



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

March 31, 2017

Prepared by
Valley View Consulting, L.L.C. (v)

To the best of our knowledge, this portfolio and report are in compliance with the investment strategy expressed in Chapter 2, Administration, Article VII, Division 2, Investment Policy of the Code of Ordinances of the City of Deer Park and the Texas Public Funds Investment Act, Government Code Ch. 2256, as amended.

City Manager

Assistant City Manager

Director of Finance

(1) 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.

Strategy Summary

Quarter End Results by Investment Category:

Asset Type	Ave. Yield	March 31, 2017		December 31, 2016	
		Book Value	Market Value	Book Value	Market Value
MMA/NOW	0.41%	\$ 33,439,015.94	\$ 33,439,015.94	\$ 43,032,631.46	\$ 43,032,631.46
LGIPs	0.62%	64,609,895.44	64,609,895.44	61,820,202.81	61,820,202.81
CDs/Securities	0.96%	24,355,911.84	24,355,911.84	16,850,824.00	16,850,824.00
Totals		\$ 122,404,823.22	\$ 122,404,823.22	\$ 121,703,658.27	\$ 121,703,658.27

Current Quarter Average Yield (1)

Total Portfolio 0.63%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio 0.52%

Rolling Three Mo. Treas. Yield 0.60%
Rolling Six Mo. Treas. Yield 0.64%

Rolling Three Mo. Treas. Yield 0.52%
Rolling Six Mo. Treas. Yield 0.57%
Quarter End TexPool Yield 0.54%
Quarter End TexSTAR Yield 0.55%

Quarterly Interest Income \$ 153,497.56 Approximate
Year-to-date Interest Income \$ 261,795.00 Approximate

Note: Bank balances represent pooled cash accounts (General Fund, Accounts Payable and Payroll), plus the CCPD, FCPMMSD, DPCDC, and Series 2002 TWDB accounts. Cash balances are unaudited. Cash balances for the beginning of the fiscal year are restated to reflect bank balances rather than book balances.

(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.

Investment Holdings

March 31, 2017

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Wells Fargo #2800 MMA		0.05%	04/01/17	03/31/17	\$ 16,380,948.67	\$ 16,380,948.67	1.00	\$ 16,380,948.67	1	0.05%
Wells Fargo #9865 MMA		0.09%	04/01/17	03/31/17	1,711,589.28	1,711,589.28	1.00	1,711,589.28	1	0.09%
Wells Fargo #9824 MMA		0.09%	04/01/17	03/31/17	1,619,769.25	1,619,769.25	1.00	1,619,769.25	1	0.09%
Wells Fargo #5314 MMA		0.00%	04/01/17	03/31/17	6.38	6.38	1.00	6.38	1	0.00%
Wells Fargo #6267 MMA		0.05%	04/01/17	03/31/17	1,696,377.79	1,696,377.79	1.00	1,696,377.79	1	0.05%
Green Bank MMA		0.86%	04/01/17	03/31/17	2,008,090.74	2,008,090.74	1.00	2,008,090.74	1	0.86%
NexBank MMA		1.07%	04/01/17	03/31/17	10,022,233.83	10,022,233.83	1.00	10,022,233.83	1	1.07%
TexPool	AAAm	0.62%	04/01/17	03/31/17	36,341,024.80	36,341,024.80	1.00	36,341,024.80	1	0.62%
TexSTAR	AAAm	0.63%	04/01/17	03/31/17	28,268,870.64	28,268,870.64	1.00	28,268,870.64	1	0.63%
Southside Bank CD		0.70%	04/03/17	11/12/15	1,513,221.71	1,513,221.71	100.00	1,513,221.71	3	0.70%
BTB Bank CDARS		0.75%	04/27/17	11/12/15	1,010,409.73	1,010,409.73	100.00	1,010,409.73	27	0.75%
Origin Bank CD		1.25%	05/12/17	11/12/15	245,000.00	245,000.00	100.00	245,000.00	42	1.25%
BTB Bank CDARS		0.80%	06/01/17	11/12/15	1,010,642.47	1,010,642.47	100.00	1,010,642.47	62	0.80%
BTB Bank CDARS		0.85%	06/29/17	11/12/15	1,011,311.48	1,011,311.48	100.00	1,011,311.48	90	0.85%
LegacyTexas Bank CD		0.85%	07/03/17	07/01/16	5,037,557.27	5,037,557.27	100.00	5,037,557.27	94	0.85%
BTB Bank CDARS		0.90%	07/27/17	11/12/15	1,011,980.87	1,011,980.87	100.00	1,011,980.87	118	0.90%
BTB Bank CDARS		0.95%	09/28/17	11/12/15	1,012,650.23	1,012,650.23	100.00	1,012,650.23	181	0.95%
LegacyTexas Bank CD		0.92%	10/02/17	03/02/17	5,000,000.00	5,000,000.00	100.00	5,000,000.00	185	0.92%
Southside Bank CD		0.83%	11/01/17	11/01/16	1,503,138.08	1,503,138.08	100.00	1,503,138.08	215	0.83%
LegacyTexas Bank CD		1.35%	03/01/18	03/15/17	3,000,000.00	3,000,000.00	100.00	3,000,000.00	335	1.35%
Lubbock Nat'l Bank CD		1.20%	04/02/18	03/07/17	3,000,000.00	3,000,000.00	100.00	3,000,000.00	367	1.20%
					<u>\$ 122,404,823.22</u>	<u>\$ 122,404,823.22</u>				
								<u>\$ 122,404,823.22</u>	<u>36</u>	<u>0.63%</u>
									<u>(1)</u>	<u>(2)</u>

(1) **Weighted average life** - For purposes of calculating weighted average life, bank accounts, pools and money market funds 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 bank accounts, pools and money market funds.

Book Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2016				March 31, 2017			
			Par Value	Book Value	Purchases/ Adjustments	Sales/Adjust/ Call/Maturity	Par Value	Book Value		
Wells Fargo #2800 MMA	0.05%	04/01/17	\$ 28,587,005.32	\$ 28,587,005.32	\$ -	\$(12,206,056.65)	\$ 16,380,948.67	\$ 16,380,948.67		
Wells Fargo #9865 MMA	0.09%	04/01/17	2,545,845.84	2,545,845.84	-	(834,256.56)	1,711,589.28	1,711,589.28		
Wells Fargo #9824 MMA	0.09%	04/01/17	1,672,376.42	1,672,376.42	-	(52,607.17)	1,619,769.25	1,619,769.25		
Wells Fargo #5314 MMA	0.00%	04/01/17	191,701.08	191,701.08	-	(191,694.70)	6.38	6.38		
Wells Fargo #6267 MMA	0.05%	04/01/17	3,025,856.88	3,025,856.88	-	(1,329,479.09)	1,696,377.79	1,696,377.79		
Green Bank MMA	0.86%	04/01/17	2,004,107.36	2,004,107.36	3,983.38	-	2,008,090.74	2,008,090.74		
NexBank MMA	1.07%	04/01/17	5,005,738.56	5,005,738.56	5,016,495.27	-	10,022,233.83	10,022,233.83		
TexPool	0.62%	04/01/17	33,591,434.13	33,591,434.13	2,749,590.67	-	36,341,024.80	36,341,024.80		
TexSTAR	0.63%	04/01/17	28,228,768.68	28,228,768.68	40,101.96	-	28,268,870.64	28,268,870.64		
Southside Bank CD	0.68%	03/01/17	2,013,672.17	2,013,672.17	-	(2,013,672.17)	-	-		
LegacyTexas CD	0.85%	03/15/17	1,506,403.83	1,506,403.83	-	(1,506,403.83)	-	-		
Southside Bank CD	0.70%	04/03/17	1,510,556.51	1,510,556.51	2,665.20	-	1,513,221.71	1,513,221.71		
BTH Bank CDARS	0.75%	04/27/17	1,008,087.13	1,008,087.13	2,322.60	-	1,010,409.73	1,010,409.73		
Origin Bank CD	1.25%	05/12/17	245,000.00	245,000.00	-	-	245,000.00	245,000.00		
BTH Bank CDARS	0.80%	06/01/17	1,009,159.44	1,009,159.44	1,483.03	-	1,010,642.47	1,010,642.47		
BTH Bank CDARS	0.85%	06/29/17	1,009,734.78	1,009,734.78	1,576.70	-	1,011,311.48	1,011,311.48		
LegacyTexas Bank CD	0.85%	07/03/17	5,027,013.85	5,027,013.85	10,543.42	-	5,037,557.27	5,037,557.27		
BTH Bank CDARS	0.90%	07/27/17	1,010,310.38	1,010,310.38	1,670.49	-	1,011,980.87	1,011,980.87		
BTH Bank CDARS	0.95%	09/28/17	1,010,885.91	1,010,885.91	1,764.32	-	1,012,650.23	1,012,650.23		
LegacyTexas Bank CD	0.92%	10/02/17	-	-	5,000,000.00	-	5,000,000.00	5,000,000.00		
Southside Bank CD	0.83%	11/01/17	1,500,000.00	1,500,000.00	3,138.08	-	1,503,138.08	1,503,138.08		
LegacyTexas Bank CD	1.35%	03/01/18	-	-	3,000,000.00	-	3,000,000.00	3,000,000.00		
Lubbock Natl Bank CD	1.20%	04/02/18	-	-	3,000,000.00	-	3,000,000.00	3,000,000.00		
TOTAL			\$ 121,703,658.27	\$ 121,703,658.27	\$ 18,835,335.12	\$(18,134,170.17)	\$ 122,404,823.22	\$ 122,404,823.22		

Market Value Comparison

December 31, 2016						March 31, 2017					
Description	Coupon/ Discount	Maturity Date	Par Value	Market Value		Qtr to Qtr Change	Par Value	Market Value			
Wells Fargo #2800 MMA	0.05%	04/01/17	\$ 28,587,005.32	\$ 28,587,005.32		\$(12,206,056.65)	\$ 16,380,948.67	\$ 16,380,948.67			
Wells Fargo #9865 MMA	0.09%	04/01/17	2,545,845.84	2,545,845.84		(834,256.56)	1,711,589.28	1,711,589.28			
Wells Fargo #9824 MMA	0.09%	04/01/17	1,672,376.42	1,672,376.42		(52,607.17)	1,619,769.25	1,619,769.25			
Wells Fargo #5314 MMA	0.00%	04/01/17	191,701.08	191,701.08		(191,694.70)	6.38	6.38			
Wells Fargo #6267 MMA	0.05%	04/01/17	3,025,856.88	3,025,856.88		(1,329,479.09)	1,696,377.79	1,696,377.79			
Green Bank MMA	0.86%	04/01/17	2,004,107.36	2,004,107.36		3,983.38	2,008,090.74	2,008,090.74			
NexBank MMA	1.07%	04/01/17	5,005,738.56	5,005,738.56		5,016,495.27	10,022,233.83	10,022,233.83			
TexPool	0.62%	04/01/17	33,591,434.13	33,591,434.13		2,749,590.67	36,341,024.80	36,341,024.80			
TexSTAR	0.62%	04/01/17	28,228,768.68	28,228,768.68		40,101.96	28,268,870.64	28,268,870.64			
Southside Bank CD	0.68%	03/01/17	2,013,672.17	2,013,672.17		(2,013,672.17)	-	-			
LegacyTexas CD	0.85%	03/15/17	1,506,403.83	1,506,403.83		(1,506,403.83)	-	-			
Southside Bank CD	0.70%	04/03/17	1,510,556.51	1,510,556.51		2,665.20	1,513,221.71	1,513,221.71			
BTB Bank CDARS	0.75%	04/27/17	1,008,087.13	1,008,087.13		2,322.60	1,010,409.73	1,010,409.73			
Origin Bank CD	1.25%	05/12/17	245,000.00	245,000.00		-	245,000.00	245,000.00			
BTB Bank CDARS	0.80%	06/01/17	1,009,159.44	1,009,159.44		1,483.03	1,010,642.47	1,010,642.47			
BTB Bank CDARS	0.85%	06/29/17	1,009,734.78	1,009,734.78		1,576.70	1,011,311.48	1,011,311.48			
LegacyTexas Bank CD	0.85%	07/03/17	5,027,013.85	5,027,013.85		10,543.42	5,037,557.27	5,037,557.27			
BTB Bank CDARS	0.90%	07/27/17	1,010,310.38	1,010,310.38		1,670.49	1,011,980.87	1,011,980.87			
BTB Bank CDARS	0.95%	09/28/17	1,010,885.91	1,010,885.91		1,764.32	1,012,650.23	1,012,650.23			
LegacyTexas Bank CD	0.92%	10/02/17	-	-		5,000,000.00	5,000,000.00	5,000,000.00			
Southside Bank CD	0.83%	11/01/17	1,500,000.00	1,500,000.00		3,138.08	1,503,138.08	1,503,138.08			
LegacyTexas Bank CD	1.35%	03/01/18	-	-		3,000,000.00	3,000,000.00	3,000,000.00			
Lubbock Nat'l Bank CD	1.20%	04/02/18	-	-		3,000,000.00	3,000,000.00	3,000,000.00			
TOTAL			\$ 121,703,658.27	\$ 121,703,658.27		\$ 701,164.95	\$ 122,404,823.22	\$ 122,404,823.22			

Allocation
March 31, 2017

Book & Market Value

	Total	Pooled Cash	General	Capital Projects & Improvements	Crime Control District	Debt Service Fund
Wells Fargo MMA	\$ 21,408,691.37	\$ 16,380,948.67	\$ -	\$ 6.38	\$ 1,711,589.28	\$ -
Green Bank MMA	2,008,090.74		2,008,090.74			
NexBank MMA	10,022,233.83		10,022,233.83			
TexPool	36,341,024.80		10,809,920.25	21,495,741.38		1,933,036.47
TexSTAR	28,268,870.64		2,516,664.30	25,752,206.34		
04/03/17-Southside Bank CD	1,513,221.71		1,513,221.71			
04/27/17-BTH Bank CDARS	1,010,409.73		1,010,409.73			
05/12/17-Origin Bank CD	245,000.00		245,000.00			
06/01/17-BTH Bank CDARS	1,010,642.47		1,010,642.47			
06/29/17-BTH Bank CDARS	1,011,311.48		1,011,311.48			
07/03/17-LegacyTexas Bank CD	5,037,557.27		5,037,557.27			
07/27/17-BTH Bank CDARS	1,011,980.87		1,011,980.87			
09/28/17-BTH Bank CDARS	1,012,650.23		1,012,650.23			
10/02/17-LegacyTexas Bank CD	5,000,000.00		5,000,000.00			
11/01/17-Southside Bank CD	1,503,138.08		1,503,138.08			
03/01/18-LegacyTexas Bank CD	3,000,000.00		3,000,000.00			
04/02/18-Lubbock Nat'l Bank CD	3,000,000.00		3,000,000.00			
Total	\$ 122,404,823.22	\$ 16,380,948.67	\$ 49,712,820.96	\$ 47,247,954.10	\$ 1,711,589.28	\$ 1,933,036.47

Allocation
March 31, 2017

(Continued)

Book & Market Value

	East Boulevard Fund	Fire Control District	Street Assessments	Water & Sewer	Community Development Corporation	Senior Citizens Fund	Special Revenue (Police)
Wells Fargo MMA	\$ -	\$ 1,619,769.25	\$ -	\$ -	\$ 1,696,377.79	\$ -	\$ -
Green Bank MMA							
NexBank MMA							
TexPool	27,050.50		74,996.38	1,851,928.60		111,852.43	36,498.79
TexSTAR							
04/03/17-Southside Bank CD							
04/27/17-BTH Bank CDARS							
05/12/17-Origin Bank CD							
06/01/17-BTH Bank CDARS							
06/29/17-BTH Bank CDARS							
07/03/17-LegacyTexas Bank CD							
07/27/17-BTH Bank CDARS							
09/28/17-BTH Bank CDARS							
10/02/17-LegacyTexas Bank CD							
11/01/17-Southside Bank CD							
03/01/18-LegacyTexas Bank CD							
04/02/18-Lubbock Nat'l Bank CD							
Total	\$ 27,050.50	\$ 1,619,769.25	\$ 74,996.38	\$ 1,851,928.60	\$ 1,696,377.79	\$ 111,852.43	\$ 36,498.79

Allocation
December 31, 2016

Book & Market Value

	Total	Pooled Cash	General	Capital Projects & Improvements	Crime Control District	Debt Service Fund
Wells Fargo MMA	\$ 36,022,785.54	\$ 28,587,005.32	\$ -	\$ 191,701.08	\$ 2,545,845.84	\$ -
Green Bank MMA	2,004,107.36		2,004,107.36			
NexBank MMA	5,005,738.56		5,005,738.56			
TexPool	33,591,434.13		10,794,642.88	18,767,131.04		1,930,304.59
TexSTAR	28,228,768.68		2,513,094.13	25,715,674.55		
03/01/17-Southside Bank CD	2,013,672.17		2,013,672.17			
03/15/17-LegacyTexas CD	1,506,403.83		1,506,403.83			
04/03/17-Southside Bank CD	1,510,556.51		1,510,556.51			
04/27/17-BTH Bank CDARS	1,008,087.13		1,008,087.13			
05/12/17-Origin Bank CD	245,000.00		245,000.00			
06/01/17-BTH Bank CDARS	1,009,159.44		1,009,159.44			
06/29/17-BTH Bank CDARS	1,009,734.78		1,009,734.78			
07/03/17-LegacyTexas Bank CD	5,027,013.85		5,027,013.85			
07/27/17-BTH Bank CDARS	1,010,310.38		1,010,310.38			
09/28/17-BTH Bank CDARS	1,010,885.91		1,010,885.91			
11/01/17-Southside Bank CD	1,500,000.00		1,500,000.00			
Total	\$ 121,703,658.27	\$ 28,587,005.32	\$ 37,168,406.93	\$ 44,674,506.67	\$ 2,545,845.84	\$ 1,930,304.59

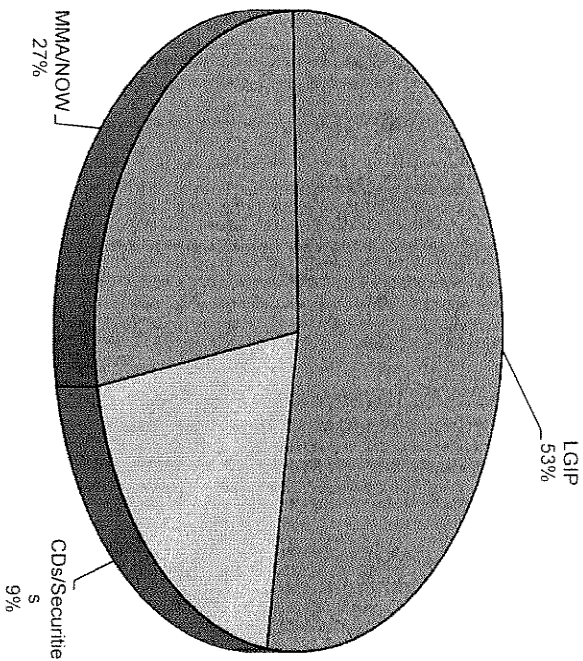
Allocation
December 31, 2016

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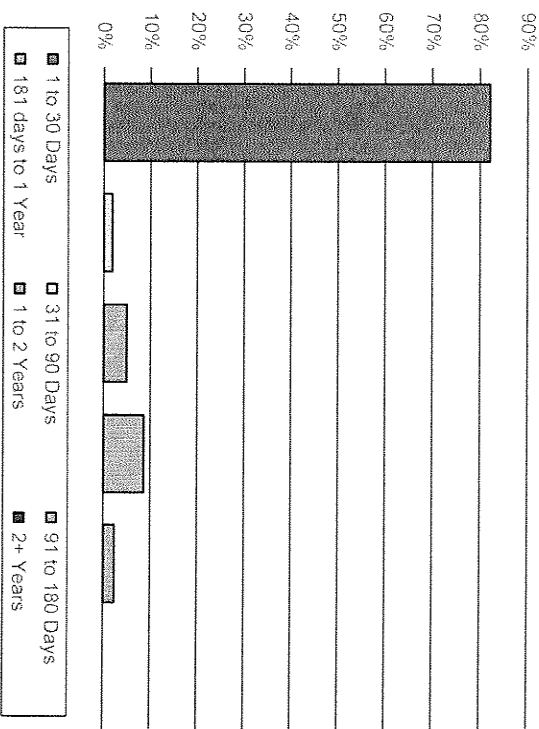
Book & Market Value

	East Boulevard Fund	Fire Control District	Street Assessments	Water & Sewer	Community Development Corporation	Senior Citizens Fund	Special Revenue (Police)
Wells Fargo MMA	\$ -	\$ 1,672,376.42	\$ -	\$ -	\$ 3,025,856.88	\$ -	\$ -
Green Bank MMA							
NexBank MMA							
TexPool	27,012.26		74,890.33	1,849,311.39		111,694.41	36,447.23
TexSTAR							
03/01/17-Southside Bank CD							
03/15/17-LegacyTexas CD							
04/03/17-Southside Bank CD							
04/27/17-BTH Bank CDARS							
05/12/17-Origin Bank CD							
06/01/17-BTH Bank CDARS							
06/29/17-BTH Bank CDARS							
07/03/17-LegacyTexas Bank CD							
07/27/17-BTH Bank CDARS							
09/28/17-BTH Bank CDARS							
11/01/17-Southside Bank CD							
Total	\$ 27,012.26	\$ 1,672,376.42	\$ 74,890.33	\$ 1,849,311.39	\$ 3,025,856.88	\$ 111,694.41	\$ 36,447.23

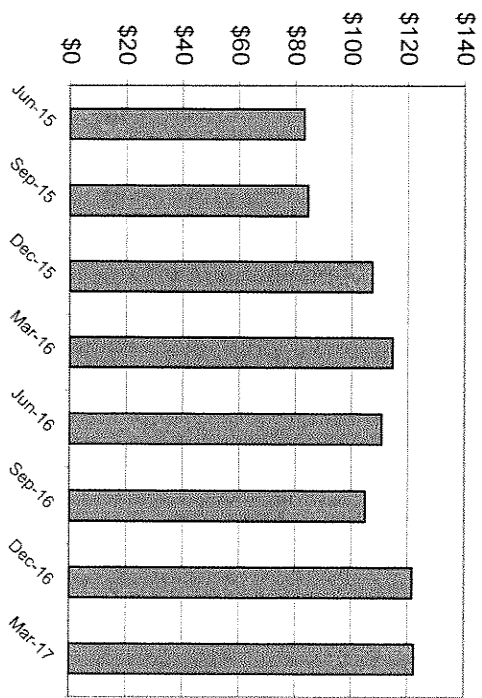
Portfolio Composition



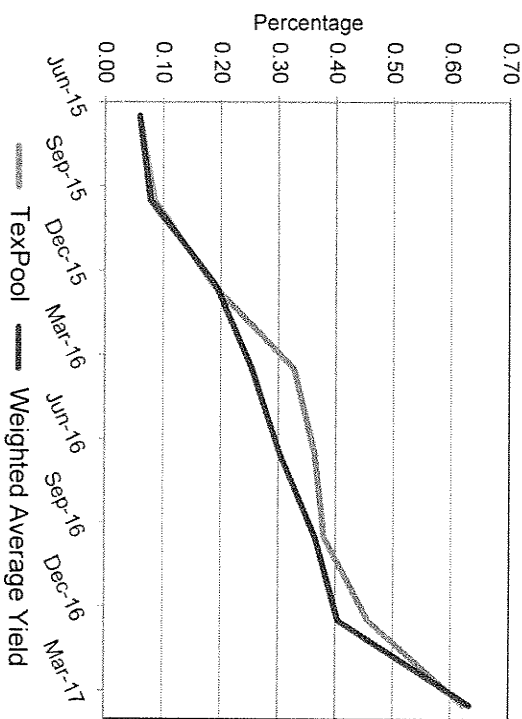
Distribution by Maturity



Total Portfolio (Millions)



Total Portfolio Performance



Quarter End Book Value

The Federal Open Market Committee (FOMC) raised the Fed Funds target range of 0.75% - 1.00% (actual Fed Funds are trading +/-90 bps). There are mixed anticipations for additional FOMC actions this year. Some look for another rise as early as the June FOMC meeting. Final revision 4th Quarter 2016 GDP increased to 2.1%. US data reflects continuing modest to moderate economic growth. The Stock Markets recorded new highs. Financial Institution deposits (MMAs and CDs) generally offer the best interest earnings opportunity.

