



Brazos River Authority

Quarterly Investment Report

For the Quarter Ended

May 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.

Summary

Quarter End Results by Investment Category:

Asset Type	February 28, 2023		May 31, 2023		Ave. Yield
	Book Value	Market Value	Book Value	Market Value	
DDA/MMA/Pools/MMF	\$ 45,848,634	\$ 45,848,634	\$ 39,789,514	\$ 39,789,514	5.22%
Securities/CDs	62,142,782	62,142,782	62,496,189	62,496,189	4.46%
Totals	\$ 107,991,416	\$ 107,991,416	\$ 102,285,703	\$ 102,285,703	4.75%

Average Yield for Current Quarter (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	4.75%	Total Portfolio	4.29%
Average Rolling 6 Month Treasury Bill Yield	4.97%	Average Rolling 6 Month Treasury Bill Yield	4.35%

Interest Earnings (Approximate)	
Quarter	\$ 1,182,382
Fiscal YTD	\$ 3,130,418

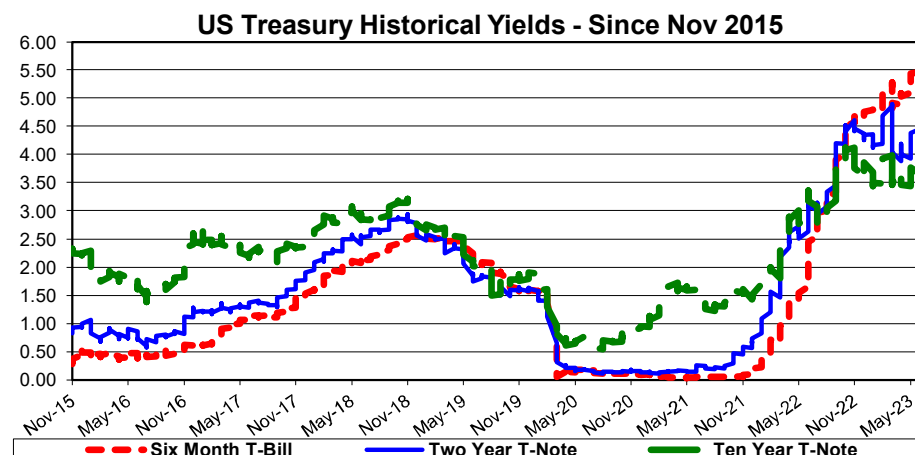
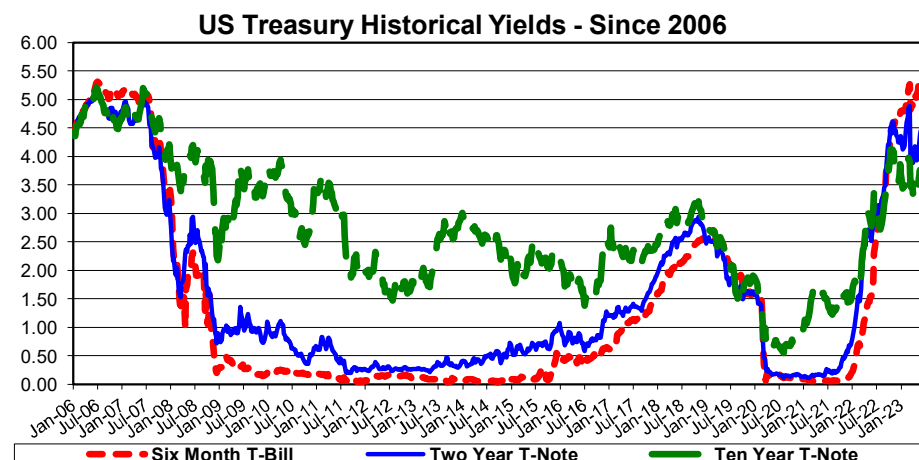
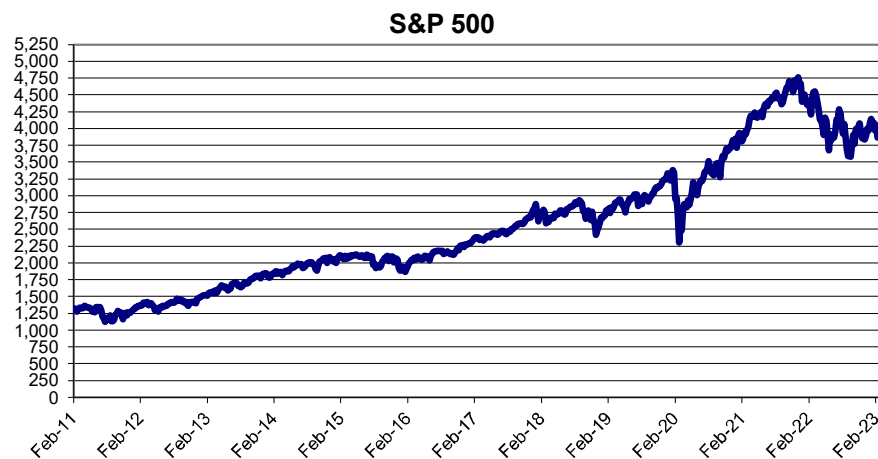
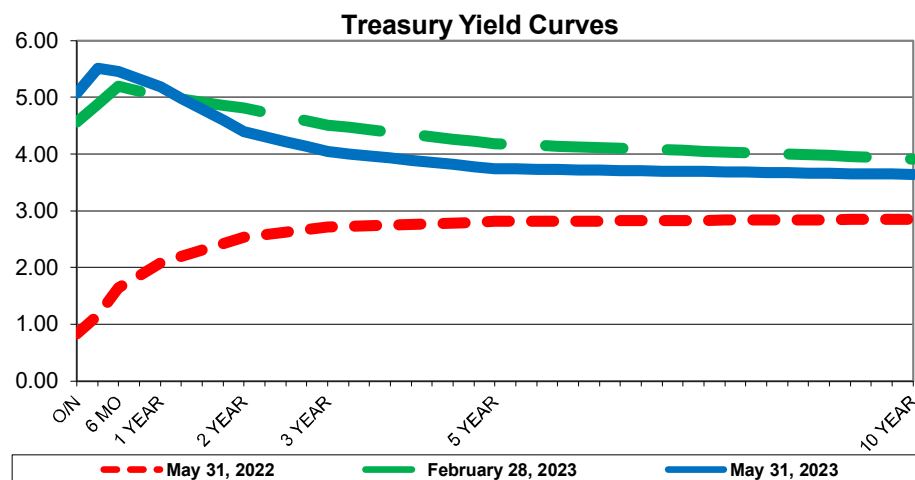
(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

5/31/2023

The Federal Open Market Committee (FOMC) raised the Fed Funds target range 0.25% to 5.00% - 5.25% May 3rd (Effective Fed Funds are trading +/-5.07%). A pause is anticipated after the June 13-14 meeting, but a possible increase now expected July 26th. First quarter 2023 GDP (Second Estimate) increased slightly to 1.3% (from 1.1%). May Non-Farm Payroll added 339k new jobs exceeding the 195k projection. The three month average increased to 283k. The S&P Stock Index continues moderate increases, trading +/-4,200. The Debt Ceiling compromise averted major chaos. The yield curve rose from last month but remains steeply inverted with the expectation of future FOMC rate decreases. Crude Oil continues at +/- \$70 per barrel. Inflation is still over the FOMC 2% target (Core PCE +/-4.7% and CPI +/-5.5%). There is concern China's economy may be slowing.



Investment Holdings

May 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%	06/01/23	05/31/23	\$ (247,726)	\$ (247,726)	1.000	\$ (247,726)	1	0.00%
Graham Savings		0.20%	06/01/23	05/31/23	107,904	107,904	1.000	107,904	1	0.20%
Southside Bank MMA		5.09%	06/01/23	05/31/23	7,125,116	7,125,116	1.000	7,125,116	1	5.09%
Veritex Comm Bank MMA		5.08%	06/01/23	05/31/23	1,628,684	1,628,684	1.000	1,628,684	1	5.08%
NexBank MMA		5.25%	06/01/23	05/31/23	29,650,968	29,650,968	1.000	29,650,968	1	5.25%
Alliance Bank MMA		3.50%	06/01/23	05/31/23	87,912	87,912	1.000	87,912	1	3.50%
Wells Fargo MMF		4.96%	06/01/23	05/31/23	891,905	891,905	1.000	891,905	1	4.96%
TexPool	AAAm	5.00%	06/01/23	05/31/23	544,751	544,751	1.000	544,751	1	5.00%
East West Bank CD		4.55%	07/25/23	10/25/22	6,188,685	6,188,685	100.000	6,188,685	55	4.65%
Alliance Bank CD		3.45%	08/17/23	08/17/22	5,130,133	5,130,133	100.000	5,130,133	78	3.49%
East West Bank CD		3.94%	09/18/23	09/16/22	10,282,397	10,282,397	100.000	10,282,397	110	3.94%
Alliance Bank CD		3.43%	11/24/23	08/25/22	5,128,228	5,128,228	100.000	5,128,228	177	3.47%
East West Bank CD		4.80%	12/01/23	12/02/22	5,120,433	5,120,433	100.000	5,120,433	184	4.92%
Alliance Bank CD		5.15%	01/10/24	01/10/23	5,063,493	5,063,493	100.000	5,063,493	224	5.25%
Alliance Bank CD		3.50%	02/16/24	08/17/22	5,132,036	5,132,036	100.000	5,132,036	261	3.55%
Alliance Bank CD		4.50%	04/12/24	10/13/22	5,328,255	5,328,255	100.000	5,328,255	317	4.58%
The First Nat'l Bank of Central Texas CD		4.95%	04/24/24	04/24/23	5,000,000	5,000,000	100.000	5,000,000	329	5.04%
Alliance Bank CD		5.50%	05/17/24	05/17/23	5,122,528	5,122,528	100.000	5,122,528	352	5.61%
Origin Bank CD		4.96%	10/25/24	04/25/23	5,000,000	5,000,000	100.000	5,000,000	513	5.05%

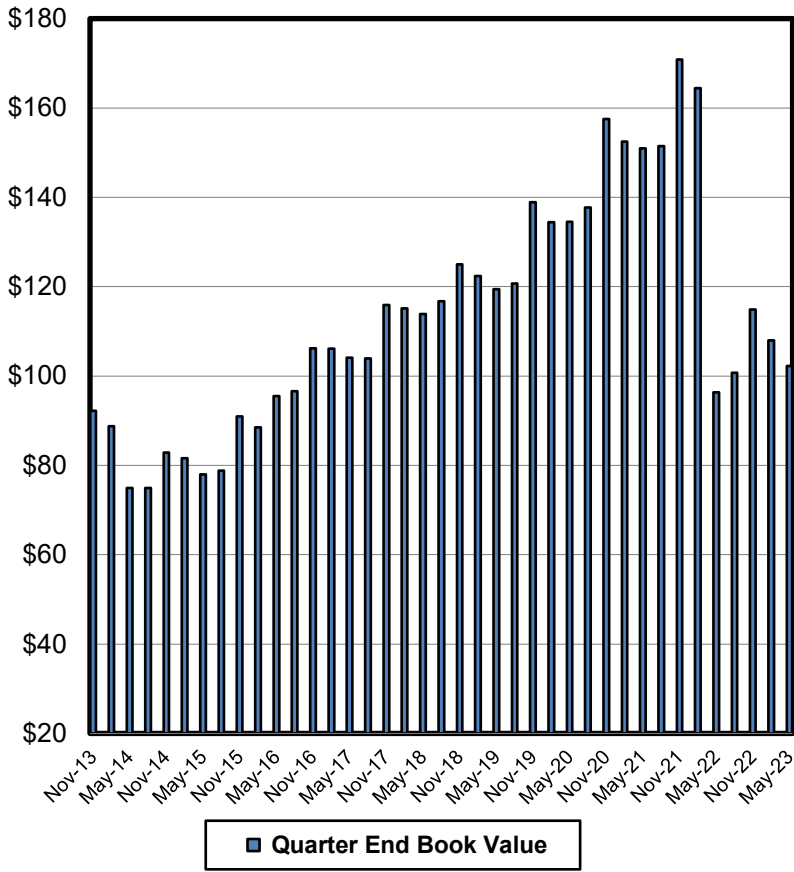
TOTAL / AVERAGE

\$ 102,285,703	\$ 102,285,703	\$ 102,285,703	136	4.75%
			(1)	(2)

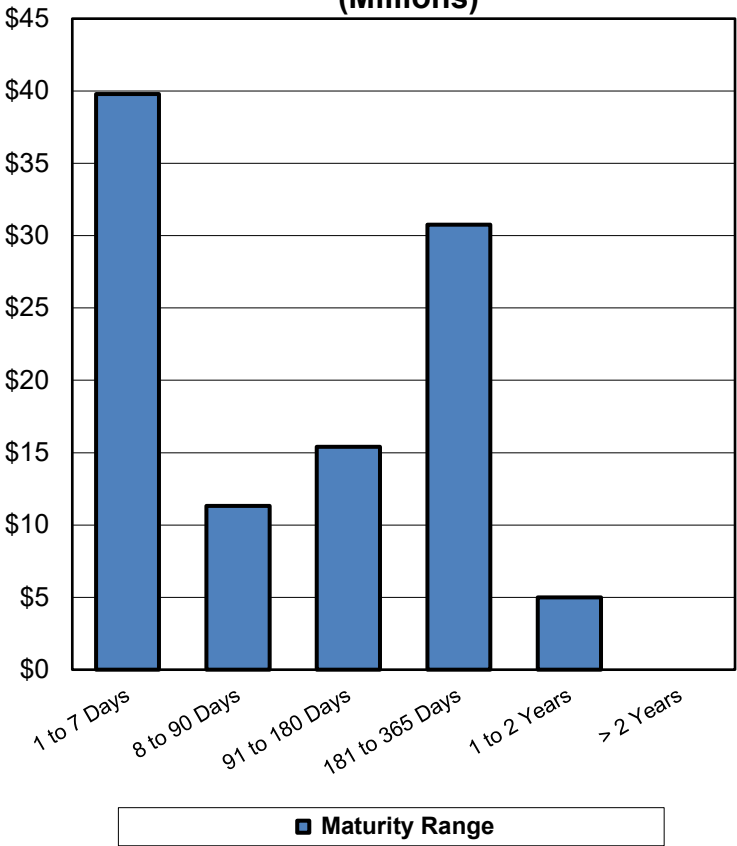
(1) Weighted average life - For purposes of calculating weighted average life bank, pool, and money market investments are assumed to mature the next business day.

(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.

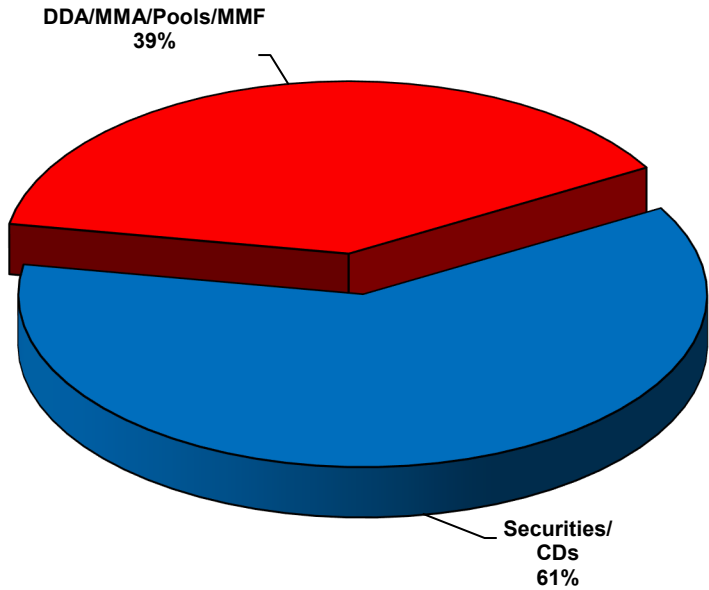
Total Portfolio (Millions)



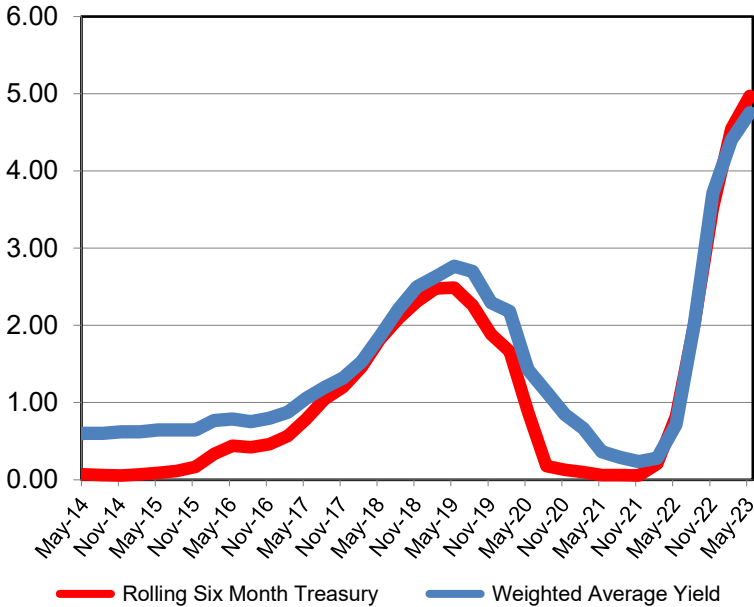
Book Value Maturity Distribution (Millions)



Portfolio Composition



Total Portfolio Performance



Book & Market Value Comparison

Issuer/Description	Rating	Yield	Maturity Date	Book Value 02/28/23	Increases	Decreases	Book Value 05/31/23	Market Value 02/28/23	Change in Market Value	Market Value 05/31/23
Wells Fargo Disbursement		0.00%	06/01/23	\$ (354,726)	\$ 107,000	\$ —	\$ (247,726)	\$ (354,726)	\$ 107,000	\$ (247,726)
Graham Savings		0.20%	06/01/23	107,850	53	—	107,904	107,850	53	107,904
Southside Bank MMA		5.09%	06/01/23	7,039,016	86,100	—	7,125,116	7,039,016	86,100	7,125,116
Veritex Comm Bank MMA		5.08%	06/01/23	2,408,872	—	(780,188)	1,628,684	2,408,872	(780,188)	1,628,684
NexBank MMA		5.25%	06/01/23	33,150,554	—	(3,499,586)	29,650,968	33,150,554	(3,499,586)	29,650,968
Alliance Bank MMA		3.50%	06/01/23	87,141	771	—	87,912	87,141	771	87,912
Wells Fargo MMF		4.96%	06/01/23	2,971,472	—	(2,079,567)	891,905	2,971,472	(2,079,567)	891,905
TexPool	AAAm	5.00%	06/01/23	438,455	106,296	—	544,751	438,455	106,296	544,751
East West Bank CD		4.29%	04/18/23	5,092,903	—	(5,092,903)	—	5,092,903	(5,092,903)	—
East West Bank CD		4.57%	04/25/23	5,078,369	—	(5,078,369)	—	5,078,369	(5,078,369)	—
Alliance Bank CD		3.29%	05/17/23	5,082,253	—	(5,082,253)	—	5,082,253	(5,082,253)	—
East West Bank CD		4.65%	07/25/23	6,118,120	70,565	—	6,188,685	6,118,120	70,565	6,188,685
Alliance Bank CD		3.49%	08/17/23	5,087,337	42,796	—	5,130,133	5,087,337	42,796	5,130,133
East West Bank CD		3.94%	09/18/23	10,180,794	101,603	—	10,282,397	10,180,794	101,603	10,282,397
Alliance Bank CD		3.47%	11/24/23	5,085,755	42,473	—	5,128,228	5,085,755	42,473	5,128,228
East West Bank CD		4.92%	12/01/23	5,058,860	61,573	—	5,120,433	5,058,860	61,573	5,120,433
Alliance Bank CD		5.25%	01/10/24	5,000,000	63,493	—	5,063,493	5,000,000	63,493	5,063,493
Alliance Bank CD		3.55%	02/16/24	5,088,608	43,427	—	5,132,036	5,088,608	43,427	5,132,036
Alliance Bank CD		4.58%	04/12/24	5,269,782	58,473	—	5,328,255	5,269,782	58,473	5,328,255
The First Nat'l Bank of Central Texas CD		5.04%	04/24/24	—	5,000,000	—	5,000,000	—	5,000,000	5,000,000
Alliance Bank CD		5.61%	05/17/24	—	5,122,528	—	5,122,528	—	5,122,528	5,122,528
Origin Bank CD		5.05%	10/25/24	—	5,000,000	—	5,000,000	—	5,000,000	5,000,000
TOTAL / AVERAGE		4.75%		\$ 107,991,416	\$ 15,907,153	\$ (21,612,866)	\$ 102,285,703	\$ 107,991,416	\$ (5,705,713)	\$ 102,285,703

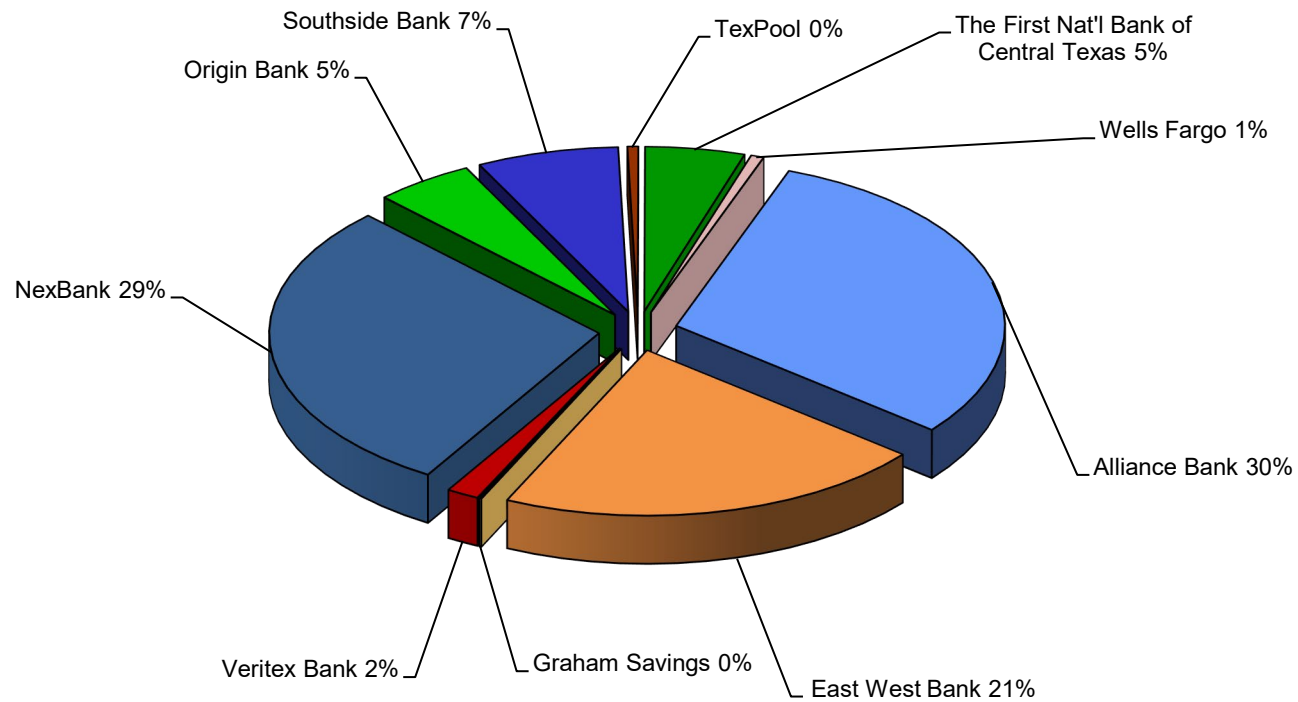
**Allocation - Book Value & Market Value
May 31, 2023**

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 Comm 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

Allocation - Book Value & Market Value
February 28, 2023

Description	Portfolio Total	Current Operating	Operating Reserve	Bond Proceeds	Bond Reserve	Debt Service	Repair and Replacement
Wells Fargo Disbursement	\$ (354,726)	\$ (354,726)	\$ —	\$ —	\$ —	\$ —	\$ —
Graham Savings	107,850	107,850	—	—	—	—	—
Southside Bank MMA	7,039,016	—	3,374,298	1,940,457	852,166	762,142	109,953
Veritex Comm Bank MMA	2,408,872	—	2,408,872	—	—	—	—
NexBank MMA	33,150,554	—	33,150,554	—	—	—	—
Alliance Bank MMA	87,141	—	87,141	—	—	—	—
Wells Fargo MMF	2,971,472	2,971,472	—	—	—	—	—
TexPool	438,455	438,455	—	—	—	—	—
04/18/23—East West Bank CD	5,092,903	—	5,092,903	—	—	—	—
04/25/23—East West Bank CD	5,078,369	—	5,078,369	—	—	—	—
05/17/23—Alliance Bank CD	5,082,253	—	5,082,253	—	—	—	—
07/25/23—East West Bank CD	6,118,120	41,302	5,060,862	—	—	—	1,015,956
08/17/23—Alliance Bank CD	5,087,337	—	5,087,337	—	—	—	—
09/18/23—East West Bank CD	10,180,794	—	10,180,794	—	—	—	—
11/24/23—Alliance Bank CD	5,085,755	4,522,156	563,599	—	—	—	—
12/01/23—East West Bank CD	5,058,860	—	4,036,971	—	—	—	1,021,890
01/10/24—Alliance Bank CD	5,000,000	—	1,598,000	—	1,402,000	—	2,000,000
02/16/24—Alliance Bank CD	5,088,608	—	5,088,608	—	—	—	—
04/12/24—Alliance Bank CD	5,269,782	—	3,867,050	—	—	—	1,402,732
Totals	\$ 107,991,416	\$ 7,726,509	\$ 89,757,611	\$ 1,940,457	\$ 2,254,166	\$ 762,142	\$ 5,550,531

Financial Institution Allocation



Financial Institution	Book Value	YTM @ Cost	Days To Maturity	% of Portfolio
Alliance Bank	30,992,585	4.32%	235	30%
East West Bank	21,591,516	4.38%	112	21%
Graham Savings	107,904	0.20%	1	0%
Veritex Bank	1,628,684	5.08%	1	2%
NexBank	29,650,968	5.25%	1	29%
Origin Bank	5,000,000	5.05%	513	5%
Southside Bank	7,125,116	5.09%	1	7%
TexPool	544,751	5.00%	1	1%
The First Nat'l Bank of Central Texas	5,000,000	5.04%	329	5%
Wells Fargo	644,179	6.87%	1	1%
Totals	\$ 102,285,703	4.75%	136	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