

CITY OF FRESNO
MONTHLY AVAILABLE FUNDS REPORT
MONTH ENDED MARCH 2016

AVAILABLE FUNDS SUMMARY BY INVESTMENT TYPE

| Investments | Amortized Cost Mar 15 | Amortized Cost Mar 16 | Difference | Percent of Surplus Funds | Yields on Investments Mar 16 |
|------------------------------------|-----------------------------|-----------------------------|-------------------|--------------------------------|------------------------------------|
| Operating Funds: | | | | | |
| Bank Checking Account | \$ 15,000,000 | \$ 15,000,000 | \$ 0 | 0 | |
| Surplus Funds: | | | | | |
| Federal Agency Notes | \$ 230,460,035 | \$ 213,029,355 | \$ -17,430,680 | 44.74% | 1.25% |
| Treasury Notes | \$ 4,992,464 | \$ 14,995,222 | \$ 10,002,758 | 3.15% | 0.86% |
| Money Market | \$ 35,000,000 | \$ 56,000,000 | \$ 21,000,000 | 11.76% | 0.22% |
| Corporate Notes | \$ 72,954,810 | \$ 75,965,516 | \$ 3,010,706 | 15.95% | 1.42% |
| Local Agency Investment Fund | \$ 100,000,000 | \$ 100,000,000 | \$ 0 | 21.00% | 0.51% |
| Time Deposits | \$ 13,600,000 | \$ 13,600,000 | \$ 0 | 2.86% | 0.38% |
| Subtotal Portfolio Investments | \$ 457,007,309 | \$ 473,590,093 | \$ 16,582,784 | 99.46% | 0.94% |
| Bank Checking Account | \$ 7,864,294 | \$ 2,557,724 | \$ -5,306,570 | 0.54% | |
| Subtotal Surplus Funds* | \$ 464,871,603 | \$ 476,147,817 | \$ 11,276,214 | 100.00% | |
| Grand Total Available Funds | \$ 479,871,603 | \$ 491,147,817 | 11,276,214 | | |

*Includes Emergency Reserve

PORTFOLIO FUNDS ANALYSIS

| Description | February 2016 | March 2016 | March 2015 | Change | Percentage Change |
|---------------------------------------|------------------|----------------|----------------|---------------|----------------------|
| Amortized Cost of Investments | \$ 496,960,387 | \$ 473,590,093 | \$ 457,007,309 | \$ 16,582,784 | 3.63% |
| Market Value of Investments | \$ 497,016,339 | \$ 473,793,146 | \$ 457,216,264 | \$ 16,576,882 | 3.63% |
| Maturity Value of Investments | \$ 497,042,000 | \$ 473,569,240 | \$ 457,098,333 | \$ 16,470,907 | 3.60% |
| Average Days to Maturity | 747 | 647 | 708 | (61) | -8.62% |
| Month To Date Return on Investment | 1.00% | 0.94% | 0.83% | 0.11% | 13.25% |
| Rolling 12-Month Return on Investment | 0.96% | 0.98% | 0.76% | 0.22% | 28.95% |
| Earned Interest: Month To Date | \$ 417,601 | \$ 387,447 | \$ 332,770 | \$ 54,677 | 16.43% |
| Earned Interest: Year To Date | \$ 3,232,595 | \$ 3,620,042 | \$ 2,295,710 | \$ 1,324,332 | 57.69% |
| Number of Securities | 64 | 64 | 65 | (1) | -1.54% |

The yield earned on the Portfolio was .94 percent for the month ended March 2016, and it was .83 percent for the month ended March 2015, a net increase of 11 basis points, or 13.25 percent. The interest earned year to date has increased by \$1,324,332 or 57.69 percent. The size of the Portfolio increased by \$16,582,784 an increase of 3.63 percent. The Market Value of the Portfolio increased by \$16,576,882. The difference between \$16,582,784 and \$16,576,882 is a decrease in the Excess Market Value over the Amortized Cost of \$5,902.

The increase in the size of the Portfolio is a result of two factors, an increase in Net Revenues, and a change in investment approach. The City's best estimate is that interest rates will rise slowly over the next five years, the horizon of the Portfolio. The best approach in this environment is to ensure that surplus funds are invested at all times in a range extending over that time horizon. As compared to one year ago, therefore, the Portfolio has increased by 3.63%, as more available surplus funds have been invested.

In accordance with State Law, the Finance Director certifies that the securities held in the City Investment Portfolio, purchased with Surplus Funds, comply with City policies. The Finance Director further certifies that the City has Operating Funds available to meet its expenditure requirements for the next six months.

Amortized Cost - the total amount at which investments are carried on the City books. This amount includes the amortization and accretion of premiums and discounts, respectively.

Market Value - the total amount at which investments are being sold in the market. Market prices are provided by the Bank of New York.

Maturity Value - (also referred to as "par value") the total amount of the face or stated value of the investments at maturity.

Average Days to Maturity - the average time in days left in the maturity of the investments.

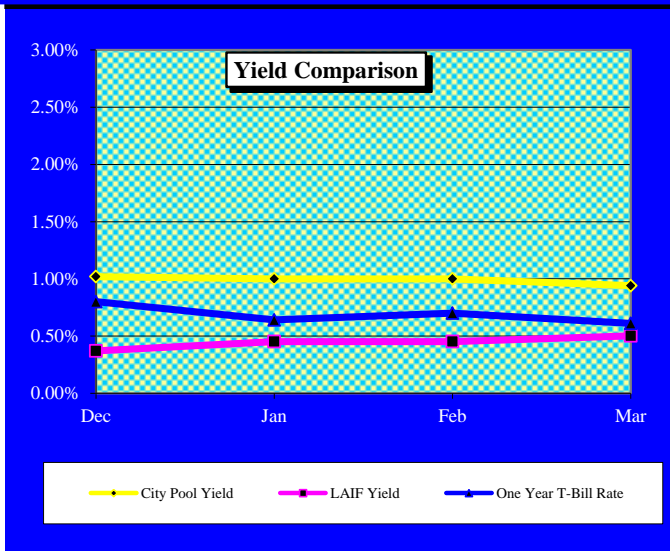
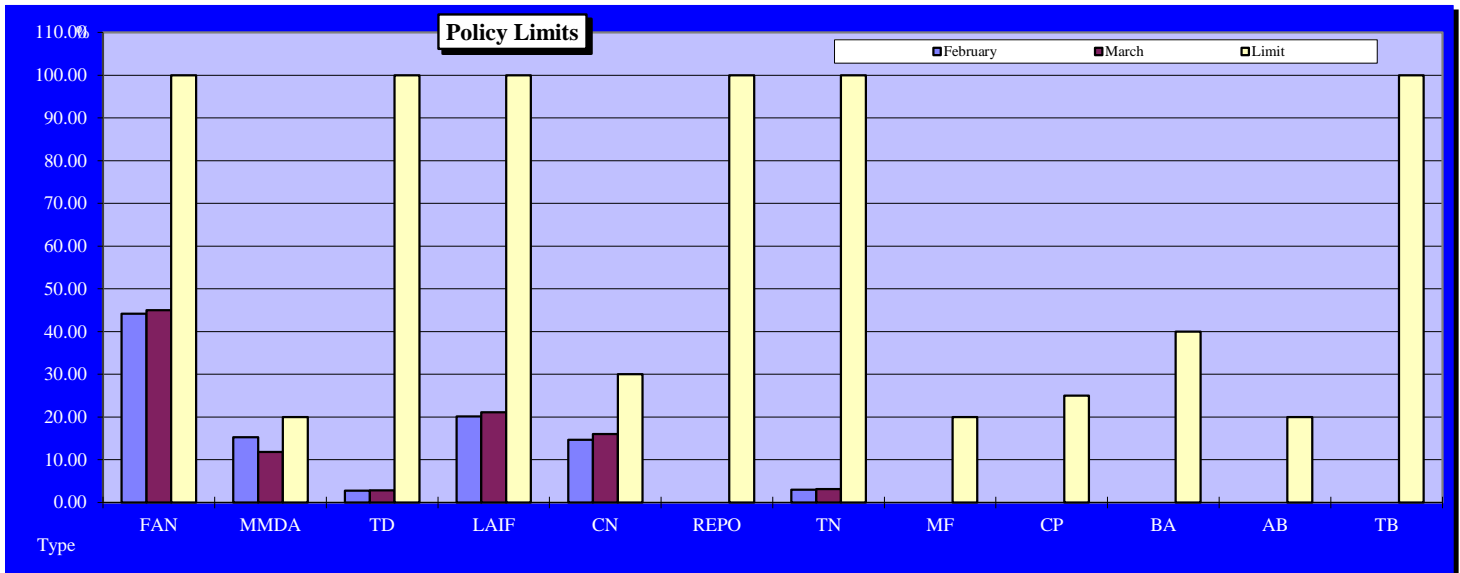
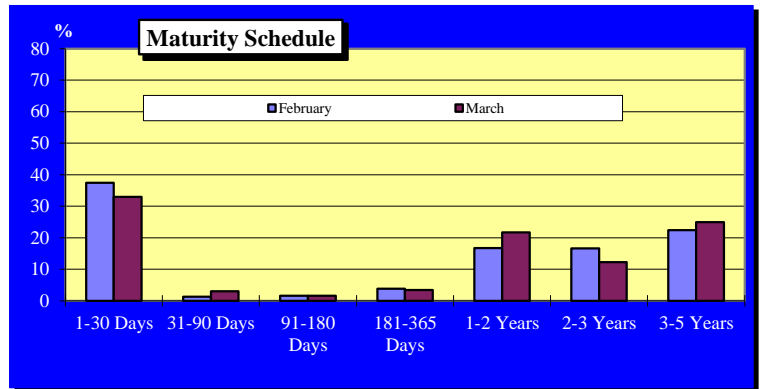
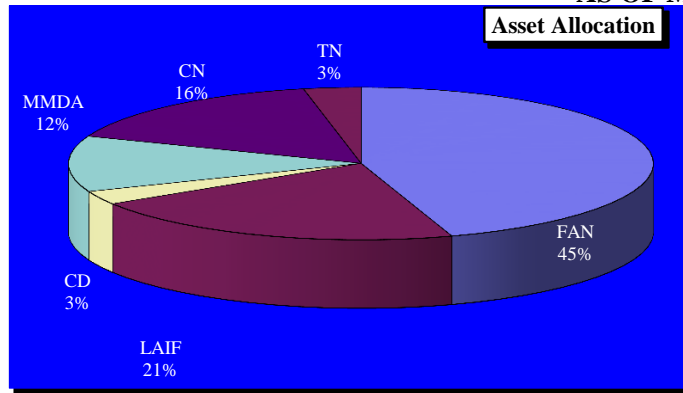
Monthly Yield - the rate of return on investments as expressed in a percentage.

Rolling 12-Month Return - same Monthly yield, but for the past 12 months.

Earned Interest - the amount of income realized by all investments.

Basis Point - one one-hundredth of one percent

**CITY OF FRESNO
FINANCE DEPARTMENT
PORTFOLIO STATUS REPORT
AS OF MARCH 2016**



| Key | Investments | Par Value | |
|-------|------------------------------|---------------|---------------|
| | | February | March |
| FAN | Federal Agency Notes | \$219,542,000 | \$213,069,240 |
| MMDA | Money Market Deposit Acct | \$76,000,000 | \$56,000,000 |
| TD | Time Deposits | \$13,600,000 | \$13,600,000 |
| LAIF | Local Agency Investment Fund | \$100,000,000 | \$100,000,000 |
| CN | Corporate Notes | \$72,900,000 | \$75,900,000 |
| REPO | Repurchase Agreements | \$0 | \$0 |
| TN | Treasury Notes | \$15,000,000 | \$15,000,000 |
| MF | Mutual Fund | \$0 | \$0 |
| CP | Commerical Paper | \$0 | \$0 |
| BA | Bankers Acceptance Notes | \$0 | \$0 |
| AB | Asset-Backed Securities | \$0 | \$0 |
| TB | Treasury Bills | \$0 | \$0 |
| Total | | \$497,042,000 | \$473,569,240 |