



## INVESTMENT PORTFOLIO SUMMARY

**For the Quarter Ended**

**December 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 'Kishna Primm', written over a horizontal line.

Chief Financial Officer

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

Accounting Manager

A handwritten signature in black ink, appearing to read 'Samhuel', 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, 2019			December 31, 2019		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank	1.95%	\$ 23,638,418	\$ 23,638,418	1.38%	\$ 24,747,566	\$ 24,747,566
Securities/CDs	2.60%	71,680,568	71,680,568	2.59%	71,884,042	71,884,042
<b>Totals</b>		<b>\$ 95,318,986</b>	<b>\$ 95,318,986</b>		<b>\$ 96,631,608</b>	<b>\$ 96,631,608</b>

#### Current Quarter Average Yield (1)

Total Portfolio 2.28%

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

Total Portfolio 2.24%

#### Interest Earnings

Quarterly Interest Income \$ 509,663 Approximate  
 Year-to-date Interest Income \$ 509,663 Approximate

#### Bank Fees Offset

Quarterly Bank Fees Offset \$ 12,666  
 Year-to-date Bank Fees Offset \$ 12,666

#### Revenue Bond

Asset Type	September 30, 2019			December 31, 2019		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank	2.75%	\$ 4,253,787	\$ 4,253,787	1.89%	\$ 14,475,138	\$ 14,475,138
Securities/CDs	0.00%	-	-	1.80%	10,000,000	10,000,000
<b>Totals</b>		<b>\$ 4,253,787</b>	<b>\$ 4,253,787</b>		<b>\$ 24,475,138</b>	<b>\$ 24,475,138</b>

#### Current Quarter Average Yield (1)

Total Portfolio 1.85%

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

Total Portfolio 1.85%

#### Interest Earnings

Quarterly Interest Income \$ 21,865 Approximate  
 Year-to-date Interest Income \$ 21,865 Approximate

#### Total Portfolio

#### Current Quarter Average Yield (1)

Total Portfolio 2.20%

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

Total Portfolio 2.20%

Rolling Three Month Treasury 1.60%  
 Rolling Six Month Treasury 1.78%  
 TexPool 1.62%

Rolling Three Month Treasury 1.60%  
 Rolling Six Month Treasury 1.78%  
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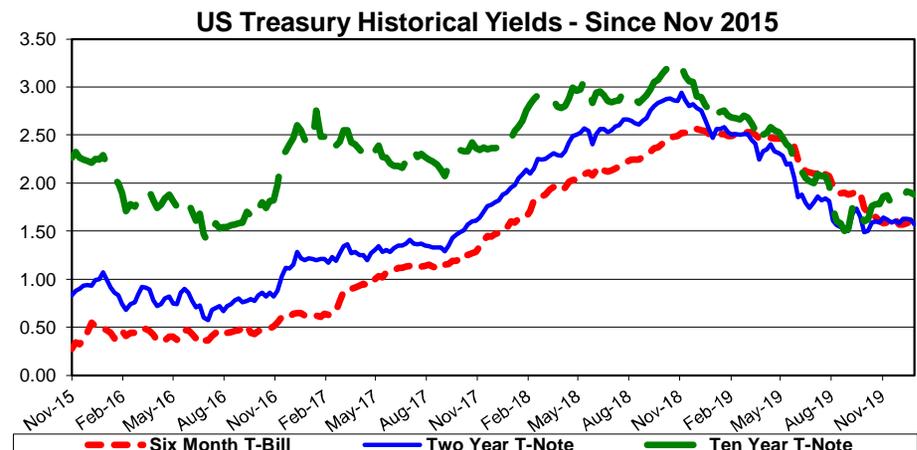
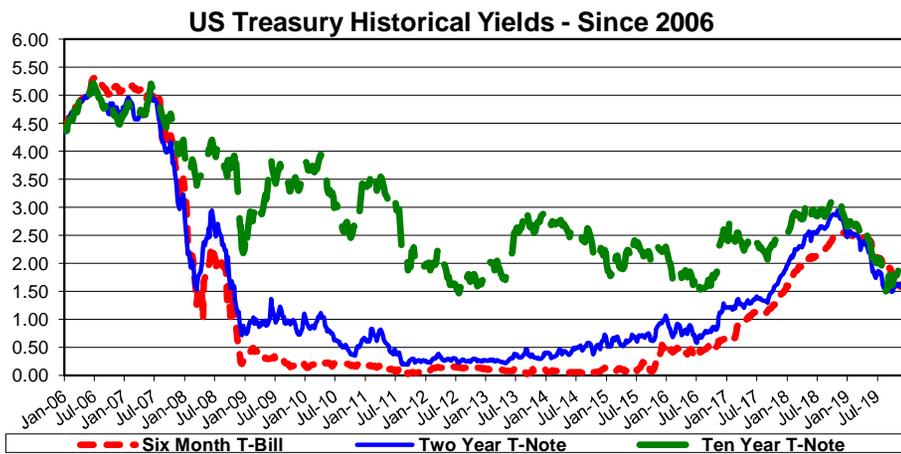
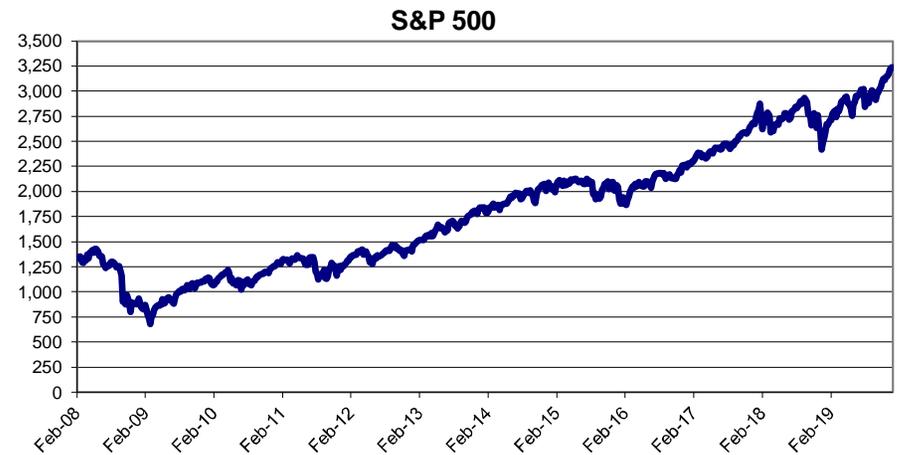
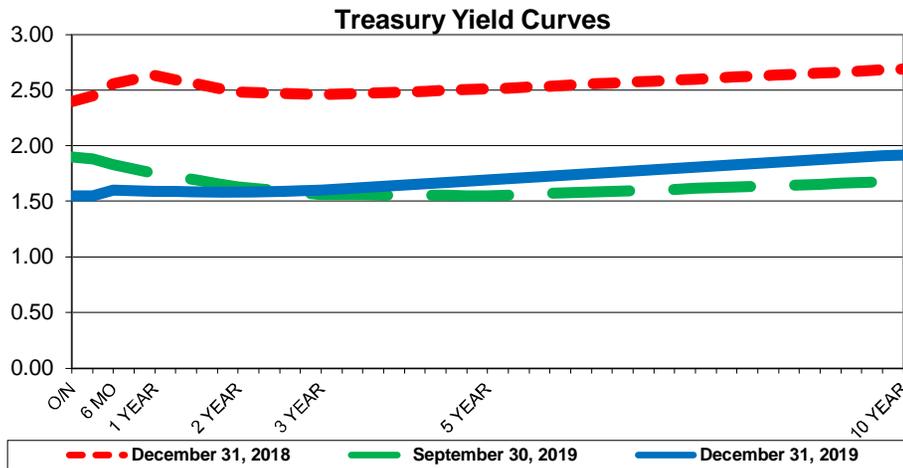
(1) **Current Quarter Weighted Average Yield** - calculated using quarter end report yields and adjusted book values; does not reflect a total return analysis, realized or unrealized gains/losses, or account for investment advisory fees. The yield for the reporting month is used for bank, pool, and money market balances.

(2) **Fiscal Year-to-Date Weighted 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

12/31/2019

The Federal Open Market Committee (FOMC) held the Fed Funds target range at 1.50% - 1.75% (Effective Fed Funds are trading +/-1.55%). The Futures Market has reduced the probability of additional decreases until late summer/early fall 2020. Middle East turmoil had bumped crude oil over \$60, but it has retreated back below. December Non Farm Payroll rose 145,000 resulting in a three month moving average of 185,000. The Unemployed level remained at 3.5%. The Stock Markets remain at or near historic highs. Consumer spending has improved. Housing shows signs of growth. Overall economic activity remains positive, 3rd Quarter GDP was confirmed at 2.1%. The British are moving forward with Brexit. Several trade agreements are also progressing (China, North America, Japan). The Yield Curve shifted to slightly positive.



**Investment Holdings**  
**December 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)		0.64%	01/01/20	12/31/19	\$ 9,472,263	\$ 9,472,263	1.00	\$ 9,472,263	1	0.64%
NOW		1.85%	01/01/20	12/31/19	15,060,359	15,060,359	1.00	15,060,359	1	1.85%
TexPool	AAAm	1.62%	01/01/20	12/31/19	214,944	214,944	1.00	214,944	1	1.62%
Landmark Bank CD		2.15%	01/04/20	01/04/18	3,113,662	3,113,662	100.00	3,113,662	4	2.15%
Southside Bank CD		2.73%	02/13/20	02/13/19	3,060,992	3,060,992	100.00	3,060,992	44	2.73%
LegacyTexas Bank CD		2.45%	02/28/20	02/28/18	3,137,433	3,137,433	100.00	3,137,433	59	2.48%
LegacyTexas Bank CD		2.45%	03/18/20	03/08/18	3,131,547	3,131,547	100.00	3,131,547	78	2.48%
InterBank CDARS		1.90%	04/12/20	04/12/18	3,119,061	3,119,061	100.00	3,119,061	103	1.90%
LegacyTexas Bank CD		2.75%	05/15/20	05/15/18	4,178,146	4,178,146	100.00	4,178,146	136	2.75%
LegacyTexas Bank CD		2.88%	06/03/20	06/04/18	3,132,401	3,132,401	100.00	3,132,401	155	2.92%
LegacyTexas Bank CD		2.92%	06/26/20	06/27/18	3,134,278	3,134,278	100.00	3,134,278	178	2.92%
BTH Bank CD		2.97%	07/11/20	07/11/18	2,085,992	2,085,992	100.00	2,085,992	193	3.01%
LegacyTexas Bank CD		2.96%	08/21/20	08/21/18	4,160,933	4,160,933	100.00	4,160,933	234	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	263	3.10%
LegacyTexas Bank CD		3.04%	10/19/20	10/19/18	3,108,213	3,108,213	100.00	3,108,213	293	3.08%
LegacyTexas Bank CD		3.09%	11/27/20	11/27/18	3,100,543	3,100,543	100.00	3,100,543	332	3.09%
Origin Bank CD		2.82%	01/23/21	01/23/21	3,063,722	3,063,722	100.00	3,063,722	389	2.85%
East West Bank CD		1.74%	02/18/21	11/18/19	3,006,263	3,006,263	100.00	3,006,263	415	1.74%
LegacyTexas Bank CD		2.73%	02/19/21	02/19/21	3,156,013	3,156,013	100.00	3,156,013	416	2.76%
East West Bank CD		2.53%	04/12/21	04/12/19	3,055,401	3,055,401	100.00	3,055,401	468	2.56%
WallisBank CD		2.50%	05/07/21	05/07/19	3,037,927	3,037,927	100.00	3,037,927	493	2.52%
BankOZK CDARS		2.51%	06/06/21	06/06/19	3,042,889	3,042,889	100.00	3,042,889	523	2.51%
BankOZK CDARS		2.10%	07/25/21	07/25/19	3,027,456	3,027,456	100.00	3,027,456	572	2.10%
East West Bank CD		2.04%	08/05/21	08/05/19	3,025,087	3,025,087	100.00	3,025,087	583	2.06%
East West Bank CD		1.69%	11/18/21	11/18/19	3,006,082	3,006,082	100.00	3,006,082	688	1.69%
<b>City Funds - Sub Total</b>					<b>\$ 96,631,608</b>	<b>\$ 96,631,608</b>		<b>\$ 96,631,608</b>	<b>220</b>	<b>2.28%</b>
									<b>(1)</b>	<b>(2)</b>

**Investment Holdings**  
**December 31, 2019**

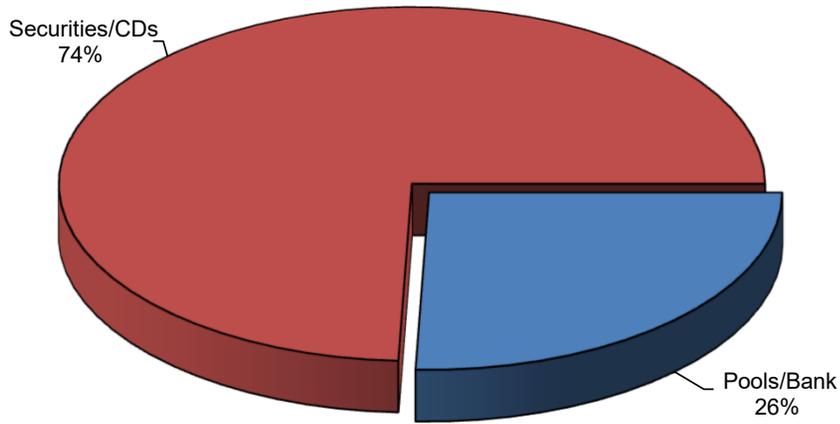
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
<b>Revenue Bond</b>										
InterBank MMA - Bond		2.00%	01/01/20	12/31/19	\$ 3,583,904	\$ 3,583,904	1.00	\$ 3,583,904	1	2.00%
NOW #2		1.85%	01/01/20	12/31/19	10,891,234	10,891,234	1.00	10,891,234	1	1.85%
Comerica Bank CD		1.80%	05/14/20	11/14/19	10,000,000	10,000,000	100.00	10,000,000	135	1.80%
<b>Revenue Bond - Sub Total</b>					<b>\$ 24,475,138</b>	<b>\$ 24,475,138</b>		<b>\$ 24,475,138</b>	<b>56</b>	<b>1.85%</b>
									<b>(1)</b>	<b>(2)</b>
<b>Total Portfolio</b>					<b>\$ 121,106,746</b>	<b>\$ 121,106,746</b>		<b>\$ 121,106,746</b>	<b>187</b>	<b>2.20%</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.

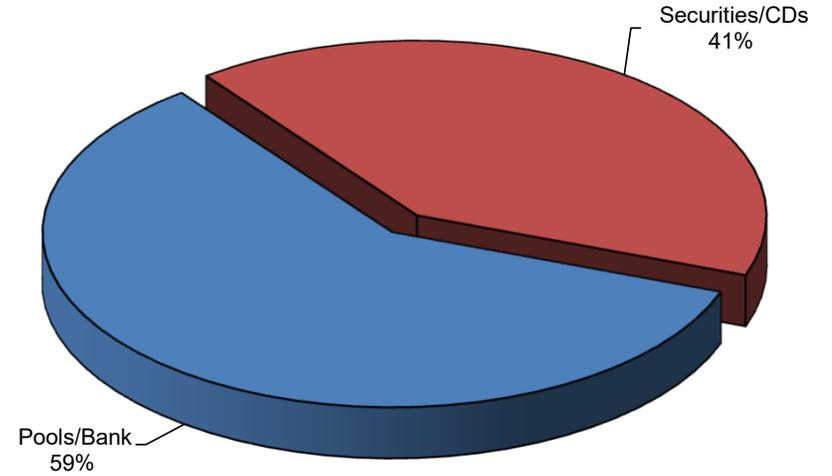
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for TexPool, TexSTAR, and bank account investments.

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

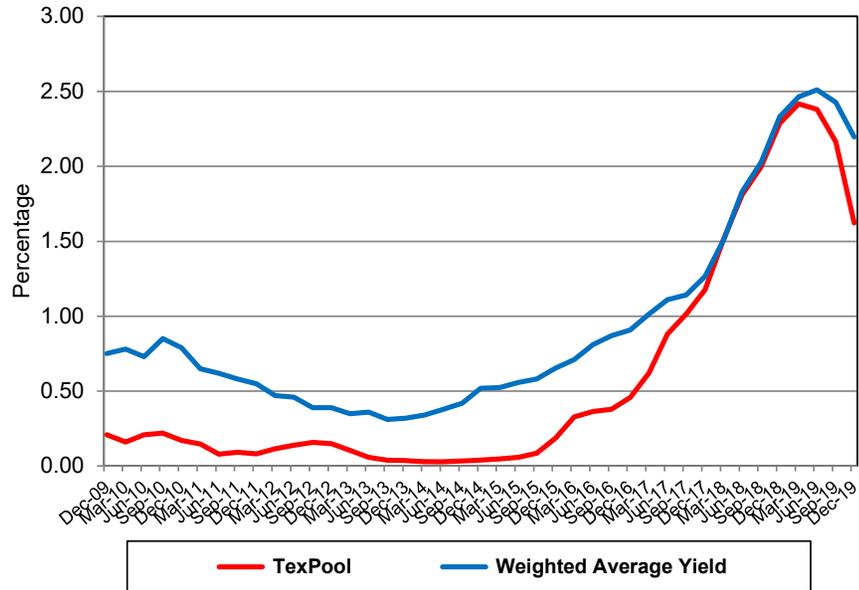
**Portfolio Composition - City Funds**



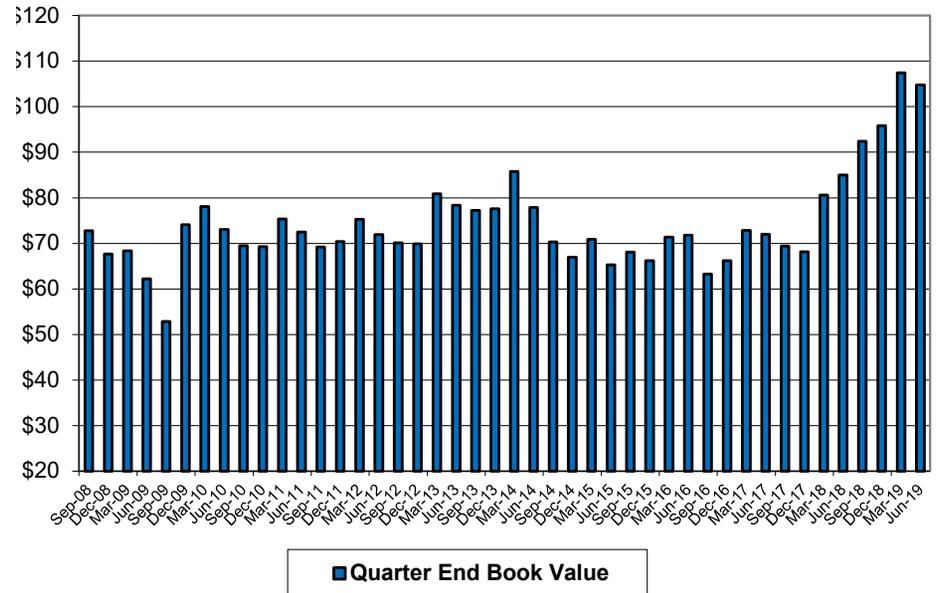
**Portfolio Composition - Revenue Bond**



**Total Portfolio Performance**



**Total Portfolio (Millions)**



## Book Value Comparison

Description	Coupon/ Discount	Maturity Date	September 30, 2019			December 31, 2019		
			Par Value	Book Value	Purchases/ Adjustments	Sales/Adjust/ Maturities	Par Value	Book Value
Cash - Pooled	0.64%	01/01/20	\$ 5,533,989	\$ 5,533,989	\$ 3,938,274	\$ -	\$ 9,472,263	\$ 9,472,263
NOW	1.85%	01/01/20	9,342,057	9,342,057	5,718,302		15,060,359	15,060,359
NOW #2	1.85%	01/01/20	8,548,367	8,548,367	2,342,867		10,891,234	10,891,234
InterBank MMA	2.00%	01/01/20	(36,818)	(36,818)	36,818		-	-
InterBank MMA - Bond	2.00%	01/01/20	4,253,787	4,253,787		(669,882)	3,583,904	3,583,904
TexPool	1.62%	01/01/20	214,005	214,005	939		214,944	214,944
LegacyTexas Bank CD	1.75%	10/25/19	3,102,318	3,102,318		(3,102,318)	-	-
Third Coast Bank CD	1.85%	11/20/19	3,098,366	3,098,366		(3,098,366)	-	-
Landmark Bank CD	2.15%	01/04/20	3,096,880	3,096,880	16,783		3,113,662	3,113,662
Southside Bank CD	2.73%	02/13/20	3,040,302	3,040,302	20,691		3,060,992	3,060,992
LegacyTexas Bank CD	2.45%	02/28/20	3,118,347	3,118,347	19,086		3,137,433	3,137,433
LegacyTexas Bank CD	2.45%	03/18/20	3,112,497	3,112,497	19,051		3,131,547	3,131,547
InterBank CDARS	1.90%	04/12/20	3,101,027	3,101,027	18,034		3,119,061	3,119,061
Comerica Bank CD	1.80%	05/14/20	-	-	10,000,000		10,000,000	10,000,000
LegacyTexas Bank CD	2.75%	05/15/20	4,149,630	4,149,630	28,516		4,178,146	4,178,146
LegacyTexas Bank CD	2.88%	06/03/20	3,110,017	3,110,017	22,384		3,132,401	3,132,401
LegacyTexas Bank CD	2.92%	06/26/20	3,111,571	3,111,571	22,707		3,134,278	3,134,278
BTH Bank CD	2.97%	07/11/20	2,070,622	2,070,622	15,370		2,085,992	2,085,992
LegacyTexas Bank CD	2.96%	08/21/20	4,130,377	4,130,377	30,556		4,160,933	4,160,933
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	3,084,774	3,084,774	23,439		3,108,213	3,108,213
LegacyTexas Bank CD	3.09%	11/27/20	3,077,085	3,077,085	23,458		3,100,543	3,100,543
Origin Bank CD	2.82%	01/23/21	3,042,099	3,042,099	21,623		3,063,722	3,063,722
East West Bank CD	1.74%	02/18/21	-	-	3,006,263		3,006,263	3,006,263
LegacyTexas Bank CD	2.73%	02/19/21	3,134,630	3,134,630	21,384		3,156,013	3,156,013
East West Bank CD	2.53%	04/12/21	3,035,979	3,035,979	19,422		3,055,401	3,055,401
WallisBank CD	2.50%	05/07/21	3,018,904	3,018,904	19,023		3,037,927	3,037,927
BankOZK CDARS	2.51%	06/06/21	3,023,935	3,023,935	18,954		3,042,889	3,042,889
BankOZK CDARS	2.10%	07/25/21	3,011,638	3,011,638	15,818		3,027,456	3,027,456
East West Bank CD	2.04%	08/05/21	3,009,572	3,009,572	15,514		3,025,087	3,025,087
East West Bank CD	1.69%	11/18/21	-	-	3,006,082		3,006,082	3,006,082
<b>TOTAL</b>			<b>\$ 99,572,773</b>	<b>\$ 99,572,773</b>	<b>\$ 28,441,357</b>	<b>\$ (6,907,384)</b>	<b>\$ 121,106,746</b>	<b>\$ 121,106,746</b>

## Market Value Comparison

Description	Coupon/ Discount	Maturity Date	September 30, 2019		Qtr to Qtr Change	December 31, 2019	
			Par Value	Market Value		Par Value	Market Value
Cash - Pooled	0.64%	01/01/20	\$ 5,533,989	\$ 5,533,989	\$ 3,938,274	\$ 9,472,263	\$ 9,472,263
NOW	1.85%	01/01/20	9,342,057	9,342,057	5,718,302	15,060,359	15,060,359
NOW #2	1.85%	01/01/20	8,548,367	8,548,367	2,342,867	10,891,234	10,891,234
InterBank MMA	2.00%	01/01/20	(36,818)	(36,818)	36,818	—	—
InterBank MMA - Bond	2.00%	01/01/20	4,253,787	4,253,787	(669,882)	3,583,904	3,583,904
TexPool	1.62%	01/01/20	214,005	214,005	939	214,944	214,944
LegacyTexas Bank CD	1.75%	10/25/19	3,102,318	3,102,318	(3,102,318)	—	—
Third Coast Bank CD	1.85%	11/20/19	3,098,366	3,098,366	(3,098,366)	—	—
Landmark Bank CD	2.15%	01/04/20	3,096,880	3,096,880	16,783	3,113,662	3,113,662
Southside Bank CD	2.73%	02/13/20	3,040,302	3,040,302	20,691	3,060,992	3,060,992
LegacyTexas Bank CD	2.45%	02/28/20	3,118,347	3,118,347	19,086	3,137,433	3,137,433
LegacyTexas Bank CD	2.45%	03/18/20	3,112,497	3,112,497	19,051	3,131,547	3,131,547
InterBank CDARS	1.90%	04/12/20	3,101,027	3,101,027	18,034	3,119,061	3,119,061
Comerica Bank CD	1.80%	05/14/20	—	—	10,000,000	10,000,000	10,000,000
LegacyTexas Bank CD	2.75%	05/15/20	4,149,630	4,149,630	28,516	4,178,146	4,178,146
LegacyTexas Bank CD	2.88%	06/03/20	3,110,017	3,110,017	22,384	3,132,401	3,132,401
LegacyTexas Bank CD	2.92%	06/26/20	3,111,571	3,111,571	22,707	3,134,278	3,134,278
BTH Bank CD	2.97%	07/11/20	2,070,622	2,070,622	15,370	2,085,992	2,085,992
LegacyTexas Bank CD	2.96%	08/21/20	4,130,377	4,130,377	30,556	4,160,933	4,160,933
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	3,084,774	3,084,774	23,439	3,108,213	3,108,213
LegacyTexas Bank CD	3.09%	11/27/20	3,077,085	3,077,085	23,458	3,100,543	3,100,543
Origin Bank CD	2.82%	01/23/21	3,042,099	3,042,099	21,623	3,063,722	3,063,722
East West Bank CD	1.74%	02/18/21	—	—	3,006,263	3,006,263	3,006,263
LegacyTexas Bank CD	2.73%	02/19/21	3,134,630	3,134,630	21,384	3,156,013	3,156,013
East West Bank CD	2.53%	04/12/21	3,035,979	3,035,979	19,422	3,055,401	3,055,401
WallisBank CD	2.50%	05/07/21	3,018,904	3,018,904	19,023	3,037,927	3,037,927
BankOZK CDARS	2.51%	06/06/21	3,023,935	3,023,935	18,954	3,042,889	3,042,889
BankOZK CDARS	2.10%	07/25/21	3,011,638	3,011,638	15,818	3,027,456	3,027,456
East West Bank CD	2.04%	08/05/21	3,009,572	3,009,572	15,514	3,025,087	3,025,087
East West Bank CD	1.69%	11/18/21	—	—	3,006,082	3,006,082	3,006,082
<b>TOTAL</b>			<b>\$ 99,572,773</b>	<b>\$ 99,572,773</b>	<b>\$ 21,533,973</b>	<b>\$ 121,106,746</b>	<b>\$ 121,106,746</b>

**Cash and Investments by Fund**

		<b>12/31/2019</b>	<b>09/30/2019</b>
General Fund	101	\$ 11,485,419	\$ 8,377,202
General Capital Projects Fund	102	371,564	454,005
Street Improvement Fund	103	82,158	137,029
Development Services Fund	202	1,627,214	1,817,043
Cemeteries Operating Fund	204	122,509	108,159
Forfeitures Fund	205	533,978	595,061
Court Technology Fund	207	1,654	170,835
TIF/TIRZ # 2	209	3	3
Hotel-Motel Tax Fund	211	6,336,368	6,210,069
Donations Fund	216	424,760	418,357
TIF/TIRZ # 3	218	421,881	419,274
Tyler Tourism & Convention Facilities Fund	219	489,628	864,050
Half Cent Sales Tax Fund	231	20,144,045	22,270,247
Passenger Facility Fund	234	125,439	44,418
Oil & Natural Gas Fund	235	6,157,422	6,113,736
PEG Fee Fund	236	900,518	925,671
Fair Plaza Fund	240	(33,515)	(29,328)
Retained HUD Admin Fee Fund	274	417	415
Housing Assistance Fund	276	507,004	682,679
State/Federal Grants Fund	285	(65,815)	(33,011)
Transit System Fund	286	(601,319)	(529,476)
CDBG Grant Fund	294	11,804	10,662
HOME Grant Fund	295	280,220	263,880
Utilities Fund	502	7,785,965	8,066,525
Utilities Construction Fund	503	11,044,921	10,425,122
Utilities Debt Service Fund	504	2,308,125	641,272
Utilities Debt Reserve Fund	505	799,061	794,763
Revenue Bond Series 2017	518	3,583,904	4,253,787
Revenue Bond Series 2019	519	20,886,097	-
Airport Fund	524	369,637	570,867
Airport Grant Fund	525	(1,670,191)	(1,622,601)
Solid Waste Fund	560	(156,409)	958,339
Solid Waste Capital Projects Fund	562	728,043	773,772
Storm Water Management	575	1,525,024	1,736,922
Productivity Improvement Fund	639	2,140,491	1,486,727
Fleet Replacement Fund	640	7,037,144	6,607,523
Prop, Liab, W/C Insurance Fund	650	1,945,892	1,613,240
Employee Benefits Fund	661	4,827,929	2,551,182
Prop & Facility Management Fund	663	1,587,603	1,166,495
Technology Fund	671	1,064,099	921,655
Payroll Fund	710	812,196	781,898
Cemetery Trust Fund	713	3,119,663	3,095,532
Landfill Trust Fund	720	2,765,894	2,745,037
Retiree Benefits Fund	761	99,593	221,584
Section 125 Trust Fund	772	214,661	211,390
<b>TOTAL</b>		<b>\$ 122,142,699</b>	<b>\$ 97,292,009</b>