Quarterly Investment Report

Ending September 30, 2015

City of Round Rock, Texas

Quarterly Investment Report
June 30, 2015 – September 30, 2015
Portfolio Summary Management Report

Portfolio as of June 30, 2015		*Portfolio as of September 30, 2015*	
Beginning Book Value	$ 365,523,506	Ending Book Value	$ 340,380,131
Beginning Market Value	$ 365,740,166	Ending Market Value	$ 340,644,028
Beginning Par Value	$ 365,054,214	Ending Par Value	$ 340,009,195
		Total Int. Earned for the Quarter	**$ 326,974**
		Unrealized Gains/Losses	**$ 263,897**
WAM at Beginning Period Date[1]	241 days	WAM at Ending Period Date[1]	248 days
		Change in Market Value[2]	**$ (25,096,138)**

Average Yield to Maturity for period	**0.386%**
Average Yield 180-day T-Bill for period	**0.170%**
Average Yield 1-year T-Note for period	**0.350%**

Prepared by:

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

City of Round Rock
Elaine Wilson, Accounting Manager

City of Round Rock
Joan Sharp, Treasury Accountant

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

11/3/15
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.

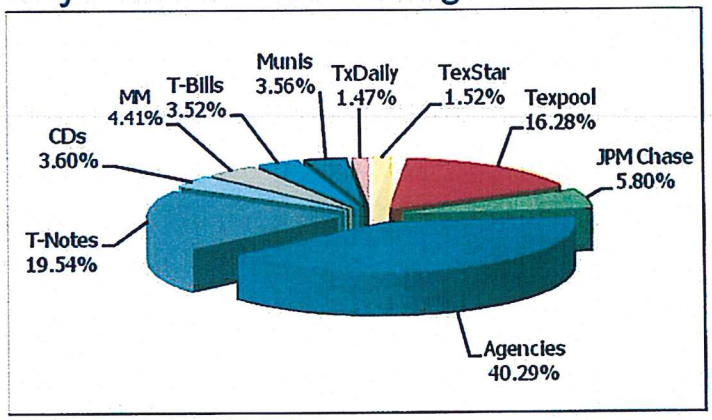
City Portfolio

As of September 30, 2015

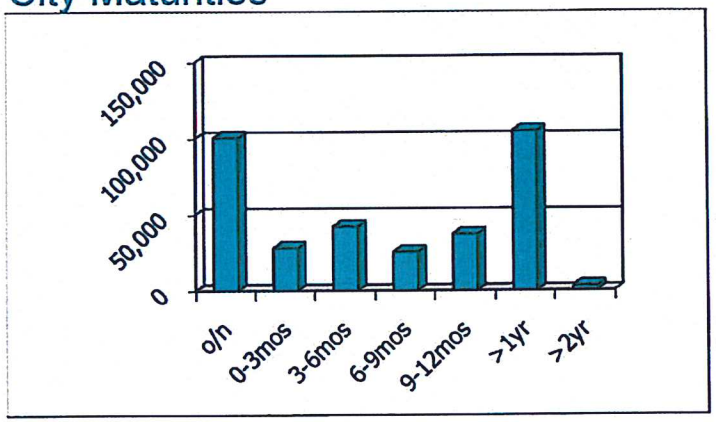
ROUND ROCK TEXAS
FINANCE

- 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 as we struggle to find value with a flat yield curve which provides little value under six months.
- The non-cash portion of your portfolio is yielding 0.55%.

City Allocation Percentages



City Maturities

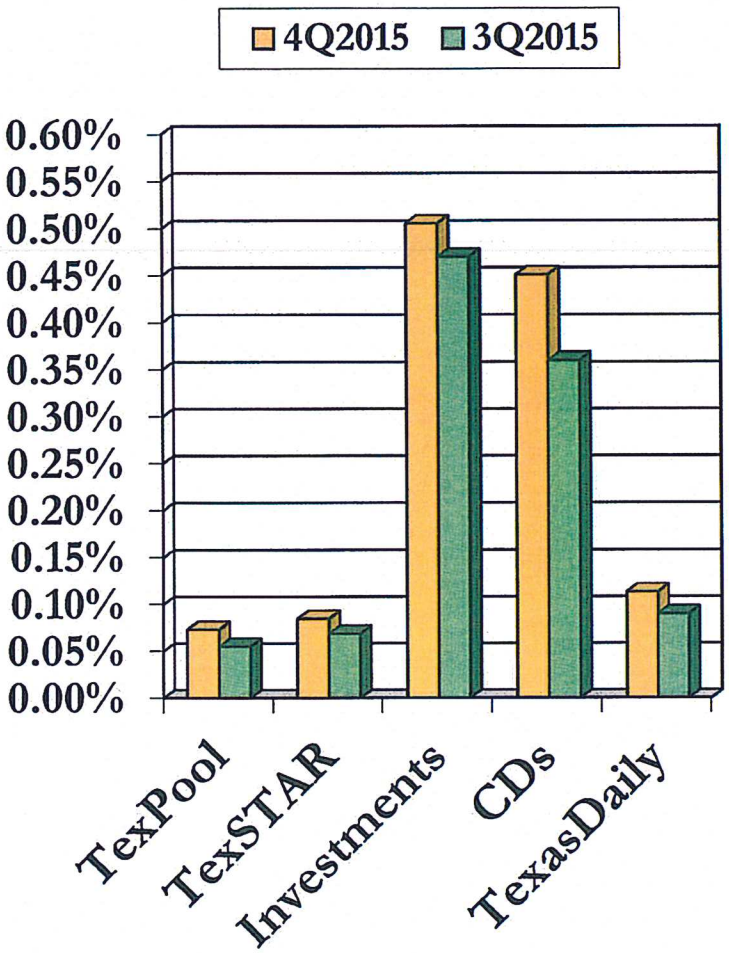


City of Round Rock
Significant Changes to Portfolio
For Quarter Ending September 30, 2015

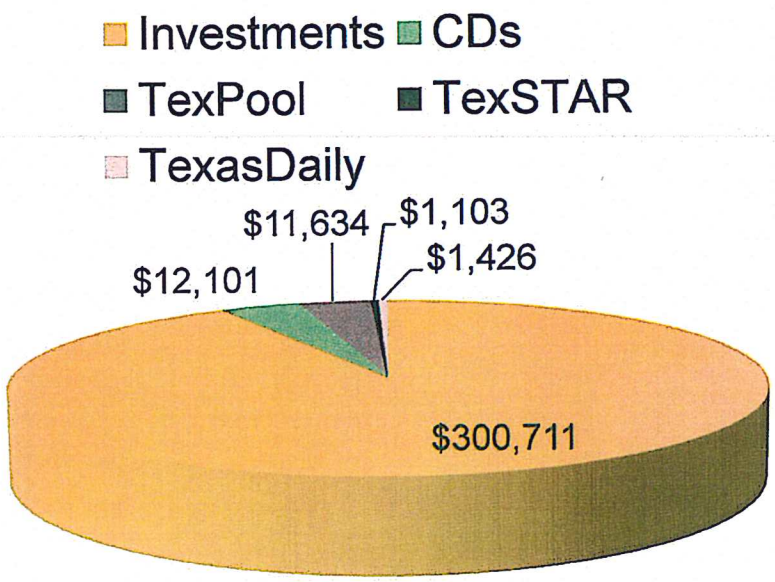
ROUND ROCK TEXAS
FINANCE

- The City wired out approximately $20,000,000 in bond payments in August, which accounts for the significant overall drop in the portfolio this quarter.
- The City increased its certificate of deposit investments by $3,000,000 this quarter.
- The City purchased 9 investment securities for $36,000,000 this quarter.
- The City had 15 investment securities mature during the quarter totaling $39,500,000.

Quarterly Average Yields
(Quarter Over Quarter)

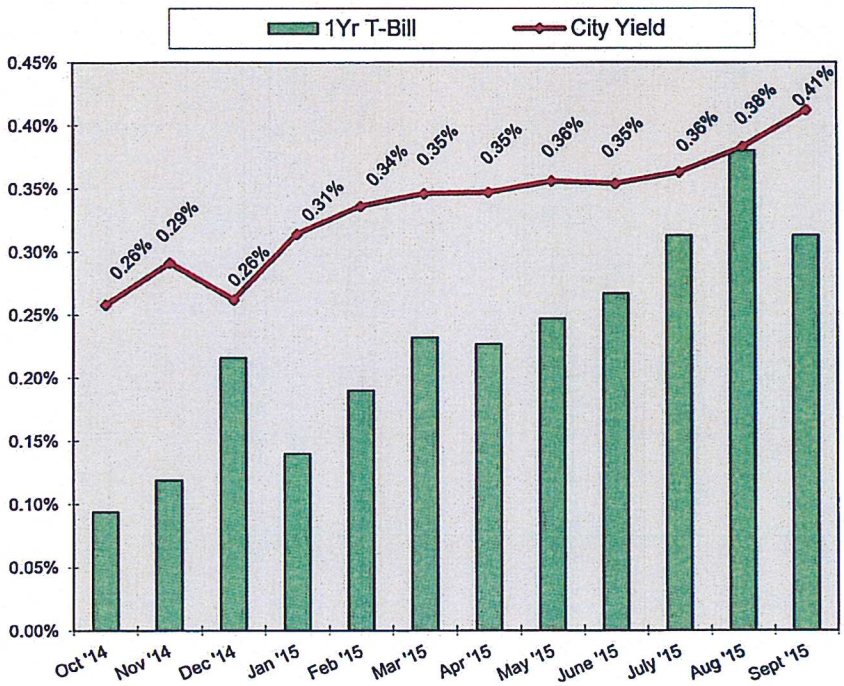


4th Quarter Interest Earned

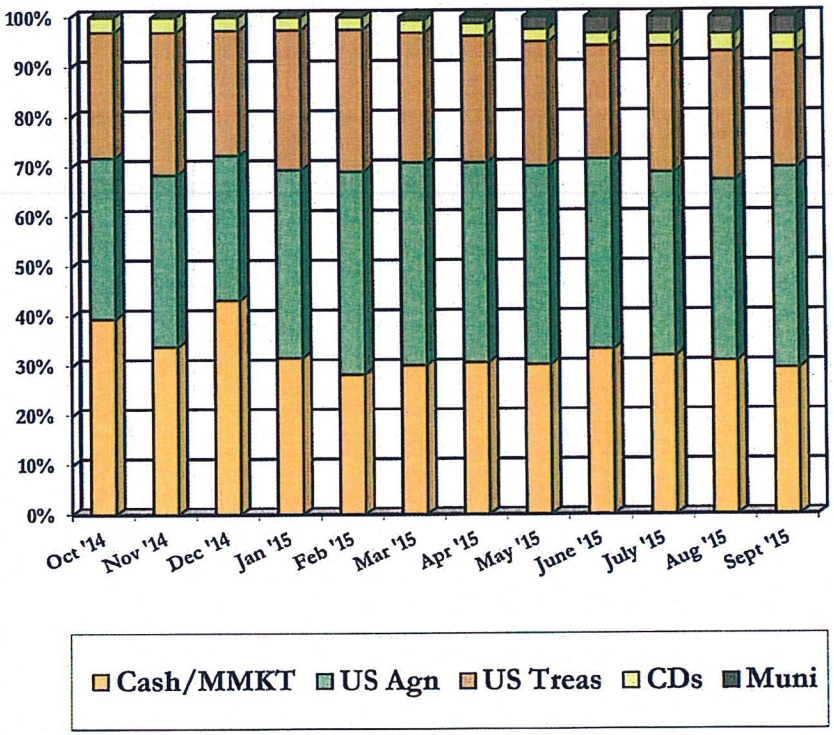


4th Qtr 2015 Total Interest:
$326,974

Investment Yield and Benchmark Comparison



Cash and Investments



PATTERSON & ASSOCIATES

INVESTMENT PROFESSIONALS

City of Round Rock, Texas
Summary by Type
September 30, 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	518,914.08	518,914.08	0.15	0.085	1
Subtotal	**1**	**518,914.08**	**518,914.08**	**0.15**	**0.085**	**1**
Fund: I&S Debt Service						
JPM Chase Bank	1	3,905.53	3,905.53	0.00	0.000	1
Subtotal	**1**	**3,905.53**	**3,905.53**	**0.00**	**0.000**	**1**
Fund: Bond Fund						
Money Market	1	10,022,433.47	10,022,433.47	2.94	0.150	1
Treasury Coupon Securities	6	42,000,000.00	41,988,495.06	12.34	0.563	306
TexPool	1	19,164,714.43	19,164,714.43	5.63	0.085	1
Subtotal	**8**	**71,187,147.90**	**71,175,642.96**	**20.91**	**0.376**	**181**
Fund: CO Bond Fund						
Money Market	1	5,004,882.58	5,004,882.58	1.47	0.150	1
Treasury Discounts -Amortizing	6	12,000,000.00	11,994,596.39	3.52	0.170	89
Subtotal	**7**	**17,004,882.58**	**16,999,478.97**	**4.99**	**0.164**	**63**
Fund: Reserves Fund						
TexPool	1	806,858.09	806,858.09	0.24	0.085	1
Subtotal	**1**	**806,858.09**	**806,858.09**	**0.24**	**0.085**	**1**
Fund: I&S Revenue Bonds						
TexPool	1	1,444,602.28	1,444,602.28	0.42	0.085	1
Subtotal	**1**	**1,444,602.28**	**1,444,602.28**	**0.42**	**0.085**	**1**
Fund: Drainage Utility Revenue Bond						
Treasury Coupon Securities	3	4,500,000.00	4,502,384.86	1.32	0.282	182
Subtotal	**3**	**4,500,000.00**	**4,502,384.86**	**1.32**	**0.282**	**182**

City of Round Rock, Texas
Summary by Type
September 30, 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	8	11,910,000.00	12,128,220.35	3.56	0.693	496
Federal Agency Coupon Securities	37	137,000,000.00	137,155,072.04	40.29	0.588	392
JPM Chase Bank	1	19,735,360.11	19,735,360.11	5.80	0.000	1
Treasury Coupon Securities	6	20,000,000.00	20,012,167.33	5.88	0.507	340
TexasDAILY	1	5,002,350.75	5,002,350.75	1.47	0.130	1
TexPool	1	33,469,953.00	33,469,953.00	9.83	0.085	1
TexStar	1	5,180,221.06	5,180,221.06	1.52	0.099	1
Certificates of Deposit - Bank	3	5,245,000.00	5,245,000.00	1.54	0.401	160
CD's - Interest Paid Quarterly	2	7,000,000.00	7,000,000.00	2.06	0.556	289
Subtotal	**60**	**244,542,884.92**	**244,928,344.64**	**71.95**	**0.446**	**284**
Total and Average	**82**	**340,009,195.38**	**340,380,131.41**	**100.00**	**0.412**	**248**

City of Round Rock
Portfolio Valuation Comparison Report
July 1, 2015 - September 30, 2015

Investment Type			Par Value	Book Value	Market Value
Local Government Pools	Beginning Value	06/30/15	91,466,597.46	91,466,597.46	91,466,597.46
	Net Change		-25,878,983.77	-25,878,983.77	-25,878,983.77
	Ending Value	09/30/15	65,587,613.69	65,587,613.69	65,587,613.69
Bank Deposits/Money Markets	Beginning Value	06/30/15	30,432,616.95	30,432,616.95	30,432,616.95
	Net Change		4,333,964.74	4,333,964.74	4,333,964.74
	Ending Value	09/30/15	34,766,581.69	34,766,581.69	34,766,581.69
Investments	Beginning Value	06/30/15	233,910,000.00	234,379,291.48	234,595,951.25
	Net Change		-6,500,000.00	-6,598,355.45	-6,551,118.85
	Ending Value	09/30/15	227,410,000.00	227,780,936.03	228,044,832.40
Bank Certificates of Deposit	Beginning Value	06/30/15	9,245,000.00	9,245,000.00	9,245,000.00
	Net Change		3,000,000.00	3,000,000.00	3,000,000.00
	Ending Value	09/30/15	12,245,000.00	12,245,000.00	12,245,000.00
Total	Beginning Value	06/30/15	365,054,214.41	365,523,505.89	365,740,165.66
	Net Change		-25,045,019.03	-25,143,374.48	-25,096,137.88
	Ending Value	09/30/15	340,009,195.38	340,380,131.41	340,644,027.78

City of Round Rock, Texas

Investments by Asset Type

September 30, 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	501559.54	500000.00	501550.00	1.100
041796MD2	778	000	Arlington TX	06/17/2015	08/15/2017	3092185.53	3000000.00	3107040.00	2.500
163597HP5	766	000	Chemeketa OR CCD	03/10/2015	06/15/2016	305395.96	300000.00	305805.00	3.000
185486LN5	768	000	Cleburne ISD TX	03/10/2015	02/15/2016	1026630.00	1020000.00	1025773.20	2.000
222057GH8	774	000	Cotulla ISD TX	05/21/2015	02/15/2016	1106861.92	1100000.00	1107546.00	2.000
560211MS0	765	000	Mahtomedi ISD MN	03/03/2015	02/01/2017	530748.62	535000.00	530709.30	
581664DK2	771	000	McKinney ISD TX	04/07/2015	02/15/2017	2332727.08	2290000.00	2331769.60	2.000
899616GP5	775	000	Tulsa County ISD OK	05/28/2015	05/01/2017	3232111.70	3165000.00	3220767.30	2.000
31315PUT4	728	000	FAMCA Note	06/20/2014	04/04/2016	1999283.91	2000000.00	2001250.00	0.425
3133ED7L0	696	000	FFCB Note	11/21/2013	11/13/2015	2499960.49	2500000.00	2500400.00	0.330
3133EDCU4	701	000	FFCB Note	01/21/2014	12/30/2015	2499774.00	2500000.00	2500047.50	0.360
3133EDCU4	701A	000	FFCB Note	01/21/2014	12/30/2015	2499774.00	2500000.00	2500047.50	0.360
3133ED6D9	704	000	FFCB Note	02/27/2014	05/04/2016	2501008.16	2500000.00	2501642.50	0.500
3133EDNS7	733	000	FFCB Note	07/31/2014	06/20/2016	2498604.87	2500000.00	2500415.00	0.450
3133EDNS7	733A	000	FFCB Note	07/31/2014	06/20/2016	2498604.87	2500000.00	2500415.00	0.450
3133EEFM7	750	000	FFCB Note	01/29/2015	10/14/2016	5003548.05	5000000.00	5010335.00	0.580
3133EEWN6	770	000	FFCB Note	04/06/2015	04/06/2017	5998365.00	6000000.00	6010122.00	0.700
3133EFBA4	783	000	FFCB Note	09/08/2015	05/01/2017	1998442.83	2000000.00	1999540.00	0.650
3133EFBS5	785	000	FFCB Note	09/08/2015	07/03/2017	4993914.47	5000000.00	5001485.00	0.680
3130A13C0	702	000	FHLB Note	02/25/2014	02/25/2016	3000000.00	3000000.00	3003141.00	0.350
313370TW8	738	000	FHLB Note	11/21/2014	09/09/2016	5067808.64	5000000.00	5073660.00	2.000
3130A3HG2	740	000	FHLB Note	12/04/2014	11/18/2016	5002523.52	5000000.00	5009870.00	0.625
313371PV2	752	000	FHLB Note	01/29/2015	12/09/2016	5060686.57	5000000.00	5064975.00	1.625
3130A2QQ2	757	000	FHLB Note	02/17/2015	01/25/2016	5000583.49	5000000.00	5004075.00	0.340
3130A46U1	758	000	FHLB Note	02/17/2015	02/13/2017	4999656.42	5000000.00	5015555.00	0.720
3130A4BZ4	760	000	FHLB Note	02/18/2015	02/18/2016	5000114.17	5000000.00	5000605.00	0.330
3130A4QQ8	769	000	FHLB Note	03/30/2015	03/24/2017	6003717.56	6000000.00	6016074.00	0.750
3130A6AJ6	784	000	FHLB Note	09/08/2015	06/15/2017	5001694.04	5000000.00	5009905.00	0.750
3130A5KH1	786	000	FHLB Note	09/08/2015	09/28/2017	5008865.61	5000000.00	5013465.00	0.900
3134G4S90	697	000	FHLMC Call Note	12/30/2013	12/30/2016	2000000.00	2000000.00	2002330.00	0.800
3134G4S90	697A	000	FHLMC Call Note	12/30/2013	12/30/2016	2000000.00	2000000.00	2002330.00	0.800
3134G4TD0	699	000	FHLMC Call Note	01/27/2014	01/27/2017	2500000.00	2500000.00	2505280.00	0.875

CUSIP	Investment #	Fund	Issuer	Purchase Date	Maturity Date	Book Value	Par Value	Market Value	Current Rate
3137EADQ9	720	000	FHLMC Note	03/27/2014	05/13/2016	2499637.73	2500000.00	2502665.00	0.500
3134G5RS6	751	000	FHLMC Note	01/29/2015	11/28/2016	5002499.47	5000000.00	5009415.00	0.600
3137EADU0	753	000	FHLMC Note	01/29/2015	01/27/2017	4493436.77	4500000.00	4499136.00	0.500
3134G7ND9	781	000	FHLMC Sep Note	08/20/2015	08/20/2018	3000000.00	3000000.00	3002052.00	0.750
3135G0QB2	693	000	FNMA Note	11/01/2013	10/22/2015	2000164.93	2000000.00	2000476.00	0.500
31398A4M1	694	000	FNMA Note	11/21/2013	10/26/2015	2001832.37	2000000.00	2001996.00	1.625
3135G0VA8	705	000	FNMA Note	02/27/2014	03/30/2016	2501421.98	2500000.00	2503215.00	0.500
3133EDEC2	706	000	FNMA Note	02/27/2014	04/28/2016	2502140.24	2500000.00	2504045.00	0.550
3135G0VA8	721	000	FNMA Note	03/27/2014	03/30/2016	2500247.58	2500000.00	2503215.00	0.500
3135G0YE7	739	000	FNMA Note	11/21/2014	08/26/2016	5006372.05	5000000.00	5008435.00	0.625
3135G0YE7	748	000	FNMA Note	01/29/2015	08/26/2016	5009314.37	5000000.00	5008435.00	0.625
3130A2T97	749	000	FNMA Note	01/29/2015	09/28/2016	5000983.39	5000000.00	5003810.00	0.500
3135G0MZ3	759	000	FNMA Note	02/17/2015	08/28/2017	5000090.49	5000000.00	5006930.00	0.875
912796FB0	744	461	T Bill	01/13/2015	10/15/2015	1999902.78	2000000.00	2000040.00	
912796FG9	745	461	T Bill	01/13/2015	11/12/2015	1999650.00	2000000.00	2000030.00	
912796FN4	746	461	T Bill	01/13/2015	12/10/2015	1999377.78	2000000.00	2000140.00	
912796FP9	747	461	T Bill	01/13/2015	01/07/2016	1998897.50	2000000.00	1999966.00	
912796FV6	780	461	T Bill	07/30/2015	02/04/2016	1999195.00	2000000.00	1999868.00	
912796GD5	787	461	T Bill	09/08/2015	03/31/2016	1997573.33	2000000.00	1999242.00	
912828UC2	712	460	T Note	03/24/2014	15/15/2015	6998309.97	7000000.00	7002737.00	0.250
912828A59	713	460	T Note	03/24/2014	12/15/2016	6986453.74	7000000.00	7014763.00	0.625
912828VW7	715	460	T Note	03/24/2014	09/15/2016	7013415.34	7000000.00	7032627.00	0.875
912828US7	717	460	T Note	03/24/2014	03/15/2016	6997736.76	7000000.00	7007021.00	0.375
912828VG2	718	460	T Note	03/24/2014	06/15/2016	6996879.99	7000000.00	7012215.00	0.500
912828J92	779	460	T Note	07/14/2015	12/31/2015	6995699.26	7000000.00	6998817.00	0.500
912828A67	761	863	T Note	02/18/2015	03/31/2016	1500168.74	1500000.00	1500489.00	0.250
912828C40	762	863	T Note	02/18/2015	06/30/2016	1500759.85	1500000.00	1501465.50	0.375
912828WQ9	763	863	T Note	02/18/2015	11/21/2013	1501456.27	1500000.00	1502578.50	0.500
912828PJ3	695	000	T Note	11/21/2013	01/21/2014	2003501.35	2000000.00	2004180.00	1.375
912828UM0	698	000	T Note	01/21/2014	02/15/2016	2499598.67	2500000.00	2502572.50	0.375
912828SJ0	734	000	T Note	08/29/2014	02/28/2017	3006504.39	3000000.00	3015546.00	0.875
912828SJ0	734A	000	T Note	08/29/2014	02/28/2017	2505420.33	2500000.00	2512955.00	0.875
912828F88	736	000	T Note	11/21/2014	10/31/2016	4992592.43	5000000.00	4998895.00	0.375
912828WX4	737	000	T Note	11/21/2014	07/31/2016	5004550.16	5000000.00	5006935.00	0.500

CUSIP	Investment #	Fund	Issuer	Purchase Date	Maturity Date	Book Value	Par Value	Market Value	Current Rate
1017592447A	764	000	Union State Bank CDARS	02/26/2015	02/25/2016	2500000.00	2500000.00	2500000.00	0.400
1017592447B	764A	000	Union State Bank CDARS	02/26/2015	02/25/2016	2500000.00	2500000.00	2500000.00	0.400
524488C	777	000	Union State Bank CDARS	06/04/2015	12/04/2016	245000.00	245000.00	245000.00	0.421
1017849324	776	000	Union State Bank CDARS	05/14/2015	05/12/2016	2000000.00	2000000.00	2000000.00	0.450
1018148028	782	000	Union State Bank CDARS	08/13/2015	08/13/2015	5000000.00	5000000.00	5000000.00	0.598
					Sub-total:	240,025,936.03	239,655,000.00	240,289,832.40	
TXPL0005	TXPL170	170	TexPool	04/01/2013		518914.08	518914.08	518914.08	0.085
6976	601	210	JPM Chase Bank	04/01/2013		3905.53	3905.53	3905.53	
TXPL00011	722	460	TexPool	03/06/2014		19164714.43	19164714.43	19164714.43	0.085
8664004275	723	460	East West Bank MM 3 Check	03/31/2014		10022433.47	10022433.47	10022433.47	0.150
8664004275A	773	461	East West Bank MM 3 Check	02/13/2015		5004882.58	5004882.58	5004882.58	0.150
TXPL0007	TXPL591	591	TexPool	04/01/2013		806858.09	806858.09	806858.09	0.085
TXPL0009	TXPL602	602	TexPool	04/01/2013		1444602.28	1444602.28	1444602.28	0.085
1246-00	772	000	TexasDAILY	04/16/2015		5002350.75	5002350.75	5002350.75	0.130
TXSTAR1	TXSTAR604	000	TexStar	04/01/2013		5180221.06	5180221.06	5180221.06	0.099
TXPL0003	TXPL100	000	TexPool	04/01/2013		33469953.00	33469953.00	33469953.00	0.085
1386	602	000	JPM Chase Bank	04/01/2013		19735360.11	19735360.11	19735360.11	
					Sub-total:	100,354,195.38	100,354,195.38	100,354,195.38	
					Total:	340,380,131.41	340,009,195.38	340,644,027.78	