



City of Duncanville, Texas
QUARTERLY INVESTMENT REPORT

For the Quarter Ended

June 30, 2022

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

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

Agustin (Gus) Garcia, Director of Economic Development

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Georcha West, Senior Accountant

Disclaimer: These reports were compiled using information provided by the City of Duncanville. 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.

Strategy Summary

Quarter End Results by Investment Category:

Asset Type	March 31, 2022		June 30, 2022	
	Book Value	Market Value	Book Value	Market Value
DDA	\$ 47,206,036	\$ 47,206,036	\$ 41,968,751	\$ 41,968,751
MMA/LGIPS	26,719,887	26,719,887	31,766,112	31,766,112
CDs	6,008,696	6,008,696	2,502,218	2,502,218
Totals	\$ 79,934,620	\$ 79,934,620	\$ 76,237,081	\$ 76,237,081

Current Quarter Weighted Average Yield (1)

Total Portfolio	0.75%
Rolling Three Month Treasury	1.13%
Rolling Six Month Treasury	1.15%
TexPool	1.00%

Fiscal Year-to-Date Weighted Average Yield (2)

Total Portfolio	0.55%
Rolling Three Month Treasury	0.50%
Rolling Six Month Treasury	0.53%
Average Monthly TexPool	0.25%

Interest Earnings (Approximate)

Quarterly Interest Income	\$ 47,682
Year-to-date Interest Income	\$ 111,640

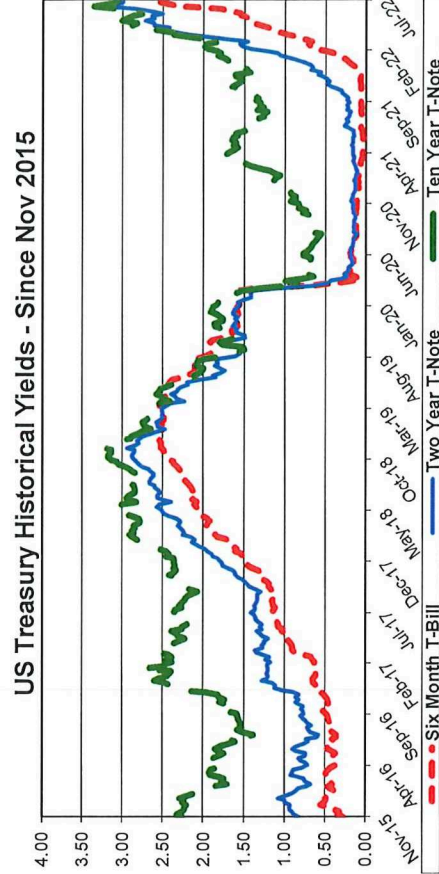
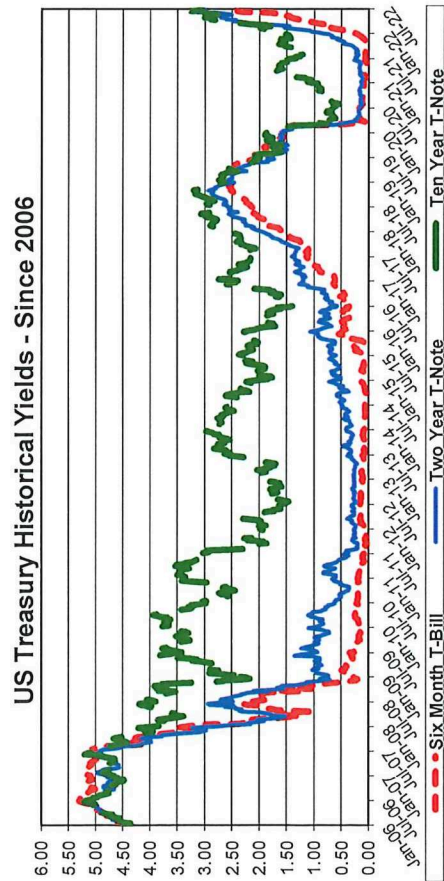
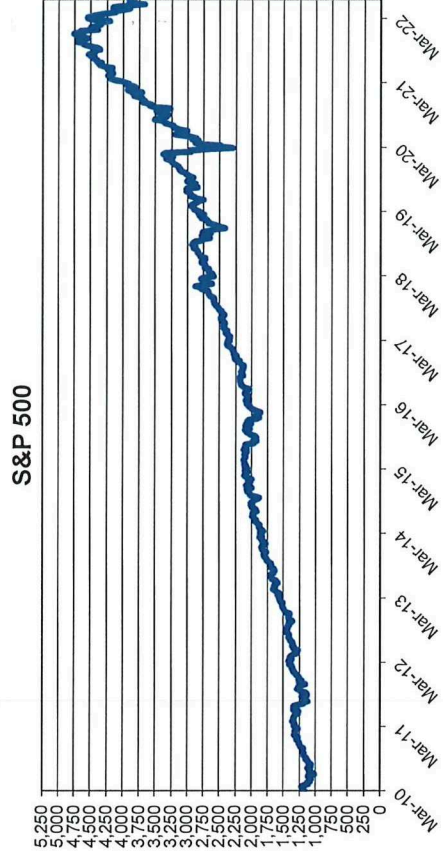
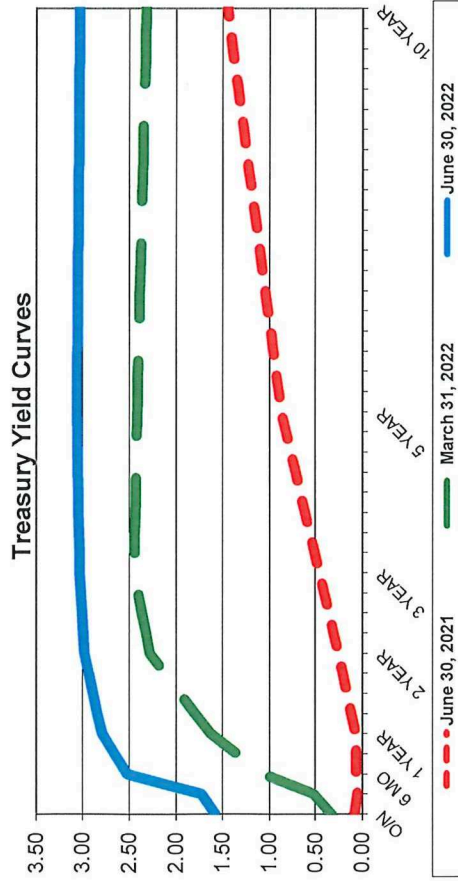
(1) **Current Quarter Weighted Average Yield** - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees. The yield for the reporting month is used for bank and money market balances.

(2) **Fiscal Year-to-Date Weighted 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

6/30/2022

The Federal Open Market Committee (FOMC) raised the Fed Funds target range 0.75% to 1.50% - 1.75% June 15th (Effective Fed Funds are trading +/-1.60%). The FOMC begin actively reducing their balance sheet June 1. An additional 0.75% increase is anticipated July 27. First Quarter GDP (final) was -1.6%. June Non-Farm Payroll added 372k net new jobs while the Three Month Average NFP declined to 375k. Crude oil settled in at +/- \$105 per barrel. The Stock Markets continued sliding lower, but may be stabilizing. More domestic and international economic indicators softened, including housing data. A recession in the next 12 to 18 months is being openly discussed. Inflation remained well over the FOMC 2% target (Core PCE +/-4.7% and CPI exceeding 8%).



**Investment Holdings
June 30, 2022**

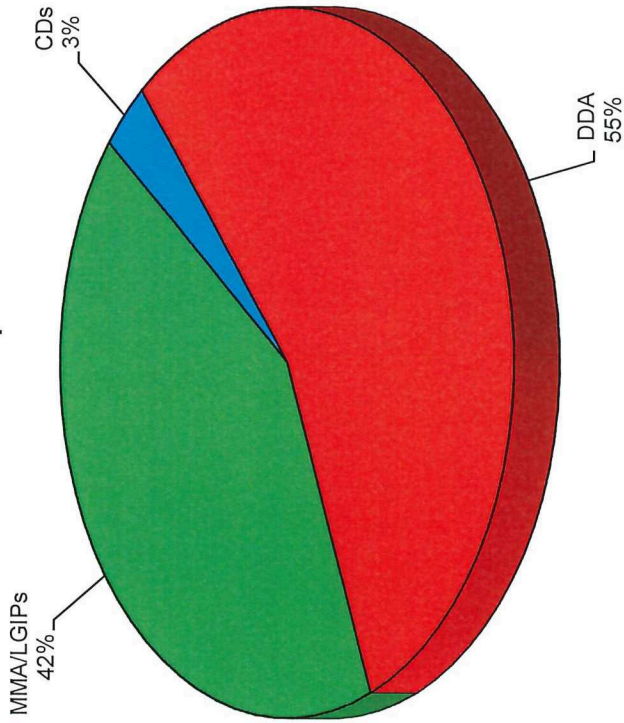
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Wells Fargo Bank DDA (3)		0.60%	07/01/22	06/30/22	\$ 41,968,751	\$ 41,968,751	1.00	\$ 41,968,751	1	0.60%
NexBank MMA		1.18%	07/01/22	06/30/22	9,966	9,966	1.00	9,966	1	1.18%
NexBank IntraFi MMA		1.18%	07/01/22	06/30/22	23,517,732	23,517,732	1.00	23,517,732	1	1.18%
Prosperity Bank MMA		0.25%	07/01/22	06/30/22	6,511,714	6,511,714	1.00	6,511,714	1	0.25%
TexPool	AAAam	1.00%	07/01/22	06/30/22	5,045	5,045	1.00	5,045	1	1.00%
LOGIC LGIP	AAAam	1.18%	07/01/22	06/30/22	1,721,654	1,721,654	1.00	1,721,654	1	1.18%
East West Bank CD		0.17%	11/04/22	11/04/21	2,002,218	2,002,218	100.00	2,002,218	127	0.17%
Texas Brand Bank CD		0.30%	04/07/23	04/07/22	500,000	500,000	100.00	500,000	281	0.30%
					<u>\$ 76,237,081</u>	<u>\$ 76,237,081</u>		<u>\$ 76,237,081</u>	<u>6</u>	<u>0.75%</u>
									<u>(1)</u>	<u>(2)</u>

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

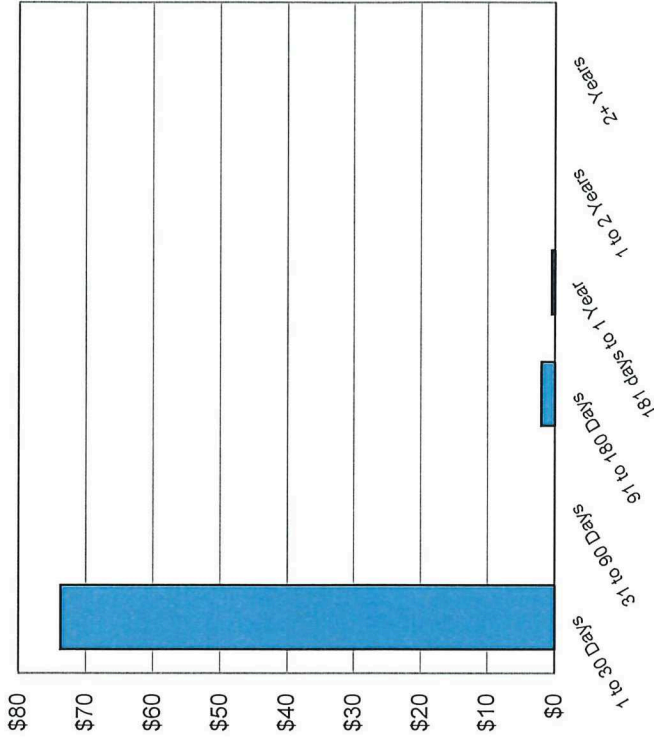
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank accounts and money market funds.

(3) **Earnings Credit Rate** - Wells Fargo balances are used to offset bank fees generating an estimated Earnings Credit Rate.

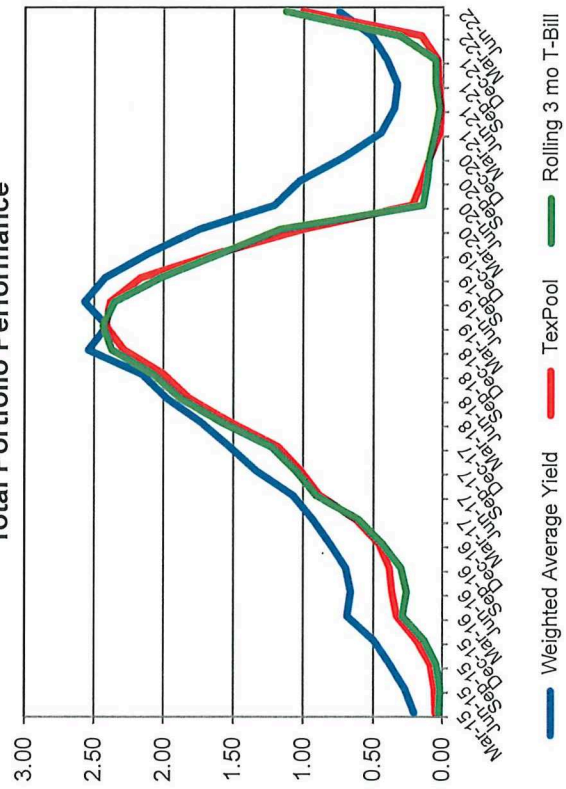
Portfolio Composition



Distribution by Maturity (Millions)



Total Portfolio Performance



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 03/31/22	Increases	Decreases	Book Value 06/30/22	Market Value 03/31/22	Change in Market Value	Market Value 06/30/22
Wells Fargo Bank DDA	0.60%	07/01/22	\$ 47,206,036	\$ -	\$ (5,237,286)	\$ 41,968,751	\$ 47,206,036	\$ (5,237,286)	\$ 41,968,751
NexBank MMA	1.18%	07/01/22	10,654,851	-	(10,644,885)	9,966	10,654,851	(10,644,885)	9,966
NexBank IntraFi MMA	1.18%	07/01/22	7,833,062	15,684,670	-	23,517,732	7,833,062	15,684,670	23,517,732
Prosperity Bank MMA	0.25%	07/01/22	6,508,727	2,987	-	6,511,714	6,508,727	2,987	6,511,714
TexPool	1.00%	07/01/22	5,037	8	-	5,045	5,037	8	5,045
LOGIC LGIP	1.18%	07/01/22	1,718,210	3,445	-	1,721,654	1,718,210	3,445	1,721,654
Prosperity Bank CD	0.20%	04/12/22	4,007,327	-	(4,007,327)	-	4,007,327	(4,007,327)	-
East West Bank CD	0.17%	11/04/22	2,001,370	848	-	2,002,218	2,001,370	848	2,002,218
Texas Brand Bank CD	0.30%	04/07/23	-	500,000	-	500,000	-	500,000	500,000
TOTAL/AVERAGE	0.75%		\$ 79,934,620	\$ 16,191,959	\$(19,889,497)	\$ 76,237,081	\$ 79,934,620	\$ (3,697,539)	\$ 76,237,081

Allocation
June 30, 2022

Book & Market Value

	Total	General	ARPA	Utility	Economic Development	Capital Replacement	Capital Projects Construction
Wells Fargo Bank DDA	\$ 41,968,751	\$41,968,751	\$ -	\$ -	\$ -	\$ -	\$ -
NexBank MMA	9,966	5,985	-	3,485	-	496	-
NexBank IntraFi MMA	23,517,732	15,667,903	-	-	-	-	7,849,829
Prosperity Bank MMA	6,511,714	1,504,544	4,505,656	501,515	-	-	-
TexPool LGIP	5,045	5,045	-	-	-	-	-
LOGIC LGIP	1,721,654	1,721,654	-	-	-	-	-
11/04/22-East West Bank CD	2,002,218	2,002,218	-	-	-	-	-
04/07/23-Texas Brand Bank CD	500,000	-	-	-	500,000	-	-
Total	\$ 76,237,081	\$ 62,876,100	\$ 4,505,656	\$ 505,000	\$ 500,000	\$ 496	\$ 7,849,829

**Allocation
March 31, 2022**

Book & Market Value

	Total	General	ARPA	Utility	Capital Replacement	Capital Projects Construction
Wells Fargo Bank DDA	\$ 47,206,036	\$47,206,036	\$ -	\$ -	\$ -	\$ -
NexBank MMA	10,654,851	6,398,296	-	3,726,168	530,387	-
NexBank IntraFi MMA	7,833,062	-	-	-	-	7,833,062
Prosperity Bank MMA	6,508,727	1,503,853	4,503,589	501,284	-	-
TexPool LGIP	5,037	5,037	-	-	-	-
LOGIC LGIP	1,718,210	1,718,210	-	-	-	-
04/12/22-Prosperity Bank CD	4,007,327	-	-	-	-	4,007,327
11/04/22-East West Bank CD	2,001,370	2,001,370	-	-	-	-
Total	\$ 79,934,620	\$ 58,832,803	\$ 4,503,589	\$ 4,227,453	\$ 530,387	\$ 11,840,389