



INVESTMENT PORTFOLIO SUMMARY

For the Quarter Ended

September 30, 2018

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 Pruitt".

Chief Financial Officer

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

Accounting Manager

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

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, 2018		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank	0.88%	\$ 17,544,543	\$ 17,544,543	1.46%	\$ 18,833,944	\$ 18,833,944
Securities/CDs	1.23%	46,977,686	46,977,686	2.16%	66,820,118	66,820,118
Totals		\$ 64,522,229	\$ 64,522,229		\$ 85,654,062	\$ 85,654,062
Fourth Quarter-End Yield	1.14%			2.01%		
Quarterly Interest Income		\$180,731 Approximate			\$403,542 Approximate	
Year-to-date Interest Income		\$626,313 Approximate			\$1,108,453 Approximate	

Revenue Bond

Asset Type	September 30, 2017			September 30, 2018		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank	1.17%	\$ 4,502,672	\$ 4,502,672	2.24%	\$ 6,739,298	\$ 6,739,298
Securities/CDs	1.05%	406,336	406,336	0.00%	-	-
Totals		\$ 4,909,007	\$ 4,909,007		\$ 6,739,298	\$ 6,739,298
Fourth Quarter-End Yield	1.16%			2.24%		
Quarterly Interest Income		\$14,454 Approximate			\$34,949 Approximate	
Year-to-date Interest Income		\$60,808 Approximate			\$71,507 Approximate	

Total Portfolio

Current Quarter Average Yield (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	1.14%	Total Portfolio	2.03%
Quarterly Interest Income		\$195,185 Approximate	\$438,491 Approximate
Year-to-date Interest Income		\$687,121 Approximate	\$1,179,960 Approximate

Average Quarter-End Yields (1):

	2017 Fiscal Year	2018 Fiscal Year
City Funds	1.06%	1.65%
Revenue Bond	0.93%	1.71%
Rolling Three Month Treasury	0.75%	1.69%
Rolling Six Month Treasury	0.78%	1.73%
TexPool	0.74%	1.62%

(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	June 30, 2018		September 30, 2018		
		Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank	1.49%	\$ 17,876,837	\$ 17,876,837	1.46%	\$ 18,833,944	\$ 18,833,944
Securities/CDs	1.92%	66,636,585	66,636,585	2.16%	66,820,118	66,820,118
Totals		\$ 84,513,422	\$ 84,513,422		\$ 85,654,062	\$ 85,654,062

Current Quarter Average Yield (1)

Total Portfolio 2.01%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio 1.65%

Interest Earnings

Quarterly Interest Income \$ 403,542
Year-to-date Interest Income \$ 1,108,453

Bank Fees Offset

Quarterly Bank Fees Offset \$ 12,204
Year-to-date Bank Fees Offset \$ 51,135

Revenue Bond

Asset Type	Ave. Yield	June 30, 2018		September 30, 2018		
		Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank	1.83%	\$ 473,800	\$ 473,800	2.24%	\$ 6,739,298	\$ 6,739,298
Securities/CDs	0.00%	-	-	0.00%	-	-
Totals		\$ 473,800	\$ 473,800		\$ 6,739,298	\$ 6,739,298

Current Quarter Average Yield (1)

Total Portfolio 2.24%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio 1.71%

Interest Earnings

Quarterly Interest Income \$ 34,949
Year-to-date Interest Income \$ 71,507

Total Portfolio

Current Quarter Average Yield (1)

Total Portfolio 2.03%

Rolling Three Month Treasury 2.08%
Rolling Six Month Treasury 2.15%

Fiscal Year-to-Date Average Yield (2)

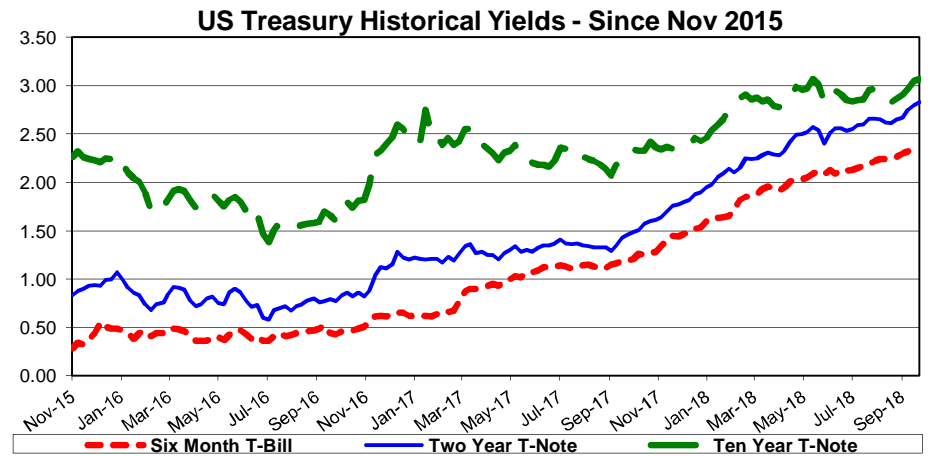
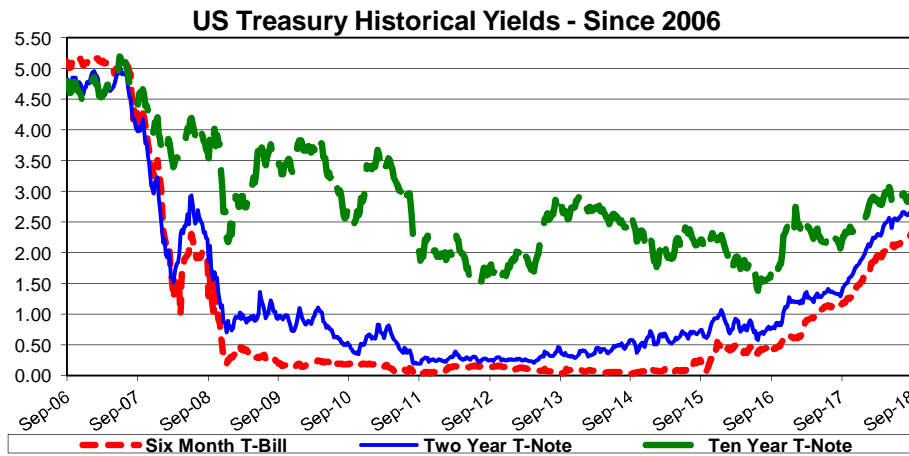
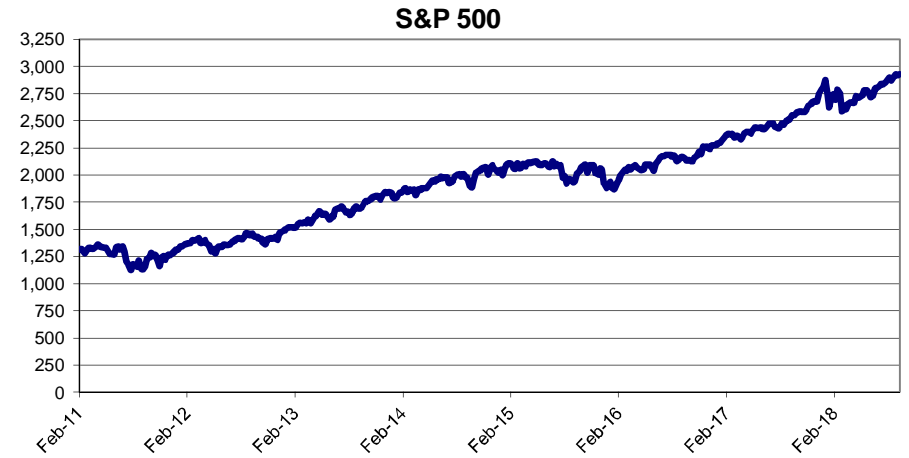
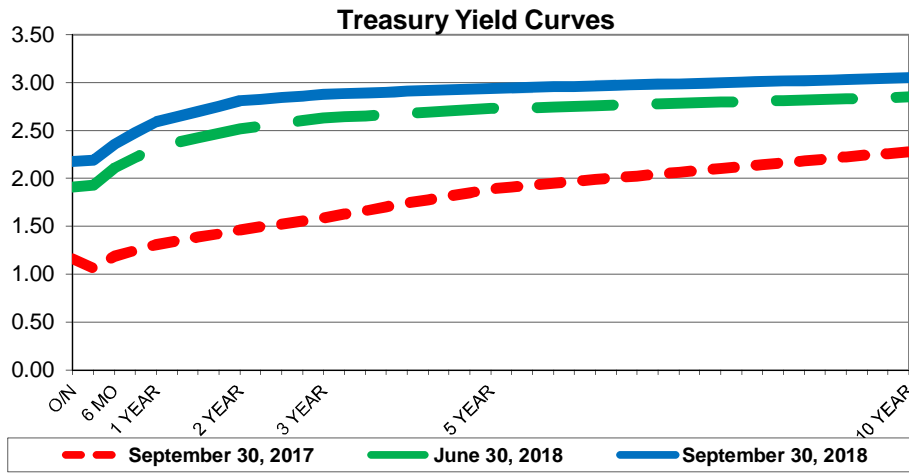
Total Portfolio 1.65%

Rolling Three Month Treasury 1.69%
Rolling Six Month Treasury 1.73%
TexPool 1.62%

(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) increased the Fed Funds target range to 2.00% - 2.25% (Effective Fed Funds are trading +/-2.18%). Additional range increases are still projected for Dec 2018 and 2019. Gradual Federal Reserve Bank portfolio reduction continues by limiting reinvestment of maturing holdings. Second Quarter grew 4.2% (final estimate). Employment/Unemployment continues to strong levels. West Texas Intermediate Crude oil increased above +/- \$70. The Stock Markets reached new highs. Consumer Confidence is strong. Personal Income is improving. The flattening yield curve may or may not impact long range FOMC actions.



Investment Holdings
September 30, 2018

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%	10/01/18	09/30/18	\$ 8,881,803	\$ 8,881,803	\$ 8,881,803	1.00	\$ 8,881,803	1	0.63%
NOW		2.19%	10/01/18	09/30/18	4,685,064	4,685,064	4,685,064	1.00	4,685,064	1	2.19%
NOW #2		2.19%	10/01/18	09/30/18	2,310,815	2,310,815	2,310,815	1.00	2,310,815	1	2.19%
InterBank MMA		2.25%	10/01/18	09/30/18	2,700,335	2,700,335	2,700,335	1.00	2,700,335	1	2.25%
TexPool	AAAm	2.00%	10/01/18	09/30/18	209,114	209,114	209,114	1.00	209,114	1	2.00%
TexSTAR	AAAm	2.00%	10/01/18	09/30/18	46,813	46,813	46,813	1.00	46,813	1	2.00%
Southside Bank CD		1.02%	10/17/18	10/17/16	3,053,899	3,053,899	3,053,899	100.00	3,053,899	17	1.02%
BTH Bank CD		1.15%	11/23/18	11/23/16	3,063,891	3,063,891	3,063,891	100.00	3,063,891	54	1.15%
Landmark Bank CD		1.45%	01/23/19	01/23/17	3,065,177	3,065,177	3,065,177	100.00	3,065,177	115	1.45%
LegacyTexas Bank CD		1.40%	02/19/19	02/17/17	3,067,095	3,067,095	3,067,095	100.00	3,067,095	142	1.40%
Lubbock National Bank CD		1.60%	03/29/19	03/29/17	3,073,024	3,073,024	3,073,024	100.00	3,073,024	180	1.60%
Southside Bank CD		1.50%	04/12/19	04/12/17	2,037,761	2,037,761	2,037,761	100.00	2,037,761	194	1.50%
Southside Bank CD		1.52%	05/03/19	05/04/17	3,057,530	3,057,530	3,057,530	100.00	3,057,530	215	1.52%
BTH Bank CD		2.52%	06/05/19	06/05/18	3,019,096	3,019,096	3,019,096	100.00	3,019,096	248	2.55%
Landmark Bank CD		1.65%	08/02/19	08/07/17	3,049,121	3,049,121	3,049,121	100.00	3,049,121	306	1.65%
LegacyTexas Bank CD		1.75%	10/25/19	10/25/17	3,048,538	3,048,538	3,048,538	100.00	3,048,538	390	1.76%
Third Coast Bank CD		1.85%	11/20/19	11/20/17	3,041,703	3,041,703	3,041,703	100.00	3,041,703	416	1.85%
Landmark Bank CD		2.15%	01/04/20	01/04/18	3,031,182	3,031,182	3,031,182	100.00	3,031,182	461	2.15%
LegacyTexas Bank CD		2.48%	02/28/20	02/28/18	3,042,952	3,042,952	3,042,952	100.00	3,042,952	516	2.48%
LegacyTexas Bank CD		2.48%	03/18/20	03/08/18	3,037,243	3,037,243	3,037,243	100.00	3,037,243	535	2.48%
InterBank CDARS		1.90%	04/12/20	04/12/18	3,030,588	3,030,588	3,030,588	100.00	3,030,588	560	1.90%
LegacyTexas Bank CD		2.75%	05/15/20	05/15/18	4,037,198	4,037,198	4,037,198	100.00	4,037,198	593	2.75%
LegacyTexas Bank CD		2.88%	06/03/20	06/04/18	3,021,830	3,021,830	3,021,830	100.00	3,021,830	612	2.92%
LegacyTexas Bank CD		2.92%	06/26/20	06/27/18	3,022,134	3,022,134	3,022,134	100.00	3,022,134	635	2.92%
BTH Bank CD		2.97%	07/11/20	07/11/18	2,010,103	2,010,103	2,010,103	100.00	2,010,103	650	3.01%
LegacyTexas Bank CD		2.96%	08/21/20	08/21/18	4,010,056	4,010,056	4,010,056	100.00	4,010,056	691	3.00%
Texas Security Bank CD		3.10%	09/19/20	09/19/18	6,000,000	6,000,000	6,000,000	100.00	6,000,000	720	3.10%
City Funds - Sub Total					\$ 85,654,062	\$ 85,654,062	\$ 85,654,062		\$ 85,654,062	322	2.01%
										(1)	(2)
Revenue Bond											
InterBank MMA - Bond		2.25%	10/01/18	09/30/18	\$ 6,335,870	\$ 6,335,870	\$ 6,335,870	1.00	\$ 6,335,870	1	2.25%
TexSTAR - Bond	AAAm	2.00%	10/01/18	09/30/18	403,429	403,429	403,429	1.00	403,429	1	2.00%
Revenue Bond - Sub Total					\$ 6,739,298	\$ 6,739,298	\$ 6,739,298		\$ 6,739,298	1	2.24%
										(1)	(2)
Total Portfolio					\$ 92,393,361	\$ 92,393,361	\$ 92,393,361		\$ 92,393,361	299	2.03%
										(1)	(2)

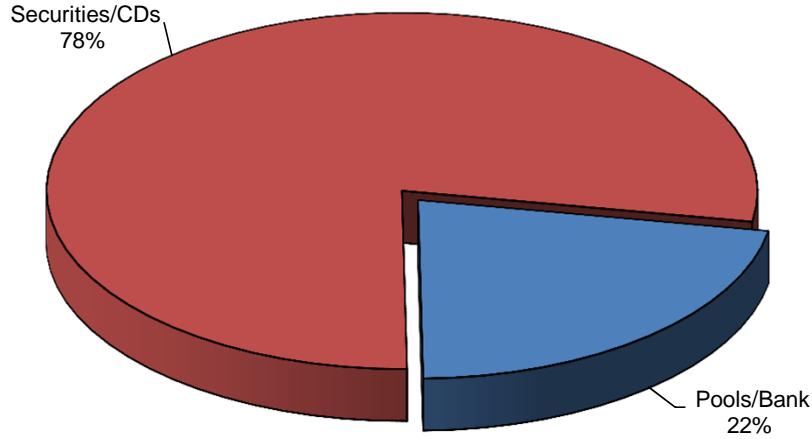
(1) **Weighted average life** - For purposes of calculating weighted average life, TexPool, TexSTAR, and bank account investments are assumed to have a one day maturity.

(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.

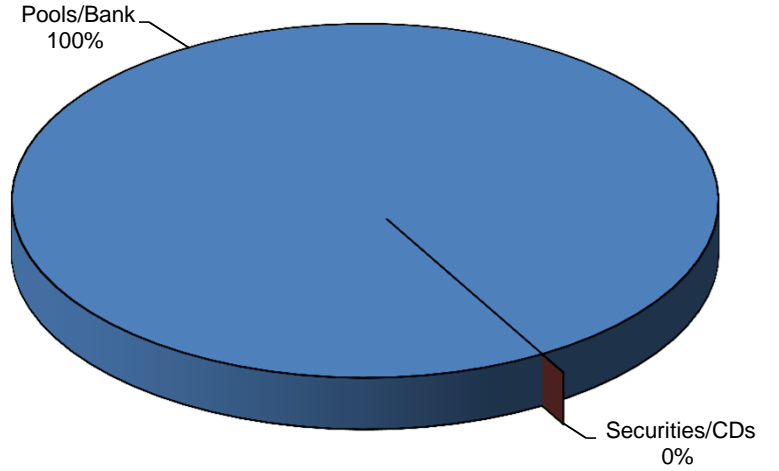
The yield for the reporting month is used for TexPool, TexSTAR, and bank account investments.

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

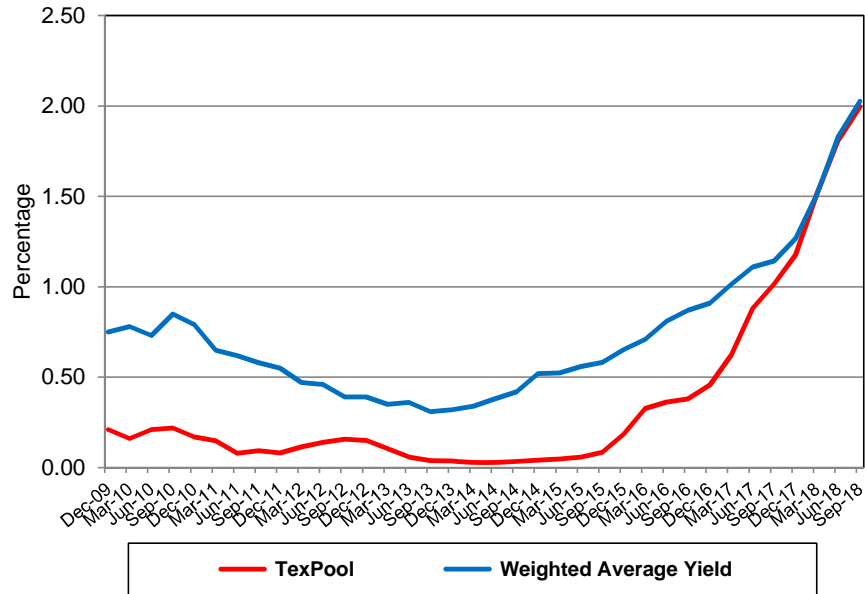
Portfolio Composition - City Funds



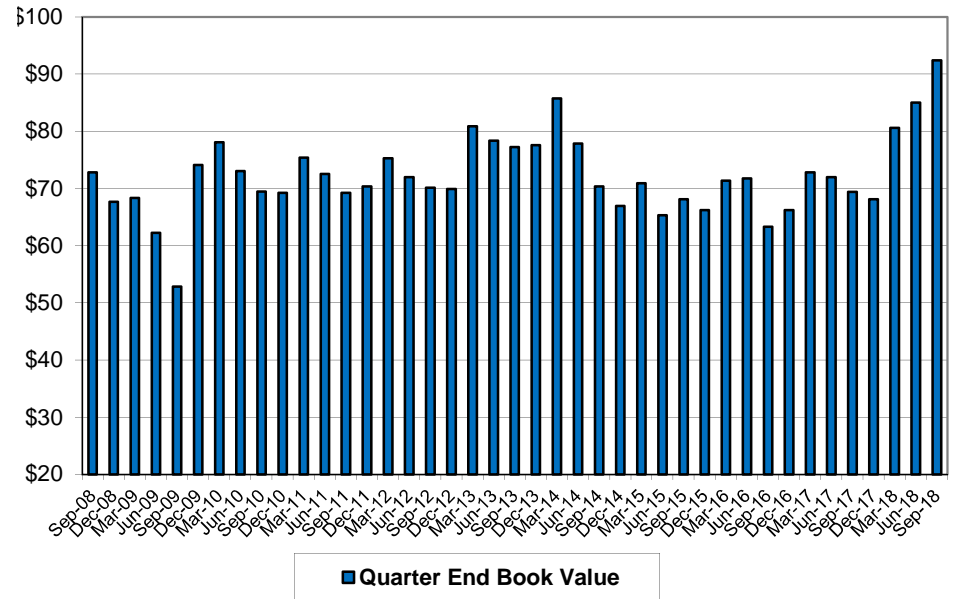
Portfolio Composition - Revenue Bond



Total Portfolio Performance



Total Portfolio (Millions)



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	June 30, 2018		Purchases/ Adjustments	Sales/Adjust/ Maturities	September 30, 2018	
			Par Value	Book Value			Par Value	Book Value
Cash - Pooled	0.63%	10/01/18	\$ 6,474,511	\$ 6,474,511	\$ 2,407,292	\$ -	\$ 8,881,803	\$ 8,881,803
NOW	2.19%	10/01/18	5,153,355	5,153,355		(468,291)	4,685,064	4,685,064
NOW #2	2.19%	10/01/18	5,779,998	5,779,998		(3,469,183)	2,310,815	2,310,815
InterBank MMA	2.25%	10/01/18	-	-	2,700,335		2,700,335	2,700,335
InterBank MMA - Bond	2.25%	10/01/18	-	-	6,335,870		6,335,870	6,335,870
TexPool	2.00%	10/01/18	208,098	208,098	1,016		209,114	209,114
TexSTAR	2.00%	10/01/18	260,875	260,875		(214,062)	46,813	46,813
TexSTAR - Bond	2.00%	10/01/18	473,800	473,800		(70,371)	403,429	403,429
Landmark Bank CD	1.76%	07/08/18	2,008,583	2,008,583		(2,008,583)	-	-
LegacyTexas Bank CD	1.90%	08/19/18	2,009,593	2,009,593		(2,009,593)	-	-
LegacyTexas Bank CD	2.07%	08/28/18	2,013,514	2,013,514		(2,013,514)	-	-
BTH Bank CD	1.13%	09/19/18	3,059,887	3,059,887		(3,059,887)	-	-
LegacyTexas Bank CD	2.00%	09/19/18	3,015,149	3,015,149		(3,015,149)	-	-
Southside Bank CD	1.02%	10/17/18	3,046,152	3,046,152	7,746		3,053,899	3,053,899
BTH Bank CD	1.15%	11/23/18	3,055,099	3,055,099	8,792		3,063,891	3,063,891
Landmark Bank CD	1.45%	01/23/19	3,054,136	3,054,136	11,041		3,065,177	3,065,177
LegacyTexas Bank CD	1.40%	02/19/19	3,056,297	3,056,297	10,798		3,067,095	3,067,095
Lubbock National Bank CD	1.60%	03/29/19	3,060,664	3,060,664	12,360		3,073,024	3,073,024
Southside Bank CD	1.50%	04/12/19	2,030,169	2,030,169	7,592		2,037,761	2,037,761
Southside Bank CD	1.52%	05/03/19	3,045,861	3,045,861	11,669		3,057,530	3,057,530
BTH Bank CD	2.52%	06/05/19	3,000,000	3,000,000	19,096		3,019,096	3,019,096
Landmark Bank CD	1.65%	08/02/19	3,036,492	3,036,492	12,628		3,049,121	3,049,121
LegacyTexas Bank CD	1.75%	10/25/19	3,035,131	3,035,131	13,408		3,048,538	3,048,538
Third Coast Bank CD	1.85%	11/20/19	3,027,585	3,027,585	14,118		3,041,703	3,041,703
Landmark Bank CD	2.15%	01/04/20	3,015,021	3,015,021	16,161		3,031,182	3,031,182
LegacyTexas Bank CD	2.48%	02/28/20	3,024,237	3,024,237	18,714		3,042,952	3,042,952
LegacyTexas Bank CD	2.48%	03/18/20	3,018,564	3,018,564	18,679		3,037,243	3,037,243
InterBank CDARS	1.90%	04/12/20	3,015,109	3,015,109	15,478		3,030,588	3,030,588
LegacyTexas Bank CD	2.75%	05/15/20	4,009,342	4,009,342	27,855		4,037,198	4,037,198
LegacyTexas Bank CD	2.88%	06/03/20	3,000,000	3,000,000	21,830		3,021,830	3,021,830
LegacyTexas Bank CD	2.92%	06/26/20	3,000,000	3,000,000	22,134		3,022,134	3,022,134
BTH Bank CD	2.97%	07/11/20	-	-	2,010,103		2,010,103	2,010,103
LegacyTexas Bank CD	2.96%	08/21/20	-	-	4,010,056		4,010,056	4,010,056
Texas Security Bank CD	3.10%	09/19/20	-	-	6,000,000		6,000,000	6,000,000
TOTAL			\$ 84,987,222	\$ 84,987,222	\$ 23,734,772	\$ (16,328,633)	\$ 92,393,361	\$ 92,393,361

Market Value Comparison

Description	Coupon/ Discount	Maturity Date	June 30, 2018		Qtr to Qtr Change	September 30, 2018	
			Par Value	Market Value		Par Value	Market Value
Cash - Pooled	0.63%	10/01/18	\$ 6,474,511	\$ 6,474,511	\$ 2,407,292	\$ 8,881,803	\$ 8,881,803
NOW	2.19%	10/01/18	5,153,355	5,153,355	(468,291)	4,685,064	4,685,064
NOW #2	2.19%	10/01/18	5,779,998	5,779,998	(3,469,183)	2,310,815	2,310,815
InterBank MMA	2.25%	10/01/18	–	–	2,700,335	2,700,335	2,700,335
InterBank MMA - Bond	2.25%	10/01/18	–	–	6,335,870	6,335,870	6,335,870
TexPool	2.00%	10/01/18	208,098	208,098	1,016	209,114	209,114
TexSTAR	2.00%	10/01/18	260,875	260,875	(214,062)	46,813	46,813
TexSTAR - Bond	2.00%	10/01/18	473,800	473,800	(70,371)	403,429	403,429
Landmark Bank CD	1.76%	07/08/18	2,008,583	2,008,583	(2,008,583)	–	–
LegacyTexas Bank CD	1.90%	08/19/18	2,009,593	2,009,593	(2,009,593)	–	–
LegacyTexas Bank CD	2.07%	08/28/18	2,013,514	2,013,514	(2,013,514)	–	–
BTH Bank CD	1.13%	09/19/18	3,059,887	3,059,887	(3,059,887)	–	–
LegacyTexas Bank CD	2.00%	09/19/18	3,015,149	3,015,149	(3,015,149)	–	–
Southside Bank CD	1.02%	10/17/18	3,046,152	3,046,152	7,746	3,053,899	3,053,899
BTH Bank CD	1.15%	11/23/18	3,055,099	3,055,099	8,792	3,063,891	3,063,891
Landmark Bank CD	1.45%	01/23/19	3,054,136	3,054,136	11,041	3,065,177	3,065,177
LegacyTexas Bank CD	1.40%	02/19/19	3,056,297	3,056,297	10,798	3,067,095	3,067,095
Lubbock National Bank CD	1.60%	03/29/19	3,060,664	3,060,664	12,360	3,073,024	3,073,024
Southside Bank CD	1.50%	04/12/19	2,030,169	2,030,169	7,592	2,037,761	2,037,761
Southside Bank CD	1.52%	05/03/19	3,045,861	3,045,861	11,669	3,057,530	3,057,530
BTH Bank CD	2.52%	06/05/19	3,000,000	3,000,000	19,096	3,019,096	3,019,096
Landmark Bank CD	1.65%	08/02/19	3,036,492	3,036,492	12,628	3,049,121	3,049,121
LegacyTexas Bank CD	1.75%	10/25/19	3,035,131	3,035,131	13,408	3,048,538	3,048,538
Third Coast Bank CD	1.85%	11/20/19	3,027,585	3,027,585	14,118	3,041,703	3,041,703
Landmark Bank CD	2.15%	01/04/20	3,015,021	3,015,021	16,161	3,031,182	3,031,182
LegacyTexas Bank CD	2.48%	02/28/20	3,024,237	3,024,237	18,714	3,042,952	3,042,952
LegacyTexas Bank CD	2.48%	03/18/20	3,018,564	3,018,564	18,679	3,037,243	3,037,243
InterBank CDARS	1.90%	04/12/20	3,015,109	3,015,109	15,478	3,030,588	3,030,588
LegacyTexas Bank CD	2.75%	05/15/20	4,009,342	4,009,342	27,855	4,037,198	4,037,198
LegacyTexas Bank CD	2.88%	06/03/20	3,000,000	3,000,000	21,830	3,021,830	3,021,830
LegacyTexas Bank CD	2.92%	06/26/20	3,000,000	3,000,000	22,134	3,022,134	3,022,134
BTH Bank CD	2.97%	07/11/20	–	–	2,010,103	2,010,103	2,010,103
LegacyTexas Bank CD	2.96%	08/21/20	–	–	4,010,056	4,010,056	4,010,056
Texas Security Bank CD	3.10%	09/19/20	–	–	6,000,000	6,000,000	6,000,000
TOTAL			\$ 84,987,222	\$ 84,987,222	\$ 7,406,139	\$ 92,393,361	\$ 92,393,361

Cash and Investments by Fund

		09/30/2018	06/30/2018
General Fund	101	\$ 8,474,629	\$ 12,522,983
General Capital Projects Fund	102	(7,391)	83,592
Street Improvement Fund	103	179,049	517,443
Development Services Fund	202	2,267,442	2,023,819
Cemeteries Operating Fund	204	26,610	36,901
Forfeitures Fund	205	280,395	185,616
Court Technology Fund	207	265,733	216,890
TIF/TIRZ # 2	209	2,770	2,757
Hotel-Motel Tax Fund	211	5,093,782	4,563,030
Donations Fund	216	417,922	453,072
TIF/TIRZ # 3	218	311,460	310,532
Tyler Tourism & Convention Facilities Fund	219	1,120,468	1,129,754
Half Cent Sales Tax Fund	231	20,752,238	19,284,515
Passenger Facility Fund	234	119,420	295,373
Oil & Natural Gas Fund	235	2,973,626	2,940,631
PEG Fee Fund	236	765,646	701,274
Fair Plaza Fund	240	9,461	46,215
Retained HUD Admin Fee Fund	274	406	404
Housing Assistance Fund	276	897,280	792,603
State/Federal Grants Fund	285	(94,353)	(196,629)
Transit System Fund	286	(629,798)	(573,066)
CDBG Grant Fund	294	(143,273)	(245,891)
HOME Grant Fund	295	228,917	279,404
Utilities Fund	502	9,179,736	5,934,503
Utilities Construction Fund	503	9,063,789	6,415,548
Utilities Debt Service Fund	504	428,314	3,400,566
Utilities Debt Reserve Fund	505	789,286	1,494,925
Revenue Bond Series 2015	517	403,429	473,800
Revenue Bond Series 2017	518	6,335,870	-
Airport Fund	524	561,048	497,487
Airport Grant Fund	525	(1,105,058)	(1,048,161)
Solid Waste Fund	560	1,391,086	635,949
Solid Waste Capital Projects Fund	562	660,740	455,607
Storm Water Management	575	1,188,874	1,051,045
Productivity Improvement Fund	639	192,877	338,551
Fleet Replacement Fund	640	5,817,689	6,922,990
Prop, Liab, W/C Insurance Fund	650	1,536,805	836,989
Employee Benefits Fund	661	2,248,634	2,530,698
Prop & Facility Management Fund	663	1,129,633	1,070,874
Technology Fund	671	815,630	363,735
Payroll Fund	710	727,434	4,001
Cemetery Trust Fund	713	2,996,552	2,984,852
Landfill Trust Fund	720	2,649,288	2,631,182
Retiree Benefits Fund	761	60,843	629,587
Section 125 Trust Fund	772	193,031	189,834
Total		90,577,965	83,185,786