

Nueces County
Quarterly Investment Report
March 31, 2018
(Unaudited)

*Prepared by Nueces County
Auditor's Office and
County Clerk Treasury
Division 901 Leopard Rm.
304 Corpus Christi TX
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**Nueces
County**

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Presented to Nueces County
Commissioners Court in
accordance with Government
Code 2255.023

Investment Committee Members

Samuel L. Neal, Jr. – County Judge

Kara Sands – County Clerk

Laura Jimenez – County Attorney

Kristen Talamantez, CPA – Director of Commissioners Court Administration

Kevin Kieschnick – Tax Assessor/Collector

Dale Atchley, CPA – County Auditor

County Investment Officers

Lorenzo Hernandez, III – Treasury Accountant

Fred Chavera – Revenue/Cash Manager

Investment Report to Commissioners Court

As of March 31, 2018

Investments have been made in accordance with the requirements of the Nueces County Investment Policy and Government Code 2256. The investment committee is directed by the investment policy to meet certain requirements regarding investment strategy, earnings, diversity and liquidity. This report is presented in conformity with generally accepted accounting principles.

This report covers investment results on county-wide treasury accounts only. Interest income on departmental accounts such as the tax office, sheriff, and district clerk checking accounts are not included in this report.

Summary of Cash, Cash Equivalents and Investments

Total cash, cash equivalents, and investments as of March 31, 2018 have a current value of \$120,795,251. As compared to last report of December 31, 2017, total balances have decreased by \$(2,981,938) down from \$123,777,190.

Compliance Measures

- The weighted average maturity of the operating portfolio is 79 days and the county is in compliance with the investment policy. The policy limits the weighted average to 364 days. Compared to last report of December 31, 2017, the average maturity decreased by -59 days, due to reduction of cash equivalents and other called investments.
- Portfolio diversity is a test which indicates the county is in compliance with the percentages allowed by the investment policy for each investment type. The largest investment type is in cash equivalents which is 69.65% and the remainder is invested in brokered CDs, municipal bonds, and US Agencies which are 2.05%, 3.56%, and 8.58%, respectively.
- All investments are in compliance with the Public Investment Act and the Nueces County Investment Policy.

Summary of Investment Results

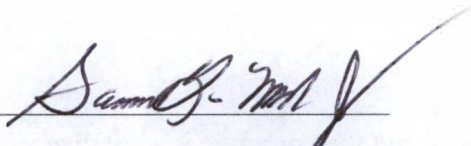
Investment earnings are calculated under Government Accounting Standards Board (GASB) Statement #31. GASB #31 mandates that changes in the fair market value of investments longer than 1 year should be reported as revenues in the financial statements. Since our investment strategy has been to buy and hold until maturity, changes in market value are reflected as gains or losses in the value of the portfolios as if they had been liquidated on March 31, 2018. Brokered CD's, US agencies and Municipal bonds are being carried at market value.

Current quarterly earnings are \$382,329. Compared to the quarterly earnings ending December 31, 2017, earnings shows an increase of \$98,249, up from \$284,081. The increase in earnings is due primarily to increase in interest rates during this period.

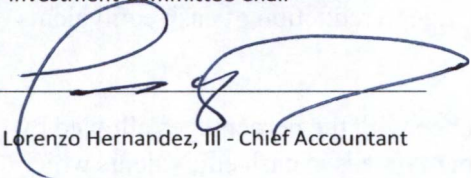
Investment Strategy

Only eligible investments, as defined by the Investment Policy may be used. Preservation and safety of principal is the number one consideration in selecting an investment instrument followed by the availability of funds (liquidity), diversification for further safeguarding of funds and laddering investments with varying maturity dates. While maximizing return on investment is an objective of the county investment policy, safety is always the first consideration in selecting investments.

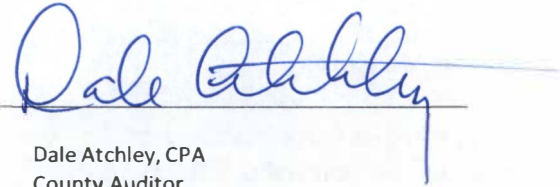
This report has been prepared jointly by the County Auditor's Office and the County Clerk Treasury Division and in accordance with Government Code 2256.023. The investment committee approved this report on May 31, 2018 and herein presents to the Commissioners Court for final approval. Thank you.



Samuel L. Neal, Jr. - County Judge and
Investment Committee Chair



Lorenzo Hernandez, III - Chief Accountant



Dale Atchley, CPA
County Auditor



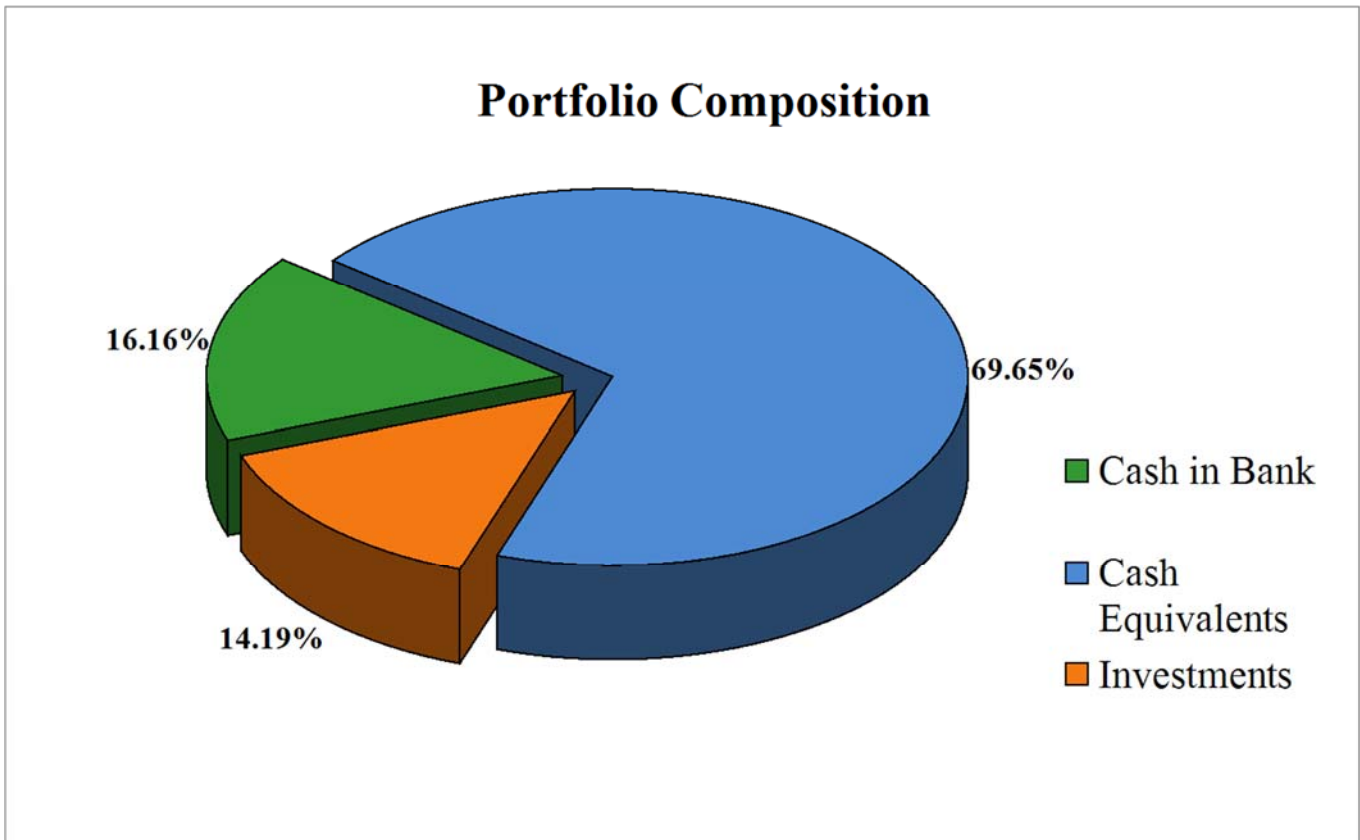
Federico Chavera - Revenue/Cash Manager

Cash, Cash Equivalents and Investments by Fund Group

March 31, 2018

(Unaudited)

	Operating Funds	Capital Projects Funds	Debt Service Funds	Other Funds	All Fund Groups Total
Cash in Bank	\$8,016,980	\$4,625,305	\$109,425	\$6,774,324	\$19,526,034
Cash Equivalents:					
TEXPOOL	4,678	-		2,240	6,918
MBIA	44,563,991	26,288,470	1,814,549	11,457,033	84,124,043
Sub-Total Cash Equivalents	44,568,669	26,288,470	1,814,549	11,459,273	84,130,961
Investments:					
Brokered CDs	485,887	1,285,732	194,919	508,680	2,475,218
Municipal Bonds	842,992	2,230,688	338,175	882,537	4,294,392
US Agencies	2,035,372	5,385,911	816,512	2,130,852	10,368,646
Sub-Total Investments	3,364,250	8,902,331	1,349,606	3,522,069	17,138,256
Total Cash, Cash Equivalents & Investments	\$55,949,900	\$39,816,106	\$3,273,579	\$21,755,666	\$120,795,251



Operating Funds and Other Funds Groups

Cash, Cash Equivalents and Investments by Fund - (Unaudited)

March 31, 2018

Operating Funds:

	General Fund	Road Fund	Stadium/ Fairgrounds Fund
Cash	\$ 7,423,269	323,848	37,973
Cash Equivalents	39,933,565	1,961,308	1,322,742
Investments	<u>2,522,633</u>	<u>62,299</u>	<u>554,369</u>
Total as of March 31, 2018	49,879,467	2,347,455	1,915,084
Total as of March 31, 2017	46,146,043	2,896,201	2,067,878
Increase (Decrease) from one year ago	<u>\$ 3,733,424</u>	<u>(548,746)</u>	<u>(152,794)</u>

Other Funds:

	Self Insurance Fund	Special Fund	Main Grant Fund
Cash	\$ 1,261,528	4,696,568	353,081
Cash Equivalents	2,955,295	8,503,979	-
Investments	<u>229,994</u>	<u>3,292,075</u>	<u>-</u>
Total as of March 31, 2018	4,446,817	16,492,621	353,081
Total as of March 31, 2017	4,476,837	19,405,610	957,537
Increase (Decrease) from one year ago	<u>\$ (30,020)</u>	<u>(2,912,989)</u>	<u>(604,455)</u>

Law Library	Airport	Inland Parks	Coastal Parks		Total
Fund	Fund	Fund	Fund		
34,139	(8,416)	11,509	194,659	\$	8,016,980
84,383	114,991	28,884	1,122,797		44,568,669
63,244	-	-	161,705		3,364,250
<hr/>	<hr/>	<hr/>	<hr/>		
181,766	106,574	40,392	1,479,161		55,949,900
210,794	93,261	228,171	817,379		52,459,727
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<u>(29,029)</u>	<u>13,314</u>	<u>(187,778)</u>	<u>661,782</u>	\$	<u>3,490,173</u>

TJJD Grant	
Fund	Total
463,147	\$ 6,774,324
-	11,459,273
-	3,522,069
<hr/>	<hr/>
463,147	21,755,666
336,438	25,176,422
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<u>126,709</u>	\$ <u>(3,420,756)</u>

Portfolio Diversity
Test of Compliance with Investment Policy
All Fund Groups as of March 31, 2018
(Unaudited)

	Current Value	%	Investment Policy Maximum
Cash Equivalents	\$ 84,130,961	83.08%	85.00%
Brokered CDs	2,475,218	2.44%	75.00%
Municipal Bonds	4,294,392	4.24%	75.00%
US Agencies	<u>10,368,646</u>	<u>10.24%</u>	75.00%
Total Cash Equivalents and Investments (excludes cash in bank)	<u>\$ 101,269,217</u>	<u>100.00%</u>	

Weighted Average Days to Maturity
Operating Funds Group as of March 31, 2018
(Unaudited)

	Fair Value	Weighted Average Days to Maturity	Investment Policy Maximum
Cash Equivalents	\$ 84,130,961	1	
Brokered CDs	2,475,218	520	
Municipal Bonds	4,294,392	268	
US Agencies	<u>10,368,646</u>	<u>526</u>	
Total Cash Equivalents and Investments-Operating Fund Group Only (excludes cash in bank)	<u>\$ 101,269,217</u>	<u>79</u>	<u>364</u>

Statement of Changes in Investments

as of March 31, 2018

(Unaudited)

	Beginning Balance <u>12/31/2017</u>	Additions	(Subtractions)	Market Adjustment	Ending Balance <u>03/31/2018</u>
Brokered CDs	\$ 3,737,744	\$	\$ (1,250,000.00)	\$ (12,526)	\$ 2,475,218
Municipal Bonds	4,297,107			(2,715)	4,294,392
US Agencies	<u>10,397,438</u>			<u>(28,792)</u>	<u>10,368,646</u>
Total	\$ <u>18,432,289</u>	\$ -	\$ <u>(1,250,000.00)</u>	\$ <u>(44,033)</u>	\$ <u>17,138,256</u>

**Comprehensive Interest Earnings for All Fund Groups Compared to
Same Period Prior Year (Note1)**

(Unaudited)

	Quarterly Comparison			Year-to-Date Comparison		
	<u>01/01/2017 03/31/2017</u>	<u>01/01/2018 03/31/2018</u>	<u>Increase/ (Decrease)</u>	<u>10/01/2016 03/31/2017</u>	<u>10/01/2017 03/31/2018</u>	<u>Increase/ (Decrease)</u>
Operating Fund Group	\$ 117,858	\$ 181,780	\$ 63,922	\$ 130,679	\$ 240,945	\$ 110,267
Capital Projects Fund Group	107,145	112,110	4,965	114,303	186,431	72,128
Debt Service Fund Group	17,670	19,661	1,991	21,471	30,849	9,379
Other Funds Group	<u>41,407</u>	<u>68,778</u>	<u>27,371</u>	<u>46,235</u>	<u>93,815</u>	<u>47,580</u>
Total	\$ <u>284,081</u>	\$ <u>382,329</u>	\$ <u>98,249</u>	\$ <u>312,688</u>	\$ <u>552,041</u>	\$ <u>239,353</u>

Note 1: Comprehensive interest earnings include: interest on treasury demand deposits, coupon interest rates, amortization of discounts and premiums paid at the time of purchase, accrued interest, and adjustments to market value.

Listing of All Investments and Ladder Placement
 March 31, 2018
 (Unaudited)

VENDOR	Desc	Coupon	Yield	Duration in Yrs from Purchase	Days To MTY	Purchase Date	Maturity Date /Called Date	Par Amount
Wells Fargo Bank	MB	2.107%	2.107000%	3.2192	92	04/13/15	07/01/18	1,500,000
Wells Fargo Bank	MB	2.150%	2.150000%	2.3205	215	07/07/16	11/01/18	1,000,000
Wells Fargo Bank	MB	2.163%	2.163000%	2.9836	457	07/07/16	07/01/19	1,000,000
First Tennessee	MB	1.804%	1.804000%	3.4740	321	08/27/15	02/15/19	800,000
Raymond James & Assoc.	FFCB	1.170%	1.170000%	3.5096	653	07/11/16	01/13/20	1,000,000
Wells Fargo Bank	FNMA	0.900%	0.900000%	2.5534	300	07/07/16	01/25/19	1,000,000
First Tennessee	FHLMC	1.500%	1.500000%	2.5370	515	02/13/17	08/28/19	1,500,000
First Tennessee	FNMA	1.260%	1.450000%	2.4658	489	02/13/17	08/02/19	1,500,000
Frost Bank	FHLMC	1.375%	1.375000%	2.0822	349	02/13/17	03/15/19	1,500,000
Frost Bank	FFCB	1.550%	1.550000%	2.7534	594	02/13/17	11/15/19	1,500,000
Frost Bank	FHLMC	1.750%	1.750000%	3.5397	881	02/13/17	08/28/20	1,000,000
Raymond James & Assoc.	FHLMC	1.500%	1.500000%	2.5342	515	02/14/17	08/28/19	750,000
Raymond James & Assoc.	FHLMC	1.300%	1.300000%	2.2712	419	02/14/17	05/24/19	750,000
Frost Bank	CD	0.750%	0.750000%	0.0000	-	07/08/16	01/16/18	250,000
Frost Bank	CD	0.750%	0.750000%	0.0000	-	07/08/16	01/16/18	250,000
Frost Bank	CD	0.800%	0.800000%	0.0000	-	07/08/16	03/27/18	250,000
Frost Bank	CD	0.800%	0.800000%	0.0000	-	07/08/16	01/22/18	250,000
Frost Bank	CD	0.750%	0.750000%	0.0000	-	07/08/16	01/16/18	250,000
Frost Bank	CD	1.150%	1.150000%	3.0301	23	04/13/15	04/23/18	248,000
Wells Fargo Bank	CD	1.600%	1.600000%	3.0274	157	08/26/15	09/04/18	248,000
Wells Fargo Bank	CD	1.850%	1.850000%	5.0110	467	07/08/14	07/11/19	248,000
Wells Fargo Bank	CD	2.050%	2.050000%	5.0247	472	07/08/14	07/16/19	248,000
Wells Fargo Bank	CD	1.900%	1.900000%	5.0411	479	07/09/14	07/23/19	248,000
Wells Fargo Bank	CD	1.800%	1.800000%	5.0438	479	07/08/14	07/23/19	248,000
Raymond James & Assoc.	CD	2.100%	2.100000%	4.0027	513	08/26/15	08/26/19	250,000
Raymond James & Assoc.	CD	1.800%	1.800000%	4.5123	699	08/26/15	02/28/20	250,000
Raymond James & Assoc.	CD	2.050%	2.050000%	5.0110	881	08/26/15	08/28/20	250,000
Raymond James & Assoc.	CD	1.850%	1.850000%	5.0110	881	08/26/15	08/28/20	250,000
1.571286%				2.8052	420	Totals		18,538,000

FNMA- Fannie Mae

† Weighted Averages are based on investment holdings as of the last day of the quarter using actual days remaining to maturity and are calculated based on Yields, Duration, Days to Maturity, Purchase Prices, and Totals Purchase Price.

Purchase Price	FMV 09/30/17	Additions (Subtractions)	Market Adjustments Increase (Decrease)	FMV 12/31/2017	Short-term Ladder <=12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
1,523,670	1,500,586	-	285	1,500,871	-	1,500,871	-
1,030,990	1,001,530	-	(1,921)	999,609	-	999,609	-
1,025,960	997,680	-	(160)	997,520	-	997,520	-
810,856	797,312	-	(920)	796,392	-	796,392	-
1,000,000	983,286	-	(5,579)	977,707	-	-	977,707
1,000,000	990,192	-	351	990,543	-	990,543	-
1,500,000	1,489,194	-	(4,959)	1,484,235	-	1,484,235	-
1,500,000	1,482,345	-	(1,562)	1,480,784	-	1,480,784	-
1,500,000	1,489,429	-	(468)	1,488,961	-	1,488,961	-
1,500,000	1,484,543	-	(4,628)	1,479,915	-	1,479,915	-
1,000,000	990,036	-	(7,845)	982,191	-	-	982,191
750,000	744,597	-	(2,480)	742,118	-	742,118	-
750,000	743,815	-	(1,623)	742,192	-	742,192	-
250,000	249,953	(250,000)	47	-	-	-	-
250,000	249,936	(250,000)	64	-	-	-	-
250,000	249,631	(250,000)	369	-	-	-	-
250,000	249,940	(250,000)	60	-	-	-	-
250,000	249,954	(250,000)	46	-	-	-	-
248,000	247,777	-	175	247,952	-	247,952	-
248,000	248,192	-	(250)	247,942	-	247,942	-
248,000	247,863	-	(974)	246,889	-	-	246,889
248,000	248,375	-	(1,078)	247,297	-	-	247,297
248,000	248,400	-	(1,110)	247,290	-	-	247,290
248,000	248,403	-	(1,112)	247,291	-	-	247,291
250,000	250,691	-	(1,296)	249,395	-	-	249,395
250,000	250,905	-	(2,287)	248,618	-	-	248,618
250,000	249,510	-	(2,648)	246,862	-	-	246,862
250,000	248,215	-	(2,531)	245,684	-	-	245,684
18,629,476	18,432,289	(1,250,000)	(44,033)	17,138,256	-	13,199,033	3,939,223
				Investment Ladder Targets	<u>7,000,000</u>	<u>25,000,000</u>	<u>8,000,000</u>
				Investment Funds: Available/(Exceeded)	<u>7,000,000</u>	<u>11,800,967</u>	<u>4,060,777</u>

Listing of All Broked CDs and Ladder Placement

March 31, 2018

(Unaudited)

VENDOR	Bank Issuing CD	Coupon	Yield	Duration in Yrs from Purchase	Days To MTY	Purchase Date	Maturity Date /Called Date	Purchase Price at Par
Frost Bank	ALLY BANK	0.750%	0.750000%	0.0000	-	07/08/16	01/16/18	250,000
Frost Bank	DISCOVER BANK	0.750%	0.750000%	0.0000	-	07/08/16	01/16/18	250,000
Frost Bank	EAST BOSTON SAV BK	0.800%	0.800000%	0.0000	-	07/08/16	03/27/18	250,000
Frost Bank	FIRST TRUST SAV BK	0.800%	0.800000%	0.0000	-	07/08/16	01/22/18	250,000
Frost Bank	FLINT COMMUNITY BK	0.750%	0.750000%	0.0000	-	07/08/16	01/16/18	250,000
Frost Bank	GOLMAN SACHS BANK USA	1.150%	1.150000%	3.0301	23	04/13/15	04/23/18	248,000
Wells Fargo Bank	CAPITAL ONE BANK USA NA	1.600%	1.600000%	3.0274	157	08/26/15	09/04/18	248,000
Wells Fargo Bank	METROPOLITAN CAPITAL BANK	1.850%	1.850000%	5.0110	467	07/08/14	07/11/19	248,000
Wells Fargo Bank	BARCLAYS BANK DELAWARE	2.050%	2.050000%	5.0247	472	07/08/14	07/16/19	248,000
Wells Fargo Bank	CUSTOMERS BANK	1.900%	1.900000%	5.0411	479	07/09/14	07/23/19	248,000
Wells Fargo Bank	OHIO VALLEY BANK GALLIP	1.800%	1.800000%	5.0438	479	07/08/14	07/23/19	248,000
Raymond James & Assoc.	CAPITAL ONE BANK USA NA	2.100%	2.100000%	4.0027	513	08/26/15	08/26/19	250,000
Raymond James & Assoc.	FIRST SOURCE BANK	1.800%	1.800000%	4.5123	699	08/26/15	02/28/20	250,000
Raymond James & Assoc.	EVERBANK / JACKSONVILLE FL	2.050%	2.050000%	5.0110	881	08/26/15	08/28/20	250,000
Raymond James & Assoc.	FARMERS & MERCHANT BK WISC	1.850%	1.850000%	5.0110	881	08/26/15	08/28/20	250,000
Weighted Average			1.465837%	2.9766	337	TOTAL		3,738,000

† Weighted Averages are based on investment holdings as of the last day of the quarter using actual days remaining to maturity and are calculated based on Yields, Duration, Days to Maturity, Purchase Prices, and Total Purchase Price .

Listing of All Broked CDs and Ladder Placement
 March 31, 2018
 (Unaudited)

Face Value 09/30/17	Additions	(Maturities)	Amortization of (Premium) Discount	Market Adjustments Increase (Decrease)	Market Value 12/31/17	Short-term Ladder <=12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
249,953	-	(250,000)	-	47	-	-	-	-
249,936	-	(250,000)	-	64	-	-	-	-
249,631	-	(250,000)	-	369	-	-	-	-
249,940	-	(250,000)	-	60	-	-	-	-
249,954	-	(250,000)	-	46	-	-	-	-
247,777	-	-	-	175	247,952	-	247,952	-
248,192	-	-	-	(250)	247,942	-	247,942	-
247,863	-	-	-	(974)	246,889	-	-	246,889
248,375	-	-	-	(1,078)	247,297	-	-	247,297
248,400	-	-	-	(1,111)	247,289	-	-	247,289
248,403	-	-	-	(1,112)	247,291	-	-	247,291
250,691	-	-	-	(1,296)	249,395	-	-	249,395
250,905	-	-	-	(2,287)	248,618	-	-	248,618
249,510	-	-	-	(2,649)	246,861	-	-	246,861
248,215	-	-	-	(2,531)	245,684	-	-	245,684
3,737,745	-	(1,250,000)	-	(12,527)	2,475,218	-	495,894	1,979,324

Listing of All Municipal Bonds and Ladder Placement
 March 31, 2018
 (Unaudited)

VENDOR	Rating	Description	Coupon	Yield	Duration in Yrs from Purchase	Days To MTY	Purchase Date	Maturity Date /Called Date
Wells Fargo Bank	Aa3/AA-	Florida State Hurricane Catastrophe Fund Fin Corp	2.107%	2.11%	3.2192	92	04/13/15	07/01/18
Wells Fargo Bank	AAA	New York City Transitional Fin Auth Rev Bond	2.150%	2.15%	2.3205	215	07/07/16	11/01/18
Wells Fargo Bank	Aa3/AA	Florida St Brd of Adm Fin Corp Rev (GO)	2.163%	2.16%	2.9836	457	07/07/16	07/01/19
Coastal Securities	AA/AA+	Texas Tech Univ Revenues 17th Series - TXBL - Series B	1.804%	1.80%	3.4740	321	08/27/15	02/15/19
† Weighted Averages				2.07%	3.0028	248	Totals	

† Weighted Averages are based on investment holdings as of the last day of the quarter using actual days remaining to maturity and are calculated based on Yields, Duration, Days to Maturity, Purchase Prices, and Total Purchase Price.

Listing of All Municipal Bonds and Ladder Placement
 March 31, 2018
 (Unaudited)

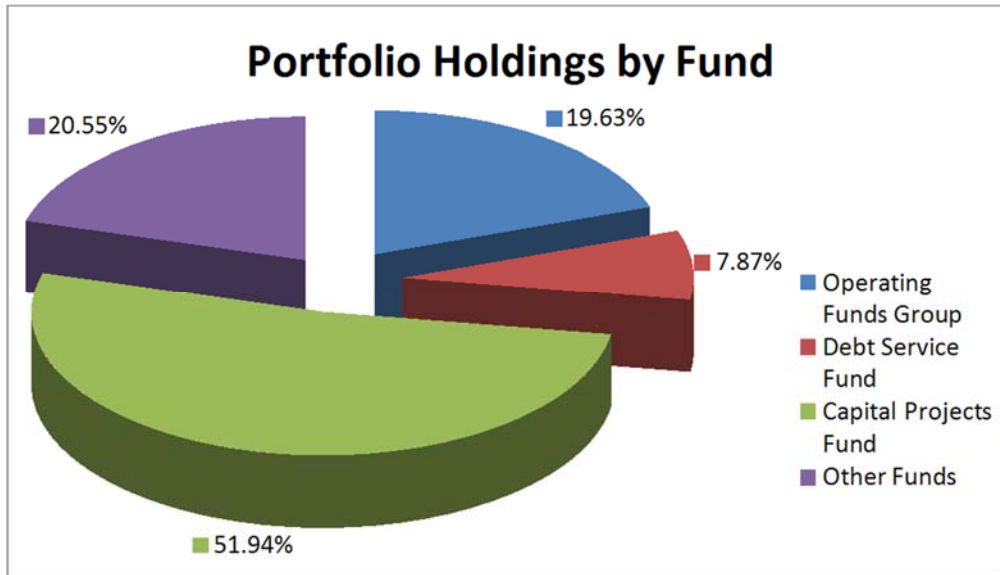
Par Amount	Purchase Price	FMV 09/30/17	Additions (Subtractions)	Market Adjustments Increase (Decrease)	FMV 12/31/17	Short-term Ladder <=12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
1,500,000	1,523,670	1,500,586	-	285	1,500,871	-	1,500,871	-
1,000,000	1,030,990	1,001,530	-	(1,921)	999,609	-	999,609	-
1,000,000	1,025,960	997,680	-	(160)	997,520	-	997,520	-
800,000	810,856	797,312	-	(920)	796,392	-	796,392	-
4,300,000	4,391,476	4,297,108	-	(2,716)	4,294,392	-	4,294,392	-

Portfolio Holdings by Fund

March 31, 2018

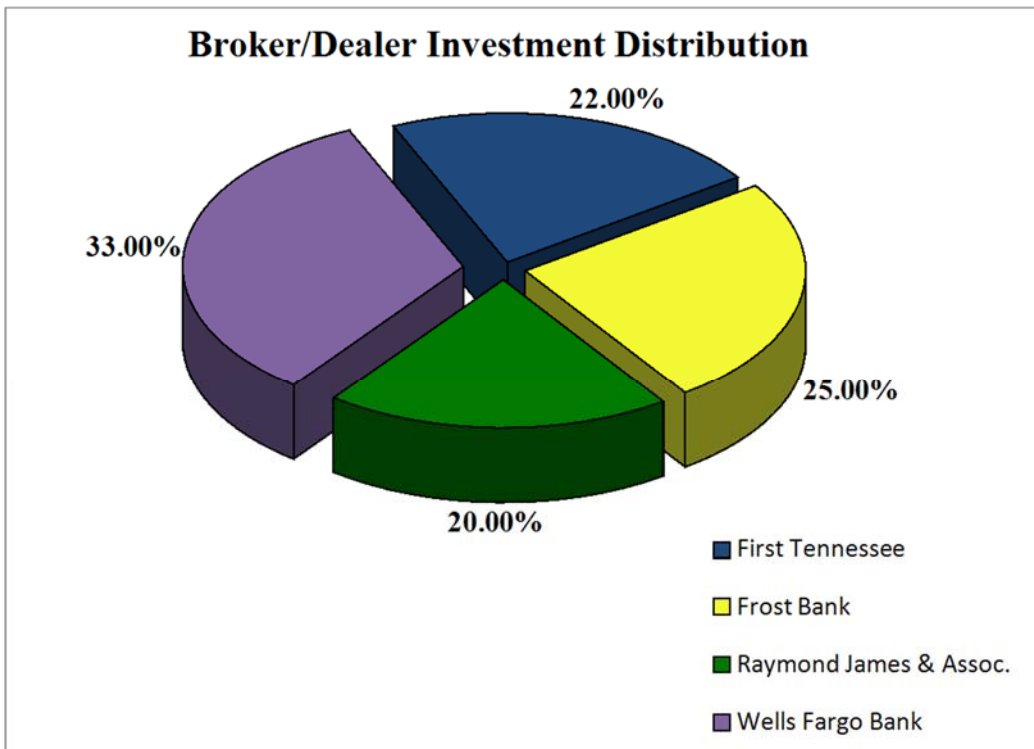
(Unaudited)

Fund	Operating Funds Groups:			
11	General Fund	\$2,522,633		14.72%
12	Road & Bridge Fund	62,299		0.36%
14	Stadium & Fairgrounds Fund	554,369		3.23%
15	Law Library Fund	63,244		0.37%
16	Airport Fund	-		0.00%
17	Inland Parks Fund	-		0.00%
18	Coastal Parks Fund	161,705		0.94%
	Sub-Total Operating Funds		\$3,364,250	19.63%
09	Debt Service Fund		1,349,606	7.87%
19	Capital Projects Fund		8,902,331	51.94%
	Other Funds Groups:			
10	Self Insurance Fund	229,994		1.34%
13	Special Revenue Fund	3,292,075		19.21%
	Sub-total Other Funds		3,522,069	20.55%
	Total Holdings at Current Market Value		\$17,138,256	100.00%



**Distribution of Investments by
Broker/Dealer/Financial Institutions
March 31, 2018
(Unaudited)**

	Fair Market Value	Distribution %
First Tennessee	\$3,761,410	22.00%
Frost Bank	4,199,019	25.00%
Raymond James & Assoc.	3,452,575	20.00%
Wells Fargo Bank	5,725,251	33.00%
Total	\$17,138,256	100.00%



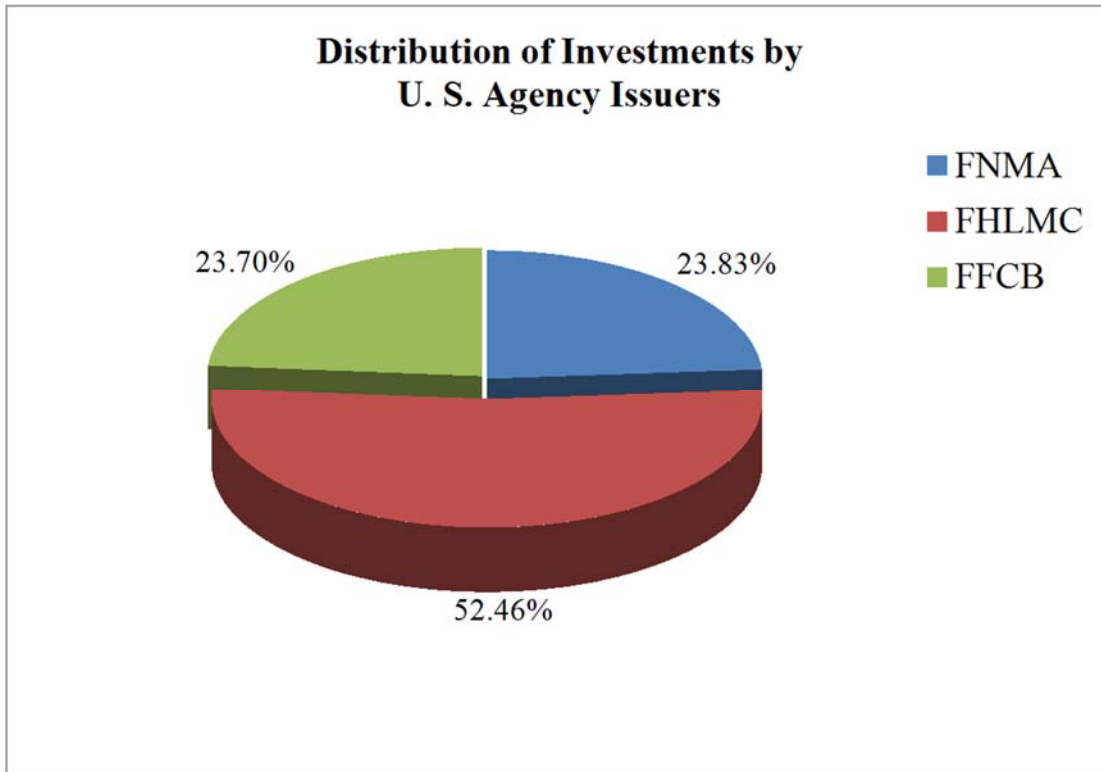
Distribution of Investments by

U. S Agencies Issuers

March 31, 2018

(Unaudited)

<u>Agency</u>		<u>Fair Market Value</u>	<u>Distribution %</u>
Fannie Mae	FNMA	2,471,327	23.83%
Fed Home Loan Freddie Mac	FHLMC	5,439,697	52.46%
Federal Farm Credit Bank	FFCB	2,457,622	23.70%
		<u>\$10,368,646</u>	<u>100.00%</u>

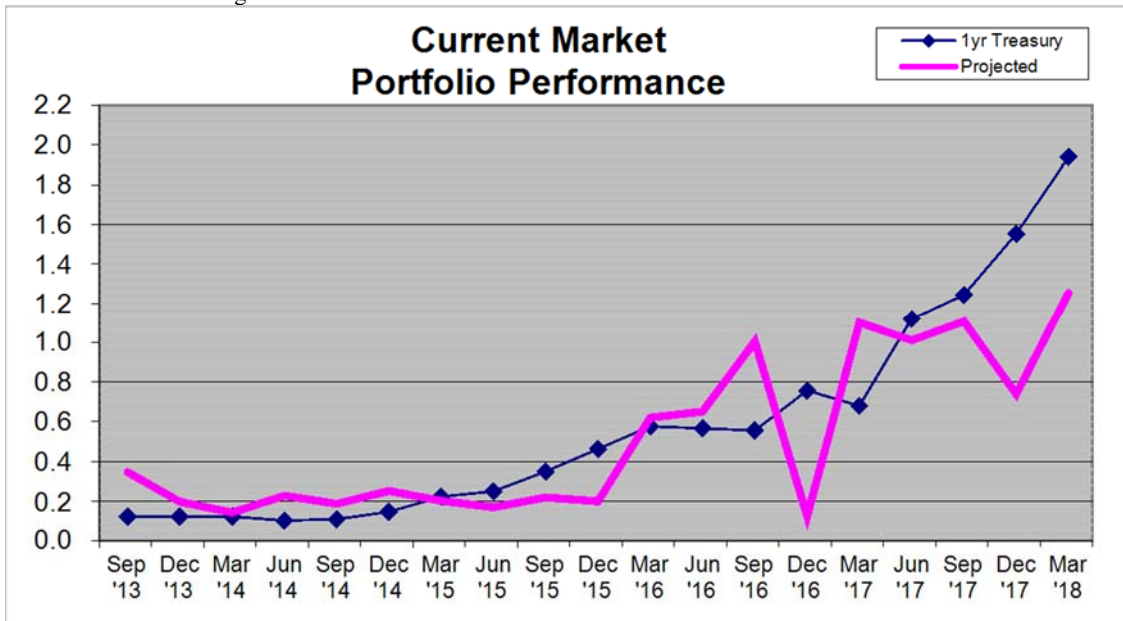


**Investments Performance
Compared to One-Year Treasury
March 31, 2018
(Unaudited)**

Quarter Ended	County Qrtly Avg Yield	Projected Annual County Yield	* 1yr Treasury
Mar-13	0.043%	0.181%	0.153%
Jun-13	0.245%	-0.018%	0.127%
Sep-13	0.087%	0.324%	0.123%
Dec-13	0.049%	0.216%	0.123%
Mar-14	0.036%	0.176%	0.123%
Jun-14	0.057%	0.214%	0.103%
Sep-14	0.047%	0.175%	0.110%
Dec-14	0.063%	0.283%	0.147%
Mar-15	0.050%	0.234%	0.223%
Jun-15	0.042%	0.171%	0.250%
Sep-15	0.055%	0.209%	0.350%
Dec-15	0.050%	0.210%	0.463%
Mar-16	0.155%	0.626%	0.577%
Jun-16	0.162%	0.621%	0.567%
Sep-16	0.250%	0.893%	0.560%
Dec-16	0.030%	0.133%	0.760%
Mar-17	0.273%	1.125%	0.680%
Jun-17	0.253%	0.997%	1.120%
Sep-17	0.276%	1.073%	1.240%
Dec-17	0.184%	0.797%	1.553%
Mar '18	0.313%	1.306%	1.940%

* An average of the three months for the quarter presented of the market yields on 1-year U.S. Treasury constant maturity (CMT), quoted on investment basis.

Source: www.federalreserve.gov

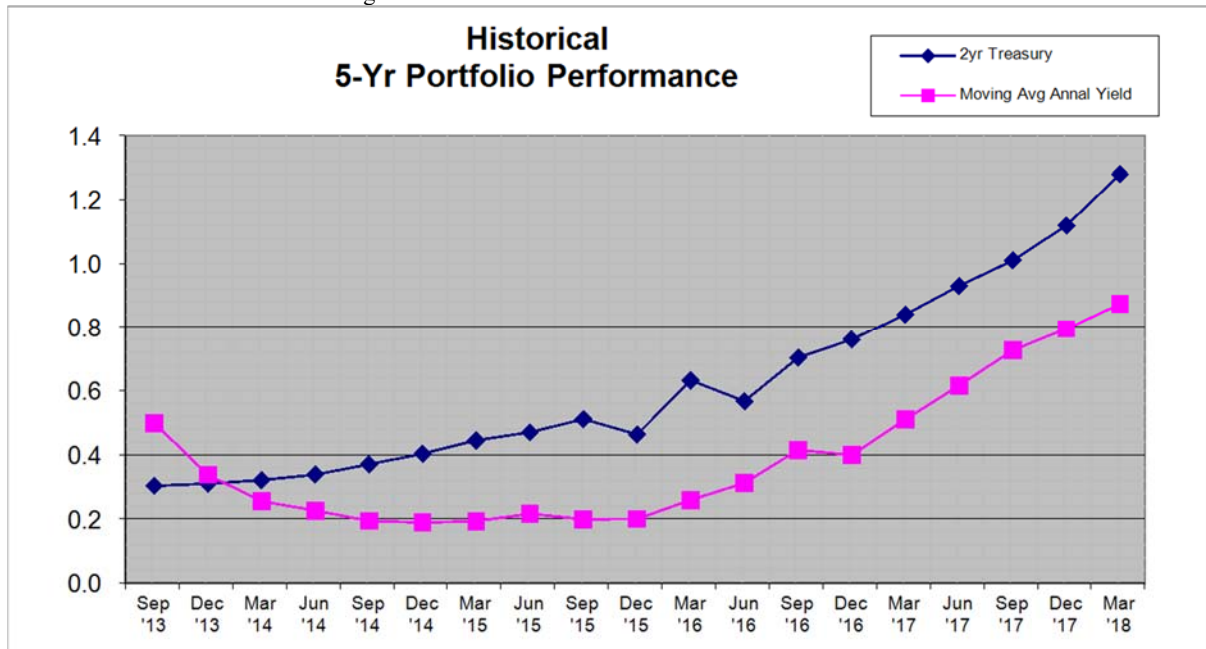


**Investments Performance
Compared to Two-Year Treasury
March 31, 2018
(Unaudited)**

Quarter Ended	County Two Year Moving Avg Annual Yield	* 2 yr Treasury (CMT)
Mar-13	0.479%	0.311%
Jun-13	0.462%	0.292%
Sep-13	0.497%	0.303%
Dec-13	0.337%	0.310%
Mar-14	0.259%	0.321%
Jun-14	0.228%	0.338%
Sep-14	0.194%	0.370%
Dec-14	0.194%	0.403%
Mar-15	0.200%	0.445%
Jun-15	0.224%	0.470%
Sep-15	0.210%	0.511%
Dec-15	0.209%	0.463%
Mar-16	0.265%	0.632%
Jun-16	0.316%	0.567%
Sep-16	0.406%	0.703%
Dec-16	0.387%	0.760%
Mar-17	0.498%	0.840%
Jun-17	0.602%	0.930%
Sep-17	0.710%	1.010%
Dec-17	0.783%	1.120%
Mar '18	0.868%	1.280%

* 2-year treasury rates are adjusted to a 24 month quarterly average yield. Twenty-four month moving average based on the 2 year CMT that changes monthly.

Source: www.federalreserve.gov



Comparison of Interest Rates on Liquid Investments

March 31, 2018

(Unaudited)

<u>Month</u>	<u>TexPool Average Monthly Rates</u>	<u>TexPool Prime Average Monthly Rates</u>	<u>Texas Class Average Monthly Rates</u>	<u>Depository (Note 1) Bank Rates</u>
January '15	0.0465%	0.0706%	0.10%	0.01%
February '15	0.0441%	0.0826%	0.10%	0.01%
March '15	0.0480%	0.0880%	0.12%	0.01%
April '15	0.0524%	0.0984%	0.14%	0.01%
May '15	0.0553%	0.1030%	0.14%	0.01%
June '15	0.0500%	0.1063%	0.15%	0.01%
July '15	0.0630%	0.1150%	0.16%	0.01%
August '15	0.0716%	0.1398%	0.18%	0.01%
September '15	0.0850%	0.1591%	0.19%	0.01%
October '15	0.9660%	0.1649%	0.21%	0.01%
November '15	0.1100%	0.1830%	0.24%	0.01%
December '15	0.1863%	0.2776%	0.29%	0.01%
January '16	0.2674%	0.4056%	0.42%	0.01%
February '16	0.3010%	0.4673%	0.49%	0.01%
March '16	0.3273%	0.5135%	0.54%	0.01%
April '16	0.3380%	0.5192%	0.57%	0.01%
May '16	0.3399%	0.5304%	0.59%	0.01%
June '16	0.3633%	0.5550%	0.63%	0.01%
July '16	0.3690%	0.5718%	0.64%	0.01%
August '16	0.3737%	0.6010%	0.70%	0.01%
September '16	0.3799%	0.7068%	0.77%	0.01%
October '16	0.3828%	0.7230%	0.83%	0.01%
November '16	0.3987%	0.7402%	0.90%	0.01%
December '16	0.4570%	0.8148%	0.89%	0.01%
January '17	0.5385%	0.8992%	0.96%	0.10%
February '17	0.5591%	0.9322%	0.97%	0.17%
March '17	0.6222%	0.9665%	1.00%	0.17%
April '17	0.7121%	1.0477%	1.06%	0.18%
May '17	0.7689%	1.0683%	1.09%	0.46%
June '17	0.8817%	1.3710%	1.13%	0.55%
July '17	0.9714%	1.2082%	1.18%	0.64%
August '17	0.6689%	1.2418%	1.23%	0.72%
September '17	1.0151%	1.2644%	1.25%	0.68%
October '17	1.0318%	1.2720%	1.27%	0.69%
November '17	1.0506%	1.2826%	1.30%	0.73%
December '17	1.1784%	1.3917%	1.41%	0.88%
January '18	1.2890%	1.5156%	1.56%	0.99%
February '18	1.3438%	1.5747%	1.62%	1.08%
March '18	1.5156%	1.7066%	1.75%	1.36%
April '18	1.6704%	1.9264%	1.95%	1.41%

Note 1: The interest rate paid on demand deposits for the current month is based on the previous month's weighted average of the 13-week T-Bill auction rate less 35 basis points.