



City of Killeen

QUARTERLY INVESTMENT REPORT

For the Quarter Ended

December 31, 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	September 30, 2021		December 31, 2021		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Demand Accounts	\$ 3,746,223	\$ 3,746,223	\$ 4,805,239	\$ 4,805,239	0.67%
Pools/MMA	22,189,612	22,189,612	43,164,796	43,164,796	0.10%
Securities/CDs	115,368,432	115,368,432	112,244,464	112,244,464	0.30%
Totals	\$ 141,304,268	\$ 141,304,268	\$ 160,214,499	\$ 160,214,499	0.26%

<u>Current Quarter Average Yield (1)</u>		<u>Fiscal Year-to-Date Average Yield (2)</u>	
Total Portfolio	0.26%	Total Portfolio	0.26%
Rolling Three Month Treasury	0.06%	Rolling Three Month Treasury	0.06%
Rolling Six Month Treasury	0.08%	Rolling Six Month Treasury	0.08%
TexPool	0.04%	TexPool	0.04%
		Interest Earnings (Approximate)	Bank Fees Offset
Quarterly	\$ 95,652	\$ 11,033	
Year-to-date	\$ 95,652	\$ 11,033	

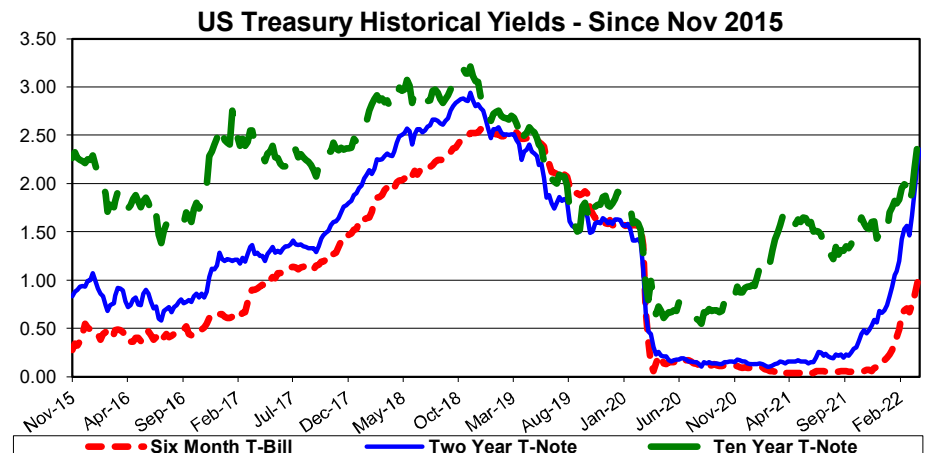
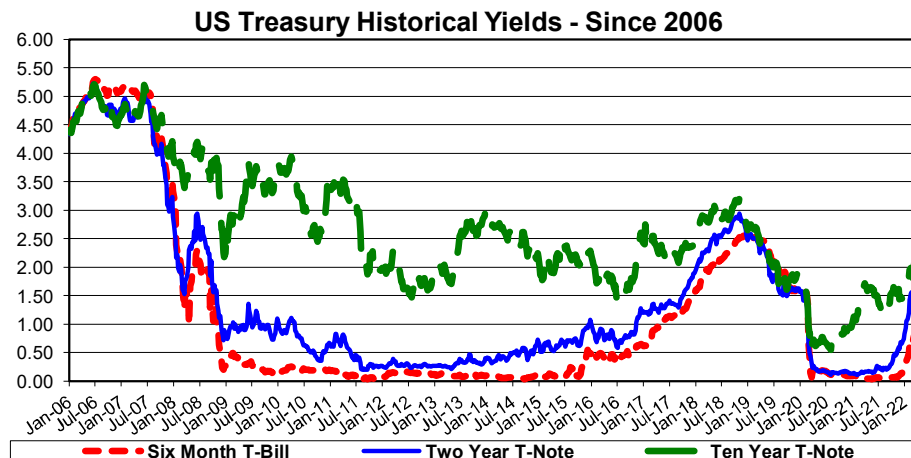
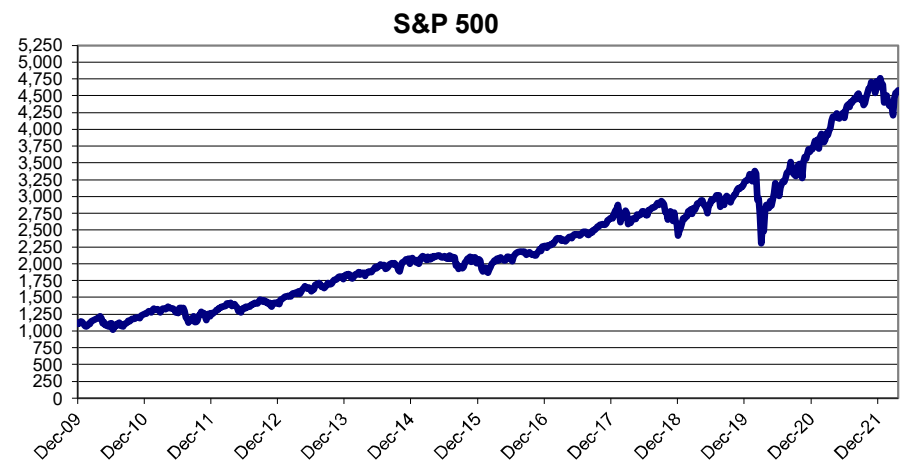
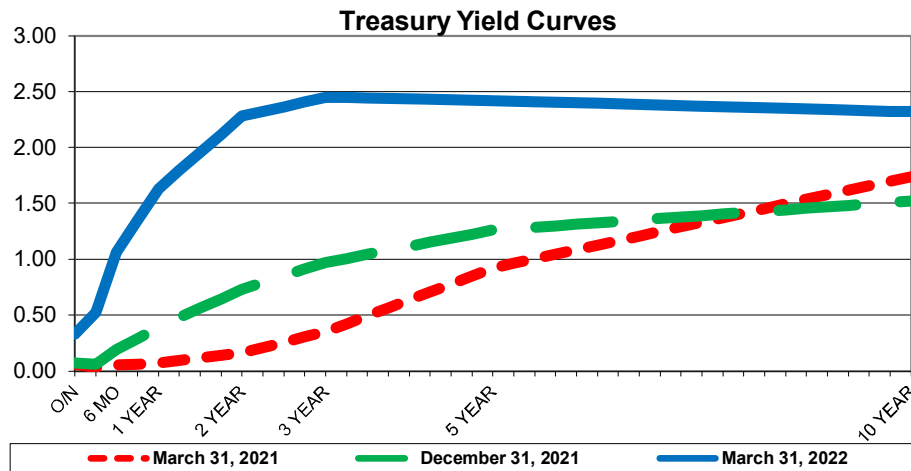
(1) **Current Quarter Weighted Average Yield** - calculated using quarter end report yields and adjusted book values; does not reflect a total return analysis, realized or unrealized gains/losses, or account for advisory fees. The yield for the reporting month is used for bank, pool, and money market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

3/31/2022

The Federal Open Market Committee (FOMC) **raised** the Fed Funds target range to 0.25% to 0.50% (Effective Fed Funds are trading +/-0.30%). The FOMC ended monthly security purchases and may begin reducing their balance sheet. The market projection 4 to 6 more increases this calendar year. Final Fourth Quarter GDP recorded +6.9%. March Non-Farm Payroll missed estimates adding 431k net new jobs. Decreasing the Three Month Average NFP to 562k. Crude oil declined to +/- \$100 per barrel. The Stock Markets have recovered from the "correction" and slowly regained some lost ground. Some domestic economic indicators, including housing, softened. Inflation remained well over the FOMC 2% target (Core PCE +/-5.4%). The FOMC Fed Funds target projections pushed the yield curve to a Three Year Maturity peak.



Investment Holdings
December 31, 2021

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
BBVA Demand Account (3)		0.67%	01/01/22	12/31/21	\$ 4,795,650	\$ 4,795,650	1.00	\$ 4,795,650	1	0.67%
Cash on Hand		0.00%	01/01/22	12/31/21	8,590	8,590	1.00	8,590	1	0.00%
Hometown Cash on Hand		0.00%	01/01/22	12/31/21	1,000	1,000	1.00	1,000	1	0.00%
Bank of America		0.00%	01/01/22	12/31/21	126,000	126,000	1.00	126,000	1	0.00%
BBVA MMA		0.01%	01/01/22	12/31/21	1,446,725	1,446,725	1.00	1,446,725	1	0.01%
Prosperity Bank MMA		0.09%	01/01/22	12/31/21	3,391,923	3,391,923	1.00	3,391,923	1	0.09%
Veritex Community Bank MMA		0.10%	01/01/22	12/31/21	8,128,986	8,128,986	1.00	8,128,986	1	0.10%
NexBank MMA		0.40%	01/01/22	12/31/21	7,602,337	7,602,337	1.00	7,602,337	1	0.40%
TexSTAR	AAAm	0.01%	01/01/22	12/31/21	22,468,825	22,468,825	1.00	22,468,825	1	0.01%
Bank OZK CD		0.60%	01/04/22	05/12/20	3,028,730	3,028,730	100.00	3,028,730	4	0.60%
Central Nat'l Bank CD		1.66%	01/04/22	03/04/20	3,088,148	3,088,148	100.00	3,088,148	4	1.67%
Prosperity Bank CD		0.40%	03/01/22	08/11/20	2,512,546	2,512,546	100.00	2,512,546	60	0.40%
Prosperity Bank CD		0.40%	04/01/22	08/11/20	2,512,546	2,512,546	100.00	2,512,546	91	0.40%
Prosperity Bank CD		0.40%	05/03/22	09/01/20	1,005,007	1,005,007	100.00	1,005,007	123	0.40%
Prosperity Bank CD		0.40%	06/01/22	09/01/20	2,010,015	2,010,015	100.00	2,010,015	152	0.40%
Prosperity Bank CD		0.20%	06/01/22	04/08/21	2,002,676	2,002,676	100.00	2,002,676	152	0.20%
Bank OZK CD		0.25%	06/09/22	12/09/20	1,102,764	1,102,764	100.00	1,102,764	160	0.25%
Allegiance Bank CD		0.20%	06/09/22	12/09/20	6,212,409	6,212,409	100.00	6,212,409	160	0.20%
Prosperity Bank CD		0.40%	07/01/22	09/01/20	5,451,856	5,451,856	100.00	5,451,856	182	0.40%
Prosperity Bank CD		0.20%	07/01/22	04/08/21	4,005,351	4,005,351	100.00	4,005,351	182	0.20%
Veritex Community Bank CD		0.24%	07/01/22	2/5/2021	6,010,777	6,010,777	100.00	6,010,777	182	0.24%
Prosperity Bank CD		0.20%	08/01/22	3/3/2021	3,004,524	3,004,524	100.00	3,004,524	213	0.20%
Bank OZK CD		0.28%	08/01/22	12/02/20	6,016,882	6,016,882	100.00	6,016,882	213	0.28%
Veritex Community Bank CD		0.18%	08/02/22	12/23/20	3,005,404	3,005,404	100.00	3,005,404	214	0.18%
Veritex Community Bank CD		0.18%	09/01/22	12/23/20	5,009,006	5,009,006	100.00	5,009,006	244	0.18%
Veritex Community Bank CD		0.19%	09/30/22	12/23/20	5,009,507	5,009,507	100.00	5,009,507	273	0.19%
Bank OZK CD		0.28%	12/09/22	12/09/20	8,925,041	8,925,041	100.00	8,925,041	343	0.28%
Prosperity Bank CD		0.20%	01/04/23	04/08/21	6,008,027	6,008,027	100.00	6,008,027	369	0.20%
Prosperity Bank CD		0.20%	03/01/23	06/02/21	2,002,006	2,002,006	100.00	2,002,006	425	0.20%
Prosperity Bank CD		0.20%	04/03/23	06/02/21	2,002,006	2,002,006	100.00	2,002,006	458	0.20%
Veritex Community Bank CD		0.20%	05/01/23	06/02/21	1,001,003	1,001,003	100.00	1,001,003	486	0.20%
Veritex Community Bank CD		0.24%	06/01/23	08/02/21	5,003,025	5,003,025	100.00	5,003,025	517	0.24%
Veritex Community Bank CD		0.20%	06/01/23	09/03/21	2,000,997	2,000,997	100.00	2,000,997	517	0.20%
Veritex Community Bank CD		0.25%	07/03/23	08/02/21	9,305,860	9,305,860	100.00	9,305,860	549	0.25%
Veritex Community Bank CD		0.21%	07/03/23	09/03/21	5,002,618	5,002,618	100.00	5,002,618	549	0.21%
Veritex Community Bank CD		0.21%	08/01/23	09/03/21	5,002,618	5,002,618	100.00	5,002,618	578	0.21%

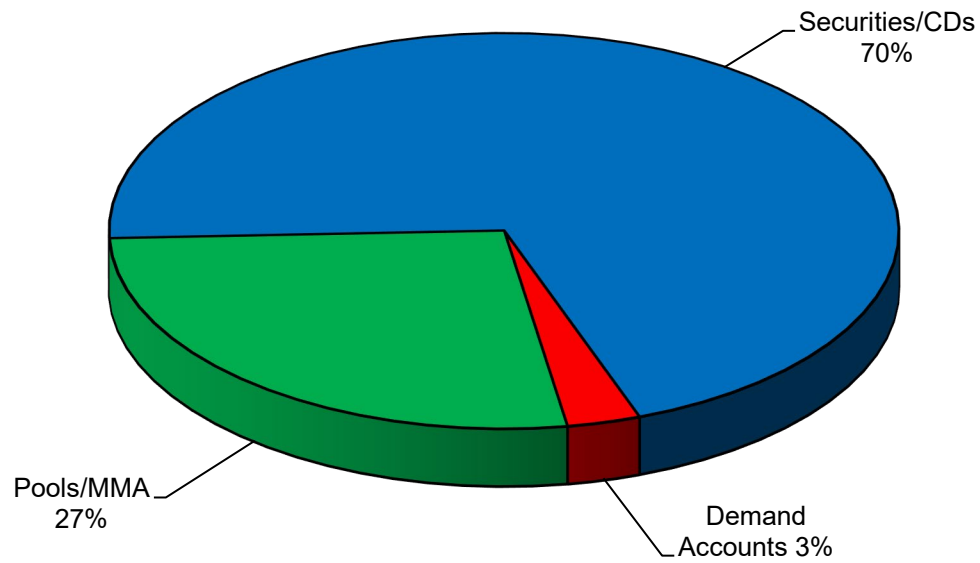
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Veritex Community Bank CD		0.25%	09/01/23	09/03/21	5,003,116	5,003,116	100.00	5,003,116	609	0.25%
					<u>\$160,214,499</u>	<u>\$ 160,214,499</u>		<u>\$160,214,499</u>	<u>220</u>	<u>0.26%</u>
									(1)	(2)

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

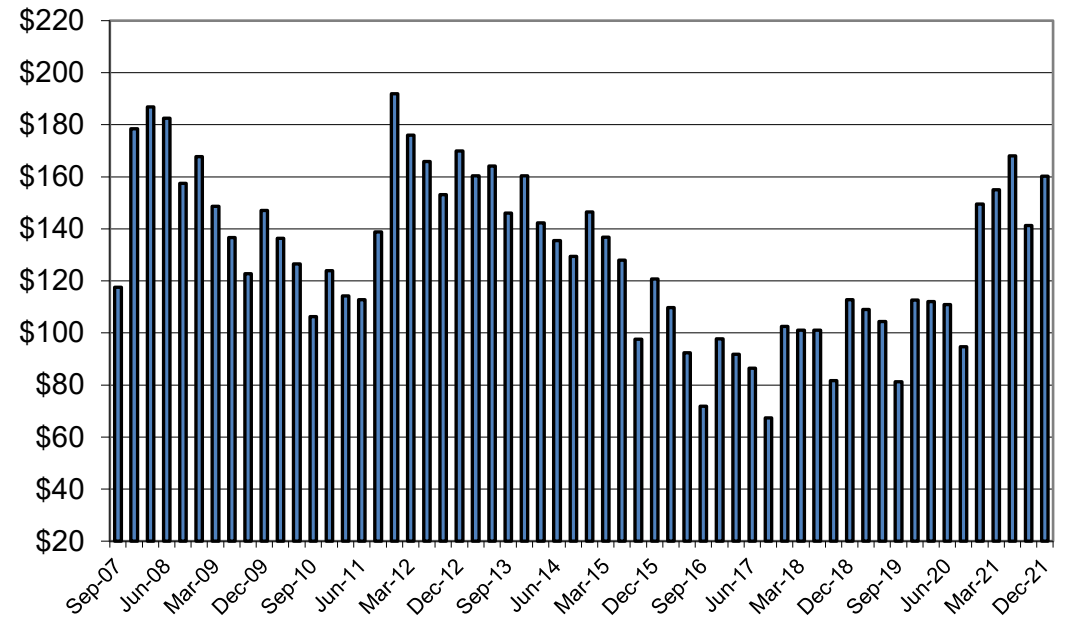
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for cash equivalent investments.

(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.

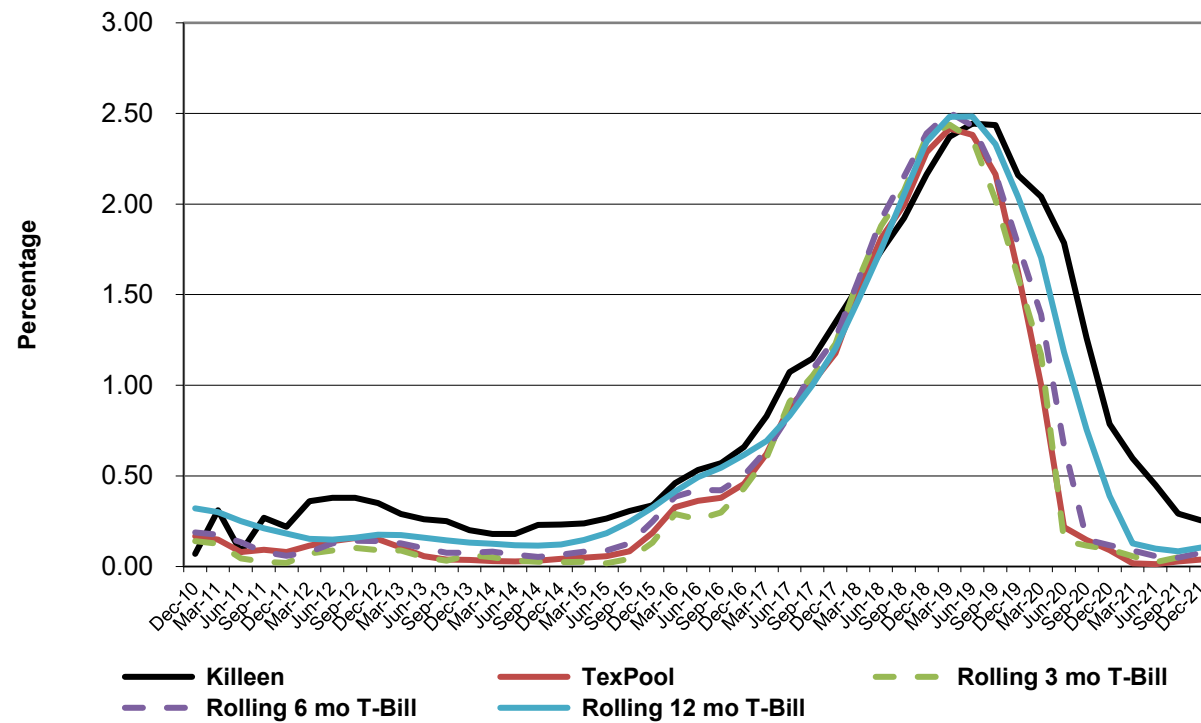
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 09/30/21	Increases	Decreases	Book Value 12/31/21	Market Value 09/30/21	Change in Market Value	Market Value 12/31/21
BBVA Demand Account	0.67%	01/01/22	\$ 3,734,714	\$ 1,060,935	\$ —	\$ 4,795,650	\$ 3,734,714	\$ 1,060,935	\$ 4,795,650
Cash on Hand	0.00%	01/01/22	10,400	—	(1,810)	8,590	10,400	(1,810)	8,590
Hometown Cash on Hand	0.00%	01/01/22	1,109	—	(109)	1,000	1,109	(109)	1,000
Bank of America	0.00%	01/01/22	—	126,000	—	126,000	—	126,000	126,000
BBVA MMA	0.01%	01/01/22	1,446,676	48	—	1,446,725	1,446,676	48	1,446,725
Prosperity Bank MMA	0.09%	01/01/22	4,183,140	—	(791,218)	3,391,923	4,183,140	(791,218)	3,391,923
Veritex Community Bank MMA	0.10%	01/01/22	8,126,993	1,993	—	8,128,986	8,126,993	1,993	8,128,986
NexBank MMA	0.40%	01/01/22	7,594,678	7,660	—	7,602,337	7,594,678	7,660	7,602,337
TexSTAR	0.01%	01/01/22	838,124	21,630,701	—	22,468,825	838,124	21,630,701	22,468,825
East West Bank CD	0.26%	12/09/21	3,206,754	—	(3,206,754)	—	3,206,754	(3,206,754)	—
Bank OZK CD	0.60%	01/04/22	3,024,197	4,533	—	3,028,730	3,024,197	4,533	3,028,730
Central Nat'l Bank CD	1.67%	01/04/22	3,075,458	12,690	—	3,088,148	3,075,458	12,690	3,088,148
Prosperity Bank CD	0.40%	03/01/22	2,510,015	2,531	—	2,512,546	2,510,015	2,531	2,512,546
Prosperity Bank CD	0.40%	04/01/22	2,510,015	2,531	—	2,512,546	2,510,015	2,531	2,512,546
Prosperity Bank CD	0.40%	05/03/22	1,004,006	1,001	—	1,005,007	1,004,006	1,001	1,005,007
Prosperity Bank CD	0.40%	06/01/22	2,008,012	2,003	—	2,010,015	2,008,012	2,003	2,010,015
Prosperity Bank CD	0.20%	06/01/22	2,001,677	998	—	2,002,676	2,001,677	998	2,002,676
Bank OZK CD	0.25%	06/09/22	1,102,074	690	—	1,102,764	1,102,074	690	1,102,764
Allegiance Bank CD	0.20%	06/09/22	6,209,313	3,096	—	6,212,409	6,209,313	3,096	6,212,409
Prosperity Bank CD	0.40%	07/01/22	5,446,425	5,432	—	5,451,856	5,446,425	5,432	5,451,856
Prosperity Bank CD	0.20%	07/01/22	4,003,355	1,996	—	4,005,351	4,003,355	1,996	4,005,351
Veritex Community Bank CD	0.24%	07/01/22	6,007,143	3,634	—	6,010,777	6,007,143	3,634	6,010,777
Prosperity Bank CD	0.20%	08/01/22	3,003,026	1,498	—	3,004,524	3,003,026	1,498	3,004,524
Bank OZK CD	0.28%	08/01/22	6,012,668	4,213	—	6,016,882	6,012,668	4,213	6,016,882
Veritex Community Bank CD	0.18%	08/02/22	3,004,056	1,348	—	3,005,404	3,004,056	1,348	3,005,404
Veritex Community Bank CD	0.18%	09/01/22	5,006,759	2,247	—	5,009,006	5,006,759	2,247	5,009,006
Veritex Community Bank CD	0.19%	09/30/22	5,007,135	2,372	—	5,009,507	5,007,135	2,372	5,009,507
Bank OZK CD	0.28%	12/09/22	8,918,791	6,250	—	8,925,041	8,918,791	6,250	8,925,041
Prosperity Bank CD	0.20%	01/04/23	6,005,032	2,995	—	6,008,027	6,005,032	2,995	6,008,027
Prosperity Bank CD	0.20%	03/01/23	2,001,008	998	—	2,002,006	2,001,008	998	2,002,006
Prosperity Bank CD	0.20%	04/03/23	2,001,008	998	—	2,002,006	2,001,008	998	2,002,006
Veritex Community Bank CD	0.20%	05/01/23	1,000,504	499	—	1,001,003	1,000,504	499	1,001,003
Veritex Community Bank CD	0.24%	06/01/23	5,000,000	3,025	—	5,003,025	5,000,000	3,025	5,003,025
Veritex Community Bank CD	0.20%	06/01/23	2,000,000	997	—	2,000,997	2,000,000	997	2,000,997
Veritex Community Bank CD	0.25%	07/03/23	9,300,000	5,860	—	9,305,860	9,300,000	5,860	9,305,860
Veritex Community Bank CD	0.21%	07/03/23	5,000,000	2,618	—	5,002,618	5,000,000	2,618	5,002,618
Veritex Community Bank CD	0.21%	08/01/23	5,000,000	2,618	—	5,002,618	5,000,000	2,618	5,002,618
Veritex Community Bank CD	0.25%	09/01/23	5,000,000	3,116	—	5,003,116	5,000,000	3,116	5,003,116
TOTAL/AVERAGE	0.26%		\$ 141,304,268	\$ 22,910,122	\$ (3,999,891)	\$ 160,214,499	\$ 141,304,268	\$ 18,910,231	\$ 160,214,499

Allocation

December 31, 2021

Book & Market Value	Maturity Date	Total	Pooled Investments	General Fund	Special Revenue	Internal Services Fund	Enterprise Funds	Employee Benefit Trust
BBVA Demand Account	01/01/22	\$ 4,795,650	\$ 4,568,002	\$ —	\$ 88,470	\$ —	\$ 35	\$ 139,142
Cash on Hand	01/01/22	8,590	—	4,598	—	—	3,992	—
Hometown Cash on Hand	01/01/22	1,000	—	1,000	—	—	—	—
Bank of America	01/01/22	126,000	—	—	—	126,000	—	—
BBVA MMA	01/01/22	1,446,725	1,446,725	—	—	—	—	—
Prosperity Bank MMA	01/01/22	3,391,923	3,391,923	—	—	—	—	—
Veritex Community Bank MMA	01/01/22	8,128,986	8,128,986	—	—	—	—	—
NexBank MMA	01/01/22	7,602,337	7,602,337	—	—	—	—	—
TexSTAR	01/01/22	22,468,825	22,468,825	—	—	—	—	—
Bank OZK CD	01/04/22	3,028,730	3,028,730	—	—	—	—	—
Central Nat'l Bank CD	01/04/22	3,088,148	3,088,148	—	—	—	—	—
Prosperity Bank CD	03/01/22	2,512,546	2,512,546	—	—	—	—	—
Prosperity Bank CD	04/01/22	2,512,546	2,512,546	—	—	—	—	—
Prosperity Bank CD	05/03/22	1,005,007	1,005,007	—	—	—	—	—
Prosperity Bank CD	06/01/22	2,010,015	2,010,015	—	—	—	—	—
Prosperity Bank CD	06/01/22	2,002,676	2,002,676	—	—	—	—	—
Bank OZK CD	06/09/22	1,102,764	1,102,764	—	—	—	—	—
Allegiance Bank CD	06/09/22	6,212,409	6,212,409	—	—	—	—	—
Prosperity Bank CD	07/01/22	5,451,856	5,451,856	—	—	—	—	—
Prosperity Bank CD	07/01/22	4,005,351	4,005,351	—	—	—	—	—
Veritex Community Bank CD	07/01/22	6,010,777	6,010,777	—	—	—	—	—
Prosperity Bank CD	08/01/22	3,004,524	3,004,524	—	—	—	—	—
Bank OZK CD	08/01/22	6,016,882	6,016,882	—	—	—	—	—
Veritex Community Bank CD	08/02/22	3,005,404	3,005,404	—	—	—	—	—
Veritex Community Bank CD	09/01/22	5,009,006	5,009,006	—	—	—	—	—
Veritex Community Bank CD	09/30/22	5,009,507	5,009,507	—	—	—	—	—
Bank OZK CD	12/09/22	8,925,041	8,925,041	—	—	—	—	—
Prosperity Bank CD	01/04/23	6,008,027	6,008,027	—	—	—	—	—
Prosperity Bank CD	03/01/23	2,002,006	2,002,006	—	—	—	—	—
Prosperity Bank CD	04/03/23	2,002,006	2,002,006	—	—	—	—	—
Veritex Community Bank CD	05/01/23	1,001,003	1,001,003	—	—	—	—	—
Veritex Community Bank CD	06/01/23	5,003,025	5,003,025	—	—	—	—	—
Veritex Community Bank CD	06/01/23	2,000,997	2,000,997	—	—	—	—	—
Veritex Community Bank CD	07/03/23	9,305,860	9,305,860	—	—	—	—	—
Veritex Community Bank CD	07/03/23	5,002,618	5,002,618	—	—	—	—	—
Veritex Community Bank CD	08/01/23	5,002,618	5,002,618	—	—	—	—	—
Veritex Community Bank CD	09/01/23	5,003,116	5,003,116	—	—	—	—	—
Totals		\$ 160,214,499	\$ 159,851,262	\$ 5,598	\$ 88,470	\$ 126,000	\$ 4,027	\$ 139,142

Allocation

September 30, 2021

Book & Market Value	Maturity Date	Total	Pooled Investments	General Fund	Special Revenue	Enterprise Funds	Employee Benefit Trust
BBVA Demand Account	10/01/21	\$ 3,734,714	\$ 3,541,969	\$ —	\$ 72,205	\$ 35	\$ 120,506
Cash on Hand	10/01/21	10,400	—	4,400	2,000	4,000	—
Hometown Cash on Hand	10/01/21	1,109	—	1,109	—	—	—
BBVA MMA	10/01/21	1,446,676	1,446,676	—	—	—	—
Prosperity Bank MMA	10/01/21	4,183,140	4,183,140	—	—	—	—
Veritex Community Bank MMA	10/01/21	8,126,993	8,126,993	—	—	—	—
NexBank MMA	10/01/21	7,594,678	7,594,678	—	—	—	—
TexSTAR	10/01/21	838,124	838,124	—	—	—	—
East West Bank CD	12/09/21	3,206,754	3,206,754	—	—	—	—
Bank OZK CD	01/04/22	3,024,197	3,024,197	—	—	—	—
Central Nat'l Bank CD	01/04/22	3,075,458	3,075,458	—	—	—	—
Prosperity Bank CD	03/01/22	2,510,015	2,510,015	—	—	—	—
Prosperity Bank CD	04/01/22	2,510,015	2,510,015	—	—	—	—
Prosperity Bank CD	05/03/22	1,004,006	1,004,006	—	—	—	—
Prosperity Bank CD	06/01/22	2,008,012	2,008,012	—	—	—	—
Prosperity Bank CD	06/01/22	2,001,677	2,001,677	—	—	—	—
Bank OZK CD	06/09/22	1,102,074	1,102,074	—	—	—	—
Allegiance Bank CD	06/09/22	6,209,313	6,209,313	—	—	—	—
Prosperity Bank CD	07/01/22	5,446,425	5,446,425	—	—	—	—
Prosperity Bank CD	07/01/22	4,003,355	4,003,355	—	—	—	—
Veritex Community Bank CD	07/01/22	6,007,143	6,007,143	—	—	—	—
Prosperity Bank CD	08/01/22	3,003,026	3,003,026	—	—	—	—
Bank OZK CD	08/01/22	6,012,668	6,012,668	—	—	—	—
Veritex Community Bank CD	08/02/22	3,004,056	3,004,056	—	—	—	—
Veritex Community Bank CD	09/01/22	5,006,759	5,006,759	—	—	—	—
Veritex Community Bank CD	09/30/22	5,007,135	5,007,135	—	—	—	—
Bank OZK CD	12/09/22	8,918,791	8,918,791	—	—	—	—
Prosperity Bank CD	01/04/23	6,005,032	6,005,032	—	—	—	—
Prosperity Bank CD	03/01/23	2,001,008	2,001,008	—	—	—	—
Prosperity Bank CD	04/03/23	2,001,008	2,001,008	—	—	—	—
Veritex Community Bank CD	05/01/23	1,000,504	1,000,504	—	—	—	—
Veritex Community Bank CD	06/01/23	5,000,000	5,000,000	—	—	—	—
Veritex Community Bank CD	06/01/23	2,000,000	2,000,000	—	—	—	—
Veritex Community Bank CD	07/03/23	9,300,000	9,300,000	—	—	—	—
Veritex Community Bank CD	07/03/23	5,000,000	5,000,000	—	—	—	—
Veritex Community Bank CD	08/01/23	5,000,000	5,000,000	—	—	—	—
Veritex Community Bank CD	09/01/23	5,000,000	5,000,000	—	—	—	—
Totals		\$ 141,304,268	\$ 141,100,013	\$ 5,509	\$ 74,205	\$ 4,035	\$ 120,506