

**FY 2021 Fourth Quarter: July 1, 2021 – September 30, 2021**

**Quarter - At a Glance**

- Total available Investable funds \$224,026,304.26 (See Exhibit A)  
(Excludes 10 Million set aside for nearby obligations.)
- Total Interest Received 4th Quarter \$219,592.22 (See Exhibit B)
- Yield to Maturity (YTM) (See Exhibit C)
  - Cash Accounts 0.399%
  - Gov't Pools 0.044%
  - Money Market Accts 0.400%
- Total Collateral as of Fourth Quarter End (September 30, 2021)  
**(See Exhibit D)**
  - Moody - 224%
  - Texas First Bank - 272%
  - Prosperity Bank - 126%



**Galveston County**  
**Quarterly Investment Report**  
**July 1, 2021 to September 30, 2021**



This report is prepared for Galveston County in accordance with Chapter 2256 of the Public Funds Investment Act (PFIA). Section 2256.023 (a) of the PFIA states that "Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." This report is signed by the Investment Officer and includes the disclosures required in the PFIA. Market prices were obtained from the Custodial Bank, JP Morgan Chase.

Month	Market Value	Book Value	Unrealized Gain/Loss	YTM @ Cost	Treasury 3 Month	Interest Earned	Days To Maturity
7/31/2021	253,271,638.26	253,271,638.26	0.00	0.35	0.05	78,719.24	1
8/31/2021	242,005,860.20	242,005,860.20	0.00	0.35	0.05	73,448.97	1
9/30/2021	234,026,304.26	234,026,304.26	0.00	0.35	0.04	67,424.01	1
<b>Total / Average</b>	<b>243,101,267.57</b>	<b>243,101,267.57</b>	<b>0.00</b>	<b>0.35</b>	<b>0.05</b>	<b>219,592.22</b>	<b>1</b>

Kevin Walsh, Treasurer

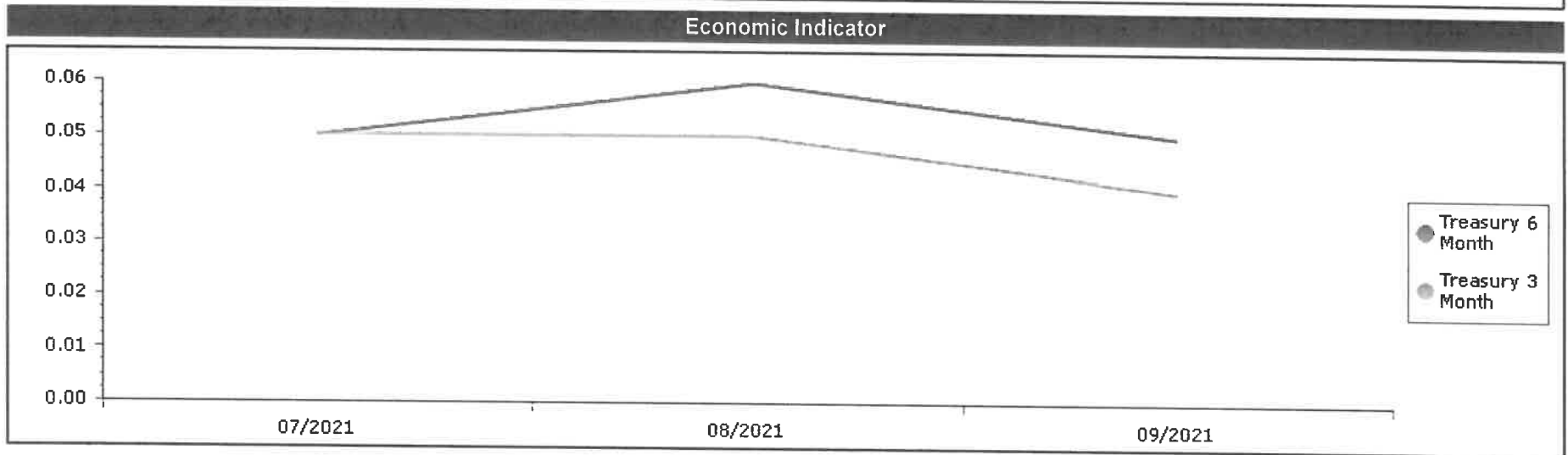
Date



# Galveston County Economic Indicator Treasury 6 Month vs. Treasury 3 Month

Begin Date: 7/31/2021, End Date: 9/30/2021

Economic Indicator			
Date	Treasury 6 Month	Treasury 3 Month	Spread
7/31/2021	0.05	0.05	0.00
8/31/2021	0.06	0.05	-0.01
9/30/2021	0.05	0.04	-0.01



Date To Date  
MONTHLY Proof for Accuracy: MM, LGIP, Cash  
Report Format: By CUSIP / Ticker  
Group By: Portfolio Name  
Portfolio / Report Group: All Portfolios  
Begin Date: 6/30/2021, End Date: 9/30/2021

Description	CUSIP/Ticker	Beginning Face Amount/Shares	Buy Principal	Sell Principal	Interest/Dividends	Ending Face Amount/Shares	Ending YTM @ Cost
0002 General Fund							
Prosperity Bank Cash	02PRS081	400,590.00	7,355.18	208,539.37	224.43	199,405.81	0.400
Prosperity Bank Cash	02PRS161	715,194.41	240,460.30	1,528.56	872.17	854,046.15	0.400
Prosperity Bank Cash	02PRS321	176,333.20	243,965.28	254,458.06	194.52	165,840.43	0.400
Prosperity Bank Cash	02PRS431	2,221,829.99	58,792,211.75	55,857,598.18	1,930.54	5,156,443.56	0.400
Prosperity Bank Cash	02PRS481	785.07	336.87	262.25	0.87	859.89	0.400
Prosperity Bank Cash	02PRS511	149,357,835.59	14,183,889.78	43,700,000.00	132,390.21	119,841,725.37	0.400
Prosperity Bank Cash	02PRS561	2,986.35	2,611.89	2,834.06	2.86	2,784.18	0.400
Prosperity Bank Cash	02PRS591	735,243.59	429,673.23	735,243.59	548.11	429,673.23	0.400
Prosperity Bank Cash	02PRS751	0.01	0.00	0.00	0.00	0.01	0.000
Prosperity Bank Cash	02PRS781	2,259,802.91	20,896,979.72	22,270,915.95	1,190.42	885,866.68	0.400
Prosperity Bank Cash	02PRS831	880,687.12	682,262.38	880,452.12	890.63	682,497.38	0.400
Prosperity Bank Cash	02PRS861	2,543,884.72	25,083,929.70	24,932,980.27	3,478.54	2,704,824.15	0.400
Prosperity Bank Cash	02PRS911	121,383.93	49,864.27	75,791.40	103.42	85,436.80	0.400
Prosperity Bank Cash	02PRS941	43,346.64	32,996.28	46,501.29	36.28	29,841.63	0.400
Prosperity Bank MM	02PRS709	27,449,925.76	27,684.83	0.00	27,684.83	27,477,610.59	0.400
Texas CLASS LGIP	TXCL0004	37,183,613.05	4,877.12	6,553,824.33	4,877.22	30,634,665.84	0.044
Texas First Bank Cash	02JP800	344,271.09	270,118.87	428,920.53	0.00	185,469.43	0.000
Texas First Bank Cash	02TFB2PARKS	398,168.19	311,780.50	555,738.38	0.00	154,190.31	0.000
Texas Term LGIP	TXTM112408	627.69	0.03	0.00	0.03	627.72	0.020
<b>Sub Total/Average 0002 General Fund</b>		<b>224,836,489.31</b>	<b>121,270,997.99</b>	<b>156,505,698.34</b>	<b>174,424.98</b>	<b>189,601,788.96</b>	<b>0.342</b>
2901 ARP Stimulus							
Prosperity Bank MM	2901PRS617	33,232,978.89	33,515.00	216,645.34	33,515.00	33,049,848.65	0.400
<b>Sub Total/Average 2901 ARP Stimulus</b>		<b>33,232,978.89</b>	<b>33,515.00</b>	<b>216,645.34</b>	<b>33,515.00</b>	<b>33,049,848.65</b>	<b>0.400</b>
2902 ERA # 2							
Prosperity Bank MM	2902PRS609	3,272,490.67	3,298.39	192,444.72	3,298.39	3,083,344.34	0.400
<b>Sub Total/Average 2902 ERA # 2</b>		<b>3,272,490.67</b>	<b>3,298.39</b>	<b>192,444.72</b>	<b>3,298.39</b>	<b>3,083,344.34</b>	<b>0.400</b>

Description	CUSIP/Ticker	Beginning Face Amount/Shares	Buy Principal	Sell Principal	Interest/Dividends	Ending Face Amount/Shares	Ending YTM @ Cost
3120 Lmt Tx Cnty Bld Bd 09B							
Prosperity Bank MM	3120PRS111	64,646.85	65.20	0.00	65.20	64,712.05	0.400
<b>Sub Total/Average 3120 Lmt Tx Cnty Bld Bd 09B</b>		<b>64,646.85</b>	<b>65.20</b>	<b>0.00</b>	<b>65.20</b>	<b>64,712.05</b>	<b>0.400</b>
3307 2003 Road Bonds							
Prosperity Bank MM	3307PRS811	1,974,599.32	1,991.49	0.00	1,991.49	1,976,590.81	0.400
<b>Sub Total/Average 3307 2003 Road Bonds</b>		<b>1,974,599.32</b>	<b>1,991.49</b>	<b>0.00</b>	<b>1,991.49</b>	<b>1,976,590.81</b>	<b>0.400</b>
3308 2001 Road Bonds							
Prosperity Bank MM	3308PRS731	142,576.52	143.80	0.00	143.80	142,720.32	0.400
<b>Sub Total/Average 3308 2001 Road Bonds</b>		<b>142,576.52</b>	<b>143.80</b>	<b>0.00</b>	<b>143.80</b>	<b>142,720.32</b>	<b>0.400</b>
33102007 Limited Tax Bonds							
Prosperity Bank MM	3310PRS571	3,855,452.24	3,888.45	0.00	3,888.45	3,859,340.69	0.400
<b>Sub Total/Average 33102007 Limited Tax Bonds</b>		<b>3,855,452.24</b>	<b>3,888.45</b>	<b>0.00</b>	<b>3,888.45</b>	<b>3,859,340.69</b>	<b>0.400</b>
3312 Unlm Tx Rd Bd 09A							
Prosperity Bank MM	3312PRS031	1,528,194.84	1,542.28	0.00	1,542.28	1,530,737.12	0.400
<b>Sub Total/Average 3312 Unlm Tx Rd Bd 09A</b>		<b>1,529,194.84</b>	<b>1,542.28</b>	<b>0.00</b>	<b>1,542.28</b>	<b>1,530,737.12</b>	<b>0.400</b>
3370 Lmt Tx Fld Cntl Bd 09C							
Prosperity Bank MM	3370PRS381	393,570.09	396.94	0.00	396.94	393,967.03	0.400
<b>Sub Total/Average 3370 Lmt Tx Fld Cntl Bd 09C</b>		<b>393,570.09</b>	<b>396.94</b>	<b>0.00</b>	<b>396.94</b>	<b>393,967.03</b>	<b>0.400</b>
3373 COB Series 2008							
Prosperity Bank MM	3373PRS461	322,928.70	325.69	0.00	325.69	323,254.39	0.400
<b>Sub Total/Average 3373 COB Series 2008</b>		<b>322,928.70</b>	<b>325.69</b>	<b>0.00</b>	<b>325.69</b>	<b>323,254.39</b>	<b>0.400</b>
<b>Total / Average</b>		<b>269,624,927.43</b>	<b>121,316,165.23</b>	<b>156,914,788.40</b>	<b>219,592.22</b>	<b>234,026,304.26</b>	<b>0.353</b>
Less Funds Set Aside for nearby Obligations							-10,000,000.00
Total Investable Funds							224,026,304.26

Galveston County  
Date To Date  
TEXAS Earnings and Yields Summary Report  
Report Format: By Totals  
Group By: Security Type  
Portfolio / Report Group: All Portfolios  
Begin Date: 6/30/2021, End Date: 9/30/2021

**Exhibit B**

Description	Interest/Dividends	Ending YTM @ Cost
Cash	141,862.90	0.399
Local Government Investment Pool	4,877.25	0.044
Money Market	72,852.07	0.400
<b>Total / Average</b>	<b>219,592.22</b>	<b>0.353</b>

Portfolio Holdings  
 Portfolio Holdings / by Security Type  
 Report Format: By CUSIP / Ticker  
 Group By: Security Type  
 Average By: Face Amount / Shares  
 Portfolio / Report Group: All Portfolios  
 As of 9/30/2021

Description	CUSIP/Ticker	Face Amount/Shares	Market Value	Book Value	YTM @ Cost	Coupon Rate	% of Portfolio
<b>Cash</b>							
Prosperity Bank Cash	02PRS321	165,840.43	165,840.43	165,840.43	0.400	0.400	0.07
Prosperity Bank Cash	02PRS461	859.69	859.69	859.69	0.400	0.400	0.00
Prosperity Bank Cash	02PRS781	885,866.68	885,866.68	885,866.68	0.400	0.400	0.38
Prosperity Bank Cash	02PRS591	429,673.23	429,673.23	429,673.23	0.400	0.400	0.18
Prosperity Bank Cash	02PRS941	29,841.63	29,841.63	29,841.63	0.400	0.400	0.01
Prosperity Bank Cash	02PRS431	5,156,443.56	5,156,443.56	5,156,443.56	0.400	0.400	2.20
Prosperity Bank Cash	02PRS911	85,436.80	85,436.80	85,436.80	0.400	0.400	0.04
Prosperity Bank Cash	02PRS511	119,841,725.37	119,841,725.37	119,841,725.37	0.400	0.400	51.21
Prosperity Bank Cash	02PRS751	0.01	0.01	0.01	0.000	0.000	0.00
Prosperity Bank Cash	02PRS831	682,497.38	682,497.38	682,497.38	0.400	0.400	0.29
Prosperity Bank Cash	02PRS861	2,704,824.15	2,704,824.15	2,704,824.15	0.400	0.400	1.16
Prosperity Bank Cash	02PRS561	2,764.18	2,764.18	2,764.18	0.400	0.400	0.00
Prosperity Bank Cash	02PRS161	954,046.15	954,046.15	954,046.15	0.400	0.400	0.41
Prosperity Bank Cash	02PRS081	199,405.81	199,405.81	199,405.81	0.400	0.400	0.09
Texas First Bank Cash	02JP600	185,469.43	185,469.43	185,469.43	0.000	0.000	0.08
Texas First Bank Cash	02TFB2PARKS	154,190.31	154,190.31	154,190.31	0.000	0.000	0.07
<b>Sub Total / Average Cash</b>		<b>131,488,884.81</b>	<b>131,488,884.81</b>	<b>131,488,884.81</b>	<b>0.399</b>	<b>0.399</b>	<b>56.19</b>
<b>Local Government Investment Pool</b>							
Texas CLASS LGIP	TXCL0004	30,634,665.84	30,634,665.84	30,634,665.84	0.044	0.044	13.09
Texas Term LGIP	TXTM112406	627.72	627.72	627.72	0.020	0.020	0.00
<b>Sub Total / Average Local Government Investment Pool</b>		<b>30,635,293.56</b>	<b>30,635,293.56</b>	<b>30,635,293.56</b>	<b>0.044</b>	<b>0.044</b>	<b>13.09</b>
<b>Money Market</b>							
Prosperity Bank MM	3373PRS461	323,254.39	323,254.39	323,254.39	0.400	0.400	0.14
Prosperity Bank MM	3120PRS111	64,712.05	64,712.05	64,712.05	0.400	0.400	0.03
Prosperity Bank MM	2901PRS617	33,049,848.55	33,049,848.55	33,049,848.55	0.400	0.400	14.12
Prosperity Bank MM	3307PRS611	1,976,590.81	1,976,590.81	1,976,590.81	0.400	0.400	0.84
Prosperity Bank MM	2902PRS609	3,083,344.34	3,083,344.34	3,083,344.34	0.400	0.400	1.32
Prosperity Bank MM	3308PRS731	142,720.32	142,720.32	142,720.32	0.400	0.400	0.06
Prosperity Bank MM	3370PRS381	393,967.03	393,967.03	393,967.03	0.400	0.400	0.17
Prosperity Bank MM	3312PRS031	1,530,737.12	1,530,737.12	1,530,737.12	0.400	0.400	0.65
Prosperity Bank MM	3310PRS571	3,859,340.69	3,859,340.69	3,859,340.69	0.400	0.400	1.55
Prosperity Bank MM	02PRS709	27,477,610.59	27,477,610.59	27,477,610.59	0.400	0.400	11.74
<b>Sub Total / Average Money Market</b>		<b>71,902,125.89</b>	<b>71,902,125.89</b>	<b>71,902,125.89</b>	<b>0.400</b>	<b>0.400</b>	<b>30.72</b>
<b>Total / Average</b>		<b>234,026,304.26</b>	<b>234,026,304.26</b>	<b>234,026,304.26</b>	<b>0.353</b>	<b>0.353</b>	<b>100</b>

**Collateral Statement**

As of September 30, 2021

Galveston County, Texas

Exhibit D

Location of Investment	Description of Allowable Investment Options	Allowable Collateral	Safekeeping Agent	Minimum Contracted Collateral Percentage	Total* Funds Invested or on Deposit	Total Collateral-Lwr FMV or Book	Actual Collateral Percentage
Moody National Bank	Demand Deposits & Time Deposits	US Treasury Obligations, US Agencies, GNMA's	Federal Reserve Bank, or Chase Bank	110%	\$ 148,446	\$ 332,571	224%
Texas First Bank Hitchcock/Santa Fe/Texas City	Time Deposits	US Treasury Obligations, US Agencies, GNMA's	Federal Reserve Bank, or Chase Bank	110%	\$ 431,258	\$ 1,172,263	272%
Prosperity Bank	Time Deposits	US Treasury Obligations, US Agencies, GNMA's Agency Letters of Credit	Federal Reserve Bank, or Chase Bank	110%	\$ 224,864,105	\$ 284,352,533	126%
Totals:					<u>\$ 225,443,809</u>	<u>\$ 285,857,368</u>	127%

\*The first \$250,000.00 of all bank deposits are insured by FDIC. Moody National has coverage for \$250,000.00. Each TFB Branch has \$250K FDIC coverage. Texas First Bank Galveston has merged into Texas First Bank Texas City. Amegy Bank has FDIC coverage for \$250,000.



[crystal.cooper@co.galveston.tx.us](mailto:crystal.cooper@co.galveston.tx.us)  
[kevin.walsh@co.galveston.tx.us](mailto:kevin.walsh@co.galveston.tx.us)

TIN# 74-6000908  
TO: County of Galveston - Treasury Department

PREPARED BY: Amanda Tinnin

Date: September 30, 2021

SUBJECT: TOTAL DEPOSITS vs TOTAL COLLATERAL

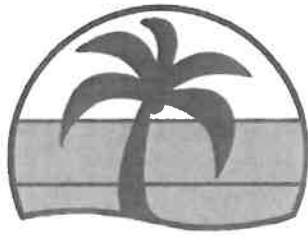
DEPOSITS:

Total Demand Deposits:	\$431,257.91
LESS FDIC COVERAGE Demand	(\$250,000.00)
	\$181,257.91
 Total Savings-Time-NOW Deposits:	 \$0.00
LESS FDIC COVERAGE SV-Time	(\$250,000.00)
	(\$250,000.00)
 Total	 \$181,257.91
110% OF DEPOSITS not covered	\$199,383.70

COVERAGE:

TOTAL PLEDGED SECURITY	\$1,126,428.35	
 BOOK VALUE	 \$1,133,694.31	
MARKET VALUE	\$1,172,263.48	
 Market Value		\$1,172,263.48
  EXCESS COLLATERAL		  \$972,879.78

PREPARED BY: Amanda Tinnin  
[amanda.tinnin@texasfirstbank.com](mailto:amanda.tinnin@texasfirstbank.com)  
409-978-2250



# Moody Bank

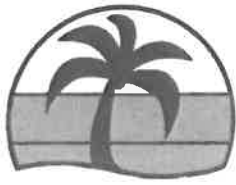


Galveston County

Summary Reports for September 2021

Table of Contents

- List of accounts and end of month balances
- Pledge securities listing – The Baker Group
- TIB Holding Statement



# Moody Bank

MEMBER FDIC

County of Galveston

09/30/2021

Account Number	Account Description	Current Balance	Type
■ 8564	Adult Probation	146,031.67	N
■ 4442	Galveston County Sheriff Dept	2,413.99	D
■ 3352	Justice Court	0.56	D
■ 2239	Dwight Sullivan County Clerk Registry Interest	0.00	N
	Total	\$148,446.22	

N=Now Account

M=Money Market Account

D=Demand Account

# Pledges By Pledgee And Maturity



**Pledged To: GALVESTON COUNTY**

**Moody National Bank - Galveston, TX**

**As Of 9/30/2021**

**Page 6 of 26**

Receipt# Safekeeping Location	CUSIP	ASC 320	Description Maturity Prerefund	Pool/Type Coupon	Moody S&P	Original Face Pledged Percent	Pledged			
							Original Face	Par	Book Value	Market Value
TIB: TIB	067167ZN9	AFS	BARBERS HILL ISD TX 40 02/15/40	3.00	Aaa AAA	300,000.00 100.00%	300,000.00	300,000.00	333,619.31	332,571.00
<b>1 Securities Pledged To: CNTY - GALVESTON COUNTY</b>							<b>300,000.00</b>	<b>300,000.00</b>	<b>333,619.31</b>	<b>332,571.00</b>

Although the information in this report has been obtained from sources believed to be reliable, its accuracy cannot be guaranteed.

As of Date: 09/30/21

PLEDGED TO: GCY GALVESTON COUNTY

Cusip	Security Description 1	Security Description 2	Safekeeping Agent	Rate	Maturity	Type	Original Face Par/Curr Face	S&P Moody	Date Pldgd
067167ZN9	BARBERS HILL TEX INDPT SCH DIS		TIB THE INDEPENDENT BANKERSBANK				300,000.00		
202 245044393	UNLTD TAX BLDG BDS	2020	3.0000000	02/15/2040	200		300,000.00	Aaa	04/01/2021

TOTAL FOR PLEDGE ID: GCY

Pledged: 1 Orig Face: 300,000.00 Current Face: 300,000.00



## **PROSPERITY BANK**<sup>®</sup>

October 1, 2021

Galveston County Treasurer  
722 Moody Ave. 4<sup>th</sup> Floor  
Galveston, TX 77550

RE: Balance Confirmation

Please accept the following as confirmation of total deposit balances.

**\$224,864,104.89**

Please let me know if you need any additional information. I can be reached at (979) 541-4252.

Sincerely,

***Frida Bazan***

**Prosperity Bank**  
Banking Officer  
Accounting - Treasury

1301 N. Mechanic  
P O Drawer G  
El Campo, TX 77437

(979) 541-4252 Direct  
[frida.bazan@prosperitybankusa.com](mailto:frida.bazan@prosperitybankusa.com)

# Pledge Security Listing

September 30, 2021

ID	CUSIP	Description	Safekeeping Location	Safekeeping Receipt	Coupon	Maturity Date	Call Date	Moody	S&P	Fitch	ASC 320	Face Amount	Current Par	Current Book Value	Market Value	Gain(Loss)
<b>GALVESTON COUNTY TREASURER</b>																
2466	31294MCF6	FHLMC #E02770	FHLB		3.00	11/01/2025		AAA	AA+	AAA	HTM	25,000,000	986,976.75	987,286.36	1,026,560.08	39,273.72
2467	31294MCF6	FHLMC #E02770	FHLB		3.00	11/01/2025		AAA	AA+	AAA	HTM	25,000,000	986,976.75	986,996.51	1,026,560.08	39,563.57
2519	31418AB31	FNMA #MA0957	FHLB		3.00	01/01/2022		AAA	AA+	AAA	HTM	24,548,494	55,177.65	55,191.11	55,199.56	8.46
3541	31417DY49	FNMA #AB7030	FHLB		2.00	11/01/2027		AAA	AA+	AAA	HTM	39,632,406	6,700,830.82	6,744,228.67	6,918,607.82	174,379.15
3544	31417DRU9	FNMA #AB6798	FHLB		2.00	11/01/2027		AAA	AA+	AAA	HTM	50,060,360	9,633,931.56	9,695,031.32	9,947,034.34	252,003.02
3546	31410LKN1	FNMA #890501	FHLB		2.00	11/01/2027		AAA	AA+	AAA	HTM	22,500,000	4,151,367.68	4,178,578.31	4,286,287.12	107,708.81
3608	3128MDNB5	FHLMC #G14686	FHLB		2.00	03/01/2028		AAA	AA+	AAA	HTM	72,530,991	15,341,304.80	15,389,493.22	15,859,073.83	469,580.62
3660	31307BBG4	FHLMC #J22739	FHLB		2.50	03/01/2028		AAA	AA+	AAA	HTM	11,250,000	2,009,572.65	2,009,572.65	2,102,515.39	92,942.74
4214	3138EPD27	FNMA #AL6420	FHLB		2.00	01/01/2030		AAA	AA+	AAA	HTM	43,500,000	11,910,696.29	12,008,210.76	12,297,793.91	289,583.15
4259	3138WFAL0	FNMA #AS5410	FHLB		2.50	07/01/2030		AAA	AA+	AAA	HTM	52,501,812	14,406,555.49	14,460,084.64	15,054,850.48	594,765.84
4304	3128MMT86	FHLMC #G18574	FHLB		2.50	11/01/2030		AAA	AA+	AAA	HTM	10,000,000	2,730,898.60	2,752,724.66	2,857,202.66	104,478.00
4873	3128P8AQ4	FHLMC #C91815	FHLB		3.00	03/01/2035		AAA	AA+	AAA	HTM	13,000,000	2,970,507.54	3,092,392.00	3,156,164.26	63,772.26
4876	3138WJEB0	FNMA #AS8229	FHLB		2.50	10/01/2031		AAA	AA+	AAA	HTM	50,000,000	17,613,609.50	18,060,550.25	18,406,221.93	345,671.68
4881	3138WJAC2	FNMA #AS8102	FHLB		2.50	10/01/2031		AAA	AA+	AAA	HTM	40,000,000	13,154,894.40	13,421,248.46	13,746,864.65	325,616.19
4955	3128MFAL2	FHLMC #G16111	FHLB		3.00	04/01/2032		AAA	AA+	AAA	HTM	85,512,164	33,529,865.07	34,264,561.27	35,290,182.99	1,025,621.72
4960	3138ERCB4	FNMA #AL9065	FHLB		3.00	09/01/2031		AAA	AA+	AAA	HTM	69,800,000	19,245,617.56	19,476,421.00	20,304,126.53	827,705.53
4961	31418CUL6	FNMA #MA3286	FHLB		3.00	02/01/2028		AAA	AA+	AAA	HTM	25,000,000	8,760,408.00	8,867,701.53	9,093,974.90	226,273.37
5524	31418DUD2	FNMA #MA4179	FHLB		2.00	11/01/2035		AAA	AA+	AAA	HTM	32,500,000	26,995,288.78	27,914,240.90	27,872,635.66	(41,605.24)
5530	31418DV25	FNMA #MA4232	FHLB		2.00	01/01/2041		AAA	AA+	AAA	HTM	90,000,000	82,976,270.40	85,948,146.46	85,050,677.16	(897,469.30)
<b>Total for GALVESTON COUNTY TREASURER</b>												<b>782,336,227</b>	<b>274,160,750.29</b>	<b>280,312,660.08</b>	<b>284,352,533.35</b>	<b>4,039,873.29</b>

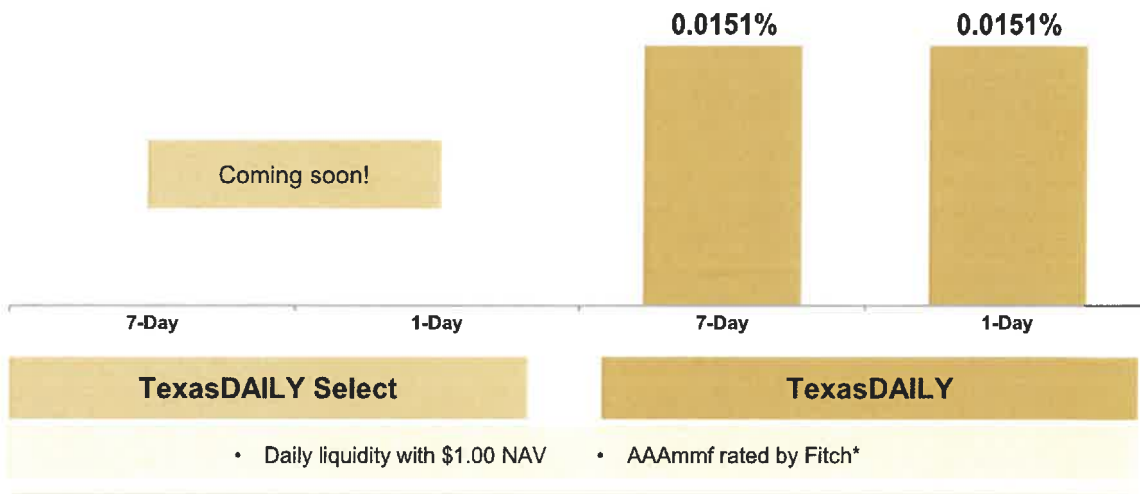
# **MARKET UPDATE**





## Texas Range Investment Program

September 30, 2021  
Current 7-Day & 1-Day Yield<sup>(1)</sup>



**TexasTERM Portfolio<sup>(2)</sup>**

- Fixed-rate, fixed-term investment options
- Customized maturity dates available
- AAAf rated by Fitch\*\*

Maturity	Date	Net Rate
60 Days	November	*
90 Days	December	0.01%
120 Days	January	0.01%
150 Days	February	0.02%
180 Days	March	0.02%
210 Days	April	0.03%
240 Days	May	*
270 Days	June	*
300 Days	July	*
330 Days	August	0.01%
365 Days	September	0.03%

**TexasTERM CD Purchase Program<sup>(2)</sup>**

- Direct purchase of FDIC-insured Certificates of Deposit (CDs)
- CDs held in name of investor

Maturity	Date	Net Rate
90 Days	December	*
120 Days	January	*
180 Days	March	*
270 Days	June	*
300 Days	July	*
365 Days	September	0.05%

*\*\*Subject to availability. Best rate for one CD in an amount such that the total value of the CD (including interest) would not exceed applicable FDIC insurance limits, assuming no pre-existing deposits with that financial institution. Other maturities available.*

See page 2 for important disclosure information



To learn more about Texas Range or to make an investment, please contact us.  
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\*The TexasDAILY and TexasDAILY Select portfolios have received a AAAmmf rating from Fitch Ratings ("Fitch"). The Fitch AAAmmf rating reflects Fitch's review of the portfolios' overall credit quality and diversification and low exposure to interest rate and spread risks as well as the capabilities and resources of PFM Asset Management LLC as investment adviser. According to Fitch's rating criteria, the AAAmmf rating signifies an extremely strong capacity to achieve the portfolios' investment objective of preserving principal and providing shareholder liquidity through limiting credit, market, and liquidity risk. However, it should be understood that this rating is not a "market" rating nor a recommendation to buy, hold or sell the securities. For a full description on rating methodology, visit Fitch Ratings website, <http://www.fitchratings.com/>.

\*\*The TexasTERM portfolio has received a AAAf rating from Fitch Ratings ("Fitch"). The rating reflects Fitch's review of the TexasTERM portfolio's investment and credit guidelines, the portfolio's credit quality and diversification, as well as the capabilities of PFM Asset Management LLC as investment adviser. The Fitch AAAf rating indicates the highest underlying credit quality (or lowest vulnerability to default). However, it should be understood that this rating is not a "market" rating nor a recommendation to buy, hold or sell the securities. For a full description on rating methodology, visit Fitch Ratings website, <http://www.fitchratings.com/>.

1. The Current 7-Day and 1-Day yields for TexasDAILY and TexasDAILY Select are as of the date indicated. The current 7-Day yield, also referred to as the current annualized yield, represents the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical account with a balance of one share (normally \$1.00 per share) over a seven-day base period expressed as a percentage of the value of one share at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 7. Past performance is not indicative of future results and yields may vary. The yields shown above may reflect fee waivers by service providers that subsidize and reduce the total operating expenses of the portfolios. Portfolio yields would be lower if there were no such waivers.
2. TexasTERM Portfolio and TexasTERM CD Purchase Program rates are market rates, subject to change and the rates shown are net of applicable advisory fees and other expenses. They are quoted on an actual day basis, interest is simple and payable at maturity. Actual rates, availability, and minimum investment amounts may vary at the time of purchase and are subject to change. Once you place an investment, the rate is fixed for the full term of your investment and there may be a penalty for early redemption. The minimum investment for TexasTERM Portfolio is \$100,000. The minimum investment for purchasing Certificates of Deposit in the TexasTERM CD Purchase Program is \$97,000; the maximum investment is an amount such that the total value of the CD (including interest) will not exceed the applicable FDIC insurance limits per institution. Certificates of Deposit can be purchased through the TexasTERM CD Purchase Program only by executing a separate investment advisory agreement with PFM Asset Management LLC, the Investment Adviser for Texas Range (the "Program"). Certificates of Deposit purchased through the TexasTERM CD Purchase Program are not insured, guaranteed or insured by the Program or the Investment Adviser or any of its affiliates. A description of TexasTERM Portfolio and the TexasTERM CD Purchase Program are contained in the Texas Range Information Statement. The Information Statement contains important information and should be read carefully before investing. Past Performance is not indicative of future results.

*This information is for institutional investors, not for further distribution to retail investors, and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the Program's investment objectives, risks, charges and expenses before investing. This and other information about the Program is available in the Program's Information Statement, which should be read carefully before investing. A copy of the Program's Information Statement may be obtained by calling 1-866-839-8376 or it is available on the Program's website at [www.texas-range.com](http://www.texas-range.com). While TexasDAILY and TexasDAILY Select seek to maintain a stable net asset value of \$1.00 per share and TexasTERM seeks to achieve a net asset value of \$1.00 per share at its stated maturity, it is possible to lose money investing in the Program. An investment in the Program is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. Shares of the Program are distributed by PFM Fund Distributors, Inc., member Financial Industry Regulatory Authority (FINRA) ([www.finra.org](http://www.finra.org)) and Securities Investor Protection Corporation (SIPC) ([www.sipc.org](http://www.sipc.org)). PFM Fund Distributors, Inc. is a wholly owned subsidiary of PFM Asset Management LLC.*

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## Global Supply Chain Disruptions Worsen

According to reports, global supply chain disruptions are poised to worsen in the near term as the global recovery remains under pressure particularly as developing countries – a vital cog in the international production machine – remain one, two, or even three steps behind the U.S. and many other developed countries in terms of their recovery from the crisis.

In an open letter to the United Nations General Assembly, business leaders from the International Chamber of Shipping, IATA and other transport groups – which account for more than \$20T of annual global trade – sounded the alarm on the risks of a supply chain meltdown: *"We are witnessing unprecedented disruptions and global delays and shortages on essential goods including electronics, food, fuel and medical supplies. Consumer demand is rising and the delays look set to worsen ahead of Christmas and continue into 2022. Our calls have been consistent and clear: freedom of movement for transport workers, for governments to use protocols that have been endorsed by international bodies for each sector and to prioritize transport workers for vaccinations... before global transport systems collapse."*

Supply constraints have already taken a significant toll on domestic producers' ability to ramp up output to satisfy domestic consumers. And, with demand far outpacing available supply, at this point, price pressures have surged. The Fed continues to suggest recent price movements will prove transitory as the economy recalibrates. The process of restoring balance to the marketplace, however, appears to be taking much longer than previously anticipated, resulting in significant and long lasting, or at least longer than expected, inflationary pressures.

Recall, the most recent inflation data has shown the PPI jumped 8.3% in August, the largest gain on records dating back to 2010, and the CPI rose 5.3% in August, down, however, slightly from the 5.4% pace reported the prior two months and the highest level since 2008.

The equity market was mixed yesterday after being hit hard on Tuesday with the Dow and S&P 500 rising 0.2%, while the Nasdaq fell 0.2%.

Yields, meanwhile, fell 2bps from Tuesday, closing at 1.52%.

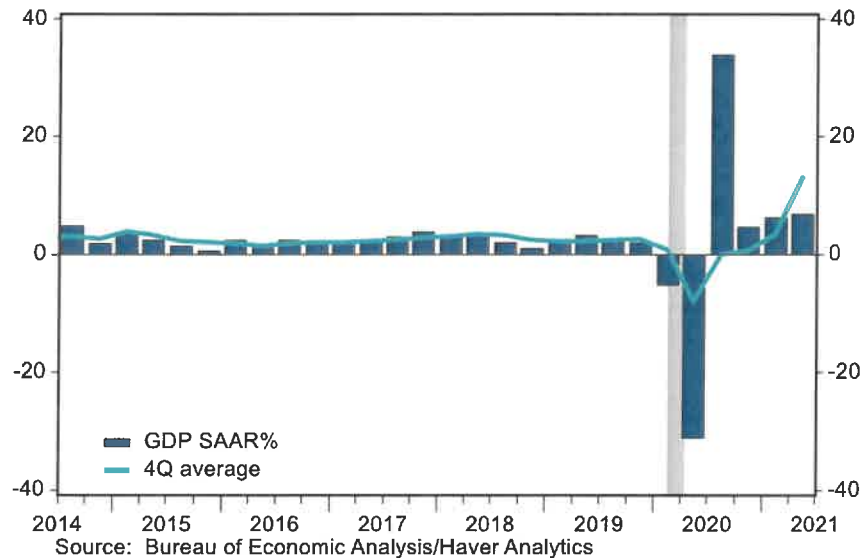
This morning, equities are mixed with the Dow down 0.5% and the S&P 500 down 0.07%, while the Nasdaq is up 0.4% as of 10:53 a.m. ET.

Yields, however, are trading higher with the 10-year up 2bps at 1.54% as of 10:53 a.m. ET.

In political news, the Senate is expected to vote on a short-term appropriations bill which would keep the government funded through December 3 and avoid a shutdown tonight. While it is expected to "easily" pass, as *Bloomberg News* reports, this is the relatively low hanging fruit versus the uphill battle which faces the \$1.2T infrastructure bill and President Biden's \$3.5T human infrastructure proposal.

Yesterday, pending home jumped 8.1% in August, more than the 1.4% rise expected, and the largest increase in three months.

This morning, GDP was revised up a tenth of a percentage point to a 6.7% increase on an annualized basis in the second quarter, a three-quarter high. According to *Bloomberg*, growth was expected to be unrevised at a 6.6% pace in Q2.



In the details, personal consumption was also revised up a tenth of a percentage point to a 12.0% increase, a three-quarter high and following an 11.4% gain in Q1.

Goods consumption was revised higher from a 12.8% gain to a 13.0% increase, following a 27.4% gain in Q1, thanks to upward revisions in durable and nondurable goods from an 11.3% gain to an 11.6% increase, and a 13.7% increase to a 13.9% gain, respectively.

Services consumption was revised up from an 11.3% gain to an 11.5% increase, following a 3.9% increase the quarter prior.

Gross private investment, meanwhile, was revised up a tenth of a percentage point to a 3.9% drop in Q2, the second consecutive quarter of decline.

Fixed investment, however, was revised down from a 3.4% gain to a 3.3% increase in the second quarter, the weakest pace since Q2 2020.

Nonresidential investment, including office buildings and factories was also revised down slightly from a 9.3% increase to a 9.2% gain, due to a downward revision to intellectual property investment from a 14.6% gain to a 12.5% increase. Structures and equipment investment, however, were revised up from a 5.4% drop to a 3.0% decline, and from an 11.6% gain to a 12.1% rise, respectively.

Additionally, residential investment was revised down two-tenths of a percentage point to an 11.7% drop, a one-year low.

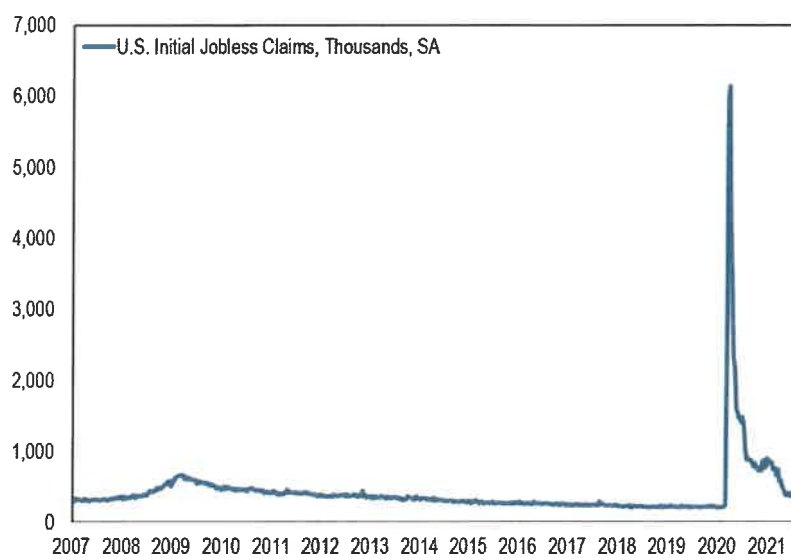


September 30, 2021

On the trade side, exports was revised up a percentage point to 7.6% gain, a two-quarter high, and imports were revised higher from a 6.7% rise to a 7.1% gain.

Finally, government consumption was revised down from a 1.9% decline to a 2.0% drop, a three-quarter low. Federal spending was revised down a tenth of a percentage point to a 5.3% decline, as was nondefense spending to a 10.7% drop, a two-quarter low. National defense spending, meanwhile, dropped 1.1%, revised down from 0.9% decline, and the second consecutive quarter of decline. On the other hand, state and local spending was revised lower from a 0.3% increase to a 0.2% gain.

Also this morning, initial jobless claims unexpectedly rose 11k from 351k to 362k in the week ending September 25, a seven-week high. According to *Bloomberg*, jobless claims were expected to decline to 330k.



Source: Bloomberg

Continuing claims, however, or the total number of Americans claiming ongoing unemployment benefits, fell from 2.820M to 2.802M in the week ending September 18.

Tomorrow, personal income is expected to rise 0.2% and personal spending is expected to increase 0.7% in August. Also, the PCE is expected to rise 0.3% in August and 4.2% over the past 12 months, matching the rise the month prior. The core PCE is expected to rise 0.2% in August and 3.5% year-over-year, down from the 3.6% increase reported in July.

-Lindsey Piegza, Ph.D., Chief Economist

## Glossary

FHFA – Federal Housing Finance Agency  
 FOMC – Federal Open Market Committee  
 GDP – Gross Domestic Product  
 PCE – Personal Consumption Expenditures  
 SA – Seasonally Adjusted  
 YoY – Year over Year

## Economic Releases

Date Time	Event	Period	Prior	Revised	Surv(H)	Surv(L)	Surv(M)	Actual
09/28/21 07:30	Advance Goods Trade Balance	Aug	-\$86.4b	-\$86.8b	-\$80.0b	-\$92.0b	-\$87.3b	-\$87.6b
09/28/21 07:30	Wholesale Inventories MoM	Aug P	0.60%	--	1.00%	0.30%	0.80%	1.20%
09/28/21 07:30	Retail Inventories MoM	Aug	0.40%	--	0.70%	-0.20%	0.50%	0.10%
09/28/21 08:00	FHFA House Price Index MoM	Jul	1.60%	1.70%	2.20%	1.00%	1.50%	1.40%
09/28/21 08:00	S&P CoreLogic CS 20-City MoM SA	Jul	1.77%	1.79%	2.10%	1.00%	1.70%	1.55%
09/28/21 08:00	S&P CoreLogic CS 20-City YoY NSA	Jul	19.08%	19.14%	20.50%	19.10%	20.00%	19.95%
09/28/21 08:00	S&P CoreLogic CS US HPI YoY NSA	Jul	18.61%	18.73%	--	--	--	19.70%
09/28/21 09:00	Conf. Board Consumer Confidence	Sep	113.8	115.2	118.8	108	115	109.3
09/28/21 09:00	Conf. Board Present Situation	Sep	147.3	148.9	--	--	--	143.4
09/28/21 09:00	Conf. Board Expectations	Sep	91.4	92.8	--	--	--	86.6
09/28/21 09:00	Richmond Fed Manufact. Index	Sep	9	--	20	8	10	-3
09/29/21 06:00	MBA Mortgage Applications	24-Sep	4.90%	--	--	--	--	-1.10%
09/29/21 09:00	Pending Home Sales MoM	Aug	-1.80%	-2.00%	6.00%	-1.00%	1.40%	8.10%
09/29/21 09:00	Pending Home Sales NSA YoY	Aug	-9.50%	-9.60%	-13.50%	-15.00%	-13.80%	-6.30%
09/30/21 07:30	Initial Jobless Claims	25-Sep	351k	--	350k	300k	330k	362k
09/30/21 07:30	Continuing Claims	18-Sep	2845k	2820k	2876k	2500k	2790k	2802k
09/30/21 07:30	GDP Annualized QoQ	2Q T	6.60%	--	7.00%	6.50%	6.60%	6.70%
09/30/21 07:30	Personal Consumption	2Q T	11.90%	--	12.10%	11.80%	11.90%	12.00%
09/30/21 07:30	GDP Price Index	2Q T	6.10%	--	6.90%	6.10%	6.10%	6.10%
09/30/21 07:30	Core PCE QoQ	2Q T	6.10%	--	6.10%	6.10%	6.10%	6.10%
09/30/21 08:45	Langer Consumer Comfort	26-Sep	56.3	--	--	--	--	--
09/30/21 08:45	MNI Chicago PMI	Sep	66.8	--	69.1	62	65	--
10/01/21 07:30	Personal Income	Aug	1.10%	--	1.50%	-1.00%	0.20%	--
10/01/21 07:30	Personal Spending	Aug	0.30%	--	1.00%	0.10%	0.60%	--
10/01/21 07:30	Real Personal Spending	Aug	-0.10%	--	0.70%	0.10%	0.40%	--
10/01/21 07:30	PCE Deflator MoM	Aug	0.40%	--	0.40%	0.10%	0.30%	--
10/01/21 07:30	PCE Deflator YoY	Aug	4.20%	--	4.30%	4.00%	4.20%	--
10/01/21 07:30	PCE Core Deflator MoM	Aug	0.30%	--	0.40%	0.10%	0.20%	--
10/01/21 07:30	PCE Core Deflator YoY	Aug	3.60%	--	3.60%	3.40%	3.50%	--
10/01/21 08:45	Markit US Manufacturing PMI	Sep F	60.5	--	60.7	54.5	60.5	--
10/01/21 09:00	U. of Mich. Sentiment	Sep F	71	--	73	70	71	--
10/01/21 09:00	U. of Mich. Current Conditions	Sep F	77.1	--	78	77	77.1	--
10/01/21 09:00	U. of Mich. Expectations	Sep F	67.1	--	68	67	67.1	--
10/01/21 09:00	U. of Mich. 1 Yr Inflation	Sep F	4.70%	--	4.80%	4.70%	4.80%	--
10/01/21 09:00	U. of Mich. 5-10 Yr Inflation	Sep F	2.90%	--	--	--	--	--
10/01/21 09:00	Construction Spending MoM	Aug	0.30%	--	0.50%	-0.10%	0.30%	--
10/01/21 09:00	ISM Manufacturing	Sep	59.9	--	62	55.5	59.5	--
10/01/21 09:00	ISM Prices Paid	Sep	79.4	--	79	76	78.5	--
10/01/21 09:00	ISM New Orders	Sep	66.7	--	64.4	59	63.6	--
10/01/21 09:00	ISM Employment	Sep	49	--	52.4	50	50.2	--
10/01/21	Wards Total Vehicle Sales	Sep	13.06m	--	14.00m	12.30m	13.00m	--
10/04/21 09:00	Factory Orders	Aug	0.40%	--	1.20%	0.50%	1.00%	--
10/04/21 09:00	Factory Orders Ex Trans	Aug	0.80%	--	0.90%	0.40%	0.60%	--
10/04/21 09:00	Durable Goods Orders	Aug F	1.80%	--	--	--	--	--
10/04/21 09:00	Durables Ex Transportation	Aug F	0.20%	--	--	--	--	--
10/04/21 09:00	Cap Goods Orders Nondef Ex Air	Aug F	0.50%	--	--	--	--	--
10/04/21 09:00	Cap Goods Ship Nondef Ex Air	Aug F	0.70%	--	--	--	--	--

Source: Bloomberg

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ADDITIONAL INFORMATION AVAILABLE UPON REQUEST

# STIFEL

## Economics

Lindsey M. Piegza, Ph.D., Chief Economist (312) 454-3873

### Global Supply Chain Disruptions Worsen

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### FULL DOCUMENT ATTACHED

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# Monthly Market Review

Information provided by Texas Range's Investment Advisor PFM Asset Management LLC

"Economic clouds thicken as markets remain resilient."

## Economic Highlights

- The rising summer tide of coronavirus infections seems to have drowned out optimism about the economic recovery. Daily cases have risen to levels not seen since the beginning of the year, and vaccination rates have slowed at a time when relief from the Federal government is subsiding. As the summer ends, a COVID-weary country may face a distressing reality check.
- Consumers tightened their purse strings as COVID-19 Delta variant concerns and renewed public health restrictions clouded financial prospects. Headline retail sales fell 1.1% in July.
- The economy added only 235,000 jobs in August, falling far short of economists' estimates of 735,000 jobs and the weakest posting since January. It appears that potential workers have pulled back from the labor force because of renewed COVID-19 concerns. Although the unemployment rate fell to 5.2% from 5.4%, the labor force participation rate remained 1.6% below pre-pandemic levels. The number of persons unable to work because their employer closed or lost business due to the pandemic rose. A bright spot in the labor market reports is that average hourly earnings rose 4.3% over the past year.
- Supply-chain challenges, rising commodity costs, and materials and labor shortages are now weighing on business conditions. Surveys of purchasing managers for August signaled slowing manufacturing and services activity, albeit both still expansionary.
- At the annual Jackson Hole symposium on monetary policy, Federal Reserve (Fed) Chair Jerome Powell said the tapering of asset purchases could begin this year as the U.S. economy recovers from the pandemic, but the central bank will not be in a hurry to raise interest rates. He also reiterated the Fed's belief that the current spike in inflation is likely to be transitory.

## Bond Markets

- Treasury yields generally rose during August, with those on maturities between five and 10 years jumping by six to nine basis points (bps). However, the 10-year Treasury note yield ended August 44 bps below its spring peak, reflecting a more sanguine view about inflation, longer-term economic growth prospects, and a patient Fed.
- The U.S. Treasury continued to issue new bonds to fund the deficit, but monthly volume has been steady through the year. Reductions are likely later this year as Federal fiscal stimulus costs wane. Issuance may also be disrupted by the expiration of the debt limit suspension, which will prevent increased issuance until the limit is extended, and then likely result in a flood to make up for lost capacity.
- Indicative of the surfeit of cash in the short-term markets, usage of the Fed's Reverse Repo Facility has remained above \$1 trillion per day since mid-August. In fact, it may become necessary for the Fed to raise its per-counterparty limit to add capacity and keep overnight rates above true zero.

- Returns on Treasury indices were generally negative for the month as yields rose across most maturities. The 5- and 10-year Treasury indices returned -0.2% and -0.3%, respectively.

## Equity Markets

- U.S. equity markets marched to new record highs – August 30, 2021 marked the 53rd new high this year for the S&P 500 – despite growing risks to the outlook. Equities shrugged off concerns about rising coronavirus infections, supply-chain challenges, materials shortages, Fed tapering uncertainty and a messy pullout from Afghanistan. The S&P 500 rose 3.0% in August, which marked the seventh consecutive month of gains. The Nasdaq returned 4.1%, while the Dow Jones Industrial Average returned 1.5%.
- Developed market equities (represented by the MSCI ACWI ex-USA Index) continued to lag U.S. equity indices, posting a return of 1.9% for August. The U.S. Dollar Index (DXY) appreciated 0.5% in August. The movement of the U.S. dollar against a basket of currencies has rebounded from near multi-year lows since May, putting a drag on non-U.S. economies that export goods and services to the U.S.

## PFM Strategy Recap

- The economic outlook has gotten a bit more cloudy as rising COVID-19 cases and increased public health restrictions may slow consumer spending and ultimately economic growth. Meanwhile, the Fed is on track to begin tapering in the next several months, but any rate increases are far off into the future. Given this balance of factors, we plan to maintain a generally neutral duration stance relative to market benchmarks.
- No surprise, federal agency spreads remain tight. Issuance has been light and opportunities are limited.
- Investment-grade (IG) corporate spreads are ever-so-slightly elevated compared to mid-year tightness. Trends in corporate fundamentals are encouraging, but overall valuations remain very rich. New issues continue to be the best avenue for sourcing opportunities.
- AAA-rated asset-backed securities (ABS) spreads are stable near-record tightness. The sector offers fair value relative to corporates, with shorter structures (one-year average life) offering the best relative value.
- Mortgage-backed securities (MBS) spreads are slightly wider from second quarter rock bottoms. However, with spreads still well below long-term averages and Fed tapering looming, the sector remains at risk for underperformance.
- Holding excess cash is costly as short-term yields remain very low. Commercial paper and bank CDs offer some value, especially in longer (9-12 month) maturities.

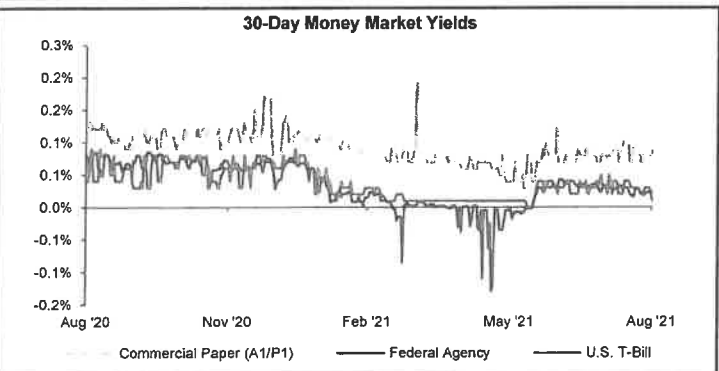
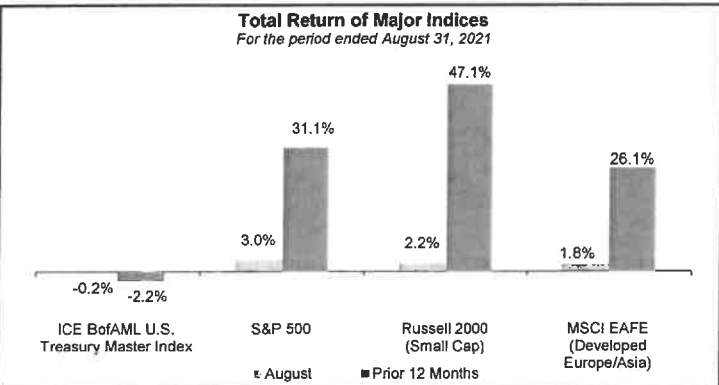
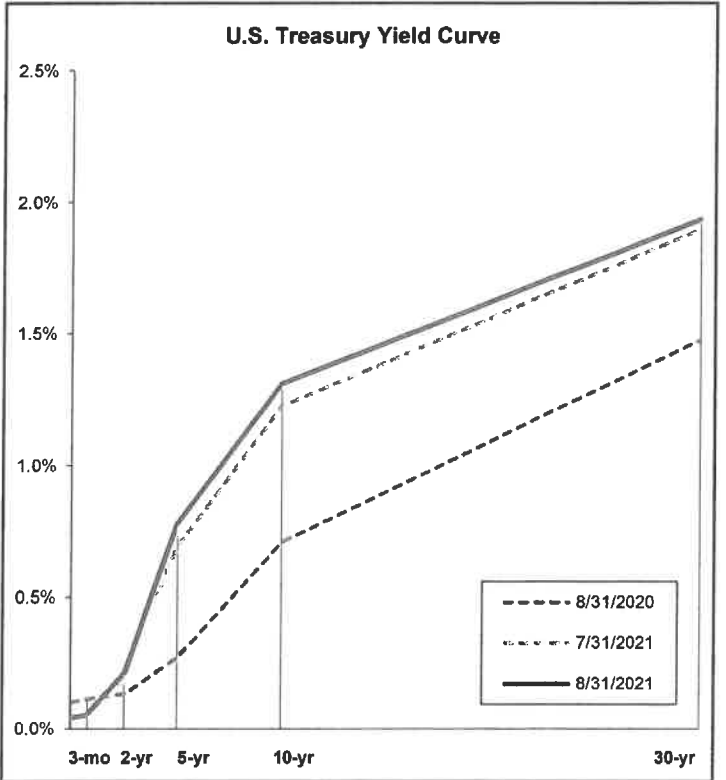
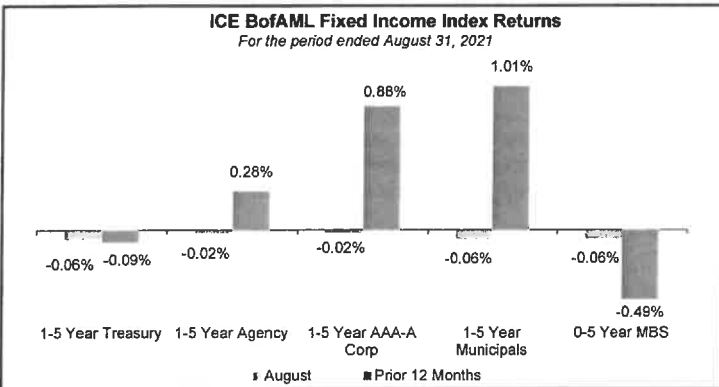
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U.S. Treasury Yields				
Duration	Aug 31, 2020	Jul 31, 2021	Aug 31, 2021	Monthly Change
3-Month	0.10%	0.04%	0.04%	0.00%
6-Month	0.11%	0.05%	0.05%	0.00%
2-Year	0.13%	0.19%	0.21%	0.02%
5-Year	0.27%	0.69%	0.78%	0.09%
10-Year	0.71%	1.22%	1.31%	0.09%
30-Year	1.48%	1.89%	1.93%	0.04%

Yields by Sector and Maturity as of August 31, 2021				
Maturity	U.S. Treasury	Federal Agency	Corporates-A Industrials	AAA Municipals
3-Month	0.04%	0.03%	0.15%	--
6-Month	0.05%	0.03%	0.17%	--
2-Year	0.21%	0.20%	0.34%	0.09%
5-Year	0.78%	0.79%	1.10%	0.41%
10-Year	1.31%	1.41%	1.94%	1.16%
30-Year	1.93%	1.91%	2.80%	1.72%

Spot Prices and Benchmark Rates				
Index	Aug 31, 2020	Jul 31, 2021	Aug 31, 2021	Monthly Change
1-Month LIBOR	0.16%	0.09%	0.08%	-0.01%
3-Month LIBOR	0.24%	0.12%	0.12%	0.00%
Effective Fed Funds Rate	0.09%	0.07%	0.06%	-0.01%
Fed Funds Target Rate	0.25%	0.25%	0.25%	0.00%
Gold (\$/oz)	\$1,971	\$1,813	\$1,816	\$3
Crude Oil (\$/Barrel)	\$42.61	\$73.95	\$68.50	-\$5.45
U.S. Dollars per Euro	\$1.19	\$1.19	\$1.18	-\$0.01

Economic Indicators				
Indicator	Release Date	Period	Actual	Survey (Median)
Retail Sales Advance MoM	17-Aug	Jul	-1.1%	-0.3%
GDP Annualized QoQ	26-Aug	2Q S	6.6%	6.7%
PCE Core Deflator YoY	27-Aug	Jul	3.6%	3.6%
Consumer Confidence	31-Aug	Aug	113.8	123.0
ISM Manufacturing	1-Sep	Aug	59.9	58.5
Change in Non-Farm Payrolls	3-Sep	Aug	235k	733k
Unemployment Rate	3-Sep	Aug	5.2%	5.4%



Source: Bloomberg. Data as of August 31, 2021, unless otherwise noted. The views expressed constitute the perspective of PFM Asset Management LLC at the time of distribution and are subject to change. The content is based on sources generally believed to be reliable and available to the public; however, PFM cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. PFM is the marketing name for a group of affiliated companies providing a range of services. All services are provided through separate agreements with each company. Investment advisory services are provided by PFM Asset Management LLC, which is registered with the SEC under the Investment Advisers Act of 1940. For more information regarding PFM's services or entities, please visit [www.pfm.com](http://www.pfm.com).

