

# City of Winter Springs, Florida



## Investment Performance Review Quarter Ended March 31, 2016

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- Market Update

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- General City Account

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- Asset Allocation Chart
- Important Disclosures

# Tab I

## **Summary**

- Volatility ushered in the New Year, as slowing global growth drove investors out of riskier assets, such as equities and high-yield bonds, and into safe-haven securities such as U.S. government debt. Stocks posted one of their worst-ever starts to a year, with the S&P 500 falling more than 10% while commodity prices plunged. As a result, U.S. Treasury yields retraced nearly all of their fourth-quarter increases.
- Fear began to abate in February, spurring a rebound in stocks and commodities, which finished the quarter at or near 2016 highs. Interest rates rose off their February lows before giving back gains after the Federal Open Market Committee's (FOMC's) "dovish" March statement.
- The Federal Reserve (Fed) left policy rates unchanged in the 1st quarter. The FOMC lowered expectations for only two rate hikes in 2016, and acknowledged that global economic and financial market conditions posed a risk to its outlook.
- While the Fed embarks on a tightening path, other global central banks are still easing monetary policy. The European Central Bank expanded its bond purchase program to 80 billion euros per month, including the purchase of corporate bonds, while the Bank of Japan cut rates to -0.10%.

## **Economic Snapshot**

- U.S. gross domestic product (GDP) grew at a 1.4% rate in the fourth quarter of 2015 and 2.4% for all of 2015 as consumer spending continued to drive growth, while business investment and net exports were a drag. Preliminary estimates of growth in the first quarter are approximately 1%.
- The labor market remained strong, as employers added 628,000 net new jobs in the first three months of the year. The unemployment rate held around 5%, while the labor participation rate rose four months in a row.
- Inflationary pressures picked up in the first quarter as energy prices stabilized, home prices rose, and wages showed modest improvements. The personal consumption expenditure (PCE) price index, the Fed's most favored metric of inflation, rose 1.7% year-over-year ended February 29, 2016.

- Global commodity price declines deepened early in the year, as the supply-demand imbalance remained in focus. Domestic crude oil fell to less than \$30 a barrel in February, before staging a comeback and rebounding above \$40 a barrel on the possibility of an output freeze by the Organization of the Petroleum Exporting Countries (OPEC).
- The Chinese economy continued to slow, stoking concern that weakness in the world's second-largest economy may negatively impact global growth, but especially emerging market countries — those dependent on commodity exports.

### **Interest Rates**

- Interest rates declined in the first quarter, first due to widespread concern about the global economy and then later in the quarter after the Fed signaled a slower pace of rate increases. The two-year Treasury yield fell 33 basis points (0.33%) during the quarter, while the 10-year Treasury yield fell 50 basis points (0.50%).
- In the money market space, shorter Treasuries posted small declines, but short-term credit instruments, such as commercial paper and bank certificates of deposit (CDs) offered unusually wide yield spreads.

### **Sector Performance**

- U.S. Treasury indexes posted strong returns for the first quarter, as rate declines boosted market values. Longer maturity issues performed best.
- Non-callable federal agency securities performed generally in line with comparable-maturity Treasuries.
- Corporate yield spreads widened significantly through the middle of February amid energy-related weakness and declining corporate profits. Although corporates suffered sharp underperformance through January and much of February, spreads tightened dramatically in March, generating enough outperformance for the sector to surpass comparable-maturity Treasuries over the entire quarter.
- Mortgage-backed securities were the worst-performing sector in the quarter, underperforming Treasuries. They were hurt as declining interest rates increased anticipated pre-payments.

Economic Snapshot

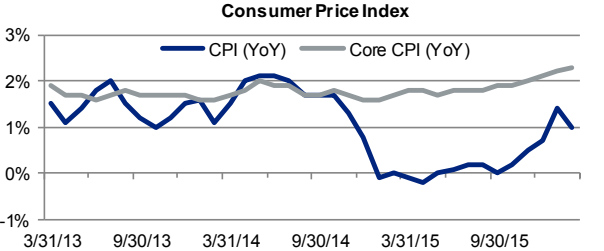
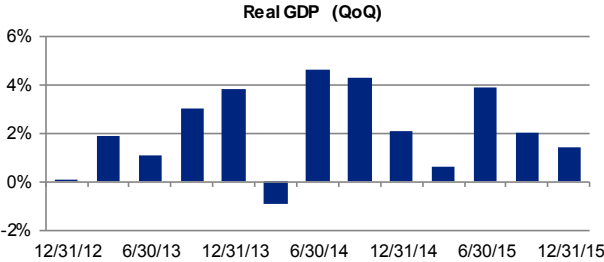
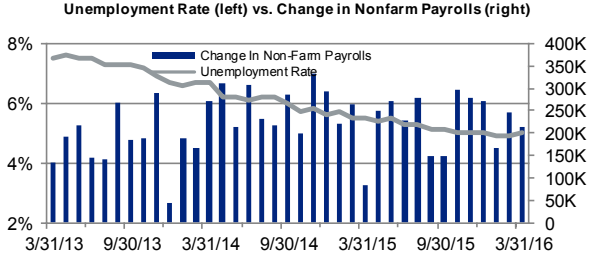
Labor Market	Latest	Dec 2015	Mar 2015	
Unemployment Rate	Mar'16	5.0%	5.0%	5.5%
Change In Non-Farm Payrolls	Mar'16	215,000	271,000	84,000
Average Hourly Earnings (YoY)	Mar'16	2.3%	2.6%	2.2%
Personal Income (YoY)	Feb'16	4.0%	3.9%	4.0%
Initial Jobless Claims (week)	3/26/16	276,000	285,000	268,000

Growth	Latest	Dec 2015	Mar 2015	
Real GDP (QoQ SAAR)	2015Q4	1.4%	2.0% <sup>1</sup>	2.1% <sup>2</sup>
GDP Personal Consumption (QoQ SAAR)	2015Q4	2.4%	3.0% <sup>1</sup>	4.3% <sup>2</sup>
Retail Sales (YoY)	Feb'16	3.1%	2.6%	2.1%
ISM Manufacturing Survey (month)	Mar'16	51.8	48.0	52.3
Existing Home Sales SAAR (month)	Feb'16	5.08 mil.	5.45 mil.	5.25 mil.

Inflation / Prices	Latest	Dec 2015	Mar 2015	
Personal Consumption Expenditures (YoY)	Feb'16	1.0%	0.7%	0.3%
Consumer Price Index (YoY)	Feb'16	1.0%	0.7%	-0.1%
Consumer Price Index Core (YoY)	Feb'16	2.3%	2.1%	1.8%
Crude Oil Futures (WTI, per barrel)	Mar 31	\$38.34	\$37.04	\$47.60
Gold Futures (oz.)	Mar 31	\$1,234	\$1,060	\$1,183



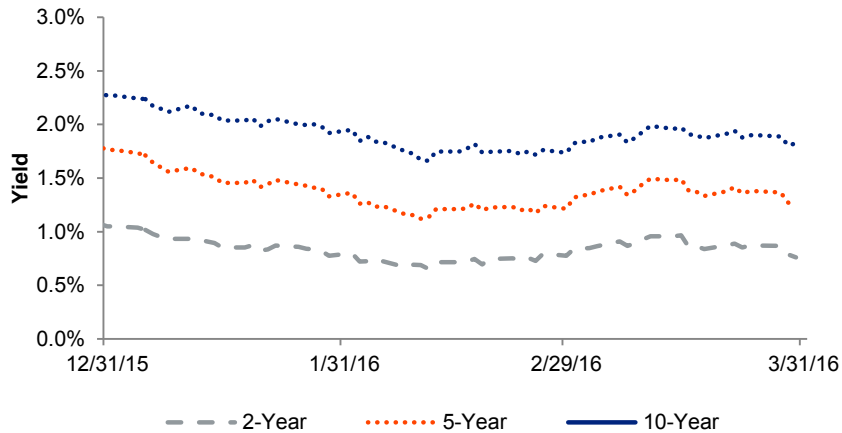
1. Data as of Third Quarter 2015

2. Data as of Fourth Quarter 2014

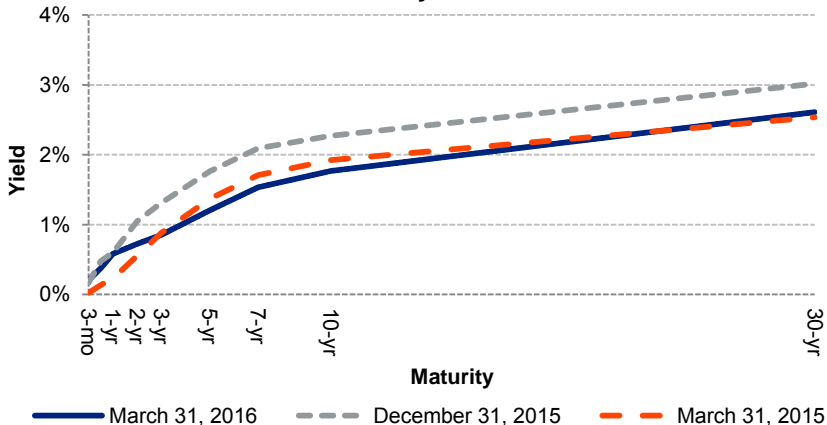
Note: YoY = year over year, QoQ = quarter over quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil

### Investment Rate Overview

U.S. Treasury Note Yields



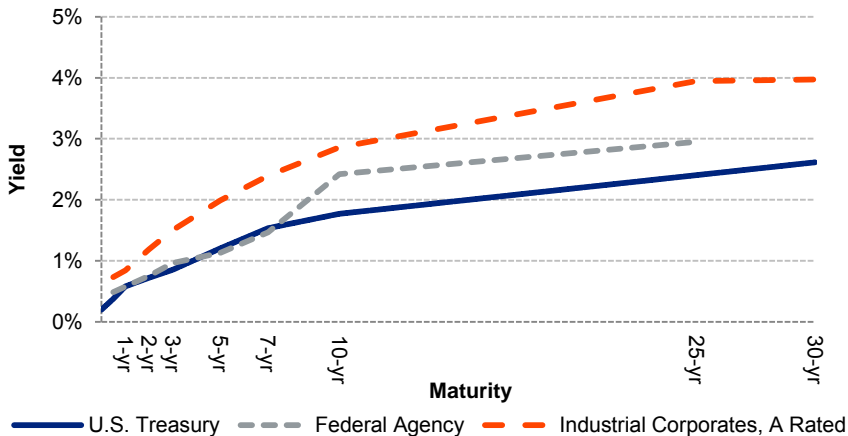
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	3/31/16	12/31/15	Change over Quarter	3/31/15	Change over Year
3-month	0.20%	0.17%	0.03%	0.02%	0.18%
1-year	0.58%	0.60%	(0.02%)	0.23%	0.35%
2-year	0.72%	1.05%	(0.33%)	0.56%	0.16%
5-year	1.21%	1.76%	(0.55%)	1.37%	(0.16%)
10-year	1.77%	2.27%	(0.50%)	1.92%	(0.15%)
30-year	2.61%	3.02%	(0.41%)	2.54%	0.07%

Yield Curves as of 3/31/2016



Source: Bloomberg

## BofA Merrill Lynch Index Returns

As of 3/31/2016

Returns for Periods ended 3/31/2016

	Duration	Yield	3 Month	1 Year	3 Years
<b>1-3 Year Indices</b>					
U.S. Treasury	1.89	0.75%	0.90%	0.92%	0.77%
Federal Agency	1.56	0.80%	0.86%	1.02%	0.86%
U.S. Corporates, A-AAA rated	1.95	1.52%	1.09%	1.48%	1.43%
Agency MBS (0 to 3 years)	2.13	1.41%	0.50%	1.77%	1.37%
Municipals	1.79	0.84%	0.51%	1.01%	0.87%
<b>1-5 Year Indices</b>					
U.S. Treasury	2.72	0.89%	1.57%	1.62%	1.14%
Federal Agency	2.06	0.91%	1.26%	1.43%	1.14%
U.S. Corporates, A-AAA rated	2.77	1.77%	1.70%	2.02%	1.97%
Agency MBS (0 to 5 years)	3.18	1.88%	1.47%	1.86%	2.19%
Municipals	2.46	1.00%	0.72%	1.58%	1.27%
<b>Master Indices (Maturities 1 Year or Greater)</b>					
U.S. Treasury	6.43	1.34%	3.35%	2.42%	2.30%
Federal Agency	3.65	1.26%	2.14%	1.86%	1.75%
U.S. Corporates, A-AAA rated	6.96	2.70%	3.67%	2.13%	3.26%
Agency MBS (0 to 30 years)	3.79	2.14%	1.95%	2.41%	2.68%
Municipals	6.77	2.05%	1.64%	4.12%	3.73%

Returns for periods greater than one year are annualized

Source: BofA Merrill Lynch Indices



**Disclosures**

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# Tab II

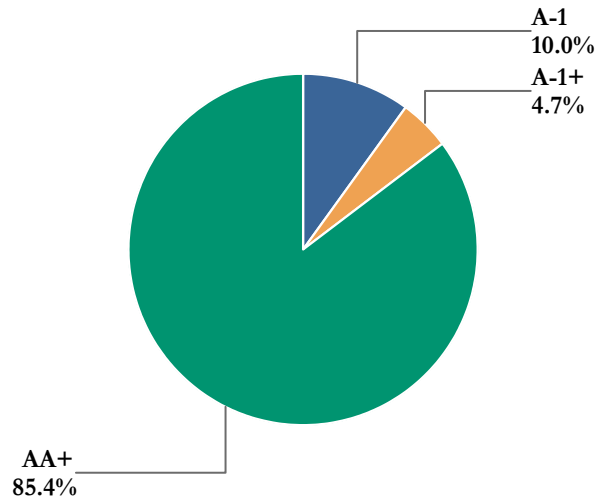
- The Portfolio is of high credit quality and invested in U.S. Treasury, Federal Agency, and commercial paper securities.
- The Portfolio's quarterly total return performance of 0.42% outperformed the Merrill Lynch 1 Year U.S. Treasury Note Index performance of 0.36% by 0.06%.
- We expect the U.S. economy to expand at a moderate pace in 2016 as consumer spending continues to drive positive growth. Outside the U.S., economic prospects are more challenged due to weak commodity prices, slowing growth in China, and various geopolitical risks. The market's concerns about the strength of the global economy will likely keep interest rates lower than previously expected.
- Economic projections released following the FOMC's March meeting indicated that FOMC participants believe that appropriate monetary policy warrants only two fed funds hikes in 2016, down from four hikes projected in December.
- Given the likelihood that rates will not move significantly higher in the near-term, we will position the maturity distribution of portfolios to generally match the distribution of their benchmarks, except where shifting to short-term credit securities offers better value.
- Because of narrowed yield spreads, federal agencies currently have less appeal relative to comparable-maturity U.S. Treasuries. We will monitor the yield relationship and take advantage of any opportunities that arise — opportunities are most likely to occur with newly-issued federal agency securities.
- PFM will continue to navigate the market environment with a keen focus on relative value sector analysis, prudent duration management, and efficient yield curve placement. While producing strong investment returns remains a priority, it is secondary to maintaining safety and liquidity, particularly in the current environment where we expect yields to trend higher.

**Portfolio Statistics**

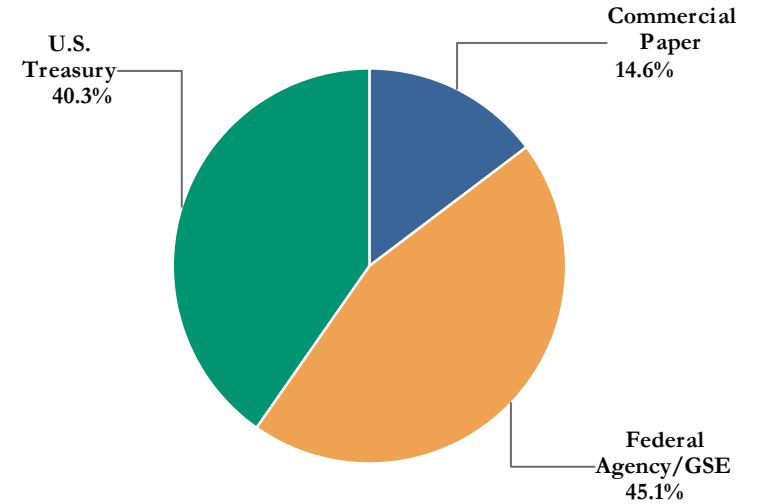
As of March 31, 2016

Par Value:	44,955,000
Total Market Value:	45,326,788
Market Value:	45,126,006
Accrued Interest:	55,637
Cash:	145,144
Amortized Cost:	45,101,554
Yield at Market:	0.64%
Yield at Cost:	0.70%
Effective Duration:	0.95 Years
Duration to Worst:	0.95 Years
Average Maturity:	0.96 Years
Average Credit (**):	AA

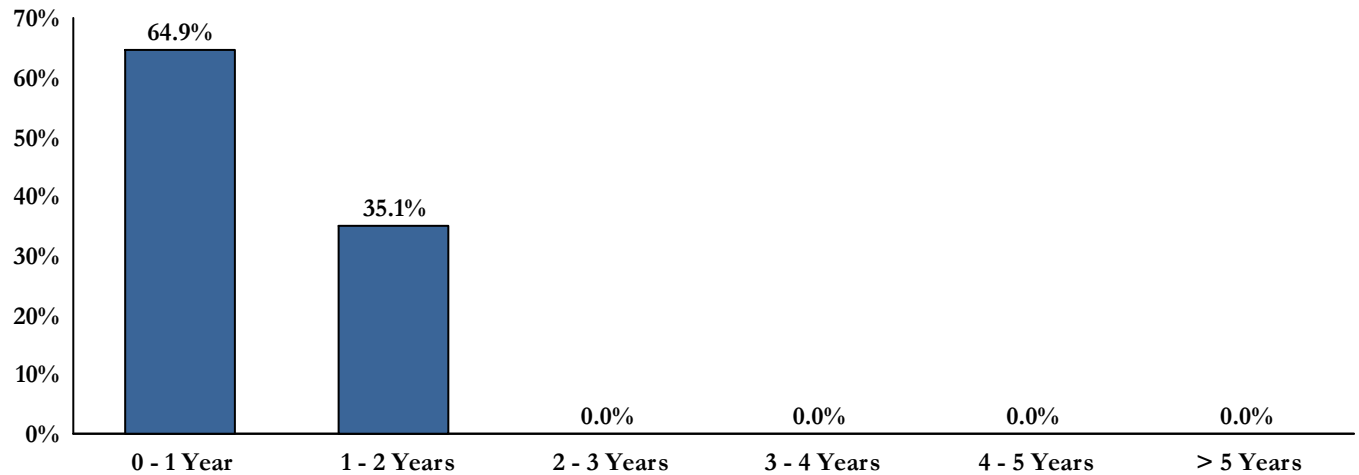
**Credit Quality (S&P Ratings)**



**Sector Allocation**



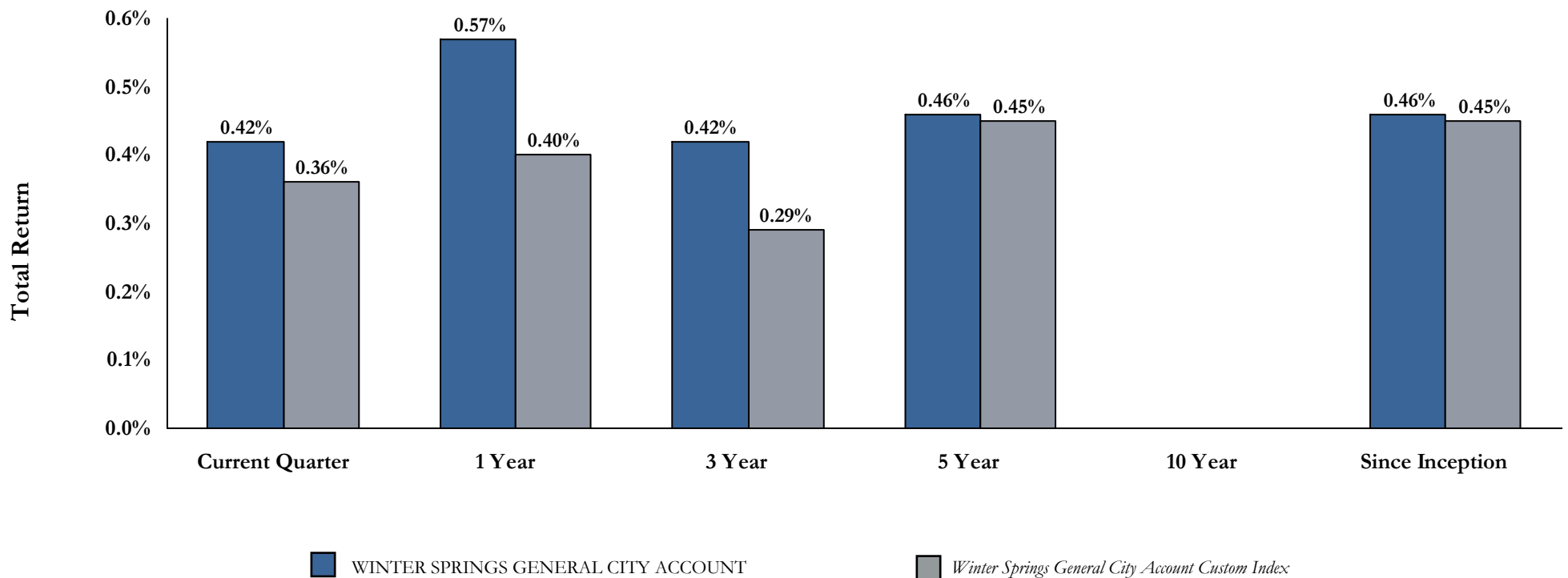
**Maturity Distribution**



\*\* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

**Portfolio Performance (Total Return)**

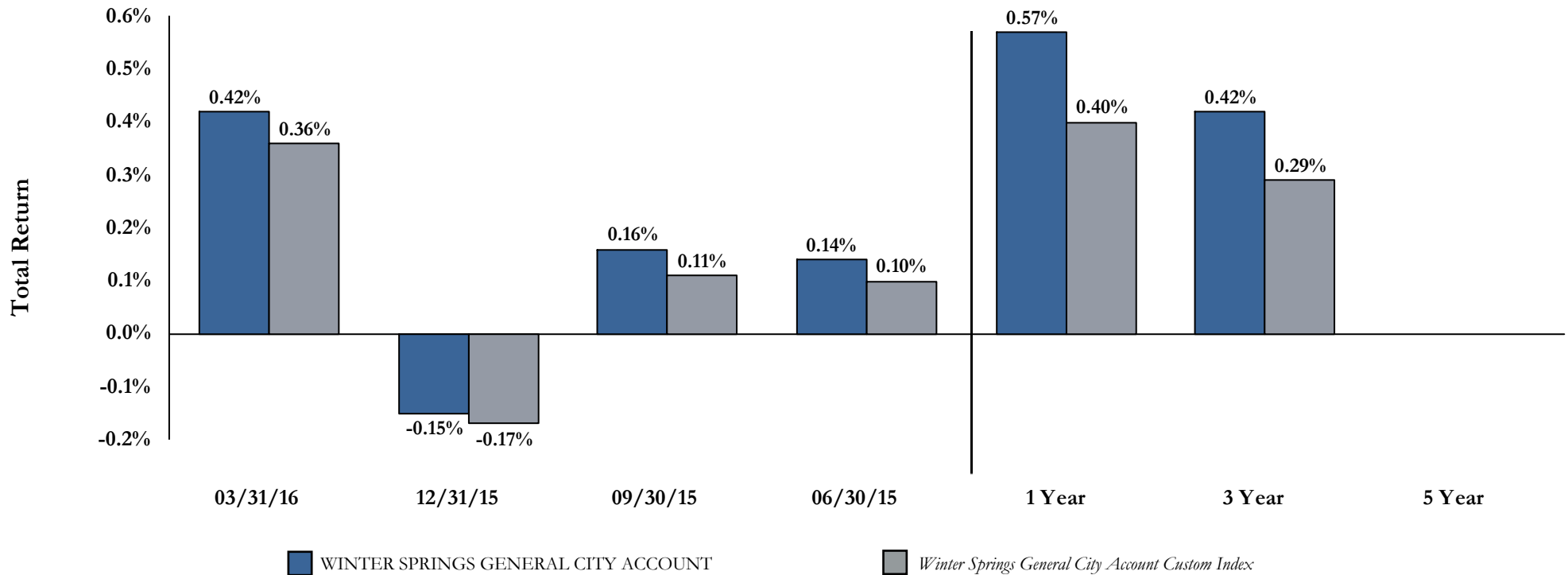
Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return			Since Inception (03/31/11)
				3 Year	5 Year	10 Year	
WINTER SPRINGS GENERAL CITY ACCOUNT	0.95	0.42%	0.57%	0.42%	0.46%	-	0.46%
<i>Winter Springs General City Account Custom Index</i>	0.91	0.36%	0.40%	0.29%	0.45%	-	0.45%
<b>Difference</b>		0.06%	0.17%	0.13%	0.01%	-	0.01%



Portfolio performance is gross of fees unless otherwise indicated.

Portfolio Performance (Total Return)

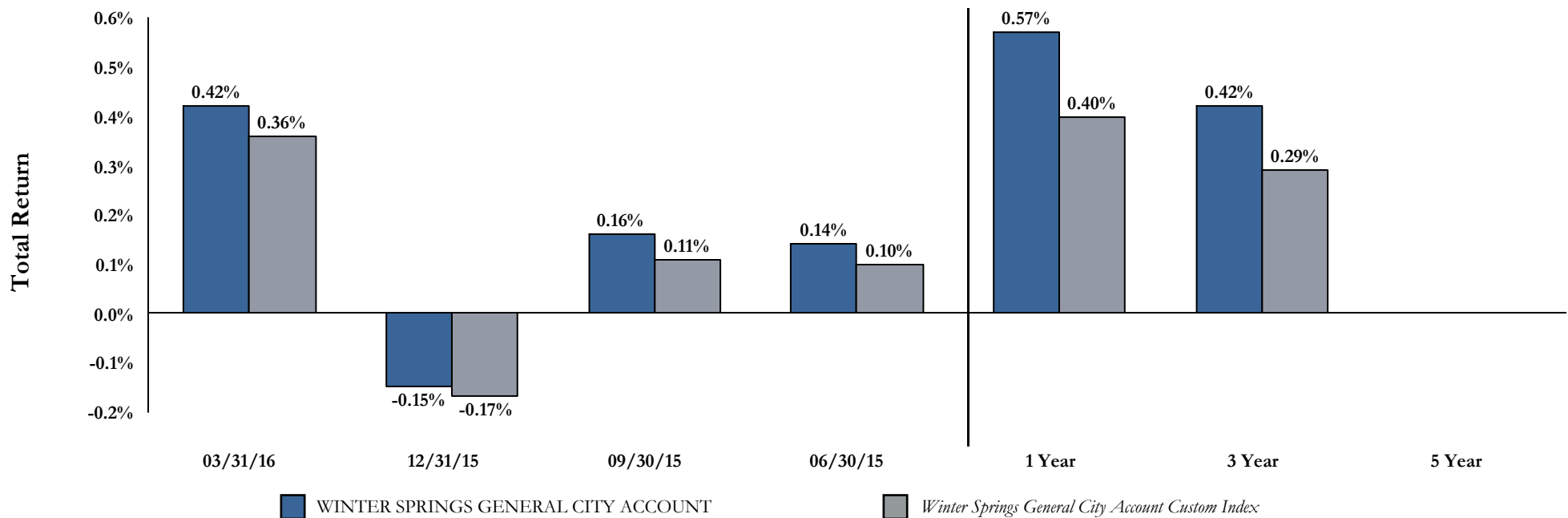
Portfolio/Benchmark	Effective Duration	Quarter Ended				1 Year	Annualized Return	
		03/31/16	12/31/15	09/30/15	06/30/15		3 Year	5 Year
<b>WINTER SPRINGS GENERAL CITY ACCOUNT</b>	0.95	0.42%	-0.15%	0.16%	0.14%	0.57%	0.42%	-
<i>Winter Springs General City Account Custom Index</i>	0.91	0.36%	-0.17%	0.11%	0.10%	0.40%	0.29%	-
<b>Difference</b>		0.06%	0.02%	0.05%	0.04%	0.17%	0.13%	-



Portfolio performance is gross of fees unless otherwise indicated.

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Quarter Ended				1 Year	Annualized Return	
		03/31/16	12/31/15	09/30/15	06/30/15		3 Year	5 Year
<b>WINTER SPRINGS GENERAL CITY ACCOUNT</b>	0.95	0.42%	-0.15%	0.16%	0.14%	0.57%	0.42%	-
<i>Net of Fees (**)</i>	0.95							-
<i>Winter Springs General City Account Custom Index</i>	0.91	0.36%	-0.17%	0.11%	0.10%	0.40%	0.29%	-
<b>Difference (Gross)</b>		0.06%	0.02%	0.05%	0.04%	0.17%	0.13%	-
<b>Difference (Net)</b>		-0.36%	0.17%	-0.11%	-0.10%	-0.40%	-0.29%	-



Portfolio performance is gross of fees unless otherwise indicated. \*\* Fees were calculated based on average assets during the period at the contractual rate.

**Portfolio Earnings**  
*Quarter-Ended March 31, 2016*

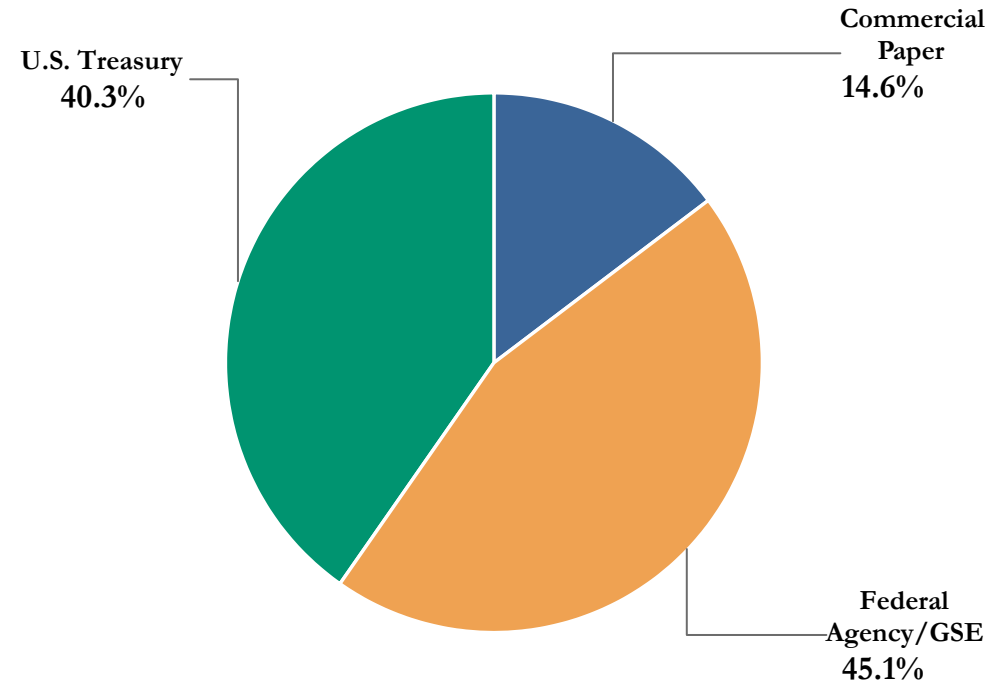
	<u>Market Value Basis</u>	<u>Accrual (Amortized Cost) Basis</u>
<b>Beginning Value (12/31/2015)</b>	\$44,922,138.44	\$45,013,206.96
<b>Net Purchases/Sales</b>	\$129,429.51	\$129,429.51
<b>Change in Value</b>	\$74,438.39	(\$41,082.30)
<b>Ending Value (03/31/2016)</b>	\$45,126,006.34	\$45,101,554.17
<b>Interest Earned</b>	\$114,910.27	\$114,910.27
<b>Portfolio Earnings</b>	\$189,348.66	\$73,827.97



**Sector Allocation**

*As of March 31, 2016*

Sector	Market Value (\$)	% of Portfolio
Federal Agency/GSE	20,356,872	45.1%
U.S. Treasury	18,175,198	40.3%
Commercial Paper	6,593,936	14.6%
<b>Total</b>	<b>45,126,006</b>	<b>100.0%</b>

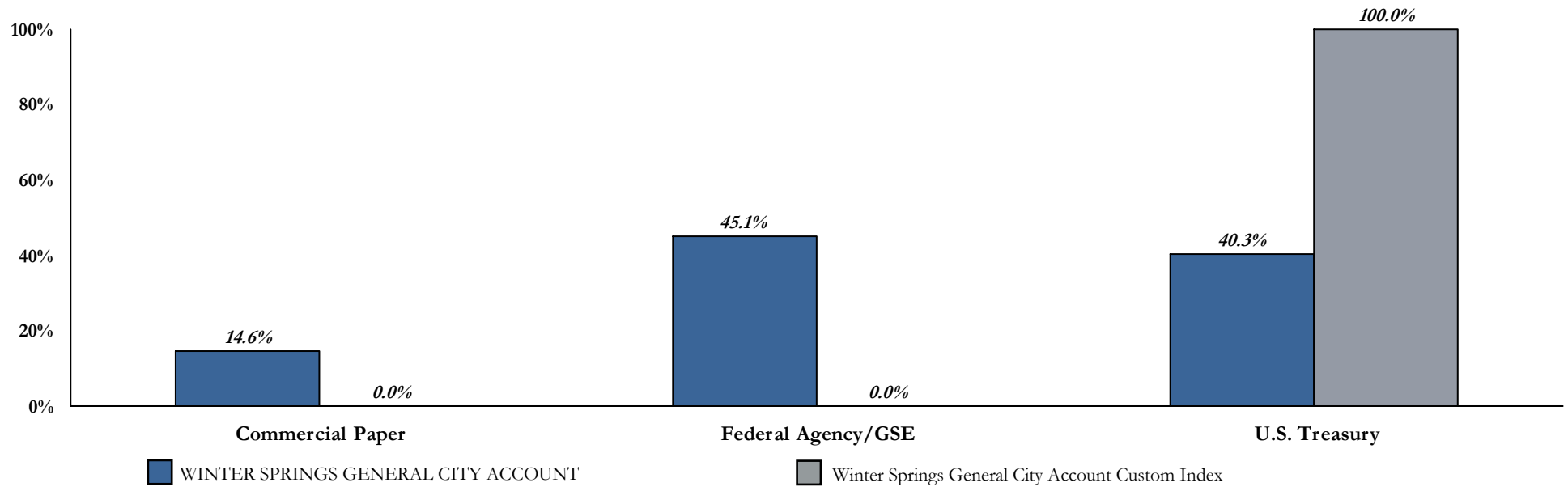


Detail may not add to total due to rounding.

### Sector Allocation

As of March 31, 2016

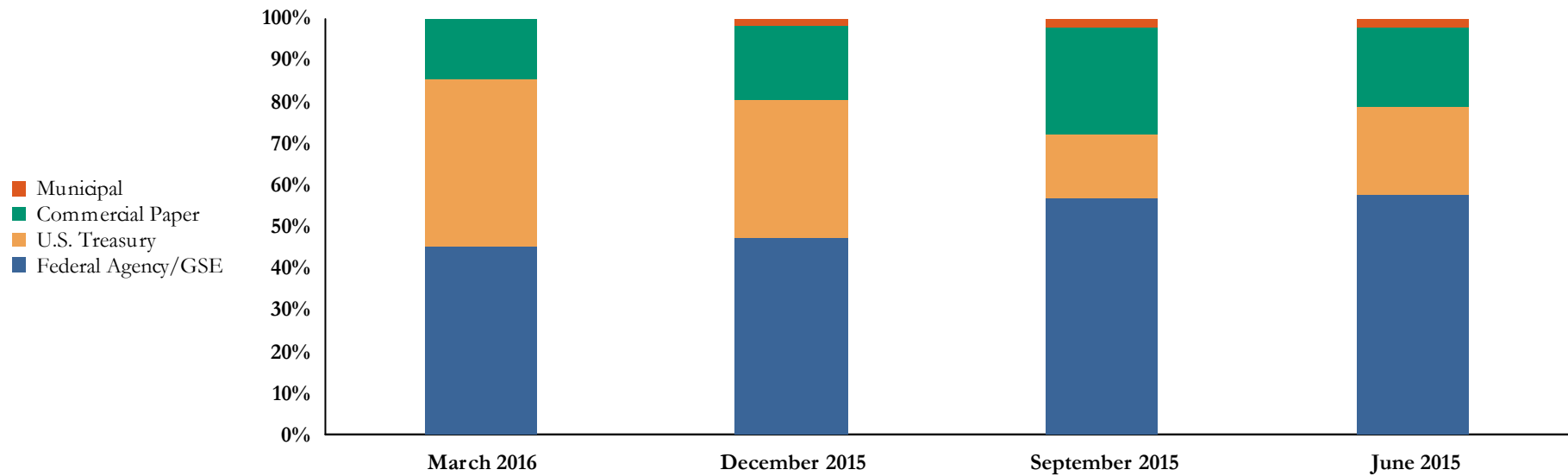
Sector	Market Value (\$)	% of Portfolio	% of Benchmark
Federal Agency/GSE	20,356,872	45.1%	-
U.S. Treasury	18,175,198	40.3%	100.0%
Commercial Paper	6,593,936	14.6%	-
<b>Total</b>	<b>45,126,006</b>	<b>100.0%</b>	<b>100.0%</b>



Detail may not add to total due to rounding.

### Sector Allocation

Sector	March 31, 2016		December 31, 2015		September 30, 2015		June 30, 2015	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
Federal Agency/GSE	20.4	45.1%	21.2	47.2%	22.3	56.9%	21.4	57.5%
U.S. Treasury	18.2	40.3%	15.0	33.3%	6.0	15.3%	7.9	21.3%
Commercial Paper	6.6	14.6%	8.0	17.8%	10.1	25.7%	7.1	19.1%
Municipal	0.0	0.0%	0.8	1.8%	0.8	2.0%	0.8	2.2%
<b>Total</b>	<b>\$45.1</b>	<b>100.0%</b>	<b>\$44.9</b>	<b>100.0%</b>	<b>\$39.2</b>	<b>100.0%</b>	<b>\$37.2</b>	<b>100.0%</b>

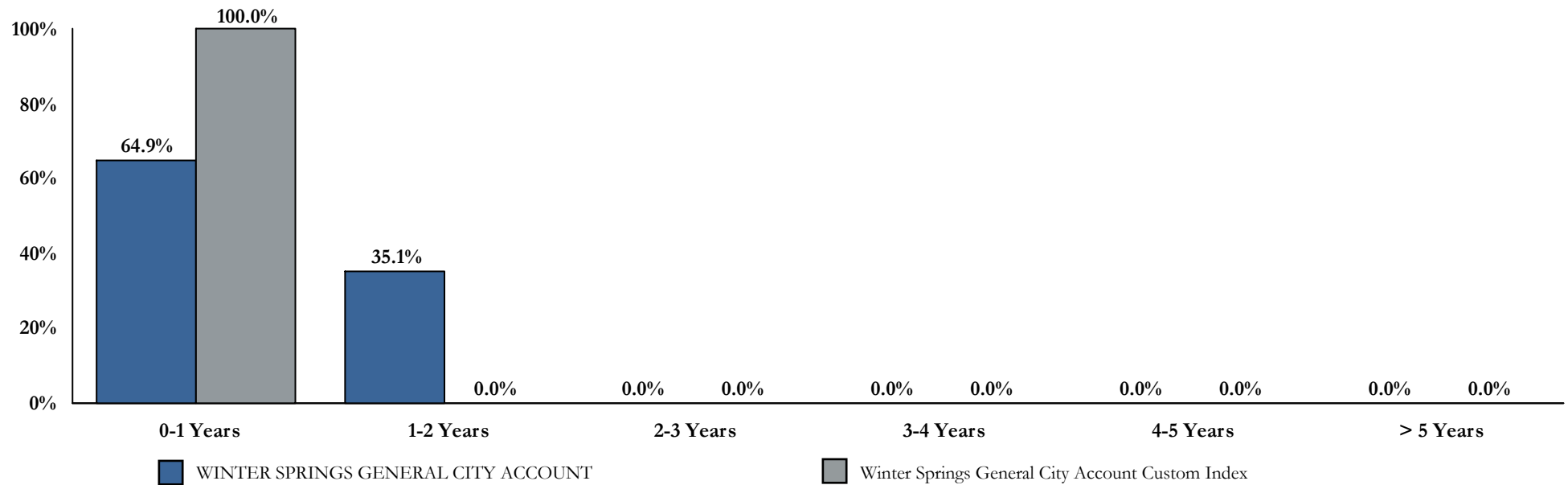


Detail may not add to total due to rounding.

### Maturity Distribution

As of March 31, 2016

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
WINTER SPRINGS GENERAL CITY ACCOUNT	0.64%	0.96 yrs	64.9%	35.1%	0.0%	0.0%	0.0%	0.0%
Winter Springs General City Account Custom Index	0.61%	1.00 yrs	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%

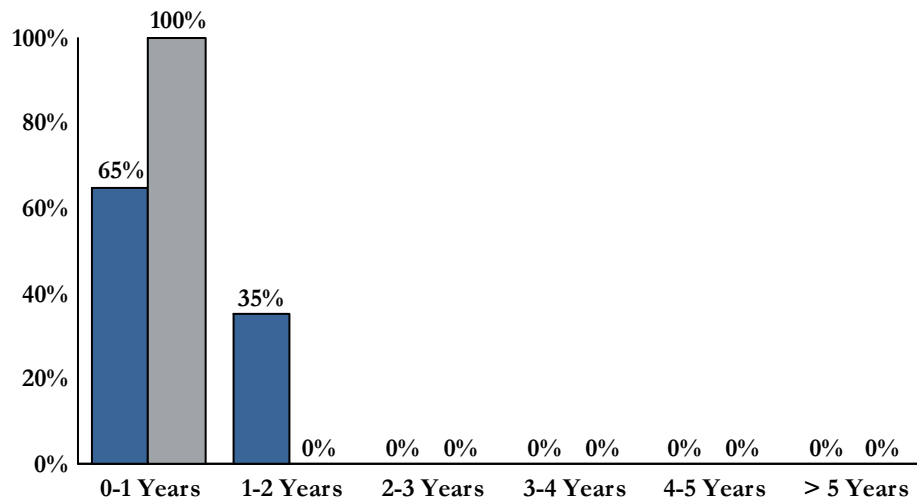


### Duration Distribution

As of March 31, 2016

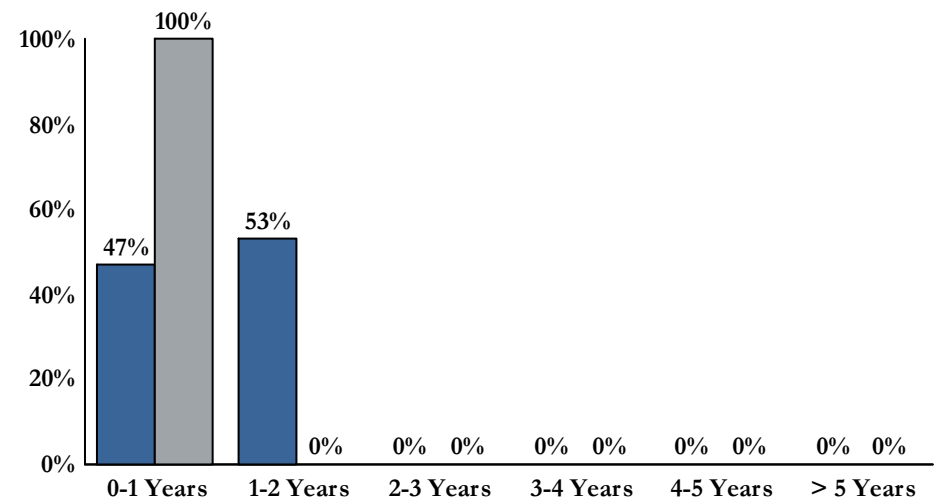
Portfolio / Benchmark	Effective Duration	0-1 YEARS	1-2 YEARS	2-3 YEARS	3-4 YEARS	4-5 YEARS	> 5 YEARS
WINTER SPRINGS GENERAL CITY ACCOUNT	0.95	64.85%	35.15%	0.00%	0.00%	0.00%	0.00%
Winter Springs General City Account Custom Index	0.91	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Distribution by Effective Duration



■ WINTER SPRINGS GENERAL CITY ACCOUNT  
 ■ Winter Springs General City Account Custom Index

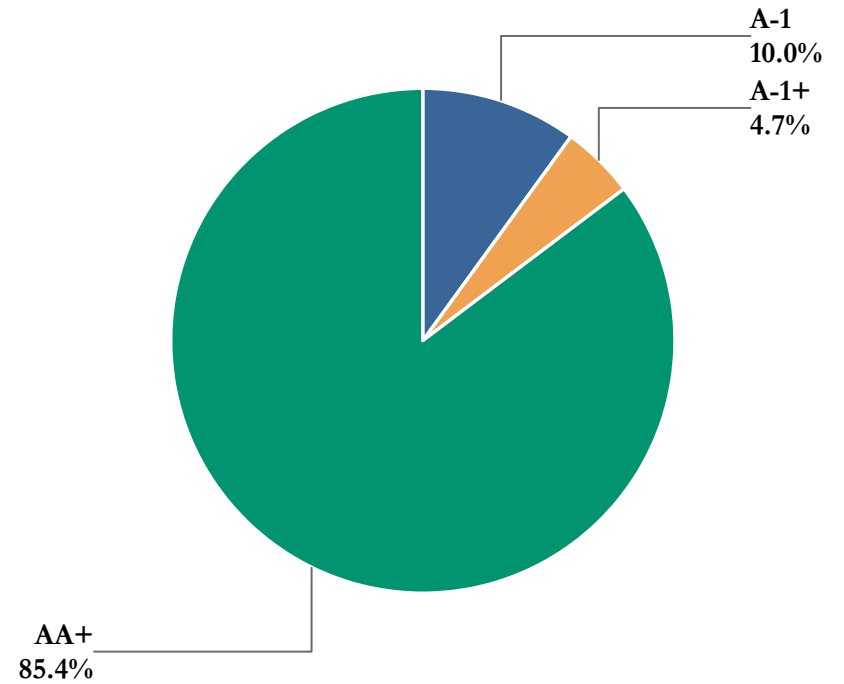
Contribution to Portfolio Duration



■ WINTER SPRINGS GENERAL CITY ACCOUNT  
 ■ Winter Springs General City Account Custom Index

**Credit Quality**  
As of March 31, 2016

S&P Rating	Market Value (\$)	% of Portfolio
AA+	\$38,532,070	85.4%
A-1	\$4,497,110	10.0%
A-1+	\$2,096,827	4.7%
<b>Totals</b>	<b>\$45,126,006</b>	<b>100.0%</b>



Detail may not add to total due to rounding.

**Issuer Distribution***As of March 31, 2016*

<b>Issuer</b>	<b>Market Value (\$)</b>	<b>% of Portfolio</b>
UNITED STATES TREASURY	18,175,198	40.3%
FANNIE MAE	8,648,488	19.2%
FEDERAL HOME LOAN BANKS	6,492,609	14.4%
FREDDIE MAC	5,215,775	11.6%
TOYOTA MOTOR CORP	2,096,827	4.7%
MITSUBISHI UFJ FINANCIAL GROUP INC	1,499,436	3.3%
JP MORGAN CHASE & CO	1,499,213	3.3%
BNP PARIBAS	1,498,461	3.3%
<b>Grand Total:</b>	<b>45,126,006</b>	<b>100.0%</b>

## Sector/Issuer Distribution

As of March 31, 2016

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
<b>Commercial Paper</b>			
BNP PARIBAS	1,498,461	22.7%	3.3%
JP MORGAN CHASE & CO	1,499,213	22.7%	3.3%
mitsubishi UFJ FINANCIAL GROUP INC	1,499,436	22.7%	3.3%
TOYOTA MOTOR CORP	2,096,827	31.8%	4.6%
<b>Sector Total</b>	<b>6,593,936</b>	<b>100.0%</b>	<b>14.6%</b>
<b>Federal Agency/GSE</b>			
FANNIE MAE	8,648,488	42.5%	19.2%
FEDERAL HOME LOAN BANKS	6,492,609	31.9%	14.4%
FREDDIE MAC	5,215,775	25.6%	11.6%
<b>Sector Total</b>	<b>20,356,872</b>	<b>100.0%</b>	<b>45.1%</b>
<b>U.S. Treasury</b>			
UNITED STATES TREASURY	18,175,198	100.0%	40.3%
<b>Sector Total</b>	<b>18,175,198</b>	<b>100.0%</b>	<b>40.3%</b>
<b>Portfolio Total</b>	<b>45,126,006</b>	<b>100.0%</b>	<b>100.0%</b>



## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
<b>BUY</b>									
1/25/16	1/26/16	1,500,000	3130A5EP0	FHLB GLOBAL NOTES	0.62%	5/30/17	1,497,708.33	0.81%	
2/1/16	2/2/16	3,200,000	912828SY7	US TREASURY NOTES	0.62%	5/31/17	3,199,122.27	0.73%	
2/5/16	2/5/16	1,100,000	89233GH33	TOYOTA MOTOR CREDIT CORP COMM PAPER	0.00%	8/3/16	1,096,040.00	0.72%	
3/2/16	3/4/16	2,000,000	3135G0J61	FNMA NOTE	0.87%	3/28/18	1,996,000.00	0.97%	
3/23/16	3/24/16	700,000	912796HK8	US TREASURY BILL	0.00%	4/7/16	699,938.07	0.23%	
3/30/16	3/31/16	3,000,000	3137EADX4	FHLMC NOTES	1.00%	12/15/17	3,017,716.67	0.83%	
<b>Total BUY</b>		<b>11,500,000</b>					<b>11,506,525.34</b>		
<b>INTEREST</b>									
1/4/16	1/4/16	0	MONEY0002	MONEY MARKET FUND			5.77		
1/14/16	1/14/16	1,000,000	3137EADV8	FHLMC NOTES	0.75%	7/14/17	4,687.50		
1/30/16	1/30/16	3,475,000	3135G0GY3	FANNIE MAE GLOBAL NOTES	1.25%	1/30/17	21,718.75		
1/30/16	1/30/16	2,300,000	3135G0GY3	FANNIE MAE GLOBAL NOTES	1.25%	1/30/17	14,375.00		
2/1/16	2/1/16	800,000	546415S35	LA ST TXBL GO BONDS	0.43%	2/1/16	1,720.00		
2/1/16	2/1/16	0	MONEY0002	MONEY MARKET FUND			1.04		
2/26/16	2/26/16	2,300,000	3133EDTK8	FFCB AGENCY NOTES	0.50%	8/26/16	5,750.00		
2/29/16	2/29/16	1,000,000	912828NW6	US TREASURY NOTES	1.87%	8/31/17	9,375.00		
2/29/16	2/29/16	3,050,000	912828J35	US TREASURY NOTES	0.50%	2/28/17	7,625.00		
2/29/16	2/29/16	1,000,000	912828J35	US TREASURY NOTES	0.50%	2/28/17	2,500.00		
2/29/16	2/29/16	3,500,000	912828J35	US TREASURY NOTES	0.50%	2/28/17	8,750.00		
3/1/16	3/1/16	0	MONEY0002	MONEY MARKET FUND			0.50		
3/8/16	3/8/16	1,200,000	3137EADC0	FREDDIE MAC GLOBAL NOTES	1.00%	3/8/17	6,000.00		
3/15/16	3/15/16	825,000	31359MW41	FNMA GLOBAL BENCHMARK NOTES	5.25%	9/15/16	21,656.25		
3/24/16	3/24/16	700,000	3130A4QV7	FHLB GLOBAL NOTES (CALLED, OMD 03/24/17)	0.84%	3/24/16	2,940.00		

## WINTER SPRINGS GENERAL CITY ACCOUNT

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
3/28/16	3/28/16	425,000	3130A2T97	FHLB NOTES	0.50%	9/28/16	1,062.50		
3/28/16	3/28/16	2,000,000	3135G0J61	FNMA NOTE	0.87%	3/28/18	1,166.67		
3/31/16	3/31/16	3,660,000	912828MV9	US TREASURY NOTES	3.25%	3/31/17	59,475.00		
3/31/16	3/31/16	850,000	912828PA2	US TREASURY NOTES	1.87%	9/30/17	7,968.75		
<b>Total INTEREST</b>		<b>28,085,000</b>					<b>176,777.73</b>		
<b>MATURITY</b>									
1/25/16	1/25/16	1,500,000	13607EAR0	CANADIAN IMPERIAL HOLDING COMM PAPER	0.00%	1/25/16	1,500,000.00		0.00
2/1/16	2/1/16	800,000	546415S35	LA ST TXBL GO BONDS	0.43%	2/1/16	800,000.00		0.00
2/5/16	2/5/16	1,000,000	89233GB54	TOYOTA MOTOR CREDIT CORP COMM PAPER	0.00%	2/5/16	1,000,000.00		0.00
3/24/16	3/24/16	700,000	3130A4QV7	FHLB GLOBAL NOTES (CALLED, OMD 03/24/17)	0.84%	3/24/16	700,000.00		0.00
<b>Total MATURITY</b>		<b>4,000,000</b>					<b>4,000,000.00</b>		<b>0.00</b>
<b>SELL</b>									
2/1/16	2/2/16	2,340,000	3137EAAD1	FHLMC GLOBAL REFERENCE NOTES	5.25%	4/18/16	2,399,241.00	0.43%	(423.91)
3/2/16	3/4/16	2,000,000	3130A2T97	FHLB NOTES	0.50%	9/28/16	2,003,653.33	0.56%	(378.24)
3/30/16	3/31/16	2,300,000	3133EDTK8	FFCB AGENCY NOTES	0.50%	8/26/16	2,301,026.06	0.51%	997.65
3/30/16	3/31/16	700,000	912796HK8	US TREASURY BILL	0.00%	4/7/16	699,994.56	0.04%	25.53
<b>Total SELL</b>		<b>7,340,000</b>					<b>7,403,914.95</b>		<b>221.03</b>

## Quarterly Portfolio Transactions

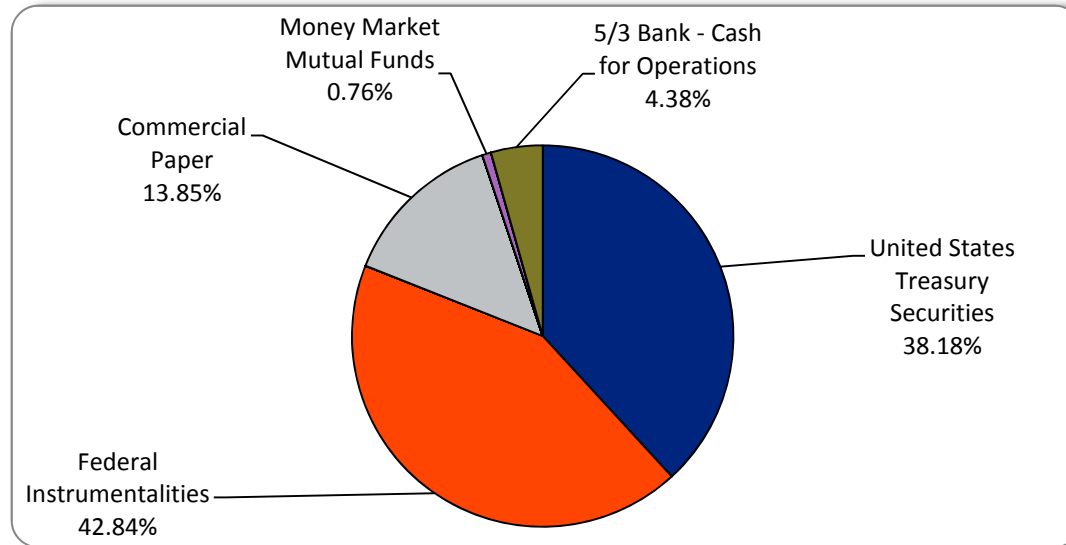
Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
INTEREST	1/4/16	1/4/16	0.00	MONEY0002	MONEY MARKET FUND			5.77		
INTEREST	1/14/16	1/14/16	1,000,000.00	3137EADV8	FHLMC NOTES	0.75%	7/14/17	4,687.50		
MATURITY	1/25/16	1/25/16	1,500,000.00	13607EAR0	CANADIAN IMPERIAL HOLDING COMM PAPER	0.00%	1/25/16	1,500,000.00		0.00
BUY	1/25/16	1/26/16	1,500,000.00	3130A5EP0	FHLB GLOBAL NOTES	0.62%	5/30/17	(1,497,708.33)	0.81%	
INTEREST	1/30/16	1/30/16	3,475,000.00	3135G0GY3	FANNIE MAE GLOBAL NOTES	1.25%	1/30/17	21,718.75		
INTEREST	1/30/16	1/30/16	2,300,000.00	3135G0GY3	FANNIE MAE GLOBAL NOTES	1.25%	1/30/17	14,375.00		
INTEREST	2/1/16	2/1/16	800,000.00	546415S35	LA ST TXBL GO BONDS	0.43%	2/1/16	1,720.00		
INTEREST	2/1/16	2/1/16	0.00	MONEY0002	MONEY MARKET FUND			1.04		
MATURITY	2/1/16	2/1/16	800,000.00	546415S35	LA ST TXBL GO BONDS	0.43%	2/1/16	800,000.00		0.00
BUY	2/1/16	2/2/16	3,200,000.00	912828SY7	US TREASURY NOTES	0.62%	5/31/17	(3,199,122.27)	0.73%	
SELL	2/1/16	2/2/16	2,340,000.00	3137EAAD1	FHLMC GLOBAL REFERENCE NOTES	5.25%	4/18/16	2,399,241.00	0.43%	(423.91)
BUY	2/5/16	2/5/16	1,100,000.00	89233GH33	TOYOTA MOTOR CREDIT CORP COMM PAPER	0.00%	8/3/16	(1,096,040.00)	0.72%	
MATURITY	2/5/16	2/5/16	1,000,000.00	89233GB54	TOYOTA MOTOR CREDIT CORP COMM PAPER	0.00%	2/5/16	1,000,000.00		0.00
INTEREST	2/26/16	2/26/16	2,300,000.00	3133EDTK8	FFCB AGENCY NOTES	0.50%	8/26/16	5,750.00		
INTEREST	2/29/16	2/29/16	1,000,000.00	912828NW6	US TREASURY NOTES	1.87%	8/31/17	9,375.00		
INTEREST	2/29/16	2/29/16	3,050,000.00	912828J35	US TREASURY NOTES	0.50%	2/28/17	7,625.00		
INTEREST	2/29/16	2/29/16	1,000,000.00	912828J35	US TREASURY NOTES	0.50%	2/28/17	2,500.00		
INTEREST	2/29/16	2/29/16	3,500,000.00	912828J35	US TREASURY NOTES	0.50%	2/28/17	8,750.00		
INTEREST	3/1/16	3/1/16	0.00	MONEY0002	MONEY MARKET FUND			0.50		
BUY	3/2/16	3/4/16	2,000,000.00	3135G0J61	FNMA NOTE	0.87%	3/28/18	(1,996,000.00)	0.97%	

## WINTER SPRINGS GENERAL CITY ACCOUNT

Portfolio Activity

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
SELL	3/2/16	3/4/16	2,000,000.00	3130A2T97	FHLB NOTES	0.50%	9/28/16	2,003,653.33	0.56%	(378.24)
INTEREST	3/8/16	3/8/16	1,200,000.00	3137EADC0	FREDDIE MAC GLOBAL NOTES	1.00%	3/8/17	6,000.00		
INTEREST	3/15/16	3/15/16	825,000.00	31359MW41	FNMA GLOBAL BENCHMARK NOTES	5.25%	9/15/16	21,656.25		
BUY	3/23/16	3/24/16	700,000.00	912796HK8	US TREASURY BILL	0.00%	4/7/16	(699,938.07)	0.23%	
INTEREST	3/24/16	3/24/16	700,000.00	3130A4QV7	FHLB GLOBAL NOTES (CALLED, OMD 03/24/17)	0.84%	3/24/16	2,940.00		
MATURITY	3/24/16	3/24/16	700,000.00	3130A4QV7	FHLB GLOBAL NOTES (CALLED, OMD 03/24/17)	0.84%	3/24/16	700,000.00		0.00
INTEREST	3/28/16	3/28/16	425,000.00	3130A2T97	FHLB NOTES	0.50%	9/28/16	1,062.50		
INTEREST	3/28/16	3/28/16	2,000,000.00	3135G0J61	FNMA NOTE	0.87%	3/28/18	1,166.67		
BUY	3/30/16	3/31/16	3,000,000.00	3137EADX4	FHLMC NOTES	1.00%	12/15/17	(3,017,716.67)	0.83%	
SELL	3/30/16	3/31/16	2,300,000.00	3133EDTK8	FFCB AGENCY NOTES	0.50%	8/26/16	2,301,026.06	0.51%	997.65
SELL	3/30/16	3/31/16	700,000.00	912796HK8	US TREASURY BILL	0.00%	4/7/16	699,994.56	0.04%	25.53
INTEREST	3/31/16	3/31/16	3,660,000.00	912828MV9	US TREASURY NOTES	3.25%	3/31/17	59,475.00		
INTEREST	3/31/16	3/31/16	850,000.00	912828PA2	US TREASURY NOTES	1.87%	9/30/17	7,968.75		
<b>TOTALS</b>								<b>74,167.34</b>		<b>221.03</b>

# Tab III



Security Type <sup>2</sup>	Amortized Cost (Includes Interest)	Allocation Percentage	Notes	Permitted by Policy	In Compliance
United States Treasury Securities	18,174,126.89	38.18%		100%	YES
United States Government Agency Securities	-	0.00%		75%	YES
Federal Instrumentalities	20,390,610.02	42.84%		80%	YES
Mortgage-Backed Securities	-	0.00%		0%	YES
Certificates of Deposit/Savings Account	-	0.00%		25%	YES
Repurchase Agreements	-	0.00%		50%	YES
Commercial Paper	6,592,454.37	13.85%		30%	YES
Corporate Notes - FDIC Insured	-	0.00%		50%	YES
Bankers' Acceptances	-	0.00%		30%	YES
State and/or Local Government Debt	-	0.00%		20%	YES
Money Market Mutual Funds	361,801.67	0.76%		100%	YES
Intergovernmental Investment Pool	-	0.00%		25%	YES
Bank of America - Cash for Operations	-	0.00%	3	100%	YES
5/3 Bank - Cash for Operations	2,083,211.51	4.38%	3	100%	YES

Notes:

1. Does not include bond proceeds.
2. End of month trade-date amortized cost of portfolio holdings, including accrued interest.
3. Managed by the City.

<b>Individual Issuer Breakdown</b>	<b>Amortized Cost (Includes Interest)<sup>2</sup></b>	<b>Allocation Percentage</b>	<b>Notes</b>	<b>Permitted by Policy</b>	<b>In Compliance</b>
Government National Mortgage Association (GNMA)	-	0.00%		<b>50%</b>	YES
Federal Farm Credit Bank (FFCB)	-	0.00%		<b>25%</b>	YES
Federal Home Loan Bank (FHLB)	6,504,443.01	13.66%		<b>25%</b>	YES
Federal National Mortgage Association (FNMA)	8,661,887.46	18.20%		<b>25%</b>	YES
Federal Home Loan Mortgage Corporation (FHLMC)	5,224,279.55	10.97%		<b>25%</b>	YES
Bank of Tokyo Mitsubishi, Inc. Commercial Paper	1,499,315.42	3.15%		<b>10%</b>	YES
BNP Paribas Commercial Paper	1,497,754.17	3.15%		<b>10%</b>	YES
JP Morgan Chase & Company Commercial Paper	1,498,875.00	3.15%		<b>10%</b>	YES
Toyota Motor Corporation Commercial Paper	2,096,509.78	4.40%		<b>10%</b>	YES
Fidelity Institutional Money Market Fund - Gov't	145,144.20	0.30%		<b>25%</b>	YES
Money Market Fund - Florida Prime (SBA)	216,657.47	0.45%	3	<b>25%</b>	YES

## Notes:

1. Does not include bond proceeds.
2. End of month trade-date amortized cost of portfolio holdings, including accrued interest.
3. Managed by the City.

## Important Disclosures

This material is based on information obtained from sources generally believed to be reliable and available to the public, however PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some but not all of which are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values which include accrued interest, are derived from closing bid prices as of the last business day of the month as supplied by a third party vendor. Where prices are not available from generally recognized sources the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in portfolio are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.
- MBS maturities are represented by expected average life.



## Glossary

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **DURATION TO WORST:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years, computed from cash flows to the maturity date or to the put date, whichever results in the highest yield to the investor.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount, expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.
- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.
- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.

## Glossary

- **SETTLEMENT DATE:** The date on which the transaction is settled and monies/securities are exchanged.
- **TRADE DATE:** The date on which the transaction occurred however the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed however the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value and the time period remaining until maturity, stated as a percentage, on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return, based on the original cost, the annual interest receipts, maturity value and the time period from purchase date to maturity, stated as a percentage, on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return, based on the current market value, the annual interest receipts, maturity value and the time period remaining until maturity, stated as a percentage, on an annualized basis.