



City of La Palma

Investment Update

Sarah Meacham, Managing Director

PFM Asset
Management LLC

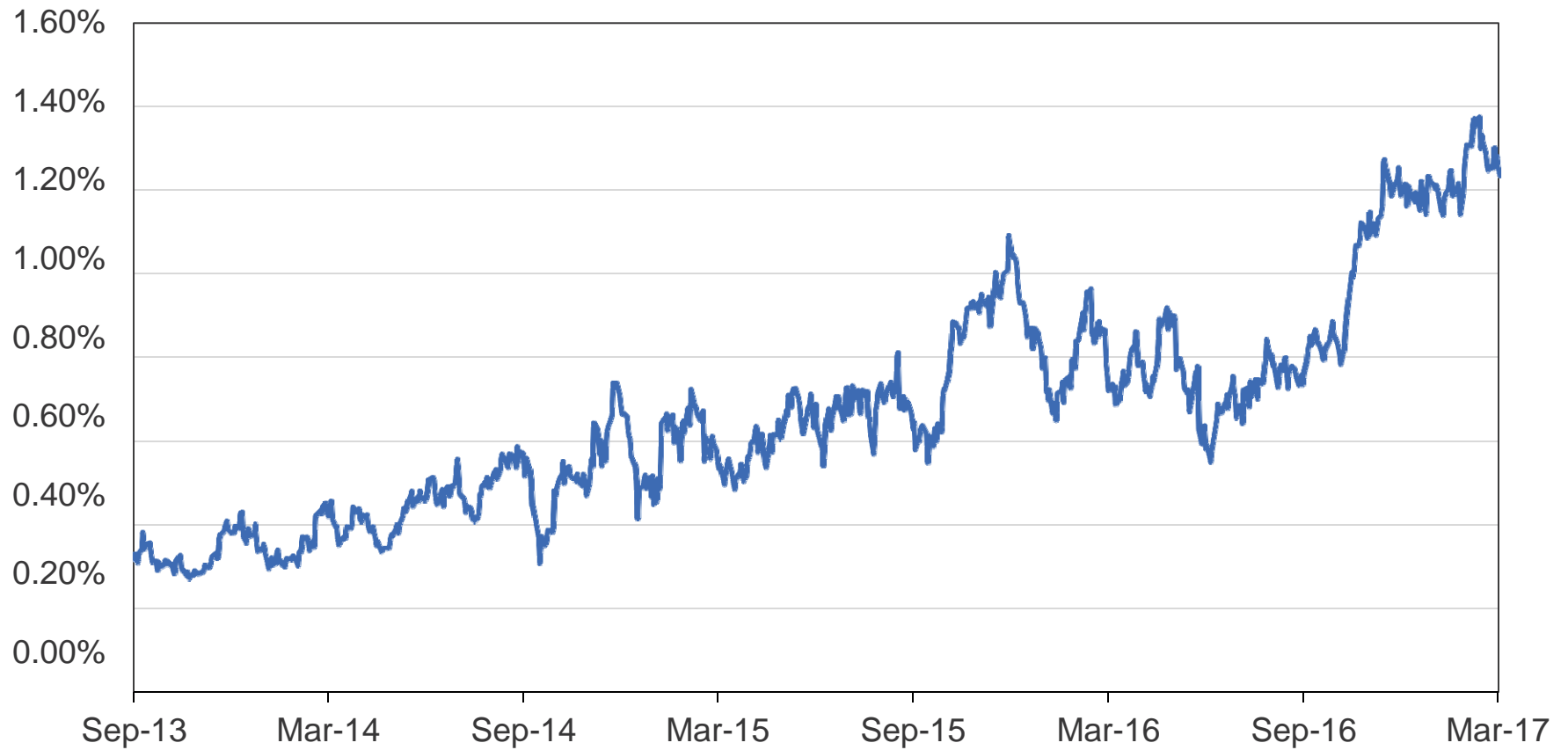
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Interest Rate Update

2-Year Treasury Yields September 30, 2013 – March 31, 2017



Source: Bloomberg, as of 3/31/17.



Portfolio Has Generated Strong Returns

- ◆ The City's portfolio has earned \$900,748 since inception.

Total Return For periods ended March 31, 2017

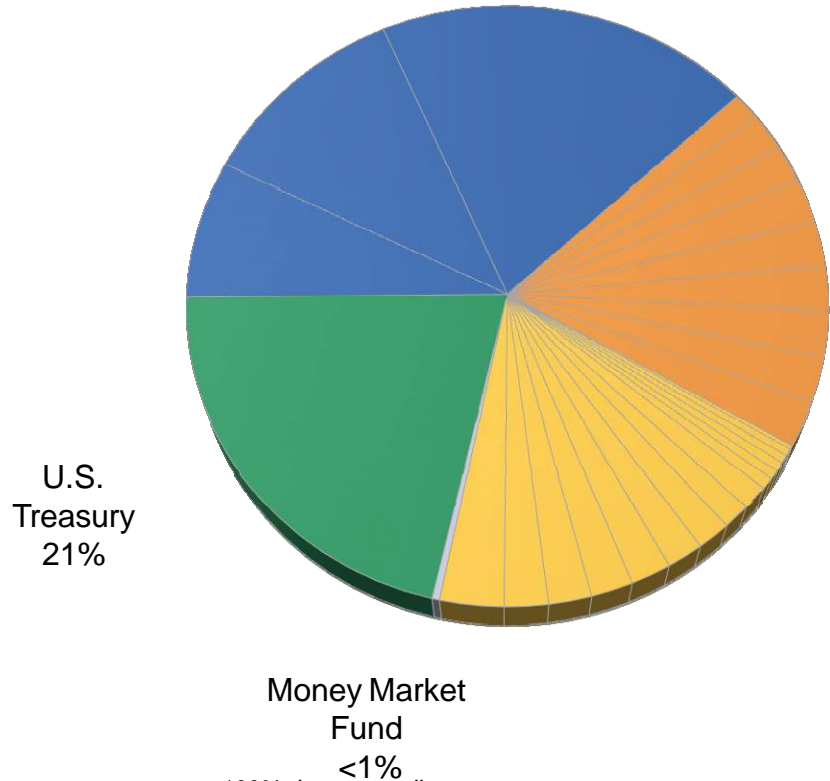
	Duration (years)	Past Quarter	Past 1 Year	Past 3 Years	Since Inception
City of La Palma	1.78	0.37%	0.66%	0.99%	0.96%
1-3 Year U.S. Treasury Index	1.82	0.26%	0.25%	0.72%	0.68%

*Performance on a trade-date basis, gross (i.e., before fees), in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).
Bank of America Merrill Lynch indices provided by Bloomberg Financial Markets.
Inception date is September 30, 2013.
Performance, yield, and duration calculations exclude holdings in the money market fund.
The City's benchmark is the Bank of America (BofA) Merrill Lynch 1-3 Year U.S. Treasury index.
Earnings are accrual basis earnings since September 30, 2013.*



Portfolio Issuer Distribution

Federal Agencies	
FNMA	20%
FHLMC	11%
FHLB	8%



As of March 31, 2017. Percentages may not sum to 100% due to rounding.

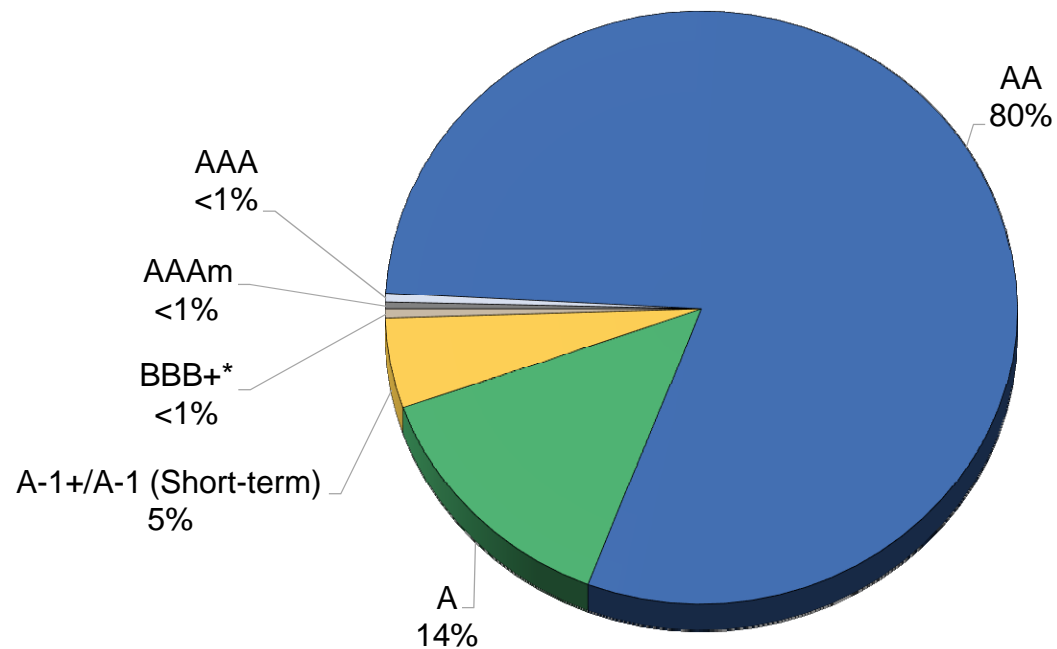
CD Issuers	
Skandinaviska Enskilda (NY)	3%
HSCB Bank	3%
Toronto Dominion Bank (NY)	3%
US Bank	2%
Nordea Bank (NY)	2%
Bank of Nova Scotia (Houston)	2%
Svenska Handelsbanken (NY)	2%
Canadian Imperial Bank (NY)	2%
Royal Bank of Canada (NY)	1%

Corporate Issuers	
General Electric	3%
Cisco Systems	2%
John Deere CC	2%
Toyota Motor CC	2%
Bank of New York	2%
American Express	2%
Wells Fargo	2%
American Honda Finance	1%
IBM	1%
Apple	1%
City Group	<1%
Microsoft	<1%
Berkshire Hathaway	<1%
PepsiCo	<1%
Disney	<1%



Portfolio Credit Quality

- The City's portfolio comprises high-quality securities.
- The portfolio has an average credit quality of AA.



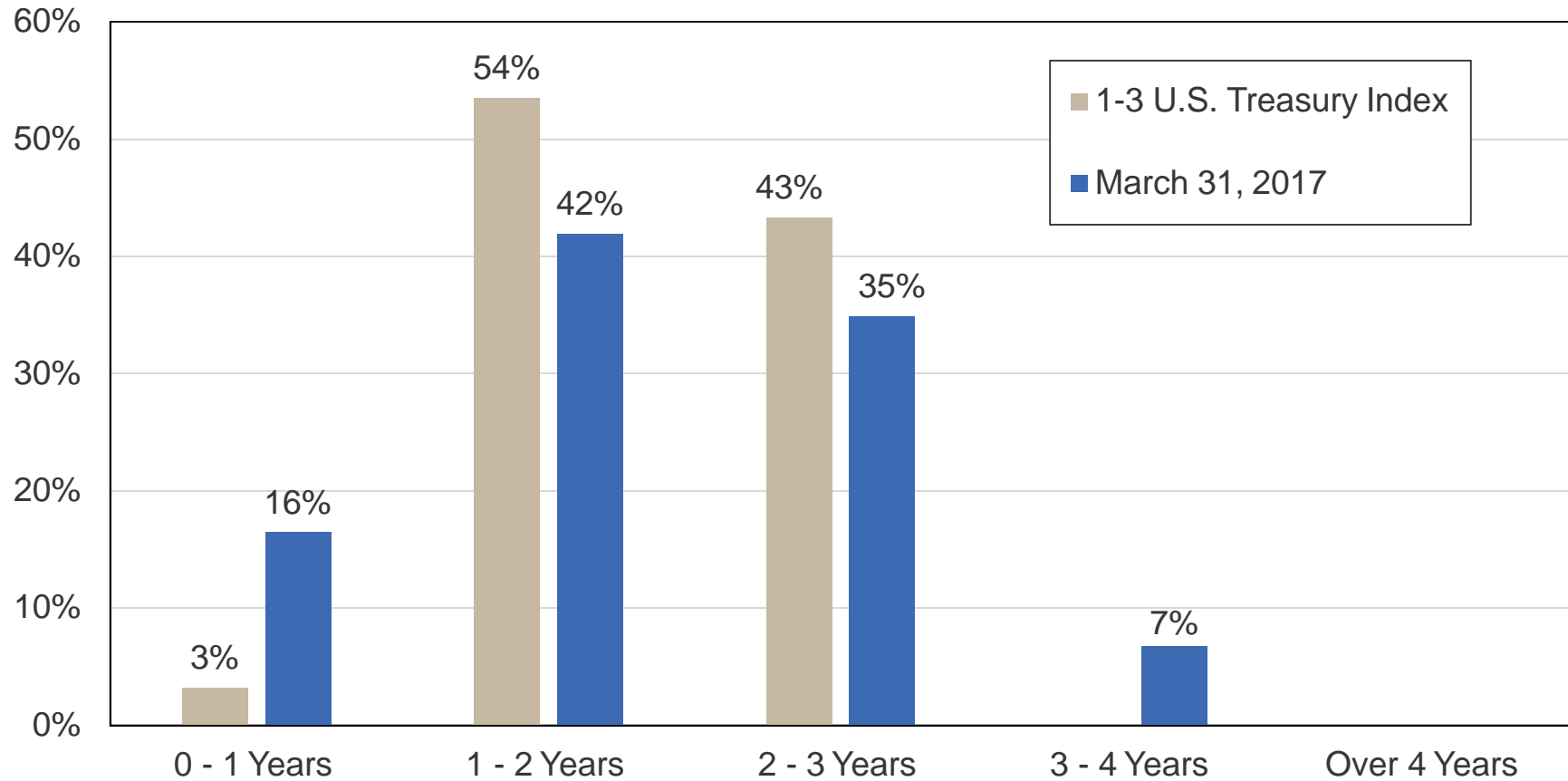
*Citigroup is rated BBB+ by S&P but A by Fitch.

As of March 31, 2017. Percentages may not sum to 100% due to rounding.

Ratings are based on Standard & Poor's, if provided. If Standard & Poor's ratings are not provided, ratings by Moody's and/or Fitch are used.



Portfolio Maturity Distribution



1-3 U.S. Treasury Benchmark as of March 31, 2017.

Callable and floating-rate securities are included in the maturity distribution analysis to their stated maturity date.