



## INVESTMENT PORTFOLIO SUMMARY

**For the Quarter Ended**

**March 31, 2016**

**Prepared by**

**Valley View Consulting, L.L.C.**

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

A handwritten signature in black ink, appearing to read "Kevin Trimm".

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Chief Financial Officer

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Accounting Manager

A handwritten signature in black ink, appearing to read "Lambek".

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Accountant

**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	Ave. Yield	March 31, 2016		December 31, 2015	
		Book Value	Market Value	Book Value	Market Value
Pools/Bank	0.51%	\$ 23,370,959	\$ 23,370,959	\$ 18,236,450	\$ 18,236,450
Securities/CDs	0.81%	41,982,009	41,982,009	41,955,895	41,955,895
Revenue Bond	0.69%	6,003,174	6,003,174	6,002,117	6,002,117
<b>Totals</b>		<b>\$ 71,356,142</b>	<b>\$ 71,356,142</b>	<b>\$ 66,194,462</b>	<b>\$ 66,194,462</b>

Current Quarter Average Yield (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	0.71%	Total Portfolio	0.68%
Rolling Three Mo. Treas. Yield	0.29%	Rolling Three Mo. Treas. Yield	0.21%
Rolling Six Mo. Treas. Yield	0.39%	Rolling Six Mo. Treas. Yield	0.32%
		Quarterly TexPool Yield	0.26%
Quarterly Interest Income	\$ 104,589	Quarterly Bank Fees Offset	\$ 9,773
Year-to-date Interest Income	\$ 196,595	Year-to-date Bank Fees Offset	\$ 18,529

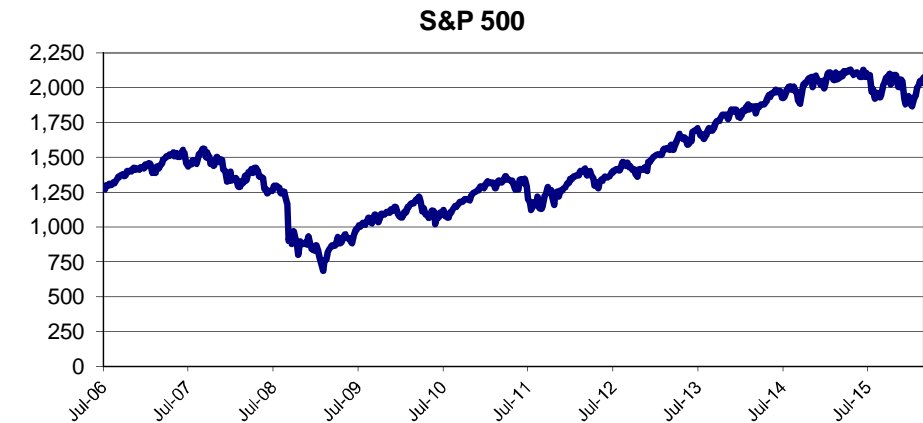
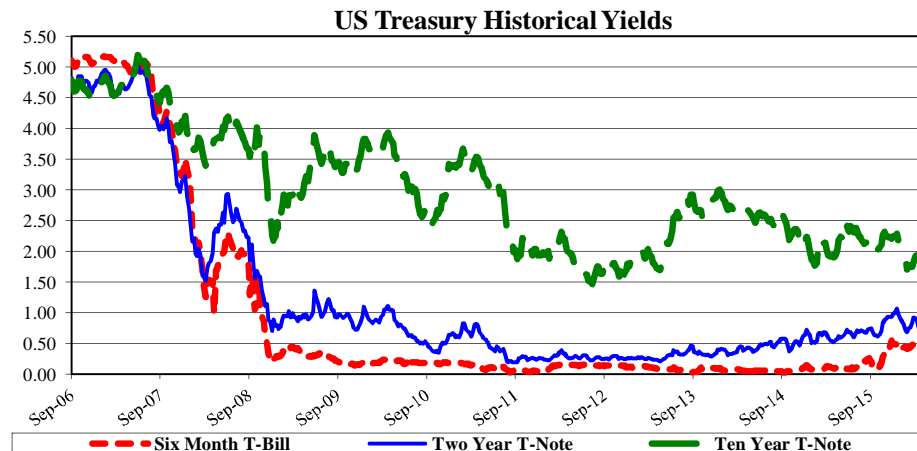
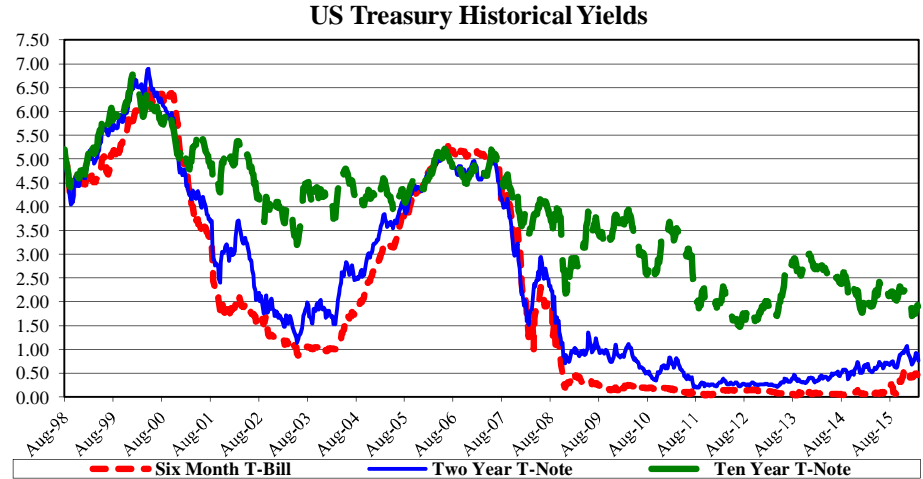
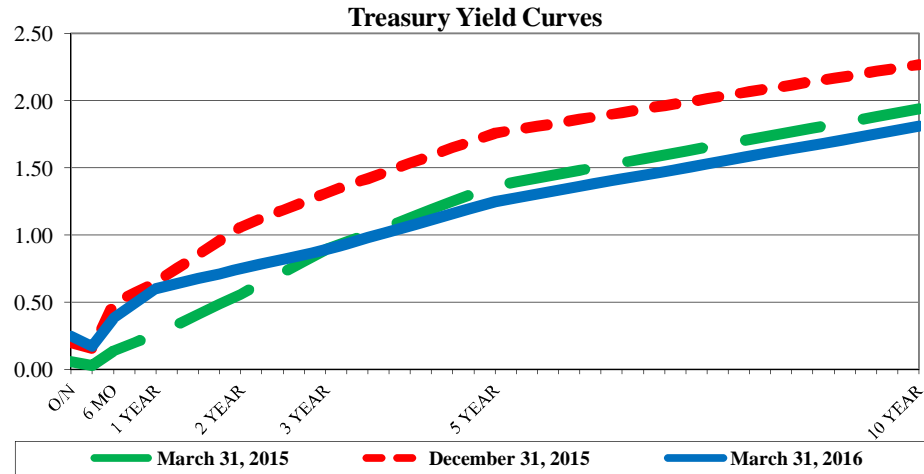
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(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

3/31/2016

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range of 0.25% - 0.50% (actual Fed Funds are trading +/-37 bps). The March FOMC Meeting Statement (and subsequent releases) indicated concerns about economic growth prospects and reported lower projections than previously set. The futures market anticipates limited probability of additional rate increases prior to December. International concerns dominate the uncertainty. US data reflects continuing, modest US growth. The Yield Curve flattened due to the longer-term, lackluster worldwide expansion outlook. Taxable municipal bonds or CDs offer the best interest earnings opportunity, if available.



**Investment Holdings**  
**March 31, 2016**

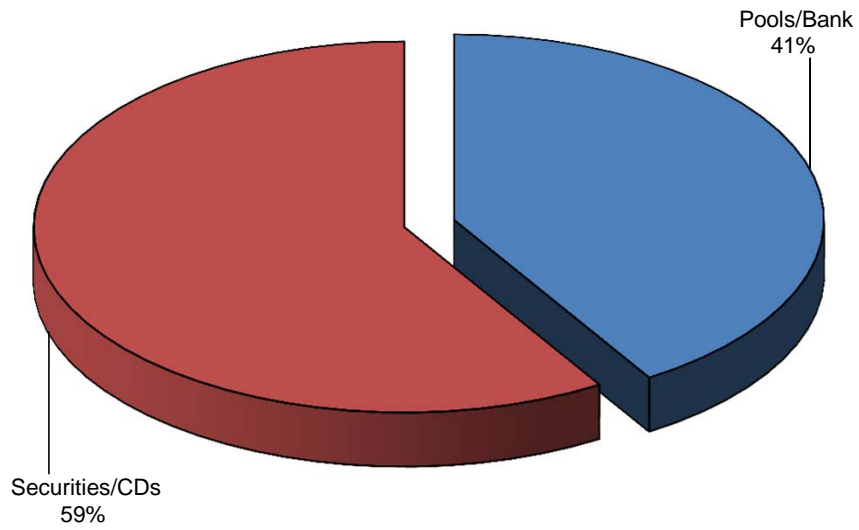
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Purchased Value	Book Value	Market Price	Market Value	Life (days)	Yield
Cash - Pooled (3)		0.49%	04/01/16	03/31/16	\$ 4,156,212	\$ 4,156,212	\$ 4,156,212	1.00	\$ 4,156,212	1	0.49%
NOW		0.52%	04/01/16	03/31/16	18,746,277	18,746,277	18,746,277	1.00	18,746,277	1	0.52%
NOW #2		0.52%	04/01/16	03/31/16	264,330	264,330	264,330	1.00	264,330	1	0.52%
TexPool	AAAm	0.33%	04/01/16	03/31/16	204,139	204,139	204,139	1.00	204,139	1	0.33%
TexSTAR - Bond	AAAm	0.35%	04/01/16	03/31/16	1,203,174	1,203,174	1,203,174	1.00	1,203,174	1	0.35%
Southside Bank CD		0.58%	05/23/16	05/23/14	3,038,927	3,038,927	3,038,927	100.00	3,038,927	53	0.58%
Southside Bank CD		0.65%	06/27/16	06/25/14	3,054,835	3,054,835	3,054,835	100.00	3,054,835	88	0.65%
Southside Bank CD		0.50%	07/06/16	01/06/16	700,000	700,000	700,000	100.00	700,000	97	0.50%
Southside Bank CD		0.65%	08/01/16	07/31/14	3,049,752	3,049,752	3,049,752	100.00	3,049,752	123	0.65%
Southside Bank CD		0.65%	08/15/16	08/14/14	3,053,976	3,053,976	3,053,976	100.00	3,053,976	137	0.65%
Southside Bank CD		0.70%	09/19/16	09/19/14	3,070,019	3,070,019	3,070,019	100.00	3,070,019	172	0.70%
Southside Bank CD		0.60%	10/06/16	01/06/16	800,000	800,000	800,000	100.00	800,000	189	0.60%
Southside Bank CD		0.62%	10/17/16	10/17/14	3,059,832	3,059,832	3,059,832	100.00	3,059,832	200	0.62%
Southside Bank CD		0.75%	11/21/16	11/21/14	3,045,169	3,045,169	3,045,169	100.00	3,045,169	235	0.75%
Southside Bank CD		0.75%	01/06/17	01/06/16	1,000,000	1,000,000	1,000,000	100.00	1,000,000	281	0.75%
Southside Bank CD		0.65%	01/20/17	01/20/15	3,019,548	3,019,548	3,019,548	100.00	3,019,548	295	0.65%
BTH Bank CD		0.90%	03/26/17	03/26/15	247,220	247,220	247,220	100.00	247,220	360	0.90%
BTH Bank CDARS		0.90%	03/26/17	03/26/15	2,780,387	2,780,387	2,780,387	100.00	2,780,387	360	0.90%
Southside Bank CD		0.85%	04/06/17	01/06/16	1,000,000	1,000,000	1,000,000	100.00	1,000,000	371	0.85%
BTH Bank CDARS		1.05%	05/04/17	08/05/15	3,020,697	3,020,697	3,020,697	100.00	3,020,697	399	1.05%
Southside Bank CD		0.95%	07/06/17	01/06/16	900,000	900,000	900,000	100.00	900,000	462	0.95%
BTH Bank CDARS		1.20%	08/03/17	08/05/15	3,023,665	3,023,665	3,023,665	100.00	3,023,665	490	1.20%
Southside Bank CD		1.05%	10/06/17	01/06/16	400,000	400,000	400,000	100.00	400,000	554	1.05%
Wallis State Bank CDARS		1.04%	11/16/17	11/16/15	2,509,605	2,509,605	2,509,605	100.00	2,509,605	595	1.04%
Southside Bank CD		1.12%	01/02/18	12/30/15	3,008,377	3,008,377	3,008,377	100.00	3,008,377	642	1.12%
Citizens 1st CD		1.00%	03/01/18	03/01/16	3,000,000	3,000,000	3,000,000	100.00	3,000,000	700	1.00%
					<b>\$ 71,356,142</b>	<b>\$ 71,356,142</b>	<b>\$ 71,356,142</b>		<b>\$ 71,356,142</b>	<b>207</b>	<b>0.71%</b>
										<b>(1)</b>	<b>(2)</b>

**(1) Weighted average life** - For purposes of calculating weighted average life, TexPool, TexSTAR, and bank account investments are assumed to have a one day maturity.

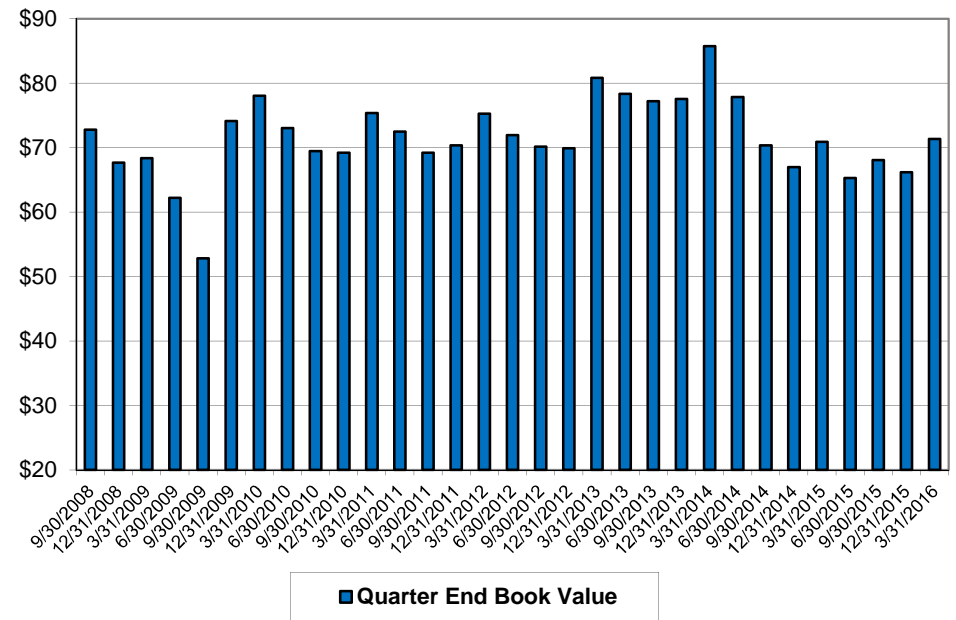
**(2) Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for TexPool, TexSTAR, and bank account investments.

**(3) Cash - Pooled** funds are used as compensating balances to offset bank service charges and do not generate hard interest.

**Portfolio Composition**



**Total Portfolio (Millions)**



## Book Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2015		Purchases/ Adjustments	Sales/Adjust/ Maturities	March 31, 2016	
			Par Value	Book Value			Par Value	Book Value
Cash - Pooled	0.49%	04/01/16	\$ 7,041,678	\$ 7,041,678	\$ —	\$ (2,885,466)	\$ 4,156,212	\$ 4,156,212
NOW	0.52%	04/01/16	10,728,666	10,728,666	8,017,611		18,746,277	18,746,277
NOW #2	0.52%	04/01/16	262,119	262,119	2,212		264,330	264,330
TexPool	0.33%	04/01/16	203,988	203,988	152		204,139	204,139
TexSTAR - Bond	0.35%	04/01/16	6,002,117	6,002,117		(4,798,943)	1,203,174	1,203,174
Southside Bank CD	0.55%	02/11/16	3,052,675	3,052,675		(3,052,675)	—	—
Southside Bank CD	0.58%	05/23/16	3,034,491	3,034,491	4,436		3,038,927	3,038,927
Southside Bank CD	0.65%	06/27/16	3,049,892	3,049,892	4,942		3,054,835	3,054,835
Southside Bank CD	0.50%	07/06/16	—	—	700,000		700,000	700,000
Southside Bank CD	0.65%	08/01/16	3,044,764	3,044,764	4,988		3,049,752	3,049,752
Southside Bank CD	0.65%	08/15/16	3,048,981	3,048,981	4,995		3,053,976	3,053,976
Southside Bank CD	0.70%	09/19/16	3,064,670	3,064,670	5,348		3,070,019	3,070,019
Southside Bank CD	0.60%	10/06/16	—	—	800,000		800,000	800,000
Southside Bank CD	0.62%	10/17/16	3,055,058	3,055,058	4,774		3,059,832	3,059,832
Southside Bank CD	0.75%	11/21/16	3,039,424	3,039,424	5,746		3,045,169	3,045,169
Southside Bank CD	0.75%	01/06/17	—	—	1,000,000		1,000,000	1,000,000
Southside Bank CD	0.65%	01/20/17	3,014,609	3,014,609	4,939		3,019,548	3,019,548
BTH Bank CD	0.90%	03/26/17	246,666	246,666	554		247,220	247,220
BTH Bank CDARS	0.90%	03/26/17	2,774,155	2,774,155	6,232		2,780,387	2,780,387
Southside Bank CD	0.85%	04/06/17	—	—	1,000,000		1,000,000	1,000,000
BTH Bank CDARS	1.05%	05/04/17	3,012,800	3,012,800	7,897		3,020,697	3,020,697
Southside Bank CD	0.95%	07/06/17	—	—	900,000		900,000	900,000
BTH Bank CDARS	1.20%	08/03/17	3,014,633	3,014,633	9,033		3,023,665	3,023,665
Southside Bank CD	1.05%	10/06/17	—	—	400,000		400,000	400,000
Wallis State Bank CDARS	1.04%	11/16/17	2,503,078	2,503,078	6,527		2,509,605	2,509,605
Southside Bank CD	1.12%	01/02/18	3,000,000	3,000,000	8,377		3,008,377	3,008,377
Citizens 1st CD	1.00%	03/01/18	—	—	3,000,000		3,000,000	3,000,000
<b>TOTAL</b>			<b>\$ 66,194,462</b>	<b>\$ 66,194,462</b>	<b>\$ 15,898,764</b>	<b>\$ (10,737,084)</b>	<b>\$ 71,356,142</b>	<b>\$ 71,356,142</b>

## Market Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2015		Qtr to Qtr Change	March 31, 2016	
			Par Value	Market Value		Par Value	Market Value
Cash - Pooled	0.49%	04/01/16	\$ 7,041,678	\$ 7,041,678	\$ (2,885,466)	\$ 4,156,212	\$ 4,156,212
NOW	0.52%	04/01/16	10,728,666	10,728,666	8,017,611	18,746,277	18,746,277
NOW #2	0.52%	04/01/16	262,119	262,119	2,212	264,330	264,330
TexPool	0.33%	04/01/16	203,988	203,988	152	204,139	204,139
TexSTAR - Bond	0.35%	04/01/16	6,002,117	6,002,117	(4,798,943)	1,203,174	1,203,174
Southside Bank CD	0.55%	02/11/16	3,052,675	3,052,675	(3,052,675)	—	—
Southside Bank CD	0.58%	05/23/16	3,034,491	3,034,491	4,436	3,038,927	3,038,927
Southside Bank CD	0.65%	06/27/16	3,049,892	3,049,892	4,942	3,054,835	3,054,835
Southside Bank CD	0.50%	07/06/16	—	—	700,000	700,000	700,000
Southside Bank CD	0.65%	08/01/16	3,044,764	3,044,764	4,988	3,049,752	3,049,752
Southside Bank CD	0.65%	08/15/16	3,048,981	3,048,981	4,995	3,053,976	3,053,976
Southside Bank CD	0.70%	09/19/16	3,064,670	3,064,670	5,348	3,070,019	3,070,019
Southside Bank CD	0.60%	10/06/16	—	—	800,000	800,000	800,000
Southside Bank CD	0.62%	10/17/16	3,055,058	3,055,058	4,774	3,059,832	3,059,832
Southside Bank CD	0.75%	11/21/16	3,039,424	3,039,424	5,746	3,045,169	3,045,169
Southside Bank CD	0.75%	01/06/17	—	—	1,000,000	1,000,000	1,000,000
Southside Bank CD	0.65%	01/20/17	3,014,609	3,014,609	4,939	3,019,548	3,019,548
BTH Bank CD	0.90%	03/26/17	246,666	246,666	554	247,220	247,220
BTH Bank CDARS	0.90%	03/26/17	2,774,155	2,774,155	6,232	2,780,387	2,780,387
Southside Bank CD	0.85%	04/06/17	—	—	1,000,000	1,000,000	1,000,000
BTH Bank CDARS	1.05%	05/04/17	3,012,800	3,012,800	7,897	3,020,697	3,020,697
Southside Bank CD	0.95%	07/06/17	—	—	900,000	900,000	900,000
BTH Bank CDARS	1.20%	08/03/17	3,014,633	3,014,633	9,033	3,023,665	3,023,665
Southside Bank CD	1.05%	10/06/17	—	—	400,000	400,000	400,000
Wallis State Bank CDARS	1.04%	11/16/17	2,503,078	2,503,078	6,527	2,509,605	2,509,605
Southside Bank CD	1.12%	01/02/18	3,000,000	3,000,000	8,377	3,008,377	3,008,377
Citizens 1st CD	1.00%	03/01/18	—	—	3,000,000	3,000,000	3,000,000
<b>TOTAL</b>			<b>\$ 66,194,462</b>	<b>\$ 66,194,462</b>	<b>\$ 5,161,679</b>	<b>\$ 71,356,142</b>	<b>\$ 71,356,142</b>

**Allocation**

**March 31, 2016**

<b>Book &amp; Market Value</b>	<b>Security Total</b>	<b>Pooled Funds</b>	<b>Revenue Bond</b>
Cash	\$ 4,156,212	\$ 4,156,212	\$ -
NOW	18,746,277	18,746,277	
NOW #2	264,330	264,330	
TexPool	204,139	204,139	
TexSTAR - Bond	1,203,174	-	1,203,174
05/23/16-Southside Bank CD	3,038,927	3,038,927	
06/27/16-Southside Bank CD	3,054,835	3,054,835	
07/06/16-Southside Bank CD	700,000		700,000
08/01/16-Southside Bank CD	3,049,752	3,049,752	
08/15/16-Southside Bank CD	3,053,976	3,053,976	
09/19/16-Southside Bank CD	3,070,019	3,070,019	
10/06/16-Southside Bank CD	800,000		800,000
10/17/16-Southside Bank CD	3,059,832	3,059,832	
11/21/16-Southside Bank CD	3,045,169	3,045,169	
01/06/17-Southside Bank CD	1,000,000		1,000,000
01/20/17-Southside Bank CD	3,019,548	3,019,548	
03/26/17-BTH Bank CD	247,220	247,220	
03/26/17-BTH Bank CDARS	2,780,387	2,780,387	
04/06/17-Southside Bank CD	1,000,000		1,000,000
05/04/17-BTH Bank CDARS	3,020,697	3,020,697	
07/06/17-Southside Bank CD	900,000		900,000
08/03/17-BTH Bank CDARS	3,023,665	3,023,665	
10/06/17-Southside Bank CD	400,000		400,000
11/16/17-Wallis State Bank CDARS	2,509,605	2,509,605	
01/02/18-Southside Bank CD	3,008,377	3,008,377	
03/01/18-Citizens 1st CD	3,000,000	3,000,000	
<b>Totals</b>	<b>\$ 71,356,142</b>	<b>\$ 65,352,968</b>	<b>\$ 6,003,174</b>



**Allocation**

**December 31, 2015**

<b>Book &amp; Market Value</b>	<b>Security Total</b>	<b>Pooled Funds</b>	<b>Revenue Bond</b>
Cash	\$ 7,041,678	\$ 7,041,678	\$ -
NOW	10,728,666	10,728,666	
NOW #2	262,119	262,119	
TexPool	203,988	203,988	
TexSTAR - Bond	6,002,117	-	6,002,117
02/11/16-Southside Bank CD	3,052,675	3,052,675	
05/23/16-Southside Bank CD	3,034,491	3,034,491	
06/27/16-Southside Bank CD	3,049,892	3,049,892	
08/01/16-Southside Bank CD	3,044,764	3,044,764	
08/15/16-Southside Bank CD	3,048,981	3,048,981	
09/19/16-Southside Bank CD	3,064,670	3,064,670	
10/17/16-Southside Bank CD	3,055,058	3,055,058	
11/21/16-Southside Bank CD	3,039,424	3,039,424	
01/20/17-Southside Bank CD	3,014,609	3,014,609	
03/26/17-BTH Bank CD	246,666	246,666	
03/26/17-BTH Bank CDARS	2,774,155	2,774,155	
05/04/17-BTH Bank CDARS	3,012,800	3,012,800	
08/03/17-BTH Bank CDARS	3,014,633	3,014,633	
11/16/17-Wallis State Bank CDARS	2,503,078	2,503,078	
01/02/18-Southside Bank CD	3,000,000	3,000,000	
<b>Totals</b>	<b>\$ 66,194,462</b>	<b>\$ 60,192,346</b>	<b>\$ 6,002,117</b>

**Cash and Investments by Fund**

		<b>3/31/2016</b>	<b>12/31/2015</b>
General Fund	101	11,755,516	5,766,254
General Capital Projects Fund	102	1,077,488	1,089,442
Development Services Fund	202	1,475,032	1,446,494
Cemeteries Operating Fund	204	(5,869)	(14,715)
Forfeitures Fund	205	398,151	540,524
Court Technology Fund	207	251,758	217,752
TIF/TIRZ # 2	209	2,699	2,695
Hotel-Motel Tax Fund	211	3,186,072	3,401,101
Donations Fund	216	355,722	337,795
TIF/TIRZ # 3	218	174,298	128,094
Tyler Tourism & Convention Facilities Fund	219	1,387,059	1,145,546
Half Cent Sales Tax Fund	231	12,890,906	12,507,387
Passenger Facility Fund	234	116,448	116,448
Oil & Natural Gas Fund	235	2,660,350	2,691,177
PEG Fee Fund	236	404,315	383,550
Fair Plaza Fund	240	105,537	125,015
Housing Assistance Fund	276	401,414	441,024
State/Federal Grants Fund	285	(85,706)	(52,916)
Transit System Fund	286	(560,541)	(670,349)
CDBG Grant Fund	294	(113,788)	(87,469)
HOME Grant Fund	295	(10,142)	7,713
Utilities Fund	502	3,311,647	3,424,926
Utilities Construction Fund	503	7,348,247	7,062,759
Utilities Debt Service Fund	504	1,671,977	1,440,974
Utilities Debt Reserve Fund	505	1,493,413	1,493,413
Revenue Bond Series 2008	514	2	2
Revenue Bond Series 2009	516	-	(2)
Revenue Bond Series 2015	517	5,928,349	6,002,117
Airport Fund	524	838,386	827,671
Airport Grant Fund	525	(1,668,845)	(1,269,154)
Solid Waste Fund	560	562,173	1,073,924
Solid Waste Capital Projects Fund	562	306,759	351,119
Productivity Improvement Fund	639	1,242,431	1,352,222
Fleet Replacement Fund	640	6,145,123	7,013,957
Prop, Liab, W/C Insurance Fund	650	1,056,819	1,058,884
Employee Benefits Fund	661	204,298	384,511
Prop & Facility Management Fund	663	735,302	683,431
Technology Fund	671	195,594	360,274
Payroll Fund	710	(698,847)	761,130
Cemetery Trust Fund	713	2,846,531	2,833,912
Landfill Trust Fund	720	2,489,391	2,476,766
Retiree Benefits Fund	761	(250,812)	(371,277)
Section 125 Trust Fund	772	193,363	199,800
<b>Total</b>		<b>69,818,021</b>	<b>66,683,919</b>

### Total Portfolio Performance

