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**SOUTH TEXAS
MONEY MANAGEMENT™**
LTD

HELPING INDIVIDUALS. INDIVIDUALLY.®

ENCLOSED IS YOUR INVESTMENT PORTFOLIO REPORT

The Woodlands Firefighters Retirement
System

Period: January 01, 2017 to January 31, 2017

Enclosed is your statement for your account managed by South Texas Money Management, Ltd. Please contact us with any questions regarding this statement.

South Texas Money Management, Ltd.
700 N. St. Mary's Street, Suite 100
San Antonio, TX 78205

COMMUNICATIONS

Contributions, Withdrawals, Billing or Account Changes	Transition Team TransitionTeam@stmmltd.com
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Strategy or Investment Changes	Madelon Leone mleone@stmmltd.com
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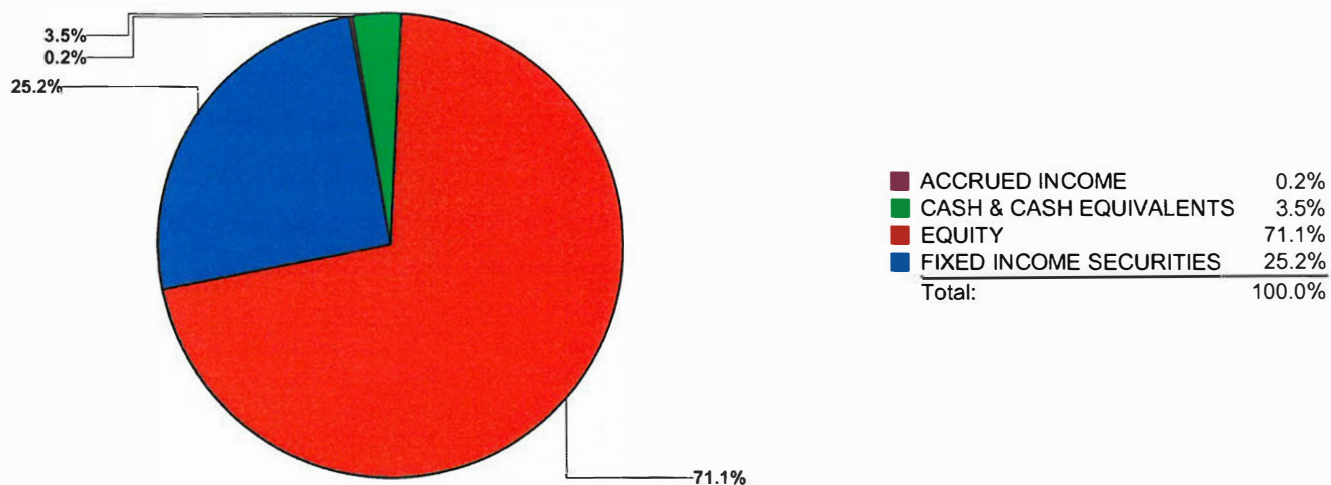
Web Site: www.stmmltd.com	(210) 824-8916
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HELPING INDIVIDUALS. INDIVIDUALLY.*

Statement of Assets
Objective: Balanced
January 31, 2017

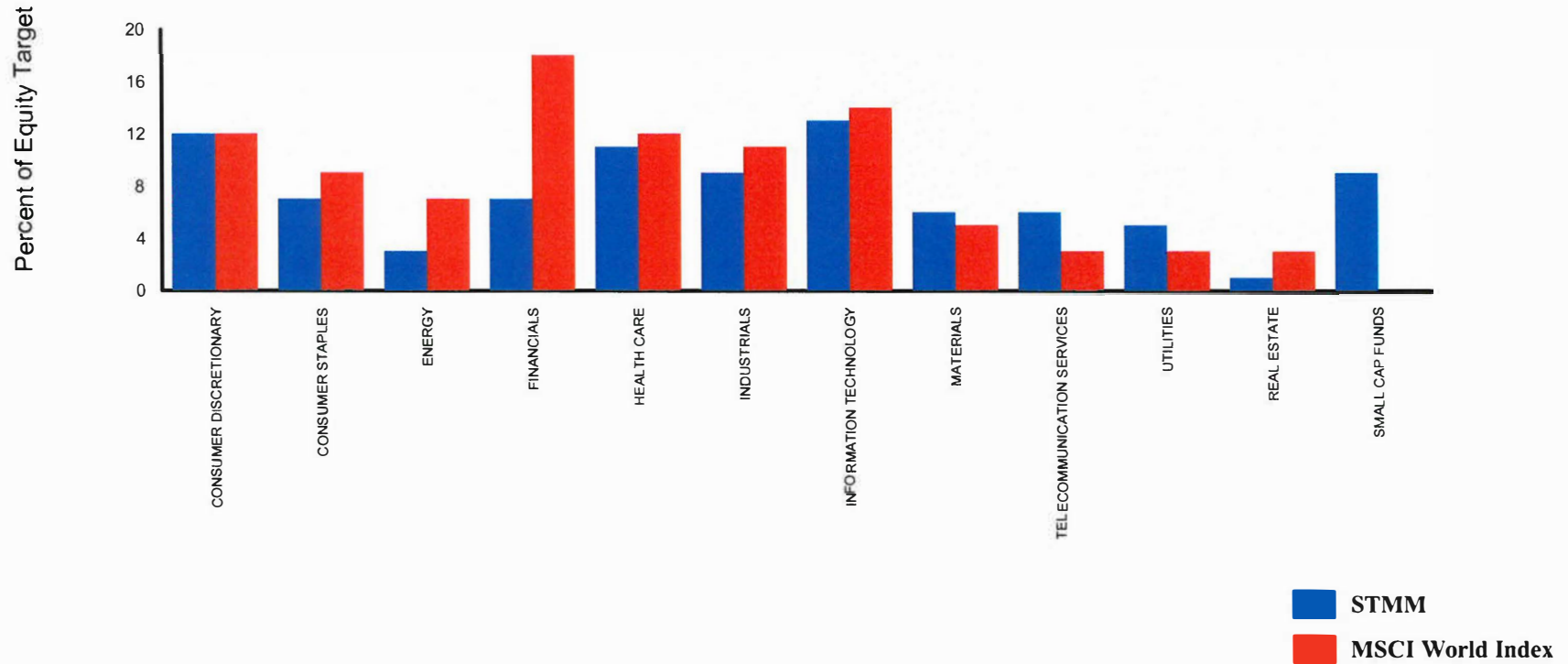
	Total Cost	Market Value	Percent of Portfolio
CASH & CASH EQUIVALENTS	930,574	930,574	3.5 %
EQUITY	17,205,387	18,987,429	71.1 %
FIXED INCOME SECURITIES	6,752,810	6,730,419	25.2 %
ACCRUED INCOME	58,646	58,646	.2 %
TOTAL PORTFOLIO	24,947,416	26,707,068	100.0 %

Your Portfolio Asset Allocation *



* Your asset allocation may vary from your target asset allocation.

*Equity Sector Diversification
Versus MSCI World Index*
January 31, 2017



Assets in Portfolio

Par Value or Shares	Description	Average Unit Cost (\$)	Total Cost (\$)	Unit Market Price (\$)	Total Market Value (\$)	Percent of Portfolio	Est. Annual Income (\$)	% Current Yield	Cost YTW	Unrealized Gain/Loss (\$)
CASH & CASH EQUIVALENTS										
CASH										
	TD INSURED DEPOSIT ACCOUNT 0.010%		930,574	1.000	930,574	3.48	93	.01		
	TOTAL CASH		930,574		930,574	3.48	93	0.01		0
TOTAL CASH & CASH EQUIVALENTS			930,574		930,574	3.48	93	0.01		0
EQUITY										
CONSUMER DISCRETIONARY										
6,565	AARON'S, INC.	24.877	163,319	30.940	203,121	0.76	722	.36		39,803
14,724	AMERICAN EAGLE OUTFITTERS	16.741	246,488	15.110	222,480	0.83	7,362	3.31		(24,008)
9,617	BED BATH & BEYOND INC	40.979	394,099	40.350	388,046	1.45	4,809	1.24		(6,053)
3,363	DISNEY WALT CO	106.190	357,117	110.650	372,116	1.39	5,246	1.41		14,999
6,078	GARMIN LTD	37.865	230,146	48.290	293,507	1.10	12,399	4.22		63,361
2,932	HASBRO INC	81.823	239,905	82.510	241,919	0.91	5,981	2.47		2,014
6,287	MACY'S INC	38.084	239,432	29.540	185,718	0.70	9,493	5.11		(53,714)
8,006	MICHELIN (CGDE)-UNSPON ADR	21.499	172,120	21.480	171,969	0.64	3,875	2.25		(151)
49,900	STAPLES INC	8.106	404,511	9.200	459,080	1.72	23,952	5.22		54,569
	TOTAL CONSUMER DISCRETIONARY		2,447,136		2,537,955	9.50	73,840	2.91		90,819
CONSUMER STAPLES										
6,632	BROWN-FOREMAN CORP CLASS B	45.483	301,643	45.600	302,419	1.13	4,841	1.60		776
4,757	LAUDER ESTEE COS INC	79.863	379,909	81.210	386,316	1.45	6,470	1.67		6,407
3,876	NESTLE SA SPNSRD ADR REP RG SH ONE ADR REP 1/4TH OF A REG SH	75.252	291,677	73.220	283,801	1.06	7,547	2.66		(7,876)
10,687	SYSCO CORP	48.751	520,999	52.460	560,640	2.10	14,107	2.52		39,641
	TOTAL CONSUMER STAPLES		1,494,227		1,533,176	5.74	32,964	2.15		38,949
ENERGY										
3,550	CHEVRON CORP NEW	103.570	367,675	111.350	395,293	1.48	15,336	3.88		27,618
5,599	OCCIDENTAL PETROLEUM	67.848	379,882	67.770	379,444	1.42	17,021	4.49		(437)
	TOTAL ENERGY		747,557		774,737	2.90	32,357	4.18		27,180
FINANCIALS										
26,505	BANK OF AMERICA CORP	15.755	417,596	22.640	600,073	2.25	7,952	1.33		182,477

Assets in Portfolio

Par Value or Shares	Description	Average Unit Cost (\$)	Total Cost (\$)	Unit Market Price (\$)	Total Market Value (\$)	Percent of Portfolio	Est. Annual Income (\$)	% Current Yield	Cost YTW	Unrealized Gain/Loss (\$)
EQUITY										
FINANCIALS (Cont.)										
8,122	BANK OF MONTREAL	64.354	522,685	75.630	614,267	2.30	21,540	3.51		91,582
7,351	FIRST AMERICAN FINANCIAL	39.236	288,425	37.580	276,251	1.03	9,997	3.62		(12,174)
	TOTAL FINANCIALS		1,228,706		1,490,591	5.58	39,488	2.65		261,885
HEALTH CARE										
6,731	BRISTOL-MYERS SQUIBB CO	62.679	421,893	49.160	330,896	1.24	10,231	3.09		(90,997)
4,044	EDWARDS LIFESCIENCES CORP	98.216	397,187	96.240	389,195	1.46	0	.00		(7,993)
5,599	MERCK & CO. INC.	55.906	313,016	61.990	347,082	1.30	10,526	3.03		34,066
4,383	NUVASIVE INC	64.824	284,125	70.770	310,185	1.16	0	.00		26,060
8,002	TEVA PHARMACEUTICAL INDS ADR	36.990	295,991	33.430	267,507	1.00	9,250	3.46		(28,484)
2,188	UNITED THERAPEUTICS CORP DEL	116.737	255,421	163.630	358,022	1.34	0	.00		102,602
1,078	VAREX IMAGING CORPORATION	27.031	29,140	28.750	30,993	0.12	0	.00		1,853
2,695	VARIAN MEDICAL SYSTEMS INC	79.830	215,141	77.650	209,267	0.78	0	.00		(5,875)
	TOTAL HEALTH CARE		2,211,914		2,243,146	8.40	30,008	1.34		31,232
INDUSTRIALS										
4,408	EATON CORPORATION PLC	55.656	245,332	70.780	311,998	1.17	10,050	3.22		66,666
18,877	GENERAL ELECTRIC CO	27.467	518,498	29.700	560,647	2.10	18,122	3.23		42,149
3,352	GRANITE CONSTRUCTION INC	49.286	165,207	56.130	188,148	0.70	1,743	.93		22,941
1,456	MIDDLEBY CORP	119.163	173,501	134.180	195,366	0.73	0	.00		21,865
2,579	RAYTHEON CO NEW	135.625	349,776	144.160	371,789	1.39	7,556	2.03		22,013
5,002	SPIRIT AIRLINES INC	47.634	238,266	54.040	270,308	1.01	0	.00		32,042
	TOTAL INDUSTRIALS		1,690,579		1,898,256	7.11	37,472	1.97		207,677
INFORMATION TECHNOLOGY										
5,268	ADOBE SYSTEMS INC	96.075	506,121	113.380	597,286	2.24	0	.00		91,164
18,531	ATOS SE UNSPON. ADR	20.406	378,134	21.290	394,525	1.48	3,243	.82		16,391
5,869	ELECTRONIC ARTS INC	76.266	447,605	83.430	489,651	1.83	0	.00		42,046
6,235	MICROSOFT CORP	41.424	258,280	64.650	403,093	1.51	9,727	2.41		144,813
12,842	NETSCOUT SYSTEMS	30.645	393,537	33.300	427,639	1.60	0	.00		34,102
5,480	VANTIV INC	37.195	203,830	62.240	341,075	1.28	0	.00		137,246
	TOTAL INFORMATION TECHNOLOGY		2,187,507		2,653,268	9.93	12,970	0.49		465,761
MATERIALS										

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Assets in Portfolio

Par Value or Shares	Description	Average Unit Cost (\$)	Total Cost (\$)	Unit Market Price (\$)	Total Market Value (\$)	Percent of Portfolio	Est. Annual Income (\$)	% Current Yield	Cost YTW	Unrealized Gain/Loss (\$)
EQUITY										
MATERIALS (Cont.)										
11,880	BHP BILLITON PLC-ADR	32.953	391,485	36.590	434,689	1.63	7,128	1.64		43,204
5,131	DU PONT E I DE NEMOURS & CO	64.386	330,365	75.500	387,391	1.45	7,799	2.01		57,025
8,515	INTERNATIONAL PAPER CO	40.583	345,561	56.600	481,949	1.80	15,753	3.27		136,388
	TOTAL MATERIALS		1,067,412		1,304,029	4.88	30,680	2.35		236,617
TELECOMMUNICATION SERVICES										
8,572	AT&T INC	33.103	283,758	42.160	361,396	1.35	16,801	4.65		77,637
5,414	T MOBILE US INC COM	47.391	256,575	62.270	337,130	1.26	14,889	4.42		80,555
6,324	VERIZON COMMUNICATIONS	48.384	305,982	49.010	309,939	1.16	14,608	4.71		3,958
10,435	VODAFONE GROUP PLC NEW	32.388	337,971	24.900	259,832	0.97	15,621	6.01		(78,139)
	TOTAL TELECOMMUNICATION SERVICES		1,184,285		1,268,296	4.75	61,919	4.88		84,011
UTILITIES										
20,777	SECTOR SPDR TRUST SBI INT-UTIL	45.960	954,913	49.180	1,021,813	3.83	34,448	3.37		66,900
	TOTAL UTILITIES		954,913		1,021,813	3.83	34,448	3.37		66,900
REAL ESTATE										
2,912	SL GREEN REALTY CORP	97.163	282,937	108.970	317,321	1.19	9,027	2.84		34,384
	TOTAL REAL ESTATE		282,937		317,321	1.19	9,027	2.84		34,384
SMALL CAP FUNDS										
28,450	ISHARES CORE S&P SMALL-CAP ETF	60.043	1,708,214	68.360	1,944,842	7.28	23,770	1.22		236,628
	TOTAL SMALL CAP FUNDS		1,708,214		1,944,842	7.28	23,770	1.22		236,628
	TOTAL EQUITY		17,205,387		18,987,429	71.10	418,943	2.21		1,782,042
FIXED INCOME SECURITIES										
CORPORATE BONDS										
325,000	BANK OF MONTREAL SNR 1.400% 04-10-2018	99.975	324,917	99.819	324,410	1.21	4,550	1.40	1.42	(507)
350,000	BANK OF NOVA SCOTIA SNR 1.700% 06-11-2018	99.979	349,926	100.074	350,257	1.31	5,950	1.70	1.71	331
250,000	CISCO SYSTEM INC SNR 1.650% 06-15-2018	99.994	249,986	100.371	250,928	0.94	4,125	1.64	1.65	943
400,000	NEW YORK UNIVERSITY SNR 1.767% 07-01-2019	100.001	400,006	100.076	400,304	1.50	7,068	1.77	1.76	299

Assets in Portfolio

Par Value or Shares	Description	Average Unit Cost (\$)	Total Cost (\$)	Unit Market Price (\$)	Total Market Value (\$)	Percent of Portfolio	Est. Annual Income (\$)	% Current Yield	Cost YTW	Unrealized Gain/Loss (\$)
FIXED INCOME SECURITIES										
CORPORATE BONDS (Cont.)										
400,000	PFIZER INC SR NT 1.45%19 1.4500% 06-03-2019	99.913	399,651	99.579	398,315	1.49	5,800	1.46	1.48	(1,336)
250,000	WELLS FARGO & CO SNR FXD 2.600% 07-22-2020	99.964	249,909	100.541	251,353	0.94	6,500	2.59	2.61	1,444
	TOTAL CORPORATE BONDS		1,974,394		1,975,568	7.40	33,993	1.72	1.73	1,174
MUNICIPAL BONDS										
Taxable										
350,000	AUSTIN TX ELEC UTLY REV TAX 1.704% 11-15-2018	100.001	350,004	100.475	351,663	1.32	5,964	1.70	1.70	1,658
350,000	AUSTIN TX WTR REV TAX 2.133% 11-15-2019	100.002	350,007	99.701	348,954	1.31	7,466	2.14	2.13	(1,054)
250,000	COLORADO ST UNIV SYS REV TAX 2.688% 03-01-2021	100.004	250,010	99.303	248,258	0.93	6,720	2.71	2.68	(1,753)
200,000	HAWAII ST GO BDS FJ 1.370% 10-01-2020	100.184	200,368	98.123	196,246	0.73	2,740	1.40	1.31	(4,122)
375,000	INDIANA ST FIN AUTH REV TAX 1.330% 07-15-2017	100.000	375,001	100.458	376,718	1.41	4,988	1.32	1.32	1,716
400,000	JEA FL POWER REV TAX 1.888% 10-01-2019	100.001	400,004	99.821	399,284	1.50	7,552	1.89	1.88	(720)
400,000	MONTGOMERY ALA GO WTS B 2.150% 04-01-2020	101.849	407,397	100.276	401,104	1.50	8,600	2.14	1.54	(6,293)
350,000	NEW YORK NY GO TAX 2.150% 06-01-2020	100.001	350,004	100.960	353,360	1.32	7,525	2.13	2.14	3,356
350,000	PORT OF HOUSTON GO TAX 5.000% 10-01-2019	107.688	376,906	107.672	376,852	1.41	17,500	4.64	2.02	(54)
270,000	SAN ANTONIO TX GO TAX 2.448% 02-01-2021	100.004	270,011	99.898	269,725	1.01	6,610	2.45	2.44	(286)
350,000	TEXAS TECH UNIV REV REF TAX 2.104% 02-15-2020	100.003	350,009	100.737	352,580	1.32	7,364	2.09	2.10	2,570
400,000	UNIV OF N TEXAS TX 2.103% 04-15-2020	102.088	408,352	100.505	402,020	1.51	8,412	2.09	1.43	(6,332)

Assets in Portfolio

Par Value or Shares	Description	Average Unit Cost (\$)	Total Cost (\$)	Unit Market Price (\$)	Total Market Value (\$)	Percent of Portfolio	Est. Annual Income (\$)	% Current Yield	Cost YTW	Unrealized Gain/Loss (\$)
FIXED INCOME SECURITIES										
MUNICIPAL BONDS (Cont.)										
<i>Taxable</i>										
400,000	UNIVERSITY HOUSTON TEX UNIV RE 2.5000% 02-15-2021	103.833	415,333	101.020	404,080	1.51	10,000	2.47	1.51	(11,253)
275,000	WILLIAMSON CNTY TX GO TAX 1.588% 02-15-2019	100.003	275,008	99.640	274,010	1.03	4,367	1.59	1.58	(998)
TOTAL MUNICIPAL BONDS			4,778,415		4,754,851	17.80	105,807	2.23	1.82	(23,564)
TOTAL FIXED INCOME SECURITIES			6,752,810		6,730,419	25.20	139,800	2.08	1.79	(22,390)
ACCRUED INCOME										
ACCRUED INCOME			58,646		58,646	0.22				
TOTAL ACCRUED INCOME			58,646		58,646	0.22				
TOTAL PORTFOLIO			24,947,416		26,707,068	100.00	558,835	2.09		1,759,651

Investment Changes

Purchases

Trade Date	Quantity	Description	Average Cost (\$)	Total Cost (\$)
EQUITY				
01/09/17	1,058	BROWN-FOREMAN CORP CLASS B	44.81	47,405.35
01/09/17	901	EDWARDS LIFESCIENCES CORP	98.02	88,317.56
01/09/17	2,880	GENERAL ELECTRIC CO	31.48	90,654.95
01/09/17	1,926	SYSCO CORP	55.70	107,268.78
01/20/17	6,124	ATOS SE UNSPON. ADR	21.50	131,652.72
01/25/17	3,328	NETSCOUT SYSTEMS	32.65	108,666.15
01/26/17	839	ADOBE SYSTEMS INC	113.03	94,828.05
EQUITY Totals:				668,793.56
Total Purchases				668,793.56

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Investment Changes

Sales / Maturities

Date Sold	Quantity	Description	Purchase Date	Total Cost (\$)	Total Proceeds (\$)	----- Gain or Loss (\$) -----	
						Short Term	Long Term
FIXED INCOME							
01/09/2017	75,000	BANK OF MONTREAL SNR 1.400% 04-10-2018	04/07/2015	74,980.09	74,764.50		(215.59)
01/09/2017	50,000	PEPSICO SR UNSECURED 1.250% 04-30-2018	04/27/2015	49,997.95	49,886.00		(111.95)
FIXED INCOME Totals:				124,978.04	124,650.50	0.00	(327.54)
EQUITY							
01/11/2017	11	DOLLAR GENERAL CORP	03/24/2015	836.00	807.57		(28.43)
01/11/2017	240	DOLLAR GENERAL CORP	05/04/2015	17,742.29	17,619.68		(122.61)
01/11/2017	1,887	DOLLAR GENERAL CORP	09/02/2015	135,795.47	138,534.75		2,739.28
01/11/2017	65	DOLLAR GENERAL CORP	03/04/2016	4,875.44	4,772.00	(103.44)	
01/12/2017	4,980	INTEL CORP	03/13/2015	153,378.02	182,537.36		29,159.34
01/12/2017	1,204	INTEL CORP	05/04/2015	40,162.91	44,131.52		3,968.61
01/12/2017	637	INTEL CORP	06/29/2015	19,662.09	23,348.65		3,686.56
01/12/2017	2,937	INTEL CORP	07/24/2015	83,296.16	107,653.06		24,356.90
01/13/2017	20,360	VOLVO AB-B SHS-UNSPON ADR	11/13/2015	213,066.21	245,346.99		32,280.78
01/13/2017	442	VOLVO AB-B SHS-UNSPON ADR	11/18/2015	4,617.01	5,326.30		709.29
01/13/2017	499	VOLVO AB-B SHS-UNSPON ADR	12/03/2015	5,041.86	6,013.17		971.31
01/13/2017	2,217	VOLVO AB-B SHS-UNSPON ADR	12/15/2015	20,292.06	26,715.83		6,423.77
EQUITY Totals:				698,765.52	802,806.88	(103.44)	104,144.80
Total Sales				823,743.56	927,457.38	(103.44)	103,817.26
Year to Date Gain/Losses						(103.44)	103,817.26

Statement of Changes

	<u>Period (\$)</u>	<u>Year to Date (\$)</u>
Beginning Market Value	26,289,181	26,289,181
Contributions/Withdrawals	175,421	175,421
Management Fee	(7,647)	(7,647)
Income Earned	43,499	43,499
Increase/Decrease in Market Value	206,613	206,613
Market Value on 01/31/2017	26,707,068	26,707,068

Account Investment Performance

	<u>Period</u>	<u>Year to Date</u>
Total Account (Net of Fees)	0.92%	0.92%
Equity	1.24%	1.24%
Fixed Income	0.23%	0.23%

"Please be advised that several items may cause the performance of your account to diverge from the benchmark. These include, but are not limited to, objective changes, significant cash contributions or withdrawals, cash directives, non-core holdings, tax managed positions and uninvested income cash."

*"Past performance is not indicative of future results."
Total Account (Net of Fees) includes return on cash held in the account.*

For any questions regarding your account performance, please contact your STMM Investment Advisor.

Yearly Summary of Account Value

<u>Year End</u>	<u>Market Value (\$)</u>	<u>Net Additions & Withdrawals (\$)</u>	<u>Fees & Expenses(\$)</u>	<u>Annual Income (\$)</u>
12/31/2015	22,205,372	5,077,110	(110,387)	254,671
12/31/2016	26,289,181	2,507,584	(83,103)	442,909
		<u>7,584,695</u>		

Disclosures

Data represented on this page is from inception of the account or 2004 when STMM converted to Financial Information Network (FIN), a portfolio accounting system.

This information is for informational purposes only. Please rely on the statement and Form 1099 provided by your custodian for tax purposes.

Market Performance

	Period	Year to Date
MSCI World Index	2.41 %	2.41 %
S&P 500 Total Return Index	1.90 %	1.90 %
Russell 3000 Index w/Income	1.88 %	1.88 %
Barclays 1-10 Yr. Blend Muni Bond Index	0.77 %	0.77 %
90 Day Treasury Bill Index	0.03 %	0.03 %
Barclays Intermediate Govt./Credit Bond Index	0.27 %	0.27 %
Barclays Aggregate Bond Index	0.20 %	0.20 %
Consumer Price Index (CPI)	0.03 %	2.07 %
Gold (Spot Price)	4.63 %	4.63 %

Disclosures

This investment portfolio report is provided to you for informational purposes only. It provides information on your account managed by South Texas Money Management, Ltd., a registered investment advisor. It is not intended as a tax document. South Texas Money Management, Ltd. is not the custodian of your assets. South Texas Money Management, Ltd. is not a broker/dealer. You should verify this investment portfolio report with the statement provided by your custodian.

South Texas Money Management, Ltd. provides the following services:

1. Investment management
2. Asset allocation management
3. Quarterly performance and strategy summary reports
4. Annual investment presentation (upon request)
5. Annual written analysis of account holdings and performance
6. Open communication

Important Notes:

Market Valuation: Market valuations for securities in this report are provided only as a general guide to value your portfolio. Such market valuations are obtained from outside parties. These market valuations may vary from your custodian statement. For example, the market value for a bond may vary from your custodian statement. Bond prices are based on a method of fair valuing bonds that applies analytic methods to historical prices to produce an estimated price. This price is not necessarily the price you paid for the bond, nor is it the price you could receive if you sold it and this price is not necessarily a price at which the bond has ever traded.

Trade Date / Settlement Date: This report includes transactions executed (traded) but not yet settled during the period. Your custodian may prepare statements for the same period which include only transactions which have settled within such period.

Cost Basis: South Texas Money Management, Ltd. may have no information regarding cost basis of securities purchased prior to our management of your account. Such cost basis is necessary to compute the gain or loss upon the sale of a security. If the gain or loss information detailed herein is inconsistent with your records, it may be due to missing cost basis. In that case, please contact us to provide missing cost basis for your account.

Tax Managed or Directed: If assets are segregated as "Tax Managed or Directed," it generally means they are "directed" or low cost basis holdings. The total account performance includes these assets. Client directed cash levels are part of the total return and do not necessarily reflect South Texas Money Management, Ltd. ("STMM") cash strategy. STMM shall have no responsibility with respect to any assets that are segregated as "Unmanaged", and total account performance will not include any such Unmanaged assets. Accordingly, Unmanaged assets are not included in the account market value for purposes of calculating STMM's management fee.

Reports to the Internal Revenue Service: This report is not a tax document. Your custodian will provide to you, the Internal Revenue Service and to certain states, information on sales, dividends and various types of interest credited to your account in order to file your tax return.

Please contact either of your South Texas Money Management investment advisers listed on the first page of this report under "Strategy or Investment Changes" if there are any changes in your personal or financial situation or investment objectives, or if you wish to impose, add or modify any reasonable restrictions to the management of your account.

Important disclosures are set forth in Part 2 of South Texas Money Management's Form ADV, a copy of which has been provided without charge to you. If you would like to receive a copy of the ADV Part 2 at no charge, contact us at the phone number or address below. You may also access the current ADV Part 2 at <http://www.stmmtd.com/form-adv>.

If you have any questions regarding this portfolio report, your portfolio or to change your contact information, please contact South Texas Money Management, Ltd. by phone (210) 824-8916 or in writing to 700 N. St. Mary's Street, Suite 100, San Antonio, TX 78205.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE PERFORMANCE. THERE IS A RISK OF LOSS.