



# City of Santa Fe, New Mexico

# memo

TO: FINANCE COMMITTEE

FROM: Helene R. Hausman, Cash Management & Investment Officer 

VIA: Teresita Garcia, Assistant Finance Director 

DATE: December 1, 2014

RE: September Cash & Investment Report

**ITEM AND ISSUE:**

Status of the City's cash and investment portfolio as of September 30, 2014.

**BACKGROUND AND SUMMARY:**

**A. Purpose of Report**

This report is a summary of all City bank accounts containing all of the cash the City has in the various departments and their associated funds. Every dollar in this cash and investment report is tied to a department's budget and the funds that support that department. This report cannot be used to determine if the City has any extra cash available for purposes not previously budgeted or accounted for in multi-year plans. Any determination of cash availability has to come from the Finance Director, the Budget Officer and the relevant Department Director based on a departmental budget and cash flow analysis.

The bank accounts the City holds include operating accounts, trust accounts, and restricted or special purpose accounts used to meet the City's needs, including regulatory and reporting requirements. The City's investment portfolio consists of two accounts with the NM LGIP, savings accounts and certificates of deposit at various local banks, and securities and cash held in two trust accounts at Wells Fargo Bank. There are investment standards set by State Statute Chapter 6 and reiterated in our Council Approved Investment Policy that determine what we can and cannot do with our public funds.

**B. Portfolio Accounts and Activity**

At month end the investment portfolio consisted of:

CDs	6.72%
Cash Accounts	33.66%
Securities	52.79%
Restricted Accounts	<u>6.83%</u>
	100.00%

September's average interest yield of 0.54% was higher than the August 0.52% yield. As you may recall, I suspected we were turning a corner as of the end of June in response to market changes. *It is possible to track this for the end of September. This represents the first clearly*

*identifiable market-driven improvement in the overall portfolio yield since October 2007 – almost exactly 7 years.*

**HISTORY - Average Portfolio Yield by FY**

	<u>FY 07-08</u>	<u>FY 08-09</u>	<u>FY 09-10</u>	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>FY 13-14</u>	<u>FY 14-15</u>
July	4.90%	2.81%	1.89%	1.18%	0.97%	0.73%	0.54%	0.49%
Aug	4.94%	2.83%	1.86%	1.27%	0.91%	0.74%	0.55%	0.52%
Sep	4.94%	2.79%	1.52%	1.09%	0.98%	0.71%	0.52%	<b>0.54%</b>
Oct	4.87%	3.05%	1.70%	1.07%	0.87%	0.66%	0.52%	
Nov	4.76%	2.91%	1.55%	1.05%	0.84%	0.66%	0.51%	
Dec	4.77%	3.01%	1.28%	1.03%	0.86%	0.59%	0.49%	
Jan	4.38%	2.54%	1.50%	0.96%	0.81%	0.61%	0.49%	
Feb	4.08%	2.59%	1.46%	0.97%	0.85%	0.55%	0.47%	
Mar	3.73%	2.39%	1.50%	0.94%	0.84%	0.53%	0.51%	
Apr	3.01%	2.13%	1.32%	0.84%	0.83%	0.52%	0.51%	
May	2.85%	2.08%	1.40%	0.91%	0.91%	0.56%	0.51%	
Jun	3.11%	1.92%	1.20%	0.88%	0.81%	0.56%	0.54%	

The almost \$16 million in securities purchased during September were all purchased during a peak in the middle of the month as shown below. Most have shorter terms and higher yields than have been available in quite some time.

Type/Maturity	Settled	Coupon	Yield	Par	Term
FHLMC 1/28/16 – C	09/18/2014	0.45	YTC 0.45, YTM 0.45	2,000,000.00	16 mo
FFCB 4/18/16 – B	09/19/2014	0.45		2,000,000.00	19 mo
FFCB 7/11/16 – B	09/19/2014	0.5		2,000,000.00	22 mo
FHLB 8/15/16 – B	09/19/2014	0.5		2,000,000.00	23 mo
FHLB 11/18/16 – B	09/18/2014	0.75		2,000,000.00	26 mo
FHLMC 11/18/16 - C	09/18/2014	0.8	YTC 0.919, YTM 0.809	3,000,000.00	26 mo
FHLB 3/29/17 – B	09/18/2014	0.875		2,990,000.00	2.5 year
				<b>15,990,000.00</b>	

C = Callable

B = Bullet/Non-Callable

The September account summary follows with total comparisons to prior years.

<u>TYPE</u>	<u>FUND</u>	<u>AMOUNT OF INVESTMENT</u>	<u>% OF TOTAL</u>	<u>INT RATE/WAY</u>
Certificates of Deposit	7000	\$ 15,200,000.00	6.72%	0.517%
WFB Adv Govt MnMkt-Custodial	7000	175,219.25	0.08%	0.010%
WFB Business Savings	7000	65,532,756.25	28.96%	0.220%
FNB Savings	7000	9,777,144.39	4.32%	0.250%
NM LGIP	7000	682,557.29	0.30%	0.112%
U.S. Agency Securities	7000	113,190,000.00	50.01%	0.772%
U.S. Treasuries	7000	5,000,000.00	2.21%	0.569%
GNMA Pass-Through Securities	7000	54,930.53	0.02%	5.060%
New Mexico Municipal Bonds	7000	1,250,000.00	0.55%	0.550%
<b>Subtotal 7000 Fund</b>		<b>\$ 210,862,607.71</b>	<b>93.17%</b>	<b>0.50%</b>

<u>TYPE</u>	<u>FUND</u>	<u>AMOUNT OF INVESTMENT</u>	<u>AS % OF TOTAL</u>	<u>INT RATE/WAY</u>
<u>Restricted Investment Accounts</u>				
Library Endowment Fund - CD	2716	\$ 268,025.38	0.12%	0.40%
NM LGIP - Reserve Cont. Fund	7000	20,301.10	0.01%	0.00%
2009AB Reserve - Securities	539I	5,275,000.00	2.33%	1.27%
2009AB Reserve - Cash	539I	55,128.47	0.02%	0.01%
NMFA Loan #20 Reserve	5912	1,108,770.49	0.49%	0.22%
Restricted Cash		8,735,683.15	3.86%	0.22%
<b>Subtotal Other Funds</b>		<b>\$ 15,462,908.59</b>	<b>6.83%</b>	<b>0.04%</b>
<b>GRAND TOTAL</b>		<b>\$ 226,325,516.30</b>	<b>100.00%</b>	<b>0.54%</b>
September 2013 Comparison		\$ 232,185,034.92		0.52%
September 2012 Comparison		\$ 228,165,960.55		0.71%
September 2011 Comparison		\$ 207,838,011.36		0.98%
September 2010 Comparison		\$ 202,621,113.95		1.08%

Dedicated accounts (non-investment operating accounts) held \$27,657,165.31, of which 96% was in the Common account and 3.0% was in the Payroll account. The Common account balance was higher due to receipt of the 2012 GRT bond issue funds on September 30<sup>th</sup>.

#### DEDICATED ACCOUNT SUMMARY

<u>Dedicated Operating Accounts</u>	<u>AMOUNT OF INVESTMENT</u>	<u>INT RATE</u>
Common Account - WFB	\$ 26,709,042.31	*
Workers Compensation - WFB	29,548.29	*
General Liability - WFB	33,676.61	*
Payroll Account - WFB	832,547.78	*
Public Safety - WFB	50,939.46	
Redflex Systems Inc. - Huntington	1,410.86	0.00%
<i>* WFB Interest is netted against bank fees.</i>	<b>\$ 27,657,165.31</b>	
<b>Cash in Trust - NMFA Loan Accounts</b>		
NMFA #8 Railyard Cash in Trust	\$ 0.01	0.01%
NMFA #8 Railyard Cash in Trust Reserve	52,792.25	0.78%
NMFA #15B Railyard Cash in Trust	0.07	0.01%
NMFA #18 Land Acquisition Cash in Trust	0.21	0.01%
NMFA #14 Convention Center	1.46	0.01%
NMFA #DW2 Water Cash in Trust	5.66	0.01%
NMFA #20 College of Santa Fe - Cash in Trust	1.46	0.01%
	<b>\$ 52,801.12</b>	
<b>TOTAL DEDICATED ACCOUNTS</b>	<b>\$ 27,709,966.43</b>	

The following is September investment activity. No bonds were called or matured and seven purchases were settled. Interest earnings were higher due to the interest payment schedule on the securities. The Community Bank CD renewal dropped from 0.50% to 0.45% so it was renewed for seven months to see if the Fed decides to increase interest rates in the Spring.

**INVESTMENT ACTIVITY**

	<u>ACTIVITY</u>	
<b>Agency Purchases:</b>		
FFCB 4/18/16	\$	2,000,000.00
FFCB 7/11/16		2,000,000.00
FHLB 8/15/16		2,000,000.00
FHLB 11/18/16		2,000,000.00
FHLB 3/29/17		2,990,000.00
FHLMC 1/28/16		2,000,000.00
FHLMC 11/18/16		3,000,000.00
	\$	<u>15,990,000.00</u>
<b>Agency Maturities, Calls, Sales</b>		
GNMAs (7000)		<u>(2,471.10)</u>
	\$	<u>(2,471.10)</u>
<b>Other</b>		
Transfer available cash to invest	\$	10,000,000.00
Transfer available cash to invest		6,000,000.00
	\$	<u>16,000,000.00</u>
<b>Certificate of Deposit Renewals</b>		
Community Bank - 0.45% for 7 mo.		500,000.00
	\$	<u>500,000.00</u>
<b>Interest Earned</b>		
Net Interest posted to GL - September	\$	177,525.52
Amort. of premium/discount		<u>(4,009.24)</u>
Net Interest Earned = Actual Yield	\$	<u>173,516.28</u>

**C. Examination of Portfolio by Maturity and by Call**

The Portfolio by Maturity table below shows the weighted average maturity (WAM) at 452 days (slightly less than 1.25 years), up slightly from August due to the settling of security purchases. The WAM looks at securities by stated maturity and provides the most conservative view of the portfolio. However, it overstates the actual average maturity since we still held a number of callable securities at September 30<sup>th</sup>.

**PORTFOLIO BY MATURITY**

<u>Short-Term</u>	<u>July</u>	<u>%/Total</u>	<u>August</u>	<u>%/Total</u>	<u>September</u>	<u>%/Total</u>
Immediately - 24 Hrs. Notice	\$ 92,042,167	43.85%	\$ 91,203,937	42.19%	\$ 85,384,702	37.73%
NM Local Gov't Invest. Pool	682,557	0.33%	682,557	0.32%	682,557	0.30%
Less than Six Months	13,800,000	6.57%	10,500,262	4.86%	10,000,184	4.42%
Subtotal Short Term	\$ 106,524,724	50.74%	\$ 102,386,756	47.37%	\$ 96,067,443	42.45%
<u>Long Term</u>	<u>July</u>	<u>%/Total</u>	<u>August</u>	<u>%/Total</u>	<u>September</u>	<u>%/Total</u>
One Year	\$ 7,738,564	3.69%	\$ 8,988,235	4.16%	\$ 14,988,326	6.62%
Two Years	33,155,725	15.79%	39,164,518	18.12%	49,824,725	22.01%
Three Years	41,177,189	19.62%	41,516,797	19.21%	46,345,012	20.48%
Three to Five Years	21,326,845	10.16%	24,100,825	11.15%	19,100,010	8.44%
Subtotal Long Term	\$ 103,398,323	49.26%	\$ 113,770,375	52.63%	\$ 130,258,073	57.55%
<b>TOTAL</b>	\$ <u>209,923,047</u>	<u>100.00%</u>	\$ <u>216,157,131</u>	<u>100.00%</u>	\$ <u>226,325,516</u>	<u>100.00%</u>
Weighted Average Maturity - Days	425		437		452	

The Portfolio by Maturity and Average Yield table below shows the changes in the weighted average yield within each maturity term compared to the prior two months. Our own yield curve for the portfolio can be seen in the attached chart Yield Curve – 3 Months.

**PORTFOLIO BY MATURITY AND AVERAGE YIELD**

<u>Short-Term</u>	<u>July</u>	<u>Ave. Yield</u>	<u>August</u>	<u>Ave. Yield</u>	<u>September</u>	<u>Ave. Yield</u>
Immediately - 24 Hrs. Notice	\$ 92,042,167	0.21%	\$ 91,203,937	0.22%	\$ 85,384,702	0.22%
NM LGIP	682,557	0.15%	682,557	0.11%	682,557	0.11%
Less than Six Months	13,800,000	0.46%	10,500,262	0.51%	10,000,184	0.52%
Subtotal Short Term	\$ 106,524,724	0.24%	\$ 102,386,756	0.25%	\$ 96,067,443	0.25%
<u>Long Term</u>	<u>July</u>	<u>Ave. Yield</u>	<u>August</u>	<u>Ave. Yield</u>	<u>September</u>	<u>Ave. Yield</u>
One Year	\$ 7,738,564	0.44%	\$ 8,988,235	0.45%	\$ 14,988,326	0.41%
Two Years	33,155,725	0.45%	39,164,518	0.45%	49,824,725	0.51%
Three Years	41,177,189	0.84%	41,516,797	0.80%	46,345,012	0.85%
Five Years	21,326,845	1.14%	24,100,825	1.24%	19,100,010	1.31%
Subtotal Long Term	\$ 103,398,323	0.75%	\$ 113,770,375	0.75%	\$ 130,258,073	0.74%
<b>TOTAL</b>	<b>\$ 209,923,047</b>	<b>0.49%</b>	<b>\$ 216,157,131</b>	<b>0.52%</b>	<b>\$ 226,325,516</b>	<b>0.54%</b>
Weighted Average Maturity - Days		425		437		452

The Portfolio by First Call and Average Yield table below looks at the portfolio as if all callable bonds were liquidated on the first call date after 9/30/14. This shifts the term structure significantly from \$96 million (42% of the portfolio) liquidating in 6 months or less based on maturity date, to \$140 million (62% of the portfolio) based on call date. The average yield based on call dates is still 0.52%. This table shows the average portfolio term as 245 days – 67% of a year. This difference is readily visible when the table below is compared with the table above. Since we cannot know in advance which bonds will be called, it is important to look at the portfolio from both perspectives and plan cash flow from the most conservative, i.e. by maturity date. Cash from calls is then simply an earlier opportunity to reposition investments.

**PORTFOLIO BY CALL & MATURITY & AVERAGE YIELD**

<u>Short-Term</u>	<u>July</u>	<u>WAY</u>	<u>August</u>	<u>WAY</u>	<u>September</u>	<u>WAY</u>
Immediately - 24 Hrs. Notice	\$ 92,042,167	0.21%	\$ 91,203,937	0.22%	\$ 85,384,702	0.22%
NM LGIP	682,557	0.15%	682,557	0.11%	682,557	0.11%
Less than Six Months	65,420,301	0.78%	46,870,563	0.76%	54,870,485	0.74%
Subtotal Short Term	\$ 158,145,025	0.44%	\$ 138,757,057	0.40%	\$ 140,937,744	0.42%
<u>Long Term</u>	<u>July</u>	<u>WAY</u>	<u>August</u>	<u>WAY</u>	<u>September</u>	<u>WAY</u>
One Year	\$ 16,218,263	0.80%	\$ 14,542,934	0.91%	\$ 25,743,025	0.85%
Two Years	21,255,725	0.44%	25,400,000	0.68%	29,174,725	0.48%
Three Years	14,277,189	0.77%	37,431,315	0.56%	27,445,012	0.82%
Five Years	26,845	4.93%	25,825	4.93%	3,025,010	1.10%
Subtotal Long Term	\$ 51,778,022	0.65%	\$ 77,400,074	0.67%	\$ 85,387,772	0.72%
<b>TOTAL</b>	<b>\$ 209,923,047</b>	<b>0.49%</b>	<b>\$ 216,157,131</b>	<b>0.52%</b>	<b>\$ 226,325,516</b>	<b>0.54%</b>
WAC - Days		228		228		245

History - Ave. Yield by Fiscal Year chart (attached) shows the drop in portfolio yield over time and the leveling out that occurred this past fiscal year. This chart is now provided for comparison but will not have FY 14-15 added to it.

Ave. Yield – 2 Years & Current chart (attached) is a new chart to make the changes of the past two years and this fiscal year more visible. Given the sporadic increases in yields in the market that have started occurring over the past six months or so, even though they have not held, it is likely that we have finally bottomed out. This next fiscal year will be very interesting to watch.

Ave. Portfolio Yield by Term chart (attached) compares this month over three years grouped by maturity and shows the related yield curve.

**D. Securities by Type**

The distribution among the Federal agencies has shifted due to purchases.

**SECURITIES BY TYPE**

	<u>July</u>	<u>%</u>	<u>August</u>	<u>%</u>	<u>September</u>	<u>%</u>
FFCB	\$ 18,700,000	18.39%	\$ 15,700,000	14.84%	\$ 19,700,000	16.18%
FHLB	25,500,000	25.07%	22,450,000	21.22%	29,440,000	24.18%
FHLMC	23,500,000	23.10%	36,925,000	34.91%	41,925,000	34.43%
FNMA	24,400,000	23.99%	24,400,000	23.07%	24,400,000	20.04%
US Treas.	5,000,000	4.92%	5,000,000	4.73%	5,000,000	4.11%
GNMA	60,179	0.06%	57,402	0.05%	54,931	0.05%
MUNIS	4,550,000	4.47%	1,250,000	1.18%	1,250,000	1.03%
	<u>\$ 101,710,179</u>	<u>100.00%</u>	<u>\$ 105,782,402</u>	<u>100.00%</u>	<u>\$ 121,769,931</u>	<u>100.00%</u>

No municipal securities have been purchased since May 2013 due in part to a lack of supply and in part due to low yields. Fewer municipal bond issues are being issued, and holders of Muni's have generally not traded them so there has not been an active secondary market. Municipal bond rates are at their lowest in years, making any term under three years generally less than what we earn on our savings accounts.

**E. Interest Activity**

As can be seen by the Changes in Interest Rates table attached, primary changes were related to shifts between cash and securities, what I term structural changes.

The attached chart, FY 14-15 Interest Earnings vs. Budget, compares monthly interest collected to an average monthly budget. The FY 14-15 budget assumed a 0.46% yield on a projected average portfolio balance of \$205,287,256, for an interest budget of \$944,152. The assumed balance is higher than the prior year due to the issuance of bonds.

The table below shows actual and projected interest vs. budget (adjusted for monthly premium and discount, not including accrued interest). This is the data for the Interest Earnings vs. Budget Chart.

**MONTHLY INTEREST EARNINGS/PROJECTIONS - Cash Basis**

	<u>Ave. Budget</u>	<u>Net Revenue</u>	<u>Over(Under)</u>	<u>% Budget</u>
July	78,679	19,755	(58,925)	25.11%
Aug	78,679	139,665	60,985	177.51%
Sep	78,679	153,680	75,001	195.32%
Oct	78,679	66,623	(12,056)	84.68%
Nov *	78,679	115,935	37,255	147.35%
Dec *	78,679	53,422	(25,258)	67.90%
Jan *	78,679	54,555	(24,125)	69.34%
Feb *	78,679	67,195	(11,485)	85.40%
Mar *	78,679	175,208	96,528	222.69%
Apr *	78,679	55,123	(23,557)	70.06%
May *	78,679	135,644	56,964	172.40%
Jun *	78,679	51,665	(27,015)	65.66%
	<b>944,152</b>	<b>1,088,468</b>	<b>144,316.08</b>	<b>115.29%</b>

\* Projections based on SYMPRO Investment Software Report

The attached chart Major Cash Accounts - Yields compares interest rates on the cash accounts. The WFB Savings account holds the majority of cash.

The attached Benchmark Comparison chart shows average interest yield for the portfolio relative to one and two-year Treasuries. The two-year Treasury yield has been increasing, which is helping to bump up yields on new agency purchases.

**OBSERVATIONS AND CURRENT COMMENTS:**

A. NM Local Government Investment Pool

The most recent information regarding final liquidation of The Reserve Primary Fund as of September 23, 2014, anticipates a final distribution of fund assets before the calendar end of 2014. This has been delayed due to legal maneuvering in the courts.

B. Treasury and Agency Yields

The Wall Street Journal referred to the shake-up that occurred October 13<sup>th</sup> -17<sup>th</sup> as a “temper tantrum”. Significant stock market drops pushed buyers out of stocks and into bonds, driving up bond prices and driving down bond yields. The Dow Jones hit a low of 16,117 on October 15<sup>th</sup> and rebounded to a high of 17,602 on November 10<sup>th</sup>. The Fed terminated its quantitative easing program in the midst of a number of hot buttons that affected the market so any affect was buried. A greater reaction came from the Fed indicating that it was going to be very cautious about raising interest rates in the face of increasing global concerns.

Sharp shifts in the yield curve resulted in interesting changes in opportunities. On October 20<sup>th</sup>, we had the following call and purchase, both scheduled for 10/29/14:

Called @ 10/29/14	\$3.4 mill	3-yr FNMA	YTC 0.534%	YTM 0.505%
Settle @ 10/29/14	\$3.4 mill	2.5-yr FHLB	YTC 0.60%	YTM 0.918%

The called security had 2 years left at the call date so FNMA could re-issue 2-year debt at a coupon of less than the 0.50% coupon on this security (I bought it at a discount, hence the slightly higher yield above). However, FHLB offered a new issue that was

actually more enticing, allowing us to change up. The replacement FHLB has a shorter term and a higher yield, whether it gets called or held to maturity – so it is a win either way. These are the subtle shifts that our advisors and I are keeping our eye on to capture increased earnings for the portfolio.

Also of interest is our purchase November 11<sup>th</sup> of a new 13-month FHLMC, \$3 million par, at 0.27%. This is higher than the Savings rate of 0.22%. Regardless of whether it gets called in six months or holds to maturity we will earn more than as cash, and it fills in a much shorter spot on our investment ladder. This was a surprise opportunity that I purchased within minutes of receiving notice of it, and it sold out within seconds after our purchase according to our investment advisor. I have not purchased such a short term bond in several years.

C. Investment Activities

We continue our move towards holding more non-callable (bullet) securities, in part because fewer callables are actually being called as interest rates start to increase, and in part because the yield spread between callables and bullets has decreased making bullets more attractive. Most of the innovative bond structures of the past three years are not offered any more, which is just as well since very few made it past the first call date anyway.

D. Other Federal, State and Local Issues

No major progress has been made by the Senate Banking Committee regarding unwinding Fannie Mae (FNMA) and Freddie Mac (FHLMC) from the Federal government umbrella.

E. Bank Information

In October, two certificates of deposit were renewed at FNB: a \$3 million and a \$3.5 million, both for 18 months @ 0.50% - a shorter term and higher yield than we expected, both of which are good. Our accounts are now being handled by different staff at the bank as a result of retirements as well as the merger. We met to reaffirm our working relationship and to understand new processes under the revised bank structure. Since interest checks are now coming out of Denver instead of locally, we have changed them to ACH payments rather than checks.

Discussions regarding establishing a public bank in Santa Fe seem to be gaining momentum. What this could potentially mean for the City's investment methods remains unclear at this time.

Attachments:

Bank vs. GL Reconciliation

SYMPRO Portfolio Management Report

Changes in Interest Rates

Chart: Yield Curve – 3 Month

Chart: Ave. Portfolio Yield by Term

Chart: Ave. Portfolio Yield by Fiscal Year

Chart: Distribution by Investment Type

Chart: Investments Within the Aging Period

Chart: Major Cash Accounts  
Chart: Benchmark Comparison  
Chart: FY 14-15 Interest Earnings vs. Budget  
Table: Bank Ratings

**City of Santa Fe**  
**Investment Portfolio Summary**  
**September 30, 2014**

		<u>Balance per Bank</u>	<u>Balance per GL</u>	<u>Difference</u>	
<b><u>MARKETABLE SECURITIES (Face Value)</u></b>					
	<b>Line #</b>				
#7000 Securities - WFB Custodial Account	101725	\$ 119,494,930.53	\$ 119,494,930.53	\$ 0.00	
#5391 Securities - 2009AB Reserve	101725	5,275,000.00	5,275,000.00	0.00	
<b>Subtotal Securities</b>		<b>\$ 124,769,930.53</b>	<b>\$ 124,769,930.53</b>	<b>\$ 0.00</b>	
<b><u>CASH, EQUIVALENTS &amp; MONEY MARKETS</u></b>					
#7000 Pooled - FNB Savings	101127	9,777,144.39	9,777,144.39	0.00	
#7000 Pooled - WFB Adv Govt Mny Mkt	101730	175,219.25	175,219.25	0.00	
#7000 Pooled - WFB Business Svgs	101740	65,532,756.25	65,532,756.25	0.00	
#7000 Pooled - NM State LGIP	101750	682,557.29	682,557.29	0.00	
#7000 Pooled - NM State LGIP Reserve	101751	20,301.10	20,301.10	0.00	
#7000 Pooled - Certificates of Deposit	101650	15,200,000.00	15,200,000.00	0.00	
#5391 2009AB Reserve Cash (Water)	101500	55,128.47	55,128.47	0.00	
#2716 Library Endowment Cert. of Deposit	101500	268,025.38	268,025.38	0.00	
#5912 College of Santa Fe DS Reserve - WFB	101500	1,108,770.49	1,108,770.49	0.00	
#Various - Restricted Cash - WFB	100750	8,735,683.15	8,735,683.15	0.00	
<b>Subtotal Cash, Equivalents &amp; Mny Mkt</b>		<b>\$ 101,555,585.77</b>	<b>\$ 101,555,585.77</b>	<b>\$ 0.00</b>	
<b>SUBTOTAL SECURITIES &amp; CASH</b>		<b>\$ 226,325,516.30</b>	<b>\$ 226,325,516.30</b>	<b>\$ 0.00</b>	
<b><u>DEDICATED OPERATING ACCOUNTS</u></b>					
#7000 Pooled - Common Account *, **	100900	\$ 26,709,042.31	26,709,042.31	\$ 0.00	
#6109 Worker's Compensation - WFB	101125	29,548.29	29,548.29	0.00	
#6104 General Liability - WFB	101200	33,676.61	33,676.61	0.00	
#7104 Payroll Account - WFB	101050	832,547.78	832,547.78	0.00	
#2224 Public Safety Account - WFB *	101501	50,939.46	50,939.46	0.00	
#2724 Redflex Traffic - Huntington Nat'l Bank *	101501	1,410.86	1,410.86	0.00	
<b>Subtotal Dedicated Op. Accounts</b>		<b>\$ 27,657,165.31</b>	<b>\$ 27,657,165.31</b>	<b>\$ 0.00</b>	
<b><u>CASH IN TRUST - NMFA LOAN ACCOUNTS</u></b>					
		<b>Loan #</b>			
#5850 Railyard #8-capitalized int taxable	101500	8	\$ 237.13	\$ 237.13	\$ 0.00
#5850 Railyard NMFA #8 -reserve tax'bl	101501	8	52,792.25	52,792.25	0.00
#5850 Railyard NMFA #15b -tax'bl	101503	15B	0.07	0.07	0.00
#4209 #18 Land Acquisition Loan	101500	18	0.21	0.21	0.00
#5100 #14 Convention Center Loan	101500	14	1.46	1.46	0.00
#5300 #DW-2 Drinking Water Loan	101500	DW-2	5.66	5.66	0.00
#5912 #20 College of Santa Fe	101503	20	1.46	1.46	0.00
<b>Subtotal - Trust Cash - Loan Accounts</b>			<b>\$ 53,038.24</b>	<b>\$ 53,038.24</b>	<b>\$ 0.00</b>
<b>SUBTOTAL DEDICATED/CASH IN TRUST ACCOUNTS</b>			<b>\$ 27,710,203.55</b>	<b>\$ 27,710,203.55</b>	<b>\$ 0.00</b>
<b>TOTAL INVESTMENT PORTFOLIO</b>			<b>\$ 254,035,719.85</b>	<b>\$ 254,035,719.85</b>	<b>\$ 0.00</b>

\* Reconciliations delayed due to CAFR preparation.

\*\* Common account bank balance high due to receipt of 2014 GRT bond funds on September 30, 2014. Excess funds moved to savings in October.

Prepared: 11/13/14



**City of Santa Fe  
Portfolio Management  
Portfolio Summary  
September 30, 2014**

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM</b>
Certificates of Deposit - Bank	15,200,000.00	15,200,000.00	15,200,000.00	6.71	580	117	0.517
Money Market Accounts	230,347.72	230,347.72	230,347.72	0.10	1	1	0.010
Local Government Investment Pool	702,858.39	702,858.39	702,858.39	0.31	1	1	0.109
Federal Agency Coupon Securities	115,465,000.00	115,210,328.75	115,475,663.01	51.01	1,094	821	0.770
Treasury Coupon Securities	5,000,000.00	5,009,000.00	5,012,467.05	2.21	834	723	0.569
Pass Through Securities	54,930.53	56,858.60	57,506.22	0.03	5,174	969	5.060
Municipal Bonds	1,250,000.00	1,278,800.00	1,275,281.55	0.56	1,044	304	0.550
Savings Account	85,154,354.28	85,154,354.28	85,154,354.28	37.62	1	1	0.223
Compounding CDs	268,025.38	268,025.38	268,025.38	0.12	365	184	0.400
Federal Agency Continuous Calls	3,000,000.00	2,986,710.00	2,997,400.75	1.32	1,088	523	0.511
<b>Investments</b>	<b>226,325,516.30</b>	<b>226,097,283.12</b>	<b>226,373,904.35</b>	<b>100.00%</b>	<b>638</b>	<b>452</b>	<b>0.536</b>

<b>Total Earnings</b>	<b>September 30 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	92,775.69	267,437.63
Average Daily Balance	220,331,532.26	214,642,747.19
Effective Rate of Return	0.51%	0.49%

Helene Hausman 11/13/14  
Helene Hausman, Cash & Investment Officer



**City of Santa Fe  
Portfolio Management  
Portfolio Summary  
September 30, 2014**

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM/C</b>
Certificates of Deposit - Bank	15,200,000.00	15,200,000.00	15,200,000.00	6.71	580	117	0.517
Money Market Accounts	230,347.72	230,347.72	230,347.72	0.10	1	1	0.010
Local Government Investment Pool	702,858.39	702,858.39	702,858.39	0.31	1	1	0.109
Federal Agency Coupon Securities	115,465,000.00	115,210,328.75	115,475,663.01	51.01	1,094	415	0.772
Treasury Coupon Securities	5,000,000.00	5,009,000.00	5,012,467.05	2.21	834	723	0.569
Pass Through Securities	54,930.53	56,858.60	57,506.22	0.03	5,174	969	5.060
Municipal Bonds	1,250,000.00	1,278,800.00	1,275,281.55	0.56	1,044	304	0.550
Savings Account	85,154,354.28	85,154,354.28	85,154,354.28	37.62	1	1	0.223
Compounding CDs	268,025.38	268,025.38	268,025.38	0.12	365	184	0.400
Federal Agency Continuous Calls	3,000,000.00	2,986,710.00	2,997,400.75	1.32	1,088	523	0.511
<b>Investments</b>	<b>226,325,516.30</b>	<b>226,097,283.12</b>	<b>226,373,904.35</b>	<b>100.00%</b>	<b>638</b>	<b>245</b>	<b>0.537</b>

<b>Total Earnings</b>	<b>September 30 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	92,775.69	267,437.63
Average Daily Balance	220,331,532.26	214,642,747.19
Effective Rate of Return	0.51%	0.49%

*Helene Hausman*  
 Helene Hausman, Cash & Investment Officer      11/13/14

**City of Santa Fe  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2014**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Maturity	YTM	Maturity Date
<b>Certificates of Deposit - Bank</b>												
SYS10762	10762	Century Bank		07/28/2014	200,000.00	200,000.00	200,000.00	0.400	364	299	0.400	07/27/2015
SYS10749	10749	Community Bank		04/15/2014	2,500,000.00	2,500,000.00	2,500,000.00	0.450	213	44	0.450	11/14/2014
SYS10778	10778	Community Bank		09/26/2014	500,000.00	500,000.00	500,000.00	0.450	211	206	0.450	04/25/2015
SYS10679	10679	First National Bank of Santa F		10/09/2012	3,000,000.00	3,000,000.00	3,000,000.00	0.500	729	7	0.500	10/08/2014
SYS10680	10680	First National Bank of Santa F		10/12/2012	3,500,000.00	3,500,000.00	3,500,000.00	0.550	729	10	0.550	10/11/2014
SYS10697	10697	First National Bank of Santa F		12/04/2012	1,000,000.00	1,000,000.00	1,000,000.00	0.600	729	63	0.600	12/03/2014
SYS10712	10712	First National Bank of Santa F		06/04/2013	2,000,000.00	2,000,000.00	2,000,000.00	0.450	729	245	0.450	06/03/2015
SYS10761	10761	First National Bank of Santa F		07/16/2014	2,000,000.00	2,000,000.00	2,000,000.00	0.500	364	287	0.500	07/15/2015
SYS10758	10758	Guadalupe CU		06/19/2014	250,000.00	250,000.00	250,000.00	0.550	365	261	0.550	06/19/2015
SYS10760	10760	State Employee CU		07/08/2013	250,000.00	250,000.00	250,000.00	1.460	1,461	1,011	1.460	07/08/2017
<b>Subtotal and Average</b>			<b>15,183,333.33</b>		<b>15,200,000.00</b>	<b>15,200,000.00</b>	<b>15,200,000.00</b>		<b>580</b>	<b>117</b>	<b>0.517</b>	
<b>Money Market Accounts</b>												
SYS10210	10210	Wells Fargo Bank MM		07/01/2007	175,219.25	175,219.25	175,219.25	0.010	1	1	0.010	
SYS10237	10237	Wells Fargo Bank MM		06/01/2007	0.00	0.00	0.00	0.030	1	1	0.030	
SYS10416	10416	Wells Fargo Bank MM		12/15/2009	55,128.47	55,128.47	55,128.47	0.010	1	1	0.010	
SYS10461	10461	Wells Fargo Bank MM		03/31/2010	0.00	0.00	0.00	0.010	1	1	0.010	
<b>Subtotal and Average</b>			<b>71,318.01</b>		<b>230,347.72</b>	<b>230,347.72</b>	<b>230,347.72</b>		<b>1</b>	<b>1</b>	<b>0.010</b>	
<b>Local Government Investment Pool</b>												
SYS10213	10213	NM Local Gvt Inv. Pool		07/01/2007	682,557.29	682,557.29	682,557.29	0.112	1	1	0.112	
SYS10381	10381	NM Local Gvt Inv. Pool		03/06/2009	20,301.10	20,301.10	20,301.10		1	1	0.000	
<b>Subtotal and Average</b>			<b>702,858.39</b>		<b>702,858.39</b>	<b>702,858.39</b>	<b>702,858.39</b>		<b>1</b>	<b>1</b>	<b>0.109</b>	
<b>Federal Agency Coupon Securities</b>												
3133EAX29	10672	Federal Farm Credit Bank		09/21/2012	2,500,000.00	2,489,150.00	2,498,515.58	0.980	1,823	1,083	1.001	09/18/2017
3133ECJX3	10705	Federal Farm Credit Bank		03/28/2013	3,000,000.00	2,977,230.00	2,996,859.01	1.040	1,824	1,272	1.071	03/26/2018
3133EDEN8	10731	Federal Farm Credit Bank		02/05/2014	2,500,000.00	2,502,375.00	2,499,772.50	0.300	607	369	0.309	10/05/2015
3133EDEC2	10733	Federal Farm Credit Bank		02/11/2014	2,000,000.00	1,995,900.00	2,004,026.62	0.550	807	575	0.421	04/28/2016
3133EDFZ0	10740	Federal Farm Credit Bank		03/04/2014	3,000,000.00	2,992,770.00	2,998,618.05	0.770	1,095	884	0.789	03/03/2017
3133EDHJ4	10743	Federal Farm Credit Bank		03/20/2014	2,700,000.00	2,700,243.00	2,698,888.75	0.930	1,096	901	0.947	03/20/2017
3133EDV66	10775	Federal Farm Credit Bank		09/19/2014	2,000,000.00	1,998,360.00	1,999,549.70	0.450	577	565	0.465	04/18/2016
3133EDQ96	10776	Federal Farm Credit Bank		09/19/2014	2,000,000.00	1,996,500.00	1,997,363.44	0.500	661	649	0.575	07/11/2016
3133813R4	10695	Federal Home Loan Bank		01/17/2013	2,800,000.00	2,773,120.00	2,800,000.00	1.000	1,757	1,135	1.000	11/09/2017
3133782N0	10735	Federal Home Loan Bank		02/21/2014	3,000,000.00	2,997,690.00	3,005,950.65	0.875	1,113	891	0.793	03/10/2017
3130A0SD3	10738	Federal Home Loan Bank		02/21/2014	3,000,000.00	3,001,170.00	3,000,000.00	0.375	728	506	0.375	02/19/2016

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**City of Santa Fe  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2014**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Maturity	YTM	Maturity Date
<b>Federal Agency Coupon Securities</b>												
3130A0Y53	10742	Federal Home Loan Bank		03/10/2014	3,000,000.00	2,994,780.00	2,999,755.83	0.900	1,096	891	0.903	03/10/2017
3130A1NN4	10750	Federal Home Loan Bank		05/01/2014	2,000,000.00	1,994,720.00	1,995,247.96	0.875	1,119	966	0.966	05/24/2017
3130A2B21	10759	Federal Home Loan Bank		06/26/2014	2,500,000.00	2,489,500.00	2,500,000.00	1.000	1,826	1,729	2.025	06/26/2019
3130A2T97	10768	Federal Home Loan Bank		08/26/2014	2,650,000.00	2,642,235.50	2,642,786.38	0.500	764	728	0.638	09/28/2016
3130A2U95	10769	Federal Home Loan Bank		08/26/2014	3,500,000.00	3,495,730.00	3,499,338.89	0.500	639	603	0.512	05/26/2016
3130A2YK6	10772	Federal Home Loan Bank		09/18/2014	2,990,000.00	2,987,010.00	2,987,164.67	0.875	923	910	0.914	03/29/2017
3130A34L5	10773	Federal Home Loan Bank		09/18/2014	2,000,000.00	2,003,000.00	1,999,390.33	0.750	792	779	0.765	11/18/2016
3130A2UX2	10777	Federal Home Loan Bank		09/19/2014	2,000,000.00	1,993,480.00	1,995,551.21	0.500	696	684	0.620	08/15/2016
3134G3K33	10675	Federal Home Loan Mtg Corp		09/27/2012	3,500,000.00	3,498,565.00	3,499,129.86	0.700	1,461	727	0.713	09/27/2016
3134G36F2	10701	Federal Home Loan Mtg Corp		03/18/2013	2,500,000.00	2,504,200.00	2,500,000.00	0.420	914	352	0.420	09/18/2015
3137EADQ9	10732	Federal Home Loan Mtg Corp		02/11/2014	2,000,000.00	2,001,100.00	2,001,892.22	0.500	822	590	0.441	05/13/2016
3137EADF3	10739	Federal Home Loan Mtg Corp		03/04/2014	3,000,000.00	3,020,940.00	3,034,451.42	1.250	1,165	954	0.804	05/12/2017
3134G3L24	10744	Federal Home Loan Mtg Corp		04/01/2014	3,000,000.00	3,008,430.00	3,006,065.73	0.500	542	359	0.294	09/25/2015
3137EADQ9	10751	Federal Home Loan Mtg Corp		05/01/2014	2,000,000.00	2,001,100.00	2,001,113.11	0.500	743	590	0.465	05/13/2016
3134G53R4	10752	Federal Home Loan Mtg Corp		05/20/2014	3,000,000.00	2,992,470.00	2,999,509.17	0.500	731	597	0.510	05/20/2016
3134G53Q6	10753	Federal Home Loan Mtg Corp		05/21/2014	2,000,000.00	1,997,000.00	2,000,000.00	0.800	915	782	0.800	11/21/2016
3134G5CB9	10763	Federal Home Loan Mtg Corp		07/30/2014	2,500,000.00	2,498,175.00	2,499,067.78	0.875	915	852	0.891	01/30/2017
3137EADQ9	10764	Federal Home Loan Mtg Corp		08/01/2014	3,500,000.00	3,501,925.00	3,499,809.63	0.500	651	590	0.503	05/13/2016
3134G5DR3	10765	Federal Home Loan Mtg Corp		08/01/2014	3,900,000.00	3,897,231.00	3,895,632.35	0.900	914	853	0.948	01/31/2017
3134G42L1	10766	Federal Home Loan Mtg Corp		08/22/2014	1,250,000.00	1,248,700.00	1,249,941.52	0.500	616	576	0.503	04/29/2016
3134G5GE9	10767	Federal Home Loan Mtg Corp		08/26/2014	2,000,000.00	1,996,820.00	1,998,097.22	0.570	731	695	0.620	08/26/2016
3134G5F91	10770	Federal Home Loan Mtg Corp		08/27/2014	2,775,000.00	2,765,648.25	2,775,000.00	1.500	1,826	1,791	2.107	08/27/2019
3134G4T57	10771	Federal Home Loan Mtg Corp		09/18/2014	2,000,000.00	1,999,380.00	2,000,000.00	0.450	497	484	0.450	01/28/2016
3134G5FC4	10774	Federal Home Loan Mtg Corp		09/18/2014	3,000,000.00	2,999,340.00	2,999,410.00	0.800	792	779	0.809	11/18/2016
3135G0PH0	10676	Federal National Mtg Assn		09/27/2012	2,500,000.00	2,487,375.00	2,498,729.72	1.000	1,826	1,092	1.017	09/27/2017
3135G0QW6	10683	Federal National Mtg Assn		11/08/2012	2,000,000.00	1,977,500.00	1,999,689.72	1.000	1,826	1,134	1.005	11/08/2017
3135G0LN1	10688	Federal National Mtg Assn		12/19/2012	3,000,000.00	3,006,990.00	3,002,466.60	0.500	925	274	0.390	07/02/2015
3135G0VQ3	10704	Federal National Mtg Assn		03/26/2013	2,000,000.00	1,987,900.00	1,999,773.02	0.650	1,280	726	0.656	09/26/2016
3135G0WA7	10706	Federal National Mtg Assn		03/28/2013	2,500,000.00	2,476,475.00	2,500,000.00	1.125	1,826	1,274	1.125	03/28/2018
3135G0WM1	10707	Federal National Mtg Assn		05/14/2013	3,500,000.00	3,440,745.00	3,500,000.00	1.000	1,812	1,307	1.000	04/30/2018
3135G0WY5	10710	Federal National Mtg Assn		05/24/2013	3,500,000.00	3,483,690.00	3,498,397.70	0.550	1,270	775	0.572	11/14/2016
3135G0XB4	10711	Federal National Mtg Assn		05/24/2013	3,400,000.00	3,398,606.00	3,399,725.42	0.500	1,071	576	0.505	04/29/2016
3136G1NU9	10713	Federal National Mtg Assn		06/19/2013	2,000,000.00	1,995,060.00	1,998,981.25	1.000	1,461	992	1.019	06/19/2017
<b>Subtotal and Average</b>			<b>106,222,029.49</b>		<b>115,465,000.00</b>	<b>115,210,328.75</b>	<b>115,475,663.01</b>		<b>1,094</b>	<b>821</b>	<b>0.770</b>	

**City of Santa Fe  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2014**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Maturity	YTM	Maturity Date
<b>Treasury Coupon Securities</b>												
912828RX0	10755	U.S. Treasury		06/12/2014	2,500,000.00	2,506,650.00	2,509,980.41	0.875	933	822	0.695	12/31/2016
912828VG2	10756	U.S. Treasury		06/12/2014	2,500,000.00	2,502,350.00	2,502,486.64	0.500	734	623	0.441	06/15/2016
<b>Subtotal and Average</b>			<b>5,012,700.98</b>		<b>5,000,000.00</b>	<b>5,009,000.00</b>	<b>5,012,467.05</b>		<b>834</b>	<b>723</b>	<b>0.569</b>	
<b>Pass Through Securities</b>												
36225BTS7	10006	GNMA		04/30/2003	184.01	184.40	196.55	6.500	4,309	137	4.982	02/15/2015
36225BN61	10007	GNMA		04/30/2003	4,913.63	5,060.01	5,199.23	6.000	4,825	653	4.773	07/15/2016
36213ULS7	10008	GNMA		04/30/2002	8,807.31	9,051.54	8,931.17	6.000	5,221	684	5.717	08/15/2016
36202DPY1	10009	GNMA		06/30/2003	11,004.39	11,319.67	11,547.75	6.000	4,831	720	4.951	09/20/2016
36225BRY6	10010	GNMA		08/31/2003	5,011.64	5,204.29	5,183.92	6.000	4,917	868	5.113	02/15/2017
36202SGG7	10011	GNMA		04/30/2003	25,009.55	26,038.69	26,447.60	6.000	5,433	1,261	4.932	03/15/2018
<b>Subtotal and Average</b>			<b>58,797.44</b>		<b>54,930.53</b>	<b>56,858.60</b>	<b>57,506.22</b>		<b>5,174</b>	<b>969</b>	<b>5.060</b>	
<b>Municipal Bonds</b>												
798359JR7	10671	San Juan Cnty NM School Dist		09/21/2012	1,250,000.00	1,278,800.00	1,275,281.55	3.000	1,044	304	0.550	08/01/2015
<b>Subtotal and Average</b>			<b>1,276,503.50</b>		<b>1,250,000.00</b>	<b>1,278,800.00</b>	<b>1,275,281.55</b>		<b>1,044</b>	<b>304</b>	<b>0.550</b>	
<b>Savings Account</b>												
SYS10403	10403	First National Bank of Santa F		10/09/2009	0.00	0.00	0.00	0.210	1	1	0.210	
SYS10474	10474	First National Bank of Santa F		07/23/2010	0.00	0.00	0.00	0.250	1	1	0.250	
SYS10729	10729	First National Bank of Santa F		12/23/2013	9,777,144.39	9,777,144.39	9,777,144.39	0.250	1	1	0.250	
SYS10408	10408	Los Alamos Nat.		10/19/2009	0.00	0.00	0.00	0.300	1	1	0.300	
SYS10235	10235	Wells Fargo Bank Savings		07/01/2007	65,532,756.25	65,532,756.25	65,532,756.25	0.220	1	1	0.220	
SYS10724	10724	Wells Fargo Bank Savings		07/01/2013	1,108,770.49	1,108,770.49	1,108,770.49	0.220	1	1	0.220	
SYS10727	10727	Wells Fargo Bank Savings		07/01/2013	8,735,683.15	8,735,683.15	8,735,683.15	0.220	1	1	0.220	
<b>Subtotal and Average</b>			<b>88,538,644.10</b>		<b>85,154,354.28</b>	<b>85,154,354.28</b>	<b>85,154,354.28</b>		<b>1</b>	<b>1</b>	<b>0.223</b>	
<b>Forward Purchase Agreement</b>												
SYS10218	10218	JPMorgan Chase		07/01/2007	0.00	0.00	0.00	0.470	1	1	0.470	
<b>Subtotal and Average</b>			<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0</b>	<b>0</b>	<b>0.000</b>	
<b>Compounding CDs</b>												
SYS10745	10745	First National Bank of Santa F		04/03/2014	268,025.38	268,025.38	268,025.38	0.400	365	184	0.400	04/03/2015
<b>Subtotal and Average</b>			<b>268,019.31</b>		<b>268,025.38</b>	<b>268,025.38</b>	<b>268,025.38</b>		<b>365</b>	<b>184</b>	<b>0.400</b>	

**City of Santa Fe  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2014**

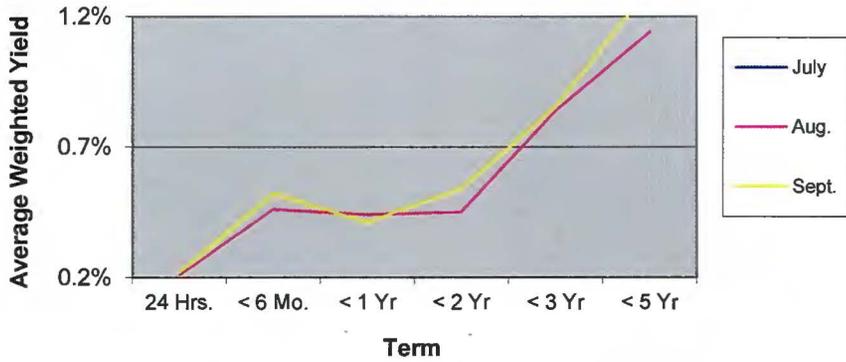
CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Maturity	YTM	Maturity Date
<b>Federal Agency Continuous Calls</b>												
3133ECHB3	10700	Federal Farm Credit Bank		03/15/2013	3,000,000.00	2,986,710.00	2,997,400.75	0.450	1,088	523	0.511	03/07/2016
<b>Subtotal and Average</b>			<b>2,997,327.71</b>		<b>3,000,000.00</b>	<b>2,986,710.00</b>	<b>2,997,400.75</b>		<b>1,088</b>	<b>523</b>	<b>0.511</b>	
<b>Total and Average</b>			<b>220,331,532.26</b>		<b>226,325,516.30</b>	<b>226,097,283.12</b>	<b>226,373,904.35</b>		<b>638</b>	<b>452</b>	<b>0.536</b>	

**CHANGES IN INTEREST RATES**

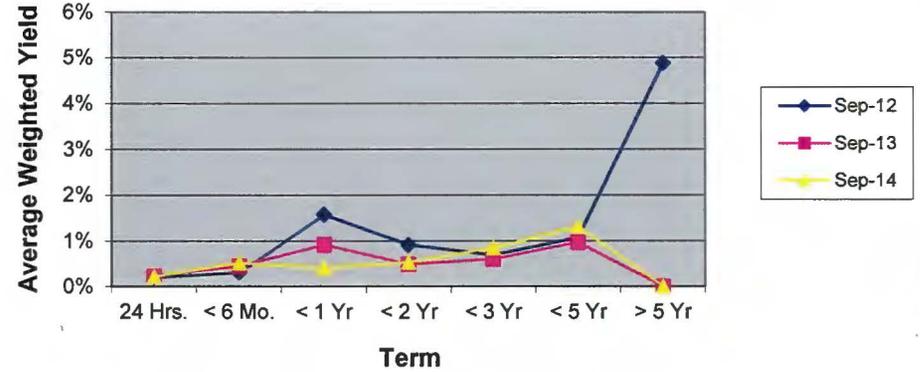
	<b>FY 12-13</b>	<b>FY 13-14</b>	<b>FY 14-15</b>	<b>FY 14-15</b>	<b>FY 14-15</b>
<b><u>Cash Accounts</u></b>	<b>June</b>	<b>June</b>	<b>July <sup>(1)</sup></b>	<b>Aug</b>	<b>Sept</b>
Certificates of Deposit	0.92%	0.52%	0.52%	0.52%	0.52%
Library Endowment Fund - CD	0.65%	0.40%	0.40%	0.40%	0.40%
WFB Adv Govt MnMkt	0.01%	0.01%	0.01%	0.01%	0.01%
WFB Business Svgs	0.23%	0.22%	0.22%	0.22%	0.22%
FNB Savings	0.25%	0.25%	0.25%	0.25%	0.25%
NM State LGIP	0.11%	0.11%	0.11%	0.11%	0.11%
<b><u>Securities</u></b>					
U.S. Agency Securities	0.66%	0.85%	0.79%	0.79%	0.77%
GNMA Pass-Through Securities	4.98%	5.04%	5.06%	5.06%	5.06%
U.S. Treasuries	0.00%	0.57%	0.57%	0.57%	0.00%
NM Bonds	0.90%	0.35%	0.35%	0.55%	0.55%
2009A&B Reserve - Securities	1.00%	1.00%	1.00%	1.00%	1.00%
<b>TOTAL</b>	<b>0.56%</b>	<b>0.54%</b>	<b>0.49%</b>	<b>0.52%</b>	<b>0.54%</b>

(1) July WAY was lower due to unsettled securities that carried over month-end as cash and settled in August.

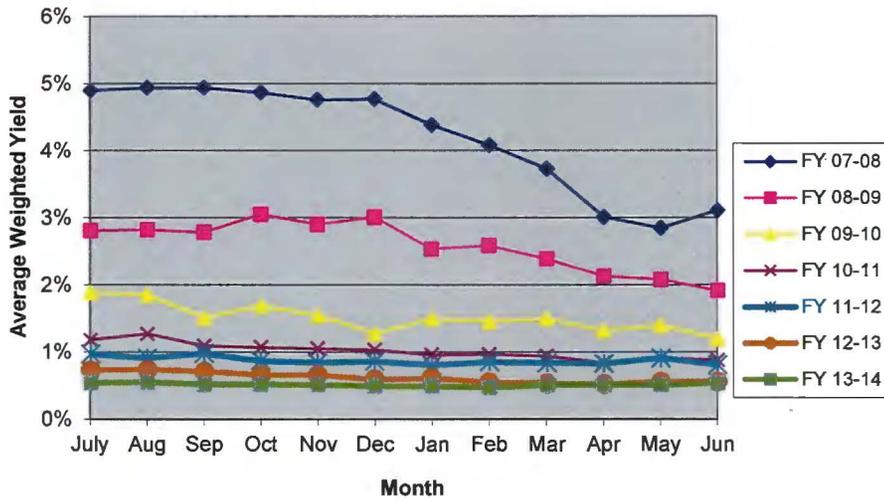
### Yield Curve - 3 Month



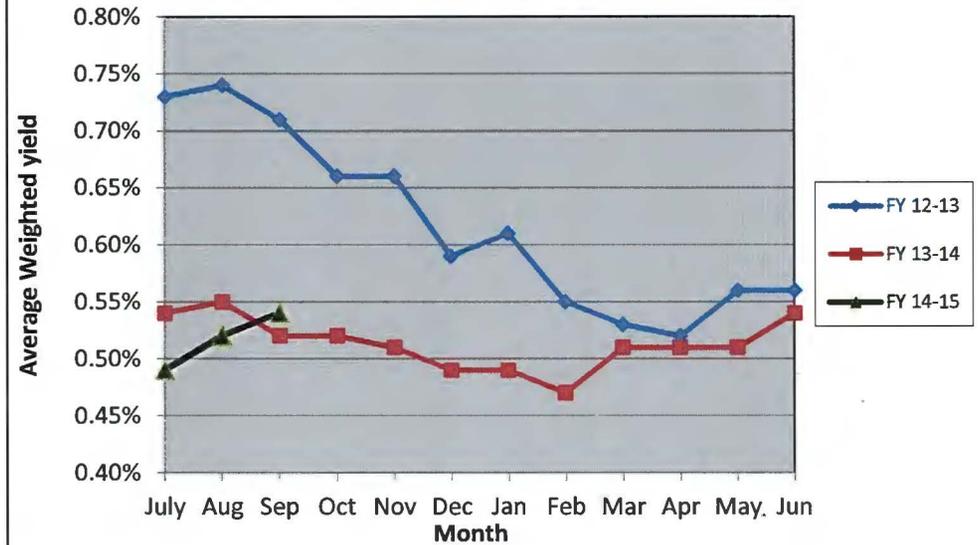
### Ave. Portfolio Yield By Term



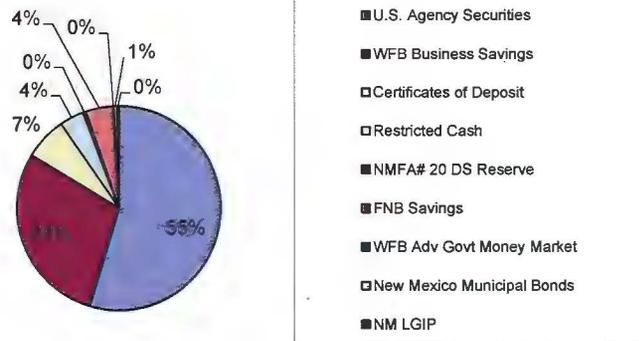
### History - Ave. Yield by Fiscal Year



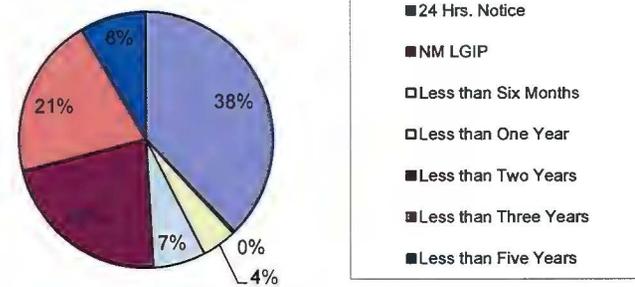
### Ave. Yield - 2 Years & Current



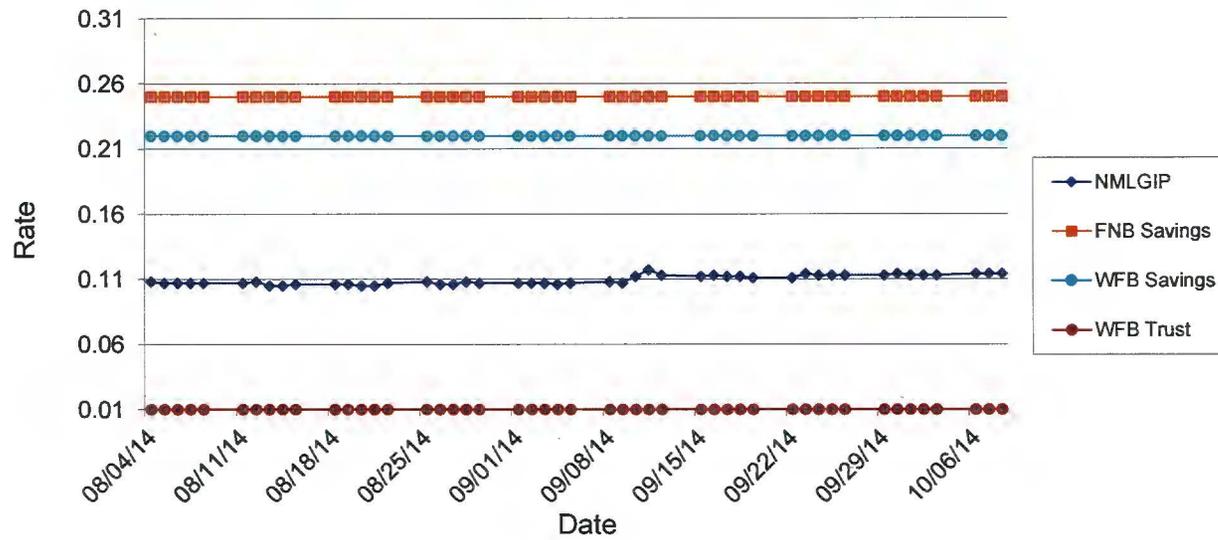
**Investment Type  
September 30, 2014**



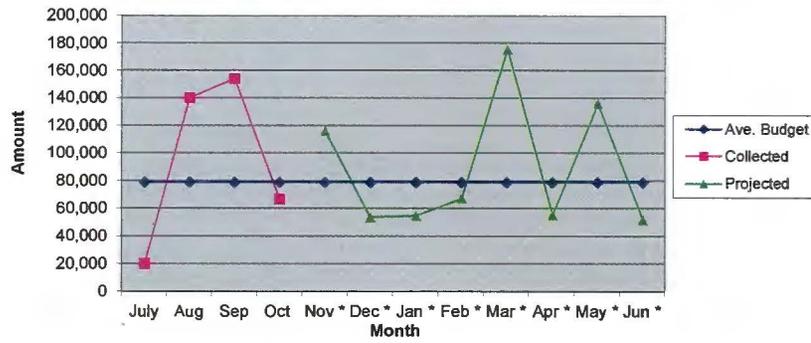
**Investments By Term  
September 30, 2014**



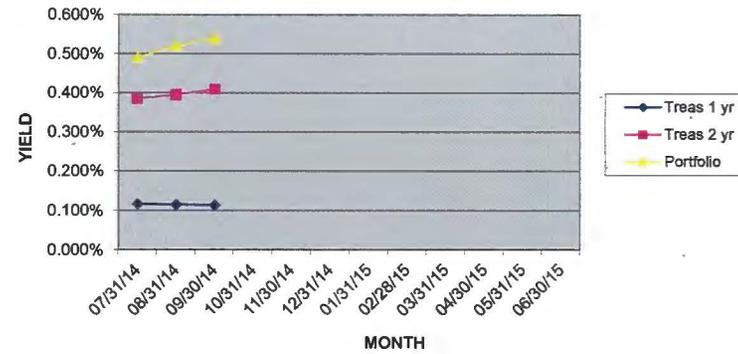
**Major Cash Accounts - Yields**



**FY 14-15 Interest Earnings vs Budget  
(Actual and Projected)**



**Benchmark Comparison**



**BANK RATINGS AS OF JUNE 30, 2014**  
bankrate.com - Updated 10/17/14

	Rating	Rating	Rating	Rating	Rating	Rating	Balances	Collateral Type		
	06/30/12	06/30/13	09/30/13	12/31/13	03/31/2014	06/30/2014		FDIC/NCUA	Agencies	LOC
<b>BANKS WITH CD's</b>										
First National Bank of Santa Fe	****	****	****	**	***	***	11,500,000	X	X	
Los Alamos National Bank	**	***	**	**	*	*	0			
Community Bank	***	***	***	***	***	***	3,000,000	X	X	X
Century Bank	***	***	***	***	***	***	200,000	X		
State Employees Credit Union	****	****	****	****	****	****	250,000	X		
Guadalupe Credit Union	***	**	***	***	***	***	250,000	X		
<b>TOTAL CD'S</b>							<u>15,200,000</u>			
<b>OTHER MAJOR BANK ACCOUNTS</b>										
FNB Money Market - Savings	****	****	****	**	***	***	9,775,135.80	X	X	
FNB Library Endowment CD	****	****	****	**	***	***	267,934.36	X	X	
Wells Fargo Bank Savings	***	****	****	****	****	****	71,520,292.85	X	X	
<b>TOTAL OTHER</b>							<u>81,563,363.01</u>			