

Investment Recommendations

Submitted by Leann Monk,
Tyler County Treasurer



I am petitioning Commissioner's Court for approval on the following recommendations –

I have met with the Investment Committee and per that meeting for the Court's consideration in order to receive the highest yield on our investment as well as current monies not invested (demand account), taking into consideration first and foremost the safety of the county/taxpayers' dollars, please see the following recommendations:

1. Recommendation #1 – to work with the Auditor to come up with the amount of funds needed monthly to pay the County's obligations. The remainder of the money would then be moved into a "Pool" account where when needed we would pull it back into our Treasurer's Account for County needs.
 - a. I feel we currently have too much money sitting the Treasurer's Account that is not "working" for us. Our average daily balance fluctuates between \$10,000,000 and to what it is today at \$15,000,000. In my opinion we are leaving a lot of money on the table when we could easily invest in the pool and have immediate access to our funds when needed.
 - b. I also have security concerns w/the current depository. This isn't anything negative towards FNB, I would feel this way about any small town, local bank. I do not feel as those they are "technically secure" as some other financial institutions. However, they are what we have – and by moving a large portion of our funds to the pool account, we reduce this "everyday" security risk.
 - c. I also feel that by moving the "excess" funds out of the Treasurers Account, it will aid in the upcoming depository bidding process. Currently we only have one choice – should the local banks not have to pledge so much in securities, I feel they would be more likely to look at and consider us.
2. Recommendation #2 – Again, working with the Auditor and with each of the commissioners, I'd like to invest their budgeted monies into the pools as well – the excess of what it takes monthly to operate each of their respective precincts.
 - a. The Pools are liquid – meaning that we can access to our funds within 24 hrs.
 - b. Should the commissioners have a large purchase, they would just let me know and I would move the money back into the account and then the purchase can be made.
 - c. Texas Class pays dividends daily – each day the commissioner's money is in the Pooled Accounts those funds are earning interest on not only the initial investment, but the interest paid to them the day before.
 - d. Each Commissioner/Pct would have their own Pool account to keep the funds and earning separate so there would be no question as to where the interest would need to go.