



# **Brazos River Authority**

## **Quarterly Investment Report**

**For the Quarter Ended**

**February 28, 2021**

**Prepared by**

**Valley View Consulting, L.L.C.**

The investment portfolio of the Brazos River Authority is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.

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Chief Financial Officer

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Cash and Debt Manager

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Accounting Manager

These reports were compiled using information provided by the Brazos River Authority. 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	November 30, 2020		February 28, 2021		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
DDA/MMA/Pools/MMF	\$ 43,718,326	\$ 43,718,326	\$ 45,649,303	\$ 45,649,303	0.35%
Securities/CDs	113,798,104	113,798,104	106,813,568	106,813,568	0.81%
<b>Totals</b>	<b>\$ 157,516,430</b>	<b>\$ 157,516,430</b>	<b>\$ 152,462,871</b>	<b>\$ 152,462,871</b>	0.67%

Average Yield for Current Quarter (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	0.67%	Total Portfolio	0.76%
Average Rolling 6 Month Treasury Bill Yield	0.10%	Average Rolling 6 Month Treasury Bill Yield	0.11%

Interest Earnings (Approximate)	
Quarter	\$ 280,360
Fiscal YTD	\$ 642,256

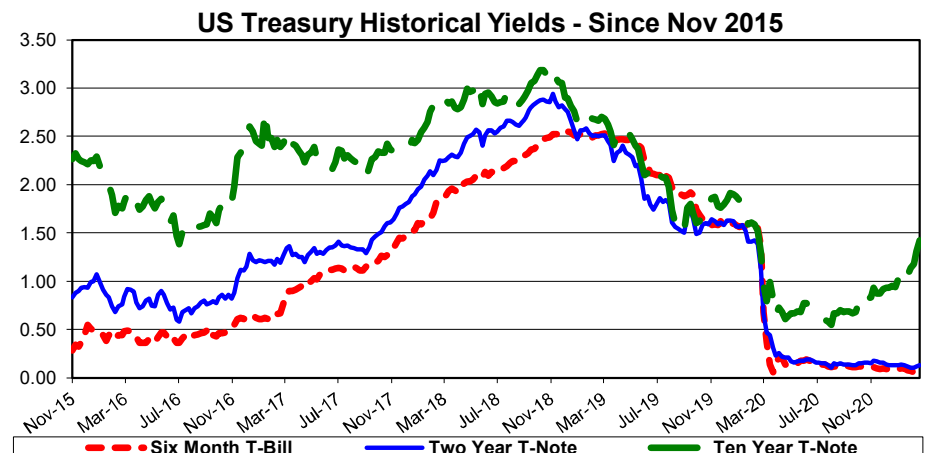
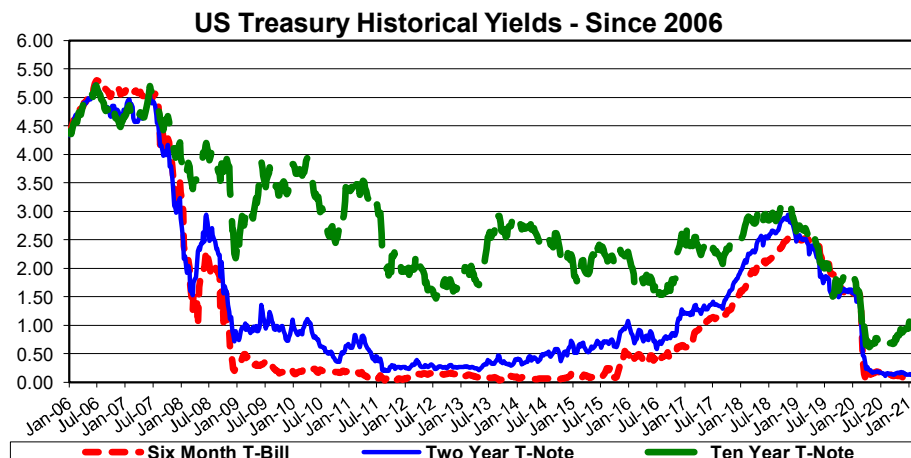
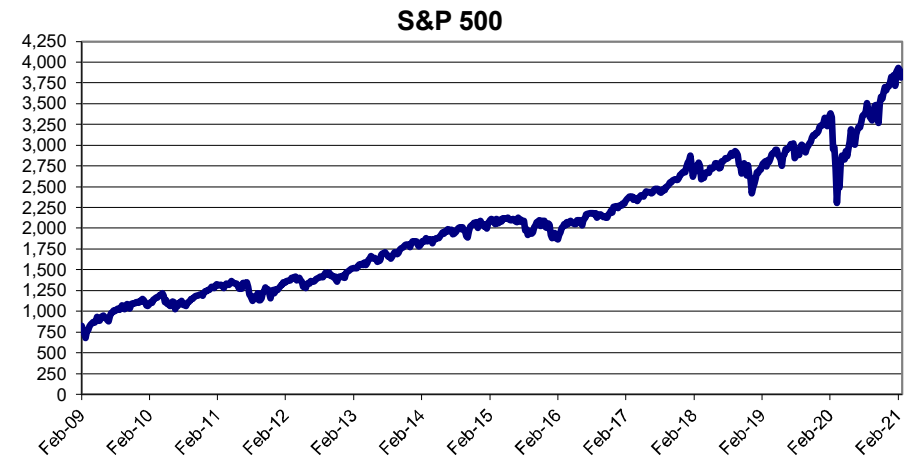
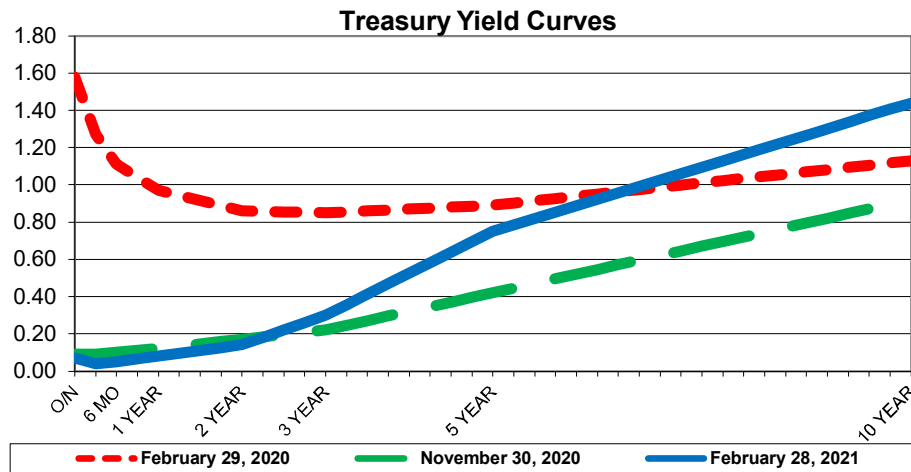
(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

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

2/28/2021

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range at 0.00% to 0.25% (Effective Fed Funds are trading <0.10%), and projected that reduced rates could remain into 2023 or longer. Second estimate of Fourth Quarter GDP revised up slightly to +4.1%. Crude oil traded above \$60 per barrel. Employment/ Unemployment continues modest improvement, but Initial Jobless Claims remain erratic and elevated. The Stock Markets are still performing well. Housing, Industrial Production, Durable Goods, Consumer Spending, and other indicators showed solid gains. Additional individual stimulus checks, and other factors, helped the economy. The Yield Curve continued steepening on longer maturities.



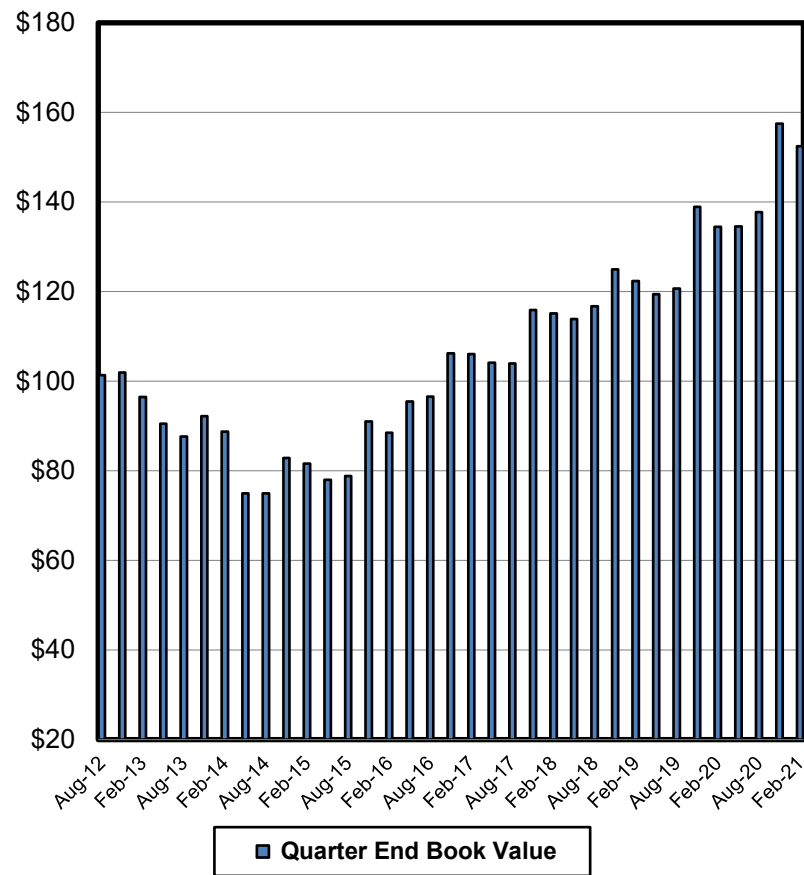
**Investment Holdings**  
**February 28, 2021**

Description	Ratings	Coupon/ YTM	Maturity Date	Settlement Date	Original Face/ Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Wells Fargo Disbursement		0.00%	03/01/21	02/28/21	\$ 3,575,746	\$ 3,575,746	1.000	\$ 3,575,746	1	0.00%
Graham Savings		0.15%	03/01/21	02/28/21	70,566	70,566	1.000	70,566	1	0.15%
Southside Bank MMA		0.10%	03/01/21	02/28/21	5,842,593	5,842,593	1.000	5,842,593	1	0.10%
Veritex Bank MMA		0.14%	03/01/21	02/28/21	7,339,895	7,339,895	1.000	7,339,895	1	0.14%
NexBank MMA		0.45%	03/01/21	02/28/21	28,732,740	28,732,740	1.000	28,732,740	1	0.45%
Alliance Bank MMA		0.25%	03/01/21	02/28/21	82,879	82,879	1.000	82,879	1	0.25%
TexPool	AAAm	0.04%	03/01/21	02/28/21	4,883	4,883	1.000	4,883	1	0.04%
East West Bank CD		1.90%	03/18/21	09/18/19	15,855,834	15,855,834	100.000	15,855,834	18	1.92%
Alliance Bank CD		2.10%	04/05/21	10/03/19	8,510,323	8,510,323	100.000	8,510,323	36	2.12%
East West Bank CD		0.26%	04/13/21	10/13/20	1,801,783	1,801,783	100.000	1,801,783	44	0.26%
East West Bank CD		1.69%	04/26/21	01/24/20	2,037,574	2,037,574	100.000	2,037,574	57	1.70%
Independent Bank CD		0.60%	06/11/21	06/11/20	6,018,063	6,018,063	100.000	6,018,063	103	0.60%
Independent Bank CD		0.55%	06/22/21	06/22/20	3,509,658	3,509,658	100.000	3,509,658	114	0.55%
Alliance Bank CD		0.27%	07/21/21	01/21/21	3,459,696	3,459,696	100.000	3,459,696	143	0.27%
Allegiance Bank CD		0.76%	07/23/21	04/24/20	6,034,422	6,034,422	100.000	6,034,422	145	0.76%
East West Bank CD		0.24%	08/23/21	12/21/20	4,099,937	4,099,937	100.000	4,099,937	176	0.24%
East West Bank CD		0.39%	09/14/21	09/14/20	5,008,983	5,008,983	100.000	5,008,983	198	0.39%
Bank OZK CD		0.30%	10/07/21	10/07/20	5,005,074	5,005,074	100.000	5,005,074	221	0.30%
Allegiance Bank CD		0.73%	10/12/21	04/09/20	5,027,550	5,027,550	100.000	5,027,550	226	0.73%
Alliance Bank CD		0.45%	10/13/21	10/13/20	5,169,877	5,169,877	100.000	5,169,877	227	0.45%
Alliance Bank CD		0.32%	11/15/21	11/13/20	3,244,059	3,244,059	100.000	3,244,059	260	0.32%
East West Bank CD		0.26%	12/03/21	12/03/20	1,000,627	1,000,627	100.000	1,000,627	278	0.26%
Bank OZK CD		0.30%	01/07/22	01/07/20	5,005,074	5,005,074	100.000	5,005,074	313	0.30%
Bank OZK CD		0.40%	01/13/22	07/13/20	5,011,793	5,011,793	100.000	5,011,793	319	0.40%
Independent Bank CD		0.40%	01/25/22	01/25/21	6,000,000	6,000,000	100.000	6,000,000	331	0.40%
Alliance Bank CD		0.33%	02/25/22	02/25/21	12,000,000	12,000,000	100.000	12,000,000	362	0.33%
Bank OZK CD		0.65%	06/13/22	06/11/20	3,013,242	3,013,242	100.000	3,013,242	470	0.65%
<b>TOTAL / AVERAGE</b>					<b>\$ 152,462,871</b>	<b>\$ 152,462,871</b>		<b>\$ 152,462,871</b>	<b>134</b>	<b>0.67%</b>
									(1)	(2)

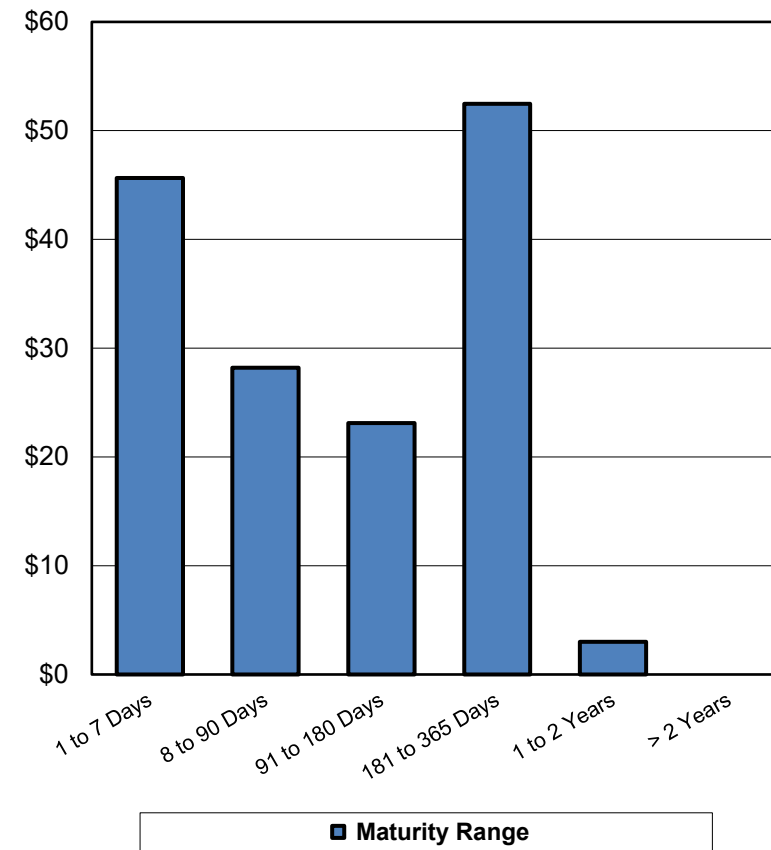
(1) Weighted average life - For purposes of calculating weighted average life bank, pool, and money market investments are assumed to mature the next business day.

(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. The yield for the reporting month is used for bank, pool, and money market investments.

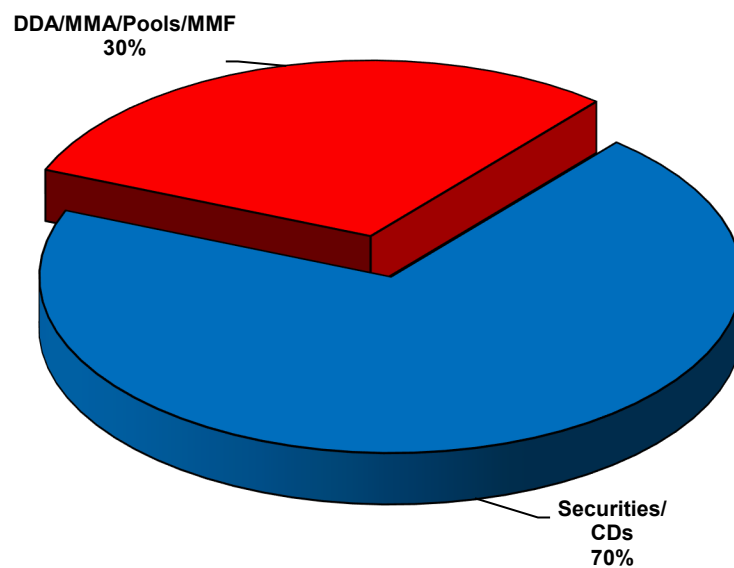
**Total Portfolio (Millions)**



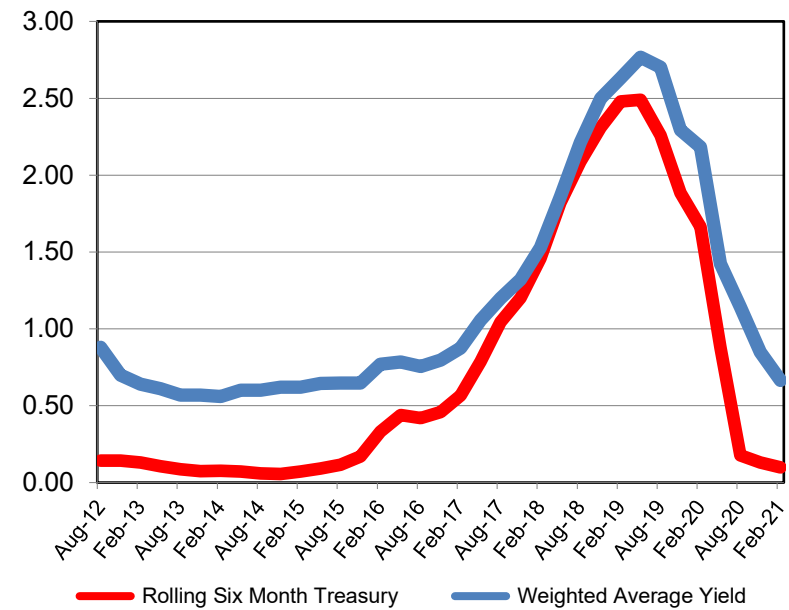
**Book Value Maturity Distribution (Millions)**



**Portfolio Composition**



**Total Portfolio Performance**



## Book & Market Value Comparison

Issuer/Description	Rating	Yield	Maturity Date	Book Value 11/30/20	Increases	Decreases	Book Value 02/28/21	Market Value 11/30/20	Change in Market Value	Market Value 02/28/21
Wells Fargo Disbursement		0.00%	03/01/21	\$ 922,446	\$ 2,653,300	\$ —	\$ 3,575,746	\$ 922,446	\$ 2,653,300	\$ 3,575,746
Graham Savings		0.15%	03/01/21	69,637	929	—	70,566	69,637	929	70,566
Southside Bank MMA		0.10%	03/01/21	5,840,778	1,815	—	5,842,593	5,840,778	1,815	5,842,593
Veritex Bank MMA		0.14%	03/01/21	8,137,245	—	(797,350)	7,339,895	8,137,245	(797,350)	7,339,895
NexBank MMA		0.45%	03/01/21	28,700,879	31,861	—	28,732,740	28,700,879	31,861	28,732,740
Alliance Bank MMA		0.25%	03/01/21	42,458	40,422	—	82,879	42,458	40,422	82,879
TexPool	AAAm	0.04%	03/01/21	4,883	1	—	4,883	4,883	1	4,883
Alliance Bank CD		2.67%	12/03/20	1,033,568	—	(1,033,568)	—	1,033,568	(1,033,568)	—
East West Bank CD		1.85%	12/14/20	1,022,612	—	(1,022,612)	—	1,022,612	(1,022,612)	—
East West Bank CD		1.95%	12/21/20	4,093,719	—	(4,093,719)	—	4,093,719	(4,093,719)	—
Independent Bank CD		1.76%	01/14/21	5,065,792	—	(5,065,792)	—	5,065,792	(5,065,792)	—
Alliance Bank CD		2.02%	01/21/21	3,442,343	—	(3,442,343)	—	3,442,343	(3,442,343)	—
Independent Bank CD		1.81%	01/25/21	4,072,525	—	(4,072,525)	—	4,072,525	(4,072,525)	—
East West Bank CD		0.27%	02/18/21	15,008,213	—	(15,008,213)	—	15,008,213	(15,008,213)	—
East West Bank CD		1.92%	03/18/21	15,781,726	74,108	—	15,855,834	15,781,726	74,108	15,855,834
Alliance Bank CD		2.12%	04/05/21	8,465,513	44,809	—	8,510,323	8,465,513	44,809	8,510,323
East West Bank CD		0.26%	04/13/21	1,800,628	1,155	—	1,801,783	1,800,628	1,155	1,801,783
East West Bank CD		1.70%	04/26/21	2,029,101	8,473	—	2,037,574	2,029,101	8,473	2,037,574
Independent Bank CD		0.60%	06/11/21	6,009,074	8,989	—	6,018,063	6,009,074	8,989	6,018,063
Independent Bank CD		0.55%	06/22/21	3,504,852	4,806	—	3,509,658	3,504,852	4,806	3,509,658
Alliance Bank CD		0.27%	07/21/21	—	3,459,696	—	3,459,696	—	3,459,696	3,459,696
Allegiance Bank CD		0.76%	07/23/21	6,022,884	11,538	—	6,034,422	6,022,884	11,538	6,034,422
East West Bank CD		0.24%	08/23/21	—	4,099,937	—	4,099,937	—	4,099,937	4,099,937
East West Bank CD		0.39%	09/14/21	5,004,169	4,815	—	5,008,983	5,004,169	4,815	5,008,983
Bank OZK CD		0.30%	10/07/21	5,001,278	3,795	—	5,005,074	5,001,278	3,795	5,005,074
Allegiance Bank CD		0.73%	10/12/21	5,018,317	9,234	—	5,027,550	5,018,317	9,234	5,027,550
Alliance Bank CD		0.45%	10/13/21	5,164,020	5,857	—	5,169,877	5,164,020	5,857	5,169,877
Alliance Bank CD		0.32%	11/15/21	3,241,445	2,614	—	3,244,059	3,241,445	2,614	3,244,059
East West Bank CD		0.26%	12/03/21	—	1,000,627	—	1,000,627	—	1,000,627	1,000,627
Bank OZK CD		0.30%	01/07/22	5,001,278	3,795	—	5,005,074	5,001,278	3,795	5,005,074
Bank OZK CD		0.40%	01/13/22	5,006,743	5,050	—	5,011,793	5,006,743	5,050	5,011,793
Independent Bank CD		0.40%	01/25/22	—	6,000,000	—	6,000,000	—	6,000,000	6,000,000
Alliance Bank CD		0.33%	02/25/22	—	12,000,000	—	12,000,000	—	12,000,000	12,000,000
Bank OZK CD		0.65%	06/13/22	3,008,303	4,939	—	3,013,242	3,008,303	4,939	3,013,242
<b>TOTAL / AVERAGE</b>			<b>0.67%</b>	<b>\$ 157,516,430</b>	<b>\$ 29,482,563</b>	<b>\$ (34,536,122)</b>	<b>\$ 152,462,871</b>	<b>\$ 157,516,430</b>	<b>\$ (5,053,559)</b>	<b>\$ 152,462,871</b>

**Allocation - Book Value & Market Value**  
**February 28, 2021**

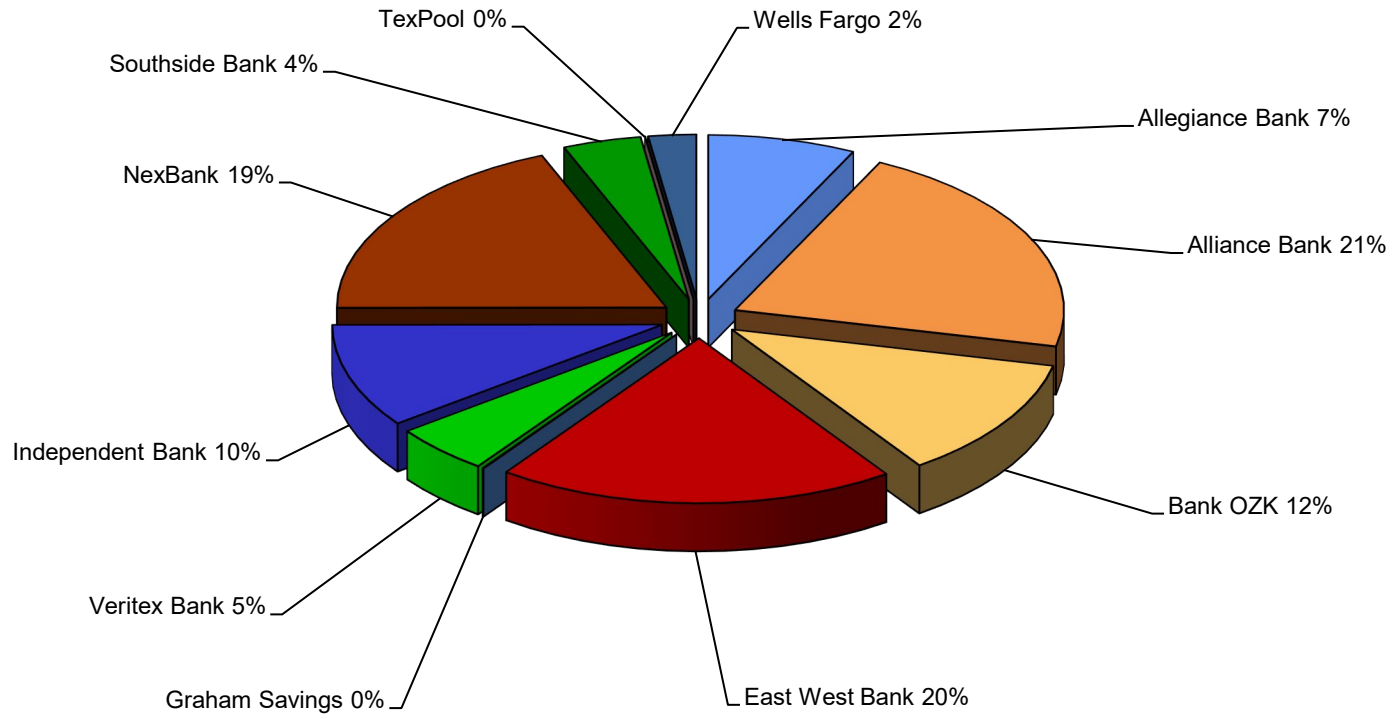
Description	Portfolio Total	Current Operating	Operating Reserve	Bond Proceeds	Bond Reserve	Debt Service	Repair and Replacement
Wells Fargo Disbursement	\$ 3,575,746	\$ 3,575,746	\$ —	\$ —	\$ —	\$ —	\$ —
Graham Savings	70,566	70,566	—	—	—	—	—
Southside Bank MMA	5,842,593	4,671	3,961,022	365,334	464,890	972,341	74,335
Veritex Bank MMA	7,339,895	—	7,339,895	—	—	—	—
NexBank MMA	28,732,740	—	28,732,740	—	—	—	—
Alliance Bank MMA	82,879	—	82,879	—	—	—	—
TexPool	4,883	4,883	—	—	—	—	—
03/18/21—East West Bank CD	15,855,834	—	15,855,834	—	—	—	—
04/05/21—Alliance Bank CD	8,510,323	—	8,510,323	—	—	—	—
04/13/21—East West Bank CD	1,801,783	—	—	1,801,783	—	—	—
04/26/21—East West Bank CD	2,037,574	—	2,037,574	—	—	—	—
06/11/21—Independent Bank CD	6,018,063	—	6,018,063	—	—	—	—
06/22/21—Independent Bank CD	3,509,658	—	2,005,519	—	—	—	1,504,139
07/21/21—Alliance Bank CD	3,459,696	—	3,459,696	—	—	—	—
07/23/21—Allegiance Bank CD	6,034,422	—	5,531,553	—	—	—	502,869
08/23/21—East West Bank CD	4,099,937	—	4,099,937	—	—	—	—
09/14/21—East West Bank CD	5,008,983	—	2,554,581	—	1,402,515	—	1,051,887
10/07/21—Bank OZK CD	5,005,074	—	5,005,074	—	—	—	—
10/12/21—Allegiance Bank CD	5,027,550	—	5,027,550	—	—	—	—
10/13/21—Alliance Bank CD	5,169,877	3,788,921	980,503	—	—	—	400,454
11/15/21—Alliance Bank CD	3,244,059	—	2,854,746	—	389,314	—	—
12/03/21—East West Bank CD	1,000,627	—	—	—	—	—	1,000,627
01/07/22—Bank OZK CD	5,005,074	—	5,005,074	—	—	—	—
01/13/22—Bank OZK CD	5,011,793	—	5,011,793	—	—	—	—
01/25/22—Independent Bank CD	6,000,000	385,343	4,614,657	—	—	—	1,000,000
02/25/22—Alliance Bank CD	12,000,000	—	12,000,000	—	—	—	—
06/13/22—Bank OZK CD	3,013,242	—	3,013,242	—	—	—	—
<b>Totals</b>	<b>\$ 152,462,871</b>	<b>\$ 7,830,130</b>	<b>\$ 133,702,254</b>	<b>\$ 2,167,117</b>	<b>\$ 2,256,720</b>	<b>\$ 972,341</b>	<b>\$ 5,534,310</b>

**Allocation - Book Value & Market Value**  
**November 30, 2020**

Description	Portfolio Total	Current Operating	Operating Reserve	Bond Proceeds	Bond Reserve	Debt Service	Repair and Replacement
Wells Fargo Disbursement	\$ 922,446	\$ 922,446	\$ —	\$ —	\$ —	\$ —	\$ —
Graham Savings	69,637	69,637	—	—	—	—	—
Southside Bank MMA	5,840,778	27,954	2,775,473	365,220	464,746	2,191,100	16,286
Veritex Bank MMA	8,137,245	—	8,137,245	—	—	—	—
NexBank MMA	28,700,879	—	28,700,879	—	—	—	—
Alliance Bank MMA	42,458	—	42,458	—	—	—	—
TexPool	4,883	4,883	—	—	—	—	—
12/03/20–Alliance Bank CD	1,033,568	—	—	—	—	—	1,033,568
12/14/20–East West Bank CD	1,022,612	1,022,612	—	—	—	—	—
12/21/20–East West Bank CD	4,093,719	—	4,093,719	—	—	—	—
01/14/21–Independent Bank CD	5,065,792	344,112	3,708,522	—	—	—	1,013,158
01/21/21–Alliance Bank CD	3,442,343	3,442,343	—	—	—	—	—
01/25/21–Independent Bank CD	4,072,525	—	4,072,525	—	—	—	—
02/18/21–East West Bank CD	15,008,213	—	15,008,213	—	—	—	—
03/18/21–East West Bank CD	15,781,726	—	15,781,726	—	—	—	—
04/05/21–Alliance Bank CD	8,465,513	—	8,465,513	—	—	—	—
04/13/21–East West Bank CD	1,800,628	—	—	1,800,628	—	—	—
04/26/21–East West Bank CD	2,029,101	—	2,029,101	—	—	—	—
06/11/21–Independent Bank CD	6,009,074	—	6,009,074	—	—	—	—
06/22/21–Independent Bank CD	3,504,852	—	2,002,773	—	—	—	1,502,079
07/23/21–Allegiance Bank CD	6,022,884	—	5,520,977	—	—	—	501,907
09/14/21–East West Bank CD	5,004,169	—	2,552,126	—	1,401,167	—	1,050,875
10/07/21–Bank OZK CD	5,001,278	—	5,001,278	—	—	—	—
10/12/21–Allegiance Bank CD	5,018,317	—	5,018,317	—	—	—	—
10/13/21–Alliance Bank CD	5,164,020	3,784,628	979,392	—	—	—	400,000
11/15/21–Alliance Bank CD	3,241,445	—	2,852,445	—	389,000	—	—
01/07/22–Bank OZK CD	5,001,278	—	5,001,278	—	—	—	—
01/13/22–Bank OZK CD	5,006,743	—	5,006,743	—	—	—	—
06/13/22–Bank OZK CD	3,008,303	—	3,008,303	—	—	—	—
<b>Totals</b>	<b>\$ 157,516,430</b>	<b>\$ 9,618,615</b>	<b>\$ 135,768,079</b>	<b>\$ 2,165,849</b>	<b>\$ 2,254,913</b>	<b>\$ 2,191,100</b>	<b>\$ 5,517,874</b>



## Financial Institution Allocation



Financial Institution	Book Value	YTM @ Cost	Days To Maturity	% of Portfolio
Allegiance Bank	\$ 11,061,972	0.75%	182	7%
Alliance Bank	32,466,835	0.81%	221	21%
Bank OZK	18,035,182	0.38%	315	12%
East West Bank	29,804,738	1.26%	83	20%
Graham Savings	70,566	0.15%	1	0%
Veritex Bank	7,339,895	0.14%	1	5%
Independent Bank	15,527,721	0.51%	194	10%
NexBank	28,732,740	0.45%	1	19%
Southside Bank	5,842,593	0.10%	1	4%
TexPool	4,883	0.04%	1	0%
Wells Fargo	3,575,746	0.00%	1	2%
<b>Totals</b>	<b>\$ 152,462,871</b>	<b>0.67%</b>	<b>134</b>	<b>100%</b>

## Report Abbreviations

DDA	Demand Deposit Bank Accounts
CD	Certificate of Deposit
CDARS	Certificate of Deposit Account Registry Service
FFCB	Federal Farm Credit Bank
FHLB	Federal Home Loan Bank
FHLMC	Federal Home Loan Mortgage Corporation
FNMA	Federal National Mortgage Association
FRMAC	Farmer Agricultural Mortgage Corporation
FCDN	Federal Farm Credit Bank - Discount Note
FHDN	Federal Home Loan Bank - Discount Note
FMCDN	Federal Home Loan Mortgage Corporation - Discount Note
FNDN	Federal National Mortgage Association - Discount Note
FRMDN	Farmer Agricultural Mortgage Corporation - Discount Note
FNMA MBS	Federal National Mortgage Association - Mortgage Backed Security
ICS	Insured Cash Sweep
MMA	Money Market Account
MMF	Money Market Fund
NOW	Negotiable Order of Withdrawal Account