



December 2023 Quarterly Investment Reports

PRESENTED TO THE CITY COUNCIL ON

MAY 6, 2024

Overview

Provide an overview of the Quarterly Investment Report mandated by the Public Funds Investment Act (PFIA)

Ensures transparency, accountability, and prudent management of public funds

Highlight reporting requirements, key metrics, and commitment to ongoing evaluation and enhancement

Independent reviews to ensure compliance and accountability



INVESTMENT PORTFOLIO SUMMARY

For the Quarter Ended

March 31, 2024

Prepared by
Valley View Consulting, L.L.C.

The investment portfolio of the City of Burleson is in compliance with the Public Funds Investment Act and the City of Burleson Investment Policy and Strategies.

Disclaimer: These reports were compiled using information provided by the City of Burleson. 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	December 31, 2023			March 31, 2024		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Demand Deposit Account/Money Market Account	5.31%	\$ 18,619,788	\$ 18,619,788	5.05%	\$ 22,905,913	\$ 22,905,913
Pools/Money Market Fund	5.51%	57,544,455	57,544,455	5.42%	53,813,158	53,813,158
Securities	2.43%	24,991,457	24,792,655	2.36%	10,003,906	9,932,797
Certificates of Deposit	5.41%	31,972,661	31,972,661	5.37%	47,129,126	47,129,126
Total	4.88%	\$ 133,128,361	\$ 132,929,559	5.11%	\$ 133,852,104	\$ 133,780,995

Average Yield - Current Quarter (1)

Total Portfolio	5.11%
Rolling Three Month Treasury	5.46%
Rolling Six Month Treasury	5.37%
TexPool	5.32%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	4.99%
Rolling Three Month Treasury	5.49%
Rolling Six Month Treasury	5.43%
TexPool	5.34%

Interest Earnings (Approximate)

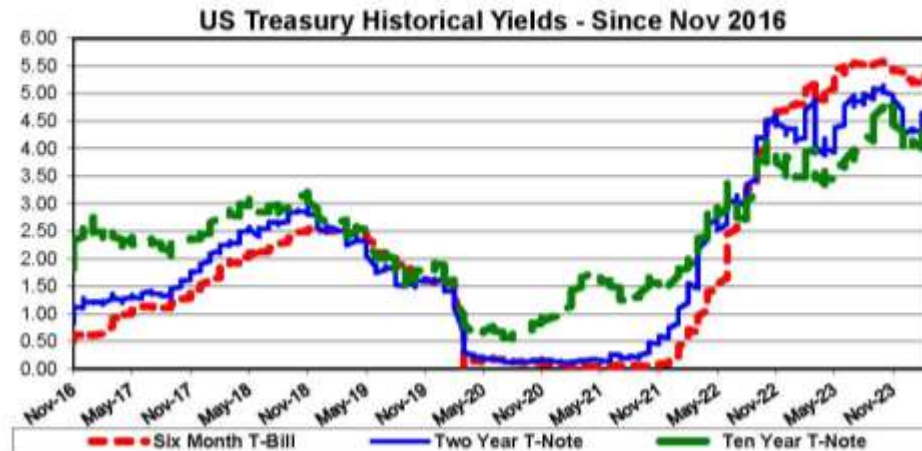
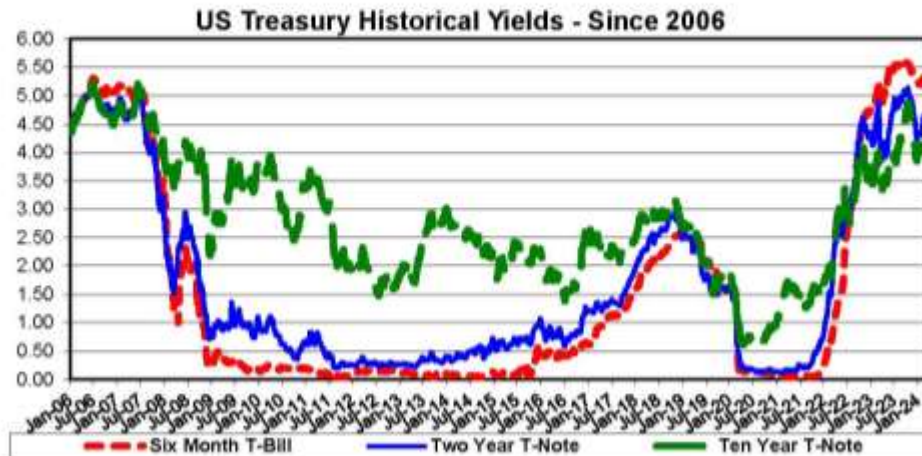
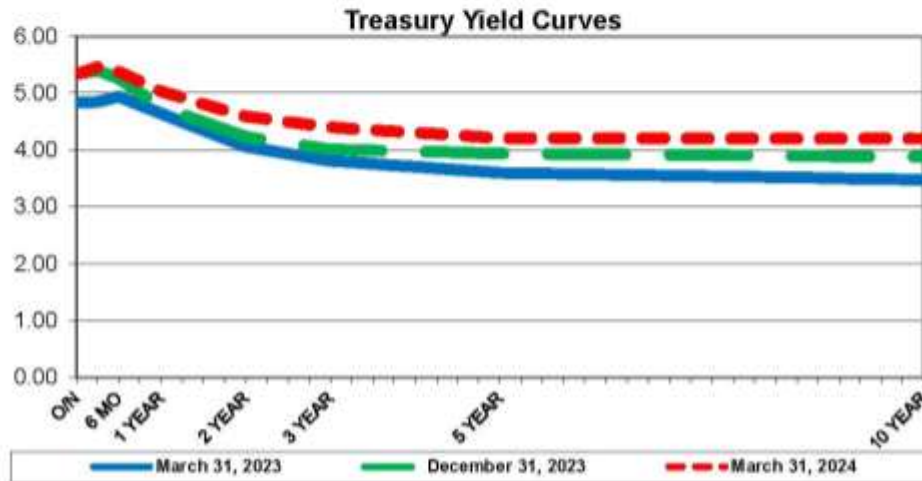
Quarter	\$ 1,768,358
Fiscal Year-to-date	\$ 3,356,164

(1) **Quarter End 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.

Investment Advisor Note: During market cycles where rates are rising, it is common to experience decreases in market value of current investments. This is due to the value the market places on the asset in terms of its buying or selling ability on the current market day. The City's Investment Policy establishes a "buy and hold" portfolio strategy where investment maturities are targeted to match with identified cash flow requirements, and the investments mature at the anticipated time the cash is needed. The City does not intend to liquidate or redeem securities prior to maturity and will therefore not recognize the losses from a pre-maturity sale. Instead, the City will report changes in market value as unrealized losses as required by the PFI and current accounting standards. As the security approaches maturity, the unrealized loss will diminish, and at maturity the City will receive the full par value of the security.

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range 5.25% - 5.50% (Effective Fed Funds are trading +/-5.33%). All expectations are for reduced future rates, but any actions will be meeting-by-meeting and "data-dependent." Fourth Quarter 2023 GDP recorded a stronger than expected 3.4%. The S&P 500 Stock Index reached another new high closing over 5,200. The yield curve remains inverted but longer yields rose slightly. Crude Oil traded over \$87 per barrel. Inflation stubbornly remained above the FOMC 2% target (Core PCE +/-2.8% and Core CPI +/-3.8%). Reduced global economic outlooks and ongoing/expanding military conflicts continue increasing uncertainty.



Investment Holdings

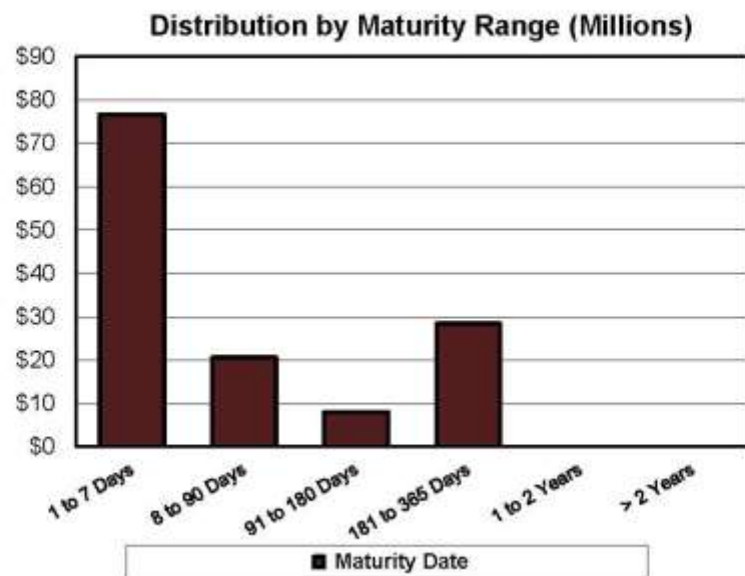
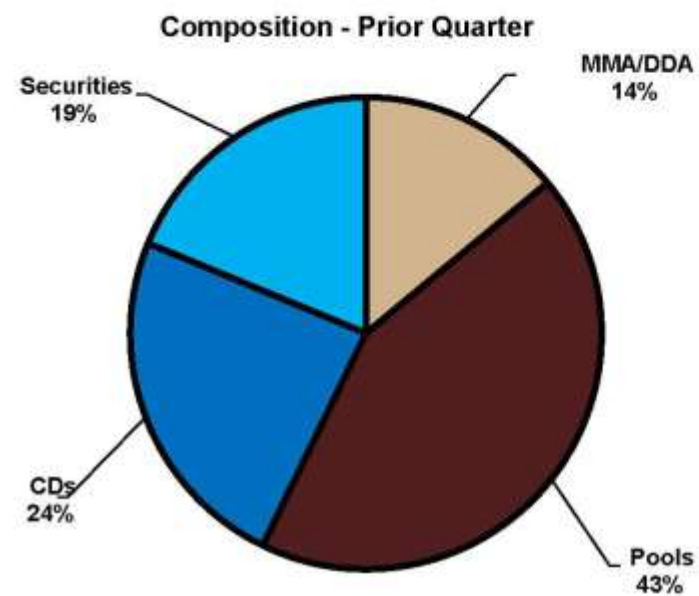
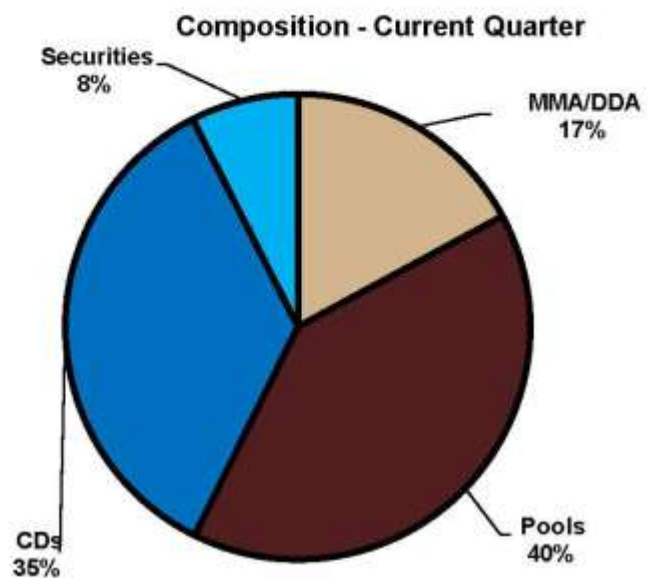
March 31, 2024

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
American National Bank MMA		0.11%	04/01/24	03/31/24	\$ 488,249	\$ 488,249	1.00	\$ 488,249	1	0.11%
American Nat'l Bank of TX MMA #2		5.10%	04/01/24	03/31/24	2,941,467	2,941,467	1.00	2,941,467	1	5.10%
InterBank MMA		5.78%	04/01/24	03/31/24	100,469	100,469	1.00	100,469	1	5.78%
InterBank ICS		5.65%	04/01/24	03/31/24	5,095,777	5,095,777	1.00	5,095,777	1	5.65%
Independent Financial Bank Cash		0.00%	04/01/24	03/31/24	1,480,136	1,480,136	1.00	1,480,136	1	0.00%
Independent Financial Bank MMA		5.62%	04/01/24	03/31/24	1,924,046	1,924,046	1.00	1,924,046	1	5.62%
Independent Financial Bank MMA #2		5.61%	04/01/24	03/31/24	5,983	5,983	1.00	5,983	1	5.61%
NexBank IntraFi MMA Savings		5.55%	04/01/24	03/31/24	10,869,787	10,869,787	1.00	10,869,787	1	5.55%
TexPool	AAAm	5.32%	04/01/24	03/31/24	17,191,523	17,191,523	1.00	17,191,523	1	5.32%
LOGIC	AAAm	5.47%	04/01/24	03/31/24	36,621,635	36,621,635	1.00	36,621,635	1	5.47%
BOK Financial CDARS		4.88%	04/11/24	04/13/23	5,242,287	5,242,287	100.00	5,242,287	11	5.00%
East West Bank CD		5.61%	05/28/24	07/25/23	5,196,645	5,196,645	100.00	5,196,645	58	5.77%
East West Bank CD		5.33%	06/14/24	06/15/23	5,217,033	5,217,033	100.00	5,217,033	75	5.47%
Federal Farm Credit Bank	Aaa/AA+	3.25%	06/17/24	06/17/22	5,000,000	4,997,948	99.57	4,978,393	78	3.45%
Federal National Mortgage Ass'n	Aaa/AA+	1.75%	07/02/24	01/31/22	5,000,000	5,005,958	99.09	4,954,404	93	1.27%
East West Bank CD		5.41%	08/20/24	11/20/23	3,105,844	3,105,844	100.00	3,105,844	142	5.56%
East West Bank CD		5.58%	10/25/24	10/25/23	3,118,601	3,118,601	100.00	3,118,601	208	5.74%
East West Bank CD		5.17%	11/15/24	02/15/24	5,220,534	5,220,534	100.00	5,220,534	229	5.31%
East West Bank CD		5.14%	02/24/25	03/22/24	15,021,137	15,021,137	100.00	15,021,137	330	5.27%
East West Bank CD		5.14%	03/24/25	03/22/24	5,007,046	5,007,046	100.00	5,007,046	358	5.27%
Total Portfolio					\$ 133,848,198	\$ 133,852,104		\$ 133,780,995	80	5.11%

(1) (2)

(1) **Weighted average life** - For purposes of calculating weighted average life, overnight bank and pool balances are assumed to have a one day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on Book Value, realized and unrealized gains/losses and investment advisory fees are not included. The yield for the reporting month is used for overnight bank and pool balances.



Book and Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 12/31/23	Increases	Decreases	Book Value 03/31/24	Market Value 12/31/23	Change in Market Value	Market Value 03/31/24
American Nat'l Bank of TX Cash	0.00%	04/01/24	\$ 208	\$ -	\$ (208)	\$ -	\$ 208	\$ (208)	\$ -
American National Bank MMA	0.11%	04/01/24	876,391	-	(388,142)	488,249	876,391	(388,142)	488,249
American Nat'l Bank of TX MMA #2	5.10%	04/01/24	1,884,293	1,057,174	-	2,941,467	1,884,293	1,057,174	2,941,467
InterBank MMA	5.78%	04/01/24	100,470	-	(1)	100,469	100,470	(1)	100,469
InterBank ICS	5.65%	04/01/24	5,023,136	72,641	-	5,095,777	5,023,136	72,641	5,095,777
Independent Financial Bank Cash	0.00%	04/01/24	-	1,480,136	-	1,480,136	-	1,480,136	1,480,136
Independent Financial Bank MMA	5.62%	04/01/24	15,903	1,908,142	-	1,924,046	15,903	1,908,142	1,924,046
Independent Financial Bank MMA #2	5.61%	04/01/24	-	5,983	-	5,983	-	5,983	5,983
NexBank IntraFi MMA Savings	5.55%	04/01/24	10,719,387	150,400	-	10,869,787	10,719,387	150,400	10,869,787
TexPool	5.32%	04/01/24	11,538,654	5,652,869	-	17,191,523	11,538,654	5,652,869	17,191,523
LOGIC	5.47%	04/01/24	46,005,801	-	(9,384,166)	36,621,635	46,005,801	(9,384,166)	36,621,635
Texas Capital Bank CD	4.91%	01/18/24	5,229,518	-	(5,229,518)	-	5,229,518	(5,229,518)	-
East West Bank CD	5.61%	02/15/24	5,151,838	-	(5,151,838)	-	5,151,838	(5,151,838)	-
Treasury Note	4.60%	02/15/24	4,988,804	-	(4,988,804)	-	4,984,235	(4,984,235)	-
Treasury Note	1.17%	02/29/24	5,009,758	-	(5,009,758)	-	4,976,450	(4,976,450)	-
Treasury Note	1.68%	03/15/24	4,985,590	-	(4,985,590)	-	4,950,195	(4,950,195)	-
BOK Financial CDARS	5.00%	04/11/24	5,178,905	63,382	-	5,242,287	5,178,905	63,382	5,242,287
East West Bank CD	5.77%	05/28/24	5,124,474	72,172	-	5,196,645	5,124,474	72,172	5,196,645
East West Bank CD	5.47%	06/14/24	5,148,170	68,863	-	5,217,033	5,148,170	68,863	5,217,033
Federal Farm Credit Bank	3.45%	06/17/24	4,995,518	2,430	-	4,997,948	4,965,172	13,221	4,978,393
Federal National Mortgage Ass'n	1.27%	07/02/24	5,011,786	-	(5,828)	5,005,958	4,916,603	37,801	4,954,404
East West Bank CD	5.56%	08/20/24	3,064,237	41,607	-	3,105,844	3,064,237	41,607	3,105,844
East West Bank CD	5.74%	10/25/24	3,075,520	43,082	-	3,118,601	3,075,520	43,082	3,118,601
East West Bank CD	5.31%	11/15/24	-	5,220,534	-	5,220,534	-	5,220,534	5,220,534
East West Bank CD	5.27%	02/24/25	-	15,021,137	-	15,021,137	-	15,021,137	15,021,137
East West Bank CD	5.27%	03/24/25	-	5,007,046	-	5,007,046	-	5,007,046	5,007,046
TOTAL / AVERAGE	5.11%		\$133,128,361	\$ 35,867,596	\$(35,143,854)	\$133,852,104	\$132,929,559	\$ 851,436	\$133,780,995

Questions & Comments



Approve Acceptance
or
Deny Acceptance