ROUND ROCK TEXAS
FINANCE

Quarterly Investment Report

Ending March 31, 2015

PATTERSON & ASSOCIATES

P&A

INVESTMENT PROFESSIONALS

City of Round Rock, Texas

Quarterly Investment Report
December 31, 2014 – March 31, 2015

Portfolio Summary Management Report

Portfolio as of December 31, 2014		*Portfolio as of March 31, 2015*	
Beginning Book Value	$ 353,332,372	Ending Book Value	$ 365,487,346
Beginning Market Value	$ 353,376,251	Ending Market Value	$ 365,714,778
Beginning Par Value	$ 353,011,388	Ending Par Value	$ 365,166,037
		Total Int. Earned for the Quarter	**$ 272,606**
		Unrealized Gains/Losses	**$ 227,432**
WAM at Beginning Period Date[1]	212 days	WAM at Ending Period Date[1]	286 days
		Change in Market Value[2]	$ 12,338,527

Average Yield to Maturity for period	**0.332%**
Average Yield 180-day T-Bill for period	**0.090%**
Average Yield 1-year T-Note for period	**0.230%**

Prepared by:

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City of Round Rock
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City of Round Rock
Lorie Lankford, Assistant Finance Director

Elaine Wilson

City of Round Rock
Elaine Wilson, Accounting Manager

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City of Round Rock
Joan Sharp, Treasury Accountant

Linda Patterson

Registered Investment Advisor
Patterson & Associates, Linda T. Patterson, President

5/18/15

Date

[1] WAM is dollar-weighted average maturity based on stated maturity dates.

[2] **Change in Market Value** is required data, but will primarily reflect the increase or decrease in the City's par value of Investments held from quarter to quarter.

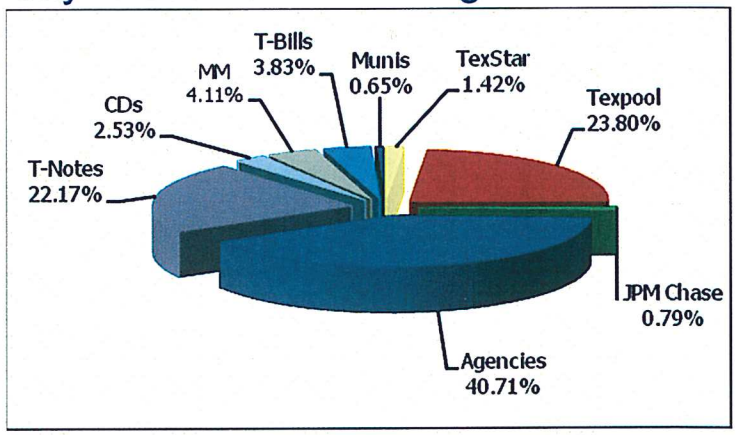
City Portfolio

As of March 31, 2015

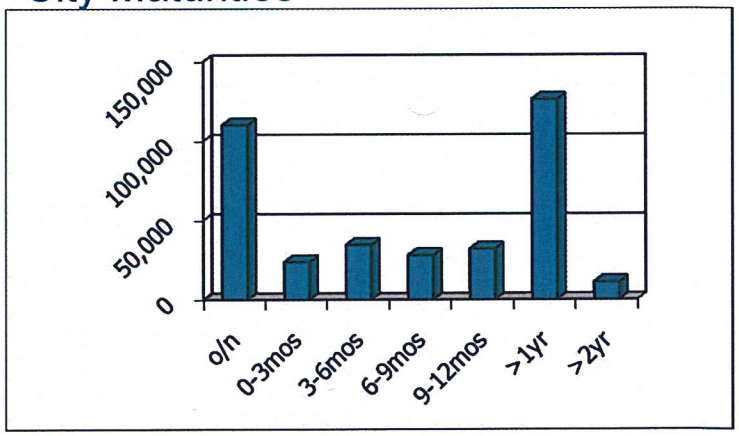
ROUND ROCK TEXAS
FINANCE

- The portfolio is constantly reviewed for optimal asset allocation and a controlled average maturity because a diversified portfolio can better adjust to volatile market conditions.
- The extremely low short-term rates make diversification difficult and they are reasonably expected to continue now at least through 2015. Longer term rates have moved lower and do not provide reward for extension risks.
- Banks remain *uninterested* in new deposits and although state and local bonds continue to add value they have been discovered and are declining in yields.
- Portfolios are cash heavy due to a flat yield curve which provides little value under six months.
- The non-cash portion of the City's portfolio is yielding 0.47%.

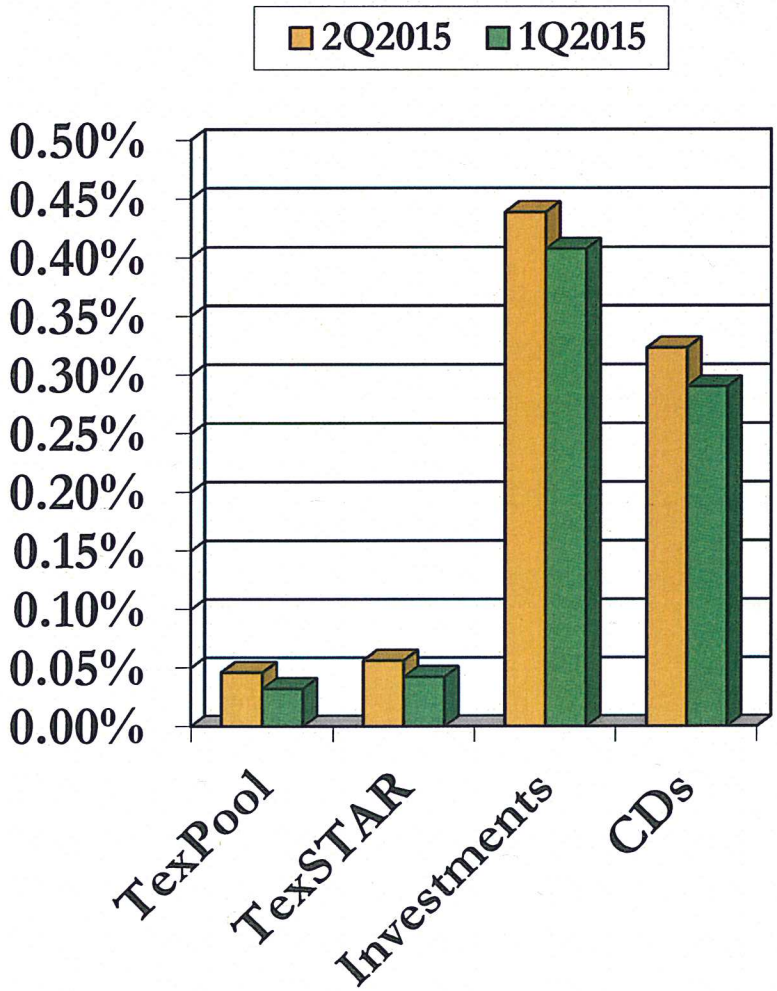
City Allocation Percentages



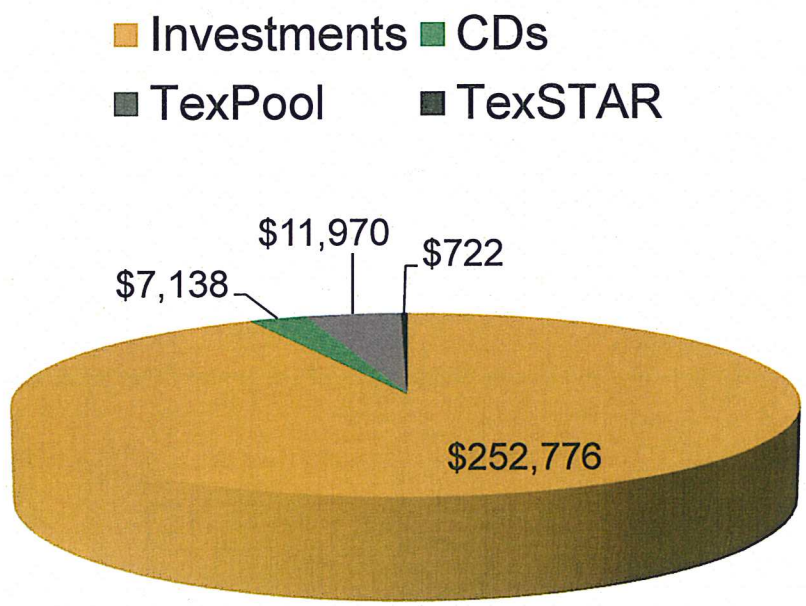
City Maturities



Quarterly Average Yields
(Quarter Over Quarter)

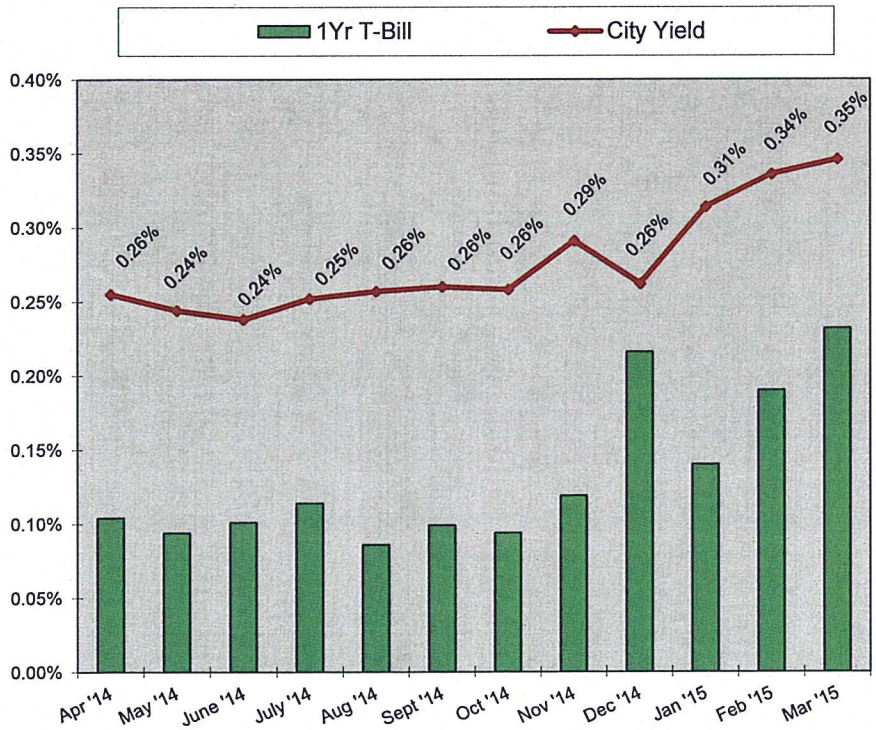


2nd Quarter Interest Earned

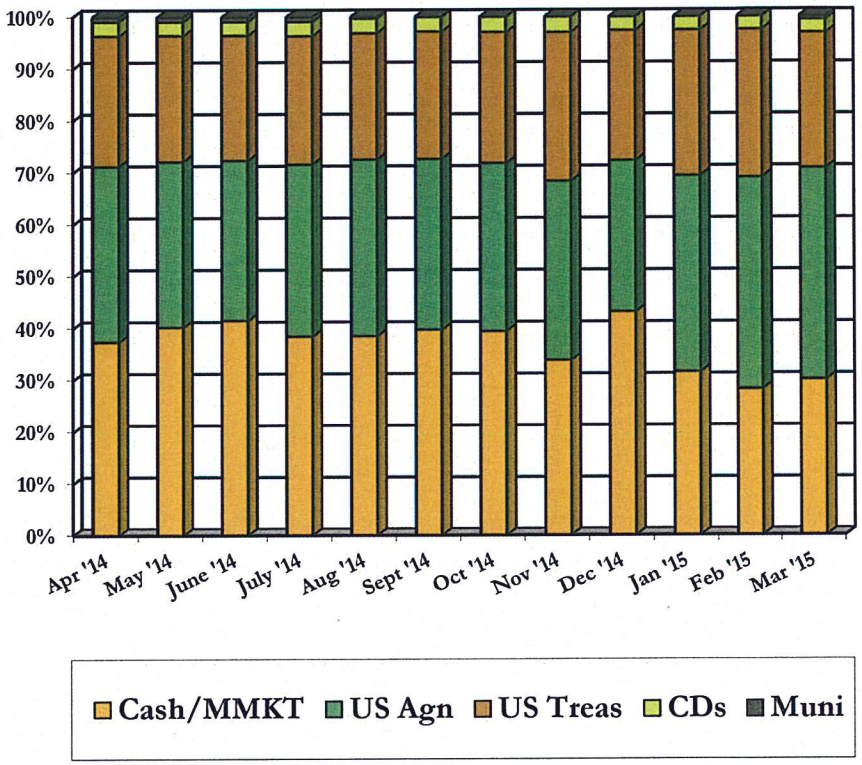


2nd Qtr 2015 Total Interest:
$272,606

Investment Yield and Benchmark Comparison



Cash and Investments



PATTERSON & ASSOCIATES

INVESTMENT PROFESSIONALS

City of Round Rock, Texas
Summary by Type
March 31, 2015
Grouped by Fund

Patterson & Associates
901 S. MoPac
Suite 195
Austin, TX 78746
-

Security Type	Number of Investments	Par Value	Book Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Fund: I&S GO Bonds						
TexPool	1	11,212,945.25	11,212,945.25	3.07	0.048	1
Subtotal	**1**	**11,212,945.25**	**11,212,945.25**	**3.07**	**0.048**	**1**
Fund: I&S Debt Service						
JPM Chase Bank	1	7,525.53	7,525.53	0.00	0.000	1
Subtotal	**1**	**7,525.53**	**7,525.53**	**0.00**	**0.000**	**1**
Fund: Bond Fund						
Money Market	1	15,016,019.61	15,016,019.61	4.11	0.150	1
Treasury Coupon Securities	7	49,000,000.00	48,986,990.44	13.40	0.473	350
TexPool	1	25,976,749.81	25,976,749.81	7.11	0.048	1
Subtotal	**9**	**89,992,769.42**	**89,979,759.86**	**24.62**	**0.297**	**191**
Fund: CO Bond Fund						
Treasury Discounts -Amortizing	7	14,000,000.00	13,989,130.44	3.83	0.134	197
Subtotal	**7**	**14,000,000.00**	**13,989,130.44**	**3.83**	**0.134**	**197**
Fund: Reserves Fund						
TexPool	1	837,598.16	837,598.16	0.23	0.048	1
Subtotal	**1**	**837,598.16**	**837,598.16**	**0.23**	**0.048**	**1**
Fund: I&S Revenue Bonds						
TexPool	1	5,091,964.75	5,091,964.75	1.39	0.048	1
Subtotal	**1**	**5,091,964.75**	**5,091,964.75**	**1.39**	**0.048**	**1**
Fund: Drainage Utility Revenue Bond						
Treasury Coupon Securities	3	4,500,000.00	4,504,464.39	1.23	0.283	365
Subtotal	**3**	**4,500,000.00**	**4,504,464.39**	**1.23**	**0.283**	**365**
Fund: Pooled Investments						

City of Round Rock, Texas
Summary by Type
March 31, 2015
Grouped by Fund

Security Type	Number of Investments	Par Value	Book Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Fund: Pooled Investments						
Municipal Obligations	4	2,355,000.00	2,376,088.06	0.65	0.480	483
Federal Agency Coupon Securities	46	148,500,000.00	148,790,620.50	40.71	0.516	460
JPM Chase Bank	1	2,876,434.34	2,876,434.34	0.79	0.000	1
Treasury Coupon Securities	9	27,500,000.00	27,529,014.92	7.53	0.452	404
TexPool	1	43,867,795.99	43,867,795.99	12.00	0.048	1
TexStar	1	5,178,231.14	5,178,231.14	1.42	0.060	1
Certificates of Deposit - Bank	3	5,245,000.00	5,245,000.00	1.44	0.398	318
CD's - Interest Paid Quarterly	2	4,000,772.73	4,000,772.73	1.09	0.280	100
Subtotal	**67**	**239,523,234.20**	**239,863,957.68**	**65.63**	**0.400**	**345**
Total and Average	**90**	**365,166,037.31**	**365,487,346.06**	**100.00**	**0.346**	**286**

City of Round Rock
Portfolio Valuation Comparison Report
January 1, 2015 - March 31, 2015

Investment Type			Par Value	Book Value	Market Value
Local Government Pools	Beginning Value	12/31/14	142,303,840.19	142,303,840.19	142,303,840.19
	Net Change		-50,138,555.09	-50,138,555.09	-50,138,555.09
	Ending Value	03/31/15	92,165,285.10	92,165,285.10	92,165,285.10
Bank Deposits/Money Markets	Beginning Value	12/31/14	10,461,775.40	10,461,775.40	10,461,775.40
	Net Change		7,438,204.08	7,438,204.08	7,438,204.08
	Ending Value	03/31/15	17,899,979.48	17,899,979.48	17,899,979.48
Investments	Beginning Value	12/31/14	191,000,000.00	191,320,983.18	191,364,862.52
	Net Change		54,855,000.00	54,855,325.57	55,038,878.10
	Ending Value	03/31/15	245,855,000.00	246,176,308.75	246,403,740.62
Bank Certificates of Deposit	Beginning Value	12/31/14	9,245,772.73	9,245,772.73	9,245,772.73
	Net Change		0.00	0.00	0.00
	Ending Value	03/31/15	9,245,772.73	9,245,772.73	9,245,772.73
Total	Beginning Value	12/31/14	353,011,388.32	353,332,371.50	353,376,250.84
	Net Change		12,154,648.99	12,154,974.56	12,338,527.09
	Ending Value	03/31/15	365,166,037.31	365,487,346.06	365,714,777.93

City of Round Rock, Texas

Investments by Asset Type

March 31, 2015

CUSIP	Investment #	Fund	Issuer	Purchase Date	Maturity Date	Book Value	Par Value	Market Value	Current Rate
033896JX0	767	000	Anderson ISD IN	03/10/2015	01/05/2017	502,177.86	500,000.00	502,160.00	1.100
163597HP5	766	000	Chemeketa OR CCD	03/10/2015	06/15/2016	309,219.88	300,000.00	308,796.00	3.000
185486LN5	768	000	Cleburne ISD TX	03/10/2015	02/15/2016	1,035,535.97	1,020,000.00	1,035,535.97	2.000
560211MS0	765	000	Mahtomedi ISD MN	03/03/2015	02/01/2017	529,154.35	535,000.00	528,307.15	0.000
31315PGT0	692	000	Federal Agriculteral Mortgagev Corp.	09/24/2013	09/15/2015	2,519,173.70	2,500,000.00	2,520,325.00	2.125
31315PUT4	728	000	Federal Agriculteral Mortgagev Corp.	06/20/2014	04/04/2016	1,998,579.57	2,000,000.00	2,000,002.00	0.425
3133ECLP7	680	000	Federal Farm Credit Bank	07/19/2013	08/17/2015	999,545.45	1,000,000.00	1,000,398.00	0.300
3133ED7L0	696	000	Federal Farm Credit Bank	11/21/2013	11/13/2015	2,499,791.17	2,500,000.00	2,501,047.50	0.330
3133EDCU4	701	000	Federal Farm Credit Bank	01/21/2014	12/30/2015	2,499,316.92	2,500,000.00	2,499,487.50	0.360
3133EDCU4	701A	000	Federal Farm Credit Bank	01/21/2014	12/30/2015	2,499,316.92	2,500,000.00	2,499,487.50	0.360
3133ED6D9	704	000	Federal Farm Credit Bank	02/27/2014	05/04/2016	2,501,860.13	2,500,000.00	2,504,585.00	0.500
3133EDNS7	733	000	Federal Farm Credit Bank	07/31/2014	06/20/2016	2,497,635.28	2,500,000.00	2,502,117.50	0.450
3133EDNS7	733A	000	Federal Farm Credit Bank	07/31/2014	06/20/2016	2,497,635.28	2,500,000.00	2,502,117.50	0.450
3133EEFM7	750	000	Federal Farm Credit Bank	01/29/2015	10/14/2016	5,005,260.24	5,000,000.00	5,008,750.00	0.580
3133XWNB1	665	000	Federal Home Loan Bank	02/12/2013	06/12/2015	3,015,110.32	3,000,000.00	3,016,332.00	2.875
3133XWNB1	665A	000	Federal Home Loan Bank	02/12/2013	06/12/2015	2,010,073.55	2,000,000.00	2,010,888.00	2.875
313383XQ9	691	000	Federal Home Loan Bank	09/24/2013	08/28/2015	2,500,709.58	2,500,000.00	2,502,350.00	0.440
3130A13C0	702	000	Federal Home Loan Bank	02/25/2014	02/25/2016	3,000,000.00	3,000,000.00	2,997,765.00	0.350
3130A2PT7	732	000	Federal Home Loan Bank	07/31/2014	08/24/2015	4,999,925.33	5,000,000.00	5,000,515.00	0.200
313370TW8	738	000	Federal Home Loan Bank	11/21/2014	09/09/2016	5,103,919.75	5,000,000.00	5,109,655.00	2.000
3130A3HG2	740	000	Federal Home Loan Bank	12/04/2014	11/18/2016	5,003,639.57	5,000,000.00	5,006,800.00	0.625
313371PV2	752	000	Federal Home Loan Bank	01/29/2015	12/09/2016	5,086,208.96	5,000,000.00	5,085,785.00	1.625
3130A2QQ2	757	000	Federal Home Loan Bank	02/17/2015	01/25/2016	5,001,504.79	5,000,000.00	5,003,230.00	0.340
3130A46U1	758	000	Federal Home Loan Bank	02/17/2015	02/13/2017	4,999,530.73	5,000,000.00	5,012,445.00	0.720
3130A4BZ4	760	000	Federal Home Loan Bank	02/18/2015	02/18/2016	5,000,264.17	5,000,000.00	4,999,615.00	0.330
3130A4QQ8	769	000	Federal Home Loan Bank	03/30/2015	03/24/2017	6,004,973.03	6,000,000.00	6,009,540.00	0.750
3130A3WM2	756	000	Federal Home Loan Bank	01/30/2015	01/30/2018	3,000,000.00	3,000,000.00	3,000,399.00	0.625
3134G4S90	697	000	Federal Home Loan Mortgage Corp.	12/30/2013	12/30/2016	2,000,000.00	2,000,000.00	2,004,606.00	0.800
3134G4S90	697A	000	Federal Home Loan Mortgage Corp.	12/30/2013	12/30/2016	2,000,000.00	2,000,000.00	2,004,606.00	0.800
3134G4TD0	699	000	Federal Home Loan Mortgage Corp.	01/27/2014	01/27/2017	2,500,000.00	2,500,000.00	2,509,075.00	0.875
3134G56P5	731	000	Federal Home Loan Mortgage Corp.	07/31/2014	06/24/2016	2,000,000.00	2,000,000.00	2,000,472.00	0.500
3137EADD8	668	000	Federal Home Loan Mortgage Corp.	02/20/2013	04/17/2015	2,500,198.02	2,500,000.00	2,500,470.00	0.500
3134G3ZA1	681	000	Federal Home Loan Mortgage Corp.	07/19/2013	08/28/2015	1,000,467.16	1,000,000.00	1,001,359.00	0.500
3137EADQ9	720	000	Federal Home Loan Mortgage Corp.	03/27/2014	05/13/2016	2,499,343.99	2,500,000.00	2,503,172.50	0.500

CUSIP	Investment #	Fund	Issuer	Purchase Date	Maturity Date	Book Value	Par Value	Market Value	Current Rate
3134G5RS6	751	000	Federal Home Loan Mortgage Corp.	01/29/2015	11/28/2016	5,003,578.38	5,000,000.00	5,003,660.00	0.600
3137EADU0	753	000	Federal Home Loan Mortgage Corp.	01/29/2015	01/27/2017	4,490,954.87	4,500,000.00	4,492,255.50	0.500
3134G5YM1	754	000	Federal Home Loan Mortgage Corp.	01/30/2015	01/30/2017	3,000,000.00	3,000,000.00	3,000,462.00	0.500
3134G5XZ3	755	000	Federal Home Loan Mortgage Corp.	01/30/2015	01/30/2018	2,999,903.33	3,000,000.00	3,000,039.00	0.500
3135G0LN1	663	000	Federal National Mortgage Association	02/06/2013	07/02/2015	2,500,908.95	2,500,000.00	2,502,190.00	0.500
3135G0LN1	663A	000	Federal National Mortgage Association	02/06/2013	07/02/2015	2,500,908.95	2,500,000.00	2,502,190.00	0.500
3135G0KM4	669	000	Federal National Mortgage Association	02/20/2013	05/27/2015	2,000,460.89	2,000,000.00	2,001,218.00	0.500
3135G0QB2	693	000	Federal National Mortgage Association	11/01/2013	10/22/2015	2,001,578.60	2,000,000.00	2,002,146.00	0.500
31398A4M1	694	000	Federal National Mortgage Association	11/21/2013	10/26/2015	2,015,025.47	2,000,000.00	2,015,990.00	1.625
3135G0VA8	705	000	Federal National Mortgage Association	02/27/2014	03/30/2016	2,502,851.90	2,500,000.00	2,504,440.00	0.500
3133EDEC2	706	000	Federal National Mortgage Association	02/27/2014	04/28/2016	2,504,001.31	2,500,000.00	2,505,682.50	0.550
3135G0VA8	721	000	Federal National Mortgage Association	03/27/2014	03/30/2016	2,500,496.54	2,500,000.00	2,504,440.00	0.500
3135G0YE7	739	000	Federal National Mortgage Association	11/21/2014	08/26/2016	5,009,901.18	5,000,000.00	5,013,275.00	0.625
3135G0YE7	748	000	Federal National Mortgage Association	01/29/2015	08/26/2016	5,014,473.10	5,000,000.00	5,013,275.00	0.625
3130A2T97	749	000	Federal National Mortgage Association	01/29/2015	09/28/2016	5,001,479.22	5,000,000.00	5,000,185.00	0.500
3135G0MZ3	759	000	Federal National Mortgage Association	02/17/2015	08/28/2017	5,000,114.20	5,000,000.00	5,006,245.00	0.875
912796EN5	741	461	T Bill	01/13/2015	07/23/2015	1,999,560.55	2,000,000.00	1,999,748.00	0.000
912796ET2	742	461	T Bill	01/13/2015	08/20/2015	1,999,255.84	2,000,000.00	1,999,510.00	0.000
912796EX3	743	461	T Bill	01/13/2015	09/17/2015	1,998,967.23	2,000,000.00	1,999,062.00	0.000
912796FB0	744	461	T Bill	01/13/2015	10/15/2015	1,998,631.95	2,000,000.00	1,998,604.00	0.000
912796FG9	745	461	T Bill	01/13/2015	11/12/2015	1,998,125.00	2,000,000.00	1,998,062.00	0.000
912796FN4	746	461	T Bill	01/13/2015	12/10/2015	1,997,751.11	2,000,000.00	1,997,646.00	0.000
912796FP9	747	461	T Bill	01/13/2015	01/07/2016	1,996,838.76	2,000,000.00	1,997,150.00	0.000
912828UC2	712	460	T Note	03/24/2014	12/15/2015	6,994,186.31	7,000,000.00	7,001,638.00	0.250
912828A59	713	460	T Note	03/24/2014	12/15/2016	6,980,832.50	7,000,000.00	7,016,408.00	0.625
912828TP5	714	460	T Note	03/24/2014	09/15/2015	6,999,069.81	7,000,000.00	7,003,283.00	0.250
912828VW7	715	460	T Note	03/24/2014	09/15/2016	7,020,429.65	7,000,000.00	7,044,842.00	0.875
912828SZ4	716	460	T Note	03/24/2014	06/15/2015	7,002,563.48	7,000,000.00	7,004,375.00	0.375
912828US7	717	460	T Note	03/24/2014	03/15/2016	6,995,241.73	7,000,000.00	7,007,112.00	0.375
912828VG2	718	460	T Note	03/24/2014	06/15/2016	6,994,666.96	7,000,000.00	7,011,487.00	0.500
912828A67	761	863	T Note	02/18/2015	12/31/2015	1,500,508.06	1,500,000.00	1,500,234.00	0.250
912828C40	762	863	T Note	02/18/2015	03/31/2016	1,501,523.87	1,500,000.00	1,501,407.00	0.375
912828WQ9	763	863	T Note	02/18/2015	06/30/2016	1,502,432.46	1,500,000.00	1,502,461.50	0.500
912828MZ0	686	000	T Note	08/29/2013	04/30/2015	2,504,357.33	2,500,000.00	2,504,687.50	2.500
912828TP5	689	000	T Note	09/24/2013	09/15/2015	2,498,869.03	2,500,000.00	2,501,172.50	0.250
912828VD9	690	000	T Note	09/24/2013	05/31/2015	2,499,933.20	2,500,000.00	2,500,195.00	0.250
912828PJ3	695	000	T Note	11/21/2013	11/30/2015	2,014,180.48	2,000,000.00	2,015,468.00	1.375

CUSIP	Investment #	Fund	Issuer	Purchase Date	Maturity Date	Book Value	Par Value	Market Value	Current Rate
912828UM0	698	000	T Note	01/21/2014	02/15/2016	2,499,062.58	2,500,000.00	2,502,540.00	0.375
912828SJ0	734	000	T Note	08/29/2014	02/28/2017	3,008,811.18	3,000,000.00	3,018,984.00	0.875
912828SJ0	734A	000	T Note	08/29/2014	02/28/2017	2,507,342.65	2,500,000.00	2,515,820.00	0.875
912828F88	736	000	T Note	11/21/2014	10/31/2016	4,989,169.23	5,000,000.00	4,993,750.00	0.375
912828WX4	737	000	T Note	11/21/2014	07/31/2016	5,007,289.24	5,000,000.00	5,008,205.00	0.500
524488B	730	000	Union State Bank	06/04/2014	06/04/2015	245,000.00	245,000.00	245,000.00	0.350
1017592447A	764	000	Union State Bank CDARS	02/26/2015	02/25/2016	2,500,000.00	2,500,000.00	2,500,000.00	0.400
1017592447B	764A	000	Union State Bank CDARS	02/26/2015	02/25/2016	2,500,000.00	2,500,000.00	2,500,000.00	0.400
1016638621	727	000	Union State Bank CDARS	05/15/2014	06/14/2015	2,000,772.73	2,000,772.73	2,000,772.73	0.300
1016918675	735	000	Union State Bank CDARS	08/07/2014	08/06/2015	2,000,000.00	2,000,000.00	2,000,000.00	0.260
					Sub-Total:	255,422,081.48	255,100,772.73	255,649,513.35	
TXPL0005	TXPL170	170	TexPool	04/01/2013		11,212,945.25	11,212,945.25	11,212,945.25	0.048
6976	601	210	JPM Chase Bank	04/01/2013		7,525.53	7,525.53	7,525.53	
TXPL00011	722	460	TexPool	03/06/2014		25,976,749.81	25,976,749.81	25,976,749.81	0.048
8664004275	723	460	East West Bank MM 3 Check	03/31/2014		15,016,019.61	15,016,019.61	15,016,019.61	0.150
TXPL0007	TXPL591	591	TexPool	04/01/2013		837,598.16	837,598.16	837,598.16	0.048
TXPL0009	TXPL602	602	TexPool	04/01/2013		5,091,964.75	5,091,964.75	5,091,964.75	0.048
TXSTAR1	TXSTAR604	000	TexStar	04/01/2013		5,178,231.14	5,178,231.14	5,178,231.14	0.060
TXPL0003	TXPL100	000	TexPool	04/01/2013		43,867,795.99	43,867,795.99	43,867,795.99	0.048
1386	602	000	JPM Chase Bank	04/01/2013		2,876,434.34	2,876,434.34	2,876,434.34	
					Sub-Total:	110,065,264.58	110,065,264.58	110,065,264.58	
					Totals:	365,487,346.06	365,166,037.31	365,714,777.93	