Portfolio Summary

	Yield as of	Market Value	
	December 31, 2016	**December 31, 2016**	September 30, 2016*
Operating Liquidity Strategy	**0.54%**	**$ 40,505,746**	$ 32,464,589
Total Return Strategy	**1.06%**	**$ 155,186,055**	$ 155,692,291
Capital Investment Strategy	**0.61%**	**$ 58,017,266**	$ 73,656,971
Total Portfolio		**$ 253,709,067**	$ 261,813,851

Investment Recap and Strategies

- The **Operating Liquidity Strategy** is managed to provide liquidity for day-to-day cash needs and unforeseen events. Currently, the Operating Liquidity Strategy funds are held in an account meeting the requirements of the Security for Public Deposits Act (SPDA) and a local government investment pool (LGIP).
- The **Total Return Strategy** consists of operating funds that will not be a major source of day-to-day disbursement requirements and operational needs. The strategy includes a portfolio invested in longer-term securities in order to generate a higher investment rate of return. The strategy also includes funds designated as a reserve that are invested in an account meeting the requirements of the SPDA and an LGIP.
- The **Capital Investment Strategy** is managed to provide liquidity for capital projects. Currently, the Capital Investment Strategy funds are held in an account meeting the requirements of the SPDA and LGIPs.

Portfolio Performance Summary

- Performance for the Operating Liquidity Strategy and Capital Investment Strategy is measured by comparing the average current yield of the portfolios to the average yield of a short term index. During the quarter, the Operating Liquidity Strategy had an average yield of 0.47% and the Capital Investment Strategy had an average yield of 0.42%, compared to the Merrill Lynch 3-month Treasury Bill's average yield of 0.42%. The one-year trailing return for the Operating Liquidity Strategy and the Capital Investment Strategy, were 0.29%, and 0.42%, respectively, compared to the benchmark's return of 0.31%.
- Performance for the Total Return Strategy is measured on a total return basis, which captures interest income, realized gains/losses, and unrealized gains/losses. This performance calculation methodology is most appropriate for investment portfolios that have longer-term investment horizons. During the quarter, the Total Return Strategy Portfolio generated a total return of -0.26% (-1.01% annualized), outperforming the Merrill Lynch 1 - 3 Year U.S. Treasury Index's return of -0.43% (-1.71% annualized).

**$31.8 million was previously classified as part of the Capital Investment Strategy. These funds have been set aside as a reserve and have been reclassified as part of the Total Return Strategy*

Portfolio Summary *(continued)*

Total Return Strategy Managed Portfolio

- The Total Return Strategy Managed Portfolio (the “Portfolio”) is well diversified among U.S. Treasury securities, federal agency securities, supra sovereign agencies, certificates of deposit, municipal bonds, corporate notes, commercial paper, and high quality money market mutual funds. The Portfolio’s average credit quality is AA+.

- In the fourth quarter of 2016, the Total Return Strategy Managed Portfolio, which does not include the reserve fund, generated a total return of -0.35% (-1.40% annualized), outperforming the Merrill Lynch 1 - 3 Year U.S. Treasury Index’s return of -0.43% (-1.71% annualized). The one-year trailing return for the Total Return Strategy was 1.15% compared to the benchmark’s return of 0.89%.

- Interest rate movements in the fourth quarter were primarily driven by the market’s anticipation of and reaction to the U.S. presidential election. Yields surged in the post-election period as expectations for U.S. economic growth and inflationary expectations rose, and in anticipation of a December federal funds target rate hike.

- At its December meeting, the Federal Open Market Committee (“FOMC”) increased the target range for the federal funds rate by 0.25% to 0.50%-0.75%. Projections released after the meeting indicate that the FOMC anticipates an additional three rate hikes in 2017 and another three hikes in 2018. Market expectations are more conservative, expecting only two hikes over the next year.

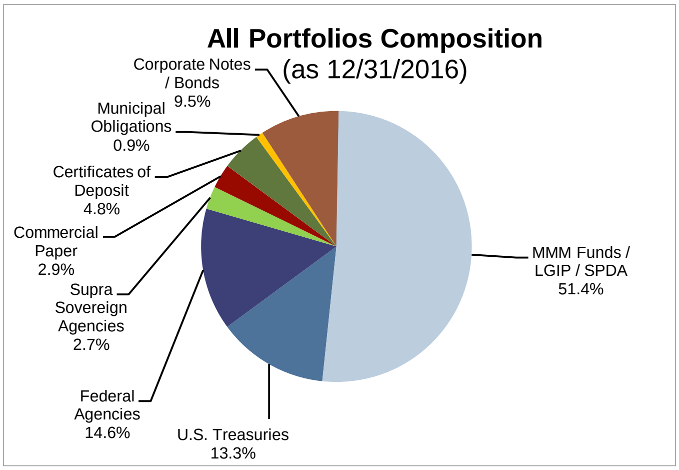
- During the beginning of the quarter, in anticipation of market volatility and rising interest rates, the duration of the Portfolio was allowed to gradually shorten in order to reduce the sensitivity of the Portfolio to changes in interest rates. After interest rates increased following the election, the duration was extended to be in line with that of the benchmark. As 2017 starts with the highest yields in several years, the strategy of the Portfolio is to continue to position the duration to be aligned with the benchmark. As of December 31, 2016, the Portfolio’s duration was 1.81 years.

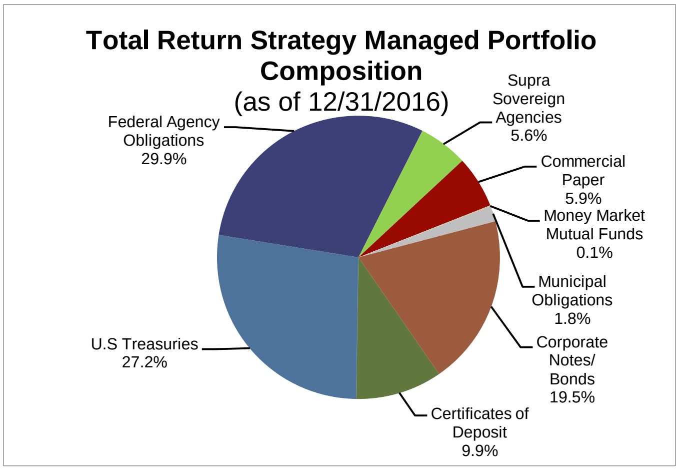
- Agency yield spreads over Treasuries remain narrow. As a result, the strategy of the portfolio will generally favor U.S. Treasuries over agencies, unless specific issues offer identifiable value.

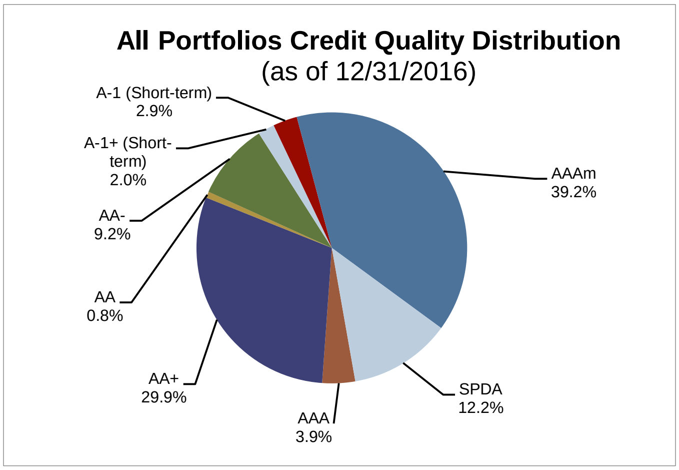
- Yield spreads on corporate securities also remain narrow. Identifying incremental return potential in the corporate bond sector requires careful relative value analysis. Improving corporate profits, as well as anticipated pro-business tax reform from the incoming Trump administration, support favorable fundamentals of the credit sector. Yields on commercial paper and negotiable CDs continue to offer significant yield pickup relative to short-term government securities.

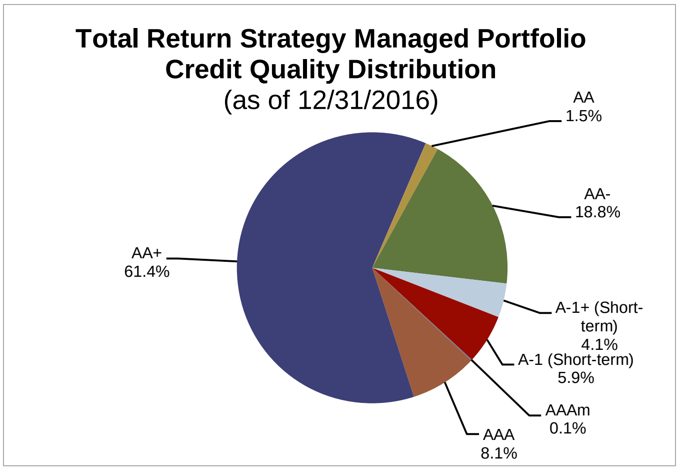
Portfolio Composition

Security Type	December 31, 2016	% of Portfolio	September 30, 2016	% of Portfolio	Permitted by Policy
U.S. Treasuries	$33,628,145	13.3%	$29,964,895	11.4%	100%
Federal Agencies	36,957,996	14.6%	39,860,674	15.2%	100%
Supra Sovereign Agencies	6,950,691	2.7%	5,765,602	2.2%	15%
Commercial Paper	7,327,070	2.9%	12,216,822	4.7%	25%
Certificates of Deposit	12,225,944	4.8%	9,741,832	3.7%	10%
Municipal Obligations	2,183,655	0.9%	2,184,900	0.8%	15%
Corporate Notes / Bonds	24,046,067	9.5%	24,079,065	9.2%	25%
Money Market Mutual Funds / LGIP / Cash	130,389,498	51.4%	138,000,060	52.7%	100%
Totals	**$253,709,067**	**100.0%**	**$261,813,851**	**100.0%**	



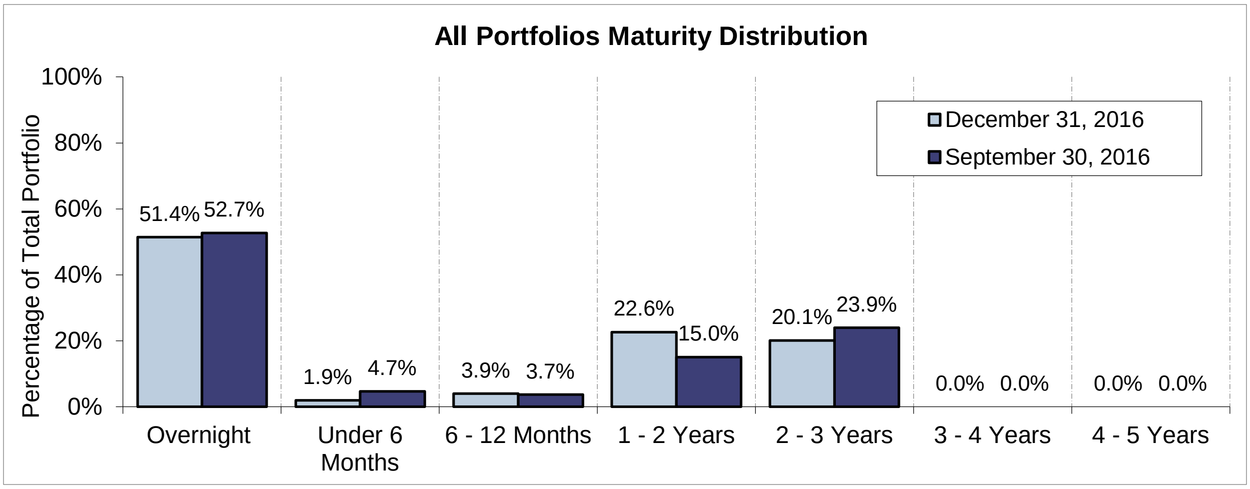


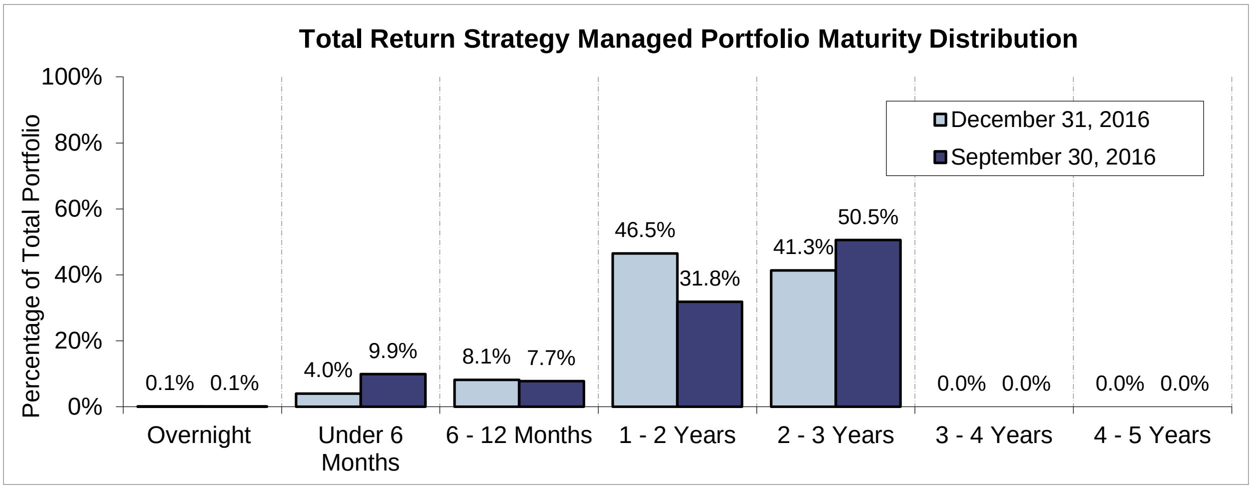




Portfolio Maturity Distribution

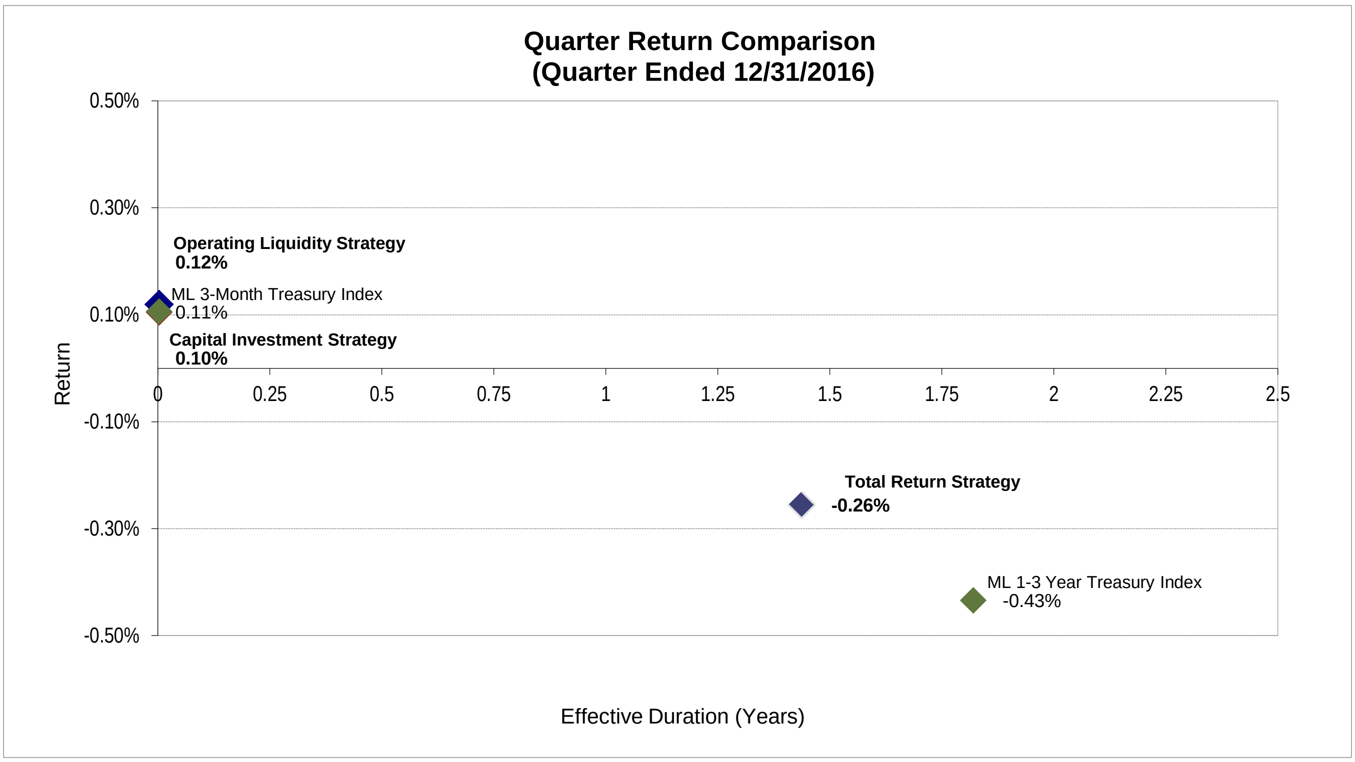
Maturity Distribution	December 31, 2016	September 30, 2016
Overnight	130,389,498	138,000,060
Under 6 Months	4,894,480	12,216,822
6 - 12 Months	10,009,693	9,581,824
1 - 2 Years	57,407,564	39,396,257
2 - 3 Years	51,007,831	62,618,888
3 - 4 Years	0	0
4 - 5 Years	0	0
5 Years and Over	0	0
Totals	**$253,709,067**	**$261,813,851**





Portfolio Performance

	Quarter Ended December 31, 2016	Annualized Quarterly Return	Last 24 Months	Last 36 Months	Annualized Since Inception*
Total Return Performance					
Total Return Strategy	-0.26%	-1.01%	1.02%	0.91%	1.11%
Total Return Strategy Managed	-0.35%	-1.40%	0.97%	0.88%	1.10%
Total Return Strategy Managed (net of fees)	-0.37%	-1.48%	0.88%	0.79%	1.00%
Merrill Lynch 1-3 Year Treasury Index	-0.43%	-1.71%	0.71%	0.68%	0.93%
Book Value Performance					
Operating Liquidity Strategy	**0.12%**	**0.47%**	**0.27%**	**0.26%**	**0.27%**
Capital Investment Strategy	**0.10%**	**0.42%**	**0.32%**	**0.27%**	**0.26%**
Merrill Lynch 3 Month Treasury Bill Index	0.11%	0.42%	0.18%	0.13%	0.10%



**Since inception returns are calculated since September 30, 2009 to present. Performance for the Operating Liquidity Strategy and Capital Investment Strategy is calculated using a weighted average yield of cash and investments, including the monthly bank earnings credit rate and interest rate and the monthly distribution yield of the local government investment pools or money market mutual funds, and book value earnings on short-term fixed income securities. Performance for the Total Return Strategy Managed Portfolio is calculated as the total return, which captures interest income, realized gains/losses, and unrealized gains/losses, on the managed portfolio of short-term fixed income securities. The Total Return Strategy performance is calculated as the weighted average of the total return of the Managed Portfolio and average yield of cash balances. Calculations are based on provided information and are believed to be accurate based upon available data.*