



BAYTOWN AREA
WATER AUTHORITY
(BAWA)

Q2 2024

QUARTERLY
FINANCIAL REPORT
Ending March 31, 2024

Second Quarter Financial Report

Baytown Area Water Authority (BAWA) - Period Ending March 31, 2024

Q2 2024

BAYTOWN AREA WATER AUTHORITY (BAWA)
Period Ending March 31, 2024

Operating Fund

	Budget	CY Actual	Balance	%	PY Actual	CY to PY Change \$
Revenues						
Water Sales - Baytown	\$ 14,943,573	\$ 9,055,423	\$ 5,888,150	61%	\$ 7,254,447	\$ 1,800,976
Water Sales - Others	1,552,535	921,855	630,680	59%	765,733	156,122
Investment Interest	1,000	102,955	(101,955)	10296%	28,114	74,842
Transfer from BAWA CIPF	-	-	-	0%	-	-
Transfer from WWIS	100,000	50,000	50,000	50%	-	50,000
Total Revenues	16,597,108	10,130,234	6,466,874	61%	8,048,294	2,081,940
Expenditures						
Personnel Serv.	2,048,060	962,591	1,085,469	47%	990,300	(27,709)
Supplies	6,345,594	2,880,876	3,464,719	45%	1,514,174	1,366,701
Maintenance	389,850	209,444	180,406	54%	256,321	(46,876)
Services	1,154,658	360,172	794,486	31%	530,751	(170,579)
Capital Outlay	-	98,492	(98,492)	0%	66,469	32,023
Interfund Transfer	5,852,284	2,926,142	2,926,142	50%	2,916,647	9,495
Contingencies	250,000	-	250,000	0%	-	-
Total Expenditures	16,040,446	7,437,717	8,602,729	46%	6,274,662	1,163,055
Net Change	556,662	2,692,516			1,773,632	
Beg. Working Capital	3,678,383	8,526,553				
Ending Working Capital	\$ 4,235,045	\$ 11,219,070				



BAWA Budget Received
\$16,597,108 / \$10,130,234
61%



BAWA Budget Spent
\$16,040,446 / \$7,437,717
46%



Capital Improvement Program

	Budget	CY Actual	Balance	%	PY Actual	CY to PY Change \$
Revenues						
Investment Interest	\$ 5,000	\$ 8,765	\$ (3,765)	175%	\$ 27,130	\$ (18,365)
Revenue from BAWA Operating	1,368,290	684,145	684,145	50%	500,000	184,145
Total Revenues	1,373,290	692,910	680,380	50%	527,130	165,780
Expenditures						
BAWA CIP Projects	\$ 1,373,290	713,021	660,269	52%	4,109,660	(3,396,639)
Net Change	-	(20,111)			(3,582,530)	
Beg. Working Capital	784,998	1,872,123				
Ending Working Capital	\$ 784,998	\$ 1,852,011				

Investments (Book Value)

Security Type	Balance	Earnings
Texpool	\$ 5,076,295	\$ 111,720

INVESTMENT REPORT

City of Baytown

.....

January 1 to March 31, 2024



Contents

Market Recap . . . . .	.3
Investment Officers' Certification . . . . .	.4
Portfolio Overview . . . . .	.5
Portfolio Overview . . . . .	.6
Asset Allocation . . . . .	.7
Credit Rating Summary . . . . .	.8
Benchmark Comparison. . . . .	.9
Fund Overview . . . . .	.10
Detail of Security Holdings . . . . .	.11
Earned Income . . . . .	.14
Investment Transactions. . . . .	.17
Investment Transactions Totals. . . . .	.19
Amortization and Accretion . . . . .	.20
Projected Cash Flows. . . . .	.21
Projected Cash Flows Totals. . . . .	.22
Disclosures & Disclaimers . . . . .	.23

Investment Management Team

Scott McIntyre

Senior Portfolio Manager

512.481.2009

Scott.McIntyre@HilltopSecurities.com

Greg Warner

Senior Portfolio Manager

512.481.2012

Greg.Warner@HilltopSecurities.com

Jodi Jones

Investment Reporting Manager

512.481.2076

Jodi.Jones@HilltopSecurities.com

Market Recap

The extreme bond market volatility continued in March as investors tried to determine exactly when the Fed would begin cutting the overnight target rate. Economic growth and labor market conditions proved much more resilient than expected while inflation measures failed to cool enough to quell market concerns. The result was higher yields during the month and the expectation that rate policy would remain higher for longer.

The first market-moving release in March actually nudged yields *lower*. The February ISM Services index slipped from 53.4 to 52.6, suggesting the service sector might be taking a breather. The following day, the February employment report appeared mixed as nonfarm payrolls increased by a solid +275k while the previous two months were revised lower by -167k. The separate household survey told a wildly contrasting story as the number of employed workers fell -184k, after dropping by a combined -151k in the previous two months. The headline unemployment rate increased from 3.7% to 3.9%, the highest since January 2022, as +150k workers entered (or reentered) the civilian labor force in February.

Consumer inflation was once again warmer-than-expected. Headline consumer price index (CPI) climbed +0.4% in February, which boosted the year-over-year pace up from +3.1% to +3.2%. Shelter costs and gasoline combined to account for over 60% of the monthly gain. The annual CPI core rate (which excludes food and energy) slipped from +3.9% to +3.8% but missed the more hopeful +3.7% median forecast.

Producer prices followed the same uncomfortably warm path with headline PPI jumping +0.6%, double both the January increase and the February median forecast. On a year-over-year basis, overall PPI rose at a mostly benign +1.6% pace, up from +1.0% in January, while core PPI held steady at +2.0%. Although producer prices were more in line with the Fed's target, the shift upward was a concern.

Retail sales were generally expected to rebound after bad weather contributed to a January sales slump, but that bounce-back wasn't nearly as strong as analysts expected with February retail sales climbing by +0.6%, a bit weaker than the +0.8% forecast. On top of that, the previously reported decline in January sales was revised lower from -0.8% to -1.1%,

while the December sales increase was revised downward from +0.4% to +0.1%. "Control group" sales were unchanged in February after falling a revised -0.3% in January. Because the control group is used to calculate GDP, it suggested slower Q1 GDP growth.

With a huge batch of fresh economic data to consider, Fed officials met in mid-March and voted unanimously to leave the overnight funds rate unchanged for the fifth consecutive meeting. The Fed's updated "dot plot" continued to show a total of 75 basis points in rate cuts this year, leaving the median funds forecast for the end of 2024 at 4.6%. The 2025 projection showed one fewer cut, moving the yearend funds forecast up from 3.6% to 3.9% and the 2026 forecast from 2.9% to 3.1%, although Powell noted that the dot plot is fluid and not a plan.

The committee's GDP forecast for 2024 increased from +1.4% at the December meeting to +2.1%, while the 2025 forecast was revised upward from +1.8% to +2.0% and the 2026 forecast from +1.9% to +2.0%. In the Fed's mind, the likelihood of recession continues to fade. The committee acknowledged recent higher-than-expected price pressures by revising 2024 yearend core PCE higher from +2.4% to +2.6%, although the 2025 and 2026 core inflation forecasts were unchanged at +2.2% and +2.0% respectively.

Both Q1 GDP forecasts and the early data suggest growth has slowed quarter to quarter. Just how quickly this softening of demand translates into lower prices will dictate the timing and magnitude of rate cuts later this year.

Investment Officers' Certification

This report is prepared for the City of Baytown (the "Entity") in accordance with Chapter 2256 of the Texas Public Funds Investment Act ("PFIA"). Section 2256.023(a) of the PFIA states that: "Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." This report is signed by the Entity's investment officers and includes the disclosures required in the PFIA.

The investment portfolio complied with the PFIA and the Entity's approved Investment Policy and Strategy throughout the period. All investment transactions made in the portfolio during this period were made on behalf of the Entity and were made in full compliance with the PFIA and the approved Investment Policy.

Investment Officers

Teresa McKenzie
Director of Finance

Lianette Leon
Controller/Asst. Dir. of Finance

Portfolio Overview

Portfolio Summary

	Prior 31 Dec-23	Current 31 Mar-24
Par Value	228,121,138.92	282,069,565.37
Original Cost	227,179,513.53	281,286,453.01
Book Value	227,807,113.46	281,649,155.04
Market Value	227,329,675.32	281,147,387.37
Accrued Interest	404,352.78	378,196.98
Book Value Plus Accrued	228,211,466.24	282,027,352.02
Market Value Plus Accrued	227,734,028.10	281,525,584.35
Net Unrealized Gain/(Loss)	(477,438.14)	(501,767.67)

Income Summary

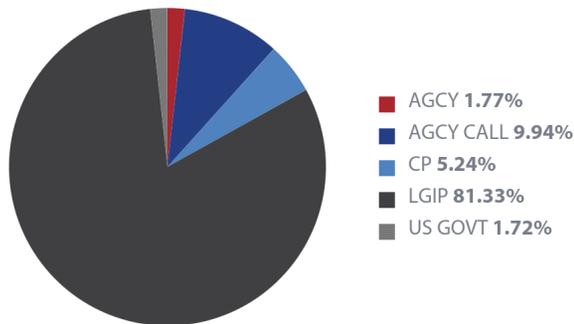
Current Period	1 Jan-24 to 31 Mar-24
Interest Income	2,957,532.03
Net Amortization/Accretion	234,668.78
Realized Gain/(Loss)	(0.01)
Net Income	3,192,200.81

Fiscal Year-to-Date	1 Oct-23 to 31 Mar-24
Net Income	6,169,454.85

Portfolio Characteristics

	Prior 31 Dec-23	Current 31 Mar-24
Yield to Maturity	5.176%	5.163%
Yield to Worst	5.176%	5.163%
Days to Final Maturity	74	54
Days to Effective Maturity	74	54
Duration	0.76	0.76

Asset Allocation

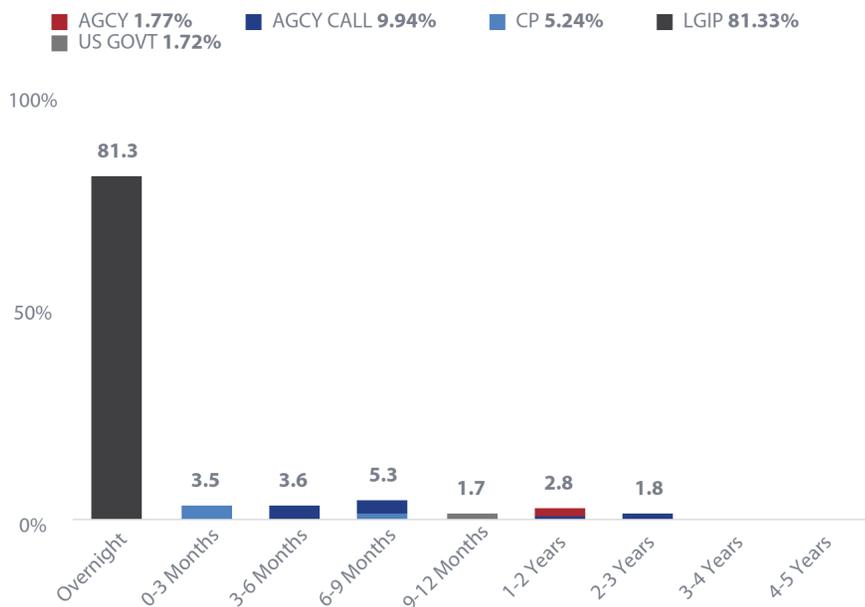


Transaction Summary

Transaction Type	Quantity	Principal	Interest	Total Amount	Realized Gain/Loss
Buy	10,000,000.00	(9,658,946.36)	(2,853.26)	(9,661,799.62)	0.00
Maturity	(15,000,000.00)	15,000,000.00	0.00	15,000,000.00	(0.01)
Coupon	0.00	0.00	555,885.40	555,885.40	0.00

Portfolio Overview

Maturity Distribution by Security Type



Top Ten Holdings

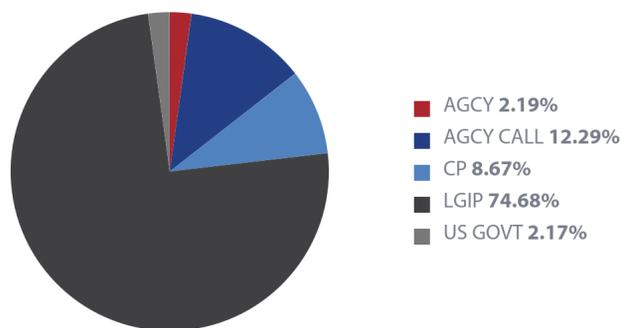
Issuer	Allocation
TEXPOOL	67.25%
TEXSTAR	14.08%
Federal Home Loan Mortgage Corporation	8.16%
Toyota Motor Credit Corporation	3.48%
Federal Farm Credit Banks Funding Corporation	1.78%
Federal Home Loan Banks	1.77%
Royal Bank of Canada	1.75%
United States Department of The Treasury	1.72%

Maturity Distribution by Security Type

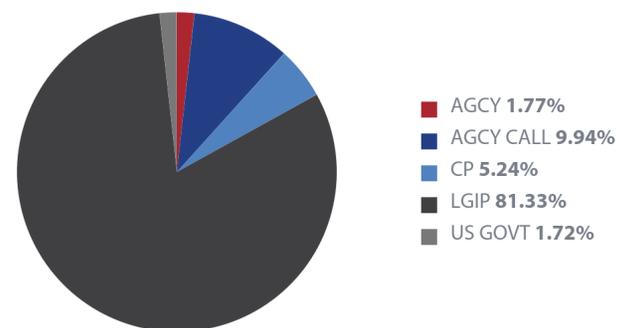
Security Type	Overnight	0-3 Months	3-6 Months	6-9 Months	9-12 Months	1-2 Years	2-3 Years	3-4 Years	4-5 Years	Portfolio Total
AGCY	--	--	--	--	--	4,985,331.31	--	--	--	4,985,331.31
AGCY CALL	--	--	10,000,000.00	10,000,000.00	--	2,995,873.78	5,000,000.00	--	--	27,995,873.78
CP	--	9,933,755.56	--	4,815,822.23	--	--	--	--	--	14,749,577.78
LGIP	229,069,565.37	--	--	--	--	--	--	--	--	229,069,565.37
US GOVT	--	--	--	--	4,848,806.80	--	--	--	--	4,848,806.80
Total	229,069,565.37	9,933,755.56	10,000,000.00	14,815,822.23	4,848,806.80	7,981,205.09	5,000,000.00	--	--	281,649,155.04

Asset Allocation

Asset Allocation by Security Type as of
31-Dec-2023



Asset Allocation by Security Type as of
31-Mar-2024



Book Value Basis Security Distribution

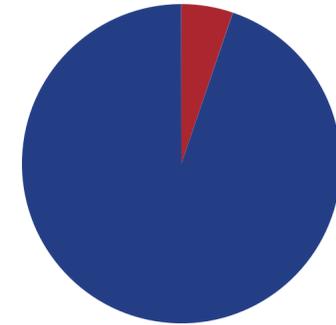
Security Type	Prior Balance 31-Dec-23	Prior Allocation 31-Dec-23	Change in Allocation	Current Balance 31-Mar-24	Current Allocation 31-Mar-24	Yield to Maturity
AGCY	4,982,658.75	2.19%	(0.42%)	4,985,331.31	1.77%	5.088%
AGCY CALL	27,994,986.35	12.29%	(2.35%)	27,995,873.78	9.94%	3.706%
CP	19,756,912.76	8.67%	(3.44%)	14,749,577.78	5.24%	5.668%
LGIP	170,121,138.92	74.68%	6.65%	229,069,565.37	81.33%	5.313%
US GOVT	4,951,416.67	2.17%	(0.45%)	4,848,806.80	1.72%	5.037%
Portfolio Total	227,807,113.46	100.00%		281,649,155.04	100.00%	5.163%

Credit Rating Summary

Rating Distribution

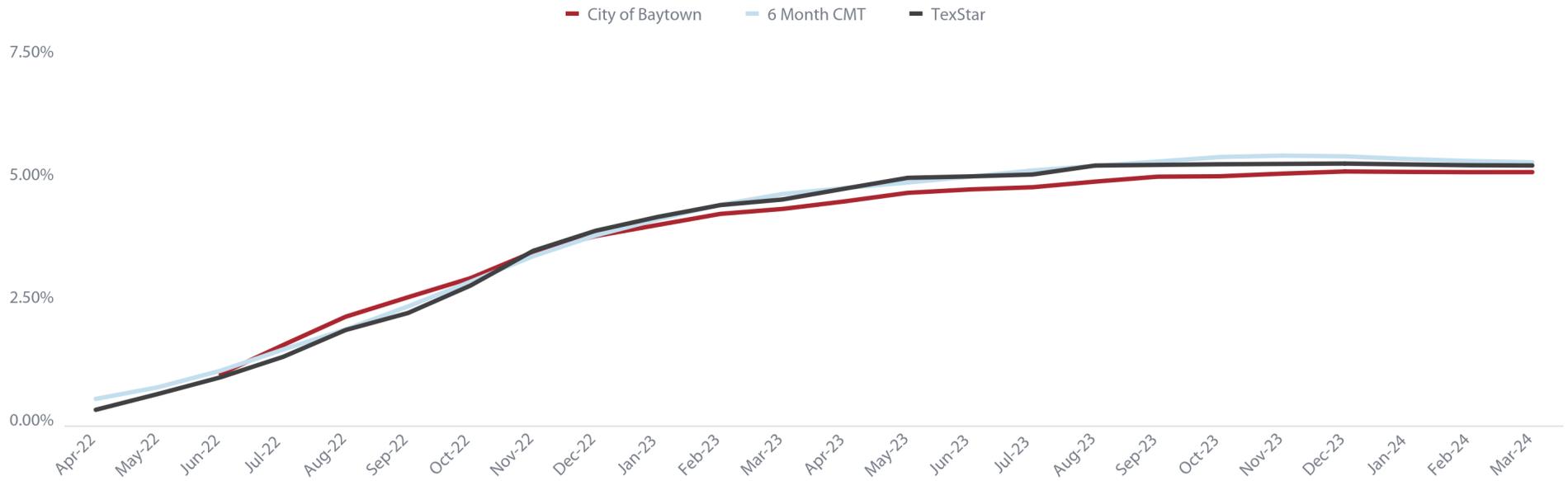
	Book Value	Portfolio Allocation
Local Government Investment Pools & Money Market Funds		
AAA	229,069,565.37	81.33%
Total Local Government Investment Pools & Money Market Funds	229,069,565.37	81.33%
Short Term Rating Distribution		
A-1+	14,749,577.78	5.24%
Total Short Term Rating Distribution	14,749,577.78	5.24%
Long Term Rating Distribution		
AAA	37,830,011.89	13.43%
Total Long Term Rating Distribution	37,830,011.89	13.43%
Portfolio Total	281,649,155.04	100.00%

Allocation by Rating



■ A-1+ 5.24% ■ AAA 94.76%

Benchmark Comparison



Yield Overview

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
City of Baytown	–	–	1.05	1.64	2.22	2.62	3.00	3.53	3.86	4.09	4.31	4.41	4.57	4.74	4.81	4.86	4.97	5.07	5.08	5.13	5.18	5.17	5.16	5.16
6 Month CMT	0.54	0.78	1.12	1.55	1.96	2.43	2.93	3.45	3.87	4.20	4.50	4.72	4.84	4.95	5.07	5.20	5.29	5.38	5.47	5.50	5.48	5.43	5.39	5.36
TexStar	0.32	0.65	0.98	1.40	1.95	2.29	2.85	3.56	3.97	4.25	4.49	4.61	4.83	5.05	5.08	5.11	5.30	5.31	5.32	5.33	5.34	5.32	5.30	5.30

Fund Overview

Fund Name	Prior Book Value	Prior Market Value	Changes to Market Value	Current Book Value	Current Market Value	Net Income	Days to Final Mty	YTM	YTW
1-General Fund	62,530,709.68	62,003,549.68	38,861,684.94	101,364,574.62	100,865,234.62	920,455.66	78	4.877%	4.877%
2-Special Taxing District	15,910,813.33	15,910,813.33	2,288,355.40	18,199,168.73	18,199,168.73	258,448.64	1	5.316%	5.316%
3-Baytown Area Water Authority	4,467,441.22	4,467,441.22	608,853.31	5,076,294.53	5,076,294.53	62,648.59	1	5.316%	5.316%
4-Public Safety Facility	12,120,830.99	12,117,608.23	(4,885,272.25)	7,232,335.98	7,232,335.98	111,504.99	1	5.316%	5.316%
5-Capital Improvement Program	17,551,972.58	17,551,972.58	234,226.77	17,786,199.35	17,786,199.35	234,226.77	1	5.316%	5.316%
6-Bond Funds (Liquid)	39,256,084.93	39,256,084.93	412,715.86	39,668,800.79	39,668,800.79	521,715.86	1	5.299%	5.299%
7-Bond Funds (Invested) Series 2022 CO	17,768,161.36	17,765,961.00	3,631.00	17,778,436.14	17,769,592.00	202,283.95	189	5.499%	5.499%
8-Water & Sewer	58,201,099.37	58,256,244.35	16,293,517.02	74,543,344.90	74,549,761.37	880,916.35	53	5.301%	5.301%
Total	227,807,113.46	227,329,675.32	53,817,712.05	281,649,155.04	281,147,387.37	3,192,200.81	54	5.163%	5.163%

Detail of Security Holdings

CUSIP	Settle Date	Security Type	Security Description	CPN	Maturity Date	Next Call Date	Call Type	Par Value	Purch Price	Original Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW	Rating	
1-General Fund																			
TXPL-BT023		LGIP	TexPool-Concentration		03/31/24			42,949,207.32	100.000	42,949,207.32	42,949,207.32	100.000	42,949,207.32	1		5.316	5.316	AAA	
TXPL-BT043		LGIP	TexPool-Library Expendable Trust		03/31/24			10,826.66	100.000	10,826.66	10,826.66	100.000	10,826.66	1		5.316	5.316	AAA	
TXPL-BT055		LGIP	TexPool-Capital Replacement		03/31/24			10,879,563.42	100.000	10,879,563.42	10,879,563.42	100.000	10,879,563.42	1		5.316	5.316	AAA	
TXPL-BT056		LGIP	TexPool-Medical Benefits		03/31/24			13,833,589.14	100.000	13,833,589.14	13,833,589.14	100.000	13,833,589.14	1		5.316	5.316	AAA	
TXPL-BT057		LGIP	TexPool-WC Self-Insurance		03/31/24			4,656,328.24	100.000	4,656,328.24	4,656,328.24	100.000	4,656,328.24	1		5.316	5.316	AAA	
TXPL-BT063		LGIP	TexPool-Gen Obl Int & Sinking Fund		03/31/24			2,017,529.92	100.000	2,017,529.92	2,017,529.92	100.000	2,017,529.92	1		5.316	5.316	AAA	
TXPL-BT064		LGIP	TexPool-Hotel/Motel Occupancy Tax		03/31/24			2,017,529.92	100.000	2,017,529.92	2,017,529.92	100.000	2,017,529.92	1		5.316	5.316	AAA	
3134GXD68	07/26/22	AGCY CALL	FHLMC	4.000	07/26/24	04/26/24	Monthly	10,000,000.00	100.000	10,000,000.00	10,000,000.00	99.572	9,957,250.00	117	26	4.000	4.000	AAA	
3134GX2P8	09/30/22	AGCY CALL	FHLMC	4.125	09/30/24	06/30/24	Quarterly	10,000,000.00	100.000	10,000,000.00	10,000,000.00	99.379	9,937,910.00	183	91	4.125	4.125	AAA	
3133ENEM8	11/23/21	AGCY CALL	FFCB	1.430	11/23/26	04/21/24	Continuous	5,000,000.00	100.000	5,000,000.00	5,000,000.00	92.110	4,605,500.00	967	21	1.430	1.430	AAA	
Total 1-General Fund								101,364,574.62		101,364,574.62	101,364,574.62		100,865,234.62	78	51	4.877	4.877		
2-Special Taxing District																			
TXPL-BT002		LGIP	TexPool-Street Maintenance Sales Tax		03/31/24			7,852,537.75	100.000	7,852,537.75	7,852,537.75	100.000	7,852,537.75	1		5.316	5.316	AAA	
TXPL-BT015		LGIP	TexPool-Municipal Development Dist		03/31/24			1,246,274.38	100.000	1,246,274.38	1,246,274.38	100.000	1,246,274.38	1		5.316	5.316	AAA	
TXPL-BT047		LGIP	TexPool-Crime Control and Prevention Dist		03/31/24			3,148,260.89	100.000	3,148,260.89	3,148,260.89	100.000	3,148,260.89	1		5.316	5.316	AAA	
TXPL-BT048		LGIP	TexPool-Fire Control, Prevention & EMS Dist		03/31/24			2,925,800.77	100.000	2,925,800.77	2,925,800.77	100.000	2,925,800.77	1		5.316	5.316	AAA	
TXPL-BT061		LGIP	TexPool-Tax Increment Reinvest FD		03/31/24			3,026,294.94	100.000	3,026,294.94	3,026,294.94	100.000	3,026,294.94	1		5.316	5.316	AAA	
Total 2-Special Taxing District								18,199,168.73		18,199,168.73	18,199,168.73		18,199,168.73	1		5.316	5.316		

Detail of Security Holdings

CUSIP	Settle Date	Security Type	Security Description	CPN	Maturity Date	Next Call Date	Call Type	Par Value	Purch Price	Original Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW	Rating
3-Baytown Area Water Authority																		
TXPL-BT001		LGIP	TexPool-BAWA Operating		03/31/24			3,058,764.55	100.000	3,058,764.55	3,058,764.55	100.000	3,058,764.55	1		5.316	5.316	AAA
TXPL-BT059		LGIP	TexPool-BAWA Debt Service Fund		03/31/24			1,008,764.99	100.000	1,008,764.99	1,008,764.99	100.000	1,008,764.99	1		5.316	5.316	AAA
TXPL-BT060		LGIP	TexPool-BAWA CPIF Fund		03/31/24			1,008,764.99	100.000	1,008,764.99	1,008,764.99	100.000	1,008,764.99	1		5.316	5.316	AAA
Total 3-Baytown Area Water Authority								5,076,294.53		5,076,294.53	5,076,294.53		5,076,294.53	1		5.316	5.316	
4-Public Safety Facility																		
TXPL-BT051		LGIP	TexPool-Public Safety Facility		03/31/24			7,232,335.98	100.000	7,232,335.98	7,232,335.98	100.000	7,232,335.98	1		5.316	5.316	AAA
Total 4-Public Safety Facility								7,232,335.98		7,232,335.98	7,232,335.98		7,232,335.98	1		5.316	5.316	
5-Capital Improvement Program																		
TXPL-BT046		LGIP	TexPool-Capital Improvement Prog		03/31/24			17,786,199.35	100.000	17,786,199.35	17,786,199.35	100.000	17,786,199.35	1		5.316	5.316	AAA
Total 5-Capital Improvement Program								17,786,199.35		17,786,199.35	17,786,199.35		17,786,199.35	1		5.316	5.316	
6-Bond Funds (Liquid)																		
TXST-BT170		LGIP	TexSTAR-2017 CO Bonds		03/31/24			12,897.95	100.000	12,897.95	12,897.95	100.000	12,897.95	1		5.299	5.299	AAA
TXST-BT180		LGIP	TexSTAR-2018 CO Bonds		03/31/24			0.26	100.000	0.26	0.26	100.000	0.26	1		5.299	5.299	AAA
TXST-BT190		LGIP	TexSTAR-2019 CO Bonds		03/31/24			9,138,185.71	100.000	9,138,185.71	9,138,185.71	100.000	9,138,185.71	1		5.299	5.299	AAA
TXST-BT191		LGIP	TexSTAR-2019A CO Bonds		03/31/24			45,223.84	100.000	45,223.84	45,223.84	100.000	45,223.84	1		5.299	5.299	AAA
TXST-BT19X		LGIP	TexSTAR-2019 Water Supply Rev Bonds		03/31/24			0.25	100.000	0.25	0.25	100.000	0.25	1		5.299	5.299	AAA
TXST-BT200		LGIP	TexSTAR-2020 CO Bonds		03/31/24			21,820,441.20	100.000	21,820,441.20	21,820,441.20	100.000	21,820,441.20	1		5.299	5.299	AAA
TXST-BT220		LGIP	TexSTAR-2022 CO Bonds		03/31/24			8,652,051.58	100.000	8,652,051.58	8,652,051.58	100.000	8,652,051.58	1		5.299	5.299	AAA

Detail of Security Holdings

CUSIP	Settle Date	Security Type	Security Description	CPN	Maturity Date	Next Call Date	Call Type	Par Value	Purch Price	Original Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW	Rating	
Total 6-Bond Funds (Liquid)								39,668,800.79		39,668,800.79	39,668,800.79		39,668,800.79	1		5.299	5.299		
7-Bond Funds (Invested) Series 2022 CO																			
89233GDC7	07/19/23	CP	Toyota Motor Credit Corp	0.000	04/12/24			5,000,000.00	95.816	4,790,811.11	4,991,413.89	99.790	4,989,480.00	12		5.824	5.824	A-1+	
78009AFE9	09/25/23	CP	Royal Bank of Canada	0.000	06/14/24			5,000,000.00	95.902	4,795,079.17	4,942,341.67	98.871	4,943,560.00	75		5.850	5.850	A-1+	
91282CED9	03/27/24	US GOVT	U.S. Treasury Note	1.750	03/15/25			5,000,000.00	96.934	4,846,679.69	4,848,806.80	96.938	4,846,875.00	349		5.037	5.037	AAA	
3134GYSP8	05/19/23	AGCY CALL	FHLMC	5.000	05/16/25	05/16/24	Monthly	3,000,000.00	99.762	2,992,851.00	2,995,873.78	99.656	2,989,677.00	411	46	5.128	5.128	AAA	
Total 7-Bond Funds (Invested) Series 2022 CO								18,000,000.00		17,425,420.97	17,778,436.14		17,769,592.00	189	46	5.499	5.499		
8-Water & Sewer																			
TEXPOOL		LGIP	TexPool		03/31/24			14,600,275.94	100.000	14,600,275.94	14,600,275.94	100.000	14,600,275.94	1		5.316	5.316	AAA	
TEXPOOL		LGIP	TexPool		03/31/24			12,361,334.17	100.000	12,361,334.17	12,361,334.17	100.000	12,361,334.17	1		5.316	5.316	AAA	
TEXPOOL		LGIP	TexPool		03/31/24			19,833,988.67	100.000	19,833,988.67	19,833,988.67	100.000	19,833,988.67	1		5.316	5.316	AAA	
TEXPOOL		LGIP	TexPool		03/31/24			17,946,592.59	100.000	17,946,592.59	17,946,592.59	100.000	17,946,592.59	1		5.316	5.316	AAA	
89233GMG8	03/27/24	CP	Toyota Motor Credit Corp	0.000	12/16/24			5,000,000.00	96.245	4,812,266.67	4,815,822.23	96.234	4,811,675.00	260		5.320	5.320	A-1+	
3130AWS92	09/08/23	AGCY	FHLB	4.875	09/12/25			5,000,000.00	99.584	4,979,200.00	4,985,331.31	99.918	4,995,895.00	530		5.088	5.088	AAA	
Total 8-Water & Sewer								74,742,191.37		74,533,658.04	74,543,344.90		74,549,761.37	53		5.301	5.301		
Grand Total								282,069,565.37		281,286,453.01	281,649,155.04		281,147,387.37	54	50	5.163	5.163		

Earned Income

CUSIP	Security Type	Security Description	Beginning Accrued	Interest Earned	Interest Rec'd/ Sold/Matured	Interest Purchased	Ending Accrued	Disc Accr/Prem Amort	Net Realized Gain/Loss	Net Income
1-General Fund										
TXPL-BT023	LGIP	TexPool-Concentration	0.00	275,899.18	275,899.18	0.00	0.00	0.00	0.00	275,899.18
TXPL-BT043	LGIP	TexPool-Library Expendable Trust	0.00	142.64	142.64	0.00	0.00	0.00	0.00	142.64
TXPL-BT055	LGIP	TexPool-Capital Replacement	0.00	143,273.09	143,273.09	0.00	0.00	0.00	0.00	143,273.09
TXPL-BT056	LGIP	TexPool-Medical Benefits	0.00	183,761.66	183,761.66	0.00	0.00	0.00	0.00	183,761.66
TXPL-BT057	LGIP	TexPool-WC Self-Insurance	0.00	61,319.25	61,319.25	0.00	0.00	0.00	0.00	61,319.25
TXPL-BT063	LGIP	TexPool-Gen Obl Int & Sinking Fund	0.00	17,529.92	17,529.92	0.00	0.00	0.00	0.00	17,529.92
TXPL-BT064	LGIP	TexPool-Hotel/Motel Occupancy Tax	0.00	17,529.92	17,529.92	0.00	0.00	0.00	0.00	17,529.92
3134GXD68	AGCY CALL	FHLMC	172,222.22	100,000.00	200,000.00	0.00	72,222.22	0.00	0.00	100,000.00
3134GX2P8	AGCY CALL	FHLMC	104,270.83	103,125.00	0.00	0.00	207,395.83	0.00	0.00	103,125.00
3133ENEM8	AGCY CALL	FFCB	7,547.22	17,875.00	0.00	0.00	25,422.22	0.00	0.00	17,875.00
Total 1-General Fund			284,040.28	920,455.66	899,455.66	0.00	305,040.28	0.00	0.00	920,455.66
2-Special Taxing District										
TXPL-BT002	LGIP	TexPool-Street Maintenance Sales Tax	0.00	107,689.67	107,689.67	0.00	0.00	0.00	0.00	107,689.67
TXPL-BT015	LGIP	TexPool-Municipal Development Dist	0.00	44,515.82	44,515.82	0.00	0.00	0.00	0.00	44,515.82
TXPL-BT047	LGIP	TexPool-Crime Control and Prevention Dist	0.00	38,859.81	38,859.81	0.00	0.00	0.00	0.00	38,859.81
TXPL-BT048	LGIP	TexPool-Fire Control, Prevention & EMS Dist	0.00	41,088.40	41,088.40	0.00	0.00	0.00	0.00	41,088.40
TXPL-BT061	LGIP	TexPool-Tax Increment Reinvest FD	0.00	26,294.94	26,294.94	0.00	0.00	0.00	0.00	26,294.94
Total 2-Special Taxing District			0.00	258,448.64	258,448.64	0.00	0.00	0.00	0.00	258,448.64
3-Baytown Area Water Authority										
TXPL-BT001	LGIP	TexPool-BAWA Operating	0.00	45,118.61	45,118.61	0.00	0.00	0.00	0.00	45,118.61
TXPL-BT059	LGIP	TexPool-BAWA Debt Service Fund	0.00	8,764.99	8,764.99	0.00	0.00	0.00	0.00	8,764.99
TXPL-BT060	LGIP	TexPool-BAWA CPIF Fund	0.00	8,764.99	8,764.99	0.00	0.00	0.00	0.00	8,764.99
Total 3-Baytown Area Water Authority			0.00	62,648.59	62,648.59	0.00	0.00	0.00	0.00	62,648.59

Earned Income

CUSIP	Security Type	Security Description	Beginning Accrued	Interest Earned	Interest Rec'd/ Sold/Matured	Interest Purchased	Ending Accrued	Disc Accr/Prem Amort	Net Realized Gain/Loss	Net Income
4-Public Safety Facility										
78009AAQ7	CP	Royal Bank of Canada	0.00	0.00	0.00	0.00	0.00	16,262.24	(0.00)	16,262.24
TXPL-BT051	LGIP	TexPool-Public Safety Facility	0.00	95,242.75	95,242.75	0.00	0.00	0.00	0.00	95,242.75
Total 4-Public Safety Facility			0.00	95,242.75	95,242.75	0.00	0.00	16,262.24	(0.00)	111,504.99
5-Capital Improvement Program										
TXPL-BT046	LGIP	TexPool-Capital Improvement Prog	0.00	234,226.77	234,226.77	0.00	0.00	0.00	0.00	234,226.77
Total 5-Capital Improvement Program			0.00	234,226.77	234,226.77	0.00	0.00	0.00	0.00	234,226.77
6-Bond Funds (Liquid)										
TXST-BT170	LGIP	TexSTAR-2017 CO Bonds	0.00	1,598.78	1,598.78	0.00	0.00	0.00	0.00	1,598.78
TXST-BT180	LGIP	TexSTAR-2018 CO Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TXST-BT190	LGIP	TexSTAR-2019 CO Bonds	0.00	119,854.20	119,854.20	0.00	0.00	0.00	0.00	119,854.20
TXST-BT191	LGIP	TexSTAR-2019A CO Bonds	0.00	593.11	593.11	0.00	0.00	0.00	0.00	593.11
TXST-BT19X	LGIP	TexSTAR-2019 Water Supply Rev Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TXST-BT200	LGIP	TexSTAR-2020 CO Bonds	0.00	286,191.56	286,191.56	0.00	0.00	0.00	0.00	286,191.56
TXST-BT220	LGIP	TexSTAR-2022 CO Bonds	0.00	113,478.21	113,478.21	0.00	0.00	0.00	0.00	113,478.21
Total 6-Bond Funds (Liquid)			0.00	521,715.86	521,715.86	0.00	0.00	0.00	0.00	521,715.86
7-Bond Funds (Invested) Series 2022 CO										
89233GAS5	CP	Toyota Motor Credit Corp	0.00	0.00	0.00	0.00	0.00	18,645.83	0.00	18,645.83
89233GDC7	CP	Toyota Motor Credit Corp	0.00	0.00	0.00	0.00	0.00	71,030.56	0.00	71,030.56
78009AFE9	CP	Royal Bank of Canada	0.00	0.00	0.00	0.00	0.00	70,904.17	0.00	70,904.17
91282CED9	US GOVT	U.S. Treasury Note	0.00	1,188.86	0.00	(2,853.26)	4,042.12	2,127.11	0.00	3,315.97
3134GYSP8	AGCY CALL	FHLMC	18,750.00	37,500.00	0.00	0.00	56,250.00	887.43	0.00	38,387.43

Earned Income

CUSIP	Security Type	Security Description	Beginning Accrued	Interest Earned	Interest Rec'd/ Sold/Matured	Interest Purchased	Ending Accrued	Disc Accr/Prem Amort	Net Realized Gain/Loss	Net Income
Total 7-Bond Funds (Invested) Series 2022 CO			18,750.00	38,688.86	0.00	(2,853.26)	60,292.12	163,595.09	0.00	202,283.95
8-Water & Sewer										
912797GQ4	US GOVT	U.S. Treasury Bill	0.00	0.00	0.00	0.00	0.00	48,583.33	(0.00)	48,583.33
TEXPOOL	LGIP	TexPool	0.00	126,592.59	126,592.59	0.00	0.00	0.00	0.00	126,592.59
TEXPOOL	LGIP	TexPool	0.00	162,786.59	162,786.59	0.00	0.00	0.00	0.00	162,786.59
TEXPOOL	LGIP	TexPool	0.00	192,906.06	192,906.06	0.00	0.00	0.00	0.00	192,906.06
TEXPOOL	LGIP	TexPool	0.00	282,882.18	282,882.18	0.00	0.00	0.00	0.00	282,882.18
89233GMG8	CP	Toyota Motor Credit Corp	0.00	0.00	0.00	0.00	0.00	3,555.56	0.00	3,555.56
3130AWS92	AGCY	FHLB	101,562.50	60,937.48	149,635.40	0.00	12,864.58	2,672.56	0.00	63,610.04
Total 8-Water & Sewer			101,562.50	826,104.90	914,802.82	0.00	12,864.58	54,811.45	(0.00)	880,916.35
Grand Total			404,352.78	2,957,532.03	2,986,541.09	(2,853.26)	378,196.98	234,668.78	(0.01)	3,192,200.81

Investment Transactions

CUSIP	Trade Date	Settle Date	Security Type	Security Description	Coupon	Maturity Date	Call Date	Par Value	Price	Principal Amount	Interest Purchased/Received	Total Amount	Realized Gain/Loss	YTM	YTW
1-General Fund															
Coupon															
3134GXD68	01/26/24	01/26/24	AGCY CALL	FHLMC	4.000	07/26/24	03/26/24	0.00		0.00	200,000.00	200,000.00	0.00	--	--
3134GX2P8	03/30/24	03/30/24	AGCY CALL	FHLMC	4.125	09/30/24	06/30/24	0.00		0.00	206,250.00	206,250.00	0.00	--	--
Total Coupon								0.00		0.00	406,250.00	406,250.00	0.00		
4-Public Safety Facility															
Maturity															
78009AAQ7	01/24/24	01/24/24	CP	Royal Bank of Canada	0.000	01/24/24		(5,000,000.00)	100.000	5,000,000.00	0.00	5,000,000.00	(0.00)	--	--
Total Maturity								(5,000,000.00)		5,000,000.00	0.00	5,000,000.00	(0.00)		
7-Bond Funds (Invested) Series 2022 CO															
Buy															
91282CED9	03/26/24	03/27/24	US GOVT	U.S. Treasury Note	1.750	03/15/25		5,000,000.00	96.934	4,846,679.69	2,853.26	4,849,532.95	0.00	5.037	5.037
Total Buy								5,000,000.00		4,846,679.69	2,853.26	4,849,532.95	0.00		
Maturity															
89233GAS5	01/26/24	01/26/24	CP	Toyota Motor Credit Corp	0.000	01/26/24		(5,000,000.00)	100.000	5,000,000.00	0.00	5,000,000.00	0.00	--	--
Total Maturity								(5,000,000.00)		5,000,000.00	0.00	5,000,000.00	0.00		
8-Water & Sewer															
Buy															
89233GMG8	03/26/24	03/27/24	CP	Toyota Motor Credit Corp	0.000	12/16/24		5,000,000.00	96.245	4,812,266.67	0.00	4,812,266.67	0.00	5.320	5.320
Total Buy								5,000,000.00		4,812,266.67	0.00	4,812,266.67	0.00		
Coupon															
3130AWS92	03/12/24	03/12/24	AGCY	FHLB	4.875	09/12/25		0.00		0.00	149,635.40	149,635.40	0.00	--	--
Total Coupon								0.00		0.00	149,635.40	149,635.40	0.00		
Maturity															
912797GQ4	03/07/24	03/07/24	US GOVT	U.S. Treasury Bill	0.000	03/07/24		(5,000,000.00)	100.000	5,000,000.00	0.00	5,000,000.00	(0.00)	--	--

Investment Transactions

CUSIP	Trade Date	Settle Date	Security Type	Security Description	Coupon	Maturity Date	Call Date	Par Value	Price	Principal Amount	Interest Purchased/Received	Total Amount	Realized Gain/Loss	YTM	YTW
Total Maturity								(5,000,000.00)		5,000,000.00	0.00	5,000,000.00	(0.00)		

Investment Transactions Totals

Transaction Type	Quantity	Principal Amount	Interest	Total Amount	Realized G/L	YTM	YTW
Total Buy	10,000,000.00	(9,658,946.36)	(2,853.26)	(9,661,799.62)	0.00	5.178	5.178
Total Maturity	(15,000,000.00)	15,000,000.00	0.00	15,000,000.00	(0.01)	3.600	3.600
Total Coupon	0.00	0.00	555,885.40	555,885.40	0.00		

Amortization and Accretion

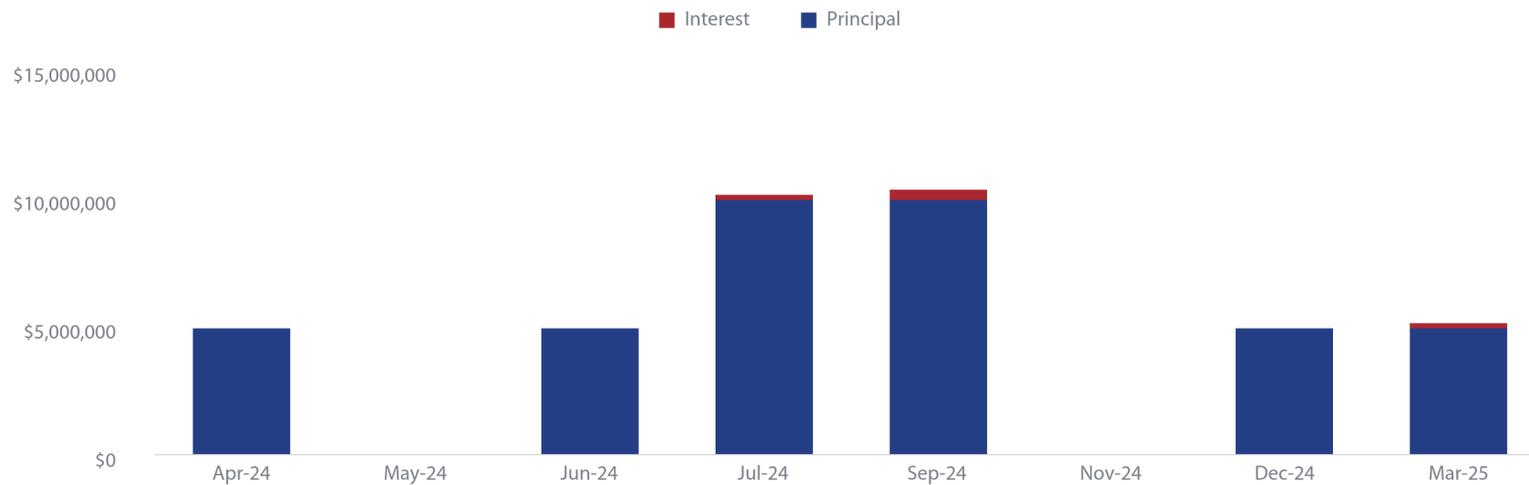
CUSIP	Settle Date	Security Type	Security Description	Purchase Qty	Orig Price	Original Cost	Amort/Accr for Period	Total Amort/Accr Since Purch	Remaining Disc/Premium	Ending Book Value
1-General Fund										
3134GXD68	07/26/22	AGCY CALL	FHLMC	10,000,000.00	100.000	10,000,000.00	0.00	0.00	0.00	10,000,000.00
3134GX2P8	09/30/22	AGCY CALL	FHLMC	10,000,000.00	100.000	10,000,000.00	0.00	0.00	0.00	10,000,000.00
3133ENEM8	11/23/21	AGCY CALL	FFCB	5,000,000.00	100.000	5,000,000.00	0.00	0.00	0.00	5,000,000.00
Total 1-General Fund				25,000,000.00		25,000,000.00	0.00	0.00	0.00	25,000,000.00
4-Public Safety Facility										
78009AAQ7	05/03/23	CP	Royal Bank of Canada	0.00	0.000	0.00	16,262.24	0.00	0.00	0.00
Total 4-Public Safety Facility				0.00		0.00	16,262.24	0.00	0.00	0.00
7-Bond Funds (Invested) Series 2022 CO										
89233GAS5	06/01/23	CP	Toyota Motor Credit Corp	0.00	0.000	0.00	18,645.83	0.00	0.00	0.00
89233GDC7	07/19/23	CP	Toyota Motor Credit Corp	5,000,000.00	95.816	4,790,811.11	71,030.56	200,602.78	(8,586.11)	4,991,413.89
78009AFE9	09/25/23	CP	Royal Bank of Canada	5,000,000.00	95.902	4,795,079.17	70,904.17	147,262.50	(57,658.33)	4,942,341.67
91282CED9	03/27/24	US GOVT	U.S. Treasury Note	5,000,000.00	96.934	4,846,679.69	2,127.11	2,127.11	(151,193.20)	4,848,806.80
3134GYSP8	05/19/23	AGCY CALL	FHLMC	3,000,000.00	99.762	2,992,851.00	887.43	3,022.78	(4,126.22)	2,995,873.78
Total 7-Bond Funds (Invested) Series 2022 CO				18,000,000.00		17,425,420.97	163,595.09	353,015.17	(221,563.86)	17,778,436.14
8-Water & Sewer										
912797GQ4	09/08/23	US GOVT	U.S. Treasury Bill	0.00	0.000	0.00	48,583.33	0.00	0.00	0.00
89233GMG8	03/27/24	CP	Toyota Motor Credit Corp	5,000,000.00	96.245	4,812,266.67	3,555.56	3,555.56	(184,177.77)	4,815,822.23
3130AWS92	09/08/23	AGCY	FHLB	5,000,000.00	99.584	4,979,200.00	2,672.56	6,131.31	(14,668.69)	4,985,331.31
Total 8-Water & Sewer				10,000,000.00		9,791,466.67	54,811.45	9,686.86	(198,846.46)	9,801,153.54
Grand Total				53,000,000.00		52,216,887.64	234,668.78	362,702.03	(420,410.33)	52,579,589.67

Projected Cash Flows

CUSIP	Security Description	Post Date	Interest	Principal	Total Amount
1-General Fund					
3133ENEM8	FFCB	05/23/24	35,750.00		35,750.00
3134GXD68	FHLMC	07/26/24	200,000.00		200,000.00
3134GXD68	FHLMC	07/26/24		10,000,000.00	10,000,000.00
3134GX2P8	FHLMC	09/30/24	206,250.00		206,250.00
3134GX2P8	FHLMC	09/30/24		10,000,000.00	10,000,000.00
3133ENEM8	FFCB	11/25/24	35,750.00		35,750.00
7-Bond Funds (Invested) Series 2022 CO					
89233GDC7	Toyota Motor Credit Corp 0.0 04/12/2024	04/12/24		5,000,000.00	5,000,000.00
3134GYSP8	FHLMC	05/16/24	75,000.00		75,000.00
78009AFE9	Royal Bank of Canada	06/14/24		5,000,000.00	5,000,000.00
91282CED9	U.S. Treasury Note	09/16/24	43,750.00		43,750.00
3134GYSP8	FHLMC	11/18/24	75,000.00		75,000.00
91282CED9	U.S. Treasury Note	03/17/25	43,750.00		43,750.00
91282CED9	U.S. Treasury Note	03/17/25		5,000,000.00	5,000,000.00
8-Water & Sewer					
3130AWS92	FHLB	09/12/24	121,875.00		121,875.00
89233GMG8	Toyota Motor Credit Corp	12/16/24		5,000,000.00	5,000,000.00
3130AWS92	FHLB	03/12/25	121,875.00		121,875.00
Grand Total			959,000.00	40,000,000.00	40,959,000.00

Projected Cash Flows Totals

Month and Year	Interest	Principal	Total Amount
April 2024		5,000,000.00	5,000,000.00
May 2024	110,750.00		110,750.00
June 2024		5,000,000.00	5,000,000.00
July 2024	200,000.00	10,000,000.00	10,200,000.00
September 2024	371,875.00	10,000,000.00	10,371,875.00
November 2024	110,750.00		110,750.00
December 2024		5,000,000.00	5,000,000.00
March 2025	165,625.00	5,000,000.00	5,165,625.00
Total	959,000.00	40,000,000.00	40,959,000.00



Disclosures & Disclaimers

As a courtesy to investors this information: (1) is provided for informational purposes only; (2) should not be construed as an offer to sell or a solicitation of an offer to buy any security; and (3) does not replace customer statements.

This report is designed to provide general information and is not intended to provide specific legal, investment, accounting, tax or other professional advice.

It is important to review and save all source documents provided by a product sponsor or brokerage firm which may contain notices, disclosures and other information important to you and may also serve as a reference. If conflicts between this report and sponsor reports or confirmations exist, the information provided by the product sponsors shall prevail. Fees and sales charges paid may not be reflected in the information.

The information and data contained herein is obtained from sources believed to be reliable but its accuracy or completeness is not guaranteed. Additionally, the information may contain assets held away from HTS, therefore investors should contact customer service or other representatives from the respective distributors or issuers to determine SIPC coverage for heldaway assets. HTS and HSAM do not guarantee the information contained herein or its accuracy or completeness regarding contributions, withdrawals, protected values. All information is subject to further review with client to validate final values.

It is not possible to directly invest in an index. Financial forecasts, rates of return, risk, inflation, and other assumptions may be used as the basis for illustrations. They should not be considered a guarantee of future performance or a guarantee of achieving overall financial objectives. Past performance is not a guarantee or a predictor of future results of either the indices or any particular investment. S&P rates the creditworthiness of individual bonds from: AAA highest to D lowest.

Investing in fixed income securities involves interest rate risk, credit risk, and inflation risk. Interest rate risk is the possibility that bond prices will decrease because of an interest rate increase. When interest rates rise, bond prices and the values of fixed income securities fall. When interest rates fall, bond prices and the values of fixed income securities rise. Credit risk is the risk that a company will not be able to pay its debts, including the interest on its bonds. Inflation risk is the possibility that the interest paid on an investment in bonds will be lower than the inflation rate, decreasing purchasing power.

Cash alternatives typically include money market securities and U.S. treasury bills. Investing in such cash alternatives involves inflation risk. In addition, investments in money market securities may involve credit risk and a risk of principal loss. Because money market securities are neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency, there is no guarantee the value of your investment will be maintained at \$1.00 per share, and your shares, when sold, may be worth more or less than what you originally paid for them. U.S. Treasury bills are subject to market risk if sold prior to maturity. Market risk is the possibility that the value, when sold, might be less than the purchase price.

Investing in stock securities involves volatility risk, market risk, business risk, and industry risk. The prices of most stocks fluctuate. Volatility risk is the chance that the value of a stock will fall. Market risk is the chance that the prices of all stocks will fall due to conditions in the economic environment. Business risk is the chance that a specific company's stock will fall because of issues affecting it. Industry risk is the chance that a set of factors particular to an industry group will adversely affect stock prices within the industry.

Securities offered by HTS: (1) are not FDIC (Federal Deposit Insurance Corporation) insured; (2) are not bank deposits; (3) are not guaranteed by any bank or by any other federal government agency. None of the named entities are affiliates of HTS or HSAM. Hilltop Securities Asset Management (HSAM) is an SEC-registered investment advisor. Hilltop Securities Inc. (HTS) is a registered broker-dealer, registered investment adviser and municipal advisor firm that does not provide tax or legal advice. Member of FINRA & SIPC. HTS and HSAM are wholly owned subsidiaries of Hilltop Holdings, Inc. (NYSE: HTH) located at 717 N. Harwood St., Suite 3400, Dallas, Texas 75201, (214) 859-1800, 833-4HILLTOP.

Copyright 2022, S&P Global Market Intelligence. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.

A reference to a particular investment or security, a rating or any observation concerning an investment that is part of the content is not a recommendation to buy, sell or hold such investment or security, does not address the suitability of an investment or security and should not be relied on as investment advice. Credit ratings are statements of opinions and are not statements of fact.