



Galveston County Quarterly Investment Report October 1, 2020 to December 31, 2020



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
10/31/2020	190,515,456.11	190,515,456.11	0.00	1.14	0.10	190,455.83	1
11/30/2020	189,548,205.84	189,548,205.84	0.00	1.13	0.09	173,667.26	1
12/31/2020	201,030,945.61	201,030,945.61	0.00	1.15	0.09	180,590.02	1
Total / Average	193,698,202.52	193,698,202.52	0.00	1.14	0.09	544,713.11	1

Kevin Walsh, Treasurer

Date

FY 2021 First Quarter: October 1, 2020 – December 31, 2020

Quarter - At a Glance

- Total available Investable funds \$191,030,945.61 (See Exhibit A)
(Excludes 10 Million set aside for nearby obligations.)
- Total Interest Received 1st Quarter \$544,713.11 (See Exhibit B)
- Yield to Maturity (YTM) (See Exhibit C)
 - Cash Accounts 1.402%
 - Gov't Pools 0.140%
 - Money Market Accts 1.410%
- Total Collateral as of Quarter End (September 30, 2020)
(See Exhibit D)
 - Moody - 186%
 - Texas First Bank - 199%
 - Prosperity Bank - 115%
- Market Update:
 - *See attachments

MARKET UPDATE



Monthly Report December 2020



Upcoming Fund Closures

January 18, 2021 for Martin Luther King Jr Day
February 15, 2021 for Presidents Day

*We look forward to seeing our current and
prospective investors at the next
scheduled event*

Contact Us

www.texasterm.net

(866) TEX-TERM
(866) 839-8376
(800) 252-9551 fax

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Wes Eversole, <i>Lake Dallas ISD</i>	President	Term Expires October 2022
Deborah Laudermilk, <i>Travis County</i>	Secretary	Term Expires October 2022
Susan Morgan, CPA, <i>City of Round Rock</i>	Treasurer	Term Expires October 2022
Elaine Cogburn, <i>Leander ISD</i>	Participant Board Member	Term Expires October 2022
Leandro G. Garcia, CPA, <i>Brownsville PUB</i>	Participant Board Member	Term Expires October 2021
Margie Grimes, CPA, <i>Goose Creek CISD</i>	Participant Board Member	Term Expires October 2021
Edward B. Peacock, CPA	Non-Participant Board Member	Term Expires October 2021

Additional Information Available Upon Request

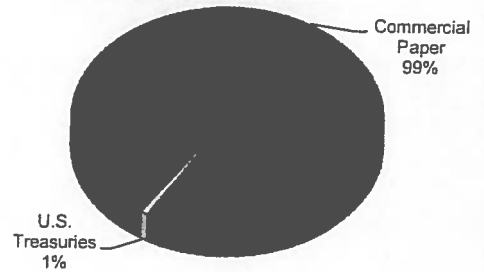


As of December 31, 2020

TexasTERM Dec 21

Dollar-Weighted Maturity / Maximum	144 / 365 Days
% of Portfolio Invested Beyond 1 Year	0.00%
Expense Ratio	0.20%
TERM Program Rating Fitch/Kroll	AAAf/AAAkf
Net Asset Value Per Share	\$1.00
Average Invested Balance during the Month	\$675,480,098
Total Number of TERM Investors	57

TexasTERM Dec 21 Portfolio



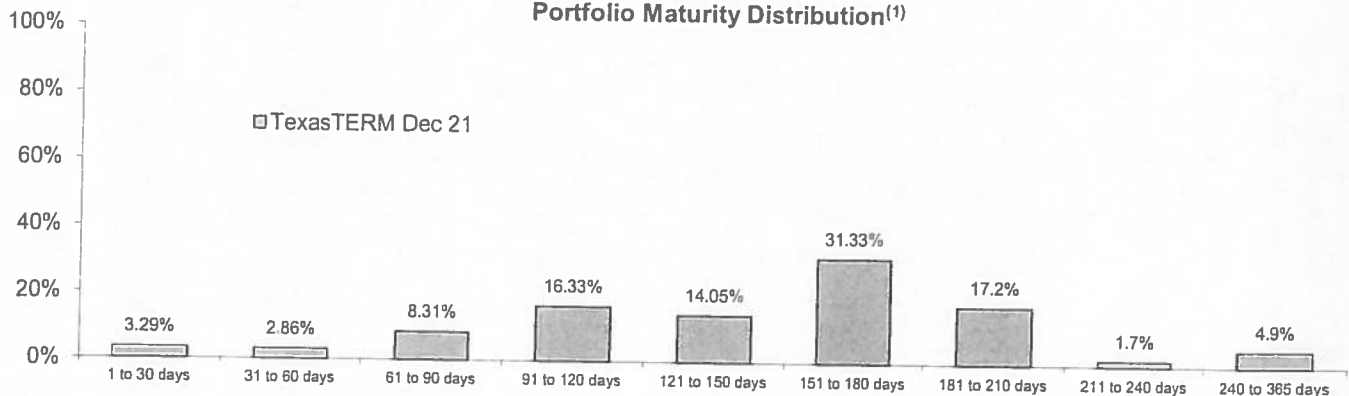
CP Series

Rates	Rate on December 31	Monthly Average Rate
60-Day Rate	*	*
75-Day Rate	*	*
90-Day Rate	0.11%	0.12%
120-Day Rate	0.11%	0.12%
180-Day Rate	0.14%	0.16%
240-Day Rate	0.14%	0.15%
365-Day Rate	0.05%	0.05%

The above TexasTERM rates are market rates, subject to change. The monthly average rate is the average of the daily rates quoted for each rate during the month. These rates are quoted on a 365/366 day basis. Interest is simple and payable at maturity. Once you place an investment in TexasTERM, the rate is locked in for the full term of your investment.

**Limited availability. Please call for daily rates and availability.

Portfolio Maturity Distribution⁽¹⁾



TexasTERM Dec 21

	Book Value	Market Value
Investments	\$820,784,444	\$820,770,398
Cash	\$63,379	\$63,379
Accrued Interest	\$52,310	\$52,310
Program Expenses Payable	(\$241,664)	(\$241,664)
Net Assets	\$820,658,469	\$820,644,423

(1) Floating rate obligations are shown to the next reset date. All other securities are shown to their final maturity date. Percentages may not add up to 100% due to rounding.

***The financial statements above are prepared on an amortized cost basis. Market values are provided for informational purposes only.



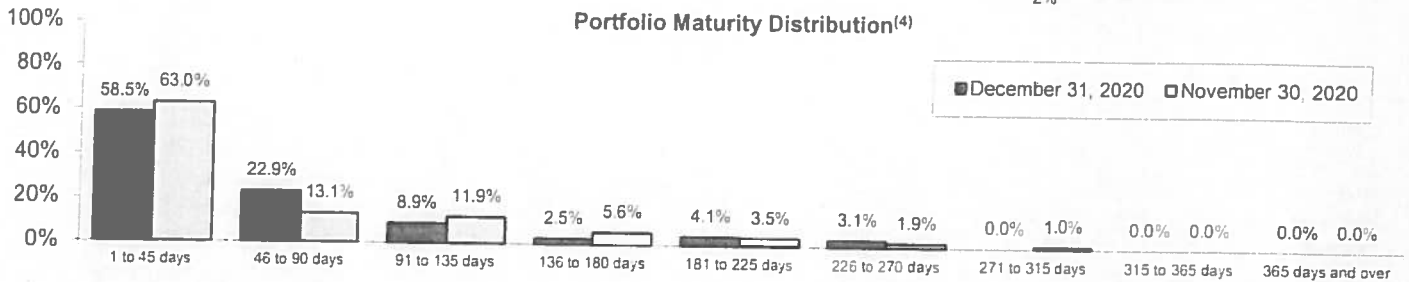
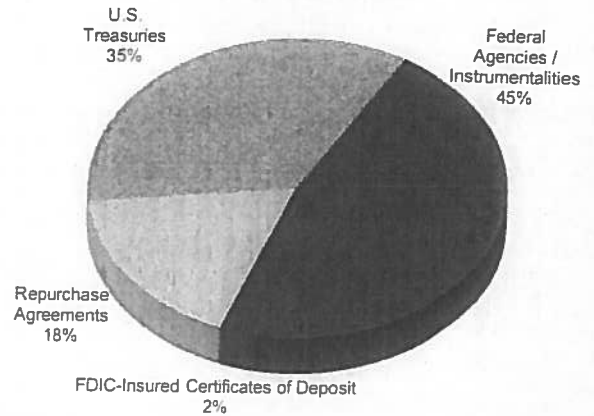
As of December 31, 2020

Dollar-Weighted Maturity / Maximum
 % of Portfolio Invested Beyond 1 Year
 Expense Ratio
 Standard & Poor's Current Rating
 Net Asset Value Per Share
 Current 7-Day Yield⁽¹⁾
 Monthly Distribution Yield⁽²⁾
 Effective Annual Yield for the Month⁽³⁾
 Total Number of Pool Investors in DAILY
 Average Invested Balance During the Month

TexasDAILY

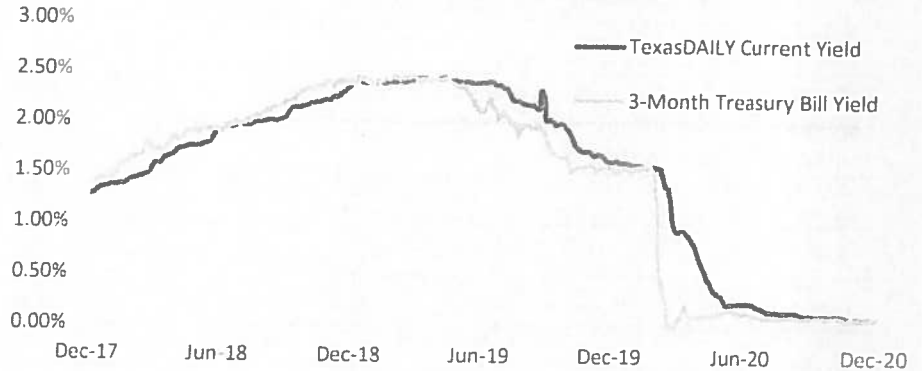
52 / 60 Days
 0.00%
 11%
 AAAM
 \$1.00
 0.09%
 0.09%
 0.09%
 205
 \$2,890,673,079

Portfolio Composition



	Monthly Distribution Yield ⁽²⁾⁽⁵⁾	Effective Annual Yield ⁽³⁾⁽⁵⁾
December 2020	0.09%	0.09%
November 2020	0.10%	0.10%
October 2020	0.12%	0.12%
September 2020	0.14%	0.14%
August 2020	0.16%	0.16%
July 2020	0.22%	0.22%
June 2020	0.24%	0.24%
May 2020	0.41%	0.41%
April 2020	0.83%	0.83%
March 2020	1.20%	1.21%
February 2020	1.58%	1.59%
January 2020	1.61%	1.62%

TexasDAILY vs. 3-Month Treasury Bill⁽⁶⁾



	Book Value	Market Value
Investments		
Cash	\$2,908,331,144	\$2,908,971,578
Accrued Interest	\$216,064	\$216,064
Program Expenses Payable	\$3,946,708	\$3,946,708
Net Assets	(\$316,811)	(\$316,811)
	\$2,912,177,104	\$2,912,817,539

(1) The current seven-day yield, which is also known 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 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.

(2) The monthly distribution yield represents the sum of a month's current allocation factors divided by the number of calendar days in that month, and multiplied by 365.

(3) The "effective annual yield" of TexasDAILY reflects the value of compounding and represents the annualization of the monthly distribution yield with all dividends reinvested. The effective annual yield is computed by dividing the monthly distribution yield for a monthly calendar period by 12, adding one and raising the sum to the power of 12, and subtracting one from the result.

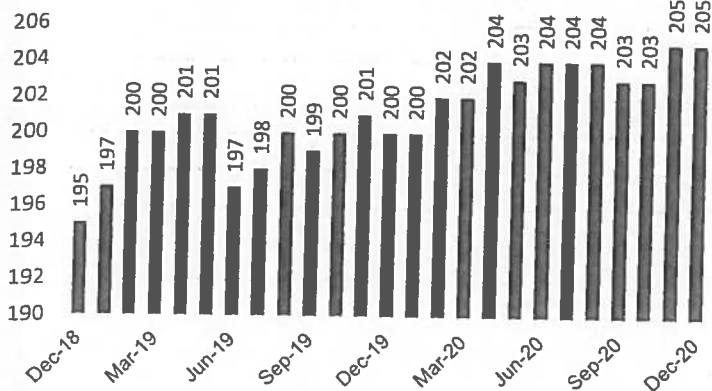
(4) Floating rate obligations are shown to the next reset date. All other securities are shown to their final maturity date. Percentages may not add up to 100% due to rounding. Past performance is no guarantee of future results and yields may vary.

(5) The yields shown above may reflect fee waivers by service providers that subsidize and reduce the total operating expenses of TexasDAILY. TexasDAILY yields would be lower if there were no such waivers.

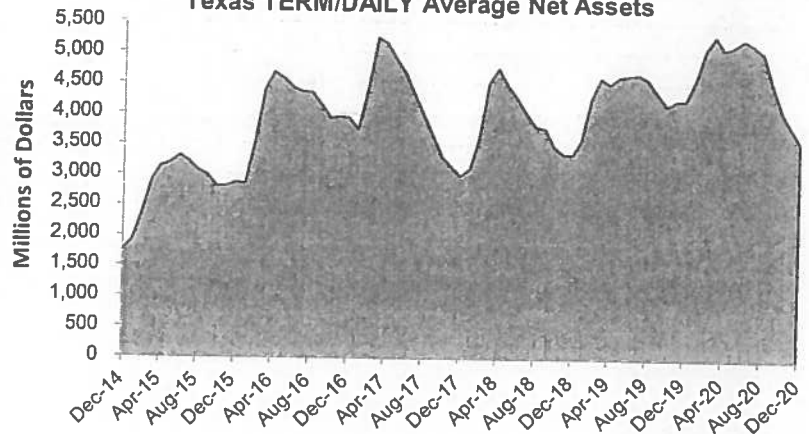
(6) Source: Bloomberg

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TexasTERM/DAILY Participation



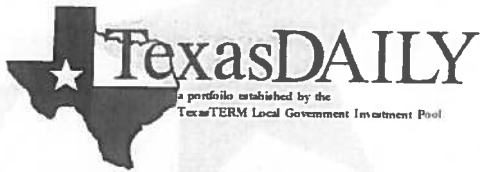
Texas TERM/DAILY Average Net Assets



This information is for institutional investor use only, 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 Pool's investment objectives, risks, charges and expenses before investing. This and other information about the TexasTERM Local Government Investment Pool (the "Pool") is available in the Pool's Information Statement, which should be read carefully before investing. A copy of the Pool's Information Statement may be obtained by calling 1-866-839-8376 or is available on the Pool's website at www.texasterm.net. While TexasDAILY seeks 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 Pool. An investment in the Pool is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Pool are distributed by PFM Fund Distributors, Inc., member Financial Industry Regulatory Authority (FINRA) (www.finra.org) and Securities Investor Protection Corporation (SIPC) (www.sipc.org). PFM Fund Distributors, Inc. is a wholly owned subsidiary of PFM Asset Management LLC.

*The TexasDAILY portfolio has received a AAAM rating from Standard & Poor's ("S&P"). S&P fund ratings are based on analysis of credit quality, market price exposure, and management. According to S&P's rating criteria, the AAAM rating signifies excellent safety of invested principal and a superior capacity to maintain a \$1.00 per share net asset value. However, it should be understood that these ratings are not "market" ratings nor a recommendation to buy, hold or sell the securities. For a full description on rating methodology, visit Standard & Poor's website (http://www.standardandpoors.com/en_US/web/quest/home).

The TexasTERM Dec 20 and Dec 21 portfolios have received a AA Af from Fitch Ratings ("Fitch") and a AA A kf rating from Kroll Bond Rating Agency ("Kroll"). The ratings reflect Fitch's and Kroll's review of the TERM program'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 AA Af rating indicates the highest underlying credit quality (or lowest vulnerability to default). The Kroll AA A kf rating is based on the credit quality of the underlying instruments that comprise the portfolio and is influenced by the results of a qualitative assessment of the investment adviser. However, it should be understood that these ratings are not "market" ratings nor a recommendation to buy, hold or sell the securities. For a full description on rating methodology visit www.fitchratings.com and <https://www.krollbondratings.com/understanding-ratings/rating-scales/funds>



Current Rates:

December 31, 2020

Current Yield¹

0.09%

Historical Rates

Monthly Distribution Yields²

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
January	0.17%	0.14%	0.08%	0.12%	0.04%	0.07%	0.35%	0.58%	1.34%	2.40%	1.61%
February	0.17%	0.17%	0.10%	0.10%	0.04%	0.08%	0.39%	0.59%	1.40%	2.40%	1.58%
March	0.18%	0.14%	0.10%	0.10%	0.04%	0.09%	0.41%	0.66%	1.50%	2.41%	1.20%
April	0.19%	0.10%	0.10%	0.08%	0.04%	0.09%	0.42%	0.75%	1.65%	2.42%	0.83%
May	0.19%	0.09%	0.12%	0.08%	0.04%	0.09%	0.43%	0.76%	1.75%	2.41%	0.41%
June	0.21%	0.09%	0.13%	0.05%	0.04%	0.09%	0.44%	0.85%	1.85%	2.41%	0.24%
July	0.23%	0.06%	0.13%	0.05%	0.05%	0.10%	0.45%	0.96%	1.96%	2.38%	0.22%
August	0.24%	0.08%	0.13%	0.05%	0.06%	0.11%	0.47%	1.00%	1.99%	2.21%	0.16%
September	0.21%	0.07%	0.13%	0.05%	0.06%	0.13%	0.50%	1.03%	2.03%	2.15%	0.14%
October	0.19%	0.07%	0.13%	0.04%	0.06%	0.15%	0.47%	1.05%	2.15%	1.97%	0.12%
November	0.17%	0.08%	0.13%	0.04%	0.06%	0.15%	0.45%	1.09%	2.21%	1.74%	0.10%
December	0.15%	0.11%	0.13%	0.04%	0.07%	0.23%	0.50%	1.21%	2.32%	1.66%	0.09%

**Call Toll-Free
1-866-TEX-TERM**

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(1) The current yield, which is also known as the current annualized yield or current seven-day 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. The yields shown may reflect fee waivers by service providers that subsidize and reduce the total operating expenses of the TexasDAILY portfolio. Portfolio yields would be lower if there were no such waivers.

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December 2020 Economic Review

Texas CLASS Trading Desk (<https://www.texasclass.com/author/texas-class-trading-desk/>)
 December 14, 2020

Winter is Coming

With positive developments on the vaccine front, a medical solution to the pandemic is now in sight, but the recovery path ahead remains challenging and prone to setbacks as illustrated by recent economic indicators. Daily COVID-19 cases surpassed 200k for the first time during the first week of December while consumer confidence indexes in November recorded their first monthly declines since July as new business restrictions across the country took effect.

November marked the seventh consecutive month of employment growth, but the steadily cooling pace of job gains suggests the labor market recovery is losing steam. As measured by the change in nonfarm payrolls, the U.S. economy added just 245k new jobs in November, well-below consensus and down meaningfully from the 610k print registered in October. The headline unemployment rate fell slightly to 6.7% although this is partly owed to a decline in the labor force participation rate.

With expanded unemployment benefits set to expire by year-end, market participants continue to pay close attention to the situation in Washington as congressional leaders work to craft a new relief bill. While Congress appears to be getting closer to a deal, talks of a potential \$908 billion stimulus package remain hung up on disagreements over aid to states and liability protection for businesses. Bipartisan lawmakers have until December 18 to strike a deal or pass an extension on their holiday recess to avoid a government shutdown.

The recent surge in COVID-19 cases and subsequent tightening of business restrictions may signal a rough winter for Americans, but the vaccine offers hope for better days ahead. President-elect Joe Biden and his administration will be tasked with the unique challenge of vaccine production and distribution, sure to be the top agenda item when he and his appointees assume office in January. While the outlook for growth next year remains uncertain, one thing is for sure - 2020 is finally almost behind us.

Treasury Yields

<u>Maturity</u>	<u>12/8/20</u>	<u>11/6/20</u>	<u>Change</u>
3-Month	0.071%	0.086%	-0.015%
6-Month	0.086%	0.091%	-0.005%

1-Year	0.096%	0.127%	-0.020%
2-Year	0.151%	0.153%	-0.002%
3-Year	0.202%	0.197%	0.005%
5-Year	0.393%	0.361%	0.032%
10-Year	0.918%	0.819%	0.099%
30-Year	1.662%	1.600%	0.062%

Agency Yields

<u>Maturity</u>	<u>12/8/20</u>	<u>11/6/20</u>	<u>Change</u>
3-Month	0.084%	0.089%	-0.005%
6-Month	0.092%	0.102%	-0.010%
1-Year	0.109%	0.113%	-0.004%
2-Year	0.174%	0.183%	-0.009%
3-Year	0.241%	0.243%	-0.002%
5-Year	0.474%	0.467%	0.007%

Commercial Paper Yields (A-1/P-1)

<u>Maturity</u>	<u>12/8/20</u>	<u>11/6/20</u>	<u>Change</u>
1-Month	0.100%	0.110%	-0.010%
3-Month	0.190%	0.170%	0.020%
6-Month	0.230%	0.210%	0.020%
9-Month	0.280%	0.260%	0.020%

Current Economic Releases

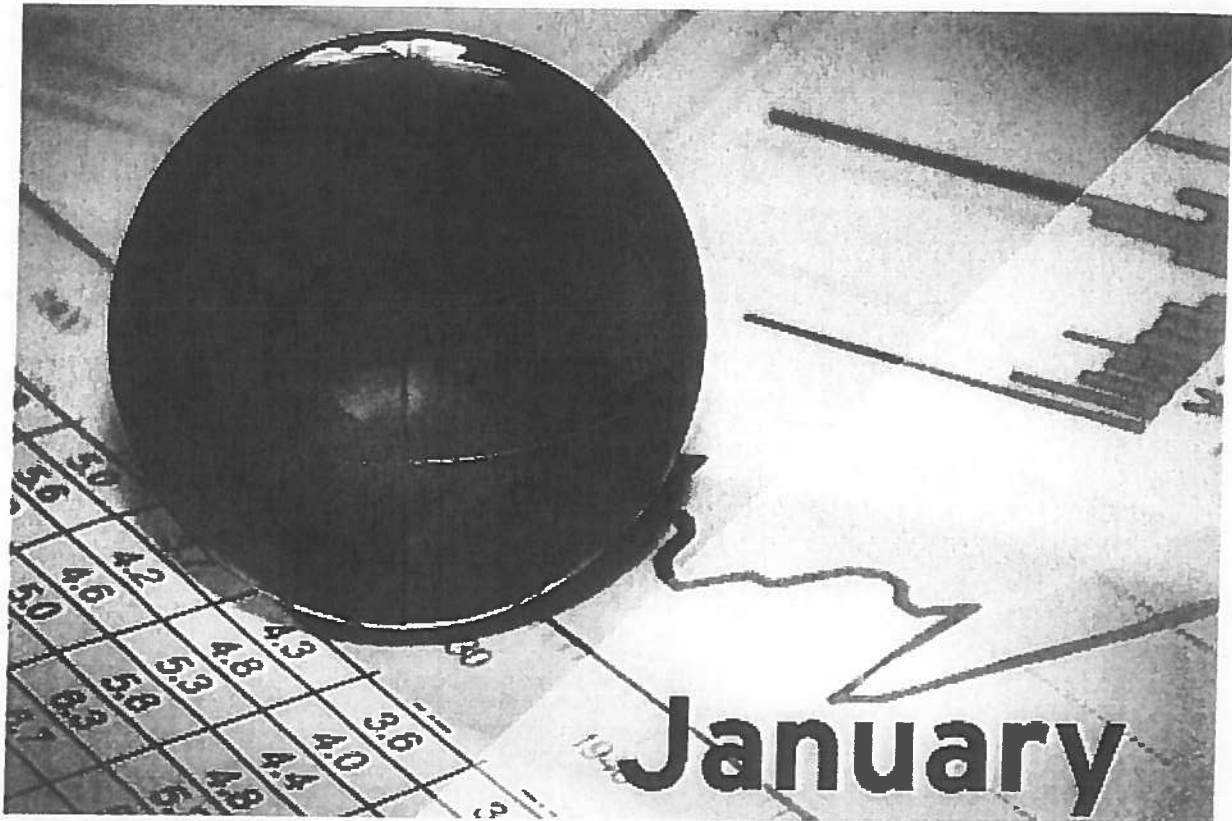
<u>Data</u>	<u>Period</u>	<u>Value</u>
GDP QoQ	Q3 '20	33.10%
U.S. Unemployment	Nov '20	6.70%
ISM Manufacturing	Nov '20	57.50
PPI YoY	Oct '20	-1.10%
CPI YoY	Oct '20	1.20%
Fed Funds Target	December 7, 2020	0.00% - 0.25%

Source: Bloomberg

Data unaudited. Information is obtained from third party sources that may or may not be verified. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. All comments and discussions presented are purely based on opinion and assumptions, not fact. These assumptions may or may not be correct based on foreseen and unforeseen events. The information presented should not be used in making any investment decisions. This material is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Any financial and/or investment decision should be made only after considerable research, consideration, and involvement with an experienced professional engaged for the specific purpose. Past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.

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January 2021 Economic Review (<https://www.texasclass.com/january-2021-economic-review/>)

January 12, 2021

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January 2021 Economic Review

Texas CLASS Trading Desk (<https://www.texasclass.com/author/texas-class-trading-desk/>) January 12, 2021

Turn the Page

As COVID-19 vaccines slowly work their way across the world, we begin the new year with hopes that this year will be much better than the last. But despite this renewed optimism, many familiar headwinds persist. New virus cases are spiking throughout the country, threatening to overrun our healthcare system and offsetting the positive effect of inoculations. Unemployment remains elevated with a disproportional impact across races, education levels, and income classes. The \$900 billion COVID relief package passed by Congress in December will assist the unemployed and small businesses, alleviating some of the pain as the pandemic drags on.

Unfortunately, nearly four million Americans have been out of work for at least 27 weeks, the threshold for long-term unemployment. The reversal of public health orders can be directly attributed to December's 140k drop in non-farm payrolls, where restaurants, bars, and hotels felt the brunt of fresh pandemic restrictions. So far, the vaccine rollout has been confined to front-line health care workers and the retired which does not lend to job growth in the immediate future. Until the vaccine has been distributed to a meaningful portion of the population, the labor market will remain constrained.

A tenuous transfer of power in Washington also brings uncertainty to fiscal policy. With the Democrats gaining control of the White House and Congress, it will be easier to push their agenda through, fueling growth and inflation expectations for this year with tax reform on the horizon. Further fiscal support may include aid for state and local governments, enhanced unemployment benefits, and additional stimulus checks paid directly to households.

Meanwhile, the Federal Reserve remains steadfast in its commitment to ultra-low rates while ensuring robust financial conditions. President-Elect Biden's nomination of Janet Yellen to serve as U.S. Secretary to the Treasury should ensure a productive relationship between the Fed and the new administration. Building a bridge to the other side of the pandemic remains the primary concern for all parties involved.

Treasury Yields

<u>Maturity</u>	<u>1/9/21</u>	<u>12/8/20</u>	<u>Change</u>
3-Month	0.078%	0.071%	0.007%

6-Month	0.081%	0.081%	0.000%
1-Year	0.096%	0.096%	0.000%
2-Year	0.133%	0.149%	-0.016%
3-Year	0.219%	0.211%	0.008%
5-Year	0.483%	0.404%	0.080%
10-Year	1.115%	0.936%	0.179%
30-Year	1.873%	1.684%	0.189%

Agency Yields

<u>Maturity</u>	<u>1/9/21</u>	<u>12/8/20</u>	<u>Change</u>
3-Month	0.088%	0.087%	0.001%
6-Month	0.094%	0.096%	-0.002%
1-Year	0.106%	0.113%	-0.007%
2-Year	0.154%	0.176%	-0.022%
3-Year	0.229%	0.243%	-0.014%
5-Year	0.509%	0.484%	0.025%

Commercial Paper Yields (A-1/P-1)

<u>Maturity</u>	<u>1/9/21</u>	<u>12/8/20</u>	<u>Change</u>
1-Month	0.100%	0.100%	0.000%
3-Month	0.160%	0.190%	-0.030%
6-Month	0.180%	0.240%	-0.060%
9-Month	0.210%	0.270%	-0.060%

Current Economic Releases

<u>Data</u>	<u>Period</u>	<u>Value</u>
GDP QoQ	Q3 '20	33.40%
U.S. Unemployment	Dec '20	6.70%
ISM Manufacturing	Dec '20	60.70
PPI YoY	Nov '20	-1.30%
CPI YoY	Nov '20	1.20%
Fed Funds Target	January 12, 2020	0.00% - 0.25%

Source: Bloomberg

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As COVID-19 vaccines slowly work their way across the world, we begin the new year with hopes that this year will be much better than the last. But despite this renewed optimism, many familiar headwinds persist. New virus cases are spiking throughout the country, threatening to overrun our healthcare system and offsetting the positive effect of inoculations. Unemployment remains elevated with a disproportional impact across races, education levels, and income classes. The \$900 billion COVID relief package passed by Congress in December will assist the unemployed and small businesses, alleviating some of the pain as the pandemic drags on.

Unfortunately, nearly four million Americans have been out of work for at least 27 weeks, the threshold for long-term unemployment. The reversal of public health orders can be directly attributed to December's 140k drop in non-farm payrolls, where restaurants, bars, and hotels felt the brunt of fresh pandemic restrictions. So far, the vaccine rollout has been confined to front-line health care workers and the retired which does not lend to job growth in the immediate future. Until the vaccine has been distributed to a meaningful portion of the population, the labor market will remain constrained.

A tenuous transfer of power in Washington also brings uncertainty to fiscal policy. With the Democrats gaining control of the White House and Congress, it will be easier to push their agenda through, fueling growth and inflation expectations for this year with tax reform on the horizon. Further fiscal support may include aid for state and local governments, enhanced unemployment benefits, and additional stimulus checks paid directly to households.

Meanwhile, the Federal Reserve remains steadfast in its commitment to ultra-low rates while ensuring robust financial conditions. President-Elect Biden's nomination of Janet Yellen to serve as U.S. Secretary to the Treasury should ensure a productive relationship between the Fed and the new administration. Building a bridge to the other side of the pandemic remains the primary concern for all parties involved.

Treasury Yields

<u>Maturity</u>	<u>1/9/21</u>	<u>12/8/20</u>	<u>Change</u>
3-Month	0.078%	0.071%	0.007%

6-Month	0.081%	0.081%	0.000%
1-Year	0.096%	0.096%	0.000%
2-Year	0.133%	0.149%	-0.016%
3-Year	0.219%	0.211%	0.008%
5-Year	0.483%	0.404%	0.080%
10-Year	1.115%	0.936%	0.179%
30-Year	1.873%	1.684%	0.189%

Agency Yields

<u>Maturity</u>	<u>1/9/21</u>	<u>12/8/20</u>	<u>Change</u>
3-Month	0.088%	0.087%	0.001%
6-Month	0.094%	0.096%	-0.002%
1-Year	0.106%	0.113%	-0.007%
2-Year	0.154%	0.176%	-0.022%
3-Year	0.229%	0.243%	-0.014%
5-Year	0.509%	0.484%	0.025%

Commercial Paper Yields (A-1/P-1)

<u>Maturity</u>	<u>1/9/21</u>	<u>12/8/20</u>	<u>Change</u>
1-Month	0.100%	0.100%	0.000%
3-Month	0.160%	0.190%	-0.030%
6-Month	0.180%	0.240%	-0.060%
9-Month	0.210%	0.270%	-0.060%

Current Economic Releases

<u>Data</u>	<u>Period</u>	<u>Value</u>
GDP QoQ	Q3 '20	33.40%
U.S. Unemployment	Dec '20	6.70%
ISM Manufacturing	Dec '20	60.70
PPI YoY	Nov '20	-1.30%
CPI YoY	Nov '20	1.20%
Fed Funds Target	January 12, 2020	0.00% - 0.25%

Source: Bloomberg

Data unaudited. Information is obtained from third party sources that may or may not be verified. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. All comments and discussions presented are purely based on opinion and assumptions, not fact. These assumptions may or may not be correct based on foreseen and unforeseen events. The information presented should not be used in making any investment decisions. This material is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Any financial and/or investment decision should be made only after considerable research, consideration, and involvement with an experienced professional engaged for the specific purpose. Past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.

Filed under: Economic Update (<https://www.texasclass.com/category/economic-update/>)



TexasTERM RATES December 14, 2020

TexasTERM CP Rates⁽¹⁾ (Fixed Rate/Fixed Term)		
<u>Maturity</u>	<u>Date</u>	<u>Net Rate</u>
60 Days	February	0.08%
90 Days	March	0.13%
120 Days	April	0.12%
150 Days	May	0.15%
180 Days	June	0.17%
210 Days	July	0.15%
240 Days	August	0.15%
270 Days	September	0.16%
300 Days	October	0.04%
330 Days	November	0.04%
365 Days	December	0.05%

PFM Asset Management LLC Direct Purchase of Certificates of Deposit TexasTERM-CD PURCHASE PROGRAM⁽¹⁾ (FDIC-Insured CDs)**		
<u>Maturity</u>	<u>Date</u>	<u>Net Rate</u>
90 Days	March	0.10%
180 Days	June	0.10%
270 Days	September	0.10%
365 Days	December	0.10%

**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.

CURRENT YIELDS⁽²⁾	
<i>TexasDAILY (7-Day)</i>	0.09%
<i>TexasDAILY (1-Day)</i>	0.09%

*** We request you contact our Client Services Group for the most current fixed-rate investment options.**

**Call Toll-Free 1-866-TEX-TERM (1-866-839-8376)
Press 2 for TexasTERM, Press 3 for Investor Support**

www.texasterm.net

1. TexasTERM, TexasTERM CP, 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 and TexasTERM CP 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 TexasTERM (the "Fund"). Certificates of Deposit purchased through the TexasTERM-CD Purchase Program are not issued, guaranteed or insured by the Fund or the Investment Adviser or any of its affiliates. A description of TexasTERM, TexasTERM CP, and the TexasTERM-CD Purchase Program are contained in the TexasTERM Information Statement. The Information Statement contains important information and should be read carefully before investing. Past Performance is not indicative of future results.
2. Rates for the TexasDAILY (7-day) and TexasDAILY (1-day) are as of the date indicated. The current seven-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. The one-day yield represents the allocation factor of the TexasDAILY portfolio divided by the daily net asset value per share (normally \$1.00) multiplied by 365. Unlike the current yield – which excludes capital changes and income other than investment income – the allocation factor and one-day yield are inclusive of capital changes and any income other than investment income. 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 Fund. Fund yields would be lower if there were no such waivers.

This information is for institutional investor use only, 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 Pool's investment objectives, risks, charges and expenses before investing. This and other information about the Pool is available in the Pool's Information Statement, which should be read carefully before investing. A copy of the Pool's Information Statement may be obtained by calling 1-866-839-8376 or is available on the Pool's website at www.texasterm.net. While TexasDAILY seeks 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 Pool. An investment in the Pool is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Pool are distributed by PFM Fund Distributors, Inc., member Financial Industry Regulatory Authority (FINRA) (www.finra.org) and Securities Investor Protection Corporation (SIPC) (www.sipc.org). PFM Fund Distributors, Inc. is a wholly owned subsidiary of PFM Asset Management LLC.

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: 9/30/2020, End Date: 12/31/2020

Description	CUSIP / Ticker	Beginning Face Amount/Shares	Buy Principal	Sell Principal	Interest	Ending Face Amount	End YTM
0002 General Fund							
Prosperity Bank Cash	02PRS081	182,002.63	641.24	0.00	641.24	182,643.87	1.410
Prosperity Bank Cash	02PRS161	156,223.46	242,692.20	2,808.85	1,088.20	398,106.81	1.410
Prosperity Bank Cash	02PRS321	230,425.76	316,834.56	120,852.33	1,102.79	426,407.99	1.410
Prosperity Bank Cash	02PRS431	3,146,981.53	53,982,736.56	56,889,687.39	4,301.00	240,030.70	1.410
Prosperity Bank Cash	02PRS481	246.92	393.98	94.00	0.98	546.90	1.390
Prosperity Bank Cash	02PRS511	117,470,450.87	40,008,462.36	44,000,000.00	372,847.87	113,478,913.23	1.410
Prosperity Bank Cash	02PRS561	1,586.44	2,476.48	2,484.23	7.31	1,578.69	1.410
Prosperity Bank Cash	02PRS581	340,992.40	331,491.96	0.00	1,828.53	672,484.36	1.410
Prosperity Bank Cash	02PRS751	0.01	0.00	0.00	0.00	0.01	0.000
Prosperity Bank Cash	02PRS781	923,217.73	24,899,480.64	24,365,864.74	4,756.36	1,456,833.63	1.410
Prosperity Bank Cash	02PRS831	1,126,981.71	602,893.32	728,633.14	4,028.43	1,001,241.89	1.410
Prosperity Bank Cash	02PRS861	2,798,925.46	25,366,771.64	22,624,582.38	12,748.10	5,541,114.72	1.410
Prosperity Bank Cash	02PRS911	47,393.56	69,967.59	54,098.29	197.11	63,262.86	1.410
Prosperity Bank Cash	02PRS941	21,597.35	47,247.28	37,286.00	99.28	31,558.63	1.400
Prosperity Bank MM	02PRS709	27,251,681.76	96,014.70	0.00	96,014.70	27,347,696.46	1.410
Texas CLASS LGIP	TXCL0004	41,194,764.44	16,076.93	0.00	16,076.93	41,210,841.37	0.140
Texas First Bank Cash	02JP600	539,650.94	260,481.46	90,046.51	0.00	710,085.89	0.000
Texas First Bank Cash	02TFB2PARKS	120,335.72	21,562.50	126,144.06	0.00	15,754.16	0.000
Texas Term LGIP	TXTM112406	627.37	0.16	0.00	0.16	627.53	0.090
Sub Total/Average 0002 General Fund		195,554,086.06	146,266,225.56	149,042,581.92	515,736.99	192,777,729.70	1.133
3120 Lmt Tx Cnty Bld Bd 09B							
Prosperity Bank MM	3120PRS111	64,188.49	226.15	0.00	226.15	64,414.64	1.410
Sub Total/Average 3120 Lmt Tx Cnty Bld Bd 09B		64,188.49	226.15	0.00	226.15	64,414.64	1.410
3307 2003 Road Bonds							
Prosperity Bank MM	3307PRS811	1,960,598.80	6,907.70	0.00	6,907.70	1,967,506.50	1.410
Sub Total/Average 3307 2003 Road Bonds		1,960,598.80	6,907.70	0.00	6,907.70	1,967,506.50	1.410
3308 2001 Road Bonds							
Prosperity Bank MM	3308PRS731	141,565.61	498.78	0.00	498.78	142,064.39	1.410
Sub Total/Average 3308 2001 Road Bonds		141,565.61	498.78	0.00	498.78	142,064.39	1.410
33102007 Limited Tax Bonds							
Prosperity Bank MM	3310PRS571	3,828,115.91	13,487.43	0.00	13,487.43	3,841,603.34	1.410
Sub Total/Average 33102007 Limited Tax Bonds		3,828,115.91	13,487.43	0.00	13,487.43	3,841,603.34	1.410
3312 Unlm Tx Rd Bd 09A							
Prosperity Bank MM	3312PRS031	1,518,352.38	5,349.55	0.00	5,349.55	1,523,701.93	1.410
Sub Total/Average 3312 Unlm Tx Rd Bd 09A		1,518,352.38	5,349.55	0.00	5,349.55	1,523,701.93	1.410
3370 Lmt Tx Fld Cntl Bd 09C							
Prosperity Bank MM	3370PRS381	390,779.55	1,376.82	0.00	1,376.82	392,156.37	1.410
Sub Total/Average 3370 Lmt Tx Fld Cntl Bd 09C		390,779.55	1,376.82	0.00	1,376.82	392,156.37	1.410
3373 COB Series 2008							
Prosperity Bank MM	3373PRS461	320,639.05	1,129.69	0.00	1,129.69	321,768.74	1.410
Sub Total/Average 3373 COB Series 2008		320,639.05	1,129.69	0.00	1,129.69	321,768.74	1.410
Total / Average		203,778,325.85	146,295,201.68	149,042,581.92	544,713.11	201,030,945.61	1.145
						Less Funds Set Aside for nearby Obligations	-10,000,000.00
						Total Investable Funds	191,030,945.61

Galveston County

Exhibit B

Date To Date

TEXAS Earnings and Yields Summary Report

Report Format: By Totals

Group By: Security Type

Portfolio / Report Group: All Portfolios

Begin Date: 9/30/2020, End Date: 12/31/2020

Description	Interest/Dividends	Ending YTM @ Cost
Cash	403,645.20	1.402
Local Government Investment Pool	16,077.09	0.140
Money Market	124,990.82	1.410
Total / Average	544,713.11	1.145

Galveston County
 Portfolio Holdings
 Portfolio Holdings / by Security Type
 Report Format: By C U S I P / Ticker
 Group By: Security Type
 Average By: Face Amount / Shares
 Portfolio / Report Group: All Portfolios
 As of 12/31/2020

Exhibit C

Description	CUSIP/Ticker	Face Amount/Shares	Market Value	Book Value	YTM @ Cost	Coupon Rate	Days To Maturity	% of Portfolio
Cash								
Prosperity Bank Cash	02PRS321	426,407.99	426,407.99	426,407.99	1.410	1.410	1	0.21
Prosperity Bank Cash	02PRS481	546.90	546.90	546.90	1.390	1.390	1	0.00
Prosperity Bank Cash	02PRS781	1,456,833.63	1,456,833.63	1,456,833.63	1.410	1.410	1	0.72
Prosperity Bank Cash	02PRS591	672,484.36	672,484.36	672,484.36	1.410	1.410	1	0.33
Prosperity Bank Cash	02PRS941	31,558.63	31,558.63	31,558.63	1.400	1.400	1	0.02
Prosperity Bank Cash	02PRS431	240,030.70	240,030.70	240,030.70	1.410	1.410	1	0.12
Prosperity Bank Cash	02PRS911	63,262.66	63,262.66	63,262.66	1.410	1.410	1	0.03
Prosperity Bank Cash	02PRS511	113,478,913.23	113,478,913.23	113,478,913.23	1.410	1.410	1	56.45
Prosperity Bank Cash	02PRS751	0.01	0.01	0.01	0.000	0.000	1	0.00
Prosperity Bank Cash	02PRS831	1,001,241.89	1,001,241.89	1,001,241.89	1.410	1.410	1	0.50
Prosperity Bank Cash	02PRS661	5,541,114.72	5,541,114.72	5,541,114.72	1.410	1.410	1	2.76
Prosperity Bank Cash	02PRS561	1,578.69	1,578.69	1,578.69	1.410	1.410	1	0.00
Prosperity Bank Cash	02PRS181	396,106.81	396,106.81	396,106.81	1.410	1.410	1	0.20
Prosperity Bank Cash	02PRS081	182,643.87	182,643.87	182,643.87	1.410	1.410	1	0.09
Texas First Bank Cash	02JPS00	710,085.89	710,085.89	710,085.89	0.000	0.000	1	0.35
Texas First Bank Cash	02TFB2PARKS	15,754.16	15,754.16	15,754.16	0.000	0.000	1	0.01
Sub Total / Average Cash		124,218,564.34	124,218,564.34	124,218,564.34	1.402	1.402	1	61.79
Local Government Investment Pool								
Texas CLASS LGIP	TXCL0004	41,210,841.37	41,210,841.37	41,210,841.37	0.140	0.140	1	20.50
Texas Term LGIP	TXTM112406	627.53	627.53	627.53	0.090	0.090	1	0.00
Sub Total / Average Local Government Investment Pool		41,211,468.90	41,211,468.90	41,211,468.90	0.140	0.140	1	20.50
Money Market								
Prosperity Bank MM	3373PRS461	321,768.74	321,768.74	321,768.74	1.410	1.410	1	0.16
Prosperity Bank MM	3120PRS111	64,414.64	64,414.64	64,414.64	1.410	1.410	1	0.03
Prosperity Bank MM	3307PRS811	1,967,506.50	1,967,506.50	1,967,506.50	1.410	1.410	1	0.98
Prosperity Bank MM	3308PRS731	142,064.39	142,064.39	142,064.39	1.410	1.410	1	0.07
Prosperity Bank MM	3370PRS381	392,156.37	392,156.37	392,156.37	1.410	1.410	1	0.20
Prosperity Bank MM	3312PRS031	1,523,701.93	1,523,701.93	1,523,701.93	1.410	1.410	1	0.76
Prosperity Bank MM	3310PRS571	3,841,603.34	3,841,603.34	3,841,603.34	1.410	1.410	1	1.91
Prosperity Bank MM	02PRS709	27,347,696.46	27,347,696.46	27,347,696.46	1.410	1.410	1	13.60
Sub Total / Average Money Market		35,600,912.37	35,600,912.37	35,600,912.37	1.410	1.410	1	17.71
Total / Average		201,030,945.61	201,030,945.61	201,030,945.61	1.145	1.145	1	100

Collateral Statement

As of December 31, 2020

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%	\$ 134,172	\$ 250,000	186%
Texas First Bank Hitchcock/Santa Fe/Texas City	Time Deposits	US Treasury Obligations, US Agencies, GNMA's	Federal Reserve Bank, or Chase Bank	110%	\$ 764,297	\$ 1,517,555	199%
Prosperity Bank	Time Deposits	US Treasury Obligations, US Agencies, GNMA's Agency Letters of Credit	Federal Reserve Bank, or Chase Bank	110%	\$ 218,891,622	\$ 252,342,145	115%
Totals:					<u>\$ 219,790,091</u>	<u>\$ 254,109,701</u>	116%

*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.



Moody Bank 
MEMBER FDIC

Galveston County

Summary Reports for December 2020

Table of Contents

- List of accounts and end of month balances



PROSPERITY BANK®

January 4, 2021

Galveston County Treasurer
722 Moody Ave. 4th Floor
Galveston, TX 77550

RE: Balance Confirmation

Please accept the following as confirmation of total deposit balances.

\$218,891,621.89

Please let me know if you need any additional information. I can be reached at (979) 541-4227.

Sincerely,

Lindsey Blezinger

Prosperity Bank
Banking Officer
Accounting - Treasury

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

(979) 541-4227 Direct
lindsey.blezinger@prosperitybanktx.com

Pledge Security Listing

December 31, 2020

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)
GALVESTON COUNTY TREASURER																
2466	31294MCF6	FHLB #E02770	FHLB		3.00	11/01/2025		AAA	AA+	AAA	HTM	25,000,000	1,527,774.75	1,528,347.35	1,571,310.40	42,963.05
2467	31294MCF6	FHLB #E02770	FHLB		3.00	11/01/2025		AAA	AA+	AAA	HTM	25,000,000	1,527,774.75	1,527,799.78	1,571,310.40	43,510.62
2486	31416Y4Y1	FNMA #AB3538	FHLB		3.00	09/01/2021		AAA	AA+	AAA	HTM	100,000,000	864,368.00	864,901.14	867,997.34	3,096.20
2519	31418AB31	FNMA #MA0957	FHLB		3.00	01/01/2022		AAA	AA+	AAA	HTM	24,548,494	382,860.03	383,327.16	385,006.57	1,679.41
3541	31417DY49	FNMA #AB7030	FHLB		2.00	11/01/2027		AAA	AA+	AAA	HTM	39,632,406	8,766,035.07	8,829,468.71	8,919,945.34	90,476.63
3544	31417DRU9	FNMA #AB6798	FHLB		2.00	11/01/2027		AAA	AA+	AAA	HTM	50,060,360	12,374,605.61	12,461,832.48	12,598,372.02	136,539.54
3546	31410LKN1	FNMA #890501	FHLB		2.00	11/01/2027		AAA	AA+	AAA	HTM	22,500,000	5,631,847.88	5,672,592.90	5,729,021.41	56,428.51
3608	3128MDNB5	FHLMC #G14686	FHLB		2.00	03/01/2028		AAA	AA+	AAA	HTM	72,530,991	19,987,570.45	20,056,918.32	20,350,023.66	293,105.33
3660	31307BBG4	FHLMC #J22739	FHLB		2.50	03/01/2028		AAA	AA+	AAA	HTM	11,250,000	2,757,574.01	2,757,574.01	2,833,786.88	76,212.87
4214	3138EPD27	FNMA #AL6420	FHLB		2.00	01/01/2030		AAA	AA+	AAA	HTM	43,500,000	15,188,448.69	15,324,069.85	15,475,837.38	151,767.52
4259	3138WFAL0	FNMA #AS5410	FHLB		2.50	07/01/2030		AAA	AA+	AAA	HTM	52,501,812	19,038,133.57	19,113,989.62	19,612,572.31	498,582.69
4304	3128MMT86	FHLMC #G18574	FHLB		2.50	11/01/2030		AAA	AA+	AAA	HTM	10,000,000	3,734,631.40	3,766,444.69	3,850,927.75	84,483.06
4873	3128P8AQ4	FHLMC #C91815	FHLB		3.00	03/01/2035		AAA	AA+	AAA	HTM	13,000,000	4,289,306.97	4,473,598.32	4,488,936.46	15,338.14
4876	3138WJEB0	FNMA #AS8229	FHLB		2.50	10/01/2031		AAA	AA+	AAA	HTM	50,000,000	23,330,392.50	23,960,775.94	24,267,882.10	307,106.16
4881	3138WJAC2	FNMA #AS8102	FHLB		2.50	10/01/2031		AAA	AA+	AAA	HTM	40,000,000	18,154,871.20	18,545,422.16	18,884,056.52	338,634.35
4955	3128MFAL2	FHLMC #G16111	FHLB		3.00	04/01/2032		AAA	AA+	AAA	HTM	85,512,164	43,758,374.35	44,775,116.01	45,795,217.72	1,020,101.71
4960	3138ERCB4	FNMA #AL9065	FHLB		3.00	09/01/2031		AAA	AA+	AAA	HTM	69,800,000	26,468,621.38	26,806,717.19	27,559,998.87	753,281.67
4961	31418CUL6	FNMA #MA3286	FHLB		3.00	02/01/2028		AAA	AA+	AAA	HTM	25,000,000	11,570,330.25	11,727,449.23	11,968,238.65	240,789.42
5524	31418DUD2	FNMA #MA4179	FHLB		2.00	11/01/2035		AAA	AA+	AAA	HTM	25,000,000	24,622,843.25	25,496,782.04	25,611,703.53	114,921.49
Total for GALVESTON COUNTY TREASURER												784,836,227	243,976,364.11	248,073,126.90	252,342,145.31	4,269,018.37

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

PREPARED BY: Amanda Tinnin

Date: December 31, 2020

SUBJECT: TOTAL DEPOSITS vs TOTAL COLLATERAL

DEPOSITS:

Total Demand Deposits:	\$764,297.22
LESS FDIC COVERAGE Demand	(\$250,000.00)
	\$514,297.22
Total Savings-Time-NOW Deposits:	\$0.00
LESS FDIC COVERAGE SV-Time	(\$250,000.00)
	(\$250,000.00)
	\$514,297.22
Total	\$514,297.22
110% OF DEPOSITS not covered	\$565,726.94

COVERAGE:

TOTAL PLEDGED SECURITY	\$1,480,522.43	
BOOK VALUE	\$1,490,408.45	
MARKET VALUE	\$1,517,555.33	
Market Value		\$1,517,555.33
EXCESS COLLATERAL		\$951,828.39

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