

## **AGENDA**

**City of Arlington, Texas  
Investment Committee  
Finance Conference Room  
Wednesday, November 17, 2014  
3:30 p.m.**

- 1. Approval of August 20, 2014 Minutes**
- 2. Economic Indicators**
- 3. Portfolio Review**
- 4. Consideration of Investment Strategy**
- 5. Annual Review of Investment Policy**
- 6. Other Business**
- 7. Review of Quarterly Report for Mayor and City Council**

# Investment Committee Item No. 1

## Minutes for August 20, 2014

### REGULAR MEETING INVESTMENT COMMITTEE

Members Present: Gilbert Perales, Deputy City Manager  
Mike Finley, Director of Finance  
Sherry Wright, Assistant Director Financial Services  
Darryl Westbrook, Assistant Director of Water Utilities

Absent: Erin Roseman, Assistant Director Fiscal Policy

Also present: Ethan Klos, Treasurer  
Mark Davies, Cash and Debt Administrator

The meeting was called to order at 3:15 p.m.

1. Consideration of the April 29, 2014 minutes.  
A motion was made, seconded and carried by unanimous vote to approve the April 29, 2014 minutes.
2. Economic Indicators  
Ethan Klos presented a variety of economic indicators including CPI, Unemployment, Historical Treasury Rates, and the Yield Curve. Expectations are that Fed Funds will remain unchanged for the next year.
3. Portfolio Review  
Ethan Klos gave an overview of the investment reports for the quarter ending June 30, 2014. The operating portfolio as of June 30, 2014 had a weighted average maturity of 303 days; down from 343 days on April 30, 2014.
4. Consideration of Investment Strategy.  
The recommended investment strategy for the next three months will be to maintain the range for the portfolio WAM to between 200 and 450 days, focusing on targeting maturities on Q3 and Q4 of FY16 and maintaining the portfolio ladder. Target investments will include Agencies, Municipals, and Treasuries. Treasury will seek to hold around \$25M to \$50M in cash/investment pools in anticipation of increased capital expenditures. A motion was made, seconded and carried by unanimous vote to approve the recommended investment strategy.
5. Review of Municipal Advisor Rule  
Ethan Klos reviewed the Municipal Advisor Rule enacted by the Dodd-Frank Act, where Congress added a broad new requirement that “municipal advisors” register with the Securities and Exchange Commission. Ethan reviewed the criteria requiring a person to register as a municipal advisor. A discussion was had about the IRMA Exemption the City has for its issuance of securities and continuing to transact with its Brokers without causing the Broker to be a Municipal Advisor in regards to investments.

6. Consideration of Investment Types

Ethan Klos reviewed new requirements enacted by the SEC for Money Market Funds (MMFs) The City's investment policy concerning MMFs was presented and a discussion of how the new SEC requirements may change the Local Government Investment Pools was had. It is not yet determined if there is an impact at this point and monitoring on a regular basis will be had as more information is shared.

7. Other Business

The appointment of two new committee members by Trey was discussed. These new members are Mark Wisness and Bridgett White. An official invite and Investment Committee packet will be put together and given to the new members. It was determined they would be invited to 4<sup>th</sup> quarter investment committee meeting.

8. Review of Quarterly Report for Mayor and City Council.

The Committee reviewed the quarterly report that is to be presented to the Mayor and City Council.

There being no further business, the meeting was adjourned at 3:35 p.m.

APPROVED:

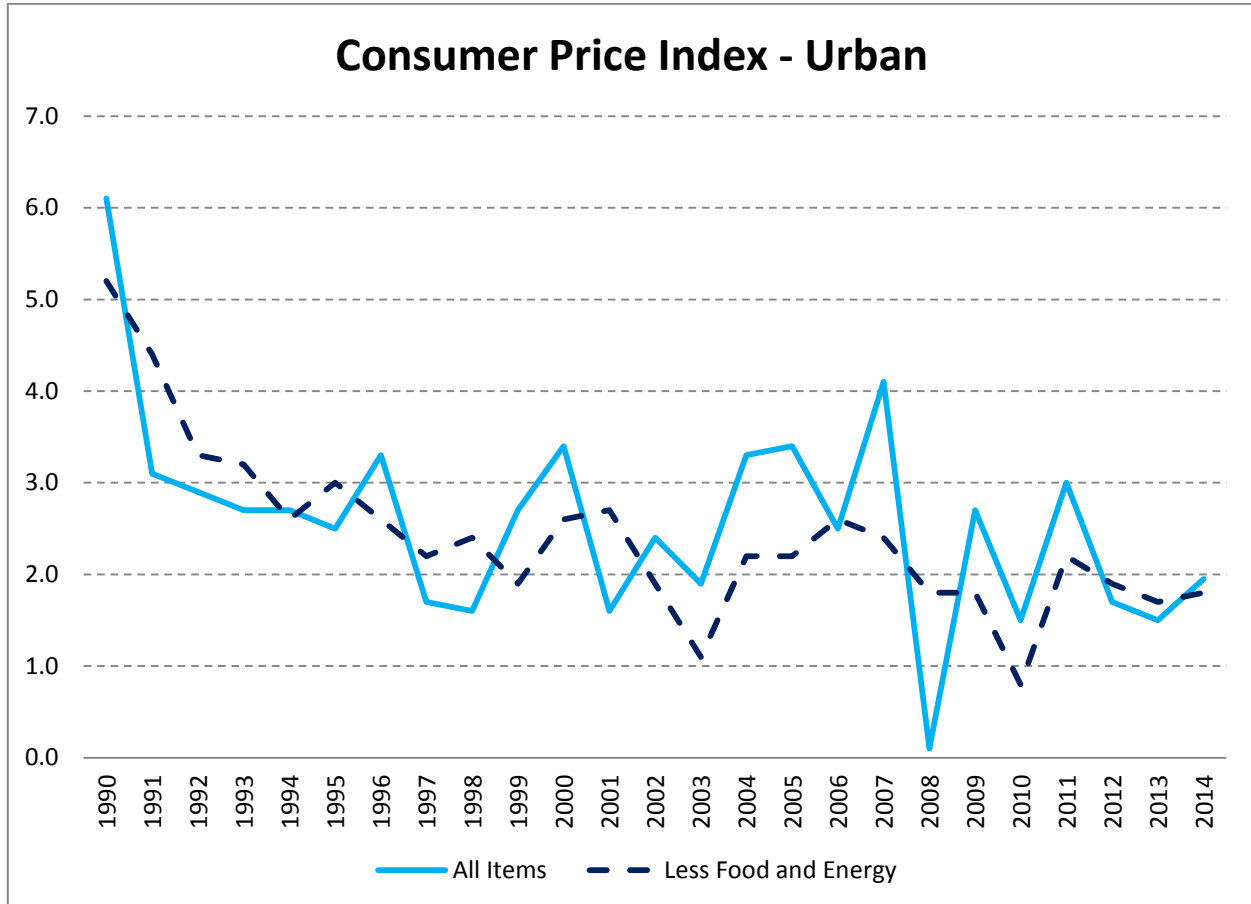
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Gilbert Perales, Deputy City Manager

## Investment Committee Item No. 2

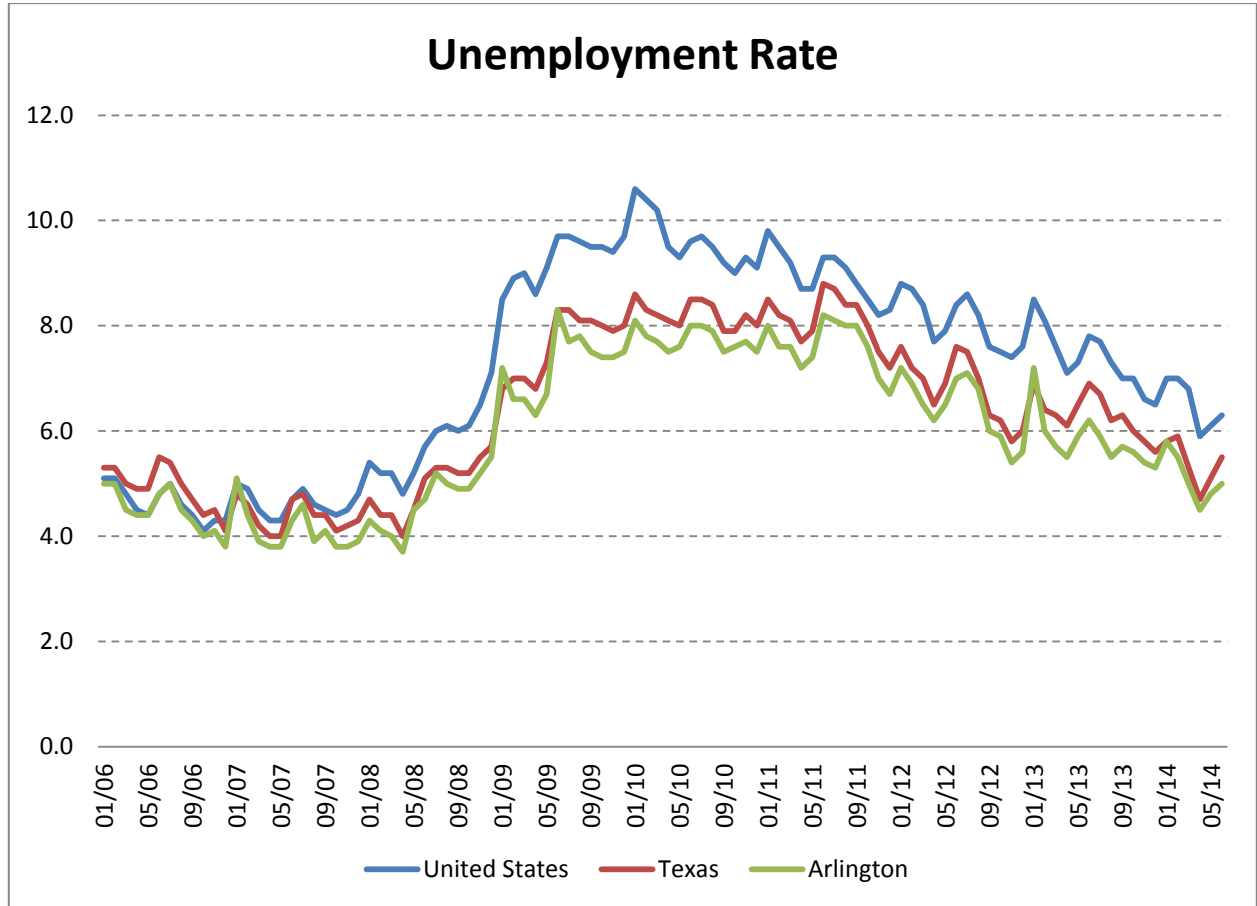
### Economic Indicators

#### Consumer Price Index (CPI)



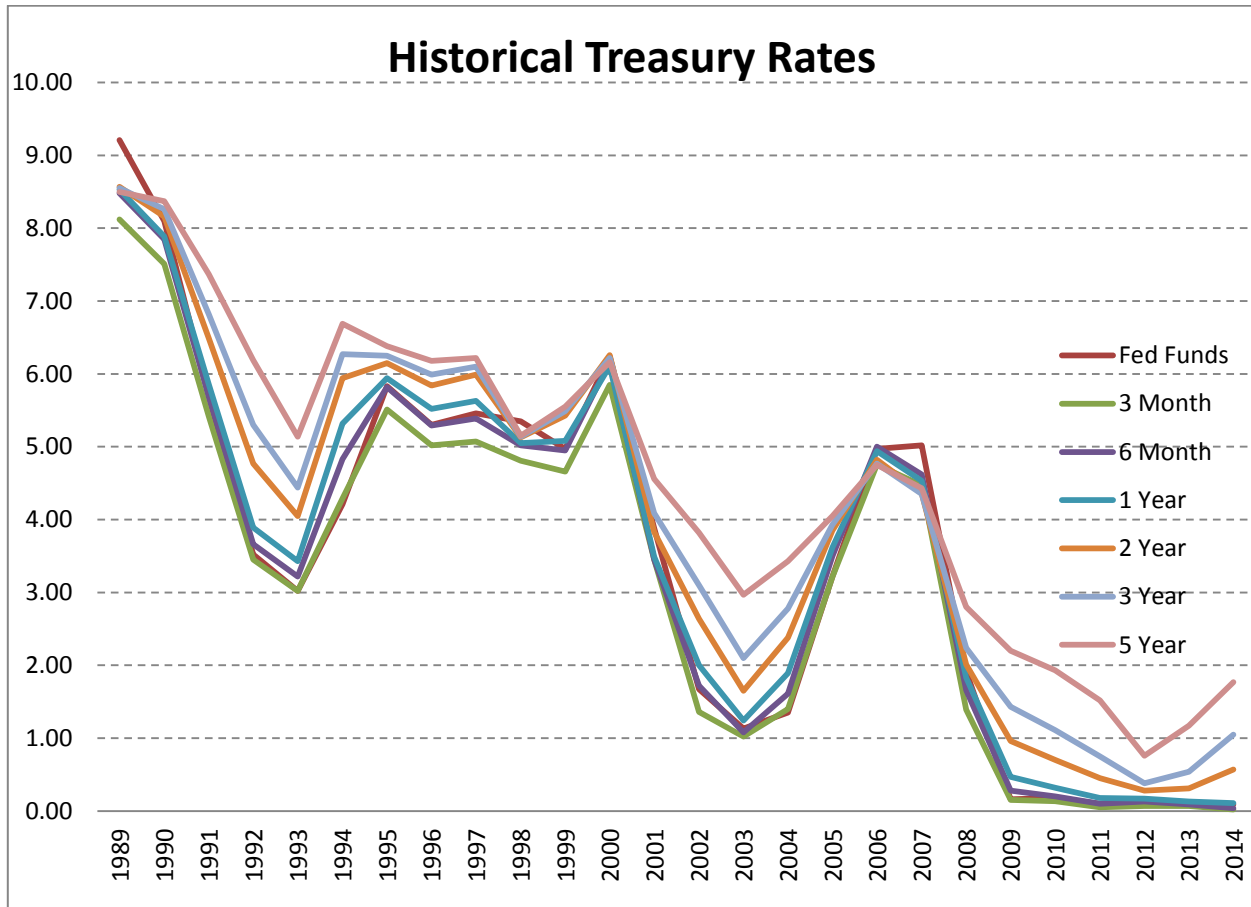
The Consumer Price Index (CPI) is a measure of the average change in prices over time of goods and services purchased by households. The U.S. Bureau of Labor Statistics (BLS) publishes CPIs for two population groups: (1) The CPI for Urban Wage Earners and Clerical Workers (CPI-W), which covers households of wage earners and clerical workers that comprise approximately 28 percent of the total population and (2) the CPI for All Urban Consumers (CPI-U) and the Chained CPI for All Urban Consumers (CCPI-U), which cover approximately 88 percent of the total population and include, in addition to wage earner and clerical worker households, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force. The CPIs are based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and other goods and services that people buy for day-to-day living. Prices are collected each month in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments—department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index. Prices of fuels and a few other items are obtained every month in all 87 locations. Prices of most other commodities and services are collected every month in the three largest geographic areas and every other month in other areas. Prices of most goods and services are obtained through personal visits or telephone calls by BLS trained representatives.

# Unemployment



The unemployment rate represents the number of unemployed as a percentage of the labor force. Labor force data are restricted to people 16 years of age and older, who currently reside in 1 of the 50 states or the District of Columbia, who do not reside in institutions (e.g., penal and mental facilities, homes for the aged), and who are not on active duty in the Armed Forces

## Historical Treasury Rates

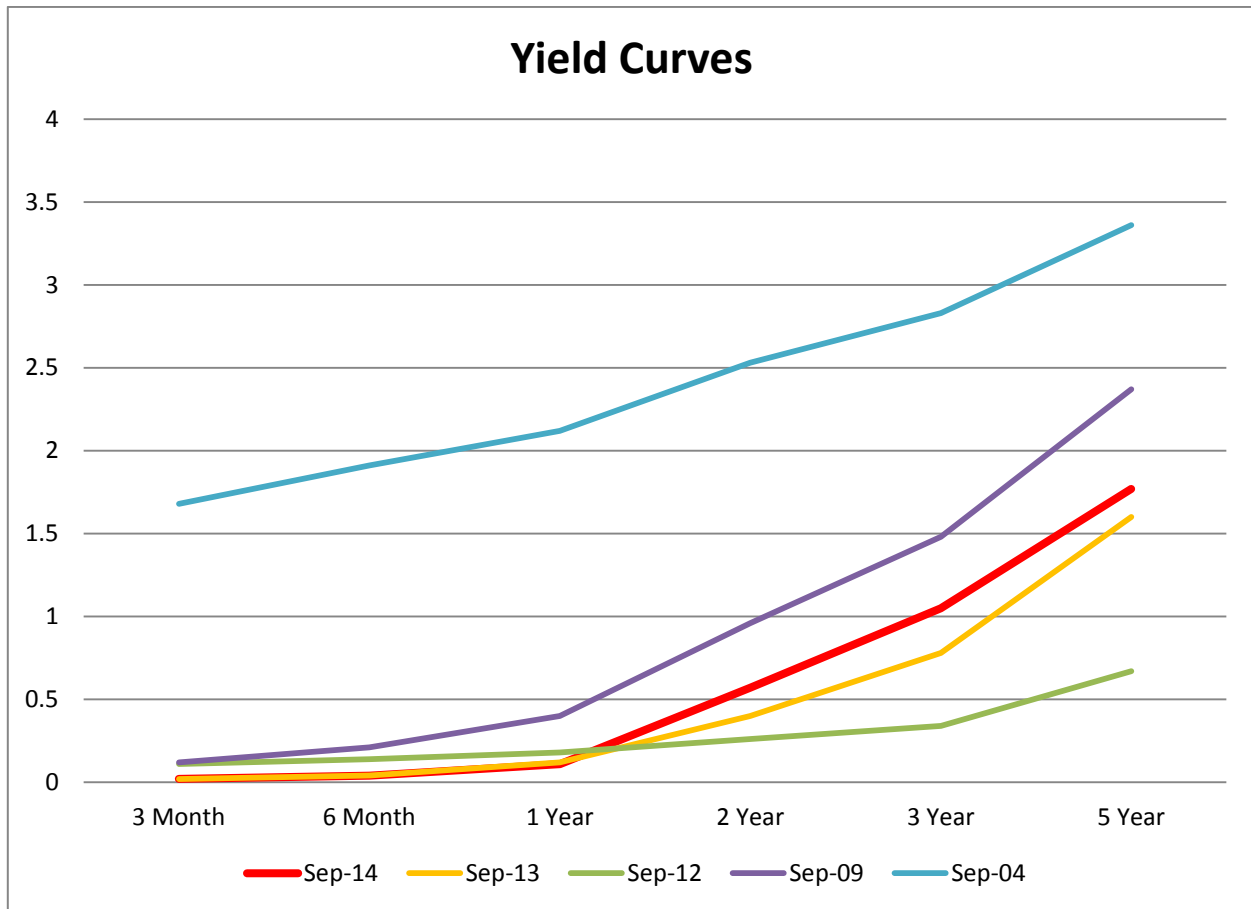


The Federal Funds rate (Fed Funds) is the interest rate at which depository institutions lend balances at the Federal Reserve to other depository institutions overnight.

A Treasury Bill is a short-term debt obligation backed by the U.S. government with a maturity of less than one year. T-bills are sold in denominations of \$1,000 up to a maximum purchase of \$5 million and commonly have maturities of one month (four weeks), three months (13 weeks) or six months (26 weeks).

A Treasury Note is a debt obligation backed by the U.S. government with a maturity between two and ten years. T-bills are sold in denominations of \$1,000. The 10-year Treasury note has become the security most frequently quoted when discussing the performance of the U.S. government bond market and is used to convey the market's take on longer-term macroeconomic expectations.

## Yield Curve



The Yield Curve plots the interest rates, at a set point in time, of bonds having equal credit quality, but differing maturity dates. The most frequently reported yield curve compares the three-month, two-year, five-year and 30-year U.S. Treasury debt. This yield curve is used as a benchmark for other debt in the market, such as mortgage rates or bank lending rates. The curve is also used to predict changes in economic output and growth. The shape of the yield curve is closely scrutinized because it helps to give an idea of future interest rate change and economic activity. There are three main types of yield curve shapes: normal, inverted and flat (or humped). A normal yield curve is one in which longer maturity bonds have a higher yield compared to shorter-term bonds due to the risks associated with time. An inverted yield curve is one in which the shorter-term yields are higher than the longer-term yields, which can be a sign of upcoming recession. A flat (or humped) yield curve is one in which the shorter- and longer-term yields are very close to each other, which is also a predictor of an economic transition. The slope of the yield curve is also seen as important: the greater the slope, the greater the gap between short- and long-term rates.

## Investment Committee Item No. 3

### Portfolio Review

### Investment Report of Arlington Quarter Ended 9/30/14

#### Investment Earnings

	<u>Curr. Quarter</u>	<u>Year to Date</u>	<u>YTD Prior FY</u>	<u>% Change</u>
Pooled Funds	\$300,499	\$1,401,939	\$1,350,834	3.8%
General Fund Reserve	\$49	\$195	\$549	(64.5%)
Water Debt Reserve	\$0	\$15,030	\$28,934	(48.1%)
Stadium Complex	\$189,155	\$756,633	\$756,727	(0.0%)
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	\$489,703	\$2,173,797	\$2,137,044	

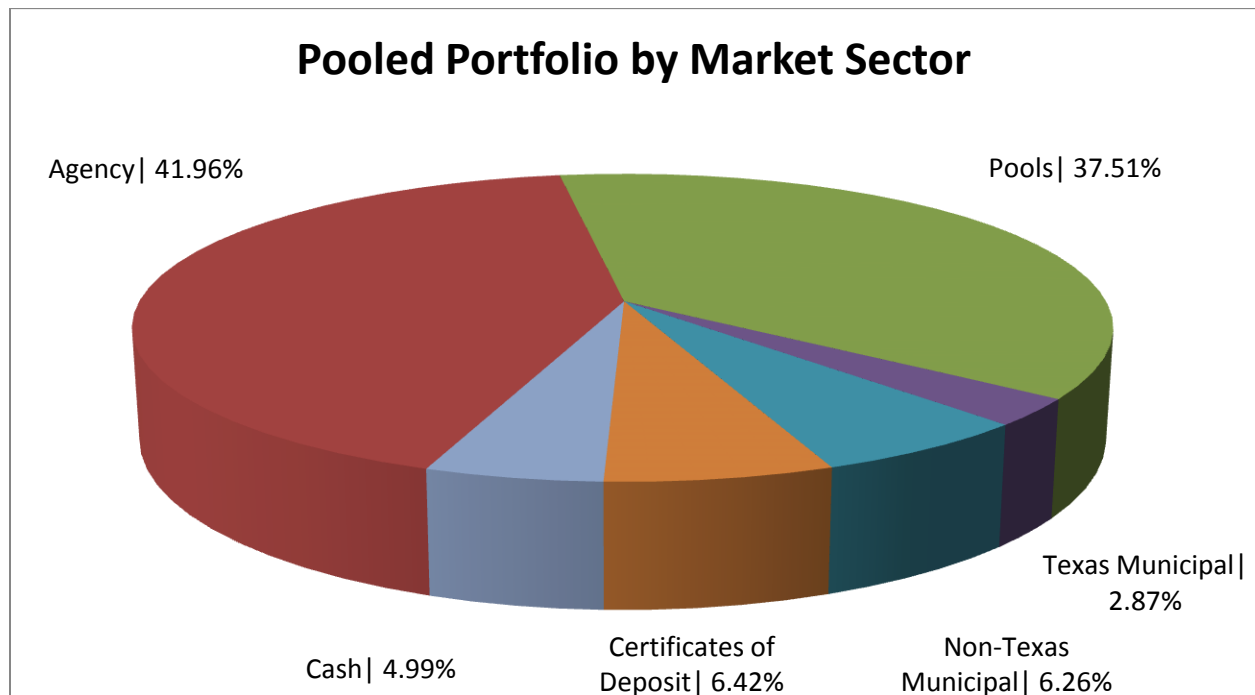
#### Investment Performance

	<u>YTD Yield FY 14</u>	<u>YTD Yield FY 13</u>
City Portfolio	0.36%	0.34%
Stadium Complex	2.57%	2.50%
Rolling 12 month Treasury	0.11%	0.12%



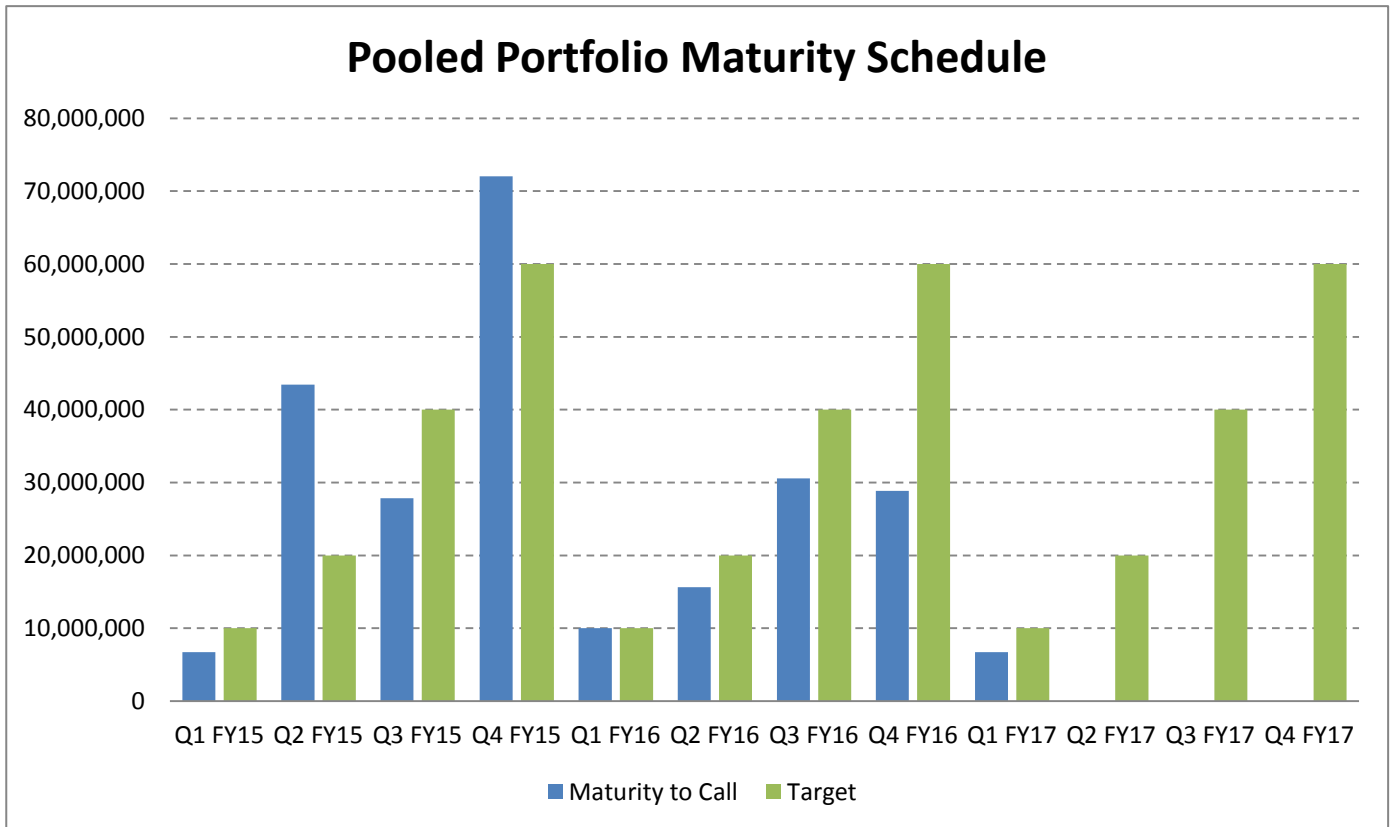
## PORTFOLIO BY SECTOR

Portfolio Investment Limitations	Policy % Limit	% of Portfolio
Cash	none	4.99%
Treasury Securities	100%	0.00%
TexPOOL	25% of City Port / 2% of Pool Port	17.77% - 0.52%
TexasDAILY	25% of City Port / 2% of Pool Port	4.60% - 1.53%
TexSTAR	25% of City Port / 2% of Pool Port	15.14% - 1.23%
Texas Investment Pools	100%	37.51%
Certificates of Deposit	50%	6.42%
Texas and its agencies, cities, counties (AA)	10%-2%/Issuer	2.87% - 0.37%
Municipal Bonds (AA)	10%-2%/Issuer	6.26% - 1.05%
Farmer Mac	35%	3.31%
Federal Farm Credit Bank	35%	21.80%
Federal Home Loan Bank	35%	5.62%
Federal Home Loan Mortgage Corp.	35%	4.76%
Federal National Mortgage Assoc.	35%	6.46%
World Bank	35%	0.00%
FDIC Insured	30%	0.00%
Government National Mortgage Assoc.	35%	0.00%
Repurchase Agreements	15%	0.00%
Commercial Paper (A-1+,P-1)	20% - 5%/Issuer	0.00%
Money Market Funds (AAA)	15%/Issuer	0.00%



## PORTFOLIO BY MATURITY

Portfolio Maturity Limitations	Policy Limits		Actual	
	Maturity	WAM	Maturity	WAM (days)
Operating Funds	3 (1,096)	1.5 (547)	754	214
Water Debt Reserve	5 (1,825)	4 (1,460)	0	0
Cowboys Debt Service Reserve	7 (2,555)	7 (2,555)	595	437



## **Investment Committee Item No. 4**

### **Consideration of Investment Strategy**

As of the end of September, \$67M of Capital projects had been encumbered. An additional \$126M of Capital projects have cash available, but have not yet been spent or encumbered. The Cash/Pool balance is approximately \$124M as of September 30.

Due to the large amount of Capital projects, the recommended investment strategy for the next three months is to maintain the range for Operating Funds in the portfolio WAM between 180 and 450 days.

When investing, the focus will be placed on disbursing funds from the LGIPs (overnight money) throughout FY15. While this does not conform to the standards of the ladder, it is to try to pick up additional interest while waiting for the Capital project funds to be spent. Currently the LGIPs are yielding 3-5bps, while 3month to 9month alternatives are yielding 9-16bps. Sectors that will be utilized are anticipated to be Agencies, Municipals, and Treasuries.

The bank depository contract was extended from Sept 30, 2014 to Sept 30, 2016. However, the ECR (earnings credit rate) was lowered from 80bp to 40bp. As either of these rates are more than we earn in other short term investments, we keep enough cash deposited in the bank to offset the City's bank fees. Due to the lower rate, we will be increasing our cash balance from \$15mil to \$30mil.

Additionally, reinvest the \$8M of Water reserves in a laddered manner to take advantage of the improving 5 year yield curve using Agencies. The ladder would be placing \$1.6M in five year maturities in 6 month intervals until all \$8M is separately invested.

## **Investment Committee Item No. 5**

### **Annual review of the Investment Policy**

Finance has decided to reconfigure its calendar of presentations to the Finance Committee. Historically the Investment Policy has gone to the Finance Committee and Council in Feb/Mar. This coincided with the CAFR presentation.

Expected calendar of events:

Dec 16 – take Policy to Fiscal Policy Committee for approval and City Council that evening

As, PFIA has not changed, we have no amendments to the current Investment Policy.

We will keep informed of any changes that the Legislature makes in the upcoming session. It is possible that amendments to the policy will be needed, and thus taken back to Council later in the fiscal year.

Also, Mark will be investigating the possibility of utilizing a Securities Lending program. This is currently a part of PFIA but not in the City's Investment Policy.

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# CITY OF ARLINGTON, TEXAS

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## Investment Policy

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December 18, 2014

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# CITY OF ARLINGTON, TEXAS INVESTMENT POLICY

Latest Revision (December 18, 2014)

## I. GOVERNING AUTHORITY

The governing authority for the City of Arlington's Investment Policy (the "Policy") shall be Chapter 2256 of the Texas Government Code, cited as the Public Funds Investment Act (the "Act"). All investment activity will be done in accordance with the provisions of the Act. The Mayor and City Council on an annual basis shall consider a resolution stating they reviewed the Policy and investment strategies and the City's resolution shall record any changes made to either the Policy or strategies.

## II. PURPOSE AND SCOPE

The Policy applies to the investment activities of the City of Arlington. The term "City" herein shall refer to the City of Arlington. All financial assets of the City, including the following fund types: General Fund, Capital Project, Working Capital Reserve, Cowboys Stadium Complex Debt Service Reserve, Debt Service, Self-Insurance, Landfill Trust, Water and Sewer, and other funds that may be created from time to time, shall be administered in accordance with the provisions of the Policy. With respect to non-profit corporations or trusts established by City resolution and acting as instrumentalities of the City, the Policy shall prevail in the absence of their specific investment policy. In addition to the Policy, the investment of bond proceeds and other bond funds (including debt service and reserve funds) shall be governed and controlled by their governing ordinance and by all regulations and rulings applicable to the issuance of such obligations. The Policy does not apply to the following funds that are separately administered: Arlington Tomorrow Foundation, Part-time Deferred Income Trust Fund; Thrift Savings Plan Fund; Disability Income Plan Fund; and the Deferred Compensation Fund.

## III. OBJECTIVES

A. The primary objective of the City's investment activity is the preservation of capital in the overall portfolio. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they are from securities defaults or erosion of market value.

1. The City's investment portfolio will remain sufficiently liquid to enable the City to meet operating requirements that might be reasonably anticipated. Liquidity shall be achieved by maintaining cash equivalent investment balances, matching investment

maturities with estimated cash flow requirements and by investing in securities with active secondary markets.

2. The City's pooled operating portfolio shall be designed with the objective of achieving an appropriate market rate of return to meet or exceed a rolling one-year Treasury Bill index, annualized return for comparable time period. The investment program shall seek to augment returns above this threshold consistent with risk limitations identified herein and prudent investment principles.
3. Funds held for future capital projects shall be invested in anticipation of projected cash flow requirements, and if compatible, in a manner that reasonably can be expected to produce enough income to offset inflationary construction cost increases.
4. All participants in the investment process shall seek to act responsibly as custodians of the public trust. Investment Officers shall avoid any transactions that might impair public confidence in the City's ability to govern effectively. The City Council recognizes that in a diversified portfolio, occasional measured losses due to market volatility are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

#### IV. INVESTMENT COMMITTEE

- A. The Investment Committee, consisting of a Deputy City Manager, the Director of Finance, the Assistant Director, Financial Operations, the Assistant Director, Fiscal Policy, an Assistant Director of Utilities, and two City staff members designated by the City Manager shall meet at least quarterly to determine general strategies and to monitor results. The Investment Committee shall include in its deliberations such topics as: economic outlook, portfolio diversification, maturity structure, potential risk to the City's funds, authorized broker/dealers, approved sources of investment training, and the target rate of return on the investment portfolio. The investment committee shall provide minutes of its meetings. Any two members of the committee may request a special meeting, and three members shall constitute a quorum. The committee shall establish its own rules and procedures.

#### V. RESPONSIBILITY AND CONTROL

- A. Management responsibility for the investment program is hereby delegated to the Director of Finance. The Director of Finance, the Assistant Director, Fiscal Policy, the Treasurer, the Cash and Debt Administrator, the Budget Analyst, and the Treasury Analyst are designated as Investment Officers. No persons



may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the Director of Finance. The Director of Finance shall be responsible for all transactions undertaken, and shall establish a system of controls to regulate the activities of other designated Investment Officers. In conjunction with the annual financial audit, an annual compliance audit of management controls on investments and adherence to the City's approved Investment Policy will be undertaken.

The City shall require and provide investment training for all designated Investment Officers in order to insure the quality and capability of investment management. Training will be provided through courses and seminars offered by independent professional organizations and associations, including the Government Treasurers Organization of Texas (GTOT), the Association of Financial Professionals (AFP) and its local chapters, the Association of Public Treasurers, the University of North Texas Center for Public Management and others as approved by the Investment Committee. Training shall consist of 10 hours within 12 months of assuming office and 10 hours not less than once in a two-year period that begins on the first day of the City's fiscal year and consists of the two consecutive fiscal years after that date thereafter as required by the Act.

The City maintains the right to hire Investment Advisers to assist City staff in the investment of funds. Investment Advisers shall adhere to the spirit, philosophy and specific terms of this Policy and shall invest within the same objectives. The Director of Finance shall establish criteria to evaluate Investment Advisers, including:

1. Adherence to the City's policies and strategies;
2. Investment strategy recommendations within accepted risk constraints;
3. Responsiveness to the City's request for services and information;
4. Understanding of the inherent fiduciary responsibility of investing public funds and;
5. Similarity in philosophy and strategy with the City's objectives.

Selected Investment Advisers must be registered under the Investment Advisers Act of 1940 or with the State Securities Board. A contract with an Investment Adviser may not be for a term longer than two years and any contract renewal, or extension must be approved by the City Council.

- B. The Director of Finance shall submit a quarterly investment report that contains a summary statement of each pooled fund group stating the beginning market value, ending market value, and fully accrued interest income for the quarter, and other items as may be required by the Act. The report shall also state the book value, market value, and maturity date of each separately invested asset. The report shall state the compliance of the City with the Act and the Policy. The report shall be jointly prepared

and signed by all Investment Officers and submitted to the Mayor and City Council, City Manager, and Investment Committee. The quarterly investment reports shall be formally reviewed by an independent auditor as part of the annual audit and reported by that auditor to the Mayor and City Council. Weighted average yield to maturity shall be the portfolio performance standard reported by the City.

- C. Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority: preservation and safety of principal, liquidity, public trust and yield.
- D. An Investment Officer who has a personal business relationship with a business organization offering to engage in an investment transaction with the City shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree by affinity or consanguinity, as determined under Chapter 573, to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship. A statement required under this subsection must be filed with The Texas Ethics Commission and the Mayor and City Council. For purposes of this subsection, an Investment Officer has a personal business relationship with a business organization if:
  - 1. The Investment Officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
  - 2. Funds received by the Investment Officer from the business organization exceed 10 percent of the Investment Officer's gross income for the previous year; or
  - 3. The Investment Officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the Investment Officer.

## VI. INVESTMENTS

- A. Funds of the City of Arlington may be invested in the instruments described below, all of which are authorized by the Act. Maximum limits

are established for the total portfolio at the time of purchase and where limits of investment quality by a nationally recognized investment rating firm are expressed, a lower rating prevails when in combination, except in cases where the higher rating was obtained by insurance:

1. United States Treasuries,  
100% of portfolio;  
100% per issuer
2. United States agencies and instrumentalities,  
100% of portfolio  
35% per issuer;
3. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of this state or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.  
100% of portfolio;  
10% per issuer;
4. Obligations of Texas, its agencies, counties, cities, and other political subdivisions rated as to investment quality by a nationally recognized investment rating firm not less than AA or its equivalent  
10% of portfolio  
2% of City's portfolio per issuer
5. Obligations of other states, its agencies, counties, cities, and other political subdivisions rated as to investment quality by a nationally recognized investment rating firm not less than AA or its equivalent  
10% of portfolio  
2% of City's portfolio per issuer
6. Certificates and other forms of deposit issued by a depository institution that has its main office or a branch office in Texas. The deposit must be guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor, or secured by obligations in a manner and amount as provided by this Policy for bank deposits. In addition, deposits obtained through a broker or depository institution that has its main office or a branch office in Texas and that contractually agrees to place the funds in federally insured depository institutions in accordance with the conditions

prescribed in Section 2256.010(b) of the Act are authorized investments;  
50% of portfolio  
20% per issue

6. Fully collateralized direct security repurchase agreements and reverse security repurchase agreements in accordance with the conditions prescribed in Section 2256.011 of the Act. A repurchase agreement shall have a defined termination date and be secured by a combination of cash and obligations of the United States or its agencies and instrumentalities. These shall be pledged to the City, held in the City's name, and deposited at the time the investment is made with a third party selected and approved by the City. Repurchase agreements must be purchased through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas. A Repurchase Agreement must be signed by the financial institution/dealer prior to investment in a repurchase agreement. All repurchase agreement transactions will be on a delivery versus payment basis. Securities received for repurchase agreements must have a market value greater than or equal to 102% at the time funds are disbursed and throughout the term of the repurchase agreement.  
40% of portfolio (excluding flexible repos for bond proceeds)  
15% per counterparty (excluding flexible repos for bond proceeds)
7. Commercial paper that has a stated maturity of 270 days or less and is either rated not less than A-I+, P-I or equivalent by at least two nationally recognized credit rating agencies or is rated by one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States. The commercial paper issuer must have an underlying long term credit of at least AA or the equivalent.  
20% of portfolio  
5% per issue
8. Guaranteed investment contracts for **bond proceeds only** in accordance with the conditions prescribed in Section 2256.015 of the Act.  
100% of bond proceeds
9. No-load money market mutual funds that are registered and regulated by the Securities and Exchange Commission, have a dollar weighted average stated maturity of 90 days or less, seek to maintain a net asset value of \$1.00 per share, and are rated AAAM

or an equivalent rating, by at least one nationally recognized rating service.

100% of portfolio

15% per fund

10. Local government investment pools, which meet the requirements of Section 2256.016 of the Act, are rated no lower than AAA, or an equivalent rating, by at least one nationally recognized rating service, and are authorized by resolution or ordinance by the City Council. In addition, a local government investment pool created to function as a money market mutual fund must mark its portfolio to the market daily and, to the extent reasonably possible, stabilize at \$1.00 net asset value
  - 100% of portfolio
  - 25% of City's portfolio per pool
  - 2% of Pool's portfolio

B. The following are prohibited investments and not authorized under this policy:

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.
2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
3. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
4. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

C. The maximum maturity and maximum weighted average maturity for each fund group is set forth in the investment strategies under Section VII. The maximum maturity for all City investments is ten years. The maximum maturity for all operating funds is three years. Debt bond covenants or other legally binding contractual investment agreements, such as flexible repurchase agreements or guaranteed investment contracts, will take precedence over the weighted average maturity or maximum maturity limitations in the Policy.

D. It is the policy of the City to create a competitive environment for all investment activities by regularly reviewing available investment options

and prevailing market conditions. The Investment Officers shall develop and maintain procedure for ensuring competition in the investments of the City's funds, including, but not limited to: comparing competitive offers or bids for each individual security purchase and sale and representative yields on depository institution deposits, money market mutual funds, "when issued" securities, and local government investment pools.

E. Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit and interest rate risk. The City will minimize credit risk, the risk of loss due to the failure of the issuer or backer of the investment, by:

- Limiting investments to the safest types of investments
- Pre-qualifying the financial institutions and broker/dealers with which the City will do business
- Diversifying the investment portfolio so that potential losses on individual issuers will be minimized.

The City will minimize the risk that the interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity.
- Diversifying maturities and staggering purchase dates to minimize the impact of market movements over time.

F. Security "swaps" may be considered as an investment option for the City. The two types of allowable swaps are "swaps to increase yield" and "swaps to increase portfolio quality." Changes in investment duration are not considered investment swaps. A security swap may be considered only if the overall yield of the fund does not decrease and the maturity of the new security is not more than 180 days longer than the maturity of the old security. Swaps may be initiated by brokers/dealers who are on the City's approved list. Consistent with City policy, proposed swaps will be competitively bid on the open market. The swap will be awarded to the broker/dealer offering the best yield and quality to the City.

G. When-issued security purchases shall be permitted with the following restrictions:

1. All when-issued purchases will be documented as a future obligation of the City.

2. No when-issued trading will occur unless the City has the funds available to accept delivery and make payment on the settlement date.
  3. There will be a maximum of 45 days between purchase and settlement of security.
- H. All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.
- I. The City will routinely monitor ratings of obligations required by the Act or this Policy to maintain a minimum rating, including, but not limited to political subdivisions, commercial paper, mutual funds and pools.
- J. The City is not required to liquidate investments that were authorized investments at the time of purchase.

## VII. INVESTMENT STRATEGY BY FUND GROUPS

- A. **General Operating Funds.** This pooled investment group includes the general fund, debt service fund, escrow funds, special revenue funds, capital project funds, water and wastewater funds, gas lease funds, debt service reserve funds, and enterprise funds. The primary investment strategy for operating funds is to assure that anticipated cash flows are matched with adequate investment liquidity. The dollar weighted average maturity of operating fund investments may not exceed eighteen months. The maximum maturity of an individual investment shall not exceed three years.

Suitability – Any investment eligible in the Investment Policy is eligible for General Operating Funds excluding guaranteed investment contracts.

Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, managing the weighted average days to maturity for the General Operating Fund's portfolio to less than 18 months and restricting the maximum allowable maturity to three years will limit the price volatility of the overall portfolio.

Marketability – Investments with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement.

Liquidity – The General Operating Fund requires the greatest short-term liquidity of any of the Fund types. Short-term depository institution deposits, investment pools, and money market mutual funds will provide

daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

Diversification – Investment maturities should be staggered throughout the budget cycle to provide cash flow based on the anticipated operating needs of the City. Diversifying the appropriate maturity structure out though three years will reduce market cycle risk.

Yield – Attaining a competitive market yield for comparable investment types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling twelve-month Treasury bill portfolio will be the minimum yield objective.

- B. **Capital Project Funds.** These funds primary revenue source is bond proceeds and are subject to arbitrage yield limitations. They are normally invested as part of the General Operating Funds but may be separately invested under the following guidelines.

Suitability – Any investment eligible in the Investment Policy is eligible for Capital Project Funds.

Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, managing the Capital Project Fund's portfolio to not exceed the lesser of the anticipated expenditure schedule or the I.R.S. temporary period the market risk of the overall portfolio will be limited.

Marketability – Investments with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement.

Liquidity – The Capital Project Fund used for capital improvement programs have reasonably predictable draw down schedules. Therefore, investment maturities should generally anticipate cash flow needs. Maintaining appropriate balances in short-term depository institution deposits, investment pools, and money market mutual funds will provide daily liquidity and fund unanticipated cash flow requirements. A singular repurchase agreement may be utilized if disbursements are allowed in the amount necessary to satisfy any expenditure request. This investment structure is commonly referred to as a flexible repurchase agreement.

Diversification – Market conditions, maturities, and arbitrage regulations influence the attractiveness of staggering the maturity of fixed rate investment for Capital Project Funds. Generally, when investment rates exceed the applicable cost of borrowing, the City is best served by locking



in most investments. If the cost of borrowing cannot be exceeded, then concurrent market conditions will determine the attractiveness of diversifying maturities or investing in shorter and larger amounts. At no time shall the anticipated expenditure schedule be exceeded in an attempt to bolster yield.

Yield – Achieving a positive spread to the cost of borrowing is the desired objective, within the limits of the Investment Policy’s risk constraints. The yield of an equally weighted, rolling twelve-month Treasury bill portfolio will be the minimum yield objective for non-borrowed funds.

- C. **Working Capital Reserve Funds.** The primary investment strategy for working capital reserve funds is to provide income to the appropriate funds.

Suitability – Any investment eligible in the Investment Policy is eligible for Working Capital Reserve Funds excluding guaranteed investment contracts.

Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, managing the weighted average days to maturity for the Working Capital Reserve Funds to less than 4 years and restricting the maximum allowable maturity to 5 years will minimize the price volatility of the overall portfolio.

Marketability – Investments with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement.

Liquidity – The Working Capital Reserve Funds require less liquidity than the General Fund. Liquidity will be maintained through investing in marketable securities.

Diversification – Investment maturities will generally be spread through the allowed maturity range.

Yield – Attaining a competitive market yield for comparable investment types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling twelve-month Treasury bill portfolio will be the minimum yield objective.

- D. **Cowboys Stadium Complex Debt Service Reserve Funds and Debt Service Funds.** The primary investment strategy for this fund is to earn a interest income which will allow the City to accelerate the amortization of the Stadium debt and consequently to eliminate the 0.50% incremental

sales tax, the incremental 2.00% Hotel Occupancy Tax and the 5.00% short term motor vehicle tax at an earlier date.

Suitability – Any investment eligible in the Investment Policy is eligible for Cowboys Stadium Complex Debt Service Reserve Funds and Debt Service Funds excluding guaranteed investment contracts.

Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, managing the weighted average days to maturity for the Cowboys Stadium Complex Debt Service Reserve Funds, to less than 10 years and , restricting the maximum allowable maturity to 10 years will minimize the price volatility of the overall portfolio. The Cowboys bonds are expected to be paid off in 2023 so maturities for this fund should not extend beyond 8/15/2023. Funds will be invested to ensure sufficient liquidity will be available to make scheduled debt service payments.

Marketability – Investments with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement.

Liquidity – The Cowboys Stadium Complex Debt Service Reserve Funds and Debt Service Funds require less liquidity than the General Fund. Liquidity will be maintained through investing in marketable securities.

Diversification – Investment maturities will generally be spread through the allowed maturity range.

Yield – Attaining a competitive market yield for comparable investment types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling twelve-month Treasury bill portfolio will be the minimum yield objective.

- E. **Self-Insurance Funds.** The primary investment strategy for self-insurance funds is to match investments with actuarially estimated cash payments. The secondary investment strategy is to provide a reliable income stream for these funds.

Suitability – Any investment eligible in the Investment Policy is eligible for Self-Insurance Funds excluding guaranteed investment contracts.

Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, managing the weighted average days to maturity for the Self-Insurance Funds to less than 5 years and restricting the maximum allowable maturity to 7 years will minimize the price volatility of the overall portfolio.

Marketability – Investments with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement.

Liquidity – The Self-Insurance Funds require less liquidity than the General Fund. Liquidity will be maintained through investing in marketable securities.

Diversification – Investment maturities will generally be spread through the allowed maturity range.

Yield – Attaining a competitive market yield for comparable investment types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling twelve-month Treasury bill portfolio will be the minimum yield objective.

- F. **Landfill Closure and Post Closure Care Reserve Costs Trust.** The primary investment strategy for this fund is to match investments to the closure schedule. The secondary investment strategy is to provide a market rate of return.

Suitability – Any investment eligible in the Investment Policy is eligible for Landfill Closure and Post Closure Care Reserve Costs Trust excluding guaranteed investment contracts.

Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. Investments will be made to provide funds to match the capping schedule. The weighted average days to maturity for the Landfill Closure and Post Closure Care Reserve Costs Trust will not exceed 8 years and maximum allowable maturity is 10 years. Matching the maturities to the closure schedule will minimize the risk of realized price volatility. The expected final closure payment is 9/30/2025.

Marketability – Investments with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement.

Liquidity – The Landfill Closure and Post Closure Care Reserve Costs Trust will be invested to match the closing schedule. Additional liquidity will be maintained through investing in marketable securities.

Diversification – Investment maturities will generally be spread through the closure schedule range.

Yield – Attaining a competitive market yield for comparable investment types and portfolio restrictions is the desired objective. The yield of an

equally weighted, rolling twelve-month Treasury bill portfolio will be the minimum yield objective.

#### VIII. SELECTION OF BANKS AND BROKER/DEALERS

- A. The Primary Depository shall be selected through the City's banking service procurement process, which shall include a formal request for proposals. In selecting a primary depository, the overall service value to the City and credit worthiness of institutions shall be considered, and the Director of Finance shall conduct a review of a prospective depository's credit characteristics and financial history.
- B. Investments shall only be made with those business organizations (including financial institutions, local government pools, mutual funds, and broker/dealers) that have provided the City with a signed instrument certifying that they have read and understand the City's Investment Policy, provided it to all sales personnel of the firm having contact with the City, and implemented reasonable procedures and controls designed to preclude imprudent investments on behalf of the City. The Investment Committee shall annually review, revise, and adopt a list of qualified broker/dealers.

#### IX. COLLATERAL

- A. **Financial Institution Deposits.** The City's Primary Depository and other depository institutions are required to comply with Government Code Chapter 2257, Collateral for Public Funds. Eligible collateral as defined in Chapter 2257 shall be deposited with a third party custodian, as applicable, prior to the deposit of any City funds. The pledged collateral must be maintained at all times during the term of the Depository contract at the levels required in this section. In order to perfect the City's security interest in the pledged collateral under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), it is required that a collateral agreement between the City and Depository, be signed by both parties prior to the deposit of City funds. The collateral agreement must be approved by the Board of Directors or Designated Committee of the Depository as reflected in certified minutes given to the City. The signed collateral agreement, Board or Committee resolution, and minutes certifying approval of the collateral agreement must be presented to the City prior to the deposit of City funds.
- B. **Securities and Insurance Approved for Collateral:**

1. United States Treasury notes, bills or bonds or obligations fully and unconditionally guaranteed as to principal and interest by the full faith and credit of the United States;
2. Obligations of an agency or instrumentality of the United States, including direct-issue mortgage-backed securities eligible as collateral as per the Government Code Chapter 2257;
3. Letter of Credit issued to the City by an agency or instrumentality of the United States,
4. Surety bond approved by the Investment Committee, and
5. FDIC insurance coverage.

City deposits shall be collateralized at 102% of market value, for all non-mortgage backed securities with a remaining maturity of three (3) years or less, and at 105% of market value for all other listed securities.

The City reserves the right to accept or reject any form of collateral or enhancement at its sole discretion

- C. **Collateral Substitution.** Substitutions may be made after obtaining permission from the City. Depositories or repurchase agreement sellers may also request release of collateral whenever the total amount pledged is in excess of City requirements.
- D. **Custodian of Collateral.** Securities pledged as collateral must be retained by an independent third party custodian. The custodian must be approved by the City and be either:
1. A state or national bank that has its main office or branch office in Texas that is eligible to serve as custodian as per the Government Code Chapter 2257,
  2. A Federal Home Loan Bank, or
  3. A Federal Reserve Bank or branch of a Federal Reserve Bank.

The City shall be provided the original safekeeping receipt on each pledged security.

- E. **Monthly Collateral Report.** The Custodian shall provide to the City on a timely basis a monthly report of pledged securities. The report should give the following information:

1. Security type and description including CUSIP, coupon, maturity and call dates (if callable);
2. Original Par Value and Current Par Value; and
3. Market Value at month end.

X SAFEKEEPING, CUSTODY AND MARKET PRICING

- A. All investment securities, including repurchase agreements, shall be purchased using the delivery versus. payment procedure. The securities shall be delivered to the City's safekeeping bank and held on behalf of the City. Safekeeping receipts shall be delivered to the City. The safekeeping bank records will be reviewed monthly to assure the notation of the City's ownership of such securities.
- B. Securities owned by the City shall be repriced monthly by one of the following methods:
  1. Interface with a professional repricing service
  2. Market levels from a real-time investment service
  3. Prior day quotes from the Wall Street Journal, or
  4. Other source deemed reliable by the Investment Committee.

Pursuant to GASB marked to market requirements, unrealized gains or losses at fiscal year-end shall be reserved in fund balance.

**Investment Committee Item No. 6**

**Other Business**

## **Investment Committee Item No. 7**

### **Quarterly Council Reports**

The latest quarterly report to the Mayor and City Council is presented in draft form for the committee's review and comment.



*City of Arlington*  
*Quarterly Investment Report*  
*Ending September 30, 2014*



November 18, 2014

To The Honorable Mayor Robert N. Cluck,  
Members of the City Council,  
and City Manager,  
City of Arlington

The attached information comprises the quarterly investment report for the City of Arlington, Texas for the quarter ended September 30, 2014. The undersigned acknowledge that the City's investment portfolio has been, and is in compliance with the policies and strategies as contained in the City's Investment Policy as adopted by Resolution 13-037, for the City of Arlington, and also in compliance with the Public Funds Investment Act of the State of Texas.

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Mike Finley, Director of Finance

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Erin Roseman, Assistant Director, Fiscal Policy

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Ethan Klos, Treasurer

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Mark Davies, Cash and Debt Administrator

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Trina Taylor, Budget Analyst

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Lisa Williams, Treasury Analyst



## MEMORANDUM

TO: Mayor and City Council

FROM: Mike Finley, Director of Finance

SUBJECT: Quarterly Investment Report

DATE: November 18, 2014

The quarterly investment report has been prepared for the Mayor and City Council as required by Section 2256.023 Internal Management Reports of the Public Funds Investment Act.

The quarterly report includes an investment portfolio summary, and several pages presenting individual investment securities as required by the Act. The report covers all investments of the City and the Stadium. Below is the 09/30/14 ending values.

	<u>Par Value</u>	<u>Book Value</u>	<u>Market Value</u>	<u>QTY Interest Earnings</u>
City Total	\$372,445,656	\$373,316,761	\$373,536,889	\$1,417,164
Stadium Total	<u>\$24,006,458</u>	<u>\$24,305,427</u>	<u>\$25,318,167</u>	<u>\$756,633</u>
Grand Total	\$396,452,114	\$397,622,188	\$398,855,056	\$2,173,797

The ending book value for the City Total does not include \$19.6mil in collateralized cash balances at the depository bank (JPMorgan). The cash balance provides an earnings credit in lieu of interest and is used to offset bank fees while giving the City a better return than other liquid assets. During the last quarter, the bank earnings credit rate (0.80%) is twenty times more than three month average rate (0.04%) for the overnight investment pools. At this rate, the City yields more value in offsetting bank fees than in interest earnings.

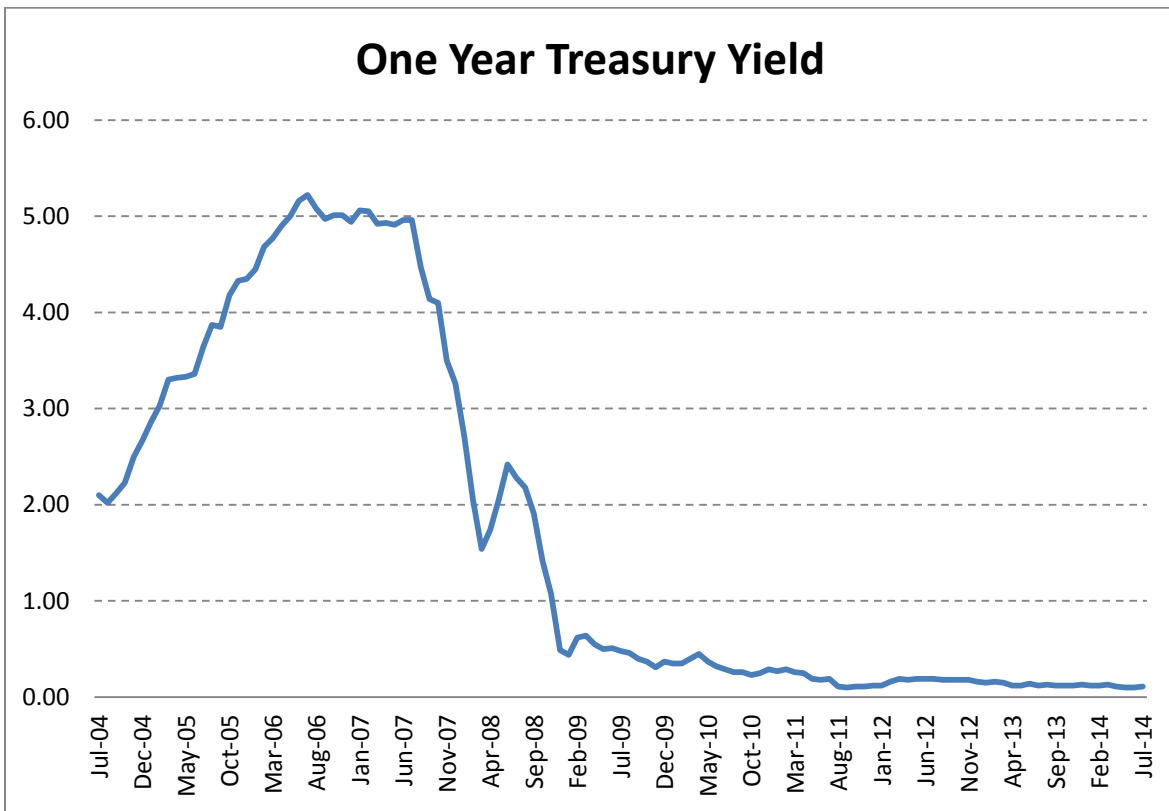
The yield for the quarter and fiscal year to date on the main portfolio is as follows:

	<u>Qtr. Yield</u>	<u>FY to Date Yield</u>
City Portfolio	0.30%	0.36%

The one-year treasury is considered to be the safest and most liquid investment and provides a good measure of market yields.

**Investment Performance**

	<u>YTD Yield FY 14</u>	<u>YTD Yield FY 13</u>
City Portfolio	0.36%	0.34%
Stadium Complex	2.57%	2.50%
Rolling 12 month Treasury	0.11%	0.12%



All supplementary/detail reports are available at the City Secretary’s office. Please contact me with any questions you have at 817-459-6345 ([Mike.Finley@arlingtontx.gov](mailto:Mike.Finley@arlingtontx.gov)).

cc: Trey Yelverton, City Manager  
 Gilbert Perales, Deputy City Manager

**City of Arlington Investment Portfolio Summary as of 09/30/14**

<u>Fund Type</u>		<u>Par Value</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Interest Earnings</u>
<b><u>(City Portfolio)</u></b>					
General Operating	Value at 06/30/14	363,258,118	364,454,455	364,859,248	1,108,452
	Net Change	9,187,538	8,862,306	8,677,641	293,682
	Value at 09/30/14	372,445,656	373,316,761	373,536,889	1,402,134
Water Debt Service Reserve	Value at 06/30/14	-	-	-	15,030
	Net Change	-	-	-	0
	Value at 09/30/14	-	-	-	15,030
<b>City Total</b>	Value at 06/30/14	363,258,118	364,454,455	364,859,248	1,123,482
	Net Change	9,187,538	8,862,306	8,677,641	293,682
	Value at 09/30/14	372,445,656	373,316,761	373,536,889	1,417,164

<b><u>(Stadium Portfolio)</u></b>					
Debt Service	Value at 06/30/14	33,231,110	33,578,380	34,792,778	567,478
	Net Change	(9,224,652)	(9,272,953)	(9,474,611)	189,156
	Value at 09/30/14	24,006,458	24,305,427	25,318,167	756,633
Proceeds	Value at 06/30/14	-	-	-	0
	Net Change	-	-	-	0
	Value at 09/30/14	-	-	-	0
<b>Stadium Total</b>	Value at 06/30/14	33,231,110	33,578,380	34,792,778	567,478
	Net Change	(9,224,652)	(9,272,953)	(9,474,611)	189,156
	Value at 09/30/14	24,006,458	24,305,427	25,318,167	756,633

## Financial Terms

Par Value – Face Value of the Bonds, Principal which will pay at maturity

Book Value – The Value at which a debt security is shown on the holder's balance sheet. Book Value is often acquisition cost +/- amortization/accretion, which may differ markedly from market value. (Book Value is updated monthly by accounting)

Market Value - The price at which a security is trading and could presumably be purchased or sold. (Market value is updated at the end of each month through Interactive Data Corporation)

The General Operating Portfolio includes all City funds except the following:

- Arlington Tomorrow Foundation (ATF) Corpus
- Stadium

## Supplementary Detail Reports



**Main City Portfolio FY14  
Compliance Details  
Sorted by Fund  
September 30, 2014**

City of Arlington  
Financial Services Department  
101 S. Mesquite St. Ste. 800  
Arlington, TX 76010  
(817)459-6264

CUSIP	Investment #	Fund	Issuer	Investment Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
<b>Fund: General Fund (Old 00)</b>												
SYS95	95	1000	TexPool	Amort	579,751.04			0.032			579,751.04	579,751.04
				<b>Subtotal</b>	<b>579,751.04</b>						<b>579,751.04</b>	<b>579,751.04</b>
<b>Fund: Pooled Portfolio (Pr</b>												
SYS93	93	1002	TexPool	Amort	69,234,078.65			0.032			69,234,078.65	69,234,078.65
SYS1100	1100	1002	TexStar	Amort	59,486,486.95			0.032			59,486,486.95	59,486,486.95
SYS1101	1101	1002	TexasDaily	Amort	18,080,878.20			0.060			18,080,878.20	18,080,878.20
31315PRZ4	1457	1002	Farmer Mac	Amort	5,000,000.00	10/01/2014		0.243	100.000	09/30/2014	5,000,000.00	5,000,000.00
679384ER4	1485	1002	Olathe, Kansas	Amort	1,230,000.00	10/01/2014		4.000	100.000	09/30/2014	1,230,000.00	1,230,000.00
564385U67	1402	1002	Mansfield ISD	Amort	1,000,000.00	02/15/2015		5.000	101.730	09/30/2014	1,017,300.00	1,016,925.55
3133EADP0	1357	1002	Federal Farm Credit Bank	Amort	5,000,000.00	02/17/2015		0.450	100.145	09/30/2014	5,007,285.00	5,000,000.00
3133EAFA1	1362	1002	Federal Farm Credit Bank	Amort	5,000,000.00	02/24/2015		0.500	100.153	09/30/2014	5,007,675.00	5,000,000.00
SYS1465	1465	1002	Chase of Texas Arlington	Amort	25,218,461.29	03/09/2015		0.430			25,218,461.29	25,218,461.29
3133EC4A9	1406	1002	Federal Farm Credit Bank	Amort	10,000,000.00	04/15/2015		0.300	100.096	09/30/2014	10,009,640.00	10,000,000.00
882135J23	1468	1002	Texas A&M University	Amort	200,000.00	05/15/2015		3.000	101.781	09/30/2014	203,562.00	203,090.78
796311CJ5	1480	1002	San Antonio Drainage System	Amort	500,000.00	02/01/2016		3.000	103.548	09/30/2014	517,740.00	516,393.85
107133NA4	1474	1002	Brenham ISD	Amort	100,000.00	02/15/2016		0.585	98.830	09/30/2014	98,830.00	99,184.01
248866QR9	1475	1002	Denton Tx	Amort	1,250,000.00	02/15/2016		5.000	106.419	09/30/2014	1,330,237.50	1,327,459.84
7048793E3	1478	1002	Pearland ISD, Texas	Amort	915,000.00	02/15/2016		3.000	103.355	09/30/2014	945,698.25	945,485.36
7048793J2	1479	1002	Pearland ISD, Texas	Amort	160,000.00	02/15/2016		2.000	101.408	09/30/2014	162,252.80	162,932.21
421020VY1	1481	1002	Hays County Texas	Amort	230,000.00	02/15/2016		1.500	101.240	09/30/2014	232,852.00	233,130.30
590741X41	1494	1002	City of Mesquite Texas	Amort	340,000.00	02/15/2016		2.000	101.919	09/30/2014	346,524.60	346,091.19
590741V84	1496	1002	City of Mesquite Texas	Amort	500,000.00	02/15/2016		2.000	101.919	09/30/2014	509,595.00	508,957.63
442331WN0	1476	1002	City of Houston, Texas	Amort	500,000.00	03/01/2016		1.140	100.645	09/30/2014	503,225.00	503,785.08
66440AKX3	1486	1002	Northeast Wisconsin Technical	Amort	1,700,000.00	04/01/2016		1.500	101.628	09/30/2014	1,727,676.00	1,724,516.11
3135G0BA0	1470	1002	Federal National Mortgage Assoc	Amort	5,000,000.00	04/11/2016		2.375	102.940	09/30/2014	5,147,025.00	5,149,810.01
6136645W7	1482	1002	Montgomery County, Tennessee	Amort	2,000,000.00	05/01/2016		0.500	99.618	09/30/2014	1,992,360.00	2,000,000.00
656678TK5	1498	1002	North Allegheny School Distric	Amort	115,000.00	05/01/2016		2.000	102.195	09/30/2014	117,524.25	116,609.08
899593LE5	1484	1002	Tulsa County Oklahoma ISD	Amort	3,420,000.00	06/01/2016		2.000	102.595	09/30/2014	3,508,749.00	3,500,408.43
66702RDK5	1487	1002	Northside, TX ISD	Amort	1,270,000.00	06/01/2016		3.000	104.191	09/30/2014	1,323,225.70	1,321,799.04
3133ECQG2	1488	1002	Federal Farm Credit Bank	Amort	3,000,000.00	06/03/2016		0.440	99.635	09/30/2014	2,989,056.00	3,000,000.00
3133ECQG2	1489	1002	Federal Farm Credit Bank	Amort	5,000,000.00	06/03/2016		0.440	99.635	09/30/2014	4,981,760.00	5,000,000.00



**Main City Portfolio FY14  
Compliance Details  
September 30, 2014**

CUSIP	Investment #	Fund	Issuer	Investment Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
<b>Fund: Pooled Portfolio (Pr</b>												
3133ECQG2	1490	1002	Federal Farm Credit Bank	Amort	2,000,000.00	06/03/2016		0.440	99.635	09/30/2014	1,992,704.00	2,000,000.00
31315PG86	1497	1002	Farmer Mac	Amort	5,000,000.00	06/14/2016		0.560	99.820	09/30/2014	4,991,040.00	5,000,993.29
3133ECUT9	1499	1002	Federal Farm Credit Bank	Amort	5,000,000.00	07/18/2016		0.750	100.169	09/30/2014	5,008,495.00	5,000,000.00
3133ECZH0	1508	1002	Federal Farm Credit Bank	Amort	5,000,000.00	09/12/2016		1.070	100.838	09/30/2014	5,041,910.00	5,000,000.00
31315P4U0	1509	1002	Farmer Mac	Amort	3,000,000.00	10/03/2016		0.830	100.308	09/30/2014	3,009,264.00	3,000,000.00
914440LY6	1452	1002	University of Massachusetts	Fair	500,000.00	11/01/2014		2.000	100.157	09/30/2014	500,785.00	500,714.37
3960284B5	1456	1002	Greenville County South Caroli	Fair	1,545,000.00	04/01/2015		1.000	100.331	09/30/2014	1,550,113.95	1,548,838.40
64971QUZ4	1431	1002	New York City	Fair	700,000.00	05/01/2015		5.000	102.818	09/30/2014	719,726.00	718,591.07
930863E92	1443	1002	Wake County North Carolina	Fair	900,000.00	05/01/2015		5.000	102.818	09/30/2014	925,362.00	924,570.00
3135G0KM4	1427	1002	Federal National Mortgage Assoc	Fair	5,216,000.00	05/27/2015		0.500	100.229	09/30/2014	5,227,965.50	5,222,365.28
462308ZK6	1440	1002	City of Iowa City	Fair	100,000.00	06/01/2015		2.000	101.234	09/30/2014	101,234.00	101,021.21
3133XWNB1	1446	1002	Federal Home Loan Bank	Fair	5,000,000.00	06/12/2015		2.875	101.903	09/30/2014	5,095,180.00	5,088,701.11
313372XB5	1426	1002	Federal Home Loan Bank	Fair	1,000,000.00	06/30/2015		2.125	101.371	09/30/2014	1,013,717.00	1,013,268.82
917542QL9	1419	1002	State of Utah	Fair	250,000.00	07/01/2015		5.000	103.630	09/30/2014	259,075.00	258,572.87
3733834H8	1442	1002	State of Georgia	Fair	250,000.00	07/01/2015		5.000	103.630	09/30/2014	259,075.00	258,633.51
3135G0LN1	1425	1002	Federal National Mortgage Assoc	Fair	5,000,000.00	07/02/2015		0.500	100.232	09/30/2014	5,011,635.00	5,006,435.48
3135G0LN1	1448	1002	Federal National Mortgage Assoc	Fair	10,000,000.00	07/02/2015		0.500	100.232	09/30/2014	10,023,270.00	10,011,577.02
741701WY8	1420	1002	Prince George County Maryland	Fair	1,455,000.00	07/15/2015		4.000	103.037	09/30/2014	1,499,188.35	1,496,668.22
973568S25	1441	1002	City of Windsor Connecticut	Fair	100,000.00	07/15/2015		5.000	103.820	09/30/2014	103,820.00	103,565.53
3133ECHV9	1445	1002	Federal Farm Credit Bank	Fair	5,000,000.00	07/30/2015		0.350	100.171	09/30/2014	5,008,550.00	4,999,615.32
5741925T3	1418	1002	State of Maryland	Fair	225,000.00	08/01/2015		4.000	103.201	09/30/2014	232,202.25	231,609.22
249164HY3	1423	1002	Denver City and County	Fair	100,000.00	08/01/2015		4.500	103.562	09/30/2014	103,562.00	103,351.99
64971MY2	1424	1002	New York City	Fair	1,180,000.00	08/01/2015		4.000	103.192	09/30/2014	1,217,665.60	1,214,927.22
3133ECVR2	1503	1002	Federal Farm Credit Bank	Fair	3,650,000.00	08/05/2015		0.350	100.157	09/30/2014	3,655,763.35	3,649,845.89
3133ECCQ5	1428	1002	Federal Farm Credit Bank	Fair	5,000,000.00	08/14/2015		0.360	100.200	09/30/2014	5,010,030.00	5,001,038.79
35880CAB0	1411	1002	Frisco Independent School Dist	Fair	100,000.00	08/15/2015		4.000	103.293	09/30/2014	103,293.00	103,028.65
269695N32	1412	1002	Eagle Mountain Saginaw ISD	Fair	115,000.00	08/15/2015		5.000	103.980	09/30/2014	119,577.00	119,477.87
2490012D9	1413	1002	Denton Independent School Dist	Fair	300,000.00	08/15/2015		5.000	104.159	09/30/2014	312,477.00	311,960.25
235308RV7	1414	1002	Dallas ISD	Fair	1,000,000.00	08/15/2015		4.000	103.315	09/30/2014	1,033,150.00	1,030,835.06
852519GE1	1415	1002	Stafford Texas ISD	Fair	200,000.00	08/15/2015		3.000	102.252	09/30/2014	204,504.00	204,416.36
9151373G6	1416	1002	University of Texas	Fair	100,000.00	08/15/2015		5.000	104.217	09/30/2014	104,217.00	103,940.11
279263PD3	1454	1002	Ector County Texas ISD	Fair	280,000.00	08/15/2015		3.000	102.340	09/30/2014	286,552.00	286,237.50
5288282Y1	1458	1002	LEWISVILLE ISD	Fair	750,000.00	08/15/2015		2.000	101.562	09/30/2014	761,715.00	760,671.61
3133EC7H1	1410	1002	Federal Farm Credit Bank	Fair	12,000,000.00	08/17/2015		0.340	100.128	09/30/2014	12,015,468.00	12,000,000.00
3134G3ZA1	1429	1002	Federal Home Loan Mortgage Corp	Fair	5,000,000.00	08/28/2015		0.500	100.295	09/30/2014	5,014,790.00	5,006,957.07
3134G3ZA1	1444	1002	Federal Home Loan Mortgage Corp	Fair	10,000,000.00	08/28/2015		0.500	100.295	09/30/2014	10,029,580.00	10,012,276.32

**Main City Portfolio FY14  
Compliance Details  
September 30, 2014**

CUSIP	Investment #	Fund	Issuer	Investment Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
<b>Fund: Pooled Portfolio (Pr</b>												
3133ECBB9	1417	1002	Federal Farm Credit Bank	Fair	10,000,000.00	09/15/2015		0.400	100.189	09/30/2014	10,018,910.00	10,000,000.00
3133ECB86	1421	1002	Federal Farm Credit Bank	Fair	10,000,000.00	10/15/2015		0.420	100.151	09/30/2014	10,015,150.00	10,000,000.00
956398SX0	1469	1002	West University Place, Texas	Fair	1,000,000.00	02/01/2016		0.700	99.428	09/30/2014	994,280.00	1,000,000.00
1944686V1	1483	1002	College Station, Texas	Fair	155,000.00	02/15/2016		3.000	103.487	09/30/2014	160,404.85	160,207.84
313382K85	1453	1002	Federal Home Loan Bank	Fair	10,000,000.00	03/18/2016		0.450	100.012	09/30/2014	10,001,230.00	10,000,000.00
3960284C3	1455	1002	Greenville County South Caroli	Fair	2,045,000.00	04/01/2016		1.000	100.445	09/30/2014	2,054,100.25	2,055,612.75
313383R78	1500	1002	Federal Home Loan Bank	Fair	5,000,000.00	07/18/2016		0.750	100.262	09/30/2014	5,013,135.00	5,000,000.00
313383R78	1501	1002	Federal Home Loan Bank	Fair	1,000,000.00	07/18/2016		0.750	100.262	09/30/2014	1,002,627.00	1,000,000.00
93974DAL2	1504	1002	Washington State	Fair	2,500,000.00	08/01/2016		0.850	100.136	09/30/2014	2,503,400.00	2,500,000.00
574193HL5	1507	1002	State of Maryland	Fair	4,000,000.00	08/01/2016		0.950	100.426	09/30/2014	4,017,040.00	4,000,000.00
3134G4HK7	1510	1002	Federal Home Loan Mortgage Corp	Fair	3,700,000.00	10/24/2016	10/24/2014	0.500	100.013	09/30/2014	3,700,506.90	3,700,000.00
<b>Subtotal</b>					<b>371,865,905.09</b>						<b>372,957,138.19</b>	<b>372,737,009.56</b>
<b>Total</b>					<b>372,445,656.13</b>						<b>373,536,889.23</b>	<b>373,316,760.60</b>



**Stadium Complex FY14**  
**Texas Compliance Details**  
**Sorted by Fund**  
**September 30, 2014**

City of Arlington  
 Financial Services Department  
 101 S. Mesquite St. Ste. 800  
 Arlington, TX 76010  
 (817)459-6264

CUSIP	Investment #	Fund	Issuer	Investment Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
<b>Fund: Stadium Debt Service</b>												
SYS10044	10044	2002	Wells Fargo Trust MMA	Held	72,176.94			0.010			72,176.94	72,176.94
SYS10045	10045	2002	Wells Fargo Trust MMA	Held	179,376.81			0.010			179,376.81	179,376.81
SYS10047	10047	2002	Wells Fargo Trust MMA	Held	5,230,569.23			0.010			5,230,569.23	5,230,569.23
SYS10056	10056	2002	Wells Fargo Trust MMA	Held	5.31			0.010			5.31	5.31
SYS10057	10057	2002	Wells Fargo Trust MMA	Held	2.15			0.010			2.15	2.15
SYS10047	10091	2002	Wells Fargo Trust MMA	Held	299,315.26			0.010			299,315.26	299,315.26
SYS10047	10095	2002	Wells Fargo Trust MMA	Held	11.90			0.010			11.90	11.90
3128X3L76	10094	2002	Federal Home Loan Mtg Corp	Tradi	500,000.00	11/13/2014		5.000	100.575	09/30/2014	502,877.00	501,046.64
31331VMG8	10089	2002	Federal Farm Credit Bank	Tradi	7,560,000.00	05/03/2016		5.000	106.725	09/30/2014	8,068,455.36	7,652,520.94
31331VMG8	10090	2002	Federal Farm Credit Bank	Tradi	165,000.00	05/03/2016		5.000	106.725	09/30/2014	176,097.24	167,019.31
3133XFJF4	10088	2002	Federal Home Loan Bank	Tradi	10,000,000.00	05/18/2016		5.375	107.892	09/30/2014	10,789,280.00	10,203,382.11
				<b>Subtotal</b>	<b>24,006,457.60</b>						<b>25,318,167.20</b>	<b>24,305,426.60</b>
				<b>Total</b>	<b>24,006,457.60</b>						<b>25,318,167.20</b>	<b>24,305,426.60</b>



**Main City Port  
Texas Compliance Details  
Sorted by Fund  
June 30, 2014**

City of Arlington  
Financial Services Department  
101 S. Mesquite St. Ste. 800  
Arlington, TX 76010  
(817)459-6264

CUSIP	Investment #	Fund	Issuer	Investment Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
<b>Fund: General Fund (Old 00)</b>												
SYS95	95	1000	TexPool	Amort	579,702.40			0.030			579,702.40	579,702.40
				<b>Subtotal</b>	<b>579,702.40</b>						<b>579,702.40</b>	<b>579,702.40</b>
<b>Fund: Pooled Portfolio (Pr</b>												
SYS93	93	1002	TexPool	Amort	29,228,902.47			0.025			29,228,902.47	29,228,902.47
SYS1100	1100	1002	TexStar	Amort	28,481,650.17			0.030			28,481,650.17	28,481,650.17
SYS1101	1101	1002	TexasDaily	Amort	18,078,401.58			0.040			18,078,401.58	18,078,401.58
882756R35	1398	1002	TX State Public Finance Autho	Amort	150,000.00	07/01/2014		5.000	100.000	06/30/2014	150,000.00	150,000.00
313379SK6	1370	1002	Federal Home Loan Bank	Amort	910,000.00	07/02/2014		0.400	100.001	06/30/2014	910,009.10	910,002.19
882722Q95	1348	1002	State of Texas	Amort	750,000.00	08/01/2014		5.000	100.406	06/30/2014	753,045.00	752,818.04
052430DY8	1391	1002	Austin ISD	Amort	750,000.00	08/01/2014		4.000	100.324	06/30/2014	752,430.00	752,304.08
4985305C4	1397	1002	Klein ISD	Amort	400,000.00	08/01/2014		4.000	100.325	06/30/2014	401,300.00	401,228.92
796269UK2	1392	1002	San Antonio ISD	Amort	200,000.00	08/15/2014		5.000	100.588	06/30/2014	201,176.00	201,144.80
528828LX2	1394	1002	LEWISVILLE ISD	Amort	450,000.00	08/15/2014		5.000	100.600	06/30/2014	452,700.00	452,575.79
217489Q30	1396	1002	Coppell ISD	Amort	455,000.00	08/15/2014		4.000	100.475	06/30/2014	457,161.25	457,050.13
528828LX2	1399	1002	LEWISVILLE ISD	Amort	150,000.00	08/15/2014		5.000	100.600	06/30/2014	150,900.00	150,858.61
414005AF5	1400	1002	Harris County Toll Authority	Amort	450,000.00	08/15/2014		5.000	100.595	06/30/2014	452,677.50	452,575.82
524084DE7	1401	1002	Lee College District	Amort	160,000.00	08/15/2014		4.500	100.490	06/30/2014	160,784.00	160,818.39
31315PRZ4	1457	1002	Farmer Mac	Amort	5,000,000.00	10/01/2014		0.243	100.034	06/30/2014	5,001,700.00	5,000,000.00
679384ER4	1485	1002	Olathe, Kansas	Amort	1,230,000.00	10/01/2014		4.000	100.928	06/30/2014	1,241,414.40	1,241,185.90
564385U67	1402	1002	Mansfield ISD	Amort	1,000,000.00	02/15/2015		5.000	102.887	06/30/2014	1,028,870.00	1,028,293.46
3133EADP0	1357	1002	Federal Farm Credit Bank	Amort	5,000,000.00	02/17/2015		0.450	100.186	06/30/2014	5,009,310.00	5,000,000.00
3133EAFA1	1362	1002	Federal Farm Credit Bank	Amort	5,000,000.00	02/24/2015		0.500	100.239	06/30/2014	5,011,990.00	5,000,000.00
SYS1465	1465	1002	Chase of Texas Arlington	Amort	25,218,461.29	03/09/2015		0.430			25,218,461.29	25,218,461.29
3133EC4A9	1406	1002	Federal Farm Credit Bank	Amort	10,000,000.00	04/15/2015		0.300	100.132	06/30/2014	10,013,210.00	10,000,000.00
882135J23	1468	1002	Texas A&M University	Amort	200,000.00	05/15/2015		3.000	102.503	06/30/2014	205,006.00	204,332.62
796311CJ5	1480	1002	San Antonio Drainage System	Amort	500,000.00	02/01/2016		3.000	104.295	06/30/2014	521,475.00	519,467.69
107133NA4	1474	1002	Brenham ISD	Amort	100,000.00	02/15/2016		0.585	98.575	06/30/2014	98,575.00	99,034.46
248866QR9	1475	1002	Denton Tx	Amort	1,250,000.00	02/15/2016		5.000	107.676	06/30/2014	1,345,950.00	1,341,571.95
7048793E3	1478	1002	Pearland ISD, Texas	Amort	915,000.00	02/15/2016		3.000	103.921	06/30/2014	950,877.15	951,039.37
7048793J2	1479	1002	Pearland ISD, Texas	Amort	160,000.00	02/15/2016		2.000	101.729	06/30/2014	162,766.40	163,466.41
421020VY1	1481	1002	Hays County Texas	Amort	230,000.00	02/15/2016		1.500	101.544	06/30/2014	233,551.20	233,700.60

Portfolio MAIN  
AP

**Main City Port  
Texas Compliance Details  
June 30, 2014**

CUSIP	Investment #	Fund	Issuer	Investment Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
<b>Fund: Pooled Portfolio (Pr</b>												
590741X41	1494	1002	City of Mesquite Texas	Amort	340,000.00	02/15/2016		2.000	102.348	06/30/2014	347,983.20	347,200.92
590741V84	1496	1002	City of Mesquite Texas	Amort	500,000.00	02/15/2016		2.000	102.348	06/30/2014	511,740.00	510,589.58
442331WN0	1476	1002	City of Houston, Texas	Amort	500,000.00	03/01/2016		1.140	100.733	06/30/2014	503,665.00	504,453.03
66440AKX3	1486	1002	Northeast Wisconsin Technical	Amort	1,700,000.00	04/01/2016		1.500	101.981	06/30/2014	1,733,677.00	1,728,602.12
3135G0BA0	1470	1002	Federal National Mortgage Assoc	Amort	5,000,000.00	04/11/2016		2.375	103.640	06/30/2014	5,182,010.00	5,174,324.37
6136645W7	1482	1002	Montgomery County, Tennessee	Amort	2,000,000.00	05/01/2016		0.500	99.612	06/30/2014	1,992,240.00	2,000,000.00
656678TK5	1498	1002	North Allegheny School Distric	Amort	115,000.00	05/01/2016		2.000	102.615	06/30/2014	118,007.25	116,863.14
899593LE5	1484	1002	Tulsa County Oklahoma ISD	Amort	3,420,000.00	06/01/2016		2.000	103.070	06/30/2014	3,524,994.00	3,512,469.69
66702RDK5	1487	1002	Northside, TX ISD	Amort	1,270,000.00	06/01/2016		3.000	104.827	06/30/2014	1,331,302.90	1,329,568.89
3133ECQG2	1488	1002	Federal Farm Credit Bank	Amort	3,000,000.00	06/03/2016		0.440	99.972	06/30/2014	2,999,163.00	3,000,000.00
3133ECQG2	1489	1002	Federal Farm Credit Bank	Amort	5,000,000.00	06/03/2016		0.440	99.972	06/30/2014	4,998,605.00	5,000,000.00
3133ECQG2	1490	1002	Federal Farm Credit Bank	Amort	2,000,000.00	06/03/2016		0.440	99.972	06/30/2014	1,999,442.00	2,000,000.00
31315PG86	1497	1002	Farmer Mac	Amort	5,000,000.00	06/14/2016		0.560	100.164	06/30/2014	5,008,235.00	5,001,139.12
3133ECUT9	1499	1002	Federal Farm Credit Bank	Amort	5,000,000.00	07/18/2016		0.750	100.483	06/30/2014	5,024,150.00	5,000,000.00
3134G4EB0	1502	1002	Federal Home Loan Mortgage Corp	Amort	5,000,000.00	08/15/2016	08/15/2014	0.800	100.059	06/30/2014	5,002,985.00	5,000,000.00
3133ECZH0	1508	1002	Federal Farm Credit Bank	Amort	5,000,000.00	09/12/2016		1.070	101.066	06/30/2014	5,053,335.00	5,000,000.00
3134G4FK9	1506	1002	Federal Home Loan Mortgage Corp	Amort	5,000,000.00	09/19/2016	09/19/2014	1.000	100.170	06/30/2014	5,008,505.00	5,000,000.00
31315P4U0	1509	1002	Farmer Mac	Amort	3,000,000.00	10/03/2016		0.830	100.409	06/30/2014	3,012,273.00	3,000,000.00
3134A4UU6	1449	1002	Federal Home Loan Mortgage Corp	Fair	5,000,000.00	07/15/2014		5.000	100.189	06/30/2014	5,009,480.00	5,009,259.09
3133EA6V5	1409	1002	Federal Farm Credit Bank	Fair	5,000,000.00	08/01/2014		0.300	100.011	06/30/2014	5,000,575.00	5,000,198.64
31315PLR8	1434	1002	Farmer Mac	Fair	4,000,000.00	08/11/2014		3.250	100.353	06/30/2014	4,014,140.00	4,013,202.17
235308GX5	1403	1002	Dallas ISD	Fair	750,000.00	08/15/2014		5.000	100.595	06/30/2014	754,462.50	754,274.02
581646YV2	1404	1002	Mckinney	Fair	250,000.00	08/15/2014		4.250	100.503	06/30/2014	251,257.50	251,170.81
313371LU8	1408	1002	Federal Home Loan Bank	Fair	2,000,000.00	08/15/2014		1.000	100.112	06/30/2014	2,002,240.00	2,001,822.75
3134G2UA8	1436	1002	Federal Home Loan Mortgage Corp	Fair	5,000,000.00	08/20/2014		1.000	100.122	06/30/2014	5,006,115.00	5,005,157.21
3133EAM70	1439	1002	Federal Farm Credit Bank	Fair	5,000,000.00	08/21/2014		0.300	100.029	06/30/2014	5,001,480.00	5,000,415.63
3137EACV9	1433	1002	Federal Home Loan Mortgage Corp	Fair	10,000,000.00	08/27/2014		1.000	100.141	06/30/2014	10,014,140.00	10,011,768.91
31331GL80	1437	1002	Federal Farm Credit Bank	Fair	5,000,000.00	09/22/2014		3.000	100.655	06/30/2014	5,032,785.00	5,030,913.64
3133EAZ50	1379	1002	Federal Farm Credit Bank	Fair	5,000,000.00	09/25/2014		0.270	100.039	06/30/2014	5,001,970.00	5,000,000.00
914440LY6	1452	1002	University of Massachusetts	Fair	500,000.00	11/01/2014		2.000	100.619	06/30/2014	503,095.00	502,857.49
3960284B5	1456	1002	Greenville County South Caroli	Fair	1,545,000.00	04/01/2015		1.000	100.468	06/30/2014	1,552,230.60	1,550,757.60
64971QUZ4	1431	1002	New York City	Fair	700,000.00	05/01/2015		5.000	104.036	06/30/2014	728,252.00	726,558.67
930863E92	1443	1002	Wake County North Carolina	Fair	900,000.00	05/01/2015		5.000	104.053	06/30/2014	936,477.00	935,100.00
3135G0KM4	1427	1002	Federal National Mortgage Assoc	Fair	5,216,000.00	05/27/2015		0.500	100.275	06/30/2014	5,230,385.73	5,224,792.72
462308ZK6	1440	1002	City of Iowa City	Fair	100,000.00	06/01/2015		2.000	101.704	06/30/2014	101,704.00	101,404.16
3133XWNB1	1446	1002	Federal Home Loan Bank	Fair	5,000,000.00	06/12/2015		2.875	102.552	06/30/2014	5,127,625.00	5,120,506.29

Portfolio MAIN  
AP

**Main City Port  
Texas Compliance Details  
June 30, 2014**

CUSIP	Investment #	Fund	Issuer	Investment Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
<b>Fund: Pooled Portfolio (Pr</b>												
313372XB5	1426	1002	Federal Home Loan Bank	Fair	1,000,000.00	06/30/2015		2.125	101.784	06/30/2014	1,017,840.00	1,017,708.21
917542QL9	1419	1002	State of Utah	Fair	250,000.00	07/01/2015		5.000	104.849	06/30/2014	262,122.50	261,430.50
3733834H8	1442	1002	State of Georgia	Fair	250,000.00	07/01/2015		5.000	104.849	06/30/2014	262,122.50	261,511.34
3135G0LN1	1425	1002	Federal National Mortgage Assoc	Fair	5,000,000.00	07/02/2015		0.500	100.323	06/30/2014	5,016,195.00	5,008,572.72
3135G0LN1	1448	1002	Federal National Mortgage Assoc	Fair	10,000,000.00	07/02/2015		0.500	100.323	06/30/2014	10,032,390.00	10,015,421.78
741701WY8	1420	1002	Prince George County Maryland	Fair	1,455,000.00	07/15/2015		4.000	104.006	06/30/2014	1,513,287.30	1,509,872.94
973568S25	1441	1002	City of Windsor Connecticut	Fair	100,000.00	07/15/2015		5.000	105.024	06/30/2014	105,024.00	104,695.45
3133ECHV9	1445	1002	Federal Farm Credit Bank	Fair	5,000,000.00	07/30/2015		0.350	100.156	06/30/2014	5,007,820.00	4,999,499.53
5741925T3	1418	1002	State of Maryland	Fair	225,000.00	08/01/2015		4.000	104.156	06/30/2014	234,351.00	233,591.99
249164HY3	1423	1002	Denver City and County	Fair	100,000.00	08/01/2015		4.500	104.640	06/30/2014	104,640.00	104,357.58
64971MY2	1424	1002	New York City	Fair	1,180,000.00	08/01/2015		4.000	104.156	06/30/2014	1,229,040.80	1,225,405.38
3133ECVR2	1503	1002	Federal Farm Credit Bank	Fair	3,650,000.00	08/05/2015		0.350	100.184	06/30/2014	3,656,730.60	3,649,800.26
3133ECCQ5	1428	1002	Federal Farm Credit Bank	Fair	5,000,000.00	08/14/2015		0.360	100.231	06/30/2014	5,011,560.00	5,001,337.49
35880CAB0	1411	1002	Frisco Independent School Dist	Fair	100,000.00	08/15/2015		4.000	104.187	06/30/2014	104,187.00	103,896.74
269695N32	1412	1002	Eagle Mountain Saginaw ISD	Fair	115,000.00	08/15/2015		5.000	105.070	06/30/2014	120,830.50	120,761.33
2490012D9	1413	1002	Denton Independent School Dist	Fair	300,000.00	08/15/2015		5.000	105.301	06/30/2014	315,903.00	315,388.34
235308RV7	1414	1002	Dallas ISD	Fair	1,000,000.00	08/15/2015		4.000	104.282	06/30/2014	1,042,820.00	1,039,673.14
852519GE1	1415	1002	Stafford Texas ISD	Fair	200,000.00	08/15/2015		3.000	102.845	06/30/2014	205,690.00	205,682.20
9151373G6	1416	1002	University of Texas	Fair	100,000.00	08/15/2015		5.000	105.432	06/30/2014	105,432.00	105,069.44
279263PD3	1454	1002	Ector County Texas ISD	Fair	280,000.00	08/15/2015		3.000	102.958	06/30/2014	288,282.40	288,025.32
5288282Y1	1458	1002	LEWISVILLE ISD	Fair	750,000.00	08/15/2015		2.000	101.958	06/30/2014	764,685.00	763,730.35
3133EC7H1	1410	1002	Federal Farm Credit Bank	Fair	12,000,000.00	08/17/2015		0.340	100.165	06/30/2014	12,019,836.00	12,000,000.00
3134G3ZA1	1429	1002	Federal Home Loan Mortgage Corp	Fair	5,000,000.00	08/28/2015		0.500	100.343	06/30/2014	5,017,165.00	5,008,871.86
3134G3ZA1	1444	1002	Federal Home Loan Mortgage Corp	Fair	10,000,000.00	08/28/2015		0.500	100.343	06/30/2014	10,034,330.00	10,015,655.13
3133ECBB9	1417	1002	Federal Farm Credit Bank	Fair	10,000,000.00	09/15/2015		0.400	100.214	06/30/2014	10,021,400.00	10,000,000.00
3133ECB86	1421	1002	Federal Farm Credit Bank	Fair	10,000,000.00	10/15/2015		0.420	100.120	06/30/2014	10,012,060.00	10,000,000.00
956398SX0	1469	1002	West University Place, Texas	Fair	1,000,000.00	02/01/2016		0.700	99.399	06/30/2014	993,990.00	1,000,000.00
1944686V1	1483	1002	College Station, Texas	Fair	155,000.00	02/15/2016		3.000	104.203	06/30/2014	161,514.65	161,156.64
313382K85	1453	1002	Federal Home Loan Bank	Fair	10,000,000.00	03/18/2016		0.450	100.069	06/30/2014	10,006,960.00	10,000,000.00
3960284C3	1455	1002	Greenville County South Caroli	Fair	2,045,000.00	04/01/2016		1.000	100.311	06/30/2014	2,051,359.95	2,057,381.55
313383R78	1500	1002	Federal Home Loan Bank	Fair	5,000,000.00	07/18/2016		0.750	100.529	06/30/2014	5,026,450.00	5,000,000.00
313383R78	1501	1002	Federal Home Loan Bank	Fair	1,000,000.00	07/18/2016		0.750	100.529	06/30/2014	1,005,290.00	1,000,000.00
93974DAL2	1504	1002	Washington State	Fair	2,500,000.00	08/01/2016		0.850	100.278	06/30/2014	2,506,950.00	2,500,000.00
574193HL5	1507	1002	State of Maryland	Fair	4,000,000.00	08/01/2016		0.950	100.587	06/30/2014	4,023,480.00	4,000,000.00
3134G4HK7	1510	1002	Federal Home Loan Mortgage Corp	Fair	3,700,000.00	10/24/2016	10/24/2014	0.500	100.075	06/30/2014	3,702,786.10	3,700,000.00

Main City Port  
Texas Compliance Details  
June 30, 2014

CUSIP	Investment #	Fund	Issuer	Investment Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
				Subtotal	362,678,415.51						364,279,545.49	363,874,752.61
				Total	363,258,117.91						364,859,247.89	364,454,455.01



**Stadium Complex  
Compliance Details  
Sorted by Fund  
June 30, 2014**

City of Arlington  
Financial Services Department  
101 S. Mesquite St. Ste. 800  
Arlington, TX 76010  
(817)459-6264

CUSIP	Investment #	Fund	Issuer	Investment Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
<b>Fund: Stadium Debt Service</b>												
SYS10044	10044	2002	Wells Fargo Trust MMA	Held	72,176.94			0.010			72,176.94	72,176.94
SYS10045	10045	2002	Wells Fargo Trust MMA	Held	179,376.81			0.010			179,376.81	179,376.81
SYS10047	10047	2002	Wells Fargo Trust MMA	Held	12,397,140.61			0.010			12,397,140.61	12,397,140.61
SYS10056	10056	2002	Wells Fargo Trust MMA	Held	457,762.38			0.010			457,762.38	457,762.38
SYS10057	10057	2002	Wells Fargo Trust MMA	Held	16,631.38			0.010			16,631.38	16,631.38
SYS10047	10091	2002	Wells Fargo Trust MMA	Held	1,883,010.71			0.010			1,883,010.71	1,883,010.71
SYS10047	10095	2002	Wells Fargo Trust MMA	Held	10.79			0.010			10.79	10.79
3128X3L76	10094	2002	Federal Home Loan Mtg Corp	Tradi	500,000.00	11/13/2014		5.000	101.748	06/30/2014	508,741.50	503,289.45
31331VMG8	10089	2002	Federal Farm Credit Bank	Tradi	7,560,000.00	05/03/2016		5.000	108.247	06/30/2014	8,183,518.56	7,667,078.43
31331VMG8	10090	2002	Federal Farm Credit Bank	Tradi	165,000.00	05/03/2016		5.000	108.247	06/30/2014	178,608.54	167,337.03
3133XFJF4	10088	2002	Federal Home Loan Bank	Tradi	10,000,000.00	05/18/2016		5.375	109.158	06/30/2014	10,915,800.00	10,234,565.05
				<b>Subtotal</b>	<b>33,231,109.62</b>						<b>34,792,778.22</b>	<b>33,578,379.58</b>
				<b>Total</b>	<b>33,231,109.62</b>						<b>34,792,778.22</b>	<b>33,578,379.58</b>