



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

September 30, 2024

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.

Annual Comparison

FYE Results by Investment Category:

Asset Type	September 20, 2023			September 30, 2024		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Demand Accounts	1.79%	\$ 483,149	\$ 483,149	1.65%	\$ 335,067	\$ 335,067
MMA/MMF/Pools	5.46%	80,768,028	80,768,028	5.08%	88,220,510	88,220,510
Securities/CDs	4.85%	63,194,726	63,182,043	5.18%	88,738,313	88,738,313
Totals		\$ 144,445,904	\$ 144,433,220		\$ 177,293,889	\$ 177,293,889
Fourth Quarter-End Yield	5.18%			5.12%		

Average Quarter-End Yields (1):

	2023 Fiscal Year	2024 Fiscal Year
Keller	4.32%	5.31%
Rolling Three Month Treasury	4.95%	5.42%
Rolling Six Month Treasury	4.77%	5.34%
TexPool	4.74%	5.29%
Fiscal YTD Interest Earnings	\$ 5,827,475 (Approximate)	\$ 8,948,778 (Approximate)

(1) Average Quarterly Yield calculated using quarter-end report average yield and adjusted book value.

Summary

Quarter End Results by Investment Category:

Asset Type	June 30, 2024			September 30, 2024		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Demand Accounts	1.65%	\$ 49,591	\$ 49,591	1.65%	\$ 335,067	\$ 335,067
MMA/MMF/Pools	5.42%	109,218,061	109,218,061	5.08%	88,220,510	88,220,510
Securities/CDs	5.29%	67,477,891	67,477,891	5.18%	88,738,313	88,738,313
Totals	5.37%	\$ 176,745,543	\$ 176,745,543	5.12%	\$ 177,293,889	\$ 177,293,889

Average Yield - Current Quarter (1)

Total Portfolio	5.12%
Rolling Three Month Treasury	5.24%
Rolling Six Month Treasury	5.17%
TexPool	5.16%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	5.31%
Rolling Three Month Treasury	5.42%
Rolling Six Month Treasury	5.34%
TexPool	5.29%

Interest Income (Approximate)

Quarterly Interest Income	\$ 2,411,003
Fiscal Year-to-date Interest Income	\$ 8,948,778

Bank Fee Offset

Current Quarter Bank Fee Offset	\$ -
Year-to-Date Bank Fee Offset	\$ 4,502

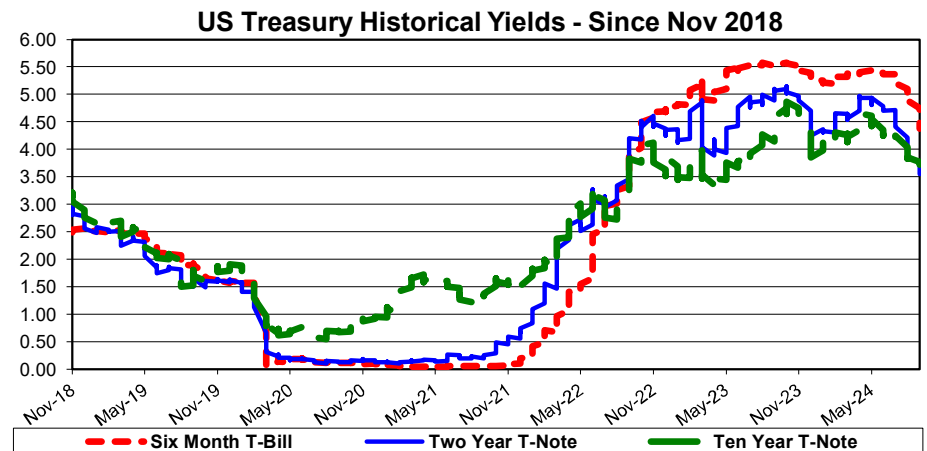
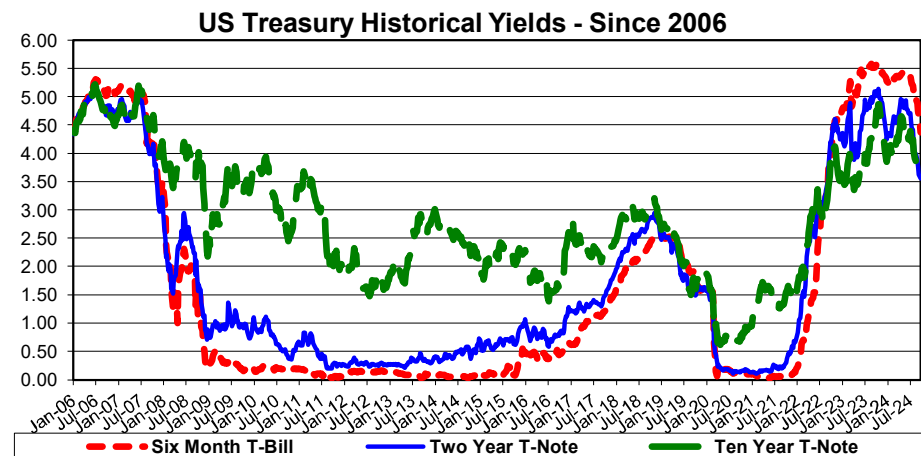
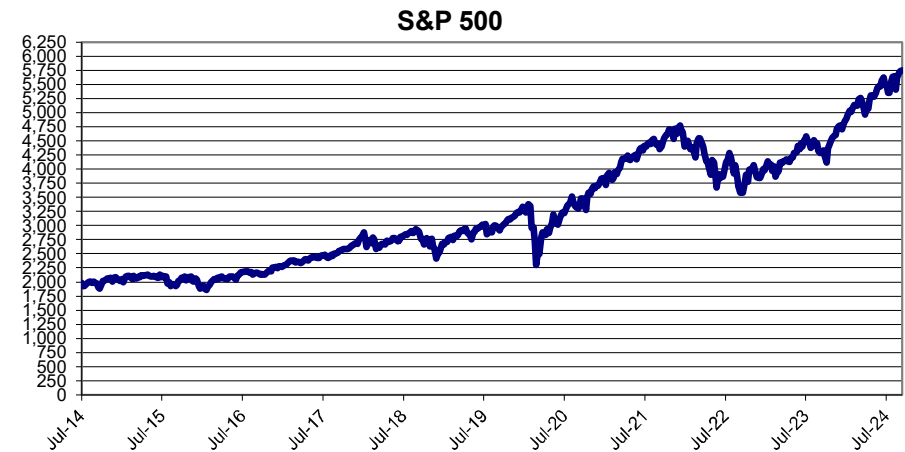
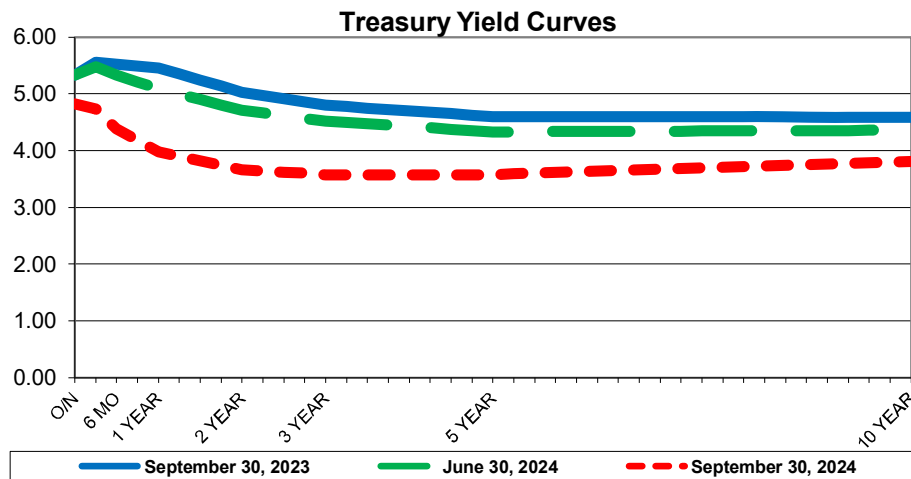
(1) **Average Yield - Current Quarter** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

9/30/2024

The Federal Open Market Committee (FOMC) reduced the Fed Funds target range 0.50% to 4.75% - 5.00% (Effective Fed Funds trade +/-4.83%). Expectations are for two more 0.25% cuts by 12/31, although any actions will be meeting-by-meeting and "data-dependent." Sep Non-Farm Payroll surged 254k new jobs (above expectation), with the previous two months revised up boosting the Three Month Rolling Average 186k (from the previous 116k). Second Quarter 2024 GDP remained +3.0% due to increased consumer spending. The S&P 500 Stock Index exceeded 5,700 making new records. The yield curve dropped with the FOMC action and anticipated future actions. Crude Oil drifted slightly higher to +/- \$74 per barrel. Inflation remains above the FOMC 2% target (Core PCE +/-2.7% and Core CPI +/-3.2%). Declining global economic outlook, ongoing/expanding military conflicts and the domestic elections increase uncertainty.



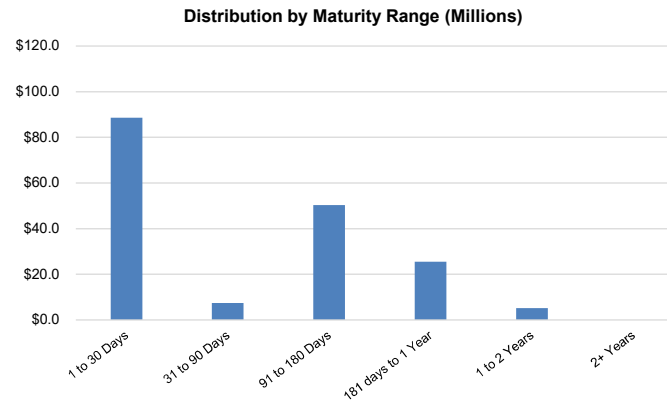
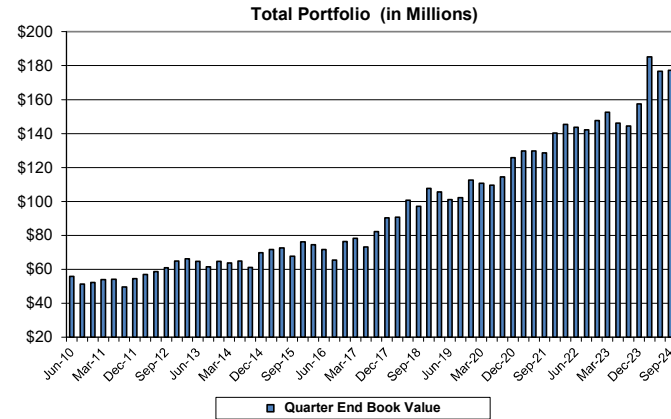
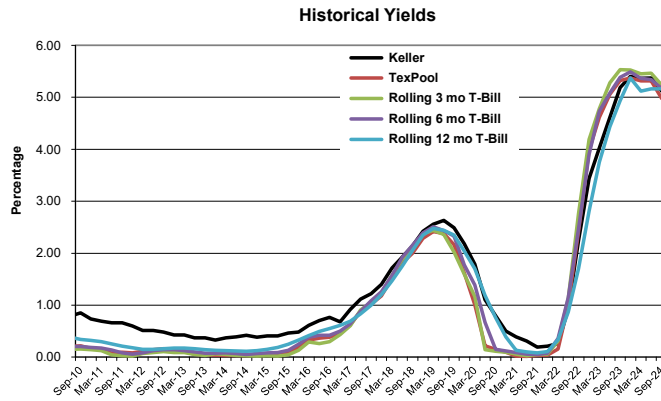
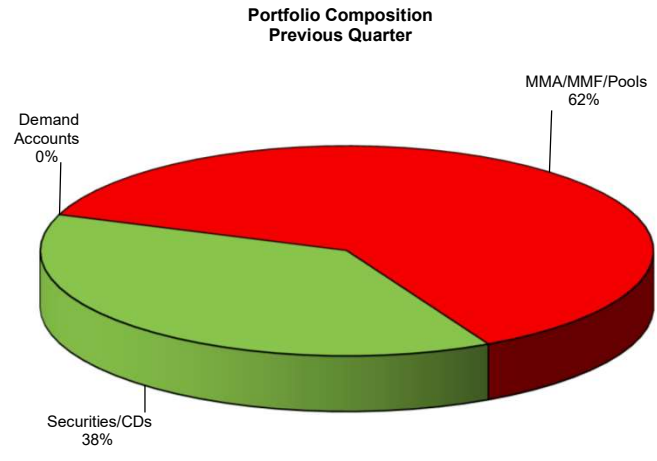
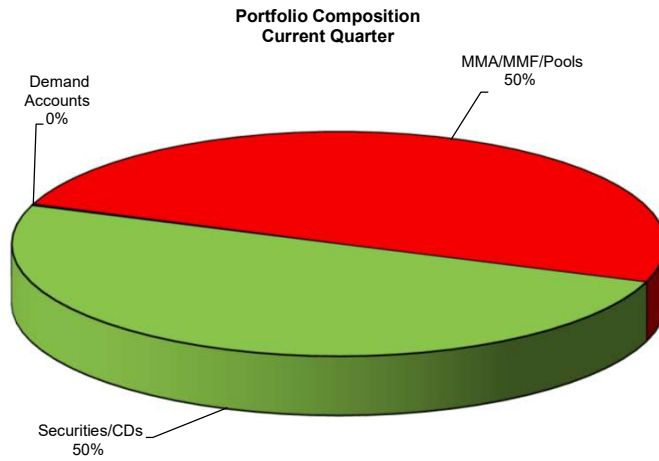
Investment Holdings
September 30, 2024

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Face Amount/ Par Value	Book Value	Market Price	Market Value	Life (Day)	Yield
Wells Fargo Cash		1.65%	10/01/24	09/30/24	\$ 335,067	\$ 335,067	1.00	\$ 335,067	1	1.65%
Wells Fargo Sweep-MMF	AAAm	4.79%	10/01/24	09/30/24	1,227,726	1,227,726	1.00	1,227,726	1	4.79%
SSB MMA 7888		5.38%	10/01/24	09/30/24	12,281,492	12,281,492	1.00	12,281,492	1	5.38%
NexBank IntraFi MMA		5.00%	10/01/24	09/30/24	43,780,399	43,780,399	1.00	43,780,399	1	5.00%
Veritex Bank MMA		5.31%	10/01/24	09/30/24	3,703,419	3,703,419	1.00	3,703,419	1	5.31%
Dreyfus Gov't MMF	AAAm	4.57%	10/01/24	09/30/24	5,588,540	5,588,540	1.00	5,588,540	1	4.57%
TexPool	AAAm	5.16%	10/01/24	09/30/24	21,638,934	21,638,934	1.00	21,638,934	1	5.16%
SUBTOTAL					\$ 88,555,576	\$ 88,555,576		\$ 88,555,576	1	5.06%
									(1)	(2)
Texas Bank CDARS		4.70%	10/31/24	05/04/23	5,343,482	5,343,482	100.00	5,343,482	31	4.81%
Third Coast Bank CD		5.30%	12/27/24	06/27/23	2,136,366	2,136,366	100.00	2,136,366	88	5.41%
East West Bank CD		5.17%	02/07/25	08/07/24	1,007,820	12,093,843	100.00	12,093,843	130	5.31%
American Nat'l Bank & Trust CDARS		5.55%	02/13/25	11/16/23	3,149,571	3,149,571	100.00	3,149,571	136	5.71%
Wallis Bank CDARS		5.10%	02/20/25	02/22/24	10,315,030	10,315,030	100.00	10,315,030	143	5.23%
Wallis Bank CDARS		5.10%	02/20/25	02/22/24	1,031,503	1,031,503	100.00	1,031,503	143	5.23%
Texas Bank & Trust CD		4.57%	03/26/25	09/26/24	5,000,000	5,000,000	100.00	5,000,000	177	4.62%
East West Bank CD		5.14%	03/27/25	03/27/24	10,268,262	10,268,262	100.00	10,268,262	178	5.27%
Third Coast Bank CD		5.30%	03/27/25	06/27/23	5,340,920	5,340,920	100.00	5,340,920	178	5.41%
East West Bank CD		5.08%	03/28/25	03/28/24	3,168,177	3,168,177	100.00	3,168,177	179	5.21%
East West Bank CD		4.97%	05/07/25	08/07/24	5,037,583	5,037,583	100.00	5,037,583	219	5.10%
Third Coast Bank CD		5.10%	06/27/25	06/27/23	1,065,545	1,065,545	100.00	1,065,545	270	5.20%
Third Coast Bank CD		5.10%	06/27/25	06/27/23	5,327,726	5,327,726	100.00	5,327,726	270	5.20%
Third Coast Bank CD		5.10%	06/27/25	06/27/23	2,131,089	2,131,089	100.00	2,131,089	270	5.20%
Cornerstone Capital Bank CDARS		5.26%	07/10/25	07/11/24	5,059,427	5,059,427	100.00	5,059,427	283	5.10%
Cornerstone Capital Bank CDARS		4.74%	09/25/25	09/26/24	7,004,543	7,004,543	100.00	7,004,543	360	4.85%
BOK Financial Bank CDARS		5.21%	10/02/25	10/05/23	5,265,246	5,265,246	100.00	5,265,246	367	5.35%
SUBTOTAL					\$ 77,652,290	\$ 88,738,313		\$ 88,738,313	197	5.18%
									(1)	(2)
TOTAL					\$ 166,207,866	\$ 177,293,889		\$ 177,293,889	99	5.12%
									(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.



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 06/30/24	Increases	Decreases	Book Value 09/30/24	Market Value 06/30/24	Change in Market Value	Market Value 09/30/24
Wells Fargo Cash	1.65%	10/01/24	\$ 49,591	\$ 285,476	\$ —	\$ 335,067	\$ 49,591	\$ 285,476	\$ 335,067
Wells Fargo Sweep-MMF	4.79%	10/01/24	1,517,064	—	(289,338)	1,227,726	1,517,064	(289,338)	1,227,726
SSB MMA 7888	5.38%	10/01/24	12,118,092	163,399	—	12,281,492	12,118,092	163,399	12,281,492
NexBank IntraFi MMA	5.00%	10/01/24	43,181,254	599,145	—	43,780,399	43,181,254	599,145	43,780,399
Veritex Bank MMA	5.31%	10/01/24	8,601,818	—	(4,898,400)	3,703,419	8,601,818	(4,898,400)	3,703,419
Dreyfus Gov't MMF	4.57%	10/01/24	5,519,526	69,014	—	5,588,540	5,519,526	69,014	5,588,540
TexPool	5.16%	10/01/24	38,280,306	—	(16,641,372)	21,638,934	38,280,306	(16,641,372)	21,638,934
East West Bank CD	5.71%	07/29/24	2,105,788	—	(2,105,788)	—	2,105,788	(2,105,788)	—
American Nat'l Bank & Trust CD	4.96%	08/02/24	5,291,287	—	(5,291,287)	—	5,291,287	(5,291,287)	—
East West Bank CD	5.51%	08/21/24	1,019,422	—	(1,019,422)	—	1,019,422	(1,019,422)	—
East West Bank CD	5.77%	09/30/24	5,217,452	—	(5,217,452)	—	5,217,452	(5,217,452)	—
Texas Bank CDARS	4.81%	10/31/24	5,280,557	62,924	—	5,343,482	5,280,557	62,924	5,343,482
Third Coast Bank CD	5.41%	12/27/24	2,108,279	28,087	—	2,136,366	2,108,279	28,087	2,136,366
East West Bank CD	5.31%	02/07/25	—	12,093,843	—	12,093,843	—	12,093,843	12,093,843
American Nat'l Bank & Trust CDARS	5.71%	02/13/25	3,105,821	43,750	—	3,149,571	3,105,821	43,750	3,149,571
Wallis Bank CDARS	5.23%	02/20/25	10,183,290	131,740	—	10,315,030	10,183,290	131,740	10,315,030
Wallis Bank CDARS	5.23%	02/20/25	1,018,329	13,174	—	1,031,503	1,018,329	13,174	1,031,503
Texas Bank & Trust CD	4.62%	03/26/25	—	5,000,000	—	5,000,000	—	5,000,000	5,000,000
East West Bank CD	5.27%	03/27/25	10,136,097	132,164	—	10,268,262	10,136,097	132,164	10,268,262
Third Coast Bank CD	5.41%	03/27/25	5,270,701	70,218	—	5,340,920	5,270,701	70,218	5,340,920
East West Bank CD	5.21%	03/28/25	3,127,871	40,305	—	3,168,177	3,127,871	40,305	3,168,177
East West Bank CD	5.10%	05/07/25	—	5,037,583	—	5,037,583	—	5,037,583	5,037,583
Third Coast Bank CD	5.20%	06/27/25	1,052,058	13,487	—	1,065,545	1,052,058	13,487	1,065,545
Third Coast Bank CD	5.20%	06/27/25	5,260,291	67,435	—	5,327,726	5,260,291	67,435	5,327,726
Third Coast Bank CD	5.20%	06/27/25	2,104,115	26,974	—	2,131,089	2,104,115	26,974	2,131,089
Cornerstone Capital Bank CDARS	5.10%	07/10/25	—	5,059,427	—	5,059,427	—	5,059,427	5,059,427
Cornerstone Capital Bank CDARS	4.85%	09/25/25	—	7,004,543	—	7,004,543	—	7,004,543	7,004,543
BOK Financial Bank CDARS	5.35%	10/02/25	5,196,531	68,715	—	5,265,246	5,196,531	68,715	5,265,246
TOTAL/ AVERAGE	5.12%		\$ 176,745,543	\$ 36,011,405	\$(35,463,060)	\$ 177,293,889	\$ 176,745,543	\$ 548,346	\$ 177,293,889

Allocation
September 30, 2024

Book and Market Value	Investment Total	Consolidated (Pooled)	CCPD	Non-Profit Trust	2017 CO's	2024 CO's
Wells Fargo Cash	\$ 335,067	\$ 27,939	\$ —	\$ 500	\$ —	\$ —
Wells Fargo Sweep-MMF	1,227,726	1,227,726	—	—	—	—
SSB MMA 7888	12,281,492	12,281,492	—	—	—	—
NexBank ICS Savings	43,780,399	43,079,025	—	—	701,374	—
Veritex Bank MMA	3,703,419	3,703,419	—	—	—	—
Dreyfus Gov't MMF	5,588,540	—	—	—	—	—
TexPool	21,638,934	6,181,396	959,922	633,838	1,310,526	2,563,744
10/31/24–Texas Bank CDARS	5,343,482	5,343,482	—	—	—	—
12/27/24–Third Coast Bank CD	2,136,366	2,136,366	—	—	—	—
02/07/25–East West Bank CD	12,093,843	—	1,007,820	—	—	8,062,562
02/13/25–American Nat'l Bank & Trust CDARS	3,149,571	3,149,571	—	—	—	—
02/20/25–Wallis Bank CDARS	10,315,030	10,315,030	—	—	—	—
02/20/25–Wallis Bank CDARS	1,031,503	—	—	—	—	—
03/26/25–Texas Bank & Trust CD	5,000,000	—	—	—	—	—
03/27/25–East West Bank CD	10,268,262	—	—	—	—	10,268,262
03/27/25–Third Coast Bank CD	5,340,920	5,340,920	—	—	—	—
03/28/25–East West Bank CD	3,168,177	3,168,177	—	—	—	—
05/07/25–East West Bank CD	5,037,583	5,037,583	—	—	—	—
06/27/25–Third Coast Bank CD	1,065,545	—	1,065,545	—	—	—
06/27/25–Third Coast Bank CD	5,327,726	5,327,726	—	—	—	—
06/27/25–Third Coast Bank CD	2,131,089	—	—	—	—	—
07/10/25–Cornerstone Capital Bank CDARS	5,059,427	5,059,427	—	—	—	—
09/25/25–Cornerstone Capital Bank CDARS	7,004,543	—	—	—	—	—
10/02/25–BOK Financial Bank CDARS	5,265,246	5,265,246	—	—	—	—
Totals	\$ 177,293,889	\$ 116,644,524	\$ 3,033,288	\$ 634,338	\$ 2,011,900	\$ 20,894,568

Allocation
September 30, 2024

(Continued)

Book and Market Value	2024A CO's	TWDB 2020C	2023 SWIFT Bonds	ARPA/CLFR funds	Self-Insurance Fund	Unreimbursed Medical
Wells Fargo Cash	\$ —	\$ —	\$ —	\$ —	\$ 265,026	\$ 41,602
Wells Fargo Sweep-MMF	—	—	—	—	—	—
SSB MMA 7888	—	—	—	—	—	—
NexBank ICS Savings	—	—	—	—	—	—
Veritex Bank MMA	—	—	—	—	—	—
Dreyfus Gov't MMF	—	1,426,062	4,162,478	—	—	—
TexPool	3,100,961	—	—	3,831,253	3,057,294	—
10/31/24–Texas Bank CDARS	—	—	—	—	—	—
12/27/24–Third Coast Bank CD	—	—	—	—	—	—
02/07/25–East West Bank CD	—	—	—	—	3,023,461	—
02/13/25–American Nat'l Bank & Trust CDARS	—	—	—	—	—	—
02/20/25–Wallis Bank CDARS	—	—	—	—	—	—
02/20/25–Wallis Bank CDARS	—	—	—	—	1,031,503	—
03/26/25–Texas Bank & Trust CD	5,000,000	—	—	—	—	—
03/27/25–East West Bank CD	—	—	—	—	—	—
03/27/25–Third Coast Bank CD	—	—	—	—	—	—
03/28/25–East West Bank CD	—	—	—	—	—	—
05/07/25–East West Bank CD	—	—	—	—	—	—
06/27/25–Third Coast Bank CD	—	—	—	—	—	—
06/27/25–Third Coast Bank CD	—	—	—	—	—	—
06/27/25–Third Coast Bank CD	—	—	—	2,131,089	—	—
07/10/25–Cornerstone Capital Bank CDARS	—	—	—	—	—	—
09/25/25–Cornerstone Capital Bank CDARS	7,004,543	—	—	—	—	—
10/02/25–BOK Financial Bank CDARS	—	—	—	—	—	—
Totals	\$ 15,105,504	\$ 1,426,062	\$ 4,162,478	\$ 5,962,342	\$ 7,377,283	\$ 41,602

Allocation
June 30, 2024

Book and Market Value	Investment Total	Consolidated (Pooled)	CCPD	Non-Profit Trust	2017 CO's	2024 CO's
Wells Fargo Cash	\$ 49,591	\$ 400	\$ —	\$ 500	\$ —	\$ —
Wells Fargo Sweep-MMF	1,517,064	1,517,064	—	—	—	—
SSB MMA 7888	12,118,092	12,118,092	—	—	—	—
NexBank ICS Savings	43,181,254	42,489,478	—	—	691,776	—
Veritex Bank MMA	8,601,818	8,601,818	—	—	—	—
Dreyfus Gov't MMF	5,519,526	—	—	—	—	—
TexPool	38,280,306	13,309,905	2,289,546	617,988	1,312,408	14,476,977
07/29/24—East West Bank CD	2,105,788	—	—	—	—	—
08/02/24—American Nat'l Bank & Trust CD	5,291,287	5,291,287	—	—	—	—
08/21/24—East West Bank CD	1,019,422	—	—	—	—	—
09/30/24—East West Bank CD	5,217,452	5,217,452	—	—	—	—
10/31/24—Texas Bank CDARS	5,280,557	5,280,557	—	—	—	—
12/27/24—Third Coast Bank CD	2,108,279	2,108,279	—	—	—	—
02/13/25—American Nat'l Bank & Trust CDARS	3,105,821	3,105,821	—	—	—	—
02/20/25—Wallis Bank CDARS	10,183,290	10,183,290	—	—	—	—
02/20/25—Wallis Bank CDARS	1,018,329	—	—	—	—	—
03/27/25—East West Bank CD	10,136,097	—	—	—	—	10,136,097
03/27/25—Third Coast Bank CD	5,270,701	5,270,701	—	—	—	—
03/28/25—East West Bank CD	3,127,871	3,127,871	—	—	—	—
06/27/25—Third Coast Bank CD	1,052,058	—	1,052,058	—	—	—
06/27/25—Third Coast Bank CD	5,260,291	5,260,291	—	—	—	—
06/27/25—Third Coast Bank CD	2,104,115	—	—	—	—	—
10/02/25—BOK Financial Bank CDARS	5,196,531	5,196,531	—	—	—	—
Totals	\$ 176,745,543	\$ 128,078,839	\$ 3,341,605	\$ 618,488	\$ 2,004,184	\$ 24,613,075

Allocation
June 30, 2024

(Continued)

Book and Market Value	TWDB 2020C	2023 SWIFT Bonds	ARPA/CLFR funds	Self-Insurance Fund	Unreimbursed Medical
Wells Fargo Cash	\$ —	\$ —	\$ —	\$ 10,029	\$ 38,661
Wells Fargo Sweep-MMF	—	—	—	—	—
SSB MMA 7888	—	—	—	—	—
NexBank ICS Savings	—	—	—	—	—
Veritex Bank MMA	—	—	—	—	—
Dreyfus Gov't MMF	1,408,451	4,111,075	—	—	—
TexPool	—	—	2,377,756	3,895,725	—
07/29/24–East West Bank CD	—	—	—	2,105,788	—
08/02/24–American Nat'l Bank & Trust CD	—	—	—	—	—
08/21/24–East West Bank CD	—	—	1,019,422	—	—
09/30/24–East West Bank CD	—	—	—	—	—
10/31/24–Texas Bank CDARS	—	—	—	—	—
12/27/24–Third Coast Bank CD	—	—	—	—	—
02/13/25–American Nat'l Bank & Trust CDARS	—	—	—	—	—
02/20/25–Wallis Bank CDARS	—	—	—	—	—
02/20/25–Wallis Bank CDARS	—	—	—	1,018,329	—
03/27/25–East West Bank CD	—	—	—	—	—
03/27/25–Third Coast Bank CD	—	—	—	—	—
03/28/25–East West Bank CD	—	—	—	—	—
06/27/25–Third Coast Bank CD	—	—	—	—	—
06/27/25–Third Coast Bank CD	—	—	—	—	—
06/27/25–Third Coast Bank CD	—	—	2,104,115	—	—
10/02/25–BOK Financial Bank CDARS	—	—	—	—	—
Totals	\$ 1,408,451	\$ 4,111,075	\$ 5,501,292	\$ 7,029,872	\$ 38,661

**Investment Policy Compliance
September 30, 2024**

Authorized Investments	Maximum %	Actual Market Value	% of Portfolio	Status
Financial Institution Deposits	80%	\$ 89,073,379	50%	Pass
Repurchase Agreements	40%	–	0%	N/A
Money Market Bank Accounts	80%	59,765,310	34%	Pass
U.S. Treasury Notes/Bonds/Bills	100%	–	0%	N/A
U.S. Agencies	80%	–	0%	N/A
Money Market Mutual Funds	40%	6,816,266	4%	Pass
Local Gov't Investment Pools	80%	21,638,934	12%	Pass
State or Municipal Obligations	40%	–	0%	N/A
Total		\$ 177,293,889	100%	