



Quarterly Investment Report

As of December 31, 2016

Pat Hallisey - Mayor

Todd Kinsey - Mayor Pro Tem

Dan Becker - Councilmember

Hank Dugie - Councilmember

Larry Millican - Councilmember

Greg Gripon - Councilmember

Keith Gross - Councilmember

Nick Long - Councilmember

John Baumgartner –City Manager

Rebecca Underhill, CPA – Asst. City Manager



Compliance Certification

We certify that the Quarterly Investment Report represents the investment position of the City of League City as of December 31, 2016 and that all investments have been and are in compliance with the Texas Public Funds Investment Act and the City's Investment Policy as adopted by City Council on February 23, 2016.

Rebecca Underhill

Rebecca Underhill, CPA – Asst. City Manager

Lonna Stein

Lonna Stein – Asst. Director of Finance

Quencelia Goins

Quencelia Goins - Accounting Manager

Hank Dugie

Hank Dugie - Finance Committee

Gabe Allen

Gabe Allen - Finance Committee, Vice Chair

Nick Long

Nick Long - Finance Committee

John Baumgartner

John Baumgartner – City Manager

Paul Maaz

Paul Maaz – Finance Committee

Juan Guerrero

Juan Guerrero - Finance Committee

Tom Crews

Tom Crews - Finance Committee, Chair

Audrey Ayers

Audrey Ayers - Finance Committee

Gabriel Iverson

Gabriel Iverson - Finance Committee

Marc Elliott

Marc Elliott - Finance Committee



CITY OF LEAGUE CITY, TEXAS
Quarterly Investment Report
09/30/2016 - 12/31/2016

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 Asst. City Manager, Asst. Director of Finance and the Accounting 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	1,935,765.88	1,935,765.88	1,935,765.88	1.18	0.01	1
Cert of Dep	7,127,645.29	7,127,645.29	7,127,645.29	4.34	0.64	221
Lone Star	3,012,370.80	3,012,370.80	3,012,370.80	1.83	0.46	1
Security Inv	29,997,000.00	29,980,066.41	30,021,382.36	18.27	0.71	250
TexPool	69,644,540.82	69,644,540.82	69,644,540.82	42.42	0.46	1
TexSTAR	52,445,535.60	52,445,535.60	52,445,535.60	31.95	0.48	1
Total / Average	164,162,858.39	164,145,924.80	164,187,240.75	100.00	0.51	56

Rebecca Underhill

Rebecca Underhill, CPA - Asst. City Manager

3-13-17

Date

Quencelia Goins

Quencelia Goins - Accounting Manager

3/13/17

Date

Lonna Stein

Lonna Stein - Asst. Director of Finance

3/13/17

Date

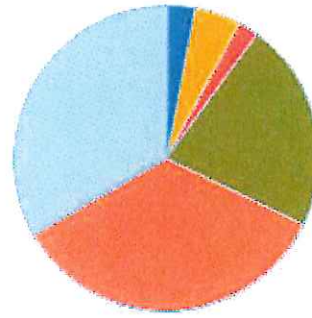


City of League City Distribution by Asset Category - Book Value Report Group: Quarterly Investment Report

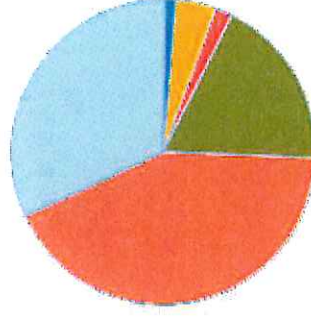
Begin Date: 9/30/2016, End Date: 12/31/2016

Asset Category Allocation			
Asset Category	Book Value 9/30/2016	% of Portfolio 9/30/2016	Book Value 12/31/2016
Cash in Bank	4,054,101.78	2.87	1,935,765.88
Cert of Dep	7,116,344.09	5.03	7,127,645.29
Lone Star	3,009,200.95	2.13	3,012,370.80
Security Inv	31,141,652.69	22.03	30,021,382.36
TexPool	49,069,065.25	34.71	69,644,540.82
TexSTAR	46,974,962.42	33.23	52,445,535.60
Total / Average	141,365,327.18	100.00	164,187,240.75

Portfolio Holdings as of 9/30/2016



2.87% - Cash in Bank
5.03% - Cert of Dep
2.13% - Lone Star
22.03% - Security Inv
34.71% - TexPool
33.23% - TexSTAR



1.18% - Cash in Bank
4.34% - Cert of Dep
1.83% - Lone Star
18.28% - Security Inv
42.42% - TexPool
31.94% - TexSTAR

Portfolio Holdings as of 12/31/2016

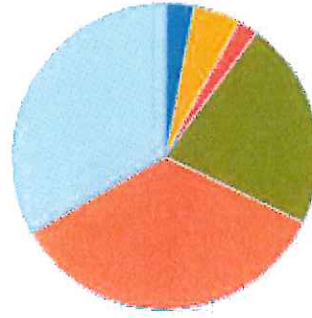


City of League City Distribution by Asset Category - Market Value Report Group: Quarterly Investment Report

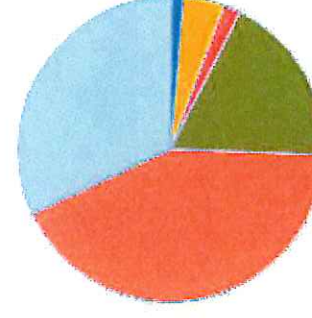
Begin Date: 9/30/2016, End Date: 12/31/2016

Asset Category Allocation			
Asset Category	Market Value 9/30/2016	% of Portfolio 9/30/2016	% of Portfolio 12/31/2016
Cash in Bank	4,054,101.78	2.87	1.18
Cert of Dep	7,116,344.09	5.03	4.34
Lone Star	3,009,200.95	2.13	1.84
Security Inv	31,137,864.37	22.03	18.26
TexPool	49,069,065.25	34.71	42.43
TexSTAR	46,974,962.42	33.23	31.95
Total / Average	141,361,538.86	100.00	100.00

Portfolio Holdings as of 9/30/2016



Portfolio Holdings as of 12/31/2016



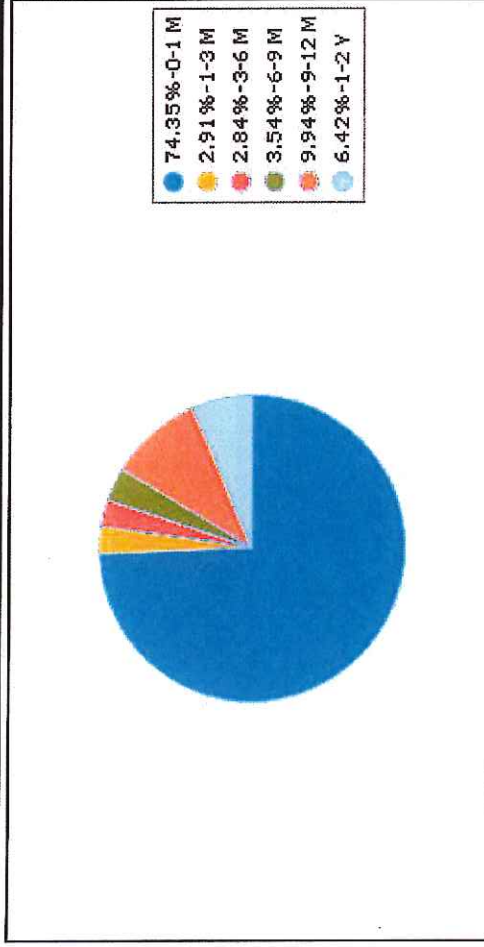


City of League City Distribution by Maturity Range - Book Value Report Group: Quarterly Investment Report

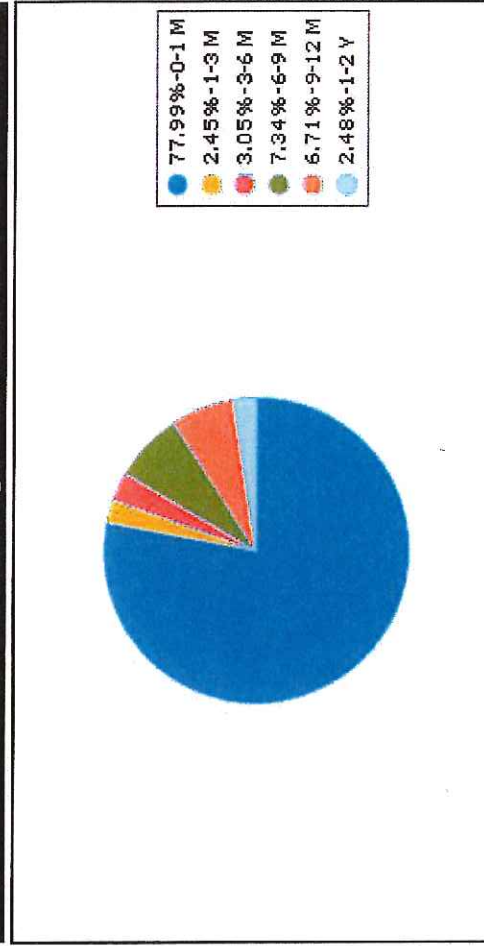
Begin Date: 9/30/2016, End Date: 12/31/2016

Maturity Range Allocation			
Maturity Range	Book Value 9/30/2016	% of Portfolio 9/30/2016	Book Value 12/31/2016
0-1 Month	105,107,432.40	74.35	128,042,336.25
1-3 Months	4,117,680.05	2.91	4,015,277.92
3-6 Months	4,016,689.40	2.84	5,001,199.68
6-9 Months	5,000,589.08	3.54	12,048,865.86
9-12 Months	14,049,985.78	9.94	11,010,360.12
1-2 Years	9,072,950.47	6.42	4,069,200.92
Total / Average	141,365,327.18	100.00	164,187,240.75

Portfolio Holdings as of 9/30/2016



Portfolio Holdings as of 12/31/2016





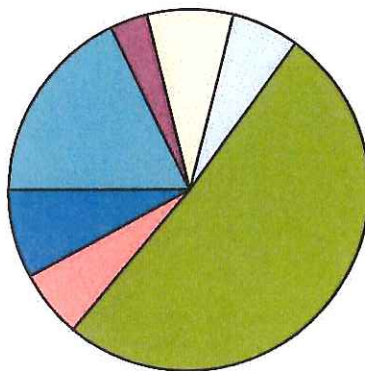
City of League City Distribution by Fund Categories Report Group: Quarterly Investment Report

Begin Date: 09/30/2016, End Date: 12/31/2016

Fund Categories Allocation

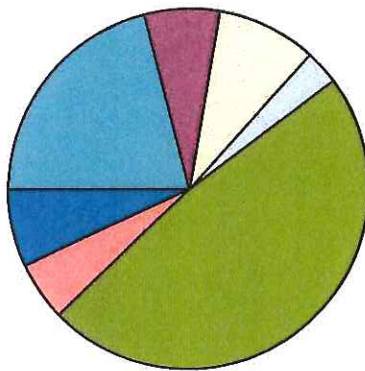
Fund Categories	Book Value 09/30/2016	% of Portfolio 09/30/2016	Book Value 12/31/2016	% of Portfolio 12/31/2016
General Fund	25,162,629.34	17.80	34,377,085.44	20.94
Debt Service Fund	4,724,326.08	3.34	11,024,088.89	6.71
Water & Wastewater Operating	10,895,666.76	7.71	14,859,069.17	9.05
Special Revenue Funds	8,608,723.41	6.09	5,123,881.15	3.12
Capital Project Funds	72,123,522.89	51.02	78,569,676.61	47.85
Internal Service Funds	8,557,167.07	6.05	8,722,618.53	5.31
Component Units	11,293,291.63	7.99	11,510,820.96	7.01
Total / Average	141,365,327.18	100.00	164,187,240.75	100.00

Fund Categories as of 09/30/2016



☐ General Fund
☐ Debt Service Fund
☐ Water & Wastewater Operating
☐ Special Revenue Funds
☐ Capital Project Funds
☐ Internal Service Funds
☐ Component Units

Fund Categories as of 12/31/2016



☐ General Fund
☐ Debt Service Fund
☐ Water & Wastewater Operating
☐ Special Revenue Funds
☐ Capital Project Funds
☐ Internal Service Funds
☐ Component Units

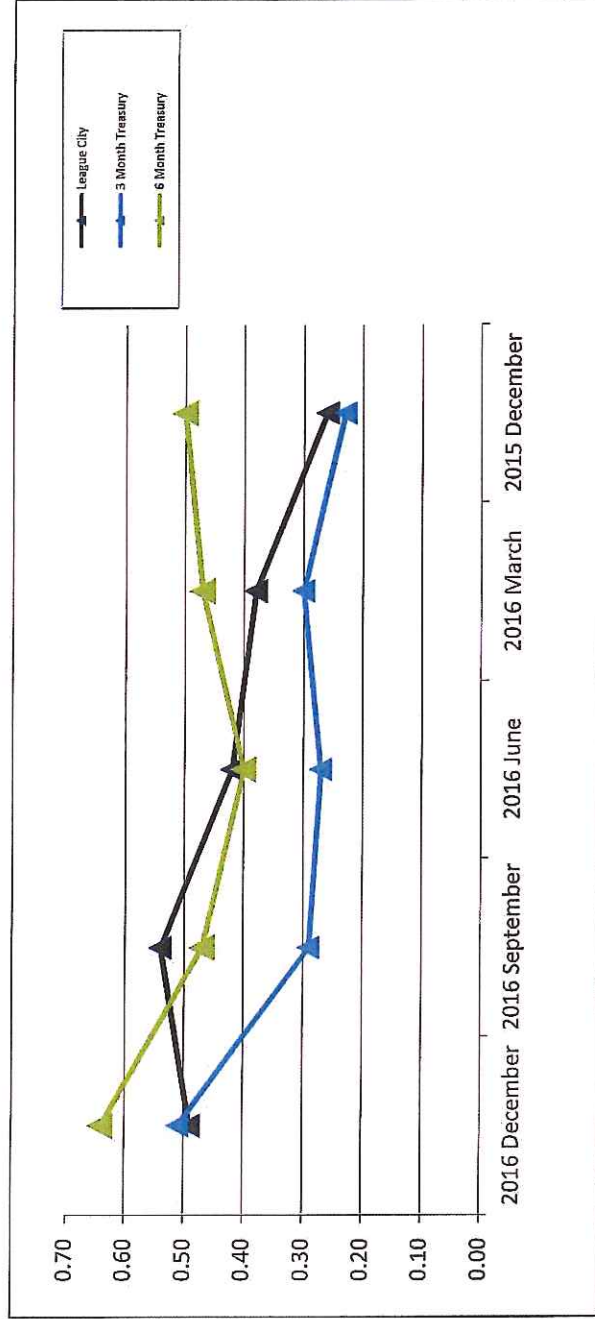


City of League City Interest Income Report Group: Quarterly Investment Report

Begin Date: 09/30/2016, End Date: 12/31/2016

Interest Income				Benchmark
Date Range	Ending Book Value	Interest Income	Weighted Average Yield	Treasury 3 Month Average
Current Quarter				
09/30/2016 - 12/31/2016	164,187,240.75	184,258.49	0.49	0.43
06/30/2016 - 09/30/2016	141,365,327.18	191,955.84	0.54	0.30
03/31/2016 - 06/30/2016	141,022,021.09	149,275.57	0.42	0.26
12/31/2015 - 03/31/2016	145,427,461.59	132,593.41	0.38	0.29
09/30/2015 - 12/31/2015	146,115,525.49	79,738.43	0.26	0.13

Yield Comparison



Treasury		
3 MONTH	6 MONTH	
2016 December	0.51	0.64
November	0.45	0.58
October	0.33	0.48
2016 September	0.29	0.47
August	0.30	0.45
July	0.30	0.40
2016 June	0.27	0.40
May	0.28	0.42
April	0.23	0.37
2016 March	0.30	0.47
February	0.31	0.45
January	0.26	0.43
2015 December	0.23	0.50
November	0.13	0.33
October	0.02	0.11

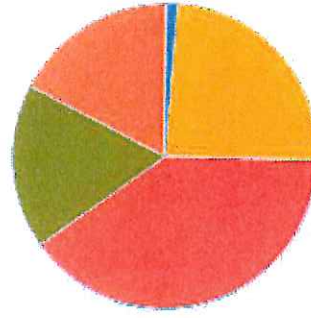


City of League City Distribution by Asset Category - Book Value (0100) 010 - General Fund

Begin Date: 9/30/2016, End Date: 12/31/2016

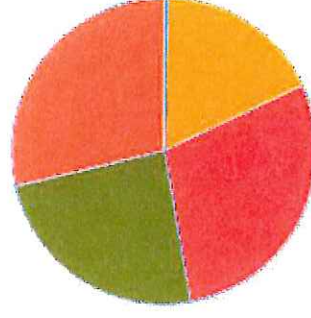
Asset Category Allocation			
Asset Category	Book Value 9/30/2016	% of Portfolio 9/30/2016	Book Value 12/31/2016
Cash in Bank	280,327.68	1.11	85,533.39
Cert of Dep	6,102,528.28	24.25	6,112,427.87
Security Inv	10,003,677.62	39.76	10,004,127.18
TexPool	4,393,839.79	17.46	8,287,618.43
TexSTAR	4,382,255.97	17.42	9,887,378.57
Total / Average	25,162,629.34	100.00	34,377,085.44

Portfolio Holdings as of 9/30/2016



1.11% - Cash in Bank
24.25% - Cert of Dep
39.76% - Security Inv
17.46% - TexPool
17.42% - TexSTAR

Portfolio Holdings as of 12/31/2016



0.25% - Cash in Bank
17.78% - Cert of Dep
29.1% - Security Inv
24.11% - TexPool
28.76% - TexSTAR

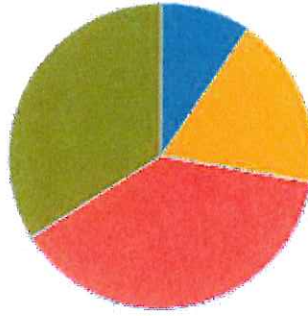


City of League City
Distribution by Asset Category - Book Value
Report Group: Water & WasteWater Operating

Begin Date: 9/30/2016, End Date: 12/31/2016

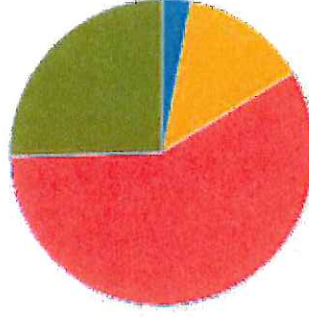
Asset Category Allocation			
Asset Category	Book Value 9/30/2016	% of Portfolio 9/30/2016	% of Portfolio 12/31/2016
Cash in Bank	1,022,857.88	9.39	2.81
Security Inv	2,002,740.68	18.38	13.49
TexPool	4,177,831.43	38.34	58.28
TexSTAR	3,692,236.76	33.89	25.42
Total / Average	10,895,666.75	100.00	100.00

Portfolio Holdings as of 9/30/2016



9.39% - Cash in Bank
 18.38% - Security Inv
 38.34% - TexPool
 33.89% - TexSTAR

Portfolio Holdings as of 12/31/2016



2.81% - Cash in Bank
 13.49% - Security Inv
 58.28% - TexPool
 25.42% - TexSTAR

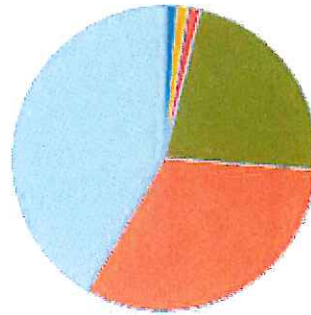


City of League City Distribution by Asset Category - Book Value Report Group: Capital Project Funds

Begin Date: 9/30/2016, End Date: 12/31/2016

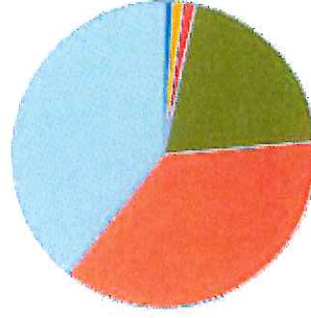
Asset Category Allocation			
Asset Category	Book Value 9/30/2016	% of Portfolio 9/30/2016	Book Value 12/31/2016
Cash in Bank	826,635.48	1.08	591,449.90
Cert of Dep	1,013,815.81	1.33	1,015,217.42
Lone Star	1,002,934.70	1.32	1,003,991.17
Security Inv	17,132,282.49	22.47	16,010,424.28
TexPool	24,478,634.40	32.11	29,099,840.37
TexSTAR	31,775,531.82	41.68	30,848,753.47
Total / Average	76,229,834.70	100.00	78,569,676.61

Portfolio Holdings as of 9/30/2016



1.08% - Cash in Bank
1.33% - Cert of Dep
1.32% - Lone Star
22.47% - Security Inv
32.11% - TexPool
41.68% - TexSTAR

Portfolio Holdings as of 12/31/2016



0.75% - Cash in Bank
1.29% - Cert of Dep
1.28% - Lone Star
20.38% - Security Inv
37.04% - TexPool
39.26% - TexSTAR



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

Begin Date: 09/30/2016, End Date: 12/31/2016

Purchases						Maturities			
Description Certificate of Deposit	Cusip No.	Interest Rate	Settlement Date	Maturity Date	Face Amount Shares	Description Certificate of Deposit	Cusip No.	Maturity Date	Face Amount Shares
Municipal Bond						Municipal Bond			
					0.00				0.00
US Agency						US Agency			
FNMA	3135G0PQ0	0.698	10/28/2016	10/28/2017	1,000,000.00	FHLMC	3137EADS5	10/14/2016	1,000,000.00 Matured
FHLB	3130AA3K2	0.790	11/16/2016	11/16/2017	1,000,000.00	FHLMC	3134G3S50	11/01/2016	1,000,000.00 Matured
FFCB	3133EGJ97	0.790	11/21/2016	11/21/2017	1,000,000.00	FFCB	3133EEUS7	11/23/2016	1,000,000.00 Matured
FHLMC	3134G45U8	0.745	10/28/2016	12/12/2017	1,000,000.00	FHLB	313371PV2	12/09/2016	1,115,000.00 Matured
FHLB	313378A43	1.114	12/21/2016	03/09/2018	1,000,000.00	FHLB	3130A3Q64	12/12/2016	1,000,000.00 Matured
5,000,000.00						5,115,000.00			
Total						Total			
5,000,000.00						6,115,000.00			



Report Group: Quarterly Investment Report

Investment Type	09/30/2016				12/31/2016		YTM @ Cost
	Description	Cusip No.	Settlement Date	Maturity Date	Book Value**	Market Value	
Cash							
Cash			n/a	n/a	1,935,765.88	1,935,765.88	0.010
SubTotal / Cash					1,935,765.88	1,935,765.88	
Local Government Investment Pools							
TexPool		n/a	n/a	n/a	69,644,540.82	69,644,540.82	0.457
TexSTAR					52,445,535.60	52,445,535.60	0.482
Lonestar		n/a	n/a	n/a	3,012,370.80	3,012,370.80	0.456
SubTotal / Local Government Investment Pool					125,102,447.22	125,102,447.22	
Certificate of Deposit							
Prosperity Bank		09/17/2016	09/17/2017	09/17/2017	3,038,455.49	3,038,455.49	0.700
Prosperity Bank		01/07/2016	01/07/2017	01/07/2017	1,004,123.15	1,004,123.15	0.550
Prosperity Bank		02/27/2016	02/27/2017	02/27/2017	1,015,217.42	1,015,217.42	0.550
Prosperity Bank		09/04/2016	03/04/2018	03/04/2018	1,068,206.17	1,068,206.17	0.600
JP Morgan Chase Bank		09/22/2016	09/22/2017	09/22/2017	1,001,643.06	1,001,643.06	0.650
SubTotal / Local Government Investment Pool					7,127,645.29	7,127,645.29	
Security Inv							
Municipal Bonds							
Harris County Flood	4140185H0	01/20/2015	10/01/2016	10/01/2016	-	-	0.000
SubTotal / Municipal					-	-	



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

Begin Date: 09/30/2016, End Date: 12/31/2016

Investment Type		09/30/2016				12/31/2016		YTM @
Description	Cusip No.	Settlement Date	Maturity Date	Book Value**	Market Value	Book Value**	Market Value	Cost
US Agency								
FHLMC	3137EADS5	02/10/2015	10/14/2016	1,000,101.00	1,000,200.00	-	-	0.000
FHLMC	3134G3S50	11/25/2015	11/01/2016	1,000,000.00	1,000,230.00	-	-	0.000
FFCB	3133EEUS7	03/23/2015	11/23/2016	1,000,036.68	1,000,146.30	-	-	0.000
FHLB	313371PV2	08/14/2015	12/09/2016	1,117,256.65	1,117,581.11	-	-	0.000
FHLB	3130A3Q64	01/15/2015	12/12/2016	1,000,386.72	1,000,302.10	-	-	0.000
FHLB	3130A46U1	02/13/2015	02/13/2017	1,000,000.00	1,000,744.20	1,000,000.00	999,920.10	0.720
FNMA	3135G0VM2	03/17/2016	03/14/2017	1,000,136.74	999,440.00	1,000,060.50	1,000,194.70	0.720
FHLB	3130A4ZB1	06/01/2015	03/30/2017	1,000,000.00	1,000,174.60	1,000,000.00	999,589.90	0.625
FNMA	3135G0ZB2	08/11/2016	04/20/2017	1,001,131.94	1,000,950.00	1,000,616.40	1,000,165.00	0.545
FFCB	3133EEN48	06/14/2016	05/22/2017	999,726.32	999,619.70	999,833.92	998,908.50	0.668
FHLMC	3134G6YC1	04/29/2015	05/30/2017	1,000,131.64	1,000,100.00	1,000,081.59	999,613.90	0.650
FFCB	3133EE7M6	08/19/2015	06/19/2017	999,599.18	999,558.10	999,739.93	999,296.30	0.706
FHLMC	3137EADH9	11/25/2015	06/29/2017	1,001,402.06	1,002,290.00	1,000,927.84	1,001,372.50	0.810
FHLB	3130A5QL6	08/11/2016	06/30/2017	1,001,538.27	1,000,550.90	1,001,019.88	999,989.00	0.594
FFCB	3133EF6U6	05/10/2016	08/10/2017	1,000,000.00	999,152.70	1,000,000.00	998,465.30	0.650
FFCB	3133EE7C8	08/11/2016	08/14/2017	1,000,780.22	999,989.00	1,000,554.50	999,392.30	0.660
FHLB	313383WF4	07/26/2016	08/21/2017	1,005,292.81	1,005,434.00	1,003,794.54	1,002,676.30	0.681
FHLB	3130A62S5	03/17/2016	08/28/2017	999,497.92	999,501.29	999,637.05	997,932.03	0.806
FHLB	3130A62S5	08/11/2016	08/28/2017	1,000,995.74	1,000,999.11	1,000,719.81	999,010.37	0.640
FNMA	3135G0MZ3	08/11/2016	08/28/2017	1,002,309.29	1,001,555.42	1,001,669.37	999,903.16	0.621
FNMA	3135G0MZ3	06/14/2016	08/28/2017	1,001,898.15	1,001,144.58	1,001,372.16	999,603.24	0.666
FHLMC	3137EADL0	08/11/2016	09/29/2017	1,003,094.88	1,002,610.00	1,002,312.66	1,001,327.90	0.688
FNMA	3135G0PQ0	10/28/2016	10/26/2017	-	-	1,001,441.46	1,000,087.25	0.698
FNMA	3135G0PQ0	09/28/2016	10/26/2017	1,002,353.96	1,001,210.00	1,001,800.09	1,000,443.35	0.654
FHLB	3030AA3K2	11/16/2016	11/16/2017	-	-	999,649.32	997,727.20	0.790
FFCB	3133EGJ97	11/21/2016	11/21/2017	-	-	999,645.94	997,369.60	0.790
FFCB	3133EFWC7	02/11/2016	11/27/2017	2,000,099.44	2,000,888.56	1,999,425.33	1,994,529.91	0.740
FHLB	3130A3LY8	09/30/2015	11/28/2017	1,002,951.90	1,003,387.90	1,002,311.39	999,880.40	0.743
FHLMC	3134G45U8	10/28/2016	12/12/2017	-	-	1,000,987.37	998,241.80	0.745
FHLMC	3134G45U8	09/28/2016	12/12/2017	1,001,399.46	1,001,100.00	1,001,105.51	998,357.60	0.733
FNMA	3135G0RT2	05/06/2016	12/20/2017	1,002,117.94	1,001,290.00	1,001,681.05	998,569.40	0.700
FHLB	3130A8NZ2	07/26/2016	01/08/2018	998,297.63	999,034.80	998,634.44	997,333.80	0.785



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

Begin Date: 09/30/2016, End Date: 12/31/2016

Investment Type		Cusip No.	Settlement Date	Maturity Date	09/30/2016		12/31/2016		YTM @ Cost
					Book Value**	Market Value	Book Value**	Market Value	
FFCB		3133EGKP9	08/11/2016	01/08/2018	999,115.15	998,670.00	999,290.21	997,537.00	0.740
FHLB		313378A43	12/21/2016	03/09/2018	-	-	1,003,070.10	1,002,628.60	1.114
SubTotal / US Agency					30,141,651.69	30,137,854.37	30,021,382.36	29,980,066.41	
SubTotal / Security Inv					31,141,652.69	31,137,864.37	30,021,382.36	29,980,066.41	
Total / Average					141,365,327.18	141,361,538.86	164,187,240.75	164,145,924.80	

**For reporting purposes, Securities will be recorded at Market Value



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

Begin Date: 09/30/2016, End Date: 12/31/2016

Investments

Description	Market Value
JPMorgan Cash (End of Day Ledger Balance)	2,753,036.24
JP Morgan Chase Bank - Certificate of Deposit	1,001,643.06
JP Morgan Chase Bank - Accrued Interest	160.28
	<u>3,754,839.58</u>
JPMorgan Cash Repo	4,103,076.14
Prosperity Bank - Certificate of Deposit	6,126,002.23
Accrued Interest	3,096.15
	<u>6,129,098.38</u>

Total	8,882,294.90
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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.

Collateral

Description	Market Value	Collateralized Percentage
Pledged Securities	4,955,625.60	
FDIC Coverage	<u>250,000.00</u>	
	<u>5,205,625.60</u>	138.64%
Pledged Securities	4,185,137.00	102.00%
Pledged Securities	6,483,917.94	109.87%
FDIC Coverage	<u>250,000.00</u>	
	<u>6,733,917.94</u>	

Total	11,939,543.54	134.42%
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