

#4 9B4
FEB 09 2016

Consent-Treasurer

Commissioners' Court-Regular Meeting

TO: Montgomery County Commissioners' Court

FROM: Stephanie Davenport, Treasurer

DATE: 02/09/2016

SUBJECT: CONSIDER AND APPROVE THE ACCEPTANCE OF THE QUARTERLY
INVESTMENT REPORT FOR QUARTER ENDING DECEMBER 2015.

Attachments

QUARTERLY INVESTMENT REPORT 4Q 2015

#4 934

FEB 09 2016



STEPHANNE DAVENPORT
MONTGOMERY COUNTY TREASURER
501 North Thompson, Suite 201, Conroe, Texas 77305
P.O. Box 1307, Conroe, Texas 77305

January 15, 2016

To: COMMISSIONERS COURT AND INVESTMENT COMMITTEE
From: STEPHANNE DAVENPORT, COUNTY TREASURER
RE: QUARTERLY INVESTMENT REPORT FOR QUARTER ENDING DECEMBER 31, 2015.

I have attached the Quarterly Investment Report for Quarter, October through December 2015. Interest earnings on investments for the quarter were as follows:

\$ 67,991.24 Direct Investments
57,260.79 Money Market Funds and Pools
417.92 Woodforest General A/C 68080
53,025.34 Woodforest General Disbursement A/C 323170

\$ 178,695.29 Total Interest Earned for Quarter July -- September 30, 2015.

This represents a high interest of .61% (AVG) from Woodforest National Bank to a low interest of 0.030% from Chase.

The interest earned for the prior quarter, July -- Sept. 2015 was \$109,151.85.

Please call if you have any questions.

cc: Phyllis Martin, County Auditor
J.D. Lambright, County Attorney

QUARTERLY INVESTMENT REPORT FOR PERIOD ENDED DECEMBER 31, 2015

SUBMITTED TO: COMMISSIONERS COURT, MONTGOMERY COUNTY

PREPARED BY: JAN AVERY, ASST. INVESTMENT OFFICER
PREPARED FOR STEPHANNE DAVENPORT, COUNTY TREASURER



This report is made in accordance with provisions of Govt. code 2256, The Public Funds Investment Act, amended effective September 1, 2011, which require quarterly reporting of investment transactions for county funds to the Commissioners Court. The investments held in Montgomery County's portfolio comply with the Public Funds Investment Act and with the County's Investment Policy and Strategies.

CASH AVAILABILITY

Cash in our depository banks is kept at a minimum with excess funds being invested and matured to meet payroll and accounts payable requirements. A cash report is now received daily from Amegy Bank and Woodforest National Bank. The Treasurer's office accesses the Woodforest National Bank and Amegy Bank cash accounts and the Tax Assessor-Collector accesses the account at Amegy Bank on a daily basis. Cash in Woodforest National Bank, our depository bank, for the quarter of July through September for the past two years as follows:

	Avg. Daily Coll. Balance 2015	Last Day of Month	Avg. Daily Coll. Balance 2014	Last Day of Month
OCTOBER	79,966,688.49	30	64,883,281.84	31
NOVEMBER	73,581,323.00	30	66,841,626.27	26
DECEMBER	82,033,721.79	31	66,231,693.62	31

Woodforest National Bank renewed a four year depository contract with Montgomery County on May 13, 2011. Amegy Bank was selected as bank depository for the Tax Assessor-Collector's accounts and also renewed for four years. JP Morgan Chase is a Participating Bank for the county and renewed for four years also. All of our depository contracts will expire on May 13, 2015. We will have to go out for bids again in early 2015, or exercise the option of extending the contract for 2 years. **We exercised the option on Woodforest National Bank, Amegy Bank and JP Morgan Chase Bank to extend the contracts until 2017.**

INVESTMENTS

	Amt of Dollars Invested 2015	Amt of Dollars Invested 2014
October	160,233,958.46	158,991,704.62
November	160,233,958.46	144,998,159.78
December	214,176,220.27	235,027,043.44

PERFORMANCE MEASUREMENT

I currently have \$ 214,201,225.42 , invested as of 01/01/20016. This figure includes interest earned at 12/31/2015. \$ 1,445,475.22 , is invested in Funds Management, Inc. (Cash Account Trust). Breakdown for quarter below:

	Principal	Interest Earned	
Combo	0.00	596,081.87	
Road Bonds 2003A	0.00	0.00	closed 9/23/15
C/P - CO 2006	0.00	43,201.43	
C/P - Road Bonds (FR) 2006A	0.00	0.00	closed 9/23/15
C/P - Road Bonds (VR) 2006B	0.00	298,994.68	
C/P - CO 2008	126,000.00	71,577.72	
C/P - Road Bonds (VR) 2008B	196,227.91	113,391.61	
C/P - Revenue Tax Bonds 2009	0.00	0.00	closed 9/23/15

Our funds invested with Funds Management were paid an average for the 30 day period ending 12/31/2015 of 0.08%

Our funds invested with Provident Institutional Funds (Institutional Money Market Funds) are currently \$4,622,444.18.

	Principal	Interest Earned
Combo	3,605,942.75	1,016,501.43

Average yield for the period December 31, 2015 was 0.92%.

INVESCO (AIM) Institutional Funds currently has \$ 3,236,706.66 invested in it f for quarter below:

	Principal	Interest Earned	
Combo	2,085,488.96	1,115,419.46	
C/P - CO 2008	0.00	35,818.24	
C/P - Revenue Tax Bonds 2009	0.00	0.00	closed 9/23/15

Average yield for the month of December 2015 0.08% (30 day yield).

Lone Star Investment Pool has \$398,997.57 invested in it.

	Principal	Interest Earned
General Fund	270,441.06	128,556.51

Interest rate for December 2015 was 0.17%

TexStar Investment Pool has \$3,609,608.23 in it. Interest rate for December 2015 was .1868%.

	Principal	Interest Earned
	\$3,544,306.78	\$65,301.45

Logic Account-2012A has \$2,465,761.13. Interest at December 31, 2015 was .2331%

	Principal	Interest Earned
	\$2,428,000.00	\$37,761.13

Logic Account- General Fund has \$40,835,281.06. Interest at December 31, 2015 was 0.2331%.

	Principal	Interest Earned
	\$40,772,461.02	\$62,820.04

Logic Account - Road & Bridge has \$ 24,536,926.52. Interest at December 31, 2015 was 0.2331%.

	Principal	Interest Earned
	\$24,500,000.00	\$36,926.52

Logic Account - Adult Probation has \$1,379,461.01. Interest at December 31, 2015 was 0.2331%.

	Principal	Interest Earned
	\$1,377,123.47	\$2,337.54

TexPool has \$1,114,508.99 invested currently.

	Principal	Interest Earned
Debt Service	\$ 525,000.00	\$ 24,999.59
Bail Bond	\$ 12,097.73	10 year Investment, no records
Elections	\$ 450,000.00	\$ 9,359.86
General Fund	\$ -	\$ 93,051.81

Tex Pool's average monthly yield for December 2015 on a simple basis , was 0.26%.

Chase High Balance Savings Account has a balance of \$12,222,981.38 at the end of December 2015.

	Principal	Interest Earned
	\$ 12,065,226.89	\$ 157,754.49

Interest rate at the end of December 2015 was 0.03%

Texas Class had \$63,360,242.15 balance as of December 31, 2015.

Principal	Interest Earned
\$63,172,872.22	\$187,369.93

Interest rate at the end of December 2015 was .34%

FICA (Federally Insured Cash Account) has a balance of \$ 7,520,950.46 at the end of December 2015

Debt Service	Principal	Interest Earned
	\$7,485,318.12	\$35,632.34

Interest rate at the end of December 2015 was 0.15%.

FICA (Federal Insured Cash Account) - General Fund has a balance of \$27,549,575.30 at the end of December 2015.

Opened 5/14/14	Principal	Interest Earned
	\$27,500,000.00	\$49,575.30

Interest rate at the end of December 2015 was 0.15%.

Direct Investments

Maturity

Coastal Securities-FFCB	9,925,177.78	0.75680%	12/29/16	9,925,177.78	
Oppenheimer & Co-FAMK	9,977,127.78	0.23057%	1/14/16	9,977,127.78	
					19,902,305.56

Total Direct Investments as of March 31, 2015

COLLATERAL ADEQUACY

Collateral pledged by our depository banks was sufficient for the quarter to cover all accounts in the banks. We submit monthly reports of securities pledged which includes the description of the securities, par and market value of the securities, and bank account balances on each of our depository banks. This information is collected as prescribed by our Investment Policy and submitted to Commissioners Court at the end of each month.

Investment reports for the first and end of the quarter are attached.

SAS 99

SAS 99 requires the auditor to identify and assess risk that may result in a misstatement due to fraud. The Treasurer, as the Chief Investment Officer, acknowledges that risks may occur. Risks may be associated with the selection of broker/dealers, diversification of investments and investment limitations. Through adherence to the Investment Policy and the Internal Controls listed in the policy, these risks are reduced. The Treasurer is actively reducing investment risk in several ways. Applications for broker/dealers are reviewed and selected by the Treasurer and the Investment Committee. A new position was established for an Assistant Investment Officer to analyze and assist with investments. To reduce the risk of diversification of investments and investment limitations, reports of investments purchased are prepared for Commissioners Court and audited by the Auditor's office. Lastly, to protect against potential fraud and embezzlement, the investments are secured through third party custody and safekeeping procedures. These programs and controls should mitigate the risk that may result in a misstatement due to fraud.

POOLED FUNDS

QUARTER ENDING DECEMBER 31, 2015

	Cash Account Trust Funds Management	BlackRock Provident	INVESCO AIM	Combo
Beginning Balance				
October 1, 2015	596,002.24	4,621,968.53	3,200,499.05	0.00
Additions:				
October	0.00	0.00	0.00	0.00
Oct. Interest	20.25	39.37	108.19	0.00
November	0.00	0.00	0.00	0.00
Nov. Interest	19.60	75.11	104.70	0.00
December	0.00	0.00	0.00	0.00
Dec. Interest	39.78	361.17	176.48	0.00
Withdrawals:				
October	0.00	0.00	0.00	0.00
November	0.00	0.00	0.00	0.00
December	0.00	0.00	0.00	0.00
Ending Balance				
December 31, 2015	596,081.87	4,622,444.18	3,200,888.42	0.00

Stephanne Davenport
County Treasurer

01/15/16

MONTGOMERY COUNTY INVESTMENTS BY MATURITY DATE

MATURITY DATE	INVESTMENT ID	TYPE	DESCRIPTION INSTITUTION SECURITY NUMBER	PURCHASE SOLD 1ST PAY	PURCHASE AMOUNT SALE AMOUNT POSTED INTEREST	DISCOUNT/PREMIUM ACCRUED INTEREST	FACE VALUE	YIELD COUPON INT DATE	PRIO BASIS DAYS
	AIM C/P CO 2008	GA	GOVT - 62080 AIM CO 2008 FUNDING:	07/30/10 CO 2008	35,818.24 1.97 35,818.24		35,818.24	.02000 .00000 12/30/15	M P
	AIM FUNDS	GA	GOVERNMENT-62038 AIM INSTITUTIONAL FUNDS COMBO FUNDING:	12/28/10	3,200,888.42 .00 176.48	3,200,888.42		.00000 .00000 12/31/15	E P
	AIM REV BD 2009	GA	GOVT - 62168 AIM REV BD 2009 FUNDING:	04/13/10 09/23/14 REV BD09	.00 .00 .00	.00	.00	.00000 .00000 09/01/15	E P 31
	RAIL BONDS	GA	GOVT SECURITIES TEXPOOL-1700600002 RAIL BOND ADM FUNDING:	05/07/10 RAIL BDS	12,097.73 1.91 12,097.73	12,097.73		.00000 .00000 12/31/15	E P
	CHASE HB SAVGS		00090183181300 -CHASE JP MORGAN CHASE FUNDING:	02/11/11	12,222,981.38 310.70 1,438,798.25	12,222,981.38		.03000 .00000 12/31/15	M D
	DEBT SERVICE	GA	GOVT POOL TexPool 1700600005 FUNDING:	04/14/10 Debt Svc	549,999.59 .00 87.00	549,999.59		.00000 .00000 12/31/15	E P
	ELECTIONS	GA	GOVT POOL-1700600003 TexPool ELECTIONS FUNDING:	04/14/10 ELECTION	459,359.86 .00 72.70	459,359.86		.00000 .00000 12/31/15	E P
	FIGA		U.S. BANK, N.A. 104791113871 FUNDING:	08/28/13 DEBTSRV	7,520,950.46 957.37 7,520,950.46	7,520,950.46		.13000 .00000 12/31/15	E P
	FIGA-GEN. FUND		104791113871-SUB-GR U S BANK, NA FUNDING:	05/14/14 DEBTSRV	27,549,575.30 3,506.89	27,549,575.30		.13000 .00000 12/31/15	M D

RUN DATE 01/15/16 TIME 10:30:38

FBI - INVESTMENT MANAGER

01/15/16

MONTGOMERY COUNTY
INVESTMENTS BY MATURITY DATE

MATURITY DATE	INVESTMENT ID	TYPE	DESCRIPTION INSTITUTION SECURITY NUMBER	PURCHASE SOLD 1ST PAY	PURCHASE DATE	AMOUNT SALE AMOUNT POSTED INTEREST	DISCOUNT/ ACCRUED INTEREST	FACE VALUE PREMIUM	YIELD COUPON	FREQ BASIS
	FM C/P CO 2006	GA	GOVT-654-0001607 FUNDS MGMT CO - SER 2006 FUNDING:	GENERAL	04/13/10	43,201.43 .00 2.88		43,201.43	.00000	E
	FM C/P CO 2008	GA	GOVT-654-0001705 FUNDS MGMT CO 2008 FUNDING:	CP CO 06	04/14/10	43,201.43 197,577.72 13.18		197,577.72	.00000	E
	FM CP RB 2008B	GA	GOVT-654-0001706 FUNDS MGMT RB 2008B FUNDING:	CO 2008	07/30/10	309,619.52 .00 20.66		309,619.52	.00000	E
	FM RB(FR) 2006A	GA	GOVT-654-0001608 FUNDS MGMT CP RB 2006A FUNDING:	RB 2008B	07/30/10 09/23/15	.00 .00 .00		.00	.00000	E
	FM RB (VR) 2006B	GA	GOVT-654-0001609 FUNDS MGMT FUNDING:	RB (VR) 6B	07/30/10	298,994.68 .00 19.95		298,994.68	.00000	E
	FM RD BD 2003A	GA	GOVT FUNDS Mgmt-654-0001524 RD BDS 2003A FUNDING:	RB 2003A	04/14/10 09/23/15	.00 .00 .00		.00	.00000	E
	FM REV BD 2009	GA	GOVT-654-0001729 FUNDS MGMT REV BD 2009 FUNDING:	REV BD09	07/30/10 09/23/15	.00 .00 .00		.00	.00000	E
	FUNDS MGMT	GA	GOVT SECURITIES FUNDS Mgmt-654-0001158 COMBO FUNDING:	ADLT SVC GENERAL RD BD 04 RD-BR RDSD 08A	05/12/10	596,081.87 .00 39.78		596,081.87	.00000	E
	GENERAL FUND	GA	GOVERNMENT SECURITIES TRXPOL-1700600004 GENERAL FUND FUNDING:	GENERAL	05/12/10	93,051.81 .00 14.70		93,051.81	.00000	E
	LOGIC	GA	CO BONDS SERIES 2012 JP MORGAN-6000558001	GENERAL		2,465,761.13 .00		2,465,761.13	.00000	E

RUN DATE 01/15/16 TIME 10:30:38

PET - INVESTMENT MANAGER

01/15/16

MONTGOMERY COUNTY
INVESTMENTS BY MATURITY DATE

PAGE 3

MATURITY DATE	INVESTMENT ID	TYPE	DESCRIPTION INSTITUTION SECURITY NUMBER	PURCHASE SOLD 1ST PAY	PURCHASE AMOUNT SALE AMOUNT POSTED INTEREST	FACE VALUE DISCOUNT/PREMIUM ACCRUED INTEREST	YIELD COUPON INT DATE	FREQ BASIS DAYS
	LOGIC - R & B	LOGIC	6000558003 JP MORGAN CHASE ROAD & BRIDGE FUNDING:	CO BD 12	2,465,761.13	24,536,926.52	12/31/15	E
	LOGIC INVESTMENT	GA	GOVT POOL LOGIC INVESTMENT 6000558002 FUNDING:	01/15/14	40,835,281.06	40,835,281.06	12/31/15	E
	LOGIC-ADULT SER	GA	6000558004 JP MORGAN ADULT SERVICES FUNDING:	08/01/14	1,379,461.01	1,379,461.01	12/31/15	E
	LOVE STAR POOL	GA	GOVERNMENT SECURITIES 170275 COMBO FUNDING:	12/17/10	398,997.57	398,997.57	12/31/15	E
	PROVIDENT	GA	GOVERNMENT SECURITIES PROVIDENT-16903 COMBO FUNDING:	02/08/11	4,622,444.18	4,622,444.18	12/31/15	E
	TEXAS CLASS	GA	GOVT POOL TEXAS CLASS 0312-2001 FUNDING:	01/06/12	63,360,242.15	63,360,242.15	12/31/15	E
	TEXSTAR POOL	GA	GOVERNMENT SECURITIES TEXSTAR-170221311 GENERAL FUND FUNDING:	12/21/10	3,609,608.23	3,609,608.23	12/31/15	E
	TOTALS FOR DATE				194,298,919.86	194,298,919.86		
12/30/15	FIRST SOUTHWEST	GA	FHLB COMPASS BANK 3130AOKO FUNDING:	12/31/14	25,005.15	25,005.15	12/31/15	E

RUN DATE 01/15/16 TIME 10:30:38

PRI - INVESTMENT MANAGER

01/15/16

MONTGOMERY COUNTY
INVESTMENTS BY MATURITY DATE

PAGE 4

MATURITY DATE	INVESTMENT ID	TYPE	DESCRIPTION INSTITUTION SECURITY NUMBER	PURCHASE DATE	PURCHASE AMOUNT	SALE AMOUNT	DISCOUNT/PREMIUM	FACE VALUE	YIELD	FREQ
01/14/16	FPMAC-OPENHEIM	GA	FARMER DISC NOTE COMPASS 31315XR06 FUNDING:	01/21/15	9,977,127.78	.00	10,000,000.00	.23	.23050	E
				GENERAL	9,977,127.78	.00		.00	.00000	D
										360
12/29/16	CONSTAL SECURIT	GA	FARMER MAC DISC COMPASS BANK 31315XV23 FUNDING:	12/31/15	9,925,177.78	.00	10,000,000.00	.48	.75658	E
				GENERAL	9,925,177.78	.00		.00	.00000	F
TOTAL REPORT					214,201,225.42	.00	214,298,919.86	99.71		
					25,005.15	.00		.00		