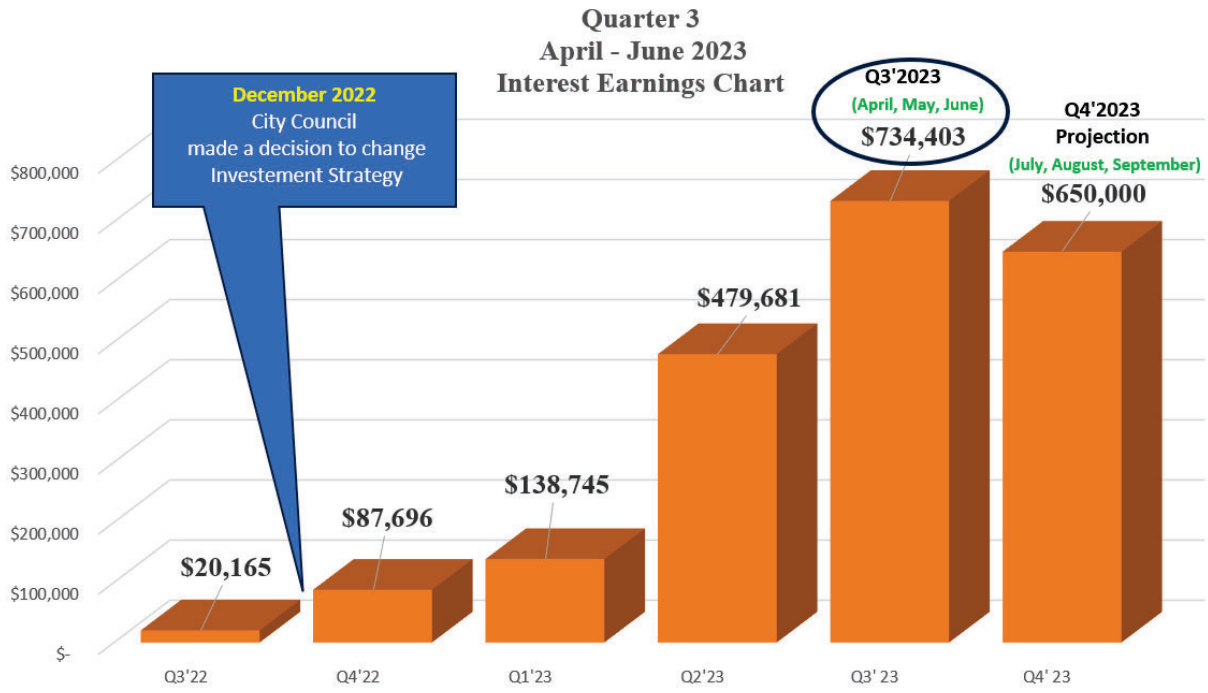
FY 2023
3rd Quarter
Investment Report

April 1, 2023 – June 30, 2023

Executive Summary

The quarter ending June 30, 2023, marked a significant milestone in our city's financial performance, as we experienced a substantial increase in interest earnings. This growth can be attributed to our strategic shift in investment strategy from a cash-based approach to highly liquid and safe governmental investment pools, which have consistently provided the best yield for municipal governments over the past 12 months. Our city increased its interest earnings over the past four quarters by capitalizing on favorable market conditions and carefully evaluating investment options. In Q3'22, interest earned amounted to $20,165, followed by a notable surge to $87,696 in Q4'22. This upward trend continued in Q1'23, with interest earnings reaching $138,745. However, the real highlight emerged in Q2'23, surpassing expectations with interest earnings of $479,681. In addition, Q3'23 has proven to increase interested earning over last quarter. With the political environment on the rise and possible an outbreak of COVID rumoring, the city is taken a conversative poster in Q4 projection earnings because the next quarter market factors are uncertain.

This strategic shift in investment strategy has allowed us to maximize returns while maintaining high safety and liquidity. The impressive results reflect our revised approach's success and the positive impact of favorable market conditions on our city's financial performance.



The chart indicates a significant upward trend in interest earnings over the past four quarters, with a substantial increase observed in the quarter ending June 30, 2023. Moving forward, we recommend the continued utilization of governmental investment pools as we strive to optimize returns, ensure safety, and maintain liquidity for our city's financial resources.

City of Hutchins
Q3 - Investment Report - City Portfolio
April 1, 2023 - June 30, 2023

Portfolio Summary Management Report

This quarterly report is in full compliance with the investment policy and strategy as established for the City of Hutchins and the Public Funds Investment Act (Chapter 2256, Government Code).

Beginning Book Value 4/1/2023	$	56,833,915	Ending Book Value 6/30/2023	$	72,788,418
Beginning Market Value 4/1/2023	$	56,833,915	Ending Market Value 6/30/2023	$	72,788,418
			Accrued Interest Receivable	$	-
			Unrealized Gain/Loss on 6/30/2023	$	-
WAM at Beginning Period Date*	87 days		WAM at Ending Period Date*	89 days	
			Change in Market Value	$	15,954,504

Average Yield to Maturity for quarter	0.015%
Average Yield to Maturity 6 month T-Bill	0.005%

Maria Joyner, Financial Services Director

James Quin, City Administrator

*WAM-Weighted Average Maturity
"Change in Market Value" is required data, but will primarily reflect the receipt and expenditure of the City's funds from quarter to quarter.

City of Hutchins
Q3 - Investment Report - City Portfolio
April 1, 2023 - June 30, 2023

City's Portfolio	*Holding*	*Beg. Quarter Cash Balance 04/1/2023*	*Deposits/Withdrawals*	*Quarter Ending Cash Balance*	*Quarterly Interest Earned*	*Year-to-Date Interest Earned*
Depository Bank (Local Bank)						
American National Bank	General Fund Account	1,286,383	(242,225)	1,044,158	308	925
	Water/Sewer Account	194,024	449,103	643,126	54	416
	Payroll Account	15,957	3,759	19,716.44	1	2
	Economic Development Corporation (EDC)	242,592	329,950	572,542.46	45	
	Debt Service Fund	368,397	19,969	388,366	8	24
	2020 Tax Notes	4.98	-	4.98	-	-
Total Portfolio		**2,107,358**	**560,556**	**2,667,914**	**416**	**1,365**
Governmental Investment Pools						
TEXPOOL						
	TEXPOOL General Fund	275,693	3,418	279,111	3,418	8,829
	TEXPOOL Water/Sewer Fund	1,832,861	22,725	1,855,586	22,725	58,273
	TEXPOOL General Fund - Economic Development Corporation (EDC)	976,924	12,112	989,037	12,112	31,245
	Total TEXPOOL	**3,085,478**	**38,255**	**3,123,733**	**38,255**	**98,347**
TexSTAR						
	General Fund - Unrestricted	487,833	6,087	493,921	6,087	14,452
	Water/Sewer Interest & Sinking	301,412	3,761	305,173	3,761	8,929
	General Fund - Restricted	34,610	432	35,042	432	1,025
	Certificates of Obligation - Series 2009	400,096	4,993	405,089	4,993	11,853
	Certificates of Obligation - Series 2010	540	7	547	7	16
	Tax Note - Street Improvement - Series 2017	252,246	3,148	255,394	3,148	7,473
	Tax Note-Municipal Facilities - Series 2017	467,268	5,831	473,099	5,831	13,843
	Certificates of Obligation - Public Safety Building - Series 2018	2,444,466	30,504	2,474,970	30,504	72,417
	Certificates of Obligation Water & Sewer Master CIP - Series 2019	4,932,050	61,545	4,993,596	61,545	149,726
	Construction Fund - Series 2022	2,717,233	33,907	2,751,140	33,907	80,498
	Total TexStar	**12,037,755**	**150,215**	**12,187,970**	**150,215**	**360,232**
Texas Class						
	Tax Note, Series 2023 - Streets		1,000,000	1,000,000	5,424	5,424
	Combination Tax & Revenue Certificate - Southern WasteWater		14,500,000	14,500,000	64,992	64,992
	General Fund - Maintenace & Operations	18,563,263	240,719	18,803,982	240,719	422,982
	General Fund - Economic Development Corporation (EDC)	2,528,071	32,783	2,560,854	32,783	60,854
	City Hall - General Obligation	10,820,978	(368,025)	10,452,953	137,023	183,001
	Water & Sewer - Capital Fund	7,691,012	(200,000)	7,491,012	64,992	189,102
	Total Texas Class	**39,603,324**	**15,205,477**	**54,808,800**	**545,933**	**926,354**
	Grand Total Governmental Investment Pools	**54,726,556**	**15,393,948**	**70,120,504**	**734,403**	**1,384,933**
City's Total Portfolio Holdings		**56,833,915**	**15,954,504**	**72,788,418**	**734,819**	**1,386,298**

City of Hutchins

Inventory Holdings Report- City Portfolio

6/30/2023

Settle Date	Cusip	Security Type	Par	Rate	Settlement Date	Maturity	Purchase Yield	Purchase Principal	Original Prem/Disc	Current Book	Market Price	Gain/Loss	Original D-T-M	Current D-T-M	Amortization	Percent of Total Holdings
6/30/2023		DDA	2,667,914	0.001%	6/30/2023	7/1/2023	0.001%	2,667,914	-	2,667,914	100%	-	1	1	0.00	4%
6/30/2023		Pools	70,120,504	0.003%	6/30/2023	7/1/2023	0.003%	70,120,504	-	70,120,504	100%		1	1	0.00	96%
			72,788,418					72,788,418		72,788,418						100%

TEXPOOL, TexasClass and TexSTAR Pools

DDA=Demand Deposit Account