



**CITY OF COSTA MESA  
FINANCE DEPARTMENT  
INTEROFFICE MEMORANDUM**

**TO:** HONORABLE CITY COUNCIL

**FROM:** STEPHEN DUNIVENT, INTERIM FINANCE DIRECTOR

**DATE:** NOVEMBER 26, 2013

**SUBJECT:** *TREASURER'S REPORT FOR THE MONTH OF OCTOBER, 2013*

Attached is the Treasurer's Report for the month of October 2013. This performance report lists the various types of securities, institutions from which the securities were purchased, maturity dates and interest rates for all securities held in the City's investment portfolio as of the end of the reporting period. All of the City's investments as of October 31, 2013, are in compliance with the Investment Policy and the California Government Code except as otherwise noted or disclosed herein. All market values provided in this report were obtained from The Bank of New York Mellon, except for the Local Agency Investment Fund (LAIF). Market values for LAIF were provided by the State Treasurer's Office. The market value shown for the City's LAIF investment represents the City's contractual rights to its LAIF account and does not represent the value of the underlying portfolio securities. As of October 31, 2013, the City has adequate cash reserves necessary to meet its obligations for the next six months.

The following securities were purchased during the month of October, 2013:

| <u>Type of Investment</u> | <u>Purchase Date</u> | <u>Cost</u>    | <u>Coupon Interest Rate</u> | <u>Yield to Maturity</u> | <u>Yield to Call</u> | <u>Maturity Date</u> |
|---------------------------|----------------------|----------------|-----------------------------|--------------------------|----------------------|----------------------|
| U.S. Treasury Note        | 10/30/2013           | \$1,444,466.39 | .25%                        | .45%                     | N/A                  | 05/15/2016           |
| Oracle Corp. Note.        | 10/31/2013           | \$ 992,673.33  | 1.20%                       | 1.40%                    | N/A                  | 10/15/2017           |

There were no securities called during the month of October, 2013.

There was a security sold during the month of October, 2013:

| <u>Type of Investment</u> | <u>Sold Date</u> | <u>Amount</u>  | <u>Coupon Interest Rate</u> | <u>Yield to Maturity</u> | <u>Yield to Call</u> | <u>Maturity Date</u> |
|---------------------------|------------------|----------------|-----------------------------|--------------------------|----------------------|----------------------|
| FNMA Callable Note        | 10/30/2013       | \$2,010,388.89 | 1.70%                       | 1.70%                    | N/A                  | 07/10/2018           |

This note was sold to take advantage of a market opportunity to sell at a modest gain and take a first step in re-balancing the portfolio maturity distribution.

No securities matured during the month of October, 2013.

## COMPLIANCE REPORTING

The City held two Lehman Brothers Medium-Term Corporate Notes in its investment portfolio. The total amount invested in these two securities stated at cost was \$5,049,700. Lehman Brothers filed for bankruptcy protection status on September 15, 2008 and the debt rating fell from A2 to B3- on that date. The market value loss of \$4,107,075 for the securities was recorded on the City's general ledger in September 2008, and is updated annually. The current estimates for recoveries through the bankruptcy proceedings are unknown.

In April 2011, the City joined the Ad Hoc Group of Lehman Brothers Creditors to help maximize the recovery through bankruptcy proceedings, and to protect the City's interest in the Lehman Brother's bankruptcy. The Ad Hoc Group filed a "Creditor's Plan" with the U.S. Bankruptcy Court in Manhattan which would provide a better recovery to creditors of the original Lehman parent company while offering a smaller payout to some creditors of Lehman subsidiaries. On December 6, 2011, the Bankruptcy Court entered an order confirming the Debtors' Chapter 11 Plan. The following table summarizes the distributions received:

|                 |                       |
|-----------------|-----------------------|
| Distributions:  |                       |
| April 14, 2012  | \$ 301,889.87         |
| October 1, 2012 | 192,024.40            |
| April 4, 2013   | 250,360.80            |
| August 30, 2013 | 59,207.00             |
| October 3, 2013 | 289,015.00            |
| Total           | <u>\$1,092,497.07</u> |

The Debtors will make distributions of cash available in accordance with the plan semi-annually on March 30 and September 30 of each year.

The amount of Lehman Brothers investment claim held in escrow with Lehman Brothers Holdings, Inc. is currently estimated to be \$223,128.

The investment portfolio is in compliance with the City's adopted investment policy and applicable state laws in all other respects during, and as of, the end of the reporting period.

If you have any questions or need additional information, feel free to contact me directly.



STEPHEN DUNIVENT  
Interim Finance Director

Attachment: Treasurer's Report for the month of October, 2013

# Monthly Account Statement

## City of Costa Mesa Consolidated

October 1, 2013 through October 31, 2013

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

Bank of New York Mellon Trust  
Company  
Justin Bui  
+1(213)630-6420

***Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.***



PORTFOLIO CHARACTERISTICS

|                          |          |
|--------------------------|----------|
| Average Duration         | 1.71     |
| Average Coupon           | 0.54 %   |
| Average Purchase YTM     | 1.82 %   |
| Average Market YTM       | 11.44 %  |
| Average S&P/Moody Rating | AA+/Aaa  |
| Average Final Maturity   | 2.05 yrs |
| Average Life             | 1.96 yrs |

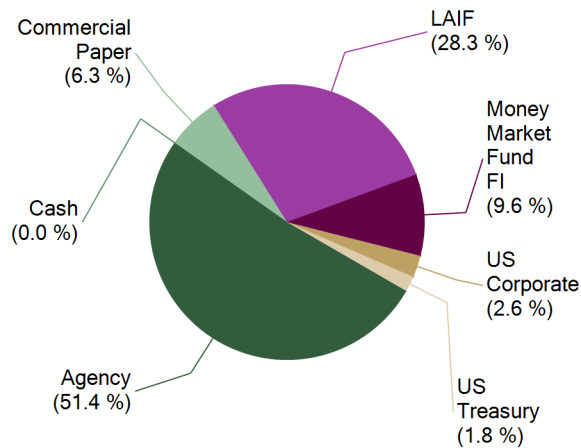
ACCOUNT SUMMARY

|                           | Beg. Values<br>as of 9/30/13 | End Values<br>as of 10/31/13 |
|---------------------------|------------------------------|------------------------------|
| <b>Market Value</b>       | 84,224,530                   | 79,237,754                   |
| <b>Accrued Interest</b>   | 90,248                       | 111,465                      |
| <b>Total Market Value</b> | <b>84,314,778</b>            | <b>79,349,219</b>            |
| <b>Income Earned</b>      | 41,116                       | 344,140                      |
| <b>Cont/WD</b>            |                              |                              |
| <b>Par</b>                | 88,364,596                   | 83,499,188                   |
| <b>Book Value</b>         | 84,358,681                   | 79,478,224                   |
| <b>Cost Value</b>         | 88,399,474                   | 83,230,003                   |

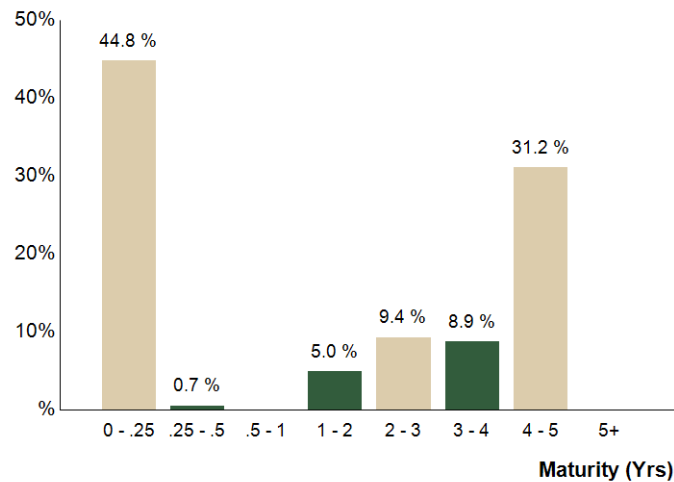
TOP ISSUERS

| Issuer                          | % Portfolio   |
|---------------------------------|---------------|
| Local Agency Investment Fund    | 28.3 %        |
| Federal National Mortgage Assoc | 20.1 %        |
| Federal Home Loan Bank          | 13.8 %        |
| Federal Farm Credit Bank        | 11.3 %        |
| Bank Cash Account               | 7.7 %         |
| Federal Home Loan Mortgage Corp | 6.2 %         |
| General Electric Co             | 3.2 %         |
| Toyota Motor Corp               | 3.2 %         |
|                                 | <b>93.7 %</b> |

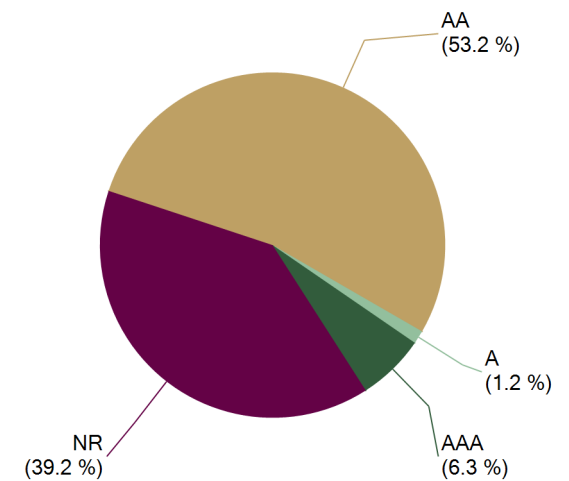
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)





## City of Costa Mesa

October 31, 2013

### COMPLIANCE WITH INVESTMENT POLICY

*Assets managed by Chandler Asset Management are in full compliance with State law and with the City's investment policy.*

| Category                                    | Standard  | Comment                       |
|---|---|-------------------------------|
| Treasury Issues                             | No limitations  | Complies                      |
| Federal Agencies                            | 60% per issuer  | Complies                      |
| Banker's Acceptances                        | 40% maximum; 10% per issuer; 180 days max maturity                  | Complies                      |
| Commercial Paper                            | A-1/P-1/F-1; 25% maximum; 10% per issuer; 270 days maximum maturity | Complies                      |
| Medium Term Notes                           | "A" rated; 30% maximum; 5% per issuer                               | Complied at time of purchase* |
| Negotiable Certificates of Deposit          | 30% maximum; Liquidity requirements                                 | Complies                      |
| Bank and Time Deposits                      | FDIC Insurance and/or Collateralization<br>360 day maximum maturity | Complies                      |
| Repurchase Agreements                       | >102% collateralization; 1 year max maturity                        | Complies                      |
| Money Market Mutual Funds                   | "AAA" rated; 20% maximum; 10% per fund                              | Complies                      |
| Asset-Backed and Mortgage-Backed Securities | "AA" rated; 20% maximum   | Complies                      |
| LAIF  | \$50 million limit  | Complies                      |
| County Pool                                 | Not used by investment adviser                                      | Complies                      |
| Maximum Maturity                            | 5 years   | Complies                      |

\*Lehman Brothers (LEH) filed for bankruptcy on September 15, 2008. The city owns \$5M par of LEH.



Holdings Report

As of 10/31/13

| CUSIP         | Security Description                                    | Par Value/Units | Purchase Date<br>Book Yield | Cost Value<br>Book Value     | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int. | % of Port.<br>Gain/Loss | Moody<br>S&P | Maturity<br>Duration |
|---------------|---|-----------------|-----------------------------|------------------------------|----------------------|------------------------------|-------------------------|--------------|----------------------|
| <b>AGENCY</b> |   |                 |                             |                              |                      |                              |                         |              |                      |
| 3133ECL85     | FFCB Callable Note Cont 7/15/13<br>0.29% Due 7/15/2015  | 2,000,000.00    | 04/29/2013<br>0.03 %        | 1,998,500.00<br>1,998,500.00 | 99.96<br>0.02 %      | 1,999,240.00<br>0.00         | 2.52 %<br>740.00        | Aaa<br>AA+   | 1.70<br>1.33         |
| 3133ECL93     | FFCB Callable Note Cont 7/15/13<br>0.32% Due 10/15/2015 | 2,000,000.00    | 08/08/2013<br>0.32 %        | 2,000,000.00<br>2,000,000.00 | 99.92<br>0.36 %      | 1,998,490.00<br>284.44       | 2.52 %<br>(1,510.00)    | Aaa<br>AA+   | 1.96<br>1.29         |
| 3133ECR55     | FFCB Callable Note Cont 6/6/14<br>0.54% Due 6/6/2016    | 2,000,000.00    | 05/31/2013<br>0.58 %        | 1,997,500.00<br>1,997,500.00 | 99.89<br>0.58 %      | 1,997,784.00<br>4,350.00     | 2.52 %<br>284.00        | Aaa<br>AA+   | 2.60<br>2.04         |
| 3133ECLB8     | FFCB Callable Note Cont 7/12/13<br>0.45% Due 7/12/2016  | 2,000,000.00    | 04/29/2013<br>0.46 %        | 1,999,500.00<br>1,999,500.00 | 99.59<br>0.60 %      | 1,991,840.00<br>2,725.00     | 2.51 %<br>(7,660.00)    | Aaa<br>AA+   | 2.70<br>2.27         |
| 3135G0CM3     | FNMA Note<br>1.25% Due 9/28/2016                        | 2,000,000.00    | 05/17/2013<br>0.49 %        | 2,050,520.00<br>2,050,520.00 | 101.80<br>0.62 %     | 2,035,974.00<br>2,291.67     | 2.57 %<br>(14,546.00)   | Aaa<br>AA+   | 2.91<br>2.85         |
| 3135G0ES8     | FNMA Note<br>1.375% Due 11/15/2016                      | 2,000,000.00    | 05/17/2013<br>0.52 %        | 2,058,980.00<br>2,058,980.00 | 102.08<br>0.68 %     | 2,041,682.00<br>12,680.56    | 2.59 %<br>(17,298.00)   | Aaa<br>AA+   | 3.04<br>2.96         |
| 313380A80     | FHLB Callable Note Cont 11/16/12<br>1% Due 8/16/2017    | 2,000,000.00    | 07/19/2012<br>1.00 %        | 2,000,000.00<br>2,000,000.00 | 99.43<br>1.16 %      | 1,988,546.00<br>4,166.67     | 2.51 %<br>(11,454.00)   | Aaa<br>AA+   | 3.79<br>2.50         |
| 3135G0NR0     | FNMA Callable Note Qtrly 8/28/13<br>1.1% Due 8/28/2017  | 2,000,000.00    | 08/09/2012<br>1.10 %        | 2,000,000.00<br>2,000,000.00 | 99.91<br>1.12 %      | 1,998,284.00<br>3,850.00     | 2.52 %<br>(1,716.00)    | Aaa<br>AA+   | 3.83<br>1.63         |
| 313381SP1     | FHLB Callable Note Qtrly 7/30/13<br>1.05% Due 1/30/2018 | 2,000,000.00    | 01/04/2013<br>1.05 %        | 2,000,000.00<br>2,000,000.00 | 98.95<br>1.31 %      | 1,978,918.00<br>5,308.33     | 2.50 %<br>(21,082.00)   | Aaa<br>AA+   | 4.25<br>3.24         |
| 3136G1AZ2     | FNMA Callable Note Qtrly 1/30/14<br>1% Due 1/30/2018    | 2,000,000.00    | 01/04/2013<br>1.00 %        | 2,000,000.00<br>2,000,000.00 | 98.84<br>1.28 %      | 1,976,830.00<br>5,055.56     | 2.50 %<br>(23,170.00)   | Aaa<br>AA+   | 4.25<br>3.59         |
| 3135G0TK9     | FNMA Callable Note Qtrly 7/30/13<br>1.05% Due 1/30/2018 | 2,000,000.00    | 01/14/2013<br>1.05 %        | 2,000,000.00<br>2,000,000.00 | 98.91<br>1.31 %      | 1,978,232.00<br>5,308.33     | 2.50 %<br>(21,768.00)   | Aaa<br>AA+   | 4.25<br>3.36         |
| 313381RE7     | FHLB Callable Note Qtrly 7/30/13<br>1% Due 1/30/2018    | 2,000,000.00    | 01/14/2013<br>1.00 %        | 2,000,000.00<br>2,000,000.00 | 98.77<br>1.30 %      | 1,975,454.00<br>5,055.56     | 2.50 %<br>(24,546.00)   | Aaa<br>AA+   | 4.25<br>3.47         |
| 3134G34Y3     | FHLMC Callable Note Qtrly 5/14/13<br>1% Due 2/14/2018   | 3,000,000.00    | 01/24/2013<br>1.01 %        | 2,998,500.00<br>2,998,500.00 | 97.86<br>1.52 %      | 2,935,737.00<br>6,416.67     | 3.71 %<br>(62,763.00)   | Aaa<br>AA+   | 4.29<br>3.74         |
| 3135G0UD3     | FNMA Callable Note Qtrly 2/14/14<br>1.01% Due 2/14/2018 | 2,000,000.00    | 01/24/2013<br>1.01 %        | 2,000,000.00<br>2,000,000.00 | 97.98<br>1.50 %      | 1,959,532.00<br>4,320.56     | 2.47 %<br>(40,468.00)   | Aaa<br>AA+   | 4.29<br>3.66         |
| 3136G1CJ6     | FNMA Callable Note Qtrly 2/21/14<br>0.75% Due 2/21/2018 | 2,000,000.00    | 01/24/2013<br>1.09 %        | 2,000,000.00<br>2,000,000.00 | 97.82<br>1.67 %      | 1,956,488.00<br>2,916.67     | 2.47 %<br>(43,512.00)   | Aaa<br>AA+   | 4.31<br>3.42         |
| 3133ECPB4     | FFCB Note<br>0.875% Due 5/14/2018                       | 1,000,000.00    | 05/17/2013<br>0.92 %        | 997,810.00<br>997,810.00     | 97.83<br>1.37 %      | 978,319.00<br>4,059.03       | 1.24 %<br>(19,491.00)   | Aaa<br>AA+   | 4.54<br>4.41         |
| 3135G0WJ8     | FNMA Note<br>0.875% Due 5/21/2018                       | 2,000,000.00    | 05/17/2013<br>0.94 %        | 1,993,660.00<br>1,993,660.00 | 97.73<br>1.39 %      | 1,954,668.00<br>7,777.78     | 2.47 %<br>(38,992.00)   | Aaa<br>AA+   | 4.56<br>4.43         |
| 313383J44     | FHLB Callable Note 1X 6/26/15<br>0.75% Due 6/26/2018    | 2,000,000.00    | 05/30/2013<br>1.34 %        | 2,000,000.00<br>2,000,000.00 | 99.48<br>1.07 %      | 1,989,580.00<br>5,208.33     | 2.51 %<br>(10,420.00)   | Aaa<br>AA+   | 4.65<br>4.02         |
| 313383HQ7     | FHLB Callable Note 1X 6/24/14<br>1.2% Due 6/27/2018     | 3,000,000.00    | 05/30/2013<br>1.20 %        | 3,000,000.00<br>3,000,000.00 | 99.54<br>1.30 %      | 2,986,272.00<br>12,400.00    | 3.78 %<br>(13,728.00)   | Aaa<br>AA+   | 4.66<br>4.09         |



### Holdings Report

As of 10/31/13

| CUSIP                             | Security Description   | Par Value/Units      | Purchase Date<br>Book Yield | Cost Value<br>Book Value                   | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int.              | % of Port.<br>Gain/Loss               | Moody<br>S&P             | Maturity<br>Duration       |
|-----------------------------------|--|----------------------|-----------------------------|--|----------------------|---|---------------------------------------|--------------------------|----------------------------|
| <b>AGENCY</b>                     |  |                      |                             |  |                      |   |                                       |                          |                            |
| 3134G4A57                         | FHLMC Callable Note 1X 6/24/14<br>1.25% Due 6/27/2018                | 2,000,000.00         | 05/31/2013<br>1.25 %        | 2,000,000.00<br>2,000,000.00               | 99.06<br>1.46 %      | 1,981,244.00<br>8,611.11                  | 2.51 %<br>(18,756.00)                 | Aaa<br>AA+               | 4.66<br>4.11               |
| <b>Total Agency</b>               |  | <b>41,000,000.00</b> | <b>0.88 %</b>               | <b>41,094,970.00</b>                       | <b>1.09 %</b>        | <b>40,703,114.00</b><br><b>102,786.27</b> | <b>51.43 %</b><br><b>(391,856.00)</b> | <b>Aaa</b><br><b>AA+</b> | <b>3.79</b><br><b>3.12</b> |
| <b>CASH</b>                       |  |                      |                             |  |                      |   |                                       |                          |                            |
| 90IMPR\$00                        | City of Costa Mesa Imprest Account<br>Balance                        | 20,010.00            | 08/31/2013<br>0.00 %        | 20,010.00<br>20,010.00                     | 1.00<br>0.00 %       | 20,010.00<br>0.00                         | 0.03 %<br>0.00                        | NR<br>NR                 | 0.00<br>0.00               |
| <b>Total Cash</b>                 |  | <b>20,010.00</b>     | <b>N/A</b>                  | <b>20,010.00</b>                           | <b>0.00 %</b>        | <b>20,010.00</b><br><b>0.00</b>           | <b>0.03 %</b><br><b>0.00</b>          | <b>NR</b><br><b>NR</b>   | <b>0.00</b><br><b>0.00</b> |
| <b>COMMERCIAL PAPER</b>           |  |                      |                             |  |                      |   |                                       |                          |                            |
| 89233GZA7                         | Toyota Motor Credit Discount CP<br>0.1% Due 12/10/2013               | 2,500,000.00         | 09/26/2013<br>0.10 %        | 2,499,479.18<br>2,499,479.18               | 99.98<br>0.10 %      | 2,499,479.18<br>249.99                    | 3.15 %<br>0.00                        | P-1<br>A-1+              | 0.11<br>0.11               |
| 36959HZA8                         | General Electric Capital Corp Discount<br>CP<br>0.07% Due 12/10/2013 | 2,500,000.00         | 09/26/2013<br>0.07 %        | 2,499,635.42<br>2,499,635.42               | 99.99<br>0.07 %      | 2,499,635.42<br>175.00                    | 3.15 %<br>0.00                        | P-1<br>A-1+              | 0.11<br>0.11               |
| <b>Total Commercial Paper</b>     |  | <b>5,000,000.00</b>  | <b>0.09 %</b>               | <b>4,999,114.60</b><br><b>4,999,114.60</b> | <b>0.09 %</b>        | <b>4,999,114.60</b><br><b>424.99</b>      | <b>6.30 %</b><br><b>0.00</b>          | <b>P1</b><br><b>A-1+</b> | <b>0.11</b><br><b>0.11</b> |
| <b>LAIF</b>                       |  |                      |                             |  |                      |   |                                       |                          |                            |
| 90LAIF\$00                        | Local Agency Investment Fund State<br>Pool                           | 22,440,454.79        | Various<br>0.26 %           | 22,440,454.79<br>22,440,454.79             | 1.00<br>0.26 %       | 22,440,454.79<br>6,045.76                 | 28.29 %<br>0.00                       | NR<br>NR                 | 0.00<br>0.00               |
| <b>Total LAIF</b>                 |  | <b>22,440,454.79</b> | <b>0.26 %</b>               | <b>22,440,454.79</b>                       | <b>0.26 %</b>        | <b>22,440,454.79</b><br><b>6,045.76</b>   | <b>28.29 %</b><br><b>0.00</b>         | <b>NR</b><br><b>NR</b>   | <b>0.00</b><br><b>0.00</b> |
| <b>MONEY MARKET FUND FI</b>       |  |                      |                             |  |                      |   |                                       |                          |                            |
| 94975H312                         | Wells Fargo Advantage Treasury Plus<br>MMF                           | 36,678.49            | Various<br>0.01 %           | 36,678.49<br>36,678.49                     | 1.00<br>0.01 %       | 36,678.49<br>0.00                         | 0.05 %<br>0.00                        | Aaa<br>AAA               | 0.00<br>0.00               |
| 90BASIS\$00                       | Bank of America Money Market Fund                                    | 1,466,447.00         | 10/31/2013<br>0.00 %        | 1,466,447.00<br>1,466,447.00               | 1.00<br>0.00 %       | 1,466,447.00<br>0.00                      | 1.85 %<br>0.00                        | NR<br>NR                 | 0.00<br>0.00               |
| 90COCM\$00                        | Summary of Cash Held in Trust *See<br>Details (Attached)             | 6,085,598.00         | Various<br>0.00 %           | 6,085,598.00<br>6,085,598.00               | 1.00<br>0.00 %       | 6,085,598.00<br>0.00                      | 7.67 %<br>0.00                        | NR<br>NR                 | 0.00<br>0.00               |
| <b>Total Money Market Fund FI</b> |  | <b>7,588,723.49</b>  | <b>0.00 %</b>               | <b>7,588,723.49</b>                        | <b>0.00 %</b>        | <b>7,588,723.49</b><br><b>0.00</b>        | <b>9.56 %</b><br><b>0.00</b>          | <b>Aaa</b><br><b>AAA</b> | <b>0.00</b><br><b>0.00</b> |
| <b>US CORPORATE</b>               |  |                      |                             |  |                      |   |                                       |                          |                            |
| 525ESCIB7                         | Lehman Brothers Note-Defaulted<br>Due 1/24/2014                      | 2,500,000.00         | 04/17/2012<br>24.30 %       | 2,325,725.65<br>450,000.00                 | 21.13<br>1,619.45 %  | 528,125.00<br>0.00                        | 0.67 %<br>78,125.00                   | NR<br>NR                 | 0.23<br>0.05               |



Holdings Report

As of 10/31/13

| CUSIP                                  | Security Description  | Par Value/Units      | Purchase Date<br>Book Yield | Cost Value<br>Book Value                     | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int.              | % of Port.<br>Gain/Loss                | Moody<br>S&P             | Maturity<br>Duration       |
|--|---|----------------------|-----------------------------|--|----------------------|---|--|--------------------------|----------------------------|
| <b>US CORPORATE</b>                    |   |                      |                             |  |                      |   |  |                          |                            |
| 525ESC2W8                              | Lehman Brothers ESCROW CUSIP -<br>Defaulted<br>Due 2/6/2014 | 2,500,000.00         | 04/17/2012<br>21.89 %       | 2,326,053.08<br>450,000.00                   | 21.13<br>0.01 %      | 528,125.00<br>0.00                        | 0.67 %<br>78,125.00                    | NR<br>NR                 | 0.27<br>0.06               |
| 68389XAN5                              | Oracle Corp Note<br>1.2% Due 10/15/2017                     | 1,000,000.00         | 10/30/2013<br>1.40 %        | 992,140.00<br>992,140.00                     | 98.70<br>1.54 %      | 986,998.00<br>533.33                      | 1.24 %<br>(5,142.00)                   | A1<br>A+                 | 3.96<br>3.84               |
| <b>Total US Corporate</b>              |   | <b>6,000,000.00</b>  | <b>11.72 %</b>              | <b>5,643,918.73</b><br><b>1,892,140.00</b>   | <b>419.22 %</b>      | <b>2,043,248.00</b><br><b>533.33</b>      | <b>2.58 %</b><br><b>151,108.00</b>     | <b>A1</b><br><b>A+</b>   | <b>2.04</b><br><b>1.88</b> |
| <b>US TREASURY</b>                     |   |                      |                             |  |                      |   |  |                          |                            |
| 912828VC1                              | US Treasury Note<br>0.25% Due 5/15/2016                     | 1,450,000.00         | 10/29/2013<br>0.45 %        | 1,442,811.50<br>1,442,811.50                 | 99.52<br>0.44 %      | 1,443,089.30<br>1,674.59                  | 1.82 %<br>277.80                       | Aaa<br>AA+               | 2.54<br>2.53               |
| <b>Total US Treasury</b>               |   | <b>1,450,000.00</b>  | <b>0.45 %</b>               | <b>1,442,811.50</b><br><b>1,442,811.50</b>   | <b>0.44 %</b>        | <b>1,443,089.30</b><br><b>1,674.59</b>    | <b>1.82 %</b><br><b>277.80</b>         | <b>Aaa</b><br><b>AA+</b> | <b>2.54</b><br><b>2.53</b> |
| <b>TOTAL PORTFOLIO</b>                 |   | <b>83,499,188.28</b> | <b>0.82 %</b>               | <b>83,230,003.11</b><br><b>79,478,224.38</b> | <b>11.44 %</b>       | <b>79,237,754.18</b><br><b>111,464.94</b> | <b>100.00 %</b><br><b>(240,470.20)</b> | <b>Aaa</b><br><b>AA+</b> | <b>2.05</b><br><b>1.71</b> |
| <b>TOTAL MARKET VALUE PLUS ACCRUED</b> |   |                      |                             |  |                      | <b>79,349,219.12</b>                      |  |                          |                            |





Transaction Ledger

9/30/13 Thru 10/31/13

| Transaction Type          | Settlement Date | CUSIP       | Quantity            | Security Description                                   | Price  | Acq/Disp Yield | Amount              | Interest Pur/Sold | Total Amount        | Gain/Loss   |
|---------------------------|-----------------|-------------|---------------------|--|--------|----------------|---------------------|-------------------|---------------------|-------------|
| <b>ACQUISITIONS</b>       |                 |             |                     |  |        |                |                     |                   |                     |             |
| Purchase                  | 10/02/2013      | 94975H312   | 1.26                | Wells Fargo Advantage Treasury Plus MMF                | 1.000  | 0.01 %         | 1.26                | 0.00              | 1.26                | 0.00        |
| Purchase                  | 10/03/2013      | 94975H312   | 289,014.60          | Wells Fargo Advantage Treasury Plus MMF                | 1.000  | 0.01 %         | 289,014.60          | 0.00              | 289,014.60          | 0.00        |
| Purchase                  | 10/15/2013      | 90LAIF\$00  | 22,505.57           | Local Agency Investment Fund State Pool                | 1.000  | 0.25 %         | 22,505.57           | 0.00              | 22,505.57           | 0.00        |
| Purchase                  | 10/15/2013      | 94975H312   | 3,200.00            | Wells Fargo Advantage Treasury Plus MMF                | 1.000  | 0.01 %         | 3,200.00            | 0.00              | 3,200.00            | 0.00        |
| Purchase                  | 10/30/2013      | 912828VC1   | 1,450,000.00        | US Treasury Note<br>0.25% Due 5/15/2016                | 99.504 | 0.45 %         | 1,442,811.50        | 1,654.89          | 1,444,466.39        | 0.00        |
| Purchase                  | 10/30/2013      | 94975H312   | 565,922.50          | Wells Fargo Advantage Treasury Plus MMF                | 1.000  | 0.01 %         | 565,922.50          | 0.00              | 565,922.50          | 0.00        |
| Purchase                  | 10/31/2013      | 68389XAN5   | 1,000,000.00        | Oracle Corp Note<br>1.2% Due 10/15/2017                | 99.214 | 1.40 %         | 992,140.00          | 533.33            | 992,673.33          | 0.00        |
|                           | <b>Subtotal</b> |             | <b>3,330,643.93</b> |  |        |                | <b>3,315,595.43</b> | <b>2,188.22</b>   | <b>3,317,783.65</b> | <b>0.00</b> |
| Security Contribution     | 10/03/2013      | 94975H312   | 289,014.60          | Wells Fargo Advantage Treasury Plus MMF                | 1.000  |                | 289,014.60          | 0.00              | 289,014.60          | 0.00        |
| Security Contribution     | 10/31/2013      | 90BASIS\$00 | 1,466,447.00        | Bank of America Money Market Fund                      | 1.000  |                | 1,466,447.00        | 0.00              | 1,466,447.00        | 0.00        |
| Security Contribution     | 10/31/2013      | 90COCM\$00  | 110,717.48          | Summary of Cash Held in Trust *See Details (Attached)  | 1.000  |                | 110,717.48          | 0.00              | 110,717.48          | 0.00        |
|                           | <b>Subtotal</b> |             | <b>1,866,179.08</b> |  |        |                | <b>1,866,179.08</b> | <b>0.00</b>       | <b>1,866,179.08</b> | <b>0.00</b> |
| <b>TOTAL ACQUISITIONS</b> |                 |             | <b>5,196,823.01</b> |  |        |                | <b>5,181,774.51</b> | <b>2,188.22</b>   | <b>5,183,962.73</b> | <b>0.00</b> |
| <b>DISPOSITIONS</b>       |                 |             |                     |  |        |                |                     |                   |                     |             |
| Closing Purchase          | 10/31/2013      | 90BASIS\$00 | -119,457.03         | Bank of America Money Market Fund                      | 1.000  |                | -119,457.03         | 0.00              | -119,457.03         | 0.00        |
|                           | <b>Subtotal</b> |             | <b>-119,457.03</b>  |  |        |                | <b>-119,457.03</b>  | <b>0.00</b>       | <b>-119,457.03</b>  | <b>0.00</b> |
| Sale                      | 10/30/2013      | 3136G1PD5   | 2,000,000.00        | FNMA Callable Note Qtrly 7/10/14<br>1.7% Due 7/10/2018 | 1.000  | 1.70 %         | 2,000,000.00        | 10,388.89         | 2,010,388.89        | 0.00        |
| Sale                      | 10/31/2013      | 94975H312   | 992,673.33          | Wells Fargo Advantage Treasury Plus MMF                | 1.000  | 0.01 %         | 992,673.33          | 0.00              | 992,673.33          | 0.00        |
|                           | <b>Subtotal</b> |             | <b>2,992,673.33</b> |  |        |                | <b>2,992,673.33</b> | <b>10,388.89</b>  | <b>3,003,062.22</b> | <b>0.00</b> |
| Security Withdrawal       | 10/03/2013      | 94975H312   | 289,014.60          | Wells Fargo Advantage Treasury Plus MMF                | 1.000  |                | 289,014.60          | 0.00              | 289,014.60          | 0.00        |
| Security Withdrawal       | 10/04/2013      | 90LAIF\$00  | 800,000.00          | Local Agency Investment Fund State Pool                | 1.000  |                | 800,000.00          | 0.00              | 800,000.00          | 0.00        |
| Security Withdrawal       | 10/07/2013      | 90LAIF\$00  | 500,000.00          | Local Agency Investment Fund State Pool                | 1.000  |                | 500,000.00          | 0.00              | 500,000.00          | 0.00        |



Transaction Ledger

9/30/13 Thru 10/31/13

| Transaction Type                | Settlement Date | CUSIP      | Quantity                | Security Description  | Price | Acq/Disp Yield | Amount               | Interest Pur/Sold | Total Amount         | Gain/Loss   |
|---------------------------------|-----------------|------------|-------------------------|---|-------|----------------|----------------------|-------------------|----------------------|-------------|
| <b>DISPOSITIONS</b>             |                 |            |                         |   |       |                |                      |                   |                      |             |
| Security Withdrawal             | 10/17/2013      | 90LAIF\$00 | 500,000.00              | Local Agency Investment Fund State Pool                     | 1.000 |                | 500,000.00           | 0.00              | 500,000.00           | 0.00        |
| Security Withdrawal             | 10/21/2013      | 90LAIF\$00 | 2,000,000.00            | Local Agency Investment Fund State Pool                     | 1.000 |                | 2,000,000.00         | 0.00              | 2,000,000.00         | 0.00        |
| Security Withdrawal             | 10/24/2013      | 90LAIF\$00 | 800,000.00              | Local Agency Investment Fund State Pool                     | 1.000 |                | 800,000.00           | 0.00              | 800,000.00           | 0.00        |
| Security Withdrawal             | 10/25/2013      | 90LAIF\$00 | 500,000.00              | Local Agency Investment Fund State Pool                     | 1.000 |                | 500,000.00           | 0.00              | 500,000.00           | 0.00        |
| Security Withdrawal             | 10/28/2013      | 90LAIF\$00 | 1,300,000.00            | Local Agency Investment Fund State Pool                     | 1.000 |                | 1,300,000.00         | 0.00              | 1,300,000.00         | 0.00        |
| Security Withdrawal             | 10/31/2013      | 90LAIF\$00 | 500,000.00              | Local Agency Investment Fund State Pool                     | 1.000 |                | 500,000.00           | 0.00              | 500,000.00           | 0.00        |
|                                 | <b>Subtotal</b> |            | <b>7,189,014.60</b>     |   |       |                | <b>7,189,014.60</b>  | <b>0.00</b>       | <b>7,189,014.60</b>  | <b>0.00</b> |
| <b>TOTAL DISPOSITIONS</b>       |                 |            | <b>10,062,230.90</b>    |   |       |                | <b>10,062,230.90</b> | <b>10,388.89</b>  | <b>10,072,619.79</b> | <b>0.00</b> |
| <b>OTHER TRANSACTIONS</b>       |                 |            |                         |   |       |                |                      |                   |                      |             |
| Interest                        | 10/15/2013      | 3133ECL93  | 2,000,000.00            | FFCB Callable Note Cont 7/15/13<br>0.32% Due 10/15/2015     | 0.000 |                | 3,200.00             | 0.00              | 3,200.00             | 0.00        |
|                                 | <b>Subtotal</b> |            | <b>2,000,000.00</b>     |   |       |                | <b>3,200.00</b>      | <b>0.00</b>       | <b>3,200.00</b>      | <b>0.00</b> |
| Dividend                        | 10/02/2013      | 94975H312  | 171,213.46              | Wells Fargo Advantage Treasury Plus MMF                     | 0.000 |                | 1.26                 | 0.00              | 1.26                 | 0.00        |
| Dividend                        | 10/15/2013      | 90LAIF\$00 | 1,057,656,425.82        | Local Agency Investment Fund State Pool                     | 0.000 |                | 22,505.57            | 0.00              | 22,505.57            | 0.00        |
|                                 | <b>Subtotal</b> |            | <b>1,057,827,639.28</b> |   |       |                | <b>22,506.83</b>     | <b>0.00</b>       | <b>22,506.83</b>     | <b>0.00</b> |
| Cash Capital Distribution       | 10/03/2013      | 525ESC2W8  | 0.00                    | Lehman Brothers ESCROW CUSIP -<br>Defaulted<br>Due 2/6/2014 | 0.000 |                | 144,343.59           | 0.00              | 144,343.59           | 0.00        |
| Cash Capital Distribution       | 10/03/2013      | 525ESCIB7  | 0.00                    | Lehman Brothers Note-Defaulted<br>Due 1/24/2014             | 0.000 |                | 144,671.01           | 0.00              | 144,671.01           | 0.00        |
|                                 | <b>Subtotal</b> |            | <b>0.00</b>             |   |       |                | <b>289,014.60</b>    | <b>0.00</b>       | <b>289,014.60</b>    | <b>0.00</b> |
| <b>TOTAL OTHER TRANSACTIONS</b> |                 |            | <b>1,059,827,639.28</b> |   |       |                | <b>314,721.43</b>    | <b>0.00</b>       | <b>314,721.43</b>    | <b>0.00</b> |



**Income Earned**

9/30/13 Thru 10/31/13

| CUSIP               | Security Description  | Trade Date<br>Settle Date<br>Units       | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Unreal G/L<br>Total Income       |
|---------------------|---|--|---|--|---|----------------------------------|
| <b>Fixed Income</b> |   |  |   |  |   |                                  |
| 313380A80           | FHLB<br>Callable Note Cont 11/16/12<br>1% Due 08/16/2017    | 07/19/2012<br>08/16/2012<br>2,000,000.00 | 2,000,000.00<br>0.00<br>0.00<br>2,000,000.00                                | 2,500.00<br>0.00<br>4,166.67<br>1,666.67                           | 0.00<br>0.00<br>0.00<br>1,666.67  | 0.00<br>0.00<br>0.00<br>1,666.67 |
| 313381RE7           | FHLB<br>Callable Note Qtrly 7/30/13<br>1% Due 01/30/2018    | 01/14/2013<br>01/30/2013<br>2,000,000.00 | 2,000,000.00<br>0.00<br>0.00<br>2,000,000.00                                | 3,388.89<br>0.00<br>5,055.56<br>1,666.67                           | 0.00<br>0.00<br>0.00<br>1,666.67  | 0.00<br>0.00<br>0.00<br>1,666.67 |
| 313381SP1           | FHLB<br>Callable Note Qtrly 7/30/13<br>1.05% Due 01/30/2018 | 01/04/2013<br>01/30/2013<br>2,000,000.00 | 2,000,000.00<br>0.00<br>0.00<br>2,000,000.00                                | 3,558.33<br>0.00<br>5,308.33<br>1,750.00                           | 0.00<br>0.00<br>0.00<br>1,750.00  | 0.00<br>0.00<br>0.00<br>1,750.00 |
| 313383HQ7           | FHLB<br>Callable Note 1X 6/24/14<br>1.2% Due 06/27/2018     | 05/30/2013<br>06/27/2013<br>3,000,000.00 | 3,000,000.00<br>0.00<br>0.00<br>3,000,000.00                                | 9,400.00<br>0.00<br>12,400.00<br>3,000.00                          | 0.00<br>0.00<br>0.00<br>3,000.00  | 0.00<br>0.00<br>0.00<br>3,000.00 |
| 313383J44           | FHLB<br>Callable Note 1X 6/26/15<br>0.75% Due 06/26/2018    | 05/30/2013<br>06/26/2013<br>2,000,000.00 | 2,000,000.00<br>0.00<br>0.00<br>2,000,000.00                                | 3,958.33<br>0.00<br>5,208.33<br>1,250.00                           | 0.00<br>0.00<br>0.00<br>1,250.00  | 0.00<br>0.00<br>0.00<br>1,250.00 |
| 3133ECL85           | FFCB<br>Callable Note Cont 7/15/13<br>0.29% Due 07/15/2015  | 04/29/2013<br>04/30/2013<br>2,000,000.00 | 1,998,500.00<br>0.00<br>0.00<br>1,998,500.00                                | 0.00<br>0.00<br>0.00<br>0.00                                       | 0.00<br>0.00<br>0.00<br>0.00  | 0.00<br>0.00<br>0.00<br>0.00     |
| 3133ECL93           | FFCB<br>Callable Note Cont 7/15/13<br>0.32% Due 10/15/2015  | 08/08/2013<br>08/08/2013<br>2,000,000.00 | 2,000,000.00<br>0.00<br>0.00<br>2,000,000.00                                | 2,951.11<br>3,200.00<br>284.44<br>533.33                           | 0.00<br>0.00<br>0.00<br>533.33  | 0.00<br>0.00<br>0.00<br>533.33   |
| 3133ECLB8           | FFCB<br>Callable Note Cont 7/12/13<br>0.45% Due 07/12/2016  | 04/29/2013<br>04/30/2013<br>2,000,000.00 | 1,999,500.00<br>0.00<br>0.00<br>1,999,500.00                                | 1,975.00<br>0.00<br>2,725.00<br>750.00                             | 0.00<br>0.00<br>0.00<br>750.00  | 0.00<br>0.00<br>0.00<br>750.00   |
| 3133ECPB4           | FFCB<br>Note<br>0.875% Due 05/14/2018                       | 05/17/2013<br>05/21/2013<br>1,000,000.00 | 997,810.00<br>0.00<br>0.00<br>997,810.00                                    | 3,329.86<br>0.00<br>4,059.03<br>729.17                             | 0.00<br>0.00<br>0.00<br>729.17  | 0.00<br>0.00<br>0.00<br>729.17   |
| 3133ECR55           | FFCB<br>Callable Note Cont 6/6/14<br>0.54% Due 06/06/2016   | 05/31/2013<br>06/06/2013<br>2,000,000.00 | 1,997,500.00<br>0.00<br>0.00<br>1,997,500.00                                | 3,450.00<br>0.00<br>4,350.00<br>900.00                             | 0.00<br>0.00<br>0.00<br>900.00  | 0.00<br>0.00<br>0.00<br>900.00   |



**Income Earned**

9/30/13 Thru 10/31/13

| CUSIP     | Security Description  | Trade Date<br>Settle Date<br>Units       | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Unreal G/L<br>Total Income       |
|-----------|---|--|---|--|---|----------------------------------|
| 3134G34Y3 | FHLMC<br>Callable Note Qtrly 5/14/13<br>1% Due 02/14/2018   | 01/24/2013<br>02/14/2013<br>3,000,000.00 | 2,998,500.00<br>0.00<br>0.00<br>2,998,500.00                                | 3,916.67<br>0.00<br>6,416.67<br>2,500.00                           | 0.00<br>0.00<br>0.00<br>2,500.00  | 0.00<br>0.00<br>0.00<br>2,500.00 |
| 3134G4A57 | FHLMC<br>Callable Note 1X 6/24/14<br>1.25% Due 06/27/2018   | 05/31/2013<br>06/27/2013<br>2,000,000.00 | 2,000,000.00<br>0.00<br>0.00<br>2,000,000.00                                | 6,527.78<br>0.00<br>8,611.11<br>2,083.33                           | 0.00<br>0.00<br>0.00<br>2,083.33  | 0.00<br>0.00<br>0.00<br>2,083.33 |
| 3135G0CM3 | FNMA<br>Note<br>1.25% Due 09/28/2016                        | 05/17/2013<br>05/20/2013<br>2,000,000.00 | 2,050,520.00<br>0.00<br>0.00<br>2,050,520.00                                | 208.33<br>0.00<br>2,291.67<br>2,083.34                             | 0.00<br>0.00<br>0.00<br>2,083.34  | 0.00<br>0.00<br>0.00<br>2,083.34 |
| 3135G0ES8 | FNMA<br>Note<br>1.375% Due 11/15/2016                       | 05/17/2013<br>05/20/2013<br>2,000,000.00 | 2,058,980.00<br>0.00<br>0.00<br>2,058,980.00                                | 10,388.89<br>0.00<br>12,680.56<br>2,291.67                         | 0.00<br>0.00<br>0.00<br>2,291.67  | 0.00<br>0.00<br>0.00<br>2,291.67 |
| 3135G0NR0 | FNMA<br>Callable Note Qtrly 8/28/13<br>1.1% Due 08/28/2017  | 08/09/2012<br>08/28/2012<br>2,000,000.00 | 2,000,000.00<br>0.00<br>0.00<br>2,000,000.00                                | 2,016.67<br>0.00<br>3,850.00<br>1,833.33                           | 0.00<br>0.00<br>0.00<br>1,833.33  | 0.00<br>0.00<br>0.00<br>1,833.33 |
| 3135G0TK9 | FNMA<br>Callable Note Qtrly 7/30/13<br>1.05% Due 01/30/2018 | 01/14/2013<br>01/30/2013<br>2,000,000.00 | 2,000,000.00<br>0.00<br>0.00<br>2,000,000.00                                | 3,558.33<br>0.00<br>5,308.33<br>1,750.00                           | 0.00<br>0.00<br>0.00<br>1,750.00  | 0.00<br>0.00<br>0.00<br>1,750.00 |
| 3135G0UD3 | FNMA<br>Callable Note Qtrly 2/14/14<br>1.01% Due 02/14/2018 | 01/24/2013<br>02/14/2013<br>2,000,000.00 | 2,000,000.00<br>0.00<br>0.00<br>2,000,000.00                                | 2,637.22<br>0.00<br>4,320.56<br>1,683.34                           | 0.00<br>0.00<br>0.00<br>1,683.34  | 0.00<br>0.00<br>0.00<br>1,683.34 |
| 3135G0WJ8 | FNMA<br>Note<br>0.875% Due 05/21/2018                       | 05/17/2013<br>05/21/2013<br>2,000,000.00 | 1,993,660.00<br>0.00<br>0.00<br>1,993,660.00                                | 6,319.44<br>0.00<br>7,777.78<br>1,458.34                           | 0.00<br>0.00<br>0.00<br>1,458.34  | 0.00<br>0.00<br>0.00<br>1,458.34 |
| 3136G1AZ2 | FNMA<br>Callable Note Qtrly 1/30/14<br>1% Due 01/30/2018    | 01/04/2013<br>01/30/2013<br>2,000,000.00 | 2,000,000.00<br>0.00<br>0.00<br>2,000,000.00                                | 3,388.89<br>0.00<br>5,055.56<br>1,666.67                           | 0.00<br>0.00<br>0.00<br>1,666.67  | 0.00<br>0.00<br>0.00<br>1,666.67 |
| 3136G1CJ6 | FNMA<br>Callable Note Qtrly 2/21/14<br>0.75% Due 02/21/2018 | 01/24/2013<br>02/21/2013<br>2,000,000.00 | 2,000,000.00<br>0.00<br>0.00<br>2,000,000.00                                | 1,666.67<br>0.00<br>2,916.67<br>1,250.00                           | 0.00<br>0.00<br>0.00<br>1,250.00  | 0.00<br>0.00<br>0.00<br>1,250.00 |
| 3136G1PD5 | FNMA<br>Callable Note Qtrly 7/10/14<br>Due 07/10/2018       | 06/20/2013<br>07/10/2013<br>0.00         | 2,000,000.00<br>0.00<br>2,000,000.00<br>0.00                                | 7,650.00<br>10,388.89<br>0.00<br>2,738.89                          | 0.00<br>0.00<br>0.00<br>2,738.89  | 0.00<br>0.00<br>0.00<br>2,738.89 |



**Income Earned**

9/30/13 Thru 10/31/13

| CUSIP                     | Security Description  | Trade Date<br>Settle Date<br>Units       | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Unreal G/L<br>Total Income |
|---------------------------|---|--|---|--|---|----------------------------|
| 525ESC2W8                 | Lehman Brothers<br>ESCROW CUSIP - Defaulted<br>Due 02/06/2014 | 04/17/2012<br>04/18/2012<br>2,500,000.00 | 450,000.00<br>0.00<br>144,343.59<br>450,000.00                              | 0.00<br>0.00<br>0.00<br>0.00                                       | 144,343.59<br>0.00<br>144,343.59<br>144,343.59                              | 0.00<br>144,343.59         |
| 525ESCIB7                 | Lehman Brothers<br>Note-Defaulted<br>Due 01/24/2014           | 04/17/2012<br>04/18/2012<br>2,500,000.00 | 450,000.00<br>0.00<br>144,671.01<br>450,000.00                              | 0.00<br>0.00<br>0.00<br>0.00                                       | 144,671.01<br>0.00<br>144,671.01<br>144,671.01                              | 0.00<br>144,671.01         |
| 68389XAN5                 | Oracle Corp<br>Note<br>1.2% Due 10/15/2017                    | 10/30/2013<br>10/31/2013<br>1,000,000.00 | 0.00<br>992,140.00<br>0.00<br>992,140.00                                    | 0.00<br>(533.33)<br>533.33<br>0.00                                 | 0.00<br>0.00<br>0.00<br>0.00  | 0.00<br>0.00               |
| 912828VC1                 | US Treasury<br>Note<br>0.25% Due 05/15/2016                   | 10/29/2013<br>10/30/2013<br>1,450,000.00 | 0.00<br>1,442,811.50<br>0.00<br>1,442,811.50                                | 0.00<br>(1,654.89)<br>1,674.59<br>19.70                            | 0.00<br>0.00<br>0.00<br>19.70   | 0.00<br>0.00<br>19.70      |
|                           |   |  | <b>43,994,970.00</b>  | <b>82,790.41</b>   | <b>289,014.60</b>   |                            |
|                           |   |  | <b>2,434,951.50</b>   | <b>11,400.67</b>   | <b>0.00</b>   |                            |
|                           |   |  | <b>2,289,014.60</b>   | <b>104,994.19</b>  | <b>289,014.60</b>   | <b>0.00</b>                |
| <b>TOTAL Fixed Income</b> |   | <b>48,450,000.00</b>                     | <b>44,429,921.50</b>  | <b>33,604.45</b>   | <b>322,619.05</b>   | <b>322,619.05</b>          |

**Cash & Equivalent**

|             |  |  |  |                                   |                                |                        |
|-------------|--|--|--|-----------------------------------|--------------------------------|------------------------|
| 36959HZA8   | General Electric Capital Corp<br>Discount CP<br>0.07% Due 12/10/2013 | 09/26/2013<br>09/26/2013<br>2,500,000.00 | 2,499,635.42<br>0.00<br>0.00<br>2,499,635.42                 | 24.31<br>0.00<br>175.00<br>150.69 | 0.00<br>0.00<br>0.00<br>150.69 | 0.00<br>0.00<br>150.69 |
| 89233GZA7   | Toyota Motor Credit<br>Discount CP<br>0.1% Due 12/10/2013            | 09/26/2013<br>09/26/2013<br>2,500,000.00 | 2,499,479.18<br>0.00<br>0.00<br>2,499,479.18                 | 34.72<br>0.00<br>249.99<br>215.27 | 0.00<br>0.00<br>0.00<br>215.27 | 0.00<br>0.00<br>215.27 |
| 90BASIS\$00 | Bank of America<br>Money Market Fund                                 | Various<br>Various<br>1,466,447.00       | (119,457.03)<br>1,466,447.00<br>(119,457.03)<br>1,466,447.00 | 0.00<br>0.00<br>0.00<br>0.00      | 0.00<br>0.00<br>0.00<br>0.00   | 0.00<br>0.00           |
| 90COCM\$00  | Summary of Cash Held in Trust<br>*See Details (Attached)             | Various<br>Various<br>6,085,598.00       | 5,974,880.52<br>110,717.48<br>0.00<br>6,085,598.00           | 0.00<br>0.00<br>0.00<br>0.00      | 0.00<br>0.00<br>0.00<br>0.00   | 0.00<br>0.00           |
| 90IMPR\$00  | City of Costa Mesa<br>Imprest Account Balance                        | 08/31/2013<br>08/31/2013<br>20,010.00    | 20,010.00<br>0.00<br>0.00<br>20,010.00                       | 0.00<br>0.00<br>0.00<br>0.00      | 0.00<br>0.00<br>0.00<br>0.00   | 0.00<br>0.00           |



**Income Earned**

9/30/13 Thru 10/31/13

| CUSIP                                     | Security Description                       | Trade Date<br>Settle Date<br>Units | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Unreal G/L<br>Total Income |
|---|--|------------------------------------|---|--|---|----------------------------|
| 94975H312                                 | Wells Fargo<br>Advantage Treasury Plus MMF |                                    | 171,213.46  | 0.00   | 0.00  |                            |
|   |  | Various                            | 1,147,152.96  | 1.26   | 0.00  |                            |
|   |  | Various                            | 1,281,687.93  | 0.00   | 0.00  | 0.00                       |
|   |  | 36,678.49                          | 36,678.49   | 1.26   | 1.26  | 1.26                       |
|   |  |                                    | <b>11,045,761.55</b>  | <b>59.03</b>   | <b>0.00</b>   |                            |
|   |  |                                    | <b>2,724,317.44</b>   | <b>1.26</b>  | <b>0.00</b>   |                            |
|   |  |                                    | <b>1,162,230.90</b>   | <b>424.99</b>  | <b>0.00</b>   | <b>0.00</b>                |
| <b>TOTAL Cash &amp; Equivalent</b>        |  | <b>12,608,733.49</b>               | <b>12,607,848.09</b>  | <b>367.22</b>  | <b>367.22</b>   | <b>367.22</b>              |
| <b>Local Agency Investment Fund</b>       |  |                                    |   |  |   |                            |
| 90LAIF\$00                                | Local Agency Investment Fund<br>State Pool |                                    | 29,317,949.22   | 7,398.29   | 0.00  |                            |
|   |  | Various                            | 22,505.57   | 22,506.57  | 0.00  |                            |
|   |  | Various                            | 6,900,000.00  | 6,045.76   | 0.00  | 0.00                       |
|   |  | 22,440,454.79                      | 22,440,454.79   | 21,154.04  | 21,154.04   | 21,154.04                  |
|   |  |                                    | <b>29,317,949.22</b>  | <b>7,398.29</b>  | <b>0.00</b>   |                            |
|   |  |                                    | <b>22,505.57</b>  | <b>22,506.57</b>   | <b>0.00</b>   |                            |
|   |  |                                    | <b>6,900,000.00</b>   | <b>6,045.76</b>  | <b>0.00</b>   | <b>0.00</b>                |
| <b>TOTAL Local Agency Investment Fund</b> |  | <b>22,440,454.79</b>               | <b>22,440,454.79</b>  | <b>21,154.04</b>   | <b>21,154.04</b>  | <b>21,154.04</b>           |
|   |  |                                    | <b>84,358,680.77</b>  | <b>90,247.73</b>   | <b>289,014.60</b>   |                            |
|   |  |                                    | <b>5,181,774.51</b>   | <b>33,908.50</b>   | <b>0.00</b>   |                            |
|   |  |                                    | <b>10,351,245.50</b>  | <b>111,464.94</b>  | <b>289,014.60</b>   | <b>0.00</b>                |
| <b>TOTAL PORTFOLIO</b>                    |  | <b>83,499,188.28</b>               | <b>79,478,224.38</b>  | <b>55,125.71</b>   | <b>344,140.31</b>   | <b>344,140.31</b>          |



### Cash Flow Report

From 10/31/2013

| Payment Date    | Transaction Type | CUSIP      | Quantity      | Security Description   | Principal Amount    | Income           | Total Amount        |
|-----------------|------------------|------------|---------------|--|---------------------|------------------|---------------------|
| 11/14/2013      | Interest         | 3133ECPB4  | 1,000,000.00  | FFCB Note<br>0.875% Due 5/14/2018                                  | 0.00                | 4,375.00         | 4,375.00            |
| 11/15/2013      | Interest         | 912828VC1  | 1,450,000.00  | US Treasury Note<br>0.25% Due 5/15/2016                            | 0.00                | 1,812.50         | 1,812.50            |
| 11/15/2013      | Interest         | 3135G0ES8  | 2,000,000.00  | FNMA Note<br>1.375% Due 11/15/2016                                 | 0.00                | 13,750.00        | 13,750.00           |
| 11/21/2013      | Interest         | 3135G0WJ8  | 2,000,000.00  | FNMA Note<br>0.875% Due 5/21/2018                                  | 0.00                | 8,750.00         | 8,750.00            |
| <b>Nov 2013</b> |                  |            |               |  | <b>0.00</b>         | <b>28,687.50</b> | <b>28,687.50</b>    |
| 12/06/2013      | Interest         | 3133ECR55  | 2,000,000.00  | FFCB Callable Note Cont 6/6/14<br>0.54% Due 6/6/2016               | 0.00                | 5,400.00         | 5,400.00            |
| 12/10/2013      | Maturity         | 89233GZA7  | 2,500,000.00  | Toyota Motor Credit Discount CP<br>0.1% Due 12/10/2013             | 2,499,479.18        | 520.82           | 2,500,000.00        |
| 12/10/2013      | Maturity         | 36959HZA8  | 2,500,000.00  | General Electric Capitial Corp Discount CP<br>0.07% Due 12/10/2013 | 2,499,635.42        | 364.58           | 2,500,000.00        |
| 12/26/2013      | Interest         | 313383J44  | 2,000,000.00  | FHLB Callable Note 1X 6/26/15<br>0.75% Due 6/26/2018               | 0.00                | 7,500.00         | 7,500.00            |
| 12/27/2013      | Interest         | 313383HQ7  | 3,000,000.00  | FHLB Callable Note 1X 6/24/14<br>1.2% Due 6/27/2018                | 0.00                | 18,000.00        | 18,000.00           |
| 12/27/2013      | Interest         | 3134G4A57  | 2,000,000.00  | FHLMC Callable Note 1X 6/24/14<br>1.25% Due 6/27/2018              | 0.00                | 12,500.00        | 12,500.00           |
| <b>Dec 2013</b> |                  |            |               |  | <b>4,999,114.60</b> | <b>44,285.40</b> | <b>5,043,400.00</b> |
| 01/12/2014      | Interest         | 3133ECLB8  | 2,000,000.00  | FFCB Callable Note Cont 7/12/13<br>0.45% Due 7/12/2016             | 0.00                | 4,500.00         | 4,500.00            |
| 01/15/2014      | Dividend         | 90LAIF\$00 | 22,940,454.79 | Local Agency Investment Fund State Pool                            | 0.00                | 5,176.56         | 5,176.56            |
| 01/30/2014      | Interest         | 3135G0TK9  | 2,000,000.00  | FNMA Callable Note Qtrly 7/30/13<br>1.05% Due 1/30/2018            | 0.00                | 10,500.00        | 10,500.00           |
| 01/30/2014      | Interest         | 313381RE7  | 2,000,000.00  | FHLB Callable Note Qtrly 7/30/13<br>1% Due 1/30/2018               | 0.00                | 10,000.00        | 10,000.00           |
| 01/30/2014      | Interest         | 313381SP1  | 2,000,000.00  | FHLB Callable Note Qtrly 7/30/13<br>1.05% Due 1/30/2018            | 0.00                | 10,500.00        | 10,500.00           |
| 01/30/2014      | Interest         | 3136G1AZ2  | 2,000,000.00  | FNMA Callable Note Qtrly 1/30/14<br>1% Due 1/30/2018               | 0.00                | 10,000.00        | 10,000.00           |
| <b>Jan 2014</b> |                  |            |               |  | <b>0.00</b>         | <b>50,676.56</b> | <b>50,676.56</b>    |
| 02/14/2014      | Interest         | 3134G34Y3  | 3,000,000.00  | FHLMC Callable Note Qtrly 5/14/13<br>1% Due 2/14/2018              | 0.00                | 15,000.00        | 15,000.00           |
| 02/14/2014      | Interest         | 3135G0UD3  | 2,000,000.00  | FNMA Callable Note Qtrly 2/14/14<br>1.01% Due 2/14/2018            | 0.00                | 10,100.00        | 10,100.00           |
| <b>Feb 2014</b> |                  |            |               |  | <b>0.00</b>         | <b>53,600.00</b> | <b>53,600.00</b>    |



### Cash Flow Report

From 10/31/2013

| Payment Date    | Transaction Type | CUSIP     | Quantity     | Security Description                                    | Principal Amount | Income           | Total Amount     |
|-----------------|------------------|-----------|--------------|---|------------------|------------------|------------------|
| 02/16/2014      | Interest         | 313380A80 | 2,000,000.00 | FHLB Callable Note Cont 11/16/12<br>1% Due 8/16/2017    | 0.00             | 10,000.00        | 10,000.00        |
| 02/21/2014      | Interest         | 3136G1CJ6 | 2,000,000.00 | FNMA Callable Note Qtrly 2/21/14<br>0.75% Due 2/21/2018 | 0.00             | 7,500.00         | 7,500.00         |
| 02/28/2014      | Interest         | 3135G0NR0 | 2,000,000.00 | FNMA Callable Note Qtrly 8/28/13<br>1.1% Due 8/28/2017  | 0.00             | 11,000.00        | 11,000.00        |
| <b>Feb 2014</b> |                  |           |              |   | <b>0.00</b>      | <b>53,600.00</b> | <b>53,600.00</b> |
| 03/28/2014      | Interest         | 3135G0CM3 | 2,000,000.00 | FNMA Note<br>1.25% Due 9/28/2016                        | 0.00             | 12,500.00        | 12,500.00        |
| <b>Mar 2014</b> |                  |           |              |   | <b>0.00</b>      | <b>12,500.00</b> | <b>12,500.00</b> |
| 04/15/2014      | Interest         | 3133ECL93 | 2,000,000.00 | FFCB Callable Note Cont 7/15/13<br>0.32% Due 10/15/2015 | 0.00             | 3,200.00         | 3,200.00         |
| 04/15/2014      | Interest         | 68389XAN5 | 1,000,000.00 | Oracle Corp Note<br>1.2% Due 10/15/2017                 | 0.00             | 6,000.00         | 6,000.00         |
| <b>Apr 2014</b> |                  |           |              |   | <b>0.00</b>      | <b>9,200.00</b>  | <b>9,200.00</b>  |
| 05/14/2014      | Interest         | 3133ECPB4 | 1,000,000.00 | FFCB Note<br>0.875% Due 5/14/2018                       | 0.00             | 4,375.00         | 4,375.00         |
| 05/15/2014      | Interest         | 3135G0ES8 | 2,000,000.00 | FNMA Note<br>1.375% Due 11/15/2016                      | 0.00             | 13,750.00        | 13,750.00        |
| 05/15/2014      | Interest         | 912828VC1 | 1,450,000.00 | US Treasury Note<br>0.25% Due 5/15/2016                 | 0.00             | 1,812.50         | 1,812.50         |
| 05/21/2014      | Interest         | 3135G0WJ8 | 2,000,000.00 | FNMA Note<br>0.875% Due 5/21/2018                       | 0.00             | 8,750.00         | 8,750.00         |
| <b>May 2014</b> |                  |           |              |   | <b>0.00</b>      | <b>28,687.50</b> | <b>28,687.50</b> |
| 06/06/2014      | Interest         | 3133ECR55 | 2,000,000.00 | FFCB Callable Note Cont 6/6/14<br>0.54% Due 6/6/2016    | 0.00             | 5,400.00         | 5,400.00         |
| 06/26/2014      | Interest         | 313383J44 | 2,000,000.00 | FHLB Callable Note 1X 6/26/15<br>0.75% Due 6/26/2018    | 0.00             | 7,500.00         | 7,500.00         |
| 06/27/2014      | Interest         | 313383HQ7 | 3,000,000.00 | FHLB Callable Note 1X 6/24/14<br>1.2% Due 6/27/2018     | 0.00             | 18,000.00        | 18,000.00        |
| 06/27/2014      | Interest         | 3134G4A57 | 2,000,000.00 | FHLMC Callable Note 1X 6/24/14<br>1.25% Due 6/27/2018   | 0.00             | 12,500.00        | 12,500.00        |
| <b>Jun 2014</b> |                  |           |              |   | <b>0.00</b>      | <b>43,400.00</b> | <b>43,400.00</b> |
| 07/12/2014      | Interest         | 3133ECLB8 | 2,000,000.00 | FFCB Callable Note Cont 7/12/13<br>0.45% Due 7/12/2016  | 0.00             | 4,500.00         | 4,500.00         |
| 07/30/2014      | Interest         | 313381SP1 | 2,000,000.00 | FHLB Callable Note Qtrly 7/30/13<br>1.05% Due 1/30/2018 | 0.00             | 10,500.00        | 10,500.00        |
| <b>Jul 2014</b> |                  |           |              |   | <b>0.00</b>      | <b>45,500.00</b> | <b>45,500.00</b> |





### Cash Flow Report

From 10/31/2013

| Payment Date    | Transaction Type | CUSIP     | Quantity     | Security Description                                    | Principal Amount    | Income            | Total Amount        |
|-----------------|------------------|-----------|--------------|---|---------------------|-------------------|---------------------|
| 07/30/2014      | Interest         | 313381RE7 | 2,000,000.00 | FHLB Callable Note Qtrly 7/30/13<br>1% Due 1/30/2018    | 0.00                | 10,000.00         | 10,000.00           |
| 07/30/2014      | Interest         | 3135G0TK9 | 2,000,000.00 | FNMA Callable Note Qtrly 7/30/13<br>1.05% Due 1/30/2018 | 0.00                | 10,500.00         | 10,500.00           |
| 07/30/2014      | Interest         | 3136G1AZ2 | 2,000,000.00 | FNMA Callable Note Qtrly 1/30/14<br>1% Due 1/30/2018    | 0.00                | 10,000.00         | 10,000.00           |
| <b>Jul 2014</b> |                  |           |              |   | <b>0.00</b>         | <b>45,500.00</b>  | <b>45,500.00</b>    |
| 08/14/2014      | Interest         | 3134G34Y3 | 3,000,000.00 | FHLMC Callable Note Qtrly 5/14/13<br>1% Due 2/14/2018   | 0.00                | 15,000.00         | 15,000.00           |
| 08/14/2014      | Interest         | 3135G0UD3 | 2,000,000.00 | FNMA Callable Note Qtrly 2/14/14<br>1.01% Due 2/14/2018 | 0.00                | 10,100.00         | 10,100.00           |
| 08/16/2014      | Interest         | 313380A80 | 2,000,000.00 | FHLB Callable Note Cont 11/16/12<br>1% Due 8/16/2017    | 0.00                | 10,000.00         | 10,000.00           |
| 08/21/2014      | Interest         | 3136G1CJ6 | 2,000,000.00 | FNMA Callable Note Qtrly 2/21/14<br>0.75% Due 2/21/2018 | 0.00                | 7,500.00          | 7,500.00            |
| 08/28/2014      | Interest         | 3135G0NR0 | 2,000,000.00 | FNMA Callable Note Qtrly 8/28/13<br>1.1% Due 8/28/2017  | 0.00                | 10,877.78         | 10,877.78           |
| <b>Aug 2014</b> |                  |           |              |   | <b>0.00</b>         | <b>53,477.78</b>  | <b>53,477.78</b>    |
| 09/28/2014      | Interest         | 3135G0CM3 | 2,000,000.00 | FNMA Note<br>1.25% Due 9/28/2016                        | 0.00                | 12,500.00         | 12,500.00           |
| <b>Sep 2014</b> |                  |           |              |   | <b>0.00</b>         | <b>12,500.00</b>  | <b>12,500.00</b>    |
| 10/15/2014      | Interest         | 3133ECL93 | 2,000,000.00 | FFCB Callable Note Cont 7/15/13<br>0.32% Due 10/15/2015 | 0.00                | 3,200.00          | 3,200.00            |
| 10/15/2014      | Interest         | 68389XAN5 | 1,000,000.00 | Oracle Corp Note<br>1.2% Due 10/15/2017                 | 0.00                | 6,000.00          | 6,000.00            |
| <b>Oct 2014</b> |                  |           |              |   | <b>0.00</b>         | <b>9,200.00</b>   | <b>9,200.00</b>     |
| <b>Total</b>    |                  |           |              |   | <b>4,999,114.60</b> | <b>391,714.74</b> | <b>5,390,829.34</b> |

**CITY OF COSTA MESA**  
**SUMMARY OF CASH HELD IN TRUST**  
**AS OF OCTOBER 31, 2013**

**Costa Mesa PFA Refunding Certificates of Participation, 2003 (Public Facilities Project)**

Trustee: The Bank of New York Trust Company, N.A.

| Fund               | Investment Type            | Issuer                                 | Maturity Date | Cost                   | Par                 | Market Value        | Rate  |
|--------------------|----------------------------|--|---------------|------------------------|---------------------|---------------------|-------|
| Lease Payment Fund | U.S. Govt. Obligation Fund | Wells Fargo Treasury Plus Money Market | Open          | \$ -                   | -                   | -                   | -     |
| Reserve Fund       | U.S. Govt. Obligation Fund | Wells Fargo Treasury Plus Money Market | Open          | 1,273,250.35           | 1,273,250.35        | 1,273,250.35        | 0.010 |
|                    | Ending Balances            |  |               | <u>\$ 1,273,250.35</u> | <u>1,273,250.35</u> | <u>1,273,250.35</u> |       |

**Costa Mesa PFA Revenue Refunding Bonds Series 2006A**

Trustee: U. S. Bank Corporate Trust Services

| Fund                            | Investment Type             | Issuer               | Maturity Date | Cost                   | Par                 | Market Value        | Rate |
|---------------------------------|-----------------------------|----------------------|---------------|------------------------|---------------------|---------------------|------|
| Escrow Acct/Capital Improvement | Treasury Obligations Fund   | First American Funds | Open          | \$ -                   | -                   | -                   | -    |
| Capital Improvement Fund        | Treasury Obligations Fund   | First American Funds | Open          | 159,857.29             | 159,857.29          | 159,857.29          | -    |
| Local Obligation                | Note Secured by Real Estate | City of Costa Mesa   | 08/01/2021    | 1,385,000.00           | 1,385,000.00        | 1,385,000.00        | 8.30 |
| Revenue Fund                    | Treasury Obligations Fund   | First American Funds | Open          | -                      | -                   | -                   | -    |
| Reserve Fund                    | Treasury Obligations Fund   | First American Funds | Open          | 224,755.00             | 224,755.00          | 224,755.00          | -    |
| Expense Fund                    | Treasury Obligations Fund   | First American Funds | Open          | 4,987.34               | 4,987.34            | 4,987.34            | -    |
| Surplus Fund                    | Treasury Obligations Fund   | First American Funds | Open          | 138,116.81             | 138,116.81          | 138,116.81          | -    |
|                                 | Ending Balances             |                      |               | <u>\$ 1,912,716.44</u> | <u>1,912,716.44</u> | <u>1,912,716.44</u> |      |

**Costa Mesa PFA Certificates of Participation, 2007 (Police Facility Expansion & Renovation Project)**

Trustee: The Bank of New York Mellon Trust Company, N.A.

| Fund               | Investment Type            | Issuer                                 | Maturity Date | Cost                   | Par                 | Market Value        | Rate |
|--------------------|----------------------------|--|---------------|------------------------|---------------------|---------------------|------|
| Lease Payment Fund | U.S. Govt. Obligation Fund | Wells Fargo Treasury Plus Money Market | Open          | \$ -                   | -                   | -                   | -    |
| Reserve Fund       | U.S. Govt. Obligation Fund | Wells Fargo Treasury Plus Money Market | Open          | 2,297,204.39           | 2,297,204.39        | 2,297,204.39        | -    |
| Project Fund       | U.S. Govt. Obligation Fund | Wells Fargo Treasury Plus Money Market | Open          | -                      | -                   | -                   | -    |
|                    | Ending Balances            |  |               | <u>\$ 2,297,204.39</u> | <u>2,297,204.39</u> | <u>2,297,204.39</u> |      |

**City of Costa Mesa Workers Compensation Account**

Trustee: Admisure

| Fund                 | Investment Type  | Issuer          | Maturity Date | Cost                 | Par               | Market Value      | Rate |
|----------------------|------------------|-----------------|---------------|----------------------|-------------------|-------------------|------|
| Workers Compensation | Checking Account | Bank of America | Open          | \$ 150,000.00        | 150,000.00        | 150,000.00        | -    |
|                      | Ending Balances  |                 |               | <u>\$ 150,000.00</u> | <u>150,000.00</u> | <u>150,000.00</u> |      |

**800 MHz Quarterly Reserve Fund**

Trustee: Orange County Investment Pool

| Fund                          | Investment Type   | Issuer                        | Maturity Date | Cost                 | Par               | Market Value      | Rate |
|-------------------------------|-------------------|-------------------------------|---------------|----------------------|-------------------|-------------------|------|
| Reserve Fund                  | Money Market Fund | Orange County Investment Pool | Open          | \$ 8,040.88          | 8,040.88          | 8,040.88          | (1)  |
| Cost Sharing                  |                   |                               |               |                      |                   |                   |      |
| Infrastructure/Sustainability | Money Market Fund | Orange County Investment Pool | Open          | 171,374.01           | 171,374.01        | 171,374.01        |      |
|                               | Ending Balances   |                               |               | <u>\$ 179,414.89</u> | <u>179,414.89</u> | <u>179,414.89</u> |      |

**R J Noble/Harbor Blvd Rehab Project (Baker St to South Coast Dr)**

Trustee: Bank of Sacramento

| Fund           | Investment Type | Issuer             | Maturity Date | Cost                | Par              | Market Value     | Rate |
|----------------|-----------------|--------------------|---------------|---------------------|------------------|------------------|------|
| Escrow Account | Savings Account | Bank of Sacramento | Open          | 41,852.23           | 41,852.23        | 41,852.23        | (1)  |
|                | Ending Balances |                    |               | <u>\$ 41,852.23</u> | <u>41,852.23</u> | <u>41,852.23</u> |      |

**All American Asphalt**

Trustee: Community Bank

| Fund           | Investment Type | Issuer         | Maturity Date | Cost                 | Par               | Market Value      | Rate |
|----------------|-----------------|----------------|---------------|----------------------|-------------------|-------------------|------|
| Escrow Account | Savings Account | Community Bank | Open          | 125,347.71           | 125,347.71        | 125,347.71        | (1)  |
|                | Ending Balances |                |               | <u>\$ 125,347.71</u> | <u>125,347.71</u> | <u>125,347.71</u> |      |

**All American Asphalt**

Trustee: Bank of Sacramento

| Fund           | Investment Type | Issuer             | Maturity Date | Cost                | Par              | Market Value     | Rate |
|----------------|-----------------|--------------------|---------------|---------------------|------------------|------------------|------|
| Escrow Account | Savings Account | Bank of Sacramento | Open          | 83,006.34           | 83,006.34        | 83,006.34        | (1)  |
|                | Ending Balances |                    |               | <u>\$ 83,006.34</u> | <u>83,006.34</u> | <u>83,006.34</u> |      |

**R J Noble/Street Rehabilitation Project**

Trustee: Bank of Sacramento

| Fund           | Investment Type | Issuer             | Maturity Date | Cost                | Par              | Market Value     | Rate |
|----------------|-----------------|--------------------|---------------|---------------------|------------------|------------------|------|
| Escrow Account | Savings Account | Bank of Sacramento | Open          | 13,802.03           | 13,802.03        | 13,802.03        | (1)  |
|                | Ending Balances |                    |               | <u>\$ 13,802.03</u> | <u>13,802.03</u> | <u>13,802.03</u> |      |

**R J Noble Co/Rehabilitation of Arterial Streets**

Trustee: Bank of Sacramento

| Fund           | Investment Type | Issuer             | Maturity Date | Cost               | Par             | Market Value    | Rate |
|----------------|-----------------|--------------------|---------------|--------------------|-----------------|-----------------|------|
| Escrow Account | Savings Account | Bank of Sacramento | Open          | 9,003.62           | 9,003.62        | 9,003.62        | (1)  |
|                | Ending Balances |                    |               | <u>\$ 9,003.62</u> | <u>9,003.62</u> | <u>9,003.62</u> |      |

**GRAND TOTALS**

\$ 6,085,598.00    \$ 6,085,598.00    \$ 6,085,598.00

Market Values provided by U.S. Bank Corporate Trust Services, The Bank of New York Mellon Trust Company, N.A., Premier Commercial Bank, Community Bank, Bank of Sacramento, Orange County Investment Pool

(1) Monthly rates/balances are not available. Balances are as of October 31, 2013.