

City of Orange

Investment Advisory and Management Services

November 3rd, 2021

Mia Corral Brown
Senior Relationship Manager

Jayson Schmitt, CFA
Deputy CIO

Christopher McCarry, AIF
Senior Portfolio Strategist



SECTION 1

Partnering With Chandler Asset Management

SECTION 2

What We've Learned About City of Orange

SECTION 3

Client Service, Compliance & Reporting

SECTION 4

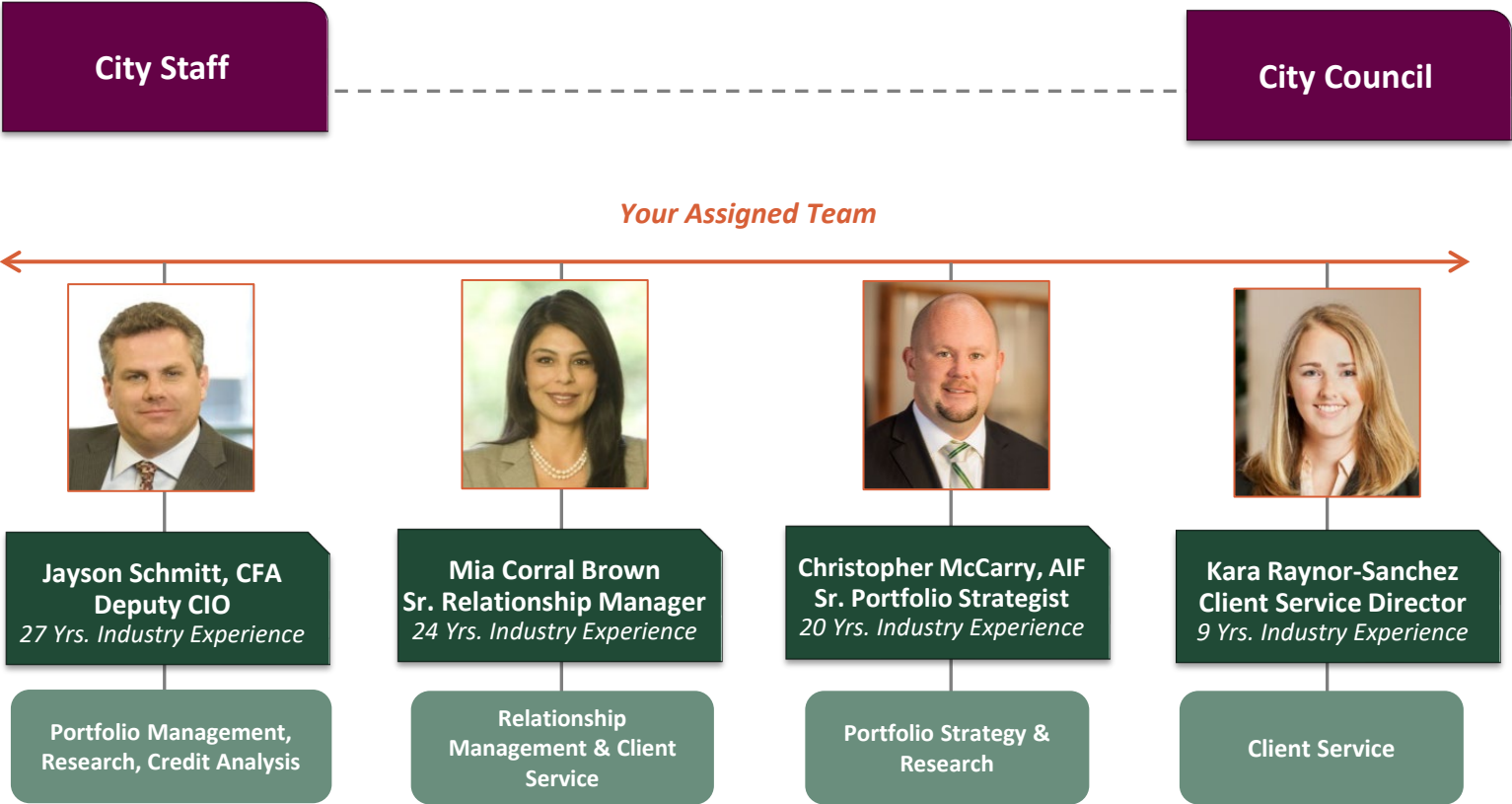
Appendix

SECTION 5

Biographies & Disclosures

Partnering With Chandler Asset Management





Supported by 30 Additional Professionals:
Investment Management, Compliance, Operations, Client Service and Administration

“We believe if we do what is right for our clients, our own success will follow.”

■ *California Based, Independent & Employee-Owned*

- Fixed income specialist since 1988
- Founded by public investment professionals
- Serve institutions with public sector focus, including management of \$7 billion for fifty-eight (58) California cities
- Headquartered in San Diego, CA

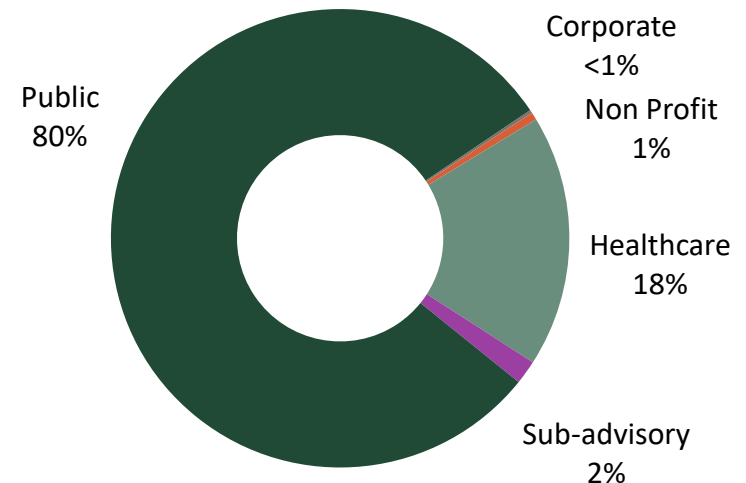
■ *Custom Investment Programs*

- Investment solutions based on your risk profile and return goals
- Strategies for operating, short- and long-term reserves
- Direct contact with investment management team

■ *Stable Team of Investment Professionals*

- Team of investment professionals average over two decades portfolio management experience
- Disciplined, repeatable investment philosophy and process
- Proprietary investment analysis

Assets Under Management \$23.6 Billion



Lasting Partnerships with Southern California Neighbors



Chandler's strong client retention rate is a testament to our commitment to our clients.

Inland Area Clients

City of Chino Hills

Coachella Valley Water District

City of Corona

Eastern Municipal Water District

Elsinore Valley Municipal Water District

City of Indio

City of Menifee

City of Moreno Valley

City of Palm Springs

City of Perris

Rancho California Water District

City of Riverside

San Bernardino Municipal Water Department

City of San Jacinto

Temescal Valley Water District

West Valley Water District

Western Municipal Water District

Los Angeles Area Clients

Alameda Corridor Trans. Authority

City of Agoura Hills

City of Bell

City of Camarillo

City of El Monte

City of Gardena

City of La Mirada

City of Long Beach

Los Angeles County Metro. Trans. Authority

City of Pico Rivera

City of Pomona

Three Valleys Municipal Water District

Upper San Gabriel Mun. Water District

Walnut Valley Water District

West Basin Municipal Water District

West San Gabriel Schools JPA

Whittier Area Schools Insurance Authority

Orange County Clients

City of Brea

City of Buena Park

City of Costa Mesa

East Orange County Water District

City of Fountain Valley

City of La Habra

City of Mission Viejo

Moulton Niguel Water District

City of Newport Beach

Orange County Sanitation District

Orange County Transportation Authority

City of San Clemente

City of San Juan Capistrano

South Coast Water District

Transportation Corridor Agencies

City of Tustin

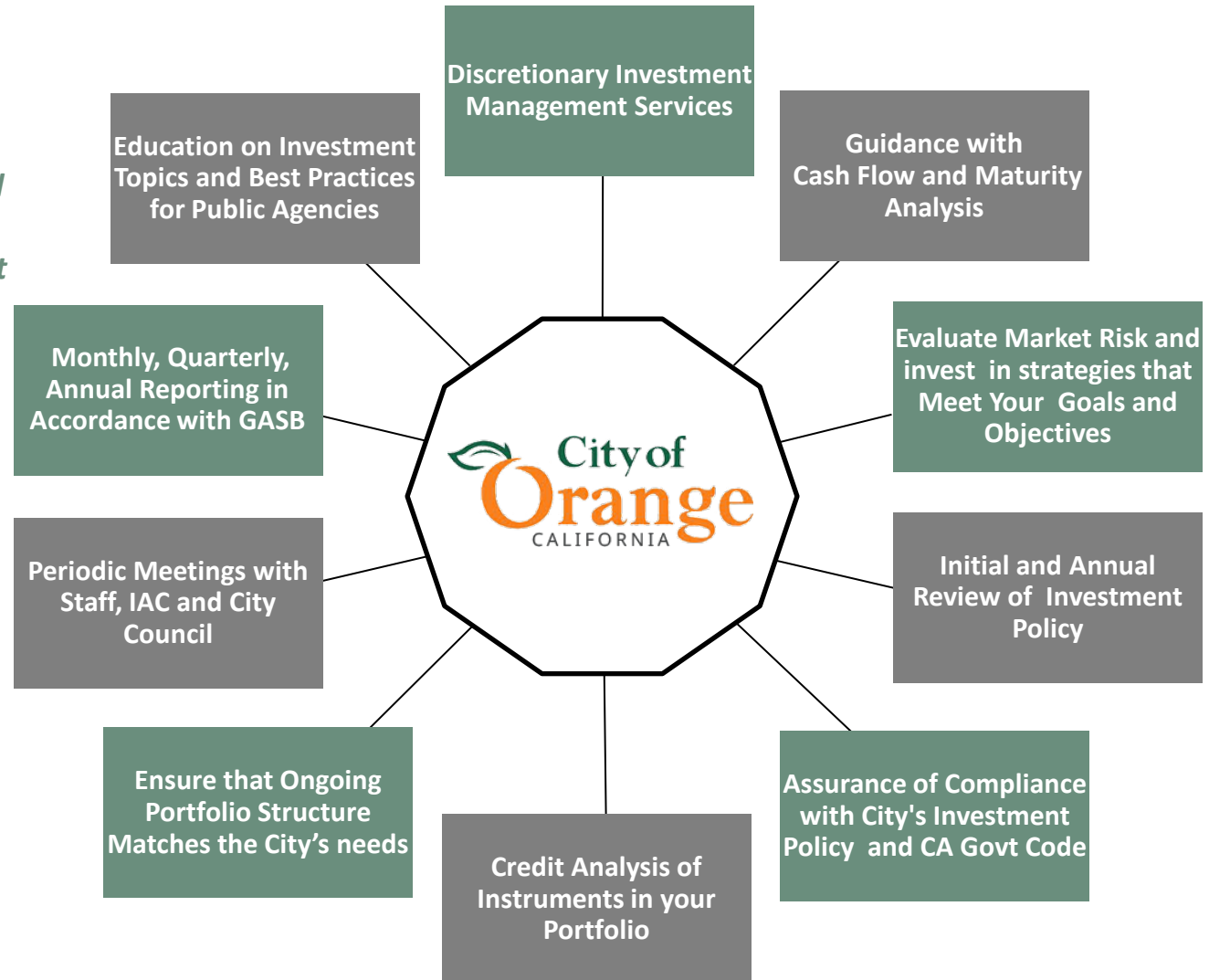
City of Westminster

A listing of the firm's clients in the State of California's Inland area, Los Angeles area and Orange County, shown in alphabetical order as of 9/30/2021. This list only includes clients that have given permission to be listed. It is not known whether the clients listed approve or disapprove of Chandler Asset Management and the advisory services provided. Includes discretionary and non-discretionary relationships.

We Collaborate With You On All Aspects of Your Investment Program



Chandler is committed to executing your scope of services so that you can fulfill your mission to continue to provide effective and efficient financial planning



What We've Learned about City of Orange



The City's Investment Policy is well written. If hired, we would like to discuss the following with the goal of adding diversification, limiting risk, and increasing the potential for risk-adjusted returns over a market cycle in the portfolio.

Increase Diversification through the use of:

- Pass-Through Securities (asset-backed and mortgage-backed securities) as well as Supranational debt.
- Review and discuss maximum portfolio limitations of Medium-Term Notes and Commercial Paper to be in alignment with code.

Risk Mitigation language:

- Consider adding limitations on callable securities as a percentage of assets in the portfolio.

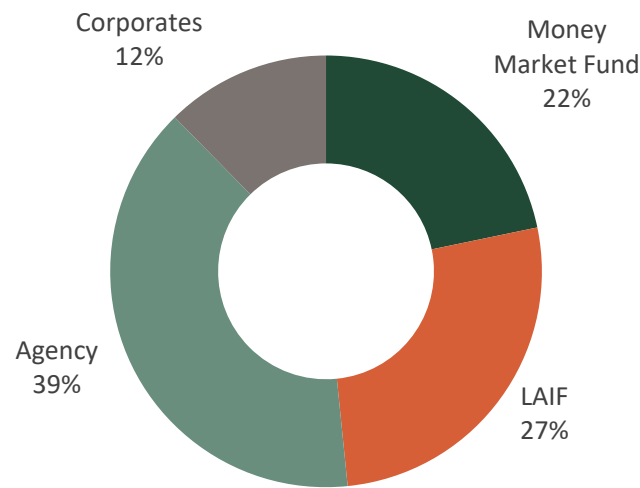
Prohibited Investments:

- Consider the inclusion of language from the passing of Senate Bill 998 permitting investments in securities backed by the U.S. Government that could result in a zero- or negative-interest accrual if held to maturity, sunseting in 2026.

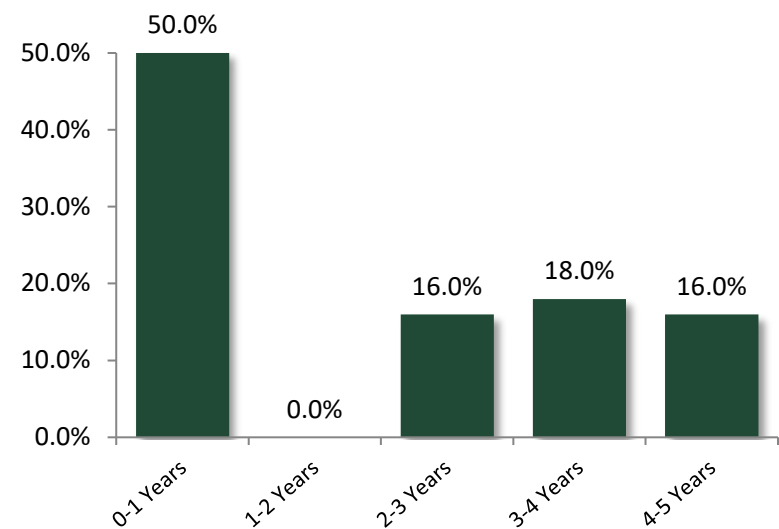


City of Orange’s Portfolio Characteristics	
Total Market Value:	\$155,641,634
Yield To Maturity:	0.47%
Weighted Average Maturity:	1.80 years

Asset Allocation

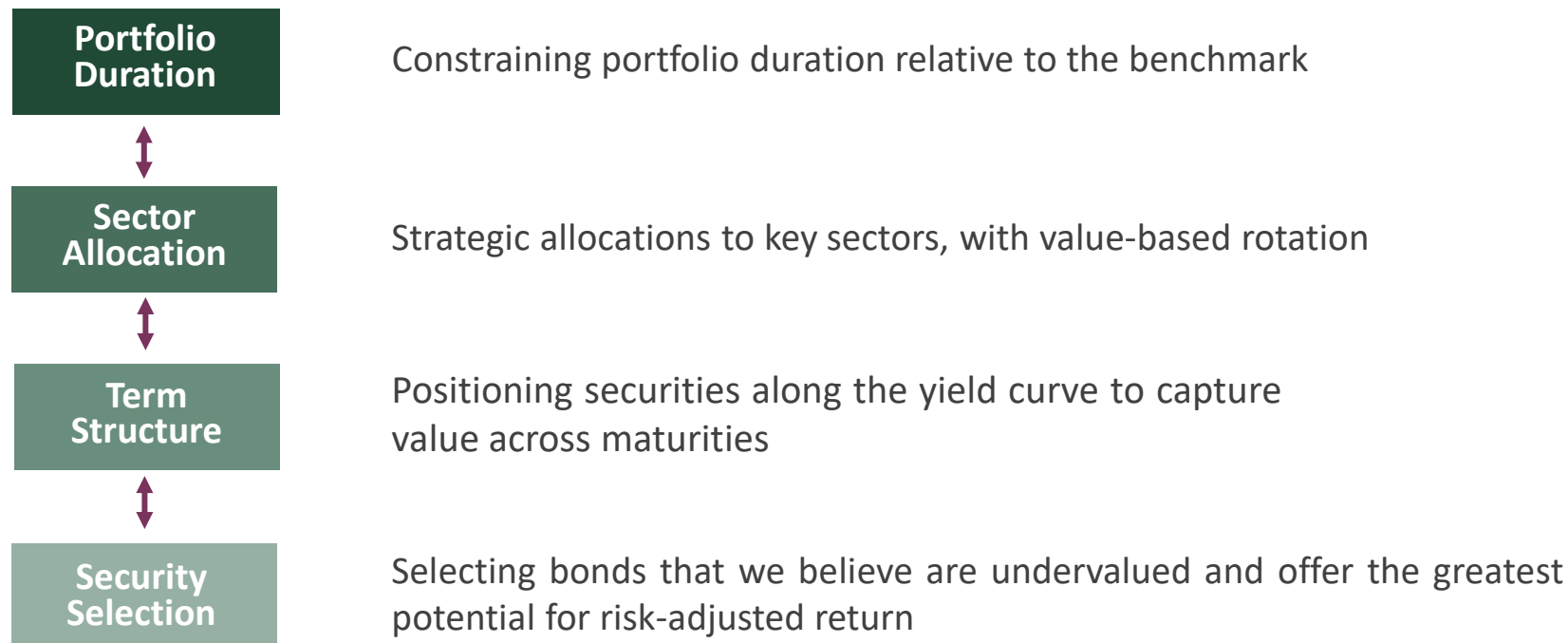


Maturity Distribution



Source: City of Orange Portfolio as of May 31, 2021.

Four Key Elements of Our Approach



Initial Steps



Ongoing Management

- Credit analysis of security issuers and financial institutions
- Asset-liability management
- Broker/dealer due diligence and relations
- Consistent application of a disciplined, conservative investment process. Our approach focuses on:
 - Safety of principal*
 - Compliance with legal requirements, policies, and objectives
 - Appropriate levels of liquidity
 - Generating market yield and return
 - Diversification of risk

*While Chandler focuses on safety of principal by investing in conservative investment-grade quality bonds, investors should be aware that bonds and other fixed income securities do carry some degree of risk and we cannot ensure a profit nor guarantee against loss.



The City's Portfolios

Liquidity Portfolio

- Local Agency Investment Fund (LAIF)
- Matching maturities to known expenditures
- Invest in high-quality short-term securities permitted by State Code and the Investment Policy

Reserve Portfolio

- Targeted generally to a higher duration to enhance the potential to increase earning
- Invest in high-quality securities allowed by State Code and the Investment Policy
- Consider customized investment solutions for operating, project, restricted bond reserves and longer-term funds

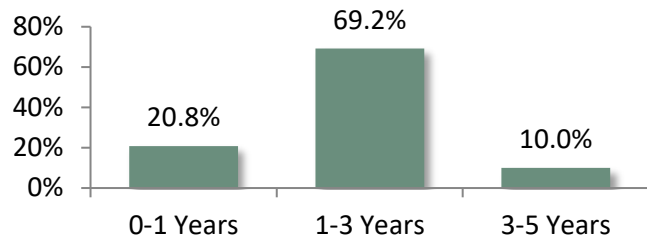
Chandler's Composite Strategies as of June 30, 2021



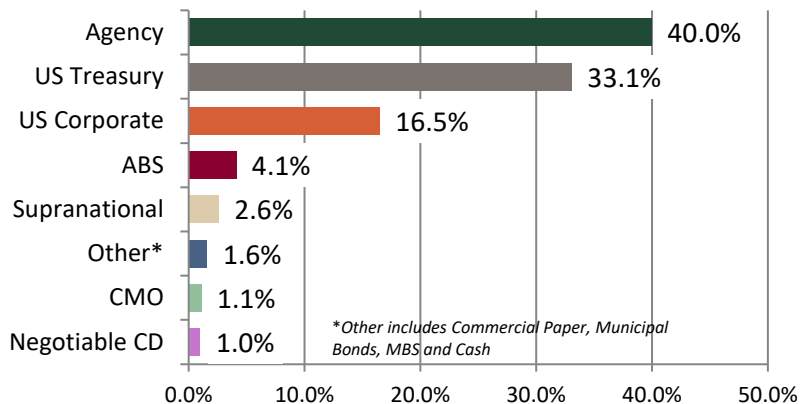
Limited Maturity (1-3 Year)

Average Final Maturity	2.00
Average Duration	1.86
Average Market Yield	0.31%
Average Quality (S&P)	AA+
Average Coupon	1.39%

Maturity Distribution



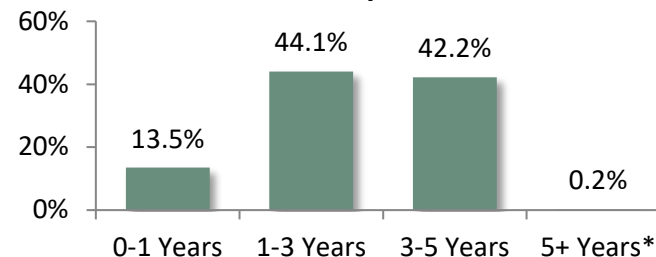
Sector Allocation



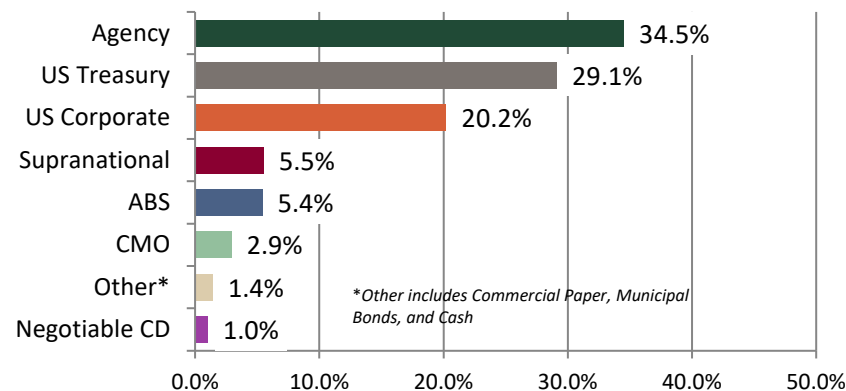
Short Term Bond (1-5 Year)

Average Final Maturity	2.78
Average Duration	2.57
Average Market Yield	0.48%
Average Quality (S&P)	AA
Average Coupon	1.63%

Maturity Distribution



Sector Allocation



Based on Chandler's Limited Maturity and Short Term Bond composite characteristics as of 06/30/2021. *The Short Term Bond composite includes clients whose investment policy permits securities with maturities beyond five years. Credit Quality equivalent of composite/average of S&P, Moody's and Fitch ratings; "A" category includes "A-1" rated money market securities. The composite characteristic information presented above is supplemental information pursuant to GIPS®. There is no guarantee that investment in any of these styles will result in characteristics similar to those that appear in this presentation due to changes in economic conditions and other market factors. Past characteristic is not indicative of future results. Please see the GIPS Composite Reports at the end of this presentation for complete details.

Representative Client Portfolios as of June 30, 2021



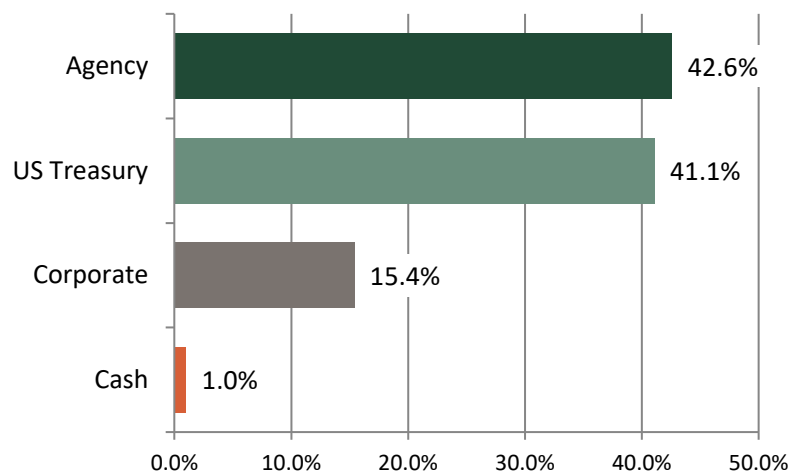
Sample Client #1

- Sample client portfolio using 1-5 year strategy
 - Target duration of 2.5 years
- Client's portfolio follows investment policy similar to that of the City of Orange
- Average market yield to maturity: **0.44%**.

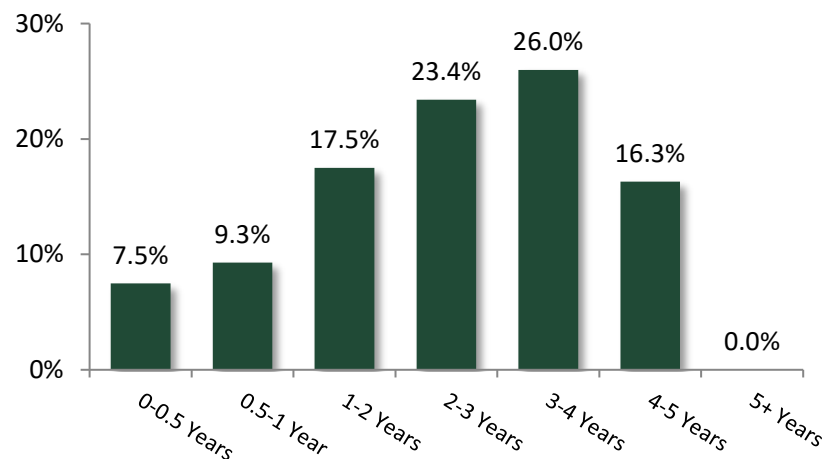
Characteristics	
Average Modified Duration:	2.50 years
Average Purchase YTM:	1.55%
Average Market YTM:	0.44%
Average S&P/Moody Rating:	AA+/Aa1

Portfolio characteristics as of 6/30/2021

Sector Allocation



Maturity Distribution



Portfolio characteristics based on representative client portfolio managed by Chandler Asset Management using Short Term Bond Strategy as of 06/30/21. References to portfolio allocation, asset types or, specific securities are examples of securities held in a portfolio and are not intended to be, and should not be interpreted as an offer, solicitation, or recommendation to purchase or sell any financial instrument, an indication that the purchase of such securities was or will be profitable, or representative of the composition or performance of the portfolio. There is no guarantee that investment in these styles will result in characteristics similar to those that appear in this presentation due to changes in economic conditions and other market factors. The information contained in this sample presentation was obtained from sources we believe to be reliable, but we do not guarantee its accuracy and are subject to change without notice. Past performance is not indicative of future success. Please see disclosures at the end of this presentation.

Representative Client Portfolios as of June 30, 2021



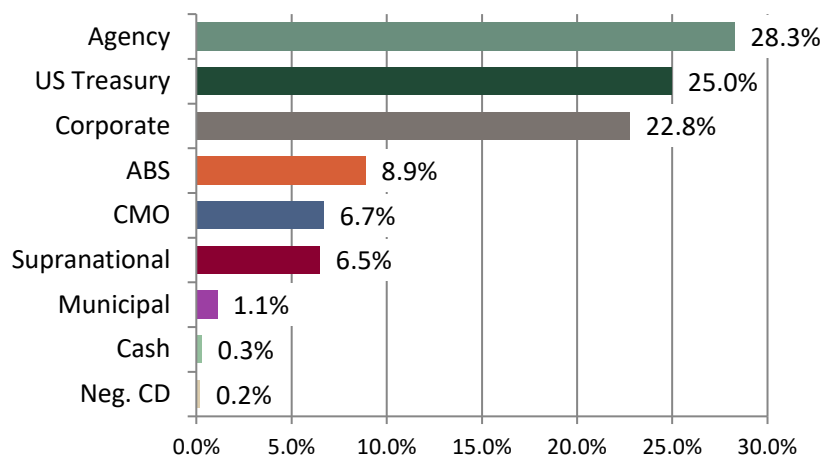
Sample Client #2

- Sample client portfolio using 1-5 year strategy
 - Target duration of 2.5 years
- Client's portfolio includes *all securities permitted by California Government Code*
- Average market yield to maturity: **0.51%**.

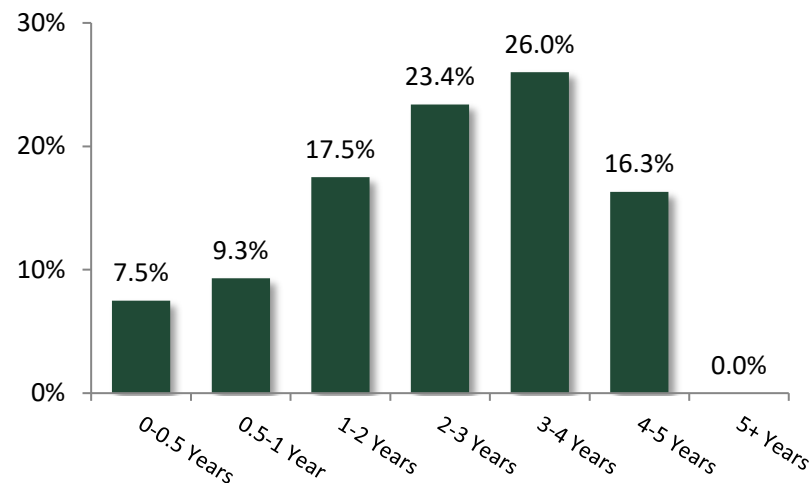
Characteristics	
Average Modified Duration:	2.61 years
Average Purchase YTM:	1.64%
Average Market YTM:	0.51%
Average S&P/Moody Rating:	AA/Aa1

Portfolio characteristics as of 6/30/2021

Sector Allocation



Maturity Distribution



Portfolio characteristics based on representative client portfolio managed by Chandler Asset Management using Short Term Bond Strategy as of 06/30/21. References to portfolio allocation, asset types or, specific securities are examples of securities held in a portfolio and are not intended to be, and should not be interpreted as an offer, solicitation, or recommendation to purchase or sell any financial instrument, an indication that the purchase of such securities was or will be profitable, or representative of the composition or performance of the portfolio. There is no guarantee that investment in these styles will result in characteristics similar to those that appear in this presentation due to changes in economic conditions and other market factors. The information contained in this sample presentation was obtained from sources we believe to be reliable, but we do not guarantee its accuracy and are subject to change without notice. Past performance is not indicative of future success. Please see disclosures at the end of this presentation.

Chandler Investment Styles
10-Year Gross of Fee Performance (Hypothetical)
June 2011 – June 2021

Investment Styles	Portfolio Duration	Annualized Total Return 10 Year Period (Net of Fee)	10-Year Growth of \$100 Million Portfolio (Net of Fee)	Chandler Added Value Over LAIF \$100 Million Portfolio (Net)
LAIF	<i>0.80</i>	<i>0.85%</i>	<i>\$108.8 million</i>	<i>N/A</i>
Chandler's Limited Maturity (1-3 Year)	1.86	1.38%	\$114.7 million	\$5.9 million
Chandler's Short Term Bond (1-5 Year)	2.57	1.76%	\$119.1 million	\$10.3 million

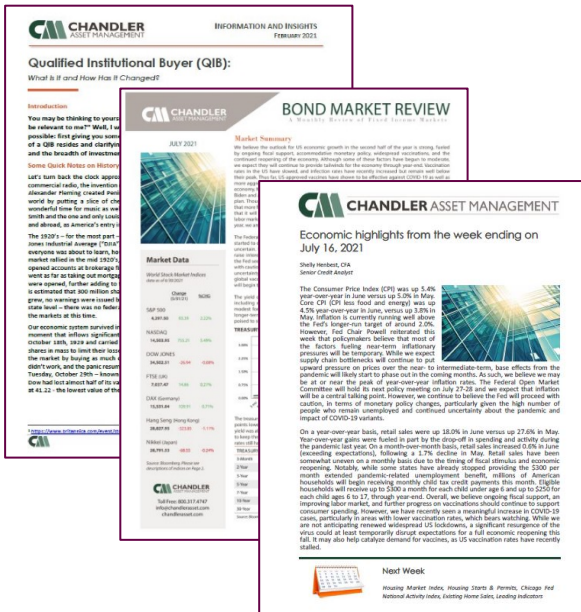
**Net performance for Chandler investment styles based on sample fee of 7.5 basis points (0.075 of 1%) relative to LAIF. LAIF returns include an administrative fee charged to investors by the California State Treasurer. LAIF duration estimated based on average maturity in days, as of 06/30/2021, divided by 365 days. Performance shown is hypothetical for a \$100 million portfolio and not based on an actual client's account. Performance for Chandler's Limited Maturity and Short Term Bond strategies has been calculated using historical composite performance compared to LAIF. Performance shown is gross of fees and other expenses, which will reduce performance. Past performance is not a guarantee of future results. All investment strategies have the potential for profit or loss. Market conditions or economic factors may alter the performance and results of a portfolio. Please see the GIPS Composite Reports and disclosures at the end of this presentation for further details. For one-on-one presentation only.*

Client Service, Compliance & Reporting



Educational Materials and Industry Presentations

- Weekly Economic Highlights
- Monthly Bond Market Summary
- In-Depth Insights via Chandler White Papers
- Online Educational Webinars



- Educational Case Study

We conduct formal training with City staff every time we meet on a myriad of topics. We will do the same for City of Orange, if requested.



Transparency through Reporting and Communication



Consolidated reporting

- Provides an aggregate view of the entire investment program

Monthly statements available by the 3rd business day

- Reports designed for use by management
 - Portfolio summary, compliance statement, reconciliation summary, holdings report, transactions ledger, income earned, cash flow report

Quarterly reports in person with investment management team

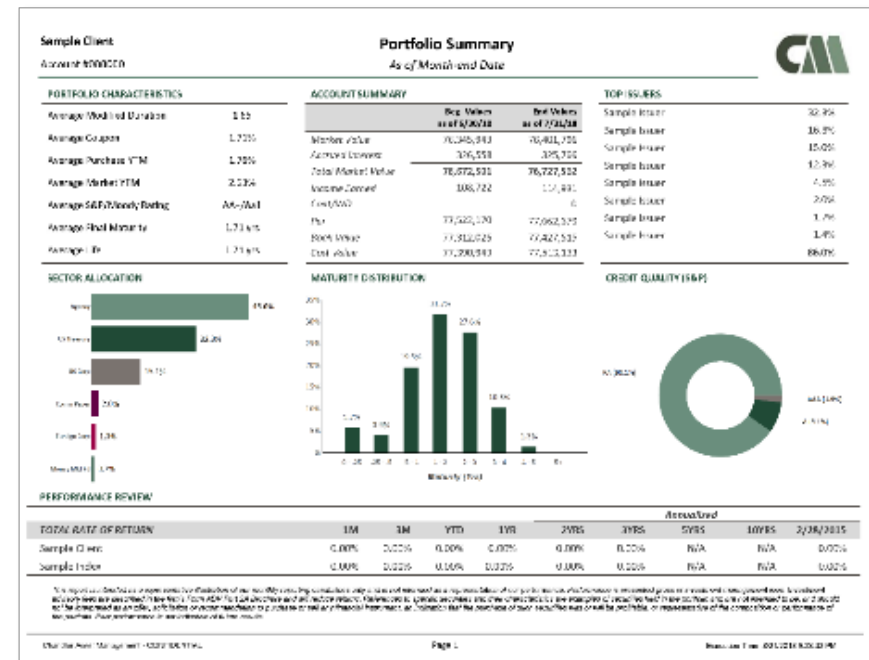
- Economic overview
- Account profile
 - Objectives and compliance statement
 - Portfolio summary, sector distribution, issuer report, quality distribution, duration distribution and investment performance
- Holdings report, transactions Ledger

Annual Reporting

- GASB 40 and 72

This sample report is being provided for illustrative purposes to demonstrate Chandler Asset Management's reporting capabilities. References to specific securities and their characteristics are examples of securities held in the portfolio and are not intended to be, and should not be interpreted as an offer, solicitation or recommendation to purchase or sell any financial instrument, an indication that the purchase of such securities was or will be profitable, or representative of the composition or performance of the portfolio. The information contained in this sample presentation was obtained from sources we believe to be reliable, but we do not guarantee its accuracy.

24/7 Online Access to City's Portfolio via the Chandler Client Portal



Compliance with Investment Policy



Assets managed by Chandler Asset Management are in full compliance with California Government Code and with the Client's investment policy.

Category	Standard	Comment
Treasury Issues	No limitation	<i>Complies</i>
Agency Issues	No limitation	<i>Complies</i>
Supranationals	30% maximum; 5% max issuer; 5 years max maturity; Issued by IBRD, IFC, or IADB only; "AA" rated or higher by a NRSRO	<i>Complies</i>
Banker's Acceptances	40% maximum; 5% max issuer; <180 days maturity; A-1 rated equivalent by at least two NRSROs; "A" rated or better by two NRSROs on long-term debt	<i>Complies</i>
Commercial Paper	25% maximum; 5% max issuer; <270 days maturity; A-1 rated or higher by at least two NRSROs; "A" rated or higher by two NRSROs on long-term debt; Issuer is a corporation organized and operating within U.S. with assets in excess of \$500 million	<i>Complies</i>
Negotiable Certificates of Deposit	40% maximum; 5% max issuer; <180 days maturity; A-1 rated equivalent by at least two NRSROs; "A" rated or better by two NRSROs on long-term debt	<i>Complies</i>
Medium Term Notes	30% maximum; 5% max issuer; "A" rated or better by two NRSROs	<i>Complies</i>
Money Market Mutual Funds	20% maximum; 10% per fund; Highest rating by two NRSROs	<i>Complies</i>
Federally Insured Certificates of Deposit (CDs)/Time Deposit (TDs)	20% maximum (combined FDIC insured and collateralized TD/CD)	<i>Complies</i>
Collateralized Certificates of Deposit (CDs)/Time Deposit (TDs)	20% maximum (combined FDIC and collateralized TD/CD); A-1, or higher by 2 NRSROs; "A" rated or higher by two NRSROs, if long-term debt	<i>Complies</i>
Mortgage Pass-throughs, CMOs and Asset Backed Securities	20% maximum; 5% max issuer; "AA" rated or higher by a NRSRO; "A" rated issuer or higher by a NRSRO; 5 years max maturity	<i>Complies</i>
Local Agency Investment Fund (LAIF)	Program limitation; Currently not used by investment adviser	<i>Complies</i>
Repurchase Agreement	1 year max maturity; 102% collateral; Currently not used by investment adviser	<i>Complies</i>
Prohibited Securities	Inverse floaters; Ranges notes, interest-only strips from mortgaged backed securities; Zero interest accrual securities	<i>Complies</i>
Max Per Issuer	5% (except U.S. government, its Agencies and GSEs, Money Market Fund or LGIP)	<i>Complies</i>
Maximum maturity	5 years	<i>Complies</i>

This sample report is being provided for illustrative purposes to demonstrate Chandler Asset Management's reporting capabilities. Elements of the Compliance Report are representative of investment guidelines promulgated by State Law or the entity's investment policy.

Ensuring Compliance through Multi-Step Process



Investment Guidelines

➤ Define Your Parameters

- ❑ State Legal Requirements
- ❑ Your Investment Policy
- ❑ Management Directives
- ❑ Chandler Guidelines

Bloomberg AIM

➤ Code Rules into Bloomberg

- ❑ Concentration Limits
- ❑ Credit Quality
- ❑ Issuer Exposure
- ❑ Prohibited Transactions

Multi-Level Checks

➤ Compliance Check

- ✓ *Pre-Trade*
- ✓ *Post-Trade*
- ✓ *End-of-Day*

- ⚠ Warnings/Alerts – Various Levels**
- *System Warning* (needs further review)
 - *Compliance Alerts* (compliance clearance required)

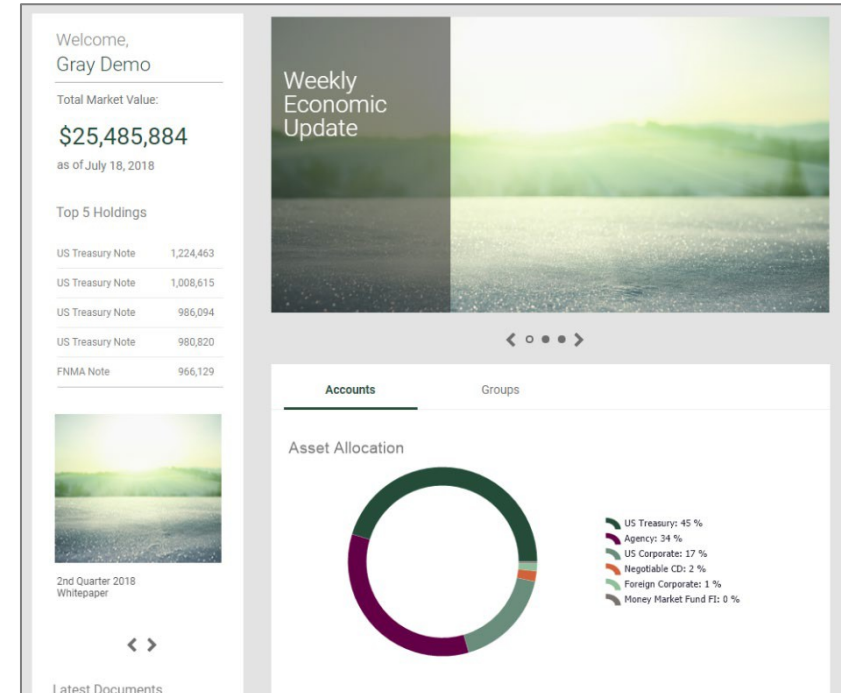
1) Actions				Violation Status	
Rule Id	24001495	Name	Max 10% MMKT/Cash (per fund)		
Rule Group	+MULTIPLE+		Severity	TRADE_OVERRIDE	
Account	GROUP /		Currency	USD	
Violation Status		Type of Violation			
Processed	09/25/2017 00:04:27	Priority	0	As Of	09/25/2017
Status	Pending	Follow Up	mm/dd/yyyy	Day Count	14
Viol Flag	Passive	☐ Suppress in ERA Report		☒ Copy Note & Status	
Note	Attachments 0 file(s) attached				
Status of Violation					
Status	Note	User	Date	Viol Flag	
1. Pending	Concentration acknowledged	NDRAG00	09/08/2017 17:59:41	Passive	

Audit Trail

Chandler's Online Client Portal



- **Accessing Your Information.** Access the Chandler Client Portal at any time through Chandler's website.
- **Mobile-Enabled Website.** The Chandler Client Portal is also designed to be viewed on mobile devices, including smart phones and tablets.
- **Customizable Holdings Reports.** Holdings Reports can be customized to display only the information you need. Add, delete, reorder, and group columns by simply dragging headers and the layout will save to your login profile.
- **Security Details.** Access detailed information about a specific holding in your portfolio using the hyperlink on each position.
- **Exporting Customized Fields.** Export the fields you need into a format that is compatible with your accounting systems.
- **Documents.** View available documents posted by Chandler in one area with advanced searching capabilities by document type and date. Holdings files in excel format and trade tickets (if requested) will be available daily. Monthly Statements in PDF format, as well as Holdings and Income Earned files in excel format, will be available monthly.



Sample Transition Timeline

Week 1	Week 1-2	Week 2-3	Week 3-4
Establish the Account	Kick-off Meeting	Review Investment Recommendations and Reporting	Investment of Funds
<ul style="list-style-type: none"> ▪ Notice of award ▪ Execute investment management agreement ▪ Complete new account documents ▪ Review investment policy and existing portfolio 	<ul style="list-style-type: none"> ▪ Hold Kick off meeting ▪ Select appropriate benchmark ▪ Establish authority ▪ Written documentation of all decisions 	<ul style="list-style-type: none"> ▪ Detailed plan for investing of assets ▪ Set up reporting and prepare account statements ▪ Access to the <i>Chandler Client Portal</i> 	<ul style="list-style-type: none"> ▪ The City approves investment plan ▪ Make initial investments



Expertise.

Since the inception of our firm 1988, we have been and continue to be thought-leaders in managing and reporting on public agency portfolios.

Independence.

We are 100% employee-owned with no conflicts of interest from other divisions such as brokerage, banking, insurance, or financial advisory.

Process.

Our investment team has developed proprietary tools and processes for structuring and managing fixed income portfolios.

Customization.

We provide investment solutions designed to meet the specific objectives and policies of the City of Orange.

Team Approach.

Our professionals will serve the City as a local, neighboring entity from our headquarters in San Diego. Our team approach draws from the collective wisdom and expertise of our staff, who have worked together to guide portfolios successfully through challenging markets.

Appendix



Fees Proposed for Investment Management Services



Chandler Fees for City of Orange*

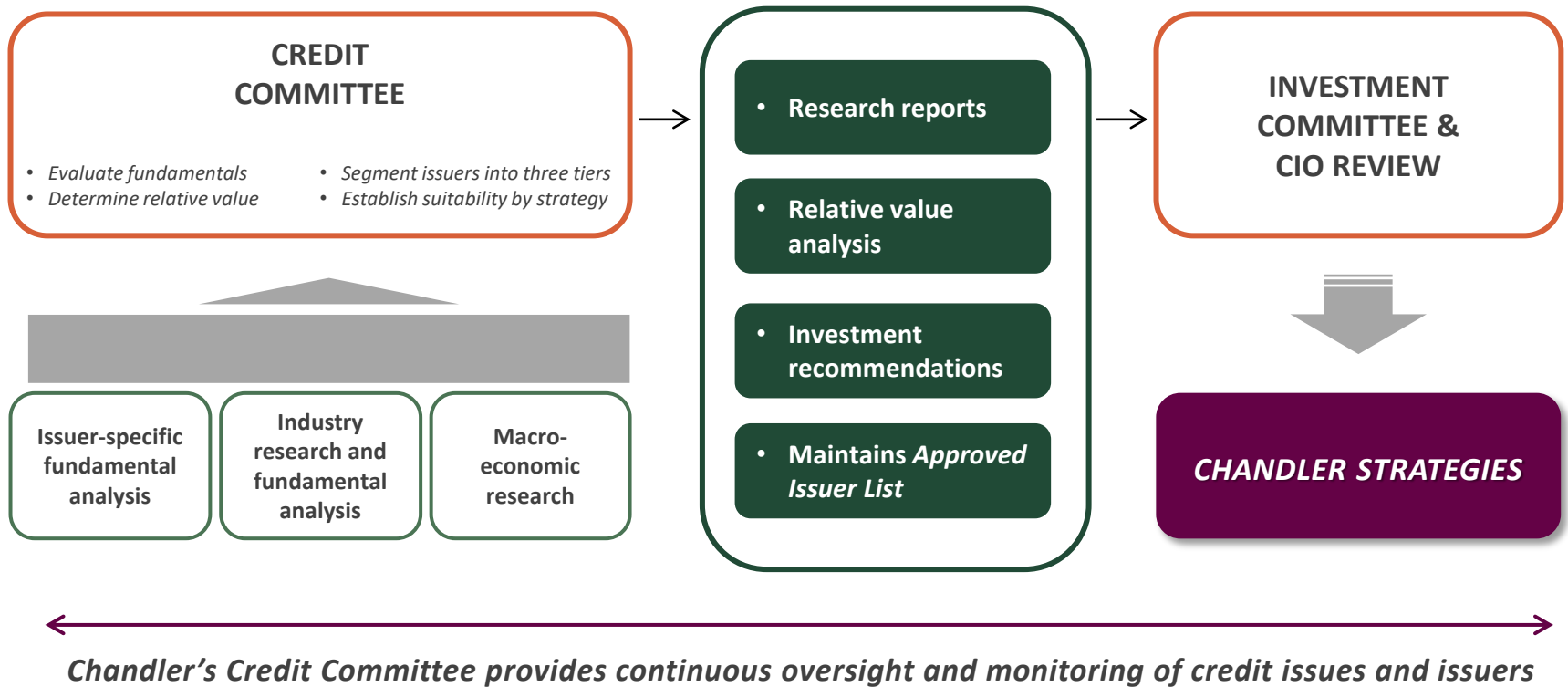
Assets Under Management	Annual Asset Management Fee
First \$50 million	0.09 of 1% (9 basis points)
Next \$50 million	0.06 of 1% (6 basis points)
Assets over \$100 million	0.04 of 1% (4 basis points)

An example of the above fee schedule applied to different asset levels:

Total Assets Under Management	Annual Fee in Basis Points	Annual Fee in \$ dollars
\$50 million	9.0 basis points	\$45,000
\$75 million	8.0 basis points	\$60,000
\$100 million	7.5 basis points	\$75,000
\$125 million	6.8 basis points	\$85,000

*Fees will fluctuate based on portfolio value. Our fee schedule does not include third party custodial services.

Chandler's Credit Process



The diagram above reflects the typical credit process applied to Chandler's strategies. At any given time, other criteria may affect the process.

Biographies & Disclosures



Jayson Schmitt, CFA*Deputy CIO*

Jayson Schmitt is Deputy CIO at Chandler Asset Management. Jayson's expertise have been instrumental in the development and integration of quantitative analytic tools for the portfolio management process. He currently serves as Co-Chair of the Quantitative Analysis and Sector Committee and serves on the firm's Executive Management Team. Prior to joining the firm in 1995, Jayson was a Financial Analyst with USA Federal Credit Union. He originally joined the firm as an Operations Manager and was promoted to Portfolio Manager in 2003. Jayson earned his B.A. in economics from San Diego State University. He is a member of the CFA Society of San Diego and holds the designation of Chartered Financial Analyst.

Mia Corral Brown*Senior Relationship Manager*

Mia Corral joined the firm in 2004 and has 22 years of experience providing client service to both institutional and public sector clients. Mia's area of focus is on the development of client relationships in the public sector and she serves as relationship manager for existing clients throughout Southern California. Prior to joining the firm in 2004, Mia was an Assistant Marketing Manager at Nicholas-Applegate Capital Management. Mia earned her B.A. in speech communication with an emphasis in business communications from San Diego State University. She is an active member of the California Society of Municipal Finance Officers, the Government Finance Officers Association, the California Municipal Treasurers Association and the California Association of Joint Power Authorities. She is also a founding member and past Board of Directors member for the San Diego Chapter of Women in Public Finance.

Christopher McCarry, AIF*Senior Portfolio Strategist*

Christopher McCarry is a member of the Investment Management Team and participates actively in the portfolio management process as well as builds and maintains client relationships. As a portfolio strategist, Chris focuses on identifying and communicating key investment related themes and trends for implementation into fixed income strategies for local government and institutional clients. Chris has worked in the investment industry since 2001 with a diverse background in financial services. In his most recent role prior to Chandler, he was the Regional Vice President for Zack's Investment Management focusing on retail sales for the West Coast Territory. Chris earned his BA in both International Relations (Latin America Focus) and Spanish. He holds his Accredited Investment Fiduciary (AIF®) designation.

Kara Raynor-Sanchez*Client Service Director*

Kara Raynor-Sanchez is Client Service Director and oversees the daily responsibilities of the Client Service team including client communication, client reporting and review/processing of client requested account activity. Kara collaborates with all departments at Chandler to respond to account-related questions and changes, as well as coordinates the onboarding process of new client accounts. She assumed the role of Client Service Director in 2019. Kara joined Chandler as an administrative associate in 2012. She graduated with her B.A. in communication, emphasis in public relations from University of the Pacific and earned her M.A. in communication from San Diego State University. Kara earned the CFA Institute's Investment Foundations Certificate (formerly Claritas Investment Certificate) in 2013.



Verification Report

Chandler Asset Management, Inc.
6225 Lusk Boulevard
San Diego, CA 92121

We have verified whether Chandler Asset Management, Inc. (the “Firm”) has, for the periods from July 1, 1997 through March 31, 2020, established policies and procedures for complying with the Global Investment Performance Standards (GIPS®) related to composite and pooled fund maintenance and the calculation, presentation, and distribution of performance that are designed in compliance with the GIPS standards, as well as whether these policies and procedures have been implemented on a firm-wide basis. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

The Firm’s management is responsible for its claim of compliance with the GIPS standards and the design and implementation of its policies and procedures. Our responsibilities are to be independent from the Firm and to express an opinion based on our verification. We conducted this verification in accordance with the required verification procedures of the GIPS standards, which includes testing performance on a sample basis. We also conducted such other procedures as we considered necessary in the circumstances.

In our opinion, for the periods from July 1, 1997 through March 31, 2020, the Firm’s policies and procedures for complying with the GIPS standards related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been, in all material respects:

- Designed in compliance with the GIPS standards, and
- Implemented on a firm-wide basis.

This report does not relate to or provide assurance on any specific performance report of the Firm or on the operational effectiveness of the Firm’s controls or policies and procedures for complying with the GIPS standards.

Adviser Compliance Associates, LLC

Adviser Compliance Associates, LLC
ACA Performance Services Division
October 22, 2020

GIPS® Composite Report: Limited Maturity



Annual Rates of Return 2010 through 2020

Year	Returns			3 Year Annualized		Dispersion		Assets		
	Total	Total		Standard Deviation		Asset Wtd	Number of	Composite	% of Firm	Firm
End	Gross	Net	Index	Composite	Index	Std. Dev.	Portfolios	(MM)	Assets	(MM)
2010	2.96%	2.70%	2.35%	n/a	n/a	0.38%	8	201	3.50%	5,755
2011	1.88%	1.62%	1.55%	1.02%	1.02%	0.31%	9	222	3.74%	5,929
2012	1.16%	0.91%	0.43%	0.78%	0.73%	0.06%	15	474	7.37%	6,431
2013	0.30%	0.05%	0.36%	0.59%	0.50%	0.08%	18	797	11.12%	7,165
2014	0.87%	0.61%	0.62%	0.54%	0.43%	0.09%	21	879	9.88%	8,894
2015	0.74%	0.49%	0.54%	0.63%	0.56%	0.07%	27	1,328	11.31%	11,747
2016	1.11%	0.86%	0.88%	0.74%	0.76%	0.06%	31	1,081	8.39%	12,882
2017	0.85%	0.60%	0.43%	0.71%	0.74%	0.08%	32	1,178	8.60%	13,698
2018	1.69%	1.44%	1.59%	0.77%	0.85%	0.03%	31	1,905	11.51%	16,551
2019	3.87%	3.61%	3.55%	0.84%	0.94%	0.08%	39	2,653	13.57%	19,552
2020	3.25%	3.00%	3.12%	0.92%	1.21%	0.12%	39	2,713	12.21%	22,227

Chandler Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards.

Chandler Asset Management has been independently verified by ACA Performance Services for the period of July 1, 1997 through March 31, 2020. The verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

1. Chandler Asset Management is an independent investment adviser registered as such with the Securities and Exchange Commission under the Investment Adviser's Act of 1940. Registration with the SEC does not imply a certain level of skill or training. Since 1988, Chandler Asset Management has provided fixed income investment management services to the public sector, as well as to foundations, endowments, individuals and corporations. A complete list and description of all of the firm's composites is available upon request.
2. The Limited Maturity Composite is a composite of individually managed accounts with an average modified duration approximately equal to the modified duration of the ICE BofA 1-3 Year US Treasury Index and a final stated maturity of individual securities of five years. The minimum account size required to be included in this composite is \$2 million. This composite was created September 1988. The name of this composite was changed from Short-Term Fixed Income effective June 30, 2009.
3. The ICE BofA 1-3 Year US Treasury Index tracks the performance of US dollar-denominated sovereign debt publicly issued by the US government in its domestic market. Qualifying securities must have at least one year remaining term to final maturity and less than three years remaining term to final maturity, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion. Qualifying securities must have at least 18 months to final maturity at the time of issuance. Indexes are referred to for comparative purposes only and are not intended to parallel the risk or investment style of the portfolios in the Composite. Indexes do not utilize leverage. Index calculations do not reflect fees, brokerage commissions or other expenses of investing. Investors may not make direct investments into any index. Index data contained herein (and all trademarks related thereto) are owned by the indicated index provider, and may not be redistributed. The information herein has not been approved by the index provider.
4. Valuations are computed and performance reported in U.S. Dollars.
5. Performance is calculated using a time-weighted total rate of return, which links performance monthly, and is reported gross of investment management fees and custodial fees, but after all trading expenses. Results reflect the reinvestment of income, dividends and other earnings, and include realized and unrealized gains and losses and interest accrued through the last day of each month. Results do not reflect the potential impact of taxes. Past performance is not indicative of future results. Fees charged by Chandler Asset Management will reduce performance.
6. Net-of-fees performance returns are calculated by reducing the monthly gross performance by one-twelfth (1/12) of the actual maximum applicable fee of 0.25%, which is representative of our current fee schedule for this composite. These monthly returns are then geometrically linked to produce annual returns which are presented before custodial fees but after management fees and all trading expenses. Fees are negotiable and additional information regarding Chandler's fees is included in our Part 2A of Form ADV.
7. Dispersion is calculated using the asset weighted standard deviation of annual gross returns of those portfolios that were included in the composite for the entire year. For years when less than six portfolios were included in the composite for the full year, no dispersion measure is presented. The three-year annualized standard deviation measures the variability of the composite gross returns and the benchmark returns over the preceding 36-month period. Policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.
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GIPS® Composite Report: Short Term Bond



Annual Rates of Return 2010 through 2020

Year	Returns			3 Year Annualized		Dispersion		Assets		
	Total	Total		Standard Deviation		Asset Wtd	Number of	Composite	% of Firm	Firm
End	Gross	Net	Index	Composite	Index	Std. Dev.	Portfolios	(MM)	Assets	(MM)
2010	3.97%	3.70%	3.46%	n/a	n/a	0.11%	33	1,906	33.12%	5,755
2011	2.90%	2.64%	3.19%	1.47%	1.65%	0.07%	32	1,866	31.48%	5,929
2012	1.80%	1.54%	0.98%	1.18%	1.27%	0.26%	38	2,133	33.17%	6,431
2013	0.04%	-0.21%	-0.16%	1.02%	1.10%	0.08%	39	2,168	30.26%	7,165
2014	1.42%	1.17%	1.24%	0.96%	0.99%	0.07%	40	2,325	26.14%	8,894
2015	1.15%	0.90%	0.96%	1.11%	1.18%	0.07%	44	3,403	28.97%	11,747
2016	1.30%	1.04%	1.08%	1.24%	1.39%	0.05%	49	4,131	32.07%	12,882
2017	1.08%	0.83%	0.67%	1.19%	1.34%	0.11%	48	3,783	27.62%	13,698
2018	1.53%	1.27%	1.55%	1.22%	1.40%	0.05%	48	3,485	21.06%	16,551
2019	4.55%	4.29%	4.19%	1.22%	1.39%	0.19%	55	5,199	26.59%	19,552
2020	4.43%	4.17%	4.22%	1.32%	1.70%	0.11%	59	6,234	28.05%	22,227

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2. The Short Term Bond Composite is a composite of individually managed accounts with an average modified duration approximately equal to the modified duration of the ICE BofA 1-5 Year US Treasury & Agency Index and a maximum final stated maturity of individual securities of five years. The minimum account size required to be included in this composite is \$2 million. This composite was created in September 1995. The name of this composite was changed from 1-5 Year Government Fixed Income effective June 30, 2009.
3. The ICE BofA 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. Indexes are referred to for comparative purposes only and are not intended to parallel the risk or investment style of the portfolios in the Composite. Indexes do not utilize leverage. Index calculations do not reflect fees, brokerage commissions or other expenses of investing. Investors may not make direct investments into any index. Index data contained herein (and all trademarks related thereto) are owned by the indicated index provider, and may not be redistributed. The information herein has not been approved by the index provider.
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LAIF

The California State Local Agency Investment Fund (LAIF) is an investment portfolio managed by the State Treasurer. All securities are purchased under the authority of Government Code Section 16430 and 16480.4 and include securities issued by entities of the US Government, including the US Treasury and Agencies, Corporate debt, Certificates of Deposit, Mortgage Backed Securities and certain loans to the State and state agencies. The average maturity of the Fund will be between 120 days and 18 months.

ICE BofA 1-3 Year US Treasury Index

The ICE BofA 1-3 Year US Treasury Index tracks the performance of US dollar denominated sovereign debt publicly issued by the US government in its domestic market. Qualifying securities must have at least one-year remaining term to final maturity and less than three years remaining term to final maturity, a fixed coupon schedule and a minimum amount outstanding of \$1 billion. Qualifying securities must have at least 18 months to final maturity at the time of issuance. (Index: G102. Please visit www.mlindex.ml.com for more information).

ICE BofA 1-5 Year US Treasury & Agency Index

The ICE BofA US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one-year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. (Index: GVA0. Please visit www.mlindex.ml.com for more information).

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