


# KEN BURKE

CLERK OF THE CIRCUIT COURT - PINELLAS COUNTY, FLORIDA


## FINANCE DIVISION

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Clerk of the County Court  
Recorder of Deeds  
Clerk and Accountant of the Board of County Commissioners  
Custodian of County Funds  
County Auditor  
Clerk of the Water and Navigation Control Authority

TO:  The Honorable Chairman and Members  
of the Board of County Commissioners

THRU: Ken Burke  
Clerk of the Circuit Court and Comptroller

FROM: Claretha N. Harris   
Chief Deputy Director, Finance Division

DISTRIB: James L. Bennett, County Attorney  
Mark S. Woodard, County Administrator  
Board Records

SUBJECT: Annual Investment Report for the Fiscal Year Ended September 30, 2016

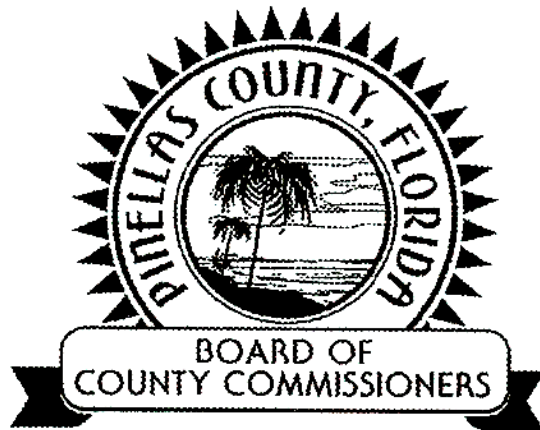
DATE: December 19, 2016

Attached is the Annual Investment Report for the fiscal year ended September 30, 2016. In this report, not only do we discuss portfolio performance, we provide information to demonstrate compliance with established policy. We discuss key components of the investment policy, including investment objectives, permitted investments, portfolio composition, and allowable maturities. All investment activity was conducted in accordance with established policy.

The following is a summary of key points identified in the attached Annual Investment Report:

✓ Total Portfolio - book value (at year end)	\$950,847,220
✓ Securities - book value (at year end)	\$590,344,660
✓ Securities weighted average maturity (WAM) (at year end)	1.39 years
✓ Realized investment income for twelve months	\$5,923,593
✓ Realized investment income for three months	\$1,621,285
✓ Yield on short-term portfolio	
○ Annualized composite yield	0.37%
○ Annualized Benchmark (3-month T-Bill)	0.24%
✓ Yield on long-term portfolio	
○ Annualized composite yield	0.84%
○ Benchmark (2-year T-Bill) – 12 month average	0.79%

If you have any questions regarding this report, please contact me at 464-8300.



***ANNUAL***  
***INVESTMENT REPORT***

***For the Fiscal Year Ended***  
***September 30, 2016***

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*Prepared by Ken Burke  
Clerk of the Circuit Court and Comptroller  
Finance Division*

**Investment Policy**

Section 218.415, Florida Statutes authorizes the governing body of a local government to adopt a written investment plan to govern investment activity. The Board of County Commissioners (Board) adopted Section 2-144 of the Pinellas County Code, Investment of Surplus Public Funds, establishing policies for investing all County surplus funds controlled by the Board. All investment activity is conducted in accordance with Code Section 2-144 and additional written policies and procedures.

The Pinellas County Board of County Commissioners' investment policy and the ordinance can be found at <http://www.pinellasclerk.org/aspInclude2/ASPInclude.asp?pageName=investmentreports.htm>.

In accordance with the above laws and policies, the Clerk is required to submit a report on the performance of the County's investment portfolio quarterly and annually. In this Annual Investment Report, we also show investment objectives and permitted investments, demonstrating compliance with policies.

**Portfolio Activity Summary**

***Annually***

The portfolio's book value went from \$863.4 million at September 30, 2015 to \$950.8 million at September 30, 2016, an increase of \$87.4 million. The County's allocation in securities increased \$57.7 million. The portfolio's weighted average maturity for securities decreased from 1.46 to 1.39 years when compared to September 30, 2015. Portfolio activity for the fiscal year is shown on page 7 and 8 of this report.

***Quarterly***

The portfolio's book value went from \$990.0 million at June 30, 2016 to \$950.8 million at September 30, 2016, a decrease of \$39.2 million. The County's allocation in securities decreased \$9.9 million. The portfolio's weighted average maturity for securities increased from 1.33 to 1.39 years when compared to June 30, 2016.

**Portfolio Performance**

***Annually***

Total realized investment income for the fiscal year ended September 30, 2016 and 2015 were \$5.9 million and \$3.5 million, respectively. The annual increase in investment income was due to slightly higher available investment yields over the last year as well as increase in the size of the total portfolio. The long-term portfolio's annualized composite yield increased to 0.84% for September 30, 2016 compared to 0.59% for September 30, 2015. The County's long-term annualized composite yield was above its benchmark of 0.79% for the year. The County's short-term annualized composite yield was above its benchmark due primarily to enhanced yields through the County's investments in Local Government Investment Pools and Public Funds Depository accounts.

***Quarterly***

Investment income for this quarter was \$1.6 million. For the quarter, the long-term portfolio's quarterly composite yield increased to 0.89% for September 30, 2016 compared to 0.87% for June 30, 2016. The quarterly composite yield for the long-term portfolio was above its benchmark of 0.73% due to stable interest rates and investing out in the two year timeframe. The short-term portfolio's quarterly composite yield of 0.48% was above its 0.30% benchmark.

<b>Quarter-End Yields Over The Last Year</b>					
<u>Individual Yields</u> (3 month daily average) *	<u>9/15</u>	<u>12/15</u>	<u>3/16</u>	<u>6/16</u>	<u>09/16</u>
<b>Short Term Portfolio:</b>					
Cash Pools	0.21 %	0.24 %	0.31 %	0.39 %	0.43 %
Local Government Investment Pools	0.17	0.21	0.46	0.56	0.65
<b>Composite Yields</b> (3 month daily average)					
Short Term Portfolio	0.20	0.23	0.34	0.43	0.48
Long Term Portfolio	0.64	0.74	0.85	0.87	0.89
Portfolio Overall	0.51	0.57	0.70	0.74	0.76
<b>Benchmarks</b>					
<b>Short Term Funds:</b>					
3-month US Treasury constant maturity (3-month average)	0.04	0.13	0.29	0.26	0.30
<b>Long Term Funds:</b>					
2-year US Treasury constant maturity (3-month average)	0.69	0.83	0.84	0.77	0.73

**Treasury Yields**

In comparison to the prior year, the 3 month maturity through the 2 year rose between 13 and 37 basis points. The 3 year and 5 year fell by 4 and 23 basis points, respectively. As compared to the last quarter, all maturities rose between 3 and 19 basis points. The historical Treasury yields at quarter-end for the last five quarters are presented below.

<b>Historical U.S. Treasury Yields over the Last Year</b>					
<u>Maturity</u>	<u>9/30/15</u>	<u>12/31/15</u>	<u>3/31/16</u>	<u>6/30/16</u>	<u>09/30/16</u>
3 Month	0.00 %	0.16 %	0.21 %	0.26 %	0.29 %
6 Month	0.08	0.49	0.39	0.36	0.45
1 Year	0.33	0.65	0.59	0.45	0.59
2 Year	0.64	1.06	0.73	0.58	0.77
3 Year	0.92	1.31	0.87	0.71	0.88
5 Year	1.37	1.76	1.21	1.01	1.14

**Investment Objectives**

The investment policy outlines three specific objectives to be applied in the management of County investments. The primary objective is safety of County funds. Safe investments are those that ensure minimum credit risk (the risk that principal will not be repaid) and minimum market risk (the risk that the principal value will not decrease over the life of the investment).

The second objective is the provision of sufficient liquidity. The funds are invested so that the County can meet its operating, payroll and capital requirements as they come due. Liquidity also means the ability to sell investments when necessary, with minimal delay and loss of principal. The portfolio's investments are held to maturity to avoid selling prior to maturity and risking a loss of principal.

Yield is the third objective. Return on investment is secondary to the safety and liquidity objectives. We strive to maximize the return on the portfolio, but avoid assuming unreasonable investment risk.

### Permitted Investments, Portfolio Composition and Allowable Maturities

Permitted investments include:

*Local Government Investment Pools (LGIPs)* - The Florida Local Government Surplus Funds Trust Fund (SBA) is administered and invested by the State Board of Administration for the purpose of pooling investments for local governments while providing liquidity and safety of principal. Other Florida LGIPs are administered by Florida local governments with like objectives.

*U. S. Treasury Obligations* - Negotiable direct obligations, or obligations the principal and interest of which are unconditionally guaranteed by the U. S. Government. Such securities include, but are not limited to, Treasury bills, notes or bonds and Treasury strips.

*U. S. Federal Agencies* - Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by United States agencies, provided with the full faith and credit of the U. S. Government. Such securities include, but are not limited to, the Farmers Home Administration, the Federal Financing Bank, Federal Housing Administration Debentures and Government National Mortgage Association (GNMA).

*U.S. Government-sponsored enterprises* - Bonds, debentures, notes or other evidence of indebtedness issued by government-sponsored corporations established by law to implement various federal government lending programs. These corporations are not full faith and credit agencies. Such securities include, but are not limited to, Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (Freddie Mac) and Student Loan Marketing Association (Sallie Mae).

*Non-Negotiable Interest Bearing Savings Accounts, Demand Deposit Accounts or Time Certificates of Deposit* – Must be maintained in banks organized under the laws of this state and in national banks organized under the laws of the United States and doing business and situated in this state. Deposits must be in Qualified Public Depositories secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes and not listed with any recognized credit watch information services.

*Repurchase Agreements* – Authorized types of securities include investments whose underlying purchased securities consist of United States Treasury, United States Federal Agency and/or United States Government-sponsored Enterprise securities, and based on the requirement set forth by the Master Repurchase Agreement. All firms with whom the Board enters into repurchase agreements will have in place an executed Master Repurchase Agreement with the Board.

*Commercial Paper* - Commercial paper is an unsecured short-term promissory note issued by a corporation ranging from 3 to 270 days. The policy requires the issuer's debt to be rated, at the time of purchase, A1 by Standard and Poor's and P1 by Moody's Investor Services.

*Asset-Backed Corporate Notes* – The ratings for Securities longer than 13 months shall be “Aaa” by Moody's and “AAA” by Standard & Poor's. Securities shorter than 14 months shall be “P-1” by Moody's and “A-1+” by Standard & Poor's. Additional conditions include the following: Asset-backed corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States. Investments will be directly with companies and non-derivative in nature.

*Securities and Exchange Commission (SEC) registered Money Market Mutual Funds* - Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized statistical rating organization.

The **composition** of the portfolio is diversified to control the risk of loss resulting from the over concentration of assets in a specific maturity, issuer, instrument, dealer or bank through which investments are bought and sold. Diversification strategies are reviewed and revised periodically as necessary to meet portfolio objectives.

The **maximum allowable maturity** for any investment in the portfolio is five years; however, we make every effort to match investment maturities with known cash needs and anticipated cash flow requirements. Funds needed to meet current operating requirements have shorter maturities, generally less than twelve (12) months. Bond construction

funds, bond fund reserves and other non-operating funds have terms appropriate to the need for funds and, if applicable, in accordance with debt covenants.

As shown on page 10, our portfolio is in **compliance** with all limitations on authorized investments shown in the Pinellas County Board of County Commissioners' investment policy.

### **Key Economic Indicators**

*Federal Funds Rate* - The Federal Open Market Committee (FOMC) met in September; voting to maintain its target range for the Federal Fund Rate at  $\frac{1}{4}$  to  $\frac{1}{2}$  percent.

The Federal Reserve press release from the September FOMC meeting indicated "Information received since the Federal Open Market Committee met in July indicates that the labor market has continued to strengthen and growth of economic activity has picked up from the modest pace seen in the first half of this year. Although the unemployment rate is little changed in recent months, job gains have been solid, on average. Household spending has been growing strongly but business fixed investment has remained soft. Inflation has continued to run below the Committee's 2 percent longer-run objective, partly reflecting earlier declines in energy prices and in prices of non-energy imports. Market-based measures of inflation compensation remain low; most survey-based measures of longer-term inflation expectations are little changed, on balance, in recent months."

*Gross Domestic Product (GDP)* – The Bureau of Economic Analysis has indicated that real GDP increased in the third calendar quarter of 2016, at an annualized seasonally adjusted rate (in chain linked 2009 dollars) of 3.2%; higher than the 1.4% annualized increase for the prior quarter. The increase in real GDP in the third quarter primarily reflected positive contributions from personal consumption expenditures (PCE), exports, private inventory investment, and federal government spending, that were partly offset by negative contributions from residential fixed investment and state and local government spending. Imports, which are a subtraction in the calculation of GDP, increased.

*Durable Goods Orders* – The U.S. Department of Commerce has reported that new orders for manufactured durable goods in September, up three consecutive months, increased \$1.4 billion or 0.3% to \$455.5 billion.

*Unemployment Rate* – Bureau of Labor Statistics has indicated that the unemployment rate increased during the third calendar quarter from 4.9% in June 2016 to 5.0% in September 2016. Unemployment in September 2015 was 5.1%. Initial jobless claims decreased from 270,000 for the week ending June 25, 2016 to 254,000 for the week ending September 24, 2016.

*Personal Income and Outlays* – According to the Bureau of Economic Analysis, personal income rose 0.9% during the third calendar quarter while personal consumption expenditures rose 3.0%.

*New Home Sales* – The U.S. Department of Housing and Urban Development reports the third quarter estimate for new home sales decreased 6.3% to 148,000; the prior quarter was a 17.91% increase. The seasonally adjusted estimate of new houses for sale expressed in months at the end of June 2016 and September 2016 was 5.2 and 4.8 respectively, with September 2015 at 5.8 months. Average selling prices for new homes sold or for sale decreased from \$364,767 to \$362,733 in the third calendar quarter of 2016, compared to \$350,067 for the third quarter of 2015.

*Existing Home Sales* – The National Association of Realtors reported that in September, the estimate for seasonally adjusted annual existing home sales was 5.49 million; down from 5.57 million in June. The total supply of homes available for purchase expressed in months decreased from 4.5 at the end of June 2016 to 4.4 at the end of September 2016. Average selling prices for existing homes for the second and third calendar quarters of 2016 was unchanged at \$281,433, compared to \$270,733 for the third quarter of 2015.

*Consumer Confidence* - The Conference Board's Consumer Confidence Index increased in September to 104.1, an increase of 6.7 points since June 2016. "Consumer Confidence increased in September for a second consecutive month and is now at its highest level since the recession. Consumers' assessment of present-day conditions improved, primarily the result of a more positive view of the labor market. Looking ahead, consumers are more upbeat about the short-term employment outlook, but somewhat neutral about business conditions and income prospects. Overall, consumers continue to rate current conditions favorable and foresee moderate economic expansion in the months ahead."

*Consumer Price Index (CPI)* - The CPI for all urban consumers, all items, increased 0.3 percent in the third calendar quarter. “Increases in the shelter and gasoline indexes were the main causes of the rise in the all items index. The gasoline index rose 5.8 percent in September and accounted for more than half of the all items increase. The shelter index increased 0.4 percent, its largest increase since May” and “the energy index increased 2.9 percent, its largest advance since April.

<b>Summary of Key Economic Indicators<sup>1</sup></b>				
	<b>Quarter Ended</b>			
	<b><u>12/31/2015</u></b>	<b><u>03/31/2016</u></b>	<b><u>6/30/2016</u></b>	<b><u>09/30/2016</u></b>
Federal Funds Rate (target)	¼ to ½% - ¼ to ½%	¼ to ½% - ¼ to ½%	¼ to ½% - ¼ to ½%	¼ to ½% - ¼ to ½%
Gross Domestic Product (GDP) (annualized ) (billions)	\$16,490.7	\$16,525.0	\$16,583.1	\$16,712.5
Durable Goods – New Orders (millions)	\$701,487	\$695,616	\$684,497	\$681,783
Unemployment Rate	5.0-5.0%	4.9-5.0%	5.0-4.9%	4.9-5.0%
Personal Income (annualized) (billions)	\$15,690.2	\$15,740.1	\$15,893.2	\$16,046.8
Personal Outlays (annualized) (billions)	\$12,899.6	\$12,961.9	\$13,154.5	\$13,272.7
New Home Sales (units)	113,000	134,000	158,000	148,000
Existing Home Sales (units)	1,231,000	1,037,000	1,577,000	1,538,000
Consumer Confidence	99.1-96.3	97.8-96.1	94.7-97.4	96.7-104.1
Consumer Price Index (CPI) (annualized) change	0.9%	-0.2%	3.4%	1.8%

<sup>1</sup> Values include industry projections commonly subject to revision.

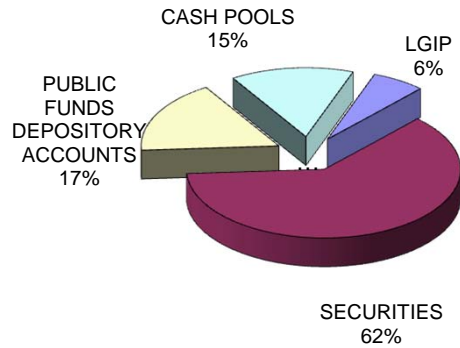
### **Investment Strategy**

Our “buy and hold” investment strategy is based on our current security mix (Treasuries, Government Sponsored Enterprises (GSE), depository accounts, etc.), projected cash flows, current and desired weighted average maturity (WAM), and interest rate projections. On average, economists are projecting short-term interest rates will increase from 0.50% to 0.84% by September 2017. As shown in the Detailed Portfolio Schedule on page 9, we currently have approximately 36% of our portfolio invested in callable Agency securities. Given the County’s current composition of callable agency securities and the projected interest rate environment, the current portfolio’s callable securities have a lower probability of being called than in recent quarters. With a positive yield curve and short-term interest rates projected to rise over the next year, we anticipate the long-term portfolio’s weighted average maturity will stay between 1.1 and 1.5.

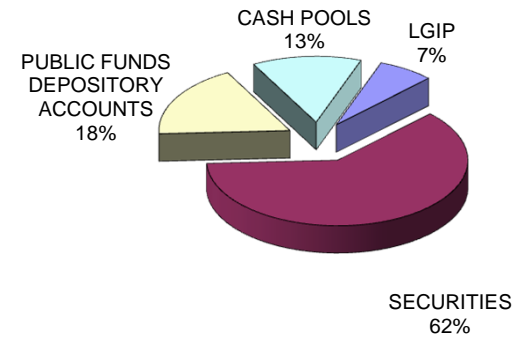
**Pinellas County Board of County Commissioners  
Portfolio Summary**

	----- Sept 30, 2016 -----				----- Sept 30, 2015 -----	
	Par Value	Market Value	Book Value	% of Portfolio	Book Value	% of Portfolio
<b>Investments</b>						
Unrestricted						
Treasury Note	\$ 80,000,000	\$ 80,591,880	\$ 80,485,564	8.46 %	\$ 60,307,457	6.98 %
Federal Agency Issues	506,474,000	510,814,272	509,859,096	53.62	472,386,602	54.72
Public Funds Depository Accounts	162,862,134	162,862,134	162,862,134	17.13	154,318,034	17.87
Local Government Investment Pools	60,451,028	60,451,028	60,451,028	6.36	60,166,628	6.97
Cash Pools	137,189,398	137,189,398	137,189,398	14.43	116,238,838	13.46
<b>Total Cash and Investments</b>	<b>\$ 946,976,560</b>	<b>\$ 951,908,712</b>	<b>\$ 950,847,220</b>	<b>100.00 %</b>	<b>\$ 863,417,559</b>	<b>100.00 %</b>

Sept 30, 2016



Sept 30, 2015





Pinellas County  
Portfolio Activity at Book Value  
9/30/2015 to 9/30/2016

Description	CUSIP/Ticker	Beginning BV	Buy Principal	Sell Principal	Realized Gain/Loss-BV	Amortized Discount	Amortized Premium	Ending BV
<b>FFCB Bond</b>								
FFCB 0.35 3/10/2016-14	3133EDGM8	19,993,698	-	20,000,000	5,554	748	-	-
FFCB 0.43 6/6/2016-14	3133EDGH9	19,994,837	-	20,000,000	965	4,198	-	-
FFCB 0.57 10/3/2016	3133EERM4	-	17,926,030	-	-	-	(36,698)	17,889,332
FFCB 0.73 3/9/2017-15	3133EEEF3	19,991,030	-	20,000,000	5,185	3,785	-	-
FFCB 0.84 2/9/2018-13	3133ECNZ3	-	13,914,600	-	-	31,929	-	13,946,529
FFCB 0.88 3/20/2018-16	3133EGUW3	-	19,987,900	-	-	68	-	19,987,968
FFCB 0.93 11/17/2017	3133EFPH4	-	19,964,600	-	-	14,729	-	19,979,329
FFCB 0.95 5/2/2018-16	3133EFMU8	-	19,883,780	-	-	39,010	-	19,922,790
FFCB 0.95 8/15/2018	3133EF5L7	-	20,019,100	-	-	-	(3,492)	20,015,608
FFCB 1.17 6/14/2018	3133EFSH1	-	19,999,509	-	-	156	-	19,999,665
FFCB 1.25 10/22/2018-15	3133EEB58	20,000,000	-	20,000,000	-	-	-	-
FFCB 1.52 1/28/2019-16	3133EELW8	19,992,513	-	20,000,000	6,750	737	-	-
FFCB 5.375 8/15/2018	3133XOPF0	-	8,929,288	-	-	-	(149,773)	8,779,515
FFCB 5.51 9/7/2016	31331VV86	-	7,412,624	7,100,000	-	-	(312,624)	-
<b>Sub Total/Average FFCB Bond</b>		<b>99,972,078</b>	<b>148,037,431</b>	<b>107,100,000</b>	<b>18,454</b>	<b>95,360</b>	<b>(502,587)</b>	<b>140,520,736</b>
<b>FHLB Bond</b>								
FHLB 0.23 1/4/2016	3130A3PB4	19,998,145	-	20,000,000	-	1,855	-	-
FHLB 0.365 2/1/2016	3130A2RF5	11,511,797	-	11,510,000	-	-	(1,797)	-
FHLB 0.72 10/6/2016-15	3130A34S0	20,000,188	-	20,000,000	-	-	(188)	-
FHLB 0.8 1/23/2017-15	3130A3AU8	16,352,858	-	16,350,000	-	-	(2,858)	-
FHLB 0.9 4/20/2017-15	3130A3BA1	13,000,730	-	13,000,000	-	-	(730)	-
FHLB 0.95 9/29/2017-15	3130A6GQ4	14,160,495	-	14,150,000	-	-	(10,495)	-
FHLB 1 12/28/2017-15	313382KK8	8,006,813	-	8,000,000	-	-	(6,813)	-
FHLB 1 5/10/2018-17	3130A8XH1	-	20,010,000	-	-	-	(647)	20,009,353
FHLB 1.1 3/19/2018	3130A4PA4	-	10,004,237	-	-	-	(1,510)	10,002,727
FHLB 1.375 10/13/2017-16	3130A4QH8	20,089,587	-	20,000,000	-	-	(89,587)	-
FHLB 1.625 4/13/2017-15	3130A3B29	20,009,226	-	20,000,000	-	-	(9,226)	-
FHLB 2 9/14/2018	313375K48	-	20,520,880	-	-	-	(119,238)	20,401,642
FHLB 2 9/9/2016	313370TW8	-	20,284,200	20,000,000	-	-	(284,200)	-
FHLB 3.75 9/9/2016	3133XUKV4	10,285,514	-	10,000,000	-	-	(285,514)	-
<b>Sub Total/Average FHLB Bond</b>		<b>153,415,353</b>	<b>70,819,317</b>	<b>173,010,000</b>	<b>-</b>	<b>1,855</b>	<b>(812,803)</b>	<b>50,413,722</b>
<b>FHLMC Bond</b>								
FHLMC 0.75 1/12/2018	3137EADN6	-	19,879,600	-	-	46,627	-	19,926,227
FHLMC 0.75 4/9/2018	3137EAEA3	-	19,928,000	-	-	13,871	-	19,941,871
FHLMC 0.875 10/6/2017-16	3134G7M81	-	20,009,780	20,000,000	-	-	(9,780)	-
FHLMC 0.875 2/22/2017	3137EADT3	20,026,301	-	-	-	-	(18,861)	20,007,440
FHLMC 0.875 3/7/2018	3137EADP1	-	19,911,332	-	-	32,074	-	19,943,406
FHLMC 0.875 7/28/2017-15	3134G7GQ8	12,793,714	-	12,795,000	1,232	54	-	-
FHLMC 0.9 12/28/2017-15	3134G7K91	19,998,005	-	-	-	889	-	19,998,894
FHLMC 1 8/25/2017-15	3134G7PH8	15,053,127	-	15,050,000	-	-	(3,127)	-
FHLMC 1 9/29/2017	3137EADL0	-	20,000,000	-	-	-	-	20,000,000
FHLMC 1.05 5/25/2018-16	3134G9QK6	-	20,010,600	-	-	-	(1,491)	20,009,109
FHLMC 1.05 7/27/2018-16	3134G9Q67	-	19,999,380	-	-	54	-	19,999,434
FHLMC 1.1 9/13/2018-16	3134GAGF5	-	20,000,000	-	-	-	-	20,000,000
FHLMC 1.2 10/29/2018-16	3134G72P5	-	16,483,880	-	-	-	(4,515)	16,479,365

Description	CUSIP/Ticker	Beginning BV	Buy Principal	Sell Principal	Realized Gain/Loss-BV	Amortized Discount	Amortized Premium	Ending BV
FHLMC 1.25 5/25/2018-15	3134G62E2	-	3,998,400	4,000,000	1,140	460	-	-
FHLMC 1.25 6/29/2018-16	3134G8RU5	-	20,035,000	20,000,000	-	-	(35,000)	-
FHLMC 1.3 7/27/2018-16	3134G8HL6	-	20,009,000	20,000,000	-	-	(9,000)	-
FHLMC 2 8/25/2016	3137EACW7	10,119,907	-	10,000,000	-	-	(119,907)	-
FHLMC 3.75 3/27/2019	3137EACA5	-	21,523,400	-	-	-	(373,156)	21,150,244
<b>Sub Total/Average FHLMC Bond</b>		<b>77,991,054</b>	<b>241,788,372</b>	<b>101,845,000</b>	<b>2,372</b>	<b>94,029</b>	<b>(574,837)</b>	<b>217,455,990</b>
<b>FNMA Bond</b>								
FNMA 0.5 10/22/2015-13	3135G0QB2	17,300,000	-	17,300,000	-	-	-	-
FNMA 0.625 8/26/2016	3135G0YE7	20,020,341	-	20,000,000	-	-	(20,341)	-
FNMA 0.85 7/13/2018-17	3135G0L43	-	19,970,800	-	-	3,050	-	19,973,850
FNMA 1.35 8/13/2018-15	3135G0C27	20,000,000	-	20,000,000	-	-	-	-
FNMA 1.375 4/11/2019-16	3136G3HM0	-	20,031,000	-	-	-	(27,843)	20,003,157
FNMA 1.625 4/26/2018-16	3135G0D83	20,109,155	-	20,000,000	-	-	(109,155)	-
FNMA 1.875 9/18/2018	3135G0YM9	-	20,483,200	-	-	-	(112,956)	20,370,244
FNMA 5 5/11/2017	31359M7X5	21,331,199	-	-	-	-	(824,839)	20,506,360
FNMA 5.375 6/12/2017	31398ADM1	21,493,660	-	-	-	-	(878,623)	20,615,037
FNMA 5.375 7/15/2016	31359MS61	20,753,762	-	20,000,000	-	-	(753,762)	-
<b>Sub Total/Average FNMA Bond</b>		<b>141,008,117</b>	<b>60,485,000</b>	<b>97,300,000</b>	<b>-</b>	<b>3,050</b>	<b>(2,727,519)</b>	<b>101,468,648</b>
<b>Treasury Note</b>								
T-Note 0.875 4/30/2017	912828SS0	-	20,030,460	-	-	-	(16,422)	20,014,038
T-Note 1 3/31/2017	912828SM3	20,084,854	-	-	-	-	(56,672)	20,028,182
T-Note 1.375 11/30/2015	912828PJ3	20,033,735	-	20,000,000	-	-	(33,735)	-
T-Note 1.75 5/31/2016	912828QP8	20,188,868	-	20,000,000	-	-	(188,868)	-
T-Note 1.875 8/31/2017	912828NW6	-	20,327,344	-	-	-	(139,570)	20,187,774
T-Note 2.375 7/31/2017	912828NR7	-	20,464,062	-	-	-	(208,492)	20,255,570
<b>Sub Total/Average Treasury Note</b>		<b>60,307,457</b>	<b>60,821,866</b>	<b>40,000,000</b>	<b>-</b>	<b>-</b>	<b>(643,759)</b>	<b>80,485,564</b>
<b>Sub Total Securities</b>		<b>532,694,059</b>	<b>581,951,986</b>	<b>519,255,000</b>	<b>20,826</b>	<b>194,294</b>	<b>(5,261,505)</b>	<b>590,344,660</b>
<b>Cash</b>								
Wells Fargo Cash	WACHCASH	116,238,838	4,966,101,180	4,945,150,620	-	-	-	137,189,398
<b>Sub Total/Average Cash</b>		<b>116,238,838</b>	<b>4,966,101,180</b>	<b>4,945,150,620</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>137,189,398</b>
<b>Local Government Investment Pool</b>								
FLCLASS LGIP	FLCLASS-0001	40,014,792	205,069	-	-	-	-	40,219,861
FLGIT-DAY TO DAY FUND LGIP	FLGIT-0338	20,151,734	79,331	-	-	-	-	20,231,065
FLORIDA PRIME LGIP	PRIME	102	-	-	-	-	-	102
<b>Sub Total/Average Local Government Investrn</b>		<b>60,166,628</b>	<b>284,400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,451,028</b>
<b>Public Funds Depository Accounts</b>								
BB&T MM	BBTMM-9830	71,469,110	40,163,332	-	-	-	-	111,632,442
Wells Fargo-Ops MM	WELLSMM2741	82,848,924	1,160,951,414	1,192,570,646	-	-	-	51,229,692
<b>Sub Total/Average Public Funds Depository A</b>		<b>154,318,034</b>	<b>1,201,114,746</b>	<b>1,192,570,646</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>162,862,134</b>
<b>Total / Average</b>		<b>863,417,559</b>	<b>6,749,452,312</b>	<b>6,656,976,266</b>	<b>20,826</b>	<b>194,294</b>	<b>(5,261,505)</b>	<b>950,847,220</b>

<b>FFCB:</b> Federal Farm Credit Bank <b>FHLB:</b> Federal Home Loan Bank <b>FHLMC:</b> Federal Home Loan Mortgage Corporation <b>FNMA:</b> Federal National Mortgage Association	<b>T-Note:</b> U.S. Treasury Note <b>FLCLASS:</b> The Florida Cooperative Liquid Assets Securities System <b>FLGIT:</b> Florida Local Government Investment Trust <b>Florida PRIME -</b> State Board of Administration
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Pinellas County  
Portfolio Holdings by Security Type  
As of 9/30/2016

Description	CUSIP/Ticker	Settlement Date	Next Call Date	Call Frequency	Maturity Date	Face Amount/Shares	Market Value	Book Value	Coupon Rate	YTM @ Book	Days To Maturity
<b>FFCB Bond</b>											
FFCB 0.57 10/3/2016	3133EERM4	10/28/2015		N/A	10/03/2016	17,889,000	17,889,000	17,889,332	0.570	0.347	3
FFCB 0.84 2/9/2018-13	3133ECNZ3	12/08/2015		Continuous	02/09/2018	14,000,000	14,000,014	13,946,529	0.840	1.125	497
FFCB 0.88 3/20/2018-16	3133EGUW3	09/27/2016	12/20/2016	Continuous	03/20/2018	20,000,000	20,001,820	19,987,968	0.880	0.921	536
FFCB 0.93 11/17/2017	3133EFPH4	12/10/2015		N/A	11/17/2017	20,000,000	20,032,680	19,979,329	0.930	1.023	413
FFCB 0.95 5/2/2018-16	3133EFMU8	12/11/2015		Continuous	05/02/2018	20,000,000	20,000,020	19,922,790	0.950	1.197	579
FFCB 0.95 8/15/2018	3133EF5L7	04/29/2016		N/A	08/15/2018	20,000,000	20,039,160	20,015,608	0.950	0.908	684
FFCB 1.17 6/14/2018	3133EF5H1	12/14/2015		N/A	06/14/2018	20,000,000	20,079,300	19,999,665	1.170	1.171	622
FFCB 5.375 8/15/2018	3133X0PF0	04/29/2016		N/A	08/15/2018	8,110,000	8,788,256	8,779,515	5.375	0.915	684
<b>Sub Total / Average</b>						<b>139,999,000</b>	<b>140,830,250</b>	<b>140,520,736</b>	<b>1.165</b>	<b>0.956</b>	<b>495</b>
<b>FHLB Bond</b>											
FHLB 1 5/10/2018-17	3130A8XH1	09/21/2016	02/10/2017	Quarterly	05/10/2018	20,000,000	20,009,920	20,009,353	1.000	0.969	587
FHLB 1.1 3/19/2018	3130A4PA4	12/07/2015		N/A	03/19/2018	10,000,000	10,035,770	10,002,727	1.100	1.081	535
FHLB 2 9/14/2018	313375K48	03/01/2016		N/A	09/14/2018	20,000,000	20,420,960	20,401,642	2.000	0.958	714
<b>Sub Total / Average</b>						<b>50,000,000</b>	<b>50,466,650</b>	<b>50,413,722</b>	<b>1.420</b>	<b>0.987</b>	<b>627</b>
<b>FHLMC Bond</b>											
FHLMC 0.75 1/12/2018	3137EADN6	12/08/2015		N/A	01/12/2018	20,000,000	19,994,100	19,926,227	0.750	1.041	469
FHLMC 0.75 4/9/2018	3137EAEA3	05/19/2016		N/A	04/09/2018	20,000,000	19,981,920	19,941,871	0.750	0.943	556
FHLMC 0.875 2/22/2017	3137EADT3	12/08/2014		N/A	02/22/2017	20,000,000	20,031,820	20,007,440	0.875	0.780	145
FHLMC 0.875 3/7/2018	3137EADP1	12/07/2015		N/A	03/07/2018	20,000,000	20,015,680	19,943,406	0.875	1.075	523
FHLMC 0.9 12/28/2017-15	3134G7K91	09/28/2015	12/28/2016	Quarterly	12/28/2017	20,000,000	20,005,240	19,998,894	0.900	0.905	454
FHLMC 1 9/29/2017	3137EADL0	12/21/2015		N/A	09/29/2017	20,000,000	20,062,320	20,000,000	1.000	1.000	364
FHLMC 1.05 5/25/2018-16	3134G9QK6	09/21/2016	11/25/2016	Quarterly	05/25/2018	20,000,000	20,008,000	20,009,109	1.050	1.018	602
FHLMC 1.05 7/27/2018-16	3134G9Q67	07/27/2016	10/27/2016	Quarterly	07/27/2018	20,000,000	19,994,600	19,999,434	1.050	1.052	665
FHLMC 1.1 9/13/2018-16	3134GAGF5	09/13/2016	12/13/2016	Quarterly	09/13/2018	20,000,000	20,001,340	20,000,000	1.100	1.100	713
FHLMC 1.2 10/29/2018-16	3134G72P5	08/31/2016	10/29/2016	Quarterly	10/29/2018	16,475,000	16,477,092	16,479,365	1.200	1.174	759
FHLMC 3.75 3/27/2019	3137EACA5	12/09/2015		N/A	03/27/2019	20,000,000	21,377,580	21,150,244	3.750	1.380	908
<b>Sub Total / Average</b>						<b>216,475,000</b>	<b>217,949,692</b>	<b>217,455,990</b>	<b>1.209</b>	<b>1.040</b>	<b>557</b>
<b>FNMA Bond</b>											
FNMA 0.85 7/13/2018-17	3135G0L43	07/15/2016	01/13/2017	Quarterly	07/13/2018	20,000,000	19,962,120	19,973,850	0.850	0.923	651
FNMA 1.375 4/11/2019-16	3136G3HM0	06/23/2016	10/11/2016	Quarterly	04/11/2019	20,000,000	19,995,700	20,003,157	1.375	1.318	923
FNMA 1.875 9/18/2018	3135G0YM9	02/24/2016		N/A	09/18/2018	20,000,000	20,408,080	20,370,244	1.875	0.920	718
FNMA 5 5/11/2017	31359M7X5	12/04/2014		N/A	05/11/2017	20,000,000	20,539,480	20,506,360	5.000	0.825	223
FNMA 5.375 6/12/2017	31398ADM1	12/11/2014		N/A	06/12/2017	20,000,000	20,662,300	20,615,037	5.375	0.921	255
<b>Sub Total / Average</b>						<b>100,000,000</b>	<b>101,567,680</b>	<b>101,468,648</b>	<b>2.895</b>	<b>0.982</b>	<b>554</b>
<b>Treasury Note</b>											
T-Note 0.875 4/30/2017	912828SS0	01/26/2016		N/A	04/30/2017	20,000,000	20,039,460	20,014,038	0.875	0.753	212
T-Note 1 3/31/2017	912828SM3	11/26/2013		N/A	03/31/2017	20,000,000	20,050,040	20,028,182	1.000	0.713	182
T-Note 1.875 8/31/2017	912828NW6	01/25/2016		N/A	08/31/2017	20,000,000	20,217,220	20,187,774	1.875	0.840	335
T-Note 2.375 7/31/2017	912828NR7	01/26/2016		N/A	07/31/2017	20,000,000	20,285,160	20,255,570	2.375	0.829	304
<b>Sub Total / Average</b>						<b>80,000,000</b>	<b>80,591,880</b>	<b>80,485,564</b>	<b>1.531</b>	<b>0.784</b>	<b>258</b>
<b>Sub Total Securities</b>						<b>586,474,000</b>	<b>591,406,152</b>	<b>590,344,660</b>			
<b>Cash</b>											
Wells Fargo Cash	WACHCASH	09/30/2007		N/A	N/A	137,189,398	137,189,398	137,189,398	0.400	0.400	1
<b>Sub Total / Average</b>						<b>137,189,398</b>	<b>137,189,398</b>	<b>137,189,398</b>	<b>0.400</b>	<b>0.400</b>	<b>1</b>
<b>Local Government Investment Pool</b>											
FLCLASS LGIP	FLCLASS-0001	07/15/2015		N/A	N/A	40,219,861	40,219,861	40,219,861	0.780	0.780	1
FLGIT-DAY TO DAY FUND LGIP	FLGIT-0338	09/29/2009		N/A	N/A	20,231,065	20,231,065	20,231,065	0.570	0.570	1
FLORIDA PRIME LGIP	PRIME	09/30/2007		N/A	N/A	102	102	102	0.780	0.780	1
<b>Sub Total / Average</b>						<b>60,451,028</b>	<b>60,451,028</b>	<b>60,451,028</b>	<b>0.710</b>	<b>0.710</b>	<b>1</b>
<b>Public Funds Depository Accounts</b>											
BB&T MM	BBTMM-9830	08/14/2008		N/A	N/A	111,632,442	111,632,442	111,632,442	0.537	0.537	1
Wells Fargo-Ops MM	WELLSMM2741	11/20/2007		N/A	N/A	51,229,692	51,229,692	51,229,692	0.350	0.350	1
<b>Sub Total / Average</b>						<b>162,862,134</b>	<b>162,862,134</b>	<b>162,862,134</b>	<b>0.478</b>	<b>0.478</b>	<b>1</b>
<b>Total / Average</b>						<b>946,976,560</b>	<b>951,908,712</b>	<b>950,847,220</b>	<b>1.144</b>	<b>0.787</b>	<b>314</b>

FFCB: Federal Farm Credit Bank	T-Note: U.S. Treasury Note
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FNMA: Federal National Mortgage Association	Florida PRIME - State Board of Administration

**Pinellas County Board of County Commissioners  
Compliance with Investment Policy  
Quarter Ending September 30, 2016**

