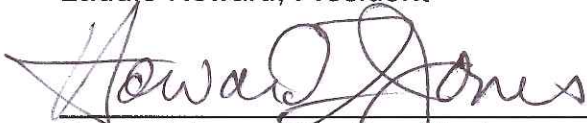


Section 4B Industrial Development Corporation  
Quarterly Investment Report  
Ending September 30, 2013

The attached information comprises the quarterly investment report for the Section 4B Industrial Development Corporation, League City, Texas for the quarter ended September 30, 2013. The undersigned acknowledge that the Board's investment portfolio has been and is in compliance with the policies and strategies as contained in the Board's Investment Policy and also in compliance with the Public Funds Investment Act of the State of Texas. The annual review of the investment policy was approved by the Board on January 14, 2013.

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Laddie Howard, President



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Howard Jones, Vice President



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Larry Tylka, Secretary

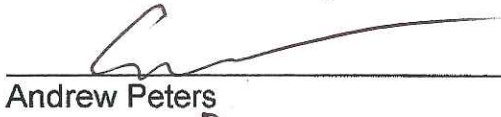
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John Towner, Treasurer



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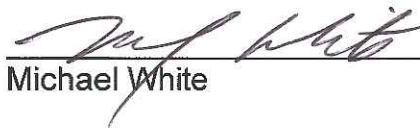
James Waguespack



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Andrew Peters

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Michael White

**SECTION 4B INDUSTRIAL DEVELOPMENT CORPORATION  
 QUARTERLY INVESTMENT REPORT  
 AS OF SEPTEMBER 30, 2013**

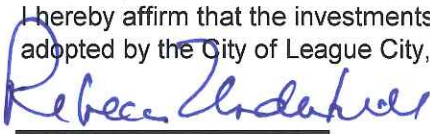
	<u>BEGINNING MARKET VALUE</u>	<u>FUND CHANGES</u>	<u>INTEREST</u>	<u>ENDING MARKET VALUE</u>
<b><u>Funds Invested by Account</u></b>				
<u>Fund 305 - 4B Operating Fund</u>				
TEX Pool	\$ 5,980,715.64	\$ 250,485.24	\$ 698.50	\$ 6,231,899.38
Agency Security	1,000,000.00	0.00	0.00	\$ 1,000,000.00
Cash in Bank	<u>108,593.04</u>	<u>(28,699.93)</u>	<u>885.25</u>	<u>80,778.36</u>
<u>Total Fund 305</u>	<u>\$ 7,089,308.68</u>	<u>\$ 221,785.31</u>	<u>\$ 1,583.75</u>	<u>\$ 7,312,677.74</u>

**Securities Activity for the Period**

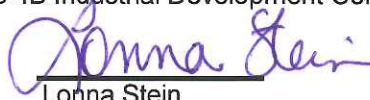
	<u>Purchase Date</u>	<u>Maturity</u>	<u>Coupon</u>	<u>Purchase Price</u>
FNMA 3135GOVP5 AA+ AAA AAA Callable 03/26/14	03/26/13	6/26/2015	0.35%	\$ 1,000,000

<u>TexPool Average earnings rate by month</u>		Portfolio average earnings for period	0.0866%
July	0.0531%		
August	0.0437%		
September	0.0394%		

I hereby affirm that the investments contained in this report are in compliance with the investment policies as adopted by the City of League City, Texas and the 4B Industrial Development Corporation.



Rebecca Underhill, CPA  
 Finance Director



Lorna Stein  
 Controller



Quencelia Goins  
 Accounting Manager