



Quarterly Investment Report - Fixed Income

October 1, 2016 to December 31, 2016

The City of Redmond's investment portfolio is managed in a manner to provide maximum security of the principle while meeting daily cash flow demands and conforming to laws and regulations governing the investment of public funds. The primary objectives of the City's investment activities, in priority order, are safety, liquidity and return on investment.

The City's Investment Policy has been adopted by a Resolution of the City Council. Authorized investments are securities and investments authorized by State statute as defined in RCW's 39.58 and 39.59 and further defined within the Investment Policy.

The totals noted below do not include cash in public fund money market accounts or pools.

Month	Market Value	Book Value	Unrealized Gain/Loss	YTM @ Cost	Treasury 2 Year	Interest Earned	Days To Maturity
10/31/2016	179,612,027.68	179,602,280.29	9,747.39	1.00	0.84	161,096.20	590
11/30/2016	180,808,352.33	181,556,309.81	-747,957.48	1.03	0.98	150,331.85	603
12/31/2016	188,840,573.77	189,637,523.05	-796,949.28	1.06	1.20	155,310.20	608
Total / Average	183,086,984.59	183,598,704.38	-511,719.79	1.03	1.01	466,738.25	600



Monthly Investment Report

December 31, 2016

The City uses the following portfolio types to track how various monies are invested. The 2016 Transportation Bonds portfolio consists of debt proceeds to be used for a capital project under construction. The Fixed Income portfolio includes US Treasury and Agency notes, and certificates of deposit. Liquid assets include money kept in the Local Government Investment Pool and public fund money market accounts.

Portfolio Name	Face Amount/Shares	Market Value	Book Value	% of Portfolio	YTM @ Cost	Days To Maturity
2016 Transportation Bonds	3,740,414.32	3,740,414.32	3,740,414.32	1.65	0.10	1
City of Redmond - Fixed Income	189,752,553.52	188,840,573.77	189,637,523.05	83.52	1.06	608
City of Redmond - Liquid Assets	33,697,541.50	33,697,541.50	33,697,541.50	14.83	0.50	1
Total / Average	227,190,509.34	226,278,529.59	227,075,478.87	100.00	0.96	508



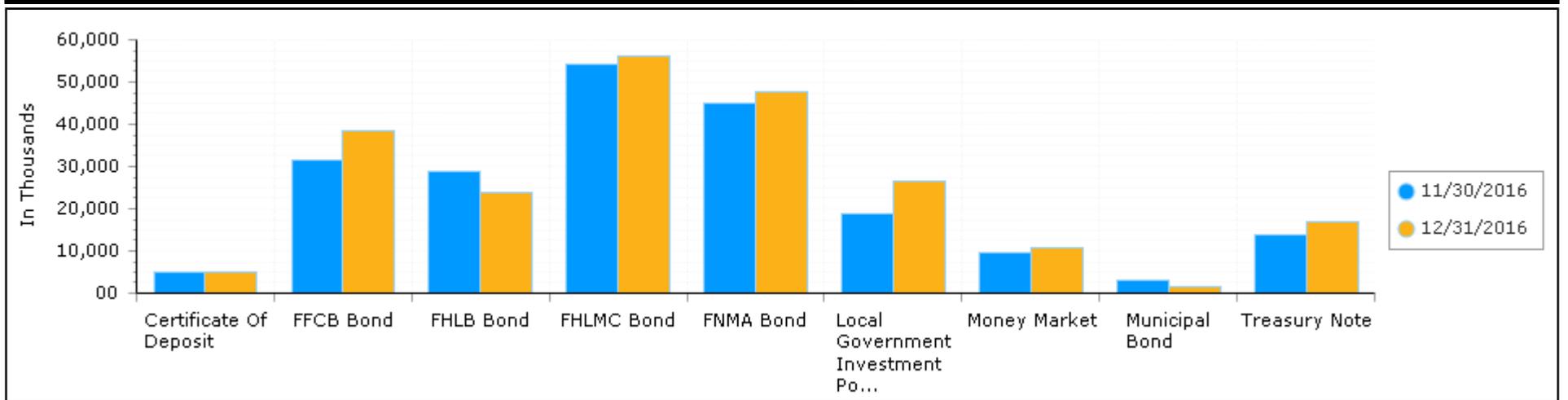
City of Redmond Distribution by Security Type - Book Value All Portfolios

Begin Date: 11/30/2016, End Date: 12/31/2016

Security Type Allocation

Security Type	Book Value 11/30/2016	% of Portfolio 11/30/2016	Book Value 12/31/2016	% of Portfolio 12/31/2016
Certificate Of Deposit	5,016,509.33	2.39	5,022,553.52	2.21
FFCB Bond	31,425,184.54	14.98	38,432,646.78	16.93
FHLB Bond	29,000,628.88	13.82	24,000,165.65	10.57
FHLMC Bond	54,243,078.62	25.85	56,242,223.57	24.77
FNMA Bond	44,954,541.27	21.43	47,520,358.19	20.93
Local Government Investment Pool	18,749,763.03	8.94	26,533,032.69	11.68
Money Market	9,498,225.70	4.53	10,904,923.13	4.80
Municipal Bond	2,945,000.00	1.40	1,445,000.00	0.64
Treasury Note	13,971,367.17	6.66	16,974,575.34	7.48
Total / Average	209,804,298.54	100.00	227,075,478.87	100.00

Portfolio Holdings



Security Type Money Market includes 2016 Transportation debt proceeds.