

Nueces County Quarterly Investment Report March 31, 2016 (Unaudited)

*Prepared by Nueces County
Auditors Office and County
Clerk Treasury Division
901 Leopard Rm. 304
Corpus Christi TX
78401*



Nueces County

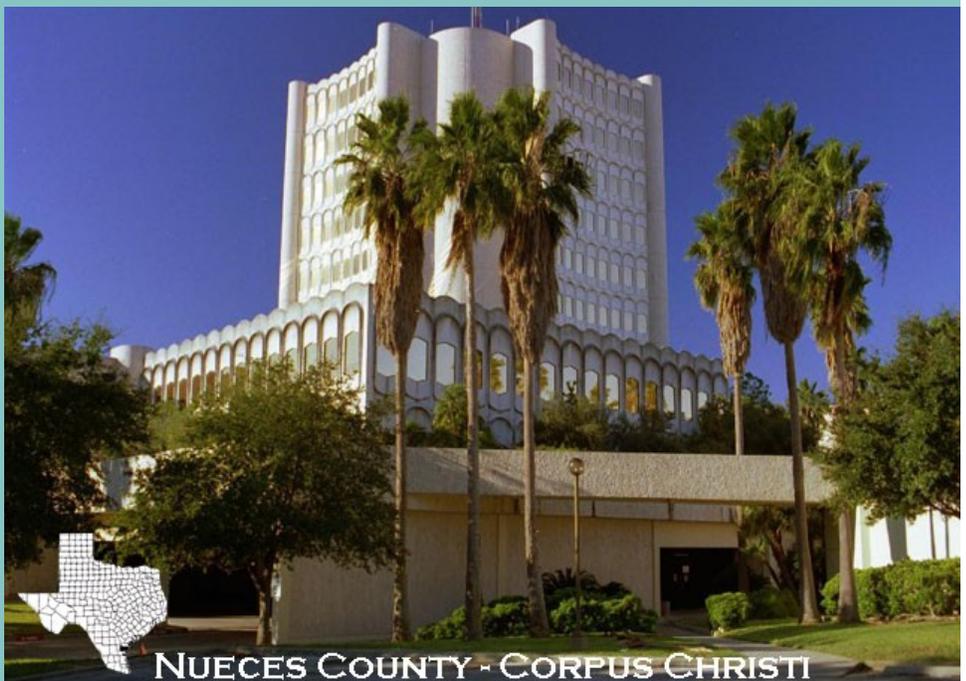
Phone: 361-888-0556

Fax: 361-888-0584

E-mail:

[Nueces.countyaudit@](mailto:Nueces.countyaudit@nuecesco.com)

nuecesco.com



Presented to Nueces County

Commissioners Court

in accordance with Government

Code 2256.023

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 March 31, 2016

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 March 31, 2016 have a current value of \$116,772,340. As compared to last quarter, total balances have increased by \$17,790,297 up from \$98,982,043. The reason for the net increase is due to the county having reached the peak collecting property taxes.

Compliance Measures

- The weighted average maturity of the operating portfolio is 147 days and the county is in compliance with the investment policy. The policy limits the weighted average to 364 days. Compared to last quarter the average maturity decreased by 109 days, due to increase in pool 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 72.39% and the remainder is invested in brokered CDs, municipal bonds, and US Agencies which are 8.82%, 4.53%, and 14.25%, 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 March 31, 2016.

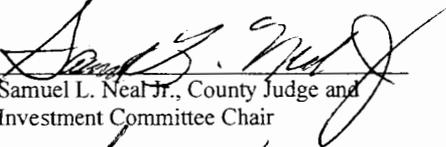
Brokered CDs are being carried at cost and other investments shorter than a year are not marked to market.

Current quarterly earnings are \$181,958. Compared to the quarter ending March 31, 2015, earnings this quarter shows an increase of \$132,517, up from \$49,441. The large interest increase in the current quarter is due mainly to a larger mark up of \$48,474 than the previous quarter in the previous year which had market mark up of 3,022.

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 May 31, 2016, and herein presents to the Commissioners Court for final approval. Thank you.



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



Kevin Hill, CPA, Treasury Accountant



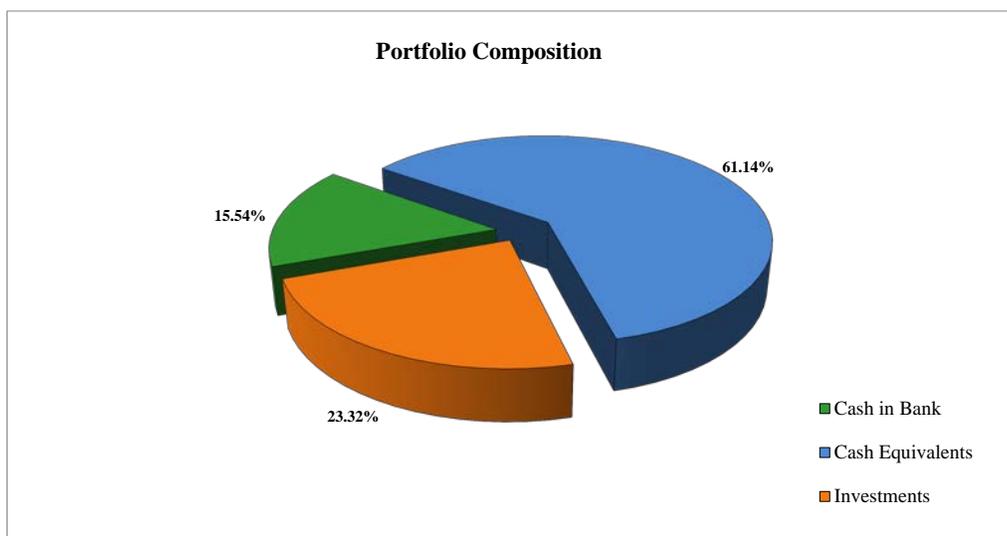
Dale Atchley, CPA, County Auditor



Federico Chavera, Revenue/Cash Manager

Cash, Cash Equivalents and Investments by Fund Group
March 31, 2016
(Unaudited)

	Operating Funds		Capital Projects Funds		Debt Service Funds		Other Funds		All Fund Groups Total	
Cash in Bank	\$ 10,817,805	16.48%	\$ 1,114,543	4.31%	\$ 19,081	0.38%	\$ 6,189,379	30.63%	\$ 18,140,809	15.54%
Cash Equivalents:										
TEXPOOL	1,439,284	2.19%	-	0.00%		0.00%	-	0.00%	1,439,284	1.23%
MBIA	44,477,147	67.74%	12,614,525	48.75%	3,139,423	62.41%	9,727,681	48.15%	69,958,776	59.91%
Sub-Total Cash & Cash Equivalents	45,916,431	69.93%	12,614,525	48.75%	3,139,423	62.41%	9,727,681	48.15%	71,398,060	61.14%
Investments:										
Brokered CDs	2,851,635	4.34%	3,882,530	15.00%	598,259	11.89%	1,370,878	6.78%	8,703,302	7.45%
Municipal Bonds	1,464,470	2.23%	1,993,892	7.71%	307,239	6.11%	704,021	3.48%	4,469,622	3.83%
US Agencies	4,606,936	7.02%	6,272,388	24.24%	966,512	19.21%	2,214,711	10.96%	14,060,547	12.04%
Sub-Total Investments	8,923,041	13.59%	12,148,810	46.95%	1,872,010	37.21%	4,289,610	21.22%	27,233,471	23.32%
Total Cash, Cash Equivalents & Investments	\$ 65,657,277	100.00%	\$ 25,877,878	100.01%	\$ 5,030,514	100.00%	\$ 20,206,670	100.00%	\$ 116,772,340	100.00%



Operating Funds and Other Funds Groups

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

March 31, 2016

Operating Funds:

	General Fund	Road Fund	Stadium/ Fairgrounds Fund
Cash	\$ 10,457,830	(70,683)	93,340
Cash Equivalents	39,267,146	2,811,340	1,892,435
Investments	<u>7,393,031</u>	<u>104,411</u>	<u>541,057</u>
Total as of March 31, 2016	57,118,007	2,845,068	2,526,832
Total as of March 31, 2015	56,916,293	1,987,568	2,909,185
Increase (Decrease) from one year ago	<u>\$ 201,714</u>	<u>857,500</u>	<u>(382,353)</u>

Other Funds:

	Self Insurance Fund	Special Fund	Main Grant Fund
Cash	\$ 1,313,519	4,205,526	358,599
Cash Equivalents	1,514,509	8,213,172	-
Investments	<u>280,116</u>	<u>4,009,494</u>	<u>-</u>
Total as of March 31, 2016	3,108,144	16,428,192	358,599
Total as of March 31, 2015	2,665,303	14,068,704	964,243
Increase (Decrease) from one year ago	<u>\$ 442,841</u>	<u>2,359,488</u>	<u>(605,644)</u>

Law Library Fund	Airport Fund	Inland Parks Fund	Coastal Parks Fund	Total
43,890	10,822	84,817	197,789	\$ 10,817,805
91,544	64,616	251,141	1,538,209	45,916,431
105,563	-	-	355,103	8,499,165
240,997	75,438	335,958	2,091,101	65,233,401
245,209	29,334	333,906	871,833	63,293,328
<u>(4,212)</u>	<u>46,104</u>	<u>2,052</u>	<u>1,219,268</u>	\$ <u>1,940,073</u>

TJJD Grant Fund	Total
311,735	\$ 6,189,379
-	9,727,681
-	<u>4,289,610</u>
311,735	20,206,670
548,415	18,246,665
<u>(236,680)</u>	\$ <u>1,960,005</u>

Portfolio Diversity

Test of Compliance with Investment Policy

All Fund Groups as of March 31, 2016

(Unaudited)

	<u>Current Value</u>	<u>%</u>	<u>Investment Policy Maximum</u>
Cash Equivalents	\$ 71,398,060	72.40%	85.00%
Brokered CDs	8,703,302	8.82%	75.00%
Municipal Bonds	4,469,622	4.53%	75.00%
US Agencies	<u>14,060,547</u>	<u>14.25%</u>	75.00%
Total Cash Equivalents and Investments (excludes cash in bank)	<u>\$ 98,631,531</u>	<u>100.00%</u>	

Portfolio Liquidity

Test of Compliance with Investment Policy

Weighted Average Days to Maturity

Operating Funds Group as of March 31, 2016

(Unaudited)

	<u>Fair Value</u>	<u>Weighted Average Days to Maturity</u>	<u>Investment Policy Maximum</u>
Cash Equivalents	\$ 71,398,060	1	
Brokered CDs	8,703,302	530	
Municipal Bonds	4,469,622	659	
US Agencies	<u>14,060,547</u>	<u>490</u>	
Total Cash Equivalents and Investments-Operating Fund Group Only (excludes cash in bank)	<u>\$ 98,631,531</u>	<u>147</u>	<u>364</u>

Statement of Changes in Investments

as of March 31, 2016

(Unaudited)

	Beginning Balance 12/31/15	Additions	(Subtractions)	Amortization (Premium) Discount	Market Adjustments	Ending Balance 03/31/16
Brokered CDs	\$ 9,199,149	\$ -	\$ (496,000)	\$ 153	\$ -	\$ 8,703,302
Municipal Bonds	4,437,369	-	-	(5,049)	37,302	4,469,622
US Agencies	15,052,765	-	(1,000,000)	(3,390)	11,172	14,060,547
Total	\$ 28,689,283	\$ 0	\$ (1,496,000)	\$ (8,286)	\$ 48,474	\$ 27,233,471

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

(Unaudited)

	Quarterly Comparison			Year-to-Date Comparison		
	01/01/15 03/31/15	01/01/16 03/31/16	Increase/ (Decrease)	10/01/14 03/31/15	10/01/15 03/31/16	Increase/ (Decrease)
Operating Fund Group	\$ 25,097	\$ 75,042	\$ 49,945	\$ 45,087	\$ 93,196	\$ 48,109
Capital Projects Fund Group	7,611	65,468	57,857	15,128	84,846	69,718
Debt Service Fund Group	5,194	12,913	7,719	10,212	16,002	5,790
Other Funds Group	11,539	28,535	16,996	22,718	36,004	13,286
Total	\$ 49,441	\$ 181,958	\$ 132,517	\$ 93,145	\$ 230,048	\$ 136,903

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 -
 March 31, 2016
 (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	Purchase Price
Wells Fargo	C	67756A2K7	MB	1.000%	0.273100%	1.6384	276	05/14/15	01/01/17	380,000	392,171
Coastal Securities	N/A	57582P2Q2	MB	1.000%	0.880000%	2.9233	396	05/30/14	05/01/17	1,250,000	1,254,300
Coastal Securities	N/A	20772JL26	MB	1.284%	0.850000%	1.9205	488	08/31/15	08/01/17	500,000	501,420
Wells Fargo	N/A	34074GDG6	MB	2.107%	2.107000%	3.2110	822	04/16/15	07/01/18	1,500,000	1,523,670
Coastal Securities	N/A	882806EL2	MB	1.804%	1.400000%	3.4630	1,051	08/31/15	02/15/19	800,000	810,856
Wells Fargo	N/A/	3133EFBS5	FFCB	0.680%	0.680000%	1.8329	459	09/03/15	07/03/17	1,000,000	1,000,000
Coastal Securities	N/A	3130A43S9	FHLB	0.270%	0.254900%	0.0000	-	05/11/15	02/05/16	1,000,000	1,000,110
Coastal Securities	N/A	3130A4YK2	FHLB	0.310%	0.310000%	1.0027	15	04/15/15	04/15/16	1,000,000	1,000,000
Coastal Securities	C	3134G6E82	FHLMC	1.013%	0.850000%	2.0027	421	05/26/15	05/26/17	2,500,000	2,500,325
Frost Bank	C	3134G6E82	FHLMC	1.000%	0.850000%	2.0027	421	05/26/15	05/26/17	1,750,000	1,750,000
Wells Fargo	N/A	3134G6YQ0	FHLMC	1.000%	0.800000%	2.0027	421	05/26/15	05/26/17	3,808,000	3,808,000
Raymond James	C	3135G0D83	FNMA	1.625%	0.590000%	2.9589	756	05/12/15	04/26/18	2,000,000	2,019,694
Raymond James	C	3135G0D67	FNMA	1.625%	0.590000%	2.9616	757	05/12/15	04/27/18	2,000,000	2,019,751
Raymond James	N/A	80280JEJ60	CD	1.000%	1.000000%	0.0000	-	04/16/15	01/15/16	248,000	248,000
Raymond James	N/A	15135KAN1	CD	1.000%	1.000000%	0.0000	-	05/14/15	02/12/16	248,000	248,000
Raymond James	N/A	05368TAA9	CD	1.000%	1.000000%	1.0000	15	04/16/15	04/15/16	248,000	248,000
Raymond James	N/A	33583CPD5	CD	1.000%	1.000000%	0.9973	15	04/17/15	04/15/16	248,000	248,000
Frost Bank	N/A	8148RAV2	CD	1.000%	1.000000%	0.9973	15	04/17/15	04/15/16	248,000	248,000
Frost Bank	N/A	03784JHB3	CD	1.000%	1.000000%	1.0219	29	04/22/15	04/29/16	248,000	248,000
Frost Bank	N/A	14147VEN2	CD	1.000%	1.000000%	0.9945	26	04/29/15	04/26/16	248,000	248,000
Coastal Securities	N/A	149159KH7	CD	1.000%	1.000000%	0.9808	36	05/14/15	05/06/16	248,000	248,000
Coastal Securities	N/A	60688MMH4	CD	1.000%	1.000000%	1.0027	50	05/20/15	05/20/16	248,000	248,000
Wells Fargo	N/A	17284AS66	CD	1.000%	1.000000%	4.0247	53	05/15/12	05/23/16	248,000	248,000
Frost Bank	N/A	200829AW9	CD	1.000%	1.000000%	0.8329	91	08/31/15	06/30/16	250,000	250,000
Frost Bank	N/A	08016PBU2	CD	1.000%	1.000000%	1.0000	152	08/31/15	08/30/16	250,000	250,000
Frost Bank	N/A	07370TP98	CD	1.000%	1.000000%	0.9973	153	09/02/15	08/31/16	250,000	250,000
Frost Bank	N/A	29367RHC3	CD	1.000%	1.000000%	1.0027	153	08/31/15	08/31/16	250,000	250,000
Frost Bank	N/A	7836861BY2	CD	1.000%	1.000000%	0.9973	155	09/04/15	09/02/16	250,000	250,000
Wells Fargo	N/A	78658QNK5	CD	1.000%	1.000000%	1.5068	229	05/15/15	11/15/16	248,000	248,000
Wells Fargo	N/A	316041CN0	CD	1.000%	1.000000%	1.5068	235	05/21/15	11/21/16	248,000	248,000
Wells Fargo	N/A	59774QEU2	CD	1.000%	1.000000%	1.4575	319	08/31/15	02/13/17	249,000	249,000
Raymond James	N/A	05580ABL7	CD	1.000%	1.000000%	1.9479	389	05/14/15	04/24/17	248,000	246,879
Coastal Securities	N/A	02006LQT3	CD	1.000%	1.000000%	2.0055	410	05/14/15	05/15/17	248,000	248,000
Raymond James	N/A	02587DXZ6	CD	1.000%	1.000000%	2.0055	410	05/14/15	05/15/17	248,000	248,000
Coastal Securities	N/A	254672NM6	CD	1.000%	1.000000%	2.0082	410	05/13/15	05/15/17	248,000	248,000

Listing of All Investments and Ladder Placement -
 March 31, 2016
 (Unaudited)

FMV 12/31/15	Additions (Subtractions)	Amortization (Premium) Discount	Market Adjustments Increase (Decrease)	FMV 03/31/16	Short-term Ladder ≤12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
384,951		(1,866)	2,045	385,130	-	385,130	-
1,248,650		(368)	7,168	1,255,450	-	1,255,450	-
499,300		(185)	3,520	502,635	-	502,635	-
1,506,780		(1,845)	11,760	1,516,695	-	1,516,695	-
797,688		(785)	12,809	809,712	-	809,712	-
994,070			5,331	999,401	-	999,401	-
1,000,098	(1,000,000)	(15)	(83)	-	-	-	-
999,628			432	1,000,060	1,000,060	-	-
2,493,658		(41)	6,491	2,500,108	-	2,500,108	-
1,745,560			4,515	1,750,075	-	1,750,075	-
3,809,573			(1,550)	3,808,023	-	3,808,023	-
2,005,112		(1,665)	(2,107)	2,001,340	-	2,001,340	-
2,005,066		(1,669)	(1,857)	2,001,540	-	2,001,540	-
248,000	(248,000)			-	-	-	-
248,000	(248,000)			-	-	-	-
248,000				248,000	248,000	-	-
248,000				248,000	248,000	-	-
248,000				248,000	248,000	-	-
248,000				248,000	248,000	-	-
248,000				248,000	248,000	-	-
248,000				248,000	248,000	-	-
248,000				248,000	248,000	-	-
248,000				248,000	248,000	-	-
248,000				248,000	248,000	-	-
248,000				248,000	-	-	248,000
250,000				250,000	250,000	-	-
250,000				250,000	250,000	-	-
250,000				250,000	250,000	-	-
250,000				250,000	250,000	-	-
250,000				250,000	250,000	-	-
248,000				248,000	-	248,000	-
248,000				248,000	-	248,000	-
249,000				249,000	-	249,000	-
247,243		143		247,386	-	247,386	-
248,000				248,000	-	248,000	-
248,000				248,000	-	248,000	-
248,000				248,000	-	248,000	-

Listing of All Investments and Ladder Placement -
 March 31, 2016
 (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	Purchase Price
Wells Fargo	N/A	928066AJ8	CD	1.000%	1.000000%	1.7973	438	08/26/15	06/12/17	249,000	249,000
Wells Fargo	N/A	33610RPP2	CD	1.000%	1.000000%	3.0466	480	07/08/14	07/24/17	248,000	248,000
Wells Fargo	N/A	63969AAU8	CD	1.000%	1.000000%	5.0384	544	09/13/12	09/26/17	250,000	250,000
Wells Fargo	N/A	12325EFN7	CD	1.000%	1.000000%	5.0438	546	09/13/12	09/28/17	250,000	250,000
Raymond James	N/A	48125T6N0	CD	1.000%	1.000000%	2.9863	740	04/16/15	04/10/18	248,000	248,000
Frost Bank	N/A	38148JRJ2	CD	1.000%	1.000000%	3.0055	753	04/22/15	04/23/18	248,000	248,000
Wells Fargo	N/A	140420UW8	CD	1.000%	1.000000%	3.0274	887	08/26/15	09/04/18	248,000	248,000
Wells Fargo	N/A	591803BD2	CD	1.000%	1.000000%	5.0110	1,197	07/08/14	07/11/19	248,000	248,000
Wells Fargo	N/A	06740KHF7	CD	1.000%	1.000000%	5.0247	1,202	07/08/14	07/16/19	248,000	248,000
Wells Fargo	N/A	23204HBU1	CD	1.000%	1.000000%	5.0411	1,209	07/09/14	07/23/19	248,000	248,000
Wells Fargo	N/A	677721CE0	CD	1.000%	1.000000%	5.0438	1,209	07/08/14	07/23/19	248,000	248,000
Raymond James	N/A	140420UT5	CD	1.000%	1.000000%	3.9890	1,243	08/31/15	08/26/19	250,000	250,000
Raymond James	N/A	33646CFN9	CD	1.000%	1.000000%	4.9973	1,611	08/31/15	08/28/20	250,000	250,000
Raymond James	N/A	29976DA59	CD	1.000%	1.000000%	4.9973	1,611	08/31/15	08/28/20	250,000	250,000
Raymond James	N/A	307814DF7	CD	1.000%	1.000000%	4.9973	1,611	08/31/15	08/28/20	250,000	250,000
Weighted Averages [†]					0.884449%	2.3132	504	Totals		28,688,000	28,779,176

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 -
 March 31, 2016
 (Unaudited)

FMV 12/31/15	Additions (Subtractions)	Amortization (Premium) Discount	Market Adjustments Increase (Decrease)	FMV 03/31/16	Short-term Ladder ≤12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
249,000				249,000	-	249,000	-
248,000				248,000	-	248,000	-
250,000				250,000	-	-	250,000
250,000				250,000	-	-	250,000
247,906		10		247,916	-	247,916	-
248,000				248,000	-	248,000	-
248,000				248,000	-	248,000	-
248,000				248,000	-	-	248,000
248,000				248,000	-	-	248,000
248,000				248,000	-	-	248,000
248,000				248,000	-	-	248,000
250,000				250,000	-	-	250,000
250,000				250,000	-	-	250,000
250,000				250,000	-	-	250,000
250,000				250,000	-	-	250,000
28,689,283	(1,496,000)	(8,286)	48,474	27,233,471	3,986,060	20,507,411	2,740,000
Investment Ladder Targets.....					<u>7,000,000</u>	<u>25,000,000</u>	<u>8,000,000</u>
Investment Funds: Available/(Exceeded)					<u>3,013,940</u>	<u>4,492,589</u>	<u>5,260,000</u>

Listing of All Brokered CDs and Ladder Placement -
 March 31, 2016
 (Unaudited)

VENDOR	CUSIP	FDIC Cert#	Bank Issuing CD	Coupon	Yield	Duration in Yrs from Purchase	Days To MTY
Raymond James	80280JEJ60	29950	SANTANDER BANK NA	0.350%	0.349900%	0.0000	-
Raymond James	15135KAN1	11241	CENTENNIAL BANK CONWAY	0.350%	0.349900%	0.0000	-
Raymond James	05368TAA9	57510	AVIDBANK	0.400%	0.399600%	1.0000	15
Raymond James	33583CPD5	16004	FIRST NIAGARA BANK NY	0.450%	0.450000%	0.9973	15
Frost Bank	81489RAV2	18374	SECURITY STATE BANK SCOTT	0.400%	0.400000%	0.9973	15
Frost Bank	03784JHB3	16068	APPLE BANK FOR SAVINGS	0.400%	0.400000%	1.0027	22
Frost Bank	1414VEN2	34733	CARDINAL BANK NA	0.400%	0.400000%	1.0027	29
Coastal Securities	149159KH7	18503	CATHAY BANK	0.400%	0.399000%	0.9808	36
Coastal Securities	60688MMH4	21843	MIZUHO BANK USA	0.400%	0.400000%	1.0027	50
Wells Fargo	17284AS66	35575	CIT BANK SALT LAKE CITY UTAH	1.150%	1.150000%	4.0027	53
Frost Bank	200829AW9	58366	COMMERCE UNION BANKSHARE	0.600%	0.600000%	0.8329	91
Frost Bank	08016PBU2	58165	BELMONT BANK & TRUST CO	0.550%	0.550000%	1.0000	152
Frost Bank	07370TP98	57833	BEAL BANK SSB	0.600%	0.600000%	0.9973	153
Frost Bank	293637RHC3	24786	ENTERPRISE BANK / PA	0.400%	0.400000%	1.0027	153
Frost Bank	7836861BY2	11124	S & T BANK	0.550%	0.550000%	0.9973	155
Wells Fargo	78658QNKS	26876	SAFRA NATIONAL BANK	0.550%	0.550000%	1.5068	229
Wells Fargo	316041CN0	21440	FIDELITY BANK ATLANTA	0.550%	0.550000%	1.5068	235
Wells Fargo	59774QEU2	1040	MIDLAND STATES BANK	0.900%	0.900000%	1.4575	319
Raymond James	05580ABL7	35141	BMW BANK NORTH AMERICA	0.700%	0.934600%	1.9479	389
Coastal Securities	02006LQT3	35141	ALLY	0.950%	0.950000%	2.0055	410
Raymond James	02587DXZ6	27471	AMERICAN EXPRESS CENTURION	1.000%	1.000000%	2.0055	410
Coastal Securities	254672NM6	5649	DISCOVER BANK	0.950%	0.950000%	2.0082	410
Wells Fargo	928066AJ8	58824	VIRGINIA PARTNERS BANK	0.900%	0.900000%	1.7973	438
Wells Fargo	33610RPP2		FIRST PREMIER BANK	1.000%	1.000000%	3.0466	480
Wells Fargo	63969AAU8		NEBRASKA STATE B&T	0.850%	0.850000%	5.0658	544
Wells Fargo	12325EFN7		BUSINESS BANK OF ST LOUIS	0.950%	0.950000%	5.0466	546
Raymond James	48125T6N0	628	JP MORGAN CHASE BANK	1.000%	1.430000%	2.9863	740
Frost Bank	38148JRJ2	33124	GOLMAN SACHS BANK USA	1.500%	1.500000%	3.0055	753
Wells Fargo	140420UW8	33954	CAPITAL ONE BANK USA NA	1.600%	1.600000%	3.0274	887
Wells Fargo	591803BD2		METROPOLITAN CAPITAL BANK	1.850%	1.850000%	5.0110	1,197
Wells Fargo	06740KHF7		BARCLAYS BANK DELAWARE	2.050%	2.050000%	5.0247	1,202

Listing of All Brokered CDs and Ladder Placement -
 March 31, 2016
 (Unaudited)

Purchase Date	Maturity Date /Called Date	Purchase Price at Par	Face Value 9/30/15	Additions	(Maturities)	Amortization of (Premium) Discount	Face Value 03/31/2016	Short-term Ladder <=12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
04/16/15	01/15/16	248,000	248,000	-	(248,000)	-	-	-	-	-
05/14/15	02/12/16	248,000	248,000	-	(248,000)	-	-	-	-	-
04/16/15	04/15/16	248,000	248,000	-	-	-	248,000	248,000	-	-
04/17/15	04/15/16	248,000	248,000	-	-	-	248,000	248,000	-	-
04/17/15	04/15/16	248,000	248,000	-	-	-	248,000	248,000	-	-
04/22/15	04/22/16	248,000	248,000	-	-	-	248,000	248,000	-	-
04/29/15	04/29/16	248,000	248,000	-	-	-	248,000	248,000	-	-
05/14/15	05/06/16	248,000	248,000	-	-	-	248,000	248,000	-	-
05/20/15	05/20/16	248,000	248,000	-	-	-	248,000	248,000	-	-
05/23/12	05/23/16	248,000	248,000	-	-	-	248,000	-	-	248,000
08/31/15	06/30/16	250,000	250,000	-	-	-	250,000	250,000	-	-
08/31/15	08/30/16	250,000	250,000	-	-	-	250,000	250,000	-	-
09/02/15	08/31/16	250,000	250,000	-	-	-	250,000	250,000	-	-
08/31/15	08/31/16	250,000	250,000	-	-	-	250,000	250,000	-	-
09/04/15	09/02/16	250,000	250,000	-	-	-	250,000	250,000	-	-
05/15/15	11/15/16	248,000	248,000	-	-	-	248,000	-	248,000	-
05/21/15	11/21/16	248,000	248,000	-	-	-	248,000	-	248,000	-
08/31/15	02/13/17	249,000	249,000	-	-	-	249,000	-	249,000	-
05/14/15	04/24/17	246,953	247,243	-	-	143	247,386	-	247,386	-
05/14/15	05/15/17	248,000	248,000	-	-	-	248,000	-	248,000	-
05/14/15	05/15/17	248,000	248,000	-	-	-	248,000	-	248,000	-
05/13/15	05/15/17	248,000	248,000	-	-	-	248,000	-	248,000	-
08/26/15	06/12/17	249,000	249,000	-	-	-	249,000	-	249,000	-
07/08/14	07/24/17	248,000	248,000	-	-	-	248,000	-	248,000	-
09/03/12	09/26/17	250,000	250,000	-	-	-	250,000	-	-	250,000
09/12/12	09/28/17	250,000	250,000	-	-	-	250,000	-	-	250,000
04/16/15	04/10/18	247,885	247,906	-	-	10	247,916	-	247,916	-
04/22/15	04/23/18	248,000	248,000	-	-	-	248,000	-	248,000	-
08/26/15	09/04/18	248,000	248,000	-	-	-	248,000	-	248,000	-
07/08/14	07/11/19	248,000	248,000	-	-	-	248,000	-	-	248,000
07/08/14	07/16/19	248,000	248,000	-	-	-	248,000	-	-	248,000

Listing of All Brokered CDs and Ladder Placement -
 March 31, 2016
 (Unaudited)

VENDOR	CUSIP	FDIC Cert#	Bank Issuing CD	Coupon	Yield	Duration in Yrs from Purchase	Days To MTY	
Wells Fargo	23204HBU1		CUSTOMERS BANK	1.900%	1.900000%	5.0027	1,209	
Wells Fargo	677721CE0		OHIO VALLEY BANK GALLIP	1.800%	1.800000%	5.0438	1,209	
Raymond James	140420UT5	33954	CAPITAL ONE BANK USA NA	2.100%	2.100000%	3.9890	1,243	
Raymond James	33646CFN9	9087	FIRST SOURCE BANK	1.800%	1.800000%	4.9973	1,611	
Raymond James	29976DA59	34775	VEVERBANK / JACKSONVILLE FL	2.050%	2.050000%	4.9973	1,611	
Raymond James	307814DF7	13046	FARMERS & MERCHANT BK WISC	1.850%	1.850000%	4.9973	1,611	
Weighted Average						<u>0.996569%</u>	<u>2.4687</u>	<u>504</u>

† 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 -
 March 31, 2016
 (Unaudited)

Purchase Date	Maturity Date /Called Date	Purchase Price at Par	Face Value 9/30/15	Additions	(Maturities)	Amortization of (Premium) Discount	Face Value 03/31/2016	Short-term Ladder <=12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
07/23/14	07/23/19	248,000	248,000	-	-	-	248,000	-	-	248,000
07/08/14	07/23/19	248,000	248,000	-	-	-	248,000	-	-	248,000
08/31/15	08/26/19	250,000	250,000	-	-	-	250,000	-	-	250,000
08/31/15	08/28/20	250,000	250,000	-	-	-	250,000	-	-	250,000
08/31/15	08/28/20	250,000	250,000	-	-	-	250,000	-	-	250,000
08/31/15	08/28/20	250,000	250,000	-	-	-	250,000	-	-	250,000
TOTAL		9,198,838	9,199,149	-	(496,000)	153	8,703,302	2,986,000	2,977,302	2,740,000

Listing of All Municipal Bonds and Ladder Placement - March 31, 2016

VENDOR	Rating	CUSIP	Description	Coupon	Yield	Duration in Yrs from Purchase	Days To MTY	Purchase Date	Maturity Date /Called Date	OPTIONAL Call Date
Wells Fargo	Aa2/AA-	67756A2K7	Ohio State Higher Education Fac Comm - Callable Anytime	0.751%	0.273100%	1.6384	459	05/14/15	01/01/17	
Coastal Securities	Aa1/AA+	57582P2Q2	Municipal Bond - Massachusetts State (GO) TXBL	1.000%	0.880000%	2.9233	579	05/30/14	05/01/17	
Coastal Securities	AA3/AA	20772JL26	Municipal Bond - Connecticut State (GO) TXBL - B	1.000%	0.850000%	1.9205	671	08/31/15	08/01/17	
Wells Fargo	Aa3/AA-	34074GDG6	Florida State Hurricane Catastrophe Fund Fin Corp	2.107%	2.107000%	3.2110	1,005	04/16/15	07/01/18	
Coastal Securities	AA/AA+	882806EL2	Texas Tech Univ Revenues 17th Series - TXBL - Series B	1.804%	1.400000%	3.4630	1,234	08/31/15	02/15/19	
† Weighted Averages					1.333923%	2.8948	842	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 - March 31, 2016

Par Amount	Purchase Price	FMV 12/31/15	Additions (Subtractions)	Amortization (Premium) Discount	Market Adjustments Increase (Decrease)	FMV 3/31/16	Short-term Ladder <=12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
380,000	392,171	384,951	-	(1,866)	2,045	385,130	-	385,130	-
1,250,000	1,254,369	1,248,650	-	(368)	7,168	1,255,450	-	1,255,450	-
500,000	501,420	499,300	-	(185)	3,520	502,635	-	502,635	-
1,500,000	1,523,670	1,506,780	-	(1,845)	11,760	1,516,695	-	1,516,695	-
800,000	810,856	797,688	-	(785)	12,809	809,712	-	809,712	-
4,430,000	4,482,486	4,437,369	-	(5,049)	37,302	4,469,622	-	4,469,622	-

Portfolio Holdings by Fund
March 31, 2016
(Unaudited)

Operating Funds Groups:

General Fund	\$ 7,816,907	28.71%
Road & Bridge Fund	104,411	0.38%
Stadium & Fairgrounds Fund	541,057	1.99%
Law Library Fund	105,563	0.39%
Airport Fund	-	0.00%
Inland Parks Fund	-	0.00%
Coastal Parks Fund	<u>355,103</u>	<u>1.30%</u>
Sub-Total Operating Funds	\$ 8,923,041	32.77%

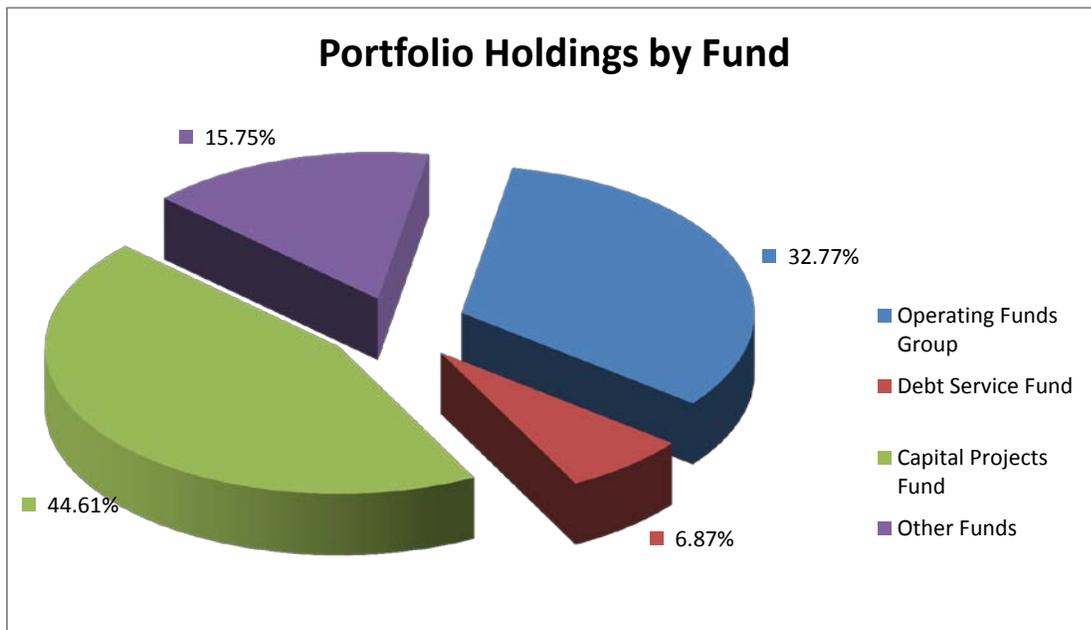
Debt Service Fund **1,872,010** 6.87%

Capital Projects Fund **12,148,810** 44.61%

Other Funds Groups:

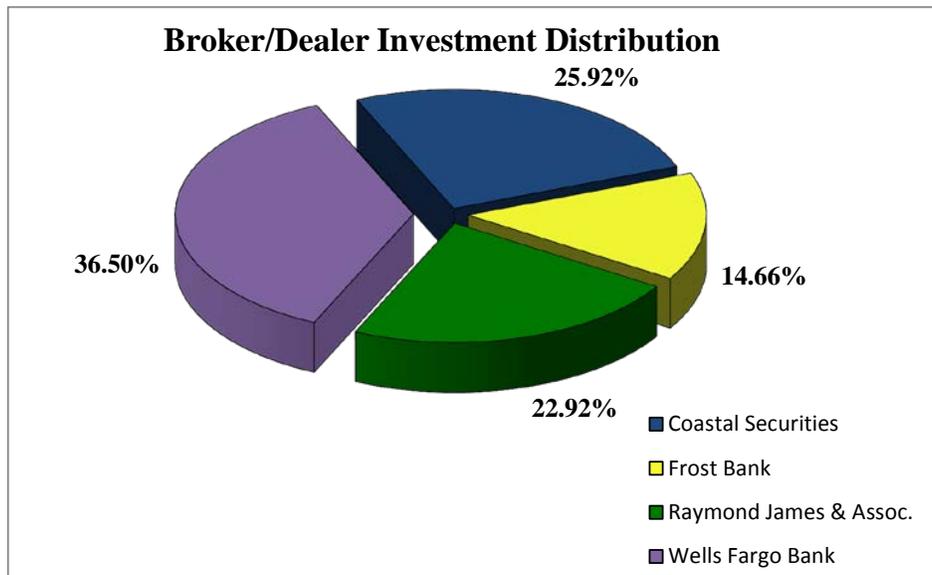
Self Insurance Fund	280,116	1.03%
Special Revenue Fund	<u>4,009,494</u>	<u>14.72%</u>
Sub-total Other Funds	4,289,610	15.75%

Total Holdings at Current Market Value **\$ 27,233,471** 100.00%



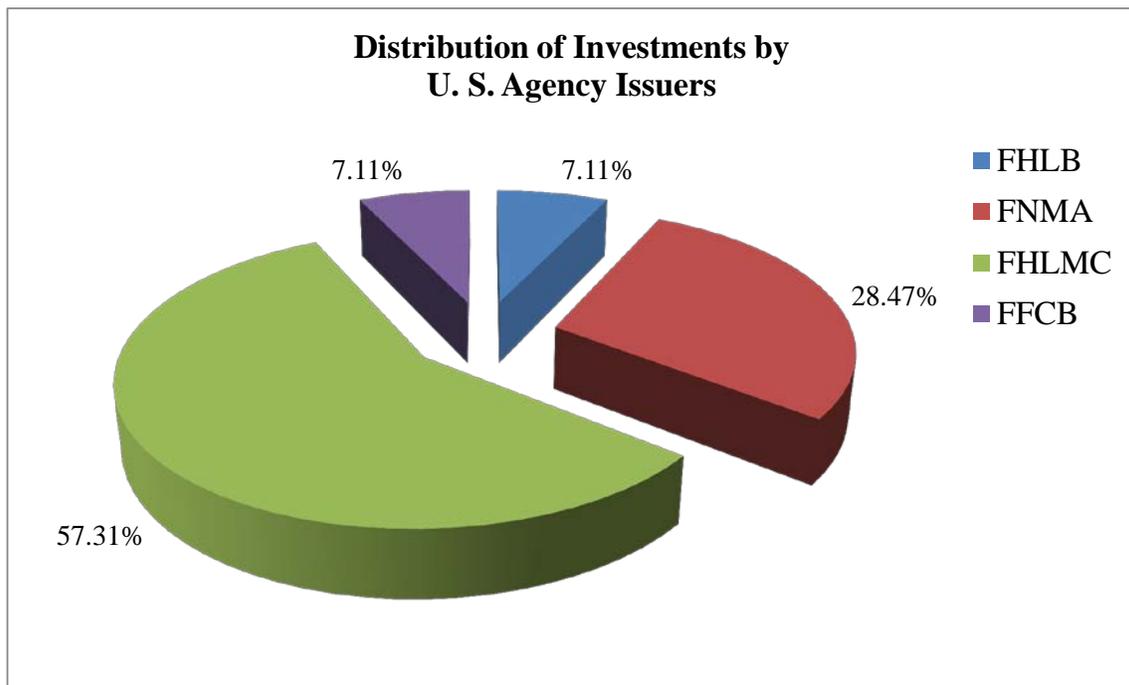
**Distribution of Investments by
Broker/Dealer/Financial Institutions
March 31, 2016
(Unaudited)**

	<u>Fair Market Value</u>	<u>Distribution %</u>
Coastal Securities	\$ 7,059,965	25.92%
Frost Bank	3,992,075	14.66%
Raymond James & Assoc.	6,242,182	22.92%
Wells Fargo Bank	9,939,249	36.50%
Total	\$ 27,233,471	100.00%



**Distribution of Investments by
U. S Agencies Issuers
March 31, 2016
(Unaudited)**

Agency		Fair Market Value	Distribution %
Fed Home Loan Bank	FHLB	\$ 1,000,060	7.11%
Fannie Mae	FNMA	4,002,880	28.47%
Fed Home Loan Freddie Mac	FHLMC	8,058,206	57.31%
Federal Farm Credit Bank	FFCB	999,401	7.11%
		<u>\$ 14,060,547</u>	<u>100.00%</u>

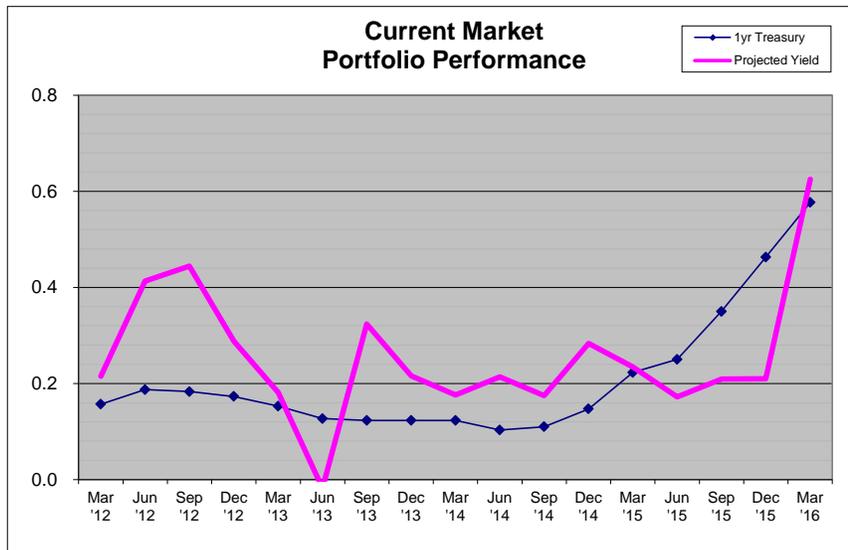


**Investments Performance
Compared to One-Year Treasury**
March 31, 2016
(Unaudited)

Quarter Ended	County Qrtly Avg Yield	Projected Annual County Yield	* 1yr Treasury
Mar '12	0.054%	0.215%	0.157%
Jun'12	0.103%	0.413%	0.187%
Sep'12	0.119%	0.443%	0.183%
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%
Sept'15	0.052%	0.209%	0.350%
Dec'15	0.053%	0.210%	0.463%
Mar'16	0.160%	0.625%	0.577%

* 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

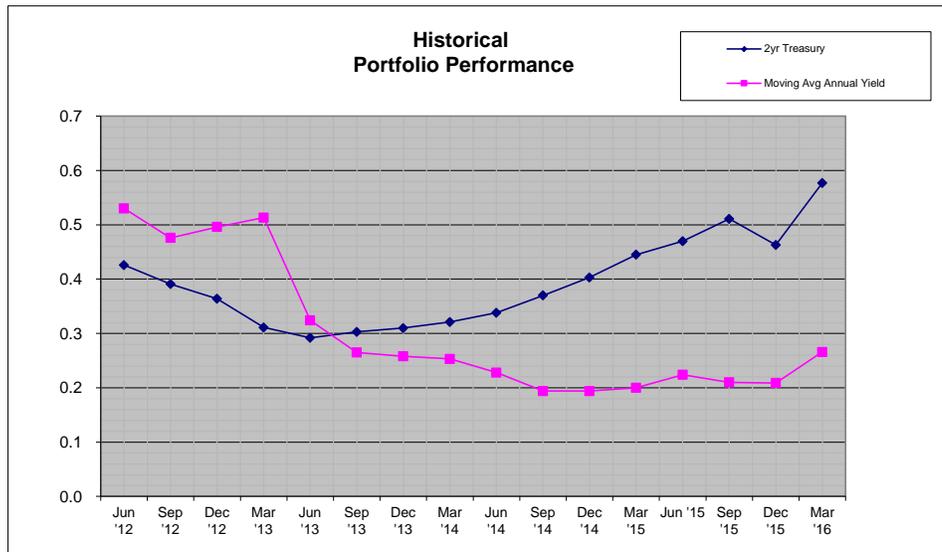


**Investments Performance
Compared to Two-Year Treasury**
March 31, 2016
(Unaudited)

Quarter Ended	County Two Year Moving Avg Annual Yield	* 2 yr Treasury (CMT)
Jun'12	0.530%	0.426%
Sep '12	0.476%	0.391%
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%

* 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

March 31, 2016

(Unaudited)

<u>Month</u>	<u>TexPool Average Monthly Rates</u>	<u>TexPool Prime Average Monthly Rates</u>	<u>MBIA Average Monthly Rates</u>	<u>Depository (Note 1) Bank Rates</u>
March '12	0.1150%	0.1597%	0.24%	0.01%
April '12	0.1110%	0.1387%	0.25%	0.01%
May '12	0.1246%	0.1455%	0.26%	0.01%
June '12	0.1395%	0.1663%	0.26%	0.01%
July '12	0.1316%	0.1596%	0.24%	0.01%
August '12	0.1313%	0.1593%	0.24%	0.01%
September '12	0.1572%	0.1821%	0.23%	0.01%
October '12	0.1657%	0.1864%	0.21%	0.01%
November '12	0.1564%	0.1766%	0.19%	0.01%
December '12	0.1506%	0.1701%	0.21%	0.01%
January '13	0.0986%	0.1219%	0.18%	0.01%
February '13	0.0935%	0.1180%	0.17%	0.01%
March '13	0.1047%	0.1354%	0.17%	0.01%
April '13	0.1022%	0.1264%	0.16%	0.01%
May '13	0.0715%	0.1032%	0.16%	0.01%
June '13	0.0576%	0.0878%	0.16%	0.01%
July '13	0.0531%	0.0765%	0.14%	0.01%
August '13	0.0437%	0.0705%	0.10%	0.01%
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%

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.