



Laura Taylor Davis
Brazos County Treasurer
ldavis@co.brazos.tx.us

200 S. Texas Avenue, Ste 240
Bryan, Texas 77803
Tel: 979-361-4345

DATE: 07/20/2015

TO: Hon. Duane Peters, County Judge
Hon. Lloyd Wassermann, Commissioner
Hon. Sammy Catalina, Commissioner
Hon. Kenny Mallard, Commissioner
Hon. Irma Cauley, Commissioner
Candy Gallego, Administrative Assistant

FROM: Laura Taylor Davis, County Treasurer

RE: Quarter Ending 06/30/2015 Investment Report

This report is made in accordance with provisions of Gov.Code 2256, The Public Funds Investment Act, which requires quarterly reporting of investment transactions to the Commissioners' Court.

The Brazos County Investment portfolio earned an average yield of 0.0567% on the quarterly *average balance* of \$2,352,407.66 invested with TexPool for the period ending 06/30/2015. Investment interest deposited during the quarter was \$322.90 Total year to date interest deposited was \$783.32. Actual ending balance invested at 06/30/2015 was \$2,352,518.58.

The average rate of interest earned on the depository checking account balances for the quarter ending 06/30/2015 was 0.25% netting \$59,445.45 for the quarter end on an *average depository investable balance* of \$95,368,379.63. Total year to date interest earned was \$167,820.94

Total interest earned for quarter ending 06/30/2015 was \$59,768.35 for a total year-to - date of balance of \$168,604.26.

Investment Strategy

The Brazos County Investment Strategy will remain unchanged, keeping investments very short-termed & liquid. With the safety of principal as the foremost objective of the County's investment policy followed by liquidity and yield - it seems prudent to continue keeping the majority of available funds in the County's depository where all funds are 110% collateralized. With the Brazos County depository contract Brazos County earns a fixed rate of 0.25% on the funds held in the checking accounts for the term of the contract.

As a source of information on the market attached to this report is a copy of the 07/13/2015 Funds Management Group, Inc. - Money Market Rate Review and commentary.

For diversification the County has an investment account with TexPool that provides the safety of an overnight market.

Summary of Portfolio Changes

The deposit of interest is the only portfolio change to balances at this time and the **Weighted Average Maturity** of investments remains at 1 day due to the liquidity of funds invested with TexPool and on deposit at Branch Banking & Trust.

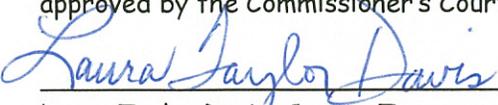
FY 2015 INTEREST RATES AND EARNINGS BY MONTH

	TexPool Interest	Interest Rate	Cking Acct Interest	Earnings Credit Rate
October 2014	53.46	0.0300	14,996.89	0.2500
November 2014	55.17	0.0300	14,394.82	0.2500
December 2014	83.48	0.0400	15,542.79	0.2500
Q/E 12/31/2014	192.11	0.0333	44,934.50	0.2500
January 2015	92.88	0.0500	20,689.36	0.2500
February 2015	79.54	0.0400	20,836.14	0.2500
March 2015	95.89	0.0500	21,915.49	0.2500
Q/E 03/31/2015	268.31	0.0467	63,440.99	0.2500
April 2015	101.29	0.0500	20,290.68	0.2500
May 2015	110.46	0.0600	20,358.88	0.2500
June 2015	111.15	0.0600	18,795.89	0.2500
Q/E 06/30/2015	322.90	0.0567	59,445.45	0.2500

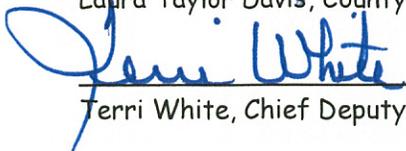
Attached are the following reports:

- 1) Cost Amount Summary of Investments by Fund
- 2) TexPool Quarter End Activity Report
- 3) Investments by Fund Group and Strategy Type

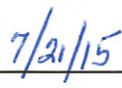
To the best of our knowledge the investment portfolio in this report conforms in all respects to the Investment Policy of Brazos County and is being managed under the investment strategy of said policy as approved by the Commissioner's Court of Brazos County.



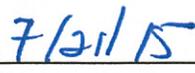
 Laura Taylor Davis, County Treasurer, CIO



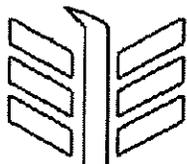
 Terri White, Chief Deputy Treasurer, CIO



 Date



 Date



FUNDS MANAGEMENT GROUP, INC.

4617 Montrose Blvd, Suite C202 * Houston, Texas 77006* (713) 626-5741 * 1-800-683-3644 * FAX (713) 626-5742

MONEY MARKET RATE REVIEW

7 DAY AVG WEEK ENDING	CAT	30-DAY	90-DAY	180-DAY	2 YEAR	FED	ON
	DWS Govt Cash * SIMPLE **	T BILL **	T BILL **	T BILL **	NOTE **	FUNDS **	REPOS **
07/10/15	0.04%	0.005%	0.012%	0.081%	0.590%	0.130%	0.176%
07/03/15	0.04%	0.000%	0.007%	0.103%	0.646%	0.124%	0.162%
06/26/15	0.04%	-0.009%	0.004%	0.068%	0.685%	0.130%	0.116%
06/19/15	0.04%	-0.009%	0.005%	0.083%	0.659%	0.134%	0.157%
AVERAGE	0.04%	-0.003%	0.007%	0.084%	0.645%	0.130%	0.153%

* Cash Account Trust Government Securities Portfolio – SEC Registered Money Market Fund for Public Funds – Past Performance does not indicate future results

** Rates as reported on Bloomberg

“TENURE & EXPERIENCE WITH PUBLIC FUNDS”

The two founding principals of Funds Management Group, Inc. Bob Ross and Joan Alexander, have a combined tenure of 85 years in the banking and investment industry dealing with public funds. We have each been engaged “in the business” for over 42 years, the last 36 of which have been spent together in our common endeavor of protecting tax payers’ funds. We have operated under the auspices of our firm, Funds Management Group, Inc. for the last 23 years, and have been affiliated with and registered through the highly respected Texas based broker-dealer firm SAMCO CAPITAL MARKETS for over 19 years. In that span of careers, we have each been engaged in virtually every aspect of public finance – underwriting, trading and sales of bonds, and most importantly, investment of tax-payer funds. One could say we have “seen it all, heard it all, and done it all”; we even remember most of it.

During these careers, the proudest accomplishment is that we have never initiated or been involved in a transaction of the investment of public funds which resulted in a loss to a public entity – not a penny! While some have said that our record of no investment losses is indicative of our “overly conservative” investment philosophy for public funds, we will gladly carry that description in exchange for our record of no investment losses.

Our two primary programs for the investment of public funds are demonstrative of our guiding philosophy; Cash Account Trust (CAT) is the SEC registered and regulated money market mutual fund we helped create in 1990, explicitly for public funds; and Federally Insured Cash Account (FICA), the program of 100% FDIC insured bank deposits. Both products offer unsurpassed safety and security for the investment of tax-payer related funds. Essentially, any investment loss in either of these programs could result only by the default of the obligations of the United States. CAT is currently paying a net yield of 0.04%, competitive with unregulated Local Government Investment Pools (POOL’s) such as TEXPOOL, and FICA is posting a most attractive net yield to our clients of 0.13% (now applicable for deposits of up to \$50,000,000).

For further information or assistance with any aspect of public finance and funds investment, we would welcome your call.

7/13/15

*Bob Ross
Joan Alexander*

TEXPOOL QUARTER ENDING 06/30/2015 ACTIVITY REPORT

FUND 1 - POOLED FUND GROUP

DATE	DESC.	GENERAL FUND	EXPO. COMPLEX	TOTAL
03/31/15	March Balance	\$ 2,352,195.68	\$ -	\$ 2,352,195.68
04/30/15	April Interest	\$ 101.29	\$ -	\$ 101.29
04/30/15	April Balance	\$ 2,352,296.97	\$ -	\$ 2,352,296.97
05/31/15	May Interest	\$ 110.46	\$ -	\$ 110.46
05/31/15	May Balance	\$ 2,352,407.43	\$ -	\$ 2,352,407.43
06/30/15	June Interest	\$ 111.15	\$ -	\$ 111.15
06/30/15	June Balance	\$ 2,352,518.58	\$ -	\$ 2,352,518.58

INVESTMENTS BY FUND GROUP AND STRATEGY TYPE

FUND 1 - POOLED FUND GROUP		
General Fund		\$ 2,352,518.58
Health Endowment Fund		\$ -
State Lateral Road		\$ -
Courthouse Security		\$ -
Strategy Type: OPERATING FUNDS		\$ 2,352,518.58
General Obligation Debt Svc.		\$ -
Strategy Type: DEBT SERVICE FUNDS		\$ -
General Permanent Impv.		\$ -
Exposition Center Fund		\$ -
Strategy Type: SPECIAL PROJ. & PERM:IMPV:DEBT		\$ -
Fund 1 - Group Total		\$ 2,352,518.58

BOOK VALUE OF ALL INVESTED FUNDS AS OF JUNE 2015 \$ 2,352,518.58