



PUBLIC FUNDS ADVISORY

City of Killeen

Quarterly Investment Report

PRESENTED BY:

SCOTT GRUBER, CMT - DIRECTOR, ADVISORY SERVICES

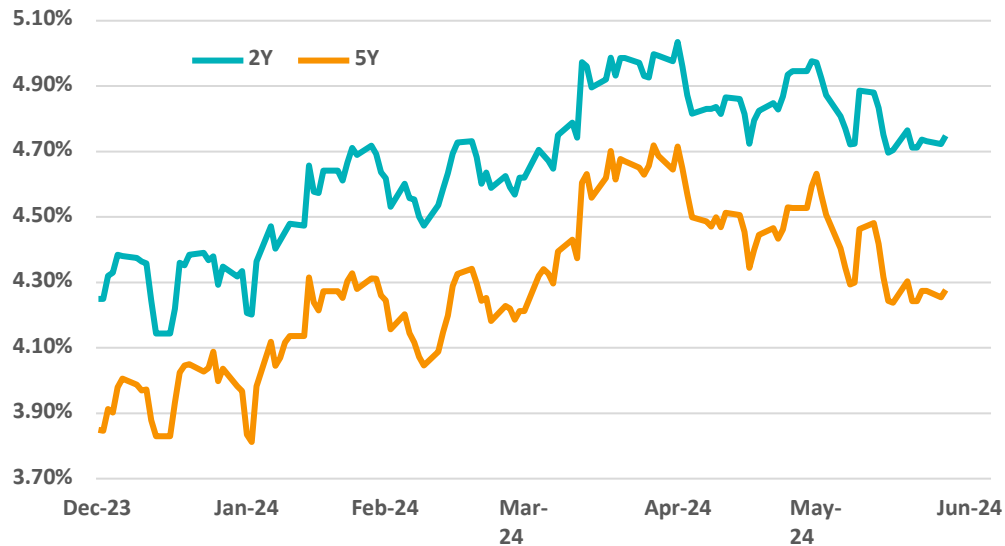
JUNE 30, 2024



MEEDER
PUBLIC FUNDS

Intermediate-Term Rates Higher In 2024

YTD 2Y and 5Y Treasury Rates



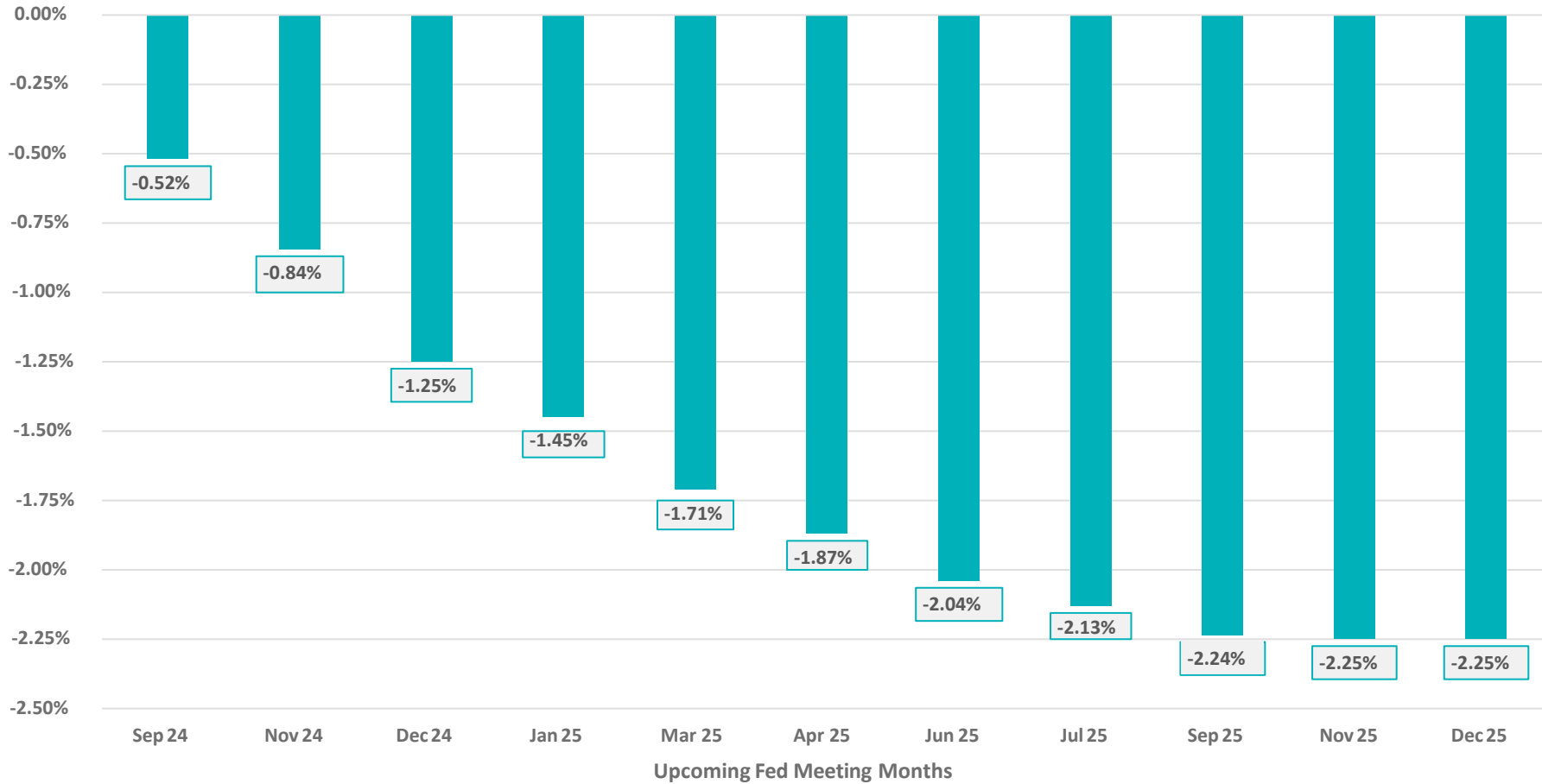
SOURCE: BLOOMBERG

- Both the 2-year and 5-year U.S. Treasury rates had their cycle peaks last October at 5.22% and 4.96%, respectively.
- Intermediate-term U.S. Treasury rates have climbed higher this year as market participants realized inflation remains sticky and Fed will cut the Fed Funds rate fewer times than was anticipated at the start of 2024.

Takeaways

- With intermediate-term interest rates near their highest levels since 2007, locking in those yields will most likely prove prudent.
- It will be interesting to observe Federal Reserve policy later this year as inflation probably remains above their target, with unemployment increasing.

Fed Funds Rate Declines Priced In Per FuturesMarket



- After four quarter point hikes in 2023, the Federal Reserve has held this rate steady since last July.
- At the last Federal Open Market Committee Meeting (FOMC) press conference, Chair Powell stated, “so far this year, the data have not given us that greater confidence” to lower the Fed Funds rate.

SOURCE: BLOOMBERG AS OF 8/2/24

Quarterly Portfolio Summary – All Funds



This quarterly report is prepared in compliance with the Investment Policy and Strategy of the City of Killeen and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

Portfolio as of March 31, 2024		Portfolio as of June 30, 2024	
Beginning Book Value	\$278,292,459	Ending Book Value	\$276,888,756
Beginning Market Value	\$277,582,988	Ending Market Value	\$275,818,523
Unrealized Gain/(Loss)	(\$709,471)	Unrealized Gain/(Loss)	(\$1,070,233)
		Change in Unrealized Gain/(Loss)	(\$360,762)
Weighted Average Maturity	526 days	Weighted Average Maturity	567 days
Weighted Average Yield	4.44%	Weighted Average Yield	4.52%

Portfolio Market Value by Fund	3/31/2024	6/30/2024	Change
Pooled Investments	\$277,025,074.55	\$275,532,569.74	(\$1,492,504.81)
Internal Services Fund	\$131,538.84	\$93,733.44	(\$37,805.40)
Employee Benefits Trust Fund	\$104,395.56	\$9,578.78	(\$94,816.78)
Enterprise Funds	\$52.46	\$4,044.46	\$3,992.00
General Fund	\$319,926.48	\$176,596.75	(\$143,329.73)
Special Revenue Fund	\$2,000.00	\$2,000.00	\$0.00
Total	\$277,582,987.89	\$275,818,523.17	(\$1,764,464.72)

Portfolio Summary – Investment Pool



As of 6/30/2024

Your Portfolio

Cash/LGIPs	\$75,756,006
Securities Book Value Total	\$200,846,797
Portfolio Book Value	\$276,602,803

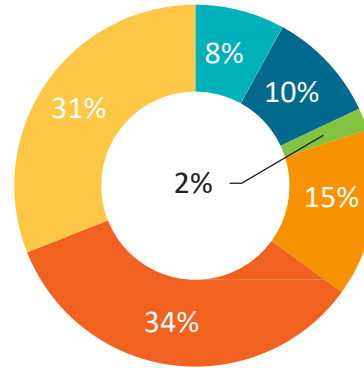
Your Securities Weighted
Average Maturity Weighted
Average Yield

1.56 years
4.52%

Interest Earnings:

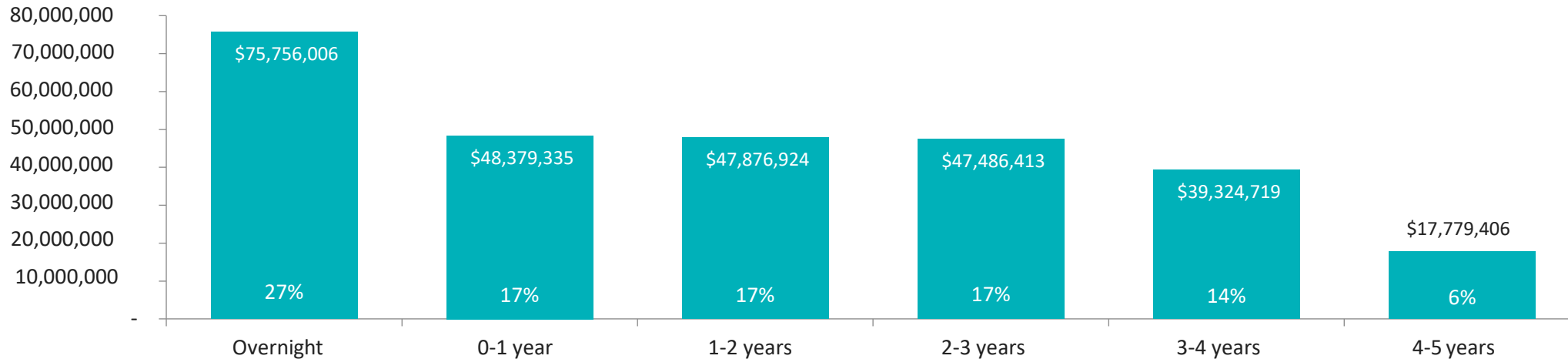
Quarterly Interest Earned	\$3,099,027
Year-to-date Interest Earned	\$8,861,176

Your Asset Allocation



- Certificates of Deposit
- Cash & Equivalents
- Money market
- Local Government Investment Pools US
- Government Agencies
- US Treasuries

Your Maturity Distribution



YIELD AND INTEREST INCOME INFORMATION IS ANNUALIZED. ALL YIELD INFORMATION IS SHOWN GROSS OF ANY ADVISORY AND CUSTODY FEES AND IS BASED ON YIELD TO MATURITY AT COST. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS.