



## **INVESTMENT PORTFOLIO SUMMARY**

**For the Period Ended**

**January 31, 2020**

**Prepared by**

**Valley View Consulting, L.L.C.**

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Town Manager

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Finance Director

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.

## Current Period Summary

	September 30, 2019		January 31, 2020		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Bank/DDA	\$ 1,340,931	\$ 1,340,931	\$ 1,480,192	\$ 1,480,192	0.26%
MMA/Pool/MMMF	6,536,043	6,536,043	15,150,514	15,150,514	1.78%
CDs/Securities	2,844,352	2,844,352	1,823,075	1,823,075	2.34%
<b>Totals</b>	<b>\$ 10,721,326</b>	<b>\$ 10,721,326</b>	<b>\$ 18,453,781</b>	<b>\$ 18,453,781</b>	

Current Period Average Yield (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	1.71%	Total Portfolio	1.71%
Rolling Three Month Treasury	1.57%	Rolling Three Month Treasury	1.57%
Rolling Six Month Treasury	1.70%	Rolling Six Month Treasury	1.70%
SBA Pool A Yield	1.81%	SBA Pool A Yield	1.81%

	Interest Income (unaudited)	Bank Service Fees Offset	IA Fees	Net
This Period	\$ 78,230	\$ 6,047	\$ 2,333	\$ 81,944
Fiscal Year to Date	\$ 78,230	\$ 6,047	\$ 2,333	\$ 81,944

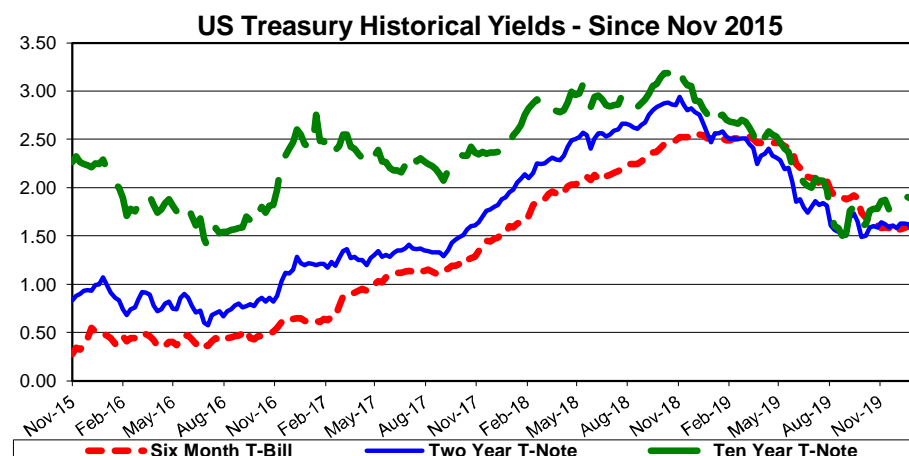
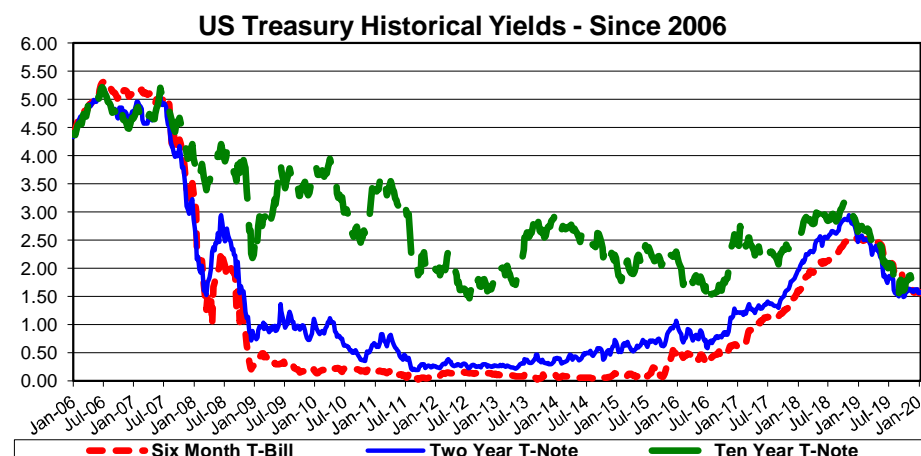
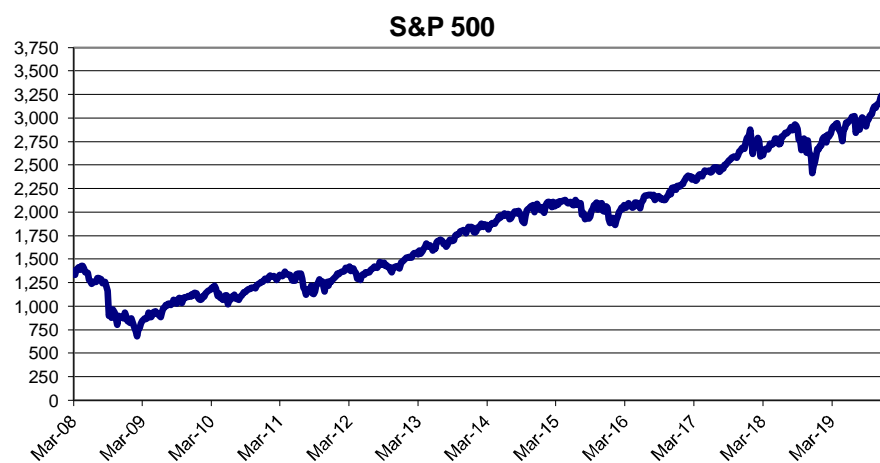
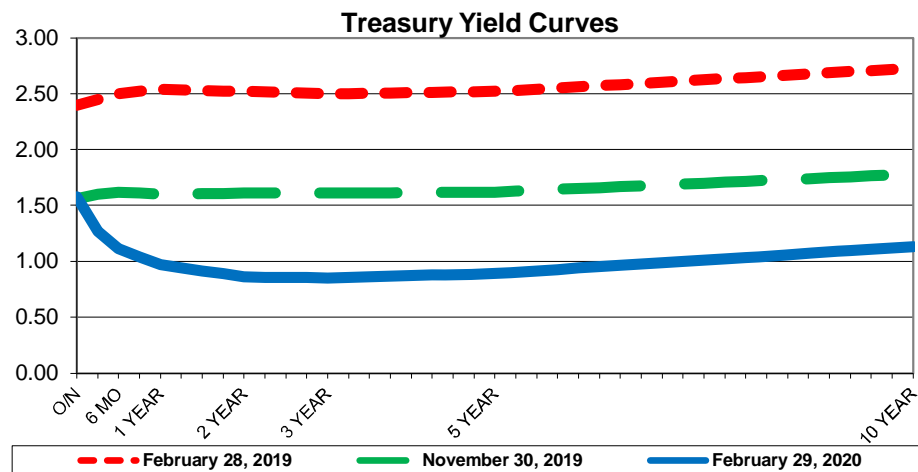
(1) **Current Period Average Weighted Yield** - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees. The yield for the reporting month is used for bank, pool, and money market balances.

(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

2/28/2020

On March 3rd, the Federal Open Market Committee (FOMC) reduced the Fed Funds target range 0.50% to 1.00% - 1.25% (Effective Fed Funds are trading +/-1.12%). Concerns over worldwide Coronavirus-related economic slow down was the justification. The Futures Market continues to project additional FOMC rate decreases. Crude oil remains less than \$55, with over production concerns. The Non Farm Payroll and Unemployment Rate numbers are still economic positives. Stock Market volatility dramatically increased as company outlooks changed. Consumer spending may be impacted by virus concerns. Housing construction has held steady. Pre-virus overall economic activity remained positive with 4th Quarter GDP confirmed at 2.1%. The Yield Curve plummeted.



## Investment Holdings

January 31, 2020

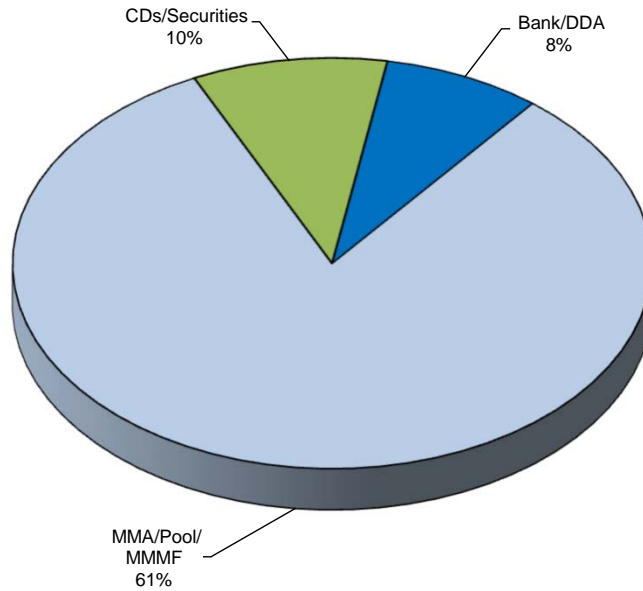
Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Bank United Pooled Cash		0.26%	02/01/20	01/31/20	\$ 1,478,192	\$ 1,478,192	1.00	\$ 1,478,192	1	0.26%
Bank United EUT		0.00%	02/01/20	01/31/20	2,000	2,000	1.00	2,000	1	0.00%
Bank United MMA		1.79%	02/01/20	01/31/20	14,658,600	14,658,600	1.00	14,658,600	1	1.79%
SBA Pool A	AAAm	1.81%	02/01/20	01/31/20	309,663	309,663	1.00	309,663	1	1.81%
TD Bank Deposit Sweep - Interest		1.20%	02/01/20	01/31/20	148,493	148,493	1.00	148,493	1	1.20%
TD Bank Deposit Sweep - Principal		1.40%	02/01/20	01/31/20	33,758	33,758	1.00	33,758	1	1.40%
TD Bank CD - Reserve		2.10%	02/04/20	02/05/18	672,626	672,626	100.00	672,626	4	2.10%
City National Bank CDARS		2.48%	04/09/20	04/12/18	1,150,449	1,150,449	100.00	1,150,449	69	2.48%
					<b>\$ 18,453,781</b>	<b>\$ 18,453,781</b>		<b>\$ 18,453,781</b>	<b>5</b>	<b>1.71%</b>
									(1)	(2)

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

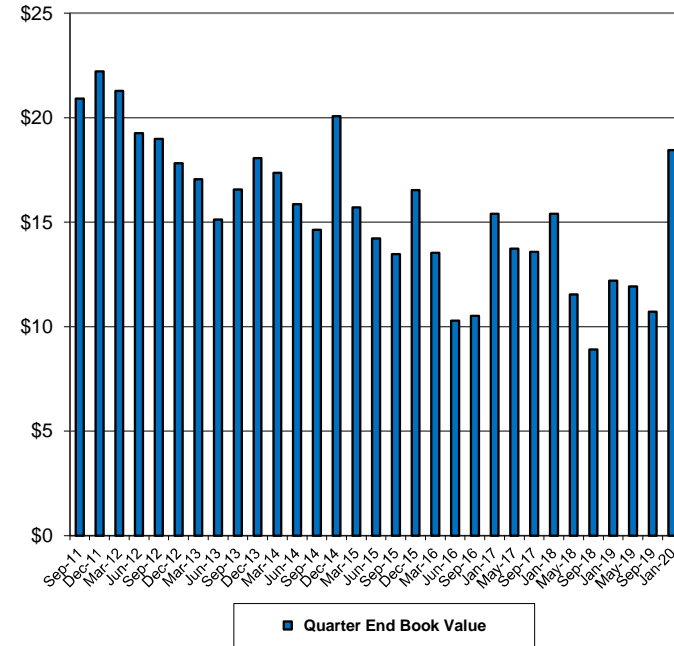
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(3) **Wells Fargo Government Advantage Interest Checking** - optimizes Compensating Balance/Earnings Credit (0.35%) and hard dollar interest (0.15%) balances.

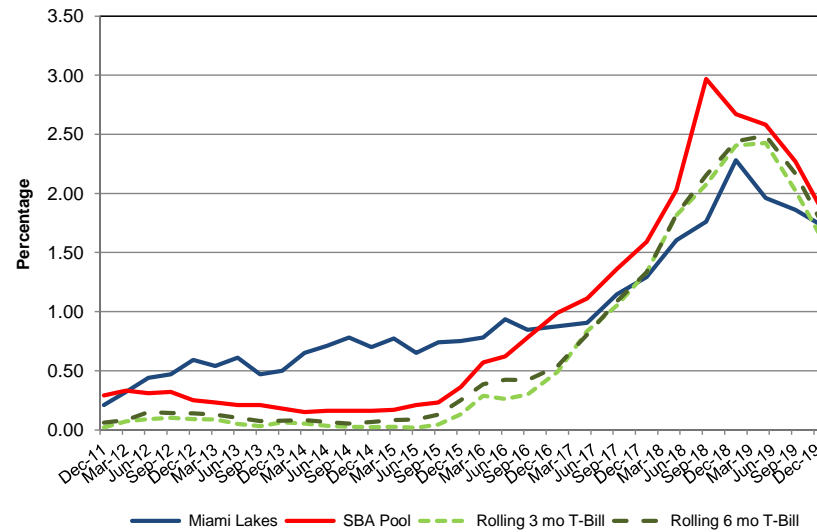
**Portfolio Composition**



**Total Portfolio (Millions)**



**Total Portfolio Performance**



## Book Value Comparison

			September 30, 2019			January 31, 2020	
	Coupon/ Discount	Maturity Date	Book Value	Increases	Decreases	Book Value	
Bank United Pooled Cash	0.26%	02/01/20	\$ 1,034,560	\$ 443,632	\$ —	\$ 1,478,192	
Bank United EUT	0.00%	02/01/20	306,370		(304,370)	2,000	
Bank United MMA	1.79%	02/01/20	5,758,405	8,900,195		14,658,600	
SBA Pool A	1.81%	02/01/20	307,698	1,965		309,663	
TD Bank Deposit Sweep - Interest	1.20%	02/01/20	184,294		(35,801)	148,493	
TD Bank Deposit Sweep - Principal	1.40%	02/01/20	285,637		(251,879)	33,758	
TD Bank Deposit Sweep - Reserve	0.00%	02/01/20	9		(9)	—	
EverBank CD	1.80%	10/20/19	1,035,482		(1,035,482)	—	
TD Bank CD - Reserve	2.10%	02/04/20	667,995	4,631		672,626	
City National Bank CDARS	2.48%	04/09/20	1,140,875	9,574		1,150,449	
			<b>\$ 10,721,326</b>	<b>\$ 9,359,997</b>	<b>\$ (1,627,542)</b>	<b>\$ 18,453,781</b>	