



Brazos River Authority

Quarterly Investment Report

For the Quarter Ended

August 31, 2023

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.

Chief Financial Officer

Cash and Debt Manager

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.

Annual Portfolio Performance Summary

Fiscal Year End Results by Investment Category:

Asset Type	August 31, 2022			August 31, 2023		
	Avg. Yield	Book Value	Market Value	Avg. Yield	Book Value	Market Value
Demand/Pools/MMMF	2.28%	\$ 53,471,022	\$ 53,471,022	5.48%	\$ 89,011,861	\$ 89,011,861
Securities/CDs	1.75%	47,278,137	47,278,137	4.74%	63,001,182	63,001,182
Totals		\$ 100,749,160	\$ 100,749,160		\$ 152,013,042	\$ 152,013,042
Fourth Quarter-End Yield	2.03%			5.17%		

Average Quarter-End Yields (1):

	2022 Fiscal Year	2023 Fiscal Year
BRA	0.82%	4.51%
Rolling Three Month Treasury	0.81%	4.76%
Rolling Six Month Treasury	0.78%	4.58%
Rolling One Year Treasury	0.59%	3.76%
TexPool	0.72%	4.60%
Fiscal YTD Interest Earnings	\$ 657,529	\$ 4,464,835

(1) Average Quarterly Yield calculated using quarter end report average yield and adjusted book value.

Summary

Quarter End Results by Investment Category:

Asset Type	May 31, 2023		August 31, 2023		Ave. Yield
	Book Value	Market Value	Book Value	Market Value	
DDA/MMA/Pools/MMF	\$ 39,789,514	\$ 39,789,514	\$ 89,011,861	\$ 89,011,861	5.48%
Securities/CDs	62,496,189	62,496,189	63,001,182	63,001,182	4.74%
Totals	\$ 102,285,703	\$ 102,285,703	\$ 152,013,042	\$ 152,013,042	5.17%

Average Yield for Current Quarter (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	5.17%	Total Portfolio	4.51%
Average Rolling 6 Month Treasury Bill Yield	5.30%	Average Rolling 6 Month Treasury Bill Yield	4.58%

Interest Earnings (Approximate)	
Quarter	\$ 1,334,417
Fiscal YTD	\$ 4,464,835

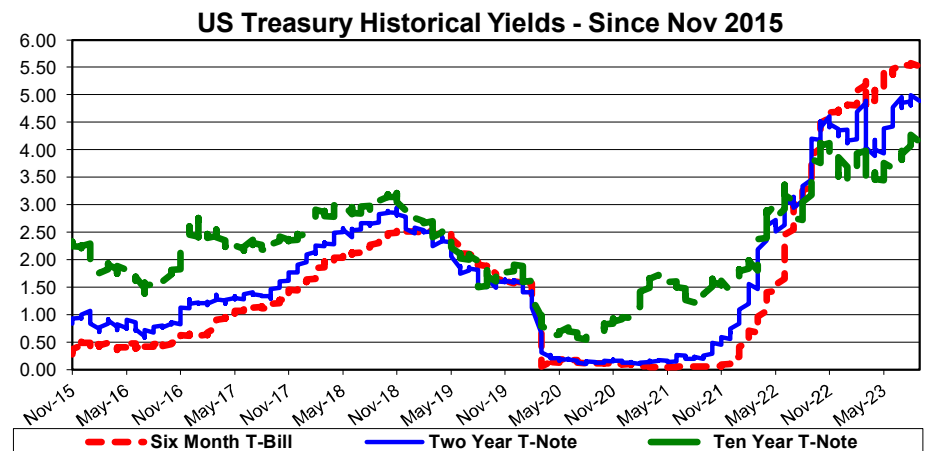
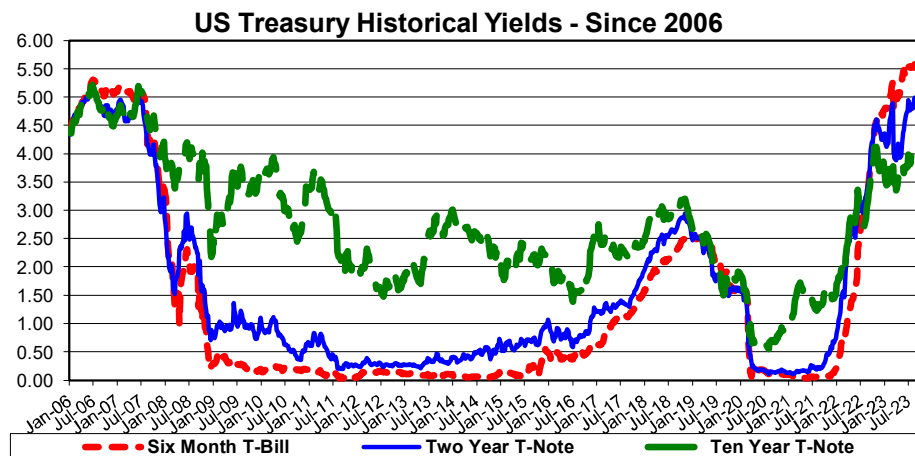
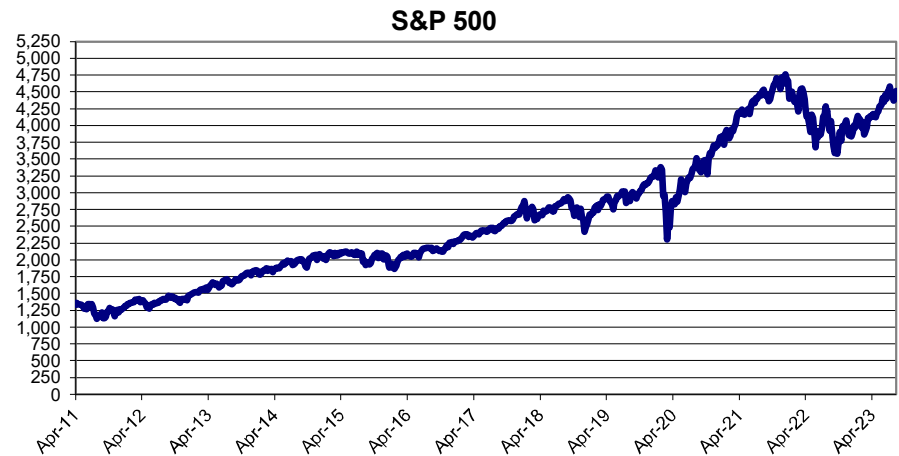
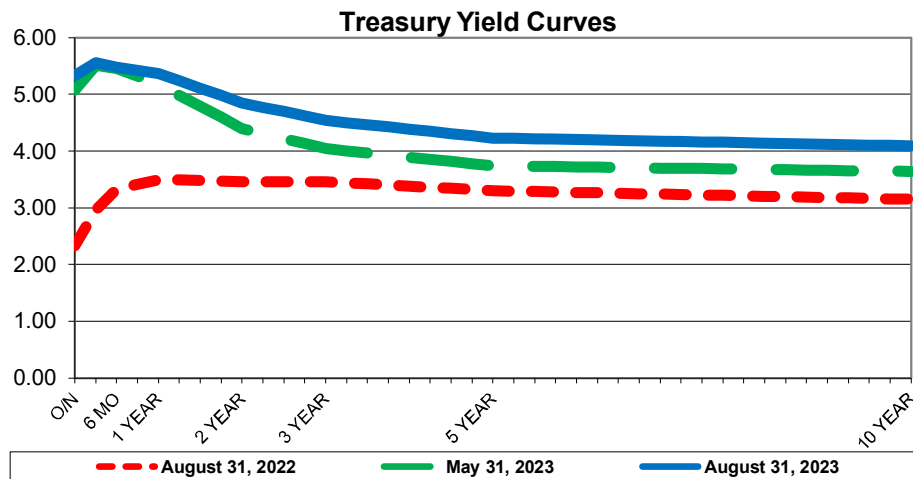
(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

8/31/2023

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range 0.25% to 5.25% - 5.50% (Effective Fed Funds are trading +/-5.33%). A pause is projected at the September 19-20 meeting with any future actions data-dependent. Second Quarter 2023 GDP second estimate declined slightly to 2.1% (from 2.4%). August Non-Farm Payroll added 187k new jobs, above the 170k projection. The three month average continued declining to 150k. The S&P Stock Index dipped below 4,500. The yield curve drifted higher on the long end. Crude Oil traded up to +/- \$85 per barrel. Inflation is still over the FOMC 2% target (Core PCE +/-4.2% and CPI +/-4.7%). The slowing China and German economies, Ukrainian/Russian war and other violent conflicts continue to weight on future outlooks.



Investment Holdings

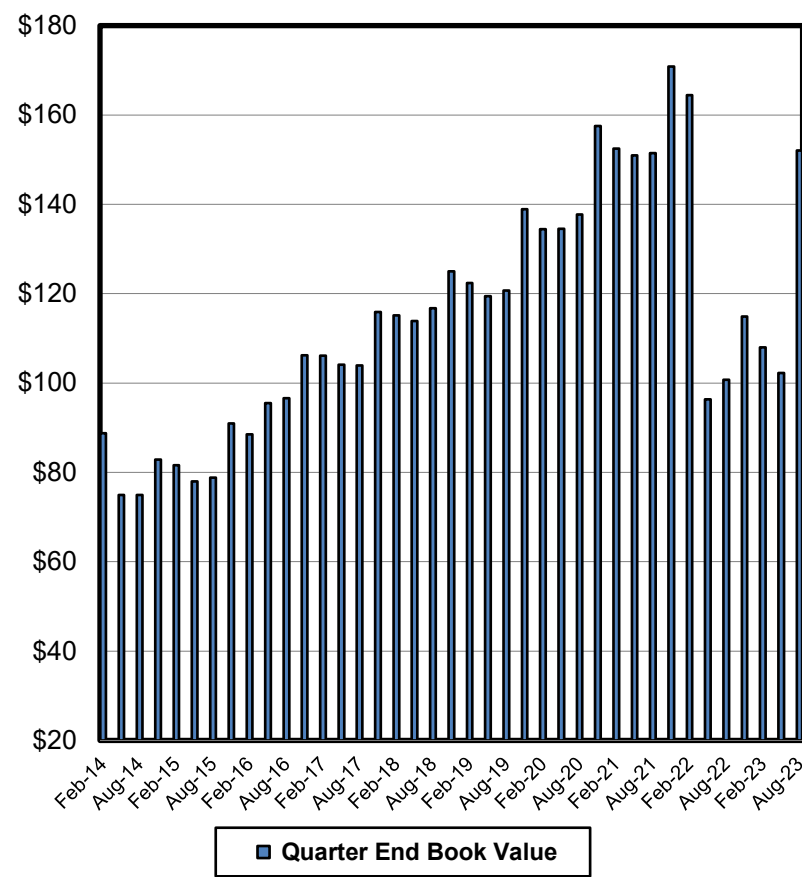
August 31, 2023

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Original Face/ Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Wells Fargo Disbursement		0.00%	09/01/23	08/31/23	\$ 118,245	\$ 118,245	1.000	\$ 118,245	1	0.00%
Graham Savings		0.20%	09/01/23	08/31/23	107,957	107,957	1.000	107,957	1	0.20%
Southside Bank MMA		5.37%	09/01/23	08/31/23	7,218,947	7,218,947	1.000	7,218,947	1	5.37%
Veritex Bank MMA		5.33%	09/01/23	08/31/23	1,650,021	1,650,021	1.000	1,650,021	1	5.33%
NexBank MMA		5.55%	09/01/23	08/31/23	71,736,768	71,736,768	1.000	71,736,768	1	5.55%
Alliance Bank MMA		3.50%	09/01/23	08/31/23	88,690	88,690	1.000	88,690	1	3.50%
Wells Fargo MMF		5.21%	09/01/23	08/31/23	7,539,364	7,539,364	1.000	7,539,364	1	5.21%
TexPool	AAAm	5.31%	09/01/23	08/31/23	551,870	551,870	1.000	551,870	1	5.31%
East West Bank CD		3.94%	09/18/23	09/16/22	10,385,015	10,385,015	100.000	10,385,015	18	3.94%
Alliance Bank CD		3.43%	11/24/23	08/25/22	5,172,499	5,172,499	100.000	5,172,499	85	3.47%
East West Bank CD		4.80%	12/01/23	12/02/22	5,182,756	5,182,756	100.000	5,182,756	92	4.92%
Alliance Bank CD		5.15%	01/10/24	01/10/23	5,128,507	5,128,507	100.000	5,128,507	132	5.25%
Alliance Bank CD		3.50%	02/16/24	08/17/22	5,177,310	5,177,310	100.000	5,177,310	169	3.55%
Alliance Bank CD		4.50%	04/12/24	10/13/22	5,388,033	5,388,033	100.000	5,388,033	225	4.58%
The First Nat'l Bank of Central Texas CD		4.95%	04/24/24	04/24/23	5,045,432	5,045,432	100.000	5,045,432	237	5.04%
Alliance Bank CD		5.50%	05/17/24	05/17/23	5,193,542	5,193,542	100.000	5,193,542	260	5.61%
East West Bank CD		5.50%	07/25/24	07/25/23	6,266,258	6,266,258	100.000	6,266,258	329	5.65%
Origin Bank CD		4.96%	10/25/24	04/25/23	5,061,830	5,061,830	100.000	5,061,830	421	5.05%
Veritex Bank CD		5.56%	11/18/24	08/18/23	5,000,000	5,000,000	100.000	5,000,000	445	5.70%
TOTAL / AVERAGE					\$ 152,013,042	\$ 152,013,042		\$ 152,013,042	85	5.17%
									(1)	(2)

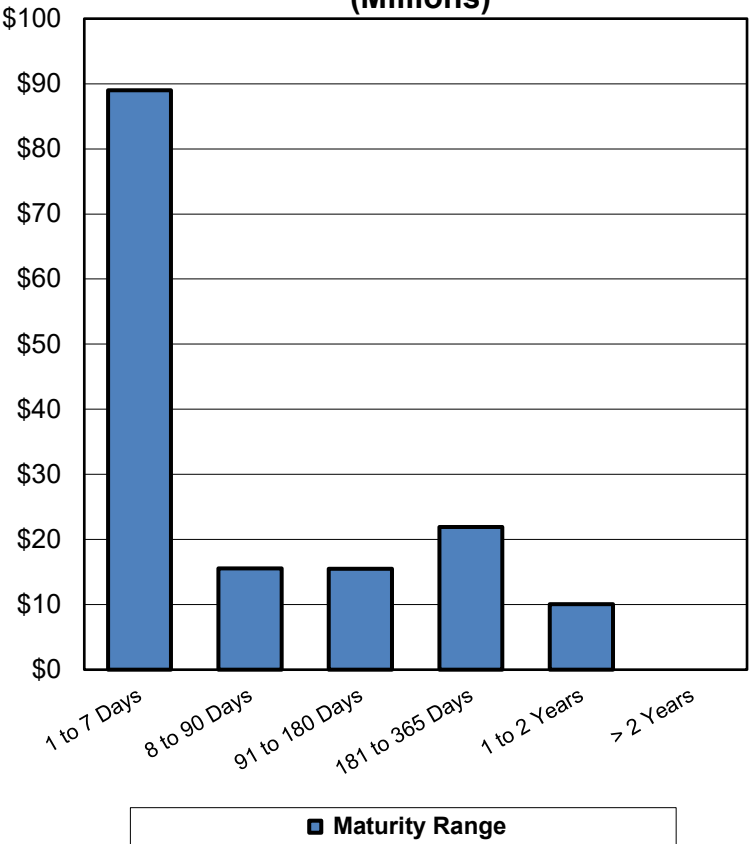
(1) Weighted average life - For purposes of calculating weighted average life bank, pool, and money market investments are assumed to mature the next business day.

(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.

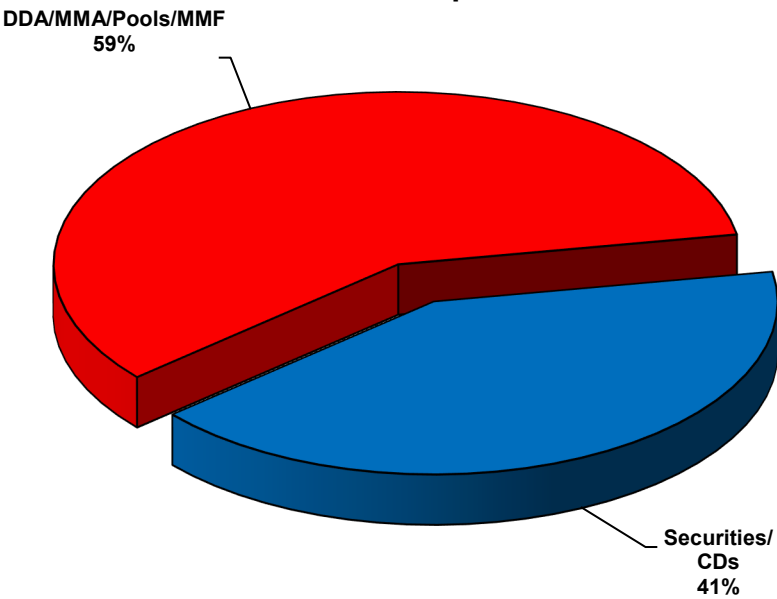
Total Portfolio (Millions)



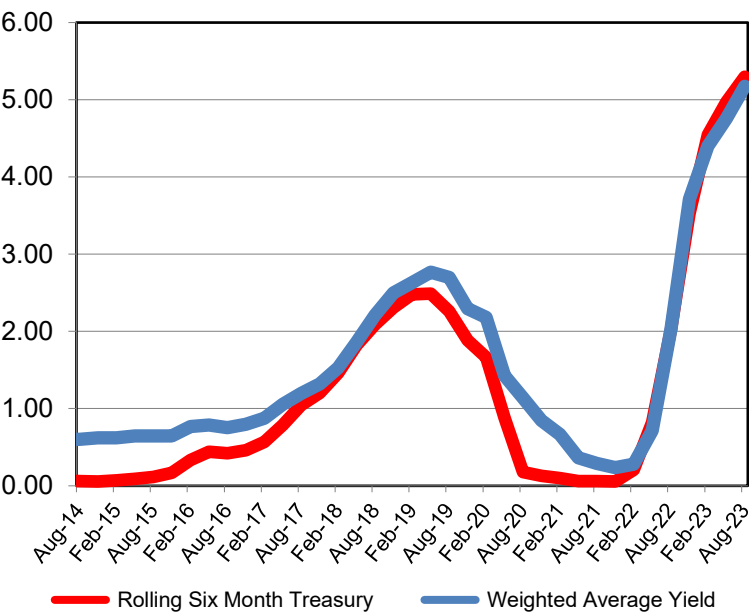
Book Value Maturity Distribution (Millions)



Portfolio Composition



Total Portfolio Performance



Book & Market Value Comparison

Issuer/Description	Rating	Yield	Maturity Date	Book Value 05/31/23	Increases	Decreases	Book Value 08/31/23	Market Value 05/31/23	Change in Market Value	Market Value 08/31/23
Wells Fargo Disbursement		0.00%	09/01/23	\$ (247,726)	\$ 365,971	\$ —	\$ 118,245	\$ (247,726)	\$ 365,971	\$ 118,245
Graham Savings		0.20%	09/01/23	107,904	54	—	107,957	107,904	54	107,957
Southside Bank MMA		5.37%	09/01/23	7,125,116	93,831	—	7,218,947	7,125,116	93,831	7,218,947
Veritex Bank MMA		5.33%	09/01/23	1,628,684	21,337	—	1,650,021	1,628,684	21,337	1,650,021
NexBank MMA		5.55%	09/01/23	29,650,968	42,085,799	—	71,736,768	29,650,968	42,085,799	71,736,768
Alliance Bank MMA		3.50%	09/01/23	87,912	778	—	88,690	87,912	778	88,690
Wells Fargo MMF		5.21%	09/01/23	891,905	6,647,458	—	7,539,364	891,905	6,647,458	7,539,364
TexPool	AAAm	5.31%	09/01/23	544,751	7,119	—	551,870	544,751	7,119	551,870
East West Bank CD		4.65%	07/25/23	6,188,685	—	(6,188,685)	—	6,188,685	(6,188,685)	—
Alliance Bank CD		3.49%	08/17/23	5,130,133	—	(5,130,133)	—	5,130,133	(5,130,133)	—
East West Bank CD		3.94%	09/18/23	10,282,397	102,617	—	10,385,015	10,282,397	102,617	10,385,015
Alliance Bank CD		3.47%	11/24/23	5,128,228	44,271	—	5,172,499	5,128,228	44,271	5,172,499
East West Bank CD		4.92%	12/01/23	5,120,433	62,322	—	5,182,756	5,120,433	62,322	5,182,756
Alliance Bank CD		5.25%	01/10/24	5,063,493	65,014	—	5,128,507	5,063,493	65,014	5,128,507
Alliance Bank CD		3.55%	02/16/24	5,132,036	45,274	—	5,177,310	5,132,036	45,274	5,177,310
Alliance Bank CD		4.58%	04/12/24	5,328,255	59,779	—	5,388,033	5,328,255	59,779	5,388,033
The First Nat'l Bank of Central Texas CD		5.04%	04/24/24	5,000,000	45,432	—	5,045,432	5,000,000	45,432	5,045,432
Alliance Bank CD		5.61%	05/17/24	5,122,528	71,014	—	5,193,542	5,122,528	71,014	5,193,542
East West Bank CD		5.65%	07/25/24	—	6,266,258	—	6,266,258	—	6,266,258	6,266,258
Origin Bank CD		5.05%	10/25/24	5,000,000	61,830	—	5,061,830	5,000,000	61,830	5,061,830
Veritex Bank CD		5.70%	11/18/24	—	5,000,000	—	5,000,000	—	5,000,000	5,000,000
TOTAL / AVERAGE		5.18%		\$ 102,285,703	\$ 61,046,158	\$ (11,318,819)	\$ 152,013,042	\$ 102,285,703	\$ 49,727,340	\$ 152,013,042

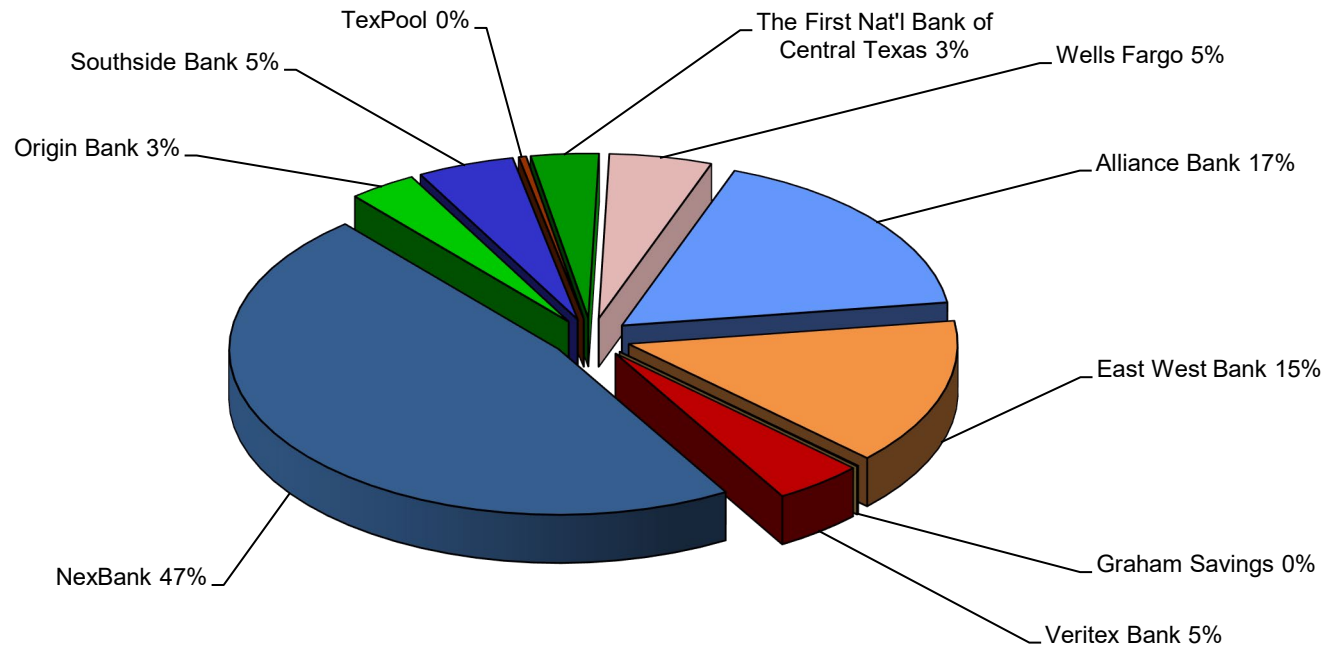
**Allocation - Book Value & Market Value
August 31, 2023**

Description	Portfolio Total	Current Operating	Operating Reserve	Bond Proceeds	Bond Reserve	Debt Service	Repair and Replacement
Wells Fargo Disbursement	\$ 118,245	\$ 118,245	\$ —	\$ —	\$ —	\$ —	\$ —
Graham Savings	107,957	107,957	—	—	—	—	—
Southside Bank MMA	7,218,947	—	722,214	1,784,929	869,913	3,841,891	—
Veritex Bank MMA	1,650,021	—	1,650,021	—	—	—	—
NexBank MMA	71,736,768	—	71,736,768	—	—	—	—
Alliance Bank MMA	88,690	—	88,690	—	—	—	—
Wells Fargo MMF	7,539,364	7,539,364	—	—	—	—	—
TexPool	551,870	551,870	—	—	—	—	—
09/18/23—East West Bank CD	10,385,015	—	10,385,015	—	—	—	—
11/24/23—Alliance Bank CD	5,172,499	4,599,288	573,212	—	—	—	—
12/01/23—East West Bank CD	5,182,756	—	4,135,839	—	—	—	1,046,917
01/10/24—Alliance Bank CD	5,128,507	—	1,639,071	—	1,438,033	—	2,051,403
02/16/24—Alliance Bank CD	5,177,310	—	5,177,310	—	—	—	—
04/12/24—Alliance Bank CD	5,388,033	—	3,953,824	—	—	—	1,434,209
04/24/24—The First Nat'l Bank of Central Texas CD	5,045,432	—	5,045,432	—	—	—	—
05/17/24—Alliance Bank CD	5,193,542	—	5,193,542	—	—	—	—
07/25/24—East West Bank CD	6,266,258	42,302	5,218,214	—	—	—	1,005,742
10/25/24—Origin Bank CD	5,061,830	—	5,061,830	—	—	—	—
11/18/24—Veritex Bank CD	5,000,000	—	5,000,000	—	—	—	—
Totals	\$ 152,013,042	\$ 12,959,025	\$ 125,580,981	\$ 1,784,929	\$ 2,307,946	\$ 3,841,891	\$ 5,538,270

**Allocation - Book Value & Market Value
May 31, 2023**

Description	Portfolio Total	Current Operating	Operating Reserve	Bond Proceeds	Bond Reserve	Debt Service	Repair and Replacement
Wells Fargo Disbursement	\$ (247,726)	\$ (247,726)	\$ —	\$ —	\$ —	\$ —	\$ —
Graham Savings	107,904	107,904	—	—	—	—	—
Southside Bank MMA	7,125,116	—	1,268,075	1,955,620	862,589	2,927,534	111,298
Veritex Bank MMA	1,628,684	—	1,628,684	—	—	—	—
NexBank MMA	29,650,968	—	29,650,968	—	—	—	—
Alliance Bank MMA	87,912	—	87,912	—	—	—	—
Wells Fargo MMF	891,905	891,905	—	—	—	—	—
TexPool	544,751	544,751	—	—	—	—	—
07/25/23—East West Bank CD	6,188,685	41,778	5,119,233	—	—	—	1,027,674
08/17/23—Alliance Bank CD	5,130,133	—	5,130,133	—	—	—	—
09/18/23—East West Bank CD	10,282,397	—	10,282,397	—	—	—	—
11/24/23—Alliance Bank CD	5,128,228	4,559,922	568,306	—	—	—	—
12/01/23—East West Bank CD	5,120,433	—	4,086,106	—	—	—	1,034,328
01/10/24—Alliance Bank CD	5,063,493	—	1,618,292	—	1,419,803	—	2,025,397
02/16/24—Alliance Bank CD	5,132,036	—	5,132,036	—	—	—	—
04/12/24—Alliance Bank CD	5,328,255	—	3,909,958	—	—	—	1,418,297
04/24/24—The First Nat'l Bank of Central Texas CD	5,000,000	—	5,000,000	—	—	—	—
05/17/24—Alliance Bank CD	5,122,528	—	5,122,528	—	—	—	—
10/25/24—Origin Bank CD	5,000,000	—	5,000,000	—	—	—	—
Totals	\$ 102,285,703	\$ 5,898,534	\$ 83,604,629	\$ 1,955,620	\$ 2,282,393	\$ 2,927,534	\$ 5,616,993

Financial Institution Allocation



Financial Institution	Book Value	YTM @ Cost	Days To Maturity	% of Portfolio
Alliance Bank	26,148,582	4.49%	174	17%
East West Bank	21,834,028	4.66%	125	14%
Graham Savings	107,957	0.20%	1	0%
Veritex Bank	6,650,021	5.61%	335	4%
NexBank	71,736,768	5.55%	1	47%
Origin Bank	5,061,830	5.05%	421	3%
Southside Bank	7,218,947	5.37%	1	5%
TexPool	551,870	5.31%	1	0%
The First Nat'l Bank of Central Texas	5,045,432	5.04%	237	3%
Wells Fargo	7,657,609	5.13%	1	5%
Totals	\$ 152,013,042	5.17%	85	100%

Report Abbreviations

DDA	Demand Deposit Bank Accounts
CD	Certificate of Deposit
CDARS	Certificate of Deposit Account Registry Service
FAMCA	Federal Agricultural Mortgage Corporation
FFCB	Federal Farm Credit Bank
FHLB	Federal Home Loan Bank
FHLMC	Federal Home Loan Mortgage Corporation
FNMA	Federal National Mortgage Association
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
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