



## **QUARTERLY INVESTMENT REPORT**

**For the Quarter Ended**

**December 31, 2021**

**Prepared by**

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

The investment portfolio of Montgomery County Hospital District is in compliance with the Public Funds Investment Act and the Montgomery County Hospital District Investment Policy.

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Chief Executive Officer  
Investment Officer,  
Montgomery County Hospital District

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Chief Financial Officer  
Investment Officer,  
Montgomery County Hospital District

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Treasurer, MCHD Board  
Investment Officer,  
Montgomery County Hospital District

'Disclaimer: These reports were compiled using information provided by the Montgomery County Hospital District. 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 adviser fees.

## Summary

### Quarter End Results by Investment Category:

Asset Type	September 30, 2021		December 31, 2021		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
DDA	\$ 4,690,394	\$ 4,690,394	\$ 3,978,996	\$ 3,978,996	0.30%
MMA	18,407,742	18,407,742	17,620,379	17,620,379	0.25%
MMF/LGIP	7,672,236	7,672,236	11,972,568	11,972,568	0.03%
CD/Security	12,068,717	12,068,717	12,074,161	12,074,161	0.14%
<b>Totals</b>	<b>\$ 42,839,088</b>	<b>\$ 42,839,088</b>	<b>\$ 45,646,104</b>	<b>\$ 45,646,104</b>	<b>0.17%</b>

#### Current Quarter Portfolio Performance: (1)

Average Quarterly Yield	0.17%
Rolling Three Month Treasury	0.06%
Rolling Six Month Treasury	0.08%
TexPool	0.04%

#### Fiscal Year-to-Date Portfolio Performance: (2)

Average Quarter End Yield	0.17%
Rolling Three Month Treasury	0.06%
Rolling Six Month Treasury	0.08%
TexPool	0.04%

#### Interest Earnings (Approximate)

Quarterly Interest Earnings	\$ 18,441
Fiscal YTD Interest Earnings	\$ 18,441

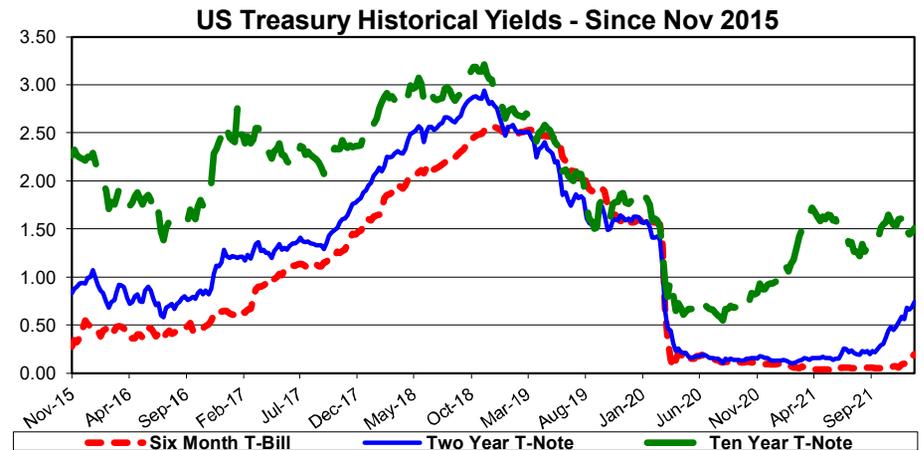
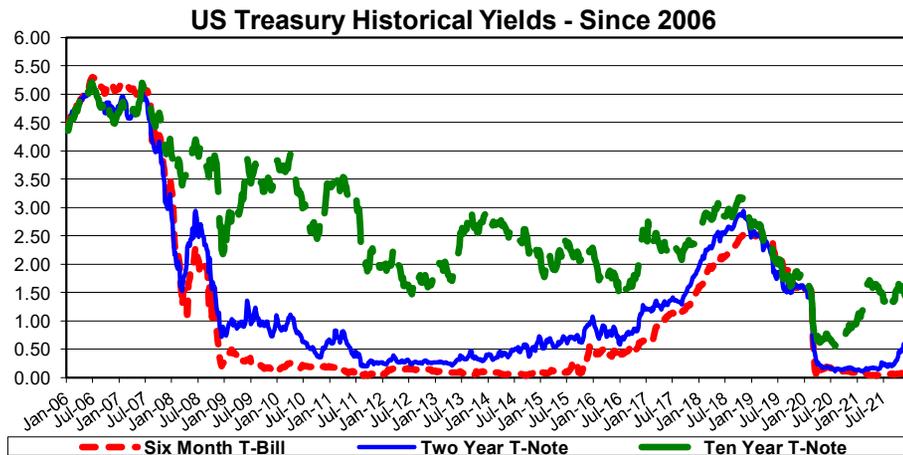
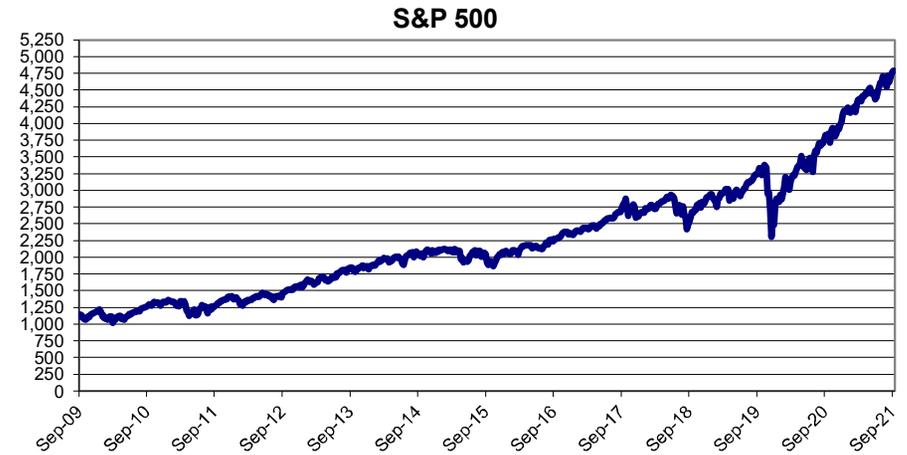
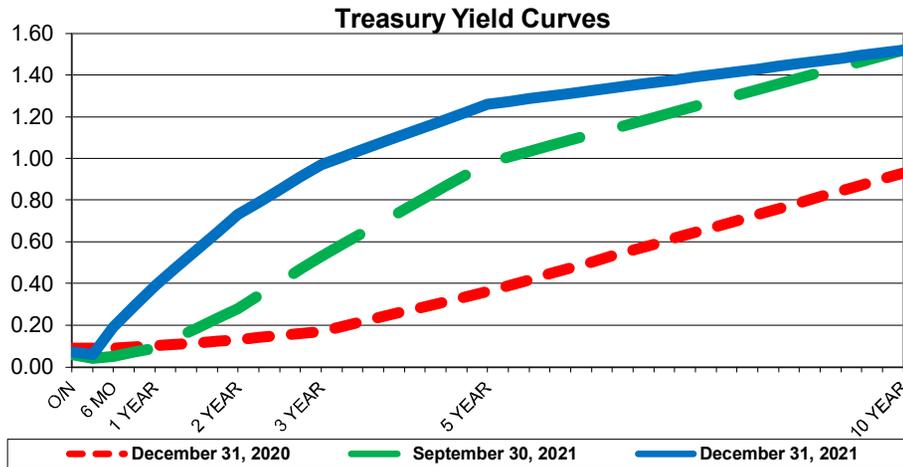
(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

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

## Economic Overview

12/31/2021

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%). The FOMC began reducing monthly security purchases during Nov 2021 and then increased the paced at the December meeting. Projections for target range increases shortened to late spring or early summer 2022. Third Quarter GDP posted +2.3% (Final). December employment reflected U-2 dropping to 3.9% and Non-Farm Payroll adding 199k net new jobs (Three Month Average NFP = 365). Crude oil reversed recent declines and bounced back to +/- \$75 per barrel. The Stock Markets reached new highs. Many domestic economic indicators remain positive. The Build Back Better legislation stalled in the Senate. The Debt Ceiling was increased to \$31+ trillion, easing any near-term funding pressures. Inflation remained well over the FOMC 2% target and does not appear positioned to decline in the near term. The Yield Curve shifted higher primarily six months and longer.



**Investment Holdings**  
**December 31, 2021**

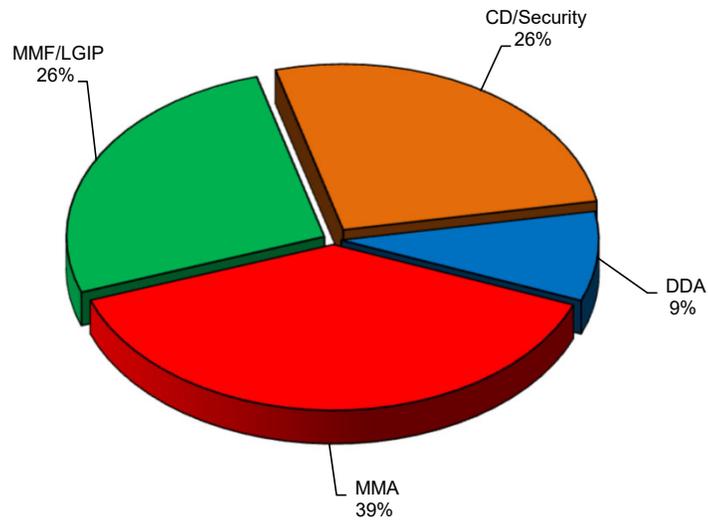
Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Original Face\ Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Woodforest Bank - DDA		0.30%	01/01/22	12/31/21	\$ 3,978,996	\$ 3,978,996	1.00	\$ 3,978,996	1	0.30%
Woodforest Bank - MMA		0.20%	01/01/22	12/31/21	10,451,669	10,451,669	1.00	10,451,669	1	0.20%
LegacyTexas Bank MMA		0.14%	01/01/22	12/31/21	2,044,603	2,044,603	1.00	2,044,603	1	0.14%
NexBank IntraFi MMA		0.40%	01/01/22	12/31/21	5,124,106	5,124,106	1.00	5,124,106	1	0.40%
TexPool	AAAm	0.04%	01/01/22	12/31/21	5,992,070	5,992,070	1.00	5,992,070	1	0.04%
TexSTAR	AAAm	0.01%	01/01/22	12/31/21	5,980,498	5,980,498	1.00	5,980,498	1	0.01%
Prosperity Bank CD		0.15%	05/05/22	11/05/21	2,001,760	2,001,760	100.00	2,001,760	125	0.15%
Prosperity Bank CD		0.20%	05/05/22	05/05/21	2,002,346	2,002,346	100.00	2,002,346	125	0.20%
East West Bank CD		0.12%	07/29/22	07/29/21	2,035,867	2,035,867	100.00	2,035,867	210	0.12%
Bank OZK CD		0.15%	09/10/22	09/10/21	2,019,587	2,019,587	100.00	2,019,587	253	0.15%
East West Bank CD		0.19%	10/27/22	10/27/21	4,014,601	4,014,601	100.00	4,014,601	300	0.19%
					<b>\$ 45,646,104</b>	<b>\$ 45,646,104</b>			<b>59</b>	<b>0.17%</b>
									(1)	(2)

(1) **Weighted average life** - Pools, Money Market Funds, and Bank Deposits are assumed to have a one day maturity.

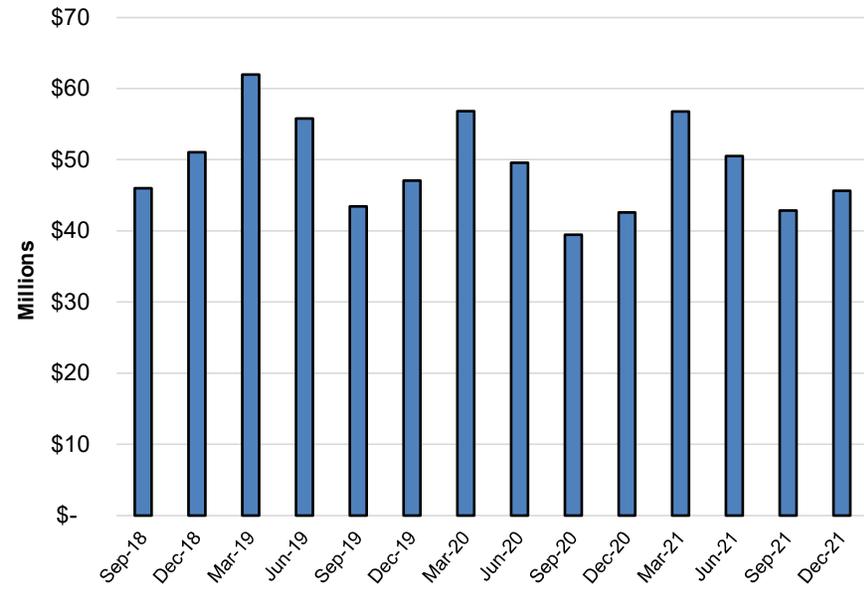
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on Book Value, adviser fees and realized and unrealized gains/losses are not considered. The pool and mutual fund yields are the average for the last month of the quarter. Bank deposit yields are estimated from the monthly allocated earnings.

**Note:** All deposits FDIC insured or collateralized per the Public Funds Collateral Act.

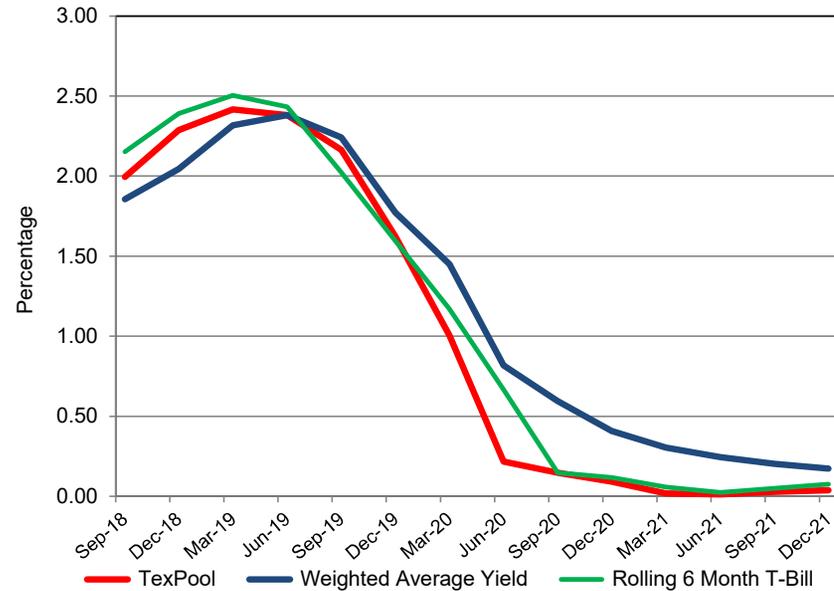
**Portfolio Composition**



**Quarter End Book Value**



**Total Portfolio Performance**



## Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 09/30/21	Increases	Decreases	Book Value 12/31/21	Market Value 09/30/21	Change in Market Value	Market Value 12/31/21
Woodforest Bank - DDA	0.30%	01/01/22	\$ 4,690,394	–	(711,398)	\$ 3,978,996	\$ 4,690,394	(711,398)	\$ 3,978,996
Woodforest Bank - MMA	0.20%	01/01/22	11,244,912	–	(793,243)	10,451,669	11,244,912	(793,243)	10,451,669
LegacyTexas Bank MMA	0.14%	01/01/22	2,043,887	717	–	2,044,603	2,043,887	717	2,044,603
NexBank IntraFi MMA	0.40%	01/01/22	5,118,943	5,163	–	5,124,106	5,118,943	5,163	5,124,106
TexPool	0.04%	01/01/22	3,841,816	2,150,254	–	5,992,070	3,841,816	2,150,254	5,992,070
TexSTAR	0.01%	01/01/22	3,830,421	2,150,077	–	5,980,498	3,830,421	2,150,077	5,980,498
East West Bank CD	0.33%	10/27/21	4,012,278	–	(4,012,278)	–	4,012,278	(4,012,278)	–
Prosperity Bank CD	0.15%	11/05/21	2,001,011	–	(2,001,011)	–	2,001,011	(2,001,011)	–
Prosperity Bank CD	0.15%	05/05/22	–	2,001,760	–	2,001,760	–	2,001,760	2,001,760
Prosperity Bank CD	0.20%	05/05/22	2,001,348	998	–	2,002,346	2,001,348	998	2,002,346
East West Bank CD	0.12%	07/29/22	2,035,252	616	–	2,035,867	2,035,252	616	2,035,867
Bank OZK CD	0.15%	09/10/22	2,018,827	760	–	2,019,587	2,018,827	760	2,019,587
East West Bank CD	0.19%	10/27/22	–	4,014,601	–	4,014,601	–	4,014,601	4,014,601
<b>TOTAL /AVERAGE</b>	<b>0.17%</b>		<b>\$ 42,839,088</b>	<b>\$ 10,324,946</b>	<b>\$ (7,517,931)</b>	<b>\$ 45,646,104</b>	<b>\$ 42,839,088</b>	<b>\$ 2,807,015</b>	<b>\$ 45,646,104</b>