

Nueces County
Quarterly Investment Report
June 30, 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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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 June 30, 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 June 30, 2018 have a current value of \$105,031,575. As compared to last report of March 31, 2018, total balances have decreased by \$(15,067,063) down from \$120,098,639.

Compliance Measures

- The weighted average maturity of the operating portfolio is 77 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 March 31, 2018, the average maturity decreased by (2) 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 79.73% and the remainder is invested in brokered CDs, municipal bonds, and US Agencies which are 2.67%, 5.15%, and 12.45%, respectively.
- All investments are in compliance with the Public Investment Act and the Nueces County Investment Policy.

Summary of Investment Results

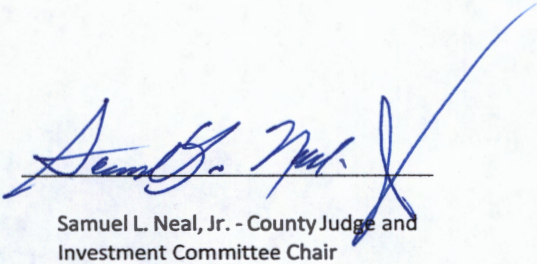
Investment earnings are calculated under Government Accounting Standards Board (GASB) Statement #31. GASB #31 mandates that changes in the fair market value of investments longer than 1 year should be reported as revenues in the financial statements. Since our investment strategy has been to buy and 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 June 30, 2018. Brokered CD's, US agencies and Municipal bonds are being carried at market value.

Current quarterly earnings are \$489,889. Compared to the quarterly earnings ending June 30, 2017, earnings shows an increase of \$214,202, up from \$275,687. The increase in earnings is due primarily to increase in interest rates during this period.

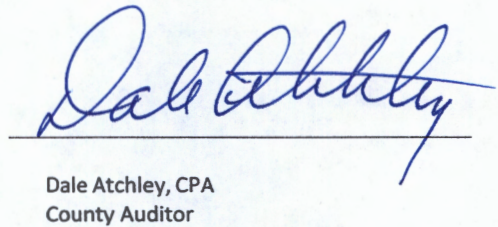
Investment Strategy

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.

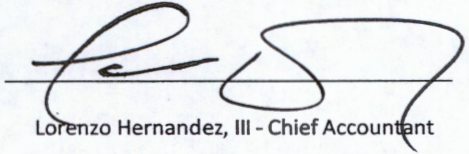
This report has been prepared jointly by the County Auditor’s Office and the County Clerk Treasury Division and in accordance with Government Code 2256.023. The investment committee approved this report on October 22, 2018 and herein presents to the Commissioners Court for final approval. Thank you.



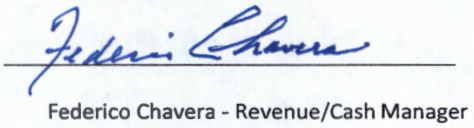
Samuel L. Neal, Jr. - County Judge and
Investment Committee Chair



Dale Atchley, CPA
County Auditor



Lorenzo Hernandez, III - Chief Accountant

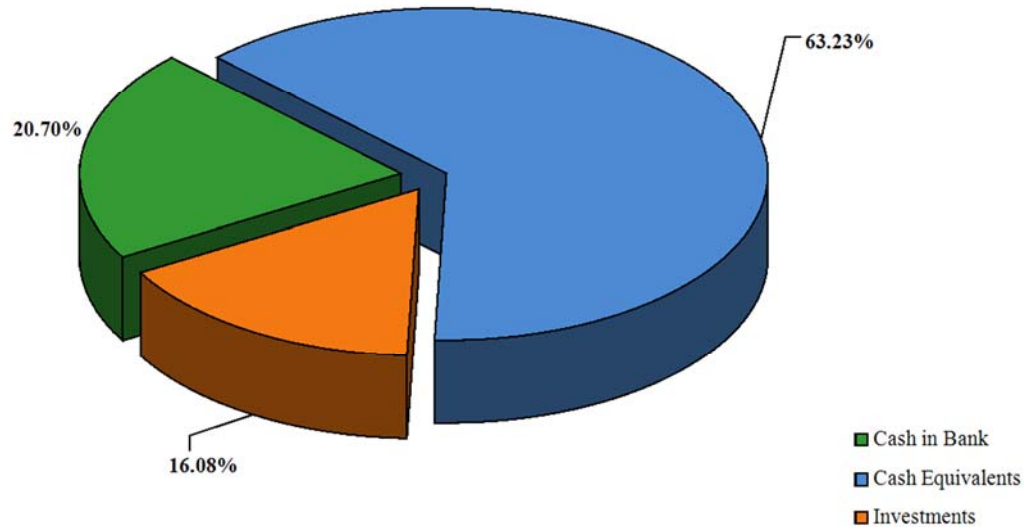


Federico Chavera - Revenue/Cash Manager

Cash, Cash Equivalents and Investments by Fund Group
June 30, 2018
(Unaudited)

	Operating Funds		Capital Projects Funds		Debt Service Funds		Other Funds		All Fund Groups Total	
Cash in Bank	\$10,929,192	25.58%	\$3,641,535	9.93%	\$166,817	3.98%	\$7,001,502	32.64%	\$21,739,046	20.70%
Cash Equivalents: TEXPOOL	-	0.00%	-	0.00%	-	0.00%	4,480	0.02%	4,480	0.00%
MBIA	28,415,362	66.50%	24,422,333	66.62%	2,662,899	63.58%	10,902,678	50.81%	66,403,273	63.22%
Sub-Total Cash Equivalents	28,415,362	66.50%	24,422,333	66.62%	2,662,899	63.58%	10,907,158	50.83%	66,407,753	63.23%
Investments:										
Brokered CDs	445,905	1.04%	1,131,488	3.09%	178,880	4.27%	466,823	2.18%	2,223,096	2.12%
Municipal Bonds	860,558	2.01%	2,183,673	5.96%	345,222	8.24%	900,927	4.20%	4,290,380	4.08%
US Agencies	2,080,260	4.87%	5,278,676	14.40%	834,519	19.92%	2,177,846	10.15%	10,371,300	9.87%
Sub-Total Investments	3,386,723	7.93%	8,593,837	23.45%	1,358,621	32.44%	3,545,596	16.53%	16,884,776	16.08%
Total Cash, Cash Equivalents & Investments	\$42,731,277	100.00%	\$36,657,705	100.00%	\$4,188,337	100.00%	\$21,454,256	100.00%	\$105,031,575	100.00%

Portfolio Composition



Operating Funds and Other Funds Groups

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

June 30, 2018

Operating Funds:

	General Fund	Road Fund	Stadium/ Fairgrounds Fund
Cash	\$ 10,408,373	203,765	50,276
Cash Equivalents	24,765,002	640,699	1,651,847
Investments	<u>2,539,484</u>	<u>62,715</u>	<u>558,072</u>
Total as of June 30, 2018	37,712,859	907,179	2,260,196
Total as of June 30, 2017	35,555,714	1,689,321	2,099,840
Increase (Decrease) from one year ago	<u>\$ 2,157,145</u>	<u>(782,142)</u>	<u>160,356</u>

Other Funds:

	Self Insurance Fund	Special Fund	Main Grant Fund
Cash	\$ 1,886,145	4,441,879	237,154
Cash Equivalents	2,060,493	8,846,664	-
Investments	<u>231,531</u>	<u>3,314,065</u>	<u>-</u>
Total as of June 30, 2018	4,178,169	16,602,608	237,154
Total as of June 30, 2017	1,927,705	19,197,348	547,293
Increase (Decrease) from one year ago	<u>\$ 2,250,464</u>	<u>(2,594,740)</u>	<u>(310,139)</u>

Law Library	Airport	Inland Parks	Coastal Parks	Total
Fund	Fund	Fund	Fund	
22,312	9,913	(25,533)	260,086	\$ 10,929,192
73,121	123,171	423,159	738,363	28,415,362
63,666	-	-	162,785	3,386,723
159,099	133,084	397,626	1,161,233	42,731,277
201,630	95,924	235,844	819,873	40,698,145
<u>(42,530)</u>	<u>37,160</u>	<u>161,782</u>	<u>341,360</u>	\$ <u>2,033,132</u>

TJJD Grant	
Fund	Total
436,325	\$ 7,001,502
-	10,907,158
-	3,545,596
436,325	21,454,256
316,061	21,988,408
<u>120,264</u>	\$ <u>(534,152)</u>

Portfolio Diversity
Test of Compliance with Investment Policy
All Fund Groups as of June 30, 2018
(Unaudited)

	Current Value	%	Investment Policy Maximum
Cash Equivalents	\$ 66,407,753	79.73%	85.00%
Brokered CDs	2,223,096	2.67%	75.00%
Municipal Bonds	4,290,380	5.15%	75.00%
US Agencies	10,371,300	12.45%	75.00%
Total Cash Equivalents and Investments (excludes cash in bank)	\$ 83,292,529	100.00%	

Weighted Average Days to Maturity
Operating Funds Group as of June 30, 2018
(Unaudited)

	Fair Value	Weighted Average Days to Maturity	Investment Policy Maximum
Cash Equivalents	\$ 66,407,753	1	
Brokered CDs	2,223,096	484	
Municipal Bonds	4,290,380	177	
US Agencies	10,371,300	435	
Total Cash Equivalents and Investments-Operating Fund Group Only (excludes cash in bank)	\$ 83,292,529	77	364

Statement of Changes in Investments
as of June 30, 2018
(Unaudited)

	Beginning Balance 03/31/2018	Additions	(Subtractions)	Market Adjustment	Ending Balance 06/30/2018
Brokered CDs	\$ 2,475,218	\$ -	\$ (248,000)	\$ (4,121)	\$ 2,223,097
Municipal Bonds	4,294,392	-	-	(4,013)	4,290,379
US Agencies	10,368,646	-	-	2,655	10,371,301
Total	\$ 17,138,256	\$ -	\$ (248,000)	\$ (5,479)	\$ 16,884,777

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

	Quarterly Comparison			Year-to-Date Comparison		
	04/01/2017 06/30/2017	04/01/2018 06/30/2018	Increase/ (Decrease)	10/01/2016 06/30/2017	10/01/2017 06/30/2018	Increase/ (Decrease)
Operating Fund Group	\$ 118,164	\$ 239,584	\$ 121,420	\$ 248,843	\$ 480,489	\$ 231,647
Capital Projects Fund Group	102,688	158,260	55,573	216,991	350,692	133,701
Debt Service Fund Group	13,428	20,190	6,762	34,899	51,040	16,141
Other Funds Group	41,407	71,855	30,448	91,102	189,108	98,006
Total	\$ <u>275,687</u>	\$ <u>489,889</u>	\$ <u>214,202</u>	\$ <u>591,835</u>	\$ <u>1,071,329</u>	\$ <u>479,494</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

June 30, 2018

(Unaudited)

VENDOR	Desc	Coupon	Yield	Duration in Yrs from Purchase	Days To MTY	Purchase Date	Maturity Date /Called Date
Wells Fargo Bank	MB	2.107%	2.107000%	3.2192	1	04/13/15	07/01/18
Wells Fargo Bank	MB	2.163%	2.163000%	2.9836	366	07/07/16	07/01/19
Wells Fargo Bank	MB	2.150%	2.150000%	2.3205	124	07/07/16	11/01/18
First Tennessee	MB	1.804%	1.804000%	3.4740	230	08/27/15	02/15/19
Frost Bank	FFCB	1.550%	1.550000%	2.7534	503	02/13/17	11/15/19
Raymond James & Assoc.	FFCB	1.170%	1.170000%	3.5096	562	07/11/16	01/13/20
Raymond James & Assoc.	FHLMC	1.300%	1.300000%	2.2712	328	02/14/17	05/24/19
First Tennessee	FHLMC	1.500%	1.500000%	2.5370	424	02/13/17	08/28/19
Raymond James & Assoc.	FHLMC	1.500%	1.500000%	2.5342	424	02/14/17	08/28/19
Frost Bank	FHLMC	1.750%	1.750000%	3.5397	790	02/13/17	08/28/20
Frost Bank	FHLMC	1.375%	1.375000%	2.0822	258	02/13/17	03/15/19
First Tennessee	FNMA	1.260%	1.450000%	2.4658	398	02/13/17	08/02/19
Wells Fargo Bank	FNMA	0.900%	0.900000%	2.5534	209	07/07/16	01/25/19
Frost Bank	CD	1.150%	1.150000%	0.0000	-	04/13/15	04/23/18
Wells Fargo Bank	CD	2.050%	2.050000%	5.0247	381	07/08/14	07/16/19
Raymond James & Assoc.	CD	2.100%	2.100000%	4.0027	422	08/26/15	08/26/19
Wells Fargo Bank	CD	1.600%	1.600000%	3.0274	66	08/26/15	09/04/18
Wells Fargo Bank	CD	1.900%	1.900000%	5.0411	388	07/09/14	07/23/19
Raymond James & Assoc.	CD	2.050%	2.050000%	5.0110	790	08/26/15	08/28/20
Raymond James & Assoc.	CD	1.850%	1.850000%	5.0110	790	08/26/15	08/28/20
Raymond James & Assoc.	CD	1.800%	1.800000%	4.5123	608	08/26/15	02/28/20
Wells Fargo Bank	CD	1.850%	1.850000%	5.0110	376	07/08/14	07/11/19
Wells Fargo Bank	CD	1.800%	1.800000%	5.0438	388	07/08/14	07/23/19

Weighted Averages † **1.629223%** **2.9646** **360** **Totals**

Description Index:

CD - Brokered Certificates of Deposit

FFCB - Federal Farm Credit

FHLMC-Federal Home Loan

FHLMC-Federal Home Loan Mortgage Corporation

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 Total Purchase Price.

Listing of All Investments and Ladder Placement

June 30, 2018

(Unaudited)

Par Amount	Purchase Price	FMV 03/31/18	Additions (Subtractions)	Market Adjustments Increase (Decrease)	FMV 06/30/18	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	1,500,871	-	(871)	1,500,000	-	1,500,000	-	
1,000,000	1,025,960	997,520	-	(3,690)	993,830	-	993,830	-	
1,000,000	1,030,990	999,610	-	100	999,710	-	999,710	-	
800,000	810,856	796,392	-	448	796,840	-	796,840	-	
1,500,000	1,500,000	1,479,915	-	(1,359)	1,478,556	-	1,478,556	-	
1,000,000	1,000,000	977,707	-	(231)	977,476	-	-	977,476	
750,000	750,000	742,192	-	(72)	742,120	-	742,120	-	
1,500,000	1,500,000	1,484,235	-	(402)	1,483,833	-	1,483,833	-	
750,000	750,000	742,118	-	(201)	741,917	-	741,917	-	
1,000,000	1,000,000	982,191	-	466	982,657	-	-	982,657	
1,500,000	1,500,000	1,488,961	-	1,930	1,490,891	-	1,490,891	-	
1,500,000	1,500,000	1,480,784	-	500	1,481,283	-	1,481,283	-	
1,000,000	1,000,000	990,543	-	2,025	992,568	-	992,568	-	
248,000	248,000	247,952	(248,000)	48	-	-	-	-	
248,000	248,000	247,297	-	(338)	246,960	-	-	246,960	
250,000	250,000	249,395	-	(413)	248,982	-	-	248,982	
248,000	248,000	247,942	-	(60)	247,882	-	247,882	-	
248,000	248,000	247,289	-	(345)	246,943	-	-	246,943	
250,000	250,000	246,861	-	(1,014)	245,847	-	-	245,847	
250,000	250,000	245,684	-	(901)	244,784	-	-	244,784	
250,000	250,000	248,618	-	(491)	248,128	-	-	248,128	
248,000	248,000	246,889	-	(257)	246,632	-	-	246,632	
248,000	248,000	247,290	-	(351)	246,940	-	-	246,940	
17,288,000	17,379,476	17,138,255	(248,000)	(5,479)	16,884,776	-	12,949,428	3,935,348	
						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>12,050,572</u>	<u>4,064,652</u>

Listing of All Broked CDs and Ladder Placement

June 30, 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	GOLMAN SACHS BANK USA	1.150%	1.150000%	0.0000	-	04/13/15	04/23/18	248,000
Wells Fargo Bank	BARCLAYS BANK DELAWARE	2.050%	2.050000%	5.0247	381	07/08/14	07/16/19	248,000
Raymond James & Assoc.	CAPITAL ONE BANK USA NA	2.100%	2.100000%	4.0027	422	08/26/15	08/26/19	250,000
Wells Fargo Bank	CAPITAL ONE BANK USA NA	1.600%	1.600000%	3.0274	66	08/26/15	09/04/18	248,000
Wells Fargo Bank	CUSTOMERS BANK	1.900%	1.900000%	5.0411	388	07/09/14	07/23/19	248,000
Raymond James & Assoc.	EVERBANK / JACKSONVILLE FL	2.050%	2.050000%	5.0110	790	08/26/15	08/28/20	250,000
Raymond James & Assoc.	FARMERS & MERCHANT BK WISC	1.850%	1.850000%	5.0110	790	08/26/15	08/28/20	250,000
Raymond James & Assoc.	FIRST SOURCE BANK	1.800%	1.800000%	4.5123	608	08/26/15	02/28/20	250,000
Wells Fargo Bank	METROPOLITAN CAPITAL BANK	1.850%	1.850000%	5.0110	376	07/08/14	07/11/19	248,000
Wells Fargo Bank	OHIO VALLEY BANK GALLIP	1.800%	1.800000%	5.0438	388	07/08/14	07/23/19	248,000
Weighted Average +			1.815434%	4.1700	422	TOTAL		2,488,000

+ 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

June 30, 2018

(Unaudited)

Face Value 03/31/18	Additions	(Maturities)	Amortization of (Premium) Discount	Market Adjustments Increase (Decrease)	Market Value 06/30/18	Short-term Ladder <=12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
247,952	-	(248,000)	-	48	-	-	-	-
247,297	-	-	-	(338)	246,960	-	-	246,960
249,395	-	-	-	(413)	248,982	-	-	248,982
247,942	-	-	-	(60)	247,882	-	247,882	-
247,289	-	-	-	(345)	246,943	-	-	246,943
246,861	-	-	-	(1,014)	245,847	-	-	245,847
245,684	-	-	-	(901)	244,784	-	-	244,784
248,618	-	-	-	(491)	248,128	-	-	248,128
246,889	-	-	-	(257)	246,632	-	-	246,632
247,290	-	-	-	(351)	246,940	-	-	246,940
2,475,218	-	(248,000)	-	(4,121)	2,223,097	-	247,882	1,975,215

Listing of All Municipal Bonds and Ladder Placement
June 30, 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	1	04/13/15	07/01/18
Wells Fargo Bank	Aa3/AA	Florida St Brd of Adm Fin Corp Rev (GO)	2.163%	2.16%	2.9836	366	07/07/16	07/01/19
Wells Fargo Bank	AAA	New York City Transitional Fin Auth Rev Bond	2.150%	2.15%	2.3205	124	07/07/16	11/01/18
First Tennessee	AA/AA+	Texas Tech Univ Revenues 17th Series - TXBL - Series B	1.804%	1.80%	3.4740	230	08/27/15	02/15/19
† Weighted Averages				2.07%	3.0028	157	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
June 30, 2018
(Unaudited)

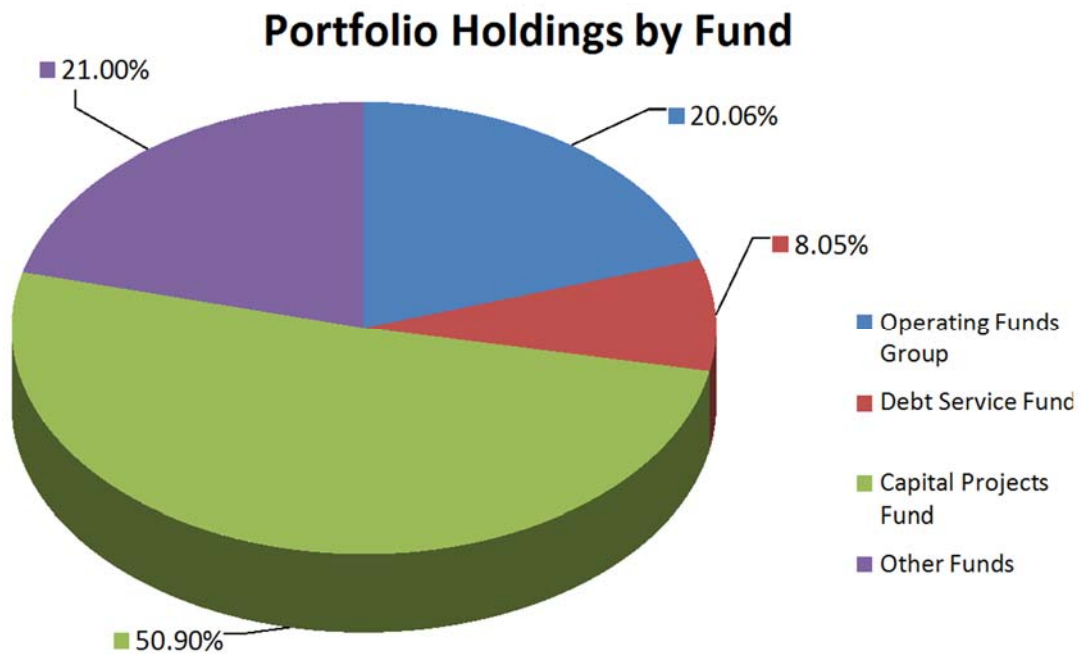
Par Amount	Purchase Price	FMV 03/31/2018	Additions (Subtractions)	Market Adjustments Increase (Decrease)	FMV 06/30/18	Short-term Ladder <=12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
1,500,000	1,523,670	1,500,871	-	(871)	1,500,000	-	1,500,000	-
1,000,000	1,025,960	997,520	-	(3,690)	993,830	-	993,830	-
1,000,000	1,030,990	999,610	-	100	999,710	-	999,710	-
800,000	810,856	796,392	-	448	796,840	-	796,840	-
4,300,000	4,391,476	4,294,393	-	(4,013)	4,290,380	-	4,290,380	-

Portfolio Holdings by Fund

June 30, 2018

(Unaudited)

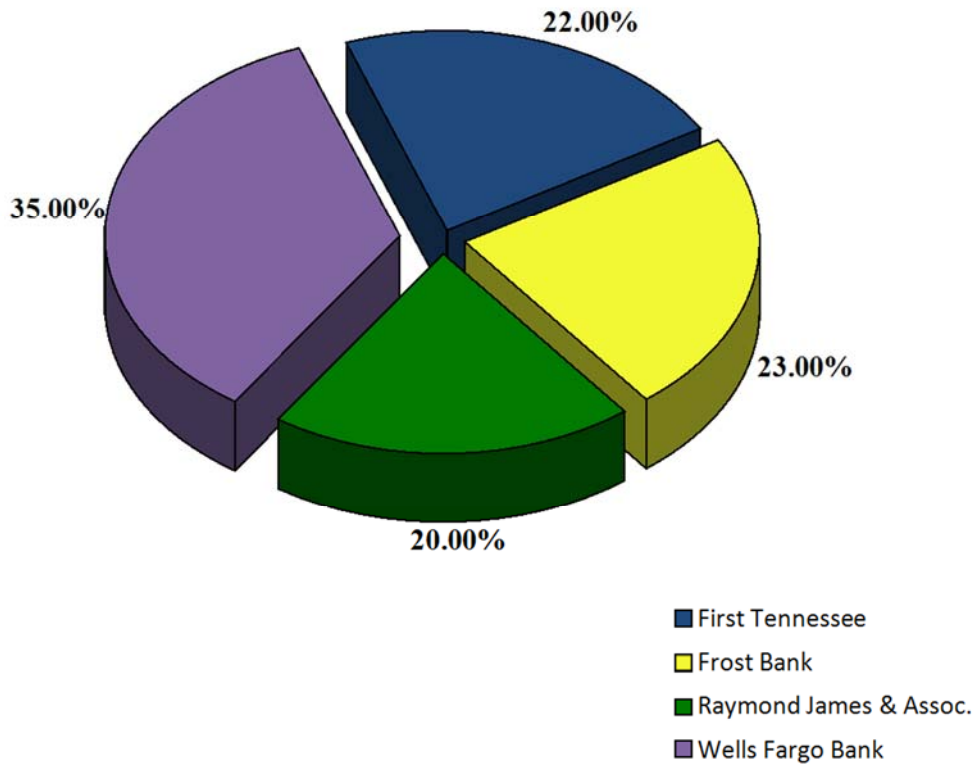
Fund	Operating Funds Groups:			
11	General Fund	\$2,539,484		15.04%
12	Road & Bridge Fund	62,715		0.37%
14	Stadium & Fairgrounds Fund	558,072		3.31%
15	Law Library Fund	63,666		0.38%
16	Airport Fund	-		0.00%
17	Inland Parks Fund	-		0.00%
18	Coastal Parks Fund	162,785		0.96%
	Sub-Total Operating Funds		\$3,386,723	20.06%
09	Debt Service Fund		1,358,621	8.05%
19	Capital Projects Fund		8,593,837	50.90%
	Other Funds Groups:			
10	Self Insurance Fund	231,531		1.37%
13	Special Revenue Fund	3,314,065		19.63%
	Sub-total Other Funds		3,545,596	21.00%
	Total Holdings at Current Market Value		\$16,884,776	100.00%



**Distribution of Investments by
Broker/Dealer/Financial Institutions
June 30, 2018
(Unaudited)**

	Fair Market Value	Distribution %
First Tennessee	\$3,761,956	22.00%
Frost Bank	3,952,104	23.00%
Raymond James & Assoc.	3,449,253	20.00%
Wells Fargo Bank	5,721,464	35.00%
Total	\$16,884,776	100.00%

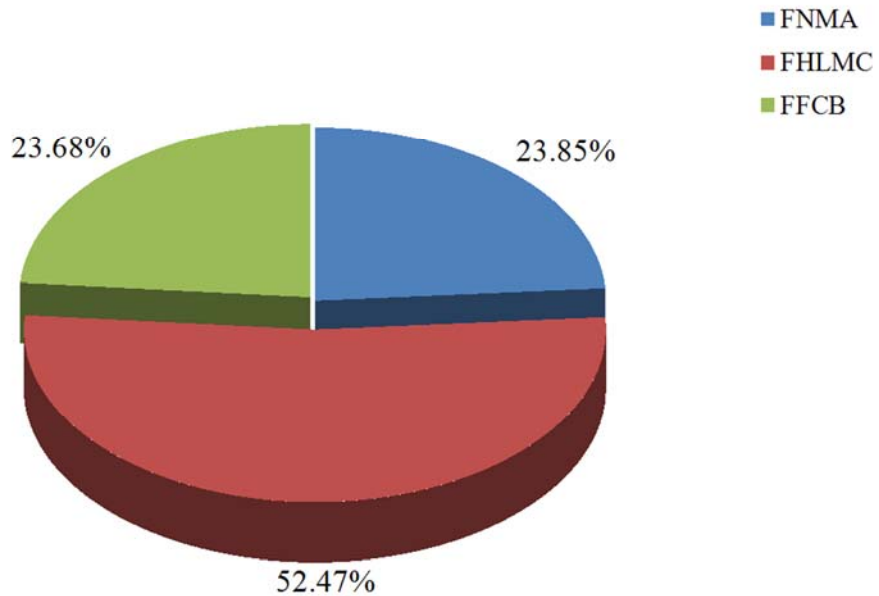
Broker/Dealer Investment Distribution



**Distribution of Investments by
U. S Agencies Issuers
June 30, 2018
(Unaudited)**

<u>Agency</u>		<u>Fair Market Value</u>	<u>Distribution %</u>
Fannie Mae	FNMA	2,473,851	23.85%
Fed Home Loan Freddie Mac	FHLMC	5,441,417	52.47%
Federal Farm Credit Bank	FFCB	2,456,032	23.68%
		<u>\$10,371,300</u>	<u>100.00%</u>

**Distribution of Investments by
U. S. Agency Issuers**

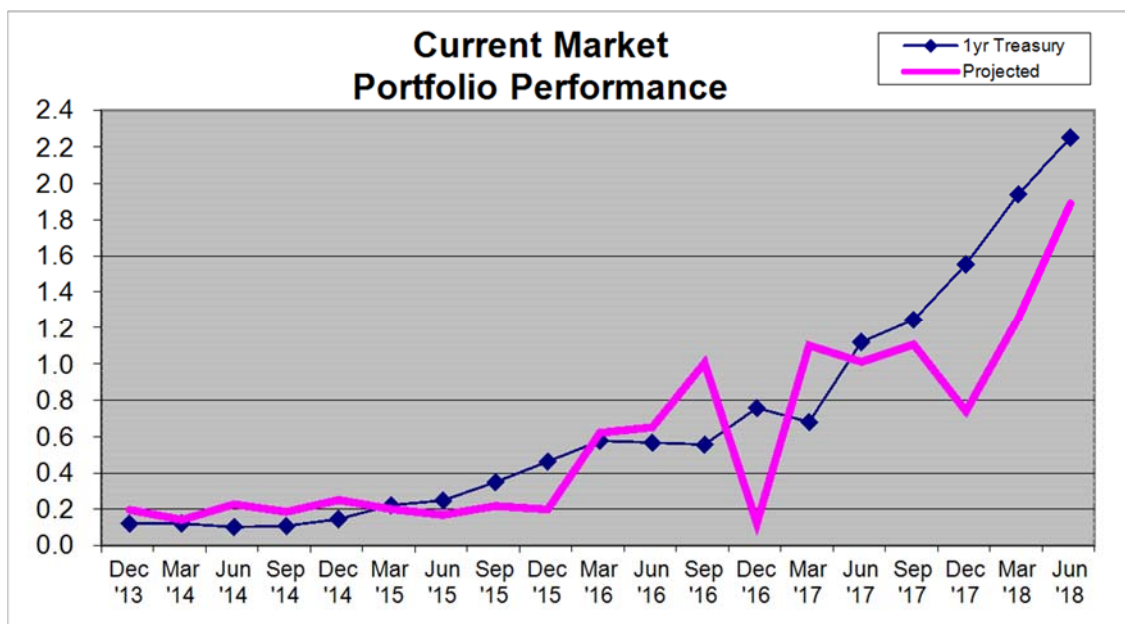


**Investments Performance
Compared to One-Year Treasury
June 30, 2018
(Unaudited)**

Quarter Ended	County Qrtly Avg Yield	Projected Annual County Yield	* 1yr Treasury
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%
Jun-18	0.472%	1.889%	2.250%

* 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

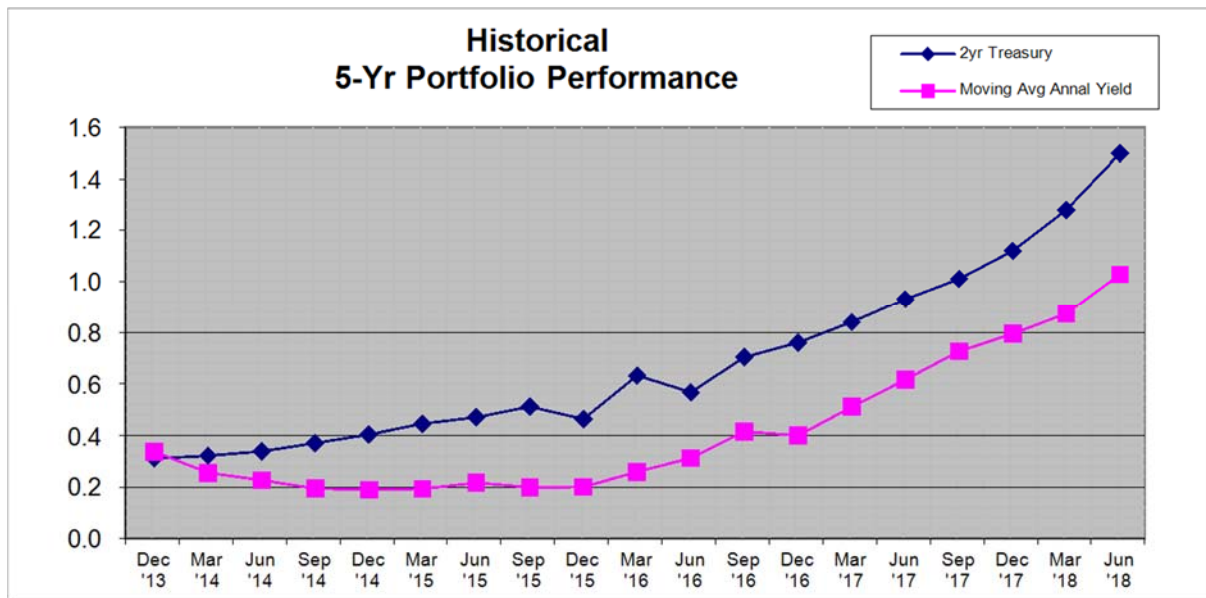


**Investments Performance
Compared to Two-Year Treasury
June 30, 2018
(Unaudited)**

Quarter Ended	County Two Year Moving Avg Annual Yield	* 2 yr Treasury (CMT)
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%
Jun-18	1.028%	1.500%

* 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

June 30, 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>
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%
May '18	1.7159%	2.0196%	2.06%	1.41%
June '18	1.8110%	2.1008%	2.16%	1.52%

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.