



PUBLIC FUNDS ADVISORY

# City of Killeen

## Quarterly Investment Report

PRESENTED BY:

SCOTT GRUBER, CMT - DIRECTOR, ADVISORY SERVICES

SEPTEMBER 30, 2025



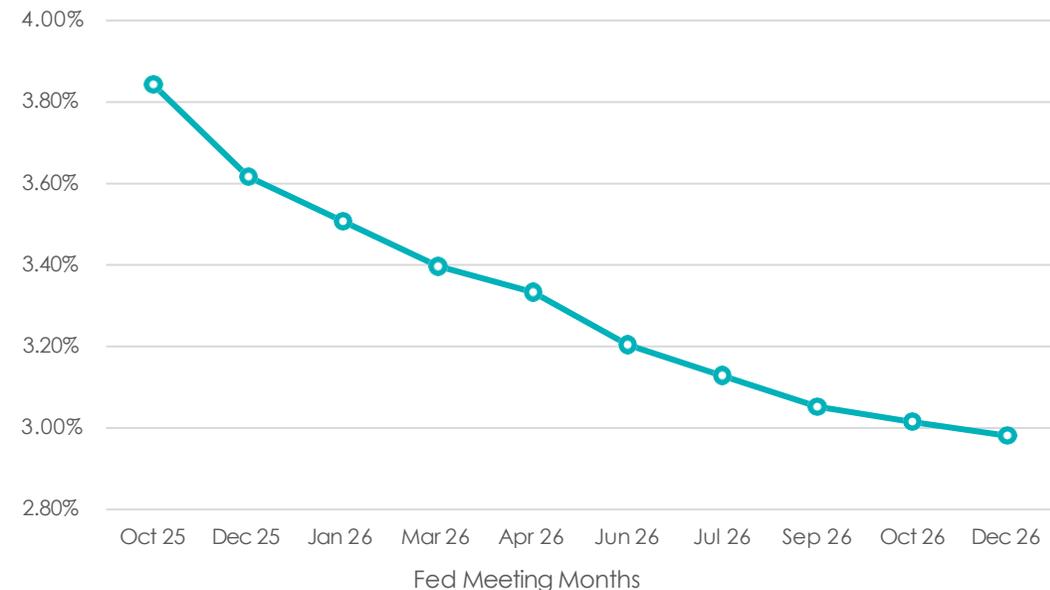
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PUBLIC FUNDS

## OBSERVATIONS AND EXPECTATIONS

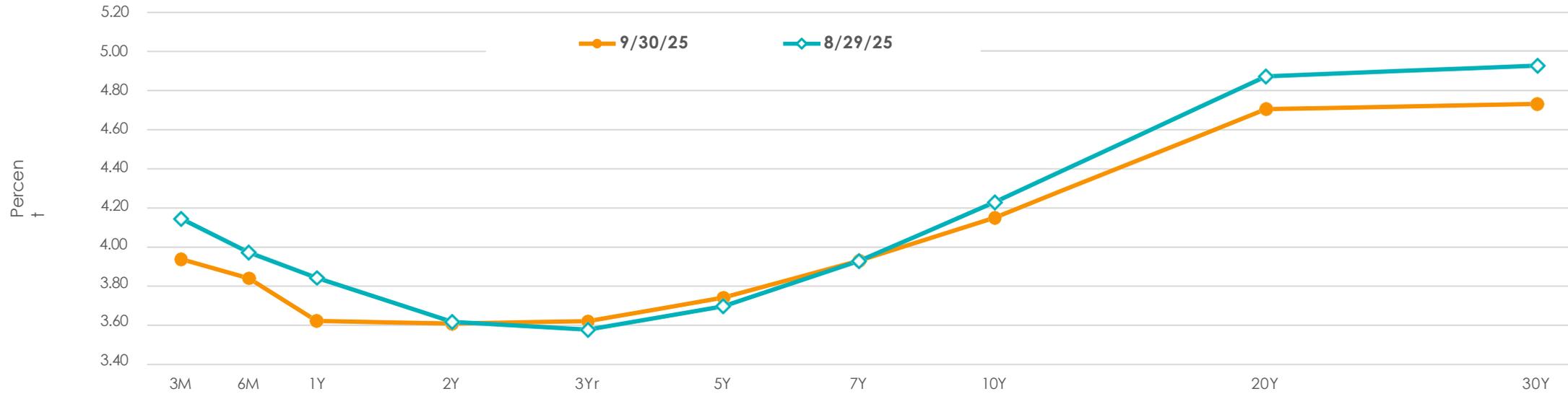
- Fed lowered the Fed Funds rate by .25% at the September 17<sup>th</sup> meeting
- Labor market continued to show signs of slowing as 22,000 jobs were created in September
- U.S. Treasury rates were generally lower for the month of September
- GDP rebounded in Q2 to 3.8% from the tariff-induced decline of -0.5% in Q1
- Atlanta Fed's GDPNow forecast is projecting a 3.9% GDP for Q3
- The futures market and the Fed are expecting two more .25% cuts this year; more cuts in 2026

- The Fed Funds futures market is expecting the Fed Funds rate to end 2025 at about 3.6% and 2026 at approximately 3.0%.
- The Fed is watching both of their mandates (employment and inflation) closely to determine the path of Fed Funds. They say the risk is more tilted to slower job growth.

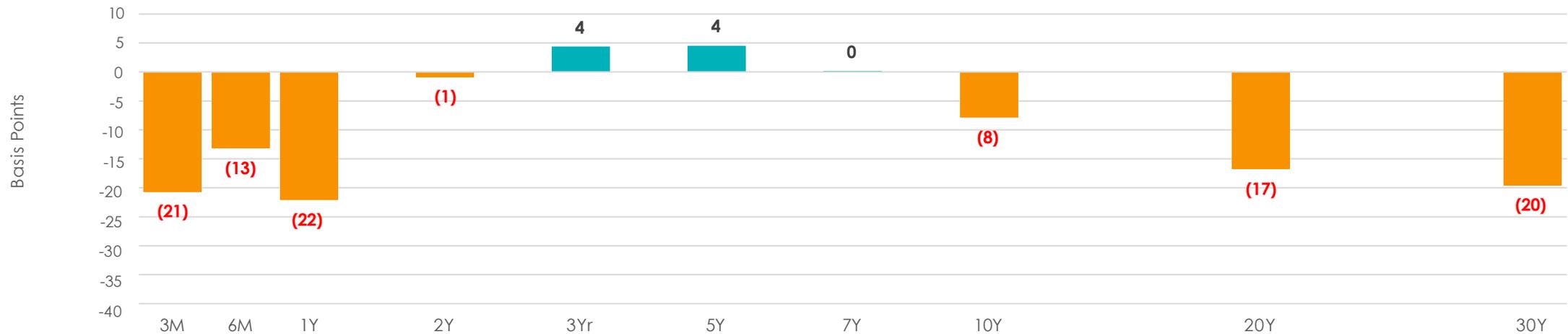
Fed Funds Futures Yields



### U.S. Treasury Yield Curve Change



### Basis Point Change



# 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 June 30, 2025		Portfolio as of September 30, 2025	
Beginning Book Value	\$285,761,373	Ending Book Value	\$285,188,478
Beginning Market Value	\$287,119,929	Ending Market Value	\$286,789,958
Unrealized Gain/(Loss)	\$1,358,556	Unrealized Gain/(Loss)	\$1,601,479
		Change in Unrealized Gain/(Loss)	\$242,924
Weighted Average Maturity	500 days	Weighted Average Maturity	545 days
Weighted Average Yield	4.27%	Weighted Average Yield	4.20%

Portfolio Market Value by Fund	6/30/2025	9/30/2025	Change
Pooled Investments	\$286,714,447.16	\$286,292,061.65	(\$422,385.51)
Internal Services Fund	\$189,897.89	\$189,553.28	(\$344.61)
Enterprise Funds	\$242.38	\$261.47	\$19.09
General Fund	\$215,341.49	\$308,081.11	\$92,739.62
<b>Total</b>	<b>\$287,119,928.92</b>	<b>\$286,789,957.51</b>	<b>(\$329,971.41)</b>

# Portfolio Summary – Investment Pool

As of 9/30/2025

## Your Portfolio

Cash/LGIPs	\$74,072,351
Securities Book Value	\$210,618,231
Total Portfolio Book Value	\$284,690,582

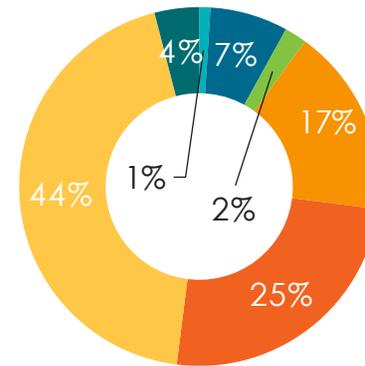
## Your Securities

Weighted Average Maturity	1.50 years
Weighted Average Yield	4.20%

## Interest Earnings:

Quarterly Interest Earned	\$3,179,662
Year-to-date Interest Earned	\$11,303,238

## Your Asset Allocation



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

## 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.