



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

June 30, 2021

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

The investment portfolio of the Town of Trophy Club is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.

Investment Officer/Finance Manager

Chief Financial Analyst

Disclaimer: These reports were compiled using information provided by the Town. 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, 2021			June 30, 2021		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Demand Accounts	0.00%	\$ 1,841,844	\$ 1,841,844	0.50%	\$ 1,677,543	\$ 1,677,543
Money Markets/Local Gov't Investment Pools	0.24%	16,651,437	16,651,437	0.25%	16,057,440	16,057,440
Totals	0.22%	\$ 18,493,281	\$ 18,493,281	0.27%	\$ 17,734,983	\$ 17,734,983

Current Quarter Average Yield (1)

Total Portfolio	0.27%
Rolling Three Month Treasury	0.02%
Rolling Six Month Treasury	0.06%
TexPool	0.01%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	0.23%
Rolling Three Month Treasury	0.06%
Rolling Six Month Treasury	0.09%
TexPool	0.04%

Interest Revenue (Approximate)

Quarterly Interest Income	\$ 10,426
Year-to-date Interest Income	\$ 28,301

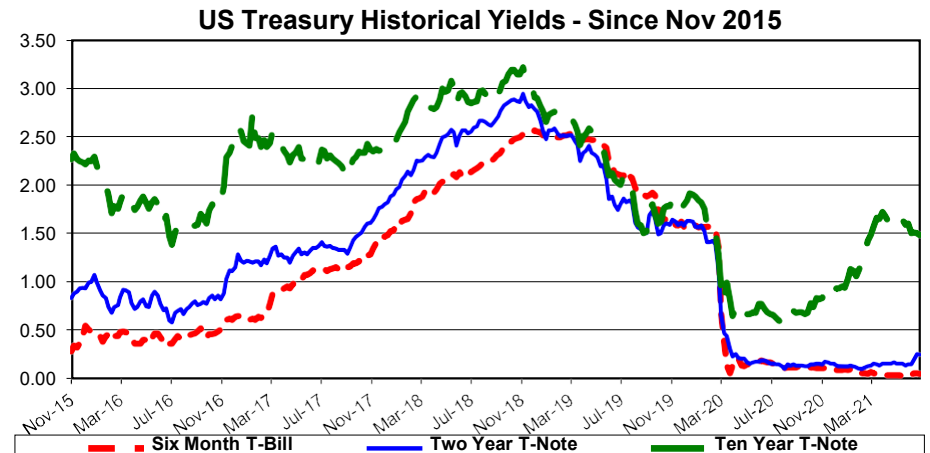
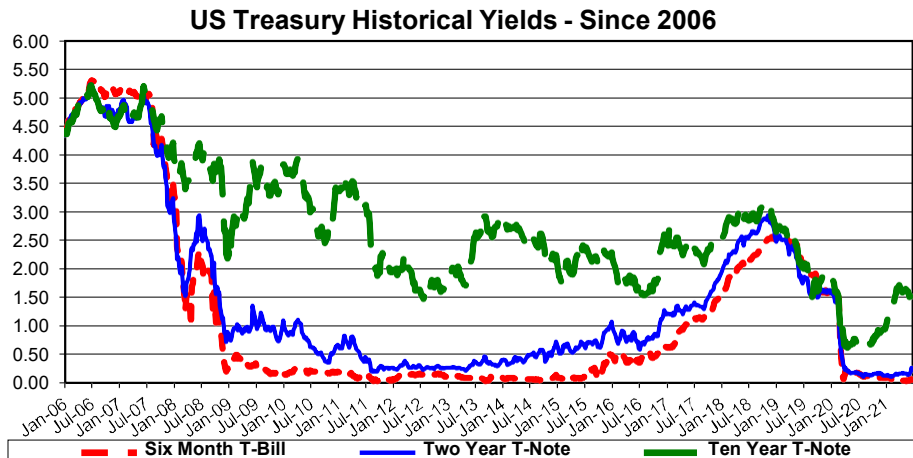
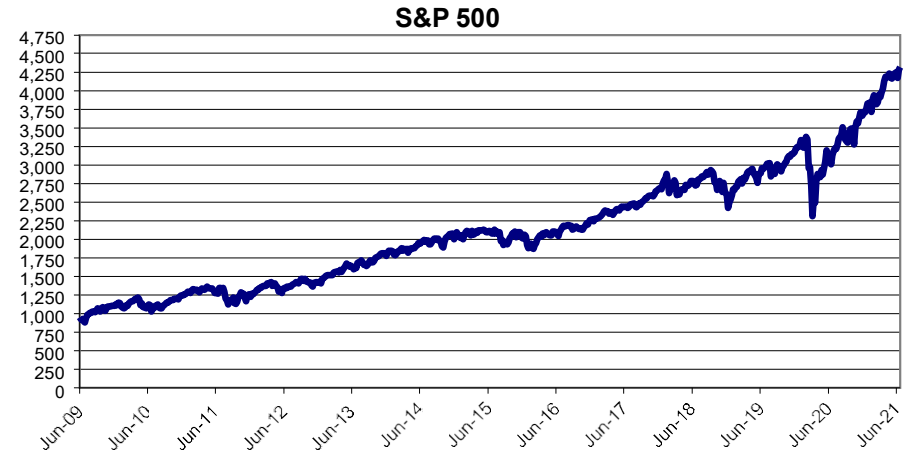
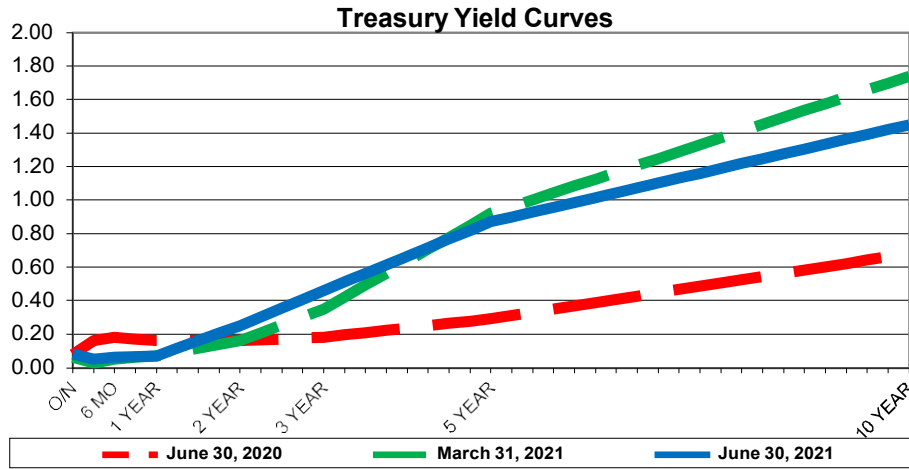
(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(2) **Fiscal Year-to-Date Average Yields** - 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

6/30/2021

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range at 0.00% to 0.25% (Effective Fed Funds are trading <0.10%), and projects that reduced rates could remain into 2023. First Quarter GDP posted +6.4% (Final). In June, Payrolls added 850k and Unemployment (U2) rose slightly to 5.9%. Crude oil traded up to +/- \$75 per barrel. The Stock Markets reached new highs. Housing, Industrial Production, Durable Goods, Consumer Spending, and other indicators moderated and showed signs of strain. The Biden administration and Congress continue to negotiate an infrastructure package. Inflation surged over the FOMC 2+% target, but is considered to be temporary. The Yield Curve "humped" slightly in the two-to-three year maturity sector while the long end fell.



Investment Holdings

June 30, 2021

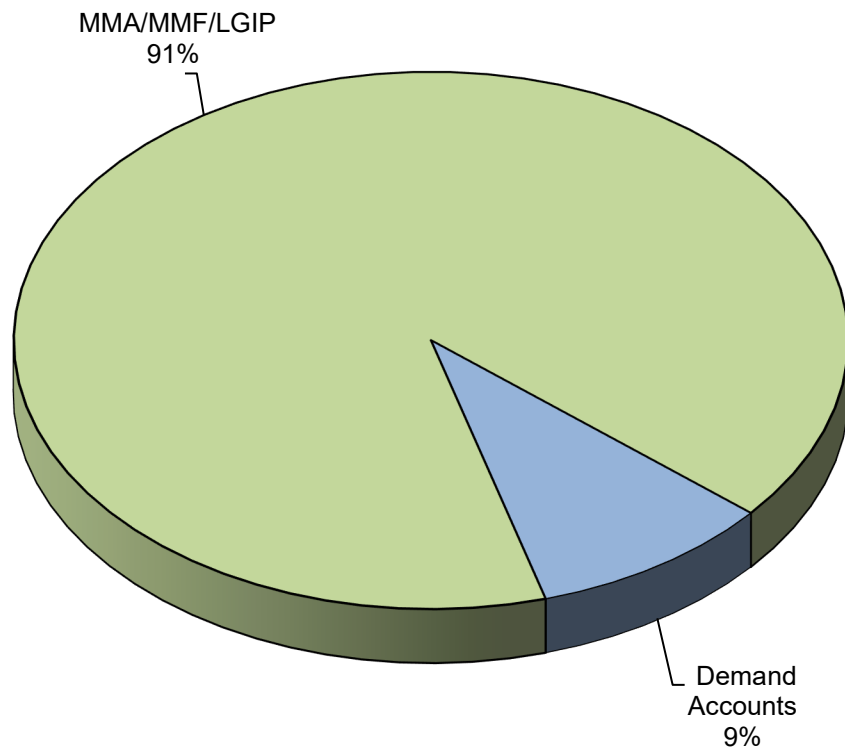
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield	
Wells Fargo - Cash (3)		0.50%	07/01/21	06/30/21	\$ 1,677,543	\$ 1,677,543	1.00	\$ 1,677,543	1	0.50%	
InterBank Money Market Account		0.45%	07/01/21	06/30/21	249,092	249,092	1.00	249,092	1	0.45%	
InterBank Insured Cash Sweep		0.45%	07/01/21	06/30/21	8,255,057	8,255,057	1.00	8,255,057	1	0.45%	
TexPool LGIP	AAAm	0.01%	07/01/21	06/30/21	5,422,976	5,422,976	1.00	5,422,976	1	0.01%	
TexasCLASS LGIP-Gov't	AAAm	0.04%	07/01/21	06/30/21	2,130,315	2,130,315	1.00	2,130,315	1	0.04%	
<u>\$ 17,734,983</u>						<u>\$ 17,734,983</u>		<u>\$ 17,734,983</u>		<u>1</u>	<u>0.27%</u>
									(1)	(2)	

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

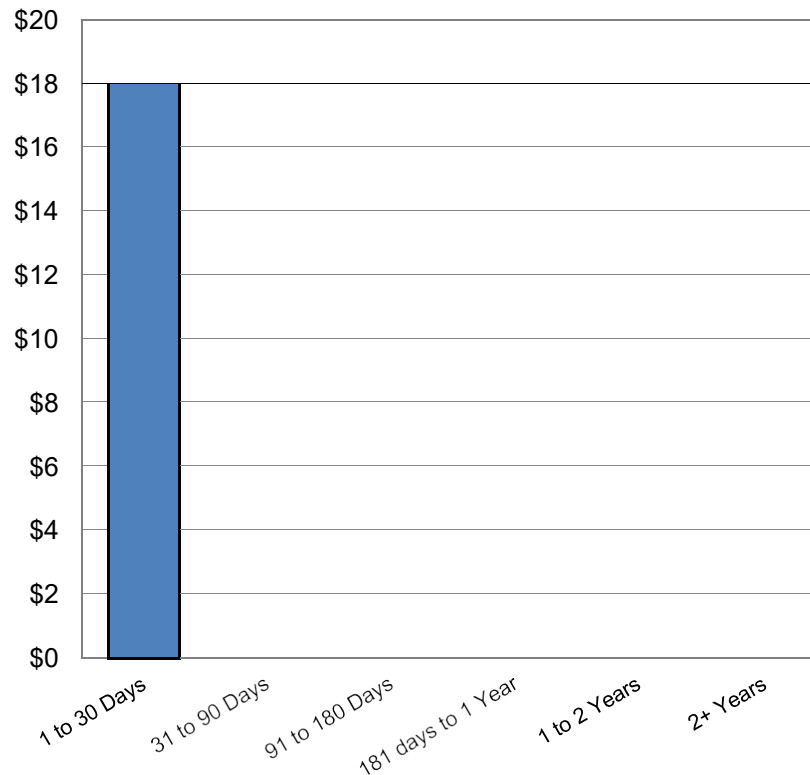
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank accounts, pools and money market funds.

(3) **Effective Blended Rate** - Stated Earnings Credit Rate (0.70%) and GAIC Interest Rate (0.40%) adjusted for Balance Assessment fee and then calculated as a Weighted Average Yield.

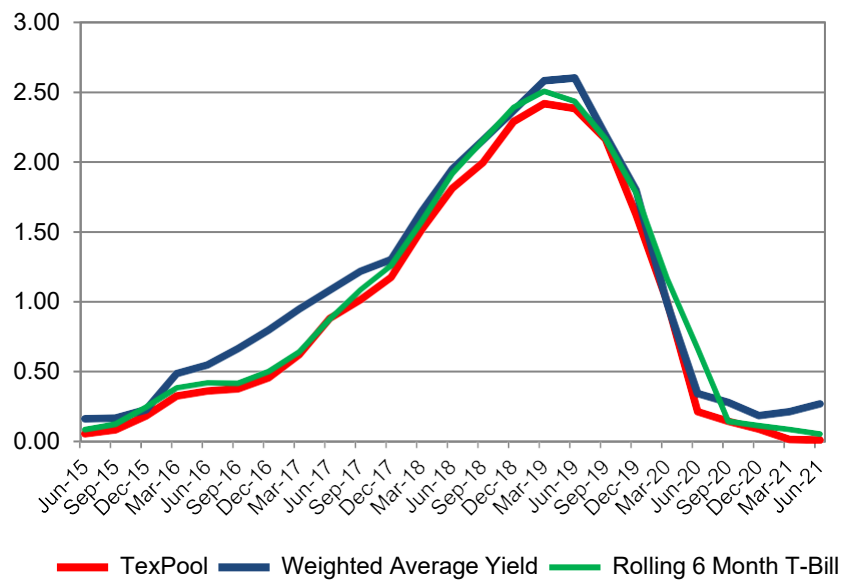
Portfolio Composition



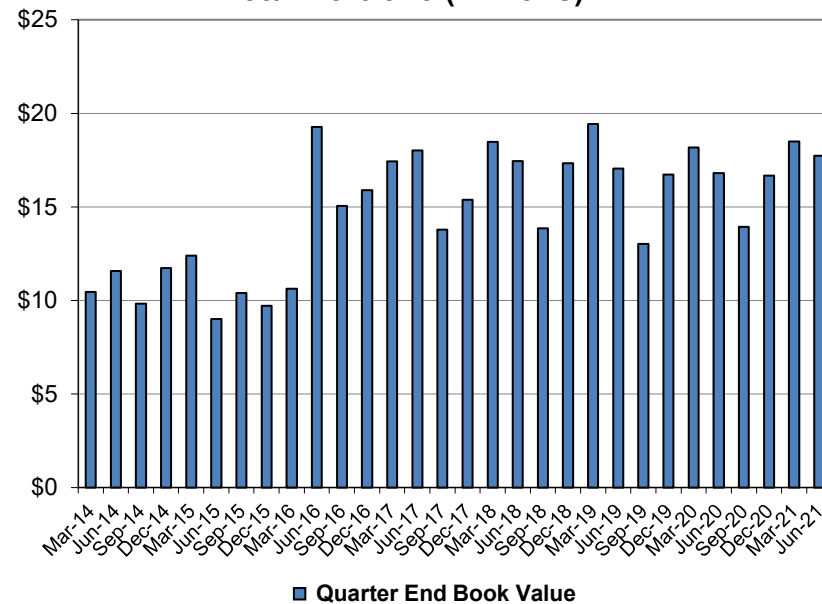
Distribution by Maturity (Millions)



Total Portfolio Performance



Total Portfolio (Millions)



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 03/31/21	Increases	Decreases	Book Value 06/30/21	Market Value 03/31/21	Change in Market Value	Market Value 06/30/21
Wells Fargo - Cash (3)	0.50%	07/01/21	\$ 1,841,844	\$ -	\$ (164,301)	\$ 1,677,543	\$ 1,841,844	\$ (164,301)	\$ 1,677,543
InterBank Money Market Account	0.45%	07/01/21	249,095	-	(3)	249,092	249,095	(3)	249,092
InterBank Insured Cash Sweep	0.45%	07/01/21	8,249,034	6,023	-	8,255,057	8,249,034	6,023	8,255,057
TexPool LGIP	0.01%	07/01/21	6,031,687	-	(608,711)	5,422,976	6,031,687	(608,711)	5,422,976
TexasCLASS LGIP-non Gov't	0.00%	07/01/21	-	-	-	-	-	-	-
TexasCLASS LGIP-Gov't	0.04%	07/01/21	2,121,621	8,694	-	2,130,315	2,121,621	8,694	2,130,315
TOTAL / AVERAGE	0.27%		\$ 18,493,281	\$ 14,717	\$ (773,015)	\$ 17,734,983	\$ 18,493,281	\$ (758,298)	\$ 17,734,983

**Allocation
June 30, 2021
Book & Market Value**

	Total	General Fund	CARES Funds	Debt Service	Storm Drainage Utility	Hotel Occupancy Tax	Parkland Dedication	2017 CO Bond Funds
Wells Fargo - Cash	\$ 1,677,543	\$ 1,548,334	\$ 131,201	\$ -	\$ -	\$ (1,992)	\$ -	\$ -
InterBank Money Market	249,092	124,546	-	-	-	-	-	124,546
InterBank Insured Cash Sweep MMA	8,255,057	7,193,340	-	-	-	-	-	1,061,717
TexPool LGIP	5,422,976	1,511,577	-	2,768,122	809,129	-	-	-
TexasCLASS LGIP-Gov't	2,130,315	-	-	-	-	1,594,339	535,976	-
Total	<u>\$ 17,734,983</u>	<u>\$ 10,377,796</u>	<u>\$ 131,201</u>	<u>\$ 2,768,122</u>	<u>\$ 809,129</u>	<u>\$ 1,592,347</u>	<u>\$ 535,976</u>	<u>\$ 1,186,263</u>

**Allocation
March 31, 2021
Book & Market Value**

	Total	General Fund	CARES Funds	Debt Service	Storm Drainage Utility	Hotel Occupancy Tax	Parkland Dedication	2017 CO Bond Funds
Wells Fargo - Cash	\$ 1,841,844	\$ (39,930)	\$ 273,970	\$ -	\$ -	\$ 1,607,803	\$ -	\$ -
InterBank Money Market	249,095	124,548	-	-	-	-	-	124,548
InterBank Insured Cash Sweep MMA	8,249,034	7,185,133	-	-	-	-	-	1,063,901
TexPool LGIP	6,031,687	2,559,032	-	2,696,599	776,056	-	-	-
TexasCLASS LGIP-Gov't	2,121,621	-	-	-	-	1,585,705	535,916	-
Total	<u>\$ 18,493,281</u>	<u>\$ 9,828,783</u>	<u>\$ 273,970</u>	<u>\$ 2,696,599</u>	<u>\$ 776,056</u>	<u>\$ 3,193,508</u>	<u>\$ 535,916</u>	<u>\$ 1,188,448</u>