



## QUARTERLY INVESTMENT REPORT

For the Quarter Ended

September 30, 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.

## Annual Comparison of Portfolio Performance

FYE Results by Investment Category:

| September 30, 2018              |            |                         |                         | September 30, 2019 |                         |                         |  |
|---------------------------------|------------|-------------------------|-------------------------|--------------------|-------------------------|-------------------------|--|
| Asset Type                      | Ave. Yield | Book Value              | Market Value            | Ave. Yield         | Book Value              | Market Value            |  |
| MMA/NOW                         | 0.35%      | \$ 20,986,619.41        | \$ 20,986,619.41        | 0.48%              | \$ 14,843,681.02        | \$ 14,843,681.02        |  |
| Pools                           | 2.00%      | 42,555,029.82           | 42,555,029.82           | 2.14%              | 37,841,146.43           | 37,841,146.43           |  |
| CDS/Securities                  | 2.08%      | 33,407,675.41           | 33,407,675.41           | 2.79%              | 44,049,393.05           | 44,049,393.05           |  |
| Totals                          |            | <u>\$ 96,949,324.64</u> | <u>\$ 96,949,324.64</u> |                    | <u>\$ 96,734,220.50</u> | <u>\$ 96,734,220.50</u> |  |
| Fourth Quarter-End Yield        | 1.67%      |                         |                         | 2.18%              |                         |                         |  |
| Average Quarter-End Yields (1): |            |                         |                         |                    |                         |                         |  |
| 2018 Fiscal Year                |            |                         |                         | 2019 Fiscal Year   |                         |                         |  |
| Deer Park                       | 1.41%      |                         |                         | 2.20%              |                         |                         |  |
| Rolling Three Month Treasury    | 1.69%      |                         |                         | 2.30%              |                         |                         |  |
| Rolling Six Month Treasury      | 1.73%      |                         |                         | 2.37%              |                         |                         |  |
| TexPool                         | 1.62%      |                         |                         | 2.31%              |                         |                         |  |
| Fiscal YTD Interest Earnings    |            | \$ 1,542,841.24         |                         |                    | \$ 2,320,007.71         |                         |  |

Note: Bank balances represent pooled cash accounts (General Fund, Accounts Payable and Payroll), plus the CCPD, FCP EMSD, DP CDC, 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) **Quarterly Average Yield** - 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, pool, and money market balances.

## Strategy Summary

### Quarter End Results by Investment Category:

| Asset Type     | June 30, 2019           |                          | September 30, 2019      |                         |            |
|----------------|-------------------------|--------------------------|-------------------------|-------------------------|------------|
|                | Book Value              | Market Value             | Book Value              | Market Value            | Ave. Yield |
| MM/ANOW        | \$ 12,655,974.60        | \$ 12,655,974.60         | \$ 14,843,681.02        | \$ 14,843,681.02        | 0.48%      |
| LGIPs          | 49,276,102.45           | 49,276,102.45            | 37,841,146.43           | 37,841,146.43           | 2.14%      |
| CDS/Securities | 43,744,456.81           | 43,744,456.81            | 44,049,393.05           | 44,049,393.05           | 2.79%      |
| <b>Totals</b>  | <b>\$105,676,533.86</b> | <b>\$ 105,676,533.86</b> | <b>\$ 96,734,220.50</b> | <b>\$ 96,734,220.50</b> |            |

| Current Quarter Average Yield (1) |       | Fiscal Year-to-Date Average Yield (2) |       |
|-----------------------------------|-------|---------------------------------------|-------|
| Total Portfolio                   | 2.18% | Total Portfolio                       | 2.20% |

|                              |       |                                    |       |
|------------------------------|-------|------------------------------------|-------|
| Rolling Three Month Treasury | 2.02% | Rolling Three Month Treasury       | 2.30% |
| Rolling Six Month Treasury   | 2.17% | Rolling Six Month Treasury         | 2.37% |
| TexPool                      | 2.16% | Quarter-End TexPool Yield          | 2.31% |
| TexSTAR                      | 2.11% | Quarter-End TexSTAR Yield          | 2.30% |
| TexasCLASS Gov't             | 2.15% | Quarter-End TexasCLASS Gov't Yield | 2.37% |

| Interest Earnings            |                 |
|------------------------------|-----------------|
| Quarterly Interest Income    | \$ 581,377.17   |
| Year-to-date Interest Income | \$ 2,320,007.71 |
|                              | Approximate     |

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

(1) Current Quarter Average Yield - 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, pool, and money market balances.

(2) Fiscal Year-to-Date Average Yields calculated using quarter end report yields.

# Investment Holdings

## September 30, 2019

| Description           | Ratings | Coupon/ Discount | Maturity Date | Settlement Date | Par Value               | Book Value              | Market Price | Market Value    | Life (days)             | Yield        |
|-----------------------|---------|------------------|---------------|-----------------|-------------------------|-------------------------|--------------|-----------------|-------------------------|--------------|
| Wells Fargo #2800 MMA |         | 0.18%            | 10/01/19      | 09/30/19        | \$ 8,255,693.92         | \$ 8,255,693.92         | 1.00         | \$ 8,255,693.92 | 1                       | 0.18%        |
| Wells Fargo #9865 MMA |         | 0.19%            | 10/01/19      | 09/30/19        | 2,307,741.79            | 2,307,741.79            | 1.00         | 2,307,741.79    | 1                       | 0.19%        |
| Wells Fargo #9824 MMA |         | 0.19%            | 10/01/19      | 09/30/19        | 155,047.75              | 155,047.75              | 1.00         | 155,047.75      | 1                       | 0.19%        |
| Wells Fargo #6267 MMA |         | 0.19%            | 10/01/19      | 09/30/19        | 2,021,438.69            | 2,021,438.69            | 1.00         | 2,021,438.69    | 1                       | 0.19%        |
| Veritex Bank MMA      |         | 2.25%            | 10/01/19      | 09/30/19        | 2,103,758.87            | 2,103,758.87            | 1.00         | 2,103,758.87    | 1                       | 2.25%        |
| TexPool               | AAAmm   | 2.16%            | 10/01/19      | 09/30/19        | 19,171,437.48           | 19,171,437.48           | 1.00         | 19,171,437.48   | 1                       | 2.16%        |
| TexSTAR               | AAAmm   | 2.11%            | 10/01/19      | 09/30/19        | 13,634,234.37           | 13,634,234.37           | 1.00         | 13,634,234.37   | 1                       | 2.11%        |
| TexasCLASS Gov't      | AAAmm   | 2.15%            | 10/01/19      | 09/30/19        | 5,035,474.58            | 5,035,474.58            | 1.00         | 5,035,474.58    | 1                       | 2.15%        |
| East West Bank CD     |         | 2.79%            | 10/21/19      | 09/21/18        | 2,572,695.13            | 2,572,695.13            | 100.00       | 2,572,695.13    | 21                      | 2.83%        |
| East West Bank CD     |         | 2.71%            | 11/01/19      | 02/01/19        | 2,036,258.78            | 2,036,258.78            | 100.00       | 2,036,258.78    | 32                      | 2.75%        |
| LegacyTexas Bank CD   |         | 2.75%            | 12/02/19      | 06/01/18        | 2,069,980.54            | 2,069,980.54            | 100.00       | 2,069,980.54    | 63                      | 2.78%        |
| East West Bank CD     |         | 2.71%            | 03/04/20      | 03/04/19        | 2,031,577.59            | 2,031,577.59            | 100.00       | 2,031,577.59    | 156                     | 2.75%        |
| East West Bank CD     |         | 2.91%            | 04/01/20      | 10/01/18        | 2,573,815.84            | 2,573,815.84            | 100.00       | 2,573,815.84    | 184                     | 2.95%        |
| Origin Bank CD        |         | 2.76%            | 05/29/20      | 01/29/19        | 3,041,200.22            | 3,041,200.22            | 100.00       | 3,041,200.22    | 242                     | 2.79%        |
| East West Bank CD     |         | 2.97%            | 07/01/20      | 10/01/18        | 2,575,360.53            | 2,575,360.53            | 100.00       | 2,575,360.53    | 275                     | 3.01%        |
| East West Bank CD     |         | 2.10%            | 07/22/20      | 07/22/19        | 2,568,388.86            | 2,568,388.86            | 100.00       | 2,568,388.86    | 296                     | 2.12%        |
| WallisBank CD         |         | 3.05%            | 08/20/20      | 11/20/18        | 3,068,913.08            | 3,068,913.08            | 100.00       | 3,068,913.08    | 325                     | 3.08%        |
| Origin Bank CD        |         | 2.76%            | 09/01/20      | 02/01/19        | 3,041,200.18            | 3,041,200.18            | 100.00       | 3,041,200.18    | 337                     | 2.79%        |
| East West Bank CD     |         | 3.03%            | 10/01/20      | 10/01/18        | 2,576,906.05            | 2,576,906.05            | 100.00       | 2,576,906.05    | 367                     | 3.08%        |
| Origin Bank CD        |         | 2.91%            | 11/29/20      | 01/29/19        | 3,043,447.41            | 3,043,447.41            | 100.00       | 3,043,447.41    | 426                     | 2.94%        |
| East West Bank CD     |         | 2.56%            | 02/01/21      | 02/01/19        | 2,028,964.91            | 2,028,964.91            | 100.00       | 2,028,964.91    | 490                     | 2.94%        |
| LegacyTexas Bank CD   |         | 2.74%            | 03/01/21      | 03/01/19        | 3,627,484.87            | 3,627,484.87            | 100.00       | 3,627,484.87    | 518                     | 2.77%        |
| East West Bank CD     |         | 2.58%            | 04/02/21      | 04/02/19        | 2,591,285.82            | 2,591,285.82            | 100.00       | 2,591,285.82    | 550                     | 2.62%        |
| LegacyTexas Bank CD   |         | 2.48%            | 06/03/21      | 06/03/19        | 2,012,527.98            | 2,012,527.98            | 100.00       | 2,012,527.98    | 612                     | 2.51%        |
|                       |         |                  |               |                 | <u>\$ 96,734,220.50</u> | <u>\$ 96,734,220.50</u> |              |                 | <u>\$ 96,734,220.50</u> |              |
|                       |         |                  |               |                 |                         |                         |              |                 | <u>148</u>              | <u>2.18%</u> |
|                       |         |                  |               |                 |                         |                         |              |                 | (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

| June 30, 2019         |         |          |                          |                          |                        |                          |                         |                         |  | September 30, 2019    |         |          |                          |                          |                        |                          |                         |                         |  |
|-----------------------|---------|----------|--------------------------|--------------------------|------------------------|--------------------------|-------------------------|-------------------------|--|-----------------------|---------|----------|--------------------------|--------------------------|------------------------|--------------------------|-------------------------|-------------------------|--|
| Description           | Coupon/ | Maturity | Par Value                | Book Value               | Purchases/             | Sales/Adjus/             | Par Value               | Book Value              |  | Description           | Coupon/ | Maturity | Par Value                | Book Value               | Purchases/             | Sales/Adjus/             | Par Value               | Book Value              |  |
| Wells Fargo #2800 MMA | 0.18%   | 10/01/19 | \$ 5,721,980.75          | \$ 5,721,980.75          | \$ 2,533,713.17        | \$ -                     | \$ 8,255,693.92         | \$ 8,255,693.92         |  | Wells Fargo #2800 MMA | 0.18%   | 10/01/19 | \$ 5,721,980.75          | \$ 5,721,980.75          | \$ 2,533,713.17        | \$ -                     | \$ 8,255,693.92         | \$ 8,255,693.92         |  |
| Wells Fargo #9885 MMA | 0.19%   | 10/01/19 | 2,043,936.24             | 2,043,936.24             | 263,805.55             | -                        | 2,307,741.79            | 2,307,741.79            |  | Wells Fargo #9885 MMA | 0.19%   | 10/01/19 | 2,043,936.24             | 2,043,936.24             | 263,805.55             | -                        | 2,307,741.79            | 2,307,741.79            |  |
| Wells Fargo #9824 MMA | 0.19%   | 10/01/19 | 718,054.47               | 718,054.47               | -                      | (563,006.72)             | 155,047.75              | 155,047.75              |  | Wells Fargo #9824 MMA | 0.19%   | 10/01/19 | 718,054.47               | 718,054.47               | -                      | (563,006.72)             | 155,047.75              | 155,047.75              |  |
| Wells Fargo #6267 MMA | 0.19%   | 10/01/19 | 2,081,025.03             | 2,081,025.03             | -                      | (59,586.34)              | 2,021,438.69            | 2,021,438.69            |  | Wells Fargo #6267 MMA | 0.19%   | 10/01/19 | 2,081,025.03             | 2,081,025.03             | -                      | (59,586.34)              | 2,021,438.69            | 2,021,438.69            |  |
| Vertex Bank MMA       | 2.25%   | 10/01/19 | 2,090,978.11             | 2,090,978.11             | 12,780.76              | -                        | 2,103,758.87            | 2,103,758.87            |  | Vertex Bank MMA       | 2.25%   | 10/01/19 | 2,090,978.11             | 2,090,978.11             | 12,780.76              | -                        | 2,103,758.87            | 2,103,758.87            |  |
| TexPool               | 2.16%   | 10/01/19 | 24,518,561.92            | 24,518,561.92            | -                      | (5,347,124.44)           | 19,171,437.48           | 19,171,437.48           |  | TexPool               | 2.16%   | 10/01/19 | 24,518,561.92            | 24,518,561.92            | -                      | (5,347,124.44)           | 19,171,437.48           | 19,171,437.48           |  |
| TexSTAR               | 2.11%   | 10/01/19 | 18,323,245.39            | 18,323,245.39            | -                      | (4,689,011.02)           | 13,634,234.37           | 13,634,234.37           |  | TexSTAR               | 2.11%   | 10/01/19 | 18,323,245.39            | 18,323,245.39            | -                      | (4,689,011.02)           | 13,634,234.37           | 13,634,234.37           |  |
| TexasCLASS Govt       | 2.15%   | 10/01/19 | 6,434,295.14             | 6,434,295.14             | -                      | (1,398,820.56)           | 5,035,474.58            | 5,035,474.58            |  | TexasCLASS Govt       | 2.15%   | 10/01/19 | 6,434,295.14             | 6,434,295.14             | -                      | (1,398,820.56)           | 5,035,474.58            | 5,035,474.58            |  |
| East West Bank CD     | 2.75%   | 07/22/19 | 2,553,875.11             | 2,553,875.11             | -                      | (2,553,875.11)           | -                       | -                       |  | East West Bank CD     | 2.75%   | 07/22/19 | 2,553,875.11             | 2,553,875.11             | -                      | (2,553,875.11)           | -                       | -                       |  |
| East West Bank CD     | 2.79%   | 10/21/19 | 2,554,667.23             | 2,554,667.23             | 18,027.90              | -                        | 2,572,695.13            | 2,572,695.13            |  | East West Bank CD     | 2.79%   | 10/21/19 | 2,554,667.23             | 2,554,667.23             | 18,027.90              | -                        | 2,572,695.13            | 2,572,695.13            |  |
| East West Bank CD     | 2.71%   | 11/01/19 | 2,022,397.64             | 2,022,397.64             | 13,861.14              | -                        | 2,036,258.78            | 2,036,258.78            |  | East West Bank CD     | 2.71%   | 11/01/19 | 2,022,397.64             | 2,022,397.64             | 13,861.14              | -                        | 2,036,258.78            | 2,036,258.78            |  |
| LegacyTexas Bank CD   | 2.75%   | 12/02/19 | 2,055,698.51             | 2,055,698.51             | 14,282.03              | -                        | 2,069,980.54            | 2,069,980.54            |  | LegacyTexas Bank CD   | 2.75%   | 12/02/19 | 2,055,698.51             | 2,055,698.51             | 14,282.03              | -                        | 2,069,980.54            | 2,069,980.54            |  |
| East West Bank CD     | 2.71%   | 03/04/20 | 2,017,748.32             | 2,017,748.32             | 13,829.27              | -                        | 2,031,577.59            | 2,031,577.59            |  | East West Bank CD     | 2.71%   | 03/04/20 | 2,017,748.32             | 2,017,748.32             | 13,829.27              | -                        | 2,031,577.59            | 2,031,577.59            |  |
| East West Bank CD     | 2.91%   | 04/01/20 | 2,555,007.25             | 2,555,007.25             | 18,808.59              | -                        | 2,573,815.84            | 2,573,815.84            |  | East West Bank CD     | 2.91%   | 04/01/20 | 2,555,007.25             | 2,555,007.25             | 18,808.59              | -                        | 2,573,815.84            | 2,573,815.84            |  |
| Origin Bank CD        | 2.76%   | 05/29/20 | 3,020,416.44             | 3,020,416.44             | 20,783.78              | -                        | 3,041,200.22            | 3,041,200.22            |  | Origin Bank CD        | 2.76%   | 05/29/20 | 3,020,416.44             | 3,020,416.44             | 20,783.78              | -                        | 3,041,200.22            | 3,041,200.22            |  |
| East West Bank CD     | 2.97%   | 07/01/20 | 2,556,154.07             | 2,556,154.07             | 19,206.46              | -                        | 2,575,360.53            | 2,575,360.53            |  | East West Bank CD     | 2.97%   | 07/01/20 | 2,556,154.07             | 2,556,154.07             | 19,206.46              | -                        | 2,575,360.53            | 2,575,360.53            |  |
| East West Bank CD     | 2.10%   | 07/22/20 | -                        | -                        | 2,568,388.86           | -                        | 2,568,388.86            | 2,568,388.86            |  | East West Bank CD     | 2.10%   | 07/22/20 | -                        | -                        | 2,568,388.86           | -                        | 2,568,388.86            | 2,568,388.86            |  |
| WallisBank CD         | 3.05%   | 08/20/20 | 3,045,515.51             | 3,045,515.51             | 23,397.57              | -                        | 3,068,913.08            | 3,068,913.08            |  | WallisBank CD         | 3.05%   | 08/20/20 | 3,045,515.51             | 3,045,515.51             | 23,397.57              | -                        | 3,068,913.08            | 3,068,913.08            |  |
| Origin Bank CD        | 2.76%   | 09/01/20 | 3,020,189.59             | 3,020,189.59             | 21,010.59              | -                        | 3,041,200.18            | 3,041,200.18            |  | Origin Bank CD        | 2.76%   | 09/01/20 | 3,020,189.59             | 3,020,189.59             | 21,010.59              | -                        | 3,041,200.18            | 3,041,200.18            |  |
| East West Bank CD     | 3.03%   | 10/01/20 | 2,557,301.32             | 2,557,301.32             | 19,604.73              | -                        | 2,576,906.05            | 2,576,906.05            |  | East West Bank CD     | 3.03%   | 10/01/20 | 2,557,301.32             | 2,557,301.32             | 19,604.73              | -                        | 2,576,906.05            | 2,576,906.05            |  |
| Origin Bank CD        | 2.91%   | 11/29/20 | 3,021,526.03             | 3,021,526.03             | 21,921.38              | -                        | 3,043,447.41            | 3,043,447.41            |  | Origin Bank CD        | 2.91%   | 11/29/20 | 3,021,526.03             | 3,021,526.03             | 21,921.38              | -                        | 3,043,447.41            | 3,043,447.41            |  |
| East West Bank CD     | 2.91%   | 02/01/21 | 2,014,191.23             | 2,014,191.23             | 14,773.68              | -                        | 2,028,964.91            | 2,028,964.91            |  | East West Bank CD     | 2.91%   | 02/01/21 | 2,014,191.23             | 2,014,191.23             | 14,773.68              | -                        | 2,028,964.91            | 2,028,964.91            |  |
| LegacyTexas Bank CD   | 2.56%   | 02/01/21 | 2,572,731.36             | 2,572,731.36             | 16,653.90              | -                        | 2,589,385.26            | 2,589,385.26            |  | LegacyTexas Bank CD   | 2.56%   | 02/01/21 | 2,572,731.36             | 2,572,731.36             | 16,653.90              | -                        | 2,589,385.26            | 2,589,385.26            |  |
| East West Bank CD     | 2.74%   | 03/01/21 | 3,602,547.28             | 3,602,547.28             | 24,937.59              | -                        | 3,627,484.87            | 3,627,484.87            |  | East West Bank CD     | 2.74%   | 03/01/21 | 3,602,547.28             | 3,602,547.28             | 24,937.59              | -                        | 3,627,484.87            | 3,627,484.87            |  |
| LegacyTexas Bank CD   | 2.58%   | 04/02/21 | 2,574,489.92             | 2,574,489.92             | 16,795.90              | -                        | 2,591,285.82            | 2,591,285.82            |  | LegacyTexas Bank CD   | 2.58%   | 04/02/21 | 2,574,489.92             | 2,574,489.92             | 16,795.90              | -                        | 2,591,285.82            | 2,591,285.82            |  |
| LegacyTexas Bank CD   | 2.48%   | 06/03/21 | 2,000,000.00             | 2,000,000.00             | 12,527.98              | -                        | 2,012,527.98            | 2,012,527.98            |  | LegacyTexas Bank CD   | 2.48%   | 06/03/21 | 2,000,000.00             | 2,000,000.00             | 12,527.98              | -                        | 2,012,527.98            | 2,012,527.98            |  |
| <b>TOTAL</b>          |         |          | <b>\$ 105,676,533.86</b> | <b>\$ 105,676,533.86</b> | <b>\$ 5,669,110.83</b> | <b>\$(14,611,424.19)</b> | <b>\$ 96,734,220.50</b> | <b>\$ 96,734,220.50</b> |  | <b>TOTAL</b>          |         |          | <b>\$ 105,676,533.86</b> | <b>\$ 105,676,533.86</b> | <b>\$ 5,669,110.83</b> | <b>\$(14,611,424.19)</b> | <b>\$ 96,734,220.50</b> | <b>\$ 96,734,220.50</b> |  |

# Market Value Comparison

June 30, 2019

September 30, 2019

| Description           | Coupon/<br>Discount | Maturity<br>Date | June 30, 2019     |                   | September 30, 2019   |                  |                  |
|-----------------------|---------------------|------------------|-------------------|-------------------|----------------------|------------------|------------------|
|                       |                     |                  | Par Value         | Market Value      | Qtr to Qtr<br>Change | Par Value        | Market Value     |
| Wells Fargo #2800 MMA | 0.18%               | 10/01/19         | \$ 5,721,980.75   | \$ 5,721,980.75   | \$ 2,533,713.17      | \$ 8,255,693.92  | \$ 8,255,693.92  |
| Wells Fargo #9865 MMA | 0.19%               | 10/01/19         | 2,043,936.24      | 2,043,936.24      | 263,805.55           | 2,307,741.79     | 2,307,741.79     |
| Wells Fargo #9824 MMA | 0.19%               | 10/01/19         | 718,054.47        | 718,054.47        | (563,006.72)         | 155,047.75       | 155,047.75       |
| Wells Fargo #6267 MMA | 0.19%               | 10/01/19         | 2,081,025.03      | 2,081,025.03      | (59,586.34)          | 2,021,438.69     | 2,021,438.69     |
| Vertex Bank MMA       | 2.25%               | 10/01/19         | 2,090,978.11      | 2,090,978.11      | 12,780.76            | 2,103,758.87     | 2,103,758.87     |
| TexPool               | 2.16%               | 10/01/19         | 24,518,561.92     | 24,518,561.92     | (5,347,124.44)       | 19,171,437.48    | 19,171,437.48    |
| TexSTAR               | 2.16%               | 10/01/19         | 18,323,245.39     | 18,323,245.39     | (4,689,011.02)       | 13,634,234.37    | 13,634,234.37    |
| TexasCLASS Govt       | 2.11%               | 10/01/19         | 6,434,295.14      | 6,434,295.14      | (1,398,820.56)       | 5,035,474.58     | 5,035,474.58     |
| East West Bank CD     | 2.75%               | 07/22/19         | 2,553,875.11      | 2,553,875.11      | (2,553,875.11)       | —                | —                |
| East West Bank CD     | 2.79%               | 10/21/19         | 2,554,667.23      | 2,554,667.23      | 18,027.90            | 2,572,695.13     | 2,572,695.13     |
| East West Bank CD     | 2.71%               | 11/01/19         | 2,022,397.64      | 2,022,397.64      | 13,861.14            | 2,036,258.78     | 2,036,258.78     |
| Legacy Texas Bank CD  | 2.75%               | 12/02/19         | 2,055,698.51      | 2,055,698.51      | 14,282.03            | 2,069,980.54     | 2,069,980.54     |
| East West Bank CD     | 2.71%               | 03/04/20         | 2,017,748.32      | 2,017,748.32      | 13,829.27            | 2,031,577.59     | 2,031,577.59     |
| East West Bank CD     | 2.91%               | 04/01/20         | 2,555,007.25      | 2,555,007.25      | 18,808.59            | 2,573,815.84     | 2,573,815.84     |
| Origin Bank CD        | 2.76%               | 05/29/20         | 3,020,416.44      | 3,020,416.44      | 20,783.78            | 3,041,200.22     | 3,041,200.22     |
| East West Bank CD     | 2.97%               | 07/01/20         | 2,556,154.07      | 2,556,154.07      | 19,206.46            | 2,575,360.53     | 2,575,360.53     |
| East West Bank CD     | 2.10%               | 07/22/20         | —                 | —                 | 2,568,388.86         | 2,568,388.86     | 2,568,388.86     |
| WallisBank CD         | 3.05%               | 08/20/20         | 3,045,515.51      | 3,045,515.51      | 23,397.57            | 3,068,913.08     | 3,068,913.08     |
| Origin Bank CD        | 2.76%               | 09/01/20         | 3,020,189.59      | 3,020,189.59      | 21,010.59            | 3,041,200.18     | 3,041,200.18     |
| East West Bank CD     | 3.03%               | 10/01/20         | 2,557,301.32      | 2,557,301.32      | 19,604.73            | 2,576,906.05     | 2,576,906.05     |
| Origin Bank CD        | 2.91%               | 11/29/20         | 3,021,526.03      | 3,021,526.03      | 21,921.38            | 3,043,447.41     | 3,043,447.41     |
| Origin Bank CD        | 2.91%               | 02/01/21         | 2,014,191.23      | 2,014,191.23      | 14,773.68            | 2,028,964.91     | 2,028,964.91     |
| East West Bank CD     | 2.56%               | 02/01/21         | 2,572,731.36      | 2,572,731.36      | 16,653.90            | 2,589,385.26     | 2,589,385.26     |
| Legacy Texas Bank CD  | 2.74%               | 03/01/21         | 3,602,547.28      | 3,602,547.28      | 24,937.59            | 3,627,484.87     | 3,627,484.87     |
| East West Bank CD     | 2.58%               | 04/02/21         | 2,574,489.92      | 2,574,489.92      | 16,795.90            | 2,591,285.82     | 2,591,285.82     |
| Legacy Texas Bank CD  | 2.48%               | 06/03/21         | 2,000,000.00      | 2,000,000.00      | 12,527.98            | 2,012,527.98     | 2,012,527.98     |
| TOTAL                 |                     |                  | \$ 105,676,533.86 | \$ 105,676,533.86 | \$ (8,942,313.36)    | \$ 96,734,220.50 | \$ 96,734,220.50 |

Allocation  
September 30, 2019

Book & Market Value

|                              | Total            | Pooled Cash     | General          | Capital<br>Projects &<br>Improvements | Crime Control<br>District | Debt Service<br>Fund |
|------------------------------|------------------|-----------------|------------------|---------------------------------------|---------------------------|----------------------|
| Wells Fargo MMA              | \$ 12,739,922.15 | \$ 8,255,693.92 | \$ -             | \$ -                                  | \$ 2,307,741.79           | \$ -                 |
| Vertex Community Bank MMA    | 2,103,758.87     | -               | 2,103,758.87     | -                                     | -                         | -                    |
| TexPool                      | 19,171,437.48    | -               | 13,413,328.98    | 1,609,723.11                          | -                         | 1,981,810.48         |
| TexSTAR                      | 13,634,234.37    | -               | 2,627,067.94     | 11,007,166.43                         | -                         | -                    |
| TexasCLASS Gov't             | 5,035,474.58     | -               | -                | 5,035,474.58                          | -                         | -                    |
| 10/21/19-East West Bank CD   | 2,572,695.13     | -               | 2,572,695.13     | -                                     | -                         | -                    |
| 11/01/19-East West Bank CD   | 2,036,258.78     | -               | 2,036,258.78     | -                                     | -                         | -                    |
| 12/02/19-LegacyTexas Bank CD | 2,069,980.54     | -               | 2,069,980.54     | -                                     | -                         | -                    |
| 03/04/20-East West Bank CD   | 2,031,577.59     | -               | 2,031,577.59     | -                                     | -                         | -                    |
| 04/01/20-East West Bank CD   | 2,573,815.84     | -               | 2,573,815.84     | -                                     | -                         | -                    |
| 05/29/20-Origin Bank CD      | 3,041,200.22     | -               | 3,041,200.22     | -                                     | -                         | -                    |
| 07/01/20-East West Bank CD   | 2,575,360.53     | -               | 2,575,360.53     | -                                     | -                         | -                    |
| 07/22/20-East West Bank CD   | 2,568,388.86     | -               | 2,568,388.86     | -                                     | -                         | -                    |
| 08/20/20-WallisBank CD       | 3,068,913.08     | -               | 3,068,913.08     | -                                     | -                         | -                    |
| 09/01/20-Origin Bank CD      | 3,041,200.18     | -               | 3,041,200.18     | -                                     | -                         | -                    |
| 10/01/20-East West Bank CD   | 2,576,906.05     | -               | 2,576,906.05     | -                                     | -                         | -                    |
| 11/29/20-Origin Bank CD      | 3,043,447.41     | -               | 3,043,447.41     | -                                     | -                         | -                    |
| 02/01/21-Origin Bank CD      | 2,028,964.91     | -               | 2,028,964.91     | -                                     | -                         | -                    |
| 02/01/21-East West Bank CD   | 2,589,385.26     | -               | 2,589,385.26     | -                                     | -                         | -                    |
| 03/01/21-LegacyTexas Bank CD | 3,627,484.87     | -               | 3,627,484.87     | -                                     | -                         | -                    |
| 04/02/21-East West Bank CD   | 2,591,285.82     | -               | 2,591,285.82     | -                                     | -                         | -                    |
| 06/03/21-LegacyTexas Bank CD | 2,012,527.98     | -               | 2,012,527.98     | -                                     | -                         | -                    |
| Total                        | \$ 96,734,220.50 | \$ 8,255,693.92 | \$ 62,193,548.84 | \$ 17,652,364.12                      | \$ 2,307,741.79           | \$ 1,981,810.48      |

Allocation  
September 30, 2019

(Continued)

Book & Market Value

|                              | East<br>Boulevard<br>Fund | Fire Control<br>District | Street<br>Assessments | Water &<br>Sewer | Community<br>Development<br>Corporation | Senior<br>Citizens<br>Fund | Special<br>Revenue<br>(Police) |
|------------------------------|---------------------------|--------------------------|-----------------------|------------------|---|----------------------------|--------------------------------|
| Wells Fargo MMA              | \$ -                      | \$ 155,047.75            | \$ -                  | \$ -             | \$ 2,021,438.69                         | \$ -                       | \$ -                           |
| Veritex Community Bank MMA   | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| TexPool                      | -                         | -                        | 78,286.14             | 1,933,168.62     | -                                       | 116,758.85                 | 38,361.30                      |
| TexSTAR                      | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| TexasCLASS Gov't             | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 10/21/19-East West Bank CD   | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 11/01/19-East West Bank CD   | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 12/02/19-LegacyTexas 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   | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 07/22/20-East West Bank CD   | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 08/20/20-WallisBank 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      | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 02/01/21-East West Bank CD   | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 03/01/21-LegacyTexas Bank CD | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 04/02/21-East West Bank CD   | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 06/03/21-LegacyTexas Bank CD | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| Total                        | \$ -                      | \$ 155,047.75            | \$ 78,286.14          | \$ 1,933,168.62  | \$ 2,021,438.69                         | \$ 116,758.85              | \$ 38,361.30                   |



Allocation  
June 30, 2019

Book & Market Value

|                              | Total             | Pooled Cash     | General          | Capital<br>Projects &<br>Improvements | Crime Control<br>District | Debt Service<br>Fund |
|------------------------------|-------------------|-----------------|------------------|---------------------------------------|---------------------------|----------------------|
| Wells Fargo MMA              | \$ 10,564,996.49  | \$ 5,721,980.75 | \$ -             | \$ -                                  | \$ 2,043,936.24           | \$ -                 |
| Vertex Community Bank MMA    | 2,090,978.11      | -               | 2,090,978.11     | -                                     | -                         | -                    |
| TexPool                      | 24,518,561.92     | -               | 16,323,411.36    | 4,042,620.13                          | -                         | 1,970,654.76         |
| TexSTAR                      | 18,323,245.39     | -               | 2,612,502.29     | 15,710,743.10                         | -                         | -                    |
| TexasCLASS Gov't             | 6,434,295.14      | -               | -                | 6,434,295.14                          | -                         | -                    |
| 07/22/19-East West Bank CD   | 2,553,875.11      | -               | 2,553,875.11     | -                                     | -                         | -                    |
| 10/21/19-East West Bank CD   | 2,554,667.23      | -               | 2,554,667.23     | -                                     | -                         | -                    |
| 11/01/19-East West Bank CD   | 2,022,397.64      | -               | 2,022,397.64     | -                                     | -                         | -                    |
| 12/02/19-LegacyTexas Bank CD | 2,055,698.51      | -               | 2,055,698.51     | -                                     | -                         | -                    |
| 03/04/20-East West Bank CD   | 2,017,748.32      | -               | 2,017,748.32     | -                                     | -                         | -                    |
| 04/01/20-East West Bank CD   | 2,555,007.25      | -               | 2,555,007.25     | -                                     | -                         | -                    |
| 05/29/20-Origin Bank CD      | 3,020,416.44      | -               | 3,020,416.44     | -                                     | -                         | -                    |
| 07/01/20-East West Bank CD   | 2,556,154.07      | -               | 2,556,154.07     | -                                     | -                         | -                    |
| 08/20/20-WallisBank CD       | 3,045,515.51      | -               | 3,045,515.51     | -                                     | -                         | -                    |
| 09/01/20-Origin Bank CD      | 3,020,189.59      | -               | 3,020,189.59     | -                                     | -                         | -                    |
| 10/01/20-East West Bank CD   | 2,557,301.32      | -               | 2,557,301.32     | -                                     | -                         | -                    |
| 11/29/20-Origin Bank CD      | 3,021,526.03      | -               | 3,021,526.03     | -                                     | -                         | -                    |
| 02/01/21-East West Bank CD   | 2,572,731.36      | -               | 2,572,731.36     | -                                     | -                         | -                    |
| 03/01/21-LegacyTexas Bank CD | 3,602,547.28      | -               | 3,602,547.28     | -                                     | -                         | -                    |
| 04/02/21-East West Bank CD   | 2,574,489.92      | -               | 2,574,489.92     | -                                     | -                         | -                    |
| 06/03/21-LegacyTexas Bank CD | 2,000,000.00      | -               | 2,000,000.00     | -                                     | -                         | -                    |
| Total                        | \$ 105,676,533.86 | \$ 5,721,980.75 | \$ 64,771,348.57 | \$ 26,187,658.37                      | \$ 2,043,936.24           | \$ 1,970,654.76      |

Allocation  
June 30, 2019

(Continued)

Book & Market Value

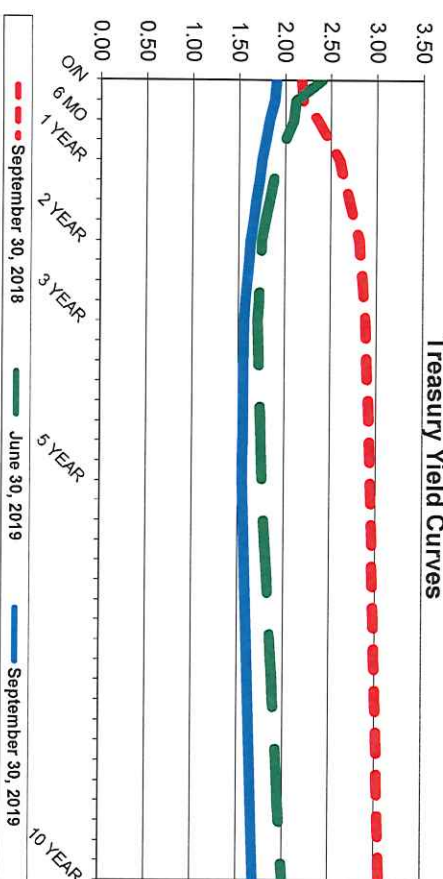
|                              | East<br>Boulevard<br>Fund | Fire Control<br>District | Street<br>Assessments | Water &<br>Sewer | Community<br>Development<br>Corporation | Senior<br>Citizens<br>Fund | Special<br>Revenue<br>(Police) |
|------------------------------|---------------------------|--------------------------|-----------------------|------------------|---|----------------------------|--------------------------------|
| Wells Fargo MMA              | \$ -                      | \$ 718,054.47            | \$ -                  | \$ -             | \$ 2,081,025.03                         | \$ -                       | \$ -                           |
| Veritex Community Bank MMA   | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| TexPool                      | 27,496.41                 | -                        | 77,845.47             | 1,922,286.74     | -                                       | 116,101.67                 | 38,145.38                      |
| TexSTAR                      | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| TexasCLASS Gov't             | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 07/22/19-East West Bank CD   | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 10/21/19-East West Bank CD   | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 11/01/19-East West Bank CD   | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 12/02/19-LegacyTexas 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-WallisBank 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      | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 02/01/21-East West Bank CD   | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 03/01/21-LegacyTexas Bank CD | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 04/02/21-East West Bank CD   | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| 06/03/21-LegacyTexas Bank CD | -                         | -                        | -                     | -                | -                                       | -                          | -                              |
| Total                        | \$ 27,496.41              | \$ 718,054.47            | \$ 77,845.47          | \$ 1,922,286.74  | \$ 2,081,025.03                         | \$ 116,101.67              | \$ 38,145.38                   |

## Economic Overview

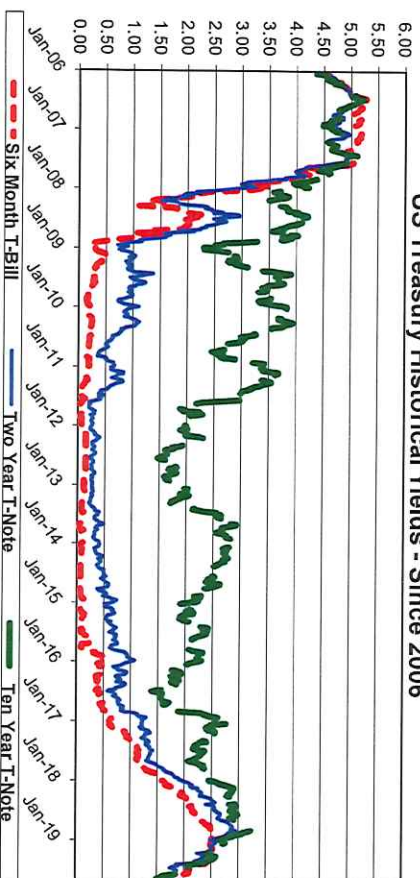
9/30/2019

The Federal Open Market Committee (FOMC) reduced the Fed Funds target range to 1.75% - 2.00% (Effective Fed Funds are trading +/-1.83%). The Futures Market continues to project additional decreases. Gradual Federal Reserve Bank portfolio reduction ended. August Non Farm Payroll added 136,000 new jobs, with the rolling three month averaging 157,000. Crude oil settled back and trades +/- \$5. The Stock Markets waffled near the recent highs. Consumer spending continues albeit less robustly. Overall economic activity remains mostly positive with 2nd Quarter GDP recorded at 2.0%. Brexit, Chinese trade concerns, growth outlook, and other factors may weigh on US growth. The inverted Yield Curve persists with yields declining.

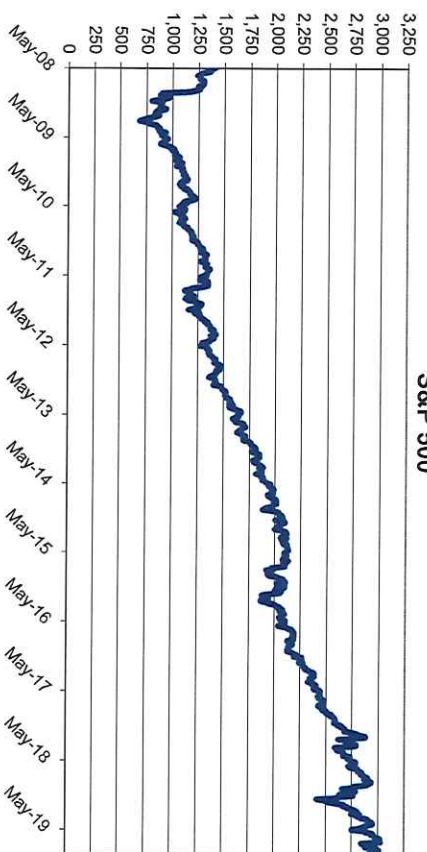
### Treasury Yield Curves



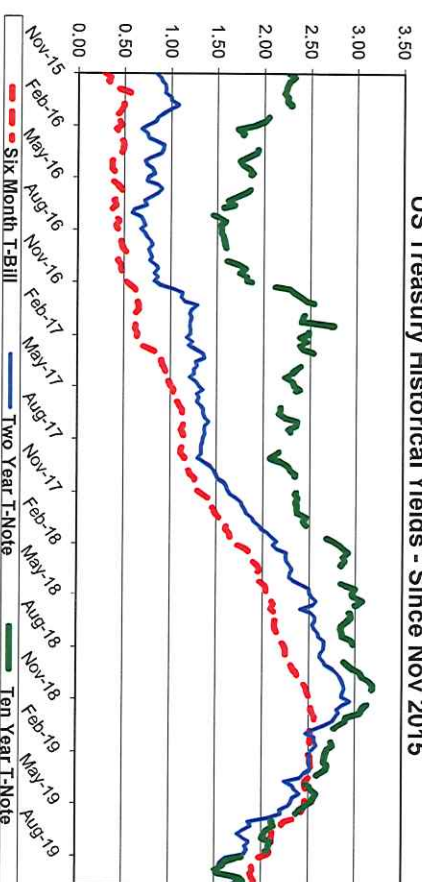
### US Treasury Historical Yields - Since 2006



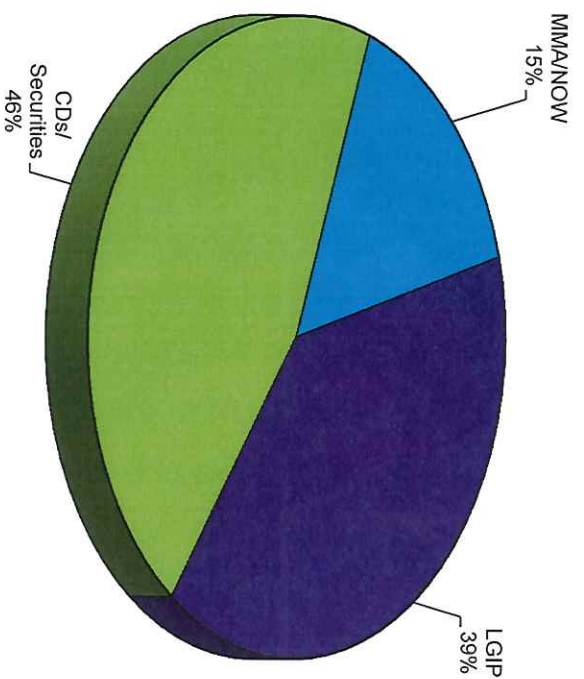
### S&P 500



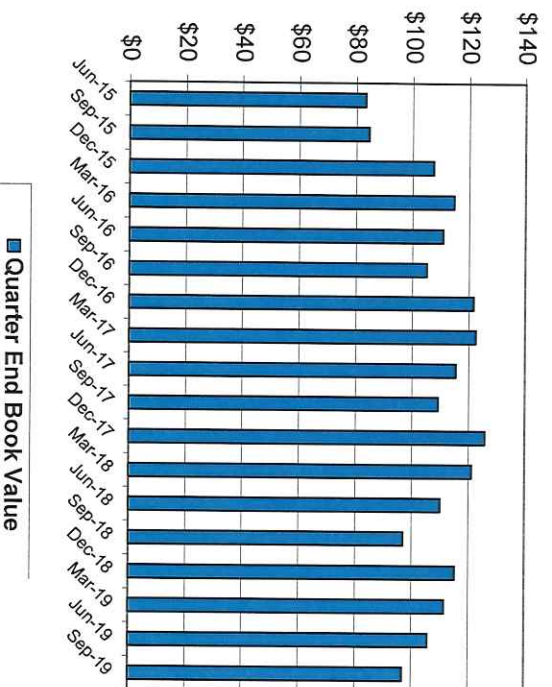
### US Treasury Historical Yields - Since Nov 2015



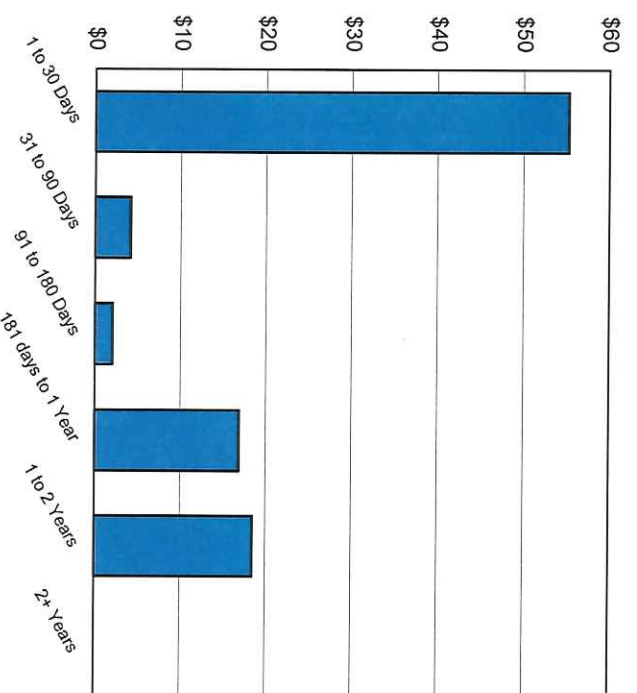
## Portfolio Composition



## Total Portfolio (Millions)



## Distribution by Maturity (Millions)



## Total Portfolio Performance

