



**RESOLUTION NO. 20160927-09**

**APPROVAL OF 3RD QUARTER INVESTMENT REPORT FOR FISCAL YEAR 2016**

**WHEREAS**, TexAmericas Center is a political subdivision of the State of Texas with the powers and authorities specified in Chapter 3503 of the Special District Local Laws Code of the State of Texas; and

**WHEREAS**, TexAmericas Center has adopted an Investment Policy as required by applicable law to manage the funds of TexAmericas Center; and

**WHEREAS**, the Investment Policy Paragraph III.D.2 requires the Executive Director/CEO or his designee to provide quarterly reports on the Investment Program and Investment Activity at the conclusion of each quarter to both the Investment Committee and the Board of Directors; and

**WHEREAS**, the Investment Committee has reviewed the report provided by the Executive Director/CEO and recommends acceptance by the Board of Directors;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of TexAmericas Center accepts and approves the attached 3rd Quarter 2016 Report on the Investment Program and Investment Activity of TexAmericas Center.

**PASSED AND APPROVED THIS 27<sup>th</sup> day of September, 2016.**

  
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**Denis Washington, Chairman of the Board**

**ATTEST:**

  
\_\_\_\_\_  
**Melford Pierce, Secretary**

Attached: FY16 – 3<sup>rd</sup> Quarter Investment Report



## INVESTMENT PORTFOLIO SUMMARY

For the Quarter Ended

June 30, 2016

Prepared by

Valley View Consulting, L.L.C.

The investment portfolio of the TexAmericas Center is in compliance with the Public Funds Investment Act and the Investment Policy.

  
Executive Director/CEO

  
Staff Accountant

**Disclaimer:** This report was compiled using information provided by the TexAmericas Center. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields, and do not account for investment adviser fees.

**Summary**

**Quarter End Results by Investment Category:**

Asset Type	June 30, 2016		March 31, 2016		
	Ave. Yield	Book Value	Market Value	Book Value	Market Value
DDA/MMA/NOW	0.33%	\$ 8,249,648	\$ 8,249,648	\$ 13,389,528	\$ 13,389,528
CD/Security	0.97%	3,000,000	3,000,000	4,875,326	4,875,326
<b>Totals</b>		<b>\$ 11,249,648</b>	<b>\$ 11,249,648</b>	<b>\$ 18,264,854</b>	<b>\$ 18,264,854</b>

**Quarterly Portfolio Performance**

Average Quarterly Yield	0.50%	<b>Yearly Portfolio Performance</b>	Average Quarter End Yield	0.52%
Rolling Three Mo. Treas. Yield	0.26%		Rolling Three Mo. Treas. Yield	0.23%
Rolling Six Mo. Treas. Yield	0.42%		Rolling Six Mo. Treas. Yield	0.35%
			Average Quarter End TexPool Yield	0.29%

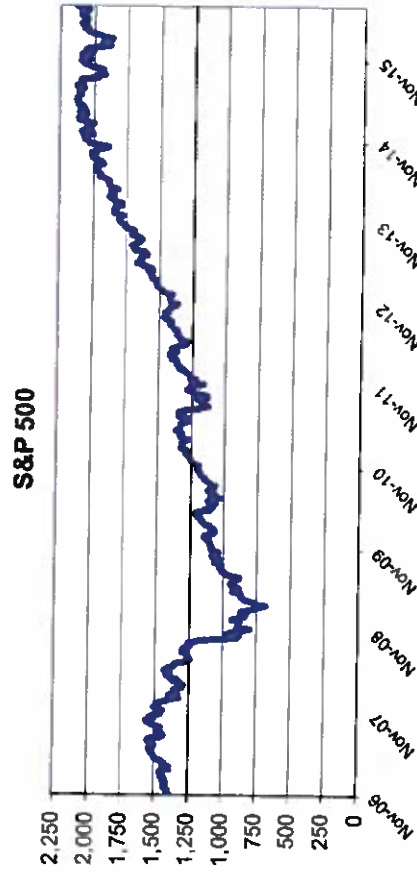
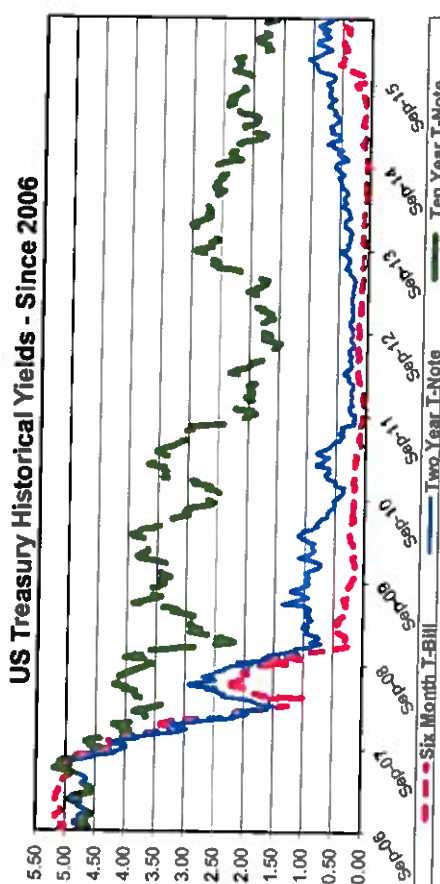
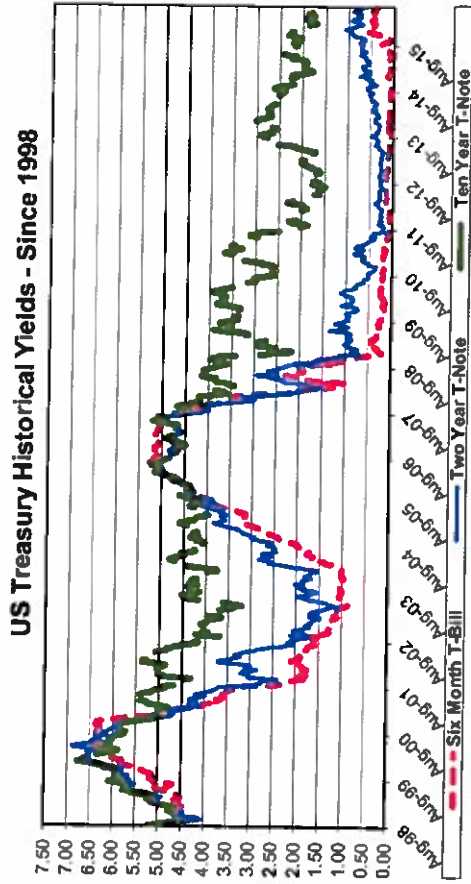
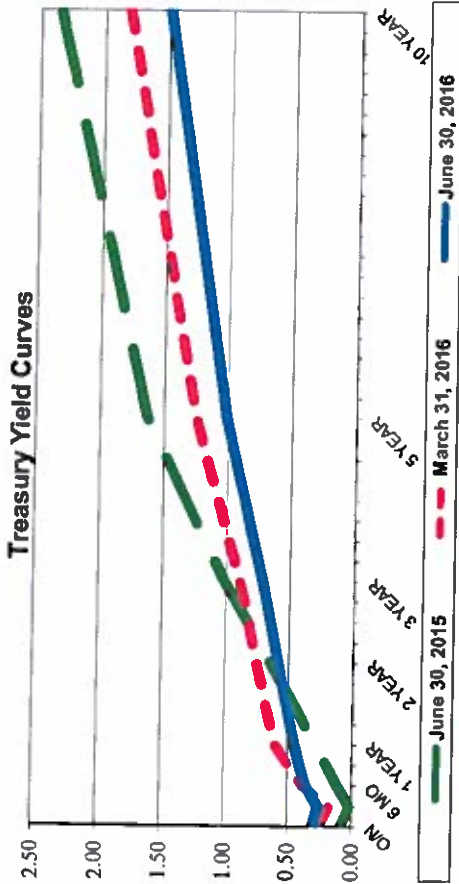
**Quarterly Interest Earnings (Reported Separately)**

Note: Average yields calculated using quarter end report average yield and adjusted book value, but do not include adviser fees and realized and unrealized gains or losses.

## Economic Overview

6/30/2016

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range of 0.25% - 0.50% (actual Fed Funds trading +/-35 to 40 bps). The June FOMC meeting expressed concerns over reduced economic expectation. First Quarter US GDP was revised up to +1.1% (final revision). The June Non-Farm Payroll surged 287k new jobs, although other unemployment data remained modest. The British "Brexit" vote to leave the European Union Global jolted the markets. The US Stock markets plunged, then recovered. Treasury yields dove on the flight to quality. Taxable municipal bonds or CDs offer the best interest earnings opportunity, if available.



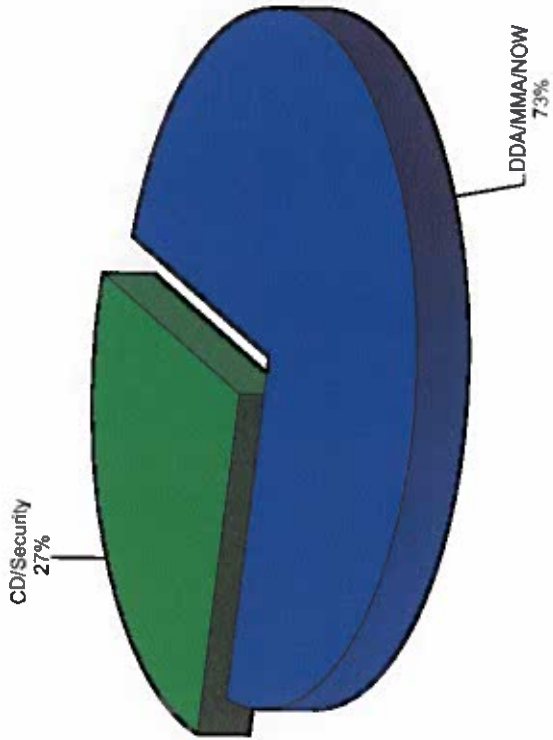
**Investment Holdings**  
**June 30, 2016**

Description	Coupon/ Discount	Maturity Date	Settlement Date	Original Face Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Guaranty B&T Checking	0.00%	07/01/16	06/30/16	\$ 2,774,684	\$ 2,774,684	1.00	\$ 2,774,684	1	0.00%
Guaranty B&T MMA	0.50%	07/01/16	06/30/16	5,474,965	5,474,965	1.00	5,474,965	1	0.50%
Guaranty B&T CD	0.90%	05/04/17	05/04/16	1,000,000	1,000,000	100.00	1,000,000	308	0.90%
Guaranty B&T CD	1.00%	05/05/18	05/05/16	2,000,000	2,000,000	100.00	2,000,000	674	1.00%
				<b>\$ 11,249,648</b>	<b>\$ 11,249,648</b>		<b>\$ 11,249,648</b>	<b>148</b>	<b>0.50%</b>

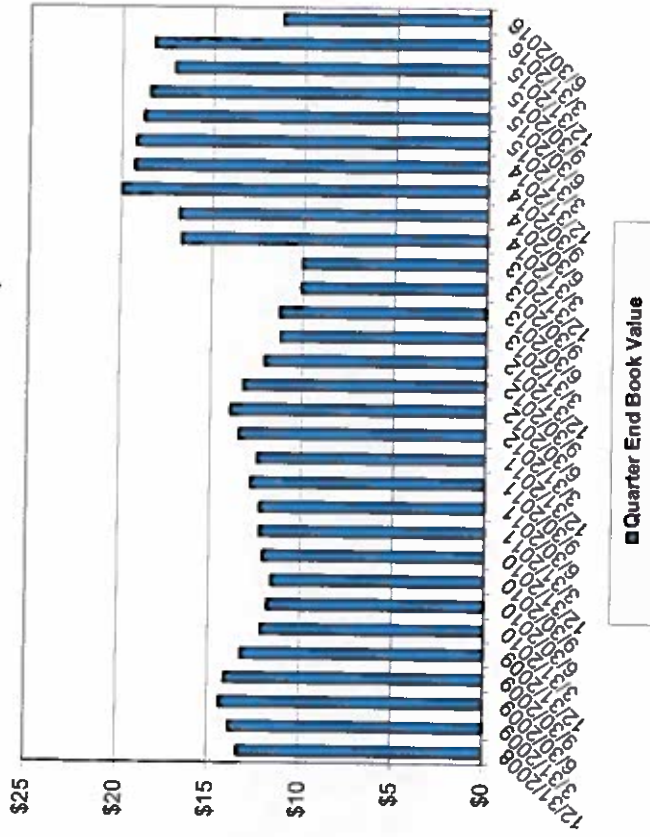
(1) Weighted average life - Pools, Money Market Funds, and Bank Deposits are assumed to have a one day maturity.

(2) Weighted average yield to maturity - The weighted average yield to maturity is based on Book Value, adviser fees and realized and unrealized gains/losses are not considered. The Bank Deposit, Pool, and Money Market Fund yields are the average for the last month of the quarter.

**Portfolio Composition**



**Total Portfolio (Millions)**



### Book Value Comparison

Description	Coupon/ Discount	Maturity Date	March 31, 2016		Purchases/ Adjustments	Sales/Adjust/ Maturities	June 30, 2016	
			Par Value	Book Value			Par Value	Book Value
Regions Bank DDA (1)	0.00%	07/01/16	\$ 1,454,138	\$ 1,454,138	—	—	—	—
Guaranty B&T Checking	0.00%	07/01/16	1,654,048	1,654,048	1,120,635	(1,454,138)	2,774,684	2,774,684
Guaranty B&T MMA (1)	0.50%	07/01/16	10,281,342	10,281,342	(4,806,377)	—	5,474,965	5,474,965
Farmers Bank & Trust CD	0.80%	05/17/16	913,910	913,910	—	(913,910)	—	—
Farmers Bank & Trust CD (1)	0.90%	08/17/16	915,663	915,663	—	(915,663)	—	—
Guaranty B&T CD (1)	1.15%	09/19/16	508,679	508,679	—	(508,679)	—	—
Guaranty B&T CD (1)	0.80%	11/01/16	709,646	709,646	—	(709,646)	—	—
Farmers Bank & Trust CD (1)	1.00%	11/17/16	611,613	611,613	—	(611,613)	—	—
Guaranty B&T CD	0.90%	05/04/17	708,085	708,085	291,915	—	1,000,000	1,000,000
Guaranty B&T CD	1.00%	05/05/18	507,730	507,730	1,492,270	—	2,000,000	2,000,000
<b>TOTAL</b>			<b>\$ 18,264,854</b>	<b>\$ 18,264,854</b>	<b>\$ 2,904,820</b>	<b>\$ (9,920,026)</b>	<b>\$ 11,249,648</b>	<b>\$ 11,249,648</b>

### Market Value Comparison

Description	Maturity Date	Par Value	March 31, 2016		Qtr to Qtr Change	Par Value	June 30, 2016	
			Market Price	Market Value			Market Price	Market Value
Regions Bank DDA (1)	07/01/16	\$ 1,454,138	1.00	\$ 1,454,138	—	—	—	—
Guaranty B&T Checking	07/01/16	1,654,048	1.00	1,654,048	1,120,635	2,774,684	1.00	2,774,684
Guaranty B&T MMA (1)	07/01/16	10,281,342	1.00	10,281,342	(4,806,377)	5,474,965	1.00	5,474,965
Farmers Bank & Trust CD	05/17/16	913,910	100.00	913,910	(913,910)	—	—	—
Farmers Bank & Trust CD (1)	08/17/16	915,663	100.00	915,663	(915,663)	—	—	—
Guaranty B&T CD (1)	09/19/16	508,679	100.00	508,679	(508,679)	—	—	—
Guaranty B&T CD (1)	11/01/16	709,646	100.00	709,646	(709,646)	—	—	—
Farmers Bank & Trust CD (1)	11/17/16	611,613	100.00	611,613	(611,613)	—	—	—
Guaranty B&T CD	05/04/17	708,085	100.00	708,085	291,915	1,000,000	100.00	1,000,000
Guaranty B&T CD	05/05/18	507,730	100.00	507,730	1,492,270	2,000,000	100.00	2,000,000
<b>TOTAL</b>		<b>\$ 18,264,854</b>		<b>\$ 18,264,854</b>	<b>\$ (7,015,206)</b>	<b>\$ 11,249,648</b>		<b>\$ 11,249,648</b>

(1) Changes include amounts transferred to Riverbend during the quarter.

**Allocation** **June 30, 2016**  
**Book & Market Value**

	Total	General	Required Reserve- Riverbend
Regions Bank DDA	\$ -	\$ -	\$ -
Guaranty B&T Checking	2,774,684	2,774,684	
Guaranty B&T MMA	5,474,965	5,474,965	
05/04/17--Guaranty B&T CD	1,000,000		1,000,000
05/05/18--Guaranty B&T CD	2,000,000		2,000,000
<b>Totals</b>	<b>\$ 11,249,648</b>	<b>\$ 8,249,648</b>	<b>\$ 3,000,000</b>



March 31, 2016

**Allocation  
Book & Market Value**

	Total	General	Bond Proceeds	Construction	Enterprise	Contingency Fund	I&S Reserve	Required Reserve	Replacement Reserve
Regions Bank DDA	\$ 1,454,138	\$ -	\$ -	\$ 343,521	\$ -	\$ 201,441	\$ 319,579	\$ 589,596	\$ -
Guaranty B&T Checking	1,654,048	365,526	-	-	1,288,522	-	-	-	-
Guaranty B&T MMA	10,281,342	5,967,859	1,620,628	-	1,596,702	-	217,493	676,581	202,079
05/17/16-Farmers Bank & Trust CD	913,910	-	-	-	-	-	-	-	-
08/17/16-Farmers Bank & Trust CD	915,663	-	913,910	-	-	-	-	-	-
09/19/16-Guaranty B&T CD	508,679	-	915,663	-	-	-	-	-	-
11/01/16-Guaranty B&T CD	709,646	-	508,679	-	-	-	-	-	-
11/17/16-Farmers Bank & Trust CD	611,613	-	709,646	-	-	-	-	-	-
02/01/17-Guaranty B&T CD	708,085	-	611,613	-	-	-	-	-	-
05/01/17-Guaranty B&T CD	507,730	-	708,085	-	-	-	-	-	-
			507,730	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 18,264,854</b>	<b>\$ 6,333,385</b>	<b>\$ 6,495,954</b>	<b>\$ 343,521</b>	<b>\$ 2,885,224</b>	<b>\$ 201,441</b>	<b>\$ 537,073</b>	<b>\$ 1,266,177</b>	<b>\$ 202,079</b>