



CHANDLER ASSET MANAGEMENT

Mendocino County Annual Investment Report

For the Period
July 1, 2016 to June 30, 2017



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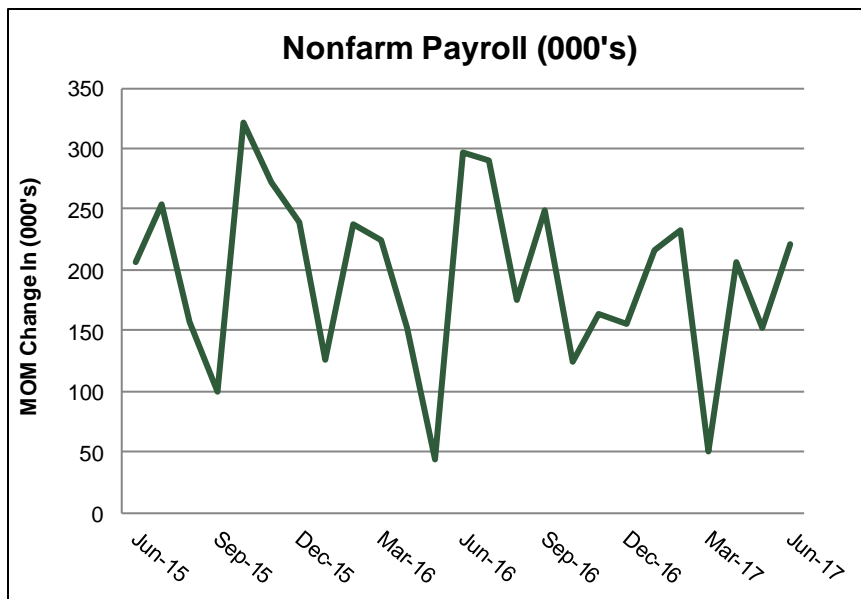
Portfolio Holdings

SECTION 1

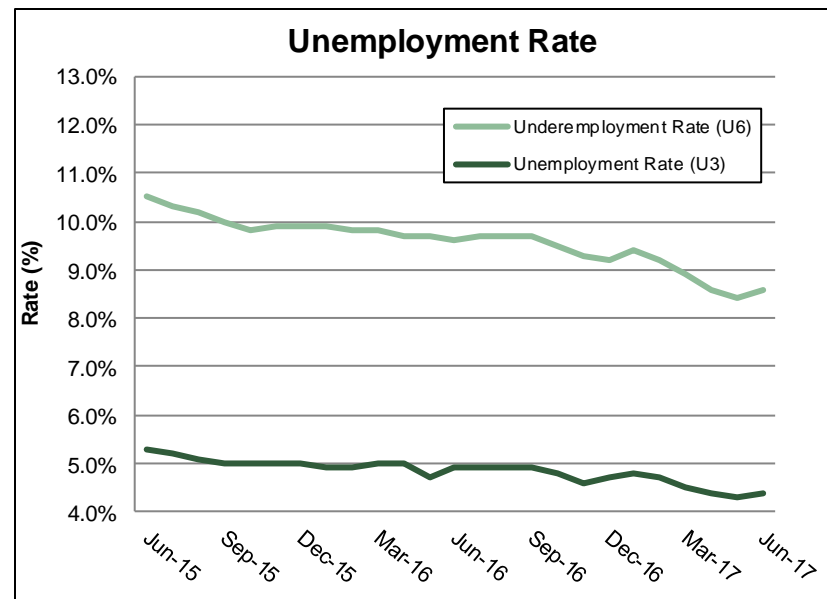
Economic Update



- As expected, the Federal Open Market Committee (FOMC) left the fed funds target rate unchanged at a range of 1.00%-1.25% at the July 26 meeting. The FOMC did not update their economic projections or host a press conference in conjunction with the meeting. The language of the Fed's policy statement suggests that they could begin tapering the amount of their balance sheet reinvestments in September. The statement specifically says that they plan to begin implementing their balance sheet normalization program "relatively soon". Inflation is expected to remain below the Fed's target in the near-term, but the FOMC expects inflation to stabilize over the medium term.
- Domestic economic data remains indicative of slow growth. The economy is likely at or near full employment, consumer confidence is strong, manufacturing indicators are indicative of modest expansion, and housing trends remain favorable. Looking ahead, a potential boost in fiscal stimulus could provide a further tailwind to economic growth. GDP grew by 2.6% in the second quarter, following growth of 1.2% in the first quarter. We expect modest economic growth of about 2.0%-2.5% for the full year 2017.
- Treasury yields increased modestly in June, led by the 5-year note. The 2-year and 10-year Treasury yields both increased by ten basis points month-over-month, while the 5-year Treasury yield increased 14 basis points. The move higher in domestic yields occurred late in the month, coinciding with hawkish comments from ECB President Draghi. His comments also provided a catalyst for sovereign yields in Germany and Japan to move higher. On a year-over-year basis, Treasury yields have increased meaningfully, with the 2-year Treasury yield up 80 basis points and the 10-year Treasury yield up 83 basis points. The Federal Reserve has raised the fed funds target rate by 25 basis points three times in the past year.

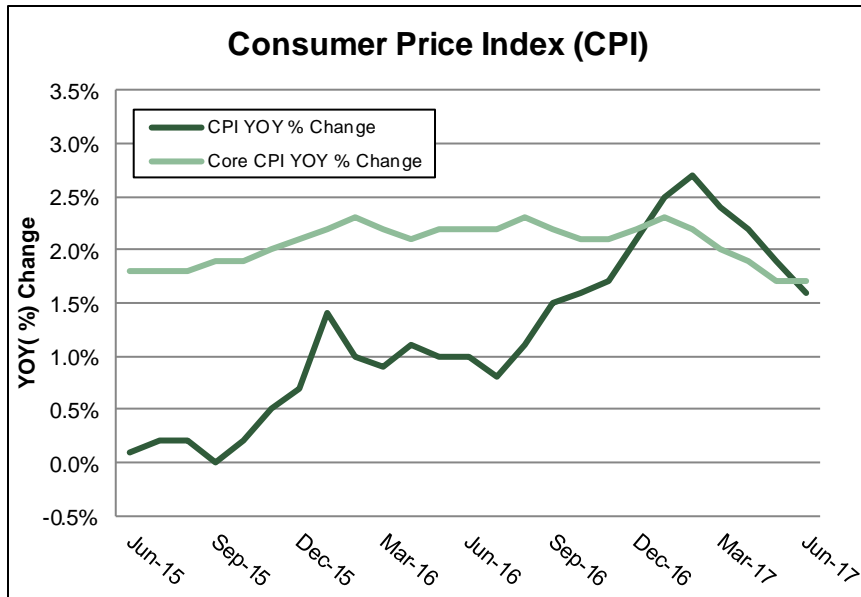


Source: US Department of Labor

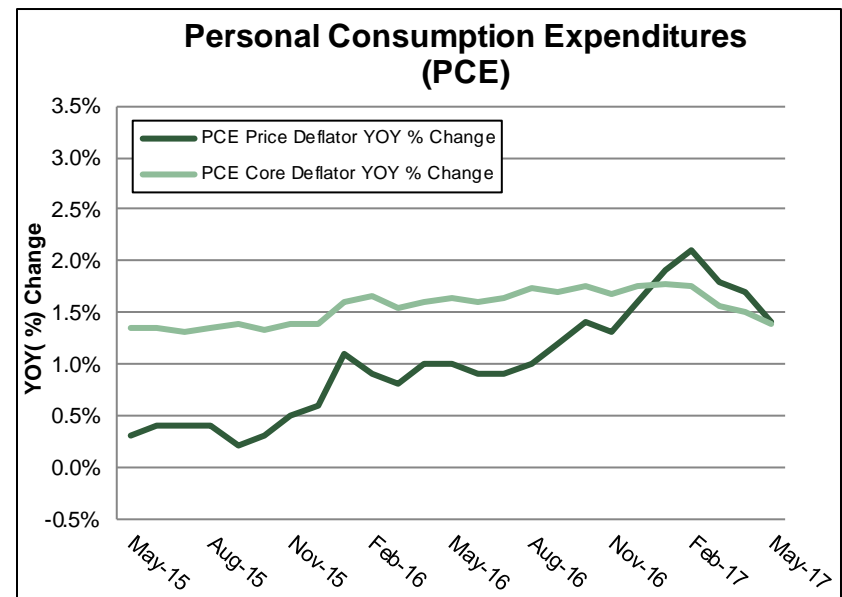


Source: US Department of Labor

Job growth was stronger than expected in June but wages remained lackluster. Nonfarm payrolls increased by 222,000 versus the consensus forecast of 178,000. In addition, April and May payrolls were revised up by 47,000 in total. The average increase in monthly payrolls was 194,000 during the second quarter, up from 166,000 per month during the first quarter. The unemployment rate ticked up to 4.4% in June from 4.3% in May, but the labor participation rate also edged up to 62.8% from 62.7%. A broader measure of unemployment called the U-6, which includes those who are marginally attached to the labor force and employed part time for economic reasons, increased to 8.6% in June from 8.4% in May, however this compares to 9.6% in June 2016. Wage growth rose just 0.2% in June, following a downwardly revised gain of 0.1% in May. On a year-over-year basis, wages were up 2.5% in June, versus 2.4% in May.

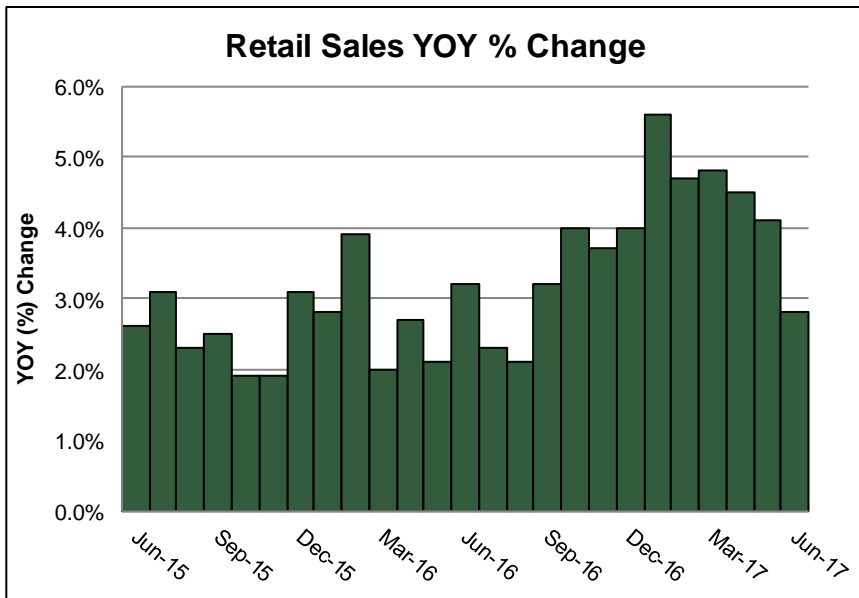


Source: US Department of Labor



Source: US Department of Labor

The Consumer Price Index (CPI) was up 1.6% year-over-year in June, versus up 1.9% year-over-year in May. Core CPI (CPI less food and energy) was up just 1.7% year-over-year in June. The Personal Consumption Expenditures (PCE) index was up 1.4% year-over-year in May, versus up 1.7% year-over-year in April. Core PCE (excluding food and energy) was also up just 1.4% year-over-year in May, versus up 1.5% year-over-year in April. Core CPI has fallen back below the Fed's 2.0% target, and the Fed's primary inflation gauge (PCE) also remains below the target.



Source: US Department of Commerce

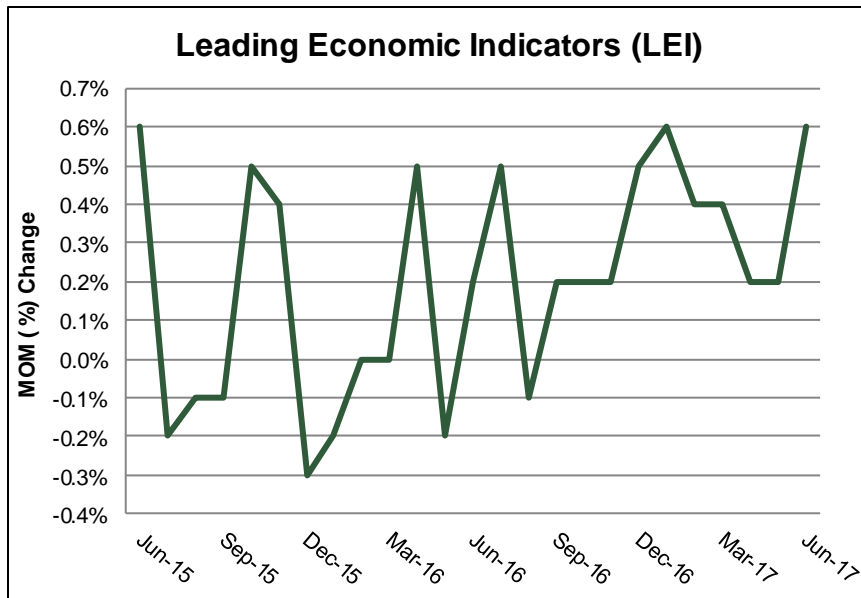


Source: Federal Reserve

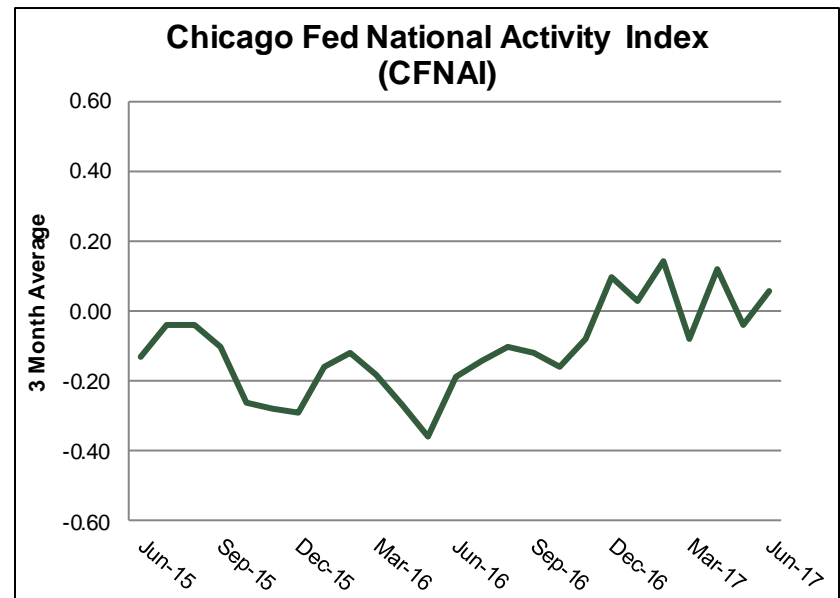
On a year-over-year basis, total retail sales were up 2.8% in June compared with a 4.1% increase in May. On a month-over-month basis, retail sales declined 0.2% in June, below expectations for a 0.1% increase, following a 0.1% decrease in May. Excluding autos and gas, retail sales were down 0.1% in June. Overall, consumer spending trends remain soft. However, the consumer confidence index remained strong in July at 121.1 versus 117.3 in June.



Economic Activity

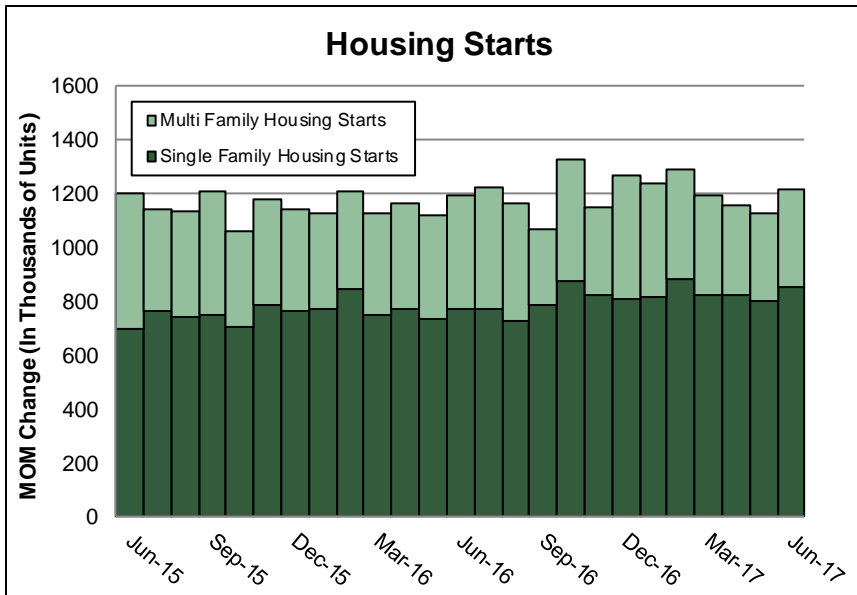


Source: The Conference Board

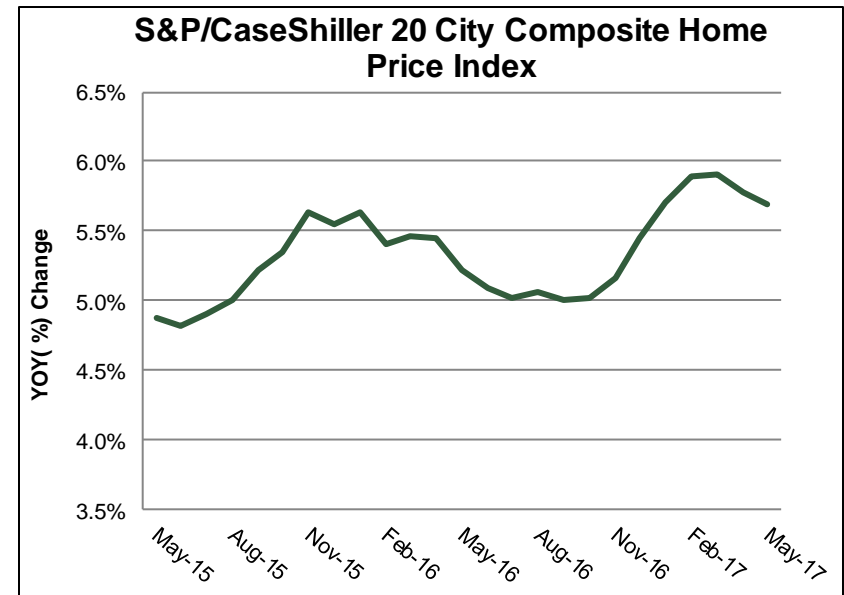


Source: Federal Reserve Bank of Chicago

The Index of Leading Economic Indicators (LEI) rose 0.6% in June, exceeding expectations, following a 0.2% increase in May. The increase in the LEI suggests economic growth may improve moderately through year-end. Meanwhile, the Chicago Fed National Activity Index (CFNAI) increased to 0.06 in June on a 3-month moving average basis from -0.04 in May. The CFNAI points to modest growth ahead.

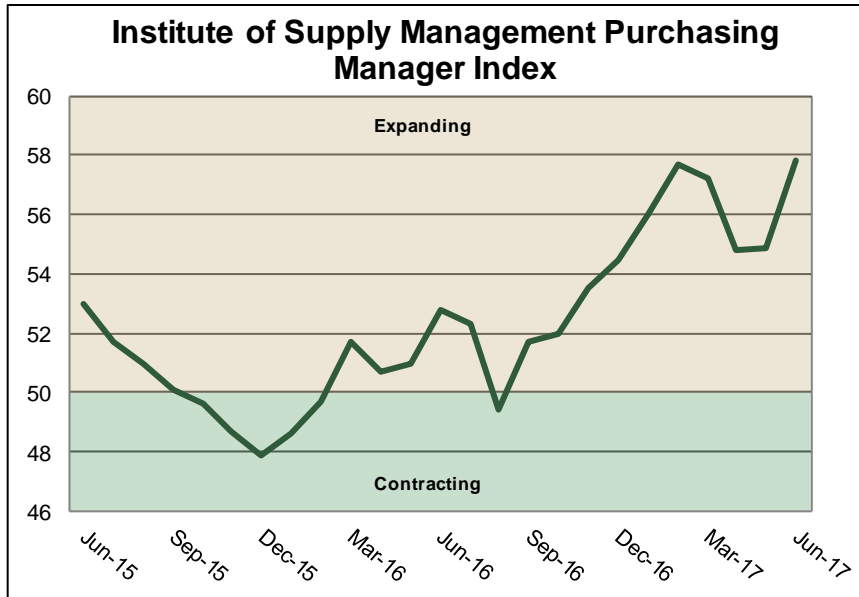


Source: US Census Bureau

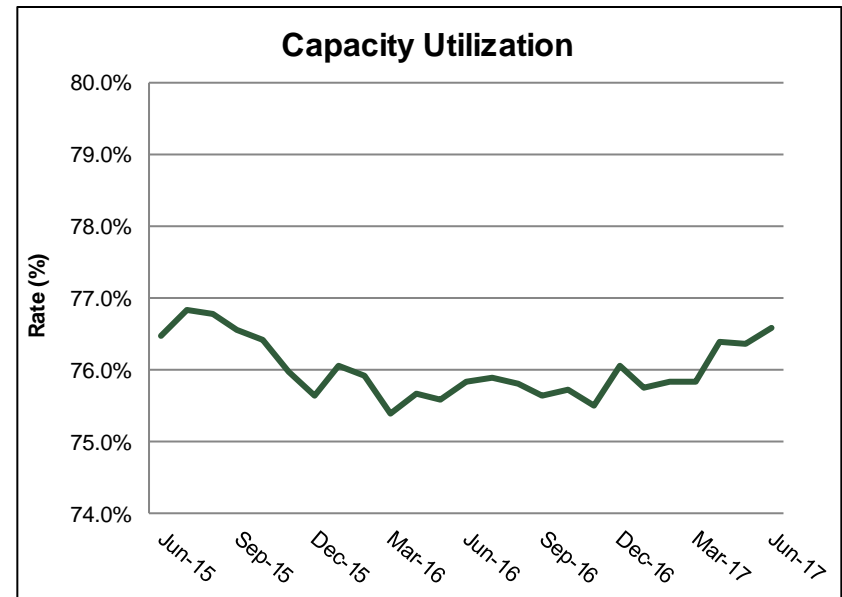


Source: S&P

Total housing starts increased 8.3% in June, following a 2.8% decrease in May, exceeding expectations. Single-family starts increased 6.3% in June, and multi-family starts increased 13.3%. Permits were also stronger than expected in June, up 7.4%. According to the Case-Shiller 20-City home price index, home prices were up 5.7% year-over-year in May, versus up 5.8% year-over-year in April.



Source: Institute for Supply Management



Source: Federal Reserve

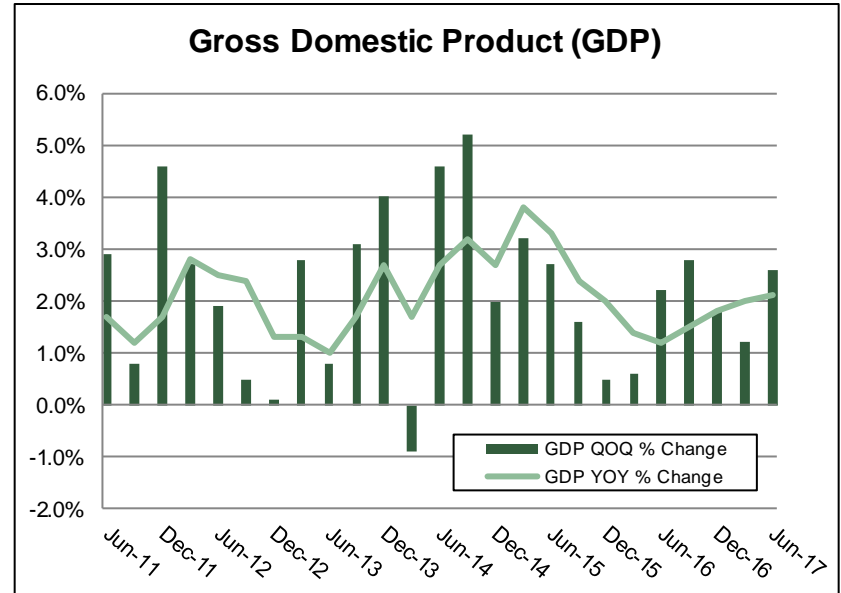
The Institute for Supply Management (ISM) manufacturing index increased to 57.8 in June from 54.9 in May, suggesting that manufacturing activity is accelerating. The report was stronger than expected. Notably, a reading above 50.0 suggests the manufacturing sector is expanding. However, capacity utilization, which is production divided by capacity, increased to 76.6% in June from a downwardly-revised 76.4% in May. The capacity utilization rate remains below the long-run average of 79.9% (1972-2016), suggesting there is still excess capacity in the industrial sector.



Gross Domestic Product (GDP)

Components of GDP	9/16	12/16	3/17	6/17
Personal Consumption Expenditures	1.9%	2.0%	1.3%	1.9%
Gross Private Domestic Investment	0.4%	1.3%	-0.2%	0.3%
Net Exports and Imports	0.4%	-1.6%	0.2%	0.2%
Federal Government Expenditures	0.1%	0.0%	-0.2%	0.2%
State and Local (Consumption and Gross Investment)	0.0%	0.1%	0.1%	0.0%
Total	2.8%	1.8%	1.2%	2.6%

Source: US Department of Commerce

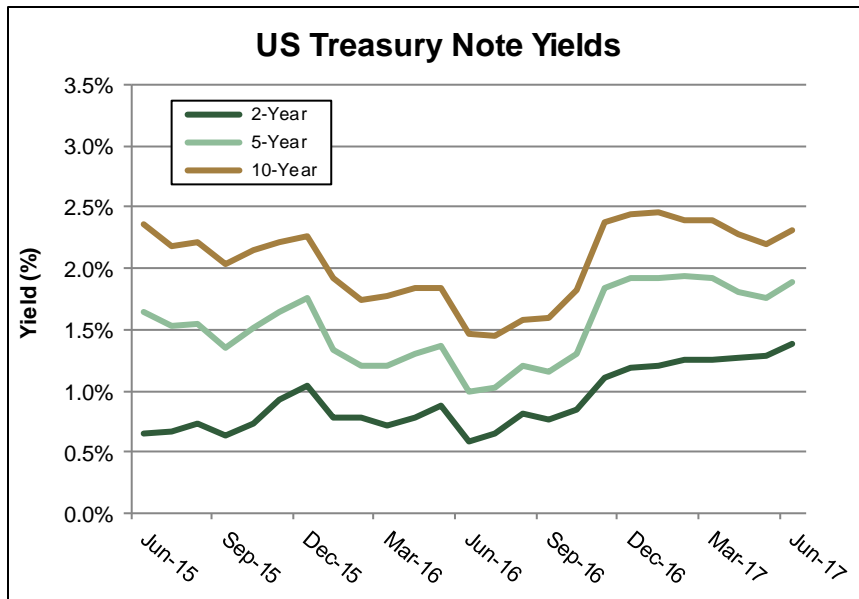


Source: US Department of Commerce

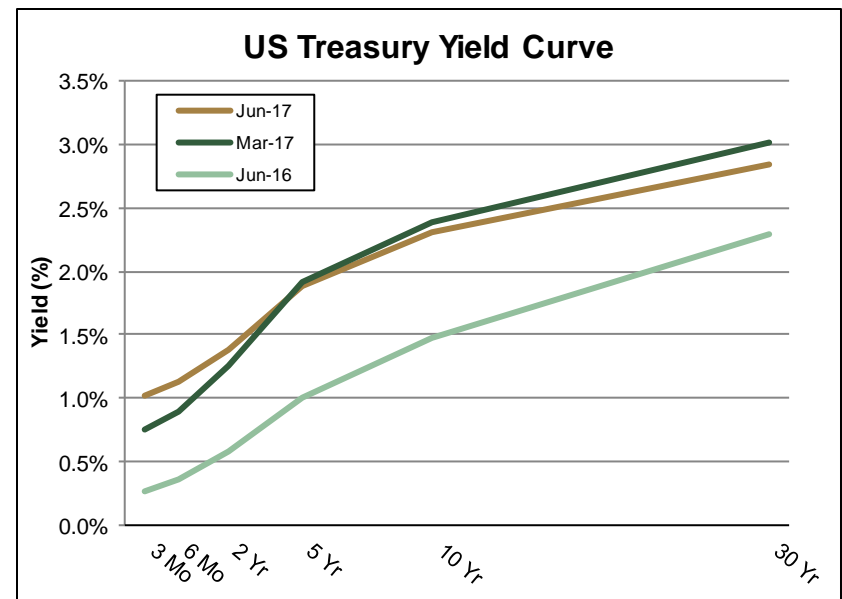
Second quarter GDP grew at an annualized pace of 2.6%, according to the advance estimate, following growth of 1.2% in the first quarter. Second quarter growth was in line with expectations but first quarter growth was revised down from 1.4%. Overall, second quarter economic growth was healthy, driven by consumer spending and business investment. The consensus forecast currently calls for GDP growth of about 2.5% in the third quarter.



Bond Yields



Source: Bloomberg



Source: Bloomberg

Over the past three months the yield curve flattened. The spread between 2-year and 10-year Treasury yields narrowed to 92 basis points as of June 30, compared to 114 basis points on March 31. In the three months ending in June, the 2-year Treasury yield increased nearly 13 basis points while the 10-year Treasury yield decreased eight basis points. Immediately following the US Presidential election last fall, the Treasury yield curve steepened meaningfully, driven by heightened expectations for fiscal stimulus and economic growth under the Trump administration. However, as the post-election exuberance started to wane earlier this year, the yield curve flattened. Since the election, the 2-year Treasury yield is up about 60 basis points and the 10-year Treasury yield is up about 50 basis points.

SECTION 2

Portfolio Characteristics

Investment Objectives

The investment objectives of the County of Mendocino are first, to preserve principal in the overall portfolio; second, to provide liquidity; and third, to earn a market rate of return.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve these objectives, the portfolio invests in high quality fixed income securities consistent with the investment policy and California Government Code.



County of Mendocino Consolidated

June 30, 2017

COMPLIANCE WITH INVESTMENT POLICY

This portfolio is a consolidation of assets managed by Chandler Asset Management and assets managed internally by Client. Chandler relies on Client to provide accurate information for reporting assets and producing this compliance statement.

Category	Standard	Comment
Municipal Issues	"A" rated or higher by a NRSRO; 5% per issuer	Complies
Treasury Issues	No limitation	Complies
Agency Issues	25% per issuer	Complies
Supranationals	"AA" rated or higher by two NRSROs; 30% maximum; 5% per issuer; Issued by: IBRD, IFC, IADB	Complies
Banker's Acceptances	"A-1" or higher short term ratings by two NRSROs; and "A" or higher long term debt by two NRSROs; 40% maximum; 5% per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" or higher short term ratings by two NRSROs; and "A" or higher long term debt by two NRSROs; 40% maximum; 5% per issuer; 270 days max maturity	Complies
Negotiable Certificates of Deposit	"A" or higher long term ratings by two NRSROs; and/or "A-1" or higher short term ratings by two NRSROs; 30% maximum (includes CDARS); 5% per issuer	Complies
Corporate Medium Term Notes	30% max; 5% per issuer; "A" rated or better by two NRSROs; Issued by corporations organized and operating within U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S.	Complies
Mutual Funds and Money Market Mutual Funds	20% max; Rated "AAA" by two NRSROs or SEC registered adviser with AUM >\$500 million; Non-MMF Mutual Funds have a 10% max per fund.	Complies
FDIC insured Time Deposits/ Certificates of Deposit	Amount per institution limited to the max covered under FDIC; 20% maximum (combination of FDIC insured and collateralized TDs/ CDs); 5% per issuer	Complies
Collateralized Time Deposits/ Certificates of Deposit	20% maximum (combination of FDIC insured and collateralized TDs/ CDs); 5% per issuer	Complies
Asset Backed Securities (ABS) and Mortgage Pass Throughs (MPTs)	"AA" rated or better by two NRSROs; "A" rated or higher for the issuer's debt by two NRSROs; 20% maximum; 5% per issuer in Asset Backed or Commercial Mortgage security. No issuer limitation on any Mortgage security where the issuer is U.S. Treasury or Federal agency/GSE	Complies
Local Agency Investment Fund/ Local Government Investment Pools	Program limitation	Complies
Repurchase Agreements	No limitation; 1-year maximum maturity; 102% collateralized	Complies
Prohibited Securities and activities	Reverse repurchase agreements; CMOs; security lending; futures and options; inverse floaters; ranges notes; interest-only strips from mortgaged backed securities; zero interest accrual securities	Complies
Maximum Callables	20% max of callable securities (does not include "make whole call")	Complies
Maximum Issuer	5% max (except US Government, its agencies and enterprises)	Complies
Maximum maturity	5 years maximum maturity	Complies



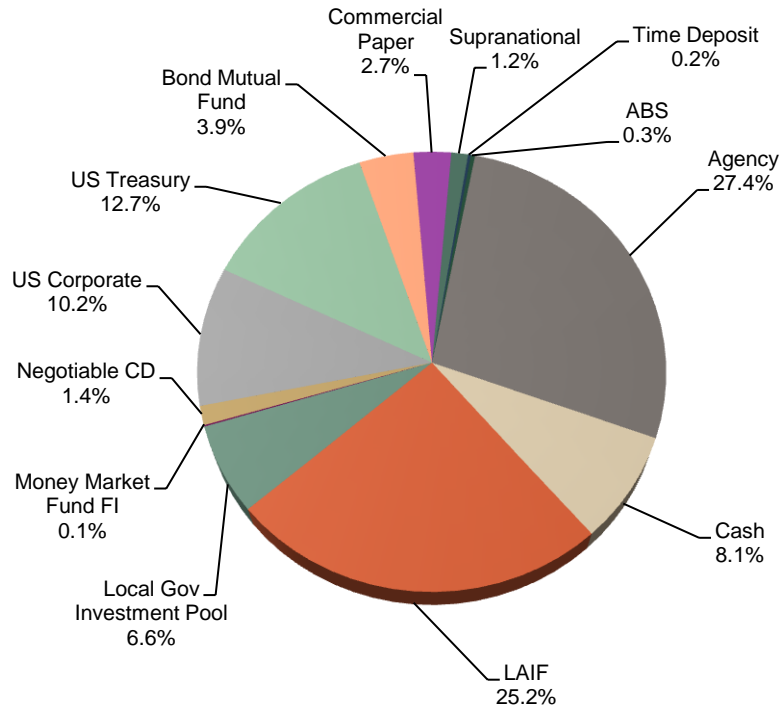
Mendocino County Consolidated

	6/30/2017	6/30/2016
	Portfolio	Portfolio
Average Maturity (yrs)	1.05	1.10
Modified Duration	1.01	1.05
Average Purchase Yield	1.11%	0.81%
Average Market Yield	1.16%	0.62%
Average Quality	AA+/Aa1	AA+/Aa1
Contributions/Withdrawals		
Total Market Value	258,097,430	240,587,601

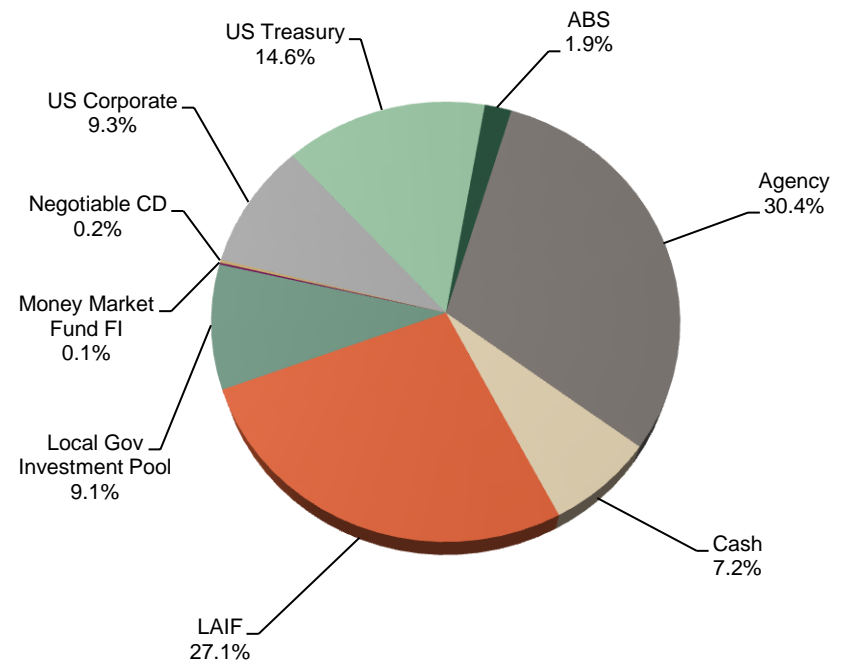


Mendocino County Consolidated

June 30, 2017



June 30, 2016



Mendocino County Consolidated – Account #70006

As of 6/30/2017

Issue Name	Investment Type	% Portfolio
Local Agency Investment Fund	LAIF	25.24%
Government of United States	US Treasury	12.71%
Federal Home Loan Bank	Agency	9.11%
Federal National Mortgage Association	Agency	8.88%
Custodial Checking Account	Cash	7.78%
Federal Home Loan Mortgage Corp	Agency	6.85%
CAMP	Local Gov Investment Pool	6.59%
GovPartners Ultra Short Prime Fund	Bond Mutual Fund	3.87%
Federal Farm Credit Bank	Agency	2.58%
Microsoft	US Corporate	0.78%
Toronto Dominion Holdings	Negotiable CD	0.72%
Apple Inc	US Corporate	0.72%
Honda Motor Corporation	US Corporate	0.71%
Intel Corp	US Corporate	0.70%
Cisco Systems	US Corporate	0.70%
Intl Bank Recon and Development	Supranational	0.68%
Bank of Tokyo-Mit UFJ	Commercial Paper	0.68%
General Electric Co	Commercial Paper	0.68%
Toyota Motor Corp	Commercial Paper	0.68%
Rabobank Nederland NV NY	Commercial Paper	0.68%
Qualcomm Inc	US Corporate	0.67%
Paccar Financial	US Corporate	0.66%
Costco Wholesale Corporation	US Corporate	0.66%
Bank of New York	US Corporate	0.65%
Deere & Company	US Corporate	0.65%
Bank of Nova Scotia Houston	Negotiable CD	0.64%
Wells Fargo Corp	US Corporate	0.62%
Berkshire Hathaway	US Corporate	0.59%
IBM Corp	US Corporate	0.58%
Oracle Corp	US Corporate	0.54%

Mendocino County Consolidated – Account #70006

As of 6/30/2017

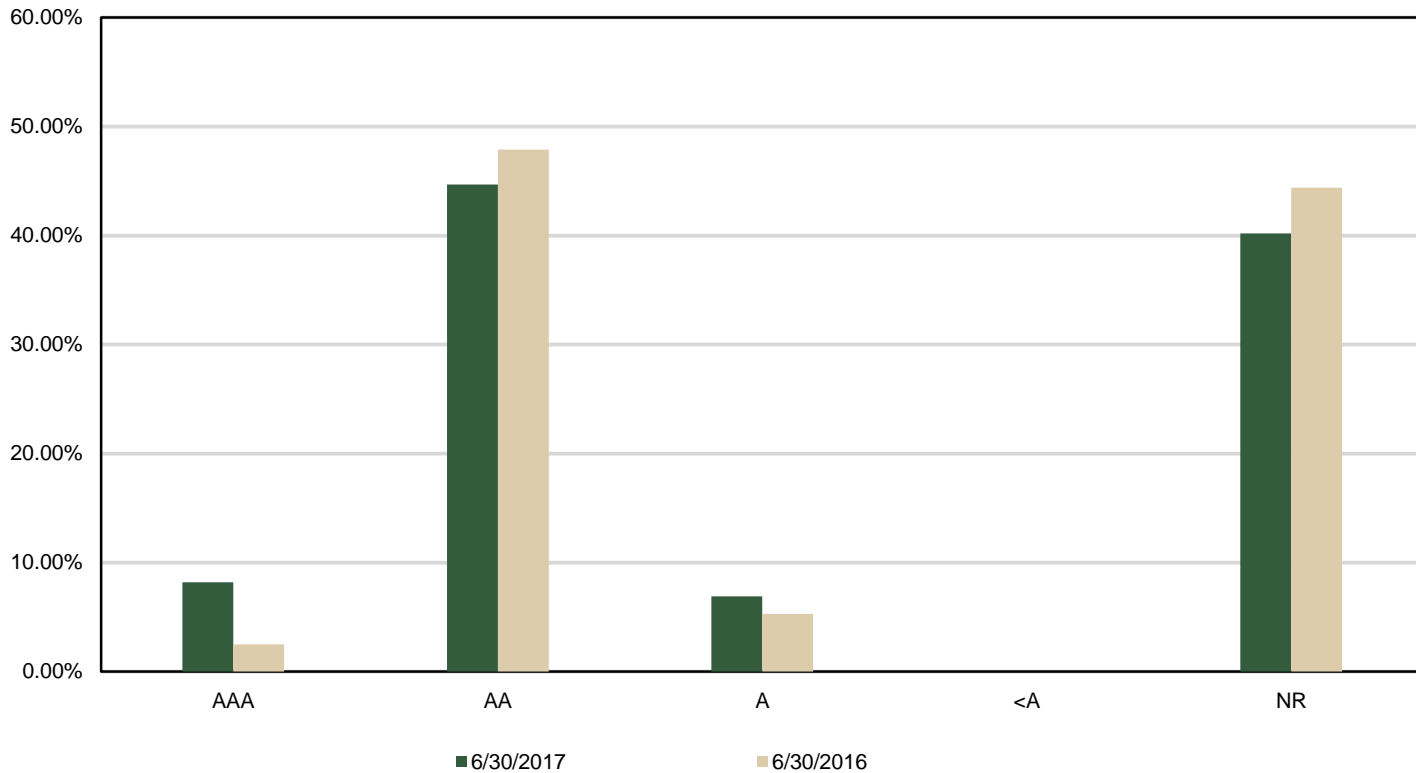
Issue Name	Investment Type	% Portfolio
Inter-American Dev Bank	Supranational	0.53%
Charles Schwab Corp/The	US Corporate	0.49%
US Bancorp	US Corporate	0.35%
Bank Cash Account	Cash	0.32%
Toyota ABS	ABS	0.18%
Savings Bank of Mendocino County	Time Deposit	0.10%
MendoLake Credit Union	Time Deposit	0.10%
John Deere ABS	ABS	0.09%
Home Depot	US Corporate	0.08%
Dreyfus Treasury Money Market Fund	Money Market Fund FI	0.07%
Praxair	US Corporate	0.06%
Honda ABS	ABS	0.04%
Total		100.00%



Quality Distribution

Mendocino County Consolidated

June 30, 2017 vs. June 30, 2016



	AAA	AA	A	<A	NR
06/30/17	8.2%	44.7%	6.9%	0.0%	40.2%
06/30/16	2.5%	47.9%	5.3%	0.0%	44.4%

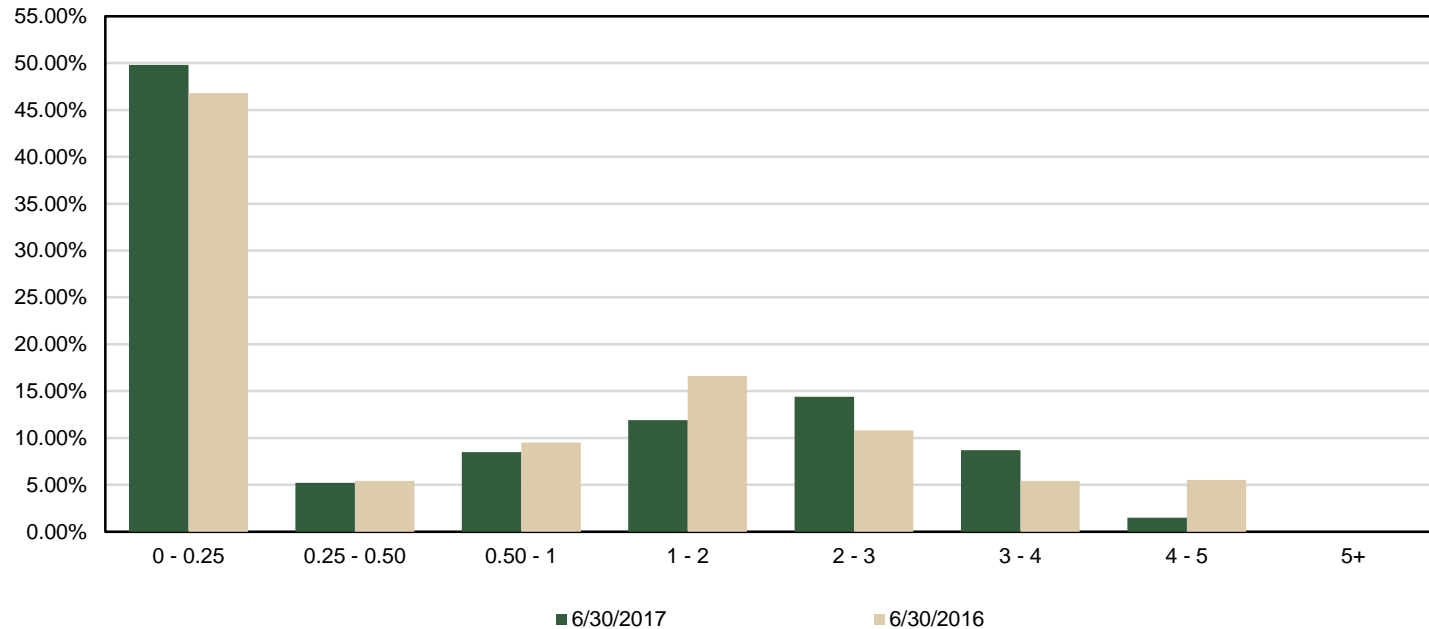
Source: S&P Ratings



Duration Distribution

Mendocino County Consolidated

June 30, 2017 vs. June 30, 2016



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
06/30/17	49.8%	5.2%	8.5%	11.9%	14.4%	8.7%	1.5%	0.0%
06/30/16	46.8%	5.4%	9.5%	16.6%	10.8%	5.4%	5.5%	0.0%

SECTION 3

Portfolio Holdings



Holdings Report

Mendocino County Consolidated - Account #70006

For the Month Ending 6/30/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
43814GAC4	Honda Auto Receivables 2014-2 A3 0.770% Due 03/19/2018	15,874.42	05/13/2014 0.29%	15,872.51 15,874.42	99.97 1.53%	15,869.63 4.41	0.01% (4.79)	Aaa / AAA NR	0.72 0.03
47787VAC5	John Deere Owner Trust 2014-A A3 0.920% Due 04/16/2018	15,723.58	04/02/2014 0.31%	15,721.06 15,723.58	99.98 1.89%	15,720.21 6.43	0.01% (3.37)	Aaa / NR AAA	0.79 0.02
43814HAC2	Honda Auto Receivables 2014-3 A3 0.880% Due 06/15/2018	95,669.99	08/12/2014 0.71%	95,651.53 95,669.75	99.96 1.40%	95,636.35 37.42	0.04% (33.40)	NR / AAA AAA	0.96 0.07
477877AD6	John Deere Owner Trust 2014-B A3 1.070% Due 11/15/2018	224,134.42	08/26/2014 0.87%	224,085.48 224,128.68	99.90 1.52%	223,916.30 106.59	0.09% (212.38)	Aaa / NR AAA	1.38 0.22
89236WAC2	Toyota Auto Receivables Owner 2015-A 1.120% Due 02/15/2019	474,098.28	02/24/2015 0.62%	474,026.60 474,083.07	99.90 1.43%	473,622.68 236.00	0.19% (460.39)	Aaa / AAA NR	1.63 0.33
Total ABS		825,500.69	0.69%	825,357.18 825,479.50	1.46%	824,765.17 390.85	0.33% (714.33)	Aaa / AAA Aaa	1.45 0.26
Agency									
3137EADJ5	FHLMC Note 1.000% Due 07/28/2017	1,600,000.00	07/29/2013 1.17%	1,589,550.40 1,599,806.62	100.00 1.04%	1,599,944.00 6,800.00	0.65% 137.38	Aaa / AA+ AAA	0.08 0.08
3135G0MZ3	FNMA Note 0.875% Due 08/28/2017	1,750,000.00	Various 1.12%	1,732,254.00 1,749,330.73	99.97 1.08%	1,749,417.25 5,231.78	0.71% 86.52	Aaa / AA+ AAA	0.16 0.16
3130A62S5	FHLB Note 0.750% Due 08/28/2017	2,400,000.00	12/30/2015 1.07%	2,387,328.00 2,398,787.17	99.95 1.08%	2,398,682.40 6,050.00	0.97% (104.77)	Aaa / AA+ NR	0.16 0.17
3133EAY28	FFCB Note 0.830% Due 09/21/2017	695,000.00	09/21/2012 0.81%	695,611.60 695,027.54	99.93 1.13%	694,525.32 1,602.36	0.28% (502.22)	Aaa / AA+ AAA	0.23 0.22
3135G0ZL0	FNMA Note 1.000% Due 09/27/2017	1,665,000.00	Various 1.08%	1,660,879.95 1,664,681.93	99.97 1.10%	1,664,575.43 4,347.50	0.67% (106.50)	Aaa / AA+ AAA	0.24 0.24
3133EDDV1	FFCB Note 1.160% Due 10/23/2017	850,000.00	01/29/2015 0.87%	856,630.00 850,758.09	100.02 1.08%	850,195.50 1,862.44	0.34% (562.59)	Aaa / AA+ AAA	0.32 0.31
3135G0PQ0	FNMA Note 0.875% Due 10/26/2017	1,600,000.00	12/15/2014 1.04%	1,592,368.00 1,599,145.51	99.93 1.09%	1,598,870.40 2,527.78	0.65% (275.11)	Aaa / AA+ AAA	0.32 0.32
3133EAA32	FFCB Note 0.900% Due 11/15/2017	440,000.00	12/04/2014 1.06%	437,923.20 439,735.57	99.91 1.15%	439,584.20 506.00	0.18% (151.37)	Aaa / AA+ AAA	0.38 0.37
3135G0RT2	FNMA Note 0.875% Due 12/20/2017	1,500,000.00	12/19/2013 1.29%	1,475,917.50 1,497,164.83	99.87 1.16%	1,497,975.00 401.04	0.60% 810.17	Aaa / AA+ AAA	0.47 0.47
3135G0TG8	FNMA Note 0.875% Due 02/08/2018	2,000,000.00	04/28/2015 0.90%	1,998,744.00 1,999,725.56	99.80 1.20%	1,996,098.00 6,951.39	0.81% (3,627.56)	Aaa / AA+ AAA	0.61 0.60
3137EADP1	FHLMC Note 0.875% Due 03/07/2018	2,000,000.00	04/28/2015 0.92%	1,997,546.00 1,999,414.15	99.74 1.25%	1,994,822.00 5,541.67	0.81% (4,592.15)	Aaa / AA+ AAA	0.68 0.68
3137EAEA3	FHLMC Note 0.750% Due 04/09/2018	2,400,000.00	04/20/2016 0.83%	2,396,088.00 2,398,463.53	99.62 1.24%	2,390,995.20 4,100.00	0.97% (7,468.33)	Aaa / AA+ AAA	0.78 0.77
3130A55J4	FHLB Note 0.900% Due 04/23/2018	2,000,000.00	04/28/2015 0.96%	1,996,720.00 1,999,109.28	99.64 1.35%	1,992,726.00 3,400.00	0.80% (6,383.28)	Aaa / AA+ NR	0.81 0.81



Holdings Report

Mendocino County Consolidated - Account #70006

For the Month Ending 6/30/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
3135G0WJ8	FNMA Note 0.875% Due 05/21/2018	2,400,000.00	07/31/2014 1.49%	2,345,846.40 2,387,377.15	99.66 1.26%	2,391,794.40 2,333.33	0.96% 4,417.25	Aaa / AA+ AAA	0.89 0.88
3130A8EJ8	FHLB Note 0.850% Due 06/05/2018	2,600,000.00	06/09/2016 0.86%	2,599,584.00 2,599,805.48	99.47 1.43%	2,586,136.80 1,596.11	1.04% (13,668.68)	Aaa / AA+ AAA	0.93 0.92
3133EGFQ3	FFCB Note 0.875% Due 09/14/2018	600,000.00	06/29/2016 0.78%	601,284.00 600,700.94	99.45 1.34%	596,676.00 1,560.42	0.24% (4,024.94)	Aaa / AA+ AAA	1.21 1.19
3133ED2C5	FFCB Note 1.950% Due 09/17/2018	225,000.00	06/05/2014 1.51%	229,092.75 226,159.26	100.59 1.45%	226,337.40 1,267.50	0.09% 178.14	Aaa / AA+ AAA	1.22 1.19
3137EAED7	FHLMC Note 0.875% Due 10/12/2018	1,700,000.00	09/28/2016 0.86%	1,700,340.00 1,700,214.16	99.39 1.36%	1,689,636.80 3,264.24	0.68% (10,577.36)	Aaa / AA+ AAA	1.28 1.27
3135G0E58	FNMA Note 1.125% Due 10/19/2018	1,700,000.00	08/27/2015 1.18%	1,697,246.00 1,698,856.51	99.69 1.37%	1,694,713.00 3,825.00	0.68% (4,143.51)	Aaa / AA+ AAA	1.30 1.29
313376BR5	FHLB Note 1.750% Due 12/14/2018	1,500,000.00	08/29/2016 0.98%	1,526,085.00 1,516,568.34	100.54 1.37%	1,508,082.00 1,239.58	0.61% (8,486.34)	Aaa / AA+ AAA	1.46 1.43
3133782M2	FHLB Note 1.500% Due 03/08/2019	2,600,000.00	04/14/2016 0.99%	2,637,752.00 2,621,965.45	100.12 1.43%	2,603,192.80 12,241.67	1.05% (18,772.65)	Aaa / AA+ AAA	1.69 1.65
3137EADZ9	FHLMC Note 1.125% Due 04/15/2019	2,600,000.00	04/22/2016 1.09%	2,602,496.00 2,601,502.20	99.55 1.38%	2,588,318.20 6,175.00	1.05% (13,184.00)	Aaa / AA+ AAA	1.79 1.76
3130ABF92	FHLB Note 1.375% Due 05/28/2019	1,825,000.00	05/25/2017 1.37%	1,825,036.50 1,825,034.70	99.89 1.43%	1,823,047.25 3,415.54	0.74% (1,987.45)	Aaa / AA+ AAA	1.91 1.88
3130A8DB6	FHLB Note 1.125% Due 06/21/2019	2,600,000.00	06/07/2016 1.02%	2,608,372.00 2,605,440.29	99.44 1.41%	2,585,393.20 812.50	1.04% (20,047.09)	Aaa / AA+ AAA	1.98 1.94
3133EFW52	FFCB Note 1.150% Due 07/01/2019	2,400,000.00	04/05/2016 1.00%	2,411,640.00 2,407,194.92	99.36 1.48%	2,384,587.20 13,800.00	0.97% (22,607.72)	Aaa / AA+ AAA	2.00 1.96
3137EADK2	FHLMC Note 1.250% Due 08/01/2019	2,000,000.00	04/28/2015 1.34%	1,992,880.00 1,996,515.55	99.60 1.44%	1,992,016.00 10,416.67	0.81% (4,499.55)	Aaa / AA+ AAA	2.09 2.04
3135G0N33	FNMA Note 0.875% Due 08/02/2019	1,000,000.00	07/29/2016 0.93%	998,320.00 998,830.90	98.80 1.46%	987,978.00 3,621.53	0.40% (10,852.90)	Aaa / AA+ AAA	2.09 2.05
313380FB8	FHLB Note 1.375% Due 09/13/2019	660,000.00	10/30/2015 1.38%	659,795.40 659,883.42	99.78 1.48%	658,551.30 2,722.50	0.27% (1,332.12)	Aaa / AA+ NR	2.21 2.15
3137EADM8	FHLMC Note 1.250% Due 10/02/2019	2,000,000.00	04/29/2015 1.44%	1,983,422.00 1,991,557.12	99.45 1.50%	1,988,998.00 6,180.56	0.80% (2,559.12)	Aaa / AA+ AAA	2.26 2.21
3130AA3R7	FHLB Note 1.375% Due 11/15/2019	2,000,000.00	11/17/2016 1.39%	1,999,400.00 1,999,523.63	99.69 1.51%	1,993,852.00 3,513.89	0.81% (5,671.63)	Aaa / AA+ AAA	2.38 2.32
3135G0ZY2	FNMA Note 1.750% Due 11/26/2019	1,300,000.00	06/30/2015 1.62%	1,307,294.30 1,303,977.89	100.55 1.51%	1,307,205.90 2,211.81	0.53% 3,228.01	Aaa / AA+ AAA	2.41 2.34
313381C94	FHLB Note 1.250% Due 12/13/2019	790,000.00	01/28/2016 1.33%	787,732.70 788,564.90	99.41 1.50%	785,337.42 493.75	0.32% (3,227.48)	Aaa / AA+ AAA	2.45 2.40
3135G0T29	FNMA Note 1.500% Due 02/28/2020	2,600,000.00	Various 1.52%	2,598,252.00 2,598,448.35	99.74 1.60%	2,593,185.40 13,325.00	1.05% (5,262.95)	Aaa / AA+ AAA	2.67 2.58
3133EHFL2	FFCB Note 1.550% Due 04/13/2020	1,450,000.00	04/27/2017 1.57%	1,449,014.00 1,449,072.38	99.76 1.64%	1,446,566.40 4,869.58	0.59% (2,505.98)	Aaa / AA+ AAA	2.79 2.71



Holdings Report

Mendocino County Consolidated - Account #70006

For the Month Ending 6/30/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
3137EAEF2	FHLMC Note 1.375% Due 04/20/2020	1,800,000.00	04/19/2017 1.48%	1,794,258.00 1,794,635.21	99.41 1.59%	1,789,353.00 4,881.25	0.72% (5,282.21)	Aaa / AA+ AAA	2.81 2.73
3137EADR7	FHLMC Note 1.375% Due 05/01/2020	1,600,000.00	10/21/2015 1.38%	1,599,579.20 1,599,736.52	99.34 1.62%	1,589,364.80 3,666.67	0.64% (10,371.72)	Aaa / AA+ AAA	2.84 2.76
3130A7CV5	FHLB Note 1.375% Due 02/18/2021	2,000,000.00	02/23/2016 1.43%	1,994,480.00 1,995,974.43	98.92 1.68%	1,978,464.00 10,159.72	0.80% (17,510.43)	Aaa / AA+ AAA	3.64 3.51
3135G0J20	FNMA Note 1.375% Due 02/26/2021	2,500,000.00	03/17/2016 1.52%	2,482,725.00 2,487,220.71	98.77 1.72%	2,469,317.50 11,935.76	1.00% (17,903.21)	Aaa / AA+ AAA	3.66 3.53
3130A8QS5	FHLB Note 1.125% Due 07/14/2021	2,600,000.00	08/09/2016 1.25%	2,584,400.00 2,587,218.23	97.44 1.79%	2,533,372.40 13,568.75	1.03% (53,845.83)	Aaa / AA+ AAA	4.04 3.90
3135G0T45	FNMA Note 1.875% Due 04/05/2022	2,900,000.00	06/21/2017 1.87%	2,901,218.00 2,901,211.73	99.69 1.94%	2,890,894.00 12,234.38	1.17% (10,317.73)	Aaa / AA+ AAA	4.77 4.52
Total Agency		70,850,000.00	1.21%	70,735,105.90 70,834,340.88	1.42%	70,550,781.87 204,654.67	28.52% (283,559.01)	Aaa / AA+ Aaa	1.79 1.74

Cash

90CASH\$00	Cash Custodial Cash Account	824,078.97	Various 0.00%	824,078.97 824,078.97	1.00 0.00%	824,078.97 0.00	0.33% 0.00	NR / NR NR	0.00 0.00
90CHECK\$1	Checking Deposit Bank Account	20,077,406.39	Various 0.00%	20,077,406.39 20,077,406.39	1.00 0.00%	20,077,406.39 0.00	8.09% 0.00	NR / NR NR	0.00 0.00
Total Cash		20,901,485.36	0.00%	20,901,485.36	0.00%	20,901,485.36 0.00	8.42% 0.00	NR / NR NR	0.00 0.00

Commercial Paper

06538BU76	Bank of Tokyo Mitsubishi NY Discount CP 1.180% Due 07/07/2017	1,750,000.00	03/06/2017 1.20%	1,743,001.94 1,749,655.83	99.98 1.20%	1,749,655.83 0.00	0.71% 0.00	P-1 / A-1 NR	0.02 0.02
36164JWB6	GE Capital Treasury LLC Discount CP 1.010% Due 09/11/2017	1,750,000.00	04/24/2017 1.03%	1,743,126.39 1,746,465.00	99.80 1.03%	1,746,465.00 0.00	0.70% 0.00	P-1 / A-1+ NR	0.20 0.20
89233GWK8	Toyota Motor Credit Discount CP 1.240% Due 09/19/2017	1,750,000.00	01/18/2017 1.27%	1,735,352.50 1,745,177.78	99.72 1.27%	1,745,177.78 0.00	0.70% 0.00	P-1 / A-1+ NR	0.22 0.22
21687AX65	Rabobank Nederland NV NY Discount CP 1.300% Due 10/06/2017	1,750,000.00	01/12/2017 1.32%	1,733,254.93 1,743,893.72	99.65 1.32%	1,743,893.72 0.00	0.70% 0.00	P-1 / A-1 NR	0.27 0.27
Total Commercial Paper		7,000,000.00	1.20%	6,954,735.76 6,985,192.33	1.20%	6,985,192.33 0.00	2.82% 0.00	P-1 / A-1 NR	0.18 0.18

LAIF

90LAIF\$00	Local Agency Investment Fund State Pool	65,000,000.00	Various 1.01%	65,000,000.00 65,000,000.00	1.00 1.01%	65,000,000.00 147,288.55	26.26% 0.00	NR / NR NR	0.00 0.00
Total LAIF		65,000,000.00	1.01%	65,000,000.00	1.01%	65,000,000.00 147,288.55	26.26% 0.00	NR / NR NR	0.00 0.00



Holdings Report

Mendocino County Consolidated - Account #70006

For the Month Ending 6/30/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Local Gov Investment Pool									
90CAMP\$00	Public Financial Management CAMP	17,000,000.00	Various 1.09%	17,000,000.00 17,000,000.00	1.00 1.09%	17,000,000.00 0.00	6.85% 0.00	NR / NR NR	0.00 0.00
Total Local Gov Investment Pool		17,000,000.00	1.09%	17,000,000.00	1.09%	0.00	0.00	NR	0.00
Money Market Fund FI									
261908107	Dreyfus Trsy/Agcy Cash Management 521	189,173.11	Various 0.86%	189,173.11 189,173.11	1.00 0.86%	189,173.11 0.00	0.08% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		189,173.11	0.86%	189,173.11	0.86%	0.00	0.00	Aaa / AAA Aaa	0.00
Negotiable CD									
06417GPR3	Bank of Nova Scotia Yankee CD 1.350% Due 09/27/2017	1,630,000.00	03/10/2017 1.27%	1,630,638.62 1,630,285.27	100.02 1.27%	1,630,285.27 16,809.38	0.66% 0.00	P-1 / A-1 NR	0.24 0.24
89113WLW4	Toronto Dominion NY Negotiable CD 1.240% Due 11/14/2017	750,000.00	05/09/2017 1.23%	750,010.34 750,007.44	100.00 1.23%	750,007.44 5,915.83	0.30% 0.00	P-1 / A-1+ F-1+	0.38 0.37
89113WG91	Toronto Dominion NY Yankee CD 1.500% Due 04/05/2018	1,100,000.00	06/28/2017 1.42%	1,100,634.41 1,100,629.88	100.06 1.42%	1,100,629.88 137.50	0.44% 0.00	P-1 / A-1+ F-1+	0.76 0.76
Total Negotiable CD		3,480,000.00	1.31%	3,481,283.37 3,480,922.59	1.31%	3,480,922.59 22,862.71	1.41% 0.00	Aaa / AAA Aaa	0.44 0.43
Supranational									
459058DW0	Intl. Bank Recon & Development Note 1.875% Due 10/07/2019	1,750,000.00	01/31/2017 1.60%	1,762,670.00 1,760,726.75	100.56 1.62%	1,759,782.50 7,656.25	0.71% (944.25)	Aaa / AAA AAA	2.27 2.21
4581X0CX4	Inter-American Dev Bank Note 1.625% Due 05/12/2020	1,375,000.00	04/05/2017 1.70%	1,371,741.25 1,371,972.78	99.74 1.72%	1,371,416.75 4,903.21	0.55% (556.03)	Aaa / AAA AAA	2.87 2.78
Total Supranational		3,125,000.00	1.64%	3,134,411.25 3,132,699.53	1.66%	3,131,199.25 12,559.46	1.27% (1,500.28)	Aaa / AAA Aaa	2.53 2.46
Time Deposit									
90MEND\$04	Savings Bank of Mendocino Coun Time Deposit 0.300% Due 03/03/2018	250,000.00	03/03/2017 0.30%	250,000.00 250,000.00	100.00 0.30%	250,000.00 58.33	0.10% 0.00	NR / NR NR	0.67 0.68
90MEND\$06	MendoLake Credit Union Time Deposit 0.300% Due 03/20/2018	250,000.00	03/20/2017 0.30%	250,000.00 250,000.00	100.00 0.30%	250,000.00 22.92	0.10% 0.00	NR / NR NR	0.72 0.73
Total Time Deposit		500,000.00	0.30%	500,000.00	0.30%	500,000.00 81.25	0.20% 0.00	NR / NR NR	0.70 0.71
US Corporate									
68389XAN5	Oracle Corp Note 1.200% Due 10/15/2017	1,400,000.00	01/13/2014 1.40%	1,389,710.00 1,399,202.68	99.95 1.37%	1,399,301.40 3,546.67	0.57% 98.72	A1 / AA- A+	0.29 0.29



Holdings Report

Mendocino County Consolidated - Account #70006

For the Month Ending 6/30/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
74005PBC7	Praxair Note 1.050% Due 11/07/2017	150,000.00	11/02/2012 1.06%	149,941.50 149,995.87	99.85 1.47%	149,779.95 236.25	0.06% (215.92)	A2 / A NR	0.36 0.35
94974BFG0	Wells Fargo Corp Note 1.500% Due 01/16/2018	1,600,000.00	Various 1.49%	1,601,040.00 1,600,105.41	99.97 1.56%	1,599,486.40 11,000.00	0.65% (619.01)	A2 / A AA-	0.55 0.54
459200HZ7	IBM Corp Note 1.125% Due 02/06/2018	1,480,000.00	02/03/2015 1.23%	1,475,486.00 1,479,093.91	99.85 1.38%	1,477,780.00 6,706.25	0.60% (1,313.91)	A1 / A+ A+	0.61 0.59
808513AK1	Charles Schwab Corp Callable Note Cont 2/10/2018 1.500% Due 03/10/2018	1,250,000.00	03/03/2015 1.54%	1,248,425.00 1,249,637.86	100.03 1.45%	1,250,347.50 5,781.25	0.51% 709.64	A2 / A A	0.69 0.60
69371RN28	Paccar Financial Corp Note 1.300% Due 05/10/2019	1,725,000.00	05/10/2016 1.31%	1,724,637.75 1,724,775.09	99.20 1.74%	1,711,275.90 3,176.88	0.69% (13,499.19)	A1 / A+ NR	1.86 1.83
084670BL1	Berkshire Hathaway Note 2.100% Due 08/14/2019	1,500,000.00	03/16/2017 1.72%	1,513,185.00 1,511,649.76	100.76 1.73%	1,511,454.00 11,987.50	0.61% (195.76)	Aa2 / AA A+	2.12 2.05
17275RBG6	Cisco Systems Note 1.400% Due 09/20/2019	1,800,000.00	03/28/2017 1.73%	1,785,780.00 1,787,228.77	99.31 1.72%	1,787,614.20 7,070.00	0.72% 385.43	A1 / AA- NR	2.22 2.17
24422ETJ8	John Deere Capital Corp Note 1.250% Due 10/09/2019	1,700,000.00	09/27/2016 1.43%	1,691,160.00 1,693,353.99	98.73 1.82%	1,678,415.10 4,840.28	0.68% (14,938.89)	A2 / A A	2.28 2.22
037833AX8	Apple Inc Note 1.550% Due 02/07/2020	1,850,000.00	Various 1.54%	1,852,225.00 1,850,358.13	99.51 1.74%	1,840,892.45 11,310.70	0.75% (9,465.68)	Aa1 / AA+ NR	2.61 2.52
22160KAG0	Costco Wholesale Corp Note 1.750% Due 02/15/2020	1,700,000.00	11/01/2016 1.57%	1,709,894.00 1,707,920.16	99.84 1.81%	1,697,259.60 11,238.89	0.69% (10,660.56)	A1 / A+ A+	2.63 2.54
747525AD5	Qualcomm Inc Note 2.250% Due 05/20/2020	1,700,000.00	10/06/2016 1.67%	1,734,408.00 1,727,557.78	100.95 1.91%	1,716,124.50 4,356.25	0.69% (11,433.28)	A1 / A NR	2.89 2.78
437076BQ4	Home Depot Note 1.800% Due 06/05/2020	200,000.00	06/12/2017 1.77%	200,150.00 200,147.79	100.05 1.78%	200,091.40 260.00	0.08% (56.39)	A2 / A A	2.93 2.84
458140AQ3	Intel Corp Note 2.450% Due 07/29/2020	1,750,000.00	01/24/2017 2.00%	1,776,775.00 1,773,530.18	101.69 1.88%	1,779,554.00 18,102.78	0.72% 6,023.82	A1 / A+ A+	3.08 2.93
02665WAZ4	American Honda Finance Note 2.450% Due 09/24/2020	1,800,000.00	02/14/2017 2.25%	1,812,492.00 1,811,219.05	101.35 2.01%	1,824,388.20 11,882.50	0.74% 13,169.15	A1 / A+ NR	3.24 3.08
594918BG8	Microsoft Callable Note Cont. 10/03/20 2.000% Due 11/03/2020	2,000,000.00	12/03/2015 2.01%	1,999,240.00 1,999,482.17	100.36 1.89%	2,007,202.00 6,444.44	0.81% 7,719.83	Aaa / AAA AA+	3.35 3.13
06406FAB9	Bank of NY Mellon Corp Callable Note Cont 4/3/2021 2.050% Due 05/03/2021	1,700,000.00	12/13/2016 2.50%	1,668,771.00 1,672,618.48	99.08 2.30%	1,684,439.90 5,614.72	0.68% 11,821.42	A1 / A AA-	3.84 3.66
91159HHP8	US Bancorp Note 2.625% Due 01/24/2022	890,000.00	01/19/2017 2.66%	888,469.20 888,601.66	101.04 2.38%	899,231.08 10,188.65	0.37% 10,629.42	A1 / A+ AA	4.57 4.24
Total US Corporate		26,195,000.00	1.74%	26,221,789.45 26,226,478.74	1.79%	26,214,637.58 133,744.01	10.62% (11,841.16)	A1 / AA- A+	2.32 2.22
US Treasury									
912828TS9	US Treasury Note 0.625% Due 09/30/2017	1,950,000.00	Various 1.05%	1,922,434.27 1,947,974.07	99.89 1.07%	1,947,835.50 3,063.53	0.79% (138.57)	Aaa / AA+ AAA	0.25 0.25
912828G20	US Treasury Note 0.875% Due 11/15/2017	1,000,000.00	01/30/2017 0.78%	1,000,745.54 1,000,354.65	99.91 1.11%	999,100.00 1,117.53	0.40% (1,254.65)	Aaa / AA+ AAA	0.38 0.37



Holdings Report

Mendocino County Consolidated - Account #70006

For the Month Ending 6/30/2017

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
912828UA6	US Treasury Note 0.625% Due 11/30/2017	1,600,000.00	06/05/2014 1.07%	1,575,692.86 1,597,097.65	99.79 1.12%	1,596,699.20 846.99	0.64% (398.45)	Aaa / AA+ AAA	0.42 0.42
912828UZ1	US Treasury Note 0.625% Due 04/30/2018	2,500,000.00	Various 0.96%	2,477,254.47 2,493,179.63	99.47 1.27%	2,486,720.00 2,632.47	1.00% (6,459.63)	Aaa / AA+ AAA	0.83 0.83
912828WD8	US Treasury Note 1.250% Due 10/31/2018	1,800,000.00	06/30/2015 1.14%	1,806,615.41 1,802,642.91	99.88 1.34%	1,797,890.40 3,790.76	0.73% (4,752.51)	Aaa / AA+ AAA	1.34 1.32
912828A34	US Treasury Note 1.250% Due 11/30/2018	1,800,000.00	06/30/2015 1.17%	1,804,927.91 1,802,039.82	99.87 1.34%	1,797,609.60 1,905.74	0.73% (4,430.22)	Aaa / AA+ AAA	1.42 1.40
912828N22	US Treasury Note 1.250% Due 12/15/2018	1,750,000.00	10/27/2016 0.95%	1,761,080.08 1,757,576.61	99.85 1.35%	1,747,403.00 956.28	0.70% (10,173.61)	Aaa / AA+ AAA	1.46 1.44
912828N63	US Treasury Note 1.125% Due 01/15/2019	2,000,000.00	05/27/2016 0.98%	2,007,506.70 2,004,406.96	99.64 1.36%	1,992,812.00 10,379.83	0.81% (11,594.96)	Aaa / AA+ AAA	1.55 1.51
912828SX9	US Treasury Note 1.125% Due 05/31/2019	2,000,000.00	04/28/2015 1.21%	1,993,444.20 1,996,930.67	99.54 1.37%	1,990,704.00 1,905.74	0.80% (6,226.67)	Aaa / AA+ AAA	1.92 1.89
912828TC4	US Treasury Note 1.000% Due 06/30/2019	2,000,000.00	Various 1.20%	1,986,251.82 1,992,374.58	99.26 1.38%	1,985,156.00 54.35	0.80% (7,218.58)	Aaa / AA+ AAA	2.00 1.97
912828UB4	US Treasury Note 1.000% Due 11/30/2019	2,000,000.00	12/04/2015 1.56%	1,957,194.20 1,974,016.03	98.95 1.45%	1,978,906.00 1,693.99	0.80% 4,889.97	Aaa / AA+ AAA	2.42 2.38
912828VA5	US Treasury Note 1.125% Due 04/30/2020	2,600,000.00	Various 1.44%	2,572,789.96 2,577,739.86	98.90 1.52%	2,571,358.40 4,956.26	1.04% (6,381.46)	Aaa / AA+ AAA	2.84 2.77
912828L65	US Treasury Note 1.375% Due 09/30/2020	2,500,000.00	12/30/2015 1.79%	2,452,449.78 2,467,468.52	99.26 1.61%	2,481,445.00 8,640.71	1.00% 13,976.48	Aaa / AA+ AAA	3.25 3.15
912828L99	US Treasury Note 1.375% Due 10/31/2020	2,600,000.00	04/14/2016 1.20%	2,619,508.71 2,614,314.22	99.18 1.63%	2,578,672.20 6,023.10	1.04% (35,642.02)	Aaa / AA+ AAA	3.34 3.24
912828P87	US Treasury Note 1.125% Due 02/28/2021	2,400,000.00	Various 1.45%	2,368,765.85 2,372,497.48	97.97 1.70%	2,351,251.20 9,024.46	0.95% (21,246.28)	Aaa / AA+ AAA	3.67 3.56
912828D72	US Treasury Note 2.000% Due 08/31/2021	2,400,000.00	12/28/2016 2.01%	2,398,508.04 2,398,668.95	100.88 1.78%	2,421,093.60 16,043.48	0.98% 22,424.65	Aaa / AA+ AAA	4.17 3.96
Total US Treasury		32,900,000.00	1.29%	32,705,169.80 32,799,282.61	1.43%	32,724,656.10 73,035.22	13.22% (74,626.51)	Aaa / AA+ Aaa	2.12 2.07
TOTAL PORTFOLIO		247,966,159.16	1.12%	247,648,511.18 247,875,054.65	1.20%	247,502,813.36 594,616.72	100.00% (372,241.29)	Aa1 / AA+ Aaa	1.09 1.05
TOTAL MARKET VALUE PLUS ACCRUALS						248,097,430.08			



Information contained herein is confidential. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.