

# Port of Houston Authority Investment Report



**PORT HOUSTON**<sup>SM</sup>  
THE INTERNATIONAL PORT OF TEXAS

For the Quarter Ended  
September 30, 2019

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## 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 September 30, 2019 were made in compliance with Port Houston’s 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*

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Ramon Yi  
Senior Director, Treasury

*Roland E. Gonzalez*

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Roland E. Gonzalez  
Director, Treasury

November 6, 2019

# *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 September 30, 2019:

|                                  |                  |
|----------------------------------|------------------|
| – General and Operating Funds    | \$ 493.5 Million |
| – Promotion and Development Fund | \$ 4.2           |
| – Debt Service Fund              | \$ 36.1          |
| – Construction and Bond Funds    | \$ 0.0           |
| Total                            | \$ 533.8 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.)

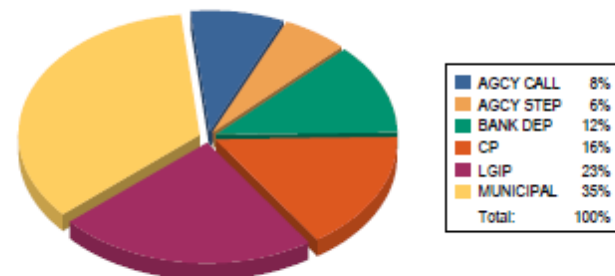
## Account Summary

Beginning Values as of 06/30/19

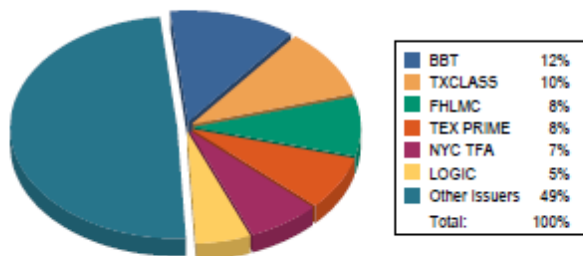
Ending Values as of 09/30/19

|                        |                |                |
|------------------------|----------------|----------------|
| Par Value              | 513,722,779.65 | 532,543,340.72 |
| Market Value           | 514,532,803.10 | 533,836,425.62 |
| Book Value             | 512,594,678.68 | 531,837,330.75 |
| Unrealized Gain/(Loss) | 1,938,124.42   | 1,999,094.87   |
| <b>Market Value %</b>  | <b>100.38%</b> | <b>100.38%</b> |
| Weighted Avg. YTW      | 2.632%         | 2.393%         |
| Weighted Avg. YTM      | 2.635%         | 2.432%         |

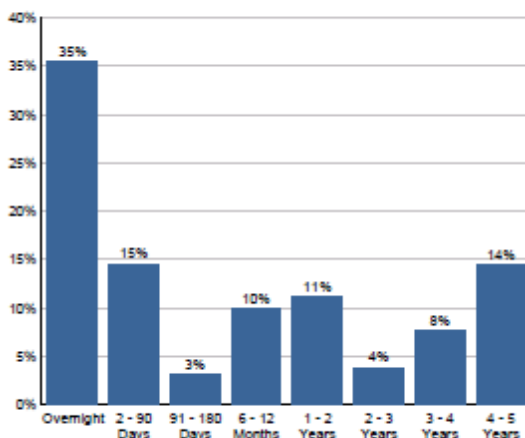
## Allocation by Security Type



## Allocation by Issuer

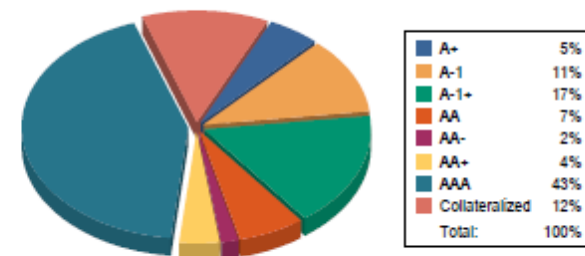


## Maturity Distribution %



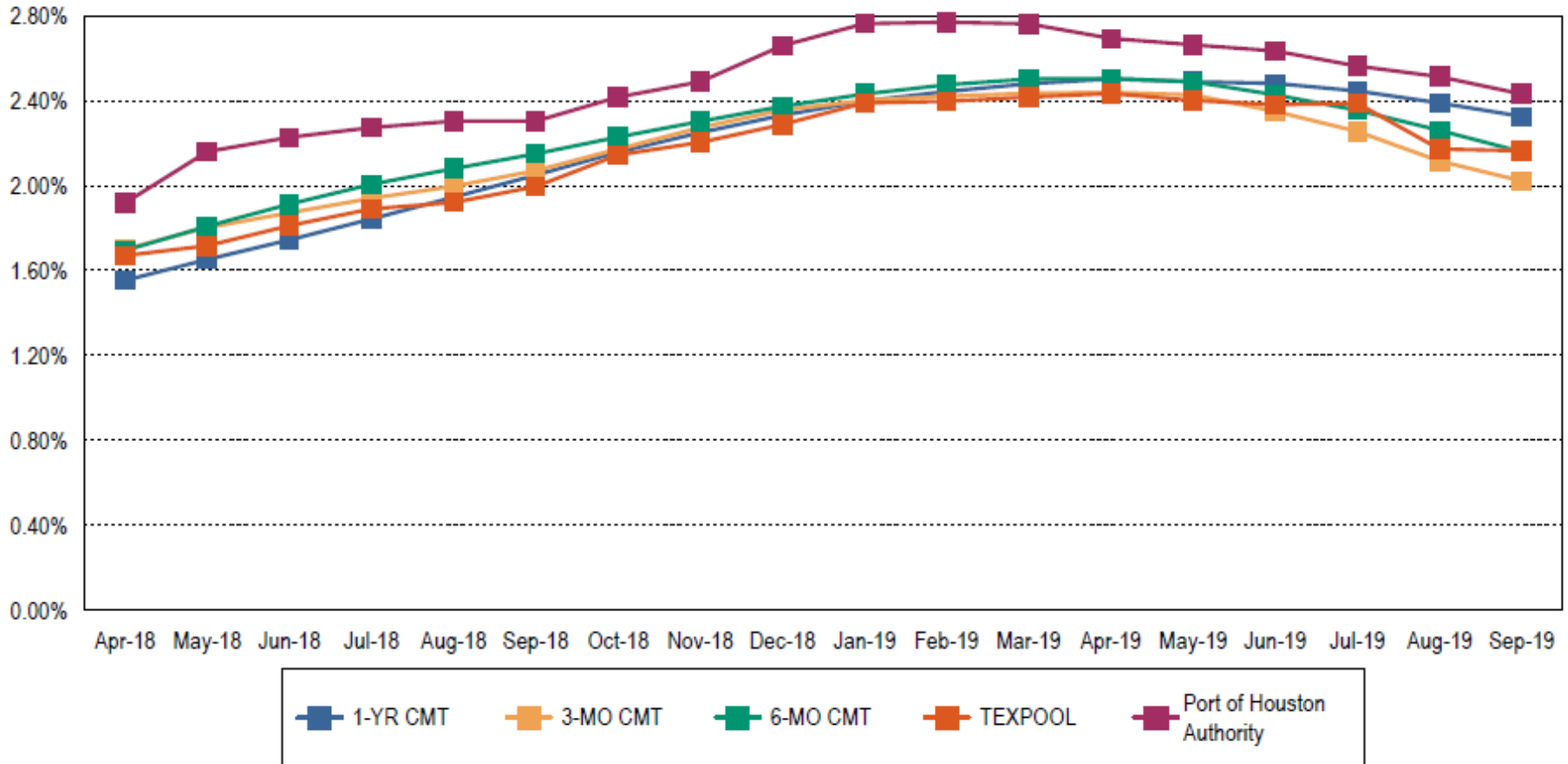
Weighted Average Days to Maturity: 492

## Credit Quality



# 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 September 30, 2019

| 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          |
|------------------------------------|-------------|-----------|-----------------------------|-------|----------|-----------|-----------|----------------------|----------------|----------------------|----------------------|----------------|----------------------|-------------|--------------|--------------|--------------|
| <b>Debt Service Fund</b>           |             |           |                             |       |          |           |           |                      |                |                      |                      |                |                      |             |              |              |              |
| BBT-PTHOU                          |             | BANK DEP  | BB&T                        |       |          |           |           | 35,827,398.61        | 100.000        | 35,827,398.61        | 35,827,398.61        | 100.000        | 35,827,398.61        | 1           |              | 1.710        | 1.710        |
| LOGIC                              |             | LGIP      | LOGIC                       |       |          |           |           | 269,731.28           | 100.000        | 269,731.28           | 269,731.28           | 100.000        | 269,731.28           | 1           |              | 2.246        | 2.246        |
| <b>Total for Debt Service Fund</b> |             |           |                             |       |          |           |           | <b>36,097,129.89</b> | <b>100.000</b> | <b>36,097,129.89</b> | <b>36,097,129.89</b> | <b>100.000</b> | <b>36,097,129.89</b> | <b>1</b>    |              | <b>1.714</b> | <b>1.714</b> |
| <b>General Fund</b>                |             |           |                             |       |          |           |           |                      |                |                      |                      |                |                      |             |              |              |              |
| BBT-PTHOU                          |             | BANK DEP  | BB&T                        |       |          |           |           | 25,827,039.84        | 100.000        | 25,827,039.84        | 25,827,039.84        | 100.000        | 25,827,039.84        | 1           |              | 1.710        | 1.710        |
| JPM-PHA                            |             | BANK DEP  | JPM Chase Bk                |       |          |           |           | 8,077.29             | 100.000        | 8,077.29             | 8,077.29             | 100.000        | 8,077.29             | 1           |              | 0.000        | 0.000        |
| LOGIC                              |             | LGIP      | LOGIC                       |       |          |           |           | 28,156,681.67        | 100.000        | 28,156,681.67        | 28,156,681.67        | 100.000        | 28,156,681.67        | 1           |              | 2.246        | 2.246        |
| TEXPRIME                           |             | LGIP      | TexPool Prime               |       |          |           |           | 41,559,850.98        | 100.000        | 41,559,850.98        | 41,559,850.98        | 100.000        | 41,559,850.98        | 1           |              | 2.275        | 2.275        |
| TXCLASS                            |             | LGIP      | Texas CLASS                 |       |          |           |           | 53,222,791.21        | 100.000        | 53,222,791.21        | 53,222,791.21        | 100.000        | 53,222,791.21        | 1           |              | 2.200        | 2.200        |
| 46640QX48                          | 01/07/19    | CP - DISC | J.P.Morgan Sec              |       | 10/04/19 |           |           | 25,000,000.00        | 97.829         | 24,457,187.50        | 24,993,968.75        | 99.975         | 24,993,727.50        | 4           |              | 2.959        | 2.959        |
| 20772JKM3                          | 04/16/18    | MUNICIPAL | State of CT                 | 1.896 | 10/15/19 |           |           | 850,000.00           | 98.958         | 841,143.00           | 849,766.97           | 99.994         | 849,949.00           | 15          |              | 2.610        | 2.610        |
| 07274MXU4                          | 02/01/19    | CP - DISC | Bayerische Landesbank       |       | 10/28/19 |           |           | 20,000,000.00        | 97.964         | 19,592,763.89        | 19,959,125.00        | 99.837         | 19,967,380.00        | 28          |              | 2.782        | 2.782        |
| 256309YF6                          | 12/20/18    | MUNICIPAL | Dodge City, KS              | 2.900 | 12/01/19 |           |           | 4,935,000.00         | 100.000        | 4,935,000.00         | 4,935,000.00         | 100.070        | 4,938,454.50         | 62          |              | 2.901        | 2.901        |
| 702725D74                          | 12/05/18    | MUNICIPAL | Passaic Cty, NJ             | 3.250 | 12/04/19 |           |           | 15,000,000.00        | 100.339        | 15,050,850.00        | 15,008,940.60        | 100.211        | 15,031,650.00        | 65          |              | 2.900        | 2.900        |
| 476576PL1                          | 12/06/18    | MUNICIPAL | Jersey City, NJ             | 3.000 | 12/06/19 |           |           | 10,000,000.00        | 100.145        | 10,014,500.00        | 10,002,621.90        | 100.183        | 10,018,300.00        | 67          |              | 2.851        | 2.851        |
| 083763SQ6                          | 12/12/18    | MUNICIPAL | Bergen Cty, NJ              | 3.250 | 12/12/19 |           |           | 1,670,000.00         | 100.340        | 1,675,678.00         | 1,671,120.04         | 100.211        | 1,673,523.70         | 73          |              | 2.900        | 2.900        |
| 06964DAB8                          | 07/20/18    | MUNICIPAL | Bartow Cty, GA Dev Auth     | 2.498 | 01/01/20 |           |           | 1,075,000.00         | 99.812         | 1,072,979.00         | 1,074,648.00         | 100.146        | 1,076,569.50         | 93          |              | 2.631        | 2.631        |
| 45528UGE5                          | 07/20/18    | MUNICIPAL | Indianapolis, IN LPIBB      | 1.957 | 01/15/20 | Anytime   | CONT      | 3,095,000.00         | 99.025         | 3,064,823.75         | 3,089,059.27         | 100.011        | 3,095,340.45         | 107         | 5            | 2.630        | 2.630        |
| 048506DM8                          | 02/26/19    | MUNICIPAL | Atlantic Cty Imprv Auth, NJ | 4.750 | 02/26/20 |           |           | 5,200,000.00         | 101.956        | 5,301,712.00         | 5,241,242.14         | 101.040        | 5,254,080.00         | 149         |              | 2.740        | 2.740        |
| 682455BB5                          | 11/03/17    | MUNICIPAL | Oneida Cty, NY GO           | 2.106 | 03/01/20 |           |           | 750,000.00           | 100.352        | 752,640.00           | 750,482.54           | 99.956         | 749,670.00           | 153         |              | 1.950        | 1.950        |
| 443728FF2                          | 03/07/19    | MUNICIPAL | Hudson Cty, NJ Imprv Auth   | 3.500 | 03/06/20 |           |           | 6,500,000.00         | 100.679        | 6,544,135.00         | 6,518,984.10         | 100.622        | 6,540,430.00         | 158         |              | 2.800        | 2.800        |
| 05971RDP6                          | 07/30/19    | CP - DISC | Banco Santander SA/NY       |       | 04/23/20 |           |           | 25,000,000.00        | 98.385         | 24,596,138.89        | 24,691,076.50        | 98.863         | 24,715,747.50        | 206         |              | 2.206        | 2.206        |
| 80285PF80                          | 09/12/19    | CP - DISC | Santander UK PLC            |       | 06/08/20 |           |           | 15,000,000.00        | 98.500         | 14,775,000.00        | 14,790,833.40        | 98.628         | 14,794,200.00        | 252         |              | 2.030        | 2.030        |
| 225489FU2                          | 07/19/18    | MUNICIPAL | Creek Cty ISD #33, OK       | 3.250 | 07/01/20 |           |           | 2,900,000.00         | 100.847        | 2,924,563.00         | 2,909,439.36         | 100.885        | 2,925,665.00         | 275         |              | 2.808        | 2.808        |
| 20772JL59                          | 02/25/19    | MUNICIPAL | State of CT                 | 2.500 | 08/01/20 |           |           | 6,060,000.00         | 99.330         | 6,019,398.00         | 6,036,246.01         | 100.355        | 6,081,513.00         | 306         |              | 2.980        | 2.980        |
| 443728FL9                          | 09/20/19    | MUNICIPAL | Hudson Cty, NJ Imprv Auth   | 3.000 | 09/18/20 |           |           | 4,000,000.00         | 100.852        | 4,034,080.00         | 4,033,050.12         | 100.904        | 4,036,160.00         | 354         |              | 2.125        | 2.125        |
| 749845UK7                          | 12/20/17    | MUNICIPAL | Racine Cty, WI              | 2.150 | 12/01/20 | 12/1/2019 | CONT      | 8,000,000.00         | 99.744         | 7,979,520.00         | 7,991,718.00         | 99.685         | 7,974,800.00         | 428         | 62           | 2.240        | 2.240        |
| 06964DAC6                          | 07/26/18    | MUNICIPAL | Bartow Cty, GA Dev Auth     | 2.829 | 01/01/21 |           |           | 710,000.00           | 99.949         | 709,637.90           | 709,815.23           | 100.727        | 715,161.70           | 459         |              | 2.850        | 2.850        |
| 6427137G0                          | 08/27/18    | MUNICIPAL | City of New Britain, CT     | 2.505 | 03/01/21 |           |           | 805,000.00           | 99.121         | 797,924.05           | 800,948.17           | 100.740        | 810,957.00           | 518         |              | 2.870        | 2.870        |
| 341271AB0                          | 05/21/18    | MUNICIPAL | FL SBA Rev                  | 2.638 | 07/01/21 | Anytime   | CONT      | 4,975,000.00         | 98.842         | 4,917,389.50         | 4,941,998.54         | 101.173        | 5,033,356.75         | 640         | 5            | 3.030        | 3.030        |

# Detail of Investment Holdings (cont.)

As of September 30, 2019

| 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          |
|-------------------------------|-------------|-----------|----------------------------|-------|----------|------------|-----------|-----------------------|---------------|-----------------------|-----------------------|----------------|-----------------------|-------------|--------------|--------------|--------------|
| <b>General Fund</b>           |             |           |                            |       |          |            |           |                       |               |                       |                       |                |                       |             |              |              |              |
| 341271AB0                     | 08/09/18    | MUNICIPAL | FL SBA Rev                 | 2.638 | 07/01/21 | Anytime    | CONT      | 1,495,000.00          | 99.001        | 1,480,064.95          | 1,485,836.55          | 101.173        | 1,512,536.35          | 640         | 5            | 3.000        | 3.000        |
| 341271AB0                     | 11/29/18    | MUNICIPAL | FL SBA Rev                 | 2.638 | 07/01/21 | Anytime    | CONT      | 6,765,000.00          | 98.735        | 6,679,422.75          | 6,706,499.73          | 101.173        | 6,844,353.45          | 640         | 5            | 3.150        | 3.150        |
| 341271AB0                     | 02/05/19    | MUNICIPAL | FL SBA Rev                 | 2.638 | 07/01/21 | Anytime    | CONT      | 1,875,000.00          | 99.647        | 1,868,381.25          | 1,870,163.04          | 101.173        | 1,896,993.75          | 640         | 5            | 2.790        | 2.790        |
| 341271AB0                     | 08/01/19    | MUNICIPAL | FL SBA Rev                 | 2.638 | 07/01/21 | Anytime    | CONT      | 6,730,000.00          | 100.976       | 6,795,684.80          | 6,790,083.22          | 101.173        | 6,808,942.90          | 640         | 5            | 2.115        | 2.115        |
| 438701M76                     | 06/27/18    | MUNICIPAL | Honolulu City & Cty, HI    | 2.780 | 07/01/21 | Anytime    | CONT      | 1,680,000.00          | 99.687        | 1,674,741.60          | 1,676,891.46          | 101.536        | 1,705,804.80          | 640         | 5            | 2.889        | 2.889        |
| 64972HV82                     | 10/25/18    | MUNICIPAL | NYC Transitional Fina Auth | 3.150 | 07/15/21 |            |           | 10,000,000.00         | 99.854        | 9,985,400.00          | 9,990,795.10          | 101.676        | 10,167,600.00         | 654         |              | 3.203        | 3.203        |
| 447819DX8                     | 08/06/18    | MUNICIPAL | Hurst-Euless-Bedford ISD   | 2.434 | 08/15/21 |            |           | 1,000,000.00          | 98.374        | 983,740.00            | 989,770.82            | 100.869        | 1,008,690.00          | 685         |              | 3.000        | 3.000        |
| 3134GUAT7                     | 09/13/19    | AGCY CALL | FHLMC                      | 2.080 | 09/13/21 | 12/13/2019 | QRTLY     | 15,000,000.00         | 100.000       | 15,000,000.00         | 15,000,000.00         | 100.011        | 15,001,675.50         | 714         | 74           | 2.080        | 2.080        |
| 20772KAD1                     | 02/26/18    | MUNICIPAL | State of CT                | 2.840 | 01/15/22 |            |           | 8,000,000.00          | 98.157        | 7,852,560.00          | 7,911,120.24          | 101.819        | 8,145,520.00          | 838         |              | 3.348        | 3.348        |
| 20772KAD1                     | 08/15/18    | MUNICIPAL | State of CT                | 2.840 | 01/15/22 |            |           | 6,305,000.00          | 98.048        | 6,181,926.40          | 6,221,080.58          | 101.819        | 6,419,687.95          | 838         |              | 3.450        | 3.450        |
| 20772KAD1                     | 02/11/19    | MUNICIPAL | State of CT                | 2.840 | 01/15/22 |            |           | 1,000,000.00          | 99.747        | 997,470.00            | 998,014.65            | 101.819        | 1,018,190.00          | 838         |              | 2.930        | 2.930        |
| 9433343A8                     | 12/05/17    | MUNICIPAL | City of Wausau, WI Rev     | 3.000 | 04/01/22 | 4/1/2020   | CONT      | 3,600,000.00          | 102.004       | 3,672,144.00          | 3,615,817.93          | 100.499        | 3,617,964.00          | 914         | 184          | 2.508        | 2.112        |
| 249739VQ3                     | 08/29/19    | MUNICIPAL | City of Derby, CT          | 2.100 | 08/01/22 |            |           | 1,110,000.00          | 100.000       | 1,110,000.00          | 1,110,000.00          | 99.540         | 1,104,894.00          | 1,036       |              | 2.097        | 2.097        |
| 520626BK7                     | 08/01/19    | MUNICIPAL | City of Lawrenceville, GA  | 2.000 | 10/01/22 |            |           | 1,030,000.00          | 99.937        | 1,029,351.10          | 1,029,389.98          | 100.307        | 1,033,162.10          | 1,097       |              | 2.020        | 2.020        |
| 64971XHY7                     | 08/01/19    | MUNICIPAL | NYC Transitional Fina Auth | 2.520 | 11/01/22 |            |           | 11,800,000.00         | 101.405       | 11,965,790.00         | 11,957,715.97         | 101.518        | 11,979,124.00         | 1,128       |              | 2.070        | 2.070        |
| 9433343M2                     | 12/04/18    | MUNICIPAL | City of Wausau, WI         | 3.450 | 04/01/23 |            |           | 8,010,000.00          | 100.000       | 8,010,000.00          | 8,010,000.00          | 102.074        | 8,176,127.40          | 1,279       |              | 3.451        | 3.451        |
| 09478PAA6                     | 09/18/18    | MUNICIPAL | City of Bloomington, MN    | 3.000 | 08/01/23 | 2/1/2020   | CONT      | 3,650,000.00          | 99.549        | 3,633,538.50          | 3,636,776.05          | 100.368        | 3,663,432.00          | 1,401       | 124          | 3.101        | 3.101        |
| 09478PAA6                     | 10/04/18    | MUNICIPAL | City of Bloomington, MN    | 3.000 | 08/01/23 | 2/1/2020   | CONT      | 500,000.00            | 99.330        | 496,650.00            | 497,293.24            | 100.368        | 501,840.00            | 1,401       | 124          | 3.151        | 3.151        |
| 249739VR1                     | 08/29/19    | MUNICIPAL | City of Derby, CT          | 2.150 | 08/01/23 |            |           | 790,000.00            | 100.000       | 790,000.00            | 790,000.00            | 99.274         | 784,264.60            | 1,401       |              | 2.148        | 2.148        |
| 64971QWL3                     | 12/18/18    | MUNICIPAL | NYC Transitional Fina Auth | 2.710 | 08/01/23 |            |           | 14,600,000.00         | 97.489        | 14,233,394.00         | 14,292,249.52         | 102.674        | 14,990,404.00         | 1,401       |              | 3.300        | 3.300        |
| 20772KAF6                     | 09/09/19    | MUNICIPAL | State of CT                | 3.130 | 01/15/24 |            |           | 1,000,000.00          | 104.556       | 1,045,560.00          | 1,044,948.16          | 103.742        | 1,037,420.00          | 1,568       |              | 2.030        | 2.030        |
| 3134GTN74                     | 07/30/19    | AGCY STEP | FHLMC                      | 2.250 | 07/30/24 | 10/30/2019 | QRTLY     | 15,000,000.00         | 100.000       | 15,000,000.00         | 15,000,000.00         | 99.874         | 14,981,100.00         | 1,765       | 30           | 2.870        | 2.250        |
| 20772JL91                     | 09/09/19    | MUNICIPAL | State of CT                | 3.230 | 08/01/24 |            |           | 1,000,000.00          | 105.371       | 1,053,710.00          | 1,053,072.00          | 105.134        | 1,051,340.00          | 1,767       |              | 2.070        | 2.070        |
| 64966QCA6                     | 09/16/19    | MUNICIPAL | New York City, NY          | 2.130 | 08/01/24 |            |           | 15,000,000.00         | 100.547       | 15,082,050.00         | 15,081,387.15         | 100.371        | 15,055,650.00         | 1,767       |              | 2.012        | 2.012        |
| 3134GTU35                     | 08/08/19    | AGCY STEP | FHLMC                      | 2.250 | 08/08/24 | 11/8/2019  | QRTLY     | 15,000,000.00         | 100.000       | 15,000,000.00         | 15,000,000.00         | 100.028        | 15,004,192.50         | 1,774       | 39           | 2.916        | 2.250        |
| 3135G0W58                     | 09/13/19    | AGCY CALL | FNMA                       | 2.150 | 09/13/24 | 3/13/2020  | QRTLY     | 15,000,000.00         | 100.000       | 15,000,000.00         | 15,000,000.00         | 99.944         | 14,991,652.50         | 1,810       | 165          | 2.150        | 2.150        |
| 3130AH2T9                     | 09/17/19    | AGCY CALL | FHLB                       | 2.180 | 09/17/24 | 12/17/2019 | CONT      | 15,000,000.00         | 100.000       | 15,000,000.00         | 15,000,000.00         | 99.859         | 14,978,887.50         | 1,814       | 78           | 2.180        | 2.180        |
| <b>Total for General Fund</b> |             |           |                            |       |          |            |           | <b>492,239,440.99</b> | <b>99.643</b> | <b>490,453,083.82</b> | <b>491,533,431.02</b> | <b>100.264</b> | <b>493,532,525.89</b> | <b>533</b>  |              | <b>2.491</b> | <b>2.449</b> |



# Detail of Investment Holdings (cont.)

As of September 30, 2019

| 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          |
|--|-------------|-----------|------------------|-----|----------|-----------|-----------|-----------------------|----------------|-----------------------|-----------------------|----------------|-----------------------|-------------|--------------|--------------|--------------|
| <b>Promotion &amp; Development Fund 74</b>           |             |           |                  |     |          |           |           |                       |                |                       |                       |                |                       |             |              |              |              |
| BBT-PTHOU  |             | BANK DEP  | BB&T             |     |          |           |           | 4,206,769.84          | 100.000        | 4,206,769.84          | 4,206,769.84          | 100.000        | 4,206,769.84          | 1           |              | 1.710        | 1.710        |
| <b>Total for Promotion &amp; Development Fund 74</b> |             |           |                  |     |          |           |           | <b>4,206,769.84</b>   | <b>100.000</b> | <b>4,206,769.84</b>   | <b>4,206,769.84</b>   | <b>100.000</b> | <b>4,206,769.84</b>   | <b>1</b>    |              | <b>1.710</b> | <b>1.710</b> |
| <b>Total for Port of Houston Authority</b>           |             |           |                  |     |          |           |           | <b>532,543,340.72</b> | <b>99.670</b>  | <b>530,756,983.55</b> | <b>531,837,330.75</b> | <b>100.244</b> | <b>533,836,425.62</b> | <b>492</b>  |              | <b>2.432</b> | <b>2.393</b> |

# Investment Transactions

Quarter Ended September 30, 2019

| 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          |              |
|------------------------------|-------------|-----------|---------------|----------------------------|--------|----------|-----------|-----------------------|---------|-----------------------|--------------------------|-----------------------|----------------------|-----|--------------|--------------|
| <b>General Fund</b>          |             |           |               |                            |        |          |           |                       |         |                       |                          |                       |                      |     |              |              |
| <b>Maturities</b>            |             |           |               |                            |        |          |           |                       |         |                       |                          |                       |                      |     |              |              |
| 07/01/19                     | 07/01/19    | 341271AA2 | MUNICIPAL     | FL SBA Rev                 | 2.163  | 07/01/19 |           | 10,000,000.00         | 100.000 | 10,000,000.00         | 0.00                     | 10,000,000.00         |                      |     | 1.460        |              |
| 07/18/19                     | 07/18/19    | 978828QQ7 | MUNICIPAL     | Town of Woodbridge, CT     | 3.000  | 07/18/19 |           | 4,550,000.00          | 100.000 | 4,550,000.00          | 136,120.83               | 4,686,120.83          |                      |     | 2.601        |              |
| 07/19/19                     | 07/19/19    | 46640QUK5 | CP - DISC     | J.P.Morgan Sec             |        | 07/19/19 |           | 15,000,000.00         | 100.000 | 15,000,000.00         | 0.00                     | 15,000,000.00         |                      |     | 2.991        |              |
| 08/01/19                     | 08/01/19    | 20772JL42 | MUNICIPAL     | State of CT                | 2.250  | 08/01/19 |           | 1,000,000.00          | 100.000 | 1,000,000.00          | 0.00                     | 1,000,000.00          |                      |     | 1.975        |              |
| 08/01/19                     | 08/01/19    | 24917DAD5 | MUNICIPAL     | City & Cty of Denver, CO   | 1.825  | 08/01/19 |           | 4,450,000.00          | 100.000 | 4,450,000.00          | 0.00                     | 4,450,000.00          |                      |     | 2.551        |              |
| 08/01/19                     | 08/01/19    | 655867RV3 | MUNICIPAL     | City of Norfolk, VA        | 2.444  | 08/01/19 |           | 1,580,000.00          | 100.000 | 1,580,000.00          | 0.00                     | 1,580,000.00          |                      |     | 2.520        |              |
| 08/23/19                     | 08/23/19    | 059715VP4 | CP - DISC     | Banco Santander SA/NY      |        | 08/23/19 |           | 15,000,000.00         | 100.000 | 15,000,000.00         | 0.00                     | 15,000,000.00         |                      |     | 3.121        |              |
| 09/01/19                     | 09/01/19    | 476575P90 | MUNICIPAL     | Jersey City, NJ GO         | 5.196  | 09/01/19 |           | 1,000,000.00          | 100.000 | 1,000,000.00          | 0.00                     | 1,000,000.00          |                      |     | 2.651        |              |
| 09/13/19                     | 09/13/19    | 059715WD0 | CP - DISC     | Banco Santander SA/NY      |        | 09/13/19 |           | 15,000,000.00         | 100.000 | 15,000,000.00         | 0.00                     | 15,000,000.00         |                      |     | 3.090        |              |
| <b>Total for: Maturities</b> |             |           |               |                            |        |          |           | <b>67,580,000.00</b>  |         | <b>67,580,000.00</b>  | <b>136,120.83</b>        | <b>67,716,120.83</b>  |                      |     | <b>2.729</b> |              |
| <b>Purchases</b>             |             |           |               |                            |        |          |           |                       |         |                       |                          |                       |                      |     |              |              |
| 07/29/19                     | 07/30/19    | 3134GTN74 | AGCY STEP     | FHLMC                      | 2.250  | 07/30/24 | 10/30/19  | 15,000,000.00         | 100.000 | 15,000,000.00         | 0.00                     | 15,000,000.00         |                      |     | 2.870        | 2.250        |
| 07/30/19                     | 07/30/19    | 05971RDP6 | CP - DISC     | Banco Santander SA/NY      |        | 04/23/20 |           | 25,000,000.00         | 98.385  | 24,596,138.89         | 0.00                     | 24,596,138.89         |                      |     | 2.206        | 2.206        |
| 07/30/19                     | 08/01/19    | 520626BK7 | MUNICIPAL     | City of Lawrenceville, GA  | 2.000  | 10/01/22 |           | 1,030,000.00          | 99.937  | 1,029,351.10          | 400.56                   | 1,029,751.66          |                      |     | 2.020        | 2.020        |
| 07/30/19                     | 08/01/19    | 64971XHY7 | MUNICIPAL     | NYC Transitional Fina Auth | 2.520  | 11/01/22 |           | 11,800,000.00         | 101.405 | 11,965,790.00         | 90,034.00                | 12,055,824.00         |                      |     | 2.070        | 2.070        |
| 07/30/19                     | 08/01/19    | 341271AB0 | MUNICIPAL     | FL SBA Rev                 | 2.638  | 07/01/21 |           | 6,730,000.00          | 100.976 | 6,795,684.80          | 14,794.78                | 6,810,479.58          |                      |     | 2.115        | 2.115        |
| 07/30/19                     | 08/08/19    | 3134GTU35 | AGCY STEP     | FHLMC                      | 2.250  | 08/08/24 | 11/08/19  | 15,000,000.00         | 100.000 | 15,000,000.00         | 0.00                     | 15,000,000.00         |                      |     | 2.916        | 2.250        |
| 08/16/19                     | 08/29/19    | 249739VR1 | MUNICIPAL     | City of Derby, CT          | 2.150  | 08/01/23 |           | 790,000.00            | 100.000 | 790,000.00            | 0.00                     | 790,000.00            |                      |     | 2.148        | 2.148        |
| 08/16/19                     | 08/29/19    | 249739VQ3 | MUNICIPAL     | City of Derby, CT          | 2.100  | 08/01/22 |           | 1,110,000.00          | 100.000 | 1,110,000.00          | 0.00                     | 1,110,000.00          |                      |     | 2.097        | 2.097        |
| 09/05/19                     | 09/09/19    | 20772JL91 | MUNICIPAL     | State of CT                | 3.230  | 08/01/24 |           | 1,000,000.00          | 105.371 | 1,053,710.00          | 3,409.44                 | 1,057,119.44          |                      |     | 2.070        | 2.070        |
| 09/05/19                     | 09/09/19    | 20772KAF6 | MUNICIPAL     | State of CT                | 3.130  | 01/15/24 |           | 1,000,000.00          | 104.556 | 1,045,560.00          | 4,695.00                 | 1,050,255.00          |                      |     | 2.030        | 2.030        |
| 09/10/19                     | 09/13/19    | 3135GOW58 | AGCY CALL     | FNMA                       | 2.150  | 09/13/24 | 03/13/20  | 15,000,000.00         | 100.000 | 15,000,000.00         | 0.00                     | 15,000,000.00         |                      |     | 2.150        | 2.150        |
| 09/11/19                     | 09/17/19    | 3130AH2T9 | AGCY CALL     | FHLB                       | 2.180  | 09/17/24 | 12/17/19  | 15,000,000.00         | 100.000 | 15,000,000.00         | 0.00                     | 15,000,000.00         |                      |     | 2.180        | 2.180        |
| 09/11/19                     | 09/13/19    | 3134GUAT7 | AGCY CALL     | FHLMC                      | 2.080  | 09/13/21 | 12/13/19  | 15,000,000.00         | 100.000 | 15,000,000.00         | 0.00                     | 15,000,000.00         |                      |     | 2.080        | 2.080        |
| 09/12/19                     | 09/12/19    | 80285PF80 | CP - DISC     | Santander UK PLC           |        | 06/08/20 |           | 15,000,000.00         | 98.500  | 14,775,000.00         | 0.00                     | 14,775,000.00         |                      |     | 2.030        | 2.030        |
| 09/12/19                     | 09/16/19    | 64966QCA6 | MUNICIPAL     | New York City, NY          | 2.130  | 08/01/24 |           | 15,000,000.00         | 100.547 | 15,082,050.00         | 29,287.50                | 15,111,337.50         |                      |     | 2.012        | 2.012        |
| 09/19/19                     | 09/20/19    | 443728FL9 | MUNICIPAL     | Hudson Cty, NJ Imprv Auth  | 3.000  | 09/18/20 |           | 4,000,000.00          | 100.852 | 4,034,080.00          | 0.00                     | 4,034,080.00          |                      |     | 2.125        | 2.125        |
| <b>Total for: Purchases</b>  |             |           |               |                            |        |          |           | <b>157,460,000.00</b> |         | <b>157,277,364.79</b> | <b>142,621.28</b>        | <b>157,419,986.07</b> |                      |     | <b>2.261</b> | <b>2.139</b> |

# Investment Transactions (cont.)

Quarter Ended September 30, 2019

| 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 |
|-----------------------------------|-------------|-----------|---------------|----------------------------|--------|----------|-----------|-----------|-------|------------------|--------------------------|---------------------|----------------------|-----|-----|
| <b>General Fund</b>               |             |           |               |                            |        |          |           |           |       |                  |                          |                     |                      |     |     |
| <b>Income Payments</b>            |             |           |               |                            |        |          |           |           |       |                  |                          |                     |                      |     |     |
| 07/01/19                          | 07/01/19    | 06964DAB8 | MUNICIPAL     | Bartow Cty, GA Dev Auth    | 2.498  | 01/01/20 |           |           |       | 0.00             | 13,426.75                | 13,426.75           |                      |     |     |
| 07/01/19                          | 07/01/19    | 06964DAC6 | MUNICIPAL     | Bartow Cty, GA Dev Auth    | 2.829  | 01/01/21 |           |           |       | 0.00             | 10,042.95                | 10,042.95           |                      |     |     |
| 07/01/19                          | 07/01/19    | 341271AA2 | MUNICIPAL     | FL SBA Rev                 | 2.163  | 07/01/19 |           |           |       | 0.00             | 108,150.00               | 108,150.00          |                      |     |     |
| 07/01/19                          | 07/01/19    | 341271AB0 | MUNICIPAL     | FL SBA Rev                 | 2.638  | 07/01/21 |           |           |       | 0.00             | 65,620.25                | 65,620.25           |                      |     |     |
| 07/01/19                          | 07/01/19    | 341271AB0 | MUNICIPAL     | FL SBA Rev                 | 2.638  | 07/01/21 |           |           |       | 0.00             | 24,731.25                | 24,731.25           |                      |     |     |
| 07/01/19                          | 07/01/19    | 341271AB0 | MUNICIPAL     | FL SBA Rev                 | 2.638  | 07/01/21 |           |           |       | 0.00             | 19,719.05                | 19,719.05           |                      |     |     |
| 07/01/19                          | 07/01/19    | 341271AB0 | MUNICIPAL     | FL SBA Rev                 | 2.638  | 07/01/21 |           |           |       | 0.00             | 89,230.35                | 89,230.35           |                      |     |     |
| 07/01/19                          | 07/01/19    | 438701M76 | MUNICIPAL     | Honolulu City & Cty, HI    | 2.780  | 07/01/21 |           |           |       | 0.00             | 23,352.00                | 23,352.00           |                      |     |     |
| 07/15/19                          | 07/15/19    | 20772KAD1 | MUNICIPAL     | State of CT                | 2.840  | 01/15/22 |           |           |       | 0.00             | 113,600.00               | 113,600.00          |                      |     |     |
| 07/15/19                          | 07/15/19    | 20772KAD1 | MUNICIPAL     | State of CT                | 2.840  | 01/15/22 |           |           |       | 0.00             | 89,531.00                | 89,531.00           |                      |     |     |
| 07/15/19                          | 07/15/19    | 20772KAD1 | MUNICIPAL     | State of CT                | 2.840  | 01/15/22 |           |           |       | 0.00             | 14,200.00                | 14,200.00           |                      |     |     |
| 07/15/19                          | 07/15/19    | 45528UGE5 | MUNICIPAL     | Indianapolis, IN LPIBB     | 1.957  | 01/15/20 |           |           |       | 0.00             | 30,284.58                | 30,284.58           |                      |     |     |
| 07/15/19                          | 07/15/19    | 64972HV82 | MUNICIPAL     | NYC Transitional Fina Auth | 3.150  | 07/15/21 |           |           |       | 0.00             | 227,500.00               | 227,500.00          |                      |     |     |
| 08/01/19                          | 08/01/19    | 09478PAA6 | MUNICIPAL     | City of Bloomington, MN    | 3.000  | 08/01/23 |           |           |       | 0.00             | 54,750.00                | 54,750.00           |                      |     |     |
| 08/01/19                          | 08/01/19    | 09478PAA6 | MUNICIPAL     | City of Bloomington, MN    | 3.000  | 08/01/23 |           |           |       | 0.00             | 7,500.00                 | 7,500.00            |                      |     |     |
| 08/01/19                          | 08/01/19    | 20772JL42 | MUNICIPAL     | State of CT                | 2.250  | 08/01/19 |           |           |       | 0.00             | 11,250.00                | 11,250.00           |                      |     |     |
| 08/01/19                          | 08/01/19    | 20772JL59 | MUNICIPAL     | State of CT                | 2.500  | 08/01/20 |           |           |       | 0.00             | 75,750.00                | 75,750.00           |                      |     |     |
| 08/01/19                          | 08/01/19    | 24917DAD5 | MUNICIPAL     | City & Cty of Denver, CO   | 1.825  | 08/01/19 |           |           |       | 0.00             | 40,606.25                | 40,606.25           |                      |     |     |
| 08/01/19                          | 08/01/19    | 64971QWL3 | MUNICIPAL     | NYC Transitional Fina Auth | 2.710  | 08/01/23 |           |           |       | 0.00             | 197,830.00               | 197,830.00          |                      |     |     |
| 08/01/19                          | 08/01/19    | 655867RV3 | MUNICIPAL     | City of Norfolk, VA        | 2.444  | 08/01/19 |           |           |       | 0.00             | 19,307.60                | 19,307.60           |                      |     |     |
| 08/15/19                          | 08/15/19    | 447819DX8 | MUNICIPAL     | Hurst-Euless-Bedford ISD   | 2.434  | 08/15/21 |           |           |       | 0.00             | 12,170.00                | 12,170.00           |                      |     |     |
| 09/03/19                          | 09/01/19    | 476575P90 | MUNICIPAL     | Jersey City, NJ GO         | 5.196  | 09/01/19 |           |           |       | 0.00             | 25,980.00                | 25,980.00           |                      |     |     |
| 09/03/19                          | 09/01/19    | 6427137G0 | MUNICIPAL     | City of New Britain, CT    | 2.505  | 03/01/21 |           |           |       | 0.00             | 10,082.63                | 10,082.63           |                      |     |     |
| 09/03/19                          | 09/01/19    | 682455BB5 | MUNICIPAL     | Oneida Cty, NY GO          | 2.106  | 03/01/20 |           |           |       | 0.00             | 7,897.50                 | 7,897.50            |                      |     |     |
| <b>Total for: Income Payments</b> |             |           |               |                            |        |          |           |           |       | <b>0.00</b>      | <b>1,292,512.16</b>      | <b>1,292,512.16</b> |                      |     |     |

# Changes in Book and Market Values

| CUSIP                              | Security Type | Security Description                       | 06/30/19<br>Book Value | Cost of<br>Purchases | Maturities /<br>Calls / Sales | Amortization /<br>Accretion | Realized<br>Gain/(Loss) | 09/30/19<br>Book Value | 06/30/19<br>Market Value | 09/30/19<br>Market Value | Change in<br>Mkt Value |
|------------------------------------|---------------|--|------------------------|----------------------|-------------------------------|-----------------------------|-------------------------|------------------------|--------------------------|--------------------------|------------------------|
| <b>Debt Service Fund</b>           |               |  |                        |                      |                               |                             |                         |                        |                          |                          |                        |
| BBT-PTHOU                          | BANK DEP      | BB&T                                       | 772,010.27             | 35,751,549.21        | (696,160.87)                  | 0.00                        | 0.00                    | 35,827,398.61          | 772,010.27               | 35,827,398.61            | 35,055,388.34          |
| CB-PORHOU                          | BANK DEP      | Citibank                                   | 0.00                   | 0.00                 | 0.00                          | 0.00                        | 0.00                    | 0.00                   | 0.00                     | 0.00                     | 0.00                   |
| LOGIC                              | LGIP          | LOGIC                                      | 34,832,166.79          | 943,675.14           | (35,506,110.65)               | 0.00                        | 0.00                    | 269,731.28             | 34,832,166.79            | 269,731.28               | (34,562,435.51)        |
| <b>Total for Debt Service Fund</b> |               |  | <b>35,604,177.06</b>   | <b>36,695,224.35</b> | <b>(36,202,271.52)</b>        | <b>0.00</b>                 | <b>0.00</b>             | <b>36,097,129.89</b>   | <b>35,604,177.06</b>     | <b>36,097,129.89</b>     | <b>492,952.83</b>      |
| <b>General Fund</b>                |               |  |                        |                      |                               |                             |                         |                        |                          |                          |                        |
| BBT-PTHOU                          | BANK DEP      | BB&T                                       | 109,860,221.22         | 2,249,019.81         | (86,282,201.19)               | 0.00                        | 0.00                    | 25,827,039.84          | 109,860,221.22           | 25,827,039.84            | (84,033,181.38)        |
| 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                               | 14,803.82              | 4,276.24             | (11,002.77)                   | 0.00                        | 0.00                    | 8,077.29               | 14,803.82                | 8,077.29                 | (6,726.53)             |
| LOGIC                              | LGIP          | LOGIC                                      | 23,014,247.85          | 5,142,433.82         | 0.00                          | 0.00                        | 0.00                    | 28,156,681.67          | 23,014,247.85            | 28,156,681.67            | 5,142,433.82           |
| TEXPRIME                           | LGIP          | TexPool Prime                              | 41,312,057.70          | 247,793.28           | 0.00                          | 0.00                        | 0.00                    | 41,559,850.98          | 41,312,057.70            | 41,559,850.98            | 247,793.28             |
| TXCLASS                            | LGIP          | Texas CLASS                                | 47,937,988.20          | 5,284,803.01         | 0.00                          | 0.00                        | 0.00                    | 53,222,791.21          | 47,937,988.20            | 53,222,791.21            | 5,284,803.01           |
| 341271AA2                          | MUNICIPAL     | FL SBA Rev 2.163 07/01/19                  | 10,000,000.00          | 0.00                 | (10,000,000.00)               | 0.00                        | 0.00                    | 0.00                   | 10,000,000.00            | 0.00                     | (10,000,000.00)        |
| 978828QQ7                          | MUNICIPAL     | Town of Woodbridge, CT 3.000 07/18/19      | 4,550,824.51           | 0.00                 | (4,550,000.00)                | (824.51)                    | 0.00                    | 0.00                   | 4,551,274.00             | 0.00                     | (4,551,274.00)         |
| 46640QUK5                          | CP - DISC     | J.P.Morgan Sec 0.000 07/19/19              | 14,978,062.50          | 0.00                 | (15,000,000.00)               | 21,937.50                   | 0.00                    | 0.00                   | 14,979,289.50            | 0.00                     | (14,979,289.50)        |
| 20772JL42                          | MUNICIPAL     | State of CT 2.250 08/01/19                 | 1,000,226.59           | 0.00                 | (1,000,000.00)                | (226.59)                    | 0.00                    | 0.00                   | 999,930.00               | 0.00                     | (999,930.00)           |
| 24917DAD5                          | MUNICIPAL     | City & City of Denver, CO 1.825 08/01/19   | 4,447,342.10           | 0.00                 | (4,450,000.00)                | 2,657.90                    | 0.00                    | 0.00                   | 4,448,709.50             | 0.00                     | (4,448,709.50)         |
| 655867RV3                          | MUNICIPAL     | City of Norfolk, VA 2.444 08/01/19         | 1,579,900.55           | 0.00                 | (1,580,000.00)                | 99.45                       | 0.00                    | 0.00                   | 1,580,063.20             | 0.00                     | (1,580,063.20)         |
| 059715VP4                          | CP - DISC     | Banco Santander SA/NY 0.000 08/23/19       | 14,932,645.80          | 0.00                 | (15,000,000.00)               | 67,354.20                   | 0.00                    | 0.00                   | 14,944,326.00            | 0.00                     | (14,944,326.00)        |
| 476575P90                          | MUNICIPAL     | Jersey City, NJ GO 5.196 09/01/19          | 1,004,186.97           | 0.00                 | (1,000,000.00)                | (4,186.97)                  | 0.00                    | 0.00                   | 1,004,240.00             | 0.00                     | (1,004,240.00)         |
| 059715WD0                          | CP - DISC     | Banco Santander SA/NY 0.000 09/13/19       | 14,906,883.30          | 0.00                 | (15,000,000.00)               | 93,116.70                   | 0.00                    | 0.00                   | 14,923,321.50            | 0.00                     | (14,923,321.50)        |
| 46640QX48                          | CP - DISC     | J.P.Morgan Sec 0.000 10/04/19              | 24,809,010.50          | 0.00                 | 0.00                          | 184,958.25                  | 0.00                    | 24,993,968.75          | 24,842,655.00            | 24,993,727.50            | 151,072.50             |
| 20772JKM3                          | MUNICIPAL     | State of CT 1.896 10/15/19                 | 848,268.96             | 0.00                 | 0.00                          | 1,498.01                    | 0.00                    | 849,766.97             | 849,243.50               | 849,949.00               | 705.50                 |
| 07274MXU4                          | CP - DISC     | Bayerische Landesbank 0.000 10/28/19       | 19,819,847.20          | 0.00                 | 0.00                          | 139,277.80                  | 0.00                    | 19,959,125.00          | 19,827,844.00            | 19,967,380.00            | 139,536.00             |
| 256309YF6                          | MUNICIPAL     | Dodge City, KS 2.900 12/01/19              | 4,935,000.00           | 0.00                 | 0.00                          | 0.00                        | 0.00                    | 4,935,000.00           | 4,937,171.40             | 4,938,454.50             | 1,283.10               |
| 70272SD74                          | MUNICIPAL     | Passaic Cty, NJ 3.250 12/04/19             | 15,021,792.90          | 0.00                 | 0.00                          | (12,852.30)                 | 0.00                    | 15,008,940.60          | 15,060,300.00            | 15,031,650.00            | (28,650.00)            |
| 476576PL1                          | MUNICIPAL     | Jersey City, NJ 3.000 12/06/19             | 10,006,276.70          | 0.00                 | 0.00                          | (3,654.80)                  | 0.00                    | 10,002,621.90          | 10,032,300.00            | 10,018,300.00            | (14,000.00)            |
| 083763SQ6                          | MUNICIPAL     | Bergen Cty, NJ 3.250 12/12/19              | 1,672,551.21           | 0.00                 | 0.00                          | (1,431.17)                  | 0.00                    | 1,671,120.04           | 1,676,062.10             | 1,673,523.70             | (2,538.40)             |
| 06964DAB8                          | MUNICIPAL     | Bartow Cty, GA Dev Auth 2.498 01/01/20     | 1,074,295.99           | 0.00                 | 0.00                          | 352.01                      | 0.00                    | 1,074,648.00           | 1,076,773.75             | 1,076,569.50             | (204.25)               |
| 45528UGE5                          | MUNICIPAL     | Indianapolis, IN LPIBB 1.957 01/15/20      | 3,083,928.66           | 0.00                 | 0.00                          | 5,130.61                    | 0.00                    | 3,089,059.27           | 3,091,471.70             | 3,095,340.45             | 3,868.75               |
| 048506DM8                          | MUNICIPAL     | Atlantic Cty Imprv Auth, NJ 4.750 02/26/20 | 5,266,879.12           | 0.00                 | 0.00                          | (25,636.98)                 | 0.00                    | 5,241,242.14           | 5,282,732.00             | 5,254,080.00             | (28,652.00)            |
| 682455BB5                          | MUNICIPAL     | Oneida Cty, NY GO 2.106 03/01/20           | 750,770.21             | 0.00                 | 0.00                          | (287.67)                    | 0.00                    | 750,482.54             | 748,380.00               | 749,670.00               | 1,290.00               |
| 443728FF2                          | MUNICIPAL     | Hudson Cty, NJ Imprv Auth 3.500 03/06/20   | 6,530,108.52           | 0.00                 | 0.00                          | (11,124.42)                 | 0.00                    | 6,518,984.10           | 6,552,585.00             | 6,540,430.00             | (12,155.00)            |

# Changes in Book and Market Values (cont.)

| CUSIP                         | Security Type | Security Description                      | 06/30/19<br>Book Value | Cost of<br>Purchases  | Maturities /<br>Calls / Sales | Amortization /<br>Accretion | Realized<br>Gain(Loss) | 09/30/19<br>Book Value | 06/30/19<br>Market Value | 09/30/19<br>Market Value | Change in<br>Mkt Value |
|-------------------------------|---------------|---|------------------------|-----------------------|-------------------------------|-----------------------------|------------------------|------------------------|--------------------------|--------------------------|------------------------|
| <b>General Fund</b>           |               |   |                        |                       |                               |                             |                        |                        |                          |                          |                        |
| 05971RDP6                     | CP - DISC     | Banco Santander SA/NY 0.000 04/23/20      | 0.00                   | 24,596,138.89         | 0.00                          | 94,937.61                   | 0.00                   | 24,691,076.50          | 0.00                     | 24,715,747.50            | 24,715,747.50          |
| 80285PF80                     | CP - DISC     | Santander UK PLC 0.000 06/08/20           | 0.00                   | 14,775,000.00         | 0.00                          | 15,833.40                   | 0.00                   | 14,790,833.40          | 0.00                     | 14,794,200.00            | 14,794,200.00          |
| 225489FU2                     | MUNICIPAL     | Creek Cty ISD #33, OK 3.250 07/01/20      | 2,912,608.77           | 0.00                  | 0.00                          | (3,169.41)                  | 0.00                   | 2,909,439.36           | 2,930,682.00             | 2,925,665.00             | (5,017.00)             |
| 20772JL59                     | MUNICIPAL     | State of CT 2.500 08/01/20                | 6,029,202.84           | 0.00                  | 0.00                          | 7,043.17                    | 0.00                   | 6,036,246.01           | 6,073,150.20             | 6,081,513.00             | 8,362.80               |
| 443728FL9                     | MUNICIPAL     | Hudson Cty, NJ Imprv Auth 3.000 09/18/20  | 0.00                   | 4,034,080.00          | 0.00                          | (1,029.88)                  | 0.00                   | 4,033,050.12           | 0.00                     | 4,036,160.00             | 4,036,160.00           |
| 749845UK7                     | MUNICIPAL     | Racine Cty, WI 2.150 12/01/20             | 7,989,968.56           | 0.00                  | 0.00                          | 1,749.44                    | 0.00                   | 7,991,718.00           | 7,964,880.00             | 7,974,800.00             | 9,920.00               |
| 06964DAC6                     | MUNICIPAL     | Bartow Cty, GA Dev Auth 2.829 01/01/21    | 709,778.91             | 0.00                  | 0.00                          | 36.32                       | 0.00                   | 709,815.23             | 715,211.40               | 715,161.70               | (49.70)                |
| 6427137G0                     | MUNICIPAL     | City of New Britain, CT 2.505 03/01/21    | 800,250.54             | 0.00                  | 0.00                          | 697.63                      | 0.00                   | 800,948.17             | 810,651.10               | 810,957.00               | 305.90                 |
| 341271AB0                     | MUNICIPAL     | FL SBA Rev 2.638 07/01/21                 | 14,989,818.08          | 6,795,684.80          | 0.00                          | 9,078.20                    | 0.00                   | 21,794,581.08          | 15,235,261.90            | 22,096,183.20            | 6,860,921.30           |
| 438701M76                     | MUNICIPAL     | Honolulu City & Cty, HI 2.780 07/01/21    | 1,676,458.22           | 0.00                  | 0.00                          | 433.24                      | 0.00                   | 1,676,891.46           | 1,704,830.40             | 1,705,804.80             | 974.40                 |
| 64972HV82                     | MUNICIPAL     | NYC Transitional Fina Auth 3.150 07/15/21 | 9,989,504.00           | 0.00                  | 0.00                          | 1,291.10                    | 0.00                   | 9,990,795.10           | 10,166,400.00            | 10,167,600.00            | 1,200.00               |
| 447819DX8                     | MUNICIPAL     | Hurst-Euless-Bedford ISD 2.434 08/15/21   | 988,446.92             | 0.00                  | 0.00                          | 1,323.90                    | 0.00                   | 989,770.82             | 1,008,990.00             | 1,008,690.00             | (300.00)               |
| 3134GUAT7                     | AGCY CALL     | FHLMC 2.080 09/13/21                      | 0.00                   | 15,000,000.00         | 0.00                          | 0.00                        | 0.00                   | 15,000,000.00          | 0.00                     | 15,001,675.50            | 15,001,675.50          |
| 20772KAD1                     | MUNICIPAL     | State of CT 2.840 01/15/22                | 15,111,864.81          | 0.00                  | 0.00                          | 18,350.66                   | 0.00                   | 15,130,215.47          | 15,475,497.70            | 15,583,397.95            | 107,900.25             |
| 9433343A8                     | MUNICIPAL     | City of Wausau, WI Rev 3.000 04/01/22     | 3,623,644.22           | 0.00                  | 0.00                          | (7,826.29)                  | 0.00                   | 3,615,817.93           | 3,623,220.00             | 3,617,964.00             | (5,256.00)             |
| 249739VQ3                     | MUNICIPAL     | City of Derby, CT 2.100 08/01/22          | 0.00                   | 1,110,000.00          | 0.00                          | 0.00                        | 0.00                   | 1,110,000.00           | 0.00                     | 1,104,894.00             | 1,104,894.00           |
| 520626BK7                     | MUNICIPAL     | City of Lawrenceville, GA 2.000 10/01/22  | 0.00                   | 1,029,351.10          | 0.00                          | 38.88                       | 0.00                   | 1,029,389.98           | 0.00                     | 1,033,162.10             | 1,033,162.10           |
| 64971XHY7                     | MUNICIPAL     | NYC Transitional Fina Auth 2.520 11/01/22 | 0.00                   | 11,965,790.00         | 0.00                          | (8,074.03)                  | 0.00                   | 11,957,715.97          | 0.00                     | 11,979,124.00            | 11,979,124.00          |
| 9433343M2                     | MUNICIPAL     | City of Wausau, WI 3.450 04/01/23         | 8,010,000.00           | 0.00                  | 0.00                          | 0.00                        | 0.00                   | 8,010,000.00           | 8,180,693.10             | 8,176,127.40             | (4,565.70)             |
| 09478PAA5                     | MUNICIPAL     | City of Bloomington, MN 3.000 08/01/23    | 4,133,092.86           | 0.00                  | 0.00                          | 976.43                      | 0.00                   | 4,134,069.29           | 4,172,617.50             | 4,165,272.00             | (7,345.50)             |
| 249739VR1                     | MUNICIPAL     | City of Derby, CT 2.150 08/01/23          | 0.00                   | 790,000.00            | 0.00                          | 0.00                        | 0.00                   | 790,000.00             | 0.00                     | 784,264.60               | 784,264.60             |
| 64971QWL3                     | MUNICIPAL     | NYC Transitional Fina Auth 2.710 08/01/23 | 14,273,458.01          | 0.00                  | 0.00                          | 18,791.51                   | 0.00                   | 14,292,249.52          | 14,924,266.00            | 14,990,404.00            | 66,138.00              |
| 20772KAF6                     | MUNICIPAL     | State of CT 3.130 01/15/24                | 0.00                   | 1,045,560.00          | 0.00                          | (611.84)                    | 0.00                   | 1,044,948.16           | 0.00                     | 1,037,420.00             | 1,037,420.00           |
| 3134GTN74                     | AGCY STEP     | FHLMC 2.250 07/30/24                      | 0.00                   | 15,000,000.00         | 0.00                          | 0.00                        | 0.00                   | 15,000,000.00          | 0.00                     | 14,981,100.00            | 14,981,100.00          |
| 20772JL91                     | MUNICIPAL     | State of CT 3.230 08/01/24                | 0.00                   | 1,053,710.00          | 0.00                          | (638.00)                    | 0.00                   | 1,053,072.00           | 0.00                     | 1,051,340.00             | 1,051,340.00           |
| 64966QCA6                     | MUNICIPAL     | New York City, NY 2.130 08/01/24          | 0.00                   | 15,082,050.00         | 0.00                          | (662.85)                    | 0.00                   | 15,081,387.15          | 0.00                     | 15,055,650.00            | 15,055,650.00          |
| 3134GTU35                     | AGCY STEP     | FHLMC 2.250 08/08/24                      | 0.00                   | 15,000,000.00         | 0.00                          | 0.00                        | 0.00                   | 15,000,000.00          | 0.00                     | 15,004,192.50            | 15,004,192.50          |
| 3135GOW58                     | AGCY CALL     | FNMA 2.150 09/13/24                       | 0.00                   | 15,000,000.00         | 0.00                          | 0.00                        | 0.00                   | 15,000,000.00          | 0.00                     | 14,991,652.50            | 14,991,652.50          |
| 3130AH2T9                     | AGCY CALL     | FHLB 2.180 09/17/24                       | 0.00                   | 15,000,000.00         | 0.00                          | 0.00                        | 0.00                   | 15,000,000.00          | 0.00                     | 14,978,887.50            | 14,978,887.50          |
| <b>Total for General Fund</b> |               |   | <b>474,596,217.82</b>  | <b>170,205,690.95</b> | <b>(153,873,203.96)</b>       | <b>604,726.21</b>           | <b>0.00</b>            | <b>491,533,431.02</b>  | <b>476,534,342.24</b>    | <b>493,532,525.89</b>    | <b>16,998,183.65</b>   |



# Investment Income

## Quarter Ended September 30, 2019

| CUSIP                              | Security Type | Security Description                       | Beg. Accrued | Interest Earned   | Interest Rec'd / Sold / Matured | Interest Purchased | Ending Accrued | Disc Accr / Prem Amort | Net Income        |
|------------------------------------|---------------|--|--------------|-------------------|---------------------------------|--------------------|----------------|------------------------|-------------------|
| <b>Debt Service Fund</b>           |               |  |              |                   |                                 |                    |                |                        |                   |
| BBT-PTHOU                          | BANK DEP      | BB&T                                       | 0.00         | 3,030.62          | 3,030.62                        | 0.00               | 0.00           | 0.00                   | 3,030.62          |
| LOGIC                              | LGIP          | LOGIC                                      | 0.00         | 207,564.49        | 207,564.49                      | 0.00               | 0.00           | 0.00                   | 207,564.49        |
| <b>Total for Debt Service Fund</b> |               |  | <b>0.00</b>  | <b>210,595.11</b> | <b>210,595.11</b>               | <b>0.00</b>        | <b>0.00</b>    | <b>0.00</b>            | <b>210,595.11</b> |
| <b>General Fund</b>                |               |  |              |                   |                                 |                    |                |                        |                   |
| BBT-PTHOU                          | BANK DEP      | BB&T                                       | 0.00         | 460,048.60        | 460,048.60                      | 0.00               | 0.00           | 0.00                   | 460,048.60        |
| LOGIC                              | LGIP          | LOGIC                                      | 0.00         | 142,433.82        | 142,433.82                      | 0.00               | 0.00           | 0.00                   | 142,433.82        |
| TEXPRIME                           | LGIP          | TexPool Prime                              | 0.00         | 247,793.28        | 247,793.28                      | 0.00               | 0.00           | 0.00                   | 247,793.28        |
| TXCLASS                            | LGIP          | Texas CLASS                                | 0.00         | 284,803.01        | 284,803.01                      | 0.00               | 0.00           | 0.00                   | 284,803.01        |
| 341271AA2                          | MUNICIPAL     | FL SBA Rev 2.163 07/01/19                  | 108,150.00   | 0.00              | 108,150.00                      | 0.00               | 0.00           | 0.00                   | 0.00              |
| 978828QQ7                          | MUNICIPAL     | Town of Woodbridge, CT 3.000 07/18/19      | 129,675.00   | 6,445.83          | 136,120.83                      | 0.00               | 0.00           | (824.51)               | 5,621.32          |
| 46640QUK5                          | CP - DISC     | J.P.Morgan Sec 0.000 07/19/19              | 0.00         | 0.00              | 0.00                            | 0.00               | 0.00           | 21,937.50              | 21,937.50         |
| 20772JL42                          | MUNICIPAL     | State of CT 2.250 08/01/19                 | 9,375.00     | 1,875.00          | 11,250.00                       | 0.00               | 0.00           | (226.59)               | 1,648.41          |
| 24917DAD5                          | MUNICIPAL     | City & City of Denver, CO 1.825 08/01/19   | 33,838.54    | 6,767.71          | 40,606.25                       | 0.00               | 0.00           | 2,657.90               | 9,425.61          |
| 655867RV3                          | MUNICIPAL     | City of Norfolk, VA 2.444 08/01/19         | 16,089.67    | 3,217.93          | 19,307.60                       | 0.00               | 0.00           | 99.45                  | 3,317.38          |
| 059715VP4                          | CP - DISC     | Banco Santander SA/NY 0.000 08/23/19       | 0.00         | 0.00              | 0.00                            | 0.00               | 0.00           | 67,354.20              | 67,354.20         |
| 476575P90                          | MUNICIPAL     | Jersey City, NJ GO 5.196 09/01/19          | 17,320.00    | 8,660.00          | 25,980.00                       | 0.00               | 0.00           | (4,186.97)             | 4,473.03          |
| 059715WD0                          | CP - DISC     | Banco Santander SA/NY 0.000 09/13/19       | 0.00         | 0.00              | 0.00                            | 0.00               | 0.00           | 93,116.70              | 93,116.70         |
| 46640QX48                          | CP - DISC     | J.P.Morgan Sec 0.000 10/04/19              | 0.00         | 0.00              | 0.00                            | 0.00               | 0.00           | 184,958.25             | 184,958.25        |
| 20772JKM3                          | MUNICIPAL     | State of CT 1.896 10/15/19                 | 3,402.27     | 4,029.00          | 0.00                            | 0.00               | 7,431.27       | 1,498.01               | 5,527.01          |
| 07274MXU4                          | CP - DISC     | Bayerische Landesbank 0.000 10/28/19       | 0.00         | 0.00              | 0.00                            | 0.00               | 0.00           | 139,277.80             | 139,277.80        |
| 256309YF6                          | MUNICIPAL     | Dodge City, KS 2.900 12/01/19              | 11,926.25    | 35,778.75         | 0.00                            | 0.00               | 47,705.00      | 0.00                   | 35,778.75         |
| 702725D74                          | MUNICIPAL     | Passaic Cty, NJ 3.250 12/04/19             | 278,958.33   | 121,875.00        | 0.00                            | 0.00               | 400,833.33     | (12,852.30)            | 109,022.70        |
| 476576PL1                          | MUNICIPAL     | Jersey City, NJ 3.000 12/06/19             | 170,833.33   | 75,000.00         | 0.00                            | 0.00               | 245,833.33     | (3,654.80)             | 71,345.20         |
| 083763SQ6                          | MUNICIPAL     | Bergen Cty, NJ 3.250 12/12/19              | 30,002.01    | 13,568.75         | 0.00                            | 0.00               | 43,570.76      | (1,431.17)             | 12,137.58         |
| 06964DAB8                          | MUNICIPAL     | Bartow Cty, GA Dev Auth 2.498 01/01/20     | 13,426.75    | 6,713.38          | 13,426.75                       | 0.00               | 6,713.38       | 352.01                 | 7,065.39          |
| 45528UGE5                          | MUNICIPAL     | Indianapolis, IN LP/IBB 1.957 01/15/20     | 27,929.11    | 15,142.29         | 30,284.58                       | 0.00               | 12,786.82      | 5,130.61               | 20,272.90         |
| 048606DM8                          | MUNICIPAL     | Atlantic Cty Imprv Auth, NJ 4.750 02/26/20 | 85,763.89    | 61,750.00         | 0.00                            | 0.00               | 147,513.89     | (25,636.98)            | 36,113.02         |
| 682455BB5                          | MUNICIPAL     | Oneida Cty, NY GO 2.106 03/01/20           | 5,265.00     | 3,948.75          | 7,897.50                        | 0.00               | 1,316.25       | (287.67)               | 3,661.08          |
| 443728FF2                          | MUNICIPAL     | Hudson Cty, NJ Imprv Auth 3.500 03/06/20   | 72,041.67    | 56,875.00         | 0.00                            | 0.00               | 128,916.67     | (11,124.42)            | 45,750.58         |
| 05971RDP6                          | CP - DISC     | Banco Santander SA/NY 0.000 04/23/20       | 0.00         | 0.00              | 0.00                            | 0.00               | 0.00           | 94,937.61              | 94,937.61         |
| 80285PF80                          | CP - DISC     | Santander UK PLC 0.000 06/08/20            | 0.00         | 0.00              | 0.00                            | 0.00               | 0.00           | 15,833.40              | 15,833.40         |
| 225489FU2                          | MUNICIPAL     | Creek Cty ISD #33, OK 3.250 07/01/20       | 94,250.00    | 23,562.50         | 0.00                            | 0.00               | 117,812.50     | (3,169.41)             | 20,393.09         |

# Investment Income (cont.)

Quarter Ended September 30, 2019

| CUSIP  | Security Type | Security Description                      | Beg. Accrued        | Interest Earned     | Interest Rec'd / Sold / Matured | Interest Purchased  | Ending Accrued      | Disc Accr / Prem Amort | Net Income          |
|--|---------------|---|---------------------|---------------------|---------------------------------|---------------------|---------------------|------------------------|---------------------|
| <b>General Fund</b>                                  |               |   |                     |                     |                                 |                     |                     |                        |                     |
| 20772JL59  | MUNICIPAL     | State of CT 2.500 08/01/20                | 63,125.00           | 37,875.00           | 75,750.00                       | 0.00                | 25,250.00           | 7,043.17               | 44,918.17           |
| 443728FL9  | MUNICIPAL     | Hudson Cty, NJ Imprv Auth 3.000 09/18/20  | 0.00                | 3,666.67            | 0.00                            | 0.00                | 3,666.67            | (1,029.88)             | 2,636.79            |
| 749845UK7  | MUNICIPAL     | Racine Cty, WI 2.150 12/01/20             | 14,333.33           | 43,000.00           | 0.00                            | 0.00                | 57,333.33           | 1,749.44               | 44,749.44           |
| 06964DAC6  | MUNICIPAL     | Bartow Cty, GA Dev Auth 2.829 01/01/21    | 10,042.95           | 5,021.48            | 10,042.95                       | 0.00                | 5,021.48            | 36.32                  | 5,057.80            |
| 6427137G0  | MUNICIPAL     | City of New Britain, CT 2.505 03/01/21    | 6,721.75            | 5,041.32            | 10,082.63                       | 0.00                | 1,680.44            | 697.63                 | 5,738.95            |
| 341271AB0  | MUNICIPAL     | FL SBA Rev 2.638 07/01/21                 | 199,300.90          | 129,240.04          | 199,300.90                      | (14,794.78)         | 144,034.82          | 9,078.20               | 138,318.24          |
| 438701M76  | MUNICIPAL     | Honolulu City & Cty, HI 2.780 07/01/21    | 23,352.00           | 11,676.00           | 23,352.00                       | 0.00                | 11,676.00           | 433.24                 | 12,109.24           |
| 64972HV82  | MUNICIPAL     | NYC Transitional Fina Auth 3.150 07/15/21 | 215,250.00          | 78,750.00           | 227,500.00                      | 0.00                | 66,500.00           | 1,291.10               | 80,041.10           |
| 447819DX8  | MUNICIPAL     | Hurst-Euless-Bedford ISD 2.434 08/15/21   | 9,195.11            | 6,085.00            | 12,170.00                       | 0.00                | 3,110.11            | 1,323.90               | 7,408.90            |
| 3134GUAT7  | AGCY CALL     | FHLMC 2.080 09/13/21                      | 0.00                | 15,600.00           | 0.00                            | 0.00                | 15,600.00           | 0.00                   | 15,600.00           |
| 20772KAD1  | MUNICIPAL     | State of CT 2.840 01/15/22                | 200,427.51          | 108,665.50          | 217,331.00                      | 0.00                | 91,762.01           | 18,350.66              | 127,016.16          |
| 9433343A8  | MUNICIPAL     | City of Wausau, WI Rev 3.000 04/01/22     | 27,000.00           | 27,000.00           | 0.00                            | 0.00                | 54,000.00           | (7,826.29)             | 19,173.71           |
| 249739VQ3  | MUNICIPAL     | City of Derby, CT 2.100 08/01/22          | 0.00                | 2,072.00            | 0.00                            | 0.00                | 2,072.00            | 0.00                   | 2,072.00            |
| 520626BK7  | MUNICIPAL     | City of Lawrenceville, GA 2.000 10/01/22  | 0.00                | 3,433.33            | 0.00                            | (400.56)            | 3,833.89            | 38.88                  | 3,472.21            |
| 64971XHY7  | MUNICIPAL     | NYC Transitional Fina Auth 2.520 11/01/22 | 0.00                | 49,560.00           | 0.00                            | (90,034.00)         | 139,594.00          | (8,074.03)             | 41,485.97           |
| 9433343M2  | MUNICIPAL     | City of Wausau, WI 3.450 04/01/23         | 69,086.25           | 69,086.25           | 0.00                            | 0.00                | 138,172.50          | 0.00                   | 69,086.25           |
| 09478PAA6  | MUNICIPAL     | City of Bloomington, MN 3.000 08/01/23    | 51,875.00           | 31,125.00           | 62,250.00                       | 0.00                | 20,750.00           | 976.43                 | 32,101.43           |
| 249739VR1  | MUNICIPAL     | City of Derby, CT 2.150 08/01/23          | 0.00                | 1,509.78            | 0.00                            | 0.00                | 1,509.78            | 0.00                   | 1,509.78            |
| 64971QWL3  | MUNICIPAL     | NYC Transitional Fina Auth 2.710 08/01/23 | 164,858.33          | 98,915.00           | 197,830.00                      | 0.00                | 65,943.33           | 18,791.51              | 117,706.51          |
| 20772KAF6  | MUNICIPAL     | State of CT 3.130 01/15/24                | 0.00                | 1,912.78            | 0.00                            | (4,695.00)          | 6,607.78            | (611.84)               | 1,300.94            |
| 3134GTN74  | AGCY STEP     | FHLMC 2.250 07/30/24                      | 0.00                | 57,187.50           | 0.00                            | 0.00                | 57,187.50           | 0.00                   | 57,187.50           |
| 20772JL91  | MUNICIPAL     | State of CT 3.230 08/01/24                | 0.00                | 1,973.89            | 0.00                            | (3,409.44)          | 5,383.33            | (638.00)               | 1,335.89            |
| 64966QCA6  | MUNICIPAL     | New York City, NY 2.130 08/01/24          | 0.00                | 13,312.50           | 0.00                            | (29,287.50)         | 42,600.00           | (662.85)               | 12,649.65           |
| 3134GTU35  | AGCY STEP     | FHLMC 2.250 08/08/24                      | 0.00                | 49,687.50           | 0.00                            | 0.00                | 49,687.50           | 0.00                   | 49,687.50           |
| 3135G0W58  | AGCY CALL     | FNMA 2.150 09/13/24                       | 0.00                | 16,125.00           | 0.00                            | 0.00                | 16,125.00           | 0.00                   | 16,125.00           |
| 3130AH2T9  | AGCY CALL     | FHLB 2.180 09/17/24                       | 0.00                | 12,716.67           | 0.00                            | 0.00                | 12,716.67           | 0.00                   | 12,716.67           |
| <b>Total for General Fund</b>                        |               |   | <b>2,162,814.95</b> | <b>2,460,526.81</b> | <b>2,563,711.70</b>             | <b>(142,621.28)</b> | <b>2,202,251.34</b> | <b>604,726.21</b>      | <b>3,065,253.02</b> |
| <b>Promotion &amp; Development Fund 74</b>           |               |   |                     |                     |                                 |                     |                     |                        |                     |
| BBT-PTHOU  | BANK DEP      | BB&T                                      | 0.00                | 9,234.29            | 9,234.29                        | 0.00                | 0.00                | 0.00                   | 9,234.29            |
| <b>Total for Promotion &amp; Development Fund 74</b> |               |   | <b>0.00</b>         | <b>9,234.29</b>     | <b>9,234.29</b>                 | <b>0.00</b>         | <b>0.00</b>         | <b>0.00</b>            | <b>9,234.29</b>     |
| <b>Total for Port of Houston Authority</b>           |               |   | <b>2,162,814.95</b> | <b>2,680,356.21</b> | <b>2,783,541.10</b>             | <b>(142,621.28)</b> | <b>2,202,251.34</b> | <b>604,726.21</b>      | <b>3,285,082.42</b> |

# Compliance

## Requirement

### **4.6 Maturity**

- Weighted average maturity excluding construction, debt service and bond reserve funds  $\leq 2$  years
- Bond reserve funds  $\leq$  maturity date of the bonds
- Operating funds  $\leq 5$  years, Debt service funds  $\leq 1$  year, and Construction funds  $\leq 5$  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 147 days, and weighted average final maturity of 492 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 overnight bank deposits and investment pools)

### **4.7 Diversification**

- Compliant (maturities through 9/2024, with some call dates through 4/2021)
- Compliant (\$189 million in overnight bank deposits and investment pools, and \$85 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 (26% of the portfolio is invested beyond 24 months)
- Compliant (weighted average final maturity of 492 days, or 147 days to the call/put dates)
- Compliant (there are no investments in time deposits or CD's presently)
- Compliant (highest concentration for any single municipal or CP issuer is currently 7% of the portfolio)
- Compliant (highest concentration for any single Federal agency issuer is 8% of the portfolio)

# ***Glossary***

- Funds
- Terms
- Investment Types

## **Glossary - Funds**

|                                 |  |
|---------------------------------|--|
| <b>Bond Reserve Fund</b>        | 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.   |
| <b>Construction Fund</b>        | 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.  |
| <b>Debt Service Fund</b>        | Also referred to as an Interest and Redemption (“I&R”) Fund, as monies in this fund are used solely to cover principal and interest payments due on our outstanding General Obligations ad valorem 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.  |
| <b>General Fund</b>             | An unrestricted fund.  |
| <b>General Obligations Fund</b> | Another term for a Construction Fund which is funded from proceeds of General Obligations bond issuances.  |
| <b>Operating Fund</b>           | A highly liquid General Fund used to meet current spending needs.  |
| <b>P &amp; D Fund #74</b>       | 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

|                                     |  |
|-------------------------------------|--|
| <b>Basis Points</b>                 | One basis point is equal to 0.01% per annum. One hundred basis points is the equivalent of 1.00% per annum.  |
| <b>Book Value</b>                   | The cost basis of an investment, plus or minus any discount or premium paid.   |
| <b>Bullet Maturity</b>              | An investment with no (further) calls or put options prior to the final maturity date.   |
| <b>Call or Call Option</b>          | An instrument which may be “called” (i.e., redeemed) at the option of the issuer.  |
| <b>Coupon Rate</b>                  | The interest rate specified in the debt instrument.  |
| <b>Discount</b>                     | The difference between the par value of an investment and the price at which it is issued, when issued at a price below par.   |
| <b>Effective Maturity</b>           | 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. |
| <b>Effective Rate</b>               | Another term for Yield.  |
| <b>Face Value</b>                   | Another term for Par Value.  |
| <b>In the Money</b>                 | 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.   |
| <b>Market Price or Market Value</b> | The price a willing buyer is willing to pay for an instrument.   |
| <b>Muni or Municipal</b>            | A debt security (bond or note) issued by a State, local government, political subdivision or municipality.   |
| <b>Par Value</b>                    | 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.  |

|                             |  |
|-----------------------------|--|
| <b>Premium</b>              | The difference between the par value of an investment and the price at which it is issued, when issued at a price above par.   |
| <b>Put or Put Option</b>    | An instrument which may be “put” back to the issuer (i.e., redeemed) at the option of the holder.  |
| <b>Stated Rate</b>          | Another term for Coupon Rate.  |
| <b>Step Up or Step Note</b> | Investments which offer one or more increases in the Coupon Rate if the instruments are not called by specific date(s).  |
| <b>Swap Transaction</b>     | 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.). |
| <b>Yield, YTW, YTM</b>      | 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

|   |   |
|---|---|
| <b>Abbey Nat'l N America</b>            | CP notes issued by Abbey National North America LLC, a Delaware limited liability company, guaranteed by parent company Santander UK plc  |
| <b>AGCY</b>                             | Federal agency paper (may be callable, have bullet maturity and/or offer “step up” in interest rate)  |
| <b>AGCY CALL</b>                        | Federal agency paper, callable at the agency’s option   |
| <b>AGCY STEP</b>                        | Federal agency paper, which offers one or more increases in the Coupon Rate if the instruments are not called by specific date(s).  |
| <b>Banco Santander SA NY</b>            | CP notes issued by the New York Branch of Banco Santander, S.A., one of the largest global financial institutions, based in Spain   |
| <b>BANK DEP</b>                         | Bank deposit (generally collateralized or insured by FDIC)  |
| <b>Bayerische Landesbank</b>            | CP notes issued by the New York Branch of Bayerische Landesbank, the eighth largest financial institution in Germany  |
| <b>BB&amp;T</b>                         | Branch Banking and Trust Company  |
| <b>BNP Paribas</b>                      | CP notes issued by BNP Paribas Finance Inc., a Delaware corporation, guaranteed by parent, BNP Paribas, a large global bank   |
| <b>CMO</b>                              | Collateralized Mortgage Obligations   |
| <b>CP</b>                               | Commercial Paper  |
| <b>CP-DISC or DCP</b>                   | Commercial Paper purchased at a discount  |
| <b>CRAGRICNA or<br/>Credit Agricole</b> | 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 |
| <b>Deutsche Bk or DBKFIN</b>            | CP notes issued by Deutsche Bank Financial LLC, a Delaware limited liability company, guaranteed by Deutsche Bank AG New York Branch  |
| <b>FAMC or Farmer Mac</b>               | Federal Agriculture Mortgage Corporation  |
| <b>FDIC</b>                             | Federal Deposit Insurance Corporation   |
| <b>FFCB</b>                             | Federal Farm Credit Bureau  |
| <b>FHLB</b>                             | Federal Home Loan Bank  |
| <b>FHLMC or Freddie Mac</b>             | Federal Home Loan Mortgage Corporation  |
| <b>FNMA or Fannie Mae</b>               | Federal National Mortgage Association   |

|                                |  |
|--------------------------------|--|
| <b>FSN</b>                     | FHLMC Step Note  |
| <b>GMAC</b>                    | General Motors Acceptance Corp.  |
| <b>GO or GOB</b>               | General Obligation Bond  |
| <b>ING Funding LLC</b>         | 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                                    |
| <b>JPM Chase Bk</b>            | JPMorgan Chase Bank  |
| <b>Landesbank Baden-Wuertt</b> | CP notes issued by the New York branch of Landesbank Baden-Wuerttemberg, one the 10 largest German banks   |
| <b>LGIP</b>                    | Local government investment pool   |
| <b>LOGIC</b>                   | A local government investment pool   |
| <b>Malayan Banking BHD</b>     | CP issued by Malayan Banking Berhad, New York Branch, which are guaranteed by a letter of credit from Wells Fargo Bank, N.A.   |
| <b>MM or MMF</b>               | Money Market Fund  |
| <b>MUFG Bank Ltd. NY</b>       | CP Notes issued by MUFG Bank, Ltd, New York Branch (formerly The Bank of Tokyo-Mitsubishi UFJ, Ltd.)   |
| <b>Muni or Municipal</b>       | Notes, bonds and other debt obligations issued by municipalities, state and local governments  |
| <b>Natixis Finance</b>         | CP notes issued by Natixis U.S. Finance Company, LLC, a Delaware limited liability company, guaranteed by Natixis, a French banking institution  |
| <b>NYC TFA</b>                 | Municipal bonds issued by New York City Transitional Finance Authority   |
| <b>Rev</b>                     | Revenue bonds  |
| <b>Santander UK plc</b>        | CP notes issued by wholly-owned British subsidiary of Banco Santander, S.A., a global banking group headquartered in Spain   |
| <b>SLMA or Sallie Mae</b>      | Student Loan Marketing Association   |
| <b>Societe Generale</b>        | 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" |
| <b>Texas CLASS</b>             | A local government investment pool   |
| <b>TexPool Prime</b>           | A local government investment pool   |

|                |                                    |
|----------------|------------------------------------|
| <b>TexSTAR</b> | A local government investment pool |
| <b>USTB</b>    | U.S. Treasury Bill                 |
| <b>USTN</b>    | U.S. Treasury Note                 |