



2021 Investment Highlights

2nd Quarter ending March 31, 2021

County Auditor's Office

Commissioners Court Meeting

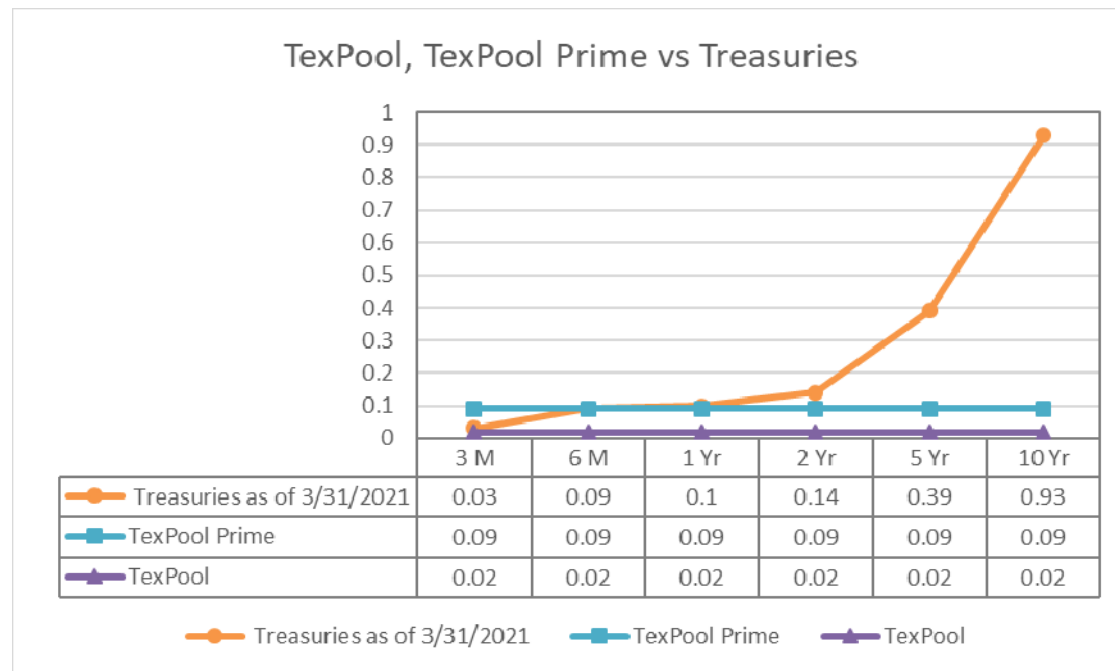
Quarterly Investment Update

Directly linked to the County Strategic Plan

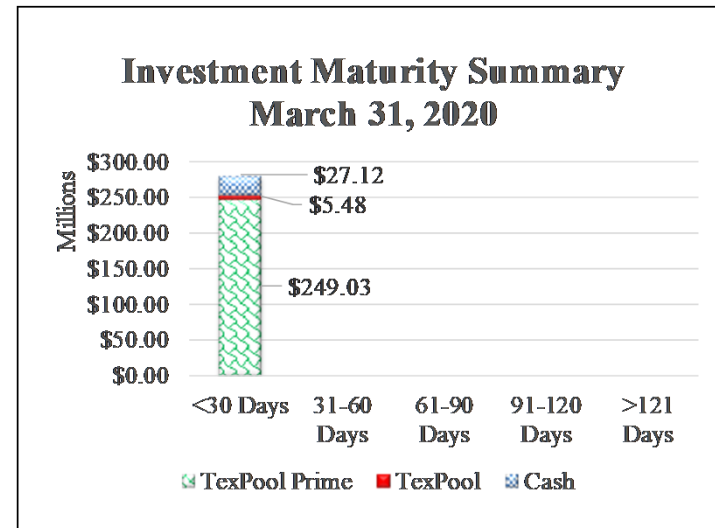
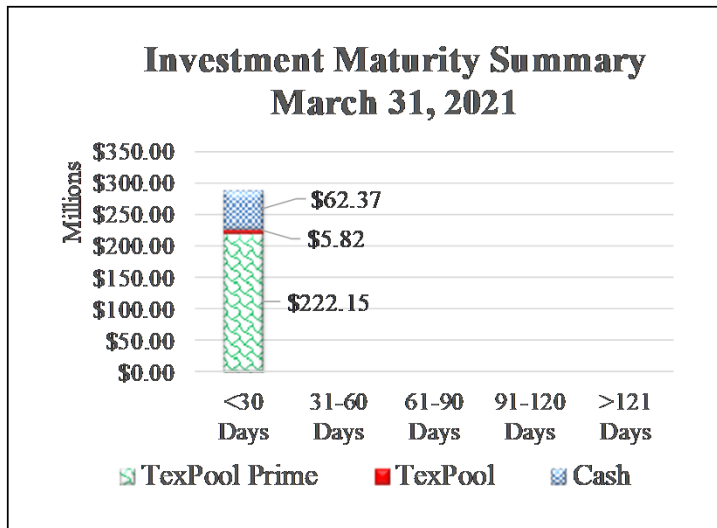
- Investment Goals:
 - Goal 1 - Investing funds on the principles of
 1. Safety
 2. Liquidity
 3. Diversification
 - Goal 2 - Return on Investment

Quarterly Investment Update

Rate Comparison



Quarterly Investment Update



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, 2021, the percentages in cash, TexPool, and TexPool Prime were 21.48%, 2.00%, and 76.51%, respectively. The March 31, 2020, percentages in cash, TexPool, and TexPool Prime were 9.63%, 1.95% and 88.42%, respectively.

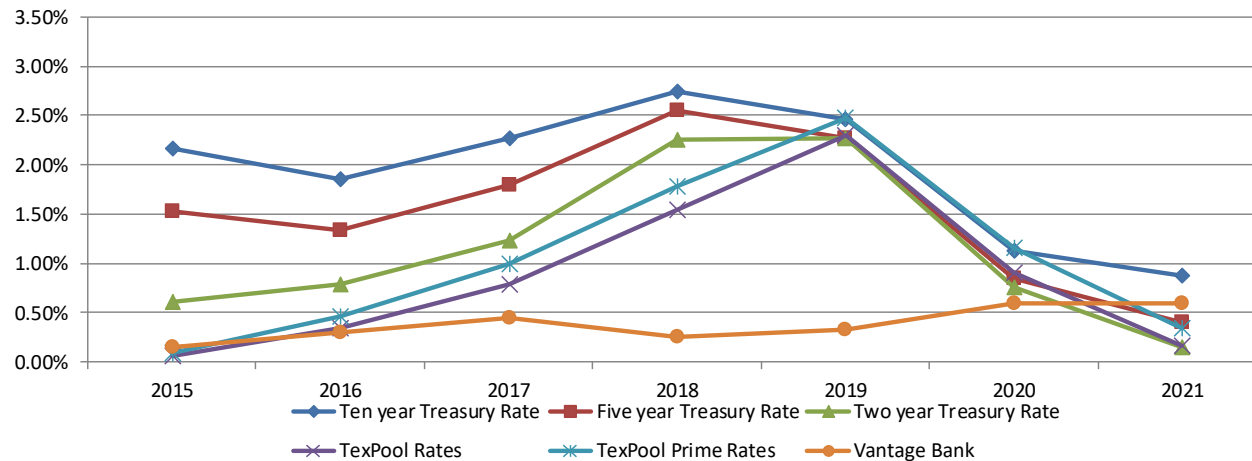
Total investments were \$290,336,880 for March 2021 compared to prior year of \$281,635,242, a decrease of (\$8,701,638).

The interest earned so far this year was \$324,985 compared to last year of \$1,808,964 a decrease of (\$1,483,979) or (82.03%), which is mainly due to the rapid decline in interest rates in late 2019 and 2020.

Quarterly Investment Update

Historical Market Environment

Key Interest Rates Averaged over a 12 month period

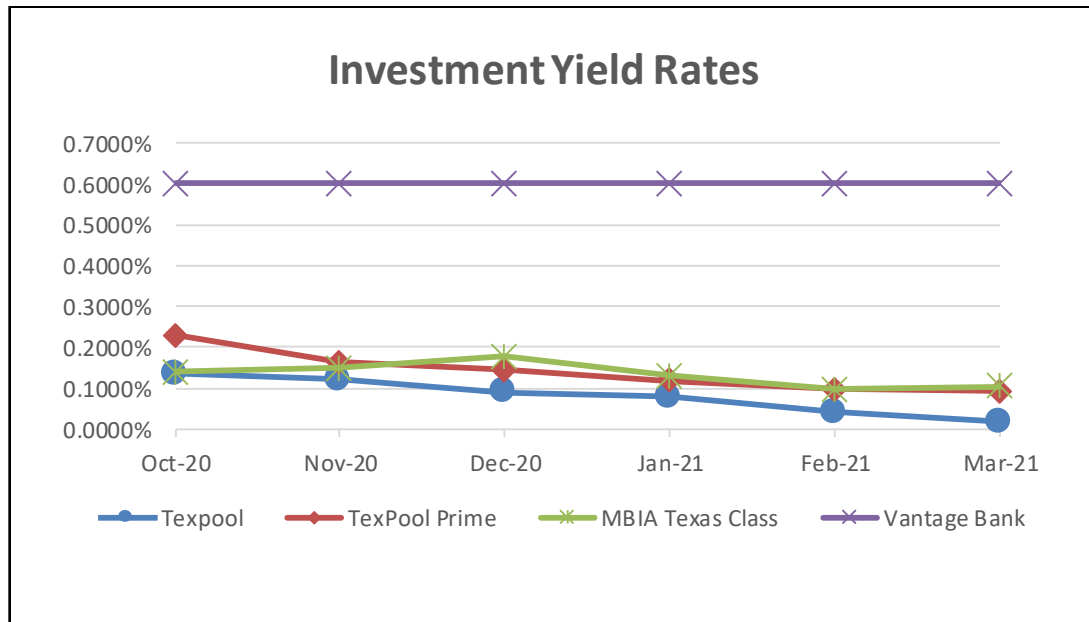


Key Interest Rates Averaged for the 12 Month period (averaged over five years)

Ten Year Treasury	0.88%
Five Year Treasury	0.40%
Two Year Treasury	0.16%
TexPool	0.16%
TexPool Prime	0.34%
Vantage Bank	0.60%

The year began with the overnight Fed Funds target range at 0.00% to 0.25%. The expectation is the Federal Reserve will hold rates steady for all of 2021. COVID-19 has dramatically slowed economic growth and continues to affect the economy.

Quarterly Investment Update



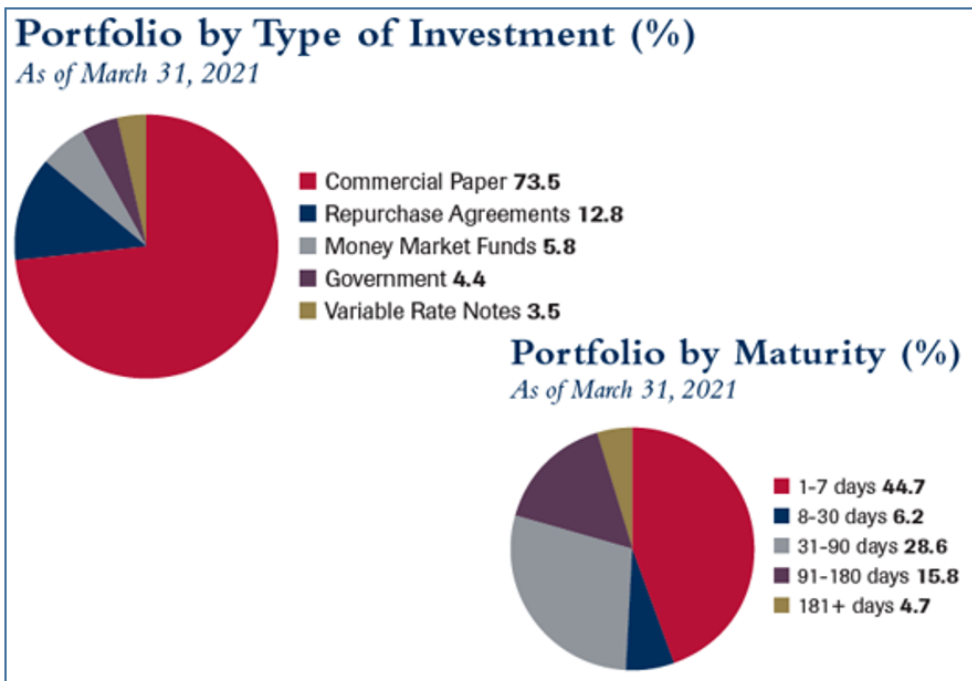
Yields for December 2020	
Texas Class (not currently invested in)	0.1051%
TexPool Prime	0.0916%
TexPool	0.0187%
Vantage Bank	0.6000%

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. Both contain Commercial Paper respectively consisting of approximately 77.00 and 87.91 percent of each pool's investments.

Quarterly Investment Update

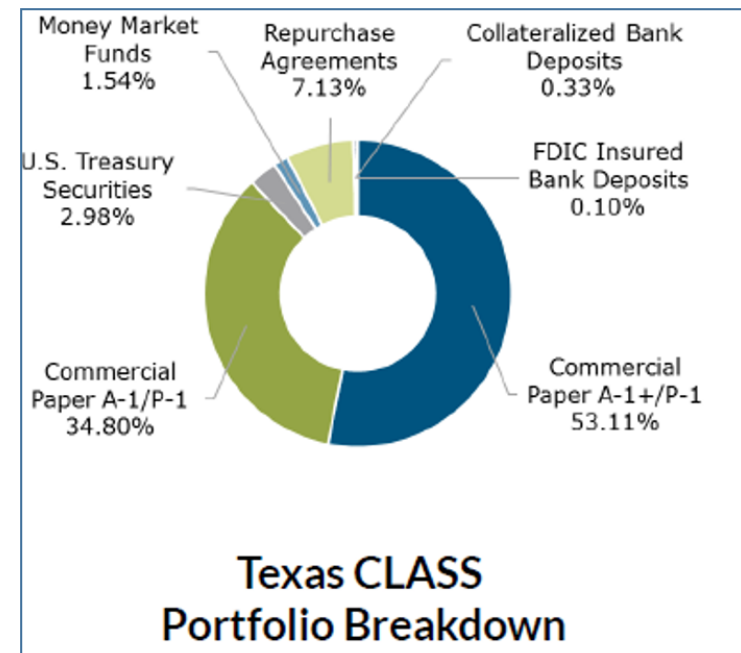
Prime Investment Pools

Texpool Prime:



Source: TexPool April 2021 Monthly Newsletter

Texas Class:



Source: Texas Class Website – Portfolio Characteristics as of March 31, 2021

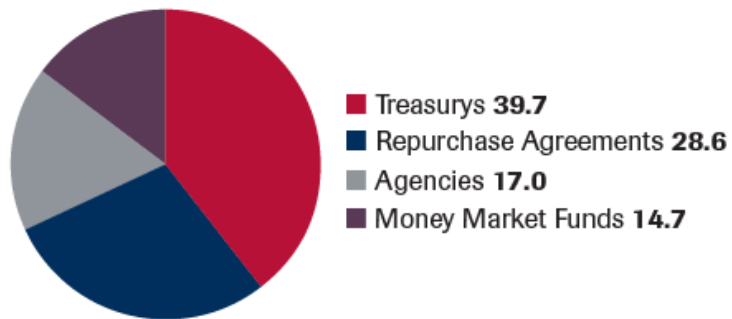


Quarterly Investment Update

TexPool

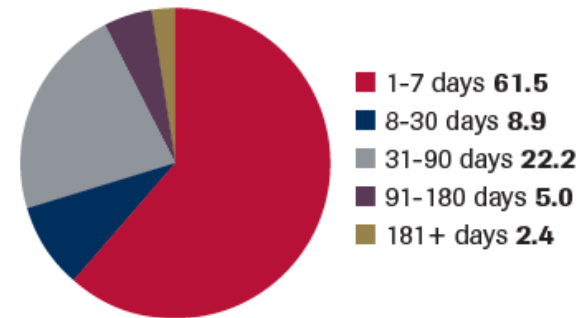
Portfolio by Type of Investment (%)

As of March 31, 2021



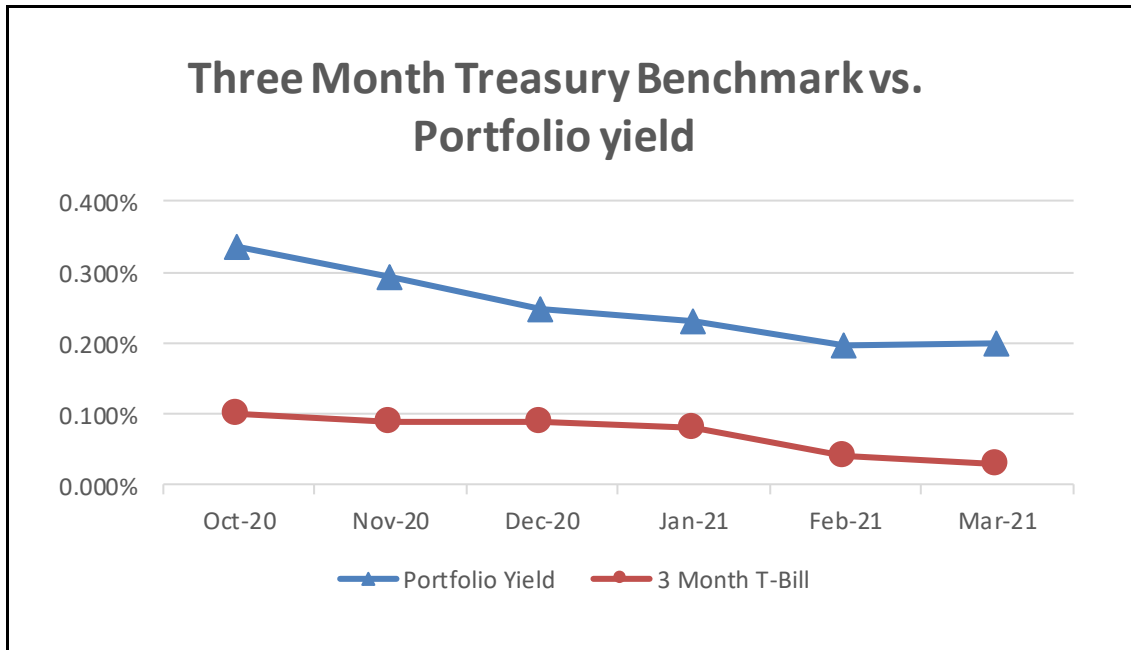
Portfolio by Maturity (%)

As of March 31, 2021



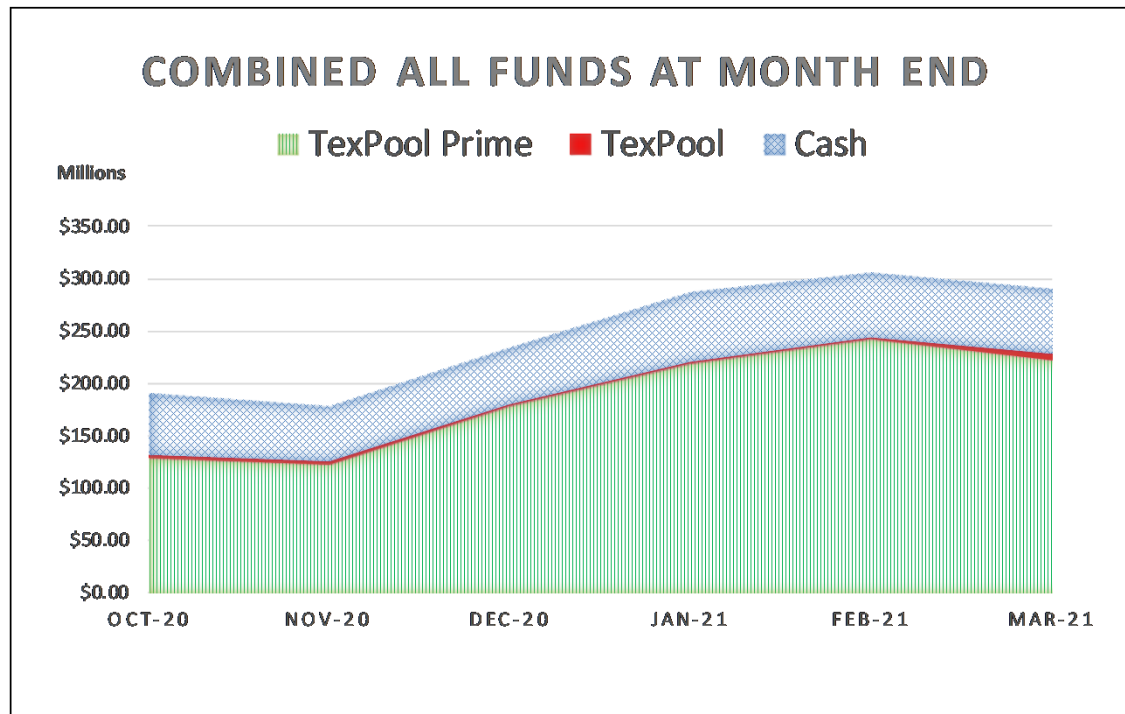
Source: TexPool April 1, 2021 Monthly Newsletter

Quarterly Investment Update



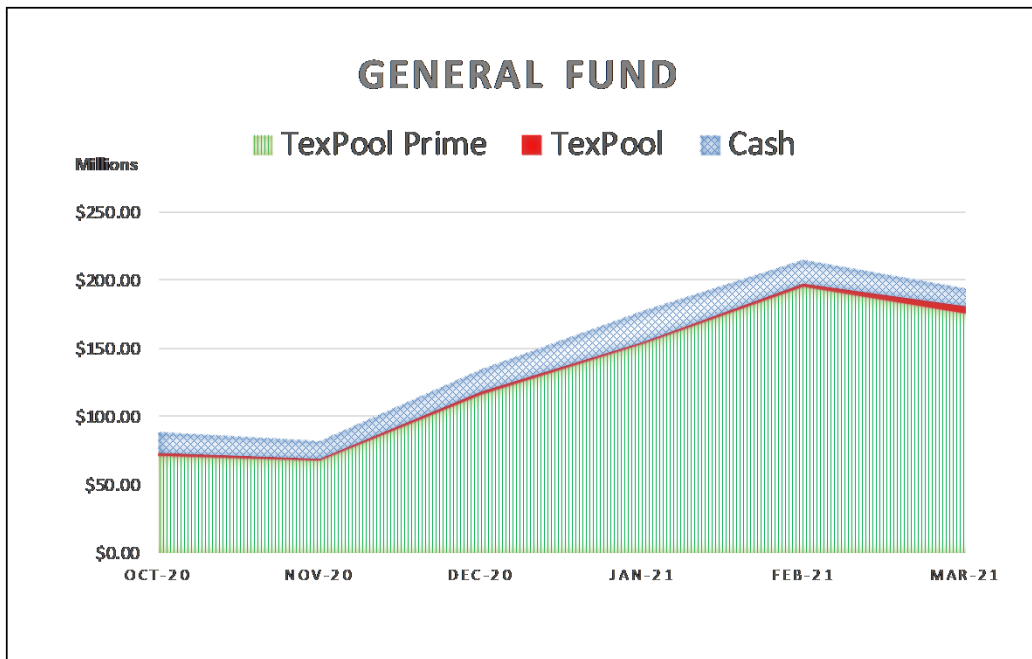
The County had an weighted average yield of 0.199% as of March 31, 2021, compared to the 90-day treasury benchmark of 0.030% resulting in the County being 16.94 basis points above the benchmark for the month.

Quarterly Investment Update



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

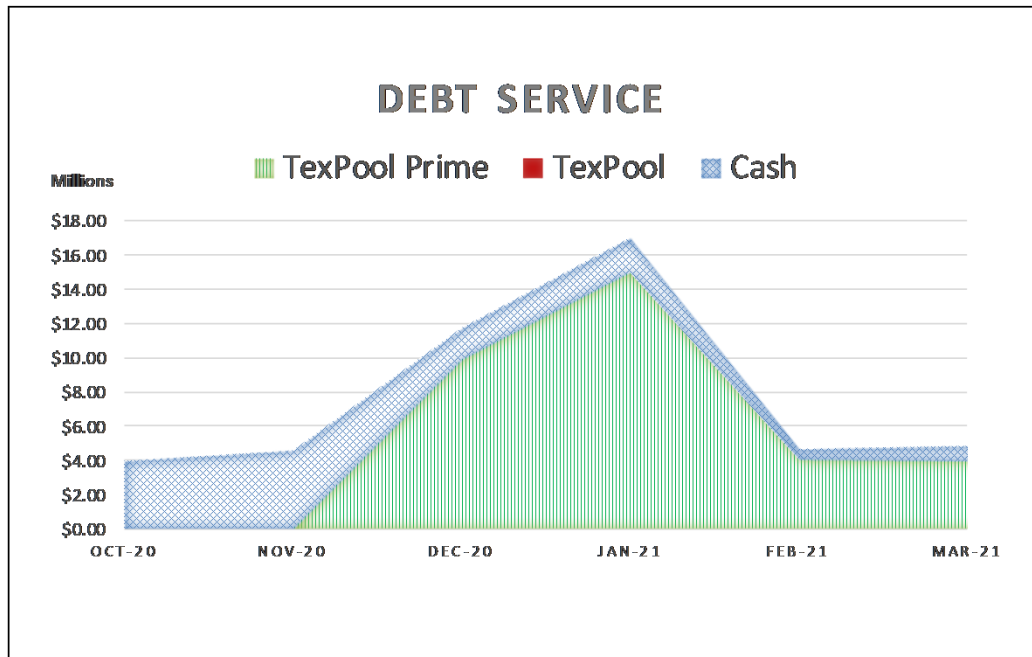
Quarterly Investment Update



Date	Millions
October 31, 2020	\$89.0
November 30	\$81.7
December 31	\$134.8
January 31, 2021	\$178.1
February 28	\$214.6
March 31	\$194.6

- Investable funds reach their lowest point in mid-December and increase 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.

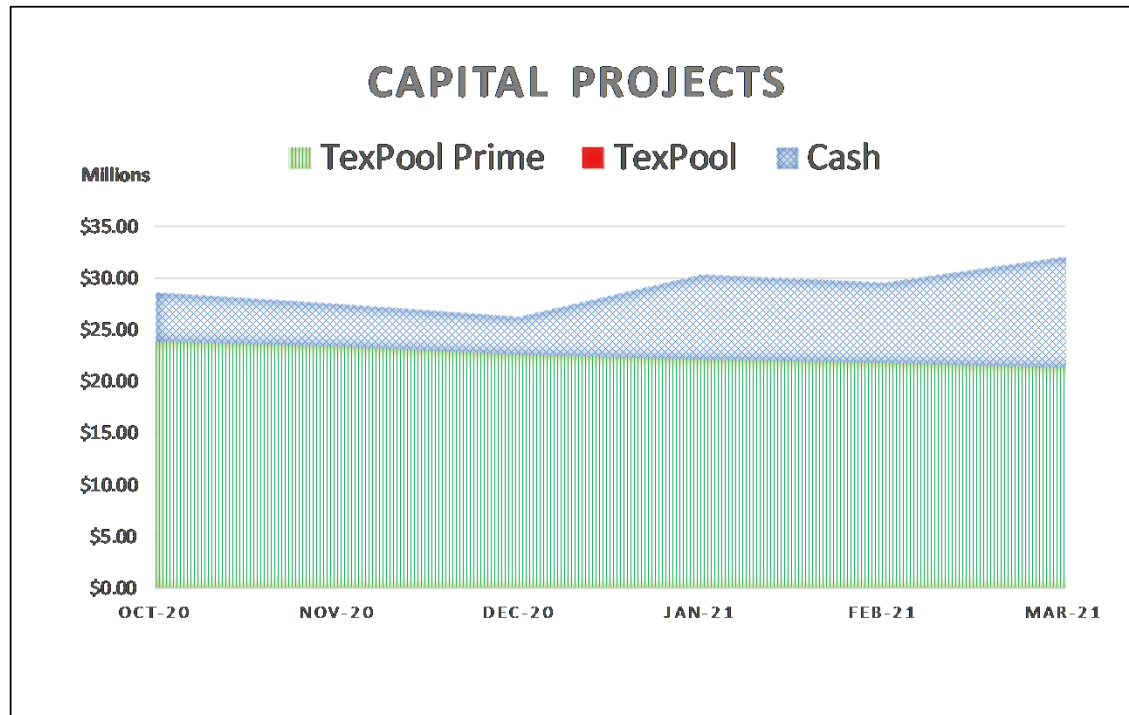
Quarterly Investment Update



Date	Millions
October 31, 2020	\$4.0
November 30	\$4.6
December 31	\$11.7
January 31, 2021	\$17.0
February 28	\$4.7
March 31	\$4.9

- 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.

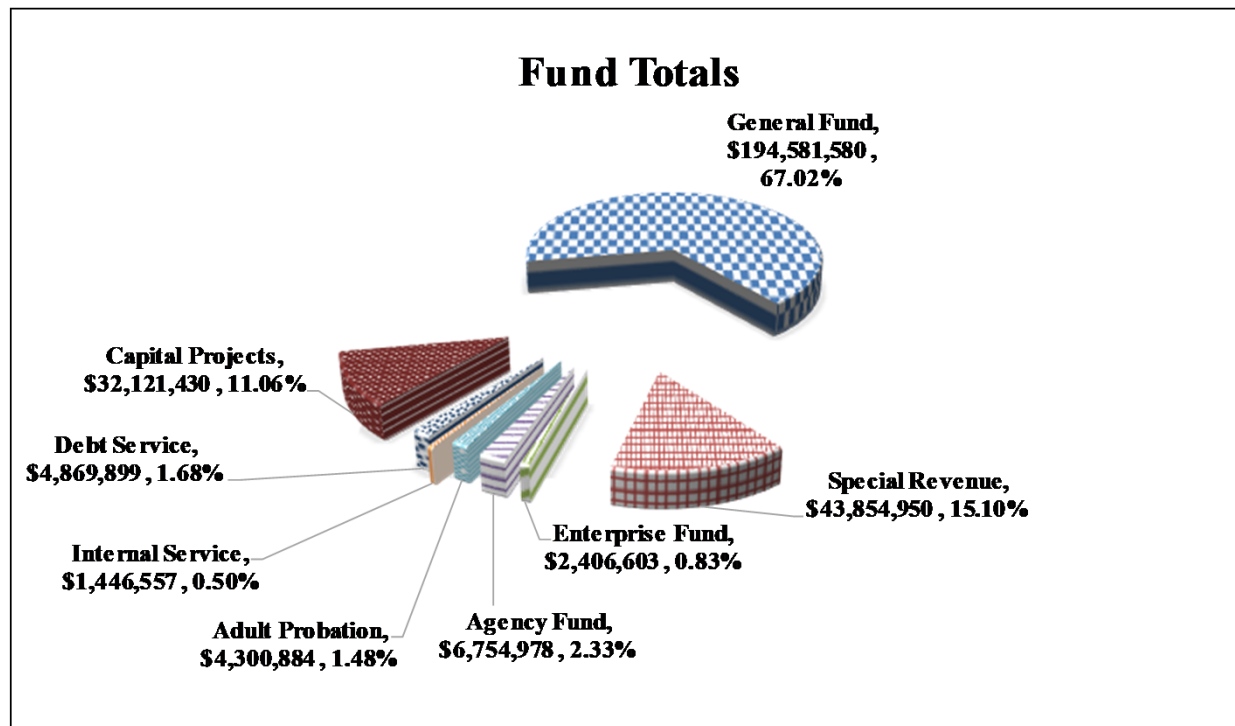
Quarterly Investment Update



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

Quarterly Investment Update

Investments by Fund Type as of March 31, 2021





Questions

