

TexPool Overview

Crystal Caldera, PhD and Councilor Campos
City Council Meeting
September 19, 2023

TexPool Overview

- Oldest and largest local government investment pool in the State of Texas.
- Seeks to preserve principal, liquidity, and yield of capital investment consistent with the Texas Public funds Investment Act.
- Managed and serviced by Federated Hermes, Inc., one of the nation's leading investment managers.
- Thirty seven states rely on Federated Hermes for some form of liquidity management.
- Portfolio of over \$42.1 billion in public funds

Overview

- TexPool currently provides investment services to over 2,800 individual public entities in Texas
 - School Districts
 - Higher Education
 - Utility Districts
 - Healthcare
 - Cities
 - Counties

Overview

- Structure
 - The State Comptroller of Public Accounts oversees TexPool.
- Philosophy
 - Managed conservatively to provide a safe, efficient, and liquid investment alternative to Texas governments.
 - The pools seek to maintain a \$1.00 value per share as required by the Texas Public Funds Investment Act.
 - Investments consist exclusively of U.S. Government securities, repurchase agreements collateralized by U.S. Government securities, and AAA-rated no-load money market mutual funds.
- Minimum Balances
 - No minimum balance requirements for TexPool participants, and there is no limit on the number of accounts a participant can have.

Overview

- Interest
 - Interest is accrued daily and paid monthly. Interest may either be left in the participant's account or withdrawn.
- Deposit and Withdrawal
 - Deposits and withdrawals to TexPool can be made on any business day of the week.
 - Two methods of completing transactions are available.
 - Deposits, withdrawals, and transfers may be made using our TexConnect Online system or by contacting a Participant Services Representative directly.
 - Transactions can be requested up to 90 business days in advance on TexConnect Online.

Overview

- What are the benefits
 - Daily liquidity
 - Complete yield
 - No minimums
 - AAA rating
- What types of assets are invested
 - Operating cash
 - Bond proceeds
 - State aid
 - General funds
 - Trust funds

City Investment Practice

- Does not maintain over \$2.5 M in Bank Depository Accounts
- Invests excess fund in TexPool
 - Interest is earned on funds invested
 - Funds transfers occur weekly/daily
- TexPool Balances

Description	6/30/23	9/30/22	9/30/21	9/30/20
Unrestricted	\$8,806,356	\$11,576,114	\$8,142,521	\$7,064,436
Restricted	\$ 9,934,581	\$ 4,068,538	\$4,540,047	\$4,137,917

City of Leon Valley

Investment Quarterly Report

Quarter Ending June 30, 2023

Fund	<i>*Cash</i> Frost	<i>Investment</i> TexPool	Total
General Fund	74,945.64	8,731,410.62	8,806,356.26
Impound Lot	-	321,856.36	321,856.36
Economic Development	-	435,953.46	435,953.46
Parks Bucks	-	5,770.86	5,770.86
Water/Sewer/Stormwater	849,442.54	3,168,029.83	4,017,472.37
Traffic Safety	766,216.93	458,362.00	1,224,578.93
ARP Funds	746,722.86	676,949.81	1,423,672.67
LEOSE Funds	9,123.55	-	9,123.55
Community Center	95,750.99	228,768.29	324,519.28
Debt Service	683,856.98	299,577.35	983,434.33
Street Maintenance	620,492.31	983,951.53	1,604,443.84
Crime Control District	153,780.23	351,625.00	505,405.23
Police Forfeiture Federal	146,780.00	191,861.81	338,641.81
Police Forfeiture State	-	11,001.48	11,001.48
MC Building Security	22,463.86	45,567.34	68,031.20
MC Technology	1,049.90	34,772.59	35,822.49
Child Safety	12,019.62	47,643.36	59,662.98
Capital Projects	(1,434,810.06)	-	(1,434,810.06)
	\$ 2,747,835	\$ 15,993,102	\$ 18,740,937

* These balances represent what is on the General Ledger



TexPool Unrestricted @ 9/30/22

Unrestricted Investment Details		
Description		Amount
General Fund		\$ 9,450,680
Debt Service		\$ 290,113
Street Maintenance Tax Fund		\$ 952,868
Other Nonmajor Governmental Fund		
Community Center	\$ 221,541	
Crime Control & Prevention Distr.	\$ 340,517	
Child Safety	\$ 46,138	
State Police Forfeitures	\$ 10,654	
Federal Police Forfeitures	\$ 185,801	
Building Security	\$ 44,128	
Court Technology	\$ 33,674	
Sub-Total Other Nonmajor Govnmental Fund		\$ 882,453
Total Unrestricted Investments		\$ 11,576,114

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2022

CITY OF LEON VALLEY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
<i>Current Assets:</i>			
Cash and Cash Equivalents:			
Unrestricted	\$ 2,345,263	\$ 82,703	\$ 2,228,066
Restricted for Customer Deposits	-	133,742	133,742
Investments			
Unrestricted	11,576,114	-	11,576,114
Restricted Investments - Water/Wastewater	-	4,068,538	4,068,538
Receivables (net of allowances)			
Property Taxes	193,152	-	193,152
Special Assessment	13,278	-	13,278
Other	62,475	467,331	529,806
Due from Other Governments	903,641	-	903,641
Inventories	4,568	-	4,568
Total Current Assets	14,898,591	4,752,314	19,650,905
<i>Noncurrent Assets:</i>			
Capital Assets:			
Land	1,497,118	203,227	1,700,345
Water Rights	-	2,276,080	2,276,080
Buildings	10,981,760	25,403	11,007,163
Water/Wastewater System-Plant	-	10,578,970	10,578,970
Other Machinery and Equipment	2,260,934	-	2,260,934
Office Equipment	56,134	-	56,134
Infrastructure	16,449,425	-	16,449,425
Transportation and Equipment	5,048,695	1,389,790	6,438,485
Construction in Progress	239,170	345,811	585,181
Less: Accumulated Depreciation	(17,548,249)	(6,652,616)	(24,200,865)
Total Noncurrent Assets	18,985,187	8,166,667	27,151,854
TOTAL ASSETS	33,883,778	12,918,981	46,802,759
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Related Outflows	1,481,917	258,000	1,739,917
Deferred OPEB Related Outflows	34,881	14,765	99,646
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 1,566,798	\$ 272,765	\$ 1,839,563

See accompanying notes to basic financial statements.



City of Leon Valley		
Investment Quarterly Report		
Quarter Ending 09/30/2022		
	<i>Investment</i>	
Fund	TexPool	Total
General Fund*	\$ 4,961,097	\$ 4,961,097
Water/Sewer/Stormwater	\$ 4,068,538	\$ 4,068,538
Tree Mitigation & Replacement	\$ -	\$ -
Economic Development*	\$ 422,181	\$ 422,181
Impound Lot*	\$ 311,689	\$ 311,689
ARP Funds*	\$ 2,289,799	\$ 2,289,799
PEG Funds	\$ -	\$ -
Park Bucks*	\$ 5,588	\$ 5,588
Community Center	\$ 221,541	\$ 221,541
Grants	\$ -	\$ -
Debt Service	\$ 290,113	\$ 290,113
Street Maintenance	\$ 952,868	\$ 952,868
Crime Control District	\$ 340,517	\$ 340,517
Police Forieture	\$ 196,455	\$ 196,455
MC Building Security	\$ 44,128	\$ 44,128
MC Technolgy	\$ 33,674	\$ 33,674
Child Safety	\$ 46,138	\$ 46,138
Red Light Camera*	\$ 1,460,325	\$ 1,460,325
	\$ 15,644,652	\$ 15,644,652
Page 15 *	\$ 11,576,114	

General Fund Breakdown @ 9/30/22

General Fund Investment Details	
Description	Amount
General Fund	\$ 4,961,097
Economic Development	\$ 422,181
Impound Lot	\$ 311,689
ARP Funds	\$ 2,289,799
Park Bucks	\$ 5,588
Red Light Camera	\$ 1,460,325
Rounding	\$ 1
Total General Fund Unrestricted Investment	\$ 9,450,680

General Fund Further Breakdown of \$4,961,097	
Emergency Fund	\$1,000,000

2024

- The combined fund balance (Emergency and Reserve) represents approximately 3.2 months of operating income
 - \$2,877,030 in the Capital Reserve Fund
 - \$1,000,000 in the Emergency Fund
 - Estimated total of \$3,877,030
 - Operating Income is GF personnel, supplies, and contractual