

MONTHLY REPORT
OF THE
INVESTMENT ADVISORY
COMMITTEE

Prepared by the Department of Finance

MAY, 2015

MONTHLY REPORT
OF THE
INVESTMENT ADVISORY
COMMITTEE
OF THE CITY OF HAMILTON, OHIO

May 1, 2015 through May 31, 2015

INVESTMENT ADVISORY COMMITTEE

MAY 2015

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Monthly Investment Committee Report

May 2015

Introduction

This document meets the requirement of the City of Hamilton's Certified Investment Policy to report monthly to the Investment Advisory Committee. The report is designed to allow the Committee to ascertain that the City's investment activities conform to the Investment Policy and achieve the benchmark rate of return. In addition, the report includes commentary regarding the fixed income market and general economic conditions.

The Investment Advisory Committee approves the Investment Policy, reviews the City's investments, and adopts rules that assure the Policy is met. The Committee includes the Mayor (or Council designee), the City Manager, the Law Director, the Finance Director, and the Treasurer. The Committee attempts to meet annually and to convey investment reports monthly.

It is the policy of the City of Hamilton, Ohio to invest interim funds to achieve the maximum preservation and security of funds, meet daily cash flow needs, and after achieving these objectives, achieve the highest rate of return. Investments are made using the "prudent investor" rule. Funds sufficient to meet payment obligations are kept in liquid funds. Funds not immediately needed are invested. Investments are made with the expectation that they will be held to maturity.

Investments include only those as provided in Chapter 135 of the Ohio Revised Code. All deposits must be collateralized at 102% of market value. Investments are diversified in accordance with the Investment Policy. The maximum maturity for investments is five years.

The City has pooled General Accounts, Rate Stabilization Accounts for the four City utilities, and an Electric System Reserve Account.

The portfolio performance standard is a weighted benchmark as follows: 50% average two-year Treasury Note, 25% three month average Star Plus yield; 25% Federal Funds Rate.

The City has a checking sweep account at US Bank, STAR Ohio & Star Plus money market accounts managed by the Ohio Treasurer of State, managed accounts with Bond-Tech, Inc., two First Financial Bank Money Market Accounts, and one First Financial Bank Certificate of Deposit. The City also has a custodial account with US Bank to settle trades.

| Account | April Book Value | May Book Value | Variance | Interest Rate % |
|---|---------------------|-------------------|----------------|--------------------|
| U.S. Bank Sweep Acct | 8,160,550.04 | 8,379,898.30 | 219,348.26 | 0.05 |
| First Financial-Gen Oper | 28,338,992.12 | 28,343,805.87 | 4,813.75 | 0.20 |
| COH Treasurer's Notes | 664,634.30 | 664,634.30 | 0.00 | 1.96 |
| STAR Ohio – General | 0.00 | 0.00 | 0.00 | 0.05 |
| STAR Plus | 20,064,804.44 | 20,068,209.59 | 3,405.15 | 0.20 |
| First Financial Rate Stab. | 12,825,770.01 | 12,827,948.63 | 2,178.62 | 0.20 |
| First Financial Bank CD (Benninghofen Trust) | 75,000.00 | 75,000.00 | 0.00 | 0.35 |
| Bond Tech Managed Portfolio | 24,807,271.32 | 23,555,974.50 | (1,251,296.82) | 1.077 |
| | | | | |
| Total | 94,937,022.23 | 93,915,471.19 | (1,021,551.04) | |

As noted in the table above, the total portfolio balance for May demonstrated a net decrease of \$1,021,551.04 from April as described below.

The May **US Bank Sweep Account** remained nearly constant at May 31 from April 30, as additional funds (\$219,348.26) swept into the account on the last day of the month.

The **First Financial General Operating** account also remained constant from April to May, with interest income earnings of \$4,813.75.

The City of Hamilton's Treasurer's Notes: Four Treasurer's Notes remain on the books effective May 31, 2015. A Treasurer's Note of \$100,000.00 financed the acquisition and installation of new golf course maintenance and irrigation equipment for the City's municipal golf courses. The note balance is \$20,000. A second Treasurer's Note of \$1,000,000.00 was sold to construct various 2010 special assessment projects. The note balance is \$192,800. The third Treasurer's Note of \$425,000.00 was sold in July, 2011 for a portion of the construction and repair of sidewalks, curbs, and gutters on various streets as part of the 2011 Special Assessment Street and Sidewalk Program. The note balance is \$170,000.00. The last Treasurer's Note of \$475,750.00 was sold February 15, 2013 for Municipal Golf Course maintenance equipment, clubhouse improvements, and golf and beverage cart purchases. The note balance is \$281,834.30.

The **STAR Ohio General Money Market** account shows a balance of zero as all funds were previously transferred to other institutions providing higher yields.

The **STAR Plus** account continues to provide attractive yields for liquid investments. STAR Plus is a federally insured cash account that enables Ohio's political subdivisions to receive very competitive yields on their cash deposits thru a network of carefully-selected FDIC insured banks. STAR Plus offers weekly liquidity without penalty from withdrawals and seamless integration with the existing general operating STAR Ohio account. The maximum deposit allowable by the State is now \$25,000,000. The City received 20 basis points for May, or \$3,405.15 in interest earnings.

The **First Financial Rate Stabilization** account has provided a stable investment opportunity. Funds were transferred from the Star Ohio Rate Stabilization Account to earn the higher rate of return. Interest income for May was \$2,178.62.

The **First Financial Bank CD Portfolio** consists of one \$75,000.00 CD for the Benninghofen Trust Fund. The CD matured in August and was rolled for another twelve months. The rate increased to 35 basis points, maturing August, 2015. Additional CD's will be purchased if attractive cash equivalent yields become available.

The net decrease in the **Bond Tech Managed Portfolio** of government securities reflects four investment purchase (\$7,745,700.00), four investment calls (\$9,000,000.00), the net of Treasury Investment Pool premiums and discounts as of May 31, and interest income. Additional investments have been purchased as attractive securities have become available and market yields continue to rise.

I. INVESTMENT ACTIVITY REPORT

May 2014

Monetary policy is made by the Federal Open Market Committee (FOMC) which consists of the members of the Board of Governors of the Federal Reserve System and five Reserve Bank presidents. Together, they are responsible for open market operations, the discount rate, and reserve requirements. The FOMC holds eight regularly scheduled meetings during the year and other meetings as needed. The FOMC did not meet in May.

The federal funds rate continues at 0.00% - 0.25%. The Committee will continue to assess labor market conditions, inflation data and financial developments to determine when an appropriate increase in the federal funds rate is warranted. It is expected that the target rate will remain as is for some time, depending on the economy's ability to meet the Committee's employment and inflation objectives. The Fed would like to see rising inflationary trends before a rate hike would be recommended. The evidence could come from inflation moving back to its 2% objective, average hourly earnings increases, or rising labor markets.

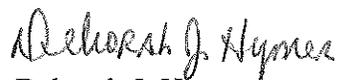
The City's account balance of \$93,915,471.19 consists of the Bond Tech invested portfolio, four Treasurer's Notes, STAR Plus, two First Financial Money Markets, one First Financial CD, and the US Bank Sweep (See Tables II and III). For May, the Bond Tech General account had an unrealized gain in market value compared to book value of \$3,288.47 on the existing securities. This is a fluctuation where the market value of the securities rises over book value at the time of reporting. Future "step-up" securities are being purchased to provide movable yields as markets continue to improve. The portfolio had four calls, experiencing a realized gain of \$1,901.93. Total undistributed interest income for these accounts totaled \$59,377.25, including Treasury Investment Pool activity.

One CD continues to be on the books as of May 31, 2015, held by First Financial Bank. With market conditions improving, additional CD opportunities may be an option for purchase.

The City of Hamilton's Investment Policy requires portfolio reporting to the Investment Advisory Committee, including investment type, book value, market value and income earned. The Portfolio Performance Summary Table III provides this detail.

The Realized Estimated Annual Income of \$392,860.98, consisting of realized net gains and losses plus estimated annual interest, is 0.42% of investment book value versus the benchmark target of 0.42%. The approximate \$23.6 million Bond Tech book values gained yields in excess of one percent, thus keeping the Estimated Annual Income (page 7) moving upward. Efforts continue to locate additional securities and institutions that have the ability to maximize the City's returns. As always, conservatism remains the key to meet our investment objectives of safety first, liquidity second and lastly yield.

Respectfully submitted,


Deborah J. Hymer
Treasurer

II. Portfolio Balance Summary - May 31, 2015

General Accounts -- Book Values

Liquid Funds

| | | |
|-------------------------------|-----------|----------------------|
| STAR Ohio - General | \$ | - |
| Star Plus | \$ | 20,068,209.59 |
| U.S. Bank Treasury Investment | \$ | 8,379,898.30 |
| First Financial* | \$ | 27,193,805.87 |
| Total | \$ | 55,641,913.76 |

Invested Funds

| | | | |
|-----------------------------|-----------|----------------------|---|
| Bond Tech | | | |
| U.S.Treasury/Agency | \$ | 23,555,974.50 | |
| Certificates of Deposit | \$ | 75,000.00 | |
| U.S. Treasury/Agency | \$ | - | |
| Money Market Fund | \$ | - | |
| COH Treasurer's Note | * | \$ | - Held w/in US Bank O/N |
| COH Treasurer's Note | * | \$ | 20,000.00 Held w/in US Bank O/N |
| COH Treasurer's Note | * | \$ | 192,800.00 Held w/in US Bank O/N |
| COH Treasurer's Note | * | \$ | 170,000.00 Held w/in US Bank O/N |
| COH Treasurer's Note | * | \$ | 281,834.30 Held w/in US Bank O/N |
| Total | \$ | 24,295,608.80 | |

Total Liquid and Invested Funds

\$ 79,937,522.56

Utility Rate Stabilization & Reserve Accounts

| | <u>First Financial</u> | <u>Invested Funds</u> | <u>Reserve Funds</u> |
|---|-------------------------|-----------------------|----------------------------------|
| Gas Utility (Fund 516) | | | *Held as part of First Financial |
| Liquid Funds First Financial | \$ 2,509,303.70 | | |
| Bond Tech U.S. Treasury/Agency | | \$ - | |
| Reserve Account (Fund 517) | | | \$ 200,000.00 * |
| Electric Utility (Fund 526) | | | |
| Liquid Funds First Financial | \$ 2,107,681.13 | | |
| Bond Tech U.S. Treasury/Agency | | \$ - | |
| Electric System Reserve (Fund 527) | | | |
| Liquid Funds First Financial | \$ 4,802,673.01 | | |
| Bond Tech U.S. Treasury/Agency | | \$ - | |
| Water Utility (Fund 536) | | | |
| Liquid Funds First Financial | \$ 1,377,739.74 | | |
| Bond Tech U.S. Treasury/Agency | | \$ - | |
| Reserve Account (Fund 537) | | | \$ 200,000.00 * |
| Waste Water Utility (Fund 546) | | | |
| Liquid Funds First Financial | \$ 2,030,551.05 | | |
| Bond Tech U.S. Treasury/Agency | | \$ - | |
| Reserve Account (Fund 547) | | | \$ 750,000.00 * |
| Total | \$ 12,827,948.63 | \$ - | \$ 1,150,000.00 |
| | | | \$ 13,977,948.63 |

Grand Total All Funds

\$ 93,915,471.19

**III. Portfolio Performance Summary
As of May 31, 2015**

| Investment | Book Value | Market Value | Realized Gains/Losses | | Estimated Annual Interest | Estfd Annual Total Income | Realized Annual Annual Income |
|---------------------------------------|-------------------------|-------------------------|-------------------------|-----------------------|---------------------------|---------------------------|-------------------------------|
| | | | Unrealized Gains/Losses | Realized Gains/Losses | | | |
| Star Ohio General (1) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Star Plus | \$ 20,068,209.59 | \$ 20,068,209.59 | \$ - | \$ - | \$ 40,136.42 | \$ 40,136.42 | \$ 40,136.42 |
| First Financial Rate Stab (2) | \$ 8,025,275.62 | \$ 8,025,275.62 | \$ - | \$ - | \$ 16,050.55 | \$ 16,050.55 | \$ 16,050.55 |
| First Financial Elec Sys Reserve (3) | \$ 4,802,673.01 | \$ 4,802,673.01 | \$ - | \$ - | \$ 9,605.35 | \$ 9,605.35 | \$ 9,605.35 |
| US Bk Checking Sweep (1) | \$ 8,379,898.30 | \$ 8,379,898.30 | \$ - | \$ - | \$ 4,189.95 | \$ 4,189.95 | \$ 4,189.95 |
| First Financial General Operating* | \$ 28,343,805.87 | \$ 28,343,805.87 | \$ - | \$ - | \$ 56,687.61 | \$ 56,687.61 | \$ 56,687.61 |
| City of Hamilton Treasurer's Note (1) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| City of Hamilton Treasurer's Note (1) | \$ 20,000.00 | \$ 20,000.00 | \$ - | \$ - | \$ 594.00 | \$ 594.00 | \$ 594.00 |
| City of Hamilton Treasurer's Note (2) | \$ 192,800.00 | \$ 192,800.00 | \$ - | \$ - | \$ 3,470.40 | \$ 3,470.40 | \$ 3,470.40 |
| City of Hamilton Treasurer's Note (1) | \$ 170,000.00 | \$ 170,000.00 | \$ - | \$ - | \$ 3,587.00 | \$ 3,587.00 | \$ 3,587.00 |
| City of Hamilton Treasurer's Note (3) | \$ 281,834.30 | \$ 281,834.30 | \$ - | \$ - | \$ 2,677.43 | \$ 2,677.43 | \$ 2,677.43 |
| B-Tech General Account (1) | \$ 23,555,974.50 | \$ 23,559,262.97 | \$ 3,288.47 | \$ 1,901.93 | \$ 253,697.85 | \$ 258,888.25 | \$ 255,599.78 |
| First Financial CD (1) Benninghofen | \$ 75,000.00 | \$ 75,000.00 | \$ - | \$ - | \$ 262.50 | \$ 262.50 | \$ 262.50 |
| Total | \$ 93,915,471.19 | \$ 93,918,759.66 | \$ 3,288.47 | \$ 1,901.93 | \$ 390,959.05 | \$ 396,149.45 | \$ 392,860.98 |

Realized Annual Income / Book Value = 0.42%

Benchmark Rate of Return = 0.42%

- (1) General Accounts
- (2) Rate Stabilization
- (3) Electric System Reserve

*Contains Gas, Water, & Wastewater Reserve of \$1,150,000

IV.

| SHORT TERM YIELDS 2015 | | | | |
|---------------------------|-------------------------------------|-----------|--------------------------------|-----------------------------------|
| MONTH | STAR OHIO OVERNIGHT LIQUIDITY | STAR PLUS | FIRST FINANCIAL GEN OPER | US BANK OVERNIGHT LIQUIDITY |
| JANUARY | 0.05 | 0.20 | 0.20 | 0.05 |
| FEBRUARY | 0.06 | 0.20 | 0.20 | 0.05 |
| MARCH | 0.05 | 0.20 | 0.20 | 0.05 |
| APRIL | 0.06 | 0.20 | 0.20 | 0.05 |
| MAY | 0.05 | 0.20 | 0.20 | 0.05 |
| JUNE | | | | |
| JULY | | | | |
| AUGUST | | | | |
| SEPTEMBER | | | | |
| OCTOBER | | | | |
| NOVEMBER | | | | |
| DECEMBER | | | | |

V.

| BOND TECH INC. General Operating 2015 | | |
|--|-----------------------------|-----------------------------|
| YEAR | YIELD PERCENTAGE | AVG LIFE (Years) |
| JANUARY | 1.087 | 0.240 |
| FEBRUARY | 1.094 | 0.300 |
| MARCH | 1.094 | 0.150 |
| APRIL | 1.095 | 0.870 |
| MAY | 1.077 | 0.710 |
| JUNE | | |
| JULY | | |
| AUGUST | | |
| SEPTEMBER | | |
| OCTOBER | | |
| NOVEMBER | | |
| DECEMBER | | |

| BOND TECH INC. Rate Stabilization 2015 | | |
|---|-----------------------------|-----------------------------|
| YEAR | YIELD PERCENTAGE | AVG LIFE (Years) |
| JANUARY | N/A | N/A |
| FEBRUARY | N/A | N/A |
| MARCH | N/A | N/A |
| APRIL | N/A | N/A |
| MAY | N/A | N/A |
| JUNE | | |
| JULY | | |
| AUGUST | | |
| SEPTEMBER | | |
| OCTOBER | | |
| NOVEMBER | | |
| DECEMBER | | |

v.

Certificates of Deposit

| Issue Date | Due Year 2014 / 2015 | 1st Financial Bank CD # | Amount | Yield | Purpose |
|--------------|-------------------------|----------------------------|---------------|-------|-----------------------------------|
| 08/15/14 | 08/15/15 | 17486357 | 75,000 | 0.35% | General Fund - Benninghofen Trust |
| Total | | | 75,000 | | |

**City of Hamilton General Operating 19-3266
Bond Tech Inc.
Managed Investment Portfolio - May 31, 2015**

| Fund | Custody | Cusip | Purchase Date | Book Value | Next Call Date/Type | Maturity | DTM | Par Value | Coupon | Yield | Estd Annl Inc |
|---------------------------|---------|-----------|---------------|------------------------|---------------------|------------|--------|----------------|--------|----------------|---------------------|
| FHLMC Stepup | USB | 3134G5QU2 | 12/17/2014 | \$1,562,954.74 | 6/17/2015 Qtrly | 12/17/2019 | 43.816 | \$1,563,000.00 | 1.000% | 1.060% | \$16,567.32 |
| FHLMC Stepup | USB | 3134G5RP2 | 12/18/2014 | \$2,998,762.38 | 6/18/2015 Qtrly | 12/18/2019 | 43.817 | \$3,000,000.00 | 1.000% | 1.076% | \$32,266.68 |
| FHLMC Stepup | USB | 3134G5RQ0 | 12/12/2014 | \$2,998,856.76 | 6/12/2015 Qtrly | 12/12/2019 | 43.811 | \$3,000,000.00 | 1.000% | 1.451% | \$34,528.35 |
| FHLMC Stepup | USB | 3134G6AJ2 | 2/13/2015 | \$1,000,000.00 | 8/13/2015 Qtrly | 2/13/2020 | 43.874 | \$1,000,000.00 | 1.000% | 1.000% | \$10,000.00 |
| FHLMC Stepup | USB | 3134G6CW1 | 2/26/2015 | \$1,999,820.94 | 8/26/2015 Qtrly | 2/26/2020 | 43.867 | \$2,000,000.00 | 1.000% | 1.163% | \$23,257.92 |
| FHLMC Stepup | USB | 3134G6SQ7 | 4/24/2015 | \$2,248,388.38 | 7/24/2015 Qtrly | 4/24/2020 | 43.945 | \$2,250,000.00 | 1.000% | 1.030% | \$23,168.71 |
| FHLMC Stepup | USB | 3130A5M7 | 5/21/2015 | \$2,248,904.57 | 8/21/2015 Qtrly | 5/21/2020 | 43.972 | \$2,250,000.00 | 1.000% | 1.050% | \$23,613.50 |
| FHLMC Stepup | USB | 3134G6EA7 | 2/27/2015 | \$2,998,435.60 | 8/27/2015 Qtrly | 2/27/2020 | 43.868 | \$3,000,000.00 | 1.000% | 1.025% | \$30,744.21 |
| FHLMC Stepup | USB | 3134G6D67 | 5/28/2015 | \$1,999,007.89 | 8/28/2015 Qtrly | 5/28/2020 | 43.979 | \$2,000,000.00 | 1.000% | 1.050% | \$20,989.58 |
| FHLMC Stepup | USB | 3134G6E41 | 5/28/2015 | \$1,998,214.49 | 8/28/2015 Qtrly | 5/28/2020 | 43.979 | \$2,000,000.00 | 1.000% | 1.091% | \$21,800.52 |
| FHLMC Stepup | USB | 3134G6H97 | 5/28/2015 | \$1,499,627.75 | 8/28/2015 Qtrly | 5/28/2020 | 43.979 | \$1,500,000.00 | 1.000% | 1.125% | \$16,870.81 |
| Market Value | | | | \$23,555,974.50 | | | | | | 1.0770% | \$259,697.85 |
| Interest Income | | | | \$46,250.00 | | | | | | | |
| Total Market Value | | | | \$23,605,512.97 | | | | | | | |

**City of Hamilton
Liquid & Special Purpose Funds - May 31, 2015**

| | | | |
|---|--|-----------------|------------------------|
| <u>Liquid Funds</u> | | | |
| Star Ohio - General | | \$0.00 | |
| Monthly Interest Income | | \$0.00 | |
| Star Plus | | \$20,064,804.44 | |
| Monthly Interest Income | | \$3,405.15 | |
| US Bank Treasury Invest O/N | | \$8,379,489.95 | |
| Monthly Interest Income | | \$408.35 | |
| First Financial General Operating | | \$28,338,992.12 | |
| Monthly Interest Income | | \$4,813.75 | |
| Total Liquid Funds | | | \$56,791,913.76 |
| <u>City of Hamilton Treasurer's Notes</u> | | | |
| | | | \$664,634.30 |
| <u>Special Purpose Funds</u> | | | |
| First Financial Rate Stabilization | | \$8,023,912.66 | |
| First Financial Electric System Reserve | | \$4,801,857.35 | |
| Interest Income | | \$2,178.62 | |
| Total Liquid Funds | | | \$12,827,948.63 |
| <u>First Financial Bank</u> | | | |
| Certificate of Deposit - General | | \$75,000.00 | |
| Total Liquid Funds | | | \$75,000.00 |
| Total Book Value + Interest Income | | | \$93,915,471.19 |

VII.

CITY OF HAMILTON, OHIO
INVESTMENT REPORT

LIQUID FUNDS SUMMARY

MAY 2015

| | STAR OHIO - GENERAL OVERNIGHT FUNDS | STAR PLUS | US BANK TREASURY INVESTMENT OVERNIGHT LIQUIDITY | FIRST FINANCIAL MARKET LIQUIDITY | TOTAL LIQUID FUNDS |
|-------------------------------|---|-----------------|---|-------------------------------------|-----------------------|
| BEGINNING BALANCE MAY 1, 2015 | \$0.00 | \$20,064,804.44 | \$8,825,184.34 | \$28,338,992.12 | \$57,228,980.90 |
| TRANSFERS IN | | | | | \$0.00 |
| INTEREST INCOME | | \$3,405.15 | \$408.35 | \$4,813.75 | \$8,627.25 |
| OTHER DEPOSITS | | | \$13,385,764.69 | | \$13,385,764.69 |
| DEBT PROCEEDS | | | | | \$0.00 |
| TOTAL INFLOWS | \$0.00 | \$3,405.15 | \$13,386,173.04 | \$4,813.75 | \$13,394,391.94 |
| TRANSFERS OUT | | | | | \$0.00 |
| OTHER WITHDRAWALS | | | \$13,166,824.78 | | \$13,166,824.78 |
| TOTAL OUTFLOWS | \$0.00 | \$0.00 | \$13,166,824.78 | \$0.00 | \$13,166,824.78 |
| ENDING BALANCE MAY 31, 2015 | \$0.00 | \$20,068,209.59 | \$9,044,532.60 | \$28,343,805.87 | \$57,456,548.06 |

VII.

CITY OF HAMILTON, OHIO
INVESTMENT REPORT

SPECIAL PURPOSE FUNDS SUMMARY

MAY 2015

| | BEGINNING BALANCE MAY 1, 2015 | FIRST FINANCIAL STABILIZATION FUND GAS RATE | FIRST FINANCIAL STABILIZATION FUND ELECTRIC RATE | FIRST FINANCIAL STABILIZATION FUND WATER RATE | FIRST FINANCIAL STABILIZATION FUND WASTEWATER RATE | FIRST FINANCIAL STABILIZATION FUND ELECTRIC SYSTEM RESERVE FUND | TOTAL SPECIAL PURPOSE FUNDS |
|-----------------------------|-------------------------------|---|--|---|--|---|-----------------------------|
| DEPOSITS | | | | | | | \$0.00 |
| TRANSFERS IN | | | | | | | \$0.00 |
| INTEREST INCOME | | \$426.16 | \$357.96 | \$233.99 | \$344.86 | \$815.66 | \$2,178.63 |
| DEBT PROCEEDS | | | | | | | \$0.00 |
| TOTAL INFLOWS | | \$426.16 | \$357.96 | \$233.99 | \$344.86 | \$815.66 | \$2,178.63 |
| TRANSFERS OUT | | | | | | | \$0.00 |
| OTHER WITHDRAWALS | | | | | | | \$0.00 |
| TOTAL OUTFLOWS | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| ENDING BALANCE MAY 31, 2015 | \$2,508,877.54 | \$2,107,323.18 | \$1,377,505.75 | \$2,030,206.19 | \$4,801,857.35 | \$12,825,770.01 | \$12,827,948.63 |

VIII.

Fixed Income Benchmarks
May 31, 2015
Comparison to Managed Portfolios

| | Bond Tech, Inc. | | |
|----------------------|------------------------|-----------------------|----------|
| | Treasury Investment | Rate Stabilization | % Change |
| Federal Funds Rate | 1.077 | N/A | 0.83 |
| Star Ohio Yield | 1.077 | N/A | 1.03 |
| Star Plus | 1.077 | N/A | 0.88 |
| 2 Year Treasury Note | 1.077 | N/A | 0.47 |