



City of Killeen

QUARTERLY INVESTMENT REPORT

For the Quarter Ended

June 30, 2021

Prepared by

Valley View Consulting, L.L.C.

The investment portfolio of the City of Killeen is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.

Jonathan Locke, Executive Director of Finance

Judith Tangalin, Controller

Disclaimer: These reports were compiled using information provided by the City. 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.

Summary

Quarter End Results by Investment Category:

Asset Type	March 31, 2021		June 30, 2021		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Demand Accounts	\$ 5,183,276	\$ 5,183,276	\$ 8,065,924	\$ 8,065,924	0.45%
Pools/MMA	27,155,934	27,155,934	29,419,783	29,419,783	0.13%
Securities/CDs	122,643,672	122,643,672	130,531,182	130,531,182	0.52%
Totals	\$ 154,982,881	\$ 154,982,881	\$ 168,016,888	\$ 168,016,888	0.45%

<u>Current Quarter Average Yield (1)</u>		<u>Fiscal Year-to-Date Average Yield (2)</u>	
Total Portfolio	0.45%	Total Portfolio	0.61%
Rolling Three Month Treasury	0.02%	Rolling Three Month Treasury	0.06%
Rolling Six Month Treasury	0.06%	Rolling Six Month Treasury	0.09%
TexPool	0.01%	TexPool	0.04%

	<u>Interest Earnings (Approximate)</u>	<u>Bank Fees Offset</u>
Quarterly	\$ 197,034	\$ 10,070
Year-to-date	\$ 717,899	\$ 29,734

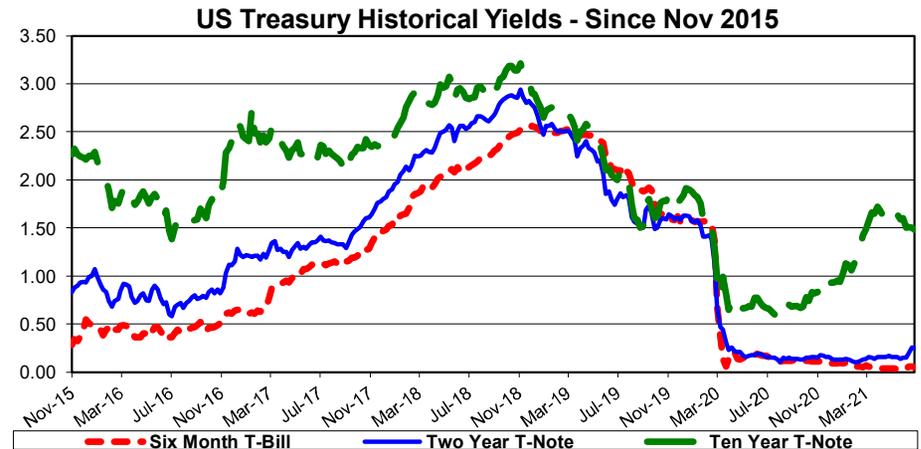
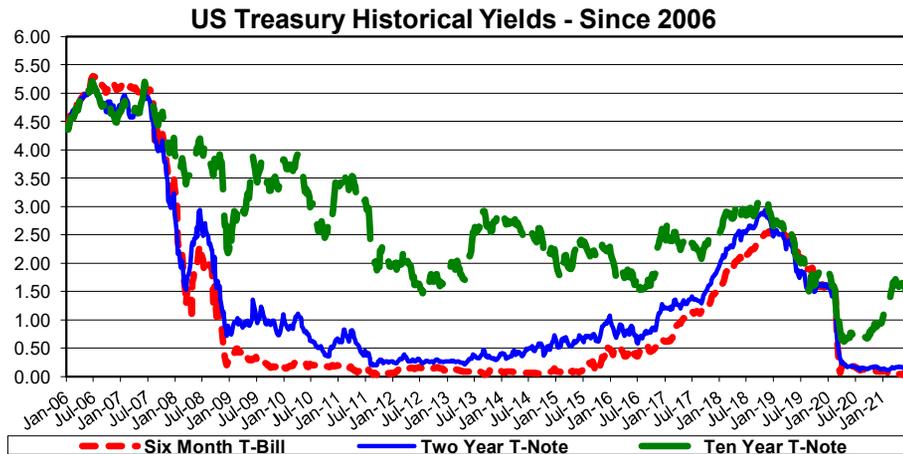
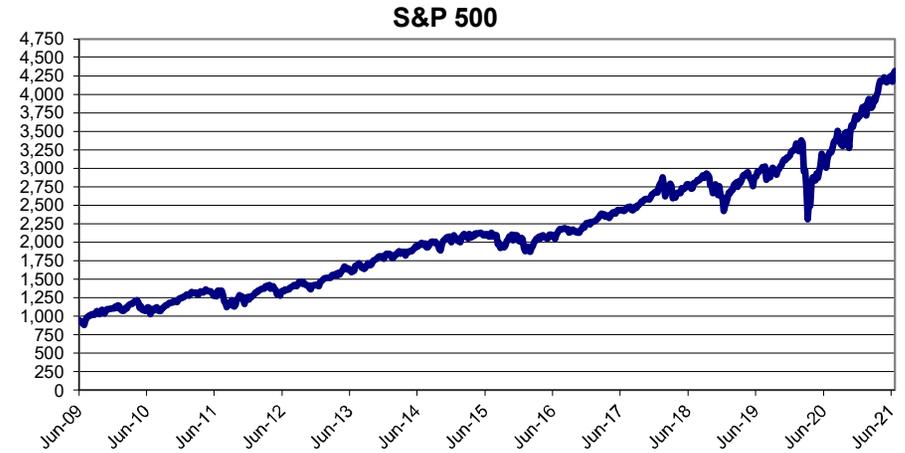
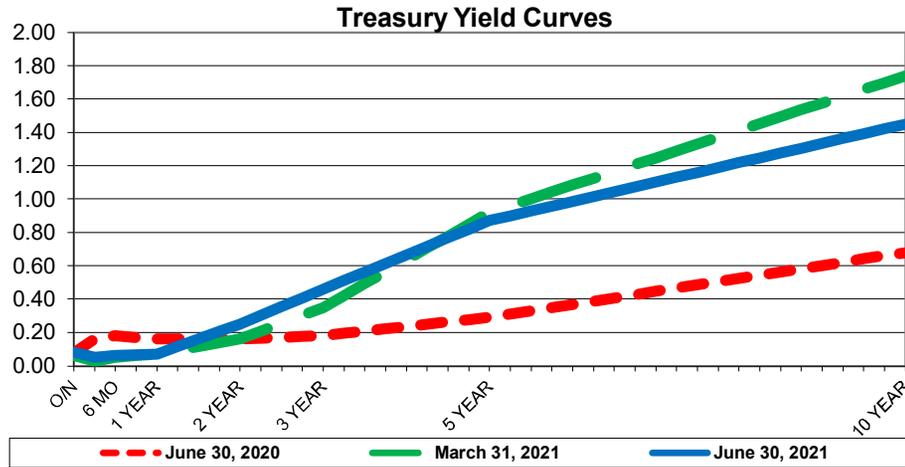
(1) **Current Quarter Weighted Average Yield** - calculated using quarter end report yields and adjusted book values; does not reflect a total return analysis, realized or unrealized gains/losses, or account for advisory fees. The yield for the reporting month is used for bank, pool, and money market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

(2) **Fiscal Year-to-Date Weighted 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

6/30/2021

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%), and projects that reduced rates could remain into 2023. First Quarter GDP posted +6.4% (Final). In June, Payrolls added 850k and Unemployment (U2) rose slightly to 5.9%. Crude oil traded up to +/- \$75 per barrel. The Stock Markets reached new highs. Housing, Industrial Production, Durable Goods, Consumer Spending, and other indicators moderated and showed signs of strain. The Biden administration and Congress continue to negotiate an infrastructure package. Inflation surged over the FOMC 2+% target, but is considered to be temporary. The Yield Curve "humped" slightly in the two-to-three year maturity sector while the long end fell.



Investment Holdings

June 30, 2021

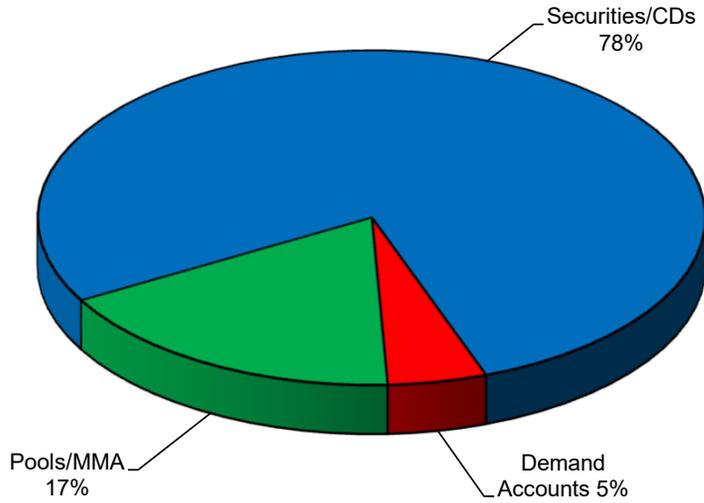
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
BBVA Demand Account (3)		0.45%	07/01/21	06/30/21	\$ 8,054,415	\$ 8,054,415	1.00	\$ 8,054,415	1	0.45%
Cash on Hand		0.00%	07/01/21	06/30/21	10,400	10,400	1.00	10,400	1	0.00%
Hometown Cash on Hand		0.00%	07/01/21	06/30/21	1,109	1,109	1.00	1,109	1	0.00%
BBVA MMA		0.00%	07/01/21	06/30/21	16,204,498	16,204,498	1.00	16,204,498	1	0.00%
Prosperity Bank MMA		0.06%	07/01/21	06/30/21	4,182,390	4,182,390	1.00	4,182,390	1	0.06%
Veritex Community Bank MMA		0.08%	07/01/21	06/30/21	126,232	126,232	1.00	126,232	1	0.08%
NexBank MMA		0.45%	07/01/21	06/30/21	7,587,026	7,587,026	1.00	7,587,026	1	0.45%
TexSTAR	AAAm	0.01%	07/01/21	06/30/21	1,319,638	1,319,638	1.00	1,319,638	1	0.01%
Bank OZK CD		0.50%	07/01/21	06/11/20	5,025,108	5,025,108	100.00	5,025,108	1	0.50%
Veritex Community Bank CD		1.67%	07/02/21	12/19/19	10,253,363	10,253,363	100.00	10,253,363	2	1.68%
Prosperity Bank CD		0.60%	08/02/21	07/03/20	5,022,554	5,022,554	100.00	5,022,554	33	0.60%
Bank OZK CD		0.50%	08/02/21	06/11/20	1,005,022	1,005,022	100.00	1,005,022	33	0.50%
East West Bank CD		1.71%	08/02/21	01/14/20	6,151,995	6,151,995	100.00	6,151,995	33	1.72%
East West Bank CD		1.70%	09/02/21	01/14/20	2,050,630	2,050,630	100.00	2,050,630	64	1.71%
East West Bank CD		0.24%	09/02/21	12/23/20	17,021,251	17,021,251	100.00	17,021,251	64	0.24%
East West Bank CD		0.26%	12/09/21	12/09/20	3,204,653	3,204,653	100.00	3,204,653	162	0.26%
Bank OZK CD		0.60%	01/04/22	05/12/20	3,019,620	3,019,620	100.00	3,019,620	188	0.60%
Central Nat'l Bank CD		1.66%	01/04/22	03/04/20	3,062,682	3,062,682	100.00	3,062,682	188	1.67%
Prosperity Bank CD		0.40%	03/01/22	08/11/20	2,507,487	2,507,487	100.00	2,507,487	244	0.40%
Prosperity Bank CD		0.40%	04/01/22	08/11/20	2,507,487	2,507,487	100.00	2,507,487	275	0.40%
Prosperity Bank CD		0.40%	05/03/22	09/01/20	1,002,995	1,002,995	100.00	1,002,995	307	0.40%
Prosperity Bank CD		0.40%	06/01/22	09/01/20	2,005,990	2,005,990	100.00	2,005,990	336	0.40%
Prosperity Bank CD		0.20%	06/01/22	04/08/21	2,000,669	2,000,669	100.00	2,000,669	336	0.20%
Bank OZK CD		0.25%	06/09/22	12/09/20	1,101,377	1,101,377	100.00	1,101,377	344	0.25%
Allegiance Bank CD		0.20%	06/09/22	12/09/20	6,206,185	6,206,185	100.00	6,206,185	344	0.20%
Prosperity Bank CD		0.40%	07/01/22	09/01/20	5,440,939	5,440,939	100.00	5,440,939	366	0.40%
Prosperity Bank CD		0.20%	07/01/22	04/08/21	4,001,337	4,001,337	100.00	4,001,337	366	0.20%
Veritex Community Bank CD		0.24%	07/01/22	2/5/2021	6,003,511	6,003,511	100.00	6,003,511	366	0.24%
Prosperity Bank CD		0.20%	08/01/22	3/3/2021	3,001,513	3,001,513	100.00	3,001,513	397	0.20%
Bank OZK CD		0.28%	08/01/22	12/02/20	6,008,412	6,008,412	100.00	6,008,412	397	0.28%
Veritex Community Bank CD		0.18%	08/02/22	12/23/20	3,002,693	3,002,693	100.00	3,002,693	398	0.18%
Veritex Community Bank CD		0.18%	09/01/22	12/23/20	5,004,489	5,004,489	100.00	5,004,489	428	0.18%
Veritex Community Bank CD		0.19%	09/30/22	12/23/20	5,004,738	5,004,738	100.00	5,004,738	457	0.19%
Bank OZK CD		0.28%	12/09/22	12/09/20	8,912,478	8,912,478	100.00	8,912,478	527	0.28%
Prosperity Bank CD		0.20%	01/04/23	04/08/21	6,002,006	6,002,006	100.00	6,002,006	553	0.20%
Prosperity Bank CD		0.20%	03/01/23	06/02/21	2,000,000	2,000,000	100.00	2,000,000	609	0.20%
Prosperity Bank CD		0.20%	04/03/23	06/02/21	2,000,000	2,000,000	100.00	2,000,000	642	0.20%
Veritex Community Bank CD		0.20%	05/01/23	06/02/21	1,000,000	1,000,000	100.00	1,000,000	670	0.20%
					\$168,016,888	\$ 168,016,888		\$168,016,888	207	0.45%
									(1)	(2)

(1) **Weighted average life** - For purposes of calculating weighted average life, cash equivalent investments are assumed to have a one day maturity.

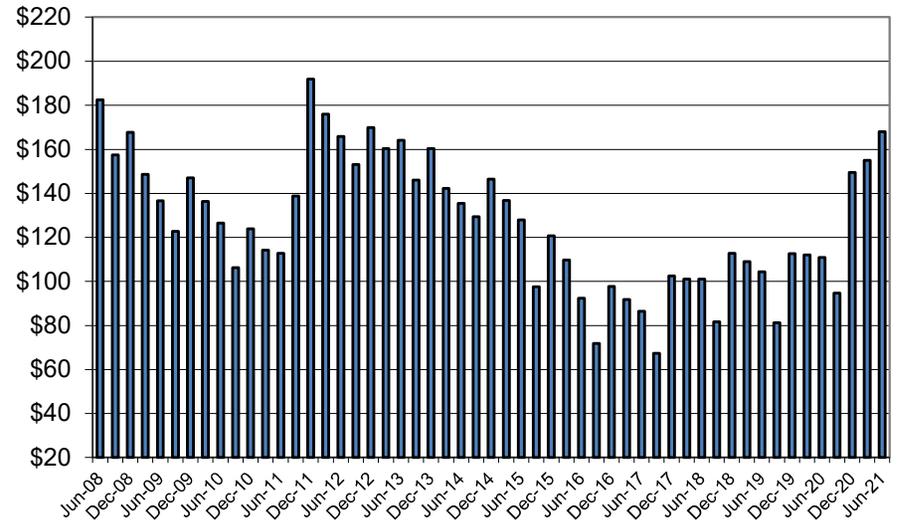
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for cash equivalent investments.

(3) **Bank Fees Offset Equivalent Yield** - Compensating balance in bank operating account yielded a blended equivalent investment yield as a result of Bank fees offset.

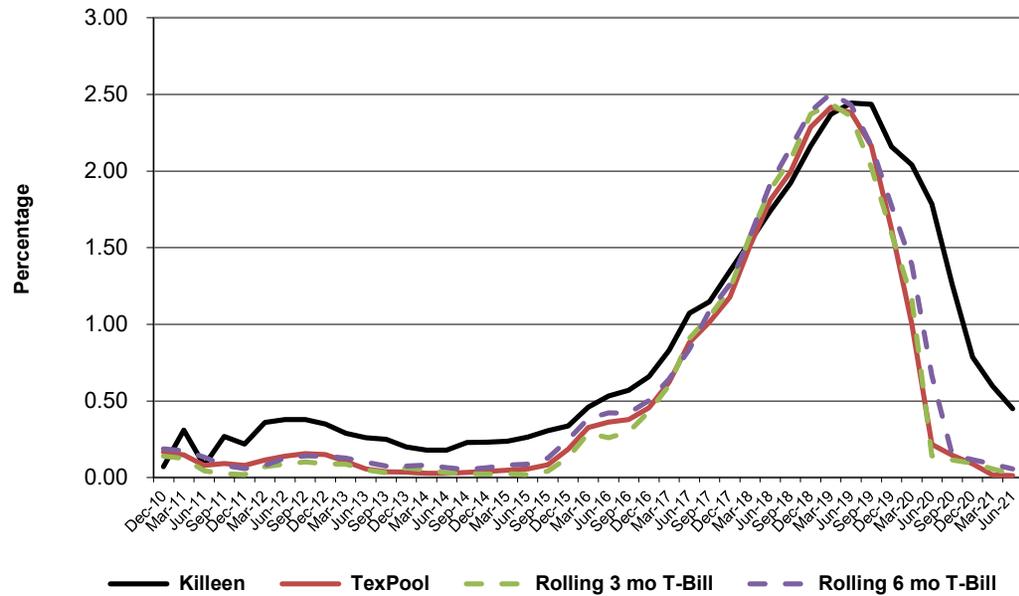
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 03/31/21	Increases	Decreases	Book Value 06/30/21	Market Value 03/31/21	Change in Market Value	Market Value 06/30/21
BBVA Demand Account	0.45%	07/01/21	\$ 5,171,767	\$ 2,882,648	\$ -	\$ 8,054,415	\$ 5,171,767	\$ 2,882,648	\$ 8,054,415
Cash on Hand	0.00%	07/01/21	10,400	-	-	10,400	10,400	-	10,400
Hometown Cash on Hand	0.00%	07/01/21	1,109	-	-	1,109	1,109	-	1,109
BBVA MMA	0.00%	07/01/21	11,280,563	4,923,935	-	16,204,498	11,280,563	4,923,935	16,204,498
Prosperity Bank MMA	0.06%	07/01/21	71,812	4,110,578	-	4,182,390	71,812	4,110,578	4,182,390
Veritex Community Bank MMA	0.08%	07/01/21	126,205	26	-	126,232	126,205	26	126,232
NexBank MMA	0.45%	07/01/21	7,578,520	8,506	-	7,587,026	7,578,520	8,506	7,587,026
TexSTAR	0.01%	07/01/21	8,098,834	-	(6,779,195)	1,319,638	8,098,834	(6,779,195)	1,319,638
BTH Bank CDARS	2.66%	04/08/21	2,106,646	-	(2,106,646)	-	2,106,646	(2,106,646)	-
East West Bank CD	1.70%	05/03/21	1,021,952	-	(1,021,952)	-	1,021,952	(1,021,952)	-
Central Nat'l Bank CD	2.42%	06/02/21	4,147,939	-	(4,147,939)	-	4,147,939	(4,147,939)	-
Prosperity Bank CD	0.25%	06/10/21	2,001,233	-	(2,001,233)	-	2,001,233	(2,001,233)	-
Bank OZK CD	0.50%	07/01/21	5,018,767	6,340	-	5,025,108	5,018,767	6,340	5,025,108
Veritex Community Bank CD	1.68%	07/02/21	10,210,384	42,979	-	10,253,363	10,210,384	42,979	10,253,363
Prosperity Bank CD	0.60%	08/02/21	5,015,135	7,420	-	5,022,554	5,015,135	7,420	5,022,554
Bank OZK CD	0.50%	08/02/21	1,003,753	1,268	-	1,005,022	1,003,753	1,268	1,005,022
East West Bank CD	1.72%	08/02/21	6,125,824	26,171	-	6,151,995	6,125,824	26,171	6,151,995
East West Bank CD	1.71%	09/02/21	2,041,924	8,706	-	2,050,630	2,041,924	8,706	2,050,630
East West Bank CD	0.24%	09/02/21	17,011,070	10,181	-	17,021,251	17,011,070	10,181	17,021,251
East West Bank CD	0.26%	12/09/21	3,202,577	2,077	-	3,204,653	3,202,577	2,077	3,204,653
Bank OZK CD	0.60%	01/04/22	3,015,051	4,570	-	3,019,620	3,015,051	4,570	3,019,620
Central Nat'l Bank CD	1.67%	01/04/22	3,049,959	12,723	-	3,062,682	3,049,959	12,723	3,062,682
Prosperity Bank CD	0.40%	03/01/22	2,505,044	2,443	-	2,507,487	2,505,044	2,443	2,507,487
Prosperity Bank CD	0.40%	04/01/22	2,505,044	2,443	-	2,507,487	2,505,044	2,443	2,507,487
Prosperity Bank CD	0.40%	05/03/22	1,001,985	1,010	-	1,002,995	1,001,985	1,010	1,002,995
Prosperity Bank CD	0.40%	06/01/22	2,003,969	2,020	-	2,005,990	2,003,969	2,020	2,005,990
Prosperity Bank CD	0.20%	06/01/22	-	2,000,669	-	2,000,669	-	2,000,669	2,000,669
Bank OZK CD	0.25%	06/09/22	1,100,681	697	-	1,101,377	1,100,681	697	1,101,377
Allegiance Bank CD	0.20%	06/09/22	6,203,058	3,127	-	6,206,185	6,203,058	3,127	6,206,185
Prosperity Bank CD	0.40%	07/01/22	5,435,459	5,480	-	5,440,939	5,435,459	5,480	5,440,939
Prosperity Bank CD	0.20%	07/01/22	-	4,001,337	-	4,001,337	-	4,001,337	4,001,337
Veritex Community Bank CD	0.24%	07/01/22	6,000,000	3,511	-	6,003,511	6,000,000	3,511	6,003,511
Prosperity Bank CD	0.20%	08/01/22	3,000,000	1,513	-	3,001,513	3,000,000	1,513	3,001,513
Bank OZK CD	0.28%	08/01/22	6,004,158	4,254	-	6,008,412	6,004,158	4,254	6,008,412
Veritex Community Bank CD	0.18%	08/02/22	3,001,332	1,362	-	3,002,693	3,001,332	1,362	3,002,693
Veritex Community Bank CD	0.18%	09/01/22	5,002,219	2,270	-	5,004,489	5,002,219	2,270	5,004,489
Veritex Community Bank CD	0.19%	09/30/22	5,002,342	2,396	-	5,004,738	5,002,342	2,396	5,004,738
Bank OZK CD	0.28%	12/09/22	8,906,168	6,309	-	8,912,478	8,906,168	6,309	8,912,478
Prosperity Bank CD	0.20%	01/04/23	-	6,002,006	-	6,002,006	-	6,002,006	6,002,006

Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 03/31/21	Increases	Decreases	Book Value 06/30/21	Market Value 03/31/21	Change in Market Value	Market Value 06/30/21
Prosperity Bank CD	0.20%	03/01/23	–	2,000,000	–	2,000,000	–	2,000,000	2,000,000
Prosperity Bank CD	0.20%	04/03/23	–	2,000,000	–	2,000,000	–	2,000,000	2,000,000
Veritex Community Bank CD	0.20%	05/01/23	–	1,000,000	–	1,000,000	–	1,000,000	1,000,000
TOTAL/AVERAGE	0.45%		\$ 154,982,881	\$ 29,090,973	\$ (16,056,965)	\$ 168,016,888	\$ 154,982,881	\$ 13,034,007	\$ 168,016,888

Allocation

June 30, 2021

Book & Market Value	Maturity Date	Total	Pooled Investments	General Fund	Special Revenue	Enterprise Funds	Employee Benefit Trust
BBVA Demand Account	07/01/21	\$ 8,054,415	\$ 7,821,600	\$ -	\$ 105,076	\$ 35	\$ 127,704
Cash on Hand	07/01/21	10,400	-	4,400	2,000	4,000	-
Hometown Cash on Hand	07/01/21	1,109	-	1,109	-	-	-
BBVA MMA	07/01/21	16,204,498	16,204,498	-	-	-	-
Prosperity Bank MMA	07/01/21	4,182,390	4,182,390	-	-	-	-
Veritex Community Bank MMA	07/01/21	126,232	126,232	-	-	-	-
NexBank MMA	07/01/21	7,587,026	7,587,026	-	-	-	-
TexSTAR	07/01/21	1,319,638	1,319,638	-	-	-	-
Bank OZK CD	07/01/21	5,025,108	5,025,108	-	-	-	-
Veritex Community Bank CD	07/02/21	10,253,363	10,253,363	-	-	-	-
Prosperity Bank CD	08/02/21	5,022,554	5,022,554	-	-	-	-
Bank OZK CD	08/02/21	1,005,022	1,005,022	-	-	-	-
East West Bank CD	08/02/21	6,151,995	6,151,995	-	-	-	-
East West Bank CD	09/02/21	2,050,630	2,050,630	-	-	-	-
East West Bank CD	09/02/21	17,021,251	17,021,251	-	-	-	-
East West Bank CD	12/09/21	3,204,653	3,204,653	-	-	-	-
Bank OZK CD	01/04/22	3,019,620	3,019,620	-	-	-	-
Central Nat'l Bank CD	01/04/22	3,062,682	3,062,682	-	-	-	-
Prosperity Bank CD	03/01/22	2,507,487	2,507,487	-	-	-	-
Prosperity Bank CD	04/01/22	2,507,487	2,507,487	-	-	-	-
Prosperity Bank CD	05/03/22	1,002,995	1,002,995	-	-	-	-
Prosperity Bank CD	06/01/22	2,005,990	2,005,990	-	-	-	-
Prosperity Bank CD	06/01/22	2,000,669	2,000,669	-	-	-	-
Bank OZK CD	06/09/22	1,101,377	1,101,377	-	-	-	-
Allegiance Bank CD	06/09/22	6,206,185	6,206,185	-	-	-	-
Prosperity Bank CD	07/01/22	5,440,939	5,440,939	-	-	-	-
Prosperity Bank CD	07/01/22	4,001,337	4,001,337	-	-	-	-
Veritex Community Bank CD	07/01/22	6,003,511	6,003,511	-	-	-	-
Prosperity Bank CD	08/01/22	3,001,513	3,001,513	-	-	-	-
Bank OZK CD	08/01/22	6,008,412	6,008,412	-	-	-	-
Veritex Community Bank CD	08/02/22	3,002,693	3,002,693	-	-	-	-
Veritex Community Bank CD	09/01/22	5,004,489	5,004,489	-	-	-	-
Veritex Community Bank CD	09/30/22	5,004,738	5,004,738	-	-	-	-
Bank OZK CD	12/09/22	8,912,478	8,912,478	-	-	-	-
Prosperity Bank CD	01/04/23	6,002,006	6,002,006	-	-	-	-
Prosperity Bank CD	03/01/23	2,000,000	2,000,000	-	-	-	-
Prosperity Bank CD	04/03/23	2,000,000	2,000,000	-	-	-	-
Veritex Community Bank CD	05/01/23	1,000,000	1,000,000	-	-	-	-
Totals		\$ 168,016,888	\$ 167,772,565	\$ 5,509	\$ 107,076	\$ 4,035	\$ 127,704

Allocation

March 31, 2021

Book & Market Value	Maturity Date	Total	Pooled Investments	General Fund	Special Revenue	Enterprise Funds	Employee Benefit Trust
BBVA Demand Account	04/01/21	\$ 5,171,767	\$ 4,945,806	\$ -	\$ 93,890	\$ 22	\$ 132,049
Cash on Hand	04/01/21	10,400	-	4,400	2,000	4,000	-
Hometown Cash on Hand	04/01/21	1,109	-	1,109	-	-	-
BBVA MMA	04/01/21	11,280,563	11,280,563	-	-	-	-
LegacyTexas MMA	04/01/21	71,812	71,812	-	-	-	-
Veritex Community Bank MMA	04/01/21	126,205	126,205	-	-	-	-
NexBank MMA	04/01/21	7,578,520	7,578,520	-	-	-	-
TexSTAR	04/01/21	8,098,834	8,098,834	-	-	-	-
BTH Bank CDARS	04/08/21	2,106,646	2,106,646	-	-	-	-
East West Bank CD	05/03/21	1,021,952	1,021,952	-	-	-	-
Central Nat'l Bank CD	06/02/21	4,147,939	4,147,939	-	-	-	-
Prosperity Bank CD	06/10/21	2,001,233	2,001,233	-	-	-	-
Bank OZK CD	07/01/21	5,018,767	5,018,767	-	-	-	-
Veritex Community Bank CD	07/02/21	10,210,384	10,210,384	-	-	-	-
Prosperity Bank CD	08/02/21	5,015,135	5,015,135	-	-	-	-
Bank OZK CD	08/02/21	1,003,753	1,003,753	-	-	-	-
East West Bank CD	08/02/21	6,125,824	6,125,824	-	-	-	-
East West Bank CD	09/02/21	2,041,924	2,041,924	-	-	-	-
East West Bank CD	09/02/21	17,011,070	17,011,070	-	-	-	-
East West Bank CD	12/09/21	3,202,577	3,202,577	-	-	-	-
Bank OZK CD	01/04/22	3,015,051	3,015,051	-	-	-	-
Central Nat'l Bank CD	01/04/22	3,049,959	3,049,959	-	-	-	-
Prosperity Bank CD	03/01/22	2,505,044	2,505,044	-	-	-	-
Prosperity Bank CD	04/01/22	2,505,044	2,505,044	-	-	-	-
Prosperity Bank CD	05/03/22	1,001,985	1,001,985	-	-	-	-
Prosperity Bank CD	06/01/22	2,003,969	2,003,969	-	-	-	-
Allegiance Bank CD	06/09/22	6,203,058	6,203,058	-	-	-	-
Bank OZK CD	06/09/22	1,100,681	1,100,681	-	-	-	-
Prosperity Bank CD	07/01/22	5,435,459	5,435,459	-	-	-	-
Veritex Community Bank CD	07/01/22	6,000,000	6,000,000	-	-	-	-
Prosperity Bank CD	08/01/22	3,000,000	3,000,000	-	-	-	-
Bank OZK CD	08/01/22	6,004,158	6,004,158	-	-	-	-
Veritex Community Bank CD	08/02/22	3,001,332	3,001,332	-	-	-	-
Veritex Community Bank CD	09/01/22	5,002,219	5,002,219	-	-	-	-
Veritex Community Bank CD	09/30/22	5,002,342	5,002,342	-	-	-	-
Bank OZK CD	12/09/22	8,906,168	8,906,168	-	-	-	-
Totals		\$ 154,982,881	\$ 154,745,411	\$ 5,509	\$ 95,890	\$ 4,022	\$ 132,049