



**Thursday, April 11, 2024**  
**Municipal Development District Board Meeting**


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

**A. Regular Meeting**

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1. Call to Order: The Municipal Development District Board of the City of Sachse will hold a regular meeting on Thursday, April 11, 2024, at 7:00 PM to consider the following items of business:
2. Invocation and Pledge of Allegiance to the U.S. and Texas Flags.
3. The public is invited to address the Board regarding any topic not already on the agenda. The time limit is 3 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.
4. Consider approving the February 8, 2024, regular meeting minutes.
5. Accept the Quarterly Investment Report for the quarter ending December 31, 2023.
6. Discuss and receive an update on Phase 2 of the J.K. Sachse Park project.
7. 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.

  
Leah K Granger, City Secretary

Posted: 04/05/2024 by 5 p.m. 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](mailto:lthatcher@cityofsachse.com), or by appointment at 3815 Sachse Road, Building B, Sachse, Texas 75048.

## **A. Regular Meeting**

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**Subject:** 4. Consider approving the February 8, 2024, regular meeting minutes.

Meeting April 11, 2024 - Municipal Development District Board Meeting

Access Public

Type Action (Consent), Minutes

Fiscal Impact (Yes/No)

Dollar Amount \$\_\_\_\_\_

Budgeted (Yes/No)

Budget Source

Recommended Action Approve the minutes as presented.

Goals Provide excellent government services to Sachse citizens.

### **BACKGROUND**

Minutes from the February 8, 2024, Municipal Development District Board meeting.

### **POLICY CONSIDERATIONS**

There are no policy considerations affiliated with this item.

### **RECOMMENDATION**

Approve the minutes as presented.

File Attachments
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1. MunicipalDevelopmentDistrictBoard_Regular_Minutes_02.08.2024
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**MUNICIPAL DEVELOPMENT DISTRICT BOARD OF THE CITY OF SACHSE  
FEBRUARY 8, 2024, MEETING MINUTES**

The Municipal Development District Board of the City of Sachse held a regular meeting on Thursday, February 8, 2024, at 7:00 p.m. at Sachse City Hall, 3815-B Sachse Road. Members present were President Jermaine McDaniel; Vice President Butch Kemper; Secretary Ian Bailey; Board members Valarie Pike, Pat Porter, Chris Alvarez, and Alicia Linn; Leisure Services Director, Lance Whitworth; and Administrative Coordinator Jennifer Hagood.

**Members absent:** None.

**Call to Order.**

President McDaniel called the meeting to order at 7:29 p.m.

**Invocation and Pledges of Allegiance to the US and Texas Flags.**

Mr. Whitworth led the invocation and the pledges.

**Public Comment.**

No public comment was made.

**Introductions of new and current Board members.**

Mr. Whitworth asked for all current and new Board members to briefly introduce themselves to the Board.

**Election of the Municipal Development District Board President, Vice President, and Secretary.**

Mr. Alvarez recommended electing the following:

- Jermaine McDaniel as President
- Butch Kemper as Vice President
- Ian Bailey as Secretary

Mr. Bailey made a motion to approve the item as Mr. Alvarez noted. Ms. Pike seconded the motion, and it carried unanimously.

**Consider approval of the August 10, 2023, meeting minutes.**

Ms. Porter made a motion to approve the item as presented. Mr. Kemper seconded the motion, and it carried unanimously.

**Consider accepting the Quarterly Investment Report for the quarter ending June 30, 2023.**

Ms. Pike made a motion to approve the item as presented. Mr. Kemper seconded the motion, and it carried unanimously.

**Consider accepting the Quarterly Investment Report for the quarter ending September 30, 2023.**

Mr. Kemper made a motion to approve the item as presented. Ms. Porter seconded the motion, and it carried unanimously.

**Consider accepting the City of Sachse Investment Policy for FY 2023-2024 as adopted by the City Council on December 4, 2023.**

Mr. Kemper made a motion to approve the item as presented. Mr. Bailey seconded the motion, and it carried unanimously.

**Discuss and receive an update on Phase 2 of the J.K. Sachse Park project.**

Mr. Whitworth reviewed the direction the Board has taken over the last four years with the MDD funds. J.K. Sachse Park has been the biggest project since the donation of the land to the City. Phase 2A is the Pickleball court should take three to four months to complete. Phase 2B is next to be started which includes the playgrounds on the property. There are three different playground vendors that are making proposals to the City.

**Set upcoming Board meeting date.**

The next meeting is scheduled for Thursday, April 11, 2024, at 7:00 p.m.

**Adjournment.**

Mr. McDaniel adjourned the meeting at 8:05 p.m.

**APPROVE:**

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Jermaine McDaniel, President

**ATTEST:**

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Butch Kemper, Vice President

## A. Regular Meeting

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<b>Subject:</b>	<b>5. Accept the Quarterly Investment Report for the quarter ending December 31, 2023.</b>
Meeting	April 11, 2024 - Municipal Development District Board Meeting
Access	Public
Type	Action, Discussion
Fiscal Impact	(Yes/No)
Dollar Amount	\$_____
Budgeted	(Yes/No)
Budget Source	
Recommended Action	Accept the Quarterly Investment Report for the quarter ending December 31, 2023.
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 March 4, 2024.

### **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 December 31, 2023.

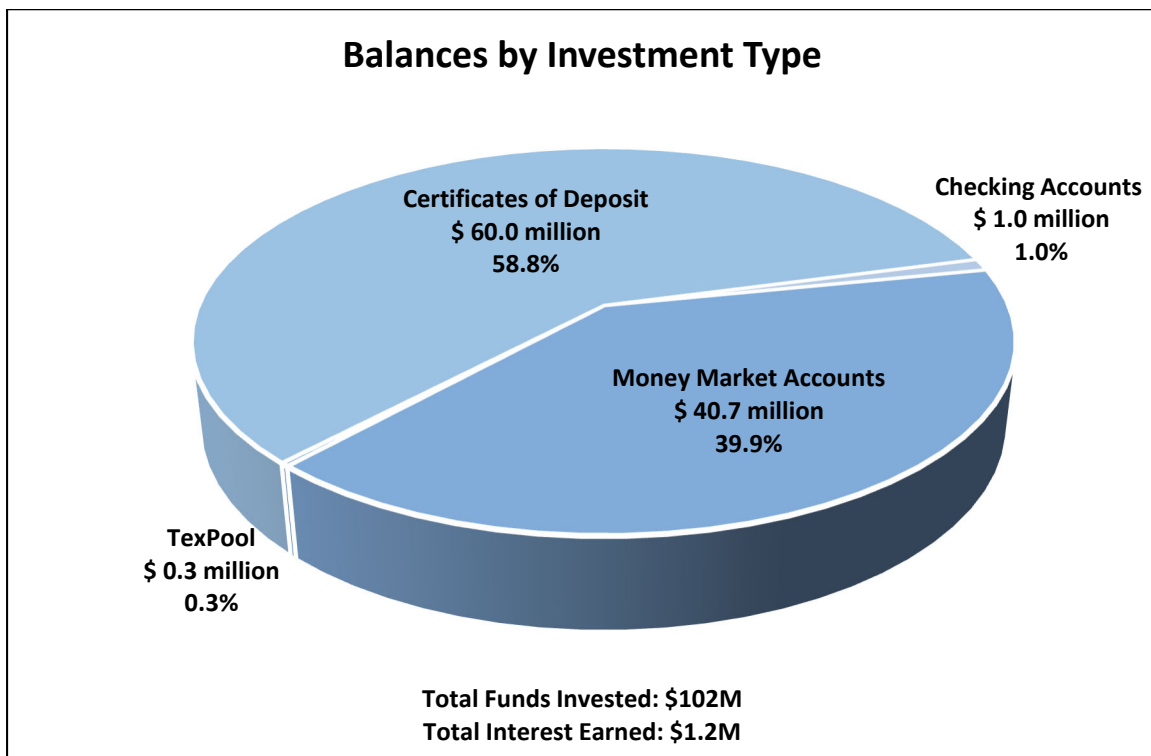
File Attachments
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| 1. Quarterly Investment Report FY 2024 Q1 2023.12.31 |
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**To:** Gina Nash, City Manager  
**From:** David Baldwin, Director of Finance  
 Ryan Bredehoeft, Assistant Director of Finance  
 Katelyn Ellis, Senior Accountant  
**CC:** Mayor and City Council  
**Date:** March 4, 2024

**Re:** Investment Report for the quarter ending December 31, 2023

Attached is the Quarterly Investment Report for the quarter ending December 31, 2023. 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
Checking Accounts	0.00%
Money Market Accounts	5.56%
TexPool	5.37%
Certificates of Deposit	5.17%

Average interest rate yield	5.27%
TexPool (benchmark)	5.37%



The City of  
**SACHSE**

## QUARTERLY INVESTMENT REPORT

For the Quarter Ended

December 31, 2023

Prepared by  
Valley View Consulting, L.L.C.

The investment portfolio of the City is in compliance with the Public Funds Investment Act and the Investment Policy and strategies.

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Director of Finance

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Assistant Director of Finance

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Senior Accountant

**Disclaimer:** These reports were compiled using information provided by the City of Sachse. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields and do not account for investment advisor fees.

## Summary

### Quarter End Results by Investment Category:

Asset Type	September 30, 2023		December 31, 2023		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Demand Deposit/ Money Market/Pool	\$ 34,589,332	\$ 34,589,332	\$ 42,056,757	\$ 42,056,757	5.42%
CDs/Securities	59,445,297	59,445,297	60,028,446	60,028,446	5.17%
<b>Totals</b>	<b>\$ 94,034,629</b>	<b>\$ 94,034,629</b>	<b>\$ 102,085,203</b>	<b>\$ 102,085,203</b>	5.27%

#### Current Quarter Average Yield (1)

Total Portfolio 5.27%

#### Fiscal Year-to-Date Average Yield (2)

Total Portfolio 5.27%

**Weighted Average Maturity** 118 days

Rolling Three Month Treasury 5.53%  
 Rolling Six Month Treasury 5.49%  
 TexPool 5.37%

Rolling Three Month Treasury 5.53%  
 Rolling Six Month Treasury 5.49%  
 TexPool 5.37%

#### Interest Earnings (Approximate)

	City	EDC
Interest Earnings QTR	\$ 1,131,099	\$ 63,767
Interest Earnings YTD	\$ 1,131,099	\$ 63,767

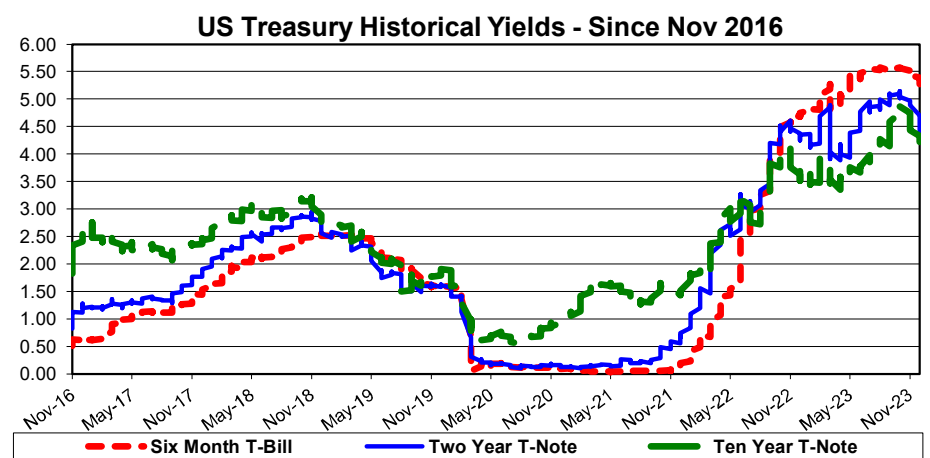
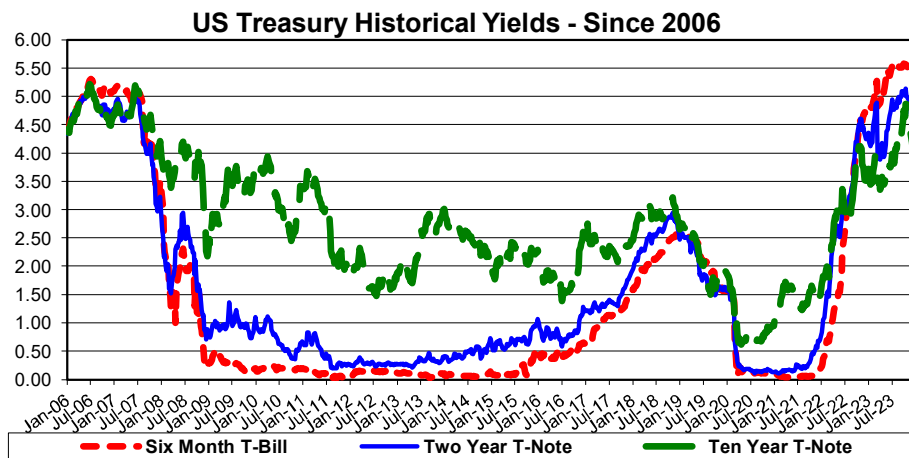
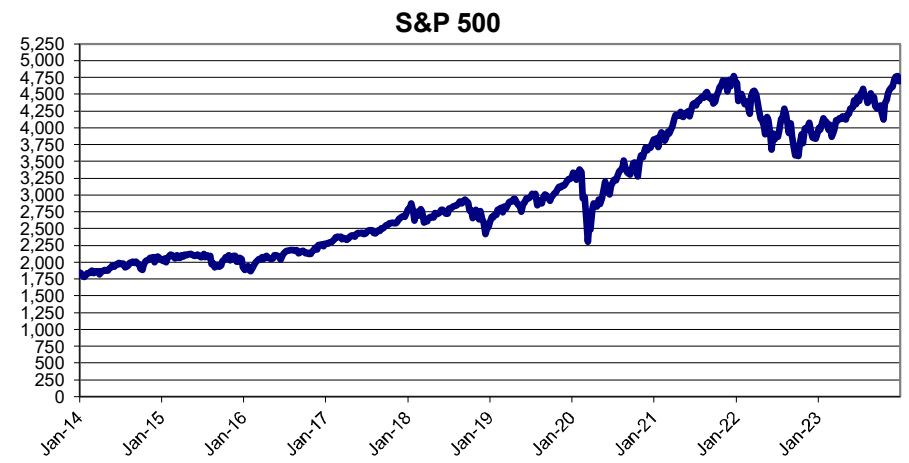
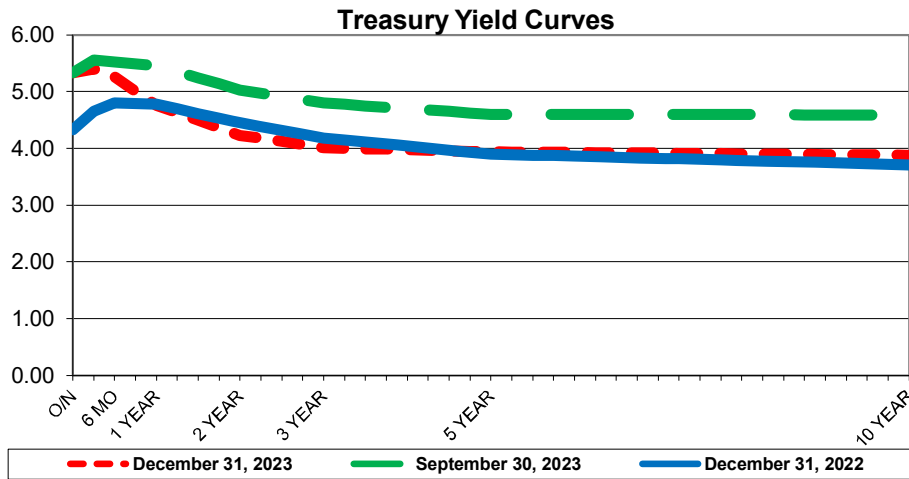
(1) Current Quarter Weighted Average Yield - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis; realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool,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

12/31/2023

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range 5.25% - 5.50% (Effective Fed Funds are trading +/-5.33%). Any additional actions, up or down, will be data-dependent. Final Third Quarter 2023 GDP revised downward to 4.9%, but still robust growth. December Non-Farm Payroll posted 216k new jobs (above the estimated 170k). The Three Month Rolling Average declined to 165k. The S&P 500 Stock Index reached a new peak trading over 4,770 (exceeding 4,766 in Dec 2021). The yield curve shifted lower anticipating future FOMC target reductions. Crude Oil stabilized at +/- \$73 per barrel. Inflation continued to decline but still remained above the FOMC 2% target (Core PCE +/-3.2% and Core CPI +/-4.0%). Reduced global economic outlooks and ongoing/expanding military conflicts increase uncertainty.



**Investment Holdings**  
**December 31, 2023**

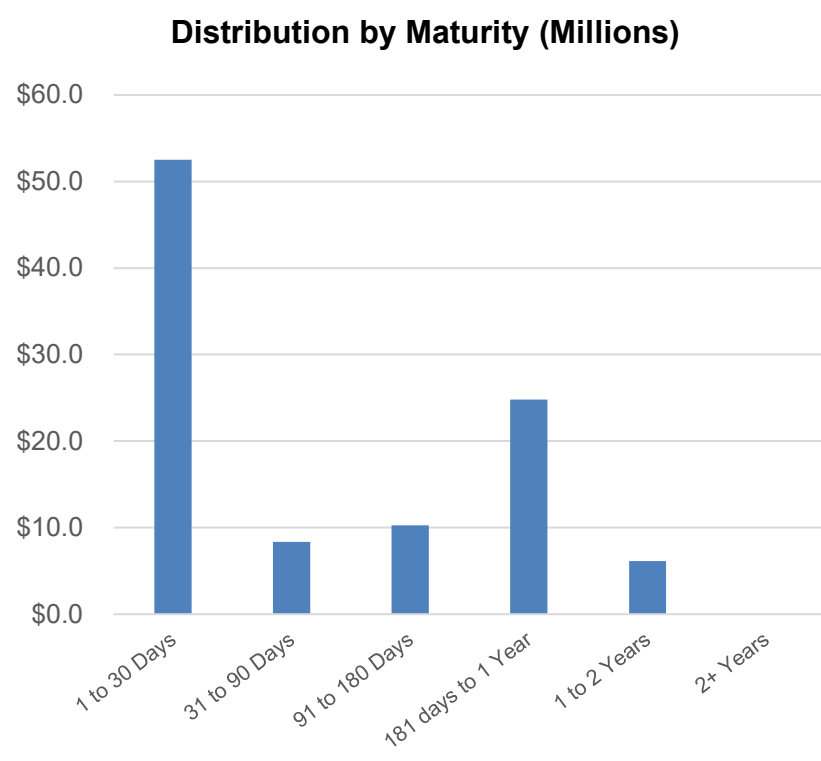
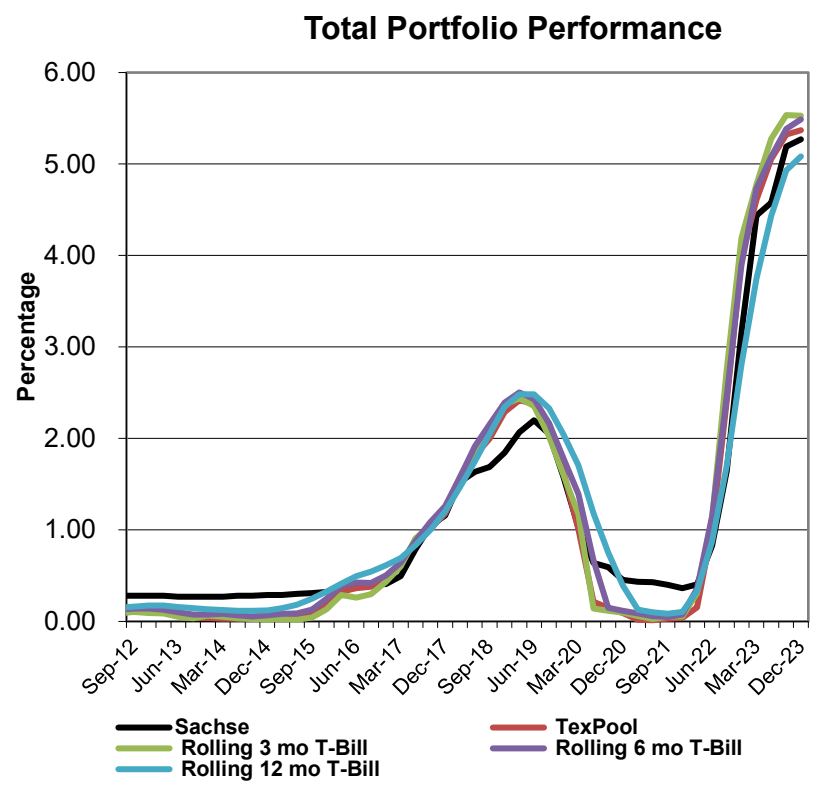
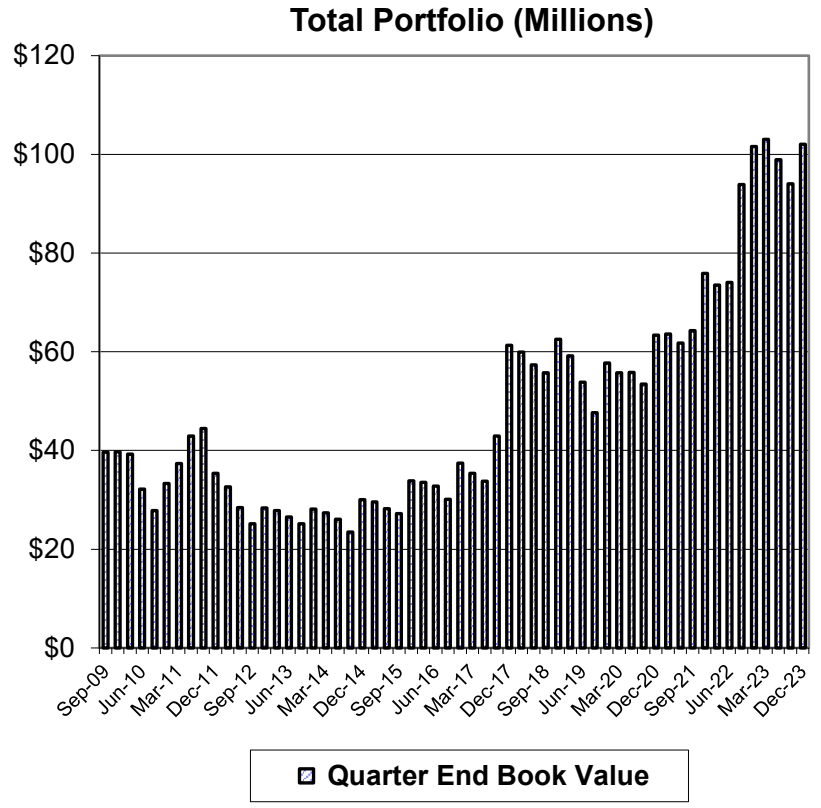
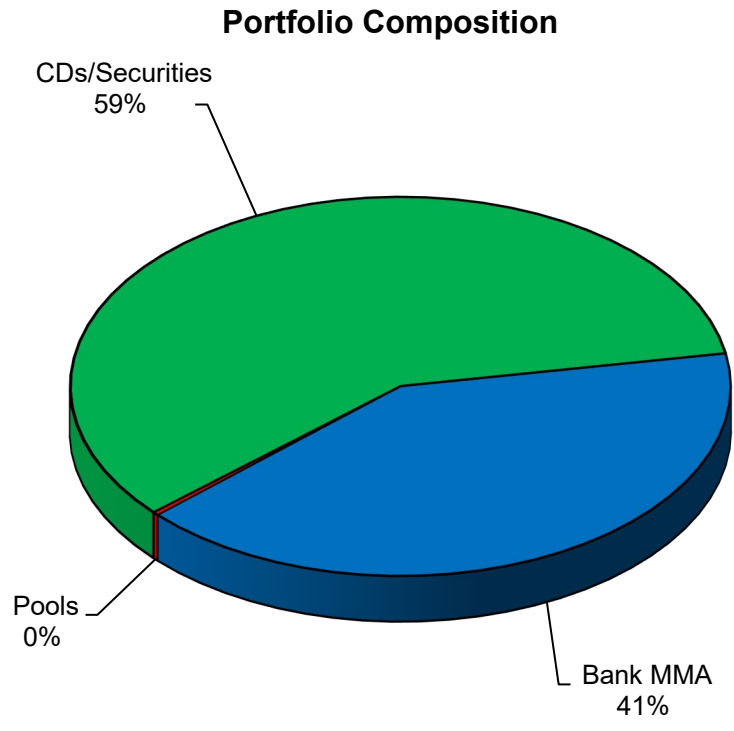
<u>Description</u>	<u>Rating</u>	<u>Coupon/ Discount</u>	<u>Maturity Date</u>	<u>Settlement Date</u>	<u>Book Value</u>	<u>Market Price</u>	<u>Market Value</u>	<u>Life (days)</u>	<u>Yield</u>
<b><u>Checking Accounts</u></b>									
American Nat'l Bank of Texas Checking		0.00%	01/01/24	12/31/23	\$ 1,014,755	1.00	\$ 1,014,755	1	0.00%
<b><u>Money Market Accounts</u></b>									
American Nat'l Bank of Texas		3.92%	01/01/24	12/31/23	452,500	1.00	452,500	1	3.92%
NexBank IntraFi		5.60%	01/01/24	12/31/23	29,690,709	1.00	29,690,709	1	5.60%
Texas Bank		5.50%	01/01/24	12/31/23	10,604,470	1.00	10,604,470	1	5.50%
<b><u>Local Government Investment Pools</u></b>									
TexPool	AAAm	5.37%	01/01/24	12/31/23	294,323	1.00	294,323	1	5.37%
<b><u>Certificates of Deposit</u></b>									
Veritex Community Bank 5162		4.87%	01/09/24	01/09/23	3,142,498	100.00	3,142,498	9	4.87%
Veritex Community Bank 5165		4.84%	01/23/24	01/23/23	7,317,451	100.00	7,317,451	23	4.84%
American Nat'l Bank & Trust 7350		4.25%	03/07/24	10/07/22	5,253,807	100.00	5,253,807	67	4.33%
East West Bank 3409		5.47%	03/12/24	06/12/23	3,092,662	100.00	3,092,662	72	5.62%
East West Bank 0248		5.57%	04/05/24	07/05/23	5,139,235	100.00	5,139,235	96	5.73%
East West Bank 1557		5.31%	06/13/24	06/13/23	5,149,104	100.00	5,149,104	165	5.45%
East West Bank 3829		5.48%	07/05/24	07/05/23	5,136,955	100.00	5,136,955	187	5.63%
American Nat'l Bank & Trust 7787		4.50%	07/24/24	01/24/23	6,251,745	100.00	6,251,745	206	4.59%
East West Bank 6187		5.61%	10/07/24	10/05/23	7,390,773	100.00	7,390,773	281	5.77%
Texas Bank 0374		4.94%	12/19/24	12/21/23	6,008,932	100.00	6,008,932	354	5.06%
BOK Financial 3645		4.93%	06/12/25	06/15/23	1,027,363	100.00	1,027,363	529	5.05%
BOK Financial 2643		4.93%	07/03/25	07/06/23	512,228	100.00	512,228	550	5.05%
BOK Financial 3602		4.93%	07/10/25	07/13/23	4,605,694	100.00	4,605,694	557	5.05%
					<b>\$ 102,085,203</b>	<b>\$ 102,085,203</b>		<b>118</b>	<b>5.27%</b>
								(1)	(2)

(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 09/30/23	Increases	Decreases	Book Value 12/31/23	Market Value 09/30/23	Change in Market Value	Market Value 12/31/23
<b><u>Checking Accounts</u></b>									
American Nat'l Bank of Texas	0.00%	01/01/24	\$ 485,666	\$ 529,089	\$ -	\$ 1,014,755	\$ 485,666	\$ 529,089	\$ 1,014,755
<b><u>Money Market Accounts</u></b>									
American Nat'l Bank of Texas	3.92%	01/01/24	448,185	4,316	-	452,500	448,185	4,316	452,500
NexBank IntraFi	5.60%	01/01/24	22,906,296	6,784,413	-	29,690,709	22,906,296	6,784,413	29,690,709
Texas Bank	5.50%	01/01/24	10,458,809	145,662	-	10,604,470	10,458,809	145,662	10,604,470
<b><u>Local Government Investment Pools</u></b>									
TexPool	5.37%	01/01/24	290,377	3,946	-	294,323	290,377	3,946	294,323
<b><u>Certificates of Deposit</u></b>									
East West Bank 6187	4.16%	10/05/23	7,288,230	-	(7,288,230)	-	7,288,230	(7,288,230)	-
East West Bank 9276	5.79%	12/12/23	3,051,802	-	(3,051,802)	-	3,051,802	(3,051,802)	-
East West Bank 1060	5.97%	12/12/23	3,052,380	-	(3,052,380)	-	3,052,380	(3,052,380)	-
Veritex Community Bank 5162	4.87%	01/09/24	3,105,672	36,825	-	3,142,498	3,105,672	36,825	3,142,498
Veritex Community Bank 5165	4.84%	01/23/24	7,232,055	85,396	-	7,317,451	7,232,055	85,396	7,317,451
American Nat'l Bank & Trust 7350	4.33%	03/07/24	5,198,529	55,278	-	5,253,807	5,198,529	55,278	5,253,807
East West Bank 3409	5.62%	03/12/24	3,050,318	42,344	-	3,092,662	3,050,318	42,344	3,092,662
East West Bank 0248	5.73%	04/05/24	5,067,593	71,642	-	5,139,235	5,067,593	71,642	5,139,235
East West Bank 1557	5.45%	06/13/24	5,080,651	68,452	-	5,149,104	5,080,651	68,452	5,149,104
East West Bank 3829	5.63%	07/05/24	5,066,494	70,462	-	5,136,955	5,066,494	70,462	5,136,955
American Nat'l Bank & Trust 7787	4.59%	07/24/24	6,182,127	69,618	-	6,251,745	6,182,127	69,618	6,251,745
East West Bank 6187	5.77%	10/07/24	-	7,390,773	-	7,390,773	-	7,390,773	7,390,773
Texas Bank 0374	5.06%	12/19/24	-	6,008,932	-	6,008,932	-	6,008,932	6,008,932
BOK Financial 3645	5.05%	06/12/25	1,014,684	12,679	-	1,027,363	1,014,684	12,679	1,027,363
BOK Financial 2643	5.05%	07/03/25	505,906	6,321	-	512,228	505,906	6,321	512,228
BOK Financial 3602	5.05%	07/10/25	4,548,855	56,839	-	4,605,694	4,548,855	56,839	4,605,694
<b>TOTAL / AVERAGE</b>	<b>5.27%</b>		<b>\$ 94,034,629</b>	<b>\$ 21,442,987</b>	<b>\$ (13,392,413)</b>	<b>\$ 102,085,203</b>	<b>\$ 94,034,629</b>	<b>\$ 8,050,574</b>	<b>\$ 102,085,203</b>



**FUND EQUITY IN POOLED CASH AND INVESTMENT**

<b>FUND</b>	<b>FUND NAME</b>	<b>9/30/2023</b>	<b>12/31/2023</b>	<b>Percent</b>	<b>Quarterly Change</b>
01	General Fund	\$ 16,859,000	\$ 19,727,742	19.33%	\$ 2,868,741
02	Utility Fund	23,275,918	22,820,568	22.36%	(455,350)
03	Debt Service	1,416,090	5,597,589	5.48%	4,181,499
04	Capital Projects	8,702,338	11,846,895	11.60%	3,144,557
05	Special Revenue Fund	847,919	853,502	0.84%	5,583
06	Sachse Economic Development (EDC)	4,927,905	5,181,153	5.08%	253,248
09	TIRZ 1 - PGBT	11,015	10,150	0.01%	(865)
10	Impact Fees	9,010,239	9,015,791	8.83%	5,551
11	Street Maintenance	1,727,164	1,930,974	1.89%	203,810
12	Vehicle Equipment Replacement Fund (VERF)	2,314,324	2,492,391	2.44%	178,067
13	Sachse Municipal Development District (MDD)	149,890	329,177	0.32%	179,288
14	TIRZ 2 - The Station	679,046	170,255	0.17%	(508,791)
15	Health Insurance	1,737,789	950,459	0.93%	(787,330)
16	Station O&M PID	21,629	119,685	0.12%	98,056
17	American Rescue Plan Act (ARPA)	4,708,972	4,167,657	4.08%	(541,316)
18	Hotel Occupancy Tax	26,892	34,284	0.03%	7,393
19	TIRZ 3 - Highway 78	528,090	534,591	0.52%	6,501
21	2022 Bond Construction Fund	17,090,409	16,302,342	15.97%	(788,067)
<b>TOTAL POOLED CASH AND INVESTMENTS</b>		<b>\$ 94,034,629</b>	<b>\$ 102,085,203</b>	<b>100.00%</b>	<b>\$ 8,050,574</b>

**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.

The City does not carry any security instrument (investment type) on its books that is traded on the open market; therefore, all investments are listed at 100% of market value.

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.