

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

2. Firefighters and Police Officers' Pension Fund

City of Tampa
Firefighters and Police Officers' Pension Fund
Distribution by Asset Type
September 30, 2015
(in thousands)

<u>Investment Type:</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
U.S. Treasuries	\$ 50,995	0.11
U.S. Agencies:		
Federal Farm Credit Bank	50,315	0.21
Federal Home Loan Bank	26,977	0.51
Government National:		
Mortgage Association	1,170	24.07
Inflation Indexed U.S. Treasuries	19,579	6.25
Corporate Bonds	206,645	1.80
Money Market Funds	65,412	-
Total Fair Value	<u>421,093</u>	
Portfolio Weighted-Average Maturity		1.38
 <u>Investments not subject to Risk Disclosures:</u>		
Cash	383	
Equity Securities	1,261,398	
Other (Partnerships)	53,627	
Total Investments	<u>\$ 1,736,501</u>	

a. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policies for the Fund do not place limits on investment maturities. The weighted-average maturity of the Fund's investments was 1.38 years at September 30, 2015 and assumes no investments will be called prior to maturity. As a result, the Fund is exposed to the risk of fair value losses arising from increasing interest rates.

b. Credit Risk

Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligation to the Fund. The investment policy of the Fund requires purchases of investments in fixed income securities be limited to a rating of A or better. The corporate bonds were rated Baa or better by Moody's Investor's Services. The foreign notes were rated Aaa by Moody's Investor's Services. The U.S. Agencies were rated Aaa by Moody's Investor's Services. If a fixed income security temporarily falls below the specified credit rating, the investment manager reports such change on a quarterly basis in writing to the Board of Trustees and makes a recommendation to either liquidate or hold.