



# Quarterly Investment Report

## As of September 30, 2019

Pat Hallisey - Mayor

Todd Kinsey - Mayor Pro Tem

Andy Mann - Councilmember

Hank Dugie - Councilmember

Larry Millican - Councilmember

Greg Gripon - Councilmember

Chad Tressler - Councilmember

Nick Long - Councilmember

John Baumgartner – City Manager

Kristine Polian – Director of Finance



Compliance Certification

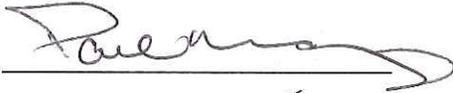
The undersigned have acknowledged that they have reviewed the September 30, 2019 Quarterly Investment Report for the City of League City. The City Officials designated as Investment Officers by the City's Investment Policy have signed a statement that certifies that all investments are in compliance with the Texas Public Funds Investment Act and the City's Investment Policy as adopted by City Council on June 25, 2019.

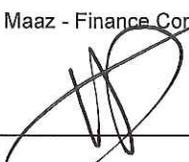
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John Baumgartner – City Manager

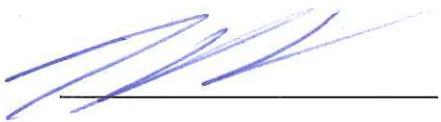
\_\_\_\_\_  
Kristine Polian – Director of Finance

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Teresa McKenzie – Asst. Director of Finance

\_\_\_\_\_  
Quencelia Goins - Treasury Manager

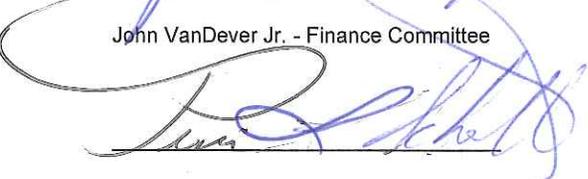
  
\_\_\_\_\_  
Paul Maaz - Finance Committee, Vice Chair

  
\_\_\_\_\_  
Hank Dugie - Finance Committee

  
\_\_\_\_\_  
Nick Long - Finance Committee

  
\_\_\_\_\_  
Gabe Allen – Finance Committee, Chair

  
\_\_\_\_\_  
John VanDever Jr. - Finance Committee

  
\_\_\_\_\_  
Traci Jacobs - Finance Committee

\_\_\_\_\_  
Steve Burzinski - Finance Committee

\_\_\_\_\_  
Charles Howard - Finance Committee

  
\_\_\_\_\_  
Zak Kone - Finance Committee



**CITY OF LEAGUE CITY, TEXAS**  
**Quarterly Investment Report**  
**06/30/2019 - 09/30/2019**

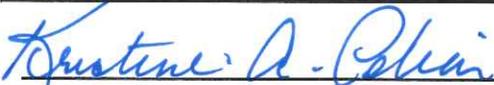
Under the Public Funds Investment Act (PFIA), the City is required to have City Council approved investment policies, defining authorized investments which are limited to those allowed by the Act. Quarterly reports are to be presented to the City Council to disclose the book and market values of the investments and to demonstrate compliance with the approved policy.

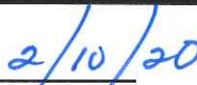
The City of League City is in compliance with PFIA and adopted policy. All investments purchased meet the three basic tenets of the investment policy – investment safety is first, followed by liquidity and yield.

The day to day management of the City's cash and investment position is the responsibility of the Director of Finance, Asst. Director of Finance and the Treasury Manager, who have been designated as the City's investment officers.

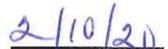
The investment activity of the City is reviewed by the Finance Committee prior to presentation to the City Council.

Asset Category	Face Amount/Shares	Market Value	Book Value	% of Portfolio	YTM @ Cost	Days To Maturity
Cash in Bank	2,963,209.08	2,963,209.08	2,963,209.08	1.77	0.17	1
Cert of Dep	29,367,591.61	29,367,591.61	29,367,591.61	17.53	2.26	259
Lone Star	3,147,786.58	3,147,786.58	3,147,786.58	1.88	2.10	1
Money Market	15,097,940.87	15,097,940.87	15,097,940.87	9.01	2.10	1
Security Inv	17,521,000.00	17,573,445.07	17,509,041.55	10.46	2.57	194
Texas Class	9,707,519.57	9,707,519.57	9,707,519.57	5.80	2.16	1
TexPool	53,563,713.02	53,563,713.02	53,563,713.02	31.98	2.16	1
TexSTAR	36,127,543.36	36,127,543.36	36,127,543.36	21.57	2.11	1
<b>Total / Average</b>	<b>167,496,304.09</b>	<b>167,548,749.16</b>	<b>167,484,345.64</b>	<b>100.00</b>	<b>2.17</b>	<b>66</b>

  
 Kristine Polian - Director of Finance

  
 Date

  
 Quencelia Goins - Treasury Manager

  
 Date

  
 Teresa McKenzie - Asst. Director of Finance

  
 Date



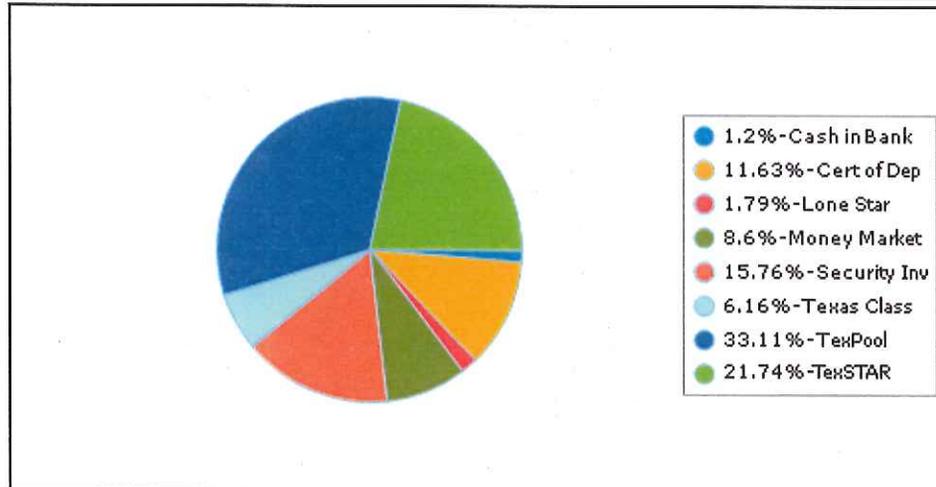
## City of League City Distribution by Asset Category - Book Value Report Group: Quarterly Investment Report

Begin Date: 6/30/2019, End Date: 9/30/2019

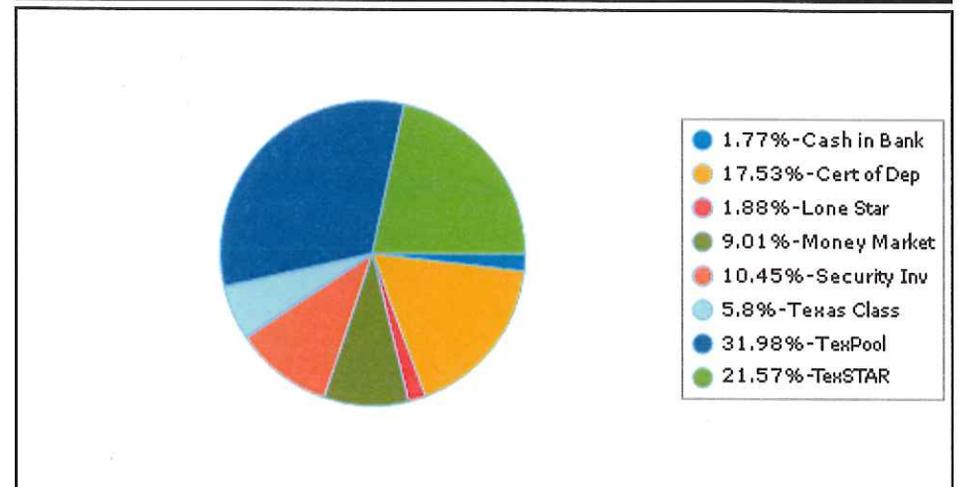
### Asset Category Allocation

Asset Category	Book Value 6/30/2019	% of Portfolio 6/30/2019	Book Value 9/30/2019	% of Portfolio 9/30/2019
Cash in Bank	2,087,687.65	1.20	2,963,209.08	1.77
Cert of Dep	20,295,004.41	11.63	29,367,591.61	17.53
Lone Star	3,130,304.10	1.79	3,147,786.58	1.88
Money Market	15,004,323.63	8.60	15,097,940.87	9.01
Security Inv	27,488,770.56	15.76	17,509,041.55	10.45
Texas Class	10,748,612.17	6.16	9,707,519.57	5.80
TexPool	57,759,585.35	33.11	53,563,713.02	31.98
TexSTAR	37,921,771.67	21.74	36,127,543.36	21.57
<b>Total / Average</b>	<b>174,436,059.54</b>	<b>100.00</b>	<b>167,484,345.64</b>	<b>100.00</b>

**Portfolio Holdings as of 6/30/2019**



**Portfolio Holdings as of 9/30/2019**





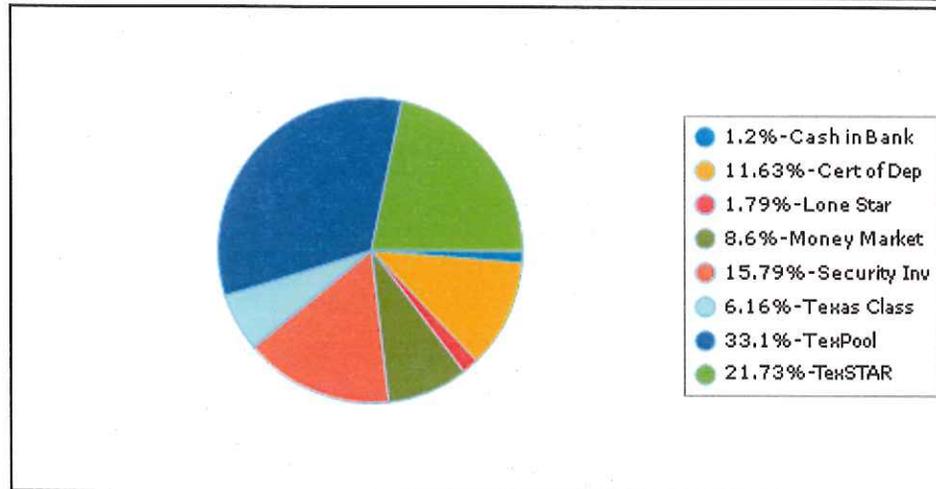
## City of League City Distribution by Asset Category - Market Value Report Group: Quarterly Investment Report

Begin Date: 6/30/2019, End Date: 9/30/2019

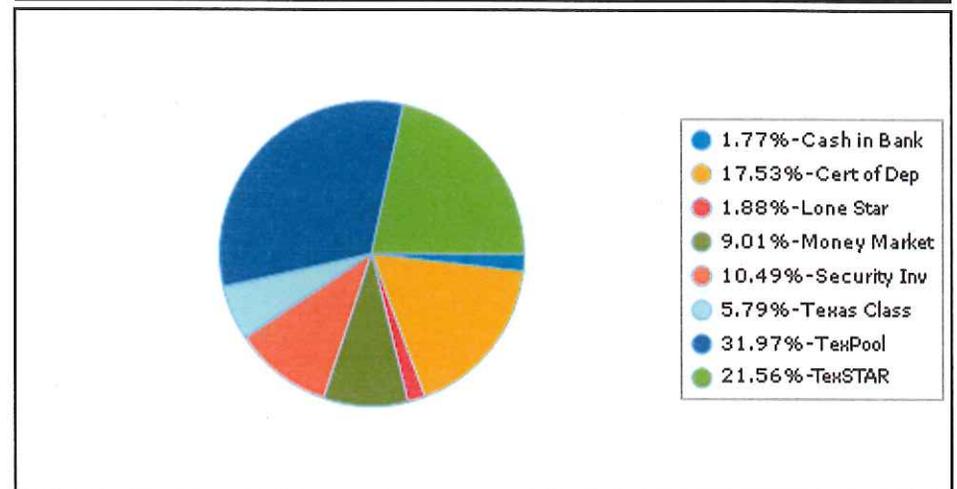
### Asset Category Allocation

Asset Category	Market Value 6/30/2019	% of Portfolio 6/30/2019	Market Value 9/30/2019	% of Portfolio 9/30/2019
Cash in Bank	2,087,687.65	1.20	2,963,209.08	1.77
Cert of Dep	20,295,004.41	11.63	29,367,591.61	17.53
Lone Star	3,130,304.10	1.79	3,147,786.58	1.88
Money Market	15,004,323.63	8.60	15,097,940.87	9.01
Security Inv	27,563,277.54	15.79	17,573,445.07	10.49
Texas Class	10,748,612.17	6.16	9,707,519.57	5.79
TexPool	57,759,585.35	33.10	53,563,713.02	31.97
TexSTAR	37,921,771.67	21.73	36,127,543.36	21.56
<b>Total / Average</b>	<b>174,510,566.52</b>	<b>100.00</b>	<b>167,548,749.16</b>	<b>100.00</b>

**Portfolio Holdings as of 6/30/2019**



**Portfolio Holdings as of 9/30/2019**





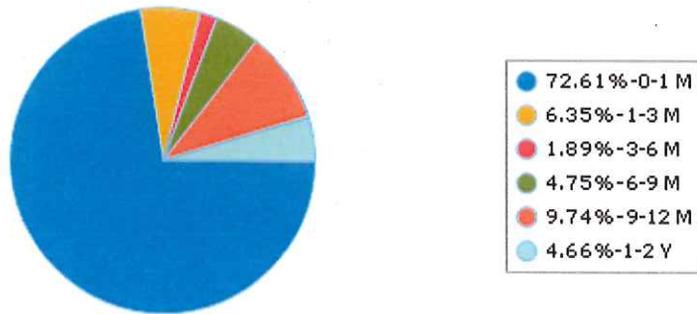
**City of League City**  
**Distribution by Maturity Range - Book Value**  
**Report Group: Quarterly Investment Report**

Begin Date: 6/30/2019, End Date: 9/30/2019

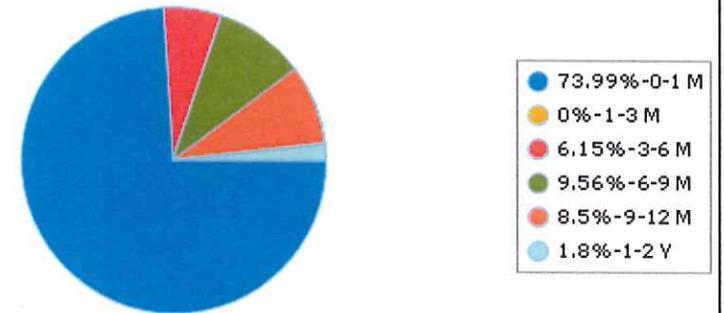
**Maturity Range Allocation**

Maturity Range	Book Value 6/30/2019	% of Portfolio 6/30/2019	Book Value 9/30/2019	% of Portfolio 9/30/2019
0-1 Month	126,652,284.57	72.61	123,918,191.12	73.99
1-3 Months	11,080,958.12	6.35	0.00	0.00
3-6 Months	3,298,172.35	1.89	10,305,875.85	6.15
6-9 Months	8,286,411.30	4.75	16,009,169.93	9.56
9-12 Months	16,996,039.74	9.74	14,232,507.10	8.50
1-2 Years	8,122,193.46	4.66	3,018,601.64	1.80
<b>Total / Average</b>	<b>174,436,059.54</b>	<b>100.00</b>	<b>167,484,345.64</b>	<b>100.00</b>

**Portfolio Holdings as of 6/30/2019**



**Portfolio Holdings as of 9/30/2019**





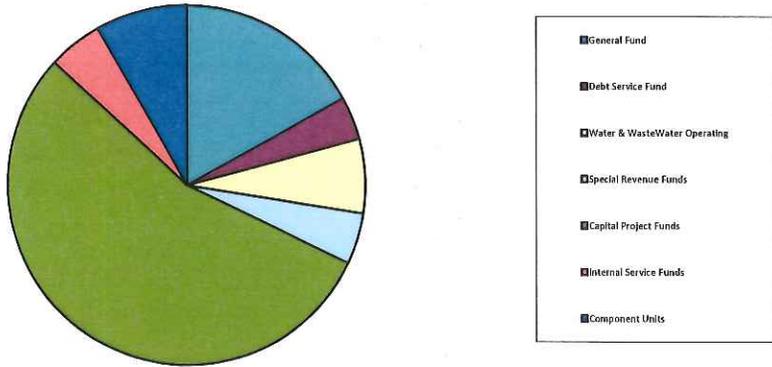
## City of League City Distribution by Fund Categories Report Group: Quarterly Investment Report

Begin Date: 06/30/2019, End Date: 09/30/2019

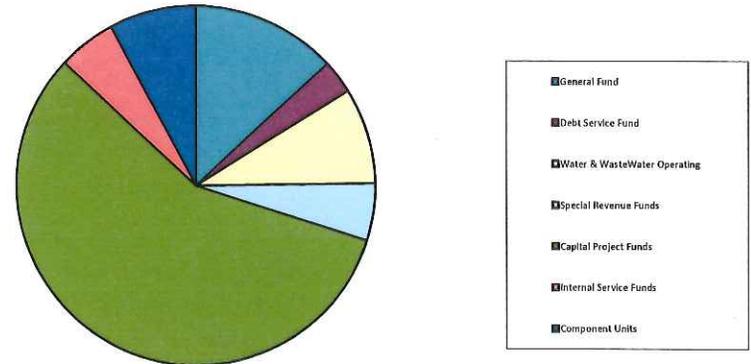
### Fund Categories Allocation

Fund Categories	Book Value 06/30/2019	% of Portfolio 06/30/2019	Book Value 09/30/2019	% of Portfolio 09/30/2019
General Fund	29,566,584.96	16.95	21,933,144.13	13.10
Debt Service Fund	6,735,484.77	3.86	5,061,719.15	3.02
Water & WasteWater Operating	11,620,540.97	6.66	14,487,482.34	8.65
Special Revenue Funds	8,083,229.77	4.63	8,580,149.02	5.12
Capital Project Funds	95,570,882.74	54.79	95,529,930.21	57.04
Internal Service Funds	8,427,817.98	4.83	8,793,091.11	5.25
Component Units	14,431,518.35	8.27	13,098,829.68	7.82
<b>Total / Average</b>	<b>174,436,059.54</b>	<b>100.00</b>	<b>167,484,345.64</b>	<b>100.00</b>

**Fund Categories as of 06/30/2019**



**Fund Categories as of 09/30/2019**



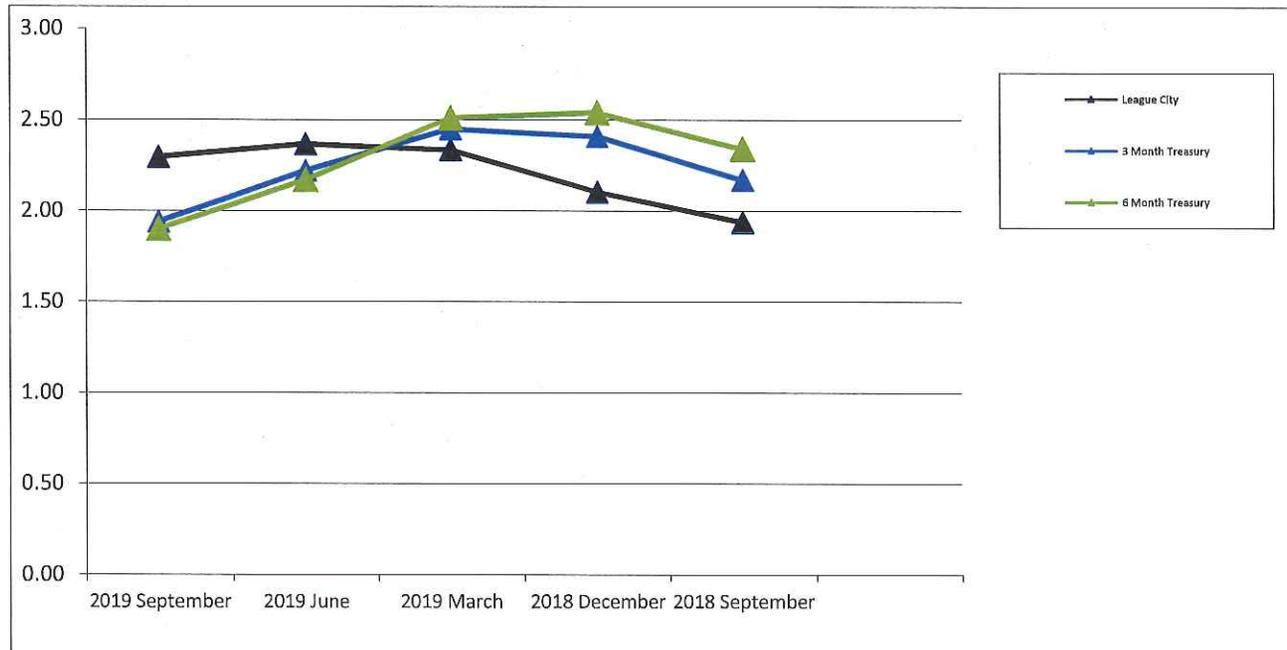


## City of League City Interest Income Report Group: Quarterly Investment Report

Begin Date: 06/30/2019, End Date: 09/30/2019

Interest Income				
Date Range	Ending Book Value	Interest Income	Weighted Average Yield	Benchmark
				Treasury 3 Month Average
<b>Current Quarter</b>				
06/30/2019 - 09/30/2019	167,484,345.64	977,713.98	2.30	2.03
03/31/2019 - 06/30/2019	174,436,059.54	1,057,868.11	2.37	2.35
12/31/2018 - 03/31/2019	185,755,573.93	1,111,231.72	2.33	2.44
09/30/2018 - 12/31/2018	176,397,027.41	906,583.68	2.10	2.36
06/30/2018 - 09/30/2018	155,788,366.67	782,825.22	1.94	2.08

### Yield Comparison



	Treasury	
	3 MONTH	6 MONTH
<b>2019 September</b>	1.94	1.90
August	1.99	1.93
July	2.15	2.08
<b>2019 June</b>	2.22	2.17
May	2.40	2.42
April	2.43	2.46
<b>2019 March</b>	2.45	2.51
February	2.44	2.50
January	2.42	2.51
<b>2018 December</b>	2.41	2.54
November	2.37	2.52
October	2.29	2.46
<b>2018 September</b>	2.17	2.34
August	2.07	2.24
July	1.99	2.17



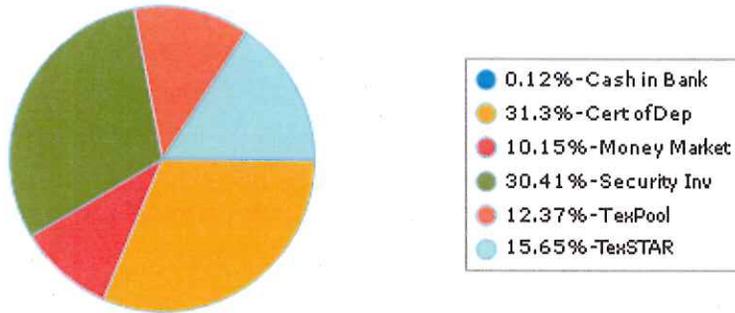
**City of League City**  
**Distribution by Asset Category - Book Value**  
**0100 - 010 - General Fund**

Begin Date: 6/30/2019, End Date: 9/30/2019

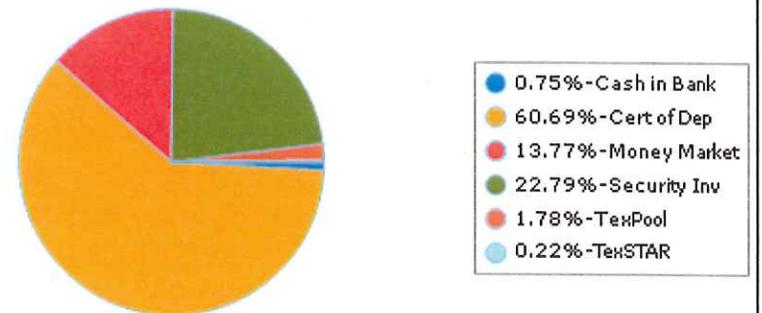
**Asset Category Allocation**

Asset Category	Book Value 6/30/2019	% of Portfolio 6/30/2019	Book Value 9/30/2019	% of Portfolio 9/30/2019
Cash in Bank	34,014.15	0.12	165,205.72	0.75
Cert of Dep	9,255,296.42	31.30	13,310,899.30	60.69
Money Market	3,000,864.73	10.15	3,019,588.18	13.77
Security Inv	8,990,282.12	30.41	4,998,996.58	22.79
TexPool	3,657,945.39	12.37	390,145.51	1.78
TexSTAR	4,628,182.15	15.65	48,308.84	0.22
<b>Total / Average</b>	<b>29,566,584.96</b>	<b>100.00</b>	<b>21,933,144.13</b>	<b>100.00</b>

**Portfolio Holdings as of 6/30/2019**



**Portfolio Holdings as of 9/30/2019**





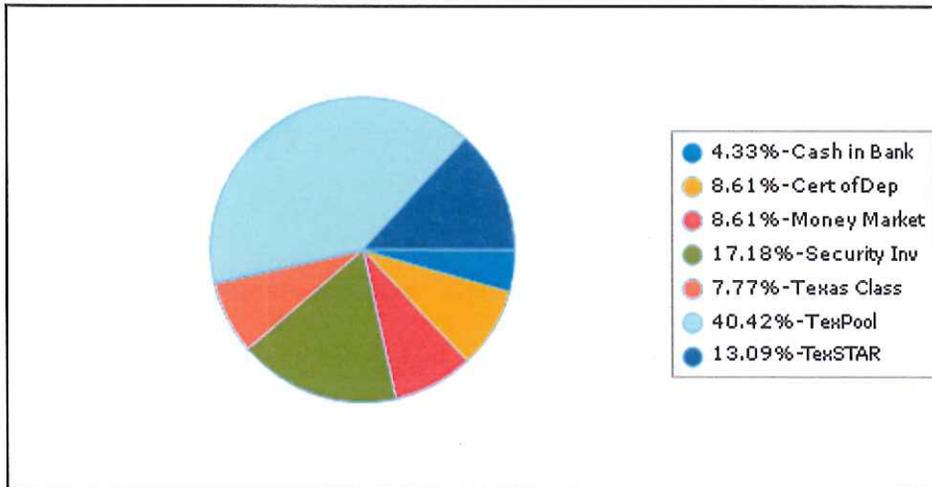
## City of League City Distribution by Asset Category - Book Value Report Group: Water and WasteWater

Begin Date: 6/30/2019, End Date: 9/30/2019

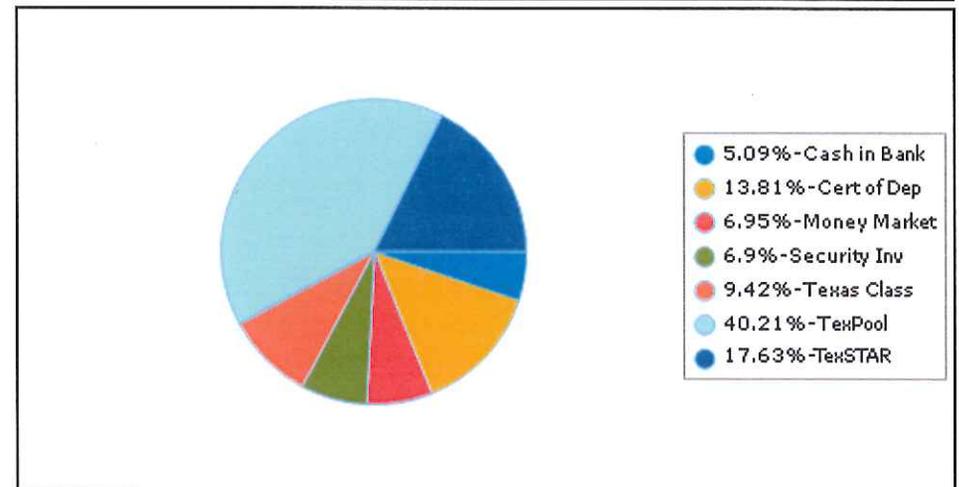
### Asset Category Allocation

Asset Category	Book Value 6/30/2019	% of Portfolio 6/30/2019	Book Value 9/30/2019	% of Portfolio 9/30/2019
Cash in Bank	502,751.37	4.33	736,945.11	5.09
Cert of Dep	1,000,000.00	8.61	2,000,000.00	13.81
Money Market	1,000,288.24	8.61	1,006,529.40	6.95
Security Inv	1,996,564.54	17.18	999,936.97	6.90
Texas Class	902,356.64	7.77	1,364,140.50	9.42
TexPool	4,697,583.17	40.42	5,825,264.38	40.21
TexSTAR	1,520,997.01	13.09	2,554,665.98	17.63
<b>Total / Average</b>	<b>11,620,540.97</b>	<b>100.00</b>	<b>14,487,482.34</b>	<b>100.00</b>

**Portfolio Holdings as of 6/30/2019**



**Portfolio Holdings as of 9/30/2019**





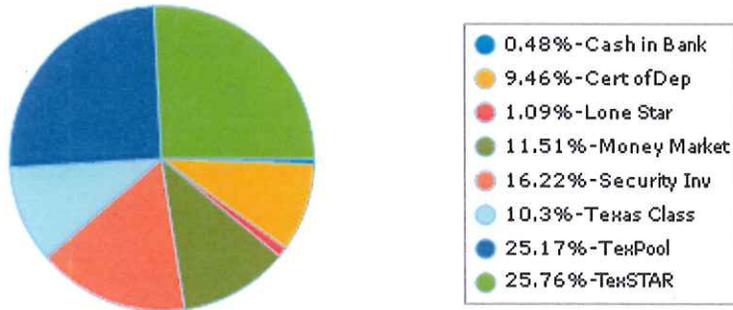
## City of League City Distribution by Asset Category - Book Value

Report Group: Capital Project Funds

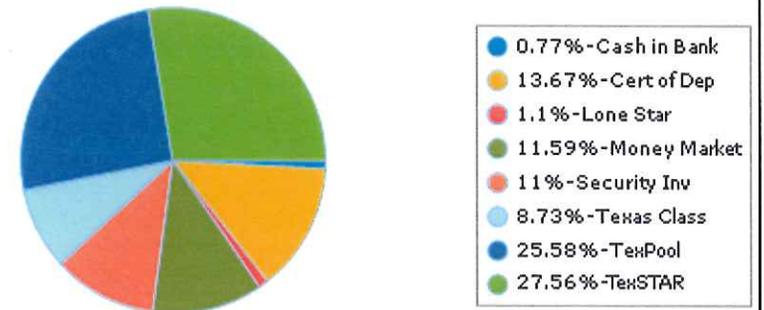
Begin Date: 6/30/2019, End Date: 9/30/2019

Asset Category Allocation				
Asset Category	Book Value 6/30/2019	% of Portfolio 6/30/2019	Book Value 9/30/2019	% of Portfolio 9/30/2019
Cash in Bank	461,508.22	0.48	739,347.72	0.77
Cert of Dep	9,039,707.99	9.46	13,056,692.31	13.67
Lone Star	1,043,297.10	1.09	1,049,123.82	1.10
Money Market	11,003,170.66	11.51	11,071,823.29	11.59
Security Inv	15,502,237.42	16.22	10,510,308.41	11.00
Texas Class	9,846,255.53	10.30	8,343,379.07	8.73
TexPool	24,059,817.75	25.17	24,432,302.84	25.58
TexSTAR	24,614,888.07	25.76	26,326,952.75	27.56
Total / Average	95,570,882.74	100.00	95,529,930.21	100.00

**Portfolio Holdings as of 6/30/2019**



**Portfolio Holdings as of 9/30/2019**





**City of League City  
Portfolio Activity  
Report Group: Quarterly Investment Report**

Begin Date: 06/30/2019, End Date: 09/30/2019

**Purchases**

Description	Cusip No.	Interest Rate	Settlement Date	Maturity Date	Face Amount Shares
<b>Certificate of Deposit</b>					
East West Bank CD		2.030	08/14/2019	05/01/2020	2,000,000.00
East West Bank CD		2.100	08/14/2019	04/01/2020	2,000,000.00
East West Bank CD		2.100	08/14/2019	03/01/2020	2,000,000.00
Independent Bank CD		2.050	08/13/2019	08/03/2020	2,000,000.00
Prosperity Bank CD		2.000	09/12/2019	09/12/2020	1,000,000.00
Prosperity Bank CD		2.000	09/04/2019	09/04/2020	1,091,688.35

10,091,688.35

**Money Market**

0.00

**US Agency**

0.00

**Maturities**

Description	Cusip No.	Maturity Date	Face Amount Shares
<b>Certificate of Deposit</b>			
Prosperity Bank CD		09/04/2019	1,076,218.36

1,076,218.36

**Money Market**

0.00

**US Agency**

**Matured/Called Date**

FFCB	3133EHYJ6	09/12/2019	1,000,000.00	Matured
FFCB	3133EHUK7	08/14/2019	1,000,000.00	Matured
FHLB	313384JV2	07/31/2019	5,000,000.00	Matured
FHLB	3133X8AS1	08/15/2019	1,000,000.00	Matured
FHLMC	3137EADK2	08/01/2019	1,000,000.00	Matured
FNMA	3136G0ZB0	08/28/2019	1,000,000.00	Matured

10,000,000.00

**Total** 10,091,688.35

**Total** 11,076,218.36



**City of League City  
Portfolio Inventory  
Report Group: Quarterly Investment Report**

Begin Date: 06/30/2019, End Date: 09/30/2019

Investment Type Description	Cusip No.	Settlement Date	Maturity Date	06/30/2019		09/30/2019		YTM @ Cost
				Book Value**	Market Value	Book Value**	Market Value	
<b>Cash</b>								
Cash		n/a	n/a	2,087,687.65	2,087,687.65	2,963,209.08	2,963,209.08	0.180
<b>SubTotal / Cash</b>				<b>2,087,687.65</b>	<b>2,087,687.65</b>	<b>2,963,209.08</b>	<b>2,963,209.08</b>	
<b>Local Government Investment Pools</b>								
TexPool		n/a	n/a	57,759,585.35	57,759,585.35	53,563,713.02	53,563,713.02	2.164
TexSTAR				37,921,771.67	37,921,771.67	36,127,543.36	36,127,543.36	2.107
Texas Class		n/a	n/a	10,748,612.17	10,748,612.17	9,707,519.57	9,707,519.57	2.155
Lonestar		n/a	n/a	3,130,304.10	3,130,304.10	3,147,786.58	3,147,786.58	2.096
<b>SubTotal / Local Government Investment Pool</b>				<b>109,560,273.29</b>	<b>109,560,273.29</b>	<b>102,546,562.53</b>	<b>102,546,562.53</b>	
<b>Certificate of Deposit</b>								
Prosperity Bank		01/07/2019	01/07/2020	1,025,836.52	1,025,836.52	1,031,591.04	1,031,591.04	2.250
Prosperity Bank		02/27/2019	02/27/2020	1,039,707.99	1,039,707.99	1,045,604.42	1,045,604.42	2.250
Prosperity Bank		03/04/2018	09/04/2019	1,089,080.52	1,089,080.52	-	-	0.000
Prosperity Bank		09/17/2018	09/17/2020	3,129,500.64	3,129,500.64	3,147,248.77	3,147,248.77	2.250
Prosperity Bank		09/04/2019	09/04/2020	-	-	1,091,688.35	1,091,688.35	2.000
Prosperity Bank		09/12/2019	09/12/2020	-	-	1,000,000.00	1,000,000.00	2.000
Allegiance Bank		10/25/2018	10/25/2019	1,010,878.74	1,010,878.74	1,016,423.34	1,016,423.34	2.200
Independent Bank		06/17/2019	10/17/2020	3,000,000.00	3,000,000.00	3,018,601.64	3,018,601.64	2.460
Independent Bank		08/13/2019	08/03/2020	-	-	2,000,000.00	2,000,000.00	2.460
Bank OZK		06/20/2019	06/20/2020	10,000,000.00	10,000,000.00	10,000,000.00	10,000,000.00	2.410
East West Bank		08/14/2019	06/20/2020	-	-	6,016,434.05	6,016,434.05	2.410
<b>SubTotal / Local Government Investment Pool</b>				<b>20,295,004.41</b>	<b>20,295,004.41</b>	<b>29,367,591.61</b>	<b>29,367,591.61</b>	
<b>Money Market</b>								
Money Market		06/20/2019	N/A	15,004,323.63	15,004,323.63	15,097,940.87	15,097,940.87	2.630
<b>SubTotal / Money Market</b>				<b>15,004,323.63</b>	<b>15,004,323.63</b>	<b>15,097,940.87</b>	<b>15,097,940.87</b>	
<b>Security Inv</b>								
<b>Municipal Bonds</b>								
<b>SubTotal / Municipal</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	



**City of League City  
Portfolio Inventory  
Report Group: Quarterly Investment Report**

Begin Date: 06/30/2019, End Date: 09/30/2019

Investment Type	Description	Cusip No.	Settlement Date	Maturity Date	06/30/2019		09/30/2019		YTM @ Cost
					Book Value**	Market Value	Book Value**	Market Value	
<b>US Agency</b>									
	FHLB	313384JV2	03/08/2019	07/31/2019	4,989,580.55	4,990,833.35	-	-	0.000
	FHLMC	3137EADK2	12/14/2017	08/01/2019	999,526.72	999,162.00	-	-	0.000
	FFCB	3133EHUK7	08/18/2017	08/14/2019	1,000,011.78	998,954.53	-	-	0.000
	FHLB	3133X8AS1	08/18/2017	08/15/2019	1,004,625.31	1,003,414.33	-	-	0.000
	FNMA	3136G0ZB0	08/18/2017	08/28/2019	1,000,259.12	998,884.32	-	-	0.000
	FFCB	3133EHYJ6	06/13/2018	09/12/2019	997,874.12	998,544.22	-	-	0.000
	FHLMC	3137EADM8	06/13/2018	10/02/2019	997,037.82	997,574.94	999,936.97	999,969.58	2.426
	FHLB	3130ACM92	10/10/2018	10/21/2019	1,290,255.79	1,292,205.18	1,294,118.33	1,294,755.59	2.707
	FFCB	3133EH6L2	06/13/2018	01/10/2020	1,222,434.40	1,225,731.08	1,224,125.31	1,226,412.70	2.512
	FHLB	3130AG2D6	03/11/2019	03/11/2020	4,998,432.39	5,014,633.90	4,998,997.95	5,013,876.45	2.546
	FHLB	3130ADUJ9	10/10/2018	03/30/2020	996,821.19	1,002,903.65	997,888.53	1,002,517.97	2.810
	FHLB	3130AECJ7	06/13/2018	05/28/2020	1,000,558.88	1,005,306.28	1,000,404.48	1,004,867.13	2.561
	T-Note	912828XY1	03/08/2019	06/01/3020	4,998,659.67	5,026,171.90	4,998,996.58	5,023,242.20	2.526
	FHLMC	3134GBVN9	07/11/2018	07/10/2020	990,054.19	997,922.05	992,487.74	998,336.96	2.649
	FHLB	313370US5	08/15/2018	09/11/2020	1,002,638.63	1,011,035.81	1,002,085.66	1,009,466.49	2.647
<b>SubTotal / US Agency</b>					<b>27,488,770.56</b>	<b>27,563,277.54</b>	<b>17,509,041.55</b>	<b>17,573,445.07</b>	
<b>SubTotal / Security Inv</b>					<b>27,488,770.56</b>	<b>27,563,277.54</b>	<b>17,509,041.55</b>	<b>17,573,445.07</b>	
<b>Total / Average</b>					<b>174,436,059.54</b>	<b>174,510,566.52</b>	<b>167,484,345.64</b>	<b>167,548,749.16</b>	



**City of League City  
Pledged Collateral  
Report Group: Quarterly Investment Report**

Begin Date: 06/30/2019, End Date: 09/30/2019

**Investments**

Description	Market Value
Wells Fargo Cash (End of Day Ledger Balance)	3,605,226.06
	<u>3,605,226.06</u>
Allegiance Bank - Certificate of Deposit	1,016,423.34
Allegiance Bank - Accrued Interest	4,104.69
	<u>1,020,528.03</u>
Prosperity Bank - Certificate of Deposit	7,316,132.58
Accrued Interest	12,660.40
	<u>7,328,792.98</u>
Bank OZK - Certificate of Deposit	10,000,000.00
Accrued Interest	68,260.12
	<u>10,068,260.12</u>
Independent Bank - Certificate of Deposit	5,018,601.64
Accrued Interest	8,036.57
	<u>5,026,638.21</u>
East West Bank - Certificate of Deposit	6,016,434.05
Accrued Interest	0.00
	<u>6,016,434.05</u>
NexBank - Money Market	15,000,000.00
Accrued Interest	4,323.63
	<u>15,004,323.63</u>
<b>Total</b>	<b>48,070,203.08</b>

**Collateral**

Description	Market Value	Collateralized Percentage
Pledged Securities	5,116,109.99	
FDIC Coverage	250,000.00	
	<u>5,366,109.99</u>	148.84%
Pledged Securities	800,000.00	
FDIC Coverage	250,000.00	
	<u>1,050,000.00</u>	102.89%
Pledged Securities	7,229,861.01	
FDIC Coverage	250,000.00	
	<u>7,479,861.01</u>	102.06%
Pledged Securities	13,000,000.00	
FDIC Coverage	250,000.00	
	<u>13,250,000.00</u>	131.60%
Pledged Securities	5,310,000.00	
FDIC Coverage	250,000.00	
	<u>5,560,000.00</u>	110.61%
Pledged Securities	6,206,838.00	
FDIC Coverage	250,000.00	
	<u>6,456,838.00</u>	107.32%
Pledged Securities	N/A	
FDIC Coverage	16,250,000.00	
	<u>16,250,000.00</u>	108.30%
<b>Total</b>	<b>48,955,971.00</b>	<b>101.84%</b>

**Investment Policy**

Collateralization must be 102% of the Market Value

Collateralization is required on three types of investments: Cash, Certificate of Deposit, and Repurchase (and reverse) Agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of the market value of principal and accrued interest.