COLLIN COUNTY

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March 25, 2009

To: Judge Self
Commissioners Court

From: Donald Cozad - County Auditor
Mónika Arris - Budget Director

Subject: Investment Report - 1st Quarter (FY09)

On December 31, 2008 total invested operating and bond funds of Collin County amounted to $350,151,108. These funds were invested through the following investment services:

TexPOOL	$168,330,173
Texstar	34,887,521
First Empire	14,966,458
View Point Bank	117,566,985
Coastal Securities	14,399,971

As required by Collin County's investment policy, and in accordance with the Government Code 2256, all investments were made with the following objectives in order of priority. First and foremost, the safety of the principle and maintenance of adequate liquidity was considered. Diversification was accomplished through the diversified portfolios of the two investment pools, TexPOOL and TexSTAR; individual investments in Agencies and Certificates of Deposits.

Attached for your reference is a schedule of the first quarter which outlines: a) beginning market value; b) additions and changes in market value; and c) ending market value. It also includes the book value at the beginning of the fiscal year and end of the period; the type of asset and fund type invested, yield at maturity, interest year-to-date, and the maturity date of each separate investment.

Real GDP was -0.50 percent in the third quarter of '08 level down from the second quarter of '08. Unemployment rose to 6.7 percent in November '08. The Federal Reserve rates fell to .50 percent as of December 2008. Two year treasuries fell from 2.16% to end the quarter at 0.89%. The ten year treasuries fell from 3.90% to end the quarter at 2.16%. The six month Treasury Bill is currently 0.23%, down from 1.54%.

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We made $3 million in one new individual agency investment for 2.75 years and renewed $27.38 million in certificates of deposits for 13 months. The weighted average of our individual investments ended the quarter at 3.45% and the overall weighted average of all unrestricted yield investments equal 2.30%. Total interest projected as earned through the first quarter equaled approximately $2,516,599 for all funds and the market value of each dollar invested on December 31, 2008 was 100.392%. Collin County has unrealized gains of $911,207 on its investments. These gains are the result of investments made in a market with a falling outlook on interest rates.

DWC/anm

QUARTERLY INVESTMENT REPORT

cc: Mónika Arris

COLLIN COUNTY, TEX AS
INVESTM ENT REPORT
GASB 31 CONVERSION
PERIOD - OCTOBER 1, 2008 THROUGH DECEM BER 31, 2008

		FUND	10/01/08 INVESTMENT AMOUNT	12/31/08 INVESTMENT AMOUNT	CHANGE IN INVESTMENT AMOUNT (DECREASE)	RATE AT PERIOD END	INTEREST YEAR TO DATE	10/01/08 MARKET VALUE	12/31/08 MARKET VALUE	PERCENTAGE CHANGE TO INVESTMENT AMOUNT (DECREASE)	MATURING
	TEXPOOL	VARIOUS	165,060,946	168,330,173	3,269,227	1.4855%	685,789	N/A	168,530,486	0.001190%	AS NEEDED
	TEXSTAR	VARIOUS	35,133,531	34,887,521	(246,010)	1.3793%	138,990	N/A	34,925,025	0.001075%	AS NEEDED
	SUBTOTAL - POOLS		200,194,477	203,217,694	3,023,217		824,779	0	203,455,511	0.002265%	
	FIRST EMPIRE SEC.										
GSE	3136F9HP1	001	2,000,000	2,000,000	0	3.0000%	15,000	1,991,880	2,065,000	0.032500%	10-25-10
GSE	31339XD68	001	2,440,530	0	(2,440,530)	4.0000%	21,667	2,489,075	0	0.000000%	12-19-08
GSE	3133XPM50	001	4,000,000	0	(4,000,000)	3.2500%	19,139	4,000,000	0	0.000000%	11-24-08
GSE	3139BARP9	001	2,496,250	0	(2,496,250)	3.3440%	15,791	2,498,450	0	0.000000%	12-09-08
GSE	3133XRLM0	001	4,000,000	4,000,000	0	4.1250%	41,250	4,026,240	4,177,520	0.044380%	06-24-11
GSE	3133XQFZ0	001	4,966,458	4,966,458	0	3.4640%	43,300	4,953,150	5,001,550	0.007066%	04-01-11
GSE	3133XQ6F4	001	2,000,000	2,000,000	0	3.2500%	16,250	1,977,500	2,009,380	0.004690%	09-12-11
GSE	3133XQ6F4	040	2,000,000	2,000,000	0	3.2500%	16,250	1,977,500	2,009,380	0.004690%	09-12-11
	SUBTOTAL		23,903,238	14,966,458	(8,936,780)	0	188,647	23,913,795	15,262,830	0.093326%	
	COASTAL SECURITIES										
GSE	3133XLH63	001	1,525,000	1,525,000	0	5.6800%	21,655	1,586,473	1,621,273	0.063130%	06-28-12
GSE	3133XMLN9	001	2,500,000	0	(2,500,000)	4.8000%	30,000	2,502,350	0	0.000000%	10-16-08
GSE	3133XLHA7	001	1,500,000	1,500,000	0	5.6500%	21,188	1,524,375	1,536,090	0.000000%	06-29-11
GSE	3136F9FW8	001	2,400,000	2,400,000	0	3.0000%	18,000	2,383,512	2,415,000	0.006250%	01-14-11
GSE	3136F9HV8	001	2,000,000	2,000,000	0	3.2500%	16,250	1,967,500	2,047,500	0.023750%	05-07-12
GSE	3128X7F33	001	2,500,000	0	(2,500,000)	4.0500%	20,250	2,507,750	0	0.000000%	06-30-10
GSE	3133XSE87	001	0	3,000,000	3,000,000	4.0500%	20,250	3,000,000	3,045,000	0.015000%	06-30-10
GSE	3133XLHA7	040	1,500,000	1,500,000	0	5.6500%	21,188	1,524,375	1,536,090	0.024060%	06-29-11
GSE	3133XLH71	040	1,475,000	1,475,000	0	5.6700%	28,350	1,526,625	1,561,656	0.058750%	06-25-12
GSE	3133X5SL3	040	999,971	999,971	0	5.0000%	12,500	1,010,000	1,014,380	0.014409% ~	04-23-09
	SUBTOTAL		16,399,971	14,399,971	0		209,630	19,532,960	14,776,989	2.700621%	
	VIEW POINT BANK										
	CD#200559895	040	2,961,563	2,984,523	22,960	3.1100%	22,960	N/A	N/A	0.000000%	04/10/2010
	CD#10370268023	040	2,488,858	2,506,598	17,740	2.8600%	17,740	N/A	N/A	0.000000%	10/09/2008
	CD#10370268023	405	509,366	512,997	3,631	2.8600%	3,631	N/A	N/A	0.000000%	10/09/2008
	CD#200561063	001	2,959,629	2,978,951	19,322	2.6200%	19,322	N/A	N/A	0.000000%	10/09/2009
	CD#200561983	001	2,971,937	2,994,976	23,039	3.1100%	23,039	N/A	N/A	0.000000%	06/09/2009
	CD#10459324016	001	4,143,748	4,178,462	34,714	3.3600%	34,714	N/A	N/A	0.000000%	08/09/2009
	CD#200561988	010	2,338,533	2,356,663	18,130	3.1100%	18,130	N/A	N/A	0.000000%	06/12/2009

	FUND	10/01/08 INVESTMENT AMOUNT	12/31/08 INVESTMENT AMOUNT	CHANGE IN INVESTMENT AMOUNT (DECREASE)	RATE AT PERIOD END	INTEREST YEAR TO DATE	10/01/08 MARKET VALUE	12/31/08 MARKET VALUE	PERCENTAGE CHANGE TO INVESTMENT AMOUNT (DECREASE)	MATURING
CD#10459324023	001	2,356,874	2,386,059	29,185	4.9600%	29,185	N/A	N/A	0.000000%	03/12/2009
CD#10459324024	001	2,362,320	2,387,548	25,228	4.2800%	25,228	N/A	N/A	0.000000%	11/12/2008
CD#10459324025	001	2,356,874	2,376,564	19,690	2.5600%	19,690	N/A	N/A	0.000000%	12/12/2008
CD#10459324026	001	4,713,747	4,753,126	39,379	2.5600%	39,379	N/A	N/A	0.000000%	12/12/2008
CD#10459324027	001	4,713,747	4,772,117	58,370	4.9600%	58,370	N/A	N/A	0.000000%	01/12/2009
CD#10459324028	001	4,713,747	4,772,117	58,370	4.9600%	58,370	N/A	N/A	0.000000%	02/12/2009
CD#30020227960	001	6,848,978	6,925,142	76,164	4.2800%	76,164	N/A	N/A	0.000000%	11/15/2008
CD#30020227962	001	5,696,538	5,737,141	40,603	2.8600%	40,603	N/A	N/A	0.000000%	10/15/2008
CD#10370329018	040	2,417,103	2,446,064	28,961	4.8000%	28,961	N/A	N/A	0.000000%	10/12/2009
CD#10370329019	040	2,417,106	2,446,067	28,961	4.8000%	28,961	N/A	N/A	0.000000%	10/12/2009
CD#20532700	010	2,220,038	2,237,804	17,766	3.2100%	17,766	N/A	N/A	0.000000%	09/26/2009
CD#20561742	021	549,159	552,744	3,585	2.6100%	3,585	N/A	N/A	0.000000%	05/28/2009
CD#20561742	010	1,647,471	1,658,227	10,756	2.6100%	10,756	N/A	N/A	0.000000%	05/28/2009
CD#200562219	001	1,652,994	1,665,602	12,608	3.0600%	12,608	N/A	N/A	0.000000%	06/27/2009
CD#200562219	002	550,997	555,199	4,202	3.0600%	4,202	N/A	N/A	0.000000%	06/27/2009
CD#200532696	505	2,210,412	2,230,172	19,760	3.5850%	19,760	N/A	N/A	0.000000%	07/26/2009
CD#200532698	499	1,105,988	1,115,391	9,403	3.4100%	9,403	N/A	N/A	0.000000%	08/26/2009
CD#200532698	501	1,105,988	1,115,391	9,403	3.4100%	9,403	N/A	N/A	0.000000%	08/26/2009
CD#200559204	001	1,793,385	1,808,185	14,800	3.3100%	14,800	N/A	N/A	0.000000%	07/07/2009
CD#200559207	010	1,793,965	1,808,994	15,029	3.3600%	15,029	N/A	N/A	0.000000%	08/07/2009
CD#200559212	001	1,793,965	1,808,994	15,029	3.3600%	15,029	N/A	N/A	0.000000%	09/07/2009
CD#200559216	001	1,793,965	1,808,994	15,029	3.3600%	15,029	N/A	N/A	0.000000%	10/07/2009
CD#200559222	001	1,793,965	1,808,994	15,029	3.3600%	15,029	N/A	N/A	0.000000%	11/07/2009
CD#200559225	001	1,793,965	1,808,994	15,029	3.3600%	15,029	N/A	N/A	0.000000%	12/07/2009
CD#200559228	010	1,793,965	1,808,994	15,029	3.3600%	15,029	N/A	N/A	0.000000%	01/07/2010
CD#200559188	423	1,793,385	1,808,185	55,480	3.3100%	55,480	N/A	N/A	0.000000%	02/07/2009
CD#200559192	423	1,434,709	1,446,549	52,520	3.3100%	52,520	N/A	N/A	0.000000%	03/07/2009
CD#200559192	010	358,676	361,636	43,640	3.3100%	43,640	N/A	N/A	0.000000%	03/07/2009
CD#200559195	425	1,793,385	1,808,185	14,800	3.3100%	14,800	N/A	N/A	0.000000%	04/07/2009
CD#200559198	425	1,793,385	1,808,185	14,800	3.3100%	14,800	N/A	N/A	0.000000%	05/07/2009
CD#200559201	425	1,793,385	1,808,185	14,800	3.3100%	14,800	N/A	N/A	0.000000%	06/07/2009
CD#200559850	018	720,290	725,874	5,584	3.1100%	5,584	N/A	N/A	0.000000%	04/07/2010
CD#200559850	426	5,384,399	5,426,142	41,743	3.1100%	41,743	N/A	N/A	0.000000%	04/07/2010
CD#200559850	427	5,384,399	5,426,142	41,743	3.1100%	41,743	N/A	N/A	0.000000%	04/07/2010
CD#200551639	018	354,082	356,933	2,851	3.2300%	2,851	N/A	N/A	0.000000%	10/07/2009
CD#200551639	443	3,268,090	3,294,405	26,315	3.2300%	26,315	N/A	N/A	0.000000%	10/07/2009
CD#200551639	499	4,357,460	4,392,548	35,088	3.2300%	35,088	N/A	N/A	0.000000%	10/07/2009
CD#200551639	505	2,169,389	2,186,858	17,469	3.2300%	17,469	N/A	N/A	0.000000%	10/07/2009
CD#200547876	001	2,134,337	2,162,800	28,463	5.3400%	28,463	N/A	N/A	0.000000%	07/10/2009
CD#200547878	001	3,203,442	3,246,564	43,122	5.3900%	43,122	N/A	N/A	0.000000%	07/10/2010
SUBTOTAL		$116,513,703	$117,566,985	$1,175,322		$1,175,322	$0	$0	$0	
TOTAL INVESTMENTS AND INTEREST AT YEAR END		$357,011,389	$350,151,108	($4,738,241)		$2,398,378		$233,495,330	$0	

PERCENTAGE VALUE MARKET TO BOOK		100.392%
WEIGHTED AVERAGE YIELD ON INVESTMENTS EXCLUDING RESTRICTED YIELD	2.30%	
WEIGHTED AVERAGE YIELD ON AGENCY/TREASURY INVESTMENTS	3.45%	
UNREALIZED GAIN (LOSS) ON INVESTMENTS	$911,207	
TOTAL INTEREST EARNINGS POSTED TO DATE	$2,516,599	

GSE = GOVERNMENT-SPONSORED-ENTERPRISE

~ = INTEREST IS PAID SEMIANNUALLY AND WILL BE HELD TO MATURITY

* = INTEREST ACCUMULATES TO MATURITY AND WILL EARN INTEREST UNTIL FINAL MATURITY