



# Brazos River Authority

## Quarterly Investment Report

For the Quarter Ended

November 30, 2022

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	August 31, 2022		November 30, 2022		Ave. Yield
	Book Value	Market Value	Book Value	Market Value	
DDA/MMA/Pools/MMF	\$ 53,471,022	\$ 53,471,022	\$ 57,294,866	\$ 57,294,866	3.86%
Securities/CDs	47,278,137	47,278,137	57,600,827	57,600,827	3.57%
<b>Totals</b>	<b>\$ 100,749,160</b>	<b>\$ 100,749,160</b>	<b>\$ 114,895,693</b>	<b>\$ 114,895,693</b>	3.71%

<u>Average Yield for Current Quarter (1)</u>		<u>Fiscal Year-to-Date Average Yield (2)</u>	
Total Portfolio	3.71%	Total Portfolio	3.71%
Average Rolling 6 Month Treasury Bill Yield	3.52%	Average Rolling 6 Month Treasury Bill Yield	3.52%

<u>Interest Earnings (Approximate)</u>	
Quarter	\$ 820,228
Fiscal YTD	\$ 820,228

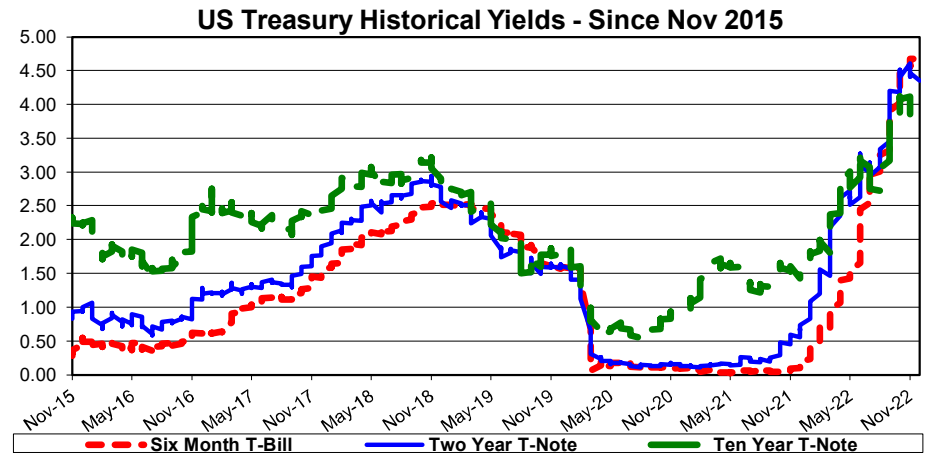
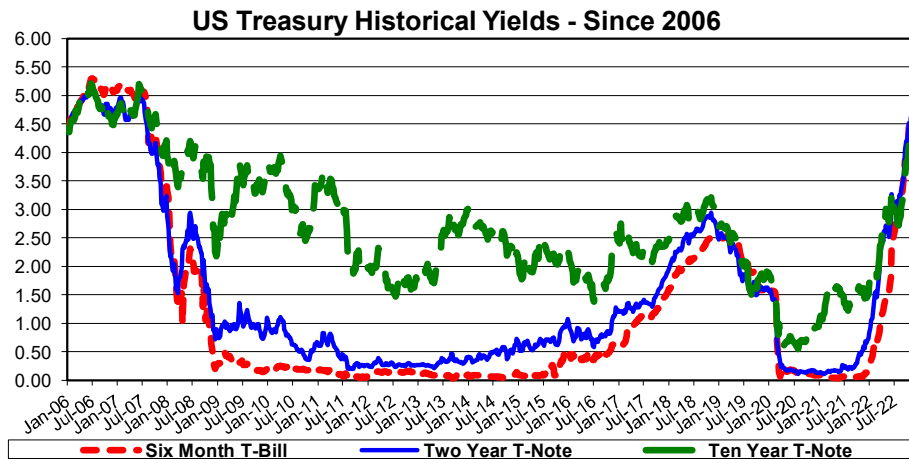
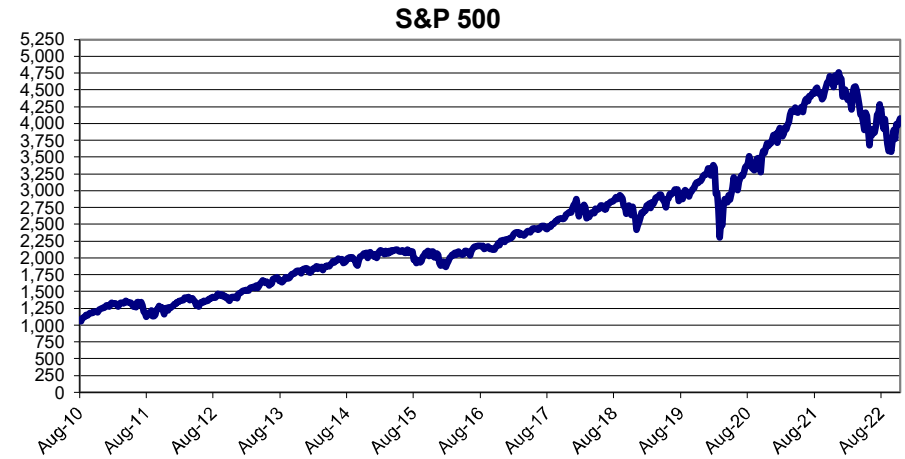
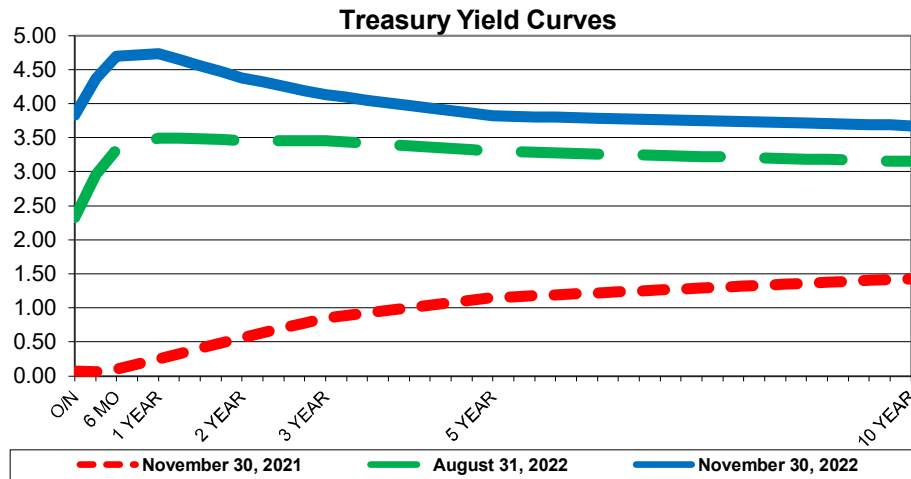
(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

11/30/2022

The Federal Open Market Committee (FOMC) raised the Fed Funds target range 0.75% to 3.75% - 4.00% November 2nd (Effective Fed Funds are trading +/-3.83%). An additional 0.50% increase is currently anticipated December 14th. Third Quarter estimated GDP remained positive at 2.9% (Second Estimate). November Non-Farm Payroll added 263k new jobs with the Three Month Average declining slightly to 272k. Crude oil moderated closer to \$82 per barrel. The Stock Markets increased slightly, but erratically, at +/-15% below the 2021 peak. The yield curve is fully negatively sloped (3 months to 10 years, with peak yield at 1 year) and continues to indicate lower future interest rates. Inflation remained well over the FOMC 2% target (Core PCE +/-5% and CPI +/-8%). International challenges add to economic uncertainty.



**Investment Holdings**  
**November 30, 2022**

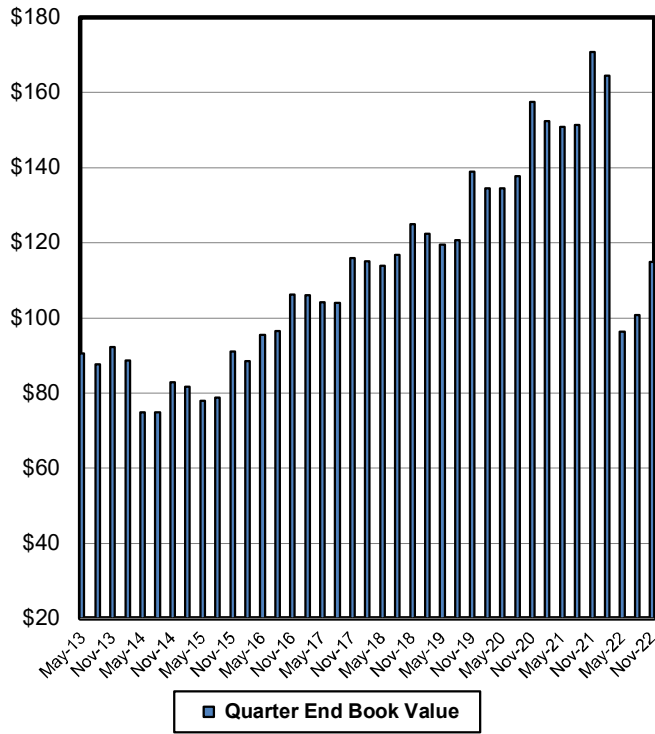
Description	Ratings	Coupon/ YTM	Maturity Date	Settlement Date	Original Face/ Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Wells Fargo Disbursement		0.00%	12/01/22	11/30/22	\$ (281,009)	\$ (281,009)	1.000	\$ (281,009)	1	0.00%
Graham Savings		0.20%	12/01/22	11/30/22	107,802	107,802	1.000	107,802	1	0.20%
Southside Bank MMA		3.63%	12/01/22	11/30/22	6,965,834	6,965,834	1.000	6,965,834	1	3.63%
Veritex Comm Bank MMA		3.83%	12/01/22	11/30/22	11,834,507	11,834,507	1.000	11,834,507	1	3.83%
NexBank MMA		3.95%	12/01/22	11/30/22	32,790,795	32,790,795	1.000	32,790,795	1	3.95%
Alliance Bank MMA		2.50%	12/01/22	11/30/22	86,495	86,495	1.000	86,495	1	2.50%
Wells Fargo MMF		3.59%	12/01/22	11/30/22	5,406,061	5,406,061	1.000	5,406,061	1	3.59%
TexPool	AAAm	3.61%	12/01/22	11/30/22	384,380	384,380	1.000	384,380	1	3.61%
East West Bank CD		0.29%	12/02/22	12/03/21	1,005,260	1,005,260	100.000	1,005,260	2	0.29%
East West Bank CD		0.42%	01/10/23	01/10/22	5,018,733	5,018,733	100.000	5,018,733	41	0.42%
East West Bank CD		4.20%	04/18/23	10/18/22	5,040,435	5,040,435	100.000	5,040,435	139	4.20%
East West Bank CD		4.47%	04/25/23	10/25/22	5,022,706	5,022,706	100.000	5,022,706	146	4.47%
Alliance Bank CD		3.25%	05/17/23	08/17/22	5,040,959	5,040,959	100.000	5,040,959	168	3.25%
East West Bank CD		4.55%	07/25/23	10/25/22	6,049,868	6,049,868	100.000	6,049,868	237	4.55%
Alliance Bank CD		3.45%	08/17/23	08/17/22	5,043,479	5,043,479	100.000	5,043,479	260	3.45%
East West Bank CD		3.94%	09/18/23	09/16/22	10,082,371	10,082,371	100.000	10,082,371	292	3.94%
Alliance Bank CD		3.43%	11/24/23	08/25/22	5,042,226	5,042,226	100.000	5,042,226	359	3.43%
Alliance Bank CD		3.50%	02/16/24	08/17/22	5,044,110	5,044,110	100.000	5,044,110	443	3.50%
Alliance Bank CD		4.50%	04/12/24	10/13/22	5,210,680	5,210,680	100.000	5,210,680	499	4.50%
<b>TOTAL / AVERAGE</b>					<b>\$ 114,895,693</b>	<b>\$ 114,895,693</b>		<b>\$ 114,895,693</b>	<b>130</b>	<b>3.71%</b>

(1) (2)

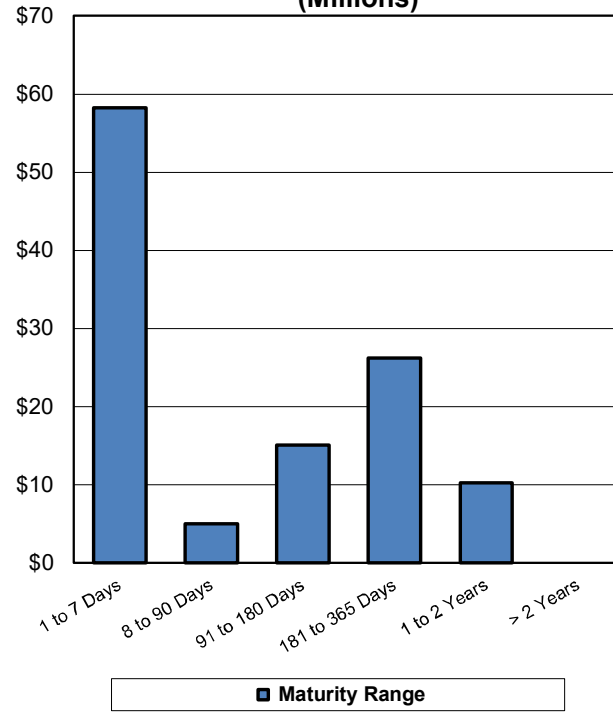
(1) Weighted average life - For purposes of calculating weighted average life bank, pool, and money market investments are assumed to mature the next business day.

(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.

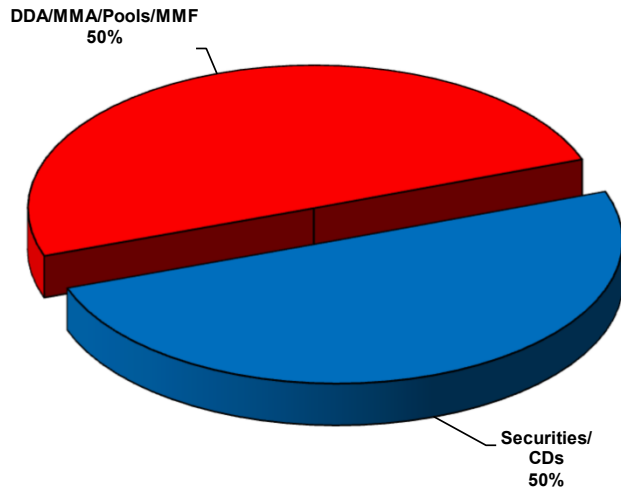
**Total Portfolio (Millions)**



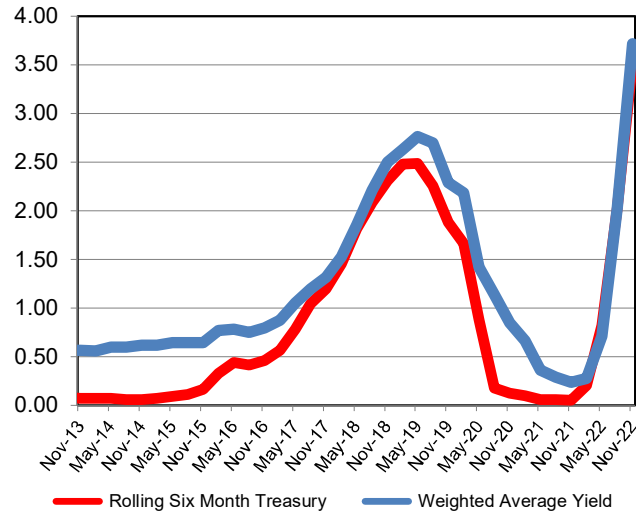
**Book Value Maturity Distribution (Millions)**



**Portfolio Composition**



**Total Portfolio Performance**



## Book & Market Value Comparison

Issuer/Description	Rating	Yield	Maturity Date	Book Value 08/31/22	Increases	Decreases	Book Value 11/30/22	Market Value 08/31/22	Change in Market Value	Market Value 11/30/22
Wells Fargo Disbursement		0.00%	12/01/22	\$ 388,083	\$ -	\$ (669,091)	\$ (281,009)	\$ 388,083	\$ (669,091)	\$ (281,009)
Graham Savings		0.20%	12/01/22	107,761	41	-	107,802	107,761	41	107,802
Southside Bank MMA		3.63%	12/01/22	6,914,509	51,326	-	6,965,834	6,914,509	51,326	6,965,834
Veritex Comm Bank MMA		3.83%	12/01/22	3,996,902	7,837,605	-	11,834,507	3,996,902	7,837,605	11,834,507
NexBank MMA		3.95%	12/01/22	32,536,615	254,180	-	32,790,795	32,536,615	254,180	32,790,795
Alliance Bank MMA		2.50%	12/01/22	119,358	-	(32,863)	86,495	119,358	(32,863)	86,495
Wells Fargo MMF		3.59%	12/01/22	9,026,261	-	(3,620,200)	5,406,061	9,026,261	(3,620,200)	5,406,061
TexPool	AAAm	3.61%	12/01/22	381,534	2,846	-	384,380	381,534	2,846	384,380
Alliance Bank CD		0.45%	10/13/22	5,204,776	-	(5,204,776)	-	5,204,776	(5,204,776)	-
East West Bank CD		0.40%	10/18/22	5,012,399	-	(5,012,399)	-	5,012,399	(5,012,399)	-
East West Bank CD		0.49%	10/25/22	6,017,666	-	(6,017,666)	-	6,017,666	(6,017,666)	-
East West Bank CD		0.97%	11/25/22	5,025,043	-	(5,025,043)	-	5,025,043	(5,025,043)	-
East West Bank CD		0.29%	12/02/22	1,004,772	487	-	1,005,260	1,004,772	487	1,005,260
East West Bank CD		0.42%	01/10/23	5,013,481	5,252	-	5,018,733	5,013,481	5,252	5,018,733
East West Bank CD		4.20%	04/18/23	-	5,040,435	-	5,040,435	-	5,040,435	5,040,435
East West Bank CD		4.47%	04/25/23	-	5,022,706	-	5,022,706	-	5,022,706	5,022,706
Alliance Bank CD		3.25%	05/17/23	5,000,000	40,959	-	5,040,959	5,000,000	40,959	5,040,959
East West Bank CD		4.55%	07/25/23	-	6,049,868	-	6,049,868	-	6,049,868	6,049,868
Alliance Bank CD		3.45%	08/17/23	5,000,000	43,479	-	5,043,479	5,000,000	43,479	5,043,479
East West Bank CD		3.94%	09/18/23	-	10,082,371	-	10,082,371	-	10,082,371	10,082,371
Alliance Bank CD		3.43%	11/24/23	5,000,000	42,226	-	5,042,226	5,000,000	42,226	5,042,226
Alliance Bank CD		3.50%	02/16/24	5,000,000	44,110	-	5,044,110	5,000,000	44,110	5,044,110
Alliance Bank CD		4.50%	04/12/24	-	5,210,680	-	5,210,680	-	5,210,680	5,210,680
<b>TOTAL / AVERAGE</b>		<b>3.71%</b>		<b>\$ 100,749,160</b>	<b>\$ 39,728,571</b>	<b>\$ (25,582,038)</b>	<b>\$ 114,895,693</b>	<b>\$ 100,749,160</b>	<b>\$ 14,146,533</b>	<b>\$ 114,895,693</b>

**Allocation - Book Value & Market Value  
November 30, 2022**

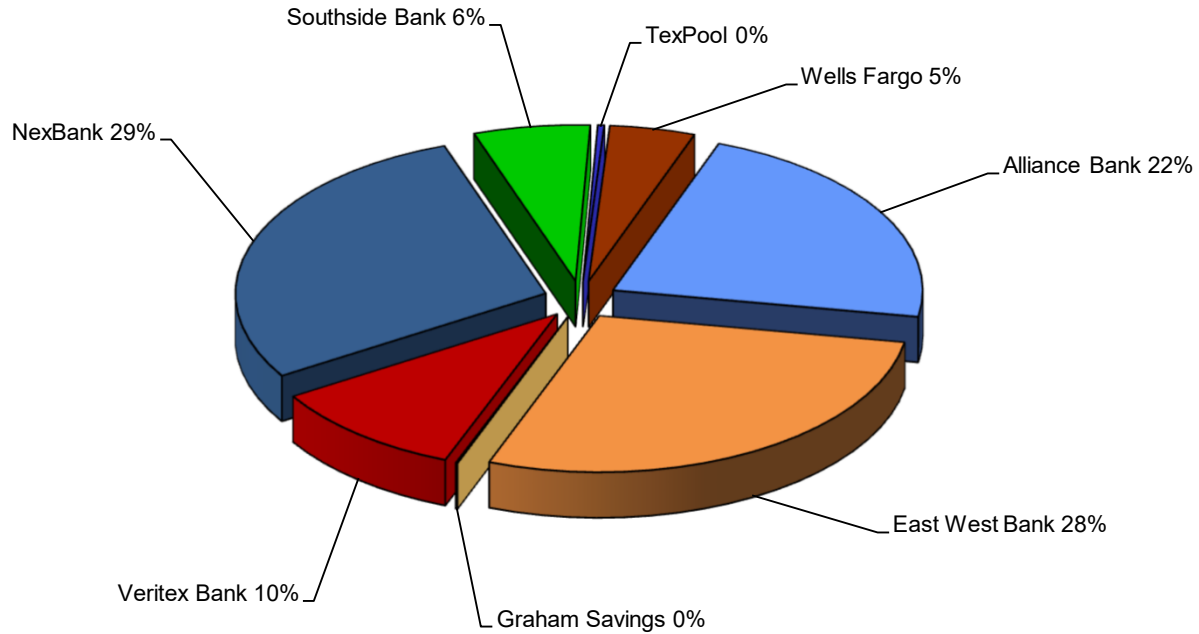
<b>Description</b>	<b>Portfolio Total</b>	<b>Current Operating</b>	<b>Operating Reserve</b>	<b>Bond Proceeds</b>	<b>Bond Reserve</b>	<b>Debt Service</b>	<b>Repair and Replacement</b>
Wells Fargo Disbursement	\$ (281,009)	\$ (281,009)	\$ -	\$ -	\$ -	\$ -	\$ -
Graham Savings	107,802	107,802	-	-	-	-	-
Southside Bank MMA	6,965,834	-	2,181,215	1,928,303	839,431	2,008,943	7,942
Veritex Comm Bank MMA	11,834,507	-	11,834,507	-	-	-	-
NexBank MMA	32,790,795	-	32,790,795	-	-	-	-
Alliance Bank MMA	86,495	-	86,495	-	-	-	-
Wells Fargo MMF	5,406,061	5,406,061	-	-	-	-	-
TexPool	384,380	384,380	-	-	-	-	-
12/02/22–East West Bank CD	1,005,260	-	-	-	-	-	1,005,260
01/10/23–East West Bank CD	5,018,733	-	1,508,631	-	1,405,245	-	2,104,857
04/18/23–East West Bank CD	5,040,435	-	5,040,435	-	-	-	-
04/25/23–East West Bank CD	5,022,706	-	5,022,706	-	-	-	-
05/17/23–Alliance Bank CD	5,040,959	-	5,040,959	-	-	-	-
07/25/23–East West Bank CD	6,049,868	40,841	5,004,404	-	-	-	1,004,623
08/17/23–Alliance Bank CD	5,043,479	-	5,043,479	-	-	-	-
09/18/23–East West Bank CD	10,082,371	-	10,082,371	-	-	-	-
11/24/23–Alliance Bank CD	5,042,226	4,483,451	558,775	-	-	-	-
02/16/24–Alliance Bank CD	5,044,110	-	5,044,110	-	-	-	-
04/12/24–Alliance Bank CD	5,210,680	-	3,823,680	-	-	-	1,387,000
<b>Totals</b>	<b>\$ 114,895,693</b>	<b>\$ 10,141,527</b>	<b>\$ 93,062,562</b>	<b>\$ 1,928,303</b>	<b>\$ 2,244,676</b>	<b>\$ 2,008,943</b>	<b>\$ 5,509,681</b>

**Allocation - Book Value & Market Value  
August 31, 2022**

<b>Description</b>	<b>Portfolio Total</b>	<b>Current Operating</b>	<b>Operating Reserve</b>	<b>Bond Proceeds</b>	<b>Bond Reserve</b>	<b>Debt Service</b>	<b>Repair and Replacement</b>
Wells Fargo Disbursement	\$ 388,083	\$ 388,083	\$ -	\$ -	\$ -	\$ -	\$ -
Graham Savings	107,761	107,761	-	-	-	-	-
Southside Bank MMA	6,914,509	-	368,431	1,919,570	845,995	3,742,452	38,061
Veritex Comm Bank MMA	3,996,902	-	3,996,902	-	-	-	-
NexBank MMA	32,536,615	-	32,536,615	-	-	-	-
Alliance Bank MMA	119,358	-	119,358	-	-	-	-
Wells Fargo MMF	9,026,261	9,026,261	-	-	-	-	-
TexPool	381,534	381,534	-	-	-	-	-
10/13/22-Alliance Bank CD	5,204,776	3,833,592	-	-	-	-	1,371,184
10/18/22-East West Bank CD	5,012,399	-	5,012,399	-	-	-	-
10/25/22-East West Bank CD	6,017,666	401,684	4,613,038	-	-	-	1,002,944
11/25/22-East West Bank CD	5,025,043	-	5,025,043	-	-	-	-
12/02/22-East West Bank CD	1,004,772	-	-	-	-	-	1,004,772
01/10/23-East West Bank CD	5,013,481	-	1,507,052	-	1,403,775	-	2,102,654
05/17/23-Alliance Bank CD	5,000,000	-	5,000,000	-	-	-	-
08/17/23-Alliance Bank CD	5,000,000	-	5,000,000	-	-	-	-
11/24/23-Alliance Bank CD	5,000,000	-	5,000,000	-	-	-	-
02/16/24-Alliance Bank CD	5,000,000	-	5,000,000	-	-	-	-
<b>Totals</b>	<b>\$ 100,749,160</b>	<b>\$ 14,138,914</b>	<b>\$ 73,178,838</b>	<b>\$ 1,919,570</b>	<b>\$ 2,249,769</b>	<b>\$ 3,742,452</b>	<b>\$ 5,519,616</b>



## Financial Institution Allocation



Financial Institution	Book Value	YTM @ Cost	Days To Maturity	% of Portfolio
Alliance Bank	25,467,949	3.63%	346	22%
East West Bank	32,219,373	3.52%	187	28%
Graham Savings	107,802	0.20%	1	0%
Veritex Bank	11,834,507	3.83%	1	10%
NexBank	32,790,795	3.95%	1	29%
Southside Bank	6,965,834	3.63%	1	6%
TexPool	384,380	3.61%	1	0%
Wells Fargo	5,125,052	3.79%	1	4%
<b>Totals</b>	<b>\$ 114,895,693</b>	<b>3.71%</b>	<b>130</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