



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 Keller is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.



Director of Administrative Services/Finance -
Investment Officer




City Manager



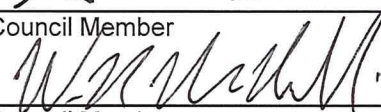
Assistant Director of Finance - Investment Officer



Mayor



Council Member



Council Member

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		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Demand Accounts	0.28%	\$ 222,631	\$ 222,631	0.26%	\$ 1,717,854	\$ 1,717,854
NOW/MMA/MMF/Pools	0.13%	89,356,623	89,356,623	0.13%	83,054,628	83,054,628
Securities/CDs	0.97%	40,232,012	40,232,012	0.65%	44,920,716	44,920,716
Totals	0.39%	\$ 129,811,267	\$ 129,811,267	0.31%	\$ 129,693,198	\$ 129,693,198

Average Yield - Current Quarter (1)

Total Portfolio	0.31%
Rolling Three Month Treasury	0.02%
Rolling Six Month Treasury	0.06%
TexPool	0.01%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	0.40%
Rolling Three Month Treasury	0.06%
Rolling Six Month Treasury	0.09%
TexPool	0.04%

Interest Income (Approximate)

Quarterly Interest Income	\$ 77,747
Fiscal Year-to-date Interest Income	\$ 392,326

Bank Fee Offset

Current Quarter Bank Fee Offset	\$ 692
Year-to-Date Bank Fee Offset	\$ 2,493

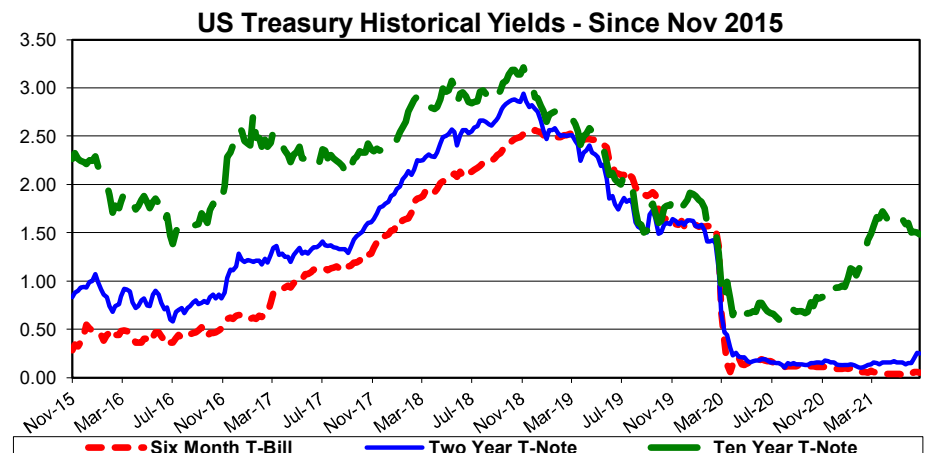
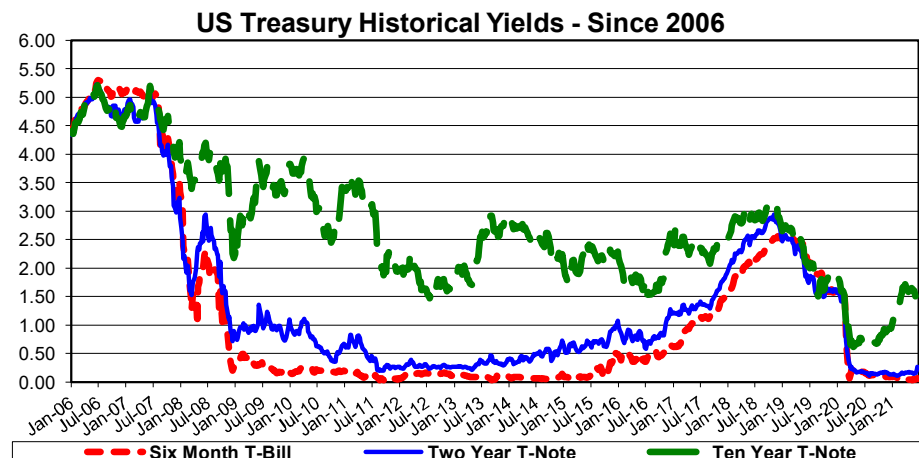
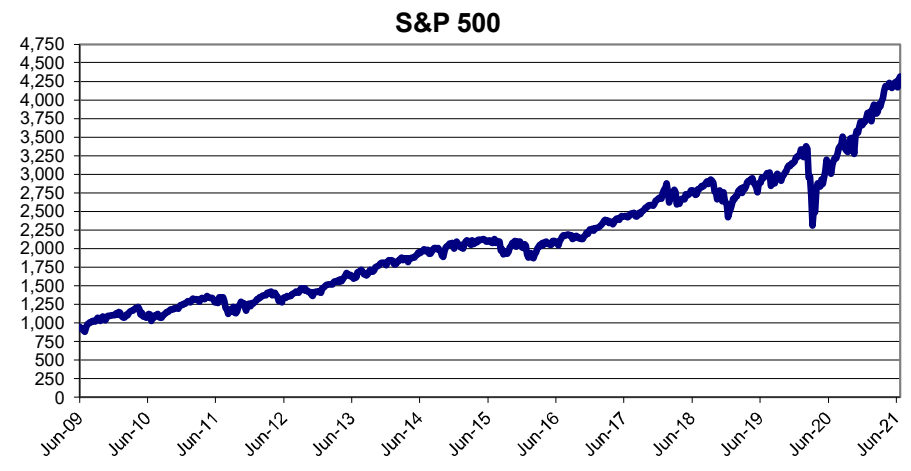
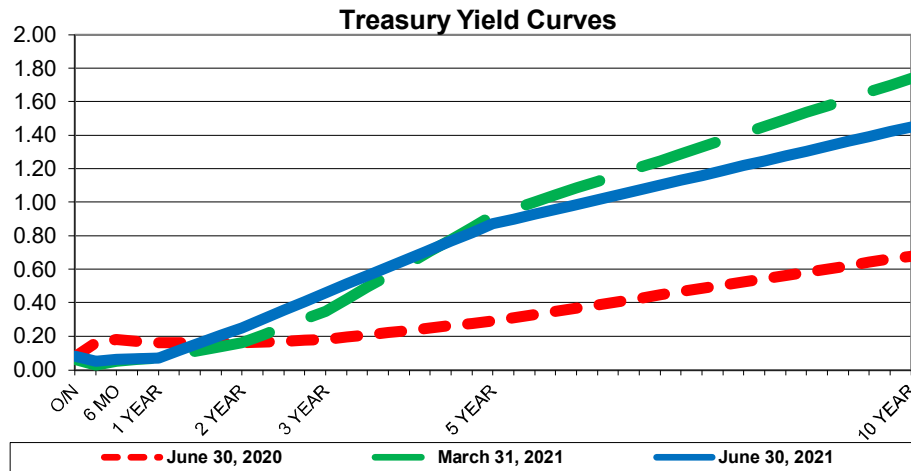
(1) **Average Yield - Current Quarter** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

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

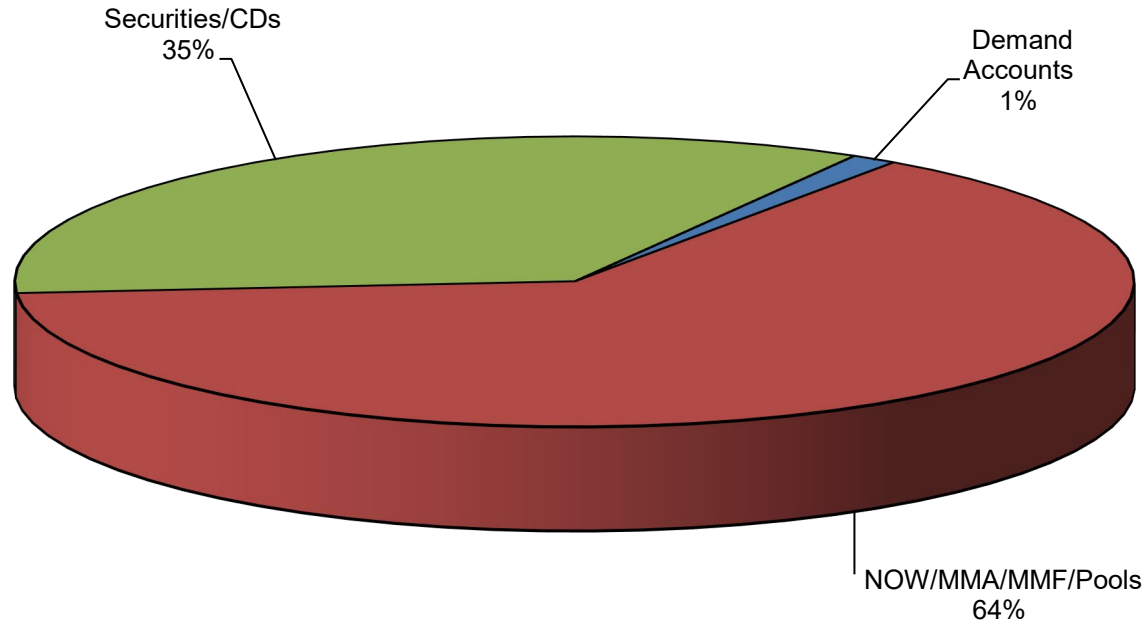
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Face Amount/ Par Value	Book Value	Market Price	Market Value	Life (Day)	Yield
Frost DDA (3)		0.26%	07/01/21	06/30/21	\$ 1,717,854	\$ 1,717,854	1.00	\$ 1,717,854	1	0.26%
SSB MMA 1332		0.11%	07/01/21	06/30/21	874,677	874,677	1.00	874,677	1	0.11%
SSB MMA 7888		0.11%	07/01/21	06/30/21	20,628,958	20,628,958	1.00	20,628,958	1	0.11%
SSB MMA 5928		0.11%	07/01/21	06/30/21	4,002,121	4,002,121	1.00	4,002,121	1	0.11%
NexBank MMA		0.45%	07/01/21	06/30/21	241,447	241,447	1.00	241,447	1	0.45%
NexBank ICS Savings		0.45%	07/01/21	06/30/21	12,164,336	12,164,336	1.00	12,164,336	1	0.45%
Prosperity Bank MMA		0.15%	07/01/21	06/30/21	10,008,685	10,008,685	1.00	10,008,685	1	0.15%
Veritex Bank MMA		0.08%	07/01/21	06/30/21	5,023,494	5,023,494	1.00	5,023,494	1	0.08%
Goldman Sachs Gov't MMF	AAAm	0.03%	07/01/21	06/30/21	1,439,895	1,439,895	1.00	1,439,895	1	0.03%
Dreyfus Gov't MMF	AAAm	0.03%	07/01/21	06/30/21	4,000,392	4,000,392	1.00	4,000,392	1	0.03%
TexPool	AAAm	0.01%	07/01/21	06/30/21	24,670,624	24,670,624	1.00	24,670,624	1	0.01%
SUBTOTAL					\$ 84,772,482	\$ 84,772,482		\$ 84,772,482	1	0.13%
									(1)	(2)
Texas Bank Fin CDARS		2.40%	07/22/21	01/21/21	4,875,459	4,875,459	100.00	4,875,459	22	2.40%
Texas Bank Fin CDARS		2.40%	07/22/21	01/21/21	2,047,867	2,047,867	100.00	2,047,867	22	2.40%
East West Bank CD		0.20%	07/26/21	01/26/21	2,001,710	2,001,710	100.00	2,001,710	26	0.20%
Origin Bank CD		0.20%	07/26/21	01/26/21	2,000,986	2,000,986	100.00	2,000,986	26	0.20%
Prosperity Bank CD		0.60%	07/27/21	07/27/20	2,011,027	2,011,027	100.00	2,011,027	27	0.60%
Prosperity Bank CD		0.40%	09/15/21	09/15/20	2,005,985	2,005,985	100.00	2,005,985	77	0.40%
Texas Bank Fin CDARS		0.90%	10/21/21	10/22/20	2,063,269	2,063,269	100.00	2,063,269	113	0.90%
Prosperity Bank CD		0.30%	10/25/21	10/23/20	2,003,995	2,003,995	100.00	2,003,995	117	0.30%
East West Bank CD		0.25%	12/14/21	12/14/20	5,016,726	5,016,726	100.00	5,016,726	167	0.25%
Texas Brand Bank CD		0.25%	05/05/22	05/05/21	2,000,000	2,000,000	100.00	2,000,000	309	0.25%
Prosperity Bank CD		0.30%	06/15/22	12/15/20	5,007,482	5,007,482	100.00	5,007,482	350	0.30%
Prosperity Bank CD		0.20%	06/15/22	06/15/21	5,000,000	5,000,000	100.00	5,000,000	350	0.20%
Texas Brand Bank CD		0.35%	11/05/22	05/05/21	2,000,000	2,000,000	100.00	2,000,000	493	0.35%
Prosperity Bank CD		0.30%	01/26/23	01/26/21	5,006,209	5,006,209	100.00	5,006,209	575	0.30%
Texas Brand Bank CD		0.40%	05/05/23	05/05/21	1,880,000	1,880,000	100.00	1,880,000	674	0.40%
SUBTOTAL					\$ 44,920,716	\$ 44,920,716		\$ 44,920,716	245	0.65%
									(1)	(2)
TOTAL					\$ 129,693,198	\$ 129,693,198		\$ 129,693,198	86	0.31%
									(1)	(2)

(1) **Weighted average life** - For purposes of calculating weighted average life, bank accounts, pools and money market funds are assumed to have an one day maturity.

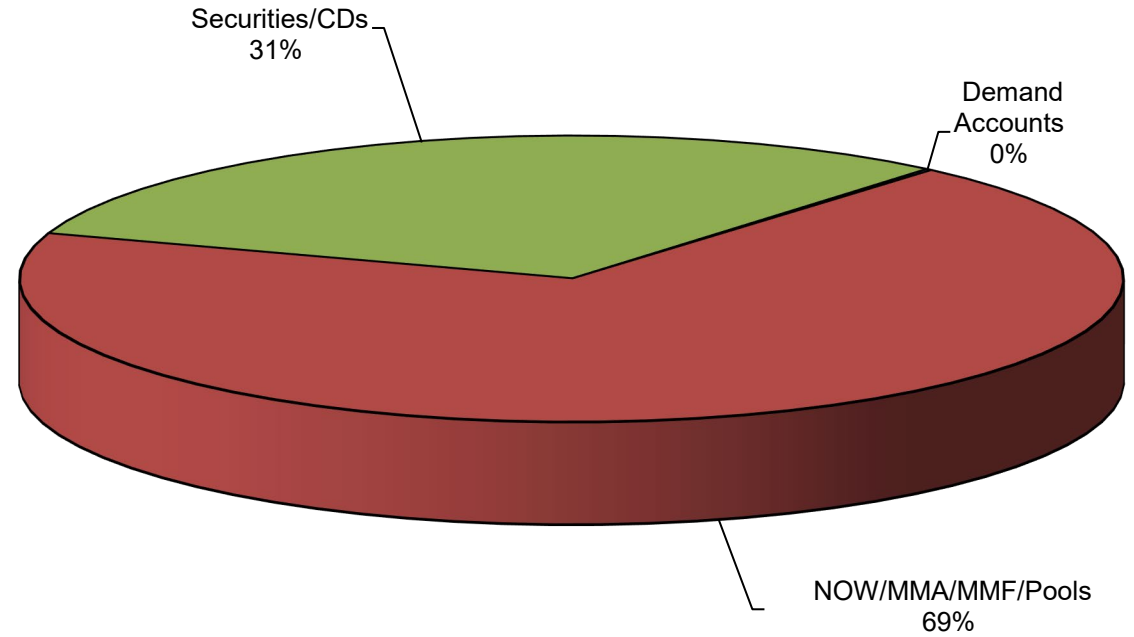
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank accounts, pools, and money market funds.

(3) **Earnings Credit Rate** - The City's Frost DDA accrues earnings credit to offset service charges and fees. No hard interest is paid.

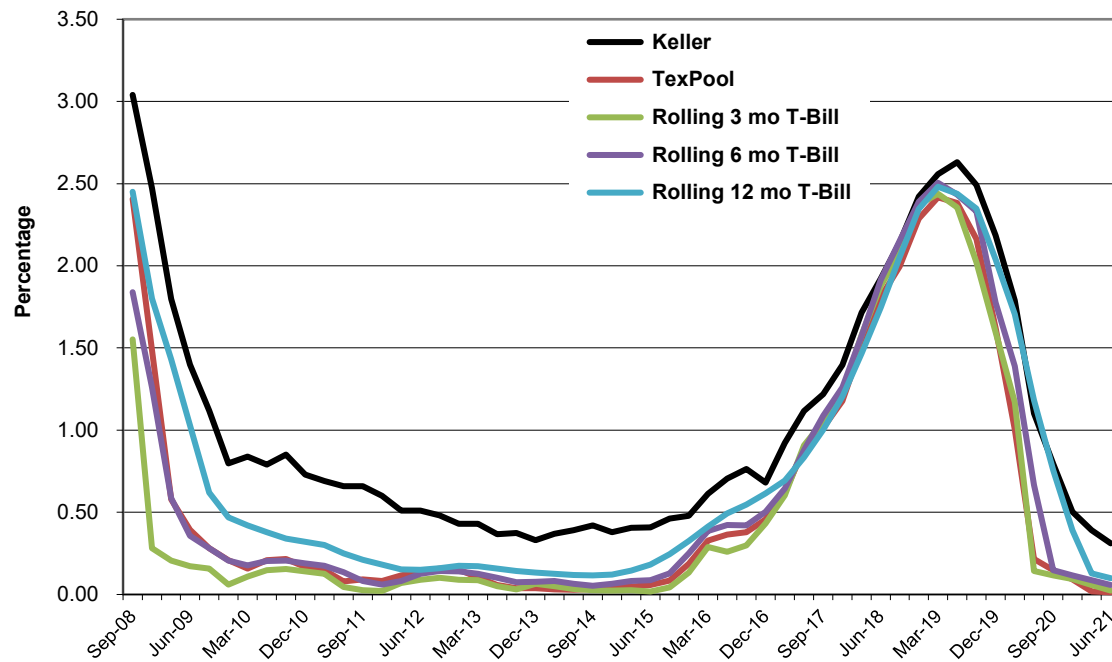
**Portfolio Composition
Current Quarter**



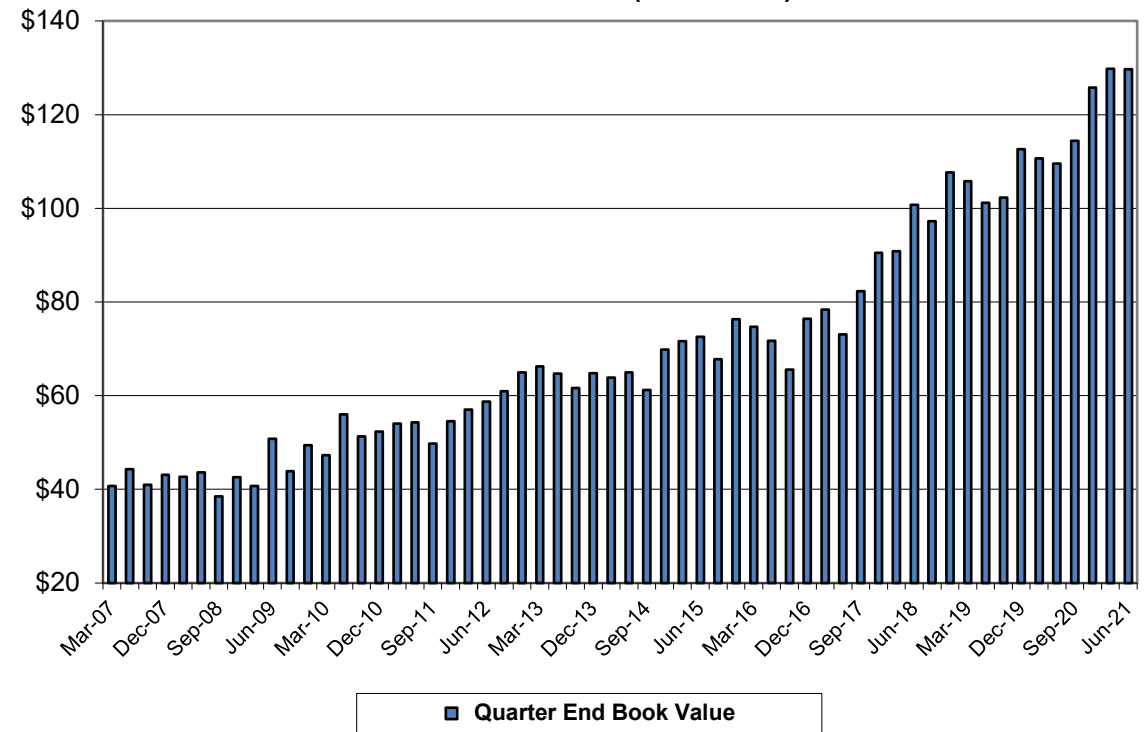
**Portfolio Composition
Previous Quarter**



Historical Yields



Total Portfolio (in Millions)



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
Frost DDA	0.26%	07/01/21	\$ 222,631	\$ 1,495,223	\$ -	\$ 1,717,854	\$ 222,631	\$ 1,495,223	\$ 1,717,854
SSB MMA 1332	0.11%	07/01/21	874,431	246	-	874,677	874,431	246	874,677
SSB MMA 7888	0.11%	07/01/21	20,623,164	5,794	-	20,628,958	20,623,164	5,794	20,628,958
SSB MMA 5928	0.11%	07/01/21	4,000,997	1,124	-	4,002,121	4,000,997	1,124	4,002,121
NexBank MMA	0.45%	07/01/21	241,176	271	-	241,447	241,176	271	241,447
NexBank ICS Savings	0.45%	07/01/21	12,150,697	13,639	-	12,164,336	12,150,697	13,639	12,164,336
Prosperity Bank MMA	0.15%	07/01/21	10,004,943	3,742	-	10,008,685	10,004,943	3,742	10,008,685
Veritex Bank MMA	0.08%	07/01/21	5,022,444	1,050	-	5,023,494	5,022,444	1,050	5,023,494
Goldman Sachs Gov't MMF	0.03%	07/01/21	1,439,779	116	-	1,439,895	1,439,779	116	1,439,895
Dreyfus Gov't MMF	0.03%	07/01/21	4,000,089	303	-	4,000,392	4,000,089	303	4,000,392
TexPool	0.01%	07/01/21	30,998,904	-	(6,328,280)	24,670,624	30,998,904	(6,328,280)	24,670,624
Prosperity Bank CD	0.45%	04/27/21	1,002,994	-	(1,002,994)	-	1,002,994	(1,002,994)	-
Prosperity Bank CD	2.41%	06/07/21	5,212,178	-	(5,212,178)	-	5,212,178	(5,212,178)	-
Texas Bank Fin CDARS	2.40%	07/22/21	4,875,459	-	-	4,875,459	4,875,459	-	4,875,459
Texas Bank Fin CDARS	2.40%	07/22/21	2,047,867	-	-	2,047,867	2,047,867	-	2,047,867
East West Bank CD	0.20%	07/26/21	2,000,712	998	-	2,001,710	2,000,712	998	2,001,710
Origin Bank CD	0.20%	07/26/21	2,000,000	986	-	2,000,986	2,000,000	986	2,000,986
Prosperity Bank CD	0.60%	07/27/21	2,007,989	3,038	-	2,011,027	2,007,989	3,038	2,011,027
Prosperity Bank CD	0.40%	09/15/21	2,003,964	2,021	-	2,005,985	2,003,964	2,021	2,005,985
Texas Bank Fin CDARS	0.90%	10/21/21	2,058,645	4,625	-	2,063,269	2,058,645	4,625	2,063,269
Prosperity Bank CD	0.30%	10/25/21	2,002,480	1,515	-	2,003,995	2,002,480	1,515	2,003,995
East West Bank CD	0.25%	12/14/21	5,013,601	3,126	-	5,016,726	5,013,601	3,126	5,016,726
Texas Brand Bank CD	0.25%	05/05/22	-	2,000,000	-	2,000,000	-	2,000,000	2,000,000
Prosperity Bank CD	0.30%	06/15/22	5,003,698	3,785	-	5,007,482	5,003,698	3,785	5,007,482
Prosperity Bank CD	0.20%	06/15/22	-	5,000,000	-	5,000,000	-	5,000,000	5,000,000
Texas Brand Bank CD	0.35%	11/05/22	-	2,000,000	-	2,000,000	-	2,000,000	2,000,000
Prosperity Bank CD	0.30%	01/26/23	5,002,425	3,784	-	5,006,209	5,002,425	3,784	5,006,209
Texas Brand Bank CD	0.40%	05/05/23	-	1,880,000	-	1,880,000	-	1,880,000	1,880,000
TOTAL/ AVERAGE	0.31%		\$ 129,811,267	\$ 12,425,384	\$ (12,543,452)	\$ 129,693,198	\$ 129,811,267	\$ (118,069)	\$ 129,693,198

Allocation
June 30, 2021

Book & Market Value	Investment Total	Consolidated (Pooled)	CCPD	Non-Profit Trust	2016 SWIRFT Bonds	2017 CO's	2019 CO's
Frost DDA	\$ 1,717,854	\$ 1,679,498	\$ —	\$ 500	\$ —	\$ —	\$ —
SSB MMA 1332	874,677	—	874,677	—	—	—	—
SSB MMA 7888	20,628,958	20,628,958	—	—	—	—	—
SSB MMA 5928	4,002,121	—	—	—	—	—	—
NexBank MMA	241,447	126,316	—	—	—	115,131	—
NexBank ICS Savings	12,164,336	11,653,391	—	—	—	510,944	—
Prosperity Bank MMA	10,008,685	10,008,685	—	—	—	—	—
Veritex Bank MMA	5,023,494	5,023,494	—	—	—	—	—
Goldman Sachs Gov't MMF	1,439,895	—	—	—	1,439,895	—	—
Dreyfus Gov't MMF	4,000,392	—	—	—	—	—	—
TexPool	24,670,624	17,375,119	5,438,790	351,320	—	1,478,616	23,814
07/22/21–Texas Bank Fin CDARS	4,875,459	4,875,459	—	—	—	—	—
07/22/21–Texas Bank Fin CDARS	2,047,867	2,047,867	—	—	—	—	—
07/26/21–East West Bank CD	2,001,710	—	—	—	—	—	—
07/26/21–Origin Bank CD	2,000,986	—	—	—	—	—	—
07/27/21–Prosperity Bank CD	2,011,027	2,011,027	—	—	—	—	—
09/15/21–Prosperity Bank CD	2,005,985	2,005,985	—	—	—	—	—
10/21/21–Texas Bank Fin CDARS	2,063,269	2,063,269	—	—	—	—	—
10/25/21–Prosperity Bank CD	2,003,995	2,003,995	—	—	—	—	—
12/14/21–East West Bank CD	5,016,726	5,016,726	—	—	—	—	—
05/05/22–Texas Brand Bank CD	2,000,000	2,000,000	—	—	—	—	—
06/15/22–Prosperity Bank CD	5,007,482	5,007,482	—	—	—	—	—
06/15/22–Prosperity Bank CD	5,000,000	5,000,000	—	—	—	—	—
11/05/22–Texas Brand Bank CD	2,000,000	2,000,000	—	—	—	—	—
01/26/23–Prosperity Bank CD	5,006,209	5,006,209	—	—	—	—	—
05/05/23–Texas Brand Bank CD	1,880,000	1,880,000	—	—	—	—	—
Totals	\$ 129,693,198	\$ 107,413,480	\$ 6,313,467	\$ 351,820	\$ 1,439,895	\$ 2,104,691	\$ 23,814

Allocation

June 30, 2021

(continued)

Book & Market Value	2020 GO Refunding Bonds	TWDB 2020C	Unreimbursed Medical
Frost DDA	\$ —	\$ —	\$ 37,856
SSB MMA 1332	—	—	—
SSB MMA 7888	—	—	—
SSB MMA 5928	4,002,121	—	—
NexBank MMA	—	—	—
NexBank ICS Savings	—	—	—
Prosperity Bank MMA	—	—	—
Veritex Bank MMA	—	—	—
Goldman Sachs Gov't MMF	—	—	—
Dreyfus Gov't MMF	—	4,000,392	—
TexPool	2,964	—	—
07/22/21–Texas Bank Fin CDARS	—	—	—
07/22/21–Texas Bank Fin CDARS	—	—	—
07/26/21–East West Bank CD	2,001,710	—	—
07/26/21–Origin Bank CD	2,000,986	—	—
07/27/21–Prosperity Bank CD	—	—	—
09/15/21–Prosperity Bank CD	—	—	—
10/21/21–Texas Bank Fin CDARS	—	—	—
10/25/21–Prosperity Bank CD	—	—	—
12/14/21–East West Bank CD	—	—	—
05/05/22–Texas Brand Bank CD	—	—	—
06/15/22–Prosperity Bank CD	—	—	—
06/15/22–Prosperity Bank CD	—	—	—
11/05/22–Texas Brand Bank CD	—	—	—
01/26/23–Prosperity Bank CD	—	—	—
05/05/23–Texas Brand Bank CD	—	—	—
Totals	\$ 8,007,782	\$ 4,000,392	\$ 37,856

Allocation
March 31, 2021

Book & Market Value	Investment Total	Consolidated (Pooled)	CCPD	Non-Profit Trust	2016 SWIRFT Bonds	2017 CO's	2019 CO's
Frost DDA	\$ 222,631	\$ 189,790	\$ -	\$ 500	\$ -	\$ -	\$ -
SSB MMA 1332	874,431	-	874,431	-	-	-	-
SSB MMA 7888	20,623,164	20,623,164	-	-	-	-	-
SSB MMA 5928	4,000,997	-	-	-	-	-	-
NexBank MMA	241,176	126,174	-	-	-	115,002	-
NexBank ICS Savings	12,150,697	11,640,325	-	-	-	510,371	-
Prosperity Bank MMA	10,004,943	10,004,943	-	-	-	-	-
Veritex Bank MMA	5,022,444	5,022,444	-	-	-	-	-
Goldman Sachs Gov't MMF	1,439,779	-	-	-	1,439,779	-	-
Dreyfus Gov't MMF	4,000,089	-	-	-	-	-	-
TexPool	30,998,904	24,143,437	4,982,208	367,910	-	1,478,571	23,814
04/27/21-Prosperity Bank CD	1,002,994	1,002,994	-	-	-	-	-
06/07/21-Prosperity Bank CD	5,212,178	5,212,178	-	-	-	-	-
07/22/21-Texas Bank Fin CDARS	4,875,459	4,875,459	-	-	-	-	-
07/22/21-Texas Bank Fin CDARS	2,047,867	2,047,867	-	-	-	-	-
07/26/21-East West Bank CD	2,000,712	-	-	-	-	-	-
07/26/21-Origin Bank CD	2,000,000	-	-	-	-	-	-
07/27/21-Prosperity Bank CD	2,007,989	2,007,989	-	-	-	-	-
09/15/21-Prosperity Bank CD	2,003,964	2,003,964	-	-	-	-	-
10/21/21-Texas Bank Fin CDARS	2,058,645	2,058,645	-	-	-	-	-
10/25/21-Prosperity Bank CD	2,002,480	2,002,480	-	-	-	-	-
12/14/21-East West Bank CD	5,013,601	5,013,601	-	-	-	-	-
06/15/22-Prosperity Bank CD	5,003,698	5,003,698	-	-	-	-	-
01/26/23-Prosperity Bank CD	5,002,425	5,002,425	-	-	-	-	-
Totals	\$ 129,811,267	\$ 107,981,578	\$ 5,856,639	\$ 368,410	\$ 1,439,779	\$ 2,103,944	\$ 23,814

Allocation

March 31, 2021

(continued)

Book & Market Value	2020 GO Refunding Bonds	TWDB 2020C	Unreimbursed Medical
Frost DDA	\$ —	\$ —	\$ 32,341
SSB MMA 1332	—	—	—
SSB MMA 7888	—	—	—
SSB MMA 5928	4,000,997	—	—
NexBank MMA	—	—	—
NexBank ICS Savings	—	—	—
Prosperity Bank MMA	—	—	—
Veritex Bank MMA	—	—	—
Goldman Sachs Gov't MMF	—	—	—
Dreyfus Gov't MMF	—	4,000,089	—
TexPool	2,964	—	—
04/27/21–Prosperity Bank CD	—	—	—
06/07/21–Prosperity Bank CD	—	—	—
07/22/21–Texas Bank Fin CDARS	—	—	—
07/22/21–Texas Bank Fin CDARS	—	—	—
07/26/21–East West Bank CD	2,000,712	—	—
07/26/21–Origin Bank CD	2,000,000	—	—
07/27/21–Prosperity Bank CD	—	—	—
09/15/21–Prosperity Bank CD	—	—	—
10/21/21–Texas Bank Fin CDARS	—	—	—
10/25/21–Prosperity Bank CD	—	—	—
12/14/21–East West Bank CD	—	—	—
06/15/22–Prosperity Bank CD	—	—	—
01/26/23–Prosperity Bank CD	—	—	—
Totals	\$ 8,004,674	\$ 4,000,089	\$ 32,341

**Investment Policy Compliance
June 30, 2021**

Authorized Investments	Maximum %	Actual Market Value	% of Portfolio	Status
Financial Institution Deposits	80%	\$ 46,638,570	36%	Pass
Repurchase Agreements	40%	–	0%	N/A
Money Market Bank Accounts	80%	52,943,717	41%	Pass
U.S. Treasury Notes/Bonds/Bills	100%	–	0%	N/A
U.S. Agencies	80%	–	0%	N/A
Money Market Mutual Funds	40%	5,440,287	4%	Pass
Local Gov't Investment Pools	80%	24,670,624	19%	Pass
State or Municipal Obligations	40%	–	0%	N/A
Total		\$ 129,693,198	100%	