



City of Fair Oaks Ranch

To: Mayor and City Council
From: Summer Fleming, Director of Finance
Re: 1st Quarter FY 2024-25 Investment Report
Date: February 6, 2025

This report complies with the City's investment policy Section 9 and 11 and Texas Government Code Section 2256.023 ("Public Funds Investment Act").

ACTIVITIES FOR THE QUARTER

During the quarter, all City operating funds were held in three investment categories: (a) 3.2% was invested in Frost Bank checking accounts, (b) 43.0% in TexPool and TexPool Prime, government investment pools created on behalf of Texas entities consistent with the Public Funds Investment Act and are rated AAAM by Standard and Poor's, and (c) 53.8% in Texas CLASS, a local government investment pool that is rated AAAM. All investment categories comply with the City's investment policy.

Overall: For the quarter, the City earned \$320,978 in interest.

Bank Checking Accounts: The City earns traditional interest paid in cash on checking account balances. Traditional interest paid to the City totaled \$127.

The bank must secure ("collateralize") all City funds over \$250,000 by pledging certain of its own assets for the City and have such held by an independent third party custodian. The custodian sends evidence of this to the City monthly. The following summarizes collateralization activity as of the end of this quarter:

<u>Total Deposits</u>	<u>Collateral Market Value</u>	<u>Collateral Percentage</u>
\$1,002,925	\$1,023,580	102.059

The City's financial management policy requires a minimum of 102% on such balances.

TexPool and TexPool Prime: Earnings on the City's funds totaled \$124,475 for this portion of the portfolio. During the quarter, TexPool shares were valued at \$1 per share.

Texas CLASS: Earnings on the City's funds totaled \$196,376 for this portion of the portfolio. During the quarter, Texas CLASS shares were valued at \$1 per share.

Signed:

Summer Fleming, Director of Finance

Fair Oaks Ranch
Investment Report
For the Quarter Ended December 31, 2024

Description	Beginning Balance	Net Transfers In/(Out)	Interest Earnings	Ending Balance	Market Value	Avg Yield	Weighted Avg Maturity
Frost Bank	\$ 1,302,132	\$ (332,778)	\$ 127	\$ 969,481	\$ 969,481		
TexPool	7,985,475	-	96,632	8,082,106	8,082,106	4.74%	36 Days
TexPool Prime	2,789,042	1,952,409	27,843	4,769,294	4,769,294	4.84%	50 Days
Texas CLASS	15,878,095	-	196,376	16,074,472	16,074,472	4.89%	39 Days
Total	\$ 27,954,744	\$ 1,619,632	\$ 320,978	\$ 29,895,353	\$ 29,895,353		

Interest Rate Comparison (Quarterly Average)

Qtr Ended	TexPool	TexPool Prime	Texas CLASS	3 Month T-bill	6 Month T-bill	2 Year Treasury Note	CDARS 6 month CD
Mar-24	5.33%	5.51%	5.50%	5.37%	5.34%	4.59%	4.73%
Jun-24	5.31%	5.46%	5.43%	5.36%	5.32%	4.63%	4.73%
Sep-24	5.26%	5.40%	5.40%	4.52%	4.23%	3.66%	3.74%
Dec-24	4.74%	4.84%	4.89%	4.51%	4.42%	4.25%	3.65%

