



INVESTMENT PORTFOLIO SUMMARY

For the Quarter Ended

December 31, 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 Trimm', is written over a horizontal line.

Chief Financial Officer

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

Accounting Manager

A handwritten signature in black ink, appearing to read 'Lambekam', is 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.

Summary

Quarter End Results by Investment Category:

City Funds

Asset Type	September 30, 2018			December 31, 2018		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank	1.46%	\$ 18,833,944	\$ 18,833,944	2.18%	\$ 22,658,775	\$ 22,658,775
Securities/CDs	2.16%	66,820,118	66,820,118	2.34%	67,025,101	67,025,101
Totals		\$ 85,654,062	\$ 85,654,062		\$ 89,683,876	\$ 89,683,876

Current Quarter Average Yield (1)

Total Portfolio 2.30%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio 2.30%

Interest Earnings

Quarterly Interest Income \$ 412,653
 Year-to-date Interest Income \$ 412,653

Bank Fees Offset

Quarterly Bank Fees Offset \$ 12,076
 Year-to-date Bank Fees Offset \$ 12,076

Revenue Bond

Asset Type	September 30, 2018			December 31, 2018		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank	2.24%	\$ 6,739,298	\$ 6,739,298	2.73%	\$ 6,176,848	\$ 6,176,848
Totals		\$ 6,739,298	\$ 6,739,298		\$ 6,176,848	\$ 6,176,848

Current Quarter Average Yield (1)

Total Portfolio 2.73%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio 2.73%

Interest Earnings

Quarterly Interest Income \$ 59,239
 Year-to-date Interest Income \$ 59,239

Total Portfolio

Current Quarter Average Yield (1)

Total Portfolio 2.33%

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

Fiscal Year-to-Date Average Yield (2)

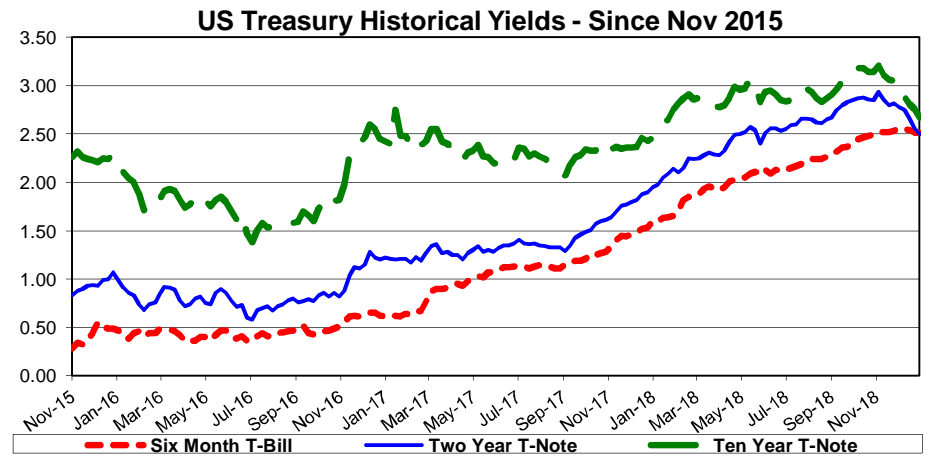
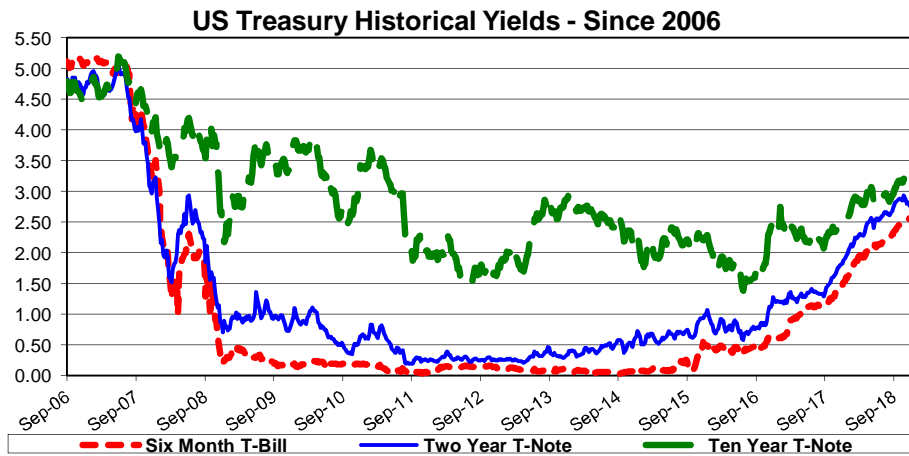
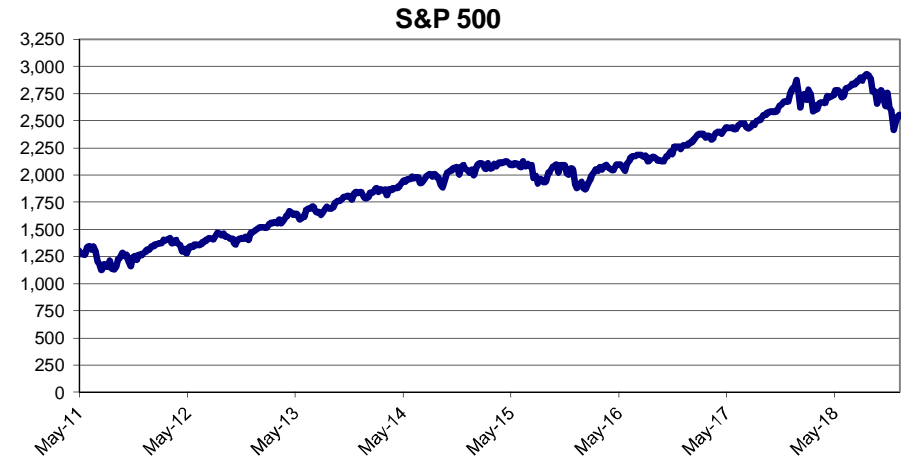
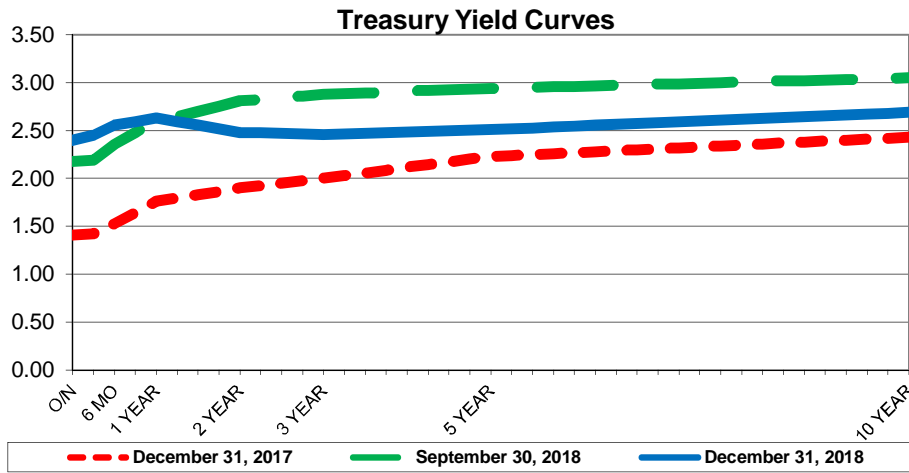
Total Portfolio 2.33%

Rolling Three Month Treasury 2.37%
 Rolling Six Month Treasury 2.39%
 TexPool 2.29%

(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 2.25% - 2.50% (Effective Fed Funds are trading +/-2.40%). The official outlook calls for two additional increases during 2019. However, the market is currently projecting zero 2019 increases. Gradual FRB portfolio reduction continues by limiting reinvestment of maturing holdings. Third Quarter GDP grew 3.4% (final). Employment/ Unemployment remain solid with December adding 312k new jobs and a 254k three month average. Crude oil decreased below +/- \$50. The Stock Markets drifted slightly higher than recent lows. Housing continues to weaken. The mid-maturity yield curve flattened.



Investment Holdings

December 31, 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)		0.66%	01/01/19	12/31/18	\$ 3,845,081	\$ 3,845,081	\$ 3,845,081	1.00	\$ 3,845,081	1	0.66%
NOW		2.49%	01/01/19	12/31/18	10,122,256	10,122,256	10,122,256	1.00	10,122,256	1	2.49%
NOW #2		2.50%	01/01/19	12/31/18	8,347,044	8,347,044	8,347,044	1.00	8,347,044	1	2.50%
InterBank MMA		2.75%	01/01/19	12/31/18	134,000	134,000	134,000	1.00	134,000	1	2.75%
TexPool	AAAm	2.29%	01/01/19	12/31/18	210,282	210,282	210,282	1.00	210,282	1	2.29%
TexSTAR	AAAm	2.31%	01/01/19	12/31/18	113	113	113	1.00	113	1	2.31%
Landmark Bank CD		1.45%	01/23/19	01/23/17	3,076,379	3,076,379	3,076,379	100.00	3,076,379	23	1.45%
LegacyTexas Bank CD		1.40%	02/19/19	02/17/17	3,077,813	3,077,813	3,077,813	100.00	3,077,813	50	1.40%
Lubbock National Bank CD		1.60%	03/29/19	03/29/17	3,085,298	3,085,298	3,085,298	100.00	3,085,298	88	1.60%
Southside Bank CD		1.50%	04/12/19	04/12/17	2,045,466	2,045,466	2,045,466	100.00	2,045,466	102	1.50%
Southside Bank CD		1.52%	05/03/19	05/04/17	3,069,244	3,069,244	3,069,244	100.00	3,069,244	123	1.52%
BTH Bank CD		2.52%	06/05/19	06/05/18	3,038,104	3,038,104	3,038,104	100.00	3,038,104	156	2.55%
Landmark Bank CD		1.65%	08/02/19	08/07/17	3,061,802	3,061,802	3,061,802	100.00	3,061,802	214	1.65%
LegacyTexas Bank CD		1.75%	10/25/19	10/25/17	3,061,858	3,061,858	3,061,858	100.00	3,061,858	298	1.76%
Third Coast Bank CD		1.85%	11/20/19	11/20/17	3,055,886	3,055,886	3,055,886	100.00	3,055,886	324	1.85%
Landmark Bank CD		2.15%	01/04/20	01/04/18	3,047,428	3,047,428	3,047,428	100.00	3,047,428	369	2.15%
LegacyTexas Bank CD		2.45%	02/28/20	02/28/18	3,061,576	3,061,576	3,061,576	100.00	3,061,576	424	2.48%
LegacyTexas Bank CD		2.45%	03/18/20	03/08/18	3,055,833	3,055,833	3,055,833	100.00	3,055,833	443	2.48%
InterBank CDARS		1.90%	04/12/20	04/12/18	3,048,176	3,048,176	3,048,176	100.00	3,048,176	468	1.90%
LegacyTexas Bank CD		2.75%	05/15/20	05/15/18	4,064,940	4,064,940	4,064,940	100.00	4,064,940	501	2.75%
LegacyTexas Bank CD		2.88%	06/03/20	06/04/18	3,043,580	3,043,580	3,043,580	100.00	3,043,580	520	2.92%
LegacyTexas Bank CD		2.92%	06/26/20	06/27/18	3,044,189	3,044,189	3,044,189	100.00	3,044,189	543	2.92%
BTH Bank CD		2.97%	07/11/20	07/11/18	2,025,023	2,025,023	2,025,023	100.00	2,025,023	558	3.01%
LegacyTexas Bank CD		2.96%	08/21/20	08/21/18	4,039,722	4,039,722	4,039,722	100.00	4,039,722	599	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	628	3.10%
Legacy Bank		3.04%	10/19/20	10/19/18	3,015,261	3,015,261	3,015,261	100.00	3,015,261	658	3.08%
Legacy Bank		3.09%	11/27/20	11/27/18	3,007,521	3,007,521	3,007,521	100.00	3,007,521	697	3.09%
City Funds - Sub Total					\$ 89,683,876	\$ 89,683,876	\$ 89,683,876		\$ 89,683,876	290	2.30%
										(1)	(2)
Revenue Bond											
InterBank MMA - Bond		2.75%	01/01/19	12/31/18	\$ 5,932,881	\$ 5,932,881	\$ 5,932,881	1.00	\$ 5,932,881	1	2.75%
TexSTAR - Bond	AAAm	2.31%	01/01/19	12/31/18	243,967	243,967	243,967	1.00	243,967	1	2.31%
Revenue Bond - Sub Total					\$ 6,176,848	\$ 6,176,848	\$ 6,176,848		\$ 6,176,848	1	2.73%
										(1)	(2)
Total Portfolio					\$ 95,860,724	\$ 95,860,724	\$ 95,860,724		\$ 95,860,724	271	2.33%
										(1)	(2)

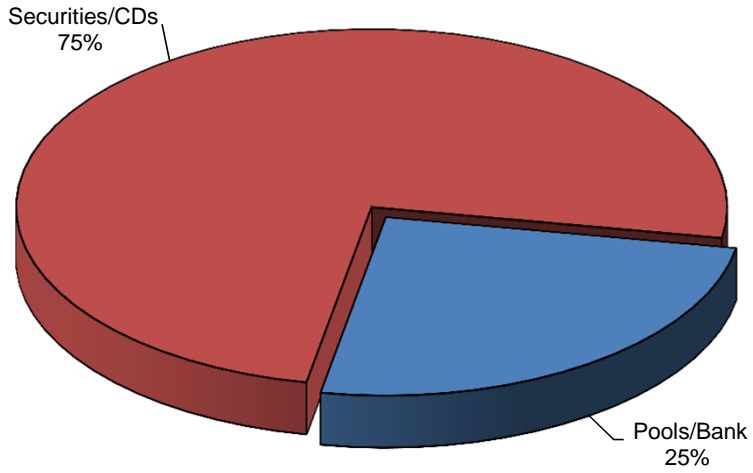
(1) **Weighted average life** - For purposes of calculating weighted average life, TexPool, TexSTAR, and bank account investments are assumed to have a one day maturity.

(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.

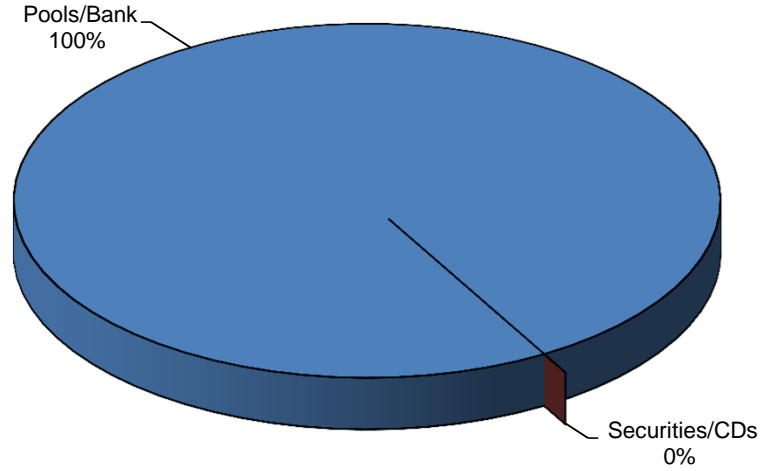
The yield for the reporting month is used for TexPool, TexSTAR, and bank account investments.

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

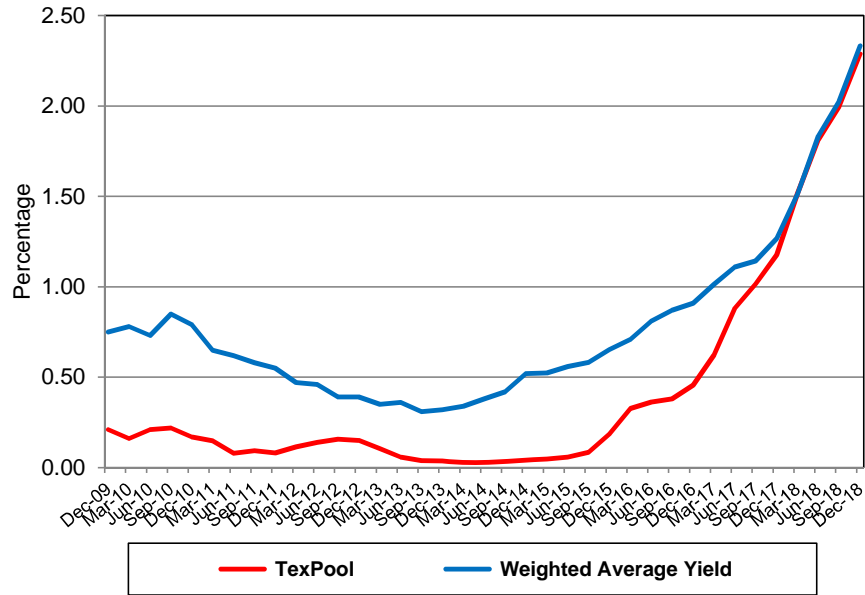
Portfolio Composition - City Funds



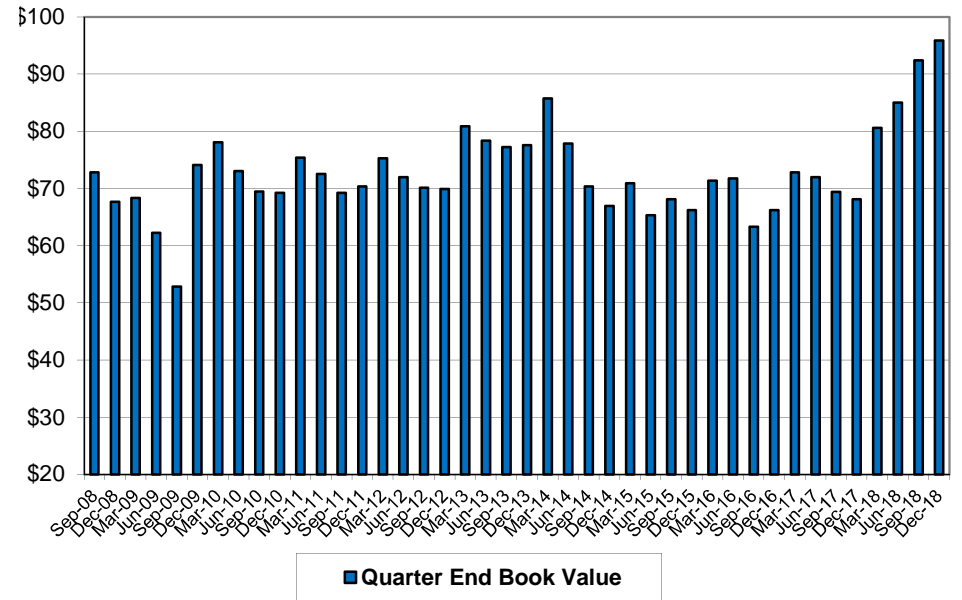
Portfolio Composition - Revenue Bond



Total Portfolio Performance



Total Portfolio (Millions)



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	September 30, 2018		Purchases/ Adjustments	Sales/Adjust/ Maturities	December 31, 2018	
			Par Value	Book Value			Par Value	Book Value
Cash - Pooled	0.66%	01/01/19	\$ 8,881,803	\$ 8,881,803	\$ —	\$ (5,036,722)	\$ 3,845,081	\$ 3,845,081
NOW	2.49%	01/01/19	4,685,064	4,685,064	5,437,192		10,122,256	10,122,256
NOW #2	2.50%	01/01/19	2,310,815	2,310,815	6,036,229		8,347,044	8,347,044
InterBank MMA	2.75%	01/01/19	2,700,335	2,700,335		(2,566,335)	134,000	134,000
InterBank MMA - Bond	2.75%	01/01/19	6,335,870	6,335,870		(402,989)	5,932,881	5,932,881
TexPool	2.29%	01/01/19	209,114	209,114	1,168		210,282	210,282
TexSTAR	2.31%	01/01/19	46,813	46,813		(46,700)	113	113
TexSTAR - Bond	2.31%	01/01/19	403,429	403,429		(159,461)	243,967	243,967
Southside Bank CD	1.02%	10/17/18	3,053,899	3,053,899		(3,053,899)	—	—
BTH Bank CD	1.15%	11/23/18	3,063,891	3,063,891		(3,063,891)	—	—
Landmark Bank CD	1.45%	01/23/19	3,065,177	3,065,177	11,203		3,076,379	3,076,379
LegacyTexas Bank CD	1.40%	02/19/19	3,067,095	3,067,095	10,718		3,077,813	3,077,813
Lubbock National Bank CD	1.60%	03/29/19	3,073,024	3,073,024	12,275		3,085,298	3,085,298
Southside Bank CD	1.50%	04/12/19	2,037,761	2,037,761	7,704		2,045,466	2,045,466
Southside Bank CD	1.52%	05/03/19	3,057,530	3,057,530	11,714		3,069,244	3,069,244
BTH Bank CD	2.52%	06/05/19	3,019,096	3,019,096	19,008		3,038,104	3,038,104
Landmark Bank CD	1.65%	08/02/19	3,049,121	3,049,121	12,681		3,061,802	3,061,802
LegacyTexas Bank CD	1.75%	10/25/19	3,048,538	3,048,538	13,320		3,061,858	3,061,858
Third Coast Bank CD	1.85%	11/20/19	3,041,703	3,041,703	14,184		3,055,886	3,055,886
Landmark Bank CD	2.15%	01/04/20	3,031,182	3,031,182	16,247		3,047,428	3,047,428
LegacyTexas Bank CD	2.45%	02/28/20	3,042,952	3,042,952	18,625		3,061,576	3,061,576
LegacyTexas Bank CD	2.45%	03/18/20	3,037,243	3,037,243	18,590		3,055,833	3,055,833
InterBank CDARS	1.90%	04/12/20	3,030,588	3,030,588	17,589		3,048,176	3,048,176
LegacyTexas Bank CD	2.75%	05/15/20	4,037,198	4,037,198	27,743		4,064,940	4,064,940
LegacyTexas Bank CD	2.88%	06/03/20	3,021,830	3,021,830	21,750		3,043,580	3,043,580
LegacyTexas Bank CD	2.92%	06/26/20	3,022,134	3,022,134	22,055		3,044,189	3,044,189
BTH Bank CD	2.97%	07/11/20	2,010,103	2,010,103	14,921		2,025,023	2,025,023
LegacyTexas Bank CD	2.96%	08/21/20	4,010,056	4,010,056	29,666		4,039,722	4,039,722
Texas Security Bank CD	3.10%	09/19/20	6,000,000	6,000,000			6,000,000	6,000,000
Legacy Bank	3.04%	10/19/20	—	—	3,015,261		3,015,261	3,015,261
Legacy Bank	3.09%	11/27/20	—	—	3,007,521		3,007,521	3,007,521
TOTAL			\$ 92,393,361	\$ 92,393,361	\$ 17,797,361	\$ (14,329,998)	\$ 95,860,724	\$ 95,860,724

Market Value Comparison

Description	Coupon/ Discount	Maturity Date	September 30, 2018		Qtr to Qtr Change	December 31, 2018	
			Par Value	Market Value		Par Value	Market Value
Cash - Pooled	0.66%	01/01/19	\$ 8,881,803	\$ 8,881,803	\$ (5,036,722)	\$ 3,845,081	\$ 3,845,081
NOW	2.49%	01/01/19	4,685,064	4,685,064	5,437,192	10,122,256	10,122,256
NOW #2	2.50%	01/01/19	2,310,815	2,310,815	6,036,229	8,347,044	8,347,044
InterBank MMA	2.75%	01/01/19	2,700,335	2,700,335	(2,566,335)	134,000	134,000
InterBank MMA - Bond	2.75%	01/01/19	6,335,870	6,335,870	(402,989)	5,932,881	5,932,881
TexPool	2.29%	01/01/19	209,114	209,114	1,168	210,282	210,282
TexSTAR	2.31%	01/01/19	46,813	46,813	(46,700)	113	113
TexSTAR - Bond	2.31%	01/01/19	403,429	403,429	(159,461)	243,967	243,967
Southside Bank CD	1.02%	10/17/18	3,053,899	3,053,899	(3,053,899)	—	—
BTH Bank CD	1.15%	11/23/18	3,063,891	3,063,891	(3,063,891)	—	—
Landmark Bank CD	1.45%	01/23/19	3,065,177	3,065,177	11,203	3,076,379	3,076,379
LegacyTexas Bank CD	1.40%	02/19/19	3,067,095	3,067,095	10,718	3,077,813	3,077,813
Lubbock National Bank CD	1.60%	03/29/19	3,073,024	3,073,024	12,275	3,085,298	3,085,298
Southside Bank CD	1.50%	04/12/19	2,037,761	2,037,761	7,704	2,045,466	2,045,466
Southside Bank CD	1.52%	05/03/19	3,057,530	3,057,530	11,714	3,069,244	3,069,244
BTH Bank CD	2.52%	06/05/19	3,019,096	3,019,096	19,008	3,038,104	3,038,104
Landmark Bank CD	1.65%	08/02/19	3,049,121	3,049,121	12,681	3,061,802	3,061,802
LegacyTexas Bank CD	1.75%	10/25/19	3,048,538	3,048,538	13,320	3,061,858	3,061,858
Third Coast Bank CD	1.85%	11/20/19	3,041,703	3,041,703	14,184	3,055,886	3,055,886
Landmark Bank CD	2.15%	01/04/20	3,031,182	3,031,182	16,247	3,047,428	3,047,428
LegacyTexas Bank CD	2.45%	02/28/20	3,042,952	3,042,952	18,625	3,061,576	3,061,576
LegacyTexas Bank CD	2.45%	03/18/20	3,037,243	3,037,243	18,590	3,055,833	3,055,833
InterBank CDARS	1.90%	04/12/20	3,030,588	3,030,588	17,589	3,048,176	3,048,176
LegacyTexas Bank CD	2.75%	05/15/20	4,037,198	4,037,198	27,743	4,064,940	4,064,940
LegacyTexas Bank CD	2.88%	06/03/20	3,021,830	3,021,830	21,750	3,043,580	3,043,580
LegacyTexas Bank CD	2.92%	06/26/20	3,022,134	3,022,134	22,055	3,044,189	3,044,189
BTH Bank CD	2.97%	07/11/20	2,010,103	2,010,103	14,921	2,025,023	2,025,023
LegacyTexas Bank CD	2.96%	08/21/20	4,010,056	4,010,056	29,666	4,039,722	4,039,722
Texas Security Bank CD	3.10%	09/19/20	6,000,000	6,000,000		6,000,000	6,000,000
Legacy Bank	3.04%	10/19/20	—	—	3,015,261	3,015,261	3,015,261
Legacy Bank	3.09%	11/27/20	—	—	3,007,521	3,007,521	3,007,521
TOTAL			\$ 92,393,361	\$ 92,393,361	\$ 3,467,363	\$ 95,860,724	\$ 95,860,724

Cash and Investments by Fund

		12/31/2018	09/30/2018
General Fund	101	\$ 9,867,641	\$ 8,474,629
General Capital Projects Fund	102	219,197	(7,391)
Street Improvement Fund	103	156,468	179,049
Development Services Fund	202	1,828,340	2,267,442
Cemeteries Operating Fund	204	45,912	26,610
Forfeitures Fund	205	282,597	280,395
Court Technology Fund	207	277,716	265,733
TIF/TIRZ # 2	209	2,783	2,770
Hotel-Motel Tax Fund	211	5,265,045	5,093,782
Donations Fund	216	334,214	417,922
TIF/TIRZ # 3	218	324,121	311,460
Tyler Tourism & Convention Facilities Fund	219	848,814	1,120,468
Half Cent Sales Tax Fund	231	22,714,209	20,752,238
Passenger Facility Fund	234	175,265	119,420
Oil & Natural Gas Fund	235	3,003,651	2,973,626
PEG Fee Fund	236	802,099	765,646
Fair Plaza Fund	240	3,514	9,461
Retained HUD Admin Fee Fund	274	408	406
Housing Assistance Fund	276	677,524	897,280
State/Federal Grants Fund	285	(39,760)	(94,353)
Transit System Fund	286	(585,534)	(629,798)
CDBG Grant Fund	294	(2,173)	(143,273)
HOME Grant Fund	295	285,367	228,917
Utilities Fund	502	6,018,489	9,179,736
Utilities Construction Fund	503	10,846,257	9,063,789
Utilities Debt Service Fund	504	1,827,029	428,314
Utilities Debt Reserve Fund	505	790,201	789,286
Revenue Bond Series 2015	517	243,967	403,429
Revenue Bond Series 2017	518	5,932,881	6,335,870
Airport Fund	524	423,598	561,048
Airport Grant Fund	525	(1,226,708)	(1,105,058)
Solid Waste Fund	560	(1,056,846)	1,391,086
Solid Waste Capital Projects Fund	562	1,083,331	660,740
Storm Water Management	575	1,079,929	1,188,874
Productivity Improvement Fund	639	589,203	192,877
Fleet Replacement Fund	640	8,912,604	5,817,689
Prop, Liab, W/C Insurance Fund	650	2,053,635	1,536,805
Employee Benefits Fund	661	3,510,348	2,248,634
Prop & Facility Management Fund	663	1,596,886	1,129,633
Technology Fund	671	745,039	815,630
Payroll Fund	710	780,155	727,434
Cemetery Trust Fund	713	3,020,220	2,996,552
Landfill Trust Fund	720	2,671,035	2,649,288
Retiree Benefits Fund	761	(226,277)	60,843
Section 125 Trust Fund	772	195,800	193,031
Total		96,298,193	90,577,965