



City of Nassau Bay
Financial Statements
Fiscal Year 2015

May 31, 2015

City of Nassau Bay
Fiscal Year 2015
Summary Financial Report
May-2015 (67% of the fiscal year completed)

No. Department	FY15 Adopted Budget	FY15 12 Month Actual	Percent Received or Spent	5-Year Avg May each year
General Fund Revenue:				
Property Taxes	2,855,970	3,452,483	121% *	110%
Franchise Fees	500,000	228,321	46%	57%
Sales Taxes	500,000	277,881	56%	52%
Permits and Fees	134,800	78,114	58%	65%
Fines	151,550	66,779	44%	90%
Ambulance Fees	286,000	203,718	71%	68%
Other Revenue	369,100	265,393	72%	77%
Insurance Claims & Rebates	10,000	2,186	22%	76%
Interest on Investments	5,000	2,285	46%	77%
From Other Funds	117,400	58,700	50%	48%
Total Current Revenue	4,929,820	4,635,860	94%	91%
Transfers (To) From	-	-	0%	0%
Equity	169,900	-	0%	0%
Total Revenue Budget	5,099,720	4,635,860	91%	82%

*Property Tax Revenue YTD still includes TIRZ allocation. A budgeted \$690,000 will only be transferred to the TIRZ in June 2015.

General Fund Department Expenditures:

1 General & Administrative	758,220	479,950	63%	60%
2 Building Department	130,190	86,550	66%	53%
3 Emergency Management	147,870	89,821	61%	62%
4 Fire Department	364,150	293,741	81%	70%
5 Public Works	398,140	251,132	63%	56%
6 Parks and Recreation	356,070	194,996	55%	58%
7 Police Department	1,275,600	751,806	59%	62%
8 Sanitation & Recycling	236,330	137,557	58%	59%
9 Animal Control	38,240	25,005	65%	61%
10 Contingency	100,000	12,107	12%	27%
11 Information Services	256,450	129,498	51%	62%
12 Municipal Court	129,300	77,015	60%	57%
13 Emergency Medical Service	485,550	282,926	58%	62%
14 Fire Marshal	112,855	57,462	51%	54%
15 Planning & Development	15,000	13,954	93%	48%
16 Code Enforcement	90,755	18,247	20%	64%
17 Conference Center	205,000	102,633	50%	0%
Total General Fund Expenditures	5,099,720	3,004,397	59%	59%

Water & Sewer Fund Revenue:

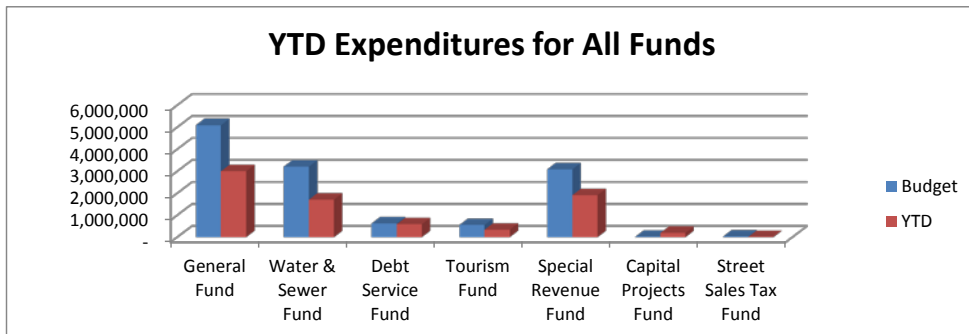
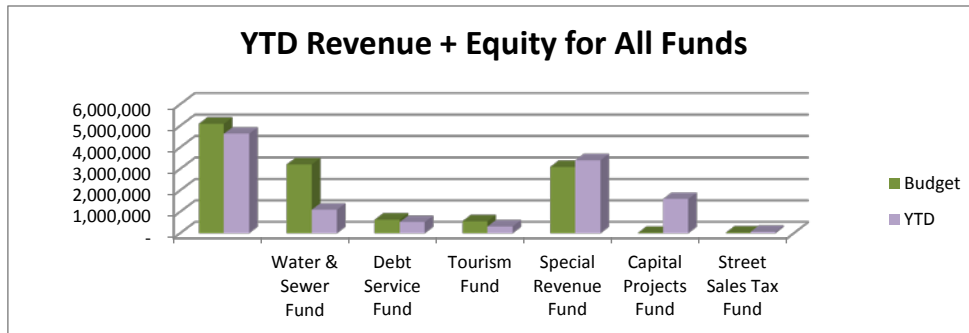
Water Sales	1,100,000	546,833	50%	52%
Sewer Charges	1,040,000	532,111	51%	53%
Other Charges	35,800	21,828	61%	5%
Total Current Revenue	2,175,800	1,100,772	51%	42%
Equity	1,038,840	-	0%	0%
Total W&S Revenue Budget	3,214,640	1,100,772	34%	33%

W&S Fund Department Expenditures:

1 General & Administrative - Water & Sewer	1,178,110	739,525	63%	62%
2 Water Department	576,700	288,877	50%	31%
3 Sewer Department	1,107,100	447,650	40%	29%
4 Debt Service & Depreciation	352,730	237,967	67%	63%
Total W&S Fund Expenditures	3,214,640	1,714,019	53%	44%

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No. Department	FY15 Adopted Budget	FY15 12 Month Actual	Percent Received or Spent	5-Year Avg May each year
Debt Service Fund - 04				
Total Revenue + Equity	631,270	520,610	82%	78%
Total Expenditures	631,270	592,470	94%	92%
Tourism Fund - 06				
Total Revenue + Equity	561,730	317,069	56%	47%
Total Expenditures	561,730	343,153	61%	62%
Special Revenue & Grant Fund - 07				
Total Revenue + Equity	3,097,800	3,407,621	110%	23%
Total Expenditures	3,097,800	1,918,108	62%	33%
Street Sales Tax Fund - 10				
Total Revenue + Equity	30,000	69,804	233%	20%
Total Expenditures	30,000	12,443	41%	34%
Capital Projects Fund - 09				
Total Revenue + Equity	20,000	1,600,279	8001%	74%
Total Expenditures	20,000	196,493	982%	69%
Total Nassau Bay Budget	12,655,160	7,781,083	61%	54%



City of Nassau Bay
Fiscal Year 2015
Summary Financial Report
May-2015 (67% of the fiscal year completed)

No. Department	FY15 Adopted Budget	FY15 12 Month Actual	Percent Received or Spent	5-Year Avg May each year
Combined Operating Funds Report:				
Operating Revenue:				
General Fund	4,929,820	4,635,860	94%	91%
Water & Sewer Fund	2,175,800	1,100,772	51%	42%
Tourism Fund	610,600	317,069	52%	48%
Special Revenue Fund	3,106,430	3,407,621	110%	22%
Total Revenue	10,822,650	9,461,323	87%	73%
(Increase)/Decrease in Balance Forward Yr/Yr				
General Fund	169,900	-	0%	0%
Water & Sewer Fund	1,038,840	-	0%	0%
Tourism Fund	(48,870)	-	0%	0%
Special Revenue Fund	(8,630)	-	0%	0%
Total Balance Forward	1,151,240	-	0%	0%
Total Operating Rev & Bal Forward	11,973,890	9,461,323	79%	57%
Operating Expenditures:				
General Fund	5,099,720	3,004,397	59%	59%
Water & Sewer Fund	3,214,640	1,714,019	53%	44%
Tourism Fund	561,730	343,153	61%	62%
Special Revenue Fund	3,097,800	1,918,108	62%	33%
Total Operating Expenditures	11,973,890	6,979,677	58%	51%
Combined Capital Assets Funds:				
Capital Assets Funds Revenue:				
Debt Service Fund	689,510	520,610	76%	79%
Sales Tax Streets Fund	127,000	69,804	55%	54%
Capital Projects Fund	100	1,600,279	1600279%	75%
Total	816,610	2,190,693	268%	74%
(Increase)/Decrease in Balance Forward Yr/Yr				
Debt Service Fund	(58,240)	-	0%	0%
Sales Tax Streets Fund	(97,000)	-	0%	0%
Capital Projects Fund	19,900	-	0%	0%
Total Balance Forward	(135,340)	-	0%	0%
Total Capital Assets Funds Revenue	681,270	2,190,693	322%	65%
Capital Assets Funds Expenditures:				
Debt Service Fund	631,270	592,470	94%	92%
Sales Tax Streets Fund	30,000	12,443	41%	34%
Capital Projects Fund	20,000	196,493	982%	69%
Total Capital Assets Expenditures	681,270	801,406	118%	70%
Total Nassau Bay Budget	12,655,160	7,781,083	61%	54%
End of Year Reserves				
Operating				
General Fund	1,252,610			
Water & Sewer Fund	594,199			
Tourism Fund	437,461			
Special Revenue Fund	74,868			
Total Operating End of Year Reserves	2,359,138			
End of Year Reserves				
Capital				
Debt Service Fund	220,249			
Sales Tax Streets Fund	345,215			
Capital Projects Fund	2,309			
Total Capital End of Year Reserves	567,773			
Total End of Year Reserves	2,926,911			

CITY OF NASSAU BAY INVESTMENT PORTFOLIO
May 31, 2015

TexPool Investments					
Fund	Investments 5/1/2015	Additions	Interest	Withdrawals	Investments 5/31/2015
General Fund	\$ 91,536.36	\$ -	\$ 4.28	\$ -	\$ 91,540.64
Water & Sewer Fund	\$ 12,879.60	\$ -	\$ 0.62	\$ -	\$ 12,880.22
Debt Service Fund	\$ 3,837.96	\$ -	\$ 0.31	\$ -	\$ 3,838.27
Tourism Fund	\$ 5,564.78	\$ -	\$ 0.31	\$ -	\$ 5,565.09
Special Rev. & Grants	\$ 192,624.86	\$ 1,525,236.41	\$ 34.92	\$ -	\$ 1,717,896.19
Capital Projects Fund	\$ 97.60	\$ -	\$ -	\$ -	\$ 97.60
Street Sales Tax	\$ 4,690.89	\$ -	\$ 0.31	\$ -	\$ 4,691.20
Sub-Total	\$ 311,232.05	\$ 1,525,236.41	\$ 40.75	\$ -	\$ 1,836,509.21
Nassau Bay Economic Development Corporation	\$ 88,325.28	\$ 27,700.56	\$ 4.69	\$ -	\$ 116,030.53
Nassau Bay Tax Increment Reinvestment Zone No. 1	\$ -	\$ -	\$ -	\$ -	\$ -
TIRZ Revenue - RDA Equity	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total	\$ 88,325.28	\$ 27,700.56	\$ 4.69	\$ -	\$ 116,030.53
TexPool Grand Total	\$ 399,557.33	\$ 1,552,936.97	\$ 45.44	\$ -	\$ 1,952,539.74

Texpool's weighted average maturity (*) was 78 days and the average interest rate was 0.0553%.

(*) TexPool WAM Days (2) To arrive at weighted average maturity, the maturity of floating rate and variable rate securities was deemed to be the final maturity of such securities.

CITY OF NASSAU BAY INVESTMENT PORTFOLIO
May 31, 2015

Logic Investments					
Fund	Investments 5/1/2015	Additions	Interest	Withdrawals	Investments 5/31/2015
General Fund	\$ 1,021,373.29	\$ 140,000.00	\$ 107.65	\$ -	\$ 1,161,480.94
Water & Sewer Fund	\$ 56,197.30	\$ -	\$ 5.35	\$ -	\$ 56,202.65
Debt Service Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Tourism Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Special Rev. & Grants	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Fund	\$ 1,600,110.05	\$ -	\$ 152.47	\$ -	\$ 1,600,262.52
Street Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total	\$ 2,677,680.64	\$ 140,000.00	\$ 265.47	\$ -	\$ 2,817,946.11
Nassau Bay Economic Development Corporation	\$ -	\$ -	\$ -	\$ -	\$ -
Nassau Bay Tax Increment Reinvestment Zone No. 1	\$ -	\$ -	\$ -	\$ -	\$ -
TIRZ Revenue - RDA Equity	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -
Logic Grand Total	\$ 2,677,680.64	\$ 140,000.00	\$ 265.47	\$ -	\$ 2,817,946.11

Logic's weighted average maturity (*) was 50 days and the average interest rate was 0.1122%.

(*) Logic WAM Days To arrive at weighted average maturity, the maturity of floating rate and variable rate securities was deemed to be the final maturity of such securities.

CITY OF NASSAU BAY INVESTMENT PORTFOLIO
May 31, 2015

Texas Citizens Bank - DDA

TCB DDA Minimum Balance - Qualifies the City for a .90 earnings credit on account analysis fees

\$ 650,000.00

Texas Citizens Bank - MMA Investments

Fund	Investments 5/1/2015	Additions	Interest	Withdrawals	Investments 5/31/2015
General Fund	\$ 1,694,900.28	\$ -	\$ 268.80	\$ 96,103.90	\$ 1,599,065.18
Water & Sewer Fund	\$ 772,755.68	\$ -	\$ 122.80	\$ -	\$ 772,878.48
Debt Service Fund	\$ 85,850.64	\$ 1,035.26	\$ 13.65	\$ -	\$ 86,899.55
Tourism Fund	\$ 463,320.01	\$ -	\$ 73.57	\$ 11,156.01	\$ 452,237.57
Special Rev. & Grants	\$ 36.51	\$ 52,374.38	\$ 0.30	\$ -	\$ 52,411.19
Capital Projects Fund	\$ 107.02	\$ -	\$ 0.02	\$ -	\$ 107.04
Street Sales Tax	\$ 287,322.30	\$ 13,850.27	\$ 45.73	\$ -	\$ 301,218.30
Sub-Total	\$ 3,304,292.44	\$ 67,259.91	\$ 524.87	\$ 107,259.91	\$ 3,264,817.31
Nassau Bay Economic Development Corporation	\$ -	\$ -	\$ -	\$ -	\$ -
Nassau Bay Tax Increment Reinvestment Zone No. 1	\$ -	\$ -	\$ -	\$ -	\$ -
TIRZ Revenue - RDA Equity	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -
MMA Grand Total	\$ 3,304,292.44	\$ 67,259.91	\$ 524.87	\$ 107,259.91	\$ 3,264,817.31

CITY OF NASSAU BAY INVESTMENT PORTFOLIO
May 31, 2015

Texas Citizens Bank - Repurchase Agreement

TCB Repurchase Agreement - Sweep Account to collect all excess over \$650,000 minimum in DDA

Weighted Average	\$	61,073.30	
Ending Balance as of 05/31/2015	\$	16,880.79	
Interest Rate		0.15%	
Interest Earned	\$	7.87	
Fund	Investments 5/1/2015	Interest	Investments 5/31/2015
General Fund	\$ 52,340.04	\$ 4.97	\$ 8,870.62
Water & Sewer Fund	\$ 39,755.06	\$ 2.90	\$ 8,010.17
Debt Service Fund	\$ -	\$ -	\$ -
Tourism Fund	\$ -	\$ -	\$ -
Special Rev. & Grants	\$ -	\$ -	\$ -
Capital Projects Fund	\$ -	\$ -	\$ -
Street Sales Tax	\$ -	\$ -	\$ -
Sub-Total	\$ 92,095.10	\$ 7.87	\$ 16,880.79
Nassau Bay Economic Development Corporation	\$ -	\$ -	\$ -
Nassau Bay Tax Increment Reinvestment Zone No. 1	\$ -	\$ -	\$ -
TIRZ Revenue - RDA Equity	\$ -	\$ -	\$ -
Sub-Total	\$ -	\$ -	\$ -
Repo Grand Total	\$ 92,095.10	\$ 7.87	\$ 16,880.79

CITY OF NASSAU BAY INVESTMENT PORTFOLIO
May 31, 2015

TWDB Combination Tax and Revenue Obligations - Series 2011

Closed - March 24, 2011	\$	2,445,000
Release of Funds - Portion of Initial	\$	(2,246,072)
Investments - Portion of Initial	\$	198,928

TWDB - Bank of Texas	Investments 5/1/2015	Additions	Total Dividends	Withdrawals	Investments 5/31/2015
Cavanal Hill US Treas-Admin Fd#0002	\$ 208,726.13	\$ -	\$ 0.73	\$ -	\$ 208,726.86
Total TWDB Investments	\$ 208,726.13	\$ -	\$ 0.73	\$ -	\$ 208,726.86

CITY OF NASSAU BAY INVESTMENT PORTFOLIO
May 31, 2015

Economic Development Corporation

	Investments 5/1/2015	Additions	Interest Paid/Earned	Withdrawals	Investments 5/31/2015
Texpool - Economic Development Corp.	\$ 88,325.28	\$ 27,700.56	\$ 4.69	\$ -	\$ 116,030.53
TCB - City MMA	\$ -	\$ -	\$ -	\$ -	\$ -
TCB - EDC BizReward Checking	\$ 20,038.85	\$ -	\$ -	\$ -	\$ 20,038.85
TCB - EDC BizReward Savings	\$ 215,769.86	\$ -	\$ 68.58	\$ -	\$ 215,838.44
Total EDC Investments	\$ 324,133.99	\$ 27,700.56	\$ 73.27	\$ -	\$ 351,907.82

CITY OF NASSAU BAY INVESTMENT PORTFOLIO
May 31, 2015

Nassau Bay Redevelopment Authority

	Investments 5/1/2015	Additions	Interest Paid/Earned	Withdrawals	Investments 5/31/2015
Texpool - Nassau Bay Redevelopment Authority	\$ -	\$ -	\$ -	\$ -	\$ -
Logic - Nassau Bay Redevelopment Authority	\$ 311.30	\$ -	\$ -	\$ -	\$ 311.30
BB&T CD - 08/25/2015 APY 0.23%	\$ 150,239.31	\$ -	\$ 29.35	\$ -	\$ 150,268.66
TCB - RDA BizReward Checking	\$ 20,387.88	\$ -	\$ -	\$ -	\$ 20,387.88
TCB - RDA BizReward Savings	\$ 231,866.02	\$ -	\$ 73.69	\$ -	\$ 231,939.71
Total RDA Investments	\$ 402,804.51	\$ -	\$ 103.04	\$ -	\$ 402,907.55


CITY OF NASSAU BAY INVESTMENT PORTFOLIO
May 31, 2015


Month Ending Investment Portfolio Balances by Fund*

Fund	TexPool	Logic	TCB - MMA	TCB Repo Agreement	TWDB Bank of Texas	Investments 5/31/2015
General Fund	\$ 91,540.64	\$ 1,161,480.94	\$ 1,599,065.18	\$ 8,870.62	\$ -	\$ 2,860,957.38
Water & Sewer Fund	\$ 12,880.22	\$ 56,202.65	\$ 772,878.48	\$ 8,010.17	\$ 208,726.86	\$ 1,058,698.38
Debt Service Fund	\$ 3,838.27	\$ -	\$ 86,899.55	\$ -	\$ -	\$ 90,737.82
Tourism Fund	\$ 5,565.09	\$ -	\$ 452,237.57	\$ -	\$ -	\$ 457,802.66
Special Rev. & Grants	\$ 1,717,896.19	\$ -	\$ 52,411.19	\$ -	\$ -	\$ 1,770,307.38
Capital Projects Fund	\$ 97.60	\$ 1,600,262.52	\$ 107.04	\$ -	\$ -	\$ 1,600,467.16
Street Sales Tax	\$ 4,691.20	\$ -	\$ 301,218.30	\$ -	\$ -	\$ 305,909.50
Sub-Total	\$ 1,836,509.21	\$ 2,817,946.11	\$ 3,264,817.31	\$ 16,880.79	\$ 208,726.86	\$ 8,144,880.28
Nassau Bay Economic Development Corporation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nassau Bay Tax Increment Reinvestment Zone No. 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TIRZ Revenue - RDA Equity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	\$ 1,836,509.21	\$ 2,817,946.11	\$ 3,264,817.31	\$ 16,880.79	\$ 208,726.86	\$ 8,144,880.28

*City Investment Portfolio Balances exclude the EDC & RDA

This investment report is in compliance with the investment strategy as established by the City of Nassau Bay & the Public Funds Investment Act (Chapter 2256).

Prepared By: 
 Jaime Vasquez, Senior Accountant

Verified By: 
 Csilla L. Stiles, Finance Director



TMRS Quarterly Summary

Period Ended: March 31, 2015

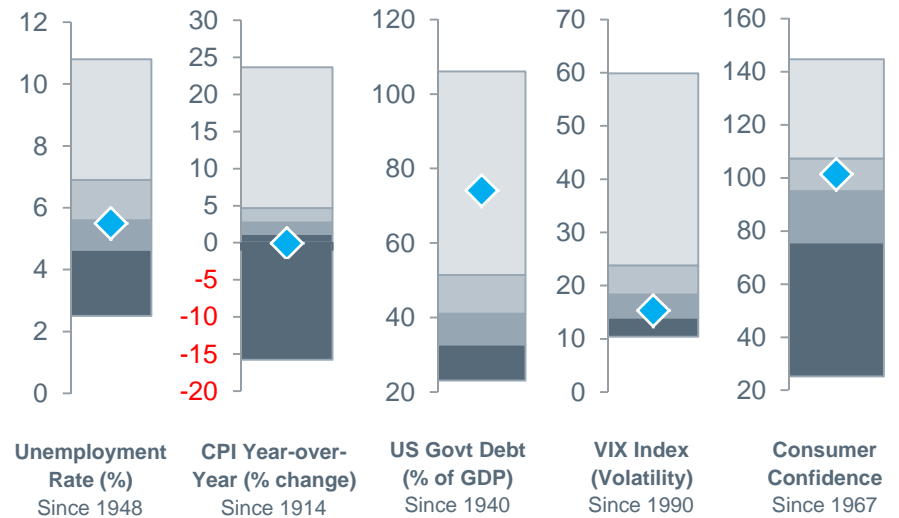


First Quarter Economic Environment

Key Economic Indicators

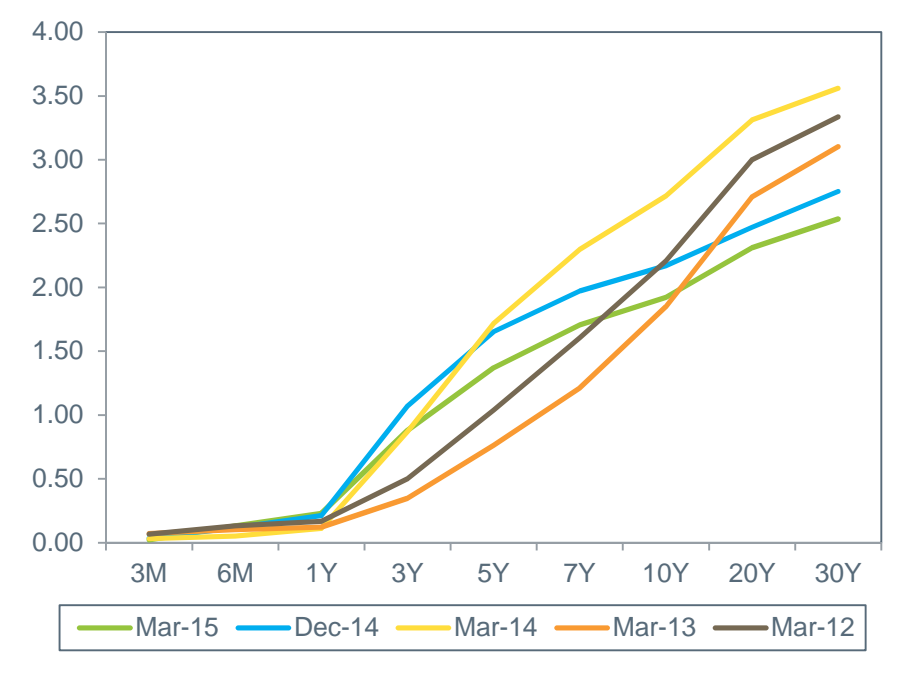
In a reversal of a multi-year trend, U.S. equity markets underperformed both developed international and emerging markets during the first quarter of 2015. The Federal Reserve, having exited its quantitative easing program in late 2014, continues to signal its willingness to raise interest rates at the earliest signs of inflation. In contrast, the European Central Bank and Bank of Japan continued to pursue aggressive monetary easing. The impact of these policies on current and expected interest rates led to a stronger U.S. dollar, which raises concerns regarding U.S. exports and the dollar value of earnings generated in foreign currencies. While the unemployment rate remained steady at 5.5% in March, additional non-farm payroll jobs came in well below expectations at just 126,000, despite downward revisions in January and February estimates. Globally, much attention was focused on oil prices, as OPEC producers refused to yield to pressure to cut production. In addition to price pressure from oversupply, weaker than expected global demand magnified downward pressure on oil prices.

Key Economic Indicators



Economic Indicators	Mar-15	Dec-14	Mar-14	Mar-12	20 Yr	
Federal Funds Rate (%)	0.06	—	0.06	0.06	2.82	
Breakeven Infl. - 1 Yr (%)	1.46	▲	-0.21	1.79	2.18	N/A
Breakeven Infl. - 10 Yr (%)	1.78	▲	1.68	2.14	2.34	N/A
CPI YoY (Headline) (%)	-0.10	▼	0.80	1.50	2.70	2.30
Unemployment Rate (%)	5.50	▼	5.60	6.60	8.20	6.00
Real GDP YoY (%)	3.00	▲	2.40	1.90	2.60	2.50
PMI - Manufacturing	51.50	▼	55.10	54.40	53.30	52.00
USD Total Wtd Idx	92.06	▲	85.13	76.67	72.75	86.32
WTI Crude Oil per Barrel (\$)	48	▼	53	102	103	54
Gold Spot per Oz (\$)	1,184	▼	1,185	1,284	1,668	713

Treasury Yield Curve (%)



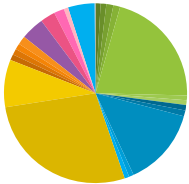
Market Performance (%)	QTD	YTD	1 Yr	5 Yr	10 Yr
S&P 500 (Cap Wtd)	0.95	0.95	12.73	14.47	8.01
Russell 2000	4.32	4.32	8.21	14.56	8.82
MSCI EAFE (Net)	4.88	4.88	-0.92	6.16	4.95
MSCI EAFE SC (Net)	5.56	5.56	-2.92	8.80	6.17
MSCI Emg Mkts (Net)	2.24	2.24	0.44	1.75	8.48
Barclays US Agg Bond	1.61	1.61	5.72	4.41	4.93
BofA ML 3 Mo US T-Bill	0.00	0.00	0.03	0.09	1.49
NCREIF ODCE (Gross)	3.40	3.40	13.46	14.52	6.99
Wilshire US REIT	4.67	4.67	25.25	16.14	9.59
HFN FOF Multi-Strat	2.54	2.54	4.86	3.36	2.91
Bloomberg Cmddy (TR)	-5.94	-5.94	-27.04	-5.71	-3.56

Treasury data courtesy of the U.S. Department of the Treasury. Economic data courtesy of Bloomberg Professional Service. Breakeven Inflation does not have 20 years of history; therefore, its 20-year average is shown as N/A.

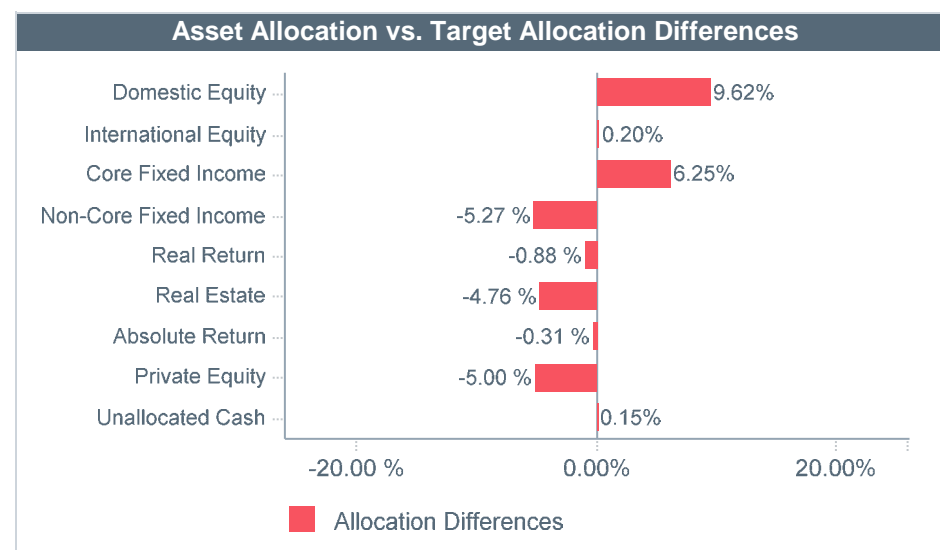


Total Fund Composite

Asset Alloc. by Manager, Asset Alloc. vs. Target, and Schedule of Investable Assets

Asset Allocation by Manager		
March 31, 2015: \$24,075,452,627		
		
	Market Value (\$)	Allocation (%)
■ Sasco U.S. Contrarian Value (SA)	219,353,900	0.91
■ Epoch U.S. Choice (SA)	237,132,064	0.98
■ SSgA Russell Fundamental US (CF)	293,209,053	1.22
■ UBS US Equity Min Vol Fund (CF) (NL)	297,334,223	1.24
■ Northern Trust R3000 Index (CF) (NL)	5,067,437,947	21.05
■ Champlain Mid-Cap Core (SA)	206,696,042	0.86
■ The Boston Company Opp Value (SA)	208,079,122	0.86
■ Citigroup Global Markets, Inc.	4,690	0.00
■ SSgA Russell Fund. Global Ex-US (CF)	228,396,867	0.95
■ UBS World Ex US Min Vol Fund (CF) (NL)	255,684,433	1.06
■ Northern Trust ACW ex US IMI (CF) (NL)	3,378,306,379	14.03
■ Wellington International Horizons (SA)	200,771,718	0.83
■ Lazard International Equity Plus (SA)	197,611,836	0.82
■ BlackRock, Inc. Core (SA)	6,659,840,297	27.66
■ PIMCO Core Plus Fixed Income (SA)	2,066,662,125	8.58
■ Guggenheim Bandera Strategic Credit Partners II, LP	252,654,288	1.05
■ Highland Bandera Strategic Credit Partners I, LP	254,201,591	1.06
■ Voya RMBS/CMBS (SA)	254,436,489	1.06
■ Ellington RMBS/CMBS (SA)	377,497,802	1.57
■ Colchester Global Inflation Linked Bond (SA)	992,983,663	4.12
■ Core Real Estate	640,228,077	2.66
■ Non-Core Real Estate	430,741,919	1.79
■ Harrison St. Real Estate Securities	191,004,640	0.79
■ Blackstone Treaty Oak Fund, LP	1,127,970,144	4.69
■ State Street Government STIF 6 (CF) - Cash	37,213,319	0.15

Asset Allocation vs. Target Allocation			
	Market Value (\$)	Allocation (%)	Target (%)
Domestic Equity	6,529,247,039	27.12	17.50
International Equity	4,260,771,234	17.70	17.50
Core Fixed Income	8,726,502,423	36.25	30.00
Non-Core Fixed Income	1,138,790,170	4.73	10.00
Real Return	992,983,663	4.12	5.00
Real Estate	1,261,974,635	5.24	10.00
Absolute Return	1,127,970,144	4.69	5.00
Private Equity	-	-	5.00
Unallocated Cash	37,213,319	0.15	0.00
Total Fund	24,075,452,627	100.00	100.00



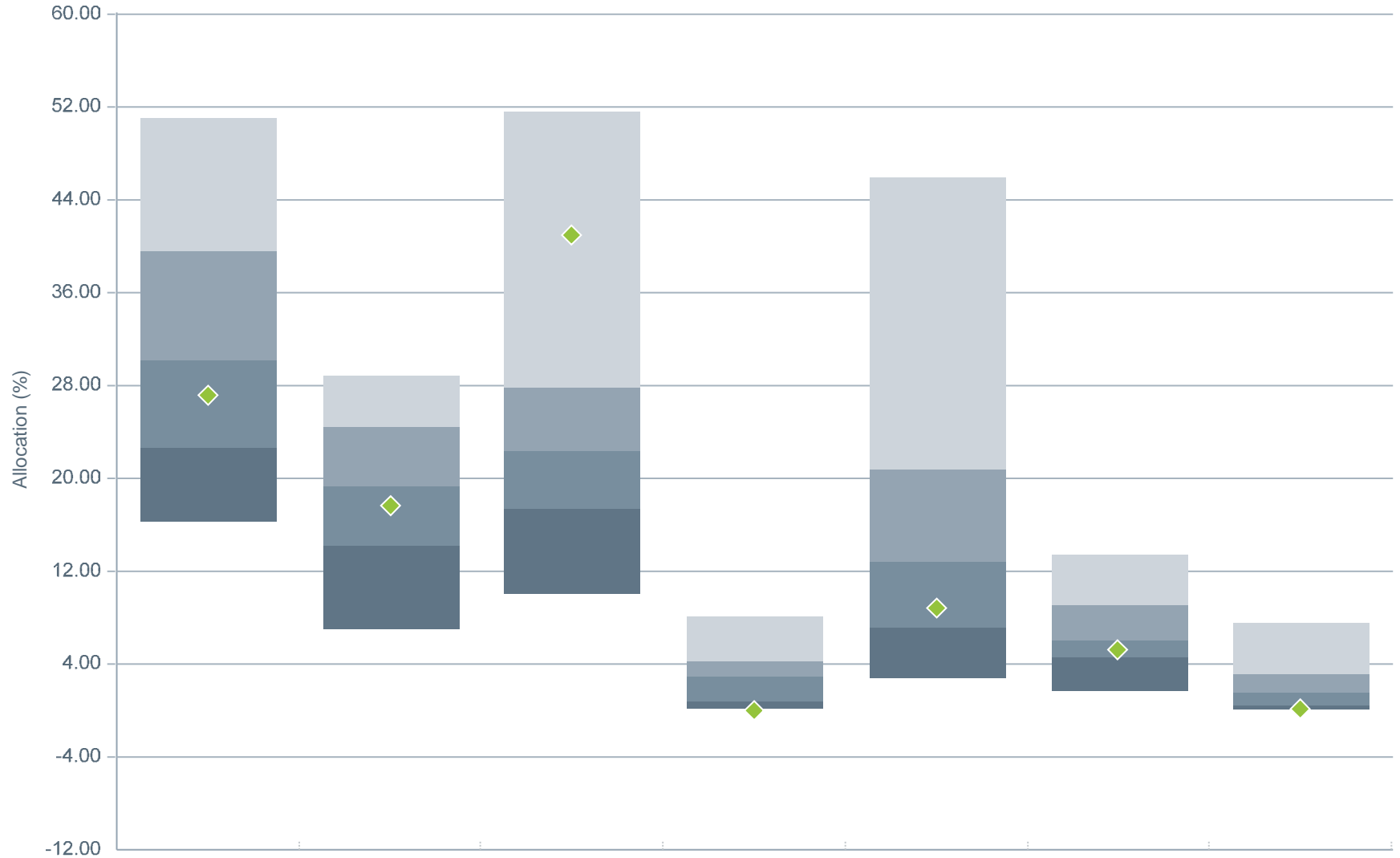
Schedule of Investable Assets						
Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return	Unit Value
CYTD	23,635,673,306	-35,448,356	475,227,676	24,075,452,627	2.08	102.08

Performance shown is gross of fees and provided by State Street. Allocations shown may not sum up to 100% exactly due to rounding. Gain/Loss figure includes both realized and unrealized gains and losses. The market value shown for Citigroup Global Markets, Inc. represents residual assets from Domestic Mid-Cap manager fundings.



Texas Municipal Retirement System
All Public Plans > \$1B-Total Fund
Plan Sponsor TF Asset Allocation

As of March 31, 2015



	US Equity	Intl. Equity	US Fixed Income	Intl. Fixed Income	Alternative Inv.	Real Estate	Cash
◆ Total Fund Composite	27.12 (65)	17.70 (58)	40.98 (8)	0.00	8.81 (70)	5.24 (69)	0.15 (93)
Median	30.16	19.27	22.28	2.94	12.86	6.13	1.57
Population	74	71	71	44	57	46	57

Parentheses contain percentile ranks. Allocations shown may not sum up to 100% exactly due to rounding.



**Texas Municipal Retirement System
Comparative Performance**

As of March 31, 2015

	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years	2014	Since Incep.	Inception Date
Total Fund Composite	2.08	2.08	6.13	7.43	7.31	6.50	6.38	5.99	8.87	01/01/1989
Actual Allocation Benchmark	1.95	1.95	5.85	7.11	7.12	6.54	6.11	5.63	8.25	
Difference	0.13	0.13	0.28	0.32	0.19	-0.04	0.27	0.36	0.62	
Global Equity Composite	2.48	2.48	6.32	11.95	9.96	5.19	N/A	5.39	4.82	02/01/2008
Global Equity Benchmark	2.50	2.50	6.02	11.76	9.82	5.06	N/A	4.95	4.69	
Difference	-0.02	-0.02	0.30	0.19	0.14	0.13	N/A	0.44	0.13	
Domestic Equity Composite	1.71	1.71	12.17	16.28	14.62	9.31	N/A	12.61	8.52	02/01/2008
R 3000 Index	1.80	1.80	12.36	16.43	14.71	9.37	8.38	12.55	8.57	
Difference	-0.09	-0.09	-0.19	-0.15	-0.09	-0.06	N/A	0.06	-0.05	
International Equity Composite	3.69	3.69	-0.51	7.06	4.98	0.82	N/A	-3.11	0.86	02/01/2008
International Equity Benchmark	3.55	3.55	-1.34	6.52	4.57	0.47	4.16	-3.89	0.51	
Difference	0.14	0.14	0.83	0.54	0.41	0.35	N/A	0.78	0.35	
Core Fixed Income Composite	1.75	1.75	5.67	3.27	4.54	4.41	4.93	5.77	8.30	01/01/1989
Fixed Income Benchmark	1.61	1.61	5.72	3.10	4.41	4.52	4.70	5.97	7.71	
Difference	0.14	0.14	-0.05	0.17	0.13	-0.11	0.23	-0.20	0.59	
Non-Core Fixed Income Composite	1.29	1.29	N/A	N/A	N/A	N/A	N/A	N/A	2.10	10/01/2014
Non-Core Fixed Income Benchmark	0.14	0.14	N/A	N/A	N/A	N/A	N/A	N/A	0.60	
Difference	1.15	1.15	N/A	N/A	N/A	N/A	N/A	N/A	1.50	
Real Return Composite	-0.19	-0.19	1.60	2.50	N/A	N/A	N/A	4.44	4.20	02/01/2011
Barclays Wrld Gov Infl-Lnkd Index (Unhedged)	-1.13	-1.13	0.22	0.71	4.12	2.41	4.26	4.08	3.45	
Difference	0.94	0.94	1.38	1.79	N/A	N/A	N/A	0.36	0.75	
Real Estate Composite	3.90	3.90	16.04	14.25	N/A	N/A	N/A	20.35	13.09	01/01/2012
Real Estate Benchmark	3.28	3.28	12.52	12.46	13.93	2.80	7.11	12.40	12.46	
Difference	0.62	0.62	3.52	1.79	N/A	N/A	N/A	7.95	0.63	
Absolute Return Composite	1.95	1.95	N/A	N/A	N/A	N/A	N/A	N/A	2.82	08/01/2014
Absolute Return Benchmark	2.36	2.36	5.08	5.40	3.55	1.54	3.22	3.15	3.95	
Difference	-0.41	-0.41	N/A	N/A	N/A	N/A	N/A	N/A	-1.13	

Performance shown is gross of fees and provided by State Street. Performance is annualized for periods greater than one year. Real Estate performance is available quarterly. Real Estate fund returns are calculated by Private Edge and are lagged 1 quarter. Inception date shown for the Real Estate Composite represents the first full quarter following initial funding. Inception dates for non-real estate composites represents the first full month following initial funding.



**Texas Municipal Retirement System
Comparative Performance**

As of March 31, 2015

	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years	2014	Since Incep.	Inception Date
TMRS Unallocated Cash (SA)	0.15	0.15	0.34	0.17	0.14	N/A	N/A	0.18	0.26	06/01/2008
BofA ML 3 Mo US T-Bill Index	0.00	0.00	0.03	0.07	0.09	0.26	1.49	0.04	0.25	
Difference	0.15	0.15	0.31	0.10	0.05	N/A	N/A	0.14	0.01	

- Historical performance shown for the Global Equity, Domestic Equity, International Equity, and Total Fixed Income composites is provided by State Street.
- RVK cautions that for private market investments like Commercial Real Estate, for which there are no market prices, as are available for public securities, and for which an appraised value is calculated only quarterly, daily time weighted return calculations (public market return methodology) are imperfect at best and usually misleading.

Performance shown is gross of fees and provided by State Street. Performance is annualized for periods greater than one year. Real Estate performance is available quarterly. Real Estate fund returns are calculated by Private Edge and are lagged 1 quarter. Inception date shown for the Real Estate Composite represents the first full quarter following initial funding. Inception dates for non-real estate composites represents the first full month following initial funding.



Custom Benchmark Comments

- The **Actual Allocation Benchmark** is calculated monthly using beginning of month asset class weights applied to each corresponding benchmark return and currently consists of the following:
 - Russell 3000 Index
 - International Equity Benchmark
 - Fixed Income Benchmark
 - Non-Core Fixed Income Benchmark
 - Barclays World Government Inflation-Linked Index (Unhedged)*
 - Real Estate Benchmark
 - Absolute Return Benchmark
 - BofA Merrill Lynch 3 Month US Treasury Bill Index

*As the Real Return asset class structure becomes diversified, the performance objective will be the Consumer Price Index + 4%.

The **Global Equity Benchmark** is calculated monthly and consists of 50% Russell 3000 Index and 50% MSCI EAFE Index (Net) through July 31, 2010; a blend of the Russell 3000 Index, MSCI All Country World Excluding US Investable Market Index (Net) and MSCI EAFE Index (Net) at beginning of month investment weights through November 30, 2012; and a blend of the Russell 3000 Index and the MSCI All Country World Excluding US Investable Market Index (Net) at beginning of the month weights thereafter.

The **International Equity Benchmark** is calculated monthly and consists of the MSCI EAFE Index (Net) through July 31, 2010; a blend of the MSCI All Country World Excluding US Investable Market Index (Net) and MSCI EAFE Index (Net) at beginning of month investment weights through January 31, 2012; and the MSCI All Country World Excluding US Investable Market Index (Net) thereafter.

The **Fixed Income Benchmark** is calculated monthly and consists of the Barclays Gov't/Credit Long Term Bond Index through June 30, 2009; and Barclays US Aggregate Bond Index thereafter.

The **Non-Core Fixed Income Benchmark** is calculated monthly and consists of 50% Barclays US Corporate: High Yield Index, 25% JPM GBI-EM Global Diversified Total Return Index (USD) (Unhedged), and 25% JPM CEMBI Broad Diversified Index. The return is composed of lagged and un-lagged returns in the same proportion as the market value of managers whose returns are being reported on a lagged versus non-lagged basis.

The **RMBS/CMBS Custom Index** is calculated monthly and consists of 67% Barclays US Corporate: High Yield Index and 33% Barclays US Corporate: Credit Index.

The **Absolute Return Benchmark** is calculated monthly and consists of the HFRI Fund of Funds Diversified Index through November 30, 2014; and HFRI Fund of Funds Diversified Index - 1 Month Lag thereafter.

The **Real Estate Benchmark** is calculated quarterly and consists of the NCREIF Open-End Diversified Core Equity Index (Gross) (AWA); interim months assume a 0.00% return. The return is composed of lagged and un-lagged returns in the same proportion as the market value of managers whose returns are being reported on a lagged versus non-lagged basis.

Real Estate Performance Comment

"Privately held real estate fund returns are one-quarter lagged and are provided by Private Edge. Quarterly returns are incorporated in the last month of that particular quarter. The returns for the first two months are zero.

Market values are previous quarter-end values as reported, rolled forward with current cash flows. Returns and market values provided by Private Edge are rolled into their respective Real Estate composite and the Total Plan composite.

Publicly traded real estate fund performance is non-lagged, reflecting monthly fluctuations. Detailed information regarding methodology can be found in the internal TMRS Performance Reporting Policy statement" (State Street Performance Team).

PORTLAND

CHICAGO

NEW YORK

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