

Mendocino County

Period Ending June 30, 2019

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | www.chandlerasset.com



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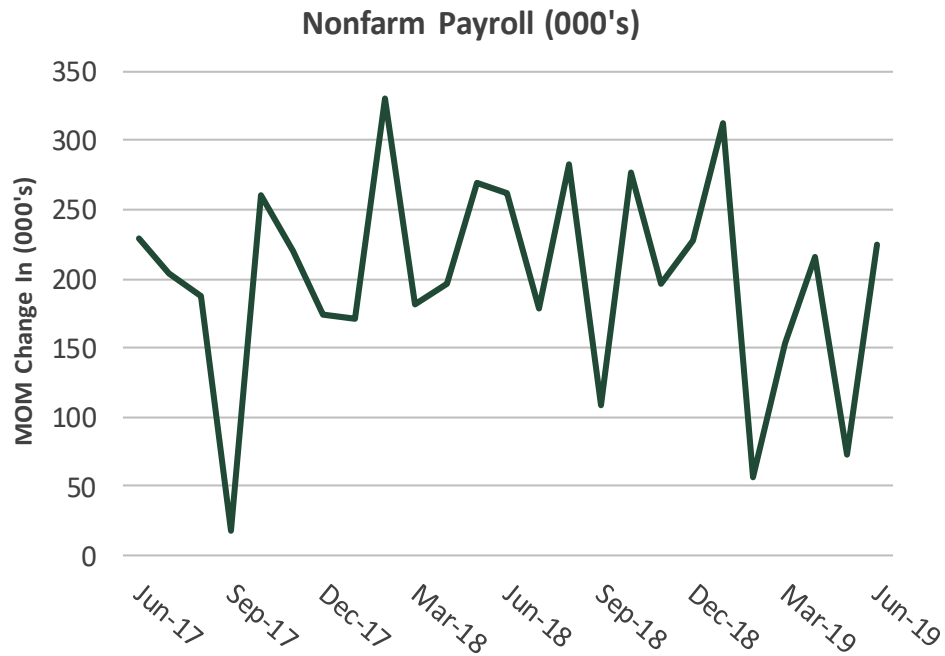
Section 1 | Economic Update

Economic Update

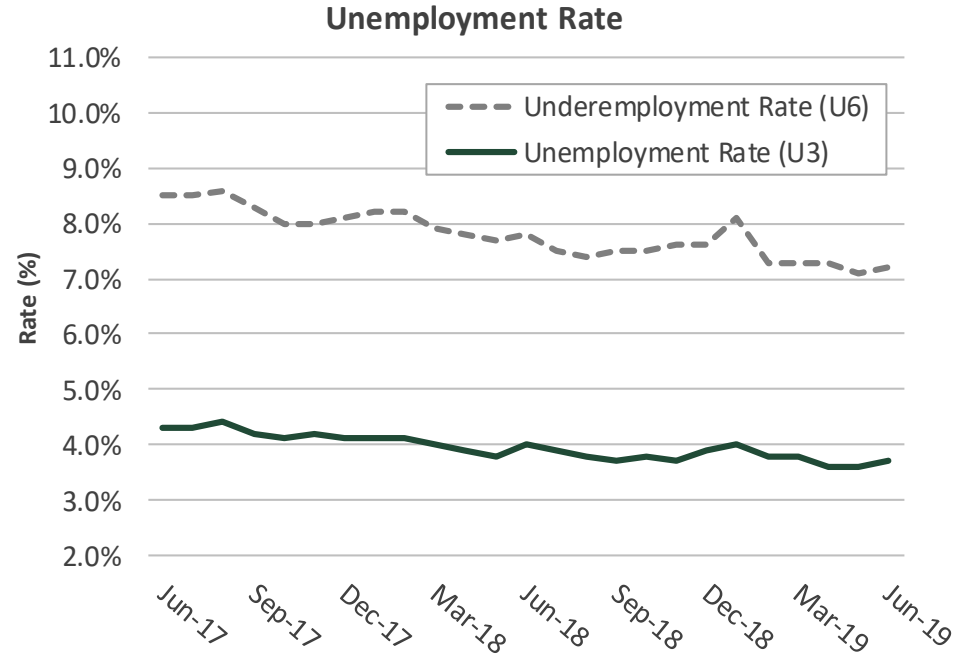
- In our view, US domestic economic data remains consistent with a slow growth environment; the US labor market is strong, wages are growing modestly, and inflation remains contained. However, headwinds to the economy have increased. Ongoing global trade disputes, slowing global economic growth, an uncertain outlook for Brexit, and geopolitical tensions have made the outlook uncertain. The trajectory of economic growth is likely to hinge on the outcome of ongoing trade negotiations as well as policy action by the major global central banks. We believe there is a high level of political pressure to make progress toward a trade agreement with China before the election cycle heats up this fall. We also believe a dovish collective stance by major global central banks should help to combat the headwinds to global economic growth.
- The Federal Open Market Committee (FOMC) kept the target fed funds rate unchanged in June at a range of 2.25%-2.50%. In the policy statement, the Fed noted that market-based measures of inflation have declined and uncertainties about the economic outlook have increased. With regard to future policy adjustments, the Fed removed the word “patient” from the policy statement, and indicated they are prepared to act as appropriate to incoming data in order to sustain the economic expansion. The Fed did not make any changes to their balance sheet normalization program, and the runoff remains on track to end in September. There was one dissenting vote amongst the FOMC members, James Bullard, who was in favor of lowering the fed funds rate by 25 basis points.
- Treasury yields declined further in June. At month-end, the 3-month T-bill yield was down 25 basis points to 2.09%, the 2-year Treasury yield was down 17 basis point to 1.76%, and the 10-year Treasury yield was down 12 basis points to 2.01%. An inversion of the yield curve in which the 10-year Treasury yield is lower than the 3-month T-bill yield is generally viewed as a powerful predictive signal of an upcoming recession. Although our 6-month forecast does not call for a recession, we believe downside risks to the economy are building. Notably, sovereign 10-year bond yields around the world were under pressure in June and the yields on both the 10-year German Bund and 10-year Japanese Government Bond remained negative at month-end.

Source: Bloomberg

Employment



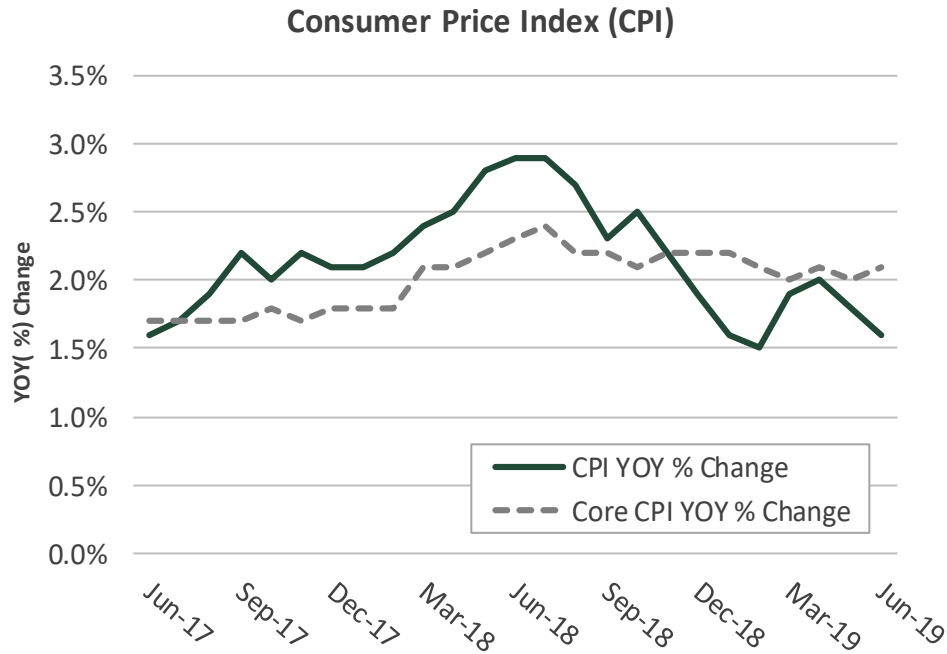
Source: US Department of Labor



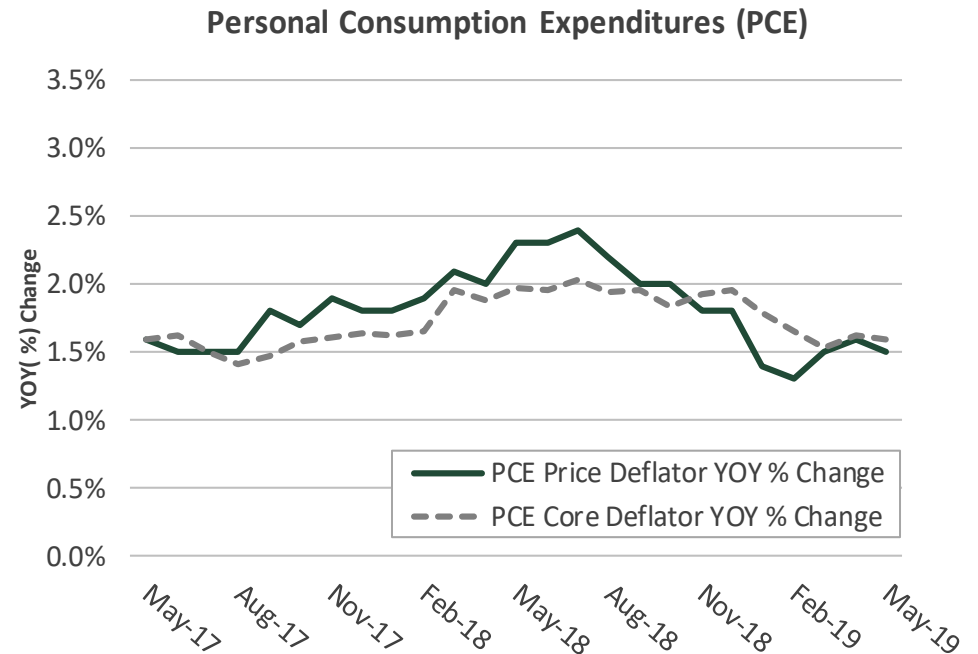
Source: US Department of Labor

U.S. nonfarm payrolls rose by 224,000 in June, well above the consensus forecast of 165,000. April and May payrolls were revised down by a total of just 11,000. On a trailing 3-month basis payrolls increased an average of 171,000, more than enough to absorb new entrants into the labor market. The unemployment rate ticked up to 3.7% in June from 3.6% in May as the participation rate also increased to 62.9% from 62.8%. 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, also edged up to 7.2% in June from 7.1% in May. Wages rose 0.2% in June (slightly below expectations), following an upwardly revised 0.3% increase in May. On a year-over-year basis, wages were up 3.1% in June, versus up 3.2% in May.

Inflation



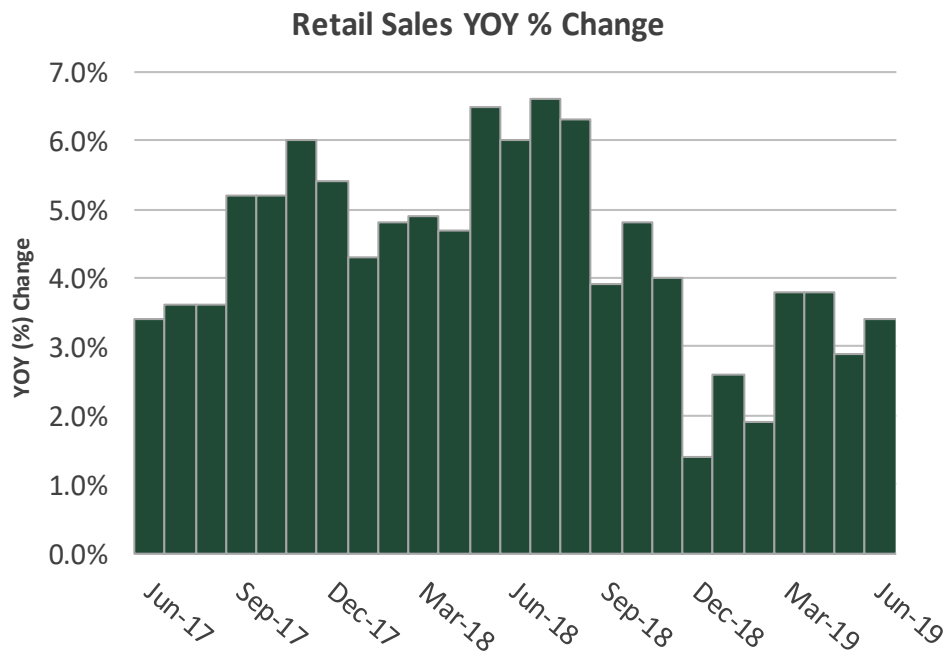
Source: US Department of Labor



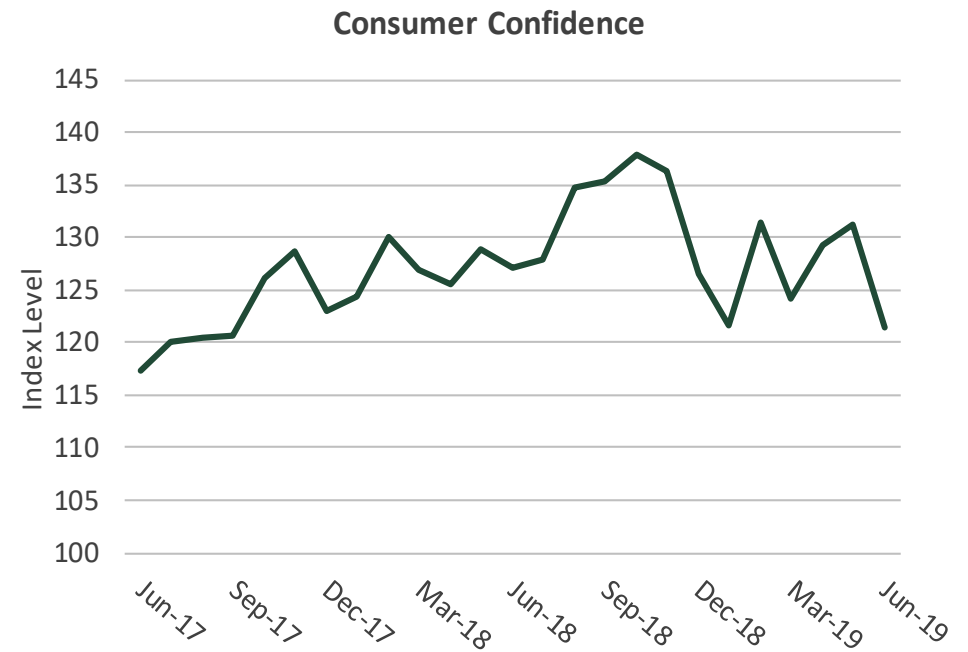
Source: US Department of Commerce

The Consumer Price Index (CPI) was up just 1.6% year-over-year in June, versus up 1.8% year-over-year in May. Core CPI (CPI less food and energy) was up 2.1% year-over-year in June, versus up 2.0% year-over-year in May. The Personal Consumption Expenditures (PCE) index was up 1.5% year-over-year in May, versus up 1.6% year-over-year in April. Core PCE, which is the Fed's primary inflation gauge, was up 1.6% year-over-year in May, unchanged from April, remaining below the Fed's 2.0% inflation target.

Consumer



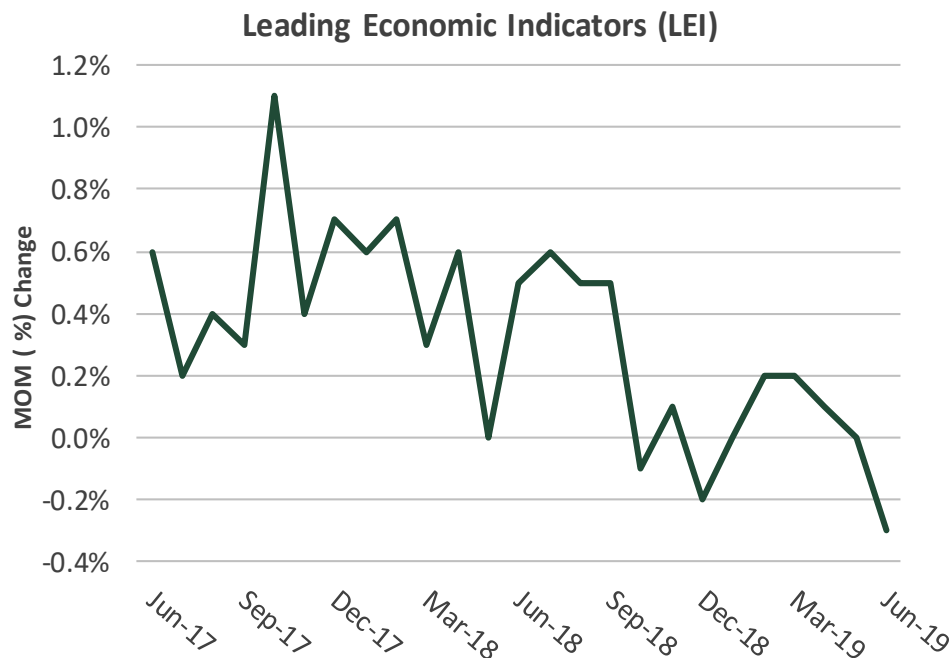
Source: US Department of Commerce



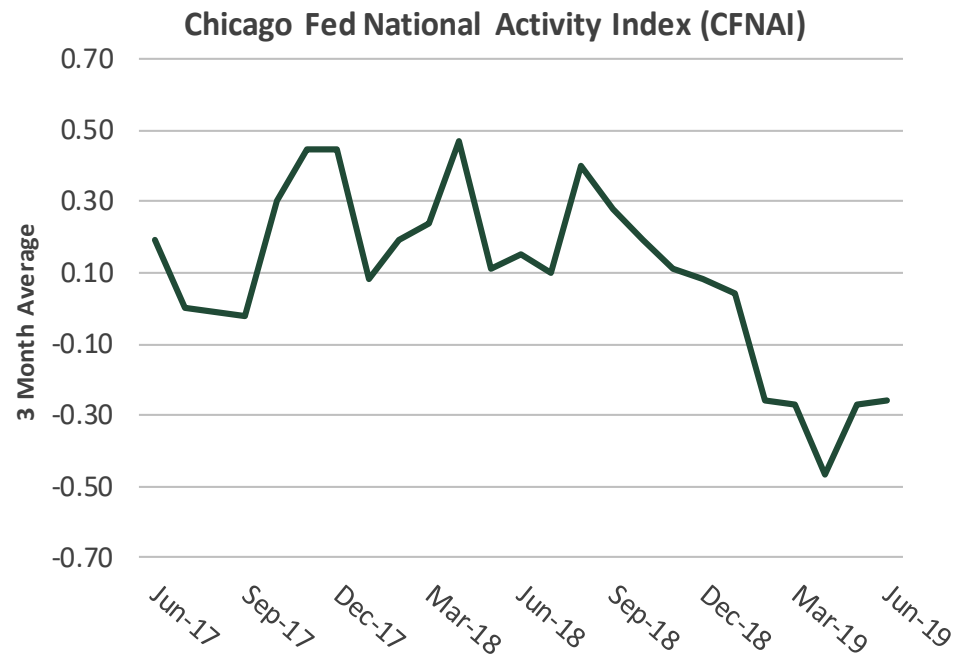
Source: The Conference Board

Retail sales in June were stronger than expected, up 0.4% in the month versus expectations of 0.1%, following an increase of 0.4% in May. Excluding autos and gas, retail sales were even stronger in June, up 0.7% (outpacing expectations of 0.4%). On a year-over-year basis, total retail sales were up 3.4% year-over-year in June, versus 2.9% year-over-year in May. The Consumer Confidence Index declined to 121.5 in June from 131.3 in May, falling below expectations, largely driven by concerns regarding the escalation in trade and tariff tensions. Despite the sharp decline in confidence in June, the index remains strong relative to longer-term historical levels.

Economic Activity



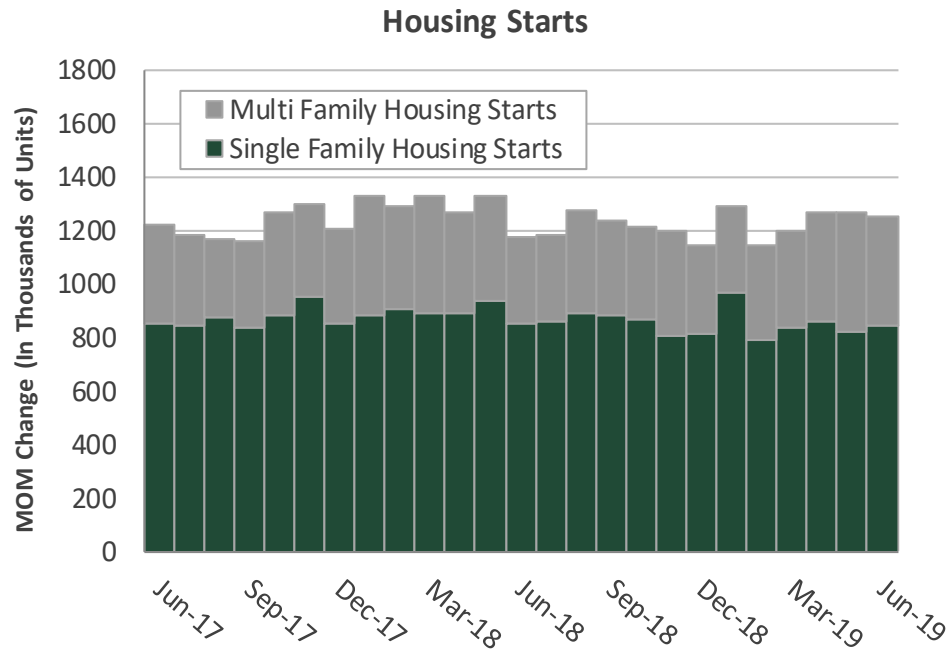
Source: The Conference Board



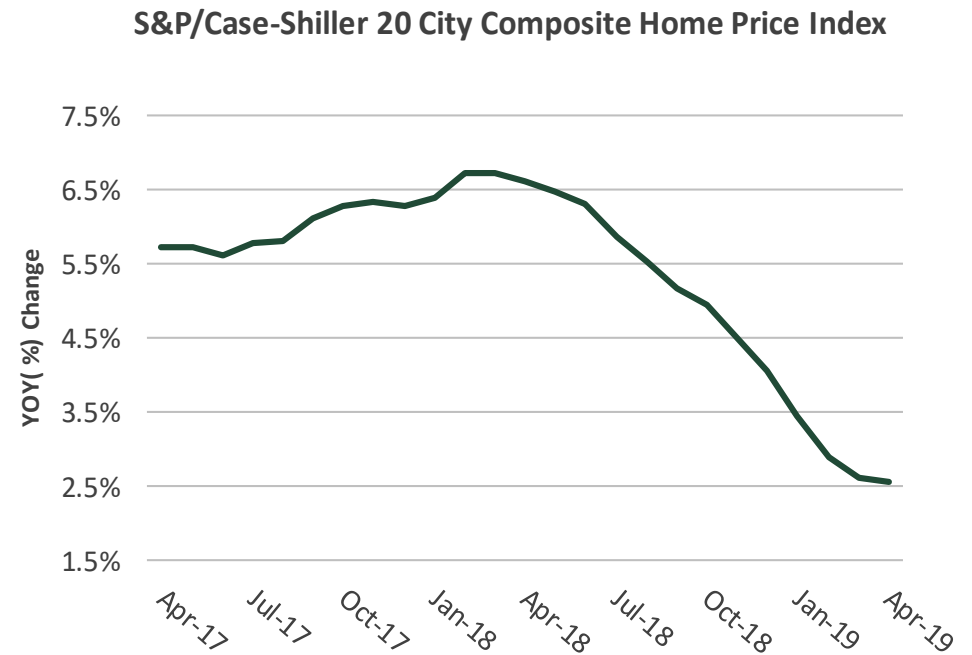
Source: Federal Reserve Bank of Chicago

The Leading Economic Index (LEI) declined 0.3% in June, on a month-over-month basis, following a 0.1% increase in May. It was the first monthly contraction since December 2018. On a year-over-year basis, the index was up just 1.6% in June (the slowest pace since December 2016) versus up 2.5% in May. The Conference Board believes that economic growth will remain slow in the second half of the year. The Chicago Fed National Activity Index (CFNAI) remained negative in June at -0.02 versus -0.03 in May. On a 3-month moving average basis, the index was little changed at -0.26 in June versus -0.27 in May. The CFNAI suggests that the economy is slowing but is not indicative of a recession. Negative values are generally consistent with below-average growth. Periods of economic contraction have historically been associated with values below -0.70 on a 3-month moving average basis.

Housing



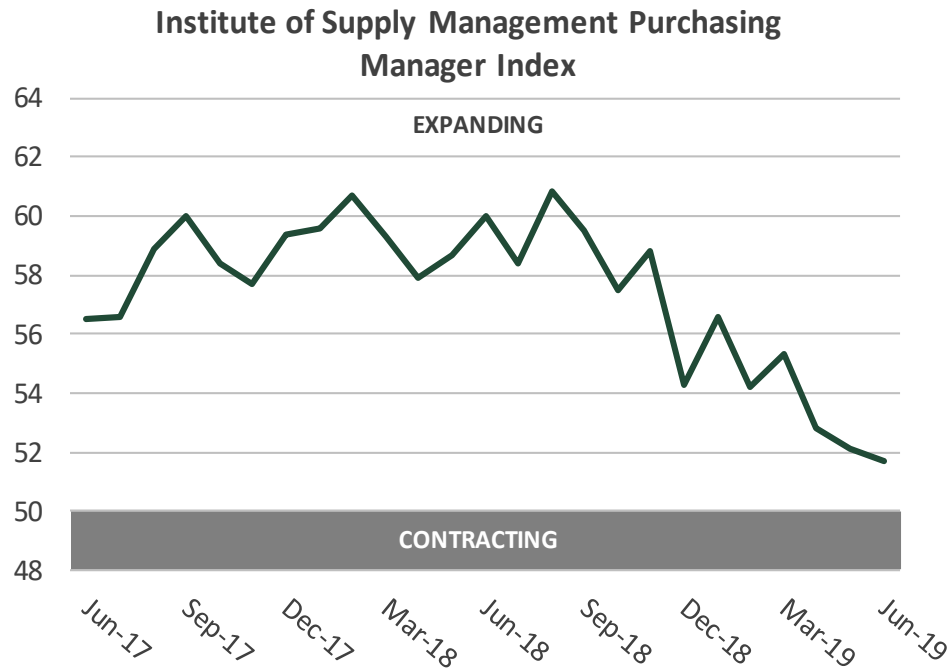
Source: US Department of Commerce



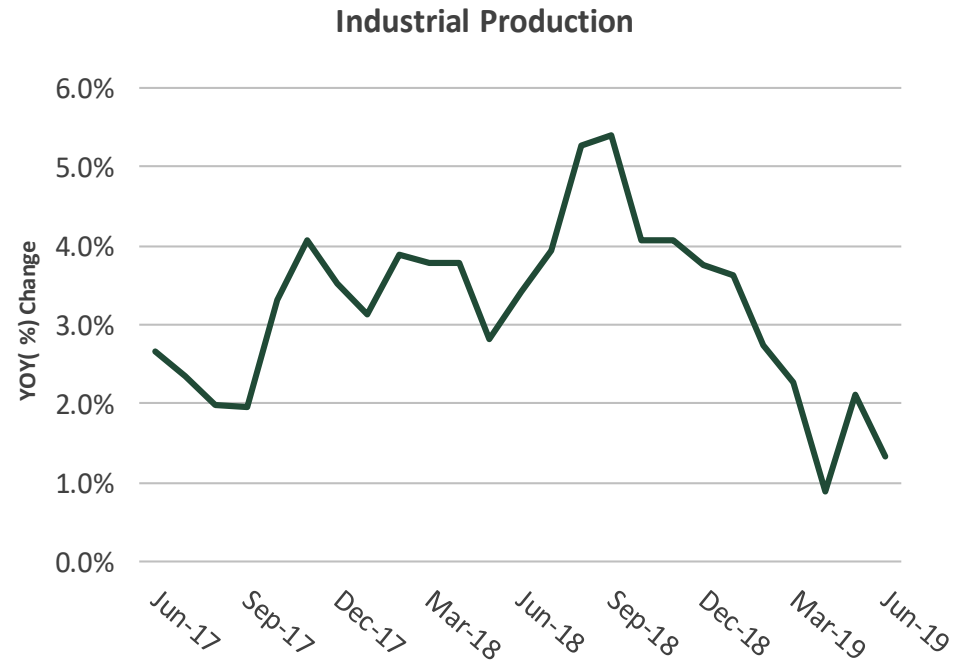
Source: S&P

Housing starts were nearly in line with expectations in June, down 0.9% to a 1.253 million annualized rate. Multi-family starts fell 9.2% to an annualized rate of 406,000, while single-family starts rose 3.5% to an annualized rate of 847,000. Total housing starts were up 6.2% year-over-year in June, driven by growth in multi-family starts. According to the Case-Shiller 20-City home price index, home prices were up just 2.5% year-over-year in April, versus up 2.6% in March. The year-over-year pace of growth is at a 7-year low.

Manufacturing



Source: Institute for Supply Management



Source: Federal Reserve

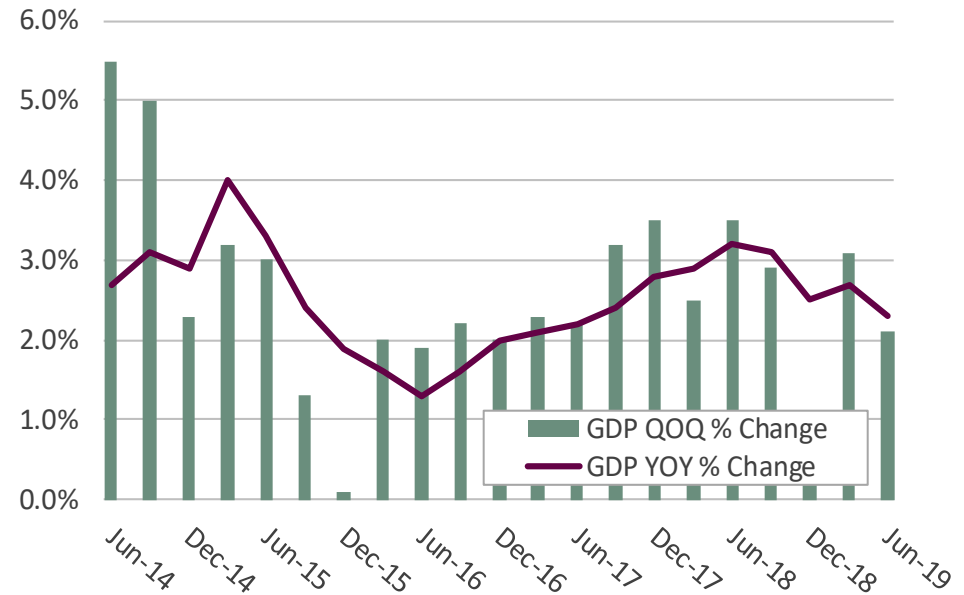
The Institute for Supply Management (ISM) manufacturing index decreased to 51.7 in June from 52.1 in May. The June reading was slightly better than expected but still came in at the lowest level since October 2016. Nevertheless, a reading above 50.0 suggests the manufacturing sector is expanding. The Industrial Production index was up 1.3% year-over-year in June versus up 2.1% year-over-year in May. On a month-over-month basis, production was flat, just below the consensus forecast of 0.1%. However, the manufacturing component of the index increased 0.4% in June, exceeding expectations of 0.2%, following a 0.2% increase in May. Capacity Utilization decreased to 77.9% in June from 78.1% in May, and remains below the long-run average of 79.8% indicating there is still excess capacity for growth.

Gross Domestic Product (GDP)

Components of GDP	9/18	12/18	3/19	6/19
Personal Consumption Expenditures	2.3%	1.0%	0.8%	2.9%
Gross Private Domestic Investment	2.3%	0.5%	1.1%	-1.0%
Net Exports and Imports	-2.1%	-0.4%	0.7%	-0.7%
Federal Government Expenditures	0.2%	0.1%	0.1%	0.5%
State and Local (Consumption and Gross Investment)	0.2%	-0.1%	0.4%	0.4%
Total	2.9%	1.1%	3.1%	2.1%

Source: US Department of Commerce

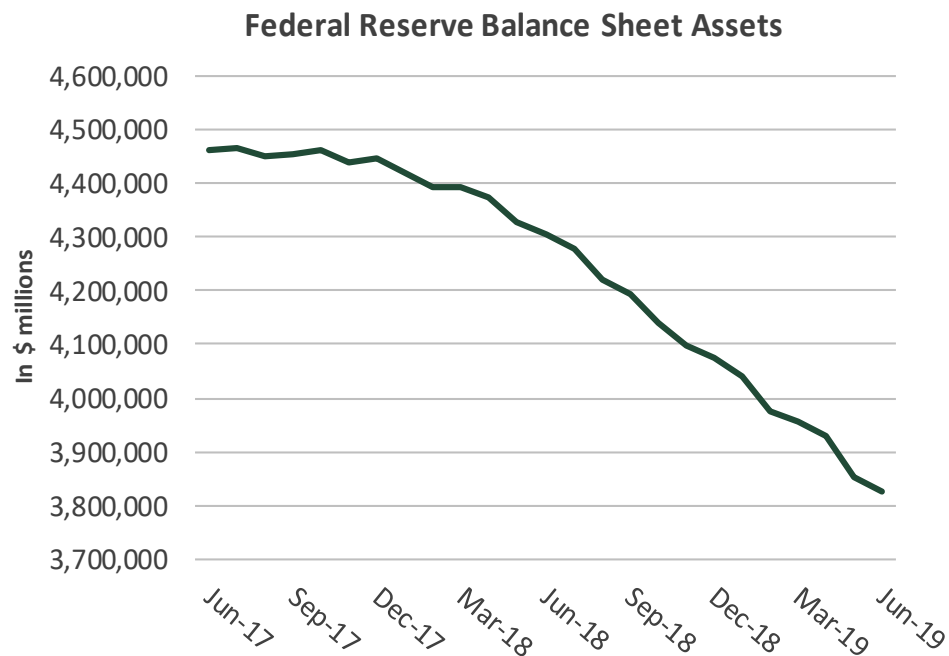
Gross Domestic Product (GDP)



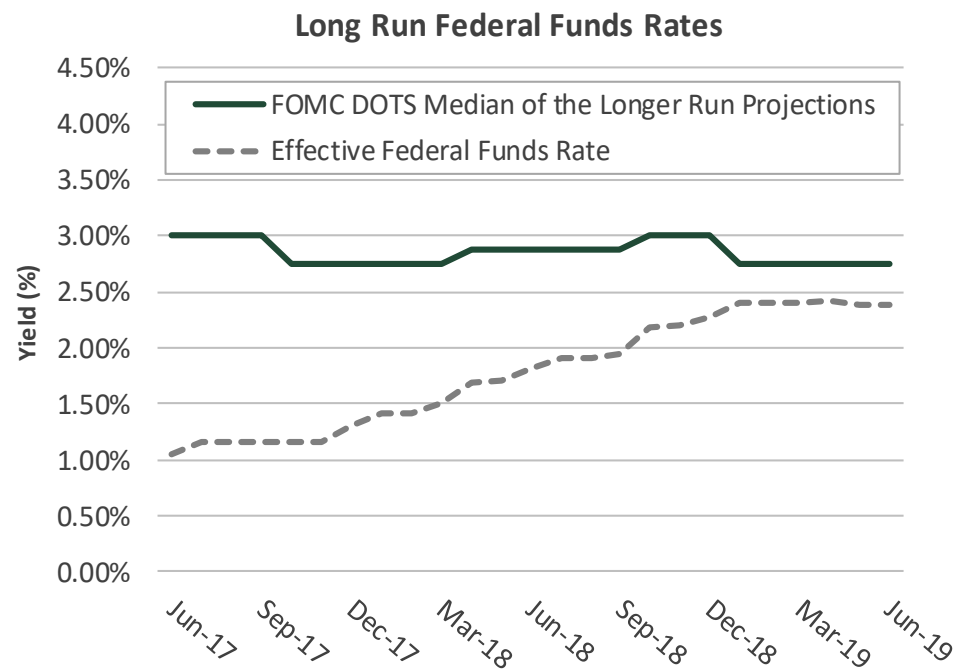
Source: US Department of Commerce

Second quarter GDP growth was stronger than expected, up 2.1% on an annualized basis versus the consensus forecast of 1.8%. This follows growth of 3.1% in the first quarter. Although the overall pace of GDP growth slowed in the second quarter (as expected), personal consumption expenditures accelerated and were up 4.3% in Q2, following sluggish growth of just 1.1% in Q1. Personal consumption expenditures contributed 2.85 percentage points to Q2 GDP, federal government spending contributed 0.51 percentage points, and state & local government spending contributed 0.35 percentage points. Meanwhile, gross private domestic investment and net exports were a drag on Q2 GDP growth. The consensus forecast now calls for GDP growth of 1.9% in the current quarter and 1.8% in 4Q, for full year growth of about 2.5% versus 2.9% growth in 2018.

Federal Reserve



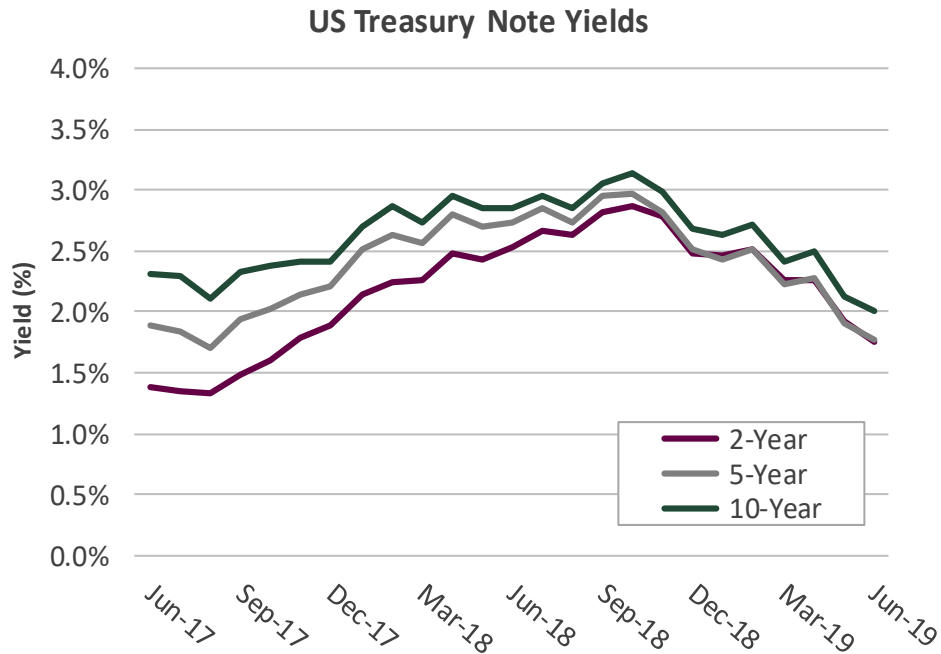
Source: Federal Reserve



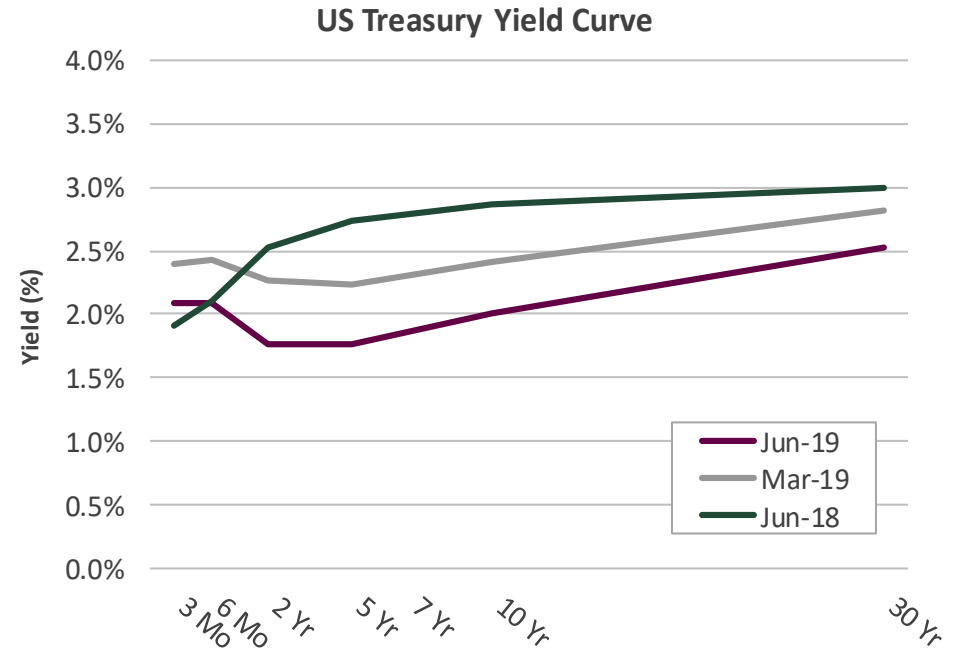
Source: Bloomberg

Fed policymakers have signaled they are prepared to act as appropriate to incoming data in order to sustain the economic expansion. Many policymakers are now anticipating a rate cut by year-end. The FOMC lowered its long-run median federal funds rate target in June to 2.5%. The Fed has been normalizing the size of its balance sheet since October 2017, by allowing a specified amount of Treasury, mortgage-backed, and agency securities to roll off each month. In March 2019, the Fed announced plans to begin slowing down the reduction of their balance sheet and conclude their balance sheet reduction program at the end of September 2019. This will leave the Fed with a larger balance sheet (slightly higher than \$3.5 trillion) than they originally expected.

Bond Yields



Source: Bloomberg



Source: Bloomberg

The shape of the Treasury yield curve has changed significantly on a year-over-year basis. As of month-end in June, the 3-month T-bill yield was up nearly 18 basis points, the 2-Year Treasury yield was down 77 basis points, and the 10-Year Treasury yield was down nearly 86 basis points, year-over-year. The current shape of the yield curve implies that market participants are pricing-in multiple rate cuts. We believe the decline in long-term Treasury yields reflects a high level of market participants' nervousness about the outlook for global economic growth and a decline in global inflation expectations.



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

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 category or higher by a NRSRO; 5% per issuer; Include bonds of the County, State of California, any other state, and any local County within the State of California	Complies
Treasury Issues	No limitation	Complies
Agency Issues	25% max per issuer	Complies
Supranationals	"AA" rated category or higher by two NRSROs; 30% maximum; 10% per issuer; Unsubordinated obligations issued by IBRD, IFC, IADB	Complies
Banker's Acceptances	"A-1" or higher short term ratings by two NRSROs; and "A" rated 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" rated or higher long term debt by two NRSROs; 40% maximum; 5% per issuer; 270 days max maturity; Issuer is a corporation organized and operating in the U.S. with assets in excess of \$500 million	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	"A" rated or better by two NRSROs; 30% maximum; 5% per issuer; 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	Highest rating or "AAA" rated by two NRSROs; or SEC registered adviser with AUM >\$500 million and experience greater than 5 years; 20% maximum in Mutual Funds; 10% max per Mutual Fund; 20% maximum in Money Market Mutual Funds; 20% max per Money Market Mutual 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 issuer. No issuer limitation on any Mortgage security where the issuer is U.S. Treasury or Federal agency/GSE	Complies
Local Agency Investment Fund (LAIF)/ Local Government Investment Pools	Maximum permitted amount by LAIF	Complies
Repurchase Agreements	No limitation; 1 year maximum maturity; 102% collateralized	Complies
Prohibited	Inverse floaters; ranges notes; interest-only strips from mortgaged backed securities; zero interest accrual securities; Securities with maturity longer than 5 years (unless approved by the Board of Supervisors); Margin; Reverse Repurchase Agreements, Securities lending; Foreign currency denominated securities; Social and Environmental Concerns: Investments are discouraged in entities that receive a significant portion of their revenues from the manufacturer of tobacco products, firearms, or weapons not used in our national defense.	Complies
Maximum Callables	20% max of callable securities (does not include "make whole call")	Complies
Maximum Per Issuer	5% max per issuer, unless otherwise specified in the policy	Complies
Maximum maturity	5 years maximum maturity	Complies

Portfolio Characteristics

As of June 30, 2019

Mendocino County Consolidated

	6/30/2019 Portfolio	6/30/2018 Portfolio
Average Maturity (yrs)	0.98	1.07
Modified Duration	0.94	1.03
Average Purchase Yield	1.95%	1.62%
Average Market Yield	1.94%	2.09%
Average Quality*	AA+/Aa1	AA+/Aa1
Total Market Value	276,266,657	254,275,994

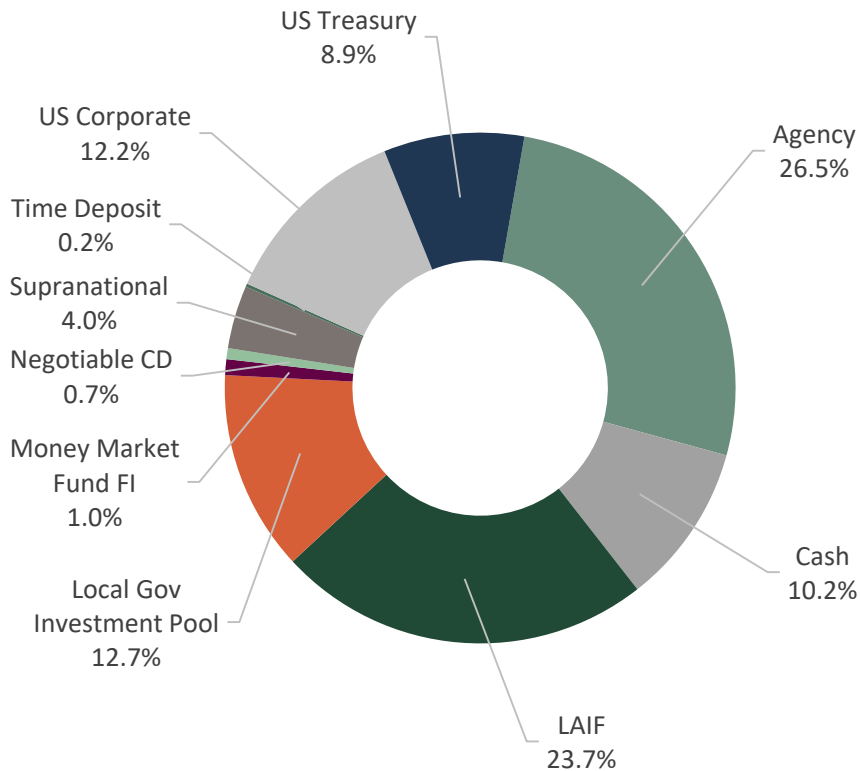
* Portfolio is S&P and Moody's respectively.

Sector Distribution

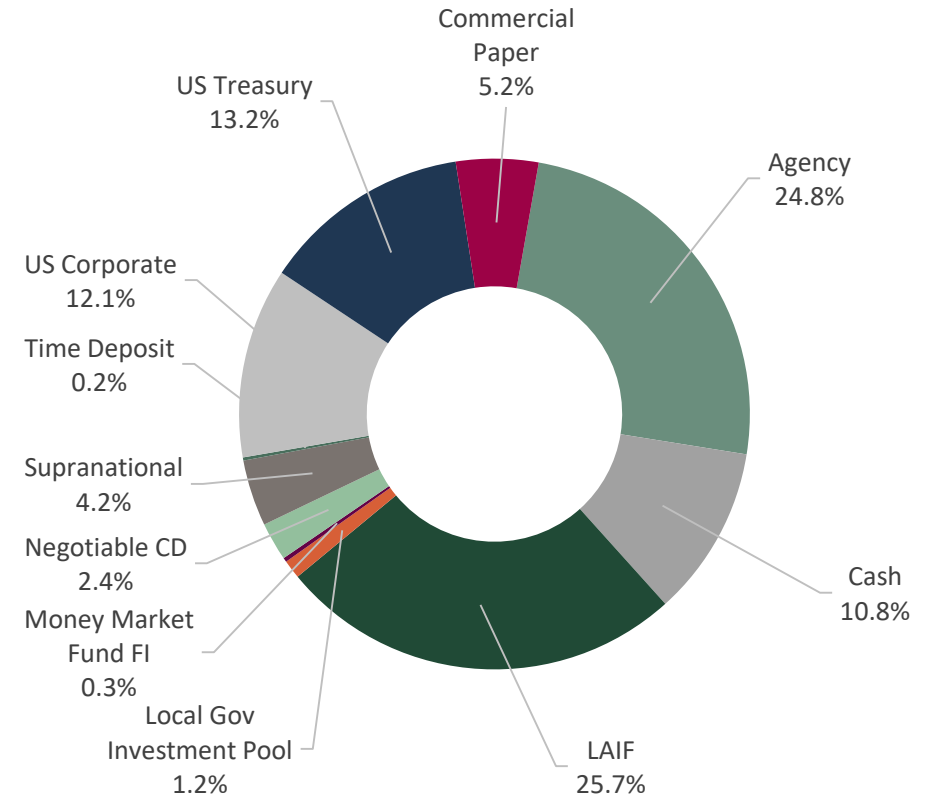
As of June 30, 2019

Mendocino County Consolidated

June 30, 2019



June 30, 2018



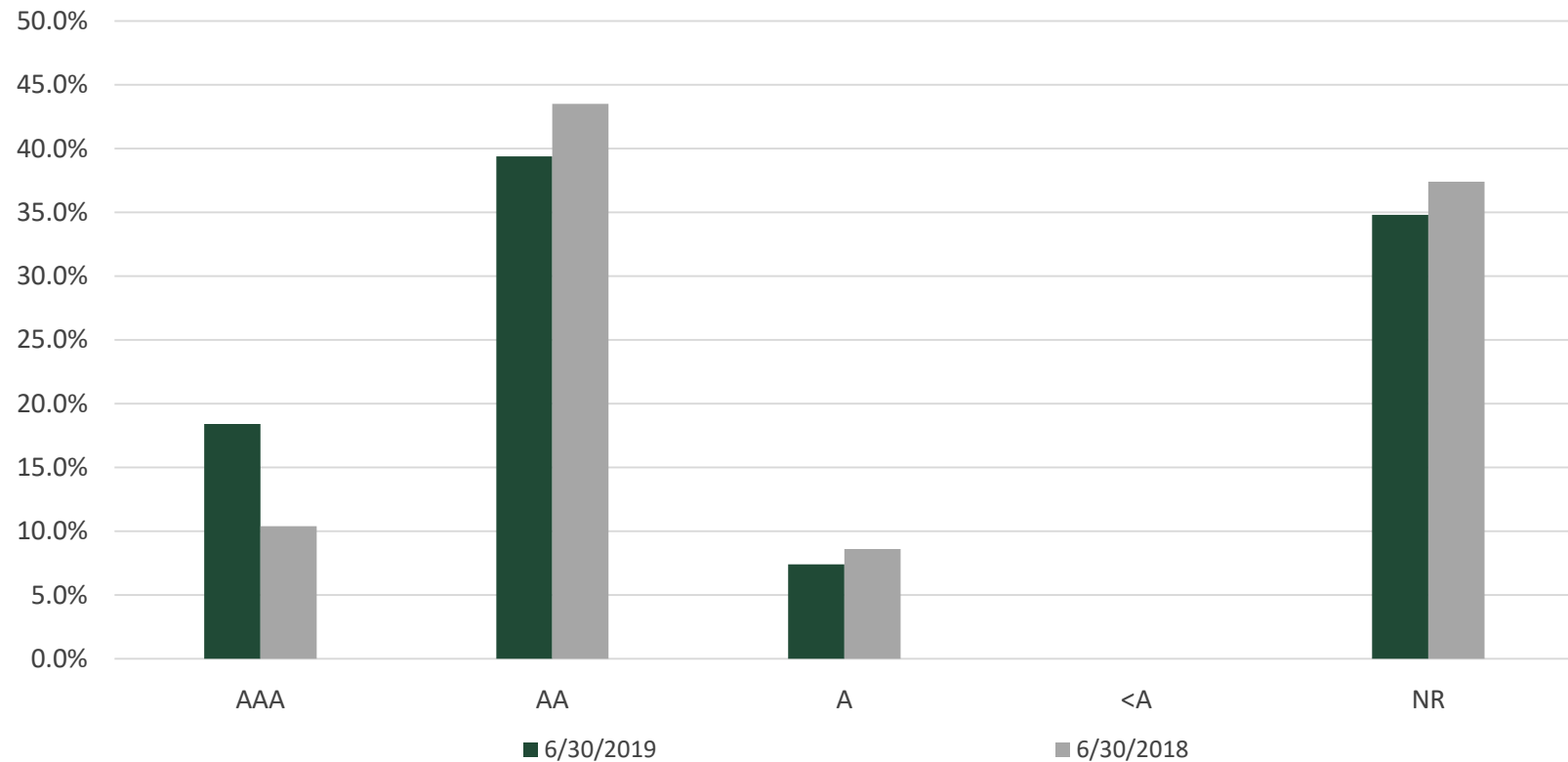
Mendocino County Consolidated – Account #70006

Issue Name	Investment Type	% Portfolio
Local Agency Investment Fund	LAIF	23.67%
Federal Home Loan Bank	Agency	12.74%
CAMP	Local Gov Investment Pool	12.67%
Custodial Checking Account	Cash	9.72%
Government of United States	US Treasury	8.90%
Federal National Mortgage Association	Agency	5.84%
Federal Home Loan Mortgage Corp	Agency	4.53%
Federal Farm Credit Bank	Agency	3.41%
Inter-American Dev Bank	Supranational	1.77%
Intl Bank Recon and Development	Supranational	1.36%
Apple Inc	US Corporate	1.04%
Dreyfus Treasury Money Market Fund	Money Market Fund FI	0.99%
International Finance Corp	Supranational	0.84%
Toronto Dominion Holdings	Negotiable CD	0.74%
Microsoft	US Corporate	0.73%
US Bancorp	US Corporate	0.70%
Charles Schwab Corp/The	US Corporate	0.66%
Honda Motor Corporation	US Corporate	0.66%
Cisco Systems	US Corporate	0.65%
Oracle Corp	US Corporate	0.65%
Praxair	US Corporate	0.64%
Intel Corp	US Corporate	0.64%
Costco Wholesale Corporation	US Corporate	0.62%
Qualcomm Inc	US Corporate	0.62%
Bank of New York	US Corporate	0.62%
Deere & Company	US Corporate	0.62%
State Street Bank	US Corporate	0.58%
Toyota Motor Corp	US Corporate	0.56%
Wal-Mart Stores	US Corporate	0.55%
IBM Corp	US Corporate	0.55%
Berkshire Hathaway	US Corporate	0.55%
Bank Cash Account	Cash	0.50%
United Parcel Service	US Corporate	0.45%
Savings Bank of Mendocino County	Time Deposit	0.09%
MendoLake Credit Union	Time Deposit	0.09%
Home Depot	US Corporate	0.07%
TOTAL		100.00%

Quality Distribution

As of June 30, 2019

Mendocino County Consolidated June 30, 2019 vs. June 30, 2018



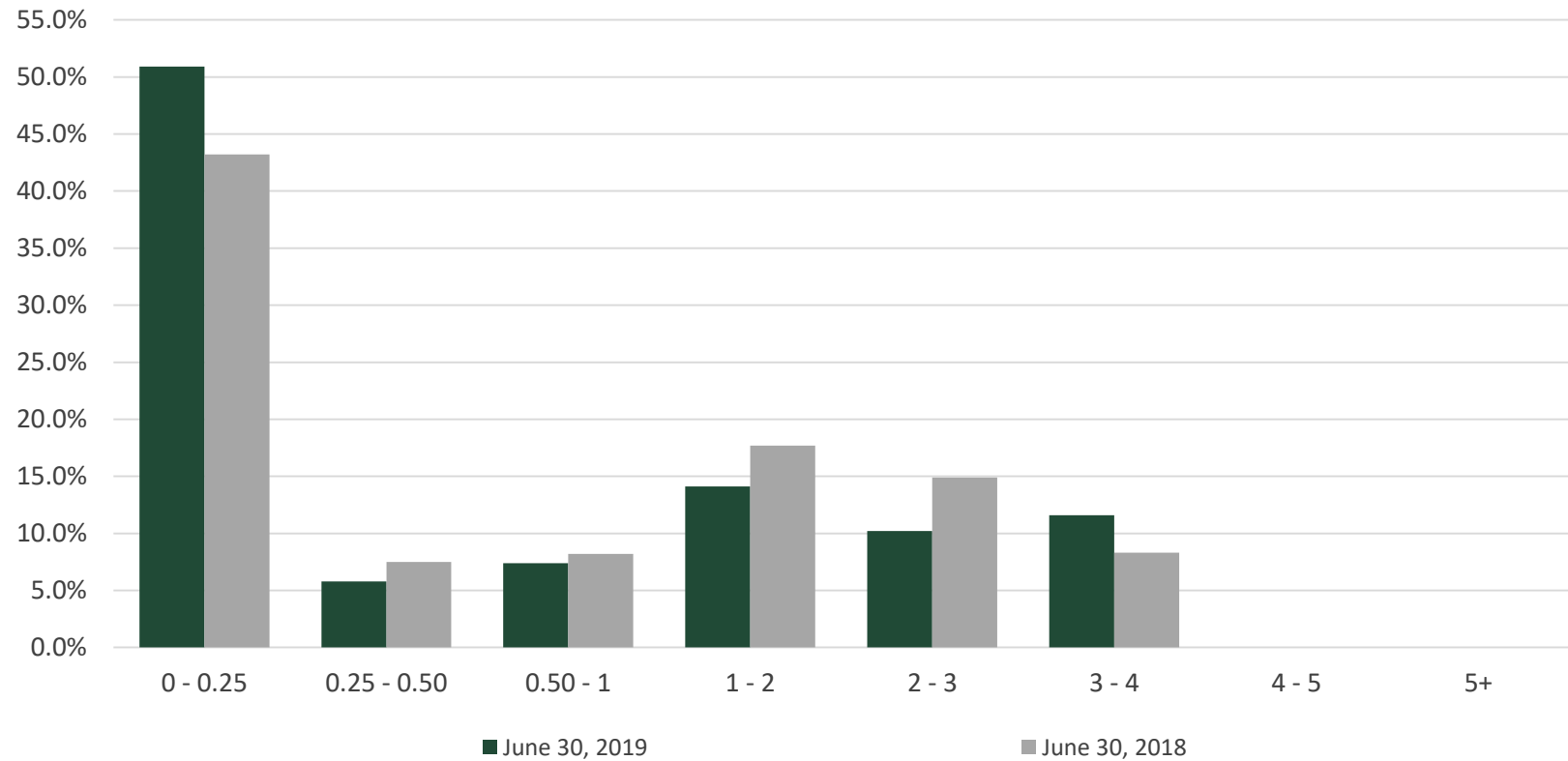
	AAA	AA	A	<A	NR
06/30/19	18.4%	39.4%	7.4%	0.0%	34.8%
06/30/18	10.4%	43.5%	8.6%	0.0%	37.4%

Source: S&P Ratings

Duration Distribution

As of June 30, 2019

Mendocino County Consolidated June 30, 2019 vs. June 30, 2018



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
06/30/19	50.9%	5.8%	7.4%	14.1%	10.2%	11.6%	0.0%	0.0%
06/30/18	43.2%	7.5%	8.2%	17.7%	14.9%	8.3%	0.0%	0.0%



Section 3 | Portfolio Holdings

Holdings Report

As of June 30, 2019

Mendocino County Consolidated - Account #70006

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
Agency									
3133EFW52	FFCB Note 1.150% Due 07/01/2019	2,400,000.00	04/05/2016 1.00%	2,411,640.00 2,400,000.00	100.00 1.15%	2,400,000.00 13,800.00	0.87% 0.00	Aaa / AA+ AAA	0.00 0.00
3137EADK2	FHLMC Note 1.250% Due 08/01/2019	2,000,000.00	04/28/2015 1.34%	1,992,880.00 1,999,858.06	99.92 2.21%	1,998,324.00 10,416.67	0.73% (1,534.06)	Aaa / AA+ AAA	0.09 0.09
3135G0N33	FNMA Note 0.875% Due 08/02/2019	1,000,000.00	07/29/2016 0.93%	998,320.00 999,950.90	99.88 2.23%	998,788.00 3,621.53	0.36% (1,162.90)	Aaa / AA+ AAA	0.09 0.09
313380FB8	FHLB Note 1.375% Due 09/13/2019	660,000.00	10/30/2015 1.38%	659,795.40 659,989.27	99.83 2.20%	658,885.26 2,722.50	0.24% (1,104.01)	Aaa / AA+ NR	0.21 0.20
3137EADM8	FHLMC Note 1.250% Due 10/02/2019	2,000,000.00	04/29/2015 1.44%	1,983,422.00 1,999,045.94	99.76 2.20%	1,995,150.00 6,180.56	0.72% (3,895.94)	Aaa / AA+ AAA	0.26 0.25
3130ACM92	FHLB Note 1.500% Due 10/21/2019	2,525,000.00	10/27/2017 1.68%	2,516,415.00 2,523,666.41	99.78 2.20%	2,519,551.05 7,364.58	0.91% (4,115.36)	Aaa / AA+ AAA	0.31 0.31
3130AA3R7	FHLB Note 1.375% Due 11/15/2019	2,000,000.00	11/17/2016 1.39%	1,999,400.00 1,999,924.73	99.73 2.11%	1,994,520.00 3,513.89	0.72% (5,404.73)	Aaa / AA+ AAA	0.38 0.37
3135G0ZY2	FNMA Note 1.750% Due 11/26/2019	1,300,000.00	06/30/2015 1.62%	1,307,294.30 1,300,670.53	99.85 2.11%	1,298,100.70 2,211.81	0.47% (2,569.83)	Aaa / AA+ AAA	0.41 0.40
313381C94	FHLB Note 1.250% Due 12/13/2019	790,000.00	01/28/2016 1.33%	787,732.70 789,735.43	99.58 2.18%	786,697.01 493.75	0.28% (3,038.42)	Aaa / AA+ AAA	0.45 0.45
3135G0T29	FNMA Note 1.500% Due 02/28/2020	2,600,000.00	Various 1.52%	2,598,252.00 2,599,613.68	99.62 2.09%	2,590,008.20 13,325.00	0.94% (9,605.48)	Aaa / AA+ AAA	0.67 0.65
3133EHFL2	FFCB Note 1.550% Due 04/13/2020	1,450,000.00	04/27/2017 1.57%	1,449,014.00 1,449,738.22	99.65 2.00%	1,444,965.60 4,869.58	0.52% (4,772.62)	Aaa / AA+ AAA	0.79 0.77
3137EAEF2	FHLMC Note 1.375% Due 04/20/2020	1,800,000.00	04/19/2017 1.48%	1,794,258.00 1,798,459.72	99.49 2.01%	1,790,859.60 4,881.25	0.65% (7,600.12)	Aaa / AA+ AAA	0.81 0.79
3137EADR7	FHLMC Note 1.375% Due 05/01/2020	1,600,000.00	10/21/2015 1.38%	1,599,579.20 1,599,922.36	99.43 2.07%	1,590,864.00 3,666.67	0.58% (9,058.36)	Aaa / AA+ AAA	0.84 0.82
313383HU8	FHLB Note 1.750% Due 06/12/2020	1,700,000.00	07/28/2017 1.57%	1,708,449.00 1,702,800.19	99.75 2.02%	1,695,716.00 1,570.14	0.61% (7,084.19)	Aaa / AA+ NR	0.95 0.94
3130ACE26	FHLB Note 1.375% Due 09/28/2020	2,000,000.00	09/22/2017 1.65%	1,983,940.00 1,993,350.96	99.34 1.91%	1,986,792.00 7,104.17	0.72% (6,558.96)	Aaa / AA+ NR	1.25 1.22
3137EAEJ4	FHLMC Note 1.625% Due 09/29/2020	2,250,000.00	09/28/2017 1.67%	2,247,097.50 2,248,792.39	99.66 1.90%	2,242,350.00 9,343.75	0.82% (6,442.39)	Aaa / AA+ AAA	1.25 1.22
3137EAEK1	FHLMC Note 1.875% Due 11/17/2020	800,000.00	11/27/2017 1.95%	798,368.00 799,240.41	99.97 1.90%	799,748.00 1,833.33	0.29% 507.59	Aaa / AA+ AAA	1.39 1.35

Holdings Report

As of June 30, 2019

Mendocino County Consolidated - Account #70006

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
3130A3UQ5	FHLB Note 1.875% Due 12/11/2020	2,000,000.00	02/12/2018	1,975,680.00	99.96	1,999,266.00	0.72%	Aaa / AA+ NR	1.45
			2.32%	1,987,533.64	1.90%	2,083.33	11,732.36		1.42
3130A7CV5	FHLB Note 1.375% Due 02/18/2021	2,000,000.00	02/23/2016	1,994,480.00	99.27	1,985,316.00	0.72%	Aaa / AA+ AAA	1.64
			1.43%	1,998,187.28	1.83%	10,159.72	(12,871.28)		1.60
3135G0J20	FNMA Note 1.375% Due 02/26/2021	2,500,000.00	03/17/2016	2,482,725.00	99.23	2,480,775.00	0.90%	Aaa / AA+ AAA	1.66
			1.52%	2,494,203.41	1.85%	11,935.76	(13,428.41)		1.62
313379RB7	FHLB Note 1.875% Due 06/11/2021	2,400,000.00	08/30/2017	2,419,562.40	100.03	2,400,636.00	0.87%	Aaa / AA+ AAA	1.95
			1.65%	2,410,078.89	1.86%	2,500.00	(9,442.89)		1.90
3130A8QS5	FHLB Note 1.125% Due 07/14/2021	2,600,000.00	08/09/2016	2,584,400.00	98.75	2,567,598.80	0.93%	Aaa / AA+ AAA	2.04
			1.25%	2,593,548.42	1.75%	13,568.75	(25,949.62)		1.99
3137EADB2	FHLB Note 2.375% Due 01/13/2022	2,000,000.00	07/30/2018	1,968,440.00	101.48	2,029,548.00	0.74%	Aaa / AA+ AAA	2.54
			2.86%	1,976,817.65	1.78%	22,166.67	52,730.35		2.43
313378WG2	FHLB Note 2.500% Due 03/11/2022	3,000,000.00	04/09/2018	2,983,650.00	101.82	3,054,495.00	1.11%	Aaa / AA+ NR	2.70
			2.65%	2,988,757.23	1.81%	22,916.67	65,737.77		2.58
3135G0T45	FNMA Note 1.875% Due 04/05/2022	2,900,000.00	06/21/2017	2,901,218.00	100.18	2,905,196.80	1.06%	Aaa / AA+ AAA	2.77
			1.87%	2,900,703.07	1.81%	12,989.58	4,493.73		2.67
313379Q69	FHLB Note 2.125% Due 06/10/2022	2,215,000.00	06/06/2018	2,157,500.82	100.87	2,234,272.72	0.81%	Aaa / AA+ AAA	2.95
			2.81%	2,172,778.95	1.82%	2,745.68	61,493.77		2.84
3130A5P45	FHLB Note 2.375% Due 06/10/2022	1,500,000.00	05/21/2019	1,505,190.00	101.60	1,523,989.50	0.55%	Aaa / AA+ AAA	2.95
			2.26%	1,505,003.81	1.81%	2,078.13	18,985.69		2.83
313383WD9	FHLB Note 3.125% Due 09/09/2022	2,200,000.00	01/16/2019	2,235,266.00	104.00	2,288,068.20	0.84%	Aaa / AA+ AAA	3.20
			2.66%	2,230,894.18	1.83%	21,388.89	57,174.02		3.01
3135G0T78	FNMA Note 2.000% Due 10/05/2022	3,000,000.00	05/20/2019	2,979,030.00	100.70	3,020,994.00	1.10%	Aaa / AA+ AAA	3.27
			2.22%	2,979,727.30	1.78%	14,333.33	41,266.70		3.13
3133EKHN9	FFCB Note 2.330% Due 10/18/2022	3,000,000.00	05/01/2019	3,001,380.00	101.54	3,046,233.00	1.11%	Aaa / AA+ AAA	3.30
			2.32%	3,001,314.55	1.85%	14,174.17	44,918.45		3.15
313381BR5	FHLB Note 1.875% Due 12/09/2022	1,500,000.00	09/20/2018	1,432,965.00	100.22	1,503,249.00	0.54%	Aaa / AA+ AAA	3.45
			3.01%	1,445,283.77	1.81%	1,718.75	57,965.23		3.32
3135G0T94	FNMA Note 2.375% Due 01/19/2023	2,700,000.00	03/18/2019	2,691,819.00	101.97	2,753,068.50	1.01%	Aaa / AA+ AAA	3.56
			2.46%	2,692,425.86	1.80%	28,856.25	60,642.64		3.36
3130ADRG9	FHLB Note 2.750% Due 03/10/2023	3,000,000.00	03/28/2019	3,057,120.00	102.92	3,087,531.00	1.13%	Aaa / AA+ NR	3.70
			2.24%	3,053,396.50	1.93%	25,437.50	34,134.50		3.48
3133834G3	FHLB Note 2.125% Due 06/09/2023	2,750,000.00	06/10/2019	2,763,035.00	101.20	2,783,107.25	1.01%	Aaa / AA+ NR	3.95
			2.00%	2,762,856.32	1.81%	3,571.18	20,250.93		3.76

Holdings Report

As of June 30, 2019

Mendocino County Consolidated - Account #70006

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
3133EKS7	FFCB Note 1.770% Due 06/26/2023	2,500,000.00	06/21/2019 1.89%	2,488,375.00 2,488,414.78	99.69 1.85%	2,492,192.50 614.58	0.90% 3,777.72	Aaa / AA+ AAA	3.99 3.83
TOTAL Agency		72,640,000.00	1.89%	72,457,693.32 72,546,684.81	1.90%	72,946,856.69 310,158.12	26.52% 400,171.88	Aaa / AA+ Aaa	1.98 1.90
Cash									
90CHECK\$1	Checking Deposit Bank Account	26,840,858.90	Various 0.00%	26,840,858.90 26,840,858.90	1.00 0.00%	26,840,858.90 0.00	9.72% 0.00	NR / NR NR	0.00 0.00
90CASH\$00	Cash Custodial Cash Account	1,379,436.61	Various 0.00%	1,379,436.61 1,379,436.61	1.00 0.00%	1,379,436.61 0.00	0.50% 0.00	NR / NR NR	0.00 0.00
TOTAL Cash		28,220,295.51	0.00%	28,220,295.51	0.00%	28,220,295.51 0.00	10.21% 0.00	NR / NR NR	0.00 0.00
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	65,000,000.00	Various 2.41%	65,000,000.00 65,000,000.00	1.00 2.41%	65,000,000.00 396,573.29	23.67% 0.00	NR / NR NR	0.00 0.00
TOTAL LAIF		65,000,000.00	2.41%	65,000,000.00 65,000,000.00	2.41%	65,000,000.00 396,573.29	23.67% 0.00	NR / NR NR	0.00 0.00
Local Gov Investment Pool									
90CAMP\$00	California Asset Mgmt Program CAMP	35,000,000.00	Various 2.45%	35,000,000.00 35,000,000.00	1.00 2.45%	35,000,000.00 0.00	12.67% 0.00	NR / AAA NR	0.00 0.00
TOTAL Local Gov Investment Pool		35,000,000.00	2.45%	35,000,000.00 35,000,000.00	2.45%	35,000,000.00 0.00	12.67% 0.00	NR / AAA NR	0.00 0.00
Money Market Fund FI									
261908107	Dreyfus Trsry/Agcy Cash Management 521	2,727,683.33	Various 2.20%	2,727,683.33 2,727,683.33	1.00 2.20%	2,727,683.33 0.00	0.99% 0.00	Aaa / AAA NR	0.00 0.00
TOTAL Money Market Fund FI		2,727,683.33	2.20%	2,727,683.33 2,727,683.33	2.20%	2,727,683.33 0.00	0.99% 0.00	Aaa / AAA NR	0.00 0.00

Holdings Report

As of June 30, 2019

Mendocino County Consolidated - Account #70006

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
Negotiable CD									
89114MNQ6	Toronto Dominion Bank Yankee CD 3.090% Due 12/02/2019	2,000,000.00	11/29/2018 3.09%	2,000,000.00 2,000,000.00	100.00 3.09%	2,000,000.00 36,565.00	0.74% 0.00	P-1 / A-1+ F-1+	0.42 0.42
TOTAL Negotiable CD		2,000,000.00	3.09%	2,000,000.00	3.09%	2,000,000.00 36,565.00	0.74% 0.00	Aaa / AAA Aaa	0.42 0.42
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 1,751,269.59	99.93 2.13%	1,748,750.50 7,656.25	0.64% (2,519.09)	Aaa / AAA AAA	0.27 0.27
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 1,374,085.47	99.62 2.07%	1,369,717.25 3,041.23	0.50% (4,368.22)	Aaa / AAA AAA	0.87 0.85
459058GA5	Intl. Bank Recon & Development Note 1.625% Due 09/04/2020	2,000,000.00	08/22/2017 1.63%	1,999,580.00 1,999,835.74	99.62 1.95%	1,992,398.00 10,562.50	0.73% (7,437.74)	Aaa / AAA AAA	1.18 1.15
45950KCM0	International Finance Corp Note 2.250% Due 01/25/2021	720,000.00	01/18/2018 2.35%	717,883.20 718,891.38	100.53 1.91%	723,808.80 7,020.00	0.26% 4,917.42	Aaa / AAA NR	1.58 1.52
45950KCJ7	International Finance Corp Note 1.125% Due 07/20/2021	1,600,000.00	11/29/2017 2.12%	1,544,832.00 1,568,819.89	98.56 1.84%	1,576,988.80 8,050.00	0.57% 8,168.91	Aaa / AAA NR	2.06 2.01
4581X0CN6	Inter-American Dev Bank Note 1.750% Due 04/14/2022	1,500,000.00	04/24/2018 2.92%	1,434,810.00 1,454,200.54	99.84 1.81%	1,497,580.50 5,614.58	0.54% 43,379.96	Aaa / AAA AAA	2.79 2.70
4581X0CZ9	Inter-American Dev Bank Note 1.750% Due 09/14/2022	2,000,000.00	05/04/2018 2.93%	1,904,540.00 1,929,695.81	99.85 1.80%	1,997,044.00 10,402.78	0.73% 67,348.19	NR / NR AAA	3.21 3.09
TOTAL Supranational		10,945,000.00	2.17%	10,736,056.45 10,796,798.42	1.93%	10,906,287.85 52,347.34	3.97% 109,489.43	Aaa / AAA Aaa	1.74 1.69
Time Deposit									
90MEND\$09	Savings Bank of Mendocino Coun Time Deposit 0.300% Due 03/03/2020	250,000.00	03/03/2019 0.30%	250,000.00 250,000.00	100.00 0.30%	250,000.00 57.53	0.09% 0.00	NR / NR NR	0.68 0.68
90MEND\$10	Savings Bank of Mendocino Coun Time Deposit 0.300% Due 03/20/2020	250,000.00	03/20/2019 0.30%	250,000.00 250,000.00	100.00 0.30%	250,000.00 22.92	0.09% 0.00	NR / NR NR	0.72 0.73
TOTAL Time Deposit		500,000.00	0.30%	500,000.00 500,000.00	0.30%	500,000.00 80.45	0.18% 0.00	NR / NR NR	0.70 0.70
US Corporate									
084670BL1	Berkshire Hathaway Note 2.100% Due 08/14/2019	1,500,000.00	03/16/2017 1.72%	1,513,185.00 1,500,662.26	99.96 2.37%	1,499,466.00 11,987.50	0.55% (1,196.26)	Aa2 / AA A+	0.12 0.12

Holdings Report

As of June 30, 2019

Mendocino County Consolidated - Account #70006

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
17275RBG6	Cisco Systems Note 1.400% Due 09/20/2019	1,800,000.00	03/28/2017 1.73%	1,785,780.00 1,798,724.45	99.79 2.36%	1,796,130.00 7,070.00	0.65% (2,594.45)	A1 / AA- NR	0.22 0.22
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 1,699,199.28	99.74 2.18%	1,695,636.10 4,840.28	0.62% (3,563.18)	A2 / A A	0.28 0.27
037833AX8	Apple Inc Note 1.550% Due 02/07/2020	1,850,000.00	Various 1.54%	1,852,225.00 1,850,083.23	99.58 2.25%	1,842,298.45 11,310.70	0.67% (7,784.78)	Aa1 / AA+ NR	0.61 0.59
22160KAG0	Costco Wholesale Corp Note 1.750% Due 02/15/2020	1,700,000.00	11/01/2016 1.57%	1,709,894.00 1,701,891.26	99.61 2.38%	1,693,349.60 11,238.89	0.62% (8,541.66)	Aa3 / A+ NR	0.63 0.61
747525AD5	Qualcomm Inc Note 2.250% Due 05/20/2020	1,700,000.00	10/06/2016 1.67%	1,734,408.00 1,708,471.27	99.97 2.29%	1,699,445.80 4,356.25	0.62% (9,025.47)	A2 / A- NR	0.89 0.87
437076BQ4	Home Depot Note 1.800% Due 06/05/2020	200,000.00	06/12/2017 1.77%	200,150.00 200,046.96	99.65 2.18%	199,305.60 260.00	0.07% (741.36)	A2 / A A	0.93 0.92
458140AQ3	Intel Corp Note 2.450% Due 07/29/2020	1,750,000.00	01/24/2017 2.00%	1,776,775.00 1,758,248.12	100.20 2.26%	1,753,570.00 18,102.78	0.64% (4,678.12)	A1 / A+ A+	1.08 1.05
857477AS2	State Street Bank Note 2.550% Due 08/18/2020	1,590,000.00	12/11/2017 2.19%	1,604,993.70 1,596,340.54	100.44 2.15%	1,597,065.96 14,979.12	0.58% 725.42	A1 / A AA-	1.14 1.10
02665WAZ4	American Honda Finance Note 2.450% Due 09/24/2020	1,800,000.00	02/14/2017 2.25%	1,812,492.00 1,804,284.33	100.21 2.28%	1,803,726.00 11,882.50	0.66% (558.33)	A2 / A NR	1.24 1.20
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 1,999,791.76	99.96 2.03%	1,999,204.00 6,444.44	0.73% (587.76)	Aaa / AAA AA+	1.35 1.31
44932HAG8	IBM Credit Corp Note 2.650% Due 02/05/2021	1,500,000.00	02/12/2018 2.72%	1,496,880.00 1,498,320.88	100.55 2.29%	1,508,289.00 16,120.83	0.55% 9,968.12	A1 / A A	1.61 1.54
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 1,686,875.62	99.80 2.16%	1,696,569.40 5,614.72	0.62% 9,693.78	A1 / A AA-	1.84 1.79
808513AW5	Charles Schwab Corp Callable Note Cont 4/21/2021 3.250% Due 05/21/2021	1,775,000.00	Various 3.05%	1,784,554.00 1,780,982.43	101.94 2.15%	1,809,371.10 6,409.73	0.66% 28,388.67	A2 / A A	1.89 1.75
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.900% Due 09/15/2021	1,800,000.00	10/25/2017 2.20%	1,779,786.00 1,788,504.09	99.49 2.14%	1,790,888.40 10,070.00	0.65% 2,384.31	A1 / AA- A	2.21 2.14
91159HHP8	US Bancorp Callable Cont 12/23/2021 2.625% Due 01/24/2022	890,000.00	01/19/2017 2.66%	888,469.20 889,213.64	101.07 2.18%	899,514.10 10,188.65	0.33% 10,300.46	A1 / A+ AA-	2.57 2.37
74005PBA1	Praxair Callable Note Cont 11/15/2021 2.450% Due 02/15/2022	1,750,000.00	03/09/2018 2.96%	1,717,222.50 1,728,072.20	100.83 2.09%	1,764,458.50 16,197.22	0.64% 36,386.30	A2 / A NR	2.63 2.28
91159HHC7	US Bancorp Callable Note Cont 2/15/2022 3.000% Due 03/15/2022	1,000,000.00	04/12/2018 3.05%	997,970.00 998,596.47	102.26 2.11%	1,022,574.00 8,833.33	0.37% 23,977.53	A1 / A+ AA-	2.71 2.50

Holdings Report

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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
911312BC9	UPS Callable Note Cont 4/16/2022 2.350% Due 05/16/2022	1,240,000.00	04/10/2018 2.99%	1,209,632.40 1,218,671.59	100.60 2.13%	1,247,475.96 3,642.50	0.45% 28,804.37	A1 / A+ NR	2.88 2.69
89236TEL5	Toyota Motor Credit Corp Note 2.700% Due 01/11/2023	1,500,000.00	05/20/2019 2.66%	1,501,890.00 1,501,833.16	101.61 2.22%	1,524,087.00 19,125.00	0.56% 22,253.84	Aa3 / AA- A+	3.54 3.31
931142DH3	Wal-Mart Stores Callable Note Cont 1/11/2023 2.550% Due 04/11/2023	1,500,000.00	05/01/2019 2.62%	1,495,965.00 1,496,130.44	101.44 2.12%	1,521,636.00 8,500.00	0.55% 25,505.56	Aa2 / AA AA	3.78 3.35
037833AK6	Apple Inc Note 2.400% Due 05/03/2023	1,000,000.00	05/20/2019 2.65%	990,790.00 991,045.48	100.99 2.13%	1,009,902.00 3,866.67	0.37% 18,856.52	Aa1 / AA+ NR	3.84 3.64
TOTAL US Corporate		33,245,000.00	2.24%	33,212,232.80 33,195,989.46	2.21%	33,373,962.97 211,041.11	12.16% 177,973.51	A1 / A+ A+	1.65 1.54
US Treasury									
912828UB4	US Treasury Note 1.000% Due 11/30/2019	2,000,000.00	12/04/2015 1.56%	1,957,194.20 1,995,522.04	99.54 2.12%	1,990,704.00 1,693.99	0.72% (4,818.04)	Aaa / AA+ AAA	0.42 0.41
912828UL2	US Treasury Note 1.375% Due 01/31/2020	1,250,000.00	02/13/2018 2.15%	1,231,396.48 1,244,439.73	99.59 2.08%	1,244,922.50 7,169.37	0.45% 482.77	Aaa / AA+ AAA	0.59 0.58
912828VA5	US Treasury Note 1.125% Due 04/30/2020	2,600,000.00	Various 1.44%	2,572,789.96 2,593,455.43	99.27 2.02%	2,580,905.60 4,956.26	0.94% (12,549.83)	Aaa / AA+ AAA	0.84 0.82
912828L65	US Treasury Note 1.375% Due 09/30/2020	2,500,000.00	12/30/2015 1.79%	2,452,449.78 2,487,475.24	99.36 1.89%	2,483,985.00 8,640.71	0.90% (3,490.24)	Aaa / AA+ AAA	1.25 1.23
912828L99	US Treasury Note 1.375% Due 10/31/2020	2,600,000.00	04/14/2016 1.20%	2,619,508.71 2,605,735.09	99.35 1.87%	2,583,141.60 6,023.10	0.94% (22,593.49)	Aaa / AA+ AAA	1.34 1.31
912828P87	US Treasury Note 1.125% Due 02/28/2021	2,400,000.00	Various 1.45%	2,368,765.85 2,387,502.59	98.87 1.81%	2,372,906.40 9,024.46	0.86% (14,596.19)	Aaa / AA+ AAA	1.67 1.64
912828D72	US Treasury Note 2.000% Due 08/31/2021	2,400,000.00	12/28/2016 2.01%	2,398,508.04 2,399,307.37	100.53 1.75%	2,412,748.80 16,043.48	0.88% 13,441.43	Aaa / AA+ AAA	2.17 2.10
912828U81	US Treasury Note 2.000% Due 12/31/2021	1,000,000.00	01/30/2018 2.40%	984,960.94 990,387.62	100.67 1.72%	1,006,719.00 54.35	0.36% 16,331.38	Aaa / AA+ AAA	2.51 2.43
912828P4	US Treasury Note 1.875% Due 07/31/2022	3,000,000.00	12/28/2018 2.53%	2,932,851.56 2,942,194.84	100.45 1.72%	3,013,476.00 23,463.40	1.10% 71,281.16	Aaa / AA+ AAA	3.09 2.96
912828M80	US Treasury Note 2.000% Due 11/30/2022	2,300,000.00	04/17/2019 2.38%	2,270,082.03 2,271,756.71	100.90 1.73%	2,320,752.90 3,896.17	0.84% 48,996.19	Aaa / AA+ AAA	3.42 3.29

Holdings Report

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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
912828R69	US Treasury Note 1.625% Due 05/31/2023	2,500,000.00	04/11/2019 2.30%	2,433,593.75 2,436,986.77	99.61 1.73%	2,490,137.50 3,440.92	0.90% 53,150.73	Aaa / AA+ AAA	3.92 3.77
TOTAL US Treasury		24,550,000.00	1.90%	24,222,101.30 24,354,763.43	1.85%	24,500,399.30 84,406.21	8.90% 145,635.87	Aaa / AA+ Aaa	2.00 1.94
TOTAL PORTFOLIO		274,827,978.84	1.96%	274,076,062.71 274,342,214.96	1.94%	275,175,485.65 1,091,171.52	100.00% 833,270.69	Aa1 / AA+ Aaa	0.98 0.94
TOTAL MARKET VALUE PLUS ACCRUALS						276,266,657.17			

Important Disclosures

As of June 30, 2019

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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.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.