

A RESOLUTION OF THE COMMISSIONERS COURT,
BROWN COUNTY, TEXAS ADOPTING THE INVESTMENT
POLICY

WHEREAS, The Court acknowledges that an investment policy must be adopted to comply with the Public Funds Investment Act, Government Code 2256, and as required by the Public Funds Investment Act, the Court must approve the investment policy on an annual basis,

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMISSIONERS' COURT OF THE COUNTY OF BROWN:

The investment policy is reviewed and approved.

DULY PASSED AND APPROVED BY THE COMMISSIONERS COURT OF BROWN COUNTY, TEXAS ON THE 5 DAY OF November, 2018

E. Ray West
E. Ray West, County Judge

Gary Worley
Gary Worley, Commissioner Precinct #1

Joel Kelton
Joel Kelton, Commissioner Precinct #2

Wayne Shaw
Wayne Shaw, Commissioner Precinct #3

Larry Traweck
Larry Traweck, Commissioner Precinct #4

ATTEST Sharon Ferguson
Sharon Ferguson, Brown County Clerk



November 5, 2018
(Exhibit #2)

Attachment A
2018 BROWN COUNTY INVESTMENT POLICY

Brown County cash investments shall be made with judgement and care, under prevailing circumstances that a person of prudence, discretion and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority: 1. preservation and safety of principal, 2. liquidity and 3. yield.

In regard to cash investments except proceeds from long term debt:

1. All cash investments, except temporary investment from long term debt proceeds, will be maintained with Brown County's Depository in conformity with Brown County's contract with that depository.
2. All cash investments will be secured by FDIC coverage, to the maximum FDIC coverage and any remaining cash investments will be secured by securities pledged by the depository bank to Brown County in an amount adequate to secure any balance not covered by FDIC coverage.
3. All cash investments may be in the form of Certificates of Deposit or interest bearing checking accounts, in conformity with Brown County's contract with the depository bank.
4. The maximum allowable stated maturity of any individual investment will be 30 days.
5. Any and all funds may pool cash investments with other funds in any percentage of the total investment.
6. Monitoring of market price of cash investments will not be necessary since value will always be cost of investment.
7. All cash investments may be withdrawn on demand at any time, subject to only the penalties in conformity with the depository contract.
8. Separate records for each fund will be maintained of balances invested and interest earned of pooled investments.
9. The investment strategy for each fund shall be as stated on the attached statement of investment strategies.
10. The Brown County Commissioner's Court shall review investment policy annually and adopt a written resolution stating such, as well as record any changes made to the policies and strategies.

BROWN COUNTY INVESTMENT POLICY (CONTINUED)

11. The Brown County Commissioner's Court shall designate, by resolution, one investment officer.
12. The investment office shall attend not less than 1 training session within 12 months after assuming duties and attend not less than 1 training session within each 2-year period and receive not less than 20 hours of instruction.
13. The Brown County Commissioner's Court shall designate the Brown County Commissioner Precinct #1, Gary Worley, to serve with the designated investment officer as an investment advisory committee.
14. The investment officer and the investment committee shall not be liable for any actions taken by that committee that are in conformity with this policy.
15. The investment committee shall report no less than quarterly, the investment Activities of Brown County to Commissioner's Court.

In regard to cash investments form proceeds of long term debt:

The Brown County Investment Committee will use due diligence in determining the best investment vehicle in conformity with Brown County Investment Strategies.

2018 BROWN COUNTY INVESTMENT STRATEGIES

The following funds' cash investments will be made in Certificates of Deposit or interest bearing checking accounts. These type investments provide adequate security, availability and appropriateness for the purpose of these funds.

GENERAL FUND
 ROAD & FLOOD FUND
 PRECINCT 1 FUND
 PRECINCT 2 FUND
 PRECINCT 3 FUND
 PRECINCE 4 FUND
 DEBT SERVICE FUND
 CAPITAL PROJECTS FUND
 RECORDS PRESERVATIONS FUND
 RECORDS MANAGEMENT FUND
 LAW LIBRARY FUND
 COUNTY ATTORNEY SEPCIAL FUND
 DISTRICT ATTORNEY SPECIAL FUND
 DISTRICT ATTORNEY FORFEITURE FUND
 SHERIFF FORFEITURE FUND

COURTHOUSE SECURITY FUND
TAC SPECIAL FUND
COURT REPORTER SERVICE FEES FUND
ALL STATE CONDUIT FUNDS
JUSTICE COURT TECHNOLOGY FUND
LEOSE TRAINING FUND JURY FUND
RURAL ADDRESSING FUND

The following accounts will be invested in interest bearing checking accounts unless ordered otherwise by court action:

Collection checking accounts of County Clerk, District Clerk, Tax Assessor-Collector, JP1, JP2, JP3, JP4, Commissioners Court Administrative Assistant, Sheriff, County Attorney and District Attorney.

The following accounts will be invested as directed by court order:

District Clerk Escrow funds
County Clerk Escrow funds

The following accounts will be invested as determined by Brown County Investment Committee after determination of best investment vehicle”

Proceeds from Long Term Debt

The following account types are restricted from investment activity by state law and will not be included in this investment policy:

District Clerk child support
District Clerk Trust account
District Attorney Trust account
County Attorney Trust account
Jail Commissary account