Nueces County
Quarterly Investment Report
September 30, 2017
(Unaudited)

Prepared by Nueces County Auditors Office and County Clerk Treasury Division
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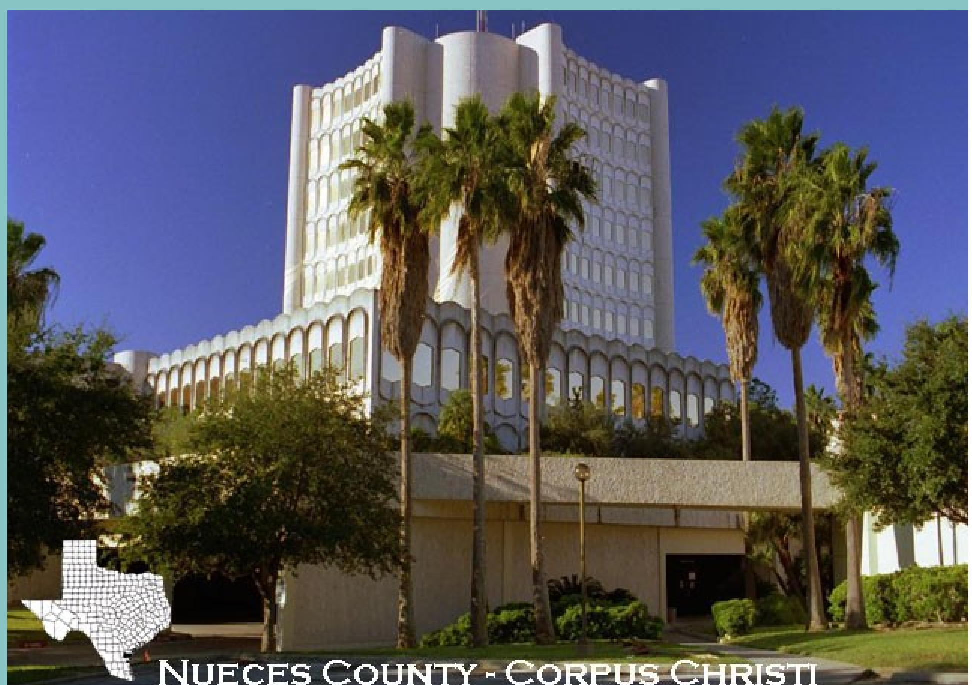
Corpus Christi TX
78401



Nueces County

Presented to Nueces County Commissioners Court in accordance with Government Code 2256.023

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Investment Committee Members

Samuel L. Neal, Jr. - County Judge

Kara Sands- County Clerk

Laura Jimenez - County Attorney

Steve Waterman - Director of Commissioners Court Admin

Kevin Kieschnick – Tax Assessor/Collector

Dale Atchley, CPA - County Auditor

County Investment Officers

Kevin L. Hill - Treasury Accountant

Fred Chavera - Revenue/Cash Manager

Lisa Davis – Budget Accountant

Aidee Hernandez – Executive Accountant

Investment Report to Commissioners Court

As of September 30, 2017

Investments have been made in accordance with the requirements of the Nueces County Investment Policy and Government Code 2256. The investment committee is directed by the investment policy to meet certain requirements regarding investment strategy, earnings, diversity and liquidity. This report is presented in conformity with generally accepted accounting principles.

This report covers investment results on county-wide treasury accounts only. Interest income on departmental accounts such as the tax office, sheriff, and district clerk checking accounts are not included in this report.

Summary of Cash, Cash Equivalents and Investments

Total cash, cash equivalents, and investments as of September 30, 2017 have a current value of $79,328,115. As compared to last report of June 30, 2017, total balances have decreased by ($27,413,230) down from $106,741,345. The reason for the decrease is due the county having regular monthly payroll expenditures of $5.3 million and higher than usual monthly expenditures of $7.4 million. Plus Nueces County has reached the lowest point of tax collections and higher payout of U S Federal Marshals payments to GEO during this quarter.

Compliance Measures

- The weighted average maturity of the operating portfolio is 190 days and the county is in compliance with the investment policy. The policy limits the weighted average to 364 days. Compared to last report of September 30, 2016, the average maturity increased by 52 days, due to reduction of cash equivalents and other called investments..

- Portfolio diversity is a test which indicates the county is in compliance with the percentages allowed by the investment policy for each investment type. The largest investment type is in cash equivalents which is 68.43% and the remainder is invested in brokered CDs, municipal bonds, and US Agencies which are 6.39%, 7.36%, and 17.82%, respectively.

- All investments are in compliance with the Public Investment Act and the Nueces County Investment Policy.

Summary of Investment Results

Investment earnings are calculated under Government Accounting Standards Board (GASB) Statement #31. GASB #31 mandates that changes in the fair market value of investments longer than 1 year should be reported as revenues in the financial statements. Since our investment strategy has been to buy and hold until maturity, changes in market value are reflected as gains or losses in the value of the portfolios as if they had been liquidated on September 30, 2017. Brokered CD's, US agencies and Municipal bonds are being carried at market value.

Current quarterly earnings are $237.015. Compared to the quarterly earnings ending September 30, 2016, earnings shows an increase of 39,030, up from $ 197,985. The increase in earnings is due primarily to increase in interest rates during this period.

Investment Strategy

Only eligible investments, as defined by the Investment Policy may be used. Preservation and safety of principal is the number one consideration in selecting an investment instrument followed by the availability of funds (liquidity), diversification for further safeguarding of funds and laddering investments with varying maturity dates. While maximizing return on investment is an objective of the county investment policy, safety is always the first consideration in selecting investments.

This report has been prepared jointly by the County Auditors Office and the County Clerk– Treasury Division and in accordance with Government Code 2256.023. The investment committee approved this report on December 27, 2017 and herein presents to the Commissioners Court for final approval. Thank you.

Samuel L. Neal Jr., County Judge and
Investment Committee Chair

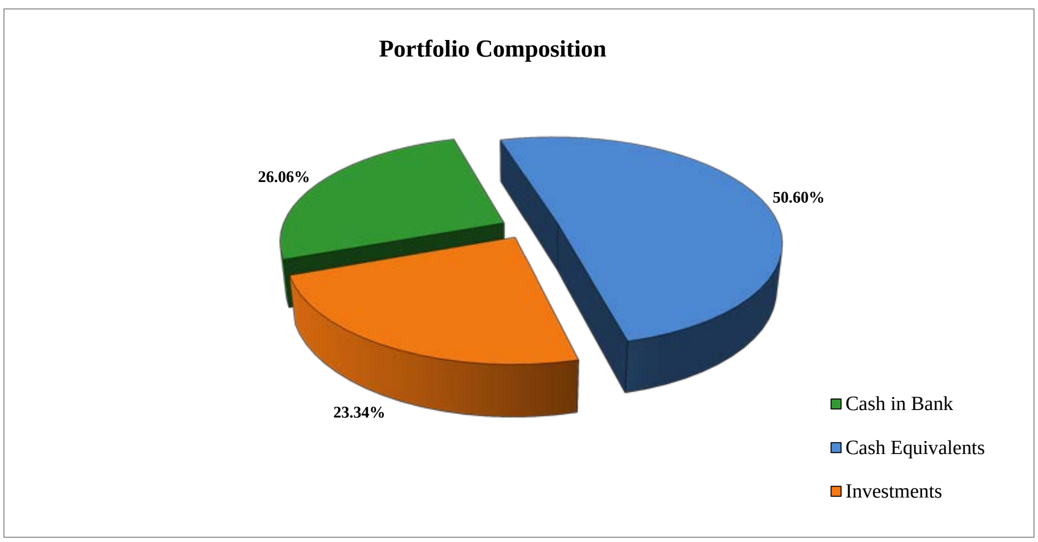
Dale Atchley, CPA, County Auditor

Lorenzo Hernandez, III, Chief Accountant

Federico Chavera, Revenue/Cash Manager

Cash, Cash Equivalents and Investments by Fund Group
September 30, 2017
(Unaudited)

	Operating Funds		Capital Projects Funds		Debt Service Funds		Other Funds		All Fund Groups Total	
Cash in Bank	$ 11,494,914	47.77%	$ 1,599,770	4.49%	$ 87,720	2.72%	$ 7,487,899	45.57%	$ 20,670,303	26.06%
Cash Equivalents:										
TEXPOOL	4,674	0.02%	-	0.00%		0.00%	2,238	0.01%	6,912	0.01%
MBIA	7,731,819	32.13%	24,670,263	69.28%	1,930,041	59.88%	5,797,759	35.28%	40,129,882	50.59%
Sub-Total Cash Equivalents	7,736,493	32.15%	24,670,263	69.28%	1,930,041	59.88%	5,799,997	35.29%	40,136,794	50.60%
Investments:										
Brokered CDs	977,469	4.06%	1,889,399	5.31%	243,934	7.56%	636,593	3.87%	3,747,395	4.72%
Municipal Bonds	1,125,697	4.68%	2,175,916	6.11%	280,925	8.72%	733,129	4.46%	4,315,667	5.44%
US Agencies	2,727,850	11.34%	5,272,795	14.81%	680,752	21.12%	1,776,559	10.81%	10,457,956	13.18%
Sub-Total Investments	4,831,016	20.08%	9,338,110	26.23%	1,205,611	37.40%	3,146,281	19.14%	18,521,018	23.34%
Total Cash, Cash Equivalents & Investments	**$ 24,062,423**	100.00%	**$ 35,608,143**	100.00%	**$ 3,223,372**	100.00%	**$ 16,434,177**	100.00%	**$ 79,328,115**	100.00%



Operating Funds and Other Funds Groups

Cash, Cash Equivalents and Investments by Fund - (Unaudited)

September 30, 2017

Operating Funds:

		General Fund	Road Fund	Stadium/ Fairgrounds Fund
Cash	$	7,344,966	3,447,290	188,208
Cash Equivalents		5,188,534	215,427	1,785,684
Investments		3,926,402	55,652	648,015
Total as of September 30, 2017		16,459,902	3,718,369	2,621,907
Total as of September 30, 2016		25,258,997	3,817,645	2,324,082
Increase (Decrease) from one year ago	$	(8,799,095)	(99,276)	297,825

Other Funds:

		Self Insurance Fund	Special Fund	Main Grant Fund
Cash	$	1,135,894	6,484,957	(57,016)
Cash Equivalents		1,932,540	3,867,457	-
Investments		205,455	2,940,826	-
Total as of September 30, 2017		3,273,889	13,293,240	(57,016)
Total as of September 30, 2016		2,083,954	12,701,241	525,141
Increase (Decrease) from one year ago	$	1,189,935	591,999	(582,157)

Law Library Fund	Airport Fund	Inland Parks Fund	Coastal Parks Fund	Total
57,176	36,665	84,382	336,227	$ 11,494,914
81,062	86,085	193,864	185,837	7,736,493
56,496	-	-	144,451	4,831,016
194,734	122,750	278,246	666,515	24,062,423
236,392	62,427	359,092	892,588	32,951,223
(41,658)	60,323	(80,846)	(226,073)	$ (8,888,800)

TJJD Grant Fund	Total
(75,936)	$ 7,487,899
-	5,799,997
-	3,146,281
(75,936)	16,434,177
(30)	15,310,306
(75,906)	$ 1,123,871

Portfolio Diversity

Test of Compliance with Investment Policy
All Fund Groups as of September 30, 2017
(Unaudited)

	Current Value	%	Investment Policy Maximum
Cash Equivalents	$ 40,136,794	68.430%	85.00%
Brokered CDs	3,747,395	6.390%	75.00%
Municipal Bonds	4,315,667	7.360%	75.00%
US Agencies	10,457,956	17.820%	75.00%
Total Cash Equivalents and Investments (excludes cash in bank)	$ 58,657,812	100.00%	

Portfolio Liquidity

Test of Compliance with Investment Policy
Weighted Average Days to Maturity
Operating Funds Group as of September 30, 2017
(Unaudited)

	Fair Value	Weighted Average Days to Maturity	Investment Policy Maximum
Cash Equivalents	$ 40,136,794	1	
Brokered CDs	3,747,395	493	
Municipal Bonds	4,315,667	430	
US Agencies	10,457,956	706	
Total Cash Equivalents and Investments-Operating Fund Group Only (excludes cash in bank)	$ 58,657,812	190	364

Statement of Changes in Investments

as of September 30, 2017

(Unaudited)

	Beginning Balance 6/30/2017	Additions	(Subtractions)	Market Adjustment	Ending Balance 9/30/2017
Brokered CDs	$ 4,497,497	$ -	$ (748,000)	$ (2,303)	$ 3,747,396
Municipal Bonds	4,822,097	-	(500,000)	(6,430)	4,315,667
US Agencies	11,457,313	-	(1,000,000)	643	10,457,955
Total	$ 20,776,907	$ -	$ (2,248,000)	$ (8,090)	$ 18,521,018

Comprehensive Interest Earnings for All Fund Groups Compared to Same Period Prior Year (Note1)

(Unaudited)

	Quarterly Comparison			Year-to-Date Comparison		
	07/01/16 09/30/16	07/01/17 09/30/17	Increase/ (Decrease)	10/01/15 09/30/16	10/01/16 09/30/17	Increase/ (Decrease)
Operating Fund Group	$ 83,046	$ 64,934	$ (18,112)	$ 261,448	$ 313,776	$ 52,328
Capital Projects Fund Group	68,280	101,331	33,051	199,320	318,322	119,002
Debt Service Fund Group	12,081	12,348	267	37,254	47,247	9,993
Other Funds Group	34,578	58,402	23,824	91,626	149,505	57,879
Total	$ 197,985	$ 237,015	$ 39,030	$ 589,648	$ 828,850	$ 239,202

Note 1: Comprehensive interest earnings include: interest on treasury demand deposits, coupon interest rates, amortization of discounts and premiums paid at the time of purchase, accrued interest, and adjustments to market value.

Listing of All Investments and Ladder Placement -
September 30, 2017
(Unaudited)

VENDOR	Agency Feature B=Bullet C=Call S=Step	CUSIP	Desc	Coupon	Yield	Duration in Yrs from Purchase	Days To MTY	Purchase Date	Maturity Date /Called Date	Par Amount
Coastal Securities	N/A	20772JL26	MB	1.000%	1.000000%	0.0000	-	08/27/15	08/01/17	500,000
Wells Fargo Bank	N/A	34074GDG6	MB	2.107%	2.107000%	3.2192	274	04/13/15	07/01/18	1,500,000
Wells Fargo Bank	N/A	64971QQX4	MB	2.150%	2.150000%	2.3205	397	07/07/16	11/01/18	1,000,000
Wells Fargo Bank	N/A	341271AA2	MB	2.163%	2.163000%	2.9836	639	07/07/16	07/01/19	1,000,000
Coastal Securities	N/A	882806EL2	MB	1.804%	1.804000%	3.4740	503	08/27/15	02/15/19	800,000
Wells Fargo Bank	N/A	3133EFBS5	FFCB	0.680%	0.680000%	0.0000	-	08/26/15	07/03/17	1,000,000
Raymond James & Assoc.	N/A	3133EGLA1	FFCB	1.170%	1.170000%	3.5096	835	07/11/16	01/13/20	1,000,000
Wells Fargo Bank	N/A	3136G3YL3	FNMA	0.900%	0.900000%	2.5534	482	07/07/16	01/25/19	1,000,000
Coastal Securities	N/A	3134GA3Z5	FHLMC	1.500%	1.500000%	2.5370	697	02/13/17	08/28/19	1,500,000
Coastal Securities	N/A	3136G3K46	FNMA	1.260%	1.450000%	2.4658	671	02/13/17	08/02/19	1,500,000
Frost Bank	N/A	3134GA5A8	FHLMC	1.375%	1.375000%	2.0000	531	03/15/17	03/15/19	1,500,000
Frost Bank	N/A	3133EG7D1	FFCB	1.550%	1.550000%	2.7534	776	02/13/17	11/15/19	1,500,000
Frost Bank	N/A	3134GA4Y7	FHLMC	1.750%	1.750000%	3.5397	1,063	02/13/17	08/28/20	1,000,000
Raymond James & Assoc.	N/A	3134GA3Z5	FHLMC	1.500%	1.500000%	2.5342	697	02/14/17	08/28/19	750,000
Raymond James & Assoc.	N/A	3134G9MU8	FHLMC	1.300%	1.300000%	2.2712	601	02/14/17	05/24/19	750,000
Wells Fargo Bank	N/A	33610RPP2	CD	1.000%	1.000000%	0.0000	-	07/08/14	07/24/17	248,000
Wells Fargo Bank	N/A	63969AAU8	CD	0.850%	0.850000%	0.0000	-	09/13/12	09/26/17	250,000
Wells Fargo Bank	N/A	12325EFN7	CD	0.950%	0.950000%	0.0000	-	09/13/12	09/28/17	250,000
Frost Bank	N/A	02006LG49	CD	0.750%	0.750000%	1.5260	108	07/08/16	01/16/18	250,000
Frost Bank	N/A	254672B80	CD	0.750%	0.750000%	1.5260	108	07/08/16	01/16/18	250,000
Frost Bank	N/A	27113PBH3	CD	0.800%	0.800000%	1.7178	178	07/08/16	03/27/18	250,000
Frost Bank	N/A	337630BA4	CD	0.800%	0.800000%	1.5425	114	07/08/16	01/22/18	250,000
Frost Bank	N/A	33944LAS2	CD	0.750%	0.750000%	1.5260	108	07/08/16	01/16/18	250,000
Frost Bank	N/A	38148JRJ2	CD	1.150%	1.150000%	3.0301	205	04/13/15	04/23/18	248,000
Wells Fargo Bank	N/A	140420UW8	CD	1.600%	1.600000%	3.0274	339	08/26/15	09/04/18	248,000
Wells Fargo Bank	N/A	591803BD2	CD	1.850%	1.850000%	5.0110	649	07/08/14	07/11/19	248,000
Wells Fargo Bank	N/A	06740KHF7	CD	2.050%	2.050000%	5.0247	654	07/08/14	07/16/19	248,000
Wells Fargo Bank	N/A	23204HBU1	CD	1.900%	1.900000%	5.0411	661	07/09/14	07/23/19	248,000
Wells Fargo Bank	N/A	677721CE0	CD	1.800%	1.800000%	5.0438	661	07/08/14	07/23/19	248,000
Raymond James & Assoc.	N/A	140420UT5	CD	2.100%	2.100000%	4.0027	695	08/26/15	08/26/19	250,000
Raymond James & Assoc.	N/A	33646CFN9	CD	1.800%	1.800000%	4.5123	881	08/26/15	02/28/20	250,000
Raymond James & Assoc.	N/A	29976DA59	CD	2.050%	2.050000%	5.0110	1,063	08/26/15	08/28/20	250,000
Raymond James & Assoc.	N/A	307814DF7	CD	1.850%	1.850000%	5.0110	1,063	08/26/15	08/28/20	250,000
		Weighted Averages †			**1.491701%**	**2.5902**	**533**		**Totals**	**20,786,000**

Description Index:

CD - Brokered Certificates of Deposit

FFCB - Federal Farm Credit Bureau

FHLB-Federal Home Loan Bank

FHLMC-Federal Home Loan Mortgage Corporation

FNMA- Fannie Mae

† Weighted Averages are based on investment holdings as of the last day of the quarter using actual days remaining to maturity and are calculated based on Yields, Duration, Days to Maturity, Purchase Prices, and Total Purchase Price.

Listing of All Investments and Ladder Placement -
September 30, 2017
(Unaudited)

Purchase Price	FMV 06/30/17	Additions (Subtractions)	Amortization (Premium) Discount	Market Adjustments Increase (Decrease)	FMV 09/30/17	Short-term Ladder <=12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
501,420	499,840	(500,000)	-	160	-	-	-	-
1,523,670	1,508,565	-	-	(6,119)	**1,502,446**	-	1,502,446	-
1,030,990	1,006,520	-	-	310	**1,006,830**	-	1,006,830	-
1,025,960	1,005,940	-	-	(1,060)	**1,004,880**	-	1,004,880	-
810,856	801,232	-	-	280	**801,512**	-	801,512	-
1,000,000	999,977	(1,000,000)	-	23	-	-	-	-
1,000,000	988,555	-	-	2,304	**990,859**	-	-	990,859
1,000,000	990,612	-	-	1,599	**992,211**	-	992,211	-
1,500,000	1,498,452	-	-	(2,181)	**1,496,271**	-	1,496,271	-
1,500,000	1,491,543	-	-	(450)	**1,491,093**	-	1,491,093	-
1,500,000	1,497,270	-	-	(824)	**1,496,446**	-	1,496,446	-
1,500,000	1,495,209	-	-	510	**1,495,719**	-	1,495,719	-
1,000,000	999,648	-	-	(328)	**999,320**	-	-	999,320
750,000	749,226	-	-	(1,089)	**748,137**	-	748,137	-
750,000	746,821	-	-	1,077	**747,898**	-	747,898	-
248,000	248,005	(248,000)	-	(5)	-	-	-	-
250,000	249,859	(250,000)	-	21	-	-	-	-
250,000	249,915	(250,000)	-	3	-	-	-	-
250,000	249,581	-	-	215	**249,796**	-	249,796	-
250,000	249,404	-	-	293	**249,697**	-	249,697	-
250,000	249,207	-	-	244	**249,451**	-	249,451	-
250,000	249,577	-	-	213	**249,790**	-	249,790	-
250,000	249,594	-	-	213	**249,807**	-	249,807	-
248,000	247,772	-	-	50	**247,822**	-	247,822	-
248,000	248,855	-	-	(356)	**248,499**	-	248,499	-
248,000	248,509	-	-	(7)	**248,502**	-	-	248,502
248,000	249,842	-	-	(373)	**249,469**	-	-	249,469
248,000	249,896	-	-	(379)	**249,517**	-	-	249,517
248,000	249,905	-	-	(384)	**249,521**	-	-	249,521
250,000	252,382	-	-	(431)	**251,951**	-	-	251,951
250,000	253,141	-	-	(566)	**252,575**	-	-	252,575
250,000	251,791	-	-	(583)	**251,208**	-	-	251,208
250,000	250,262	-	-	(471)	**249,791**	-	-	249,791
20,878,896	**20,776,907**	**(2,248,000)**	**-**	**(8,091)**	**18,521,018**	**-**	**14,528,305**	**3,992,713**
	Investment Ladder Targets…………………………… ……………….. ………………..					7,000,000	25,000,000	8,000,000
	Investment Funds: Available/(Exceeded) ..………………………….. ………………..					7,000,000	10,471,695	4,007,287

Listing of All Brokered CDs and Ladder Placement -
September 30, 2017
(Unaudited)

VENDOR	CUSIP	FDIC Cert#	Bank Issuing CD	Coupon	Yield	Duration in Yrs from Purchase	Days To MTY	Purchase Date	Maturity Date /Called Date
Wells Fargo Bank	33610RPP2		FIRST PREMIER BANK	1.000%	1.000000%	0.0000	-	07/08/14	07/24/17
Wells Fargo Bank	63969AAU8		NEBRASKA STATE B&T	0.850%	0.850000%	0.0000	-	09/13/12	09/26/17
Wells Fargo Bank	12325EFN7		BUSINESS BANK OF ST LOUIS	0.950%	0.950000%	0.0000	-	09/13/12	09/28/17
Frost Bank	02006LG49	57803	ALLY BANK	0.750%	0.750000%	1.5260	108	07/08/16	01/16/18
Frost Bank	254672B80	5649	DISCOVER BANK	0.750%	0.750000%	1.5260	108	07/08/16	01/16/18
Frost Bank	27113PBH3		EAST BOSTON SAV BK	0.800%	0.800000%	1.7178	178	07/08/16	03/27/18
Frost Bank	337630BA4	33510	FIRST TRUST SAV BK	0.800%	0.800000%	1.5425	114	07/08/16	01/22/18
Frost Bank	33944LAS2	58074	FLINT COMMUNITY BK	0.750%	0.750000%	1.5260	108	07/08/16	01/16/18
Frost Bank	38148JRJ2	33124	GOLMAN SACHS BANK USA	1.150%	1.150000%	3.0301	205	04/13/15	04/23/18
Wells Fargo Bank	140420UW8	33954	CAPITAL ONE BANK USA NA	1.600%	1.600000%	3.0274	339	08/26/15	09/04/18
Wells Fargo Bank	591803BD2		METROPOLITAN CAPITAL BANK	1.850%	1.850000%	5.0110	649	07/08/14	07/11/19
Wells Fargo Bank	06740KHF7		BARCLAYS BANK DELAWARE	2.050%	2.050000%	5.0247	654	07/08/14	07/16/19
Wells Fargo Bank	23204HBU1		CUSTOMERS BANK	1.900%	1.900000%	5.0411	661	07/09/14	07/23/19
Wells Fargo Bank	677721CE0		OHIO VALLEY BANK GALLIP	1.800%	1.800000%	5.0438	661	07/08/14	07/23/19
Raymond James & Assoc.	140420UT5	33954	CAPITAL ONE BANK USA NA	2.100%	2.100000%	4.0027	695	08/26/15	08/26/19
Raymond James & Assoc.	33646CFN9	9087	FIRST SOURCE BANK	1.800%	1.800000%	4.5123	881	08/26/15	02/28/20
Raymond James & Assoc.	29976DA59	34775	EVERBANK / JACKSONVILLE FL	2.050%	2.050000%	5.0110	1,063	08/26/15	08/28/20
Raymond James & Assoc.	307814DF7	13046	FARMERS & MERCHANT BK WISC	1.850%	1.850000%	5.0110	1,063	08/26/15	08/28/20
			Weighted Average		1.377017%	2.9171	416		TOTAL

† Weighted Averages are based on investment holdings as of the last day of the quarter using actual days remaining to maturity and are calculated based on Yields, Duration, Days to Maturity, Purchase Prices, and Total Purchase Price .

Listing of All Brokered CDs and Ladder Placement -
September 30, 2017
(Unaudited)

Purchase Price at Par	Face Value 06/30/17	Additions	(Maturities)	Amortization of (Premium) Discount	Market Adjustments Increase (Decrease)	Face Value 09/30/17	Short-term Ladder <=12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
248,000	248,005	-	(248,000)	-	(5)	-	-	-	-
250,000	249,859	-	(250,000)	-	21	-	-	-	-
250,000	249,915	-	(250,000)	-	3	-	-	-	-
250,000	249,581	-	-	-	215	249,796	-	249,796	-
250,000	249,404	-	-	-	293	249,697	-	249,697	-
250,000	249,207	-	-	-	244	249,451	-	249,451	-
250,000	249,577	-	-	-	213	249,790	-	249,790	-
250,000	249,594	-	-	-	213	249,807	-	249,807	-
248,000	247,772	-	-	-	50	247,822	-	247,822	-
248,000	248,855	-	-	-	(356)	248,499	-	248,499	-
248,000	248,509	-	-	-	(7)	248,502	-	-	248,502
248,000	249,842	-	-	-	(373)	249,469	-	-	249,469
248,000	249,896	-	-	-	(379)	249,517	-	-	249,517
248,000	249,905	-	-	-	(384)	249,521	-	-	249,521
250,000	252,382	-	-	-	(431)	251,951	-	-	251,951
250,000	253,141	-	-	-	(566)	252,575	-	-	252,575
250,000	251,791	-	-	-	(583)	251,208	-	-	251,208
250,000	250,262	-	-	-	(471)	249,791	-	-	249,791
4,486,000	4,497,497	-	(748,000)	-	(2,303)	3,747,396	-	1,744,862	2,002,534

Listing of All Municipal Bonds and Ladder Placement - September 30, 2017

VENDOR	Rating	CUSIP	Description	Coupon	Yield	Duration in Yrs from Purchase	Days To MTY	Purchase Date	Maturity Date /Called Date
Coastal Securities	AA3/AA	20772JL26	Municipal Bond - Connecticut State (GO) TXBL - B	1.000%	1.000000%	0.0000	-	08/27/15	08/01/17
Wells Fargo Bank	Aa3/AA-	34074GDG6	Florida State Hurricane Catastrophe Fund Fin Corp	2.107%	2.107000%	3.2192	274	04/13/15	07/01/18
Wells Fargo Bank	AAA	64971QQX4	New York City Transitional Fin Auth Rev Bond	2.150%	2.150000%	2.3205	397	07/07/16	11/01/18
Wells Fargo Bank	Aa3/AA	341271AA2	Florida St Brd of Adm Fin Corp Rev (GO)	2.163%	2.163000%	2.9836	639	07/07/16	07/01/19
Coastal Securities	AA/AA+	882806EL2	Texas Tech Univ Revenues 17th Series - TXBL - Series B	1.804%	1.804000%	3.4740	503	08/27/15	02/15/19
			† Weighted Averages		**1.961813%**	**2.6900**	**385**		**Totals**

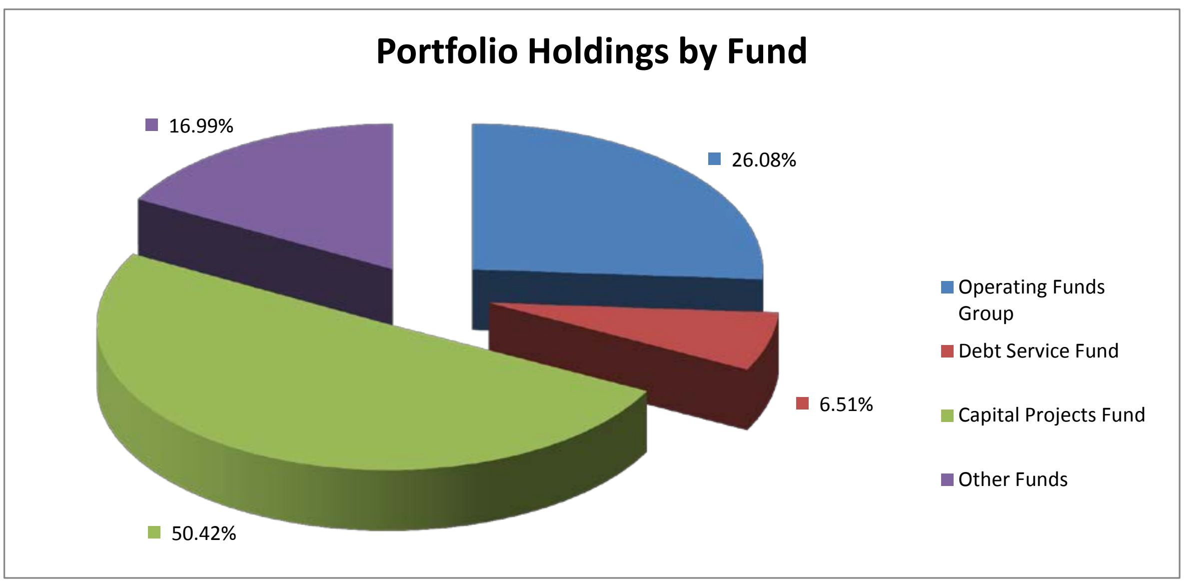
† Weighted Averages are based on investment holdings as of the last day of the quarter using actual days remaining to maturity and are calculated based on Yields, Duration, Days to Maturity, Purchase Prices, and Total Purchase Price.

Listing of All Municipal Bonds and Ladder Placement - September 30, 2017

Par Amount	Purchase Price	FMV 06/30/17	Additions (Subtractions)	Amortization (Premium) Discount	Market Adjustments Increase (Decrease)	FMV 09/30/17	Short-term Ladder <=12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
500,000	501,420	499,840	(500,000)	-	160	-	-	-	-
1,500,000	1,523,670	1,508,565	-	-	(6,120)	**1,502,445**	-	1,502,445	-
1,000,000	1,030,990	1,006,520	-	-	310	**1,006,830**	-	1,006,830	-
1,000,000	1,025,960	1,005,940	-	-	(1,060)	**1,004,880**	-	1,004,880	-
800,000	810,856	801,232	-	-	280	**801,512**	-	801,512	-
4,800,000	**4,892,896**	**4,822,097**	**(500,000)**	**-**	**(6,430)**	**4,315,667**	**-**	**4,315,667**	**-**

Portfolio Holdings by Fund
September 30, 2017
(Unaudited)

Fund	Operating Funds Groups:			
11	General Fund	$ 3,926,402		21.17%
12	Road & Bridge Fund	55,652		0.30%
14	Stadium & Fairgrounds Fund	648,015		3.50%
15	Law Library Fund	56,496		0.31%
16	Airport Fund	-		0.00%
17	Inland Parks Fund	-		0.00%
18	Coastal Parks Fund	144,451		0.80%
	Sub-Total Operating Funds		**$ 4,831,016**	26.08%
09	**Debt Service Fund**		**1,205,611**	6.51%
19	**Capital Projects Fund**		**9,338,110**	50.42%
	Other Funds Groups:			
10	Self Insurance Fund	205,455		1.11%
13	Special Revenue Fund	2,940,826		15.88%
	Sub-total Other Funds		**3,146,281**	16.99%
	Total Holdings at Current Market Value		**$ 18,521,018**	100.00%



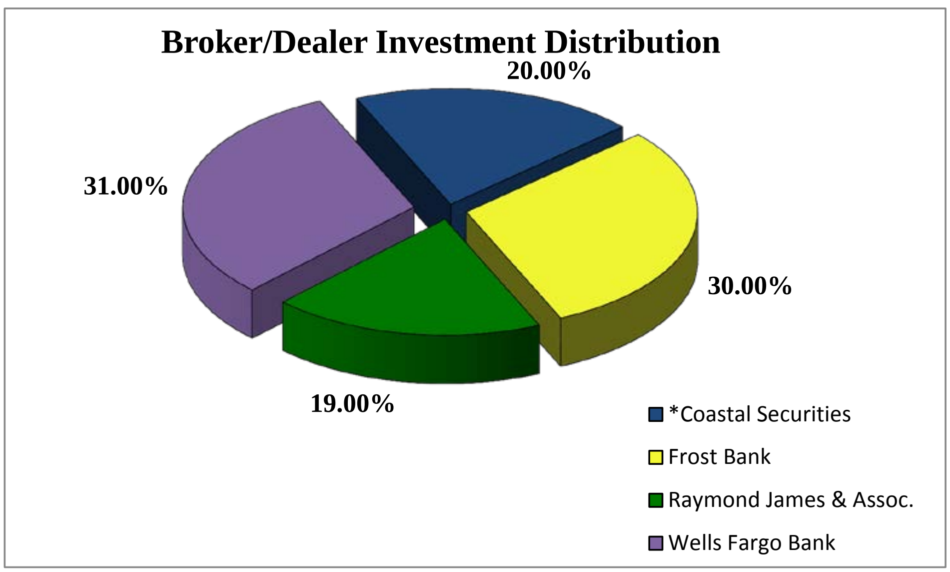
Distribution of Investments by

Broker/Dealer/Financial Institutions

September 30, 2017

(Unaudited)

	Fair Market Value	Distribution %
*Coastal Securities	$ 3,788,876	20.00%
Frost Bank	5,487,848	30.00%
Raymond James & Assoc.	3,492,419	19.00%
Wells Fargo Bank	5,751,875	31.00%
Total	$ 18,521,018	100.00%



* FTN Financial acquired 100% of Coastal Securities on April 1,2017 and FTN Financial became an approved investment vendor November 1, 2017.

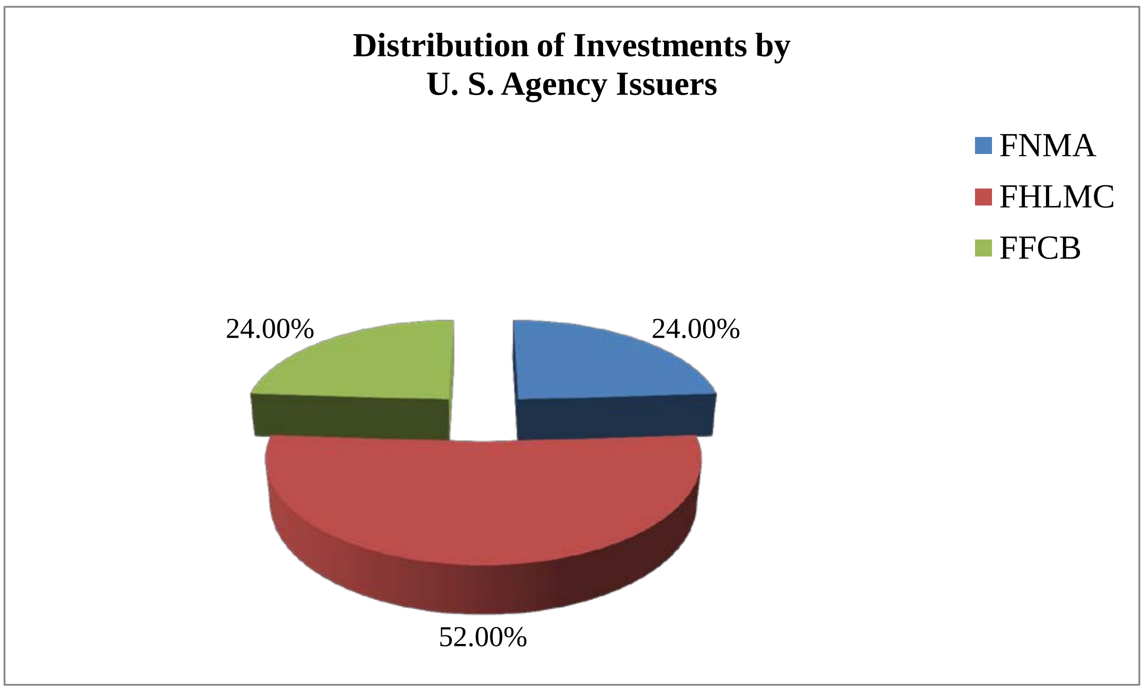
Distribution of Investments by

U. S Agencies Issuers

September 30, 2016

(Unaudited)

Agency		Fair Market Value	Distribution %
Fannie Mae	FNMA	2,483,304	24.00%
Fed Home Loan Freddie Mac	FHLMC	5,488,073	52.00%
Federal Farm Credit Bank	FFCB	2,486,578	24.00%
		$ 10,457,955	100.00%

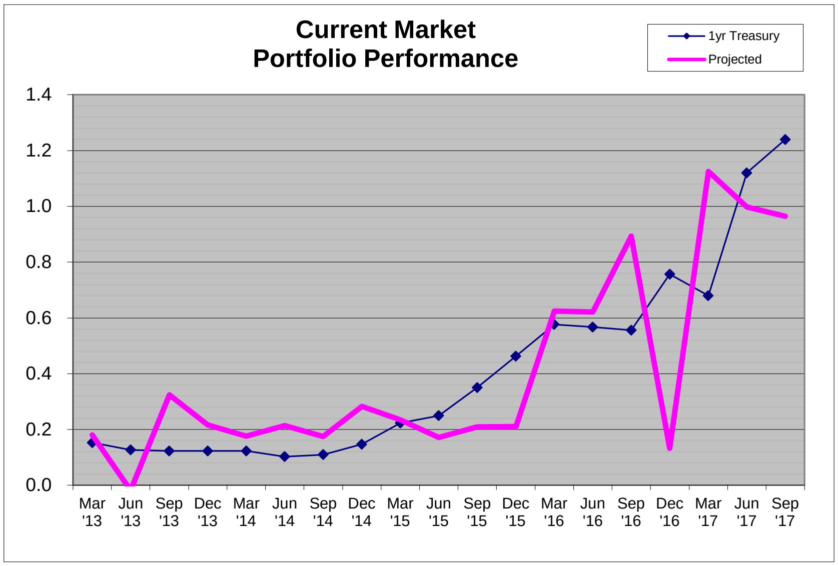


Investments Performance
Compared to One-Year Treasury
September 30, 2017
(Unaudited)

Quarter Ended	County Qrtly Avg Yield	Projected Annual County Yield	* 1yr Treasury
Dec-12	0.072%	0.288%	0.173%
Mar-13	0.045%	0.181%	0.153%
Jun-13	0.005%	-0.018%	0.127%
Sep-13	0.081%	0.324%	0.123%
Dec-13	0.054%	0.216%	0.123%
Mar-14	0.044%	0.176%	0.123%
Jun-14	0.054%	0.214%	0.103%
Sep-14	0.044%	0.175%	0.110%
Dec-14	0.071%	0.283%	0.147%
Mar-15	0.059%	0.234%	0.223%
Jun-15	0.043%	0.172%	0.250%
Sep-15	0.052%	0.209%	0.350%
Dec-15	0.053%	0.210%	0.463%
Mar-16	0.160%	0.625%	0.577%
Jun-16	0.155%	0.621%	0.567%
Sep-16	0.223%	0.893%	0.560%
Dec-16	0.035%	0.140%	0.760%
Mar-17	0.281%	1.246%	0.680%
Jun-17	0.249%	0.997%	1.120%
Sep-17	0.241%	0.965%	1.240%

* An average of the three months for the quarter presented of the market yields on 1-year U.S. Treasury constant maturity (CMT), quoted on investment basis.

Source: www.federalreserve.gov

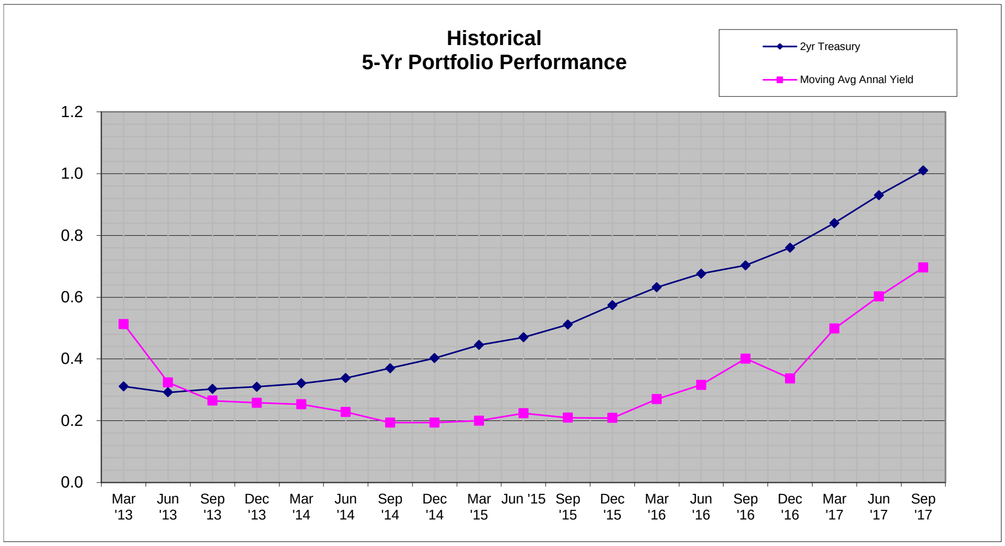


Investments Performance
Compared to Two-Year Treasury
September 30, 2017
(Unaudited)

Quarter Ended	County Two Year Moving Avg Annual Yield	* 2 yr Treasury (CMT)
Dec-12	0.496%	0.364%
Mar-13	0.513%	0.311%
Jun-13	0.324%	0.292%
Sep-13	0.265%	0.303%
Dec-13	0.258%	0.310%
Mar-14	0.253%	0.321%
Jun-14	0.280%	0.334%
Sep-14	0.194%	0.370%
Dec-14	0.194%	0.403%
Mar-15	0.200%	0.445%
Jun-15	0.228%	0.470%
Sep-15	0.210%	0.511%
Dec-15	0.209%	0.574%
Mar-16	0.226%	0.632%
Sep-16	0.401%	0.725%
Dec'16	0.388%	0.760%
Mar-17	0.498%	0.840%
Jun-17	0.602%	0.930%
Sep-17	0.696%	1.010%

* 2-year treasury rates are adjusted to a 24 month quarterly average yield. Twenty-four month moving average based on the 2 year CMT that changes monthly.

Source: www.federalreserve.gov



Comparison of Interest Rates on Liquid Investments

September 30, 2017

(Unaudited)

Month	TexPool Average Monthly Rates	TexPool Prime Average Monthly Rates	Texas Class Average Monthly Rates	Depository (Note 1) Bank Rates
September ‘13	0.0394%	0.0658%	0.09%	0.01%
October '13	0.4980%	0.8630%	0.09%	0.01%
November ‘13	0.0446%	0.0771%	0.10%	0.01%
December ‘13	0.0372%	0.0657%	0.10%	0.01%
January ‘14	0.0273%	0.0464%	0.10%	0.01%
February ‘14	0.0283%	0.0532%	0.10%	0.01%
March ‘14	0.0299%	0.0671%	0.10%	0.01%
April '14	0.0336%	0.0674%	0.10%	0.01%
May '14	0.0244%	0.0676%	0.10%	0.01%
June '14	0.0284%	0.0644%	0.10%	0.01%
July ‘14	0.0313%	0.0576%	0.10%	0.01%
August ‘14	0.0353%	0.0594%	0.10%	0.01%
September ‘14	0.0333%	0.0582%	0.10%	0.01%
October '14	0.0268%	0.0628%	0.10%	0.01%
November ‘14	0.0286%	0.0714%	0.10%	0.01%
December ‘14	0.0418%	0.0754%	0.10%	0.01%
January ‘15	0.0465%	0.0706%	0.10%	0.01%
February ‘15	0.0441%	0.0826%	0.10%	0.01%
March ‘15	0.0480%	0.0880%	0.12%	0.01%
April '15	0.0524%	0.0984%	0.14%	0.01%
May '15	0.0553%	0.1030%	0.14%	0.01%
June '15	0.0500%	0.1063%	0.15%	0.01%
July '15	0.0630%	0.1150%	0.16%	0.01%
August '15	0.0716%	0.1398%	0.18%	0.01%
September '15	0.0850%	0.1591%	0.19%	0.01%
October '15	0.9660%	0.1649%	0.21%	0.01%
November '15	0.1100%	0.1830%	0.24%	0.01%
December '15	0.1863%	0.2776%	0.29%	0.01%
January ‘16	0.2674%	0.4056%	0.42%	0.01%
February ‘16	0.3010%	0.4673%	0.49%	0.01%
March ‘16	0.3273%	0.5135%	0.54%	0.01%
April '16	0.3380%	0.5192%	0.57%	0.01%
May '16	0.3399%	0.5304%	0.59%	0.01%
June '16	0.3633%	0.5550%	0.63%	0.01%
July '16	0.3690%	0.5718%	0.64%	0.01%
August '16	0.3737%	0.6010%	0.70%	0.01%
September '16	0.3799%	0.7068%	0.77%	0.01%
October '16	0.3828%	0.7230%	0.83%	0.01%
November '16	0.3987%	0.7402%	0.90%	0.01%
December '16	0.4570%	0.8148%	0.89%	0.01%
January '17	0.5385%	0.8992%	0.96%	0.10%
February ‘17	0.5591%	0.9322%	0.97%	0.17%
March ‘17	0.6222%	0.9665%	1.00%	0.17%
April '17	0.7121%	1.0477%	1.06%	0.18%
May '17	0.7689%	1.0683%	1.09%	0.46%
June '17	0.8817%	1.3710%	1.13%	0.55%
July '17	0.9714%	1.2082%	1.18%	0.64%
August '17	0.6689%	1.2418%	1.23%	0.72%
September '17	1.0151%	1.2644%	1.25%	0.68%

Note 1: The interest rate paid on demand deposits for the current month is based on the previous month's weighted average of the 13-week T-Bill auction rate less 35 basis points.