

COUNTY OF GALVESTON

FY 2013 INVESTMENT REPORT SECOND QUARTER JANUARY 2013 THROUGH MARCH 2013

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FY 2013 INVESTMENT REPORT

January 1, 2013 THROUGH March 31, 2013

Disclosure; Notice of Significant Information:

There are currently no known areas of concern either with safety or diversity of investments held in Galveston County's Portfolio, or in regards to deposits held at any particular contracted institution. Furthermore, on October 1, 2011 Galveston County entered into a new Depository contract with Prosperity Bank to end September 30, 2015. The banking contract has several clauses including renegotiation options in 2013 which could result in higher yielding interest rates. Another benefit of the new contract details banking charges under the payment structure-interest vs. fee option which would result in saving the County significant amount of banking expenditures over the next four years.

A. COMPLIANCE AND REPORTING REQUIREMENTS

This report is made in accordance with the provisions of Government Code 2256 known as The Public Funds Investment Act, which requires the reporting of investments to Commissioners' Court at least quarterly.

This report is intended to present a fair, accurate, and detailed summary of investment activity. The investments held in Galveston County's portfolio comply with the Public Funds Investment Act, and the County's Investment Policy and Strategies. This report is prepared in compliance with generally accepted accounting principles.

B. FINANCIAL SUMMARY - INVESTMENTS AT-A-GLANCE

1. Securities held March 31, 2013 ¹	\$	0	see Exhibit C
2. Additional Investable funds as of March 31 ^B	\$	172,296,837	see Exhibit A (See note)
3. Interest Earnings (Cash): Jan 1 to Mar 31	\$	322,435.60	see Exhibit B

^B Using the Investment Procedure's \$10million base. Generally outside investments are yielding less than approved Pool deposits at this time.

¹Figure is based upon Market Value and interest compounding as of the date listed.

²Investment interest figures do not include the interest earned on Cash (Demand, Money Market, CBA and Pool) Accounts. Those are reported in item 10. CDs only recorded at maturity.

³Purchased and Sold securities do not include NOW, CBA, Pool or Money Market Accounts. It does include reinvested interest earnings on CDs.

⁴All investments are CDs which receive interest that is reinvested. No market value changes.

The County's Investment policy sets the Interest Yield Benchmark as the 6 month Treasury Bill. As of March 31, 2013 it yielded 0.11%. The actual interest yield on the entire portfolio (Cash and Securities) is currently .749%, including the \$10 million required liquidity.

FY 2013 INVESTMENT REPORT

Galveston County currently owns 0 securities at this time due to low yielding interest rates on securities and CD's. There are no outstanding investment transactions at this time.

Cash flow analyses were done for bond project funds. The County's investment procedures suggest that \$10 million be kept as a liquidity base for current accounts payable with the remainder laddered out. As of March 31, 2013 there was approximately \$172,296,837.16 in additional funds that could be available for investment into securities. Of this, 99% of it mainly represented funds currently at depository bank yielding an average APY rate of .75%. These amounts represent general operating funds, and various bond and debt service funds. Since Hurricane Ike hit on September 12, 2008, retaining higher liquidity levels has been necessary in order to manage cash flows before being reimbursed by FEMA for recovery projects.

Galveston County's deposits at all Depository Banks are fully collateralized at, or over, 110% and there are no known problems with any collateral placed against these deposits. Galveston County monitors all collateral for both depository contract compliance and risk.

C. INDIVIDUAL INVESTMENT DETAIL

1. INVESTABLE FUNDS NOT YET REQUESTED TO BE INVESTED

(a) The total funds available to be invested that have not yet been requested to be invested in a security total \$0. This is due to the fact that there are no eligible securities whose yield is paying better than our main depositories.

2. NON INVESTABLE FUNDS (THESE ARE FUNDS FOR FUTURE ACCOUNTS PAYABLE)

(a) Currently, the County's investment procedures set aside \$10,000,000 in highly liquid accounts to meet nearby obligations of the County. As of March 31, 2013, there was \$182,296,837.16 in NOW Checking accounts, and Money Market Accounts. Funds held in previous months in Pool Accounts kept were closed due to low yielding rates. Currently yielding at .75% large portion of funds are held in the Main depository's Money Market accounts (before a netting of earnings credits and fees). The Depository yield dropped significantly beginning October 1, 2011 from 1.65% due to end of banking contract and negotiations of the new contract including limited bond funds that could be kept at our main depository. These funds are available on a daily basis to meet current needs. Given the impact of hurricane Ike and the need for cash flow liquidity until FEMA reimbursements are received, the plan is to let these funds remain liquid to cover short term obligations.

FY 2013 INVESTMENT REPORT

D. INTEREST EARNED

1. INTEREST SUMMARY FOR INVESTMENTS AND NON-INVESTABLE FUNDS

Income generated via the GASB 31 accounting method for both securities and cash accounts totaled \$332,435.60 for the SECOND Quarter of FY 2013.

Under GASB 31, securities earned \$0.00 due to change in market value and reversal of market value earnings on matured instruments, and received interest earnings of \$0, due to interest paid/maturities/sales. The NOW, Money Market and Pool accounts (All Cash accounts) earned \$332,435.60 (Exhibit B)

Total Earnings (GASB 31 Method) for FY2013 are \$332,435.60 with Securities at \$0. And Cash Accounts at \$332,435.60.

The County's FY 2013 total budgeted General Fund Interest Revenue is \$663,281.00, same budgeted amount as FY 2012. As of March 31, 2013, \$308,121.76(see schedule A) in interest has been credited to the General Fund (Obj Code: 1101-4811010).

Currently Galveston County has no CD investments at this time. The YTM of the entire portfolio is .749% with a WAM of 1.0 day as of March 31, 2013.

Other Interest bearing accounts controlled by other elected officials, such as those held by the County Tax Assessor-Collector, are also earning interest that will eventually be transferred to the new Main Depository. Those accounts do not fall within our scope of investment accounts or funds available for investment since the County Treasurer does not maintain those accounts, and are therefore not reported here.

Any questions regarding investments, or this report, should be directed to Kevin Walsh at (409) 770-5395.

Hon. Kevin C. Walsh, CPA
County Treasurer
Investment Officer



Cc: Commissioner's Court
County Auditor
Galveston County Investment Committee

****Galv Cnty Production****
Budget to Actual Figures

Ledger: GL
 Fiscal Year: 2013 3 March

Budget: OB

Key Title
 1101000000 General Fund

Director

<u>Object</u>	<u>Description</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
4811010	Interest Revenue	663,281.00	308,121.76	0.00	355,159.24
	Total Revenue	663,281.00	308,121.76	0.00	355,159.24
	Total Expense	0.00	0.00	0.00	0.00
	Net Total (Revenue - Expense)	663,281.00	308,121.76	0.00	355,159.24

Fact Sheet: Asset Detail (Total Portfolio: Cash and Securities)

As of MARCH 31, 2013
Galveston County, Texas

EXHIBIT "A"

Liquid Cash Assets

Account	Balance	Percentage of Assets
Now/MM Accts (Bank)	182,296,837	100%
Certificated Bond Accounts	-	0%
Pooled Cash Accounts	-	0%
Sub-Totals	182,296,837	100%

Galveston County's Total Investable Assets:

(including Required Liquidity):	0.749%
YTM @ Cost	1.00 days
WAM:	

Investible Cash:

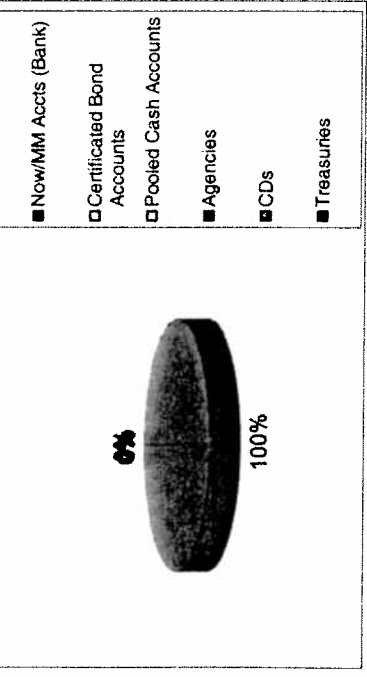
Current Liquid Cash Assets:	\$ 182,296,837
Required Cash Liquidity:	(\$10,000,000)
Outstanding Transfer Drctvs:	\$0
Residual For Investment:	\$172,296,837

Security Assets

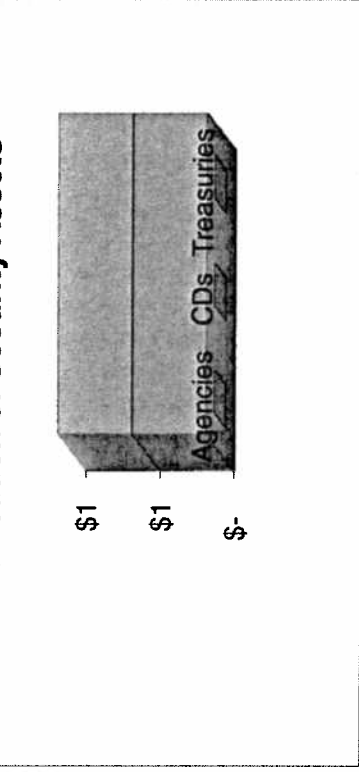
Security	Market Value	Percentage of Assets
Agencies	\$ -	0%
CDs	-	0%
Treasuries	-	0%
Sub-Totals	\$ -	0%

Total Assets 182,296,837 100%

Distribution of Assets



Diversification of Security Assets



The required Cash Liquidity in Now Accounts and Money Market Accounts is intended to fulfill short term Cash obligations and therefore will receive rates lower than our target benchmark yield. These would not be considered "Fully Invested Funds" and therefore should not be considered in the YTM comparison to the target benchmark.

When looking at the WAM of Galveston County's Assets, all assets should be considered since they make up the short term liquidity available to the County which WAM is an important measure of.

Tracker
Galveston County
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 Activity Date: 12/31/2012, End Activity Date: 3/31/2013, Carrying Value Date: 12/31/2012

Description	CUSIP/Ticker	Beginning Face Amount/Shares	Buy Principal	Sell Principal	Interest/Dividend	Ending Face Amount/Shares
0002 General Fund						
Moodys National Bank Cash	02MOODY196	13,467.49	11,215.03	24,682.52	5.05	0
Moodys National Bank Cash	02MOODY238	80,793.07	57,420.85	80,820.32	44.36	57,393.60
Prosperity Bank Cash	02PRS081	205,062.77	798.3	0	379.9	205,861.07
Prosperity Bank Cash	02PRS161	34,385.37	152,420.27	150,143.00	64.27	36,662.64
Prosperity Bank Cash	02PRS321	20,781.13	13,816.05	20,781.13	33.05	13,816.05
Prosperity Bank Cash	02PRS401	32,814.72	27,366.31	32,815.37	55.23	27,365.66
Prosperity Bank Cash	02PRS431	857,704.08	68,584,704.45	67,395,098.99	2,800.35	2,047,309.54
Prosperity Bank Cash	02PRS511	92,551,450.77	88,176,766.60	45,000,000.00	234,176.42	135,728,217.37
Prosperity Bank Cash	02PRS591	488,164.87	148,687.47	0	1,040.76	636,852.34
Prosperity Bank Cash	02PRS781	1,065,343.89	15,734,443.88	15,915,023.31	2,119.55	884,764.46
Prosperity Bank Cash	02PRS861	738,190.85	22,992,262.32	23,293,598.52	1,829.60	436,854.65
Prosperity Bank Cash	02PRS941	30,319.46	70,744.14	64,842.00	58.14	36,221.60
PROSPERITY Cash	02PRS751	16,198.47	29.98	0	29.98	16,228.45
PROSPERITY Cash	02PRS831	550,456.59	614,482.08	124,170.40	1,359.70	1,040,768.27
PROSPERITY Cash	02PRSDRG	23,563.45	43.61	0	43.61	23,607.06
Texas First Bank Cash	02JP600	557,240.55	702,725.05	750,711.02	0	509,254.58
Texas First Bank Cash	02TFB2PARKS	1,000.00	73,730.00	0	0	74,730.00
Sub Total/Average 0002 General Fund		97,266,937.53	197,361,656.39	152,852,686.58	244,039.97	141,775,907.34
3120 Lmt Tx Cnty Bid Bd 09B						
Prosperity Bank MM	3120PRS111	5,246,196.32	37,816.30	420,994.75	9,306.89	4,863,017.87
Sub Total/Average 3120 Lmt Tx Cnty Bid Bd 09B		5,246,196.32	37,816.30	420,994.75	9,306.89	4,863,017.87
3206 2003 Certificate / Obg						
Prosperity Bank MIM	3206PRS651	2,841.72	0.88	2,841.72	0.88	0.88
Sub Total/Average 3206 2003 Certificate / Obg		2,841.72	0.88	2,841.72	0.88	0.88
3307 2003 Road Bonds						
Prosperity Bank MIM	3307PRS811	4,934,193.35	9,130.48	0	9,130.48	4,943,323.83
Sub Total/Average 3307 2003 Road Bonds		4,934,193.35	9,130.48	0	9,130.48	4,943,323.83
3308 2001 Road Bonds						
Prosperity Bank MM	3308PRS731	139,372.15	1,667,255.98	1,673,316.64	324.83	133,311.49
Sub Total/Average 3308 2001 Road Bonds		139,372.15	1,667,255.98	1,673,316.64	324.83	133,311.49
3310 2007 Limited Tax Bonds						
Prosperity Bank MM	3310PRS571	5,126,387.31	436,310.50	1,037,883.31	8,810.50	4,524,814.50
Sub Total/Average 3310 2007 Limited Tax Bonds		5,126,387.31	436,310.50	1,037,883.31	8,810.50	4,524,814.50
3312 Unim Tx Rd Bd 09A						
Prosperity Bank MM	3312PRS031	14,697,833.76	23,870.39	3,257,081.34	23,870.39	11,464,622.81
Sub Total/Average 3312 Unim Tx Rd Bd 09A		14,697,833.76	23,870.39	3,257,081.34	23,870.39	11,464,622.81

Exhibit "B" (Con't)						
Description	CUSIP/Ticker	Beginning Face Amount/Shares	Buy Principal	Sell Principal	Interest/Dividend	Ending Face Amount/Shares
3370 Lmt Tx Fld Cntl Bd 09C						
Prosperity Bank MM	3370PRS381	10,284,344.58	19,030.67	0	19,030.67	10,303,375.25
Sub Total/Average 3370 Lmt Tx Fld Cntl Bd 09C		10,284,344.58	19,030.67	0	19,030.67	10,303,375.25
3373 COB Series 2008						
Prosperity Bank MM	3373PRS461	338,366.84	626.13	0	626.13	338,992.97
Sub Total/Average 3373 COB Series 2008		338,366.84	626.13	0	626.13	338,992.97
4022 Ltd Tax Rfnd bd						
Prosperity Bank MM	4022PRS221	11,962.21	22.14	0	22.14	11,984.35
Sub Total/Average 4022 Ltd Tax Rfnd bd		11,962.21	22.14	0	22.14	11,984.35
4023 Unltd Tax Rfd Bd						
Prosperity Bank MM	4023PRS301	12,749.25	402.1	378.45	23.65	12,772.90
Sub Total/Average 4023 Unltd Tax Rfd Bd		12,749.25	402.1	378.45	23.65	12,772.90
4024 Ltd Tax Rfd Bd						
Prosperity Bank MM	4024PRS491	9,261.40	17.14	0	17.14	9,278.54
Sub Total/Average 4024 Ltd Tax Rfd Bd		9,261.40	17.14	0	17.14	9,278.54
4371 09 Debt Service						
PROSPERITY MM	4371PRS541	3,908,202.50	7,231.93	0	7,231.93	3,915,434.43
Sub Total/Average 4371 09 Debt Service		3,908,202.50	7,231.93	0	7,231.93	3,915,434.43
Total / Average		141,978,648.92	199,563,371.03	159,245,182.79	322,435.60	182,296,837.16

Exhibit "C"

Tracker
 Galveston County
 Portfolio Holdings
 Portfolio Holdings / by Security Type - Totals
 Report Format: By Totals
 Group By: Security Type
 Average By: Face Amount / Shares
 Portfolio / Report Group: All Portfolios
 As of 3/31/2013

Description	Coupon Rate	YTM @ Cost	Face Amount/Shares	Book Value	Market Value	Days To Maturity	% of Portfolio
Cash	0.749	0.749	141,775,907.34	141,775,907.34	141,775,907.34	1	77.77
Money Market	0.75	0.75	40,520,929.82	40,520,929.82	40,520,929.82	1	22.23
Total / Average	0.749	0.749	182,296,837.16	182,296,837.16	182,296,837.16	1	100

Tracker
Galveston County
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 3/31/2013

Description	CUSIP#	Face Amount/Shares	Market Value	Book Value	YTM @ Cost	Coupon Rate	Days To Maturity	% of Portfolio
Cash								
Moody National Bank Cash	02MOODY238	57,393.60	57,393.60	57,393.60	0.35	0.35	1	0.03
Prosperity Bank Cash	02PRS321	13,816.05	13,816.05	13,816.05	0.75	0.75	1	0.01
Prosperity Bank Cash	02PRS781	884,764.46	884,764.46	884,764.46	0.75	0.75	1	0.49
Prosperity Bank Cash	02PRS591	636,852.34	636,852.34	636,852.34	0.75	0.75	1	0.35
Prosperity Bank Cash	02PRS941	36,221.60	36,221.60	36,221.60	0.75	0.75	1	0.02
Prosperity Bank Cash	02PRS431	2,047,309.54	2,047,309.54	2,047,309.54	0.75	0.75	1	1.12
Prosperity Bank Cash	02PRS511	135,728,217.37	135,728,217.37	135,728,217.37	0.75	0.75	1	74.45
Prosperity Bank Cash	02PRS401	27,365.66	27,365.66	27,365.66	0.75	0.75	1	0.02
Prosperity Bank Cash	02PRS861	436,854.65	436,854.65	436,854.65	0.75	0.75	1	0.24
Prosperity Bank Cash	02PRS161	36,662.64	36,662.64	36,662.64	0.75	0.75	1	0.02
Prosperity Bank Cash	02PRS081	205,861.07	205,861.07	205,861.07	0.75	0.75	1	0.11
PROSPERITY Cash	02PRSDRG	23,607.06	23,607.06	23,607.06	0.75	0.75	1	0.01
PROSPERITY Cash	02PRS751	16,228.45	16,228.45	16,228.45	0.75	0.75	1	0.01
PROSPERITY Cash	02PRS831	1,040,768.27	1,040,768.27	1,040,768.27	0.75	0.75	1	0.57
Texas First Bank Cash	02JP600	509,254.58	509,254.58	509,254.58	0.61	0.61	1	0.28
Texas First Bank Cash	02TFB2PARKS	74,730.00	74,730.00	74,730.00	0.61	0.61	1	0.04
Sub Total / Average		141,775,907.34	141,775,907.34	141,775,907.34	0.749	0.749	1	77.77

Exhibit "C"
(Con't)

Description	CUSIP#	Face Amount/Shares	Market Value	Book Value	YTM @ Cost	Coupon Rate	Days To Maturity	% of Portfolio
Money Market								
Prosperity Bank MM	3206PRS651	0.88	0.88	0.88	0.75	0.75	1	0
Prosperity Bank MM	4023PRS301	12,772.90	12,772.90	12,772.90	0.75	0.75	1	0.01
Prosperity Bank MM	3373PRS461	338,992.97	338,992.97	338,992.97	0.75	0.75	1	0.19
Prosperity Bank MM	3120PRS111	4,863,017.87	4,863,017.87	4,863,017.87	0.75	0.75	1	2.67
Prosperity Bank MM	3307PRS811	4,943,323.83	4,943,323.83	4,943,323.83	0.75	0.75	1	2.71
Prosperity Bank MM	3308PRS731	133,311.49	133,311.49	133,311.49	0.75	0.75	1	0.07
Prosperity Bank MM	4022PRS221	11,984.35	11,984.35	11,984.35	0.75	0.75	1	0.01
Prosperity Bank MM	3370PRS381	10,303,375.25	10,303,375.25	10,303,375.25	0.75	0.75	1	5.65
Prosperity Bank MM	3312PRS031	11,464,622.81	11,464,622.81	11,464,622.81	0.75	0.75	1	6.29
Prosperity Bank MM	3310PRS571	4,524,814.50	4,524,814.50	4,524,814.50	0.75	0.75	1	2.48
Prosperity Bank MM	4024PRS491	9,278.54	9,278.54	9,278.54	0.75	0.75	1	0.01
PROSPERITY MM	4371PRS541	3,915,434.43	3,915,434.43	3,915,434.43	0.75	0.75	1	2.15
Sub Total / Average		40,520,929.82	40,520,929.82	40,520,929.82	0.75	0.75	1	22.23
Total / Average		182,296,837.16	182,296,837.16	182,296,837.16	0.749	0.749	1	100

Exhibit "D"

Tracker
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 Activity Date: 12/31/2012, End Activity Date: 3/31/2013, Carrying Value Date: 12/31/2012

Description	Interest/Dividends	Ending YTM @ Cost
Cash	244,039.97	0.749
Money Market	78,395.63	0.75
Total / Average	322,435.60	0.749

COLLATERAL SUMMARY

As of MARCH 31, 2013
Galveston County, Texas

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 6/30/2011	Actual Collateral Percentage
Moody National Bank	Demand Deposits & Time Deposits	US Treasury Obligations, US Agencies, GNMA's	Federal Reserve Bank, or Chase Bank	110%	\$ 2,316,766	\$ 13,998,696.47	604%
Texas First Bank Hitchcock/Santa Fe/Texas City	Time Deposits	US Treasury Obligations, US Agencies, GNMA's	Federal Reserve Bank, or Chase Bank	110%	\$ 1,307,318	\$ 4,513,359	345%
Prosperity Bank	Time Deposits	US Treasury Obligations, US Agencies, GNMA's Agency Letters of Credit.	Federal Reserve Bank, or Chase Bank	110%	\$ 192,872,543	\$ 258,101,716	134%
Totals:					<u>\$ 196,496,626</u>	<u>\$ 276,613,772</u>	141%

*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.

GALVESTON COUNTY
REPORTS FOR
MARCH 2013
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1. LIST OF ACCOUNTS AND END-OF-MONTH BALANCES

2. TIME DEPOSITS- MOODY NATIONAL BANK - NONE

3. PLEDGE RECEIPT REPORT - TIB

4. PLEDGE SECURITIES LISTING - THE BAKER GROUP

5. STATEMENT OF HOLDINGS -FEDERAL RESERVE BANK

ACCT K2DI GALVESTON CNTY
ACCT 1031 A GALVESTON CNTY - NONE

**Moody National Bank
Galveston County
March 2013**

Account Description	Type	MNB #	Amount
KEVIN WALSH			
GALVESTON COUNTY TREASURER			
Galveston Cnty - J P Account	N	3010003238	57,393.60
Littleton Group Workers Comp	N	3010009748	36,259.25
Boon-Chapman Health	N	3010008898	70,517.49
HEALTH DISTRICT			
Galveston County Health Dist. General Fund	N	035-823-4	2,107.65
Galveston County Coord. Community Clinic	N	035-821-8	2,960.57
Galveston County EMS Area Ambulance	N	039-395-9	2,930.68
Galveston County Health Dist. Payroll	D	039-393-4	0.00
Galveston County Coord. Community Clinic	D	039-392-6	0.00
Galveston County Health Payroll Account	D	039-394-2	0.00
GEAN LEONARD, SHERIFF			
Galveston Cnty Sheriff-Inmate Property	D	3120001122	44,897.55
COUNTY AUDITOR			
Galveston County Clear Creek Flood	M	040-444-2	2,381.71
Sabine Galv Shoreline Erosion	M	5010000536	33,445.59
Cnty Special Escrow Agreement	M	5010000874	7,067.72
CHERYL JOHNSON -TAX ASSESSOR/COLLECTOR			
Trish Gibbins - Texas I V R R	N	3010000523	220,919.95
Galveston Cnty Tax Assessor/Collector Highway	D	3010006413	694,706.38
Galveston Cnty Tax Assessor/Collector Tax	D	3010006421	785,858.20
Galveston Cnty Tax Assessor/Collector Beer	M	5010001468	9,344.21

**Moody National Bank
Galveston County
March 2013**

GALVESTON COUNTY J. P. & CONSTABLE

Penny L. Pope, J. P. Pct. 2	D	035-924-0	2,858.25
Justice Court - Precinct 1	D	3010003352	24,300.60

ADULT PROBATION DEPARTMENT

Galveston County Adult Probation Dept.	N	035-856-4	314,487.24
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COUNTY CLERK

Dwight Sullivan Cnty Clerk Registry	D	3010012213	4,329.00
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N=Now Account

M=Money Market Account

D=Demand Deposit

\$ 2,316,765.64

Pledges By Pledgee And Maturity

Pledged To: GALVESTON COUNTY

As Of 3/31/2013

Moody National Bank - Galveston, TX

IPA

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Receipt# Safekeeping Location	CUSIP Location	ASC 320 Description Maturity	Prerefund	Pool/Type Coupon	Moody S&P	Original Face Pledged Percent	Pledged		Market Value	
							Original Face	Par		
TIB: TIB	606020QF5	HTM MISSOURI CITY TX 06/15/23		3.90	Aa2 AA-	350,000.00 100.00%	350,000.00	350,000.00	352,143.42	369,229.00
TIB: TIB	36241KX45	AFS MBS GNMA Platinum 12/15/23	782499	5.00		5,000,000.00 100.00%	1,207,676.00	1,223,766.78	1,223,766.78	1,305,074.85
TIB: TIB	36296LJ76	AFS MBS GNMA 15-Yr SF 12/15/23	701486	5.00		5,050,000.00 100.00%	1,355,210.43	1,372,486.53	1,372,486.53	1,464,507.91
TIB: TIB	36296LJN6	AFS MBS GNMA 15-Yr SF 01/15/24	701597	5.00		9,000,000.00 100.00%	3,205,320.75	3,246,948.83	3,246,948.83	3,463,829.29
TIB: TIB	36297AKF9	AFS MBS GNMA 15-Yr SF 01/15/24	705994	5.00		5,000,000.00 100.00%	1,252,922.40	1,269,541.15	1,269,541.15	1,353,970.37
TIB: TIB	421020MS4	HTM HAYS COUNTY TX 02/15/24		4.60	N/A AA	615,000.00 100.00%	615,000.00	615,000.00	615,000.00	703,750.65
TIB: TIB	798025HD7	AFS SAN JACINTO TEX CMNTY C 02/15/24		4.50	Aa2 AA	500,000.00 100.00%	500,000.00	500,000.00	517,311.00	568,655.00
TIB: TIB	740614BN1	AFS PREMONT ISD 08/15/24		4.20	Aaa N/A	435,000.00 100.00%	435,000.00	442,967.49	442,967.49	463,718.70
TIB: TIB	785615FN0	AFS SABINE PASS TX ISD PSFG 08/15/24		4.25	N/A AAA	580,000.00 100.00%	580,000.00	604,582.25	604,582.25	623,807.40
TIB: TIB	785751KN7	AFS SACHSE TX 02/15/25		4.00	Aa3 AA-	765,000.00 100.00%	765,000.00	792,345.17	792,345.17	817,119.45
TIB: TIB	340423FY3	AFS FLORESVILLE TX ISD 02/01/26		4.00	N/A AAA	500,000.00 100.00%	500,000.00	505,135.51	505,135.51	528,270.00
TIB: TIB	016140HU2	AFS ALICE TEX 02/01/27		5.00	A1 A+	990,000.00 100.00%	990,000.00	1,038,765.25	1,038,765.25	1,051,073.10
TIB: TIB	969887XX1	AFS WILLIAMSON CNTY TX 02/15/28		5.00	N/A AAA	475,000.00 100.00%	475,000.00	516,802.90	516,802.90	546,140.75

Although the information in this report has been obtained from sources believed to be reliable, its accuracy cannot be guaranteed.
3/25/2013 11:10 AM - MWM / MOOD

Pledged To: GALVESTON COUNTY

Pledges By Pledgee And Maturity



As Of 3/31/2013

Moody National Bank - Galveston, TX

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Receipt# Safekeeping Location	CUSIP	ASC 320	Description Maturity	Prerefund	Pool/Type Coupon	Moody S&P	Original Face Pledged Percent	Pledged		Market Value	
								Original Face	Book Value		
TIB: TIB	737577GU4	AFS	POTEET TX ISD-PSFG INSD 08/15/28		4.25	Aaa N/A	700,000.00 100.00%	700,000.00	688,047.00	739,550.00	
14 Securities Pledged To: CNTY - GALVESTON COUNTY								29,960,000.00	12,931,129.58	13,185,843.28	13,998,696.47

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As of Date: 03/31/13

Cusip	Loc Ticket	Security Description 1	Security Description 2	Rate	Maturity	Type	Original Face	Par/Curr Face	S&P	Moody	Date Pldgd
016140HU2	202 161011096	ALICE TX BQ CALL		5.0000000	02/01/2027	200	990,000.00	990,000.00	A+	A3	03/04/2010
340423FY3	202 161009773	FLORESVILLE TX ISD BQ CALL		4.0000000	02/01/2026	200	500,000.00	500,000.00	AAA	NR	02/17/2010
36241KX45	102 178011338	GNMA #782499		5.0000000	12/15/2023	060	5,000,000.00	1,207,676.00			01/30/2009
362960J76	102 158000541	GNMA #701486		5.0000000	12/15/2023	060	5,050,000.00	1,355,210.43			02/19/2009
362960NN6	102 158000522	GNMA #701597		5.0000000	01/15/2024	060	9,000,000.00	3,205,320.75			02/19/2009
36297AKF9	102 178011391	GNMA POOL#705994		5.0000000	01/15/2024	060	5,000,000.00	1,252,922.40			02/02/2009
421020MS4	202 178012577	HAYS COUNTY TX CALL		4.6000000	02/15/2024	200	615,000.00	615,000.00	AA		01/30/2009
606020QF5	202 164004388	MISSOURI CITY TX CALL		3.9000000	06/15/2023	200	350,000.00	350,000.00	AAA	Aaa	01/29/2010
737577GU4	202 178015530	POTEET TX ISD CALL		4.2500000	08/15/2028	200	700,000.00	700,000.00	Aaa		01/30/2009
740614BN1	202 158005876	PREMONT ISD BQ CALL		4.2000000	08/15/2024	200	435,000.00	435,000.00	Aaa		03/04/2010
785615FNO	202 161019828	SABINE PASS TX ISD BQ CALL	GO	4.2500000	08/15/2024	200	580,000.00	580,000.00	AAA	NR	01/05/2011
785751KN7	202 161019721	SACHSE TX BQ CALL	GO	4.0000000	02/15/2025	200	765,000.00	765,000.00	AAA	Aa3	01/05/2011

As of Date: 03/31/13

PLEGDED IO: GCY	*GALVESTON COUNTY	Security Description 1	Security Description 2	Safekeeping Agent	Maturity	Type	Original Face	Par/Curr Face	S&P	Moody	Date Pldgd
798025HD7	SAN JACINTO TX CMNTY COLLG			TIB THE INDEPENDENT BANKERSBANK	4.5000000	02/15/2024	200	500,000.00	AA	Aa2	03/04/2010
202 161011026								500,000.00			
969887XX1	WILLIAMSON CNTY TX CALL			TIB THE INDEPENDENT BANKERSBANK	5.0000000	02/15/2028	200	475,000.00	AAA	NR	12/17/2010
202 161025286	GO							475,000.00			

TOTAL FOR PLEDGE ID: GCY
Pledged: 14 Orig Face: 29,960,000.00 Current Face: 12,931,129.58

(409) 765-3246

Cooper, Crystal <Crystal.Cooper@co.galveston.tx.us>
Kevin Walsh or Crystal Cooper

TO: COUNTY OF GALVESTON - TREASURY DEPARTMENT

FROM: DEBBIE POPOVICH

Date: March 31, 2013

SUBJECT: TOTAL DEPOSITS vs TOTAL COLLATERAL

TOTAL PROJECTED DEPOSITS AT TEXAS FIRST BANK - TEXAS CITY
ARE AS FOLLOWS:

DEPOSITS:

TOTAL DEPOSITS:	\$1,531,683.82
LESS FDIC COVERAGE	(\$250,000.00)
	\$1,281,683.82
102% OF DEPOSITS	\$1,307,317.50

COVERAGE:

TOTAL PLEDGED SECURITY	\$4,306,329.71
BOOK VALUE	\$4,334,990.20
MARKET VALUE	\$4,513,359.46
Market Value	\$4,513,359.46
EXCESS COLLATERAL	\$3,206,041.96

PREPARED BY: DEBBIE POPOVICH
Contact Information:(409) 978-2250
debbie.popovich@texasfirstbank.com

Pledge Security Listing

March 31, 2013

ID	CUSIP	Description	Sales/Leasing Location	Sales/Leasing Receipt	Coupon	Maturity Date	CMI Data	Moody	S&P	Flitch	FASB115	Face Amount	Current Par	Current Book Value	Market Value	Gain/(Loss)
428	313719EC7	PN 255543	Frost Bank	0	5.00	11/01/2021	AAA	AAA	AA+	AAA	AFS	1,000,000	141,269.82	140,484.56	153,192.86	12,707.90
432	313719E06	PN 256312	Frost Bank	0	5.00	04/01/2026	AAA	AAA	AA+	AAA	AFS	1,200,000	177,148.10	176,826.56	191,870.19	15,041.63
577	31320WV99	PLLB	Frost Bank	0	2.38	03/14/2014	AAA	AA+	AAA	HTM	HTM	2,000,000	2,000,000.00	2,014,590.00	2,040,540.00	26,050.00
579	31408RFE4	PN 802828	Frost Bank	0	4.00	04/01/2025	AAA	AA+	AAA	HTM	HTM	2,500,000	826,872.39	841,399.27	883,490.36	42,091.09
627	31320VFN6	PNR 2634 PA	Frost Bank	xx	3.00	02/15/2023	AAA	AA+	AAA	HTM	HTM	1,000,000	60,637.91	60,637.97	61,603.49	975.52
634	31320VJ23	PN 357073	Frost Bank	xx	5.00	04/01/2023	AAA	AA+	AAA	HTM	HTM	1,700,000	243,129.33	243,045.27	262,049.82	19,003.55
Total for 13107-Galveston County Treasures												3,448,158.46	3,476,966.03	3,592,794.72	115,826.69	

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Pledge Security Listing

March 31, 2013

ID	CUSIP	Description	Sales/Leasing Location	Sales/Leasing Receipt	Coupon	Maturity Date	Call Date	Moody	S&P	Fitch	FASB115	Face Amount	Current Par	Current Book Value	Market Value	Gain/(Loss)
13116-Galveston County																
341	312894007	FG 031308	First Bank	0	4.00	05/01/2029		AAA	AA+	AAA	AFS	1,000,000	241,520.31	248,200.18	254,003.92	11,513.74
599	312871471	FG 041147	First Bank	xx	5.50	12/01/2031		AAA	AA+	AAA	HTM	1,000,000	15,420.65	15,420.65	15,516.84	96.19
623	361127458	GN 347957	First Bank	xx	6.00	11/15/2031		AAA	AA+	AAA	AFS	1,000,000	65,690.37	65,498.19	72,279.93	6,791.83
637	312874842	FG 032201	First Bank	xx	5.50	01/01/2032		AAA	AA+	AAA	AFS	1,000,000	42,190.41	41,897.47	44,823.61	2,926.14
662	312714481	FN 258453	First Bank	xx	5.50	04/01/2027		AAA	AA+	AAA	HTM	1,015,000	123,141.31	122,872.16	133,460.55	10,588.39
667	312897521	FG 031004	First Bank	xx	5.50	07/01/2027		AAA	AA+	AAA	HTM	1,125,059	268,417.27	268,378.84	290,633.87	22,245.03
688	312891627	FG 10206	First Bank	xx	5.00	10/01/2021		AAA	AA+	AAA	HTM	1,100,000	100,694.74	108,676.77	188,066.02	8,390.25
Total for 13116-Galveston County												867,171.25	858,034.17	928,174.74	62,558.57	

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Pledge Security Listing

March 31, 2013

ID	CUSIP	Description	Safesweeping Location	Safesweeping Receipt	Call Date	Maturity Date	Moody	S&P	FRCH	FASB115	Face Amount	Current Par	Current Book Value	Market Value	Gain(Loss)
SALVESTON COUNTY TREASURER															
2403	314102RE17	FNMA 502847	PHLB	X	09/01/2020		AAA	AA+	AAA	HTM	10,518,827	2,810,855.17	2,892,238.61	2,980,055.88	137,857.07
2441	314171PQ4	FNMA MA0430	PHLB	X	06/01/2020		AAA	AA+	AAA	HTM	4,710,000	1,880,141.29	1,900,864.89	2,011,187.15	110,222.26
2466	31294MPC6	PHLMC ED2770	PHLB	X	11/01/2025		AAA	AA+	AAA	HTM	25,000,000	12,797,195.00	12,837,520.94	13,371,288.05	534,068.11
2467	31294MPC6	PHLMC ED2770	PHLB	X	11/01/2025		AAA	AA+	AAA	HTM	25,000,000	12,797,195.00	12,813,365.38	13,371,789.05	558,423.67
2468	314170J81	FNMA MA6827	PHLB	X	11/01/2020		AAA	AA+	AAA	HTM	56,155,537	27,123,802.90	27,587,661.56	28,743,094.20	1,155,482.65
2476	314160021	FNMA AB2496	PHLB	X	03/01/2021		AAA	AA+	AAA	HTM	730,319	436,365.84	442,138.08	462,416.89	20,778.81
2486	314161491	FNMA AB3538	PHLB	X	09/01/2022		AAA	AA+	AAA	HTM	100,000,000	64,241,002.00	65,854,419.62	67,735,776.43	1,881,358.79
2519	31416AB31	FNMA MA0857	PHLB	X	01/01/2022		AAA	AA+	AAA	HTM	24,548,494	18,243,101.90	18,787,942.44	19,235,526.83	447,584.39
3541	31417D749	FNMA AB7030	PHLB		11/01/2027		AAA	AA+	AAA	HTM	39,632,406	38,677,117.48	39,569,105.31	39,990,402.88	(578,703.23)
3544	31417D8J5	FNMA AB6798	PHLB		11/01/2027		AAA	AA+	AAA	HTM	50,060,360	48,684,756.37	49,823,070.96	49,079,102.90	(743,968.06)
3546	31410LR1L	FNMA 890501	PHLB		11/01/2027		AAA	AA+	AAA	HTM	22,500,000	21,942,799.43	22,486,182.84	22,120,536.10	(365,646.74)
Total for SALVESTON COUNTY TREASURER											358,856,045	249,634,192.33	254,944,710.62	258,101,716.34	3,157,005.72

Total Deposits on 03/31/13: \$192,872,542.55

*Laura Kallme, VP
Prosperity Bank*

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