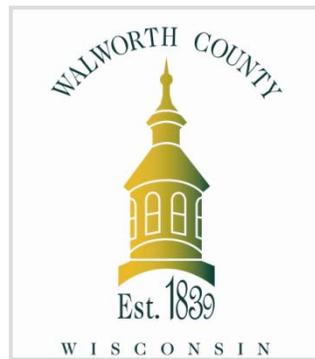

WALWORTH COUNTY, WISCONSIN

QUARTERLY INVESTMENT REPORT

September 30, 2015



**WALWORTH COUNTY FINANCE OFFICE
100 W. WALWORTH STREET
ELKHORN, WI 53121**

<http://www.co.walworth.wi.us/Government%20Center/Finance/Investments/InvestmentHomePage.aspx>

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EXECUTIVE SUMMARY

The County's total investment portfolio shall be defined as all county cash and investments not reserved in a separately maintained account for a specific purpose. Funds are valued in this report at bank statement value as of the date specified. Accounts not included in the total investment portfolio are restricted by a third party.

The key objectives in managing the County's total investment portfolio are to provide safety of principal, to ensure liquidity to meet operating requirements, to generate a market rate of return ("Yield") on the investments, and to manage the portfolio within applicable laws. Cash flow projections match revenues with expenditures to ensure prudent investment principles to enable the County to soundly meet its financial obligations. The Investment Portfolio shall be structured in relation to prevailing budgetary and economic environments, taking into account the County's investment risk constraints and cash flow characteristics.

- Walworth County's investment portfolio is currently in compliance with Wisconsin statutes, the Walworth County Code of Ordinances and the County's Administrative Procedures Manual.
- Walworth County's investment portfolio has been maintained to provide safety of investments and cash flow needs. Investments are diversified into different investment vehicles to provide safety. In addition, all securities held are either backed by the U.S. Government or meet minimum ratings set by specified agencies.
- Our investment portfolio is entirely comprised of investments made during the low interest environment. The Finance department continues to follow economic news and seek input from brokers and advisors on near and long-term investment yield potential.
- The Local Government Investment Pool (LGIP) yields continue to remain low. Rates have been under 0.25% since November, 2009. The annualized LGIP rate has a current average of 0.11%.
- Current collateralized money market yields are as follows: Mid-America 0.63% and Associated 0.20%. The money markets provide the County with liquidity and offer a higher average yield than a six month treasury currently yielding 0.08%.
- We also maintain a collateralized money market with Chase, currently yielding 0.02% with a balance of \$3.8 million, as it allows for immediate access to funds.
- The investment portfolio with BMO is at \$5.3 million, yielding 0.88% annually, net of fees, not including market adjustments. Portfolio duration is currently 1.78 years to maturity, and contains \$2.7 million in agency securities, \$2.4 million in treasury notes, and \$0.2 million in a money market.
- The brokered portfolio held at Pershing is at \$47.3 million, yielding 0.95% (not including market adjustments) annually which includes \$44.3 million in agency securities and \$3.0 million in municipal debt. Portfolio duration is currently 1.70 years to maturity.
- The OPEB Trust will be reviewed separately from our operating investment portfolio, as this information is invested with a different investment philosophy due to its long term nature.

INVESTMENT OVERVIEW AND OBJECTIVES

As is mentioned above, the main objectives in managing the County's total investment portfolio are to provide safety of principal, to ensure liquidity to meet operating requirements, to generate a market rate of return ("Yield") on the investments, and to manage the portfolio with applicable laws. The County's total investment portfolio is currently comprised of the following types of investments:

LOCAL GOVERNMENT INVESTMENT POOL – The primary objective of the LGIP is to provide for the prudent management of public funds on behalf of the local government investor. The investment strategy of this fund is prioritized as: safety of the principal, liquidity, and the rate of return. The funds in LGIP may invest in obligations of the U.S. Treasury and its agencies, Commercial Paper, Bank Time Deposits/Certificates of Deposit, Bankers' Acceptances, Asset Backed Securities, and Repurchase Agreements (Repo) secured by the U.S. Government. LGIP does not insure its Commercial Paper.

CERTIFICATES OF DEPOSIT – Certificates of deposit and other evidences of deposits from county board approved financial institutions which are authorized to transact business in the state, which time deposits mature in not more than three years.

THE CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SERVICES, (CDARS) – Financial institutions can offer CDARS because they are members of a special network. When a large deposit is placed with a network member, that institution uses CDARS to place the funds into certificates of deposit issued by banks in the network. This occurs in increments of less than the standard FDIC insurance maximum to ensure that both principal and interest are eligible for full FDIC insurance.

With the help of a sophisticated matching system, network members exchange funds. This exchange occurs on a dollar-for-dollar basis, so that the equivalent of the original deposit comes back to the respective institution and effectively stays local (meaning the full amount can support lending initiatives that build a stronger local community). The full amount of the original deposit becomes eligible for complete FDIC protection, and the institution receives just one regular statement detailing all your holdings.

U.S. GOVERNMENT/TREASURY SECURITIES – Obligations of the United States of America, its agencies and instrumentalities, provided payment of the principal and interest is fully guaranteed by the issuer.

MUNICIPAL DEBT—Instruments of any county, city, drainage district, vocational college, village, town or school district of the State of Wisconsin.

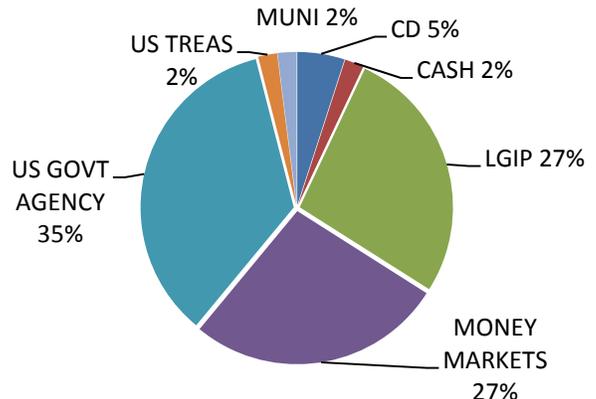
PUBLIC FUNDS MONEY MARKET ACCOUNT – The County has approved by resolution Public Funds money markets that are secured by collateral. These investments are used to provide short-term diversification and increase the current yields.

REQUIREMENTS AND COMPLIANCE

ITEM	DESCRIPTION OF REQUIREMENT	ACTUAL PORTFOLIO
Credit Risk:		
Collateral Policy	Investments other than U.S. Treasury backed securities or investments not under FDIC or WI guarantee shall be collateralized for a minimum of 102-110% of the deposits.	Current financial institutions comply
Security Diversification	No single agency shall hold more than 50% of the core portfolio, currently \$28,460,500.	Current investment holdings comply
Financial Institutions Limits	Investments held at any one institution shall be limited to 50% of the core portfolio, currently \$28,460,500.	All institutions comply
Debt Limits	Government debt held with any one entity shall be limited to \$3 million.	All institutions comply
Liquidity Risk	Liquid cash shall be maintained at \$10 million and available with 1 day notice.	\$ 66.7 million or 50%
Reinvestment Risk	Callable securities shall not exceed 50% of securities held.	\$ 16.0 million or 31%
Market Risk:		
Maturity Restrictions	Investments greater than 3 months and less than 1 year shall not exceed 95% of the total portfolio.	\$ 16.7 million or 12%
	Investments greater than 1 year and less than 5 years shall not exceed 100% of the core portfolio, currently \$56,921,000.	\$ 35.3 million or 62%

INVESTMENT CATEGORY	MAXIMUM MATURITY	AUTHORIZED LIMIT	ACTUAL PORTFOLIO
Certificates of Deposit	3 years	50%	5%
Operating Cash	N/A	N/A	2%
LGIP	N/A	75%	27%
Money Markets	N/A	95%	27%
U.S. Agency Securities	5 years	75%	35%
U.S. Treasury Securities	5 years	75%	2%
Municipal Debt	5 years	25%	2%

INVESTMENT TYPE	MARKET VALUE
Certificates of Deposit	\$ 6,326,000
Cash - Depository Bank	2,953,000
LGIP	35,887,000
Money Markets	36,010,000
Portfolio Money Markets	182,000
U.S. Gov. Agency Securities	46,991,000
U.S. Treasury Securities	2,402,000
Municipal Debt	3,053,000
Total	\$ 133,804,000



BUDGET PERFORMANCE

The first table below shows the actual and budgeted interest earned for the quarter ended September 30, 2015 by investment type. The second table below shows the actual and budgeted interest earned for the quarter ended September 30, 2015 by account. The interest shown is on the county's total cash and investment portfolio. All accounts receive interest income based on the LGIP interest rate or actual interest earned.

INVESTMENT TYPE	INTEREST EARNED	3rd QUARTER 2015 BUDGET
Certificate of Deposit	\$ 22,898	\$ 19,395
U.S. Treasury/Govt. Agency	318,359	286,607
Local Gov Inv Pool (LGIP)	43,359	15,000
Depository Bank (Sweep)	533	194
Money Markets	74,857	58,500
Other Accounts Allocated Interest	(39,714)	(60,945)
TOTAL NON-DEPT	\$ 420,292	\$ 318,751
YTD Unrealized Gain/(Loss)*	191,894	N/A

*Per County ordinance, this market adjustment will add/subtract from the County's committed fund balance amount available for these temporary gains/losses and will not directly offset the investment income budget. Current available funds in the committed fund balance account are \$1,007,170.

ACCOUNT NAME	INTEREST EARNED	3rd QUARTER 2015 BUDGET
Non-Department	\$ 420,292	\$ 318,751
Children with Disabilities Ed Bd	13,239	9,375
DPW Buildings Reserve	583	375
DPW Equipment Reserve	1,312	488
LHCC Building Reserve	1,243	618
LHCC Equipment Reserve	247	155
Health Insurance	16,402	11,250
Dental Insurance	715	413
Workers Compensation	2,302	1,875
Risk Management	3,671	1,451
TOTAL PORTFOLIO	\$ 460,006	\$ 344,751
Budget to Actual Variance		115,255

- 2015 year to date returns have exceeded budget by \$115,255.
- By diversifying into other investment vehicles, we have been able to increase the County's yields by more than three times the LGIP benchmark. If the entire portfolio was invested at the benchmark rate, the forecasted interest earned year to date would have approximated \$134,056.
- Certificates of deposit currently held on September 30, 2015 have an average return of 0.49%.
- Securities held on September 30, 2015 have a yield to maturity at cost of 0.95% for our brokered securities and 0.88% at the BMO managed portfolio, net of investment fees.

RESTRICTED ACCOUNT BUDGET PERFORMANCE SUMMARY

Restricted cash and investments in funds/departments receive interest income based on the LGIP interest rate or actual interest earned based on investments held by fiscal agents.

ACCOUNT NAME	INTEREST EARNED	3rd QUARTER 2015 BUDGET
Land Information Fees	\$ 394	\$ 295
Risk Management	6,962	1,451
Clerk of Courts	479	1,875
Waddell Donations	79	75
Harrison Trust	33	-
Total	\$ 7,947	\$ 3,696

INVESTMENT BENCHMARKS**Overall Investment Portfolio Benchmark**

The County has selected the Local Government Investment Pool rate as the benchmark for achievement for the investment portfolio. The following yields are as of September 30, 2015. The interest income amount does not include unrealized gains or losses.

Investment Portfolio	Benchmark (LGIP)	Actual
Current Holdings – Yield to Maturity at Cost	0.14%	0.51%
Year to Date Interest Income Net of Fees	\$ 134,056	\$ 452,294
3rd Quarter Average Return at Cost	0.03%	0.10%
Rolling 1 Year Average Return at Cost	0.11%	0.43%

The results show that the County is currently exceeding expectations in comparison to the benchmark. The County expects interest rates to continue to remain low during 2015. The change in strategy to include more diversity of investment types and maturity lengths has proven an increased yield compared to the benchmark.

BMO INVESTMENT BENCHMARKS & RESPONSE

BMO Benchmark

To review the performance of the BMO Short-term Portfolio, the Barclay Government 1-3 year index has been chosen. The investments within the index included US Treasury and Agency securities, which the BMO Short-term Portfolio holdings allow by the County's investment policy. The following shows the comparison of the BMO Short-term Portfolio to the benchmark selected, net of investment fees.

Time Period	Benchmark*	Actual*
2014, 4th Quarter	0.19%	0.27%
2015, 1st Quarter	0.59%	0.54%
2015, 2nd Quarter	0.15%	0.08%
2015, 3rd Quarter	0.32%	0.30%

***Note:** Yields shown include unrealized gains or losses on securities which are usually not sold prior to maturity or estimated life of the security. See the BMO Portfolio column in Appendix A for actual return on investment.

Portfolio Advisor Response: "During the quarter, the total portfolio returned +0.30% net of fees compared to a +0.32% return for the Barclay's 1-3 Year US Government Index. On a one year basis, the portfolio has gained +1.19% net of fees versus +1.20% for the benchmark. It continues to be challenging to generate return with a high-quality, short-duration portfolio given near-zero short-term interest rates.

On the whole, central bank policy has aimed to be accommodative, both in the U.S. and abroad. The Fed's decision at its September policy meeting to not raise interest rates fell in line with the declining forecasts for inflation and economic growth the Fed has given over the past year. But in a climate where many expected a rate hike, the Fed staying put sends a strong accommodative message. That said, most Federal Open Market Committee (FOMC) participants still anticipate that rates will increase before the end of this year, including Fed Chairwoman Janet L. Yellen, who used a recent speech to make this point clear."

Market expectations for the first Fed hike have been consistently pushed back this year.

Market expectations of Fed Moves (% indicates probability of move by this date)

	3/31/2015	6/30/2015	9/16/2015	9/17/2015
9/17/2015	56.7%	28.6%	32.0%	N/A
12/16/2015	80.8%	65.6%	64.3%	45.0%
3/16/2016	91.3%	85.3%	80.2%	67.9%

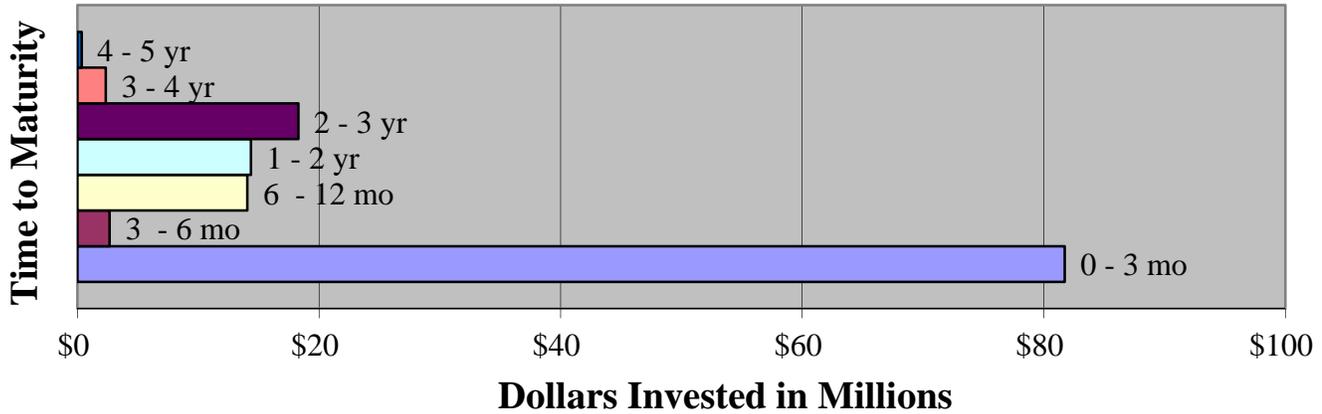
Source: Bloomberg L.P., BMO Global Asset Management

How to read this table: Prior to the Fed meeting on 9/16/2015, the market was factoring in a 64.3% chance of a rate hike by the 12/16/2015 meeting. After the dovish meeting minutes were released on 9/17/2015, the market pushed down the expectation of a rate hike by the 12/16/2015 meeting to 45.0%.

- Joseph A. Olson, BMO Wealth Management, October 15, 2015

TOTAL PORTFOLIO OVERVIEW

Total Investments by Maturity



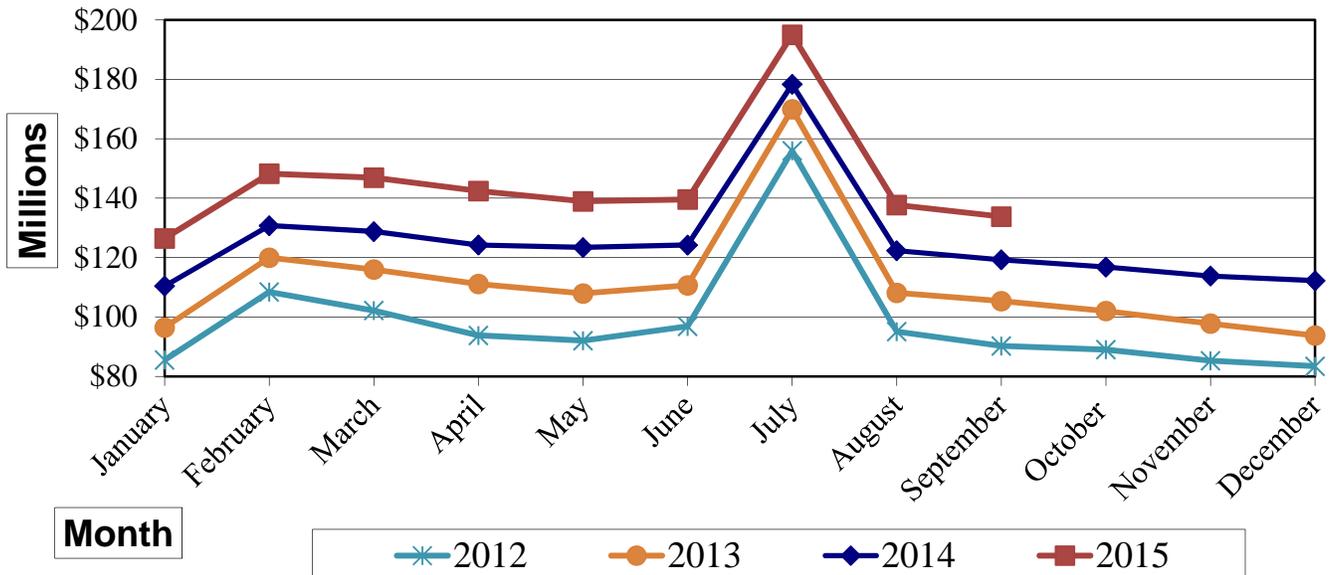
TOTAL PORTFOLIO OVERVIEW – HISTORICAL BALANCES

The following chart shows the historic cash balances of the County portfolio (excluding restricted accounts) with a one year average and 3 year average cumulative cash balance based on monthly balances.

Average Balance	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Cash (1 year)	\$ 98,145,000	\$ 111,598,000	\$ 125,375,000	\$ 137,649,000
Cumulative Cash (3 year)	\$ 89,660,000	\$ 99,804,000	\$ 111,706,000	\$ 122,509,000

CASH FLOW HISTORY

Walworth County Cash and Investment Balance



LOCAL GOVERNMENT INVESTMENT POOL (LGIP) OVERVIEW

Overview of Fund

The Wisconsin Local Government Investment Pool (LGIP) was created in 1975 to give local governments the opportunity to combine their idle cash to make short-term investments equal to those afforded to state government or large local governments. The LGIP has been designed to consistently maintain the integrity of local funds within a diversified and safe portfolio, provide liquidity, and offer rates of return competitive with comparable investments. The funds from the LGIP are combined with the cash balances of the State of Wisconsin and its agencies, the excess cash of the retirement funds invested by the State of Wisconsin Investment Board (SWIB) and managed as one fund called the State Investment Fund (SIF).

Investment Objectives

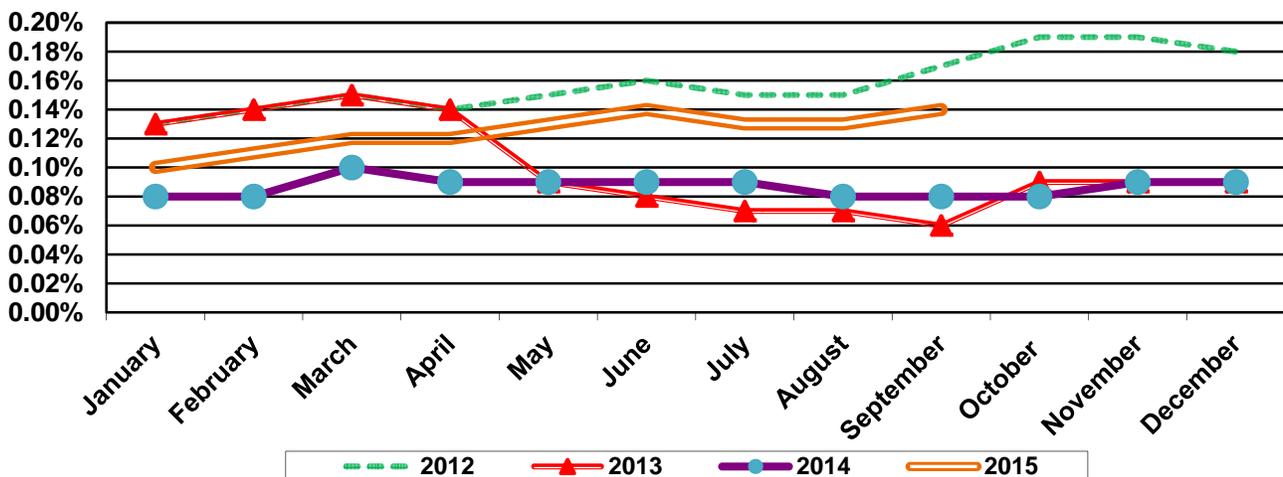
The primary objective of the LGIP is to provide for the prudent management of public funds on behalf of the local government investor. The strategy for meeting this objective is to apply the prudent investor standard and insure that the investment of pool assets is prioritized as follows: safety of principal, liquidity, and rate of return.

Liquidity Considerations

The investment portfolio needs to remain liquid to meet the daily operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands.

Walworth County expends approximately \$10 million per month. In order to keep cash in our checking account low and still pay bills on time, the County maintains a cash balance with the LGIP as it offers same day liquidity. Over the past twelve months, the LGIP balance has averaged \$39.7 million. The County’s cash flow spikes in February and July occur as a result of temporary investment of property tax receipts. These receipts may be reinvested into securities when interest rates allow for a better return than LGIP.

LGIP Monthly Interest Rates



MONEY MARKET OVERVIEW

Money markets allow for liquid investments similar to the local government investment pool that may be drawn upon with less than one week advance notice. Open money markets are restricted to investments within the Wisconsin Statutes Section 66.063(1m) and limited to an average maturity of one hundred twenty days or less. The County also allows for collateralized public investment money markets with allowable investment types. The following is a summary of the current investment portfolios and money market accounts.

Financial Institution/Manager	Type of Account	Current Rate	Amount
Associated Bank	Collateralized Money Market	0.20%	\$ 23,890,701
JPMorgan Chase Bank	Collateralized Money Market	0.02%	3,750,212
Mid America	Collateralized Money Market	0.63%	8,369,318
BMO Portfolio Money Market	Government Money Market	0.01%	182,222
Pershing Money Market	Portfolio Money Market	0.01%	-
Total Money Market		0.28%	\$ 36,192,453

Mid America Money Market

Rates are established by Mid America Bank at the end of each month based on the LGIP rate. Mid America has guaranteed to be at least 0.50% higher than the prior month LGIP rate. These funds are collateralized and available with one week notice. We are currently investing the maximum balance that Mid America Bank will allow.

JP Morgan Money Market

Rates are established by JP Morgan Chase Bank and are reviewed and adjusted based on the market, with the intent to exceed the sweep rate. Investment is collateralized at a cost included in the earned interest rate. This account can be withdrawn same day, up to 6 times per month.

Associated Bank Money Market

Rates are established by Associated Bank and are reviewed and adjusted based on the market, with the intent to exceed the LGIP rate. Investment is collateralized at a cost included in the earned interest rate. This account can be withdrawn with one day's notice, up to 6 times per month.

CERTIFICATES OF DEPOSIT OVERVIEW

CERTIFICATES OF DEPOSIT are short or medium-term, interest-bearing, FDIC-insured debt instruments offered by banks and savings and loans. CDs offer higher rates of return than most comparable investments, in exchange for tying up invested money for the duration of the certificate's maturity. Money removed before maturity is subject to a penalty. CDs are low risk, low return investments, and are also known as "time deposits", because the account holder has agreed to keep the money in the account for a specified amount of time, anywhere from three months to three years.

Financial Institution	Purchase Date	Maturity Date	Amount	Rate %
Associated Bank	10/9/2014	10/9/2015	\$ 500,000	0.29
Associated Bank	11/13/2014	11/12/2015	1,000,000	0.30
Associated Bank	11/14/2013	11/14/2015	1,000,000	0.40
FirstMerit Bank	12/13/2013	12/18/2015	225,000	0.60
Citizens Bank	1/8/2014	1/8/2016	225,000	0.80
FirstMerit Bank	2/11/2014	2/11/2016	225,000	0.50
Southern Lakes Credit Union	7/11/2015	7/15/2016	250,000	0.30
Associated Bank	8/7/2013	8/3/2016	1,000,000	0.71
Associated Bank	8/14/2015	8/12/2016	1,000,000	0.40
First Citizens State Bank	8/16/2014	8/19/2016	226,125	0.50
Citizens Bank	8/6/2015	11/11/2016	225,000	1.19
Commercial Bank	12/7/2014	12/8/2016	225,000	0.50
First Citizens State Bank	2/23/2015	2/17/2017	225,000	0.60
<i>Yield to Maturity at September 30, 2015</i>			\$ 6,326,125	0.49%

During the third quarter, \$1,476,125 of certificates of deposit were purchased, and \$475,000 of certificates of deposit matured. The average duration of the certificates of deposit at September 30, 2015 is 0.56 years.

Although we continue to solicit CD bids, financial institutions have been unresponsive or offering lower than Agency Security interest rates. Financial institutions have shared that they do not need additional cash flow due to excess liquidity.

SECURITIES/DEBT PORTFOLIO OVERVIEW

U.S. Treasury Securities – such as bills, notes and bonds are debt obligations of the U.S. government. When you buy a treasury security, you are lending money to the federal government for a specific period of time. Because these debt obligations are backed by the “full faith and credit” of the government, they are considered the safest of all investments. The primary advantage of the Treasury securities is safety. In addition, Treasuries generally do not have a “call” provision.

U.S. Government Agency Securities are debt obligations issued by federal agencies or federally sponsored agencies. Federal agencies are direct arms of the U.S. government; federally sponsored agencies are privately owned and publicly chartered organizations which were created by acts of Congress to support a specific public purpose.

Government Debt Instruments of any county, city, drainage district, technical college district, village, town or school district of the State of Wisconsin, if the bond or security is rated in one of the two highest rating categories assigned by Standard and Poor’s Corporation, Moody’s Investors Service, Inc., or other nationally recognized rating agency.

Currently the County has agency securities and treasury notes with BMO and agency, treasury, and debt instruments with Pershing. Please see Appendix B and C for individual holding details.

PORTFOLIO SUMMARY

Institution	Original Cost Value	Current Market Value	Total Unrealized Gain/(Loss)	YTD Unrealized Gain/(Loss)	Yield to Maturity at Cost	Average Duration
BMO Portfolio	\$ 5,286,363	\$ 5,298,293	\$ 11,930	\$ 16,363	0.88%	1.78
Pershing Portfolio	47,441,953	47,330,189	(111,764)	175,531	0.95%	1.70
Total Securities	\$52,728,316	\$52,628,482	\$ (99,834)	\$ 191,894		

General Investment Portfolio Information

The yield to maturity at cost and average duration are per the calculations computed in Tracker, our investment software, for the investments currently held.

BMO Short Term Investment Portfolio

This portfolio was established on July 29, 2009, within the current ordinance guidelines for the purchase of agency and treasury securities at an average of 1 to 3 years maturity. BMO does not charge commission fees per trade transaction. The cost is 20 basis points annually for the first/minimum balance of \$5 million, and 15 basis points for the next \$10 million.

Pershing Portfolio

The County works with four brokers to obtain quotes and bids on investments. The securities are held at Pershing, a subsidiary of Bank of New York Mellon, for safekeeping. During the third quarter, \$8,000,000 of agency securities were purchased, \$6,000,000 were called, and \$1,500,000 matured.

WALWORTH COUNTY INVESTMENT REPORT
VALUATION AT COST
As of 09/30/2015

Definitions of each section below:

Investment Yield is the investment revenue divided by the average daily balance to show the quarterly yield and a one year rolling yield.
Investment Revenue shows the interest earned by each investment tool on a quarterly and one year rolling period.
Average Daily Balance shows the average daily cash balance invested for each investment tool on a quarterly and one year rolling period.

Investment Yield (Net of Management Fees)

Time Period	Local Gov Investment Pool	Mid Amer Money Market	CD	Chase Money Market	Associated Bank Money Market	Pershing Portfolio	BMO Portfolio	JP Morgan Chase Banking	Total Investments
2014 4th Quarter	0.02%	0.15%	0.13%	0.01%	0.05%	0.20%	0.20%	0.04%	0.12%
2015 1st Quarter	0.03%	0.15%	0.11%	0.01%	0.05%	0.20%	0.19%	0.01%	0.11%
2nd Quarter	0.03%	0.16%	0.12%	0.00%	0.05%	0.20%	0.19%	0.00%	0.10%
3rd Quarter	0.03%	0.16%	0.12%	0.00%	0.05%	0.21%	0.20%	0.00%	0.10%

One Year Ending

2014 4th Quarter	0.08%	0.59%	0.61%	0.05%	0.20%	0.77%	0.80%	0.16%	0.43%
2015 1st Quarter	0.09%	0.60%	0.57%	0.04%	0.20%	0.79%	0.79%	0.13%	0.43%
2nd Quarter	0.10%	0.61%	0.52%	0.03%	0.20%	0.80%	0.78%	0.09%	0.43%
3rd Quarter	0.11%	0.62%	0.48%	0.02%	0.20%	0.81%	0.78%	0.05%	0.43%

Investment Revenue (Net of Management Fees/Gross of Market Adjustments)

Time Period	Local Gov Investment Pool	Mid Amer Money Market	CD	Chase Money Market	Associated Bank Money Market	Pershing Portfolio	BMO Portfolio	JP Morgan Chase Banking	Total Investments
2014 4th Quarter	4,451	12,238	10,248	139	11,413	92,488	10,667	789	142,432
2015 1st Quarter	9,671	12,331	8,094	195	11,472	92,121	10,206	279	144,369
2nd Quarter	15,503	12,972	7,589	141	11,928	88,805	10,121	57	147,116
3rd Quarter	18,186	13,347	7,215	181	12,280	99,078	10,326	197	160,808

One Year Ending

2014 4th Quarter	28,288	48,532	48,233	1,862	43,289	319,537	41,833	3,858	535,432
2015 1st Quarter	31,882	48,942	43,110	1,128	45,747	340,492	41,780	3,229	556,311
2nd Quarter	39,331	49,640	37,830	737	46,312	356,839	41,454	2,304	574,447
3rd Quarter	47,809	50,887	33,146	657	47,093	372,491	41,320	1,322	594,725

Average Daily Balance

Time Period	Local Gov Investment Pool	Mid Amer Money Market	CD	Chase Money Market	Associated Bank Money Market	Pershing Portfolio	BMO Portfolio	JP Morgan Chase Banking	Total Investments
2014 4th Quarter	21,073,057	8,322,609	7,742,195	1,843,778	22,640,224	45,362,732	5,252,362	2,058,446	114,295,405
2015 1st Quarter	35,338,819	8,334,862	7,139,985	4,015,909	23,263,282	45,426,394	5,266,751	2,024,795	130,810,796
2nd Quarter	47,919,473	8,347,438	6,339,392	2,878,665	23,923,241	43,943,581	5,281,962	2,251,082	140,884,834
3rd Quarter	54,416,848	8,360,586	5,844,868	3,641,396	24,360,963	47,131,861	5,284,236	7,711,966	156,752,724

One Year Ending

2014 4th Quarter	32,405,607	8,271,689	8,045,209	3,478,045	21,672,490	41,439,565	5,227,901	2,536,569	123,077,075
2015 1st Quarter	34,344,238	8,283,673	7,577,370	3,126,395	22,874,229	43,092,943	5,239,074	2,438,993	126,976,915
2nd Quarter	37,725,534	8,295,911	7,218,467	2,815,417	23,156,687	44,345,396	5,251,638	2,354,610	131,163,660
3rd Quarter	39,688,321	8,341,393	6,765,735	3,090,483	23,547,451	45,470,531	5,271,324	3,523,172	135,698,410

Comparison to Benchmark:		
Description	LGIP	Portfolio
Rate of Return - Quarterly	0.03%	0.10%
Rate of Return - Annualized	0.11%	0.43%

Walworth County Investment Report
Portfolio Holdings as of 09/30/2015
Pershing (Custodian for Broker/Dealer Transactions)

Description	Maturity	Quantity	Cost	Market	Total Unrealized Gain/(Loss)
Pershings MM	N/A	-	\$ -	\$ -	\$ -
Subtotal Cash & Cash Equivalent		-	\$ -	\$ -	\$ -

FAMC 0.93 1/24/2018	1/24/2018	1,000,000	\$ 998,900	\$ 1,000,200	\$ 1,300
FAMC 1 9/26/2016	9/26/2016	2,000,000	2,015,140	2,012,080	(3,060)
FAMC 2 7/27/2016	7/27/2016	500,000	525,100	506,430	(18,670)
FAMC 2.41 4/29/2016	4/29/2016	1,000,000	1,046,104	1,012,170	(33,934)
FAMC 2.41 4/29/2016	4/29/2016	1,000,000	1,045,293	1,012,170	(33,123)
FFCB 0.4 1/14/2016	1/14/2016	1,000,000	999,374	1,000,650	1,276
FFCB 0.6 4/25/2017	4/25/2017	1,000,000	999,020	1,000,000	980
FFCB 0.65 5/9/2016	5/9/2016	1,000,000	1,000,760	1,002,330	1,570
FFCB 1.05 3/28/2016	3/28/2016	1,000,000	999,900	1,004,130	4,230
FFCB 1.07 9/12/2016	9/12/2016	1,000,000	1,000,000	1,006,790	6,790
FFCB 1.32 5/21/2018	5/21/2018	1,000,000	1,001,160	1,011,170	10,010
FHLB 0.45 8/9/2016	8/9/2016	1,000,000	1,000,000	1,000,620	620
FHLB 0.875 3/10/2017	3/10/2017	1,000,000	1,002,600	1,002,730	130
FHLB 1.08 4/27/2018-15	4/27/2018	1,000,000	999,200	1,000,650	1,450
FHLB 1.1 4/20/2018-16	4/20/2018	1,000,000	1,000,800	1,001,800	1,000
FHLB 1.27 8/10/2018-16	8/10/2018	1,000,000	1,000,000	1,006,410	6,410
FHLB 1.35 6/29/2018-16	6/29/2018	1,000,000	1,000,000	1,004,780	4,780
FHLB 1.375 12/11/2015	12/11/2015	500,000	514,195	501,250	(12,945)
FHLB 2.125 6/10/2016	6/10/2016	1,000,000	1,046,700	1,011,810	(34,890)
FHLB 4.75 6/8/2018	6/8/2018	1,000,000	1,126,490	1,099,980	(26,510)
FHLB Step 6/30/2017-16	6/30/2017	1,000,000	1,000,000	1,001,440	1,440
FHLB Step 8/24/2018-16	8/24/2018	1,000,000	1,000,000	1,000,450	450
FHLMC 0.45 11/24/2015	11/24/2015	1,000,000	1,001,282	1,000,450	(832)
FHLMC 0.7 5/8/2017	5/8/2017	1,000,000	978,250	1,000,930	22,680
FHLMC 0.7 5/8/2017	5/8/2017	1,500,000	1,501,125	1,501,395	270
FHLMC 1 11/27/2017-15	11/27/2017	1,000,000	1,000,000	1,000,350	350
FHLMC 1 6/29/2017	6/29/2017	500,000	494,450	503,410	8,960
FHLMC 1 9/22/2017-15	9/22/2017	1,000,000	1,000,000	1,001,450	1,450
FHLMC 1 9/27/2017	9/27/2017	1,000,000	1,002,500	1,005,450	2,950
FHLMC 1 9/29/2017	9/29/2017	500,000	490,230	503,025	12,795
FHLMC 1.125 12/22/2017-15	12/22/2017	1,000,000	1,000,000	1,001,840	1,840
FHLMC 1.15 12/26/2017	12/26/2017	1,000,000	999,100	1,007,520	8,420
FHLMC 1.25 9/28/2018-16	9/28/2018	1,000,000	1,000,000	1,003,860	3,860
FHLMC 1.3 12/28/2018-16	12/28/2018	1,000,000	999,650	1,003,660	4,010
FHLMC 1.3 8/24/2018-16	8/24/2018	1,000,000	1,000,000	1,002,240	2,240
FHLMC 1.5 6/28/2019-16	6/28/2019	1,000,000	995,500	1,006,680	11,180
FNMA 0.375 12/21/2015	12/21/2015	1,000,000	999,250	1,000,540	1,290
FNMA 0.625 8/26/2016	8/26/2016	1,000,000	1,002,204	1,001,690	(514)
FNMA 1 4/25/2017	4/25/2017	1,000,000	1,000,000	1,005,810	5,810
FNMA 1.125 4/27/2017	4/27/2017	1,000,000	1,013,950	1,008,310	(5,640)
FNMA 1.25 1/30/2017	1/30/2017	500,000	511,750	504,775	(6,975)
FNMA 1.625 10/26/2015	10/26/2015	1,000,000	1,033,877	1,001,000	(32,877)
FNMA 1.75 9/14/2018-16	9/14/2018	1,000,000	1,011,100	1,011,060	(40)
FNMA Step 5/15/2018-13	5/15/2018	2,000,000	1,999,100	2,001,820	2,720
Subtotal Government Agency Coupon Securities		44,000,000	\$ 44,354,054	\$ 44,277,305	\$ (76,749)

City of Monona 2 10/1/2017	10/1/2017	300,000	\$ 312,927	\$ 306,984	\$ (5,943)
Milwaukee Area Tech College 2 6/1/2016	6/1/2016	500,000	513,835	505,505	(8,330)
Milwaukee Area Tech College 2 6/1/2016	6/1/2016	355,000	369,658	358,909	(10,749)
Ozaukee County 2 3/1/2016	3/1/2016	200,000	205,906	201,384	(4,522)
Verona Area Sch. Dist. 2 4/1/2017	4/1/2017	665,000	683,494	676,298	(7,196)
Verona Area Sch. Dist. 2 4/1/2018	4/1/2018	980,000	1,002,079	1,003,804	1,725
Subtotal Municipal Debt		3,000,000	\$ 3,087,899	\$ 3,052,884	\$ (35,015)

TOTAL PERSHING PORTFOLIO		47,000,000	\$ 47,441,953	\$ 47,330,189	\$ (111,764)
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Diversification:					
Cash & Cash Equivalents	0%	-	\$ -	\$ -	\$ -
Government Agency Securities	94%	44,000,000	44,354,054	44,277,305	(76,749)
US Treasury Notes	0%	-	-	-	-
Municipal Debt	6%	3,000,000	3,087,899	3,052,884	(35,015)
Total PERSHING PORTFOLIO	100%	47,000,000	\$ 47,441,953	\$ 47,330,189	\$ (111,764)

Breakout by Security Type:

FAMC	\$ 5,543,050
FFCB	6,025,070
FHLB	10,631,920
FHLMC	13,542,260
FNMA	8,535,005
Municipal Debt	3,052,884
\$ 47,330,189	

Maturity Schedule (assumes no-call)

0 - 3 month	\$ 3,503,240
3 - 6 month	2,206,164
6 - 12 month	10,430,504
1 - 2 year	12,022,007
2 - 3 year	17,157,934
3 - 4 year	2,010,340
4 - 5 year	-
\$ 47,330,189	

Portion Callable or Mature within 2 years

Callable	\$ 16,048,490
Maturity	28,161,915
\$ 42,210,405 *	

* Grand total eliminates the duplication of bonds that are in both the callable and maturing within 2 years categories.

Walworth County Investment Portfolio
Portfolio Holdings as of 09/30/2015
BMO Portfolio

Description	Maturity Date	Quantity	Cost	Market	Total Unrealized Gain/(Loss)
BMO Government MM	N/A	182,222	\$ 182,222	\$ 182,222	-
Subtotal Cash & Cash Equivalent		182,222	\$ 182,222	\$ 182,222	\$ -

FHLB 0.5 11/20/2015	11/20/2015	100,000	\$ 100,010	\$ 100,047	\$ 37
FHLB 1 6/21/2017	6/21/2017	175,000	176,935	176,223	(712)
FHLB 1.375 12/11/2015	12/11/2015	150,000	153,774	150,375	(3,399)
FHLB 2.125 6/10/2016	6/10/2016	100,000	104,263	101,181	(3,082)
FHLMC 0.875 3/7/2018	3/7/2018	100,000	100,317	100,109	(208)
FHLMC 1 3/8/2017	3/8/2017	150,000	149,599	150,954	1,355
FHLMC 1 9/29/2017	9/29/2017	200,000	199,007	201,210	2,203
FHLMC 2 8/25/2016	8/25/2016	150,000	155,282	152,141	(3,141)
FNMA 0.5 3/30/2016	3/30/2016	150,000	150,169	150,201	32
FNMA 0.875 10/26/2017	10/26/2017	200,000	200,322	200,642	320
FNMA 0.875 12/20/2017	12/20/2017	120,000	119,959	120,330	371
FNMA 1.25 1/30/2017	1/30/2017	300,000	299,881	302,865	2,984
FNMA 1.25 9/28/2016	9/28/2016	100,000	100,064	100,816	752
FNMA 1.25 9/28/2016	9/28/2016	150,000	152,718	151,224	(1,494)
FNMA 1.375 11/15/2016	11/15/2016	150,000	152,354	151,466	(888)
FNMA 1.375 11/15/2016	11/15/2016	150,000	152,818	151,466	(1,352)
FNMA 1.5 10/28/2015	10/28/2015	100,000	102,133	100,105	(2,028)
FNMA 1.625 11/27/2018	11/27/2018	75,000	75,170	76,364	1,194
FNMA 1.625 11/27/2018	11/27/2018	75,000	74,975	76,365	1,390
Subtotal Government Agency Coupon Securities		2,695,000	\$ 2,719,750	\$ 2,714,084	\$ (5,666)

T-Note 0.5 8/31/2016	8/31/2016	100,000	\$ 99,957	\$ 100,121	\$ 164
T-Note 0.875 7/15/2017	7/15/2017	175,000	174,426	175,847	1,421
T-Note 0.875 8/15/2017	8/15/2017	150,000	149,344	150,716	1,372
T-Note 0.875 8/15/2017	8/15/2017	200,000	199,461	200,954	1,493
T-Note 1 5/15/2018	5/15/2018	200,000	200,227	200,830	603
T-Note 1 5/31/2018	5/31/2018	200,000	197,915	200,764	2,849
T-Note 1 9/15/2018	9/15/2018	150,000	149,783	150,361	578
T-Note 1 9/30/2016	9/30/2016	150,000	151,277	150,919	(358)
T-Note 1.25 10/31/2015	10/31/2015	50,000	48,381	50,045	1,664
T-Note 1.25 10/31/2015	10/31/2015	75,000	72,487	75,068	2,581
T-Note 1.5 12/31/2018	12/31/2018	180,000	179,621	182,813	3,192
T-Note 1.5 6/30/2016	6/30/2016	100,000	101,980	100,918	(1,062)
T-Note 1.5 6/30/2016	6/30/2016	150,000	148,313	151,377	3,064
T-Note 1.625 6/30/2020	6/30/2020	150,000	151,160	151,914	754
T-Note 1.625 7/31/2020	7/31/2020	200,000	201,516	202,470	954
T-Note 2.625 4/30/2018	4/30/2018	150,000	158,543	156,870	(1,673)
Subtotal US Treasury Notes		2,380,000	\$ 2,384,391	\$ 2,401,987	\$ 17,596

TOTAL BMO WEALTH MANAGEMENT PORTFOLIO	5,257,222	\$ 5,286,363	\$ 5,298,293	\$ 11,930
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Diversification:					
Cash & Cash Equivalents	3%	182,222	\$ 182,222	\$ 182,222	\$ -
Government Agency Securities	52%	2,695,000	2,719,750	2,714,084	(5,666)
US Treasury Notes	45%	2,380,000	2,384,391	2,401,987	17,596
Municipal Debt	0%	-	-	-	-
Total BMO PORTFOLIO	100%	5,257,222	\$ 5,286,363	\$ 5,298,293	\$ 11,930

Breakout by Security Type:

FHLB	\$ 527,826
FHLMC	604,414
FNMA	1,581,844
US Treasury Notes	2,401,987
	\$ 5,116,071

Maturity Schedule (assumes no-call)

0 - 3 month	\$ 657,862
3 - 6 month	-
6 - 12 month	1,158,898
1 - 2 year	1,661,700
2 - 3 year	1,129,906
3 - 4 year	335,543
4 - 5 year	354,384
	\$ 5,298,293

Portion Callable or Mature within 2 years

Callable	\$ -
Maturity	3,478,460
	\$ 3,478,460