



Sachse, Texas

Sachse City Hall
3815-B Sachse Road
Sachse, Texas 75048

Meeting Agenda

Tax Increment Financing (TIF) Board

Tuesday, January 14, 2014

7:00 PM

Council Chambers

The Tax Increment Financing (TIF) Board of Directors of the City of Sachse will hold a Regular Meeting on Tuesday, January 14, 2014, at 7:00 p.m. at the Sachse City Hall, 3815 Sachse Road, Building B, Sachse, Texas to consider the following items of business:

1. **Invocation and Pledge of Allegiance to the U.S. and Texas Flags**

2. **Regular Agenda Items:**

[13-1987](#) Consider approval of the minutes of the January 15, 2013, regular meeting of the President George Bush Turnpike Tax Increment Financing Zone (TIF).

Executive Summary

Minutes of the Meeting held on January 15, 2013.

Attachments: [January 15 2013 TIF minutes.pdf](#)

[14-2003](#) Discuss development activity within the Tax Increment Finance District.

Executive Summary

This item is a brief report from the Community Development Director regarding development activity within the Tax Increment Finance District.

[14-2000](#) Discuss updates on current development activities in the PGBT TIF Zone.

Executive Summary

The purpose of this item is to update the TIF Board on prospective development projects in the TIF Zone.

[14-2001](#) Update and report on the status of the President George Bush Turnpike

Executive Summary

City Engineer, Greg Peters, will report on the status of the President George Bush Turnpike.

Attachments: [TIF BOARD PGBT Engineering Update 1-14-14 PDF](#)

[13-1991](#)

Consider receipt of the TIF District Incremental Values and Annual Report.

Executive Summary

Finance Director Teresa Savage will report on the TIF District Incremental Values and present the Annual Report. The Appraisal Roll Values in the Sachse TIF Zone will also be presented.

Attachments: [TIF Annual Report 2013.pdf](#)

[TIF Summary Report DCAD.pdf](#)

[TIF Detail DCAD.pdf](#)

[13-1989](#)

Consider and take action on the Quarterly Investment Reports for the 2012-2013 fiscal year.

Executive Summary

The quarterly investment reports will be presented to the Board.

Attachments: [1st Quarter 2013 Investment Report.pdf](#)

[2nd Quarter 2013 Investment Report.pdf](#)

[3rd Quarter 2013 Investment Report.pdf](#)

[4th Quarter 2013 Investment Report.pdf](#)

[13-1990](#)

Consider approval of a Resolution of the President George Bush Turnpike Reinvestment Zone Tax Increment Board adopting the City of Sachse Investment Policy; providing a repealing clause; providing a severability clause; and providing for an effective date.

Executive Summary

To ensure that the City's Investment Policy is in conformance with the Public Funds Investment Act (PFIA) and to provide a viable framework to utilize in structuring an effective investment policy, it is required that the Investment Policy be reviewed and approved by City Council on an annual basis.

Attachments: [Resolution and Investment Policy Signed November 2013.pdf](#)

[Explanation of Changes 2013.pdf](#)

[TIF Resolution approving Investment Policy.pdf](#)

[13-1988](#)

Consider the Election of a Vice Chairperson of the Tax Increment Financing (TIF) Board.

Executive Summary

The Tax Increment Financing (TIF) Board will consider and conduct a vote for the office of Vice Chairperson.

3. Adjournment

State law prohibits the introduction or discussion of any item of business not posted at least seventy-two (72) hours prior to the meeting time.

Posted: January 10, 2014; 5:00 p.m. Terry Smith, City Secretary _____

If you plan to attend this public meeting and you have a disability that requires special arrangements at the meeting, please contact Terry Smith, City Secretary at (972) 495-1212, 48 business hours prior to the scheduled meeting date. Reasonable accommodations will be made to assist your needs.



Legislation Details (With Text)

File #: 13-1987 **Version:** 1 **Name:** Consider approval of the minutes of the January 15, 2013 TIF Board Meeting

Type: Agenda Item **Status:** Agenda Ready

File created: 1/6/2014 **In control:** Tax Increment Financing (TIF) Board

On agenda: 1/14/2014 **Final action:**

Title: Consider approval of the minutes of the January 15, 2013, regular meeting of the President George Bush Turnpike Tax Increment Financing Zone (TIF).

Executive Summary
Minutes of the Meeting held on January 15, 2013.

Sponsors:

Indexes:

Code sections:

Attachments: [January 15 2013 TIF minutes.pdf](#)

Date	Ver.	Action By	Action	Result
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Title
Consider approval of the minutes of the January 15, 2013, regular meeting of the President George Bush Turnpike Tax Increment Financing Zone (TIF).

Executive Summary
Minutes of the Meeting held on January 15, 2013.

Background
Review and consider approval of the January 15, 2013 regular meeting minutes of the TIF Zone.

Policy Considerations
None.

Budgetary Considerations
None.

Staff Recommendations
Staff recommends approval of the minutes of the January 15, 2013 regular meeting of the President George Bush Turnpike Increment Financing Zone (TIF).

City of Sachse, Texas

President George Bush Turnpike

Tax Increment Financing(TIF Zone)

Board of Directors

Members Present:

Edward Brown, Chairman

Jeff Dowdle

Frank Millsap

Troy Riner

Bobby Tillman

Members Absent:

None

Staff Present:

Jeri Rainey, Finance Director

Billy George, City Manager

Greg Peters, City Engineer

Marc Kurbansade, Comm. Development Director

Carlos Vigil, SEDC Executive Director

Teresa Savage, Finance Manager

The President George Bush Turnpike Tax Increment Financing (TIF Zone) Board of Directors met on Tuesday, January 15, 2013 at 7:00 p.m. at the **Sachse Municipal Building, 3815-B Sachse Road, Sachse, Texas** to consider the following items of business:

1. Call to Order: Chairman Ed Brown called the meeting to order at 7:00 p.m.
2. Invocation and Pledge of Allegiance to the U.S. and Texas Flags: The invocation was given by Jeff Dowdle, and the pledges were led by Frank Millsap.
3. Consider approval of the minutes of the January 17, 2012 regular meeting: Frank Millsap moved to approve the minutes of the January 17, 2012 regular TIF Board meeting. Jeff Dowdle seconded the motion, and the motion passed unanimously.
4. Consider the Election of a Vice Chairperson of the Tax Increment Financing (TIF) Board: Frank Millsap made a motion to move this item to the end of the meeting; Jeff Dowdle seconded, and the motion passed unanimously.
5. Update on the status of the President George Bush Turnpike: City Engineer Greg Peters presented an update on the construction of the PGBT. The work on the western end of the turnpike through Grand Prairie has been opening in phases as the sections are

completed. When the sections currently under construction are completed, the turnpike will be 52 miles long. There was no action required on this item.

6. Update on the status of the President George Bush Turnpike TIF Zone Infrastructure: City Engineer Greg Peters briefed the board on the status of infrastructure projects within the TIF zone. The Sanitary Sewer Study was completed and identified the future location of additional lift stations and trunk lines; however, the current system is adequate to support any initial development within the zone. North Place Church should begin construction soon, and that construction will include a section of 12-inch watermain. There was no action required on this item.
7. Discuss development activity within the Tax Increment Finance District: Community Development Director Marc Kurbansade reported on development activity within the TIF Zone. The Benbrook Winchester, L.P. property was approved for rezoning to a Planned Development on March 19, 2012. This property includes 25.37 acres designated for Commercial development and 40.17 acres designated for Transitional development. The Preliminary Plats for the Heritage Park Business Center and Northplace Church have been approved by City Council. The property owners have indicated that the preliminary plats have been submitted in order to align roadways and define parcels of land that can be marketed to commercial developers. No action was required on this item.
8. Update and report on 2012 Sachse EDC Activities and 2013 Goals and Objectives: SEDC Executive Director Carlos Vigil updated the board on the SEDC's 2012 activity: They have focused on developing the Highway 78 Corridor as well as the TIF Zone. Businesses that opened in 2012 included: McDonald's, Panda Chef, Cosmepawology, 24 Hour Fitness, Farmer's Insurance, Discovery Dental, and Flowers and More; Church's Fried Chicken will be opening soon. The SEDC board approved a revised tax abatement form and incentive policy. Within the TIF Zone, Children's Medical has been actively seeking a developer for their property. Mr. Vigil presented the plans developed by Leisure and Recreation Concepts for a unique 70-acre sports and entertainment complex within the TIF Zone. No action was required on this item.
9. Consider receipt of the TIF District Incremental Values and Annual Report: Finance Director Jeri Rainey presented the annual TIF report. 2012 Taxable Value of properties within the TIF was \$1,689,866 compared to the base taxable value of \$1,133,906 for a taxable value increment of \$555,960. Total accumulated tax collections since the creation of the TIF in 2003 are \$30,240.40; the anticipated collections for the 2012 levy are \$4,285.45. Motion by Frank Millsap, second by Bobby Tillman to accept the TIF District Incremental Values and Annual Report—the motion passed unanimously.
10. Update and report on the status of the Advance Funding Liability for the PGBT Waterline: Finance Manager Teresa Savage presented a summary report on the

advance funding of the Waterline constructed in the TIF Zone in FY's 2009/2010. The total cost of construction funded by the City Utility Department was \$1,150,932.11. The TIF has reduced the amount due back to the Utility Department by \$30,240.40 in incremental property taxes, \$222.43 in investment earnings, and \$413,218.78 in funds reimbursed by the North Texas Tollway Authority for a share of the project, leaving a liability as of January 15, 2013 of \$707,250.50. No action was required on this item.

11. Consider and take action on the Quarterly Investment Reports for the 2011-2012 fiscal year: Copies of the Quarterly Investment Reports presented to City Council for 2011-2012 fiscal year were made available for board review. Motion by Bobby Tillman, second by Jeff Dowdle to accept the 2011-2012 Quarterly Investment Reports; motion carried unanimously.
12. Consider approval of the Investment Policy as previously approved by City of Sachse Resolution: The Investment Policy of the City of Sachse, as approved by City Council on October 1, 2012 was made available for board review. Motion by Bobby Tillman, second by Troy Riner to approve the Investment Policy; motion carried unanimously.
13. Consider approval of the Authorized Broker/Dealers as approved by City of Sachse Resolution: The list of Authorized Broker/Dealers, as approved by City Council on October 1, 2012 was presented: Cantor Fitzgerald and UBS-Primary Dealers, and Coastal Securities, Raymond James/Morgan Keegan, and Rice Financial Products-Secondary Dealers. Motion by Jeff Dowdle, second by Frank Millsap to approve the Authorized Broker/Dealers list; motion carried unanimously.
14. Consider the Election of a Vice Chairperson for the Tax Increment Financing (TIF) Board: Ed Brown, the current Chairperson, volunteered to serve as Vice-Chairperson. The City Council will appoint a new Chairperson at a later date. Motion by Bobby Tillman, second by Troy Riner to elect Ed Brown as Vice-Chairperson for the Tax Increment Financing Board; motion passed unanimously.

There being no further business, Bobby Tillman moved to adjourn. The motion was seconded by Frank Millsap and passed unanimously. The meeting adjourned at 8:03 p.m.

Chairman

Vice-Chairman



Legislation Details (With Text)

File #:	14-2003	Version:	1	Name:	CD - TIF DEVT ACTIVITY UPDATE 2013
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	1/9/2014	In control:		In control:	Tax Increment Financing (TIF) Board
On agenda:	1/14/2014	Final action:		Final action:	
Title:	Discuss development activity within the Tax Increment Finance District.				

Executive Summary

This item is a brief report from the Community Development Director regarding development activity within the Tax Increment Finance District.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
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Title

Discuss development activity within the Tax Increment Finance District.

Executive Summary

This item is a brief report from the Community Development Director regarding development activity within the Tax Increment Finance District.

Background

The Director of Community Development, Marc Kurbansade, will brief the board on the progress of development activities within the Tax Increment Finance District.

The following zoning changes have been approved by the City Council:

1. The Turnpike Overlay District was approved on November 16, 2009, providing additional development standards for the district which includes the entire TIF district. Additional amendments were made to the Turnpike Overlay District on September 6, 2011, to incorporate standards for Hike & Bike Trails.
2. The land originally owned by Children's Medical Center was approved for rezoning on December 7, 2009. The five properties totaling approximately 247 acres were rezoned from Agricultural (AG) to Commercial 2 (C-2) and Residential 10 (R-10). This land is currently owned by Children's Medical Center and part of the Heritage Park Subdivision.

3. The Trull Foundation Property was approved for rezoning on May 3, 2010. The four properties totaling approximately 38 acres were rezoned from Industrial 1 (I-1) and Agricultural (AG) to Commercial 2 (C-2) and Planned Development (PD).
4. The Saginaw Highland Station, L.P. property was approved for rezoning on October 3, 2011. The property, approximately 1.57 acres, was rezoned from Agricultural (AG) to Commercial 2 (C-2). This property is located on the west side of Merritt Road approximately 150 feet south of the President George Bush Turnpike.
5. The Benbrook Winchester, L.P. property was approved for rezoning to a Planned Development on March 19, 2012. This property is approximately 65.54 acres and includes approximately 25.37 acres designated for Commercial development and 40.17 acres designated for Transitional development. The Commercial and Transitional tracts are generally consistent with the Turnpike Overlay District standards, but do include minor variations.
6. Two rezoning actions were approved this past year concerning the 12.564-acre portion of the Children's Medical Center Tract located on the northeast corner of Miles Road and President George Bush Turnpike. The applicant for these requests was the Sachse Medical Center. First, a zoning change from General Commercial C-2 to Office Park OP on August 19, 2013. Second, a Special Use Permit was approved by City Council on August 19, 2013 to permit a Helipad to be located on the rooftop of the proposed hospital within the Sachse Medical Center.

The Preliminary Plats for the Heritage Park Business Center Tracts 1-4 that were approved in December of 2010 have since expired. A Preliminary Plat for Sachse Regional Medical Center was approved by City Council on August 19, 2013. The Final Plat for Northplace Church was approved by Planning and Zoning Commission on June 10, 2013. Construction continues on Northplace Church with the anticipated completion date being Spring 2014.

There are no pending commercial projects at this time.

Policy Considerations

None.

Budgetary Considerations

None.

Staff Recommendations

No action necessary.



Legislation Details (With Text)

File #: 14-2000 **Version:** 1 **Name:** TIF Development Update
Type: Agenda Item **Status:** Agenda Ready
File created: 1/8/2014 **In control:** Tax Increment Financing (TIF) Board
On agenda: 1/14/2014 **Final action:**

Title: Discuss updates on current development activities in the PGBT TIF Zone.

 Executive Summary
 The purpose of this item is to update the TIF Board on prospective development projects in the TIF Zone.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
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Title
 Discuss updates on current development activities in the PGBT TIF Zone.

Executive Summary
The purpose of this item is to update the TIF Board on prospective development projects in the TIF Zone.

Background
 Staff will provide updates to the TIF Board on several prospective development projects in Sachse. Some of those projects are listed below:
 -Sachse Regional Medical Center
 -Sachse Sports Station
 -A prospective Skilled Nursing Center
 -A prospective Industrial Development

Policy Considerations
 N/A

Budgetary Considerations
 N/A

Staff Recommendations
 N/A



Legislation Details (With Text)

File #:	14-2001	Version:	1	Name:	PGBT Update
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	1/8/2014	In control:		In control:	Tax Increment Financing (TIF) Board
On agenda:	1/14/2014	Final action:		Final action:	
Title:	Update and report on the status of the President George Bush Turnpike				
	Executive Summary City Engineer, Greg Peters, will report on the status of the President George Bush Turnpike.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	TIF BOARD PGBT Engineering Update 1-14-14 PDF				

Date	Ver.	Action By	Action	Result
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Title
Update and report on the status of the President George Bush Turnpike

Executive Summary
City Engineer, Greg Peters, will report on the status of the President George Bush Turnpike.

Background
The City Engineer periodically reports to the Board activities of interest to the TIF Board.

Policy Considerations
None

Budgetary Considerations
None

Staff Recommendations
No action necessary

ENGINEERING UPDATE

TIF BOARD

JANUARY 2014

OVERVIEW

- INFRASTRUCTURE UPDATE
- PRELIMINARY DESIGN PROJECTS
- FINAL DESIGN PROJECT
- MOVING FORWARD

INFRASTRUCTURE UPDATE

- SANITARY SEWER STUDY
 - FUNDED BY THE SACHSE EDC (JANUARY 2012)
 - COMPLETED IN 2013
 - PROVIDED A BLUEPRINT FOR SEWER INFRASTRUCTURE THROUGHOUT THE CITY, INCLUDING THE PGBT DISTRICT
 - IDENTIFIED \$13M-\$15M IN LONG-TERM SEWER INFRASTRUCTURE NEEDS FOR THE CITY OF SACHSE

PGBT SEWER

- SANITARY SEWER STUDY
 - IDENTIFIED CRITICAL SEWER INFRASTRUCTURE NEEDED TO FACILITATE DEVELOPMENT OF THE PGBT DISTRICT, INCLUDING:
 - **3RD SEWER CONNECTION TO GARLAND**
 - TRUNK FORCE MAIN AND GRAVITY MAIN ALONG THE PGBT
 - NEW LIFT STATION IN THE SOUTHEAST PORTION OF THE CITY
 - MULTIPLE SMALL TO MEDIUM DIAMETER SEWER MAINS TO COMPLETE THE NETWORK
 - CITY STAFF HAS UTILIZED THE INFORMATION IN THE STUDY TO BEGIN THE ENGINEERING DESIGN PROCESS FOR MULTIPLE PROJECTS

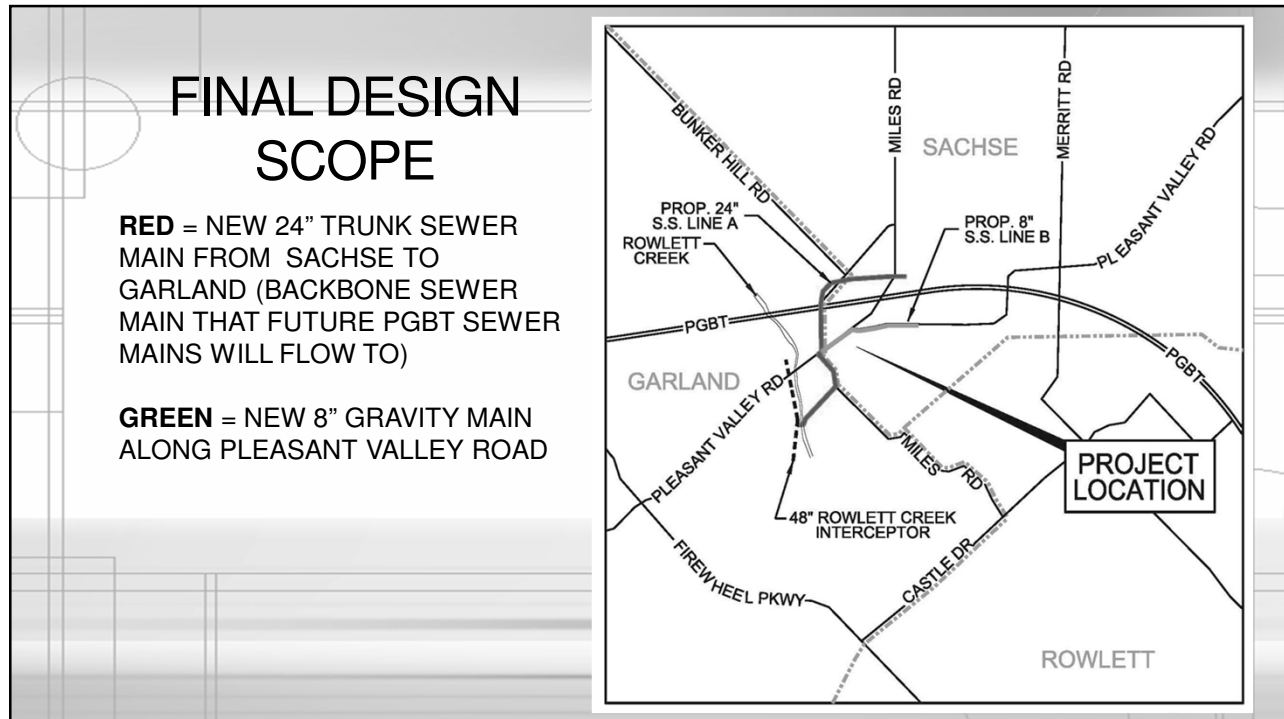
PRELIMINARY DESIGN PROJECTS

- **3RD CONNECTION TO GARLAND**
 - COMPLETED IN 2013
 - FINAL DESIGN HAS BEGUN
- **PGBT GRAVITY AND FORCE MAIN SYSTEM**
 - 90% COMPLETE
- **SOUTHEAST LIFT STATION**
 - COMPLETED IN 2013



FINAL DESIGN PROJECT

- **3RD SEWER CONNECTION TO GARLAND**
 - THE BACKBONE INFRASTRUCTURE NEEDED TO SEWER THE PGBT DISTRICT
 - CURRENTLY IN FINAL DESIGN.....CONSTRUCTION DOCUMENTS WILL BE COMPLETED IN 2014
 - CITY STAFF WORKING WITH THE PRIVATE SECTOR, THE CITY COUNCIL, SACHSE EDC, AND THE TIF BOARD ON OPTIONS FOR CONSTRUCTION FUNDING



MOVING FORWARD

- CITY STAFF WILL:
 - CONTINUE TO PROGRESS THE DESIGN PROJECTS ASSOCIATED WITH THE SANITARY SEWER INFRASTRUCTURE IN THE PGBT DISTRICT
 - CONTINUE TO WORK WITH THE CITY COUNCIL, SACHSE EDC, AND THE TIF BOARD TO IDENTIFY FUNDING OPPORTUNITIES

CONTACT INFORMATION

GREG PETERS, P.E.
CITY ENGINEER
CITY OF SACHSE
469-429-4792
gpeters@cityofsachse.com



Legislation Details (With Text)

File #:	13-1991	Version:	1	Name:	TIF Incremental Values and Annual Report
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	1/6/2014	In control:		In control:	Tax Increment Financing (TIF) Board
On agenda:	1/14/2014	Final action:		Final action:	
Title:	Consider receipt of the TIF District Incremental Values and Annual Report.				
	Executive Summary Finance Director Teresa Savage will report on the TIF District Incremental Values and present the Annual Report. The Appraisal Roll Values in the Sachse TIF Zone will also be presented.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	TIF Annual Report 2013.pdf TIF Summary Report DCAD.pdf TIF Detail DCAD.pdf				

Date	Ver.	Action By	Action	Result
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Title
Consider receipt of the TIF District Incremental Values and Annual Report.

Executive Summary
Finance Director Teresa Savage will report on the TIF District Incremental Values and present the Annual Report. The Appraisal Roll Values in the Sachse TIF Zone will also be presented.

Background
The TIF Zone was created in 2003 and the base year begins with property values as of January 1, 2003. The TIF was created for a period of 25 years.

The taxable value increment as of October 1, 2013 was \$12,058,488. The total accumulated tax collections from all years are \$123,189.52. Prior years' receipts of \$30,240.40 have been transferred to the City for reimbursement of the cost of construction of a waterline in the TIF Zone as previously authorized by the TIF Board. The total cost of construction of the waterline was \$1,150,932.

The anticipated tax collections (levy) for 2013-2014 are \$92,949.12. The transfer of this amount from the General Fund to the TIF Fund is scheduled to take place on April 1, 2014. The amount is available for repayment of the aforementioned waterline construction or for other purposes to be determined by the TIF Board.

Policy Considerations

Periodic reporting of values and TIF Funds are required per ordinance.

Budgetary Considerations

None.

Staff Recommendations

Staff recommends that the Board accept the TIF District Incremental Values and Annual Report.

**CITY OF SACHSE
TAX INCREMENT FINANCE ZONE #1
Annual Report
December 31, 2013**

Tax Roll Year ²	Budget Year	Market Value			Taxable Value			Tax Rate	Tax Levy ¹
		Base	Mars	Increment	Base	Mars	Increment		
TIF for 2003	2003-2004	4,983,020	4,983,020	-	1,167,778	1,167,778	-	0.560056	-
TIF for 2004	2004-2005	4,983,020	5,049,280	66,260	1,167,778	1,172,188	4,410	0.558321	24.62
TIF for 2005	2005-2006	4,983,020	5,478,540	495,520	1,167,778	1,295,229	127,451	0.558319	711.58
TIF for 2006	2006-2007	4,983,020	5,524,300	541,280	1,167,778	1,445,759	277,981	0.553408	1,538.37
TIF for 2007	2007-2008	4,983,020	5,496,330	513,310	1,167,778	1,416,426	248,648	0.553408	1,376.04
TIF for 2008	2008-2009	4,954,894	5,793,300	838,406	1,133,906	1,506,494	372,352	0.610000	2,271.35
TIF for 2009	2009-2010	4,766,434	11,870,910	7,104,476	1,129,193	2,324,414	1,195,221	0.705819	8,436.10
TIF for 2010	2010-2011	4,766,434	8,344,700	3,578,266	1,129,193	2,110,364	981,171	0.705819	6,925.29
TIF for 2011	2011-2012	4,901,790	7,886,300	2,984,510	1,133,906	1,739,964	606,058	0.770819	4,671.61
TIF for 2012	2012-2013	4,901,790	7,434,580	2,532,790	1,133,906	1,689,866	555,960	0.770819	4,285.45
TIF for 2013	2013-2014	4,901,775	17,544,300	12,642,525	1,133,901	13,192,389	12,058,488	0.770819	92,949.12
Total									<u><u>123,189.52</u></u>

Footnotes:

¹ The TIF will be reconciled with tax collections, adjustment and a transfer to the TIF Zone Fund will be made April 01 of each year.

² This information will come from the Dallas County Appraisal District: contact Elizabeth Sarles for data updates

Forward documentation to State Comptroller

ENTITY: SACHSE										
DATABASE: DCADSVGS\WEBPROD.DBPROD										
REPORT DATE: 1/6/2014										
2013										
TIF ZONE DESCRIPTION	TIF ZONE	YEARS ELIGIBLE	BASE MARKET	MARKET VAL	BASE TAXABLE	TAXABLE VAL	CAPTURED VAL	NEW CONSTR VAL	TIF PCT	TIF INCREMENT
SACHSE PGBT TIF #1	110	2003 - 2028	4,901,775	17,544,300	1,133,901	13,184,889	12,050,988	6,062,110	1	12,050,988
GRAND TOTAL			4,901,775	17,544,300	1,133,901	13,184,889	12,050,988	6,062,110		12,050,988

483421600C015000	R	SZATKOWSKI JACKELYN ELLEN & ADAM GEOR	3708 HERITAGE PARK DR	2003 - 2028	2,172	254,900		23	254,900	254,877	204,900	1	254,877	CK	254,900	254,900
483421600C016000	R	MERITAGE HOMES OF TEXAS LLC	3712 HERITAGE PARK DR	2003 - 2028	2,172	280,510		23	280,510	280,487	230,510	1	280,487	CK	280,510	280,510
483421600C017000	R	SCOTT STEVEN R	3718 HERITAGE PARK DR	2003 - 2028	2,172	111,240		23	111,240	111,217	61,240	1	111,217	CK	111,240	111,240
483421600C018000	R	MERITAGE HOMES OF TEXAS LLC	3722 HERITAGE PARK DR	2003 - 2028	2,172	342,020		23	342,020	341,997	292,020	1	341,997	CK	342,020	342,020
483421600C019000	R	CONTOUR LAND PARTNERS 2 LTD	19 HUDSON DR	2003 - 2028	2,172	100		23	100	77	0	1	77	CK	100	100
483421600D010000	R	MERITAGE HOMES OF TEXAS LLC	3725 HERITAGE PARK DR	2003 - 2028	2,172	50,000		23	50,000	49,977	0	1	49,977	CK	50,000	50,000
483421600D020000	R	MERITAGE HOMES OF TEXAS LLC	3721 HERITAGE PARK DR	2003 - 2028	2,172	50,000		23	50,000	49,977	0	1	49,977	CK	50,000	50,000
483421600D030000	R	MERITAGE HOMES OF TEXAS LLC	3717 HERITAGE PARK DR	2003 - 2028	2,172	50,000		23	50,000	49,977	0	1	49,977	CK	50,000	50,000
483421600D040000	R	MERITAGE HOMES OF TEXAS LLC	3705 HERITAGE PARK DR	2003 - 2028	2,172	50,000		23	50,000	49,977	0	1	49,977	CK	50,000	50,000
483421600D050000	R	MERITAGE HOMES OF TEXAS LLC	3663 HERITAGE PARK DR	2003 - 2028	2,172	50,000		23	50,000	49,977	0	1	49,977	CK	50,000	50,000
483421600D060000	R	MERITAGE HOMES OF TEXAS LLC	3655 HERITAGE PARK DR	2003 - 2028	2,172	50,000		23	50,000	49,977	0	1	49,977	CK	50,000	50,000
483421600D070000	R	MERITAGE HOMES OF TEXAS LLC	5115 HUDSON CT	2003 - 2028	2,172	50,000		23	50,000	49,977	0	1	49,977	CK	50,000	50,000
483421600D080000	R	MERITAGE HOMES OF TEXAS LLC	5111 HUDSON CT	2003 - 2028	2,172	50,000		23	50,000	49,977	0	1	49,977	CK	50,000	50,000
483421600D090000	R	HANKS YVONNE M	5107 HUDSON CT	2003 - 2028	2,172	137,410		23	137,410	137,387	87,410	1	137,387	CK	137,410	137,410
483421600D100000	R	MERITAGE HOMES OF TEXAS LLC	5103 HUDSON CT	2003 - 2028	2,172	50,000		23	50,000	49,977	0	1	49,977	CK	50,000	50,000
483421600D110000	R	CONTOUR LAND PARTNERS 2 LTD	11 HUDSON DR	2003 - 2028	2,172	100		23	100	77	0	1	77	CK	100	100
483421600D120000	R	CONTOUR LAND PARTNERS 2 LTD	12 HUDSON DR	2003 - 2028	2,172	100		23	100	77	0	1	77	CK	100	100
483421600D130000	R	CONTOUR LAND PARTNERS 2 LTD	13 HUDSON DR	2003 - 2028	2,172	100		23	100	77	0	1	77	CK	100	100
48TIFBASEROWT110	C	SACHSE PGBT TIF# 1	11111 PLEASANT VALLEY RD	2003 - 2028	5,540	5,540		5,540	0	-5,540	0	1	-5,540	CK	0	0
65009267510050200	C	BENBROOK WINCHESTER LP	3100 PLEASANT VALLEY RD	2003 - 2028	260,420	676,330		3,472	3,005	-467	0	1	-467	CK	3,005	3,005
65022558010220000	C	NORTHPLACE CHURCH OF THE	3200 MILES RD	2003 - 2028	202,550	578,700		3,086	3,086	0	0	1	0	CK	3,086	3,086
65022558010220100	C	NORTHPLACE CHURCH OF THE	3150 MILES RD	2003 - 2028	305,250	555,000		2,960	2,960	0	0	1	0	CK	4,456	2,960
650225580102201TE	C	NORTHPLACE CHURCH OF THE	3150 MILES RD	2003 - 2028	154,300	280,550		1,496	0	-1,496	0	1	-1,496	CK	0	0
65022661010300000	C	TRULL FOUNDATION THE	2401 PLEASANT VALLEY RD	2003 - 2028	248,061	110,790		1,984	770	-1,214	0	1	-1,214	CK	770	770
65022661010300100	C	TRULL FOUNDATION THE	2401 PLEASANT VALLEY RD	2003 - 2028	24,040	36,060		192	192	0	0	1	0	CK	192	192
65022661010300200	C	TRULL FOUNDATION THE	2401 PLEASANT VALLEY RD	2003 - 2028	29,879	51,120		239	272	33	0	1	33	CK	272	272
65022661010330000	C	GARLAND I S D	2450 PLEASANT VALLEY RD	2003 - 2028	119,160	198,600		0	0	0	0	1	0	CK	0	0
65022661010340000	C	SNODDY MELVIN D SR	2310 PLEASANT VALLEY RD	2003 - 2028	19,400	24,750		19,400	24,750	5,350	0	1	5,350	CK	24,750	24,750
65022661010360000	C	GARLAND J S D	2410 PLEASANT VALLEY RD	2003 - 2028	184,700	227,460		0	0	0	0	1	0	CK	0	0
65022661010370000	C	CHADDICK INGRID BRIGITTE	2430 PLEASANT VALLEY RD	2003 - 2028	20,550	25,600		20,550	25,600	5,050	0	1	5,050	CK	25,600	25,600
65022863010010100	C	MERITAGE HOMES OF TEXAS LLC	4201 MERRITT RD	2003 - 2028	1,517	760		24	760	736	0	1	736	CK	760	760
65022863010020000	C	CHILDRENS MEDICAL CENTER FOUNDATION	4011 MERRITT RD	2003 - 2028	433,150	1,306,850		4,620	1,306,850	1,302,230	0	1	1,302,230	CK	1,306,850	1,306,850
65022863010030000	R	MCCLAIN MAURICE	3005 MERRITT RD	2003 - 2028	24,790	34,530		24,790	34,530	9,740	0	1	9,740	CK	34,530	34,530
65022863010040100	C	CHILDRENS MEDICAL CENTER FOUNDATION	2811 PLEASANT VALLEY RD	2003 - 2028	155,468	357,690		3,901	357,690	353,789	0	1	353,789	CK	357,690	357,690
65022863010040200	C	CHILDRENS MEDICAL CENTER FOUNDATION	2811 PLEASANT VALLEY RD	2003 - 2028	39,082	130,200		976	130,200	129,224	0	1	129,224	CK	130,200	130,200
65022863010060000	C	TRULL FOUNDATION THE	2501 PLEASANT VALLEY RD	2003 - 2028	72,518	65,810		580	350	-230	0	1	-230	CK	350	350
65022863010060100	C	TRULL FOUNDATION THE	2501 PLEASANT VALLEY RD	2003 - 2028	9,382	14,070		75	75	0	0	1	0	CK	75	75
65022863010070000	R	MCCLAIN MAURICE	2415 PLEASANT VALLEY RD	2003 - 2028	52,990	64,650		2,990	14,650	11,660	0	1	11,660	CK	14,650	14,650
65022863010080000	C	CHILDRENS MEDICAL CENTER FOUNDATION	2901 PLEASANT VALLEY RD	2003 - 2028	109,606	169,050		2,140	169,050	166,910	0	1	166,910	CK	169,050	169,050
65022863010100100	C	BATSU ENTERPRISES	2815 PLEASANT VALLEY RD	2003 - 2028	140,151	295,430		140,151	295,430	155,279	0	1	155,279	CK	295,430	295,430
65022863010100200	C	SACHSE CITY OF	2815 PLEASANT VALLEY RD	2003 - 2028	32,450	15,830		0	0	0	0	1	0	CK	0	0
65022863010100300	C	BATSU ENTERPRISES	2815 PLEASANT VALLEY RD	2003 - 2028	127,499	143,510		127,499	143,510	16,011	0	1	16,011	CK	143,510	143,510
65022863010100400	C	SACHSE CITY OF	2815 PLEASANT VALLEY RD	2003 - 2028	10,000	17,650		0	0	0	0	1	0	CK	0	0
65036873510010000	C	NORTHPLACE CHURCH OF THE	2800 PLEASANT VALLEY RD	2003 - 2028	50,720	36,000		50,720	0	-50,720	0	1	-50,720	CK	36,000	0
65036873510020100	C	NORTHPLACE CHURCH OF THE	2820 PLEASANT VALLEY RD	2003 - 2028	66,000	120,000		640	960	320	0	1	320	CK	4,291	960
650368735100201TE	C	NORTHPLACE CHURCH OF THE	2820 PLEASANT VALLEY RD	2003 - 2028	229,010	416,390		2,220	0	-2,220	0	1	-2,220	CK	0	0
65036873510040000	C	MCCLAIN DONALD K	2878 PLEASANT VALLEY RD	2003 - 2028	147,450	187,100		1,474	598	-876	0	1	-876	CK	598	598
65036873510040900	R	MCCLAIN CARLA ADAIR ESTATE OF	2630 PLEASANT VALLEY RD	2003 - 2028	61,910	41,660		11,910	41,660	29,750	0	1	29,750	CK	41,660	41,660
65036873510050000	R	SAGINAW HIGHLAND STATION	6107 MERRITT RD	2003 - 2028	8,150	15,730		8,150	15,730	7,580	0	1	7,580	CK	15,730	15,730
65036873510050100	C	BEATY JEFFREY ALLEN	3101 MERRITT RD	2003 - 2028	2,634	4,400		2,634	4,400	1,766	0	1	1,766	CK	4,400	4,400
65036873510050200	R	CHEN ELP LP	6109 MERRITT RD	2003 - 2028	27,880	54,340		27,880	54,340	26,460	0	1	26,460	CK	54,340	54,340
65036873510050300	R	MERRITT ROAD JV	6103 MERRITT RD	2003 - 2028	11,520	20,980		11,520	20,980	9,460	0	1	9,460	CK	20,980	20,980
65036873510050500	R	SAGINAW HIGHLAND STATION	6105 MERRITT RD	2003 - 2028	11,760	21,590		11,760	21,590	9,830	0	1	9,830	CK	21,590	21,590
65036873510100000	C	MCCLAIN DONALD K	2874 PLEASANT VALLEY RD	2003 - 2028	980	1,630		5	5	0	0	1	0	CK	5	5
65036873510110000	R	HOCK DAVID & LAURIE	2614 PLEASANT VALLEY RD	2003 - 2028	179,120	182,140		129,120	182,140	53,020	0	1	53,020	CK	182,140	182,140
65036873510120000	R	SORBERT GEORGE	2622 PLEASANT VALLEY RD	2003 - 2028	148,470	152,060		148,470	102,060	-46,410	0	1	-46,410	CK	102,060	102,060
65036873510130000	C	MCCLAIN MAURICE L	3001 MERRITT RD	2003 - 2028	166,776	181,780		889	581	-308	0	1	-308	CK	581	581
65036873510130100	C	MCCLAIN STAN	3001 MERRITT RD	2003 - 2028	324	660		2	660	658	0	1	658	CK	660	660
65036873510160100	C	LAND FOR THE LORD LP	2850 PLEASANT VALLEY RD	2003 - 2028	80,850	87,450		80,850	87,450	6,600	0	1	6,600	CK	87,450	87,450
65092877510020000	C	CHILDRENS MEDICAL CENTER FOUNDATION	3810 MILES RD	2003 - 2028	82,552	49,610		82,552	49,610	-32,942	0	1	-32,942	CK	49,610	49,610
65092877510020100	C	CHILDRENS MEDICAL CENTER FOUNDATION	3810 MILES RD	2003 - 2028	2,376	3,950		2,376	3,950	1,574	0	1	1,574	CK	3,950	3,950
65092877510020200	C	HERITAGE PARK HOLDINGS LLC	3810 MILES RD	2003 - 2028	3,502	2,300		3,502	2,300	-1,202	0	1	-1,202	CK	2,300	2,300
65092877510030000	C	TRULL FOUNDATION THE	3808 MILES RD	2003 - 2028	60,670	77,100		485	411	-74	0	1	-74	CK	411	411
65092877510030100	C	TRULL FOUNDATION THE	3812 MILES RD	2003 - 2028	5,380	8,060		43	42	-1	0	1	-1	CK	42	42
65092877510030200	C	TRULL FOUNDATION	3801 MILES RD	2003 - 2028	47,250	48,600		378	259	-119	0	1	-119	CK	259	259
65092877510030300	C	TRULL FOUNDATION	3800 MILES RD	2003 - 2028	18,800	41,540		150	41,390	41,390	0	1	41,390	CK	41,540	41,540
65092877510040000	C	TRULL FOUNDATION THE	3806 MILES RD	2003 - 2028	41,864	31,220		335	166	-169	0	1	-169	CK	166	166
65092877510040100	C	TRULL FOUNDATION THE	3806 MILES RD	2003 - 2028	51,620	52,670		412	280	-132	0	1	-132	CK	280	280
65092877510040200	C	TRULL FOUNDATION THE	3806 MILES RD	2003 - 2028	666	1,010		5	5	0	0	1	0	CK	5	5

65100943010010000	C	MCCLAIN DONALD K	2900 PLEASANT VALLEY RD	2003 - 2028	90,270	114,800	902	551	-351	0	1	-351	CK	551	551
65100943010020000	R	DRAIN JESSEY R	2936 PLEASANT VALLEY RD	2003 - 2028	8,000	7,470	8,000	7,470	-530	0	1	-530	CK	7,470	7,470
65100943010030000	C	MCCLAIN MAURICE L	2930 PLEASANT VALLEY RD	2003 - 2028	67,830	93,000	361	297	-64	0	1	-64	CK	297	297
65100943010030100	R	MCCLAIN STAN	2924 PLEASANT VALLEY RD	2003 - 2028	32,800	58,980	32,800	8,980	-23,820	0	1	-23,820	CK	8,980	8,980
65101546010060000	C	BENBROOK WINCHESTER LP	3100 PLEASANT VALLEY RD	2003 - 2028	90,000	68,820	0	68,820	68,820	0	1	68,820	CK	68,820	68,820
65101546010060100	C	BENBROOK WINCHESTER LP	3100 PLEASANT VALLEY RD	2003 - 2028	210	39,450	0	39,450	39,450	0	1	39,450	CK	39,450	39,450
65101546010070000	C	BENBROOK WINCHESTER LP	3100 PLEASANT VALLEY RD	2003 - 2028	5,590	13,980	74	74	0	0	1	0	CK	74	74
65126355010080000	R	SAGINAW HIGHLAND STATION	2606 MERRITT RD	2003 - 2028	43,370	14,710	43,370	14,710	-28,660	0	1	-28,660	CK	14,710	14,710
65126355010090200	C	REESE MERRIT PROPERTIES	2900 MERRITT RD	2003 - 2028	28,680	162,030	28,680	162,030	133,350	0	1	133,350	CK	162,030	162,030
65126355010090300	C	SAGINAW HIGHLAND STA LP	2910 MERRITT RD	2003 - 2028	72,750	81,750	72,750	81,750	9,000	0	1	9,000	CK	81,750	81,750
					4,901,775	17,544,300	1,133,901	13,184,889	12,050,988	6,062,110		12,050,988		13,233,216	13,184,889
		GRAND TOTAL			4,901,775	17,544,300	1,133,901	13,184,889	12,050,988	6,062,110		12,050,988		13,233,216	13,184,889



Legislation Details (With Text)

File #:	13-1989	Version:	1	Name:	TIF Board review of 2013 quarterly investment reports
Type:	Agenda Item	Status:			Agenda Ready
File created:	1/6/2014	In control:			Tax Increment Financing (TIF) Board
On agenda:	1/14/2014	Final action:			
Title:	Consider and take action on the Quarterly Investment Reports for the 2012-2013 fiscal year.				
	Executive Summary The quarterly investment reports will be presented to the Board.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	1st Quarter 2013 Investment Report.pdf 2nd Quarter 2013 Investment Report.pdf 3rd Quarter 2013 Investment Report.pdf 4th Quarter 2013 Investment Report.pdf				

Date	Ver.	Action By	Action	Result
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Title

Consider and take action on the Quarterly Investment Reports for the 2012-2013 fiscal year.

Executive Summary

The quarterly investment reports will be presented to the Board.

Background

The quarterly investment reports as presented to the City Council will be presented to the Board. These reports are for information purposes only.

Policy Considerations

None.

Budgetary Considerations

None

Staff Recommendations

Staff recommends acceptance of the Quarterly Investment Reports for the 2012-2013 fiscal year.

Memo

To: **Billy George, City Manager**
 From: Teresa Savage, Interim Finance Director *TS*
 CC: Mayor and City Council
 Date: February 6, 2013
 Re: **Investment Report for period ending December 31, 2012**

Attached is the Quarterly Investment Report for the quarter ending December 31, 2012 of the fiscal year 2012-2013. This report complies with the requirements of the City's Investment Policy and the Public Funds Investment Act as amended. For the period ending December 31, 2012, the City's portfolio¹ consisted of the following investments:

Portfolio at Quarter Close:	Rate at 12/31/2012	% Total	Total Investment
Money Market Account –ANB	.25%	63.4%	\$17,976,301.37
Money Market Account(EDC)-ANB	.07%	2.4%	683,473.82
Investment Pool – Tex Pool	.1458%	1.8%	502,461.97
CD—Comerica Bank	.42%	3.5%	1,000,000.00
CD—Comerica Bank	.50%	3.5%	1,000,000.00
CD—Comerica Bank	.52%	4.2%	1,205,136.03
CD—Comerica Bank	.54%	3.6%	1,004,444.88
Analysis Checking-ANB	0.00%	17.6%	5,000,000.00
Total Invested City Funds:		100.0%	\$28,371,818.07

The City does not carry any security instrument (investment type) on its books that is traded on the open market; therefore all investments are listed at 100% of market value. Interest earnings on all certificate of deposit accounts are accreted quarterly or at maturity. All Funds on deposit with American National Bank, Comerica Bank, and Investment Pools are fully secured and safeguarded. **Total investment interest earned for the quarter ending December 31, 2012 was \$13,269.45.**

Citywide cash and investments for the period ending December 31, 2012 was \$28,371,818. Of this amount, \$3,885,082 is for the Sachse EDC; also included is \$5,000,000.00 which is held in a non-interest bearing analysis account. It is the strategy of the Finance Department to maintain a high percentage of its idle funds invested in safe and secure investment securities and pooled investment types in accordance with the Public Funds Investment Act.

85% of the City's current portfolio has liquidity of 30 days or less, which is more than adequate for daily operations. The City investments are liquid and have same day access. The City's investment and cash management strategy will be to maintain operational and capital needs in money market accounts and liquid asset pools. The City's funds are swept into the above accounts and withdrawn as needed for operational cash flow requirements.

The average interest rate/yield on the City's investments for the period was .28%. The Texpool Prime Fund interest rate was .1701% and the Texpool interest rate was .1458% at December 31, 2012. The 90 day T-bill rate was .09% with the 180 day T-bill at .14%.

¹ Includes the Sachse Economic Development Corporation



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

December 31, 2012

**Prepared by
Valley View Consulting, L.L.C.**

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

Director of Finance

A handwritten signature in blue ink, appearing to read 'Drew C. Samp', is written over a horizontal line.

Finance Manager

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

Strategy Summary:

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range between 0.00% and 0.25% (actual Fed Funds are trading +/-15 bps). At the December meeting, the FOMC extended Operation Twist and modified the exceptionally low rate target from "mid-2015" to unemployment below 6.2% and inflation less than 2.0%. The Fiscal Cliff was narrowly avoided, but largely unresolved. Federal spending and the debt ceiling need to be re-addressed later this spring. The European credit crisis was subdued, but also unresolved long term. Domestic employment growth is modest and inconsistent. Overall economic activity remains low to moderate. The US stock market continued edging higher. Financial institution deposits and laddering targeted cash flows still provide the best interest earnings opportunity.

Quarter End Results by Investment Category:

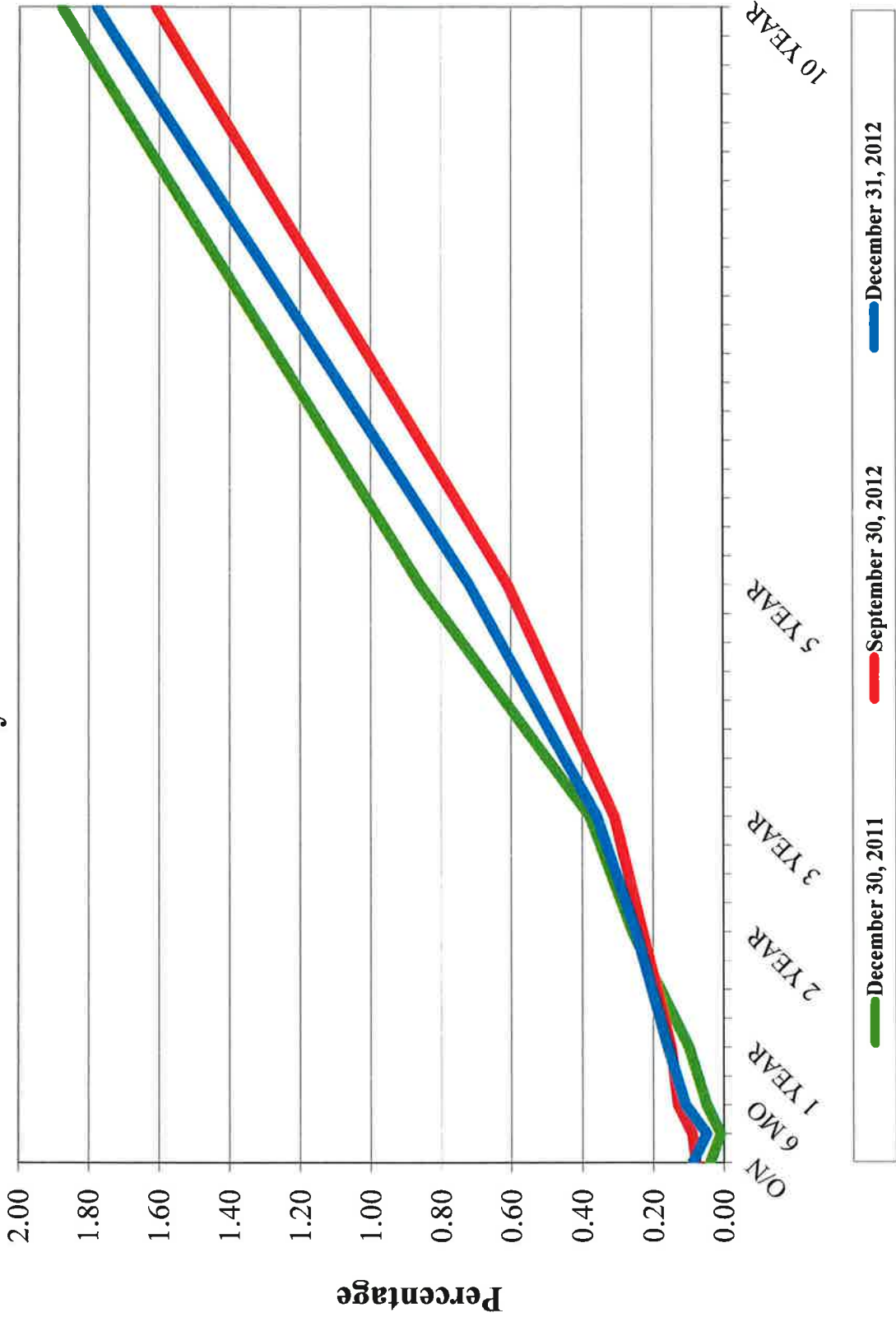
<u>Asset Type</u>	<u>Ave. Yield</u>	<u>December 31, 2012</u>		<u>September 30, 2012</u>	
		<u>Book Value</u>	<u>Market Value</u>	<u>Book Value</u>	<u>Market Value</u>
Bank/Pool	0.25%	\$ 24,162,237	\$ 24,162,237	\$ 21,947,491	\$ 21,947,491
CDs / Securities	0.50%	4,209,581	4,209,581	3,211,230	3,211,230
Totals		\$ 28,371,818	\$ 28,371,818	\$ 25,158,721	\$ 25,158,721

Average Yield (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	0.28%	Total Portfolio	0.28%
Rolling Three Mo. Treas. Yield	0.09%	Rolling Three Mo. Treas. Yield	0.09%
Rolling Six Mo. Treas. Yield	0.14%	Rolling Six Mo. Treas. Yield	0.14%
		Average Quarterly TexPool Yield	0.15%
Interest Earnings QTR	\$ 9,981	EDC	
Interest Earnings YTD	\$ 9,981		\$ 3,289
			\$ 3,289

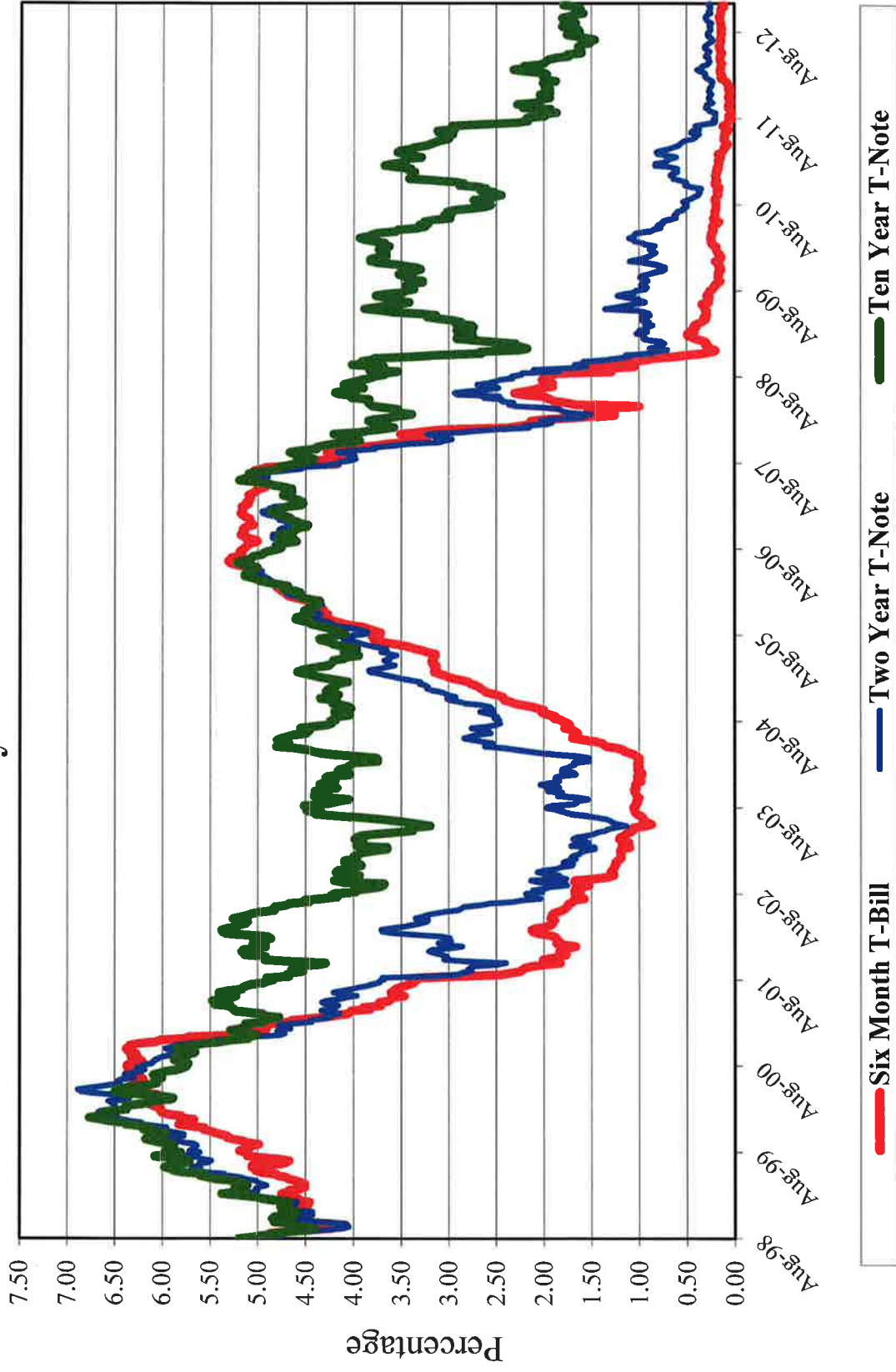
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(2) Fiscal Year-to-Date Average Yields calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

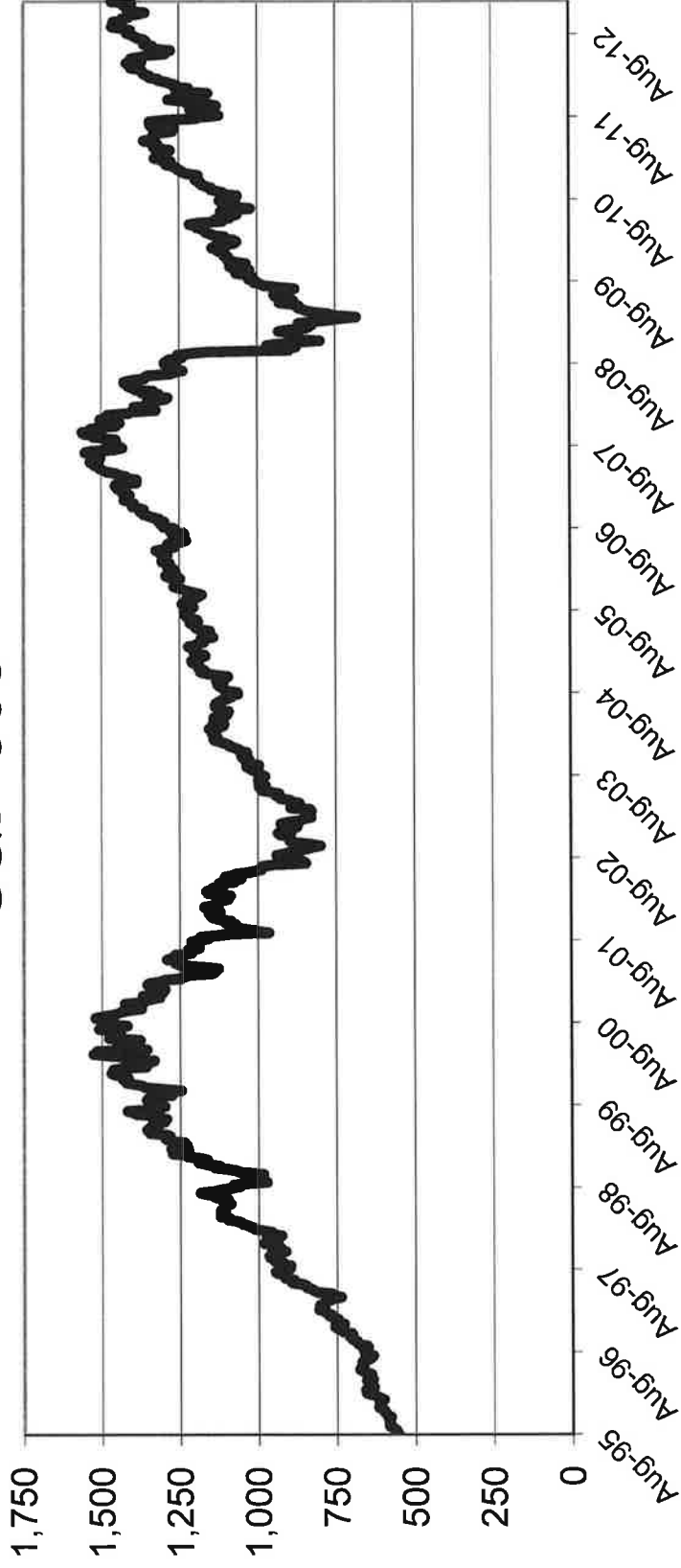
Treasury Yield Curves



US Treasury Historical Yields



S&P 500



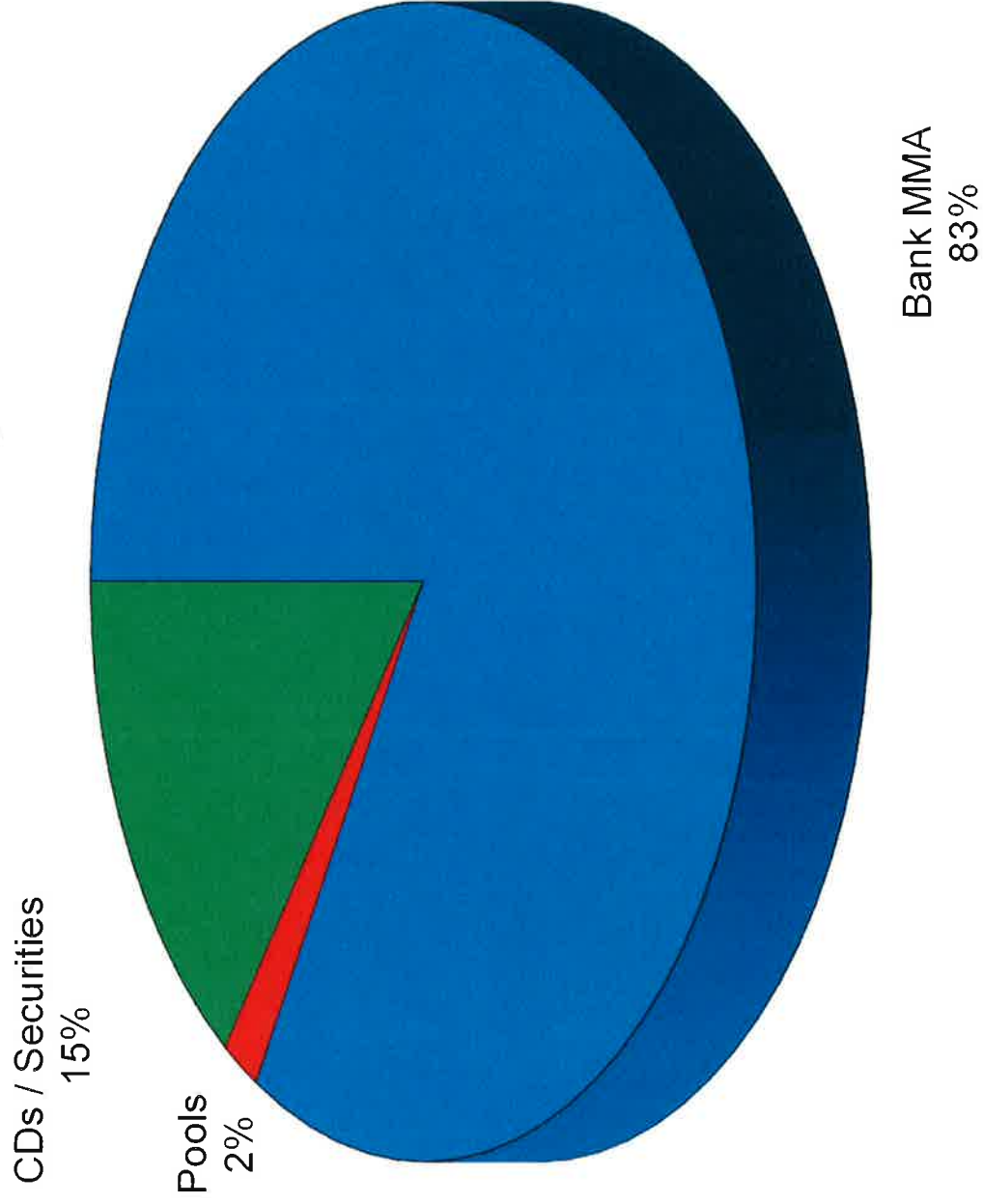
Detail of Investment Holdings December 31, 2012

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Original Face/ Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Bank MMA		0.25%	01/01/2013	12/31/2012	\$ 23,659,775	\$ 23,659,775	1.00	\$ 23,659,775	1	0.25%
TexPool	AAA	0.15%	01/01/2013	12/31/2012	502,462	502,462	1.00	502,462	1	0.15%
Comerica CD		0.52%	03/06/2013	03/06/2012	1,200,000	1,205,136	100.00	1,205,136	65	0.52%
Comerica CD		0.54%	06/06/2013	03/06/2012	1,000,000	1,004,445	100.00	1,004,445	157	0.54%
Comerica CD		0.42%	06/30/2014	12/31/2012	1,000,000	1,000,000	100.00	1,000,000	546	0.42%
Comerica CD		0.50%	09/30/2014	12/31/2012	1,000,000	1,000,000	100.00	1,000,000	638	0.50%
					\$ 28,362,237	\$ 28,371,818			51	0.28%
									(1)	(2)

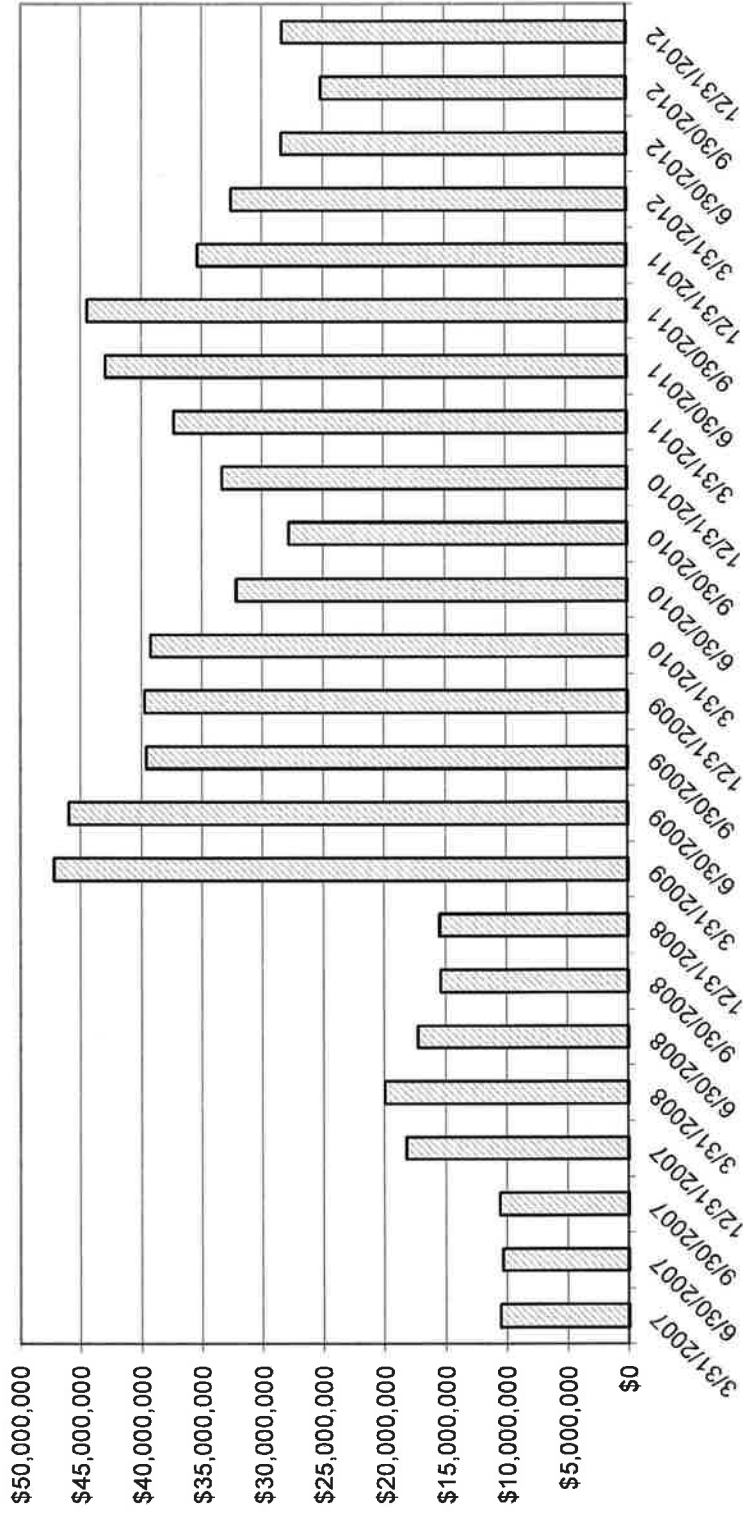
(1) **Weighted average life** - For purposes of calculating weighted average life, pool investments are assumed to have a one day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered.

Portfolio Composition



Total Portfolio



Quarter End Book Value

Book Value Comparison

Description	Coupon/ Discount	Maturity Date	September 30, 2012		December 31, 2012	
			Original Face/ Par Value	Book Value	Original Face/ Par Value	Book Value
Bank MMA	0.25%	01/01/2013	\$ 21,445,229	\$ 21,445,229	\$ 23,659,775	\$ 23,659,775
TexPool	0.15%	01/01/2013	502,262	502,262	502,462	502,462
Comerica CD	0.50%	11/01/2012	1,000,000	1,004,597		
Comerica CD	0.52%	03/06/2013	1,200,000	1,203,556		1,205,136
Comerica CD	0.54%	06/06/2013	1,000,000	1,003,077		1,004,445
Comerica CD	0.42%	06/30/2014			1,000,000	1,000,000
Comerica CD	0.50%	09/30/2014			1,000,000	1,000,000
TOTAL			\$ 25,147,491	\$ 25,158,721	\$ 4,217,694	\$ 28,362,237
					\$ (1,004,597)	\$ 28,371,818

Market Value Comparison

Description	Coupon/ Discount	Original Face/ Par Value	September 30, 2012		December 31, 2012		
			Market Price	Market Value	Original Face/ Par Value	Market Price	Market Value
Bank MMA	0.25%	\$ 21,445,229	1.00	\$ 21,445,229	\$ 23,659,775	1.00	\$ 23,659,775
TexPool	0.15%	502,262	1.00	502,262	502,462	1.00	502,462
Comerica CD	0.50%	1,000,000	100.00	1,004,597			
Comerica CD	0.52%	1,200,000	100.00	1,203,556		100.00	1,205,136
Comerica CD	0.54%	1,000,000	100.00	1,003,077		100.00	1,004,445
Comerica CD	0.42%	1,000,000			1,000,000	100.00	1,000,000
Comerica CD	0.50%	1,000,000			1,000,000	100.00	1,000,000
TOTAL		\$ 25,147,491		\$ 25,158,721	\$ 3,213,097		\$ 28,371,818
					\$ 28,362,237		\$ 28,371,818

Allocation

December 31, 2012

Book & Market Value	Total	GO I&S	General Fund	W/S Impact Fee	W/S Restricted	W/S Operations	Special Sales Tax	Capital Project
Bank MMA \$	23,659,775	\$ 2,211,848	\$ 6,256,594	\$ 1,358,849	\$ 162,617	\$ 1,018,157	\$ 2,472,279	\$ 1,444,383
Texpool	502,462		136,670					
03/06/2013	1,205,136							
06/06/2013	1,004,445							
06/30/2014	1,000,000							
09/30/2014	1,000,000							
Totals	\$ 28,371,818	\$ 2,211,848	\$ 6,393,264	\$ 1,358,849	\$ 162,617	\$ 1,018,157	\$ 2,472,279	\$ 1,444,383

Allocation

December 31, 2012

Book & Market Value	2009 GO Bonds	TXDOT	Restricted Street Impact	Restricted Park Development	Restricted General	EDC
Bank MMA	\$ 5,206,141	\$ 506,098	\$ 945,748	\$ 2,211	\$ 399,349	\$ 1,675,501
Texpool	365,792					
03/06/2013						1,205,136
06/06/2013						1,004,445
06/30/2014	1,000,000					
09/30/2014	1,000,000					
Totals	\$ 7,571,933	\$ 506,098	\$ 945,748	\$ 2,211	\$ 399,349	\$ 3,885,082

**Allocation
September 30, 2012**

Book & Market Value	Total	GO I&S	General Fund	W/S Impact Fee	Utility Fund	W/S Restricted	W/S Operations	Special Sales Tax
Bank MMA	\$ 21,445,229	\$ 637,225	\$ 3,568,825	\$ 1,379,133	\$ -	\$ 163,617	\$ 684,117	\$ 2,605,381
Texpool	502,262		136,616					
11/01/2012	1,004,597							
03/06/2013	1,203,556							
06/06/2013	1,003,077							
Totals	\$ 25,158,721	\$ 637,225	\$ 3,705,441	\$ 1,379,133	\$ -	\$ 163,617	\$ 684,117	\$ 2,605,381

**Allocation
September 30, 2012**

Book & Market Value	Capital Project	2009 GO Bonds	Restricted Street Impact	Restricted Park Development	Restricted General	Street Impact	GBTP TIF Zone #1	EDC
Bank MMA	\$ 1,372,312	\$ 8,059,599	\$ 937,382	\$ 2,209	\$ 385,983	\$ -	\$ 18,287	\$ 1,631,158
Texpool		365,647						
11/01/2012		1,004,597						1,203,556
03/06/2013								1,003,077
06/06/2013								
Totals	\$ 1,372,312	\$ 9,429,843	\$ 937,382	\$ 2,209	\$ 385,983	\$ -	\$ 18,287	\$ 3,837,791

Portfolio Summary
City of Sachse, TX
December 31, 2012

Safety - Investment Type

Investment Type	Book Value	Percent
Money Market Account*	\$ 23,659,776	83.4%
Investment Pools	502,461	1.8%
CD's	4,209,581	14.8%
Total*	\$ 28,371,818	100%

*(Includes Sachse EDC Money Market)

Liquidity - Investments by Maturity Date

Under 30 days	\$ 24,162,237	85%
30 - 90 days	1,205,136	4%
90 - 180 days	1,004,445	4%
180 - 365 days	0	0%
365 - 640 days	2,000,000	7%
Total Principal Invested	\$ 28,371,818	100%

Portfolio Yield	Fiscal YTD Interest	Int Earned this QTR	(FYTD)
			Percent of total
Portfolio			
Debt Service	\$ 394	\$ 394	2.97%
General Fund	\$ 757	757	5.70%
Water and Sewer Fund	\$ 1,331	1,331	10.03%
Capital Project Fund	\$ 6,645	6,645	50.09%
Special Revenue Fund	\$ 852	852	6.42%
TIF Zone	\$ -	0	0.00%
Sachse EDC	\$ 3,289	3,289	24.80%
Total Portfolios	\$ 13,270	\$ 13,270	100.00%

Portfolio Balance	Beginning Balances	Ending Book Balances	Change
Portfolio			
Debt Service	\$ 637,225	\$ 2,211,848	\$ 1,574,623
General Fund	3,705,441	6,393,264	2,687,823
Water and Sewer Fund	2,226,867	2,539,623	312,756
Capital Project Fund	13,407,536	11,994,693	(1,412,843)
Special Revenue Fund	1,325,574	1,347,308	21,734
TIF Fund	18,287	0	(18,287)
Sachse EDC	3,837,792	3,885,082	47,290
Total Portfolios	\$ 25,158,722	\$ 28,371,818	\$ 3,213,096

Historical Interest Rates

		October	November	December
Pooled Money Market Account	2012	0.2500%	0.2500%	0.2500%
	2011	0.2500%	0.2500%	0.2500%
	2010	0.1500%	0.2500%	0.3000%
Tex Pool	2012	0.1926%	0.1644%	0.1458%
	2011	0.0839%	0.1080%	0.0810%
	2010	0.2259%	0.2279%	0.2165%

City of Sachse, TX
Investment Portfolios
December 31, 2012

Source	Description	Cusip/ Ref	Purchase Date	Maturity Date	Coupon (Int. Rate)	Days to Maturity	Book Value		Market Value			
							Principal Invested	Beginning of Month	End of Month	Beginning of Month	Change	End of Month
GO Bond I&S Fund Total	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	786,689	786,689	2,211,848	786,689	1,425,159	2,211,848
General Fund	TexPool	1111-000	12/31/2012	1/1/2013	0.1458%	1	136,652	136,652	136,670	136,652	18	136,670
General Fund Total	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	2,635,213	2,635,213	6,256,595	2,635,213	3,621,381	6,256,594
Water and Sewer Fund	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	2,771,865	2,771,865	6,393,265	2,771,865	3,621,399	6,393,264
WS Impact Fee Fund	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	1,353,022	1,353,022	5,827	1,358,849	1,353,022	5,827
WS Restricted Fund	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	162,617	162,617	162,617	162,617	162,617	162,617
WS Operations Total	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	1,257,260	1,257,260	(239,103)	1,018,157	1,257,260	(239,103)
Capital Project Funds	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	2,594,370	2,594,370	2,472,280	2,594,369	(122,090)	2,472,279
Capital Project Funds-TXDOT	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	1,372,047	1,372,047	72,336	1,444,383	1,372,046	72,337
2009 GO Bonds	Money Market	1111-000	12/31/2012	1/1/2013	0.2500%	1	506,088	506,088	0	506,088	506,088	0
2009 GO Bonds	TexPool	1111-000	12/31/2012	1/1/2013	0.1458%	1	365,745	365,745	47	365,792	365,745	47
2009 GO Bonds	CD	1231/2012	9/30/2014	5/30/2014	0.5000%	638	1,000,000	0	1,000,000	0	1,000,000	1,000,000
2009 GO Bonds	CD	1231/2012	6/30/2014	4/30/2014	0.4200%	546	1,000,000	0	1,000,000	0	1,000,000	1,000,000
2009 GO Bonds Total	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	5,191,717	7,119,717	(1,913,576)	5,206,141	7,119,717	(1,913,576)
Social Revenue Funds	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	11,957,977	11,957,976	36,717	11,994,693	11,957,975	36,718
Restricted Street Impact Fee Fund	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	944,713	944,713	1,035	945,748	944,713	1,035
Restricted Park Development Fee Fur	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	2,210	2,210	1	2,211	2,210	1
Restricted General Fund Total	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	398,681	398,681	668	399,349	398,681	668
TIF Fund	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	1,345,604	1,345,604	1,704	1,347,308	1,345,604	1,704
GBTP TIF Zone #1	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	18,287	18,287	(18,287)	(18,287)	18,287	(18,287)
EDC Fund	CD	3/6/2012	3/6/2013	3/6/2013	0.5200%	65	1,200,000	1,203,556	1,580	1,203,556	1,203,556	1,580
EDC	CD	3/6/2012	3/6/2013	3/6/2013	0.5400%	155	1,000,000	1,003,077	1,368	1,004,445	1,003,077	1,368
EDC PMMKT	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	1,652,361	1,652,361	23,140	1,675,501	1,652,361	23,140
Total	Money Market	114512	12/31/2012	1/1/2013	0.2500%	1	3,652,361	3,658,994	26,088	3,685,082	3,658,994	26,088
Total Portfolios at 12/31/2012							23,505,682	23,512,313	4,859,505	28,371,818	23,512,313	4,859,505
												28,371,818

Summary of Portfolios by Security Type
12/31/12

Percent of Total (Book Value)	Average # of days	Average Yield	Book Value		Market Value			
			Principal Invested	End of Month	Beginning of Month	Change	End of Month	
83.39%	1	0.2500%	18,803,350	20,803,284	2,658,492	20,803,283	2,658,492	23,659,775
1.77%	1	0.1458%	502,332	502,366	65	502,461	502,397	502,462
14.84%	351	0.5000%	4,200,000	2,206,633	2,002,948	4,209,581	2,206,633	2,002,948
100.00%			23,505,682	23,512,313	4,859,505	28,371,818	23,512,313	4,859,505
								28,371,818

Change = Investment activity including earnings, deposits and withdrawals

City of Sachse, TX
Investment Portfolios
November 30, 2012

Source	Description	CUSIP/ Ref	Purchase Date	Maturity Date	Coupon (Int. Rate)	Days to Maturity	Book Value			Market Value			
							Principal Invested	Beginning of Month	End of Month	Change ¹	Beginning of Month	End of Month	Change
GO Bond I&S Fund Total	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	697,316	697,316	786,689	89,373	89,373	786,689	786,689
General Fund	TexPool	1111-000	11/30/2012	12/1/2012	0.1644%	1	136,616	136,635	136,652	17	136,652	17	136,652
General Fund Total	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	3,051,999	3,051,999	2,635,213	(416,786)	3,051,999	(416,786)	2,635,213
Water and Sewer Fund	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	3,188,615	3,188,634	2,771,865	(416,769)	3,188,634	(416,769)	2,771,865
WS Impact Fee Fund	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	1,376,814	1,376,814	1,353,022	(23,792)	1,376,814	(23,792)	1,353,022
WS Restricted Fund	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	162,617	162,617	162,617	0	162,617	0	162,617
WS Operations Total	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	1,144,281	1,144,281	1,257,260	1,144,281	1,144,281	112,979	1,257,260
Capital Project Funds	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	2,599,342	2,599,342	2,594,370	(4,972)	2,594,370	(4,972)	2,594,369
Special Sales Tax	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	1,371,801	1,371,801	1,372,047	246	1,371,800	246	1,372,046
Capital Project Fund-TXDOT	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	506,098	506,098	506,098	0	506,098	0	506,098
2009 GO Bonds	TexPool	1111-000	11/30/2012	12/1/2012	0.1644%	1	365,647	365,698	365,745	47	365,745	47	365,745
2009 GO Bonds	CD	11112011	11/1/2011	11/1/2012	0.5000%	0	1,004,000	1,004,597	(0)	(0)	1,004,597	(1,004,597)	0
2009 GO Bonds Total	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	6,578,282	6,578,282	541,435	7,119,717	6,578,282	541,435	7,119,717
Special Revenue Funds	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	12,421,170	12,425,817	11,957,976	(467,841)	12,425,816	(467,841)	11,957,975
Restricted Street Impact Fee Fund	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	944,652	944,682	944,713	31	944,682	31	944,713
Restricted Park Development Fee Fur	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	2,210	2,210	2,210	0	2,210	0	2,210
Restricted General Fund Total	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	390,835	390,835	390,835	7,846	390,835	7,846	398,681
TIF Fund	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	1,337,727	1,337,727	1,345,604	7,877	1,337,727	7,877	1,345,604
GBTP TIF Zone #1	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	18,287	18,287	18,287	0	18,287	0	18,287
EDC FUND	CD	3/6/2012	3/6/2013	0.5200%	96	1,200,000	1,203,556	1,203,556	0	1,203,556	0	1,203,556	
EDC	CD	3/6/2012	6/6/2013	0.5400%	186	1,000,000	1,003,077	1,003,077	0	1,003,077	0	1,003,077	
EDC PIMMKT	Money Market	114512	11/30/2012	12/1/2012	0.2500%	1	1,621,225	1,621,225	1,621,225	31,136	1,652,361	31,136	1,652,361
Total Portfolio 11/30/2012							24,168,051	24,179,350	(667,037)	23,512,313	(667,037)	23,512,313	

Summary of Portfolios by Security Type
11/30/12

Security Type	Percent of Total (Book Value)	Average # of days	Average Yield	Book Value			Market Value			
				Principal Invested	Beginning of Month	End of Month	Change	Beginning of Month	End of Month	Change
Money Market Account	88.48%	1	0.2500%	20,465,788	20,465,788	20,465,787	337,496	20,465,787	337,496	20,803,289
TexPool	2.14%	1	0.1644%	502,332	502,332	64	502,396	502,333	64	502,397
CDs	9.39%	141	0.5200%	3,200,000	3,211,230	-1,004,597	2,206,633	3,211,230	-1,004,597	2,206,633
Total	100.00%			24,168,120	24,179,350	-667,037	23,512,313	24,179,350	-667,037	23,512,313

¹Change = Investment activity including earnings, deposits and withdrawals

City of Sachse, TX
Investment Portfolios
October 31, 2012

Source	Description	Cusip/Ref	Purchase Date	Maturity Date	Coupon (Int. Rate)	Days to Maturity	Principal Invested	Beginning of Month	Change ¹	End of Month	Beginning of Month	Change	End of Month
GO Bond /IS Fund	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	637,225	637,225	60,091	697,316	637,225	60,091	697,316
	Total						637,225	637,225	60,091	697,316	637,225	60,091	697,316
GENERAL FUND	Tex.Pool	1111-000	10/31/2012	11/1/2012	0.1926%	1	136,616	136,616	19	136,635	136,616	19	136,635
General Fund	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	3,568,825	3,568,825	(516,826)	3,051,999	3,568,825	(516,826)	3,051,999
	Total						3,705,441	3,705,441	(516,807)	3,188,634	3,705,441	(516,807)	3,188,634
Water and Sewer Fund	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	1,379,133	1,379,133	(2,319)	1,376,814	1,379,133	(2,319)	1,376,814
WS Impact Fee Fund	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	163,617	163,617	(1,000)	162,617	163,617	(1,000)	162,617
WS Restricted Fund	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	684,117	684,117	460,164	1,144,281	684,117	460,164	1,144,281
WS Operations	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	2,226,867	2,226,867	456,845	2,683,712	2,226,867	456,845	2,683,712
	Total						4,453,734	4,453,734	900,059	5,353,793	4,453,734	900,059	5,353,793
Capital Project Funds	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	2,605,382	2,605,382	(6,040)	2,599,342	2,605,382	(6,040)	2,599,342
Special Sales Tax	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	1,372,313	1,372,313	(512)	1,371,801	1,372,313	(512)	1,371,801
Capital Project Funds	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	506,098	506,098	0	506,098	506,098	0	506,098
Capital Project Fund-TXDOT	Tex.Pool	1111-000	10/31/2012	11/1/2012	0.1926%	1	365,647	365,647	51	365,698	365,647	51	365,698
2009 GO Bonds	CD	1111-000	11/1/2011	11/1/2012	0.5000%	31	1,000,000	1,004,597	1,004,597	1,004,597	1,004,597	0	1,004,597
2009 GO Bonds	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	7,553,501	7,553,501	(975,219)	6,578,282	7,553,501	(975,219)	6,578,282
	Total						13,402,944	13,407,536	(981,720)	12,425,817	13,407,536	(981,720)	12,425,817
Special Revenue Funds	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	937,382	937,382	7,300	944,682	937,382	7,300	944,682
Restricted Street Impact Fee Fund	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	2,209	2,209	1	2,210	2,209	1	2,210
Restricted Park Development Fee Fur	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	385,984	385,984	4,851	390,835	385,984	4,851	390,835
Restricted General Fund	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	1,325,575	1,325,575	12,162	1,337,737	1,325,575	12,162	1,337,737
	Total						4,658,150	4,658,150	24,114	4,682,264	4,658,150	24,114	4,682,264
TIF Fund	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	18,287	18,287	0	18,287	18,287	0	18,287
GBTP TIF Zone #1	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	18,287	18,287	0	18,287	18,287	0	18,287
EDC Fund	CD	114512	3/6/2012	3/6/2013	0.5200%	126	1,200,000	1,203,556	0	1,203,556	1,203,556	0	1,203,556
EDC	CD	114512	3/6/2012	3/6/2013	0.5400%	216	1,000,000	1,003,077	0	1,003,077	1,003,077	0	1,003,077
EDC	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	1,631,159	1,631,159	(9,934)	1,621,225	1,631,159	(9,934)	1,621,225
EDC P/M/M/K/T	Money Market	114512	10/31/2012	11/1/2012	0.2500%	1	3,831,159	3,837,792	(9,934)	3,827,858	3,837,792	(9,934)	3,827,858
	Total						25,147,494	25,158,722	(979,373)	24,179,350	25,158,722	(979,373)	24,179,350

Summary of Portfolios by Security Type
10/31/12

Security Type	Percent of Total (Book Value)	Average # of days	Average Yield	Principal Invested	Beginning of Month	Change	End of Month	Beginning of Month	Change	End of Month
Money Market Account	84.64%	1	0.2500%	21,445,232	21,445,231	-979,443	20,465,788	21,445,230	-979,443	20,465,787
Tex.Pool	2.08%	1	0.1926%	502,263	502,262	70	502,332	502,263	70	502,333
CDs	13.28%	171	0.5200%	3,200,000	3,211,230	0	3,211,230	3,211,230	0	3,211,230
Total	100.00%			25,147,495	25,158,723	-979,373	24,179,350	25,158,723	-979,373	24,179,350

¹Change = Investment activity including earnings, deposits and withdrawals

Memo

To: **Billy George, City Manager**
 From: Teresa Savage, Finance Director *TS*
 CC: Mayor and City Council
 Date: April 25, 2013
 Re: **Investment Report for period ending March 31, 2013**

Attached is the Quarterly Investment Report for the quarter ending March 31, 2013 of the fiscal year 2012-2013. This report complies with the requirements of the City's Investment Policy and the Public Funds Investment Act as amended. For the period ending March 31, 2013, the City's portfolio¹ consisted of the following investments:

Portfolio at Quarter Close:	Rate at 3/31/2013	% Total	Total Investment
Money Market Account –ANB	.25%	62.6%	\$17,423,456.81
Money Market Account(EDC)-ANB	.07%	2.5%	683,591.80
Investment Pool – Tex Pool	.1458%	1.8%	502,584.73
CD--Comerica Bank	.42%	3.6%	1,001,035.62
CD—Comerica Bank	.50%	3.6%	1,001,232.88
CD—Comerica Bank	.46%	4.3%	1,200,378.08
CD—Comerica Bank	.54%	3.6%	1,005,782.31
Analysis Checking-ANB	0.00%	18.0%	5,000,000.00
Total Invested City Funds:		100.0%	\$27,818,062.23

The City does not carry any security instrument (investment type) on its books that is traded on the open market; therefore all investments are listed at 100% of market value. Interest earnings on all certificate of deposit accounts are accreted quarterly or at maturity. All Funds on deposit with American National Bank, Comerica Bank, and Investment Pools are fully secured and safeguarded. **Total investment interest earned for the quarter ending March 31 was \$18,516.**

Citywide cash and investments for the period ending March 31, 2013 was \$27,818,062. Of this amount, \$3,935,864 is for the Sachse EDC; also included is \$5,000,000.00 which is held in a non-interest bearing analysis account. It is the strategy of the Finance Department to maintain a high percentage of its idle funds invested in safe and secure investment securities and pooled investment types in accordance with the Public Funds Investment Act.

85% of the City's current portfolio has liquidity of 30 days or less, which is more than adequate for daily operations. The City investments are liquid and have same day access. The City's investment and cash management strategy will be to maintain operational and capital needs in money market accounts and liquid asset pools. The City's funds are swept into the above accounts and withdrawn as needed for operational cash flow requirements.

The average interest rate/yield on the City's investments for the period was .28%. The Texpool Prime Fund interest rate was .1474% and the Texpool interest rate was .1047% at March 31, 2013. The 90 day T-bill rate was .09% with the 180 day T-bill at .13%.

¹ Includes the Sachse Economic Development Corporation



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

March 31, 2013

**Prepared by
Valley View Consulting, L.L.C.**

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


Director of Finance

Finance Manager

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

Strategy Summary:

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range between 0.00% and 0.25% (actual Fed Funds are trading +/-15 bps). The FOMC continued monthly easing operations with the objectives of unemployment below 6.5% and inflation less than 2.0%. The Federal budget, deficit and debt ceiling are in various stages of temporary resolution. The European credit crisis gained headlines as Cyprus nearly collapsed. Domestic employment growth is erratic but modestly positive. Overall economic activity remains low to moderate. The US stock markets reached new highs. Financial institution deposits and laddering targeted cash flows still provide the best interest earnings opportunity.

Quarter End Results by Investment Category:

Asset Type	March 31, 2013		December 31, 2012		
	Ave. Yield	Book Value	Market Value	Book Value	Market Value
Bank/Pool	0.25%	\$ 23,609,633	\$ 23,609,633	\$ 24,162,237	\$ 24,162,237
CDs / Securities	0.48%	4,208,429	4,208,429	4,209,581	4,209,581
Totals		\$ 27,818,062	\$ 27,818,062	\$ 28,371,818	\$ 28,371,818

Average Yield (1) Total Portfolio 0.28% Fiscal Year-to-Date Average Yield (2) Total Portfolio 0.28%

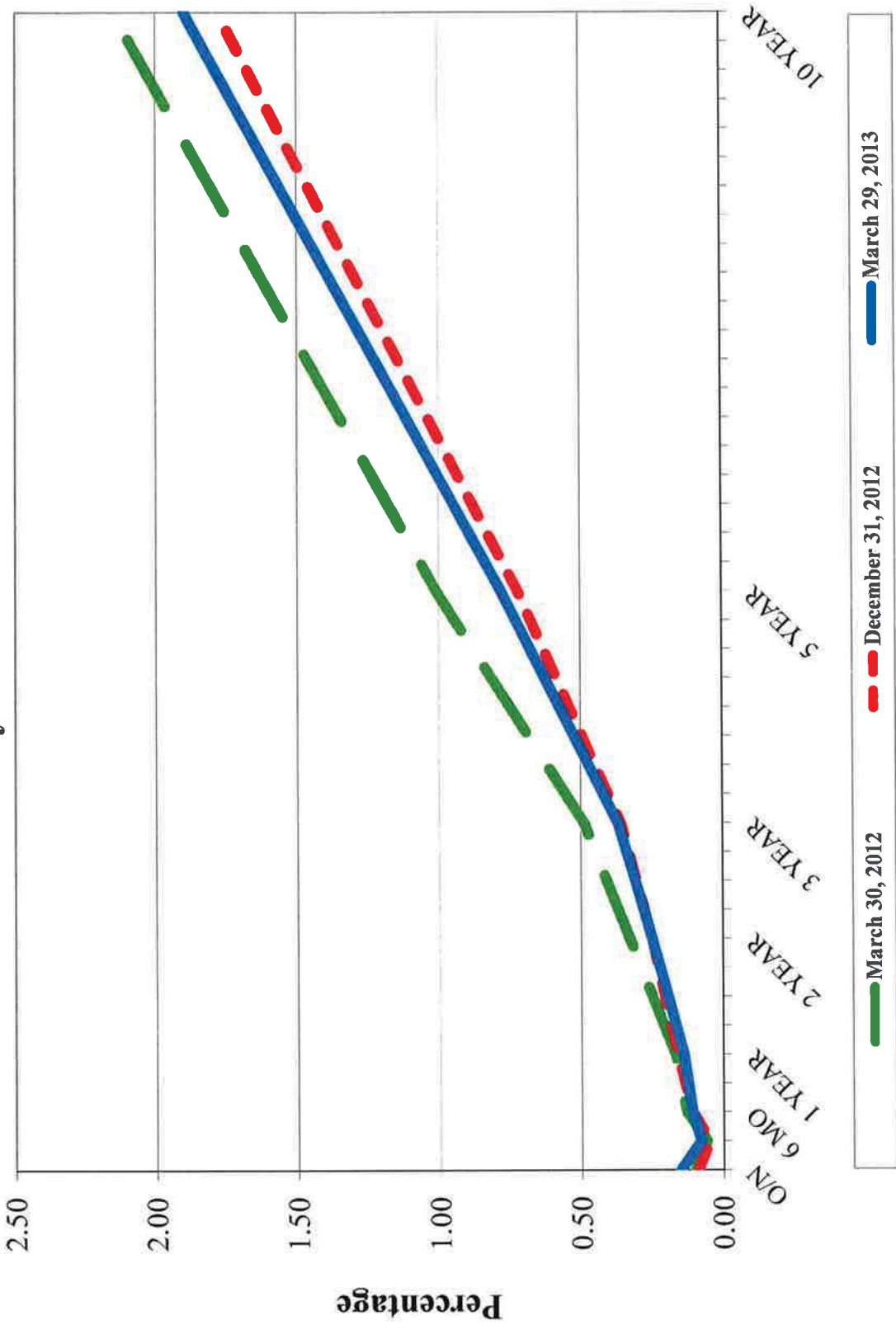
Rolling Three Mo. Treas. Yield 0.09% Rolling Three Mo. Treas. Yield
 Rolling Six Mo. Treas. Yield 0.13% Rolling Six Mo. Treas. Yield
 Average Quarterly TexPool Yield 0.13% Average Quarterly TexPool Yield

	City	EDC
Interest Earnings QTR	\$ 14,999	\$ 3,518
Interest Earnings YTD	\$ 24,978	\$ 6,807

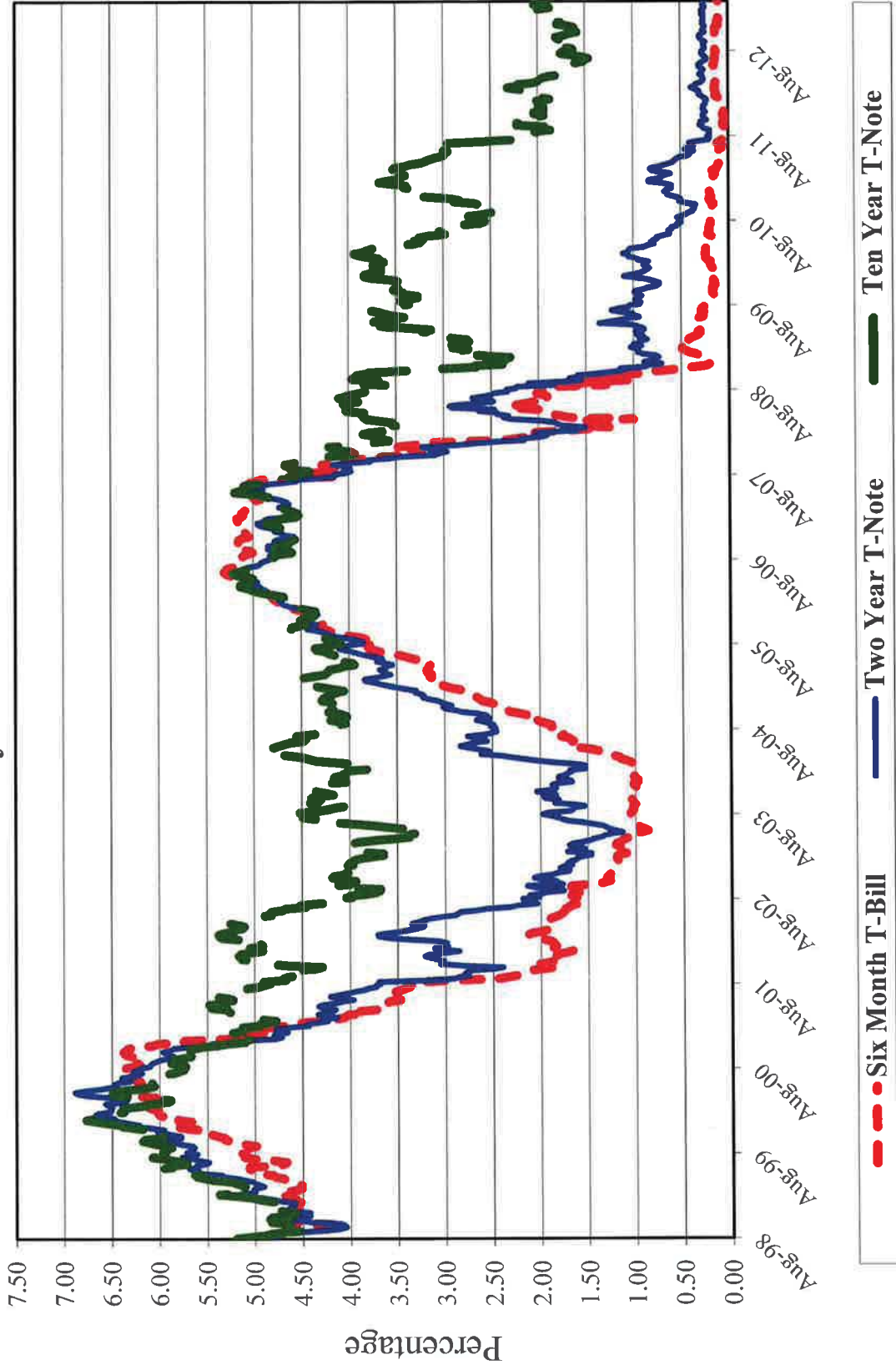
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(2) Fiscal Year-to-Date Average Yields calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

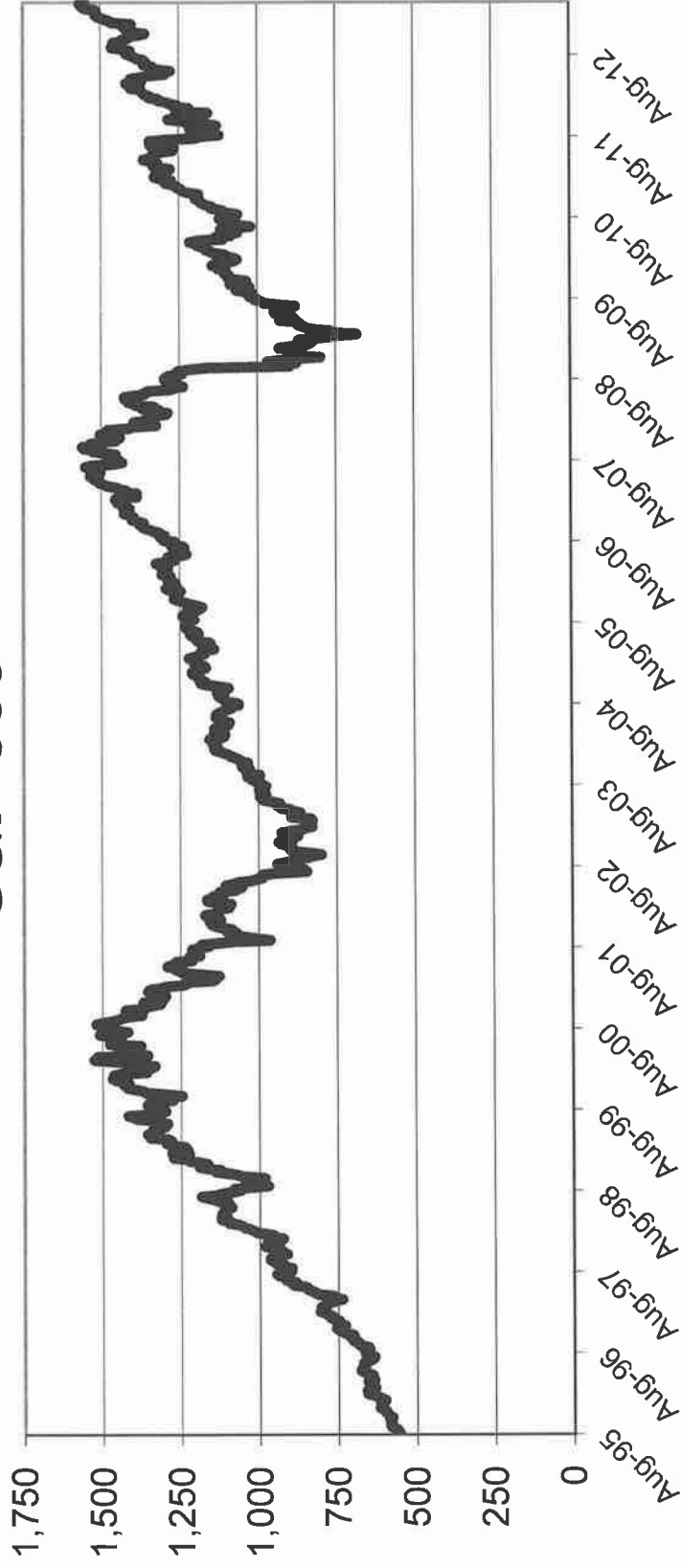
Treasury Yield Curves



US Treasury Historical Yields



S&P 500



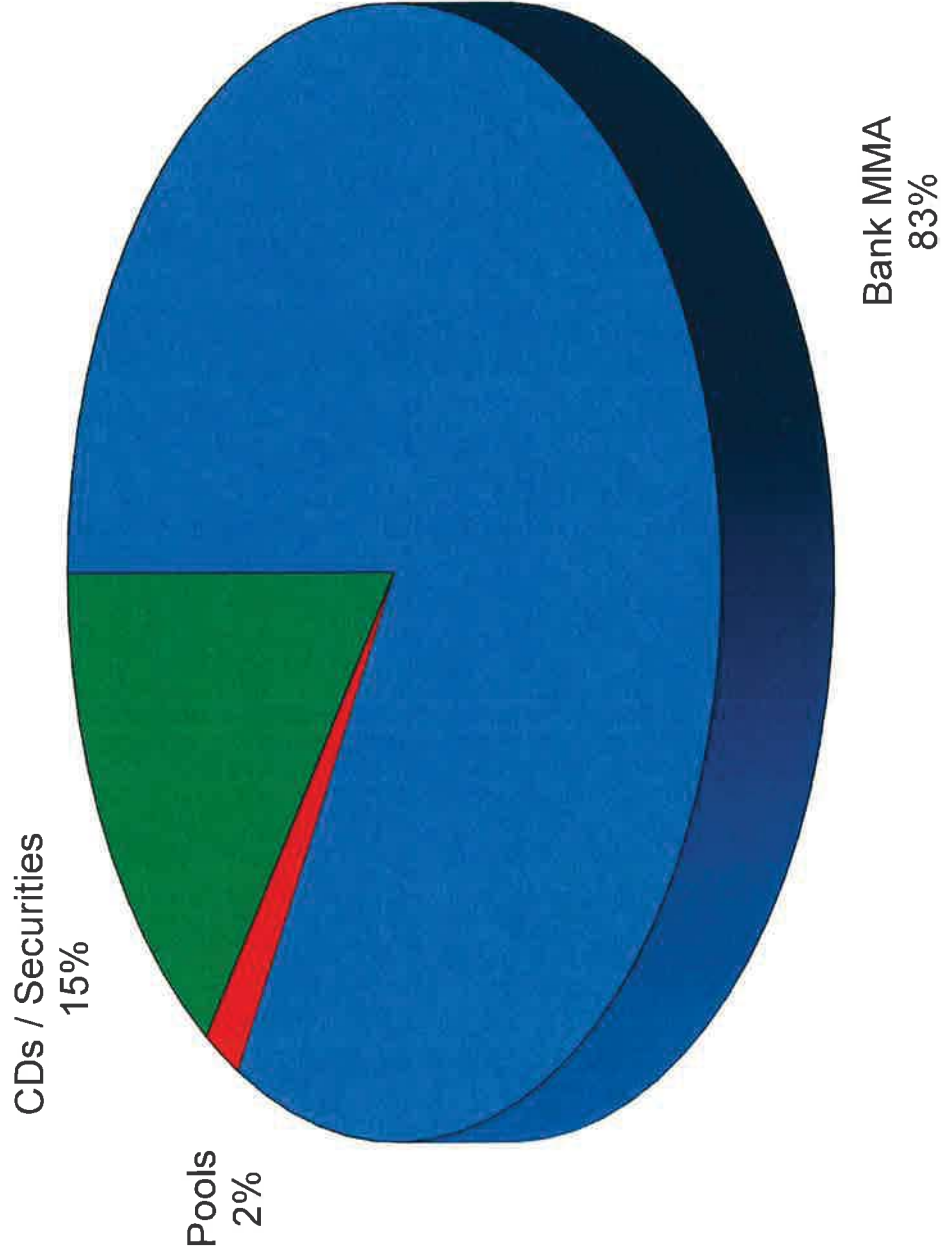
Detail of Investment Holdings March 31, 2013

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Original Face/ Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Bank MMA		0.25%	04/01/13	03/31/13	\$ 23,107,049	\$ 23,107,049	1.00	\$ 23,107,049	1	0.25%
TexPool	AAA-m	0.10%	04/01/13	03/31/13	502,585	502,585	1.00	502,585	1	0.10%
Comerica CD		0.54%	06/06/13	03/06/12	1,000,000	1,005,782	100.00	1,005,782	67	0.54%
Comerica CD		0.42%	06/30/14	12/31/12	1,000,000	1,001,036	100.00	1,001,036	456	0.42%
Comerica CD		0.50%	09/30/14	12/31/12	1,000,000	1,001,233	100.00	1,001,233	548	0.50%
Comerica CD		0.46%	12/06/14	03/06/13	1,200,000	1,200,378	100.00	1,200,378	615	0.46%
					\$ 27,809,633	\$ 27,818,062			66	0.28%
									(1)	(2)

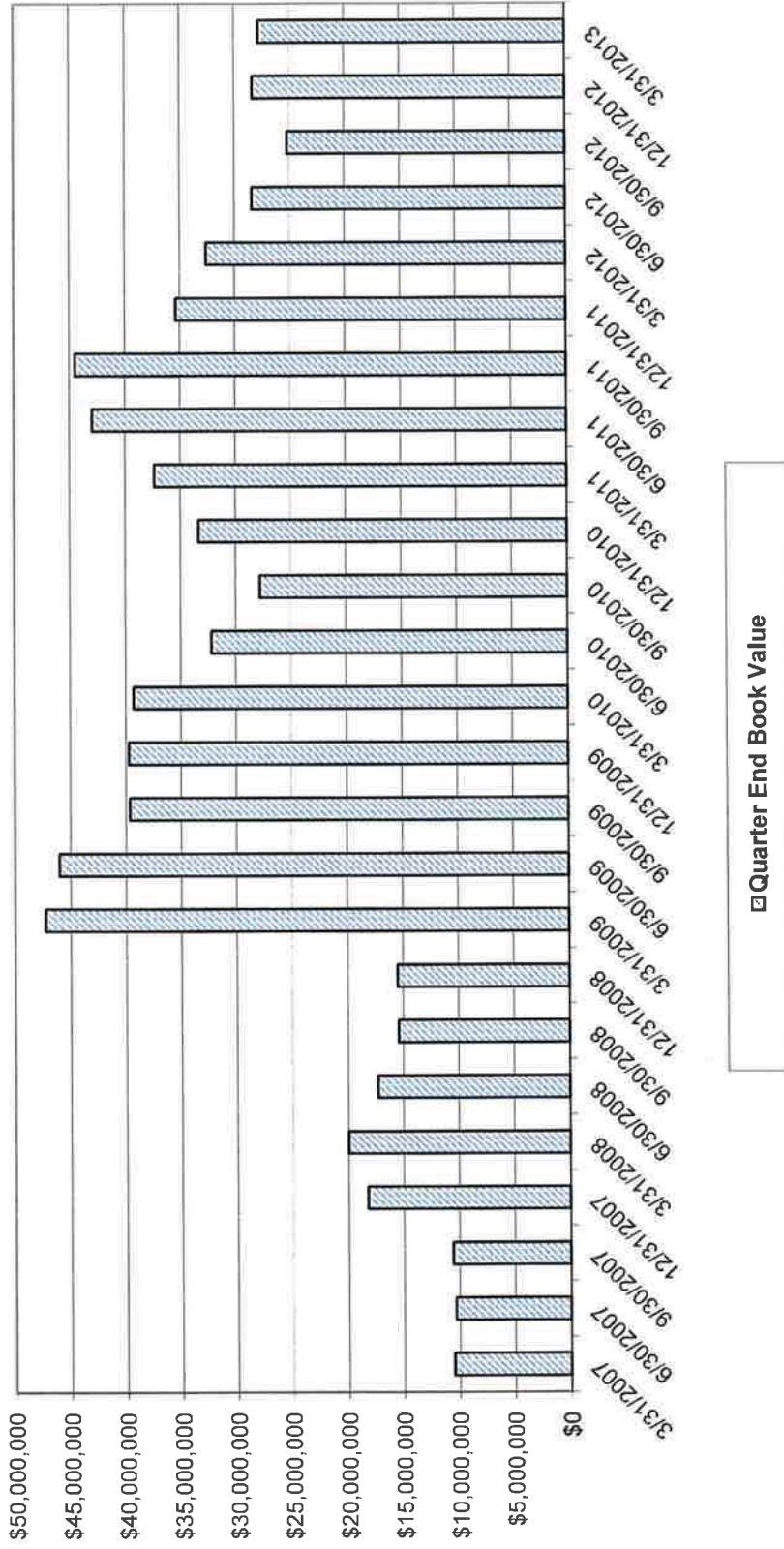
(1) **Weighted average life** - For purposes of calculating weighted average life, pool investments are assumed to have a one day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered.

Portfolio Composition



Total Portfolio



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2012			March 31, 2013		
			Original Face/Par Value	Book Value	Purchases/ Accretions	Amortizations/ Sales/Maturities	Original Face/Par Value	Book Value
Bank MMA	0.25%	04/01/13	\$ 23,659,775	\$ 23,659,775	\$ -	\$ (552,727)	\$ 23,107,049	\$ 23,107,049
TexPool	0.10%	04/01/13	502,462	502,462	123		502,585	502,585
Comerica CD	0.52%	03/06/13	1,200,000	1,205,136		(1,205,136)		1,005,782
Comerica CD	0.54%	06/06/13	1,000,000	1,004,445	1,337		1,000,000	1,001,036
Comerica CD	0.42%	06/30/14	1,000,000	1,000,000	1,036		1,000,000	1,001,233
Comerica CD	0.50%	09/30/14	1,000,000	1,000,000	1,233		1,200,000	1,200,378
Comerica CD	0.46%	12/06/14			1,200,378			
TOTAL			\$ 28,362,237	\$ 28,371,818	\$ 1,204,107	\$ (1,757,863)	\$ 27,809,633	\$ 27,818,062

Market Value Comparison

Description	Coupon/ Discount	Original Face/Par Value	December 31, 2012			March 31, 2013		
			Market Price	Market Value	Qtr to Qtr Change	Original Face/Par Value	Market Price	Market Value
Bank MMA	0.25%	\$ 23,659,775	1.00	\$ 23,659,775	\$ (552,727)	\$ 23,107,049	1.00	\$ 23,107,049
TexPool	0.10%	502,462	1.00	502,462	123	502,585	1.00	502,585
Comerica CD	0.52%	1,200,000	100.00	1,205,136	(1,205,136)		100.00	1,005,782
Comerica CD	0.54%	1,000,000	100.00	1,004,445	1,337	1,000,000	100.00	1,001,036
Comerica CD	0.42%	1,000,000	100.00	1,000,000	1,036	1,000,000	100.00	1,001,233
Comerica CD	0.50%	1,000,000	100.00	1,000,000	1,233	1,000,000	100.00	1,200,378
Comerica CD	0.46%				1,200,378	1,200,000	100.00	1,200,378
TOTAL		\$ 28,362,237		\$ 28,371,818	\$ (553,756)	\$ 27,809,633		\$ 27,818,062

**Allocation
March 31, 2013**

Book & Market Value	Total	GO I&S	General Fund	W/S Impact Fee	W/S Restricted	W/S Operations	Special Sales Tax
Bank MMA	\$ 23,107,049	\$ 1,123,657	\$ 7,381,232	\$ 1,350,910	\$ 162,617	\$ 783,401	\$ 2,469,490
Texpool	502,585		136,703				
06/06/13	1,005,782						
06/30/14	1,001,036						
09/30/14	1,001,233						
12/06/14	1,200,378						
Totals	\$ 27,818,062	\$ 1,123,657	\$ 7,517,935	\$ 1,350,910	\$ 162,617	\$ 783,401	\$ 2,469,490

**Allocation
March 31, 2013**

Book & Market Value	Capital Project	2009 GO Bonds	TXDOT	Restricted Street Impact	Restricted Park Development	Restricted General	EDC
Bank MMA	\$ 1,584,643	\$ 4,652,777	\$ 506,307	\$ 951,029	\$ 2,212	\$ 409,070	\$ 1,729,704
Texpool		365,881					
06/06/13							1,005,782
06/30/14		1,001,036					
09/30/14		1,001,233					
12/06/14							1,200,378
Totals	\$ 1,584,643	\$ 7,020,927	\$ 506,307	\$ 951,029	\$ 2,212	\$ 409,070	\$ 3,935,864

**Allocation
December 31, 2012
Book & Market Value**

	Total	GO I&S	General Fund	W/S Impact Fee	W/S Restricted	W/S Operations	Special Sales Tax
Bank MMA	\$ 23,659,775	\$ 2,211,848	\$ 6,256,594	\$ 1,358,849	\$ 162,617	\$ 1,018,157	\$ 2,472,279
Texpool	502,462		136,670				
03/06/13	1,205,136						
06/06/13	1,004,445						
06/30/14	1,000,000						
09/30/14	1,000,000						
Totals	\$ 28,371,818	\$ 2,211,848	\$ 6,393,264	\$ 1,358,849	\$ 162,617	\$ 1,018,157	\$ 2,472,279

**Allocation
December 31, 2012
Book & Market Value**

	Capital Project	2009 GO Bonds	TXDOT	Restricted Street Impact	Restricted Park Development	Restricted General	EDC
Bank MMA	\$ 1,444,383	\$ 5,206,141	\$ 506,098	\$ 945,748	\$ 2,211	\$ 399,349	\$ 1,675,501
Texpool		365,792					
03/06/13							1,205,136
06/06/13							1,004,445
06/30/14		1,000,000					
09/30/14		1,000,000					
Totals	\$ 1,444,383	\$ 7,571,933	\$ 506,098	\$ 945,748	\$ 2,211	\$ 399,349	\$ 3,885,082

City of Sachse, TX
Investment Portfolios
March 31, 2013

Source	Description	CUSIP/Ref	Purchase Date	Maturity Date	Coupon (Hr. Rate)	Days to Maturity	Book Value			Market Value			
							Principal Invested	Beginning of Month	End of Month	Change	Beginning of Month	End of Month	Change
GO Bond (S Fund)	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	1,100,556	1,100,556	23,102	1,123,657	1,100,556	23,102	1,123,658
	Total						1,100,556	1,100,556	23,102	1,123,657	1,100,556	23,102	1,123,658
General Fund	TexPool	1111-000	3/31/2013	4/1/2013	0.1047%	1	136,691	136,691	12	136,703	136,691	12	136,703
General Fund	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	8,097,755	8,097,755	(716,523)	7,381,232	8,097,755	(716,523)	7,381,232
	Total						8,234,446	8,234,446	(716,511)	7,517,934	8,234,446	(716,511)	7,517,935
Water and Sewer Fund	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	1,350,639	1,350,639	271	1,350,910	1,350,639	271	1,350,910
WS Impact Fee Fund	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	162,617	162,617	162,617	162,617	162,617	162,617	162,617
WS Restricted Fund	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	907,471	907,471	(124,071)	783,400	907,471	(124,071)	783,400
WS Operations	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	2,420,727	2,420,727	(123,800)	2,296,927	2,420,727	(123,800)	2,296,927
	Total						2,420,727	2,420,727	(123,800)	2,296,927	2,420,727	(123,800)	2,296,927
Capital Project Funds	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	2,470,364	2,470,364	(874)	2,469,490	2,470,364	(874)	2,469,490
Special Sales Tax	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	1,405,320	1,405,320	179,323	1,584,643	1,405,320	179,323	1,584,643
Capital Project Funds	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	506,191	506,191	116	506,307	506,191	116	506,307
Capital Project Fund-TXDOT	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	365,849	365,849	32	365,881	365,849	32	365,881
2009 GO Bonds	CD	1111-000	12/31/2012	9/30/2014	0.1047%	1	1,000,000	1,000,000	1,233	1,001,233	1,000,000	1,233	1,001,233
2009 GO Bonds	CD	1111-000	12/31/2012	6/30/2014	0.4200%	548	1,000,000	1,000,000	1,036	1,001,036	1,000,000	1,036	1,001,036
2009 GO Bonds	CD	114512	3/31/2013	4/1/2013	0.2500%	1	4,908,420	4,908,420	(255,643)	4,652,777	4,908,420	(255,643)	4,652,777
2009 GO Bonds	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	11,656,144	11,656,143	(74,777)	11,581,367	11,656,144	(74,777)	11,581,367
	Total						949,005	949,005	2,023	951,029	949,005	2,023	951,028
Special Revenue Funds	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	2,212	2,212	0	2,212	2,212	0	2,212
Restricted Street Impact Fee Fund	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	411,246	411,246	(2,176)	409,070	411,246	(2,176)	409,070
Restricted Park Development Fee Fund	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	1,362,463	1,362,463	(153)	1,362,311	1,362,463	(153)	1,362,311
	Total						0	0	0	0	0	0	0
TIF Fund	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	0	0	0	0	0	0	0
GBTP TIF Zone #1	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	0	0	0	0	0	0	0
EDC Fund	CD	114512	3/6/2013	12/6/2014	0.4600%	615	1,200,000	1,205,136	(4,758)	1,200,378	1,205,136	(4,758)	1,200,378
EDC	CD	114512	3/6/2012	6/6/2013	0.5400%	65	1,000,000	1,004,445	1,337	1,005,782	1,004,445	1,337	1,005,782
EDC	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	1,675,501	1,717,554	12,150	1,729,704	1,717,554	12,150	1,729,704
EDC PMMKT	Money Market	114512	3/31/2013	4/1/2013	0.2500%	1	3,875,501	3,927,135	8,729	3,935,864	3,927,135	8,729	3,935,864
	Total						28,649,837	28,701,471	(683,407)	27,818,062	28,701,471	(683,410)	27,818,062

Total Portfolio as of 3/31/2013

Summary of Portfolios by Security Type										
03/31/13										
Security Type	Percent of Total (Book Value)	Average # of days	Average Yield	Book Value			Market Value			
				Principal Invested	Beginning of Month	End of Month	Change	Beginning of Month	End of Month	Change
Money Market Account	83.06%	1	0.2500%	23,947,297	23,989,349	-662,301	23,107,048	23,989,350	-882,302	23,107,048
TexPool	1.81%	1	0.1047%	502,540	502,539	44	502,540	502,540	44	502,584
CD's	15.13%	421	0.4800%	4,200,000	4,208,581	-1,152	4,206,429	4,209,581	-1,152	4,208,429
Total	100.00%			28,649,837	28,701,471	-683,407	27,818,062	28,701,471	-683,410	27,818,062

Change = Investment activity including earnings, deposits and withdrawals

City of Sachse, TX
Investment Portfolios
February 28, 2013

Source	Description	CUSIP/ Ref	Purchase Date	Maturity Date	Coupon (Int. Rate)	Days to Maturity	Book Value			Market Value		
							Principal Invested	Beginning of Month	Change ¹	End of Month	Beginning of Month	Change
GO Bond I&S Fund Total	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	2,912,812	2,912,812	(1,812,256)	1,100,556	(1,812,256)	1,100,556
General Fund	TexPool	1111-000	2/28/2013	3/1/2013	0.0935%	1	136,661	136,661	10	136,661	10	136,661
General Fund Total	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	8,006,076	8,006,076	91,679	8,097,755	91,679	8,097,755
Wear and Sewer Fund	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	8,142,757	8,142,756	91,689	8,234,447	91,689	8,234,446
WS Impact Fee Fund	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	1,366,076	1,366,076	(15,437)	1,350,639	(15,437)	1,350,639
WS Restricted Fund	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	162,617	162,617	162,617	162,617	162,617	162,617
WS Operations Total	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	1,046,930	1,046,930	(139,458)	907,471	(139,458)	907,472
Capital Project Funds	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	2,471,697	2,471,697	(1,333)	2,470,364	(1,333)	2,470,364
Special Sales Tax	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	1,425,161	1,425,161	(19,841)	1,405,320	(19,841)	1,405,319
Capital Project Funds	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	506,098	506,098	83	506,191	83	506,191
Capital Project Fund-TXDOT	TexPool	1111-000	2/28/2013	3/1/2013	0.0935%	1	365,823	365,823	26	365,849	26	365,849
2009 GO Bonds	CD	1231/2012	9/30/2014	0.5000%	579	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
2009 GO Bonds	CD	1231/2012	6/30/2014	0.4200%	487	1,000,000	1,000,000	(928)	1,000,000	(928)	1,000,000	
2009 GO Bonds Total	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	11,678,127	11,678,127	(21,983)	11,656,143	(21,983)	11,656,143
Special Revenue Funds	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	948,538	948,538	467	949,005	467	949,005
Restricted Street Impact Fee Fund	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	2,211	2,211	1	2,212	1	2,212
Restricted Park Development Fee Fur	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	404,225	404,225	7,021	411,246	7,021	411,246
Restricted General Fund Total	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	1,354,974	1,354,973	7,489	1,362,463	7,489	1,362,463
TIF Fund	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	0	0	0	0	0	0
GBTP TIF Zone #1	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	0	0	0	0	0	0
EDC Fund	CD	3/6/2012	3/6/2013	0.5200%	6	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
EDC	CD	3/6/2012	6/6/2013	0.5400%	96	1,000,000	1,004,445	0	1,004,445	1,004,445	1,004,445	1,004,445
EDC PMMKT	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	1,675,501	1,686,861	28,694	1,717,554	28,694	1,717,555
Total	Money Market	114512	2/28/2013	3/1/2013	0.2500%	1	3,875,501	3,896,442	28,694	3,927,135	28,694	3,927,136
Total Portfolios as 2/28/2013							30,539,794	30,562,733	(1,861,261)	28,701,471	(1,861,263)	28,701,471

Summary of Portfolios by Security Type

Security Type	Percent of Total (Book Value)	Average # of days	Average Yield	Book Value			Market Value		
				Principal Invested	Beginning of Month	Change	End of Month	Change	
Money Market Account	83.58%	1	0.2500%	25,637,290	25,650,648	-1,861,298	23,989,349	-1,861,299	23,989,351
TexPool	1.75%	1	0.0935%	502,504	502,503	36	502,539	502,504	36
CD's	14.67%	292	0.5000%	4,200,000	4,209,581	0	4,209,581	0	4,209,581
Total	100.00%			30,562,733	30,562,733	-1,861,262	28,701,471	-1,861,263	28,701,471

¹Change = Investment activity including earnings, deposits and withdrawals.

City of Sachse, TX
Investment Portfolios
January 31, 2013

Source	Description	CUSIP/ Ref	Purchase Date	Maturity Date	Coupon (Int. Rate)	Days to Maturity	Principal Invested	Book Value		Market Value			
								Beginning of Month	Change ¹	End of Month	Beginning of Month	Change	End of Month
GO Bond I&S Fund Total	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	2,211,848	2,211,848	700,964	2,211,848	700,964	2,912,812	2,912,812
							2,211,848	2,211,848	700,964	2,211,848	700,964	2,912,812	2,912,812
General Fund	TexPool	1111-000	1/31/2013	2/1/2013	0.09886%	1	136,670	136,670	11	136,681	136,670	11	136,681
General Fund	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	6,260,579	1,745,497	8,006,076	6,260,579	1,745,497	8,006,076	8,006,076
							6,397,249	1,745,508	8,142,757	6,397,249	1,745,508	8,142,757	8,142,757
Water and Sewer Fund	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	1,358,849	1,358,849	7,227	1,366,076	1,358,849	7,227	1,366,076
WIS Impact Fee Fund	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	162,617	162,617	162,617	162,617	162,617	162,617	162,617
WIS Restricted Fund	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	1,017,314	29,616	1,046,930	1,017,314	29,616	1,046,930	1,046,930
WIS Operations Total							2,538,780	2,538,780	36,843	2,575,623	2,538,780	36,843	2,575,623
Capital Project Funds	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	2,472,280	2,472,280	(582)	2,471,697	2,472,279	(582)	2,471,697
Special Sales Tax	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	1,444,393	1,444,393	(19,222)	1,425,161	1,444,393	(19,222)	1,425,161
Capital Project Funds	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	506,098	506,098	0	506,098	506,098	0	506,098
Capital Project Fund-TXDOT	Money Market	1111-000	1/31/2013	2/1/2013	0.0986%	1	365,792	365,792	31	365,823	365,792	31	365,823
2009 GO Bonds	CD	1231/2012	9/30/2014	2/1/2013	0.5000%	607	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
2009 GO Bonds	CD	1231/2012	6/30/2014	2/1/2013	0.4200%	515	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
2009 GO Bonds	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	5,206,141	(296,793)	4,909,348	5,206,141	(296,793)	4,909,348	4,909,348
Total							11,994,684	11,994,684	(316,566)	11,678,127	11,994,684	(316,566)	11,678,127
Special Revenue Funds	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	945,748	945,748	2,790	948,538	945,748	2,790	948,538
Restricted Street Impact Fee Fund	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	2,211	2,211	2,211	2,211	2,211	2,211	2,211
Restricted Park Development Fee Fur	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	399,349	399,349	4,876	404,225	399,349	4,876	404,225
Restricted General Fund	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	1,347,308	1,347,308	7,666	1,354,973	1,347,308	7,666	1,354,973
Total							0	(0)	0	(0)	0	0	0
TIF Fund	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	0	(0)	(0)	0	0	0	0
GBTP TIF Zone #1							0	(0)	0	(0)	0	0	0
EDC FUND	CD	3/6/2012	3/6/2013	3/6/2013	0.5200%	34	1,200,000	1,205,136	1,205,136	1,205,136	1,205,136	1,205,136	1,205,136
EDC	CD	3/6/2012	6/6/2013	6/6/2013	0.5400%	124	1,000,000	1,004,445	0	1,004,445	1,004,445	0	1,004,445
EDC PIMMKT	Money Market	114512	1/31/2013	2/1/2013	0.2500%	1	1,675,501	13,360	1,688,861	1,675,501	13,360	1,688,861	1,688,861
							3,875,501	3,885,082	13,360	3,898,442	3,885,082	13,360	3,898,442
Total							28,365,380	28,374,961	2,187,774	30,562,735	28,374,961	2,187,774	30,562,735

Summary of Portfolios by Security Type
01/31/13

Security Type	Percent of Total (Book Value)	Average # of days	Average Yield	Book Value		Market Value		
				Beginning of Month	Change	End of Month	Change	
Money Market Account	84.58%	1	0.2500%	23,662,918	2,187,732	25,850,648	2,187,733	25,850,650
TexPool	1.64%	1	0.0986%	502,462	42	502,503	502,462	502,504
CD's	13.77%	320	0.5000%	4,209,000	4,209,581	4,209,581	4,209,581	4,209,581
Total	100.00%			28,365,380	28,374,961	30,562,735	28,374,961	30,562,735

¹Change = Investment activity including earnings, deposits and withdrawals

Total Portfolio as of 1/31/2013

Portfolio Summary
City of Sachse, TX
March 31, 2013

Safety - Investment Type

	Book Value	Percent
Investment Type		
Money Market Account*	\$ 23,107,049	83.1%
Investment Pools	502,583	1.8%
CD's	4,208,430	15.1%
Total*	\$ 27,818,062	100%

*(Includes Sachse EDC Money Market)

Liquidity - Investments by Maturity Date

Under 30 days	\$ 23,609,633	85%
30 - 90 days	1,005,782	4%
90 - 180 days		0%
180 - 365 days	0	0%
365 - 640 days	3,202,647	12%
Total Principal Invested	\$ 27,818,062	100%

Portfolio Yield	Fiscal YTD Interest	Int Earned this QTR	(FYTD) Percent of total
Portfolio			
Debt Service	\$ 1,431	\$ 1,037	4.50%
General Fund	\$ 4,387	3,630	13.80%
Water and Sewer Fund	\$ 2,699	1,368	8.49%
Capital Project Fund	\$ 14,775	8,130	46.49%
Special Revenue Fund	\$ 1,684	832	5.30%
TIF Zone	\$ -	0	0.00%
Sachse EDC	\$ 6,807	3,518	21.41%
Total Portfolios	\$ 31,784	\$ 18,516	100.00%

Portfolio Balance	Beginning Balances	Ending Book Balances	Change
Portfolio			
Debt Service	\$ 2,211,848	\$ 1,123,657	\$ (1,088,191)
General Fund	6,393,264	7,517,935	1,124,671
Water and Sewer Fund	2,539,623	2,296,927	(242,696)
Capital Project Fund	11,994,693	11,581,368	(413,325)
Special Revenue Fund	1,347,308	1,362,310	15,002
TIF Fund	0	0	0
Sachse EDC	3,885,082	3,935,864	50,782
Total Portfolios	\$ 28,371,818	\$ 27,818,062	\$ (553,756)

Historical Interest Rates

	January	February	March
Pooled Money Market Account	2013 0.2500%	0.2500%	0.2500%
	2012 0.2500%	0.2500%	0.2500%
	2011 0.3200%	0.3000%	0.2500%
Tex Pool	2013 0.0986%	0.0935%	0.1047%
	2012 0.0875%	0.0903%	0.1150%
	2011 0.1677%	0.1724%	0.1368%

Memo

To: **Billy George, City Manager**
 From: Teresa Savage, Finance Director *TS*
 CC: Mayor and City Council
 Date: July 26, 2013
 Re: **Investment Report for period ending June 30, 2013**

Attached is the Quarterly Investment Report for the quarter ending June 30, 2013 of the fiscal year 2012-2013. This report complies with the requirements of the City's Investment Policy and the Public Funds Investment Act as amended. For the period ending June 30, 2013, the City's portfolio¹ consisted of the following investments:

Portfolio at Quarter Close:	Rate at 6/30/2013	% Total	Total Investment
Money Market Account –ANB	.25%	64.6%	\$17,123,552
Money Market Account(EDC)-ANB	.07%	2.6%	687,896
Investment Pool – Tex Pool	.0662%	1.9%	502,682
CD---Comerica Bank	.42%	3.8%	1,002,480
CD—Comerica Bank	.50%	3.8%	1,002,083
CD—Comerica Bank	.46%	4.5%	1,201,755
Analysis Checking-ANB	0.00%	18.8%	5,000,000
Total Invested City Funds:		100.0%	\$26,520,449

The City does not carry any security instrument (investment type) on its books that is traded on the open market; therefore all investments are listed at 100% of market value. Interest earnings on all certificate of deposit accounts are accreted quarterly or at maturity. All Funds on deposit with American National Bank, Comerica Bank, and Investment Pools are fully secured and safeguarded. **Total investment interest earned for the quarter ending June 30 was \$15,589.**

Citywide cash and investments for the period ending June 30, 2013 was \$26,520,449. Of this amount, \$3,987,337 is for the Sachse EDC; also included is \$5,000,000.00 which is held in a non-interest bearing analysis account. It is the strategy of the Finance Department to maintain a high percentage of its idle funds invested in safe and secure investment securities and pooled investment types in accordance with the Public Funds Investment Act.

88% of the City's current portfolio has liquidity of 30 days or less, which is more than adequate for daily operations. The City investments are liquid and have same day access. The City's investment and cash management strategy will be to maintain operational and capital needs in money market accounts and liquid asset pools. The City's funds are swept into the above accounts and withdrawn as needed for operational cash flow requirements.

The average interest rate/yield on the City's investments for the period was .27%. The Texpool Prime Fund interest rate was .0995% and the Texpool interest rate was .0662% at June 30, 2013. The 90 day T-bill rate was .05% with the 180 day T-bill at .10%.

¹ Includes the Sachse Economic Development Corporation



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

June 30, 2013

Prepared by
Valley View Consulting, L.L.C.

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

James C. Jones

Director of Finance

Sharon E. Saly

Finance Manager

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

Strategy Summary:

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range between 0.00% and 0.25% (actual Fed Funds traded +/-10 bps). The FOMC continued Quantitative Easing (QE3), targeting unemployment below 6.5% and inflation less than 2.5%, however they openly discussed the future plan to reduce the amount of easing. The markets reacted quickly with higher Treasury Yield Curve rates and a brief stock market sell-off. Subsequent public comments attempted to calm the fears and reduce the immediate market impact. Domestic and international economic activity remains low to moderate. US employment/unemployment data is a key focal point. Financial institution deposits and laddering targeted cash flows still provide the best interest earnings opportunity.

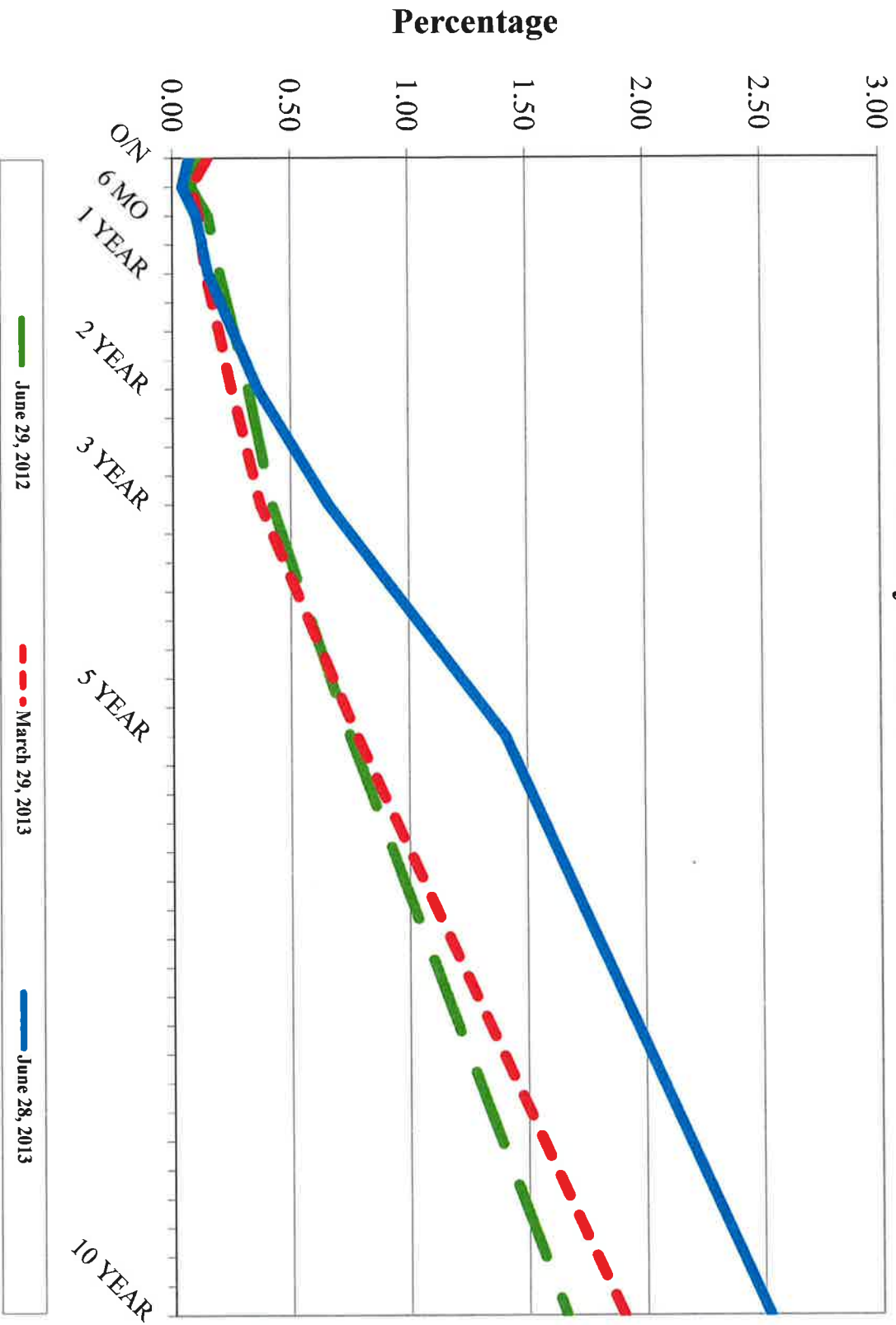
Quarter End Results by Investment Category:

Asset Type	Ave. Yield	June 30, 2013		March 31, 2013	
		Book Value	Market Value	Book Value	Market Value
Bank/Pool	0.25%	\$ 23,314,132	\$ 23,314,132	\$ 23,609,633	\$ 23,609,633
CDS / Securities	0.46%	3,206,317	3,206,317	4,208,429	4,208,429
Totals		\$ 26,520,448	\$ 26,520,448	\$ 27,818,062	\$ 27,818,062
Average Yield (1)		Fiscal Year-to-Date Average Yield (2)			
Total Portfolio	0.27%	Total Portfolio			
Rolling Three Mo. Treas. Yield	0.05%	Rolling Three Mo. Treas. Yield			
Rolling Six Mo. Treas. Yield	0.10%	Rolling Six Mo. Treas. Yield			
		Average Quarterly TexPool Yield			
		<u>City</u>	<u>EDC</u>		
Interest Earnings QTR		\$ 12,755	\$ 2,833		
Interest Earnings YTD		\$ 37,733	\$ 9,640		

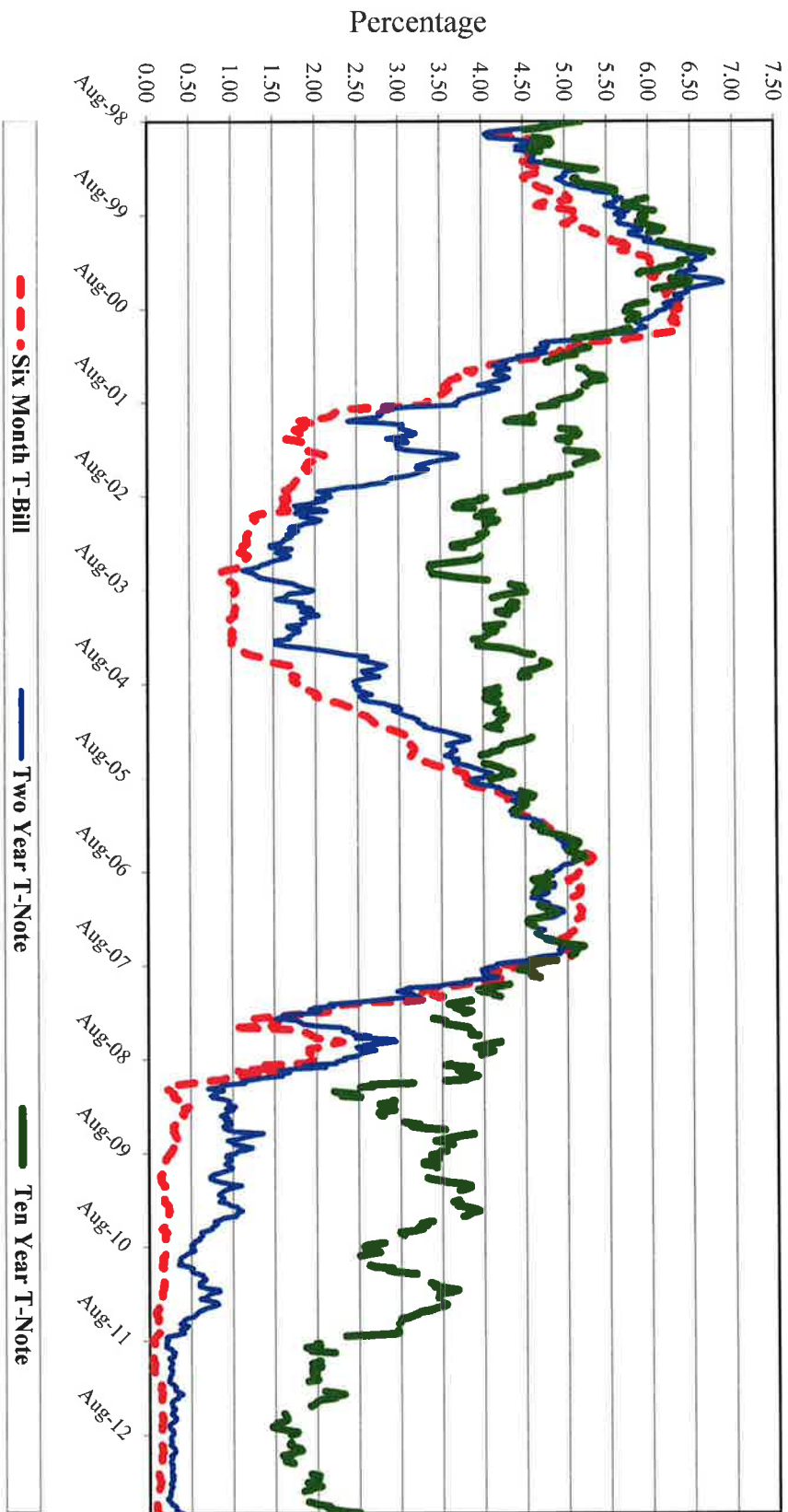
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(2) Fiscal Year-to-Date Average Yields calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

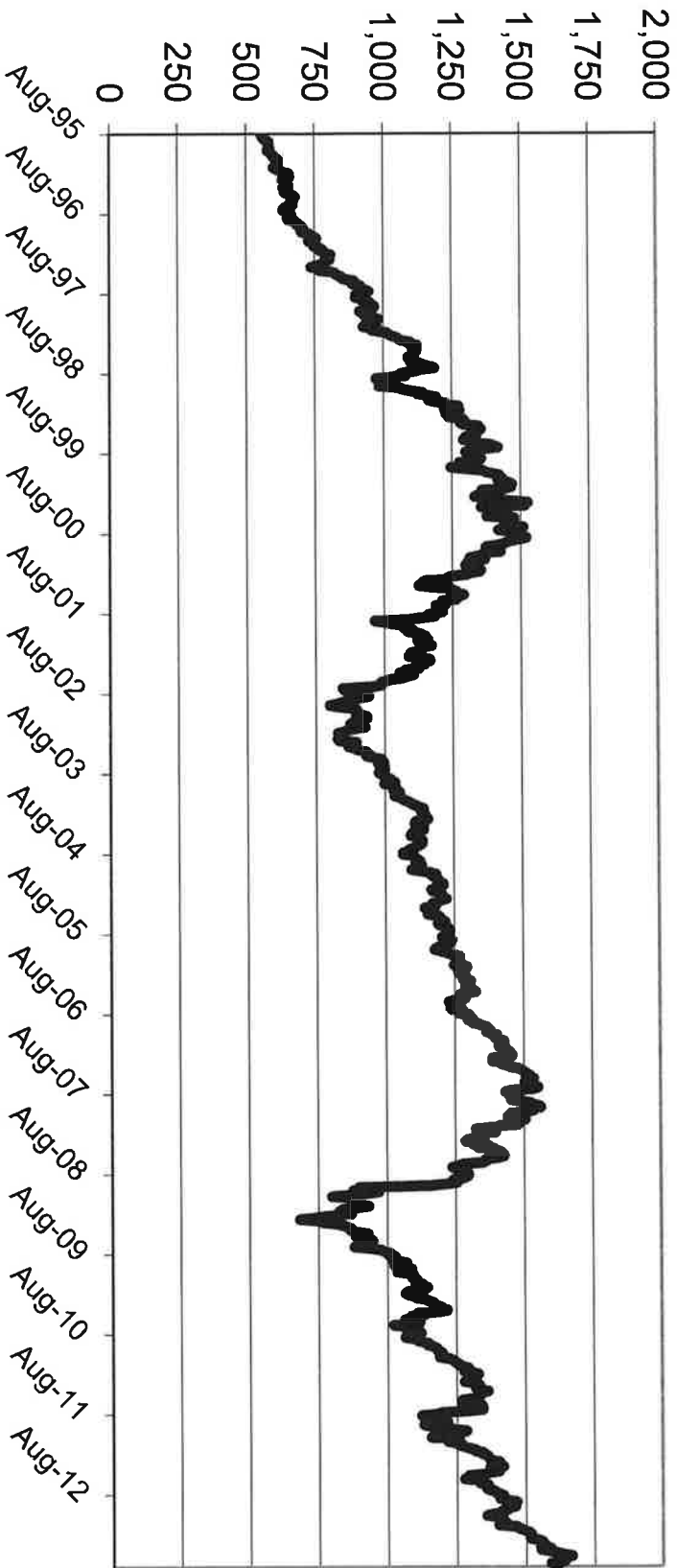
Treasury Yield Curves



US Treasury Historical Yields



S&P 500



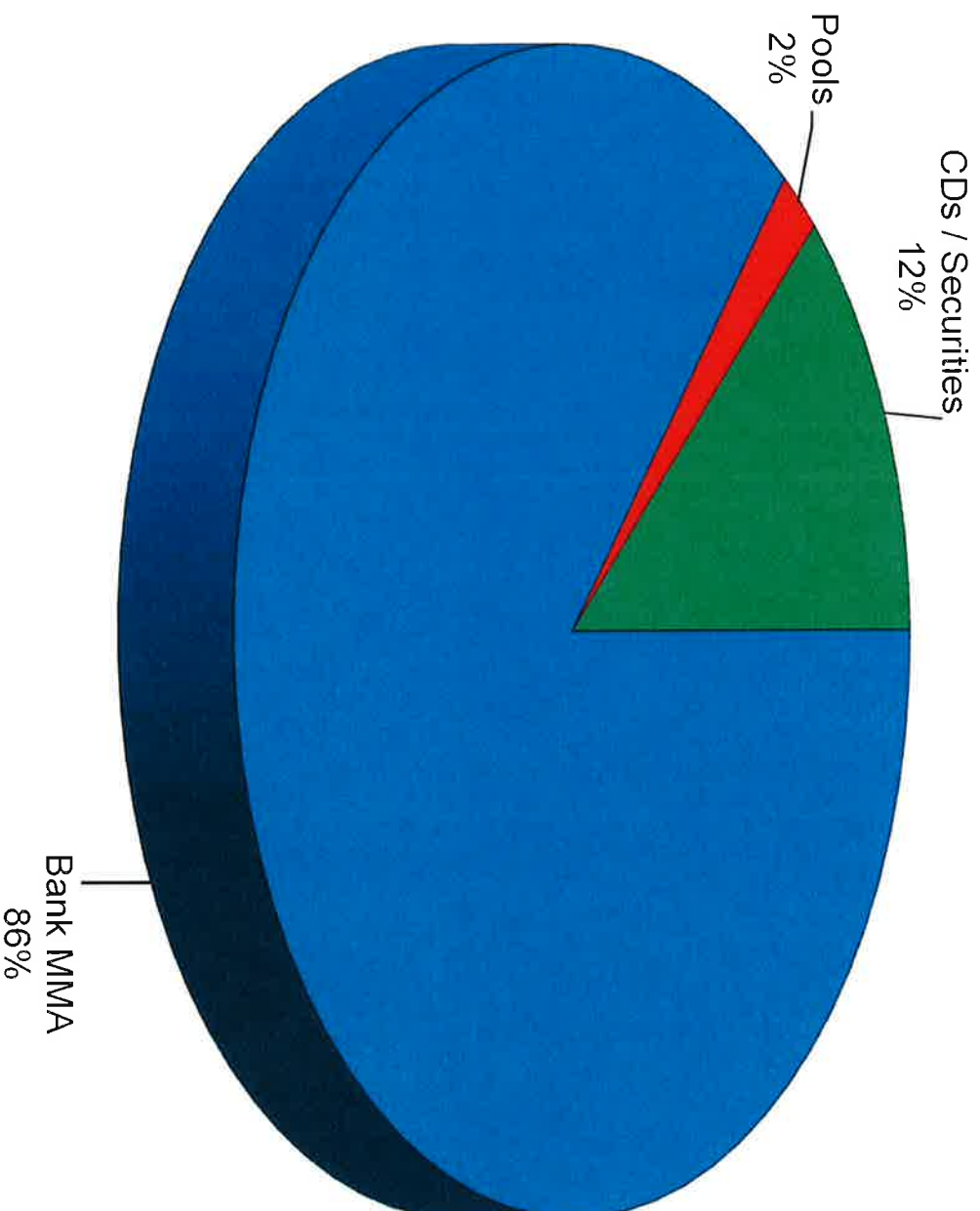
Detail of Investment Holdings June 30, 2013

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Original Face/ Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Bank MMA		0.25%	07/01/13	06/30/13	\$ 22,811,450	\$ 22,811,450	1.00	\$ 22,811,450	1	0.25%
TexPool	AAAmm	0.06%	07/01/13	06/30/13	502,681	502,681	1.00	502,681	1	0.06%
Comerica CD		0.42%	06/30/14	12/31/12	1,000,000	1,002,083	100.00	1,002,083	365	0.42%
Comerica CD		0.50%	09/30/14	12/31/12	1,000,000	1,002,479	100.00	1,002,479	457	0.50%
Comerica CD		0.46%	12/06/14	03/06/13	1,200,000	1,201,755	100.00	1,201,755	524	0.46%
					\$ 26,514,132	\$ 26,520,448			56	0.27%

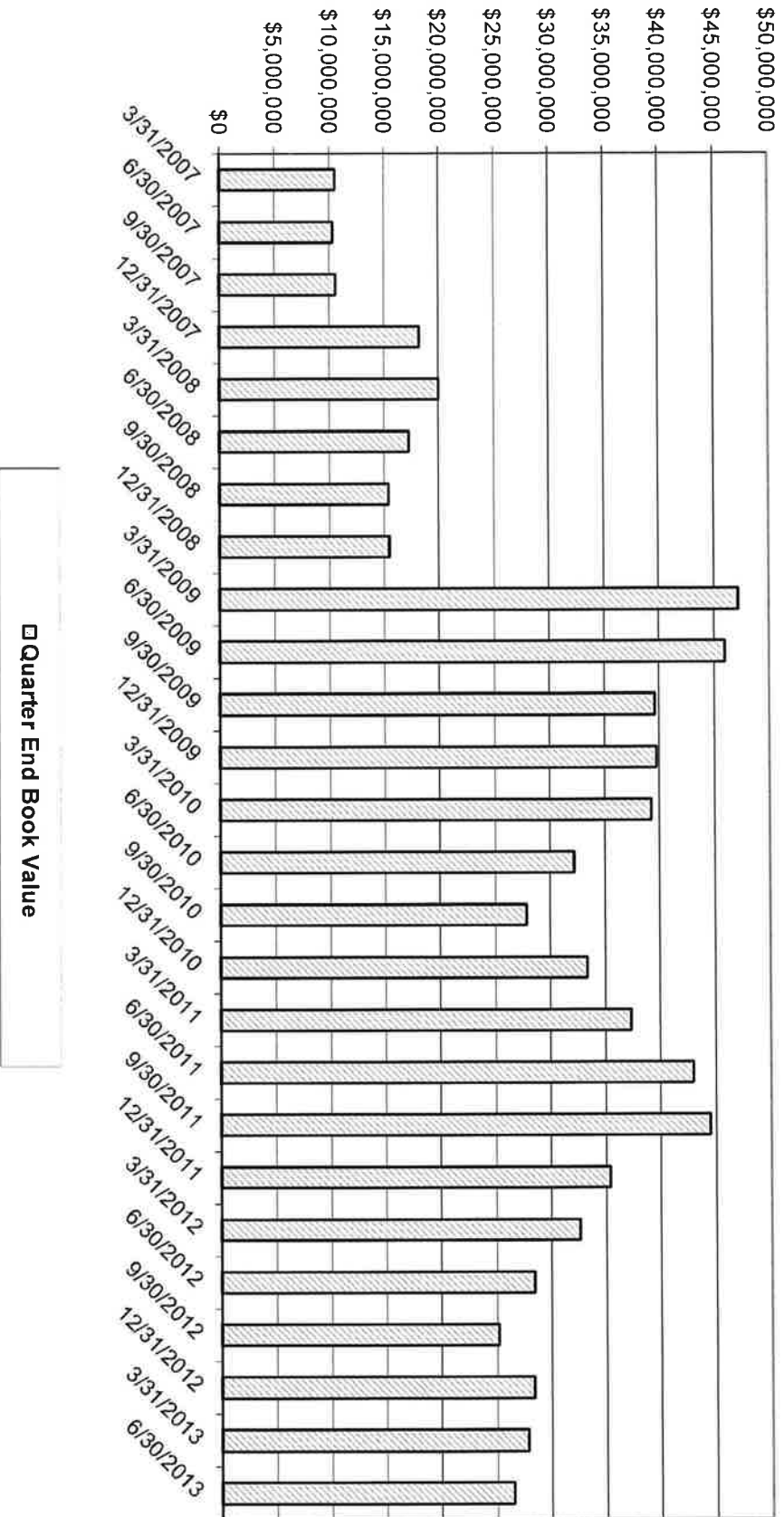
(1) Weighted average life - For purposes of calculating weighted average life, pool investments are assumed to have a one day maturity.

(2) Weighted average yield to maturity - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered.

Portfolio Composition



Total Portfolio



Book Value Comparison

March 31, 2013

June 30, 2013

Description	Coupon/ Discount	Maturity Date	March 31, 2013		June 30, 2013		
			Original Face/Par Value	Book Value	Original Face/Par Value	Book Value	
Bank MMA	0.25%	07/01/13	\$ 23,107,049	\$ 23,107,049	\$ 22,811,450	\$ 22,811,450	
TexPool	0.06%	07/01/13	502,585	502,585	502,681	502,681	
Comerica CD	0.54%	06/06/13	1,000,000	1,005,782	(1,005,782)	1,002,083	
Comerica CD	0.42%	06/30/14	1,000,000	1,001,036	1,047	1,000,000	
Comerica CD	0.50%	09/30/14	1,000,000	1,001,233	1,247	1,000,000	
Comerica CD	0.46%	12/06/14	1,200,000	1,200,378	1,377	1,200,000	
TOTAL			\$ 27,809,633	\$ 27,818,062	\$ 3,767	\$ (1,301,381)	\$ 26,514,132
							\$ 26,520,448

Market Value Comparison

March 31, 2013

June 30, 2013

Description	Coupon/ Discount	Original Face/Par Value	March 31, 2013		Qtr to Qtr Change	Original Face/Par Value	June 30, 2013	
			Market Price	Market Value			Market Price	Market Value
Bank MMA	0.25%	\$ 23,107,049	1.00	\$ 23,107,049	\$ (295,598)	\$ 22,811,450	1.00	\$ 22,811,450
TexPool	0.06%	502,585	1.00	502,585	97	502,681	1.00	502,681
Comerica CD	0.54%	1,000,000	100.00	1,005,782	(1,005,782)	1,000,000	100.00	1,002,479
Comerica CD	0.50%	1,000,000	100.00	1,001,233	1,247	1,000,000	100.00	1,002,479
Comerica CD	0.46%	1,200,000	100.00	1,200,378	1,377	1,200,000	100.00	1,201,755
TOTAL		\$ 27,809,633		\$ 27,818,062	\$ (1,298,661)	\$ 25,514,132		\$ 25,518,366

Allocation
June 30, 2013

Book & Market Value	Total	GO I&S	General Fund	W/S Impact Fee	W/S Restricted	W/S Operations	Special Sales Tax
Bank MMA \$	22,811,450	\$ 1,153,786	\$ 5,880,448	\$ 1,475,258	\$ 162,617	\$ 900,593	\$ 2,467,362
Taxpool	502,681		136,730				
06/30/14	1,002,083						
09/30/14	1,002,479						
12/06/14	1,201,755						
Totals	\$ 26,520,448	\$ 1,153,786	\$ 6,017,178	\$ 1,475,258	\$ 162,617	\$ 900,593	\$ 2,467,362

Allocation
June 30, 2013

Book & Market Value	Capital Project	2009 GO Bonds	TXDOT	Restricted Street Impact	Restricted Park Development	Restricted General	EDC
Bank MMA	\$ 1,629,090	\$ 4,402,554	\$ 506,609	\$ 1,014,849	\$ 2,213	\$ 430,489	\$ 2,785,583
Texpool		365,952					
06/30/14		1,002,083					
09/30/14		1,002,479					
12/06/14							1,201,755
Totals	\$ 1,629,090	\$ 6,773,068	\$ 506,609	\$ 1,014,849	\$ 2,213	\$ 430,489	\$ 3,987,338

Allocation
March 31, 2013

Book & Market Value	Total	GO I&S	General Fund	W/S Impact Fee	W/S Restricted	W/S Operations	Special Sales Tax
Bank MMA	\$ 23,107,049	\$ 1,123,657	\$ 7,381,232	\$ 1,350,910	\$ 162,617	\$ 783,401	\$ 2,469,490
Texpool	502,585		136,703				
06/06/13	1,005,782						
06/30/14	1,001,036						
09/30/14	1,001,233						
12/06/14	1,200,378						
Totals	\$ 27,818,062	\$ 1,123,657	\$ 7,517,935	\$ 1,350,910	\$ 162,617	\$ 783,401	\$ 2,469,490

**Allocation
March 31, 2013**

Book & Market Value	Capital Project	2009 GO Bonds	TXDOT	Restricted Street Impact	Restricted Park Development	Restricted General	EDC
Bank MMA	\$ 1,584,643	\$ 4,652,777	\$ 506,307	\$ 951,029	\$ 2,212	\$ 409,070	\$ 1,729,704
Texpool		365,881					
06/06/13							1,005,782
06/30/14		1,001,036					
09/30/14		1,001,233					
12/06/14							1,200,378
Totals	\$ 1,584,643	\$ 7,020,927	\$ 506,307	\$ 951,029	\$ 2,212	\$ 409,070	\$ 3,935,864

Portfolio Summary
City of Sachse, TX
June 30, 2013

Safety - Investment Type

Investment Type	Book Value	Percent
Money Market Account*	\$ 22,811,450	86.0%
Investment Pools	502,682	1.9%
CD's	3,206,317	12.1%
Total*	\$ 26,520,449	100%

*(Includes Sachse EDC Money Market)

Liquidity - Investments by Maturity Date

Under 30 days	\$ 23,314,132	88%
30 - 90 days		0%
90 - 180 days		0%
180 - 365 days	1,002,083	4%
365 - 640 days	2,204,234	8%
Total Principal Invested	\$ 26,520,449	100%

Portfolio Yield	Fiscal YTD Interest	Int Earned this QTR	(FYTD) Percent of total
<i>Portfolio</i>			
Debt Service	\$ 1,970	\$ 539	4.16%
General Fund	\$ 6,646	2,259	14.03%
Water and Sewer Fund	\$ 3,985	1,286	8.41%
Capital Project Fund	\$ 22,581	7,806	47.67%
Special Revenue Fund	\$ 2,550	866	5.38%
TIF Zone	\$ -	0	0.00%
Sachse EDC	\$ 9,640	2,833	20.35%
Total Portfolios	\$ 47,373	\$ 15,589	100.00%

Portfolio Balance	Beginning Balances	Ending Book Balances	Change
<i>Portfolio</i>			
Debt Service	\$ 1,123,657	\$ 1,153,786	\$ 30,129
General Fund	7,517,935	6,017,180	(1,500,755)
Water and Sewer Fund	2,296,927	2,538,467	241,540
Capital Project Fund	11,581,368	11,376,129	(205,239)
Special Revenue Fund	1,362,310	1,447,550	85,240
TIF Fund	0	0	0
Sachse EDC	3,935,864	3,987,337	51,473
Total Portfolios	\$ 27,818,062	\$ 26,520,449	\$ (1,297,613)

Historical Interest Rates

	April	May	June	
Pooled Money Market Account	2013	0.2500%	0.2500%	0.2500%
	2012	0.2500%	0.2500%	0.2500%
	2011	0.2500%	0.2500%	0.2500%
Tex Pool	2013	0.1015%	0.0665%	0.0662%
	2012	0.1110%	0.1246%	0.1395%
	2011	0.1122%	0.0840%	0.0790%

City of Sachse, TX
Investment Portfolios
April 30, 2013

Source	Description	Cusip Ref	Purchase Date	Maturity Date	Coupon (Int. Rate)	Days to Maturity	Book Value			Market Value			
							Principal Invested	Beginning of Month	Change 1 of Month	End of Month	Beginning of Month	Change of Month	End of Month
GO Bond I&S Fund	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	1,123,821	1,123,821	13,796	1,137,616	13,796	1,137,617	
Total							1,123,821	1,123,821	13,796	1,137,616	13,796	1,137,617	
General Fund	TexPool	1111-000	4/30/2013	5/1/2013	0.1015%	1	136,703	136,703	12	136,715	136,703	136,715	
General Fund	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	7,382,252	7,382,252	(404,532)	6,977,719	7,382,252	(404,532)	6,977,720
Total							7,518,955	7,518,955	(404,520)	7,114,433	7,518,955	(404,520)	7,114,435
Water and Sewer Fund	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	1,414,539	1,414,539	62,833	1,477,372	1,414,539	62,833	1,477,372
W/S Impact Fee Fund	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	162,617	162,617	(6,469)	162,617	162,617	(6,469)	162,617
W/S Restricted Fund	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	718,123	718,123	(6,469)	718,123	718,123	(6,469)	711,654
W/S Operations	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	2,295,279	2,295,279	56,364	2,351,643	2,295,279	56,364	2,351,643
Total							4,114,539	4,114,539	62,833	4,177,372	4,114,539	62,833	4,177,372
Capital Project Fund	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	2,469,490	2,469,490	493	2,469,973	2,469,490	493	2,469,973
Special Sales Tax	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	1,584,643	1,584,643	310	1,584,953	1,584,643	310	1,584,953
Capital Project Funds-TXDOT	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	506,307	506,307	99	506,406	506,307	99	506,406
2009 GO Bonds	TexPool	1111-000	4/30/2013	5/1/2013	0.1015%	1	365,881	365,881	31	365,912	365,881	31	365,912
2009 GO Bonds	CD	12/31/2012	9/30/2014	0.5000%	518	1,000,000	1,001,233	0	1,001,233	1,001,233	0	1,001,233	
2009 GO Bonds	CD	12/31/2012	6/30/2014	0.4200%	426	1,000,000	1,001,036	0	1,001,036	1,001,036	0	1,001,036	
2009 GO Bonds	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	4,652,777	4,652,777	(4,467)	4,648,311	4,652,777	(4,467)	4,648,310
Total							11,579,098	11,581,367	(3,544)	11,577,824	11,581,367	(3,544)	11,577,823
Special Revenue Funds	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	951,029	951,029	57,057	1,008,087	951,029	57,057	1,008,085
Restricted Street Impact Fee Fund	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	2,212	2,212	1	2,213	2,212	1	2,213
Restricted Park Development Fee Fund	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	408,070	408,070	3,935	413,005	408,070	3,935	413,005
Restricted General Fund	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	1,362,311	1,362,311	60,993	1,423,304	1,362,310	60,993	1,423,304
Total							0	(0)	0	(0)	0	0	0
TF Fund	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	0	(0)	0	(0)	0	0	0
GP17P TIF Zone #1	CD	3/6/2013	12/6/2014	0.4600%	585	1,200,000	1,200,378	0	1,200,378	1,200,378	0	1,200,378	
EDC Fund	CD	3/6/2012	6/6/2013	0.5400%	37	1,000,000	1,005,782	0	1,005,782	1,005,782	0	1,005,782	
EDC	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	1,729,916	1,729,916	3,031	1,732,947	1,729,916	3,031	1,732,947
EDC PMMKMT	Money Market	114512	4/30/2013	5/1/2013	0.2500%	1	3,929,916	3,929,916	3,031	3,932,947	3,929,916	3,031	3,932,947
Total							27,809,380	27,817,808	(273,879)	27,543,929	27,817,808	(273,880)	27,543,929

Summary of Portfolios by Security Type
04/30/13

Security Type	Percent of Total (Book Value)	Average # of days	Average Yield	Book Value			Market Value			
				Principal Invested	Beginning of Month	Change of Month	End of Month	Beginning of Month	Change of Month	End of Month
Money Market Account	82.90%	1	0.2500%	23,106,796	23,106,797	-273,924	22,832,873	23,106,795	-273,923	22,832,872
TexPool	1.82%	1	0.1015%	502,584	502,583	43	502,626	502,584	43	502,627
CDS	15.28%	391	0.4800%	4,200,000	4,209,428	0	4,206,428	4,208,429	0	4,208,429
Total	100.00%			27,809,380	27,817,809	-273,879	27,543,929	27,817,808	-273,880	27,543,929

Chewie = Investment activity including earnings, deposits and withdrawals.

City of Starche, TX
Investment Portfolios
May 31, 2013

Source	Description	Cusip/ Ref	Purchase Date	Maturity Date	Coupon (Int. Rate)	Days to Maturity	Book Value			Market Value			
							Principal Invested	Beginning of Month	Change ¹	End of Month	Beginning of Month	Change	End of Month
GO Bond (AS Fund Total)	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	1,137,616	1,137,616	7,220	1,144,835	1,137,616	7,220	1,144,835
General Fund	TexPool	1111-000	5/31/2013	6/1/2013	0.0665%	1	136,715	136,715	8	136,723	136,715	8	136,723
General Fund Total	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	6,977,719	6,977,719	(486,199)	6,491,519	6,977,720	(486,200)	6,491,520
							7,114,434	7,114,433	(486,191)	6,528,242	7,114,435	(486,192)	6,528,243
Water and Sewer Fund	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	1,477,372	1,477,372	3,286	1,480,658	1,477,372	3,286	1,480,658
W/S Impact Fee Fund	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	162,617	162,617	(166,751)	544,903	162,617	(166,751)	162,617
W/S Restricted Fund	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	711,654	711,654	(166,751)	544,903	711,654	(166,751)	544,903
W/S Operations	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	2,351,643	2,351,643	(163,485)	2,188,157	2,351,643	(163,485)	2,188,158
Total							11,575,555	11,577,824	(245,573)	11,332,252	11,577,823	(245,573)	11,332,250
Capital Project Fund	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	2,469,973	2,469,973	530	2,470,504	2,469,973	530	2,470,503
Special Sales Tax	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	1,584,953	1,584,953	340	1,585,293	1,584,953	340	1,585,293
Capital Project Funds	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	506,406	506,406	109	506,515	506,406	109	506,515
Capital Project Fund-TXDOT	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	365,912	365,912	22	365,934	365,912	22	365,934
2009 GO Bonds	CD	1111-000	5/31/2012	9/30/2014	0.5000%	487	1,000,000	1,001,233	0	1,001,233	1,001,233	0	1,001,233
2009 GO Bonds	CD	1231/2012	9/30/2014	6/30/2014	0.4200%	395	1,000,000	1,001,036	0	1,001,036	1,001,036	0	1,001,036
2009 GO Bonds	CD	114512	5/31/2013	6/1/2013	0.2500%	1	4,648,311	4,648,311	(246,573)	4,401,738	4,648,310	(246,573)	4,401,736
2009 GO Bonds Total	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	11,575,555	11,577,824	(245,573)	11,332,252	11,577,823	(245,573)	11,332,250
Special Revenue Funds	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	1,008,087	1,008,087	2,360	1,010,448	1,008,085	2,362	1,010,447
Restricted Street Impact Fee Fund	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	2,213	2,213	0	2,213	2,213	0	2,213
Restricted Park Development Fee Fur	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	413,005	413,005	6,303	419,308	413,005	6,303	419,308
Restricted General Fund	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	1,423,304	1,423,304	8,604	1,431,909	1,423,304	8,605	1,431,909
Total							0	(0)	0	(0)	0	0	0
TIF Fund	Money Market	114512	5/31/2013	6/1/2013	0.2500%	1	0	(0)	0	(0)	0	0	0
GBTP TIF Zone #1	CD	3/6/2013	12/6/2014	0.4600%	554	1,200,000	1,200,378	0	1,200,378	1,200,378	0	1,200,378	
EDC Fund	CD	3/6/2012	6/6/2013	0.5400%	6	1,000,000	1,005,791	0	1,005,791	1,005,792	0	1,005,792	
EDC	CD	114512	5/31/2013	6/1/2013	0.2500%	1	1,732,947	1,732,947	28,261	1,761,208	1,732,947	28,261	1,761,208
EDC PMMKT	Money Market	3/30/2012	3/30/2015	0.2800%	1	3,929,947	3,929,105	28,261	3,967,366	3,929,107	28,261	3,967,368	
Total							27,535,500	27,543,929	(851,102)	26,692,824	27,543,929	(851,104)	26,692,824

Summary of Portfolios by Security Type
05/31/13

Security Type	Percent of Total (Book Value)	# of Days	Average Yield	Book Value			Market Value			
				Principal Invested	Beginning of Month	Change of Month	End of Month	Beginning of Month	Change of Month	End of Month
Money Market Account	82.35%	1	0.2500%	22,832,873	22,832,873	-851,135	21,981,738	22,832,871	-851,134	21,981,737
TexPool	1.88%	1	0.0665%	502,627	502,627	31	502,657	502,627	30	502,657
CDs	15.77%	360	0.4800%	4,200,000	4,208,427	0	4,208,429	4,208,429	0	4,208,429
Total	100.00%			27,535,500	27,543,927	-851,102	26,692,824	27,543,927	-851,104	26,692,824

¹Change = Investment activity including earnings, deposits and withdrawals

City of Seaside, TX
Investment Portfolios
June 30, 2013


Source	Description	Cusip Folio	Purchase Date	Maturity Date	Coupon (Yield Rate)	Days to Maturity	Book Value			Market Value			
							Principal Invested	Beginning of Month	Change ¹ of Month	End of Month	Beginning of Month	Change of Month	End of Month
GC Bond ISS Fund	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	1,144,835	1,144,835	8,952	1,153,786	1,144,835	8,952	1,153,787
Total							1,144,835	1,144,835	8,952	1,153,786	1,144,835	8,952	1,153,787
General Fund	TerPool	1111-000	6/30/2013	7/1/2013	0.0662%	1	136,723	136,723	7	136,730	136,723	7	136,730
General Fund	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	6,491,519	6,491,519	(611,070)	5,880,448	6,491,519	(611,070)	5,880,449
Total							6,628,242	6,628,242	(611,063)	6,017,178	6,628,243	(611,063)	6,017,179
Water and Sewer Fund	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	1,480,638	1,480,638	(5,380)	1,475,258	1,480,638	(5,380)	1,475,258
W/S Impact Fee Fund	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	162,617	162,617	94	162,617	162,617	94	162,617
W/S Restricted Fund	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	544,903	544,903	355,689	900,592	544,903	355,689	900,592
W/S Operations	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	2,188,158	2,188,157	350,310	2,538,467	2,188,158	350,309	2,538,467
Total							2,188,158	2,188,157	350,310	2,538,467	2,188,158	350,309	2,538,467
Capital Project Funds	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	2,470,503	2,470,503	(3,142)	2,467,361	2,470,503	(3,142)	2,467,361
Special Sales Tax	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	1,585,293	1,585,293	43,797	1,629,090	1,585,293	43,797	1,629,090
Capital Project Funds	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	506,515	506,515	94	506,609	506,515	94	506,609
Capital Project Funds-TXDOT	TerPool	1111-000	6/30/2013	7/1/2013	0.0862%	1	365,934	365,934	18	365,952	365,934	18	365,952
2009 GO Bonds	CD	1231/2012	9/30/2014	0.5000%		457	1,000,000	1,001,233	1,247	1,002,479	1,001,233	1,247	1,002,480
2009 GO Bonds	CD	1231/2012	6/30/2014	0.4200%		365	1,000,000	1,001,036	1,047	1,002,083	1,001,036	1,047	1,002,083
2009 GO Bonds	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	4,401,736	4,401,736	817	4,402,554	4,401,737	817	4,402,554
2008 GO Bonds	TerPool	11339-981	11/30/2012			1	11,339,981	11,332,282	43,878	11,376,129	11,332,282	43,878	11,376,129
Special Revenue Funds	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	1,010,446	1,010,446	4,400	1,014,847	1,010,447	4,400	1,014,847
Restricted Street Impact Fee Fund	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	2,213	2,213	0	2,213	2,213	0	2,213
Restricted Park Development Fee Fur	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	419,308	419,308	11,181	430,489	419,308	11,181	430,489
Restricted General Fund	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	1,431,967	1,431,969	15,582	1,447,550	1,431,969	15,581	1,447,550
Total							0	(0)	0	(0)	0	0	0
TE Funds	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	0	(0)	0	(0)	0	0	0
GBTP T/E Zone #1	CD	3/6/2013	12/6/2014	0.4600%		524	1,200,000	1,200,378	1,377	1,201,755	1,200,378	1,377	1,201,755
EDC Fund	CD	3/6/2012	6/6/2013	0.5400%		0	1,000,000	1,005,780	(1,005,779)	(0)	1,005,782	(1,005,782)	0
EDC	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	1,732,847	1,761,208	1,024,374	2,785,583	1,761,208	1,024,374	2,785,582
EDC PIMMKT	Money Market	114512	6/30/2013	7/1/2013	0.2500%	1	3,932,847	3,987,366	19,972	3,987,337	3,987,366	19,989	3,987,337
Total							26,656,130	26,692,874	(172,367)	26,520,449	26,692,874	(172,374)	26,520,449

Summary of Portfolios by Security Type
06/30/13

Security Type	Percent of Total (Book Value)	Average # of days	Average Yield	Book Value			Market Value			
				Principal Invested	Beginning of Month	Change of Month	End of Month	Beginning of Month	Change of Month	End of Month
Money Market Account	86.01%	1	0.2500%	21,953,473	21,981,739	829,715	22,811,448	21,981,736	829,712	22,811,448
TerPool	1.90%	1	0.0662%	502,657	502,657	25	502,682	502,657	25	502,682
CDs	12.09%	449	0.4900%	4,200,000	4,208,426	-1,002,109	3,206,317	4,208,429	-1,002,111	3,206,318
Total	100.00%			26,656,130	26,692,874	-172,367	26,520,449	26,692,872	-172,374	26,520,449

¹Change = Investment activity including earnings, deposits and withdrawals.

Memo

To: **Billy George, City Manager**
 From: Berna Fitzpatrick, Finance Manager 
 CC: Mayor and City Council
 Date: November 7, 2013
 Re: **Investment Report for period ending September 30, 2013**

Attached is the Quarterly Investment Report for the quarter ending September 30 of the fiscal year 2012-2013. This report complies with the requirements of the City's Investment Policy and the Public Funds Investment Act as amended. For the period ending September 30, 2013, the City's portfolio¹ consisted of the following investments:

Portfolio at Quarter Close:	Rate at 09/30/2013	% Total	Total Investment
Money Market Account –ANB	.25%	61.2%	15,390,444
Money Market Account(EDC)-ANB	.07%	4.1%	1,038,023
Investment Pool – Tex Pool	.0394%	2.0%	502,739
CD—Comerica Bank	.42%	3.8%	1,003,712
CD—Comerica Bank	.50%	3.8%	1,003,118
CD—Comerica Bank	.46%	4.8%	1,203,116
Analysis Checking-ANB	0.00%	19.9%	5,000,000
Total Invested City Funds:		100.0%	\$25,141,152

The City does not carry any security instrument (investment type) on its books that is traded on the open market; therefore all investments are listed at 100% of market value. Interest earnings on all certificate of deposit accounts are accreted quarterly or at maturity. All Funds on deposit with American National Bank, Comerica Bank, and Investment Pools are fully secured and safeguarded. **Total investment interest earned for the quarter ending Sept 30 was \$14,106.**

Citywide cash and investments for the period ending September 30, 2013 was \$25,141,152. Of this amount, \$4,009,806 is for the Sachse EDC; also included is \$5,000,000.00 which is held in a non-interest bearing analysis account. It is the strategy of the Finance Department to maintain a high percentage of its idle funds invested in safe and secure investment securities and pooled investment types in accordance with the Public Funds Investment Act.

87% of the City's current portfolio has liquidity of 30 days or less, which is more than adequate for daily operations. The City investments are liquid and have same day access. The City's investment and cash management strategy will be to maintain operational and capital needs in money market accounts and liquid asset pools. The City's funds are swept into the above accounts and withdrawn as needed for operational cash flow requirements.

The average interest rate/yield on the City's investments for the period was .25%. The Texpool Prime Fund interest rate was .06568% and the Texpool interest rate was .0394% at September 30, 2013. The 90 day T-bill rate was .02% with the 180 day T-bill at .04%.

¹ Includes the Sachse Economic Development Corporation

Portfolio Summary
City of Sachse, TX
September 30, 2013

Safety - Investment Type

Investment Type	Book Value	Percent
Money Market Account*	\$ 21,428,467	85.2%
Investment Pools	502,739	2.0%
CD's	3,209,946	12.8%
Total*	\$ 25,141,152	100%

*(Includes Sachse EDC Money Market)

Liquidity - Investments by Maturity Date

Under 30 days	\$ 21,931,206	87%
30 - 90 days	0	0%
91 - 180 days	0	0%
180 - 365 days	2,006,831	8%
366 - 640 days	1,203,116	5%
Total Principal Invested	\$ 25,141,152	100%

Portfolio Yield	Fiscal YTD Interest	Int Earned this QTR	(FYTD) Percent of total
Portfolio			
Debt Service	\$ 2,419	\$ 450	3.94%
General Fund	\$ 8,273	1,627	13.46%
Water and Sewer Fund	\$ 5,313	1,328	8.64%
Capital Project Fund	\$ 30,304	7,723	49.29%
Special Revenue Fund	\$ 3,440	890	5.60%
TIF Zone	\$ -	0	0.00%
Sachse EDC	\$ 11,728	2,088	19.08%
Total Portfolios	\$ 61,477	\$ 14,106	100.00%

Portfolio Balance	Beginning Balances	Ending Book Balances	Change
Portfolio			
Debt Service	\$ 1,153,786	\$ 275,196	\$ (878,590)
General Fund	6,017,178	4,852,761	(1,164,417)
Water and Sewer Fund	2,376,647	2,765,085	388,439
Capital Project Fund	11,376,129	11,172,812	(203,317)
Special Revenue Fund	1,447,552	2,065,492	617,941
TIF Fund	0	0	0
Sachse EDC	3,987,338	4,009,806	22,469
Total Portfolios	\$ 26,358,629	\$ 25,141,152	\$ (1,217,476)

Historical Interest Rates

	July	August	September
Pooled Money Market Account	2013	0.2500%	0.2500%
	2012	0.2500%	0.2500%
	2011	0.2500%	0.2500%
Tex Pool	2013	0.0531%	0.0437%
	2012	0.1316%	0.1313%
	2011	0.0665%	0.0851%

City of Sachse, TX
Investment Portfolios
July 31, 2013

Source	Description	Cusip/ Ref	Purchase Date	Maturity Date	Coupon (Int. Rate)	Days to Maturity	Book Value			Market Value		
							Principal Invested	Beginning of Month	Change 1	End of Month	Beginning of Month	Change
GO Bond I&S Fund	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	1,153,786	1,153,786	9,707	1,153,493	9,707	1,163,493
Total							1,153,786	1,153,786	9,707	1,153,493	9,707	1,163,493
General Fund	TexPool	1111-000	7/31/2013	8/1/2013	0.0531%	1	136,730	136,730	6	136,736	6	136,736
General Fund	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	5,880,448	5,880,448	(242,602)	5,637,846	(242,602)	5,637,846
Total							6,017,178	6,017,178	(242,596)	5,774,582	(242,596)	5,774,582
Water and Sewer Fund	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	1,473,626	1,473,626	(37,709)	1,435,917	(37,709)	1,435,917
W/S Impact Fee Fund	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	162,617	162,617	0	162,617	0	162,617
W/S Restricted Fund	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	740,403	740,403	97,710	838,113	97,710	838,113
W/S Operations	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	2,376,647	2,376,647	60,001	2,436,647	60,001	2,436,647
Total							4,753,293	4,753,293	119,202	4,872,497	119,202	4,872,497
Capital Project Funds	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	2,467,362	2,467,362	(24,907)	2,442,455	(24,907)	2,442,455
Special Sales Tax	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	1,629,090	1,629,090	(2,115)	1,626,975	(2,115)	1,626,975
Capital Project Funds	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	688,260	688,260	140	688,400	140	688,400
Capital Project Funds-TXDOT	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	365,952	365,952	17	365,969	17	365,969
2009 GO Bonds	TexPool	1111-000	7/31/2013	8/1/2013	0.0531%	1	1,002,479	1,002,479	0	1,002,479	0	1,002,479
2009 GO Bonds	CD		12/31/2012	9/30/2014	0.5000%	426	1,000,000	1,002,479	0	1,002,479	0	1,002,479
2009 GO Bonds	CD		12/31/2012	6/30/2014	0.4200%	334	1,000,000	1,002,083	0	1,002,083	0	1,002,083
2009 GO Bonds	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	4,220,903	4,220,903	(57,300)	4,163,603	(57,300)	4,163,603
Total							11,371,566	11,371,566	(84,765)	11,291,964	(84,765)	11,291,964
Special Revenue Funds	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	1,014,849	1,014,849	2,731	1,017,579	2,731	1,017,579
Restricted Street Impact Fee Fund	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	2,213	2,213	0	2,213	0	2,213
Restricted Park Development Fee Fund	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	430,490	430,490	8,730	439,220	8,730	439,220
Restricted General Fund	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	1,447,552	1,447,552	11,461	1,459,013	11,461	1,459,013
Total							2,895,094	2,895,094	12,922	2,908,025	12,922	2,908,025
TIF Fund	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	0	0	0	0	0	0
GBTP TIF Zone #1	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	0	0	0	0	0	0
EDC Fund	CD		3/6/2013	12/6/2014	0.4600%	493	1,200,000	1,201,755	0	1,201,755	0	1,201,755
EDC	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	2,785,583	2,785,583	(3,803)	2,781,781	(3,803)	2,781,781
EDC PMMKKT	Money Market	114512	7/31/2013	8/1/2013	0.2500%	1	3,983,583	3,987,338	(3,803)	3,983,535	(3,803)	3,983,535
Total							5,188,666	5,188,666	(3,803)	5,184,863	(3,803)	5,184,863

Summary of Portfolios by Security Type
07/31/13

Security Type	Percent of Total (Book Value)	Average # of days	Average Yield	Book Value			Market Value			
				Principal Invested	Beginning of Month	Change	End of Month	Beginning of Month	Change	End of Month
Money Market Account	85.79%	1	0.2500%	22,649,630	22,649,630	-249,418	22,400,212	22,649,630	-249,418	22,400,212
TexPool	1.93%	1	0.0531%	502,682	502,682	23	502,704	502,682	23	502,704
CDs	12.28%	418	0.4600%	3,206,317	3,206,317	0	3,206,317	3,206,317	0	3,206,317
Total	100.00%			26,358,629	26,358,629	(249,395)	26,109,234	26,358,629	(249,395)	26,109,234

1 Change = Investment activity including earnings/deposits and withdrawals

City of Sachse, TX
Investment Portfolios
August 31, 2013

Source	Description	CUSIP/ Ref	Purchase Date	Maturity Date	Coupon (Int. Rate)	Days to Maturity	Book Value			Market Value		
							Principal Invested	Beginning of Month	Change 1	End of Month	Beginning of Month	Change
GO Bond I&S Fund Total	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	1,163,493	1,163,493	(898,326)	265,167	(898,326)	265,167
General Fund	TexPool	1111-000	8/31/2013	9/1/2013	0.0437%	1	136,736	136,736	5	136,741	5	136,741
General Fund Total	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	5,637,846	5,637,846	(583,685)	5,054,161	(583,685)	5,054,161
							5,774,582	5,774,582	(583,680)	5,190,902	(583,680)	5,190,902
Water and Sewer Fund	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	1,435,917	1,435,917	(2,357)	1,433,561	(2,357)	1,433,561
WS Impact Fee Fund	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	162,617	162,617	0	162,617	0	162,617
WS Restricted Fund	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	838,113	838,113	58,070	896,183	58,070	896,183
WS Operations Total	Money Market						2,436,647	2,436,647	55,713	2,492,360	55,713	2,492,360
Capital Project Funds	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	2,442,455	2,442,455	(111,426)	2,331,029	(111,426)	2,331,029
Special Sales Tax	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	1,626,975	1,626,975	2,643	1,629,617	2,643	1,629,617
Capital Project Funds	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	688,400	688,400	149	688,549	149	688,549
Capital Project Fund-TXDOT	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	365,968	365,968	14	365,982	14	365,982
2009 GO Bonds	TexPool	1111-000	8/31/2013	9/1/2013	0.0437%	1	1,000,000	1,002,479	0	1,002,479	0	1,002,479
2009 GO Bonds	CD		12/31/2012	9/30/2014	0.5000%	395	1,000,000	1,002,479	0	1,002,479	0	1,002,479
2009 GO Bonds	CD		12/31/2012	6/30/2014	0.4200%	303	1,000,000	1,002,083	0	1,002,083	0	1,002,083
2009 GO Bonds Total	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	4,163,603	4,163,603	903	4,164,507	903	4,164,507
							11,287,402	11,291,964	(107,718)	11,184,246	(107,718)	11,184,246
Special Revenue Funds	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	1,017,579	1,017,579	14,133	1,031,712	14,133	1,031,712
Restricted Street Impact Fee Fund	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	2,214	2,214	(0)	2,214	(0)	2,214
Restricted Park Development Fee Fur	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	439,220	439,220	24,697	463,917	24,697	463,917
Restricted General Fund Total	Money Market						1,459,013	1,459,013	38,829	1,497,843	38,829	1,497,843
TIF Fund	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	0	0	0	0	0	0
GBT/TIF Zone #1	Money Market						0	0	0	0	0	0
EDC Fund	CD		3/6/2013	12/6/2014	0.4600%	462	1,201,755	1,201,755	0	1,201,755	0	1,201,755
EDC	Money Market	114512	8/31/2013	9/1/2013	0.2500%	1	2,781,781	2,781,781	18,456	2,800,237	18,456	2,800,237
EDC PMMKT Total	Money Market						3,981,781	3,983,535	18,456	4,001,991	18,456	4,001,991
Total Portfolio at 8/31/2013							26,102,917	26,109,234	(1,476,725)	24,632,509	(1,476,725)	24,632,509

Summary of Portfolios by Security Type

08/31/13

Security Type	Percent of Total (Book Value)	Average # of days	Average Yield	Book Value			Market Value			
				Principal Invested	Beginning of Month	Change	End of Month	Beginning of Month	Change	End of Month
Money Market Account	84.94%	1	0.2500%	22,400,212	22,400,212	-1,476,744	20,923,469	22,400,212	-1,476,744	20,923,468
TexPool	2.04%	1	0.0437%	502,704	502,704	19	502,723	502,704	19	502,723
CDs	13.02%	387	0.4600%	3,200,000	3,206,317	0	3,206,317	3,206,317	0	3,206,317
Total	100.00%			26,102,917	26,109,234	-1,476,725	24,632,509	26,109,234	-1,476,725	24,632,509

1 Change = Investment activity including earnings, deposits and withdrawals

City of Sachse, TX
Investment Portfolios
September 30, 2013

Source	Description	Cusip/ Ref	Purchase Date	Maturity Date	Coupon (Int. Rate)	Days to Maturity	Book Value			Market Value		
							Principal Invested	Beginning of Month	Change ¹	End of Month	Beginning of Month	Change
GO Bond I&S Fund Total	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	265,167	265,167	-10,029	275,196	10,029	275,196
General Fund	TexPool	1111-000	9/30/2013	10/1/2013	0.0394%	1	136,741	136,741	4	136,745	4	136,745
General Fund Total	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	5,054,161	5,054,161	(338,145)	4,716,016	(338,145)	4,716,016
Water and Sewer Fund	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	5,190,902	5,190,902	(338,140)	4,852,761	(338,140)	4,852,761
WS Impact Fee Fund	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	1,433,561	1,433,561	63,545	1,497,106	63,545	1,497,106
WS Restricted Fund	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	162,617	162,617	18,055	180,672	18,055	180,672
WS Operations Total	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	896,183	896,183	191,125	1,087,308	191,125	1,087,308
Capital Project Funds	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	2,492,360	2,492,360	272,725	2,765,085	272,725	2,765,085
Special Sales Tax	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	2,331,029	2,331,029	(11,024)	2,320,004	(11,024)	2,320,004
Capital Project Funds	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	1,629,617	1,629,617	303	1,629,921	303	1,629,921
Capital Project Fund-TXDOT	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	688,549	688,549	128	688,677	128	688,677
2009 GO Bonds	TexPool	1111-000	9/30/2013	10/1/2013	0.0394%	1	365,982	365,982	12	365,994	12	365,994
2009 GO Bonds	CD	11429814	12/31/2012	9/30/2014	0.5000%	365	1,000,000	1,002,479	1,233	1,003,712	1,233	1,003,712
2009 GO Bonds	CD	11429176	12/31/2012	6/30/2014	0.4200%	273	1,000,000	1,002,063	1,036	1,003,118	1,036	1,003,118
2009 GO Bonds Total	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	4,164,507	4,164,507	(3,121)	4,161,386	(3,121)	4,161,386
Special Revenue Funds	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	11,179,684	11,184,246	(11,433)	11,172,812	(11,433)	11,172,812
Restricted Street Impact Fee Fund	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	1,031,486	1,031,486	474,906	1,506,392	474,906	1,506,392
Restricted Park Development Fee Fund	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	2,213	2,213	80,301	82,514	80,301	82,514
Restricted General Fund Total	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	445,800	445,800	30,786	476,586	30,786	476,586
TIF Fund	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	1,479,499	1,479,499	585,993	2,065,492	585,993	2,065,492
GBTTP TIF Zone #1	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	0	0	0	0	0	0
EDC Fund	CD	11201955	3/6/2013	12/6/2014	0.4600%	432	1,200,000	1,201,755	1,361	1,203,116	1,361	1,203,116
EDC	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	2,800,237	2,800,237	6,454	2,806,691	6,454	2,806,691
EDC PIMMKT Total	Money Market	114512	9/30/2013	10/1/2013	0.2500%	1	4,000,237	4,001,992	7,815	4,009,806	7,815	4,009,806
Total Portfolio at 9/30/2013							24,607,849	24,614,166	526,988	25,141,152	526,988	25,141,152

Summary of Portfolios by Security Type
09/30/13

Security Type	Percent of Total (Book Value)	Average # of days	Average Yield	Book Value			Market Value			
				Principal Invested	Beginning of Month	Change	End of Month	Beginning of Month	Change	End of Month
Money Market Account	85.23%	1	0.2500%	20,905,126	20,905,126	523,343	21,428,469	20,905,126	523,343	21,428,469
TexPool	2.00%	1	0.0394%	502,723	502,723	16	502,739	502,723	16	502,739
CD's	12.77%	357	0.4600%	3,200,000	3,206,317	3,630	3,209,946	3,206,317	3,630	3,209,946
Total	100.00%			24,607,849	24,614,166	526,988	25,141,152	24,614,166	526,988	25,141,152

¹Change = Investment activity including earnings, deposits and withdrawals



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

September 30, 2013

**Prepared by
Valley View Consulting, L.L.C.**

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



Director of Finance



Finance Manager

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

City of Sachse, Texas Annual Comparison of Portfolio Performance

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range between 0.00% and 0.25% (actual Fed Funds traded +/- 10 bps). The FOMC shifted the Quantitative Easing (QE3) focus to target unemployment below 6.5% and inflation between 2.0% and 2.5%. International and domestic economic and employment data posted modest but erratic growth. Overall US economic activity remains low to moderate with GDP +/-2.0%. The US stock markets maintained their bullish tone, pushing to new highs. During the summer the FOMC discussed a tapered reduction of the monthly QE3 security purchases - although they chose not to at the September meeting. The market reacted quickly by pushing interest rates higher. The partial Federal Government shutdown and debt ceiling issues have increased uncertainty. Financial institution deposits and laddering targeted cash flows still provide the best interest earnings opportunity.

FYE Results by Investment Category:

	September 30, 2013			September 30, 2012		
<u>Asset Type</u>	<u>Ave. Yield</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Ave. Yield</u>	<u>Book Value</u>	<u>Market Value</u>
Bank/Pool	0.25%	\$ 21,931,206	\$ 21,931,206	0.25%	\$ 21,947,491	\$ 21,947,491
CDs / Securities	0.46%	3,209,946	3,209,946	0.52%	3,211,230	3,211,230
Totals		\$ 25,141,152	\$ 25,141,152		\$ 25,158,721	\$ 25,158,721
			Total Portfolio	<u>2013</u>	<u>2012</u>	<u>Change</u>
				0.28%	0.27%	0.01%
			Rolling Three Mo. Treas. Yield	0.07%	0.07%	0.00%
			Rolling Six Mo. Treas. Yield	0.09%	0.11%	-0.02%
			Quarterly TexPool Yield	0.09%	0.12%	-0.04%

(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(2) Fiscal Year-to-Date Average Yields calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

Strategy Summary:

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range between 0.00% and 0.25% (actual Fed Funds traded <10 bps). The FOMC continued Quantitative Easing (QE3), but openly discussed the potential tapering of the monthly security purchases. The fixed income market reacted quickly, raising 10 year rates over 1.00% to +/-2.75%. Mortgage rates also jumped quickly and dramatically. Domestic employment posted erratic, uninspiring growth. Overall economic activity remains moderate with second quarter GDP of 2.5%. The US stock markets touched new highs. The partial Federal Government shut down and debt ceiling cap increase uncertainty. Financial institution deposits and laddering targeted cash flows still provide the best interest earnings opportunity.

Quarter End Results by Investment Category:

<u>Asset Type</u>	<u>Ave. Yield</u>	<u>September 30, 2013</u>		<u>June 30, 2013</u>	
		<u>Book Value</u>	<u>Market Value</u>	<u>Book Value</u>	<u>Market Value</u>
Bank/Pool	0.25%	\$ 21,931,206	\$ 21,931,206	\$ 23,314,132	\$ 23,314,132
CDs / Securities	0.46%	3,209,946	3,209,946	3,206,317	3,206,317
Totals		\$ 25,141,152	\$ 25,141,152	\$ 26,520,448	\$ 26,520,448

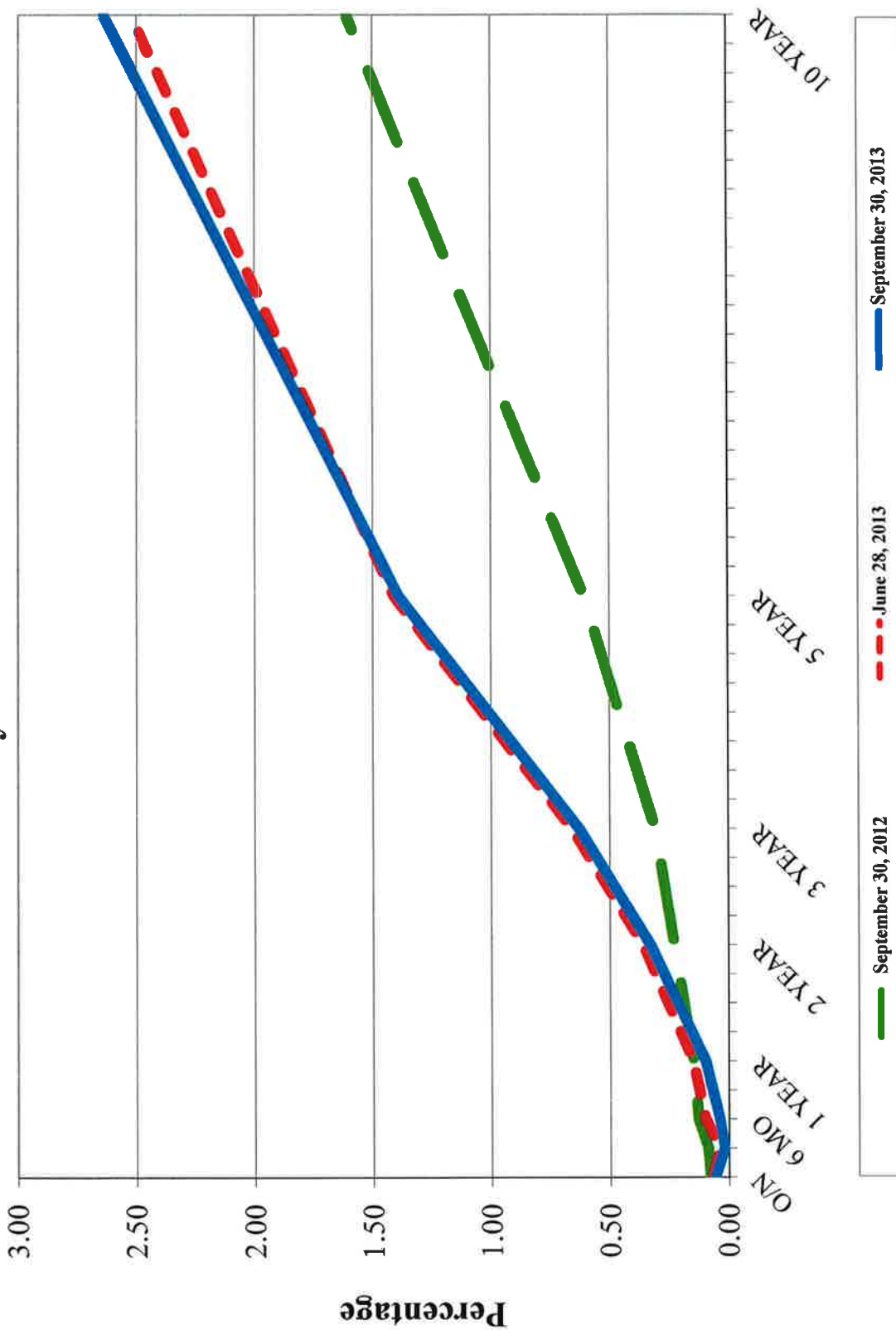
Average Yield (1)	Total Portfolio	0.27%	Fiscal Year-to-Date Average Yield (2)	Total Portfolio	0.28%
Rolling Three Mo. Treas. Yield		0.03%	Rolling Three Mo. Treas. Yield		0.07%
Rolling Six Mo. Treas. Yield		0.08%	Rolling Six Mo. Treas. Yield		0.09%
			Average Quarterly TexPool Yield		0.09%

	<u>City</u>	<u>EDC</u>
Interest Earnings QTR	\$ 12,017	\$ 2,088
Interest Earnings YTD	\$ 49,749	\$ 11,728

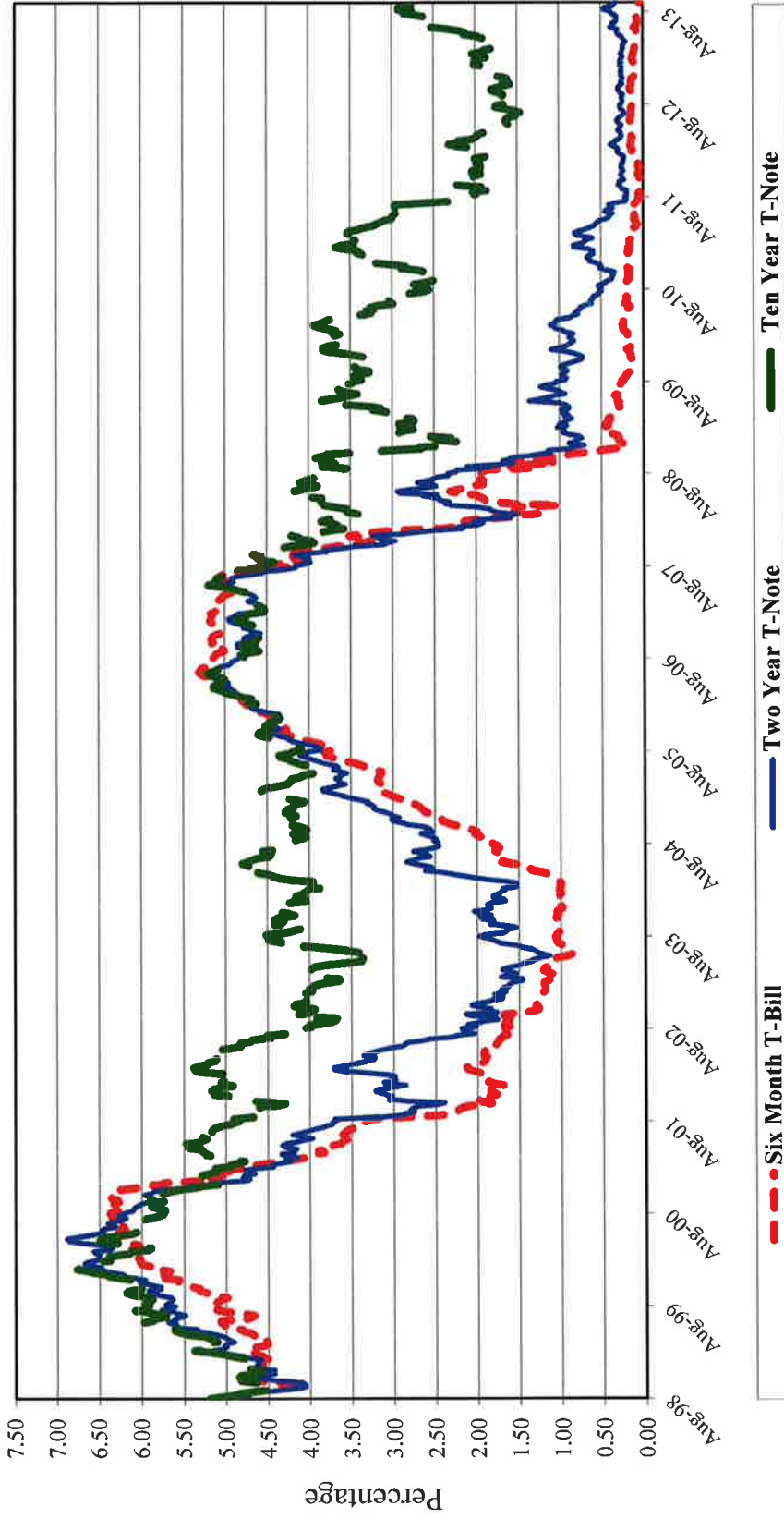
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(2) Fiscal Year-to-Date Average Yields calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

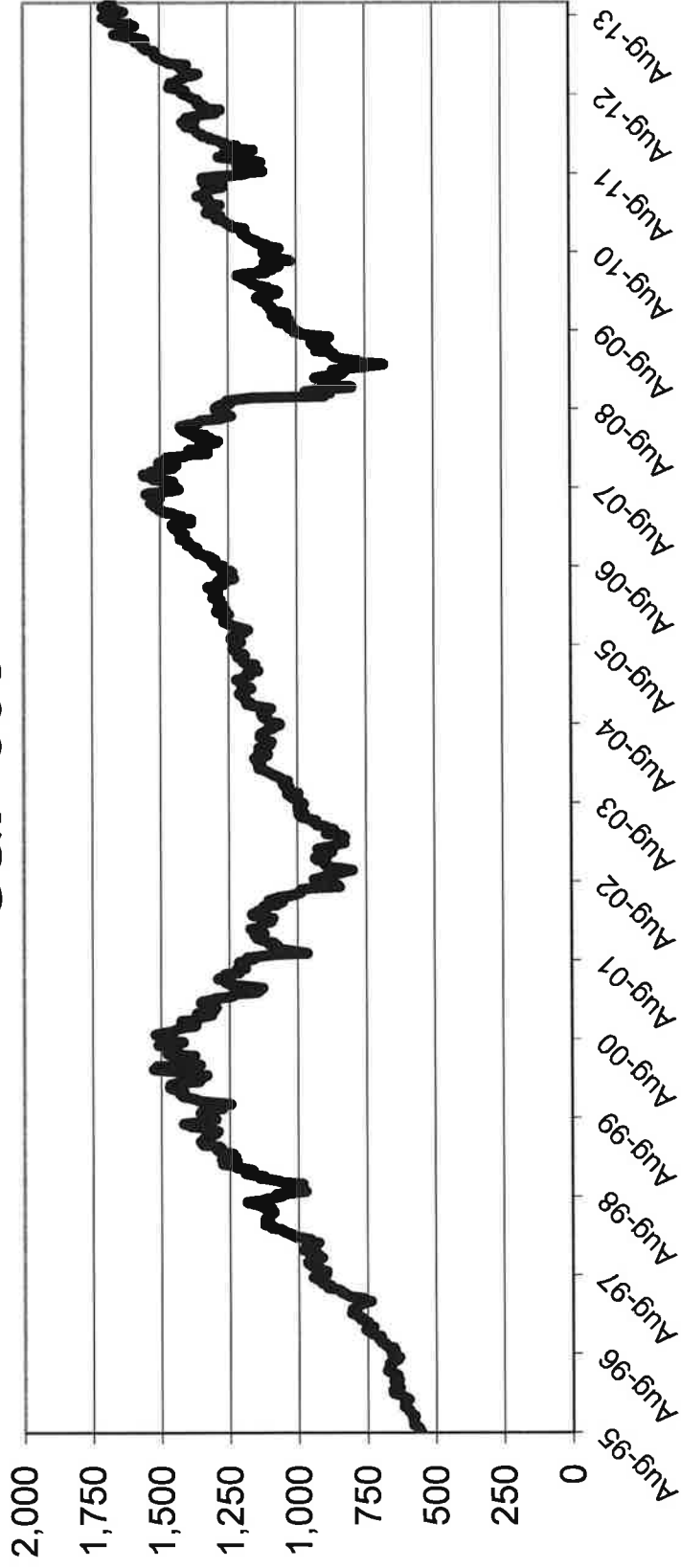
Treasury Yield Curves



US Treasury Historical Yields



S&P 500



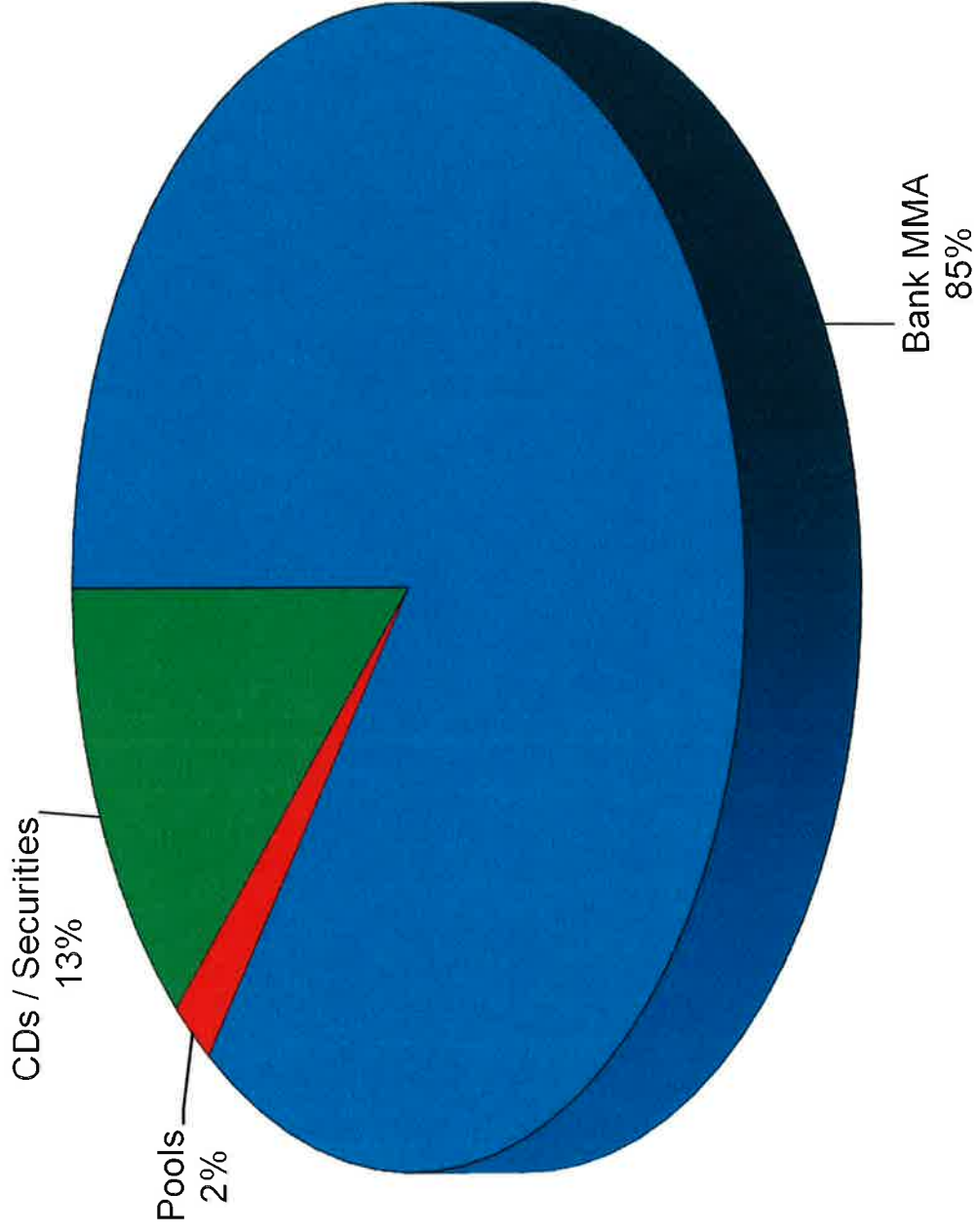
Detail of Investment Holdings September 30, 2013

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Original Face/ Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Bank MIMA		0.25%	10/01/13	09/30/13	\$ 21,428,467	\$ 21,428,467	1.00	\$ 21,428,467	1	0.25%
TexPool	AAA	0.04%	10/01/13	09/30/13	502,739	502,739	1.00	502,739	1	0.04%
Comerica CD		0.42%	06/30/14	12/31/12	1,000,000	1,003,118	100.00	1,003,118	273	0.42%
Comerica CD		0.50%	09/30/14	12/31/12	1,000,000	1,003,712	100.00	1,003,712	365	0.50%
Comerica CD		0.46%	12/06/14	03/06/13	1,200,000	1,203,116	100.00	1,203,116	432	0.46%
					\$ 25,131,206	\$ 25,141,152			47	0.27%
									(1)	(2)

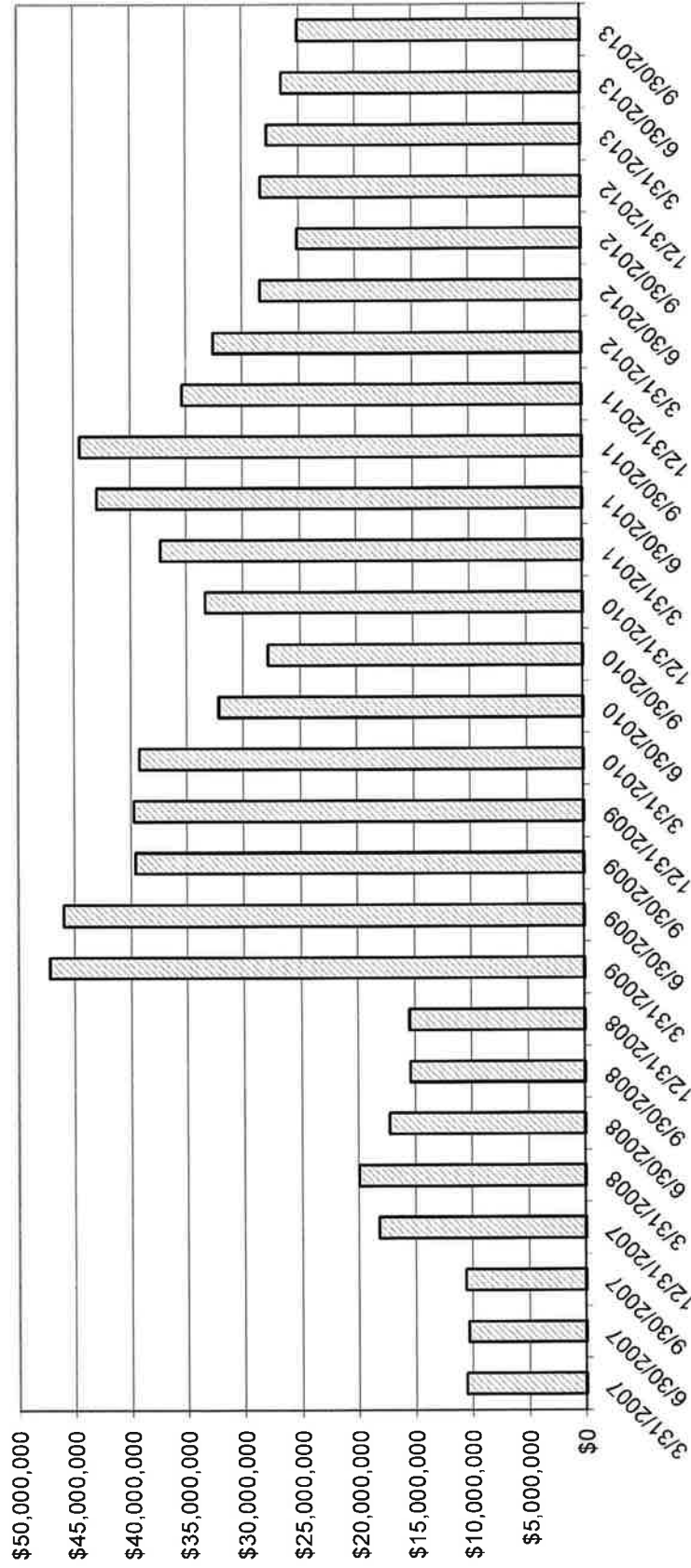
(1) **Weighted average life** - For purposes of calculating weighted average life, pool investments are assumed to have a one day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered.

Portfolio Composition



Total Portfolio



Quarter End Book Value

Book Value Comparison

June 30, 2013

September 30, 2013

Description	Coupon/ Discount	Maturity Date	Original Face/Par Value	Book Value	Purchases/ Accretions	Amortizations/ Sales/Maturities	Original Face/Par Value	Book Value
Bank MMA TexPool	0.25% 0.04%	10/01/13 10/01/13	\$ 22,811,450 502,681	\$ 22,811,450 502,681	- 58	\$ (1,382,984)	\$ 21,428,467 502,739	\$ 21,428,467 502,739
Comerica CD	0.42%	06/30/14	1,000,000	1,002,083	1,036		1,000,000	1,003,118
Comerica CD	0.50%	09/30/14	1,000,000	1,002,479	1,233		1,000,000	1,003,712
Comerica CD	0.46%	12/06/14	1,200,000	1,201,755	1,361		1,200,000	1,203,116
TOTAL			\$ 26,514,132	\$ 26,520,448	\$ 3,688	\$ (1,382,984)	\$ 25,131,206	\$ 25,141,152

Market Value Comparison

June 30, 2013

September 30, 2013

Description	Coupon/ Discount	Original Face/Par Value	Market Price	Market Value	Qtr to Qtr Change	Original Face/Par Value	Market Price	Market Value
Bank MMA TexPool	0.25% 0.04%	\$ 22,811,450 502,681	1.00 1.00	\$ 22,811,450 502,681	\$ (1,382,984) 58	\$ 21,428,467 502,739	1.00 1.00	\$ 21,428,467 502,739
Comerica CD	0.42%	1,000,000	100.00	1,002,083	1,036	1,000,000	100.00	1,003,118
Comerica CD	0.50%	1,000,000	100.00	1,002,479	1,233	1,000,000	100.00	1,003,712
Comerica CD	0.46%	1,200,000	100.00	1,201,755	1,361	1,200,000	100.00	1,203,116
TOTAL		\$ 26,514,132		\$ 26,520,448	\$ (1,379,296)	\$ 25,131,206		\$ 25,141,152

**Allocation
September 30, 2013**

Book & Market Value	Total	GO I&S	General Fund	W/S Impact Fee	W/S Restricted	W/S Operations	Special Sales Tax
Bank MMA	\$ 21,428,467	\$ 275,196	\$ 4,716,015	\$ 1,497,106	\$ 180,672	\$ 1,087,308	\$ 2,320,004
Texpool	502,739		136,745				
06/30/14	1,003,118						
09/30/14	1,003,712						
12/06/14	1,203,116						
Totals	\$ 25,141,152	\$ 275,196	\$ 4,852,761	\$ 1,497,106	\$ 180,672	\$ 1,087,308	\$ 2,320,004

**Allocation
September 30, 2013**

Book & Market Value	Capital Project	2009 GO Bonds	TXDOT	Restricted Street Impact	Restricted Park Development	Restricted General	EDC
Bank MMA	\$ 1,629,921	\$ 4,161,385	\$ 688,677	\$ 1,506,392	\$ 82,514	\$ 476,586	\$ 2,806,691
Texpool		365,994					
06/30/14		1,003,118					
09/30/14		1,003,712					
12/06/14							1,203,116
Totals	\$ 1,629,921	\$ 6,534,209	\$ 688,677	\$ 1,506,392	\$ 82,514	\$ 476,586	\$ 4,009,806

**Allocation
June 30, 2013**

Book & Market Value	Total	GO I&S	General Fund	W/S Impact Fee	W/S Restricted	W/S Operations	Special Sales Tax
Bank MMA	\$ 22,811,450	\$ 1,153,786	\$ 5,880,448	\$ 1,475,258	\$ 162,617	\$ 900,593	\$ 2,467,362
Texpool	502,681		136,730				
06/30/14	1,002,083						
09/30/14	1,002,479						
12/06/14	1,201,755						
Totals	\$ 26,520,448	\$ 1,153,786	\$ 6,017,178	\$ 1,475,258	\$ 162,617	\$ 900,593	\$ 2,467,362

Allocation
June 30, 2013

Book & Market Value	Capital Project	2009 GO Bonds	TXDOT	Restricted Street Impact	Restricted Park Development	Restricted General	EDC
Bank MMA	\$ 1,629,090	\$ 4,402,554	\$ 506,609	\$ 1,014,849	\$ 2,213	\$ 430,489	\$ 2,785,583
Texpool		365,952					
06/30/14		1,002,083					
09/30/14		1,002,479					
12/06/14							1,201,755
Totals	\$ 1,629,090	\$ 6,773,068	\$ 506,609	\$ 1,014,849	\$ 2,213	\$ 430,489	\$ 3,987,338



Legislation Details (With Text)

File #:	13-1990	Version:	1	Name:	TIF 2014 Investment Policy Review
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	1/6/2014	In control:		In control:	Tax Increment Financing (TIF) Board
On agenda:	1/14/2014	Final action:		Final action:	

Title: Consider approval of a Resolution of the President George Bush Turnpike Reinvestment Zone Tax Increment Board adopting the City of Sachse Investment Policy; providing a repealing clause; providing a severability clause; and providing for an effective date.

Executive Summary

To ensure that the City's Investment Policy is in conformance with the Public Funds Investment Act (PFIA) and to provide a viable framework to utilize in structuring an effective investment policy, it is required that the Investment Policy be reviewed and approved by City Council on an annual basis.

Sponsors:

Indexes:

Code sections:

- Attachments:**
- [Resolution and Investment Policy Signed November 2013.pdf](#)
 - [Explanation of Changes 2013.pdf](#)
 - [TIF Resolution approving Investment Policy.pdf](#)

Date	Ver.	Action By	Action	Result
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Title

Consider approval of a Resolution of the President George Bush Turnpike Reinvestment Zone Tax Increment Board adopting the City of Sachse Investment Policy; providing a repealing clause; providing a severability clause; and providing for an effective date.

Executive Summary

To ensure that the City's Investment Policy is in conformance with the Public Funds Investment Act (PFIA) and to provide a viable framework to utilize in structuring an effective investment policy, it is required that the Investment Policy be reviewed and approved by City Council on an annual basis.

Background

The 2013 revisions to the Investment Policy were reviewed by City Council and approved by resolution on November 4, 2013. The resolution before the TIF board tonight affirms the latest revisions and the Board's intent to accept future annual reviews by the City Council.

The changes recommended by staff, which were included in the Investment Policy previously approved by City Council are summarized here:

Section VII. The list of authorized broker/dealers shall be included in the Investment Policy as Exhibit A and approval of the list will be included in the approval of the Investment Policy.

Section XVI. Weighted Average Maturity was added to the title. Language changed to limit direct investments to 2 years from date of purchase and average weighted maturity for the total portfolio to twelve months.

Section XXIV. Investment Policy Certification section was added to include all providers (language was previously located in Section VII-Authorized Broker/Dealers).

Policy Considerations

The recommended policy for adoption is in compliance with the Public Funds Investment Act.

Budgetary Considerations

None.

Staff Recommendations

Staff recommends that the TIF Board consider approval of a Resolution of the President George Bush Turnpike Reinvestment Zone Tax Increment Board adopting the City of Sachse Investment Policy; providing a repealing clause; providing a severability clause; and providing for an effective date.

RESOLUTION NO. 3541

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, ADOPTING THE CITY OF SACHSE, SACHSE ECONOMIC DEVELOPMENT CORPORATION, AND PRESIDENT GEORGE BUSH TURNPIKE REINVESTMENT ZONE TAX INCREMENT FUND INVESTMENT POLICY (“SACHSE INVESTMENT POLICY”) ATTACHED HERETO AS EXHIBIT “A”; DECLARING THAT THE CITY COUNCIL HAS COMPLETED ITS REVIEW OF THE INVESTMENT POLICY AND INVESTMENT STRATEGIES OF THE CITY AND THAT EXHIBIT “A” RECORDS ANY CHANGES TO EITHER THE INVESTMENT POLICY OR INVESTMENT STRATEGIES; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in accordance with the Public Funds Investment Act, Chapter 2256, TEX. GOV'T CODE, the City Council of the City of Sachse, Texas by resolution adopted an investment policy; and

WHEREAS, Section 2256.005, Tex. Gov't Code requires the City Council to review the investment policies and investment strategies not less than annually and to adopt a resolution or order stating the review has been completed and recording any changes made to either the investment policies or investment strategies.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, THAT:

SECTION 1. The Sachse Investment Policy, attached hereto as Exhibit “A” be and the same is hereby adopted and shall govern the investment policies and investment strategies for the City, and shall define the authority of the investment official of the City from and after the effective date of this Resolution.

SECTION 2. That the City Council of the City of Sachse has completed its review of the investment policies and investment strategies and any changes made to either the investment policies or investment strategies are recorded in Exhibit “A” hereto.

SECTION 3. That all provisions of the Resolutions of the City of Sachse, Texas, in conflict with the provisions of this Resolution be, and the same are hereby, repealed, and all other provisions of the Resolutions of the City not in conflict with the provisions of this resolution shall remain in full force and effect.

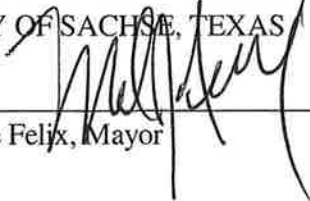
SECTION 4. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this Resolution, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said resolution, which shall remain in full force and effect.

SECTION 5. That this Resolution shall become effective immediately from and after its passage.

SECTION 6. This Resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

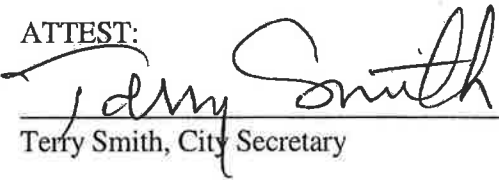
DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, Texas, this the 4th day of November, 2013.

CITY OF SACHSE, TEXAS



Mike Felix, Mayor

ATTEST:



Terry Smith, City Secretary

Exhibit "A"
CITY OF SACHSE
SACHSE ECONOMIC DEVELOPMENT CORPORATION
PRESIDENT GEORGE BUSH TURNPIKE REINVESTMENT ZONE TAX INCREMENT
FUND
INVESTMENT POLICY

I. Policy

Throughout this Investment Policy, the City of Sachse, Sachse Economic Development Corporation, and President George Bush Turnpike Reinvestment Zone Tax Increment Fund shall be singularly referred to as "ENTITY" and collectively referred to as "SACHSE."

It is the policy of SACHSE to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of SACHSE and conforming to the Public Funds Investment Act ("PFIA"), Chapter 2256 of the Texas Government Code, and all other State and local statutes governing the investment of public funds.

II. Scope

This Investment Policy applies to all funds or financial resources available for investment under SACHSE's financial control and accounted for in the City of Sachse's Comprehensive Annual Financial Report (CAFR) which includes the General Fund, Debt Service Fund, Special Revenue Fund, Capital Projects Fund, Water and Sewer Enterprise Fund, Sachse Economic Development Corporation Fund, President George Bush Turnpike Reinvestment Zone Tax Increment Fund, and any new fund created by SACHSE unless specifically exempt.

To maximize the effective investment of assets, all funds may pool their cash balances for investment purposes. The income derived from investing activities will be distributed to the various funds based on calculation of their average balances.

III. Prudence

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by Investment Officers shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment Officers, acting in accordance with written procedures and the Investment Policy and exercising due diligence, shall be relieved of personal responsibility for an individual investment's credit risk or market price changes, provided deviation from

expectations are reported immediately upon knowledge of the deviation and appropriate action is taken to control adverse developments.

IV. Objective

The primary objectives, in priority order, of SACHSE investment activities shall be:

- A. **Safety:** Safety of principal is the foremost objective of the investment program. Investments of SACHSE shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- B. **Liquidity:** The SACHSE investment portfolio will remain sufficiently liquid to enable SACHSE to meet all operating requirements which might be reasonably anticipated.
- C. **Public Trust:** Investment Officers shall seek to act responsibly as custodians of the public trust. Investment Officers shall avoid any transaction that might impair public confidence in SACHSE's ability to govern effectively.
- D. **Return on Investments:** SACHSE's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with SACHSE's investment risk constraints and the cash flow characteristics of the portfolio.

V. Delegation of Authority

Management responsibility for the investment program is hereby delegated to the Director of Finance and the Finance Manager of the City of Sachse (the "Investment Officers"). The Director of Finance shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Procedures should include reference to: safekeeping, repurchase agreements, wire transfer agreements, banking service contracts, and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Investment Policy and the procedures established by the Director of Finance. The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates.

VI. Ethics and Conflicts of Interest

Investment Officers involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment Officers shall disclose to SACHSE any material financial interest in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large

personal financial/investment positions that could be related to the performance of SACHSE, particularly with regard to the time of purchases and sales.

Investment Officers involved in the investment process shall adhere to the business relationship and other disclosure requirements as described in the PFIA by filing statements with the Texas Ethics Commission and each ENTITY's governing body.

VII. Authorized Broker/Dealers

The list of authorized broker/dealers shall be annually approved by the City Council (Appendix A). These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule).

- A. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Investment Officer with the following: audited financial statements, proof of Financial Industry Regulatory Authority (FINRA) certification, trading resolution, and/or proof of State registration, as applicable.
- B. Requirement and Selection of all Investment Providers:

It is at the discretion of the Investment Officer as to which authorized broker/dealer shall be used for any buy/sell transactions.

VIII. Investment Strategy

SACHSE's basic investment strategy for all financial assets is to preserve principal. In order to achieve that objective, SACHSE restricts the authorized investment instruments to those with suitable and limited credit and market risk. In order to make effective use of SACHSE's resources, all monies may be pooled into one portfolio, if practical, except for those monies required to be accounted for in other accounts as stipulated by applicable laws, bond covenants, ordinances, contracts, agreements, or other policies.

The objective of liquidity stems from the need of SACHSE to maintain available cash balances sufficient to cover financial outlays. Since the timing and amount of some financial disbursements are not predictable, fund-type strategies shall adjust for the uncertainty of projected cash flows.

Investment marketability will be maintained based on the fund-type strategies to sufficiently and reasonably assure that investments could be liquidated prior to the maturity, if cash needs dictate.

Whenever practical or appropriate, it is the policy of SACHSE to diversity its investment portfolio. Assets held in the investment portfolio may be diversified to minimize the risk

of loss resulting from concentration of assets in a specific maturity, a specific issuer, or a specific class of investment.

SACHSE funds shall seek to achieve a competitive yield appropriate for each strategy. Yield objectives shall at all times be subordinate to the objectives of safety and liquidity. Tax-exempt debt proceeds shall be invested to maximize the interest earnings retained by SACHSE, while at the same time fully complying with all applicable State laws and federal regulations, including the arbitrage rebate regulations. A competitive yield environment shall be achieved by soliciting quotes from multiple investment providers, monitoring comparable investment alternatives, and reviewing general market conditions.

The overall investment strategy of SACHSE is based on the premise that a certain amount of SACHSE's funds will be needed to pay current year expenditures or for projects that are to be complete within a specific time frame. Remaining funds are considered to be reserves and, barring any unforeseen emergencies or events beyond SACHSE's control, it is considered that these funds may be invested, within the maturity limits of this Policy, in an advantageous position on the yield curve. It is understood that investments in longer term instruments are sensitive to changes in interest rates and other market conditions; however, it is SACHSE's belief that such investments may be held to maturity if necessary.

SACHSE may maintain one portfolio in which all funds under its control are pooled for investment purposes. Within the pooled portfolio are fund components, each having an investment strategy as described below:

- A. Governmental Funds – the funds through which most governmental functions are financed and the primary operating funds of SACHSE. The investment strategy must allow for the investment of anticipated cash flows to meet the anticipated expenditures of the following funds:
 - 1. General Fund
 - 2. Debt Service Fund
 - 3. Special Revenue Fund
 - 4. Capital Projects Fund
 - 5. Sachse Economic Development Corporation Fund
 - 6. President George Bush Reinvestment Zone Tax Increment Fund
- B. Proprietary Funds - the funds used in SACHSE's business-type activities or Enterprise activities financed primarily by user charges and fees. The strategy for these funds is to time investment maturities to anticipated cash requirements. The projects may require investments with short to intermediate maturities.
- C. The Debt Service and Interest/Sinking Funds should consist of short-term investments, whose maturities meet the scheduled debt service payments. Reserves may be invested in longer-term investments.

- D. Special Revenue Fund and other Non-operating Funds investments should be in short-term instruments with maturities laddered to meet projected cash needs. Reserves are idle funds that may be invested in intermediate to long-term investments after analysis of future plans for use of the funds.

IX. Authorized & Suitable Investments

SACHSE is empowered by statute to invest in the following:

A. Obligations of, or guaranteed by, governmental entities:

1. obligations of the United States or its agencies and instrumentalities;
2. direct obligations of this State or its agencies and instrumentalities;
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; and
4. obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

B. Financial Institution Deposits: A financial institution deposit is an authorized investment under this Policy if the deposit is with a state or national bank, a savings and loan association, or credit union that is:

1. guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund, or its successor;
2. secured by obligations that are described in Section XII Collateralization; and
3. executed through a depository institution or broker that has its main office or a branch office in Texas and meets the requirements of the PFIA.

C. Repurchase Agreements:

1. A fully collateralized repurchase agreement is an authorized investment if the repurchase agreement:

- (a) has a defined termination date;
 - (b) is secured by cash or obligations described by Section IX.A1;
 - (c) requires the cash or securities being purchased by SACHSE to be delivered versus payment to SACHSE, held in SACHSE's account with a third party selected and approved by SACHSE; and
 - (d) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this State.
2. "Repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date, obligations described by Section IX.A1 at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed.

D. Mutual Funds:

1. A no-load money market mutual fund is an authorized investment under this Policy if the mutual fund:
- (a) is registered with and regulated by the Securities and Exchange Commission;
 - (b) provides SACHSE with a prospectus and other information as required by the PFIA and federal regulations;
 - (c) includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share; and
 - (d) is continuously rated no lower than AAAM or at an equivalent rating by one nationally recognized rating service.
2. SACHSE is not authorized by this section to invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund in an amount that exceeds 10 percent of the total assets of the mutual fund.

E. Investment Pools:

1. SACHSE may invest its funds and funds under its control through an eligible investment pool if each ENTITY's governing body by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by the PFIA.

2. To be eligible to receive funds from and invest funds on behalf of an entity under the PFIA, an investment pool must furnish to the Investment Officers or other authorized representative of the entity an offering circular or other similar disclosure instrument that contains at a minimum, the following information:
 - (a) the types of investments in which money is allowed to be invested;
 - (b) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;
 - (c) the maximum stated maturity date any investment security within the portfolio has;
 - (d) the objectives of the pool;
 - (e) the size of the pool;
 - (f) the names of the members of the advisory board of the pool and the dates their terms expire;
 - (g) the custodian bank that will safekeep the pool's assets;
 - (h) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;
 - (i) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;
 - (j) the name and address of the independent auditor of the pool;
 - (k) the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool; and
 - (l) the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.

3. To maintain eligibility to receive funds from and invest funds on behalf of an entity under the PFIA, at a minimum an investment pool must furnish to the Investment Officer or other authorized representative of the entity:

- (a) investment transaction confirmations; and
 - (b) a monthly report that contains, as a minimum, the following information:
 - (1) the types and percentage breakdown of securities in which the pool is invested;
 - (2) the current average dollar-weighted maturity, based on the stated maturity date, of the pool;
 - (3) the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;
 - (4) the book value versus the market value of the pool's portfolio, using amortized cost valuation;
 - (5) the size of the pool;
 - (6) the number of participants in the pool;
 - (7) the custodian bank that is safekeeping the assets in the pool;
 - (8) a listing of daily transaction activity of the entity participating in the pool;
 - (9) the yield and expense ratio of the pool;
 - (10) the portfolio managers of the pool; and
 - (11) any changes or addenda to the offering circular.
4. SACHSE, by contract, may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.
5. Investment Pool "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the Federal Securities and Exchange Commission.
6. A public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily and, to the extent reasonably possible, stabilize at a \$1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is

less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005.

7. An Investment pool must have an advisory board composed:
 - (a) Equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for pools created under Chapter 791 Texas State Code and managed by a state agency; or
 - (b) of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.
8. A public funds investment pool must be continuously rated no lower than AAA or AAAM or at an equivalent rating by one nationally recognized rating service.

X. Unauthorized Investments

The following are not authorized investments under this section:

- A. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
- B. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest; and
- C. Collateralized mortgage obligations.

Any Authorized & Suitable Investment that requires a minimum rating does not qualify during the period the investment does not have the minimum rating. SACHSE shall take all prudent measures that are consistent with this Policy to liquidate an investment that does not have the minimum rating. Additionally, SACHSE is not required to liquidate investments that were authorized at the time of purchase.

XI. Depository

In compliance with State legislation, a primary Depository shall be selected through SACHSE'S banking services procurement process, which shall include a formal request for application (RFA). In selecting a depository the Director of Finance shall conduct a review of prospective depository's credit characteristics and financial history.

No public deposit shall be made except in a qualified public depository as established by State laws.

XII. Collateralization

Collateralization will be required on two types of investments: financial institution deposits (in amounts exceeding F.D.I.C. insurance coverage) and repurchase agreements. With the exception of Letters of Credit issued for 100% of amount, the minimum collateralization level will be 102% of market value of principal and accrued interest, less F.D.I.C. insurance when applicable.

SACHSE chooses to limit collateral (including letters of credit) to the obligations of, or guaranteed by, governmental entities as outlined in Section IX.A.

All financial institution deposits shall be insured or collateralized in compliance with applicable State law. SACHSE reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards depository deposits. Financial institutions serving as depositories will be required to sign a depository agreement with SACHSE. The collateralized deposit portion of the agreement shall define SACHSE's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- The agreement must be in writing;
- The agreement has to be executed by the Depository and SACHSE contemporaneously with the acquisition of the asset;
- The agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to SACHSE; and
- The agreement must be part of the Depository's "official record" continuously since its execution.

Securities pledged as collateral shall be held by an independent third party with whom SACHSE has a custodial agreement. The agreement is to specify the acceptable investment securities as collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities at default, and the method of valuation of securities.

XIII. Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by SACHSE shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian designated by the Investment Officers and evidenced by safekeeping receipts.

XIV. Electronic Fund Transfer

SACHSE may use electronic means to transfer or invest all funds collected or controlled by the local government.

XV. Diversification

SACHSE will diversify its investments by types, maturity dates, and/or institutions, as appropriate.

XVI. Maximum Maturities and Weighted Average Maturity

To the extent possible, SACHSE will attempt to match its anticipated cash flow requirements with maturing investments. SACHSE will not directly invest in instruments maturing more than 2 years from the date of purchase, with the maximum weighted average maturity for the total portfolio to not exceed twelve months. However, SACHSE may collateralize its repurchase agreements using longer-dated investments not to exceed 5 years to maturity.

Reserve funds may be invested in instruments up to and including 5 years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

XVII. Internal Control

The Director of Finance shall establish an annual process of independent review by an external auditor in conjunction with the annual audit. This review will provide internal control by assuring compliance with policies and procedures.

XVIII. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. "Weighted Average Yield to Maturity" shall be the standard for calculating portfolio rate of return.

XIX. Reporting

- A. The Investment Officers shall prepare and submit quarterly a written report of investment transactions for all funds covered by this Investment Policy for the preceding reporting period.
- B. The report must include the following:
 - 1. describe in detail the investment position of SACHSE on the date of the report;

2. be prepared jointly by all Investment Officers of SACHSE;
 3. be signed by each Investment Officer of SACHSE;
 4. contain a summary statement of each pooled fund group that states the:
 - (a) beginning market value for the reporting period;
 - (b) ending market value for the period; and
 - (c) fully accrued interest for the period.
 5. state the book value and market value of each separately invested asset at the beginning and end of the reporting period by type of asset and fund type invested;
 6. state the maturity date of each separately invested asset that has a maturity date;
 7. state the account or fund or pooled group fund in the local government for which each individual investment was acquired; and
 8. state the compliance of the Investment Portfolio of the local government as it relates to:
 - (a) the Investment Strategy expressed in SACHSE's Investment Policy; and
 - (b) relevant provisions of the PFIA.
- C. The report shall be presented not less than quarterly to each ENTITY's governing body within a reasonable time after the end of the period.
- D. The market values and credit ratings presented in all portfolio reports shall be accurate and reliable estimates of the investment's true value and risk. Market value and credit rating sources may include, but are not limited to, rating agency reports, newspapers, financial websites, custodian reports, broker/dealer reports, and investment advisor research.

XX. Investment Policy Adoption

SACHSE's Investment Policy shall be adopted by resolution of each ENTITY's governing body. This Policy shall be reviewed annually and any modifications made thereto must be approved by each ENTITY's governing body. Each ENTITY's governing body shall adopt a written instrument attesting to each annual review.

XXI. Auditor

As part of the annual audit, the independent auditor must formally review the quarterly investment reports to comply with the PFIA and report the results of that review to each ENTITY's governing body.

XXII. Training

In order to ensure qualified and capable investment management, the Investment Officers, their designated subordinates, Treasurer, and Chief Financial Officer of SACHSE shall attend training that includes education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and PFIA compliance. SACHSE approves the Government Finance Officers' Association, Government Finance Officers' Association of Texas, Government Treasurers' Organization of Texas, North Central Texas Council of Governments, Texas City Managers Association, Texas Municipal League, and University of North Texas as independent sources of training.

Each individual shall attend a training session containing at least 10 hours of instruction within twelve months of assuming investment-related responsibilities; and shall then receive not less than 10 hours of investment-related instruction within each subsequent two-year period aligned with SACHSE's fiscal year end.

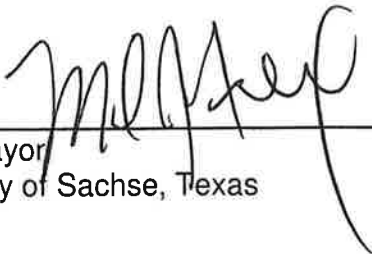
XXIII. Donated Investments

This Policy does not apply to an investment donated to SACHSE for a particular purpose or under terms of use specified by the donor.

XXIV. Investment Policy Certification


The qualified representative of any business organization (including but not limited to: investment pool, financial institution, broker/dealer) offering to engage in an investment transaction must execute a written instrument substantially to the effect that the business organization has received and reviewed the Investment Policy and that the business organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the organization and SACHSE.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas this 4th day of November, 2013.



Mayor
City of Sachse, Texas

ATTEST:



City Secretary
City of Sachse, Texas

Acknowledged by the Sachse Economic Development Corporation, Texas this _____
day of _____, 2013.

President
Sachse Economic Development Corporation

ATTEST:

Executive Director
Sachse Economic Development Corporation

Acknowledged by the President George Bush Turnpike Reinvestment Zone Tax
Increment Fund, Texas this _____ day of _____, 2013.

President President George Bush Turnpike
Reinvestment Zone Tax Increment Fund

ATTEST:

Board Secretary
President George Bush Turnpike Reinvestment Zone Tax Increment Fund

Appendix A
Authorized Broker/Dealer Firms

Cantor Fitzgerald
Coastal Securities
Raymond James
Rice Financial
UBS

City of Sachse
Sachse Economic Development Corporation
President George Bush Turnpike Reinvestment Zone Tax Increment Fund

Investment Policy 2013
Explanation of Changes

Section VII. Authorized Broker/Dealers

The list of authorized broker/dealers shall be included in the Investment Policy as Exhibit A and approval of the list will be included in the approval of the Investment Policy.

Language requiring organizations offering to engage in investment transactions to review the City's Investment Policy has been moved to Section XXIV—Investment Policy Certification.

Section IX. B. 2. Authorized & Suitable Investments Finance Institution Deposits

Add "and."

Section XVI. Maximum Maturities and Weighted Average Maturity

Limit direct investments to 2 years from date of purchase and average weighted average maturity for the total portfolio to twelve months.

Section XXIV. Investment Policy Certification

Language moved from section VII to comply with PFIA.

RESOLUTION NO. _____

A RESOLUTION OF THE PRESIDENT GEORGE BUSH TURNPIKE REINVESTMENT ZONE TAX INCREMENT BOARD, ADOPTING THE CITY OF SACHSE INVESTMENT POLICY; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in accordance with the Public Funds Investment Act, Chapter 2256, Texas Government Code, the City Council of the City of Sachse, Texas, by resolution adopted an Investment Policy; and

WHEREAS, Section 2256.005, Texas Government Code, requires the City Council of the City of Sachse to review the investment policies and investment strategies not less than annually and to adopt a resolution or order stating the review has been completed and record any changes made to either the investment policies or investment strategies; and

WHEREAS, the President George Bush Turnpike Reinvestment Zone Tax Increment Board desires to adopt and follow the City of Sachse’s Investment Policy as may be updated, and amended, from time to time;

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT GEORGE BUSH TURNPIKE REINVESTMENT ZONE TAX INCREMENT BOARD:

Section 1. That the President George Bush Turnpike Reinvestment Zone Tax Increment Board hereby adopts, and shall follow, the City of Sachse Investment Policy as may be amended and updated from time to time.

Section 2. That all provisions of the resolutions of the President George Bush Turnpike Reinvestment Zone Tax Increment Board, in conflict with the provisions of this Resolution be, and the same are hereby, repealed, and all other provisions of the resolutions of the President George Bush Turnpike Reinvestment Zone Tax Increment Board not in conflict with the provisions of this Resolution shall remain in full force and effect.

Section 3. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this Resolution, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said Resolution, which shall remain in full force and effect.

Section 4. That this Resolution shall take effect immediately from and after its passage, and it is, accordingly, so resolved.

DULY RESOLVED AND ADOPTED by the President George Bush Turnpike Reinvestment Zone Tax Increment Board, this _____ day of _____, 201__.

PRESIDENT GEORGE BUSH TURNPIKE
REINVESTMENT ZONE TAX INCREMENT
BOARD

APPROVED:

Bobby Tillman, President

APPROVED AS TO FORM:

Peter G. Smith, General Counsel
(PGS:12-5-13:TM 63877)



Legislation Details (With Text)

File #:	13-1988	Version:	1	Name:	TIF Board Election of Vice Chairperson
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	1/6/2014	In control:		In control:	Tax Increment Financing (TIF) Board
On agenda:	1/14/2014	Final action:		Final action:	
Title:	Consider the Election of a Vice Chairperson of the Tax Increment Financing (TIF) Board.				
	Executive Summary The Tax Increment Financing (TIF) Board will consider and conduct a vote for the office of Vice Chairperson.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:					

Date	Ver.	Action By	Action	Result
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Title

Consider the Election of a Vice Chairperson of the Tax Increment Financing (TIF) Board.

Executive Summary

The Tax Increment Financing (TIF) Board will consider and conduct a vote for the office of Vice Chairperson.

Background

The Tax Increment Financing (TIF) Board will conduct a vote for the office of Vice Chairperson.

Policy Considerations

The City Council shall designate a member of the board to serve as chairperson of the board of directors, and the board shall elect from its members a vice chairperson and other officers as it sees fit.

1. The Board members present shall make nominations.
2. The Board members present shall vote for nominated person of choice.
3. Elected official shall take appropriate seat, if applicable.

Budgetary Considerations

None.

Staff Recommendations

None.