



Denton County

Courthouse-on-the-Square
110 West Hickory Street
Denton, Texas 76201

Request for Agenda Placement and Approval Flow

Drafter: james.wells@dentoncounty.com

Requested Agenda Date: 10/29/2013

Department: Auditor/Treasurer

Grouping: Auditor/Treasurer

Short Title: Quarterly Investment Report

Agenda Number: 5. B.

Specific Agenda Wording

Approval of Acceptance and approval of the County Investment Report for the quarter ended 9/30/2013, and any appropriate action.

Approval History

Version	Date	Approver	Action
1	10/24/2013	Kate Lynass	Approve

AGENDA PLACEMENT MEMO

DATE: October 24, 2013
TO: Commissioners Court
FROM: James Wells, Auditor
SUBJECT: Quarterly County Investment Report

REQUESTED ACTION/RECOMMENDATION

Approval of Acceptance and approval of the County Investment Report for the quarter ended 9/30/2013, and any appropriate action.

BACKGROUND

Per the provisions of both the Public Funds Investment Act of the State of Texas (Chapter 2256 of the Government Code) and the County's Investment Policy, the County's designated investment officer(s) should submit an investment report to the Commissioners Court at least quarterly.

This report is submitted to the Commissioners Court in order to satisfy the requirements stated above for the quarter ended 9/30/2013.

OPERATIONS AND MAINTENANCE

Investments and cash management are the responsibility of the County Treasurer and the County Auditor. These officers were designated as co-investment officers for the County at the June 6, 1996 meeting of the Commissioners Court.

Managing and investing county funds are continuous, ongoing activities. Funds are received on a daily basis, and they are expended on a weekly basis. The receipt of funds does not coincide with the need for expenditures. Therefore, the County always has funds that need to be invested for varying amounts of time. Proper cash management and investment practices will both protect the County's assets as well as maximize interest revenue.

LEGAL INFORMATION

As stated above, this investment report is required by the provisions of the Public Funds Investment Act in the Government Code of the State of Texas. The Act sets forth guidelines that must be followed in our investment of county funds. It defines legal investments, investment objectives, rules for investment pools, and qualifications for authorized investment brokers and dealers. It requires us to have a written investment policy and that we make the safety of principal, liquidity, and diversification our primary investment objectives.

FINANCIAL IMPACT

Total investment earnings on all County funds have varied from \$7,895,304 in 2007 to less \$550,000 in 2013. These revenue swings, which are beyond our control, obviously have

significant negative impact on the County's annual budget.

Since there is no indication that the Federal Reserve will begin to raise interest rates in the near future, we have continued to reduce budgetary reliance on investment income as a funding source. Interest income for the FY 2013 budget was set at \$316,050.

PROJECT SCHEDULE

This report should be submitted at least quarterly.

PRECEDING COURT ACTION

None. All previous required reports have been submitted.

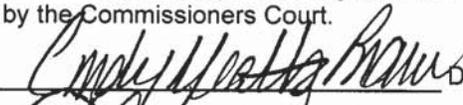
DENTON COUNTY, TEXAS
QUARTERLY INVESTMENT REPORT

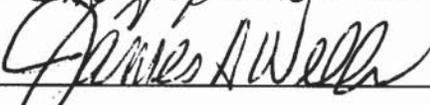
Prepared by the Denton County Auditor's Office
For the Quarter Ending 9/30/2013

A. At 9/30/2013 the investment position of Denton County was as follows:

1 Wells Fargo Investment Accounts	\$ 54,176,310.59
2 Texas Class	\$ 171,123,242.53
3 TexPool Investment Accounts	\$ 11,179,639.43
4 Texas Term Investment Accounts	\$ 17,418,329.63
5 DWS - Government & Agency Sec	\$ 544,341.30
6 Lone Star Investment Pool	\$ 32,973,480.48
7 StoneCastle/FICA	\$ 15,001,121.23
8 Securities at Market Value - see attached	\$ -
9 Master Repurchase Agreement	<u>\$ 5,422,116.23</u>
Total	\$ 307,838,581.42

- B. Summaries of the County's investments in pooled funds (TexPool, Lone Star, Texas Term, DWS, Texas Class, Wells Fargo and StoneCastle) are detailed on the attached Investment Pool Summary.
- C. Separate investments of all funds as of the end of the quarter are detailed on the attached Certificate of Deposit Report and confirmation reports of securities. Book value approximates market value for all certificates of deposit.
- D. The investments of Denton County funds detailed in this and the attached reports are all made in full compliance with the Denton County Investment Policy as approved by the Commissioners Court on 6/4/96 and with the Public Funds Investment Act of the State of Texas.
- E. The master repurchase agreement is with the County's depository bank, Wells Fargo. Idle funds are invested nightly according to the terms of a master repurchase agreement approved by the Commissioners Court.

Signed  Denton County Treasurer

 Denton County Auditor

Co-Investment officers of Denton County

INVESTMENT POOL REPORT

Prepared by the Denton County Auditor's Office
For the Quarter Ending 9/30/2013

<u>NAME OF FUND</u>	<u>INVESTMENT POOL</u>	<u>BEGINNING BALANCE</u>	<u>DEPOSITS</u>	<u>WITHDRAWALS</u>	<u>INTEREST EARNED</u>	<u>ENDING BALANCE</u>
1. DISBURSEMENTS (GENERAL, SP.REV., AND DEBT SERVICE)	WELLS FARGO/TEXPOOL LONESTAR/DWS/TEXAS CLAS:	\$89,528,175.74	\$4,195,260.35	(\$53,675,647.79)	\$16,552.80	\$40,064,341.10
2. ROAD & BRIDGE FUND	TEXAS CLASS/DWS TEXPOOL/WELLS FARGO	\$7,250,273.84	\$0.00	(\$930,000.00)	\$1,482.32	\$6,321,756.16
3. DIST CLERK REC MGMT	DWS	\$20,647.20	\$0.00	\$0.00	\$1.69	\$20,648.89
4. CO CLK REC MGMT	TEXPOOL/TEXAS CLASS	\$2,338,033.43	\$0.00	(\$660,000.00)	\$654.54	\$1,678,687.97
5. COURTHOUSE SEC	DWS	\$132,557.85	\$0.00	\$0.00	\$10.12	\$132,567.97
6. CSCD FUND	TEXAS CLASS/DWS TEXPOOL/WELLS FARGO	\$2,454,097.32	\$0.00	\$0.00	\$397.44	\$2,454,494.76
7. JUVENILE PROBATION	TEXAS CLASS/DWS TEXPOOL/WELLS FARGO	\$3,543,821.98	\$0.00	(\$2,530,000.00)	\$420.02	\$1,014,242.00
8. FIRE CODE ENFOR.	DWS	\$3,690.98	\$0.00	\$0.00	\$0.15	\$3,691.13
9. COMMUNITY CORRECTIONS	TEXAS CLASS	\$287,567.54	\$0.00	\$0.00	\$80.83	\$287,648.37
10. JP TECHNOLOGY	DWS/TEXPOOL	\$281,751.22	\$0.00	\$0.00	\$29.43	\$281,780.65
11. PUBLIC HEALTH	TEXPOOL/TEXAS CLASS	\$1,914,701.91	\$0.00	(\$630,000.00)	\$311.98	\$1,285,013.89
12. INDIGENT CARE	TEXAS CLASS/TEXPOOL WELLS FARGO	\$2,020,004.92	\$0.00	(\$210,000.00)	\$342.38	\$1,810,347.30
13. RECORDS MGMT	TEXPOOL	\$118,617.70	\$0.00	\$0.00	\$13.61	\$118,631.31
14. S.O. FORFEITURES	TEXAS CLASS	\$958,969.35	\$0.00	(\$160,000.00)	\$237.89	\$799,207.24
15. ELECTIONS ADMIN	TEXAS CLASS	\$265,782.97	\$0.00	(\$8,401.16)	\$74.69	\$257,456.50
16. VIT INTEREST FUND	TEXAS CLASS	\$30,015.21	\$0.00	\$0.00	\$8.47	\$30,023.68
17. LAW LIBRARY	TEXAS CLASS	\$207,980.87	\$0.00	\$0.00	\$58.56	\$208,039.43
18. DA CHAPTER 59	TEXAS CLASS	\$1,030,657.21	\$0.00	\$0.00	\$289.74	\$1,030,946.95
19. JURY	DWS/TEXPOOL/TEXAS CLASS	\$39,884.48	\$0.00	\$0.00	\$6.22	\$39,890.70

INVESTMENT POOL REPORT

Prepared by the Denton County Auditor's Office
For the Quarter Ending 9/30/2013

<u>NAME OF FUND</u>	<u>INVESTMENT POOL</u>	<u>BEGINNING BALANCE</u>	<u>DEPOSITS</u>	<u>WITHDRAWALS</u>	<u>INTEREST EARNED</u>	<u>ENDING BALANCE</u>
CAPITAL PROJECTS						
20. HEALTH CARE RELIEF PROJECTS	TEXAS CLASS/WELLS FARGO	\$2,180,203.11	\$0.00	(\$28,963.78)	\$560.20	\$2,151,799.53
21. 2009 PI BOND PROJECTS	TEXAS CLASS/TEXAS TERM	\$11,336,251.48	\$0.00	(\$1,083,301.01)	\$2,074.44	\$10,255,024.91
22. 2007 TAX NOTE PROJECTS	TEXAS CLASS	\$95,490.64	\$0.00	\$0.00	\$26.81	\$95,517.45
23. 2008 TAX NOTE PROJECTS	TEXAS CLASS	\$440,736.06	\$0.00	(\$45,352.91)	\$114.42	\$395,497.57
24. 2012 TAX NOTE PROJECTS	TEXAS CLASS	\$9,137,204.44	\$0.00	(\$2,240,315.42)	\$2,563.19	\$6,899,452.21
25. 2012 PI BOND PROJECTS	TEXAS CLASS	\$83,556,298.02	\$2,240,329.14	(\$4,754,587.31)	\$22,977.50	\$81,065,017.35
26. 2008 PI BOND PROJECTS	TEXAS CLASS	\$48,036.98	\$0.00	\$0.00	\$13.53	\$48,050.51
27. 2005 C.O. PROJECTS	TEXAS CLASS	\$973,532.84	\$0.00	\$0.00	\$273.69	\$973,806.53
28. 2007 PI BOND PROJECTS	TEXAS CLASS WELLS FARGO/TEXAS TERM	\$1,417,218.36	\$0.00	(\$52,908.19)	\$366.68	\$1,364,676.85
29. 2013 PI BOND PROJECTS	TEXAS CLASS/STONECASTLE	\$50,589,634.38	\$15,000,000.00	(\$15,029,200.10)	\$14,530.11	\$50,574,964.39
30. 2013 TAX NOTE PROJECTS	TEXAS CLASS	\$10,528,045.50	\$0.00	(\$773,727.01)	\$2,749.13	\$9,757,067.62
31. CAPITAL REPLACEMENT	TEXAS CLASS	\$4,368,091.86	\$2,416,861.72	(\$477,691.93)	\$1,133.24	\$6,308,394.89
32. 2010 PI BOND PROJECTS	WELLS FARGO LONE STAR/TEXAS CLASS	\$81,437,217.61	\$0.00	(\$6,776,261.38)	\$26,823.15	\$74,687,779.38
TOTAL INVESTMENT POOLS		\$368,535,193.00	\$23,852,451.21	(\$90,066,357.99)	\$95,178.97	\$302,416,465.19

INTEREST RATES PAID

	<u>LONE STAR</u>	<u>TEXPOOL</u>	<u>WELLS FARGO</u>	<u>DWS</u>	<u>TEXAS TERM</u>	<u>TEXAS CLASS</u>
JULY	0.04%	0.05%	.05%- .23%	0.03%	0.05%	0.14%
AUGUST	0.06%	0.04%	.04%- .23%	0.03%	0.05%	0.10%
SEPTEMBER	0.06%	0.04%	.04%- .22%	0.03%	0.05%	0.09%
	<u>StoneCastle/FICA</u>					
	0.13%					

Denton County, Texas
Investment Worksheet
For the Month of September, 2013

Fund	Wells Fargo	Texas Class	Texpool	Texas Term	ICT/DWS	Lone Star	StoneCastle	Total Investments
01 General	\$13,648,215.83	\$5,546,300.24	\$5,741,917.88	\$11,740,569.53	\$14,676.76	\$6.84	\$0.00	\$36,691,687.08
20 Road & Bridge	\$2,112,505.49	\$2,265,794.31	\$1,928,767.48	\$0.00	\$14,688.88	\$0.00	\$0.00	\$6,321,756.16
21 District Clerk Records Mgmt	\$0.00	\$0.00	\$0.00	\$0.00	\$20,648.89	\$0.00	\$0.00	\$20,648.89
22 County Clerk Records	\$0.00	\$1,251,065.69	\$927,433.54	\$0.00	\$0.00	\$0.00	\$0.00	\$2,178,499.23
23 Courthouse Security	\$0.00	\$0.00	\$0.00	\$0.00	\$132,567.97	\$0.00	\$0.00	\$132,567.97
25 CSCD	\$850,840.28	\$749,314.47	\$629,234.69	\$0.00	\$225,105.32	\$0.00	\$0.00	\$2,454,494.76
26 Juvenile Probation	\$596,414.89	\$215,505.19	\$156,599.14	\$0.00	\$45,722.78	\$0.00	\$0.00	\$1,014,242.00
27 Fire Code Enforcement	\$0.00	\$0.00	\$0.00	\$0.00	\$3,691.13	\$0.00	\$0.00	\$3,691.13
31 Community Corrections	\$0.00	\$287,648.37	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$287,648.37
32 JP Technology	\$0.00	\$0.00	\$201,691.13	\$0.00	\$80,089.52	\$0.00	\$0.00	\$281,780.65
34 Public Health	\$0.00	\$627,847.08	\$657,166.81	\$0.00	\$0.00	\$0.00	\$0.00	\$1,285,013.89
36 Indigent Care	\$681,650.14	\$627,051.62	\$501,645.54	\$0.00	\$0.00	\$0.00	\$0.00	\$1,810,347.30
39 Health Care Relief	\$1,172,690.22	\$979,109.31	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,151,799.53
41 Records Management	\$0.00	\$0.00	\$118,631.31	\$0.00	\$0.00	\$0.00	\$0.00	\$118,631.31
45 S.O. Forfeitures	\$0.00	\$799,207.24	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$799,207.24
46 Elections	\$0.00	\$257,456.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$257,456.50
48 VIT Interest	\$0.00	\$30,023.68	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$30,023.68
50 Law Library	\$0.00	\$208,039.43	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$208,039.43
59 DA Chapter 59	\$0.00	\$1,030,946.95	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,030,946.95
60 Jury	\$0.00	\$10,262.69	\$22,477.96	\$0.00	\$7,150.05	\$0.00	\$0.00	\$39,890.70
61 2009 PI Bonds	\$0.00	\$4,577,391.42	\$0.00	\$5,677,633.49	\$0.00	\$0.00	\$0.00	\$10,255,024.91
62 2007 Tax Notes	\$0.00	\$95,517.45	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$95,517.45
64 2008 Tax Notes	\$0.00	\$395,497.57	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$395,497.57
65 2012 Tax Notes	\$0.00	\$6,899,452.21	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,899,452.21
66 2012 PI Bonds	\$0.00	\$81,065,017.35	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$81,065,017.35
67 2008 PI Bonds	\$0.00	\$48,050.51	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$48,050.51
73 2005 C.O.'S	\$0.00	\$973,806.53	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$973,806.53
75 Debt Service	\$700,387.04	\$1,876,381.77	\$294,073.95	\$0.00	\$0.00	\$0.00	\$0.00	\$2,872,842.76
76 2007 PI Bonds	\$729,541.89	\$635,008.35	\$0.00	\$126.61	\$0.00	\$0.00	\$0.00	\$1,364,676.85
78 2013 PI Bonds	\$0.00	\$35,573,843.16	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$35,573,843.16
79 2013 Tax Notes	\$0.00	\$9,757,067.62	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,757,067.62
80 Capital Replacement	\$0.00	\$6,308,394.89	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,308,394.89
85 2010 PI Bonds	\$33,684,064.81	\$8,030,240.93	\$0.00	\$0.00	\$0.00	\$32,973,473.64	\$0.00	\$74,687,779.38
Totals:	\$54,176,310.59	\$171,123,242.53	\$11,179,639.43	\$17,418,329.63	\$544,341.30	\$32,973,480.48	\$15,001,121.23	\$302,416,465.19



STAGECOACH SWEEP
 WELLS FARGO BANK, N.A.
 Statement Period : 09/01/2013 - 09/30/2013

DENTON COUNTY
 DISBURSEMENT CLEARING/SWEEP ACCT
 C/O DENTON COUNTY TREASURER
 401 W HICKORY STE 309
 DENTON TX 76201

Your Stagecoach Sweep is tied to DDA 5690013227
 Interest Earned is deposited to DDA 5690013227
 Your Stagecoach Sweep Investment elections STAGECOACH SWEEP REPO

ACCOUNT SUMMARY

Interest Earned during this period	:	\$	101.46		
Interest Received during this period	:	\$	114.45	Interest received YTD	: \$ 1,166.46
Total Tax backup withholding	:	\$.00	Total Tax backup withholding YTD	: \$.00

ANNUAL FDIC DISCLOSURES. THE FDIC REQUIRES EACH BANK TO DISCLOSE IF SWEEP FUNDS ARE DEPOSITS AND, IF NOT, THE STATUS OF THE FUNDS IF THE BANK FAILS. STAGECOACH SWEEP REPURCHASE AGREEMENT OPTION - FUNDS SWEEP TO THE REPURCHASE AGREEMENT OPTION ARE NOT FDIC-INSURED DEPOSITS. COMPANY IS A SECURED CREDITOR FOR THE CURRENT FMV OF ITS FRACTIONAL INTEREST AND AN UNSECURED GENERAL CREDITOR TO THE EXTENT THE REPURCHASE PRICE EXCEEDS THE CURRENT FMV OF ITS FRACTIONAL INTEREST.

ACCOUNT DETAIL

Settlement Date	Maturity Date	Amount Invested (\$)	Interest Earned (\$)	Interest Rate	Investment Description	Backup Tax Withholding
09/03/13	09/04/13	5,957,091.48	3.31	.02000 %	Repo	
09/04/13	09/05/13	5,859,733.37	3.26	.02000 %	Repo	
09/05/13	09/06/13	5,775,197.06	3.21	.02000 %	Repo	
09/06/13	09/09/13	5,970,688.80	9.95	.02000 %	Repo	
09/09/13	09/10/13	20,227,682.81	11.24	.02000 %	Repo	
09/10/13	09/11/13	6,778,092.43	3.77	.02000 %	Repo	
09/11/13	09/12/13	8,198,297.49	4.55	.02000 %	Repo	
09/12/13	09/13/13	6,664,171.18	3.70	.02000 %	Repo	
09/13/13	09/16/13	6,096,816.05	10.16	.02000 %	Repo	
09/16/13	09/17/13	4,280,874.38	2.38	.02000 %	Repo	
09/17/13	09/18/13	4,714,630.07	2.62	.02000 %	Repo	
09/18/13	09/19/13	4,699,754.70	2.61	.02000 %	Repo	
09/19/13	09/20/13	4,702,727.14	2.61	.02000 %	Repo	
09/20/13	09/23/13	4,638,753.26	7.73	.02000 %	Repo	
09/23/13	09/24/13	4,142,306.90	2.30	.02000 %	Repo	
09/24/13	09/25/13	6,974,303.92	3.87	.02000 %	Repo	
09/25/13	09/26/13	10,600,276.55	5.89	.02000 %	Repo	
09/26/13	09/27/13	7,400,189.16	4.11	.02000 %	Repo	
09/27/13	09/30/13	6,709,354.02	11.18	.02000 %	Repo	
09/30/13	10/01/13	5,422,116.23	3.01	.02000 %	Repo	
Averages :		\$ 6,523,010.05		0.02004 %		

INVESTMENTS NOT FDIC INSURED