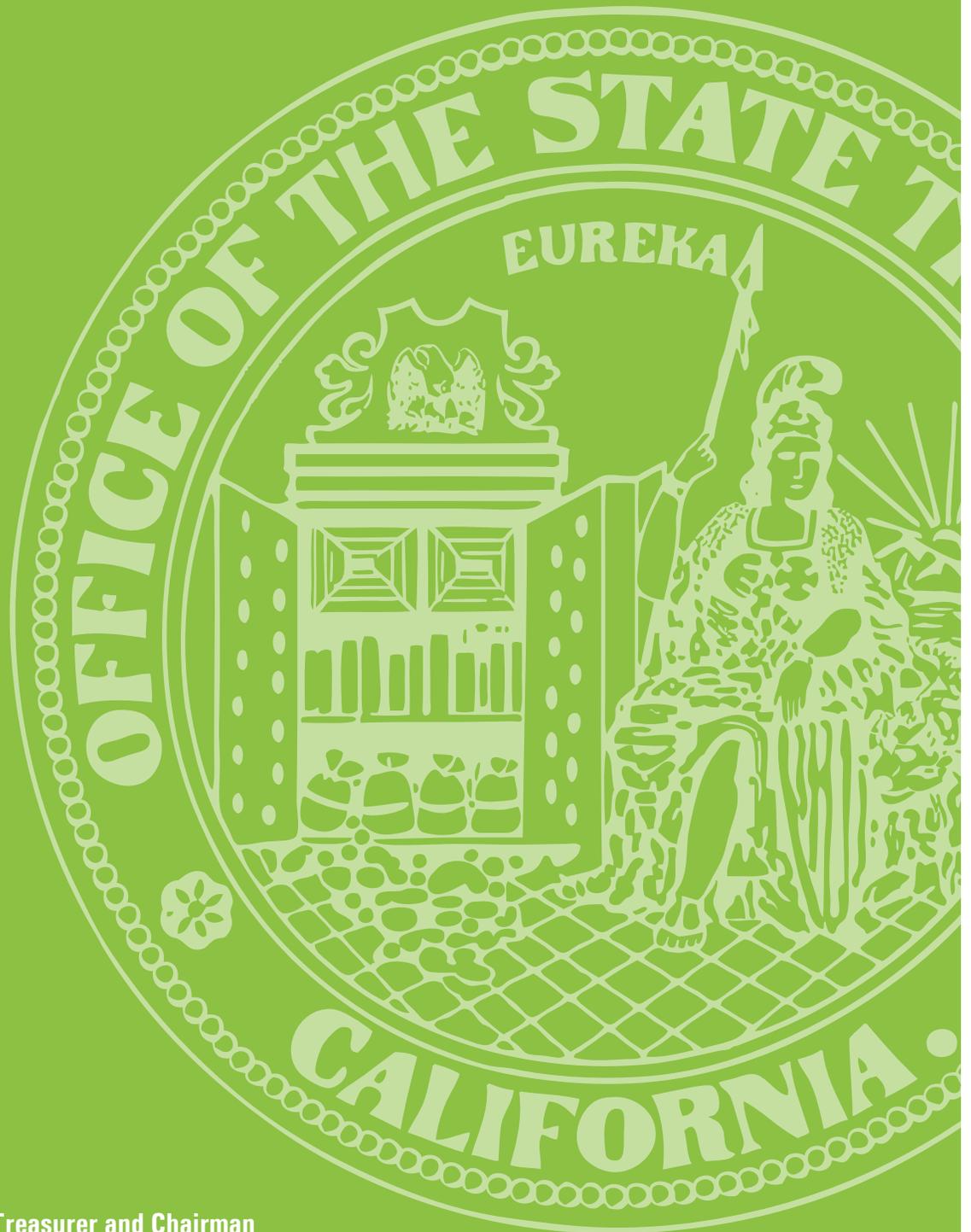


POOLED MONEY INVESTMENT BOARD

60th Annual Report | Fiscal Year 2015-16



JOHN CHIANG | State Treasurer and Chairman

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Preface

POOLED MONEY INVESTMENT BOARD

The Pooled Money Investment Board (PMIB), created by the Legislature in 1955, is comprised of the State Treasurer, as chairman, the State Controller and the Director of Finance. At the end of Fiscal Year 2015-16, the members were State Treasurer John Chiang, State Controller Betty T. Yee, and Director of Finance Michael Cohen.

The purpose of the PMIB is to design and administer an effective cash management and investment program, called the Pooled Money Investment Account (PMIA). The PMIA uses all monies flowing through the State Treasurer's bank accounts and keeps all available funds invested consistent with the goals of safety, liquidity and yield.

The law restricts the State Treasurer to investments in the following categories: U.S. government securities; securities of federally-sponsored agencies; California state securities; California municipal bonds or warrants; domestic corpo-

rate bonds; interest-bearing time deposits in California banks, savings and loan associations, and credit unions; prime-rated commercial paper; repurchase and reverse repurchase agreements; security loans; banker's acceptances; negotiable certificates of deposit; negotiable order of withdrawal accounts; and loans to various bond funds. The investment and demand account programs, over which the PMIB has oversight, and which are administered by the State Treasurer, will be covered in this report.

During Fiscal Year 2015-16, the PMIA's earnings totaled more than \$283 million. Approximately \$91 million of this amount was credited to local governments as a result of their deposits in the investment pool. The level of local governments' combined voluntary investments, which averaged \$20.81 billion daily, reflects the confidence these agencies have in the State Treasurer's investment management capabilities. The magnitude of these investment earnings provides a significant reduction in the tax burden that otherwise would be imposed on the citizens of California.



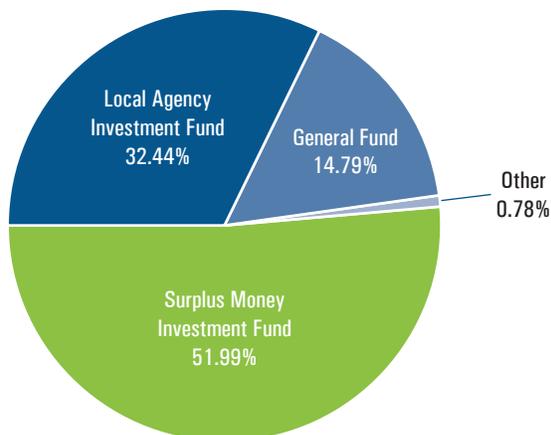
1. Pooled Money Investment Account

Resources of the PMIA averaged \$67.513 billion per day during Fiscal Year 2015-16, although the daily figures fluctuated widely with receipts and disbursements.

On the closing day of the fiscal year, the following resources were on hand in the PMIA:

Securities	\$69,317,151,612
General Fund Loans	\$0
AB 55 Loans	\$502,313,000
Time Deposit Balances	\$5,549,440,000
Demand Deposit Balances	\$2,281,112,435
TOTAL RESOURCES	\$77,650,017,047

**SOURCE OF FUNDS, PMIA
QUARTER ENDING 6/30/16
AVERAGE QUARTERLY BALANCE: \$68.431 billion**



SUMMARY STATISTICS

Demand Accounts	\$2.145 billion per day on the average
Portfolio	\$65.368 billion per day on the average
Resources	\$67.513 billion per day on the average
Earnings	\$267.315 million from security investments \$11.746 million from bank time deposits \$4.315 million from General Fund loans
Earnings Rate	0.43 percent average for all investments
Dollar Value of Investment Transactions	\$303.6 billion
Number of Investment Transactions	6,936 transactions
Time Deposits	77 banks, credit unions and savings and loan associations held PMIA money at year-end

INVESTMENT PROGRAM

While the PMIB designates how much shall be invested in interest-bearing time deposit accounts and securities, it is the responsibility of the State Treasurer to administer the investment program on a day-to-day basis in line with overall PMIB policy. This entails a daily determination of amounts available for investment, or the need for liquidating securities to meet estimated warrant redemption requirements, while maintaining the approved compensating balance position. This means that the State Treasurer must continually adjust the estimates for receipts and disbursements to reflect current available information.

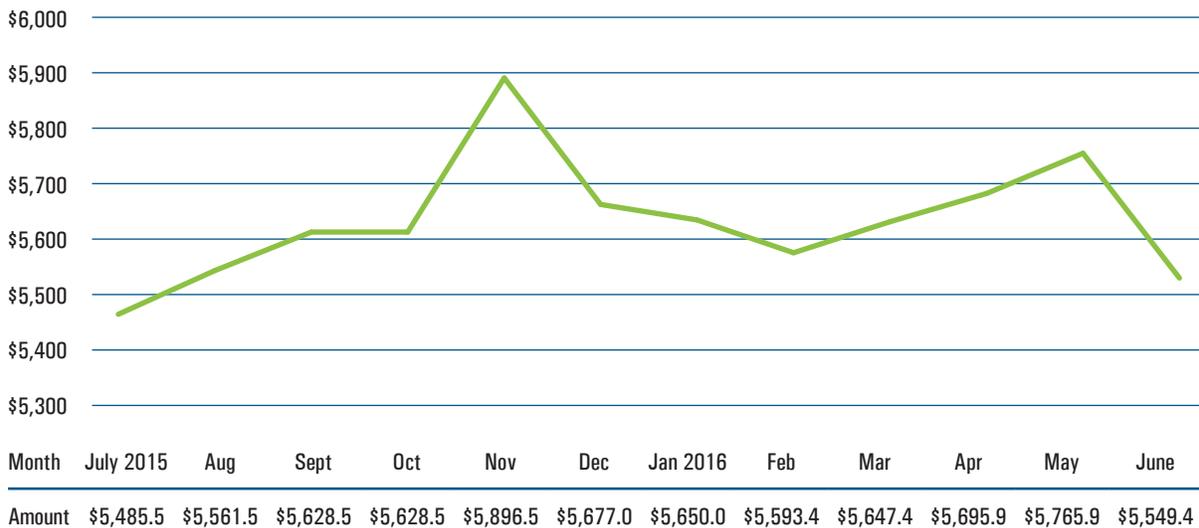
For Fiscal Year 2015-16, daily investments in time deposits ranged from \$5.437 billion to \$5.898 billion and averaged \$5.622 billion daily. There were 1,599 time deposit transactions totaling \$37.539 billion during the year. California commercial banks, savings and loan associations and credit unions receiving these state deposits must secure them with approved securities having a market value of at least 110 percent of the deposits or with approved promissory notes secured by mortgages or deeds of trust having a market value of at least 150 percent of the deposits. The same collateral requirements also apply to the state's demand accounts. At the end of Fiscal Year 2015-16, interest-bearing time deposits were held by 65 commercial banks, ten credit unions and two savings bank throughout California. For the fiscal year, PMIA holdings in time deposits had an average yield of 0.21 percent.

The amount of money designated by the PMIB for investment in securities varies dramatically throughout the year. Such designations are made at least monthly. Again, the State Treasurer handles the actual investments, determining the issue and maturity of authorized securities to be bought or sold in accordance with cash needs and both current and projected market conditions. During Fiscal Year 2015-16, there were 2,727 security purchase transactions and 2,610 security sales or redemption transactions, with a total investment activity of \$266.088 billion. The overall return on investments was 0.43 percent.

Total earnings for the PMIA in Fiscal Year 2015-16 were \$283.377 million. These earnings were credited as follows:

Surplus Money Investment Fund	\$149,681,844
Local Agency Investment Fund	\$90,709,430
General Fund	\$40,771,076
Public Employees' Retirement Fund	\$1,764,109
Teachers' Retirement Fund	\$231,211
Fish and Game Preservation Fund	\$218,866
TOTAL EARNINGS	\$283,376,536

TIME DEPOSITS BY MONTH-END, FISCAL YEAR 2015-16 (\$ in millions)



ANALYSIS OF THE PORTFOLIO, FISCAL YEAR 2015-16

Type of Security	Average Daily Portfolio	Percent of Portfolio (%)	Earnings For Year	Average Portfolio Life on 6/30/16 (in Days)
U.S. Treasury Bills/Strips	\$11,455,063,310	17.52	\$36,662,384	152
U.S. Treasury Bonds/Notes	\$21,359,942,162	32.68	\$119,896,356	306
Agency Coupon Securities	\$2,193,965,731	3.36	\$12,597,261	194
Agency Discount Notes	\$6,673,889,785	10.21	\$19,824,521	152
REMICs	\$74,536,139	0.11	\$4,252,157	4,381
Negotiable CDs	\$11,697,235,925	17.89	\$51,463,488	72
Bank Notes	\$441,530,055	0.68	\$1,934,334	130
Time Deposits	\$5,622,068,142	8.60	\$11,746,000	57
Commercial Paper	\$4,443,660,135	6.80	\$19,048,040	55
Corporate Bonds	\$0	0.00	\$0	0
Repurchase Agreements	\$683,060	0.00	\$917	0
Reverse Repurchase Agreements	\$0	0.00	\$0	0
AB 55 Loans	\$434,166,345	0.66	\$1,635,955	247
General Fund Loans	\$971,007,650	1.49	\$4,315,123	0
TOTAL PORTFOLIO	\$65,367,748,439	100.00%	\$283,376,536	167

**SUMMARY OF INVESTMENTS AND EARNINGS FOR FISCAL YEARS
ENDING JUNE 30, 2007 THROUGH 2016 (\$ in thousands)**

INVESTMENT IN SECURITIES				INVESTMENT IN TIME DEPOSITS			
Fiscal Year	Average Daily Investment	Earnings	Earnings Rate (%)	Fiscal Year	Average Daily Investment	Earnings	Earnings Rate (%)
2006-07	\$49,143,376	\$2,512,140	5.11	2006-07	\$8,349,640	\$431,452	5.17
2007-08	\$53,475,554	\$2,376,670	4.44	2007-08	\$9,120,990	\$329,215	3.61
2008-09	\$45,780,185	\$1,109,867	2.42	2008-09	\$7,869,934	\$91,806	1.17
2009-10	\$50,860,515	\$349,144	0.69	2009-10	\$4,647,944	\$9,429	0.20
2010-11	\$56,768,448	\$294,039	0.52	2010-11	\$4,008,345	\$7,713	0.19
2011-12	\$50,379,295	\$204,808	0.41	2011-12	\$4,173,405	\$4,207	0.10
2012-13	\$50,680,825	\$160,581	0.32	2012-13	\$4,344,156	\$6,484	0.15
2013-14	\$48,555,052	\$127,410	0.26	2013-14	\$4,517,204	\$4,550	0.10
2014-15	\$51,833,180	\$148,978	0.29	2014-15	\$5,089,667	\$4,307	0.08
2015-16	\$58,774,672	\$267,315	0.45	2015-16	\$5,622,068	\$11,746	0.21

LOANS TO GENERAL FUND				TOTAL INVESTMENTS			
Fiscal Year	Average Daily Investment	Earnings	Earnings Rate (%)	Fiscal Year	Average Daily Investment	Earnings	Earnings Rate (%)
2006-07	\$654,425	\$34,033	5.20	2006-07	\$58,147,441	\$2,977,625	5.12
2007-08	\$882,969	\$39,863	4.51	2007-08	\$63,479,513	\$2,745,747	4.32
2008-09	\$6,353,078	\$133,004	2.09	2008-09	\$60,003,197	\$1,334,677	2.22
2009-10	\$9,572,380	\$65,231	0.68	2009-10	\$65,080,839	\$423,804	0.65
2010-11	\$6,444,910	\$30,828	0.48	2010-11	\$67,221,703	\$332,579	0.49
2011-12	\$9,080,017	\$33,974	0.37	2011-12	\$63,632,717	\$242,989	0.38
2012-13	\$5,729,912	\$19,699	0.34	2012-13	\$60,754,893	\$186,764	0.31
2013-14	\$2,263,360	\$5,755	0.25	2013-14	\$55,335,616	\$137,715	0.25
2014-15	\$2,215,814	\$5,799	0.26	2014-15	\$59,138,661	\$159,084	0.27
2015-16	\$971,008	\$4,315	0.44	2015-16	\$65,367,748	\$283,376	0.43

Financial Community Coverage

The following firms conducted investment transactions with the State Treasurer's Office during Fiscal Year 2015-16.

1 st Capital Bank	Drexel Hamilton LLC	Pacific Commerce Bank
1 st Century Bank, N.A.	East West Bank	Pacific Enterprise Bank
Academy Securities, Inc	EverTrust Bank	Pacific Western Bank
Alamo Capital	Farmers & Merchants Bank	Preferred Bank
American Plus Bank	First Foundation Bank	Premier Business Bank
American River Bank	First National Bank of Northern California	Presidio Bank
Banc of California, NA	First Republic Bank	Prospectors Federal Credit Union
Bank Leumi USA	Five Star Bank	Provident Credit Union
Bank of Montreal	Folsom Lake Bank	Rabobank International New York
Bank of San Francisco	General Electric Capital	RBC Capital Markets, LLC
Bank of the Sierra	Grandpoint Bank	River City Bank
Bank of the West	Great Pacific Securities	SAFE Credit Union
Bank of Tokyo-Mitsubishi LTD (The)	Hanmi Bank	San Diego County CU
Barclays Capital Inc.	Heritage Bank of Commerce	Santa Cruz County Bank
BBCN Bank	Heritage Oaks Bank	Schools Financial Credit Union
Beneficial State Bank	ICAP Corporates LLC	Scotia Capital Markets (USA) Inc.
BGC Brokers Inc.	Jefferies LLC	SG Americas Securities LLC
Blaylock Beal Van LLC	J.P. Morgan Securities LLC	Siebert Brandford Shank & Co.
BMO Capital Markets Corp.	KGS Alpha Capital Markets	Sierra Vista Bank
BNP Paribas Securities Corp.	Kinecta Federal Credit Union	Signature Securities Group Corp.
Bofl Federal Bank	Loop Capital Markets LLC	Societe Generale
California Bank of Commerce	Malaga Bank	State Bank of India (California)
California Coast Credit Union	Manufacturers Bank	Stifel, Nicolaus and Co. Inc.
California United Bank	Mechanics Bank	Summit State Bank
Cantor Fitzgerald and Co.	Merchants National Bank of Sacramento	Sutter Securities Inc.
CastleOak Securities LP	Meriwest Credit Union	TD Securities (USA) LLC
Cathay Bank	Merrill Lynch, Pierce, Fenner & Smith Inc.	Toyota Motor Credit Corp.
Central Valley Community Bank	Mesirow Financial Inc.	Trans Pacific National Bank
CIBC World Markets Corp.	Metropolitan Bank	Travis Credit Union
Citigroup Global Markets Inc.	MFR Securities Inc.	Tri Counties Bank
Citizens Business Bank	Mischler Financial Group, Inc.	Tri-Valley Bank
Comerica Bank	Mission Federal Credit Union	Tullet Prebon
CommerceWest Bank	Mission National Bank	U.S. Bank NA
Commonwealth Business Bank	Mission Valley Bank	Umpqua Bank
Community 1st Bank	Mizuho Securities USA Inc.	Union Banc Investment Services
Community Bank	Morgan Stanley & Co. LLC	Uniti Bank
Community Bank of the Bay	Multi-Bank Securities, Inc.	US Metro Bank
Community Business Bank	New Omni Bank, N.A.	Wells Fargo Securities, LLC
Community Valley Bank	Oak Valley Community Bank	Wescom Central Credit Union
Community West Bank	Open Bank	Western Alliance Bank
Cornerstone Community Bank	Opus Bank	Williams Capital Group, LP (The)
CTBC Bank	Pacific Alliance Bank	Wilshire Bank
Daiwa Capital Markets America Inc.	Pacific City Bank	Woori America Bank



2. Local Agency Investment Fund

PROGRAM SUMMARY

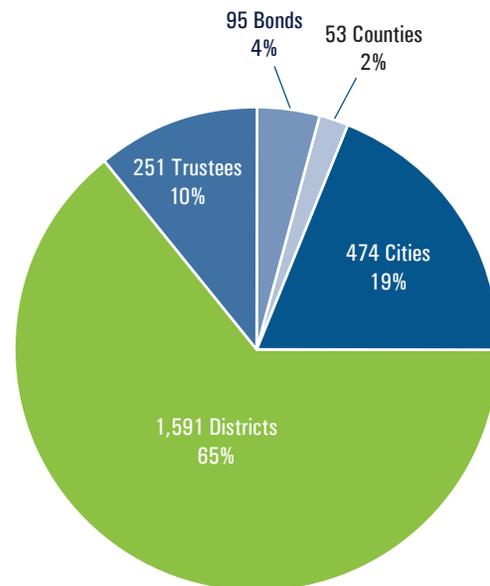
The Local Agency Investment Fund (LAIF) was established by Chapter 730, Statutes of 1976. This fund enables local governmental agencies or trustees to remit money not required for immediate needs to the State Treasurer for the purpose of investment. In order to derive the maximum rate of return possible, the State Treasurer has elected to invest these monies as a part of the PMIA.

Each participating agency determines the length of time its money will be on deposit with the State Treasurer with the exception of bond proceeds, which must remain for a minimum of 30 days. At the end of each quarter, all earnings derived from investments are distributed by the State Controller to the participating government agencies in proportion to each agency's respective amounts deposited in the LAIF and the length of time such amounts remained in the LAIF. Prior to the distribution, the state's reasonable costs of administering the program are deducted from the earnings. As of June 30, 2016, there were 2,464 participants in the LAIF consisting of 53 counties, 474 cities, 1,591 special districts, 251 trustees and 95 bond accounts.

FISCAL YEAR IN REVIEW

Resources	\$20.81 billion per day on average
Earnings	\$90.71 million
Earning Rate	0.43 percent

LOCAL AGENCY INVESTMENT FUND PARTICIPATION AS OF 6/30/16, 2,464 AGENCIES



3. Surplus Money Investment Fund

PROGRAM SUMMARY

The Surplus Money Investment Fund (SMIF) consists of the available cash of all special funds which do not have their own investment authority, and all or a portion of the available cash of special funds having investment authority of their own, but which have elected to be included in the program. Cash balances in excess of needs in any of these participating funds are invested by the State Treasurer.

The PMIB determines whether any cash balances of the participating funds exceed current needs and are available for investment, or whether it is necessary to liquidate previous investments to meet current requirements. This determination is performed operationally by the State Controller by means of a continuing review of the cash balances of the participating funds.

As a result of these determinations, the State Controller prepares a document for the PMIB's approval which authorizes it to increase or decrease the invested balances of the applicable funds.

All of the resources of the SMIF are invested through the PMIA. Prior to Fiscal Year 1967-68, the SMIF was a separate

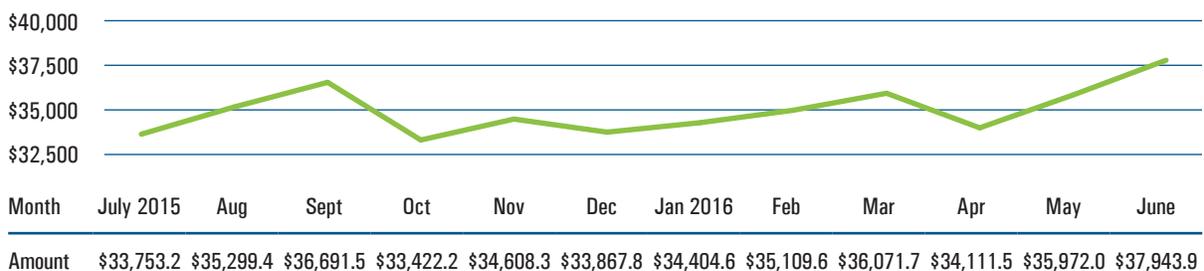
investment program. In 1967, legislation was enacted (Chapter 505, Statutes of 1967) which required that money in the SMIF be invested through the PMIA. This legislation further provided that the SMIF would share in the interest earnings of the PMIA based on the ratio of the dollar-day contributions of the SMIF to the dollar-day investments of the PMIA.

This legislation increased the potential investment earnings for both programs, since their high and low resource periods tend to complement each other. Consequently, under normal market conditions, more long-term, higher yielding securities may be purchased.

There were more than a thousand special funds and accounts participating in the SMIF as of June 30, 2016. Their combined deposits totaled \$36.071 billion. Total resources for SMIF were \$37.944 billion per quarter.

Gross earnings totaled \$149.682 million for Fiscal Year 2015-16. This represents an earning rate of 0.43 percent for this investment program. SMIF earnings are computed on a dollar-day basis to guarantee equitable distribution among all member funds and apportioned quarterly by the State Controller.

RESOURCES OF SMIF BY MONTH-END, FISCAL YEAR 2015-16 (\$ in millions)



Source: State Controller's Office, Available Cash Assets in the State Treasury

4. Centralized Treasury and Securities Management

Investments of the Pooled Money Investment Account (PMIA) are made from money flowing through the State Treasurer's non-interest bearing demand accounts, which are maintained with eight banks for the purpose of providing necessary statewide depository coverage for the remittance of funds collected by the various state agencies. These bank accounts are managed by the Centralized Treasury and Securities Management Division (CTSMD), which oversees all banking aspects of the Centralized Treasury System (CTS). The goals of the CTSMD are to maximize the earning of interest consistent with safe and prudent treasury management and to ensure that the depository banks provide the state with proper and adequate security for the deposit of state monies.

Within CTSMD, Securities and Banking Services (SBS) manages the demand account banking functions (through which \$2 trillion flows each year), meets the cash liquidity needs of all state agencies and departments, and ensures that all idle funds are invested daily. It accomplishes this by forecasting agency revenue collections and disbursements and their impact on the PMIA and using compensating balances to allow for the variances in cash flow that are a natural consequence when forecasting the movement of cash. During the fiscal year, the balances allowed for banking services represent compensation for handling 342,527 bank deposits, 35 million checks deposited, 84,834 dishonored checks, \$771 million in currency and coin deposited, and 68.8 million warrants/agency checks/vouchers paid.

In addition, SBS clears and settles securities purchased and sold for investment by the State Treasurer for the PMIA and other active investment funds. The SBS also clears and settles securities pledged to the state for certain agencies or departments, including the Department of Insurance

and the Employment Development Department. SBS managed \$110 billion in investment and pledged securities consisting of 8,880 positions for 1,348 accounts; 13.2 million shares of stock for two State Compensation Insurance Fund programs; and 239 time deposits representing \$5.549 billion for 77 financial institutions in the Time Deposit Program. During the fiscal year, SBS cleared and settled approximately 52,000 transaction items totaling \$327.29 billion and 10.2 million shares of stock.

Also within CTSMD, Banking Operations (BO) administers, clears and settles securities pledged as collateral by California financial institutions to the state for the Time Deposit, Demand, and State Agency programs. It ensures that all collected funds on deposit are collateralized in accordance with state law. BO managed over \$10 billion in securities consisting of 2,249 positions for 95 financial institutions. During the fiscal year, it cleared and settled approximately 16,000 security transactions totaling \$36.6 billion. BO administers the safekeeping of items in the State Treasurer's Office vault, completing approximately 150 transactions for 500 items with an average monthly inventory of 13,000 items. It is responsible for the custody and protection of securities and items inside the vault as well as the physical security of the vault.

BO also redeems all items presented by banks for payment (about 280,000 items daily), handles forgeries, and manages stop payments. It reconciles deposits made by various state agencies and departments into the CTS accounts as set up by the Treasurer, ensuring that all financial activities are accurately and timely posted by the state depository banks. In addition, BO manages the Electronic Funds Transfer collection and miscellaneous sort/pre-sort deposit programs, under which the state collected almost \$193 billion during the fiscal year.

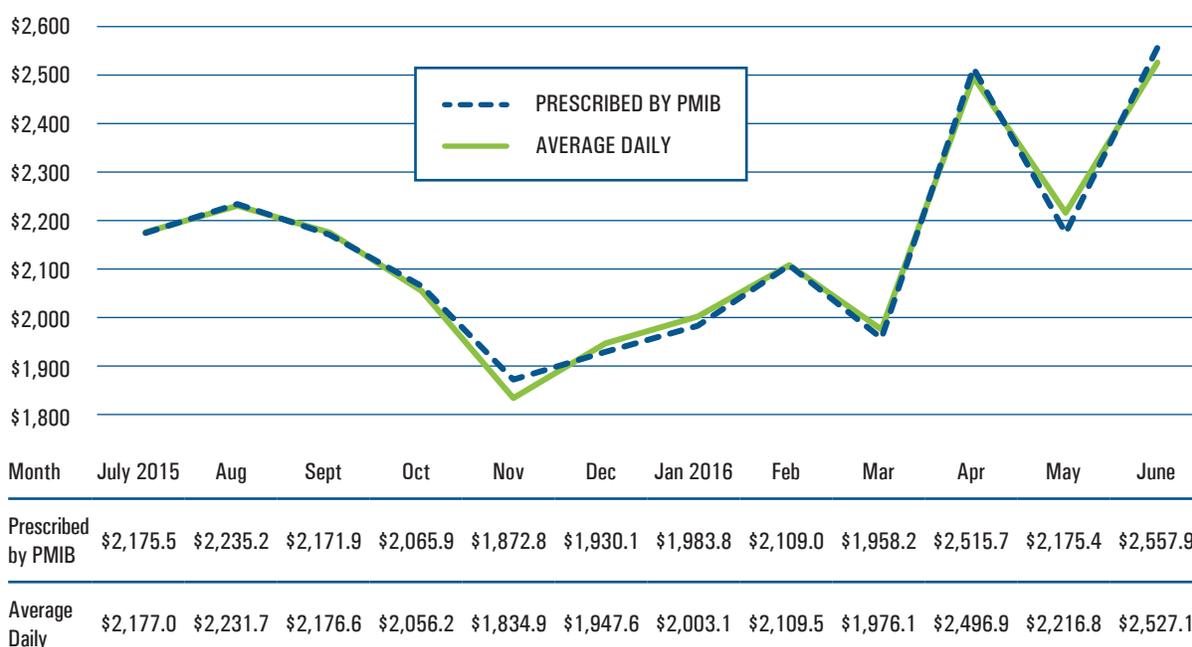
SCHEDULE OF BANKING SERVICES, FISCAL YEAR 2015-16

NON-EFT CONTRACT SERVICES	Actual Volume	Approved Charges	Actual Cost
Encoded Checks Deposited			
Encoded Checks On Us	24	\$0.04	\$0.96
ICL Encoded On Us	14,613,803	\$0.03	\$438,414
Encoded Checks Other	642,461	\$0.053	\$34,050
ICL Encoded Other	260,494	\$0.03	\$7,815
ICL Encoded Other (Misc Sort)	9,451,810	\$0.01	\$94,518
Remote Site Checks	2,762,531	\$0.05	\$138,127
Non-Encoded Checks	7,318,554	\$0.09	\$658,670
Other			
Dishonored Checks	84,834	\$6.20	\$525,971
Regular Deposits	120,554	\$1.40	\$168,776
Split Bag Deposits	141,116	\$0.55	\$77,614
Electronic Deposits (ICL, RSD)	80,857	\$1.00	\$80,857
Currency and Coin Deposited	770,723,797	\$0.00105	\$809,260
Warrants/Agency Checks/Vouchers Paid	68,800,863	\$0.01	\$688,009
ACH Transactions	290,385	\$0.01	\$2,904
Checks Paid	146	\$0.12	\$18
Direct Billed Services			\$618,916
SUBTOTAL NON-EFT CONTRACT SERVICES			\$4,343,918
EFT CONTRACT SERVICES (DIRECT BILLED)			
ACH CREDITS	6,901,588	\$0.021	\$144,933
ACH DEBITS	2,014,658	\$0.50	\$1,007,329
Category II Items Processed	11,410,456	\$0.015	\$171,157
RETURNED/REJECTED Items	188,971	\$2.50	\$472,428
Other transactions	137,157	Various	\$165,798
SUBTOTAL EFT CONTRACT SERVICES SERVICES			\$1,961,645
TOTAL BANKING SERVICES			\$6,305,563

AVERAGE DAILY BALANCE IN DEMAND BANK ACCOUNTS, FISCAL YEAR 2015-16 (\$ in thousands)

Month	Bank Balance Required for Banking Services	Bank Balance Required for Uncollected Funds	Less Net Delayed Deposit Credit	Bank Balance Prescribed by PMIB	Actual Average Daily Bank Balance
July 2015	\$2,084,868	\$93,475	\$2,853	\$2,175,490	\$2,177,011
August	2,158,436	78,682	1,934	2,235,184	\$2,231,696
September	2,110,090	63,298	1,479	2,171,910	\$2,176,560
October	2,006,569	61,339	2,024	2,065,885	\$2,056,193
November	1,790,633	83,910	1,713	1,872,830	\$1,834,923
December	1,882,161	49,621	1,710	1,930,072	\$1,947,602
January 2016	1,914,240	71,822	2,275	1,983,787	\$2,003,121
February	2,016,275	95,809	3,131	2,108,953	\$2,109,491
March	1,899,239	61,597	2,607	1,958,228	\$1,976,110
April	2,458,903	58,138	1,303	2,515,738	\$2,496,920
May	2,084,115	93,307	2,065	2,175,357	\$2,216,844
June	2,503,835	56,732	2,660	2,557,908	\$2,527,117
WEIGHTED AVERAGE	\$2,074,575	\$72,257	\$2,145	\$2,144,687	\$2,145,100

AVERAGE DAILY BALANCE IN DEMAND BANK ACCOUNTS, FISCAL YEAR 2015-16 (\$ in millions)



Appendix A

POOLED MONEY INVESTMENT ACCOUNT SUMMARY OF INVESTMENTS AND EARNINGS (\$ in thousands)

Fiscal Year	Average Investment Portfolio	Earnings	Annual Earnings Rate (%)
1956-57	\$393,742	\$9,573	2.43
1957-58	\$594,306	\$16,421	2.76
1958-59	\$544,868	\$15,762	2.89
1959-60	\$614,835	\$21,045	3.42
1960-61	\$736,204	\$28,139	3.82
1961-62	\$867,144	\$26,521	3.06
1962-63	\$910,863	\$30,548	3.35
1963-64	\$896,535	\$32,519	3.63
1964-65	\$966,592	\$38,004	3.93
1965-66	\$1,083,347	\$47,761	4.41
1966-67	\$1,057,800	\$52,540	4.97
1967-68	\$1,117,717	\$56,566	5.06
1968-69	\$1,301,302	\$78,174	6.01
1969-70	\$1,216,414	\$84,781	6.97
1970-71	\$1,264,894	\$77,527	6.13
1971-72	\$1,397,494	\$68,350	4.89

POOLED MONEY INVESTMENT ACCOUNT SUMMARY OF INVESTMENTS AND EARNINGS (\$ in thousands), CONTINUED

Fiscal Year	Average Investment Portfolio	Earnings	Annual Earnings Rate (%)
1972-73	\$2,254,401	\$125,116	5.55
1973-74	\$2,594,629	\$232,780	8.97
1974-75	\$2,749,431	\$238,298	8.67
1975-76	\$3,209,143	\$204,303	6.37
1976-77	\$4,460,487	\$261,657	5.87
1977-78	\$6,843,940	\$458,625	6.70
1978-79	\$8,123,266	\$692,417	8.52
1979-80	\$8,285,941	\$873,469	10.54
1980-81	\$7,298,693	\$786,877	10.78
1981-82	\$5,234,524	\$631,968	12.07
1982-83	\$5,254,589	\$549,229	10.45
1983-84	\$7,094,849	\$738,462	10.41
1984-85	\$11,903,660	\$1,275,503	10.72
1985-86	\$15,438,406	\$1,401,990	9.08
1986-87	\$19,167,196	\$1,425,047	7.43
1987-88	\$17,628,558	\$1,388,074	7.87

**POOLED MONEY INVESTMENT ACCOUNT
SUMMARY OF INVESTMENTS AND EARNINGS
(\$ in thousands), CONTINUED**

Fiscal Year	Average Investment Portfolio	Earnings	Annual Earnings Rate (%)
1988-89	\$17,496,405	\$1,516,767	8.67
1989-90	\$19,558,775	\$1,692,905	8.66
1990-91	\$20,754,895	\$1,663,140	8.01
1991-92	\$21,456,433	\$1,329,476	6.20
1992-93	\$23,051,543	\$1,085,126	4.71
1993-94	\$25,433,078	\$1,115,660	4.39
1994-95	\$26,802,123	\$1,482,574	5.53
1995-96	\$26,623,196	\$1,519,020	5.71
1996-97	\$28,264,069	\$1,582,443	5.60
1997-98	\$29,344,512	\$1,672,382	5.70
1998-99	\$33,451,088	\$1,787,765	5.34
1999-00	\$35,029,034	\$1,999,483	5.71
2000-01	\$43,840,421	\$2,676,158	6.10
2001-02	\$49,827,077	\$1,716,545	3.45

**POOLED MONEY INVESTMENT ACCOUNT
SUMMARY OF INVESTMENTS AND EARNINGS
(\$ in thousands), CONTINUED**

Fiscal Year	Average Investment Portfolio	Earnings	Annual Earnings Rate (%)
2002-03	\$52,636,648	\$1,132,930	2.15
2003-04	\$54,581,850	\$836,072	1.53
2004-05	\$53,860,487	\$1,215,116	2.26
2005-06	\$55,714,817	\$2,157,845	3.87
2006-07	\$58,147,441	\$2,977,625	5.12
2007-08	\$63,479,513	\$2,745,747	4.32
2008-09	\$60,003,197	\$1,334,677	2.22
2009-10	\$65,080,839	\$423,804	0.65
2010-11	\$67,221,703	\$332,579	0.49
2011-12	\$63,632,717	\$242,989	0.38
2012-13	\$60,754,893	\$186,764	0.31
2013-14	\$55,335,616	\$137,715	0.25
2014-15	\$59,138,661	\$159,084	0.27
2015-16	\$65,367,748	\$283,376	0.43

Appendix B

HISTORICAL PMIA YIELDS (% per year)

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Semi-Annual
Mar-77		5.68	
Jun-77	5.87	5.78	5.79
Sep-77		5.84	
Dec-77		6.45	6.18
Mar-78		6.97	
Jun-78	6.70	7.35	7.17
Sep-78		7.86	
Dec-78		8.32	8.09
Mar-79		8.81	
Jun-79	8.52	9.10	8.98
Sep-79		9.26	
Dec-79		10.06	9.66
Mar-80		11.11	
Jun-80	10.54	11.54	11.38
Sep-80		10.01	

HISTORICAL PMIA YIELDS (% per year), CONTINUED

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Semi-Annual
Dec-80		10.47	10.21
Mar-81		11.23	
Jun-81	10.78	11.68	11.69
Sep-81		12.40	
Dec-81		11.91	12.19
Mar-82		11.82	
Jun-82	12.07	11.99	11.93
Sep-82		11.74	
Dec-82		10.71	11.26
Mar-83		9.87	
Jun-83	10.45	9.64	9.98
Sep-83		10.04	
Dec-83		10.18	10.15
Mar-84		10.32	
Jun-84	10.41	10.88	10.63

**HISTORICAL PMIA YIELDS
(% per year), CONTINUED**

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Semi-Annual
Sep-84		11.53	
Dec-84		11.41	11.44
Mar-85		10.32	
Jun-85	10.72	9.98	10.19
Sep-85		9.54	
Dec-85		9.43	9.50
Mar-86		9.09	
Jun-86	9.08	8.39	8.70
Sep-86		7.81	
Dec-86		7.48	7.65
Mar-87		7.24	
Jun-87	7.44	7.21	7.23
Sep-87		7.54	
Dec-87		7.97	7.80
Mar-88		8.01	
Jun-88	7.87	7.87	7.95
Sep-88		8.20	
Dec-88		8.45	8.34
Mar-89		8.76	
Jun-89	8.67	9.13	8.97
Sep-89		8.87	
Dec-89		8.68	8.78
Mar-90		8.52	
Jun-90	8.66	8.50	8.52
Sep-90		8.39	
Dec-90		8.27	8.34

**HISTORICAL PMIA YIELDS
(% per year), CONTINUED**

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Semi-Annual
Mar-91		7.97	
Jun-91	8.01	7.38	7.67
Sep-91		7.00	
Dec-91		6.52	6.74
Mar-92		5.87	
Jun-92	6.20	5.45	5.65
Sep-92		4.97	
Dec-92		4.67	4.82
Mar-93		4.64	
Jun-93	4.71	4.51	4.61
Sep-93		4.44	
Dec-93		4.36	4.39
Mar-94		4.25	
Jun-94	4.39	4.45	4.36
Sep-94		4.96	
Dec-94		5.37	5.15
Mar-95		5.76	
Jun-95	5.53	5.98	5.87
Sep-95		5.89	
Dec-95		5.76	5.83
Mar-96		5.62	
Jun-96	5.71	5.52	5.56
Sep-96		5.57	
Dec-96		5.58	5.57
Mar-97		5.56	
Jun-97	5.59	5.63	5.59

HISTORICAL PMIA YIELDS
(% per year), CONTINUED

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Semi-Annual
Sep-97		5.68	
Dec-97		5.71	5.69
Mar-98		5.70	
Jun-98	5.70	5.66	5.67
Sep-98		5.64	
Dec-98		5.46	5.55
Mar-99		5.19	
Jun-99	5.34	5.08	5.13
Sep-99		5.21	
Dec-99		5.49	5.34
Mar-00		5.80	
Jun-00	5.71	6.18	5.99
Sep-00		6.47	
Dec-00		6.52	6.49
Mar-01		6.16	
Jun-01	6.10	5.32	5.73
Sep-01		4.47	
Dec-01		3.52	3.99
Mar-02		2.96	
Jun-02	3.45	2.75	2.85
Sep-02		2.63	
Dec-02		2.31	2.47
Mar-03		1.98	
Jun-03	2.15	1.77	1.86
Sep-03		1.63	
Dec-03		1.56	1.59

HISTORICAL PMIA YIELDS
(% per year), CONTINUED

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Quarterly*
Mar-04		1.47	1.47
Jun-04	1.53	1.44	1.44
Sep-04		1.67	1.67
Dec-04		2.00	2.00
Mar-05		2.38	2.37
Jun-05	2.26	2.85	2.85
Sep-05		3.18	3.18
Dec-05		3.63	3.63
Mar-06		4.03	4.03
Jun-06	3.87	4.53	4.53
Sep-06		4.93	4.93
Dec-06		5.11	5.11
Mar-07		5.17	5.17
Jun-07	5.12	5.23	5.23
Sep-07		5.24	5.24
Dec-07		4.96	4.96
Mar-08		4.18	4.17
Jun-08	4.33	3.11	3.11
Sep-08		2.77	2.77
Dec-08		2.54	2.53
Mar-09		1.91	1.90
Jun-09	2.22	1.51	1.51
Sep-09		0.90	0.89
Dec-09		0.60	0.59
Mar-10		0.56	0.55
Jun-10	0.65	0.56	0.56

HISTORICAL PMIA YIELDS
 (% per year), CONTINUED

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Quarterly*
Sep-10		0.51	0.50
Dec-10		0.46	0.46
Mar-11		0.51	0.51
Jun-11	0.50	0.48	0.48
Sep-11		0.38	0.38
Dec-11		0.38	0.38
Mar-12		0.38	0.37
Jun-12	0.38	0.36	0.36
Sep-12		0.35	0.35
Dec-12		0.32	0.32
Mar-13		0.28	0.28
Jun-13	0.31	0.24	0.25
Sep-13		0.26	0.25
Dec-13		0.26	0.25
Mar-14		0.23	0.22
Jun-14	0.25	0.22	0.23
Sep-14		0.24	0.23
Dec-14		0.25	0.25
Mar-15		0.26	0.25
Jun-15	0.27	0.28	0.28
Sep-15		0.32	0.32
Dec-15		0.37	0.36
Mar-16		0.46	0.46
Jun-16	0.43	0.55	0.54

*Effective January 1, 2004, SMIF earnings are allocated quarterly.



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