



# QUARTERLY INVESTMENT REPORT

For the Quarter Ended

December 31, 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.

## Annual Comparison of Portfolio Performance

### FYE Results by Investment Category:

Asset Type	December 31, 2023			December 31, 2024		
	Avg. Yield	Book Value	Market Value	Avg. Yield	Book Value	Market Value
DDA/MMA/NOW	5.08%	\$ 36,715,431	\$ 36,715,431	3.93%	\$ 36,411,394	\$ 36,411,394
Securities/CDs	5.29%	17,285,763	17,274,984	5.36%	16,678,215	16,678,215
<b>Totals</b>		<b>\$ 54,001,194</b>	<b>\$ 53,990,415</b>		<b>\$ 53,089,609</b>	<b>\$ 53,089,609</b>
Fourth Quarter-End Yield	<b>5.15%</b>			<b>4.38%</b>		

### Average Quarter-End Yields (1):

	2023 Fiscal Year	2024 Fiscal Year
Edwards Aquifer Authority	4.32%	4.88%
Rolling Three Month Treasury	5.28%	5.22%
Rolling Six Month Treasury	5.17%	5.16%
TexPool	5.09%	5.12%
<b>Fiscal YTD interest earnings</b>	<b>\$ 2,206,155 (Approximate)</b>	<b>\$ 2,419,903 (Approximate)</b>

(1) AVERAGE **Quarter-End Yields** - 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.

## Summary

### Quarter End Results by Investment Category:

<u>Asset Type</u>	<u>September 30, 2024</u>		<u>December 31, 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	\$ 34,402,754	\$ 34,402,754	\$ 36,411,394	\$ 36,411,394	3.93%
Securities/CDs	16,469,613	16,469,613	16,678,215	16,678,215	5.36%
<b>Totals</b>	<b>\$ 50,872,367</b>	<b>\$ 50,872,367</b>	<b>\$ 53,089,609</b>	<b>\$ 53,089,609</b>	4.38%

<u>Average Yield - Current Quarter (1)</u>		<u>Fiscal Year-to-Date Average Yield (2)</u>	
Total Portfolio	4.38%	Total Portfolio	4.88%
Rolling Three Month Treasury	4.56%	Rolling Three Month Treasury	5.22%
Rolling Six Month Treasury	4.63%	Rolling Six Month Treasury	5.16%
TexPool	4.56%	TexPool	5.12%

<u>Interest Earnings (Approximate)</u>	
Quarterly Interest Income	\$ 597,125
Year-to-date Interest Income	\$ 2,419,903

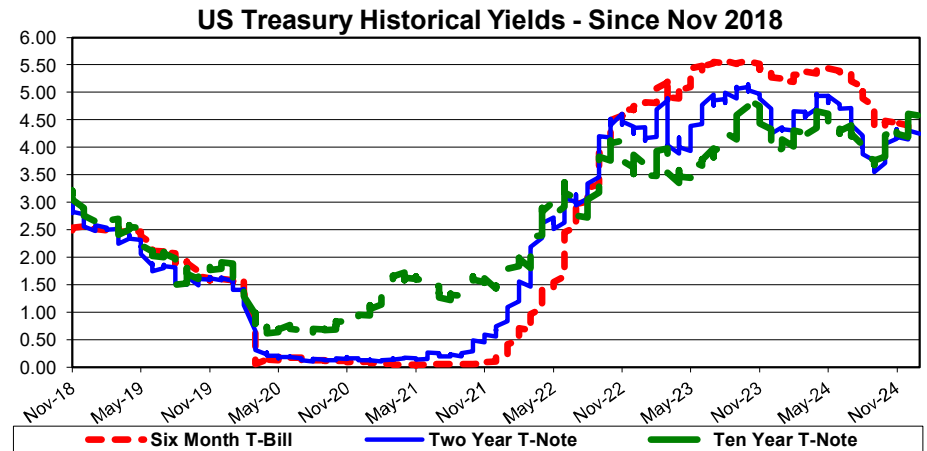
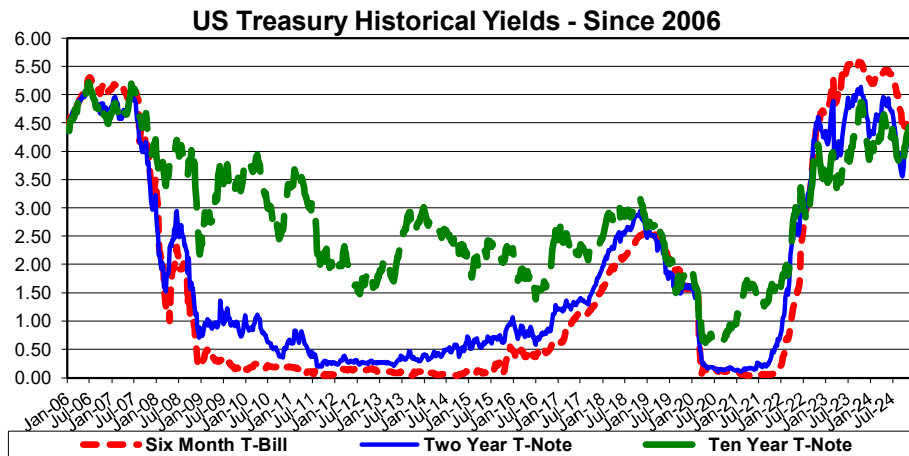
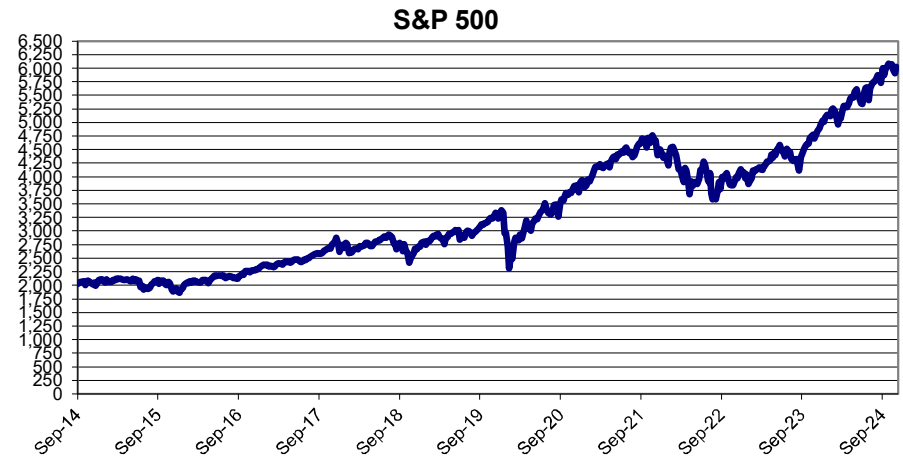
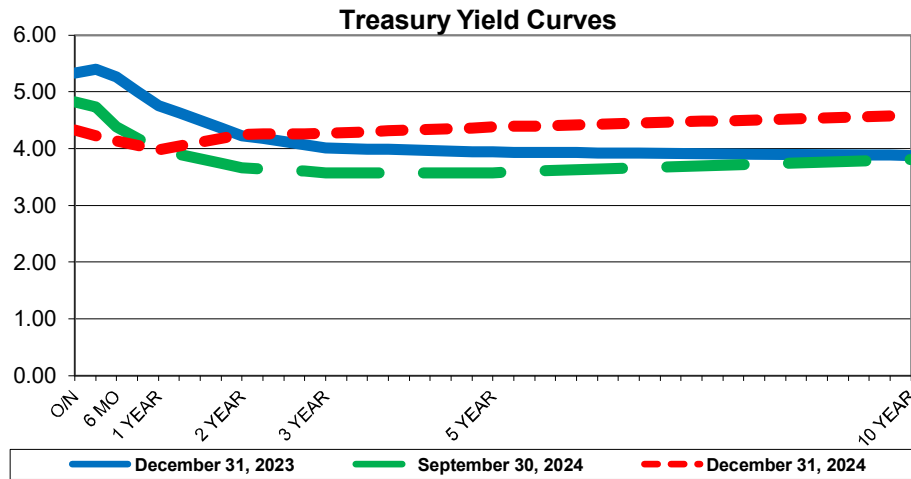
(1) **Average Yield - Current Quarter** -based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

12/31/2024

The Federal Open Market Committee (FOMC) reduced the Fed Funds target range a second time to 4.25% - 4.50% (Effective Fed Funds trade +/-4.33%). Expectations for additional rate cuts have diminished with one 0.25% cut projected in March/May. The next cut might not be until October. December Non-Farm Payroll improved to +256k new jobs, with the Three Month Rolling Average falling slightly to +170k (from the previous +173k). Third Quarter 2024 GDP final number increased to +3.1. The S&P 500 Stock Index experienced some volatility but still exceeds 6,000. The yield curve adjusted to a slight checkmark shape. Crude Oil bounced +/- \$70 per barrel. Inflation remains above the FOMC 2% target (Core PCE +/-2.8% and Core CPI +/-3.3%). Declining global economic outlook and ongoing/expanding international political disruptions increases uncertainty.



## Investment Holdings

December 31, 2024

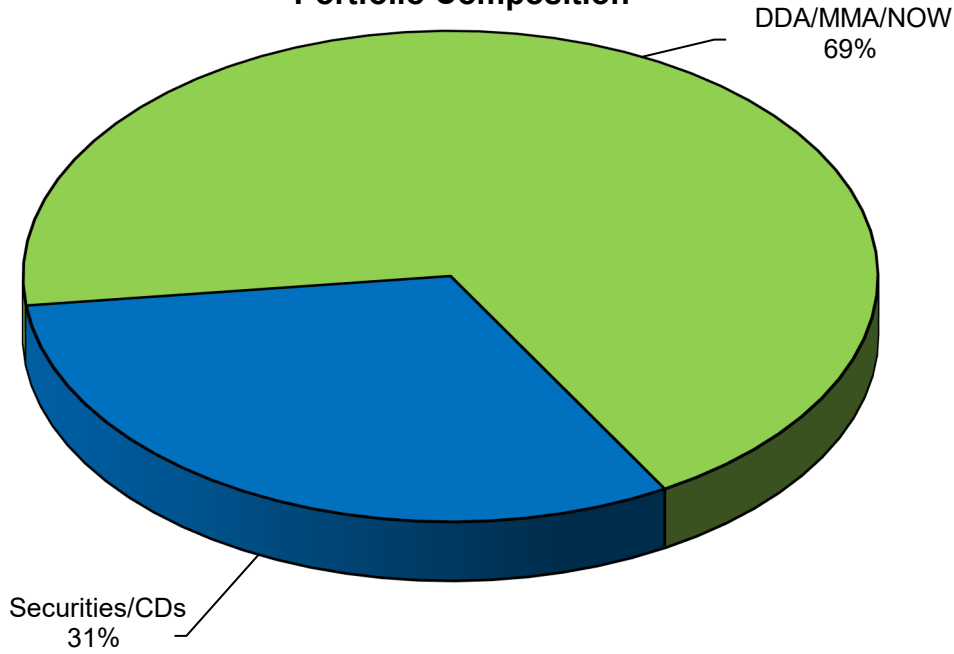
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Petty Cash		0.00%	01/01/25	12/31/24	\$ 1,004	\$ 1,004	1.00	\$ 1,004	1	0.00%
PNC Bank Cash		0.00%	01/01/25	12/31/24	1,522,120	1,522,120	1.00	1,522,120	1	0.00%
PNC Bank Checking		2.40%	01/01/25	12/31/24	520,863	520,863	1.00	520,863	1	2.40%
PNC Bank MMA		2.04%	01/01/25	12/31/24	5,935,507	5,935,507	1.00	5,935,507	1	2.04%
Southside Bank MMA (3)		4.72%	01/01/25	12/31/24	4,837,225	4,837,225	1.00	4,837,225	1	4.72%
Southside Bank MMA #2 (3)		4.56%	01/01/25	12/31/24	8,928,192	8,928,192	1.00	8,928,192	1	4.56%
NexBank MMA		4.55%	01/01/25	12/31/24	52	52	1.00	52	1	4.55%
NexBank IntraFi MMA (ICS)		4.55%	01/01/25	12/31/24	5,654,059	5,654,059	1.00	5,654,059	1	4.55%
Veritex Community Bank MMA		4.56%	01/01/25	12/31/24	8,900,583	8,900,583	1.00	8,900,583	1	4.56%
Oil, Gas, & Mineral Rights Value		0.00%	01/01/25	12/31/24	111,790	111,790	1.00	111,790	1	0.00%
East West Bank CD		5.44%	01/03/25	07/03/24	3,781,468	3,781,468	100.00	3,781,468	3	5.59%
Central National Bank CD		5.50%	02/13/25	11/13/23	2,112,604	2,112,604	100.00	2,112,604	44	5.61%
BOKF CDARS		5.10%	03/13/25	03/14/24	1,041,771	1,041,771	100.00	1,041,771	72	5.23%
BOKF CDARS		5.10%	03/13/25	03/14/24	1,041,771	1,041,771	100.00	1,041,771	72	5.23%
East West Bank CD		5.22%	05/28/25	05/28/24	2,063,332	2,063,332	100.00	2,063,332	148	5.36%
BOKF CDARS		5.15%	07/10/25	07/11/24	2,562,079	2,562,079	100.00	2,562,079	191	5.28%
Central National Bank CD		5.17%	08/01/25	08/06/24	1,013,031	1,013,031	100.00	1,013,031	213	5.27%
Central National Bank CD		5.17%	08/01/25	08/06/24	1,013,031	1,013,031	100.00	1,013,031	213	5.27%
American National Bank & Trust CD		4.85%	09/24/25	06/24/24	1,024,564	1,024,564	100.00	1,024,564	267	4.96%
American National Bank & Trust CD		4.85%	09/24/25	06/24/24	1,024,564	1,024,564	100.00	1,024,564	267	4.96%
					<b>\$ 53,089,609</b>	<b>\$ 53,089,609</b>		<b>\$ 53,089,609</b>	<b>39</b>	<b>4.38%</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.

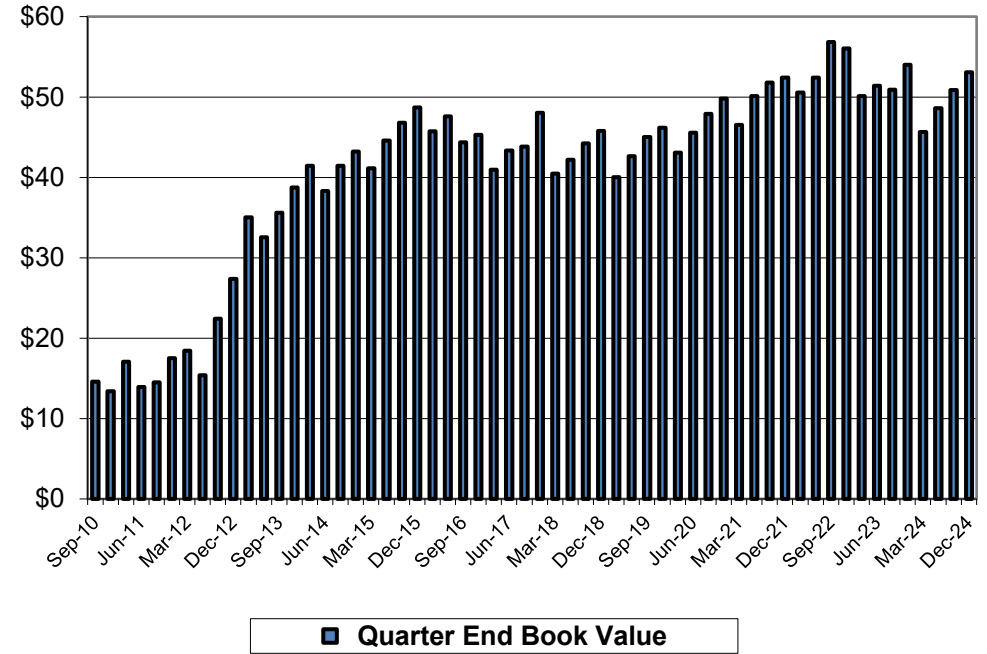
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank accounts, pools and money market mutual funds.

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

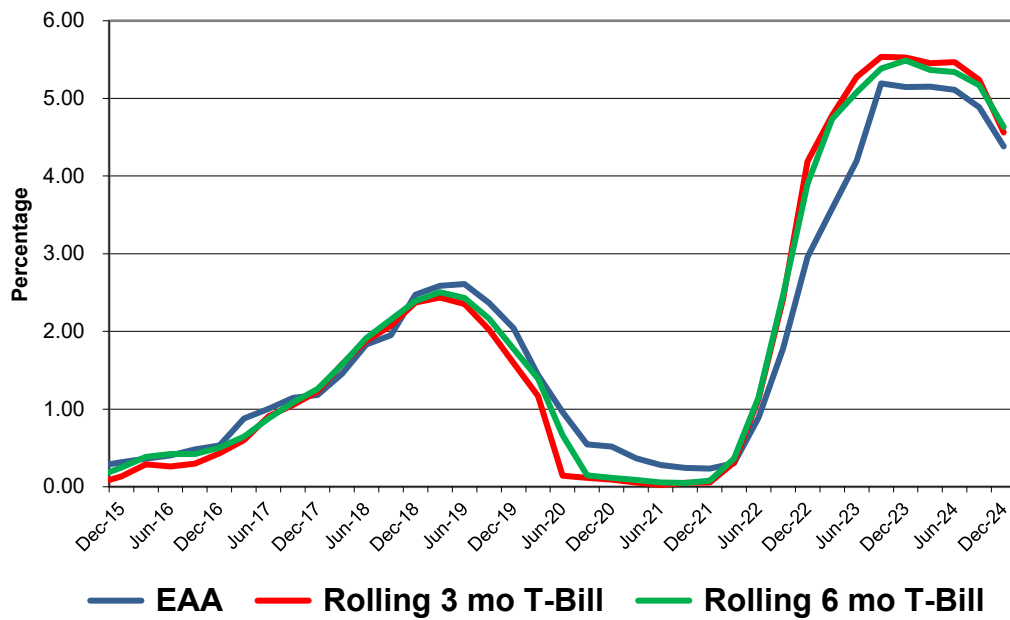
**Portfolio Composition**



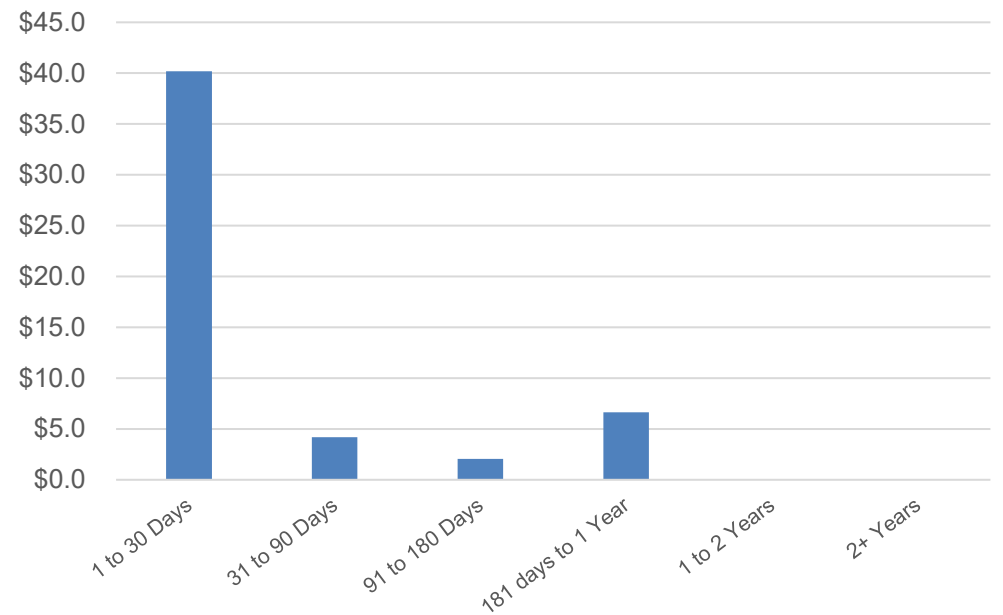
**Total Portfolio (Millions)**



**Historical Yields**



**Distribution by Maturity (Millions)**



## Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 09/30/24	Increases	Decreases	Book Value 12/31/24	Market Value 09/30/24	Change in Market Value	Market Value 12/31/24
Petty Cash	0.00%	01/01/25	\$ 879	\$ 125	\$ -	\$ 1,004	\$ 879	\$ 125	\$ 1,004
PNC Bank Cash	0.00%	01/01/25	901,091	621,029	-	1,522,120	901,091	621,029	1,522,120
PNC Bank Checking	2.40%	01/01/25	528,068	-	(7,205)	520,863	528,068	(7,205)	520,863
PNC Bank MMA	2.04%	01/01/25	4,878,454	1,057,053	-	5,935,507	4,878,454	1,057,053	5,935,507
Southside Bank MMA	4.72%	01/01/25	4,779,074	58,151	-	4,837,225	4,779,074	58,151	4,837,225
Southside Bank MMA #2	4.56%	01/01/25	8,820,862	107,330	-	8,928,192	8,820,862	107,330	8,928,192
NexBank MMA	4.55%	01/01/25	51	1	-	52	51	1	52
NexBank IntraFi MMA (ICS)	4.55%	01/01/25	5,585,366	68,693	-	5,654,059	5,585,366	68,693	5,654,059
Veritex Community Bank MMA	4.56%	01/01/25	8,797,119	103,464	-	8,900,583	8,797,119	103,464	8,900,583
Oil, Gas, & Mineral Rights Value	0.00%	01/01/25	111,790	-	-	111,790	111,790	-	111,790
East West Bank CD	5.44%	01/03/25	3,747,247	34,221	-	3,781,468	3,747,247	34,221	3,781,468
Central National Bank CD	5.50%	02/13/25	2,083,717	28,887	-	2,112,604	2,083,717	28,887	2,112,604
BOKF CDARS	5.10%	03/13/25	1,028,471	13,300	-	1,041,771	1,028,471	13,300	1,041,771
BOKF CDARS	5.10%	03/13/25	1,028,471	13,300	-	1,041,771	1,028,471	13,300	1,041,771
East West Bank CD	5.22%	05/28/25	2,036,364	26,969	-	2,063,332	2,036,364	26,969	2,063,332
BOKF CDARS	5.15%	07/10/25	2,529,066	33,013	-	2,562,079	2,529,066	33,013	2,562,079
Central National Bank CD	5.17%	08/01/25	1,000,000	13,031	-	1,013,031	1,000,000	13,031	1,013,031
Central National Bank CD	5.17%	08/01/25	1,000,000	13,031	-	1,013,031	1,000,000	13,031	1,013,031
American National Bank & Trust CD	4.85%	09/24/25	1,008,139	16,425	-	1,024,564	1,008,139	16,425	1,024,564
American National Bank & Trust CD	4.85%	09/24/25	1,008,139	16,425	-	1,024,564	1,008,139	16,425	1,024,564
<b>TOTAL / AVERAGE</b>	<b>4.38%</b>		<b>\$ 50,872,367</b>	<b>\$ 2,224,447</b>	<b>\$ (7,205)</b>	<b>\$ 53,089,609</b>	<b>\$ 50,872,367</b>	<b>\$ 2,217,242</b>	<b>\$ 53,089,609</b>

**Allocation by Fund  
December 31, 2024**

<b>Book &amp; Market Value</b>	<b>Investment Total</b>	<b>Pooled Cash</b>	<b>General Fund</b>	<b>Edwards Aquifer Habitat Conservation Plan</b>	<b>Edwards Aquifer Conservancy</b>
Petty Cash	\$ 1,004	\$ 1,004	\$ -	\$ -	\$ -
PNC Bank Cash	1,522,120	1,522,120	-	-	-
PNC Bank Checking	520,863	-	-	-	520,863
PNC Bank MMA	5,935,507	4,570,342	-	1,365,165	-
Southside Bank MMA	13,765,417	8,928,192	-	4,837,225	-
NexBank MMA	52	-	-	52	-
NexBank IntraFi MMA	5,654,059	-	-	5,654,059	-
Veritex Community Bank MMA	8,900,583	6,017,979	-	2,882,603	-
Oil, Gas, & Mineral Rights Value	111,790	-	-	-	111,790
01/03/25–East West Bank CD	3,781,468	-	-	3,781,468	-
02/13/25–Central National Bank CD	2,112,604	-	2,112,604	-	-
03/13/25–BOKF CDARS	1,041,771	-	1,041,771	-	-
03/13/25–BOKF CDARS	1,041,771	-	-	1,041,771	-
05/28/25–East West Bank CD	2,063,332	-	2,063,332	-	-
07/10/25–BOKF CDARS	2,562,079	-	2,562,079	-	-
08/01/25–Central National Bank CD	1,013,031	-	1,013,031	-	-
08/01/25–Central National Bank CD	1,013,031	-	-	1,013,031	-
09/24/25–American National Bank & Trust CD	1,024,564	-	1,024,564	-	-
09/24/25–American National Bank & Trust CD	1,024,564	-	-	1,024,564	-
	<b>\$ 53,089,609</b>	<b>\$ 21,039,638</b>	<b>\$ 9,817,381</b>	<b>\$ 21,599,937</b>	<b>\$ 632,653</b>



**Allocation by Fund  
September 30, 2024**

Book & Market Value	Edwards Aquifer				
	Investment Total	Pooled Cash	General Fund	Habitat Conservation Plan	Aquifer Conservancy
Petty Cash	\$ 879	\$ 879	\$ -	\$ -	\$ -
PNC Bank Cash	901,091	901,091	-	-	-
PNC Bank Checking	528,068	-	-	-	528,068
PNC Bank MMA	4,878,454	4,793,263	-	85,191	-
Southside Bank MMA	13,599,936	8,820,862	-	4,779,074	-
NexBank MMA	51	-	-	51	-
NexBank IntraFi MMA	5,585,366	-	-	5,585,366	-
Veritex Community Bank MMA	8,797,119	5,945,713	-	2,851,406	-
Oil, Gas, & Mineral Rights Value	111,790	-	-	-	111,790
01/03/25–East West Bank CD	3,747,247	-	-	3,747,247	-
02/13/25–Central National Bank CD	2,083,717	-	2,083,717	-	-
03/13/25–BOKF CDARS	1,028,471	-	1,028,471	-	-
03/13/25–BOKF CDARS	1,028,471	-	-	1,028,471	-
05/28/25–East West Bank CD	2,036,364	-	2,036,364	-	-
07/10/25–BOKF CDARS	2,529,066	-	2,529,066	-	-
08/01/25–Central National Bank CD	1,000,000	-	1,000,000	-	-
08/01/25–Central National Bank CD	1,000,000	-	-	1,000,000	-
09/24/25–American National Bank & Trust CD	1,008,139	-	1,008,139	-	-
09/24/25–American National Bank & Trust CD	1,008,139	-	-	1,008,139	-
	<b>\$ 50,872,367</b>	<b>\$ 20,461,808</b>	<b>\$ 9,685,756</b>	<b>\$ 20,084,945</b>	<b>\$ 639,858</b>