

**AZLE MUNICIPAL DEVELOPMENT DISTRICT
REGULAR MEETING**

**CITY COUNCIL CHAMBERS
613 S.E. PARKWAY
AZLE, TEXAS 76020**

**TUESDAY
August 11, 2015**

AGENDA

**President Ray Ivey
Vice President Kevin Ingle
Secretary Joe McCormick**

**Director Jack Stevens
Director Justin Berg
Council Member Paul Crabtree
Council Member David McClure**

**REGULAR SESSION
CALL TO ORDER**

6:30 p.m.

PRESENTATION

1. Presentation of the MDD's Quarterly Investment Report for Quarter ended June 30, 2015
Executive Director Craig Lemin
2. Monthly Report from Economic Development Director Caitlin Glenn
Economic Development Director Caitlin Glenn

ACTION ITEMS

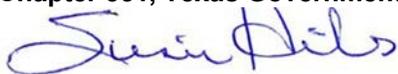
3. Consider approving the Minutes of the July 14, 2015 Azle MDD regular meeting
Secretary Joe McCormick

DISCUSSION ITEMS

4. Discussion regarding Azle Municipal Development District plans/procedures/policies
President Ray Ivey

ADJOURNMENT

I, the undersigned authority, do hereby certify the above Agenda was posted at City Hall on August 7, 2015 at the City's official bulletin board and is readily accessible to the public at all times in accordance with V.T.C.A. Chapter 551, Texas Government Code.



Susie Hiles, Assistant to the City Manager

Date Agenda Removed from Posting

This facility is wheelchair accessible and handicapped parking spaces are available. Auxiliary aids and services are available to a person when necessary to afford an equal opportunity to participate in city functions and activities. Auxiliary aids and services or accommodations should be requested forty-eight hours prior to the scheduled starting time by calling the City Secretary's Office at 817-444-7101.

Complete MDD Agenda packet and background information are available for review at the City Secretary's Office and on our website www.cityofazle.org.

Municipal Development District Communicator

Item # 1

Submitted By: Craig Lemin – Executive Director	Date: August 5, 2015
Subject: Presentation of the Quarterly Investment Report for month ended June 30, 2015.	

Action Requested: Presentation, no action required.
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Purpose (Outline – Who, What, Where, Why & How). Finance.

Checklist of Attachments			
<input type="checkbox"/> Contract	<input type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order
<input type="checkbox"/> Letter/ Memo / Report From	<input type="checkbox"/> P&Z Minutes	<input type="checkbox"/> Board Minutes	<input type="checkbox"/> Other Minutes
<input type="checkbox"/> Applicant	<input type="checkbox"/> Checklist	<input type="checkbox"/> Federal Law	<input type="checkbox"/> Plans / Drawings
<input checked="" type="checkbox"/> Staff	<input type="checkbox"/> State Law	<input type="checkbox"/> Bid Tabulations	<input type="checkbox"/> Maps
<input type="checkbox"/> Other	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter

**City of Azle
Municipal Development District
QUARTERLY INVESTMENT REPORT**

For the Quarter Ended

June 30, 2015

Prepared by

Valley View Consulting, L.L.C.

The investment portfolio of the City of Azle Municipal Development District is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.



Investment Officer



Investment Officer

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

Strategy Summary:

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range between 0.00% and 0.25% (actual Fed Funds traded +/-10 bps). The 2015 first quarter GDP was re-revised to -0.2%. The European Central Bank (ECB) Quantitative Easing plan continues. The June new payroll numbers recorded 223k with downward revisions of the previous two months. US stock markets maintained current levels. Greece debt default, and the referendum vote rejecting austerity plans, increased Euro uncertainty. Slower Chinese economic activity and stock market declines hamper long term outlooks. The FOMC met June 16 and 17 with no change in policy. With excess cash, continuing to ladder provides strategic advantage. Financial institution deposits generally provide the best interest earnings opportunity, if available.

Quarter End Results by Investment Category:

<u>Asset Type</u>	<u>Ave. Yield</u>	<u>June 30, 2015</u>		<u>March 31, 2015</u>	
		<u>Book Value</u>	<u>Market Value</u>	<u>Book Value</u>	<u>Market Value</u>
Bank/Pool/MMMFs	0.24%	\$ 611,716	\$ 611,716	\$ 511,075	\$ 511,075
CDs/Securities/Term	0.00%	-	-	-	-
Totals		\$ 611,716	\$ 611,716	\$ 511,075	\$ 511,075

Quarterly Portfolio Performance

Average Quarterly Yield	0.24%
Rolling Three Mo. Treas. Yield	0.02%
Rolling Six Mo. Treas. Yield	0.09%

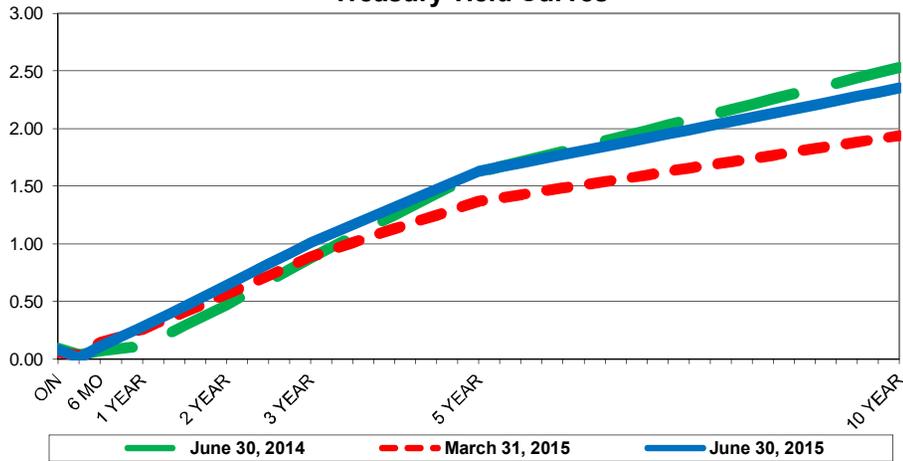
Yearly Portfolio Performance

Average Quarter End Yield	0.18%
Rolling Three Mo. Treas. Yield	0.02%
Rolling Six Mo. Treas. Yield	0.08%
Average Quarterend TexPool Yield	0.05%

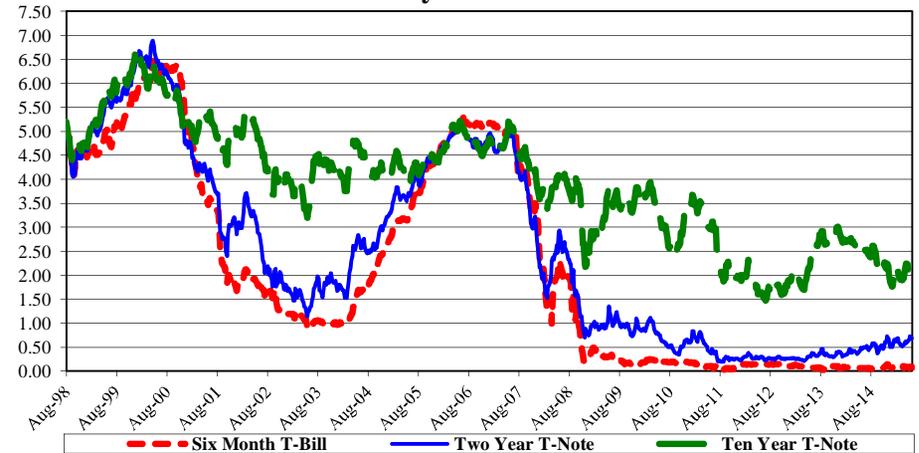
Quarterly Interest Earnings	\$ 356 (Unaudited)
Fiscal YTD Interest Earnings	\$ 605 (Unaudited)

Note: Average yields calculated using quarter end report average yield and adjusted book value, but do not include adviser fees and realized and unrealized gains or losses.

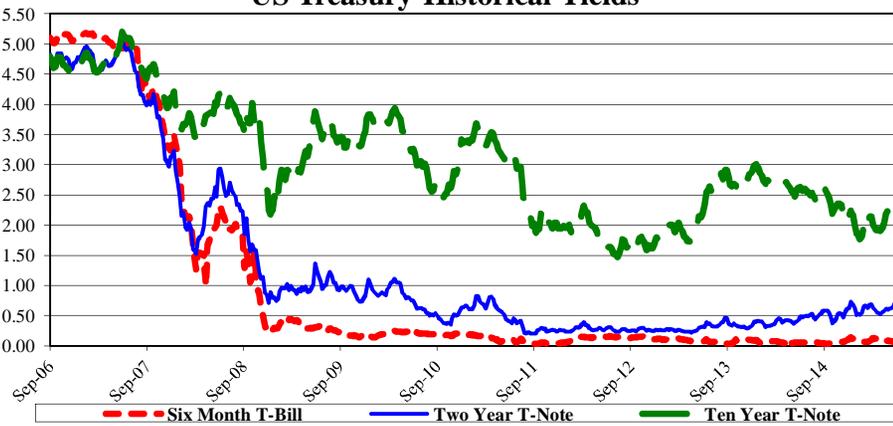
Treasury Yield Curves



US Treasury Historical Yields



US Treasury Historical Yields



S&P 500



Detail of Investment Holdings

June 30, 2015

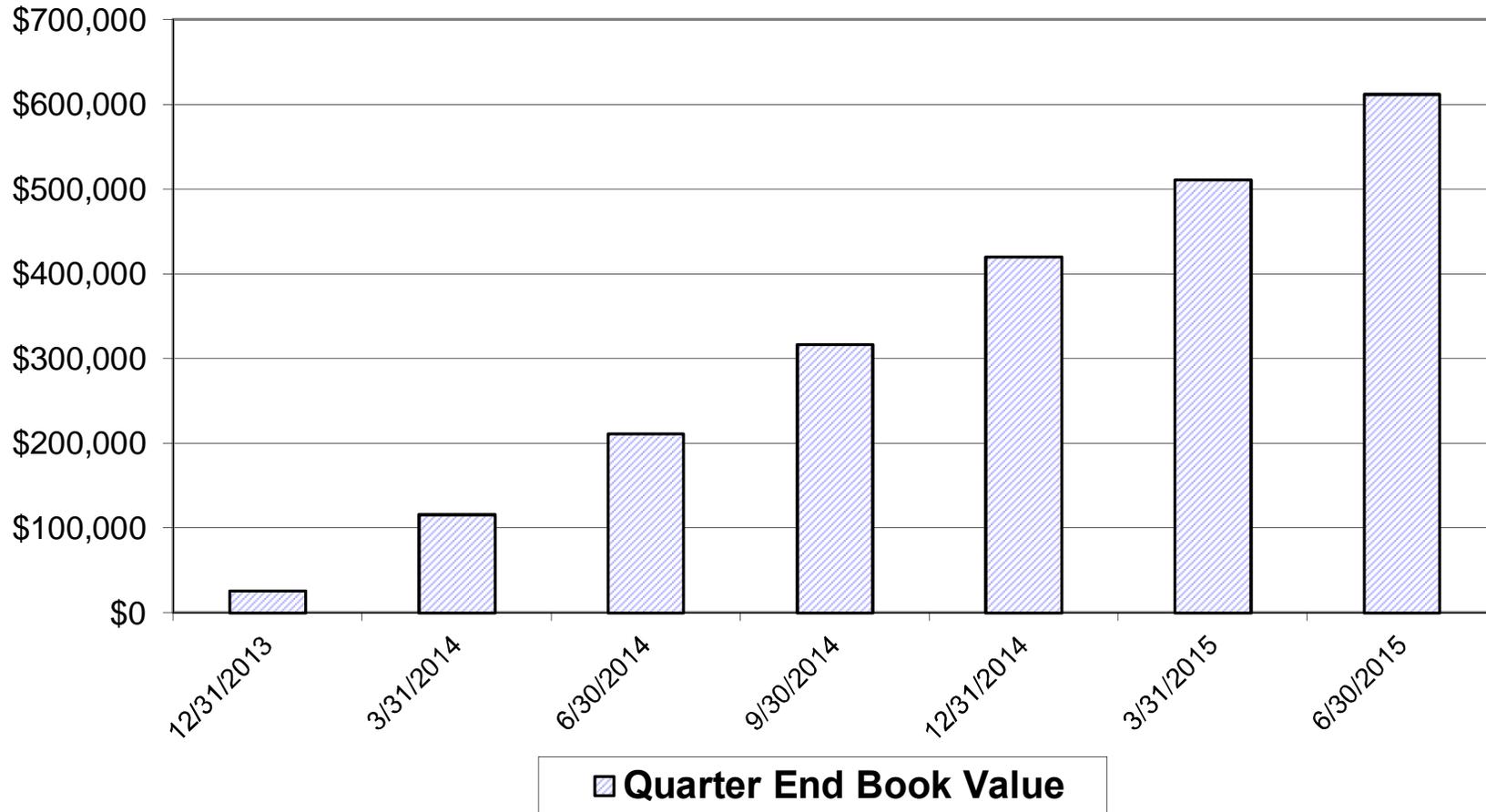
Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Original Face\ Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
TexPool	AAAm	0.06%	07/01/15	06/30/15	\$ 386,224	\$ 386,224	1.00	\$ 386,224	1	0.06%
Bank of Azle Backup (3)		0.55%	07/01/15	06/30/15	225,492	225,492	1.00	225,492	1	0.55%
					\$ 611,716	\$ 611,716		\$ 611,716	1	0.24%
									(1)	(2)

(1) **Weighted average life** - Pools, Money Market Funds, and Bank Deposits are assumed to have a one day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on Book Value, adviser fees and realized and unrealized gains/losses are not considered. The pool and mutual fund yields are the average for the last month of the quarter.

(3) **Yield Estimated.**

Total Portfolio



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	March 31, 2015			June 30, 2015		
			Original Face\ Par Value	Book Value	Purchases at Cost	Sales\ Maturities	Original Face\ Par Value	Book Value
TexPool	0.06%	07/01/15	\$ 285,892	\$ 285,892	\$ 100,333	\$ -	\$ 386,224	\$ 386,224
Bank of Azle Backup (1)	0.55%	07/01/15	225,183	225,183	309		225,492	225,492
TOTAL			\$ 511,075	\$ 511,075	\$ 100,642	\$ -	\$ 611,716	\$ 611,716

Market Value Comparison

Description	Coupon/ Discount	March 31, 2015			Qtr to Qtr Change	June 30, 2015		
		Original Face\ Par Value	Market Price	Market Value		Original Face\ Par Value	Market Price	Market Value
TexPool	0.06%	\$ 285,892	1.00	\$ 285,892	\$ 100,333	\$ 386,224	1.00	\$ 386,224
Bank of Azle Backup (1)	0.55%	225,183	1.00	225,183	309	225,492	1.00	225,492
TOTAL		\$ 511,075		\$ 511,075	\$ 100,642	\$ 611,716		\$ 611,716

(1) Yield Estimated.

Municipal Development District Communication

Item # 2

Submitted By: Caitlin Glenn – Economic Development Director	Date: August 5, 2015
Subject: EDD Monthly Report	

Action Requested: Present EDD Monthly Report

Purpose (Outline – Who, What, Where, Why & How).

Checklist of Attachments			
<input type="checkbox"/> Contract	<input type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order
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<input type="checkbox"/> Other	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter

Municipal Development District Communication

Item # 3

Submitted By: Susie Hiles, Assistant to the City Manager	Date: August 6, 2015
Subject: Azle MDD Board Minutes.	

Action Requested: Consider approving the Minutes of the July 14, 2015 Azle MDD regular meeting

Purpose (Outline – Who, What, Where, Why & How). Procedural.
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Checklist of Attachments				
<input type="checkbox"/> Contract	<input type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order	
<input type="checkbox"/> Letter/ Memo From	<input type="checkbox"/> P&Z Minutes	<input checked="" type="checkbox"/> Board Minutes	<input type="checkbox"/> Other Minutes	
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<input type="checkbox"/> Other	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter	

MINUTES
REGULAR MEETING
AZLE MUNICIPAL DEVELOPMENT DISTRICT
July 14, 2015

DRAFT

STATE OF TEXAS §
COUNTY OF TARRANT §
CITY OF AZLE §

The Azle Municipal Development District of the City of Azle, Texas convened in Regular Session at 6:30 p.m. in the Council Chambers of City Hall, 613 Southeast Parkway, Azle, Texas, on the 14th day of July 2015 with the following members present:

Ray Ivey	President – Place 4
Kevin Ingle	Vice President – Place 6
Joe McCormick	Secretary – Place 3
Paul Crabtree	Council – Place 1
David McClure	Council – Place 2
Jack Stevens	Director – Place 5
Craig Lemin	Executive Director / City Manager

Constituting a quorum. Director Justin Berg was excused from tonight's meeting. Staff present was:

Caitlin Glenn	Economic Development Director
Norma Zenk	City Secretary – Scribe

The following items were considered in accordance with the official agenda posted on the 10th day of July 2015.

REGULAR SESSION
CALL TO ORDER

6:30 p.m.

President Ray Ivey called the session to order at 6:35 p.m.

PRESENTATION

1. Monthly Report from Economic Development Director Caitlin Glenn

EDD Glenn reported:

- As authorized by the Board, staff has hired a marketing firm to conduct the feasibility study for the Class A Multi-Family housing project, noting the cost of \$6,000 was budgeted in the current budget and would take approximately five weeks to complete.
- City held the TIRZ open house on July 9, with a low turnout, noting the presentation and feedback was informative. The Board discussed the need to educate the public to promote the TIRZ and offered suggestions such as breakfast meeting with landowners and current businesses to alleviate the fear of focusing on FM730 rather than Main Street. Executive Lemin stated the TIRZ had to start somewhere, noting the larger developments of FM730 and SH199 would create the necessary funds needed to develop Main Street.
- As authorized by the Board, staff has contacted NCTCOG to join their labor study and is now waiting for other cities to join this area wide survey. In response to Board's questions, Ms. Glenn stated the cost of \$3,000 was included in the current budget.

ACTION ITEMS

2. Consider approving the Minutes of the June 9, 2015 Azle MDD regular meeting

Vice President Ingle moved to approve the June 9, 2015 MDD Minutes as presented and discussed. Director Stevens seconded the motion and the vote was unanimous.

3. Consider authorizing investment of MDD funds into Certificates of Deposit

Director Stevens moved to approve the investment of MDD funds into CDs as discussed at the June 9, 2015 meeting with \$125,000 at six months and \$125,000 at twelve months with a six month rollover for better returns on investment. Vice President Ingle seconded the motion and the vote was unanimous.

MINUTES
REGULAR MEETING
AZLE MUNICIPAL DEVELOPMENT DISTRICT
July 14, 2015

DRAFT

4. Consider any action on the proposed FY2015/2016 MDD Budget

Executive Director Lemin stated this budget had been discussed at length in previous meetings and contained no changes. President Ivey stated he would like the board to see the expenditures as they were incurred.

Director Stevens moved to approve the FY 2015/2016 MDD Budget as presented. Secretary McCormick seconded the motion and the vote was unanimous.

DISCUSSION ITEMS

5. Discussion regarding Azle Municipal Development District plans/procedures/policies.

There were no items of discussion.

ADJOURNMENT

President Ivey adjourned the meeting at 7:00 p.m.

PRESENTED AND APPROVED this the 11th day of August, 2015.

APPROVED:

Ray Ivey, President

ATTEST:

Joe McCormick, Secretary