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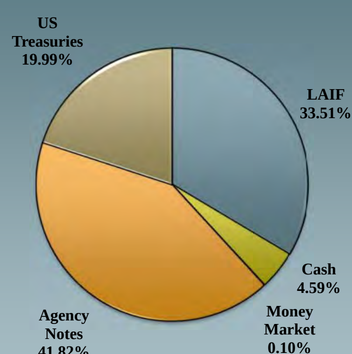
Treasurer's Investment Report
Quarter Ending December 2015

Audit Committee Meeting

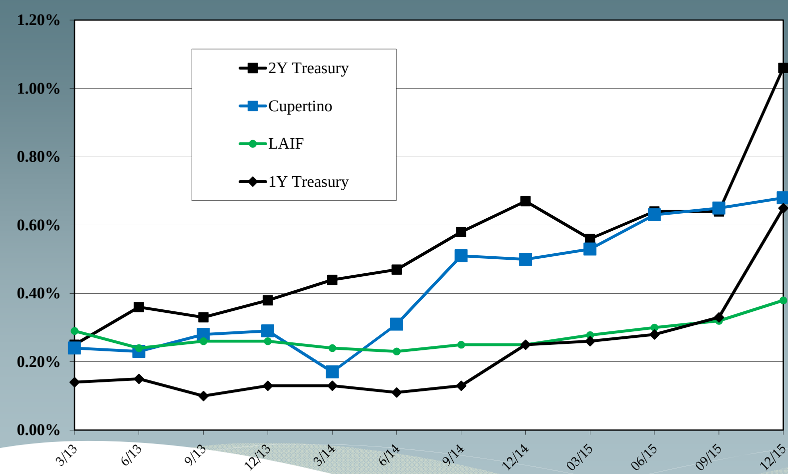
April 14, 2016

Portfolio Composition

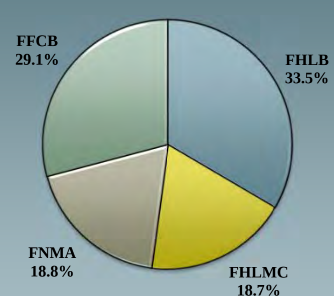


- Total portfolio decreased from last quarter by $4.9 million, from $119.8 to $114.9 million
- Average maturity decreased from 1.02 years to 0.97
- Average yield increased from 0.65% to 0.68%

Yield Comparison



Agency Diversification



- Debt issued by federal credit agencies and fully backed by U.S. government guarantee but not its full faith and credit
- High credit rating - second only to Treasury bonds
- Maturity periods from 1 month to 15 years
- Agencies that can issue:
  - FHLMC - Federal Home Loan Mortgage Association (Freddie Mac)
  - FHLB - Federal Home Loan Bank
  - FNMA - Federal National Mortgage Association (Fannie Mae)
  - FFCB - Federal Farm Credit Bureau

Policy Compliance

City of Cupertino December 31, 2015		
Category	**Standard**	**Comment**
Treasury Issues	No limit	Complies
US Agencies	No limit	Complies
Medium Term Corporate Bonds	30% with A rating	Complies
LAIF	$50 million	Complies
Money Market Funds	20%	Complies
Maximum Maturities	Up to 5 years	Complies
Per Issuer Max	10% (except for Treasuries and Agencies)	Complies
Bankers Acceptances	180 days & 40%	Complies
Commercial Paper	270 days & 25%	Complies
Negotiable Certificates of Deposit	30%	Complies
Repurchase Agreements	365 days	Complies
Reverse Repurchase Agreements	Prohibited	Complies