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CITY OF ANN ARBOR

Report for the period June 1, 2015 - June 30, 2015

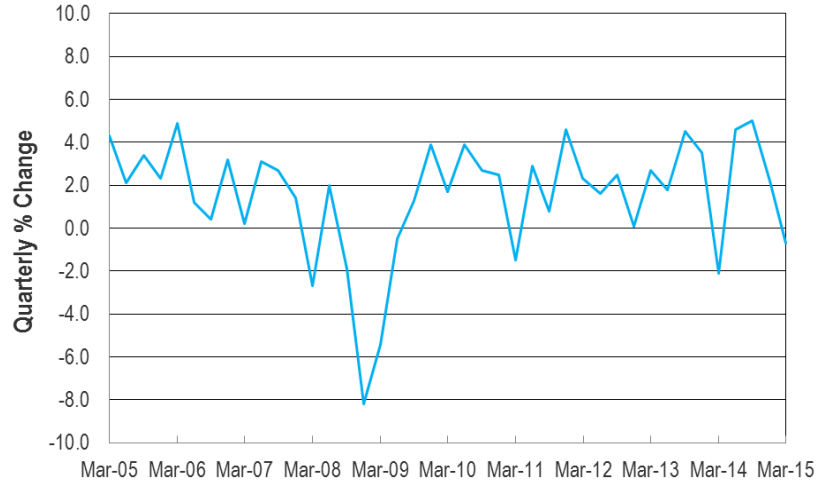
Please contact Accounting by calling the number above or email camreports@cutwater.com with questions concerning this report.

(This report was prepared on July 6, 2015)

Fixed Income Market Review June 30, 2015

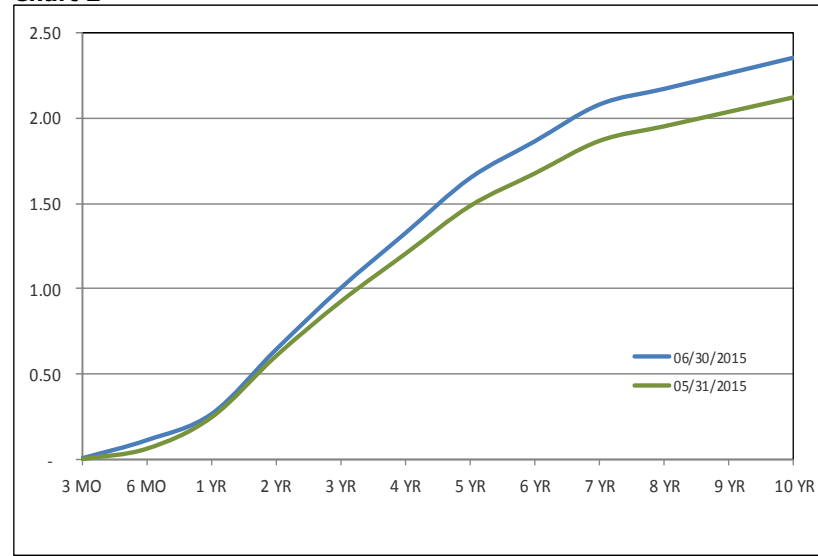
Gross Domestic Product 03/2005 – 03/2015

Chart 1



Treasury Yield Curves 05/31/2015 – 06/30/2015

Chart 2



Economic Indicators & Monetary Policy – The third estimate of Gross Domestic Product (GDP) was revised upward, bringing the final calculation of first quarter 2015 GDP to negative 0.2 percent. (See Chart 1) While the economy shrunk in the first quarter, the downturn was much less severe than originally expected. 2015 may follow the 2014 pattern of a weak first quarter followed by a strong rebound in the second quarter. Transitory factors negatively impacting GDP were the strength of the dollar, which led to weaker imports, as well as harsh weather and low energy costs. At this time economic forecasts for GDP in 2015 show growth of 2.2 percent.

The employment numbers improved and new job creation was strong, as 280,000 jobs were added in May, exceeding analyst estimates of 226,000. Driving the job growth were local government agencies, retailers and automakers. While the unemployment rate increased to 5.5 percent from 5.4 percent, the participation rate also increased to 62.9 percent from 62.8 percent indicating that more Americans entered the workforce.

Inflation, one of the Federal Open Market Committee’s (FOMC) key metrics, showed improvement in May following a stretch of weak months as a result of the decreased cost of energy. The Producer Price Index (PPI) on a month-over-month basis including food and energy increased 0.5 percent. The core PPI, which excludes food and energy, increased 0.1 percent on a month-over-month basis. The Consumer Price Index (CPI) on a month-over-month basis including food and energy increased 0.4 percent, while the month-over-month core CPI also increased 0.1 percent. The Personal Consumption Expenditures index including food and energy, the preferred inflation indicator of the FOMC, increased 0.3 percent on a month-over-month basis.

May was a better month for housing in the U.S. as existing home sales increased 5.1 percent, and new home sales increased 2.2 percent. Housing purchases and mortgage applications continue to be strong as the prospect of increased mortgage rates in the future looms over potential home buyers.

The FOMC concluded its most recent meeting on June 17th. The Committee voted to maintain the target Fed funds rate at zero to 0.25 percent, however the members of the FOMC have not denied a potential increase in interest rates in 2015. Chair Janet Yellen repeated the importance of a slow and steady trajectory when interest rates begin to rise.

Yield Curve & Spreads - At the end of May, the 3-month Treasury bill yielded 0.01 percent, the 6-month Treasury bill yielded 0.11 percent, the 2-year Treasury note yielded 0.64 percent, the 5-year Treasury note yielded 1.65 percent, and the 10-year Treasury note yielded 2.35 percent (See Chart 2).

Important Disclosures **June 30, 2015**

The information contained herein has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested.

Neither Cutwater Asset Management nor its subsidiaries provide tax or legal advice to its clients and all investors are strongly urged to consult their tax and legal advisors regarding any potential strategy or investment.

You may request, without charge, additional information about Cutwater. Moreover, specific information relating to Cutwater and/or its strategies, including investment advisory fees, may be obtained from the Form ADV Part 2A of both Cutwater Asset Management Corp. and Cutwater Investor Services Corp., which is available without charge upon request.

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On January 5, 2015, it was announced that The Bank of NY Mellon Corporation (“BNY Mellon” or “Bank”) successfully acquired Cutwater Holdings, LLC, parent of Cutwater Asset Management Corp. and Cutwater Investor Services Corp. Cutwater now operates as a wholly owned subsidiary of BNY Mellon Investment Management, one of the world's leading investment management organizations and one of the top U.S. wealth managers, with \$1.6 trillion in assets under management. BNY Mellon Investment Management encompasses BNY Mellon's affiliated investment management firms, wealth management services, and global distribution companies. Cutwater now works closely with Insight Investment, one of BNY Mellon's subsidiary leading investment management boutiques.

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**City of Ann Arbor
Activity and Performance Summary
for the period June 1, 2015 - June 30, 2015**

Amortized Cost Basis Activity Summary

Beginning Amortized Cost Value	221,367,619.07
Additions	
Contributions	0.00
Interest Received	183,750.00
Accrued Interest Sold	38,005.46
Gain on Sales	11,322.28
Total Additions	233,077.74
Deductions	
Withdrawals	9,652,219.66
Fees Paid	14,022.80
Accrued Interest Purchased	0.00
Loss on Sales	0.00
Total Deductions	(9,666,242.46)
Accretion (Amortization) for the Period	(66,257.60)
Ending Amortized Cost Value	211,868,196.75
Ending Fair Value	212,566,055.94
Unrealized Gain (Loss)	697,859.19

Detail of Amortized Cost Basis Return

	Interest Earned	Accretion (Amortization)	Realized Gain (Loss)	Total Income
Current Holdings				
Certificates of Deposit	36.33	0.00	0.00	36.33
U.S. Treasury	112,562.43	(41,787.88)	0.00	70,774.55
U.S. Instrumentality	147,262.08	(13,704.34)	0.00	133,557.74
Sales and Maturities				
U.S. Treasury	6,933.06	(5,269.28)	3,792.76	5,456.54
U.S. Instrumentality	8,055.55	(5,496.10)	7,529.52	10,088.97
Total	274,849.45	(66,257.60)	11,322.28	219,914.13

Annualized Comparative Rates of Return

	Twelve Month Trailing	Six Month Trailing	One Month
Fed Funds	0.11 %	0.12 %	0.13 %
Overnight Repo	0.13 %	0.15 %	0.17 %
3 Month T-Bill	0.01 %	0.01 %	0.00 %
6 Month T-Bill	0.05 %	0.06 %	0.06 %
1 Year T-Note	0.18 %	0.24 %	0.28 %
2 Year T-Note	0.56 %	0.61 %	0.69 %
5 Year T-Note	1.55 %	1.49 %	1.68 %

Summary of Amortized Cost Basis Return for the Period

	Total Portfolio	Excl. Cash Eq.
Interest Earned	274,849.45	274,849.45
Accretion (Amortization)	(66,257.60)	(66,257.60)
Realized Gain (Loss) on Sales	<u>11,322.28</u>	<u>11,322.28</u>
Total Income on Portfolio	219,914.13	219,914.13
Average Daily Historical Cost	223,687,554.08	207,764,465.90
Annualized Return	1.20%	1.29%
Annualized Return Net of Fees	1.12%	1.21%
Annualized Return Year to Date Net of Fees	1.09%	1.16%
Weighted Average Effective Maturity in Days	750	814

**City of Ann Arbor
Activity and Performance Summary
for the period June 1, 2015 - June 30, 2015**

Fair Value Basis Activity Summary

Beginning Fair Value	222,321,726.21
Additions	
Contributions	0.00
Interest Received	183,750.00
Accrued Interest Sold	38,005.46
Total Additions	221,755.46
Deductions	
Withdrawals	9,652,219.66
Fees Paid	14,022.80
Accrued Interest Purchased	0.00
Total Deductions	(9,666,242.46)
Change in Fair Value for the Period	(311,183.27)
Ending Fair Value	212,566,055.94

Detail of Fair Value Basis Return

	Interest Earned	Change in Fair Value	Total Income
Current Holdings			
Certificates of Deposit	36.33	0.00	36.33
U.S. Treasury	112,562.43	(86,935.00)	25,627.43
U.S. Instrumentality	147,262.08	(212,622.02)	(65,359.94)
Sales and Maturities			
U.S. Treasury	6,933.06	(6,641.25)	291.81
U.S. Instrumentality	8,055.55	(4,985.00)	3,070.55
Total	274,849.45	(311,183.27)	(36,333.82)

Annualized Comparative Rates of Return

	Twelve Month Trailing	Six Month Trailing	One Month
Fed Funds	0.11 %	0.12 %	0.13 %
Overnight Repo	0.13 %	0.15 %	0.17 %
3 Month T-Bill	0.03 %	0.03 %	-0.01 %
6 Month T-Bill	0.17 %	0.24 %	0.24 %
1 Year T-Note	0.24 %	0.42 %	0.26 %
BAML 1-3 Yr Tsy Index	0.87 %	1.34 %	0.31 %
BAML 1-5 Yr Tsy Index	1.38 %	1.91 %	-1.18 %

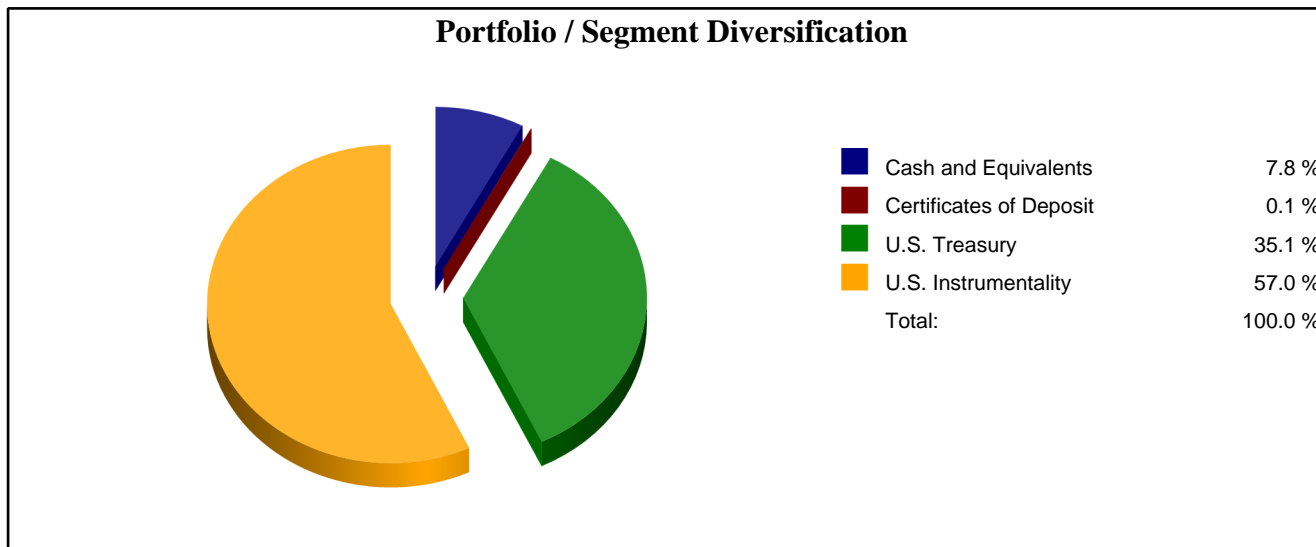
Summary of Fair Value Basis Return for the Period

	Total Portfolio	Excl. Cash Eq.
Interest Earned	274,849.45	274,849.45
Change in Fair Value	<u>(311,183.27)</u>	<u>(311,183.27)</u>
Total Income on Portfolio	(36,333.82)	(36,333.82)
Average Daily Historical Cost	223,687,554.08	207,764,465.90
Annualized Return	(0.20%)	(0.21%)
Annualized Return Net of Fees	(0.27%)	(0.29%)
Annualized Return Year to Date Net of Fees	1.53%	1.62%
Weighted Average Effective Maturity in Days	750	814

**City of Ann Arbor
Recap of Securities Held
June 30, 2015**

	Historical Cost	Amortized Cost	Fair Value	Unrealized Gain (Loss)	Weighted Average Final Maturity (Days)	Weighted Average Effective Maturity (Days)	% Portfolio/Segment	Weighted Average Yield *	Weighted Average Market Duration (Years)
Cash and Equivalents	16,788,333.87	16,788,333.87	16,788,333.87	0.00	1	1	7.83	0.00	0.00
Certificates of Deposit	108,993.62	108,993.62	108,993.62	0.00	17	17	0.05	0.40	0.05
U.S. Treasury	75,222,070.34	73,002,468.60	73,646,865.00	644,396.40	505	505	35.09	1.17	1.36
U.S. Instrumentality	122,259,565.90	121,968,400.66	122,021,863.45	53,462.79	1,089	1,004	57.03	1.31	2.65
Total	214,378,963.73	211,868,196.75	212,566,055.94	697,859.19	798	750	100.00	1.16	1.99

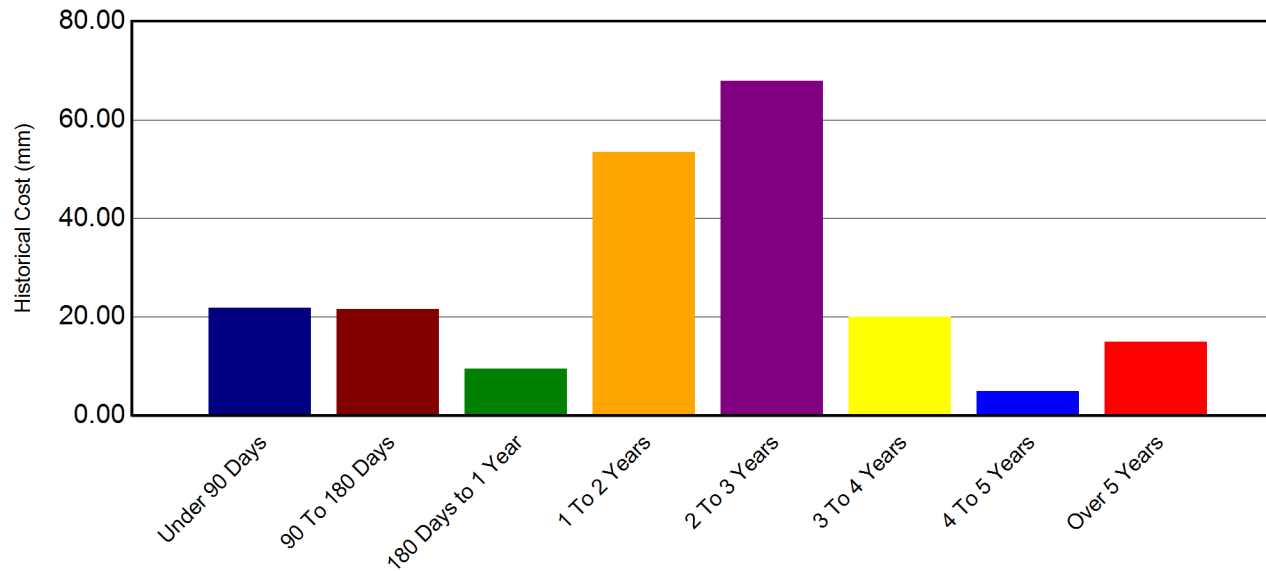
* Weighted Average Yield is calculated on a "yield to worst" basis.



**City of Ann Arbor
Maturity Distribution of Securities Held
June 30, 2015**

Maturity	Historical Cost	Percent
Under 90 Days	21,892,327.49	10.21 %
90 To 180 Days	21,567,544.15	10.06 %
180 Days to 1 Year	9,541,370.63	4.45 %
1 To 2 Years	53,499,048.45	24.96 %
2 To 3 Years	67,830,573.01	31.64 %
3 To 4 Years	20,037,250.00	9.35 %
4 To 5 Years	5,025,300.00	2.34 %
Over 5 Years	14,985,550.00	6.99 %
	214,378,963.73	100.00 %

Maturity Distribution



**City of Ann Arbor
Securities Held
June 30, 2015**

CUSIP/ Description	Purchase Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost/ Accrued Interest Purchased	Amortized Cost/ Accretion (Amortization)	Fair Value/ Change In Fair Value	Unrealized Gain (Loss)	Interest Received	Interest Earned	Total Accrued Interest	% Port Cost	Yield
Cash and Equivalents													
JPMorgan Chase	06/30/15	0.000V		16,788,333.87	16,788,333.87	16,788,333.87	16,788,333.87	0.00	0.00	0.00	0.00	7.83	0.00
					0.00	0.00	0.00						
TOTAL (Cash and Equivalents)				16,788,333.87	16,788,333.87	16,788,333.87	16,788,333.87	0.00	0.00	0.00	0.00	7.83	
					0.00	0.00	0.00						
Certificates of Deposit													
Ann Arbor Bank	10/20/14	0.400	07/17/15	108,993.62	108,993.62	108,993.62	108,993.62	0.00	0.00	36.33	307.60	0.05	0.40
					0.00	0.00	0.00						
TOTAL (Certificates of Deposit)				108,993.62	108,993.62	108,993.62	108,993.62	0.00	0.00	36.33	307.60	0.05	
					0.00	0.00	0.00						
U.S. Treasury													
912828PE4	08/29/11	1.250	10/31/15	5,000,000.00	5,121,875.00	5,009,756.40	5,019,530.00	9,773.60	0.00	5,095.11	10,529.89	2.39	0.66
T-Note					0.00	(2,399.11)	(4,300.00)						
912828EN6	08/26/10	4.500	11/15/15	5,000,000.00	5,795,312.50	5,057,135.72	5,081,250.00	24,114.28	0.00	18,342.39	28,736.41	2.70	1.33
T-Note					0.00	(12,511.47)	(17,190.00)						
912828PJ3	08/29/11	1.375	11/30/15	5,000,000.00	5,146,093.75	5,014,289.74	5,026,955.00	12,665.26	0.00	5,635.25	5,823.09	2.40	0.68
T-Note					0.00	(2,820.34)	(3,515.00)						
912828KS8	08/26/10	2.625	02/29/16	5,000,000.00	5,287,890.63	5,034,752.82	5,081,250.00	46,497.18	0.00	10,699.73	43,868.89	2.47	1.53
T-Note					0.00	(4,290.47)	(8,205.00)						
912828KZ2	09/30/10	3.250	06/30/16	2,500,000.00	2,732,617.19	2,540,431.08	2,571,875.00	31,443.92	40,625.00	6,729.77	220.79	1.27	1.55
T-Note					0.00	(3,323.11)	(6,445.00)						
912828QR4	08/29/11	1.500	06/30/16	5,000,000.00	5,148,437.50	5,030,661.96	5,057,810.00	27,148.04	37,500.00	6,212.09	203.80	2.40	0.87
T-Note					0.00	(2,520.16)	(4,300.00)						
912828MA5	08/26/10	2.750	11/30/16	5,000,000.00	5,291,796.88	5,066,062.41	5,160,545.00	94,482.59	0.00	11,270.49	11,646.17	2.47	1.76
T-Note					0.00	(3,826.00)	(9,765.00)						
912828RU6	09/23/14	0.875	11/30/16	5,000,000.00	5,018,750.00	5,012,155.82	5,029,295.00	17,139.18	0.00	3,586.06	3,705.60	2.34	0.70
T-Note					0.00	(704.00)	(785.00)						
912828RX0	09/10/13	0.875	12/31/16	5,000,000.00	4,973,828.13	4,988,105.67	5,029,295.00	41,189.33	21,875.00	3,623.72	118.89	2.32	1.04
T-Note					0.00	649.97	(1,955.00)						
912828MS6	08/26/10	3.000	02/28/17	5,000,000.00	5,360,156.25	5,092,083.68	5,203,515.00	111,431.32	0.00	12,228.26	50,135.87	2.50	1.82
T-Note					0.00	(4,543.61)	(10,155.00)						
912828SJ0	09/10/13	0.875	02/28/17	5,000,000.00	4,957,812.50	4,979,755.33	5,026,955.00	47,199.67	0.00	3,566.57	14,622.96	2.31	1.12
T-Note					0.00	998.92	(2,735.00)						
912828PA2	08/29/11	1.875	09/30/17	5,000,000.00	5,175,000.00	5,064,680.76	5,126,560.00	61,879.24	0.00	7,684.42	23,565.57	2.41	1.28
T-Note					0.00	(2,360.61)	(5,080.00)						

**City of Ann Arbor
Securities Held
June 30, 2015**

CUSIP/ Description	Purchase Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost/ Accrued Interest Purchased	Amortized Cost/ Accretion (Amortization)	Fair Value/ Change In Fair Value	Unrealized Gain (Loss)	Interest Received	Interest Earned	Total Accrued Interest	% Port Cost	Yield
912828PA2 T-Note	12/09/14	1.875	09/30/17	5,000,000.00	5,116,015.63 0.00	5,092,948.19 (3,392.27)	5,126,560.00 (5,080.00)	33,611.81	0.00	7,684.42	23,565.57	2.39	1.03
912828PF1 T-Note	08/29/11	1.875	10/31/17	5,000,000.00	5,172,656.25 0.00	5,065,310.77 (2,296.98)	5,126,955.00 (6,250.00)	61,644.23	0.00	7,642.67	15,794.84	2.41	1.29
912828UA6 T-Note	11/18/13	0.625	11/30/17	5,000,000.00	4,923,828.13 0.00	4,954,338.25 1,551.36	4,978,515.00 (1,175.00)	24,176.75	0.00	2,561.48	2,646.86	2.30	1.01
TOTAL (U.S. Treasury)				72,500,000.00	75,222,070.34 0.00	73,002,468.60 (41,787.88)	73,646,865.00 (86,935.00)	644,396.40	100,000.00	112,562.43	235,185.20	35.09	

U.S. Instrumentality

31331GY29 FFCB	10/15/09	2.900	10/09/15	1,905,000.00	1,890,712.50 0.00	1,904,346.11 196.17	1,919,325.60 (4,339.59)	14,979.49	0.00	4,603.75	12,583.58	0.88	3.04
3137EACT4 FHLMC	01/11/12	2.500	05/27/16	4,000,000.00	4,253,480.00 0.00	4,052,504.31 (4,758.69)	4,077,592.00 (5,236.00)	25,087.69	0.00	8,333.33	9,444.44	1.98	1.02
313381B53 FHLB	11/26/12	0.580	11/14/16	5,000,000.00	4,995,700.00 0.00	4,998,510.28 89.02	5,004,640.00 7,915.00	6,129.72	0.00	2,416.67	3,786.11	2.33	0.60
3133EEUT5 FFCB	03/26/15	0.700	01/23/17	5,000,000.00	5,007,450.00 291.67	5,006,369.81 (334.08)	5,006,310.00 2,550.00	(59.81)	0.00	2,916.67	9,527.78	2.34	0.62
3133ECGF5 FFCB	Call 02/27/13	0.800	02/27/17 07/01/15	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	4,998,020.00 780.00	(1,980.00)	0.00	3,333.34	13,777.78	2.33	0.80
3133EDEB4 FFCB	01/30/14	1.100	06/28/17	5,000,000.00	5,012,500.00 0.00	5,007,309.24 (301.20)	5,037,590.00 (2,630.00)	30,280.76	27,500.00	4,583.33	458.33	2.34	1.03
3133EECS7 FFCB	Call 12/01/14	1.010	08/25/17 07/25/15	5,000,000.00	4,995,000.00 0.00	4,996,062.12 150.30	5,000,430.00 6,155.00	4,367.88	0.00	4,208.33	17,675.00	2.33	1.05
313370SZ2 FHLB	01/09/14	2.250	09/08/17	5,000,000.00	5,171,550.00 0.00	5,102,571.00 (3,846.41)	5,145,845.00 (7,945.00)	43,274.00	0.00	9,375.00	35,312.50	2.41	1.29
3134G3H52 FHLMC	Call 09/12/12	1.000	09/12/17 09/12/15	5,000,000.00	4,997,500.00 0.00	4,998,899.23 41.07	4,997,935.00 (355.00)	(964.23)	0.00	4,166.67	15,138.89	2.33	1.01
3133EC2M5 FFCB	Call 11/25/14	0.940	11/13/17 07/13/15	3,185,000.00	3,171,623.00 0.00	3,174,313.21 370.21	3,179,563.21 (442.71)	5,250.00	0.00	2,494.92	3,991.87	1.48	1.08
3135G0SF1 FNMA	Call 11/28/12	1.000	11/28/17 08/28/15	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	4,989,995.00 4,400.00	(10,005.00)	0.00	4,166.66	4,583.33	2.33	1.00
313371VG8 FHLB	10/22/14	2.250	12/08/17	5,000,000.00	5,191,000.00 0.00	5,148,889.76 (5,013.13)	5,143,045.00 (5,070.00)	(5,844.76)	56,250.00	9,375.00	7,187.50	2.42	1.01
3135G0VC4 FNMA	11/25/14	1.130	02/28/18	6,000,000.00	5,990,040.00 0.00	5,991,863.07 250.88	6,021,102.00 (4,320.00)	29,238.93	0.00	5,650.00	22,788.33	2.79	1.18
3133EETE0 FFCB	03/12/15	1.125	03/12/18	5,000,000.00	4,988,950.00 0.00	4,990,069.11 302.46	5,018,525.00 (2,275.00)	28,455.89	0.00	4,687.50	17,031.25	2.33	1.20

**City of Ann Arbor
Securities Held
June 30, 2015**

CUSIP/ Description	Purchase Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost/ Accrued Interest Purchased	Amortized Cost/ Accretion (Amortization)	Fair Value/ Change In Fair Value	Unrealized Gain (Loss)	Interest Received	Interest Earned	Total Accrued Interest	% Port Cost	Yield
3133ECJX3 FFCB	Call 04/02/13	1.040	03/26/18 07/01/15	5,000,000.00	4,996,700.00 0.00	4,998,187.63 54.42	4,991,325.00 (1,525.00)	(6,862.63)	0.00	4,333.33	13,722.22	2.33	1.05
3135G0WJ8 FNMA	06/03/13	0.875	05/21/18	3,000,000.00	2,953,560.00 0.00	2,972,976.17 768.45	2,982,045.00 (3,324.00)	9,068.83	0.00	2,187.50	2,916.67	1.38	1.20
3135G0XG3 FNMA	Call 05/21/13	1.000	05/21/18 08/21/15	5,000,000.00	4,982,150.00 0.00	4,989,686.88 293.26	4,962,710.00 (3,505.00)	(26,976.88)	0.00	4,166.67	5,555.56	2.32	1.07
3130A4T93 FHLB	Call 03/30/15	1.125	06/29/18 03/29/16	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	4,987,615.00 (9,230.00)	(12,385.00)	0.00	4,687.50	14,218.75	2.33	1.13
3133EDZ62 FFCB	Call 10/22/14	1.550	10/22/18 10/22/15	5,000,000.00	4,995,000.00 0.00	4,995,862.42 102.67	4,992,485.00 (9,475.00)	(3,377.42)	0.00	6,458.34	14,854.17	2.33	1.58
3135G0YT4 FNMA	12/09/14	1.625	11/27/18	5,000,000.00	5,017,650.00 0.00	5,015,165.11 (365.43)	5,060,505.00 (13,375.00)	45,339.89	0.00	6,770.83	7,673.61	2.34	1.53
3133EDVK5 FFCB	12/09/14	1.750	03/18/19	5,000,000.00	5,024,600.00 0.00	5,021,383.08 (473.07)	5,055,660.00 (10,160.00)	34,276.92	0.00	7,291.66	25,034.72	2.34	1.63
3134G3JM3 FHLMC	02/28/14	2.000	07/30/19	5,000,000.00	5,025,300.00 0.00	5,019,058.14 (383.72)	5,097,405.00 (29,265.00)	78,346.86	0.00	8,333.33	41,944.44	2.34	1.90
3134G3K90 FHLMC	09/25/12	1.700	09/25/20	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	4,955,440.00 (31,955.00)	(44,560.00)	0.00	7,083.34	22,666.67	2.33	1.70
313380PE1 FHLB	Call 09/28/12	1.850	09/28/20 07/28/15	5,000,000.00	4,990,000.00 0.00	4,993,442.85 102.67	4,929,965.00 (26,630.00)	(63,477.85)	0.00	7,708.33	23,895.83	2.33	1.88
3130A0A34 FHLB	Call 11/18/13	2.790	11/04/20 11/04/15	3,590,000.00	3,613,550.40 0.00	3,594,144.34 (986.75)	3,611,525.64 (8,644.72)	17,381.30	0.00	8,346.75	15,858.83	1.69	2.45
313380NM5 FHLB	Call 09/19/12	2.300	09/19/22 07/19/15	5,000,000.00	4,995,550.00 0.00	4,996,786.79 36.56	4,855,265.00 (54,720.00)	(141,521.79)	0.00	9,583.33	32,583.33	2.33	2.31
TOTAL (U.S. Instrumentality)				121,680,000.00	122,259,565.90 291.67	121,968,400.66 (55,492.22)	122,021,863.45 (212,622.02)	53,462.79	83,750.00	147,262.08	394,211.49	57.03	

GRAND TOTAL **211,077,327.49** **214,378,963.73** **211,868,196.75** **212,566,055.94** **697,859.19** **183,750.00** **259,860.84** **629,704.29** **100.00**
291.67 **(55,492.22)** **(299,557.02)**

V = variable rate, current rate shown, average rate for Cash & Equivalents

City of Ann Arbor
GASB 40 - Deposit and Investment Risk Disclosure
June 30, 2015

CUSIP	Type	Coupon	Maturity Date	Call Date	S&P Rating	Moody Rating	Par Value / Shares	Historical Cost	% Portfolio Hist Cost	Market Value	% Portfolio Mkt Value	Weighted Avg Mkt Dur (Yrs)
<u>T-Note</u>												
912828PE4	U.S. Treasury	1.250	10/31/2015		AA+	Aaa	5,000,000.00	5,121,875.00	2.39	5,019,530.00	2.36	0.33
912828EN6	U.S. Treasury	4.500	11/15/2015		AA+	Aaa	5,000,000.00	5,795,312.50	2.70	5,081,250.00	2.39	0.37
912828PJ3	U.S. Treasury	1.375	11/30/2015		AA+	Aaa	5,000,000.00	5,146,093.75	2.40	5,026,955.00	2.36	0.42
912828KS8	U.S. Treasury	2.625	02/29/2016		AA+	Aaa	5,000,000.00	5,287,890.63	2.47	5,081,250.00	2.39	0.66
912828KZ2	U.S. Treasury	3.250	06/30/2016		AA+	Aaa	2,500,000.00	2,732,617.19	1.27	2,571,875.00	1.21	0.99
912828QR4	U.S. Treasury	1.500	06/30/2016		AA+	Aaa	5,000,000.00	5,148,437.50	2.40	5,057,810.00	2.38	0.99
912828MA5	U.S. Treasury	2.750	11/30/2016		AA+	Aaa	5,000,000.00	5,291,796.88	2.47	5,160,545.00	2.43	1.39
912828RU6	U.S. Treasury	0.875	11/30/2016		AA+	Aaa	5,000,000.00	5,018,750.00	2.34	5,029,295.00	2.37	1.41
912828RX0	U.S. Treasury	0.875	12/31/2016		AA+	Aaa	5,000,000.00	4,973,828.13	2.32	5,029,295.00	2.37	1.49
912828MS6	U.S. Treasury	3.000	02/28/2017		AA+	Aaa	5,000,000.00	5,360,156.25	2.50	5,203,515.00	2.45	1.62
912828SJ0	U.S. Treasury	0.875	02/28/2017		AA+	Aaa	5,000,000.00	4,957,812.50	2.31	5,026,955.00	2.36	1.65
912828PA2	U.S. Treasury	1.875	09/30/2017		AA+	Aaa	10,000,000.00	10,291,015.63	4.80	10,253,120.00	4.82	2.20
912828PF1	U.S. Treasury	1.875	10/31/2017		AA+	Aaa	5,000,000.00	5,172,656.25	2.41	5,126,955.00	2.41	2.28
912828UA6	U.S. Treasury	0.625	11/30/2017		AA+	Aaa	5,000,000.00	4,923,828.13	2.30	4,978,515.00	2.34	2.39
ISSUER TOTAL							72,500,000.00	75,222,070.34	35.09	73,646,865.00	34.65	1.38
<u>FFCB</u>												
3133EECS7	U.S. Instrumentality	1.010	08/25/2017	07/25/2015	AA+	Aaa	5,000,000.00	4,995,000.00	2.33	5,000,430.00	2.35	0.07
31331GY29	U.S. Instrumentality	2.900	10/09/2015		AA+	Aaa	1,905,000.00	1,890,712.50	0.88	1,919,325.60	0.90	0.27
3133EEUT5	U.S. Instrumentality	0.700	01/23/2017		AA+	Aaa	5,000,000.00	5,007,450.00	2.34	5,006,310.00	2.36	1.55
3133ECGF5	U.S. Instrumentality	0.800	02/27/2017	07/01/2015	AA+	Aaa	5,000,000.00	5,000,000.00	2.33	4,998,020.00	2.35	1.64
3133EDEB4	U.S. Instrumentality	1.100	06/28/2017		AA+	Aaa	5,000,000.00	5,012,500.00	2.34	5,037,590.00	2.37	1.97
3133EC2M5	U.S. Instrumentality	0.940	11/13/2017	07/13/2015	AA+	Aaa	3,185,000.00	3,171,623.00	1.48	3,179,563.21	1.50	2.33
3133EETE0	U.S. Instrumentality	1.125	03/12/2018		AA+	Aaa	5,000,000.00	4,988,950.00	2.33	5,018,525.00	2.36	2.65
3133ECJX3	U.S. Instrumentality	1.040	03/26/2018	07/01/2015	AA+	Aaa	5,000,000.00	4,996,700.00	2.33	4,991,325.00	2.35	2.69
3133EDZ62	U.S. Instrumentality	1.550	10/22/2018	10/22/2015	AA+	Aaa	5,000,000.00	4,995,000.00	2.33	4,992,485.00	2.35	3.21
3133EDVK5	U.S. Instrumentality	1.750	03/18/2019		AA+	Aaa	5,000,000.00	5,024,600.00	2.34	5,055,660.00	2.38	3.57
ISSUER TOTAL							45,090,000.00	45,082,535.50	21.03	45,199,233.81	21.26	2.10
<u>FHLB</u>												
3130A0A34	U.S. Instrumentality	2.790	11/04/2020	11/04/2015	AA+	Aaa	3,590,000.00	3,613,550.40	1.69	3,611,525.64	1.70	0.34
313381B53	U.S. Instrumentality	0.580	11/14/2016		AA+	Aaa	5,000,000.00	4,995,700.00	2.33	5,004,640.00	2.35	1.36
313370SZ2	U.S. Instrumentality	2.250	09/08/2017		AA+	Aaa	5,000,000.00	5,171,550.00	2.41	5,145,845.00	2.42	2.13
313371VG8	U.S. Instrumentality	2.250	12/08/2017		AA+	Aaa	5,000,000.00	5,191,000.00	2.42	5,143,045.00	2.42	2.37

City of Ann Arbor
GASB 40 - Deposit and Investment Risk Disclosure
June 30, 2015

CUSIP	Type	Coupon	Maturity Date	Call Date	S&P Rating	Moody Rating	Par Value / Shares	Historical Cost	% Portfolio Hist Cost	Market Value	% Portfolio Mkt Value	Weighted Avg Mkt Dur (Yrs)
3130A4T93	U.S. Instrumentality	1.125	06/29/2018	03/29/2016	AA+	Aaa	5,000,000.00	5,000,000.00	2.33	4,987,615.00	2.35	2.93
313380PE1	U.S. Instrumentality	1.850	09/28/2020	07/28/2015	AA+	Aaa	5,000,000.00	4,990,000.00	2.33	4,929,965.00	2.32	4.94
313380NM5	U.S. Instrumentality	2.300	09/19/2022	07/19/2015	AA+	Aaa	5,000,000.00	4,995,550.00	2.33	4,855,265.00	2.28	6.55
ISSUER TOTAL							33,590,000.00	33,957,350.40	15.84	33,677,900.64	15.84	3.03

FNMA

3135G0SF1	U.S. Instrumentality	1.000	11/28/2017	08/28/2015	AA+	Aaa	5,000,000.00	5,000,000.00	2.33	4,989,995.00	2.35	2.37
3135G0VC4	U.S. Instrumentality	1.130	02/28/2018		AA+	Aaa	6,000,000.00	5,990,040.00	2.79	6,021,102.00	2.83	2.61
3135G0XG3	U.S. Instrumentality	1.000	05/21/2018	08/21/2015	AA+	Aaa	5,000,000.00	4,982,150.00	2.32	4,962,710.00	2.33	2.84
3135G0WJ8	U.S. Instrumentality	0.875	05/21/2018		AA+	Aaa	3,000,000.00	2,953,560.00	1.38	2,982,045.00	1.40	2.84
3135G0YT4	U.S. Instrumentality	1.625	11/27/2018		AA+	Aaa	5,000,000.00	5,017,650.00	2.34	5,060,505.00	2.38	3.30
ISSUER TOTAL							24,000,000.00	23,943,400.00	11.17	24,016,357.00	11.30	2.78

FHLMC

3137EACT4	U.S. Instrumentality	2.500	05/27/2016		AA+	Aaa	4,000,000.00	4,253,480.00	1.98	4,077,592.00	1.92	0.90
3134G3H52	U.S. Instrumentality	1.000	09/12/2017	09/12/2015	AA+	Aaa	5,000,000.00	4,997,500.00	2.33	4,997,935.00	2.35	2.16
3134G3JM3	U.S. Instrumentality	2.000	07/30/2019		AA+	Aaa	5,000,000.00	5,025,300.00	2.34	5,097,405.00	2.40	3.88
3134G3K90	U.S. Instrumentality	1.700	09/25/2020		AA+	Aaa	5,000,000.00	5,000,000.00	2.33	4,955,440.00	2.33	4.96
ISSUER TOTAL							19,000,000.00	19,276,280.00	8.99	19,128,372.00	9.00	3.08

JPMorgan Chase

	Cash and Equivalents	0.000			NR	NR	16,788,333.87	16,788,333.87	7.83	16,788,333.87	7.90	0.00
ISSUER TOTAL							16,788,333.87	16,788,333.87	7.83	16,788,333.87	7.90	0.00

Ann Arbor Bank

	Certificates of Deposit	0.400	07/17/2015		NR	NR	108,993.62	108,993.62	0.05	108,993.62	0.05	0.05
ISSUER TOTAL							108,993.62	108,993.62	0.05	108,993.62	0.05	0.05

GRAND TOTAL												
						211,077,327.49	214,378,963.73	100.00	212,566,055.94	100.00	1.99	

Highlighted totals are issuers representing 5.00% or more of the portfolio's market value

**City of Ann Arbor
Securities Purchased
June 1, 2015 - June 30, 2015**

CUSIP/Description	Purchase Date	Rate/Coupon	Maturity/Call Date	Par Value/Shares	Unit Cost	Principal Cost	Accrued Interest Purchased	Yield
<u>Cash and Equivalents</u>								
JPMorgan Chase	06/30/2015	0.000V		895,081.75	100.000	895,081.75	0.00	0.00
TOTAL (Cash and Equivalents)				895,081.75		895,081.75	0.00	
GRAND TOTAL				895,081.75		895,081.75	0.00	

V = variable rate, current rate shown, average rate for Cash & Equivalents

City of Ann Arbor
Securities Sold and Matured
June 1, 2015 - June 30, 2015

CUSIP/ Description	Sale or Maturity Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost	Amortized Cost at Sale or Maturity / Acct/ (Amort)	Sale/ Maturity Price	Fair Value at Sale or Maturity / Chg.In Fair Value	Realized Gain (Loss)	Accrued Interest Sold	Interest Received	Interest Earned	Yield
<u>U.S. Treasury</u>													
912828QP8 T-Note	06/30/2015	1.750	05/31/2016	5,000,000.00	5,247,656.25	5,061,050.99 (5,269.28)	101.30	5,064,843.75 (6,641.25)	3,792.76	7,172.13	0.00	6,933.06	0.41
TOTAL (U.S. Treasury)				5,000,000.00	5,247,656.25	5,061,050.99 (5,269.28)		5,064,843.75 (6,641.25)	3,792.76	7,172.13	0.00	6,933.06	
<u>U.S. Instrumentality</u>													
313370TW8 FHLB	06/30/2015	2.000	09/09/2016	5,000,000.00	5,276,700.00	5,082,820.48 (5,496.10)	101.81	5,090,350.00 (4,985.00)	7,529.52	30,833.33	0.00	8,055.55	0.60
TOTAL (U.S. Instrumentality)				5,000,000.00	5,276,700.00	5,082,820.48 (5,496.10)		5,090,350.00 (4,985.00)	7,529.52	30,833.33	0.00	8,055.55	
GRAND TOTAL				10,000,000.00	10,524,356.25	10,143,871.47 (10,765.38)		10,155,193.75 (11,626.25)	11,322.28	38,005.46	0.00	14,988.61	

V = variable rate, current rate shown, average rate for Cash & Equivalents

**City of Ann Arbor
Transaction Report
for the period June 1, 2015 - June 30, 2015**

Date	CUSIP	Transaction	Sec Type	Description	Maturity	PAR Value/Shares	Principal	Interest	Transaction Total	Balance
06/01/2015		Maturity	CE	Int Receivable	06/01/2015	184,375.00	184,375.00	0.00	184,375.00	184,375.00
06/08/2015	313371VG8	Interest	INS	FHLB	12/08/2017	5,000,000.00	0.00	56,250.00	56,250.00	240,625.00
06/28/2015	3133EDEB4	Interest	INS	FFCB	06/28/2017	5,000,000.00	0.00	27,500.00	27,500.00	268,125.00
06/30/2015		Bought	CE	JPMorgan Chase		895,081.75	895,081.75	0.00	(895,081.75)	(626,956.75)
06/30/2015	313370TW8	Sold	INS	FHLB	09/09/2016	5,000,000.00	5,090,350.00	30,833.33	5,121,183.33	4,494,226.58
06/30/2015	912828KZ2	Interest	TSY	T-Note	06/30/2016	2,500,000.00	0.00	40,625.00	40,625.00	4,534,851.58
06/30/2015	912828QP8	Sold	TSY	T-Note	05/31/2016	5,000,000.00	5,064,843.75	7,172.13	5,072,015.88	9,606,867.46
06/30/2015	912828QR4	Interest	TSY	T-Note	06/30/2016	5,000,000.00	0.00	37,500.00	37,500.00	9,644,367.46
06/30/2015	912828RX0	Interest	TSY	T-Note	12/31/2016	5,000,000.00	0.00	21,875.00	21,875.00	9,666,242.46
Portfolio Activity Total									9,666,242.46	

Net Contributions:	0.00
Net Withdrawals:	9,652,219.66

Fees Charged:	13,980.47
Fees Paid:	14,022.80

**City of Ann Arbor
Securities Bid and Offer
for the period 6/1/2015 - 6/30/2015**

Trans	Settle	Description	Call Date	Broker	Par Value	Discount	Price	YTM/YTC	Competitive Bids
SELL	06/30/2015	FHLB 2 09/09/2016		BAS	5,000,000		101.807	0.48	RBC @ 101.778 MIZ @ 101.784
SELL	06/30/2015	T-Note 1.75 05/31/2016		RBC	5,000,000		101.297	0.33	MER @ 101-9.25 MIZ @ 101-9.25

**City of Ann Arbor
Upcoming Cash Activity
for the next 45 days**

Date	Transaction	CUSIP	Description	Coupon	Maturity Date	Next Call Date	Par / Shares	Principal	Interest	Transaction Total
07/17/2015	Maturity		Ann Arbor Bank	0.400	07/17/2015		108,993.62	108,993.62	326.98	109,320.60
07/23/2015	Interest	3133EEUT5	FFCB	0.700	01/23/2017		5,000,000.00	0.00	11,666.67	11,666.67
07/30/2015	Interest	3134G3JM3	FHLMC	2.000	07/30/2019		5,000,000.00	0.00	50,000.00	50,000.00

END OF REPORTS

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➤ A BNY MELLON COMPANYSM

