

QUARTERLY INVESTMENT REPORT

For the Quarter Ended

March 31, 2019

Prepared by
Valley View Consulting, L.L.C. (1)

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	December 31, 2018		March 31, 2019		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
MMA/NOW	\$ 30,171,178.97	\$ 30,171,178.97	\$ 12,553,161.22	\$ 12,553,161.22	0.59%
LGIPs	55,183,924.25	55,183,924.25	55,512,133.21	55,512,133.21	2.42%
CDS/Securities	29,832,467.81	29,832,467.81	43,497,517.84	43,497,517.84	2.81%
Totals	\$115,187,571.03	\$ 115,187,571.03	\$ 111,562,812.27	\$ 111,562,812.27	

Current Quarter Average Yield (1)

Total Portfolio	2.36%
Rolling Three Month Treasury	2.37%
Rolling Six Month Treasury	2.39%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	2.13%
Rolling Three Month Treasury	2.41%
Rolling Six Month Treasury	2.45%
Quarter-End TexPool Yield	2.35%
Quarter-End TexSTAR Yield	2.36%
Quarter-End TexasCLASS Yield	2.56%

<u>Interest Earnings</u>	
Quarterly Interest Income \$	608,404.29
Year-to-date Interest Income \$	1,104,422.99
Approximate	Approximate

Note: Bank balances represent pooled cash accounts (General Fund, Accounts Payable and Payroll), plus the CCPD, FCPEDMSD, DPCDC, and Series 2002 TWDB accounts. Cash balances are unaudited.

(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, 2019

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Wells Fargo #2800 MMA		0.20%	04/01/19	03/31/19	\$ 4,465,820.34	\$ 4,465,820.34	1.00	\$ 4,465,820.34	1	0.20%
Wells Fargo #9865 MMA		0.20%	04/01/19	03/31/19	1,947,770.07	1,947,770.07	1.00	1,947,770.07	1	0.20%
Wells Fargo #9824 MMA		0.20%	04/01/19	03/31/19	1,537,182.86	1,537,182.86	1.00	1,537,182.86	1	0.20%
Wells Fargo #6267 MMA		0.20%	04/01/19	03/31/19	2,524,743.07	2,524,743.07	1.00	2,524,743.07	1	0.20%
Green Bank MMA		2.56%	04/01/19	03/31/19	2,077,644.88	2,077,644.88	1.00	2,077,644.88	1	2.56%
TexPool	AAA	2.42%	04/01/19	03/31/19	25,368,737.99	25,368,737.99	1.00	25,368,737.99	1	2.42%
TexSTAR	AAA	2.41%	04/01/19	03/31/19	23,747,800.01	23,747,800.01	1.00	23,747,800.01	1	2.41%
TexasCLASS	AAA	2.43%	04/01/19	03/31/19	6,395,595.21	6,395,595.21	1.00	6,395,595.21	1	2.43%
East West Bank CD		2.30%	04/02/19	04/02/18	2,557,962.79	2,557,962.79	100.00	2,557,962.79	2	2.33%
East West Bank CD		2.44%	05/01/19	05/01/18	2,556,615.97	2,556,615.97	100.00	2,556,615.97	31	2.47%
BTB Bank CD		2.52%	06/01/19	06/01/18	2,042,375.64	2,042,375.64	100.00	2,042,375.64	62	2.55%
East West Bank CD		2.75%	07/22/19	09/21/18	2,536,425.86	2,536,425.86	100.00	2,536,425.86	113	2.79%
East West Bank CD		2.79%	10/21/19	09/21/18	2,536,959.57	2,536,959.57	100.00	2,536,959.57	204	2.83%
East West Bank CD		2.71%	11/01/19	02/01/19	2,008,779.99	2,008,779.99	100.00	2,008,779.99	215	2.75%
Legacy/Texas Bank CD		2.75%	12/02/19	06/01/18	2,041,515.01	2,041,515.01	100.00	2,041,515.01	246	2.78%
East West Bank CD		2.71%	03/04/20	03/04/19	2,004,161.98	2,004,161.98	100.00	2,004,161.98	339	2.75%
East West Bank CD		2.91%	04/01/20	10/01/18	2,536,538.32	2,536,538.32	100.00	2,536,538.32	367	2.95%
Origin Bank CD		2.76%	05/29/20	01/29/19	3,000,000.00	3,000,000.00	100.00	3,000,000.00	425	2.79%
East West Bank CD		2.97%	07/01/20	10/01/18	2,537,297.28	2,537,297.28	100.00	2,537,297.28	458	3.01%
WallisBank CD		3.05%	08/20/20	11/20/18	3,023,047.89	3,023,047.89	100.00	3,023,047.89	508	3.08%
Origin Bank CD		2.76%	09/01/20	02/01/19	3,000,000.00	3,000,000.00	100.00	3,000,000.00	520	2.79%
East West Bank CD		3.03%	10/01/20	10/01/18	2,538,056.42	2,538,056.42	100.00	2,538,056.42	550	3.08%
Origin Bank CD		2.91%	11/29/20	01/29/19	3,000,000.00	3,000,000.00	100.00	3,000,000.00	609	2.94%
Origin Bank CD		2.91%	02/01/21	02/01/19	2,000,000.00	2,000,000.00	100.00	2,000,000.00	673	2.94%
Legacy/Texas Bank CD		2.74%	03/01/21	03/01/19	3,577,781.12	3,577,781.12	100.00	3,577,781.12	701	2.77%
					\$ 111,562,812.27	\$ 111,562,812.27			146	2.36%
									(1)	(2)

(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

December 31, 2018										March 31, 2019			
Description	Coupon/ Discount	Maturity Date	Par Value	Book Value	Purchases/ Adjustments	Sales/Adjus t Call/Maturity	Par Value	Book Value					
Wells Fargo #2800 MMA	0.20%	04/01/19	\$ 21,120,863.16	\$ 21,120,863.16	\$ —	\$(16,655,042.82)	\$ 4,465,820.34	\$ 4,465,820.34					
Wells Fargo #9865 MMA	0.20%	04/01/19	1,797,061.23	1,797,061.23	150,708.84	—	1,947,770.07	1,947,770.07					
Wells Fargo #9824 MMA	0.20%	04/01/19	1,955,673.95	1,955,673.95	—	(418,491.09)	1,537,182.86	1,537,182.86					
Wells Fargo #6267 MMA	0.20%	04/01/19	3,233,120.23	3,233,120.23	—	(708,377.16)	2,524,743.07	2,524,743.07					
Green Bank MMA	2.56%	04/01/19	2,064,460.40	2,064,460.40	13,184.48	—	2,077,644.88	2,077,644.88					
TexPool	2.42%	04/01/19	25,219,135.57	25,219,135.57	149,602.42	—	25,368,737.99	25,368,737.99					
TexSTAR	2.41%	04/01/19	23,607,721.77	23,607,721.77	140,078.24	—	23,747,800.01	23,747,800.01					
TexasCLASS	2.43%	04/01/19	6,357,066.91	6,357,066.91	38,528.30	—	6,395,595.21	6,395,595.21					
Southside Bank CD	1.58%	02/01/19	1,536,528.07	1,536,528.07	—	(1,536,528.07)	—	—					
LegacyTexas Bank CD	2.20%	03/01/19	3,558,442.91	3,558,442.91	—	(3,558,442.91)	—	—					
East West Bank CD	2.30%	04/02/19	2,543,537.79	2,543,537.79	14,425.00	—	2,557,962.79	2,557,962.79					
East West Bank CD	2.44%	05/01/19	2,541,280.95	2,541,280.95	15,335.02	—	2,556,615.97	2,556,615.97					
BTB Bank CD	2.52%	06/01/19	2,029,737.35	2,029,737.35	12,638.29	—	2,042,375.64	2,042,375.64					
East West Bank CD	2.75%	07/22/19	2,519,285.62	2,519,285.62	17,140.24	—	2,536,425.86	2,536,425.86					
East West Bank CD	2.79%	10/21/19	2,519,567.23	2,519,567.23	17,392.34	—	2,536,959.57	2,536,959.57					
East West Bank CD	2.71%	11/01/19	—	—	2,008,779.99	—	2,008,779.99	2,008,779.99					
LegacyTexas Bank CD	2.75%	12/02/19	2,027,734.24	2,027,734.24	13,780.77	—	2,041,515.01	2,041,515.01					
East West Bank CD	2.71%	03/04/20	—	—	2,004,161.98	—	2,004,161.98	2,004,161.98					
East West Bank CD	2.91%	04/01/20	2,518,403.66	2,518,403.66	18,134.66	—	2,536,538.32	2,536,538.32					
Origin Bank CD	2.76%	05/29/20	—	—	3,000,000.00	—	3,000,000.00	3,000,000.00					
East West Bank CD	2.97%	07/01/20	2,518,784.54	2,518,784.54	18,512.74	—	2,537,297.28	2,537,297.28					
WallsBank CD	3.05%	08/20/20	3,000,000.00	3,000,000.00	23,047.89	—	3,023,047.89	3,023,047.89					
Origin Bank CD	2.76%	09/01/20	—	—	3,000,000.00	—	3,000,000.00	3,000,000.00					
East West Bank CD	3.03%	10/01/20	2,519,165.45	2,519,165.45	18,890.97	—	2,538,056.42	2,538,056.42					
Origin Bank CD	2.91%	11/29/20	—	—	3,000,000.00	—	3,000,000.00	3,000,000.00					
Origin Bank CD	2.91%	02/01/21	—	—	2,000,000.00	—	2,000,000.00	2,000,000.00					
LegacyTexas Bank CD	2.74%	03/01/21	—	—	3,577,781.12	—	3,577,781.12	3,577,781.12					
TOTAL			\$ 115,187,571.03	\$ 115,187,571.03	\$ 19,252,123.29	\$(22,876,882.05)	\$ 111,562,812.27	\$ 111,562,812.27					

Market Value Comparison

December 31, 2018

Description	Coupon/ Discount	Maturity Date	Par Value	Market Value
Wells Fargo #2800 MMA	0.20%	04/01/19	\$ 21,120,863.16	\$ 21,120,863.16
Wells Fargo #9865 MMA	0.20%	04/01/19	1,797,061.23	1,797,061.23
Wells Fargo #9824 MMA	0.20%	04/01/19	1,955,673.95	1,955,673.95
Wells Fargo #6267 MMA	0.20%	04/01/19	3,233,120.23	3,233,120.23
Green Bank MMA	2.56%	04/01/19	2,064,460.40	2,064,460.40
TexPool	2.42%	04/01/19	25,219,135.57	25,219,135.57
TexSTAR	2.42%	04/01/19	23,607,721.77	23,607,721.77
TexasCLASS	2.41%	04/01/19	6,357,066.91	6,357,066.91
Southside Bank CD	1.58%	02/01/19	1,536,528.07	1,536,528.07
LegacyTexas Bank CD	2.20%	03/01/19	3,558,442.91	3,558,442.91
East West Bank CD	2.30%	04/02/19	2,543,537.79	2,543,537.79
East West Bank CD	2.44%	05/01/19	2,541,280.95	2,541,280.95
BTB Bank CD	2.52%	06/01/19	2,029,737.35	2,029,737.35
East West Bank CD	2.75%	07/22/19	2,519,285.62	2,519,285.62
East West Bank CD	2.79%	10/21/19	2,519,567.23	2,519,567.23
East West Bank CD	2.71%	11/01/19	-	-
LegacyTexas Bank CD	2.75%	12/02/19	2,027,734.24	2,027,734.24
East West Bank CD	2.71%	03/04/20	-	-
East West Bank CD	2.91%	04/01/20	2,518,403.66	2,518,403.66
Origin Bank CD	2.76%	05/29/20	-	-
East West Bank CD	2.97%	07/01/20	2,518,784.54	2,518,784.54
WallisBank CD	3.05%	08/20/20	3,000,000.00	3,000,000.00
Origin Bank CD	2.76%	09/01/20	-	-
East West Bank CD	3.03%	10/01/20	2,519,165.45	2,519,165.45
Origin Bank CD	2.91%	11/29/20	-	-
Origin Bank CD	2.91%	02/01/21	-	-
LegacyTexas Bank CD	2.74%	03/01/21	-	-

TOTAL

\$ 115,187,571.03 \$ 115,187,571.03

March 31, 2019

Qtr to Qtr Change	Par Value	Market Value
\$(16,655,042.82)	\$ 4,465,820.34	\$ 4,465,820.34
150,708.84	1,947,770.07	1,947,770.07
(418,491.09)	1,537,182.86	1,537,182.86
(708,377.16)	2,524,743.07	2,524,743.07
13,184.48	2,077,644.88	2,077,644.88
149,602.42	25,368,737.99	25,368,737.99
140,078.24	23,747,800.01	23,747,800.01
38,528.30	6,395,595.21	6,395,595.21
(1,536,528.07)	-	-
(3,558,442.91)	-	-
14,425.00	2,557,962.79	2,557,962.79
15,335.02	2,556,615.97	2,556,615.97
12,638.29	2,042,375.64	2,042,375.64
17,140.24	2,536,425.86	2,536,425.86
17,392.34	2,536,959.57	2,536,959.57
2,008,779.99	2,008,779.99	2,008,779.99
13,780.77	2,041,515.01	2,041,515.01
2,004,161.98	2,004,161.98	2,004,161.98
18,134.66	2,536,538.32	2,536,538.32
3,000,000.00	3,000,000.00	3,000,000.00
18,512.74	2,537,297.28	2,537,297.28
23,047.89	3,023,047.89	3,023,047.89
3,000,000.00	3,000,000.00	3,000,000.00
18,890.97	2,538,056.42	2,538,056.42
3,000,000.00	3,000,000.00	3,000,000.00
2,000,000.00	2,000,000.00	2,000,000.00
3,577,781.12	3,577,781.12	3,577,781.12

\$ (3,624,758.76) \$ 111,562,812.27 \$ 111,562,812.27

Allocation
March 31, 2019

Book & Market Value

	Total	Pooled Cash	General	Capital Projects & Improvements	Crime Control District	Debt Service Fund
Wells Fargo MMA	\$ 10,475,516.34	\$ 4,465,820.34	\$ -	\$ -	\$ 1,947,770.07	\$ -
Green Bank MMA	2,077,644.88	-	2,077,644.88	-	-	-
TexPool	25,368,737.99	-	17,222,536.49	4,018,473.87	-	1,958,884.11
TexSTAR	23,747,800.01	-	2,596,915.44	21,150,884.57	-	-
TexasCLASS	6,395,595.21	-	-	6,395,595.21	-	-
04/02/19-East West Bank CD	2,557,962.79	-	2,557,962.79	-	-	-
05/01/19-East West Bank CD	2,556,615.97	-	2,556,615.97	-	-	-
06/01/19-BTH Bank CD	2,042,375.64	-	2,042,375.64	-	-	-
07/22/19-East West Bank CD	2,536,425.86	-	2,536,425.86	-	-	-
10/21/19-East West Bank CD	2,536,959.57	-	2,536,959.57	-	-	-
11/01/19-East West Bank CD	2,008,779.99	-	2,008,779.99	-	-	-
12/02/19-LegacyTexas Bank CD	2,041,515.01	-	2,041,515.01	-	-	-
03/04/20-East West Bank CD	2,004,161.98	-	2,004,161.98	-	-	-
04/01/20-East West Bank CD	2,536,538.32	-	2,536,538.32	-	-	-
05/29/20-Origin Bank CD	3,000,000.00	-	3,000,000.00	-	-	-
07/01/20-East West Bank CD	2,537,297.28	-	2,537,297.28	-	-	-
08/20/20-WallisBank CD	3,023,047.89	-	3,023,047.89	-	-	-
09/01/20-Origin Bank CD	3,000,000.00	-	3,000,000.00	-	-	-
10/01/20-East West Bank CD	2,538,056.42	-	2,538,056.42	-	-	-
11/29/20-Origin Bank CD	3,000,000.00	-	3,000,000.00	-	-	-
02/01/21-Origin Bank CD	2,000,000.00	-	2,000,000.00	-	-	-
03/01/21-LegacyTexas Bank CD	3,577,781.12	-	3,577,781.12	-	-	-
Total	\$ 111,562,812.27	\$ 4,465,820.34	\$ 65,394,614.65	\$ 31,564,953.65	\$ 1,947,770.07	\$ 1,958,884.11

Allocation
March 31, 2019

(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	\$ -	\$ 1,537,182.86	\$ -	\$ -	\$ 2,524,743.07	\$ -	\$ -
Green Bank MMA	-	-	-	-	-	-	-
TexPool	27,332.17	-	77,380.56	1,910,805.05	-	115,408.18	37,917.56
TexSTAR	-	-	-	-	-	-	-
TexasCLASS	-	-	-	-	-	-	-
04/02/19-East West Bank CD	-	-	-	-	-	-	-
05/01/19-East West Bank CD	-	-	-	-	-	-	-
06/01/19-BTH Bank CD	-	-	-	-	-	-	-
07/22/19-East West Bank CD	-	-	-	-	-	-	-
10/21/19-East West Bank CD	-	-	-	-	-	-	-
11/01/19-East West Bank CD	-	-	-	-	-	-	-
12/02/19-Legacy Texas Bank CD	-	-	-	-	-	-	-
03/04/20-East West Bank CD	-	-	-	-	-	-	-
04/01/20-East West Bank CD	-	-	-	-	-	-	-
05/29/20-Origin Bank CD	-	-	-	-	-	-	-
07/01/20-East West Bank CD	-	-	-	-	-	-	-
08/20/20-Wallis Bank CD	-	-	-	-	-	-	-
09/01/20-Origin Bank CD	-	-	-	-	-	-	-
10/01/20-East West Bank CD	-	-	-	-	-	-	-
11/29/20-Origin Bank CD	-	-	-	-	-	-	-
02/01/21-Origin Bank CD	-	-	-	-	-	-	-
03/01/21-Legacy Texas Bank CD	-	-	-	-	-	-	-
Total	\$ 27,332.17	\$ 1,537,182.86	\$ 77,380.56	\$ 1,910,805.05	\$ 2,524,743.07	\$ 115,408.18	\$ 37,917.56

Allocation
December 31, 2018

Book & Market Value

	Total	Pooled Cash	General	Capital Projects & Improvements	Crime Control District	Debt Service Fund
Wells Fargo MMA	\$ 28,106,718.57	\$ 21,120,863.16	\$ -	\$ -	\$ 1,797,061.23	\$ -
Green Bank MMA	2,064,460.40	-	2,064,460.40	-	-	-
TexPool	25,219,135.57	-	17,120,973.12	3,994,776.50	-	1,947,332.29
TexSTAR	23,607,721.77	-	2,581,597.31	21,026,124.46	-	-
TexasCLASS	6,357,066.91	-	-	6,357,066.91	-	-
02/01/19-Southside Bank CD	1,536,528.07	-	1,536,528.07	-	-	-
03/01/19-LegacyTexas Bank CD	3,558,442.91	-	3,558,442.91	-	-	-
04/02/19-East West Bank CD	2,543,537.79	-	2,543,537.79	-	-	-
05/01/19-East West Bank CD	2,541,280.95	-	2,541,280.95	-	-	-
06/01/19-BTH Bank CD	2,029,737.35	-	2,029,737.35	-	-	-
07/22/19-East West Bank CD	2,519,285.62	-	2,519,285.62	-	-	-
10/21/19-East West Bank CD	2,519,567.23	-	2,519,567.23	-	-	-
12/02/19-LegacyTexas Bank CD	2,027,734.24	-	2,027,734.24	-	-	-
04/01/20-East West Bank CD	2,518,403.66	-	2,518,403.66	-	-	-
07/01/20-East West Bank CD	2,518,784.54	-	2,518,784.54	-	-	-
08/20/20-WallisBank CD	3,000,000.00	-	3,000,000.00	-	-	-
10/01/20-East West Bank CD	2,519,165.45	-	2,519,165.45	-	-	-
Total	\$ 115,187,571.03	\$ 21,120,863.16	\$ 51,599,498.64	\$ 31,377,967.87	\$ 1,797,061.23	\$ 1,947,332.29

Allocation
December 31, 2018

(Continued)

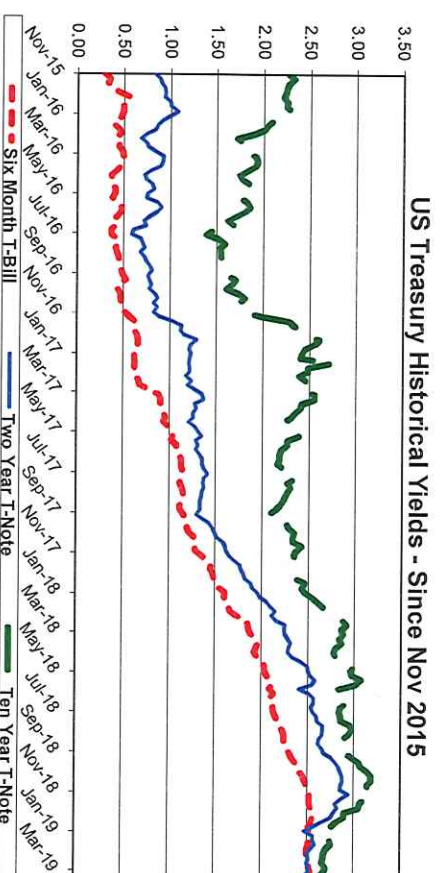
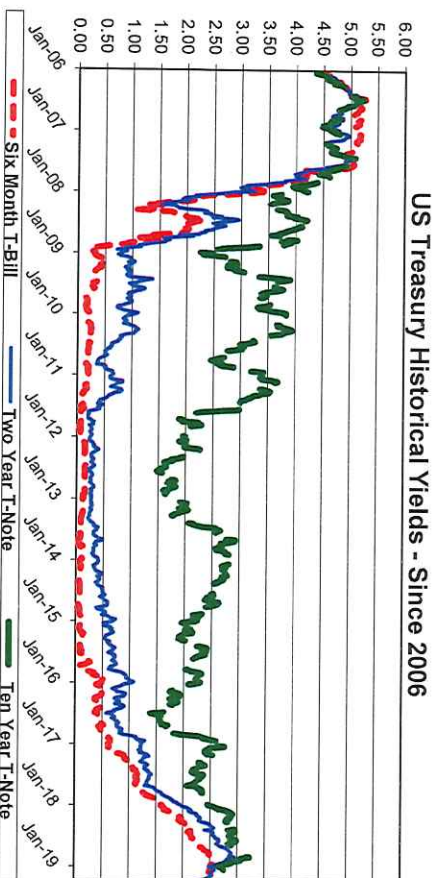
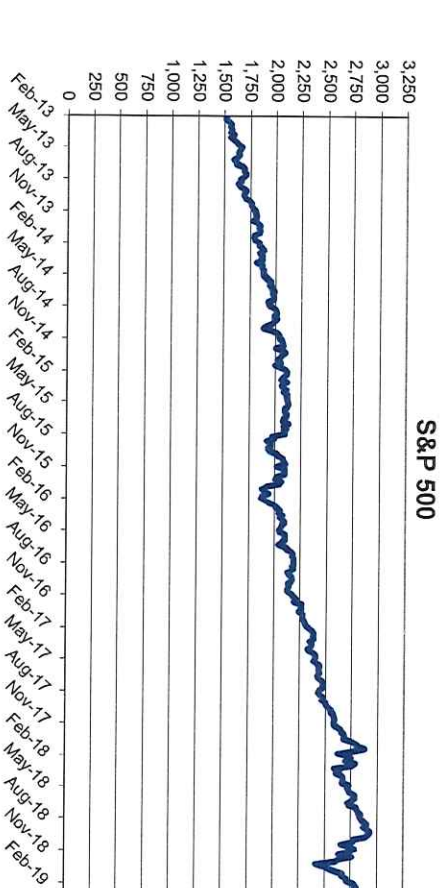
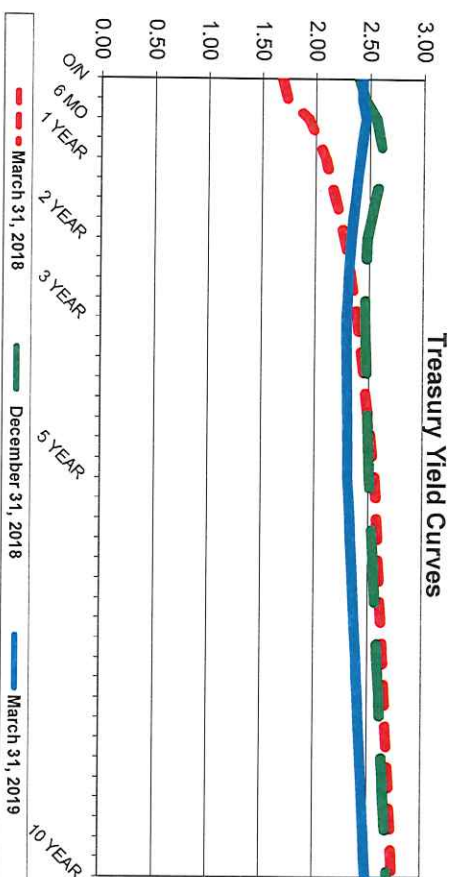
Book & Market Value

	East Boulevard Fund	Fire Control District	Street Assessments	Water & Sewer	Community Development Corporation	Senior Citizens Fund	Special Revenue (Police)
Wells Fargo MMA \$	-	\$ 1,955,673.95	\$ -	-	\$ 3,233,120.23	\$ -	\$ -
Green Bank MMA	-	-	-	-	-	-	-
TexPool	27,170.93	-	76,924.28	1,899,536.81	-	114,727.66	37,693.98
TexSTAR	-	-	-	-	-	-	-
TexasCLASS	-	-	-	-	-	-	-
02/01/19-Southside Bank CD	-	-	-	-	-	-	-
03/01/19-LegacyTexas Bank CD	-	-	-	-	-	-	-
04/02/19-East West Bank CD	-	-	-	-	-	-	-
05/01/19-East West Bank CD	-	-	-	-	-	-	-
06/01/19-BTH Bank CD	-	-	-	-	-	-	-
07/22/19-East West Bank CD	-	-	-	-	-	-	-
10/21/19-East West Bank CD	-	-	-	-	-	-	-
12/02/19-LegacyTexas Bank CD	-	-	-	-	-	-	-
04/01/20-East West Bank CD	-	-	-	-	-	-	-
07/01/20-East West Bank CD	-	-	-	-	-	-	-
08/20/20-WallisBank CD	-	-	-	-	-	-	-
10/01/20-East West Bank CD	-	-	-	-	-	-	-
Total	\$ 27,170.93	\$ 1,955,673.95	\$ 76,924.28	\$ 1,899,536.81	\$ 3,233,120.23	\$ 114,727.66	\$ 37,693.98

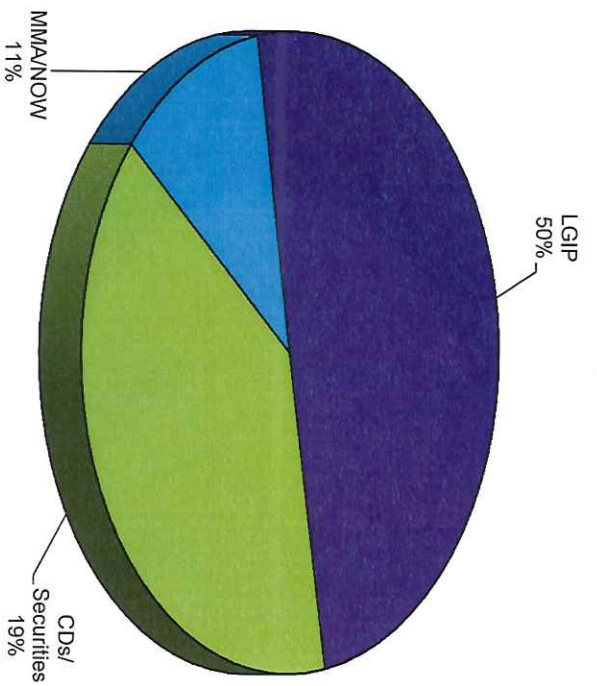
Economic Overview

3/31/2019

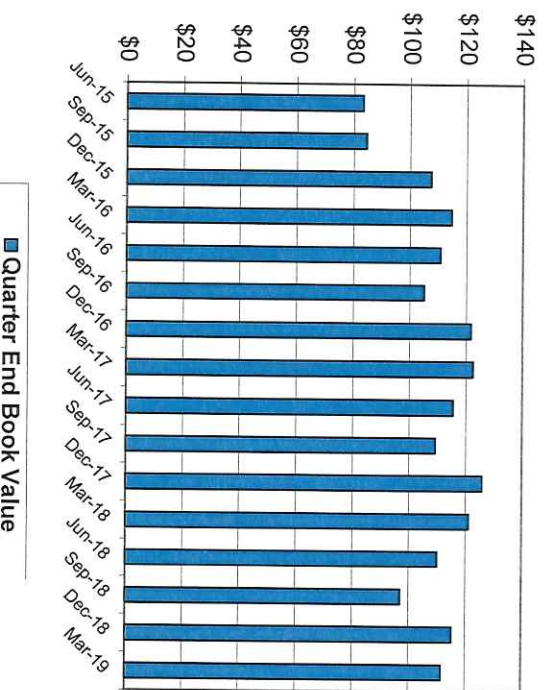
The Federal Open Market Committee (FOMC) maintained the Fed Funds target range to 2.25% - 2.50% (Effective Fed Funds are trading +/-2.40%). The market projections now lean towards decreases late 2019 or early 2020. Gradual FRB portfolio reduction continues by limiting reinvestment of maturing holdings, but that strategy will end this summer. February Non Farm Payroll plunged to only 20,000 new jobs (although Dec and Jan were revised up slightly). Fourth quarter GDP registered 2.2% (final). Crude oil remained +/- \$55. The Stock Markets continued higher from December lows. Housing mostly mixed. The mid-maturity yield curve is lower and still sway-backed.



Portfolio Composition

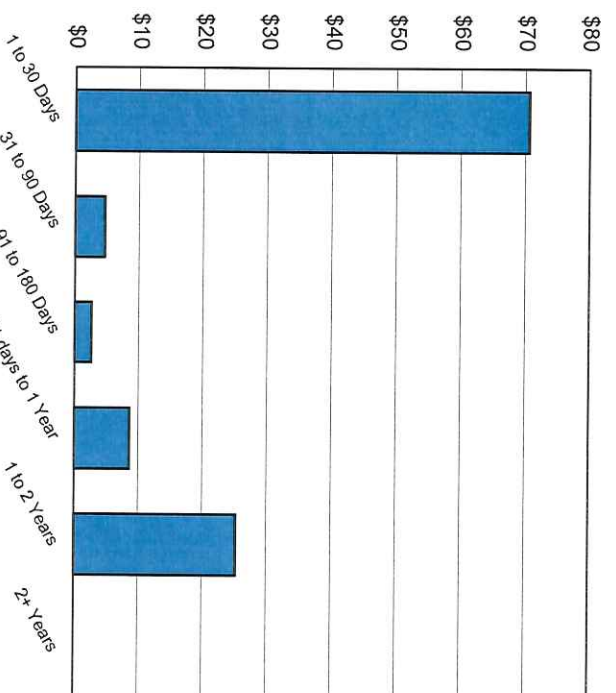


Total Portfolio (Millions)

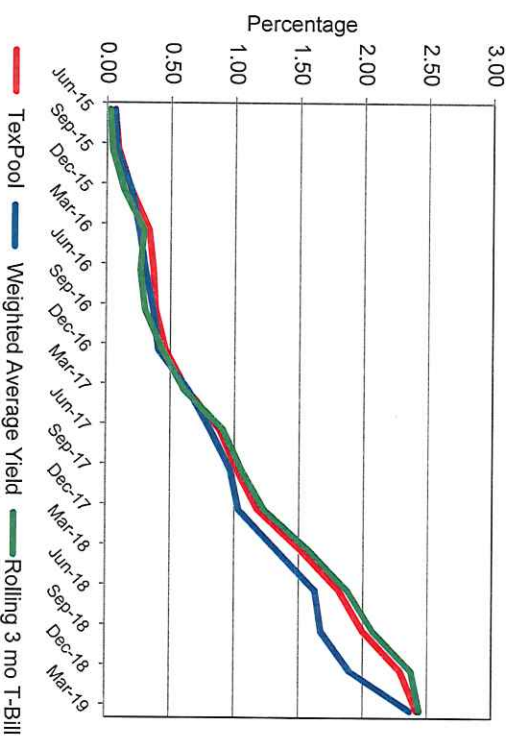


■ Quarter End Book Value

Distribution by Maturity (Millions)



Total Portfolio Performance



— TexPool — Weighted Average Yield — Rolling 3 mo T-Bill