

**AZLE MUNICIPAL DEVELOPMENT DISTRICT
REGULAR MEETING**

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

**TUESDAY
February 9, 2016**

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 December 31, 2015
Finance Director Renita Bishop
2. Economic Development Monthly Report
Executive Director Tom Muir

ACTION ITEMS

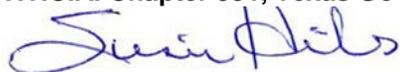
3. Consider approving the Minutes of the January 12, 2016 Azle MDD regular meeting
Secretary Joe McCormick

DISCUSSION ITEMS

4. Discussion regarding Azle Municipal Development District plans/procedures/policies
 - Discuss setting a date to meet with Chamber EDC regarding Strategic Plan**President Ray Ivey**

ADJOURNMENT

I, the undersigned authority, do hereby certify the above Agenda was posted at City Hall on February 5, 2016 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: Renita Bishop – Finance Director	Date: February 5, 2016
Subject: Presentation of the Quarterly Investment Report for month ended December 31, 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 Applicant	<input type="checkbox"/> P&Z Minutes	<input type="checkbox"/> Board Minutes	<input type="checkbox"/> Other Minutes
<input type="checkbox"/> Staff	<input type="checkbox"/> Checklist	<input type="checkbox"/> Federal Law	<input type="checkbox"/> Plans / Drawings
<input checked="" type="checkbox"/> Other	<input type="checkbox"/> State Law	<input type="checkbox"/> Bid Tabulations	<input type="checkbox"/> Maps
	<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
December 31, 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.

Summary

Quarter End Results by Investment Category:

Asset Type	Ave. Yield	December 31, 2015		September 30, 2015	
		Book Value	Market Value	Book Value	Market Value
Bank/Pool/MMMFs	0.34%	\$ 542,684	\$ 542,684	\$ 457,059	\$ 457,059
CDs/Securities/Term	0.67%	250,146	250,146	250,037	250,037
Totals		\$ 792,830	\$ 792,830	\$ 707,097	\$ 707,097

Current Quarter Portfolio Performance:

Average Quarterly Yield	0.44%
Rolling Three Mo. Treas. Yield	0.13%
Rolling Six Mo. Treas. Yield	0.25%

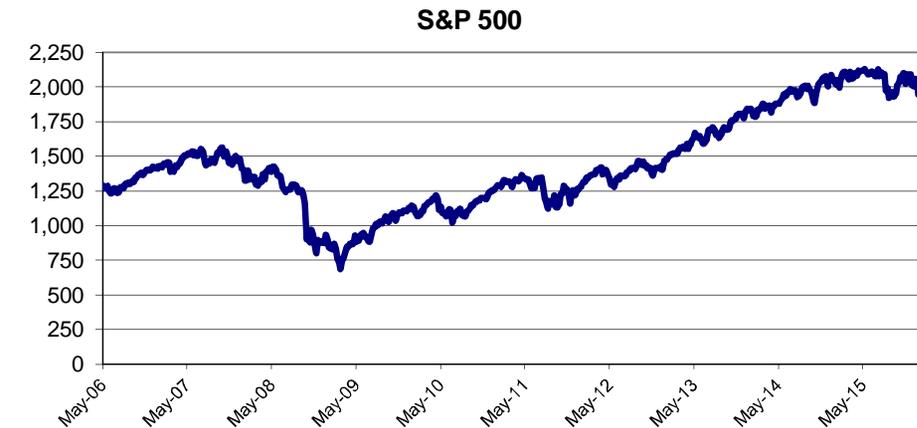
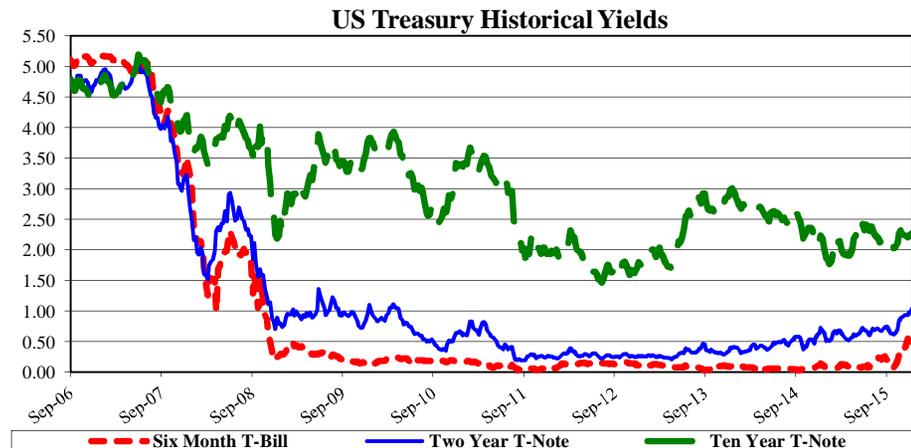
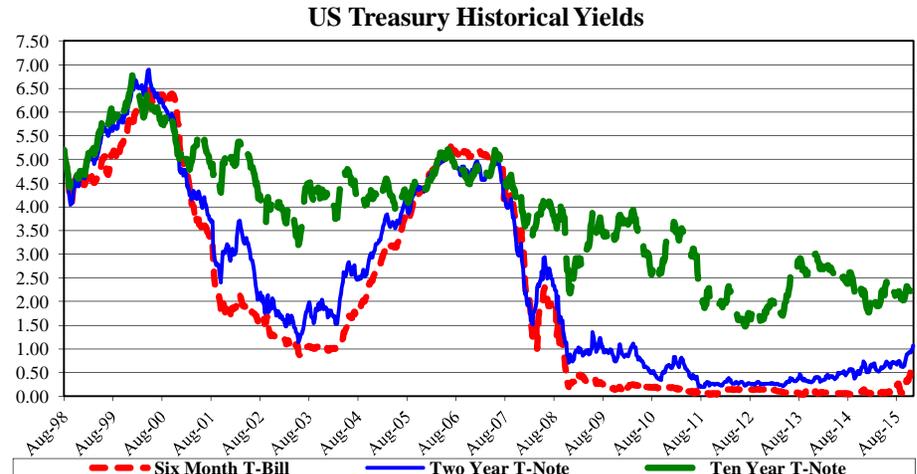
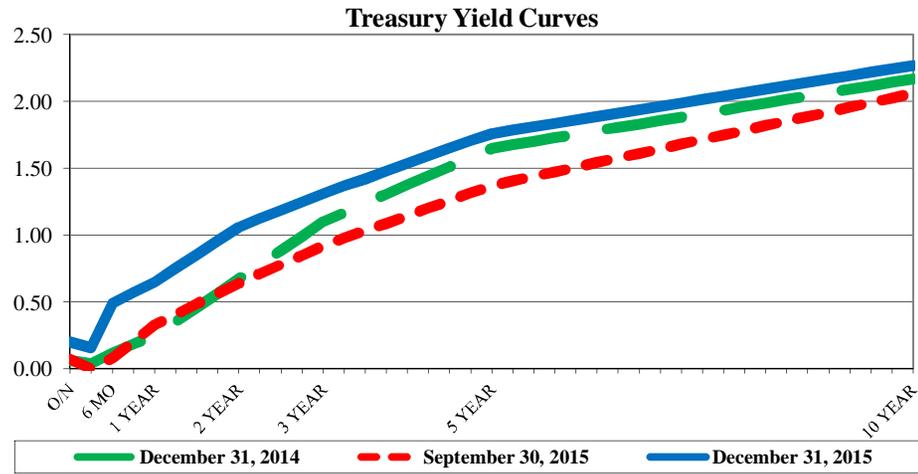
Fiscal Year-to-Date Portfolio Performance:

Average Quarter End Yield	0.44%
Rolling Three Mo. Treas. Yield	0.13%
Rolling Six Mo. Treas. Yield	0.25%
Average Quarterend TexPool Yield	0.19%

Quarterly Interest Earnings	\$	519 (Unaudited)
Fiscal YTD Interest Earnings	\$	519 (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.

The Federal Open Market Committee (FOMC) raised the Fed Funds target range to 0.25% - 0.50% (actual Fed Funds traded +/-30 bps). The market reacted with higher short to medium term yields. Ten year and longer yields did not increase beyond the current trading range. The December new payroll numbers jumped +292k, with additional positive Oct/Nov adjustments. The Chinese economy and stock market turmoil grabbed international attention. US stock markets dropped in sympathy, but tried to stabilize. Broader international social and economic concerns continue, with the European Central Bank continuing its easing program. Treasury and Agency security yields are attractive for cash-flow based laddering. Although Bank CDs and municipal bonds may still offer the best interest earnings opportunity, if available.



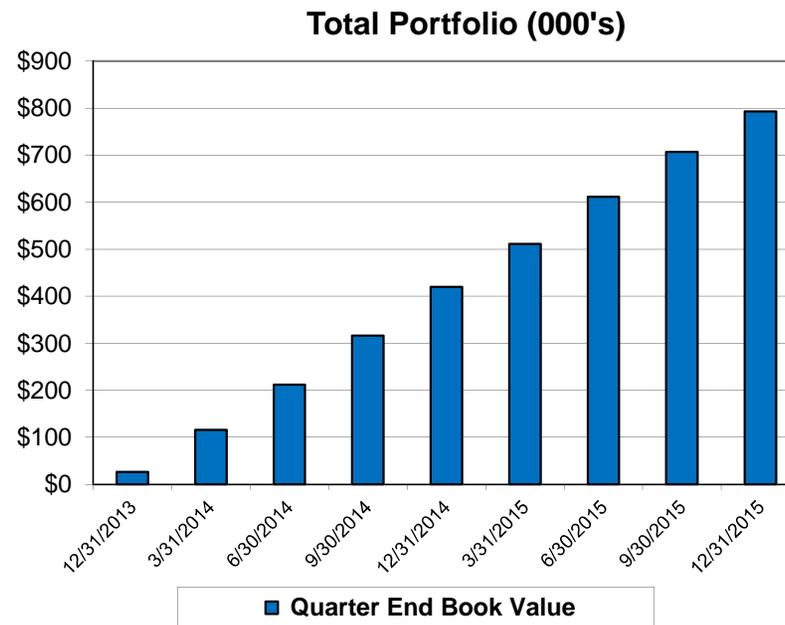
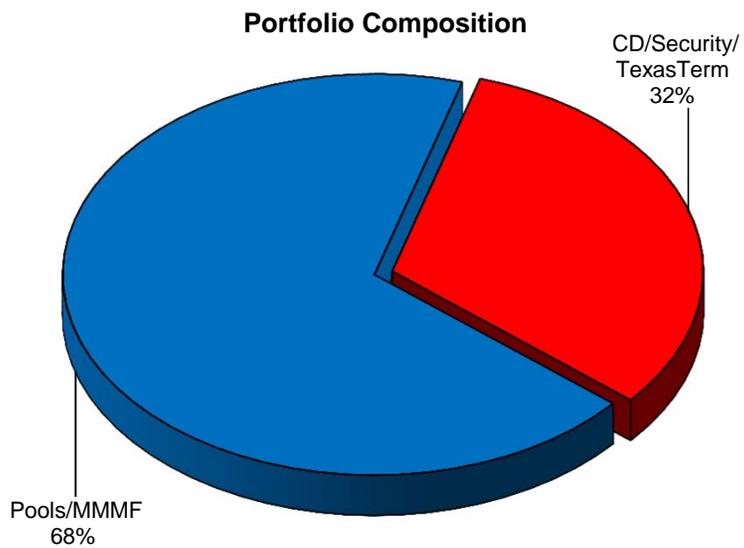
Detail of Investment Holdings
December 31, 2015

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Original Face\ Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
TexPool	AAAm	0.19%	01/01/16	12/31/15	\$ 316,566	\$ 316,566	1.00	\$ 316,566	1	0.19%
Herring Bank (3)		0.55%	01/01/16	12/31/15	226,118	226,118	1.00	226,118	1	0.55%
Herring Bank CD		0.35%	02/11/16	08/15/15	125,146	125,146	1.00	125,146	42	0.35%
Community Trust Bank CD		1.00%	08/07/16	08/07/15	125,000	125,000	1.00	125,000	220	1.00%
					\$ 792,830	\$ 792,830		\$ 792,830	42	0.44%
									(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.**



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	September 30, 2015				December 31, 2015			
			Original Face\ Par Value	Book Value	Purchases at Cost	Sales\ Maturities	Original Face\ Par Value	Book Value		
TexPool	0.19%	01/01/16	\$ 231,265	\$ 231,265	\$ 85,301	\$ -	\$ 316,566	\$ 316,566		
Herring Bank (1)	0.55%	01/01/16	225,795	225,795	323		226,118	226,118		
Herring Bank CD	0.35%	02/11/16	125,037	125,037	109		125,146	125,146		
Community Trust Bank CD	1.00%	08/07/16	125,000	125,000			125,000	125,000		
TOTAL			\$ 707,097	\$ 707,097	\$ 85,734	\$ -	\$ 792,830	\$ 792,830		

Market Value Comparison

Description	Coupon/ Discount	September 30, 2015				December 31, 2015				
		Original Face\ Par Value	Market Price	Market Value	Qtr to Qtr Change	Original Face\ Par Value	Market Price	Market Value		
TexPool	0.19%	\$ 231,265	1.00	\$ 231,265	\$ 85,301	\$ 316,566	1.00	\$ 316,566		
Herring Bank (1)	0.55%	225,795	1.00	225,795	323	226,118	1.00	226,118		
Herring Bank CD	0.35%	125,037		125,037	109	125,146	1.00	125,146		
Community Trust Bank CD	1.00%	125,000		125,000		125,000	1.00	125,000		
TOTAL		\$ 707,097		\$ 707,097	\$ 85,734	\$ 792,830		\$ 792,830		

(1) Yield Estimated.

Municipal Development District Communication

Item # 3

Submitted By: Susie Hiles, Assistant to the City Manager	Date: February 5, 2016
Subject: Azle MDD Board Minutes.	

Action Requested: Consider approving the Minutes of the January 12, 2016 Azle MDD regular meeting
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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
January 12, 2016**

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 12th day of January 2016 with the following members present:

Ray Ivey	President - Place 4
Kevin Ingle	Vice President - Place 6
Joe McCormick	Secretary - Place 3
Councilman Paul Crabtree	Director - Place 1
Councilman David McClure	Director - Place 2
Jack Stevens	Director - Place 5
Justin Berg	Director - Place 7
Tom Muir	Executive Director/City Manager

Constituting a quorum. Staff present was:

Susie Hiles	Assistant to City Manager- Scribe
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The following items were considered in accordance with the official agenda posted on the 8th day of January 2016.

REGULAR SESSION: 6:30 p.m.
CALL TO ORDER

President Ray Ivey called the session to order at 6:30 p.m.

PRESENTATION

President Ray Ivey introduced new city manager, Tom Muir. Mr. Muir gave a little background on his experience.

1. Monthly Report from Economic Development Director Caitlin Glenn

President Ray Ivey introduced the agenda item noting that EDD Glenn has resigned from the City of Azle. She did, however submit the following report:

- City Council held a public hearing on December 1, 2015 adopted a creation ordinance for the TIRZ. The next steps in the process is for the Council to a enter into Participation Agreements with the other taxing entities (Tarrant/Parker County, Tarrant County College, Tarrant County Hospital District, TRWD(?)), appoint a TIRZ board, and develop a project and financing plan.
- Staff will meet with Eisenberg and Assoc next week regarding developing the website.
- Economic Development Director position has been posted and first applicant review is scheduled for January 25, 2016. Board discussed various aspects of the job.

ACTION ITEMS

2. Consider approving the Minutes of the November 10, 2015 Azle MDD regular meeting.

Director Jack Stevens moved to approve the Minutes as discussed. President Ray Ivey seconded the motion. The motion was unanimously approved.

President Ivey brought to the attention of the Board discussing items not specific to the agenda and promised, in the future, to adhere to the posted agenda.

DISCUSSION ITEMS

3. Discussion to develop detailed Strategic Plan for area wide economic development

Board and Chamber of Commerce EDC were supposed to meet to discuss developing a 10 year Strategic Plan.

**MINUTES
REGULAR MEETING
AZLE MUNICIPAL DEVELOPMENT DISTRICT
January 12, 2016**

DRAFT

With Caitlin Glenn leaving, the meeting did not get scheduled. Board discussed holding a joint meeting with Chamber EDC in March.

Discussion regarding Azle Municipal Development District plans/procedures/policies

Discussed the façade/sign incentives and creation of guidelines. Staff will have a draft policy to present at the February meeting for the Board's review.

ADJOURNMENT

President Ray Ivey adjourned the meeting at 7:19 p.m.

PRESENTED AND APPROVED this the 9th day of February, 2016.

APPROVED:

Ray Ivey, President

ATTEST:

Joe McCormick, Secretary