



INVESTMENT PORTFOLIO SUMMARY

For the Quarter Ended

September 30, 2017

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', written over a horizontal line.

Chief Financial Officer

A handwritten signature in black ink, appearing to read 'L. Gustaf', written over a horizontal line.

Accounting Manager

A handwritten signature in black ink, appearing to read 'J. Lamb', written over a horizontal line.

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.

Annual Comparison of Portfolio Performance

FYE Results by Investment Category:

City Funds

Asset Type	September 30, 2017			September 30, 2016		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank	0.88%	\$ 17,544,543	\$ 17,544,543	0.64%	\$ 13,655,475	\$ 13,655,475
Securities/CDs	1.23%	46,977,686	46,977,686	0.95%	43,870,663	43,870,663
Totals		\$ 64,522,229	\$ 64,522,229		\$ 57,526,138	\$ 57,526,138
Fourth Quarter-End Yield	1.14%			0.89%		
Quarterly Interest Income		\$180,731	Approximate		\$138,172	Approximate
Year-to-date Interest Income		\$626,313	Approximate		\$448,782	Approximate

Revenue Bond

Asset Type	September 30, 2017			September 30, 2016		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank	1.17%	\$ 4,502,672	\$ 4,502,672	0.46%	\$ 1,655,245	\$ 1,655,245
Securities/CDs	1.05%	406,336	406,336	0.82%	4,116,747	4,116,747
Totals		\$ 4,909,007	\$ 4,909,007		\$ 5,771,991	\$ 5,771,991
Fourth Quarter-End Yield	1.16%			0.72%		
Quarterly Interest Income		\$14,454	Approximate		Incl above	Approximate
Year-to-date Interest Income		\$60,808	Approximate		Incl above	Approximate

Total Portfolio

Current Quarter Average Yield (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	1.14%	Total Portfolio	1.04%
Quarterly Interest Income		\$195,185	Approximate
Year-to-date Interest Income		\$687,121	Approximate
		\$138,172	Approximate
		\$448,782	Approximate

Average Quarter-End Yields - Fiscal Year (1):

City Funds	1.06%	0.76%
Revenue Bond	0.93%	NA
Rolling Three Mo. Treas. Yield	0.75%	0.25%
Rolling Six Mo. Treas. Yield	0.78%	0.37%
Quarterly TexPool Yield	0.74%	0.31%

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

Summary

Quarter End Results by Investment Category:

City Funds

Asset Type	Ave. Yield	September 30, 2017		June 30, 2017	
		Book Value	Market Value	Book Value	Market Value
Pools/Bank	0.88%	\$ 17,544,543	\$ 17,544,543	\$ 19,629,621	\$ 19,629,621
Securities/CDs	1.23%	46,977,686	46,977,686	46,938,913	46,938,913
Totals		\$ 64,522,229	\$ 64,522,229	\$ 66,568,534	\$ 66,568,534

Current Quarter Average Yield (1)

Total Portfolio 1.14%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio 1.06%

Quarterly Interest Income \$ 180,731
 Year-to-date Interest Income \$ 626,313

Quarterly Bank Fees Offset \$ 13,191
 Year-to-date Bank Fees Offset \$ 52,144

Revenue Bond

Asset Type	Ave. Yield	September 30, 2017		June 30, 2017	
		Book Value	Market Value	Book Value	Market Value
Pools/Bank	1.17%	\$ 4,502,672	\$ 4,502,672	\$ 4,107,242	\$ 4,107,242
Securities/CDs	1.05%	406,336	406,336	1,319,119	1,319,119
Totals		\$ 4,909,007	\$ 4,909,007	\$ 5,426,361	\$ 5,426,361

Current Quarter Average Yield (1)

Total Portfolio 1.16%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio 0.93%

Quarterly Interest Income \$ 14,454
 Year-to-date Interest Income \$ 60,808

Total Portfolio

Current Quarter Average Yield (1)

Total Portfolio 1.14%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio 1.04%

Rolling Three Mo. Treas. Yield 1.05%
 Rolling Six Mo. Treas. Yield 1.09%

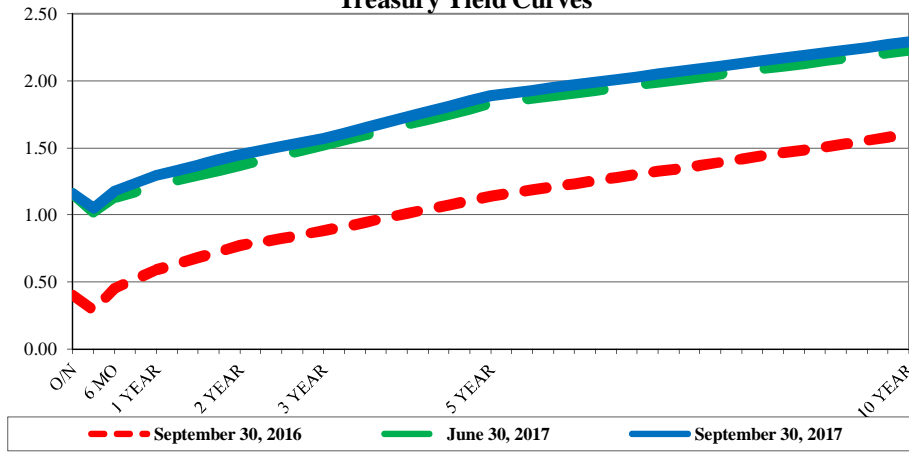
Rolling Three Mo. Treas. Yield 0.75%
 Rolling Six Mo. Treas. Yield 0.78%
 Quarterly TexPool Yield 0.74%

(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 of 1.00% - 1.25% (Effective Fed Funds are trading +/-1.16%) since the June FOMC meeting. Recent announcements have increased the probability of a December rate increase. The FOMC announced a gradual portfolio reduction by limiting reinvestment of maturing holdings. Second Quarter 2017 GDP was revised to 3.1%. September Non Farm Payroll data was a storm influenced negative 33k, with downward revisions to August and July. Other US data generally showed positive with a few negative numbers. The Stock Markets achieved new highs. Monitoring estimated balances and needs will determine laddering opportunities.

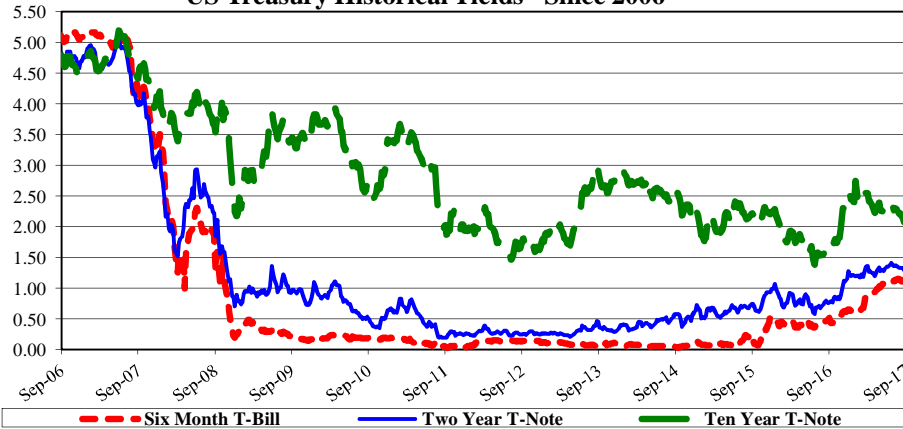
Treasury Yield Curves



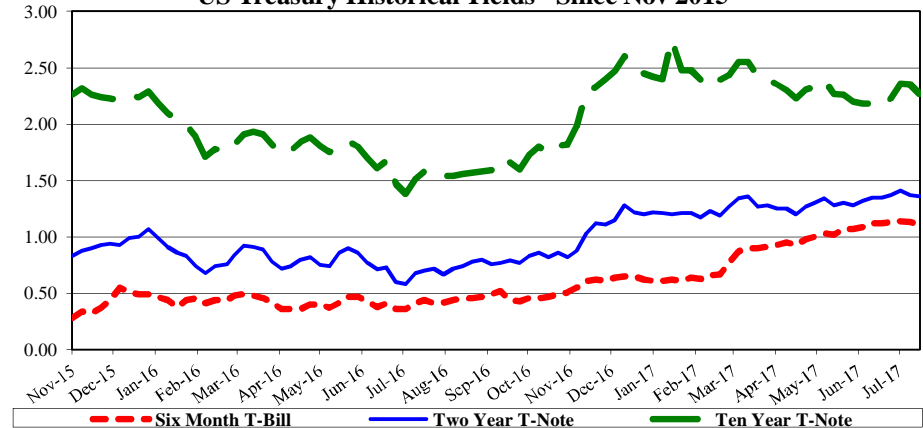
S&P 500



US Treasury Historical Yields - Since 2006



US Treasury Historical Yields - Since Nov 2015



Investment Holdings
September 30, 2017

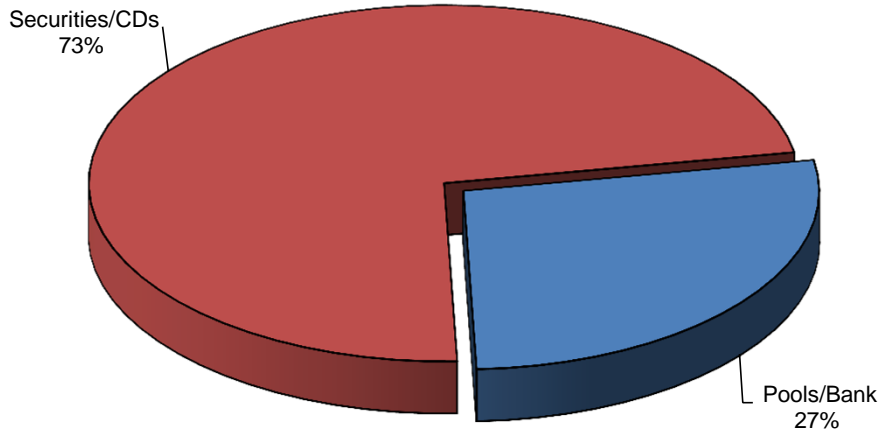
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Purchased Value	Book Value	Market Price	Market Value	Life (days)	Yield
City Funds											
Cash - Pooled (3)		0.63%	10/01/17	09/30/17	\$ 10,017,480	\$ 10,017,480	\$ 10,017,480	1.00	\$ 10,017,480	1	0.63%
NOW		1.22%	10/01/17	09/30/17	7,321,133	7,321,133	7,321,133	1.00	7,321,133	1	1.22%
TexPool	AAAm	1.02%	10/01/17	09/30/17	205,930	205,930	205,930	1.00	205,930	1	1.02%
Herring Bank		0.95%	10/26/17	10/27/16	2,017,641	2,017,641	2,017,641	100.00	2,017,641	26	0.95%
Wallis State Bank CDARS		1.04%	11/16/17	11/16/15	2,549,272	2,549,272	2,549,272	100.00	2,549,272	47	1.04%
Southside Bank CD		1.12%	01/02/18	12/30/15	3,059,413	3,059,413	3,059,413	100.00	3,059,413	94	1.12%
Citizens 1st CD		1.00%	03/01/18	03/01/16	3,042,957	3,042,957	3,042,957	100.00	3,042,957	152	1.00%
Citizens 1st CD		1.01%	05/11/18	05/11/16	4,050,890	4,050,890	4,050,890	100.00	4,050,890	223	1.01%
Southside Bank CD		1.06%	05/26/18	05/26/16	3,040,027	3,040,027	3,040,027	100.00	3,040,027	238	1.06%
BTH Bank CD		1.13%	06/27/18	06/27/16	3,042,726	3,042,726	3,042,726	100.00	3,042,726	270	1.13%
BTH Bank CD		1.13%	09/19/18	09/19/16	3,034,076	3,034,076	3,034,076	100.00	3,034,076	354	1.13%
Southside Bank CD		1.02%	10/17/18	10/17/16	3,022,947	3,022,947	3,022,947	100.00	3,022,947	382	1.02%
BTH Bank CD		1.15%	11/23/18	11/23/16	3,028,874	3,028,874	3,028,874	100.00	3,028,874	419	1.15%
Landmark Bank CD		1.45%	01/23/19	01/23/17	3,021,132	3,021,132	3,021,132	100.00	3,021,132	480	1.45%
LegacyTexas Bank CD		1.40%	02/19/19	02/17/17	3,024,480	3,024,480	3,024,480	100.00	3,024,480	507	1.40%
Lubbock National Bank CD		1.60%	03/29/19	03/29/17	3,024,279	3,024,279	3,024,279	100.00	3,024,279	545	1.60%
Southside Bank CD		1.50%	04/12/19	04/12/17	2,007,479	2,007,479	2,007,479	100.00	2,007,479	559	1.50%
Southside Bank CD		1.52%	05/03/19	05/04/17	3,011,494	3,011,494	3,011,494	100.00	3,011,494	580	1.52%
Landmark Bank CD		1.65%	08/02/19	08/07/17	3,000,000	3,000,000	3,000,000	100.00	3,000,000	671	1.65%
City Funds - Sub Total					\$ 64,522,229	\$ 64,522,229	\$ 64,522,229		\$ 64,522,229	254	1.14%
										(1)	(2)
Revenue Bond											
NOW #2		1.22%	10/01/17	09/30/17	\$ 3,288,657	\$ 3,288,657	\$ 3,288,657	1.00	\$ 3,288,657	1	1.22%
TexSTAR - Bond	AAAm	1.04%	10/01/17	09/30/17	1,214,014	1,214,014	1,214,014	1.00	1,214,014	1	1.04%
Southside Bank CD		1.05%	10/06/17	01/06/16	406,336	406,336	406,336	100.00	406,336	6	1.05%
Revenue Bond - Sub Total					\$ 4,909,007	\$ 4,909,007	\$ 4,909,007		\$ 4,909,007	1	1.16%
										(1)	(2)
Total Portfolio					\$ 69,431,237	\$ 69,431,237	\$ 69,431,237		\$ 69,431,237	236	1.14%
										(1)	(2)

(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.

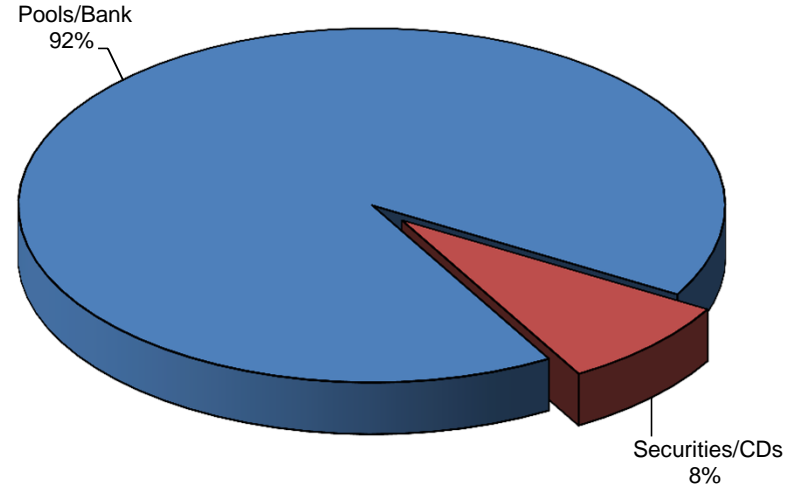
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for TexPool, TexSTAR, and bank account investments.

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

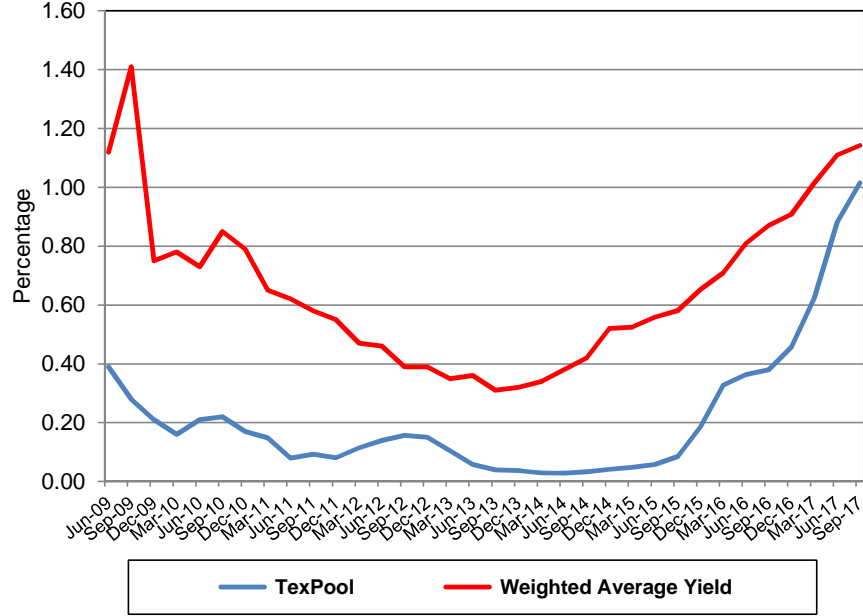
Portfolio Composition - City Funds



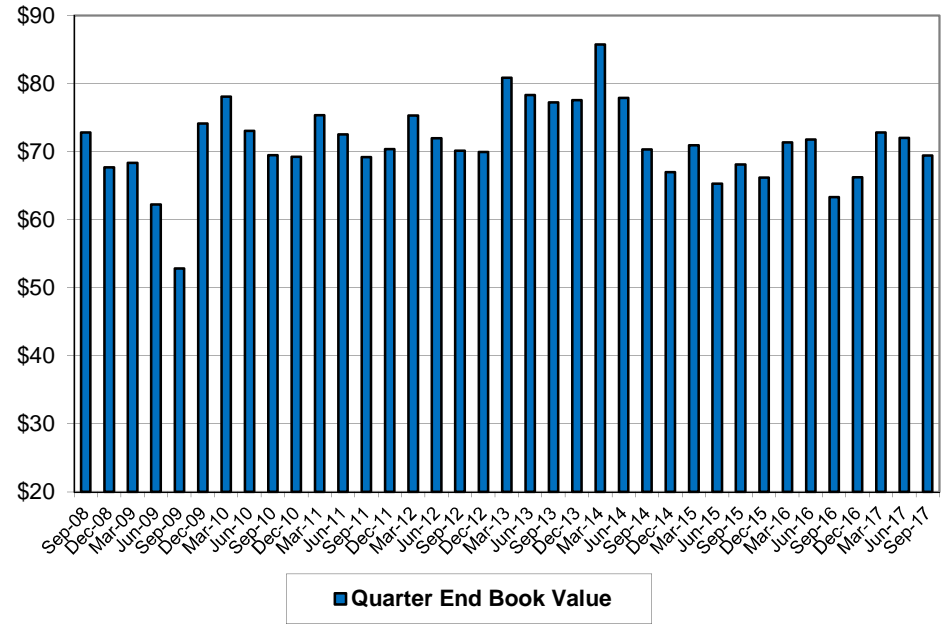
Portfolio Composition - Revenue Bond



Total Portfolio Performance



Total Portfolio (Millions)



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	June 30, 2017		Purchases/ Adjustments	Sales/Adjust/ Maturities	September 30, 2017	
			Par Value	Book Value			Par Value	Book Value
Cash - Pooled	0.63%	10/01/17	\$ 6,279,018	\$ 6,279,018	\$ 3,738,462	\$ -	\$ 10,017,480	\$ 10,017,480
NOW	1.22%	10/01/17	13,082,950	13,082,950		(5,761,817)	7,321,133	7,321,133
NOW #2	1.22%	10/01/17	2,958,577	2,958,577	330,080		3,288,657	3,288,657
TexPool	1.02%	10/01/17	205,414	205,414	516		205,930	205,930
TexSTAR	0.86%	10/01/17	62,239	62,239		(62,239)	-	-
TexSTAR - Bond	1.04%	10/01/17	1,148,665	1,148,665	65,349		1,214,014	1,214,014
Southside Bank CD	0.95%	07/06/17	912,818	912,818		(912,818)	-	-
BTH Bank CDARS	1.20%	08/03/17	3,069,296	3,069,296		(3,069,296)	-	-
Southside Bank CD	1.05%	10/06/17	406,301	406,301	35		406,336	406,336
Herring Bank	0.95%	10/26/17	2,012,838	2,012,838	4,803		2,017,641	2,017,641
Wallis State Bank CDARS	1.04%	11/16/17	2,542,569	2,542,569	6,703		2,549,272	2,549,272
Southside Bank CD	1.12%	01/02/18	3,051,082	3,051,082	8,332		3,059,413	3,059,413
Citizens 1st CD	1.00%	03/01/18	3,035,283	3,035,283	7,674		3,042,957	3,042,957
Citizens 1st CD	1.01%	05/11/18	4,040,594	4,040,594	10,297		4,050,890	4,050,890
Southside Bank CD	1.06%	05/26/18	3,035,273	3,035,273	4,755		3,040,027	3,040,027
BTH Bank CD	1.13%	06/27/18	3,034,076	3,034,076	8,650		3,042,726	3,042,726
BTH Bank CD	1.13%	09/19/18	3,025,521	3,025,521	8,555		3,034,076	3,034,076
Southside Bank CD	1.02%	10/17/18	3,021,767	3,021,767	1,180		3,022,947	3,022,947
BTH Bank CD	1.15%	11/23/18	3,020,183	3,020,183	8,691		3,028,874	3,028,874
Landmark Bank CD	1.45%	01/23/19	3,010,249	3,010,249	10,882		3,021,132	3,021,132
LegacyTexas Bank CD	1.40%	02/19/19	3,013,832	3,013,832	10,648		3,024,480	3,024,480
Lubbock National Bank CD	1.60%	03/29/19	3,012,115	3,012,115	12,164		3,024,279	3,024,279
Southside Bank CD	1.50%	04/12/19	2,006,740	2,006,740	740		2,007,479	2,007,479
Southside Bank CD	1.52%	05/03/19	3,007,496	3,007,496	3,998		3,011,494	3,011,494
Landmark Bank CD	1.65%	08/02/19	-	-	3,000,000		3,000,000	3,000,000
TOTAL			\$ 71,994,895	\$ 71,994,895	\$ 7,242,512	\$ (9,806,170)	\$ 69,431,237	\$ 69,431,237

Market Value Comparison

Description	Coupon/ Discount	Maturity Date	June 30, 2017		Qtr to Qtr Change	September 30, 2017	
			Par Value	Market Value		Par Value	Market Value
Cash - Pooled	0.63%	10/01/17	\$ 6,279,018	\$ 6,279,018	\$ 3,738,462	\$ 10,017,480	\$ 10,017,480
NOW	1.22%	10/01/17	13,082,950	13,082,950	(5,761,817)	7,321,133	7,321,133
NOW #2	1.22%	10/01/17	2,958,577	2,958,577	330,080	3,288,657	3,288,657
TexPool	1.02%	10/01/17	205,414	205,414	516	205,930	205,930
TexSTAR	0.86%	10/01/17	62,239	62,239	(62,239)	—	—
TexSTAR - Bond	1.04%	10/01/17	1,148,665	1,148,665	65,349	1,214,014	1,214,014
Southside Bank CD	0.95%	07/06/17	912,818	912,818	(912,818)	—	—
BTH Bank CDARS	1.20%	08/03/17	3,069,296	3,069,296	(3,069,296)	—	—
Southside Bank CD	1.05%	10/06/17	406,301	406,301	35	406,336	406,336
Herring Bank	0.95%	10/26/17	2,012,838	2,012,838	4,803	2,017,641	2,017,641
Wallis State Bank CDARS	1.04%	11/16/17	2,542,569	2,542,569	6,703	2,549,272	2,549,272
Southside Bank CD	1.12%	01/02/18	3,051,082	3,051,082	8,332	3,059,413	3,059,413
Citizens 1st CD	1.00%	03/01/18	3,035,283	3,035,283	7,674	3,042,957	3,042,957
Citizens 1st CD	1.01%	05/11/18	4,040,594	4,040,594	10,297	4,050,890	4,050,890
Southside Bank CD	1.06%	05/26/18	3,035,273	3,035,273	4,755	3,040,027	3,040,027
BTH Bank CD	1.13%	06/27/18	3,034,076	3,034,076	8,650	3,042,726	3,042,726
BTH Bank CD	1.13%	09/19/18	3,025,521	3,025,521	8,555	3,034,076	3,034,076
Southside Bank CD	1.02%	10/17/18	3,021,767	3,021,767	1,180	3,022,947	3,022,947
BTH Bank CD	1.15%	11/23/18	3,020,183	3,020,183	8,691	3,028,874	3,028,874
Landmark Bank CD	1.45%	01/23/19	3,010,249	3,010,249	10,882	3,021,132	3,021,132
LegacyTexas Bank CD	1.40%	02/19/19	3,013,832	3,013,832	10,648	3,024,480	3,024,480
Lubbock National Bank CD	1.60%	03/29/19	3,012,115	3,012,115	12,164	3,024,279	3,024,279
Southside Bank CD	1.50%	04/12/19	2,006,740	2,006,740	740	2,007,479	2,007,479
Southside Bank CD	1.52%	05/03/19	3,007,496	3,007,496	3,998	3,011,494	3,011,494
Landmark Bank CD	1.65%	08/02/19	—	—	3,000,000	3,000,000	3,000,000
TOTAL			\$ 71,994,895	\$ 71,994,895	\$ (2,563,658)	\$ 69,431,237	\$ 69,431,237

Allocation

September 30, 2017

Book & Market Value	Security Total	Pooled Funds	Revenue Bond
Cash	\$ 10,017,480	\$ 10,017,480	\$ -
NOW	7,321,133	7,321,133	
NOW #2	3,288,657		3,288,657
TexPool	205,930	205,930	
TexSTAR	-		
TexSTAR - Bond	1,214,014		1,214,014
10/06/17-Southside Bank CD	406,336		406,336
10/26/17-Herring Bank	2,017,641	2,017,641	
11/16/17-Wallis State Bank CDARS	2,549,272	2,549,272	
01/02/18-Southside Bank CD	3,059,413	3,059,413	
03/01/18-Citizens 1st CD	3,042,957	3,042,957	
05/11/18-Citizens 1st CD	4,050,890	4,050,890	
05/26/18-Southside Bank CD	3,040,027	3,040,027	
06/27/18-BTH Bank CD	3,042,726	3,042,726	
09/19/18-BTH Bank CD	3,034,076	3,034,076	
10/17/18-Southside Bank CD	3,022,947	3,022,947	
11/23/18-BTH Bank CD	3,028,874	3,028,874	
01/23/19-Landmark Bank CD	3,021,132	3,021,132	
02/19/19-LegacyTexas Bank CD	3,024,480	3,024,480	
03/29/19-Lubbock National Bank CD	3,024,279	3,024,279	
04/12/19-Southside Bank CD	2,007,479	2,007,479	
05/03/19-Southside Bank CD	3,011,494	3,011,494	
08/02/19-Landmark Bank CD	3,000,000	3,000,000	
Totals	\$ 69,431,237	\$ 64,522,229	\$ 4,909,007

Allocation

June 30, 2017

Book & Market Value	Security Total	Pooled Funds	Revenue Bond
Cash	\$ 6,279,018	\$ 6,279,018	\$ -
NOW	13,082,950	13,082,950	
NOW #2	2,958,577		2,958,577
TexPool	205,414	205,414	
TexSTAR	62,239	62,239	
TexSTAR - Bond	1,148,665		1,148,665
07/06/17–Southside Bank CD	912,818		912,818
08/03/17–BTH Bank CDARS	3,069,296	3,069,296	
10/06/17–Southside Bank CD	406,301		406,301
10/26/17–Herring Bank	2,012,838	2,012,838	
11/16/17–Wallis State Bank CDARS	2,542,569	2,542,569	
01/02/18–Southside Bank CD	3,051,082	3,051,082	
03/01/18–Citizens 1st CD	3,035,283	3,035,283	
05/11/18–Citizens 1st CD	4,040,594	4,040,594	
05/26/18–Southside Bank CD	3,035,273	3,035,273	
06/27/18–BTH Bank CD	3,034,076	3,034,076	
09/19/18–BTH Bank CD	3,025,521	3,025,521	
10/17/18–Southside Bank CD	3,021,767	3,021,767	
11/23/18–BTH Bank CD	3,020,183	3,020,183	
01/23/19–Landmark Bank CD	3,010,249	3,010,249	
02/19/19–LegacyTexas Bank CD	3,013,832	3,013,832	
03/29/19–Lubbock National Bank CD	3,012,115	3,012,115	
04/12/19–Southside Bank CD	2,006,740	2,006,740	
05/03/19–Southside Bank CD	3,007,496	3,007,496	
Totals	\$ 71,994,895	\$ 66,568,534	\$ 5,426,361

Cash and Investments by Fund

		09/30/2017	6/30/2017
General Fund	101	\$ 5,918,547	\$ 11,543,263
General Capital Projects Fund	102	298,067	319,076
Street Improvement Fund	103	64,711	641,286
Development Services Fund	202	1,661,108	1,560,319
Cemeteries Operating Fund	204	(5,088)	(17,059)
Forfeitures Fund	205	214,428	233,487
Court Technology Fund	207	194,411	229,609
TIF/TIRZ # 2	209	2,733	2,726
Hotel-Motel Tax Fund	211	4,098,097	3,649,545
Donations Fund	216	497,076	427,060
TIF/TIRZ # 3	218	225,823	221,316
Tyler Tourism & Convention Facilities Fund	219	1,279,326	1,221,890
Half Cent Sales Tax Fund	231	12,409,712	13,146,703
Passenger Facility Fund	234	141,292	127,414
Oil & Natural Gas Fund	235	3,141,986	3,112,286
PEG Fee Fund	236	532,780	501,361
Fair Plaza Fund	240	99,749	90,164
Retained HUD Admin Fee Fund	274	201	200
Housing Assistance Fund	276	659,302	856,315
State/Federal Grants Fund	285	(148,667)	8,391
Transit System Fund	286	(254,115)	(675,364)
CDBG Grant Fund	294	(15,438)	12,691
HOME Grant Fund	295	301,135	57,725
Utilities Fund	502	7,415,894	6,045,046
Utilities Construction Fund	503	5,169,350	5,167,389
Utilities Debt Service Fund	504	7,313	3,070,452
Utilities Debt Reserve Fund	505	1,493,711	1,493,711
Revenue Bond Series 2015	517	4,909,007	5,426,361
Airport Fund	524	582,617	661,503
Airport Grant Fund	525	(435,968)	(1,882,349)
Solid Waste Fund	560	1,355,744	1,453,706
Solid Waste Capital Projects Fund	562	138,310	(128,468)
Productivity Improvement Fund	639	208,650	450,569
Fleet Replacement Fund	640	5,317,715	5,882,794
Prop, Liab, W/C Insurance Fund	650	740,463	636,850
Employee Benefits Fund	661	717,753	(1,227,169)
Prop & Facility Management Fund	663	714,799	789,192
Technology Fund	671	1,057,241	658,685
Payroll Fund	710	1,124,697	747,149
Cemetery Trust Fund	713	2,958,030	2,949,872
Landfill Trust Fund	720	2,578,145	2,562,895
Retiree Benefits Fund	761	(28,145)	(1,024,907)
Section 125 Trust Fund	772	181,000	174,408
Total		\$ 67,523,501	\$ 71,178,096