



County of Victoria

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Sean Kennedy, CIO
County Treasurer

October 15, 2012

Honorable Judge Donald R. Pozzi
Victoria County Commissioners' Court

Chapter 2256.023, Government Code (The Public Funds Investment Act), requires the investment officer of each local government to submit to its governing body a quarterly report of investment transactions.

The attached report details investments for Victoria County, Citizens Medical Center and Victoria County Navigation District for the quarter ending September 30, 2012.

The combined portfolios total \$135,008,911.92 and have been managed with an emphasis on safety, liquidity and yield. The portfolio for the quarter changed from last quarter with 99.9981% in cash, no collateralized CD's and .0019% in LOGIC Pool, with a combined average interest rate of .50%. Two CD's matured during the quarter and the funds were not reinvested.

The Federal Reserve Bank has not changed the Fed Fund interest rate this quarter. The outlook is for the Fed Fund interest rate to remain stable. The interest rate received from investments in LOGIC Pool declined slightly during the quarter. Interest bearing checking accounts at First Victoria earn .25% and investment cash accounts earn .50%

Pledged collateral of bank deposits held by First Victoria Bank is closely monitored and was above the limits required by our depository contract.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sean Kennedy".

Sean Kennedy, CIO
Victoria County Treasurer

FUND	PURCH DATE	ORIGINAL FACE	CURRENT FACE	DESCRIPTION	MAT DATE	Call Date	NET YIELD	PURCH PRICE	BEGINNING BOOK VALUE	BEGINNING MARKET VALUE	ENDING BOOK VALUE	ENDING MARKET VALUE
VICTORIA COUNTY												
100	7/8/2011	5,000,000	0	Certificate of Deposit	7/8/2012		0.600%	5,000,000.00	5,000,000.00	5,000,000.00	0.00	0.00
		0	0	Certificate of Deposit			0.000%		0.00	0.00	0.00	0.00
				Gov't Agencies, Disc Notes					0.00	0.00	0.00	0.00
		<u>5,000,000</u>	<u>0</u>	TOTAL INVESTMENTS					<u>5,000,000.00</u>	<u>5,000,000.00</u>	<u>0.00</u>	<u>0.00</u>
				COUNTY FUNDS INVESTED					5,000,000.00	5,000,000.00	0.00	0.00
				CASH ON HAND			0.500%		<u>17,645,674.03</u>		<u>18,545,859.89</u>	
				TOTAL					<u>22,645,674.03</u>		<u>18,545,859.89</u>	
CITIZENS MEDICAL CENTER												
				LOGIC POOL			0.209%		735.83	735.83	736.04	736.04
		0	0	Certificate of Deposit			0.000%	0.00	0.00	0.00	0.00	0.00
		0	0	Certificate of Deposit			0.000%	0.00	0.00	0.00	0.00	0.00
		0	0	Certificate of Deposit			0.000%	0.00	0.00	0.00	0.00	0.00
		0	0	Certificate of Deposit			0.000%	0.00	0.00	0.00	0.00	0.00
		<u>0</u>	<u>0</u>	TOTAL INVESTMENTS					<u>735.83</u>	<u>735.83</u>	<u>736.04</u>	<u>736.04</u>
				HOSPITAL FUNDS INVESTED					735.83	735.83	736.04	736.04
				CASH ON HAND			0.500%		<u>101,772,696.61</u>		<u>102,458,292.23</u>	
				TOTAL					<u>101,773,432.44</u>		<u>102,459,028.27</u>	
NAVIGATION DISTRICT												
				LOGIC POOL - BOND FUND			0.209%		878.62	878.62	878.94	878.94
				LOGIC POOL - OPERATING FUND			0.209%		921.91	921.91	922.31	922.31
8/24/2011		2,000,000	0	Certificate of Deposit	8/24/2012		0.600%	2,000,000.00	2,000,000.00	2,000,000.00	0.00	0.00
		0	0	Certificate of Deposit			0.000%		0.00	0.00	0.00	0.00
		0	0	Certificate of Deposit			0.000%	0.00	0.00	0.00	0.00	0.00
		0	0	Certificate of Deposit			0.000%	0.00	0.00	0.00	0.00	0.00
		<u>2,000,000</u>	<u>0</u>	TOTAL INVESTMENTS					<u>2,001,800.53</u>	<u>2,001,800.53</u>	<u>1,801.25</u>	<u>1,801.25</u>
				NAVIGATION DISTRICT INVESTMENTS					2,001,800.53	2,001,800.53	1,801.25	1,801.25
BANK BALANCE - NOT BOOK BALANCE				CASH ON HAND			0.500%		<u>2,179,877.31</u>		<u>14,002,222.51</u>	
				TOTAL					<u>4,181,677.84</u>		<u>14,004,023.76</u>	

FUND	PURCH DATE	ORIGINAL FACE	CURRENT FACE	DESCRIPTION	MAT DATE	Call Date	NET YIELD	PURCH PRICE	BEGINNING BOOK VALUE	BEGINNING MARKET VALUE	ENDING BOOK VALUE	ENDING MARKET VALUE
		7,000,000	0	GRAND TOTAL INVESTMENTS					7,002,536.36	7,002,536.36	2,537.29	2,537.29

CASH & INVESTMENT SUMMARY BY FUND

TOTAL COUNTY FUNDS
 TOTAL HOSPITAL FUNDS
 TOTAL NAVIGATION DISTRICT FUNDS

JULY 1, 2012

17.6093% 22,645,674.03
 79.1390% 101,773,432.44
 3.2517% 4,181,677.84
 100.00% 128,600,784.31

SEPTEMBER 30, 2012

18,545,859.89 13.7368%
 102,459,028.27 75.8906%
 14,004,023.76 10.3727%
 135,008,911.92 100.00%

Above totals include cash.

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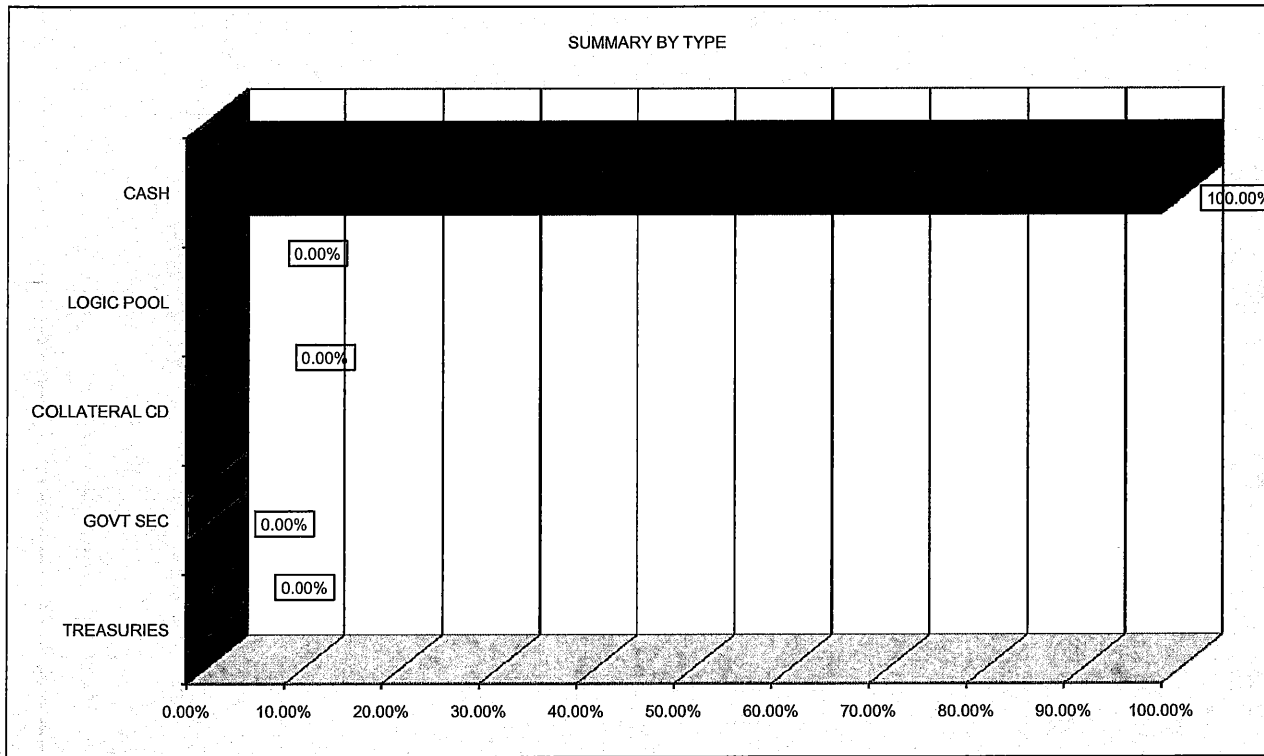
INVESTMENT SUMMARY BY TYPE

TREASURIES
 GOVERNMENT SECURITIES
 CERTIFICATES OF DEPOSIT
 LOGIC POOL
 TOTAL INVESTMENT OTHER THAN CASH
 TOTAL CASH

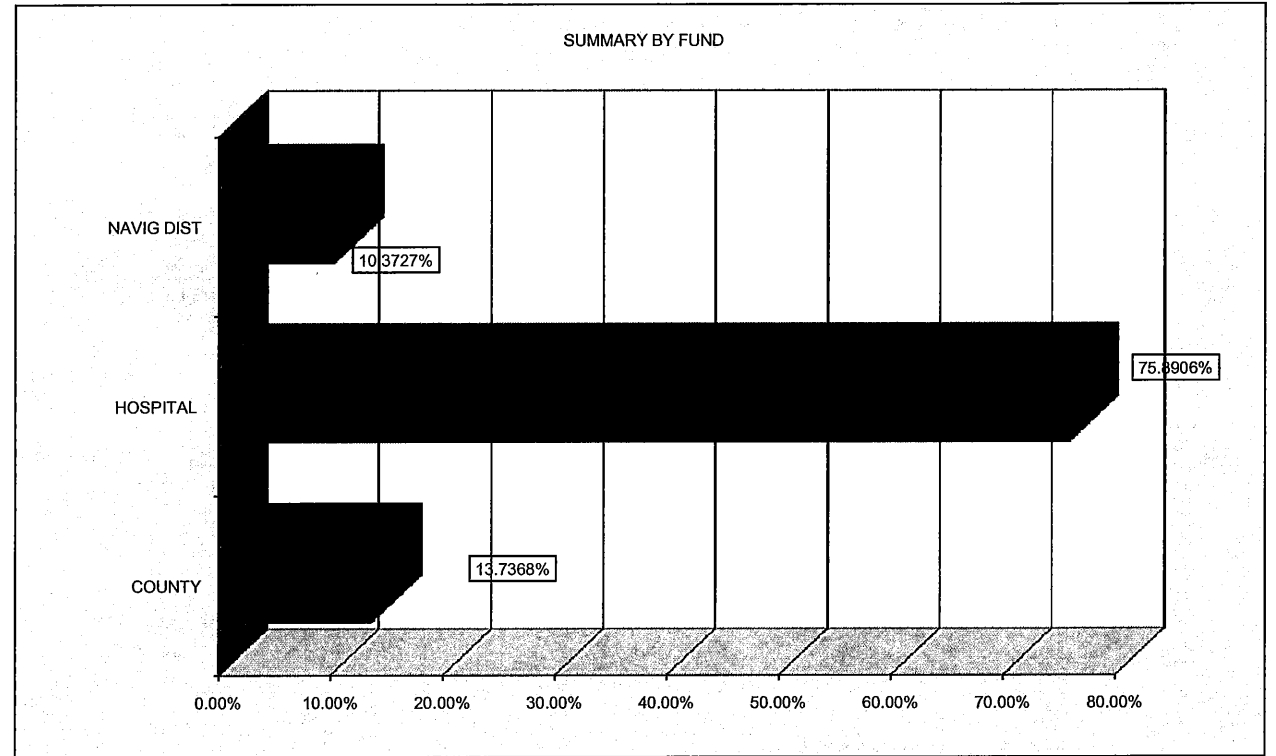
0.0000% 0.00
 0.0000% 0.00
 5.4432% 7,000,000.00
 0.0020% 2,536.36
 5.4452% 7,002,536.36
 94.5548% 121,598,247.95
 100.00% 128,600,784.31

0.00 0.0000%
 0.00 0.0000%
 0.00 0.0000%
 2,537.29 0.0019%
 2,537.29 0.0019%
 135,006,374.63 99.9981%
 135,008,911.92 100.00%

SUMMARY BY TYPE



SUMMARY BY FUND



VICTORIA COUNTY TRANSACTION REPORT
 SEPTEMBER 30, 2012

PURCHASES:

Fund	Settle Date	CUSIP	Security Type	Par	Coupon	Maturity	Call Date	Purchase Price	Purchase Principal	Purchase Premium	Purchase Accr Int	Total Settlement	Broker	Yield	Investment Number
NONE															

CALLED:

Fund	Purchase Date	CUSIP	Security Type	Par	Coupon	Maturity	Call Date	Purch Price	Call Price	Sale Principal	Sale Interest	Gain/(Loss)	Total Settlement	Book Value	Yield	Investment Number
NONE																

MATURITIES:

Fund	Purchase Date	CUSIP	Security Type	Par	Coupon	Maturity	Purch Price	Call Price	Sale Principal	Sale Interest	Gain/(Loss)	Total Settlement	Yield	Investment Number
100	7/8/2011		CD			7/8/2012	5,000,000.00		5,000,000.00	30,122.60	0.00	5,030,122.60	0.6000%	12-708
NAVIGATION	8/24/2011		CD			8/24/2012	2,000,000.00		2,000,000.00	12,000.00	0.00	2,012,000.00	0.6000%	12-824
									0.00	0.00	0.00	0.00	0.0000%	
									0.00	0.00	0.00	0.00	0.0000%	
									<u>7,000,000.00</u>	<u>42,122.60</u>	<u>0.00</u>	<u>7,042,122.60</u>		

VICTORIA COUNTY
 PORTFOLIO INVENTORY
 SEPTEMBER 30, 2012

9/30/2012 Mat Date	Type	Par	Coupon	Cusip	Purch Date	Purch Yield	Beginning		Ending		Change in Market	Change in Balance	D-T-M	% of Portfolio	Call Date	Wgt Avg Mat	Fund	Market Gain/ Loss	Invest Number
							Book Value	Market Value	Book Value	Market Value									
9/30/2012	Cash					0.500%	121,598,247.95	121,598,247.95	135,006,374.63	135,006,374.63		13,408,126.68	1	99.998%			ALL		
7/8/2012	CD COLLATERALIZED	5,000,000.00			7/8/2011	0.600%	5,000,000.00	5,000,000.00	0.00	0.00		(5,000,000.00)	0	0.000%			100		12-78
	CD COLLATERALIZED	0.00				0.000%	0.00	0.00	0.00	0.00		0.00	0	0.000%			100		
	CD COLLATERALIZED	0.00				0.000%	0.00	0.00	0.00	0.00		0.00	0	0.000%			820		
	CD COLLATERALIZED	0.00				0.000%	0.00	0.00	0.00	0.00		0.00	0	0.000%			820		
	CD COLLATERALIZED	0.00				0.000%	0.00	0.00	0.00	0.00		0.00	0	0.000%			820		
	CD COLLATERALIZED	0.00				0.000%	0.00	0.00	0.00	0.00		0.00	0	0.000%			820		
	CD COLLATERALIZED	0.00				0.000%	0.00	0.00	0.00	0.00		0.00	0	0.000%			NAV OPERAT		
8/24/2012	CD COLLATERALIZED	2,000,000.00			8/24/2011	0.600%	2,000,000.00	2,000,000.00	0.00	0.00		(2,000,000.00)	0	0.000%			NAV OPERAT		12-824
	CD COLLATERALIZED	0.00				0.000%	0.00	0.00	0.00	0.00		0.00	0	0.000%			NAV OPERAT		
	CD COLLATERALIZED	0.00				0.000%	0.00	0.00	0.00	0.00		0.00	0	0.000%			NAV OPERAT		
9/30/2012	Investment Pools LOGIC					0.2090%	2,536.36	2,536.36	2,537.29	2,537.29		0.93	1	0.002%			ALL		
	U S Treasuries						0.00	0.00	0.00	0.00				100.000%					
	U S Agencies																		
	Total U S Agencies	0					0.00	0.00	0.00	0.00		0.00	0	0.000%		0.00			0.00
	TOTAL	0					128,600,784.31	128,600,784.31	135,008,911.92	135,008,911.92		0.00		100.00%		0.00			0.00

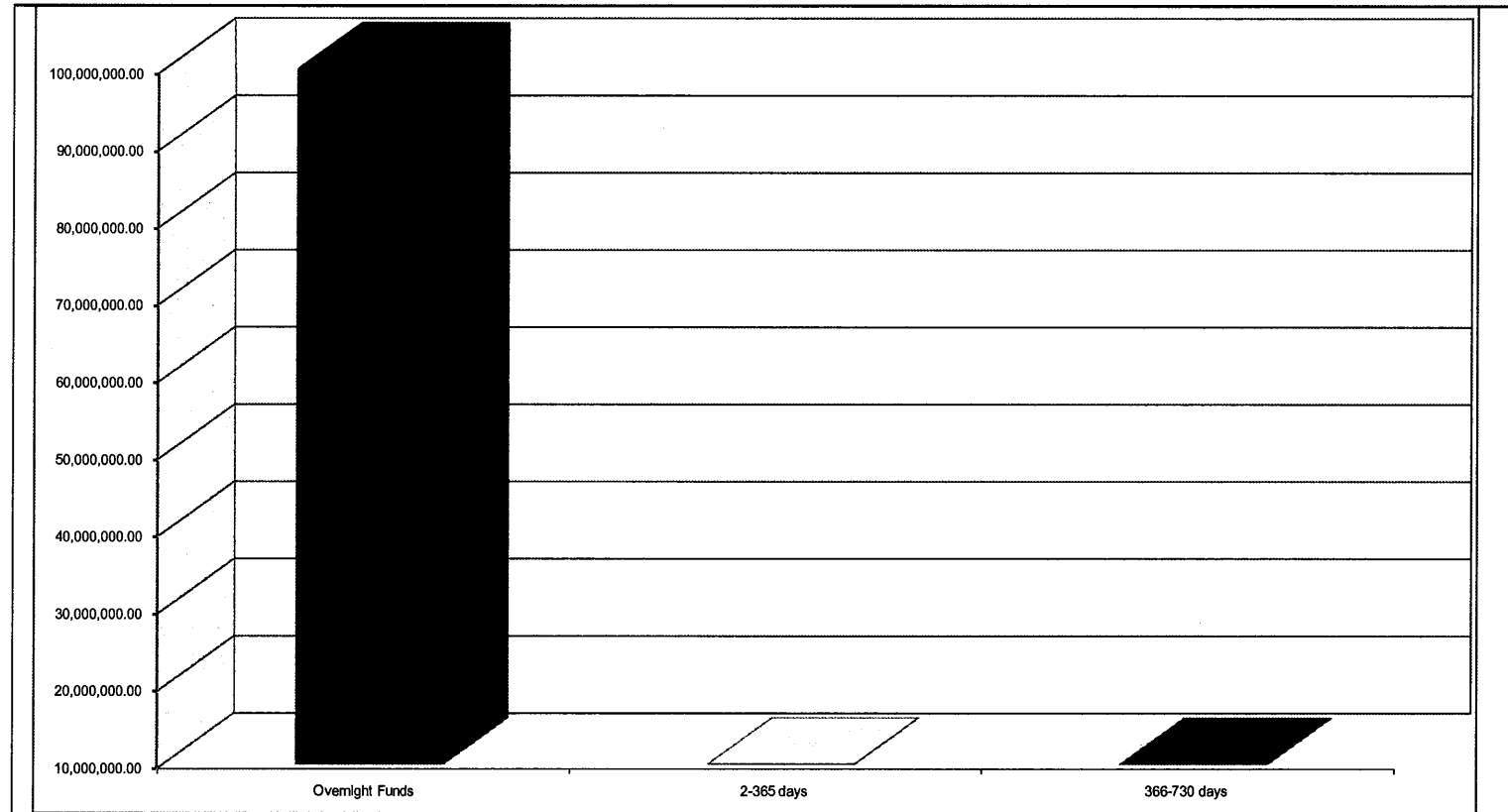
Avg Yld on total
 portfolio →

VICTORIA COUNTY
 PORTFOLIO INVENTORY
 SEPTEMBER 30, 2012

Maturity Break
 by Book Value

	Overnight Funds	135,008,911.92
	2-365 days	0.00
1-2 yrs	366-730 days	0.00
		<u>135,008,911.92</u> *

* All short-term callable
 investments



INTEREST EARNED STATEMENT
SEPTEMBER 2012

FUND	FUND NAME	2012				
		2009	2010	2011	YR TO DATE	
100	GENERAL FUND	136,009.22	54,722.61	77,078.65	82,034.68	
200	ROAD & BRIDGE FUND	21,956.19	15,697.26	14,664.65	12,674.36	
231	JUVENILE PROBATION FUND	872.44	659.26	722.87	874.46	
600	ROAD BONDS SINKING	514.94	0.00	0.00	0.00	
640	JAIL BONDS SINKING	584.55	0.00	0.00	0.00	
660	COURTHOUSE BDS SKG	497.32	0.00	0.00	0.00	
670	BRIDGE ST. ANNEX BDS SKG	912.81	0.00	0.00	0.00	
700	DEBT SERVICE	404.85	28,907.61	3,236.81	2,288.69	
710	LATERAL ROAD FUND	0.00	0.00	0.00	0.00	
720	LAW LIBRARY FUND	152.07	77.07	0.00	0.00	
750	ROAD BONDS FUND	0.00	0.00	0.00	0.00	
770	CAPITAL PROJECTS	0.00	8,238.84	3,158.85	230.07	
	Sub-Total Budgeted Funds	161,904.39	108,302.65	98,861.83	98,102.26	
120	RECORDS MANAGEMENT	485.89	311.80	0.00	0.00	
121	COURTHOUSE SECURITY	222.11	208.73	0.00	0.00	
122	JUSTICE CRT BLDG SECURITY	170.51	162.25	0.00	0.00	
123	DIST CLERK RECORD MGMT	43.85	31.01	0.00	0.00	
221	JUVENILE RESTITUTION	0.00	0.00	0.06	0.00	
240	DRUG COURTS PROGRAM	78.82	79.66	67.08	57.84	
265	FED FOSTER CARE	439.36	0.00	0.00	0.00	
280	JUVENILE DELQ PREVENTION	0.75	0.57	0.00	0.00	
281	JUSTICE TECHNOLOGY	179.42	88.36	0.00	0.00	
283	CO/DIST TECHNOLOGY	0.00	32.99	0.00	0.00	
300	CDA PROCESSING FEE	525.20	206.49	50.19	17.92	
310	4-H ACTIVITY CENTER	179.35	120.72	116.97	92.05	
320	AIRPORT	960.07	574.94	0.00	0.00	
321	AIRPORT	505.20	0.00	227.41	49.23	
330	SPECIAL SERVICE FUND	617.59	1,186.26	1,618.56	2,755.09	
338	SCAAP	148.83	0.00	0.00	0.00	
340	LOCAL LAW ENF BLK GRNT	0.00	0.00	0.00	0.00	
360	SHERIFF'S FORFEITURE	232.76	127.90	93.48	190.85	
361	SHERIFF'S DONATION	4.81	20.01	5.25	1.82	
370	CDA CONTRABAND FORFEIT.	528.83	339.21	974.38	1,629.70	
371	CDA HOMELAND FORFEITURE	0.00	0.00	0.00	79.39	
372	SHERIFF DOT FED FORFEIT	0.00	60.78	157.41	433.65	
380	COMMISSARY FUND	249.28	143.60	168.17	244.82	
390	JUVENILE COMMISSARY	25.76	21.28	22.09	18.50	
410	HEALTH INSURANCE	0.00	307.36	1,984.10	2,067.40	
420	EMPLOYEE BENEFIT FUND	21.69	16.86	0.00	0.00	
450	ELECTION ADMINISTRATOR	77.82	27.70	36.47	0.71	
499	TAX ASSR SPECIAL FUND	1,080.66	868.51	864.25	599.11	
500	HISTORICAL COMMISSION	103.68	71.09	71.89	55.99	
845	NAVARRO LEASE PROJECT	119.18	16.89	0.23	1.70	
870	FLEXIBLE BENEFIT PLAN	200.19	176.15	149.41	52.45	
820	HOSPITAL	664,106.49	563,685.21	589,965.64	460,090.11	
820	CMC 125 PLAN	169.61	64.67	67.69	48.58	
830	CMC ACCOUNTS PAYABLE	7,315.11	6,250.80	6,243.98	4,475.57	
840	CMC PAYROLL	3,391.45	1,593.74	1,840.65	1,115.26	
870	CMC PROF. LIABILITY	4,416.27	3,316.99	2,714.09	19.12	
890	CMC FUNDED DEPRECIATION	71,913.80	50,085.69	52,114.76	40,104.97	
950	NAVIGATION DISTRICT	93,930.64	41,665.85	30,345.57	18,337.26	
950	NAVIG CONSTRUCTION 2012A	0.00	0.00	0.00	4,544.68	
960	NAVIG. CONSTRUCTION FUND	83,419.05	2,046.06	41.56	16.45	
960	NAVIG 2012A/B INT& SINKING	0.00	0.00	0.00	0.33	
970	NAVIG. INTEREST & SINKING	1,231.21	751.24	687.97	548.39	
	TOTAL	1,098,999.63	782,964.02	789,491.14	635,751.20	