CITY OF PLANO
COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY
☐ Consent ☐ Regular ☐ Statutory

Council Meeting Date:	05/13/13
Department:	Finance
Department Head	Denise Tacke
Agenda Coordinator (include phone #):	**Katherine Crumbley - x-7479**

CAPTION

A Resolution of the City Council of the City of Plano, Texas, approving the Investment Portfolio Summary for the quarter ending March 31, 2013 and providing an effective date.

FINANCIAL SUMMARY

☒ NOT APPLICABLE ☐ OPERATING EXPENSE ☐ REVENUE ☐ CIP

FISCAL YEAR: **2012-2013**	**Prior Year (CIP Only)**	**Current Year**	**Future Years**	**TOTALS**
Budget	0	0	0	**0**
Encumbered/Expended Amount	0	0	0	**0**
This Item	0	0	0	**0**
BALANCE	0	0	0	**0**

FUND(S):

COMMENTS: This item has no fiscal impact. STRATEGIC PLAN GOAL: Investment Portfolio Summary Reviews relate to the City's Goal of Financially Strong City with Service Excellence.

SUMMARY OF ITEM

Quarterly Investment report ending March 31, 2013.

List of Supporting Documents:	Other Departments, Boards, Commissions or Agencies
Investment Portfolio Summary	

A Resolution of the City Council of the City of Plano, Texas, approving the Investment Portfolio Summary for the quarter ending March 31, 2013 and providing an effective date.

WHEREAS, the City Council has been presented the City of Plano's Investment Portfolio Summary for the Quarter Ending March 31, 2013, a substantial copy of which is attached hereto as Exhibit "A" and incorporated herein by reference (hereinafter called "Investment Portfolio Summary"); and

WHEREAS, the Public Funds Investment Act at Texas Government Code, Section 2256.005, requires the governing body of an investing entity to review its investment policy and investment strategies not less than annually; and

WHEREAS, upon full review and consideration of the Investment Portfolio Summary, and all matters attendant and related thereto, the City Council is of the opinion that the same should be approved.

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

Section I. The City of Plano's Investment Portfolio Summary for the Quarter Ending March 31, 2013, having been reviewed by the City Council of the City of Plano and found to be acceptable and in the best interests of the City of Plano and its citizens, is hereby in all things approved.

Section II. This Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED this the 13th day of May, 2013.

_____
Phil Dyer, MAYOR

ATTEST:

_____
Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

_____
Diane C. Wetherbee, CITY ATTORNEY

City of Plano

INVESTMENT PORTFOLIO SUMMARY

For the Quarter Ended

March 31, 2013

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

City Manager

Director of Finance

Treasurer

Treasury Analyst

Federal Reserve Press Release, March 20, 2013

Information received since the Federal Open Market Committee met in January suggests a return to moderate economic growth following a pause late last year. Labor market conditions have shown signs of improvement in recent months but the unemployment rate remains elevated. Household spending and business fixed investment advanced, and the housing sector has strengthened further, but fiscal policy has become somewhat more restrictive. Inflation has been running somewhat below the Committee's longer-run objective, apart from temporary variations that largely reflect fluctuations in energy prices. Longer-term inflation expectations have remained stable.

Consistent with its statutory mandate, the Committee seeks to foster maximum employment and price stability. The Committee expects that, with appropriate policy accommodation, economic growth will proceed at a moderate pace and the unemployment rate will gradually decline toward levels the Committee judges consistent with its dual mandate. The Committee continues to see downside risks to the economic outlook. The Committee also anticipates that inflation over the medium term likely will run at or below its 2 percent objective.

To support a stronger economic recovery and to help ensure that inflation, over time, is at the rate most consistent with its dual mandate, the Committee decided to continue purchasing additional agency mortgage-backed securities at a pace of $40 billion per month and longer-term Treasury securities at a pace of $45 billion per month. The Committee is maintaining its existing policy of reinvesting principal payments from its holdings of agency debt and agency mortgage-backed securities in agency mortgage-backed securities and of rolling over maturing Treasury securities at auction. Taken together, these actions should maintain downward pressure on longer-term interest rates, support mortgage markets, and help to make broader financial conditions more accommodative.

The Committee will closely monitor incoming information on economic and financial developments in coming months. The Committee will continue its purchases of Treasury and agency mortgage-backed securities, and employ its other policy tools as appropriate, until the outlook for the labor market has improved substantially in a context of price stability. In determining the size, pace, and composition of its asset purchases, the Committee will continue to take appropriate account of the likely efficacy and costs of such purchases as well as the extent of progress toward its economic objectives.

To support continued progress toward maximum employment and price stability, the Committee expects that a highly accommodative stance of monetary policy will remain appropriate for a considerable time after the asset purchase program ends and the economic recovery strengthens. In particular, the Committee decided to keep the target range for the federal funds rate at 0 to 1/4 percent and currently anticipates that this exceptionally low range for the federal funds rate will be appropriate at least as long as the unemployment rate remains above 6-1/2 percent, inflation between one and two years ahead is projected to be no more than a half percentage point above the Committee's 2 percent longer-run goal, and longer-term inflation expectations continue to be well anchored. In determining how long to maintain a highly accommodative stance of monetary policy, the Committee will also consider other information, including additional measures of labor market conditions, indicators of inflation pressures and inflation expectations, and readings on financial developments. When the Committee decides to begin to remove policy accommodation, it will take a balanced approach consistent with its longer-run goals of maximum employment and inflation of 2 percent.

Voting for the FOMC monetary policy action were: Ben S. Bernanke, Chairman; William C. Dudley, Vice Chairman; James Bullard; Elizabeth A. Duke; Charles L. Evans; Jerome H. Powell; Sarah Bloom Raskin; Eric S. Rosengren; Jeremy C. Stein; Daniel K. Tarullo; and Janet L. Yellen. Voting against the action was Esther L. George, who was concerned that the continued high level of monetary accommodation increased the risks of future economic and financial imbalances and, over time, could cause an increase in long-term inflation expectations.

		March 31, 2013		December 31, 2012	
Asset Type	**Avg Yield**	**End Book Value**	**End Market Value**	**End Book Value**	**End Market Value**
Pools/NOW Accounts	0.08%	78,901,803.66	78,901,803.66	115,308,528.50	115,308,528.50
Certificates of Deposit	0.63%	49,670,838.65	49,670,838.65	49,560,094.22	49,560,094.22
FHLB Bonds	0.94%	66,437,180.09	67,183,692.07	76,509,563.28	77,376,471.65
FHLMC Bonds	1.01%	109,775,401.25	111,257,718.00	78,653,154.70	80,233,684.00
FNMA Bonds	0.87%	57,346,769.11	58,116,088.13	57,617,670.69	58,465,831.18
Municipal Bonds	0.60%	96,324,617.32	96,226,544.95	29,558,995.32	29,512,219.55
Totals		458,456,610.08	461,356,685.46	407,208,006.71	410,456,829.10

Average Yield (1):

Total Portfolio	0.76%

Fiscal Year-to-Date Average Yield (2):

Total Portfolio	0.77%

This Quarter:	
Rolling Six Month Treasury Yield	0.12%
Rolling Two Year Treasury Yield	0.26%
TexPool Yield	0.10%

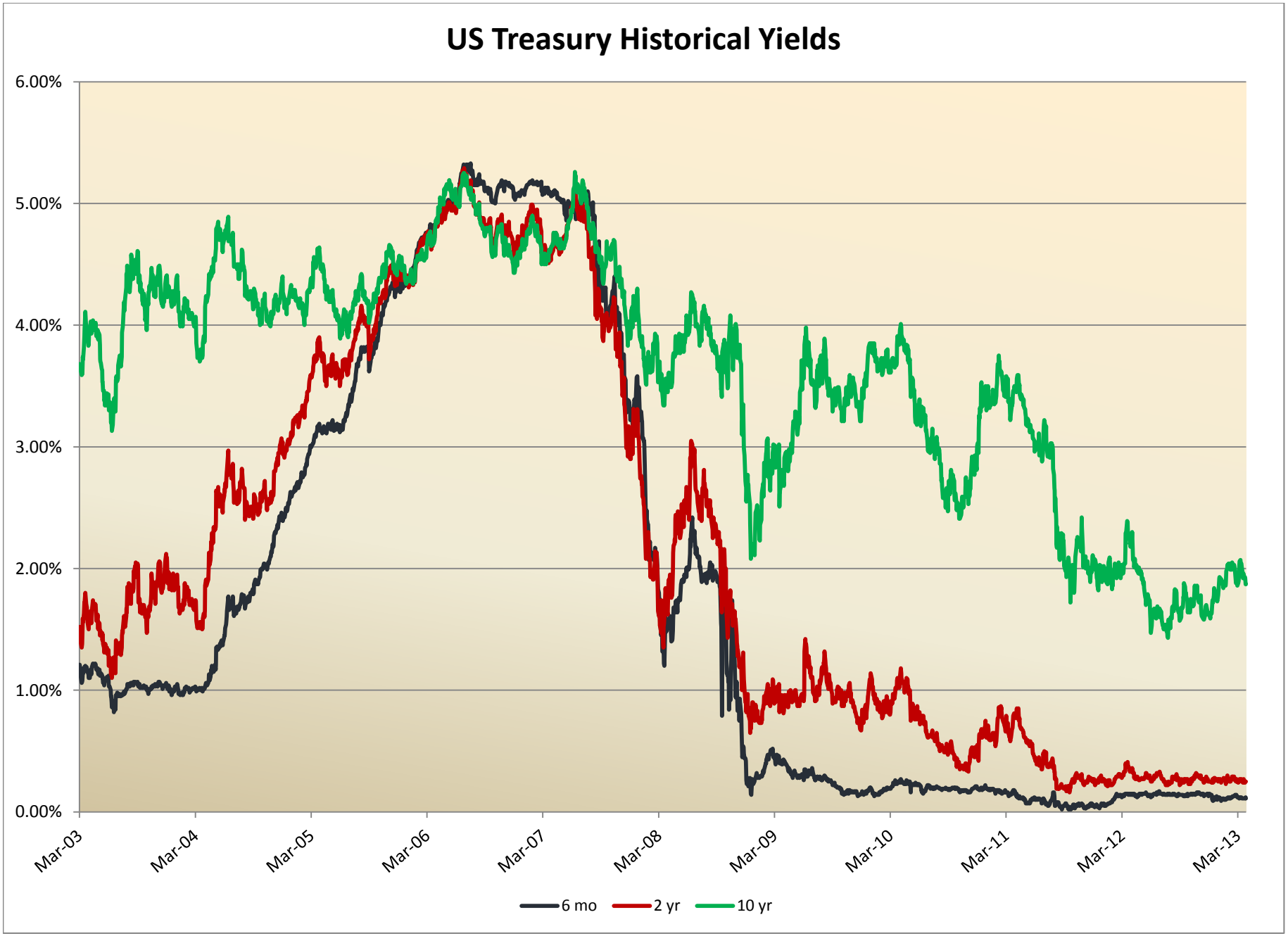
Last 12 Months:	
Rolling Six Month Treasury Yield	0.13%
Rolling Two Year Treasury Yield	0.27%
TexPool Yield	0.13%

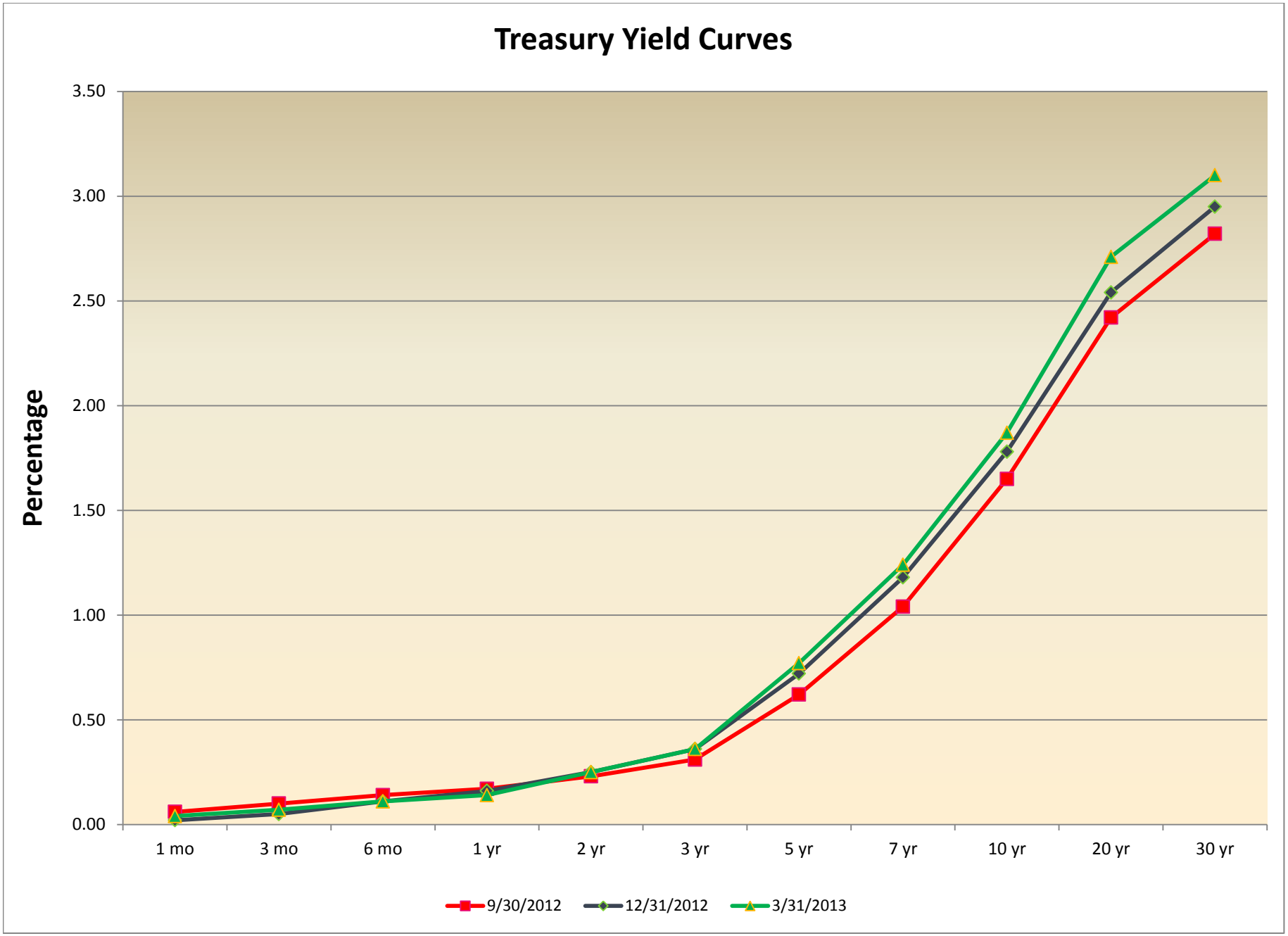
Investment Earnings (3):			
	Quarter	$	559,664
	Fiscal Year To Date	$	938,135

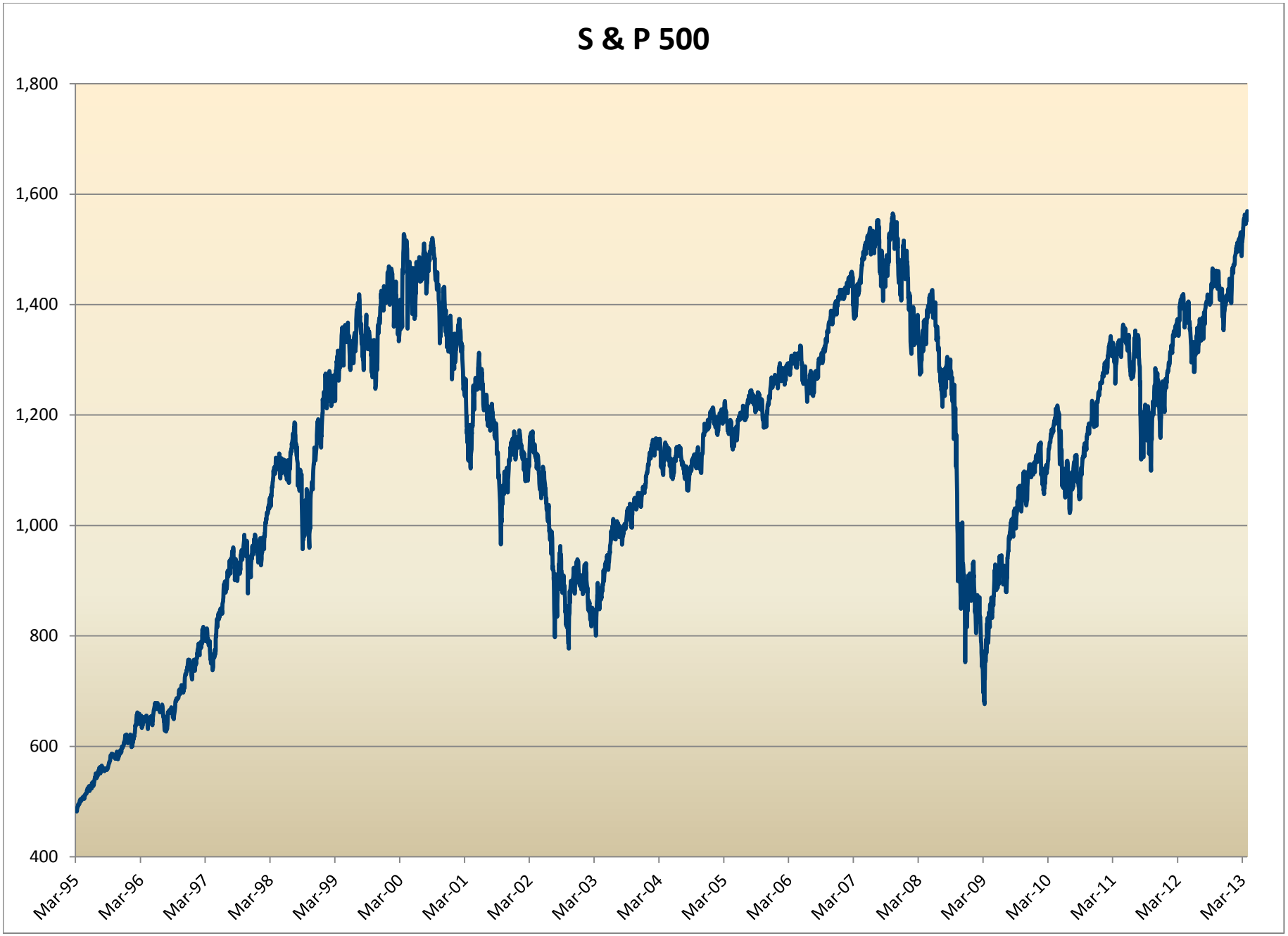
(1) Average Yield calculated using quarter end report yields and adjusted book values does not reflect a total return analysis or account for advisory fees.

(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.

(3) Interest earnings are obtained from the general ledger - Interest plus/minus Gain or Loss on Investments, Unrealized Gain or Loss and


US Treasury Historical Yields
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
Mar-03
Mar-04
Mar-05
Mar-06
Mar-07
Mar-08
Mar-09
Mar-10
Mar-11
Mar-12
Mar-13
6 mo
2 yr
10 yr


Treasury Yield Curves
Percentage
3.50
3.00
2.50
2.00
1.50
1.00
0.50
0.00
1 mo
3 mo
6 mo
1 yr
2 yr
3 yr
5 yr
7 yr
10 yr
20 yr
30 yr
9/30/2012
12/31/2012
3/31/2013


S & P 500
1,800
1,600
1,400
1,200
1,000
800
600
400
Mar-95
Mar-96
Mar-97
Mar-98
Mar-99
Mar-00
Mar-01
Mar-02
Mar-03
Mar-04
Mar-05
Mar-06
Mar-07
Mar-08
Mar-09
Mar-10
Mar-11
Mar-12
Mar-13

Detail of Security Holdings

By Sector

March 31, 2013

Security Description	Ratings	Coupon/ YTM	Maturity Date	Settlement Date	Call Date	Par Value	Purchased Value	Adjusted Book Value	Market Price	Market Value	Life (mo)	Yield	Accrued Interest
Frost NOW Account		0.00%	04/01/2013	03/31/2013		26,193,408.33	26,193,408.33	26,193,408.33	1.00	26,193,408.33	0.03	0.00%	-
Legacy NOW Account		0.21%	04/01/2013	03/31/2013		34,482,898.05	34,482,898.05	34,482,898.05	1.00	34,482,898.05	0.03	0.21%	-
JPMorgan NOW Account		0.00%	04/01/2013	03/31/2013		1,000.00	1,000.00	1,000.00	1.00	1,000.00	0.03	0.00%	-
TexPool	AAAm	0.11%	04/01/2013	03/31/2013		5,780,555.53	5,780,555.53	5,780,555.53	1.00	5,780,555.53	0.03	0.11%	-
Texas Daily	AAAm	0.10%	04/01/2013	03/31/2013		12,443,941.75	12,443,941.75	12,443,941.75	1.00	12,443,941.75	0.03	0.10%	-
Certificate of Deposit		1.45%	08/22/2013	08/26/2010		1,500,000.00	1,500,000.00	1,500,000.00	1.00	1,500,000.00	4.72	1.45%	56,490.41
Certificate of Deposit		0.64%	11/29/2013	11/29/2011		244,000.00	244,000.00	244,000.00	1.00	244,000.00	7.97	0.64%	2,116.84
Certificate of Deposit		1.00%	01/30/2014	01/30/2012		10,000,000.00	10,000,000.00	10,000,000.00	1.00	10,000,000.00	10.00	1.00%	117,670.52
Certificate of Deposit		0.68%	02/27/2014	02/27/2012		20,000,000.00	20,000,000.00	20,000,000.00	1.00	20,000,000.00	10.92	0.68%	148,295.89
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.25	0.60%	620.77
Certificate of Deposit		1.24%	05/31/2014	05/31/2012		245,000.00	245,000.00	245,000.00	1.00	245,000.00	13.97	1.24%	2,534.36
Certificate of Deposit		0.40%	12/01/2013	06/01/2012		245,000.00	245,000.00	245,000.00	1.00	245,000.00	8.03	0.40%	824.83
Certificate of Deposit		0.30%	01/10/2014	08/10/2012		99,039.91	99,039.91	99,039.91	1.00	99,039.91	9.34	0.30%	189.67
Certificate of Deposit		1.44%	08/22/2013	08/23/2012		3,500,000.00	3,500,000.00	3,500,000.00	1.00	3,500,000.00	4.72	1.44%	30,378.08
Certificate of Deposit		0.45%	03/11/2014	09/11/2012		245,000.00	245,000.00	245,000.00	1.00	245,000.00	11.31	0.45%	610.92
Certificate of Deposit		0.80%	03/13/2014	10/13/2012		145,000.00	145,000.00	145,000.00	1.00	145,000.00	11.38	0.80%	544.56
Certificate of Deposit		0.45%	12/17/2013	12/17/2012		247,010.21	247,010.21	247,010.21	1.00	247,010.21	8.56	0.45%	316.71
Certificate of Deposit		0.40%	01/13/2015	01/13/2013		5,149,573.87	5,149,573.87	5,149,573.87	1.00	5,149,573.87	21.41	0.40%	4,345.39
Certificate of Deposit		0.30%	03/13/2014	03/14/2013		2,526,246.44	2,526,246.44	2,526,246.44	1.00	2,526,246.44	11.38	0.30%	373.76
Certificate of Deposit		0.30%	03/12/2015	03/14/2013		2,500,000.00	2,500,000.00	2,500,000.00	1.00	2,500,000.00	23.31	0.30%	369.88
FHLB Bonds	AAA	1.23%	09/12/2014	09/30/2010		10,000,000.00	10,054,542.50	10,020,032.94	1.02	10,162,410.00	17.38	1.23%	7,256.94
FHLB Bonds	AAA	2.09%	03/13/2015	02/07/2011		7,565,000.00	7,761,622.75	7,658,642.41	1.05	7,922,461.38	23.34	2.09%	10,401.88
FHLB Bonds	AAA	1.63%	03/14/2014	02/15/2011		15,000,000.00	15,335,700.00	15,104,028.14	1.02	15,314,340.00	11.41	1.63%	16,822.92
FHLB Bonds	AAA	0.39%	04/19/2013	10/03/2011		11,000,000.00	11,069,740.00	11,002,349.40	1.00	11,005,522.00	0.62	0.39%	37,888.89
FHLB Bonds	AAA	0.36%	09/13/2013	12/30/2011		10,000,000.00	10,107,852.96	10,028,737.71	1.00	10,039,350.00	5.44	0.36%	5,000.00
FHLB Bonds	AAA	0.68%	02/02/2016	02/13/2012		7,590,000.00	7,597,134.60	7,595,107.39	1.01	7,687,083.69	34.03	0.68%	8,707.42
FHLB Bonds	AAA	0.60%	05/27/2015	02/21/2012		1,000,000.00	1,045,160.00	1,029,685.33	1.04	1,035,429.00	25.80	0.60%	6,888.89
FHLB Bonds	AAA	0.57%	05/15/2015	02/23/2012		4,000,000.00	3,997,880.00	3,998,596.77	1.00	4,017,096.00	25.41	0.57%	8,311.11
FHLMC Bonds	AAA	1.30%	09/27/2013	07/12/2010		15,000,000.00	16,329,150.00	15,203,961.64	1.02	15,296,835.00	5.90	1.30%	6,875.00
FHLMC Bonds	AAA	1.64%	09/10/2015	09/27/2010		17,000,000.00	17,088,555.17	17,043,714.63	1.03	17,565,709.00	29.28	1.64%	17,354.17
FHLMC Bonds	AAA	0.54%	04/11/2013	10/27/2010		3,000,000.00	3,086,610.00	3,001,062.11	1.00	3,001,590.00	0.36	0.54%	24,366.67
FHLMC Bonds	AAA	0.97%	07/28/2014	10/28/2010		11,000,000.00	11,820,710.00	11,290,156.06	1.04	11,397,056.00	15.87	0.97%	57,750.00
FHLMC Bonds	AAA	2.20%	09/10/2015	02/03/2011		13,000,000.00	12,744,589.10	12,864,236.94	1.03	13,432,601.00	29.28	2.20%	13,270.83
FHLMC Bonds	AAA	0.52%	07/15/2013	07/27/2011		7,000,000.00	7,545,050.44	7,080,355.14	1.01	7,090,853.00	3.48	0.52%	66,500.00
FHLMC Bonds	AAA	0.93%	07/18/2016	02/21/2012		6,000,000.00	7,182,724.81	6,885,757.24	1.16	6,979,794.00	39.51	0.93%	66,916.67
FHLMC Bonds	AAA	0.40%	03/21/2014	02/23/2012		5,000,000.00	4,990,100.00	4,995,357.33	1.00	5,007,440.00	11.64	0.40%	416.67
FHLMC Bonds	AAA	0.60%	08/25/2016	02/19/2013		30,000,000.00	31,456,200.00	31,410,800.16	1.05	31,485,840.00	40.75	0.60%	60,000.00
FNMA Bonds	AAA	0.66%	08/20/2013	10/27/2010		10,000,000.00	10,164,100.00	10,022,667.51	1.00	10,042,660.00	4.66	0.66%	14,236.11
FNMA Bonds	AAA	1.93%	04/15/2015	03/29/2011		15,000,000.00	16,786,500.00	15,900,502.37	1.10	16,426,875.00	24.43	1.93%	345,833.33
FNMA Bonds	AAA	0.62%	09/16/2014	01/03/2012		15,000,000.00	15,955,350.00	15,516,876.29	1.04	15,614,565.00	17.51	0.62%	18,750.00
FNMA Bonds	AAA	0.72%	02/25/2016	02/13/2012		3,410,000.00	3,583,773.60	3,535,168.90	1.05	3,564,108.13	34.79	0.72%	6,820.00

Detail of Security Holdings

By Sector

March 31, 2013

Security Description	Ratings	Coupon/ YTM	Maturity Date	Settlement Date	Call Date	Par Value	Purchased Value	Adjusted Book Value	Market Price	Market Value	Life (mo)	Yield	Accrued Interest
FNMA Bonds	AAA	0.89%	03/24/2016	02/21/2012		6,000,000.00	6,315,960.00	6,230,462.45	1.05	6,313,080.00	35.70	0.89%	2,566.67
FNMA Bonds	AA2	0.40%	05/15/2014	02/23/2012		6,000,000.00	6,279,430.18	6,141,091.59	1.03	6,154,800.00	13.44	0.40%	56,666.67
Municipal Bonds	A3	0.96%	11/01/2016	05/17/2012		500,000.00	587,895.00	570,736.86	1.14	571,065.00	42.98	0.96%	10,416.67
Municipal Bonds	AA1	0.40%	12/01/2013	06/07/2012		900,000.00	947,862.00	921,635.04	1.03	922,707.00	8.03	0.40%	12,000.00
Municipal Bonds	AA1	0.91%	12/01/2016	06/07/2012		1,610,000.00	1,828,058.40	1,788,520.34	1.11	1,794,264.50	43.97	0.91%	21,466.67
Municipal Bonds	AA1	0.56%	12/01/2014	06/07/2012		2,750,000.00	2,915,220.00	2,861,118.19	1.05	2,873,860.00	20.00	0.56%	27,500.00
Municipal Bonds	AA1	0.76%	12/01/2015	06/07/2012		1,000,000.00	1,111,160.00	1,085,205.19	1.09	1,088,790.00	31.97	0.76%	13,333.33
Municipal Bonds	AA2	0.59%	11/01/2013	06/07/2012		80,000.00	80,000.00	80,000.00	1.00	79,932.80	7.05	0.59%	196.67
Municipal Bonds	AA2	0.74%	11/01/2014	06/07/2012		550,000.00	550,000.00	550,000.00	1.00	549,087.00	19.02	0.74%	1,695.83
Municipal Bonds	AA2	1.04%	11/01/2015	06/07/2012		615,000.00	615,000.00	615,000.00	1.00	615,781.05	30.98	1.04%	2,665.00
Municipal Bonds	A2	1.25%	11/01/2016	06/07/2012		500,000.00	500,000.00	500,000.00	1.00	500,695.00	42.98	1.25%	2,604.17
Municipal Bonds	AAA	0.43%	07/15/2015	12/10/2012		2,000,000.00	2,235,800.00	2,208,161.35	1.11	2,210,820.00	27.41	0.43%	21,111.11
Municipal Bonds	AA2	0.57%	04/15/2016	12/11/2012		1,000,000.00	1,146,540.00	1,133,338.20	1.13	1,131,410.00	36.43	0.57%	23,055.56
Municipal Bonds	AA	0.51%	11/15/2015	12/11/2012		1,190,000.00	1,362,335.80	1,344,602.46	1.13	1,343,141.10	31.44	0.51%	24,725.56
Municipal Bonds	AA	0.72%	03/01/2017	12/11/2012		2,375,000.00	2,599,770.00	2,583,725.42	1.09	2,580,295.00	46.92	0.72%	5,937.50
Municipal Bonds	AAA	0.52%	02/15/2016	12/12/2012		715,000.00	815,729.20	806,264.13	1.13	804,711.05	34.46	0.52%	4,568.06
Municipal Bonds	AAA	0.56%	07/15/2015	12/12/2012		500,000.00	557,035.00	550,456.36	1.10	549,330.00	27.41	0.56%	5,277.78
Municipal Bonds	AAA	0.56%	10/01/2016	12/12/2012		1,130,000.00	1,318,495.30	1,303,703.37	1.15	1,302,528.40	41.97	0.56%	28,250.00
Municipal Bonds	AAA	0.40%	07/01/2015	12/12/2012		1,970,000.00	2,199,918.70	2,173,000.18	1.10	2,171,806.80	26.95	0.40%	24,625.00
Municipal Bonds	AA2	0.56%	02/15/2016	12/12/2012		1,000,000.00	1,139,520.00	1,126,409.93	1.12	1,124,860.00	34.46	0.56%	6,388.89
Municipal Bonds	A1	0.62%	11/15/2016	12/18/2012		395,000.00	431,241.25	428,627.21	1.08	428,274.80	43.44	0.62%	3,390.42
Municipal Bonds	A1	0.79%	11/15/2017	12/18/2012		500,000.00	577,115.00	572,685.08	1.14	570,665.00	55.41	0.79%	5,722.22
Municipal Bonds	A1	0.67%	11/15/2015	12/18/2012		3,435,000.00	3,435,000.00	3,435,000.00	1.00	3,428,954.40	31.44	0.67%	6,604.36
Municipal Bonds	A1	0.92%	11/15/2016	12/18/2012		710,000.00	710,000.00	710,000.00	1.00	708,210.80	43.44	0.92%	1,866.85
Municipal Bonds	AAA	0.38%	02/15/2014	12/27/2012		2,000,000.00	2,036,600.00	2,028,309.88	1.01	2,029,400.00	10.52	0.38%	5,111.11
Municipal Bonds	AA2	0.39%	02/01/2015	01/16/2013		1,330,000.00	1,427,528.90	1,417,854.45	1.06	1,411,316.20	22.03	0.39%	8,866.67
Municipal Bonds	AA2	0.44%	08/15/2015	01/16/2013		1,045,000.00	1,113,562.45	1,108,170.72	1.05	1,102,077.90	28.43	0.44%	4,005.83
Municipal Bonds	AA	0.28%	01/15/2014	01/17/2013		1,080,000.00	1,103,792.40	1,099,007.70	1.02	1,098,835.20	9.51	0.28%	5,550.00
Municipal Bonds	AA	0.56%	01/15/2016	01/17/2013		1,110,000.00	1,173,847.20	1,169,582.93	1.05	1,169,340.60	33.44	0.56%	5,704.17
Municipal Bonds	AA	0.55%	02/01/2016	01/18/2013		4,970,000.00	5,186,642.30	5,172,577.16	1.04	5,173,322.70	34.00	0.55%	20,156.11
Municipal Bonds	AA3	0.50%	06/15/2015	01/28/2013		1,300,000.00	1,438,255.00	1,428,379.64	1.10	1,425,411.00	26.43	0.50%	19,138.89
Municipal Bonds	AA1	0.26%	02/01/2014	01/31/2013		1,120,000.00	1,173,099.20	1,164,539.49	1.04	1,163,288.00	10.07	0.26%	9,488.89
Municipal Bonds	AA1	0.41%	02/01/2015	01/31/2013		1,170,000.00	1,277,101.80	1,268,457.47	1.08	1,267,238.70	22.03	0.41%	9,912.50
Municipal Bonds	AA1	0.55%	02/01/2016	01/31/2013		975,000.00	1,103,914.50	1,096,974.76	1.12	1,095,588.00	34.00	0.55%	8,260.42
Municipal Bonds	AA2	0.80%	07/01/2016	02/01/2013		4,500,000.00	5,135,715.00	5,106,123.13	1.13	5,093,235.00	38.95	0.80%	56,250.00
Municipal Bonds	AA2	0.60%	05/01/2016	02/06/2013		5,225,000.00	5,793,427.75	5,767,896.67	1.10	5,740,759.75	36.95	0.60%	31,930.56
Municipal Bonds	AA2	0.57%	03/01/2016	02/07/2013		1,250,000.00	1,380,150.00	1,374,096.51	1.10	1,373,600.00	34.95	0.57%	4,166.67
Municipal Bonds	AA3	0.95%	05/01/2017	02/07/2013		1,225,000.00	1,430,359.00	1,423,442.76	1.16	1,415,524.25	48.92	0.95%	25,520.83
Municipal Bonds	AA2	0.54%	02/15/2016	02/08/2013		1,400,000.00	1,544,872.00	1,538,167.40	1.10	1,534,232.00	34.46	0.54%	7,155.56
Municipal Bonds	AA2	0.35%	05/01/2014	02/08/2013		2,835,000.00	2,961,922.95	2,947,441.81	1.04	2,940,660.45	12.98	0.35%	16,695.00
Municipal Bonds	AA2	0.21%	02/15/2014	02/11/2013		1,095,000.00	1,136,894.70	1,131,444.98	1.03	1,130,423.25	10.52	0.21%	5,596.67
Municipal Bonds	AAA	0.56%	08/01/2016	02/12/2013		1,000,000.00	1,118,030.00	1,113,648.16	1.11	1,110,810.00	39.97	0.56%	5,444.44
Municipal Bonds	AA2	1.05%	10/01/2017	02/14/2013		5,965,000.00	7,105,090.45	7,074,733.01	1.19	7,083,855.05	53.93	1.05%	157,774.25
Municipal Bonds	AA1	0.70%	08/01/2015	02/14/2013		690,000.00	765,044.40	761,283.82	1.10	762,277.50	27.97	0.70%	5,934.00
Municipal Bonds	AA1	0.77%	08/01/2016	02/14/2013		1,875,000.00	2,157,731.25	2,147,665.66	1.14	2,144,081.25	39.97	0.77%	16,218.75
Municipal Bonds	A	0.82%	02/01/2017	02/14/2013		2,135,000.00	2,399,248.95	2,391,036.79	1.12	2,382,040.85	46.00	0.82%	11,149.44
Municipal Bonds	AA2	0.95%	08/15/2017	02/15/2013		1,300,000.00	1,541,670.00	1,535,194.07	1.18	1,534,039.00	52.39	0.95%	8,604.56
Municipal Bonds	A1	0.18%	02/15/2016	02/15/2013		2,205,000.00	2,456,943.30	2,446,819.55	1.11	2,446,337.25	34.46	0.18%	11,270.00
Municipal Bonds	AA2	0.50%	05/01/2015	02/20/2013		1,870,000.00	1,890,401.70	1,889,407.12	1.01	1,882,716.00	24.95	0.50%	2,129.72
Municipal Bonds	AA1	0.42%	07/01/2015	02/21/2013		1,600,000.00	1,696,864.00	1,692,583.96	1.06	1,688,416.00	26.95	0.42%	5,333.33
Municipal Bonds	AA2	0.58%	04/01/2016	02/26/2013		2,915,000.00	3,220,550.30	3,211,627.15	1.10	3,205,946.15	35.97	0.58%	11,336.11
Municipal Bonds	AA	0.72%	03/01/2017	03/01/2013		590,000.00	677,774.30	675,971.95	1.14	672,588.20	46.92	0.72%	2,212.50
Municipal Bonds	AA2	0.50%	03/01/2015	03/14/2013		1,250,000.00	1,262,187.50	1,261,898.54	1.01	1,262,825.00	22.95	0.50%	1,041.67
Municipal Bonds	AA2	0.65%	03/01/2016	03/14/2013		2,500,000.00	2,525,625.00	2,525,222.76	1.01	2,526,900.00	34.95	0.65%	2,083.33
Municipal Bonds	AAA	0.25%	08/15/2014	03/27/2013		1,500,000.00	1,536,225.00	1,535,938.64	1.02	1,535,280.00	16.46	0.25%	1,333.33
Municipal Bonds	AAA	0.36%	08/15/2015	03/27/2013		2,000,000.00	2,077,760.00	2,077,402.89	1.04	2,079,660.00	28.43	0.36%	1,777.78
Municipal Bonds	AAA	0.35%	02/15/2015	03/28/2013		375,000.00	393,607.50	393,526.48	1.05	393,330.00	22.49	0.35%	1,437.50
TOTAL						**445,962,642.31**	**463,777,212.87**	**458,456,610.08**		**461,356,685.46**	**18.52**	**0.76%**	**1,985,898.77**
											(1)	**(2)**	

(1) Weighted average life - For purposes of calculating weighted average life bank, pool, and money market investments are assumed to mature the next business day.

(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. The yield is for this month only.

Detail of Security Holdings By Maturity

March 31, 2013

Security Description	Ratings	Coupon/ YTM	Maturity Date	Settlement Date	Call Date	Par Value	Purchased Value	Adjusted Book Value	Market Price	Market Value	Life (mo)	Yield	Accrued Interest
Frost NOW Account		0.00%	04/01/2013	03/31/2013		26,193,408.33	26,193,408.33	26,193,408.33	1.00	26,193,408.33	0.03	0.00%	-
Legacy NOW Account		0.21%	04/01/2013	03/31/2013		34,482,898.05	34,482,898.05	34,482,898.05	1.00	34,482,898.05	0.03	0.21%	-
JPMorgan NOW Account		0.00%	04/01/2013	03/31/2013		1,000.00	1,000.00	1,000.00	1.00	1,000.00	0.03	0.00%	-
TexPool	AAAm	0.11%	04/01/2013	03/31/2013		5,780,555.53	5,780,555.53	5,780,555.53	1.00	5,780,555.53	0.03	0.11%	-
Texas Daily	AAAm	0.10%	04/01/2013	03/31/2013		12,443,941.75	12,443,941.75	12,443,941.75	1.00	12,443,941.75	0.43	0.10%	-
FHLMC Bonds	AAA	0.54%	04/11/2013	10/27/2010		3,000,000.00	3,086,610.00	3,001,062.11	1.00	3,001,590.00	14.59	0.54%	24,366.67
FHLB Bonds	AAA	0.39%	04/19/2013	10/03/2011		11,000,000.00	11,069,740.00	11,002,349.40	1.00	11,005,522.00	26.30	0.39%	37,888.89
FHLMC Bonds	AAA	0.52%	07/15/2013	07/27/2011		7,000,000.00	7,545,050.44	7,080,355.14	1.01	7,090,853.00	32.23	0.52%	66,500.00
FNMA Bonds	AAA	0.66%	08/20/2013	10/27/2010		10,000,000.00	10,164,100.00	10,022,667.51	1.00	10,042,660.00	20.46	0.66%	14,236.11
Certificate of Deposit		1.45%	08/22/2013	08/26/2010		1,500,000.00	1,500,000.00	1,500,000.00	1.00	1,500,000.00	2.39	1.45%	56,490.41
Certificate of Deposit		1.44%	08/22/2013	08/23/2012		3,500,000.00	3,500,000.00	3,500,000.00	1.00	3,500,000.00	14.20	1.44%	30,378.08
FHLB Bonds	AAA	0.36%	09/13/2013	12/30/2011		10,000,000.00	10,107,852.96	10,028,737.71	1.00	10,039,350.00	28.36	0.36%	5,000.00
FHLMC Bonds	AAA	1.30%	09/27/2013	07/12/2010		15,000,000.00	16,329,150.00	15,203,961.64	1.02	15,296,835.00	6.43	1.30%	6,875.00
Municipal Bonds	AA2	0.59%	11/01/2013	06/07/2012		80,000.00	80,000.00	80,000.00	1.00	79,932.80	30.36	0.59%	196.67
Certificate of Deposit		0.64%	11/29/2013	11/29/2011		244,000.00	244,000.00	244,000.00	1.00	244,000.00	7.67	0.64%	2,116.84
Certificate of Deposit		0.40%	12/01/2013	06/01/2012		245,000.00	245,000.00	245,000.00	1.00	245,000.00	14.20	0.40%	824.83
Municipal Bonds	AA1	0.40%	12/01/2013	06/07/2012		900,000.00	947,862.00	921,635.04	1.03	922,707.00	21.97	0.40%	12,000.00
Certificate of Deposit		0.45%	12/17/2013	12/17/2012		247,010.21	247,010.21	247,010.21	1.00	247,010.21	14.33	0.45%	316.71
Certificate of Deposit		0.30%	01/10/2014	08/10/2012		99,039.91	99,039.91	99,039.91	1.00	99,039.91	14.20	0.30%	189.67
Municipal Bonds	AA	0.28%	01/15/2014	01/17/2013		1,080,000.00	1,103,792.40	1,099,007.70	1.02	1,098,835.20	-	0.28%	5,550.00
Certificate of Deposit		1.00%	01/30/2014	01/30/2012		10,000,000.00	10,000,000.00	10,000,000.00	1.00	10,000,000.00	7.67	1.00%	117,670.52
Municipal Bonds	AA1	0.26%	02/01/2014	01/31/2013		1,120,000.00	1,173,099.20	1,164,539.49	1.04	1,163,288.00	-	0.26%	9,488.89
Municipal Bonds	AAA	0.38%	02/15/2014	12/27/2012		2,000,000.00	2,036,600.00	2,028,309.88	1.01	2,029,400.00	-	0.38%	5,111.11
Municipal Bonds	AA2	0.21%	02/15/2014	02/11/2013		1,095,000.00	1,136,894.70	1,131,444.98	1.03	1,130,423.25	-	0.21%	5,596.67
Certificate of Deposit		0.68%	02/27/2014	02/27/2012		20,000,000.00	20,000,000.00	20,000,000.00	1.00	20,000,000.00	10.92	0.68%	148,295.89
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	10.98	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	11.51	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	12.30	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	12.95	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	13.87	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.60%	03/09/2014	03/09/2012		97,579.62	97,579.62	97,579.62	1.00	97,579.62	14.20	0.60%	620.77
Certificate of Deposit		0.45%	03/11/2014	09/11/2012		245,000.00	245,000.00	245,000.00	1.00	245,000.00	14.20	0.45%	610.92
Certificate of Deposit		0.80%	03/13/2014	10/13/2012		145,000.00	145,000.00	145,000.00	1.00	145,000.00	14.26	0.80%	544.56
Certificate of Deposit		0.30%	03/13/2014	03/14/2013		2,526,246.44	2,526,246.44	2,526,246.44	1.00	2,526,246.44	1.84	0.30%	373.76
FHLB Bonds	AAA	1.63%	03/14/2014	02/15/2011		15,000,000.00	15,335,700.00	15,104,028.14	1.02	15,314,340.00	20.33	1.63%	16,822.92
FHLMC Bonds	AAA	0.40%	03/21/2014	02/23/2012		5,000,000.00	4,990,100.00	4,995,357.33	1.00	5,007,440.00	7.61	0.40%	416.67
Municipal Bonds	AA2	0.35%	05/01/2014	02/08/2013		2,835,000.00	2,961,922.95	2,947,441.81	1.04	2,940,660.45	-	0.35%	16,695.00
FNMA Bonds	AA2	0.40%	05/15/2014	02/23/2012		6,000,000.00	6,279,430.18	6,141,091.59	1.03	6,154,800.00	10.98	0.40%	56,666.67
Certificate of Deposit		1.24%	05/31/2014	05/31/2012		245,000.00	245,000.00	245,000.00	1.00	245,000.00	14.20	1.24%	2,534.36
FHLMC Bonds	AAA	0.97%	07/28/2014	10/28/2010		11,000,000.00	11,820,710.00	11,290,156.06	1.04	11,397,056.00	18.82	0.97%	57,750.00
Municipal Bonds	AAA	0.25%	08/15/2014	03/27/2013		1,500,000.00	1,536,225.00	1,535,938.64	1.02	1,535,280.00	-	0.25%	1,333.33
FHLB Bonds	AAA	1.23%	09/12/2014	09/30/2010		10,000,000.00	10,054,542.50	10,020,032.94	1.02	10,162,410.00	8.39	1.23%	7,256.94
FNMA Bonds	AAA	0.62%	09/16/2014	01/03/2012		15,000,000.00	15,955,350.00	15,516,876.29	1.04	15,614,565.00	37.74	0.62%	18,750.00
Municipal Bonds	AA2	0.74%	11/01/2014	06/07/2012		550,000.00	550,000.00	550,000.00	1.00	549,087.00	33.93	0.74%	1,695.83
Municipal Bonds	AA1	0.56%	12/01/2014	06/07/2012		2,750,000.00	2,915,220.00	2,861,118.19	1.05	2,873,860.00	29.90	0.56%	27,500.00
Certificate of Deposit		0.40%	01/13/2015	01/13/2013		5,149,573.87	5,149,573.87	5,149,573.87	1.00	5,149,573.87	16.92	0.40%	4,345.39

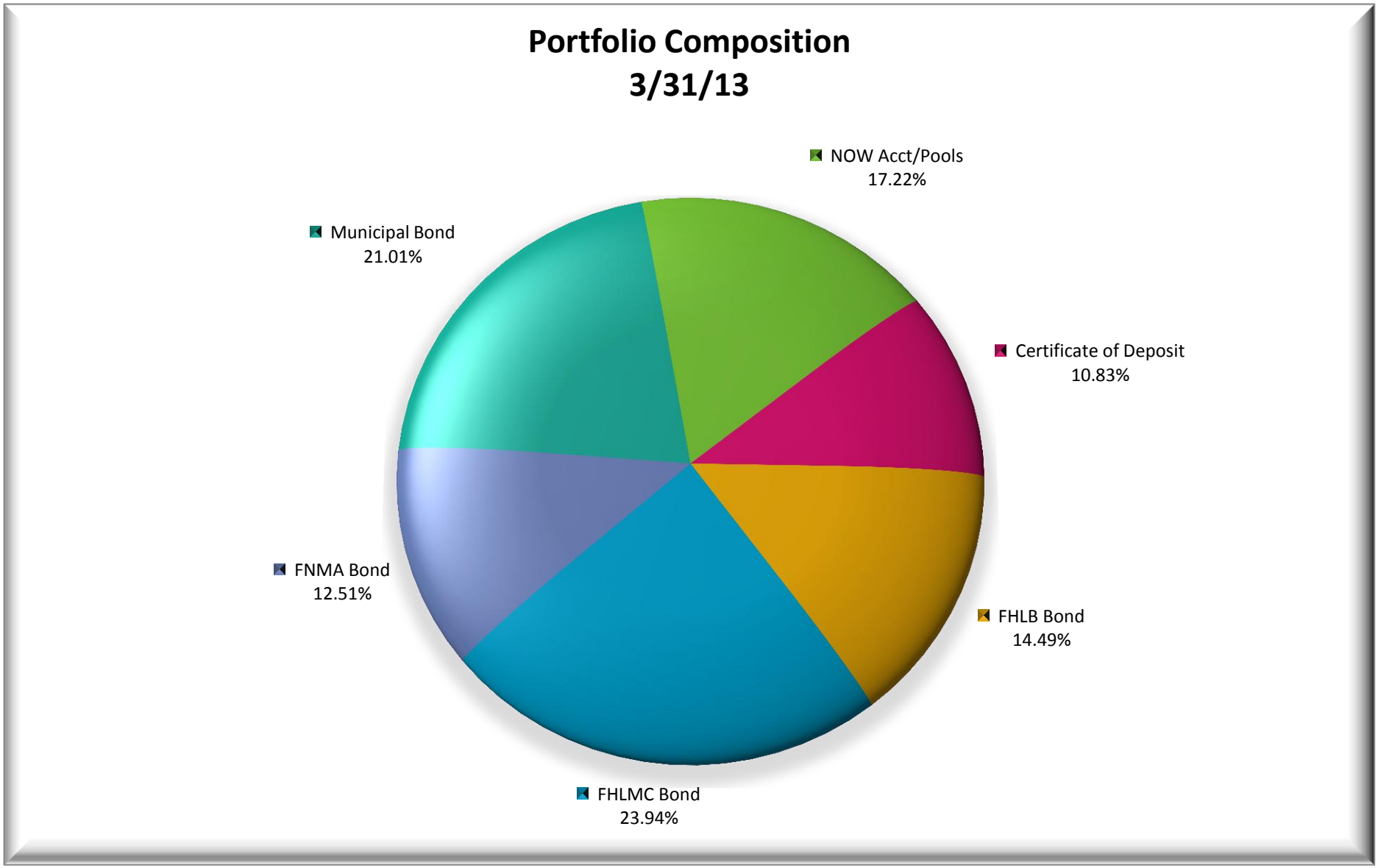
Detail of Security Holdings By Maturity

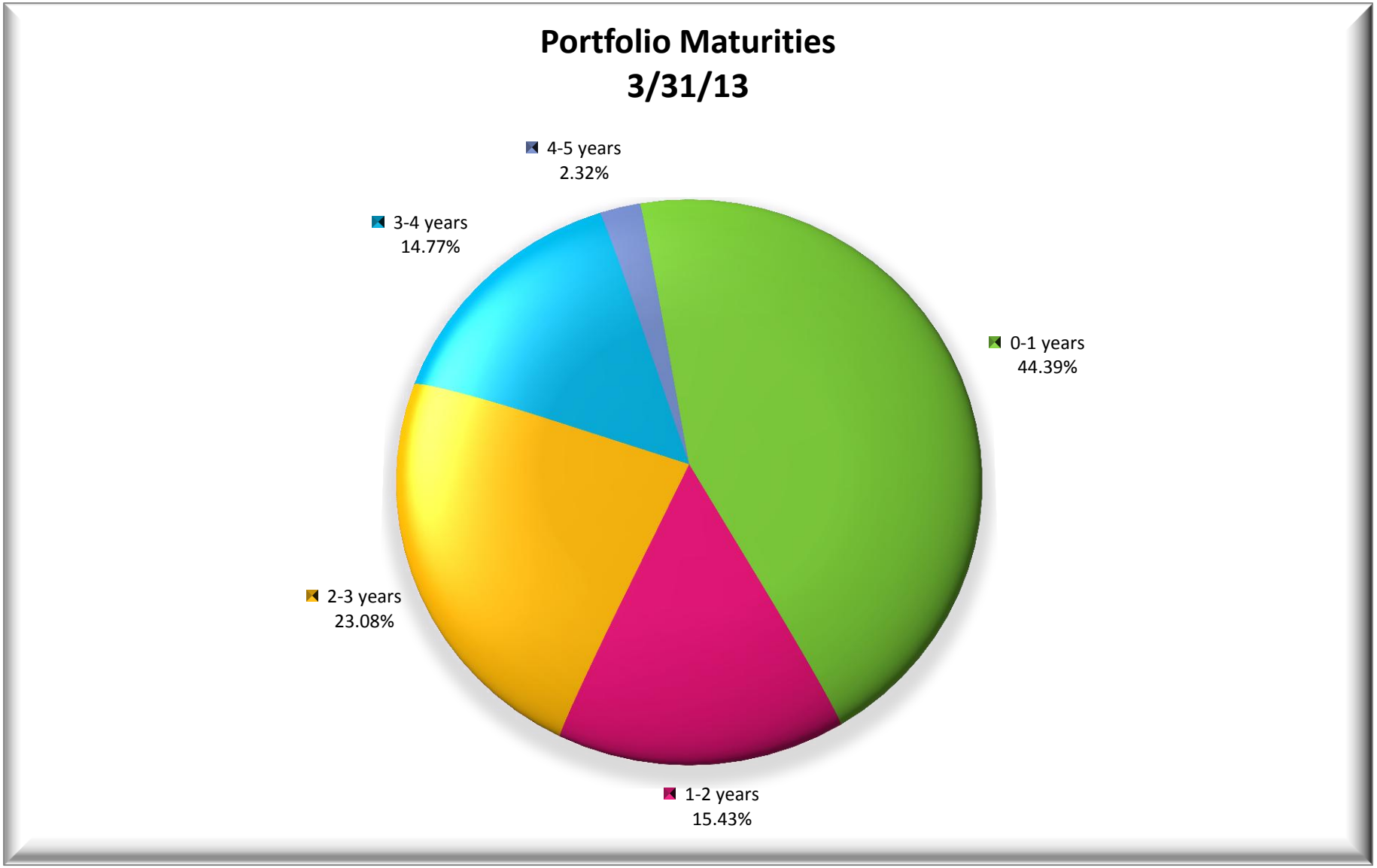
March 31, 2013

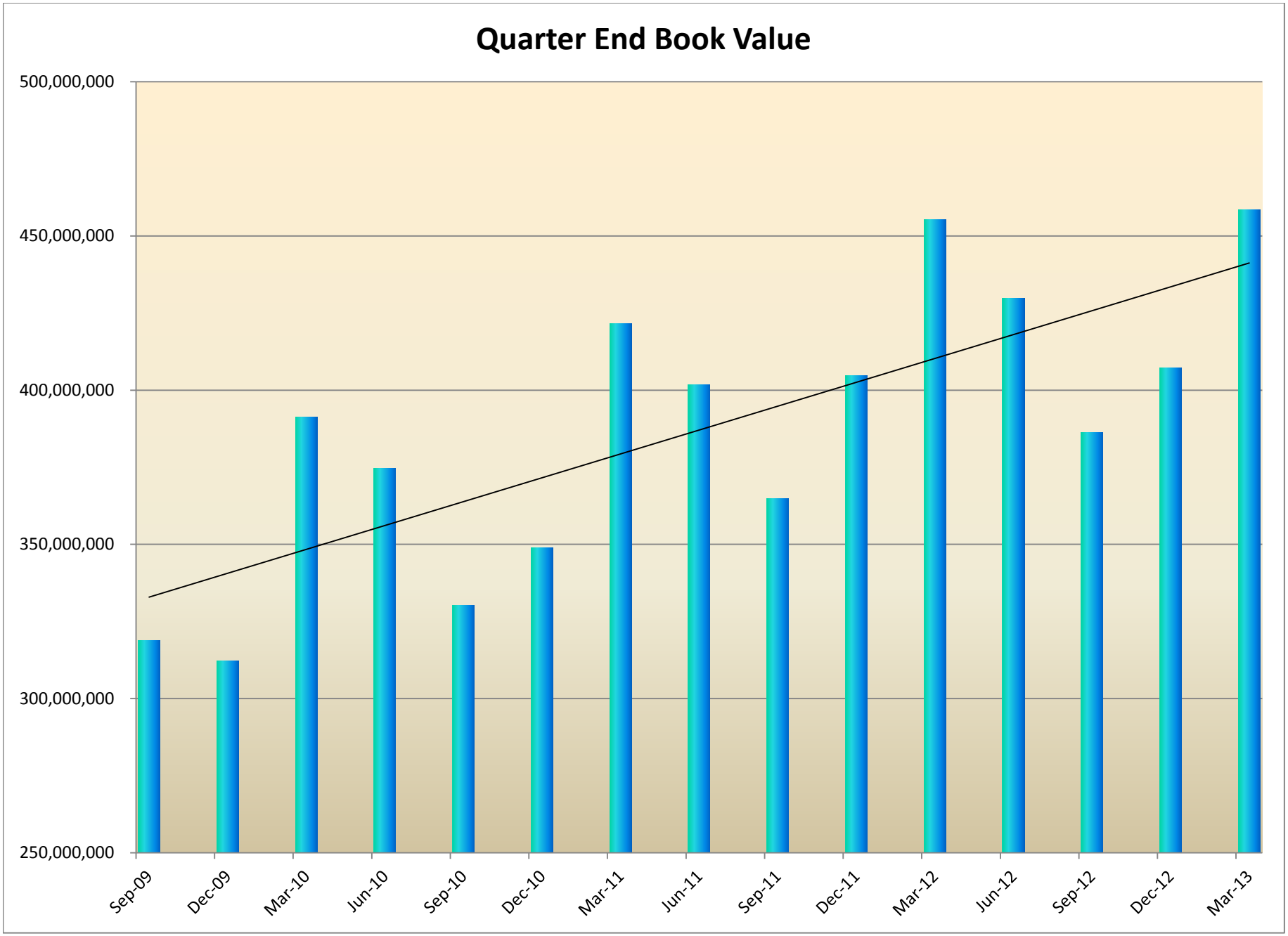
Security Description	Ratings	Coupon/ YTM	Maturity Date	Settlement Date	Call Date	Par Value	Purchased Value	Adjusted Book Value	Market Price	Market Value	Life (mo)	Yield	Accrued Interest
Municipal Bonds	AA2	0.39%	02/01/2015	01/16/2013		1,330,000.00	1,427,528.90	1,417,854.45	1.06	1,411,316.20	-	0.39%	8,866.67
Municipal Bonds	AA1	0.41%	02/01/2015	01/31/2013		1,170,000.00	1,277,101.80	1,268,457.47	1.08	1,267,238.70	-	0.41%	9,912.50
Municipal Bonds	AAA	0.35%	02/15/2015	03/28/2013		375,000.00	393,607.50	393,526.48	1.05	393,330.00	-	0.35%	1,437.50
Municipal Bonds	AA2	0.50%	03/01/2015	03/14/2013		1,250,000.00	1,262,187.50	1,261,898.54	1.01	1,262,825.00	-	0.50%	1,041.67
Certificate of Deposit		0.30%	03/12/2015	03/14/2013		2,500,000.00	2,500,000.00	2,500,000.00	1.00	2,500,000.00	3.57	0.30%	369.88
FHLB Bonds	AAA	2.09%	03/13/2015	02/07/2011		7,565,000.00	7,761,622.75	7,658,642.41	1.05	7,922,461.38	14.36	2.09%	10,401.88
FNMA Bonds	AAA	1.93%	04/15/2015	03/29/2011		15,000,000.00	16,786,500.00	15,900,502.37	1.10	16,426,875.00	27.38	1.93%	345,833.33
Municipal Bonds	AA2	0.50%	05/01/2015	02/20/2013		1,870,000.00	1,890,401.70	1,889,407.12	1.01	1,882,716.00	-	0.50%	2,129.72
FHLB Bonds	AAA	0.57%	05/15/2015	02/23/2012		4,000,000.00	3,997,880.00	3,998,596.77	1.00	4,017,096.00	3.31	0.57%	8,311.11
FHLB Bonds	AAA	0.60%	05/27/2015	02/21/2012		1,000,000.00	1,045,160.00	1,029,685.33	1.04	1,035,429.00	36.98	0.60%	6,888.89
Municipal Bonds	AA3	0.50%	06/15/2015	01/28/2013		1,300,000.00	1,438,255.00	1,428,379.64	1.10	1,425,411.00	-	0.50%	19,138.89
Municipal Bonds	AAA	0.40%	07/01/2015	12/12/2012		1,970,000.00	2,199,918.70	2,173,000.18	1.10	2,171,806.80	46.39	0.40%	24,625.00
Municipal Bonds	AA1	0.42%	07/01/2015	02/21/2013		1,600,000.00	1,696,864.00	1,692,583.96	1.06	1,688,416.00	-	0.42%	5,333.33
Municipal Bonds	AAA	0.43%	07/15/2015	12/10/2012		2,000,000.00	2,235,800.00	2,208,161.35	1.11	2,210,820.00	34.92	0.43%	21,111.11
Municipal Bonds	AAA	0.56%	07/15/2015	12/12/2012		500,000.00	557,035.00	550,456.36	1.10	549,330.00	45.93	0.56%	5,277.78
Municipal Bonds	AA1	0.70%	08/01/2015	02/14/2013		690,000.00	765,044.40	761,283.82	1.10	762,277.50	-	0.70%	5,934.00
Municipal Bonds	AA2	0.44%	08/15/2015	01/16/2013		1,045,000.00	1,113,562.45	1,108,170.72	1.05	1,102,077.90	-	0.44%	4,005.83
Municipal Bonds	AAA	0.36%	08/15/2015	03/27/2013		2,000,000.00	2,077,760.00	2,077,402.89	1.04	2,079,660.00	-	0.36%	1,777.78
FHLMC Bonds	AAA	1.64%	09/10/2015	09/27/2010		17,000,000.00	17,088,555.17	17,043,714.63	1.03	17,565,709.00	8.85	1.64%	17,354.17
FHLMC Bonds	AAA	2.20%	09/10/2015	02/03/2011		13,000,000.00	12,744,589.10	12,864,236.94	1.03	13,432,601.00	32.23	2.20%	13,270.83
Municipal Bonds	AA2	1.04%	11/01/2015	06/07/2012		615,000.00	615,000.00	615,000.00	1.00	615,781.05	34.39	1.04%	2,665.00
Municipal Bonds	AA	0.51%	11/15/2015	12/11/2012		1,190,000.00	1,362,335.80	1,344,602.46	1.13	1,343,141.10	37.41	0.51%	24,725.56
Municipal Bonds	A1	0.67%	11/15/2015	12/18/2012		3,435,000.00	3,435,000.00	3,435,000.00	1.00	3,428,954.40	58.36	0.67%	6,604.36
Municipal Bonds	AA1	0.76%	12/01/2015	06/07/2012		1,000,000.00	1,111,160.00	1,085,205.19	1.09	1,088,790.00	30.36	0.76%	13,333.33
Municipal Bonds	AA	0.56%	01/15/2016	01/17/2013		1,110,000.00	1,173,847.20	1,169,582.93	1.05	1,169,340.60	-	0.56%	5,704.17
Municipal Bonds	AA	0.55%	02/01/2016	01/18/2013		4,970,000.00	5,186,642.30	5,172,577.16	1.04	5,173,322.70	-	0.55%	20,156.11
Municipal Bonds	AA1	0.55%	02/01/2016	01/31/2013		975,000.00	1,103,914.50	1,096,974.76	1.12	1,095,588.00	-	0.55%	8,260.42
FHLB Bonds	AAA	0.68%	02/02/2016	02/13/2012		7,590,000.00	7,597,134.60	7,595,107.39	1.01	7,687,083.69	28.75	0.68%	8,707.42
Municipal Bonds	AAA	0.52%	02/15/2016	12/12/2012		715,000.00	815,729.20	806,264.13	1.13	804,711.05	44.92	0.52%	4,568.06
Municipal Bonds	AA2	0.56%	02/15/2016	12/12/2012		1,000,000.00	1,139,520.00	1,126,409.93	1.12	1,124,860.00	46.39	0.56%	6,388.89
Municipal Bonds	AA2	0.54%	02/15/2016	02/08/2013		1,400,000.00	1,544,872.00	1,538,167.40	1.10	1,534,232.00	-	0.54%	7,155.56
Municipal Bonds	A1	0.18%	02/15/2016	02/15/2013		2,205,000.00	2,456,943.30	2,446,819.55	1.11	2,446,337.25	-	0.18%	11,270.00
FNMA Bonds	AAA	0.72%	02/25/2016	02/13/2012		3,410,000.00	3,583,773.60	3,535,168.90	1.05	3,564,108.13	38.66	0.72%	6,820.00
Municipal Bonds	AA2	0.57%	03/01/2016	02/07/2013		1,250,000.00	1,380,150.00	1,374,096.51	1.10	1,373,600.00	-	0.57%	4,166.67
Municipal Bonds	AA2	0.65%	03/01/2016	03/14/2013		2,500,000.00	2,525,625.00	2,525,222.76	1.01	2,526,900.00	-	0.65%	2,083.33
FNMA Bonds	AAA	0.89%	03/24/2016	02/21/2012		6,000,000.00	6,315,960.00	6,230,462.45	1.05	6,313,080.00	10.00	0.89%	2,566.67
Municipal Bonds	AA2	0.58%	04/01/2016	02/26/2013		2,915,000.00	3,220,550.30	3,211,627.15	1.10	3,205,946.15	-	0.58%	11,336.11
Municipal Bonds	AA2	0.57%	04/15/2016	12/11/2012		1,000,000.00	1,146,540.00	1,133,338.20	1.13	1,131,410.00	37.41	0.57%	23,055.56
Municipal Bonds	AA2	0.60%	05/01/2016	02/06/2013		5,225,000.00	5,793,427.75	5,767,896.67	1.10	5,740,759.75	-	0.60%	31,930.56
Municipal Bonds	AA2	0.80%	07/01/2016	02/01/2013		4,500,000.00	5,135,715.00	5,106,123.13	1.13	5,093,235.00	-	0.80%	56,250.00
FHLMC Bonds	AAA	0.93%	07/18/2016	02/21/2012		6,000,000.00	7,182,724.81	6,885,757.24	1.16	6,979,794.00	42.46	0.93%	66,916.67
Municipal Bonds	AAA	0.56%	08/01/2016	02/12/2013		1,000,000.00	1,118,030.00	1,113,648.16	1.11	1,110,810.00	-	0.56%	5,444.44
Municipal Bonds	AA1	0.77%	08/01/2016	02/14/2013		1,875,000.00	2,157,731.25	2,147,665.66	1.14	2,144,081.25	-	0.77%	16,218.75
FHLMC Bonds	AAA	0.60%	08/25/2016	02/19/2013		30,000,000.00	31,456,200.00	31,410,800.16	1.05	31,485,840.00	16.39	0.60%	60,000.00
Municipal Bonds	AAA	0.56%	10/01/2016	12/12/2012		1,130,000.00	1,318,495.30	1,303,703.37	1.15	1,302,528.40	45.93	0.56%	28,250.00
Municipal Bonds	A3	0.96%	11/01/2016	05/17/2012		500,000.00	587,895.00	570,736.86	1.14	571,065.00	13.48	0.96%	10,416.67
Municipal Bonds	A2	1.25%	11/01/2016	06/07/2012		500,000.00	500,000.00	500,000.00	1.00	500,695.00	34.39	1.25%	2,604.17
Municipal Bonds	A1	0.62%	11/15/2016	12/18/2012		395,000.00	431,241.25	428,627.21	1.08	428,274.80	46.92	0.62%	3,390.42
Municipal Bonds	A1	0.92%	11/15/2016	12/18/2012		710,000.00	710,000.00	710,000.00	1.00	708,210.80	-	0.92%	1,866.85
Municipal Bonds	AA1	0.91%	12/01/2016	06/07/2012		1,610,000.00	1,828,058.40	1,788,520.34	1.11	1,794,264.50	22.95	0.91%	21,466.67
Municipal Bonds	A	0.82%	02/01/2017	02/14/2013		2,135,000.00	2,399,248.95	2,391,036.79	1.12	2,382,040.85	-	0.82%	11,149.44
Municipal Bonds	AA	0.72%	03/01/2017	12/11/2012		2,375,000.00	2,599,770.00	2,583,725.42	1.09	2,580,295.00	39.38	0.72%	5,937.50
Municipal Bonds	AA	0.72%	03/01/2017	03/01/2013		590,000.00	677,774.30	675,971.95	1.14	672,588.20	-	0.72%	2,212.50
Municipal Bonds	AA3	0.95%	05/01/2017	02/07/2013		1,225,000.00	1,430,359.00	1,423,442.76	1.16	1,415,524.25	-	0.95%	25,520.83
Municipal Bonds	AA2	0.95%	08/15/2017	02/15/2013		1,300,000.00	1,541,670.00	1,535,194.07	1.18	1,534,039.00	-	0.95%	8,604.56
Municipal Bonds	AA2	1.05%	10/01/2017	02/14/2013		5,965,000.00	7,105,090.45	7,074,733.01	1.19	7,083,855.05	-	1.05%	157,774.25
Municipal Bonds	A1	0.79%	11/15/2017	12/18/2012		500,000.00	577,115.00	572,685.08	1.14	570,665.00	49.87	0.79%	5,722.22
TOTAL						**445,962,642.31**	**463,777,212.87**	**458,456,610.08**		**461,356,685.46**	**18.52**	**0.76%**	**1,985,898.77**
											(1)	**(2)**	

(1) Weighted average life - For purposes of calculating weighted average life bank, pool, and money market investments are assumed to mature the next business day.

(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. The yield is for this month only.


Portfolio Composition
3/31/13
NOW Acct/Pools
17.22%
Municipal Bond
21.01%
Certificate of Deposit
10.83%
FNMA Bond
12.51%
FHLB Bond
14.49%
FHLMC Bond
23.94%


Portfolio Maturities
3/31/13
4-5 years
2.32%
3-4 years
14.77%
0-1 years
44.39%
2-3 years
23.08%
1-2 years
15.43%


Quarter End Book Value
500,000,000
450,000,000
400,000,000
350,000,000
300,000,000
250,000,000
Sep-09
Dec-09
Mar-10
Jun-10
Sep-10
Dec-10
Mar-11
Jun-11
Sep-11
Dec-11
Mar-12
Jun-12
Sep-12
Dec-12
Mar-13

Adjusted Book Value Comparison

Security Description	Coupon/ Yield	Maturity Date	December 31, 2012 Par Value	December 31, 2012 Adjusted Book Value	Purchase/ Adjustment	Maturity/Call/ Adjustment	March 31, 2013 Par Value	March 31, 2013 Adjusted Book Value
Frost NOW Account	0.00%	04/01/13	25,194,096.78	25,194,096.78	999,311.55	-	26,193,408.33	26,193,408.33
Legacy NOW Account	0.21%	04/01/13	34,455,184.76	34,455,184.76	27,713.29	-	34,482,898.05	34,482,898.05
JPMorgan NOW Account	0.00%	04/01/13	-	-	1,000.00	-	1,000.00	1,000.00
TexPool	0.11%	04/01/13	27,873,145.69	27,873,145.69	-	(22,092,590.16)	5,780,555.53	5,780,555.53
Texas Daily	0.10%	04/01/13	27,786,101.27	27,786,101.27	-	(15,342,159.52)	12,443,941.75	12,443,941.75
Certificate of Deposit	1.00%	01/13/13	5,047,593.52	5,047,593.52	-	(5,047,593.52)	-	-
Certificate of Deposit	0.35%	03/14/13	5,017,482.36	5,017,482.36	-	(5,017,482.36)	-	-
Certificate of Deposit	1.45%	08/22/13	1,500,000.00	1,500,000.00	-	-	1,500,000.00	1,500,000.00
Certificate of Deposit	1.44%	08/22/13	3,500,000.00	3,500,000.00	-	-	3,500,000.00	3,500,000.00
Certificate of Deposit	0.64%	11/29/13	244,000.00	244,000.00	-	-	244,000.00	244,000.00
Certificate of Deposit	0.40%	12/01/13	245,000.00	245,000.00	-	-	245,000.00	245,000.00
Certificate of Deposit	0.45%	12/17/13	247,010.21	247,010.21	-	-	247,010.21	247,010.21
Certificate of Deposit	0.30%	01/10/14	99,039.91	99,039.91	-	-	99,039.91	99,039.91
Certificate of Deposit	1.00%	01/30/14	10,000,000.00	10,000,000.00	-	-	10,000,000.00	10,000,000.00
Certificate of Deposit	0.68%	02/27/14	20,000,000.00	20,000,000.00	-	-	20,000,000.00	20,000,000.00
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	-	97,579.62	97,579.62
Certificate of Deposit	0.45%	03/11/14	245,000.00	245,000.00	-	-	245,000.00	245,000.00
Certificate of Deposit	0.80%	03/13/14	145,000.00	145,000.00	-	-	145,000.00	145,000.00
Certificate of Deposit	0.30%	03/13/14	-	-	2,526,246.44	-	2,526,246.44	2,526,246.44
Certificate of Deposit	1.24%	05/31/14	245,000.00	245,000.00	-	-	245,000.00	245,000.00
Certificate of Deposit	0.40%	01/13/15	-	-	5,149,573.87	-	5,149,573.87	5,149,573.87
Certificate of Deposit	0.30%	03/12/15	-	-	2,500,000.00	-	2,500,000.00	2,500,000.00
FHLB Bond	0.21%	02/25/13	10,000,000.00	9,999,801.64	-	(9,999,801.64)	-	-
FHLB Bond	0.39%	04/19/13	11,000,000.00	11,013,478.12	-	(11,128.72)	11,000,000.00	11,002,349.40
FHLB Bond	0.36%	09/13/13	10,000,000.00	10,044,318.39	-	(15,580.68)	10,000,000.00	10,028,737.71
FHLB Bond	1.63%	03/14/14	15,000,000.00	15,130,931.97	-	(26,903.83)	15,000,000.00	15,104,028.14
FHLB Bond	1.23%	09/12/14	10,000,000.00	10,023,434.75	-	(3,401.81)	10,000,000.00	10,020,032.94
FHLB Bond	2.09%	03/13/15	7,565,000.00	7,670,479.23	-	(11,836.82)	7,565,000.00	7,658,642.41
FHLB Bonds	0.57%	05/15/15	4,000,000.00	3,998,436.30	160.47	-	4,000,000.00	3,998,596.77
FHLB Bonds	0.60%	05/27/15	1,000,000.00	1,033,132.65	-	(3,447.32)	1,000,000.00	1,029,685.33
FHLB Bonds	0.68%	02/02/16	7,590,000.00	7,595,550.23	-	(442.84)	7,590,000.00	7,595,107.39
FHLMC Bond	0.54%	04/11/13	3,000,000.00	3,009,752.07	-	(8,689.96)	3,000,000.00	3,001,062.11
FHLMC Bond	0.52%	07/15/13	7,000,000.00	7,148,581.20	-	(68,226.06)	7,000,000.00	7,080,355.14
FHLMC Bond	1.30%	09/27/13	15,000,000.00	15,305,942.46	-	(101,980.82)	15,000,000.00	15,203,961.64
FHLMC Bond	0.40%	03/21/14	5,000,000.00	4,994,180.32	1,177.01	-	5,000,000.00	4,995,357.33
FHLMC Bond	0.97%	07/28/14	11,000,000.00	11,344,110.69	-	(53,954.63)	11,000,000.00	11,290,156.06
FHLMC Bond	1.64%	09/10/15	17,000,000.00	17,048,120.36	-	(4,405.73)	17,000,000.00	17,043,714.63
FHLMC Bond	2.20%	09/10/15	13,000,000.00	12,850,554.22	13,682.72	-	13,000,000.00	12,864,236.94
FHLMC Bond	0.93%	07/18/16	6,000,000.00	6,951,913.38	-	(66,156.14)	6,000,000.00	6,885,757.24
FHLMC Bond	0.60%	08/25/16	-	-	31,410,800.16	-	30,000,000.00	31,410,800.16

Adjusted Book Value Comparison

Security Description	Coupon/ Yield	Maturity Date	December 31, 2012 Par Value	December 31, 2012 Adjusted Book Value	Purchase/ Adjustment	Maturity/Call/ Adjustment	March 31, 2013 Par Value	March 31, 2013 Adjusted Book Value
FNMA Bond	0.66%	08/20/13	10,000,000.00	10,037,034.24	-	(14,366.73)	10,000,000.00	10,022,667.51
FNMA Bond	0.40%	05/15/14	6,000,000.00	6,172,062.92	-	(30,971.33)	6,000,000.00	6,141,091.59
FNMA Bond	0.62%	09/16/14	15,000,000.00	15,603,990.27	-	(87,113.98)	15,000,000.00	15,516,876.29
FNMA Bond	1.93%	04/15/15	15,000,000.00	16,009,287.89	-	(108,785.52)	15,000,000.00	15,900,502.37
FNMA Bond	0.72%	02/25/16	3,410,000.00	3,545,786.43	-	(10,617.53)	3,410,000.00	3,535,168.90
FNMA Bond	0.89%	03/24/16	6,000,000.00	6,249,508.94	-	(19,046.49)	6,000,000.00	6,230,462.45
Municipal Bonds	0.59%	11/01/13	80,000.00	80,000.00	-	-	80,000.00	80,000.00
Municipal Bonds	0.40%	12/01/13	900,000.00	929,582.60	-	(7,947.56)	900,000.00	921,635.04
Municipal Bonds	0.28%	01/15/14	-	-	1,099,007.70	-	1,080,000.00	1,099,007.70
Municipal Bonds	0.26%	02/01/14	-	-	1,164,539.49	-	1,120,000.00	1,164,539.49
Municipal Bonds	0.38%	02/15/14	2,000,000.00	2,036,247.23	-	(7,937.35)	2,000,000.00	2,028,309.88
Municipal Bonds	0.21%	02/15/14	-	-	1,131,444.98	-	1,095,000.00	1,131,444.98
Municipal Bonds	0.35%	05/01/14	-	-	2,947,441.81	-	2,835,000.00	2,947,441.81
Municipal Bonds	0.25%	08/15/14	-	-	1,535,938.64	-	1,500,000.00	1,535,938.64
Municipal Bonds	0.74%	11/01/14	550,000.00	550,000.00	-	-	550,000.00	550,000.00
Municipal Bonds	0.56%	12/01/14	2,750,000.00	2,877,512.68	-	(16,394.49)	2,750,000.00	2,861,118.19
Municipal Bonds	0.39%	02/01/15	-	-	1,417,854.45	-	1,330,000.00	1,417,854.45
Municipal Bonds	0.41%	02/01/15	-	-	1,268,457.47	-	1,170,000.00	1,268,457.47
Municipal Bonds	0.35%	02/15/15	-	-	393,526.48	-	375,000.00	393,526.48
Municipal Bonds	0.50%	03/01/15	-	-	1,261,898.54	-	1,250,000.00	1,261,898.54
Municipal Bonds	0.50%	05/01/15	-	-	1,889,407.12	-	1,870,000.00	1,889,407.12
Municipal Bonds	0.50%	06/15/15	-	-	1,428,379.64	-	1,300,000.00	1,428,379.64
Municipal Bonds	0.40%	07/01/15	1,970,000.00	2,195,226.48	-	(22,226.30)	1,970,000.00	2,173,000.18
Municipal Bonds	0.42%	07/01/15	-	-	1,692,583.96	-	1,600,000.00	1,692,583.96
Municipal Bonds	0.43%	07/15/15	2,000,000.00	2,230,571.07	-	(22,409.72)	2,000,000.00	2,208,161.35
Municipal Bonds	0.56%	07/15/15	500,000.00	555,888.26	-	(5,431.90)	500,000.00	550,456.36
Municipal Bonds	0.70%	08/01/15	-	-	761,283.82	-	690,000.00	761,283.82
Municipal Bonds	0.44%	08/15/15	-	-	1,108,170.72	-	1,045,000.00	1,108,170.72
Municipal Bonds	0.36%	08/15/15	-	-	2,077,402.89	-	2,000,000.00	2,077,402.89
Municipal Bonds	1.04%	11/01/15	615,000.00	615,000.00	-	-	615,000.00	615,000.00
Municipal Bonds	0.51%	11/15/15	1,190,000.00	1,359,111.56	-	(14,509.10)	1,190,000.00	1,344,602.46
Municipal Bonds	0.67%	11/15/15	3,435,000.00	3,435,000.00	-	-	3,435,000.00	3,435,000.00
Municipal Bonds	0.76%	12/01/15	1,000,000.00	1,093,070.28	-	(7,865.09)	1,000,000.00	1,085,205.19
Municipal Bonds	0.56%	01/15/16	-	-	1,169,582.93	-	1,110,000.00	1,169,582.93
Municipal Bonds	0.55%	02/01/16	-	-	5,172,577.16	-	4,970,000.00	5,172,577.16
Municipal Bonds	0.55%	02/01/16	-	-	1,096,974.76	-	975,000.00	1,096,974.76
Municipal Bonds	0.52%	02/15/16	715,000.00	814,079.33	-	(7,815.20)	715,000.00	806,264.13
Municipal Bonds	0.56%	02/15/16	1,000,000.00	1,137,234.76	-	(10,824.83)	1,000,000.00	1,126,409.93
Municipal Bonds	0.54%	02/15/16	-	-	1,538,167.40	-	1,400,000.00	1,538,167.40
Municipal Bonds	0.18%	02/15/16	-	-	2,446,819.55	-	2,205,000.00	2,446,819.55
Municipal Bonds	0.57%	03/01/16	-	-	1,374,096.51	-	1,250,000.00	1,374,096.51
Municipal Bonds	0.65%	03/01/16	-	-	2,525,222.76	-	2,500,000.00	2,525,222.76
Municipal Bonds	0.58%	04/01/16	-	-	3,211,627.15	-	2,915,000.00	3,211,627.15
Municipal Bonds	0.57%	04/15/16	1,000,000.00	1,144,139.67	-	(10,801.47)	1,000,000.00	1,133,338.20
Municipal Bonds	0.60%	05/01/16	-	-	5,767,896.67	-	5,225,000.00	5,767,896.67
Municipal Bonds	0.80%	07/01/16	-	-	5,106,123.13	-	4,500,000.00	5,106,123.13
Municipal Bonds	0.56%	08/01/16	-	-	1,113,648.16	-	1,000,000.00	1,113,648.16
Municipal Bonds	0.77%	08/01/16	-	-	2,147,665.66	-	1,875,000.00	2,147,665.66
Municipal Bonds	0.56%	10/01/16	1,130,000.00	1,315,916.89	-	(12,213.52)	1,130,000.00	1,303,703.37
Municipal Bonds	0.96%	11/01/16	500,000.00	575,592.94	(4,856.08)	-	500,000.00	570,736.86
Municipal Bonds	1.25%	11/01/16	500,000.00	500,000.00	-	-	500,000.00	500,000.00
Municipal Bonds	0.62%	11/15/16	395,000.00	430,911.32	-	(2,284.11)	395,000.00	428,627.21
Municipal Bonds	0.92%	11/15/16	710,000.00	710,000.00	-	-	710,000.00	710,000.00
Municipal Bonds	0.91%	12/01/16	1,610,000.00	1,800,501.57	-	(11,981.23)	1,610,000.00	1,788,520.34
Municipal Bonds	0.82%	02/01/17	-	-	2,391,036.79	-	2,135,000.00	2,391,036.79
Municipal Bonds	0.72%	03/01/17	2,375,000.00	2,596,852.80	-	(13,127.38)	2,375,000.00	2,583,725.42
Municipal Bonds	0.72%	03/01/17	-	-	675,971.95	-	590,000.00	675,971.95
Municipal Bonds	0.95%	05/01/17	-	-	1,423,442.76	-	1,225,000.00	1,423,442.76
Municipal Bonds	0.95%	08/15/17	-	-	1,535,194.07	-	1,300,000.00	1,535,194.07
Municipal Bonds	1.05%	10/01/17	-	-	7,074,733.01	-	5,965,000.00	7,074,733.01
Municipal Bonds	0.79%	11/15/17	500,000.00	576,555.88	-	(3,870.80)	500,000.00	572,685.08
TOTAL			**$ 400,858,622.72**	**$ 407,208,006.71**	**$ 109,572,927.56**	**$ (58,324,324.19)**	**$ 445,962,642.31**	**$ 458,456,610.08**

Market Value Comparison

Security Description	Coupon/ Yield	Maturity Date	December 31, 2012 Par Value	December 31, 2012 Market Value	Qtr to Qtr Change (1)	March 31, 2013 Par Value	March 31, 2013 Market Value
Frost NOW Account	0.00%	04/01/13	25,194,096.78	25,194,096.78	999,311.55	26,193,408.33	26,193,408.33
Legacy NOW Account	0.21%	04/01/13	34,455,184.76	34,455,184.76	27,713.29	34,482,898.05	34,482,898.05
JPMorgan NOW Account	0.00%	04/01/13	-	-	1,000.00	1,000.00	1,000.00
TexPool	0.11%	04/01/13	27,873,145.69	27,873,145.69	(22,092,590.16)	5,780,555.53	5,780,555.53
Texas Daily	0.10%	04/01/13	27,786,101.27	27,786,101.27	(15,342,159.52)	12,443,941.75	12,443,941.75
Certificate of Deposit	1.00%	01/13/13	5,047,593.52	5,047,593.52	(5,047,593.52)	-	-
Certificate of Deposit	0.35%	03/14/13	5,017,482.36	5,017,482.36	(5,017,482.36)	-	-
Certificate of Deposit	1.45%	08/22/13	1,500,000.00	1,500,000.00	-	1,500,000.00	1,500,000.00
Certificate of Deposit	1.44%	08/22/13	3,500,000.00	3,500,000.00	-	3,500,000.00	3,500,000.00
Certificate of Deposit	0.64%	11/29/13	244,000.00	244,000.00	-	244,000.00	244,000.00
Certificate of Deposit	0.40%	12/01/13	245,000.00	245,000.00	-	245,000.00	245,000.00
Certificate of Deposit	0.45%	12/17/13	247,010.21	247,010.21	-	247,010.21	247,010.21
Certificate of Deposit	0.30%	01/10/14	99,039.91	99,039.91	-	99,039.91	99,039.91
Certificate of Deposit	1.00%	01/30/14	10,000,000.00	10,000,000.00	-	10,000,000.00	10,000,000.00
Certificate of Deposit	0.68%	02/27/14	20,000,000.00	20,000,000.00	-	20,000,000.00	20,000,000.00
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.60%	03/09/14	97,579.62	97,579.62	-	97,579.62	97,579.62
Certificate of Deposit	0.45%	03/11/14	245,000.00	245,000.00	-	245,000.00	245,000.00
Certificate of Deposit	0.80%	03/13/14	145,000.00	145,000.00	-	145,000.00	145,000.00
Certificate of Deposit	0.30%	03/13/14	-	-	2,526,246.44	2,526,246.44	2,526,246.44
Certificate of Deposit	1.24%	05/31/14	245,000.00	245,000.00	-	245,000.00	245,000.00
Certificate of Deposit	0.40%	01/13/15	-	-	5,149,573.87	5,149,573.87	5,149,573.87
Certificate of Deposit	0.30%	03/12/15	-	-	2,500,000.00	2,500,000.00	2,500,000.00
FHLB Bond	0.21%	02/25/13	10,000,000.00	10,001,180.00	(10,001,180.00)	-	-
FHLB Bond	0.39%	04/19/13	11,000,000.00	11,023,672.00	(18,150.00)	11,000,000.00	11,005,522.00
FHLB Bond	0.36%	09/13/13	10,000,000.00	10,057,110.00	(17,760.00)	10,000,000.00	10,039,350.00
FHLB Bond	1.63%	03/14/14	15,000,000.00	15,389,370.00	(75,030.00)	15,000,000.00	15,314,340.00
FHLB Bond	1.23%	09/12/14	10,000,000.00	10,186,040.00	(23,630.00)	10,000,000.00	10,162,410.00
FHLB Bond	2.09%	03/13/15	7,565,000.00	7,965,521.36	(43,059.98)	7,565,000.00	7,922,461.38
FHLB Bond	0.57%	05/15/15	4,000,000.00	4,019,160.00	(2,064.00)	4,000,000.00	4,017,096.00
FHLB Bond	0.60%	05/27/15	1,000,000.00	1,039,441.00	(4,012.00)	1,000,000.00	1,035,429.00
FHLB Bond	0.68%	02/02/16	7,590,000.00	7,694,977.29	(7,893.60)	7,590,000.00	7,687,083.69
FHLMC Bond	0.54%	04/11/13	3,000,000.00	3,013,191.00	(11,601.00)	3,000,000.00	3,001,590.00
FHLMC Bond	0.52%	07/15/13	7,000,000.00	7,164,143.00	(73,290.00)	7,000,000.00	7,090,853.00
FHLMC Bond	1.30%	09/27/13	15,000,000.00	15,437,340.00	(140,505.00)	15,000,000.00	15,296,835.00
FHLMC Bond	0.40%	03/21/14	5,000,000.00	5,007,880.00	(440.00)	5,000,000.00	5,007,440.00
FHLMC Bond	0.97%	07/28/14	11,000,000.00	11,464,222.00	(67,166.00)	11,000,000.00	11,397,056.00
FHLMC Bond	2.20%	09/10/15	13,000,000.00	13,476,281.00	(43,680.00)	13,000,000.00	13,432,601.00
FHLMC Bond	1.64%	09/10/15	17,000,000.00	17,622,829.00	(57,120.00)	17,000,000.00	17,565,709.00
FHLMC Bond	0.93%	07/18/16	6,000,000.00	7,047,798.00	(68,004.00)	6,000,000.00	6,979,794.00
FHLMC Bond	0.60%	08/25/16	-	-	31,485,840.00	30,000,000.00	31,485,840.00

Market Value Comparison

Security Description	Coupon/ Yield	Maturity Date	December 31, 2012 Par Value	December 31, 2012 Market Value	Qtr to Qtr Change (1)	March 31, 2013 Par Value	March 31, 2013 Market Value
FNMA Bond	0.66%	08/20/13	10,000,000.00	10,065,780.00	(23,120.00)	10,000,000.00	10,042,660.00
FNMA Bond	0.40%	05/15/14	6,000,000.00	6,185,970.00	(31,170.00)	6,000,000.00	6,154,800.00
FNMA Bond	0.62%	09/16/14	15,000,000.00	15,711,870.00	(97,305.00)	15,000,000.00	15,614,565.00
FNMA Bond	1.93%	04/15/15	15,000,000.00	16,592,430.00	(165,555.00)	15,000,000.00	16,426,875.00
FNMA Bond	0.72%	02/25/16	3,410,000.00	3,575,719.18	(11,611.05)	3,410,000.00	3,564,108.13
FNMA Bond	0.89%	03/24/16	6,000,000.00	6,334,062.00	(20,982.00)	6,000,000.00	6,313,080.00
Municipal Bonds	0.59%	11/01/13	80,000.00	80,045.60	(112.80)	80,000.00	79,932.80
Municipal Bonds	0.40%	12/01/13	900,000.00	930,933.00	(8,226.00)	900,000.00	922,707.00
Municipal Bonds	0.28%	01/15/14	-	-	1,098,835.20	1,080,000.00	1,098,835.20
Municipal Bonds	0.26%	02/01/14	-	-	1,163,288.00	1,120,000.00	1,163,288.00
Municipal Bonds	0.38%	02/15/14	2,000,000.00	2,035,980.00	(6,580.00)	2,000,000.00	2,029,400.00
Municipal Bonds	0.21%	02/15/14	-	-	1,130,423.25	1,095,000.00	1,130,423.25
Municipal Bonds	0.35%	05/01/14	-	-	2,940,660.45	2,835,000.00	2,940,660.45
Municipal Bonds	0.25%	08/15/14	-	-	1,535,280.00	1,500,000.00	1,535,280.00
Municipal Bonds	0.74%	11/01/14	550,000.00	550,995.50	(1,908.50)	550,000.00	549,087.00
Municipal Bonds	0.56%	12/01/14	2,750,000.00	2,885,795.00	(11,935.00)	2,750,000.00	2,873,860.00
Municipal Bonds	0.39%	02/01/15	-	-	1,411,316.20	1,330,000.00	1,411,316.20
Municipal Bonds	0.41%	02/01/15	-	-	1,267,238.70	1,170,000.00	1,267,238.70
Municipal Bonds	0.35%	02/15/15	-	-	393,330.00	375,000.00	393,330.00
Municipal Bonds	0.50%	03/01/15	-	-	1,262,825.00	1,250,000.00	1,262,825.00
Municipal Bonds	0.50%	05/01/15	-	-	1,882,716.00	1,870,000.00	1,882,716.00
Municipal Bonds	0.50%	06/15/15	-	-	1,425,411.00	1,300,000.00	1,425,411.00
Municipal Bonds	0.40%	07/01/15	1,970,000.00	2,190,285.40	(18,478.60)	1,970,000.00	2,171,806.80
Municipal Bonds	0.42%	07/01/15	-	-	1,688,416.00	1,600,000.00	1,688,416.00
Municipal Bonds	0.43%	07/15/15	2,000,000.00	2,227,100.00	(16,280.00)	2,000,000.00	2,210,820.00
Municipal Bonds	0.56%	07/15/15	500,000.00	553,700.00	(4,370.00)	500,000.00	549,330.00
Municipal Bonds	0.70%	08/01/15	-	-	762,277.50	690,000.00	762,277.50
Municipal Bonds	0.44%	08/15/15	-	-	1,102,077.90	1,045,000.00	1,102,077.90
Municipal Bonds	0.36%	08/15/15	-	-	2,079,660.00	2,000,000.00	2,079,660.00
Municipal Bonds	1.04%	11/01/15	615,000.00	616,193.10	(412.05)	615,000.00	615,781.05
Municipal Bonds	0.51%	11/15/15	1,190,000.00	1,355,314.80	(12,173.70)	1,190,000.00	1,343,141.10
Municipal Bonds	0.67%	11/15/15	3,435,000.00	3,424,523.25	4,431.15	3,435,000.00	3,428,954.40
Municipal Bonds	0.76%	12/01/15	1,000,000.00	1,095,440.00	(6,650.00)	1,000,000.00	1,088,790.00
Municipal Bonds	0.56%	01/15/16	-	-	1,169,340.60	1,110,000.00	1,169,340.60
Municipal Bonds	0.55%	02/01/16	-	-	5,173,322.70	4,970,000.00	5,173,322.70
Municipal Bonds	0.55%	02/01/16	-	-	1,095,588.00	975,000.00	1,095,588.00
Municipal Bonds	0.52%	02/15/16	715,000.00	811,188.95	(6,477.90)	715,000.00	804,711.05
Municipal Bonds	0.56%	02/15/16	1,000,000.00	1,133,870.00	(9,010.00)	1,000,000.00	1,124,860.00
Municipal Bonds	0.54%	02/15/16	-	-	1,534,232.00	1,400,000.00	1,534,232.00
Municipal Bonds	0.18%	02/15/16	-	-	2,446,337.25	2,205,000.00	2,446,337.25
Municipal Bonds	0.57%	03/01/16	-	-	1,373,600.00	1,250,000.00	1,373,600.00
Municipal Bonds	0.65%	03/01/16	-	-	2,526,900.00	2,500,000.00	2,526,900.00
Municipal Bonds	0.58%	04/01/16	-	-	3,205,946.15	2,915,000.00	3,205,946.15
Municipal Bonds	0.57%	04/15/16	1,000,000.00	1,139,210.00	(7,800.00)	1,000,000.00	1,131,410.00
Municipal Bonds	0.60%	05/01/16	-	-	5,740,759.75	5,225,000.00	5,740,759.75
Municipal Bonds	0.80%	07/01/16	-	-	5,093,235.00	4,500,000.00	5,093,235.00
Municipal Bonds	0.56%	08/01/16	-	-	1,110,810.00	1,000,000.00	1,110,810.00
Municipal Bonds	0.77%	08/01/16	-	-	2,144,081.25	1,875,000.00	2,144,081.25
Municipal Bonds	0.56%	10/01/16	1,130,000.00	1,309,579.60	(7,051.20)	1,130,000.00	1,302,528.40
Municipal Bonds	0.96%	11/01/16	500,000.00	582,550.00	(11,485.00)	500,000.00	571,065.00
Municipal Bonds	1.25%	11/01/16	500,000.00	502,730.00	(2,035.00)	500,000.00	500,695.00
Municipal Bonds	0.62%	11/15/16	395,000.00	429,412.40	(1,137.60)	395,000.00	428,274.80
Municipal Bonds	0.92%	11/15/16	710,000.00	707,018.00	1,192.80	710,000.00	708,210.80
Municipal Bonds	0.91%	12/01/16	1,610,000.00	1,803,876.20	(9,611.70)	1,610,000.00	1,794,264.50
Municipal Bonds	0.82%	02/01/17	-	-	2,382,040.85	2,135,000.00	2,382,040.85
Municipal Bonds	0.72%	03/01/17	2,375,000.00	2,582,408.75	(2,113.75)	2,375,000.00	2,580,295.00
Municipal Bonds	0.72%	03/01/17	-	-	672,588.20	590,000.00	672,588.20
Municipal Bonds	0.95%	05/01/17	-	-	1,415,524.25	1,225,000.00	1,415,524.25
Municipal Bonds	0.95%	08/15/17	-	-	1,534,039.00	1,300,000.00	1,534,039.00
Municipal Bonds	1.05%	10/01/17	-	-	7,083,855.05	5,965,000.00	7,083,855.05
Municipal Bonds	0.79%	11/15/17	500,000.00	572,060.00	(1,395.00)	500,000.00	570,665.00
TOTAL			**$ 400,858,622.72**	**$ 410,464,819.10**	**$ 50,891,866.36**	**$ 445,962,642.31**	**$ 461,356,685.46**

Book Value Allocation

	December 31, 2012		March 31, 2013		Previous Quarter Comparison	
	% Equity in Treasury Pool	Book Value Fund Allocation	% Equity in Treasury Pool	Book Value Fund Allocation	Book Value Change (%)	Book Value Change ($)
General Fund	14.46%	58,866,783.87	20.79%	95,307,431.06	6.33%	36,440,647.19
Debt Service Funds	3.69%	15,011,542.51	7.50%	34,378,025.28	3.81%	19,366,482.77
Capital Projects Funds	33.62%	136,889,349.32	29.21%	133,928,791.64	-4.41%	(2,960,557.68)
Enterprise Funds	16.99%	69,189,424.60	14.54%	66,653,346.51	-2.45%	(2,536,078.09)
Special Revenue Funds	13.59%	55,352,964.06	12.55%	57,555,702.09	-1.04%	2,202,738.03
Internal Service Funds	16.81%	68,455,099.38	14.64%	67,135,139.70	-2.17%	(1,319,959.68)
Fiduciary Funds	0.85%	3,442,773.88	0.76%	3,498,173.79	-0.09%	55,399.91
Totals	**100.00%**	**407,207,937.62**	**100.00%**	**458,456,610.08**		**51,248,672.46**

Market Value Allocation

	December 31, 2012		March 31, 2013		Previous Quarter Comparison	
	% Equity in Treasury Pool	Market Value Fund Allocation	% Equity in Treasury Pool	Market Value Fund Allocation	Market Value Change (%)	Market Value Change ($)
General Fund	14.46%	59,336,450.04	20.79%	95,910,320.69	6.33%	36,573,870.65
Debt Service Funds	3.69%	15,131,311.47	7.50%	34,595,491.58	3.81%	19,464,180.11
Capital Projects Funds	33.62%	137,981,515.26	29.21%	134,775,989.79	-4.41%	(3,205,525.47)
Enterprise Funds	16.99%	69,741,449.53	14.54%	67,074,977.97	-2.45%	(2,666,471.56)
Special Revenue Funds	13.59%	55,794,595.37	12.55%	57,919,784.26	-1.04%	2,125,188.89
Internal Service Funds	16.81%	69,001,265.52	14.64%	67,559,818.86	-2.17%	(1,441,446.66)
Fiduciary Funds	0.85%	3,470,241.91	0.76%	3,520,302.32	-0.09%	50,060.41
Totals	**100.00%**	**410,456,829.10**	**100.00%**	**461,356,685.46**		**50,899,856.36**

Allocations are based upon fund equity in the Treasury Pool at the end of the period.