

2017

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2017



SAN DIEGO COUNTY INVESTMENT POOL
AN INVESTMENT TRUST FUND OF THE COUNTY OF SAN DIEGO, CA



ISSUED BY DAN McALLISTER, SAN DIEGO COUNTY TREASURER-TAX COLLECTOR

2017

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INTRODUCTORY

SECTION



TREASURER-TAX COLLECTOR COUNTY OF SAN DIEGO

County Administration Center

1600 Pacific Highway, Room 112 | San Diego, California 92101-2477
619.531.5231 | fax 619.531.6411
www.sdtreastax.com



LETTER OF TRANSMITTAL FROM THE TREASURER NOVEMBER 15, 2017

BOARD OF SUPERVISORS AND TREASURY OVERSIGHT COMMITTEE
COUNTY OF SAN DIEGO | SAN DIEGO COUNTY ADMINISTRATION CENTER
SAN DIEGO, CALIFORNIA 92101

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the San Diego County Investment Pool (the "Investment Pool") for the fiscal year ended June 30, 2017. This report and the annual audit are presented to demonstrate compliance with Section 35 of the Investment Pool's Investment Policy (the "Investment Policy"), dated January 1, 2017. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Treasurer's Office. A framework of internal controls has been established by management for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

To the best of our knowledge and belief, the enclosed data are accurate in all material respects, and are reported in a manner designed to present fairly the financial position and changes in financial position of the Investment Pool in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. All disclosures necessary to enable the reader to gain an understanding of the Investment Pool's financial activities have been included.

The Investment Pool's financial statements have been audited by Macias Gini & O'Connell LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the Investment Pool financial statements as of and for the fiscal year ended June 30, 2017, are fairly stated in accordance with generally accepted accounting principles. The independent audit involves performing procedures to obtain evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based upon the audit, the independent auditors concluded that there was a reasonable basis for rendering an unmodified opinion that the Investment Pool's financial statements as of and for the fiscal year ended June 30, 2017 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the Financial Section of this report.

Management provides a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Investment Pool's MD&A can be found after the independent auditors' report.

PROFILE OF THE SAN DIEGO COUNTY INVESTMENT POOL

The Investment Pool was created when the State Legislature established the five-member County Board of Supervisors in 1853. It is a local government investment pool with \$8.9 billion in assets as of June 30, 2017. The Investment Pool is headed by the San Diego County Treasurer-Tax Collector, an elected official who is responsible for tax collection, banking, investment, disbursement and accountability of public funds. The Investment Pool is managed by the Treasurer's Office on behalf of the Investment Pool participants. The County portion of the Investment Pool assets as of June 30, 2017 is \$3.6 billion while the external, non-County portion is \$5.3 billion. Depositors in the Investment Pool include both mandatory and voluntary participants located within the County of San Diego.

Mandatory participants include the County of San Diego, K-12 school districts, and certain special districts and accounts controlled by the County Board of Supervisors. Mandatory participants are defined as those agencies required by law to deposit their funds with the County Treasurer's Office. Mandatory participants comprise the majority of the Investment Pool's assets, approximately 94.82% as of June 30, 2017.

Voluntary participants are those agencies that are not required to place their funds in the Investment Pool, and do so only as an investment option. Voluntary participants include cities, fire districts, and certain special districts. As of June 30, 2017, voluntary participants accounted for approximately 5.2% of the Investment Pool.

Community colleges have characteristics of both mandatory and voluntary participants. While they have the authority to invest funds outside of the Investment Pool, community colleges receive banking, checking, and investment services from the County Treasurer's Office. In this financial report, they are categorized as mandatory participants.

In addition to investment management, the Treasurer's Office also provides banking services to all mandatory participants. These services include, but are not limited to, warrant redemption, electronic fund transfers, acceptance of deposits, and fund accounting.

INVESTMENT POLICIES AND PRACTICES

The primary objectives of the Investment Pool, as set forth in the Investment Policy, in order of importance, are safety, liquidity, and yield. The following goals have been set for the fiscal year 2017/2018:

- Pool participant outreach to communicate the benefits of investing in the pool
- Develop portfolio analytics to evaluate opportunities to increase returns

The Treasurer's Office reviews its Investment Policy on an annual basis to ensure the integrity of the Investment Pool and to provide guidelines for its operation. Upon completion of its review, the Investment Policy is presented for review to the Treasury Oversight Committee, and then to the County Board of Supervisors for their approval.

Investments in the pool are limited by the Investment Policy and the California State Government code, which places restrictions on the securities that may be purchased. Pool investments included negotiable certificates of deposit, obligations of the U.S. Treasury, U.S. government agencies, commercial paper, CalTRUST (shares of beneficial interest issued by a joint powers authority), money market mutual funds, supranationals, and collateralized (non-negotiable) certificates of deposit. The maturities of the investments range from one day to five years, with an average weighted maturity of 419 days. The weighted average effective yield (annualized) on investments on June 30, 2017 was 1.29%.

To safeguard the investments, a custodian is employed to safekeep, settle, and accept interest payments on investments held by the Investment Pool. To facilitate internal security and safeguards, the Investment Policy requires an annual audit and the establishment and maintenance of internal controls and procedures.

For the 2016/2017 fiscal year, investments provided a 1.02% apportionment rate, which is the rate used in allocating the net earnings to the participants. The Investment Pool's average apportionment rate over the last three and five fiscal years was 0.67% and 0.54%, respectively. The Treasurer's Office has implemented a system of internal controls designed to ensure the reliability of reported investment information. The Treasurer's Office provides monthly

investment reports for the Treasury Oversight Committee, which monitors the management of funds and reviews the Investment Policy. Please refer to the Investment Section of this CAFR for additional information on investments.

SIGNIFICANT EVENTS

The County Investment Pool replaced its Standard and Poor's rating with a rating from Fitch Ratings, Inc. Fitch rated the County Pool 'AAAf/S1,' matching the previous S&P rating, which was withdrawn at the County's request. 'AAAf' is the top rating possible for a local government investment pool and indicates the investment pool's portfolio contains securities of the highest underlying credit quality. The 'S1' volatility rating signifies the Investment Pool possesses very low sensitivity to market risk, given its conservative investment policies. Rating considerations include:

- High quality credit portfolio;
- Captive investor base;
- Liquidity management as a key objective;
- Low sensitivity to market risk;
- Oversight that decreases operational risk; and
- Industry standard administration and systems.

The Federal Reserve (the "Fed") raised the benchmark Fed funds rate three times, in December 2016 and March and June 2017. The target range finished the fiscal year at 1.00% to 1.25%, resulting in sharply higher rates for short-term securities and contributing to improvement in the County Investment Pool's yield compared to the prior fiscal year. Short-term rates could climb more if the Fed moves rates again during the next fiscal year, which would help the Pool's yield rise further. The Investment Pool yield to maturity increased by 44 basis points from the prior fiscal year-end, and the weighted average maturity for investments held increased from 310 days to 419 days.

NATIONAL ECONOMIC ENVIRONMENT

During fiscal year 2016/2017, the U.S. economy continued to improve at a relatively modest pace. As has typically been the case in recent times, this year's economic performance could be categorized as "more of the same." Nominal and real gross domestic product grew by 3.6% and 2.6%, respectively, during the second quarter of 2016. While these metrics reflect improvement from the prior period, they are still below those of historical post-recession periods. After several consecutive monthly increases in the consumer price index, annual inflation metrics rose above the Fed's 2% target by the middle of the fiscal year. However, this trend reversed in the first half of 2017, with a series of mostly weak monthly readings bringing annual CPI growth down to 1.6% by June. The unemployment rate continued to drop from 4.9% to 4.4% during the fiscal year, but this positive trend was somewhat offset by the continued stagnation in the labor force participation rate, which remained near its all-time low of 62.8% at period's end. Annual real wage growth improved somewhat to a still modest 2.5% during the period, but with the most recent month registering only a 0.2% increase. During the first half of 2017, Washington gridlock and the ineffectiveness of the new administration caused initial optimism regarding the prospects for regulatory and tax reform and infrastructure spending, all of which could boost economic growth, to wane. The housing market's recovery remains a bright spot, however, with the S&P CoreLogic Case-Shiller 20-City Index recording 5.79% year-over-year growth in May 2017 and hitting an all-time high.

SAN DIEGO COUNTY ECONOMIC CONDITION

Economic recovery in the San Diego region continued during the fiscal year, but at a modest pace. The unemployment rate within San Diego County dropped from 4.9% to 4.3% during the fiscal year, slightly outpacing the improvement nationwide. The University of San Diego Index of Leading Economic Indicators hit an all-time high in June 2016 after jumping 0.8%, the largest monthly gain since April 2015, and has not declined for eight consecutive months. This forward-looking composite index, which includes local building permits, initial jobless claims, stock prices, consumer confidence, help-wanted ads, and the national economic outlook, has been a reasonably good indicator for the local economy. The housing market in San Diego continues to rebound strongly as indicated by the 6.6% rise in the S&P CoreLogic Case-Shiller San Diego home price index between May 2016 and May 2017. The County of San Diego has maintained strong fiscal management practices and fiscal stability using its General Management System ("GMS"). The GMS is the County's business model that guides operations and service delivery to residents, businesses, and visitors throughout the fiscal year. This fiscal discipline has allowed the County to commit \$56.7 million as a General Reserve for unforeseen catastrophic events, equaling the 5% targeted level pursuant to Board policy. It also allows the County to meet the 10% target of \$113.4 million unassigned fund balance for General Fund Minimum Fund Balance for Economic Uncertainty required by Board policy. Many local municipalities, including school districts, continue to take advantage of the low interest rate environment to issue bonds for a variety of purposes. As a result of the influx of bond proceeds and voluntary deposits, the Investment Pool was able to invest more funds further out on the yield curve. It also benefitted from higher interest rates on its investments overall following the Fed's three benchmark rate increases during the fiscal year. The investment pool's yield to maturity has increased from 0.85% on June 30, 2016 to 1.29% on June 30, 2017.

AWARDS AND ACKNOWLEDGMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Investment Pool for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. This was the nineteenth consecutive year that the Investment Pool has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the Treasurer's Office must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

The preparation of this report would not have been possible without the efficient and dedicated services of many individuals in the Treasurer's Office. It is intended to provide complete and reliable information as a basis for making management decisions, as a means of determining compliance with legal provisions and determining responsible stewardship of the funds in the Investment Pool.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Investment Pool's activities during fiscal year 2016/2017. Questions concerning any of the information provided in this report or requests for additional financial information, including a complete list of the Investment Pool's current holdings, should be addressed to the Office of San Diego County Treasurer-Tax Collector, 1600 Pacific Highway, Room 152, San Diego, California, 92101. Copies of the comprehensive annual financial report are also available at www.sdttc.com.

Respectfully,

Dan McAllister

SAN DIEGO COUNTY TREASURER-TAX COLLECTOR



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**San Diego County Investment Pool
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

TREASURY OVERSIGHT COMMITTEE



Dan McAllister
*Treasurer-Tax
Collector*
County of San Diego



Tracy Sandoval
*General Manager
Finance
and General
Government/
Auditor and
Controller*
County of San
Diego



Don Steuer
*Assistant Chief
Administrative
Officer*
County of San Diego



Lora Duzyk
*Asst. Superintendent
of Business Services*
San Diego County
Office of Education



Colleen Harvey
*Chief Financial
Officer*
Karl Strauss
Brewing
Company



Andre Douzdjian
*Special District
Representative*
Non-voting
Member



**Benjamin
Dillingham III**
Public Member



Thomas LaHay
Public Member



Charlie Ng
Public Member

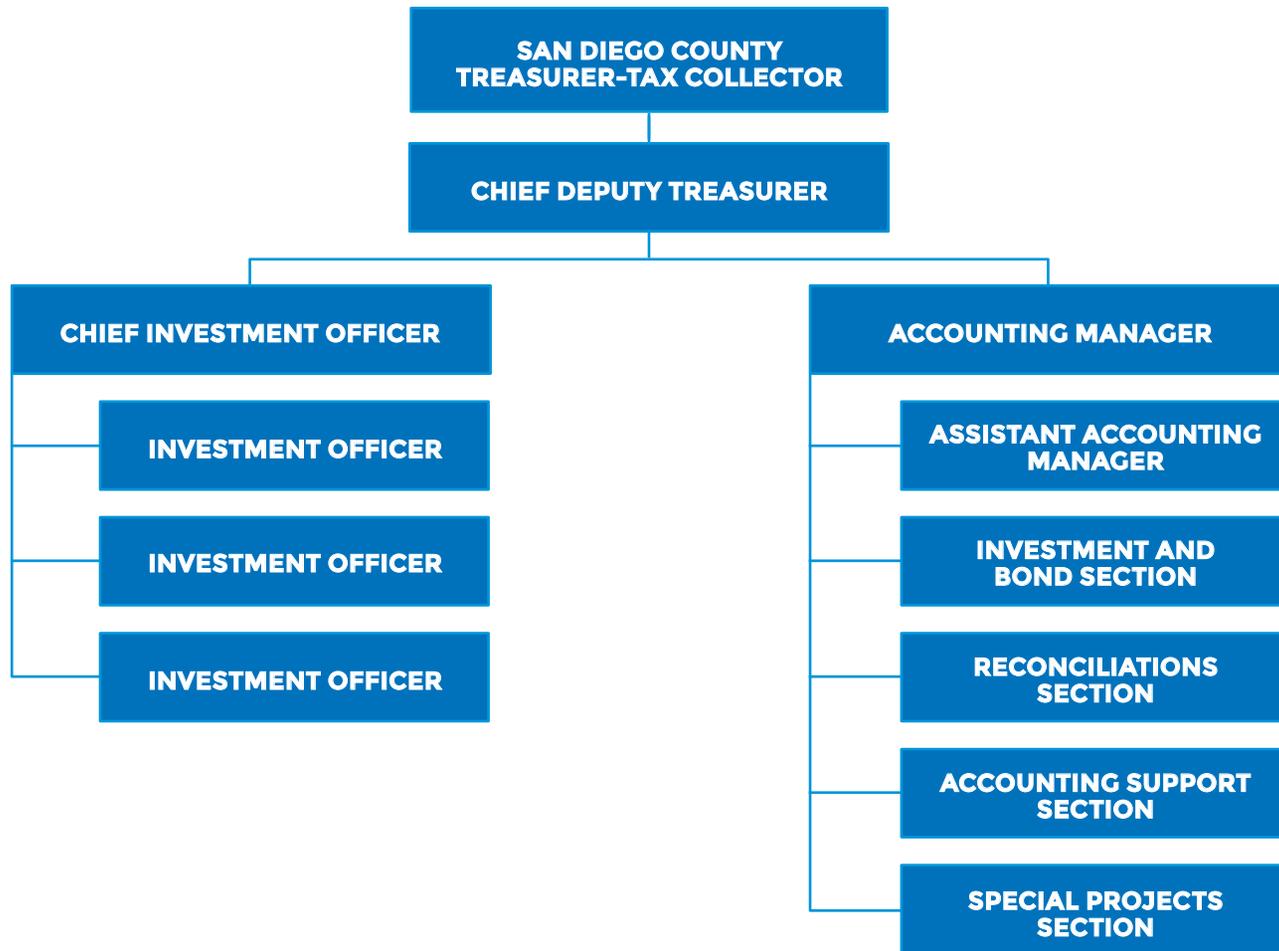


Leslie Deese
Public Member



Mark Fisher
Public Member

TREASURER-TAX COLLECTOR ORGANIZATION CHART*



* As of June 30, 2017.

TREASURY AND INVESTMENTS DIVISION

TOM PAOLICELLI

Chief Deputy Treasurer

ISRAEL GARZA, CPA

Accounting Manager

CAMERON URQUHART, CFA

Investment Officer

ANN DUONG

Supervisor of
Investments and Bonds Section

MIRIAM BARRERA, CPA

Supervisor of
Accounting Support Section

HANK KIM

Chief Investment Officer

R.C. KINZLY

Investment Officer

ZINDA JIMENEZ

Assistant Accounting Manager

GEENA BALISTRIERI, CPA

Supervisor of
Reconciliations Section

BOBBY BACASEN, CPA

Treasury Analysis
and Special Projects

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COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the County of San Diego Audit Committee
and Treasury Oversight Committee
San Diego, California

Report on the Financial Statements

We have audited the accompanying financial statements of the San Diego County Investment Pool (Investment Pool) of the County of San Diego, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Investment Pool's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Investment Pool, as of June 30, 2017, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Investment Pool's basic financial statements. The introductory, investment, and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory, investment, and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2017, on our consideration of the San Diego County Treasurer-Tax Collector's (TTC) internal control over financial reporting as it relates to the Investment Pool, and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the TTC's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP
San Diego, California
November 15, 2017

SAN DIEGO COUNTY INVESTMENT POOL

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

(Unaudited)

As management of the San Diego County Investment Pool (the "Investment Pool"), we offer readers of the financial statements this narrative overview and analysis of the financial activities of the Pool for the fiscal year ended June 30, 2017.

The following analysis primarily focuses on the Investment Pool's current year results in comparison with the prior year.

FINANCIAL RESULTS

- The assets of the Investment Pool exceeded its liabilities at the close of the most recent fiscal year by \$8.9 billion (net position).
- The Investment Pool's total net position increased by \$241 million. This represents a net increase of 2.8% compared to the prior fiscal year.
- The net investment income of the Investment Pool, which includes the change in fair value from the prior year, decreased from a net investment income of \$57.8 million for the year ended June 30, 2016 to net investment income of \$51.8 million for the fiscal year ended June 30, 2017.
- During the year, the Investment Pool distributed earnings of \$86.4 million to participants compared to the previous year's distribution of \$44.3 million. This represents an increase of \$42.1 million, or 95% from the last fiscal year.
- The Investment Pool's expense ratio was 0.084% of the average daily balance for the fiscal year 2016/2017 and 0.088% for the fiscal year 2015/2016.
- The fair value of the Investment Pool showed an undistributed and net unrealized loss of \$30.4 million (0.34% of portfolio fair value) at June 30, 2017 compared to an undistributed and net unrealized gain of \$10.4 million (0.12% of portfolio fair value) at June 30, 2016.

OVERVIEW OF THE INVESTMENT POOL FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The Investment Pool's basic financial statements consist of two components:

- 1) Statement of Net Position and Statement of Changes in Net Position
- 2) Notes to the Basic Financial Statements

The Statement of Net Position presents information on the Investment Pool's assets and liabilities, with the difference between the two reported as *net position*.

NET POSITION

The Investment Pool's net position increased by \$241 million (2.8%) for the fiscal year ended June 30, 2017. The majority of this increase can be attributed to large additions from the San Diego Community College District (SDCCD), and the Palomar Community College District (PCCD). SDCCD increased its balance invested in the investment pool mostly attributed to the proceeds of approximately \$122 million from general obligation bonds that were issued in November 2016. PCCD increased its balance invested in the Investment Pool primarily due to the bond proceeds of \$138.7 million deposited to the Building Fund from the Bonds Election 2006, Series 2017D that was issued in April 2017.

A summary of the Investment Pool's net position is presented below.

SAN DIEGO COUNTY INVESTMENT POOL CONDENSED STATEMENT OF NET POSITION

(Amounts expressed in thousands, except percentages)

	AS OF JUNE 30,		VARIANCE 2017 VS. 2016	
	2017	2016	AMOUNT	PERCENTAGE
ASSETS				
Investments at Fair value	\$ 8,904,574	\$ 8,642,414	\$ 262,160	3.0%
Cash, Non-negotiable CDs and Receivables	73,951	80,459	(6,508)	-8.1%
TOTAL ASSETS	8,978,525	8,722,873	255,652	2.9%
LIABILITIES				
Distributions Payable and Accrued Expenses	29,911	14,895	15,016	100.8%
NET POSITION HELD IN TRUST FOR POOL PARTICIPANTS	\$ 8,948,614	\$ 8,707,978	\$ 240,636	2.8%

CHANGES IN NET POSITION

The Statement of Changes in Net Position presents information on how the Investment Pool's net position changed during the fiscal year. The increases include additions to investments, investment earnings and changes in fair value of investments. Unrealized gains or losses of securities are determined by taking the difference between amortized cost and the fair value of investments. The deductions consist of deductions from investment pool participant investments, distributions to the Investment Pool's participants and administrative expenses.

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, additions and deductions are reported in this statement for some items that will result in cash flows in future fiscal periods.

A summary of the changes in the Investment Pool's net position is presented below.

SAN DIEGO COUNTY INVESTMENT POOL CONDENSED STATEMENT OF CHANGES IN NET POSITION

(amounts expressed in thousands, except percentages)

	FOR THE FISCAL YEAR ENDED JUNE 30,		VARIANCE 2017 VS. 2016	
	2017	2016	AMOUNT	PERCENTAGE
ADDITIONS				
Additions to Pooled Investments	\$ 16,270,794	\$ 16,410,088	(\$ 139,294)	-0.8%
Net Investment Income	51,843	57,813	(5,970)	-10.3%
TOTAL ADDITIONS	16,322,637	16,467,901	(145,264)	-0.9%
DEDUCTIONS				
Deductions from Pooled Investments	15,989,801	15,243,483	746,318	4.9%
Distributions to Participants	86,384	44,261	42,123	95.2%
Administrative Expenses	5,816	5,424	392	7.2%
TOTAL DEDUCTIONS	16,082,001	15,293,168	788,833	5.2%
Changes in Net Position	240,636	1,174,733	(934,097)	-79.5%
Net Position Beginning of Year	8,707,978	7,533,245	1,174,733	15.6%
NET POSITION END OF YEAR	\$ 8,948,614	\$ 8,707,978	\$ 240,636	2.8%

Additions to pooled investments decreased by \$139 million, or -0.8%, from the previous fiscal year. Deductions from pooled investments increased by \$746 million, or 4.9%, from the previous fiscal year. During the 2016/17 fiscal year, there was a net outflow as pool participants spent down bond proceeds. The proceeds are currently invested in the investment pool and are expected to be spent down over the next two to three years.

For the 2016/2017 fiscal year, the Investment Pool's Investment Earnings totaled \$94.1 million. This represents an increase of \$41.2 million in Investment Earnings as compared to the prior fiscal year. During this same period, the change in the Fair Value of Investments decreased by \$47.4 million. The offset of these figures, including investment pool expenses, resulted in a Net Investment Income totaling \$51.8 million. Overall, net investment income decreased by \$6 million from the prior fiscal year. The increase in investment earnings is due to a rising interest rate environment, resulting from Federal Reserve policies.

The Investment Pool is managed for the sole benefit of the participants. All income is distributed quarterly after deducting investment and administrative costs. The Investment Pool, in practice, holds most investments to maturity, based on a detailed cash flow analysis. Therefore, any undistributed gains or losses as a result of market value fluctuations are not reflected in the distributions to participants. These distributions to participants reflect only the actual interest income received during the fiscal year. Distributions to participants increased by \$42.1 million, or 95.2%, due to the increase in size of the Investment Pool securities.

SAN DIEGO COUNTY INVESTMENT POOL
STATEMENT OF NET POSITION
As of June 30, 2017
(amounts expressed in thousands)

ASSETS	
Investments at Fair Value:	
Asset Backed Securities	\$ 182,056
U.S. Government Agencies:	
Federal Home Loan Mortgage Corporation Notes	916,593
Federal Home Loan Bank Notes	449,953
Federal National Mortgage Association Notes	785,885
Federal Farm Credit Bank Notes	280,893
U.S. Treasury Notes	768,213
Supranational	631,434
Commercial Paper	2,355,747
Money Market Mutual Funds	365,300
Negotiable Certificates of Deposit	2,168,500
TOTAL INVESTMENTS AT FAIR VALUE	8,904,574
Other Assets:	
Cash on Hand and in Banks	7,632
Non-negotiable Certificates of Deposits	45,850
Receivables and Other	20,469
TOTAL ASSETS	8,978,525
LIABILITIES	
Distributions Payable	28,060
Accrued Expenses	1,851
TOTAL LIABILITIES	29,911
NET POSITION HELD IN TRUST FOR POOL PARTICIPANTS	\$ 8,948,614

The notes to financial statements are an integral part of this statement.

SAN DIEGO COUNTY INVESTMENT POOL
STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(amounts expressed in thousands)

ADDITIONS	
Additions to Pooled Investments	\$ 16,270,794
Investment Income:	
Net Decrease in Fair Value of Investments	(40,842)
Investment Earnings	94,058
Less Expenses	(1,373)
Net Investment Income	51,843
TOTAL ADDITIONS	16,322,637
DEDUCTIONS	
Deductions From Pooled Investments	15,989,801
Distributions To Participants	86,384
Administrative Expenses	5,816
TOTAL DEDUCTIONS	16,082,001
Change in Net Position	240,636
Net Position Held in Trust for Pool Participants:	
Beginning of Year	8,707,978
END OF YEAR	\$ 8,948,614

The notes to financial statements are an integral part of this statement.

SAN DIEGO COUNTY INVESTMENT POOL

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Reporting Entity. The San Diego County Investment Pool (the “Investment Pool”) is a part of the County of San Diego (the “County”) and is responsible for approximately \$8.9 billion in assets as of June 30, 2017. The Investment Pool is administered by the Treasurer-Tax Collector, an elective office that is responsible for tax collection, banking, investment, disbursement and accountability of public funds. The Investment Pool is managed by the County Treasurer’s Office on behalf of the Investment Pool participants.

The Investment Pool participants include the County, local school districts, local community colleges and other districts. The school districts are required by State statutes to deposit their funds with the County Treasurer. Mandatory participants in the Investment Pool comprise the majority of the Investment Pool’s assets, at 94.82%. All participants comply with the same requirements per the Investment Policy. The State of California gives the Board of Supervisors the ability to delegate the investment authority to the County Treasurer’s Office in accordance with Section 53607 of the California Government Code (the “Code”). The Investment Pool’s investment objectives are to safeguard principal, meet the liquidity needs of the participants, and return an acceptable yield within the parameters of prudent risk management.

Pursuant to Sections 27130-27137 of the California Government Code, the County Board of Supervisors has established the Treasury Oversight Committee (“TOC”) which monitors and reviews the Investment Policy (the “Policy”). The TOC consists of members appointed from the districts or offices that they represent, and up to five members of the public, having expertise in, or an academic background in public finance. The TOC requires a financial audit to be conducted annually on a fiscal year basis, which includes limited tests of compliance with laws and regulations. The Investment Pool is not registered with the Securities and Exchange Commission (“SEC”) as an investment company. The Investment Pool does not have any legally binding guarantees of share values.

Measurement Focus, Basis of Accounting and Financial Statement Presentation. The accompanying financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Earnings on investments are recognized as revenue in the period in which they are earned, and administrative costs are recognized as expenses when incurred, regardless of the timing of the related cash flows. Investment Pool participants’ cash balances and withdrawals are based on the cost on the trade-date, while investments are reported at fair value.

NEW ACCOUNTING PRONOUNCEMENTS

There were no new accounting pronouncements that affected the Investment Pool for the current fiscal year.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. CASH AND INVESTMENTS

FAIR VALUE HIERARCHY

The Investment Pool categorizes its fair value measurements within the fair value hierarchy established by GASB Statement No. 72. The hierarchy is based on the valuation inputs used to measure the fair value of assets. Level 1 inputs are quoted prices in an active market for identical assets. Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs (the Investment Pool does not value any of its investments using level 1 and level 3 inputs). Money market mutual funds are not subject to the Fair Value Hierarchy.

The following is a summary of the fair value hierarchy of investments for the Investment Pool as of June 30, 2017:

(amounts expressed in thousands)

INVESTMENTS	SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 2)
Asset Backed Securities	\$ 182,056
Commercial Paper	2,355,747
Negotiable Certificates of Deposit	2,168,500
Supranational	631,434
U.S. Government Agencies	2,433,324
U.S. Treasury Notes	768,213
TOTAL INVESTMENTS BY FAIR VALUE LEVEL	\$ 8,539,274

Deposits. Deposits consist of cash in banks as well as non-negotiable certificate of deposits. At year- end, the carrying amount of the Investment Pool's deposits was \$53,481,553, and the bank balance at June 30, 2017 was \$52,886,972, which consisted of demand deposits with various financial institutions. The difference between the carrying amount and the bank balance includes temporary reconciling items such as outstanding checks, and deposits in transit. Of the bank balance, \$1,099,500 was covered by federal deposit insurance, and \$51,787,472 was collateralized with securities held by a depository agent on behalf of the Investment Pool as required by Code Section 53656. The Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Also, a financial institution may, in accordance with the Code, secure local agency deposits using first trust deed mortgages; however, the fair value of the first trust deed mortgages collateral must be at least 150% of the total amount deposited.

Custodial Credit Risk (Deposits). Custodial credit risk is the risk of loss associated with the counterparty's failure. For sweep (deposit) accounts, the Investment Pool utilizes national or state chartered banks where amounts exceeding the FDIC insurance level are invested in repurchase agreements that are collateralized by U.S. Treasury and Federal Agency securities equal to or greater than the deposit amount in accordance with Code.

Pool Investments. The Investment Pool operates under the prudent person standard. Specifically, code sections 27000.1-27000.5, 27130-27137, and 53600-53686 authorize the Treasurer to invest funds in permissible types of investment or financial instruments. These include: U.S. Treasuries, U.S. Federal agencies, local agency obligations, bankers' acceptances, commercial paper, corporate medium-term notes, negotiable certificates of deposit, repurchase and reverse repurchase agreements, pass-through securities, supranationals, money market mutual funds, local agency investment funds, bond funds and asset-backed securities.

**TABLE 1: SAN DIEGO COUNTY INVESTMENT POOL
POLICY RESTRICTIONS VERSUS CALIFORNIA
GOVERNMENT CODE SECTION 53601 REQUIREMENTS**

INVESTMENT TYPE	MAXIMUM MATURITY		MAXIMUM % OF PORTFOLIO		MAXIMUM % WITH ONE ISSUER		MINIMUM RATING	
	GOV. CODE	POOL POLICY	GOV. CODE	POOL POLICY	GOV. CODE	POOL POLICY	GOV. CODE	POOL POLICY
U.S. Treasury Obligations	5 years	5 years	None	None	None	None	None	None
U.S. Agency Obligations	5 years	5 years	None	None	None	35%	None	None
Local Agency Obligations	5 years	5 years	None	15%	None	5%	None	A
Bankers' Acceptances	180 days	180 days	40%	40%	30%	5%	None	A-1
Commercial Paper ¹	270 days	270 days	40%	40%	10%	5%	A	A
Negotiable Certificates of Deposit	5 years	5 years	30%	30%	30%	5%	None	A
Repurchase Agreements	1 year	1 year	None	40%	None	None ²	None	None
Reverse Repurchase Agreements	92 days	92 days	20%	20%	None	10%	None	None
Corporate Medium-Term Notes	5 years	5 years	30%	30%	30%	5%	A	A
Collateralized Certificates of Deposits	N/A	13 months	None	10%	None	5% ⁴	None	A-
Money Market Mutual Funds	N/A	N/A	20%	5%	10%	10%	AAAm	AAAm
CalTRUST	N/A	N/A	None	2.5%	None	2.5%	None	None
Pass-Through Mortgage Securities ³	5 years	5 years	20%	20%	None	5%	A/AA	A/AA
Supranationals ⁵	5 years	5 years	30%	30%	30%	10%	AA	AA

(1) Government Code Section 53635(a)(1-2) specifies percentage limitations for this security type for county investment pools.

(2) Maximum exposure per issue - The maximum exposure to a single Repurchase Agreement (RP) issue shall be 10% of the portfolio value for RP's when the dollar weighted average maturity is greater than 5 days, and 15% of the portfolio for RP's when the dollar weighted average maturity is 5 days or less. The maximum exposure to a single broker/dealer of Repurchase Agreements shall be 10% of the portfolio value for maturities greater than 5 days, and 15% of the portfolio value for maturities of 5 days or less.

(3) Rating of "A" required for issuer, if rated; and rating of "AA" required for the security.

(4) May not exceed total paid-up capital and surplus of depository.

(5) The following institutions are considered Supranationals: International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), Inter-American Development Bank (IADB)

Investments in the Investment Pool are stated at fair value in accordance with GASB Statement No. 72. Securities, which are traded on a national exchange, are valued at the last reported sales price at current exchange rates. The Investment Pool uses the market approach as a valuation technique in the application of GASB Statement No. 72. This method uses prices and other relevant information generated by market transactions involving identical or comparable assets or group of assets. Institutional money market mutual funds are carried at portfolio book value (carrying cost). All purchases of investments are accounted for on a trade-date basis.

Unrealized gains or losses of securities are determined by taking the difference between amortized cost and the fair value of investments. The calculation of realized gains and losses is independent of the calculation of the net change in the fair value of investments. Realized gains and losses on investments that were held in more than one fiscal year and sold in the current year were included as a change in the fair value of investments reported in the prior year(s) and the current year.

Table 2 on the following page presents the maturity levels and credit ratings by investment type as of June 30, 2017. The balances are reported using the weighted average days to maturity (WAM) method.

**TABLE 2: SAN DIEGO COUNTY INVESTMENT POOL
INVESTMENT CREDIT RATINGS AND MATURITIES
As of June 30, 2017**

(amounts expressed in thousands, except percentages and days)

	FITCH RATING	INTEREST RATE RANGE %	MATURITY DATE RANGE	PAR VALUE	BOOK VALUE	FAIR VALUE	YIELD TO MATURITY	WEIGHTED AVERAGE MATURITY (IN DAYS)
Asset Backed Securities	AAA	1.000 - 1.500	09/15/2018 - 12/18/2020	\$ 182,327	\$ 182,210	\$ 182,056	1.34%	811
Commercial Paper Discount	A/A+/AA-	1.080 - 1.450	07/03/2017 - 03/09/2018	2,373,000	2,364,734	2,355,747	1.30%	94
U.S. Government Agencies:								
Federal Farm Credit Bank (FFCB)	AAA	0.650 - 1.710	09/14/2017 - 11/09/2020	282,870	282,855	280,893	1.24%	703
Federal Home Loan Bank (FHLB)	AAA	0.730 - 5.000	08/14/2017 - 03/11/2022	450,000	451,969	449,953	1.67%	824
Federal Home Loan Mortgage Corporation (FHLMC)	AAA	0.875 - 4.875	07/25/2017 - 06/29/2022	922,300	922,586	916,593	1.43%	987
Federal National Mortgage Association (FNMA)	A-/AAA	0.875 - 2.300	10/26/2017 - 02/28/2022	791,080	790,914	785,885	1.33%	834
Money Market Mutual Funds	AAA	0.022 - 0.690	N/A	365,300	365,300	365,300	0.69%	31
Negotiable Certificates of Deposit	A/A+/A-/AA-	1.060 - 1.580	07/05/2017 - 06/29/2018	2,168,500	2,168,505	2,168,500	1.28%	125
Supranational	AAA	0.875 - 2.100	11/15/2017 - 12/28/2021	635,850	634,753	631,434	1.33%	716
U.S. Treasury Notes	AAA	0.500- 2.625	07/31/2017 - 11/30/2021	769,000	771,185	768,213	1.15%	647
TOTAL INVESTMENTS				\$ 8,940,227	\$ 8,935,011	\$ 8,904,574	1.29%	419

Credit Risk. Credit risk exists when there is the possibility that the issuer or other counterparty to an investment may be unable to fulfill its obligations. To mitigate this risk, the Investment Pool's Investment Policy, which is more restrictive than the Government Code, places a minimum standard on the ratings of investments held in the Investment Pool. Investments in securities other than those guaranteed by the U.S. Treasury or Government Sponsored Enterprises must have a credit rating of no less than "A" for long-term or "F1" for short-term. Non-rated securities include sweep accounts and repurchase agreements. Sweep accounts and collateralized certificates of deposit must be FDIC insured and collateralized with securities held by a named agent of the depository. Repurchase agreements are collateralized by securities, authorized by the Code Section 53601, having a fair value of at least 102% of the amount of the repurchase agreement. The Investment Pool did not have any repurchase agreements in its portfolio as of June 30, 2017.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of a government's investment in a single issuer. To mitigate this risk, the Investment Policy limits the amount of exposure to any one single issuer to the percentages listed in Table 1. As noted in Table 1, the Investment Policy is more restrictive, in most cases, than the Code. As of June 30, 2017, all investments are in compliance with State law and with the Investment Policy.

In accordance with GASB Statement No. 40, disclosure is required for securities in any one issuer that represent 5% or more of the Investment Pool holdings, excluding securities explicitly guaranteed by the United States government, and investments in mutual funds, external investment pools and other pooled investments. The Investment Pool's holdings of the securities of the Federal National Mortgage Association (FNMA) and Federal Home Loan Mortgage Corporation (FHLMC) are issued by agencies that remain under conservatorship by the Director of the Federal Housing Agency. The U.S. Government does not guarantee, directly or indirectly, the securities of the Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Federal National Mortgage Association (FNMA), or Federal Home Loan Mortgage Corporation (FHLMC). The Investment Pool's investment in FHLB, FFCB, FNMA, and FHLMC securities as for June 30, 2017 comprised 5.05%, 3.15%, 8.83% and 10.29% of investments, respectively.

In addition, the following investment holdings/issuers also exceed the 5% threshold; International Bank for Reconstruction and Development (5.67%), JP Morgan (5.11%), Toyota Motor Credit Corporation (5.67%) and Fortis/BNP Paribas (5.28%).

Custodial Credit Risk (Investments). Custodial credit risk for investments exists when, in the event of a failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Securities purchased by the Investment Pool are held by a third-party custodian, Citi, in their trust department to mitigate custodial credit risk.

Foreign Currency Risk. The Investment Pool does not have any foreign currency risk as all investments in the Investment Pool are in U.S. dollar-denominated assets.

Interest Rate Risk. Interest rate risk is the risk that changes in market interest rates, will adversely affect the fair value of an investment. Generally, investments of longer maturities are more sensitive to changes in market interest rates

To mitigate the effect of interest rate risk, the Investment Pool maintains a laddered portfolio in compliance with the Policy, which requires at least 25% of securities to mature within 90 days, at least 50% of securities to mature within one year. In addition, the Investment Pool limits the maximum effective duration of the portfolio to 18 months. As of June 30, 2017, the Investment Pool was in full compliance with its Investment Policy, and the Code. Actual weighted average days to maturity by investment type is presented in Table 2.

The Code Section 53601 indicates where the Code does not specify a limitation on the term or remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement or securities lending agreement authorized by this section, that at the time of the investment has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment.

3. RECEIVABLES AND PAYABLES

Receivables primarily consist of interest accrued on investments. Distributions payable represent the interest for the last quarter of the fiscal year that will be credited to Investment Pool participants for reinvestment. Accrued expenses represent the administrative fees for the last quarter of the fiscal year ended June 30, 2017.

4. INTEREST APPORTIONMENT

Earnings realized on investments based on amortized cost are distributed to Investment Pool participants on a cash basis and are reported using the accrual basis of accounting. Section 27013 of the Code authorizes the Treasurer's Office and Auditor and Controller's Office to deduct administrative fees related to investments. The net realized earnings on investments are apportioned to the Investment Pool participants quarterly, based on the participants' average daily balances. During the year ended June 30, 2017, the Investment Pool distributed \$86.4 million of investment earnings, compared to the previous year's distribution of \$44.3 million. These investment earnings are classified as distributions to participants on the Statement of Changes in Net Position and are reinvested in the Investment Pool.

5. INVESTMENT POOL COMPOSITION

As of June 30, 2017, the Investment Pool participants by percentage of net position consist of:

TABLE 3: SAN DIEGO COUNTY INVESTMENT POOL PARTICIPANT ALLOCATION

County Funds	40.02%
Schools	43.20%
Community Colleges	11.94%
Voluntary Depositors	5.18%
Undistributed and Unrealized Gains	-0.34%
TOTAL	100.00%

6. RELATED PARTY

The County portion of the Investment Pool's net position as of June 30, 2017 is \$3.6 billion. Certain costs allocated by the County to the Investment Pool include salaries and benefits, services and supplies, overhead and equipment totaling \$5.8 million in the current fiscal year.

2 0 1 7
COMPREHENSIVE ANNUAL
FINANCIAL REPORT

INVESTMENT

SECTION

ADMINISTRATIVE OVERVIEW

The Investment Pool was created when the State Legislature established the five-member County Board of Supervisors in 1853. During fiscal year 2016/2017, the Investment Pool activities included the following:

- The Investment Pool maturity structure has remained in compliance with the Investment Policy, which requires 25% of securities to mature in 90 days and no more than 50% to mature in one year. As of June 30, 2017 the Investment Pool has 64.9% of investments maturing in less than one year.
- The Investment Pool had an increase in weighted average days to maturity from 316 days at June 30, 2016 to 419 days at June 30, 2017.
- The Investment Pool's total net position increased by 2.8% from \$8.7 billion on June 30, 2016 to \$8.9 billion on June 30, 2017.
- Undistributed and unrealized losses were \$30.4 million at June 30, 2017 compared to undistributed and unrealized gains of \$10.4 million at June 30, 2016.
- The weighted average effective yield (annualized) of the Investment Pool increased from 0.85% on June 30, 2016 to 1.29% on June 30, 2017.
- The Investment Pool's expense ratio was 0.088% of the average daily balance for the fiscal year 2015/2016 and 0.084% for fiscal 2016/2017.
- The Investment Pool maintained an 'AAAf/S1' rating by Fitch, a nationally recognized rating agency.

OUTLINE OF THE INVESTMENT POLICY

The Investment Pool is managed in accordance with prudent money management principles and Code Sections 27000.1 - 27000.5, 27130 - 27137, and 53600 - 53686.

The objectives of the Investment Pool in order of importance are:

- 1) Safeguard the principal of the funds under the control of the Treasurer's Office,
- 2) Meet the liquidity needs of participants,
- 3) Achieve an investment return on the funds under control of the Treasurer within the parameters of prudent risk management.

The Investment Pool continues to be managed conservatively with the following measures:

- Investing in U.S. Treasury, Government Agency, AAA-rated Supranationals, and AAA-rated Asset Backed securities for maturities beyond a year;
- Selective purchase of corporate securities using a maturity tiering strategy;
- Choosing only top-tier corporate securities when investing, with maturities between less than 90 days and one year.

On an annual basis, the TOC reviews and approves the Investment Policy. Once the TOC has recommended approval, the Board of Supervisors reviews and adopts the Investment Policy. The Investment Policy focuses on risk management by setting limits on principal exposure by type of security, by issuer of debt, by minimum credit ratings, and by liquidity. The Investment Policy includes a detailed section on terms and conditions for Voluntary Participants' deposits and withdrawal of funds from the Investment Pool. All investment transactions are handled by staff in the Treasury and Investments Division in the County Treasurer's office.

INVESTMENT RESULTS

The Federal Reserve has raised rates by a full percentage point since the financial crisis in 2008. The federal funds rate now sits in a range of 1 percent and 1.25 percent, after hitting near zero during the height of the financial crisis. While rates remain low by historic standards, yields on the Investment Pool are increasing. The table below reflects the effective yield of the Investment Pool over the past five fiscal years.

**TABLE 4: SAN DIEGO COUNTY INVESTMENT POOL
FISCAL YEAR AVERAGE YIELD
FOR THE LAST FIVE FISCAL YEARS**

FISCAL YEAR	AVERAGE YIELD	CHANGE FROM PREVIOUS YEAR
2016-2017	1.10%	0.45%
2015-2016	0.65%	0.14%
2014-2015	0.51%	0.05%
2013-2014	0.46%	0.04%
2012-2013	0.42%	-1.79%
3-year average	0.75%	N/A
5-year average	0.63%	N/A

INVESTMENT BENCHMARKS	1 YEAR	3 YEAR	5 YEAR
<i>Local Agency Investment Fund Benchmark</i>	0.75%	0.49%	0.31%
<i>0-2 Yr. U.S. Treasury Index</i>	0.30%	0.44%	0.40%

TABLE 5: SAN DIEGO COUNTY INVESTMENT POOL WEIGHTED AVERAGE EFFECTIVE YIELDS

As of June 30, 2017

(amounts expressed in percentages)

INVESTMENT TYPE	1 YEAR	3 YEAR	5 YEAR
Asset Backed Securities	1.34%	0.84%	0.50%
U.S. Government Agencies	1.42%	1.11%	0.93%
U.S. Treasury Notes	1.15%	1.08%	1.06%
Supranational	1.33%	0.73%	0.44%
Commercial Paper	1.30%	0.79%	0.54%
Repurchase Agreements	0.00%	0.01%	0.01%
Negotiable Certificates of Deposit	1.28%	0.78%	0.53%
Money Market Mutual Funds	0.69%	0.30%	0.20%
TOTAL INVESTMENT POOL*	1.29%	0.89%	0.70%

* Before Admin Expense

Pursuant to the Policy, the Investment Pool is charged with safeguarding principal, meeting liquidity needs, and earning an investment return. The Investment Pool attributes its results to the effective implementation of an adaptable investment strategy, ongoing monitoring of market events, and thorough analysis of credit rating changes, while effectively managing the associated administrative expenses.

INCOME ALLOCATION

The interest earned by each Investment Pool participant is proportionate to the average daily balance of the local agency. Prior to distribution, expenses incurred by the County of San Diego are deducted from the realized earnings of the Investment Pool. The Investment Pool's expense ratio for fiscal year 2016/2017 was 0.084% of the average daily balance. The apportionment rate is set approximately two weeks following the end of each calendar quarter. Apportionments are not paid out by warrant; instead, all earnings are reinvested in the Investment Pool for the benefit of the participants.

SUMMARY OF POOL'S INVESTMENT STRATEGY

The objective of the Investment Pool is to preserve capital, maintain liquidity and earn income. The County of San Diego Treasury Investment Group (the "Investment Group") maintains a conservative approach to managing the Pool's credit risk. Specifically, the Pool invests in high quality credits and utilizes a maturity-tiering strategy that limits counterparty exposure. The maturity limit for the top tier is one year, reflecting the Investment Group's improved comfort with credit risk as the economy continues to expand, albeit at a sluggish pace. For maturities greater than one year, the Investment Pool invests primarily in U.S. Treasury, U.S. Government Agency, and other highly rated securities.

A portion of the Investment Pool has been managed to replicate a long-term benchmark portfolio. This portion of the portfolio is positioned at a point on the yield curve that is expected to perform well throughout a full interest rate cycle. The remainder of the portfolio is invested to build cash flows to meet future obligations.

OUTLOOK FOR FISCAL YEAR 2017/2018

Due to concerns about tepid inflation and wage pressures potentially outweighing optimism over ongoing modest economic growth and a strong labor market, the Federal Reserve is likely to keep interest rates relatively low for the foreseeable future. One additional increase in late 2017 is not out of the question and further increases could occur in 2018, though much uncertainty remains. The Fed's process to reduce the amount of government securities on its balance sheet, expected to begin in September 2017, could also have a tightening effect and may complicate the outlook for Fed funds rate increases. Even if short-term rates go up, however, weak economic data, lower rates

abroad, and significant political and fiscal uncertainty in both domestic and foreign markets could still stoke demand for U.S. securities and keep domestic yields depressed, especially farther out on the yield curve. Due to this situation, rates on U.S. Treasury and Agency securities maturing within five years are expected to remain at levels well below historical norms throughout the upcoming fiscal year. As a result, the yield on the Investment Pool, while increasing of late, will also remain lower than historical averages and could stabilize. In consideration of the ongoing economic and political uncertainties in the United States and abroad, the primary objectives of the Investment Pool are to remain invested in securities of the highest quality and to establish sufficient liquidity to meet the cash flow needs of the Investment Pool participants.

RISK PROFILE

The three main risk factors for the Investment Pool are credit, liquidity and interest rate exposure. The credit limits of the investments held by the Investment Pool meet the requirements of the Policy and the Code.

LEVERAGE EXPOSURE

The Investment Pool is allowed to have leverage exposure up to 20% of the portfolio value through the use of Reverse Repurchase Agreements (RRP) and securities lending. There were no RRP's or securities lending transactions during fiscal year 2016/2017.

The Investment Statistics table on page 38 provides a detailed listing of the Investment Pool diversification, yields by type of securities, and weighted average maturities (WAM) as of June 30, 2017.

TABLE 6: SAN DIEGO COUNTY INVESTMENT POOL PARTICIPANTS AS OF JUNE 30, 2017

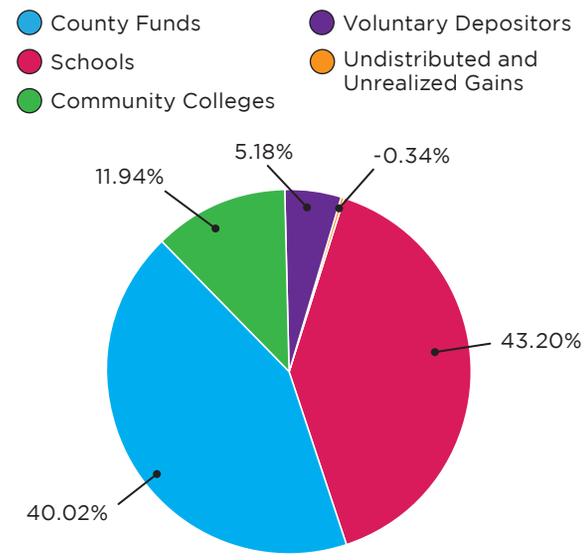
PARTICIPANT	% OWNERSHIP	PARTICIPANT	% OWNERSHIP
COUNTY	40.02%	Schools (K - 12)	
Schools (K - 12)		San Ysidro	
Alpine Union		Santee	
Autistic Pupils Minor High		Solana Beach	
Autistic Pupils Minor Elementary		South Bay Union	
Bonsall Union		Spencer Valley	
Borrego Springs Unified		Sweetwater Union High	
Cajon Valley Union		Vallecitos	
Cardiff		Valley Center Union	
Carlsbad Unified		Various Charter Schools	
Chula Vista Elementary		Vista Unified	
Coronado Unified		Warner Unified	
Dehesa		TOTAL FOR SCHOOLS:	43.20%
Del Mar Union		Community Colleges	
Encinitas Union		San Diego	
Escondido Union		Grossmont	
Escondido Union High		MiraCosta	
Fallbrook Union Elementary		Palomar	
Fallbrook Union High		Southwestern	
Grossmont Union High		TOTAL FOR COMMUNITY COLLEGES:	11.94%
Jamul-Dulzura Union		RETIREMENT (SDCERA):	0.08%
Julian Union		Cities	
Julian Union High		Chula Vista	
La Mesa-Spring Valley		Del Mar	
Lakeside Union		Encinitas	
Lemon Grove		National City	
Mountain Empire Unified		TOTAL FOR CITIES:	1.10%
National		Independent Agencies	
Oceanside Unified		Alpine Fire Protection	
Poway Unified		Bonita Sunnyside Fire Protection	
Ramona Unified		Borrego Springs Fire Protection	
Rancho Santa Fe		Canbrake County Water District	
San Diego Unified		Deer Springs Fire Protection	
San Dieguito Union High		Fallbrook Public Utility District	
San Marcos Unified		Grossmont Healthcare District	
San Pasqual Union		Julian-Cuyamaca Fire Protection District	

(Continues on next page)

TABLE 6: SAN DIEGO COUNTY INVESTMENT POOL PARTICIPANTS AS OF JUNE 30, 2017

PARTICIPANT	% OWNERSHIP	PARTICIPANT	% OWNERSHIP
Independent Agencies		Independent Agencies	
Lake Cuyamaca Recreation & Park		Upper San Luis Rey Resource Conservation	
Lakeside Fire		Vallecitos Water District	
Leucadia Water District		Valley Center Fire Protection	
Lower Sweetwater Fire Protection		Valley Center Cemetery	
Majestic Pines Community Services District		Valley Center Cemetery Perpetual	
Metropolitan Transit Service		Valley Center Water District	
Mission Resource Conservation		Vista Fire Protection District	
North County Cemetery District		TOTAL FOR INDEPENDENT AGENCIES:	4.00%
North County Cemetery Perpetual		UNDISTRIBUTED AND UNREALIZED GAINS	-0.34%
North County Cemetery		TOTAL	100.00%
North County Dispatch			
North County Fire Protection			
Otay Water District			
Pine Valley Fire Protection			
Pomerado Cemetery District			
Public Agency Self Insurance System			
Ramona Cemetery District			
Ramona Cemetery Perpetual			
Rancho Santa Fe Fire Protection			
Rincon del Diablo Municipal Water District			
San Diego Housing Commission			
San Diego Capital Asset Leasing			
San Diego Geographic Information Source			
San Diego Law Library			
San Diego Local Agency Formation Comm			
San Diego Regional Training Center			
San Diego Association of Governments			
San Diego Rural Fire Protection			
San Dieguito River			
San Marcos Fire Protection			
San Miguel Fire Protection			
Santa Fe Irrigation District			
Serra Cooperative Library System			
SDC Regional Airport Authority			

CHART 2: SAN DIEGO COUNTY INVESTMENT POOL PARTICIPANTS AS OF JUNE 30, 2017



(Continued from previous page)

TABLE 7: SAN DIEGO COUNTY INVESTMENT POOL INVESTMENT STATISTICS

As of June 30, 2017

(amounts expressed in thousands, except percentages and days)

	PERCENT OF PORTFOLIO	PAR VALUE	MARKET PRICE	ACCRUED INTEREST	FAIR VALUE	BOOK VALUE	UNREAL- IZED GAIN/ (LOSS)	YIELD TO MATURITY	WAM (IN DAYS)
Asset Backed Securities	2.04%	\$ 182,327	99.85%	\$ 79	\$ 182,056	\$ 182,210	\$ (153)	1.34%	811
Commercial Paper	26.46%	2,373,000	99.27%	0	2,355,747	2,364,734	(8,989)	1.30%	72
Money Market Mutual Funds	4.10%	365,300	100.00%	50	365,300	365,300	0	0.69%	31
Negotiable Certificates of Deposit	24.35%	2,168,500	100.00%	7,270	2,168,500	2,168,505	(5)	1.28%	125
Supranational	7.09%	635,850	99.306%	1,499	631,434	634,753	(3,318)	1.33%	716
U.S. Government Agencies:									
Federal Farm Credit Bank (FFCB)	3.15%	282,870	99.301%	763	280,893	282,855	(1,962)	1.24%	703
Federal Home Loan Bank (FHLB)	5.05%	450,000	99.990%	1,513	449,953	451,969	(2,015)	1.67%	824
Federal Home Loan Mortgage Corporation (FHLMC)	10.29%	922,300	99.381%	3,114	916,593	922,586	(5,993)	1.43%	987
Federal National Mortgage Association (FNMA)	8.83%	791,080	99.365%	2,455	785,885	790,914	(5,029)	1.33%	834
U.S. Treasury Notes	8.63%	769,000	99.903%	2,659	768,213	771,185	(2,971)	1.15%	647
TOTAL INVESTMENTS	100.00%	\$ 8,940,227	99.600%	\$ 19,402	\$ 8,904,574	\$ 8,935,011	\$ (30,438)	1.29%	419

A complete list of current and historical Investment Pool holdings is available on the Treasurer-Tax Collector's web-site at www.sdttc.com. The apportionment rate during fiscal year 2016/2017 was 1.02%. The 3-year average return was 0.67%, and 5-year average return was 0.54%.

**TABLE 8: SAN DIEGO COUNTY INVESTMENT POOL
SCHEDULE OF TOP TEN FIXED-INCOME SECURITIES
As of JUNE 30, 2017**

SECURITY NAME	CUSIP NO.	PAR VALUE	FAIR VALUE
Commercial Paper JP Morgan	46640PU50	\$ 350,000,000	\$ 347,446,750
Commercial Paper Fortis/BNP Paribas Bank	09659BU32	200,000,000	198,577,600
Money Market Mutual Fund Federated Government Fund	608919718	195,900,000	195,900,000
Money Market Mutual Fund Fidelity Government Fund	31607A703	166,600,000	166,600,000
Commercial Paper Canadian Imp Bk Comm NY	13607EWW7	150,000,000	149,112,750
Negotiable CD Westpac Bank NY	96121T3F3	110,000,000	110,000,000
Negotiable CD Toronto Dominion NY	89113WA48	100,000,000	100,000,000
Negotiable CD Nordea Bank Finland	65590AEY8	100,000,000	100,000,000
Negotiable CD Bank of Montreal	06427KWK9	100,000,000	100,000,000
Negotiable CD Bank of Nova Scotia	06417GVH8	100,000,000	100,000,000

**TABLE 9: SAN DIEGO COUNTY INVESTMENT POOL
SCHEDULE OF INVESTMENT EXPENSES BY CATEGORY
FISCAL YEAR ENDED JUNE 30, 2017**
(amounts expressed in thousands)

BANKING EXPENSES TOTAL	825
CUSTODIAL EXPENSES TOTAL	145
Application Expenses	
Portfolio Order Management System	340
Treasury Management System	63
APPLICATION EXPENSES TOTAL	403
TOTAL EXPENSES	\$ 1,373

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COMPREHENSIVE ANNUAL
FINANCIAL REPORT

STATISTICAL SECTION

INTRODUCTION

Governmental Accounting Standards Board (GASB) Statement No. 44, *Economic Condition Reporting - The Statistical Section - An Amendment of NCGA Statement 1*, requires that certain detailed statistical information be presented in this section, typically in ten-year trends, to assist users in utilizing the basic financial statements, notes to the basic financial statements, and required supplementary information in order to assess the economic condition of the Investment Pool.

OBJECTIVES

This section presents detailed information on the Investment Pool with historical perspective as a context for understanding and using the information in the financial statements, note disclosures, and required supplementary information.

The following schedules contain ten-year trend information to help the reader assess the changes over time.

- **Schedule of Additions, Deductions of Pooled Investments, and Changes in Net Position**
This table allows the reader to evaluate the year-over-year changes in net position.
- **Schedule of Earnings, Returns, Expenses, Apportionment Rate, Average Daily Balances (ADB) and Ratio of Fees/ADB**
This table contains information to help the reader assess the Investment Pool's performance. It also presents the related expenses and its impact on returns
- **Schedule of Expenses (Investment and Administrative Costs)**
This table presents expenses by object to help the reader evaluate the fees and expenses incurred by the Investment Pool.
- **Asset Allocation at Fair Value**
This table presents historical changes in asset allocation to help the reader evaluate portfolio diversity and risk.
- **Net Position by Major Participant**
This table presents historical changes in the value held by the Investment Pool participants to help the reader identify the entities who hold and contribute major percentages of assets to the Investment Pool.

**TABLE 10: SAN DIEGO COUNTY INVESTMENT POOL
SCHEDULE OF ADDITIONS, DEDUCTIONS OF POOL INVESTMENTS, AND CHANGES IN NET POSITION**

(amounts expressed in whole numbers)

FOR THE FISCAL YEARS ENDED:	06/30/2017	06/30/2016	06/30/2015	06/30/2014	06/30/2013
NET POSITION, BEGINNING OF YEAR	\$ 8,707,978,430	\$ 7,533,246,955	\$ 7,303,048,435	\$ 6,694,713,864	\$ 6,167,491,320
Additions					
Additions to Pooled Investments	16,270,794,471	16,410,088,243	15,275,295,188	14,276,347,803	12,011,630,480
Net Increase/(Decrease) in Fair Value of Investments	(40,841,548)	6,548,109	3,057,317	7,138,842	(24,390,182)
Investment Earnings, net	92,684,204	51,264,154	35,135,435	32,256,876	24,116,447
TOTAL ADDITIONS	16,322,637,127	16,467,900,506	15,313,487,940	14,315,743,521	12,011,356,745
Deductions					
Deductions from Pooled Investments	15,989,800,823	15,243,484,278	15,049,717,208	13,677,451,730	11,457,556,754
Distributions To Participants	86,384,238	44,261,214	27,926,577	24,592,144	21,441,455
Administrative Expenses	5,816,366	5,423,539	5,645,635	5,365,076	5,135,992
TOTAL DEDUCTIONS	16,082,001,427	15,293,169,031	15,083,289,420	13,707,408,950	11,484,134,201
CHANGES IN NET POSITION	240,635,699	1,174,731,475	230,198,520	608,334,571	527,222,544
NET POSITION, END OF YEAR	\$ 8,948,614,130	\$ 8,707,978,430	\$ 7,533,246,955	\$ 7,303,048,435	\$ 6,694,713,864

(Continues below)

(Continues from above)

FOR THE FISCAL YEARS ENDED:	06/30/2012	06/30/2011	06/30/2010	06/30/2009	06/30/2008
NET POSITION, BEGINNING OF YEAR	\$ 5,878,413,336	\$ 5,208,309,163	\$ 5,670,738,848	\$ 5,072,465,123	\$ 4,566,611,085
Additions					
Additions to Pooled Investments	10,837,600,676	11,384,734,425	10,402,572,172	11,267,908,077	11,314,634,544
Net Increase/(Decrease) in Fair Value of Investments	(1,351,224)	(10,759,705)	(1,319,450)	14,254,540	85,028,266
Investment Earnings, net	33,981,865	40,690,796	67,031,904	119,160,842	201,627,108
TOTAL ADDITIONS	10,870,231,317	11,414,665,516	10,468,284,626	11,401,323,459	11,601,289,918
Deductions					
Deductions from Pooled Investments	10,546,696,926	10,702,188,409	10,869,498,883	10,683,888,892	10,893,808,772
Distributions To Participants	28,064,214	36,432,021	55,000,318	113,592,340	197,271,678
Administrative Expenses	6,392,193	5,940,913	6,215,110	5,568,502	4,355,430
TOTAL DEDUCTIONS	10,581,153,334	10,744,561,343	10,930,714,311	10,803,049,734	11,095,435,880
CHANGES IN NET POSITION	289,077,983	670,104,173	(462,429,685)	598,273,725	505,854,038
NET POSITION, END OF YEAR	\$ 6,167,491,320	\$ 5,878,413,336	\$ 5,208,309,163	\$ 5,670,738,848	\$ 5,072,465,123

**TABLE 11: SAN DIEGO COUNTY INVESTMENT POOL
SCHEDULE OF EARNINGS, RETURNS, EXPENSES, APPORTIONMENT
RATE, AVERAGE DAILY BALANCES (ADB) AND RATIO OF FEES/ADB**

FISCAL YEAR	INVESTMENT EARNINGS	FISCAL YEAR AVG. YIELD	EXPENSES	NET DISTRIBUTED	APPORTIONMENT RATE	AVG. DAILY BALANCES (IN MILLIONS)	RATIO OF FEES/ADB
2016/2017	\$ 94,057,624	1.10%	\$ 7,189,786	\$ 86,384,240	1.02%	\$ 8,552.8	0.084%
2015/2016	51,256,637	0.65%	6,995,022	44,261,214	0.58%	7,907.1	0.088%
2014/2015	36,649,633	0.51%	7,159,833	27,926,577	0.40%	7,144.5	0.091%
2013/2014	33,761,932	0.46%	6,870,788	24,592,144	0.35%	7,294.3	0.094%
2012/2013	25,670,144	0.42%	6,689,689	21,441,455	0.36%	6,146.9	0.109%
2011/2012	35,416,752	0.57%	7,827,080	28,064,214	0.47%	6,241.7	0.125%
2010/2011	42,427,623	0.73%	7,677,940	36,432,021	0.66%	5,806.0	0.132%
2009/2010	69,238,152	1.35%	8,421,359	55,000,318	1.05%	5,516.7	0.153%
2008/2009	121,241,248	2.34%	7,648,908	113,592,340	2.36%	5,188.0	0.147%
2007/2008	203,423,635	4.04%	6,151,957	197,271,678	4.61%	4,619.3	0.133%

**TABLE 12: SAN DIEGO COUNTY INVESTMENT POOL
SCHEDULE OF EXPENSES (INVESTMENT AND ADMINISTRATIVE COSTS)**

(amounts expressed in whole numbers)

FOR THE FISCAL YEARS ENDED:	06/30/17	06/30/16	06/30/15	06/30/14	06/30/13	06/30/12	06/30/11	06/30/10	06/30/09	06/30/08
INVESTMENT EXPENSES:										
Banking	\$ 825,157	\$ 798,845	\$ 793,885	\$ 812,721	\$ 879,623	\$ 884,102	\$ 976,576	\$ 1,451,641	\$ 1,451,443	\$ 1,449,664
Custodial	145,226	164,078	149,200	120,477	100,868	56,808	70,000	70,001	87,499	80,000
Portfolio Order Management System	339,562	355,553	340,637	377,691	357,227	278,599	342,238	321,846	201,067	248,093
Treasury Management System	63,475	253,007	230,476	194,822	215,979	215,378	348,013	362,760	340,397	18,770
TOTAL INVESTMENT EXPENSES	1,373,420	1,571,483	1,514,198	1,505,711	1,553,697	1,434,887	1,736,827	2,206,248	2,080,406	1,796,527
ADMINISTRATIVE EXPENSES:										
Allocated Costs by County:										
Equipment Cost	-	-	-	-	-	18,380	31,855	21,729	49,205	56,252
Computer Related Expenses:										
Software Services	-	-	-	29,585	174	3,046	9,923	8,512	6,130	4,187
WAUSAU Financial Systems	114,940	86,329	38,632	4,307	12,392	4,813	5,957	106,149	37,632	69,574
Computer Leases and Data	136,333	155,471	136,850	121,490	118,214	120,326	107,460	108,107	31,664	-
Salaries and Benefits	3,666,043	3,476,006	3,269,212	3,422,987	3,363,684	3,830,093	3,137,229	3,622,888	3,374,093	2,621,940
Services and Supplies	880,906	608,924	1,228,774	814,107	695,662	1,121,180	1,442,865	1,073,834	947,568	576,586
Department Overhead	383,212	446,382	420,567	409,043	364,093	409,247	421,137	505,964	464,321	519,810
External Overhead	414,932	430,427	331,600	343,556	361,773	665,108	564,487	547,928	437,889	287,081
Sub-Total	5,596,366	5,203,539	5,425,635	5,145,075	4,915,992	6,172,193	5,720,913	5,995,111	5,348,502	4,135,430
Auditor & Controller Allocated Cost	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000
TOTAL ADMINISTRATIVE EXPENSES	5,816,366	5,423,539	5,645,635	5,365,075	5,135,992	6,392,193	5,940,913	6,215,111	5,568,502	4,355,430
TOTAL EXPENSES	\$ 7,189,786	\$ 6,995,022	\$ 7,159,833	\$ 6,870,786	\$ 6,689,689	\$ 7,827,080	\$ 7,677,740	\$ 8,421,359	\$ 7,648,908	\$ 6,151,957

**TABLE 13: SAN DIEGO COUNTY INVESTMENT POOL
ASSET ALLOCATION AT FAIR VALUE**

(amounts rounded to nearest thousands, except percentages)

INVESTMENT TYPE	06/30/17		06/30/16		06/30/15		06/30/14		06/30/13	
	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
U.S. Government Agencies	\$ 2,433,324	27.33%	\$ 2,099,147	24.29%	\$ 2,571,792	34.50%	\$ 2,879,158	39.99%	\$ 4,198,521	63.62%
U.S. Treasury Notes	768,213	8.63%	904,536	10.47%	456,320	6.12%	430,300	5.98%	245,818	3.73%
Supranational	631,434	7.09%	400,145	4.63%	174,995	2.35%	-	0.00%	-	0.00%
Commercial Paper	2,355,747	26.46%	2,134,985	24.70%	1,867,577	25.06%	1,371,990	19.06%	1,024,733	15.53%
Repurchase Agreements	-	0.00%	2,302	0.03%	8,999	0.12%	808	0.01%	22,159	0.34%
Negotiable Certificates of Deposit	2,168,500	24.35%	2,575,000	29.79%	2,094,701	28.13%	1,964,007	27.29%	945,002	14.32%
Money Market Mutual Funds and CalTRUST	365,300	4.10%	478,157	5.53%	277,360	3.72%	551,740	7.67%	162,430	2.46%
Asset-Backed Notes	182,056	2.04%	48,142	0.56%	-	0.00%	-	0.00%	-	0.00%
TOTAL INVESTMENTS AT FAIR VALUE	\$ 8,904,574	100.00%	\$ 8,642,414	100.00%	\$ 7,451,744	97.65%	\$ 7,198,002	100.00%	\$ 6,598,663	100.00%

(Continues from above)

INVESTMENT TYPE	06/30/12		06/30/11		06/30/10		06/30/09		06/30/08	
	AMOUNT	%								
U.S. Government Agencies	\$3,452,494	56.71%	\$3,605,184	62.15%	\$2,945,639	57.36%	\$3,443,523	65.36%	\$3,014,950	60.74%
U.S. Treasury Notes	286,075	4.70%	284,271	4.90%	287,990	5.61%	377,797	7.17%	377,359	7.60%
U.S. Treasury Bills	-	0.00%	-	0.00%	104,974	2.04%	99,920	1.90%	-	-
Commercial Paper	1,049,982	17.25%	1,411,418	24.33%	905,922	17.64%	474,925	9.01%	619,295	12.48%
Corporate Medium-Term Notes	-	0.00%	25,770	0.44%	51,599	1.00%	78,853	1.50%	98,270	1.98%
Repurchase Agreements	-	0.00%	774	0.01%	177,251	3.45%	258,370	4.90%	360,677	7.27%
Negotiable Certificates of Deposit	1,185,003	19.46%	380,000	6.55%	489,932	9.54%	274,975	5.22%	375,035	7.56%
Money Market Mutual Funds and CalTRUST	114,380	1.88%	93,725	1.62%	172,280	3.35%	260,040	4.94%	78,165	1.57%
Asset-Backed Notes	-	0.00%	-	0.00%	-	0.00%	-	0.00%	39,523	0.80%
TOTAL INVESTMENTS AT FAIR VALUE	\$6,087,934	100.00%	\$5,801,142	100.00%	\$5,135,587	100.00%	\$5,268,403	100.00%	\$4,963,274	100.00%

**TABLE 14: SAN DIEGO COUNTY INVESTMENT POOL
NET POSITION BY MAJOR PARTICIPANT**

(amounts rounded to nearest thousands, except percentages)

PARTICIPANT	06/30/17		06/30/16		06/30/15		06/30/14		06/30/13	
	AMOUNT	%								
County	\$ 3,581,507	40.02%	\$ 3,398,594	39.03%	\$ 3,175,889	42.16%	\$ 2,921,096	40.00%	\$ 2,670,317	39.89%
K-12 Schools	3,865,844	43.20%	3,915,184	44.96%	2,942,221	39.06%	2,952,217	40.42%	2,881,630	43.04%
Community Colleges	1,068,047	11.94%	973,058	11.17%	896,613	11.90%	811,136	11.11%	554,058	8.28%
Voluntary Deposits	463,654	5.18%	410,737	4.72%	514,666	6.83%	617,800	8.46%	595,049	8.89%
Undistributed and Unrealized Gains/(Losses)	(30,438)	-0.34%	10,404	0.12%	3,856	0.05%	798	0.01%	(6,341)	-0.09%
TOTAL NET POSITION	\$ 8,948,614	100.00%	\$ 8,707,977	100.00%	\$ 7,533,245	100.00%	\$ 7,303,046	100.00%	\$ 6,694,713	100.00%

(Continues from above)

PARTICIPANT	06/30/12		06/30/11		06/30/10		06/30/09		06/30/08	
	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
County	\$2,539,396	41.17%	\$ 2,220,873	37.92%	\$2,046,371	39.54%	\$1,816,616	33.93%	\$1,846,556	36.72%
Non-County Investments	-	-	352,406	6.02%	220,992	4.27%	266,094	4.97%	198,535	3.95%
K-12 Schools	2,256,676	36.59%	2,138,030	36.51%	2,171,100	41.95%	2,573,672	48.07%	2,170,480	43.17%
Community Colleges	779,940	12.65%	654,309	11.17%	427,492	8.26%	513,985	9.60%	621,438	12.36%
Voluntary Deposits	573,429	9.30%	471,357	8.05%	279,474	5.40%	153,660	2.87%	173,982	3.46%
Undistributed and Unrealized Gains/(Losses)	18,050	0.29%	19,328	0.33%	30,018	0.58%	29,982	0.56%	17,283	0.34%
TOTAL NET POSITION	\$ 6,167,491	100.00%	\$5,856,303	100.00%	\$5,175,447	100.00%	\$5,354,009	100.00%	\$5,028,274	100.00%



SAN DIEGO COUNTY INVESTMENT POOL
AN INVESTMENT TRUST FUND OF THE COUNTY OF SAN DIEGO, CA



San Diego County Treasurer-Tax Collector
1600 Pacific Highway, Room 152, San Diego, CA 92101