



Thursday, January 8, 2026
Municipal Development District Board Meeting

Council Chambers
3815 Sachse Road, Building B
7:00 PM

AMENDED
01/02/2026

Municipal Development District Board meetings are available live and on-demand (<https://sachsetx.swagit.com/live>).

A. Regular Meeting

1. Call to Order: The Municipal Development District Board of the City of Sachse will hold a regular meeting on Thursday, January 8, 2025, at 6:00 PM to consider the following items of business:
2. Invocation and Pledge of Allegiance to the U.S. and Texas Flags.

B. Public Comment

The public is invited to address the Board regarding any topic not already on the agenda for action or public hearing. **Comments regarding any discussion-only items on the agenda may be addressed during this Public Comment section.** The time limit is three minutes per speaker. A Public Comment Card should be presented to the acting secretary prior to the meeting. According to the Texas Open Meetings Act, the Board is prohibited from discussing any item not posted on the agenda but will take comments under advisement.

C. Action Items

Action items are for Board discussion and consideration for action. **The presiding officer will invite comments before the Board votes.** A Public Comment Card should be given to the acting secretary prior to the start of the meeting.

1. Consider and elect a President, Vice President, and Secretary for the Municipal Development District Board.
2. Consider approving the October 16, 2025, regular meeting minutes.
3. Consider accepting the Quarterly Investment Report for the quarter ending June 30, 2025.
4. Consider accepting the Quarterly Investment Report for the quarter ending September 30, 2025.
5. Consider accepting the City of Sachse Investment Policy for FY 2025-2026 as adopted by the City Council on November 17, 2025.

D. Discussion Items

These items are for the Board and staff to discuss as needed. **Comments on Discussion Items should be addressed in the Public Comment Section of this meeting.**

1. Receive an update on the purchase of property adjacent to J.K. Sachse Park.

E. Adjournment

I, the undersigned authority, do hereby certify that this notice of a public meeting was posted in accordance with the regulations of the Texas Open Meetings Act and was posted on the bulletin board, an accessible location at Sachse City Hall, on January 2, 2026, by 12 PM.

Leah K Granger, TRMC, City Secretary

Date removed

Accommodation requests for persons with disabilities should be made at least 48 hours prior to the meeting by contacting Logan Thatcher, ADA Coordinator, via phone at 972-495-1212, via email at lthatcher@cityofsachse.com, or by appointment at 3815 Sachse Road, Building B, Sachse, Texas 75048.

C. Action Items

Subject: 1. Consider and elect a President, Vice President, and Secretary for the Municipal Development District Board.

Meeting January 8, 2026 - Municipal Development District Board Meeting

Access Public

Type Discussion, Action

Fiscal Impact None

Recommended Action Review the roles of the Municipal Development District Board. Introduce new and existing Board members. Discuss and elect board members to serve as President, Vice President, and Secretary.

I make a motion to:

- Elect _____ as the President of the Municipal Development District Board.
- Elect _____ as the Vice President of the Municipal Development District Board.
- Elect _____ as the Secretary of the Municipal Development District Board.

Goals Provide excellent government services to Sachse citizens.

BACKGROUND

Every year, half of the board members' terms expire and Council appoints or re-appoints members to fill those seats. New and current Board members will have an opportunity to introduce themselves before discussion and voting. The Board members may discuss who is interested in being elected to the positions of President, Vice President, and Secretary.

POLICY CONSIDERATIONS

§ 8.01.(6) of the Home Rule Charter directs boards, commissions, or committees to elect officers for the ensuing year following annual appointments.

RECOMMENDATION

Review the roles of the Municipal Development District Board. Introduce new and existing Board members. Discuss and elect board members to serve as President, Vice President, and Secretary.

I make a motion to:

- Elect _____ as the President of the Municipal Development District Board.
- Elect _____ as the Vice President of the Municipal Development District Board.
- Elect _____ as the Secretary of the Municipal Development District Board.

File Attachments None

C. Action Items

Subject: 2. Consider approving the October 16, 2025, regular meeting minutes.

Meeting January 8, 2026 - Municipal Development District Board Meeting

Access Public

Type Action, Minutes

Fiscal Impact None

Recommended Action Approve the minutes as presented.

Goals Provide excellent government services to Sachse citizens.

BACKGROUND

Minutes from the October 16, 2025, Municipal Development District Board regular meeting.

POLICY CONSIDERATIONS

State law and Sachse's Charter require minutes to be recorded for public meetings.

RECOMMENDATION

Approve the minutes as presented.

File Attachments

- 1. MunicipalDevelopmentDistrictBoard_Regular_Minutes_10.16.2025-unsigned

**MUNICIPAL DEVELOPMENT DISTRICT BOARD OF THE CITY OF SACHSE
OCTOBER 16, 2025, MEETING MINUTES**

The Municipal Development District Board of the City of Sachse held a regular meeting on Thursday, October 16, 2025, at 6:00 PM at Sachse City Hall, 3815-B Sachse Road. Those present were: Jermaine McDaniel, Butch Kemper, Alicia Linn, Gibbon Joseph.

Those absent were: Ian Bailey, Pat Porter, Chris Alvarez

A. Regular Meeting

1. Call to Order: The Municipal Development District Board of the City of Sachse will hold a regular meeting on Thursday, October 16, 2025, at 6:00 PM to consider the following items of business:

President McDaniel called the meeting to order at 6:04 PM.

2. Invocation and Pledge of Allegiance to the U.S. and Texas Flags.

Mr. Whitworth offered the invocation and Mr. Kemper led the pledges.

B. Public Comment

The public is invited to address the Board regarding any topic not already on the agenda for action or public hearing. **Comments regarding any discussion-only items on the agenda may be addressed during this Public Comment section.** The time limit is three minutes per speaker. A Public Comment Card should be presented to the acting secretary prior to the meeting. According to the Texas Open Meetings Act, the Board is prohibited from discussing any item not posted on the agenda but will take comments under advisement.

No public comments were offered.

C. Action Items

Action items are for Board discussion and consideration for action. **The presiding officer will invite comments before the Board votes.** A Public Comment Card should be given to the acting secretary prior to the start of the meeting.

1. Consider approving the August 7, 2025, regular meeting minutes.

Mr. Kemper made a motion to approve the minutes as presented. Mr. Joseph seconded the motion, and it carried 4–0. None voted against.

2. Discuss and take appropriate action on a Project Funding Agreement with the City of Sachse relating to the purchase of property adjacent to J.K. Sachse Park.

Assistant City Manager Lauren Rose presented the item for discussion and possible action regarding a Project Funding Agreement with the City of Sachse pertaining to the purchase of property adjacent to J.K. Sachse Park.

Mr. Kemper made a motion to approve the item as presented. Ms. Linn seconded the motion, and it carried 4–0. None voted against.

D. Adjournment

President McDaniel adjourned the meeting at 6:24 PM.

Signature: _____
Printed: _____, President

ATTEST:

Signature: _____
Printed: _____, Secretary

C. Action Items

Subject:	3. Consider accepting the Quarterly Investment Report for the quarter ending June 30, 2025.
Meeting	January 8, 2026 - Municipal Development District Board Meeting
Access	Public
Type	Discussion, Action
Fiscal Impact	None
Recommended Action	Accept the Quarterly Investment Report for the quarter ending June 30, 2025.
Goals	Be a model of financial stewardship through growth management; responsible investment; and financial transparency.

BACKGROUND

The Finance Department provides a Quarterly Investment Report to provide an overview of investment activity details for Checking, Money Market, Investment Pool, and Certificate of Deposit accounts. The same Quarterly Investment Report was accepted by City Council on September 2, 2025.

POLICY CONSIDERATIONS

Texas Government Code 2256.023 of the Public Investment Act (PFIA) requires not less than quarterly, the investment officer prepare and submit a written report of investment transactions for all funds covered by the Investment Policy and that the report shall be presented not less than quarterly to each governing body within a reasonable time after the end of the period. The City's Investment Policy is to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of Sachse and conforming to the PFIA and all other State and local statutes governing the investment of public funds.

RECOMMENDATION

Accept the Quarterly Investment Report for the quarter ending June 30, 2025.

File Attachments

- | |
|--|
| 1. Quarterly Investment Report FY 2025 Q3 2025.06.30 |
|--|



To: Gina Nash, City Manager

From: David Baldwin, Director of Finance

Ryan Bredehoeft, Assistant Director of Finance

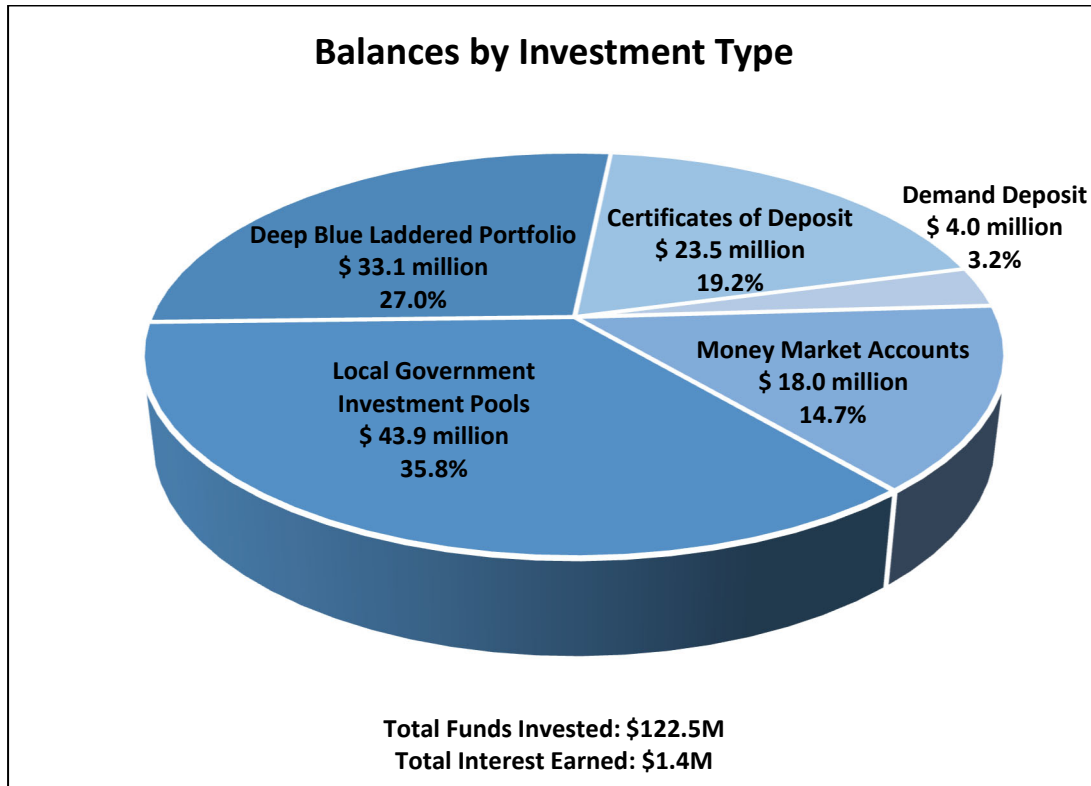
Jeff Sun, Finance and Purchasing Manager

CC: Mayor and City Council

Date: September 2, 2025

Re: Investment Report for the quarter ending June 30, 2025

Attached is the Quarterly Investment Report for the quarter ending June 30, 2025. This report complies with the requirements of the City's Investment Policy and the Public Funds Investment Act as amended. The chart below provides a summary of balances by investment type. See the report for further details.



Account Type	Weighted Average Interest Rate
Demand Deposit	0.00%
Money Market Accounts	4.42%
Local Government Investment Pools	4.48%
Certificates of Deposit	4.72%
Deep Blue Laddered Portfolio	4.16%

Average interest rate yield	4.29%
3-month US Treasury (benchmark)	4.24%

Summary

Quarter End Results by Investment Category:

Asset Type	March 31, 2025		June 30, 2025			
	Book Value	Market Value	Book Value	Market Value	Ave. Yield	Weight
Demand Deposit	\$ 686,702	\$ 686,702	\$ 3,959,363	\$ 3,959,363	0.00%	3%
Money Market Accounts	21,924,441	21,924,441	18,043,411	18,043,411	4.42%	15%
Local Government Investment Pools	43,378,318	43,378,318	43,864,635	43,864,635	4.48%	36%
CDs	29,549,953	29,549,953	23,540,497	23,540,497	4.72%	19%
DBIA Long-Term Portfolio	32,643,560	32,651,002	33,098,360	33,096,425	4.16%	27%
Totals	\$ 128,182,974	\$ 128,190,416	\$ 122,506,266	\$ 122,504,331	4.29%	100%

Current Quarter Average Yield (1)

Total Portfolio 4.29%

Weighted Average Maturity 32.9 days

Rolling Three Month Treasury 4.24%

Rolling Six Month Treasury 4.29%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio 4.52%

Rolling Three Month Treasury 4.27%

Rolling Six Month Treasury 4.27%

Interest Earnings (Approximate)

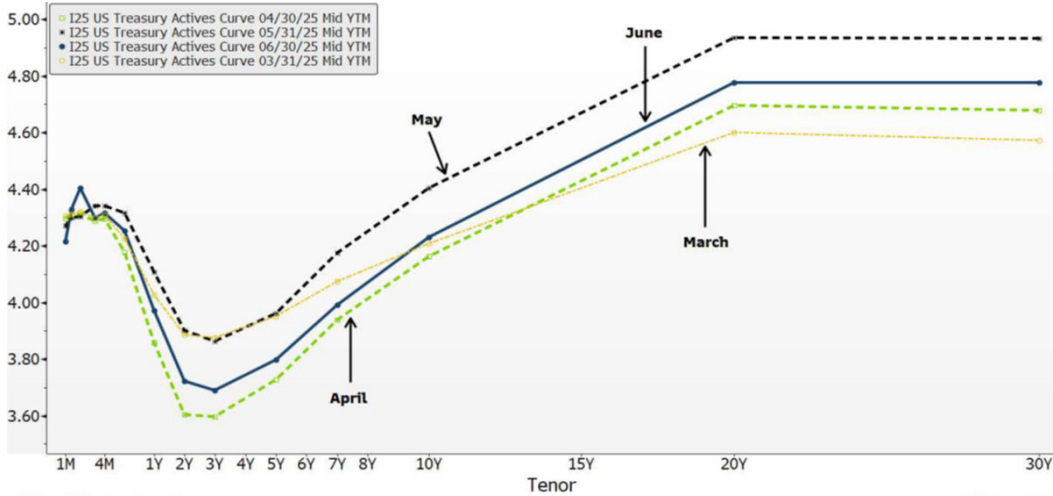
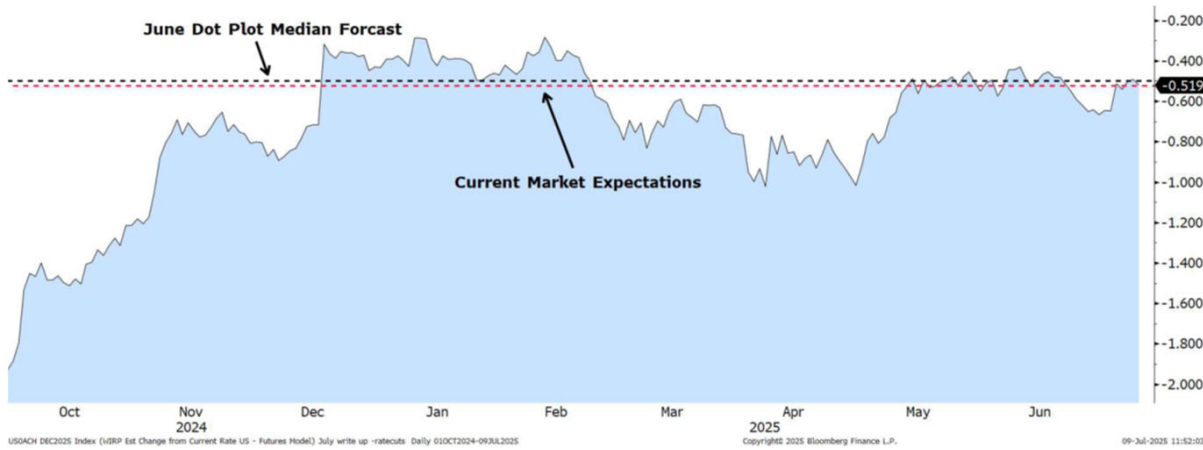
	City	EDC
Interest Earnings QTR	\$ 1,357,699	\$ 68,578
Interest Earnings YTD	\$ 4,061,950	\$ 156,131

(1) Current Quarter Weighted Average Yield - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(2) Fiscal Year-to-Date Weighted Average Yields - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

Economic Update

The U.S. economy experienced a negative GDP growth in Q1, primarily due to an increased trade deficit and companies building up inventory. Consumer spending also saw a slight decline in Q2. The labor market is strong, with nonfarm payrolls increasing and the unemployment rate in June being lower than expected. JOLTS Job Openings were also higher than anticipated. Inflation remains a concern for the Federal Reserve. While the headline CPI report came in slightly above expectations, core CPI was in line with expectations but still above the Fed's 2% target. The Federal Reserve is unlikely to cut interest rates soon. Despite pressure from the White House, Chairman Powell indicated that the Fed would not rush to cut rates due to persistent inflation and low unemployment. Volatility in interest rates is expected to continue as the market anticipates future rate cuts. Finally, the US Treasury yields have generally decreased across all tenors from June 2024 to June 2025, indicating a potential shift in investor sentiment or economic outlook.



US Treasury Yields				
Date and Yield (%)				
Tenor	6/30/2024	4/30/2025	5/31/2025	6/30/2025
1m	5.48	4.35	4.33	4.28
3m	5.47	4.31	4.36	4.41
6m	5.37	4.19	4.36	4.29
1y	5.10	3.85	4.11	3.96
2y	4.77	3.60	3.89	3.72
3y	4.58	3.58	3.87	3.68
5y	4.44	3.72	3.96	3.79

Investment Holdings

June 30, 2025

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Book Value	Market Price	Market Value	Life (days)	Yield	Weight
Checking Accounts										
American Nat'l Bank of Texas Checking		0.00%	6/30/2025	7/1/2025	\$ 3,959,363	1.00	\$ 3,959,363	0	0.00%	3%
Money Market Accounts/Funds										
American Nat'l Bank of Texas		3.81%	6/30/2025	7/1/2025	\$ 765,619	1.00	\$ 765,619	0	3.81%	1%
NexBank Intrafi		4.45%	6/30/2025	7/1/2025	\$ 16,277,185	1.00	\$ 16,277,185	0	4.45%	13%
Local Government Investment Pools										
TX FIT		4.48%	6/30/2025	7/1/2025	\$ 43,864,635	1.00	\$ 43,864,635	0	4.48%	36%
Logic		4.43%	6/30/2025	7/1/2025	\$ 1,000,607	1.00	\$ 1,000,607	0	4.43%	1%
Certificates of Deposit										
BOK Financial 3645		4.59%	6/12/2025	6/15/2023	\$ -	100.00	\$ -	-18	4.59%	0%
Cornerstone Capital Bank 6314		4.59%	6/20/2025	6/20/2024	\$ -	100.00	\$ -	-10	4.59%	0%
BOK Financial 2643		4.59%	7/3/2025	7/6/2023	\$ 551,478	100.00	\$ 551,478	3	4.59%	0%
BOK Financial 3602		4.59%	7/10/2025	7/13/2023	\$ 4,958,612	100.00	\$ 4,958,612	10	4.59%	4%
Cornerstone Capital Bank 7374		4.59%	7/10/2025	7/11/2024	\$ 5,262,413	100.00	\$ 5,262,413	10	4.59%	4%
Cornerstone Capital Bank 2023		4.59%	7/24/2025	7/25/2024	\$ 6,297,700	100.00	\$ 6,297,700	24	4.59%	5%
Texas Bank 0374/0102		5.06%	12/18/2025	12/19/2024	\$ 6,470,294	100.00	\$ 6,470,294	171	5.06%	5%
Deep Blue Laddered Portfolio										
CASH		0.00%	6/30/2025	7/1/2025	\$ 867	1.00	\$ 867	0	0.00%	0%
FIRST AMER:GVT OBLG Y		3.96%	6/30/2025	7/1/2025	\$ 98,226	1.00	\$ 98,226	0	3.96%	0%
THE TORONTO-DOMINION BANK	A-1/P1	0.00%	7/3/2025	12/27/2024	\$ 5,113,750	100.00	\$ 5,113,750	3	2.93%	4%
KEB HANA BANK - NEW YORK AGENCY	A-1	0.00%	8/29/2025	1/13/2025	\$ 5,107,477	100.00	\$ 5,107,477	60	4.41%	4%
CREDIT AGRICOLE CORPORATE AND INVE	A-1/P1	0.00%	9/10/2025	1/13/2025	\$ 5,104,724	100.00	\$ 5,104,724	72	4.34%	4%
SHINHAN BANK - NEW YORK BRANCH	A-1/P1	0.00%	9/12/2025	1/22/2025	\$ 3,850,258	100.00	\$ 3,850,258	74	4.39%	3%
NATIXIS, NEW YORK BRANCH	A-1/P1	0.00%	10/7/2025	1/24/2025	\$ 3,859,290	100.00	\$ 3,859,290	99	4.31%	3%
US TREASURY 8/31/25	AA++	0.25%	8/31/2025	1/23/2025	\$ 3,849,458	100.00	\$ 3,847,836	62	4.44%	3%
US TREASURY 11/15/25	AA++	2.25%	11/15/2025	1/30/2025	\$ 1,002,607	100.00	\$ 1,002,294	138	4.31%	1%
HANNOVER FUNDING - CO LLC	P1	0.00%	12/29/2025	6/27/2025	\$ 5,111,703	100.00	\$ 5,111,703	182	4.42%	4%
TOTAL					\$ 122,506,266		\$ 122,504,331	32.9	4.29%	

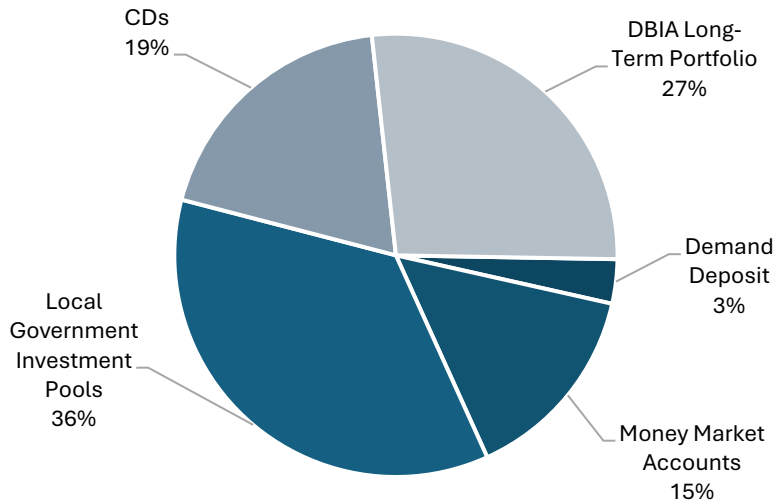
(1) Weighted average life - For purposes of calculating weighted average life, pool investments are assumed to have a one day maturity.

(2) Weighted average yield to maturity - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered.

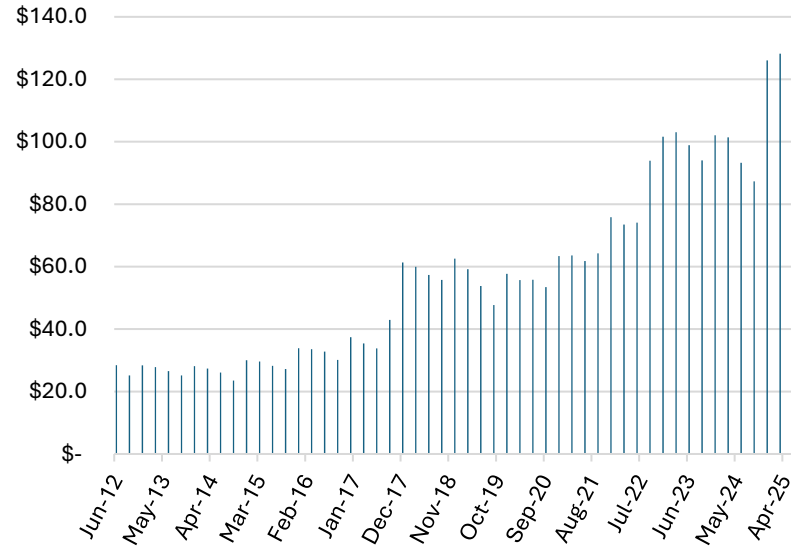
Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 3/31/25	Increases	Decreases	Book Value 6/30/25	Market Value 3/31/25	Change in Market Value	Market Value 6/30/25
Checking Accounts									
American Nat'l Bank of Texas Checking	0.00%	6/30/2025	\$ 686,702	\$ 3,272,661	\$ -	\$ 3,959,363	\$ 686,702	\$ 3,272,661	\$ 3,959,363
Money Market Accounts									
American Nat'l Bank of Texas	3.81%	6/30/2025	758,559	7,060	-	765,619	758,559	7,060	765,619
NexBank Intrafi	4.45%	6/30/2025	21,080,101	-	(4,802,917)	16,277,185	21,080,101	(4,802,917)	16,277,185
Local Government Investment Pools									
TX FIT	4.48%	6/30/2025	43,378,318	486,317	-	43,864,635	43,378,318	486,317	43,864,635
Logic	4.43%	6/30/2025	-	-	-	1,000,607	-	-	1,000,607
Certificates of Deposit									
BOK Financial 3645	4.59%	6/12/2025	1,092,583	-	(1,092,583)	-	1,092,583	(1,092,583)	-
Cornerstone Capital Bank 6314	4.59%	6/20/2025	5,212,689	-	(5,212,689)	-	5,212,689	(5,212,689)	-
BOK Financial 2643	4.59%	7/3/2025	544,745	6,732	-	551,478	544,745	6,732	551,478
BOK Financial 3602	4.59%	7/10/2025	4,898,078	60,534	-	4,958,612	4,898,078	60,534	4,958,612
Cornerstone Capital Bank 7374	4.59%	7/10/2025	5,193,862	68,551	-	5,262,413	5,193,862	68,551	5,262,413
Cornerstone Capital Bank 2023	4.59%	7/24/2025	6,216,839	80,860	-	6,297,700	6,216,839	80,860	6,297,700
Texas Bank 0374/0102	5.06%	12/18/2025	6,391,155	79,139	-	6,470,294	6,391,155	79,139	6,470,294
Deep Blue Laddered Portfolio									
CASH	0.00%	6/30/2025	-	867	-	867	-	867	867
FIRST AMER:GVT OBLG Y	3.96%	6/30/2025	85,780	12,446	-	98,226	85,780	12,446	98,226
MUFG BANK, LTD. - NEW YORK BRANCH	0.00%	6/26/2025	5,056,288	-	(5,056,288)	-	5,056,549	(5,056,549)	-
THE TORONTO-DOMINION BANK	2.93%	7/3/2025	5,056,859	56,891	-	5,113,750	5,057,405	56,345	5,113,750
KEB HANA BANK - NEW YORK AGENCY	4.41%	8/29/2025	5,049,603	57,874	-	5,107,477	5,052,184	55,293	5,107,477
CREDIT AGRICOLE CORPORATE	4.34%	9/10/2025	5,047,977	56,748	-	5,104,724	5,048,903	55,821	5,104,724
SHINHAN BANK - NEW YORK BRANCH	4.39%	9/12/2025	3,806,950	43,308	-	3,850,258	3,808,543	41,715	3,850,258
NATIXIS, NEW YORK BRANCH	4.31%	10/7/2025	3,816,845	42,445	-	3,859,290	3,817,059	42,230	3,859,290
US TREASURY 8/31/25	4.44%	8/31/2025	3,811,354	38,104	-	3,849,458	3,811,993	35,844	3,847,836
US TREASURY 11/15/25	4.31%	11/15/2025	997,685	4,922	-	1,002,607	998,365	3,929	1,002,294
HANNOVER FUNDING - CO LLC	4.42%	12/29/2025	-	5,111,703	-	5,111,703	-	5,111,703	5,111,703
TOTAL/AVERAGE	4.29%		\$ 128,182,973	\$ 9,487,162	\$ (16,164,477)	\$ 122,506,266	\$ 128,190,416	\$ (6,686,692)	\$ 122,504,331

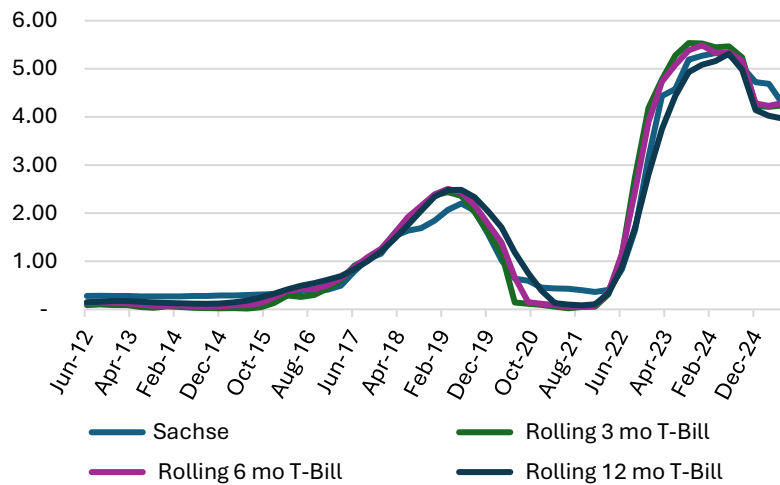
Portfolio Composition



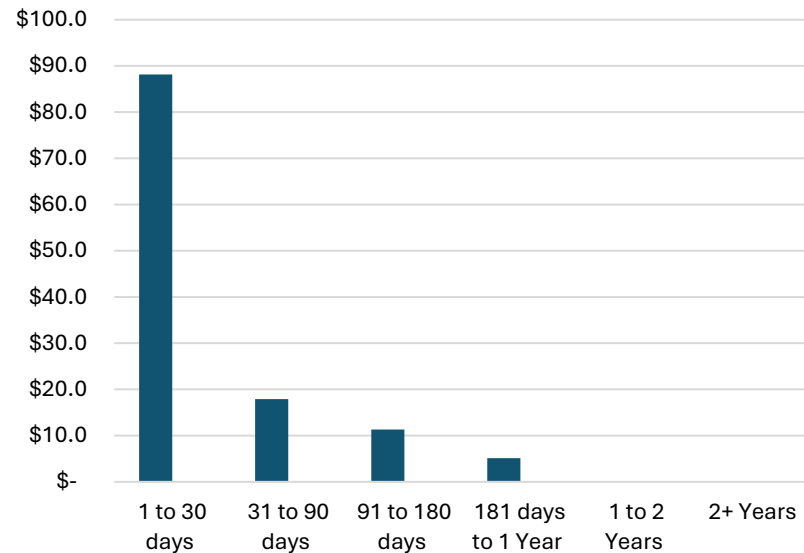
Total Portfolio (Millions)



Total Portfolio Performance



Distribution by Maturity (Millions)



Fund Equity In Pooled Cash and Investment

Fund	Balance as of 3/31/25	Balance as of 6/30/25	Percent	Quarterly Change
01 - General Fund	\$ 18,855,822	\$ 13,334,307	10.88%	\$ (5,521,516)
02 - Utility Fund	23,414,209	23,874,358	19.49%	460,149
03 - Debt Service Fund	3,824,865	3,017,095	2.46%	(807,771)
04 - General Capital Projects	16,617,923	16,952,974	13.84%	335,051
05 - Special Revenue Fund	1,228,225	1,265,066	1.03%	36,841
06 - Economic Development Fund	6,121,890	6,066,441	4.95%	(55,449)
09 - TIRZ 1 - PGBT	197,194	1,392,460	1.14%	1,195,266
11 - Street Maintenance Tax Fund	1,071,424	708,536	0.58%	(362,888)
12 - General VERF	4,521,283	4,858,636	3.97%	337,353
13 - Municipal Development District	885,293	625,587	0.51%	(259,706)
14 - TIRZ 2 - The Station	30,019	269,719	0.22%	239,700
15 - Health Insurance	921,144	645,420	0.53%	(275,723)
16 - PID - O&M	127,263	94,249	0.08%	(33,014)
18 - Hotel Occupancy Tax Fund	51,135	53,260	0.04%	2,125
19 - TIRZ 3 - Highway 78	1,431,013	2,465,933	2.01%	1,034,920
21 - 2022 Bond Construction Fund	39,722,985	37,854,466	30.90%	(1,868,519)
22 - Roadway Impact Fee	1,166,386	1,179,839	0.96%	13,452
23 - Water Impact Fee	5,116,707	4,933,875	4.03%	(182,832)
24 - Sewer Impact Fee	2,179,236	1,837,370	1.50%	(341,867)
55 - Utility VERF	700,564	1,076,675	0.88%	376,112
Total Pooled Cash and Investments	\$ 128,184,582	\$ 122,506,266	100.00%	\$ (5,678,316)

Notes:

Consistent with City policy, investment activity is attributed to all of the City's accounting funds collectively and on a proportional basis to each fund's total cash balance.

It is the strategy of the Finance Department to maintain a high percentage of its idle funds invested in safe and secure investment securities and pooled investment types in accordance with the Public Funds Investment Act.

The City's investments are liquid and have same day access (although may be subject to an early withdrawal penalty). The City's funds are swept into the above accounts and are withdrawn as needed for operational cash flow requirements.

C. Action Items

Subject:	4. Consider accepting the Quarterly Investment Report for the quarter ending September 30, 2025.
Meeting	January 8, 2026 - Municipal Development District Board Meeting
Access	Public
Type	Action (Consent)
Fiscal Impact	None
Recommended Action	Accept the Quarterly Investment Report for the quarter ending September 30, 2025.
Goals	Be a model of financial stewardship through growth management; responsible investment; and financial transparency.

BACKGROUND

The Finance Department provides a Quarterly Investment Report to provide an overview of investment activity details for Checking, Money Market, Investment Pool, and Certificate of Deposit accounts. The same Quarterly Investment Report was accepted by City Council on December 1, 2025.

POLICY CONSIDERATIONS

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RECOMMENDATION

Accept the Quarterly Investment Report for the quarter ending September 30, 2025.

File Attachments

- | |
|--|
| 1. Quarterly Investment Report FY 2025 Q4 2025.09.30 |
|--|



To: Gina Nash, City Manager

From: David Baldwin, Director of Finance

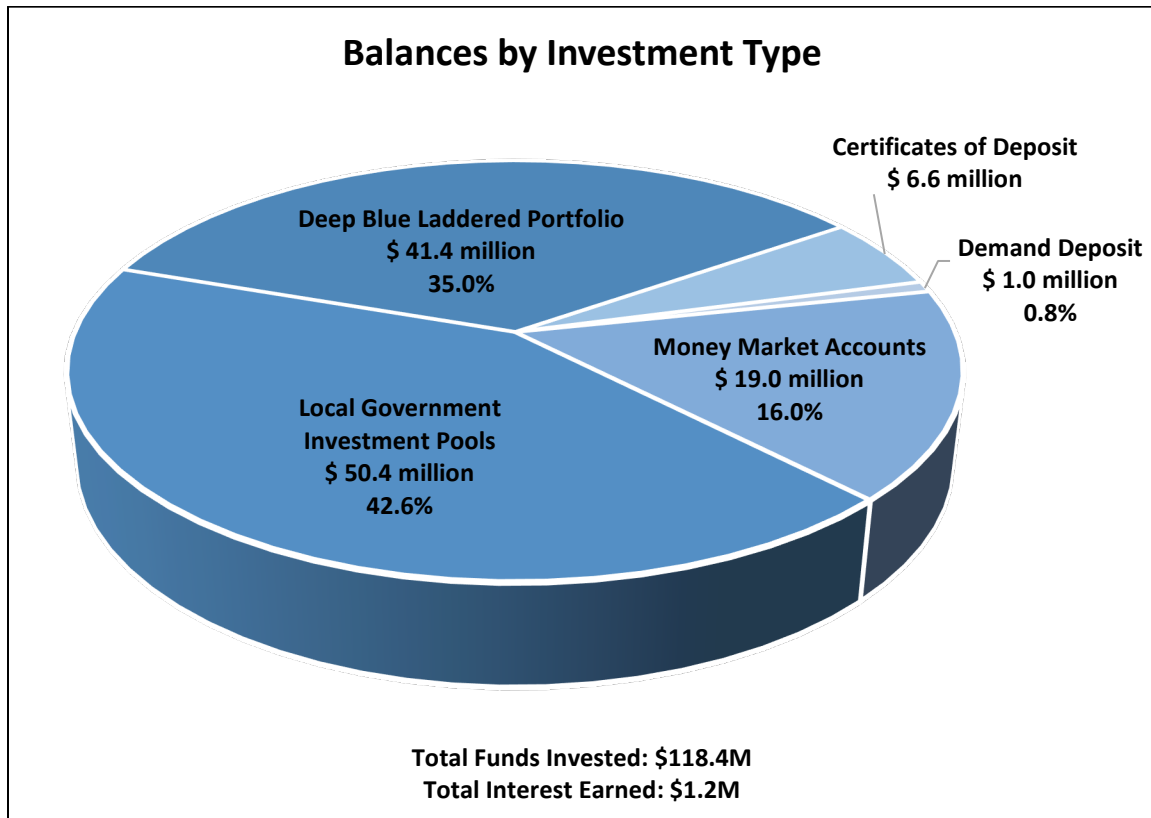
Jeff Sun, Finance and Purchasing Manager

CC: Mayor and City Council

Date: December 1, 2025

Re: Investment Report for the quarter ending September 30, 2025

Attached is the Quarterly Investment Report for the quarter ending September 30, 2025. This report complies with the requirements of the City's Investment Policy and the Public Funds Investment Act as amended. The chart below provides a summary of balances by investment type. See the report for further details.



Account Type	Weighted Average Interest Rate
Demand Deposit	0.00%
Money Market Accounts	4.23%
Local Government Investment Pools	4.48%
Certificates of Deposit	4.94%
Deep Blue Laddered Portfolio	4.02%

Average interest rate yield	4.27%
3-month US Treasury (benchmark)	3.86%

Summary

Quarter End Results by Investment Category:

Asset Type	June 30, 2025		September 30, 2025			
	Book Value	Market Value	Book Value	Market Value	Ave. Yield	Weight
Demand Deposit	\$ 3,959,363	\$ 3,959,363	\$ 990,905	\$ 990,905	0.00%	1%
Money Market Accounts	18,043,411	18,043,411	18,984,192	18,984,192	4.23%	16%
Local Government Investment Pools	43,864,635	43,864,635	50,430,549	50,430,549	4.48%	43%
CDs	23,540,497	23,540,497	6,551,299	6,551,299	4.94%	6%
DBIA Long-Term Portfolio	33,098,360	33,096,425	41,435,844	41,458,017	4.02%	35%
Totals	\$ 122,506,266	\$ 122,504,331	\$ 118,392,788	\$ 118,414,961	4.27%	100%

Current Quarter Average Yield (1)

Total Portfolio 4.27%

Weighted Average Maturity 88.8 days

Rolling Three Month Treasury 3.86%

Rolling Six Month Treasury 3.83%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio 4.52%

Rolling Three Month Treasury 4.13%

Rolling Six Month Treasury 4.12%

Interest Earnings (Approximate)

	City	EDC
Interest Earnings QTR	\$ 1,164,758	\$ 61,963
Interest Earnings YTD	\$ 5,226,708	\$ 218,094

(1) Current Quarter Weighted Average Yield - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis; realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

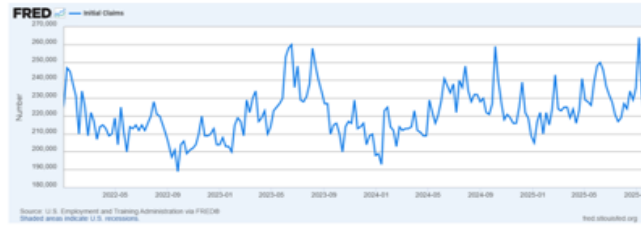
(2) Fiscal Year-to-Date Weighted Average Yields - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

Economic Update

The US economy saw a strong performance in Q2 2025, with Real Gross Domestic Product (GDP) registering a 3.8% growth rate in its final revision, a significant acceleration from the previous quarter. This strong number, the fastest in nearly two years, was primarily driven by a sharp 2.5% increase in personal consumption expenditures and a decline in the overall value of imports. Despite the GDP strength, the labor market showed signs of softening. Nonfarm payrolls saw significant downward revisions, with the most recent three-month average falling to 28k, well below the previous quarter's 141k mark, leading economists to describe the environment as a "no fire, no hire" market. However, JOLTS Job Openings slightly beat expectations at 7.227 million, stabilizing around pre-Covid levels. In response to a softening labor market and persistent inflation, the Federal Reserve Chairman Jerome Powell resumed his rate cutting cycle after a nine-month pause, lowering the rate by 25 basis points in mid-September. With headline CPI at 2.9% year-over-year and unemployment at 4.3%, and inflation possibly reaccelerating due to tariff policies, it is widely anticipated the Fed will implement another 25 basis point cut in October. Investors are advised to expect volatility from changes in interest rates and market expectations for future rate cuts.

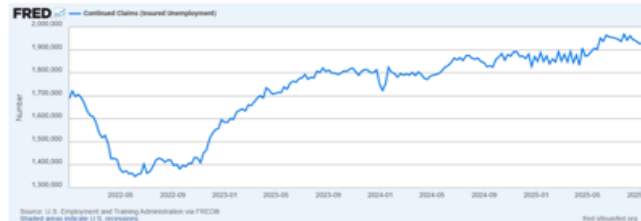
US Labor Market – US Initial Jobless Claims

- Initial jobless claims in the week ending September 20th, decline 13k to 218k, coming in below expectations of 233k. This is the lowest reading since the week of July 18th. Initial jobless claims continue to be rangebound over the last few years, but has declined sharply within their range as of late.

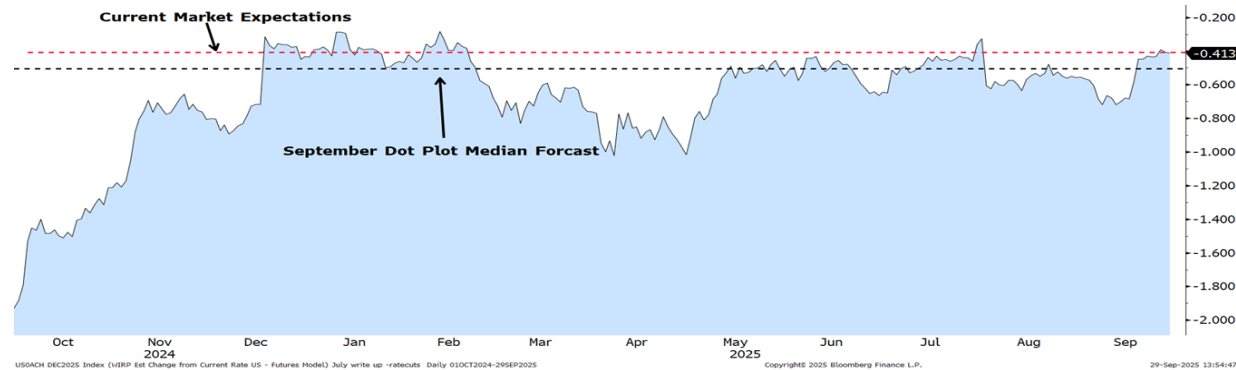


US Labor Market – US Continuing Claims

- Continuing claims came in at 1,926k for the week ending September 13th, below expectations of 1,932k. The four-week average is at its lowest level in three months. Recent continuing claims don't point to much change in the unemployment rate, which was 4.3% in August.



US Treasury Yields				
Date and Yield (%)				
Tenor	9/30/2024	7/31/2025	8/31/2025	9/30/2025
1m	4.93	4.49	4.41	4.20
3m	4.73	4.41	4.23	4.02
6m	4.38	4.31	4.01	3.83
1y	3.98	4.10	3.83	3.68
2y	3.66	3.94	3.59	3.60
3y	3.58	3.89	3.58	3.61
5y	3.58	3.96	3.68	3.74



US04GH DEC2025 Index (YERP Est Change from Current Rate US - Futures Model) July write up -ratecuts Daily 01OCT2024-29SEP2025 Copyright 2025 Bloomberg Finance L.P. 29-Sep-2025 13:54:47

Investment Holdings
September 30, 2025

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Book Value	Market Price	Market Value	Life (days)	Yield	Weight
Checking Accounts										
American Nat'l Bank of Texas Checking		0.00%	6/30/2025	7/1/2025	\$ 990,905	1.00	\$ 990,905	0	0.00%	1%
Money Market Accounts/Funds										
American Nat'l Bank of Texas		3.81%	6/30/2025	7/1/2025	\$ 503,682	1.00	\$ 503,682	0	3.61%	0%
NexBank Intrafi		4.45%	6/30/2025	7/1/2025	\$ 16,459,690	1.00	\$ 16,459,690	0	4.25%	14%
Logic		4.43%	6/30/2025	7/1/2025	\$ 2,020,820	1.00	\$ 2,020,820	0	4.33%	2%
Local Government Investment Pools										
TX FIT		4.48%	6/30/2025	7/1/2025	\$ 50,430,549	1.00	\$ 50,430,549	0	4.48%	43%
Certificates of Deposit										
Texas Bank 0374/0102		5.06%	12/18/2025	12/19/2024	\$ 6,551,299	100.00	\$ 6,551,299	79	4.94%	6%
Deep Blue Laddered Portfolio										
Cash		0.00%	9/30/2025	10/1/2025	\$ 4,698	1.00	\$ 4,698	0	0.00%	0%
FIRST AMER:GVT OBLG Y		3.75%	9/30/2025	10/1/2025	\$ 315,889	1.00	\$ 315,889	0	3.75%	0%
NATIXIS, NEW YORK BRANCH	A-1/P1	0.00%	10/7/2025	1/24/2025	\$ 3,902,201	99.93	\$ 3,902,201	7	3.69%	3%
US TREASURY 11/15/25	AA+	2.25%	11/15/2025	1/30/2025	\$ 1,007,572	99.79	\$ 1,007,869	46	3.91%	1%
HANNOVER FUNDING - CO LLC	P1	0.00%	12/29/2025	6/27/2025	\$ 5,169,799	98.92	\$ 5,169,799	90	4.35%	4%
FIRST ABU DHABI BANK	A-1+/P1	0.00%	5/14/2026	9/15/2025	\$ 3,891,394	97.55	\$ 3,891,394	226	4.00%	3%
SOCIÉTÉ GÉNÉRALE SOCIÉTÉ	A-1/P1	0.00%	6/3/2026	7/7/2025	\$ 5,166,832	97.18	\$ 5,166,832	246	4.25%	4%
LLOYDS BANK PLC	A-1/P1	0.00%	7/1/2026	7/14/2025	\$ 4,037,441	96.89	\$ 4,037,441	274	4.22%	3%
US TREASURY 8/15/26	AA+	4.38%	8/15/2026	7/14/2025	\$ 3,926,575	100.52	\$ 3,937,368	319	3.76%	3%
MUFG SECURITIES LTD	A-1/P1	0.00%	8/20/2026	9/12/2025	\$ 5,160,422	96.28	\$ 5,160,422	324	4.30%	4%
US TREASURY 9/15/26	AA+	4.63%	9/15/2026	9/3/2025	\$ 5,033,236	100.84	\$ 5,038,725	350	3.73%	4%
US TREASURY 10/31/26	AA+	4.13%	10/31/2026	9/3/2025	\$ 3,819,786	100.43	\$ 3,825,379	396	3.71%	3%
TOTAL					\$ 118,392,788		\$ 118,414,961	88.8	4.27%	

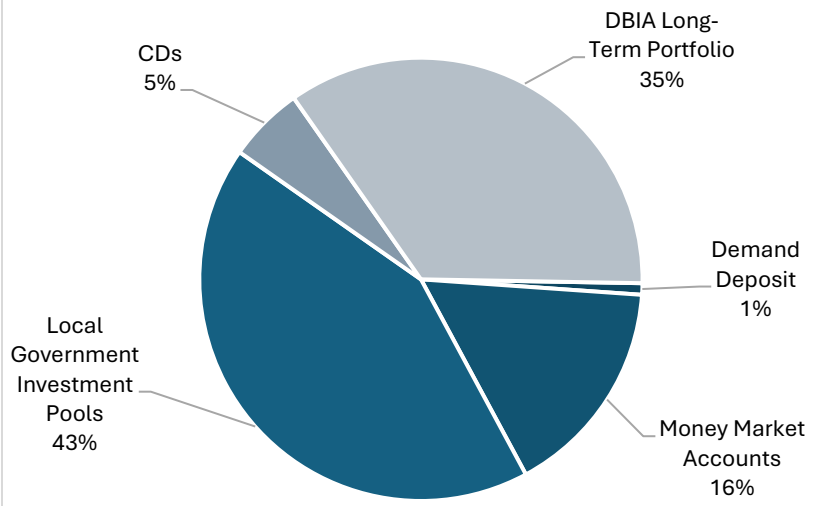
(1) Weighted average life - For purposes of calculating weighted average life, pool investments are assumed to have a one day maturity.

(2) Weighted average yield to maturity - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered.

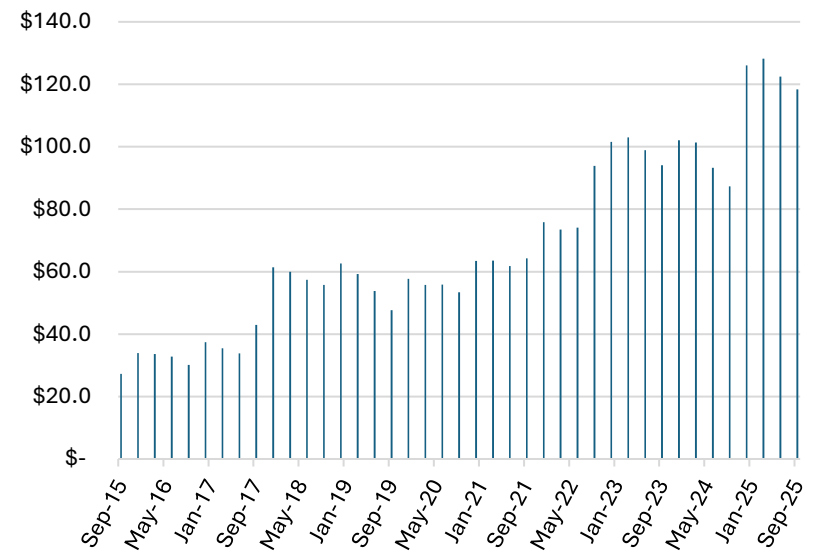
Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 6/30/25	Increases	Decreases	Book Value 9/30/25	Market Value 6/30/25	Change in Market Value	Market Value 9/30/25
Checking Accounts									
American Nat'l Bank of Texas Checking	0.00%	9/30/2025	\$ 3,959,363	\$ -	\$ (2,968,458)	\$ 990,905	\$ 3,959,363	\$ (2,968,458)	\$ 990,905
Money Market Accounts									
American Nat'l Bank of Texas	3.61%	9/30/2025	765,619	-	(261,937)	503,682	765,619	(261,937)	503,682
NexBank Intrafi	4.25%	9/30/2025	16,277,185	182,505	-	16,459,690	16,277,185	182,505	16,459,690
Local Government Investment Pools									
TX FIT	4.48%	9/30/2025	43,864,635	6,565,914	-	50,430,549	43,864,635	6,565,914	50,430,549
Logic	4.33%	9/30/2025	1,000,607	1,020,213	-	2,020,820	1,000,607	1,020,213	2,020,820
Certificates of Deposit									
BOK Financial 2643	0.00%	7/3/2025	551,478	-	(551,478)	-	551,478	(551,478)	-
BOK Financial 3602	0.00%	7/10/2025	4,958,612	-	(4,958,612)	-	4,958,612	(4,958,612)	-
Cornerstone Capital Bank 7374	0.00%	7/10/2025	5,262,413	-	(5,262,413)	-	5,262,413	(5,262,413)	-
Cornerstone Capital Bank 2023	0.00%	7/24/2025	6,297,700	-	(6,297,700)	-	6,297,700	(6,297,700)	-
Texas Bank 0374/0102	4.94%	12/18/2025	6,470,294	81,005	-	6,551,299	6,470,294	81,005	6,551,299
Deep Blue Laddered Portfolio									
CASH	0.00%	9/30/2025	867	3,830	-	4,698	867	3,830	4,698
FIRST AMER:GVT OBLG Y	3.75%	9/30/2025	98,226	217,664	-	315,889	98,226	217,664	315,889
THE TORONTO-DOMINION BANK	0.00%	7/3/2025	5,113,750	-	(5,113,750)	-	5,113,750	(5,113,750)	-
KEB HANA BANK - NEW YORK AGENCY	0.00%	8/29/2025	5,107,477	-	(5,107,477)	-	5,107,477	(5,107,477)	-
CREDIT AGRICOLE CORPORATE	0.00%	9/10/2025	5,104,724	-	(5,104,724)	-	5,104,724	(5,104,724)	-
SHINHAN BANK - NEW YORK BRANCH	0.00%	9/12/2025	3,850,258	-	(3,850,258)	-	3,850,258	(3,850,258)	-
NATIXIS, NEW YORK BRANCH	3.69%	10/7/2025	3,859,290	42,912	-	3,902,201	3,859,290	42,912	3,902,201
US TREASURY 8/31/25	0.00%	8/31/2025	3,849,458	-	(3,849,458)	-	3,847,836	(3,847,836)	-
US TREASURY 11/15/25	3.91%	11/15/2025	1,002,607	4,965	-	1,007,572	1,002,294	5,575	1,007,869
HANNOVER FUNDING - CO LLC	4.35%	12/29/2025	5,111,703	58,096	-	5,169,799	5,111,703	58,096	5,169,799
FIRST ABU DHABI BANK	4.00%	5/14/2026	-	3,891,394	-	3,891,394	-	3,891,394	3,891,394
SOCIÉTÉ GÉNÉRALE SOCIÉTÉ	4.25%	6/3/2026	-	5,166,832	-	5,166,832	-	5,166,832	5,166,832
LLOYDS BANK PLC	4.22%	7/1/2026	-	4,037,441	-	4,037,441	-	4,037,441	4,037,441
US TREASURY 8/15/26	3.76%	8/15/2026	-	3,926,575	-	3,926,575	-	3,937,368	3,937,368
MUFG SECURITIES LTD	4.30%	8/20/2026	-	5,160,422	-	5,160,422	-	5,160,422	5,160,422
US TREASURY 9/15/26	3.73%	9/15/2026	-	5,033,236	-	5,033,236	-	5,038,725	5,038,725
US TREASURY 10/31/26	3.71%	10/31/2026	-	3,819,786	-	3,819,786	-	3,825,379	3,825,379
TOTAL/AVERAGE	4.27%		\$ 122,506,266	\$ 39,212,790	\$ (43,326,265)	\$ 118,392,788	\$ 122,504,331	\$ (4,089,369)	\$ 118,414,962

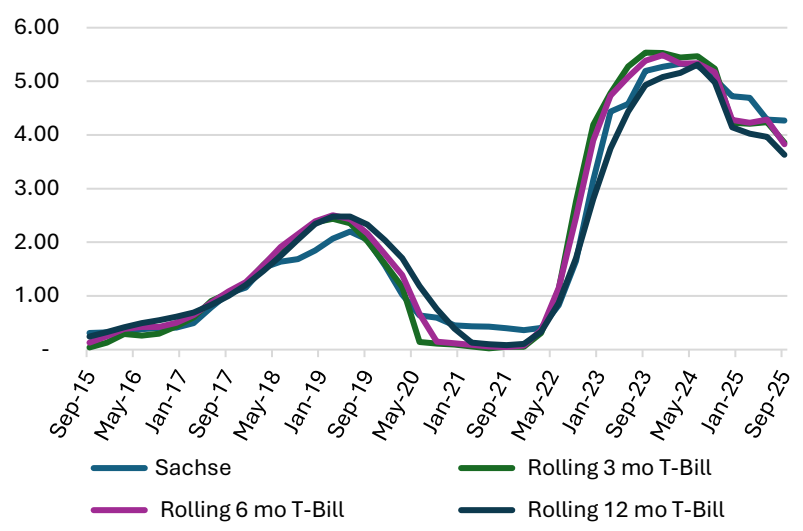
Portfolio Composition



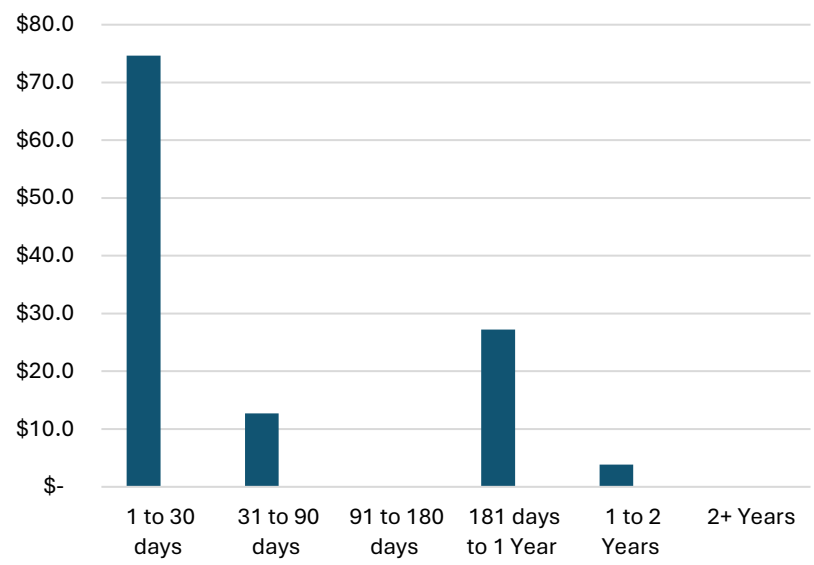
Total Portfolio (Millions)



Total Portfolio Performance



Distribution by Maturity (Millions)



Fund Equity In Pooled Cash and Investment

Fund	Balance as of 6/30/25	Balance as of 9/30/25	Percent	Quarterly Change
01 - General Fund	\$ 13,334,307	\$ 8,638,651	7.29%	\$ (4,695,656)
02 - Utility Fund	23,874,358	25,345,354	21.41%	1,470,996
03 - Debt Service Fund	3,017,095	1,710,516	1.44%	(1,306,579)
04 - General Capital Projects	16,952,974	16,786,037	14.18%	(166,937)
05 - Special Revenue Fund	1,265,066	1,241,422	1.05%	(23,644)
06 - Economic Development Fund	6,066,441	6,124,534	5.17%	58,093
09 - TIRZ 1 - PGBF	1,392,460	1,406,769	1.19%	14,308
11 - Street Maintenance Tax Fund	708,536	789,398	0.67%	80,862
12 - General VERF	4,858,636	5,080,377	4.29%	221,741
13 - Municipal Development District	625,587	493,659	0.42%	(131,928)
14 - TIRZ 2 - The Station	269,719	269,877	0.23%	158
15 - Health Insurance	645,420	905,448	0.76%	260,028
16 - PID - O&M	94,249	71,691	0.06%	(22,558)
18 - Hotel Occupancy Tax Fund	53,260	54,958	0.05%	1,698
19 - TIRZ 3 - Highway 78	2,465,933	2,491,204	2.10%	25,271
21 - 2022 Bond Construction Fund	37,854,466	37,739,978	31.88%	(114,488)
22 - Roadway Impact Fee	1,179,839	1,501,568	1.27%	321,729
23 - Water Impact Fee	4,933,875	4,932,235	4.17%	(1,640)
24 - Sewer Impact Fee	1,837,370	1,353,653	1.14%	(483,717)
55 - Utility VERF	1,076,675	1,455,461	1.23%	378,786
Total Pooled Cash and Investments	\$ 122,506,266	\$ 118,392,788	100.00%	\$ (4,113,478)

Notes:

Consistent with City policy, investment activity is attributed to all of the City's accounting funds collectively and on a proportional basis to each fund's total cash balance.

It is the strategy of the Finance Department to maintain a high percentage of its idle funds invested in safe and secure investment securities and pooled investment types in accordance with the Public Funds Investment Act.

The City's investments are liquid and have same day access (although may be subject to an early withdrawal penalty). The City's funds are swept into the above accounts and are withdrawn as needed for operational cash flow requirements.

C. Action Items

Subject:	5. Consider accepting the City of Sachse Investment Policy for FY 2025-2026 as adopted by the City Council on November 17, 2025.
Meeting	January 8, 2026 - Municipal Development District Board Meeting
Access	Public
Type	Discussion, Action
Fiscal Impact	None
Recommended Action	Accept the City of Sachse Investment Policy for FY 2025-2026 as adopted by the City Council on November 17, 2025.
Goals	Be a model of financial stewardship through growth management; responsible investment; and financial transparency.

BACKGROUND

The City's current Investment Policy was reviewed by City Council on November 17, 2025, in accordance with the Public Funds Investment Act (PFIA). The PFIA requires that the Investment Policy be reviewed annually by the City Council and the Boards of all component units.

The Investment Policy approved by City Council for FY 2025-2026 included the following modifications:

- Title and I. Policy
 - Remove Tax Increment Financing Reinvestment Zone Number One
 - Reason: Board terminated in May 2025 after goals accomplished and obligations paid
- V. Delegation of Authority
 - Update Senior Accountant to Finance and Purchasing Manager
 - Reason: Position title change
- X. Portfolio Diversification
 - Add AAAM to Investment Pools Rating Requirement (Minimum)
 - Reason: Updated to match IX. Authorized & Suitable Investments, section F.8.

POLICY CONSIDERATIONS

The recommended policy for adoption is in compliance with Texas Government Code, Chapter 2256, the Public Funds Investment Act (PFIA).

RECOMMENDATION

Accept the City of Sachse Investment Policy for FY 2025-2026 as adopted by the City Council on November 17, 2025.

File Attachments

1. Presentation_Investment Policy Review FY 2024-2025
2. Res. R-2025-19 Adopt the Sachse Investment Policy FY25-26

Investment Policy Annual Review Fiscal Year 2025-2026

City Council
November 17, 2025



Policy Considerations

- Public Finance Investment Act (PFIA) and City Policy require annual review
- All changes must be approved by City Council
- Review/acceptance of changes also required by boards of all component units

Proposed Changes

Section	Change From	Change To	Reason
Title I. Policy	Tax Increment Financing Reinvestment Zone Number One	(Removed)	Board terminated in May 2025 after goals accomplished and obligations paid
V. Delegation of Authority	Senior Accountant	Finance and Purchasing Manager	Position title change
X. Portfolio Diversification	Investment Pools Rating Requirement (Minimum) AAAm	Investment Pools Rating Requirement (Minimum) AAA or AAAm	Updated to match IX. Authorized & Suitable Investments, section F.8.

RESOLUTION NO. R-2025-19

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, ADOPTING THE CITY OF SACHSE, SACHSE ECONOMIC DEVELOPMENT CORPORATION, SACHSE MUNICIPAL DEVELOPMENT DISTRICT, TAX INCREMENT FINANCING REINVESTMENT ZONE NUMBER TWO, AND TAX INCREMENT REINVESTMENT ZONE NUMBER THREE INVESTMENT POLICY (“SACHSE INVESTMENT POLICY”) ATTACHED HERETO AS EXHIBIT “A”; DECLARING THAT THE CITY COUNCIL HAS COMPLETED ITS REVIEW OF THE INVESTMENT POLICY AND INVESTMENT STRATEGIES OF THE CITY AND THAT EXHIBIT “A” RECORDS ANY CHANGES TO EITHER THE INVESTMENT POLICY OR INVESTMENT STRATEGIES; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in accordance with the Public Funds Investment Act, Chapter 2256, Texas Government Code, the City Council of the City of Sachse, Texas by resolution adopted an investment policy, and

WHEREAS, Section 2256 005, Texas Government Code requires the City Council to review the investment policies and investment strategies not less than annually and to adopt a resolution or order stating the review has been completed and recording any changes made to either the investment policies or investment strategies

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, THAT

SECTION 1. The Sachse Investment Policy, attached hereto as Exhibit “A” be and the same is hereby adopted and shall govern the investment policies and investment strategies for the City, and shall define the authority of the investment official of the City from and after the effective date of this resolution.

SECTION 2. The City Council of the City of Sachse has completed its review of the investment policies and investment strategies and any changes made to either the investment policies or investment strategies are recorded in Exhibit “A” hereto

SECTION 3. All provisions of the Resolutions of the City of Sachse, Texas, in conflict with the provisions of this Resolution be, and the same are hereby, repealed, and all other provisions of the Resolutions of the City not in conflict with the provisions of this Resolution shall remain in full force and effect

SECTION 4. Should any word, sentence, paragraph, subdivision, clause, phrase, or section of this Resolution be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said Resolution, which shall remain in full force and effect.


SECTION 5. This Resolution shall become effective immediately from and after its passage.

SECTION 6. This Resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, Texas, this the 17th day of November 2025.



CITY OF SACHSE, TEXAS



Jeff Bickerstaff, Mayor

ATTEST:



Leah K Granger, City Secretary

Exhibit "A"
CITY OF SACHSE
SACHSE ECONOMIC DEVELOPMENT CORPORATION
MUNICIPAL DEVELOPMENT DISTRICT
TAX INCREMENT FINANCING REINVESTMENT ZONE NUMBER TWO
TAX INCREMENT REINVESTMENT ZONE NUMBER THREE
INVESTMENT POLICY

I. Policy

Throughout this Investment Policy, the City of Sachse, Sachse Economic Development Corporation, Sachse Municipal Development District, Tax Increment Financing Reinvestment Zone Number Two, and Tax Increment Reinvestment Zone Number Three shall be singularly referred to as "ENTITY" and collectively referred to as "SACHSE "

It is the policy of SACHSE to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of SACHSE and conforming to the Public Funds Investment Act ("PFIA"), Chapter 2256 of the Texas Government Code, the Public Funds Collateral Act ("PFCA"), Chapter 2257 of the Texas Government Code, and all other State and local statutes governing the investment of public funds

II. Scope

This Investment Policy applies to all funds or financial resources available for investment under SACHSE's financial control and accounted for in the City of Sachse's Annual Comprehensive Financial Report (ACFR) which includes the General Fund, Debt Service Fund, Special Revenue Fund, Capital Projects Fund, Utility Fund, Sachse Economic Development Corporation Fund, President George Bush Turnpike Reinvestment Zone Tax Increment Fund, Tax Increment Financing Reinvestment Zone Number Two, Tax Increment Reinvestment Zone Number Three, and any new fund created by SACHSE unless specifically exempt

To maximize the effective investment of assets, all funds may pool their cash balances for investment purposes. The income derived from investing activities will be distributed to the various funds based on calculation of their average balances

III. Prudence

Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of their capital and the probable income to be derived

The standard of prudence to be used by Investment Officers shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment

Officers, acting in accordance with written procedures and the Investment Policy and exercising due diligence, shall be relieved of personal responsibility for an individual investment's credit risk or market price changes, provided deviation from expectations are reported immediately upon knowledge of the deviation and appropriate action is taken to control adverse developments

IV. Objective

The primary objectives, in priority order, of SACHSE investment activities shall be

- A **Safety:** Safety of principal is the foremost objective of the investment program. Investments of SACHSE shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- B **Liquidity:** The SACHSE investment portfolio will remain sufficiently liquid to enable SACHSE to meet all operating requirements which might be reasonably anticipated.
- C **Public Trust:** Investment Officers shall seek to act responsibly as custodians of the public trust. Investment Officers shall avoid any transaction that might impair public confidence in SACHSE's ability to govern effectively.
- D **Return on Investments:** SACHSE's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with SACHSE's investment risk constraints and the cash flow characteristics of the portfolio.

V. Delegation of Authority

Management responsibility for the investment program is hereby delegated to the Director of Finance, the Assistant Director of Finance and the Finance and Purchasing Manager of the City of Sachse (the "Investment Officers"). The Director of Finance shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Procedures should include reference to safekeeping or custody, repurchase agreements, wire transfer agreements, banking service contracts, and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Investment Policy and the procedures established by the Director of Finance. The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates. The City may contract with a registered investment advisor for the management of the City's portfolio. The advisor shall review the Investment Policy and execute all transactions in accordance with the provisions and controls of the Investment Policy.

VI. Ethics and Conflicts of Interest

Investment Officers involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment Officers shall disclose to SACHSE any material financial interest in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of SACHSE, particularly with regard to the time of purchases and sales

Investment Officers involved in the investment process shall adhere to the business relationship and other disclosure requirements as described in the PFIA 2256 005(i) by filing statements with the Texas Ethics Commission and each ENTITY's governing body

VII. Authorized Broker/Dealers

The list of authorized broker/dealers shall be annually approved by the City Council (Appendix A) These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule)

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Investment Officer with the following: audited financial statements, proof of Financial Industry Regulatory Authority (FINRA) certification, trading resolution, and/or proof of State registration, as applicable

It is at the discretion of the Investment Officer as to which authorized broker/dealer shall be used for any buy/sell transactions

VIII. Investment Strategy

SACHSE's basic investment strategy for all financial assets is to preserve principal In order to achieve that objective, SACHSE restricts the authorized investment instruments to those with suitable and limited credit and market risk In order to make effective use of SACHSE's resources, all monies may be pooled into one portfolio, if practical, except for those monies required to be accounted for in other accounts as stipulated by applicable laws, bond covenants, ordinances, contracts, agreements, or other policies

The objective of liquidity stems from the need of SACHSE to maintain available cash balances sufficient to cover financial outlays Since the timing and amount of some financial disbursements are not predictable, fund-type strategies shall adjust for the uncertainty of projected cash flows

Investment marketability will be maintained based on the fund-type strategies to sufficiently and reasonably assure that investments could be liquidated prior to the maturity, if cash needs dictate

Whenever practical or appropriate, it is the policy of SACHSE to diversify its investment portfolio. Assets held in the investment portfolio may be diversified to minimize the risk of loss resulting from concentration of assets in a specific maturity, a specific issuer, or a specific class of investment

SACHSE funds shall seek to achieve a competitive yield appropriate for each strategy. Yield objectives shall at all times be subordinate to the objectives of safety and liquidity. Tax-exempt debt proceeds shall be invested to maximize the interest earnings retained by SACHSE, while at the same time fully complying with all applicable State laws and federal regulations, including the arbitrage rebate regulations. A competitive yield environment shall be achieved by soliciting quotes from multiple investment providers, monitoring comparable investment alternatives, and reviewing general market conditions.

The overall investment strategy of SACHSE is based on the premise that a certain amount of SACHSE's funds will be needed to pay current year expenditures or for projects that are to be complete within a specific time frame. Remaining funds are considered to be reserves and, barring any unforeseen emergencies or events beyond SACHSE's control, it is considered that these funds may be invested, within the maturity limits of this Policy, in an advantageous position on the yield curve. It is understood that investments in longer term instruments are sensitive to changes in interest rates and other market conditions, however, it is SACHSE's belief that such investments may be held to maturity if necessary.

SACHSE may maintain one portfolio in which all funds under its control are pooled for investment purposes. Within the pooled portfolio are fund components, each having an investment strategy as described below:

- A. Governmental Funds – the funds through which most governmental functions are financed and the primary operating funds of SACHSE. The investment strategy must allow for the investment of anticipated cash flows to meet the anticipated expenditures of the following funds:
 - 1. General Fund
 - 2. Debt Service Fund
 - 3. Special Revenue Fund
 - 4. Capital Projects Fund
 - 5. Sachse Economic Development Corporation Fund
 - 6. Tax Increment Financing Reinvestment Zone Number One
 - 7. Tax Increment Financing Reinvestment Zone Number Two

8 Tax Increment Reinvestment Zone Number Three

The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective

- B Proprietary Funds - the funds used in SACHSE's business-type activities or Enterprise activities financed primarily by user charges and fees. The strategy for these funds is to time investment maturities to anticipated cash requirements. Some project funds may allow investments with short to intermediate maturities.

The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective.

- C The Debt Service and Interest/Sinking Funds should consist of short-term investments, whose maturities meet the scheduled debt service payments. Reserves may be invested in longer-term investments

The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective

- D Special Revenue Fund and other Non-operating Funds investments should be in short-term instruments with maturities laddered to meet projected cash needs. Reserves are idle funds that may be invested in intermediate to long-term investments after analysis of future plans for use of the funds

The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective

IX. Authorized & Suitable Investments

SACHSE is empowered by statute to invest in the following

- A Obligations of, or guaranteed by, governmental entities
1. obligations of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks,
 2. direct obligations of this State or its agencies and instrumentalities,
 3. other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of this State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, and

- 4 obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent

B Financial Institution Deposits A financial institution deposit is an authorized investment under this Policy if the deposit is with a state or national bank, a savings and loan association, or credit union that is

- 1 guaranteed or insured by the Federal Deposit Insurance Corporation ("FDIC") or its successor, or the National Credit Union Share Insurance Fund ("NCUSIF"), or its successor,
- 2 secured by obligations that are described in Section XIII Collateralization, and
3. executed through a depository institution or broker that has its main office or a branch office in Texas and meets the requirements of the PFIA

C Repurchase Agreements

- 1 A fully collateralized repurchase agreement is an authorized investment if the repurchase agreement
 - (a) has a defined termination date,
 - (b) is secured by cash or obligations described by Section IX A1,
 - (c) requires the cash or securities being purchased by SACHSE to be delivered versus payment to SACHSE, held in SACHSE's account with a third party selected and approved by SACHSE, and
 - (d) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this State.
- 2 "Repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date, obligations described by Section IX A1 at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed

D Mutual Funds

- 1 A no-load money market mutual fund is an authorized investment under this Policy if the mutual fund

- (a) is registered with and regulated by the Securities and Exchange Commission;
 - (b) provides SACHSE with a prospectus and other information as required by the Securities Exchange Act of 1934 (15 U S C Section 78a et seq) or the Investment Company Act of 1940 (15 U S C Section 80a-1 et seq),
 - (c) has a dollar-weighted average stated maturity in compliance with regulations,
 - (d) includes in its investment objectives the maintenance of a stable net asset value of \$1 0000 for each share; and
 - (e) is continuously rated no lower than AAAM or at an equivalent rating by one nationally recognized rating service
- 2 SACHSE is not authorized by this section to invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund in an amount that exceeds 10 percent of the total assets of the mutual fund

E Commercial Paper issued in the United States

- 1 With a stated maturity of 365 or less from the date of its issuance
- 2 Is rated not less than "A-1" or "P-1" or an equivalent rating by at least two nationally recognized credit rating agencies

F Investment Pools

- 1. SACHSE may invest its funds and funds under its control through an eligible investment pool if each ENTITY's governing body by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by the PFIA 2256.016
- 2 To be eligible to receive funds from and invest funds on behalf of an entity under the PFIA 2256 016, an investment pool must furnish to the Investment Officers or other authorized representative of the entity an offering circular or other similar disclosure instrument that contains at a minimum, the following information
 - (a) the types of investments in which money is allowed to be invested;

- (b) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool,
- (c) the maximum stated maturity date any investment security within the portfolio has,
- (d) the objectives of the pool,
- (e) the size of the pool,
- (f) the names of the members of the advisory board of the pool and the dates their terms expire,
- (g) the custodian bank that will safekeep the pool's assets,
- (h) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation,
- (i) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment,
- (j) the name and address of the independent auditor of the pool,
- (k) the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool, and
- (l) the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios

3 To maintain eligibility to receive funds from and invest funds on behalf of an entity under the PFIA 2256.016, at a minimum an investment pool must furnish to the Investment Officer or other authorized representative of the entity

- (a) investment transaction confirmations, and
- (b) a monthly report that contains, as a minimum, the following information
 - (1) the types and percentage breakdown of securities in which the pool is invested,

- (2) the current average dollar-weighted maturity, based on the stated maturity date, of the pool,
 - (3) the current percentage of the pool's portfolio in investments that have stated maturities of more than one year,
 - (4) the book value versus the market value of the pool's portfolio, using amortized cost valuation;
 - (5) the size of the pool,
 - (6) the number of participants in the pool,
 - (7) the custodian bank that is safekeeping the assets in the pool,
 - (8) a listing of daily transaction activity of the entity participating in the pool,
 - (9) the yield and expense ratio of the pool;
 - (10) the portfolio managers of the pool, and
 - (11) any changes or addenda to the offering circular
- 4 SACHSE, by contract, may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds
 5. Investment Pool "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the Federal Securities and Exchange Commission
 - 6 A public funds investment pool utilized as a cash-equivalent investment must mark its portfolio to market daily and, to the extent reasonably possible, stabilize at a \$1 00 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0 995 or greater than 1 005, portfolio holdings may be sold as necessary to maintain the ratio between 0 995 and 1 005
 - 7 An Investment pool must have an advisory board composed
 - (a) Equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for pools created under Chapter 791 Texas State Code and managed by a state agency, or

- (b) of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools
- 8 A public funds investment pool must be continuously rated no lower than AAA or AAAM or at an equivalent rating by one nationally recognized rating service
- 9 If the investment pool operates an Internet website, the information in a disclosure instrument or report described in Subsections (b), (c)(2), and (f) must be posted on the website
- 10 To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must make available to the entity an annual audited financial statement of the investment pool in which the entity has funds invested
- 11 If an investment pool offers fee breakpoints based on fund balances invested, the investment pool in advertising investment rates must include either all levels of return based on the breakpoints provided or state the lowest possible level of return based on the smallest level of funds invested

X. Portfolio Diversification

Security Type	Maximum Security Limits	Maximum Issuer Limit	Maturity Limits	Rating Requirement (Minimum)
Investment Pools	100%	50%	N/A	AAA or AAAM
Direct Obligations of U S Treasury	100%	N/A	5 years	N/A
U S Government Agencies	80%	20%	5 years	N/A
Financial Institution Deposits	50%	20%	3 yrs	N/A
Money Market Funds	50%	25%	N/A	AAAM
Federal Instrumentalities or Government Sponsored Enterprises ("GSE")	50%	20%	5 years	N/A
Commercial Paper	35%	10%	365 days	A1/P1
State or Local Government Taxable or Tax-Exempt Debt	25%	5%	5 years	A

XI. Unauthorized Investments

The following are not authorized investments under this section.

- A. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal,

- B Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest, and
- C Collateralized mortgage obligations

Any Authorized & Suitable Investment that requires a minimum rating does not qualify during the period the investment does not have the minimum rating SACHSE shall take all prudent measures that are consistent with this Policy to liquidate an investment that does not have the minimum rating Additionally, SACHSE is not required to liquidate investments that were authorized at the time of purchase

XII. Primary Depository

In compliance with State legislation, a Primary Depository shall be selected through SACHSE's banking services procurement process, which shall include a formal request for application (RFA) In selecting a Primary Depository, the Director of Finance shall conduct a review of prospective depository's credit characteristics and financial history

No public deposit shall be made except in a qualified public depository as established by State laws

XIII. Collateralization

Collateralization will be required on two types of investments financial institution deposits (in amounts exceeding FDIC or NCUSIF insurance coverage) and repurchase agreements. With the exception of Letters of Credit issued for 100% of amount, the minimum collateralization level will be 102% of market value of principal and accrued interest, less FDIC or NCUSIF insurance when applicable

SACHSE chooses to limit collateral (including letters of credit) to the obligations of, or guaranteed by, governmental entities as outlined in the Public Funds Collateral Act

All financial institution deposits shall be insured or collateralized in compliance with applicable State law SACHSE reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards financial institution deposits Financial institutions serving as depositories will be required to sign a depository agreement with SACHSE The collateralized deposit portion of the agreement shall define SACHSE's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including

- The agreement must be in writing,
- The agreement has to be executed by the Depository and SACHSE contemporaneously with the acquisition of the asset;

- The agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to SACHSE, and
- The agreement must be part of the Depository's "official record" continuously since its execution

Securities pledged as collateral shall be held by an independent third party acceptable to SACHSE. The custodial agreement is to specify the acceptable investment securities as collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities at default, and the method of valuation of securities.

XIV. Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by SACHSE shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held in an account in SACHSE's name by a third-party safekeeping agent/custodian designated by the Investment Officers and evidenced by safekeeping receipts or custody statements.

XV. Electronic Fund Transfer

SACHSE may use electronic means to transfer or invest all funds collected or controlled by the local government.

XVI. Diversification

SACHSE will diversify its investments by types, maturity dates, and/or institutions, as appropriate.

XVII. Maximum Maturities and Weighted Average Maturity

To the extent possible, SACHSE will attempt to match its anticipated cash flow requirements with maturing investments. SACHSE will not directly invest in instruments maturing more than 2 years from the date of purchase, with the maximum weighted average maturity for the total portfolio to not exceed twelve months. However, SACHSE may collateralize its repurchase agreements using longer dated investments not to exceed 5 years to maturity.

Reserve funds may be invested in instruments up to and including 5 years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

XVIII. Internal Control

The Director of Finance shall establish an annual process of independent review by an external auditor in conjunction with the annual audit. This review will provide internal control by assuring compliance with policies and procedures.

XIX. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. "Weighted Average Yield to Maturity" shall be the standard for calculating portfolio rate of return.

XX. Reporting

- A. The Investment Officers shall prepare and submit quarterly a written report of investment transactions for all funds covered by this Investment Policy for the preceding reporting period.
- B. The report must include the following:
1. describe in detail the investment position of SACHSE on the date of the report,
 2. be prepared jointly by all Investment Officers of SACHSE,
 3. be signed by each Investment Officer of SACHSE,
 4. contain a summary statement of each pooled fund group that states the
 - (a) beginning market value for the reporting period,
 - (b) ending market value for the period, and
 - (c) fully accrued interest for the period
 5. state the book value and market value of each separately invested asset at the beginning and end of the reporting period by type of asset and fund type invested,
 6. state the maturity date of each separately invested asset that has a maturity date,
 7. state the account or fund or pooled group fund in the local government for which each individual investment was acquired, and

- 8 state the compliance of the Investment Portfolio of the local government as it relates to
- (a) the Investment Strategy expressed in SACHSE's Investment Policy, and
 - (b) relevant provisions of the PFIA
- C The report shall be presented not less than quarterly to each ENTITY's governing body within a reasonable time after the end of the period
- D The market values and credit ratings presented in all portfolio reports shall be accurate and reliable estimates of the investment's true value and risk. Market value and credit rating sources may include, but are not limited to, rating agency reports, newspapers, financial websites, custodian reports, broker/dealer reports, and investment advisor research.

XXI. Investment Policy Adoption

SACHSE's Investment Policy shall be adopted by resolution of each ENTITY's governing body. This Policy shall be reviewed annually and any modifications made thereto must be approved by each ENTITY's governing body. Each ENTITY's governing body shall adopt a written instrument attesting to each annual review.

XXII. Auditor

As part of the annual audit, the independent auditor must formally review the quarterly investment reports to comply with the PFIA and report the results of that review to each ENTITY's governing body.

XXIII. Training

In order to ensure qualified and capable investment management, the Investment Officers, their designated subordinates, Treasurer, and Chief Financial Officer of SACHSE shall attend training that includes education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and PFIA compliance. SACHSE approves the Government Finance Officers Association, Government Finance Officers Association of Texas, Government Treasurers' Organization of Texas, North Central Texas Council of Governments, Texas City Managers Association, Texas Municipal League, and University of North Texas as independent sources of training.

Each individual shall attend training accumulating at least 10 hours of instruction within twelve months of assuming investment-related responsibilities; and shall then receive not less than 8 hours of investment-related instruction within each subsequent two-year period aligned with SACHSE's fiscal year end.

XXIV. Donated Investments

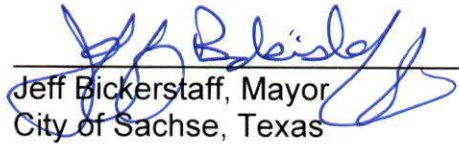
This Policy does not apply to an investment donated to SACHSE for a particular purpose or under terms of use specified by the donor

XXV. Investment Policy Certification

The qualified representative of any business organization (including investment pool and discretionary investment management firm) offering to engage in an investment transaction must execute a written instrument substantially to the effect that the business organization has received and reviewed the Investment Policy and that the business organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the organization and SACHSE


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PASSED AND APPROVED by the City Council of the City of Sachse, Texas this 17th day of November, 2025.



Jeff Bickerstaff, Mayor
City of Sachse, Texas

ATTEST:



Leah K Granger, City Secretary
City of Sachse, Texas

Acknowledged by the Sachse Economic Development Corporation, Texas this _____ day of _____, 202__.

Scott McMurdie, President
Sachse Economic Development Corporation

ATTEST:

Name/Title:
Sachse Economic Development Corporation

Acknowledged by the Sachse Municipal Development District, Texas this _____ day of _____, 202__.

Name/Title:
Sachse Municipal Development District

ATTEST:

George H. Kemper, Vice-Chairperson
Sachse Municipal Development District

Acknowledged by the Tax Increment Financing Reinvestment Zone Number Two, Texas
this _____ day of _____, 202__

Jeff Bickerstaff, Chairperson
Tax Increment Financing Reinvestment Zone
Number Two

ATTEST

Leah K Granger, City Secretary
Tax Increment Financing Reinvestment Zone Number Two

Acknowledged by the Tax Increment Reinvestment Zone Number Three Fund, Texas
this _____ day of _____, 202__

Jeff Bickerstaff, Chairperson
Tax Increment Reinvestment Zone Number
Three

ATTEST

Leah K Granger, City Secretary
Tax Increment Reinvestment Zone Number Three

Appendix A

Authorized Broker/Dealer Firms

Bank of America	FHN Financial	RBC Capital Mkts
BNY Mellon Capital Markets	Goldman Sachs	SAMCO Capital Markets
BB&T Capital Mkts	Hilltop Securities	Seelaus
Blaylock Van	ICAP North America Inc	Siebert Williams
BTIG	InspereX	Signature Securities Corp
BNY Capital Markets	JPMorgan	Stephens Inc.
Cabrera	Middlegate Securities	Stifel, Nicolaus & Co
Cantor Fitzgerald	Mizuho Securities	StoneX
Capital Inst Services (CAPIS)	Morgan Stanley	Suntrust Robinson Humphrey
CIBC	MUFG Securities Americas Inc.	Truist
Citigroup	Oppenheimer & Co.	Tigress
Duncan Williams	Piper Sandler	Wells Fargo Securities
Fifth Third Securities	Raymond James & Assoc	

D. Discussion Items

Subject:	1. Receive an update on the purchase of property adjacent to J.K. Sachse Park.
Meeting	January 8, 2026 - Municipal Development District Board Meeting
Access	Public
Type	Information, Discussion
Fiscal Impact	None
Recommended Action	Discuss details regarding the purchase of the land adjacent to J.K. Sachse Park.
Goals	Provide a high quality of life environment for families; individuals; businesses; and other organizations in Sachse.

BACKGROUND

Staff will provide an update to the Board on the land acquisition process for the property adjacent to J.K. Sachse Park.

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

Discuss details regarding the purchase of the land adjacent to J.K. Sachse Park.

File Attachments None
