



City of Texarkana, Texas



QUARTERLY INVESTMENT REPORT

**For the Quarter Ended
September 30, 2017**

Prepared by

Valley View Consulting, L.L.C.

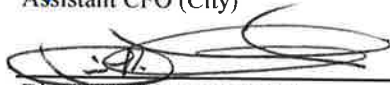
The investment portfolio of the City of Texarkana, TX is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.



CFO/Finance Director (City)



Assistant CFO (City)



Director of Finance (Water Utilities Department)



Accounting/Human Resources Manager (Water Utilities Department)

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:

City Funds	September 30, 2017			September 30, 2016		
	Asset Type	Book Value	Market Value	Ave. Yield	Book Value	Market Value
DDA/MMA/Pools	\$ 25,618,318	\$ 25,618,318	0.99%	\$ 16,202,501	\$ 16,202,501	0.38%
CDs/Securities	4,323,055	4,323,055	1.46%	4,421,187	4,421,187	0.80%
Totals	\$ 29,941,373	\$ 29,941,373		\$ 20,623,688	\$ 20,623,688	

Fourth Quarter-End Yield 1.06% 0.47%

Average Quarter-End Yields - Fiscal Year (1):

City Funds		0.72%		0.42%
Fiscal YTD Interest Earnings	\$ 174,023		\$ 94,631	

Water Utility

Asset Type	Book Value	Market Value	Ave. Yield	Book Value	Market Value	Ave. Yield
DDA/MMA/Pools	\$ 6,124,085	\$ 6,124,085	0.98%	\$ 5,400,708	\$ 5,400,708	0.26%
CDs/Securities	9,950,000	9,950,000	1.23%	9,925,000	9,925,000	0.87%
Totals	\$ 16,074,085	\$ 16,074,085		\$ 15,325,708	\$ 15,325,708	

Fourth Quarter-End Yield 1.13% 0.66%

Average Quarter-End Yields - Fiscal Year (1):

Water Utility		0.93%		0.43%
Fiscal YTD Interest Earnings	\$ 78,660		\$ 50,210	

Average Quarter-End Yields - Fiscal Year (1):

Rolling Three Month Treasury	0.75%	0.25%
Rolling Six Month Treasury	0.78%	0.37%
TexPool	0.74%	0.31%

(1) Average Quarterly Yield calculated using quarter-end report average yield and adjusted book value.

Summary

City Funds

Asset Type	Ave. Yield	September 30, 2017		June 30, 2017	
		Book Value	Market Value	Book Value	Market Value
DDA/MMA/Pools	0.99%	\$ 25,618,318	\$ 25,618,318	\$ 29,158,933	\$ 29,158,933
CDs/Securities	1.46%	4,323,055	4,323,055	4,341,834	4,341,834
Totals		\$ 29,941,373	\$ 29,941,373	\$ 33,500,768	\$ 33,500,768
Total Portfolio Average - Quarter	1.06%				
Fiscal Year-to-Date Average Yield (2)	0.72%				
Quarterly Interest Income		\$ 60,578			
Year-to-date Interest Income		\$ 174,023			

Water Utility

Asset Type	Ave. Yield	September 30, 2017		June 30, 2017	
		Book Value	Market Value	Book Value	Market Value
DDA/MMA/Pools	0.98%	\$ 6,124,085	\$ 6,124,085	\$ 5,531,380	\$ 5,531,380
CDs/Securities	1.23%	9,950,000	9,950,000	10,725,000	10,725,000
Totals		\$ 16,074,085	\$ 16,074,085	\$ 16,256,380	\$ 16,256,380
Total Portfolio Average - Quarter	1.13%				
Fiscal Year-to-Date Average Yield (2)	0.93%				
Quarterly Interest Income		\$ 29,187			
Year-to-date Interest Income		\$ 78,660			

	QTR		YTD
Rolling Three Mo. Treas. Yield	1.05%	Rolling Three Mo. Treas. Yield	0.75%
Rolling Six Mo. Treas. Yield	1.09%	Rolling Six Mo. Treas. Yield	0.78%
		Quarterly TexPool Yield	0.74%

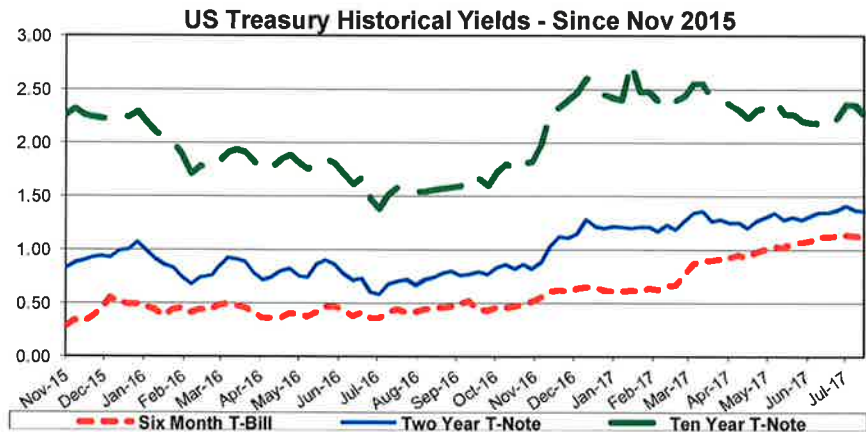
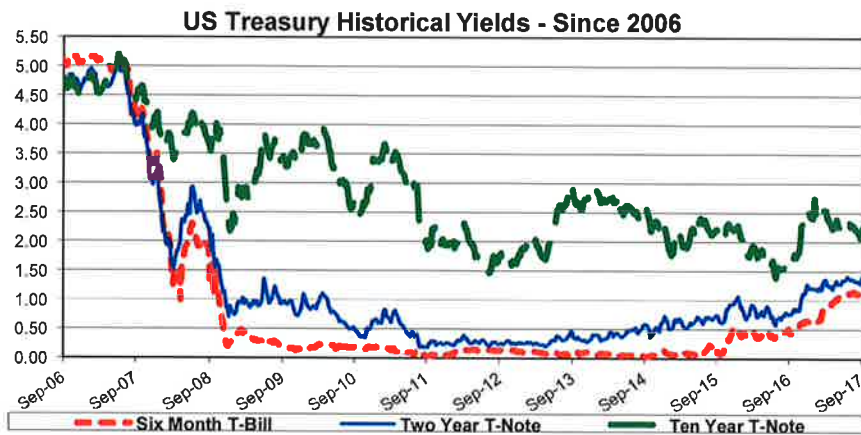
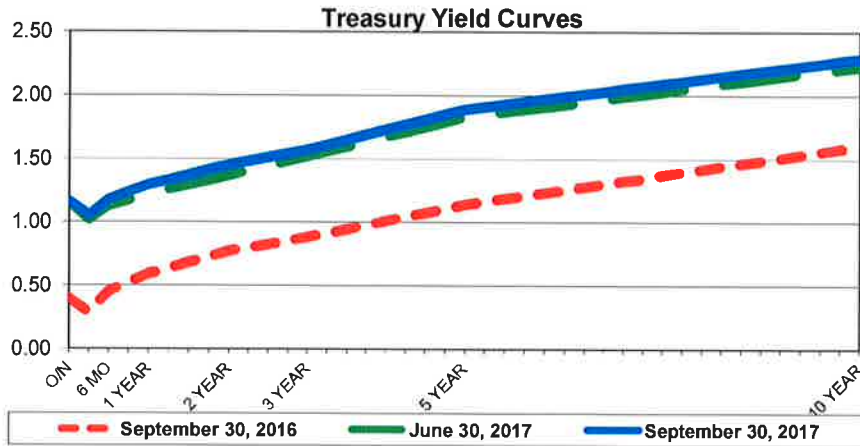
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(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.

Economic Overview

9/30/2017

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range of 1.00% - 1.25% (Effective Fed Funds are trading +/-1.16%) since the June FOMC meeting. Recent announcements have increased the probability of a December rate increase. The FOMC announced a gradual portfolio reduction by limiting reinvestment of maturing holdings. Second Quarter 2017 GDP was revised to 3.1%. September Non Farm Payroll data was a storm influenced negative 33k, with downward revisions to August and July. Other US data generally showed positive with a few negative numbers. The Stock Markets achieved new highs. Monitoring estimated balances and needs will determine laddering opportunities.



Investment Holdings

September 30, 2017

City Funds

Description	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Guaranty B&T MMA	0.55%	10/01/17	09/30/17	\$ 11,568,963	\$ 11,568,963	1.00	\$ 11,568,963	1	0.55%
Southside Bank MMA	1.02%	10/01/17	09/30/17	6,153	6,153	1.00	6,153	1	1.02%
NexBank MMA	1.36%	10/01/17	09/30/17	14,043,202	14,043,202	1.00	14,043,202	1	1.36%
Southside Bank CD	1.37%	07/31/18	07/31/17	1,200,000	1,200,000	100.00	1,200,000	304	1.37%
Lubbock National Bank CD	1.46%	01/28/19	07/28/17	1,200,000	1,200,000	100.00	1,200,000	485	1.46%
Southside Bank CD	1.50%	04/18/19	04/18/17	1,523,055	1,523,055	100.00	1,523,055	565	1.50%
Texas Security Bank CD	1.55%	05/17/19	05/17/17	400,000	400,000	100.00	400,000	594	1.55%
				\$ 29,941,373	\$ 29,941,373		\$ 29,941,373	69	1.06%

Water Utility

Description	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Guaranty B&T MMA	0.55%	10/01/17	09/30/17	\$ 2,874,085	\$ 2,874,085	1.00	\$ 2,874,085	1	0.55%
NexBank MMA	1.36%	10/01/17	09/30/17	3,250,000	3,250,000	1.00	3,250,000	1	1.36%
Farmers Bank & Trust CD	1.17%	12/16/17	12/16/16	250,000	250,000	100.00	250,000	77	1.17%
LegacyTexas CD	1.10%	02/19/18	02/27/17	1,000,000	1,000,000	100.00	1,000,000	142	1.10%
Farmers Bank & Trust CD	1.00%	02/24/18	02/24/16	500,000	500,000	100.00	500,000	147	1.00%
Farmers Bank & Trust CD	0.98%	04/28/18	04/28/16	700,000	700,000	100.00	700,000	210	0.98%
Farmers Bank & Trust CD	0.95%	04/28/18	04/28/17	250,000	250,000	100.00	250,000	210	0.95%
Texas Security Bank CD	1.15%	06/14/18	08/24/16	1,250,000	1,250,000	100.00	1,250,000	257	1.15%
Texas Security Bank CD	1.20%	08/15/18	08/24/16	1,250,000	1,250,000	100.00	1,250,000	319	1.20%
BTH Bank CD	1.15%	11/04/18	11/04/16	1,550,000	1,550,000	100.00	1,550,000	400	1.15%
Texas Security Bank CD	1.40%	11/16/18	05/11/17	1,250,000	1,250,000	100.00	1,250,000	412	1.40%
Farmers Bank & Trust CD	1.15%	04/28/19	04/28/16	700,000	700,000	100.00	700,000	575	1.15%
Texas Security Bank CD	1.70%	07/13/19	07/13/17	1,250,000	1,250,000	100.00	1,250,000	651	1.70%
				\$ 16,074,085	\$ 16,074,085		\$ 16,074,085	218	1.13%

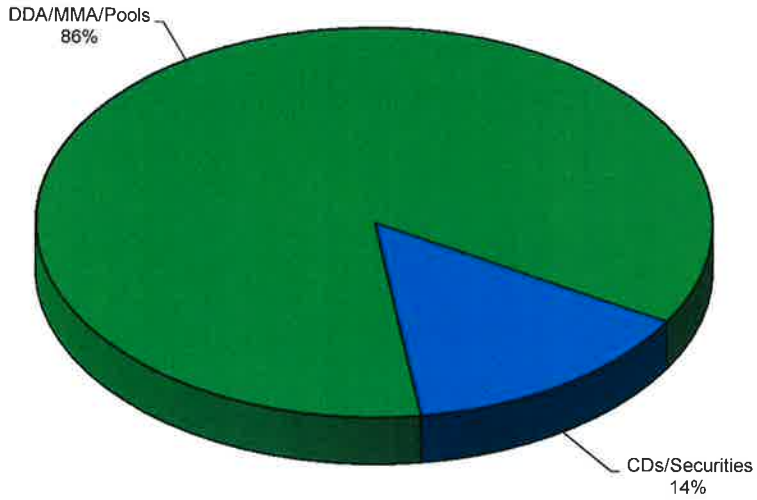
Combined Portfolio

				\$ 46,015,458	\$ 46,015,458		\$ 46,015,458	121	1.09%
								(1)	(2)

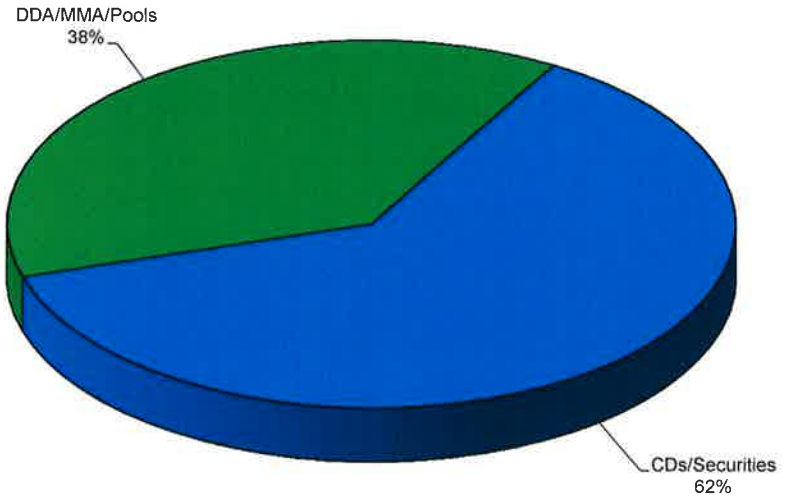
(1) **Weighted average life** - For purposes of calculating weighted average life, cash equivalent investments are assumed to have a one day maturity.

(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 cash equivalent investments.

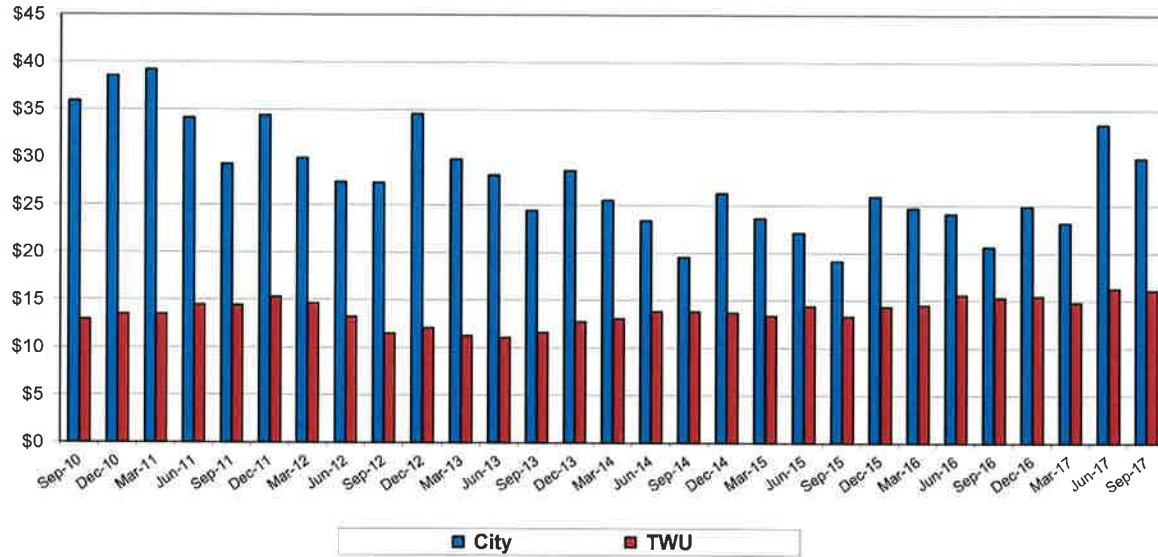
City Portfolio Composition



TWU Portfolio Composition



Quarter End Portfolio (Millions)



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	June 30, 2017				September 30, 2017	
			Par Value	Book Value	Purchases/ Adjustments	Sales/Adjust/ Maturities	Par Value	Book Value
Guaranty B&T MMA	0.55%	10/01/17	\$ 27,171,686	\$ 27,171,686	\$ —	\$ (12,728,638)	\$ 14,443,048	\$ 14,443,048
Southside Bank MMA	1.02%	10/01/17	6,135	6,135	18		6,153	6,153
NexBank MMA	1.36%	10/01/17	7,512,492	7,512,492	9,780,710		17,293,202	17,293,202
Texas Security Bank CD	0.75%	07/13/17	1,250,000	1,250,000		(1,250,000)	—	—
Third Coast Bank, SSB CD	0.85%	07/28/17	2,418,779	2,418,779		(2,418,779)	—	—
Farmers Bank & Trust CD	0.75%	09/05/17	775,000	775,000		(775,000)	—	—
Farmers Bank & Trust CD	1.17%	12/16/17	250,000	250,000			250,000	250,000
LegacyTexas CD	1.10%	02/19/18	1,000,000	1,000,000			1,000,000	1,000,000
Farmers Bank & Trust CD	1.00%	02/24/18	500,000	500,000			500,000	500,000
Farmers Bank & Trust CD	0.98%	04/28/18	700,000	700,000			700,000	700,000
Farmers Bank & Trust CD	0.95%	04/28/18	250,000	250,000			250,000	250,000
Texas Security Bank CD	1.15%	06/14/18	1,250,000	1,250,000			1,250,000	1,250,000
Southside Bank CD	1.37%	07/31/18	—	—	1,200,000		1,200,000	1,200,000
Texas Security Bank CD	1.20%	08/15/18	1,250,000	1,250,000			1,250,000	1,250,000
BTH Bank CD	1.15%	11/04/18	1,550,000	1,550,000			1,550,000	1,550,000
Texas Security Bank CD	1.40%	11/16/18	1,250,000	1,250,000			1,250,000	1,250,000
Lubbock National Bank CD	1.46%	01/28/19	—	—	1,200,000		1,200,000	1,200,000
Southside Bank CD	1.50%	04/18/19	1,523,055	1,523,055			1,523,055	1,523,055
Farmers Bank & Trust CD	1.15%	04/28/19	700,000	700,000			700,000	700,000
Texas Security Bank CD	1.55%	05/17/19	400,000	400,000			400,000	400,000
Texas Security Bank CD	1.70%	07/13/19	—	—	1,250,000		1,250,000	1,250,000
TOTAL			\$ 49,757,147	\$ 49,757,147	\$ 13,430,728	\$ (17,172,417)	\$ 46,015,458	\$ 46,015,458

Market Value Comparison

Description	Coupon/ Discount	Maturity Date	June 30, 2017		Qtr to Qtr Change	September 30, 2017	
			Par Value	Market Value		Par Value	Market Value
Guaranty B&T MMA	0.55%	10/01/17	\$ 27,171,686	\$ 27,171,686	\$ (12,728,638)	\$ 14,443,048	\$ 14,443,048
Southside Bank MMA	1.02%	10/01/17	6,135	6,135	18	6,153	6,153
NexBank MMA	1.36%	10/01/17	7,512,492	7,512,492	9,780,710	17,293,202	17,293,202
Texas Security Bank CD	0.75%	07/13/17	1,250,000	1,250,000	(1,250,000)	-	-
Third Coast Bank, SSB CD	0.85%	07/28/17	2,418,779	2,418,779	(2,418,779)	-	-
Farmers Bank & Trust CD	0.75%	09/05/17	775,000	775,000	(775,000)	-	-
Farmers Bank & Trust CD	1.17%	12/16/17	250,000	250,000		250,000	250,000
LegacyTexas CD	1.10%	02/19/18	1,000,000	1,000,000		1,000,000	1,000,000
Farmers Bank & Trust CD	1.00%	02/24/18	500,000	500,000		500,000	500,000
Farmers Bank & Trust CD	0.98%	04/28/18	700,000	700,000		700,000	700,000
Farmers Bank & Trust CD	0.95%	04/28/18	250,000	250,000		250,000	250,000
Texas Security Bank CD	1.15%	06/14/18	1,250,000	1,250,000		1,250,000	1,250,000
Southside Bank CD	1.37%	07/31/18	-	-	1,200,000	1,200,000	1,200,000
Texas Security Bank CD	1.20%	08/15/18	1,250,000	1,250,000		1,250,000	1,250,000
BTH Bank CD	1.15%	11/04/18	1,550,000	1,550,000		1,550,000	1,550,000
Texas Security Bank CD	1.40%	11/16/18	1,250,000	1,250,000		1,250,000	1,250,000
Lubbock National Bank CD	1.46%	01/28/19	-	-	1,200,000	1,200,000	1,200,000
Southside Bank CD	1.50%	04/18/19	1,523,055	1,523,055		1,523,055	1,523,055
Farmers Bank & Trust CD	1.15%	04/28/19	700,000	700,000		700,000	700,000
Texas Security Bank CD	1.55%	05/17/19	400,000	400,000		400,000	400,000
Texas Security Bank CD	1.70%	07/13/19	-	-	1,250,000	1,250,000	1,250,000
TOTAL			\$ 49,757,147	\$ 49,757,147	\$ (3,741,689)	\$ 46,015,458	\$ 46,015,458

**City Fund Allocation
Book & Market Value**

September 30, 2017

Fund #	Fund Name	Total	Guaranty B&T	Southside	NexBank	1.37%	1.46% Lubbock	1.55% Texas	
			MMA	Bank MMA	MMA	Southside Bank CD: 07/31/17 - 07/31/18	National Bank CD: 07/28/17 - 01/28/19	Southside Bank CD: 04/18/17 - 04/18/19	Security Bank CD: 05/17/17 - 05/17/19
101	GENERAL FUND - Pooled Cash	\$ 7,650,799	\$ 1,176,749	\$ 3,986	\$ 2,547,009	\$ 1,200,000	\$ 1,200,000	\$ 1,523,055	\$ -
101	GENERAL FUND	104,606	104,606						
102	NARCOTICS DIVISION OPERATIONS	106,773	106,773						
103	PERSONNEL POLICY	1,267,004	559,812	686	706,507				
104	WORKER'S COMP	142,839	142,839						
107	COURT SECURITY FUND	363,205	363,205						
109	GENERAL PROPERTY & LIAB	184,069	184,069						
111	POLICE EVIDENCE ESCROW FUND	16,845	16,845						
113	ENERGY CONSERVATION REV. LOAN	33,771	33,771						
114	COURT TECHNOLOGY FUND	23,381	23,381						
115	TECHNOLOGY FUND	116,313	116,313						
116	TIRZ #1	1,239,779	1,239,779						
117	DONATION FUND	10,959	10,959						
200	PEROT ENHANCEMENT FUND	247,143	247,143						
202	POLICE DOG FUND	4,719	4,719						
204	HCD FUND	130,907	130,907						
209	HOME PROGRAM	75	75						
211	THEATRE FUND	62,819	62,819						
212	HOTEL/MOTEL TAX FD	295,782	295,782						
213	PEROT THEATRE BLDG MAINT	466,106	66,106						400,000
215	HOUSING FUND	262,601	60,546	196	201,859				
216	POLICE ENTERPRISE TRAINING	1,698	1,698						
217	LAW ENFORCEMENT BLOCK GRANT	28,050	28,050						
219	LAW ENFORCEMENT PROGRAM	32,884	32,884						
223	ECONOMIC DEVELOPMENT	846,494	127,660	697	718,137				
228	BUILDING MAINTENANCE	36,559	36,559						
230	ROTARY SPLASH PARK FUND	374	374						
301	INTEREST & SINKING	52,094	52,094						
415	2003 BOND FUND	6	6						
417	2005 BOND FUND	484,272	484,272						
420	2009 BOND FUND	74	74						
422	TIRZ BOND FUND	537,323	537,323						
423	2017 BOND FUND	9,772,475	760,233		9,012,242				
501	HEALTH FUND	508,003	406,975	98	100,930				
502	PUBLIC LIBRARY	66,260	66,260						
601	DRUG ESCROW	99,339	99,339						
605	FEDERAL ASSET FORFEITURE	124,953	124,953						
701	EMPLOYEE BENEFIT	1,555,764	798,754	490	756,520				
702	BENEFIT PAYMENT	1,148,781	1,148,781						
703	FLEET SERVICES	320,174	320,174						
704	CAPITAL REPLACEMENT	1,461,489	1,461,489						
810	MEMBER CITY WATER REVENUE	50,660	50,660						
TOTAL		\$ 29,941,373	\$ 11,568,963	\$ 6,153	\$14,043,202	\$ 1,200,000	\$ 1,200,000	\$ 1,523,055	\$ 400,000

**Water Fund Allocation
September 30, 2017
Book & Market Value**

Fund Name	Total	Guaranty B&T MMA	NexBank MMA	1.165% Farmers	1.10%	1.00% Farmers	0.98% Farmers
				Bank & Trust CD: 12/16/16 - 12/16/17	LegacyTexas CD: 02/27/17 - 02/19/18	Bank & Trust CD: 02/24/16 - 02/24/18	Bank & Trust CD: 04/28/16 - 04/28/18
Revenue	\$ 1,241,579	\$ 1,241,579	\$ -	\$ -	\$ -	\$ -	\$ -
Customer Loan	40,352	40,352					
Water Plant Construction	46	46					
Technology	471,117	121,117	350,000				
2004 Bond	32,364	32,364					
2013 Bond	27,361	27,361					
2013 Construction	28,292	28,292					
LTWSC Capital Improvement	850,811	175,811					
Capital Improvement	1,145,719	40,719					
COE Cost	3,126,642	321,642	1,250,000				250,000
Compost	361,027	1,027			360,000		
Customer Deposit	796,613	96,613			100,000	400,000	
Equipment Acquisition	362,839	162,839					
Infrastructure	1,121,460	131,460	350,000		540,000	100,000	
Personnel	155,064	72,564					
Reserve	1,084,139	4,139					
Revenue	2,080,000		800,000				
WWTP Depreciation	204,756	122,256					
Waggoner Creek CIP	2,943,903	253,903	500,000	250,000			450,000
\$	16,074,085	\$ 2,874,085	\$ 3,250,000	\$ 250,000	\$ 1,000,000	\$ 500,000	\$ 700,000

Water Fund Allocation (Continued)
September 30, 2017
Book & Market Value

Fund Name	0.95% Farmers Bank & Trust CD: 04/28/17 - 04/28/18	1.15% Texas Security Bank CD: 08/24/16 - 06/14/18	1.20% Texas Security Bank CD: 08/24/16 - 08/15/18	1.15% BTH Bank CD: 11/04/16 - 11/04/18	1.4% Texas Security Bank CD: 05/11/17 - 11/16/18	1.15% Farmers Bank & Trust CD: 04/28/16 - 04/28/19	1.7% Texas Security Bank CD: 07/13/17 - 07/13/19
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer Loan							
Water Plant Construction							
Technology							
2004 Bond							
2013 Bond							
2013 Construction							
LTWSC Capital Improvement		275,000		75,000			325,000
Capital Improvement		95,000	50,000	285,000	675,000		
COE Cost					275,000	650,000	380,000
Compost							
Customer Deposit					200,000		
Equipment Acquisition				100,000	100,000		
Infrastructure							
Personnel							82,500
Reserve			700,000				380,000
Revenue		380,000		900,000			
WWTP Depreciation							82,500
Waggoner Creek CIP	250,000	500,000	500,000	190,000		50,000	
	\$ 250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,550,000	\$ 1,250,000	\$ 700,000	\$ 1,250,000

**City Fund Allocation
Book & Market Value**

June 30, 2017

Fund #	Fund Name	Total	Guaranty B&T MMA	Southside Bank MMA	NexBank MMA	0.85% Third Coast Bank, SSB CD: 07/28/16 - 07/28/17	1.5% Southside Bank CD: 04/18/17 - 04/18/19	1.55% Texas Security Bank CD: 05/17/17 - 05/17/19
101	GENERAL FUND - Pooled Cash	\$ 6,979,040	\$ 495,573	\$ 3,975	\$ 2,537,659	\$ 2,418,779	\$ 1,523,055	\$ -
101	GENERAL FUND	83,940	83,940					
102	NARCOTICS DIVISION OPERATIONS	98,605	98,605					
103	PERSONNEL POLICY	1,289,222	584,625	684	703,913			
104	WORKER'S COMP	381,908	381,908					
107	COURT SECURITY FUND	363,590	363,590					
109	GENERAL PROPERTY & LIAB	232,267	232,267					
111	POLICE EVIDENCE ESCROW FUND	16,845	16,845					
113	ENERGY CONSERVATION REV. LOAN	33,724	33,724					
114	COURT TECHNOLOGY FUND	16,379	16,379					
115	TECHNOLOGY FUND	142,922	142,922					
116	TIRZ #1	1,199,703	1,199,703					
117	DONATION FUND	14,597	14,597					
200	PEROT ENHANCEMENT FUND	233,229	233,229					
203	CDBG REVOLVING LOAN FUND	125,498	125,498					
204	HCD FUND	15,786	15,786					
207	EPA REVOLVINGLOAN GRANT	3,325	3,325					
209	HOME PROGRAM	47,702	47,702					
211	THEATRE FUND	130,263	130,263					
212	HOTEL/MOTEL TAX FD	34,777	34,777					
213	PEROT THEATRE BLDG MAINT	497,841	97,841					400,000
215	HOUSING FUND	261,579	60,265	195	201,118			
216	POLICE ENTERPRISE TRAINING	297	297					
217	LAW ENFORCEMENT BLOCK GRANT	35	35					
219	LAW ENFORCEMENT PROGRAM	26,624	26,624					
220	METRO PLANNING ORG	31,038	31,038					
221	TEXARKANA URBAN TRANSIT	100	100					
223	ECONOMIC DEVELOPMENT	1,450,333	734,138	695	715,501			
228	BUILDING MAINTENANCE	90,791	90,791					
230	ROTARY SPLASH PARK FUND	7,857	7,857					
301	INTEREST & SINKING	581,832	581,832					
415	2003 BOND FUND	6	6					
417	2005 BOND FUND	514,583	514,583					
420	2009 BOND FUND	74	74					
422	TIRZ BOND FUND	536,579	536,579					
423	2017 BOND FUND	12,641,259	12,641,259					
501	HEALTH FUND	448,216	347,559	98	100,559			
502	PUBLIC LIBRARY	44,310	44,310					
601	DRUG ESCROW	120,316	120,316					
605	FEDERAL ASSET FORFEITURE	121,192	121,192					
701	EMPLOYEE BENEFIT	1,420,306	666,076	488	753,742			
702	BENEFIT PAYMENT	1,204,627	1,204,627					
703	FLEET SERVICES	363,756	363,756					
704	CAPITAL REPLACEMENT	1,646,841	1,646,841					
810	MEMBER CITY WATER REVENUE	47,053	47,053					
TOTAL		\$ 33,500,768	\$ 24,140,307	\$ 6,135	\$ 5,012,492	\$ 2,418,779	\$ 1,523,055	\$ 400,000

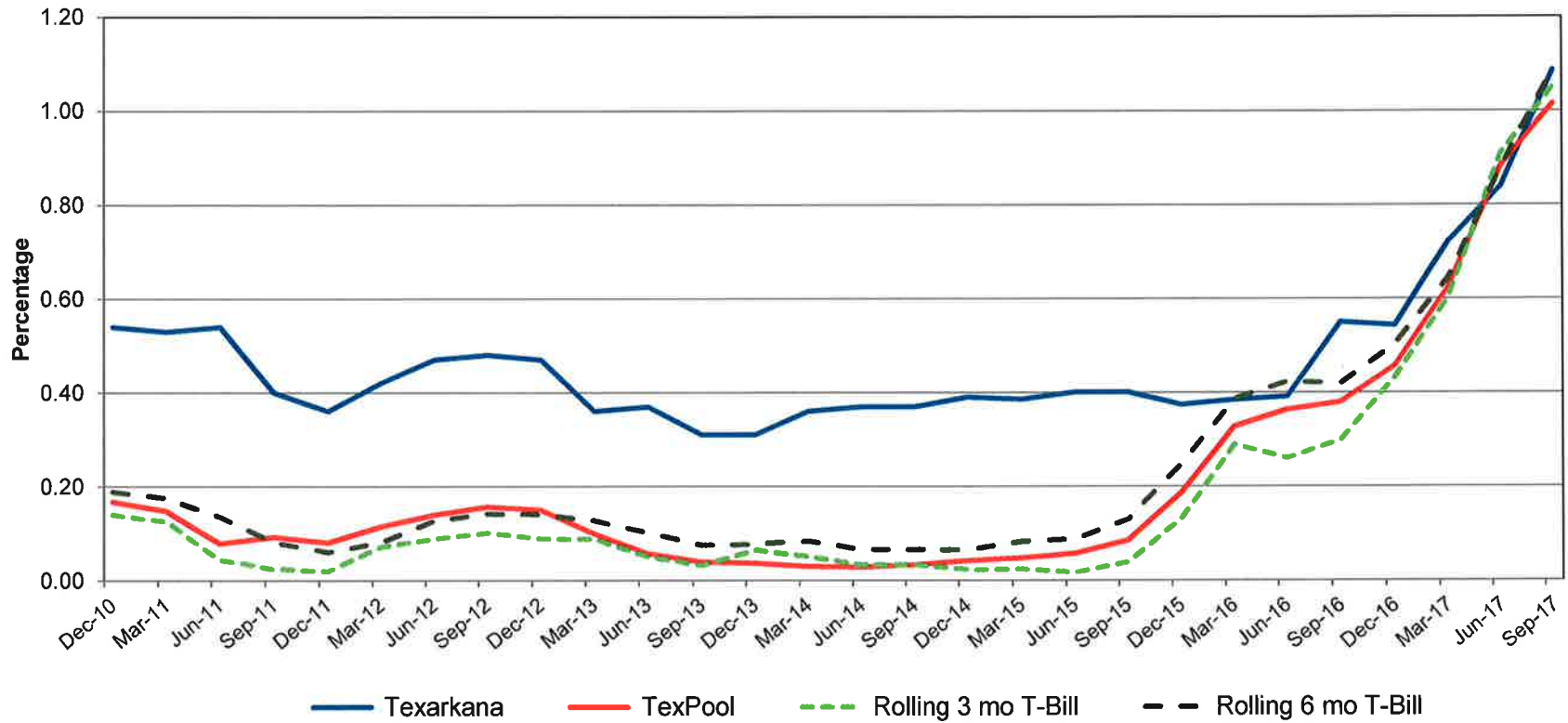
**Water Fund Allocation
June 30, 2017
Book & Market Value**

Fund Name	Total	Guaranty B&T MMA	NexBank MMA	0.75% Texas Security Bank CD: 08/24/16- 07/13/17	0.75% Farmers Bank & Trust CD: 03/05/16 - 09/05/17	1.165% Farmers Bank & Trust CD: 12/16/16 - 12/16/17	1.10% LegacyTexas CD: 02/27/17 - 02/19/18
Revenue	\$ 468,058	\$ 468,058	\$ -	\$ -	\$ -	\$ -	\$ -
Customer Loan	40,296	40,296					
Water Plant Construction	46	46					
Technology	644,763	294,763	350,000				
2004 Bond	39,930	39,930					
2005 Bond	175,242	175,242					
2013 Bond	128,174	128,174					
2013 Construction	28,253	28,253					
LTWSC Capital Improvement	745,836	70,836		325,000			
Capital Improvement	1,667,183	182,183		380,000			
COE Cost	2,779,009	604,009	1,000,000				
Compost	360,759	759					360,000
Customer Deposit	789,642	89,642					100,000
Equipment Acquisition	365,527	527		165,000			
Infrastructure	1,540,375	300,375	100,000		500,000		540,000
Personnel	146,943	146,943					
Reserve	704,134	4,134					
Revenue	2,460,000		800,000	380,000			
WWTP Depreciation	287,293	287,293					
Waggoner Creek CIP	2,884,917	169,917	250,000		275,000	250,000	
\$	16,256,380	\$ 3,031,380	\$ 2,500,000	\$ 1,250,000	\$ 775,000	\$ 250,000	\$ 1,000,000

Water Fund Allocation (Continued)
June 30, 2017
Book & Market Value

Fund Name	1.00% Farmers Bank & Trust CD: 02/24/16 - 02/24/18	0.98% Farmers Bank & Trust CD: 04/28/16 - 04/28/18	0.95% Farmers Bank & Trust CD: 04/28/17 - 04/28/18	1.15% Texas Security Bank CD: 08/24/16 - 06/14/18	1.20% Texas Security Bank CD: 08/24/16 - 08/15/18	1.15% BTH Bank CD: 11/04/16 - 11/04/18	1.4% Texas Security Bank CD: 05/11/17 - 11/16/18	1.15% Farmers Bank & Trust CD: 04/28/16 - 04/28/19
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer Loan								
Water Plant Construction								
Technology								
2004 Bond								
2005 Bond								
2013 Bond								
2013 Construction								
LTWSC Capital Improvement				275,000		75,000		
Capital Improvement				95,000	50,000	285,000	675,000	
COE Cost		250,000					275,000	650,000
Compost								
Customer Deposit	400,000						200,000	
Equipment Acquisition						100,000	100,000	
Infrastructure	100,000							
Personnel								
Reserve					700,000			
Revenue				380,000		900,000		
WWTP Depreciation								
Waggoner Creek CIP		450,000	250,000	500,000	500,000	190,000		50,000
	\$ 500,000	\$ 700,000	\$ 250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,550,000	\$ 1,250,000	\$ 700,000

Total Portfolio Performance



**Collateral Position
September 30, 2017**

	CITY					WATER UTILITY					
	Guaranty B&T	Southside Bank	NexBank	Lubbock National Bank	Texas Security Bank	Guaranty B&T	NexBank	BTH Bank	Farmers B&T	Legacy Texas Bank	Texas Security Bank
Collateral Value	\$ 15,000,000	\$ 2,722,167	\$ 14,300,000	\$ 1,727,524	\$ 200,000	\$ 3,578,831	\$ 3,325,000	\$ 1,581,000	\$ 3,250,000	\$ 1,050,000	\$ 5,000,000
+ FDIC Insurance	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total Enhancement	\$ 15,250,000	\$ 2,972,167	\$ 14,550,000	\$ 1,977,524	\$ 450,000	\$ 3,828,831	\$ 3,575,000	\$ 1,831,000	\$ 3,500,000	\$ 1,300,000	\$ 5,250,000
Total Deposits	\$ 11,568,963	\$ 2,729,208	\$ 14,043,202	\$ 1,200,000	\$ 400,000	\$ 2,874,085	\$ 3,250,000	\$ 1,550,000	\$ 2,400,000	\$ 1,000,000	\$ 5,000,000
Excess Coverage	\$ 3,681,037	\$ 242,960	\$ 506,798	\$ 777,524	\$ 50,000	\$ 954,746	\$ 325,000	\$ 281,000	\$ 1,100,000	\$ 300,000	\$ 250,000
Percentage Coverage	132%	109%	104%	165%	113%	133%	110%	118%	146%	130%	105%
Collateral Type:											
Treasuries											
Agency Bullets											
Agency Callable											
Agency LOC	\$ 15,000,000		\$ 14,300,000		\$ 200,000		\$ 2,550,000	\$ 1,581,000	\$ 3,250,000	\$ 1,050,000	\$ 5,000,000
Munis		\$ 2,722,167				\$ 1,543,707					
Mortgage Backed Securities						\$ 2,035,125					
Real Estate Mortgage Investment Conduits/ Collateralized Mortgage Obligations (1)				\$ 1,727,524							

(1) The Public Funds Collateral Act requires all REMIC/CMOs to have an expected weighted average life of 10 years or less and not constitute a high-risk security as determined by a 300 basis point market movement stress test.