



Brownsville Independent School District

Agenda Category: Conference Presentation Board of Education Meeting: 02/06/24

Item Title: Quarterly Investment Report Action
 Information
 Discussion

BACKGROUND:

Brownsville Independent School District Quarterly Investment Report for the period ended December 31, 2023 with total cash in checking accounts of \$3,640,699.56 and total investments of \$258,289,393.12 for a total cash and investments of \$261,930,092.68. Quarterly interest earned of \$5,112,175.01 and year to date earnings of \$7,348,961.36.

Mary D. Garza
Mary D. Garza

Submitted by: Principal/Program Director

Alex Cespedes Alejandro Cespedes
Recommended by: Asst. Supt./CFO

Dr. Nellie Cantu *Nellie Cantu*
Approved by: Deputy Superintendent

2/1/24

Approved for Submission to Board of Education:

Jesús H. Chávez
Dr. Jesus H. Chavez
Interim Superintendent

When Necessary, Additional Background May Follow This.

Brownsville Independent School District

Quarterly Investment Report

Fiscal Year 2024
Quarter Ending December 31, 2023



February 6, 2024

Prepared by
Chief Financial Officer



Brownsville Independent School District

1900 Price Road – Suite 305 Brownsville, Texas 78521-2417 (956) 698-0003 Fax: (956) 982-0669

To: Dr. Jesus H. Chavez
Interim Superintendent of Schools

From: Alejandro Cespedes *AK*
Chief Financial Officer

Date: February 6, 2024

Re: Quarterly Investment Report

The following is the Quarterly Investment Report indicating the position of the Brownsville Independent School District for the period ended December 31, 2023. All of the District's funds have been invested in legally authorized and secured funds in accordance with CDA Legal and Local policies.

The objective of the District's investment portfolio has been safety, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements.

The average quarterly yields for the following invested funds are:

◆ Lone Star Corporate Plus Overnight Fund	5.64%
◆ MBIA Texas Class Investment Pool	5.57%
◆ TEXPOOL Investment Service	5.37%
◆ TEXAS TERM Daily	5.38%
◆ TEXAS TERM Fixed	5.65%

In comparison, the Treasury Bill Ask Yield Rate on December 31, 2023 for 3 months was 5.20% and for 6 months was 5.05%, the Secured Overnight Financing Rate (SOFR) for 3 months was 5.36% and for 6 months was 5.35%.

Federal interest rates at the end of this quarter are higher than last year. The Federal Reserve has been aggressively raising interest rates in an effort to fight high inflation. By raising rates, the FED is hoping to cool off demand by making it more expensive to borrow to avoid plunging the economy into a recession. We are monitoring the market and managing the District's funds in an active approach to maximize interest income. In a constant effort to minimize risk, the District continues to diversify its investment portfolio to a ratio of rate of return per instrument, to balance held per instrument. This diversification is monitored daily and the recommended increases/decreases to the instruments are made.

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INVESTMENT ACTIVITY REPORT

FOR THE QUARTER ENDING December 31, 2023

LONE STAR CORPORATE OVERNIGHT PLUS FUND

Fund Name	Beginning		Additions		Ending		Beginning		Additions		Ending		Ending Book	
	Book Value	Mrkt Value	Book Value	Mrkt Value	Book Value	Mrkt Value	Book Value	Mrkt Value	Book Value	Mrkt Value	Book Value	Mrkt Value	Value to Ending	Interest Earned
General Fund	\$ 37,126,864.44	\$ 37,124,965.09	\$ 7,670,781.39	\$ 7,678,643.51	\$ 44,797,645.83	\$ 44,803,608.60	\$ 37,124,965.09	\$ 44,803,608.60	\$ 7,678,643.51	\$ 44,803,608.60	\$ 5,962.77	\$ 813,469.55		
Debt Service	1,100,324.66	1,100,268.37	15,707.60	15,912.44	1,116,032.26	1,116,180.81	1,100,268.37	1,116,180.81	15,912.44	1,116,180.81	148.55	15,707.60		
Special Revenue	-	-	0.11	0.11	0.11	0.11	-	0.11	-	0.11	-	-		
Gross Payroll	8,371,550.65	8,371,122.38	(235,676.25)	(234,165.06)	8,135,874.40	8,136,957.32	8,371,122.38	8,136,957.32	(234,165.06)	8,136,957.32	1,082.92	164.73		
Worker's Comp	44,714.89	44,712.60	(44,714.89)	(44,712.60)	-	-	44,712.60	-	(44,712.60)	-	-	-		
Self Ins BCBS	3,537,501.29	3,537,320.32	(895,568.49)	(895,035.87)	2,641,932.80	2,642,284.45	3,537,320.32	2,642,284.45	(895,035.87)	2,642,284.45	351.65	20,541.45		
Total	\$ 50,180,955.93	\$ 50,178,388.76	\$ 6,510,529.47	\$ 6,520,642.53	\$ 56,691,485.40	\$ 56,699,031.29	\$ 50,178,388.76	\$ 56,699,031.29	\$ 6,520,642.53	\$ 56,699,031.29	\$ 7,545.89	\$ 849,883.33		

MBIA TEXAS CLASS INVESTMENT POOL

General Fund	\$ 39,835,649.46	\$ 39,835,649.46	(5,110,238.06)	(5,110,238.06)	\$ 34,725,411.40	\$ 34,725,411.40	\$ 39,835,649.46	\$ 34,725,411.40	(5,110,238.06)	\$ 34,725,411.40	\$ -	\$ 848,032.11		
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-		
Gross Payroll	2,091,308.57	2,091,308.57	(371,371.51)	(371,371.51)	1,719,937.06	1,719,937.06	2,091,308.57	1,719,937.06	(371,371.51)	1,719,937.06	-	26,628.49		
Worker's Comp	41,926,958.03	41,926,958.03	(5,481,609.57)	(5,481,609.57)	36,445,348.46	36,445,348.46	41,926,958.03	36,445,348.46	(5,481,609.57)	36,445,348.46	\$ -	\$ 874,660.60		
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

TEXPOOL INVESTMENT SERVICE

General Fund	\$ 623,538.59	\$ 623,538.59	8,472.89	8,472.89	\$ 632,011.48	\$ 632,011.48	\$ 623,538.59	\$ 632,011.48	8,472.89	\$ 632,011.48	\$ -	\$ 8,472.89		
Total	\$ 623,538.59	\$ 623,538.59	8,472.89	8,472.89	\$ 632,011.48	\$ 632,011.48	\$ 623,538.59	\$ 632,011.48	8,472.89	\$ 632,011.48	\$ -	\$ 8,472.89		

TEXAS TERM DAILY

General Fund	\$ 50,988.10	\$ 50,988.10	(30,632.76)	(30,632.76)	\$ 20,355.34	\$ 20,355.34	\$ 50,988.10	\$ 20,355.34	(30,632.76)	\$ 20,355.34	\$ -	\$ 30,149.43		
Debt Service	6.08	6.08	0.09	0.09	6.17	6.17	6.08	6.17	0.09	6.17	-	0.09		
Worker's Comp	183.77	183.77	2.50	2.50	186.27	186.27	183.77	186.27	2.50	186.27	-	2.50		
Total	\$ 51,177.95	\$ 51,177.95	(30,630.17)	(30,630.17)	\$ 20,547.78	\$ 20,547.78	\$ 51,177.95	\$ 20,547.78	(30,630.17)	\$ 20,547.78	\$ -	\$ 30,152.02		

TEXAS TERM FIXED (A)

General Fund	\$ 90,000,000.00	\$ 90,000,000.00	66,500,000.00	66,500,000.00	\$ 156,500,000.00	\$ 156,500,000.00	\$ 90,000,000.00	\$ 156,500,000.00	66,500,000.00	\$ 156,500,000.00	\$ -	\$ 3,339,217.81		
Debt Service	8,000,000.00	8,000,000.00	-	-	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	-	8,000,000.00	-	-		
Total	\$ 98,000,000.00	\$ 98,000,000.00	66,500,000.00	66,500,000.00	\$ 164,500,000.00	\$ 164,500,000.00	\$ 98,000,000.00	\$ 164,500,000.00	66,500,000.00	\$ 164,500,000.00	\$ -	\$ 3,339,217.81		


INVESTMENT ACTIVITY REPORT

FOR THE QUARTER ENDING December 31, 2023

Total							
Investments	\$ 190,782,630.50	\$ 67,506,762.62	\$ 258,289,393.12	\$ 190,780,063.33	\$ 67,516,875.68	\$ 258,296,939.01	\$ 7,545.89
							\$ 5,102,386.65
LONE STAR NATIONAL BANK ACCOUNTS							
Checking	5,302,147.23	(1,661,447.67)	3,640,699.56	5,302,147.23	(1,661,447.67)	3,640,699.56	9,788.36
Total	\$ 5,302,147.23	\$ (1,661,447.67)	\$ 3,640,699.56	\$ 5,302,147.23	\$ (1,661,447.67)	\$ 3,640,699.56	\$ 9,788.36
Total Cash & Investments	\$ 196,084,777.73	\$ 65,845,314.95	\$ 261,930,092.68	\$ 196,082,210.56	\$ 65,855,428.01	\$ 261,937,638.57	\$ 7,545.89
							\$ 5,112,175.01

The investment portfolio of the District is in compliance as it relates to the District's investment strategy expressed in the District's investment policy and relevant provisions of the law.

Brownsville Independent School District authorized investment officers:


 Alejandro Céspedes
 Chief Financial Officer


 Mary D. Garza
 Director of Finance
 Budget & Payroll


 Conrado Vega
 Finance Coordinator


 Teresa E. Ramirez
 Finance Coordinator


 Catherine Garcia
 Accountant

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 INTEREST RATE REPORT
 FOR THE QUARTER ENDING December 31, 2023

Month Ending	LONE STAR	Texas CLASS Fund	TEXPOOL	TEXAS TERM	TEXAS TERM
	INVESTMENT POOL Corp Plus Overnight	INVESTMENT Pool	INVESTMENT Pool	INVESTMENT POOL Daily	INVESTMENT POOL Term
October	5.61%	5.56%	5.36%	5.36%	5.62%
November	5.65%	5.59%	5.37%	5.38%	5.73%
December	5.65%	5.57%	5.37%	5.40%	5.60%
Average	5.64%	5.57%	5.37%	5.38%	5.65%

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
TEXAS TERM FIXED (A)**

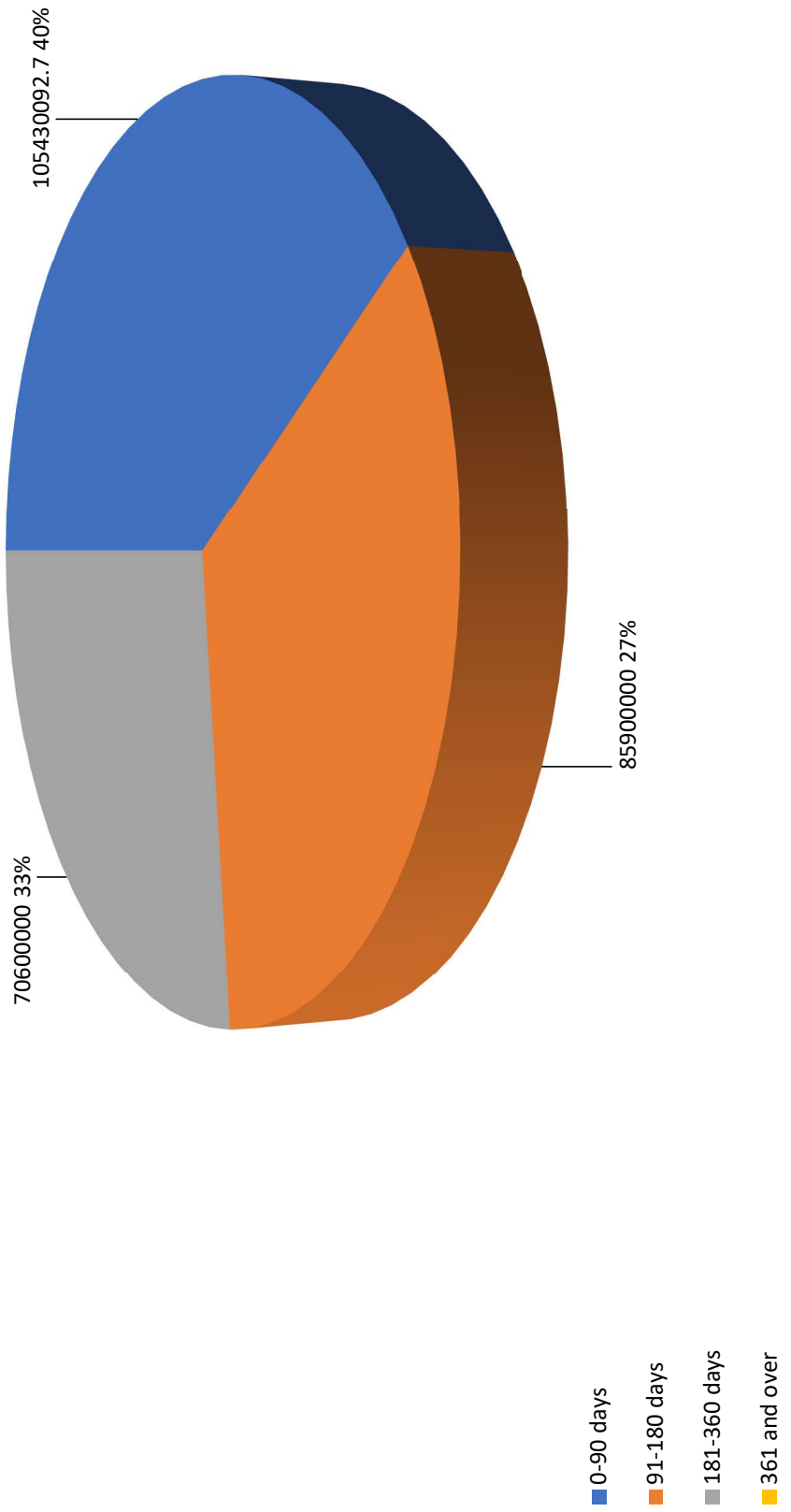
FOR THE PERIOD ENDING December 31, 2023

Purchase Date	Fund	Purchased		Rate	Days Held	Maturity Date
		Amount	Rate			
10/06/23	General	35,900,000.00	5.81%	243	06/05/24	
10/11/23	General	20,600,000.00	5.82%	268	07/05/24	
12/04/23	General	38,000,000.00	5.52%	144	04/26/24	
12/12/23	General	12,000,000.00	5.48%	113	04/03/24	
12/12/23	General	18,400,000.00	5.54%	269	09/06/24	
12/04/23	General	31,600,000.00	5.54%	283	09/12/24	
03/02/23	Debt	8,000,000.00	5.27%	329	01/25/24	
		<u>\$ 164,500,000.00</u>				

Brownsville Independent School District

Aging of Cash and Investments

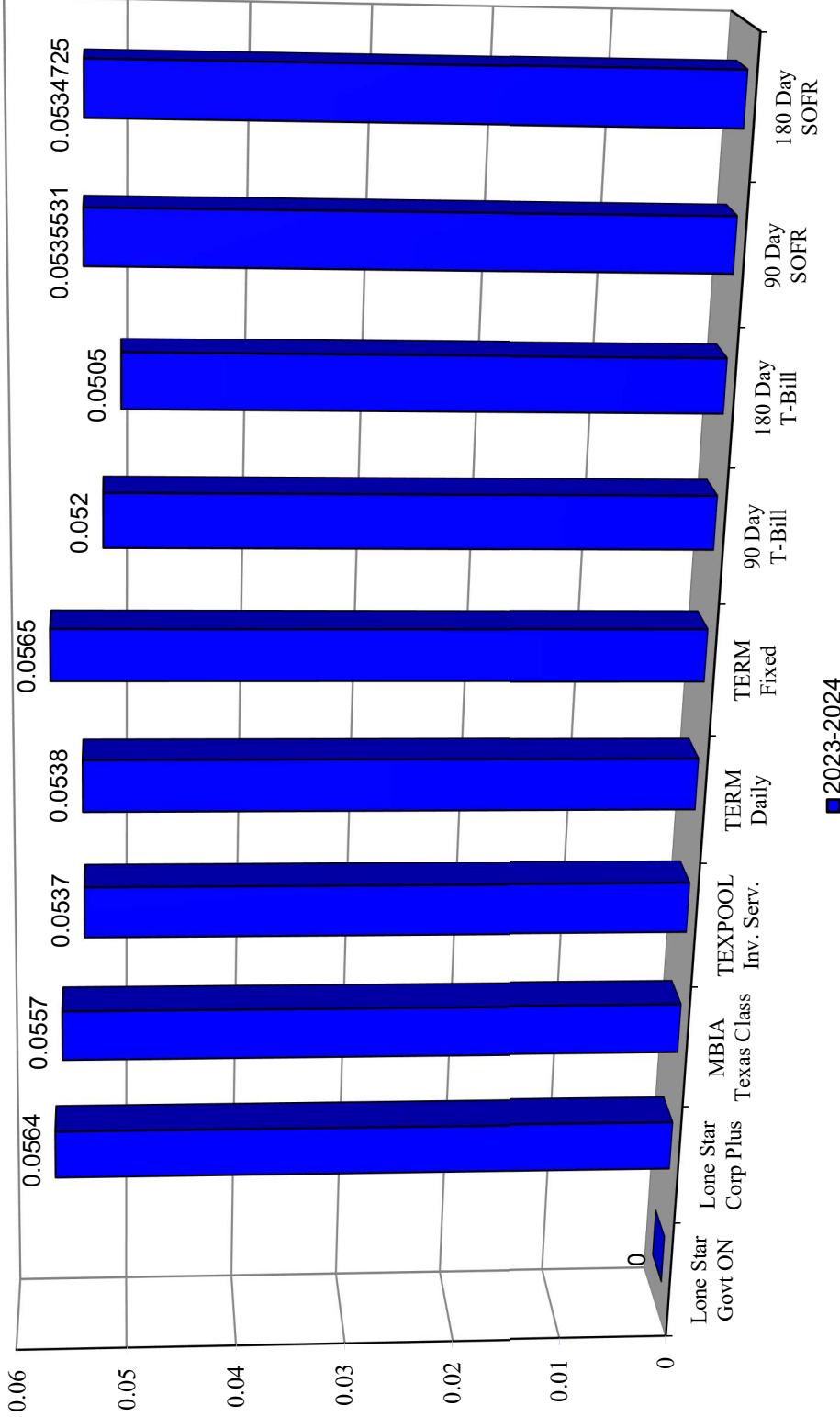
For the Quarter Ending December 31, 2023



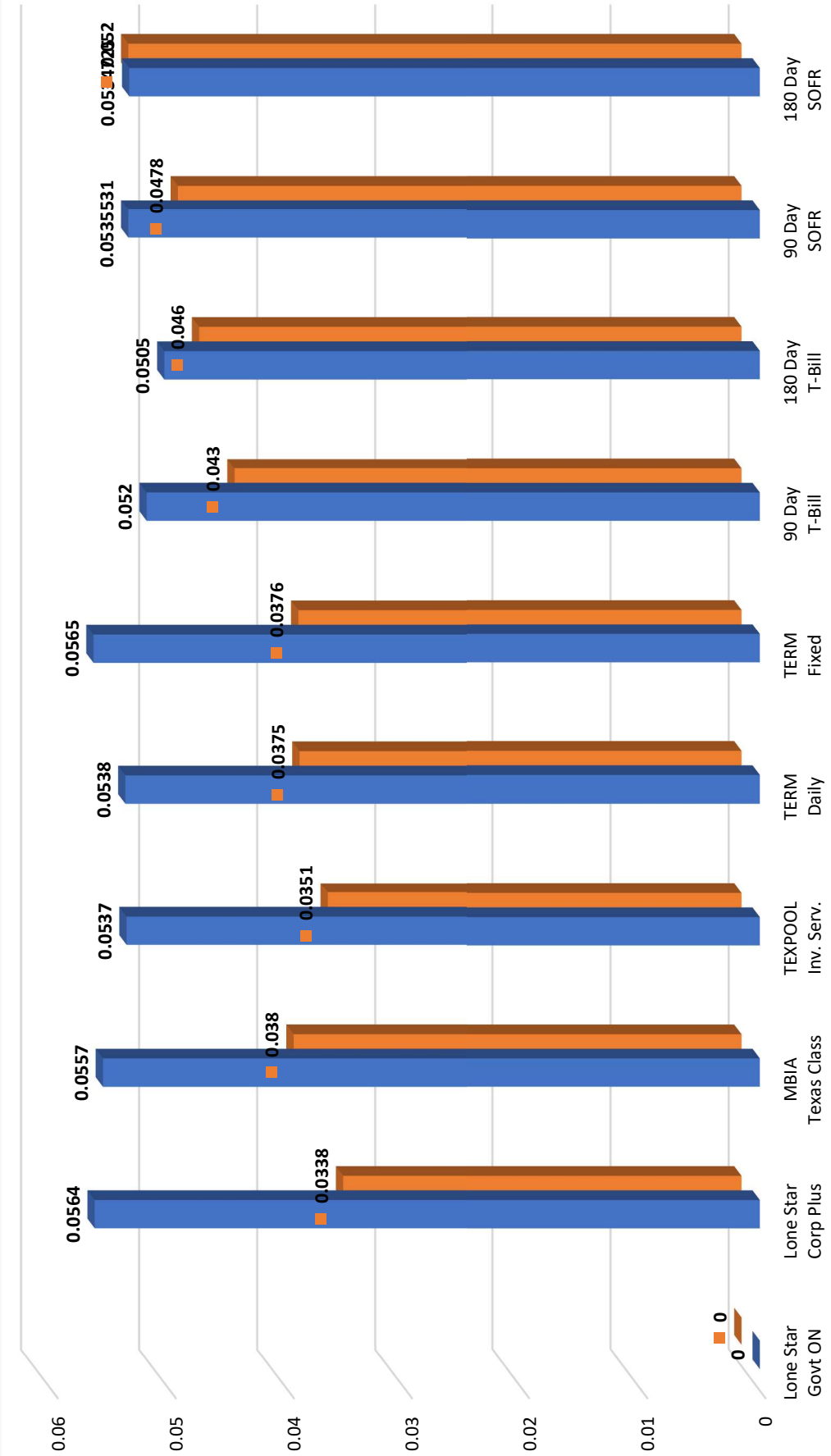
Brownsville Independent School District

Current Year Interest Rate Comparison

For Quarter Ending December 31, 2023



Brownsville Independent School District Two-Year Interest Rate Comparison For Quarter Ending December 31



■ 2023-2024 ■ 2022-2023