



# QUARTERLY INVESTMENT REPORT

**For the Quarter Ended**

**June 30, 2024**

**Prepared by**

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

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

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Felix Marquez, Executive Director - Administration & Financial Services

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Shelly Hendrix, Controller - Administration & Financial Services

**Disclaimer:** These reports were compiled using information provided by the Edwards Aquifer 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:

| <u>Asset Type</u> | <u>March 31, 2024</u> |                      | <u>June 30, 2024</u> |                      |                   |
|-------------------|-----------------------|----------------------|----------------------|----------------------|-------------------|
|                   | <u>Book Value</u>     | <u>Market Value</u>  | <u>Book Value</u>    | <u>Market Value</u>  | <u>Avg. Yield</u> |
| DDA/MMA/NOW       | \$ 28,164,042         | \$ 28,164,042        | \$ 31,025,222        | \$ 31,025,222        | 4.93%             |
| Securities/CDs    | 17,472,698            | 17,473,194           | 17,586,195           | 17,586,195           | 5.43%             |
| <b>Totals</b>     | <b>\$ 45,636,740</b>  | <b>\$ 45,637,236</b> | <b>\$ 48,611,417</b> | <b>\$ 48,611,417</b> | 5.11%             |

| <u>Average Yield - Current Quarter (1)</u> |       | <u>Fiscal Year-to-Date Average Yield (2)</u> |       |
|--|-------|--|-------|
| Total Portfolio                            | 5.11% | Total Portfolio                              | 5.13% |
| Rolling Three Month Treasury               | 5.47% | Rolling Three Month Treasury                 | 5.46% |
| Rolling Six Month Treasury                 | 5.34% | Rolling Six Month Treasury                   | 5.35% |
| TexPool                                    | 5.31% | TexPool                                      | 5.31% |

| <u>Interest Earnings (Approximate)</u> |              |
|--|--------------|
| Quarterly Interest Income              | \$ 592,549   |
| Year-to-date Interest Income           | \$ 1,204,179 |

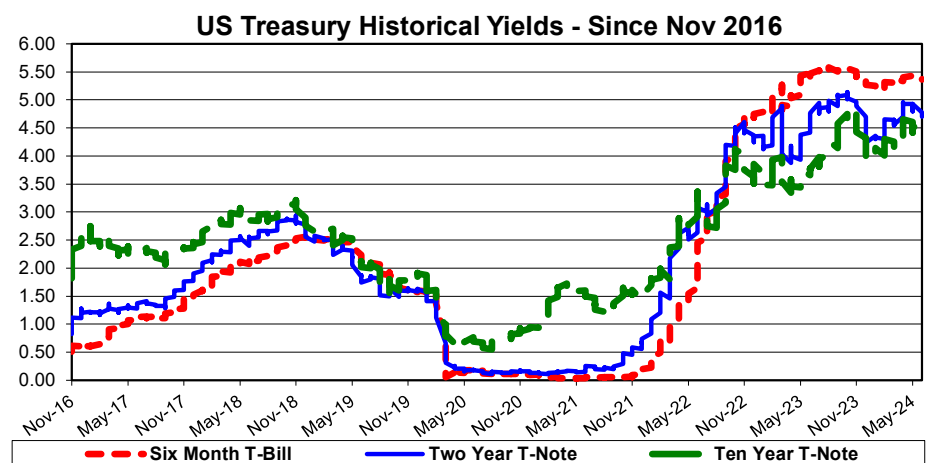
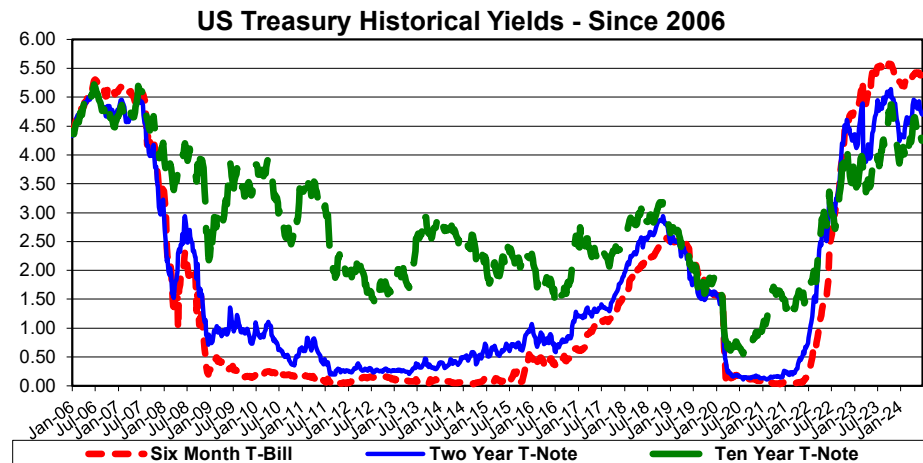
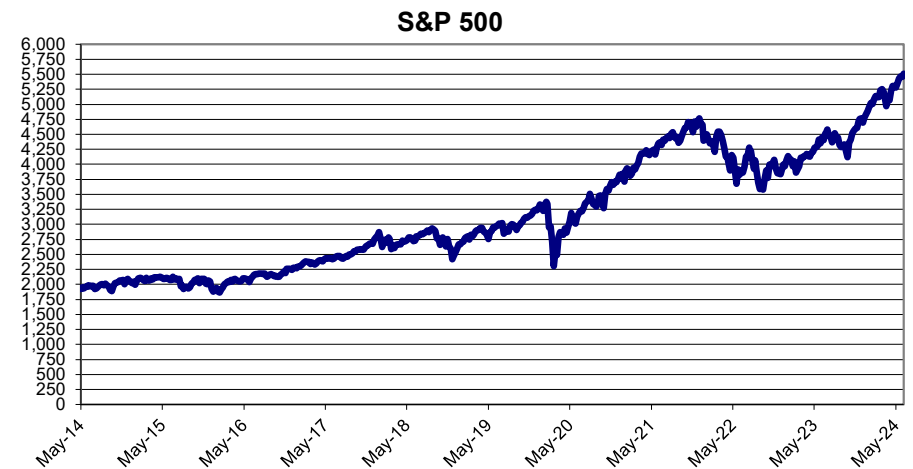
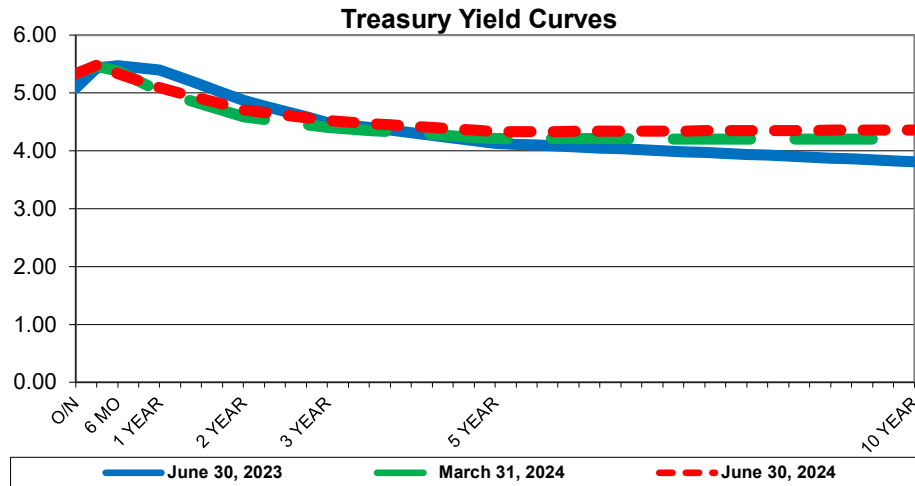
(1) **Average Yield - Current Quarter** -based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

6/30/2024

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range 5.25% - 5.50% (Effective Fed Funds are trading +/-5.33%). Expectations are for reduced future rates, but any actions will be meeting-by-meeting and "data-dependent." June Non-Farm Payroll slightly exceeded expectations at 206k new jobs, but the previous two months were revised down causing the Three Month Rolling Average to fall to 177k. Final First Quarter 2024 GDP reported +1.4%. The S&P 500 Stock Index created new highs above +/-5,500. The yield curve remains inverted but longer yields rose slightly. Crude Oil trades over \$80 per barrel. Inflation declined slightly but remains above the FOMC 2% target (Core PCE +/-2.6% and Core CPI +/-3.4%). Reduced global economic outlooks and ongoing/expanding military conflicts continue increasing uncertainty.



## Investment Holdings

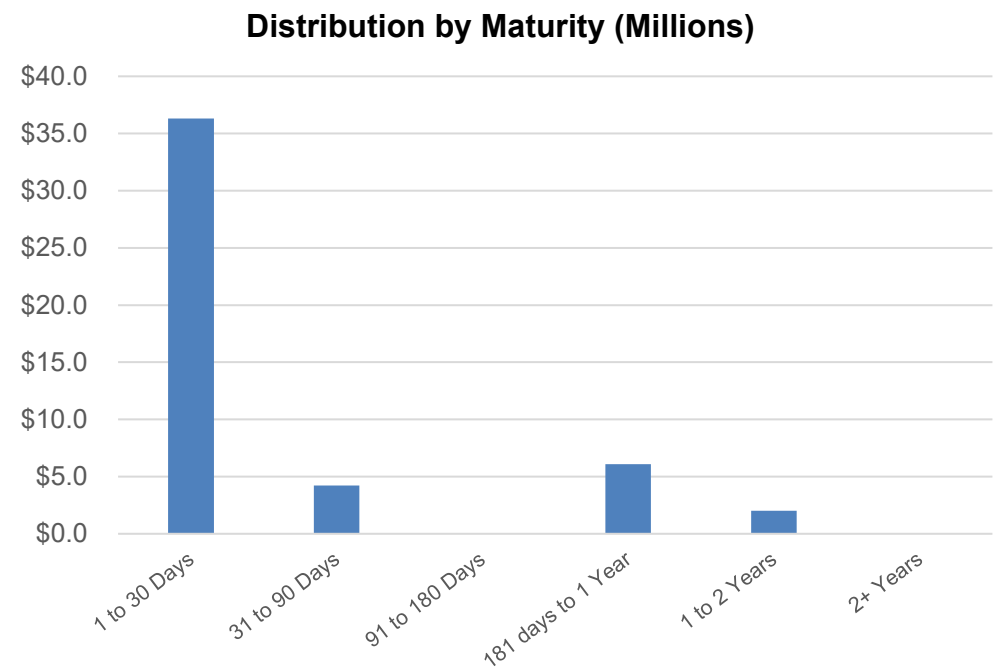
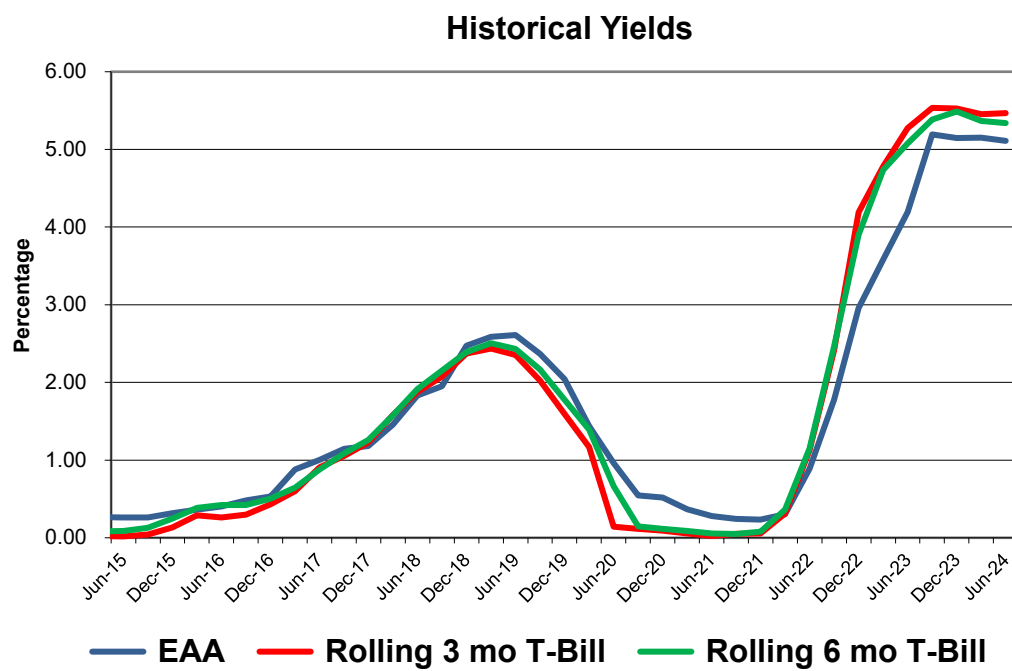
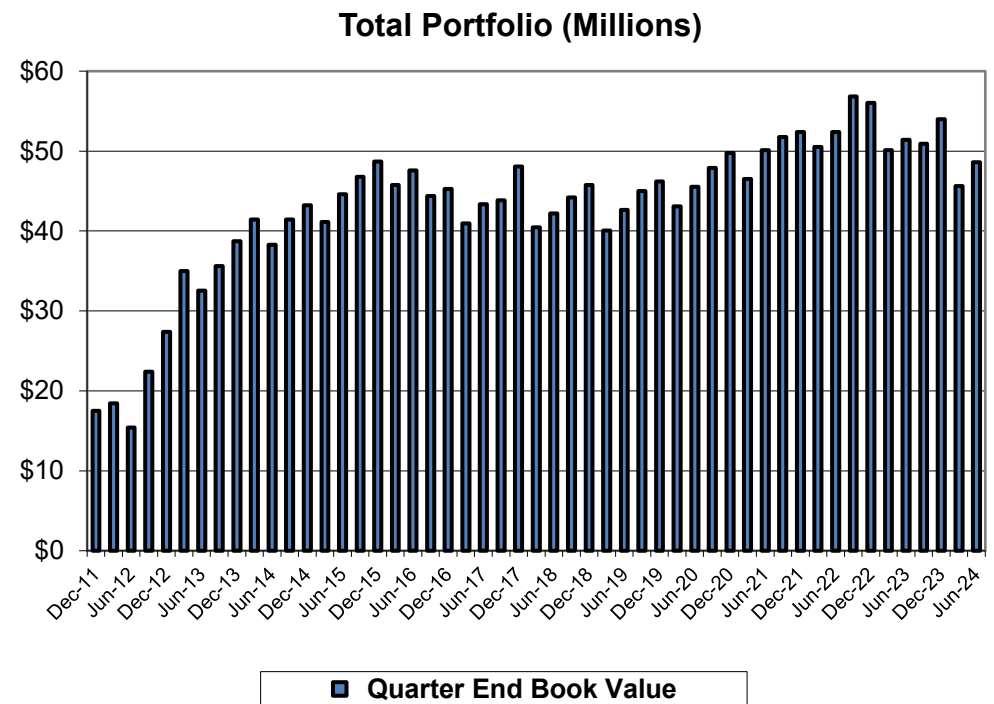
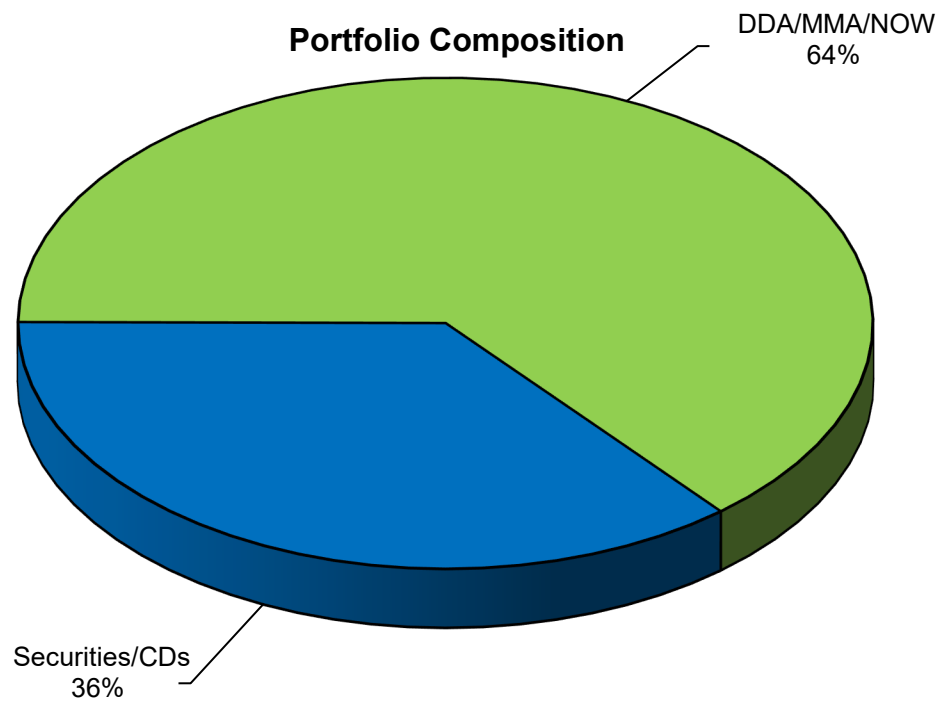
June 30, 2024

| Description                      | Ratings | Coupon/<br>Discount | Maturity<br>Date | Settlement<br>Date | Par Value            | Book<br>Value        | Market<br>Price | Market<br>Value      | Life<br>(days) | Yield        |
|----------------------------------|---------|---------------------|------------------|--------------------|----------------------|----------------------|-----------------|----------------------|----------------|--------------|
| Petty Cash                       |         | 0.00%               | 07/01/24         | 06/30/24           | \$ 998               | \$ 998               | 1.00            | \$ 998               | 1              | 0.00%        |
| PNC Bank Cash                    |         | 0.00%               | 07/01/24         | 06/30/24           | 811,093              | 811,093              | 1.00            | 811,093              | 1              | 0.00%        |
| PNC Bank Checking                |         | 2.90%               | 07/01/24         | 06/30/24           | 519,176              | 519,176              | 1.00            | 519,176              | 1              | 2.90%        |
| PNC Bank MMA                     |         | 2.78%               | 07/01/24         | 06/30/24           | 3,956,434            | 3,956,434            | 1.00            | 3,956,434            | 1              | 2.78%        |
| Southside Bank MMA (3)           |         | 5.50%               | 07/01/24         | 06/30/24           | 3,791,204            | 3,791,204            | 1.00            | 3,791,204            | 1              | 5.50%        |
| Southside Bank MMA #2 (3)        |         | 5.46%               | 07/01/24         | 06/30/24           | 7,644,141            | 7,644,141            | 1.00            | 7,644,141            | 1              | 5.46%        |
| NexBank MMA                      |         | 5.55%               | 07/01/24         | 06/30/24           | 50                   | 50                   | 1.00            | 50                   | 1              | 5.55%        |
| NexBank IntraFi MMA (ICS)        |         | 5.55%               | 07/01/24         | 06/30/24           | 5,508,928            | 5,508,928            | 1.00            | 5,508,928            | 1              | 5.55%        |
| Veritex Community Bank MMA       |         | 5.46%               | 07/01/24         | 06/30/24           | 8,681,407            | 8,681,407            | 1.00            | 8,681,407            | 1              | 5.46%        |
| Oil, Gas, & Mineral Rights Value |         | 0.00%               | 07/01/24         | 06/30/24           | 111,790              | 111,790              | 1.00            | 111,790              | 1              | 0.00%        |
| East West Bank                   |         | 5.47%               | 07/03/24         | 07/03/23           | 1,584,076            | 1,584,076            | 100.00          | 1,584,076            | 3              | 5.62%        |
| East West Bank                   |         | 5.47%               | 07/03/24         | 07/03/23           | 3,696,178            | 3,696,178            | 100.00          | 3,696,178            | 3              | 5.62%        |
| East West Bank                   |         | 5.55%               | 08/01/24         | 08/01/23           | 1,052,254            | 1,052,254            | 100.00          | 1,052,254            | 32             | 5.71%        |
| East West Bank                   |         | 5.55%               | 08/01/24         | 08/01/23           | 1,052,254            | 1,052,254            | 100.00          | 1,052,254            | 32             | 5.71%        |
| Central National Bank            |         | 5.05%               | 08/24/24         | 05/24/23           | 2,103,877            | 2,103,877            | 100.00          | 2,103,877            | 55             | 5.18%        |
| Central National Bank            |         | 5.50%               | 02/13/25         | 11/13/23           | 2,055,225            | 2,055,225            | 100.00          | 2,055,225            | 228            | 5.61%        |
| BOKF CDARS                       |         | 5.10%               | 03/13/25         | 03/14/24           | 1,015,340            | 1,015,340            | 100.00          | 1,015,340            | 256            | 5.23%        |
| BOKF CDARS                       |         | 5.10%               | 03/13/25         | 03/14/24           | 1,015,340            | 1,015,340            | 100.00          | 1,015,340            | 256            | 5.23%        |
| East West Bank                   |         | 5.22%               | 05/28/25         | 05/28/24           | 2,009,748            | 2,009,748            | 100.00          | 2,009,748            | 332            | 5.36%        |
| American National Bank & Trust   |         | 4.85%               | 09/24/25         | 06/24/24           | 1,000,951            | 1,000,951            | 100.00          | 1,000,951            | 451            | 4.96%        |
| American National Bank & Trust   |         | 4.85%               | 09/24/25         | 06/24/24           | 1,000,951            | 1,000,951            | 100.00          | 1,000,951            | 451            | 4.96%        |
|                                  |         |                     |                  |                    | <b>\$ 48,611,417</b> | <b>\$ 48,611,417</b> |                 | <b>\$ 48,611,417</b> | <b>57</b>      | <b>5.11%</b> |
|                                  |         |                     |                  |                    |                      |                      |                 |                      | <b>(1)</b>     | <b>(2)</b>   |

(1) **Weighted average life** - For purposes of calculating weighted average life, bank accounts, pools and money market mutual funds are assumed to have a one day maturity.

(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 accounts, pools and money market mutual funds.

(3) **Yield Estimated** - based on average TexPool rate + 0.05%.



## Book & Market Value Comparison

| Issuer/Description               | Yield        | Maturity Date | Book Value<br>03/31/24 | Increases           | Decreases             | Book Value<br>06/30/24 | Market Value<br>03/31/24 | Change in<br>Market Value | Market Value<br>06/30/24 |
|----------------------------------|--------------|---------------|------------------------|---------------------|-----------------------|------------------------|--------------------------|---------------------------|--------------------------|
| Petty Cash                       | 0.00%        | 07/01/24      | \$ 973                 | \$ 25               | \$ —                  | \$ 998                 | \$ 973                   | \$ 25                     | \$ 998                   |
| PNC Bank Cash                    | 0.00%        | 07/01/24      | 519,565                | 291,528             | —                     | 811,093                | 519,565                  | 291,528                   | 811,093                  |
| PNC Bank Checking                | 2.90%        | 07/01/24      | 153,155                | 366,021             | —                     | 519,176                | 153,155                  | 366,021                   | 519,176                  |
| PNC Bank MMA                     | 2.78%        | 07/01/24      | 4,593,029              | —                   | (636,595)             | 3,956,434              | 4,593,029                | (636,595)                 | 3,956,434                |
| Southside Bank MMA               | 5.50%        | 07/01/24      | 2,622,736              | 1,168,468           | —                     | 3,791,204              | 2,622,736                | 1,168,468                 | 3,791,204                |
| Southside Bank MMA #2            | 5.46%        | 07/01/24      | 6,162,452              | 1,481,689           | —                     | 7,644,141              | 6,162,452                | 1,481,689                 | 7,644,141                |
| NexBank MMA                      | 5.55%        | 07/01/24      | 50                     | —                   | —                     | 50                     | 50                       | —                         | 50                       |
| NexBank IntraFi MMA (ICS)        | 5.55%        | 07/01/24      | 5,433,232              | 75,696              | —                     | 5,508,928              | 5,433,232                | 75,696                    | 5,508,928                |
| Veritex Community Bank MMA       | 5.46%        | 07/01/24      | 8,567,060              | 114,347             | —                     | 8,681,407              | 8,567,060                | 114,347                   | 8,681,407                |
| Oil, Gas, & Mineral Rights Value | 0.00%        | 07/01/24      | 111,790                | —                   | —                     | 111,790                | 111,790                  | —                         | 111,790                  |
| Central National Bank            | 5.11%        | 05/24/24      | 2,078,787              | —                   | (2,078,787)           | —                      | 2,078,787                | (2,078,787)               | —                        |
| FHLB                             | 5.25%        | 06/14/24      | 1,998,927              | —                   | (1,998,927)           | —                      | 1,999,423                | (1,999,423)               | —                        |
| East West Bank                   | 5.47%        | 07/03/24      | 1,562,637              | 21,439              | —                     | 1,584,076              | 1,562,637                | 21,439                    | 1,584,076                |
| East West Bank                   | 5.47%        | 07/03/24      | 3,646,153              | 50,025              | —                     | 3,696,178              | 3,646,153                | 50,025                    | 3,696,178                |
| East West Bank                   | 5.55%        | 08/01/24      | 1,037,795              | 14,459              | —                     | 1,052,254              | 1,037,795                | 14,459                    | 1,052,254                |
| East West Bank                   | 5.55%        | 08/01/24      | 1,037,795              | 14,459              | —                     | 1,052,254              | 1,037,795                | 14,459                    | 1,052,254                |
| Central National Bank            | 5.05%        | 08/24/24      | 2,077,844              | 26,033              | —                     | 2,103,877              | 2,077,844                | 26,033                    | 2,103,877                |
| Central National Bank            | 5.50%        | 02/13/25      | 2,027,726              | 27,499              | —                     | 2,055,225              | 2,027,726                | 27,499                    | 2,055,225                |
| BOKF CDARS                       | 5.10%        | 03/13/25      | 1,002,517              | 12,823              | —                     | 1,015,340              | 1,002,517                | 12,823                    | 1,015,340                |
| BOKF CDARS                       | 5.10%        | 03/13/25      | 1,002,517              | 12,823              | —                     | 1,015,340              | 1,002,517                | 12,823                    | 1,015,340                |
| East West Bank                   | 5.22%        | 05/28/25      | —                      | 2,009,748           | —                     | 2,009,748              | —                        | 2,009,748                 | 2,009,748                |
| American National Bank & Trust   | 4.85%        | 09/24/25      | —                      | 1,000,951           | —                     | 1,000,951              | —                        | 1,000,951                 | 1,000,951                |
| American National Bank & Trust   | 4.85%        | 09/24/25      | —                      | 1,000,951           | —                     | 1,000,951              | —                        | 1,000,951                 | 1,000,951                |
| <b>TOTAL / AVERAGE</b>           | <b>5.11%</b> |               | <b>\$ 45,636,740</b>   | <b>\$ 7,688,986</b> | <b>\$ (4,714,309)</b> | <b>\$ 48,611,417</b>   | <b>\$ 45,637,236</b>     | <b>\$ 2,974,181</b>       | <b>\$ 48,611,417</b>     |

**Allocation by Fund**  
**June 30, 2024**

| Book Value                              | Edwards Aquifer      |                      |                      |                           |                             |
|---|----------------------|----------------------|----------------------|---------------------------|-----------------------------|
|   | Investment Total     | Pooled Cash          | General Fund         | Habitat Conservation Plan | Edwards Aquifer Conservancy |
| Petty Cash                              | \$ 998               | \$ 998               | \$ —                 | \$ —                      | \$ —                        |
| PNC Bank Cash                           | 811,093              | 811,093              | —                    | —                         | —                           |
| PNC Bank Checking                       | 519,176              | —                    | —                    | —                         | 519,176                     |
| PNC Bank MMA                            | 3,956,434            | 3,871,818            | —                    | 84,616                    | —                           |
| Southside Bank MMA                      | 11,435,345           | 7,644,141            | —                    | 3,791,204                 | —                           |
| NexBank MMA                             | 50                   | —                    | —                    | 50                        | —                           |
| NexBank IntraFi MMA                     | 5,508,928            | —                    | —                    | 5,508,928                 | —                           |
| Veritex Community Bank MMA              | 8,681,407            | 6,620,057            | —                    | 2,061,350                 | —                           |
| Oil, Gas, & Mineral Rights Value        | 111,790              | —                    | —                    | —                         | 111,790                     |
| 07/03/24—East West Bank                 | 1,584,076            | —                    | 1,584,076            | —                         | —                           |
| 07/03/24—East West Bank                 | 3,696,178            | —                    | —                    | 3,696,178                 | —                           |
| 08/01/24—East West Bank                 | 1,052,254            | —                    | 1,052,254            | —                         | —                           |
| 08/01/24—East West Bank                 | 1,052,254            | —                    | —                    | 1,052,254                 | —                           |
| 08/24/24—Central National Bank          | 2,103,877            | —                    | 2,103,877            | —                         | —                           |
| 02/13/25—Central National Bank          | 2,055,225            | —                    | 2,055,225            | —                         | —                           |
| 03/13/25—BOKF CDARS                     | 1,015,340            | —                    | 1,015,340            | —                         | —                           |
| 03/13/25—BOKF CDARS                     | 1,015,340            | —                    | —                    | 1,015,340                 | —                           |
| 05/28/25—East West Bank                 | 2,009,748            | —                    | 2,009,747.91         | —                         | —                           |
| 09/24/25—American National Bank & Trust | 1,000,951            | —                    | 1,000,951.23         | —                         | —                           |
| 09/24/25—American National Bank & Trust | 1,000,951            | —                    | —                    | 1,000,951.23              | —                           |
|   | <b>\$ 48,611,417</b> | <b>\$ 18,948,107</b> | <b>\$ 10,821,472</b> | <b>\$ 18,210,872</b>      | <b>\$ 630,966</b>           |

**Allocation by Fund**  
**June 30, 2024**

| Market Value                            | Edwards Aquifer      |                      |                      |                           |                             |
|---|----------------------|----------------------|----------------------|---------------------------|-----------------------------|
|   | Investment Total     | Pooled Cash          | General Fund         | Habitat Conservation Plan | Edwards Aquifer Conservancy |
| Petty Cash                              | \$ 998               | \$ 998               | \$ —                 | \$ —                      | \$ —                        |
| PNC Bank Cash                           | 811,093              | 811,093              | —                    | —                         | —                           |
| PNC Bank Checking                       | 519,176              | —                    | —                    | —                         | 519,176                     |
| PNC Bank MMA                            | 3,956,434            | 3,871,818            | —                    | 84,616                    | —                           |
| Southside Bank MMA                      | 11,435,345           | 7,644,141            | —                    | 3,791,204                 | —                           |
| NexBank MMA                             | 50                   | —                    | —                    | 50                        | —                           |
| NexBank IntraFi MMA                     | 5,508,928            | —                    | —                    | 5,508,928                 | —                           |
| Veritex Community Bank MMA              | 8,681,407            | 6,620,057            | —                    | 2,061,350                 | —                           |
| Oil, Gas, & Mineral Rights Value        | 111,790              | —                    | —                    | —                         | 111,790                     |
| 07/03/24–East West Bank                 | 1,584,076            | —                    | 1,584,076            | —                         | —                           |
| 07/03/24–East West Bank                 | 3,696,178            | —                    | —                    | 3,696,178                 | —                           |
| 08/01/24–East West Bank                 | 1,052,254            | —                    | 1,052,254            | —                         | —                           |
| 08/01/24–East West Bank                 | 1,052,254            | —                    | —                    | 1,052,254                 | —                           |
| 08/24/24–Central National Bank          | 2,103,877            | —                    | 2,103,877            | —                         | —                           |
| 02/13/25–Central National Bank          | 2,055,225            | —                    | 2,055,225            | —                         | —                           |
| 03/13/25–BOKF CDARS                     | 1,015,340            | —                    | 1,015,340            | —                         | —                           |
| 03/13/25–BOKF CDARS                     | 1,015,340            | —                    | —                    | 1,015,340                 | —                           |
| 05/28/25–East West Bank                 | 2,009,748            | —                    | 2,009,748            | —                         | —                           |
| 09/24/25–American National Bank & Trust | 1,000,951            | —                    | 1,000,951            | —                         | —                           |
| 09/24/25–American National Bank & Trust | 1,000,951            | —                    | —                    | 1,000,951                 | —                           |
|   | <b>\$ 48,611,417</b> | <b>\$ 18,948,107</b> | <b>\$ 10,821,472</b> | <b>\$ 18,210,872</b>      | <b>\$ 630,966</b>           |



**Allocation by Fund**  
**March 31, 2024**

| Book Value                       | Edwards Aquifer      |                      |                      |                           |                             |
|----------------------------------|----------------------|----------------------|----------------------|---------------------------|-----------------------------|
|                                  | Investment Total     | Pooled Cash          | General Fund         | Habitat Conservation Plan | Edwards Aquifer Conservancy |
| Petty Cash                       | \$ 973               | \$ 973               | \$ —                 | \$ —                      | \$ —                        |
| PNC Bank Cash                    | 519,565              | 519,565              | —                    | —                         | —                           |
| PNC Bank Checking                | 153,155              | —                    | —                    | —                         | 153,155                     |
| PNC Bank MMA                     | 4,593,029            | 4,508,989            | —                    | 84,040                    | —                           |
| Southside Bank MMA               | 8,785,188            | 6,162,452            | —                    | 2,622,736                 | —                           |
| NexBank MMA                      | 50                   | —                    | —                    | 50                        | —                           |
| NexBank IntraFi MMA              | 5,433,232            | —                    | —                    | 5,433,232                 | —                           |
| Veritex Community Bank MMA       | 8,567,060            | 6,962,072            | —                    | 1,604,987                 | —                           |
| Oil, Gas, & Mineral Rights Value | 111,790              | —                    | —                    | —                         | 111,790                     |
| 05/24/24—Central National Bank   | 2,078,787            | —                    | 2,078,787            | —                         | —                           |
| 06/14/24—FHLB                    | 1,998,927            | —                    | 999,464              | 999,464                   | —                           |
| 07/03/24—East West Bank          | 1,562,637            | —                    | 1,562,637            | —                         | —                           |
| 07/03/24—East West Bank          | 3,646,153            | —                    | —                    | 3,646,153                 | —                           |
| 08/01/24—East West Bank          | 1,037,795            | —                    | 1,037,795            | —                         | —                           |
| 08/01/24—East West Bank          | 1,037,795            | —                    | —                    | 1,037,795                 | —                           |
| 08/24/24—Central National Bank   | 2,077,844            | —                    | 2,077,844            | —                         | —                           |
| 02/13/25—Central National Bank   | 2,027,726            | —                    | 2,027,726            | —                         | —                           |
| 03/13/25—BOKF CDARS              | 1,002,517            | —                    | 1,002,517            | —                         | —                           |
| 03/13/25—BOKF CDARS              | 1,002,517            | —                    | —                    | 1,002,517                 | —                           |
|                                  | <b>\$ 45,636,740</b> | <b>\$ 18,154,051</b> | <b>\$ 10,786,770</b> | <b>\$ 16,430,974</b>      | <b>\$ 264,945</b>           |

**Allocation by Fund  
March 31, 2024**

| Market Value                     | Edwards Aquifer      |                      |                      |                           |                             |
|----------------------------------|----------------------|----------------------|----------------------|---------------------------|-----------------------------|
|                                  | Investment Total     | Pooled Cash          | General Fund         | Habitat Conservation Plan | Edwards Aquifer Conservancy |
| Petty Cash                       | \$ 973               | \$ 973               | \$ —                 | \$ —                      | \$ —                        |
| PNC Bank Cash                    | 519,565              | 519,565              | —                    | —                         | —                           |
| PNC Bank Checking                | 153,155              | —                    | —                    | —                         | 153,155                     |
| PNC Bank MMA                     | 4,593,029            | 4,508,989            | —                    | 84,040                    | —                           |
| Southside Bank MMA               | 8,785,188            | 6,162,452            | —                    | 2,622,736                 | —                           |
| NexBank MMA                      | 50                   | —                    | —                    | 50                        | —                           |
| NexBank IntraFi MMA              | 5,433,232            | —                    | —                    | 5,433,232                 | —                           |
| Veritex Community Bank MMA       | 8,567,060            | 6,962,072            | —                    | 1,604,987                 | —                           |
| Oil, Gas, & Mineral Rights Value | 111,790              | —                    | —                    | —                         | 111,790                     |
| 05/24/24—Central National Bank   | 2,078,787            | —                    | 2,078,787            | —                         | —                           |
| 06/14/24—FHLB                    | 1,999,423            | —                    | 999,711              | 999,711                   | —                           |
| 07/03/24—East West Bank          | 1,562,637            | —                    | 1,562,637            | —                         | —                           |
| 07/03/24—East West Bank          | 3,646,153            | —                    | —                    | 3,646,153                 | —                           |
| 08/01/24—East West Bank          | 1,037,795            | —                    | 1,037,795            | —                         | —                           |
| 08/01/24—East West Bank          | 1,037,795            | —                    | —                    | 1,037,795                 | —                           |
| 08/24/24—Central National Bank   | 2,077,844            | —                    | 2,077,844            | —                         | —                           |
| 02/13/25—Central National Bank   | 2,027,726            | —                    | 2,027,726            | —                         | —                           |
| 03/13/25—BOKF CDARS              | 1,002,517            | —                    | 1,002,517            | —                         | —                           |
| 03/13/25—BOKF CDARS              | 1,002,517            | —                    | —                    | 1,002,517                 | —                           |
|                                  | <b>\$ 45,637,236</b> | <b>\$ 18,154,051</b> | <b>\$ 10,787,018</b> | <b>\$ 16,431,222</b>      | <b>\$ 264,945</b>           |