



*Building on our legacy, illuminating innovation, succeeding beyond borders.
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2019 Investment highlights

PRIDE = Professional • Results • Innovation • Dedication • Ethical



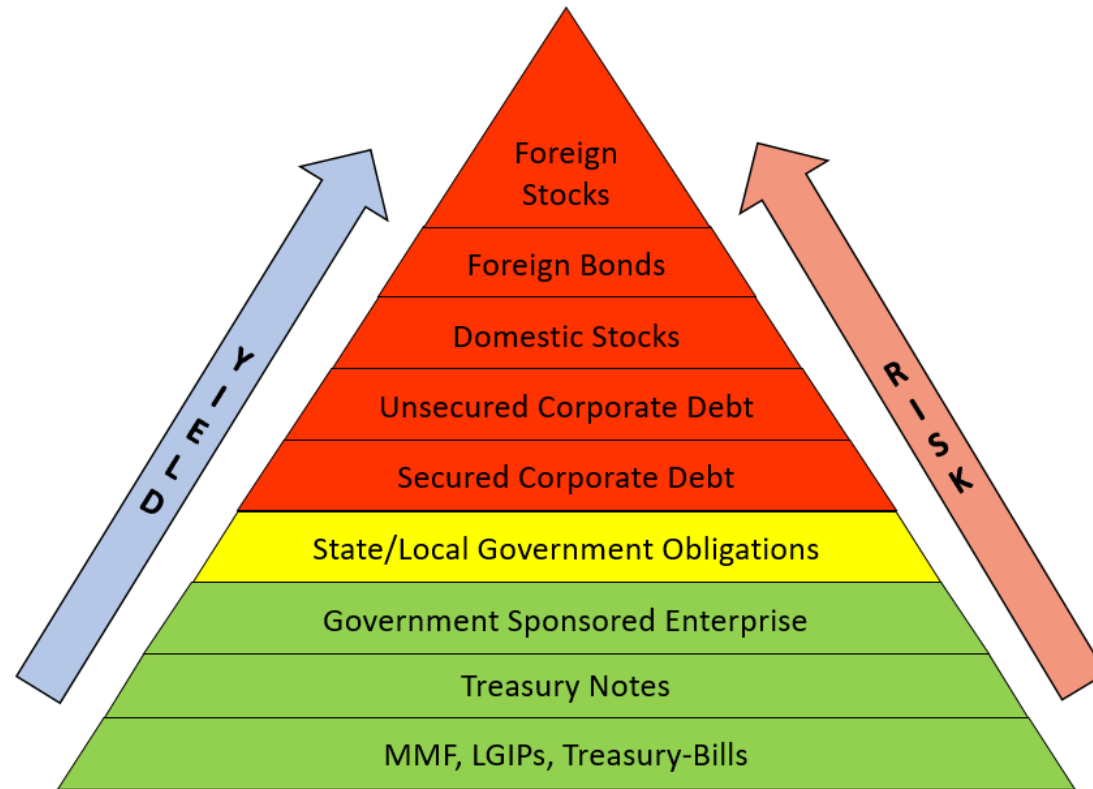
Quarterly Investment Update

Directly linked to the County Strategic Plan

- Investment Goals:
 - Goal 1 - Investing funds on the principles of
 1. Safety
 2. Liquidity
 3. Diversification
 - Goal 2 - Return on Investment



Investment Risk



- Not allowed by Investment policy, except commercial paper through investment pools
- Restricted to State of Texas and local entities in Texas only, rated Aa or better
- Allowed under Investment policy



Rate Comparison

TREASURIES

TERM	RATE
3-Month	2.45
6-Month	2.51
1-Year	2.49
2-Year	2.41
3-Year	2.21
5-Year	2.37
10-Year	2.57

BENCHMARK AGENCY BULLETS

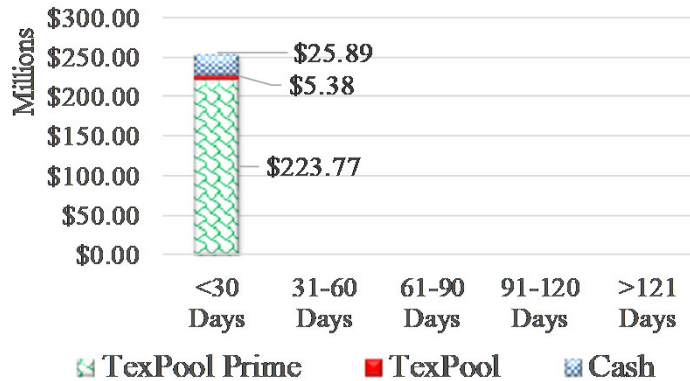
TERM	RATE
2-Year	2.48
3-Year	2.47
5-Year	2.54
7-Year	2.69
10-Year	2.91

- **Texpool Prime : 2.59**
- **Texpool: 2.42**

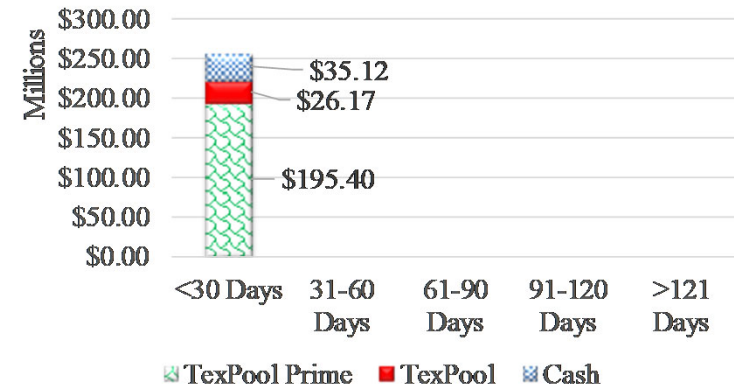
As of March 31, 2019



Investment Maturity Summary March 31, 2019



Investment Maturity Summary March 31, 2018



Although investments vehicles have remained the same for both years (cash, TexPool, and TexPool Prime) the percentages in each has changed. As of March 31, 2019 the percentages in cash, TexPool, and TexPool Prime were 10.15%, 2.11%, and 87.74%, respectively. The March 31, 2018, percentages in cash, TexPool, and TexPool Prime were 13.68%, 10.19% and 76.12%, respectively.

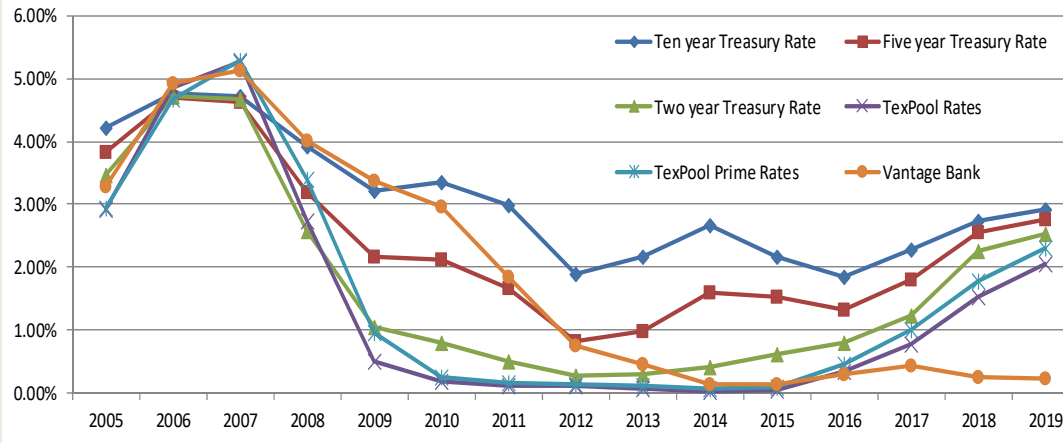
Total investments were \$255,039,222 for March 2019 compared to prior year of \$256,692,001, an decrease of \$1,652,779 .

The interest earned so far this year was \$2,326,531 compared to last year of \$1,235,925 an increase of \$1,090,605 or 88.24%.



Historical Market Environment

Key Interest Rates Averaged for the Fiscal Year



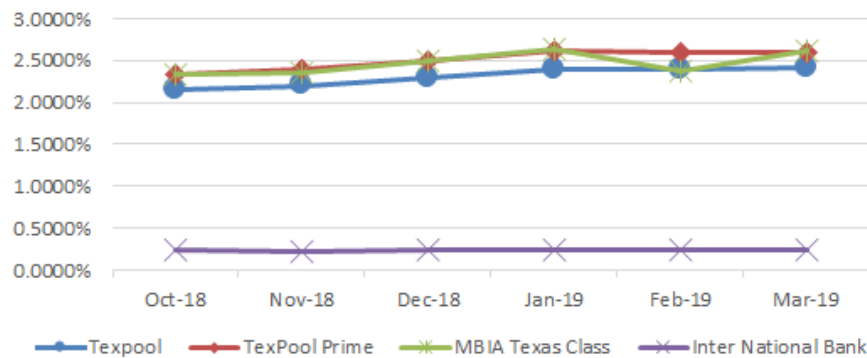
Key Interest Rates Averaged for the Fiscal Year (averaged over ten years)

Ten Year Treasury	2.50%
Five Year Treasury	1.71%
Two Year Treasury	0.98%
TexPool	0.53%
TexPool Prime	0.64%
Vantage Bank	0.75%

On December 20, 2018, the Federal Open Markets Committee increased the Fed Funds Rate of 2.25 percent by 25 basis points to 2.50. This was the first increase in interest rates for this fiscal year. On March 20, 2019 the FOMC chose to leave the rates the same.



Investment Yield Rates



Yields for March 2019

Texas Class (not currently invested in)	2.6113%
TexPool Prime	2.5907%
TexPool	2.4164%
Vantage Bank	0.2317%

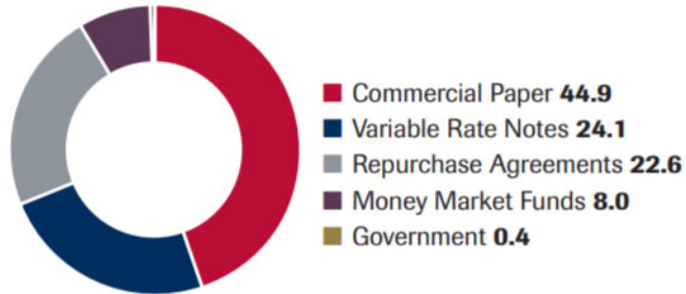
Above is a comparison of interest rates for the investment pools and Vantage Bank. The two highest yielding pools are TexPool Prime and Texas Class. TexPool Prime and Texas Class both contain Commercial Paper consisting of approximately 45 and 97 percent, respectively of the pools investments.



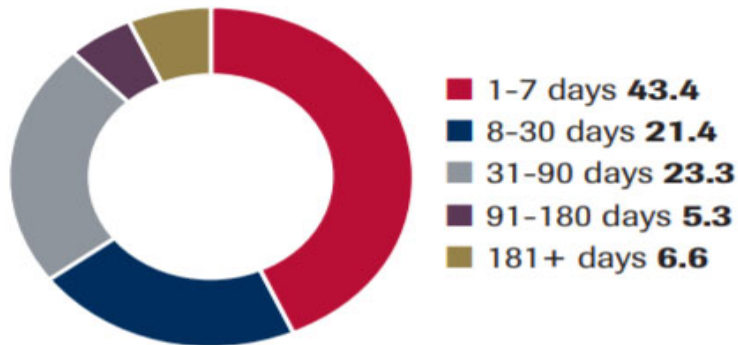
Prime Investment Pools

TexPool Prime

Portfolio by Type of Investment (%)
As of March 31, 2019

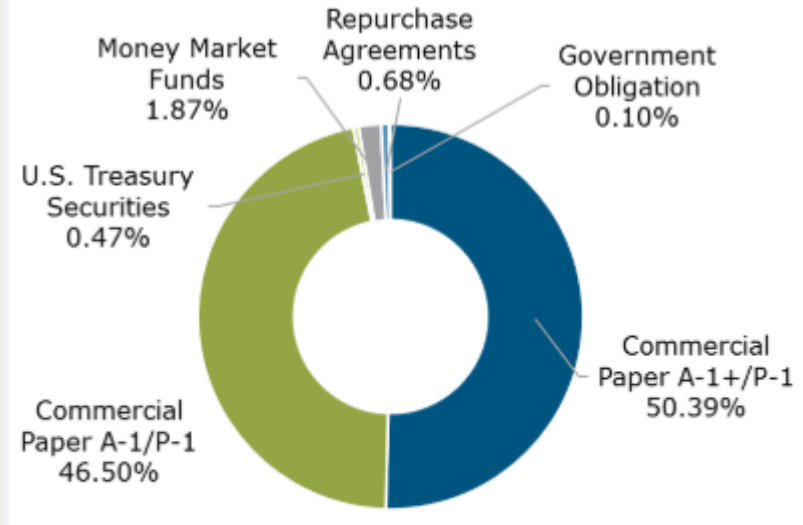


Portfolio by Maturity (%)
As of March 31, 2019



Source: TexPool April 2019 Monthly Newsletter

Texas Class



Texas CLASS Portfolio Breakdown

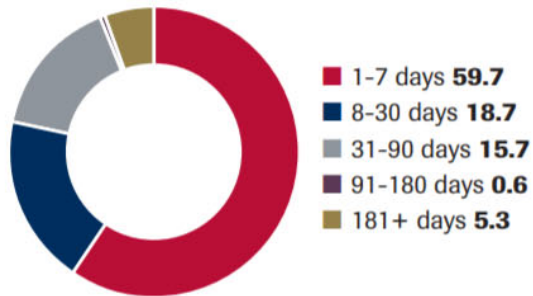
Source: Texas Class Website – Portfolio Characteristics as of March 31, 2019



TexPool

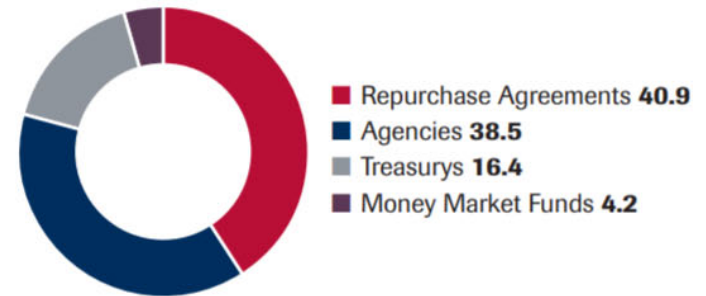
Portfolio by Maturity (%)

As of March 31, 2019

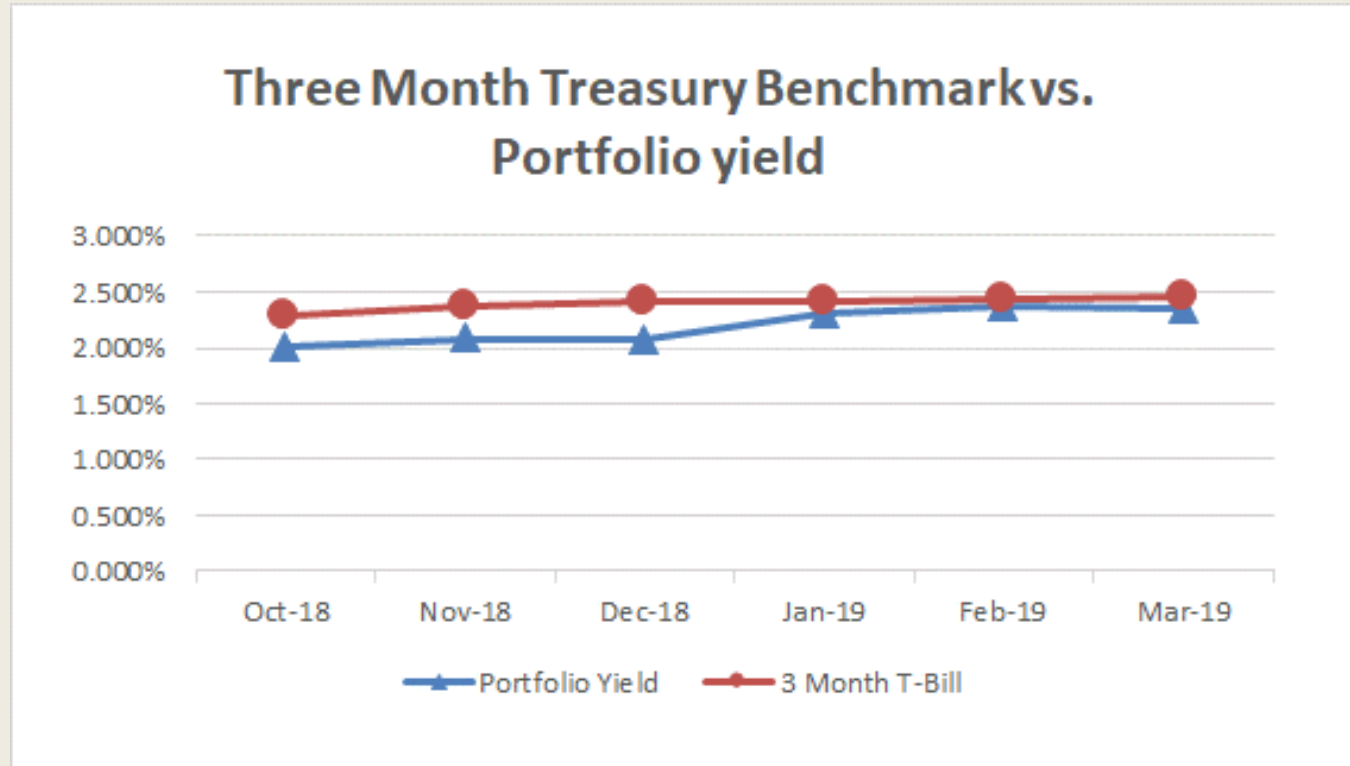


Portfolio by Type of Investment (%)

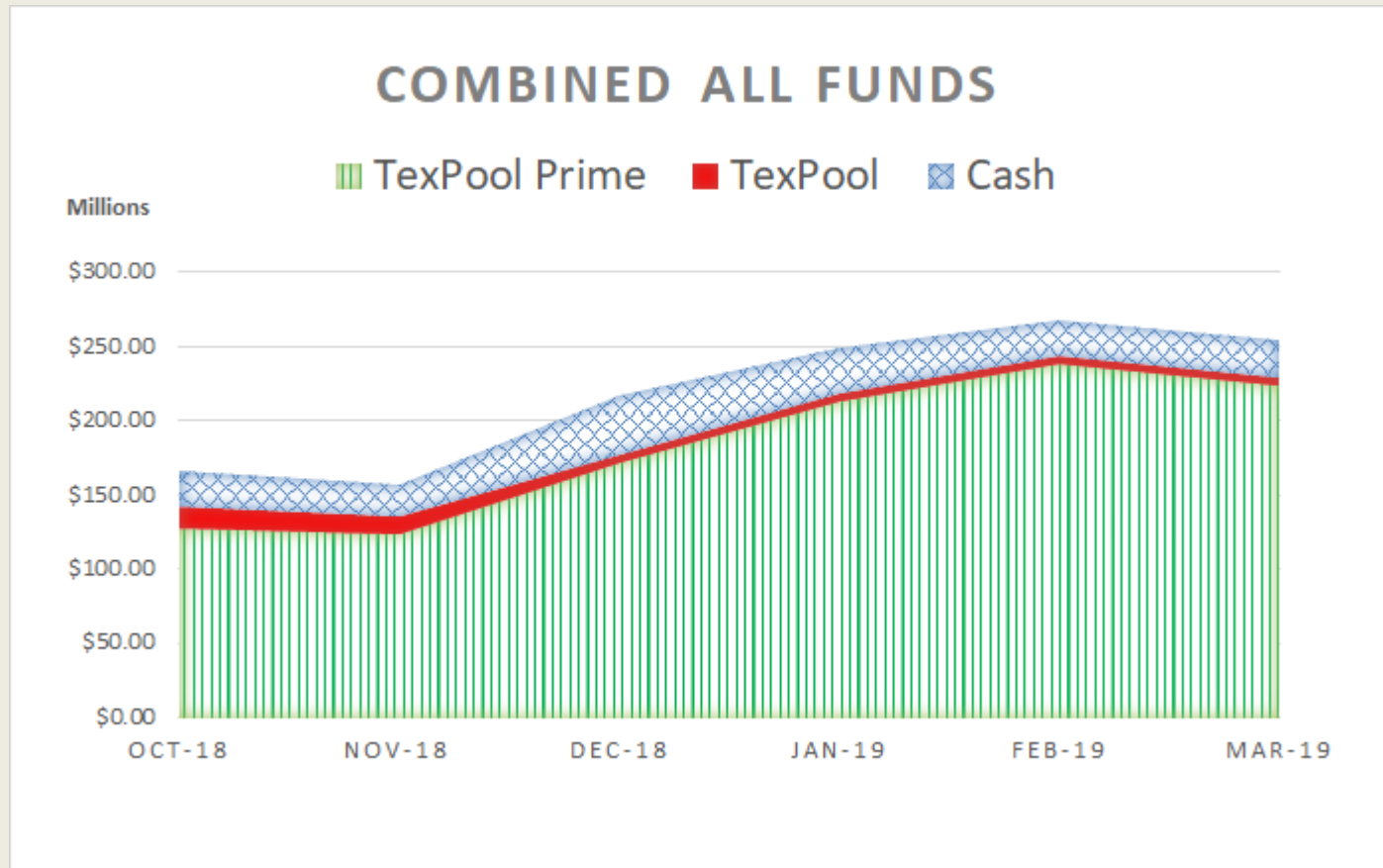
As of March 31, 2019



Source: TexPool April 2019 Monthly Newsletter



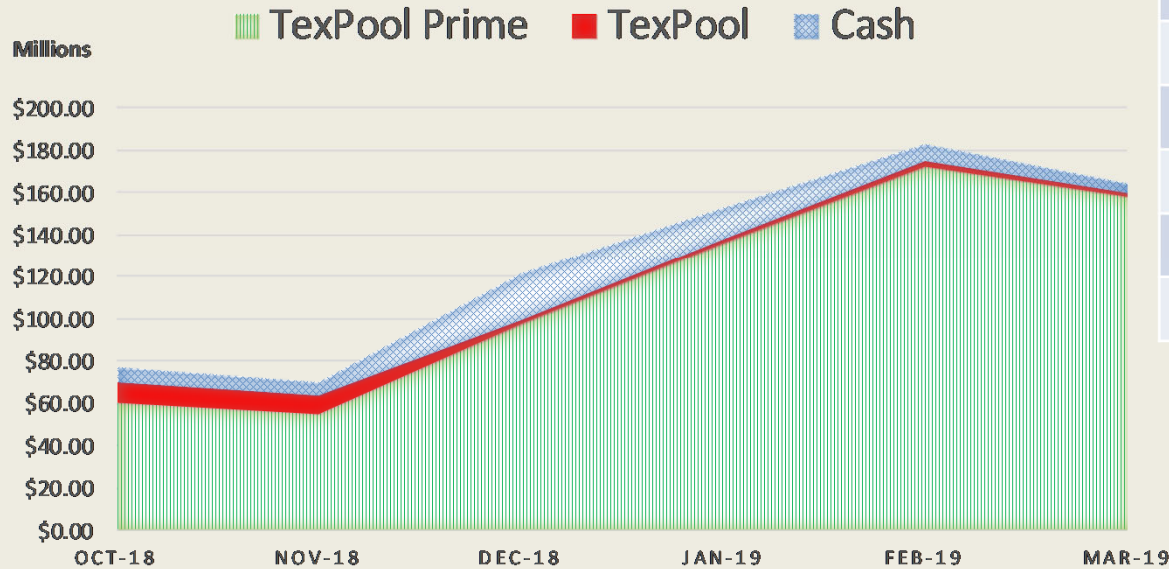
The County had an weighted average yield 2.348% as of March 31, 2019, to the 90-day treasury benchmark of 2.450% resulting the County being 10.24 basis points below the benchmark for the month, due to the low interest rate of 0.2317% in the bank.



The County's investable funds include the General Fund, Special Revenue Fund, Capital Projects, Internal Service, Enterprise Fund, Debt Service, and Agency Fund.



GENERAL FUND

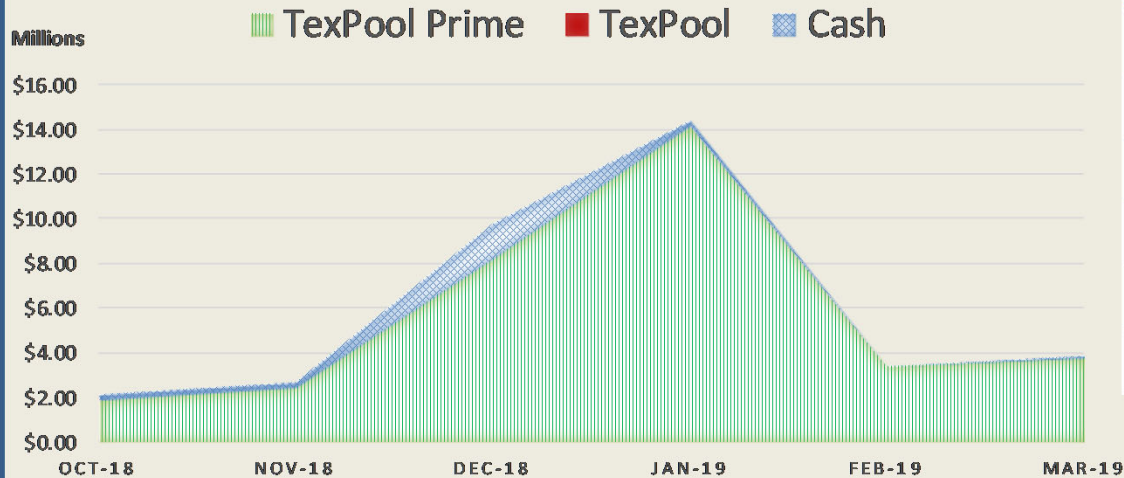


Date	Millions
October 31, 2018	\$76.7
November 30	\$69.5
December 31	\$121.6
January 31, 2019	\$152.4
February 28	\$183.1
March 31	\$163.8

- Investable funds reach their lowest point in mid-December and increases from late December through mid-February.
- After reaching its peak for investable funds in February the general fund declines throughout the year until it reaches the low point in mid-December.



DEBT SERVICE

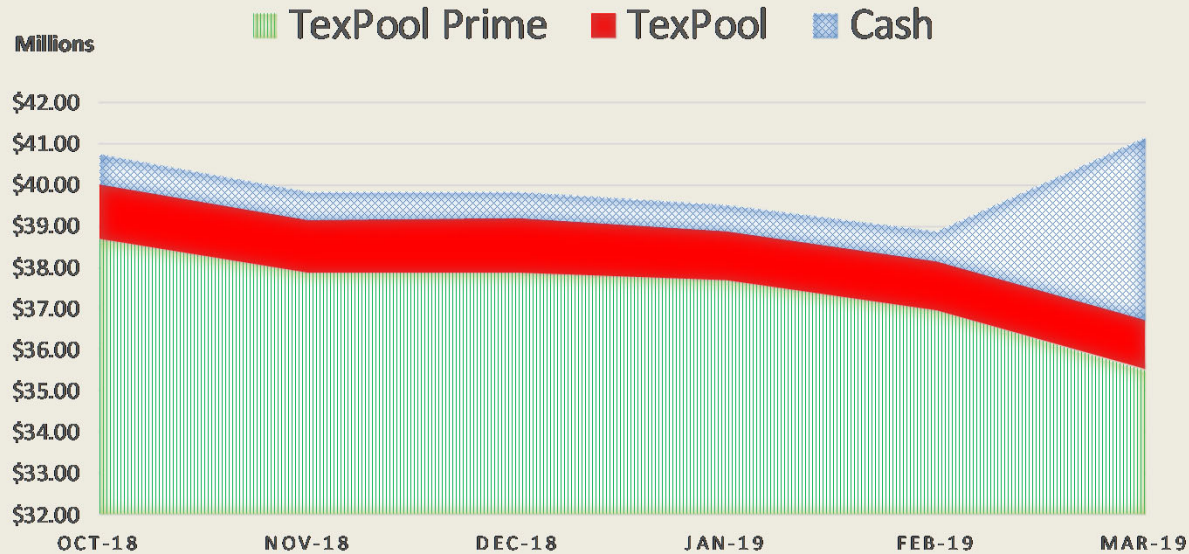


Date	Millions
October 31, 2018	\$2.1
November 30	\$2.7
December 31	\$9.8
January 31, 2019	\$14.4
February 28	\$3.4
March 31	\$3.9

- Debt Service follows the same cash inflow pattern as the General Fund.
- Disbursements occur in February, March, August, and September.
- The low point for the debt service fund is September 16th the day after our final interest payment for the fiscal year is made.



CAPITAL PROJECTS

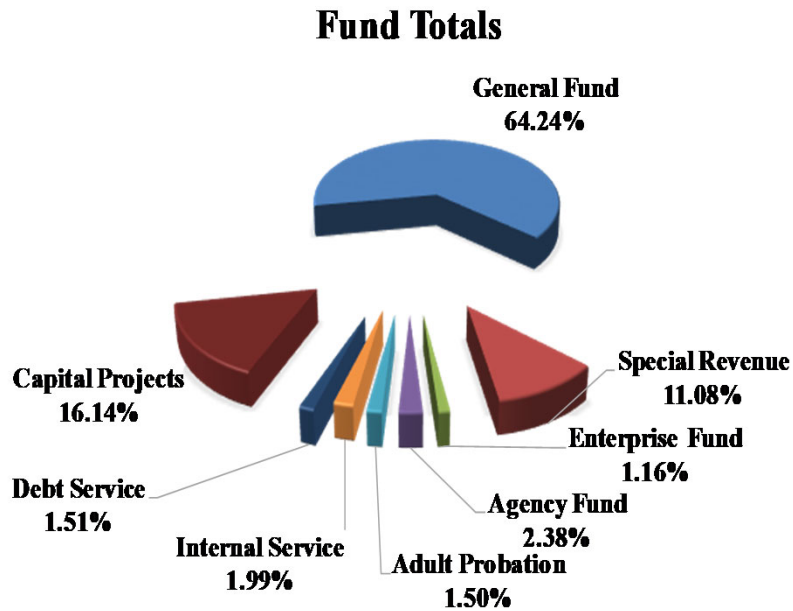


The primary funding sources for the Capital Projects Fund is bond proceeds and the one cent from the Maintenance and Operations portion of the Ad Valorem taxes which funds the Capital Improvement Fund.



Investments by Fund Type

- As of March 31, 2019, the fund balances were:



Fund	Amount
General Fund	\$163,845,219
Capital Projects	\$41,164,011
Special Revenue	\$28,259,248
Agency Funds	\$9,875,180
Internal Service	\$5,076,251
Enterprise Fund	\$2,961,465
Debt Service	\$3,857,848



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Questions?

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