Federal Reserve maintains interest rates

2-year Treasury ↓ from 0.77% to 0.58%

June. Unemployment Rate: 4.90%

DOW/S&P ↑ 2-3% from Dec. 2015
Portfolio Overview 06/30/16

- Market Value: $235.3 million
- Book Value: $235.0 million
- 365-Day Yield: 1.17%
Portfolio Composition 06/30/16

Investments By Type:

- Corporate Bonds: 16%
- LAIF: 24%
- Federal Agencies: 60%
Book Value by Month 06/30/16

Historical Book Value:

$ in millions

$235.0MM

Current Agency Holdings 06/30/16

- Federal Agency Holdings:
  - Federal Home Loan Bank
  - Federal National Mortgage Association (Fannie Mae)
  - Federal Farm Credit Bank
  - Federal Home Loan Mortgage Corp. (Freddie Mac)
Agency Structure 06/30/16

Federal Agency Structures:
(As a % of Total Portfolio/Book Value)

- Bullet 11%
- Callable 36%
- Step Up 13%
Corporate Holdings 06/30/16

Select Corporate Bond Issuers:

- Apple Inc.
- Caterpillar Financial Corp.
- GE Capital Corp.
- Coca Cola Co.
- Merck & Co Inc.
- Oracle Corp.
## Portfolio Earnings

### Quarter ending 06/30/16:

<table>
<thead>
<tr>
<th></th>
<th>Month End 6/30/16:</th>
<th>FYTD 15/16:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Earnings:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Year</td>
<td>$207.4</td>
<td>$1,693.9</td>
</tr>
<tr>
<td>Current Budget</td>
<td>$110.0</td>
<td>$990.0</td>
</tr>
<tr>
<td>Last Year Actual</td>
<td>$180.1</td>
<td>$1,443.9</td>
</tr>
<tr>
<td><strong>Effective Rate of Return</strong></td>
<td>1.10%</td>
<td>1.12%</td>
</tr>
<tr>
<td><em>versus benchmark:</em></td>
<td></td>
<td>0.58%</td>
</tr>
</tbody>
</table>
Conclusion

- City Portfolio remains within compliance with all governmental regulations and the City’s Investment Policy
Thank you