



City of Texarkana, Texas



QUARTERLY INVESTMENT REPORT

**For the Quarter Ended
March 31, 2023**

Prepared by

Valley View Consulting, L.L.C.

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

K. Papler

CFO/Finance Director (City)

J. Jones

Assistant CFO (City)

M. ...

Director of Finance (Water Utilities Department)

Vacant position

Customer Service/Accounting/Human Resources Manager (Water Utilities Department)

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

City Funds

Asset Type	December 31, 2022		March 31, 2023		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
DDA/MMA	\$ 64,249,781	\$ 64,249,781	\$ 64,631,186	\$ 64,631,186	3.59%
CDs/Securities	8,529,004	8,529,004	8,630,167	8,630,167	4.78%
Totals	\$ 72,778,785	\$ 72,778,785	\$ 73,261,353	\$ 73,261,353	3.73%
Total Portfolio Average - Quarter					3.73%
Fiscal Year-to-Date Average Yield (2)					4.07%
Quarterly Interest Income					\$ 715,954
Year-to-date Interest Income					\$ 1,386,777

Water Utility

Asset Type	December 31, 2022		March 31, 2023		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
DDA/MMA	\$ 17,093,384	\$ 17,093,384	\$ 17,286,160	\$ 17,286,160	4.05%
CDs/Securities	1,669,936	1,669,936	1,669,936	1,669,936	3.31%
Totals	\$ 18,763,320	\$ 18,763,320	\$ 18,956,096	\$ 18,956,096	3.99%
Total Portfolio Average - Quarter					3.99%
Fiscal Year-to-Date Average Yield (2)					4.14%
Quarterly Interest Income					\$ 186,865
Year-to-date Interest Income					\$ 348,906

	<u>QTR</u>		<u>YTD</u>
Rolling Three Month Treasury	4.78%	Rolling Three Month Treasury	4.49%
Rolling Six Month Treasury	4.73%	Rolling Six Month Treasury	4.32%
TexPool	4.61%	TexPool	4.30%

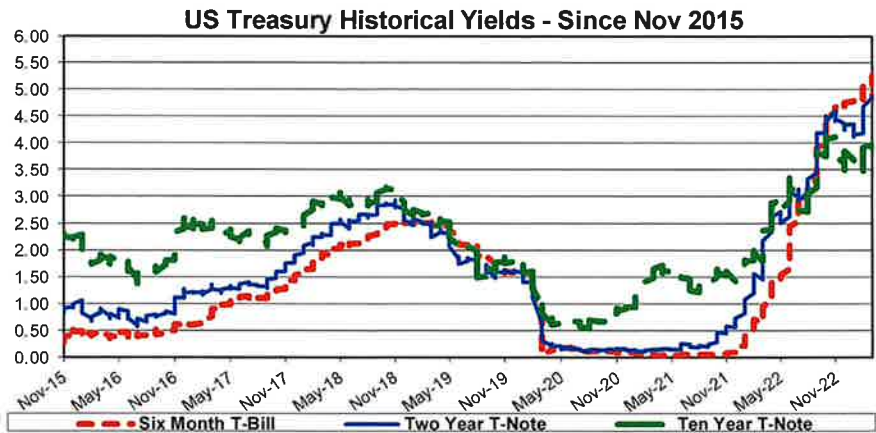
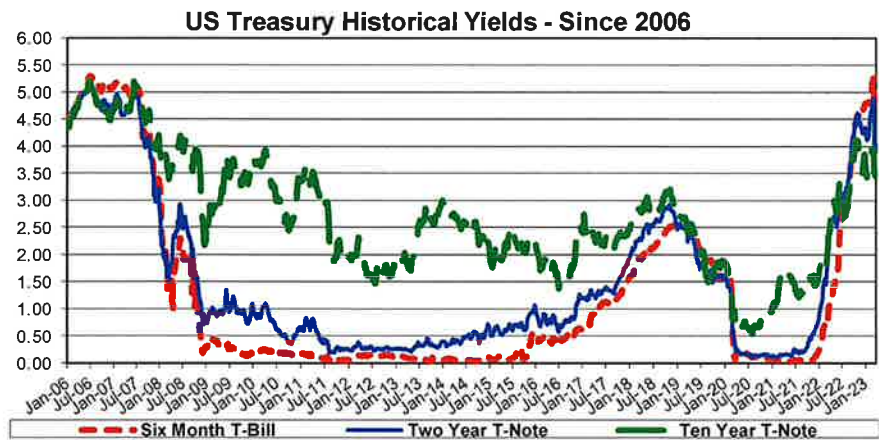
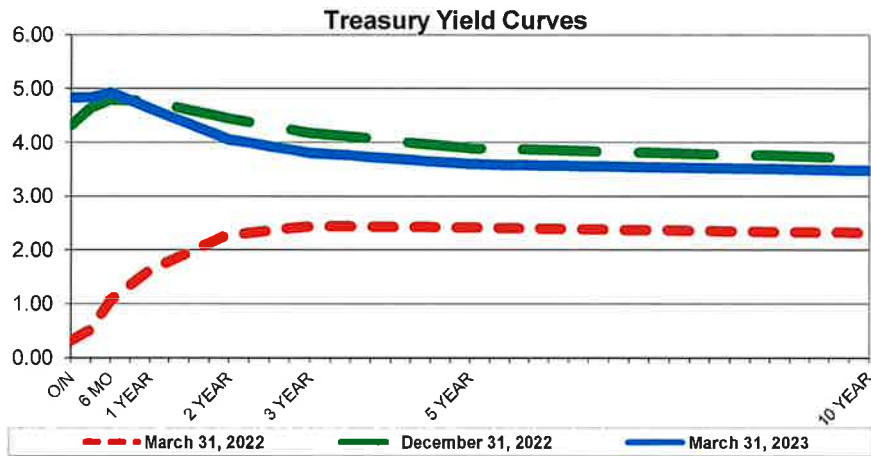
(1) **Current Quarter Weighted Average Yield** - calculated using quarter-end report yields and adjusted book values, does not reflect a total return analysis, realized or unrealized gains/losses or account for advisory fees. The yield for the reporting month is used for bank, pool, and money market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

(2) **Fiscal Year-to-Date Weighted Average Yields** calculated using quarter-end report yields and adjusted book values. Does not reflect a total return analysis or account for advisory fees.

Economic Overview

3/31/2023

The Federal Open Market Committee (FOMC) raised the Fed Funds target range 0.25% to 4.75% - 5.00% March 22nd (Effective Fed Funds are trading +/-4.82%). An additional 0.25% increase is projected May 3rd. Fourth Quarter 2022 GDP was revised downward to 2.6% (final number). March Non-Farm Payroll saw 236k new jobs. OPEC announced production cuts and Crude Oil moved up slightly to +/- \$80 per barrel. The S&P Stock Index still oscillates on either side of 4,000. In early March, two large US banks and one European bank required bail-outs to prevent wider financial market disruption. The yield curve shifted lower on broader economic concerns, even with the expectation of additional FOMC rate increases. The Market is now considering lower future interest rates as early as this fall. Inflation is still over the FOMC 2% target (Core PCE +/-4.7% and CPI +/-6.4%). International challenges add to economic uncertainty.



Investment Holdings

March 31, 2023

City Funds

Description	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Farmer's Bank & Trust MMA	3.04%	04/01/23	03/31/23	\$ 46,367,548	\$ 46,367,548	1.00	\$ 46,367,548	1	3.04%
Southside Bank MMA	4.74%	04/01/23	03/31/23	6,394	6,394	1.00	6,394	1	4.74%
NexBank MMA	5.03%	04/01/23	03/31/23	37	37	1.00	37	1	5.03%
NexBank IntraFi MMA	5.00%	04/01/23	03/31/23	18,257,207	18,257,207	1.00	18,257,207	1	5.00%
East West Bank CD	4.74%	06/06/23	12/06/22	2,537,943	2,537,943	100.00	2,537,943	67	4.74%
East West Bank CD	4.80%	12/06/23	12/06/22	6,092,224	6,092,224	100.00	6,092,224	250	4.80%
Total City Funds				\$ 73,261,353	\$ 73,261,353		\$ 73,261,353	24	3.73%

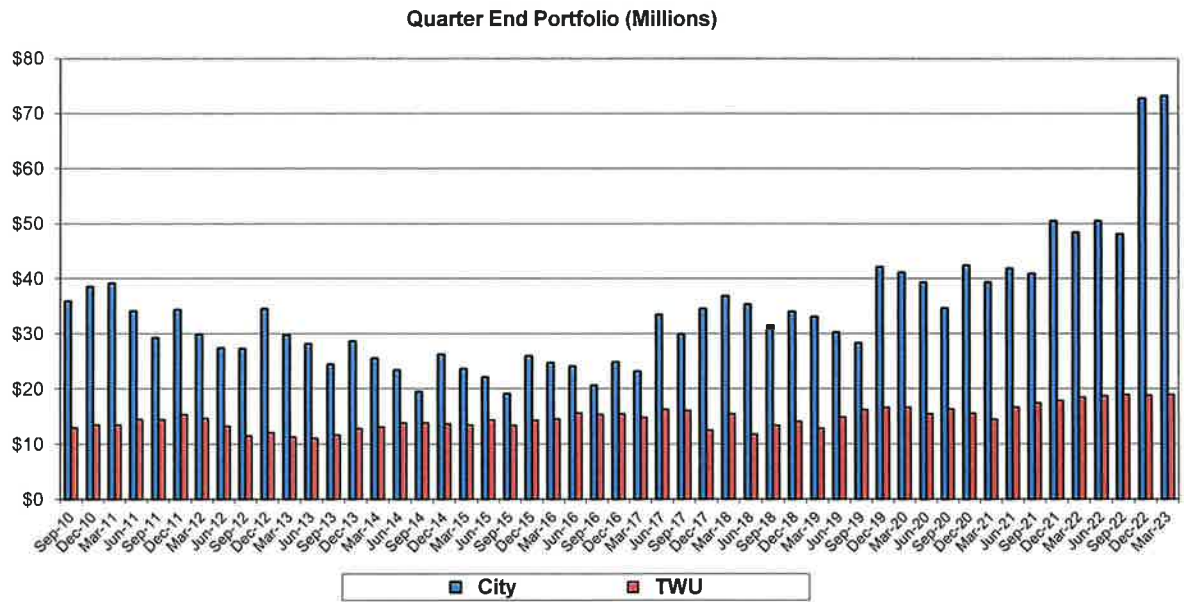
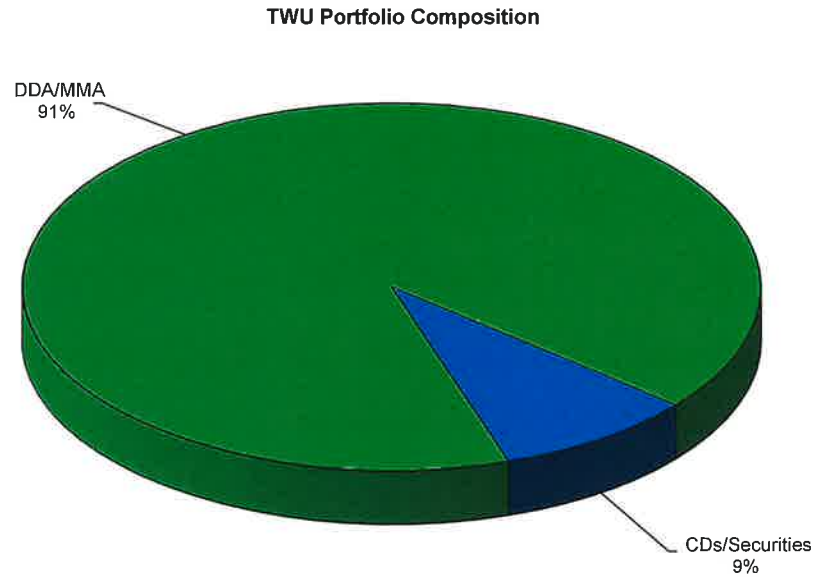
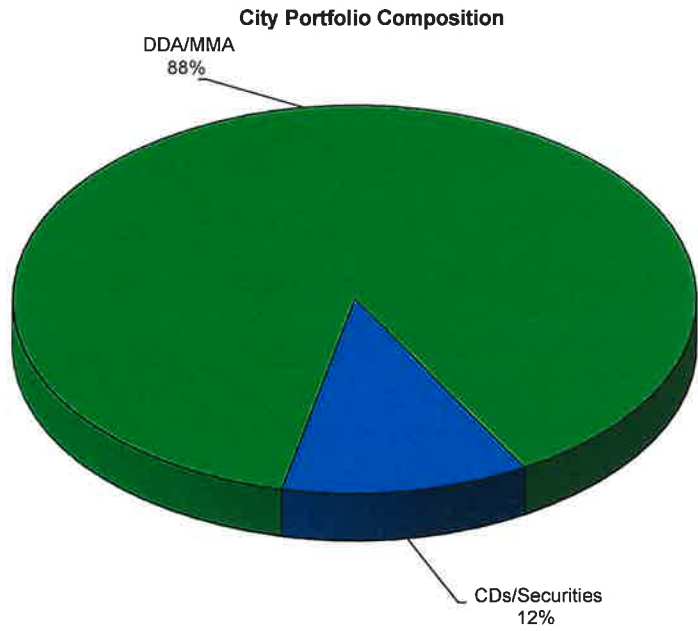
Water Utility

Description	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Farmer's Bank & Trust MMA	3.00%	04/01/23	03/31/23	\$ 6,867,250	\$ 6,867,250	1.00	\$ 6,867,250	1	3.00%
NexBank IntraFi MMA	4.75%	04/01/23	03/31/23	10,418,910	10,418,910	1.00	10,418,910	1	4.75%
Farmer's B&T CD	1.20%	05/10/24	05/10/22	400,000	400,000	100.00	400,000	406	1.20%
Farmer's B&T CD	1.20%	05/16/24	05/16/22	287,436	287,436	100.00	287,436	412	1.20%
East West Bank CD	4.68%	12/08/23	12/08/22	982,500	982,500	100.00	982,500	252	4.79%
Total Water Utility				\$ 18,956,096	\$ 18,956,096		\$ 18,956,096	29	3.99%
Combined Portfolio				\$ 92,217,449	\$ 92,217,449		\$ 92,217,449	25	3.79%

(1) (2)

(1) **Weighted average life** - For purposes of calculating weighted average life, cash equivalent investments 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 cash equivalent investments.



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 12/31/22	Increases	Decreases	Book Value 03/31/23	Market Value 12/31/22	Change in Market Value	Market Value 03/31/23
Farmer's Bank & Trust MMA	3.04%	04/01/23	\$ 52,832,643	\$ 402,155	\$ -	\$ 53,234,798	\$ 52,832,643	\$ 402,155	\$ 53,234,798
Southside Bank MMA	4.74%	04/01/23	6,324	70	-	6,394	6,324	70	6,394
NexBank MMA	5.03%	04/01/23	37	-	-	37	37	-	37
NexBank IntraFi MMA	5.00%	04/01/23	28,504,161	171,956	-	28,676,117	28,504,161	171,956	28,676,117
East West Bank CD	4.74%	06/06/23	2,508,455	29,488	-	2,537,943	2,508,455	29,488	2,537,943
East West Bank CD	4.80%	12/06/23	6,020,549	71,675	-	6,092,224	6,020,549	71,675	6,092,224
East West Bank CD	4.68%	12/08/23	982,500	-	-	982,500	982,500	-	982,500
Farmer's B&T CD	1.20%	05/10/24	400,000	-	-	400,000	400,000	-	400,000
Farmer's B&T CD	1.20%	05/16/24	287,436	-	-	287,436	287,436	-	287,436
TOTAL / AVERAGE	3.79%		\$ 91,542,105	\$ 675,344	\$ -	\$ 92,217,449	\$ 91,542,105	\$ 675,344	\$ 92,217,449

City Fund Allocation
March 31, 2023
Book & Market Value

Fund #	Fund Name	Total	4.80 East West				Bank CD 12/2022 - 6/06/2023
			Farmer's B&T MMA	Southside Bank MMA	NexBank MMA	NexBank ICS	
101	GENERAL FUND - Pooled Cash	\$ 33,985,649	\$ 22,497,245	\$ 4,578	\$ 15	\$ 11,483,810	\$ -
101	GENERAL FUND	2,473	2,473	-	-	-	-
102	NARCOTICS DIVISION OPERATIONS	212,483	212,483	-	-	-	-
103	PERSONNEL POLICY	968,735	522,782	742	1	445,209	-
104	WORKER'S COMP	261,323	261,323	-	-	-	-
107	COURT SECURITY FUND	483,205	483,205	-	-	-	-
108	TUTD PAYROLL ACCOUNT	202,556	202,556	-	-	-	-
111	POLICE EVIDENCE ESCROW FUND	1,845	1,845	-	-	-	-
113	ENERGY CONSERVATION REV. LOAN	37,016	37,016	-	-	-	-
114	COURT TECHNOLOGY FUND	26,791	26,791	-	-	-	-
115	TECHNOLOGY FUND	209,815	209,815	-	-	-	-
116	TIRZ #1	1,130,734	1,130,734	-	-	-	-
117	DONATION FUND	119,460	119,460	-	-	-	-
118	TIRZ #2	15,900	15,900	-	-	-	-
120	MAJOR MAINTENANCE FUND	1,314,562	1,314,562	-	-	-	-
121	Fire Dept Training Fund	64,188	64,188	-	-	-	-
200	PEROT ENHANCEMENT FUND	146,658	146,658	-	-	-	-
209	HOME PROGRAM	72,200	72,200	-	-	-	-
211	THEATRE FUND	206,624	206,624	-	-	-	-
212	HOTEL/MOTEL TAX FD	1,053,221	1,053,221	-	-	-	-
213	PEROT THEATRE BLDG MAINT	615,962	194,935	-	1	421,026	-
215	HOUSING FUND	27,141	25,575	212	-	1,355	-
216	POLICE ENTERPRISE TRAINING	1,067,076	12,311	-	-	1,054,764	-
217	LAW ENFORCEMENT BLOCK GRANT	1,053	1,053	-	-	-	-
218	CDBG 108 LOAN FUND	20,974	20,974	-	-	-	-
219	LAW ENFORCEMENT PROGRAM	80,234	80,234	-	-	-	-
222	TIFMAS FUND	146,846	146,846	-	-	-	-
223	ECONOMIC DEVELOPMENT	2,315,446	1,013,801	755	2	1,300,889	-
228	BUILDING MAINTENANCE	197,575	197,575	-	-	-	-
229	PUBLIC SAFETY RADIO FUND	211,508	211,508	-	-	-	-
230	ROTARY SPLASH PARK FUND	6	6	-	-	-	-
235	FARMERS MARKET FUND	14,100	14,100	-	-	-	-
237	JAG COVID- 19 GRANT FUND	2,013	2,013	-	-	-	-
240	TCA Grant Fund	60,013	60,013	-	-	-	-
242	Inclusive Playground at SLP	182	182	-	-	-	-
243	TACF Grant	1,500	1,500	-	-	-	-
301	INTEREST & SINKING	914,443	914,443	-	-	-	-
423	2017 BOND FUND	2,989,860	1,432,112	-	17	1,557,731	-
424	2019 TIRZ BOND FUND	856,529	856,529	-	-	-	-
425	2022 BOND FUND	17,862,143	9,231,976	-	-	-	2,537,943
501	HEALTH FUND	1,038,472	927,710	106	-	110,657	-
502	PUBLIC LIBRARY	50,667	50,667	-	-	-	-
601	DRUG ESCROW	61,854	61,854	-	-	-	-
605	FEDERAL ASSET FORFEITURE	131,339	131,339	-	-	-	-
702	BENEFIT PAYMENT	139,685	139,684	1	-	-	-
703	FLEET SERVICES	313,507	-	-	-	313,507	-
704	CAPITAL REPLACEMENT	3,493,102	1,924,842	-	2	1,568,259	-
810	MEMBER CITY WATER REVENUE	132,686	132,686	-	-	-	-
TOTAL		\$ 73,261,353	\$ 46,367,548	\$ 6,394	\$ 37	\$ 18,257,207	\$ 2,537,943

**City Fund Allocation
December 31, 2022
Book & Market Value**

Fund #	Fund Name	Total	Farmer's B&T	Southside	NexBank MMA	NexBank ICS	4.80 East West
			MMA	Bank MMA			Bank CD 12/2022 - 6/06/2023
101	GENERAL FUND - Pooled Cash	\$ 20,243,374	\$ 8,885,883	\$ 4,528	\$ 15	\$ 11,352,948	\$ -
101	GENERAL FUND	2,442	2,442	-	-	-	-
102	NARCOTICS DIVISION OPERATIONS	187,613	187,613	-	-	-	-
103	PERSONNEL POLICY	1,023,968	583,097	734	1	440,136	-
104	WORKER'S COMP	258,696	258,696	-	-	-	-
105	PAYROLL DISBURSEMENT FUND	10,971	10,971	-	-	-	-
107	COURT SECURITY FUND	470,484	470,484	-	-	-	-
108	TUTD PAYROLL ACCOUNT	200,046	200,046	-	-	-	-
111	POLICE EVIDENCE ESCROW FUND	1,829	1,829	-	-	-	-
113	ENERGY CONSERVATION REV. LOAN	36,702	36,702	-	-	-	-
114	COURT TECHNOLOGY FUND	20,659	20,659	-	-	-	-
115	TECHNOLOGY FUND	573,017	573,017	-	-	-	-
116	TIRZ #1	1,581,051	538,307	-	-	1,042,745	-
117	DONATION FUND	81,394	81,394	-	-	-	-
120	MAJOR MAINTENANCE FUND	1,298,274	1,298,274	-	-	-	-
200	PEROT ENHANCEMENT FUND	144,841	144,841	-	-	-	-
204	HCD FUND	251,056	251,056	-	-	-	-
207	EPA REVOLVINGLOAN GRANT	1,983	1,983	-	-	-	-
209	HOME PROGRAM	70,680	70,680	-	-	-	-
211	THEATRE FUND	271,800	271,800	-	-	-	-
212	HOTEL/MOTEL TAX FD	760,498	760,498	-	-	-	-
213	PEROT THEATRE BLDG MAINT	610,641	194,412	-	1	416,228	-
214	COC-HOMELESS ASSISTANCE GRANT	34,623	34,623	-	-	-	-
215	HOUSING FUND	26,807	25,258	210	-	1,339	-
216	POLICE ENTERPRISE TRAINING	11,858	11,858	-	-	-	-
217	LAW ENFORCEMENT BLOCK GRANT	1,169	1,169	-	-	-	-
218	CDBG 108 LOAN FUND	20,796	20,796	-	-	-	-
219	LAW ENFORCEMENT PROGRAM	74,523	74,523	-	-	-	-
220	METRO PLANNING ORG	10,172	10,172	-	-	-	-
222	TIFMAS FUND	265,253	265,253	-	-	-	-
223	ECONOMIC DEVELOPMENT	2,173,778	886,965	746	2	1,286,065	-
227	NEA FUND	3,563	3,563	-	-	-	-
228	BUILDING MAINTENANCE	327,896	327,896	-	-	-	-
229	PUBLIC SAFETY RADIO FUND	208,416	208,416	-	-	-	-
230	ROTARY SPLASH PARK FUND	5	5	-	-	-	-
232	TRAIL GRANT FUND	54,650	54,650	-	-	-	-
235	FARMERS MARKET FUND	133,651	133,651	-	-	-	-
237	JAG COVID- 19 GRANT FUND	1,996	1,996	-	-	-	-
238	DEAAG Fund	273,142	273,142	-	-	-	-
239	American Rescue Plan Grant	9,402,533	9,402,533	-	-	-	-
240	TCA Grant Fund	60,013	60,013	-	-	-	-
242	Inclusive Playground at SLP	179	179	-	-	-	-
243	TACF Grant	1,500	1,500	-	-	-	-
244	National Fitness Campaign	(54,235)	(54,235)	-	-	-	-
301	INTEREST & SINKING	3,103,000	3,103,000	-	-	-	-
423	2017 BOND FUND	2,959,944	1,419,947	-	16	1,539,980	-
424	2019 TIRZ BOND FUND	849,253	849,253	-	-	-	-
425	2022 BOND FUND	17,735,262	9,206,258	-	-	-	2,508,455
501	HEALTH FUND	1,077,398	967,897	105	-	109,396	-
502	PUBLIC LIBRARY	70,271	70,271	-	-	-	-
601	DRUG ESCROW	94,084	94,084	-	-	-	-
605	FEDERAL ASSET FORFEITURE	130,223	130,223	-	-	-	-

**City Fund Allocation
December 31, 2022
Book & Market Value**

Fund #	Fund Name	Total	Farmer's B&T MMA	Southside Bank MMA	NexBank MMA	NexBank ICS	4.80 East West Bank CD 12/2022 - 6/06/2023
702	BENEFIT PAYMENT	1,111,849	801,913	1	-	309,934	-
703	FLEET SERVICES	(731)	(731)	-	-	-	-
704	CAPITAL REPLACEMENT	4,341,295	2,790,905	-	2	1,550,388	-
810	MEMBER CITY WATER REVENUE	172,632	172,632	-	-	-	-
TOTAL		\$ 72,778,785	\$ 46,194,262	\$ 6,324	\$ 36	\$ 18,049,159	\$ 2,508,455

**Water Fund Allocation
Book & Market Value
March 31, 2023**

Fund Name	Total	Farmer's B&T MMA	NexBank IntraFi MMA	4.68% East West Bank CD 12/08/22 - 12/08/23	1.20% Farmer's B&T CD 5/10/22 - 5/10/24	1.20% Farmer's B&T CD 5/16/22 - 5/16/24
Revenue	\$ 360,469	\$ 360,469	\$ -	\$ -	\$ -	\$ -
Technology	723,553	338,245	385,308	-	-	-
2020A Bond	-	-	-	-	-	-
2013 Bond	84,512	84,512	-	-	-	-
LTWSC Capital Improvement	970,299	970,299	-	-	-	-
Texas Capital Improvement	1,256,978	1,256,978	-	-	-	-
Texas Corps of Engineers Cost*	12,128,569	1,807,530	10,033,602	-	-	287,436
Texas Compost	59,378	59,378	-	-	-	-
Texas Customer Deposit	898,275	298,275	-	200,000	400,000	-
Equipment Acquisition	281,382	281,382	-	-	-	-
Texas Infrastructure	1,044,817	1,044,817	-	-	-	-
Texas Personnel Policy	218,610	136,110	-	82,500	-	-
Texas Reserve	718,339	18,339	-	700,000	-	-
WWTP Depreciation	169,549	169,549	-	-	-	-
Texas Waggoner Creek CIP	41,366	41,366	-	-	-	-
	\$ 18,956,096	\$ 6,867,250	\$ 10,418,910	\$ 982,500	\$ 400,000	\$ 287,436

*All funds in this account are dedicated for payment to the Corps of Engineers for water rights and related costs for implementation of the Ultimate Rule Curve of Lake Wright

**Water Fund Allocation
Book & Market Value
December 31, 2022**

Fund Name	Total	Farmer's B&T MMA	NexBank IntraFi MMA	4.68% East	1.20%	1.20%
				West Bank CD 12/08/22 - 12/08/23	Farmer's B&T CD 5/10/22 - 5/10/24	Farmer's B&T CD 5/16/22 - 5/16/24
Revenue	\$ 614,548	\$ 459,558	\$ 154,989	\$ -	\$ -	\$ -
Technology	812,374	431,626	380,748	-	-	-
2020A Bond	163,581	163,581	-	-	-	-
2013 Bond	72,859	72,859	-	-	-	-
LTWSC Capital Improvement	888,967	888,967	-	-	-	-
Texas Capital Improvement	1,134,993	1,134,993	-	-	-	-
Texas Corps of Engineers Cost*	11,632,100	1,425,398	9,919,265	-	-	287,436
Texas Compost	54,314	54,314	-	-	-	-
Texas Customer Deposit	897,388	297,388	-	200,000	400,000	-
Equipment Acquisition	299,284	299,284	-	-	-	-
Texas Infrastructure	1,018,638	1,018,638	-	-	-	-
Texas Personnel Policy	244,394	161,894	-	82,500	-	-
Texas Reserve	718,183	18,183	-	700,000	-	-
WWTP Depreciation	159,048	159,048	-	-	-	-
Texas Waggoner Creek CIP	52,649	52,649	-	-	-	-
	\$ 18,763,320	\$ 6,638,381	\$ 10,455,002	\$ 982,500	\$ 400,000	\$ 287,436

*All funds in this account are dedicated for payment to the Corps of Engineers for water rights and related costs for implementation of the Ultimate Rule Curve of Lake Wright

**Collateral Position
March 31, 2023**

	CITY						
	Farmers B&T	Southside Bank	NexBank	East West Bank	NexBank	Farmers B&T	East West Bank
Collateral Value	\$ 56,000,000	\$ -	\$ -	\$ 8,781,000	\$ -	\$ 12,700,000	\$ 796,000
+ FDIC Insurance (1)	250,000	250,000	18,507,207	250,000	10,668,910		250,000
Total Enhancement	\$ 56,250,000	\$ 250,000	\$ 18,507,207	\$ 9,031,000	\$ 10,668,910	\$ 12,700,000	\$ 1,046,000
Total Deposits	\$ 46,367,548	\$ 6,394	\$ 18,257,244	\$ 8,630,167	\$ 10,418,910	\$ 7,554,686	\$ 982,500
Excess Coverage	\$ 9,882,452	\$ 243,606	\$ 249,963	\$ 400,833	\$ 250,000	\$ 5,145,314	\$ 63,500
Percentage Coverage	121%	3910%	101%	105%	102%	168%	106%
Collateral Type:							
Treasuries							
Agency Bullets							
Agency Callable							
Agency LOC	\$ 56,000,000			\$ 8,781,000		\$ 12,700,000	\$ 796,000
Munis							

(1) Includes Certificate of Deposit Account Registry Service and Insured Cash Sweep balances less than \$250,000 per institution.