

**RED RIVER
GROUNDWATER
CONSERVATION
DISTRICT**

BOARD MEETING

**BOARD ROOM
GREATER TEXOMA UTILITY AUTHORITY
5100 AIRPORT DRIVE
DENISON, TEXAS 75020**

**THURSDAY
OCTOBER 9, 2014**

AGENDA
RED RIVER GROUNDWATER CONSERVATION DISTRICT
BOARD OF DIRECTORS BOARD MEETING
GREATER TEXOMA UTILITY AUTHORITY BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TEXAS 75020
THURSDAY, OCTOBER 9, 2014

Board Meeting

The Board Meeting will begin at 2:00 PM.

Notice is hereby given that the Board of Directors of the Red River Groundwater Conservation District (“District”) may discuss, consider, and take all necessary action, including expenditure of funds, regarding each of the agenda items below:

Agenda:

1. Call to order, declare meeting open to the public, and take roll.
2. Public Comment
3. Consider approval of Minutes of August 21, 2014, Board Meeting
4. Review and approval of monthly invoices.
5. Receive monthly financial information
6. Review Investment Policy
7. Consider and act upon investment strategies
8. Receive Quarterly Report
9. Receive report from LBG Guyton on GAM runs and Outcrop memo
10. Receive update on GMA 8 activities and development of Desired Future Conditions
11. General Manager’s report: The General Manager will update the Board on operational, educational and other activities of the District
12. Open forum / discussion of new business for future meeting agendas
13. Adjourn

¹The Board may vote and/or act upon each of the items listed in this agenda.

²At any time during the meeting or work session and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon’s Texas Codes, Annotated, the Red River Groundwater Conservation District Board may meet in executive session on any of the above agenda items or other lawful items for consultation concerning attorney-client matters (§551.071); deliberation regarding real property (§551.072); deliberation regarding prospective gifts (§551.073); personnel matters (§551.074); and deliberation regarding security devices (§551.076). Any subject discussed in executive session may be subject to action during an open meeting.

³Persons with disabilities who plan to attend this meeting, and who may need assistance, are requested to contact Carmen Catterson at (800) 256-0935 two (2) working days prior to the meeting, so that appropriate arrangements can be made.

ATTACHMENT 3

**MINUTES OF THE BOARD MEETING
RED RIVER GROUNDWATER CONSERVATION DISTRICT**

THURSDAY, AUGUST 21, 2014

**AT THE GREATER TEXOMA UTILITY AUTHORITY
BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TX 75020**

Members Present: Mark Patterson, Don Wortham, David Gattis, Mark Gibson, Mark Newhouse, William Purcell

Members Absent: Harold Latham

Staff: Drew Satterwhite, Debi Atkins, Carolyn Bennett, and Carmen Catterson

Visitors: Joey Rickman, City of Honey Grove
Terri Rountree, Desert WSC

1. Call to order, declare meeting open to the public, and take roll.

President Patterson called the meeting to order at 2:00 PM. All members were present except Board Member Latham. The Board introduced themselves and the manner of their appointment.

2. Public Comment.

No comments received.

3. Consider approval of Minutes of July 7, 2014 work session and board meeting

Board Member Gattis motioned to approve the Minutes of the July 7, 2014 work session and board meeting. The motion was seconded by Vice President Gibson and passed unanimously.

4. Review and approval of monthly invoices.

Mr. Satterwhite reviewed the monthly invoices.

Board Member Gattis motioned to approve the monthly invoices for a total of \$17,139.22. The motion was seconded by Secretary/Treasurer Wortham and passed unanimously.

5. Receive Monthly Financial Information

Mr. Satterwhite reviewed the monthly financial information. President Patterson explained that many groundwater districts are receiving low amounts of revenue due to the excess amount of rain

received. However, the City of Sherman used a higher than normal amount of groundwater while the pump station was out of service. This should cause the Red River GCD to receive approximately the amount of revenue expected.

Mr. Satterwhite provided the aging report. Only two organizations are behind on payments. One was due to a multiplier that was reported incorrectly. This situation was discussed with the company and the owner has agreed to make payment as soon as possible. The other appears to be a clerical error on behalf of the well owner and should be corrected shortly.

6. Consider and act upon budget and establish production rates for FY 2015

Most water suppliers operate on an October-September fiscal year and request that the District establish rates as early as possible. The budget committee met earlier this month and the staff reviewed the proposed budget and rates. The committee recommended a \$0.01 increase in production rates to \$0.07 per 1,000 gallons. Mr. Satterwhite did express that the District is among the lowest in the State, and compared other regional GCDs that were formed around the same time with North Texas GCD charging \$0.10 per 1,000 and Upper Trinity GCD charging \$0.22 per 1,000.

The proposed budget includes the \$0.01 increase in production fees. The administrative cost, and the hydrogeologist line item have been left the same. The GAM run line item for \$20,000 is an estimate for 5 additional GAM runs in connection with 5 other groundwater districts. This is an estimated cost based on the assumption that 5 groundwater districts can work together to share 5 runs. The field technician cost is the same, but the shared field services with the North Texas GCD will most likely end in 2015. This will result in the need to hire an additional field technician to train at the end of 2015. Legal expenses were increased to \$25,000 because they will most likely need to attend meetings to help the District comply with Chapter 36 with regard to DFC development. Most districts also pay for consulting and legislative tracking, which is in addition to the regular legal line item. The North Texas GCD has a legal line item of \$50,000 plus \$10,000 for legislative tracking.

The Board discussed the possibility of setting the same rate as 2014. President Patterson explained that the budget could be trimmed to allow the rate to stay the same, but there would be no room for unexpected expenses. Mr. Satterwhite explained that allowing a fund balance to be generated would allow rate increases to be smaller in the future when work increases due to DFC development. He also recommended that if a truck is needed for the field technician, the fund balance could be used. President Patterson felt that the increase would be money well spent to be able to support the groundwater users' interests. Board Member Gattis commented that the District needs to be very cautious with the utilization of legal services and make certain that all legal expenses are needed.

Board Member Purcell asked if the increase could be justified to the groundwater producers. Mr. Satterwhite explained that the District shares staff and legal costs with the North Texas GCD, expenses have been kept very low for several years and the budget is very conservative.

Board Member Purcell motioned to adopt the FY 2015 budget as presented and to establish production rates of \$0.07 per 1,000 gallons for non-exempt use and \$0 per acre-foot for agriculture use. The motion was seconded by Vice President Gibson and passed unanimously.

7. Consider and act upon a Resolution adopting Code of Ethics, Professional Services, and Management Information Policies for the District

In April, the District was selected by the State Auditor's Office to be audited. The report identified that the District did not have policies for Code of Ethics, Professional Services, and Management Information. Legal counsel drafted the policies, which are very boilerplate, but comply with Chapter 36. The professional services policy applies to all professional services.

Board Member Gattis motioned to approve execution of a Resolution adopting Code of Ethics, Professional Services, and Management Information Policies for the District. The motion was seconded by Board Member Newhouse and passed unanimously.

8. Receive and Evaluate District Rules Regarding Waste of Groundwater

The District's Management Plan requires that the Board annually review the Rules regarding waste of groundwater. This should have been done when the Rules were reviewed and amended earlier in 2014. The staff has no recommendations to adjust the Rules.

The Board discussed the definition of waste and whether water leaks could qualify as waste. President Patterson stated that if leaks are constantly occurring, it could be defined as waste. President Patterson recommended the staff begin to collect water loss data to develop a report to show the relative amount water lost among public water suppliers. Mr. Satterwhite agreed to begin collecting the information.

9. Receive Quarterly Management Report

Mrs. Bennett reviewed the quarterly drought and rainfall information. Maps of rainfall received, and reservoir conditions were provided.

10. Receive update on GMA 8 activities and development of Desired Future Conditions (DFCs)

The last GMA 8 meeting included adoption of new administrative procedures to lay out the process for establishing DFCs. Next year GMA 8 is expected to meet bi-monthly and possibly monthly toward the end of the year. The updated groundwater availability model has been submitted to the Texas Water Development Board and is expected to be adopted by the end of the year.

11. Consider and act upon establishing a Desired Future Condition Committee

President Patterson reported that the staff recommended appointing a committee of Board Members Gattis, Latham and Patterson. Mr. Satterwhite explained that Board Members Gattis and Latham typically attend GMA 8 meetings. The committee may need to meet more frequently than the Board and to meet with other groundwater districts to negotiate groundwater model runs for the Board to consider.

Board Member Newhouse motioned to establish a DFC committee and appoint Board Members Gattis, Latham and Patterson. The motion was seconded by Secretary/Treasurer Wortham and passed unanimously.

12. General Manager's Report

Mr. Satterwhite reported the total number of wells registered since June 2014. Mrs. Atkins reported that she has spoken with banks, TxPOOL, and TxSTAR. The highest rate she found was 0.2% for a 90-day or 0.4% for a one year Certificate of Deposit. She found an interest bearing account, but it only allows for 6 transactions per month. She stated the District could move a portion of the fund balance to either a Certificate of Deposit or an interest bearing account. However, the bank charges a 0.1% analysis charge on expenses paid from the account. By maintaining a balance above \$175,000, the balance exceeds the charges enough that there have been no analysis charges. The analysis charges if funds were moved to interest bearing accounts would result in minor interest being earned. The Board discussed the possibility of changing banks.

13. Open forum / discussion of new business for future meeting agendas

The next meeting was tentatively scheduled for October 16, 2014 at 2:00 PM.

14. Adjourn

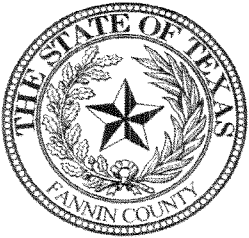
The Board adjourned at approximately 3:03 PM.

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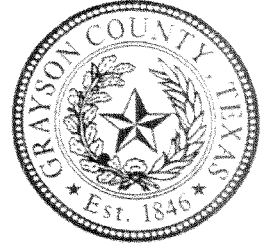
Recording Secretary

Secretary-Treasurer

ATTACHMENT 6



**RED RIVER GROUNDWATER
CONSERVATION DISTRICT
AGENDA COMMUNICATION**



DATE: September 30, 2014

SUBJECT: AGENDA ITEM NO. 6

CONSIDER AND ACT UPON APPROVAL OF INVESTMENT POLICY

ISSUE

Consider and act upon the Investment Policy as required by the Public Funds Investment act.

BACKGROUND

The Red River Groundwater Conservation District initially adopted an Investment Policy in May of 2012. This policy is required to be reviewed annually in order to comply with Public Funds Investment Act.

OPTIONS/ALTERNATIVES

The Board could adopt the attached policy, modify the policy, or defer to committee for review.

CONSIDERATIONS

The adoption of this policy will be evidence that the Board is responsible in its use of public funds.

STAFF RECOMMENDATIONS

The staff recommends adopting the Proposed Investment Policy.

ATTACHMENTS

Proposed Investment Policy

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E.
General Manager

RESOLUTION NO. 2014-10-09-02

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE RED RIVER GROUNDWATER CONSERVATION DISTRICT RELATING TO AN INVESTMENT POLICY

WHEREAS, the Red River Groundwater Conservation District ("District") was created by an act of the 81st Legislature in 2009; and

WHEREAS, the District has a responsibility of approving investments for the resources in its care and custody; and

WHEREAS, the District has appointed an Investment Committee of its membership to compose an Investment Policy; and

WHEREAS, that Committee prepared a document attached hereto as Exhibit "A" in 2012; and

WHEREAS, the Board of Directors adopted the attached policy on July 25, 2012; and

WHEREAS, the Board has reviewed this document and believes it to be in conformance with the State statutes regarding the investment of public funds and to not need any revision;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RED RIVER GROUNDWATER CONSERVATION DISTRICT that this Investment Policy attached as Exhibit "A" is hereby adopted by this resolution and shall be in full force until further change by Board action.

Upon motion by _____, seconded by _____, the foregoing Resolution was passed and approved on this 9th day of October, 2014 by the following vote:

AYE:

NAY:

ABSTAIN:

At a meeting of the Board of Directors of the Red River Groundwater Conservation District.

President

ATTEST:

Secretary-Treasurer

EXHIBIT "A"

RED RIVER GROUNDWATER CONSERVATION DISTRICT

INVESTMENT POLICY

ADOPTED: JULY 25, 2012

EXHIBIT "A"

1.01 PURPOSE

This policy with respect to district investments has been adopted by the Board of Directors (the "Board") of Red River Groundwater Conservation District (the "District") to establish the principles and criteria by which the funds of the District should be invested and secured (a) to preserve the principal, (b) to earn interest, (c) to address investment diversification, yield, and maturity, (d) to fulfill the duties of the designated Investment Officer of the District, (e) to comply with the types of authorized investments and to specify the maximum allowable stated maturity of the District's investments, and (f) to comply with the provisions of Texas law related to the investment and security of funds applicable to groundwater conservation districts ("Investment Laws"). The provisions of Chapter 36 and Chapter 49 of the Texas Water Code relating to investments and securities, the Public Funds Investment Act (the "Act") as amended in Chapter 2256 of the Texas Government Code, and other appropriate statutes are applicable to the investment of the District's funds.

1.02 POLICY OF INVESTMENT

- A. The preservation of principal shall be the primary concern of the District and the District Investment Officer. To the extent that the principal is protected, District funds shall be invested to yield the highest possible rate of return to meet the current and future financial needs of the District and to maintain liquidity, all while taking into consideration the strength of the financial institution, and complying with any Internal Revenue Code laws or regulations and procedures set forth in any bond resolutions or orders, adopted from time to time by the Board. Funds of the District shall be invested by the District's staff in accordance with the policy. Any resolution or order adopted by the Board relating to investment policies or procedures shall be in writing and shall be made available to requesting members of the public.
- B. Investment of funds shall be governed by the following investment objectives, in order of priority:
 - a. Preservation and safety of principal
 - b. Liquidity
 - c. Diversification
 - d. Yield.
- C. The investment of the District's funds should be diversified to minimize risk or loss resulting from over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed. The Investment Officer, to the extent possible, will attempt to match investments with anticipated cash flow requirements. Matching securities with cash flow dates will normally increase yield, will lock in higher yields, and reduce the need to sell securities prior to maturity, thus reducing market risk.

1.03 DELEGATION OF INVESTMENT AUTHORITY

- A. The Board shall designate by resolution one or more officers or employees of the District to be responsible for the investment of its funds and be the District's Investment Officer. The Board resolution shall also authorize the Investment Officer to engage in investment transactions, deposit, withdraw, wire funds for investments, transfer and manage funds on behalf of the District. However, there shall be no transfer, expenditure, or appropriation of District funds, other than a transfer of the funds from one District account to another account of the District as stated above, unless by check or draft signed by two (2) members of the Board or authorized by separate order or resolution of the Board.
- B. The Investment Officer is responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures. The Board retains ultimate fiduciary responsibility.
- C. The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this Investment Policy. Procedures will include reference to safekeeping, wire transfer agreements, banking services contracts, and other investment related activities.
- D. All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this Policy and the procedures established.
- E. The Investment Officer's authority is effective until the District rescinds the authority or until: (1) termination of employment with the District for an Investment Officer who is an employee of the District; or (2) vacating the office of director for an Investment Officer who is a director of the Board.
- F. An officer or employee of a regional planning commission, council of governments or similar regional planning agency created under Chapter 391, Local Government Code, is ineligible to be designated as an investment officer under this policy.
- G. Should total District funds exceed \$50,000, there is hereby established an investment committee, composed of the Investment Officer, and at least two directors. The investment committee shall meet quarterly to monitor and review the investments and collateral pledge agreements of the District. The Investment Officer shall be the chairman of the committee. The committee shall report concerning the District's investments transaction for the preceding year describing the investment portion of the District at the end of each fiscal year. The report shall be written and signed by members of the committee. The committee also shall report to the Board on its review the month following each quarterly meeting.

H. No person may deposit, withdraw, invest, transfer, or manage in any other manner funds of the District without the express written authority of the Investment Officer.

1.04 PRUDENT PERSON RULE

- A. The actions of the Investment Officer in the performance of his or her duties as manager of the District's funds shall be evaluated using the "prudent person" standard. Investments shall be made with judgment and care under prevailing circumstances which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived.
- B. The Investment Officer acting in accordance with written procedures exercising due diligence shall be relieved by personal responsibility for an individual security's performance provided that deviations from expectations are reported in a timely fashion to the governing body and appropriate action is taken to control adverse developments.

1.05 INVESTMENT STRATEGY BY FUND

Funds in the District accounts shall be invested by the Investment Officer as follows:

- a. Capital Projects Account: The District may choose to have a Capital Projects Account from time to time, and, if so, shall maintain as its primary objective to maximize the suitability of the investment in such funds to the financial requirements of the District while preserving the safety of principal with regard to monies collected or allocated for such fund.
- b. Operating Account: Funds in this account shall be invested to meet the operating requirements of the District as determined by the annual operating budget of the District, or by resolution of the Board.
- c. Debt Service Account: Funds in this account shall be invested to meet the debt service requirements of the District. In order to accomplish this, the District will invest such funds in amounts and maturity dates that most likely match the debt service requirements of the District.

1.06 AUTHORIZED INVESTMENTS

- A. Acceptable investments under this Policy shall be limited to the instruments listed below and as further described by the Act. If additional types of securities are approved for investment by public funds by state statute, they will not be eligible for investment by the District until this Policy has been amended and the amended version is adopted by the Board:
- a. Obligations of the United States Government, its agencies and instrumentalities, not to exceed two years to stated maturity, excluding mortgage backed securities;

- b. Fully insured or collateralized certificates of deposit from any bank doing business in the State of Texas and under the terms of a written depository agreement with that bank, not to exceed one year to stated maturity, to include certificates of deposit purchased through the CDARS program with a Texas bank; and
 - c. AAA-rated, constant dollar Texas Local Government Investment Pools as defined by the Act.
- B. Bids for investments, including certificates of deposit, may be solicited:
- a. Orally;
 - b. In writing;
 - c. Electronically; or
 - d. In any combination of those methods.
- C. All purchases of securities shall be made on a delivery versus payment basis assuring that no District funds are released before the security is received by the custodian.

1.07 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

- A. All investments made by the District will be made through either the District's banking services bank or an approved broker/dealer. The Board will review the list of broker/dealers annually. A list of at least three broker/dealers will be maintained in order to assure competitive bidding.
- B. Securities broker/dealers must meet certain criteria as determined by the Investment Officer. The following criteria must be met by those firms on the list:
- a. Proof of certification by the Financial Industry Regulatory Association (FINRA) and provision of FINRA CRD number,
 - b. District certification, and
 - c. Proof of current registration with the Texas State Securities Board.
- C. Every broker/dealer and bank with which the District transacts business will be provided a copy of this Investment Policy for review to assure that they are familiar with the goals and objectives of the investment program. A representative of the firm will be required to return a signed certification stating that the Investment Policy has been received and reviewed and that controls are in place to control that only authorized securities are sold to the District. A form of the certification is attached to this Investment Policy.

1.08 SAFEKEEPING AND COLLATERALIZATION

- A. Safekeeping of District Owned Securities.
- a. All purchased securities shall be cleared to safekeeping on a delivery versus payment basis and held in safekeeping by an independent third party financial institution, or the District's banking services depository.
 - b. All safekeeping arrangements shall be approved by the Investment Officer and an

agreement of the terms executed in writing. The independent third party custodian shall be required to issue safekeeping receipts to the District listing each specific security, rate, description, maturity, cusip number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is being held for the District or pledged to the District.

B. Securities Pledged as Collateral

- a. All securities pledged to the District for all bank time or demand deposits shall be held by an independent third party bank doing business in Texas. The safekeeping bank may not be within the same holding company as the bank from which securities are pledged.
- b. Collateralization is required on all time and demand deposits over the FDIC insurance coverage. In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level will be 102% of the market value of the principal and accrued interest. Collateral will be held by an independent third party custodian. The custodian shall provide a written monthly report directly to the District listing all pledged collateral by description and par at a minimum

C. Authorized Collateral

- a. The only types of collateral authorized by the District are:
 - i. Obligations of the U. S. Government, its agencies and instrumentalities including mortgage-backed securities which pass the bank test.
 - ii. Obligations of a state or subdivision, city, county, school district of any state which is rated A or better by two nationally recognized rating agencies.
- b. If the depository proposes a collateral pooling program, the Investment Officer will review and evaluate the program's risk and cost to the District for presentation to the Board. The pooling of collateral allows a bank to create a pool of securities for collateral purposes for multiple governments and will not result in securities pledged directly/specifically to each government.

1.09 INVESTMENT TRAINING

- A. The Investment Officer shall attend at least one training session from an independent source approved by the Board involving at least six (6) hours of instruction related to the responsibilities and duties under Subchapter 2256 of the Act unless the Investment Officer currently is in compliance with the requirements of the Act. The initial training shall occur within 12 months after the Investment Officer takes office or assumes his or her duty. The Investment Officer shall attend an investment training session not less than once in a two-year period and receive not less than four (4) hours of instruction related to the duties and investment responsibilities under Subchapter 2256 of the Act from an independent source approved by the Board.
- B. Training under this section must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and

compliance with the Act.

1.10 REPORTING AND PERFORMANCE EVALUATION

- A. The Investment Officer shall submit a monthly report to the District Manager.
- B. Not less than quarterly, the Investment Officer shall prepare and submit to the Board a written report of investment transactions for all funds subject to this policy for the preceding reporting period. The report must:
 - a. Describe in detail the District's investment position on the date of the report;
 - b. Be prepared by the Investment Officer;
 - c. Be signed by the Investment Officer;
 - d. State the maturity date of each separately invested asset that has a maturity date;
 - e. State the book value and the market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested; and
 - f. State the compliance of the investment portfolio of the District with:
 - i. The investment strategy expressed in the District's Investment Policy; and
 - ii. Relevant provisions of the Act.
- C. Market prices for market evaluations will be obtained from an independent source.
- D. In addition, the report shall explain the quarter's total investment return and compare the return with budgetary expectations.
- E. All reports shall be in compliance with the Act.

1.11 MISCELLANEOUS

- A. The District, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to the District's established investment policies to review investment performance and to ensure investment security. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions.
- B. The District shall review this policy at least annually and adopt a resolution confirming the continuance of the policy without amendment or adopt an amended investment policy.
- C. This investment policy adopted on July 25, 2012 supersedes any prior policies adopted by the Board regarding investment or securitization of District funds.

CERTIFICATION

I hereby certify that I have received and thoroughly reviewed the investment policy of Red River Groundwater Conservation District (“District”) and have implemented reasonable procedures and controls designed to preclude imprudent investment activities arising out of investment transactions conducted between this firm and the District. Transactions between this firm and the District will be directed towards protecting the District from credit or market risk.

All the sales personnel of this firm dealing with the District’s account have been informed and will be routinely informed of the District’s investment horizons, limitations, strategy and risk constraints, whenever we are so informed.

This firm pledges due diligence in informing the District through its duly appointed Investment Officer of foreseeable risks associated with financial transactions connected to this firm.

(Firm)

(Signature of Registered Principal)

(Name)

(Title)

(Date)

Notification Phone Nos. & Addresses of the District:

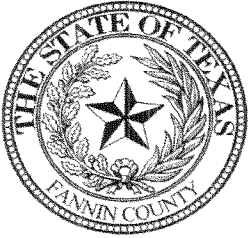
Board of Directors

Red River Groundwater Conservation District
PO Box 1214
Sherman, Texas 75091
(800) 256-0935

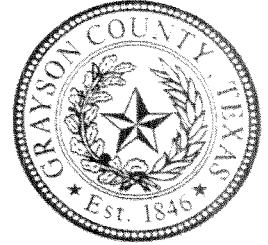
Investment Officer

Debi Atkins, Finance Officer
Drew Satterwhite, General Manager

ATTACHMENT 7



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: October 1, 2014

SUBJECT: AGENDA ITEM NO. 7

CONSIDER AND ACT UPON INVESTMENT STRATEGIES

ISSUE

Consider and act upon investment strategies for the funds held by the District

BACKGROUND

At the August 2014 meeting, the Board requested that staff look into a few possible strategies for investing funds held by the District.

Staff has put together three (3) strategies, attached, for the Boards consideration. The strategies presented by staff are in compliance with the District's investment policy.

OPTIONS/ALTERNATIVES

The Board could adopt any of the attached strategies as they see fit. The board can also instruct staff to adopt a different strategy.

STAFF RECOMMENDATIONS

The staff requests direction from the Board regarding investing funds held by the District.

ATTACHMENTS

Investment Strategies

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E.
General Manager

Current			
	Balance	Interest Earnings	Fees
Checking Acct @0% *	\$ 225,000.00	\$0.00	\$0.00
		Net Positive	\$0.00

* American Bank of Texas Checking Account

Scenario 1			
	Balance	Interest Earnings	Fees
Checking Acct @0% *	\$ 75,000.00		\$180.00
1 yr CD @.4% **	\$ 150,000.00	\$600.00	\$0.00
		Net Positive	\$420.00

* American Bank of Texas Checking

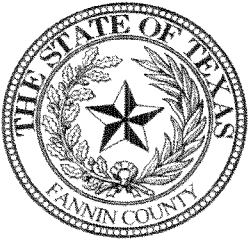
** American Bank of Texas CD

Scenario 2			
	Balance	Interest Earnings	Fees
Checking Acct @0% *	\$ 75,000.00		\$180.00
MM Checking @.25% **	\$ 150,000.00	\$375.00	\$0.00
		Net Positive	\$195.00

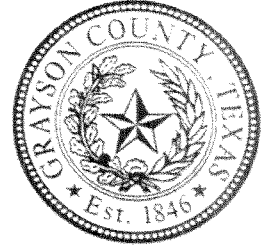
* American Bank of Texas Checking

** American Bank of Texas Money Market Checking; allowed 6 transactions per month

ATTACHMENT 11



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: October 1, 2014

SUBJECT: AGENDA ITEM NO. 11

GENERAL MANAGER'S REPORT

SUMMARY

The registered well information is attached for your information and use. All wells are drilled in the Woodbine, Trinity or Red River Alluvial aquifers.

ATTACHMENTS

Well Registration Summary

PREPARED AND SUBMITTED BY:

A handwritten signature in black ink, appearing to read "Drew Satterwhite", is written over a horizontal line.

Drew Satterwhite, P.E., General Manager

Red River Groundwater Conservation District

Well Registration Summary As of September 30, 2014

Well Type	Total Registered Fannin County	Total Registered Grayson County	July 2014	New Registrations
Domestic	55	92	137	10
Agriculture	7	20	26	1
Oil/Gas	0	17	16	1
Surface Impoundments	0	4	4	0
Commercial	3	2	5	0
Golf Course	0	14	14	0
Livestock	14	7	17	4
Irrigation	0	3	3	0
Public Water	54	209	263	0
Total	133	368	485	16

ADJOURN