



2020 Investment Highlights

2nd Quarter ending March 31, 2020

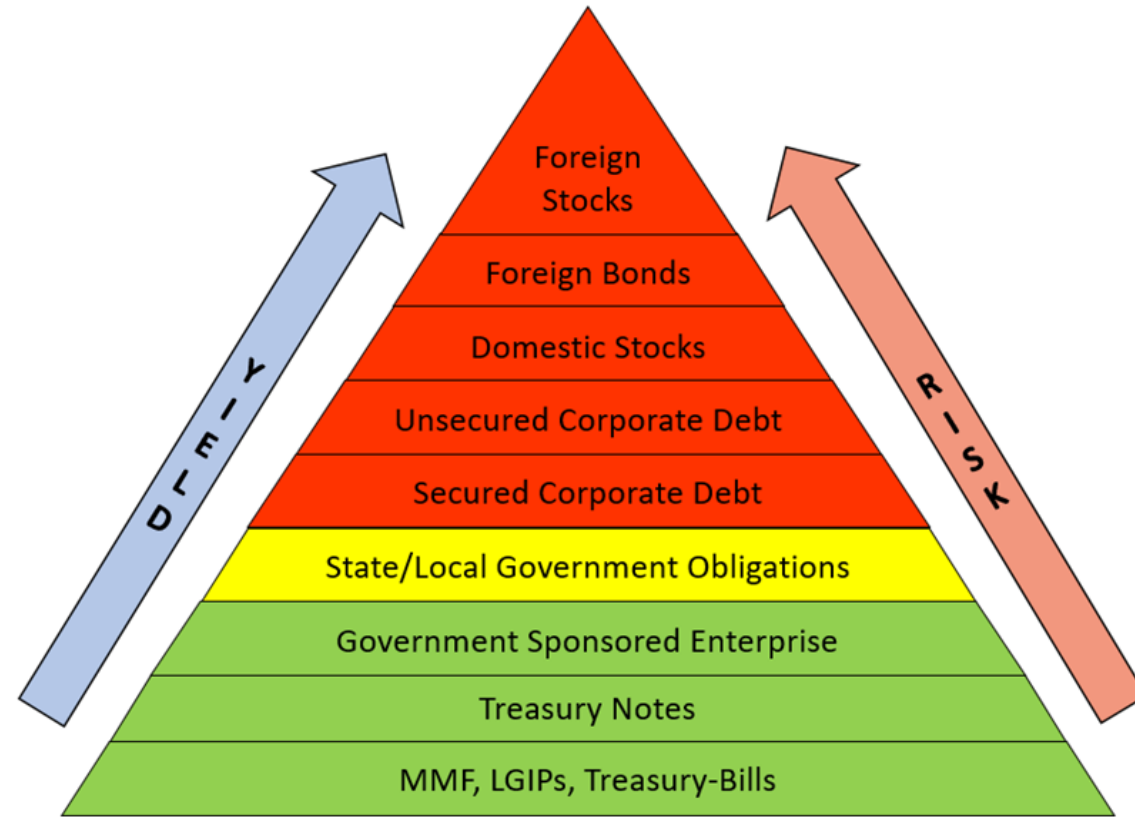





Quarterly Investment Update

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

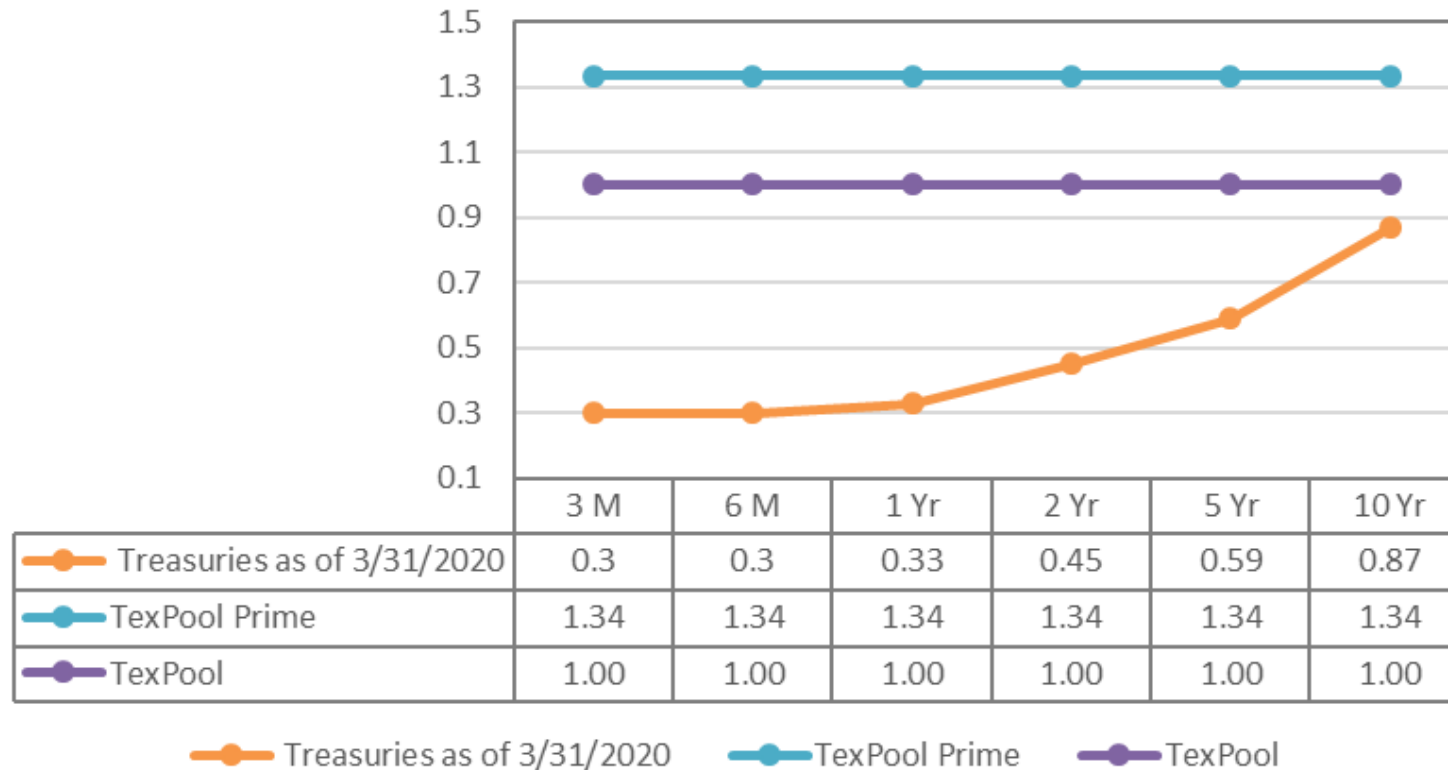
Investment Risk



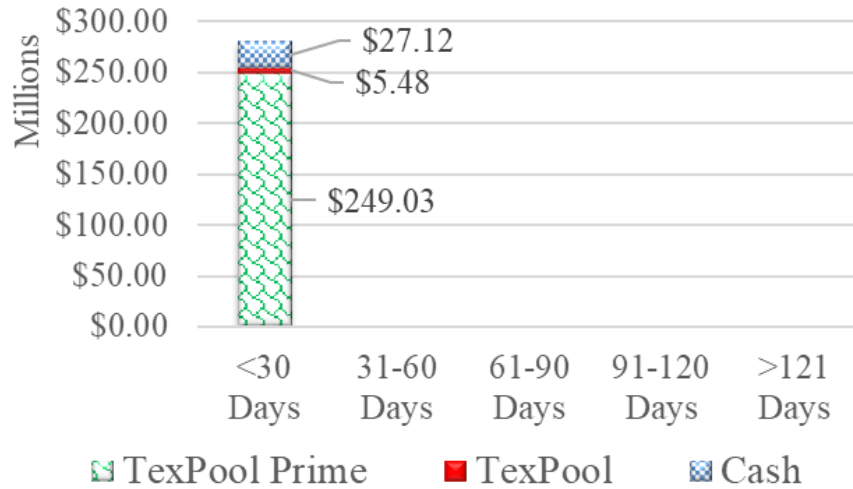
-  Not allowed by Investment policy, except commercial paper through investment pools
-  Restricted to State of Texas and local entities in Texas only, rated Aa or better
-  Allowed under Investment policy

Rate Comparison

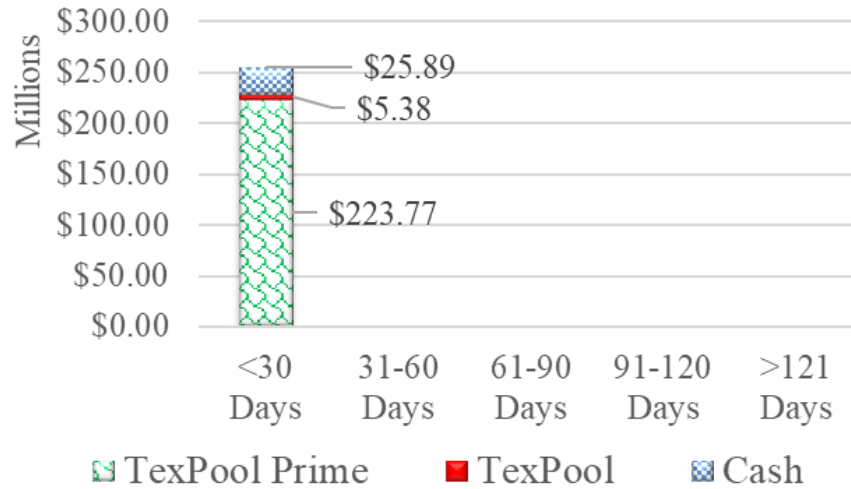
TexPool, TexPool Prime vs Treasuries



Investment Maturity Summary March 31, 2020



Investment Maturity Summary March 31, 2019



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, 2020, the percentages in cash, TexPool, and TexPool Prime were 9.63%, 1.95%, and 88.42%, respectively. The March 31, 2019, percentages in cash, TexPool, and TexPool Prime were 10.15%, 2.11% and 87.74%, respectively.

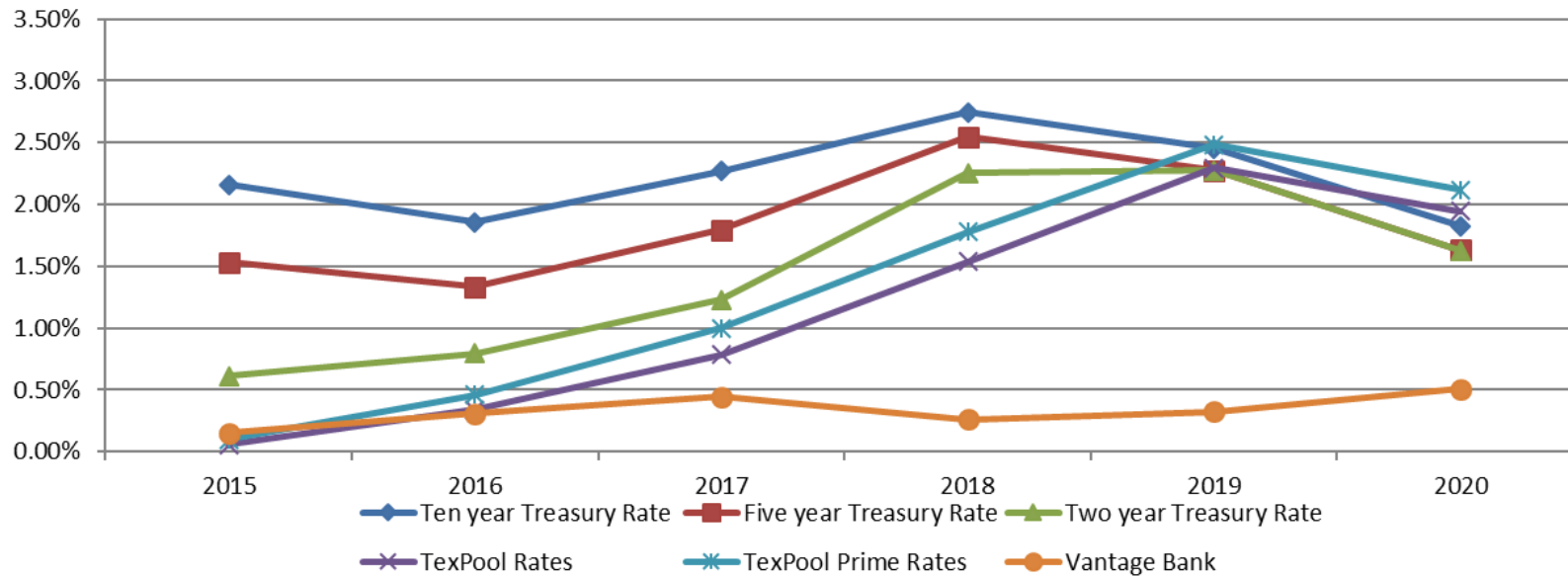
Total investments were \$281,635,242 for March 2020 compared to prior year of \$255,039,222, a increase of \$26,596,020 .

The interest earned so far this year was \$1,808,964 compared to last year of \$2,326,531 a decrease of \$517,566 or 22.25%.



Historical Market Environment

Key Interest Rates Averaged over a 12 month period



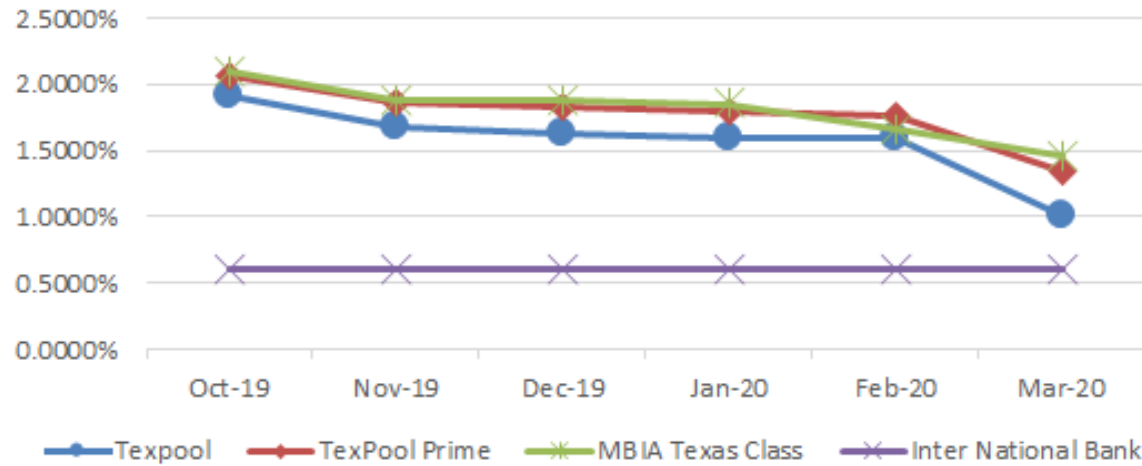
Key Interest Rates Averaged for the 12 Month period (averaged over five years)

Ten Year Treasury	2.22%
Five Year Treasury	1.85%
Two Year Treasury	1.46%
TexPool	1.16%
TexPool Prime	1.32%
Vantage Bank	0.33%

- The year began with the overnight Fed Funds target range at 1.50% to 1.75%. The expectation is the Federal Reserve will hold rates steady for all of 2020. The unexpected emergence of COVID-19 has dramatically slowed economic growth and prompted Fed officials to make emergency rate cuts of half a percentage point on March 3, 2020, and a full point on March 16, 2020, bringing the overnight target range down to 0.00% to 0.25%.



Investment Yield Rates



Yields for December 2019

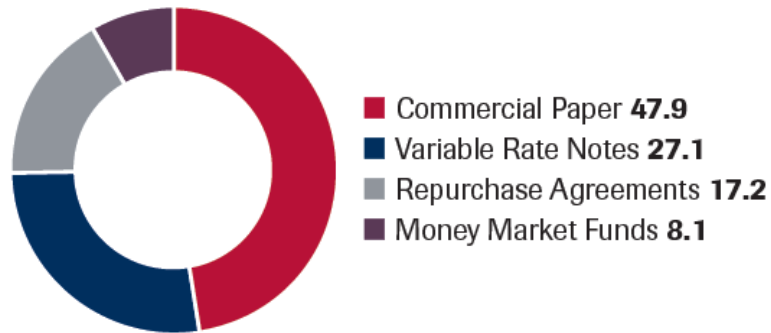
Texas Class (not currently invested in)	1.4628%
TexPool Prime	1.3354%
TexPool	1.0034%
Vantage Bank	0.6000%

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 74.7 and 91.4 percent, respectively of the pools investments.

Prime Investment Pools

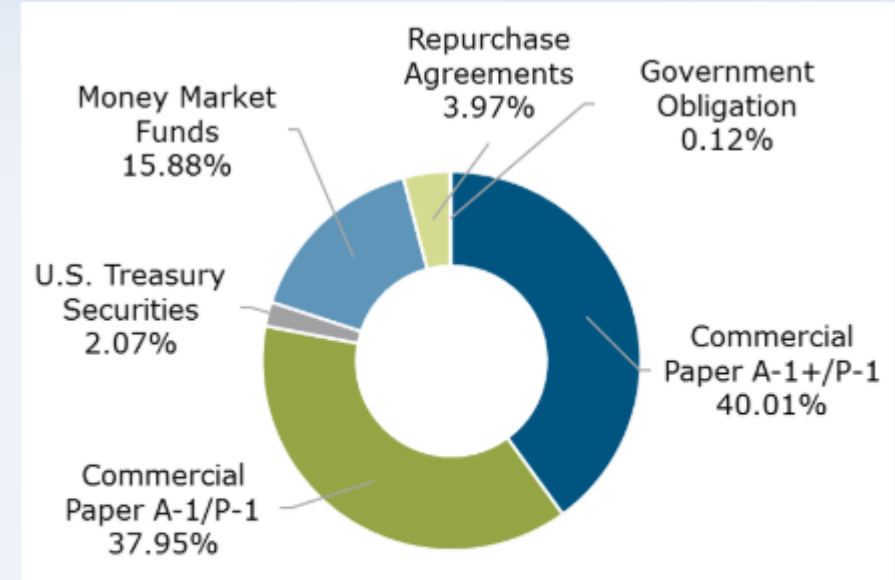
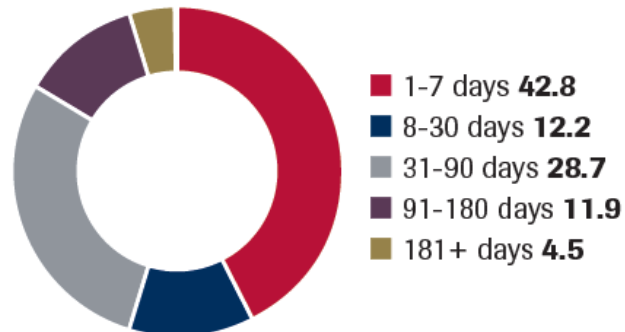
Portfolio by Type of Investment (%)

As of March 31, 2020



Portfolio by Maturity (%)

As of March 31, 2020



Texas CLASS Portfolio Breakdown

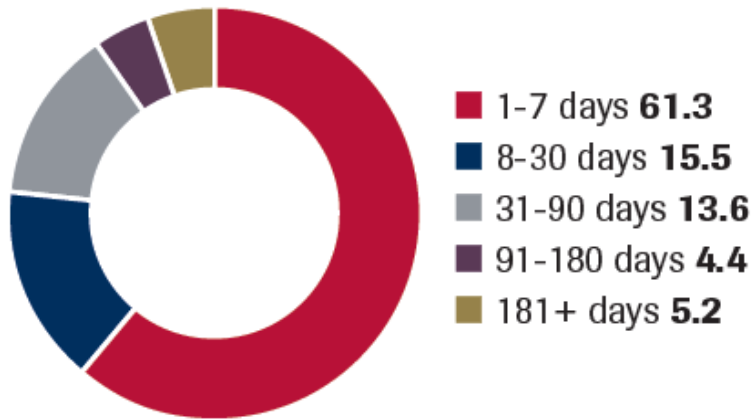
Source: Texas Class Website – Portfolio Characteristics as of March 31, 2020

Source: TexPool April 2020 Monthly Newsletter

TexPool

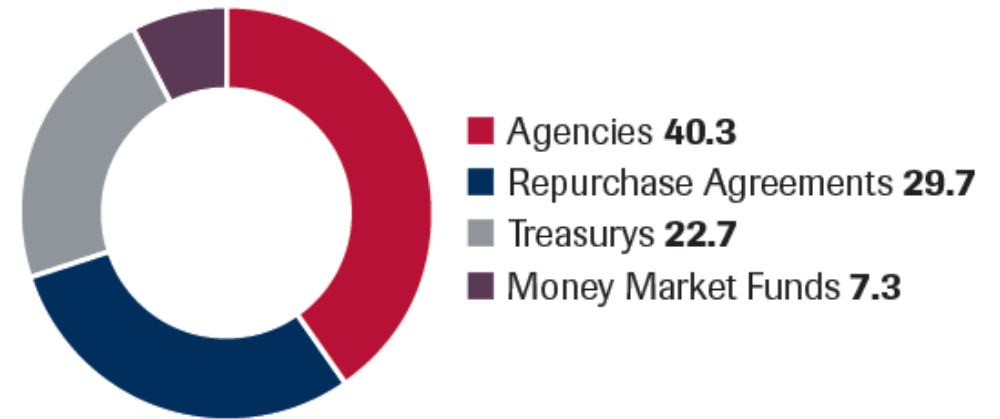
Portfolio by Maturity (%)

As of March 31, 2020

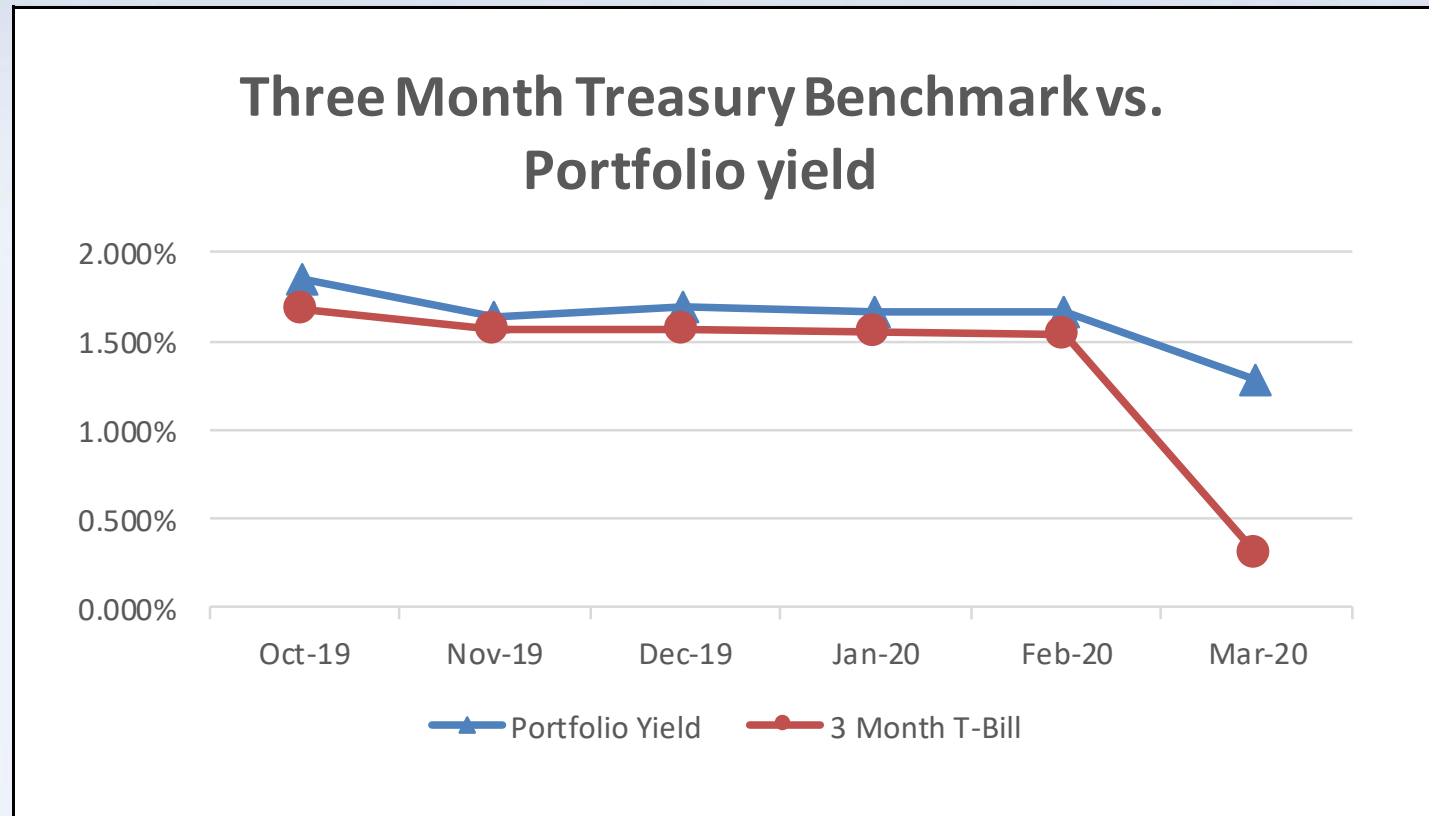


Portfolio by Type of Investment (%)

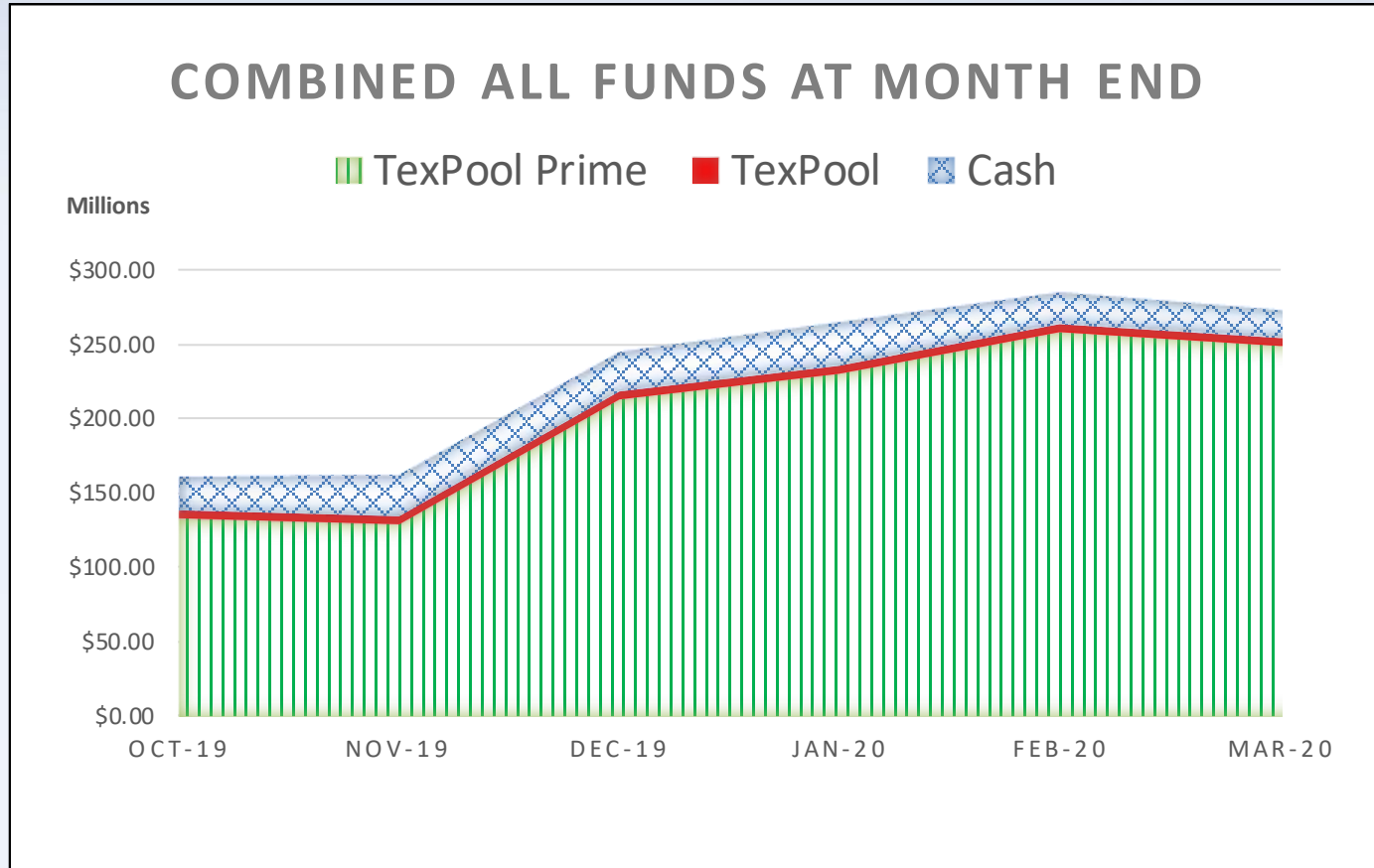
As of March 31, 2020



Source: TexPool April 2020 Monthly Newsletter

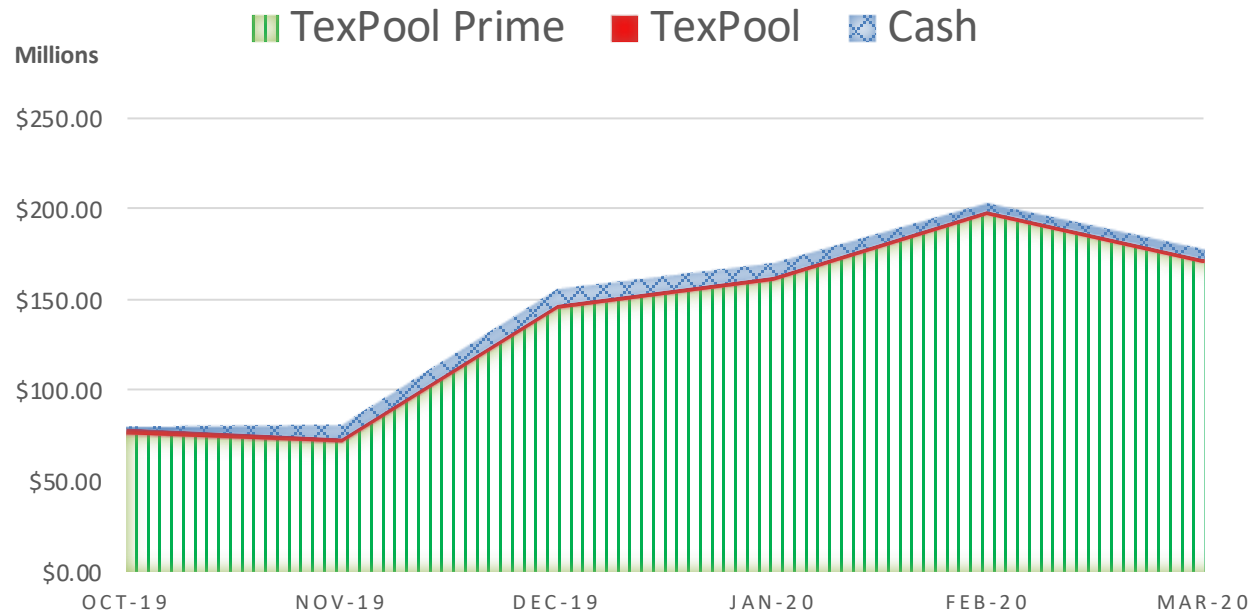


The County had an weighted average yield 1.278% as of March 31, 2020, to the 90-day treasury benchmark of 0.30% resulting the County being 97.79 basis points above the benchmark for the month.



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

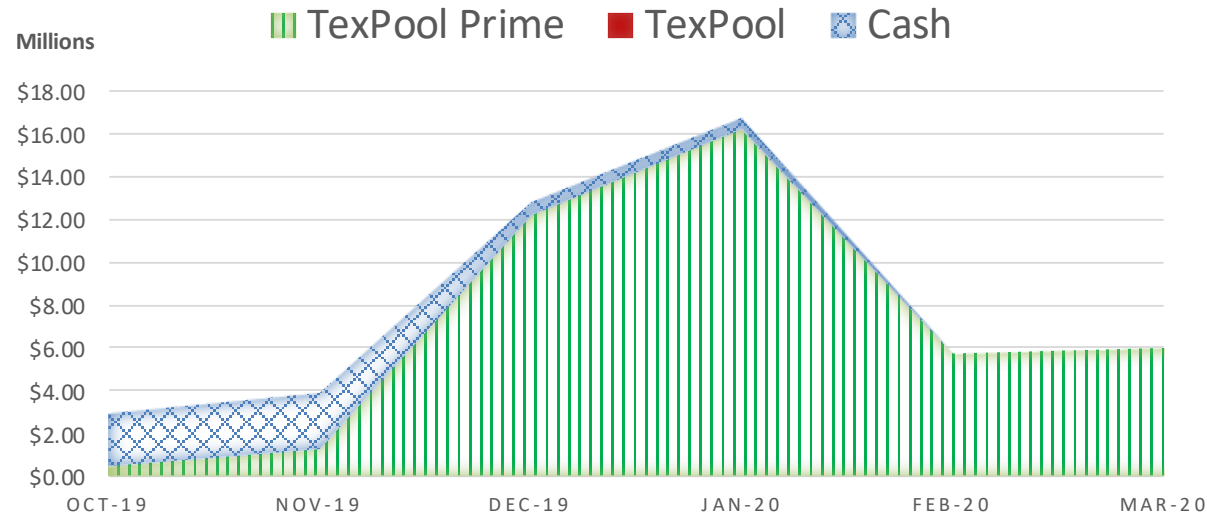
GENERAL FUND



Date	Millions
October 31, 2019	\$79.8
November 30	\$80.6
December 31	\$155.8
January 31, 2020	\$170.4
February 29	\$203.2
March 31	\$178.2

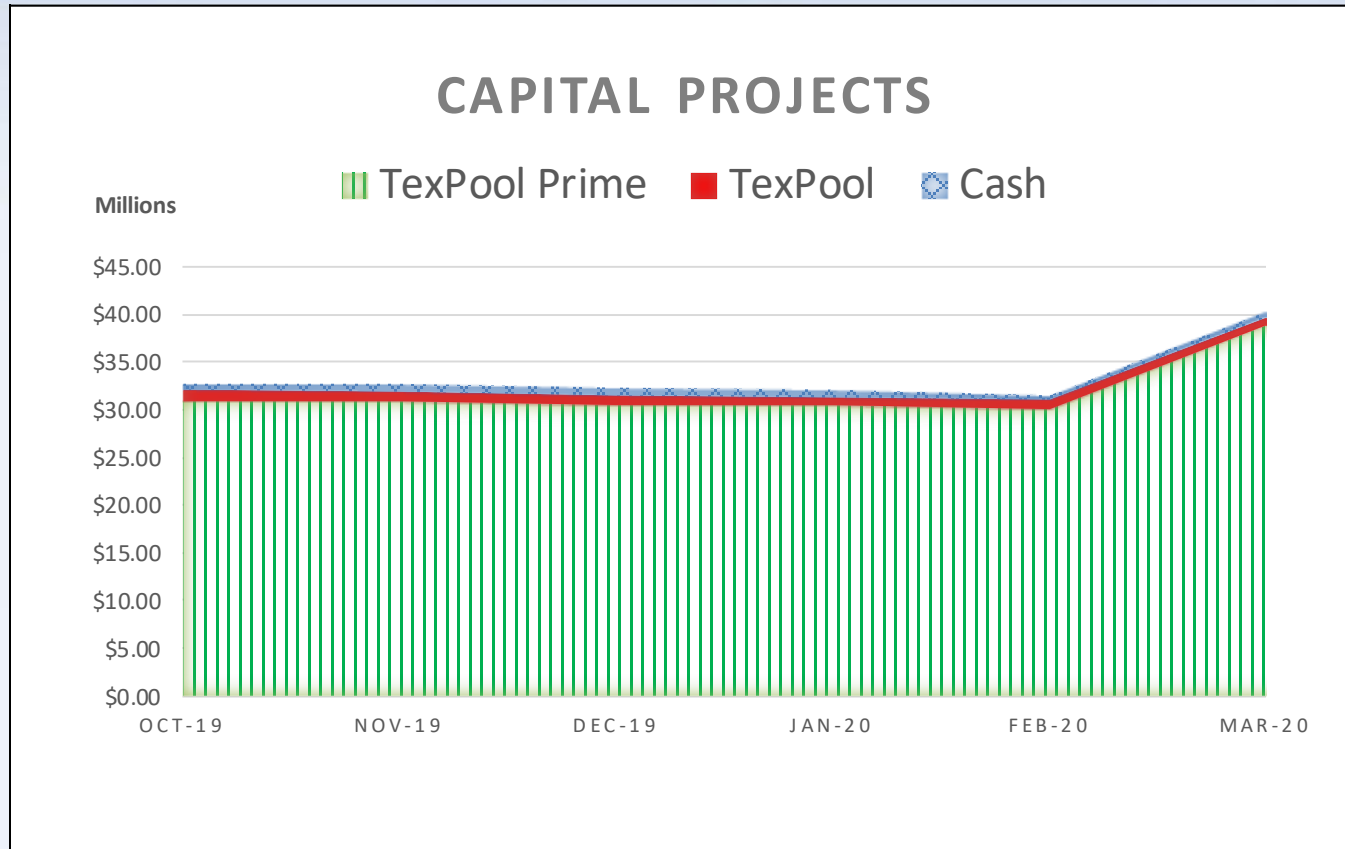
- Investable funds reach their lowest point in mid-December and increases from late December through mid-February.
- After reaching its peak for investable funds in February the general fund declines throughout the year until it reaches the low point in mid-December.

DEBT SERVICE



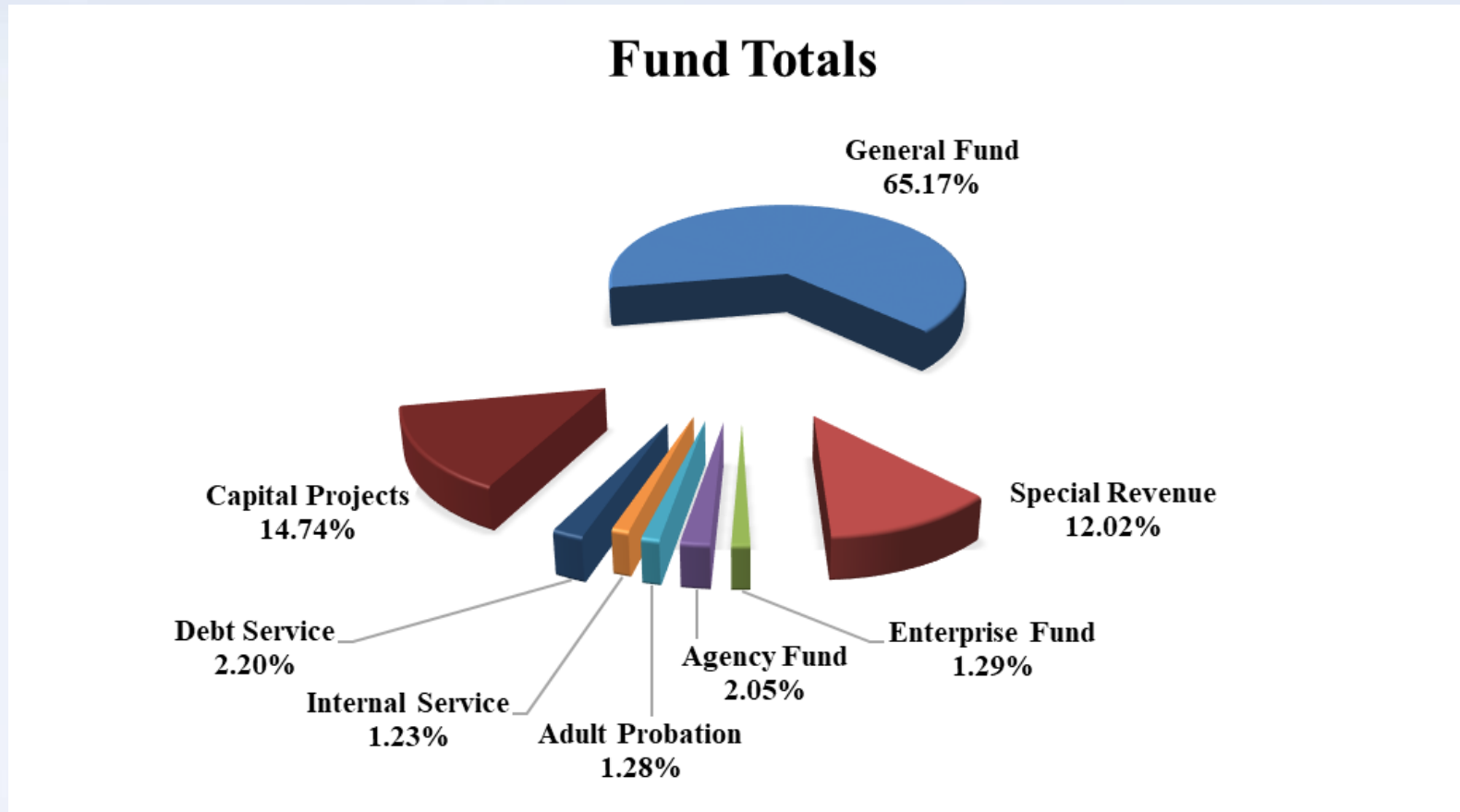
Date	Millions
October 31, 2019	\$2.9
November 30	\$3.9
December 31	\$12.8
January 31, 2020	16.8
February 29	5.7
March 31	6.0

- 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.



The primary funding sources for the Capital Projects Fund are bond proceeds and the two cent from the Maintenance and Operations portion of the Ad Valorem taxes which funds the Capital Improvement Fund. This year the transfer was \$9,641,631

Investments by Fund Type



As of March 31, 2020



Questions?