

WELLS FARGO UTILITIES & HIGH INCOME FUND  
Form N-Q  
July 30, 2018

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS**  
**OF REGISTERED MANAGEMENT INVESTMENT COMPANY**

**Investment Company Act file number: 811-21507**

**Wells Fargo Utilities and High Income Fund**  
**(Exact name of registrant as specified in charter)**

**525 Market Street, 12<sup>th</sup> Floor, San Francisco, CA 94105**

**(Address of principal executive offices) (Zip code)**

**C. David Messman**

**Wells Fargo Funds Management, LLC**

**525 Market Street, 12<sup>th</sup> Floor, San Francisco, CA 94105**

**(Name and address of agent for service)**

**Registrant's telephone number, including area code: 800-222-8222**

**Date of fiscal year end: August 31**

**Registrant is making a filing for Wells Fargo Utilities and High Income Fund.**

**Date of reporting period: May 31, 2018**

ITEM 1. INVESTMENTS

Wells Fargo Utilities and High Income Fund		Portfolio of investments		May 31, 2018 (unaudited)	
Security name		Shares		Value	
<b>Common Stocks : 61.76%</b>					
<b>Consumer Discretionary : 4.12%</b>					
<b>Media : 4.12%</b>					
<i>Antena 3 de Television SA</i>		525,000		\$ 4,728,956	
<b>Financials : 1.86%</b>					
<b>Insurance : 1.86%</b>					
<i>Poste Italiane SpA</i>		250,000		2,140,532	
<b>Telecommunication Services : 6.57%</b>					
<b>Diversified Telecommunication Services : 4.21%</b>					
<i>Orange SA</i>		170,003		2,926,477	
<i>Telefonica Deutschland Holding AG</i>		450,000		1,902,279	
				4,828,756	
<b>Wireless Telecommunication Services : 2.36%</b>					
<i>Shenandoah Telecommunications Company</i>		85,000		2,711,500	
<b>Utilities : 49.21%</b>					
<b>Electric Utilities : 35.73%</b>					
<i>Alliant Energy Corporation</i>		8,000		331,360	
<i>American Electric Power Company Incorporated</i>		55,000		3,737,250	
<i>Edison International</i>		60,000		3,729,600	
<i>Energy Corporation</i>		15,000		1,213,650	
<i>Eversource Energy</i>		80,000		4,566,400	
<i>Exelon Corporation</i>		116,001		4,801,281	
<i>FirstEnergy Corporation</i>		125,000		4,302,500	
<i>Great Plains Energy Incorporated</i>		100,000		3,394,000	
<i>IDACORP Incorporated</i>		25,000		2,309,000	
<i>NextEra Energy Incorporated</i>		10,000		1,658,100	
<i>PNM Resources Incorporated</i>		120,000		4,794,000	
<i>Red Electrica Corporacion SA</i>		200,000		3,892,938	
<i>Spark Energy Incorporated Class A</i>		44,138		441,380	
<i>Terna SpA</i>		350,000		1,853,939	
				41,025,398	
<b>Gas Utilities : 0.02%</b>					
<i>Chesapeake Utilities Corporation</i>		300		23,955	
<b>Multi-Utilities : 13.46%</b>					
<i>CenterPoint Energy Incorporated</i>		50,000		1,306,500	
<i>Hera SpA</i>		900,000		2,790,290	
<i>MDU Resources Group Incorporated</i>		200		5,560	

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<i>Public Service Enterprise Group Incorporated</i>	50,000	2,649,000
<i>Sempra Energy</i>	30,000	3,195,900
<i>Suez Environnement Company SA</i>	400,000	5,508,566
		15,455,816
<b>Total Common Stocks (Cost \$56,690,607)</b>		70,914,913

	Interest rate	Maturity date	Principal	
<b>Corporate Bonds and Notes : 28.95%</b>				
<b>Consumer Discretionary : 7.07%</b>				
<b>Auto Components : 0.67%</b>				
<i>Allison Transmission Incorporated 144A</i>	4.75%	10-1-2027	\$ 75,000	70,219
<i>Allison Transmission Incorporated 144A</i>	5.00	10-1-2024	400,000	397,000
<i>Cooper Tire &amp; Rubber Company</i>	7.63	3-15-2027	257,000	285,591

Portfolio of investments		May 31, 2018 (unaudited)			Wells Fargo Utilities and High Income Fund	
Security name	Interest rate	Maturity date	Principal	Value		
<b>Auto Components (continued)</b>						
<i>Cooper Tire &amp; Rubber Company</i>	8.00%	12-15-2019	\$ 15,000	\$ 15,919		
				768,729		
<b>Distributors : 0.13%</b>						
<i>LKQ Corporation</i>	4.75	5-15-2023	125,000	124,219		
<i>Spectrum Brands Incorporated</i>	6.63	11-15-2022	25,000	25,838		
				150,057		
<b>Diversified Consumer Services : 0.56%</b>						
<i>Carriage Services Incorporated 144A</i>	6.63	6-1-2026	50,000	50,438		
<i>Service Corporation International</i>	4.63	12-15-2027	50,000	47,676		
<i>Service Corporation International</i>	7.50	4-1-2027	400,000	448,000		
<i>Service Corporation International</i>	8.00	11-15-2021	85,000	95,200		
				641,314		
<b>Hotels, Restaurants &amp; Leisure : 0.83%</b>						
<i>Brinker International Incorporated 144A</i>	5.00	10-1-2024	50,000	49,250		
<i>CCM Merger Incorporated 144A</i>	6.00	3-15-2022	425,000	432,523		
<i>Hilton Domestic Operating Company Incorporated 144A</i>	5.13	5-1-2026	50,000	48,813		
<i>KFC Holding Company 144A</i>	5.00	6-1-2024	95,000	94,288		
<i>Pinnacle Entertainment Incorporated</i>	5.63	5-1-2024	25,000	26,188		
<i>Speedway Motorsports Incorporated</i>	5.13	2-1-2023	100,000	98,250		
<i>Wyndham Hotels &amp; Resorts Company 144A</i>	5.38	4-15-2026	200,000	199,500		
				948,812		
<b>Media : 3.35%</b>						
<i>Altice US Finance I Corporation 144A</i>	5.38	7-15-2023	200,000	197,000		
<i>Altice US Finance I Corporation 144A</i>	5.50	5-15-2026	100,000	96,030		
<i>CCO Holdings LLC 144A</i>	5.00	2-1-2028	25,000	23,125		
<i>CCO Holdings LLC</i>	5.13	2-15-2023	100,000	99,750		
<i>CCO Holdings LLC 144A</i>	5.13	5-1-2023	135,000	134,156		
<i>CCO Holdings LLC 144A</i>	5.13	5-1-2027	50,000	46,813		
<i>CCO Holdings LLC</i>	5.25	9-30-2022	90,000	90,788		
<i>CCO Holdings LLC 144A</i>	5.38	5-1-2025	335,000	326,625		
<i>CCO Holdings LLC 144A</i>	5.50	5-1-2026	5,000	4,827		
<i>CCO Holdings LLC</i>	5.75	9-1-2023	50,000	50,375		
<i>CCO Holdings LLC 144A</i>	5.75	2-15-2026	275,000	269,418		
<i>CCO Holdings LLC 144A</i>	5.88	4-1-2024	125,000	126,094		
<i>Cequel Communications Holdings I LLC 144A</i>	7.75	7-15-2025	100,000	103,500		
<i>Cinemark USA Incorporated</i>	4.88	6-1-2023	25,000	24,155		
<i>CSC Holdings LLC</i>	8.63	2-15-2019	125,000	129,541		
<i>Dish Network Corporation</i>	3.38	8-15-2026	25,000	22,171		
<i>EMI Music Publishing Group 144A</i>	7.63	6-15-2024	150,000	162,375		
<i>Gray Television Incorporated 144A</i>	5.13	10-15-2024	100,000	94,250		

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<i>Gray Television Incorporated 144A</i>	5.88	7-15-2026	325,000	307,125
<i>Lamar Media Corporation</i>	5.38	1-15-2024	50,000	50,750
<i>LIN Television Corporation</i>	5.88	11-15-2022	25,000	25,656
<i>Live Nation Entertainment Incorporated 144A</i>	4.88	11-1-2024	100,000	97,250
<i>Live Nation Entertainment Incorporated 144A</i>	5.38	6-15-2022	50,000	50,813
<i>Live Nation Entertainment Incorporated 144A</i>	5.63	3-15-2026	25,000	24,938
<i>National CineMedia LLC</i>	6.00	4-15-2022	300,000	304,500
<i>Nexstar Broadcasting Group Incorporated 144A</i>	5.63	8-1-2024	75,000	73,361
<i>Nexstar Broadcasting Group Incorporated 144A</i>	6.13	2-15-2022	150,000	153,938
<i>Nielsen Finance LLC 144A</i>	5.00	4-15-2022	100,000	99,197
<i>Outfront Media Capital Corporation</i>	5.25	2-15-2022	15,000	15,150
<i>Outfront Media Capital Corporation</i>	5.63	2-15-2024	29,000	29,145
<i>Outfront Media Capital Corporation</i>	5.88	3-15-2025	65,000	65,650
<i>Salem Media Group Incorporated 144A</i>	6.75	6-1-2024	300,000	283,500
<i>The E.W. Scripps Company 144A</i>	5.13	5-15-2025	275,000	260,219
				3,842,185

Wells Fargo Utilities and High Income Fund		Portfolio of investments			May 31, 2018 (unaudited)
Security name	Interest rate	Maturity date	Principal	Value	
<b>Specialty Retail : 1.40%</b>					
<i>Asbury Automotive Group Incorporated</i>	6.00%	12-15-2024	\$ 350,000	\$ 346,500	
<i>Group 1 Automotive Incorporated</i>	5.00	6-1-2022	125,000	125,313	
<i>Group 1 Automotive Incorporated 144A</i>	5.25	12-15-2023	95,000	92,625	
<i>Lithia Motors Incorporated 144A</i>	5.25	8-1-2025	350,000	343,875	
<i>Penske Auto Group Incorporated</i>	3.75	8-15-2020	50,000	49,375	
<i>Penske Auto Group Incorporated</i>	5.38	12-1-2024	300,000	295,560	
<i>Penske Auto Group Incorporated</i>	5.75	10-1-2022	99,000	101,228	
<i>Sonic Automotive Incorporated</i>	5.00	5-15-2023	145,000	138,838	
<i>Sonic Automotive Incorporated</i>	6.13	3-15-2027	125,000	119,063	
				1,612,377	
<b>Textiles, Apparel &amp; Luxury Goods : 0.13%</b>					
<i>Wolverine World Wide Incorporated 144A</i>	5.00	9-1-2026	160,000	151,600	
<b>Consumer Staples : 0.37%</b>					
<b>Beverages : 0.04%</b>					
<i>Cott Beverages Incorporated 144A</i>	5.50	4-1-2025	50,000	49,250	
<b>Food Products : 0.27%</b>					
<i>B&amp;G Foods Incorporated</i>	4.63	6-1-2021	30,000	29,550	
<i>B&amp;G Foods Incorporated</i>	5.25	4-1-2025	75,000	70,500	
<i>Darling Ingredients Incorporated</i>	5.38	1-15-2022	15,000	15,277	
<i>Pilgrim s Pride Corporation 144A</i>	5.75	3-15-2025	110,000	106,150	
<i>Pilgrim s Pride Corporation 144A</i>	5.88	9-30-2027	25,000	23,500	
<i>Prestige Brands Incorporated 144A</i>	6.38	3-1-2024	35,000	34,475	
<i>US Foods Incorporated 144A</i>	5.88	6-15-2024	30,000	30,525	
				309,977	
<b>Household Products : 0.06%</b>					
<i>Central Garden &amp; Pet Company</i>	5.13	2-1-2028	25,000	23,375	
<i>Central Garden &amp; Pet Company</i>	6.13	11-15-2023	20,000	20,800	
<i>Spectrum Brands Incorporated</i>	5.75	7-15-2025	25,000	24,750	
				68,925	
<b>Energy : 6.91%</b>					
<b>Energy Equipment &amp; Services : 2.28%</b>					
<i>Bristow Group Incorporated</i>	6.25	10-15-2022	325,000	250,250	
<i>Bristow Group Incorporated 144A</i>	8.75	3-1-2023	75,000	73,500	
<i>Diamond Offshore Drilling Incorporated</i>	4.88	11-1-2043	150,000	109,875	
<i>Era Group Incorporated</i>	7.75	12-15-2022	215,000	209,088	
<i>Hilcorp Energy Company 144A</i>	5.00	12-1-2024	150,000	146,250	
<i>Hilcorp Energy Company 144A</i>	5.75	10-1-2025	175,000	174,563	
<i>Hornbeck Offshore Services Incorporated</i>	1.50	9-1-2019	350,000	297,551	
<i>Hornbeck Offshore Services Incorporated</i>	5.00	3-1-2021	150,000	97,500	



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<i>Hornbeck Offshore Services Incorporated</i>	5.88	4-1-2020	235,000	171,550
<i>NGPL PipeCo LLC 144A</i>	4.38	8-15-2022	25,000	24,969
<i>NGPL PipeCo LLC 144A</i>	4.88	8-15-2027	50,000	48,545
<i>NGPL PipeCo LLC 144A</i>	7.77	12-15-2037	625,000	734,375
<i>Oceaneering International Incorporated</i>	6.00	2-1-2028	75,000	74,091
<i>PHI Incorporated</i>	5.25	3-15-2019	105,000	99,225
<i>USA Compression Partners LP 144A</i>	6.88	4-1-2026	100,000	103,000
				2,614,332

**Oil, Gas & Consumable Fuels : 4.63%**

<i>Andeavor Logistics LP</i>	5.25	1-15-2025	50,000	51,375
<i>Archrock Partners LP</i>	6.00	10-1-2022	75,000	74,906
<i>Carrizo Oil &amp; Gas Incorporated</i>	8.25	7-15-2025	75,000	79,875
<i>Cheniere Energy Incorporated 144A</i>	5.25	10-1-2025	425,000	413,313
<i>Continental Resources Company</i>	4.38	1-15-2028	25,000	24,845
<i>Continental Resources Incorporated</i>	3.80	6-1-2024	100,000	97,783
<i>DCP Midstream Operating LLC</i>	2.70	4-1-2019	75,000	74,625

## Portfolio of investments May 31, 2018 (unaudited)

## Wells Fargo Utilities and High Income Fund

Security name	Interest rate	Maturity date	Principal	Value
<b>Oil, Gas &amp; Consumable Fuels (continued)</b>				
<i>Denbury Resources Incorporated</i>	6.38%	8-15-2021	\$ 285,000	\$ 265,050
<i>Denbury Resources Incorporated 144A</i>	9.25	3-31-2022	61,000	64,813
<i>Enable Midstream Partner LP</i>	2.40	5-15-2019	275,000	273,198
<i>Enable Oklahoma Intrastate Transmission LLC 144A</i>	6.25	3-15-2020	50,000	52,258
<i>EnLink Midstream LLC</i>	4.40	4-1-2024	300,000	298,659
<i>Exterran Partners LP</i>	6.00	4-1-2021	250,000	249,375
<i>Gulfport Energy Corporation</i>	6.00	10-15-2024	75,000	70,500
<i>Kinder Morgan Incorporated</i>	6.50	9-15-2020	45,000	48,033
<i>Kinder Morgan Incorporated</i>	7.42	2-15-2037	90,000	100,076
<i>Matador Resources Company</i>	6.88	4-15-2023	25,000	26,156
<i>Murphy Oil Corporation</i>	4.45	12-1-2022	175,000	172,375
<i>Murphy Oil Corporation</i>	5.75	8-15-2025	15,000	14,963
<i>Murphy Oil Corporation</i>	6.88	8-15-2024	50,000	53,000
<i>Nabors Industries Incorporated</i>	0.75	1-15-2024	125,000	98,464
<i>PDC Energy Incorporated</i>	6.13	9-15-2024	50,000	50,875
<i>Rockies Express Pipeline LLC 144A</i>	5.63	4-15-2020	325,000	333,840
<i>Rockies Express Pipeline LLC 144A</i>	6.88	4-15-2040	250,000	287,500
<i>Rockies Express Pipeline LLC 144A</i>	7.50	7-15-2038	55,000	65,588
<i>Rose Rock Midstream LP</i>	5.63	7-15-2022	100,000	97,000
<i>Rose Rock Midstream LP</i>	5.63	11-15-2023	100,000	93,250
<i>Sabine Pass Liquefaction LLC</i>	5.63	2-1-2021	125,000	131,001
<i>Sabine Pass Liquefaction LLC</i>	6.25	3-15-2022	100,000	107,965
<i>SemGroup Corporation</i>	6.38	3-15-2025	275,000	259,875
<i>Semgroup Corporation</i>	7.25	3-15-2026	150,000	147,000
<i>Southern Star Central Corporation 144A</i>	5.13	7-15-2022	100,000	100,750
<i>Southwestern Energy Company</i>	7.50	4-1-2026	50,000	51,751
<i>Southwestern Energy Company</i>	7.75	10-1-2027	50,000	52,250
<i>Summit Midstream Holdings LLC</i>	5.75	4-15-2025	25,000	23,813
<i>Tallgrass Energy Partners LP 144A</i>	5.50	9-15-2024	600,000	603,000
<i>Tesoro Logistics LP</i>	6.38	5-1-2024	25,000	26,707
<i>Ultra Resources Incorporated 144A</i>	6.88	4-15-2022	80,000	53,700
<i>Ultra Resources Incorporated 144A</i>	7.13	4-15-2025	375,000	232,500
				5,322,007

**Financials : 1.96%****Banks : 0.01%**

<i>Citigroup Incorporated</i>	4.13	3-9-2021	5,000	5,000
<i>Citigroup Incorporated</i>	6.13	3-9-2028	10,000	10,225
				15,225

**Capital Markets : 0.02%**

<i>MSCI Incorporated 144A</i>	5.38	5-15-2027	25,000	25,063
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**Consumer Finance : 0.91%**

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<i>Ally Financial Incorporated</i>	8.00	12-31-2018	75,000	76,950
<i>Ally Financial Incorporated</i>	8.00	3-15-2020	203,000	217,722
<i>FirstCash Incorporated 144A</i>	5.38	6-1-2024	125,000	125,313
<i>Navient Corporation</i>	8.00	3-25-2020	175,000	186,113
<i>OneMain Financial Group LLC 144A</i>	7.25	12-15-2021	150,000	155,475
<i>Springleaf Finance Corporation</i>	6.00	6-1-2020	100,000	103,000
<i>Springleaf Finance Corporation</i>	7.13	3-15-2026	75,000	74,978
<i>Springleaf Finance Corporation</i>	7.75	10-1-2021	25,000	27,047
<i>Springleaf Finance Corporation</i>	8.25	10-1-2023	65,000	70,688
				1,037,286

**Diversified Financial Services : 0.82%**

<i>Infinity Acquisition LLC 144A</i>	7.25	8-1-2022	75,000	76,781
<i>LPL Holdings Incorporated 144A</i>	5.75	9-15-2025	775,000	745,938
<i>Tempo Acquisition LLC 144A</i>	6.75	6-1-2025	75,000	72,679
<i>Vantiv LLC 144A</i>	4.38	11-15-2025	50,000	47,250
				942,648

Wells Fargo Utilities and High Income Fund		Portfolio of investments			May 31, 2018 (unaudited)
Security name	Interest rate	Maturity date	Principal	Value	
<b>Insurance : 0.20%</b>					
<i>HUB International Limited 144A</i>	7.00%	5-1-2026	\$ 75,000	\$ 75,027	
<i>USIS Merger Subordinate Incorporated 144A</i>	6.88	5-1-2025	150,000	151,125	
				226,152	
<b>Health Care : 2.93%</b>					
<b>Health Care Equipment &amp; Supplies : 0.63%</b>					
<i>Hill-Rom Holdings Incorporated 144A</i>	5.00	2-15-2025	50,000	48,750	
<i>Hill-Rom Holdings Incorporated 144A</i>	5.75	9-1-2023	25,000	25,625	
<i>Hologic Incorporated 144A</i>	4.63	2-1-2028	25,000	23,563	
<i>Hologic Incorporated 144A</i>	4.38	10-15-2025	225,000	215,156	
<i>Kinetics Concepts Incorporated 144A</i>	7.88	2-15-2021	200,000	205,500	
<i>Surgery Center Holdings Incorporated 144A</i>	6.75	7-1-2025	50,000	46,625	
<i>Surgery Center Holdings Incorporated 144A</i>	8.88	4-15-2021	150,000	153,750	
				718,969	
<b>Health Care Providers &amp; Services : 1.96%</b>					
<i>Acadia Healthcare Company Incorporated</i>	6.50	3-1-2024	20,000	20,700	
<i>Centene Escrow I Corporation 144A</i>	5.38	6-1-2026	75,000	75,750	
<i>CHS Incorporated</i>	5.13	8-1-2021	225,000	211,430	
<i>HCA Incorporated</i>	5.88	3-15-2022	25,000	26,281	
<i>HCA Incorporated</i>	6.50	2-15-2020	325,000	339,625	
<i>HealthSouth Corporation</i>	5.75	9-15-2025	75,000	76,500	
<i>Mednax Incorporated 144A</i>	5.25	12-1-2023	50,000	49,250	
<i>MPH Acquisition Holdings LLC 144A</i>	7.13	6-1-2024	300,000	311,250	
<i>MPT Operating Partnership LP</i>	5.00	10-15-2027	100,000	94,006	
<i>MPT Operating Partnership LP</i>	5.25	8-1-2026	150,000	145,500	
<i>MPT Operating Partnership LP</i>	6.38	3-1-2024	10,000	10,500	
<i>NVA Holdings Company 144A</i>	6.88	4-1-2026	25,000	24,633	
<i>Polaris Intermediate Corporation 144A</i>	8.50	12-1-2022	50,000	51,688	
<i>Select Medical Corporation</i>	6.38	6-1-2021	315,000	319,331	
<i>Tenet Healthcare Corporation 144A</i>	4.63	7-15-2024	118,000	113,422	
<i>Vizient Incorporated 144A</i>	10.38	3-1-2024	350,000	385,000	
				2,254,866	
<b>Health Care Technology : 0.30%</b>					
<i>Change Healthcare Holdings Incorporated 144A</i>	5.75	3-1-2025	275,000	262,969	
<i>Quintiles IMS Holdings Incorporated 144A</i>	4.88	5-15-2023	75,000	75,375	
				338,344	
<b>Life Sciences Tools &amp; Services : 0.02%</b>					
<i>Charles River Laboratories Incorporated 144A</i>	5.50	4-1-2026	25,000	25,094	
<b>Pharmaceuticals : 0.02%</b>					
<i>Valeant Pharmaceuticals International 144A</i>	8.50	1-31-2027	25,000	25,406	

**Industrials : 1.52%****Aerospace & Defense : 0.02%**

<i>RBS Global &amp; Rexnord LLC 144A</i>	4.88	12-15-2025	25,000	24,063
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**Airlines : 0.22%**

<i>Aviation Capital Group Corporation 144A</i>	6.75	4-6-2021	100,000	108,905
<i>BBA US Holdings Incorporated 144A</i>	5.38	5-1-2026	150,000	150,375
				259,280

**Commercial Services & Supplies : 1.25%**

<i>Acco Brands Corporation 144A</i>	5.25	12-15-2024	25,000	25,000
<i>Advanced Disposal Services Incorporated 144A</i>	5.63	11-15-2024	275,000	275,000
<i>Aramark Services Incorporated 144A</i>	5.00	2-1-2028	25,000	24,063
<i>Aramark Services Incorporated</i>	5.13	1-15-2024	60,000	60,930

## Portfolio of investments May 31, 2018 (unaudited)

## Wells Fargo Utilities and High Income Fund

Security name	Interest rate	Maturity date	Principal	Value
<b>Commercial Services &amp; Supplies (continued)</b>				
<i>Covanta Holding Corporation</i>	5.88%	3-1-2024	\$ 185,000	\$ 181,763
<i>Covanta Holding Corporation</i>	5.88	7-1-2025	75,000	72,304
<i>Covanta Holding Corporation</i>	6.38	10-1-2022	195,000	198,413
<i>KAR Auction Services Incorporated 144A</i>	5.13	6-1-2025	550,000	522,500
<i>Waste Pro USA Incorporated 144A</i>	5.50	2-15-2026	50,000	48,250
<i>Wrangler Buyer Corporation 144A</i>	6.00	10-1-2025	25,000	23,813
				1,432,036
<b>Trading Companies &amp; Distributors : 0.03%</b>				
<i>International Lease Finance Corporation 144A</i>	7.13	9-1-2018	35,000	35,349
<b>Information Technology : 2.68%</b>				
<b>Communications Equipment : 0.06%</b>				
<i>CommScope Technologies Finance LLC 144A</i>	6.00	6-15-2025	75,000	75,188
<b>Internet Software &amp; Services : 0.46%</b>				
<i>Infor (US) Incorporated</i>	6.50	5-15-2022	50,000	50,813
<i>Infor Software Parent LLC (PIK at 7.88%) 144A</i>	7.13	5-1-2021	75,000	75,375
<i>Zayo Group LLC 144A</i>	5.75	1-15-2027	125,000	120,938
<i>Zayo Group LLC</i>	6.38	5-15-2025	275,000	278,781
				525,907
<b>IT Services : 0.88%</b>				
<i>Cardtronics Incorporated</i>	5.13	8-1-2022	125,000	121,563
<i>Cardtronics Incorporated 144A</i>	5.50	5-1-2025	200,000	182,500
<i>First Data Corporation 144A</i>	5.00	1-15-2024	125,000	124,875
<i>First Data Corporation 144A</i>	5.38	8-15-2023	25,000	25,353
<i>First Data Corporation 144A</i>	5.75	1-15-2024	95,000	95,356
<i>First Data Corporation 144A</i>	7.00	12-1-2023	225,000	235,688
<i>Gartner Incorporated 144A</i>	5.13	4-1-2025	225,000	223,313
				1,008,648
<b>Semiconductors &amp; Semiconductor Equipment : 0.03%</b>				
<i>Micron Technology Incorporated</i>	5.50	2-1-2025	29,000	30,170
<b>Software : 0.12%</b>				
<i>CDK Global Incorporated</i>	4.88	6-1-2027	20,000	18,850
<i>CDK Global Incorporated</i>	5.00	10-15-2024	50,000	51,028
<i>Fair Isaac Corporation 144A</i>	5.25	5-15-2026	25,000	25,250
<i>Symantec Corporation 144A</i>	5.00	4-15-2025	50,000	48,333
				143,461

**Technology Hardware, Storage & Peripherals :****1.13%**

<i>Dell International LLC 144A</i>	5.88	6-15-2021	250,000	256,556
<i>Dell International LLC 144A</i>	7.13	6-15-2024	475,000	510,370
<i>NCR Corporation</i>	5.88	12-15-2021	15,000	15,194
<i>NCR Corporation</i>	6.38	12-15-2023	500,000	514,255
				1,296,375

**Materials : 1.16%****Chemicals : 0.04%**

<i>Celanese U.S. Holdings LLC</i>	5.88	6-15-2021	20,000	21,278
<i>Valvoline Incorporated</i>	5.50	7-15-2024	25,000	25,188
				46,466

**Containers & Packaging : 1.10%**

<i>Ball Corporation</i>	4.88	3-15-2026	50,000	49,500
<i>Ball Corporation</i>	5.25	7-1-2025	40,000	40,750
<i>Berry Plastics Corporation</i>	5.13	7-15-2023	50,000	49,500

Wells Fargo Utilities and High Income Fund		Portfolio of investments			May 31, 2018 (unaudited)
Security name	Interest rate	Maturity date	Principal	Value	
<b>Containers &amp; Packaging (continued)</b>					
<i>Berry Plastics Corporation</i>	6.00%	10-15-2022	\$ 65,000	\$ 66,950	
<i>Crown Americas LLC 144A</i>	4.75	2-1-2026	75,000	70,845	
<i>Crown Cork &amp; Seal Company Incorporated</i>	7.38	12-15-2026	155,000	168,175	
<i>Flex Acquisition Company Incorporated 144A</i>	6.88	1-15-2025	125,000	120,625	
<i>Owens-Brockway Glass Container Incorporated 144A</i>	5.38	1-15-2025	50,000	49,125	
<i>Owens-Brockway Glass Container Incorporated 144A</i>	5.88	8-15-2023	50,000	50,813	
<i>Owens-Illinois Incorporated 144A</i>	6.38	8-15-2025	375,000	386,250	
<i>Sealed Air Corporation 144A</i>	5.13	12-1-2024	100,000	101,375	
<i>Silgan Holdings Incorporated</i>	5.50	2-1-2022	100,000	101,500	
				1,255,408	
<b>Metals &amp; Mining : 0.02%</b>					
<i>Novelis Corporation 144A</i>	6.25	8-15-2024	25,000	25,315	
<b>Real Estate : 1.62%</b>					
<b>Equity REITs : 1.62%</b>					
<i>CoreCivic Incorporated</i>	4.63	5-1-2023	35,000	34,388	
<i>CoreCivic Incorporated</i>	5.00	10-15-2022	100,000	100,500	
<i>Equinix Incorporated</i>	5.75	1-1-2025	125,000	127,188	
<i>Equinix Incorporated</i>	5.88	1-15-2026	100,000	101,875	
<i>ESH Hospitality Incorporated 144A</i>	5.25	5-1-2025	325,000	312,195	
<i>Iron Mountain Incorporated 144A</i>	4.38	6-1-2021	125,000	126,131	
<i>Iron Mountain Incorporated 144A</i>	5.25	3-15-2028	50,000	47,063	
<i>Iron Mountain Incorporated 144A</i>	5.38	6-1-2026	100,000	95,000	
<i>Iron Mountain Incorporated</i>	6.00	8-15-2023	267,000	276,011	
<i>MGM Growth Properties LLC</i>	4.50	1-15-2028	50,000	44,875	
<i>Sabra Health Care REIT Incorporated</i>	5.38	6-1-2023	75,000	74,813	
<i>Sabra Health Care REIT Incorporated</i>	5.50	2-1-2021	130,000	133,045	
<i>The Geo Group Incorporated</i>	5.13	4-1-2023	50,000	49,125	
<i>The Geo Group Incorporated</i>	5.88	1-15-2022	135,000	137,194	
<i>The Geo Group Incorporated</i>	5.88	10-15-2024	125,000	123,446	
<i>The Geo Group Incorporated</i>	6.00	4-15-2026	75,000	73,313	
				1,856,162	
<b>Telecommunication Services : 1.12%</b>					
<b>Diversified Telecommunication Services : 0.56%</b>					
<i>GCI Incorporated</i>	6.75	6-1-2021	125,000	126,563	
<i>Level 3 Financing Incorporated</i>	5.13	5-1-2023	75,000	73,500	
<i>Level 3 Financing Incorporated</i>	5.25	3-15-2026	50,000	47,525	
<i>Level 3 Financing Incorporated</i>	5.38	8-15-2022	125,000	125,000	
<i>Level 3 Financing Incorporated</i>	5.38	1-15-2024	50,000	48,750	
<i>Level 3 Financing Incorporated</i>	5.38	5-1-2025	75,000	72,563	



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<i>Level 3 Financing Incorporated</i>	5.63	2-1-2023	65,000	65,549
<i>Level 3 Financing Incorporated</i>	6.13	1-15-2021	80,000	80,900
				640,350

**Wireless Telecommunication Services : 0.56%**

<i>SBA Communications Corporation</i>	4.88	7-15-2022	75,000	74,063
<i>Sprint Capital Corporation</i>	6.88	11-15-2028	225,000	215,438
<i>Sprint Capital Corporation</i>	8.75	3-15-2032	50,000	53,813
<i>Sprint Communications Incorporated 144A</i>	9.00	11-15-2018	25,000	25,605
<i>T-Mobile USA Incorporated</i>	4.00	4-15-2022	50,000	49,750
<i>T-Mobile USA Incorporated</i>	5.13	4-15-2025	25,000	24,995
<i>T-Mobile USA Incorporated</i>	5.38	4-15-2027	25,000	24,531
<i>T-Mobile USA Incorporated</i>	6.00	3-1-2023	25,000	25,875
<i>T-Mobile USA Incorporated</i>	6.38	3-1-2025	145,000	151,511
<i>T-Mobile USA Incorporated</i>	6.50	1-15-2024	5,000	5,225
				650,806

Portfolio of investments		May 31, 2018 (unaudited)				Wells Fargo Utilities and High Income Fund	
Security name	Interest rate	Maturity date	Principal	Value			
<b>Utilities : 1.61%</b>							
<b>Electric Utilities : 0.02%</b>							
<i>NextEra Energy Incorporated 144A</i>	4.25%	9-15-2024	\$ 25,000	\$	24,000		
<b>Gas Utilities : 0.06%</b>							
<i>AmeriGas Partners LP</i>	5.75	5-20-2027	75,000		70,688		
<b>Independent Power &amp; Renewable Electricity</b>							
<b>Producers : 1.53%</b>							
<i>NSG Holdings LLC 144A</i>	7.75	12-15-2025	410,010		447,936		
<i>Pattern Energy Group Incorporated 144A</i>	5.88	2-1-2024	550,000		556,875		
<i>TerraForm Global Operating LLC 144A</i>	6.13	3-1-2026	125,000		124,375		
<i>TerraForm Power Operating LLC 144A</i>	4.25	1-31-2023	375,000		361,875		
<i>TerraForm Power Operating LLC 144A</i>	5.00	1-31-2028	50,000		47,188		
<i>TerraForm Power Operating LLC 144A</i>	6.63	6-15-2025	200,000		213,000		
					1,751,249		
<b>Total Corporate Bonds and Notes (Cost</b>							
<b>\$33,221,323)</b>						33,239,539	
<b>Loans : 1.41%</b>							
<b>Consumer Discretionary : 0.62%</b>							
<b>Auto Components : 0.14%</b>							
<i>Federal-Mogul Corporation (1 Month LIBOR</i>							
<i>+3.75%) ±</i>	5.68	4-15-2021	157,058		158,253		
<b>Hotels, Restaurants &amp; Leisure : 0.48%</b>							
<i>CCM Merger Incorporated (1 Month LIBOR +2.75%)</i>							
<i>±</i>	4.73	8-8-2021	47,365		47,459		
<i>Montreign Operating Company LLC (1 Month LIBOR</i>							
<i>+8.25%) ±</i>	10.23	12-7-2022	525,000		509,250		
					556,709		
<b>Energy : 0.05%</b>							
<b>Oil, Gas &amp; Consumable Fuels : 0.05%</b>							
<i>Chesapeake Energy Corporation (1 Month LIBOR</i>							
<i>+7.50%) ±</i>	9.47	8-23-2021	50,000		52,490		
<b>Financials : 0.11%</b>							
<b>Diversified Financial Services : 0.11%</b>							
<i>Resolute Investment Managers Incorporated (3 Month</i>							
<i>LIBOR +7.50%) ±</i>	9.86	4-30-2023	125,000		126,563		

**Health Care : 0.12%****Health Care Providers & Services : 0.12%**

<i>Press Ganey Holdings Incorporated (1 Month LIBOR +2.75%) ±</i>	4.73	10-21-2023	124,496	124,932
<i>Press Ganey Holdings Incorporated (1 Month LIBOR +6.50%) ±</i>	8.48	10-21-2024	11,236	11,391
				136,323

**Industrials : 0.08%****Commercial Services & Supplies : 0.08%**

<i>Advantage Sales &amp; Marketing LLC (1 Month LIBOR +6.50%) ±</i>	8.48	7-25-2022	91,664	84,636
<i>WASH Multifamily Laundry Systems LLC 2nd Lien Term (1 Month LIBOR +7.00%) ±</i>	8.98	5-12-2023	1,490	1,446
<i>WASH Multifamily Laundry Systems LLC 2nd Lien Term (1 Month LIBOR +7.00%) ±</i>	8.98	5-14-2023	8,510	8,254
				94,336

**Information Technology : 0.33%****Internet Software & Services : 0.33%**

<i>Ancestry.com Incorporated (1 Month LIBOR +3.25%) ±</i>	5.23	10-19-2023	377,369	377,369
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Wells Fargo Utilities and High Income Fund		Portfolio of investments			May 31, 2018 (unaudited)	
Security name	Interest rate	Maturity date	Principal	Value		
<b>Real Estate : 0.06%</b>						
<b>Real Estate Management &amp; Development : 0.06%</b>						
<i>Capital Automotive LP (1 Month LIBOR +6.00%)</i>						
±	7.99%	3-24-2025	\$ 61,237	\$	62,156	
<b>Utilities : 0.04%</b>						
<b>Independent Power &amp; Renewable Electricity Producers : 0.04%</b>						
<i>Vistra Energy Corporation (1 Month LIBOR +2.25%)</i>						
±	4.20	12-14-2023	49,375		49,463	
<b>Total Loans (Cost \$1,624,962)</b>						1,613,662
		Dividend yield		Shares		
<b>Preferred Stocks : 11.36%</b>						
<b>Utilities : 11.36%</b>						
<b>Electric Utilities : 6.54%</b>						
<i>Alabama Power Company</i>	5.00		46,541		1,181,211	
<i>Georgia Power Company</i>	5.00		50,000		1,234,500	
<i>NSTAR Electric Company</i>	4.78		8,830		879,027	
<i>Southern Company</i>	5.25		111,000		2,702,850	
<i>The Connecticut Light &amp; Power Company</i>	5.28		10,500		527,625	
<i>Union Electric Company</i>	4.56		10,000		980,000	
						7,505,213
<b>Multi-Utilities : 4.82%</b>						
<i>CMS Energy Corporation</i>	5.63		25,000		613,250	
<i>DTE Energy Company</i>	5.38		200,000		4,926,000	
						5,539,250
<b>Total Preferred Stocks (Cost \$13,394,621)</b>						13,044,463
		Expiration date				
<b>Rights : 0.01%</b>						
<b>Utilities : 0.01%</b>						
<b>Independent Power &amp; Renewable Electricity Producers : 0.01%</b>						
<i>Vistra Energy Corporation</i>		12-31-2046	23,978		13,188	

<b>Total Rights (Cost \$24,970)</b>	13,188
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	Interest rate	Maturity date	Principal	
<b>Yankee Corporate Bonds and Notes : 3.14%</b>				
<b>Energy : 1.10%</b>				
<b>Energy Equipment &amp; Services : 0.22%</b>				
<i>Ensco plc</i>	5.75	10-1-2044	\$ 355,000	252,938
<b>Oil, Gas &amp; Consumable Fuels : 0.88%</b>				
<i>Baytex Energy Corporation 144A</i>	5.13	6-1-2021	175,000	166,250
<i>Baytex Energy Corporation 144A</i>	5.63	6-1-2024	125,000	113,750
<i>Griffin Coal Mining Company Limited 144A(a)</i>	9.50	12-1-2016	61,991	0
<i>Rockpoint Gas Storage 144A</i>	7.00	3-31-2023	175,000	176,531
<i>Teekay Corporation</i>	8.50	1-15-2020	535,000	552,388
				1,008,919
<b>Financials : 0.49%</b>				
<b>Banks : 0.11%</b>				
<i>Nielsen Holding and Finance BV 144A</i>	5.00	2-1-2025	100,000	96,500

Portfolio of investments		May 31, 2018 (unaudited)				Wells Fargo Utilities and High Income Fund	
Security name	Interest rate	Maturity date	Principal	Value			
<b>Banks (continued)</b>							
<i>Nielsen Holding and Finance BV 144A</i>	5.50%	10-1-2021	\$ 30,000	\$	30,150		
						126,650	
<b>Diversified Financial Services : 0.38%</b>							
<i>Intelsat Jackson Holdings SA</i>	5.50	8-1-2023	495,000			432,816	
<b>Health Care : 0.69%</b>							
<b>Pharmaceuticals : 0.69%</b>							
<i>Valeant Pharmaceuticals International Incorporated 144A</i>	5.50	3-1-2023	200,000			186,000	
<i>Valeant Pharmaceuticals International Incorporated 144A</i>	5.50	11-1-2025	50,000			49,063	
<i>Valeant Pharmaceuticals International Incorporated 144A</i>	5.88	5-15-2023	180,000			171,000	
<i>Valeant Pharmaceuticals International Incorporated 144A</i>	6.13	4-15-2025	200,000			185,000	
<i>Valeant Pharmaceuticals International Incorporated 144A</i>	6.50	3-15-2022	25,000			26,031	
<i>Valeant Pharmaceuticals International Incorporated 144A</i>	6.75	8-15-2021	25,000			25,258	
<i>Valeant Pharmaceuticals International Incorporated 144A</i>	7.00	3-15-2024	50,000			52,375	
<i>Valeant Pharmaceuticals International Incorporated 144A</i>	7.50	7-15-2021	94,000			95,763	
						790,490	
<b>Industrials : 0.51%</b>							
<b>Commercial Services &amp; Supplies : 0.36%</b>							
<i>Ritchie Brothers Auctioneers Incorporated 144A</i>	5.38	1-15-2025	425,000			413,844	
<b>Machinery : 0.08%</b>							
<i>Sensata Technologies BV 144A</i>	5.00	10-1-2025	20,000			20,050	
<i>Sensata Technologies BV 144A</i>	6.25	2-15-2026	74,000			77,053	
						97,103	
<b>Professional Services : 0.07%</b>							
<i>IHS Markit Limited 144A</i>	4.75	2-15-2025	75,000			74,531	
<b>Materials : 0.26%</b>							
<b>Containers &amp; Packaging : 0.24%</b>							
<i>Ardagh Packaging Finance plc 144A</i>	4.63	5-15-2023	100,000			99,345	
<i>Ardagh Packaging Finance plc 144A</i>	6.00	2-15-2025	25,000			24,500	
<i>Ardagh Packaging Finance plc 144A</i>	7.25	5-15-2024	100,000			104,375	
<i>OI European Group BV 144A</i>	4.00	3-15-2023	50,000			47,000	

275,220

**Metals & Mining : 0.02%**

<i>ArcelorMittal SA</i>	6.50	2-25-2022	25,000	26,750
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**Telecommunication Services : 0.09%****Diversified Telecommunication Services : 0.09%**

<i>Intelsat Luxembourg SA</i>	7.75	6-1-2021	95,000	78,375
<i>Virgin Media Finance plc 144A</i>	6.38	4-15-2023	25,000	25,279
				103,654

**Total Yankee Corporate Bonds and Notes  
(Cost \$3,687,137)**

3,602,915

**Yield****Shares****Short-Term Investments : 7.93%****Investment Companies : 7.93%**

<i>Wells Fargo Government Money Market Fund Select Class (l)(u)##</i>	1.67		9,106,053	9,106,053
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**Total Short-Term Investments (Cost  
\$9,106,053)**

9,106,053

**Total investments in securities (Cost  
\$117,749,673)**

		114.56%	\$ 131,534,733
<i>Other assets and liabilities, net</i>		(14.56)	(16,714,391)

**Total net assets**

100.00% \$ 114,820,342

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**Wells Fargo Utilities and High Income Fund**

**Portfolio of investments May 31, 2018 (unaudited)**

*144A The security may be resold in transactions exempt from registration, normally to qualified institutional buyers, pursuant to Rule 144A under the Securities Act of 1933.*

*%% The security is issued on a when-issued basis.*

*¥ A payment-in-kind (PIK) security is a security in which the issuer may make interest or dividend payments in cash or additional securities. These additional securities generally have the same terms as the original holdings.*

*± Variable rate investment. The rate shown is the rate in effect at period end.  
Security is valued using significant unobservable inputs.*

*Non-income-earning security*

*(a) The security is fair valued in accordance with procedures approved by the Board of Trustees.  
On the last interest date, partial interest was paid.*

*(l) The issuer of the security is an affiliated person of the Fund as defined in the Investment Company Act of 1940.*

*(u) The rate represents the 7-day annualized yield at period end.*

*## All or a portion of this security is segregated for when-issued securities and unfunded loans.*

*Abbreviations:*

*LIBOR London Interbank Offered Rate*

*REIT Real estate investment trust*



**Investments in Affiliates**

An affiliated investment is an investment in which the Fund owns at least 5% of the outstanding voting shares of the issuer or as a result of other relationships, such as the Fund and the issuer having the same investment manager. Transactions with issuers that were either affiliated persons of the Fund at the beginning of the period or the end of the period were as follows:

	Shares, beginning of period	Shares purchased	Shares sold	Shares, end of period	Value, end of period	% of net assets
<b>Short-Term Investments</b>						
<b>Investment Companies</b>						
Wells Fargo Government Money Market Fund Select Class	8,058,488	40,209,243	39,161,678	9,106,053	\$ 9,106,053	7.93%

**Wells Fargo Utilities and High Income Fund (the Fund )**

**Notes to Portfolio of investments May 31, 2018 (unaudited)**

**Securities valuation**

All investments are valued each business day as of the close of regular trading on the New York Stock Exchange (generally 4 p.m. Eastern Time), although the Fund may deviate from this calculation under unusual or unexpected circumstances.

Equity securities that are listed on a foreign or domestic exchange or market are valued at the official closing price or, if none, the last sales price. If no sale occurs on the principal exchange or market that day, a fair value price will be determined in accordance with the Fund's Valuation Procedures.

The values of securities denominated in foreign currencies are translated into U.S. dollars at rates provided by an independent foreign currency pricing source at a time each business day specified by the Wells Fargo Asset Management Pricing Committee at Wells Fargo Funds Management, LLC.

Many securities markets and exchanges outside the U.S. close prior to the close of the New York Stock Exchange and therefore may not fully reflect trading or events that occur after the close of the principal exchange in which the foreign securities are traded, but before the close of the New York Stock Exchange. If such trading or events are expected to materially affect the value of such securities, then fair value pricing procedures approved by the Board of Trustees of the Fund are applied. These procedures take into account multiple factors including movements in U.S. securities markets after foreign exchanges close. Foreign securities that are fair valued under these procedures are categorized as Level 2 and the application of these procedures may result in transfers between Level 1 and Level 2. Depending on market activity, such fair valuations may be frequent. Such fair value pricing may result in net asset values that are higher or lower than net asset values based on the last reported sales price or latest quoted bid price. On May 31, 2018, such fair value pricing was not used in pricing certain foreign securities.

Debt securities are valued at the evaluated bid price provided by an independent pricing service or, if a reliable price is not available, the quoted bid price from an independent broker-dealer.

Investments in registered open-end investment companies are valued at net asset value.

Investments which are not valued using any of the methods discussed above are valued at their fair value, as determined in good faith by the Board of Trustees. The Board of Trustees has established a Valuation Committee comprised of the Trustees and has delegated to it the authority to take any actions regarding the valuation of portfolio securities that the Valuation Committee deems necessary or appropriate, including determining the fair value of portfolio securities, unless the determination has been delegated to the Wells Fargo Asset Management Pricing Committee. The Board of Trustees retains the authority to make or ratify any valuation decisions or approve any changes to the Valuation Procedures as it deems appropriate. On a quarterly basis, the Board of Trustees receives reports on any valuation actions taken by the Valuation Committee or the Wells Fargo Asset Management Pricing Committee which may include items for ratification.

Valuations of fair valued securities are compared to the next actual sales price when available, or other appropriate market values, to assess the continued appropriateness of the fair valuation methodologies used. These securities are fair valued on a day-to-day basis, taking into consideration changes to appropriate market information and any significant changes to the inputs considered in the valuation process until there is a readily available price provided on

an exchange or by an independent pricing service. Valuations received from an independent pricing service or independent broker-dealer quotes are periodically validated by comparisons to most recent trades and valuations provided by other independent pricing services in addition to the review of prices by the manager and/or subadviser. Unobservable inputs used in determining fair valuations are identified based on the type of security, taking into consideration factors utilized by market participants in valuing the investment, knowledge about the issuer and the current market environment.

### **Foreign currency translation**

The accounting records of the Fund are maintained in U.S. dollars. The values of other assets and liabilities denominated in foreign currencies are translated into U.S. dollars at rates provided by an independent foreign currency pricing source at a time each business day specified by the Wells Fargo Asset Management Pricing Committee. Purchases and sales of securities, and income and expenses are converted at the rate of exchange on the respective dates of such transactions. Net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest and foreign withholding taxes recorded and the U.S. dollar equivalent of the amounts actually paid or received. Net unrealized foreign exchange gains and losses arise from changes in the fair value of assets and liabilities other than investments in securities resulting from changes in exchange rates. The changes in net assets arising from changes in exchange rates of securities and the changes in net assets resulting from changes in market prices of securities are not separately presented. Such changes are included in net realized and unrealized gains or losses from investments.

### **When-issued transactions**

The Fund may purchase securities on a forward commitment or when-issued basis. The Fund records a when-issued transaction on the trade date and will segregate assets in an amount at least equal in value to the Fund's commitment to purchase when-issued securities. Securities purchased on a when-issued basis are marked-to-market daily and the Fund begins earning interest on the settlement date. Losses may arise due to changes in the market value of the underlying securities or if the counterparty does not perform under the contract.

## Loans

The Fund may invest in direct debt instruments which are interests in amounts owed to lenders by corporate or other borrowers. The loans pay interest at rates which are periodically reset by reference to a base lending rate plus a spread. Investments in loans may be in the form of participations in loans or assignments of all or a portion of loans from third parties. When the Fund purchases participations, it generally has no rights to enforce compliance with terms of the loan agreement with the borrower. As a result, the Fund assumes the credit risk of both the borrower and the lender that is selling the participation. When the Fund purchases assignments from lenders, it acquires direct rights against the borrower on the loan and may enforce compliance by the borrower with the terms of the loan agreement. Loans may include fully funded term loans or unfunded loan commitments, which are contractual obligations for future funding.

## Fair valuation measurements

Fair value measurements of investments are determined within a framework that has established a fair value hierarchy based upon the various data inputs utilized in determining the value of the Fund's investments. The three-level hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Fund's investments are classified within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The inputs are summarized into three broad levels as follows:

- Level 1 quoted prices in active markets for identical securities
- Level 2 other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodologies used for valuing investments in securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used in valuing the Fund's assets and liabilities as of May 31, 2018:

	Quoted prices (Level 1)	Other significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Assets</b>				
<b>Investments in :</b>				
<b>Common stocks</b>				
Consumer discretionary	\$ 4,728,956	\$ 0	\$ 0	\$ 4,728,956
Financials	2,140,532	0	0	2,140,532
Telecommunication services	7,540,256	0	0	7,540,256
Utilities	56,505,169	0	0	56,505,169
<b>Corporate bonds and notes</b>	0	33,239,539	0	33,239,539
<b>Loans</b>	0	894,602	719,060	1,613,662
<b>Preferred stocks</b>				

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Utilities	10,657,811	2,386,652	0	13,044,463
<b>Rights</b>				
Utilities	0	13,188	0	13,188
<b>Yankee corporate bonds and notes</b>	0	3,602,915	0	3,602,915
<b>Short-term investments</b>				
Investment companies	9,106,053	0	0	9,106,053
<b>Total assets</b>	<b>\$ 90,678,777</b>	<b>\$ 40,136,896</b>	<b>\$ 719,060</b>	<b>\$ 131,534,733</b>

The Fund recognizes transfers between levels within the fair value hierarchy at the end of the reporting period. At May 31, 2018, the Fund did not have any transfers into/out of Level 1. The fund had no material transfers between Level 2 and Level 3.

**ITEM 2. CONTROLS AND PROCEDURES**

(a) The President and Treasurer have concluded that the Wells Fargo Utilities and High Income Fund (the Fund ) disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) provide reasonable assurances that material information relating to the Fund is made known to them by the appropriate persons based on their evaluation of these controls and procedures as of a date within 90 days of the filing of this report.

(b) There were no significant changes in the Fund s internal controls over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) that occurred during the last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant s internal control over financial reporting.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Wells Fargo Utilities and High Income Fund

By: /s/ Andrew Owen

Andrew Owen  
President

Date: July 26, 2018

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Wells Fargo Utilities and High Income Fund

By: /s/ Andrew Owen

Andrew Owen  
President

Date: July 26, 2018

By: /s/ Nancy Wiser

Nancy Wiser  
Treasurer

Date: July 26, 2018