-MITSUBISHI YCD Mat: 2/2/18 Cpn: 1.39% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 8/29/17 St Date: 8/30/17	06539RDL8	3,800,000.00 0.00	3,800,004.45 4,695.11	4.45	100.000	0.78%
6,000,000.000	U.S. TREASURY BILL Mat: 2/8/18 Cpn: 0.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 9/13/17 St Date: 9/14/17	912796NR6	5,974,152.50 0.00	5,973,737.67 2,989.17	(414.83)	99.609	1.23%
4,000,000.000	NORDEA BANK NY YCD Mat: 2/15/18 Cpn: 1.32% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 9/7/17 St Date: 9/8/17	65590ALF1	4,000,000.00 0.00	3,998,681.76 3,373.33	(1,318.24)	99.967	0.82%
3,800,000.000	TOYOTA MOTOR CREDIT CP Mat: 3/1/18 Cpn: 0.00% Moody's: P-1 S&P: A-1+ Fitch: F1 Tr Date: 9/5/17 St Date: 9/6/17	89233HC10	3,775,105.78 0.00	3,773,758.04 3,536.11	(1,347.74)	99.399	0.78%
3,800,000.000	BANK OF NOVA SCOTIA HOUSTON YCD Mat: 3/16/18 Cpn: 1.39% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 9/6/17 St Date: 9/7/17	06417GYD4	3,800,000.00 0.00	3,799,031.95 3,521.33	(968.05)	99.975	0.78%



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Portfolio 2480

Portfolio Positions

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Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
3,800,000.000	BNP PARIBAS NY YCD Mat: 3/20/18 Cpn: 1.43% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 9/12/17 St Date: 9/13/17	05582WE91	3,800,000.00 0.00	3,799,636.45 2,717.00	(363.55)	99.990	0.78%
5,800,000.000	DNB NOR BANK YCD Mat: 4/3/18 Cpn: 1.41% Moody's: P-1 S&P: A-1 Fitch: Tr Date: 9/27/17 St Date: 9/28/17	23340Q4A8	5,800,000.00 0.00	5,756,266.31 681.50	(43,733.69)	99.246	1.18%
3,800,000.000	COOPERATIEVE RABOBANK FRN YCD Mat: 4/11/18 Cpn: 1.36% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 9/7/17 St Date: 9/11/17	21684B2Y9	3,800,000.00 0.00	3,799,240.00 2,860.56	(760.00)	99.980	0.78%
3,800,000.000	TORONTO DOMINION NY YCD FRN Mat: 4/27/18 Cpn: 1.38% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 8/2/17 St Date: 8/3/17	89113XAH7	3,800,000.00 0.00	3,800,000.00 8,597.82	0.00	100.000	0.78%
Total for Money Markets			172,473,104.11 20,703.61	172,420,486.19 364,802.56	(52,617.92)		35.47%

Treasuries

10,000,000.000	U.S. TREASURY NOTE Mat: 2/28/18 Cpn: 0.75% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 2/21/17 St Date: 2/22/17	912828UR9	9,982,812.50 36,256.91	9,983,200.10 6,422.65	387.60	99.832	2.05%
10,000,000.000	U.S. TREASURY NOTE Mat: 5/15/18 Cpn: 1.00% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 5/10/17 St Date: 5/11/17	912828XA3	9,980,859.38 48,895.03	9,985,900.10 37,771.74	5,040.72	99.859	2.06%
27,000,000.000	U.S. TREASURY NOTE Mat: 5/31/18 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 3/9/17 St Date: 3/10/17	912828R51	26,896,171.88 66,057.69	26,931,960.27 79,395.49	35,788.39	99.748	5.55%
15,000,000.000	U.S. TREASURY NOTE Mat: 7/15/18 Cpn: 0.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 5/2/17 St Date: 5/3/17	912828XK1	14,950,195.31 39,157.46	14,949,450.30 27,819.29	(745.01)	99.663	3.07%
30,000,000.000	U.S. TREASURY NOTE Mat: 7/31/18 Cpn: 0.75% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 5/9/17 St Date: 5/10/17	912828S68	29,823,046.88 61,533.15	29,861,400.60 37,907.61	38,353.72	99.538	6.14%



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Portfolio 2480

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
Total for Treasuries			91,633,085.95 251,900.24	91,711,911.37 189,316.79	78,825.42		18.87%
Government Related							
3,820,000.000	INTL FINANCE CORP FRN	45950VKP0	3,820,000.00	3,820,553.90	553.90	100.015	0.79%
	Mat: 3/6/18 Cpn: 1.28%		0.00	3,399.99			
	Moody's: Aaa S&P: AAA Fitch:						
	Tr Date: 2/27/17 St Date: 3/6/17						
Total for Government Related			3,820,000.00 0.00	3,820,553.90 3,399.99	553.90		0.79%
Agencies							
4,200,000.000	FFCB 1ML+14.0 FRN	3133EGPA7	4,206,548.14	4,209,555.00	3,006.86	100.228	0.87%
	Mat: 8/1/18 Cpn: 1.38%		1,011.95	4,820.27			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 10/13/16 St Date: 10/14/16						
10,000,000.000	FNMA 1ML+0.0 FRN	3135G0HZ9	9,965,700.00	10,017,400.00	51,700.00	100.174	2.06%
	Mat: 2/28/19 Cpn: 1.23%		6,695.50	11,653.92			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 10/12/16 St Date: 10/13/16						
4,670,000.000	FFCB FRN	3133EHZK2	4,670,000.00	4,667,081.25	(2,918.75)	99.938	0.96%
	Mat: 9/25/20 Cpn: 1.24%		0.00	962.97			
	Moody's: Aaa S&P: AA+u Fitch: AAA						
	Tr Date: 9/14/17 St Date: 9/25/17						
Total for Agencies			18,842,248.14 7,707.45	18,894,036.25 17,437.16	51,788.11		3.88%
Taxable Muni							
1,040,000.000	CA STATE GO/ULT CP-TXBL	13068BCT2	1,040,000.00	1,039,854.40	(145.60)	99.986	0.21%
	Mat: 11/30/17 Cpn: 1.24%		0.00	883.29			
	Moody's: P-1 S&P: A-1+ Fitch: F1+						
	Tr Date: 9/6/17 St Date: 9/6/17						
2,680,000.000	CA OAKLAND-ALAMEDA LEASE TXB	672211BE8	2,681,611.35	2,679,651.60	(1,959.75)	99.987	0.55%
	Mat: 2/1/18 Cpn: 1.69%		13,419.61	7,562.07			
	Moody's: Aa3 S&P: Fitch: AA						
	Tr Date: 5/12/17 St Date: 5/17/17						
1,050,000.000	CA STATE GO/ULT TXB	13063DAA6	1,050,000.00	1,048,635.00	(1,365.00)	99.870	0.22%
	Mat: 4/1/18 Cpn: 1.25%		0.00	5,605.60			
	Moody's: Aa3 S&P: AA- Fitch: AA-						
	Tr Date: 4/21/17 St Date: 4/27/17						



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Portfolio 2480

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,000,000.000	CA UNIVERSITY OF CALIFORNIA-TXBL Mat: 5/15/18 Cpn: 1.48% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 9/20/17 St Date: 9/28/17	91412G2P9	1,000,000.00 0.00	999,610.00 123.42	(390.00)	99.961	0.21%
1,250,000.000	CA LOS ANGELES CNTY REDEV AGY TAB-TXBL Mat: 9/1/18 Cpn: 1.00% Moody's: Aa3 S&P: AA Fitch: Tr Date: 6/16/17 St Date: 6/21/17	54465AGJ5	1,242,257.50 4,219.44	1,243,725.00 1,041.67	1,467.50	99.498	0.26%
1,060,000.000	CA LOS ANGELES MUNI IMPT TAXABLE Mat: 11/1/18 Cpn: 2.34% Moody's: S&P: AA- Fitch: A+ Tr Date: 9/11/17 St Date: 9/12/17	544587B98	1,069,565.40 9,068.67	1,068,596.60 10,352.67	(968.80)	100.811	0.22%
Total for Taxable Muni			8,083,434.25 26,707.72	8,080,072.60 25,568.70	(3,361.65)		1.66%
Credit							
1,500,000.000	BANK OF AMERICA FRN Mat: 3/22/18 Cpn: 2.39% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 8/10/17 St Date: 8/15/17	06051GEW5	1,508,295.00 5,303.75	1,506,480.00 897.40	(1,815.00)	100.432	0.31%
2,000,000.000	WELLS FARGO FRN Mat: 4/23/18 Cpn: 1.94% Moody's: A2 S&P: A Fitch: AA- Tr Date: 1/29/15 St Date: 2/3/15	94974BFK1	2,003,940.00 542.12	2,006,560.00 7,446.25	2,620.00	100.328	0.41%
3,000,000.000	GOLDMAN SACHS FRN Mat: 4/30/18 Cpn: 2.37% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 7/29/14 St Date: 8/1/14	38141GVK7	3,050,390.00 6,625.48	3,017,964.00 12,847.14	(32,426.00)	100.599	0.62%
5,000,000.000	QUALCOMM FRN Mat: 5/18/18 Cpn: 1.59% Moody's: A1 S&P: A Fitch: Tr Date: 5/13/15 St Date: 5/20/15	747525AH6	5,000,000.00 0.00	5,007,290.00 9,033.61	7,290.00	100.146	1.03%
2,325,000.000	AMERICAN EXPRESS FRN Mat: 5/22/18 Cpn: 1.90% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 4/14/15 St Date: 4/17/15	025816BH1	2,330,342.25 4,410.79	2,331,510.00 4,920.53	1,167.75	100.280	0.48%
3,200,000.000	KEYBANK FRN Mat: 6/1/18 Cpn: 1.84% Moody's: A3 S&P: A- Fitch: A- Tr Date: 5/27/15 St Date: 6/1/15	49327M2L7	3,200,000.00 0.00	3,210,128.00 4,896.29	10,128.00	100.317	0.66%



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CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
2,145,000.000	PNC BANK Mat: 6/1/18 Cpn: 1.60% Moody's: A2 S&P: A Fitch: A+ Tr Date: 6/21/17 St Date: 6/26/17	69353REM6	2,147,317.20 2,383.33	2,146,482.20 11,440.00	(835.01)	100.069	0.44%
500,000.000	PNC BANK FRN Mat: 6/1/18 Cpn: 1.74% Moody's: A2 S&P: A Fitch: A+ Tr Date: 8/10/17 St Date: 8/15/17	69353REN4	501,600.00 1,689.35	501,414.50 723.38	(185.50)	100.283	0.10%
750,000.000	BB&T CORPORATION FRN Mat: 6/15/18 Cpn: 2.18% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 8/10/17 St Date: 8/15/17	05531FAP8	754,297.50 2,675.82	753,605.25 726.67	(692.25)	100.481	0.15%
5,700,000.000	CISCO SYSTEMS Mat: 6/15/18 Cpn: 1.65% Moody's: A1 S&P: AA- Fitch: Tr Date: 8/11/17 St Date: 8/16/17	17275RAU6	5,711,364.80 15,936.25	5,707,689.30 27,692.50	(3,675.50)	100.135	1.18%
5,700,000.000	UNITEDHEALTH GROUP Mat: 7/16/18 Cpn: 1.90% Moody's: A3 S&P: A+ Fitch: A- Tr Date: 8/11/17 St Date: 8/16/17	91324PCL4	5,720,976.00 9,025.00	5,715,697.80 22,562.50	(5,278.20)	100.275	1.18%
3,800,000.000	BNY MELLON FRN Mat: 8/1/18 Cpn: 1.87% Moody's: A1 S&P: A Fitch: AA- Tr Date: 8/10/17 St Date: 8/15/17	06406HCM9	3,820,786.00 2,764.27	3,817,753.60 12,044.33	(3,032.40)	100.467	0.79%
4,750,000.000	PRUDENTIAL FINANCIAL FRN Mat: 8/15/18 Cpn: 2.10% Moody's: Baa1 S&P: A Fitch: A- Tr Date: 8/10/17 St Date: 8/15/17	74432QBX2	4,782,775.00 386.99	4,778,324.25 12,991.91	(4,450.75)	100.596	0.98%
500,000.000	CAPITAL ONE FRN Mat: 8/17/18 Cpn: 2.46% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 8/10/17 St Date: 8/15/17	14042E5W6	504,075.00 2,911.80	503,816.50 1,540.11	(258.50)	100.763	0.10%
3,000,000.000	FIFTH THIRD BANK FRN Mat: 8/20/18 Cpn: 2.23% Moody's: A3 S&P: A- Fitch: A Tr Date: 10/13/15 St Date: 10/16/15	31677QBE8	3,005,250.00 5,903.54	3,018,936.00 7,421.30	13,686.00	100.631	0.62%
3,715,000.000	LOWES COMPANIES FRN Mat: 9/14/18 Cpn: 1.92% Moody's: A3 S&P: A- Fitch: Tr Date: 9/9/15 St Date: 9/16/15	548661DF1	3,733,582.85 9,719.86	3,735,380.49 3,366.81	1,797.64	100.549	0.77%



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3,000,000.000	VERIZON COMMUNICATIONS FRN Mat: 9/14/18 Cpn: 3.07% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 4/15/15 St Date: 4/20/15	92343VBM5	3,123,600.00 6,230.18	3,047,475.00 4,347.99	(76,125.00)	101.583	0.63%
1,000,000.000	WELLS FARGO FRN Mat: 9/14/18 Cpn: 1.72% Moody's: A2 S&P: A Fitch: AA- Tr Date: 9/16/14 St Date: 9/23/14	94974BGD6	1,000,000.00 0.00	1,002,995.00 811.83	2,995.00	100.300	0.21%
2,632,000.000	JOHN DEERE CAPITAL CORP FRN Mat: 10/15/18 Cpn: 1.57% Moody's: A2 S&P: A Fitch: A Tr Date: 1/3/17 St Date: 1/6/17	24422ETN9	2,636,126.86 2,972.35	2,637,698.28 8,743.68	1,571.42	100.217	0.54%
725,000.000	INTERCONTINENTALEXCHANGE GROUP Mat: 10/15/18 Cpn: 2.50% Moody's: A2 S&P: A Fitch: Tr Date: 8/11/17 St Date: 8/16/17	45866FAB0	732,134.00 6,092.01	730,567.93 8,357.64	(1,566.07)	100.768	0.15%
1,330,000.000	CITIBANK FRN Mat: 11/9/18 Cpn: 1.54% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 5/3/17 St Date: 5/9/17	17325FAC2	1,330,000.00 0.00	1,331,690.43 3,018.13	1,690.43	100.127	0.27%
1,000,000.000	GOLDMAN SACHS FRN Mat: 11/15/18 Cpn: 2.42% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 8/10/17 St Date: 8/15/17	38141EB73	1,010,030.00 0.00	1,009,439.00 3,152.92	(591.00)	100.944	0.21%
3,000,000.000	US BANCORP FRN Mat: 11/15/18 Cpn: 1.81% Moody's: A1 S&P: A+ Fitch: AA Tr Date: 10/21/15 St Date: 10/26/15	91159HHF0	3,000,630.00 4,727.92	3,013,593.00 7,069.58	12,963.00	100.453	0.62%
5,050,000.000	CHEVRON FRN Mat: 11/16/18 Cpn: 1.82% Moody's: Aa2 S&P: AA- Fitch: Tr Date: 11/9/15 St Date: 11/17/15	166764BB5	5,050,000.00 0.00	5,078,507.25 11,770.96	28,507.25	100.565	1.05%
1,000,000.000	AT&T FRN Mat: 11/27/18 Cpn: 2.23% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 7/30/14 St Date: 8/4/14	00206RCB6	1,019,860.00 2,179.54	1,008,122.00 2,041.62	(11,738.00)	100.812	0.21%
890,000.000	CITIGROUP FRN Mat: 12/7/18 Cpn: 2.18% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 12/1/15 St Date: 12/7/15	172967KF7	890,000.00 0.00	895,870.44 1,291.82	5,870.44	100.660	0.18%



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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,100,000.000	MORGAN STANLEY FRN Mat: 1/24/19 Cpn: 2.16% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 4/15/15 St Date: 4/20/15	61746BDN3	1,104,125.00 2,838.99	1,107,763.80 4,559.27	3,638.80	100.706	0.23%
1,430,000.000	CITIBANK FRN Mat: 3/20/19 Cpn: 1.67% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 3/13/17 St Date: 3/20/17	17325FAB4	1,430,000.00 0.00	1,432,867.15 727.51	2,867.15	100.201	0.29%
1,075,000.000	CATERPILLAR FINANCIAL FRN Mat: 3/22/19 Cpn: 1.60% Moody's: A3 S&P: A Fitch: A Tr Date: 3/20/17 St Date: 3/23/17	14912L6X4	1,075,000.00 0.00	1,077,318.78 430.82	2,318.78	100.216	0.22%
1,280,000.000	BRANCH BANKING & TRUST FRN Mat: 5/1/19 Cpn: 1.84% Moody's: A1 S&P: A Fitch: A+ Tr Date: 5/5/16 St Date: 5/10/16	07330NAM7	1,280,000.00 0.00	1,286,963.20 3,991.97	6,963.20	100.544	0.27%
1,825,000.000	AMERICAN EXPRESS FRN Mat: 5/3/19 Cpn: 1.64% Moody's: A2 S&P: A- Fitch: A Tr Date: 4/27/17 St Date: 5/3/17	0258M0EJ4	1,825,000.00 0.00	1,830,018.75 4,906.87	5,018.75	100.275	0.38%
1,315,000.000	QUALCOMM FRN Mat: 5/20/19 Cpn: 1.68% Moody's: A1 S&P: A Fitch: Tr Date: 5/19/17 St Date: 5/26/17	747525AN3	1,315,000.00 0.00	1,320,373.09 2,510.63	5,373.09	100.409	0.27%
1,905,000.000	US BANK CINCINNATI FRN Mat: 5/24/19 Cpn: 1.47% Moody's: A1 S&P: AA- Fitch: Tr Date: 5/25/17 St Date: 5/31/17	90331HNE9	1,905,000.00 0.00	1,905,461.01 2,950.33	461.01	100.024	0.39%
720,000.000	BERKSHIRE HATHAWAY FRN Mat: 8/15/19 Cpn: 1.58% Moody's: Aa2 S&P: AA Fitch: A+u Tr Date: 8/8/16 St Date: 8/15/16	084664CL3	720,000.00 0.00	722,399.04 1,480.50	2,399.04	100.333	0.15%
2,000,000.000	GILEAD SCIENCES FRN Mat: 9/20/19 Cpn: 1.58% Moody's: A3 S&P: A Fitch: Tr Date: 9/14/17 St Date: 9/21/17	375558BQ5	2,000,000.00 0.00	2,004,780.00 875.62	4,780.00	100.239	0.41%
1,775,000.000	FIFTH THIRD BANK FRN Mat: 9/27/19 Cpn: 1.92% Moody's: A3 S&P: A- Fitch: A Tr Date: 9/22/16 St Date: 9/27/16	31677QBJ7	1,775,000.00 0.00	1,783,823.53 378.61	8,823.53	100.497	0.37%



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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,915,000.000	JOHN DEERE CAPITAL CORP FRN Mat: 10/9/19 Cpn: 1.59% Moody's: A2 S&P: A Fitch: A Tr Date: 9/6/16 St Date: 9/9/16	24422ETK5	1,915,000.00 0.00	1,923,441.32 7,016.14	8,441.32	100.441	0.40%
1,390,000.000	CATERPILLAR FINANCIAL FRN Mat: 1/10/20 Cpn: 1.81% Moody's: A3 S&P: A Fitch: A Tr Date: 1/5/17 St Date: 1/12/17	14912L6Z9	1,390,000.00 0.00	1,398,405.33 5,813.72	8,405.33	100.605	0.29%
1,330,000.000	CITIGROUP FRN Mat: 1/10/20 Cpn: 2.09% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 1/4/17 St Date: 1/10/17	172967LE9	1,330,000.00 0.00	1,340,347.40 6,421.36	10,347.40	100.778	0.28%
1,385,000.000	BRANCH BANKING & TRUST FRN Mat: 1/15/20 Cpn: 1.75% Moody's: A1 S&P: A Fitch: A+ Tr Date: 1/23/17 St Date: 1/26/17	07330NAP0	1,385,000.00 0.00	1,390,211.76 5,127.36	5,211.76	100.376	0.29%
1,150,000.000	SUNTRUST BANK FRN Mat: 1/31/20 Cpn: 1.84% Moody's: Baa1 S&P: A- Fitch: A- Tr Date: 1/25/17 St Date: 2/1/17	86787EAS6	1,150,000.00 0.00	1,157,210.50 3,646.42	7,210.50	100.627	0.24%
1,900,000.000	MORGAN STANLEY FRN Mat: 2/14/20 Cpn: 2.11% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 2/14/17 St Date: 2/17/17	61746BEH5	1,900,000.00 0.00	1,910,054.80 5,343.08	10,054.80	100.529	0.39%
2,645,000.000	CITIZENS BANK FRN Mat: 3/2/20 Cpn: 1.86% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 2/27/17 St Date: 3/2/17	17401QAH4	2,648,329.80 6,516.81	2,647,179.48 3,545.69	(1,150.32)	100.082	0.54%
930,000.000	AMERICAN EXPRESS FRN Mat: 3/3/20 Cpn: 1.75% Moody's: A2 S&P: A- Fitch: A Tr Date: 2/28/17 St Date: 3/3/17	0258M0EF2	930,000.00 0.00	932,445.90 1,172.80	2,445.90	100.263	0.19%
3,845,000.000	HUNTINGTON NATL BANK FRN Mat: 3/10/20 Cpn: 1.83% Moody's: A3 S&P: BBB+ Fitch: A- Tr Date: 3/7/17 St Date: 3/10/17	446438RV7	3,862,490.00 10,283.82	3,870,726.90 3,903.14	8,236.90	100.669	0.80%
2,755,000.000	AMGEN FRN Mat: 5/11/20 Cpn: 1.76% Moody's: Baa1 S&P: A Fitch: BBBu Tr Date: 5/8/17 St Date: 5/11/17	031162CN8	2,763,660.00 977.32	2,770,152.50 6,865.89	6,492.50	100.550	0.57%



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1,900,000.000	CAPITAL ONE FINL FRN Mat: 5/12/20 Cpn: 2.07% Moody's: Baa1 S&P: BBB Fitch: A- Tr Date: 8/16/17 St Date: 8/21/17	14040HBQ7	1,909,842.00 764.42	1,910,383.50 5,241.75	541.50	100.547	0.39%
1,930,000.000	PNC BANK FRN Mat: 5/19/20 Cpn: 1.68% Moody's: A2 S&P: A Fitch: A+ Tr Date: 5/16/17 St Date: 5/19/17	69353RFD5	1,930,000.00 0.00	1,938,434.10 3,684.80	8,434.10	100.437	0.40%
2,380,000.000	VERIZON COMMUNICATIONS FRN Mat: 5/22/20 Cpn: 1.86% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 5/11/17 St Date: 5/22/17	92343VDZ4	2,380,000.00 0.00	2,384,200.70 4,931.15	4,200.70	100.177	0.49%
405,000.000	CITIZENS BANK FRN Mat: 5/26/20 Cpn: 1.89% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 5/22/17 St Date: 5/26/17	17401QAK7	405,000.00 0.00	406,002.78 700.63	1,002.78	100.248	0.08%
1,980,000.000	WALT DISNEY CO FRN Mat: 6/5/20 Cpn: 1.51% Moody's: A2 S&P: A+ Fitch: A Tr Date: 6/1/17 St Date: 6/6/17	25468PDT0	1,980,000.00 0.00	1,982,475.00 2,153.74	2,475.00	100.125	0.41%
1,185,000.000	HOME DEPOT FRN Mat: 6/5/20 Cpn: 1.47% Moody's: A2 S&P: A Fitch: Au Tr Date: 5/24/17 St Date: 6/5/17	437076BR2	1,185,000.00 0.00	1,187,919.84 1,254.75	2,919.84	100.246	0.24%
1,595,000.000	BB&T CORPORATION FRN Mat: 6/15/20 Cpn: 1.89% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 8/16/17 St Date: 8/21/17	05531FAW3	1,605,335.60 5,389.44	1,605,016.60 1,339.80	(319.00)	100.628	0.33%
1,115,000.000	JOHN DEERE CAPITAL CORP FRN Mat: 6/22/20 Cpn: 1.61% Moody's: A2 S&P: A Fitch: A Tr Date: 6/19/17 St Date: 6/22/17	24422ETR0	1,115,000.00 0.00	1,117,273.49 449.64	2,273.49	100.204	0.23%
1,325,000.000	GOLDMAN SACHS FRN Mat: 12/27/20 Cpn: 2.06% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 3/22/17 St Date: 3/27/17	38141GWF7	1,325,000.00 0.00	1,330,749.18 303.24	5,749.18	100.434	0.27%
1,895,000.000	IBM FRN Mat: 1/20/21 Cpn: 1.58% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 9/5/17 St Date: 9/8/17	44932HAE3	1,895,000.00 0.00	1,895,879.28 1,909.53	879.28	100.046	0.39%



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2,000,000.000	APPLE FRN Mat: 2/23/21 Cpn: 2.44% Moody's: Aa1 S&P: AA+ Fitch: Tr Date: 8/17/17 St Date: 8/22/17	037833BT6	2,064,240.00 11,710.89	2,062,328.00 5,296.29	(1,912.00)	103.116	0.42%
1,330,000.000	JPMORGAN CHASE FRN Mat: 3/9/21 Cpn: 1.87% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 3/2/17 St Date: 3/9/17	46647PAC0	1,330,000.00 0.00	1,331,553.44 1,379.67	1,553.44	100.117	0.27%
3,900,000.000	BANK OF AMERICA FRN Mat: 7/21/21 Cpn: 1.97% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 7/18/17 St Date: 7/21/17	06051GGN3	3,901,790.00 1,530.06	3,910,783.50 15,344.32	8,993.50	100.277	0.81%
1,785,000.000	BANK OF AMERICA FRN Mat: 10/1/21 Cpn: 1.97% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 9/13/17 St Date: 9/18/17	06051GGU7	1,785,000.00 0.00	1,791,163.61 1,270.54	6,163.61	100.345	0.37%
1,485,000.000	MORGAN STANLEY FRN Mat: 1/20/22 Cpn: 2.49% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 1/17/17 St Date: 1/20/17	61746BEE2	1,485,000.00 0.00	1,506,606.75 7,488.80	21,606.75	101.455	0.31%
880,000.000	WELLS FARGO FRN Mat: 2/11/22 Cpn: 2.24% Moody's: A2 S&P: A Fitch: AA- Tr Date: 2/6/17 St Date: 2/13/17	949746SP7	880,000.00 0.00	888,597.60 2,791.50	8,597.60	100.977	0.18%
1,360,000.000	WALT DISNEY CO FRN Mat: 3/4/22 Cpn: 1.71% Moody's: A2 S&P: A+ Fitch: A Tr Date: 3/1/17 St Date: 3/6/17	25468PDS2	1,360,000.00 0.00	1,370,941.20 1,675.78	10,941.20	100.805	0.28%
1,330,000.000	CAPITAL ONE FINL FRN Mat: 3/9/22 Cpn: 2.27% Moody's: Baa1 S&P: BBB Fitch: A- Tr Date: 3/6/17 St Date: 3/9/17	14040HBM6	1,330,000.00 0.00	1,330,875.14 1,675.22	875.14	100.066	0.27%
1,325,000.000	CITIGROUP FRN Mat: 4/25/22 Cpn: 2.27% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 4/18/17 St Date: 4/25/17	172967LH2	1,325,000.00 0.00	1,333,884.13 5,692.42	8,884.13	100.671	0.28%
2,825,000.000	APPLE FRN Mat: 5/11/22 Cpn: 1.66% Moody's: Aa1 S&P: AA+ Fitch: Tr Date: 5/4/17 St Date: 5/11/17	037833CP3	2,825,000.00 0.00	2,844,291.93 6,640.14	19,291.93	100.683	0.59%



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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
3,385,000.000	INTEL FRN Mat: 5/11/22 Cpn: 1.66% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 5/8/17 St Date: 5/11/17	458140BC3	3,391,480.00 921.76	3,396,657.94 7,956.41	5,177.94	100.344	0.70%
2,000,000.000	UNITED PARCEL SERVICE FRN Mat: 5/16/22 Cpn: 1.69% Moody's: A1 S&P: A+ Fitch: Tr Date: 8/17/17 St Date: 8/22/17	911312BB1	2,010,180.00 564.72	2,007,078.00 4,329.55	(3,102.00)	100.354	0.41%
3,390,000.000	MANUFACTURERS & TRADERS TRUST FRN Mat: 5/18/22 Cpn: 1.93% Moody's: A3 S&P: A Fitch: A Tr Date: 5/15/17 St Date: 5/18/17	55279HAM2	3,395,520.00 321.11	3,400,159.83 7,982.84	4,639.83	100.300	0.70%
Total for Credit			144,084,364.86 134,299.69	144,260,189.95 354,317.10	175,825.09		29.69%

Mortgage-Backed

479,214.953	NGN 2010-R2 1A 1MOFRN NCUA GNTD Mat: 11/6/17 Cpn: 1.60% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 8/17/16 St Date: 8/22/16	62888UAA8	479,364.71 201.88	479,304.09 512.58	(60.62)	100.019	0.10%
839,912.643	FHMS K701 A2 CMBS Mat: 11/25/17 Cpn: 3.88% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/16/16 St Date: 11/21/16	3137A7JU5	855,661.01 1,811.41	839,956.32 2,717.12	(15,704.69)	100.005	0.17%
1,160,981.375	FNA 2012-M9 ASQ2 CMBS Mat: 12/25/17 Cpn: 1.51% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/20/16 St Date: 10/25/16	3136A7L26	1,164,972.25 1,171.04	1,160,150.11 1,463.80	(4,822.14)	99.928	0.24%
3,030,000.000	FMPRE 2017-TK01A 1MOFRN CMBS Mat: 2/25/20 Cpn: 1.56% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 1/31/17 St Date: 2/16/17	30258EAA3	3,030,000.00 0.00	3,038,311.29 785.84	8,311.29	100.274	0.62%
111,052.948	NGN 2011-R4 1A 1MOFRN NCUA GNTD Mat: 3/6/20 Cpn: 1.61% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 12/20/16 St Date: 12/23/16	62889FAA0	111,096.33 45.01	111,054.61 119.28	(41.71)	100.002	0.02%
3,297,222.500	NGN 2011-R3 1A 1MO FRN NCUA GNTD Mat: 3/11/20 Cpn: 1.64% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 5/18/15 St Date: 5/21/15	62889EAA3	3,311,708.69 504.00	3,297,951.19 2,847.16	(13,757.50)	100.022	0.68%



CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
249,051.300	FHMS KF02 A1 1MOFRN CMBS Mat: 7/25/20 Cpn: 1.61% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 11/19/15 St Date: 11/24/15	3137B5J79	249,051.30 119.74	249,266.73 66.90	215.43	100.087	0.05%
5,872,680.629	NGN 2010-R3 2A 1MOFRN NCUA GNTD Mat: 12/8/20 Cpn: 1.79% Moody's: Aaa S&P: AA+u Fitch: AAA Tr Date: 10/17/16 St Date: 10/20/16	62888WAB2	5,893,785.57 2,483.02	5,909,690.26 7,012.41	15,904.70	100.630	1.21%
Total for Mortgage-Backed			15,095,639.84 6,336.11	15,085,684.60 15,525.09	(9,955.24)		3.10%
Asset-Backed							
1,153,231.756	JOHN DEERE 2017-A A1 EQP Mat: 3/15/18 Cpn: 0.88% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 2/22/17 St Date: 3/2/17	47787XAA5	1,153,231.76 0.00	1,152,632.08 451.04	(599.68)	99.948	0.24%
361,820.165	BMW 2017-1 A1 LEASE Mat: 3/20/18 Cpn: 1.00% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 3/15/17 St Date: 3/22/17	055657AA8	361,820.16 0.00	361,822.34 110.56	2.17	100.001	0.07%
2,000,847.548	MERCEDES 2017-A A1 LEASE Mat: 4/16/18 Cpn: 1.15% Moody's: S&P: A-1+ Fitch: F1+ Tr Date: 4/19/17 St Date: 4/26/17	58769DAA8	2,000,847.55 0.00	2,000,553.42 1,022.66	(294.12)	99.985	0.41%
693,278.131	NISSAN 2017-A A1 CAR Mat: 4/16/18 Cpn: 1.00% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 3/21/17 St Date: 3/28/17	654747AA2	693,278.13 0.00	693,282.98 308.12	4.85	100.001	0.14%
920,252.927	DRIVE 2017-1 A1 CAR Mat: 7/16/18 Cpn: 1.35% Moody's: P-1 S&P: A-1+ Fitch: Tr Date: 6/21/17 St Date: 6/28/17	26208EAA2	920,252.93 0.00	920,258.45 552.15	5.52	100.001	0.19%
2,357,241.380	JOHN DEERE 2017-B A1 EQP Mat: 7/16/18 Cpn: 1.35% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 7/11/17 St Date: 7/18/17	47788BAA2	2,357,241.38 0.00	2,357,309.74 1,414.34	68.36	100.003	0.48%
3,272,315.517	NISSAN 2017-B A1 CAR Mat: 8/15/18 Cpn: 1.27% Moody's: P-1 S&P: Fitch: F1+ Tr Date: 8/16/17 St Date: 8/23/17	65478GAA8	3,272,315.52 0.00	3,272,394.05 1,847.04	78.54	100.002	0.67%



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CALOPTIMA - OPERATING FUND

Portfolio 2480

Portfolio Positions

as of September 30, 2017

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
4,570,000.000	USAA 2017-1 A1 CAR Mat: 9/17/18 Cpn: 1.28% Moody's: P-1 S&P: A-1+ Fitch: Tr Date: 9/13/17 St Date: 9/20/17	90290AAA5	4,570,000.00 0.00	4,570,123.39 1,787.38	123.39	100.003	0.94%
635,309.150	TOYOTA 2016-B A2A CAR Mat: 10/15/18 Cpn: 1.02% Moody's: Aaa S&P: AAA Fitch: Tr Date: 9/14/17 St Date: 9/18/17	89231UAB3	635,011.35 54.00	634,973.07 288.01	(38.28)	99.947	0.13%
11,000,000.000	HONDA 2017-3 A1 CAR Mat: 10/18/18 Cpn: 1.28% Moody's: S&P: A-1+ Fitch: F1+ Tr Date: 9/25/17 St Date: 9/29/17	43814PAA8	11,000,000.00 0.00	11,000,297.00 782.22	297.00	100.003	2.26%
Total for Asset-Backed			26,963,998.77 54.00	26,963,646.52 8,563.52	(352.25)		5.54%
Grand Total			485,854,028.58 447,708.83	486,094,734.04 978,930.90	240,705.46		100.00%



CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 9/30/2017

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
CASH & CASH EQUIVALENTS												
ASSET BACKED												
055657AA8	BMW VEHICLE LEASE TRUST	1.000	3/20/2018	10/20/2017		577,373	577,372.560	.058	.057	.998	.12%	577,373.20
ASSET BACKED TOTALS							577,372.560					577,373.20
CASH												
06371ELH8	BANK OF MONTREAL IN	1.270	10/24/2017	10/24/2017	A-1	8,000,000	8,000,000.000	.069	.068	1.268	1.64%	8,000,000.00
06417GQV3	BANK OF NOVA SCOTIA/HOUSTON	1.617	11/16/2017	11/16/2017	P-1	10,000,000	10,003,152.600	.133	.131	1.372	2.05%	10,003,152.60
06538N5Q6	BANK TOKYO-MITSUBIS	1.630	7/6/2018	7/6/2018	F1	2,000,000	2,000,000.000	.778	.761	1.624	.41%	2,000,000.00
05582WG99	BNP PARIBAS NY BRH	1.150	11/1/2017	11/1/2017	A-1	10,000,000	10,000,000.000	.092	.090	1.150	2.05%	10,000,000.00
05582WZS6	BNP PARIBAS NY BRH C/D	1.450	1/22/2018	1/22/2018	A-1	2,000,000	2,000,000.000	.319	.313	1.446	.41%	2,000,000.00
17305TSH6	CITIBANK NA NY INST	1.320	11/27/2017	11/27/2017	P-1	2,000,000	2,000,000.000	.164	.161	1.317	.41%	2,000,000.00
22534HQ38	CREDIT AGRICOLE COR	1.170	10/18/2017	10/18/2017	F1	15,000,000	15,000,000.000	.053	.052	1.170	3.08%	15,000,000.00
30229AX38	EXXON CORP DISC D	0.000	10/3/2017	10/3/2017	A-1+	6,000,000	5,999,630.000	.011	.011	.555	1.23%	5,999,630.00
30229AX46	EXXON CORP DISC D	0.000	10/4/2017	10/4/2017	A-1+	12,000,000	11,998,900.000	.014	.014	.660	2.46%	11,998,900.00
313385NA0	FEDERAL HOME LN BK CONS 0.0 16OCT17	0.000	10/16/2017	10/16/2017	Agency	15,000,000	14,993,625.000	.047	.046	.901	3.08%	14,993,625.00
313385NC6	FEDERAL HOME LOAN BANK DISCOUNT NOTES	0.000	10/18/2017	10/18/2017	Agency	15,000,000	14,992,775.000	.053	.052	.913	3.08%	14,992,775.00
313385NS1	FEDERAL HOME LOAN BANK DISCOUNT NOTES	0.000	11/1/2017	11/1/2017	Agency	10,000,000	9,991,388.860	.089	.090	.940	2.05%	9,991,388.86
313385MX1	FEDERAL HOME LOAN BANK DISCOUNT NOTES	0.000	10/13/2017	10/13/2017	Agency	15,000,000	14,994,910.020	.039	.038	.873	3.08%	14,994,910.02
313385NK8	FEDERAL HOME LOAN BANK DISCOUNT NOTES	0.000	10/25/2017	10/25/2017	Agency	9,000,000	8,993,849.990	.072	.071	.947	1.85%	8,993,849.99
313385MV5	FEDERAL HOME LOAN BANK DISCOUNT NOTES	0.000	10/11/2017	10/11/2017	Agency	6,000,000	5,998,308.320	.033	.033	.846	1.23%	5,998,308.32
45818LNK2	IADB DISCOUNT NOTES	0.000	10/25/2017	10/25/2017	A-1+	12,000,000	11,991,760.010	.072	.071	.877	2.46%	11,992,404.00
46640PY64	J P MORGAN SEC DIS D	0.000	11/6/2017	11/6/2017	P-1	4,000,000	3,994,600.000	.103	.103	1.281	.82%	3,994,600.00
46640PX24	J P MORGAN SECS DI D	0.000	10/2/2017	10/2/2017	P-1	7,000,000	6,999,766.750	.008	.008	.401	1.44%	6,999,766.75
60683BBF9	MTSUBISHI TR & BKG	1.210	10/20/2017	10/20/2017	F1	15,000,000	15,000,000.000	.058	.057	1.210	3.08%	15,000,000.00
60700AAV6	MIZUHO BANK C/D	1.350	11/17/2017	11/17/2017	F1	5,000,000	5,000,544.920	.136	.133	1.263	1.03%	5,000,544.92
63873FY93	NATIXIS SA/NEW YORK NY	1.801	11/1/2017	11/1/2017	A-1	5,500,000	5,502,310.520	.092	.090	1.338	1.13%	5,502,310.52
65602UWN4	NORINCHUKIN BK C/D	1.200	11/1/2017	11/1/2017	A-1	14,000,000	14,000,000.000	.092	.090	1.200	2.87%	14,000,000.00
69372AX49	PACCAR FINL CORP D D	0.000	10/4/2017	10/4/2017	A-1	10,000,000	9,999,058.400	.014	.014	.678	2.05%	9,999,058.40
69372AXH0	PACCAR FINL CORP D D	0.000	10/17/2017	10/17/2017	A-1	6,900,000	6,896,534.640	.050	.049	1.005	1.41%	6,896,534.64
74433GXT8	PRUDENTIAL FDG DIS D	0.000	10/27/2017	10/27/2017	P-1	10,000,000	9,991,911.110	.078	.076	1.041	2.05%	9,991,911.11
86563YHT3	SUMITOMO MITSUI BKG	1.420	10/17/2017	10/17/2017	F1	4,000,000	4,000,291.460	.050	.049	1.257	.82%	4,000,291.46
86563YJ95	SUMITOMO MITSUI BKG INSTL C/D	1.200	10/6/2017	10/6/2017	F1	15,000,000	14,999,936.380	.019	.019	1.221	3.08%	14,999,936.38
89113XFD1	TORONTO-DOMINION BK	1.180	10/16/2017	10/16/2017	A-1+	15,000,000	15,000,000.000	.047	.046	1.179	3.08%	15,000,000.00
90275DFR6	UBS AG STAMFORD BRH	1.600	2/21/2018	2/21/2018	F1	4,125,000	4,126,803.960	.403	.394	1.476	.85%	4,126,803.96
NA9123459	US DOLLARS	1.232	10/2/2017		Agency	975,653	975,652.640	0.000	-	1.232	.20%	975,652.64
USD120030	USD INTEREST RECEIVABLE	-				1,545,487	0.000	-	-	-	.32%	1,545,486.51
93884EXC4	WASHINGTON GAS/LT D	0.000	10/12/2017	10/12/2017	F1	13,000,000	12,995,551.070	.036	.035	.948	2.67%	12,995,551.07
CASH TOTALS							278,441,261.650					279,987,392.15
CASH & CASH EQUIVALENTS TOTALS							279,018,634.210					280,564,765.35
FIXED INCOME												
AGENCIES												
3133EFC7	FEDERAL FARM CREDIT BANKS	1.291	9/18/2018	9/18/2018	Agency	5,000,000	4,998,982.130	.972	.218	1.194	1.03%	5,005,975.50
AGENCIES TOTALS							4,998,982.130					5,005,975.50

CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 9/30/2017

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
ASSET BACKED												
02582JGY0	AMERICAN EXPRESS CREDIT ACCOUNT MASTER TRUST 2014-3	1.524	5/15/2020	10/16/2017	AAA	6,000,000	6,006,823.400	.047	.046	1.268	1.23%	6,000,723.60
02587TAA1	AMERICAN EXPRESS ISSUANCE TRUST II	1.514	2/15/2019	3/15/2018	AAA	10,000,000	10,009,199.700	.464	.047	1.259	2.05%	10,011,859.00
161571FT6	CHASE ISSUANCE TRUST	1.494	12/16/2019	12/15/2017	AAA	7,830,000	7,834,699.350	.214	.046	1.340	1.61%	7,832,619.92
36159LCR5	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.736	1/21/2020	1/22/2018	Aaa	2,160,000	2,159,489.890	.308	.057	1.450	.44%	2,162,324.16
36159LCN4	GE DEALER FLOORPLAN MASTER NOTE TRUST	1.686	10/20/2019	10/20/2017	Aaa	3,610,000	3,607,812.690	.058	.057	1.343	.74%	3,610,721.64
47787XAA5	JOHN DEERE OWNER TRUST 2017	.880	3/15/2018	12/15/2017		932,532	932,532.410	.119	.116	1.332	.19%	932,037.14
65478TAD4	NISSAN AUTO LEASE TRUST 2015-B	1.540	4/16/2018	10/15/2017	Aaa	206,568	206,626.650	.044	.044	1.412	.04%	206,579.27
ASSET BACKED TOTALS							30,757,184.090					30,756,864.73
CMBS												
3136AP3Z3	FANNIE MAE MULTIFAMILY REMIC TRUST 2015-M12	1.621	4/25/2020	12/25/2019	Agency	3,345,261	3,347,132.600	1.681	.073	1.424	.69%	3,350,223.59
3136ANMF1	FANNIE MAE-ACES	1.445	11/25/2018	11/25/2018	Agency	6,075,162	6,073,404.580	.907	.071	1.249	1.25%	6,078,020.55
3136ANA98	FANNIE MAE-ACES	1.528	3/25/2019	3/25/2019	Agency	7,682,924	7,684,908.830	1.216	.071	1.427	1.58%	7,682,808.89
3136ALYC9	FANNIE MAE-ACES	1.637	11/25/2017	11/25/2017	Agency	5,131	5,131.460	.138	.138	2.312	0%	5,120.95
3136AC3C3	FANNIE MAE-ACES	1.451	2/25/2018	2/25/2018	Agency	1,093,451	1,093,797.420	.357	.355	1.402	.22%	1,092,600.96
3137ABFV8	FREDDIE MAC MULTIFAMILY STRUCTURED PASS THROUGH CERTIFICATES	3.154	2/25/2018	2/25/2018	Agency	4,086,088	4,108,135.370	.354	.351	2.099	.84%	4,092,809.62
CMBS TOTALS							22,312,510.260					22,301,584.56
CMOS												
62888YAA0	NCUA GUARANTEED NOTES TRUST 2011-R1	1.681	1/8/2020		Aaa	3,680,965	3,695,481.440	2.050	.082	.610	.76%	3,691,876.18
62889FAA0	NCUA GUARANTEED NOTES TRUST 2011-R4	1.611	3/6/2020		Agency	27,964	27,968.350	0.000	.082	0.000	.01%	27,963.89
CMOS TOTALS							3,723,449.790					3,719,840.07
CORPORATES												
025816BH1	AMERICAN EXPRESS CO	1.905	5/22/2018	5/22/2018	A3	1,000,000	1,000,597.770	.650	.148	1.511	.21%	1,002,704.47
037833AG5	APPLE INC	1.561	5/3/2018	5/3/2018	Aa1	1,500,000	1,500,355.610	.597	.097	1.267	.31%	1,502,107.50
060505DP6	BANK OF AMERICA CORP	5.750	12/1/2017	12/1/2017	BBB+	9,950,000	10,017,849.900	.172	.171	1.713	2.06%	10,018,431.22
073902PR3	BEAR STEARNS COS LLC/THE	6.400	10/2/2017	10/2/2017	A-	5,100,000	5,100,682.340	.008	.008	6.205	1.05%	5,100,000.00
084664CH2	BERKSHIRE HATHAWAY FINANCE CORP	2.010	3/15/2019	3/15/2019	Aa2	1,600,000	1,600,000.000	1.464	.216	1.330	.33%	1,616,517.95
14912L6Q9	CATERPILLAR FINANCIAL SERVICES CORP	2.014	2/23/2018	2/23/2018	A	1,215,000	1,215,000.000	.403	.150	1.393	.25%	1,218,233.63
166764AX8	CHEVRON CORP	1.671	11/9/2017	11/9/2017	AA-	1,250,000	1,250,000.000	.114	.112	1.302	.26%	1,250,520.20
166764BC3	CHEVRON CORP	1.344	11/9/2017	11/9/2017	AA-	5,430,000	5,430,253.880	.111	.112	1.357	1.11%	5,429,879.67
172967JQ5	CITIGROUP INC	2.007	4/27/2018	4/27/2018	BBB+	2,340,000	2,338,568.370	.578	.077	1.601	.48%	2,345,942.10
172967EM9	CITIGROUP INC	6.125	11/21/2017	11/21/2017	BBB+	7,000,000	7,044,080.360	.144	.144	1.941	1.44%	7,041,756.33
30231GAS1	EXXON MOBIL CORP	1.917	2/28/2018	2/28/2018	AA+	2,355,000	2,355,000.000	.422	.169	1.297	.48%	2,361,250.17
38141EC49	GOLDMAN SACHS GROUP INC/THE	2.120	12/15/2017	12/15/2017	A3	4,900,000	4,900,116.490	.214	.210	1.515	1.01%	4,906,309.88
24422ESU4	JOHN DEERE CAPITAL CORP	1.594	1/16/2018	1/16/2018	A	1,309,000	1,308,246.440	.297	.046	1.411	.27%	1,309,931.71
61744YAD0	MORGAN STANLEY	5.950	12/28/2017	12/28/2017	A3	8,000,000	8,082,961.250	.247	.245	1.789	1.66%	8,081,410.48
713448DB1	PEPSICO INC	1.000	10/13/2017	10/13/2017	A1	5,052,000	5,051,584.600	.039	.038	1.140	1.04%	5,051,714.87
717081DF7	PFIZER INC	1.620	6/15/2018	6/15/2018	A+	500,000	500,452.400	.719	.215	1.368	.10%	500,937.09
94974BFK1	WELLS FARGO & CO	1.942	4/23/2018	4/23/2018	A	1,052,000	1,052,621.920	.567	.066	1.415	.22%	1,055,363.05
CORPORATES TOTALS							59,748,371.330					59,793,010.32

CalOptima (OCHA) - Enhanced Cash

Account #: LCEF00238A2

As of 9/30/2017

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
US TREASURIES												
912828M23	UNITED STATES TREASURY FLOATING RATE NOTE	1.221	10/31/2017	10/31/2017	Govt	6,300,000	6,300,330.940	.089	.011	1.071	1.29%	6,300,845.15
912828F54	UNITED STATES TREASURY NOTE/BOND	.875	10/15/2017	10/16/2017	Govt	16,000,000	15,998,528.450	.044	.046	1.000	3.28%	15,999,095.68
912828TS9	UNITED STATES TREASURY NOTE/BOND	.625	9/30/2017	10/2/2017	Govt	15,000,000	15,000,000.020	.003	.008	.623	3.08%	15,000,000.00
912828PF1	UNITED STATES TREASURY NOTE/BOND	1.875	10/31/2017	10/31/2017	Govt	23,000,000	23,014,877.780	.087	.087	1.135	4.72%	23,014,607.99
912828PA2	UNITED STATES TREASURY NOTE/BOND	1.875	9/30/2017	10/2/2017	Govt	25,000,000	25,000,000.100	.003	.008	1.858	5.13%	25,000,000.00
US TREASURIES TOTALS							85,313,737.290					85,314,548.82
FIXED INCOME TOTALS							206,854,234.890					206,891,824.00
PORTFOLIO TOTALS							485,872,869.100					487,456,589.35

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HoldingName	Ticker	CUSIP	ISIN	SEDOL	% Market Value	Holding Value
AMERICAN EXPRESS CREDIT CORP	AXP	0258M0DL0	US0258M0DL06	0258M0DL0	1.20%	\$9,060,728.89
AMERICAN EXPRESS CREDIT CORP	AXP	0258M0DW6	US0258M0DW60	0258M0DW6	0.20%	\$1,510,715.37
AMERICAN HONDA FINANCE CORP	HNDA	02665WAQ4	US02665WAQ42	02665WAQ4	1.20%	\$9,045,820.00
AMXCA 131 A	AMXCA	02587AAG9	US02587AAG94	02587AAG9	0.61%	\$4,607,912.05
AMXCA 132 A	AMXCA	02582JGG9	US02582JGG94	02582JGG9	0.17%	\$1,295,979.03
APPLE INC	AAPL	037833AG5	US037833AG56	037833AG5	0.66%	\$5,019,812.92
BANK OF AMERICA NA	BAC	06050TLY6	US06050TLY63	06050TLY6	1.14%	\$8,657,933.49
BANK OF NEW YORK MELLON CORP	BK	06406HCJ6	US06406HCJ68	06406HCJ6	0.30%	\$2,301,411.05
BANK OF NEW YORK MELLON CORP	BK	06406HDC0	US06406HDC07	06406HDC0	0.72%	\$5,422,674.72
BB&T CORP	BBT	05531FAM5	US05531FAM59	05531FAM5	1.06%	\$8,021,575.56
BB&T CORP	BBT	05531FAP8	US05531FAP80	05531FAP8	0.20%	\$1,498,467.50
BERKSHIRE HATHAWAY FINANCE CORP	BRK	084664BE0	US084664BE04	084664BE0	0.74%	\$5,600,402.21
Cafco, LLC	C	1247P3B19	US1247P3B195	1247P3B19	0.66%	\$4,976,458.35
CALIFORNIA ST	CA	13063DAA6	US13063DAA63	13063DAA6	0.66%	\$5,019,343.33
CAPITAL ONE NA	COF	14042E5W6	US14042E5W63	14042E5W6	0.17%	\$1,263,242.77
Cash	---	CCYUSD	---	CCYUSD	-16.60%	-\$125,537,554.27
CCCIT 17A1 A1	CCCIT	17305EFZ3	US17305EFZ34	17305EFZ3	0.38%	\$2,907,460.10
CHAIT 145 A	CHAIT	161571GN8	US161571GN89	161571GN8	0.29%	\$2,186,119.65
CHARLES SCHWAB CORP	SCHW	808513AJ4	US808513AJ47	808513AJ4	0.79%	\$5,938,257.87
CHARLES SCHWAB CORP	SCHW	808513AK1	US808513AK10	808513AK1	0.05%	\$400,482.40
Chevron Corporation	CVX	16677JXQ4	US16677JXQ48	16677JXQ4	0.16%	\$1,213,078.54
CISCO SYSTEMS INC	CSCO	17275RAY8	US17275RAY80	17275RAY8	0.40%	\$3,008,839.33
CITIGROUP INC	C	172967JV4	US172967JV44	172967JV4	0.76%	\$5,751,952.32
COMCAST CORP	CMCSA	20030NAU5	US20030NAU54	20030NAU5	0.42%	\$3,180,808.92
COMCAST CORP	CMCSA	20030NAR2	US20030NAR26	20030NAR2	0.27%	\$2,047,019.89
COMCAST CORP	CMCSA	20030NAW1	US20030NAW11	20030NAW1	0.42%	\$3,140,686.00
COMET 143A A	COMET	14041NER8	US14041NER89	14041NER8	1.03%	\$7,788,260.42
CRC Funding, LLC	C	12619TY32	US12619TY326	12619TY32	1.32%	\$9,987,895.80
CREDIT SUISSE AG (NEW YORK BRANCH)	CS	22546QAV9	US22546QAV95	22546QAV9	0.20%	\$1,512,088.83
CREDIT SUISSE AG (NEW YORK BRANCH)	CS	22546QAW7	US22546QAW78	22546QAW7	0.93%	\$7,049,213.93
EXXON MOBIL CORP	XOM	30231GAM4	US30231GAM42	30231GAM4	0.17%	\$1,267,780.53
EXXON MOBIL CORP	XOM	30231GAS1	US30231GAS12	30231GAS1	0.66%	\$5,022,057.26
FEDERAL FARM CREDIT BANKS	FFCB	313313XK9	US313313XK99	313313XK9	0.66%	\$4,960,500.00
FEDERAL FARM CREDIT BANKS FUNDING CORP	FFCB	3133EFKM8	US3133EFKM86	3133EFKM8	1.59%	\$12,035,115.33
FEDERAL HOME LOAN BANKS	FHLB	3130AAQ43	US3130AAQ433	3130AAQ43	1.32%	\$10,003,110.00
FEDERAL HOME LOAN BANKS	FHLB	313385NS1	US313385NS13	313385NS1	1.32%	\$9,991,670.00
FEDERAL HOME LOAN BANKS	FHLB	313385XL5	US313385XL59	313385XL5	0.52%	\$3,968,268.00
FEDERAL HOME LOAN BANKS	FHLB	313385YV2	US313385YV23	313385YV2	0.65%	\$4,952,605.00
FEDERAL HOME LOAN BANKS	FHLB	313385TR7	US313385TR75	313385TR7	2.63%	\$19,908,120.00
FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA	3135G0PQ0	US3135G0PQ06	3135G0PQ0	0.20%	\$1,505,481.54
FIDELITY INST : GOV PT CL I MMF	FIGXX	316175108	US3161751082	316175108	35.98%	\$272,083,994.58
FIFTH THIRD BANK	FITB	31677QAV1	US31677QAV14	31677QAV1	0.66%	\$5,004,290.83

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FITAT 171 A2B	FITAT	31679RAC9	US31679RAC97	31679RAC9	0.30%	\$2,251,359.98
FREDDIE MAC	FHLMC	3137EADN6	US3137EADN69	3137EADN6	0.66%	\$5,002,384.17
GENERAL ELECTRIC CAPITAL CORP	GE	36962G7F5	US36962G7F52	36962G7F5	0.10%	\$752,169.32
GOLDMAN SACHS GROUP INC	GS	38141GFM1	US38141GFM15	38141GFM1	0.14%	\$1,052,600.00
GOLDMAN SACHS GROUP INC	GS	38141EB73	US38141EB735	38141EB73	0.27%	\$2,024,982.00
GOLDMAN SACHS GROUP INC	GS	38141EC49	US38141EC493	38141EC49	0.56%	\$4,263,487.37
HSBC USA INC	HSBC	40428HPQ9	US40428HPQ91	40428HPQ9	0.48%	\$3,637,429.80
HSBC USA INC	HSBC	40428HPU0	US40428HPU04	40428HPU0	0.40%	\$3,019,062.33
HSBC USA INC (NEW)	HSBC	40428HPH9	US40428HPH92	40428HPH9	0.36%	\$2,760,335.65
INTER-AMERICAN DEVELOPMENT BANK	IADB	4581X0BZ0	US4581X0BZ00	4581X0BZ0	1.61%	\$12,158,557.87
INTER-AMERICAN DEVELOPMENT BANK	IADB	4581X0CK2	US4581X0CK22	4581X0CK2	2.65%	\$20,013,046.67
INTER-AMERICAN DEVELOPMENT BANK	IADB	4581X0CL0	US4581X0CL05	4581X0CL0	1.33%	\$10,060,939.44
INTER-AMERICAN DEVELOPMENT BANK	IADB	45818WAY2	US45818WAY21	45818WAY2	2.95%	\$22,312,133.08
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	IBRD	459058DN0	US459058DN09	459058DN0	0.67%	\$5,031,815.00
INTERNATIONAL FINANCE CORP	IFC	45950KCA6	US45950KCA60	US45950KCA60	0.66%	\$5,017,027.50
INTERNATIONAL FINANCE CORP	IFC	45950KBV1	US45950KBV17	45950KBV1	0.37%	\$2,775,494.26
INTERNATIONAL FINANCE CORP	IFC	45950VKP0	US45950VKP03	45950VKP0	0.29%	\$2,211,982.48
INTERNATIONAL FINANCE CORP	IFC	45950VFH4	US45950VFH42	45950VFH4	1.06%	\$8,006,473.46
JOHN DEERE CAPITAL CORP	DE	24422ETN9	US24422ETN93	24422ETN9	0.27%	\$2,010,840.98
JPMORGAN CHASE BANK NA	JPM	48121CYK6	US48121CYK60	48121CYK6	1.40%	\$10,609,000.00
MANUFACTURERS AND TRADERS TRUST CO	MTB	55279HAA8	US55279HAA86	55279HAA8	0.13%	\$1,000,786.67
MBALT 17A A2B	MBALT	58769DAC4	US58769DAC48	58769DAC4	0.87%	\$6,583,630.53
Microsoft Corporation	MSFT	59515MY25	US59515MY259	59515MY25	0.40%	\$2,996,846.49
MORGAN STANLEY	MS	61744YAD0	US61744YAD04	61744YAD0	0.31%	\$2,333,119.05
MORGAN STANLEY	MS	6174467V5	US6174467V53	6174467V5	0.33%	\$2,527,661.69
MORGAN STANLEY	MS	61746BDS2	US61746BDS25	61746BDS2	0.27%	\$2,021,287.92
MORGAN STANLEY	MS	61746BDY9	US61746BDY92	61746BDY9	0.07%	\$509,395.77
MUFG UNION BANK NA	UNBC	90521APJ1	US90521APJ15	90521APJ1	0.73%	\$5,548,095.21
NALT 17A A2B	NALT	65479AAC6	US65479AAC62	65479AAC6	0.46%	\$3,504,957.50
NAROT 17B A2B	NAROT	65478GAC4	US65478GAC42	65478GAC4	0.33%	\$2,501,588.96
NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	NRUC	63743HEP3	US63743HEP38	63743HEP3	0.16%	\$1,237,933.07
Old Line Funding, LLC	OLDLLC	67983TZ58	US67983TZ582	67983TZ58	1.32%	\$9,975,768.30
Old Line Funding, LLC	OLDLLC	67983TZF6	US67983TZF64	67983TZF6	1.05%	\$7,977,447.52
Payable	---	CCYUSD	---	CCYUSD	-6.06%	-\$45,829,742.33
PEPSICO INC	PEP	713448CU0	US713448CU00	713448CU0	0.55%	\$4,164,669.42
Pfizer Inc.	PFE	71708EYF6	US71708EYF68	71708EYF6	0.92%	\$6,989,755.29
Pfizer Inc.	PFE	71708EYL3	US71708EYL37	71708EYL3	0.40%	\$2,995,125.00
PNC BANK NA	PNC	69353REJ3	US69353REJ32	69353REJ3	0.25%	\$1,893,132.36
PNC BANK NA	PNC	69353REM6	US69353REM60	69353REM6	0.57%	\$4,330,564.53
PNC BANK NA	PNC	69353REN4	US69353REN44	69353REN4	0.16%	\$1,237,145.77
QUALCOMM INC	QCOM	747525AL7	US747525AL72	747525AL7	0.51%	\$3,894,500.65
QUALCOMM INC	QCOM	747525AH6	US747525AH60	747525AH6	0.15%	\$1,153,647.48
Receivable	---	CCYUSD	---	CCYUSD	3.89%	\$29,444,718.33

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STATE STREET CORP	STT	857477AK9	US857477AK94	857477AK9	0.40%	\$3,012,348.00
TAOT 17C A2B	TAOT	89237RAC2	US89237RAC25	89237RAC2	0.99%	\$7,504,491.72
The Walt Disney Company	DIS	2546R2XS0	US2546R2XS08	2546R2XS0	0.66%	\$4,995,732.50
Thunder Bay Funding, LLC	TBLLC	88602TYF4	US88602TYF47	88602TYF4	1.65%	\$12,479,160.13
Toyota Motor Credit Corporation	TOYOTA	89233GZJ8	US89233GZJ83	89233GZJ8	0.92%	\$6,980,617.77
UNITED STATES TREASURY	UST	912828RT9	US912828RT95	912828RT9	0.27%	\$2,008,695.80
UNITED STATES TREASURY	UST	912828UA6	US912828UA67	912828UA6	0.24%	\$1,852,464.96
UNITED STATES TREASURY	UST	912828UE8	US912828UE89	912828UE8	1.32%	\$10,009,143.80
UNITED STATES TREASURY	UST	912828UJ7	US912828UJ76	912828UJ7	2.65%	\$20,010,043.70
UNITED STATES TREASURY	UST	912828UR9	US912828UR92	912828UR9	2.64%	\$19,975,345.30
UNITED STATES TREASURY	UST	912828UZ1	US912828UZ19	912828UZ1	0.13%	\$998,946.49
UNITED STATES TREASURY	UST	912828VQ0	US912828VQ01	912828VQ0	1.99%	\$15,039,428.64
UNITED STATES TREASURY	UST	912828G79	US912828G799	912828G79	0.86%	\$6,517,301.83
UNITED STATES TREASURY	UST	912828L40	US912828L401	912828L40	2.97%	\$22,430,834.75
UNITED STATES TREASURY	UST	912828M72	US912828M722	912828M72	1.33%	\$10,025,735.74
UNITED STATES TREASURY	UST	912828N55	US912828N555	912828N55	3.31%	\$25,053,854.35
UNITED STATES TREASURY	UST	912828C3	US912828C37	912828C3	5.26%	\$39,806,930.61
US BANK NA	USB	90331HMU4	US90331HMU40	90331HMU4	0.27%	\$2,005,178.44
US BANK NA	USB	90331HNE9	US90331HNE98	90331HNE9	0.93%	\$7,010,827.13

Disclaimer, Glossary, and Notes

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Meketa Investment Group has prepared this report on the basis of sources believed to be reliable. The data are based on matters as they are known as of the date of preparation of the report, and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available.

In general, the valuation numbers presented in this report are prepared by the custodian bank for listed securities, and by the fund manager or appropriate General Partner in the case of unlisted securities. The data used in the market comparison sections of this report are sourced from various databases. These data are continuously updated and are subject to change.

This report does not contain all the information necessary to fully evaluate the potential risks of any of the investments described herein. Because of inherent uncertainties involved in the valuations of investments that are not publicly traded, any estimated fair values shown in this report may differ significantly from the values that would have been used had a ready market for the underlying securities existed, and the differences could be material. Note that for unlisted securities the valuations may be lagged by one or more calendar quarters, or may reflect original cost.

This document may contain certain forward-looking statements, forecasts, estimates, projections, and opinions ("Forward Statements"). No representation is made or will be made that any Forward Statements will be achieved or will prove to be correct. A number of factors, in addition to any risk factors stated in this material, could cause actual future results to vary materially from the Forward Statements. No representation is given that the assumptions disclosed in this document upon which Forward Statements may be based are reasonable. There can be no assurance that the investment strategy or objective of any fund or investment will be achieved, or that the Fund will receive a return of the amount invested.

In some cases, Meketa Investment Group assists the Trustees in handling capital calls or asset transfers among investment managers. In these cases, we do not make any representations as to the managers' use of the funds, but do confirm that the capital called or transferred is within the amounts authorized by the Trustees.

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security.)

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. Portfolio Return- $[\text{Risk Free Rate} + \text{Beta} * (\text{market return} - \text{Risk Free Rate})]$.

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991.

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.



MINUTES
REGULAR MEETING
OF THE
CALOPTIMA BOARD OF DIRECTORS’
FINANCE AND AUDIT COMMITTEE

CALOPTIMA
505 CITY PARKWAY WEST
ORANGE, CALIFORNIA

SEPTEMBER 21, 2017

CALL TO ORDER

Chair Lee Penrose called the meeting to order at 2:14 p.m. Director Schoeffel led the Pledge of Allegiance.

Members Present: Lee Penrose, Chair; Scott Schoeffel

Members Absent: Ron DiLuigi

Others Present: Michael Schrader, Chief Executive Officer; Gary Crockett, Chief Counsel; Richard Helmer, M.D., Chief Medical Officer; Nancy Huang, Interim Chief Financial Officer; Ladan Khamseh, Chief Operating Officer; Len Rosignoli, Chief Information Officer; Suzanne Turf, Clerk of the Board

MANAGEMENT REPORTS

Chief Financial Officer (CFO) Report

Nancy Huang, Interim Chief Financial Officer, provided a brief update on the Department of Health Care Services’ (DHCS) Medical Loss Ratio (MLR) audit for Medi-Cal Expansion members, which will be conducted after final approval of the audit methodology by the Centers for Medicare & Medicaid Services (CMS). It was also reported that Medi-Cal non-medical transportation services will be covered by Medi-Cal managed care plans effective October 1, 2017.

PUBLIC COMMENT

There were no requests for public comment.

INVESTMENT ADVISORY COMMITTEE UPDATE

1. Treasurer’s Report

Ms. Huang presented an overview of the Treasurer’s Report for the period April 1, 2017 through June 30, 2017. Based on a review by the Board of Directors’ Investment Advisory Committee, all investments were compliant with Government Code section 53600 *et seq.*, and with CalOptima’s Annual Investment Policy.

CONSENT CALENDAR

2. Approve the Minutes of the May 18, 2017 Regular Meeting of the CalOptima Board of Directors' Finance and Audit Committee; Receive and File Minutes of the April 24, 2017 Meeting of the CalOptima Board of Directors' Investment Advisory Committee

Action: On motion of Director Schoeffel, seconded and carried, the Committee approved the Consent Calendar as presented. (Motion carried 2-0-0; Director DiLuigi absent)

REPORTS

3. Consider Recommending that the Board of Directors Accept and Receive and File the Fiscal Year 2017 CalOptima Audited Financial Statements

Interim Chief Financial Officer Nancy Huang presented the action to recommend that the CalOptima Board of Directors accept and receive and file the Fiscal Year (FY) 2017 CalOptima consolidated audited financial statements as submitted by independent auditors Moss-Adams, LLP.

DeVon Wiens of Moss-Adams, LLP, CalOptima's independent financial auditor, presented the draft audit of the consolidated financial statement for the fiscal year ending June 30, 2017. A detailed review of the areas of audit emphasis were presented to the Committee for discussion, including capitation revenue and receivables, cash and investments, medical claims liability, and required communications. It was reported that Moss-Adams will issue an unmodified opinion on the financial statements indicating that the FY 2017 financial statements fairly state the financial condition of CalOptima in all material respects.

After discussion of the matter, the Committee took the following action.

Action: On motion of Director Schoeffel, seconded and carried, the Committee approved the draft Fiscal Year 2017 CalOptima consolidated audited financial statements as submitted by independent auditors Moss-Adams, LLP, and recommended that the Board of Directors accept and receive and file the final version. (Motion carried 2-0-0; Director DiLuigi absent)

4. Consider Recommending Board of Directors' Authorization of Additional Expenditures Related to the OneCare and OneCare Connect Sales Incentive Program

Ladan Khamseh, Chief Operating Officer, presented the action to recommend the Board of Directors authorize expenditures of up to \$334,960 from existing reserves for one-time expenses related to the OneCare and OneCare Connect sales incentive program in FY 2018.

At the September 7, 2017 meeting, the Board approved revisions to CalOptima Policy GA.8042: Supplemental Compensation, to include changes to the OneCare and OneCare Connect sales incentive program with additional direction to staff to return with a follow-up action to include the fiscal impact of the sales incentive program. It was noted that funding for OneCare and OneCare Connect sales incentive program in the last fiscal year was covered by the savings achieved from

CalOptima's vacancy factor. During the FY 2018 budgeting process, most of the open positions were removed from the Operating Budget to reduce CalOptima's overall budgeted administrative costs, which eliminated the possibility of funding the sales incentive program with savings from CalOptima's vacancy factor. As proposed, an allocation of up to \$334,960 from existing reserves will be used to fund this recommended action through June 30, 2018.

Action: *On motion of Director Schoeffel, seconded and carried, the Committee recommended Board of Directors authorize expenditures of up to \$334,960 from existing reserves for one-time expenses related to the OneCare and OneCare Connect sales incentive program in FY 2018. (Motion carried 2-0-0; Director DiLuigi absent)*

INFORMATION ITEMS

5. July 2017 Financial Summary

Ms. Huang presented an overview of the financial statements for the period ended July 30, 2017. It was noted that enrollment during the first month of FY 2017-18 for all lines of business was 787,686 members, an overall membership variance of -1.7%, primarily attributed to lower enrollment in Medi-Cal TANF child and TANF adult populations. Overall, CalOptima's non-operating income for the month of July was \$2.7 million; medical loss ratio was 97.6%; and administrative loss ratio was reported at 3.2%.

The following Information Items were accepted as presented:

6. CalOptima Computer Systems Security Update
7. Cost Containment Improvements/Initiatives
8. Quarterly Reports to the Finance and Audit Committee
 - a. Shared Risk Pool Performance
 - b. Reinsurance Report
 - c. Health Network Financial Report
 - d. Purchasing Report

COMMITTEE MEMBER COMMENTS

Committee members thanked staff for their work on the FY 2017 audit.

ADJOURNMENT

Hearing no further business, Chair Penrose adjourned the meeting at 2:54 p.m.

/s/ Suzanne Turf

Suzanne Turf
Clerk of the Board

Approved: November 16, 2017

MINUTES

REGULAR MEETING OF THE CALOPTIMA BOARD OF DIRECTORS' INVESTMENT ADVISORY COMMITTEE

July 24, 2017

A Regular Meeting of the CalOptima Board of Directors' Investment Advisory Committee was held on Monday, July 24, 2017, at CalOptima, 505 City Parkway West, Orange, California.

CALL TO ORDER

The meeting was called to order at 3:06 p.m. Chair Patrick Moore led the Pledge of Allegiance.

ROLL CALL

Members Present: Patrick Moore, Chair; Peggy Eckroth, Caroline Harkins, Nancy Huang, Rodney Johnson, David Young

Others Present: Hanna Schrinier, Meketa Investment Group; Asha Joshi, Thomas Elder and Darren Marco, Payden & Rygel; Scott Pavlak and Wendy Kaszak, Logan Circle Partners; Steve Scharre and Tony Mellville, Wells Capital Management; Michael Schrader, Chief Executive Officer; Gary Crockett, Chief Counsel; Faye Heidari, Senior Accountant; Pamela Reichardt, Executive Assistant

MINUTES

Approve Minutes of the April 24, 2017, Regular Meeting of the CalOptima Board of Directors' Investment Advisory Committee

Action: On motion of Chair Moore, seconded and carried, the Minutes of the April 24, 2017, Regular Meeting of the CalOptima Board of Directors' Investment Advisory Committee were approved as presented. (Motion carried 6-0-0)

PUBLIC COMMENT

There were no requests for public comment.

MANAGEMENT REPORTS

Chief Executive Officer Report

Michael Schrader, Chief Executive Officer, provided updates on CalOptima's governance structure that was reported in the Orange County Register on July 22, 2017. If adopted, the proposed ordinance change would appoint all five county supervisors to the CalOptima Board of Directors to add more public representation. On a parallel track, SB 4, which would codify the current board structure, is being considered. The Legislature is out on recess until August 21, 2017. After they return, the bill will be voted by the full Assembly, and will then be sent back to the State Senate. The sponsor has also added an urgency clause which will make the bill effective upon the Governor's signature. If the Governor signs the bill, the state law will supersede the county supervisors' ordinance change.

Mr. Schrader also spoke about actions at the federal level to repeal and replace the Affordable Care Act. The various proposals are at the exchange level for Medicaid. It would mean the winding down of Medicaid Expansion. This action would affect one-third of our members, or approximately 235,000 members. The other two-thirds of our members would have significantly reduced funding (i.e., approximately 25%). Staff is tracking this bill, and there will be a vote on a motion to proceed and debate. One complication is that the Senate Parliamentarian has found that some of the bill's provisions would not conform to rules under budget reconciliation, and therefore cannot pass with a simple majority. In addition, the bill could also be amended in the Senate. Staff will continue to track any actions.

Chief Financial Officer Report

Nancy Huang, Interim Chief Financial Officer and Treasurer, provided a finance update. CalOptima received an update from the state on our capitation payments for May, June and July. The May payment will arrive this week, on July 26, 2017. The June payment is scheduled for receipt on August 4, 2017, and the July payment will be released on August 16, 2017. Staff plans to rebalance our operating portfolio as soon as the May capitation payment is received.

Ms. Huang also reported on the Fiscal Year (FY) 2017-18 Medi-Cal rates. CalOptima had received FY 2017-18 draft rates in May and final rates in June. The overall rate reduction is 4.7%. Compared to FY 2016-17 rates, in aggregate, this translates to an annual reduction in revenue of \$110 million. This applies to both Medical Classic and Medical Expansion members. During the budget process, CalOptima adjusted hospital capitation rates for Medical Expansion members by 29%. The total impact is equivalent to the reduction in revenue.

Ms. Huang discussed the DHCS 85% Medical Loss Ratio (MLR) reconciliation process for Medical Expansion members. The reconciliation period covers June 2014 through June 2016. The latest update is that in July, DHCS will release the reconciliation template and guidance. Upon the final approval by the Centers for Medicare & Medicaid Services (CMS), DHCS anticipates implementing the reconciliation process in Fall 2017. Once the reconciliation is

complete, DHCS will recoup the total amount between the actual medical expenses and required medical expenses at 85% for Medicaid Expansion members.

REPORTS

Consider Recommending Reappointments to the Board of Directors' Investment Advisory Committee to the CalOptima Board of Directors' Finance and Audit Committee for Consideration

Action: On motion of Chair Moore, seconded and carried, the Investment Advisory Committee recommended the reappointment of Peggy Eckroth and Caroline Harkins to the Board of Directors' Investment Advisory Committee for a two-year term beginning November 1, 2017. (Motion carried 6-0-0)

Consider Recommending Approval of Proposed Changes to the Annual Investment Policy for Calendar Year 2017

This item was continued to a future Investment Advisory Committee meeting, with the Chair asking that other committee members forward any comments or questions to Nancy Huang.

INFORMATION ITEMS

Presentation by Meketa Investment Group

Hanna Schrinier, Vice President, Meketa Investment Group, presented the investment advisors update. Total assets for fixed income and cash were \$2.1 billion as of June 30, 2017, which is down from first quarter by \$200 million due to an outflow of cash. The balance and fixed income portfolio was \$535 million versus \$1.5 billion for cash. Performance for the total fund was positive for the quarter.

Ms. Schrinier reviewed the performance of all of the Tier One and Tier Two management accounts. She reported that, based on Meketa's analysis funds are in compliance with CalOptima's annual investment policy for the quarter.

Ms. Schrinier also went over the performance attributions in detail and showed where the managers have outperformed benchmarks.

Presentation by Logan Circle Partners

Wendy Kaszak, Vice President of Client Services, Logan Circle Partners provided a company update. There are no changes to the team. She also reported that, on July 7, 2017, Fortress Investment Group, Logan Circle's parent company sold Logan Circle to MetLife in an all cash transaction, expected to be completed the end of the 3rd quarter. In 2012, MetLife created MetLife Investment Management, which was a third-party asset management business. What was missing to the growth of that business was the total return separate account business function. This was how they came to acquire Logan Circle Partners. The combined entities

will have over \$550 billion in assets and 800 professionals. Logan Circle's CEO/CIO, Jude Driscoll will become a member of MetLife's executive team and will oversee the entire third party total return business. The Logan Circle team will soon move to the MetLife building in New Jersey.

Scott Pavlak commented on the new purchase. He indicated that there are no changes to the team and that, from CalOptima's perspective, the only change we would see is that the back-office reconciliations would change to State Street.

Mr. Pavlak also provided a market overview and went over current themes. He reported that the Tier One Account is outperforming in the quarter, and that all portfolios managed by Logan Circle are in compliance during the second quarter of the calendar year.

Presentation by Payden & Rygel

Asha Joshi, Managing Principal, Payden & Rygel provided a firm update. Assets have grown to \$114 billion at the end of the quarter. CalOptima's yields continue to rise.

Darren Marco provided a portfolio update. He first went over the Operating Fund Portfolio as of June, which is up 30 basis points. The performance provides the liquidity that CalOptima needs, but also delivered a return of 27 basis points through June and outperformed the benchmark as well. He also reported that the Tier One Account is going to be short of the benchmark for about one quarter of the year and that the fund is in compliance for the quarter.

Presentation by Wells Capital Management

Steve Scharre, Client Relations, Wells Capital Management, provided a firm update. Assets are at \$350 billion, managed by 26 different investment teams across the country.

Tony Melville, Vice President, provided a fund update and reported that the fund is in compliance for the quarter.

April 2017 Financial Update

Ms. Huang presented the April financials, as the CalOptima Board of Directors did not meet in the month of July. She first reported on the enrollment summary. Enrollment drives both revenue and expenses. As of April 2017, CalOptima's enrollment is 1% lower than original projections. The two main contributors to CalOptima's are the One Care Connect program with lower enrollment and the Medi-Cal program enrollment, as well. CalOptima added \$18 million dollars to the bottom line in April, nearly \$25 million and \$24.98 million year to date, mainly from investment income. She commented that management is expecting a very good year from the investments side. Management projects about \$40 million for the year and will provide an update at the next meeting. CalOptima's MLR is at 96% and the ALR is at 3.4%. As of April, the balance sheet shows assets of \$2.2 billion dollars. Overall, CalOptima remains financially strong.

COMMITTEE MEMBER COMMENTS

Chair Moore gave an update on the IAC recruitment process. Staff received two applicants. Chair Moore proposed creating an ad hoc committee to review the two applicants and hold interviews with both. The committee will report back at the next meeting. The chair appointed Nancy Huang, Rodney Johnson and David Young to serve on the ad hoc committee.

Chair Moore commented that the Finance and Audit Committee (FAC) should hear from the IAC periodically in terms of how the committee does its work. Chair Moore asked the committee to consider offering a quarterly report or semi-annual report to the FAC, commenting that, it may be helpful for one committee member to present to the FAC.

Chair Moore also asked that for upcoming meetings when he cannot attend, the Committee begins the meeting by selecting an acting chair for that meeting.

ADJOURNMENT

Hearing no further business, Chair Moore, adjourned the meeting at 5:09 p.m.

s/s Pamela Reichardt
Pamela Reichardt
Executive Assistant

Approved: October 30, 2017

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken November 16, 2017 **Regular Meeting of the CalOptima Board of Directors'** **Finance and Audit Committee**

Report Item

3. Consider Recommending Board of Directors' Approval of the Annual Investment Policy for Calendar Year 2018

Contact

Greg Hamblin, Chief Financial Officer, (714) 246-8400

Recommended Action

Recommend the Board of Directors approve the Annual Investment Policy (AIP) for Calendar Year (CY) 2018.

Background

At the February 27, 1996, meeting, the CalOptima Board of Directors (Board) approved the original AIP covering investments made between March 1, 1996 and February 28, 1997. In September 1996, the Board authorized the creation of the Investment Advisory Committee (IAC). The IAC reviews the AIP each year, and recommends changes in said policy to the FAC and the Board for their respective approvals.

At the December 1, 2016, meeting, the Board approved the extension of the current AIP for CY 2017. Upon completion of the internal administrative policy review process, Management would present the revised AIP for CY 2017 to the IAC for review and approval.

On February 6, 2017, Staff completed the internal administrative policy review process.

Discussion

Payden & Rygel, Logan Circle Partners, and Wells Capital Management, CalOptima's investment managers, and Meketa Investment Group, Inc., CalOptima's investment adviser submitted proposed revisions to the AIP for CY 2018. Staff has reviewed the proposed revisions and recommends the following changes upon Board approval:

- Section III.D.2.b.ii.m. and n.: Delete Temporary Liquidity Guarantee (TLG) Program securities and Temporary Corporate Credit Union Liquidity Guarantee Program (TCCULGP) securities from the list of permitted investments with U.S. Government related organizations, as both programs expired.
- Section III.D.1.c.: Add language that prohibits private placement (144a) securities as a permitted investment.
- Sections III.E.3.c. and m.: Revise the maximum holding percentages for State and California Local Agency Obligations from 25% to 30% and Supranational Obligations from 15% to 30%.

The increase to the holding percentages fall within the allowable limit under California Government Code section 53600 et seq.

- Management recommends all other provisions in the current AIP remain in effect in CY 2018.

In addition to the proposed changes noted above, the attached red-lined version of the AIP for CY 2018 reflects non-substantive edits that were noted during the review process, as well as other formatting revisions intended to align the AIP with CalOptima's policy and procedure template.

Fiscal Impact

There is no immediate fiscal impact.

Rationale for Recommendation

The proposed changes to the AIP for CY 2018 reflect the recommendations of CalOptima's investment managers, Payden & Rygel, Logan Circle Partners, and Wells Capital Management and concurrence by CalOptima's investment adviser, Meketa Investment Group, Inc. These recommended changes continue to support CalOptima's goals to maintain safety of principal, and achieve a market rate of return while maintaining necessary liquidity during periods of uncertainty. Per the review conducted by Meketa Investment Group, Inc., there were no changes in the California Government Code affecting local agencies noted for the CY 2018.

Concurrence

Meketa Investment Group, Inc.
Gary Crockett, Chief Counsel
Board of Directors' Investment Advisory Committee

Attachment

Draft Policy GA.3400, Annual Investments

/s/ Michael Schrader
Authorized Signature

11/8/2017
Date



Policy #: GA.3400
Title: **Annual Investments**
Department: Finance
Section: Not Applicable

CEO Approval: Michael Schrader _____

Effective Date: TBD
Last Review Date: Not Applicable
Last Revised Date: Not Applicable

I. PURPOSE

This policy sets forth the investment guidelines for all Operating Funds and Board-Designated Reserve Funds of CalOptima invested on or after January 10, 2006 to ensure CalOptima's funds are prudently invested according to the Board of Directors' objectives and the California Government Code to preserve capital, provide necessary liquidity, and achieve a market-average rate of return through economic cycles. Each annual review takes effect upon its adoption by the Board of Directors.

II. POLICY

A. CalOptima investments may only be made as authorized by this Policy.

1. This Policy shall conform to California Government Code, Section 53600 et seq. (hereinafter, the Code) as well as customary standards of prudent investment management. Should the provisions of the Code be, or become, more restrictive than those contained herein, such provisions shall be considered immediately incorporated into this Policy and adhered to.
2. Safety of Principal: Safety of Principal is the primary objective of CalOptima and, as such, each investment transaction shall seek to ensure that large capital losses are avoided from securities or broker-dealer default.
 - a. CalOptima shall seek to ensure that capital losses are minimized from the erosion of market value and preserve principal by mitigating the two (2) types of risk: Credit Risk and Market Risk.
 - i. Credit Risk shall be mitigated by investing in only permitted investments and by diversifying the investment portfolio, in accordance with this Policy.
 - ii. Market Risk shall be mitigated by matching maturity dates, to the extent possible, with CalOptima's expected cash flow needs and other factors.
 - b. It is explicitly recognized herein, however, that in a diversified portfolio, occasional losses are inevitable and must be considered within the context of the overall investment return.
3. Liquidity: Liquidity is the second most important objective of CalOptima. It is important that each portfolio contain investments for which there is a secondary market and which offer the flexibility to be easily sold at any time with minimal risk of loss of either the principal or interest based upon then prevailing rates.
4. Total Return: CalOptima's investment portfolios shall be designed to attain a market-average rate of return through economic cycles given an acceptable level of risk, established by the Board of Directors' and the CalOptima Treasurer's objectives.

1 a. The performance benchmark for each investment portfolio shall be based upon published
2 market indices for short-term investments of comparable risk and duration.

3
4 i. These performance benchmarks shall be reviewed monthly by CalOptima's Treasurer
5 and the Investment Managers and shall be approved by the Board of Directors.
6

7 B. The investments purchased by an Investment Manager shall be held by the custodian bank acting as
8 the agent of CalOptima under the terms of a custody agreement in compliance with California
9 Government Code, Section 53608.

10
11 C. Investment Managers must certify that they will purchase securities from broker-dealers (other than
12 themselves) or financial institutions in compliance with California Government Code, Section
13 53601.5 and this Policy.
14

15 D. The Board of Directors, or persons authorized to make investment decisions on behalf of CalOptima
16 (e.g., Chief Officers), are trustees and fiduciaries subject to the Prudent Person Standard, as defined
17 in the Code, which shall be applied in the context of managing an overall portfolio.
18

19 E. CalOptima's Officers, employees, Board members, and Investment Advisory Committee members
20 involved in the investment process shall refrain from personal and professional business activities
21 that could conflict with the proper execution of the investment program, or which could impair their
22 ability to make impartial investment decisions.
23

24 1. CalOptima's Officers and employees involved in the investment process are not permitted to
25 have any material financial interests in financial institutions, including state or federal credit
26 unions, that conduct business with CalOptima, and are not permitted to have any personal
27 financial, or investment holdings, that could be materially related to the performance of
28 CalOptima's investments.
29

30 F. On an annual basis, CalOptima's Treasurer shall provide the Board of Directors with this Policy for
31 review and adoption by the Board, to ensure that all investments made are following this Policy.
32

33 1. This Policy shall be reviewed annually by the Board of Directors at a public meeting pursuant to
34 California Government Code, Section 53646, Subdivision (a).
35

36 2. This policy may only be changed by the Board of Directors.
37

38 **III. PROCEDURE**

39 A. Delegation of Authority

40 1. Authority to manage CalOptima's investment program is derived from an order of the Board of
41 Directors.
42

43 a. Management responsibility for the investment program shall be delegated to CalOptima's
44 Treasurer, as appointed by the Board of Directors, for a one (1)-year period following the
45 approval of this Policy.
46

47 i. The Board of Directors may renew the delegation of authority annually.
48
49
50

- b. No person may engage in investment transactions except as provided under the terms of this Policy and the procedures established by CalOptima's Treasurer.

B. CalOptima Treasurer Responsibilities

1. The Treasurer shall be responsible for:

- a. All actions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and Board-approved Investment Managers;
- b. The oversight of CalOptima's investment portfolio;
- c. Directing CalOptima's investment program and for compliance with this Policy pursuant to the delegation of authority to invest funds or to sell or exchange securities; and
- d. Providing a quarterly report to the Board of Directors in accordance with California Government Code, Section 53646, Subdivision (b).

2. The Treasurer shall also be responsible for ensuring that:

- a. The Operating Funds and Board-Designated Reserve Funds targeted average maturities are established and reviewed monthly.
- b. All Investment Managers are provided a copy of this Policy, which shall be appended to an Investment Manager's investment contract.
 - i. Any investments made by an Investment Manager outside this Policy may subject the Investment Manager to termination for cause or other appropriate remedies or sanctions, as determined by the Board of Directors.
- c. Investment diversification and portfolio performance is reviewed monthly to ensure that risk levels and returns are reasonable and that investments are diversified in accordance with this Policy.
- d. All Investment Managers are selected and evaluated for review by the Chief Executive Officer and the Board of Directors.

C. Investment Advisory Committee

1. The Investment Advisory Committee shall not make, or direct, CalOptima staff to make any particular investment, purchase any particular investment product, or conduct business with any particular investment companies, or brokers.

- a. It shall not be the purpose of the Investment Advisory Committee to advise on particular investment decisions of CalOptima.

2. The Investment Advisory Committee shall be responsible for the following functions:

- a. Annual review of this Policy before its consideration by the Board of Directors and revision recommendations, as necessary, to the Finance and Audit Committee of the Board of Directors.

- b. Quarterly review of CalOptima's investment portfolio for conformance with this Policy's diversification and maturity guidelines, and recommendations to the Finance and Audit Committee of the Board of Directors, as appropriate.
- c. Provision of comments to CalOptima's staff regarding potential investments and potential investment strategies.
- d. Performance of such additional duties and responsibilities pertaining to CalOptima's investment program as may be required from time to time by specific action and direction of the Board of Directors.

D. Permitted Investments

1. CalOptima shall invest only in instruments as permitted by the Code, subject to the limitations of this Policy.
 - a. Permitted investments under the Operating Funds, unless otherwise specified, are subject to a maximum stated term of four hundred fifty (450) days. Note that the Code allows for up to five (5) years.
 - b. Permitted investments under the Board-Designated Reserve Funds, unless otherwise specified, are subject to a maximum stated term of five (5) years. Note that the Code allows for up to five (5) years.
 - c. Private placement (144a) securities are prohibited.
 - d. The Board of Directors must grant express written authority to make an investment, or to establish an investment program, of a longer term.
2. Permitted investments shall include:
 - a. U.S. Treasuries
 - i. These investments are direct obligations of the United States of America and securities which are fully and unconditionally guaranteed as to the timely payment of principal and interest by the full faith and credit of the United States of America.
 - ii. U.S. Government securities include:
 - a) Treasury Bills: U.S. Government securities issued and traded at a discount;
 - b) Treasury Notes and Bonds: Interest bearing debt obligations of the U.S. Government which guarantees interest and principal payments;
 - c) Treasury Separate Trading of Registered Interest and Principal Securities (STRIPS): U.S. Treasury securities that have been separated into their component parts of principal and interest payments and recorded as such in the Federal Reserve book-entry record-keeping system;

- d) Treasury Inflation Protected (TIPs) securities: Special U.S. Treasury notes, or bonds, that offer protection from inflation. Coupon payments and underlying principal are automatically increased to compensate for inflation, as measured by the consumer price index (CPI); and
- e) Treasury Floating Rate Notes (FRNs): U.S. Treasury bonds issued with a variable coupon.
- iii. U.S. Treasury coupon and principal STRIPS, as well as TIPs, are not considered to be derivatives for the purposes of this Policy and are, therefore, permitted investments pursuant to this Policy.
- iv. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	450 days	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

b. Federal Agencies and U.S. Government Sponsored Enterprises

- i. These investments represent obligations, participations, or other instruments of, or issued by, a federal agency or a U.S. government sponsored enterprise, including those issued by, or fully guaranteed as to principal and interest by, the issuers.
- ii. These are U.S. Government related organizations, the largest of which are government financial intermediaries assisting specific credit markets (e.g., housing, agriculture). Often simply referred to as "Agencies," the following are specifically allowed:
- a) Federal Home Loan Banks (FHLB);
 - b) Federal Home Loan Mortgage Corporation (FHLMC);
 - c) Federal National Mortgage Association (FNMA);
 - d) Federal Farm Credit Banks (FFCB);
 - e) Government National Mortgage Association (GNMA);
 - f) Small Business Administration (SBA);
 - g) Export-Import Bank of the United States;
 - h) U.S. Maritime Administration;
 - i) Washington Metro Area Transit Authority (WMATA);
 - j) U.S. Department of Housing & Urban Development;
 - k) Tennessee Valley Authority;

l) Federal Agricultural Mortgage Company (FAMC);

m) Federal Deposit Insurance Corporation (FDIC)-backed Structured Sale Guaranteed Notes (SSGNs); and

n) National Credit Union Administration (NCUA) securities.

iii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	450 days	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

iv. Any Federal Agency and U.S. Government Sponsored Enterprise security not specifically mentioned above is not a permitted investment.

c. State and California Local Agency Obligations

i. Such obligations must be issued by an entity whose general obligation debt is rated P-1 by Moody's, or A-1 by Standard & Poor's, or equivalent or better for short-term obligations, or A by Moody's, or A by Standard & Poor's, or better, for long-term debt. Public agency bonds issued for private purposes (e.g., industrial development bonds) are specifically excluded as permitted investments.

ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	450 days	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

d. Banker's Acceptances

i. Time drafts which a bank "accepts" as its financial responsibility as part of a trade finance process. These short-term notes are sold at a discount, and are obligations of the drawer (i.e., the bank's trade finance client) as well as the bank. Once accepted, the bank is irrevocably obligated to pay the banker's acceptance (BA) upon maturity, if the drawer does not. Eligible banker's acceptances:

a) Are eligible for purchase by the Federal Reserve System, and are drawn on and accepted by a bank rated F1, or better, by Fitch Ratings Service, or are rated A-1 for short-term deposits by Standard & Poor's, or P-1 for short-term deposits by Moody's, or are comparably rated by a nationally recognized rating agency; and

b) May not exceed the five percent (5%) limit of any one (1) commercial bank and may not exceed the five percent (5%) limit for any security of any bank.

ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	180 days	180 days
Board-Designated Reserve Funds		
▪ Tier One (1)	180 days	180 days
▪ Tier Two (2)	180 days	180 days

e. Commercial Paper (CP)

- i. CP is negotiable (i.e., marketable or transferable), although it is typically held to maturity. The maximum maturity is two hundred seventy (270) days, with most CP issued for terms of less than thirty (30) days. CP must meet the following criteria:
- a) Rated P-1 by Moody's, or A-1, or better, by Standard & Poor's;
 - b) Have an A, or higher, rating for the issuer's debt, other than CP, if any, as provided for by Moody's, or Standard & Poor's;
 - c) Issued by corporations organized and operating within the United States and having total assets in excess of five hundred million dollars (\$500,000,000) or by corporations organized within the U.S. as special purpose corporations, trusts, or LLCs, which have program-wide credit enhancements, including but not limited to, overcollateralization, letter of credit, or a surety bond, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating agency; and
 - d) May not represent more than ten percent (10%) of the outstanding CP of the issuing corporation.

ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	270 days	270 days
Board-Designated Reserve Funds		
▪ Tier One (1)	270 days	270 days
▪ Tier Two (2)	270 days	270 days

f. Negotiable Certificates of Deposit

- i. Negotiable Certificates of Deposit must be issued by a Nationally- or state-chartered bank, or state or federal association or by a state licensed branch of a foreign bank, which have been rated F1 or better, by Fitch Ratings Service, or are rated A-1 for short-term deposits by Standard & Poor's and P-1 for short-term deposits by Moody's, or are comparably rated by a nationally recognized rating agency.

ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	1 year	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	1 year	5 years
▪ Tier Two (2)	1 year	5 years

g. Repurchase Agreements

- i. U.S. Treasury and U.S. Agency Repurchase Agreements collateralized by the U.S. Government may be purchased through any registered primary broker-dealer subject to the Securities Investors Protection Act, or any commercial bank insured by the Federal Deposit Insurance Corporation so long as at the time of the investment, such primary dealer (or its parent) has an uninsured, unsecured, and unguaranteed obligation rated P-1 short-term, or A-2 long-term, or better, by Moody's, and A-1 short-term, or A long-term, or better, by Standard & Poor's, provided:

- a) A broker-dealer master repurchase agreement signed by the Investment Manager (acting as "Agent") and approved by CalOptima;
- b) The securities are held free and clear of any lien by CalOptima's custodian or an independent third party acting as agent ("Agent") for the custodian, and such third party is (i) a Federal Reserve Bank, or (ii) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than fifty million dollars (\$50,000,000) and the custodian receives written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for CalOptima's custodian;
- c) A perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at Title 31, Code of Federal Regulations, Section 306.1 et seq., and such securities are created for the benefit of CalOptima's custodian and CalOptima; and
- d) The Agent will notify CalOptima's custodian and CalOptima if the valuation of the collateral securities falls outside of policy. Upon direction by the CalOptima Treasurer, the Agent will liquidate the collateral securities if any deficiency in the required one hundred and two percent (102%) collateral percentage is not restored within one (1) business day of such valuation.

ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	30 days	1 year
Board-Designated Reserve Funds		
▪ Tier One (1)	30 days	1 year
▪ Tier Two (2)	30 days	1 year

iii. Reverse repurchase agreements are not allowed.

h. Corporate Securities

- i. For the purpose of this Policy, permissible corporate securities shall be rated “A” or better by Moody’s, Standard & Poor’s, or Fitch Ratings Service and:
- a) Be issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S. and have total assets in excess of five hundred million dollars (\$500,000,000), and
 - b) May not represent more than ten percent (10%) of the issue in the case of a specific public offering. This limitation does not apply to debt that is "continuously offered" in a mode similar to commercial paper, i.e., medium term notes (MTNs).
 - c) Under no circumstance can the MTNs or any other corporate security of any one (1) corporate issuer represent more than five percent (5%) of the portfolio.
- ii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	450 days	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

- i. Money Market Funds
- i. Shares of beneficial interest issued by diversified management companies (i.e., money market funds):
 - a) Which are rated AAA (or equivalent highest ranking) by two (2) of the three (3) largest nationally recognized rating services; and
 - b) Such investment may not represent more than ten percent (10%) of the money market fund's assets.
 - j. Joint Powers Authority Pool
 - i. A joint powers authority formed pursuant to California Government Code, Section 6509.7 may issue shares of beneficial interest to participating public agencies. The joint powers authority issuing the shares shall have retained an Investment Advisor that meets all of the following criteria:
 - a) Registered or exempt from registration with the Securities and Exchange Commission;
 - b) No less than five (5) years of experience investing in the securities and obligations authorized in the Code; and
 - c) Assets under management in excess of five hundred million dollars (\$500,000,000).
 - ii. A joint powers authority pool shall be rated AAA (or equivalent highest ranking) by two (2) of the three (3) largest nationally recognized rating services.

iii. Such investment may not represent more than ten percent (10%) of the joint powers authority pool's assets.

iv. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	Not Applicable	Not Applicable
Board-Designated Reserve Funds		
▪ Tier One (1)	Not Applicable	Not Applicable
▪ Tier Two (2)	Not Applicable	Not Applicable

k. Mortgage or Asset-backed Securities

- i. Pass-through securities are instruments by which the cash flow from the mortgages, receivables, or other assets underlying the security, is passed-through as principal and interest payments to the investor.
- ii. Though these securities may contain a third-party guarantee, they are a package of assets being sold by a trust, not a debt obligation of the sponsor. Other types of "backed" debt instruments have assets (e.g., leases or consumer receivables) pledged to support the debt service.
- iii. Any mortgage pass-through security, collateralized mortgage obligations, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond which:
 - a) Are rated AA- by a nationally recognized rating service; and
 - b) Are issued by an issuer having an "A" (Code), or better, rating by a nationally recognized rating service for its long-term debt.

iv. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	450 days	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years stated final maturity	5 years
▪ Tier Two (2)	5 years stated final maturity	5 years

l. Variable and Floating Rate Securities

- i. Variable and floating rate securities are appropriate investments when used to enhance yield and reduce risk.
 - a) They should have the same stability, liquidity, and quality as traditional money market securities.

- b) A variable rate security provides for the automatic establishment of a new interest rate on pre-determined reset dates.
- c) For the purposes of this Policy, a variable rate security and floating rate security shall be deemed to have a maturity equal to the period remaining to that pre-determined interest rate reset date, so long as no investment shall be made in a security that at the time of the investment has a term remaining to a stated final maturity in excess of five (5) years.
- ii. Variable and floating rate securities, which are restricted to investments in permitted Federal Agencies and U.S. Government Sponsored Enterprises securities, Corporate Securities, Mortgage or Asset-backed Securities, Negotiable Certificates of Deposit, and Municipal Bonds (State and California Local Agency Obligations) must utilize a single, market-determined short-term index rate, such as U. S. Treasury bills, federal funds, CP, London Interbank Offered Rate (LIBOR), or Securities Industry and Financial Markets Association (SIFMA) that is pre-determined at the time of issuance of the security.
- a) Permitted variable and floating rate securities that have an embedded unconditional put option must have a stated final maturity of the security no greater than five (5) years from the date of purchase.
- b) Investments in floating rate securities whose reset is calculated using more than one (1) of the above indices are not permitted, i.e., dual index notes.
- c) Ratings for variable and floating rate securities shall be limited to the same minimum ratings as applied to the appropriate asset security class outlined elsewhere in this Policy.

iii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	450 days	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

m. Supranational Obligations

- i. The three (3) supranational institutions that issue, or unconditionally guarantee, obligations that are eligible investments are:
- a) International Bank for Reconstruction and Development (IBRD);
- b) International Finance Corporation (IFC); and
- c) Inter-American Development Bank (IADB).
- ii. Supranational obligations shall be rated AA by two (2) of the three (3) largest nationally recognized rating services.

iii. Maximum Term:

Fund Type	Term Assigned	Term Allowed by the Code
Operating Funds	450 days	5 years
Board-Designated Reserve Funds		
▪ Tier One (1)	5 years	5 years
▪ Tier Two (2)	5 years	5 years

n. Pooled Investments

- i. Pooled investments include deposits, or investments pooled with those of other local agencies consistent with the requirements of California Government Code, Section 53635 et seq. Such pools may contain a variety of investments but are limited to those permissible under the Code.

E. Diversification Guidelines

- Diversification guidelines ensure the portfolio is not unduly concentrated in the securities of one (1) type, industry, or entity, thereby assuring adequate portfolio liquidity should one (1) sector or company experience difficulties.
- CalOptima's Investment Managers must review the respective portfolios they manage to ensure compliance with CalOptima's diversification guidelines on a continuous basis.
- Table 1: Maximum Percentage (%) of Investment Portfolio, by Instrument Type*

INSTRUMENTS	MAXIMUM % OF PORTFOLIO AT TIME OF PURCHASE
A. U.S. Treasuries (including U.S. Treasury Coupon and principal STRIPS as well as TIPs)	100% (Code)
B. Federal Agencies and U.S. Government Sponsored Enterprises	100% (Code)
C. State and California Local Agency Obligations	30% (Code 100%)
D. Bankers Acceptances	30% (Code 40%)
E. Commercial Paper	25% (Code)
F. Negotiable Certificates of Deposit	30% (Code)
G. Repurchase Agreements	100% (Code)
H. Corporate Securities	30% (Code)
I. Money Market Funds	20% (Code)
J. Joint Powers Authority Pool	100% (Code)
K. Mortgage or Asset-backed Securities	20% (Code)
L. Variable and Floating Rate Securities	30% (Code)
M. Supranational Obligations	30% (Code)

- Issuer or Counterparty Diversification Guidelines: The percentages specified below shall be adhered to on the basis of the entire portfolio:
 - Any one Federal Agency or Government Sponsored Enterprise: None

ii. Any one repurchase agreement counterparty name:

If maturity/term is ≤ 7 days: 50%

If maturity/term is > 7 days: 25%

5. Issuer or Counterparty Diversification Guidelines for all other permitted investments described in Section III.D.2.a-n. of this Policy.

i. Any one (1) corporation, bank, local agency, or other corporate name for one (1) or more series of securities, and specifically with respect to special purpose vehicles issuers for mortgage or asset-backed securities, the maximum applies to all such securities backed by the same type of assets of the same issuer.

6. Each Investment Manager shall adhere to the diversification limits discussed in this subsection.

i. If one (1) Investment Manager exceeds the aforementioned diversification limits, the Investment Manager shall inform CalOptima's Treasurer and Investment Advisor (if any) by close of business on the day of the occurrence.

ii. Within the parameters authorized by the Code, the Investment Advisory Committee recognizes the practicalities of portfolio management, securities maturing and changing status, and market volatility, and, as such, will consider breaches in:

a) The context of the amount in relation to the total portfolio concentration;

b) Market and security specific conditions contributing to a breach of this Policy; and

c) The Investment Managers' actions to enforce the spirit of this Policy and decisions made in the best interest of the portfolio.

F. Maximum Stated Term

1. Maximum stated terms for permitted investments shall be determined based on the settlement date (not the trade date) upon purchase of the security and the stated final maturity of the security.

G. Rating Downgrades

1. CalOptima may from time to time be invested in a security whose rating is downgraded below the quality criteria permitted by this Policy.

2. If the rating of any security held as an investment falls below the investment guidelines, the Investment Manager shall notify CalOptima's Treasurer, or Designee, within two (2) business days of the downgrade.

a. A decision to retain a downgraded security shall be approved by CalOptima's Treasurer, or Designee, within five (5) business days of the downgrade.

H. Investment Restrictions

1. Investment securities shall not be lent to an Investment Manager, or broker-dealer.

2. The investment portfolio or investment portfolios, managed by an Investment Manager, shall not be used as collateral to obtain additional investable funds.
3. Any investment not specifically referred to herein shall be considered a prohibited investment.
4. CalOptima reserves the right to prohibit its Investment Managers from making investments in organizations which have a line of business that conflicts with the interests of public health, as determined by the Board of Directors.
5. CalOptima reserves the right to prohibit investments in organizations with which it has a business relationship through contracting, purchasing, or other arrangements.
6. Except as expressly permitted by this Policy, investments in derivative securities shall not be allowed.
7. A list of prohibited investments does not currently exist, however, the Board of Directors shall provide its Investment Managers and Investment Advisor with a list, should such a list be adopted by CalOptima in the future, of organizations that do not comply with this Policy and shall immediately notify its Investment Managers and Investment Advisor of any changes.

IV. ATTACHMENTS

Not Applicable

V. REFERENCES

- A. California Government Code, §6509.7
- B. California Government Code, §53600 et seq.
- C. California Government Code, §53635 et seq.
- D. California Government Code, §53646, Subdivision (a) and Subdivision (b)
- E. Title 31, Code of Federal Regulations (C.F.R.), §306.1 et seq.

VI. REGULATORY AGENCY APPROVALS

- A. None to Date

VII. BOARD ACTIONS

- A. 11/16/17: Regular Meeting of the CalOptima Finance Advisory Committee
- B. 12/03/15: Regular Meeting of the CalOptima Board of Directors
- C. 03/05/15: Regular Meeting of the CalOptima Board of Directors
- D. 06/05/14: Regular Meeting of the CalOptima Board of Directors
- E. 12/05/13: Regular Meeting of the CalOptima Board of Directors
- F. 01/03/13: Regular Meeting of the CalOptima Board of Directors
- G. 10/04/12: Regular Meeting of the CalOptima Board of Directors
- H. 01/06/11: Regular Meeting of the CalOptima Board of Directors
- I. 08/05/10: Regular Meeting of the CalOptima Board of Directors
- J. 12/04/08: Regular Meeting of the CalOptima Board of Directors
- K. 12/07/04: Regular Meeting of the CalOptima Board of Directors
- L. 01/07/03: Regular Meeting of the CalOptima Board of Directors

Policy #: GA.3400

Title: Annual Investments

Effective Date: TBD

M. 01/11/00: Regular Meeting of the CalOptima Board of Directors

N. 03/03/98: Regular Meeting of the CalOptima Board of Directors

O. 02/04/97: Regular Meeting of the CalOptima Board of Directors

P. 02/27/96: Regular Meeting of the CalOptima Board of Directors

VIII. REVIEW/REVISION HISTORY

Version	Date	Policy Number	Policy Title	Line(s) of Business
Effective	TBD	GA.3400	Annual Investments	Administrative

IX. GLOSSARY

Term	Definition
Banker's Acceptance (BA)	<p>Time drafts which a bank "accepts" as its financial responsibility as part of a trade finance process. These short-term notes are sold at a discount, and are obligations of the drawer (i.e., the bank's trade finance client) as well as the bank. Once accepted, the bank is irrevocably obligated to pay the banker's acceptance (BA) upon maturity, if the drawer does not. Eligible banker's acceptances:</p> <ul style="list-style-type: none">• Are eligible for purchase by the Federal Reserve System, and are drawn on and accepted by a bank rated F1, or better, by Fitch Ratings Service, or are rated A-1 for short-term deposits by Standard & Poor's, or P-1 for short-term deposits by Moody's, or are comparably rated by a nationally recognized rating agency; and• May not exceed the five percent (5%) limit of any one (1) commercial bank and may not exceed the five percent (5%) limit for any security of any bank.
Benchmark	<p>Benchmarks are usually constructed using unmanaged indices, exchange-traded Funds or mutual fund categories to represent each asset class. Benchmarks are often used as a tool to assess the allocation, risk and return of a portfolio.</p>

Term	Definition
Board-Designated Reserve Funds	<p>Funds established to address unexpected agency needs and not intended for use in the normal course of business. The amount of Board-Designated Reserve Funds should be offset by any working capital or net current asset deficits. The desired level for these funds is a minimum of 1.4 and maximum of 2.0 months of capitation revenues as specified by CalOptima Policy GA.3001: Board-Designated Reserve Funds. The Board-Designated Reserve Funds shall be managed and invested as follows:</p> <ol style="list-style-type: none"> 1. Tier One <ol style="list-style-type: none"> a. Used for the benefit and protection of CalOptima's long-term financial viability; b. Used to cover "Special Purposes" as defined in CalOptima Policy GA.3001: Board-Designated Reserve Funds; or c. May be used for operational cash flow needs in lieu of a bank line of credit in the event of disruption of monthly capitation revenue receipts from the State, subject to the Board-Designated Reserve Funds having a "floor" equal to Tier Two requirements. 2. Tier Two <ol style="list-style-type: none"> a. Used to meet CalOptima's regulatory compliance requirements; or b. Currently defined as CalOptima's tangible net equity requirements as defined by Subdivision (e) of Section 1300.76 of Title 28 of the California Code of Regulations.
Bonds	A debt security, under which the issuer owes the holders a debt and, depending on the terms of the bond, is obliged to pay them interest (the coupon) and/or to repay the principal at a later date, termed the maturity date.
Broker-Dealer	In financial services, a broker-dealer is a natural person, a company or other organization that engages in the business of trading securities for its own account or on behalf of its customers.
CalOptima Treasurer	Appointed by CalOptima's Board of Directors, the treasurer is a person responsible for overseeing CalOptima's investment funds.
Capital	Capital refers to financial assets or the financial value of assets, in the form of money or other assets owned by an organization.
Cash Flow Draws	Amount of cash needs to support CalOptima business operation.
Chief Officers	For the purposes of this policy, may include, but is not limited to, the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and/or Chief Counsel.
Collateral Securities	A security given in addition to the direct security, and subordinate to it, intended to guarantee its validity or convertibility or insure its performance; so that, if the direct security fails, the creditor may fall back upon the collateral security.

Term	Definition
Commercial Paper (CP)	Unsecured promissory notes issued by companies and government entities at a discount.
Consumer Price Index (CPI)	The Consumer Price Indexes (CPI) program produces monthly data on changes in the prices paid by urban consumers for a representative basket of goods and services.
Corporate Securities	Notes issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state, and operating within the U.S.
Credit Risk	The risk of loss due to failure of the issuer of a security.
Custodian Bank	A specialized financial institution responsible for safeguarding a firm's or individual's financial assets and is not engaged in "traditional" commercial or consumer/retail banking such as mortgage or personal lending, branch banking, personal accounts, automated teller machines (ATMs) and so forth.
Designee	For purposes of this policy, a person who has been designated to act on behalf of the CalOptima Treasurer.
Economic Cycles	The natural fluctuation of the economy between periods of expansion (growth) and contraction (recession).
Finance and Audit Committee (FAC)	A standing committee of the CalOptima Board of Directors with oversight responsibilities for all financial matters of CalOptima including but not limited to: budget development and approval, financial reporting, investment practices and policies, purchasing and procurement practices and policies, insurance issues, and capitation and claims. The Committee serves as the primary level of Board review for any finance-related issues or policies affecting the CalOptima program.
Inflation	Inflation is the rate at which the general level of prices for goods and services is rising and, consequently, the purchasing power of currency is falling.
Instrument	Refers to a financial instrument or asset that can be traded. These assets can be cash, bonds, or shares in a company
Investment Advisors	Members of CalOptima Investment Advisory Committee (IAC).
Investment Advisory Committee (IAC)	A standing committee of the CalOptima Board of Directors who provide advice and recommendations regarding the organization's investments.
Investment Managers	A person or organization that makes investments in portfolios of securities on behalf of clients, in accordance with the investment objectives and parameters defined by these clients.
Investment Portfolio	A grouping of financial assets such as stocks, bonds and cash equivalents, as well as their funds counterparts, including mutual, exchange-traded and closed funds. Portfolios are held directly by investors and/or managed by financial professionals.
Joint Powers Authority Pool	Shares of beneficial interest issued by a joint powers authority organized pursuant to California Government Code, Section 6509.7; each share represents an equal proportional interest in the underlying pool of securities owned by the joint powers authority.
Lien	A legal right granted by the owner of property, by a law or otherwise acquired by a creditor
Liquidity	Liquidity describes the degree to which an asset or security can be quickly bought or sold in the market without affecting the asset's price.

Term	Definition
Market Indices	Measurements of the value of a section of the stock market. It is computed from the prices of selected stocks (typically a weighted average).
Market Risk	The risk of market value fluctuations due to overall changes in the general level of interest rates.
Maturity Dates	The date on which the principal amount of a note, draft, acceptance bond or another debt instrument becomes due and is repaid to the investor and interest payments stop. It is also the termination or due date on which an installment loan must be paid in full.
Medium Term Notes (MTN)	A debt note that usually matures (is paid back) in five (5) – ten (10) years, but the term may be less than one (1) year or as long as one hundred (100) years. They can be issued on a fixed or floating coupon basis.
Negotiable Certificates of Deposit	A negotiable (i.e., marketable or transferable) receipt for a time deposit at a bank or other financial institution, for a fixed time and interest rate.
Operating Funds	Funds intended to serve as a money market account for CalOptima to meet daily operating requirements. Deposits to this fund are comprised of State warrants that represent CalOptima's monthly capitation revenues from its State contracts. Disbursements from this fund to CalOptima's operating cash accounts are intended to meet operating expenses, payments to providers and other payments required in day-to-day operations.
Prudent Person Standard	When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency (California Government Code, Section 53600.3)
Rate of Return	The gain or loss on an investment over a specified time period, expressed as a percentage of the investment's cost. Gains on investments are defined as income received plus any capital gains realized on the sale of the investment.
Rating Category	With respect to any long-term category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier.
Repurchase Agreements	A purchase of securities under a simultaneous agreement to sell these securities back at a fixed price on some future date.
Risk	Investment risk can be defined as the probability or likelihood of occurrence of losses relative to the expected return on any particular investment. Description: Stating simply, it is a measure of the level of uncertainty of achieving the returns as per the expectations of the investor.

Term	Definition
State and California Local Agency Obligations	Registered state warrants, treasury notes or bonds of any U.S. state and bonds, notes, warrants, or other evidences of indebtedness of any local agency of the State of California, including bonds payable solely out of revenues from a revenue producing property owned, controlled, or operated by the state or local agency, or by a department, board, agency or authority of the State or local agency.
Supranational Institutions	International institutions formed by two (2) or more governments that transcend boundaries to pursue mutually beneficial economic or social goals.
Surplus	Assets beyond liabilities.
Underlying Pool of Securities	Those securities and obligations that are eligible for direct investment by local public agencies.
Valuation	An estimation of the worth of a financial instrument or asset. CalOptima's asset managers provide CalOptima with reporting that shows the valuation of each financial instrument that they own on behalf of CalOptima. Each asset manager uses a variety of market sources to determine individual valuations.

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken November 16, 2017 **Regular Meeting of the CalOptima Board of Directors'** **Finance and Audit Committee**

Report Item

4. Consider Appointment to the CalOptima Board of Directors' Investment Advisory Committee

Contact

Greg Hamblin, Chief Financial Officer, (714) 246-8400

Recommended Action

Recommend that the CalOptima Board of Directors appoint Susan Munson for a two-year term to fill the current vacancy on the CalOptima Board of Directors' Investment Advisory Committee (IAC) effective December 7, 2017.

Background

At a Special Meeting of the CalOptima Board of Directors held on September 10, 1996, the Board authorized the creation of the IAC, established qualifications for committee members, and directed staff to proceed with the recruitment of the volunteer members of the Committee. IAC members do not make recommendations on individual investments. However, their role is to make recommendations to the Finance and Audit Committee (FAC) on changes to the Annual Investment Policy (AIP), and to monitor the performance of CalOptima's investments, investment advisor and investment managers.

When creating the IAC, the Board stipulated that the Committee would consist of five (5) members, one (1) member would automatically serve by virtue of his or her position as CalOptima's Chief Financial Officer. The remaining four (4) members would be Orange County residents who possessing experience in one (1) or more of the following areas: investment banking, investment brokerage and sales, investment management, financial management and planning, commercial banking, or financial accounting.

At the September 5, 2000, meeting, the Board approved expanding the composition of the IAC from five (5) members to seven (7) members in order to have more diverse opinions and backgrounds to advise CalOptima on its investment activities. The IAC currently has six members due to a recent committee member resignation triggered by a job relocation out of Orange County.

Discussion

As part of the process of filling the vacancy, CalOptima staff conducted a recruitment process intended to solicit a diverse applicant pool of candidates. The recruitment included an announcement on the CalOptima website, and advertisements in the local business journal and at academic institutions. Applications from two interested candidates were received and submitted them to the IAC Nominations Ad Hoc Committee for review and recommendations.

Prior to conducting on-site interviews on August 21, 2017, the Ad Hoc Committee members evaluated each of the applications submitted. Based on this process, the Ad Hoc Committee comprised of IAC Members Johnson, Young, and Huang, have made a recommendation and forwarded the recommended candidate to the IAC for consideration. The candidate recommended for appointment has proven leadership and expertise in finance and accounting.

Candidates:

David Hutchison
Susan Munson*

David Hutchison is a Partner at Triad Investment Management, LLC. He has over 17 years of experience in equity research and analysis, and investment management. Mr. Hutchison received his M.B.A. degree from the University of Southern California, and his B.A. degree from Macalester College.

Susan Munson is the Founder and CEO of Fixed Income Academy, an educational platform for financial professionals to learn about the bond market and develop their investment management skills. Ms. Munson has over 28 years of experience in finance and investment management, and is knowledgeable about the California Government Code provisions related to public agency investments. She has held positions at Merrill Lynch's Institutional Advisory Division, and continues to work closely with financial institutions, state and local governments, depositories and family offices to provide investor education. Ms. Munson frequently speaks and teaches at the Fixed Income Academy's Bond School and at national and regional conferences and workshops. She maintains her Certified Financial Planner (CFP®) designation, is a Certified Fixed Income Practitioner (CFIP), and is currently registered as an Investment Advisor Representative to provide advisory services to a small group of select clients.

Fiscal Impact

There is no fiscal impact. An individual appointed to the IAC would assist and advise CalOptima in safely maintaining an acceptable return on investment of available funds.

Rationale for Recommendation

The individual recommended for CalOptima's IAC has extensive experience that meets or exceeds the specified qualifications for membership on the IAC.

Concurrence

Gary Crockett, Chief Counsel
Investment Advisory Committee

Attachment

None

/s/ Michael Schrader

Authorized Signature

11/8/2017

Date

*Indicates Nominations Ad Hoc Committee Recommendation

[Back to Agenda](#)

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken November 16, 2017 **Regular Meeting of the CalOptima Board of Directors'** **Finance and Audit Committee**

Report Item

5. Consider Recommending Board of Directors' Approval of Updates to Policy for Acceptable Use of Company-Issued Mobile Phones

Contact

Len Rosignoli, Chief Information Officer, 714-246-8400

Recommended Action

Recommend Board of Directors' approval of proposed updates to policy GA.5005d: Acceptable Use of a Company-Issued Mobile Phone for Business Purposes.

Background/Discussion

CalOptima currently has a policy (GA.5005d) that defines the acceptable practices, responsibilities, and procedures for use of CalOptima-issued mobile phones, as well as the qualifications that must be met for an employee to receive and use a CalOptima-issued mobile phone. This policy, previously adopted January 1, 2014, is being updated as part of the standard periodic review process, and to bring it up to date based on current trends and information regarding information security and appropriate guidelines. The most significant proposed changes include:

- Incorporation of more stringent compliance guidelines within the policy itself
- Updated terminology (e.g. mobile phone vs. cellular phone)
- Additional clarity on what does and does not constitute acceptable business use (e.g. no personal use of the camera or video)
- Additional requirements for non-exempt employees to ensure compliance with applicable wage and hour laws (e.g. maintaining records of use after normal business hours)
- Additional monitoring, privacy and disclosure requirements consistent with applicable laws and CalOptima policies (e.g. no expectation of privacy on CalOptima-issued mobile phones and any text messaging may be subject to disclosure pursuant to a Public Records Act request)
- Incorporation of employee expectations to mitigate risk and liability (e.g. to comply with motor vehicle "hands-free" laws if using the mobile phone while operating a vehicle, to use appropriate caution when accessing PHI, etc.)

Fiscal Impact

Anticipated expenses related to company-issued mobile phones in FY 2017-18 total approximately \$380,000 for carrier fees and accessories for 315 employees (approximately \$100 per employee per month) and are included in the Board-approved budgeted item. There is no additional anticipated fiscal impact based on the proposed revisions to GA.5005d.

Concurrence

Gary Crockett, Chief Counsel

CalOptima Board Action Agenda Referral
Consider Recommending Board of Directors' Approval of
Updates to Policy for Acceptable Use of Company-Issued
Mobile Phones
Page 2

Attachment

Policy GA.5005d, Acceptable Use of a Company-Issued Mobile Phone for Business Purposes, redlined
and clean versions

/s/ Michael Schrader
Authorized Signature

11/8/2017
Date

Policy #: GA.5005d
Title: **Cellular Telephone Program Acceptable Use of a Company-Issued Mobile Phone for Business Purposes**

Department: Information Services
Section: Not Applicable

CEO Approval: Michael Schrader _____

Effective Date: 01/01/14

Last Review Date: 05/01/16

TBD

Last Revised Date: 05/01/16

TBD

I. PURPOSE

~~To define criteria for a CalOptima employee to qualify for a CalOptima provided cellular telephone.~~

II. DEFINITIONS

This policy defines the accepted practices, responsibilities, and procedures for the use of a CalOptima-issued mobile phone for business purposes as well as the eligibility and commitment requirements, and provides guidance for the use of the CalOptima-issued mobile phone.

<u>HelpDesk eTicket</u>	<u>The electronic ticketing system used at CalOptima.</u>
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III. POLICY

- A. CalOptima has a ~~cellular telephone~~ mobile phone program, whereby a qualifying employee may receive a CalOptima ~~provided cellular telephone~~ issued mobile phone.
- B. A qualifying employee is any employee, who ~~receives approval from their reporting Director or above and determines that a cellular telephone is needed,~~ based on the employees' his/her roles and responsibilities ~~and, is required to be in close contact with CalOptima at all times or~~ requires access to a ~~cellular telephone~~ mobile phone in order ~~for that employee to~~ perform their ~~his/her~~ duties. Qualifying employees require the approval of both their reporting Executive Director or Chief, and the Human Resources Department, to ensure compliance with wage and hour laws and requirements.
- C. Failure to comply with this policy and/or other applicable CalOptima policies regarding technology use may result in revocation of the privilege to have and use a CalOptima-issued mobile phone, and/or result in disciplinary action, up to and including termination.
- ~~C.D.~~ An employee who receives a CalOptima ~~provided cellular telephone~~ issued mobile phone shall:
 1. Use ~~Only use~~ the CalOptima ~~provided cellular telephone~~ issued mobile phone to conduct ~~calls~~ related to CalOptima business;

2. Be ~~made~~-available for contact on the CalOptima-~~provided cellular telephone any time~~issued mobile phone during ~~the day including~~ business hours, as well as evenings and weekends, where designated or as-needed, for business-related purposes;
3. Reasonably limit ~~their~~ use of the ~~company device~~CalOptima-issued mobile phone for personal business, except as it relates to the performance of ~~their~~ job responsibilities, (e.g., communication to family due to company needed travel, offsite conferences, offsite work, etc.). This includes not using the camera or video features for personal use;
4. Ensure all calls ~~made, messaging, and web access~~ on the CalOptima-~~provided cellular telephone~~issued mobile phone are solely ~~for~~made from locations within the United States ~~and shall be held~~, unless previously approved for business purposes for a limited date range;
—Use appropriate caution when accessing Protected Health Information (PHI) and ensuring that the device is not visible to others nearby;
5.
- 4.6. Be financially responsible for any calls made internationally; unless previously approved for business purposes, or non-business-related charges incurred;
- 5.7. Not add, download, or purchase any applications or special features on the CalOptima-~~provided cellular telephone~~issued mobile phone that require a fee or are ~~in-consistent~~inconsistent with the CalOptima Code of Conduct and applicable CalOptima policies and procedures;
- 6.8. Contact the Information Services (IS) Department immediately if the CalOptima-~~provided cellular telephone becomes lost or stolen. The qualifying employee may be subject to charges associated with the CalOptima-provided cellular telephone or any lost device; and~~issued mobile phone is lost or stolen;
9. Accept that CalOptima work will be monitored for information security purposes and compliance with CalOptima policies and procedures;
10. Abide by applicable laws when using the mobile phone while operating a vehicle;
11. Return the CalOptima-~~provided cellular telephone~~issued mobile phone if the nature of their position changes, or upon ~~exit~~leaving employment with CalOptima;
12. Only update the operating system of the phone when directed by the IS Department;
- 7.13. Not be eligible for device upgrades unless determined by business need or approval from CalOptima-the employee's Executive Director or Chief. An employee shall not assume that device upgrades will follow any specified timeline;
14. Prevent unauthorized use of the CalOptima-issued mobile phone;
15. Enable the "find phone" feature on the mobile phone; and

16. Keep detailed time records of each phone-related activity together with date, time of day, content description and actual duration of call, email, text message, etc. if the qualifying employee is a non-exempt employee.

E. Non-exempt qualifying employees who only need CalOptima-issued mobile phones during business hours, but not while off-duty, shall refrain from using the CalOptima-issued mobile phones during non-work hours, unless otherwise directed by the qualifying employee's supervisor, in conjunction with direction from the Human Resources Department regarding wage and hour requirements.

F. The use of the camera on the CalOptima-issued mobile phones, or other audio or video recording, may constitute an invasion of employees' personal privacy and may breach the confidentiality of CalOptima's trade secrets or other protected information. Therefore, the use of camera or other video/audio recording on CalOptima-issued mobile phones is prohibited without the express prior permission of the department Executive and of the person(s) present at the time.

G. Employees should have no expectation of privacy regarding the contents and data maintained on CalOptima-issued mobile phones, which may be subject to review and inspection at any time. Contents stored on CalOptima-issued mobile phones may be subject to disclosure under the Public Records Act.

H. Employees who cause a security breach, violate CalOptima's confidentiality policy, cause an accident by recklessly using their phones, or violate this policy may face disciplinary action, up to and including termination. CalOptima may seek criminal and/or civil remedies, where appropriate.

IV.III. PROCEDURE

A. CalOptima-provided cellular telephone issued mobile phone may be requested as follows:

1. Executives (above the Director Level) — Executives may submit a HelpDesk eTicket to the IS HelpDesk eTicket system making the request for a CalOptima-provided cellular telephone (issued mobile phone for him/herself. (An Executive Assistant/Assistant may also make this request on behalf of the Executive Employee/employee.)
2. Directors - The employee's next level reporting Director's Executive or Chief, as applicable, will submit a HelpDesk eTicket to the IS eTicket system making the request on the employees Director's behalf; their submission of this request will serve as their endorsement of the business need for the company device.
3. Managers and below - Below Director-level exempt employees - The employee's Director, with the written approval of the Executive or Chief of the department, will submit a HelpDesk eTicket to the IS HelpDesk eTicket system making the request on the employees exempt employee's behalf; their submission of this request will serve as their endorsement of the business need for the company device.
4. Non-exempt employees – In addition to the above signoff, the employees in this category will need The employee's Director, with the written endorsement approval of the Executive or Chief of the department and the written approval from the Executive Director of HR-, will submit a

Poli GA.5005d

Policy #:

Title: ~~Cellular Telephone Program~~ Acceptable Use of a Company-Issued Mobile Phone for Business Purposes

Revised Date: 05/01/16 ~~TBD~~

help desk ticket making the request on the non-exempt employee's behalf; their submission of this request will serve as their endorsement of the business need for the company device.

~~B. B-~~ Once ~~Approved~~ approved for the CalOptima ~~provided cellular telephone issued mobile phone~~, the employee shall:

1. Complete all required equipment release forms requested by the IS Department;
2. Be professional and conscientious at all times when using CalOptima-issued mobile phones and shall take reasonable care of the CalOptima-issued mobile phones;
3. Return the CalOptima-issued mobile phone when requested or upon leaving employment with CalOptima;
4. Notify IS immediately, or within no more than twenty-four (24) hours of the phone being lost or stolen;
5. Report any security breach or Breach of PHI to the Office of Compliance immediately, but in no event more than twenty-four (24) hours of the incident.

~~2. C.~~ The IS Department will provide the approved requestor a CalOptima ~~provided cellular telephone issued mobile phone~~ based on its current approved list of ~~cellular mobile~~ devices and its corresponding plan.

IV. ATTACHMENTS

Not Applicable

V. REFERENCES

- A. CalOptima Code of Conduct
- B. CalOptima Employee Handbook
- C. CalOptima Policy IS.1001: Glossary of Terms

VI. REGULATORY AGENCY APPROVALS

None to Date

VII. BOARD ACTIONS

None to Date

VIII. REVIEW/REVISION HISTORY

Version	Date	Policy Number	Policy Name
<u>Original Effective</u>	01/01/2014	GA.5005d	Cellular Telephone Program
Revised	04/01/2015	GA.5005d	Cellular Telephone Program

~~Policy~~ GA.5005d

~~Policy~~

Policy #:

Title: ~~Cellular Telephone Program~~ Acceptable Use of a Company-Issued Mobile Phone for Business Purposes

Revised Date: ~~05/01/16~~ TBD

Version	Date	Policy Number	Policy Name
Revised	05/01/2016	GA.5005d	Cellular Telephone Program
<u>Revised</u>	<u>TBD</u>	<u>GA.5005d</u>	<u>Acceptable Use of a Company-Issued Mobile Phone for Business Purposes</u>

FAC REVIEW - 20171116

IX. GLOSSARY

<u>Term</u>	<u>Definition</u>
<u>Breach</u>	<u>Has the meaning in 45, Code of Federal Regulations Section 164.402.</u>
<u>Code of Conduct</u>	<u>The statement setting forth the principles and standards governing CalOptima's activities to which Board Members, Employees, First Tier, Downstream and Related Entities, and agents of CalOptima are expected to adhere.</u>
<u>Protected Health Information (PHI)</u>	<p><u>Has the meaning in 45, Code of Federal Regulations Section 160.103, including the following: individually identifiable health information transmitted by electronic media, maintained in electronic media, or transmitted or maintained in any other form or medium.</u></p> <p><u>This information identifies the individual or there is reasonable basis to believe the information can be used to identify the individual. The information was created or received by Cal Optima or Business Associates and relates to:</u></p> <ol style="list-style-type: none"> <u>1. The past, present, or future physical or mental health or condition of a Member;</u> <u>2. The provision of health care to a Member; or</u> <u>3. Past, present, or future Payment for the provision of health care to a Member.</u>

Policy #: GA.5005d
Title: **Acceptable Use of a Company-Issued Mobile Phone for Business Purposes**
Department: Information Services
Section: Not Applicable

CEO Approval: Michael Schrader _____

Effective Date: 01/01/14
Last Review Date: TBD
Last Revised Date: TBD

I. PURPOSE

This policy defines the accepted practices, responsibilities, and procedures for the use of a CalOptima-issued mobile phone for business purposes as well as the eligibility and commitment requirements, and provides guidance for the use of the CalOptima-issued mobile phone.

II. POLICY

- A. CalOptima has a mobile phone program, whereby a qualifying employee may receive a CalOptima-issued mobile phone.
- B. A qualifying employee is an employee, who, based on his/her roles and responsibilities, is required to be in close contact with CalOptima at all times or requires access to a mobile phone in order to perform his/her duties. Qualifying employees require the approval of both their reporting Executive Director or Chief, and the Human Resources Department, to ensure compliance with wage and hour laws and requirements.
- C. Failure to comply with this policy and/or other applicable CalOptima policies regarding technology use may result in revocation of the privilege to have and use a CalOptima-issued mobile phone, and/or result in disciplinary action, up to and including termination.
- D. An employee who receives a CalOptima-issued mobile phone shall:
 1. Only use the CalOptima-issued mobile phone to conduct CalOptima business;
 2. Be available for contact on the CalOptima-issued mobile phone during business hours, as well as evenings and weekends, where designated or as-needed, for business-related purposes;
 3. Reasonably limit use of the CalOptima-issued mobile phone for personal business, except as it relates to the performance of job responsibilities, (e.g., communication to family due to company needed travel, offsite conferences, offsite work, etc.). This includes not using the camera or video features for personal use;
 4. Ensure all calls, messaging, and web access on the CalOptima-issued mobile phone are solely made from locations within the United States, unless previously approved for business purposes for a limited date range;

- 1 5. Use appropriate caution when accessing Protected Health Information (PHI) and ensuring that
- 2 the device is not visible to others nearby;
- 3
- 4 6. Be financially responsible for any calls made internationally, unless previously approved for
- 5 business purposes, or non-business-related charges incurred;
- 6
- 7 7. Not add, download, or purchase any applications or special features on the CalOptima-issued
- 8 mobile phone that require a fee or are inconsistent with the CalOptima Code of Conduct and
- 9 applicable CalOptima policies and procedures;
- 10
- 11 8. Contact the Information Services (IS) Department immediately if the CalOptima-issued mobile
- 12 phone is lost or stolen;
- 13
- 14 9. Accept that CalOptima work will be monitored for information security purposes and
- 15 compliance with CalOptima policies and procedures;
- 16
- 17 10. Abide by applicable laws when using the mobile phone while operating a vehicle;
- 18
- 19 11. Return the CalOptima-issued mobile phone if the nature of their position changes, or upon
- 20 leaving employment with CalOptima;
- 21
- 22 12. Only update the operating system of the phone when directed by the IS Department;
- 23
- 24 13. Not be eligible for device upgrades unless determined by business need or approval from the
- 25 employee's Executive Director or Chief. An employee shall not assume that device upgrades
- 26 will follow any specified timeline;
- 27
- 28 14. Prevent unauthorized use of the CalOptima-issued mobile phone;
- 29
- 30 15. Enable the "find phone" feature on the mobile phone; and
- 31
- 32 16. Keep detailed time records of each phone-related activity together with date, time of day,
- 33 content description and actual duration of call, email, text message, etc. if the qualifying
- 34 employee is a non-exempt employee.
- 35
- 36 E. Non-exempt qualifying employees who only need CalOptima-issued mobile phones during business
- 37 hours, but not while off-duty, shall refrain from using the CalOptima-issued mobile phones during
- 38 non-work hours, unless otherwise directed by the qualifying employee's supervisor, in conjunction
- 39 with direction from the Human Resources Department regarding wage and hour requirements.
- 40
- 41 F. The use of the camera on the CalOptima-issued mobile phones, or other audio or video recording,
- 42 may constitute an invasion of employees' personal privacy and may breach the confidentiality of
- 43 CalOptima's trade secrets or other protected information. Therefore, the use of camera or other
- 44 video/audio recording on CalOptima-issued mobile phones is prohibited without the express prior
- 45 permission of the department Executive and of the person(s) present at the time.
- 46
- 47 G. Employees should have no expectation of privacy regarding the contents and data maintained on
- 48 CalOptima-issued mobile phones, which may be subject to review and inspection at any time.
- 49 Contents stored on CalOptima-issued mobile phones may be subject to disclosure under the Public
- 50 Records Act.

- H. Employees who cause a security breach, violate CalOptima's confidentiality policy, cause an accident by recklessly using their phones, or violate this policy may face disciplinary action, up to and including termination. CalOptima may seek criminal and/or civil remedies, where appropriate.

III. PROCEDURE

A. CalOptima-issued mobile phone may be requested as follows:

1. Executives (above the Director Level) – Executives may submit a help desk ticket to request a CalOptima-issued mobile phone for him/herself. (An Executive Assistant may also make this request on behalf of the Executive employee.)
2. Directors - The Director's Executive or Chief, as applicable, will submit a help desk ticket to request on the Director's behalf; their submission of this request will serve as their endorsement of the business need for the company device.
3. Below Director-level exempt employees - The employee's Director, with the written approval of the Executive or Chief of the department, will submit a help desk ticket making the request on the exempt employee's behalf; their submission of this request will serve as their endorsement of the business need for the company device.
4. Non-exempt employees – The employee's Director, with the written approval of the Executive or Chief of the department and the written approval from the Executive Director of HR, will submit a help desk ticket making the request on the non-exempt employee's behalf; their submission of this request will serve as their endorsement of the business need for the company device.

B. Once approved for the CalOptima-issued mobile phone, the employee shall:

1. Complete all required equipment release forms requested by the IS Department;
2. Be professional and conscientious at all times when using CalOptima-issued mobile phones and shall take reasonable care of the CalOptima-issued mobile phones;
3. Return the CalOptima-issued mobile phone when requested or upon leaving employment with CalOptima;
4. Notify IS immediately, or within no more than twenty-four (24) hours of the phone being lost or stolen;
5. Report any security breach or Breach of PHI to the Office of Compliance immediately, but in no event more than twenty-four (24) hours of the incident.

C. The IS Department will provide the approved requestor a CalOptima-issued mobile phone based on its current approved list of mobile devices and its corresponding plan.

IV. ATTACHMENTS

Not Applicable

Policy #: GA.5005d
Title: Acceptable Use of a Company-Issued Mobile Phone for
Business Purposes

Revised Date: TBD

V. REFERENCES

- A. CalOptima Code of Conduct
- B. CalOptima Employee Handbook
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Revised	05/01/2016	GA.5005d	Cellular Telephone Program
Revised	TBD	GA.5005d	Acceptable Use of a Company-Issued Mobile Phone for Business Purposes

IX. GLOSSARY

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Protected Health Information (PHI)	<p>Has the meaning in 45, Code of Federal Regulations Section 160.103, including the following: individually identifiable health information transmitted by electronic media, maintained in electronic media, or transmitted or maintained in any other form or medium.</p> <p>This information identifies the individual or there is reasonable basis to believe the information can be used to identify the individual. The information was created or received by Cal Optima or Business Associates and relates to:</p> <ol style="list-style-type: none">1. The past, present, or future physical or mental health or condition of a Member;2. The provision of health care to a Member; or3. Past, present, or future Payment for the provision of health care to a Member.



CalOptima

Better. Together.

Financial Summary

September 2017

Board of Directors' Finance and Audit Committee Meeting
November 16, 2017

Greg Hamblin
Chief Financial Officer

FY 2017-18: Consolidated Enrollment

- September 2017 MTD:
 - Overall enrollment was 796,181 member months
 - Actual lower than budget by 6,192 or 0.8%
 - Medi-Cal: unfavorable variance of 6,013 members
 - TANF unfavorable variance of 9,620 members
 - SPD unfavorable variance of 1,982 members
 - Medi-Cal Expansion (MCE) favorable variance of 5,343 members
 - LTC favorable variance of 246 members
 - OneCare Connect: unfavorable variance of 251 members
 - 1,810 or 0.2% decrease from prior month
 - Medi-Cal: decrease of 1,871 from August
 - OneCare Connect: increase of 36 from August
 - OneCare: increase of 18 from August
 - PACE: increase of 7 from August

FY 2017-18: Consolidated Enrollment

- September 2017 YTD:

- Overall enrollment was 2,381,858 member months
 - Actual lower than budget by 24,277 or 1.0%
 - Medi-Cal: unfavorable variance of 23,813 members or 1.0%
 - TANF unfavorable variance of 30,767 members
 - SPD unfavorable variance of 6,716 members
 - MCE favorable variance of 13,090 members
 - LTC favorable variance of 580 members
 - OneCare Connect: unfavorable variance of 648 members or 1.4%
 - OneCare: favorable variance of 183 members or 4.6%
 - PACE: favorable variance of 1 member or 0.2%

FY 2017-18: Consolidated Revenues

- September 2017 MTD:

- Actual higher than budget by \$22.1 million or 8.0%
 - Medi-Cal: favorable to budget by \$17.5 million or 7.2%
 - Unfavorable volume variance of \$1.9 million
 - Favorable price variance of \$19.4 million due to:
 - \$9.5 million of fiscal year 2018 Coordinated Care Initiative (CCI) including In-Home Supportive Services (IHSS) revenue
 - \$2.0 million of fiscal year 2018 Behavior Health Treatment (BHT) revenue
 - \$2.1 million of fiscal year 2018 LTC related revenue from non-LTC aid code
 - \$1.2 million of fiscal year 2018 Non-Medical Transportation revenue
 - \$3.7 million of fiscal year 2016 revenue true up to final DHCS rates

FY 2017-18: Consolidated Revenues (cont.)

- September 2017 MTD:
 - OneCare Connect: favorable to budget by \$6.9 million or 25.0%
 - Unfavorable volume variance of \$0.4 million due to lower enrollment
 - Favorable price related variance of \$7.4 million due to CMS' annual adjustments
 - OneCare: unfavorable to budget by \$2.5 million or 178.6%
 - \$2.8 million due to prior year Health Network recoupment due to encounter data correction
 - PACE: favorable to budget by \$0.1 million or 8.7%

FY 2017-18: Consolidated Revenues (cont.)

- September 2017 YTD:

- Actual higher than budget by \$33.8 million or 4.1%
 - Medi-Cal: favorable to budget by \$29.9 million or 4.1%
 - Unfavorable volume variance of \$7.4 million
 - Favorable price variance of \$37.4 million due to:
 - \$19.0 million for CCI and IHSS revenue
 - \$14.5 million for prior year revenue
 - \$4.5 million for Autism revenue
 - OneCare Connect: favorable to budget by \$5.7 million or 6.9%
 - Unfavorable volume variance of \$1.1 million
 - Favorable price variance of \$6.8 million
 - OneCare: Unfavorable to budget by \$2.3 million or 55.9%
 - Favorable volume variance of \$0.2 million
 - Unfavorable price variance of \$2.5 million
 - \$2.8 million due to Health Network recoupment
 - PACE: favorable to budget by \$0.5 million or 11.5%

FY 2017-18: Consolidated Medical Expenses

- September 2017 MTD:
 - Actual higher than budget by \$18.9 million or 7.3%
 - Medi-Cal: unfavorable variance of \$19.4 million
 - MLTSS unfavorable variance of \$8.5 million
 - IHSS unfavorable variance of \$4.9 million
 - Nursing facilities expenses unfavorable variance of \$2.8 million
 - Professional Claims unfavorable variance of \$5.7 million
 - Provider Capitation unfavorable variance of \$3.0 million
 - Facilities expenses unfavorable variance of \$1.6 million
 - OneCare Connect: unfavorable variance of \$2.7 million
 - Favorable volume variance of \$0.4 million
 - Unfavorable price variance of \$3.1 million

FY 2017-18: Consolidated Medical Expenses (cont.)

- September 2017 YTD:

- Actual higher than budget by \$43.4 million or 5.5%
 - Medi-Cal: unfavorable variance of \$44.0 million
 - Favorable volume variance of \$7.1 million
 - Unfavorable price variance of \$51.0 million
 - MLTSS expense \$23.1 million higher than budget
 - Professional Claims \$6.6 million higher than budget
 - Facilities \$6.2 million higher than budget
 - Provider Capitation \$5.9 million higher than budget
 - OneCare Connect: unfavorable variance of \$2.8 million
 - Favorable volume variance of \$1.1 million
 - Unfavorable price variance of \$3.9 million

- Medical Loss Ratio (MLR):

- September 2017 MTD: Actual: 93.3% Budget: 93.9%
- September 2017 YTD: Actual: 96.2% Budget: 94.8%

FY 2017-18: Consolidated Administrative Expenses

- September 2017 MTD:
 - Actual lower than budget by \$2.1 million or 18.0%
 - Salaries and Benefits: favorable variance of \$0.8 million
 - Other categories: favorable variance of \$1.4 million
- September 2017 YTD:
 - Actual lower than budget by \$8.0 million or 22.0%
 - Salaries and Benefits: favorable variance of \$2.7 million driven by lower than budgeted FTE
 - Other categories: favorable variance of \$5.2 million
- Administrative Loss Ratio (ALR):
 - September 2017 MTD: Actual: 3.3% Budget: 4.3%
 - September 2017 YTD: Actual: 3.3% Budget: 4.4%

FY 2017-18: Change in Net Assets

- September 2017 MTD:
 - \$11.3 million surplus
 - \$6.2 million favorable to budget
 - Higher than budgeted revenue of \$22.1 million
 - Higher than budgeted medical expenses of \$18.9 million
 - Lower than budgeted administrative expenses of \$2.1 million
 - Higher than budgeted investment and other income of \$0.9 million
- September 2017 YTD:
 - \$11.3 million surplus
 - \$4.1 million favorable to budget
 - Higher than budgeted revenue of \$33.8 million
 - Higher than budgeted medical expenses of \$43.4 million
 - Lower than budgeted administrative expenses of \$8.0 million
 - Higher than budgeted investment and other income of \$5.7 million

Enrollment Summary: September 2017

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
62,289	62,630	(341)	(0.5%)	Aged	185,000	186,724	(1,724)	(0.9%)
625	618	7	1.1%	BCCTP	1,877	1,854	23	1.2%
47,116	48,764	(1,648)	(3.4%)	Disabled	141,249	146,264	(5,015)	(3.4%)
327,786	329,785	(1,999)	(0.6%)	TANF Child	982,305	989,784	(7,479)	(0.8%)
96,310	103,931	(7,621)	(7.3%)	TANF Adult	288,774	312,062	(23,288)	(7.5%)
3,514	3,268	246	7.5%	LTC	10,384	9,804	580	5.9%
241,644	236,301	5,343	2.3%	MCE	721,589	708,499	13,090	1.8%
779,284	785,297	(6,013)	(0.8%)	Medi-Cal	2,331,178	2,354,991	(23,813)	(1.0%)
15,265	15,516	(251)	(1.6%)	OneCare Connect	45,859	46,507	(648)	(1.4%)
228	226	2	0.9%	PACE	664	663	1	0.2%
1,404	1,334	70	5.2%	OneCare	4,157	3,974	183	4.6%
796,181	802,373	(6,192)	(0.8%)	CalOptima Total	2,381,858	2,406,135	(24,277)	(1.0%)

Financial Highlights: September 2017

Month-to-Date			
Actual	Budget	\$ Variance	% Variance
796,181	802,373	(6,192)	(0.8%)
297,732,356	275,642,096	22,090,259	8.0%
277,812,491	258,936,834	(18,875,657)	(7.3%)
9,744,789	11,884,562	2,139,773	18.0%
10,175,076	4,820,699	5,354,376	111.1%
1,103,744	231,157	872,586	377.5%
11,278,819	5,051,857	6,226,963	123.3%

	Year-to-Date			
	Actual	Budget	\$ Variance	% Variance
Member Months	2,381,858	2,406,135	(24,277)	(1.0%)
Revenues	859,083,252	825,259,966	33,823,286	4.1%
Medical Expenses	826,083,672	782,662,834	(43,420,838)	(5.5%)
Administrative Expenses	28,137,763	36,094,325	7,956,562	22.0%
Operating Margin	4,861,818	6,502,807	(1,640,989)	(25.2%)
Non Operating Income (Loss)	6,446,929	736,245	5,710,684	775.6%
Change in Net Assets	11,308,747	7,239,053	4,069,695	56.2%

93.3%	93.9%	0.6%
3.3%	4.3%	1.0%
<u>3.4%</u>	<u>1.7%</u>	1.7%
100.0%	100.0%	

Medical Loss Ratio	96.2%	94.8%	(1.3%)
Administrative Loss Ratio	3.3%	4.4%	1.1%
Operating Margin Ratio	<u>0.6%</u>	<u>0.8%</u>	(0.2%)
Total Operating	100.0%	100.0%	

Consolidated Performance Actual vs. Budget: September (in millions)

MONTH-TO-DATE				YEAR-TO-DATE		
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
4.5	4.4	0.1	Medi-Cal	(0.2)	7.0	(7.3)
4.8	0.5	4.3	OCC	3.9	0.1	3.8
0.6	(0.1)	0.7	OneCare	0.6	(0.5)	1.1
<u>0.2</u>	<u>0.0</u>	<u>0.2</u>	PACE	<u>0.6</u>	<u>(0.2)</u>	<u>0.8</u>
10.2	4.8	5.3	Operating	4.8	6.5	(1.7)
<u>1.1</u>	<u>0.2</u>	<u>0.9</u>	Inv./Rental Inc, MCO tax	<u>6.5</u>	<u>0.7</u>	<u>5.6</u>
1.1	0.2	0.9	Non-Operating	6.5	0.7	5.6
11.3	5.1	6.2	TOTAL	11.3	7.2	4.1

Consolidated Revenue & Expense:

September 2017 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	537,640	241,644	779,284	15,265	1,404	228	796,181
REVENUES							
Capitation Revenue	\$ 150,153,121	\$ 112,403,119	\$ 262,556,241	\$ 34,652,381	\$ (1,094,261)	\$ 1,617,995	\$ 297,732,356
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	<u>150,153,121</u>	<u>112,403,119</u>	<u>262,556,241</u>	<u>34,652,381</u>	<u>(1,094,261)</u>	<u>1,617,995</u>	<u>297,732,356</u>
MEDICAL EXPENSES							
Provider Capitation	39,521,013	50,516,924	90,037,937	12,661,156	(2,247,990)	-	100,451,103
Facilities	21,198,993	23,496,321	44,695,314	3,586,012	62,118	184,354	48,527,798
Ancillary	-	-	-	568,797	3,266	-	572,063
Skilled Nursing	-	-	-	-	4,755	-	4,755
Professional Claims	13,845,447	5,597,700	19,443,147	-	-	346,516	19,789,663
Prescription Drugs	17,144,885	17,703,599	34,848,484	4,855,851	433,808	106,728	40,244,871
MLTSS Facility Payments	54,232,017	2,632,094	56,864,111	5,271,733	-	(368)	62,135,476
Medical Management	1,724,254	840,902	2,565,156	939,878	11,324	365,196	3,881,553
Reinsurance & Other	1,076,858	693,939	1,770,797	141,469	7,278	285,664	2,205,208
Total Medical Expenses	<u>148,743,468</u>	<u>101,481,478</u>	<u>250,224,946</u>	<u>28,024,897</u>	<u>(1,725,441)</u>	<u>1,288,089</u>	<u>277,812,491</u>
Medical Loss Ratio	99.1%	90.3%	95.3%	80.9%	157.7%	79.6%	93.3%
GROSS MARGIN	1,409,654	10,921,641	12,331,295	6,627,484	631,180	329,906	19,919,864
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			5,107,223	746,311	21,015	60,691	5,935,240
Professional fees			172,881	17,875	0	2,935	193,691
Purchased services			903,190	85,998	12,483	6,246	1,007,918
Printing and Postage			406,533	83,461	(1,478)	68	488,584
Depreciation and Amortization			617,605	-	-	2,168	619,773
Other expenses			1,104,253	37,915	(0)	22,718	1,164,886
Indirect cost allocation, Occupancy expense			(493,564)	825,539	(23,161)	25,882	334,696
Total Administrative Expenses			<u>7,818,122</u>	<u>1,797,098</u>	<u>8,859</u>	<u>120,709</u>	<u>9,744,789</u>
Admin Loss Ratio			3.0%	5.2%	-0.8%	7.5%	3.3%
INCOME (LOSS) FROM OPERATIONS			4,513,173	4,830,386	622,321	209,196	10,175,076
INVESTMENT INCOME			-	-	-	-	1,105,625
NET RENTAL INCOME			-	-	-	-	8,604
NET GRANT INCOME			(10,546)	-	-	-	(10,546)
OTHER INCOME			60	-	-	-	60
CHANGE IN NET ASSETS			<u>\$ 4,502,687</u>	<u>\$ 4,830,386</u>	<u>\$ 622,321</u>	<u>\$ 209,196</u>	<u>\$ 11,278,819</u>
BUDGETED CHANGE IN ASSETS			4,418,128	539,315	(108,323)	(28,421)	5,051,857
VARIANCE TO BUDGET - FAV (UNFAV)			<u>84,559</u>	<u>4,291,071</u>	<u>730,643</u>	<u>237,617</u>	<u>6,226,963</u>

Consolidated Revenue & Expense: September 2017 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	1,609,589	721,589	2,331,178	45,859	4,157	664	2,381,858
REVENUES							
Capitation Revenue	\$ 447,628,650	\$ 317,030,364	\$ 764,659,014	\$ 87,771,776	1,789,381	\$ 4,863,081	\$ 859,083,252
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	<u>447,628,650</u>	<u>317,030,364</u>	<u>764,659,014</u>	<u>87,771,776</u>	<u>1,789,381</u>	<u>4,863,081</u>	<u>859,083,252</u>
MEDICAL EXPENSES							
Provider Capitation	116,660,817	150,511,678	267,172,495	33,890,040	(1,456,604)	-	299,605,931
Facilities	65,186,053	72,037,091	137,223,144	9,113,530	836,510	818,515	147,991,699
Ancillary	-	-	-	1,891,519	85,461	-	1,976,980
Skilled Nursing	-	-	-	-	52,555	-	52,555
Professional Claims	34,331,176	13,827,753	48,158,929	-	-	974,238	49,133,167
Prescription Drugs	53,038,033	55,184,173	108,222,206	15,102,448	1,420,929	328,933	125,074,516
MLTSS Facility Payments	162,706,147	7,489,698	170,195,846	15,375,481	-	16,390	185,587,717
Medical Management	6,422,964	1,933,895	8,356,860	3,139,968	51,302	1,091,944	12,640,073
Reinsurance & Other	1,726,651	971,988	2,698,639	570,027	21,350	731,018	4,021,034
Total Medical Expenses	<u>440,071,842</u>	<u>301,956,277</u>	<u>742,028,118</u>	<u>79,083,014</u>	<u>1,011,502</u>	<u>3,961,037</u>	<u>826,083,672</u>
Medical Loss Ratio	98.3%	95.2%	97.0%	90.1%	56.5%	81.5%	96.2%
GROSS MARGIN	7,556,809	15,074,087	22,630,896	8,688,762	777,879	902,044	32,999,581
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			15,468,566	2,236,999	75,591	207,960	17,989,116
Professional fees			561,068	18,376	0	9,040	588,484
Purchased services			2,376,469	259,764	38,574	12,424	2,687,231
Printing and Postage			822,006	148,718	8,572	4,995	984,291
Depreciation and Amortization			1,372,600	-	-	6,432	1,379,032
Other expenses			3,268,243	147,882	(0)	53,886	3,470,010
Indirect cost allocation, Occupancy expense			(1,026,800)	1,994,395	40,659	31,344	1,039,598
Total Administrative Expenses			<u>22,842,152</u>	<u>4,806,133</u>	<u>163,396</u>	<u>326,081</u>	<u>28,137,763</u>
Admin Loss Ratio			3.0%	5.5%	9.1%	6.7%	3.3%
INCOME (LOSS) FROM OPERATIONS			(211,256)	3,882,629	614,483	575,962	4,861,818
INVESTMENT INCOME			-	-	-	-	6,460,129
NET RENTAL INCOME			-	-	-	-	15,244
NET GRANT INCOME			(28,863)	-	-	-	(28,863)
OTHER INCOME			419	-	-	-	419
CHANGE IN NET ASSETS			<u>\$ (239,700)</u>	<u>\$ 3,882,629</u>	<u>\$ 614,483</u>	<u>\$ 575,962</u>	<u>\$ 11,308,747</u>
BUDGETED CHANGE IN ASSETS			7,033,341	102,010	(452,152)	(180,391)	7,239,053
VARIANCE TO BUDGET - FAV (UNFAV)			<u>(7,273,041)</u>	<u>3,780,619</u>	<u>1,066,634</u>	<u>756,354</u>	<u>4,069,695</u>

Balance Sheet:

As of September 2017

ASSETS

Current Assets

Operating Cash	\$761,478,642
Investments	1,041,355,043
Capitation receivable	385,861,846
Receivables - Other	24,750,232
Prepaid Expenses	4,978,217
Total Current Assets	<u>2,218,423,981</u>

Capital Assets Furniture and equipment	34,039,048
Building/Leasehold improvements	5,527,436
505 City Parkway West	49,433,337
	88,999,822
Less: accumulated depreciation	(36,454,633)
Capital assets, net	<u>52,545,189</u>

Other Assets Restricted deposit & Other	300,000
Board-designated assets	
Cash and cash equivalents	23,363,148
Long term investments	513,727,647
Total Board-designated Assets	537,090,795
Total Other Assets	<u>537,390,795</u>

Deferred outflows of Resources - Pension Contributions	5,234,198
Deferred outflows of Resources - Difference in Experience	1,072,771
Deferred outflows of Resources - Excess Earnings	5,270,171

TOTAL ASSETS & OUTFLOWS	<u>2,819,937,104</u>
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LIABILITIES & FUND BALANCES

Current Liabilities

Accounts payable	\$19,618,674
Medical claims liability	1,422,870,300
Accrued payroll liabilities	11,089,422
Deferred revenue	156,973,782
Deferred lease obligations	178,046
Capitation and withholds	437,934,816
Total Current Liabilities	<u>2,048,665,040</u>

Other employment benefits liability	29,105,495
Net Pension Liabilities	15,959,420
Long Term Liabilities	100,000

TOTAL LIABILITIES	<u>2,093,829,955</u>
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Deferred inflows of Resources - Excess Earnings	-
Deferred inflows of Resources - Changes in Assumptions	1,340,010
Tangible net equity (TNE)	92,041,987
Funds in excess of TNE	632,725,153

Net Assets	<u>724,767,140</u>
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TOTAL LIABILITIES, INFLOWS & FUND BALANCES	<u>2,819,937,104</u>
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Board Designated Reserve and TNE Analysis As of September 2017

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	146,756,598				
	Tier 1 - Logan Circle	146,506,854				
	Tier 1 - Wells Capital	146,471,481				
Board-designated Reserve		439,734,933	304,283,513	474,137,298	135,451,420	(34,402,366)
TNE Requirement	Tier 2 - Logan Circle	97,355,862	92,041,987	92,041,987	5,313,875	5,313,875
Consolidated:		537,090,795	396,325,500	566,179,285	140,765,295	(29,088,491)
	<i>Current reserve level</i>	1.90	1.40	2.00		



UNAUDITED FINANCIAL STATEMENTS

September 2017

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**CalOptima - Consolidated
Financial Highlights
For the Three Months Ended September 30, 2017**

Month-to-Date					Year-to-Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
796,181	802,373	(6,192)	(0.8%)	Member Months	2,381,858	2,406,135	(24,277)	(1.0%)
297,732,356	275,642,096	22,090,259	8.0%	Revenues	859,083,252	825,259,966	33,823,286	4.1%
277,812,491	258,936,834	(18,875,657)	(7.3%)	Medical Expenses	826,083,672	782,662,834	(43,420,838)	(5.5%)
9,744,789	11,884,562	2,139,773	18.0%	Administrative Expenses	28,137,763	36,094,325	7,956,562	22.0%
10,175,076	4,820,699	5,354,376	111.1%	Operating Margin	4,861,818	6,502,807	(1,640,989)	(25.2%)
1,103,744	231,157	872,586	377.5%	Non Operating Income (Loss)	6,446,929	736,245	5,710,684	775.6%
11,278,819	5,051,857	6,226,963	123.3%	Change in Net Assets	11,308,747	7,239,053	4,069,695	56.2%
93.3%	93.9%	0.6%		Medical Loss Ratio	96.2%	94.8%	(1.3%)	
3.3%	4.3%	1.0%		Administrative Loss Ratio	3.3%	4.4%	1.1%	
<u>3.4%</u>	<u>1.7%</u>	1.7%		Operating Margin Ratio	<u>0.6%</u>	<u>0.8%</u>	(0.2%)	
100.0%	100.0%			Total Operating	100.0%	100.0%		

CalOptima
Financial Dashboard
For the Three Months Ended September 30, 2017

MONTH - TO - DATE

Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	779,284	785,297	↓	(6,013) (0.8%)
OneCare Connect	15,265	15,516	↓	(251) (1.6%)
OneCare	1,404	1,334	↑	70 5.2%
PACE	228	226	↑	2 0.9%
Total	796,181	802,373	↓	(6,192) (0.8%)

Change in Net Assets (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 4,503	\$ 4,418	↑	\$ 85 1.9%
OneCare Connect	4,830	539	↑	4,291 795.7%
OneCare	622	(108)	↑	731 674.5%
PACE	209	(28)	↑	238 836.1%
505 Bldg.	9	(19)	↑	27 145.7%
Investment Income & Other	1,106	250	↑	856 342.2%
Total	\$ 11,279	\$ 5,052	↑	\$ 6,227 123.3%

MLR	Actual	Budget	% Point Var	
Medi-Cal	95.3%	94.2%	↓	(1.1)
OneCare Connect	80.9%	91.3%	↑	10.4
OneCare	157.7%	100.8%	↓	(56.8)

Administrative Cost (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 7,818	\$ 9,762	↑	\$ 1,944 19.9%
OneCare Connect	1,797	1,878	↑	81 4.3%
OneCare	9	97	↑	88 90.8%
PACE	121	148	↑	28 18.7%
Total	\$ 9,745	\$ 11,885	↑	\$ 2,140 18.0%

Total FTE's Month	Actual	Budget	Fav / (Unfav)	
Medi-Cal	869	900		31
OneCare Connect	224	237		13
OneCare	3	3		0
PACE	52	61		9
Total	1,149	1,202		53

MM per FTE	Actual	Budget	Fav / (Unfav)	
Medi-Cal	896	872		24
OneCare Connect	68	65		3
OneCare	468	445		24
PACE	4	4		1
Total	1,437	1,386		51

YEAR - TO - DATE

Year To Date Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	2,331,178	2,354,991	↓	(23,813) (1.0%)
OneCare Connect	45,859	46,507	↓	(648) (1.4%)
OneCare	4,157	3,974	↑	183 4.6%
PACE	664	663	↑	1 0.2%
Total	2,381,858	2,406,135	↓	(24,277) (1.0%)

Change in Net Assets (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ (240)	\$ 7,033	↓	\$ (7,273) (103.4%)
OneCare Connect	3,883	102	↑	3,781 3706.1%
OneCare	614	(452)	↑	1,067 235.9%
PACE	576	(180)	↑	756 419.3%
505 Bldg.	15	(14)	↑	29 210.8%
Investment Income & Other	6,460	750	↑	5,710 761.4%
Total	\$ 11,309	\$ 7,239	↑	\$ 4,070 56.2%

MLR	Actual	Budget	% Point Var	
Medi-Cal	97.0%	95.0%	↓	(2.0)
OneCare Connect	90.1%	92.9%	↑	2.8
OneCare	56.5%	103.8%	↑	47.3

Administrative Cost (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 22,842	\$ 29,602	↑	\$ 6,760 22.8%
OneCare Connect	4,806	5,751	↑	945 16.4%
OneCare	163	299	↑	135 45.3%
PACE	326	442	↑	116 26.3%
Total	\$ 28,138	\$ 36,094	↑	\$ 7,957 22.0%

Total FTE's YTD	Actual	Budget	Fav / (Unfav)	
Medi-Cal	2,619	2,701		82
OneCare Connect	683	711		29
OneCare	9	9		(0)
PACE	155	187		32
Total	3,466	3,608		142

MM per FTE	Actual	Budget	Fav / (Unfav)	
Medi-Cal	890	872		18
OneCare Connect	67	65		2
OneCare	438	442		(3)
PACE	4	4		1
Total	1,400	1,382		17

**CalOptima - Consolidated
Statement of Revenue and Expenses
For the One Month Ended September 30, 2017**

	Actual		Month Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	796,181		802,373		(6,192)	
Revenues						
Medi-Cal	\$ 262,556,241	\$ 336.92	\$ 245,035,514	\$ 312.03	\$ 17,520,727	\$ 24.89
OneCare Connect	34,652,381	2,270.05	27,725,650	1,786.91	6,926,731	483.15
OneCare	(1,094,261)	(779.39)	1,392,751	1,044.04	(2,487,012)	(1,823.43)
PACE	1,617,995	7,096.47	1,488,181	6,584.87	129,814	511.60
Total Operating Revenue	297,732,356	373.95	275,642,096	343.53	22,090,259	30.42
Medical Expenses						
Medi-Cal	250,224,946	321.10	230,855,487	293.97	(19,369,459)	(27.12)
OneCare Connect	28,024,897	1,835.89	25,308,698	1,631.14	(2,716,199)	(204.76)
OneCare	(1,725,441)	(1,228.95)	1,404,542	1,052.88	3,129,983	2,281.83
PACE	1,288,089	5,649.51	1,368,107	6,053.57	80,019	404.06
Total Medical Expenses	277,812,491	348.93	258,936,834	322.71	(18,875,657)	(26.22)
Gross Margin	19,919,864	25.02	16,705,262	20.82	3,214,603	4.20
Administrative Expenses						
Salaries and Benefits	5,935,240	7.45	6,700,747	8.35	765,507	0.90
Professional fees	193,691	0.24	365,938	0.46	172,247	0.21
Purchased services	1,007,918	1.27	1,986,216	2.48	978,298	1.21
Printing and Postage	488,584	0.61	527,371	0.66	38,787	0.04
Depreciation and Amortization	619,773	0.78	463,298	0.58	(156,475)	(0.20)
Other	1,164,886	1.46	1,500,575	1.87	335,689	0.41
Indirect cost allocation, Occupancy expense	334,696	0.42	340,417	0.42	5,721	0.00
Total Administrative Expenses	9,744,789	12.24	11,884,562	14.81	2,139,773	2.57
Income (Loss) From Operations	10,175,076	12.78	4,820,699	6.01	5,354,376	6.77
Investment income						
Interest income	2,173,776	2.73	250,000	0.31	1,923,776	2.42
Realized gain/(loss) on investments	(111,504)	(0.14)	-	-	(111,504)	(0.14)
Unrealized gain/(loss) on investments	(956,647)	(1.20)	-	-	(956,647)	(1.20)
Total Investment Income	1,105,625	1.39	250,000	0.31	855,625	1.08
Net Rental Income	8,604	0.01	(18,843)	(0.02)	27,447	0.03
Total Net Operating Tax	-	-	-	-	-	-
Total Net Grant Income	(10,546)	(0.01)	-	-	(10,546)	(0.01)
QAF/IGT	-	-	-	-	-	-
Other Income	60	0.00	-	-	60	0.00
Change In Net Assets	11,278,819	14.17	5,051,857	6.30	6,226,963	7.87
Medical Loss Ratio	93.3%		93.9%		0.6%	
Administrative Loss Ratio	3.3%		4.3%		1.0%	

* PMPMs for Revenues and Medical Expenses are calculated using line of business enrollment

** Includes MSSP

**CalOptima - Consolidated
Statement of Revenue and Expenses
For the Three Months Ended September 30, 2017**

	Actual		Month Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	2,381,858		2,406,135		(24,277)	
Revenues						
Medi-Cal	\$ 764,659,014	\$ 328.01	\$ 734,734,640	\$ 311.99	\$ 29,924,374	\$ 16.02
OneCare Connect	87,771,776	1,913.95	82,109,442	1,765.53	5,662,334	148.42
OneCare	1,789,381	430.45	4,056,262	1,020.70	(2,266,881)	(590.25)
PACE	4,863,081	7,323.92	4,359,622	6,575.60	503,459	748.32
Total Operating Revenue	859,083,252	360.68	825,259,966	342.98	33,823,286	17.70
Medical Expenses						
Medi-Cal	742,028,118	318.31	698,099,171	296.43	(43,928,947)	(21.87)
OneCare Connect	79,083,014	1,724.48	76,256,306	1,639.67	(2,826,708)	(84.81)
OneCare	1,011,502	243.33	4,209,708	1,059.31	3,198,206	815.99
PACE	3,961,037	5,965.42	4,097,649	6,180.47	136,612	215.05
Total Medical Expenses	826,083,672	346.82	782,662,834	325.28	(43,420,838)	(21.55)
Gross Margin	32,999,581	13.85	42,597,132	17.70	(9,597,552)	(3.85)
Administrative Expenses						
Salaries and Benefits	17,989,116	7.55	20,698,743	8.60	2,709,627	1.05
Professional fees	588,484	0.25	1,175,315	0.49	586,831	0.24
Purchased services	2,687,231	1.13	5,663,224	2.35	2,975,993	1.23
Printing and Postage	984,291	0.41	1,589,613	0.66	605,322	0.25
Depreciation and Amortization	1,379,032	0.58	1,389,894	0.58	10,861	(0.00)
Other	3,470,010	1.46	4,556,286	1.89	1,086,276	0.44
Indirect cost allocation, Occupancy expense	1,039,598	0.44	1,021,250	0.42	(18,348)	(0.01)
Total Administrative Expenses	28,137,763	11.81	36,094,325	15.00	7,956,562	3.19
Income (Loss) From Operations	4,861,818	2.04	6,502,807	2.70	(1,640,989)	(0.66)
Investment income						
Interest income	6,304,054	2.65	750,000	0.31	5,554,054	2.33
Realized gain/(loss) on investments	(186,138)	(0.08)	-	-	(186,138)	(0.08)
Unrealized gain/(loss) on investments	342,214	0.14	-	-	342,214	0.14
Total Investment Income	6,460,129	2.71	750,000	0.31	5,710,129	2.40
Net Rental Income	15,244	0.01	(13,755)	(0.01)	28,999	0.01
Total Net Operating Tax	-	-	-	-	-	-
Total Net Grant Income	(28,863)	(0.01)	-	-	(28,863)	(0.01)
QAF/IGT	-	-	-	-	-	-
Other Income	419	0.00	-	-	419	0.00
Change In Net Assets	11,308,747	4.75	7,239,053	3.01	4,069,695	1.74
Medical Loss Ratio	96.2%		94.8%		(1.3%)	
Administrative Loss Ratio	3.3%		4.4%		1.1%	

* PMPMs for Revenues and Medical Expenses are calculated using line of business enrollment

** Includes MSSP

**CalOptima - Consolidated - Month to Date
Statement of Revenues and Expenses by LOB
For the One Month Ended September 30, 2017**

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	537,640	241,644	779,284	15,265	1,404	228	796,181
REVENUES							
Capitation Revenue	\$ 150,153,121	\$ 112,403,119	\$ 262,556,241	\$ 34,652,381	\$ (1,094,261)	\$ 1,617,995	\$ 297,732,356
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	<u>150,153,121</u>	<u>112,403,119</u>	<u>262,556,241</u>	<u>34,652,381</u>	<u>(1,094,261)</u>	<u>1,617,995</u>	<u>297,732,356</u>
MEDICAL EXPENSES							
Provider Capitation	39,521,013	50,516,924	90,037,937	12,661,156	(2,247,990)	-	100,451,103
Facilities	21,198,993	23,496,321	44,695,314	3,586,012	62,118	184,354	48,527,798
Ancillary	-	-	-	568,797	3,266	-	572,063
Skilled Nursing	-	-	-	-	4,755	-	4,755
Professional Claims	13,845,447	5,597,700	19,443,147	-	-	346,516	19,789,663
Prescription Drugs	17,144,885	17,703,599	34,848,484	4,855,851	433,808	106,728	40,244,871
MLTSS Facility Payments	54,232,017	2,632,094	56,864,111	5,271,733	-	(368)	62,135,476
Medical Management	1,724,254	840,902	2,565,156	939,878	11,324	365,196	3,881,553
Reinsurance & Other	1,076,858	693,939	1,770,797	141,469	7,278	285,664	2,205,208
Total Medical Expenses	<u>148,743,468</u>	<u>101,481,478</u>	<u>250,224,946</u>	<u>28,024,897</u>	<u>(1,725,441)</u>	<u>1,288,089</u>	<u>277,812,491</u>
Medical Loss Ratio	99.1%	90.3%	95.3%	80.9%	157.7%	79.6%	93.3%
GROSS MARGIN	1,409,654	10,921,641	12,331,295	6,627,484	631,180	329,906	19,919,864
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			5,107,223	746,311	21,015	60,691	5,935,240
Professional fees			172,881	17,875	0	2,935	193,691
Purchased services			903,190	85,998	12,483	6,246	1,007,918
Printing and Postage			406,533	83,461	(1,478)	68	488,584
Depreciation and Amortization			617,605	-	-	2,168	619,773
Other expenses			1,104,253	37,915	(0)	22,718	1,164,886
Indirect cost allocation, Occupancy expense			(493,564)	825,539	(23,161)	25,882	334,696
Total Administrative Expenses			<u>7,818,122</u>	<u>1,797,098</u>	<u>8,859</u>	<u>120,709</u>	<u>9,744,789</u>
Admin Loss Ratio			3.0%	5.2%	-0.8%	7.5%	3.3%
INCOME (LOSS) FROM OPERATIONS			4,513,173	4,830,386	622,321	209,196	10,175,076
INVESTMENT INCOME			-	-	-	-	1,105,625
NET RENTAL INCOME			-	-	-	-	8,604
NET GRANT INCOME			(10,546)	-	-	-	(10,546)
OTHER INCOME			60	-	-	-	60
CHANGE IN NET ASSETS			<u>\$ 4,502,687</u>	<u>\$ 4,830,386</u>	<u>\$ 622,321</u>	<u>\$ 209,196</u>	<u>\$ 11,278,819</u>
BUDGETED CHANGE IN ASSETS			4,418,128	539,315	(108,323)	(28,421)	5,051,857
VARIANCE TO BUDGET - FAV (UNFAV)			<u>84,559</u>	<u>4,291,071</u>	<u>730,643</u>	<u>237,617</u>	<u>6,226,963</u>

**CalOptima - Consolidated - Year to Date
Statement of Revenues and Expenses by LOB
For the Three Months Ended September 30, 2017**

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	1,609,589	721,589	2,331,178	45,859	4,157	664	2,381,858
REVENUES							
Capitation Revenue	\$ 447,628,650	\$ 317,030,364	\$ 764,659,014	\$ 87,771,776	1,789,381	\$ 4,863,081	\$ 859,083,252
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	<u>447,628,650</u>	<u>317,030,364</u>	<u>764,659,014</u>	<u>87,771,776</u>	<u>1,789,381</u>	<u>4,863,081</u>	<u>859,083,252</u>
MEDICAL EXPENSES							
Provider Capitation	116,660,817	150,511,678	267,172,495	33,890,040	(1,456,604)	-	299,605,931
Facilities	65,186,053	72,037,091	137,223,144	9,113,530	836,510	818,515	147,991,699
Ancillary	-	-	-	1,891,519	85,461	-	1,976,980
Skilled Nursing	-	-	-	-	52,555	-	52,555
Professional Claims	34,331,176	13,827,753	48,158,929	-	-	974,238	49,133,167
Prescription Drugs	53,038,033	55,184,173	108,222,206	15,102,448	1,420,929	328,933	125,074,516
MLTSS Facility Payments	162,706,147	7,489,698	170,195,846	15,375,481	-	16,390	185,587,717
Medical Management	6,422,964	1,933,895	8,356,860	3,139,968	51,302	1,091,944	12,640,073
Reinsurance & Other	1,726,651	971,988	2,698,639	570,027	21,350	731,018	4,021,034
Total Medical Expenses	<u>440,071,842</u>	<u>301,956,277</u>	<u>742,028,118</u>	<u>79,083,014</u>	<u>1,011,502</u>	<u>3,961,037</u>	<u>826,083,672</u>
Medical Loss Ratio	98.3%	95.2%	97.0%	90.1%	56.5%	81.5%	96.2%
GROSS MARGIN	7,556,809	15,074,087	22,630,896	8,688,762	777,879	902,044	32,999,581
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			15,468,566	2,236,999	75,591	207,960	17,989,116
Professional fees			561,068	18,376	0	9,040	588,484
Purchased services			2,376,469	259,764	38,574	12,424	2,687,231
Printing and Postage			822,006	148,718	8,572	4,995	984,291
Depreciation and Amortization			1,372,600	-	-	6,432	1,379,032
Other expenses			3,268,243	147,882	(0)	53,886	3,470,010
Indirect cost allocation, Occupancy expense			(1,026,800)	1,994,395	40,659	31,344	1,039,598
Total Administrative Expenses			<u>22,842,152</u>	<u>4,806,133</u>	<u>163,396</u>	<u>326,081</u>	<u>28,137,763</u>
Admin Loss Ratio			3.0%	5.5%	9.1%	6.7%	3.3%
INCOME (LOSS) FROM OPERATIONS			(211,256)	3,882,629	614,483	575,962	4,861,818
INVESTMENT INCOME			-	-	-	-	6,460,129
NET RENTAL INCOME			-	-	-	-	15,244
NET GRANT INCOME			(28,863)	-	-	-	(28,863)
OTHER INCOME			419	-	-	-	419
CHANGE IN NET ASSETS			<u>\$ (239,700)</u>	<u>\$ 3,882,629</u>	<u>\$ 614,483</u>	<u>\$ 575,962</u>	<u>\$ 11,308,747</u>
BUDGETED CHANGE IN ASSETS			7,033,341	102,010	(452,152)	(180,391)	7,239,053
VARIANCE TO BUDGET - FAV (UNFAV)			<u>(7,273,041)</u>	<u>3,780,619</u>	<u>1,066,634</u>	<u>756,354</u>	<u>4,069,695</u>

September 30, 2017 Unaudited Financial Statements

SUMMARY

MONTHLY RESULTS:

- Change in Net Assets is \$11.3 million, \$6.2 million favorable to budget
- Operating surplus is \$10.2 million with a surplus in non-operating of \$1.1 million

YEAR TO DATE RESULTS:

- Change in Net Assets is \$11.3 million, \$4.1 million favorable to budget
- Operating surplus is \$4.8 million, \$1.7 million unfavorable to budget

Change in Net Assets by LOB (\$millions)

MONTH-TO-DATE				YEAR-TO-DATE		
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
4.5	4.4	0.1	Medi-Cal	(0.2)	7.0	(7.3)
4.8	0.5	4.3	OCC	3.9	0.1	3.8
0.6	(0.1)	0.7	OneCare	0.6	(0.5)	1.1
<u>0.2</u>	<u>0.0</u>	<u>0.2</u>	PACE	<u>0.6</u>	<u>(0.2)</u>	<u>0.8</u>
10.2	4.8	5.3	Operating	4.8	6.5	(1.7)
<u>1.1</u>	<u>0.2</u>	<u>0.9</u>	Inv./Rental Inc, MCO tax	<u>6.5</u>	<u>0.7</u>	<u>5.6</u>
1.1	0.2	0.9	Non-Operating	6.5	0.7	5.6
11.3	5.1	6.2	TOTAL	11.3	7.2	4.1

CalOptima
Enrollment Summary
For the Three Months Ended September 30, 2017

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
62,289	62,630	(341)	(0.5%)	Aged	185,000	186,724	(1,724)	(0.9%)
625	618	7	1.1%	BCCTP	1,877	1,854	23	1.2%
47,116	48,764	(1,648)	(3.4%)	Disabled	141,249	146,264	(5,015)	(3.4%)
327,786	329,785	(1,999)	(0.6%)	TANF Child	982,305	989,784	(7,479)	(0.8%)
96,310	103,931	(7,621)	(7.3%)	TANF Adult	288,774	312,062	(23,288)	(7.5%)
3,514	3,268	246	7.5%	LTC	10,384	9,804	580	5.9%
241,644	236,301	5,343	2.3%	MCE	721,589	708,499	13,090	1.8%
779,284	785,297	(6,013)	(0.8%)	Medi-Cal	2,331,178	2,354,991	(23,813)	(1.0%)
15,265	15,516	(251)	(1.6%)	OneCare Connect	45,859	46,507	(648)	(1.4%)
228	226	2	0.9%	PACE	664	663	1	0.2%
1,404	1,334	70	5.2%	OneCare	4,157	3,974	183	4.6%
796,181	802,373	(6,192)	(0.8%)	CalOptima Total	2,381,858	2,406,135	(24,277)	(1.0%)

Enrollment (By Network)								
171,630	174,134	(2,504)	(1.4%)	HMO	514,117	522,150	(8,033)	(1.5%)
223,489	226,676	(3,187)	(1.4%)	PHC	670,215	680,869	(10,654)	(1.6%)
202,477	210,008	(7,531)	(3.6%)	Shared Risk Group	609,434	630,984	(21,550)	(3.4%)
181,688	174,481	7,207	4.1%	Fee for Service	537,412	520,992	16,420	3.2%
779,284	785,297	(6,015)	(0.8%)	Medi-Cal	2,331,178	2,354,991	(23,813)	(1.0%)
15,265	15,516	(251)	(1.6%)	OneCare Connect	45,859	46,507	(648)	(1.4%)
228	226	2	0.9%	PACE	664	663	1	0.2%
1,404	1,334	70	5.2%	OneCare	4,157	3,974	183	4.6%
796,181	802,373	(6,192)	(0.8%)	CalOptima Total	2,381,858	2,406,135	(24,277)	(1.0%)

CalOptima
Enrollment Trend by Network Type
Fiscal Year 2017

Network Type	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	MMs
HMO													
Aged	4,058	4,045	4,051	-	-	-	-	-	-	-	-	-	12,154
BCCTP	1	1	1	-	-	-	-	-	-	-	-	-	3
Disabled	6,749	6,740	6,729	-	-	-	-	-	-	-	-	-	20,218
TANF Child	61,492	61,733	61,361	-	-	-	-	-	-	-	-	-	184,586
TANF Adult	30,429	30,420	30,313	-	-	-	-	-	-	-	-	-	91,162
LTC	3	4	6	-	-	-	-	-	-	-	-	-	13
MCE	68,020	68,792	69,169	-	-	-	-	-	-	-	-	-	205,981
	170,752	171,735	171,630	-	-	-	-	-	-	-	-	-	514,117
PHC													
Aged	1,480	1,493	1,530	-	-	-	-	-	-	-	-	-	4,503
BCCTP	-	-	-	-	-	-	-	-	-	-	-	-	-
Disabled	7,318	7,264	7,258	-	-	-	-	-	-	-	-	-	21,840
TANF Child	162,801	163,976	163,202	-	-	-	-	-	-	-	-	-	489,979
TANF Adult	12,604	12,571	12,410	-	-	-	-	-	-	-	-	-	37,585
LTC	-	-	1	-	-	-	-	-	-	-	-	-	1
MCE	38,398	38,821	39,088	-	-	-	-	-	-	-	-	-	116,307
	222,601	224,125	223,489	-	-	-	-	-	-	-	-	-	670,215
Shared Risk Group													
Aged	3,809	3,756	3,831	-	-	-	-	-	-	-	-	-	11,396
BCCTP	-	-	-	-	-	-	-	-	-	-	-	-	-
Disabled	8,108	8,058	8,035	-	-	-	-	-	-	-	-	-	24,201
TANF Child	72,723	72,861	72,102	-	-	-	-	-	-	-	-	-	217,686
TANF Adult	32,775	32,737	32,316	-	-	-	-	-	-	-	-	-	97,828
LTC	-	1	2	-	-	-	-	-	-	-	-	-	3
MCE	85,799	86,330	86,191	-	-	-	-	-	-	-	-	-	258,320
	203,214	203,743	202,477	-	-	-	-	-	-	-	-	-	609,434
Fee for Service (Dual)													
Aged	48,036	48,599	48,846	-	-	-	-	-	-	-	-	-	145,481
BCCTP	25	22	25	-	-	-	-	-	-	-	-	-	72
Disabled	20,343	20,528	20,516	-	-	-	-	-	-	-	-	-	61,387
TANF Child	3	3	2	-	-	-	-	-	-	-	-	-	8
TANF Adult	1,205	1,226	1,184	-	-	-	-	-	-	-	-	-	3,615
LTC	3,002	3,124	3,126	-	-	-	-	-	-	-	-	-	9,252
MCE	2,816	2,848	2,758	-	-	-	-	-	-	-	-	-	8,422
	75,430	76,350	76,457	-	-	-	-	-	-	-	-	-	228,237
Fee for Service (Non-Dual)													
Aged	3,580	3,855	4,031	-	-	-	-	-	-	-	-	-	11,466
BCCTP	601	602	599	-	-	-	-	-	-	-	-	-	1,802
Disabled	4,466	4,559	4,578	-	-	-	-	-	-	-	-	-	13,603
TANF Child	27,513	31,414	31,119	-	-	-	-	-	-	-	-	-	90,046
TANF Adult	18,753	19,744	20,087	-	-	-	-	-	-	-	-	-	58,584
LTC	372	364	379	-	-	-	-	-	-	-	-	-	1,115
MCE	43,457	44,664	44,438	-	-	-	-	-	-	-	-	-	132,559
	98,742	105,202	105,231	-	-	-	-	-	-	-	-	-	309,175
MEDI-CAL TOTAL													
Aged	60,963	61,748	62,289	-	-	-	-	-	-	-	-	-	185,000
BCCTP	627	625	625	-	-	-	-	-	-	-	-	-	1,877
Disabled	46,984	47,149	47,116	-	-	-	-	-	-	-	-	-	141,249
TANF Child	324,532	329,987	327,786	-	-	-	-	-	-	-	-	-	982,305
TANF Adult	95,766	96,698	96,310	-	-	-	-	-	-	-	-	-	288,774
LTC	3,377	3,493	3,514	-	-	-	-	-	-	-	-	-	10,384
MCE	238,490	241,455	241,644	-	-	-	-	-	-	-	-	-	721,589
	770,739	781,155	779,284	-	-	-	-	-	-	-	-	-	2,331,178
PACE	215	221	228	-	-	-	-	-	-	-	-	-	664
OneCare	1,367	1,366	1,404	-	-	-	-	-	-	-	-	-	4,157
OneCare Connect	15,365	15,229	15,265	-	-	-	-	-	-	-	-	-	45,859
TOTAL	787,686	797,991	796,181	-	-	-	-	-	-	-	-	-	2,381,858

ENROLLMENT:

Overall MTD enrollment was 796,181

- Unfavorable to budget by 6,192 or 0.8%
- Decreased 1,810 or 0.2% from prior month
- Increased 8 from prior year (September 2016)

Medi-Cal enrollment was 779,284

- Unfavorable to budget by 6,013
 - Expansion favorable by 5,343
 - LTC favorable by 246
 - TANF unfavorable by 9,620
 - SPD unfavorable by 1,982
- Decreased 1,871 from prior month

OneCare Connect enrollment was 15,265

- Unfavorable to budget by 251
- Increased 36 from prior month

OneCare enrollment was 1,404

- Favorable to budget by 70
- Increased 18 from prior month

PACE enrollment was 228

- Favorable to budget by 2
- Increased 7 from prior month

**CalOptima - Medi-Cal Total
Statement of Revenues and Expenses
For the Three Months Ended September 30, 2017**

Month			
Actual	Budget	\$ Variance	% Variance
779,284	785,297	(6,013)	(0.8%)
262,556,241	245,035,514	17,520,727	7.2%
262,556,241	245,035,514	17,520,727	7.2%
90,037,937	87,045,071	(2,992,866)	(3.4%)
44,695,314	43,119,980	(1,575,334)	(3.7%)
19,443,147	13,709,671	(5,733,476)	(41.8%)
34,848,484	35,235,371	386,887	1.1%
56,864,111	48,363,013	(8,501,098)	(17.6%)
2,565,156	3,067,364	502,208	16.4%
1,770,797	315,017	(1,455,780)	(462.1%)
250,224,946	230,855,487	(19,369,459)	(8.4%)
12,331,295	14,180,027	(1,848,732)	(13.0%)
5,107,223	5,726,728	619,505	10.8%
172,881	309,272	136,391	44.1%
903,190	1,713,222	810,031	47.3%
406,533	398,736	(7,797)	(2.0%)
617,605	461,246	(156,359)	(33.9%)
1,104,253	1,431,480	327,227	22.9%
(493,564)	(278,785)	214,780	77.0%
7,818,122	9,761,899	1,943,777	19.9%
23,826,565	10,907,321	(12,919,244)	(118.4%)
10,449,463	0	(10,449,463)	0.0%
13,377,102	10,907,321	(2,469,781)	(22.6%)
0	0	0	0.0%
4,929	291,249	(286,320)	(98.3%)
0	258,276	258,276	100.0%
15,474	32,973	17,499	53.1%
(10,546)	0	(10,546)	0.0%
60	0	60	0.0%
4,502,687	4,418,128	84,559	1.9%
95.3%	94.2%	-1.1%	-1.2%
3.0%	4.0%	1.0%	25.3%

	Year - To - Date			
	Actual	Budget	\$ Variance	% Variance
Member Months	2,331,178	2,354,991	(23,813)	(1.0%)
Revenues				
Capitation revenue	764,659,014	734,734,640	29,924,374	4.1%
Total Operating Revenues	764,659,014	734,734,640	29,924,374	4.1%
Medical Expenses				
Provider capitation	267,172,495	261,247,767	(5,924,728)	(2.3%)
Facilities	137,223,144	130,990,901	(6,232,243)	(4.8%)
Professional Claims	48,158,929	41,581,177	(6,577,752)	(15.8%)
Prescription drugs	108,222,206	106,778,349	(1,443,857)	(1.4%)
MLTSS	170,195,846	147,124,420	(23,071,426)	(15.7%)
Medical Management	8,356,860	9,431,505	1,074,646	11.4%
Reinsurance & other	2,698,639	945,052	(1,753,587)	(185.6%)
Total Medical Expenses	742,028,118	698,099,171	(43,928,947)	(6.3%)
Gross Margin	22,630,896	36,635,469	(14,004,573)	(38.2%)
Administrative Expenses				
Salaries, wages & employee benefits	15,468,566	17,660,484	2,191,918	12.4%
Professional fees	561,068	1,005,315	444,247	44.2%
Purchased services	2,376,469	4,844,242	2,467,773	50.9%
Printing and postage	822,006	1,196,207	374,201	31.3%
Depreciation & amortization	1,372,600	1,383,738	11,138	0.8%
Other operating expenses	3,268,243	4,348,497	1,080,254	24.8%
Indirect cost allocation	(1,026,800)	(836,354)	190,445	22.8%
Total Administrative Expenses	22,842,152	29,602,128	6,759,976	22.8%
Operating Tax				
Tax Revenue	44,233,971	32,711,431	(11,522,541)	(35.2%)
Premium tax expense	30,856,870	0	(30,856,870)	0.0%
Sales tax expense	13,377,102	32,711,431	19,334,329	59.1%
Total Net Operating Tax	0	0	0	0.0%
Grant Income				
Grant Revenue	74,179	873,747	(799,568)	(91.5%)
Grant expense - Service Partner	58,863	774,828	715,966	92.4%
Grant expense - Administrative	44,179	98,919	54,740	55.3%
Total Net Grant Income	(28,863)	0	(28,863)	0.0%
Other income	419	0	419	0.0%
Change in Net Assets	(239,700)	7,033,341	(7,273,041)	(103.4%)
Medical Loss Ratio	97.0%	95.0%	-2.0%	-2.1%
Admin Loss Ratio	3.0%	4.0%	1.0%	25.9%

MEDI-CAL INCOME STATEMENT – SEPTEMBER MONTH:

REVENUES of \$262.6 million are favorable to budget by \$17.5 million, driven by:

- Unfavorable volume related variance of: \$1.9 million
- Favorable price related variance of \$19.4 million due to:
 - \$9.5 million of fiscal year 2018 Coordinated Care Initiative (CCI) including In-Home Supportive Services revenue (IHSS)
 - \$2.1 million of fiscal year 2018 LTC revenue from non-LTC aid code
 - \$2.0 million of fiscal year 2018 Behavioral Health Treatment (BHT) Revenue
 - \$1.2 million of fiscal year 2018 Non-Medical Transportation revenue
 - \$3.7 million of fiscal year 2016 revenue true up to final DHCS contract rates

MEDICAL EXPENSES: Overall \$250.2 million, unfavorable to budget by \$19.4 million due to:

- **Managed Long Term Services and Support (MLTSS)** are unfavorable to budget \$8.5 million due to:
 - LTC unfavorable variance of \$4.9 million adjustment of IHSS expense corresponding with the favorable CCI revenue variance above
 - Nursing facility unfavorable variance of \$2.8 million
- **Provider Capitation** is unfavorable \$3.0 million due to BHT Capitation
- **Facilities** expenses are unfavorable to budget \$1.6 million due to Hospital Shared Risk Pool and \$1.8 million from Inpatient fees
- **Professional claims** is unfavorable \$5.7 million
- **Other Medical Expenses** is unfavorable \$1.7 million due to Non-Medical Transportation services

ADMINISTRATIVE EXPENSES are \$7.8 million, favorable to budget \$1.9 million, driven by:

- Purchased Services: \$0.8 million favorable to budget
- Salary & Benefits: \$0.6 million favorable to budget due to open positions
- Other Non-Salary: \$0.5 million favorable to budget

CHANGE IN NET ASSETS is \$4.5 million for the month, favorable to budget by \$.0.1 million

CalOptima - OneCare Connect
Statement of Revenues and Expenses
For the Three Months Ended September 30, 2017

Month					Year - To - Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
15,265	15,516	(251)	(1.6%)	Member Months	45,859	46,507	(648)	(1.4%)
				Revenues				
7,298,774	7,500,163	(201,389)	(2.7%)	Medi-Cal Capitation revenue	21,962,242	22,527,283	(565,041)	(2.5%)
19,595,816	14,931,770	4,664,046	31.2%	Medicare Capitation revenue part C	48,193,411	43,269,766	4,923,645	11.4%
7,757,790	5,293,717	2,464,073	46.5%	Medicare Capitation revenue part D	17,616,123	16,312,393	1,303,730	8.0%
34,652,381	27,725,650	6,926,731	25.0%	Total Operating Revenue	87,771,776	82,109,442	5,662,334	6.9%
				Medical Expenses				
12,661,156	8,656,546	(4,004,610)	(46.3%)	Provider capitation	33,890,040	25,078,855	(8,811,185)	(35.1%)
3,586,012	4,950,756	1,364,744	27.6%	Facilities	9,113,530	15,149,091	6,035,561	39.8%
568,797	609,231	40,434	6.6%	Ancillary	1,891,519	1,862,241	(29,278)	(1.6%)
5,271,733	4,182,131	(1,089,602)	(26.1%)	Long Term Care	15,375,481	12,692,500	(2,682,981)	(21.1%)
4,855,851	5,632,870	777,019	13.8%	Prescription drugs	15,102,448	17,449,965	2,347,517	13.5%
939,878	1,164,097	224,219	19.3%	Medical management	3,139,968	3,678,283	538,315	14.6%
141,469	113,067	(28,402)	(25.1%)	Other medical expenses	570,027	345,371	(224,656)	(65.0%)
28,024,897	25,308,698	(2,716,199)	(10.7%)	Total Medical Expenses	79,083,014	76,256,306	(2,826,708)	(3.7%)
				Gross Margin	8,688,762	5,853,136	2,835,626	48.4%
6,627,484	2,416,952	4,210,532	174.2%	Administrative Expenses				
746,311	860,788	114,477	13.3%	Salaries, wages & employee benefits	2,236,999	2,700,121	463,122	17.2%
17,875	38,333	20,458	53.4%	Professional fees	18,376	115,000	96,625	84.0%
85,998	239,868	153,870	64.1%	Purchased services	259,764	719,604	459,840	63.9%
83,461	103,801	20,340	19.6%	Printing and postage	148,718	311,402	162,683	52.2%
37,915	50,420	12,505	24.8%	Other operating expenses	147,882	151,716	3,834	2.5%
825,539	584,428	(241,111)	(41.3%)	Indirect cost allocation, Occupancy Expense	1,994,395	1,753,283	(241,111)	(13.8%)
1,797,098	1,877,637	80,539	4.3%	Total Administrative Expenses	4,806,133	5,751,126	944,993	16.4%
				Operating Tax				
0	0	0	0.0%	Total Net Operating Tax	0	0	0	0.0%
4,830,386	539,315	4,291,071	795.7%	Change in Net Assets	3,882,629	102,010	3,780,619	3,706.1%
80.9%	91.3%	10.4%	11.4%	Medical Loss Ratio	90.1%	92.9%	2.8%	3.0%
5.2%	6.8%	1.6%	23.4%	Admin Loss Ratio	5.5%	7.0%	1.5%	21.8%

ONECARE CONNECT INCOME STATEMENT – SEPTEMBER MONTH:

REVENUES of \$34.7 million are favorable to budget by \$6.9 million driven by:

- Unfavorable volume related variance of \$0.4 million due to lower enrollment
- Favorable price related variance of \$7.4 million due to CMS' annual adjustments

MEDICAL EXPENSES are unfavorable to budget \$2.7 million due to:

- Favorable volume related variance of \$0.4 million due to lower enrollment
- Unfavorable price related variance of \$3.1 million due to increase Provider Capitation from CMS' annual adjustments and In-Home Supportive Services (IHSS) expense

ADMINISTRATIVE EXPENSES are favorable to budget by \$0.1 million

CHANGE IN NET ASSETS is \$4.8 million, \$4.3 million favorable to budget

CalOptima - OneCare
Statement of Revenues and Expenses
For the Three Months Ended September 30, 2017

Month					Year - To - Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
1,404	1,334	70	5.2%	Member Months	4,157	3,974	183	4.6%
				Revenues				
71,085	46,356	24,729	53.3%	Medi-Cal Capitation revenue	210,469	138,078	72,391	52.4%
(1,507,568)	883,360	(2,390,928)	(270.7%)	Medicare Part C Revenue	534,581	2,511,102	(1,976,521)	(78.7%)
342,223	463,035	(120,812)	(26.1%)	Medicare Part D Revenue	1,044,331	1,407,082	(362,751)	(25.8%)
(1,094,261)	1,392,751	(2,487,012)	(178.6%)	Total Operating Revenue	1,789,381	4,056,262	(2,266,881)	(55.9%)
				Medical Expenses				
(2,247,990)	387,765	2,635,755	679.7%	Provider capitation	(1,456,604)	1,108,650	2,565,254	231.4%
62,118	432,679	370,561	85.6%	Inpatient	836,510	1,321,044	484,534	36.7%
3,266	46,891	43,625	93.0%	Ancillary	85,461	142,484	57,023	40.0%
4,755	40,461	35,706	88.2%	Skilled nursing facilities	52,555	122,938	70,383	57.3%
433,808	467,255	33,447	7.2%	Prescription drugs	1,420,929	1,422,493	1,564	0.1%
11,324	21,911	10,588	48.3%	Medical management	51,302	69,051	17,750	25.7%
7,278	7,580	302	4.0%	Other medical expenses	21,350	23,048	1,698	7.4%
(1,725,441)	1,404,542	3,129,983	222.8%	Total Medical Expenses	1,011,502	4,209,708	3,198,206	76.0%
631,180	(11,791)	642,971	5,453.1%	Gross Margin	777,879	(153,446)	931,325	606.9%
				Administrative Expenses				
21,015	19,840	(1,175)	(5.9%)	Salaries, wages & employee benefits	75,591	61,082	(14,510)	(23.8%)
0	13,333	13,333	100.0%	Professional fees	0	40,000	40,000	100.0%
12,483	11,990	(493)	(4.1%)	Purchased services	38,574	35,970	(2,604)	(7.2%)
(1,478)	19,288	20,766	107.7%	Printing and postage	8,572	65,363	56,791	86.9%
(0)	171	171	100.0%	Other operating expenses	(0)	563	563	100.0%
(23,161)	31,910	55,070	172.6%	Indirect cost allocation, Occupancy Expense	40,659	95,729	55,070	57.5%
8,859	96,532	87,672	90.8%	Total Administrative Expenses	163,396	298,706	135,309	45.3%
622,321	(108,323)	730,643	674.5%	Change in Net Assets	614,483	(452,152)	1,066,634	235.9%
157.7%	100.8%	-56.8%	-56.4%	Medical Loss Ratio	56.5%	103.8%	47.3%	45.5%

CalOptima - PACE
Statement of Revenues and Expenses
For the Three Months Ended September 30, 2017

Month			
Actual	Budget	\$ Variance	% Variance
228	226	2	0.9%
1,159,382	1,144,024	15,357	1.3%
404,685	272,040	132,645	48.8%
53,928	72,117	(18,188)	(25.2%)
1,617,995	1,488,181	129,814	8.7%
365,196	420,089	54,893	13.1%
184,354	316,407	132,053	41.7%
346,516	260,882	(85,633)	(32.8%)
106,728	109,786	3,059	2.8%
(368)	11,842	12,210	103.1%
103,299	90,353	(12,946)	(14.3%)
0	0	0	0.0%
182,365	158,748	(23,617)	(14.9%)
1,288,089	1,368,107	80,019	5.8%
329,906	120,074	209,832	174.8%
60,691	93,391	32,700	35.0%
2,935	5,000	2,065	41.3%
6,246	21,136	14,890	70.4%
68	5,547	5,479	98.8%
2,168	2,052	(116)	(5.7%)
22,718	18,504	(4,214)	(22.8%)
25,882	2,864	(23,018)	(803.7%)
120,709	148,495	27,785	18.7%
3,183	0	3,183	0.0%
3,183	0	(3,183)	0.0%
0	0	0	0.0%
209,196	(28,421)	237,617	836.1%
79.6%	91.9%	12.3%	13.4%
7.5%	10.0%	2.5%	25.2%

Year - To - Date			
Actual	Budget	\$ Variance	% Variance
664	663	1	0.2%
3,577,305	3,353,997	223,309	6.7%
1,074,037	790,012	284,025	36.0%
211,739	215,613	(3,875)	(1.8%)
4,863,081	4,359,622	503,459	11.5%
1,091,944	1,256,369	164,425	13.1%
818,515	947,331	128,816	13.6%
974,238	782,152	(192,086)	(24.6%)
328,933	329,153	219	0.1%
16,390	35,534	19,144	53.9%
285,630	270,884	(14,745)	(5.4%)
0	0	0	0.0%
445,388	476,226	30,838	6.5%
3,961,037	4,097,649	136,612	3.3%
902,044	261,973	640,070	244.3%
207,960	277,056	69,097	24.9%
9,040	15,000	5,960	39.7%
12,424	63,408	50,984	80.4%
4,995	16,642	11,646	70.0%
6,432	6,156	(276)	(4.5%)
53,886	55,511	1,625	2.9%
31,344	8,592	(22,752)	(264.8%)
326,081	442,365	116,283	26.3%
24,957	0	24,957	0.0%
24,957	0	(24,957)	0.0%
0	0	0	0.0%
575,962	(180,391)	756,354	419.3%
81.5%	94.0%	12.5%	13.3%
6.7%	10.1%	3.4%	33.9%

CalOptima - Building 505 City Parkway
Statement of Revenues and Expenses
For the Three Months Ended September 30, 2017

Month				Year - To - Date			
		\$	%			\$	%
Actual	Budget	Variance	Variance		Actual	Budget	Variance
				Revenues			
27,825	0	27,825	0.0%	Rental income	75,938	42,774	33,164
27,825	0	27,825	0.0%	Total Operating Revenue	75,938	42,774	33,164
				Administrative Expenses			
29,467	23,186	(6,282)	(27.1%)	Purchase services	88,572	69,558	(19,014)
160,336	161,474	1,138	0.7%	Depreciation & amortization	479,301	484,421	5,120
14,913	9,117	(5,797)	(63.6%)	Insurance expense	44,740	27,350	(17,390)
118,583	158,122	39,539	25.0%	Repair and maintenance	332,462	474,365	141,903
26,713	0	(26,713)	0.0%	Other Operating Expense	160,186	0	(160,186)
(330,792)	(333,055)	(2,263)	(0.7%)	Indirect allocation, Occupancy Expense	(1,044,567)	(999,165)	45,402
19,220	18,843	(377)	(2.0%)	Total Administrative Expenses	60,694	56,529	(4,165)
8,604	(18,843)	27,447	145.7%	Change in Net Assets	15,244	(13,755)	28,999

OTHER STATEMENTS – SEPTEMBER MONTH:

ONECARE INCOME STATEMENT

CHANGE IN NET ASSETS is \$622.3 thousand, \$730.6 thousand favorable to budget

PACE INCOME STATEMENT

CHANGE IN NET ASSETS for the month is \$209.2 thousand, \$237.6 thousand favorable to budget

505 CITY PARKWAY BUILDING INCOME STATEMENT

CHANGE IN NET ASSETS for the month is \$8.6 thousand, in line with budget

**CalOptima
BALANCE SHEET
September 30, 2017**

ASSETS

Current Assets

Operating Cash	\$761,478,642
Investments	1,041,355,043
Capitation receivable	385,861,846
Receivables - Other	24,750,232
Prepaid Expenses	4,978,217

Total Current Assets

2,218,423,981

Capital Assets Furniture and equipment
Building/Leasehold improvements
505 City Parkway West

34,039,048

5,527,436

49,433,337

88,999,822

Less: accumulated depreciation

(36,454,633)

Capital assets, net

52,545,189

Other Assets Restricted deposit & Other

300,000

Board-designated assets

Cash and cash equivalents

23,363,148

Long term investments

513,727,647

Total Board-designated Assets

537,090,795

Total Other Assets

537,390,795

Deferred outflows of Resources - Pension Contributions

5,234,198

Deferred outflows of Resources - Difference in Experience

1,072,771

Deferred outflows of Resources - Excess Earnings

5,270,171

TOTAL ASSETS & OUTFLOWS

2,819,937,104

LIABILITIES & FUND BALANCES

Current Liabilities

Accounts payable	\$19,618,674
Medical claims liability	1,422,870,300
Accrued payroll liabilities	11,089,422
Deferred revenue	156,973,782
Deferred lease obligations	178,046
Capitation and withholds	437,934,816

Total Current Liabilities

2,048,665,040

Other employment benefits liability

29,105,495

Net Pension Liabilities

15,959,420

Long Term Liabilities

100,000

TOTAL LIABILITIES

2,093,829,955

Deferred inflows of Resources - Excess Earnings

-

Deferred inflows of Resources - Changes in Assumptions

1,340,010

Tangible net equity (TNE)

92,041,987

Funds in excess of TNE

632,725,153

Net Assets

724,767,140

TOTAL LIABILITIES, INFLOWS & FUND BALANCES

2,819,937,104

CalOptima
Board Designated Reserve and TNE Analysis
as of September 30, 2017

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	146,756,598				
	Tier 1 - Logan Circle	146,506,854				
	Tier 1 - Wells Capital	146,471,481				
Board-designated Reserve		439,734,933	304,283,513	474,137,298	135,451,420	(34,402,366)
TNE Requirement	Tier 2 - Logan Circle	97,355,862	92,041,987	92,041,987	5,313,875	5,313,875
Consolidated:		537,090,795	396,325,500	566,179,285	140,765,295	(29,088,491)
<i>Current reserve level</i>		<i>1.90</i>	<i>1.40</i>	<i>2.00</i>		

CalOptima
Statement of Cash Flows
September 30, 2017

	<u>Month Ended</u>	<u>Year-To-Date</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	11,278,818	11,308,748
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	619,773	1,379,032
Changes in assets and liabilities:		
Prepaid expenses and other	790,353	676,430
Catastrophic reserves		
Capitation receivable	(78,962,957)	132,936,657
Medical claims liability	317,363,337	176,444,280
Deferred revenue	32,325,722	53,000,657
Payable to providers	(148,870,570)	(142,904,894)
Accounts payable	(9,287,025)	(19,056,279)
Other accrued liabilities	(86,173)	1,029,075
Net cash provided by/(used in) operating activities	<u>125,171,279</u>	<u>214,813,705</u>
GASB 68 CalPERS Adjustments	-	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in Investments	(57,861,455)	41,070,709
Change in property and equipment	221,260	376,805
Change in Board designated reserves	353,471	(1,952,421)
Net cash provided by/(used in) investing activities	<u>(57,286,724)</u>	<u>39,495,093</u>
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	67,884,555	254,308,797
CASH AND CASH EQUIVALENTS, beginning of period	<u>\$693,594,087</u>	<u>507,169,844</u>
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 761,478,642</u>	<u>\$ 761,478,642</u>

BALANCE SHEET:

ASSETS increased \$202.7 million from August

- **Net Capitation Receivables** increased \$75.9 million based upon payment receipt timing and receivables
- **Cash and Cash Equivalents** increased by \$67.9 million due to receipt of Quality Assurance Fees (QAF)
- **Short-term Investments** increased \$57.9 million due to payment receipt timing and cash funding requirements

LIABILITIES increased \$202.7 million from August

- **Medical Claims Liability** by line of business increased \$317.4 million due to Quality Assurance Fees (QAF)
- **Deferred Revenue** increased \$32.3 million due to DHS overpayments for FY17 and FY18
- **Pharmacy Incentive and Shared Risk Pools** decreased \$148.9 million due to payment of FY15 Hospital Shared Risk

NET ASSETS are \$724.8 million, an increase of \$11.3 million from August

CalOptima Foundation
Statement of Revenues and Expenses
For the Three Months Ended September 30, 2017
Consolidated

Actual	Month		% Variance
	Budget	\$ Variance	
-----	-----	-----	-----
0	0	0	0.0%
-----	-----	-----	-----
0	6,184	6,184	100.0%
0	2,985	2,985	100.0%
0	0	0	0.0%
0	0	0	0.0%
0	0	0	0.0%
2,083	231,923	229,840	99.1%
-----	-----	-----	-----
2,083	241,092	239,009	99.1%
0	0	0	0.0%
-----	-----	-----	-----
(2,083)	(241,092)	(239,009)	(99.1%)
=====	=====	=====	=====

Revenues

Total Operating Revenue

Operating Expenditures

Personnel

Taxes and Benefits

Travel

Supplies

Contractual

Other

Total Operating Expenditures

Investment Income

Program Income

Actual	Year - To - Date		% Variance
	Budget	\$ Variance	
-----	-----	-----	-----
0	0	0	0.0%
-----	-----	-----	-----
0	18,553	18,553	100.0%
0	8,954	8,954	100.0%
0	0	0	0.0%
0	0	0	0.0%
0	0	0	0.0%
6,249	695,769	689,520	99.1%
-----	-----	-----	-----
6,249	723,276	717,027	99.1%
0	0	0	0.0%
-----	-----	-----	-----
(6,249)	(723,276)	(717,027)	(99.1%)
=====	=====	=====	=====

**CalOptima Foundation
Balance Sheet
September 30, 2017**

<u>ASSETS</u>		<u>LIABILITIES & NET ASSETS</u>	
Operating cash	2,868,139	Accounts payable-Current	6,249
Grants receivable	0	Deferred Revenue	0
Prepaid expenses	0	Payable to CalOptima	0
Total Current Assets	<u>2,868,139</u>	Grants-Foundation	0
		Total Current Liabilities	<u>6,249</u>
		Total Liabilities	<u>6,249</u>
		Net Assets	<u>2,861,890</u>
TOTAL ASSETS	<u>2,868,139</u>	TOTAL LIABILITIES & NET ASSETS	<u>2,868,139</u>

CALOPTIMA FOUNDATION – SEPTEMBER MONTH

INCOME STATEMENT:

Income Statement:

Operating Revenue

No activity.

Operating Expenses

CalOptima Foundation operating expenses were \$6K for audit fees YTD.

- * Expense categories includes: professional fees, staff services, travel and miscellaneous supplies.
- * Major Actual to Budget variance was in "Other" category - \$689K favorable variance YTD.
 - FY18 budget was allocated monthly based on the remaining \$2.8M fund balance.
 - Actual recognized expenses were much lower than budgeted anticipated CalOptima support activities.

Balance Sheet:

Assets

* Cash - \$2.86M remains from the FY14. \$3.0M transferred by CalOptima for grants and programs in support of providers and community.

Liabilities

Payable to CalOptima - \$6K for audit fees - Foundation.

Budget Allocation Changes

Reporting Changes for September 2017

Transfer Month	Line of Business	From	To	Amount	Expense Description	Fiscal Year
July	Medi-Cal	IS - Infrastructure - Professional Fee (Virtualization Architecture Assessment)	IS - Infrastructure - Professional Fee (On-Site Staff for the Phone System)	\$48,600	Re-Purpose \$48,600 from Professional Fees (Virtualization Architecture Assessment) to pay for an on-site staff for the phone system	2018
July	Medi-Cal	Facilities - Purchased Services (Restacking Services)	Facilities - Purchased Services (Reconfiguration Services)	\$15,000	Re-Purpose \$15,000 from Purchased Services (Restacking Services) to reconfiguration and breakdown of furniture for the mail room and the Rover Rock Offices and other related expenses	2018
August	Medi-Cal	Health Education & Disease Mgmt. - Purchased Services (Adult Weight Management Vendor)	Health Education & Disease Mgmt. - Purchased Services (Ansafone)	\$30,000	Re-Purpose \$30,000 from Purchased Services (Adult Weight Management Vendor) to pay for Ansafone services	2018
August	Medi-Cal	Health Education & Disease Mgmt. - Purchased Services (Pediatric Weight Management Vendor)	Health Education & Disease Mgmt. - Purchased Services (Captivate contract and other initiatives)	\$25,000	Re-Purpose \$25,000 from Purchased Services (Pediatric Weight Management Vendor) to pay for Captivate contract and other initiatives	2018
August	PACE	PACE Administrative - Purchased Services (Encounter Reporting & Translation Services)	PACE Administrative - Purchased Services (Satisfaction Survey)	\$12,208	Re-Purpose \$12,208 from Purchased Services (Encounter Reporting & Translation Services) to pay for Satisfaction Survey	2018
August	Medi-Cal	Facilities - Capital Project (Upgrade CalOptima and Building Access System)	Facilities - Capital Project (Mail Room/Basement/ Property Management Office)	\$15,000	Reallocate \$15,000 from Capital Project (Upgrade CalOptima and Building Access System) to Capital Project (Mail Room/Basement/Property Management Office)	2018
September	Medi-Cal	Other G&A - Other Operating Expenses	Facilities - Building Repair and Maintenance	\$65,000	Reallocate \$65,000 from Other G&A (other operating expenses) to cover cost to conduct a review/study from soil engineer and the necessary repairs of the east entry sinkhole.	2018
September	OCC	Health Education & Disease Management - Member Communications	Health Education & Disease Management - Purchased Services	\$12,000	Reallocate \$12,000 within medical management activities budget for additional funding needed on CareNet in OneCare Connect.	2018



CalOptima
Better. Together.

Financial Summary

August 2017

Board of Directors' Finance and Audit Committee Meeting
November 16, 2017

Greg Hamblin
Chief Financial Officer

FY 2017-18: Consolidated Enrollment

- August 2017 MTD:
 - Overall enrollment was 797,991 member months
 - Actual lower than budget by 4,055 or 0.5%
 - Medi-Cal: unfavorable variance of 3,842 members
 - TANF unfavorable variance of 7,263 members
 - SPD unfavorable variance of 2,093 members
 - Medi-Cal Expansion (MCE) favorable variance of 5,289 members
 - LTC favorable variance of 225 members
 - OneCare Connect: unfavorable variance of 274 members
 - 10,305 or 1.3% increase from prior month
 - Medi-Cal: increase of 10,416 from July
 - OneCare Connect: decrease of 136 from July
 - OneCare: increase of 19 from July
 - PACE: increase of 6 from July

FY 2017-18: Consolidated Enrollment

- August 2017 YTD:

- Overall enrollment was 1,585,677 member months
 - Actual lower than budget by 18,085 or 1.1%
 - Medi-Cal: unfavorable variance of 17,800 members
 - TANF unfavorable variance of 21,146 members
 - SPD unfavorable variance of 4,734 members
 - MCE favorable variance of 7,747 members
 - LTC favorable variance of 334 members
 - OneCare Connect: unfavorable variance of 397 members or 1.3%
 - OneCare: favorable variance of 113 members or 4.3%
 - PACE: unfavorable variance of 1 member or 0.2%

FY 2017-18: Consolidated Revenues

- August 2017 MTD:

- Actual higher than budget by \$8.7 million or 3.1%
 - Medi-Cal: favorable to budget by \$8.7 million or 3.6%
 - Unfavorable volume variance of \$1.2 million
 - Favorable price variance of \$9.9 million due to:
 - \$5.8 million of Fiscal Year (FY) 2018 revenue for In-Home Supportive Services (IHSS) and Behavioral Health Treatment (BHT)
 - \$1.9 million of FY 2016 and 2017 LTC related revenue recognized for members with Non-LTC aid codes
 - \$1.1 million FY 2017 revenue for Coordinated Care Initiative (CCI)
 - OneCare Connect: unfavorable to budget by \$0.5 million or 1.7%
 - Unfavorable volume variance of \$0.5 million due to lower enrollment

FY 2017-18: Consolidated Revenues (con't.)

- August 2017 YTD:
 - Actual higher than budget by \$11.7 million or 2.1%
 - Medi-Cal: favorable to budget by \$12.4 million or 2.5%
 - Unfavorable volume variance of \$5.6 million
 - Favorable price variance of \$18.0 million due to:
 - \$11.7 million from prior year revenue
 - \$2.4 million from FY 2018 revenue for BHT
 - OneCare Connect: unfavorable to budget by \$1.3 million or 2.3%
 - Unfavorable volume variance of \$0.7 million
 - Unfavorable price variance of \$0.6 million
 - OneCare: favorable to budget by \$0.2 million or 8.3%
 - PACE: favorable to budget by \$0.4 million or 13.0%

FY 2017-18: Consolidated Medical Expenses

- August 2017 MTD:
 - Actual higher than budget by \$15.5 million or 5.9%
 - Medi-Cal: unfavorable variance of \$14.8 million
 - MLTSS unfavorable variance of \$8.5 million
 - IHSS unfavorable variance of \$4.8 million
 - Nursing facilities expenses unfavorable variance of \$3.5 million
 - Inpatient facilities expenses unfavorable variance of \$3.6 million
 - Provider Capitation unfavorable variance of \$2.0
 - OneCare Connect: unfavorable variance of \$0.5 million
 - Favorable volume variance of \$0.5 million
 - Unfavorable price variance of \$1.0 million

FY 2017-18: Consolidated Medical Expenses (Cont.)

- August 2017 YTD:
 - Actual higher than budget by \$24.5 million or 4.7%
 - Medi-Cal: unfavorable variance of \$24.6 million
 - Favorable volume variance of \$5.3 million
 - Unfavorable price variance of \$29.9 million
 - MLTSS expense \$15.7 million higher than budget
 - Facilities \$5.7 million higher than budget
 - Provider Capitation \$2.6 million higher than budget
 - Pharmacy \$2.6 million higher than budget
 - OneCare Connect: unfavorable variance of \$0.1 million
 - Favorable volume variance of \$0.7 million
 - Unfavorable price variance of \$0.8 million
- Medical Loss Ratio (MLR):
 - August 2017 MTD: Actual: 97.7% Budget: 95.2%
 - August 2017 YTD: Actual: 97.7% Budget: 95.3%

FY 2017-18: Consolidated Administrative Expenses

- August 2017 MTD:
 - Actual lower than budget by \$2.5 million or 20.3%
 - Salaries and Benefits: favorable variance of \$0.8 million
 - Other categories: favorable variance of \$1.6 million
- August 2017 YTD:
 - Actual lower than budget by \$5.8 million or 24.0%
 - Salaries and Benefits: favorable variance of \$1.9 million driven by lower than budgeted FTE
 - Other categories: favorable variance of \$3.9 million
- Administrative Loss Ratio (ALR):
 - August 2017 MTD: Actual: 3.4% Budget: 4.4%
 - August 2017 YTD: Actual: 3.3% Budget: 4.4%

FY 2017-18: Change in Net Assets

- August 2017 MTD:

- \$0.6 million deficit
- \$2.0 million unfavorable to budget
 - Higher than budgeted revenue of \$8.7 million
 - Higher than budgeted medical expenses of \$15.5 million
 - Lower than budgeted administrative expenses of \$2.5 million
 - Higher than budgeted investment and other income of \$2.4 million

- August 2017 YTD:

- \$0.03 million surplus
- \$2.2 million unfavorable to budget
 - Higher than budgeted revenue of \$11.7 million
 - Higher than budgeted medical expenses of \$24.5 million
 - Lower than budgeted administrative expenses of \$5.8 million
 - Higher than budgeted investment and other income of \$4.8 million

Enrollment Summary:

August 2017

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
61,748	62,241	(493)	(0.8%)	Aged	122,711	124,094	(1,383)	(1.1%)
625	618	7	1.1%	BCCTP	1,252	1,236	16	1.3%
47,149	48,756	(1,607)	(3.3%)	Disabled	94,133	97,500	(3,367)	(3.5%)
329,987	329,930	57	0.0%	TANF Child	654,519	660,002	(5,483)	(0.8%)
96,698	104,018	(7,320)	(7.0%)	TANF Adult	192,464	208,128	(15,664)	(7.5%)
3,493	3,268	225	6.9%	LTC	6,870	6,536	334	5.1%
241,455	236,166	5,289	2.2%	MCE	479,945	472,198	7,747	1.6%
781,155	784,997	(3,842)	(0.5%)	Medi-Cal	1,551,894	1,569,694	(17,800)	(1.1%)
15,229	15,503	(274)	(1.8%)	OneCare Connect	30,594	30,991	(397)	(1.3%)
221	221	-	0.0%	PACE	436	437	(1)	(0.2%)
1,386	1,325	61	4.6%	OneCare	2,753	2,640	113	4.3%
797,991	802,046	(4,055)	(0.5%)	CalOptima Total	1,585,677	1,603,762	(18,085)	(1.1%)

Financial Highlights: August 2017

Month-to-Date					Year-to-Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
797,991	802,046	(4,055)	(0.5%)	Member Months	1,585,677	1,603,762	(18,085)	(1.1%)
284,547,240	275,879,325	8,667,915	3.1%	Revenues	561,350,897	549,617,870	11,733,027	2.1%
278,134,217	262,632,565	(15,501,652)	(5.9%)	Medical Expenses	548,271,181	523,725,999	(24,545,181)	(4.7%)
9,661,211	12,121,658	2,460,446	20.3%	Administrative Expenses	18,392,974	24,209,763	5,816,789	24.0%
(3,248,189)	1,125,102	(4,373,290)	(388.7%)	Operating Margin	(5,313,258)	1,682,108	(6,995,365)	(415.9%)
2,633,276	252,544	2,380,732	942.7%	Non Operating Income (Loss)	5,343,186	505,088	4,838,098	957.9%
(614,913)	1,377,646	(1,992,559)	(144.6%)	Change in Net Assets	29,928	2,187,196	(2,157,268)	(98.6%)
97.7%	95.2%	(2.5%)		Medical Loss Ratio	97.7%	95.3%	(2.4%)	
3.4%	4.4%	1.0%		Administrative Loss Ratio	3.3%	4.4%	1.1%	
<u>(1.1%)</u>	<u>0.4%</u>	(1.5%)		Operating Margin Ratio	<u>(0.9%)</u>	<u>0.3%</u>	(1.3%)	
100.0%	100.0%			Total Operating	100.0%	100.0%		

Consolidated Performance Actual vs. Budget: August (in millions)

MONTH-TO-DATE				YEAR-TO-DATE		
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
(2.8)	1.2	(4.0)	Medi-Cal	(4.7)	2.6	(7.4)
(0.5)	0.2	(0.7)	OCC	(0.9)	(0.4)	(0.5)
0.0	(0.1)	0.2	OneCare	0.0	(0.3)	0.3
<u>0.0</u>	<u>(0.1)</u>	<u>0.1</u>	PACE	<u>0.4</u>	<u>(0.2)</u>	<u>0.5</u>
(3.3)	1.1	(4.4)	Operating	(5.3)	1.7	(7.0)
<u>2.6</u>	<u>0.3</u>	<u>2.4</u>	Inv./Rental Inc, MCO tax	<u>5.4</u>	<u>0.5</u>	<u>4.9</u>
2.6	0.3	2.4	Non-Operating	5.4	0.5	4.9
(0.6)	1.4	(2.0)	TOTAL	0.0	2.2	(2.2)

Consolidated Revenue & Expense:

August 2017 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	539,700	241,455	781,155	15,229	1,386	221	797,991
REVENUES							
Capitation Revenue	\$ 150,327,277	\$ 103,315,440	\$ 253,642,718	\$ 27,626,525	\$ 1,535,068	\$ 1,742,929	\$ 284,547,240
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>150,327,277</u>	<u>103,315,440</u>	<u>253,642,718</u>	<u>27,626,525</u>	<u>1,535,068</u>	<u>1,742,929</u>	<u>284,547,240</u>
MEDICAL EXPENSES							
Provider Capitation	38,887,350	50,182,746	89,070,096	11,382,360	390,925	-	100,843,381
Facilities	27,764,330	19,785,152	47,549,482	3,047,055	379,430	431,796	51,407,762
Ancillary	-	-	-	737,987	50,680	-	788,667
Skilled Nursing	-	-	-	-	20,532	-	20,532
Professional Claims	5,433,906	8,024,702	13,458,608	-	-	384,026	13,842,634
Prescription Drugs	18,199,847	19,041,545	37,241,392	5,212,857	561,978	128,743	43,144,970
Long-term Care Facility Payments	55,304,866	2,366,672	57,671,538	4,872,269	-	27,961	62,571,767
Medical Management	2,034,983	946,460	2,981,443	1,135,771	11,685	393,206	4,522,105
Reinsurance & Other	429,574	158,626	588,200	168,246	5,408	230,544	992,398
Total Medical Expenses	<u>148,054,855</u>	<u>100,505,902</u>	<u>248,560,758</u>	<u>26,556,546</u>	<u>1,420,637</u>	<u>1,596,276</u>	<u>278,134,217</u>
Medical Loss Ratio	98.5%	97.3%	98.0%	96.1%	92.5%	91.6%	97.7%
GROSS MARGIN	2,272,422	2,809,538	5,081,960	1,069,980	114,431	146,652	6,413,023
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			5,386,053	762,105	26,871	75,577	6,250,606
Professional fees			215,842	501	0	4,548	220,891
Purchased services			864,750	84,426	15,356	320	964,852
Printing and Postage			247,873	52,460	3,608	4,712	308,653
Depreciation and Amortization			378,999	-	-	2,168	381,167
Other expenses			1,062,310	80,580	(0)	27,293	1,170,183
Indirect cost allocation, Occupancy expense			(254,222)	584,428	31,910	2,744	364,860
Total Administrative Expenses			<u>7,901,605</u>	<u>1,564,499</u>	<u>77,746</u>	<u>117,362</u>	<u>9,661,211</u>
Admin Loss Ratio			3.1%	5.7%	5.1%	6.7%	3.4%
INCOME (LOSS) FROM OPERATIONS			(2,819,645)	(494,519)	36,685	29,290	(3,248,189)
INVESTMENT INCOME			-	-	-	-	2,645,171
NET RENTAL INCOME			-	-	-	-	3,470
NET GRANT INCOME			(15,651)	-	-	-	(15,651)
OTHER INCOME			286	-	-	-	286
CHANGE IN NET ASSETS			<u>\$ (2,835,010)</u>	<u>\$ (494,519)</u>	<u>\$ 36,685</u>	<u>\$ 29,290</u>	<u>\$ (614,913)</u>
BUDGETED CHANGE IN ASSETS			1,172,168	156,700	(124,254)	(79,512)	1,377,646
VARIANCE TO BUDGET - FAV (UNFAV)			<u>(4,007,178)</u>	<u>(651,219)</u>	<u>160,940</u>	<u>108,802</u>	<u>(1,992,559)</u>

Consolidated Revenue & Expense:

August 2017 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	1,071,949	479,945	1,551,894	30,594	2,753	436	1,585,677
REVENUES							
Capitation Revenue	\$ 297,475,529	\$ 204,627,244	\$ 502,102,773	\$ 53,119,395	2,883,642	\$ 3,245,086	\$ 561,350,897
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>297,475,529</u>	<u>204,627,244</u>	<u>502,102,773</u>	<u>53,119,395</u>	<u>2,883,642</u>	<u>3,245,086</u>	<u>561,350,897</u>
MEDICAL EXPENSES							
Provider Capitation	77,139,805	99,994,753	177,134,558	21,228,884	791,386	-	199,154,828
Facilities	51,854,341	40,673,489	92,527,830	5,527,518	774,392	634,161	99,463,901
Ancillary	-	-	-	1,322,722	82,195	-	1,404,917
Skilled Nursing	-	-	-	-	47,799	-	47,799
Professional Claims	12,618,448	16,097,334	28,715,782	-	-	627,722	29,343,504
Prescription Drugs	35,893,148	37,480,574	73,373,722	10,246,598	987,121	222,205	84,829,645
Long-term Care Facility Payments	108,474,130	4,857,605	113,331,735	10,103,748	-	16,758	123,452,240
Medical Management	4,698,710	1,092,994	5,791,704	2,200,090	39,978	726,748	8,758,520
Reinsurance & Other	649,793	278,049	927,842	428,558	14,072	445,354	1,815,825
Total Medical Expenses	<u>291,328,374</u>	<u>200,474,798</u>	<u>491,803,172</u>	<u>51,058,117</u>	<u>2,736,943</u>	<u>2,672,949</u>	<u>548,271,181</u>
Medical Loss Ratio	97.9%	98.0%	97.9%	96.1%	94.9%	82.4%	97.7%
GROSS MARGIN	6,147,155	4,152,446	10,299,601	2,061,278	146,699	572,138	13,079,716
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			10,361,343	1,490,688	54,576	147,268	12,053,876
Professional fees			388,187	501	0	6,105	394,792
Purchased services			1,473,279	173,766	26,091	6,178	1,679,313
Printing and Postage			415,473	65,258	10,050	4,927	495,707
Depreciation and Amortization			754,994	-	-	4,264	759,259
Other expenses			2,163,989	109,967	(0)	31,168	2,305,124
Indirect cost allocation, Occupancy expense			(533,235)	1,168,856	63,820	5,462	704,903
Total Administrative Expenses			<u>15,024,030</u>	<u>3,009,035</u>	<u>154,537</u>	<u>205,372</u>	<u>18,392,974</u>
Admin Loss Ratio			3.0%	5.7%	5.4%	6.3%	3.3%
INCOME (LOSS) FROM OPERATIONS			(4,724,429)	(947,757)	(7,838)	366,766	(5,313,258)
INVESTMENT INCOME			-	-	-	-	5,354,504
NET RENTAL INCOME			-	-	-	-	6,640
NET GRANT INCOME			(18,317)	-	-	-	(18,317)
OTHER INCOME			359	-	-	-	359
CHANGE IN NET ASSETS			<u>\$ (4,742,387)</u>	<u>\$ (947,757)</u>	<u>\$ (7,838)</u>	<u>\$ 366,766</u>	<u>\$ 29,928</u>
BUDGETED CHANGE IN ASSETS			2,615,212	(437,305)	(343,829)	(151,970)	2,187,196
VARIANCE TO BUDGET - FAV (UNFAV)			<u>(7,357,599)</u>	<u>(510,452)</u>	<u>335,991</u>	<u>518,736</u>	<u>(2,157,268)</u>

Balance Sheet:

As of August 2017

ASSETS

Current Assets

Operating Cash	\$693,594,087
Investments	983,493,588
Capitation receivable	309,923,565
Receivables - Other	21,725,557
Prepaid Expenses	5,768,570
Total Current Assets	<u>2,014,505,367</u>

Capital Assets Furniture and equipment	33,437,912
Leasehold improvements	6,148,441
505 City Parkway West	49,422,364
	<u>89,008,717</u>
Less: accumulated depreciation	<u>(35,622,495)</u>
Capital assets, net	<u>53,386,222</u>

Other Assets Restricted deposit & Other	300,000
Board-designated assets	
Cash and cash equivalents	28,937,963
Long term investments	508,506,303
Total Board-designated Assets	<u>537,444,266</u>
Total Other Assets	<u>537,744,266</u>

Deferred outflows of Resources - Pension Contributions	5,234,198
Deferred outflows of Resources - Difference in Experience	1,072,771
Deferred outflows of Resources - Excess Earnings	<u>5,270,171</u>

TOTAL ASSETS & OUTFLOWS	<u>2,617,212,995</u>
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LIABILITIES & FUND BALANCES

Current Liabilities

Accounts payable	\$28,940,352
Medical claims liability	1,105,506,963
Accrued payroll liabilities	11,054,769
Deferred revenue	124,648,060
Deferred lease obligations	184,405
Capitation and withholds	586,805,387
Total Current Liabilities	<u>1,857,139,935</u>

Other employment benefits liability	28,932,498
Net Pension Liabilities	16,212,231
Long Term Liabilities	100,000

TOTAL LIABILITIES	<u>1,902,384,664</u>
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Deferred inflows of Resources - Excess Earnings	-
Deferred inflows of Resources - Changes in Assumptions	1,340,010

Tangible net equity (TNE)	91,440,932
Funds in excess of TNE	622,047,388

Net Assets	<u>713,488,320</u>
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TOTAL LIABILITIES, INFLOWS & FUND BALANCES	<u>2,617,212,995</u>
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Board Designated Reserve and TNE Analysis

As of August 2017

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	146,822,740				
	Tier 1 - Logan Circle	146,507,294				
	Tier 1 - Wells Capital	146,597,541				
Board-designated Reserve						
		439,927,574	311,866,164	484,712,063	128,061,410	(44,784,488)
TNE Requirement	Tier 2 - Logan Circle	97,516,691	91,440,932	91,440,932	6,075,759	6,075,759
Consolidated:		537,444,266	403,307,097	576,152,995	134,137,169	(38,708,730)
	<i>Current reserve level</i>	1.87	1.40	2.00		



UNAUDITED FINANCIAL STATEMENTS

August 2017

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**CalOptima - Consolidated
Financial Highlights
For the Two Months Ended August 31, 2017**

Month-to-Date					Year-to-Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
797,991	802,046	(4,055)	(0.5%)	Member Months	1,585,677	1,603,762	(18,085)	(1.1%)
284,547,240	275,879,325	8,667,915	3.1%	Revenues	561,350,897	549,617,870	11,733,027	2.1%
278,134,217	262,632,565	(15,501,652)	(5.9%)	Medical Expenses	548,271,181	523,725,999	(24,545,181)	(4.7%)
9,661,211	12,121,658	2,460,446	20.3%	Administrative Expenses	18,392,974	24,209,763	5,816,789	24.0%
(3,248,189)	1,125,102	(4,373,290)	(388.7%)	Operating Margin	(5,313,258)	1,682,108	(6,995,365)	(415.9%)
2,633,276	252,544	2,380,732	942.7%	Non Operating Income (Loss)	5,343,186	505,088	4,838,098	957.9%
(614,913)	1,377,646	(1,992,559)	(144.6%)	Change in Net Assets	29,928	2,187,196	(2,157,268)	(98.6%)
97.7%	95.2%	(2.5%)		Medical Loss Ratio	97.7%	95.3%	(2.4%)	
3.4%	4.4%	1.0%		Administrative Loss Ratio	3.3%	4.4%	1.1%	
<u>(1.1%)</u>	<u>0.4%</u>	(1.5%)		Operating Margin Ratio	<u>(0.9%)</u>	<u>0.3%</u>	(1.3%)	
100.0%	100.0%			Total Operating	100.0%	100.0%		

CalOptima
Financial Dashboard
For the Two Months Ended August 31, 2017

MONTH - TO - DATE

Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	781,155	784,997	↓	(3,842) (0.5%)
OneCare Connect	15,229	15,503	↓	(274) (1.8%)
OneCare	1,386	1,325	↑	61 4.6%
PACE	221	221	↑	- 0.0%
Total	797,991	802,046	↓	(4,055) (0.5%)

Change in Net Assets (000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ (2,835)	\$ 1,172	↓	\$ (4,007) (341.9%)
OneCare Connect	(495)	157	↓	(651) (415.6%)
OneCare	37	(124)	↑	161 129.5%
PACE	29	(80)	↑	109 136.8%
505 Bldg.	3	3	↑	1 36.4%
Investment Income & Other	2,645	250	↑	2,395 958.1%
Total	\$ (615)	\$ 1,378	↓	\$ (1,993) (144.6%)

MLR

	Actual	Budget	% Point Var
Medi-Cal	98.0%	95.5%	↓ (2.5)
OneCare Connect	96.1%	92.6%	↓ (3.5)
OneCare	92.5%	101.9%	↑ 9.3

Administrative Cost (000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 7,902	\$ 9,945	↑	\$ 2,044 20.5%
OneCare Connect	1,564	1,930	↑	365 18.9%
OneCare	78	98	↑	20 20.5%
PACE	117	149	↑	32 21.3%
Total	\$ 9,661	\$ 12,122	↑	\$ 2,460 20.3%

Total FTE's Month

	Actual	Budget	Fav / (Unfav)
Medi-Cal	874	900	26
OneCare Connect	226	237	11
OneCare	3	3	0
PACE	53	61	8
Total	1,156	1,202	46

MM per FTE

	Actual	Budget	Fav / (Unfav)
Medi-Cal	894	872	22
OneCare Connect	67	65	2
OneCare	463	442	21
PACE	4	4	1
Total	1,428	1,382	46

YEAR - TO - DATE

Year To Date Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	1,551,894	1,569,694	↓	(17,800) (1.1%)
OneCare Connect	30,594	30,991	↓	(397) (1.3%)
OneCare	2,753	2,640	↑	113 4.3%
PACE	436	437	↓	(1) (0.2%)
Total	1,585,677	1,603,762	↓	(18,085) (1.1%)

Change in Net Assets (000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ (4,742)	\$ 2,615	↓	\$ (7,358) (281.3%)
OneCare Connect	(948)	(437)	↓	(510) (116.7%)
OneCare	(8)	(344)	↑	336 97.7%
PACE	367	(152)	↑	519 341.3%
505 Bldg.	7	5	↑	2 30.5%
Investment Income & Other	5,355	500	↑	4,855 970.9%
Total	\$ 30	\$ 2,187	↓	\$ (2,157) (98.6%)

MLR

	Actual	Budget	% Point Var
Medi-Cal	97.9%	95.4%	↓ (2.5)
OneCare Connect	96.1%	93.7%	↓ (2.4)
OneCare	94.9%	105.3%	↑ 10.4

Administrative Cost (000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 15,024	\$ 19,840	↑	\$ 4,816 24.3%
OneCare Connect	3,009	3,873	↑	864 22.3%
OneCare	155	202	↑	48 23.6%
PACE	205	294	↑	88 30.1%
Total	\$ 18,393	\$ 24,210	↑	\$ 5,817 24.0%

Total FTE's YTD

	Actual	Budget	Fav / (Unfav)
Medi-Cal	1,750	1,801	51
OneCare Connect	460	474	15
OneCare	6	6	(0)
PACE	102	123	20
Total	2,318	2,403	85

MM per FTE

	Actual	Budget	Fav / (Unfav)
Medi-Cal	887	872	15
OneCare Connect	67	65	1
OneCare	424	440	(16)
PACE	4	4	1
Total	1,382	1,381	1

**CalOptima - Consolidated
Statement of Revenue and Expenses
For the One Month Ended August 31, 2017**

	Actual		Month Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	797,991		802,046		(4,055)	
Revenues						
Medi-Cal	\$ 253,642,718	\$ 324.70	\$ 244,910,840	\$ 311.99	\$ 8,731,878	\$ 12.71
OneCare Connect	27,626,525	1,814.07	28,111,826	1,813.32	(485,301)	0.76
OneCare	1,535,068	1,107.55	1,404,794	1,060.22	130,274	47.33
PACE	1,742,929	7,886.55	1,451,865	6,569.53	291,063	1,317.03
Total Operating Revenue	284,547,240	356.58	275,879,325	343.97	8,667,915	12.61
Medical Expenses						
Medi-Cal	248,560,758	318.20	233,793,336	297.83	(14,767,422)	(20.37)
OneCare Connect	26,556,546	1,743.81	26,025,609	1,678.75	(530,937)	(65.07)
OneCare	1,420,637	1,024.99	1,431,286	1,080.22	10,649	55.23
PACE	1,596,276	7,222.97	1,382,334	6,254.91	(213,942)	(968.06)
Total Medical Expenses	278,134,217	348.54	262,632,565	327.45	(15,501,652)	(21.09)
Gross Margin	6,413,023	8.04	13,246,760	16.52	(6,833,737)	(8.48)
Administrative Expenses						
Salaries and Benefits	6,250,606	7.83	7,088,010	8.84	837,404	1.00
Professional fees	220,891	0.28	380,938	0.47	160,048	0.20
Purchased services	964,852	1.21	1,825,729	2.28	860,877	1.07
Printing and Postage	308,653	0.39	527,371	0.66	218,718	0.27
Depreciation and Amortization	381,167	0.48	463,298	0.58	82,131	0.10
Other	1,170,183	1.47	1,495,895	1.87	325,712	0.40
Indirect cost allocation, Occupancy expense	364,860	0.46	340,417	0.42	(24,443)	(0.03)
Total Administrative Expenses	9,661,211	12.11	12,121,658	15.11	2,460,446	3.01
Income (Loss) From Operations	(3,248,189)	(4.07)	1,125,102	1.40	(4,373,290)	(5.47)
Investment income						
Interest income	2,200,390	2.76	250,000	0.31	1,950,390	2.45
Realized gain/(loss) on investments	(34,456)	(0.04)	-	-	(34,456)	(0.04)
Unrealized gain/(loss) on investments	479,236	0.60	-	-	479,236	0.60
Total Investment Income	2,645,171	3.31	250,000	0.31	2,395,171	3.00
Net Rental Income	3,470	0.00	2,544	0.00	926	0.00
Total Net Operating Tax	-	-	-	-	-	-
Total Net Grant Income	(15,651)	(0.02)	-	-	(15,651)	(0.02)
QAF/IGT	-	-	-	-	-	-
Other Income	286	0.00	-	-	286	0.00
Change In Net Assets	(614,913)	(0.77)	1,377,646	1.72	(1,992,559)	(2.49)
Medical Loss Ratio	97.7%		95.2%		(2.5%)	
Administrative Loss Ratio	3.4%		4.4%		1.0%	

* PMPMs for Revenues and Medical Expenses are calculated using line of business enrollment

** Includes MSSP

**CalOptima - Consolidated
Statement of Revenue and Expenses
For the Two Months Ended August 31, 2017**

	Actual		Month Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	1,585,677		1,603,762		(18,085)	
Revenues						
Medi-Cal	\$ 502,102,773	\$ 323.54	\$ 489,699,126	\$ 311.97	\$ 12,403,648	\$ 11.57
OneCare Connect	53,119,395	1,736.27	54,383,792	1,754.83	(1,264,397)	(18.56)
OneCare	2,883,642	1,047.45	2,663,511	1,008.91	220,131	38.55
PACE	3,245,086	7,442.86	2,871,441	6,570.80	373,645	872.05
Total Operating Revenue	561,350,897	354.01	549,617,870	342.71	11,733,027	11.31
Medical Expenses						
Medi-Cal	491,803,172	316.91	467,243,684	297.67	(24,559,488)	(19.24)
OneCare Connect	51,058,117	1,668.89	50,947,608	1,643.95	(110,509)	(24.94)
OneCare	2,736,943	994.17	2,805,166	1,062.56	68,223	68.40
PACE	2,672,949	6,130.62	2,729,542	6,246.09	56,593	115.47
Total Medical Expenses	548,271,181	345.76	523,725,999	326.56	(24,545,181)	(19.20)
Gross Margin	13,079,716	8.25	25,891,871	16.14	(12,812,154)	(7.90)
Administrative Expenses						
Salaries and Benefits	12,053,876	7.60	13,997,996	8.73	1,944,120	1.13
Professional fees	394,792	0.25	809,377	0.50	414,584	0.26
Purchased services	1,679,313	1.06	3,677,008	2.29	1,997,695	1.23
Printing and Postage	495,707	0.31	1,062,242	0.66	566,535	0.35
Depreciation and Amortization	759,259	0.48	926,596	0.58	167,337	0.10
Other	2,305,124	1.45	3,055,711	1.91	750,587	0.45
Indirect cost allocation, Occupancy expense	704,903	0.44	680,833	0.42	(24,069)	(0.02)
Total Administrative Expenses	18,392,974	11.60	24,209,763	15.10	5,816,789	3.50
Income (Loss) From Operations	(5,313,258)	(3.35)	1,682,108	1.05	(6,995,365)	(4.40)
Investment income						
Interest income	4,130,277	2.60	500,000	0.31	3,630,277	2.29
Realized gain/(loss) on investments	(74,634)	(0.05)	-	-	(74,634)	(0.05)
Unrealized gain/(loss) on investments	1,298,861	0.82	-	-	1,298,861	0.82
Total Investment Income	5,354,504	3.38	500,000	0.31	4,854,504	3.07
Net Rental Income	6,640	0.00	5,088	0.00	1,551	0.00
Total Net Operating Tax	-	-	-	-	-	-
Total Net Grant Income	(18,317)	(0.01)	-	-	(18,317)	(0.01)
QAF/IGT	-	-	-	-	-	-
Other Income	359	0.00	-	-	359	0.00
Change In Net Assets	29,928	0.02	2,187,196	1.36	(2,157,268)	(1.34)
Medical Loss Ratio	97.7%		95.3%		(2.4%)	
Administrative Loss Ratio	3.3%		4.4%		1.1%	

* PMPMs for Revenues and Medical Expenses are calculated using line of business enrollment

** Includes MSSP

**CalOptima - Consolidated - Month to Date
Statement of Revenues and Expenses by LOB
For the One Month Ended August 31, 2017**

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	539,700	241,455	781,155	15,229	1,386	221	797,991
REVENUES							
Capitation Revenue	\$ 150,327,277	\$ 103,315,440	\$ 253,642,718	\$ 27,626,525	\$ 1,535,068	\$ 1,742,929	\$ 284,547,240
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>150,327,277</u>	<u>103,315,440</u>	<u>253,642,718</u>	<u>27,626,525</u>	<u>1,535,068</u>	<u>1,742,929</u>	<u>284,547,240</u>
MEDICAL EXPENSES							
Provider Capitation	38,887,350	50,182,746	89,070,096	11,382,360	390,925	-	100,843,381
Facilities	27,764,330	19,785,152	47,549,482	3,047,055	379,430	431,796	51,407,762
Ancillary	-	-	-	737,987	50,680	-	788,667
Skilled Nursing	-	-	-	-	20,532	-	20,532
Professional Claims	5,433,906	8,024,702	13,458,608	-	-	384,026	13,842,634
Prescription Drugs	18,199,847	19,041,545	37,241,392	5,212,857	561,978	128,743	43,144,970
Long-term Care Facility Payments	55,304,866	2,366,672	57,671,538	4,872,269	-	27,961	62,571,767
Medical Management	2,034,983	946,460	2,981,443	1,135,771	11,685	393,206	4,522,105
Reinsurance & Other	429,574	158,626	588,200	168,246	5,408	230,544	992,398
Total Medical Expenses	<u>148,054,855</u>	<u>100,505,902</u>	<u>248,560,758</u>	<u>26,556,546</u>	<u>1,420,637</u>	<u>1,596,276</u>	<u>278,134,217</u>
Medical Loss Ratio	98.5%	97.3%	98.0%	96.1%	92.5%	91.6%	97.7%
GROSS MARGIN	2,272,422	2,809,538	5,081,960	1,069,980	114,431	146,652	6,413,023
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			5,386,053	762,105	26,871	75,577	6,250,606
Professional fees			215,842	501	0	4,548	220,891
Purchased services			864,750	84,426	15,356	320	964,852
Printing and Postage			247,873	52,460	3,608	4,712	308,653
Depreciation and Amortization			378,999	-	-	2,168	381,167
Other expenses			1,062,310	80,580	(0)	27,293	1,170,183
Indirect cost allocation, Occupancy expense			(254,222)	584,428	31,910	2,744	364,860
Total Administrative Expenses			<u>7,901,605</u>	<u>1,564,499</u>	<u>77,746</u>	<u>117,362</u>	<u>9,661,211</u>
Admin Loss Ratio			3.1%	5.7%	5.1%	6.7%	3.4%
INCOME (LOSS) FROM OPERATIONS			(2,819,645)	(494,519)	36,685	29,290	(3,248,189)
INVESTMENT INCOME			-	-	-	-	2,645,171
NET RENTAL INCOME			-	-	-	-	3,470
NET GRANT INCOME			(15,651)	-	-	-	(15,651)
OTHER INCOME			286	-	-	-	286
CHANGE IN NET ASSETS			<u>\$ (2,835,010)</u>	<u>\$ (494,519)</u>	<u>\$ 36,685</u>	<u>\$ 29,290</u>	<u>\$ (614,913)</u>
BUDGETED CHANGE IN ASSETS			1,172,168	156,700	(124,254)	(79,512)	1,377,646
VARIANCE TO BUDGET - FAV (UNFAV)			<u>(4,007,178)</u>	<u>(651,219)</u>	<u>160,940</u>	<u>108,802</u>	<u>(1,992,559)</u>

**CalOptima - Consolidated - Year to Date
Statement of Revenues and Expenses by LOB
For the Two Months Ended August 31, 2017**

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	1,071,949	479,945	1,551,894	30,594	2,753	436	1,585,677
REVENUES							
Capitation Revenue	\$ 297,475,529	\$ 204,627,244	\$ 502,102,773	\$ 53,119,395	2,883,642	\$ 3,245,086	\$ 561,350,897
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>297,475,529</u>	<u>204,627,244</u>	<u>502,102,773</u>	<u>53,119,395</u>	<u>2,883,642</u>	<u>3,245,086</u>	<u>561,350,897</u>
MEDICAL EXPENSES							
Provider Capitation	77,139,805	99,994,753	177,134,558	21,228,884	791,386	-	199,154,828
Facilities	51,854,341	40,673,489	92,527,830	5,527,518	774,392	634,161	99,463,901
Ancillary	-	-	-	1,322,722	82,195	-	1,404,917
Skilled Nursing	-	-	-	-	47,799	-	47,799
Professional Claims	12,618,448	16,097,334	28,715,782	-	-	627,722	29,343,504
Prescription Drugs	35,893,148	37,480,574	73,373,722	10,246,598	987,121	222,205	84,829,645
Long-term Care Facility Payments	108,474,130	4,857,605	113,331,735	10,103,748	-	16,758	123,452,240
Medical Management	4,698,710	1,092,994	5,791,704	2,200,090	39,978	726,748	8,758,520
Reinsurance & Other	649,793	278,049	927,842	428,558	14,072	445,354	1,815,825
Total Medical Expenses	<u>291,328,374</u>	<u>200,474,798</u>	<u>491,803,172</u>	<u>51,058,117</u>	<u>2,736,943</u>	<u>2,672,949</u>	<u>548,271,181</u>
Medical Loss Ratio	97.9%	98.0%	97.9%	96.1%	94.9%	82.4%	97.7%
GROSS MARGIN	6,147,155	4,152,446	10,299,601	2,061,278	146,699	572,138	13,079,716
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			10,361,343	1,490,688	54,576	147,268	12,053,876
Professional fees			388,187	501	0	6,105	394,792
Purchased services			1,473,279	173,766	26,091	6,178	1,679,313
Printing and Postage			415,473	65,258	10,050	4,927	495,707
Depreciation and Amortization			754,994	-	-	4,264	759,259
Other expenses			2,163,989	109,967	(0)	31,168	2,305,124
Indirect cost allocation, Occupancy expense			(533,235)	1,168,856	63,820	5,462	704,903
Total Administrative Expenses			<u>15,024,030</u>	<u>3,009,035</u>	<u>154,537</u>	<u>205,372</u>	<u>18,392,974</u>
Admin Loss Ratio			3.0%	5.7%	5.4%	6.3%	3.3%
INCOME (LOSS) FROM OPERATIONS			(4,724,429)	(947,757)	(7,838)	366,766	(5,313,258)
INVESTMENT INCOME			-	-	-	-	5,354,504
NET RENTAL INCOME			-	-	-	-	6,640
NET GRANT INCOME			(18,317)	-	-	-	(18,317)
OTHER INCOME			359	-	-	-	359
CHANGE IN NET ASSETS			<u>\$ (4,742,387)</u>	<u>\$ (947,757)</u>	<u>\$ (7,838)</u>	<u>\$ 366,766</u>	<u>\$ 29,928</u>
BUDGETED CHANGE IN ASSETS			2,615,212	(437,305)	(343,829)	(151,970)	2,187,196
VARIANCE TO BUDGET - FAV (UNFAV)			<u>(7,357,599)</u>	<u>(510,452)</u>	<u>335,991</u>	<u>518,736</u>	<u>(2,157,268)</u>

August 31, 2017 Unaudited Financial Statements

SUMMARY

MONTHLY RESULTS:

- Change in Net Assets is (\$0.6) million, \$2.0 million unfavorable to budget
- Operating deficit is \$3.3 million with a surplus in non-operating of \$2.6 million

YEAR TO DATE RESULTS:

- Change in Net Assets is \$0.0 million, \$2.2 million unfavorable to budget
- Operating Deficit is \$5.3 million, \$7.0 million unfavorable to budget

Change in Net Assets by LOB (\$millions)

MONTH-TO-DATE				YEAR-TO-DATE		
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
(2.8)	1.2	(4.0)	Medi-Cal	(4.7)	2.6	(7.4)
(0.5)	0.2	(0.7)	OCC	(0.9)	(0.4)	(0.5)
0.0	(0.1)	0.2	OneCare	0.0	(0.3)	0.3
<u>0.0</u>	<u>(0.1)</u>	<u>0.1</u>	PACE	<u>0.4</u>	<u>(0.2)</u>	<u>0.5</u>
(3.3)	1.1	(4.4)	Operating	(5.3)	1.7	(7.0)
<u>2.6</u>	<u>0.3</u>	<u>2.4</u>	Inv./Rental Inc, MCO tax	<u>5.4</u>	<u>0.5</u>	<u>4.8</u>
2.6	0.3	2.4	Non-Operating	5.4	0.5	4.8
(0.6)	1.4	(2.0)	TOTAL	0.0	2.2	(2.2)

CalOptima
Enrollment Summary
For the Two Months Ended August 31, 2017

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
61,748	62,241	(493)	(0.8%)	Aged	122,711	124,094	(1,383)	(1.1%)
625	618	7	1.1%	BCCTP	1,252	1,236	16	1.3%
47,149	48,756	(1,607)	(3.3%)	Disabled	94,133	97,500	(3,367)	(3.5%)
329,987	329,930	57	0.0%	TANF Child	654,519	660,002	(5,483)	(0.8%)
96,698	104,018	(7,320)	(7.0%)	TANF Adult	192,464	208,128	(15,664)	(7.5%)
3,493	3,268	225	6.9%	LTC	6,870	6,536	334	5.1%
241,455	236,166	5,289	2.2%	MCE	479,945	472,198	7,747	1.6%
781,155	784,997	(3,842)	(0.5%)	Medi-Cal	1,551,894	1,569,694	(17,800)	(1.1%)
15,229	15,503	(274)	(1.8%)	OneCare Connect	30,594	30,991	(397)	(1.3%)
221	221	-	0.0%	PACE	436	437	(1)	(0.2%)
1,386	1,325	61	4.6%	OneCare	2,753	2,640	113	4.3%
797,991	802,046	(4,055)	(0.5%)	CalOptima Total	1,585,677	1,603,762	(18,085)	(1.1%)

Enrollment (By Network)								
171,735	174,050	(2,315)	(1.3%)	HMO	342,487	348,016	(5,529)	(1.6%)
224,125	226,957	(2,832)	(1.2%)	PHC	446,726	454,195	(7,469)	(1.6%)
203,743	210,328	(6,585)	(3.1%)	Shared Risk Group	406,957	420,976	(14,019)	(3.3%)
181,552	173,664	7,888	4.5%	Fee for Service	355,724	346,511	9,213	2.7%
781,155	784,997	(3,844)	(0.5%)	Medi-Cal	1,551,894	1,569,694	(17,800)	(1.1%)
15,229	15,503	(274)	(1.8%)	OneCare Connect	30,594	30,991	(397)	(1.3%)
221	221	0	0.0%	PACE	436	437	(1)	(0.2%)
1,386	1,325	61	4.6%	OneCare	2,753	2,640	113	4.3%
797,991	802,046	(4,055)	(0.5%)	CalOptima Total	1,585,677	1,603,762	(18,085)	(1.1%)

ENROLLMENT:

Overall MTD enrollment was 797,991

- Unfavorable to budget by 4,055 or 0.5%
- Increased 10,305 or 1.3% from prior month
- Increased 2,500 or 0.3% from prior year (August 2016)

Medi-Cal enrollment was 781,155

- Unfavorable to budget by 3,842
 - Expansion favorable by 5,289
 - LTC favorable by 225
 - TANF unfavorable by 7,263
 - SPD unfavorable by 2,093
- Increased 10,416 from prior month

OneCare Connect enrollment was 15,229

- Unfavorable to budget by 274
- Decreased 136 from prior month

OneCare enrollment was 1,386

- Favorable to budget by 61
- Increased 19 from prior month

PACE enrollment was 221

- Equal to budget
- Increased 6 from prior month

CalOptima
Enrollment Trend by Network Type
Fiscal Year 2017

Network Type	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	MMs
HMO													
Aged	4,058	4,045	-	-	-	-	-	-	-	-	-	-	8,103
BCCTP	1	1	-	-	-	-	-	-	-	-	-	-	2
Disabled	6,749	6,740	-	-	-	-	-	-	-	-	-	-	13,489
TANF Child	61,492	61,733	-	-	-	-	-	-	-	-	-	-	123,225
TANF Adult	30,429	30,420	-	-	-	-	-	-	-	-	-	-	60,849
LTC	3	4	-	-	-	-	-	-	-	-	-	-	7
MCE	68,020	68,792	-	-	-	-	-	-	-	-	-	-	136,812
	170,752	171,735	-	-	-	-	-	-	-	-	-	-	342,487
PHC													
Aged	1,480	1,493	-	-	-	-	-	-	-	-	-	-	2,973
BCCTP	-	-	-	-	-	-	-	-	-	-	-	-	-
Disabled	7,318	7,264	-	-	-	-	-	-	-	-	-	-	14,582
TANF Child	162,801	163,976	-	-	-	-	-	-	-	-	-	-	326,777
TANF Adult	12,604	12,571	-	-	-	-	-	-	-	-	-	-	25,175
LTC	-	-	-	-	-	-	-	-	-	-	-	-	-
MCE	38,398	38,821	-	-	-	-	-	-	-	-	-	-	77,219
	222,601	224,125	-	-	-	-	-	-	-	-	-	-	446,726
Shared Risk Group													
Aged	3,809	3,756	-	-	-	-	-	-	-	-	-	-	7,565
BCCTP	-	-	-	-	-	-	-	-	-	-	-	-	-
Disabled	8,108	8,058	-	-	-	-	-	-	-	-	-	-	16,166
TANF Child	72,723	72,861	-	-	-	-	-	-	-	-	-	-	145,584
TANF Adult	32,775	32,737	-	-	-	-	-	-	-	-	-	-	65,512
LTC	-	1	-	-	-	-	-	-	-	-	-	-	1
MCE	85,799	86,330	-	-	-	-	-	-	-	-	-	-	172,129
	203,214	203,743	-	-	-	-	-	-	-	-	-	-	406,957
Fee for Service (Dual)													
Aged	48,036	48,599	-	-	-	-	-	-	-	-	-	-	96,635
BCCTP	25	22	-	-	-	-	-	-	-	-	-	-	47
Disabled	20,343	20,528	-	-	-	-	-	-	-	-	-	-	40,871
TANF Child	3	3	-	-	-	-	-	-	-	-	-	-	6
TANF Adult	1,205	1,226	-	-	-	-	-	-	-	-	-	-	2,431
LTC	3,002	3,124	-	-	-	-	-	-	-	-	-	-	6,126
MCE	2,816	2,848	-	-	-	-	-	-	-	-	-	-	5,664
	75,430	76,350	-	-	-	-	-	-	-	-	-	-	151,780
Fee for Service (Non-Dual)													
Aged	3,580	3,855	-	-	-	-	-	-	-	-	-	-	7,435
BCCTP	601	602	-	-	-	-	-	-	-	-	-	-	1,203
Disabled	4,466	4,559	-	-	-	-	-	-	-	-	-	-	9,025
TANF Child	27,513	31,414	-	-	-	-	-	-	-	-	-	-	58,927
TANF Adult	18,753	19,744	-	-	-	-	-	-	-	-	-	-	38,497
LTC	372	364	-	-	-	-	-	-	-	-	-	-	736
MCE	43,457	44,664	-	-	-	-	-	-	-	-	-	-	88,121
	98,742	105,202	-	-	-	-	-	-	-	-	-	-	203,944
MEDI-CAL TOTAL													
Aged	60,963	61,748	-	-	-	-	-	-	-	-	-	-	122,711
BCCTP	627	625	-	-	-	-	-	-	-	-	-	-	1,252
Disabled	46,984	47,149	-	-	-	-	-	-	-	-	-	-	94,133
TANF Child	324,532	329,987	-	-	-	-	-	-	-	-	-	-	654,519
TANF Adult	95,766	96,698	-	-	-	-	-	-	-	-	-	-	192,464
LTC	3,377	3,493	-	-	-	-	-	-	-	-	-	-	6,870
MCE	238,490	241,455	-	-	-	-	-	-	-	-	-	-	479,945
	770,739	781,155	-	-	-	-	-	-	-	-	-	-	1,551,894
PACE	215	221	-	-	-	-	-	-	-	-	-	-	436
OneCare	1,367	1,386	-	-	-	-	-	-	-	-	-	-	2,753
OneCare Connect	15,365	15,229	-	-	-	-	-	-	-	-	-	-	30,594
TOTAL	787,686	797,991	-	-	-	-	-	-	-	-	-	-	1,585,677

**CalOptima - Medi-Cal Total
Statement of Revenues and Expenses
For the Two Months Ended August 31, 2017**

Month			
Actual	Budget	\$ Variance	% Variance
781,155	784,997	(3,842)	(0.5%)
253,642,718	244,910,840	8,731,878	3.6%
253,642,718	244,910,840	8,731,878	3.6%
89,070,096	87,082,693	(1,987,403)	(2.3%)
47,549,482	43,988,048	(3,561,434)	(8.1%)
13,458,608	14,005,278	546,669	3.9%
37,241,392	35,974,823	(1,266,569)	(3.5%)
57,671,538	49,191,024	(8,480,514)	(17.2%)
2,981,443	3,236,453	255,010	7.9%
588,200	315,017	(273,183)	(86.7%)
248,560,758	233,793,336	(14,767,422)	(6.3%)
5,081,960	11,117,504	(6,035,543)	(54.3%)
5,386,053	6,060,059	674,007	11.1%
215,842	324,272	108,430	33.4%
864,750	1,552,735	687,985	44.3%
247,873	398,736	150,863	37.8%
378,999	461,246	82,247	17.8%
1,062,310	1,427,073	364,763	25.6%
(254,222)	(278,785)	(24,562)	(8.8%)
7,901,605	9,945,336	2,043,731	20.5%
10,272,188	10,903,764	631,575	5.8%
10,272,188	0	(10,272,188)	0.0%
0	10,903,764	10,903,764	100.0%
0	0	0	0.0%
0	291,249	(291,249)	(100.0%)
0	258,276	258,276	100.0%
15,651	32,973	17,322	52.5%
(15,651)	0	(15,651)	0.0%
286	0	286	0.0%
(2,835,010)	1,172,168	(4,007,178)	(341.9%)
98.0%	95.5%	(2.5%)	(2.7%)
3.1%	4.1%	0.9%	23.3%

	Year - To - Date			
	Actual	Budget	\$ Variance	% Variance
Member Months	1,551,894	1,569,694	(17,800)	(1.1%)
Revenues				
Capitation revenue	502,102,773	489,699,126	12,403,648	2.5%
Total Operating Revenues	502,102,773	489,699,126	12,403,648	2.5%
Medical Expenses				
Provider capitation	177,134,558	174,202,695	(2,931,863)	(1.7%)
Facilities	92,527,830	87,870,921	(4,656,909)	(5.3%)
Professional Claims	28,715,782	27,871,506	(844,276)	(3.0%)
Prescription drugs	73,373,722	71,542,978	(1,830,743)	(2.6%)
MLTSS	113,331,735	98,761,407	(14,570,328)	(14.8%)
Medical Management	5,791,704	6,364,142	572,438	9.0%
Reinsurance & other	927,842	630,035	(297,807)	(47.3%)
Total Medical Expenses	491,803,172	467,243,684	(24,559,488)	(5.3%)
Gross Margin	10,299,601	22,455,442	(12,155,840)	(54.1%)
Administrative Expenses				
Salaries, wages & employee benefits	10,361,343	11,933,756	1,572,413	13.2%
Professional fees	388,187	696,043	307,856	44.2%
Purchased services	1,473,279	3,131,020	1,657,742	52.9%
Printing and postage	415,473	797,471	381,999	47.9%
Depreciation & amortization	754,994	922,492	167,497	18.2%
Other operating expenses	2,163,989	2,917,017	753,027	25.8%
Indirect cost allocation	(533,235)	(557,570)	(24,334)	(4.4%)
Total Administrative Expenses	15,024,030	19,840,230	4,816,199	24.3%
Operating Tax				
Tax Revenue	20,407,406	21,804,109	1,396,703	6.4%
Premium tax expense	20,407,406	0	(20,407,406)	0.0%
Sales tax expense	0	21,804,109	21,804,109	100.0%
Total Net Operating Tax	0	0	0	0.0%
Grant Income				
Grant Revenue	69,250	582,498	(513,248)	(88.1%)
Grant expense - Service Partner	58,863	516,552	457,690	88.6%
Grant expense - Administrative	28,705	65,946	37,241	56.5%
Total Net Grant Income	(18,317)	0	(18,317)	0.0%
Other income	359	0	359	0.0%
Change in Net Assets	(4,742,387)	2,615,212	(7,357,599)	(281.3%)
Medical Loss Ratio	97.9%	95.4%	(2.5%)	(2.7%)
Admin Loss Ratio	3.0%	4.1%	1.1%	26.1%

MEDI-CAL INCOME STATEMENT – AUGUST MONTH:

REVENUES of \$253.6 million are favorable to budget by \$8.7 million, driven by:

- Unfavorable volume related variance of: \$1.2 million
- Favorable price related variance of \$9.9 million due to:
 - \$5.8 million for fiscal year 2018 In-Home Supportive Services (IHSS) and Behavioral Health Treatment (BHT) Revenue
 - \$1.8 million of fiscal year 2016 and 2017 LTC related revenue recognized for members with Non-LTC aid codes
 - \$1.1 million of fiscal year 2017 Coordinated Care Initiative (CCI) revenue
 - \$0.6 million of fiscal year 2017 BHT Revenue

MEDICAL EXPENSES: Overall \$248.6 million, unfavorable to budget by \$14.8 million due to:

- **Managed Long Term Services and Support (MLTSS)** are unfavorable to budget \$8.5 million due to:
 - LTC unfavorable variance of \$4.8 million adjustment of IHSS expense corresponding with the favorable CCI revenue variance above
 - Nursing facility unfavorable variance of \$3.5 million
- **Provider Capitation** is unfavorable \$2.0 million due to BHT Capitation
- **Facilities** expenses are unfavorable to budget \$3.6 million due to Hospital Shared Risk Pool

ADMINISTRATIVE EXPENSES are \$7.9 million, favorable to budget \$2.0 million, driven by:

- Purchased Services: \$0.7 million favorable to budget
- Salary & Benefits: \$0.7 million favorable to budget due to open positions
- Other Non-Salary: \$0.7 million favorable to budget

CHANGE IN NET ASSETS is \$(2.8) million for the month, unfavorable to budget by \$4.0 million

**CalOptima - OneCare Connect
Statement of Revenues and Expenses
For the Two Months Ended August 31, 2017**

Month					Year - To - Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
15,229	15,503	(274)	(1.8%)	Member Months	30,594	30,991	(397)	(1.3%)
				Revenues				
7,294,907	7,504,995	(210,088)	(2.8%)	Medi-Cal Capitation revenue	14,663,468	15,027,120	(363,652)	(2.4%)
20,331,618	20,606,831	(275,213)	(1.3%)	Medicare Capitation revenue	38,455,927	39,356,672	(900,745)	(2.3%)
27,626,525	28,111,826	(485,301)	(1.7%)	Total Operating Revenue	53,119,395	54,383,792	(1,264,397)	(2.3%)
				Medical Expenses				
11,382,360	8,699,199	(2,683,161)	(30.8%)	Provider capitation	21,228,884	16,422,309	(4,806,575)	(29.3%)
3,047,055	5,104,085	2,057,030	40.3%	Facilities	5,527,518	10,198,335	4,670,817	45.8%
737,987	626,764	(111,223)	(17.7%)	Ancillary	1,322,722	1,253,010	(69,712)	(5.6%)
4,872,269	4,255,750	(616,519)	(14.5%)	Long Term Care	10,103,748	8,510,369	(1,593,379)	(18.7%)
5,212,857	5,989,825	776,968	13.0%	Prescription drugs	10,246,598	11,817,095	1,570,497	13.3%
1,135,771	1,234,856	99,085	8.0%	Medical management	2,200,090	2,514,186	314,096	12.5%
168,246	115,130	(53,116)	(46.1%)	Other medical expenses	428,558	232,304	(196,254)	(84.5%)
26,556,546	26,025,609	(530,937)	(2.0%)	Total Medical Expenses	51,058,117	50,947,608	(110,509)	(0.2%)
1,069,980	2,086,217	(1,016,237)	(48.7%)	Gross Margin	2,061,278	3,436,184	(1,374,906)	(40.0%)
				Administrative Expenses				
762,105	912,939	150,834	16.5%	Salaries, wages & employee benefits	1,490,688	1,839,334	348,645	19.0%
501	38,333	37,833	98.7%	Professional fees	501	76,667	76,166	99.3%
84,426	239,868	155,442	64.8%	Purchased services	173,766	479,736	305,971	63.8%
52,460	103,801	51,340	49.5%	Printing and postage	65,258	207,601	142,343	68.6%
80,580	50,148	(30,432)	(60.7%)	Other operating expenses	109,967	101,296	(8,671)	(8.6%)
584,428	584,428	(0)	(0.0%)	Indirect cost allocation, Occupancy Expense	1,168,856	1,168,856	(0)	(0.0%)
1,564,499	1,929,517	365,018	18.9%	Total Administrative Expenses	3,009,035	3,873,489	864,454	22.3%
0	0	0	0.0%	Operating Tax	0	0	0	0.0%
(494,519)	156,700	(651,219)	(415.6%)	Total Net Operating Tax	0	0	0	0.0%
				Change in Net Assets	(947,757)	(437,305)	(510,452)	(116.7%)
96.1%	92.6%	(3.5%)	(3.8%)	Medical Loss Ratio	96.1%	93.7%	(2.4%)	(2.6%)
5.7%	6.9%	1.2%	17.5%	Admin Loss Ratio	5.7%	7.1%	1.5%	20.5%

ONECARE CONNECT INCOME STATEMENT – AUGUST MONTH:

REVENUES of \$27.6 million are unfavorable to budget by \$0.5 million driven by:

- Unfavorable volume related variance of \$0.5 million due to lower enrollment

MEDICAL EXPENSES are unfavorable to budget \$0.5 million due to:

- Favorable volume related variance of \$0.5 million due to lower enrollment
- Unfavorable price related variance of \$1.0 million due to increase Provider Capitation and In-Home Supportive Services (IHSS) expense

ADMINISTRATIVE EXPENSES are favorable to budget by \$0.4 million

CHANGE IN NET ASSETS is (\$0.5) million, \$0.7 million unfavorable to budget

**CalOptima - OneCare
Statement of Revenues and Expenses
For the Two Months Ended August 31, 2017**

Month					Year - To - Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
1,386	1,325	61	4.6%	Member Months	2,753	2,640	113	4.3%
				Revenues				
1,535,068	1,404,794	130,274	9.3%	Capitation revenue	2,883,642	2,663,511	220,131	8.3%
1,535,068	1,404,794	130,274	9.3%	Total Operating Revenue	2,883,642	2,663,511	220,131	8.3%
				Medical Expenses				
390,925	387,813	(3,112)	(0.8%)	Provider capitation	791,386	720,885	(70,501)	(9.8%)
379,430	445,235	65,805	14.8%	Inpatient	774,392	888,365	113,973	12.8%
50,680	47,968	(2,712)	(5.7%)	Ancillary	82,195	95,593	13,398	14.0%
20,532	41,429	20,897	50.4%	Skilled nursing facilities	47,799	82,477	34,678	42.0%
561,978	479,338	(82,640)	(17.2%)	Prescription drugs	987,121	955,238	(31,883)	(3.3%)
11,685	21,820	10,136	46.5%	Medical management	39,978	47,140	7,162	15.2%
5,408	7,683	2,275	29.6%	Other medical expenses	14,072	15,468	1,396	9.0%
1,420,637	1,431,286	10,649	0.7%	Total Medical Expenses	2,736,943	2,805,166	68,223	2.4%
114,431	(26,492)	140,923	531.9%	Gross Margin	146,699	(141,655)	288,354	203.6%
				Administrative Expenses				
26,871	21,071	(5,800)	(27.5%)	Salaries, wages & employee benefits	54,576	41,241	(13,335)	(32.3%)
0	13,333	13,333	100.0%	Professional fees	0	26,667	26,667	100.0%
15,356	11,990	(3,366)	(28.1%)	Purchased services	26,091	23,980	(2,111)	(8.8%)
3,608	19,288	15,679	81.3%	Printing and postage	10,050	46,075	36,025	78.2%
(0)	171	171	100.1%	Other operating expenses	(0)	392	392	100.1%
31,910	31,910	(0)	(0.0%)	Indirect cost allocation, Occupancy Expense	63,820	63,819	(1)	(0.0%)
77,746	97,762	20,017	20.5%	Total Administrative Expenses	154,537	202,174	47,637	23.6%
36,685	(124,254)	160,940	129.5%	Change in Net Assets	(7,838)	(343,829)	335,991	97.7%
92.5%	101.9%	9.3%	9.2%	Medical Loss Ratio	94.9%	105.3%	10.4%	9.9%
5.1%	7.0%	1.9%	27.2%	Admin Loss Ratio	5.4%	7.6%	2.2%	29.4%

CalOptima - PACE
Statement of Revenues and Expenses
For the Two Months Ended August 31, 2017

Month					Year - To - Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
221	221	0	0.0%	Member Months	436	437	(1)	(0.2%)
				Revenues				
1,360,956	1,116,976	243,980	21.8%	Medi-Cal capitation revenue	2,417,924	2,209,972	207,951	9.4%
381,972	334,889	47,083	14.1%	Medicare capitation revenue	827,163	661,469	165,694	25.0%
1,742,929	1,451,865	291,063	20.0%	Total Operating Revenues	3,245,086	2,871,441	373,645	13.0%
				Medical Expenses				
393,206	426,833	33,627	7.9%	Clinical salaries & benefits	726,748	836,280	109,532	13.1%
431,796	319,054	(112,742)	(35.3%)	Claims payments to hospitals	634,161	630,924	(3,237)	(0.5%)
384,026	263,589	(120,437)	(45.7%)	Professional Claims	627,722	521,269	(106,453)	(20.4%)
128,743	110,915	(17,828)	(16.1%)	Prescription drugs	222,205	219,366	(2,839)	(1.3%)
27,961	11,791	(16,170)	(137.1%)	Long-term care facility payments	16,758	23,693	6,935	29.3%
91,421	91,299	(122)	(0.1%)	Patient Transportation	182,331	180,532	(1,799)	(1.0%)
0	0	0	0.0%	Reinsurance	0	0	0	0.0%
139,123	158,853	19,730	12.4%	Other Expenses	263,023	317,477	54,455	17.2%
1,596,276	1,382,334	(213,942)	(15.5%)	Total Medical Expenses	2,672,949	2,729,542	56,593	2.1%
146,652	69,531	77,121	110.9%	Gross Margin	572,138	141,900	430,238	303.2%
				Administrative Expenses				
75,577	93,940	18,363	19.5%	Salaries, wages & employee benefits	147,268	183,665	36,397	19.8%
4,548	5,000	452	9.0%	Professional fees	6,105	10,000	3,895	39.0%
320	21,136	20,816	98.5%	Purchased services	6,178	42,272	36,094	85.4%
4,712	5,547	835	15.1%	Printing and postage	4,927	11,094	6,167	55.6%
2,168	2,052	(116)	(5.7%)	Depreciation & amortization	4,264	4,104	(160)	(3.9%)
27,293	18,503	(8,790)	(47.5%)	Other operating expenses	31,168	37,007	5,839	15.8%
2,744	2,864	120	4.2%	Indirect cost allocation, Occupancy Expense	5,462	5,728	266	4.6%
117,362	149,043	31,680	21.3%	Total Administrative Expenses	205,372	293,870	88,498	30.1%
				Operating Tax				
21,775	0	21,775	0.0%	Tax Revenue	21,775	0	21,775	0.0%
21,775	0	(21,775)	0.0%	Premium tax expense	21,775	0	(21,775)	0.0%
0	0	0	0.0%	Total Net Operating Tax	0	0	0	0.0%
29,290	(79,512)	108,802	136.8%	Change in Net Assets	366,766	(151,970)	518,736	341.3%
=====	=====	=====	=====		=====	=====	=====	=====
91.6%	95.2%	3.6%	3.8%	Medical Loss Ratio	82.4%	95.1%	12.7%	13.3%
6.7%	10.3%	3.5%	34.4%	Admin Loss Ratio	6.3%	10.2%	3.9%	38.2%

**CalOptima - Building 505 City Parkway
Statement of Revenues and Expenses
For the Two Months Ended August 31, 2017**

Actual	Budget	Month	
		\$ Variance	% Variance
24,056	21,387	2,669	12.5%
24,056	21,387	2,669	12.5%
29,597	23,186	(6,411)	(27.7%)
159,482	161,474	1,991	1.2%
14,913	9,117	(5,797)	(63.6%)
106,731	158,122	51,391	32.5%
64,167	0	(64,167)	0.0%
(354,303)	(333,055)	21,248	6.4%
20,586	18,843	(1,744)	(9.3%)
3,470	2,544	926	36.4%

Revenues

Rental income

Total Operating Revenue

Administrative Expenses

Purchase services

Depreciation & amortization

Insurance expense

Repair and maintenance

Other Operating Expense

Indirect allocation, Occupancy Expense

Total Administrative Expenses

Change in Net Assets

Actual	Budget	Year - To - Date	
		\$ Variance	% Variance
48,113	42,774	5,339	12.5%
48,113	42,774	5,339	12.5%
59,105	46,372	(12,733)	(27.5%)
318,965	322,947	3,983	1.2%
29,827	18,233	(11,593)	(63.6%)
213,880	316,243	102,363	32.4%
133,473	0	(133,473)	0.0%
(713,775)	(666,110)	47,665	7.2%
41,473	37,686	(3,787)	(10.1%)
6,640	5,088	1,551	30.5%

OTHER STATEMENTS – AUGUST MONTH:

ONECARE INCOME STATEMENT

CHANGE IN NET ASSETS is \$36.7 thousand, \$160.9 thousand favorable to budget

PACE INCOME STATEMENT

CHANGE IN NET ASSETS for the month is \$29.3 thousand, \$108.8 thousand favorable to budget

505 CITY PARKWAY BUILDING INCOME STATEMENT

CHANGE IN NET ASSETS for the month is \$3.5 thousand; \$0.1 thousand favorable to budget

**CalOptima
BALANCE SHEET
August 31, 2017**

ASSETS

Current Assets

Operating Cash	\$693,594,087
Investments	983,493,588
Capitation receivable	309,923,565
Receivables - Other	21,725,557
Prepaid Expenses	5,768,570

Total Current Assets

2,014,505,367

Capital Assets Furniture and equipment

33,437,912

Leasehold improvements

6,148,441

505 City Parkway West

49,422,364

Less: accumulated depreciation

(35,622,495)

Capital assets, net

53,386,222

Other Assets Restricted deposit & Other

300,000

Board-designated assets

Cash and cash equivalents

28,937,963

Long term investments

508,506,303

Total Board-designated Assets

537,444,266

Total Other Assets

537,744,266

Deferred outflows of Resources - Pension Contributions

5,234,198

Deferred outflows of Resources - Difference in Experience

1,072,771

Deferred outflows of Resources - Excess Earnings

5,270,171

TOTAL ASSETS & OUTFLOWS

2,617,212,995

LIABILITIES & FUND BALANCES

Current Liabilities

Accounts payable	\$28,940,352
Medical claims liability	1,105,506,963
Accrued payroll liabilities	11,054,769
Deferred revenue	124,648,060
Deferred lease obligations	184,405
Capitation and withholds	586,805,387

Total Current Liabilities

1,857,139,935

Other employment benefits liability

28,932,498

Net Pension Liabilities

16,212,231

Long Term Liabilities

100,000

TOTAL LIABILITIES

1,902,384,664

Deferred inflows of Resources - Excess Earnings

-

Deferred inflows of Resources - Changes in Assumptions

1,340,010

Tangible net equity (TNE)

91,440,932

Funds in excess of TNE

622,047,388

Net Assets

713,488,320

TOTAL LIABILITIES, INFLOWS & FUND BALANCES

2,617,212,995

CalOptima
Board Designated Reserve and TNE Analysis
as of August 31, 2017

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	146,822,740				
	Tier 1 - Logan Circle	146,507,294				
	Tier 1 - Wells Capital	146,597,541				
Board-designated Reserve		439,927,574	311,866,164	484,712,063	128,061,410	(44,784,488)
TNE Requirement	Tier 2 - Logan Circle	97,516,691	91,440,932	91,440,932	6,075,759	6,075,759
Consolidated:		537,444,266	403,307,097	576,152,995	134,137,169	(38,708,730)
<i>Current reserve level</i>		<i>1.87</i>	<i>1.40</i>	<i>2.00</i>		

**CalOptima
Statement of Cash Flows
August 31, 2017**

	<u>Month Ended</u>	<u>Year-To-Date</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	(614,913)	29,928
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	540,650	1,078,224
Changes in assets and liabilities:		
Prepaid expenses and other	(584,730)	(113,924)
Catastrophic reserves		
Capitation receivable	244,469,024	211,899,614
Medical claims liability	(150,520,242)	(140,919,057)
Deferred revenue	13,685,528	20,674,935
Payable to providers	(2,694,938)	5,965,676
Accounts payable	11,162,888	(9,769,254)
Other accrued liabilities	225,912	1,115,249
Net cash provided by/(used in) operating activities	<u>115,669,179</u>	<u>89,961,391</u>
 GASB 68 CalPERS Adjustments	 -	 -
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	58,596,372	98,932,164
Purchase of property and equipment	(211,752)	(163,420)
Change in Board designated reserves	(1,089,602)	(2,305,892)
Net cash provided by/(used in) investing activities	<u>57,295,018</u>	<u>96,462,852</u>
 NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	 172,964,196	 186,424,242
 CASH AND CASH EQUIVALENTS, beginning of period	 <u>\$520,629,891</u>	 <u>507,169,844</u>
 CASH AND CASH EQUIVALENTS, end of period	 <u><u>\$ 693,594,087</u></u>	 <u><u>\$ 693,594,087</u></u>

BALANCE SHEET:

ASSETS decreased \$128.8 million from July

- **Net Capitation Receivables** decreased \$245.5 due to payment receipt of prior year's outstanding Capitation receivable
- **Short-term Investments** decreased \$58.6 million due to payment receipt timing and cash funding requirements
- **Cash and Cash Equivalents** increased by \$173.0 million based upon payment receipt timing and receivables

LIABILITIES decreased \$128.1 million from July

- **Medical Claims Liability** by line of business decreased \$150.5 million due DHS recoupment
- **Deferred Revenue** increased \$13.7 million due to DHS overpayments for FY17 and FY18
- **Accrued Expenses** increased \$9.8 million based on the timing of sales tax payments and an earlier fiscal year-end processing cut-off
- **Capitation Payable** decreased \$7.7 driven by timing of Capitation payments

NET ASSETS are \$713.5 million

CalOptima Foundation
Statement of Revenues and Expenses
For the Two Months Ended August 31, 2017
Consolidated

Actual	Month		% Variance
	Budget	\$ Variance	
-----	-----	-----	-----
0	0	0	0.0%
-----	-----	-----	-----
0	6,184	6,184	100.0%
0	2,985	2,985	100.0%
0	0	0	0.0%
0	0	0	0.0%
0	0	0	0.0%
2,083	231,923	229,840	99.1%
-----	-----	-----	-----
2,083	241,092	239,009	99.1%
0	0	0	0.0%
-----	-----	-----	-----
(2,083)	(241,092)	(239,009)	(99.1%)
=====	=====	=====	=====

Revenues

Total Operating Revenue

Operating Expenditures

Personnel

Taxes and Benefits

Travel

Supplies

Contractual

Other

Total Operating Expenditures

Investment Income

Program Income

Actual	Year - To - Date		% Variance
	Budget	\$ Variance	
-----	-----	-----	-----
0	0	0	0.0%
-----	-----	-----	-----
0	12,368	12,368	100.0%
0	5,970	5,970	100.0%
0	0	0	0.0%
0	0	0	0.0%
0	0	0	0.0%
4,166	463,846	459,680	99.1%
-----	-----	-----	-----
4,166	482,184	478,018	99.1%
0	0	0	0.0%
-----	-----	-----	-----
(4,166)	(482,184)	(478,018)	(99.1%)
=====	=====	=====	=====

**CalOptima Foundation
Balance Sheet
August 31, 2017**

<u>ASSETS</u>		<u>LIABILITIES & NET ASSETS</u>	
Operating cash	2,868,139	Accounts payable-Current	4,166
Grants receivable	0	Deferred Revenue	0
Prepaid expenses	0	Payable to CalOptima	0
Total Current Assets	<u>2,868,139</u>	Grants-Foundation	0
		Total Current Liabilities	<u>4,166</u>
		Total Liabilities	<u>4,166</u>
		Net Assets	<u>2,863,973</u>
TOTAL ASSETS	<u><u>2,868,139</u></u>	TOTAL LIABILITIES & NET ASSETS	<u><u>2,868,139</u></u>

CALOPTIMA FOUNDATION – AUGUST MONTH

INCOME STATEMENT:

Income Statement:

Operating Revenue

No activity.

Operating Expenses

CalOptima Foundation operating expenses were \$4K for audit fees YTD.

- * Expense categories includes: professional fees, staff services, travel and miscellaneous supplies.
- * Major Actual to Budget variance was in "Other" category - \$459K favorable variance YTD.
 - FY18 budget was allocated monthly based on the remaining \$2.8M fund balance.
 - Actual recognized expenses were much lower than budgeted anticipated CalOptima support activities.

Balance Sheet:

Assets

* Cash - \$2.86M remains from the FY14 \$3.0M transferred by CalOptima for grants and programs in support of providers and community.

Liabilities

Payable to CalOptima - \$4K for audit fees - Foundation.

Budget Allocation Changes

Reporting Changes for August 2017

Transfer Month	Line of Business	From	To	Amount	Expense Description	Fiscal Year
July	Medi-Cal	IS - Infrastructure - Professional Fee (Virtualization Architecture Assessment)	IS - Infrastructure - Professional Fee (On-Site Staff for the Phone System)	\$48,600	Re-Purpose \$48,600 from Professional Fees (Virtualization Architecture Assessment) to pay for an on-site staff for the phone system	2018
July	Medi-Cal	Facilities - Purchased Services (Restacking Services)	Facilities - Purchased Services (Reconfiguration Services)	\$15,000	Re-Purpose \$15,000 from Purchased Services (Restacking Services) to reconfiguration and breakdown of furniture for the mail room and the Rover Rock Offices and other related expenses	2018
August	Medi-Cal	Health Education & Disease Mgmt. - Purchased Services (Adult Weight Management Vendor)	Health Education & Disease Mgmt. - Purchased Services (Ansafone)	\$30,000	Re-Purpose \$30,000 from Purchased Services (Adult Weight Management Vendor) to pay for Ansafone services	2018
August	Medi-Cal	Health Education & Disease Mgmt. - Purchased Services (Pediatric Weight Management Vendor)	Health Education & Disease Mgmt. - Purchased Services (Captivate contract and other initiatives)	\$25,000	Re-Purpose \$25,000 from Purchased Services (Pediatric Weight Management Vendor) to pay for Captivate contract and other initiatives	2018
August	PACE	PACE Administrative - Purchased Services (Encounter Reporting & Translation Services)	PACE Administrative - Purchased Services (Satisfaction Survey)	\$12,208	Re-Purpose \$12,208 from Purchased Services (Encounter Reporting & Translation Services) to pay for Satisfaction Survey	2018
August	Medi-Cal	Facilities - Capital Project (Upgrade CalOptima and Building Access System)	Facilities - Capital Project (Mail Room/Basement/ Property Management Office)	\$15,000	Reallocate \$15,000 from Capital Project (Upgrade CalOptima and Building Access System) to Capital Project (Mail Room/Basement/Property Management Office)	2018

This report summarizes budget transfers between general ledger classes that are greater than \$10,000 and less than \$100,000.

This is the result of Board Resolution No. 12-0301-01 which permits the CEO to make budget allocation changes within certain parameters.

Board of Directors' Finance and Audit Committee Meeting November 16, 2017

Information Security Update for Quarter Ending September 30, 2017

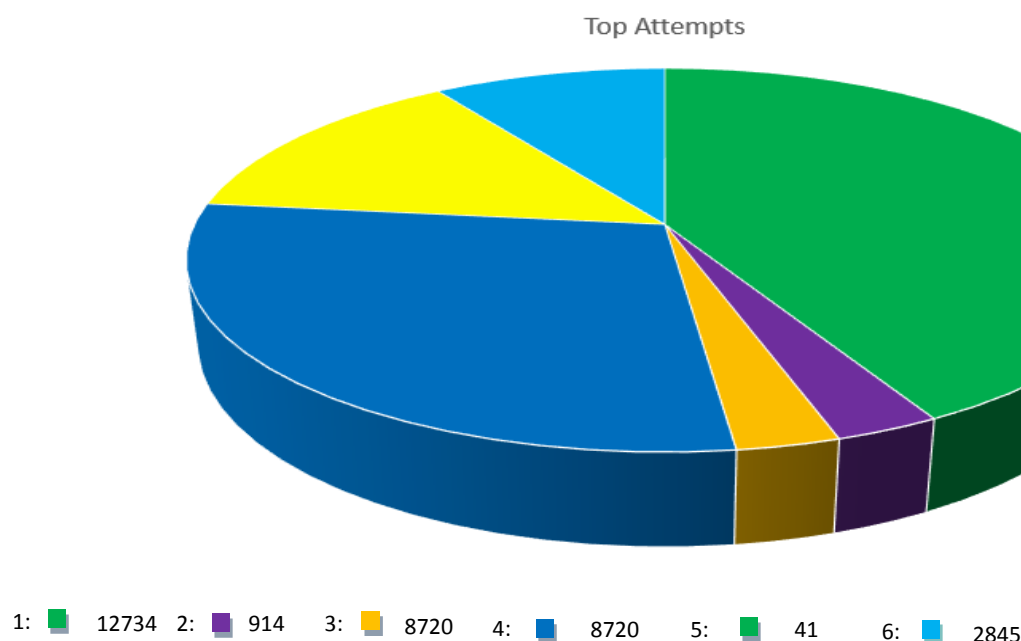
Recent and upcoming Activities:

1. In this quarter, the Information Security team has reported eight Data Loss Prevention (DLP) incidents to the Privacy team.
2. The Information Security team has completed the installation of a new application that collects and reports on security actions (first phase).
3. The Information Security team has an Optical Character Recognition (OCR) software solution – included in the latest version upgrade of CalOptima's Data Loss Prevention solution provided by Symantec - to add our ability to detect PHI in images. In conjunction, an RFP was developed to identify a strong integration partner.
4. The Information Security team had successfully implemented a new Exact Data Matching process that provides for increased security features in the DLP tool.
5. The Information Security team has acquired a new Risk Management solution (Archer), the installation will start in October.
6. The Information Security team has started to present security related topics at New Employee Orientation training sessions.
7. The October National Cyber Security Awareness Month was officially announced in September. The team designed activities to help employees better understand cyber security and simple steps that they can take to protect themselves, their families, and our organization and members. The title for the month was STOP.THINK.CONNECT. – in addition, each week had a separate supporting theme:
 - a. **Week 1: Oct. 2–6:** Simple Steps to Online Safety
 - b. **Week 2: Oct. 9–13:** Cybersecurity in the Workplace Is Everyone's Business
 - c. **Week 3: Oct. 16–20:** Today's Predictions for Tomorrow's Internet
 - d. **Week 4: Oct. 23–27:** Protecting Critical Infrastructure from Cyber Threats

Top External Attempts

Background













The following report shows the malicious activities that were prevented from accessing CalOptima's network. **None of the attempts were successful.** Also, it is important to note that these attempts are not specifically targeted at CalOptima, but rather are commonly triggered attempts against entire areas of the Internet. The results are typical of many organizations and are not considered out of the ordinary.



	Attack Name	Severity	Hit count	Description
1	CLDAP: MS Windows Server CLDAP Reflection DDoS Vulnerability	Critical	12734	This uses native windows LDAP to amplify denial of service type attacks.
2	HTTP: Jenkins CI Server Cross-Site Request Forgery Vulnerability	Critical	914	Uses a Trojan program to try to direct and control compromised machines by delivering malware.
3	Backdoor: Zero Access Trojan Communication Attempt	Major	894	Uses a Trojan program to try to direct and control compromised machines by delivering malware.
4	DNS: Version Request (UDP)	Minor	8720	Attempts to slow down / deny service or usability to several machines.
5	Invalid TCP Traffic: Possible Recon Scan (No Flags Set)	Minor	4178	An attack designed to map internal networks for further attack and exploitation.

6	DNS: Suspicious DNS Lookup NOERROR Response (DGA)	Minor	2845	A compromised host on the Internet attempted to contact CalOptima's systems to use them to launch an attack on other hosts but was unsuccessful.
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The following charts show the inbound email traffic through our IronPort appliances with the ultimate goal of delivering clean messages to the intended CalOptima email recipients. The majority of the messages that are stopped are from senders of poor reputation and spammers. Other protection that is applied protects CalOptima against malicious emails containing known viruses, malware and malicious URLs.

Incoming Mail Summary +		
Message Category	%	Messages
 Stopped by Reputation Filtering	68.7%	1.8M
 Stopped as Invalid Recipients	1.9%	51.7k
 Spam Detected	3.4%	90.7k
 Virus Detected	0.0%	5
 Detected by Advanced Malware Protection	0.0%	0
 Messages with Malicious URLs	0.4%	10.3k
 Stopped by Content Filter	0.1%	2,303
 Stopped by DMARC	0.0%	0
 S/MIME Verification/Decryption Failed	0.0%	0
Total Threat Messages:	74.2%	2.0M
 Marketing Messages	8.1%	217.4k
 S/MIME Verification/Decryption Successful	0.0%	0
 Clean Messages	17.7%	473.4k



CalOptima
Better. Together.

Cost Containment Improvements/Initiatives

**Board of Directors' Finance & Audit Committee Meeting
November 16, 2017**

**Greg Hamblin, Chief Financial Officer
Ken Wong, Director, Budget and Vendor Management**

Labor

Report of Open Position/Temporary - September 2017

Line of Business	Sep-17		YTD Open Position (\$)	Temporary Help		Variance
	FTE's	Dollars		Actual	Budget	
MC	37.50	\$ 439,481	\$ 1,225,461	\$ 482,605	\$ 162,993	\$ (319,613)
EX		\$ -	\$ -	\$ -	\$ -	\$ -
OC		\$ -	\$ -	\$ 14,815	\$ -	\$ (14,815)
OCC	8.00	\$ 78,515	\$ 227,999	\$ 1,008	\$ 13,625	\$ 12,617
PACE	9.25	\$ 81,642	\$ 210,095	\$ 86,664	\$ 73,689	\$ (12,975)
MSSP	1.00	\$ 15,211	\$ 30,422	\$ 620	\$ 10,000	\$ 9,380
Total	55.75	\$ 614,849	\$ 1,693,978	\$ 585,712	\$ 260,306	\$ (325,405)

Notes:

- Dollars include Employee Benefits.
- FTE's and Dollars include Medical and Administrative Positions.

Non-Labor

Professional Fees

LOB	Sep MTD		Variance		YTD		Variance		FY 2018 Budget
	Actual	Budget	\$	%	Actual	Budget	\$	%	
MC	\$ 173,491	\$ 298,053	\$ 124,562	42%	\$ 550,572	\$ 971,659	\$ 421,087	43%	\$ 3,779,636
OC	\$ -	\$ 13,333	\$ 13,333	100%	\$ -	\$ 41,500	\$ 41,500	100%	\$ 161,500
OCC	\$ 17,875	\$ 39,750	\$ 21,875	55%	\$ 17,000	\$ 209,250	\$ 192,251	92%	\$ 567,000
PACE	\$ 2,935	\$ 5,000	\$ 2,065	41%	\$ 9,040	\$ 15,000	\$ 5,960	40%	\$ 60,000
MSSP	\$ 710	\$ 833	\$ 124	15%	\$ 2,129	\$ 2,500	\$ 371	15%	\$ 10,000
Total	\$ 195,011	\$ 356,970	\$ 161,959	45%	\$ 578,740	\$ 1,239,909	\$ 661,170	53%	\$ 4,578,135

Purchased Services

LOB	Sep MTD		Variance		YTD		Variance		FY 2018 Budget
	Actual	Budget	\$	%	Actual	Budget	\$	%	
MC	\$ 1,028,938	\$ 1,138,500	\$ 109,562	10%	\$ 2,674,344	\$ 3,120,077	\$ 445,733	14%	\$ 12,912,256
OC	\$ 12,483	\$ 29,607	\$ 17,124	58%	\$ 52,559	\$ 89,320	\$ 36,761	41%	\$ 355,829
OCC	\$ 90,265	\$ 183,535	\$ 93,269	51%	\$ 296,997	\$ 548,204	\$ 251,207	46%	\$ 2,200,116
PACE	\$ 6,311	\$ 21,284	\$ 14,973	70%	\$ 12,499	\$ 63,853	\$ 51,354	80%	\$ 255,413
MSSP	\$ -	\$ 167	\$ 167	100%	\$ 9	\$ 500	\$ 491	98%	\$ 2,000
Total	\$ 1,137,997	\$ 1,373,093	\$ 235,095	17%	\$ 3,036,409	\$ 3,821,954	\$ 785,546	21%	\$ 15,725,614

Non-Labor (cont.)

Printing and Postage

LOB	Sep MTD		Variance		YTD		Variance		FY 2018 Budget
	Actual	Budget	\$	%	Actual	Budget	\$	%	
MC	\$ 427,167	\$ 418,789	\$ (8,378)	-2%	\$ 895,405	\$ 1,257,868	\$ 362,463	29%	\$ 5,068,972
OC	\$ (1,434)	\$ 20,550	\$ 21,984	107%	\$ 9,902	\$ 70,150	\$ 60,248	86%	\$ 255,102
OCC	\$ 83,852	\$ 110,017	\$ 26,165	24%	\$ 149,660	\$ 332,451	\$ 182,791	55%	\$ 1,322,605
PACE	\$ 68	\$ 5,547	\$ 5,479	99%	\$ 4,995	\$ 16,642	\$ 11,646	70%	\$ 66,566
MSSP	\$ -	\$ 333	\$ 333	100%	\$ -	\$ 1,000	\$ 1,000	100%	\$ 4,000
Total	\$ 509,653	\$ 555,237	\$ 45,584	8%	\$ 1,059,962	\$ 1,678,111	\$ 618,149	37%	\$ 6,717,244

Other Operating Expenses

LOB	Sep MTD		Variance		YTD		Variance		FY 2018 Budget
	Actual	Budget	\$	%	Actual	Budget	\$	%	
MC	\$ 1,198,495	\$ 1,594,031	\$ 395,536	25%	\$ 3,667,762	\$ 4,820,949	\$ 1,153,186	24%	\$ 19,561,061
OC	\$ 418	\$ 1,119	\$ 701	63%	\$ 453	\$ 3,725	\$ 3,273	88%	\$ 13,251
OCC	\$ 39,076	\$ 58,527	\$ 19,452	33%	\$ 150,675	\$ 181,687	\$ 31,013	17%	\$ 706,800
PACE	\$ 75,921	\$ 59,123	\$ (16,798)	-28%	\$ 132,522	\$ 177,350	\$ 44,828	25%	\$ 720,494
MSSP	\$ 4,951	\$ 7,748	\$ 2,797	36%	\$ 16,509	\$ 23,244	\$ 6,735	29%	\$ 92,976
Total	\$ 1,318,861	\$ 1,720,548	\$ 401,687	23%	\$ 3,967,921	\$ 5,206,955	\$ 1,239,035	24%	\$ 21,094,582

Non-Labor (cont.)

Consolidated - Non-Labor

LOB	Sep MTD		Variance		YTD		Variance		FY 2018	
	Actual	Budget	\$	%	Actual	Budget	\$	%	Budget	
MC	\$ 2,828,091	\$ 3,449,373	\$ 621,282	18%	\$ 7,788,083	\$ 10,170,553	\$ 2,382,470	23%	\$ 41,321,923	
OC	\$ 11,467	\$ 64,609	\$ 53,142	82%	\$ 62,914	\$ 204,695	\$ 141,782	69%	\$ 785,682	
OCC	\$ 231,068	\$ 391,829	\$ 160,761	41%	\$ 614,331	\$ 1,271,593	\$ 657,262	52%	\$ 4,796,521	
PACE	\$ 85,236	\$ 90,955	\$ 5,718	6%	\$ 159,056	\$ 272,845	\$ 113,788	42%	\$ 1,102,473	
MSSP	\$ 5,661	\$ 9,081	\$ 3,420	38%	\$ 18,647	\$ 27,244	\$ 8,597	32%	\$ 108,976	
Total	\$ 3,161,523	\$ 4,005,848	\$ 844,324	21%	\$ 8,643,031	\$ 11,946,930	\$ 3,303,899	28%	\$ 48,115,575	

Contingency Contract Report

CalOptima Active Contingency Contracts				Q1 FY18		invoiced and paid as of 10/27/2017										
Quarterly & Annual Medical Cost Savings or Additional Revenue and Fees Paid																
	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18						
	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total						Qtr 1
MEDICAL COST																
HMS - Coordination of Benefits i.e. ensure Medi-Cal is the payor of last resort - (expires 5/14/20)																
Savings	\$ 1,189,393	\$ 2,811,751	\$ 1,937,748	\$ 2,565,125	\$ 2,346,048	\$ 1,444,807	\$ 3,336,995	\$ 3,954,564	\$ 4,067,881	\$ 647,480						
Fee	\$ 297,348	\$ 702,938	\$ 484,359	\$ 641,281	\$ 586,762	\$ 361,202	\$ 794,557	\$ 909,550	\$ 935,613	\$ 148,920						
Net Savings	\$ 892,045	\$ 2,108,813	\$ 1,453,389	\$ 1,923,843	\$ 1,759,286	\$ 1,083,605	\$ 2,542,438	\$ 3,045,014	\$ 3,132,268	\$ 498,560						
Verscend (Verisk/HCI) - Claims review for appropriate billing - (services terminated 12/31/16) *																
Savings	\$ 164,913	\$ 2,397,831	\$ 3,385,560	\$ 2,517,497	\$ 2,817,113	\$ 2,647,841	\$ 3,562,859	\$ 3,524,096	\$ 2,690,597							
Fee	\$ 37,165	\$ 483,209	\$ 691,554	\$ 559,136	\$ 595,632	\$ 727,333	\$ 1,371,137	\$ 638,601	\$ 393,455							
Net Savings	\$ 127,748	\$ 1,914,622	\$ 2,694,006	\$ 1,958,361	\$ 2,221,482	\$ 1,920,508	\$ 2,191,722	\$ 2,885,495	\$ 2,297,143	\$ -						
Verscend (Verisk/HCI)/ TAG - Facility claims forensic review - (expires 12/31/17)																
Savings		-	\$ 900,976	\$ 1,362,980	\$ 3,516,297	\$ 3,727,308	\$ 16,538,781	\$ 3,726,475	\$ 4,068,735	\$ 653,567						
Fee		-	\$ 270,293	\$ 408,904	\$ 1,054,889	\$ 1,118,193	\$ 2,008,000	\$ 791,798	\$ 1,140,356	\$ 163,392						
Net Savings	-	-	\$ 630,683	\$ 954,076	\$ 2,461,408	\$ 2,609,114	\$ 14,530,781	\$ 2,934,678	\$ 2,928,380	\$ 490,176						
TOTAL																
Savings	\$ 1,354,306	\$ 5,209,582	\$ 6,238,068	\$ 6,767,087	\$ 8,758,803	\$ 7,853,309	\$ 23,438,635	\$ 11,469,227	\$ 10,827,214	\$ 1,301,048						
Fee	\$ 334,514	\$ 1,186,146	\$ 1,449,652	\$ 1,679,749	\$ 2,253,713	\$ 2,211,134	\$ 4,173,694	\$ 2,400,143	\$ 2,469,423	\$ 312,312						
Net Savings	\$ 1,019,792	\$ 4,023,436	\$ 4,788,416	\$ 5,087,338	\$ 6,505,090	\$ 5,642,175	\$ 19,264,941	\$ 9,069,083	\$ 8,357,791	\$ 988,735						
REVENUE																
Human Arc - SSI Outreach & Aid Code Conversion - (expires 12/31/17)																
Capitation Revenue				\$ 1,723,235	\$ 4,526,183	\$ 5,231,987	\$ 6,539,353	\$ 7,782,145	\$ 9,281,708	\$ 2,633,803						
Fee				\$ 501,700	\$ 345,100	\$ 285,650	\$ 232,092	\$ 301,556	\$ 360,018	\$ 81,302						
Total Net Revenue	-	-	-	\$ 1,221,535	\$ 4,181,083	\$ 4,946,337	\$ 6,307,261	\$ 7,480,589	\$ 8,921,690	\$ 2,552,501						
Note:																
*Pre-payment claims reviews for appropriate billing (NCCI edits) handled in-house as of January 2017																

Board of Directors' Finance and Audit Committee Meeting November 16, 2017

Shared Risk Pool Performance Update

Medi-Cal: As of September 30, 2017, Medi-Cal has five (5) Shared Risk Groups (SRGs).

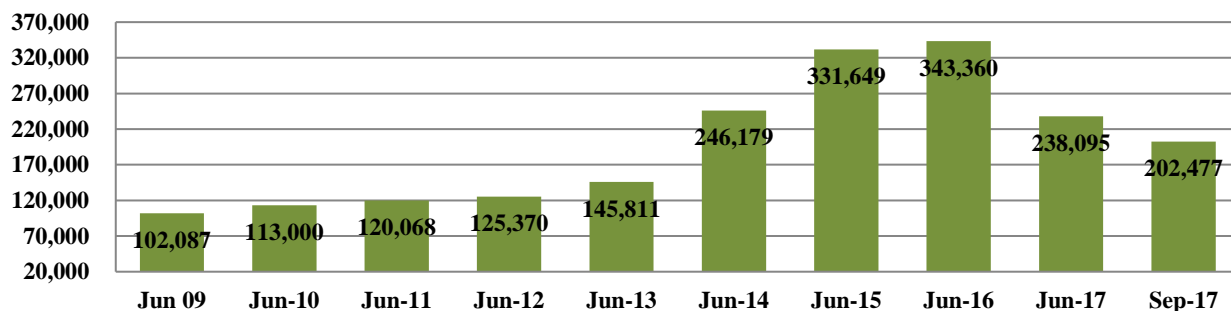
Effective Dates:

- Noble and Talbert – January 2008
- AltaMed – March 2014
- Prospect* – May 2007 to June 2017
- Arta and UCMG – July 2008
- Monarch* – July 2008 to January 2017

** Monarch became an HMO group in February 2017. Prospect became an HMO group in July 2017.*

Enrollment: SRGs serve approximately 202,500 members or 26% of total Medi-Cal enrollment.

Medi-Cal Shared Risk Groups (SRG) Enrollment



Pool Performance - (Medi-Cal Classic + Medi-Cal Expansion)

Period	Gross Deficit	Gross Surplus	CalOptima Share (40%)	Group Share (60%)	Number of SRGs		
					Total	In Deficit	In Surplus
2007	\$(729,095)	\$ -	\$(573,542)	\$(155,553)	1	1	0
2008	(534,826)	618,829	247,532	(163,529)	3	1	2
2009	(6,786,764)	623,088	(2,465,470)	(3,698,206)	6	3	3
2010	(5,890,543)	1,636,861	(1,701,473)	(2,552,209)	6	4	2
2011	(5,127,172)	5,042,040	(34,053)	(51,079)	6	3	3
2012	(1,688,610)	7,574,810	2,354,480	3,531,720	6	3	3
One-Time Revenue		17,233,958	12,917,452	4,316,506	6	3	3
2013	(1,568,113)	10,019,190	3,380,430	5,070,646	6	1	5
2014	-	57,791,489	23,116,595	34,674,893	7	0	7
2015	-	350,610,181	140,244,073	210,366,109	7	0	7
2016	-	402,445,197	160,978,079	241,467,118	7	0	7

Period	Gross Deficit	Gross Surplus	CalOptima Share (40%)	Group Share (60%)	Number of SRGs		
					Total	In Deficit	In Surplus
2017	-	291,973,617	116,789,447	175,184,170	7	0	7
	\$(22,325,123)	\$1,145,569,260	\$ 455,253,550	\$ 667,990,587			

Note: IBNR is calculated based on the paid claims experience and completion factor estimate.

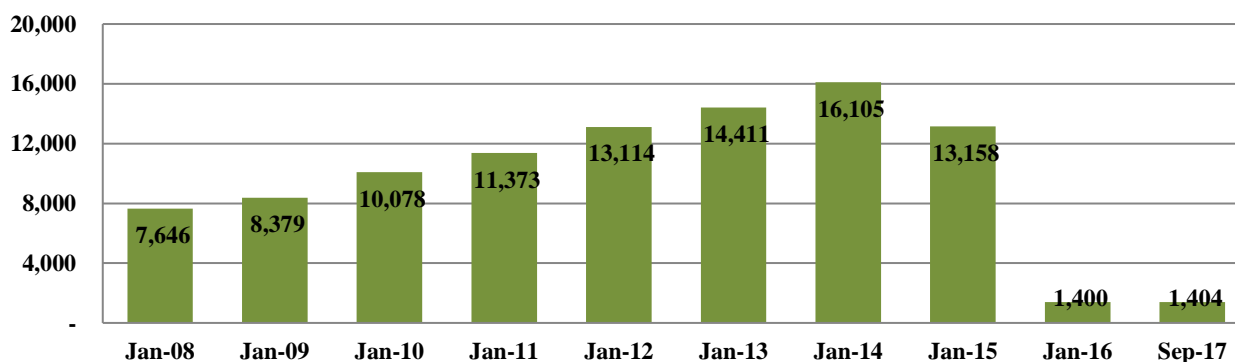
OneCare: As of September 30, 2017, OneCare has eight (8) Participating Medical Groups (PMGs).

Effective Dates:

- AMVI/Prospect – October 2005
- Talbert and Monarch – October 2005
- Noble – December 2012
- Family Choice – October 2005
- AltaMed – August 2008
- Arta and UCMG – January 2013

Enrollment: Overall enrollment decreased in January 2016 due to the transition of OneCare members to OneCare Connect

**OneCare Participating Medical Groups (PMG)
Enrollment**



Pool Performance

CY	Gross Deficit	Gross Surplus	CalOptima Share (50%)	Group Share (50%)	Total	In Deficit	In Surplus
2005	\$(14,221)	\$163,580	\$67,920	\$81,435	4	1	3
2006	-	15,004,268	7,502,134	7,502,134	5	0	5
2007	(21,936)	3,759,945	1,859,817	1,878,193	8	2	6
2008	(491,522)	3,919,765	1,591,331	1,836,913	8	2	6
2009	(313,648)	5,643,332	2,525,933	2,803,751	9	2	7
2010	(566,705)	4,767,002	1,891,456	2,308,841	8	3	5
2011	-	9,406,281	4,703,141	4,703,141	8	0	8
2012	(433,732)	7,325,076	3,305,088	3,586,257	11	2	9
2013	(1,949,544)	11,124,918	4,015,560	5,159,814	13	2	11
2014	(3,485,139)	10,050,507	1,962,394	4,602,974	13	3	10
2015	(149,155)	9,720,088	4,729,164	4,841,769	8	1	7
2016	(600,839)	264,060	(397,985)	61,206	8	4	4

2017Q2	(875,877)	114,029	(782,488)	20,640	8	7	1
	(8,902,318)	\$81,262,851	\$32,973,465	\$39,387,067			

Note: Group share deficit limited to \$5.00 PMPM

OneCare Connect: As of September 30, 2017, OneCare Connect has six (6) Shared Risk Groups (SRGs).

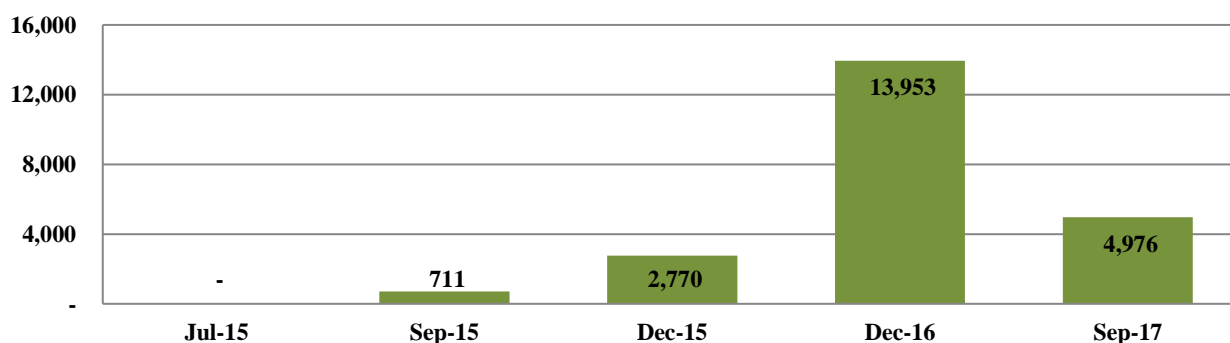
Effective Dates:

- Noble – July 2015
- UCMG – July 2015
- AltaMed – July 2015
- Monarch* – July 2015 to January 2017
- FCMG – January 2016
- Talbert – January 2016
- Arta Western – January 2016
- Prospect* – July 2015 to June 2017

* Monarch became an HMO group in February 2017. Prospect became an HMO group in July 2017.

Enrollment: SRGs serve approximately 5,000 members or 33% of total OneCare Connect enrollment.

**OneCare Connect Shared Risk Groups (SRG)
Enrollment**



Pool Performance

CY	Gross Deficit	Gross Surplus	CalOptima Share (50%)	Group Share (50%)	Total	In Deficit	In Surplus
2015	\$(264,328)	\$233,671	\$(120,302)	\$89,646	5	2	3
2016	(1,722,345)	8,335,492	2,512,761	4,100,386	8	2	6
2017 Q3	(1,476,224)	4,368,382	849,097	2,043,061	8	3	5
	\$(3,462,897)	\$12,937,545	\$3,241,557	\$6,233,093			

Note: Group share deficit limited to \$5.00 PMPM

Board of Directors' Finance and Audit Committee Meeting November 16, 2017

Quarterly Reinsurance Report

Summary of Reinsurance Payments Made by CalOptima to Contracted Medi-Cal Providers for Policy Years (PY) 2016, 2017, and 2018

Reinsurance is an after-the-fact payment mechanism CalOptima provides that is intended to mitigate the financial impact of catastrophic claims on participating providers. CalOptima's policy allows participating providers through December 31st following the policy year end (i.e., June 30) to submit reinsurance claims. CalOptima issues payment to providers within forty-five (45) business days after the quarter's end.

The figures reported below reflect the estimated results for PY 2016, 2017, and PY 2018 as of September 30, 2017.

	PY 2016	PY 2017	PY 2018
Total Budgeted Reinsurance Costs	\$4,680,964	\$4,628,918*	\$2,780,209
Amount paid through 09/30/17	\$2,793,856	\$2,475,603	\$ -
Potential Remaining Payments by CY	\$1,887,108	\$2,153,315	\$2,780,209
Total Accrued Liability @ 09/30/17	\$1,935,100	\$1,954,152	\$833,936
Under/(Over) Budget	\$(47,992)	\$199,163	\$1,946,273

* Reinsurance costs were budgeted for PY 2017 under provider capitation because reinsurance was expected to be incorporated into provider capitation during the budget development cycle

The total estimated liability at September 30, 2017 is \$4.7 million.

PY 2016 and PY 2017 thresholds are \$13,000 for Professional and \$100,000 for Hospital; coinsurance level is at 10%.

PY 2018 threshold increased to \$17,000 for Professional and \$150,000 for Hospital, coinsurance level is at 20%.

Policy Years:

PY 2016 = Fiscal Year 2016 (July 1, 2015, through June 30, 2016)

PY 2017 = Fiscal Year 2017 (July 1, 2016, through June 30, 2017) PY 2018 = Fiscal Year 2018 (July 1, 2017, through June 30, 2018)



Board of Directors' Finance and Audit Committee Meeting November 16, 2017

Quarterly Health Network Financial Update

On a quarterly basis, CalOptima reviews the unaudited financial statements of the capitated hospitals and physician groups in the health network. After internal review, CalOptima's financial staff makes a determination as to whether the capitated entity has the ability to assume the risk of a capitated contract.

With the exception of one entity whose quarter-end financial statements ended as of April 30, 2017, all other Health Network entities were required to submit their unaudited financial statements for the period ending June 30, 2017.

Results of the June 30, 2017 Financial Review

	Physician Groups	Hospitals	HMOs
Total	10	4	3
Passed Review	10	4	3
Failed Review	0	0	0
On Notice	0	0	0
On-Site Review	0	0	0
Did Not Submit Statements	0	0	0

Note 1: Physician Groups and Hospitals must pass the following tests:

- a) Current Ratio - must be ≥ 1.0
- b) Tangible Net Equity - must be ≥ 1.0
- c) Cash to Claims Ratio - must be ≥ 0.75

Note 2: HMOs must pass the following test:

- a) Tangible Net Equity - Greater of \$1M, % of premium revenues, or % of healthcare expenses

Note 3: Financial Security Reserves:

- a) Medi-Cal, OneCare, and OneCare Connect Total Current Balance = \$20.4M



CalOptima
Better. Together.

Purchasing Report

**Board of Director's Finance and Audit Committee Meeting
November 16, 2017**

Greg Hamblin, Chief Financial Officer

Ken Wong, Director, Budget and Procurement

Quarterly Purchasing Reports Commitments

Quarterly Purchasing Report
July 1, 2017 through September 30, 2017
Completed Major Commitments over \$100,000

<i>Nature of Services</i>	<i>FY18 Q1 Budgeted Current Year</i>	<i>Purchase or Contract Highlights</i>	<i>Bidding Outcome</i>	<i>Previous Vendor</i>	<i>PO #</i>	<i>Contract Amount</i>	<i>Spent Year 2018</i>	<i>Remaining Amount on Contract</i>	<i>Expires</i>
Copier Services	\$ 120,000	Xerox Corp	Renewal	Xerox Corp	18-10057	\$ 120,000	14,616	105,384	6/30/2018
Home Care Services - PACE	\$ 125,000	Nurse Next Door	Renewal	Nurse Next Door	17-10679-004	\$ 125,000	24,209	100,791	6/30/2018
Food Services - PACE	\$ 132,000	Lifespring Nutrition	Renewal	Lifespring Nutrition	18-10044	\$ 132,000	5,450	126,550	6/30/2018
Claims Reimbursement Software	\$ 134,503	Burgess Group	Renewal	Burgess Group	18-10182	\$ 134,503	134,503	0	12/31/2019
Compliance Effectiveness Audit	\$ 149,650	Compliance Strategies	Bid Exception	Compliance Strategies	18-10010	\$ 149,650	-	149,650	4/2/2018
TANF to SSI Conversion	\$ 165,000	Human Arc Corporation of Ohio	Renewal	Human Arc Corporation of Ohio	18-10130	\$ 165,000	20,670	144,330	12/29/2017
Quality Ratings	\$ 186,224	NCQA	Sole Source	NCQA	18-10241	\$ 186,224	-	186,224	9/29/2020
MLR Auditing	\$ 196,600	Provencio Advisory Services Inc	Renewal	Provencio Advisory Services Inc	17-10377-001	\$ 196,600	-	196,600	6/30/2018
After Hours Customer Service	\$ 213,800	Ansafone Communications	Renewal	Ansafone Communications	18-10150	\$ 213,800	8,644	205,156	8/30/2018

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Quarterly Purchasing Reports Commitments

Quarterly Purchasing Report
July 1, 2017 through September 30, 2017
Completed Major Commitments over \$100,000

Nature of Services	FY18 Q1 Budgeted Current Year	Purchase or Contract Highlights	Bidding Outcome	Previous Vendor	PO #	Contract Amount	Spent Year 2018	Remaining Amount on Contract	Expires
Disaster Recovery Plan	\$ 230,701	HP Enterprise Services LLC	Renewal	HP Enterprise Services LLC	18-10101	\$ 230,701	38,450	192,251	6/30/2018
Payroll Services	\$ 240,000	Ceridian	Renewal	Ceridian	17-10081-005	\$ 240,000	68,134	171,866	6/30/2018
Co-Location Services	\$ 240,800	Orange County Treasurer-Tax	Renewal	Orange County Treasurer-Tax	17-10329-001	\$ 240,800	27,037	213,763	6/30/2018
Scanning Services	\$ 247,853	Imagenet LLC	Renewal	Imagenet LLC	17-10188-001	\$ 247,853	21,473	226,380	6/30/2018
EDI Clearinghouse Services	\$ 280,000	Change Healthcare Solutions, LLC	Renewal	Change Healthcare Solutions, LLC	18-10279	\$ 280,000	-	280,000	12/31/2020
Provider Data Cleansing Services	\$ 311,520	LexisNexis	Renewal	LexisNexis	17-10213-001	\$ 311,520	-	311,520	6/30/2018
Provider Directory Book Delivery	\$ 349,373	Sapphire Printing Group	Renewal	Sapphire Printing Group	18-10099	\$ 349,373	-	349,373	6/30/2018
Web Filter Software Licenses and Maintenance	\$ 363,022	SHI International Corp	Renewal	SHI International Corp	18-10243	\$ 363,022	-	363,022	9/17/2018
EDI Clearinghouse Services	\$ 378,000	Office Ally, LLC	Renewal	Office Ally, LLC	18-10135	\$ 378,000	156,424	221,576	12/31/2020

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Quarterly Purchasing Reports Commitments

Quarterly Purchasing Report
July 1, 2017 through September 30, 2017
Completed Major Commitments over \$100,000

Nature of Services	FY18 Q1 Budgeted Current Year	Purchase or Contract Highlights	Bidding Outcome	Previous Vendor	PO #	Contract Amount	Spent Year 2018	Remaining Amount on Contract	Expires
Fraud, Waste and Abuse Services	\$ 600,000	Verisk Health Inc	Renewal	Verisk Health Inc	18-10212	\$ 600,000	82,358	517,642	2/28/2018
Investment Advisory Services	\$ 624,000	Wells Capital Management Inc	Renewal	Wells Capital Management Inc	17-10175-001	\$ 624,000	-	624,000	6/30/2018
Investment Advisory Services	\$ 632,000	Payden & Rygel	Renewal	Payden & Rygel	17-10177-001	\$ 632,000	-	632,000	6/30/2018
Investment Advisory Services	\$ 789,000	Logan Circle Partners LP	Renewal	Logan Circle Partners LP	17-10176-001	\$ 789,000	-	789,000	6/30/2018
Shuttle Services - PACE	\$ 900,000	Secure Transportation	Renewal	Secure Transportation	17-10066-002	\$ 900,000	283,022	616,978	6/30/2018
Member Care Software	\$ 1,392,646	Altruista Health Inc.	Renewal	Altruista Health Inc.	17-10447-003	\$ 1,392,646	116,054	1,276,592	6/30/2018
Benefit Overpayment Services	\$ 1,500,000	Health Management Systems Inc	Renewal	Health Management Systems Inc	17-10691-001	\$ 1,500,000	737,177	762,823	6/30/2018
Member Care Portal	\$ 1,572,000	Unlimited Innovations Inc	Renewal	Unlimited Innovations Inc	18-10127	\$ 1,572,000	145,543	1,426,457	12/31/2019

Quarterly Purchasing Report – In Process

Quarterly Purchasing Report
July 1, 2017 through September 30, 2017
Major Commitments Greater than \$100,000 in Process

<i>Nature of Services</i>	<i>Procurement Status</i>
<u>Internal Auditor</u> 16-074	RFP issued 4/8/16 Four proposals received Staff is negotiating contract terms
<u>Commercial Banking</u> 16-072	RFP issued 3/31/16 Five proposals received Staff is negotiating contract terms
<u>Fraud Waste and Abuse Software</u> 17-007	RFP issued 11/8/16 Three proposals received Staff is negotiating contract terms
<u>Data Warehouse</u> 17-032	RFP issued 6/1/17 Ten proposals received Staff is negotiating contract terms
<u>Archiving and Document Imaging</u> 17-033	RFP issued 5/4/17 Seven proposals received Staff is negotiating contract terms
<u>SYL Obesity Prevention</u> 17-026	RFP issued 7/3/17 Two proposals received Contract being negotiated by Contracting
<u>457(b) Benefit</u> 17-027	RFP issued 9/13/17 Staff is awaiting proposals

Quarterly Purchasing Report – In Process

Quarterly Purchasing Report
July 1, 2017 through September 30, 2017
Major Commitments Greater than \$100,000 in Process

<i>Nature of Services</i>	<i>Procurement Status</i>
<u>Data Warehouse Upgrade</u> 18-001	RFP issued 7/26/17 11 Proposals received Contract and BAA in negotiations
<u>State Advocacy Services</u> 18-004	RFP issued 8/31/17 Two proposals received Staff is awaiting Ad-Hoc Interviews
<u>Office 365 Exchange Software</u> 18-009	RFP issued 9/25/17 Staff is awaiting proposals
<u>Health Homes Consultant</u> 18-022	RFP issued 8/2/17 One proposal received Staff is evaluating proposals