



Quarterly Investment Report

As of March 31, 2016

Pat Hallisey - Mayor

Geri Bentley - Mayor Pro Tem

Dan Becker - Councilmember

Heidi Hansing - Councilmember

Todd Kinsey - Councilmember

Nick Long - Councilmember

Keith Gross - Councilmember

Hank Dugie - Councilmember

R. Mark Rohr - 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 March 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.

R. Mark Rohr - City Manager

Rebecca Underhill, CPA – Asst. City Manager

Lonna Stein – Asst. Director of Finance

Quencelia Goins - Accounting Manager

Gabe Allen - Finance Committee

Nick Long - Finance Committee

Geri Bentley – Mayor Pro Tem

Juan Guerrero - Finance Committee

Tom Crews - Finance Committee

Audrey Ayers - Finance Committee

Gabriel Iverson - Finance Committee

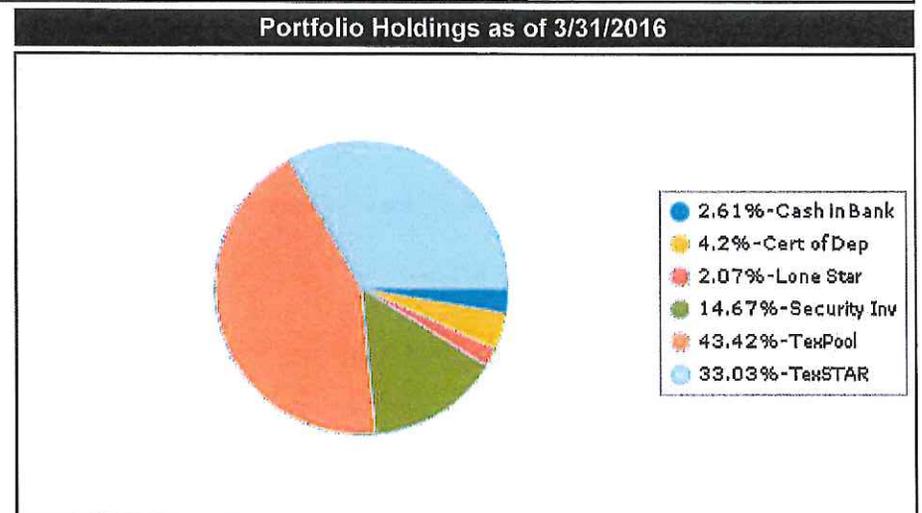
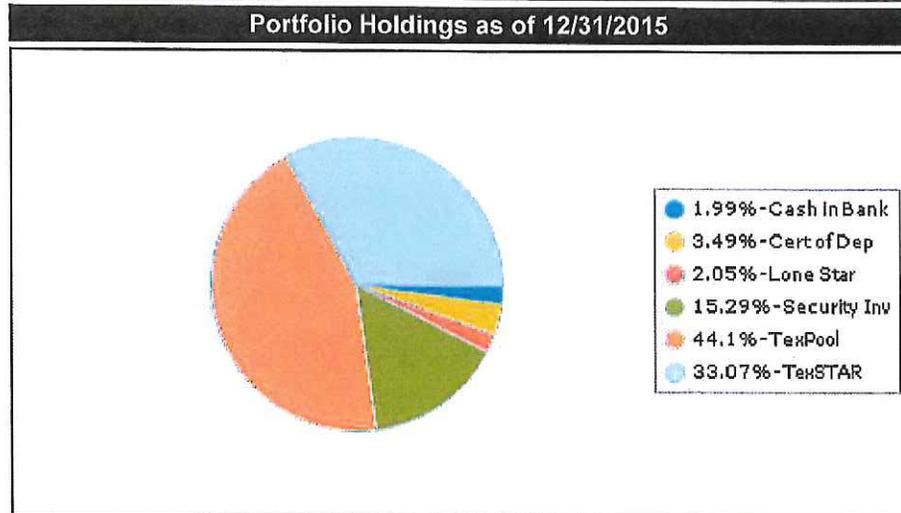
Tom Dill - Finance Committee Vice Chair



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

Begin Date: 12/31/2015, End Date: 3/31/2016

| Asset Category Allocation | | | | |
|---------------------------|--------------------------|------------------------------|-------------------------|-----------------------------|
| Asset Category | Book Value 12/31/2015 | % of Portfolio 12/31/2015 | Book Value 3/31/2016 | % of Portfolio 3/31/2016 |
| Cash In Bank | 2,911,946.22 | 1.99 | 3,802,907.71 | 2.61 |
| Cert of Dep | 5,097,524.16 | 3.49 | 6,102,608.18 | 4.20 |
| Lone Star | 3,001,447.17 | 2.05 | 3,003,724.69 | 2.07 |
| Security Inv | 22,344,266.90 | 15.29 | 21,337,446.54 | 14.67 |
| TexPool | 64,442,409.46 | 44.10 | 63,147,259.23 | 43.42 |
| TexSTAR | 48,317,931.58 | 33.07 | 48,033,515.24 | 33.03 |
| Total / Average | 146,115,525.49 | 100.00 | 145,427,461.59 | 100.00 |

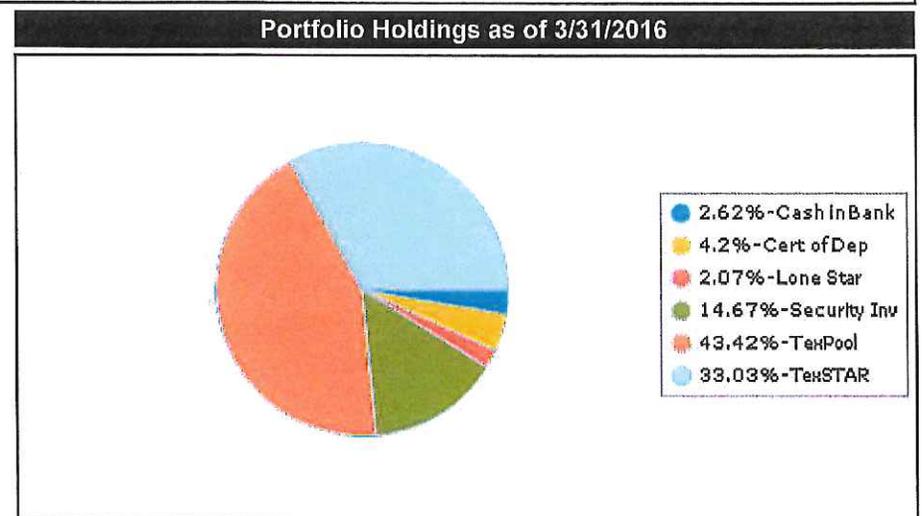
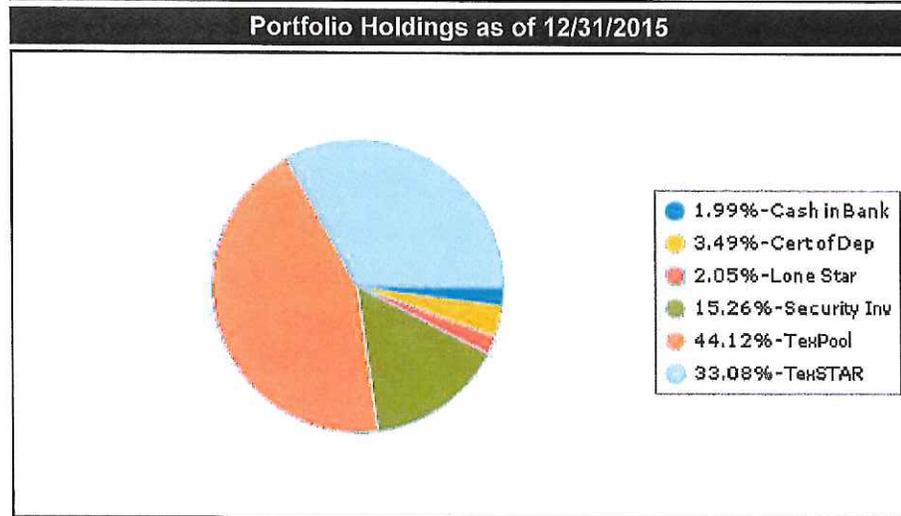




City of League City
Distribution by Asset Category - Market Value
Report Group: Quarterly Investment Report

Begin Date: 12/31/2015, End Date: 3/31/2016

| Asset Category Allocation | | | | |
|---------------------------|----------------------------|------------------------------|---------------------------|-----------------------------|
| Asset Category | Market Value 12/31/2015 | % of Portfolio 12/31/2015 | Market Value 3/31/2016 | % of Portfolio 3/31/2016 |
| Cash in Bank | 2,911,946.22 | 1.99 | 3,802,907.71 | 2.62 |
| Cert of Dep | 5,097,524.16 | 3.49 | 6,102,608.18 | 4.20 |
| Lone Star | 3,001,447.17 | 2.05 | 3,003,724.69 | 2.07 |
| Security Inv | 22,284,959.91 | 15.26 | 21,333,383.75 | 14.67 |
| TexPool | 64,442,409.46 | 44.12 | 63,147,259.23 | 43.42 |
| TexSTAR | 48,317,931.58 | 33.08 | 48,033,515.24 | 33.03 |
| Total / Average | 146,056,218.50 | 100.00 | 145,423,398.80 | 100.00 |

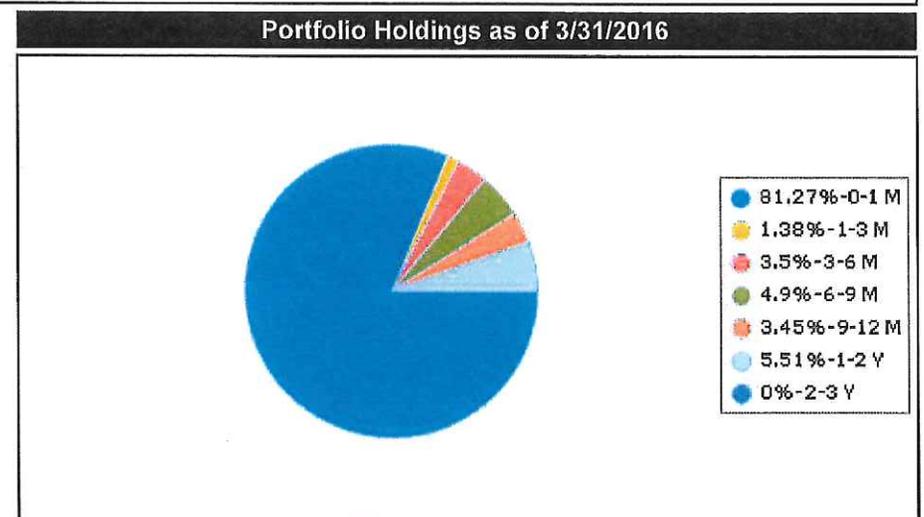
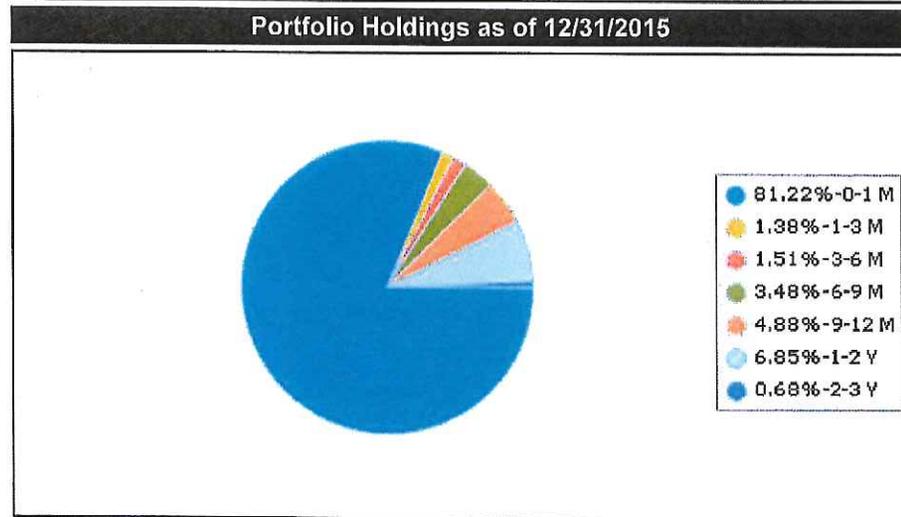




City of League City Distribution by Maturity Range - Book Value Report Group: Quarterly Investment Report

Begin Date: 12/31/2015, End Date: 3/31/2016

| Maturity Range Allocation | | | | |
|---------------------------|--------------------------|------------------------------|-------------------------|-----------------------------|
| Maturity Range | Book Value 12/31/2015 | % of Portfolio 12/31/2015 | Book Value 3/31/2016 | % of Portfolio 3/31/2016 |
| 0-1 Month | 118,673,734.43 | 81.22 | 118,187,512.45 | 81.27 |
| 1-3 Months | 2,010,020.78 | 1.38 | 1,999,892.38 | 1.38 |
| 3-6 Months | 2,200,500.53 | 1.51 | 5,091,470.97 | 3.50 |
| 6-9 Months | 5,087,339.65 | 3.48 | 7,130,465.45 | 4.90 |
| 9-12 Months | 7,136,795.50 | 4.88 | 5,011,337.13 | 3.45 |
| 1-2 Years | 10,007,134.60 | 6.85 | 8,006,783.21 | 5.51 |
| 2-3 Years | 1,000,000.00 | 0.68 | 0.00 | 0.00 |
| Total / Average | 146,115,525.49 | 100.00 | 145,427,461.59 | 100.00 |



06/30/2015 Weighted Average Yield = 0.13 Weighted Average Maturity = 57



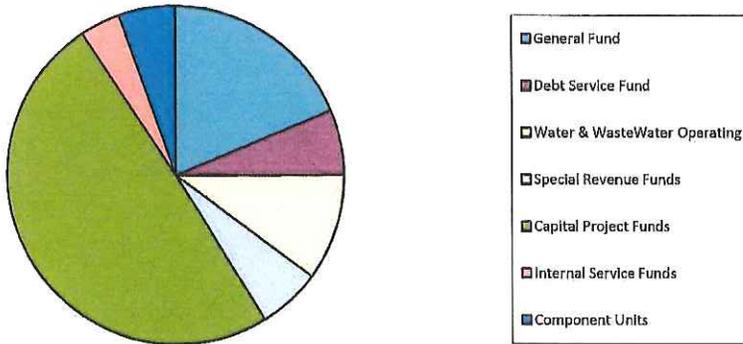
City of League City Distribution by Fund Categories Report Group: Quarterly Investment Report

Begin Date: 12/31/2015, End Date: 03/31/2016

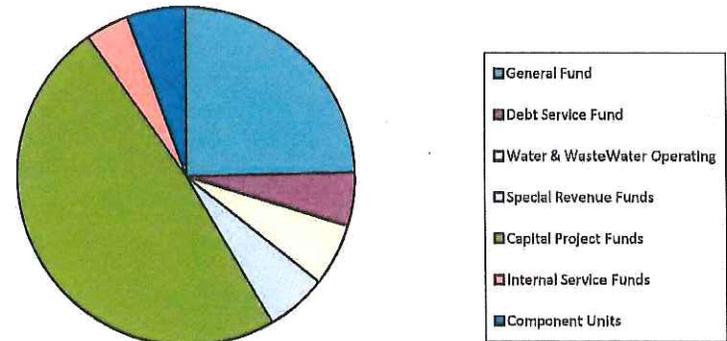
Fund Categories Allocation

| Fund Categories | Book Value 12/31/2015 | % of Portfolio 12/31/2015 | Book Value 03/31/2016 | % of Portfolio 03/31/2016 |
|------------------------------|--------------------------|------------------------------|--------------------------|------------------------------|
| General Fund | 27,288,989.51 | 18.68 | 35,785,508.03 | 24.61 |
| Debt Service Fund | 9,048,523.52 | 6.19 | 7,392,115.62 | 5.08 |
| Water & WasteWater Operating | 14,906,684.20 | 10.20 | 8,697,040.55 | 5.98 |
| Special Revenue Funds | 8,905,414.06 | 6.09 | 8,597,120.95 | 5.91 |
| Capital Project Funds | 72,296,019.10 | 49.48 | 70,825,371.03 | 48.70 |
| Internal Service Funds | 5,703,749.35 | 3.90 | 6,036,875.20 | 4.15 |
| Component Units | 7,966,145.75 | 5.45 | 8,093,430.21 | 5.57 |
| Total / Average | 146,115,525.49 | 100.00 | 145,427,461.59 | 100.00 |

Fund Categories as of 12/31/2015



Fund Categories as of 03/31/2016





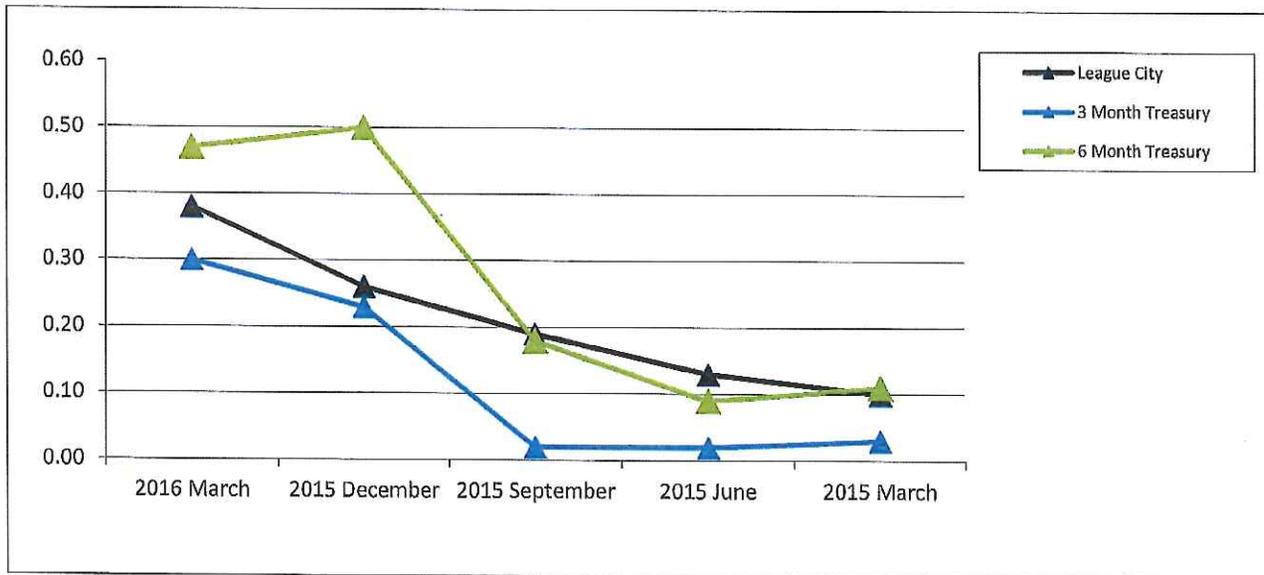
**City of League City
Interest Income
Report Group: Quarterly Investment Report**

Begin Date: 12/31/2015, End Date: 03/31/2016

Interest Income

| Date Range | Ending Book Value | Interest Income | Weighted Average Yield | Benchmark |
|-------------------------|-------------------|-----------------|------------------------|--------------------------|
| | | | | Treasury 3 Month Average |
| Current Quarter | | | | |
| 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 |
| 06/30/2015 - 09/30/2015 | 132,581,038.42 | 57,505.85 | 0.19 | 0.04 |
| 03/31/2015 - 06/30/2015 | 127,801,684.57 | 40,884.29 | 0.13 | 0.02 |
| 12/31/2014 - 03/31/2015 | 132,519,661.98 | 35,006.87 | 0.10 | 0.03 |

Yield Comparison



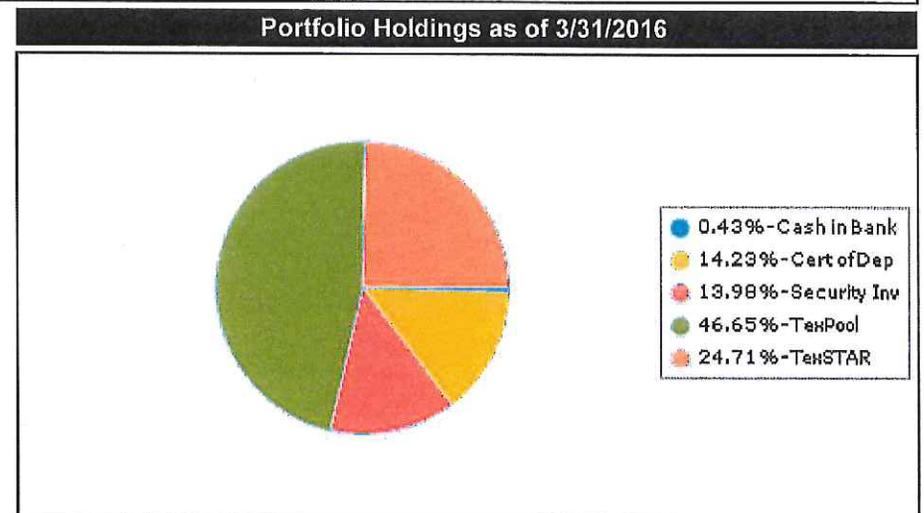
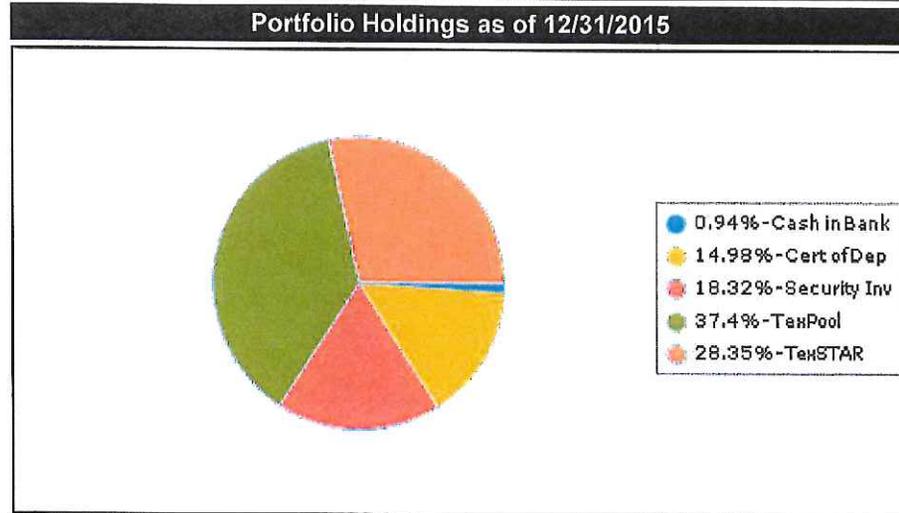
| | Treasury | |
|-----------------------|----------|---------|
| | 3 MONTH | 6 MONTH |
| 2016 March | 0.30 | 0.47 |
| February | 0.31 | 0.45 |
| January | 0.26 | 0.43 |
| 2015 December | 0.23 | 0.50 |
| November | 0.13 | 0.33 |
| October | 0.02 | 0.11 |
| 2015 September | 0.02 | 0.18 |
| August | 0.07 | 0.22 |
| July | 0.03 | 0.12 |
| 2015 June | 0.02 | 0.09 |
| May | 0.02 | 0.08 |
| April | 0.02 | 0.09 |
| 2015 March | 0.03 | 0.11 |
| February | 0.02 | 0.07 |
| January | 0.03 | 0.08 |



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

Begin Date: 12/31/2015, End Date: 3/31/2016

| Asset Category Allocation | | | | |
|---------------------------|--------------------------|------------------------------|-------------------------|-----------------------------|
| Asset Category | Book Value 12/31/2015 | % of Portfolio 12/31/2015 | Book Value 3/31/2016 | % of Portfolio 3/31/2016 |
| Cash in Bank | 257,582.45 | 0.94 | 152,777.89 | 0.43 |
| Cert of Dep | 4,087,492.04 | 14.98 | 5,091,559.45 | 14.23 |
| Security Inv | 5,000,240.90 | 18.32 | 5,001,677.69 | 13.98 |
| TexPool | 10,206,798.32 | 37.40 | 16,695,279.65 | 46.65 |
| TexSTAR | 7,736,875.80 | 28.35 | 8,844,213.35 | 24.71 |
| Total / Average | 27,288,989.51 | 100.00 | 35,785,508.03 | 100.00 |

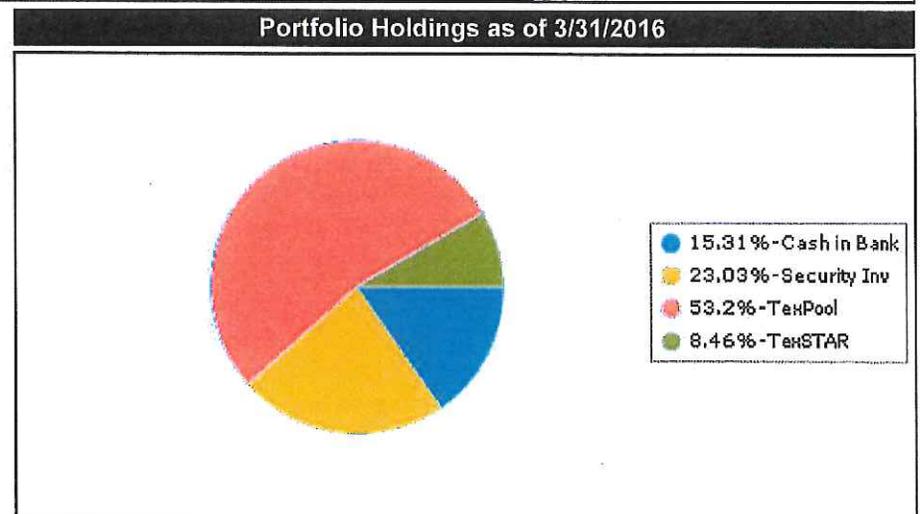
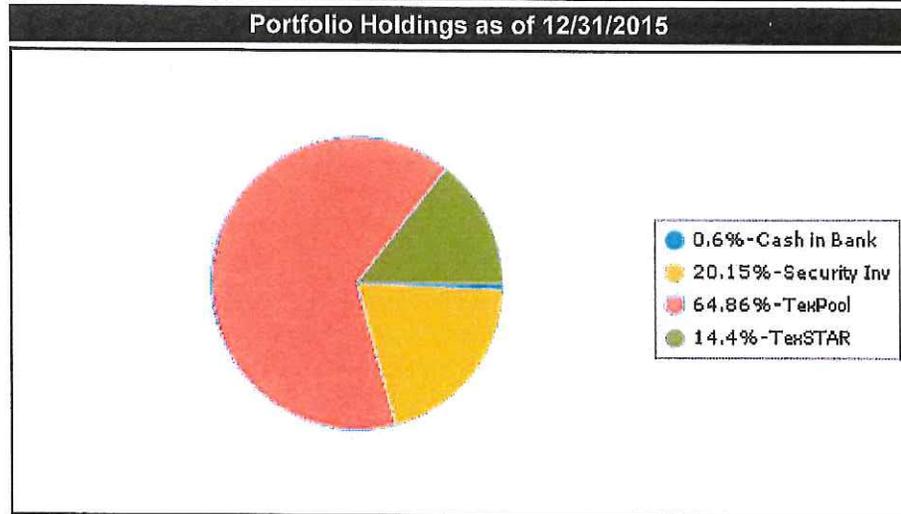




City of League City
Distribution by Asset Category - Book Value
Report Group: Water & WasteWater Operating

Begin Date: 12/31/2015, End Date: 3/31/2016

| Asset Category Allocation | | | | |
|---------------------------|--------------------------|------------------------------|-------------------------|-----------------------------|
| Asset Category | Book Value 12/31/2015 | % of Portfolio 12/31/2015 | Book Value 3/31/2016 | % of Portfolio 3/31/2016 |
| Cash in Bank | 88,898.26 | 0.60 | 1,331,795.76 | 15.31 |
| Security Inv | 3,003,916.01 | 20.15 | 2,002,777.42 | 23.03 |
| TexPool | 9,667,901.80 | 64.86 | 4,626,730.26 | 53.20 |
| TexSTAR | 2,145,968.13 | 14.40 | 735,737.11 | 8.46 |
| Total / Average | 14,906,684.20 | 100.00 | 8,697,040.55 | 100.00 |



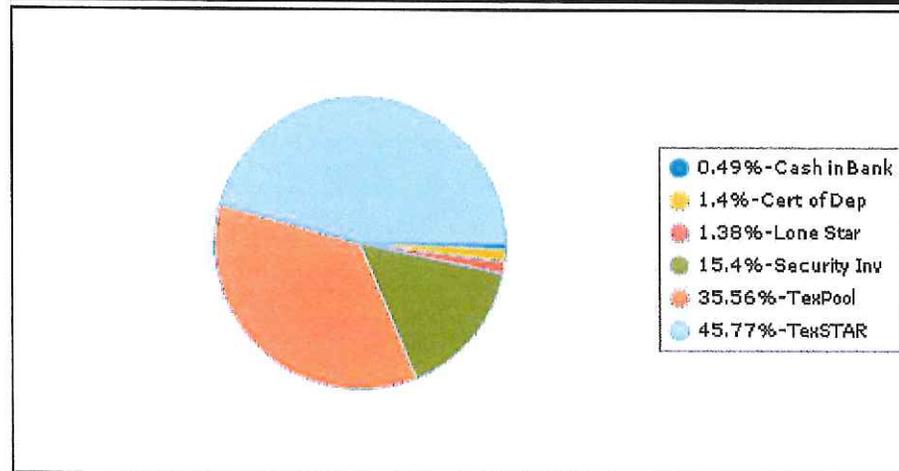


City of League City
Distribution by Asset Category - Book Value
Report Group: Capital Project Funds

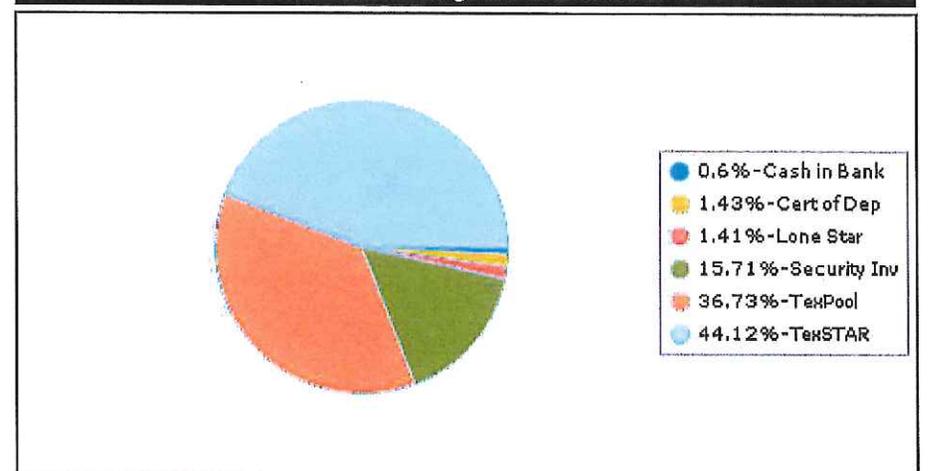
Begin Date: 12/31/2015, End Date: 3/31/2016

| Asset Category Allocation | | | | |
|---------------------------|--------------------------|------------------------------|-------------------------|-----------------------------|
| Asset Category | Book Value 12/31/2015 | % of Portfolio 12/31/2015 | Book Value 3/31/2016 | % of Portfolio 3/31/2016 |
| Cash in Bank | 354,705.82 | 0.49 | 424,641.70 | 0.60 |
| Cert of Dep | 1,010,032.12 | 1.40 | 1,011,048.73 | 1.43 |
| Lone Star | 1,000,350.44 | 1.38 | 1,001,109.51 | 1.41 |
| Security Inv | 11,131,689.99 | 15.40 | 11,126,314.54 | 15.71 |
| TexPool | 25,706,831.70 | 35.56 | 26,016,624.38 | 36.73 |
| TexSTAR | 33,092,409.03 | 45.77 | 31,245,632.17 | 44.12 |
| Total / Average | 72,296,019.10 | 100.00 | 70,825,371.03 | 100.00 |

Portfolio Holdings as of 12/31/2015



Portfolio Holdings as of 3/31/2016





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

Begin Date: 12/31/2015, End Date: 03/31/2016

| Investment Type Description | Cusip No. | Settlement Date | Maturity Date | 12/31/2015 | | 03/31/2016 | | YTM @ Cost |
|--|-----------|-----------------|---------------|-----------------------|-----------------------|-----------------------|-----------------------|------------|
| | | | | Book Value | Market Value | Book Value | Market Value | |
| Cash | | | | | | | | |
| Cash | | n/a | n/a | 2,911,946.22 | 2,911,946.22 | 3,802,907.71 | 3,802,907.71 | 0.010 |
| SubTotal / Cash | | | | 2,911,946.22 | 2,911,946.22 | 3,802,907.71 | 3,802,907.71 | |
| Local Government Investment Pools | | | | | | | | |
| TexPool | | n/a | n/a | 64,442,409.46 | 64,442,409.46 | 63,147,259.23 | 63,147,259.23 | 0.327 |
| TexSTAR | | | | 48,317,931.58 | 48,317,931.58 | 48,033,515.24 | 48,033,515.24 | 0.345 |
| Lonestar | | n/a | n/a | 3,001,447.17 | 3,001,447.17 | 3,003,724.69 | 3,003,724.69 | 0.327 |
| SubTotal / Local Government Investment Pool | | | | 115,761,788.21 | 115,761,788.21 | 114,184,499.16 | 114,184,499.16 | |
| Certificate of Deposit | | | | | | | | |
| Prosperity Bank | | 09/17/2015 | 09/17/2016 | 3,024,077.21 | 3,024,077.21 | 3,027,086.12 | 3,027,086.12 | 0.400 |
| Prosperity Bank | | 01/07/2016 | 01/07/2017 | - | - | 1,000,000.00 | 1,000,000.00 | 0.550 |
| Prosperity Bank | | 02/27/2016 | 02/27/2017 | 1,010,032.12 | 1,010,032.12 | 1,011,048.73 | 1,011,048.73 | 0.550 |
| Prosperity Bank | | 03/04/2015 | 09/04/2016 | 1,063,414.83 | 1,063,414.83 | 1,064,473.33 | 1,064,473.33 | 0.400 |
| SubTotal / Local Government Investment Pool | | | | 5,097,524.16 | 5,097,524.16 | 6,102,608.18 | 6,102,608.18 | |
| Security Inv | | | | | | | | |
| Municipal Bonds | | | | | | | | |
| Denton County, TX | 248775L89 | 08/01/2013 | 04/15/2016 | 200,746.08 | 201,014.00 | 200,105.58 | 200,134.00 | 0.700 |
| Harris County Flood | 4140185H0 | 01/20/2015 | 10/01/2016 | 1,000,275.00 | 999,370.00 | 1,000,184.00 | 1,001,970.00 | 0.600 |
| SubTotal / Municipal | | | | 1,201,021.08 | 1,200,384.00 | 1,200,289.58 | 1,202,104.00 | |



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

Begin Date: 12/31/2015, End Date: 03/31/2016

| Investment Type | Description | Cusip No. | Settlement Date | Maturity Date | 12/31/2015 | | 03/31/2016 | | YTM @ Cost |
|--------------------------------|-------------|-----------|-----------------|---------------|-----------------------|-----------------------|-----------------------|-----------------------|------------|
| | | | | | Book Value | Market Value | Book Value | Market Value | |
| US Agency | | | | | | | | | |
| | FFCB | 3133EEUP3 | 03/23/2015 | 03/23/2016 | 999,988.66 | 999,774.00 | - | - | 0.335 |
| | FHLB | 3130A2C61 | 12/17/2014 | 06/10/2016 | 999,754.45 | 998,954.10 | 999,892.38 | 999,700.20 | 0.431 |
| | FHLMC | 3137EADS5 | 02/10/2015 | 10/14/2016 | 1,002,077.75 | 1,000,390.00 | 1,001,421.24 | 1,003,570.00 | 0.610 |
| | FFCB | 3133EEUS7 | 03/23/2015 | 11/23/2016 | 1,000,222.79 | 997,634.90 | 1,000,160.98 | 1,000,016.30 | 0.600 |
| | FHLB | 3130A3Q64 | 01/15/2015 | 12/12/2016 | 1,001,838.26 | 997,821.30 | 1,001,356.18 | 1,000,281.40 | 0.505 |
| | FHLB | 3130A3US1 | 01/27/2015 | 01/27/2017 | 1,000,000.00 | 999,019.40 | - | - | 0.800 |
| | FHLB | 3130A46U1 | 02/13/2015 | 02/13/2017 | 1,000,000.00 | 997,959.40 | 1,000,000.00 | 1,000,001.80 | 0.720 |
| | FHLMC | 3134G6FD0 | 02/24/2015 | 02/24/2017 | 1,000,000.00 | 998,600.00 | - | - | 0.800 |
| | FHLMC | 3134G6YC1 | 04/29/2015 | 05/30/2017 | 1,000,280.68 | 995,570.00 | 1,000,231.18 | 1,000,360.00 | 0.650 |
| | FHLB | 3130A5AE9 | 05/04/2015 | 05/04/2016 | 1,000,000.00 | 999,321.40 | 1,000,000.00 | 999,832.60 | 0.300 |
| | FHLB | 3130A4ZB1 | 06/01/2015 | 03/30/2017 | 1,000,000.00 | 996,186.20 | 1,000,000.00 | 998,778.70 | 0.625 |
| | FHLB | 3130A66Q5 | 08/14/2015 | 08/04/2016 | 999,847.61 | 997,783.00 | 999,911.52 | 999,574.30 | 0.401 |
| | FHLB | 313371PV2 | 08/14/2015 | 12/09/2016 | 1,126,089.83 | 1,122,004.21 | 1,123,156.18 | 1,122,911.26 | 0.561 |
| | FFCB | 3133EE7M6 | 08/19/2015 | 06/19/2017 | 999,180.00 | 994,716.20 | 999,319.22 | 998,275.40 | 0.706 |
| | FHLB | 3130A66Z5 | 08/26/2015 | 05/26/2017 | 1,000,000.00 | 996,997.70 | - | - | 0.750 |
| | FHLMC | 3134G7SH5 | 08/27/2015 | 02/27/2018 | 1,000,000.00 | 996,400.00 | 1,000,000.00 | 1,000,300.00 | 1.125 |
| | FHLMC | 3134G7SP7 | 08/31/2015 | 08/29/2017 | 1,000,000.00 | 998,402.00 | - | - | 0.850 |
| | FNMA | 3135G0CM3 | 09/30/2015 | 09/28/2016 | 1,006,291.87 | 1,003,320.00 | 1,004,186.87 | 1,005,390.00 | 0.401 |
| | FHLB | 3130A3LY8 | 09/30/2015 | 11/28/2017 | 1,004,859.49 | 997,192.10 | 1,004,225.95 | 1,002,387.90 | 0.743 |
| | FHLMC | 3134G3S50 | 11/25/2015 | 11/01/2016 | 1,000,000.00 | 997,620.00 | 1,000,000.00 | 999,820.00 | 0.625 |
| | FHLMC | 3137EADH9 | 11/25/2015 | 06/29/2017 | 1,002,814.43 | 998,910.00 | 1,002,345.36 | 1,003,210.00 | 0.810 |
| | FFCB | 3133EFWC7 | 02/11/2016 | 11/27/2017 | - | - | 2,001,440.33 | 1,997,675.39 | 0.740 |
| | FNMA | 3135G0VM2 | 03/17/2016 | 03/14/2017 | - | - | 1,000,288.40 | 999,080.00 | 0.720 |
| | FHLB | 3130A62S5 | 03/17/2016 | 08/28/2017 | - | - | 999,221.17 | 1,000,114.50 | 0.806 |
| SubTotal / US Agency | | | | | 21,143,245.82 | 21,084,575.91 | 20,137,156.96 | 20,131,279.75 | |
| SubTotal / Security Inv | | | | | 22,344,266.90 | 22,284,959.91 | 21,337,446.54 | 21,333,383.75 | |
| Total / Average | | | | | 146,115,525.49 | 146,056,218.50 | 145,427,461.59 | 145,423,398.80 | |



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

Begin Date: 12/31/2015, End Date: 03/31/2016

Purchases

| Description | Cusip No. | Interest Rate | Settlement Date | Maturity Date | Face Amount Shares |
|-------------------------------|-----------|---------------|-----------------|---------------|--------------------|
| Certificate of Deposit | | | | | |
| Prosperity Bank | | 0.55 | 01/07/2016 | 01/07/2017 | 1,000,000.00 |
| Prosperity Bank | | 0.55 | 02/27/2016 | 02/27/2017 | 1,011,048.73 |
| | | | | | 2,011,048.73 |
| Municipal Bond | | | | | |
| | | | | | 0.00 |
| US Agency | | | | | |
| FFCB | 3133EFC7 | 0.740 | 02/11/2016 | 11/27/2017 | 1,997,000.00 |
| FHLB | 3130A62S5 | 0.806 | 03/17/2016 | 08/28/2017 | 1,000,000.00 |
| FNMA | 3135G0VM2 | 0.720 | 03/17/2016 | 03/14/2017 | 1,000,000.00 |
| | | | | | 3,997,000.00 |

Total 6,008,048.73

Maturities

| Description | Cusip No. | Maturity Date | Face Amount Shares |
|-------------------------------|-----------|----------------------------|----------------------|
| Certificate of Deposit | | | |
| Prosperity Bank | | 02/27/2016 | 1,011,048.73 Renewed |
| | | | 1,011,048.73 |
| Municipal Bond | | | |
| | | | 0.00 |
| US Agency | | Matured/Called Date | |
| FHLB | 3130A66Z5 | 02/26/2015 | 1,000,000.00 Called |
| FHLB | 3130A3US1 | 01/27/2016 | 1,000,000.00 Called |
| FHLMC | 3134G6FD0 | 02/24/2016 | 1,000,000.00 Called |
| FHLMC | 3134G7SP7 | 02/29/2016 | 1,000,000.00 Called |
| FFCB | 3133EEUP3 | 03/23/2016 | 1,000,000.00 Matured |
| | | | 5,000,000.00 |

Total 6,011,048.73



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

Begin Date: 12/31/2015, End Date: 03/31/2016

Investments

| Description | Market Value |
|---|---------------------|
| JPMorgan Cash (End of Day Ledger Balance) | 181,852.64 |
| | |
| JPMorgan Cash Repo | 3,610,557.00 |
| | |
| Prosperity Bank - Certificate of Deposit | 6,102,608.18 |
| Accrued Interest | 2,547.90 |
| | <u>6,105,156.08</u> |

| | |
|--------------|---------------------|
| Total | 6,287,008.72 |
|--------------|---------------------|

Collateral

| Description | Market Value | Collateralized Percentage |
|--------------------|---------------------|---------------------------|
| Pledged Securities | 5,088,374.40 | |
| FDIC Coverage | 250,000.00 | |
| | <u>5,338,374.40</u> | 2935.55% |
| | | |
| Pledged Securities | 3,682,768.00 | 102.00% |
| | | |
| Pledged Securities | 8,071,247.82 | 136.30% |
| FDIC Coverage | 250,000.00 | |
| | <u>8,321,247.82</u> | |

| | | |
|--------------|----------------------|----------------|
| Total | 13,659,622.22 | 217.27% |
|--------------|----------------------|----------------|

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.