



Renee Warren
Wheeler County Treasurer

Jenni Spence
HR Coordinator

**WHEELER COUNTY QUARTERLY INVESTMENT
REPORT – PUBLIC FUNDS INVESTMENT ACT
FY 2022-2023
PERIOD ENDING: 12/31/2022**

This report is made in accordance with provisions of Government Code 2256, The Public Funds Investment Act, which requires quarterly reporting 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 2022-2023** is as follows:

First Qtr.	\$122,760.91
Second Qtr.	\$
Third Qtr.	\$
Fourth Qtr.	\$
YTD Total	\$122,760.91*

RENEE WARREN
WHEELER COUNTY TREASURER
PUBLIC FUNDS INVESTMENT OFFICER

Date: January 23, 2023

***104%↑ FROM PRIOR QUARTER**

REPORT APPROVED BY COMMISSIONERS COURT THIS 23rd day of January 2023.

MARGARET DORMAN
WHEELER COUNTY CLERK

Q1 TOTALS:**FY 2022-23 TOTALS**

INT INCOME CKG:	\$ 9,689.03 (*includes asset forfeiture)	\$ 9,689.03
INT INCOME ICS:	\$ 0.00	\$ 0.00
INT TEXPOOL:	\$ 6.28	\$ 6.28
INT TEXAS CLASS:	\$ 70,910.94	\$70,910.94
INT TEXSTAR:	\$ 6.33	\$ 6.33
INT TEXPRIME:	\$ 17,771.25	\$17,771.25
INT FINANCIAL NE	\$ 7,573.90	\$ 7,573.90
INT LOGIC:	\$ 12,712.50	\$12,712.50
INT TX CLASS GOV	\$ 7.01	\$ 7.01
INT CDs HSB	\$ 4,083.67	\$ 4,083.67
TOTAL	\$122,760.91	\$122,760.91

WHEELER COUNTY INVESTMENT PORTFOLIO:
GOVERNMENT INVESTMENT POOLS, SECURITIES, AND CD
ACCOUNT BALANCES AS OF 12/31/2022:

TEXPOOL	\$ 721.17
TEXPOOL PRIME	\$1,916,466.19
TEXPOOL AMA AREA	\$ 0.00
TEXAS CLASS	\$7,363,300.44
AMERICAN RESCUE PLAN (Subaccount)	\$ 643,673.50
TEXAS CLASS GOVERNMENT	\$ 852.72
TEXSTAR	\$ 731.95
FINANCIAL NORTHEASTERN CDs	\$ 733,586.88
FINANCIAL NORTHEASTER MMF	\$ 9,466.18
LOGIC	\$1,670,308.87
HAPPY STATE BANK CD PRODUCTS	\$5,022,697.40

TOTAL: **\$17,361,805.30**

****Investment Accts Daily Rates as of 12/31/2022 and Commercial CD Rates:**

Texpool:	3.9799% (.039799)
Texpool Prime:	4.2847% (.042847)
TexStar:	4.2031% (.042031)
Logic:	4.5424% (.045424)
Texas Class:	4.5211% (.045211)
Texas Class ARP:	4.5211% (.045211)
Texas Class Govt:	4.0734% (.040734)
FNE MMF:	3.09% (.0309)
HSB Checking:	2.25% (.0225) (as of 01/20/2023)
FNC CD Brokered	2.95% (.0295) (Ally BK Sandy UT maturing 05/24)
FNC CD Brokered	2.85% (.0285) (Barclays Bk Del maturing 05/24)
FNC CD Brokered	0.100% (.0010) (John Marshall Bk Reston VA 01/27/23)
HSB CDs x12	.45% (.0045) (\$250K each – maturing various mos. in 2024)
HSB CD	4.22% (.0422) (\$1,012,213.93 – matures 05/2023)
HSB CD	4.27% (.0427) (\$1,010,483.47 matures 5/2024)

****Investment Officer/Treasurer Notes:** The Federal Reserve closed out the year with its seventh consecutive rate hike at the December Federal Open Market Committee (FOMC) meeting.

It was around this time in 2021 when the Fed began pivoting to a more hawkish stance on inflation but continued to advise that inflation was transitory. By early 2022, the Fed pivoted to a remedy for soaring inflation, which was higher rates and a smaller Fed balance sheet.

Stocks started falling before the Fed began tightening monetary policy. As of mid-December 2022, the S&P 500 was down 18% year to date, while inflation weakened the bond market. Analysts anticipate for 2023 the Fed will slow interest rate increases and potentially stop hiking, but how quickly they're able to do so—and how much more economic pain will be inflicted along the way—is speculative. The Fed has indicated in previous statements it needs the economy to slow down and the unemployment rate to rise as part of its battle against inflation.

Right now, the federal funds target range, which was 4.25% to 4.50% in 2022, is now projected to rise another three-quarters of a percentage point in 2023, hitting a 17-year high of 5.00 % to 5.25%, up from zero to 0.25% at the beginning of 2022.

The US 10-year treasury yield (benchmark)¹ rose in Dec. 2022 (3.88% compared to 3.68% in November 2022). TexPool, TexPool Prime, TexStar, Logic, Texas Class and Texas Class Govt investment pools continue to see increases to monthly yields.

All Investment Pool Accounts listed above are AAAM² rated by Standard & Poor's, the highest rating a local government investment 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.