



## Investment Portfolio Summary

### Northwest ISD



For the Month Ended

December 31, 2021

**Report Name**

---

- Certification Page
- Executive Summary
- Benchmark Comparison
- Detail of Security Holdings
- Change in Value
- Earned Income
- Investment Transactions
- Amortization and Accretion
- Projected Fixed Income Cash Flows

**MARKET RECAP - DECEMBER 2021:**

The month of December was a headscratcher. Omicron cases absolutely exploded, becoming the dominant strain within three weeks of detection, while new daily COVID cases smashed the previous high from last January and quickly climbed toward the one million new cases per day mark. Fortunately, hospitalizations and fatalities haven't followed the same trajectory as prior strains, which supports the belief that the latest variant isn't nearly as severe. The front-loaded holiday spending season appeared to be solid, and GDP growth improved significantly from the previous quarter as indicated by the Atlanta's Fed's GDPNow measure of +7.4% as of January 4th. Usually, hiring is well correlated with economic growth, but the November employment report was a disappointment as only 210k jobs were added to company payrolls. Some of the miss can be blamed on faulty seasonal adjustment factors, but it's becoming clear that the labor market is very tight, which means continued pressure on wages.

As growth accelerated in the final quarter of another uneven year, and employers paid higher wages to attract and retain workers, inflation climbed higher. Both the Consumer Price Index (CPI) and Personal Consumption Expenditures (PCE) climbed to levels not seen since the early 80's, and Fed officials finally acknowledged that inflationary pressure would not be retreating any time soon. At the December FOMC meeting, committee members announced a doubling of the taper pace, which would effectively end asset purchases in mid-March. Fed officials also released an updated "dot plot" that was significantly more hawkish than the previous rate outlook. September's dot plot showed committee members were equally split on whether the first 25 bps hike would take place at the end of 2022 or the beginning of 2023. The updated December outlook clearly indicated three 25 bps hikes in 2022, with liftoff occurring as early as the second quarter. The most recent Bloomberg survey showed forecasts by U.S. economists mirrored Fed expectations. Yields climbed throughout month as the bond market adjusted to the dramatic shift in the outlook. The two-year Treasury note, trading at a yield of 0.26% in early October, ended December at 0.73% and would drift higher in the initial days of 2022.

The bond market ended the month of December having priced-in all three expected rate increases for the year 2022. Although at this point it would be a surprise if the Fed did not begin the tightening process in May or June, the past two years have introduced quite a few surprises. If inflation were to rise further in 2022, the Fed could hike more aggressively, but if prices retreat, the Fed would be afforded patience. Both the FOMC and the nation's economists expect inflationary pressure to fall; what's far from clear, with CPI at a 40-year high, is when this price moderation will start.

---

**For the Month Ended**  
**December 31, 2021**

This report is prepared for the **Northwest ISD** (the "Entity") in accordance with Chapter 2256 of the Texas Public Funds Investment Act ("PFIA"). Section 2256.023(a) of the PFIA states that: "Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." This report is signed by the Entity's investment officers and includes the disclosures required in the PFIA. To the extent possible, market prices have been obtained from independent pricing sources.

The investment portfolio complied with the PFIA and the Entity's approved Investment Policy and Strategy throughout the period. All investment transactions made in the portfolio during this period were made on behalf of the Entity and were made in full compliance with the PFIA and the approved Investment Policy.

**Officer Names and Titles:**

---

Name: Johnny Hill

Title: Chief Financial Officer

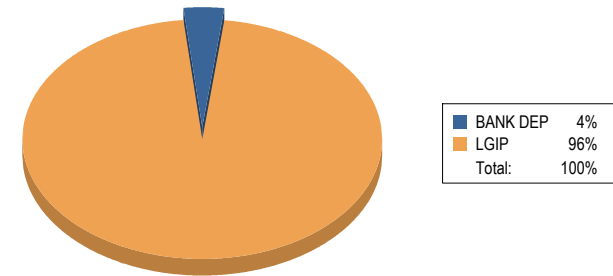
**Account Summary**

**Allocation by Security Type**

Beginning Values as of 11/30/21

Ending Values as of 12/31/21

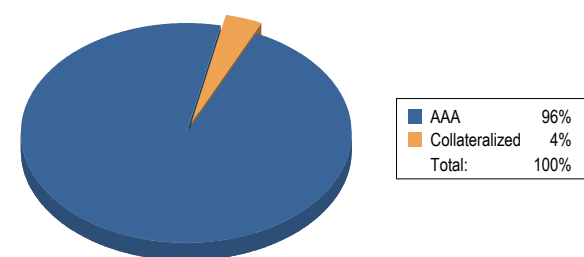
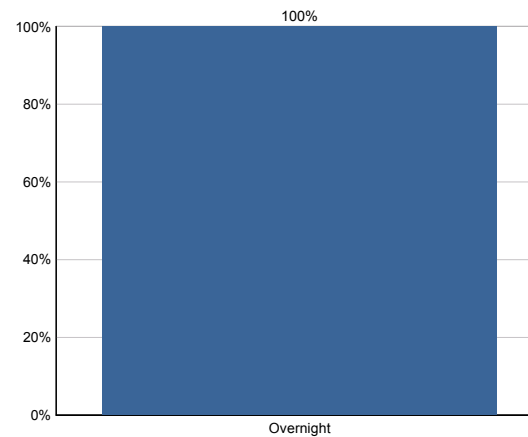
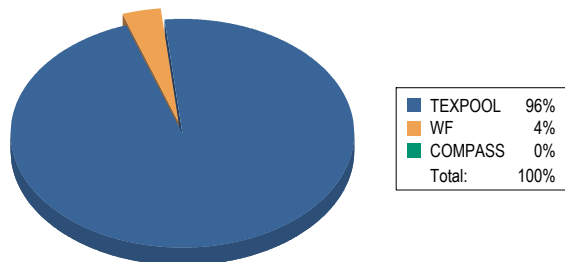
Par Value	353,131,150.75	429,126,985.12
Market Value	353,131,150.75	429,126,985.12
Book Value	353,131,150.75	429,126,985.12
Unrealized Gain/(Loss)	0.00	0.00
<b>Market Value %</b>	<b>100.00%</b>	<b>100.00%</b>
Weighted Avg. YTW	0.043%	0.042%
Weighted Avg. YTM	0.043%	0.042%



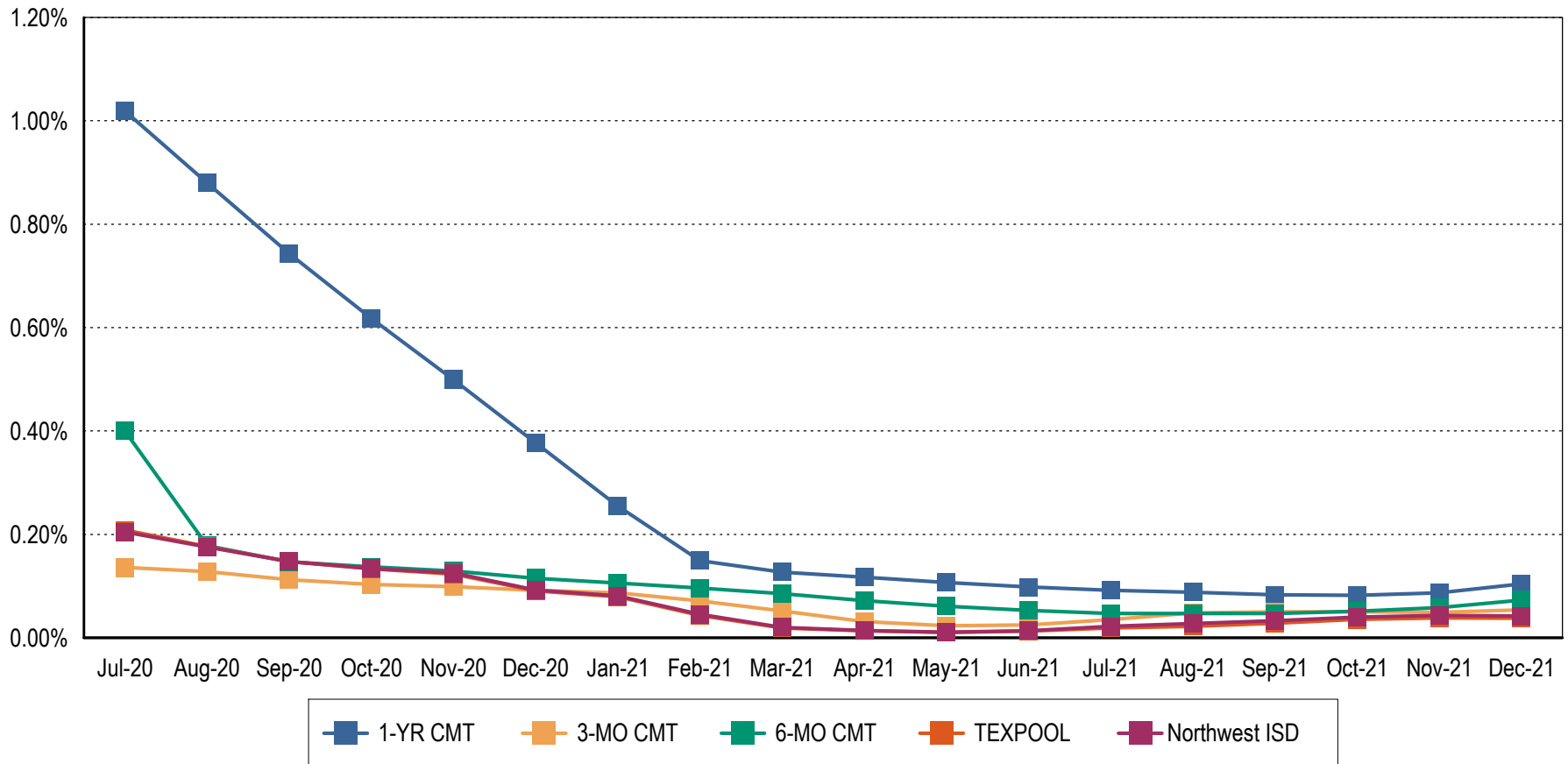
**Allocation by Issuer**

**Maturity Distribution %**

**Credit Quality**



Weighted Average Days to Maturity: 1



**Note 1:** CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities. The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year and 2-year CMT's are the daily averages for the previous 12-months.

**Note 2:** Benchmark data for TexPool is the monthly average yield.

CUSIP	Settle Date	Sec. Type	Sec. Description	CPN	Mty Date	Next Call	Call Type	Par Value	Purch Price	Orig Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW
<b>Activity Account</b>																	
TEXPOOL		LGIP	TexPool					172,233.73	100.000	172,233.73	172,233.73	100.000	172,233.73	1		0.038	0.038
<b>Total for Activity Account</b>								<b>172,233.73</b>	<b>100.000</b>	<b>172,233.73</b>	<b>172,233.73</b>	<b>100.000</b>	<b>172,233.73</b>	<b>1</b>		<b>0.038</b>	<b>0.038</b>
<b>Capital Project</b>																	
TEXPOOL		LGIP	TexPool					245,908,604.68	100.000	245,908,604.68	245,908,604.68	100.000	245,908,604.68	1		0.038	0.038
WF-NWISD		BANK DEP	Wells Fargo Bk					5,944,952.36	100.000	5,944,952.36	5,944,952.36	100.000	5,944,952.36	1		0.160	0.160
<b>Total for Capital Project</b>								<b>251,853,557.04</b>	<b>100.000</b>	<b>251,853,557.04</b>	<b>251,853,557.04</b>	<b>100.000</b>	<b>251,853,557.04</b>	<b>1</b>		<b>0.040</b>	<b>0.040</b>
<b>Capital Project AFB</b>																	
TEXPOOL		LGIP	TexPool					413,769.07	100.000	413,769.07	413,769.07	100.000	413,769.07	1		0.038	0.038
<b>Total for Capital Project AFB</b>								<b>413,769.07</b>	<b>100.000</b>	<b>413,769.07</b>	<b>413,769.07</b>	<b>100.000</b>	<b>413,769.07</b>	<b>1</b>		<b>0.038</b>	<b>0.038</b>
<b>General Operating Fund</b>																	
TEXPOOL		LGIP	TexPool					80,707,782.82	100.000	80,707,782.82	80,707,782.82	100.000	80,707,782.82	1		0.038	0.038
WF-NWISD		BANK DEP	Wells Fargo Bk					5,444,101.84	100.000	5,444,101.84	5,444,101.84	100.000	5,444,101.84	1		0.160	0.160
<b>Total for General Operating Fund</b>								<b>86,151,884.66</b>	<b>100.000</b>	<b>86,151,884.66</b>	<b>86,151,884.66</b>	<b>100.000</b>	<b>86,151,884.66</b>	<b>1</b>		<b>0.045</b>	<b>0.045</b>
<b>Interest &amp; Sinking</b>																	
TEXPOOL		LGIP	TexPool					86,537,231.74	100.000	86,537,231.74	86,537,231.74	100.000	86,537,231.74	1		0.038	0.038
<b>Total for Interest &amp; Sinking</b>								<b>86,537,231.74</b>	<b>100.000</b>	<b>86,537,231.74</b>	<b>86,537,231.74</b>	<b>100.000</b>	<b>86,537,231.74</b>	<b>1</b>		<b>0.038</b>	<b>0.038</b>
<b>Payroll Clearing Fund</b>																	
WF-NWISD		BANK DEP	Wells Fargo Bk					3,998,308.88	100.000	3,998,308.88	3,998,308.88	100.000	3,998,308.88	1		0.160	0.160
<b>Total for Payroll Clearing Fund</b>								<b>3,998,308.88</b>	<b>100.000</b>	<b>3,998,308.88</b>	<b>3,998,308.88</b>	<b>100.000</b>	<b>3,998,308.88</b>	<b>1</b>		<b>0.160</b>	<b>0.160</b>



**Northwest ISD**  
**Detail of Security Holdings**  
*As of 12/31/2021*

CUSIP	Settle Date	Sec. Type	Sec. Description	CPN	Mty Date	Next Call	Call Type	Par Value	Purch Price	Orig Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW	
<b>Total for Northwest ISD</b>									429,126,985.12	100.000	429,126,985.12	429,126,985.12	100.000	429,126,985.12	1		0.042	0.042

CUSIP	Security Type	Security Description	11/30/21 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	12/31/21 Book Value	11/30/21 Market Value	12/31/21 Market Value	Change in Mkt Value
<b>Activity Account</b>											
TEXPOOL	LGIP	TexPool	172,228.24	5.49	0.00	0.00	0.00	172,233.73	172,228.24	172,233.73	5.49
<b>Total for Activity Account</b>			<b>172,228.24</b>	<b>5.49</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>172,233.73</b>	<b>172,228.24</b>	<b>172,233.73</b>	<b>5.49</b>
<b>Capital Project</b>											
BBVA-NWL	BANK DEP	BBVA Compass LIBOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BBVA-NWZ	BANK DEP	BBVA Compass ZBA Int	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TEXPOOL	LGIP	TexPool	257,356,794.09	0.00	(11,448,189.41)	0.00	0.00	245,908,604.68	257,356,794.09	245,908,604.68	(11,448,189.41)
WF-NWISD	BANK DEP	Wells Fargo Bk	4,432,297.77	1,512,654.59	0.00	0.00	0.00	5,944,952.36	4,432,297.77	5,944,952.36	1,512,654.59
<b>Total for Capital Project</b>			<b>261,789,091.86</b>	<b>1,512,654.59</b>	<b>(11,448,189.41)</b>	<b>0.00</b>	<b>0.00</b>	<b>251,853,557.04</b>	<b>261,789,091.86</b>	<b>251,853,557.04</b>	<b>(9,935,534.82)</b>
<b>Capital Project AFB</b>											
TEXPOOL	LGIP	TexPool	413,755.84	13.23	0.00	0.00	0.00	413,769.07	413,755.84	413,769.07	13.23
<b>Total for Capital Project AFB</b>			<b>413,755.84</b>	<b>13.23</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>413,769.07</b>	<b>413,755.84</b>	<b>413,769.07</b>	<b>13.23</b>
<b>General Operating Fund</b>											
BBVA-NW	BANK DEP	BBVA Compass MM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TEXPOOL	LGIP	TexPool	27,567,746.71	53,140,036.11	0.00	0.00	0.00	80,707,782.82	27,567,746.71	80,707,782.82	53,140,036.11
WF-NWISD	BANK DEP	Wells Fargo Bk	7,210,815.00	0.00	(1,766,713.16)	0.00	0.00	5,444,101.84	7,210,815.00	5,444,101.84	(1,766,713.16)
<b>Total for General Operating Fund</b>			<b>34,778,561.71</b>	<b>53,140,036.11</b>	<b>(1,766,713.16)</b>	<b>0.00</b>	<b>0.00</b>	<b>86,151,884.66</b>	<b>34,778,561.71</b>	<b>86,151,884.66</b>	<b>51,373,322.95</b>
<b>Interest &amp; Sinking</b>											
TEXPOOL	LGIP	TexPool	52,886,867.55	33,650,364.19	0.00	0.00	0.00	86,537,231.74	52,886,867.55	86,537,231.74	33,650,364.19
<b>Total for Interest &amp; Sinking</b>			<b>52,886,867.55</b>	<b>33,650,364.19</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>86,537,231.74</b>	<b>52,886,867.55</b>	<b>86,537,231.74</b>	<b>33,650,364.19</b>



CUSIP	Security Type	Security Description	11/30/21 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	12/31/21 Book Value	11/30/21 Market Value	12/31/21 Market Value	Change in Mkt Value
<b>Payroll Clearing Fund</b>											
WF-NWISD	BANK DEP	Wells Fargo Bk	3,090,645.55	907,663.33	0.00	0.00	0.00	3,998,308.88	3,090,645.55	3,998,308.88	907,663.33
<b>Total for Payroll Clearing Fund</b>			<b>3,090,645.55</b>	<b>907,663.33</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,998,308.88</b>	<b>3,090,645.55</b>	<b>3,998,308.88</b>	<b>907,663.33</b>
<b>Total for Northwest ISD</b>			<b>353,131,150.75</b>	<b>89,210,736.94</b>	<b>(13,214,902.57)</b>	<b>0.00</b>	<b>0.00</b>	<b>429,126,985.12</b>	<b>353,131,150.75</b>	<b>429,126,985.12</b>	<b>75,995,834.37</b>

CUSIP	Security Type	Security Description	Beg. Accrued	Interest Earned	Interest Rec'd / Sold / Matured	Interest Purchased	Ending Accrued	Disc Accr / Prem Amort	Net Income
<b>Activity Account</b>									
TEXPOOL	LGIP	TexPool	0.00	5.49	5.49	0.00	0.00	0.00	5.49
<b>Total for Activity Account</b>			<b>0.00</b>	<b>5.49</b>	<b>5.49</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5.49</b>
<b>Capital Project</b>									
TEXPOOL	LGIP	TexPool	0.00	8,067.19	8,067.19	0.00	0.00	0.00	8,067.19
WF-NWISD	BANK DEP	Wells Fargo Bk	0.00	432.34	432.34	0.00	0.00	0.00	432.34
<b>Total for Capital Project</b>			<b>0.00</b>	<b>8,499.53</b>	<b>8,499.53</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8,499.53</b>
<b>Capital Project AFB</b>									
TEXPOOL	LGIP	TexPool	0.00	13.23	13.23	0.00	0.00	0.00	13.23
<b>Total for Capital Project AFB</b>			<b>0.00</b>	<b>13.23</b>	<b>13.23</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>13.23</b>
<b>General Operating Fund</b>									
TEXPOOL	LGIP	TexPool	0.00	1,099.94	1,099.94	0.00	0.00	0.00	1,099.94
WF-NWISD	BANK DEP	Wells Fargo Bk	0.00	952.54	952.54	0.00	0.00	0.00	952.54
<b>Total for General Operating Fund</b>			<b>0.00</b>	<b>2,052.48</b>	<b>2,052.48</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,052.48</b>
<b>Interest &amp; Sinking</b>									
TEXPOOL	LGIP	TexPool	0.00	1,929.02	1,929.02	0.00	0.00	0.00	1,929.02
<b>Total for Interest &amp; Sinking</b>			<b>0.00</b>	<b>1,929.02</b>	<b>1,929.02</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,929.02</b>
<b>Payroll Clearing Fund</b>									
WF-NWISD	BANK DEP	Wells Fargo Bk	0.00	445.92	445.92	0.00	0.00	0.00	445.92
<b>Total for Payroll Clearing Fund</b>			<b>0.00</b>	<b>445.92</b>	<b>445.92</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>445.92</b>

CUSIP	Security Type	Security Description	Beg. Accrued	Interest Earned	Interest Rec'd / Sold / Matured	Interest Purchased	Ending Accrued	Disc Accr / Prem Amort	Net Income
<b>Total for Northwest ISD</b>			0.00	12,945.67	12,945.67	0.00	0.00	0.00	12,945.67