

Port of Houston Authority Investment Report



PORT HOUSTONSM
THE INTERNATIONAL PORT OF TEXAS

For the Quarter Ended
June 30, 2017

Table of Contents

| | |
|-------------------------------------|----|
| • Certification | 3 |
| • Executive Summary | 4 |
| • Investments | |
| – Detail of Investment Holdings | 7 |
| – Investment Transactions | 9 |
| – Changes in Book and Market Values | 11 |
| – Investment Income | 13 |
| • Compliance | 15 |
| • Glossary | 17 |

Distribution

Commissioners (7)

R. Guenther

T. Heidt

Certification

The undersigned have prepared this report for the Port of Houston Authority (“Port Houston”) and certify that investment transactions entered into during the quarter ended June 30, 2017 were made in compliance with our Investment Policy and Chapter 2256 of the Texas Government Code (the “Public Funds Investment Act” or “PFIA”), which states: “Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period.” The report includes the disclosures required by the Policy and the PFIA. To the extent possible, market prices have been obtained from independent pricing sources.



Ramon Yi, Senior Director, Treasury



Reginald Hart, Manager, Treasury



R. Timothy Finley, Chief Financial Officer

August 1, 2017

Executive Summary

- Port Houston continues to follow a conservative investment strategy, with the following objectives, in order of priority
 - Preservation and safety of principal
 - Liquidity
 - Yield
- Total Cash and Investments* at June 30, 2017:

| | | | |
|----------------------------------|----|-------|---------|
| – General and Operating Funds | \$ | 375.1 | Million |
| – Promotion and Development Fund | \$ | 4.7 | |
| – Debt Service Fund | \$ | 36.2 | |
| – Construction and Bond Funds | \$ | 0.0 | |
| Total | \$ | 416.0 | Million |

* Investments at market value, and includes cash in regular bank accounts, some of which may not be considered part of the investment portfolio. All bank deposits are fully collateralized, per Texas statutes.

Executive Summary (cont.)

Account Summary

Allocation by Security Type

Beginning Values as of 03/31/17

Ending Values as of 06/30/17

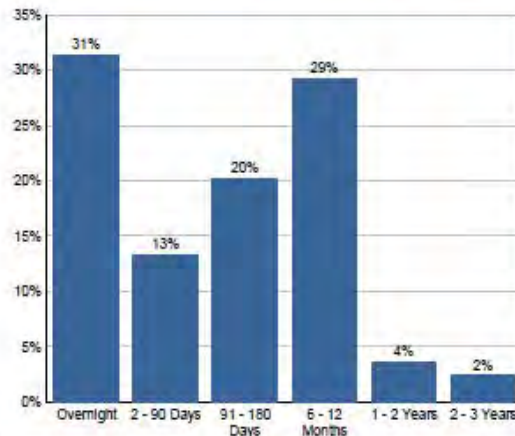
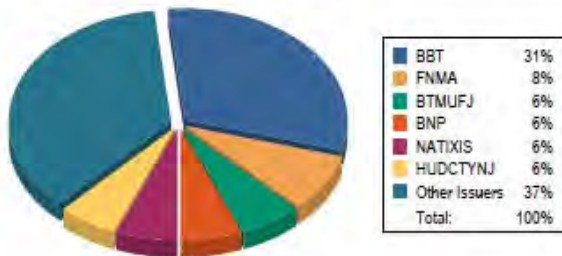
| | | |
|-------------------------|----------------|----------------|
| Par Value | 425,127,159.29 | 416,363,423.20 |
| Market Value | 424,762,824.42 | 416,019,558.29 |
| Book Value | 424,942,479.13 | 416,228,721.23 |
| Unrealized Gain /(Loss) | (179,654.71) | (209,162.94) |
| Market Value % | 99.96% | 99.95% |
| | | |
| Weighted Avg. YTW | 1.088% | 1.231% |
| Weighted Avg. YTM | 1.088% | 1.231% |



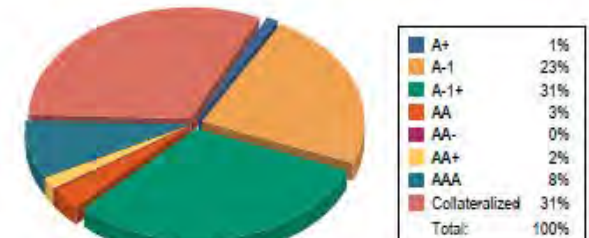
Allocation by Issuer

Maturity Distribution %

Credit Quality

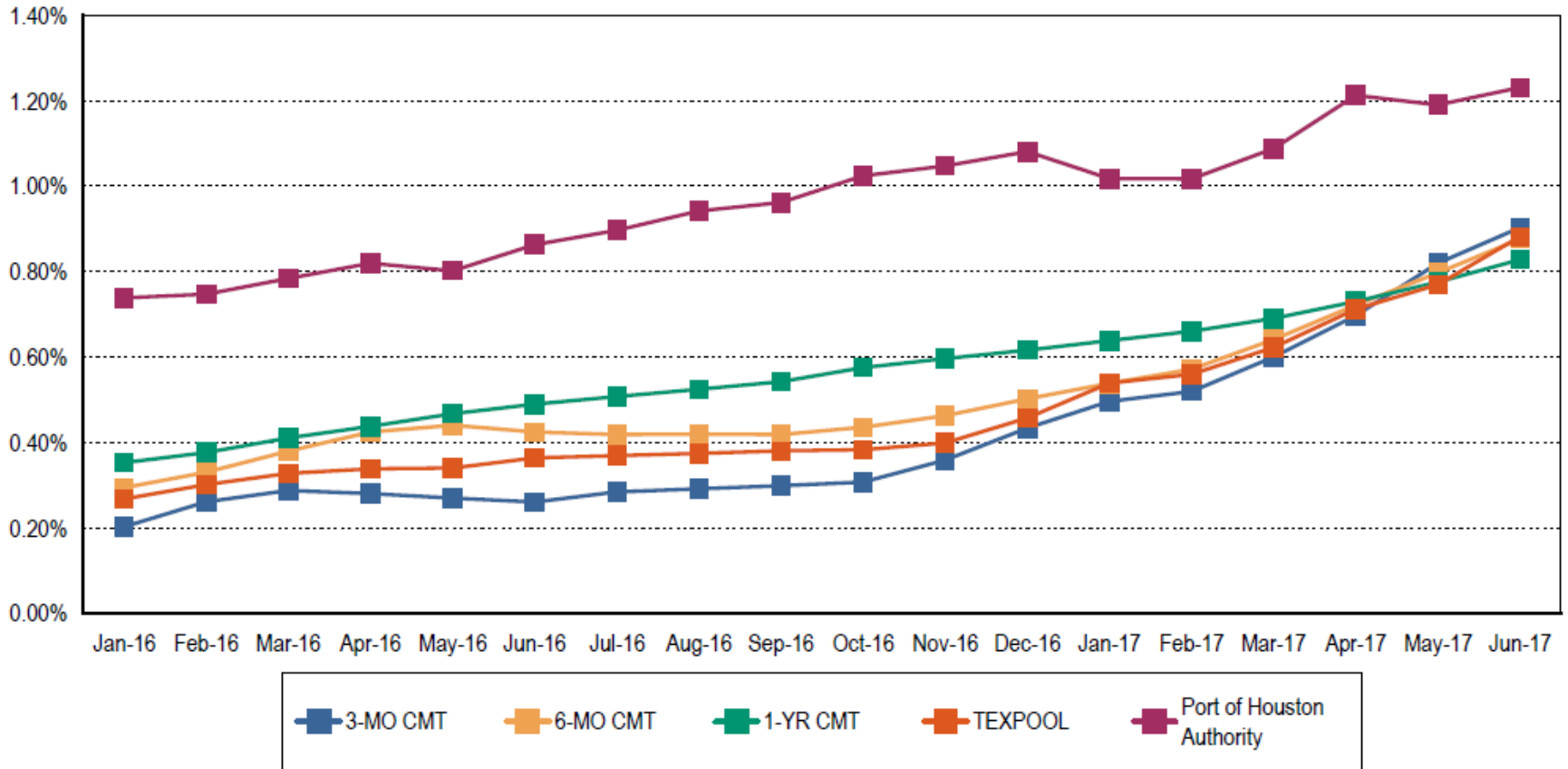


Weighted Average Days to Maturity: 180



Executive Summary (cont.)

Yield on Investments



Note 1: CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities. The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year and 2-year CMT's are the daily averages for the previous 12-months.

Note 2: Benchmark data for TexPool is the monthly average yield.

Detail of Investment Holdings

As of June 30, 2017

| CUSIP | Settle Date | Sec. Type | Sec. Description | CPN | Mty Date | Next Call | Call Type | Par Value | Purch Price | Orig Cost | Book Value | Mkt Price | Market Value | Days to Mty | Days to Call | YTM | YTW |
|------------------------------------|-------------|-----------|-------------------------------------|-------|----------|-----------|-----------|----------------------|----------------|----------------------|----------------------|----------------|----------------------|-------------|--------------|--------------|--------------|
| Debt Service Fund | | | | | | | | | | | | | | | | | |
| BBT-PTHOU | | BANK DEP | BB&T | | | | | 36,209,627.08 | 100.000 | 36,209,627.08 | 36,209,627.08 | 100.000 | 36,209,627.08 | 1 | | 1.000 | 1.000 |
| Total for Debt Service Fund | | | | | | | | 36,209,627.08 | 100.000 | 36,209,627.08 | 36,209,627.08 | 100.000 | 36,209,627.08 | 1 | | 1.000 | 1.000 |
| General Fund | | | | | | | | | | | | | | | | | |
| BBT-PTHOU | | BANK DEP | BB&T | | | | | 88,259,639.40 | 100.000 | 88,259,639.40 | 88,259,639.40 | 100.000 | 88,259,639.40 | 1 | | 1.000 | 1.000 |
| JPM-PHA | | BANK DEP | JPM Chase Bk | | | | | 1,074,262.07 | 100.000 | 1,074,262.07 | 1,074,262.07 | 100.000 | 1,074,262.07 | 1 | | 0.000 | 0.000 |
| 14329NDT8 | 12/27/12 | MUNICIPAL | City of Carmel, IN Reslev Auth | 1.238 | 08/01/17 | | | 2,805,000.00 | 100.000 | 2,805,000.00 | 2,805,000.00 | 99.992 | 2,804,775.60 | 32 | | 1.238 | 1.238 |
| 661334DR0 | 02/14/13 | MUNICIPAL | N Orange Cty CC Dist, CA | 1.240 | 08/01/17 | | | 4,250,000.00 | 100.000 | 4,250,000.00 | 4,250,000.00 | 100.015 | 4,250,637.50 | 32 | | 1.240 | 1.240 |
| 796720JG6 | 05/02/13 | MUNICIPAL | San Bernardino CC Dist, CA | 1.686 | 08/01/17 | | | 1,250,000.00 | 100.000 | 1,250,000.00 | 1,250,000.00 | 100.008 | 1,250,100.00 | 32 | | 1.686 | 1.686 |
| 094171JD8 | 08/05/16 | MUNICIPAL | Township of Bloomfield, NJ | 1.500 | 08/04/17 | | | 1,072,000.00 | 100.444 | 1,076,759.68 | 1,072,444.59 | 100.015 | 1,072,160.80 | 35 | | 1.050 | 1.050 |
| 06538BVA8 | 11/14/16 | CP - DISC | Bk of Tokyo Mitsubishi NY | | 08/10/17 | | | 11,000,000.00 | 99.029 | 10,893,147.22 | 10,984,111.16 | 99.863 | 10,984,875.00 | 41 | | 1.313 | 1.313 |
| 09659BVB3 | 11/15/16 | CP - DISC | BNP Paribas NY | | 08/11/17 | | | 20,000,000.00 | 99.029 | 19,805,722.22 | 19,970,388.80 | 99.859 | 19,971,820.00 | 42 | | 1.313 | 1.313 |
| 63873JVB3 | 11/16/16 | CP - DISC | Natixis NY | | 08/11/17 | | | 5,000,000.00 | 99.066 | 4,953,286.11 | 4,992,853.45 | 99.862 | 4,993,095.00 | 42 | | 1.267 | 1.267 |
| 00280NWF3 | 12/20/16 | CP - DISC | Abbey Nat'l Treas Srvc | | 09/15/17 | | | 10,000,000.00 | 98.999 | 9,899,872.22 | 9,971,711.10 | 99.742 | 9,974,210.00 | 77 | | 1.354 | 1.354 |
| 443728EQ9 | 04/06/17 | MUNICIPAL | Hudson Cty, NJ Imprv Auth | 2.125 | 10/31/17 | | | 1,992,000.00 | 100.580 | 2,003,553.60 | 1,998,776.62 | 100.274 | 1,997,458.08 | 123 | | 1.100 | 1.100 |
| 443728EM8 | 11/01/16 | MUNICIPAL | Hudson Cty, NJ Imprv Auth | 1.750 | 11/01/17 | | | 10,000,000.00 | 100.593 | 10,059,300.00 | 10,019,766.70 | 100.234 | 10,023,400.00 | 124 | | 1.150 | 1.150 |
| 094228BF9 | 12/22/16 | MUNICIPAL | Township of Bloomfield, NJ Pkg Auth | 2.000 | 11/03/17 | | | 3,040,000.00 | 100.551 | 3,056,750.40 | 3,046,625.95 | 100.106 | 3,043,222.40 | 126 | | 1.351 | 1.351 |
| 621545EX6 | 11/18/16 | MUNICIPAL | Township of Mt. Holly, NJ | 2.000 | 11/13/17 | | | 5,994,000.00 | 100.907 | 6,048,365.58 | 6,014,214.82 | 100.264 | 6,009,824.16 | 136 | | 1.076 | 1.076 |
| 476576MN0 | 12/08/16 | MUNICIPAL | Jersey City, NJ GO | 2.000 | 12/08/17 | | | 10,000,000.00 | 100.740 | 10,074,000.00 | 10,032,272.20 | 100.211 | 10,021,100.00 | 161 | | 1.251 | 1.251 |
| 702725WD0 | 12/12/16 | MUNICIPAL | Passaic Cty, NJ GO | 1.750 | 12/11/17 | | | 10,000,000.00 | 100.492 | 10,049,200.00 | 10,022,031.90 | 100.028 | 10,002,800.00 | 164 | | 1.251 | 1.251 |
| 083763PV8 | 12/22/16 | MUNICIPAL | Bergen Cty, NJ GO | 1.750 | 12/14/17 | | | 2,400,000.00 | 100.385 | 2,409,240.00 | 2,404,278.74 | 100.100 | 2,402,400.00 | 167 | | 1.351 | 1.351 |
| 419587DM9 | 12/20/16 | MUNICIPAL | Haverstraw Village, NY GO | 1.750 | 12/20/17 | | | 5,700,000.00 | 100.444 | 5,725,308.00 | 5,711,880.68 | 100.108 | 5,706,156.00 | 173 | | 1.300 | 1.300 |
| 06538BZN6 | 03/27/17 | CP - DISC | Bk of Tokyo Mitsubishi NY | | 12/22/17 | | | 15,000,000.00 | 98.853 | 14,827,875.00 | 14,889,075.00 | 99.596 | 14,939,475.00 | 175 | | 1.548 | 1.548 |
| 63873JZN3 | 03/28/17 | CP - DISC | Natixis NY | | 12/22/17 | | | 20,000,000.00 | 98.879 | 19,775,833.33 | 19,855,000.00 | 99.324 | 19,864,860.00 | 175 | | 1.517 | 1.517 |
| 981306PZ0 | 12/21/16 | MUNICIPAL | City of Worcester, MA | 2.500 | 01/23/18 | | | 10,000,000.00 | 101.342 | 10,134,200.00 | 10,069,460.30 | 100.388 | 10,038,800.00 | 207 | | 1.253 | 1.253 |
| 224507JY0 | 02/15/17 | MUNICIPAL | Cranford Township, NJ GO | 1.500 | 02/07/18 | | | 10,000,000.00 | 100.192 | 10,019,200.00 | 10,011,781.80 | 100.262 | 10,026,200.00 | 222 | | 1.301 | 1.301 |
| 235218L28 | 02/24/17 | MUNICIPAL | City of Dallas, TX GO | | 02/15/18 | | | 1,230,000.00 | 98.648 | 1,213,370.40 | 1,219,361.26 | 98.887 | 1,216,310.10 | 230 | | 1.401 | 1.401 |
| 67868UDN0 | 04/05/13 | MUNICIPAL | Oklahoma Cty Fina Auth Ed Rev | 4.000 | 03/01/18 | | | 4,650,000.00 | 112.334 | 5,223,531.00 | 4,730,211.01 | 101.854 | 4,736,211.00 | 244 | | 1.390 | 1.390 |
| 22533UC50 | 06/08/17 | CP - DISC | Credit Agricole | | 03/05/18 | | | 10,000,000.00 | 98.920 | 9,892,000.00 | 9,901,200.00 | 98.967 | 9,896,670.00 | 248 | | 1.456 | 1.456 |

Detail of Investment Holdings (cont.)

As of June 30, 2017

| CUSIP | Settle Date | Sec. Type | Sec. Description | CPN | Mty Date | Next Call | Call Type | Par Value | Purch Price | Orig Cost | Book Value | Mkt Price | Market Value | Days to Mty | Days to Call | YTM | YTW |
|--|-------------|-----------|---------------------------|-------|----------|-----------|-----------|-----------------------|----------------|-----------------------|-----------------------|----------------|-----------------------|-------------|--------------|--------------|--------------|
| General Fund | | | | | | | | | | | | | | | | | |
| 379640DR3 | 04/07/17 | MUNICIPAL | Gloucester City, NJ GO | 2.250 | 03/07/18 | | | 2,160,000.00 | 100.766 | 2,176,545.60 | 2,172,334.90 | 100.423 | 2,169,136.80 | 250 | | 1.401 | 1.401 |
| 379640DS1 | 04/11/17 | MUNICIPAL | Gloucester City, NJ GO | 2.125 | 03/07/18 | | | 2,740,000.00 | 100.648 | 2,757,755.20 | 2,753,397.09 | 100.340 | 2,749,316.00 | 250 | | 1.400 | 1.400 |
| 09659KCP3 | 06/26/17 | CP - DISC | BNP Paribas NY | | 03/23/18 | | | 5,000,000.00 | 98.890 | 4,944,500.00 | 4,945,527.80 | 98.892 | 4,944,585.00 | 266 | | 1.497 | 1.497 |
| 46640QCP4 | 06/26/17 | CP - DISC | J.P.Morgan Sec | | 03/23/18 | | | 20,000,000.00 | 98.890 | 19,778,000.00 | 19,782,111.20 | 98.862 | 19,772,420.00 | 266 | | 1.497 | 1.497 |
| 443728EP1 | 04/06/17 | MUNICIPAL | Hudson Cty, NJ Imprv Auth | 2.125 | 04/05/18 | | | 4,237,000.00 | 100.712 | 4,267,167.44 | 4,260,039.96 | 100.425 | 4,255,007.25 | 279 | | 1.401 | 1.401 |
| 442368KU9 | 08/22/16 | MUNICIPAL | Houston Cmty Clg, TX Rev | 1.860 | 04/15/18 | | | 1,295,000.00 | 101.483 | 1,314,204.85 | 1,304,234.50 | 100.307 | 1,298,975.65 | 289 | | 0.950 | 0.950 |
| 682455BV1 | 05/18/17 | MUNICIPAL | Oneida Cty, NY BANS | 1.750 | 05/17/18 | | | 7,750,000.00 | 100.393 | 7,780,457.50 | 7,776,775.86 | 100.292 | 7,772,630.00 | 321 | | 1.351 | 1.351 |
| 540295LQ3 | 05/31/17 | MUNICIPAL | Borough of Lodi, NJ BANS | 1.875 | 05/18/18 | | | 5,370,000.00 | 100.450 | 5,394,165.00 | 5,392,036.82 | 100.354 | 5,389,009.80 | 322 | | 1.402 | 1.402 |
| 3135G0XG3 | 05/21/13 | AGCY CALL | FNMA | 1.000 | 05/21/18 | 8/21/2017 | QRTLY | 20,000,000.00 | 99.900 | 19,980,000.00 | 19,996,370.60 | 99.774 | 19,954,860.00 | 325 | 52 | 1.021 | 1.021 |
| 951631QG8 | 06/08/17 | MUNICIPAL | Town of W Bridgewater, MA | 2.000 | 06/01/18 | | | 2,190,000.00 | 100.628 | 2,203,753.20 | 2,202,869.62 | 100.519 | 2,201,366.10 | 336 | | 1.351 | 1.351 |
| 443728ET3 | 06/15/17 | MUNICIPAL | Hudson Cty, NJ Imprv Auth | 2.000 | 06/15/18 | | | 8,000,000.00 | 100.492 | 8,039,360.00 | 8,037,634.64 | 100.390 | 8,031,200.00 | 350 | | 1.501 | 1.501 |
| 476576MQ3 | 06/22/17 | MUNICIPAL | Jersey City, NJ GO | 1.875 | 06/22/18 | | | 6,955,000.00 | 100.369 | 6,980,663.95 | 6,980,031.11 | 100.327 | 6,977,742.85 | 357 | | 1.500 | 1.500 |
| 3135G0G31 | 11/04/15 | AGCY CALL | FNMA | 1.200 | 01/29/19 | 7/29/2017 | QRTLY | 15,000,000.00 | 99.750 | 14,962,500.00 | 14,981,494.35 | 99.578 | 14,936,625.00 | 578 | 29 | 1.279 | 1.279 |
| 341271AA2 | 06/10/16 | MUNICIPAL | FL SBA Rev | 2.163 | 07/01/19 | | CONT | 10,000,000.00 | 102.094 | 10,209,400.00 | 10,137,993.50 | 100.567 | 10,056,700.00 | 731 | | 1.460 | 1.460 |
| Total for General Fund | | | | | | | | 375,413,901.47 | 100.047 | 375,567,888.97 | 375,279,199.50 | 99.911 | 375,070,036.58 | 177 | | 1.258 | 1.258 |
| Promotion & Development Fund 74 | | | | | | | | | | | | | | | | | |
| BBT-PTHOU | | BANK DEP | BB&T | | | | | 4,739,894.65 | 100.000 | 4,739,894.65 | 4,739,894.65 | 100.000 | 4,739,894.65 | 1 | | 1.000 | 1.000 |
| Total for Promotion & Development Fund 74 | | | | | | | | 4,739,894.65 | 100.000 | 4,739,894.65 | 4,739,894.65 | 100.000 | 4,739,894.65 | 1 | | 1.000 | 1.000 |
| Total for Port of Houston Authority | | | | | | | | 416,363,423.20 | 100.043 | 416,517,410.70 | 416,228,721.23 | 99.920 | 416,019,558.29 | 160 | | 1.231 | 1.231 |

Note: Bank deposits at BB&T and JPMorgan Chase are fully collateralized in accordance with Chapter 2257, Texas Government Code ("Public Funds Collateral Act").

Investment Transactions

Quarter Ended June 30, 2017

| Trade Date | Settle Date | CUSIP | Security Type | Security Description | Coupon | Mty Date | Call Date | Par Value | Price | Principal Amount | Int Purchased / Received | Total Amount | Realized Gain / Loss | YTM | YTW |
|------------------------------|-------------|-----------|---------------|----------------------------|--------|----------|-----------|-----------------------|---------|-----------------------|--------------------------|-----------------------|----------------------|--------------|--------------|
| General Fund | | | | | | | | | | | | | | | |
| Maturities | | | | | | | | | | | | | | | |
| 04/01/17 | 04/01/17 | 791697DC6 | MUNICIPAL | St. Louis MO Spl Admin Sch | 4.000 | 04/01/17 | | 2,000,000.00 | 100.000 | 2,000,000.00 | 0.00 | 2,000,000.00 | | 1.290 | |
| 04/03/17 | 04/03/17 | 06538BR39 | CP - DISC | Bk of Tokyo Mitsubishi NY | | 04/03/17 | | 10,000,000.00 | 100.000 | 10,000,000.00 | 0.00 | 10,000,000.00 | | 1.253 | |
| 04/03/17 | 04/03/17 | 46640PR39 | CP - DISC | J.P.Morgan Sec | | 04/03/17 | | 15,000,000.00 | 100.000 | 15,000,000.00 | 0.00 | 15,000,000.00 | | 1.013 | |
| 04/19/17 | 04/19/17 | 443728EH9 | MUNICIPAL | Hudson Cty NJ Imprv Auth F | 2.000 | 04/19/17 | | 12,138,000.00 | 100.000 | 12,138,000.00 | 0.00 | 12,138,000.00 | | 1.050 | |
| 04/21/17 | 04/21/17 | 06538BRM7 | CP - DISC | Bk of Tokyo Mitsubishi NY | | 04/21/17 | | 20,000,000.00 | 100.000 | 20,000,000.00 | 0.00 | 20,000,000.00 | | 1.094 | |
| 05/12/17 | 05/12/17 | 00280NSC5 | CP - DISC | Aktley Natl Treas Srvc | | 05/12/17 | | 20,000,000.00 | 100.000 | 20,000,000.00 | 0.00 | 20,000,000.00 | | 1.328 | |
| 05/12/17 | 05/12/17 | 09659JSC8 | CP - DISC | BNP Paribas NY | | 05/12/17 | | 15,000,000.00 | 100.000 | 15,000,000.00 | 0.00 | 15,000,000.00 | | 1.348 | |
| 05/18/17 | 05/18/17 | 682455AR1 | MUNICIPAL | Oneida Cty, NY GO | 1.500 | 05/18/17 | | 1,911,610.00 | 100.000 | 1,911,610.00 | 0.00 | 1,911,610.00 | | 0.851 | |
| 05/18/17 | 05/18/17 | 682455AR1 | MUNICIPAL | Oneida Cty, NY GO | 1.500 | 05/18/17 | | 1,370,000.00 | 100.000 | 1,370,000.00 | 0.00 | 1,370,000.00 | | 1.019 | |
| 06/09/17 | 06/09/17 | 187468JG9 | MUNICIPAL | Clinton Cty, NY BANS | 2.500 | 06/09/17 | | 10,000,000.00 | 100.000 | 10,000,000.00 | 0.00 | 10,000,000.00 | | 1.008 | |
| 06/23/17 | 06/23/17 | 63873JTP5 | CP - DISC | Natixis NY | | 06/23/17 | | 15,000,000.00 | 100.000 | 15,000,000.00 | 0.00 | 15,000,000.00 | | 1.348 | |
| 06/23/17 | 06/23/17 | 63873JTP5 | CP - DISC | Natixis NY | | 06/23/17 | | 10,000,000.00 | 100.000 | 10,000,000.00 | 0.00 | 10,000,000.00 | | 1.348 | |
| Total for: Maturities | | | | | | | | 132,419,610.00 | | 132,419,610.00 | 0.00 | 132,419,610.00 | | 1.197 | |
| Purchases | | | | | | | | | | | | | | | |
| 03/24/17 | 04/06/17 | 443728EQ9 | MUNICIPAL | Hudson Cty, NJ Imprv Auth | 2.125 | 10/31/17 | | 1,992,000.00 | 100.580 | 2,003,553.60 | 0.00 | 2,003,553.60 | | 1.100 | 1.100 |
| 03/24/17 | 04/06/17 | 443728EP1 | MUNICIPAL | Hudson Cty, NJ Imprv Auth | 2.125 | 04/05/18 | | 4,237,000.00 | 100.712 | 4,267,167.44 | 0.00 | 4,267,167.44 | | 1.401 | 1.401 |
| 04/06/17 | 04/11/17 | 379640DS1 | MUNICIPAL | Gloucester City, NJ GO | 2.125 | 03/07/18 | | 2,740,000.00 | 100.648 | 2,757,755.20 | 646.94 | 2,758,402.14 | | 1.400 | 1.400 |
| 04/06/17 | 04/07/17 | 379640DR3 | MUNICIPAL | Gloucester City, NJ GO | 2.250 | 03/07/18 | | 2,160,000.00 | 100.766 | 2,176,545.60 | 3,915.00 | 2,180,460.60 | | 1.401 | 1.401 |
| 05/17/17 | 05/18/17 | 682455BV1 | MUNICIPAL | Oneida Cty, NY BANS | 1.750 | 05/17/18 | | 7,750,000.00 | 100.393 | 7,780,457.50 | 376.74 | 7,780,834.24 | | 1.351 | 1.351 |
| 05/30/17 | 05/31/17 | 540295LQ3 | MUNICIPAL | Borough of Lodi, NJ BANS | 1.875 | 05/18/18 | | 5,370,000.00 | 100.450 | 5,394,165.00 | 3,356.25 | 5,397,521.25 | | 1.402 | 1.402 |
| 06/05/17 | 06/08/17 | 951631QG8 | MUNICIPAL | Town of W Bridgewater, MA | 2.000 | 06/01/18 | | 2,190,000.00 | 100.628 | 2,203,753.20 | 851.67 | 2,204,604.87 | | 1.351 | 1.351 |
| 06/07/17 | 06/15/17 | 443728ET3 | MUNICIPAL | Hudson Cty, NJ Imprv Auth | 2.000 | 06/15/18 | | 8,000,000.00 | 100.492 | 8,039,360.00 | 0.00 | 8,039,360.00 | | 1.501 | 1.501 |
| 06/08/17 | 06/08/17 | 22533UC50 | CP - DISC | Credit Agricole | | 03/05/18 | | 10,000,000.00 | 98.920 | 9,892,000.00 | 0.00 | 9,892,000.00 | | 1.456 | 1.456 |
| 06/12/17 | 06/22/17 | 476576MQ3 | MUNICIPAL | Jersey City, NJ GO | 1.875 | 06/22/18 | | 6,955,000.00 | 100.369 | 6,980,663.95 | 0.00 | 6,980,663.95 | | 1.500 | 1.500 |
| 06/26/17 | 06/26/17 | 46640QCP4 | CP - DISC | J.P.Morgan Sec | | 03/23/18 | | 20,000,000.00 | 98.890 | 19,778,000.00 | 0.00 | 19,778,000.00 | | 1.497 | 1.497 |
| 06/26/17 | 06/26/17 | 09659KCP3 | CP - DISC | BNP Paribas NY | | 03/23/18 | | 5,000,000.00 | 98.890 | 4,944,500.00 | 0.00 | 4,944,500.00 | | 1.497 | 1.497 |
| Total for: Purchases | | | | | | | | 76,384,000.00 | | 76,217,921.49 | 9,146.60 | 76,227,068.09 | | 1.445 | 1.445 |

Investment Transactions

Quarter Ended June 30, 2017

| Trade Date | Settle Date | CUSIP | Security Type | Security Description | Coupon | Mty Date | Call Date | Par Value | Price | Principal Amount | Int Purchased / Received | Total Amount | Realized Gain / Loss | YTM | YTW |
|-----------------------------------|-------------|-----------|---------------|----------------------------|--------|----------|-----------|-----------|-------|------------------|--------------------------|-------------------|----------------------|-----|-----|
| <i>Income Payments</i> | | | | | | | | | | | | | | | |
| General Fund | | | | | | | | | | | | | | | |
| <i>Income Payments</i> | | | | | | | | | | | | | | | |
| 04/03/17 | 04/01/17 | 791697DC6 | MUNICIPAL | St. Louis MO Spl Admin Sch | 4.000 | 04/01/17 | | | | 0.00 | 40,000.00 | 40,000.00 | | | |
| 04/17/17 | 04/15/17 | 442368KU9 | MUNICIPAL | Houston Cmty Clg, TX Rev | 1.860 | 04/15/18 | | | | 0.00 | 12,043.50 | 12,043.50 | | | |
| 04/19/17 | 04/19/17 | 443728EH9 | MUNICIPAL | Hudson Cty NJ Imprv Auth F | 2.000 | 04/19/17 | | | | 0.00 | 242,760.00 | 242,760.00 | | | |
| 05/18/17 | 05/18/17 | 682455AR1 | MUNICIPAL | Oneida Cty, NY GO | 1.500 | 05/18/17 | | | | 0.00 | 28,674.15 | 28,674.15 | | | |
| 05/18/17 | 05/18/17 | 682455AR1 | MUNICIPAL | Oneida Cty, NY GO | 1.500 | 05/18/17 | | | | 0.00 | 20,550.00 | 20,550.00 | | | |
| 05/22/17 | 05/21/17 | 3135G0XG3 | AGCY CALL | FNMA | 1.000 | 05/21/18 | | | | 0.00 | 100,000.00 | 100,000.00 | | | |
| 06/09/17 | 06/09/17 | 187468JG9 | MUNICIPAL | Clinton Cty, NY BANS | 2.500 | 06/09/17 | | | | 0.00 | 249,305.56 | 249,305.56 | | | |
| Total for: Income Payments | | | | | | | | | | 0.00 | 693,333.21 | 693,333.21 | | | |

Changes in Book and Market Values

| CUSIP | Security Type | Security Description | 03/31/17 Book Value | Cost of Purchases | Maturities / Calls / Sales | Amortization / Accretion | Realized Gain/(Loss) | 06/30/17 Book Value | 03/31/17 Market Value | 06/30/17 Market Value | Change in Mkt Value |
|------------------------------------|---------------|--|------------------------|----------------------|-------------------------------|-----------------------------|-------------------------|------------------------|--------------------------|--------------------------|------------------------|
| Debt Service Fund | | | | | | | | | | | |
| BBT-PTHOU | BANK DEP | BB&T | 51,958,553.19 | 614,097.06 | (16,363,023.17) | 0.00 | 0.00 | 36,209,627.08 | 51,958,553.19 | 36,209,627.08 | (15,748,926.11) |
| CB-PORHOU | BANK DEP | Citibank | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total for Debt Service Fund | | | 51,958,553.19 | 614,097.06 | (16,363,023.17) | 0.00 | 0.00 | 36,209,627.08 | 51,958,553.19 | 36,209,627.08 | (15,748,926.11) |
| General Fund | | | | | | | | | | | |
| BBT-PTHOU | BANK DEP | BB&T | 27,126,077.86 | 80,296,520.40 | (19,162,958.86) | 0.00 | 0.00 | 88,259,639.40 | 27,126,077.86 | 88,259,639.40 | 61,133,561.54 |
| CB-PORHOU | BANK DEP | Citibank | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| JPM-PHA | BANK DEP | JPM Chase Bk | 1,188,414.37 | 25,670.96 | (139,823.26) | 0.00 | 0.00 | 1,074,262.07 | 1,188,414.37 | 1,074,262.07 | (114,152.30) |
| 791697DC6 | MUNICIPAL | St. Louis MO Spl Admin Sch Dist 4.000 04/01/17 | 2,000,000.00 | 0.00 | (2,000,000.00) | 0.00 | 0.00 | 0.00 | 2,000,000.00 | 0.00 | (2,000,000.00) |
| 06538BR39 | CP - DISC | Bk of Tokyo Mitsubishi NY 0.000 04/03/17 | 9,999,308.30 | 0.00 | (10,000,000.00) | 691.70 | 0.00 | 0.00 | 9,999,250.00 | 0.00 | (9,999,250.00) |
| 46640PR39 | CP - DISC | J.P.Morgan Sec 0.000 04/03/17 | 14,999,162.55 | 0.00 | (15,000,000.00) | 837.45 | 0.00 | 0.00 | 14,998,965.00 | 0.00 | (14,998,965.00) |
| 443728EH9 | MUNICIPAL | Hudson Cty NJ Imprv Auth Rev 2.000 04/19 | 12,143,704.86 | 0.00 | (12,138,000.00) | (5,704.86) | 0.00 | 0.00 | 12,142,855.20 | 0.00 | (12,142,855.20) |
| 06538BRM7 | CP - DISC | Bk of Tokyo Mitsubishi NY 0.000 04/21/17 | 19,987,944.40 | 0.00 | (20,000,000.00) | 12,055.60 | 0.00 | 0.00 | 19,989,100.00 | 0.00 | (19,989,100.00) |
| 00280NSC5 | CP - DISC | Abbey Nat'l Treas Svc 0.000 05/12/17 | 19,970,047.20 | 0.00 | (20,000,000.00) | 29,952.80 | 0.00 | 0.00 | 19,977,280.00 | 0.00 | (19,977,280.00) |
| 09659JSC8 | CP - DISC | BNP Paribas NY 0.000 05/12/17 | 14,977,193.70 | 0.00 | (15,000,000.00) | 22,806.30 | 0.00 | 0.00 | 14,983,170.00 | 0.00 | (14,983,170.00) |
| 682455AR1 | MUNICIPAL | Oneida Cty, NY GO 1.500 05/18/17 | 3,284,053.19 | 0.00 | (3,281,610.00) | (2,443.19) | 0.00 | 0.00 | 3,283,316.44 | 0.00 | (3,283,316.44) |
| 187468JG9 | MUNICIPAL | Clinton Cty, NY BANS 2.500 06/09/17 | 10,028,030.70 | 0.00 | (10,000,000.00) | (28,030.70) | 0.00 | 0.00 | 10,021,100.00 | 0.00 | (10,021,100.00) |
| 63873JTP5 | CP - DISC | Natixis NY 0.000 06/23/17 | 24,923,052.00 | 0.00 | (25,000,000.00) | 76,948.00 | 0.00 | 0.00 | 24,936,775.00 | 0.00 | (24,936,775.00) |
| 14329NDT8 | MUNICIPAL | City of Carmel, IN Redev Auth 1.238 08/01/17 | 2,805,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2,805,000.00 | 2,805,841.50 | 2,804,775.60 | (1,065.90) |
| 661334DR0 | MUNICIPAL | N Orange Cty CC Dist, CA 1.240 08/01/17 | 4,250,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4,250,000.00 | 4,255,822.50 | 4,250,637.50 | (5,185.00) |
| 796720JG6 | MUNICIPAL | San Bernardino CC Dist, CA 1.686 08/01/17 | 1,250,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,250,000.00 | 1,251,325.00 | 1,250,100.00 | (1,225.00) |
| 094171JD8 | MUNICIPAL | Township of Bloomfield, NJ 1.500 08/04/17 | 1,073,634.51 | 0.00 | 0.00 | (1,189.92) | 0.00 | 1,072,444.59 | 1,073,415.04 | 1,072,160.80 | (1,254.24) |
| 06538BVA8 | CP - DISC | Bk of Tokyo Mitsubishi NY 0.000 08/10/17 | 10,947,963.84 | 0.00 | 0.00 | 36,147.32 | 0.00 | 10,984,111.16 | 10,949,983.00 | 10,984,875.00 | 34,892.00 |
| 09659BVB3 | CP - DISC | BNP Paribas NY 0.000 08/11/17 | 19,904,666.60 | 0.00 | 0.00 | 65,722.20 | 0.00 | 19,970,388.80 | 19,909,480.00 | 19,971,820.00 | 62,340.00 |
| 63873JVB3 | CP - DISC | Natixis NY 0.000 08/11/17 | 4,976,991.65 | 0.00 | 0.00 | 15,861.80 | 0.00 | 4,992,853.45 | 4,977,540.00 | 4,993,095.00 | 15,555.00 |
| 00280NWF3 | CP - DISC | Abbey Nat'l Treas Svc 0.000 09/15/17 | 9,937,838.90 | 0.00 | 0.00 | 33,872.20 | 0.00 | 9,971,711.10 | 9,942,880.00 | 9,974,210.00 | 31,330.00 |
| 443728EQ9 | MUNICIPAL | Hudson Cty, NJ Imprv Auth 2.125 10/31/17 | 0.00 | 2,003,553.60 | 0.00 | (4,776.98) | 0.00 | 1,998,776.62 | 0.00 | 1,997,458.08 | 1,997,458.08 |
| 443728EM8 | MUNICIPAL | Hudson Cty, NJ Imprv Auth 1.750 11/01/17 | 10,034,591.70 | 0.00 | 0.00 | (14,825.00) | 0.00 | 10,019,766.70 | 10,032,300.00 | 10,023,400.00 | (8,900.00) |
| 094228BF9 | MUNICIPAL | Township of Bloomfield, NJ Pkg Auth 2.000 | 3,051,449.64 | 0.00 | 0.00 | (4,823.69) | 0.00 | 3,046,625.95 | 3,048,086.40 | 3,043,222.40 | (4,864.00) |
| 621545EX6 | MUNICIPAL | Township of Mt. Holly, NJ 2.000 11/13/17 | 6,027,997.61 | 0.00 | 0.00 | (13,782.79) | 0.00 | 6,014,214.82 | 6,021,272.70 | 6,009,824.16 | (11,448.54) |
| 476576MN0 | MUNICIPAL | Jersey City, NJ GO 2.000 12/08/17 | 10,050,772.20 | 0.00 | 0.00 | (18,500.00) | 0.00 | 10,032,272.20 | 10,032,400.00 | 10,021,100.00 | (11,300.00) |
| 702725WD0 | MUNICIPAL | Passaic Cty, NJ GO 1.750 12/11/17 | 10,034,331.90 | 0.00 | 0.00 | (12,300.00) | 0.00 | 10,022,031.90 | 10,014,400.00 | 10,002,800.00 | (11,600.00) |
| 083763PV8 | MUNICIPAL | Bergen Cty, NJ GO 1.750 12/14/17 | 2,406,641.26 | 0.00 | 0.00 | (2,362.52) | 0.00 | 2,404,278.74 | 2,404,248.00 | 2,402,400.00 | (1,848.00) |

Changes in Book and Market Values (cont.)

| CUSIP | Security Type | Security Description | 03/31/17 Book Value | Cost of Purchases | Maturities / Calls / Sales | Amortization / Accretion | Realized Gain/(Loss) | 06/30/17 Book Value | 03/31/17 Market Value | 06/30/17 Market Value | Change in Mkt Value |
|--|---------------|--|------------------------|-----------------------|-------------------------------|-----------------------------|-------------------------|------------------------|--------------------------|--------------------------|------------------------|
| General Fund | | | | | | | | | | | |
| 419587DM9 | MUNICIPAL | Haverstraw Village, NY GO 1.750 12/20/17 | 5,718,207.68 | 0.00 | 0.00 | (6,327.00) | 0.00 | 5,711,880.68 | 5,710,773.00 | 5,706,156.00 | (4,617.00) |
| 06538BZN6 | CP - DISC | Bk of Tokyo Mitsubishi NY 0.000 12/22/17 | 14,831,062.50 | 0.00 | 0.00 | 58,012.50 | 0.00 | 14,889,075.00 | 14,849,265.00 | 14,939,475.00 | 90,210.00 |
| 63873JZN3 | CP - DISC | Natixis NY 0.000 12/22/17 | 19,779,166.60 | 0.00 | 0.00 | 75,833.40 | 0.00 | 19,855,000.00 | 19,778,340.00 | 19,864,860.00 | 86,520.00 |
| 981306PZ0 | MUNICIPAL | City of Worcester, MA 2.500 01/23/18 | 10,100,144.20 | 0.00 | 0.00 | (30,683.90) | 0.00 | 10,069,460.30 | 10,069,500.00 | 10,038,800.00 | (30,700.00) |
| 224507JY0 | MUNICIPAL | Cranford Township, NJ GO 1.500 02/07/18 | 10,016,690.90 | 0.00 | 0.00 | (4,909.10) | 0.00 | 10,011,781.80 | 10,013,100.00 | 10,026,200.00 | 13,100.00 |
| 235218L28 | MUNICIPAL | City of Dallas, TX GO 0.000 02/15/18 | 1,215,112.72 | 0.00 | 0.00 | 4,248.54 | 0.00 | 1,219,361.26 | 1,211,685.30 | 1,216,310.10 | 4,624.80 |
| 67868UDN0 | MUNICIPAL | Oklahoma Cty Fina Auth Ed Rev 4.000 03/0 | 4,760,134.18 | 0.00 | 0.00 | (29,923.17) | 0.00 | 4,730,211.01 | 4,772,853.00 | 4,736,211.00 | (36,642.00) |
| 22533UC50 | CP - DISC | Credit Agricole 0.000 03/05/18 | 0.00 | 9,892,000.00 | 0.00 | 9,200.00 | 0.00 | 9,901,200.00 | 0.00 | 9,896,670.00 | 9,896,670.00 |
| 379640DR3 | MUNICIPAL | Gloucester City, NJ GO 2.250 03/07/18 | 0.00 | 2,176,545.60 | 0.00 | (4,210.70) | 0.00 | 2,172,334.90 | 0.00 | 2,169,136.80 | 2,169,136.80 |
| 379640DS1 | MUNICIPAL | Gloucester City, NJ GO 2.125 03/07/18 | 0.00 | 2,757,755.20 | 0.00 | (4,358.11) | 0.00 | 2,753,397.09 | 0.00 | 2,749,316.00 | 2,749,316.00 |
| 09659KCP3 | CP - DISC | BNP Paribas NY 0.000 03/23/18 | 0.00 | 4,944,500.00 | 0.00 | 1,027.80 | 0.00 | 4,945,527.80 | 0.00 | 4,944,585.00 | 4,944,585.00 |
| 46640QCP4 | CP - DISC | J.P.Morgan Sec 0.000 03/23/18 | 0.00 | 19,778,000.00 | 0.00 | 4,111.20 | 0.00 | 19,782,111.20 | 0.00 | 19,772,420.00 | 19,772,420.00 |
| 443728EP1 | MUNICIPAL | Hudson Cty, NJ Imprv Auth 2.125 04/05/18 | 0.00 | 4,267,167.44 | 0.00 | (7,127.48) | 0.00 | 4,260,039.96 | 0.00 | 4,255,007.25 | 4,255,007.25 |
| 442368KU9 | MUNICIPAL | Houston Cmty Clg, TX Rev 1.860 04/15/18 | 1,307,150.00 | 0.00 | 0.00 | (2,915.50) | 0.00 | 1,304,234.50 | 1,302,498.05 | 1,298,975.65 | (3,522.40) |
| 682455BV1 | MUNICIPAL | Oneida Cty, NY BANS 1.750 05/17/18 | 0.00 | 7,780,457.50 | 0.00 | (3,681.64) | 0.00 | 7,776,775.86 | 0.00 | 7,772,630.00 | 7,772,630.00 |
| 540295LQ3 | MUNICIPAL | Borough of Lodi, NJ BANS 1.875 05/18/18 | 0.00 | 5,394,165.00 | 0.00 | (2,128.18) | 0.00 | 5,392,036.82 | 0.00 | 5,389,009.80 | 5,389,009.80 |
| 3135G0XG3 | AGCY CALL | FNMA 1.000 05/21/18 | 19,995,355.60 | 0.00 | 0.00 | 1,015.00 | 0.00 | 19,996,370.60 | 19,954,180.00 | 19,954,860.00 | 680.00 |
| 951631QG8 | MUNICIPAL | Town of W Bridgewater, MA 2.000 06/01/18 | 0.00 | 2,203,753.20 | 0.00 | (883.58) | 0.00 | 2,202,869.62 | 0.00 | 2,201,366.10 | 2,201,366.10 |
| 443728ET3 | MUNICIPAL | Hudson Cty, NJ Imprv Auth 2.000 06/15/18 | 0.00 | 8,039,360.00 | 0.00 | (1,725.36) | 0.00 | 8,037,634.64 | 0.00 | 8,031,200.00 | 8,031,200.00 |
| 476576MQ3 | MUNICIPAL | Jersey City, NJ GO 1.875 06/22/18 | 0.00 | 6,980,663.95 | 0.00 | (632.84) | 0.00 | 6,980,031.11 | 0.00 | 6,977,742.85 | 6,977,742.85 |
| 3135G0G31 | AGCY CALL | FNMA 1.200 01/29/19 | 14,978,597.55 | 0.00 | 0.00 | 2,896.80 | 0.00 | 14,981,494.35 | 14,949,075.00 | 14,936,625.00 | (12,450.00) |
| 341271AA2 | MUNICIPAL | FL SBA Rev 2.163 07/01/19 | 10,154,931.20 | 0.00 | 0.00 | (16,937.70) | 0.00 | 10,137,993.50 | 10,079,200.00 | 10,056,700.00 | (22,500.00) |
| Total for General Fund | | | 370,235,422.07 | 156,540,112.85 | (151,722,392.12) | 226,058.70 | 0.00 | 375,279,199.50 | 370,055,767.36 | 375,070,036.56 | 5,014,269.20 |
| Promotion & Development Fund 74 | | | | | | | | | | | |
| BBT-PTHOU | BANK DEP | BB&T | 2,748,503.87 | 2,573,246.10 | (581,855.32) | 0.00 | 0.00 | 4,739,894.65 | 2,748,503.87 | 4,739,894.65 | 1,991,390.78 |
| CB-PORHOU | BANK DEP | Citibank | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total for Promotion & Development Fund 74 | | | 2,748,503.87 | 2,573,246.10 | (581,855.32) | 0.00 | 0.00 | 4,739,894.65 | 2,748,503.87 | 4,739,894.65 | 1,991,390.78 |

Investment Income

Quarter Ended June 30, 2017

| CUSIP | Security Type | Security Description | Beg. Accrued | Interest Earned | Interest Rec'd / Sold / Matured | Interest Purchased | Ending Accrued | Disc Accr / Prem Amort | Net Income |
|------------------------------------|---------------|--|--------------|------------------|---------------------------------|--------------------|----------------|------------------------|------------------|
| Debt Service Fund | | | | | | | | | |
| BBT-PTHOU | BANK DEP | BB&T | 0.00 | 69,612.45 | 69,612.45 | 0.00 | 0.00 | 0.00 | 69,612.45 |
| Total for Debt Service Fund | | | 0.00 | 69,612.45 | 69,612.45 | 0.00 | 0.00 | 0.00 | 69,612.45 |
| General Fund | | | | | | | | | |
| BBT-PTHOU | BANK DEP | BB&T | 0.00 | 176,926.89 | 176,926.89 | 0.00 | 0.00 | 0.00 | 176,926.89 |
| 791697DC6 | MUNICIPAL | St. Louis MO Spl Admin Sch Dist 4.000 04/01/17 | 40,000.00 | 0.00 | 40,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 06538BR39 | CP - DISC | Bk of Tokyo Mitsubishi NY 0.000 04/03/17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 691.70 | 691.70 |
| 46640PR39 | CP - DISC | J.P.Morgan Sec 0.000 04/03/17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 837.45 | 837.45 |
| 443728EH9 | MUNICIPAL | Hudson Cty NJ Imprv Auth Rev 2.000 04/19/17 | 230,622.00 | 12,138.00 | 242,760.00 | 0.00 | 0.00 | (5,704.86) | 6,433.14 |
| 06538BRM7 | CP - DISC | Bk of Tokyo Mitsubishi NY 0.000 04/21/17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 12,055.60 | 12,055.60 |
| 00280NSC5 | CP - DISC | Abbey Natl Treas Srvc 0.000 05/12/17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 29,952.80 | 29,952.80 |
| 09659JSC8 | CP - DISC | BNP Paribas NY 0.000 05/12/17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 22,806.30 | 22,806.30 |
| 682455AR1 | MUNICIPAL | Oneida Cty, NY GO 1.500 05/18/17 | 42,797.66 | 6,426.49 | 49,224.15 | 0.00 | 0.00 | (2,443.19) | 3,983.30 |
| 187468JG9 | MUNICIPAL | Clinton Cty, NY BANS 2.500 06/09/17 | 202,083.33 | 47,222.23 | 249,305.56 | 0.00 | 0.00 | (28,030.70) | 19,191.53 |
| 63873JTP5 | CP - DISC | Natixis NY 0.000 06/23/17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 76,948.00 | 76,948.00 |
| 14329NDT8 | MUNICIPAL | City of Carmel, IN Redev Auth 1.238 08/01/17 | 5,787.65 | 8,681.48 | 0.00 | 0.00 | 14,469.13 | 0.00 | 8,681.48 |
| 661334DR0 | MUNICIPAL | N Orange Cty CC Dist, CA 1.240 08/01/17 | 8,783.33 | 13,175.00 | 0.00 | 0.00 | 21,958.33 | 0.00 | 13,175.00 |
| 796720JG6 | MUNICIPAL | San Bernardino CC Dist, CA 1.686 08/01/17 | 3,512.50 | 5,268.75 | 0.00 | 0.00 | 8,781.25 | 0.00 | 5,268.75 |
| 094171JD8 | MUNICIPAL | Township of Bloomfield, NJ 1.500 08/04/17 | 10,541.33 | 4,020.00 | 0.00 | 0.00 | 14,561.33 | (1,189.92) | 2,830.08 |
| 06538BVA8 | CP - DISC | Bk of Tokyo Mitsubishi NY 0.000 08/10/17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 36,147.32 | 36,147.32 |
| 09659BVB3 | CP - DISC | BNP Paribas NY 0.000 08/11/17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 65,722.20 | 65,722.20 |
| 63873JVB3 | CP - DISC | Natixis NY 0.000 08/11/17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 15,861.80 | 15,861.80 |
| 00280NWF3 | CP - DISC | Abbey Natl Treas Srvc 0.000 09/15/17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 33,872.20 | 33,872.20 |
| 443728EQ9 | MUNICIPAL | Hudson Cty, NJ Imprv Auth 2.125 10/31/17 | 0.00 | 9,994.58 | 0.00 | 0.00 | 9,994.58 | (4,776.98) | 5,217.60 |
| 443728EM8 | MUNICIPAL | Hudson Cty, NJ Imprv Auth 1.750 11/01/17 | 72,916.67 | 43,750.00 | 0.00 | 0.00 | 116,666.67 | (14,825.00) | 28,925.00 |
| 094228BF9 | MUNICIPAL | Township of Bloomfield, NJ Pkg Auth 2.000 11/03/17 | 24,995.56 | 15,200.00 | 0.00 | 0.00 | 40,195.56 | (4,823.69) | 10,376.31 |
| 621545EX6 | MUNICIPAL | Township of Mt. Holly, NJ 2.000 11/13/17 | 45,621.00 | 29,970.00 | 0.00 | 0.00 | 75,591.00 | (13,782.79) | 16,187.21 |
| 476576MN0 | MUNICIPAL | Jersey City, NJ GO 2.000 12/08/17 | 62,777.78 | 50,000.00 | 0.00 | 0.00 | 112,777.78 | (18,500.00) | 31,500.00 |
| 702725WD0 | MUNICIPAL | Passaic Cty, NJ GO 1.750 12/11/17 | 52,739.73 | 43,630.13 | 0.00 | 0.00 | 96,369.86 | (12,300.00) | 31,330.13 |
| 083763PV8 | MUNICIPAL | Bergen Cty, NJ GO 1.750 12/14/17 | 12,483.33 | 10,500.00 | 0.00 | 0.00 | 22,983.33 | (2,362.52) | 8,137.48 |
| 419587DM9 | MUNICIPAL | Haverstraw Village, NY GO 1.750 12/20/17 | 27,985.42 | 24,937.50 | 0.00 | 0.00 | 52,922.92 | (6,327.00) | 18,610.50 |
| 06538BZN6 | CP - DISC | Bk of Tokyo Mitsubishi NY 0.000 12/22/17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 58,012.50 | 58,012.50 |
| 63873JZN3 | CP - DISC | Natixis NY 0.000 12/22/17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 75,833.40 | 75,833.40 |

Investment Income (cont.)

Quarter Ended June 30, 2017

| CUSIP | Security Type | Security Description | Beg. Accrued | Interest Earned | Interest Rec'd / Sold / Matured | Interest Purchased | Ending Accrued | Disc Accr / Prem Amort | Net Income |
|--|---------------|--|---------------------|-------------------|---------------------------------|--------------------|---------------------|------------------------|---------------------|
| General Fund | | | | | | | | | |
| 981306PZ0 | MUNICIPAL | City of Worcester, MA 2.500 01/23/18 | 69,444.44 | 62,500.00 | 0.00 | 0.00 | 131,944.44 | (30,683.90) | 31,816.10 |
| 224507JY0 | MUNICIPAL | Cranford Township, NJ GO 1.500 02/07/18 | 22,500.00 | 37,500.00 | 0.00 | 0.00 | 60,000.00 | (4,909.10) | 32,590.90 |
| 235218L28 | MUNICIPAL | City of Dallas, TX GO 0.000 02/15/18 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4,248.54 | 4,248.54 |
| 67868UDN0 | MUNICIPAL | Oklahoma Cty Fina Auth Ed Rev 4.000 03/01/18 | 15,500.00 | 46,500.00 | 0.00 | 0.00 | 62,000.00 | (29,923.17) | 16,576.83 |
| 22533UC50 | CP - DISC | Credit Agricole 0.000 03/05/18 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 9,200.00 | 9,200.00 |
| 379640DR3 | MUNICIPAL | Gloucester City, NJ GO 2.250 03/07/18 | 0.00 | 11,340.00 | 0.00 | (3,915.00) | 15,255.00 | (4,210.70) | 7,129.30 |
| 379640DS1 | MUNICIPAL | Gloucester City, NJ GO 2.125 03/07/18 | 0.00 | 12,938.89 | 0.00 | (646.94) | 13,585.83 | (4,358.11) | 8,580.78 |
| 09659KCP3 | CP - DISC | BNP Paribas NY 0.000 03/23/18 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,027.80 | 1,027.80 |
| 46640QCP4 | CP - DISC | J.P.Morgan Sec 0.000 03/23/18 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4,111.20 | 4,111.20 |
| 443728EP1 | MUNICIPAL | Hudson Cty, NJ Imprv Auth 2.125 04/05/18 | 0.00 | 21,258.56 | 0.00 | 0.00 | 21,258.56 | (7,127.48) | 14,131.08 |
| 442368KU9 | MUNICIPAL | Houston Cmty Clg, TX Rev 1.860 04/15/18 | 11,106.78 | 6,021.75 | 12,043.50 | 0.00 | 5,085.03 | (2,915.50) | 3,106.25 |
| 682455BV1 | MUNICIPAL | Oneida Cty, NY BANS 1.750 05/17/18 | 0.00 | 16,199.65 | 0.00 | (376.74) | 16,576.39 | (3,681.64) | 12,518.01 |
| 540295LQ3 | MUNICIPAL | Borough of Lodi, NJ BANS 1.875 05/18/18 | 0.00 | 8,390.63 | 0.00 | (3,356.25) | 11,746.88 | (2,128.18) | 6,262.45 |
| 3135G0XG3 | AGCY CALL | FNMA 1.000 05/21/18 | 72,222.22 | 50,000.00 | 100,000.00 | 0.00 | 22,222.22 | 1,015.00 | 51,015.00 |
| 951631QG8 | MUNICIPAL | Town of W Bridgewater, MA 2.000 06/01/18 | 0.00 | 2,798.33 | 0.00 | (851.67) | 3,650.00 | (883.58) | 1,914.75 |
| 443728ET3 | MUNICIPAL | Hudson Cty, NJ Imprv Auth 2.000 06/15/18 | 0.00 | 7,111.11 | 0.00 | 0.00 | 7,111.11 | (1,725.36) | 5,385.75 |
| 476576MQ3 | MUNICIPAL | Jersey City, NJ GO 1.875 06/22/18 | 0.00 | 3,260.16 | 0.00 | 0.00 | 3,260.16 | (632.84) | 2,627.32 |
| 3135G0G31 | AGCY CALL | FNMA 1.200 01/29/19 | 31,000.00 | 45,000.00 | 0.00 | 0.00 | 76,000.00 | 2,896.80 | 47,896.80 |
| 341271AA2 | MUNICIPAL | FL SBA Rev 2.163 07/01/19 | 54,075.00 | 54,075.00 | 0.00 | 0.00 | 108,150.00 | (16,937.70) | 37,137.30 |
| Total for General Fund | | | 1,119,495.73 | 886,735.13 | 870,260.10 | (9,146.80) | 1,145,117.36 | 226,056.70 | 1,112,791.83 |
| Promotion & Development Fund 74 | | | | | | | | | |
| BBT-PTHOU | BANK DEP | BB&T | 0.00 | 9,424.16 | 9,424.16 | 0.00 | 0.00 | 0.00 | 9,424.16 |
| Total for Promotion & Development Fund 74 | | | 0.00 | 9,424.16 | 9,424.16 | 0.00 | 0.00 | 0.00 | 9,424.16 |
| Total for Port of Houston Authority | | | 1,119,495.73 | 965,771.74 | 849,296.71 | (9,146.80) | 1,145,117.36 | 226,056.70 | 1,191,828.44 |

Compliance

Requirement

4.6 Maturity

- Weighted average maturity excluding construction, debt service and bond reserve funds ≤ 2 years
- Bond reserve funds \leq maturity date of the bonds
- Operating funds ≤ 5 years, Debt service funds ≤ 1 year, and Construction funds ≤ 5 years

4.7 Diversification

- Avoid undue concentration of assets by staggering maturities
- Select maturities to provide stability of income and reasonable liquidity

Actual Performance

4.6 Maturity

- Compliant (weighted average days to call of 127 days, and weighted average final maturity of 160 days)
- Compliant (no investments in bond reserve funds currently)
- Compliant (operating and construction funds mature in less than 5 years; debt service funds invested in interest-bearing overnight bank deposits)

4.7 Diversification

- Compliant (maturities through July 2019, with some call dates through August 2017)
- Compliant (\$130 million in overnight bank deposits, and \$116 million in CP maturing within 270 days)

Compliance (cont.)

Requirement

4.7 Diversification Limitations

- No more than 40% of the portfolio (excluding major capex, debt service, bond reserve and capitalized interest) invested beyond 24 months
- Average maturity of portfolio shall not exceed two years
- Maximum 25% of portfolio invested in time deposits of a single issuer
- Maximum 20% of portfolio invested in a single municipal or Commercial Paper issuer
- Maximum 30% of portfolio invested in a single Federal agency issuer

Actual Performance

4.7 Diversification Limitations

- Compliant (only 2% of the portfolio is invested beyond 24 months)
- Compliant (weighted average final maturity of 160 days, or 127 days to the call/put dates)
- Compliant (there are no investments in time deposits or CD's presently)
- Compliant (highest concentration for any single CP issuer is currently 6% of the portfolio)
- Compliant (highest concentration is 8% in FNMA)

Glossary

- Funds
- Terms
- Investment Types

Glossary - Funds

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| Bond Reserve Fund | A restricted fund where monies are set aside to meet covenants under revenue bond indentures, and the total amount is typically equivalent to the one year average of principal and interest due on all outstanding revenue bonds. |
| Construction Fund | A restricted fund where proceeds of bond issuances are designated for construction projects, and which may be invested in longer-dated maturities structured to meet the timing of the construction projects. |
| Debt Service Fund | Also referred to as an Interest and Redemption (“I&R”) Fund, as monies in this fund are used to cover principal and interest payments due on our outstanding General Obligations tax bonds. Monies are received from the Harris County Tax Assessor-Collector representing ad valorem taxes levied and collected annually from Harris County taxpayers, net of collection fees. Any shortfalls due to timing differences may be met from temporary transfers from the Operating Fund, but Harris County should be contacted to resolve the issue. |
| General Fund | An unrestricted fund. |
| General Obligations Fund | Another term for a Construction Fund which is funded from proceeds of General Obligations bond issuances. |
| Operating Fund | A highly liquid General Fund used to meet current spending needs. |
| P & D Fund #74 | The Promotion and Development Fund was created by action of the Port Commission in accordance with Section 60.201 of the Texas Water Code, and is maintained pursuant to Section 5007.219 of the Texas Special District Local Laws Code. A navigation district may set aside up to 5% of gross income from operations to pay expenses connected with (1) any activity or matter incidental to the advertising, development, or promotion of the district or its ports, waterways, harbors or terminals; (2) furthering the general welfare of the district and its facilities; and/or (3) the betterment of the district's relations with steamship and rail lines, shippers, governmental officials, or others interested in ports, waterways, harbors or terminals. The P&D Fund has been audited by the State Auditor’s Office in the past and found to be in compliance with the statutes. On an ongoing basis, Port Houston’s Internal Audit department monitors the P&D Fund for compliance with statutory and internal policy requirements. |

Glossary - Terms

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| Basis Points | One basis point is equal to 0.01% per annum. One hundred basis points is the equivalent of 1.00% per annum. |
| Book Value | The cost basis of an investment, plus or minus any discount or premium paid. |
| Bullet Maturity | An investment with no (further) calls or put options prior to the final maturity date. |
| Call or Call Option | An instrument which may be “called” (i.e., redeemed) at the option of the issuer. |
| Coupon Rate | The interest rate specified in the debt instrument. |
| Discount | The difference between the par value of an investment and the price at which it is issued, when issued at a price below par. |
| Effective Maturity | The date used in place of the final stated maturity date of a security issued with call, put or prepayment features. Effective maturity takes into consideration the effect of such optional call, put or prepayment dates relative to the prevailing interest rate environment. For example, during periods of declining interest rates, bonds with call features tend to have shorter lifespans as the issuers have opportunity to refinance those bonds at lower rates. |
| Effective Rate | Another term for Yield. |
| Face Value | Another term for Par Value. |
| In the Money | For a callable security, when the market price is greater than the call price, it is referred to as “in the money”, indicating that the holder of the security should be able to sell the security at a premium (i.e., profit) as it is worth more than comparable securities or investments available at that time. |
| Market Price or Market Value | The price a willing buyer is willing to pay for an instrument. |
| Muni or Municipal | A debt security (bond or note) issued by a State, local government, political subdivision or municipality. |
| Par Value | The face amount or principal amount of an investment which the borrower agrees to repay at maturity and the amount on which interest payments are based. Par is often shown as a price of 100.00. |

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| Premium | The difference between the par value of an investment and the price at which it is issued, when issued at a price above par. |
| Put or Put Option | An instrument which may be “put” back to the issuer (i.e., redeemed) at the option of the holder. |
| Stated Rate | Another term for Coupon Rate. |
| Step Up or Step Note | Investments which offer one or more increases in the Coupon Rate if the instruments are not called by specific date(s). |
| Swap Transaction | Exchanging one security or investment for another. This may include selling a security and purchasing another security that may have similar or different features (e.g., principal amount, call features, final maturity date, etc.). |
| Yield, YTW, YTM | The true interest rate (i.e., total interest received divided by the cost of the investment) on an annualized basis, often expressed as “Yield to Worst (call/put date)” and “Yield to Maturity”. |

Glossary – Investment Types

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| Abbey Nat'l N America | CP notes issued by Abbey National North America LLC, a Delaware limited liability company, guaranteed by parent company Santander UK plc |
| AGCY | Federal agency paper (may be callable, have bullet maturity and/or offer “step up” in interest rate) |
| AGCY CALL | Federal agency paper, callable at the agency’s option |
| BANK DEP | Bank deposit (generally collateralized or insured by FDIC) |
| BB&T | Branch Banking and Trust Company |
| Bk of Tokyo Mitsubishi | CP notes issued by Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch |
| BNP Paribas | CP notes issued by BNP Paribas Finance Inc., a Delaware corporation, guaranteed by parent, BNP Paribas, a large global bank |
| Citibank or Citi | Citibank, N.A. |
| CMO | Collateralized Mortgage Obligations |
| CP | Commercial Paper |
| CP-DISC or DCP | Commercial Paper purchased at a discount |
| CRAGRICNA or Credit Agricole | CP notes issued by Credit Agricole North America, Inc., a Delaware corporation, guaranteed by Credit Agricole Corporate and Investment Bank, a multinational French banking institution |
| Deutsche Bk or DBKFIN | CP notes issued by Deutsche Bank Financial LLC, a Delaware limited liability company, guaranteed by Deutsche Bank AG New York Branch |
| FAMC or Farmer Mac | Federal Agriculture Mortgage Corporation |
| FDIC | Federal Deposit Insurance Corporation |
| FFCB | Federal Farm Credit Bureau |
| FHLB | Federal Home Loan Bank |
| FHLMC or Freddie Mac | Federal Home Loan Mortgage Corporation |
| FMCC | Ford Motor Credit Company |

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| FNMA or Fannie Mae | Federal National Mortgage Association |
| FSN | FHLMC Step Note |
| GMAC | General Motors Acceptance Corp. |
| GO or GOB | General Obligation Bond |
| ING Funding LLC | CP notes issued by ING (U.S.) Funding LLC, a Delaware limited liability company, guaranteed by ING Bank N.V., one of the world's largest financial institutions |
| JPM Chase Bk | JPMorgan Chase Bank |
| LGIP | Local Government Investment Pool (e.g., TexSTAR, TexPool, TexPool Prime, LOGIC, etc.) |
| LOGIC | A local government investment pool |
| Malayan Banking BHD | CP issued by Malayan Banking Berhad, New York Branch, which are guaranteed by a letter of credit from Wells Fargo Bank, N.A. |
| MM or MMF | Money Market Fund |
| Muni or Municipal | Notes, bonds and other debt obligations issued by municipalities, state and local governments |
| Natixis Finance | CP notes issued by Natixis U.S. Finance Company, LLC, a Delaware limited liability company, guaranteed by Natixis, a French banking institution |
| Rev | Revenue bonds |
| SLMA or Sallie Mae | Student Loan Marketing Association |
| Societe Generale | CP notes issued by Societe Generale North America, Inc., a Delaware limited liability company, guaranteed by Societe Generale, a multinational French banking institution, also known as "Soc Gen" |
| TexPool Prime | A local government investment pool |
| TexSTAR | A local government investment pool |
| Toyota Mtr Cr | Toyota Motor Credit Corporation |
| USTB | U.S. Treasury Bill |
| USTN | U.S. Treasury Note |