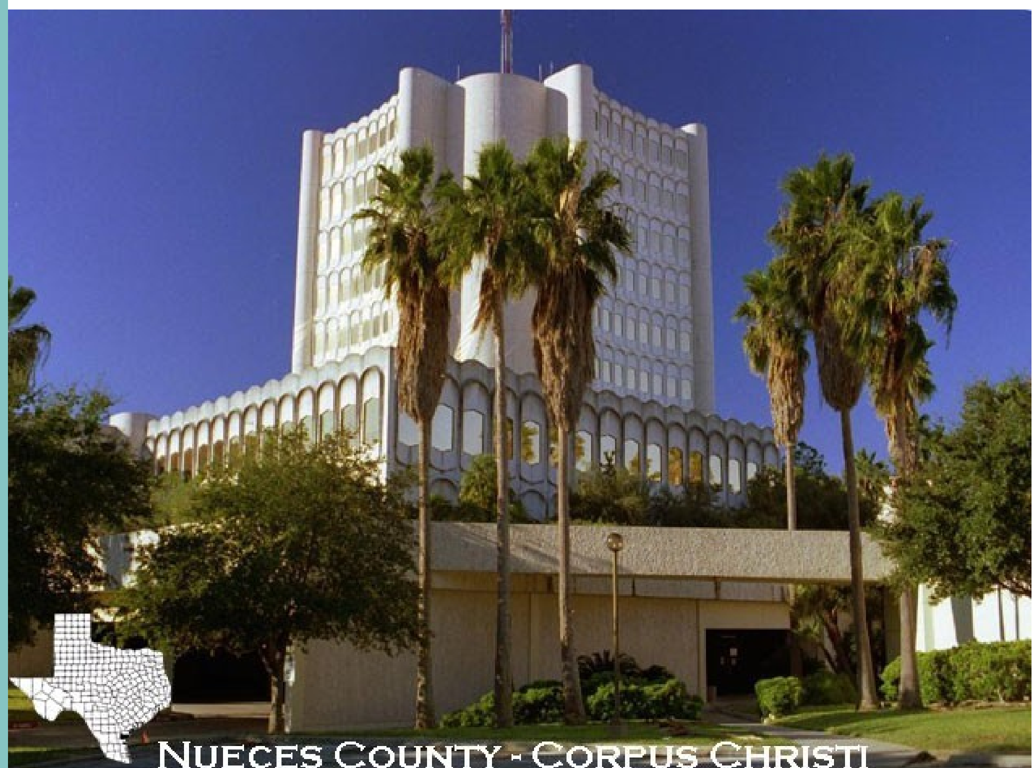
Nueces County Quarterly Investment Report
September 30, 2019
(Unaudited)

Prepared by Nueces County Auditor's Office and County Clerk Treasury Division
901 Leopard Rm. 304
Corpus Christi TX 78401



Nueces County

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

Investment Committee Members

Barbara Canales – County Judge

Kara Sands – County Clerk

Laura Jimenez – County Attorney

Tyner Little – Nueces County Commissioners Court Manager

Kevin Kieschnick – Tax Assessor/Collector

Dale Atchley, CPA – County Auditor

County Investment Officers

Lorenzo Hernandez, III – Treasury Accountant

Investment Report to Commissioners Court

As of September 30, 2019

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 September 30, 2019 have a current value of $95,988,655. As compared to last report of June 30, 2019, total balances have decreased by $(16,090,759) down from $112,079,414.

Compliance Measures

- The weighted average maturity of the operating portfolio is 32 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 June 30, 2019, the average maturity decreased by -4 days, due to the purchase of brokered CDs.

- 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 91.68% and the remainder is invested in brokered CDs, municipal bonds, and US Agencies which are 2.77%, 1.30%, and 4.25%, 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 September 30, 2019. Brokered CD's, US agencies and Municipal bonds are being carried at market value.

Current quarterly earnings are $587,135. Compared to the quarterly earnings ending September 30, 2018, earnings show an increase of $172,650, up from $414,485. 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 January 14th, 2020 and herein presents to the Commissioners Court for final approval. Thank you.

Barbara Canales - County Judge and
Investment Committee Chair

Dale Atchley, CPA
County Auditor

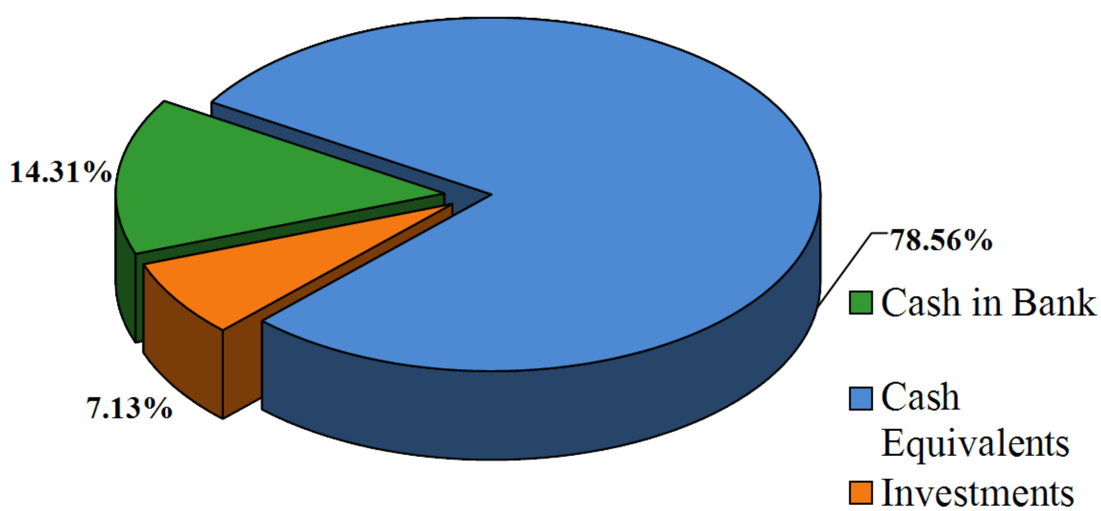
Lorenzo Hernandez, III - Chief Accountant

Lucio Cruz, III - Revenue/Cash Manager

Cash, Cash Equivalents and Investments by Fund Group
September 30, 2019
(Unaudited)

	Operating Funds		Capital Projects Funds		Debt Service Funds		Other Funds		All Fund Groups Total	
Cash in Bank	$4,427,134	14.23%	$1,444,358	4.68%	$(2,477,545)	-52.51%	$10,344,400	35.35%	$13,738,346	14.31%
Cash Equivalents:										
TEXPOOL	-	0.00%	-	0.00%	-	0.00%	-	0.00%	0	0.00%
MBIA	24,876,688	79.94%	26,465,118	85.71%	6,842,585	145.01%	17,225,508	58.83%	75,409,898	78.56%
Sub-Total Cash Equivalents	24,876,688	79.94%	26,465,118	85.71%	6,842,585	145.01%	17,225,508	58.83%	75,409,898	78.56%
Investments:										
Brokered CDs	604,948	1.94%	987,275	3.20%	117,736	2.50%	567,421	1.94%	2,277,380	2.37%
Municipal Bonds	283,197	0.91%	462,177	1.50%	55,116	1.17%	265,629	0.91%	1,066,120	1.11%
US Agencies	928,896	2.98%	1,515,958	4.91%	180,783	3.83%	871,273	2.98%	3,496,910	3.64%
Sub-Total Investments	1,817,042	5.84%	2,965,410	9.61%	353,635	7.49%	1,704,322	5.83%	6,840,410	7.13%
Total Cash, Cash Equivalents & Investments	**$31,120,864**	100.00%	**$30,874,886**	100.00%	**$4,718,675**	100.00%	**$29,274,230**	100.01%	**$95,988,655**	100.00%

Portfolio Composition



Operating Funds and Other Funds Groups
Cash, Cash Equivalents and Investments by Fund - (Unaudited)
September 30, 2019

Operating Funds:

		General Fund	Road Fund	Stadium/ Fairgrounds Fund
Cash	$	4,535,941	29,845	(82,888)
Cash Equivalents		19,943,117	705,475	2,143,443
Investments		1,467,614	26,606	236,757
Total as of September 30, 2019		25,946,673	761,926	2,297,313
Total as of September 30, 2018		16,685,515	2,114,292	2,261,831
Increase (Decrease) from one year ago	$	9,261,157	(1,352,366)	35,482

Other Funds:

		Self Insurance Fund	Special Fund	Main Grant Fund
Cash	$	3,406,561	6,739,659	198,180
Cash Equivalents		1,883,635	15,341,873	-
Investments		98,225	1,606,097	-
Total as of September 30, 2019		5,388,421	23,687,629	198,180
Total as of September 30, 2018		3,585,631	20,267,304	575,105
Increase (Decrease) from one year ago	$	1,802,790	3,420,325	(376,925)

Law Library Fund	Airport Fund	Inland Parks Fund	Coastal Parks Fund	Total
28,506	(31,606)	(37,734)	(14,930)	$ 4,427,134
69,690	182,713	548,950	1,283,299	24,876,688
17,003	-	-	69,060	1,817,042
115,200	151,107	511,216	1,337,429	31,120,864
155,037	153,792	376,731	1,050,055	22,797,253
(39,837)	(2,685)	134,485	287,374	$ 8,323,610

TJJD Grant Fund	Total
-	$ 10,344,400
-	17,225,508
-	1,704,322
-	29,274,230
5,468	24,433,508
(5,468)	$ 4,840,722

Portfolio Diversity

Test of Compliance with Investment Policy

All Fund Groups as of September 30, 2019

(Unaudited)

	Current Value	%	Investment Policy Maximum
Cash Equivalents	$ 75,409,898	91.68%	90.00%
Brokered CDs	2,277,380	2.77%	75.00%
Municipal Bonds	1,066,120	1.30%	75.00%
US Agencies	3,496,910	4.25%	75.00%
Total Cash Equivalents and Investments (excludes cash in bank)	$ 82,250,308	100.00%	

Portfolio Liquidity

Test of Compliance with Investment Policy

Weighted Average Days to Maturity

Operating Funds Group as of September 30, 2019

(Unaudited)

	Fair Value	Weighted Average Days to Maturity	Investment Policy Maximum
Cash Equivalents	$ 75,409,898	1	
Brokered CDs	2,277,380	477	
Municipal Bonds	1,066,120	145	
US Agencies	3,496,910	883	
Total Cash Equivalents and Investments-Operating Fund Group Only (excludes cash in bank)	$ 82,250,308	32	364

<u>Statement of Changes in Investments</u>
as of September 30, 2019
(Unaudited)

	Beginning Balance 06/30/2019	Additions	(Subtractions)	Market Adjustment	Ending Balance 09/30/2019
Brokered CDs	$ 3,510,154	$ -	$ (1,242,000)	$ 9,226	$ 2,277,380
Municipal Bonds	2,070,730	-	(1,000,000)	(4,610)	1,066,120
US Agencies	7,235,509	-	(3,750,000)	11,401	3,496,910
Total	$ 12,816,392	$ -	$ (5,992,000)	$ 16,017	$ 6,840,409

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

	Quarterly Comparison			Year-to-Date Comparison		
	07/01/2018 09/30/2018	07/01/2019 09/30/2019	Increase/ (Decrease)	10/01/2017 09/30/2018	10/01/2018 09/30/2019	Increase/ (Decrease)
Operating Fund Group	$ 182,650	$ 227,808	$ 45,158	$ 662,636	$ 1,126,465	$ 463,829
Capital Projects Fund Group	172,009	183,775	11,767	521,428	847,395	325,967
Debt Service Fund Group	18,420	42,629	24,209	69,281	164,751	95,470
Other Funds Group	41,407	132,922	91,515	303,336	570,373	267,037
Total	$ 414,485	$ 587,135	$ 172,650	$ 1,556,681	$ 2,708,984	$ 1,152,303

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
September 30, 2019
(Unaudited)

VENDOR	Agency Feature B=Bullet C=Call S=Step	Desc.	Coupon	Yield	Duration in Yrs from Purchase	Days To MTY	Purchase Date	Maturity Date /Called Date
Wells Fargo Bank	N/A	MB	2.163%	2.163000%	0.0000	274	07/07/16	07/01/19
First Tennessee	N/A	MB	5.024%	5.024000%	3.6384	1,248	07/12/18	03/01/22
Frost Bank	N/A	FFCB	1.550%	1.550000%	2.7534	411	02/13/17	11/15/19
Raymond James & Assoc.	N/A	FFCB	1.170%	1.170000%	3.5096	470	07/11/16	01/13/20
First Tennessee	N/A	FHLMC	1.500%	1.500000%	0.0000	332	02/13/17	08/28/19
Raymond James & Assoc.	N/A	FHLMC	1.500%	1.500000%	0.0000	332	02/14/17	08/28/19
Frost Bank	N/A	FHLMC	1.750%	1.750000%	3.5397	698	02/13/17	08/28/20
First Tennessee	N/A	FNMA	1.260%	1.450000%	0.0000	306	02/13/17	08/02/19
Raymond James & Assoc.	N/A	CD	3.000%	3.000000%	3.0027	1,016	07/12/18	07/12/21
Wells Fargo Bank	N/A	CD	2.050%	2.050000%	0.0000	289	07/08/14	07/16/19
Raymond James & Assoc.	N/A	CD	2.100%	2.100000%	0.0000	330	08/26/15	08/26/19
Raymond James & Assoc.	N/A	CD	3.000%	3.000000%	3.0027	1,017	07/13/18	07/13/21
Wells Fargo Bank	N/A	CD	1.900%	1.900000%	0.0000	296	07/09/14	07/23/19
Frost Bank	N/A	CD	3.000%	3.000000%	3.0055	1,023	07/18/18	07/19/21
Raymond James & Assoc.	N/A	CD	2.050%	2.050000%	5.0110	698	08/26/15	08/28/20
Raymond James & Assoc.	N/A	CD	1.850%	1.850000%	5.0110	698	08/26/15	08/28/20
Raymond James & Assoc.	N/A	CD	1.800%	1.800000%	4.5123	516	08/26/15	02/28/20
First Tennessee	N/A	CD	2.900%	2.900000%	2.0027	655	07/16/18	07/16/20
First Tennessee	N/A	CD	3.050%	3.050000%	3.0055	1,023	07/18/18	07/19/21
Wells Fargo Bank	N/A	CD	1.850%	1.850000%	0.0000	284	07/08/14	07/11/19
Wells Fargo Bank	N/A	CD	1.800%	1.800000%	0.0000	296	07/08/14	07/23/19
Frost Bank	N/A	CD	2.750%	2.750000%	2.2521	761	07/31/18	10/30/20
				2.059473%	**1.7673**	**529**		**Totals**

Description Index:

CD - Brokered Certificates of Deposit

FFCB - Federal Farm Credit Bureau

FHLB-Federal Home Loan Bank

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 maturity and are calculated based on Yields, Duration, Days to Maturity, Purchase Prices, and Totsl Purchase

Listing of All Investments and Ladder Placement
September 30, 2019
(Unaudited)

Par Amount	**Purchase Price**	**FMV 06/30/19**	**Additions (Subtractions)**	**Market Adjustments Increase (Decrease)**	**FMV 09/30/2019**	**Short-term Ladder <=12 mos**	**Mid-term Ladder > 12 mos < 3.5 yrs**	**Long-term Ladder 3.5 to 5 yrs**
1,000,000	1,025,960	1,000,000	(1,000,000)	-	-	-	-	-
1,000,000	1,065,640	1,070,730	-	(4,610)	**1,066,120**	-	-	1,066,120
1,500,000	1,500,000	1,497,743	-	1,768	**1,499,511**	-	1,499,511	-
1,000,000	1,000,000	994,192	-	3,878	**998,070**	-	-	998,070
1,500,000	1,500,000	1,498,088	(1,500,000)	1,912	-	-	-	-
750,000	750,000	749,044	(750,000)	956	-	-	-	-
1,000,000	1,000,000	998,078	-	1,251	**999,329**	-	-	999,329
1,500,000	1,500,000	1,498,365	(1,500,000)	1,635	-	-	-	-
250,000	250,000	253,941	-	1,351	**255,292**	-	255,292	-
248,000	248,000	247,962	(248,000)	38	-	-	-	-
250,000	250,000	249,906	(250,000)	94	-	-	-	-
250,000	250,000	253,946	-	1,354	**255,300**	-	255,300	-
248,000	248,000	247,950	(248,000)	50	-	-	-	-
250,000	250,000	253,972	-	1,375	**255,347**	-	255,347	-
250,000	250,000	249,590	-	999	**250,589**	-	-	250,589
250,000	250,000	249,015	-	1,117	**250,132**	-	-	250,132
250,000	250,000	250,053	-	309	**250,362**	-	-	250,362
250,000	250,000	251,846	-	340	**252,186**	-	252,186	-
250,000	250,000	254,222	-	1,347	**255,569**	-	255,569	-
248,000	248,000	247,960	(248,000)	40	-	-	-	-
248,000	248,000	247,953	(248,000)	47	-	-	-	-
250,000	250,000	251,837	-	766	**252,603**	-	252,603	-
12,742,000	**12,833,600**	**12,816,392**	**(5,992,000)**	**16,017**	**6,840,410**	**-**	**3,025,807**	**3,814,603**
					Investment Ladder Targets	7,000,000	25,000,000	8,000,000
					Investment Funds: Available/(Exceeded)	7,000,000	21,974,193	4,185,398

Listing of All Broked CDs and Ladder Placement
September 30, 2019
(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
Raymond James & Assoc.	ALLY BANK	3.000%	3.000000%	3.0027	651	07/12/18	07/12/21	250,000
Wells Fargo Bank	BARCLAYS BANK DELAWARE	2.050%	2.050000%	0.0000	-	07/08/14	07/16/19	248,000
Raymond James & Assoc.	CAPITAL ONE BANK USA NA	2.100%	2.100000%	0.0000	-	08/26/15	08/26/19	250,000
Raymond James & Assoc.	CITIBANK NA	3.000%	3.000000%	3.0027	652	07/13/18	07/13/21	250,000
Wells Fargo Bank	CUSTOMERS BANK	1.900%	1.900000%	0.0000	-	07/09/14	07/23/19	248,000
Frost Bank	DISCOVER BANK	3.000%	3.000000%	3.0055	658	07/18/18	07/19/21	250,000
Raymond James & Assoc.	EVERBANK / JACKSONVILLE FL	2.050%	2.050000%	5.0110	333	08/26/15	08/28/20	250,000
Raymond James & Assoc.	FARMERS & MERCHANT BK WISC	1.850%	1.850000%	5.0110	333	08/26/15	08/28/20	250,000
Raymond James & Assoc.	FIRST SOURCE BANK	1.800%	1.800000%	4.5123	151	08/26/15	02/28/20	250,000
First Tennessee	FIRST TECHNOLOGY FEDERAL	2.900%	2.900000%	2.0027	290	07/16/18	07/16/20	250,000
First Tennessee	GOLDMAN SACHS BANK	3.050%	3.050000%	3.0055	658	07/18/18	07/19/21	250,000
Wells Fargo Bank	METROPOLITAN CAPITAL BANK	1.850%	1.850000%	0.0000	-	07/08/14	07/11/19	248,000
Wells Fargo Bank	OHIO VALLEY BANK GALLIP	1.800%	1.800000%	0.0000	-	07/08/14	07/23/19	248,000
Frost Bank	UNITED BANKERS	2.750%	2.750000%	2.2521	396	07/31/18	10/30/20	250,000
	Weighted Average		2.365349%	2.2054	295		TOTAL	3,492,000

† 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
September 30, 2019
(Unaudited)

Face Value 06/30/19	Additions	(Maturities)	Market Adjustments Increase (Decrease)	Market Value 09/30/19	Short-term Ladder <=12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
253,941	-	-	1,351	255,292	-	255,292	-
247,962	-	(248,000)	38	-	-	-	-
249,906	-	(250,000)	94	-	-	-	-
253,946	-	-	1,354	255,300	-	255,300	-
247,950	-	(248,000)	50	-	-	-	-
253,972	-	-	1,375	255,347	-	255,347	-
249,590	-	-	999	250,589	-	-	250,589
249,015	-	-	1,117	250,132	-	-	250,132
250,053	-	-	309	250,362	-	-	250,362
251,846	-	-	340	252,186	-	252,186	-
254,222	-	-	1,347	255,569	-	255,569	-
247,960	-	(248,000)	40	-	-	-	-
247,953	-	(248,000)	47	-	-	-	-
251,837	-	-	766	252,603	-	252,603	-
3,510,153	-	(1,242,000)	9,227	2,277,380	-	1,526,297	751,083

Listing of All Municipal Bonds and Ladder Placement
September 30, 2019
(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 St Brd of Adm Fin Corp Rev (GO)	2.163%	2.16%	0.0000	-	07/07/16	07/01/19
First Tennessee	AA	New York NY Build America Bonds	5.024%	5.02%	3.6384	883	07/12/18	03/01/22
		† Weighted Averages		**3.59%**	**1.8192**	**442**		**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
September 30, 2019
(Unaudited)

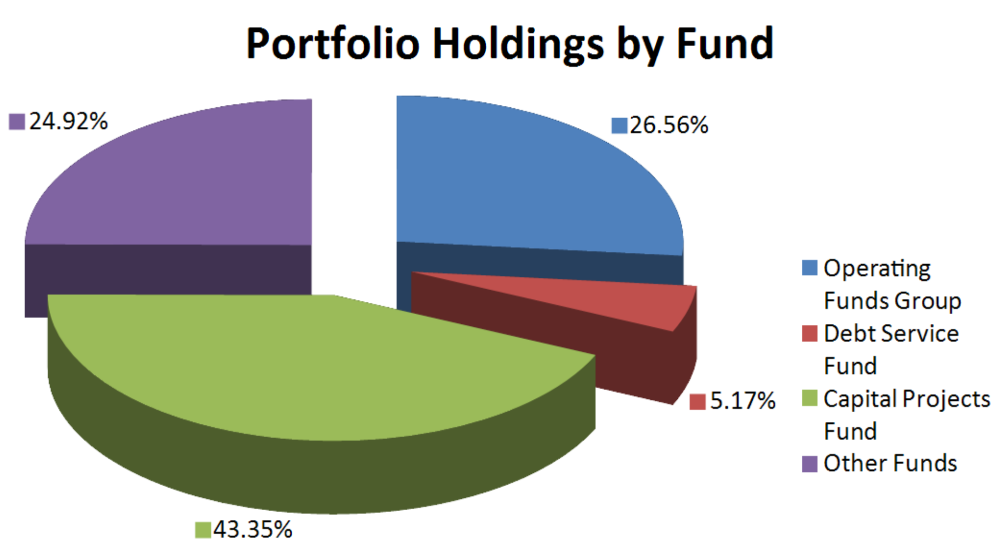
Par Amount	Purchase Price	FMV 06/30/19	Additions (Subtractions)	Market Adjustments Increase (Decrease)	FMV 09/30/19	Short-term Ladder <=12 mos	Mid-term Ladder > 12 mos < 3.5 yrs	Long-term Ladder 3.5 to 5 yrs
1,000,000	1,025,960	1,000,000	(1,000,000)	-	-	-	-	-
1,000,000	1,065,640	1,070,730	-	(4,610)	**1,066,120**	-	-	1,066,120
2,000,000	**2,091,600**	**2,070,730**	**(1,000,000)**	**(4,610)**	**1,066,120**	**-**	**-**	**1,066,120**

Portfolio Holdings by Fund

September 30, 2019

(Unaudited)

Fund	Operating Funds Groups:			
11	General Fund	$1,467,614		21.46%
12	Road & Bridge Fund	26,606		0.39%
14	Stadium & Fairgrounds Fund	236,757		3.46%
15	Law Library Fund	17,003		0.25%
16	Airport Fund	-		0.00%
17	Inland Parks Fund	-		0.00%
18	Coastal Parks Fund	69,060		1.01%
	Sub-Total Operating Funds		**$1,817,042**	26.56%
09	**Debt Service Fund**		**353,635**	5.17%
19	**Capital Projects Fund**		**2,965,410**	43.35%
	Other Funds Groups:			
10	Self Insurance Fund	98,225		1.44%
13	Special Revenue Fund	1,606,097		23.48%
	Sub-total Other Funds		**1,704,322**	24.92%
	Total Holdings at Current Market Value		**$6,840,410**	100.00%



Distribution of Investments by

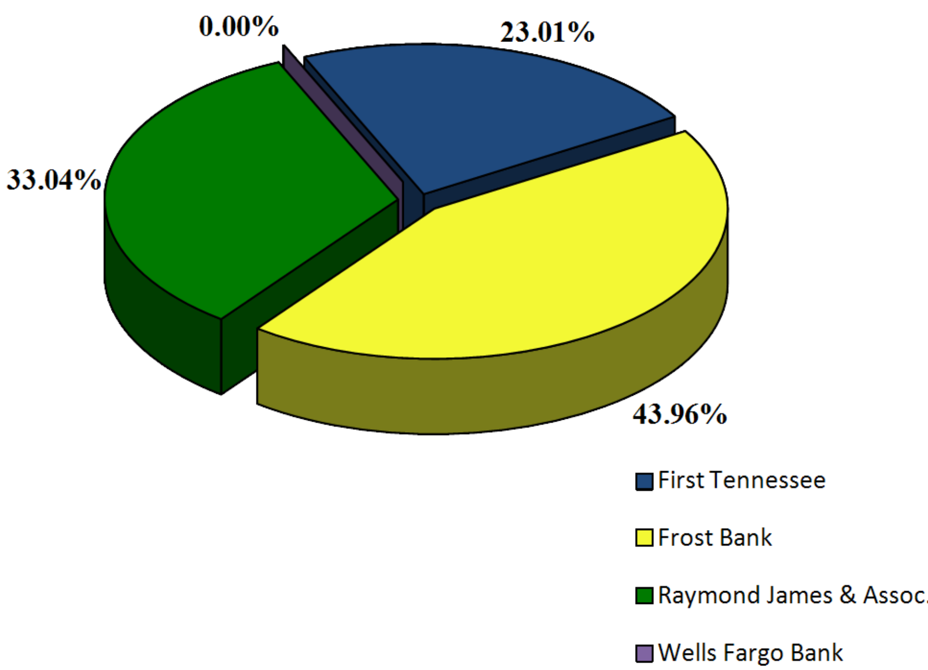
Broker/Dealer/Financial Institutions

September 30, 2019

(Unaudited)

	Fair Market Value	Distribution %
First Tennessee	$1,573,876	23.01%
Frost Bank	3,006,790	43.96%
Raymond James & Assoc.	2,259,745	33.04%
Wells Fargo Bank	-	0.00%
Total	$6,840,410	100.00%

Broker/Dealer Investment Distribution



Distribution of Investments by

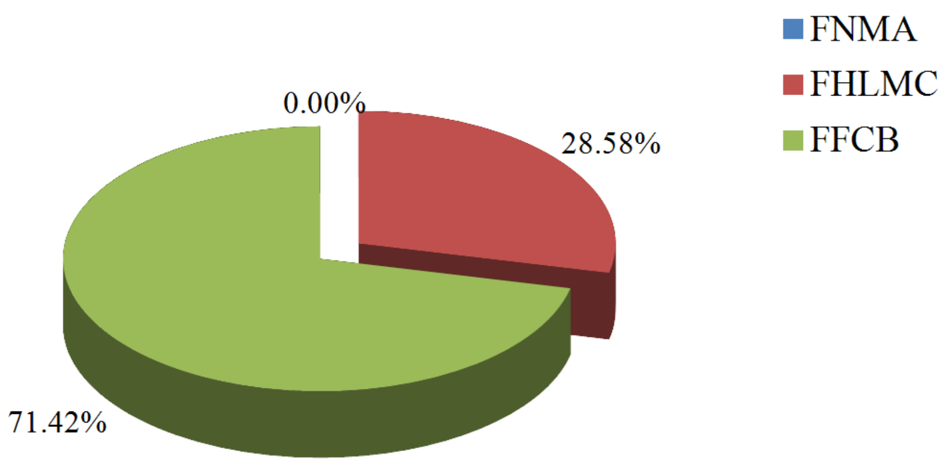
U. S Agencies Issuers

September 30, 2019

(Unaudited)

Agency		Fair Market Value	Distribution %
Fannie Mae	FNMA	-	0.00%
Fed Home Loan Freddie Mac	FHLMC	999,329	28.58%
Federal Farm Credit Bank	FFCB	2,497,581	71.42%
		$3,496,910	100.00%

Distribution of Investments by
U. S. Agency Issuers

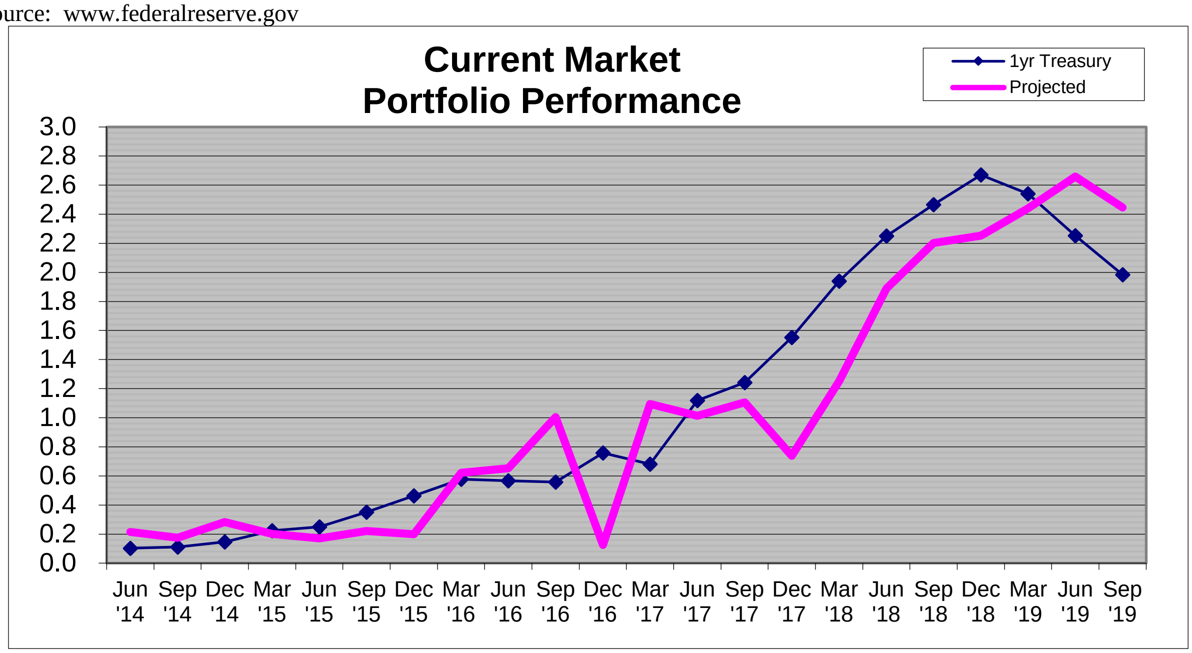


Investments Performance
Compared to One-Year Treasury
September 30, 2019
(Unaudited)

Quarter Ended	County Qrtly Avg Yield	Projected Annual County Yield	* 1yr Treasury
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	0.163%	0.621%	0.567%
Sep-16	0.251%	0.893%	0.556%
Dec-16	0.031%	0.133%	0.757%
Mar-17	0.274%	1.125%	0.680%
Jun-17	0.253%	0.997%	1.120%
Sep-17	0.276%	1.073%	1.240%
Dec-17	0.185%	0.797%	1.553%
Mar-18	0.313%	1.306%	1.940%
Jun-18	0.472%	1.889%	2.250%
Sep-18	0.551%	2.203%	2.467%
Dec-18	0.563%	2.252%	2.670%
Mar-19	0.610%	2.439%	2.540%
Jun-19	0.665%	2.659%	2.253%
Sep-19	0.612%	2.446%	1.985%

* 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

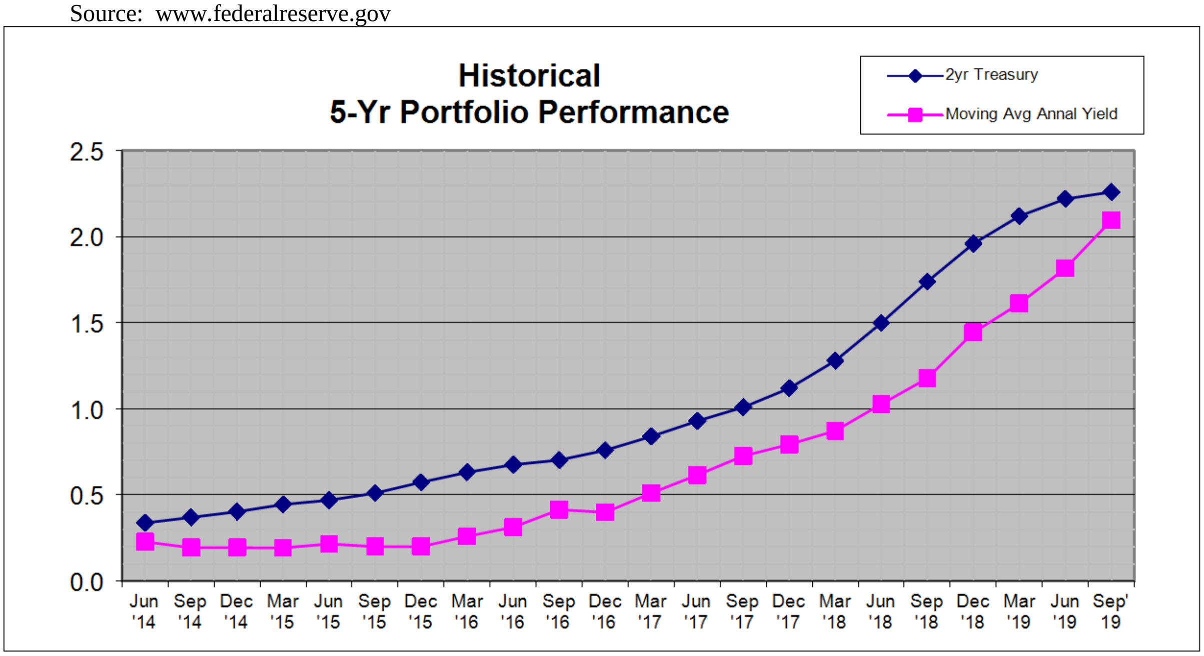


Investments Performance
Compared to Two-Year Treasury
September 30, 2019
(Unaudited)

Quarter Ended	County Two Year Moving Avg Annual Yield	* 2 yr Treasury (CMT)
Sep-14	0.194%	0.370%
Dec-14	0.194%	0.403%
Mar-15	0.193%	0.445%
Jun-15	0.216%	0.470%
Sep-15	0.200%	0.511%
Dec-15	0.200%	0.574%
Mar-16	0.260%	0.632%
Jun-16	0.313%	0.676%
Sep-16	0.415%	0.703%
Dec-16	0.399%	0.760%
Mar-17	0.511%	0.840%
Jun-17	0.616%	0.930%
Sep-17	0.727%	1.010%
Dec-17	0.794%	1.120%
Mar-18	0.873%	1.280%
Jun-18	1.028%	1.500%
Sep-18	1.178%	1.740%
Dec-18	1.444%	1.960%
Mar-19	1.612%	2.120%
Jun-19	1.817%	2.200%
Sep-19	2.096%	2.260%

* 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
September 30, 2019
(Unaudited)

Month	TexPool Average Monthly Rates	TexPool Prime Average Monthly Rates	Texas Class Average Monthly Rates	Depository (Note 1) Bank Rates
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%	2.0196%	2.16%	1.52%
July '18	1.8896%	2.1642%	2.24%	1.55%
August '18	1.9205%	2.1805%	2.24%	1.61%
September '18	1.9953%	2.2086%	2.26%	1.68%
October '18	2.1438%	2.3317%	2.34%	1.77%
November '18	2.2030%	2.3943%	2.42%	1.99%
December '18	2.2872%	2.4927%	2.50%	2.12%
January '19	2.3892%	2.6067%	2.62%	2.03%
February ‘19	2.3972%	2.5922%	2.63%	2.06%
March '19	2.4164%	2.5907%	2.61%	2.04%
April '19	2.4344%	2.5835%	2.58%	2.06%
May '19	2.4005%	2.5468%	2.56%	2.03%
June '19	2.3812%	2.5226%	2.50%	2.01%
July '19	2.3876%	2.4998%	2.41%	1.80%
August '19	2.1715%	2.3470%	2.28%	1.75%
September '19	2.1635%	2.2749%	2.20%	1.60%

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.