

COUNTY OF GALVESTON

FY 2014 INVESTMENT REPORT FIRST QUARTER OCTOBER 2013 THROUGH DECEMBER 2013

TABLE OF CONTENTS

A. COMPLIANCE AND REPORTING REQUIREMENTS-	1
B. FINANCIAL SUMMARY – INVESTMENTS AT-A-GLANCE-	1
C. INDIVIDUAL INVESTMENT DETAIL	
1. INVESTABLE FUNDS NOT YET REQUESTED TO BE INVESTED-	2
2. NON-INVESTABLE FUNDS (FUNDS FOR ACCOUNTS PAYABLE)-	2
D. INTEREST EARNED	
1. INTEREST SUMMARY FOR FUNDS	3

EXHIBITS

Exhibit A:	“FACT SHEET” AND PORTFOLIO SUMMARY
Exhibit B:	MONTHLY Proof for Accuracy: MM, LGIP and CASH
Exhibit C:	Portfolio Holdings by Security Type
Exhibit D:	Earnings and Yields Summary Report for the Quarter
Exhibit E:	Collateral Report

FY 2014 INVESTMENT REPORT

Oct 1, 2013 THROUGH December 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 Dec 31, 2013 ¹	\$	0	see Exhibit C
2. Additional Investable funds as of Dec 31 ^B	\$	105,985,065	see Exhibit A (See note)
3. Interest Earnings (Cash): Oct 1 to Dec 31	\$	212,200	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 December 31, 2013 it yielded 0.10%. The actual interest yield on the entire portfolio (Cash and Securities) is currently .749%, including the \$10 million required liquidity.

FY 2014 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 December 31, 2013 there was approximately \$105,985,065.15 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.

Galveston County's deposits at all Depository Banks are fully collateralized at, or over, 110%, with the exception of one day funds were under collateralize due to unexpected large deposit causing Prosperity Bank to be under collateralized. Additional collateral was pledged within one business day, there are concerns with any collateral placed against Galveston County's 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 December 31, 2013, there was \$115,985,065.15 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 2014 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 \$212,200.84 for the FIRST Quarter of FY 2014.

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 \$212,200.84 FIRST Quarter of FY 2014. (Exhibit B)

The County's FY 2014 total budgeted General Fund Interest Revenue is \$650,000.00. As of December 31, 2013, \$121,509.39 (see Schedule A) in interest has been credited/booked to the General Fund (Obj Code: 1101-4811010). *not all bank accounts interest earned are booked in I-Fas/7i.

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 December 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

Run: 01/31/2014

Ledger: GL
 Fiscal Year: 2014 12 December

Budget: OB

Key Title
 110100000 General Fund

Director

Object	Description	Budget	Actual	Encumbrance	Balance
4811010	Interest Revenue	650,000.00	121,509.39	0.00	528,490.61
	Total Revenue	650,000.00	121,509.39	0.00	528,490.61
	Total Expense	0.00	0.00	0.00	0.00
	Net Total (Revenue - Expense)	650,000.00	121,509.39	0.00	528,490.61

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

EXHIBIT "A"

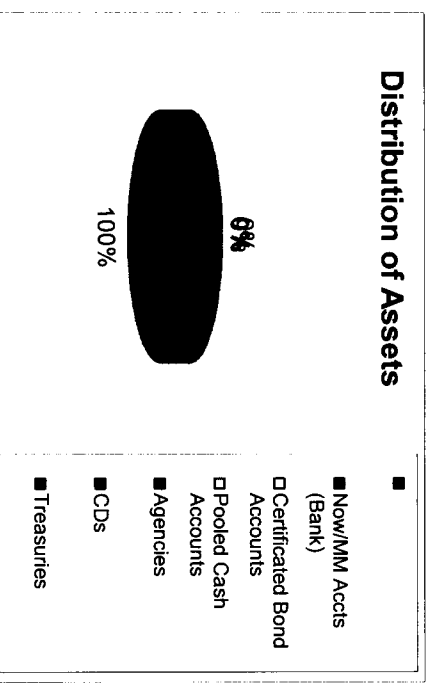
As of December 31, 2013
Galveston County, Texas

Liquid Cash Assets

Account	Balance	Percentage of Assets
Now/MM Accts (Bank)	115,985,065	100%
Certificated Bond Accounts	-	0%
Pooled Cash Accounts	-	0%
Sub-Totals	115,985,065	100%

Security Assets

Security	Market Value	Percentage of Assets
Agencies	\$ -	0%
CDS	-	0%
Treasuries	-	0%
Sub-Totals	\$ -	0%
Total Assets	115,985,065	100%



-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.

Galveston County's Total Investable Assets:

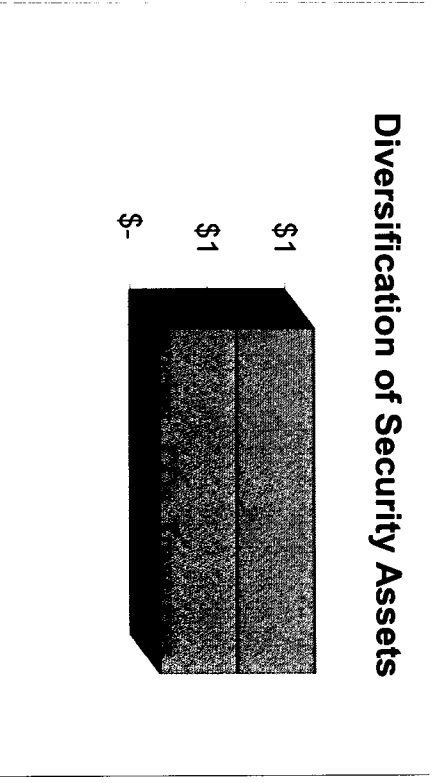
(Including Required Liquidity):
YTM @ Cost: 0.749%
WAM: 1.00 days

Investible Cash:

Current Liquid Cash Assets: \$ 115,985,065
Required Cash Liquidity: #####
Outstanding Transfer: \$0
Residual For Investment: \$105,985,065

Target Investment Benchmark

6 month US Treasury Bill Rate: 0.10%



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: 9/30/2013, End Activity Date: 12/31/2013, Carrying Value Date: 9/30/2013

0002 General Fund										
Moody's National Bank Cash	02M0ODY238	62,329.86	38,247.15	10,375.00	13.32	90,202.01				
Prosperity Bank Cash	02PRS081	209,683.76	2,709.22	0	399.06	212,392.98				
Prosperity Bank Cash	02PRS161	357.19	120,929.11	120,936.19	55.11	350.11				
Prosperity Bank Cash	02PRS321	22,467.33	20,699.36	22,467.33	25.32	20,699.36				
Prosperity Bank Cash	02PRS401	45,702.85	47,456.68	45,885.63	55.48	47,273.90				
Prosperity Bank Cash	02PRS431	4,301,496.02	39,584,555.42	43,648,826.27	1,746.09	237,225.17				
Prosperity Bank Cash	02PRS511	83,999,690.92	26,021,152.33	27,950,000.00	146,439.89	82,070,843.25				
Prosperity Bank Cash	02PRS591	249,782.11	101,026.59	0	575.19	350,808.70				
Prosperity Bank Cash	02PRS781	1,124,600.13	18,927,891.03	18,808,708.47	2,869.20	1,243,782.69				
Prosperity Bank Cash	02PRS861	221,200.94	20,998,504.68	20,110,580.59	2,555.20	1,109,125.03				
Prosperity Bank Cash	02PRS941	40,850.35	120,746.09	120,976.34	81.1	40,620.10				
PROSPERITY Cash	02PRS751	16,289.57	30.82	0	30.82	16,320.39				
PROSPERITY Cash	02PRS831	99,459.87	471,644.78	354,674.23	303.84	216,430.42				
PROSPERITY Cash	02PRSDRG	18,295.09	34.6	0	34.6	18,329.69				
Texas First Bank Cash	021P600	171,126.64	472,750.50	357,770.28	0	286,106.86				
Texas First Bank Cash	02TFB2PARKS	18,755.00	3,498.00	20,768.00	0	1,485.00				
Sub Total/Average 0002 General Fund										
		90,602,087.63	106,931,876.36	111,571,968.33	155,184.22	85,961,995.66				
3120 Lmt Tx Cnty Bid Bd 09B										
Prosperity Bank MM	3120PRS111	4,305,610.83	7,931.16	183,621.05	7,931.16	4,129,920.94				
Sub Total/Average 3120 Lmt Tx Cnty Bid Bd 09B										
		4,305,610.83	7,931.16	183,621.05	7,931.16	4,129,920.94				
3307 2003 Road Bonds										
Prosperity Bank MM	3307PRS811	1,861,458.38	3,503.84	13,033.00	3,503.84	1,851,929.22				
Sub Total/Average 3307 2003 Road Bds										
		1,861,458.38	3,503.84	13,033.00	3,503.84	1,851,929.22				
3308 2001 Road Bonds										
Prosperity Bank MM	3308PRS731	133,482.40	252.5	0	252.5	133,734.90				
Sub Total/Average 3308 2001 Road Bonds										
		133,482.40	252.5	0	252.5	133,734.90				

Description	CUSIP/Ticker	Beginning Face Amount/Shares	Buy Principal	Sell Principal	Interest/Dividends	Ending Face Amount/Shares
3310 2007 Limited Tax Bonds						
Prosperity Bank MM	3310PRSS71	3,788,122.87	6,963.34	153,750.00	6,963.34	3,641,336.21
Sub Total/Average 3310 2007 Limited Tax Bds		3,788,122.87	6,963.34	153,750.00	6,963.34	3,641,336.21
3312 Unlmt Tx Rd Bd 09A						
Prosperity Bank MM	3312PRRS031	5,866,024.26	24,542.63	274,954.37	10,705.20	5,615,612.52
Sub Total/Average 3312 Unlmt Tx Rd Bd 09A		5,866,024.26	24,542.63	274,954.37	10,705.20	5,615,612.52
3370 Lmt Tx Fid Cntl Bd 09C						
Prosperity Bank MM	3370PRRS381	10,342,179.42	19,563.24	0	19,563.24	10,361,742.66
Sub Total/Average 3370 Lmt Tx Fid Cntl Bd 09C		10,342,179.42	19,563.24	0	19,563.24	10,361,742.66
3373 COB Series 2008						
Prosperity Bank MM	3373PRRS461	316,351.13	598.4	0	598.4	316,949.53
Sub Total/Average 3373 COB Series 2008		316,351.13	598.4	0	598.4	316,949.53
4022 Ltd Tax Rfnd bd						
Prosperity Bank MM	4022PRRS221	12,029.49	22.75	0	22.75	12,052.24
Sub Total/Average 4022 Ltd Tax Rfnd bd		12,029.49	22.75	0	22.75	12,052.24
4023 Unltd Tax Rfnd Bd						
Prosperity Bank MM	4023PRRS301	12,821.00	24.26	0	24.26	12,845.26
Sub Total/Average 4023 Unltd Tax Rfnd Bd		12,821.00	24.26	0	24.26	12,845.26
4024 Ltd Tax Rfnd Bd						
Prosperity Bank MM	4024PRRS491	9,313.49	17.61	0	17.61	9,331.10
Sub Total/Average 4024 Ltd Tax Rfnd Bd		9,313.49	17.61	0	17.61	9,331.10
4371 09 Debt Service						
PROSPERITY MM	4371PRSS41	3,930,180.59	7,434.32	0	7,434.32	3,937,614.91
Sub Total/Average 4371 09 Debt Service		3,930,180.59	7,434.32	0	7,434.32	3,937,614.91
Total / Average		121,179,661.49	107,002,790.41	112,197,316.75	212,000.00	115,905,095.15

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 12/31/2013

Description	Yield Rate	YTM % Cost	Face Amount / Shares	Book Value	Market Value	Days To Maturity	% of Portfolio
Cash	0.749	0.749	85,961,995.66	85,961,995.66	85,961,995.66	1	74.11
Money Market	0.75	0.75	30,023,069.49	30,023,069.49	30,023,069.49	1	25.89
Total / Average	0.749	0.749	115,985,065.15	115,985,065.15	115,985,065.15	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 12/31/2013

Security	CUSIP	Face Amount	Market Value	Yield	Duration	Weight	Count	Weighted Avg
Cash								
Moodys National Bank Cash	02MOODY238	90,202.01	90,202.01	0.35	0.35	N/A	1	0.08
Prosperity Bank Cash	02PRS321	20,699.36	20,699.36	0.75	0.75	N/A	1	0.02
Prosperity Bank Cash	02PRS781	1,243,782.69	1,243,782.69	0.75	0.75	N/A	1	1.07
Prosperity Bank Cash	02PRS591	350,808.70	350,808.70	0.75	0.75	N/A	1	0.3
Prosperity Bank Cash	02PRS941	40,620.10	40,620.10	0.75	0.75	N/A	1	0.04
Prosperity Bank Cash	02PRS431	237,225.17	237,225.17	0.75	0.75	N/A	1	0.2
Prosperity Bank Cash	02PRS511	82,070,843.25	82,070,843.25	0.75	0.75	N/A	1	70.76
Prosperity Bank Cash	02PRS401	47,273.90	47,273.90	0.75	0.75	N/A	1	0.04
Prosperity Bank Cash	02PRS861	1,109,125.03	1,109,125.03	0.75	0.75	N/A	1	0.96
Prosperity Bank Cash	02PRS161	350.11	350.11	0.75	0.75	N/A	1	0
Prosperity Bank Cash	02PRS081	212,392.98	212,392.98	0.75	0.75	N/A	1	0.18
PROSPERITY Cash	02PRS081	18,329.69	18,329.69	0.75	0.75	N/A	1	0.02
PROSPERITY Cash	02PRS751	16,320.39	16,320.39	0.75	0.75	N/A	1	0.01
PROSPERITY Cash	02PRS31	216,430.42	216,430.42	0.75	0.75	N/A	1	0.19
Texas First Bank Cash	02JPF600	286,106.86	286,106.86	0.61	0.61	N/A	1	0.25
Texas First Bank Cash	02TRB2PARKS	1,485.00	1,485.00	0.61	0.61	N/A	1	0
Sub Total / Average		85,961,995.66	85,961,995.66	0.749	0.749		1	74.11
Money Market								
Prosperity Bank MM	4023PRS301	12,845.26	12,845.26	0.75	0.75	N/A	1	0.01
Prosperity Bank MM	3373PRS461	316,949.53	316,949.53	0.75	0.75	N/A	1	0.27
Prosperity Bank MM	3120PRS111	4,129,920.94	4,129,920.94	0.75	0.75	N/A	1	3.56
Prosperity Bank MM	3307PRS811	1,851,929.22	1,851,929.22	0.75	0.75	N/A	1	1.6
Prosperity Bank MM	3308PRS731	133,734.90	133,734.90	0.75	0.75	N/A	1	0.12
Prosperity Bank MM	4022PRS221	12,052.24	12,052.24	0.75	0.75	N/A	1	0.01
Prosperity Bank MM	3370PRS381	10,361,742.66	10,361,742.66	0.75	0.75	N/A	1	8.93
Prosperity Bank MM	3312PRS031	5,615,612.52	5,615,612.52	0.75	0.75	N/A	1	4.84
Prosperity Bank MM	3310PRS571	3,641,336.21	3,641,336.21	0.75	0.75	N/A	1	3.14
Prosperity Bank MM	4024PRS491	9,331.10	9,331.10	0.75	0.75	N/A	1	0.01
PROSPERITY MM	4371PRS541	3,937,614.91	3,937,614.91	0.75	0.75	N/A	1	3.39
Sub Total / Average		30,023,069.49	30,023,069.49	0.75	0.75		1	25.89
Total / Average		115,985,065.15	115,985,065.15	0.749	0.749		1	74.11

Tracker
 Galveston County
 Date To Date
 TEXAS Earnings and Yields Summary Report for the QUARTER
 Report Format: By Totals
 Group By: Security Type
 Portfolio / Report Group: All Portfolios

Begin Activity Date: 9/30/2013, End Activity Date: 12/31/2013, Carrying Value Date: 9/30/2013

	Interest/Dividends	Ending TTM @ Cost
Cash	155,184.22	0.749
Money Market	57,016.62	0.75
Total / Average	212,200.84	0.749

Collateral Statement
As of DECEMBER 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 9/30/2013	Actual Collateral Percentage
Moody National Bank	Demand Deposits & Time Deposits	US Treasury Obligations, US Agencies, GNMAs	Federal Reserve Bank, or Chase Bank	110%	\$ 394,170	1,320,992.75	335%
Texas First Bank	Time Deposits	US Treasury Obligations, US Agencies, GNMAs	Federal Reserve Bank, or Chase Bank	110%	\$ 789,396	\$ 3,803,151	482%
Hitchcock/Santa Fe/Texas City							
Prosperity Bank	Time Deposits	US Treasury Obligations, US Agencies, GNMAs Agency Letters of Credit.	Federal Reserve Bank, or Chase Bank	110%	\$ 226,190,654	\$ 212,910,497	94%
				Totals:	<u>\$ 227,374,220</u>	<u>\$ 218,034,641</u>	96%

*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.

*Close of business on 12/31/2013 County Deposits Exceeded current pledged collateral by Prosperity Bank. Both the County and Prosperity Bank were close on 1/1/2014(causing no negative impact on County's Deposit). On 1/2/2014 Prosperity Bank Pledged additional collateral of \$41,551,292.79

GALVESTON COUNTY
REPORTS FOR
DECEMBER 2013
TABLE OF CONTENTS

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

ACCT K2DI GALVESTON CNTY- NONE
ACCT 1031 A GALVESTON CNTY - NONE

**Moody National Bank
Galveston County
December 2013**

Account Description	Type	MNB #	Amount
KEVIN WALSH GALVESTON COUNTY TREASURER Galveston Cnty - J P Account	N	3010003238	90,202.14
GEAN LEONARD, SHERIFF Galveston Cnty Sheriff-Inmate Property - <i>Acct closed 12/24/2013</i>	D	3120001122	0.00
COUNTY AUDITOR Galveston County Clear Creek Flood	M	040-444-2	2,387.16
Sabine Galv Shoreline Erosion	M	5010000536	33,522.18
Cnty Special Escrow Agreement	M	5010000874	7,083.91
GALVESTON COUNTY J. P. & CONSTABLE Penny L. Pope, J. P. Pct. 2	D	035-924-0	1,025.00
Justice Court - Precinct 1	D	3010003352	19,875.60
ADULT PROBATION DEPARTMENT Galveston County Adult Probation Dept.	N	035-856-4	239,745.16
COUNTY CLERK Dwight Sullivan Cnty Clerk Registry	D	3010012213	329.00

N=Now Account
M=Money Market Account
D=Demand Deposit

\$ 394,170.15

Pledges By Pledgee And Maturity



Pledged To: GALVESTON COUNTY

Moody National Bank - Galveston, TX

Page 5 of 22

Receipt# Safekeeping Location	CUSIP	ASC 320 Maturity	Description	Prerefund	Pool/Type Coupon	Moody S&P	Original Face Pledged Percent	Pledged		
								Original Face	Par	Book Value
TIB: TIB	606020QF5	HTM	MISSOURI CITY TX 06/15/23		3.90	Aa2 AA-	350,000.00 100.00%	350,000.00	351,670.93	357,150.50
TIB: TIB	740614BN1	AFS	PREMONT ISD 08/15/24		4.20	Aaa N/A	435,000.00 100.00%	435,000.00	440,471.63	449,246.25
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	596,956.27	602,422.80
TIB: TIB	969887XX1	AFS	WILLIAMSON CNTY TX 02/15/28		5.00	N/A AAA	475,000.00 100.00%	475,000.00	512,714.42	514,596.00

4 Securities Pledged To: CNTY - GALVESTON COUNTY

1,840,000.00	1,840,000.00	1,901,813.25	1,923,415.55
-580,000.00	-580,000.00	-596,956.27	-602,422.80
1260,000.00	1304,856.98	1320,992.75	

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

As of Date: 01/01/14

PLEDGED TO: GCY *GALVESTON COUNTY
 Cusip Security Description 1
 Loc Ticket Security Description 2

 606020QF5 MISSOURI CITY TX CALL
 202 164004388

Safekeeping Agent Maturity Type
 Rate -----
 TIB THE INDEPENDENT BANKERSBANK
 3.9000000 06/15/2023 200

Original Face Par/Curr Face

 350,000.00 AAA
 350,000.00 Aaa

S&P Moody

 AAA
 Aaa
 Date Pldgd

 01/29/2010

740614BN1 PREMONT ISD BQ CALL
 202 158005876

TIB THE INDEPENDENT BANKERSBANK
 4.2000000 08/15/2024 200

435,000.00 AAA
 435,000.00 Aaa

03/04/2010

969887XX1 WILLIAMSON CNTY TX CALL
 202 161025286 GO

TIB THE INDEPENDENT BANKERSBANK
 5.0000000 02/15/2028 200

475,000.00 AAA
 475,000.00 NR

12/17/2010

TOTAL FOR PLEDGE ID: GCY
 Pledged: 3 Orig Face:

1,260,000.00 Current Face: 1,260,000.00

(409) 765-3246

Cooper, Crystal <Crystal.Cooper@co.galveston.tx.us>
Kevin Walsh or Crystal Cooper
TIN# 74-6000908
TO: COUNTY OF GALVESTON - TREASURY DEPARTMENT

FROM: Amanda Tinnin

Date: December 31 2013

SUBJECT: TOTAL DEPOSITS vs TOTAL COLLATERAL

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

DEPOSITS:

TOTAL DEPOSITS:	\$789,396.01
LESS FDIC COVERAGE	(\$250,000.00)
	\$539,396.01
110% OF DEPOSITS	\$593,335.61

COVERAGE:

TOTAL PLEDGED SECURITY	\$3,679,423.91
BOOK VALUE	\$3,691,566.39
MARKET VALUE	\$3,803,150.86
Market Value	\$3,803,150.86
EXCESS COLLATERAL	\$3,209,815.25

PREPARED BY: Amanda Tinnin
Contact Information:(409) 978-2250
amanda.tinnin@texasfirstbank.com

Pledge Security Listing

December 31, 2013

ID	CUSTP	Description	Safekeping Location	Safekeping Receipt	Coupon	Maturity Date	Call Date	Moody	S&P	Fitch	Face Amount	Current Par	Current Book Value	Market Value	Gain(Loss)
429	31371MSC7	FN 256543	Frost Bank	0	5.00	11/01/2021		AAA	AA+	AAA	1,000,000	113,233.37	112,536.38	121,502.56	8,966.18
432	31371MR90	FN 256212	Frost Bank	0	5.00	04/01/2026		AAA	AA+	AAA	1,200,000	115,337.92	115,129.40	124,645.68	9,516.28
577	3133XWKV0	FH/LB	Frost Bank	0	2.38	03/14/2014		AAA	AA+	AAA	2,000,000	2,000,000.00	2,003,100.00	2,009,160.00	6,060.00
579	31418RH4	FN AD3828	Frost Bank	0	4.00	04/01/2025		AAA	AA+	AAA	2,500,000	570,619.55	580,090.17	604,685.53	24,595.36
627	31393VFN6	FHR 2634 PA	Frost Bank	xx	3.00	02/15/2023		AAA	AA+	AAA	1,000,000	38,394.65	38,394.66	38,915.95	521.29
674	31376KJ3	FN 357373	Frost Bank	xx	5.00	04/01/2033		AAA	AA+	AAA	1,700,000	185,988.94	185,937.41	200,814.58	14,877.17
Total for 13107-Galveston County Treasurer											9,400,000	3,023,574.43	3,035,188.02	3,099,724.30	64,536.28

7,000,000,000.00
 6,000,000,000.00
 7,000,000,000.00
 7,000,000,000.00
 6,000,000,000.00
 7,000,000,000.00

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

Pledge Security Listing

December 31, 2013

ID	CUSIP	Description	Safetkeeping Location	Safetkeeping Receipt	Coupon	Maturity Date	Call Date	Moody	S&P	Fitch	FASB115	Face Amount	Current Par	Current Book Value	Market Value	Gain(Loss)
341	3128NMKW2	FG G18308	Frost Bank	0	4.00	05/01/2024		AAA	AA+	AAA	AFS	1,000,000	168,761.15	169,929.64	177,570.48	7,640.84
599	31287LHY1	FG C61147	Frost Bank	xx	5.50	12/01/2031		AAA	AA+	AAA	HTM	1,000,000	14,510.47	14,442.99	14,510.46	67.47
623	362LZYWS8	GN 547957	Frost Bank	xx	6.00	11/15/2031		AAA	AA+	AAA	AFS	1,000,000	64,269.19	64,105.61	69,874.26	5,768.65
637	31287MRW2	FG C62301	Frost Bank	xx	5.50	01/01/2032		AAA	AA+	AAA	AFS	1,000,000	41,274.68	41,042.60	44,189.18	3,146.58
662	31371NH81	FN 256855	Frost Bank	xx	5.50	09/01/2027		AAA	AA+	AAA	HTM	1,015,000	80,619.82	80,477.53	87,980.40	7,502.87
667	3128P7FZ1	FG C91084	Frost Bank	xx	5.50	07/01/2027		AAA	AA+	AAA	HTM	1,125,059	216,184.92	216,159.96	233,933.70	17,773.74
668	3128PH5E7	FG J06245	Frost Bank	xx	5.00	10/01/2021		AAA	AA+	AAA	HTM	1,100,000	70,229.25	70,220.04	75,368.08	5,148.04
Total for 131116-Galveston County												655,849.48	656,379.37	703,426.56	47,048.19	

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

Pledge Security Listing

December 31, 2013

ID	CUSIP	Description	Swisscoping Location	Swisscoping Receipt	Coupon	Maturity Date	Call Date	Moody	S&P	Flash	FASB115	Pace Amount	Current Par	Current Book Value	Market Value	Gain/(Loss)
GALVESTON COUNTY TREASURER																
2429	31412REU7	PNMA 80247	PHLB	X	4.00	03/01/2020		AAA	AA+	AAA	HTM	10,518,527	1,972,211.35	1,987,581.53	2,081,396.60	93,815.07
2441	31417YPC4	PNMA 840030	PHLB	X	4.00	06/01/2020		AAA	AA+	AAA	HTM	4,710,000	1,364,387.22	1,374,976.01	1,444,378.44	64,209.43
2466	31294MCF6	PHLMC 802770	PHLB	X	3.00	11/01/2025		AAA	AA+	AAA	HTM	25,000,000	10,596,141.25	10,621,911.57	10,804,262.74	182,351.17
2467	31294MCF6	PHLMC 802770	PHLB	X	3.00	11/01/2025		AAA	AA+	AAA	HTM	25,000,000	10,596,141.25	10,605,949.39	10,804,262.74	198,413.36
2468	31417YUR1	PNMA 840577	PHLB	X	3.50	11/01/2020		AAA	AA+	AAA	HTM	56,155,537	20,338,076.15	20,588,689.15	21,291,673.22	702,984.06
2476	31466R021	PNMA 802995	PHLB	X	3.50	03/01/2021		AAA	AA+	AAA	HTM	790,319	398,324.41	390,613.39	398,440.63	13,850.24
2486	31416Y471	PNMA 803538	PHLB	X	3.00	09/01/2022		AAA	AA+	AAA	HTM	100,000,000	90,890,079.00	51,838,135.23	52,798,458.96	940,321.73
2519	31408ABE1	PNMA 840957	PHLB	X	3.00	04/01/2021		AAA	AA+	AAA	HTM	24,548,494	14,863,828.40	15,184,185.14	15,394,641.96	215,466.82
3541	31417D749	PNMA 897030	PHLB	X	2.00	11/01/2027		AAA	AA+	AAA	HTM	39,632,406	36,011,587.24	36,739,586.64	34,707,887.77	(2,031,618.86)
3544	31417D8U9	PNMA 886798	PHLB	X	2.00	11/01/2027		AAA	AA+	AAA	HTM	50,000,360	48,372,009.05	48,305,641.48	43,729,590.32	(2,574,098.17)
3546	31410J0L1	PNMA 850501	PHLB	X	2.00	11/01/2027		AAA	AA+	AAA	HTM	22,500,000	20,228,938.23	20,666,355.51	19,498,668.94	(1,169,686.56)
Total for GALVESTON COUNTY TREASURER												388,896,045	212,548,863.55	216,272,528.02	212,818,487.32	(3,362,877.73)

Total Deposits as of 12/31/2013: \$ 226,190,654.28

Louann Kallina VP

Louann Kallina, VP
Prosperity Bank

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

1/2/2014
Additional Collateral

FEDERAL HOME LOAN BANK-DALLAS
8500 FREEPORT PARKWAY SOUTH
SUITE 100
IRVING, TX 75063-2547

PROSPERITY BANK
ATTN: LOUANN KALLINA
P.O. DRAWER G
EL CAMPO, TX 77437

New Pledged Security Notification

Receipt Number: 190014504 Account: 12333 Effective: 01/02/2014
The following securities have been pledged to:

Galveston County Treasurer

722 Moody Avenue
4th Floor
Galveston, TX 77550

FG G14686
3128MDNB5

CUSIP: 3128MDNB5
Maturity Dt: 03/01/2028
Rate: 2.0000000
Issue Dt: 02/01/2013
Face Amt: 44,609,641.00
Par Amt: 41,551,292.79

IN ORDER TO COMPLY WITH 2257.045(C) (2) OF THE TEXAS GOVERNMENT CODE,
PROMPTLY, BY THE CLOSE OF BUSINESS TODAY, DELIVER A COPY OF THIS TRUST
RECEIPT TO YOUR DEPOSITOR

Total collateral as of 1/3/2014
285,441,488.32

FEDERAL HOME LOAN BANK-DALLAS
8500 FREEPORT PARKWAY SOUTH
SUITE 100
IRVING, TX 75063-2547

PROSPERITY BANK
ATTN: LOUANN KALLINA
P.O. DRAWER G
EL CAMPO, TX 77437

New Pledged Security Notification

Receipt Number: 190014504 Account: 12333 Effective: 01/03/2014
The following securities have been pledged to:

Galveston County Treasurer

722 Moody Avenue
4th Floor
Galveston, TX 77550

FG G14686
3128MDNB5

CUSIP: 3128MDNB5
Maturity Dt: 03/01/2028
Rate: 2.0000000
Issue Dt: 02/01/2013
Face Amt: 27,921,350.00
Par Amt: 26,007,117.81

IN ORDER TO COMPLY WITH 2257.045(C) (2) OF THE TEXAS GOVERNMENT CODE,
PROMPTLY, BY THE CLOSE OF BUSINESS TODAY, DELIVER A COPY OF THIS TRUST
RECEIPT TO YOUR DEPOSITOR