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**WHEELER COUNTY QUARTERLY INVESTMENT
REPORT – PUBLIC FUNDS INVESTMENT ACT
FY 2023-2024
PERIOD ENDING: 12/31/2023**

This report is made in accordance with provisions of Government Code 2256, The Public Funds Investment Act, which requires quarterly reports for county funds to the Commissioners' Court.

The investments held in Wheeler County's portfolio comply with the Public Funds Investment Act and with the County's investment policy and strategies.

Cash Availability

Cash balances are monitored by the investment officer on a daily basis.

Summary

The total interest income earned per quarter for FY 2023-2024 is as follows:

FIRST QTR	\$ 199,487.49
SECOND QTR	\$
THIRD QTR	\$
FOURTH QTR	\$
YTD TOTAL	\$199,487.49

RENEE WARREN
WHEELER COUNTY TREASURER
PUBLIC FUNDS INVESTMENT OFFICER

REPORT APPROVED BY COMMISSIONERS COURT THIS 12th day of February, 2024.

MARGARET DORMAN
WHEELER COUNTY CLERK
Date: February 12, 2024

Q1 TOTALS:**FY 2023-24 TOTALS**

	<u>MTD</u>		<u>YTD</u>
INT INCOME CKG:	\$ 5,616.50	\$	5,616.50
INT INCOME ICS:	\$ 0.00	\$	0.00
INT TEXPOOL	\$ 10.12	\$	10.12
INT TEXAS CLASS	\$ 85,229.66	\$	85,229.66
INT TEXSTAR	\$ 10.17	\$	10.17
INT TEXPRIME	\$ 19,694.79	\$	19,694.79
INT FINANCIAL NE	\$ 9,509.30	\$	9,509.30
INT LOGIC	\$ 13,226.53	\$	13,226.53
INT TX CLASS GOV	\$ 11.83	\$	11.83
INT LONE STAR INV	\$ 20,337.31*	\$	20,337.31
INT CDs HSB/CENT	\$ 45,841.28	\$	45,841.28

TOTAL	\$199,487.49	\$199,487.49
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WHEELER COUNTY INVESTMENT PORTFOLIO:
GOVERNMENT INVESTMENT POOLS, SECURITIES,
AND CD ACCOUNT BALANCES AS OF 12/31/2023:

TEXPOOL	\$ 760.51
TEXPOOL PRIME	\$ 1,205,701.56
TEXPOOL AMA AREA	\$ 0.00
TEXAS CLASS	\$ 5,771,631.45
AMERICAN RESCUE PLAN (Subaccount)	\$ 483,420.74
TEXAS CLASS GOVERNMENT	\$ 895.46
TEXSTAR	\$ 769.28
FINANCIAL NORTHEASTERN CDs	\$ 755,224.15
FINANCIAL NORTHEASTERN MMF	\$ 24,052.23
LOGIC	\$ 1,187,131.66
<u>LONE STAR INVESTMENT ACCT</u>	<u>\$ 1,197,395.50*</u>
HAPPY STATE BANK CD PRODUCTS	\$ 5,107,232.14

TOTAL: \$15,734,214.68

*New Investment Pool created by Treasurer/Investment Officer under authority of the Wheeler County Commissioners' Court and the agreement of the Public Funds Investment Committee (property tax collected and invested monthly). The funds in this account are fluid, and the principal is transferred back to the tax division account at the beginning of each month for distribution to the local jurisdictions.

****Investment Accounts Daily Rates as of 12/31/2023 and Commercial CD Rates**

Texpool:	5.3836%	(.053836)
Texpool Prime:	5.6106%	(.056106)
TexStar:	5.3606%	(.053606)
Logic:	5.5538%	(.055538)
Texas Class:	5.5688%	(.055688)
Texas Class ARP:	5.5688%	(.055688)
Texas Class Govt:	5.2582%	(.052582)
FNE MMR:	4.45%	(.0445)
HSB Checking:	2.75%	(.0275)
FNC Brokered CD	2.95%	(Ally Bank maturing 05/20/2024)
FNC Brokered CD	2.85%	(Barclay's Bank maturing 05/20/2024)
FNC Brokered CD	1.25%	(PenFed CU maturing 01/31/2025)
FNC Brokered CD	4.90%	(Valley Strong CU maturing 01/31/2024)
HSBCDs	.45%	(.0045) (\$250K each – maturing various mos. 2024)
HSBCD:	5.05%	(.0505) (maturing 05/2024)
HSBCD	4.27%	(.0427) (maturing 05/2024)

****Investment Officer/Treasurer Notes:** At the January 31, 2024 meeting of the Fed Governors, it was the consensus of the board that recent indicators suggest that economic activity has been expanding at a solid pace. Job gains have moderated since early last year but remain strong, and the unemployment rate has remained low. Inflation has eased over the past year but remains elevated.

The goal of the Fed is to seek maximum employment and inflation at the rate of 2 percent over the longer run. The board believes that the risks to achieving its employment and inflation goals are moving towards a better balance. The board still believes the economic outlook is uncertain and remains cautious regarding inflation risks.

In support of its current goals, the Fed decided to maintain the target range for fed funds rate at 5.25% to 5.50%. The board does not expect it will be appropriate to reduce the target range until it has gained greater confidence that inflation is moving at a sustained rate toward 2 percent. The Fed maintains it is strongly committed to returning inflation to its 2% objective.

Based on the above, and barring a change in the economic outlook, which is always a factor, Wheeler County can expect investments to maintain its current rate of return based on the rates set forth above for the remainder of 2024 and hopefully, into the beginning of 2025. Of course, the Fed can change direction on its monetary policy at any time, and there is much argument by economists and Wall Street as to whether or not the Fed will choose to cut rates at its March meeting. The market is hoping for a cut to the Fed Fund rate sooner rather than later, but the Fed signaled at its last meeting it expected to keep the rates steady and no rate cuts in the foreseeable future. All of the above information should be received with caution for continued investment income gains, but, as always, we are all encouraged to remain cautiously optimistic throughout the remainder of this calendar year

Based on the US 10-year treasury yield (benchmark)¹ range of 5.25-5.50%, TexPool, TexPool Prime, TexStar, Logic, Texas Class, and Texas Class Govt investment pool accounts continued to see small incremental increases to yield for the quarter ending 12/31/2023.

All investment pool accounts listed above are AAAm² rated by Standard & Poor's, the highest rating a local government invest pool can achieve.

¹ The primary Treasury debt contract that the market refers to when discussing how Treasuries are performing. The 10-year Treasury note is the current benchmark; as the benchmark, it is the most frequently used instrument for hedging purposes.

² AAAm S&P rating indicates extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk.