



## INVESTMENT PORTFOLIO SUMMARY

**For the Quarter Ended**

**March 31, 2019**

**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 Truitt".

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Chief Financial Officer

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Accounting Manager

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Treasury Manager

**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:

#### City Funds

Asset Type	December 31, 2018			March 31, 2019		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank	2.18%	\$ 22,658,775	\$ 22,658,775	2.33%	\$ 28,218,513	\$ 28,218,513
Securities/CDs	2.34%	67,025,101	67,025,101	2.49%	73,285,612	73,285,612
<b>Totals</b>		<b>\$ 89,683,876</b>	<b>\$ 89,683,876</b>		<b>\$ 101,504,125</b>	<b>\$ 101,504,125</b>

#### Current Quarter Average Yield (1)

Total Portfolio 2.45%

#### Fiscal Year-to-Date Average Yield (2)

Total Portfolio 2.38%

#### Interest Earnings

Quarterly Interest Income \$ 491,390  
 Year-to-date Interest Income \$ 904,043

#### Bank Fees Offset

Quarterly Bank Fees Offset \$ 12,466  
 Year-to-date Bank Fees Offset \$ 24,542

#### Revenue Bond

Asset Type	December 31, 2018			March 31, 2019		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank	2.73%	\$ 6,176,848	\$ 6,176,848	2.74%	\$ 5,938,311	\$ 5,938,311
<b>Totals</b>		<b>\$ 6,176,848</b>	<b>\$ 6,176,848</b>		<b>\$ 5,938,311</b>	<b>\$ 5,938,311</b>

#### Current Quarter Average Yield (1)

Total Portfolio 2.74%

#### Fiscal Year-to-Date Average Yield (2)

Total Portfolio 2.73%

#### Interest Earnings

Quarterly Interest Income \$ 41,873  
 Year-to-date Interest Income \$ 101,112

#### Total Portfolio

#### Current Quarter Average Yield (1)

Total Portfolio 2.46%

Rolling Three Month Treasury 2.44%  
 Rolling Six Month Treasury 2.51%

#### Fiscal Year-to-Date Average Yield (2)

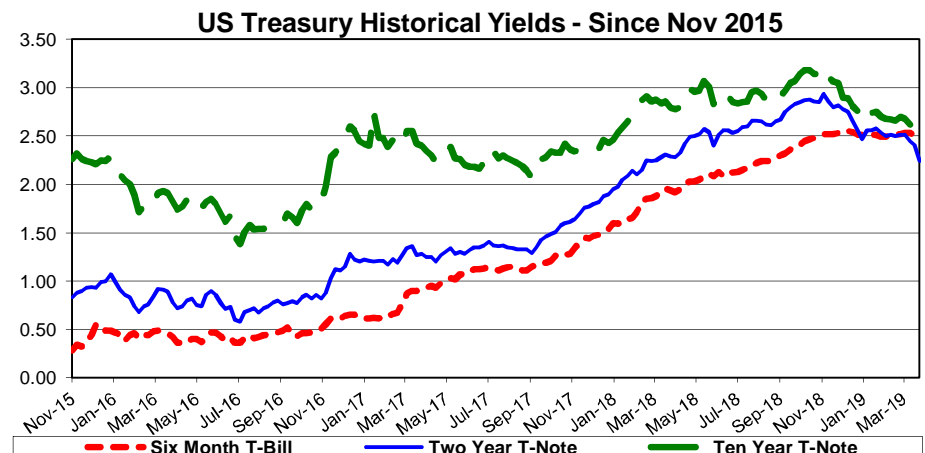
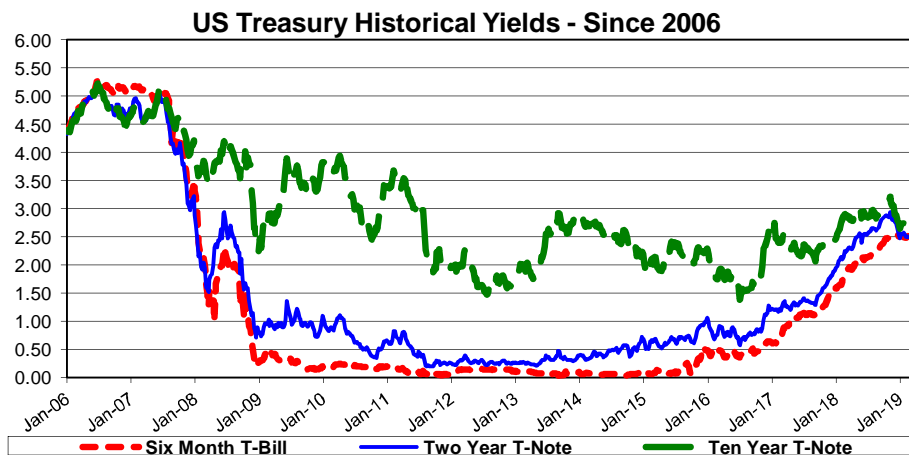
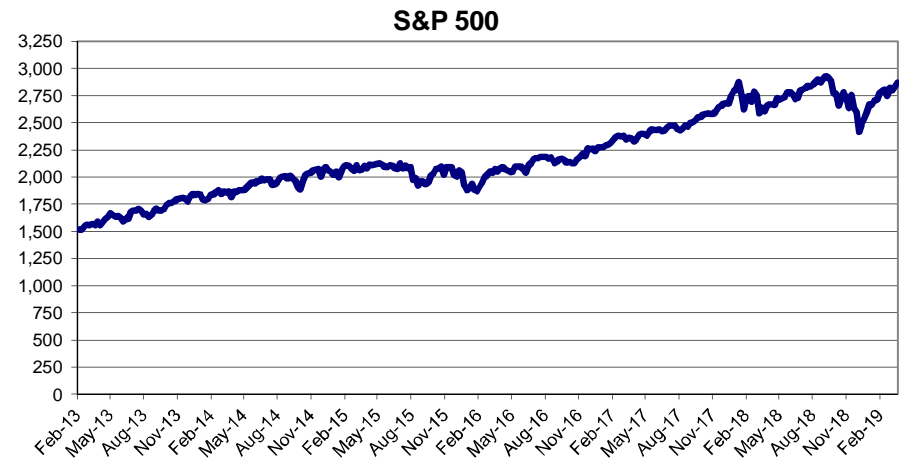
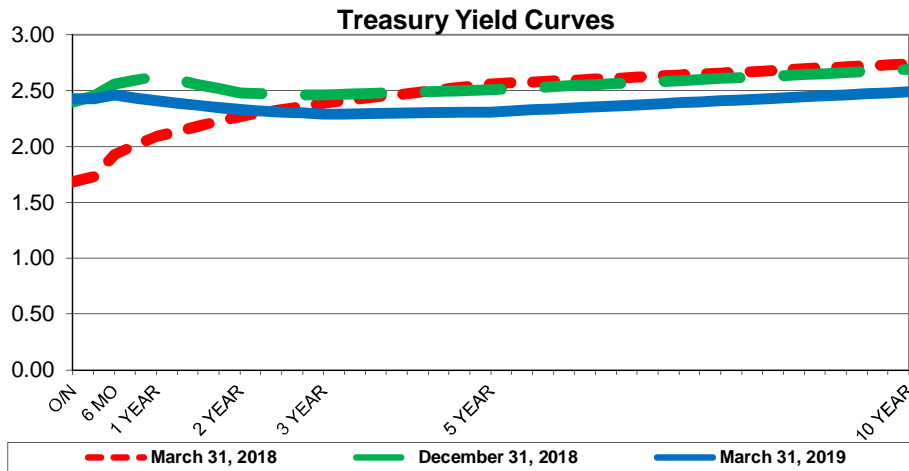
Total Portfolio 2.40%

Rolling Three Month Treasury 2.41%  
 Rolling Six Month Treasury 2.45%  
 TexPool 2.35%

(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.

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range to 2.25% - 2.50% (Effective Fed Funds are trading +/-2.40%). The market projections now lean towards decreases late 2019 or early 2020. Gradual FRB portfolio reduction continues by limiting reinvestment of maturing holdings, but that strategy will end this summer. February Non Farm Payroll plunged to only 20,000 new jobs (although Dec and Jan were revised up slightly). Fourth quarter GDP registered 2.2% (final). Crude oil remained +/- \$55. The Stock Markets continued higher from December lows. Housing mostly mixed. The mid-maturity yield curve is lower and still sway-backed.



## Investment Holdings

March 31, 2019

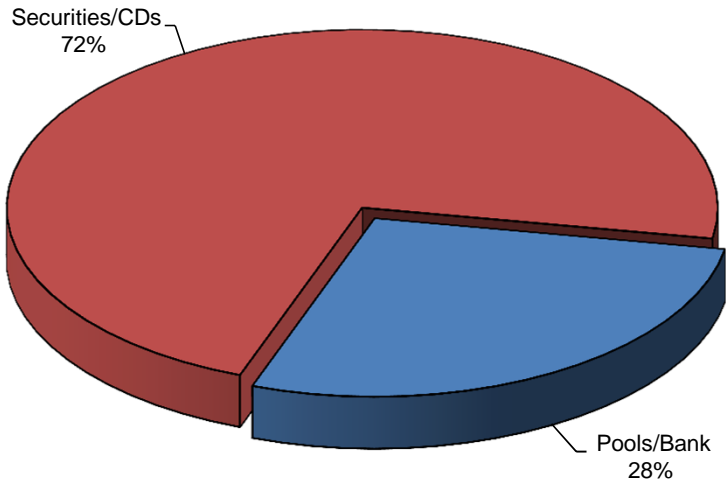
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
<b>City Funds</b>										
Cash - Pooled (3)		0.65%	04/01/19	03/31/19	\$ 4,342,064	\$ 4,342,064	1.00	\$ 4,342,064	1	0.65%
NOW		2.64%	04/01/19	03/31/19	12,196,409	12,196,409	1.00	12,196,409	1	2.64%
NOW #2		2.64%	04/01/19	03/31/19	11,413,337	11,413,337	1.00	11,413,337	1	2.64%
TexPool	AAAm	2.42%	04/01/19	03/31/19	211,529	211,529	1.00	211,529	1	2.42%
Southside Bank CD		1.50%	04/12/19	04/12/17	2,053,199	2,053,199	100.00	2,053,199	12	1.50%
Lubbock National Bank CD		1.60%	04/29/19	03/29/17	3,097,486	3,097,486	100.00	3,097,486	29	1.60%
Southside Bank CD		1.52%	05/03/19	05/04/17	3,081,003	3,081,003	100.00	3,081,003	33	1.52%
BTH Bank CD		2.52%	06/05/19	06/05/18	3,057,021	3,057,021	100.00	3,057,021	66	2.55%
Origin Bank CD		2.72%	07/23/19	01/23/19	3,000,000	3,000,000	100.00	3,000,000	114	2.75%
Landmark Bank CD		1.65%	08/02/19	08/07/17	3,074,535	3,074,535	100.00	3,074,535	124	1.65%
LegacyTexas Bank CD		1.75%	10/25/19	10/25/17	3,075,090	3,075,090	100.00	3,075,090	208	1.76%
Third Coast Bank CD		1.85%	11/20/19	11/20/17	3,070,136	3,070,136	100.00	3,070,136	234	1.85%
Landmark Bank CD		2.15%	01/04/20	01/04/18	3,064,124	3,064,124	100.00	3,064,124	279	2.15%
Southside Bank CD		2.73%	02/13/20	02/13/19	3,000,000	3,000,000	100.00	3,000,000	319	2.73%
LegacyTexas Bank CD		2.45%	02/28/20	02/28/18	3,080,109	3,080,109	100.00	3,080,109	334	2.48%
LegacyTexas Bank CD		2.45%	03/18/20	03/08/18	3,074,331	3,074,331	100.00	3,074,331	353	2.48%
InterBank CDARS		1.90%	04/12/20	04/12/18	3,065,491	3,065,491	100.00	3,065,491	378	1.90%
LegacyTexas Bank CD		2.75%	05/15/20	05/15/18	4,092,566	4,092,566	100.00	4,092,566	411	2.75%
LegacyTexas Bank CD		2.88%	06/03/20	06/04/18	3,065,245	3,065,245	100.00	3,065,245	430	2.92%
LegacyTexas Bank CD		2.92%	06/26/20	06/27/18	3,066,160	3,066,160	100.00	3,066,160	453	2.92%
BTH Bank CD		2.97%	07/11/20	07/11/18	2,039,889	2,039,889	100.00	2,039,889	468	3.01%
LegacyTexas Bank CD		2.96%	08/21/20	08/21/18	4,069,278	4,069,278	100.00	4,069,278	509	3.00%
Texas Security Bank CD		3.10%	09/19/20	09/19/18	6,000,000	6,000,000	100.00	6,000,000	538	3.10%
LegacyTexas Bank CD		3.04%	10/19/20	10/19/18	3,037,920	3,037,920	100.00	3,037,920	568	3.08%
LegacyTexas Bank CD		3.09%	11/27/20	11/27/18	3,030,195	3,030,195	100.00	3,030,195	607	3.09%
Origin Bank CD		2.82%	01/23/21	01/23/21	3,000,000	3,000,000	100.00	3,000,000	664	2.85%
LegacyTexas Bank CD		2.73%	02/19/21	02/19/21	3,091,835	3,091,835	100.00	3,091,835	691	2.76%
<b>City Funds - Sub Total</b>					<b>\$ 101,504,125</b>	<b>\$ 101,504,125</b>		<b>\$ 101,504,125</b>	<b>256</b>	<b>2.45%</b>
									<b>(1)</b>	<b>(2)</b>
<b>Revenue Bond</b>										
InterBank MMA - Bond		2.75%	04/01/19	03/31/19	\$ 5,699,285	\$ 5,699,285	1.00	\$ 5,699,285	1	2.75%
TexSTAR - Bond	AAAm	2.41%	04/01/19	03/31/19	239,026	239,026	1.00	239,026	1	2.41%
<b>Revenue Bond - Sub Total</b>					<b>\$ 5,938,311</b>	<b>\$ 5,938,311</b>		<b>\$ 5,938,311</b>	<b>1</b>	<b>2.74%</b>
									<b>(1)</b>	<b>(2)</b>
<b>Total Portfolio</b>					<b>\$ 107,442,436</b>	<b>\$ 107,442,436</b>		<b>\$ 107,442,436</b>	<b>242</b>	<b>2.46%</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.

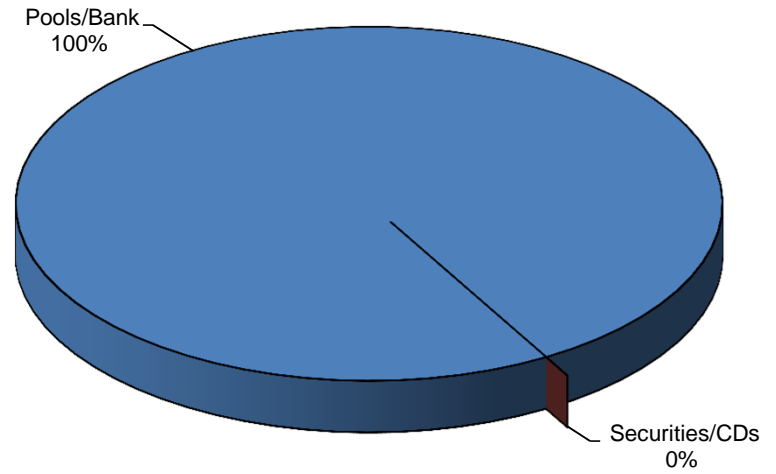
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for TexPool, TexSTAR, and bank account investments.

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

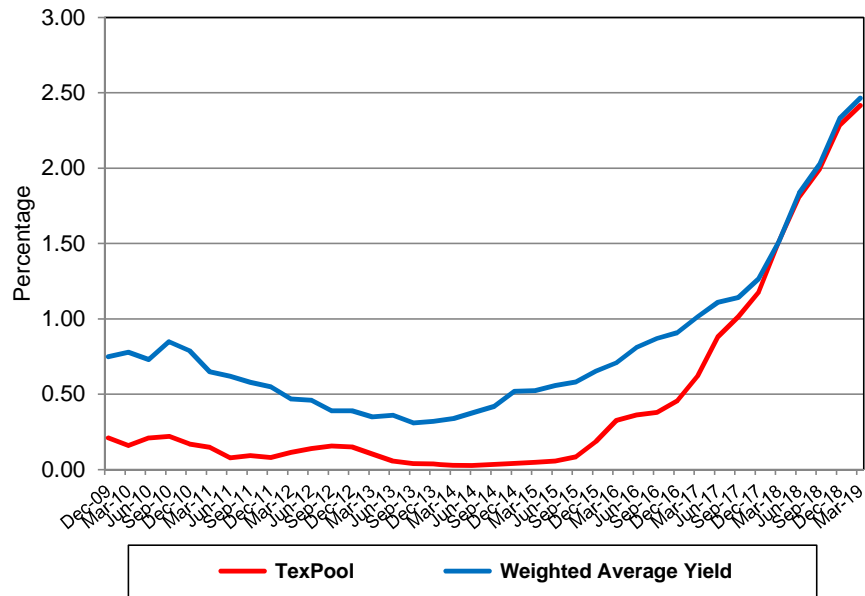
**Portfolio Composition - City Funds**



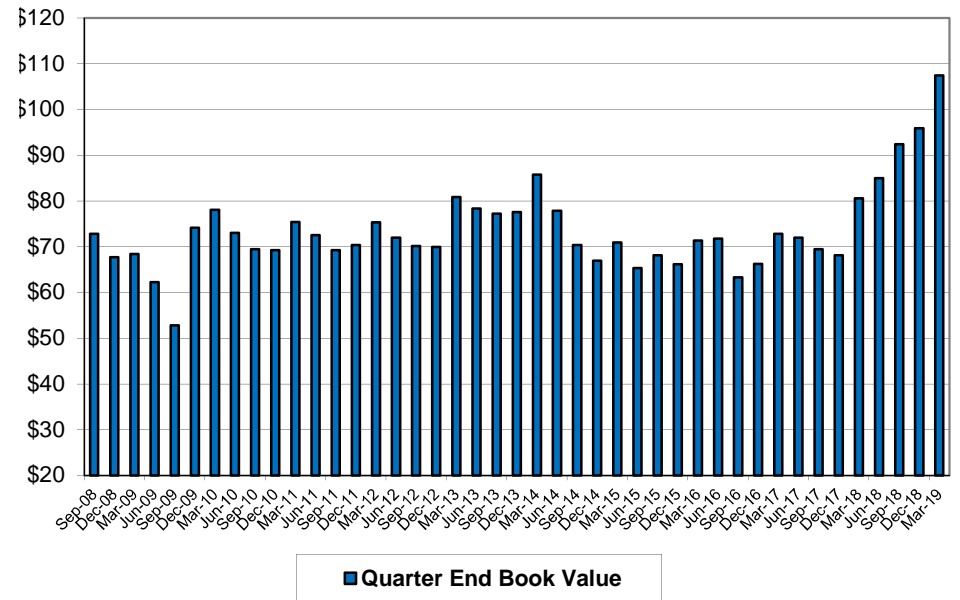
**Portfolio Composition - Revenue Bond**



**Total Portfolio Performance**



**Total Portfolio (Millions)**



## Book Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2018			March 31, 2019		
			Par Value	Book Value	Purchases/ Adjustments	Sales/Adjust/ Maturities	Par Value	Book Value
Cash - Pooled	0.65%	04/01/19	\$ 3,845,081	\$ 3,845,081	\$ 496,983	\$ -	\$ 4,342,064	\$ 4,342,064
NOW	2.64%	04/01/19	10,122,256	10,122,256	2,074,153		12,196,409	12,196,409
NOW #2	2.64%	04/01/19	8,347,044	8,347,044	3,066,293		11,413,337	11,413,337
InterBank MMA	2.75%	04/01/19	-	-	55,174		55,174	55,174
InterBank MMA - Bond	2.75%	04/01/19	6,066,880	6,066,880		(367,595)	5,699,285	5,699,285
TexPool	2.42%	04/01/19	210,282	210,282	1,247		211,529	211,529
TexSTAR - Bond	2.41%	04/01/19	244,080	244,080		(5,054)	239,026	239,026
Landmark Bank CD	1.45%	01/23/19	3,076,379	3,076,379		(3,076,379)	-	-
LegacyTexas Bank CD	1.40%	02/19/19	3,077,813	3,077,813		(3,077,813)	-	-
Southside Bank CD	1.50%	04/12/19	2,045,466	2,045,466	7,734		2,053,199	2,053,199
Lubbock National Bank CD	1.60%	04/29/19	3,085,298	3,085,298	12,188		3,097,486	3,097,486
Southside Bank CD	1.52%	05/03/19	3,069,244	3,069,244	11,759		3,081,003	3,081,003
BTH Bank CD	2.52%	06/05/19	3,038,104	3,038,104	18,917		3,057,021	3,057,021
Origin Bank CD	2.72%	07/23/19	-	-	3,000,000		3,000,000	3,000,000
Landmark Bank CD	1.65%	08/02/19	3,061,802	3,061,802	12,734		3,074,535	3,074,535
LegacyTexas Bank CD	1.75%	10/25/19	3,061,858	3,061,858	13,231		3,075,090	3,075,090
Third Coast Bank CD	1.85%	11/20/19	3,055,886	3,055,886	14,250		3,070,136	3,070,136
Landmark Bank CD	2.15%	01/04/20	3,047,428	3,047,428	16,696		3,064,124	3,064,124
Southside Bank CD	2.73%	02/13/20	-	-	3,000,000		3,000,000	3,000,000
LegacyTexas Bank CD	2.45%	02/28/20	3,061,576	3,061,576	18,533		3,080,109	3,080,109
LegacyTexas Bank CD	2.45%	03/18/20	3,055,833	3,055,833	18,498		3,074,331	3,074,331
InterBank CDARS	1.90%	04/12/20	3,048,176	3,048,176	17,314		3,065,491	3,065,491
LegacyTexas Bank CD	2.75%	05/15/20	4,064,940	4,064,940	27,626		4,092,566	4,092,566
LegacyTexas Bank CD	2.88%	06/03/20	3,043,580	3,043,580	21,665		3,065,245	3,065,245
LegacyTexas Bank CD	2.92%	06/26/20	3,044,189	3,044,189	21,971		3,066,160	3,066,160
BTH Bank CD	2.97%	07/11/20	2,025,023	2,025,023	14,866		2,039,889	2,039,889
LegacyTexas Bank CD	2.96%	08/21/20	4,039,722	4,039,722	29,556		4,069,278	4,069,278
Texas Security Bank CD	3.10%	09/19/20	6,000,000	6,000,000			6,000,000	6,000,000
LegacyTexas Bank CD	3.04%	10/19/20	3,015,261	3,015,261	22,659		3,037,920	3,037,920
LegacyTexas Bank CD	3.09%	11/27/20	3,007,521	3,007,521	22,675		3,030,195	3,030,195
Origin Bank CD	2.82%	01/23/21	-	-	3,000,000		3,000,000	3,000,000
LegacyTexas Bank CD	2.73%	02/19/21	-	-	3,091,835		3,091,835	3,091,835
<b>TOTAL</b>			<b>\$ 95,860,724</b>	<b>\$ 95,860,724</b>	<b>\$ 18,108,554</b>	<b>\$ (6,526,841)</b>	<b>\$ 107,442,436</b>	<b>\$ 107,442,436</b>

## Market Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2018		Qtr to Qtr Change	March 31, 2019	
			Par Value	Market Value		Par Value	Market Value
Cash - Pooled	0.65%	04/01/19	\$ 3,845,081	\$ 3,845,081	\$ 496,983	\$ 4,342,064	\$ 4,342,064
NOW	2.64%	04/01/19	10,122,256	10,122,256	2,074,153	12,196,409	12,196,409
NOW #2	2.64%	04/01/19	8,347,044	8,347,044	3,066,293	11,413,337	11,413,337
InterBank MMA	2.75%	04/01/19	–	–	55,174	55,174	55,174
InterBank MMA - Bond	2.75%	04/01/19	6,066,880	6,066,880	(367,595)	5,699,285	5,699,285
TexPool	2.42%	04/01/19	210,282	210,282	1,247	211,529	211,529
TexSTAR - Bond	2.41%	04/01/19	244,080	244,080	(5,054)	239,026	239,026
Landmark Bank CD	1.45%	01/23/19	3,076,379	3,076,379	(3,076,379)	–	–
LegacyTexas Bank CD	1.40%	02/19/19	3,077,813	3,077,813	(3,077,813)	–	–
Southside Bank CD	1.50%	04/12/19	2,045,466	2,045,466	7,734	2,053,199	2,053,199
Lubbock National Bank CD	1.60%	04/29/19	3,085,298	3,085,298	12,188	3,097,486	3,097,486
Southside Bank CD	1.52%	05/03/19	3,069,244	3,069,244	11,759	3,081,003	3,081,003
BTH Bank CD	2.52%	06/05/19	3,038,104	3,038,104	18,917	3,057,021	3,057,021
Origin Bank CD	2.72%	07/23/19	–	–	3,000,000	3,000,000	3,000,000
Landmark Bank CD	1.65%	08/02/19	3,061,802	3,061,802	12,734	3,074,535	3,074,535
LegacyTexas Bank CD	1.75%	10/25/19	3,061,858	3,061,858	13,231	3,075,090	3,075,090
Third Coast Bank CD	1.85%	11/20/19	3,055,886	3,055,886	14,250	3,070,136	3,070,136
Landmark Bank CD	2.15%	01/04/20	3,047,428	3,047,428	16,696	3,064,124	3,064,124
Southside Bank CD	2.73%	02/13/20	–	–	3,000,000	3,000,000	3,000,000
LegacyTexas Bank CD	2.45%	02/28/20	3,061,576	3,061,576	18,533	3,080,109	3,080,109
LegacyTexas Bank CD	2.45%	03/18/20	3,055,833	3,055,833	18,498	3,074,331	3,074,331
InterBank CDARS	1.90%	04/12/20	3,048,176	3,048,176	17,314	3,065,491	3,065,491
LegacyTexas Bank CD	2.75%	05/15/20	4,064,940	4,064,940	27,626	4,092,566	4,092,566
LegacyTexas Bank CD	2.88%	06/03/20	3,043,580	3,043,580	21,665	3,065,245	3,065,245
LegacyTexas Bank CD	2.92%	06/26/20	3,044,189	3,044,189	21,971	3,066,160	3,066,160
BTH Bank CD	2.97%	07/11/20	2,025,023	2,025,023	14,866	2,039,889	2,039,889
LegacyTexas Bank CD	2.96%	08/21/20	4,039,722	4,039,722	29,556	4,069,278	4,069,278
Texas Security Bank CD	3.10%	09/19/20	6,000,000	6,000,000		6,000,000	6,000,000
LegacyTexas Bank CD	3.04%	10/19/20	3,015,261	3,015,261	22,659	3,037,920	3,037,920
LegacyTexas Bank CD	3.09%	11/27/20	3,007,521	3,007,521	22,675	3,030,195	3,030,195
Origin Bank CD	2.82%	01/23/21	–	–	3,000,000	3,000,000	3,000,000
LegacyTexas Bank CD	2.73%	02/19/21	–	–	3,091,835	3,091,835	3,091,835
<b>TOTAL</b>			<b>\$ 95,860,724</b>	<b>\$ 95,860,724</b>	<b>\$ 11,581,712</b>	<b>\$ 107,442,436</b>	<b>\$ 107,442,436</b>

**Cash and Investments by Fund**

		<b>03/31/2019</b>	<b>12/31/2018</b>
General Fund	101	\$ 18,150,275	\$ 9,867,641
General Capital Projects Fund	102	181,442	219,197
Street Improvement Fund	103	104,544	156,468
Development Services Fund	202	1,826,468	1,828,340
Cemeteries Operating Fund	204	96,707	45,912
Forfeitures Fund	205	231,268	282,597
Court Technology Fund	207	185,068	277,716
TIF/TIRZ # 2	209	2,797	2,783
Hotel-Motel Tax Fund	211	5,603,884	5,265,045
Donations Fund	216	614,390	334,214
TIF/TIRZ # 3	218	409,974	324,121
Tyler Tourism & Convention Facilities Fund	219	922,334	848,814
Half Cent Sales Tax Fund	231	24,608,726	22,714,209
Passenger Facility Fund	234	223,707	175,265
Oil & Natural Gas Fund	235	3,046,746	3,003,651
PEG Fee Fund	236	835,395	802,099
Fair Plaza Fund	240	(5,687)	3,514
Retained HUD Admin Fee Fund	274	410	408
Housing Assistance Fund	276	694,540	677,524
State/Federal Grants Fund	285	(49,184)	(39,760)
Transit System Fund	286	(722,261)	(585,534)
CDBG Grant Fund	294	(36,607)	(2,173)
HOME Grant Fund	295	274,634	285,367
Utilities Fund	502	5,460,290	6,018,489
Utilities Construction Fund	503	10,963,380	10,846,257
Utilities Debt Service Fund	504	2,196,116	1,827,029
Utilities Debt Reserve Fund	505	794,058	790,201
Revenue Bond Series 2015	517	239,026	243,967
Revenue Bond Series 2017	518	5,699,285	5,932,881
Airport Fund	524	442,775	423,598
Airport Grant Fund	525	(953,423)	(1,226,708)
Solid Waste Fund	560	(446,681)	(1,056,846)
Solid Waste Capital Projects Fund	562	878,071	1,083,331
Storm Water Management	575	1,301,665	1,079,929
Productivity Improvement Fund	639	426,235	589,203
Fleet Replacement Fund	640	8,227,237	8,912,604
Prop, Liab, W/C Insurance Fund	650	1,741,077	2,053,635
Employee Benefits Fund	661	2,841,726	3,510,348
Prop & Facility Management Fund	663	1,235,214	1,596,886
Technology Fund	671	825,185	745,039
Payroll Fund	710	1,138,589	780,155
Cemetery Trust Fund	713	3,031,920	3,020,220
Landfill Trust Fund	720	2,693,091	2,671,035
Retiree Benefits Fund	761	181,913	(226,277)
Section 125 Trust Fund	772	183,984	195,800
<b>TOTAL</b>		<b>\$ 106,300,304</b>	<b>\$ 96,298,193</b>