



## QUARTERLY INVESTMENT REPORT

For the Quarter Ended

June 30, 2020

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.

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Investment Officer/Finance Manager

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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	Ave. Yield	March 31, 2020		June 30, 2020		
		Book Value	Market Value	Ave. Yield	Book Value	Market Value
Demand Accounts	0.26%	\$ 1,612,273	\$ 1,612,273	0.50%	\$ 1,027,267	\$ 1,027,267
Money Markets/Local Gov't Investment Pools	1.04%	16,349,228	16,349,228	0.34%	15,774,412	15,774,412
CDs/Securities	2.65%	200,000	200,188	0.00%	–	–
<b>Totals</b>	<b>0.99%</b>	<b>\$ 18,161,500</b>	<b>\$ 18,161,688</b>	<b>0.35%</b>	<b>\$ 16,801,680</b>	<b>\$ 16,801,680</b>

#### Current Quarter Average Yield (1)

Total Portfolio	0.35%
Rolling Three Month Treasury	0.14%
Rolling Six Month Treasury	0.67%
TexPool	0.22%

#### Interest Revenue (Approximate)

Quarterly Interest Income	\$ 15,842
Year-to-date Interest Income	\$ 145,156

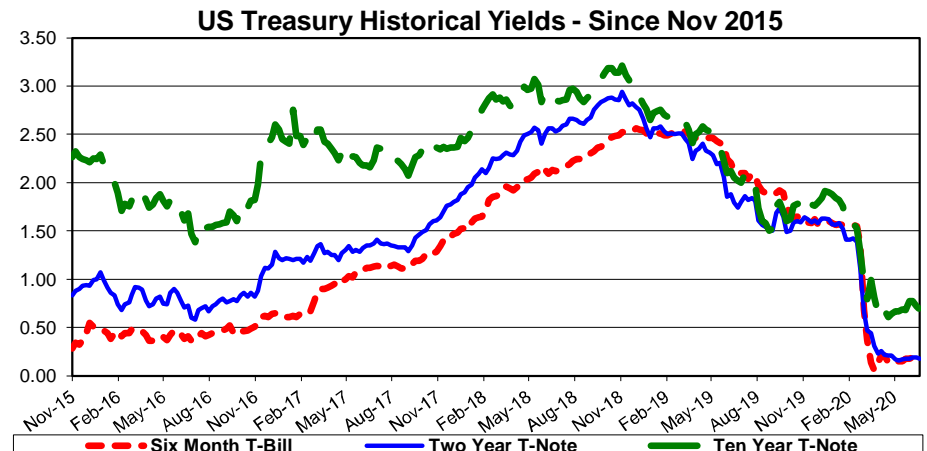
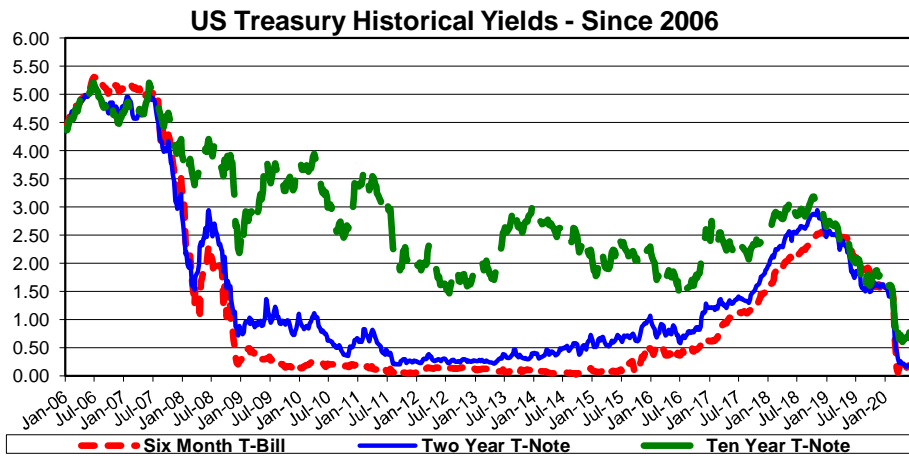
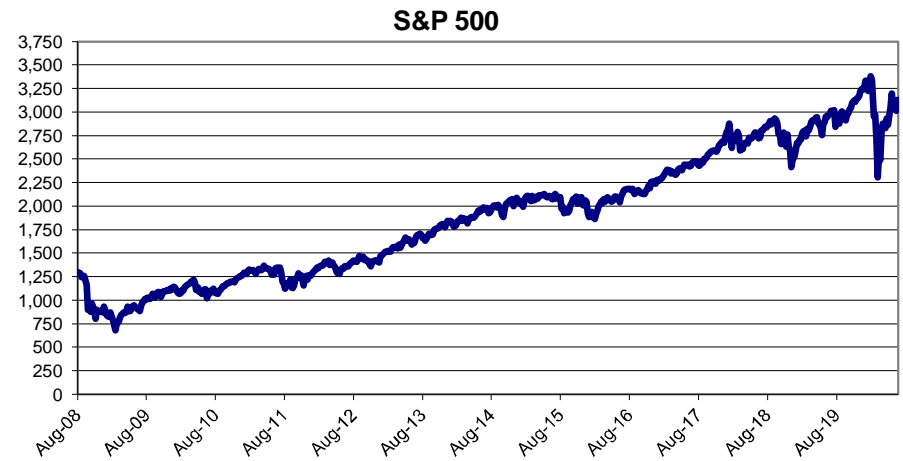
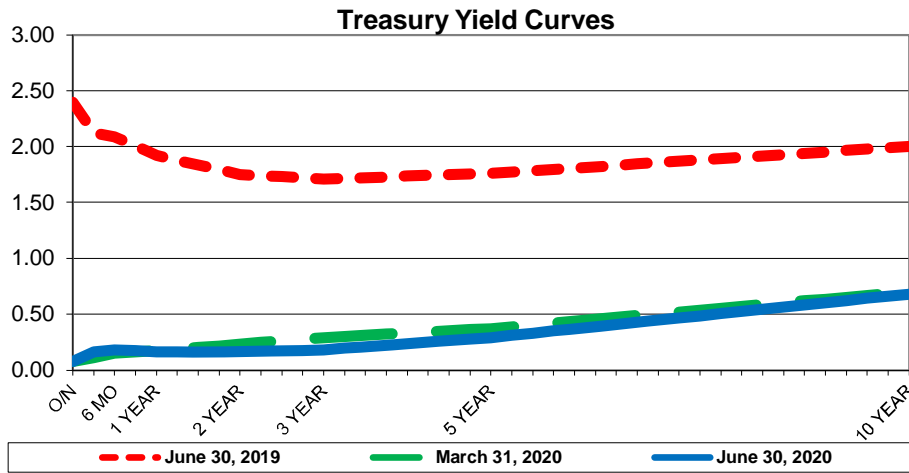
#### Fiscal Year-to-Date Average Yield (2)

Total Portfolio	1.05%
Rolling Three Month Treasury	0.97%
Rolling Six Month Treasury	1.28%
TexPool	0.96%

(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.

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range at 0.00% to 0.25% (Effective Fed Funds are trading +/-0.08%). Worldwide and domestic economic activity popped-up as isolation protocols eased. However, continued positive COVID test growth may impact additional activity. The Yield Curve remains stabilized at current levels. The FOMC has signaled reduced rates for an extended period. Crude oil increased to \$40+ per barrel. Unemployment claims continued to rise, but June Non Farm Payroll surged to 4.8 million. The Stock Market wobbled but stabilized. Full recovery timeline still very uncertain.



## Investment Holdings

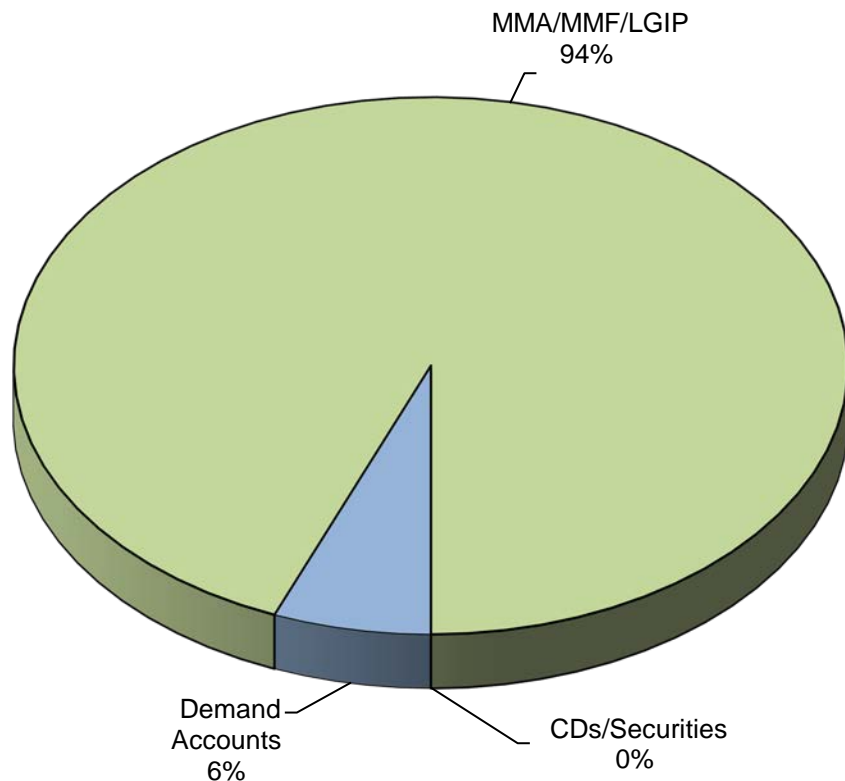
June 30, 2020

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Wells Fargo - Cash		0.00%	07/01/20	06/30/20	\$ 27,159	\$ 27,159	1.00	\$ 27,159	1	0.00%
Wells Fargo - MMF Sweep		0.51%	07/01/20	06/30/20	1,000,108	1,000,108	1.00	1,000,108	1	0.51%
InterBank Money Market Account		0.45%	07/01/20	06/30/20	249,091	249,091	1.00	249,091	1	0.45%
InterBank Insured Cash Sweep MMA		0.45%	07/01/20	06/30/20	6,902,257	6,902,257	1.00	6,902,257	1	0.45%
TexPool LGIP	AAAm	0.22%	07/01/20	06/30/20	7,638,158	7,638,158	1.00	7,638,158	1	0.22%
TexasCLASS LGIP-non Gov't	AAAm	0.59%	07/01/20	06/30/20	492,738	492,738	1.00	492,738	1	0.59%
TexasCLASS LGIP-Gov't	AAAm	0.31%	07/01/20	06/30/20	492,167	492,167	1.00	492,167	1	0.31%
					<b>\$ 16,801,680</b>	<b>\$ 16,801,680</b>		<b>\$ 16,801,680</b>	<b>1</b>	<b>0.35%</b>
									<b>(1)</b>	<b>(2)</b>

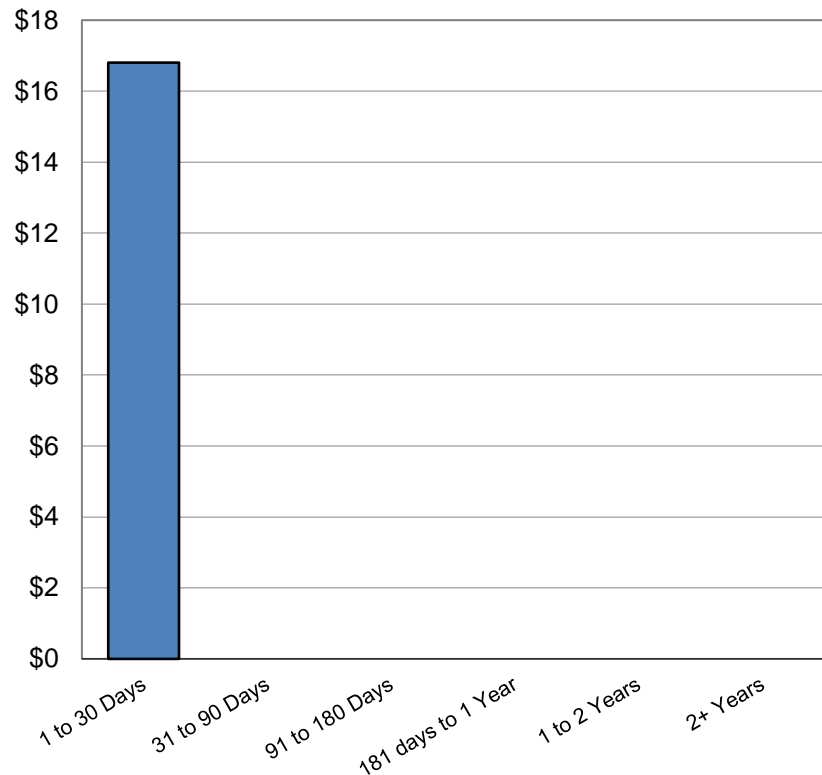
(1) **Weighted average life** - For purposes of calculating weighted average life, bank accounts, pools and money market funds are assumed to have an one day maturity.

(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.

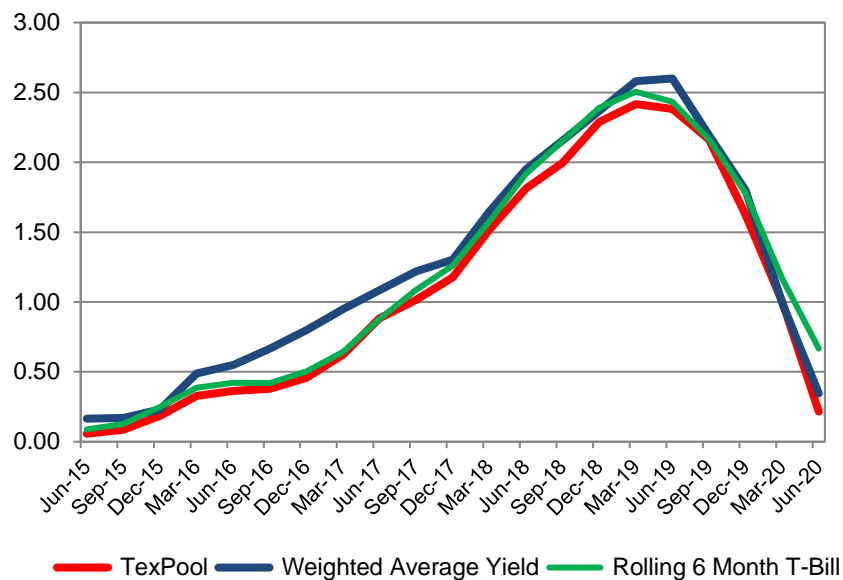
**Portfolio Composition**



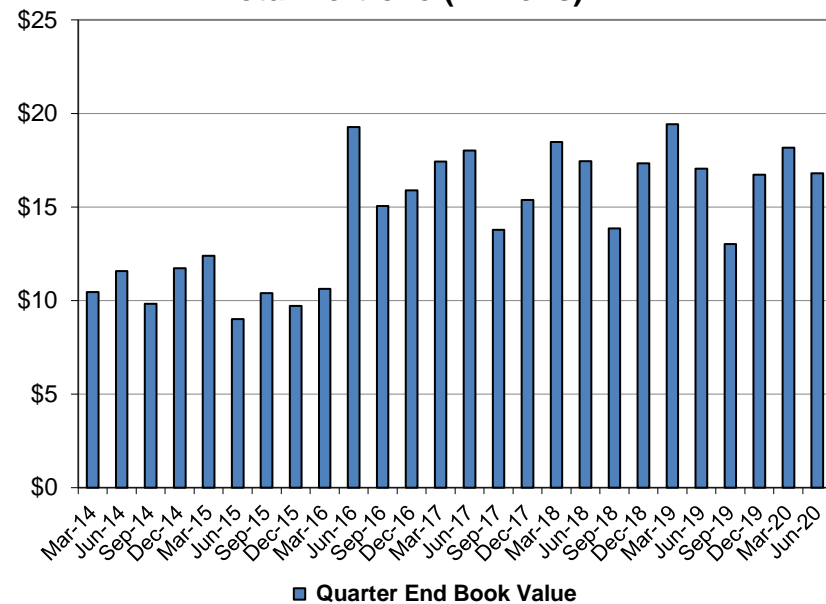
**Distribution by Maturity (Millions)**



**Total Portfolio Performance**



**Total Portfolio (Millions)**



## Book Value Comparison

Description	Coupon/ Discount	Maturity Date	March 31, 2020		Purchases/ Adjustments	Sales/Adjust/ Call/Maturity	June 30, 2020	
			Original Face\ Par Value	Book Value			Original Face\ Par Value	Book Value
Wells Fargo - Cash	0.00%	07/01/20	\$ 8,443	\$ 8,443	\$ 18,716	\$ -	\$ 27,159	\$ 27,159
Wells Fargo - MMF Sweep	0.51%	07/01/20	1,603,830	1,603,830		(603,722)	1,000,108	1,000,108
Financial Northeastern Co. Cash	0.00%	07/01/20	7,957	7,957		(7,957)	-	-
InterBank Money Market Account	0.45%	07/01/20	249,194	249,194		(103)	249,091	249,091
InterBank Insured Cash Sweep MM/	0.45%	07/01/20	7,802,843	7,802,843		(900,586)	6,902,257	6,902,257
TexPool LGIP	0.22%	07/01/20	7,014,997	7,014,997	623,161		7,638,158	7,638,158
TexasCLASS LGIP-non Gov't	0.59%	07/01/20	637,199	637,199		(144,461)	492,738	492,738
TexasCLASS LGIP-Gov't	0.31%	07/01/20	637,037	637,037		(144,870)	492,167	492,167
Morgan Stanley Bank CD	2.65%	04/20/20	200,000	200,000		(200,000)	-	-
<b>TOTAL</b>			<b>\$ 18,161,500</b>	<b>\$ 18,161,500</b>	<b>\$ 641,877</b>	<b>\$ (2,001,698)</b>	<b>\$ 16,801,680</b>	<b>\$ 16,801,680</b>

## Market Value Comparison

Description	Maturity Date	March 31, 2020			Qtr to Qtr Change	June 30, 2020		
		Original Face\ Par Value	Market Price	Market Value		Original Face\ Par Value	Market Price	Market Value
Wells Fargo - Cash	07/01/20	\$ 8,443	1.00	\$ 8,443	\$ 18,716	\$ 27,159	1.00	\$ 27,159
Wells Fargo - MMF Sweep	07/01/20	1,603,830	1.00	1,603,830	(603,722)	1,000,108	1.00	1,000,108
Financial Northeastern Co. Cash	07/01/20	7,957	1.00	7,957	(7,957)	-	1.00	-
InterBank Money Market Account	07/01/20	249,194	1.00	249,194	(103)	249,091	1.00	249,091
InterBank Insured Cash Sweep MM/	07/01/20	7,802,843	1.00	7,802,843	(900,586)	6,902,257	1.00	6,902,257
TexPool LGIP	07/01/20	7,014,997	1.00	7,014,997	623,161	7,638,158	1.00	7,638,158
TexasCLASS LGIP-non Gov't	07/01/20	637,199	1.00	637,199	(144,461)	492,738	1.00	492,738
TexasCLASS LGIP-Gov't	07/01/20	637,037	1.00	637,037	(144,870)	492,167	1.00	492,167
Morgan Stanley Bank CD	04/20/20	200,000	100.09	200,188	(200,188)	-		-
<b>TOTAL</b>		<b>18,161,500</b>		<b>18,161,688</b>	<b>(1,360,009)</b>	<b>16,801,680</b>		<b>16,801,680</b>

**Allocation  
June 30, 2020  
Book Value**

	Total	General Fund	CARES Funds	Debt Service	Storm Drainage Utility	Hotel Occupancy Tax	Parkland Dedication	2017 CO Bond Funds
Wells Fargo - Cash	\$ 27,159	\$ 6,479	\$ 20,680	\$ -	\$ -	\$ -	\$ -	\$ -
Wells Fargo - MMF Sweep	1,000,108	150,252	-	-	-	849,857	-	-
Financial Northeastern Co. Cash	-	-	-	-	-	-	-	-
InterBank Money Market	249,091	124,546	-	-	-	-	-	124,546
InterBank Insured Cash Sweep MMA	6,902,257	4,728,678	-	-	-	-	-	2,173,580
TexPool LGIP	7,638,158	5,576,520	-	1,833,841	227,798	-	-	-
TexasCLASS LGIP-non Gov't	492,738	-	-	-	-	299,879	192,859	-
TexasCLASS LGIP-Gov't	492,167	-	-	-	-	299,561	192,606	-
Dreyfus Money Market Fund	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 16,801,680</b>	<b>\$ 10,586,474</b>	<b>\$ 20,680</b>	<b>\$ 1,833,841</b>	<b>\$ 227,798</b>	<b>\$ 1,449,297</b>	<b>\$ 385,465</b>	<b>\$ 2,298,125</b>

**Market Value**

	Total	General Fund	CARES Funds	Debt Service	Storm Drainage Utility	Hotel Occupancy Tax	Parkland Dedication	2017 CO Bond Funds
Wells Fargo - Cash	\$ 27,159	\$ 6,479	\$ 20,680	\$ -	\$ -	\$ -	\$ -	\$ -
Wells Fargo - MMF Sweep	1,000,108	150,252	-	-	-	849,857	-	-
Financial Northeastern Co. Cash	-	-	-	-	-	-	-	-
InterBank Money Market	249,091	124,546	-	-	-	-	-	124,546
InterBank Insured Cash Sweep MMA	6,902,257	4,728,678	-	-	-	-	-	2,173,580
TexPool LGIP	7,638,158	5,576,520	-	1,833,841	227,798	-	-	-
TexasCLASS LGIP-non Gov't	492,738	-	-	-	-	299,879	192,859	-
TexasCLASS LGIP-Gov't	492,167	-	-	-	-	299,561	192,606	-
<b>Total</b>	<b>\$ 16,801,680</b>	<b>\$ 10,586,474</b>	<b>\$ 20,680</b>	<b>\$ 1,833,841</b>	<b>\$ 227,798</b>	<b>\$ 1,449,297</b>	<b>\$ 385,465</b>	<b>\$ 2,298,125</b>

**Allocation  
March 31, 2020  
Book Value**

	Total	General Fund	Debt Service	Storm Drainage Utility	Hotel Occupancy Tax	Parkland Dedication	2017 CO Bond Funds
Wells Fargo - Cash	\$ 8,443	\$ 8,443	\$ -	\$ -	\$ -	\$ -	\$ -
Wells Fargo - MMF Sweep	1,603,830	811,451	-	-	792,379	-	-
Financial Northeastern Co. Cash	7,957	-	-	-	-	-	7,957
InterBank Money Market	249,194	124,597	-	-	-	-	124,597
InterBank Insured Cash Sweep MMA	7,802,843	4,063,180	-	-	-	-	3,739,663
TexPool LGIP	7,014,997	4,977,936	1,809,441	227,620	-	-	-
TexasCLASS LGIP-non Gov't	637,199	96,069	-	-	299,272	241,858	-
TexasCLASS LGIP-Gov't	637,037	95,926	-	-	299,262	241,850	-
04/20/20-Morgan Stanley Bank CD	200,000	-	-	-	-	-	200,000
<b>Total</b>	<b>\$ 18,161,500</b>	<b>\$ 10,177,602</b>	<b>\$ 1,809,441</b>	<b>\$ 227,620</b>	<b>\$ 1,390,912</b>	<b>\$ 483,708</b>	<b>\$ 4,072,218</b>

**Market Value**

	Total	General Fund	Debt Service	Storm Drainage Utility	Hotel Occupancy Tax	Parkland Dedication	2017 CO Bond Funds
Wells Fargo - Cash	\$ 8,443	\$ 8,443	\$ -	\$ -	\$ -	\$ -	\$ -
Wells Fargo - MMF Sweep	1,603,830	811,451	-	-	792,379	-	-
Financial Northeastern Co. Cash	7,957	-	-	-	-	-	7,957
InterBank Money Market	249,194	124,597	-	-	-	-	124,597
InterBank Insured Cash Sweep MMA	7,802,843	4,063,180	-	-	-	-	3,739,663
TexPool LGIP	7,014,997	4,977,936	1,809,441	227,620	-	-	-
TexasCLASS LGIP-non Gov't	637,199	96,069	-	-	299,272	241,858	-
TexasCLASS LGIP-Gov't	637,037	95,926	-	-	299,262	241,850	-
04/20/20-Morgan Stanley Bank CD	200,188	-	-	-	-	-	200,188
<b>Total</b>	<b>\$ 18,161,688</b>	<b>\$ 10,177,602</b>	<b>\$ 1,809,441</b>	<b>\$ 227,620</b>	<b>\$ 1,390,912</b>	<b>\$ 483,708</b>	<b>\$ 4,072,406</b>