

TO: Board Members

THROUGH: Kevin Patteson, Executive Administrator
Amanda Landry, CPA, Chief Financial Officer

FROM: Byron V. Johnson, Director, Debt and Portfolio Management

DATE: January 9, 2015

SUBJECT: Quarterly Investment Report for the period June 1, 2014 through August 31, 2014

BACKGROUND

This report and its attachments have been prepared and are submitted to the Board in accordance with the Public Funds Investment Act (PFIA). The Board’s investment portfolio is in compliance with its Investment Policy and relevant provisions of the PFIA.

MARKET OBSERVATIONS

The quarter reflected solid overall economic growth. Annualized Gross Domestic Product (GDP) growth for the second calendar quarter reached a solid 4% for only the third time in the last eight years. The number exceeded forecasts of a 3% gain, and was also subsequently revised to 4.2% on upward revisions to business fixed investment and final sales. Additionally, first quarter GDP was revised up from a 2.9% decline to a 2.1% drop, resulting in better than a 2.0% expansion of the U.S. economy for the first half of the year. Embedded in the second quarter report was the core Personal Consumption Expenditures (PCE) index, a key inflationary indicator for the Fed, which rose from 1.2% to 2.0% during the quarter. The PCE has not been at 2.0% or above since the first quarter of 2012. Though the increase in this inflationary measure could be seen as an argument for the Fed to continue its quantitative easing (QE) policy to maintain low interest rates, The FOMC announced in its July meeting that the Fed’s monthly purchase of Treasuries and mortgage-backed securities under “QE3” will be tapered by another \$10 billion to \$25 billion. Fed officials are expected to reduce scheduled purchases at both the September 17th and October 29th FOMC meetings, thereby concluding the program. Most economists predict that Fed tightening, its raising of short-term interest rates, will begin roughly a year from now.

Despite the upside surprise in GDP, the Bureau of Labor Statistics (BLS) reported that nonfarm payroll grew by just 142,000 jobs in August, well short of expectations for an additional 230,000. Revisions to the two previous months pulled June and July job growth down by a combined 28,000. The impact has reduced the three-month average for nonfarm payrolls growth from 267,000 in June to a less robust 207,000 in August. Since much of the current upbeat economic outlook has been based on positive momentum in the labor market, the unexpected deceleration has some analysts

Our Mission : **Board Members**

To provide leadership, information, education, and support for planning, financial assistance, and outreach for the conservation and responsible development of water for Texas : Carlos Rubinstein, Chairman | Bech Bruun, Member | Kathleen Jackson, Member
: Kevin Patteson, Executive Administrator

rethinking the timing and necessity of Fed tightening. The unemployment rate, based off the separate household survey, ticked down from 6.2% to 6.1%, matching a six-year low. Rather than due to job growth, the decrease in unemployment was a result of a corresponding drop in the labor-force participation rate from 62.9% to 62.8%, tying a 36-year low, as more people stopped looking for work. This slack in the labor market is a likely contributor to the lack of wage growth, as personal income rose just 0.2% in July, less than the 0.3% consensus estimate and the smallest gain of the year.

In contrast to the employment report, the Institute for Supply Management (ISM) Manufacturing Index for August rose to a bullish 59.0 (any reading above 50.0 signifies expansion). This was the second highest level since 2004, and exceeded the median forecast by two full points. The new orders index within the report jumped to 66.7, the highest since 2004. ISM employment nudged lower, but is still near four-year highs. ISM Non-manufacturing (service sector) for August rose to 59.6, the highest level in nine years, as the key business activity index reached its highest point since 2004. Additional strength was evident in the auto sector, as U.S. vehicle sales for August rose by 6.4% to an annualized 17.45 million unit pace, the highest in 8 ½ years. The Conference Board's July measure of consumer confidence reached its highest level since October 2007, reflective of an improving labor market. Also, U.S. factory orders jumped 10.5% in July, the biggest single month increase in the history of the series (going back to 1992).

The chart below provides a historical perspective of how the TWDB's weighted average yield has compared to the benchmark. The TWDB's investment portfolio is highly sensitive to the level of short-term interest rates. The pressure continues on the TWDB's composite weighted average yields.

Qtr End	BENCHMARK Qtrly Avg 6mo Tbill	TWDB Composite Weighted Avg Yield	Variance
8/31/2012	0.14%	0.32%	0.18%
11/30/2012	0.14%	0.33%	0.19%
2/28/2013	0.14%	0.29%	0.15%
5/31/2013	0.12%	0.27%	0.15%
8/31/2013	0.08%	0.24%	0.16%
11/30/2013	0.05%	0.33%	0.28%
2/28/2014	0.01%	0.58%	0.57%
5/31/2014	0.06%	0.40%	0.34%
8/31/2014	0.06%	0.74%	0.68%

The TWDB had \$2,911,271,540 in the investment portfolio as of August 31, 2014. Of this amount the SWIFT comprised \$2,027,675,492. The composite weighted average yield of 0.74% exceeded the quarterly average 6-month Treasury-Bill benchmark of 0.056% by 0.68%.

Attachment 2 is the investment scorecard which provides a month-by-month view of the portfolio with a historical comparison to the prior year. This trending data (year-over-year and month-over-month) is monitored to evaluate and modify investment strategy as market conditions change. In addition, this attachment shows all trading activity that occurred. Individual monthly investment sheets are included which detail beginning and ending book and market value.

The economic data used to produce the commentary was provided by First Southwest. Staff will address any questions or comments from members of the Board.

This Quarterly Investment Report complies with the TWDB's Investment Policy and with the requirements of Chapter 2256 Section 2256.023 of the Government Code (Internal Management Reports)

Amanda Landry
Chief Financial Officer/Investment Officer

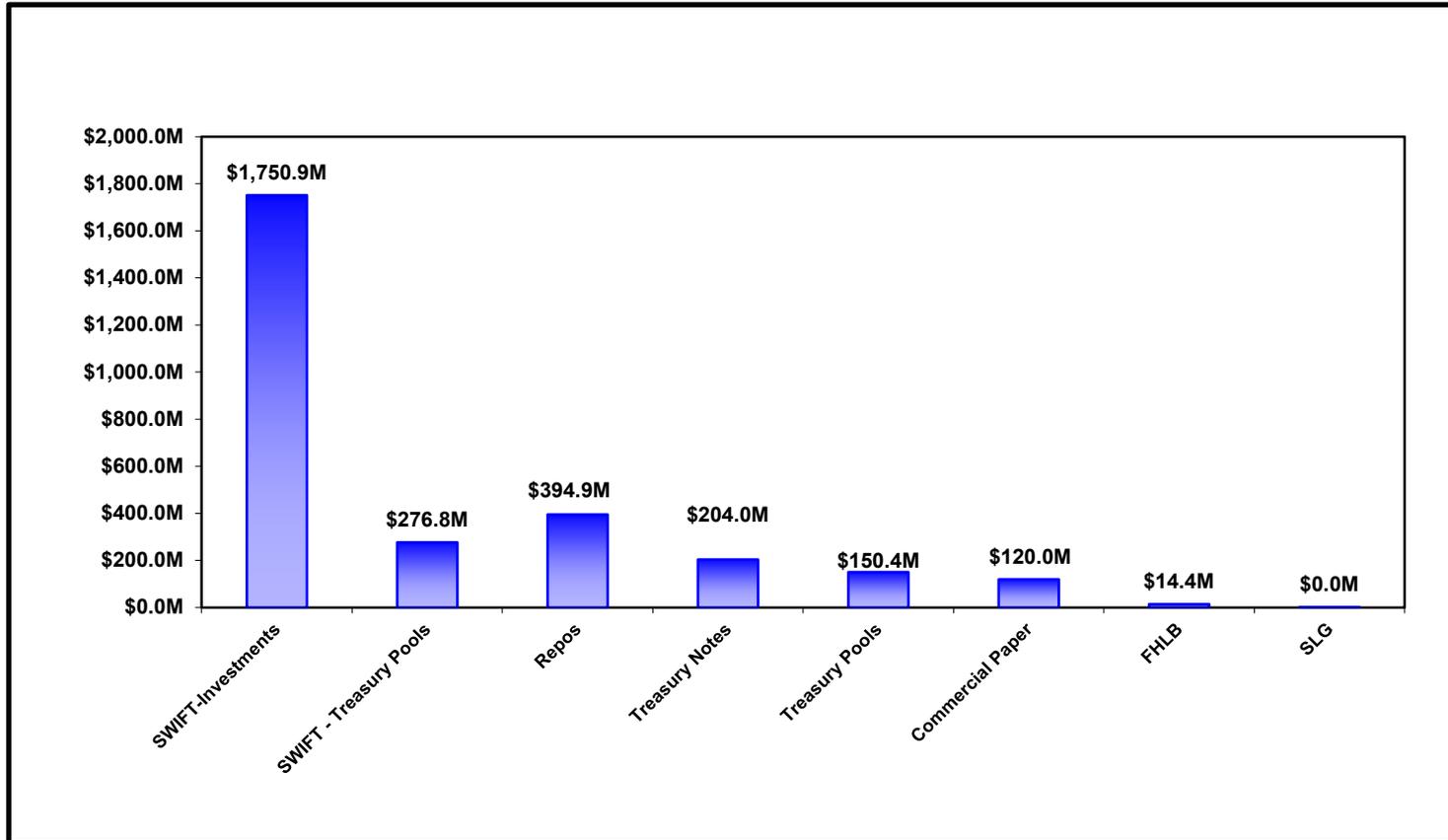
Attachment 1 – PowerPoint Presentation
Attachment 2 – Investment Scorecard/Detail
Attachment 3 – Investment Definitions

Texas Water Development Board

The logo graphic consists of three stylized, overlapping curved lines that resemble waves or a fan, positioned to the right of the text.

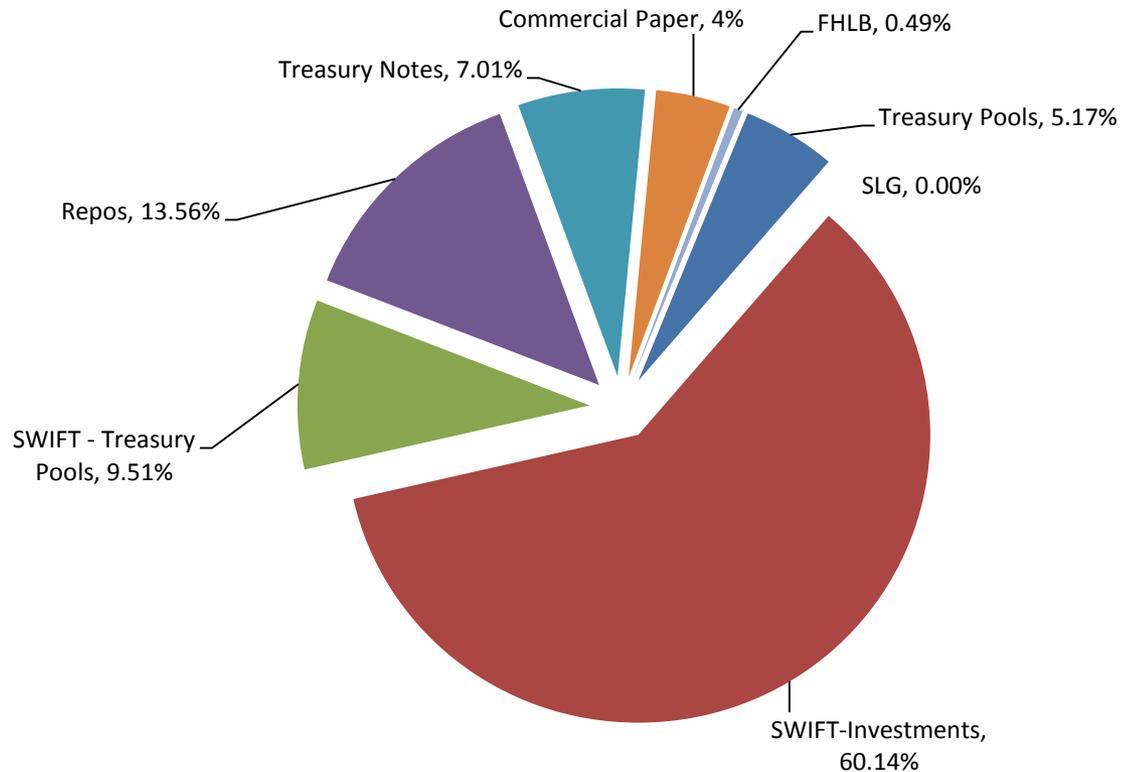
4th Quarter Investment Report
Quarter Ending August 2014

Investment Holdings \$2,911,271,540



Investment Portfolio Composition

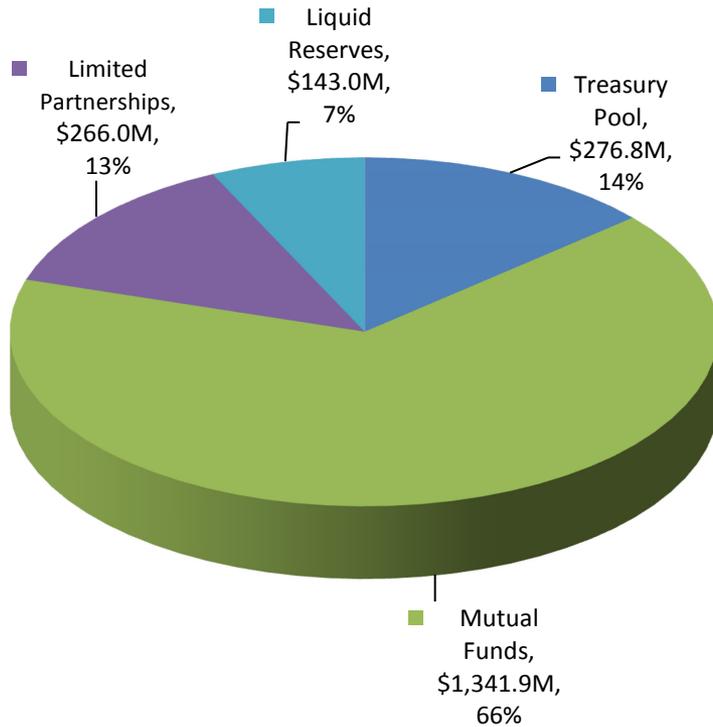
Total = \$2,911,271,540



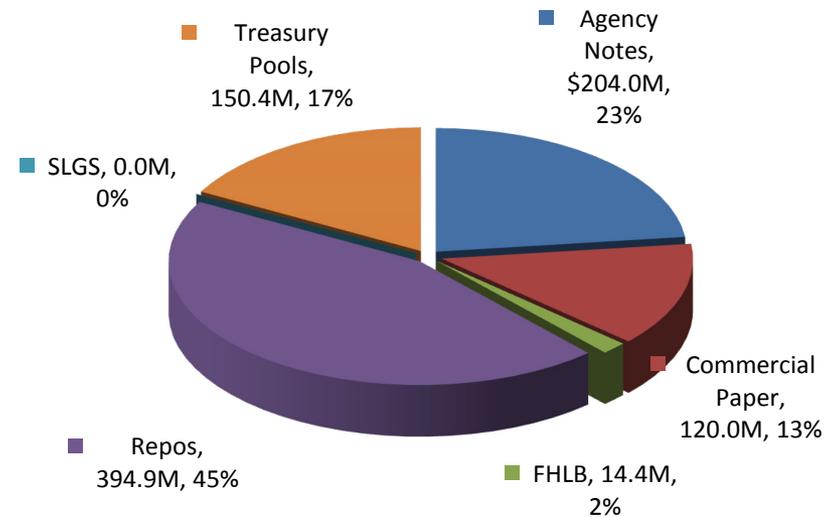
**Portfolio Size for
SWIFT Only:
\$2,027,675,492**

**Portfolio Size for All
Other Funds:
\$883,596,048**

**State Water Implementation
Fund for Texas (SWIFT)**

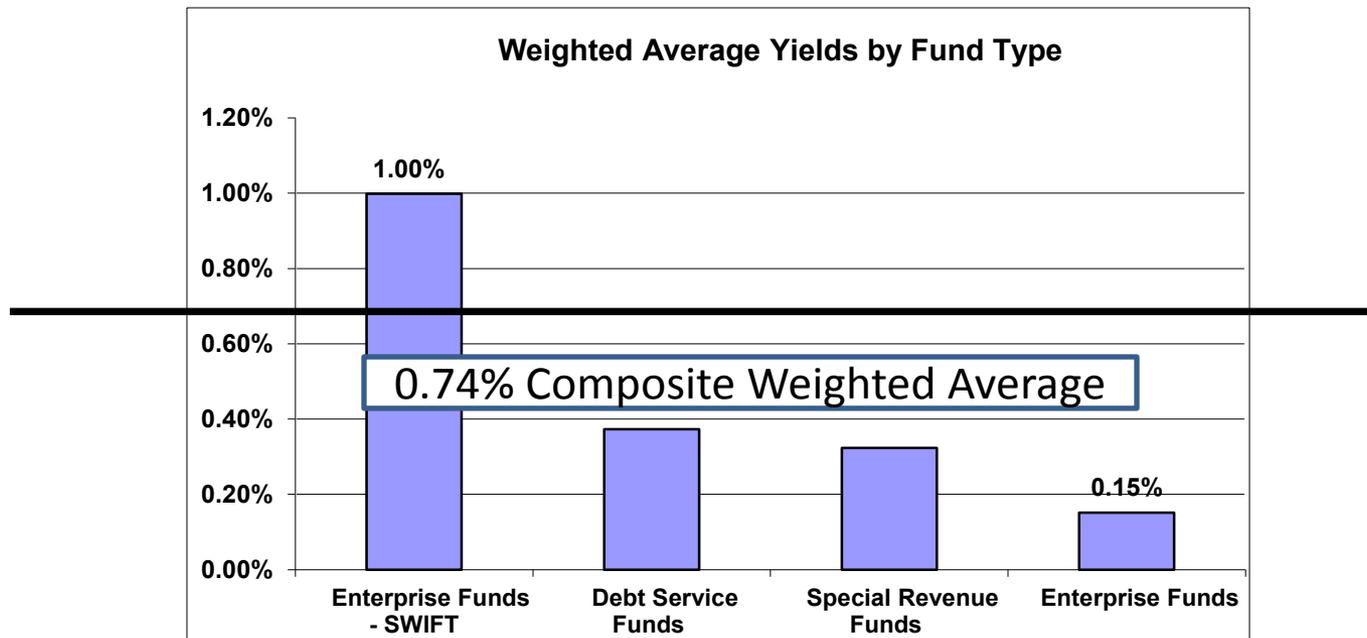


All Other Program Funds

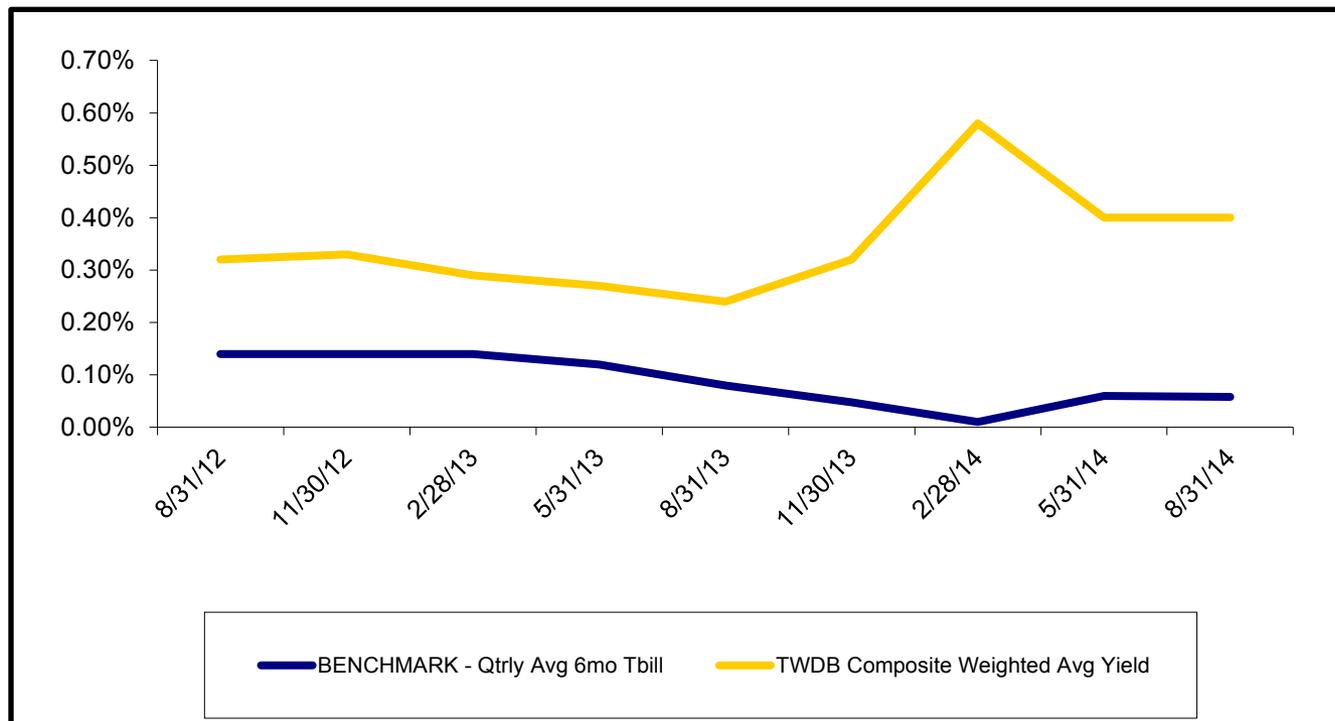


Average Investment Yields

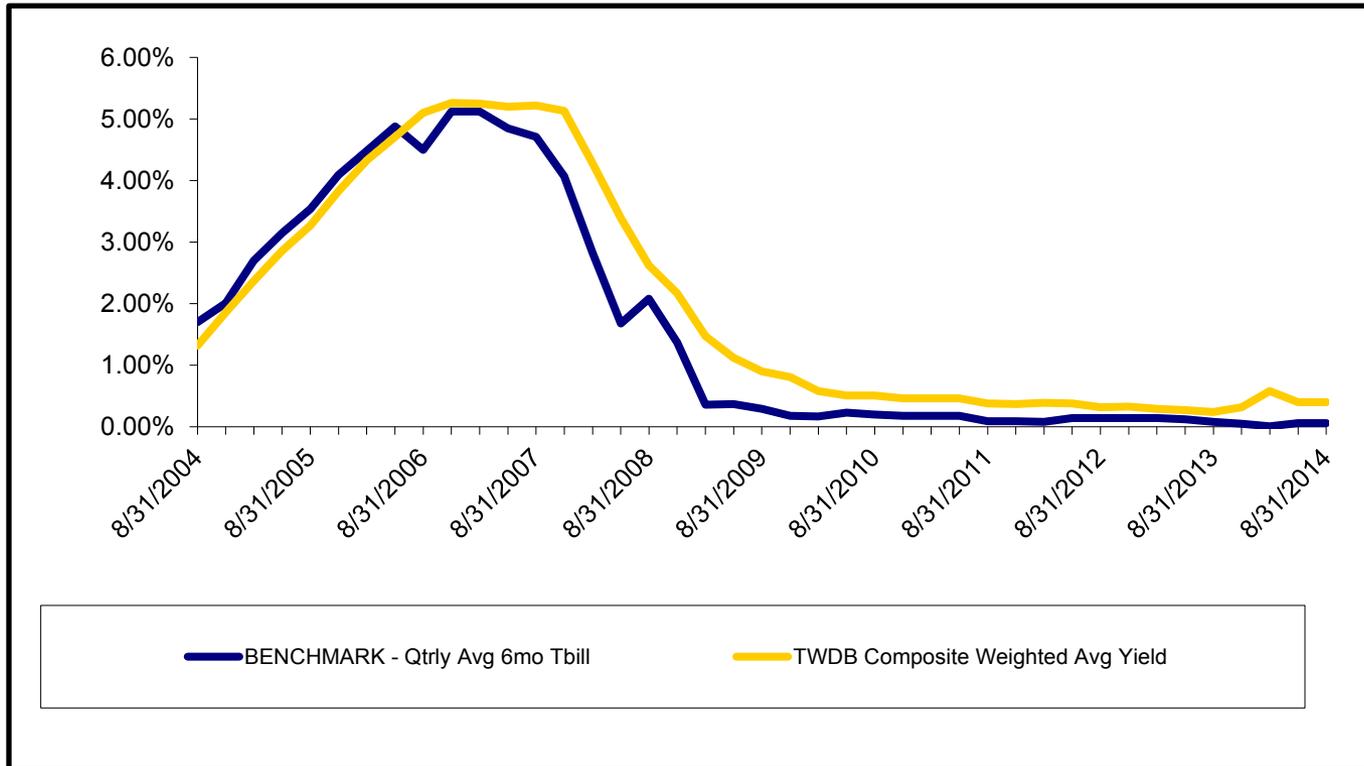
Enterprise Funds –SWIFT	1.00%
Debt Service Funds	0.37%
Special Revenue Funds	0.32%
Enterprise Funds	0.15%
Composite Weighted Average Yield	0.74%
Benchmark - Quarterly Average T-Bill	0.056%



Benchmark Yield vs. Composite Weighted Average Yield (2yrs)



Benchmark Yield vs. Composite Weighted Average Yield



Debt & Portfolio Management

FY2014

Monthly Scorecard

Investment Holdings

Debt Service Funds

	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Securities	-	-	-	-	-	-	-	-	-	-	-	-
Treasury Pool	10,677.49	10,680.25	10,683.83	10,683.83	62.75	4,471.22	4,471.41	4,473.22	4,475.02	4,476.49	-	4,975.45
Total	10,677	10,680	10,684	10,684	63	4,471	4,471	4,473	4,475	4,476	-	4,975
<i>Compared to FY 2013</i>	<i>5,946</i>	<i>5,948</i>	<i>5,951</i>	<i>16,930</i>	<i>-</i>	<i>826</i>	<i>1,137</i>	<i>1,137</i>	<i>1,138</i>	<i>5,470,139</i>	<i>229</i>	<i>10,677</i>

Special Revenue Funds

Securities	76,923,713	87,899,093	77,448,424	14,319,341	14,819,390	15,936,797	15,578,794	11,878,585	11,878,941	14,830,608	14,557,764	14,362,496
Treasury Pool	8,199,918	4,013,000	14,318,118	82,143,645	62,223,105	74,479,287	81,654,643	86,497,487	92,550,644	88,478,866	51,640,795	59,682,444
Total	85,123,631	91,912,093	91,766,542	96,462,986	77,042,496	90,416,084	97,233,437	98,376,072	104,429,585	103,309,474	66,198,559	74,044,940
<i>Compared to FY 2013</i>	<i>18,092,320</i>	<i>136,981,174</i>	<i>104,583,317</i>	<i>104,631,735</i>	<i>85,693,819</i>	<i>139,253,760</i>	<i>145,592,447</i>	<i>145,445,228</i>	<i>101,219,383</i>	<i>101,475,518</i>	<i>69,006,962</i>	<i>75,649,585</i>

Enterprise Funds

Securities	-	-	-	48,000	250,048,000	502,267,612	1,365,630,594	1,637,705,404	2,009,938,021	2,254,399,286	2,328,399,118	2,469,757,030
Treasury Pool	801,496,668	757,353,782	2,789,342,687	2,770,867,906	2,471,676,583	2,241,899,996	1,435,535,119	1,191,803,597	866,841,773	609,043,211	454,848,746	367,464,594
Total	801,496,668	757,353,782	2,789,342,687	2,770,915,906	2,721,724,583	2,744,167,609	2,801,165,713	2,829,509,001	2,876,779,794	2,863,442,497	2,783,247,864	2,837,221,623
<i>Compared to FY 2013</i>	<i>642,063,936</i>	<i>929,084,983</i>	<i>768,015,628</i>	<i>800,894,358</i>	<i>784,576,377</i>	<i>844,610,560</i>	<i>854,291,577</i>	<i>820,746,058</i>	<i>821,948,225</i>	<i>823,117,598</i>	<i>678,454,104</i>	<i>806,849,011</i>

Grand Total Securities	76,923,713	87,899,093	77,448,424	14,367,341	264,867,390	518,204,409	1,381,209,388	1,649,583,989	2,021,816,962	2,269,229,894	2,342,956,881	2,484,119,526
Grand Total Treasury Pool	809,707,263	761,377,462	2,803,671,489	2,853,011,551	2,533,899,688	2,316,379,283	1,517,194,233	1,278,305,557	959,396,891	697,526,554	506,489,541	427,152,013
Grand Total	886,630,976	849,276,555	2,881,119,913	2,867,378,892	2,798,767,078	2,834,583,692	2,898,403,622	2,927,889,546	2,981,213,854	2,966,756,448	2,849,446,423	2,911,271,539

<i>Compared to FY 2013 Grand Total</i>	<i>660,162,202</i>	<i>1,066,072,105</i>	<i>872,604,896</i>	<i>905,543,023</i>	<i>870,270,196</i>	<i>983,865,146</i>	<i>999,885,161</i>	<i>966,192,423</i>	<i>923,168,746</i>	<i>930,063,255</i>	<i>747,461,295</i>	<i>882,509,272</i>
--	--------------------	----------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------

Weighted Average Yields

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Debt Service Funds	0.40%	0.43%	0.41%	0.37%
Special Revenue Funds	0.37%	0.38%	0.36%	0.32%
Enterprise Funds	0.32%	0.37%	0.22%	0.15%
Enterprise Funds - SWIFT			0.49%	1.00%
Composite Weighted Avg.	0.33%	0.37%	0.40%	0.74%
Benchmark 6 Mo. T-Bill	0.05%	0.01%	0.06%	0.06%
Variance	0.28%	0.36%	0.34%	0.68%

TWDB SUMMARY STATEMENT OF INVESTMENT HOLDINGS
For the Month of June, 2014

Description	Par	Total Cost	Purchase Date	Maturity Date	Fund	Beginning Book Value 06/01/14	Ending Book Value 6/30/2014	Beginning Market Value 06/01/14	Ending Market Value 06/30/14
<u>Debt Service Funds</u>									
Debt Service Fund Totals									
Securities						\$ -	\$ -	\$ -	\$ -
Treasury Cash (03/0045)						4,475.02	4,476.49	4,475.02	4,476.49
Total Cash & Securities						\$ 4,475.02	\$ 4,476.49	\$ 4,475.02	\$ 4,476.49

Investments in these funds will be used primarily to match cash flow needs for EDAP and State Participation debt service payments. This objective will be accomplished by purchasing securities backed by the full faith and credit of the U.S. Government and Government Agencies through a laddered structure or the use of an Inter-Agency investment pool. The maturities in this fund will be 360 days or less, unless specific approval is received by the Board.

Description	Par	Total Cost	Purchase Date	Maturity Date	Fund	Beginning Book Value 06/01/14	Ending Book Value 6/30/2014	Beginning Market Value 06/01/14	Ending Market Value 06/30/14
<u>Special Revenue Funds</u>									
Fed Home Loan Bank	\$6,000,000.00	\$5,999,632.50	4/17/2014	06/05/14	WAF#4802	\$ 5,999,970.00	*	\$ 6,000,000.00	*
Fed Home Loan Bank	\$5,058,200.00	\$5,057,764.43	4/17/2014	06/18/14	WAF#4802	\$ 5,058,080.57	*	\$ 5,058,149.42	*
Fed Home Loan Bank	\$820,800.00	\$820,729.32	4/17/2014	06/18/14	WAF#4808	\$ 820,780.62	*	\$ 820,791.79	*
Fed Home Loan Bank	\$5,000,000.00	\$4,999,701.39	06/05/14	07/18/14	WAF#4802	*	\$ 4,999,881.94	*	\$ 4,999,950.00
Fed Home Loan Bank	\$5,103,000.00	\$5,102,472.69	06/05/14	08/06/14	WAF#4802	*	\$ 5,102,693.82	*	\$ 5,102,846.91
Fed Home Loan Bank	\$3,907,200.00	\$3,906,755.56	06/18/14	08/20/14	WAF#4802	*	\$ 3,906,847.27	*	\$ 3,907,043.71
Fed Home Loan Bank	\$820,725.90	\$820,706.63	06/18/14	08/20/14	WAF#4808	*	\$ 820,725.90	*	\$ 820,767.17
Special Revenue Fund Totals									
Securities						\$ 11,878,831.19	\$ 14,830,148.93	\$ 11,878,941.21	\$ 14,830,607.79
Treasury Cash (02/0045)						92,550,643.72	88,478,866.09	92,550,643.72	88,478,866.09
Total Cash & Securities						\$ 104,429,474.91	\$ 103,309,015.02	\$ 104,429,584.93	\$ 103,309,473.88

Investments in these funds will be used primarily to match cash flow needs for financial programs. This objective will be accomplished by purchasing securities backed by the full faith and credit of the U.S. Government, and Government Agencies through the use of a laddered structure or the use of an Inter-Agency Investment Pool. The maturities in this fund will be 360 days or less, unless specific approval is received by the Board.

TWDB SUMMARY STATEMENT OF INVESTMENT HOLDINGS
For the Month of June, 2014

Description	Par	Total Cost	Period End Date	Fund	Beginning Market Value 06/01/14	Ending Market Value 06/30/14
<u>Enterprise Funds = SWIFT</u>						
Mutual Fund	\$19,655,590.22	\$201,150,863.76	05/31/14	361	\$ 203,238,802.85	*
Mutual Fund	\$16,837,241.82	\$200,678,599.15	05/31/14	361	\$ 200,363,177.71	*
Mutual Fund	\$8,009,697.80	\$99,674,477.23	05/31/14	361	\$ 103,004,713.64	*
Mutual Fund	\$9,418,863.44	\$100,192,011.28	05/31/14	361	\$ 101,158,593.32	*
Mutual Fund	\$8,947,014.49	\$100,252,138.70	05/31/14	361	\$ 101,101,263.70	*
Mutual Fund	\$995,046.96	\$100,021,006.06	05/31/14	361	\$ 101,345,533.18	*
Limited Partnership	\$50,000,000.00	\$50,000,000.00	05/31/14	361	\$ 51,500,100.00	*
Limited Partnership	\$99,433,457.13	\$100,000,000.00	05/31/14	361	\$ 102,473,038.48	*
Liquid Reserves	\$302,330,002.75	\$302,330,002.75	05/31/14	361	\$ 302,330,002.75	*
Mutual Fund	\$22,118,098.82	\$226,638,768.75	06/30/14	361	*	\$ 229,364,684.73
Mutual Fund	\$18,968,319.43	\$226,038,422.71	06/30/14	361	*	\$ 225,723,001.26
Mutual Fund	\$9,958,255.86	\$124,674,477.23	06/30/14	361	*	\$ 127,565,257.59
Mutual Fund	\$11,775,174.50	\$125,522,969.74	06/30/14	361	*	\$ 126,818,629.31
Mutual Fund	\$11,174,621.88	\$125,402,091.36	06/30/14	361	*	\$ 126,384,973.49
Mutual Fund	\$1,240,653.90	\$125,036,160.85	06/30/14	361	*	\$ 126,968,519.61
Limited Partnership	\$50,000,000.00	\$50,000,000.00	06/30/14	361	*	\$ 52,051,650.00
Limited Partnership	\$50,000,000.00	\$50,000,000.00	06/30/14	361	*	\$ 50,296,500.00
Limited Partnership	\$99,433,457.13	\$100,000,000.00	06/30/14	361	*	\$ 103,987,410.03
Limited Partnership	\$42,123,520.77	\$51,513,419.19	06/30/14	361	*	\$ 52,796,525.73
Liquid Reserves	\$301,170,327.22	\$301,170,327.22	06/30/14	361	*	\$ 301,170,327.22

SWIFT Totals**Securities**

Treasury/Trust Cash (05/0045/0361)

Total Cash & Securities

\$ -	\$ -	\$ 1,266,515,225.63	\$ 1,523,127,478.97
751,093,502.33	501,413,937.21	751,093,502.33	501,413,937.21
\$ 751,093,502.33	\$ 501,413,937.21	\$ 2,017,608,727.96	\$ 2,024,541,416.18

Description	Par	Total Cost	Purchase Date	Maturity Date	Fund	Beginning Book Value 06/01/14	Ending Book Value 6/30/2014	Beginning Market Value 06/01/14	Ending Market Value 06/30/14
-------------	-----	------------	------------------	------------------	------	-------------------------------------	-----------------------------------	---------------------------------------	------------------------------------

Enterprise Funds = SRF & Dfund

Agency Notes	\$6,995,462.00	\$6,995,462.00	1/2/2014	01/21/15	DW-951	\$ 6,995,462.00	*	\$ 6,996,231.50	*
Agency Notes	\$12,287,554.00	\$12,287,554.00	1/2/2014	01/21/15	CW-651	\$ 12,287,554.00	*	\$ 12,288,905.63	*
Commercial Paper	\$6,995,462.00	\$6,984,910.51	12/10/2013	06/09/14	DW-951	\$ 6,994,995.64	*	\$ 6,994,995.64	*
Commercial Paper	\$8,744,327.50	\$8,735,835.79	4/16/2014	10/17/14	DW-951	\$ 8,737,958.72	*	\$ 8,737,958.72	*

TWDB SUMMARY STATEMENT OF INVESTMENT HOLDINGS
For the Month of June, 2014

Commercial Paper	\$8,744,327.50	\$8,734,548.43	3/6/2014	09/05/14	DW-951	\$	8,739,197.50	*	\$	8,739,197.50	*
Commercial Paper	\$8,744,327.50	\$8,741,157.68	4/8/2014	07/07/14	DW-951	\$	8,743,059.57	*	\$	8,743,059.57	*
Commercial Paper	\$8,744,327.50	\$8,743,773.69	5/2/2014	06/09/14	DW-951	\$	8,744,210.91	*	\$	8,744,210.91	*
Commercial Paper	\$12,287,554.00	\$12,269,020.27	12/10/2013	06/09/14	CW-651	\$	12,286,734.83	*	\$	12,286,734.83	*
Commercial Paper	\$15,359,442.50	\$15,344,526.77	4/16/2014	10/17/14	CW-651	\$	15,348,255.71	*	\$	15,348,255.71	*
Commercial Paper	\$15,359,442.50	\$15,342,265.53	3/6/2014	09/05/14	CW-651	\$	15,350,431.63	*	\$	15,350,431.63	*
Commercial Paper	\$15,359,442.50	\$15,353,874.70	4/8/2014	07/07/14	CW-651	\$	15,357,215.38	*	\$	15,357,215.38	*
Commercial Paper	\$15,359,442.50	\$15,358,469.74	5/2/2014	06/09/14	CW-651	\$	15,359,237.71	*	\$	15,359,237.71	*
Repurchase Agreements	\$139,347,770.97	\$139,347,770.97	5/30/2014	06/02/14	DW-951	\$	139,347,770.97	*	\$	139,347,770.97	*
Repurchase Agreements	\$244,764,857.64	\$244,764,857.64	5/30/2014	06/02/14	CW-651	\$	244,764,857.64	*	\$	244,764,857.64	*
Treasury Notes	\$34,977,310.00	\$35,001,903.42	8/15/2013	11/30/14	DW-951	\$	34,986,793.06	*	\$	35,007,390.49	*
Treasury Notes	\$34,977,310.00	\$37,059,552.99	2/28/2014	08/15/15	DW-951	\$	36,696,234.79	*	\$	36,701,691.38	*
Treasury Notes	\$61,437,770.00	\$61,480,968.43	8/15/2013	11/30/14	CW-651	\$	61,454,427.02	*	\$	61,490,606.48	*
Treasury Notes	\$61,437,770.00	\$65,095,237.25	2/28/2014	08/15/15	CW-651	\$	64,457,067.54	*	\$	64,466,652.06	*
Agency Note	\$7,832,020.00	\$7,832,020.00	1/2/2014	01/21/15	DW-951	*	\$	7,832,021.66	*	\$	7,832,021.66
Agency Note	\$11,439,380.00	\$11,439,380.00	1/2/2014	01/21/15	CW-651	*	\$	11,439,374.38	*	\$	11,439,374.38
Commercial Paper	\$9,790,025.00	\$9,786,476.12	4/8/2014	07/07/14	DW-951	*	\$	9,789,790.48	*	\$	9,789,668.11
Commercial Paper	\$14,299,225.00	\$14,294,041.53	4/8/2014	07/07/14	CW-651	*	\$	14,298,872.41	*	\$	14,298,693.67
Commercial Paper	\$9,790,025.00	\$9,779,076.49	3/6/2014	09/05/14	DW-951	*	\$	9,786,078.43	*	\$	9,786,078.43
Commercial Paper	\$14,299,225.00	\$14,283,233.70	3/6/2014	09/05/14	CW-651	*	\$	14,293,450.63	*	\$	14,293,450.63
Commercial Paper	\$9,790,025.00	\$9,787,686.27	6/23/2014	09/17/14	DW-951	*	\$	9,787,905.91	*	\$	9,787,905.91
Commercial Paper	\$14,299,225.00	\$14,295,809.08	6/23/2014	09/17/14	CW-651	*	\$	14,296,119.81	*	\$	14,296,119.81
Commercial Paper	\$9,790,025.00	\$9,780,517.80	4/16/2014	10/17/14	DW-951	*	\$	9,784,446.76	*	\$	9,784,446.76
Commercial Paper	\$14,299,225.00	\$14,285,338.86	4/16/2014	10/17/14	CW-651	*	\$	14,291,067.42	*	\$	14,291,067.42
Commercial Paper	\$7,832,020.00	\$7,822,913.10	6/9/2014	12/08/14	DW-951	*	\$	7,824,015.59	*	\$	7,824,015.59
Commercial Paper	\$11,439,380.00	\$11,426,078.54	6/9/2014	12/08/14	CW-651	*	\$	11,427,680.79	*	\$	11,427,680.79
Repurchase Agreements	\$151,403,487.95	\$151,403,487.95	6/30/2014	07/01/14	DW-951	*	\$	151,403,520.04	*	\$	151,403,520.04
Repurchase Agreements	\$221,138,612.01	\$221,138,612.01	6/30/2014	07/01/14	CW-651	*	\$	221,138,503.37	*	\$	221,138,503.37
Treasury Notes	\$39,160,100.00	\$39,187,634.45	8/15/2013	11/30/14	DW-951	*	\$	39,168,975.33	*	\$	39,185,953.97
Treasury Notes	\$57,196,900.00	\$57,237,116.57	8/15/2013	11/30/14	CW-651	*	\$	57,209,822.99	*	\$	57,234,621.84
Treasury Notes	\$39,160,100.00	\$41,491,349.70	2/28/2014	08/15/15	DW-951	*	\$	40,953,377.68	*	\$	40,954,424.46
Treasury Notes	\$57,196,900.00	\$60,601,902.95	2/28/2014	08/15/15	CW-651	*	\$	59,816,103.65	*	\$	59,817,632.57

SRF & all other Self-Supporting Funds Totals

Securities for SRF

Treasury/Trust Cash (05=0040/0045)

Total Cash & Securities

\$	716,651,464.62	\$	704,541,127.33	\$	716,725,403.75	\$	704,585,179.40
	115,743,825.60		107,629,273.79		115,743,825.60		107,629,273.79
\$	832,395,290.22	\$	812,170,401.12	\$	832,469,229.35	\$	812,214,453.19

TWDB SUMMARY STATEMENT OF INVESTMENT HOLDINGS
For the Month of June, 2014

Description	Par	Total Cost	Purchase Date	Maturity Date	Fund	Beginning Book Value 06/01/14	Ending Book Value 6/30/2014	Beginning Market Value 06/01/14	Ending Market Value 06/30/14
<u>Enterprise Funds = TWRFA</u>									
Agency Notes	\$ 716,984.00	\$ 716,984.00	1/2/2014	1/21/2015	0750	\$ 716,984.00	*	\$ 717,062.87	*
Agency Notes	\$ 728,600.00	\$ 728,600.00	1/2/2014	1/21/2015	0750	*	\$ 728,603.96	*	\$ 728,603.96
Commercial Paper	\$ 716,984.00	\$ 715,902.55	12/10/2013	6/9/2014	0750	\$ 716,936.20	*	\$ 716,936.20	*
Commercial Paper	\$ 896,230.00	\$ 895,359.66	4/16/2014	10/17/2014	0750	\$ 895,577.25	*	\$ 895,577.25	*
Commercial Paper	\$ 896,230.00	\$ 895,227.72	3/6/2014	9/5/2014	0750	\$ 895,704.21	*	\$ 895,704.21	*
Commercial Paper	\$ 896,230.00	\$ 895,905.12	4/8/2014	7/7/2014	0750	\$ 896,100.05	*	\$ 896,100.05	*
Commercial Paper	\$ 896,230.00	\$ 896,173.24	5/2/2014	6/9/2014	0750	\$ 896,218.05	*	\$ 896,218.05	*
Commercial Paper	\$ 910,750.00	\$ 910,419.85	4/8/2014	7/7/2014	0750	*	\$ 910,732.94	*	\$ 910,721.56
Commercial Paper	\$ 910,750.00	\$ 909,731.48	3/6/2014	9/5/2014	0750	*	\$ 910,387.61	*	\$ 910,387.61
Commercial Paper	\$ 910,750.00	\$ 910,532.43	6/23/2014	9/17/2014	0750	*	\$ 910,557.62	*	\$ 910,557.62
Commercial Paper	\$ 910,750.00	\$ 909,865.56	4/16/2014	10/17/2014	0750	*	\$ 910,235.82	*	\$ 910,235.82
Commercial Paper	\$ 728,600.00	\$ 727,752.80	6/9/2014	12/8/2014	0750	*	\$ 727,859.16	*	\$ 727,859.16
Repurchase Agreements	\$ 14,282,133.51	\$ 14,282,133.51	5/30/2014	6/2/2014	0750	\$ 14,282,133.51	*	\$ 14,282,133.51	*
Repurchase Agreements	\$ 14,084,818.64	\$ 14,084,818.64	6/30/2014	7/1/2014	0750	*	\$ 14,084,895.20	*	\$ 14,084,895.20
SLG	\$ 22,000.00	\$ 22,000.00	10/28/1991	7/10/2021	0750	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00
SLG	\$ 26,000.00	\$ 26,000.00	7/10/1992	7/10/2022	0750	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00
Treasury Notes	\$ 3,584,920.00	\$ 3,587,440.65	8/15/2013	11/30/2014	0750	\$ 3,585,891.94	*	\$ 3,588,003.03	*
Treasury Notes	\$ 3,578,690.00	\$ 3,791,733.89	2/28/2014	8/15/2015	0750	\$ 3,761,097.29	*	\$ 3,761,656.56	*
Treasury Notes	\$ 3,643,000.00	\$ 3,645,561.48	8/15/2013	11/30/2014	0750	*	\$ 3,643,844.69	*	\$ 3,645,424.19
Treasury Notes	\$ 3,643,000.00	\$ 3,859,872.34	2/28/2014	8/15/2015	0750	*	\$ 3,809,845.59	*	\$ 3,809,942.97

TWRFA Funds Total
Securities for TWRFA
Cash for TWRFA (15)
Total Cash & Securities

\$ 26,694,642.50	\$ 26,684,962.59	\$ 26,697,391.73	\$ 26,686,628.09
4,444.73	0.01	4,444.73	0.01
\$ 26,699,087.23	\$ 26,684,962.60	\$ 26,701,836.46	\$ 26,686,628.10

Investments in these funds will be used primarily to provide for liquidity and earnings for Board SRF, SWIFT and other Enterprise funds. This objective will be accomplished by purchasing securities backed by the full faith and credit of the U.S. Government and Government Agencies through a laddered structure or the use of an Inter-Agency Investment Pool. The maturities in this fund will be 360 days or less, unless specific approval is received by the Board, such as the SLGS in TWRFA.

Grand Total Securities
Grand Total Treasury/Trust Cash
Grand Total

\$ 755,224,938.31	\$ 746,056,238.85	\$ 2,021,816,962.32	\$ 2,269,229,894.25
\$ 959,396,891.40	\$ 697,526,553.59	\$ 959,396,891.40	\$ 697,526,553.59
\$ 1,714,621,829.71	\$ 1,443,582,792.44	\$ 2,981,213,853.72	\$ 2,966,756,447.84

TWDB SUMMARY STATEMENT OF INVESTMENT HOLDINGS
For the Month of July, 2014

Description	Par	Total Cost	Purchase Date	Maturity Date	Fund	Beginning Book Value 7/1/2014	Ending Book Value 7/31/2014	Beginning Market Value 07/01/14	Ending Market Value 07/31/14
-------------	-----	------------	---------------	---------------	------	----------------------------------	--------------------------------	------------------------------------	---------------------------------

Debt Service Funds

Debt Service Fund Totals

Securities	\$ -	\$ -	\$ -	\$ -
Treasury/Trust Cash (03)	4,476.49	0.00	4,476.49	0.00
Total Cash & Securities	\$ 4,476.49	\$ -	\$ 4,476.49	\$ -

Investments in these funds will be used primarily to match cash flow needs for EDAP and State Participation debt service payments. This objective will be accomplished by purchasing securities backed by the full faith and credit of the U.S. Government and Government Agencies through a laddered structure or the use of an Inter-Agency investment pool. The maturities in this fund will be 360 days or less, unless specific approval is received by the Board.

Description	Par	Total Cost	Purchase Date	Maturity Date	Fund	Beginning Book Value 7/1/2014	Ending Book Value 7/31/2014	Beginning Market Value 07/01/14	Ending Market Value 07/31/14
-------------	-----	------------	---------------	---------------	------	----------------------------------	--------------------------------	------------------------------------	---------------------------------

Special Revenue Funds (02)

Fed Home Loan Bank	\$5,000,000.00	\$4,999,701.39	6/5/2014	07/18/14	WAF#4802	\$ 4,999,881.94	*	\$ 4,999,950.00	*
Fed Home Loan Bank	\$5,103,000.00	\$5,102,472.69	6/5/2014	08/06/14	WAF#4802	\$ 5,102,693.82	\$ 5,102,948.97	\$ 5,102,846.91	\$ 5,103,000.00
Fed Home Loan Bank	\$3,907,200.00	\$3,906,755.56	6/18/2014	08/20/14	WAF#4802	\$ 3,906,847.27	\$ 3,907,058.91	\$ 3,907,043.71	\$ 3,907,121.86
Fed Home Loan Bank	\$820,800.00	\$820,706.63	6/18/2014	08/20/14	WAF#4808	\$ 820,725.90	\$ 820,770.36	\$ 820,767.17	\$ 820,783.58
Fed Home Loan Bank	\$4,727,000.00	\$4,726,611.20	7/18/2014	09/03/14	WAF#4802	*	\$ 4,726,718.74	*	\$ 4,726,858.19

Special Revenue Fund Totals

Securities	\$ 14,830,148.93	\$ 14,557,496.98	\$ 14,830,607.79	\$ 14,557,763.63
Treasury Cash (02)	88,478,866.09	51,640,795.31	88,478,866.09	51,640,795.31
Total Cash & Securities	\$ 103,309,015.02	\$ 66,198,292.29	\$ 103,309,473.88	\$ 66,198,558.94

Investments in these funds will be used primarily to match cash flow needs for financial programs. This objective will be accomplished by purchasing securities backed by the full faith and credit of the U.S. Government, and Government Agencies through the use of a laddered structure or the use of an Inter-Agency Investment Pool. The maturities in this fund will be 360 days or less, unless specific approval is received by the Board.

TWDB SUMMARY STATEMENT OF INVESTMENT HOLDINGS
For the Month of July, 2014

Description	Par	Total Cost	Period End Date	Fund	Beginning Market Value 07/01/14	Ending Market Value 07/31/14
<u>Enterprise Funds = SWIFT</u>						
Mutual Fund	\$22,118,098.82	\$226,638,768.75	06/30/14	361	\$ 229,364,684.73	
Mutual Fund	\$18,968,319.43	\$226,038,422.71	06/30/14	361	\$ 225,723,001.26	
Mutual Fund	\$9,958,255.86	\$124,674,477.23	06/30/14	361	\$ 127,565,257.59	
Mutual Fund	\$11,775,174.50	\$125,522,969.74	06/30/14	361	\$ 126,818,629.31	
Mutual Fund	\$11,174,621.88	\$125,402,091.36	06/30/14	361	\$ 126,384,973.49	
Mutual Fund	\$1,240,653.90	\$125,036,160.85	06/30/14	361	\$ 126,968,519.61	
Limited Partnership	\$50,000,000.00	\$50,000,000.00	06/30/14	361	\$ 52,051,650.00	
Limited Partnership	\$50,000,000.00	\$50,000,000.00	06/30/14	361	\$ 50,296,500.00	
Limited Partnership	\$99,433,457.13	\$100,000,000.00	06/30/14	361	\$ 103,987,410.03	
Limited Partnership	\$42,123,520.77	\$51,513,419.19	06/30/14	361	\$ 52,796,525.73	
Liquid Reserves	\$301,170,327.22	\$301,170,327.22	06/30/14	361	\$ 301,170,327.22	
Mutual Fund	\$29,473,335.87	\$302,910,678.80	07/31/14	361		\$ 305,049,026.24
Mutual Fund	\$25,298,540.35	\$301,366,943.64	07/31/14	361		\$ 300,040,688.60
Mutual Fund	\$11,906,813.93	\$149,674,477.23	07/31/14	361		\$ 153,121,627.13
Mutual Fund	\$14,094,283.96	\$150,522,969.74	07/31/14	361		\$ 151,513,552.54
Mutual Fund	\$13,406,259.04	\$150,640,635.40	07/31/14	361		\$ 150,820,414.22
Mutual Fund	\$1,485,119.44	\$150,054,738.83	07/31/14	361		\$ 151,749,503.97
Limited Partnership	\$50,000,000.00	\$50,000,000.00	07/31/14	361		\$ 51,647,100.00
Limited Partnership	\$50,000,000.00	\$50,000,000.00	07/31/14	361		\$ 50,615,600.00
Limited Partnership	\$99,433,457.13	\$100,000,000.00	07/31/14	361		\$ 103,447,884.09
Limited Partnership	\$41,687,541.62	\$50,980,254.43	07/31/14	361		\$ 52,317,989.80
Liquid Reserves	\$175,928,234.22	\$175,928,234.22	07/31/14	361		\$ 175,928,234.22

SWIFT Totals**Securities**

Treasury/Trust Cash (05/0045/0361)

Total Cash & Securities

\$ -	\$ -	\$ 1,523,127,478.97	\$ 1,646,251,620.81
501,413,937.21	376,623,407.52	501,413,937.21	376,623,407.52
\$ 501,413,937.21	\$ 376,623,407.52	\$ 2,024,541,416.18	\$ 2,022,875,028.33

Description	12,538,060	12,538,060	Purchase Date	Maturity Date	Fund	Beginning \$ 6,704,440.00 7/1/2014	Ending \$ 6,705,914.98 12,538,060	Beginning Market Value 07/01/14	Ending Market Value 12,538,060
-------------	------------	------------	------------------	------------------	------	--	---	---------------------------------------	--------------------------------------

Enterprise Funds = SRF

Agency Note	\$7,832,020.00	\$7,832,020.00	1/2/2014	01/21/15	DW-951	\$ 7,832,021.66	*	\$ 7,832,021.66	*
Agency Note	\$11,439,380.00	\$11,439,380.00	1/2/2014	01/21/15	CW-651	\$ 11,439,374.38	*	\$ 11,439,374.38	*
Commercial Paper	\$9,790,025.00	\$9,786,476.12	4/8/2014	07/07/14	DW-951	\$ 9,789,790.48	*	\$ 9,789,668.11	*
Commercial Paper	\$14,299,225.00	\$14,294,041.53	4/8/2014	07/07/14	CW-651	\$ 14,298,872.41	*	\$ 14,298,693.67	*

TWDB SUMMARY STATEMENT OF INVESTMENT HOLDINGS
For the Month of July, 2014

Commercial Paper	\$9,790,025.00	\$9,779,076.49	3/6/2014	09/05/14	DW-951	\$ 9,786,078.43	*	\$ 9,786,078.43	*
Commercial Paper	\$14,299,225.00	\$14,283,233.70	3/6/2014	09/05/14	CW-651	\$ 14,293,450.63	*	\$ 14,293,450.63	*
Commercial Paper	\$9,790,025.00	\$9,787,686.27	6/23/2014	09/17/14	DW-951	\$ 9,787,905.91	*	\$ 9,787,905.91	*
Commercial Paper	\$14,299,225.00	\$14,295,809.08	6/23/2014	09/17/14	CW-651	\$ 14,296,119.81	*	\$ 14,296,119.81	*
Commercial Paper	\$9,790,025.00	\$9,780,517.80	4/16/2014	10/17/14	DW-951	\$ 9,784,446.76	*	\$ 9,784,446.76	*
Commercial Paper	\$14,299,225.00	\$14,285,338.86	4/16/2014	10/17/14	CW-651	\$ 14,291,067.42	*	\$ 14,291,067.42	*
Commercial Paper	\$7,832,020.00	\$7,822,913.10	6/9/2014	12/08/14	DW-951	\$ 7,824,015.59	*	\$ 7,824,015.59	*
Commercial Paper	\$11,439,380.00	\$11,426,078.54	6/9/2014	12/08/14	CW-651	\$ 11,427,680.79	*	\$ 11,427,680.79	*
Repurchase Agreements	\$151,403,487.95	\$151,403,487.95	6/30/2014	07/01/14	DW-951	\$ 151,403,520.04	*	\$ 151,403,520.04	*
Repurchase Agreements	\$221,138,612.01	\$221,138,612.01	6/30/2014	07/01/14	CW-651	\$ 221,138,503.37	*	\$ 221,138,503.37	*
Treasury Notes	\$39,160,100.00	\$39,187,634.45	8/15/2013	11/30/14	DW-951	\$ 39,168,975.33	*	\$ 39,185,953.97	*
Treasury Notes	\$57,196,900.00	\$57,237,116.57	8/15/2013	11/30/14	CW-651	\$ 57,209,822.99	*	\$ 57,234,621.84	*
Treasury Notes	\$39,160,100.00	\$41,491,349.70	2/28/2014	08/15/15	DW-951	\$ 40,953,377.68	*	\$ 40,954,424.46	*
Treasury Notes	\$57,196,900.00	\$60,601,902.95	2/28/2014	08/15/15	CW-651	\$ 59,816,103.65	*	\$ 59,817,632.57	*
Commercial Paper	\$10,515,298.56	\$10,503,538.95	3/6/2014	09/05/14	DW-951	*	\$ 10,513,049.46	*	\$ 10,513,049.46
Commercial Paper	\$13,491,711.96	\$13,476,623.73	3/6/2014	09/05/14	CW-651	*	\$ 13,488,826.23	*	\$ 13,488,826.23
Commercial Paper	\$10,515,298.56	\$10,512,786.57	6/23/2014	09/17/14	DW-951	*	\$ 10,513,925.73	*	\$ 10,513,925.73
Commercial Paper	\$13,491,711.96	\$13,488,488.94	6/23/2014	09/17/14	CW-651	*	\$ 13,489,950.54	*	\$ 13,489,950.54
Commercial Paper	\$10,515,298.56	\$10,505,087.04	4/16/2014	10/17/14	DW-951	*	\$ 10,511,025.26	*	\$ 10,511,025.26
Commercial Paper	\$13,491,711.96	\$13,478,610.01	4/16/2014	10/17/14	CW-651	*	\$ 13,486,229.08	*	\$ 13,486,229.08
Commercial Paper	\$8,412,238.85	\$8,402,457.28	6/9/2014	12/08/14	DW-951	*	\$ 8,405,305.76	*	\$ 8,405,305.76
Commercial Paper	\$10,793,369.57	\$10,780,819.28	6/9/2014	12/08/14	CW-651	*	\$ 10,784,474.03	*	\$ 10,784,474.03
Commercial Paper	\$10,515,298.56	\$10,504,549.59	7/21/2014	01/21/15	DW-951	*	\$ 10,505,192.19	*	\$ 10,505,192.19
Commercial Paper	\$13,491,711.96	\$13,477,920.43	7/21/2014	01/21/15	CW-651	*	\$ 13,478,744.92	*	\$ 13,478,744.92
Repurchase Agreements	\$150,519,255.51	\$150,519,255.51	7/31/2014	08/01/14	DW-951	*	\$ 150,519,255.51	*	\$ 150,519,255.51
Repurchase Agreements	\$193,124,563.03	\$193,124,563.03	7/31/2014	08/01/14	CW-651	*	\$ 193,124,563.03	*	\$ 193,124,563.03
Treasury Notes	\$42,061,194.25	\$42,090,768.52	8/15/2013	11/30/14	DW-951	*	\$ 42,068,775.79	*	\$ 42,087,692.80
Treasury Notes	\$53,966,847.84	\$54,004,793.28	8/15/2013	11/30/14	CW-651	*	\$ 53,976,575.38	*	\$ 54,000,846.95
Treasury Notes	\$42,061,194.25	\$44,565,149.72	2/28/2014	08/15/15	DW-951	*	\$ 43,841,680.41	*	\$ 43,843,747.66
Treasury Notes	\$53,966,847.84	\$57,179,561.75	2/28/2014	08/15/15	CW-651	*	\$ 56,251,310.45	*	\$ 56,253,962.85

SRF & all other Self-Supporting Funds Totals

Securities for SRF	\$ 704,541,127.33	\$ 654,958,883.77	\$ 704,585,179.40	\$ 655,006,792.00
Treasury/Trust Cash (05=0040/0045)	107,629,273.79	78,225,338.50	107,629,273.79	78,225,338.50
Total Cash & Securities	\$ 812,170,401.12	\$ 733,184,222.27	\$ 812,214,453.19	\$ 733,232,130.50

TWDB SUMMARY STATEMENT OF INVESTMENT HOLDINGS
For the Month of July, 2014

Description	Par	Total Cost	Purchase Date	Maturity Date	Fund	Beginning Book Value 7/1/2014	Ending Book Value 7/31/2014	Beginning Market Value 07/01/14	Ending Market Value 07/31/14
<u>Enterprise Funds = TWRFA</u>									
SLG	\$ 22,000.00	\$ 22,000.00	10/28/1991	7/10/2021	0750	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00
SLG	\$ 26,000.00	\$ 26,000.00	7/10/1992	7/10/2022	0750	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00
Agency Notes	\$ 728,600.00	\$ 728,600.00	1/2/2014	1/21/2015	0750	\$ 728,603.96	*	\$ 728,603.96	*
Commercial Paper	\$ 910,750.00	\$ 910,419.85	4/8/2014	7/7/2014	0750	\$ 910,732.94	*	\$ 910,721.56	*
Commercial Paper	\$ 910,750.00	\$ 909,731.48	3/6/2014	9/5/2014	0750	\$ 910,387.61	*	\$ 910,387.61	*
Commercial Paper	\$ 910,750.00	\$ 910,532.43	6/23/2014	9/17/2014	0750	\$ 910,557.62	*	\$ 910,557.62	*
Commercial Paper	\$ 910,750.00	\$ 909,865.56	4/16/2014	10/17/2014	0750	\$ 910,235.82	*	\$ 910,235.82	*
Commercial Paper	\$ 728,600.00	\$ 727,752.80	6/9/2014	12/8/2014	0750	\$ 727,859.16	*	\$ 727,859.16	*
Repurchase Agreements	\$ 14,084,818.64	\$ 14,084,818.64	6/30/2014	7/1/2014	0750	\$ 14,084,895.20	*	\$ 14,084,895.20	*
Treasury Notes	\$ 3,643,000.00	\$ 3,645,561.48	8/15/2013	11/30/2014	0750	\$ 3,643,844.69	*	\$ 3,645,424.19	*
Treasury Notes	\$ 3,643,000.00	\$ 3,859,872.34	2/28/2014	8/15/2015	0750	\$ 3,809,845.59	*	\$ 3,809,942.97	*
Commercial Paper	\$ 992,989.48	\$ 991,878.99	3/6/2014	9/5/2014	0750	*	\$ 992,777.09	*	\$ 992,777.09
Commercial Paper	\$ 992,989.48	\$ 992,752.26	6/23/2014	9/17/2014	0750	*	\$ 992,859.84	*	\$ 992,859.84
Commercial Paper	\$ 992,989.48	\$ 992,025.18	4/16/2014	10/17/2014	0750	*	\$ 992,585.94	*	\$ 992,585.94
Commercial Paper	\$ 794,391.58	\$ 793,467.88	6/9/2014	12/8/2014	0750	*	\$ 793,736.87	*	\$ 793,736.87
Commercial Paper	\$ 992,989.48	\$ 991,974.42	7/21/2014	1/21/2015	0750	*	\$ 992,035.11	*	\$ 992,035.11
Repurchase Agreements	\$ 14,213,960.37	\$ 14,213,960.37	7/31/2014	8/1/2014	0750	*	\$ 14,213,960.37	*	\$ 14,213,960.37
Treasury Notes	\$ 3,971,957.91	\$ 3,974,750.70	8/15/2013	11/30/2014	0750	*	\$ 3,972,673.86	*	\$ 3,974,460.25
Treasury Notes	\$ 3,971,957.91	\$ 4,208,413.53	2/28/2014	8/15/2015	0750	*	\$ 4,140,094.27	*	\$ 4,140,289.49

Securities for TWRFA
Cash for TWRFA (15)
Total Cash & Securities

\$ 26,684,962.59	\$ 27,138,723.35	\$ 26,686,628.09	\$ 27,140,704.96
0.01	-	0.01	-
\$ 26,684,962.60	\$ 27,138,723.35	\$ 26,686,628.10	\$ 27,140,704.96

Investments in these funds will be used primarily to provide for liquidity and earnings for Board SRF, SWIFT and other Enterprise funds. This objective will be accomplished by purchasing securities backed by the full faith and credit of the U.S. Government and Government Agencies through a laddered structure or the use of an Inter-Agency Investment Pool. The maturities in this fund will be 360 days or less, unless specific approval is received by the Board, such as the SLG in TWRFA.

Grand Total Securities
Grand Total Treasury/Trust Cash
Grand Total

\$ 746,056,238.85	\$ 696,655,104.10	\$ 2,269,229,894.25	\$ 2,342,956,881.40
\$ 697,526,553.59	\$ 506,489,541.33	\$ 697,526,553.59	\$ 506,489,541.33
\$ 1,443,582,792.44	\$ 1,203,144,645.43	\$ 2,966,756,447.84	\$ 2,849,446,422.73

TWDB SUMMARY STATEMENT OF INVESTMENT HOLDINGS
For the Month of August, 2014

Description	Par	Total Cost	Purchase Date	Maturity Date	Fund	Beginning Book Value 8/1/2014	Ending Book Value 8/31/2014	Beginning Market Value 08/01/14	Ending Market Value 08/31/14
-------------	-----	------------	---------------	---------------	------	----------------------------------	--------------------------------	------------------------------------	---------------------------------

Debt Service Funds**Debt Service Fund Totals**

Securities
Treasury/Trust Cash (03)
Total Cash & Securities

\$ -	\$ -	\$ -	\$ -
0.00	4,975.45	0.00	4,975.45
\$ -	\$ 4,975.45	\$ -	\$ 4,975.45

Investments in these funds will be used primarily to match cash flow needs for EDAP and State Participation debt service payments. This objective will be accomplished by purchasing securities backed by the full faith and credit of the U.S. Government and Government Agencies through a laddered structure or the use of an Inter-Agency investment pool. The maturities in this fund will be 360 days or less, unless specific approval is received by the Board.

Description	Par	Total Cost	Purchase Date	Maturity Date	Fund	Beginning Book Value 8/1/2014	Ending Book Value 8/31/2014	Beginning Market Value 08/01/14	Ending Market Value 08/31/14
-------------	-----	------------	---------------	---------------	------	----------------------------------	--------------------------------	------------------------------------	---------------------------------

Special Revenue Funds

Fed Home Loan Bank	\$5,103,000.00	\$5,102,472.69	6/5/2014	08/06/14	WAF#4802	\$ 5,102,948.97	*	\$ 5,103,000.00	*
Fed Home Loan Bank	\$3,907,200.00	\$3,906,755.56	6/18/2014	08/20/14	WAF#4802	\$ 3,907,058.91	*	\$ 3,907,121.86	*
Fed Home Loan Bank	\$820,800.00	\$820,706.63	6/18/2014	08/20/14	WAF#4808	\$ 820,770.36	*	\$ 820,783.58	*
Fed Home Loan Bank	\$4,727,000.00	\$4,726,611.20	7/18/2014	09/03/14	WAF#4802	\$ 4,726,718.74	\$ 4,726,975.18	\$ 4,726,858.19	\$ 4,727,000.00
Fed Home Loan Bank	\$5,192,000.00	\$5,191,363.98	8/6/2014	10/08/14	WAF#4802	*	\$ 5,191,616.37	*	\$ 5,191,896.16
Fed Home Loan Bank	\$3,623,400.00	\$3,622,804.66	8/20/2014	11/19/14	WAF#4802	*	\$ 3,622,876.62	*	\$ 3,623,073.89
Fed Home Loan Bank	\$820,600.00	\$820,465.17	8/20/2014	11/19/14	WAF#4808	*	\$ 820,481.47	*	\$ 820,526.15

Special Revenue Fund Totals

Securities
Treasury/Trust Cash (02)
Total Cash & Securities

\$ 14,557,496.98	\$ 14,361,949.64	\$ 14,557,763.63	\$ 14,362,496.20
51,640,795.31	59,682,444.18	51,640,795.31	59,682,444.18
\$ 66,198,292.29	\$ 74,044,393.82	\$ 66,198,558.94	\$ 74,044,940.38

Investments in these funds will be used primarily to match cash flow needs for financial programs. This objective will be accomplished by purchasing securities backed by the full faith and credit of the U.S. Government, and Government Agencies through the use of a laddered structure or the use of an Inter-Agency Investment Pool. The maturities in this fund will be 360 days or less, unless specific approval is received by the Board.

TWDB SUMMARY STATEMENT OF INVESTMENT HOLDINGS
For the Month of August, 2014

Description	Par	Total Cost	Period End Date	Fund	Beginning Market Value 8/1/2014	Ending Market Value 8/31/2014
<u>Enterprise Funds = SWIFT</u>						
Mutual Fund	\$29,473,335.87	\$302,910,678.80	07/31/14	361	\$ 305,049,026.24	*
Mutual Fund	\$25,298,540.35	\$301,366,943.64	07/31/14	361	\$ 300,040,688.60	*
Mutual Fund	\$11,906,813.93	\$149,674,477.23	07/31/14	361	\$ 153,121,627.13	*
Mutual Fund	\$14,094,283.96	\$150,522,969.74	07/31/14	361	\$ 151,513,552.54	*
Mutual Fund	\$13,406,259.04	\$150,640,635.40	07/31/14	361	\$ 150,820,414.22	*
Mutual Fund	\$1,485,119.44	\$150,054,738.83	07/31/14	361	\$ 151,749,503.97	*
Limited Partnership	\$50,000,000.00	\$50,000,000.00	07/31/14	361	\$ 51,647,100.00	*
Limited Partnership	\$50,000,000.00	\$50,000,000.00	07/31/14	361	\$ 50,615,600.00	*
Limited Partnership	\$99,433,457.13	\$100,000,000.00	07/31/14	361	\$ 103,447,884.09	*
Limited Partnership	\$41,687,541.62	\$50,980,254.43	07/31/14	361	\$ 52,317,989.80	*
Liquid Reserves	\$175,928,234.22	\$175,928,234.22	07/31/14	361	\$ 175,928,234.22	*
Mutual Fund	\$34,381,937.73	\$353,568,722.82	08/31/14	361	*	\$ 355,509,236.13
Mutual Fund	\$27,438,817.80	\$326,750,634.17	08/31/14	361	*	\$ 325,424,379.16
Mutual Fund	\$13,856,891.93	\$174,674,477.23	08/31/14	361	*	\$ 180,693,870.79
Mutual Fund	\$14,094,283.96	\$150,522,969.74	08/31/14	361	*	\$ 152,218,266.74
Mutual Fund	\$13,430,437.56	\$150,914,336.23	08/31/14	361	*	\$ 152,032,553.20
Mutual Fund	\$1,730,014.49	\$175,078,008.29	08/31/14	361	*	\$ 176,063,574.95
Limited Partnership	\$50,000,000.00	\$50,000,000.00	08/31/14	361	*	\$ 52,043,850.00
Limited Partnership	\$7,655,271.00	\$7,655,271.00	08/31/14	361	*	\$ 7,655,271.00
Limited Partnership	\$50,000,000.00	\$50,000,000.00	08/31/14	361	*	\$ 50,364,500.00
Limited Partnership	\$99,433,457.13	\$100,000,000.00	08/31/14	361	*	\$ 104,251,903.03
Limited Partnership	\$41,687,541.62	\$50,980,254.43	08/31/14	361	*	\$ 51,689,841.92
Liquid Reserves	\$142,962,229.93	\$142,962,229.93	08/31/14	361	*	\$ 142,962,229.93

SWIFT Totals

Securities

Treasury/Trust Cash (05/0045/0361)

Total Cash & Securities

\$ -	\$ -	\$ 1,646,251,620.81	\$ 1,750,909,476.85
376,623,407.52	276,766,014.76	376,623,407.52	276,766,014.76
\$ 376,623,407.52	\$ 276,766,014.76	\$ 2,022,875,028.33	\$ 2,027,675,491.61

Description	Par	Total Cost	Purchase Date	Maturity Date	Fund	Beginning Book Value 8/1/2014	Ending Book Value 8/31/2014	Beginning Market Value 08/01/14	Ending Market Value 08/31/14
-------------	-----	------------	------------------	------------------	------	-------------------------------------	-----------------------------------	---------------------------------------	------------------------------------

Enterprise Funds = SRF

Commercial Paper	\$10,515,298.56	\$10,503,538.95	3/6/2014	09/05/14	DW-951	\$ 10,513,049.46	*	\$ 10,513,049.46	*
Commercial Paper	\$13,491,711.96	\$13,476,623.73	3/6/2014	09/05/14	CW-651	\$ 13,488,826.23	*	\$ 13,488,826.23	*
Commercial Paper	\$10,515,298.56	\$10,512,786.57	6/23/2014	09/17/14	DW-951	\$ 10,513,925.73	*	\$ 10,513,925.73	*

TWDB SUMMARY STATEMENT OF INVESTMENT HOLDINGS
For the Month of August, 2014

Commercial Paper	\$13,491,711.96	\$13,488,488.94	6/23/2014	09/17/14	CW-651	\$	13,489,950.54	*	\$	13,489,950.54	*
Commercial Paper	\$10,515,298.56	\$10,505,087.04	4/16/2014	10/17/14	DW-951	\$	10,511,025.26	*	\$	10,511,025.26	*
Commercial Paper	\$13,491,711.96	\$13,478,610.01	4/16/2014	10/17/14	CW-651	\$	13,486,229.08	*	\$	13,486,229.08	*
Commercial Paper	\$8,412,238.85	\$8,402,457.28	6/9/2014	12/08/14	DW-951	\$	8,405,305.76	*	\$	8,405,305.76	*
Commercial Paper	\$10,793,369.57	\$10,780,819.28	6/9/2014	12/08/14	CW-651	\$	10,784,474.03	*	\$	10,784,474.03	*
Commercial Paper	\$10,515,298.56	\$10,504,549.59	7/21/2014	01/21/15	DW-951	\$	10,505,192.19	*	\$	10,505,192.19	*
Commercial Paper	\$13,491,711.96	\$13,477,920.43	7/21/2014	01/21/15	CW-651	\$	13,478,744.92	*	\$	13,478,744.92	*
Repurchase Agreements	\$150,519,255.51	\$150,519,255.51	7/31/2014	08/01/14	DW-951	\$	150,519,255.51	*	\$	150,519,255.51	*
Repurchase Agreements	\$193,124,563.03	\$193,124,563.03	7/31/2014	08/01/14	CW-651	\$	193,124,563.03	*	\$	193,124,563.03	*
Treasury Notes	\$42,061,194.25	\$42,090,768.52	8/15/2013	11/30/14	DW-951	\$	42,068,775.79	*	\$	42,087,692.80	*
Treasury Notes	\$53,966,847.84	\$54,004,793.28	8/15/2013	11/30/14	CW-651	\$	53,976,575.38	*	\$	54,000,846.95	*
Treasury Notes	\$42,061,194.25	\$44,565,149.72	2/28/2014	08/15/15	DW-951	\$	43,841,680.41	*	\$	43,843,747.66	*
Treasury Notes	\$53,966,847.84	\$57,179,561.75	2/28/2014	08/15/15	CW-651	\$	56,251,310.45	*	\$	56,253,962.85	*
Commercial Paper	\$10,107,575.00	\$10,096,271.36	3/6/2014	09/05/14	DW-951	*	\$	10,107,320.75	*	\$	10,107,197.22
Commercial Paper	\$13,947,500.00	\$13,931,902.05	3/6/2014	09/05/14	CW-651	*	\$	13,947,157.42	*	\$	13,946,986.95
Commercial Paper	\$10,107,575.00	\$10,105,160.41	6/23/2014	09/17/14	DW-951	*	\$	10,107,118.60	*	\$	10,107,062.45
Commercial Paper	\$13,947,500.00	\$13,944,168.10	6/23/2014	09/17/14	CW-651	*	\$	13,946,878.47	*	\$	13,946,800.98
Commercial Paper	\$10,107,575.00	\$10,097,759.42	4/16/2014	10/17/14	DW-951	*	\$	10,105,113.94	*	\$	10,105,007.24
Commercial Paper	\$13,947,500.00	\$13,933,955.43	4/16/2014	10/17/14	CW-651	*	\$	13,944,112.22	*	\$	13,943,964.99
Commercial Paper	\$8,086,060.00	\$8,076,657.71	6/9/2014	12/08/14	DW-951	*	\$	8,080,991.49	*	\$	8,080,888.17
Commercial Paper	\$11,158,000.00	\$11,145,025.72	6/9/2014	12/08/14	CW-651	*	\$	11,151,012.54	*	\$	11,150,869.96
Commercial Paper	\$10,107,575.00	\$10,097,242.81	7/21/2014	01/21/15	DW-951	*	\$	10,099,594.08	*	\$	10,099,481.77
Commercial Paper	\$13,947,500.00	\$13,933,242.55	7/21/2014	01/21/15	CW-651	*	\$	13,936,495.33	*	\$	13,936,340.36
Repurchase Agreements	\$159,646,248.27	\$159,646,248.27	8/29/2014	09/02/14	DW-951	*	\$	159,646,134.98	*	\$	159,646,134.98
Repurchase Agreements	\$220,296,762.36	\$220,296,762.36	8/29/2014	09/02/14	CW-651	*	\$	220,296,736.41	*	\$	220,296,736.41
Treasury Notes	\$40,430,300.00	\$40,458,727.55	8/15/2013	11/30/14	DW-951	*	\$	40,435,691.81	*	\$	42,015,946.55
Treasury Notes	\$55,790,000.00	\$55,829,227.34	8/15/2013	11/30/14	CW-651	*	\$	55,797,473.22	*	\$	57,978,076.97
Treasury Notes	\$40,430,300.00	\$42,837,166.30	2/28/2014	08/15/14	DW-951	*	\$	42,001,732.62	*	\$	40,450,890.75
Treasury Notes	\$55,790,000.00	\$59,111,248.44	2/28/2014	08/15/14	CW-651	*	\$	57,958,463.07	*	\$	55,818,446.33

SRF & all other Self-Supporting Funds Totals

Securities for SRF	\$ 654,958,883.77	\$ 691,562,026.95	\$ 655,006,792.00	\$ 691,630,832.98
Treasury/Trust Cash (05=0040/0045)	78,225,338.50	90,698,578.79	78,225,338.50	90,698,578.79
Total Cash & Securities	\$ 733,184,222.27	\$ 782,260,605.74	\$ 733,232,130.50	\$ 782,329,411.77

TWDB SUMMARY STATEMENT OF INVESTMENT HOLDINGS
For the Month of August, 2014

Description	Par	Total Cost	Purchase Date	Maturity Date	Fund	Beginning Book Value 8/1/2014	Ending Book Value 8/31/2014	Beginning 2,062,954,275.78 08/01/14	Ending Market Value 08/31/14
<i>Component (Proprietary) Funds = TWRFA</i>									
SLG	\$ 22,000.00	\$ 22,000.00	10/28/1991	7/10/2021	0750	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00
SLG	\$ 26,000.00	\$ 26,000.00	7/10/1992	7/10/2022	0750	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00
Commercial Paper	\$ 992,989.48	\$ 991,878.99	3/6/2014	9/5/2014	0750	\$ 992,777.09	*	\$ 992,777.09	*
Commercial Paper	\$ 992,989.48	\$ 992,752.26	6/23/2014	9/17/2014	0750	\$ 992,859.84	*	\$ 992,859.84	*
Commercial Paper	\$ 992,989.48	\$ 992,025.18	4/16/2014	10/17/2014	0750	\$ 992,585.94	*	\$ 992,585.94	*
Commercial Paper	\$ 794,391.58	\$ 793,467.88	6/9/2014	12/8/2014	0750	\$ 793,736.87	*	\$ 793,736.87	*
Commercial Paper	\$ 992,989.48	\$ 991,974.42	7/21/2014	1/21/2015	0750	\$ 992,035.11	*	\$ 992,035.11	*
Repurchase Agreements	\$ 14,213,960.37	\$ 14,213,960.37	7/31/2014	8/1/2014	0750	\$ 14,213,960.37	*	\$ 14,213,960.37	*
Treasury Notes	\$ 3,971,957.91	\$ 3,974,750.70	8/15/2013	11/30/2014	0750	\$ 3,972,673.86	*	\$ 3,974,460.25	*
Treasury Notes	\$ 3,971,957.91	\$ 4,208,413.53	2/28/2014	8/15/2015	0750	\$ 4,140,094.27	*	\$ 4,140,289.49	*
Commercial Paper	\$ 944,933.81	\$ 943,877.06	3/6/2014	9/5/2014	0750	*	\$ 944,910.71	*	\$ 944,899.16
Commercial Paper	\$ 944,933.81	\$ 944,708.08	6/23/2014	9/17/2014	0750	*	\$ 944,891.82	*	\$ 944,886.57
Commercial Paper	\$ 944,933.81	\$ 944,016.18	4/16/2014	10/17/2014	0750	*	\$ 944,704.40	*	\$ 944,694.43
Commercial Paper	\$ 755,947.05	\$ 755,068.05	6/9/2014	12/8/2014	0750	*	\$ 755,473.74	*	\$ 755,464.08
Commercial Paper	\$ 944,933.81	\$ 943,967.88	7/21/2014	1/21/2015	0750	*	\$ 944,188.36	*	\$ 944,177.87
Repurchase Agreements	\$ 14,924,958.56	\$ 14,924,958.56	8/29/2014	9/2/2014	0750	*	\$ 14,924,958.56	*	\$ 14,924,958.56
Treasury Notes	\$ 3,779,735.25	\$ 3,782,392.88	8/15/2013	11/30/2014	0750	*	\$ 3,780,242.00	*	\$ 3,927,976.47
Treasury Notes	\$ 3,779,735.25	\$ 4,004,747.61	2/28/2014	8/15/2014	0750	*	\$ 3,926,647.64	*	\$ 3,781,662.91

TWRFA Funds Total

Securities/Cash for TWRFA

Trust Cash (15=0040/0045)

Total Cash & Securities

\$ 27,138,723.35	\$ 27,214,017.24	\$ 27,140,704.96	\$ 27,216,720.05
0.00	0.04	0.00	0.04
\$ 27,138,723.35	\$ 27,214,017.28	\$ 27,140,704.96	\$ 27,216,720.09

Investments in these funds will be used primarily to provide for liquidity and earnings for Board SRF, SWIFT and other Enterprise funds. This objective will be accomplished by purchasing securities backed by the full faith and credit of the U.S. Government and Government Agencies through a laddered structure or the use of an Inter-Agency Investment Pool. The maturities in this fund will be 360 days or less, unless specific approval is received by the Board, such as the SLG in TWRFA.

Grand Total Securities

Grand Total Treasury/Trust Cash

Grand Total

\$ 696,655,104.10	\$ 733,137,993.83	\$ 2,342,956,881.40	\$ 2,484,119,526.08
\$ 506,489,541.33	\$ 427,152,013.22	\$ 506,489,541.33	\$ 427,152,013.22
\$ 1,203,144,645.43	\$ 1,160,290,007.05	\$ 2,849,446,422.73	\$ 2,911,271,539.30

Investment Definitions for the Quarterly Investment Report

Agency (discount) Notes – Similar to Treasury bills, discount notes are issued by government-sponsored agencies such as Freddie Mac and FHLB. Like T-bills, discount notes are issued at a discount from par, and have maturity dates of up to one year⁴. Unlike Treasury securities, they carry only the implied faith and credit of the U.S. government.

Cash on hand - liquid reserves.

Commercial Paper – short-term obligations with maturities ranging from two to 270 days issued by banks, corporations, and other borrowers to investors with short term cash to invest. Though unsecured, commercial paper is usually backed by bank lines of credit, and assigned credit ratings by Moody's, Fitch, and S&P¹.

FHLB (Federal Home Loan Bank) Bonds – are issued by the FHLB, one of the largest government sponsored entities (GSEs), and therefore carry the implied faith and credit of the U.S. government⁴. Agency bonds can be issued as bullets, with a fixed coupon rate until maturity, or as a floaters, whose coupon rate floats with an underlying index such as LIBOR and resets periodically (usually monthly or quarterly) over the life of the bond. Agencies and GSE's also issue callable and non-callable bonds⁵.

Limited Partnership – is an organization made up of a general partner, who manages the day-to-day operations, and limited partners, who invest in the partnership but are not involved in day-to-day operations. Limited partners typically cannot lose more than their capital contribution, and receive income, capital gains, and tax benefits¹.

Long – refers to any security on the Quarterly Investment Report whose maturity is greater than one year as of the trade date.

Mutual Funds – are operated by an investment manager that raises money from shareholders and invests proceeds in securities such as stocks, bonds, and foreign currencies. Mutual funds offer the investor advantages such as diversification, professional money management, and improved pricing due to economies of scale¹.

Repo (repurchase agreement) – is an agreement between a seller and a buyer, usually of U.S. government securities, whereby the seller agrees to repurchase the securities at an agreed upon price and, usually, at a stated time¹. A repo is effectively the simultaneous sale and repurchase of a security for different settlement dates, and resembles a collateralized loan whereby a market participant either pledges securities to borrow short-term funds, or pledges cash in order to make a short-term investment².

State and Local Government Series (SLGS) – are special purpose securities that the Department of the Treasury issues to state and local government entities, upon request by those entities, to assist them in complying with federal tax laws and Internal Revenue Service arbitrage regulations when they have cash proceeds to invest from their issuance of tax exempt bonds ⁶.

Treasury Bills (T-Bills) – are short-term marketable securities with maturities of one year or less issued by the Treasury at a discount from par, or face value ¹. They are backed by the full faith and credit of the U.S. government.

Treasury Notes (T-Notes) – are marketable treasury coupon securities issued by the U.S. Treasury with original maturities between two and 10 years ². They are backed by the full faith and credit of the U.S. government. Interest income from Treasury notes is exempt from state and local income taxes, but is subject to federal income taxes ⁵.

Treasury Pool – the Treasury Pool is managed by the Texas Treasury Safekeeping Trust Company. The pool invests in a diversified pool of high credit quality, liquid assets primarily consisting of U.S. treasuries, MBS (mortgage-backed securities), ABS (asset-backed securities), repos, and high quality corporate bonds ³.

Sources:

[1] Barron's Dictionary of Finance and Investment Terms

[2] The Handbook of Fixed Income Securities by Frank J. Fabozzi

[3] TTSTC.com website

[4] Investopedia.com website

[5] Fidelity.com website

[6] U.S. Department of the Treasury