



City of Texarkana, Texas



## QUARTERLY INVESTMENT REPORT

For the Quarter Ended  
March 31, 2018

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)

  
Customer Service/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.

## Summary

### City Funds

Asset Type	Ave. Yield	March 31, 2018		December 31, 2017	
		Book Value	Market Value	Book Value	Market Value
DDA/MMA/Pools	1.53%	\$ 32,549,545	\$ 32,549,545	\$ 30,191,410	\$ 30,191,410
CDs/Securities	1.46%	4,338,769	4,338,769	4,338,769	4,338,769
<b>Totals</b>		<b>\$ 36,888,314</b>	<b>\$ 36,888,314</b>	<b>\$ 34,530,179</b>	<b>\$ 34,530,179</b>
Total Portfolio Average - Quarter	1.52%				
Fiscal Year-to-Date Average Yield (2)	1.30%				
Quarterly Interest Income		\$ 102,592			
Year-to-date Interest Income		\$ 179,967			

### Water Utility

Asset Type	Ave. Yield	March 31, 2018		December 31, 2017	
		Book Value	Market Value	Book Value	Market Value
DDA/MMA/Pools	1.65%	\$ 6,231,368	\$ 6,231,368	\$ 4,255,736	\$ 4,255,736
CDs/Securities	1.37%	9,260,000	9,260,000	9,700,000	9,700,000
<b>Totals</b>		<b>\$ 15,491,368</b>	<b>\$ 15,491,368</b>	<b>\$ 13,955,736</b>	<b>\$ 13,955,736</b>
Total Portfolio Average - Quarter	1.48%				
Fiscal Year-to-Date Average Yield (2)	1.30%				
Quarterly Interest Income		\$ 38,293			
Year-to-date Interest Income		\$ 60,805			

	QTR		YTD
Rolling Three Mo. Treas. Yield	1.58%	Rolling Three Mo. Treas. Yield	1.40%
Rolling Six Mo. Treas. Yield	1.58%	Rolling Six Mo. Treas. Yield	1.42%
		Quarterly TexPool Yield	1.35%

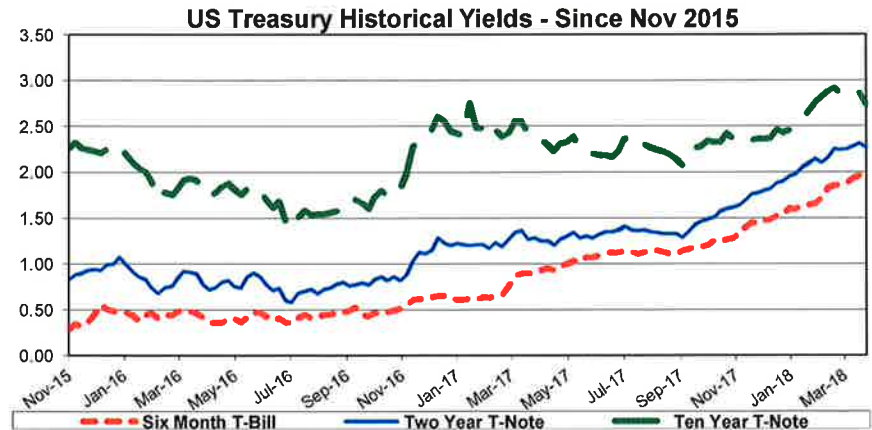
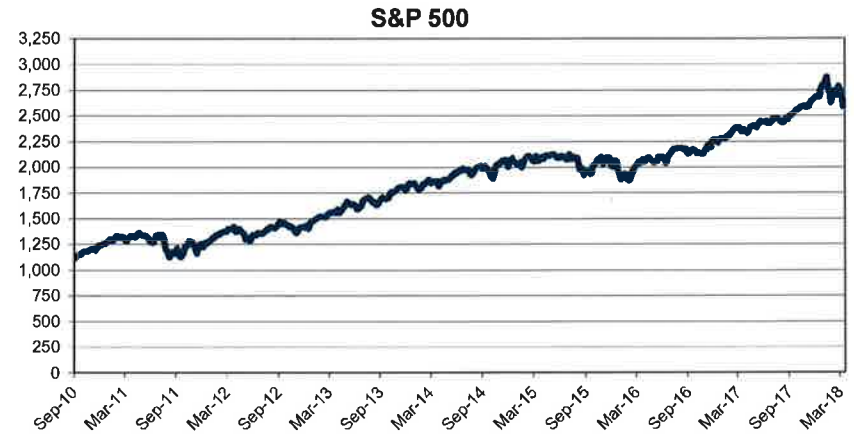
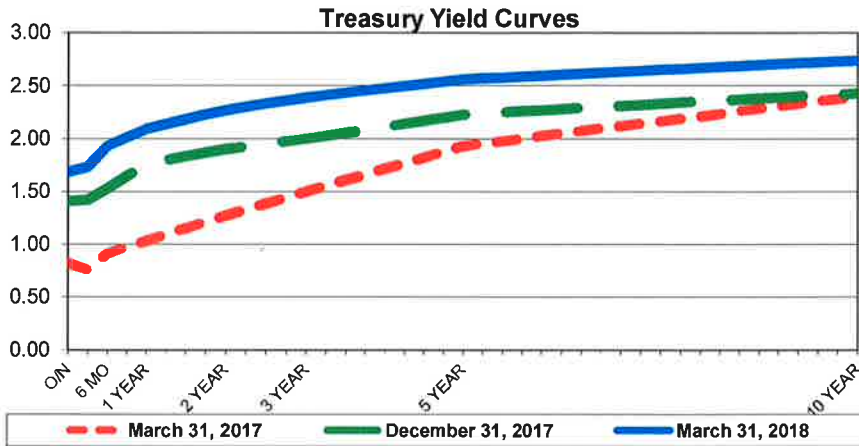
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(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**

3/31/2018

The Federal Open Market Committee (FOMC) increased the Fed Funds target range 0.25% to 1.50% - 1.75% (Effective Fed Funds are trading +/-1.68%). Two to three additional increases are projected for 2018 (although subject to economic activity). Gradual portfolio reduction continues by limiting reinvestment of maturing holdings. Fourth Quarter 2017 GDP measured 2.9% (third/final estimate). February Non Farm Payroll data jumped +313k (well above the expected +205k). The Three Month Average increased to +242k. World events raised some uncertainty (Korea, Russia, Middle East). WTI Crude oil maintained +/- \$65. The Stock Markets waffled 5% to 10% below recent highs. The post-FOMC meeting press release pointed to continuing and frequent rate increases.



## Investment Holdings

March 31, 2018

### 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%	04/01/18	03/31/18	\$ 5,639,481	\$ 5,639,481	1.00	\$ 5,639,481	1	0.55%
Farmers Bank & Trust MMA	1.62%	04/01/18	03/31/18	16,767,500	16,767,500	1.00	16,767,500	1	1.62%
Southside Bank MMA	1.64%	04/01/18	03/31/18	6,195	6,195	1.00	6,195	1	1.64%
NexBank MMA	1.93%	04/01/18	03/31/18	10,136,369	10,136,369	1.00	10,136,369	1	1.93%
Southside Bank CD	1.37%	07/31/18	07/31/17	1,204,144	1,204,144	100.00	1,204,144	122	1.37%
Lubbock National Bank CD	1.46%	01/28/19	07/28/17	1,205,874	1,205,874	100.00	1,205,874	303	1.46%
Southside Bank CD	1.50%	04/18/19	04/18/17	1,528,751	1,528,751	100.00	1,528,751	383	1.50%
Texas Security Bank CD	1.55%	05/17/19	05/17/17	400,000	400,000	100.00	400,000	412	1.55%
				<b>\$ 36,888,314</b>	<b>\$ 36,888,314</b>		<b>\$ 36,888,314</b>	<b>35</b>	<b>1.52%</b>

### 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%	04/01/18	03/31/18	\$ 135,805	\$ 135,805	1.00	\$ 135,805	1	0.55%
Farmer's B&T MMA	1.62%	04/01/18	03/31/18	4,927,930	4,927,930	1.00	4,927,930	1	1.62%
NexBank MMA	1.93%	04/01/18	03/31/18	1,167,633	1,167,633	1.00	1,167,633	1	1.93%
Farmers Bank & Trust CD	0.98%	04/28/18	04/28/16	700,000	700,000	100.00	700,000	28	0.98%
Farmers Bank & Trust CD	0.95%	04/28/18	04/28/17	250,000	250,000	100.00	250,000	28	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	75	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	137	1.20%
BTH Bank CD	1.15%	11/04/18	11/04/16	1,550,000	1,550,000	100.00	1,550,000	218	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	230	1.40%
East West Bank CD	2.13%	03/01/19	03/01/18	560,000	560,000	100.00	560,000	335	2.13%
Farmers Bank & Trust CD	1.15%	04/28/19	04/28/16	700,000	700,000	100.00	700,000	393	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	469	1.70%
East West Bank CD	2.32%	03/01/20	03/01/18	500,000	500,000	100.00	500,000	701	2.32%
				<b>\$ 15,491,368</b>	<b>\$ 15,491,368</b>		<b>\$ 15,491,368</b>	<b>150</b>	<b>1.48%</b>

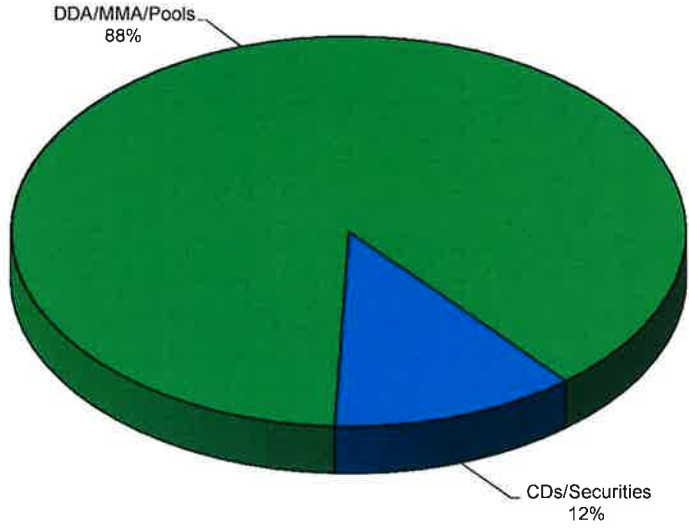
### Combined Portfolio

				<b>\$ 52,379,682</b>	<b>\$ 52,379,682</b>		<b>\$ 52,379,682</b>	<b>69</b>	<b>1.51%</b>
								<b>(1)</b>	<b>(2)</b>

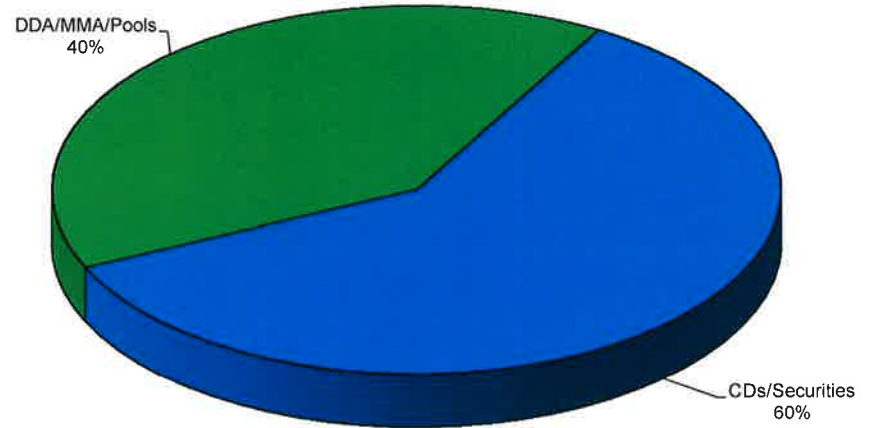
(1) **Weighted average life** - For purposes of calculating weighted average life, cash equivalent investments are assumed to have a one day maturity.

(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.

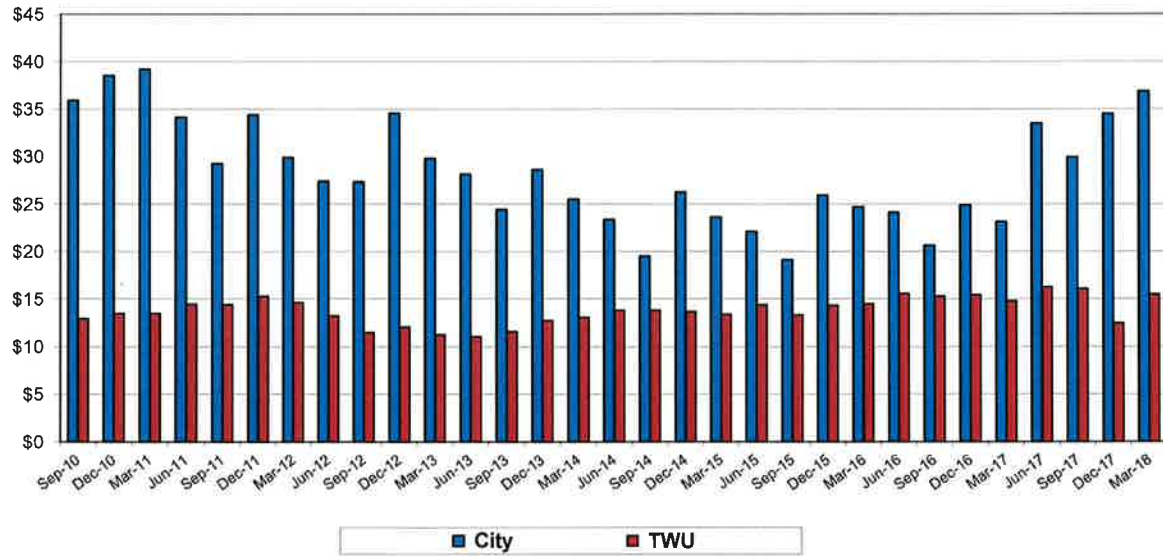
**City Portfolio Composition**



**TWU Portfolio Composition**



**Quarter End Portfolio (Millions)**



## Book Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2017		Purchases/ Adjustments	Sales/Adjust/ Maturities	March 31, 2018	
			Par Value	Book Value			Par Value	Book Value
Guaranty B&T MMA	0.55%	04/01/18	\$ 21,125,545	\$ 21,125,545	\$ —	\$ (15,350,259)	\$ 5,775,286	\$ 5,775,286
Farmers Bank & Trust MMA	1.62%	04/01/18	—	—	21,695,430		21,695,430	21,695,430
Southside Bank MMA	1.64%	04/01/18	6,172	6,172	23		6,195	6,195
NexBank MMA	1.93%	04/01/18	13,315,431	13,315,431		(2,011,429)	11,304,002	11,304,002
LegacyTexas CD	1.10%	02/19/18	1,000,000	1,000,000		(1,000,000)	—	—
Farmers Bank & Trust CD	1.00%	02/24/18	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	1,204,144	1,204,144			1,204,144	1,204,144
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	1,205,874	1,205,874			1,205,874	1,205,874
East West Bank CD	2.13%	03/01/19	—	—	560,000		560,000	560,000
Southside Bank CD	1.50%	04/18/19	1,528,751	1,528,751			1,528,751	1,528,751
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	1,250,000
East West Bank CD	2.32%	03/01/20	—	—	500,000		500,000	500,000
<b>TOTAL</b>			<b>\$ 48,485,916</b>	<b>\$ 48,485,916</b>	<b>\$ 22,755,453</b>	<b>\$ (18,861,687)</b>	<b>\$ 52,379,682</b>	<b>\$ 52,379,682</b>

## Market Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2017		Qtr to Qtr Change	March 31, 2018	
			Par Value	Market Value		Par Value	Market Value
Guaranty B&T MMA	0.55%	04/01/18	\$ 21,125,545	\$ 21,125,545	\$ (15,350,259)	\$ 5,775,286	\$ 5,775,286
Farmers Bank & Trust MMA	1.62%	04/01/18	–	–	21,695,430	21,695,430	21,695,430
Southside Bank MMA	1.64%	04/01/18	6,172	6,172	23	6,195	6,195
NexBank MMA	1.93%	04/01/18	13,315,431	13,315,431	(2,011,429)	11,304,002	11,304,002
LegacyTexas CD	1.10%	02/19/18	1,000,000	1,000,000	(1,000,000)	–	–
Farmers Bank & Trust CD	1.00%	02/24/18	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	1,204,144	1,204,144		1,204,144	1,204,144
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	1,205,874	1,205,874		1,205,874	1,205,874
East West Bank CD	2.13%	03/01/19	–	–	560,000	560,000	560,000
Southside Bank CD	1.50%	04/18/19	1,528,751	1,528,751		1,528,751	1,528,751
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	1,250,000
East West Bank CD	2.32%	03/01/20	–	–	500,000	500,000	500,000
<b>TOTAL</b>			<b>\$ 48,485,916</b>	<b>\$ 48,485,916</b>	<b>\$ 3,893,766</b>	<b>\$ 52,379,682</b>	<b>\$ 52,379,682</b>

**City Fund Allocation  
Book & Market Value**

March 31, 2018

Fund #	Fund Name	Total	Guaranty B&T	Farmer's B&T	Southside	NexBank	1.37% Southside	1.46% Lubbock	1.5% Southside	1.55% Texas
			MMA	MMA	Bank MMA	MMA	Bank CD: 07/31/17 - 07/31/18	National Bank CD: 07/28/17 - 01/28/19	Bank CD: 04/18/17 - 04/18/19	Security Bank CD: 05/17/17 - 05/17/19
101	GENERAL FUND - Pooled Cash	\$ 10,459,353	\$ 4,951,935	\$ -	\$ 4,013	\$ 1,564,635	\$ 1,204,144	\$ 1,205,874	\$ 1,528,751	\$ -
101	GENERAL FUND	4,663,208		4,663,208						
102	NARCOTICS DIVISION OPERATIONS	112,362	2	112,360						
103	PERSONNEL POLICY	1,009,129		296,255	690	712,184				
104	WORKER'S COMP	142,767		142,767						
105	PAYROLL DISBURSEMENT FUND	68		68						
107	COURT SECURITY FUND	372,668		372,668						
109	GENERAL PROPERTY & LIAB	73,748		73,748						
111	POLICE EVIDENCE ESCROW FUND	16,288	27	16,261						
113	ENERGY CONSERVATION REV. LOAN	33,917	1	33,917						
114	COURT TECHNOLOGY FUND	13,328		13,328						
116	TIRZ #1	2,257,729	411	2,257,318						
117	DONATION FUND	19,553		19,553						
200	PEROT ENHANCEMENT FUND	267,718		267,718						
202	POLICE DOG FUND	333,504		333,504						
203	CDBG REVOLVING LOAN FUND	140,049		140,049						
204	HCD FUND	86,567		86,567						
207	EPA REVOLVINGLOAN GRANT	7,043		7,043						
208	EPA MULTI-PURPOSE GRANT	283		283						
209	HOME PROGRAM	49,338		49,338						
212	HOTEL/MOTEL TAX FD	697,393		697,393						
213	PEROT THEATRE BLDG MAINT	458,085		58,085						400,000
214	COC-HOMELESS ASSISTANCE GRANT	1,322		1,322						
215	HOUSING FUND	268,833		65,155	197	203,481				
216	POLICE ENTERPRISE TRAINING	4,533		4,533						
217	LAW ENFORCEMENT BLOCK GRANT	2,362	358	2,004						
219	LAW ENFORCEMENT PROGRAM	38,242	102	38,140						
223	ECONOMIC DEVELOPMENT	1,251,964		527,355	702	723,907				
227	NEA FUND	81,796		81,796						
229	PUBLIC SAFETY RADIO FUND	9,585		9,585						
230	ROTARY SPLASH PARK FUND	374		374						
231	AIRPORT FUND	32,431		32,431						
417	2005 BOND FUND	486,373	7	486,366						
422	TIRZ BOND FUND	539,469	49	539,420						
423	2017 BOND FUND	7,276,423	233,210	975,390		6,067,823				
501	HEALTH FUND	534,757		432,918	99	101,741				
502	PUBLIC LIBRARY	57,982		57,982						
601	DRUG ESCROW	103,025	2	103,023						
605	FEDERAL ASSET FORFEITURE	125,481	8	125,473						
701	EMPLOYEE BENEFIT	1,503,920		740,829	493	762,598				
702	BENEFIT PAYMENT	1,919,350	453,370	1,465,979						
703	FLEET SERVICES	225,417		225,417						
704	CAPITAL REPLACEMENT	1,119,506		1,119,506						
810	MEMBER CITY WATER REVENUE	91,070		91,070						
<b>TOTAL</b>		<b>\$ 36,888,314</b>	<b>\$ 5,639,481</b>	<b>\$ 16,767,500</b>	<b>\$ 6,195</b>	<b>\$ 10,136,369</b>	<b>\$ 1,204,144</b>	<b>\$ 1,205,874</b>	<b>\$ 1,528,751</b>	<b>\$ 400,000</b>



**Water Fund Allocation  
March 31, 2018  
Book & Market Value**

<b>Fund Name</b>	<b>Coupon/ Discount</b>	<b>Maturity Date</b>	<b>Total</b>	<b>Revenue</b>	<b>Customer Loan</b>	<b>Water Plant Construction</b>	<b>Technology</b>	<b>2004 Bond</b>	<b>2013 Bond</b>	<b>2013 Construction</b>
Guaranty B&T MMA	0.55%	04/01/18	\$ 135,805	\$ 104,580	\$ 14	\$ -	\$ 69	\$ 79	\$ 16	\$ 10
Farmers B&T MMA	1.61%	04/01/18	4,927,930	739,654	40,514	46	285,971	120,837	27,471	28,406
NexBank MMA	1.62%	04/01/18	1,167,633				354,973			
Farmers Bank & Trust CD	0.98%	04/28/18	700,000							
Farmers Bank & Trust CD	0.95%	04/28/18	250,000							
Texas Security Bank CD	1.15%	06/14/18	1,250,000							
Texas Security Bank CD	1.20%	08/15/18	1,250,000							
BTH Bank CD	1.15%	11/04/18	1,550,000							
Texas Security Bank CD	1.40%	11/16/18	1,250,000							
East West Bank CD	2.13%	03/01/19	560,000							
Farmers Bank & Trust CD	1.15%	04/28/19	700,000							
Texas Security Bank CD	1.70%	07/31/19	1,250,000							
East West Bank CD	2.32%	03/01/20	500,000							
			<b>\$ 15,491,368</b>	<b>\$ 844,234</b>	<b>\$ 40,528</b>	<b>\$ 46</b>	<b>\$ 641,013</b>	<b>\$ 120,917</b>	<b>\$ 27,488</b>	<b>\$ 28,416</b>

**Water Fund Allocation**

**March 31, 2018**

**Book & Market Value** (Continued)

<b>Fund Name</b>	<b>LTWSC Capital Improvement</b>	<b>Capital Improvement</b>	<b>COE Cost</b>	<b>Compost</b>	<b>Customer Deposit</b>	<b>Equipment Acquisition</b>	<b>Infrastructure</b>	<b>Personnel</b>
Guaranty B&T MMA	\$ 140	\$ 16	\$ 13	\$ 24	\$ 30,470	\$ 96	\$ 51	\$ 43
Farmers B&T MMA	547,219	15,433	488,110	116,243	106,503	263,587	541,514	123,772
NexBank MMA								
Farmers Bank & Trust CD			250,000					
Farmers Bank & Trust CD								
Texas Security Bank CD	275,000	95,000						
Texas Security Bank CD		50,000						
BTH Bank CD	75,000	285,000				100,000		
Texas Security Bank CD		675,000	275,000		200,000	100,000		
East West Bank CD				360,000	100,000		100,000	
Farmers Bank & Trust CD			650,000					
Texas Security Bank CD	325,000		380,000					82,500
East West Bank CD					400,000		100,000	
	<b>\$ 1,222,358</b>	<b>\$ 1,120,449</b>	<b>\$ 2,043,124</b>	<b>\$ 476,267</b>	<b>\$ 836,973</b>	<b>\$ 463,683</b>	<b>\$ 741,565</b>	<b>\$ 206,315</b>

**Water Fund Allocation**

**March 31, 2018**

**Book & Market Value** (Continued)

<b>Fund Name</b>	<b>Reserve</b>	<b>Revenue</b>	<b>WWTP Depreciation</b>	<b>Waggoner Creek CIP</b>
Guaranty B&T MMA	\$ 2	\$ -	\$ 65	\$ 118
Farmers B&T MMA	4,156		239,411	1,239,082
NexBank MMA		812,660		
Farmers Bank & Trust CD				450,000
Farmers Bank & Trust CD				250,000
Texas Security Bank CD		380,000		500,000
Texas Security Bank CD	700,000			500,000
BTH Bank CD		900,000		190,000
Texas Security Bank CD				
East West Bank CD				
Farmers Bank & Trust CD				50,000
Texas Security Bank CD		380,000	82,500	
East West Bank CD				
	<b>\$ 704,157</b>	<b>\$ 2,472,660</b>	<b>\$ 321,976</b>	<b>\$ 3,179,200</b>

**City Fund Allocation  
Book & Market Value**

December 31, 2017

Fund #	Fund Name	Total	Guaranty B&T MMA	Southside Bank MMA	NexBank MMA	1.37% Southside	1.46% Lubbock	1.5% Southside	1.55% Texas
						Bank CD: 07/31/17 - 07/31/18	National Bank CD: 07/28/17 - 01/28/19	Bank CD: 04/18/17 - 04/18/19	Security Bank CD: 05/17/17 - 05/17/19
101	GENERAL FUND - Pooled Cash	\$ 10,281,356	\$ 3,781,880	\$ 3,998	\$ 2,556,709	\$ 1,204,144	\$ 1,205,874	\$ 1,528,751	\$ -
101	GENERAL FUND	105,481	105,481						
102	NARCOTICS DIVISION OPERATIONS	112,032	112,032						
103	PERSONNEL POLICY	1,199,365	489,480	688	709,197				
104	WORKER'S COMP	148,961	148,961						
107	COURT SECURITY FUND	366,972	366,972						
109	GENERAL PROPERTY & LIAB	132,904	132,904						
111	POLICE EVIDENCE ESCROW FUND	16,242	16,242						
113	ENERGY CONSERVATION REV. LOAN	33,817	33,817						
114	COURT TECHNOLOGY FUND	6,045	6,045						
115	TECHNOLOGY FUND	27,066	27,066						
116	TIRZ #1	3,974,197	3,974,197						
117	DONATION FUND	19,709	19,709						
200	PEROT ENHANCEMENT FUND	261,888	261,888						
202	POLICE DOG FUND	321,095	321,095						
204	HCD FUND	91,870	91,870						
209	HOME PROGRAM	47,782	47,782						
211	THEATRE FUND	10,172	10,172						
212	HOTEL/MOTEL TAX FD	540,460	540,460						
213	PEROT THEATRE BLDG MAINT	458,029	58,029						400,000
215	HOUSING FUND	263,371	60,546	197	202,628				
216	POLICE ENTERPRISE TRAINING	1,776	1,776						
217	LAW ENFORCEMENT BLOCK GRANT	2,606	2,606						
219	LAW ENFORCEMENT PROGRAM	31,368	31,368						
223	ECONOMIC DEVELOPMENT	873,465	151,894	699	720,872				
228	BUILDING MAINTENANCE	8,170	8,170						
230	ROTARY SPLASH PARK FUND	374	374						
301	INTEREST & SINKING	2,403,678	2,403,678						
417	2005 BOND FUND	484,944	484,944						
422	TIRZ BOND FUND	538,075	538,075						
423	2017 BOND FUND	7,036,463	(3,848)		7,040,310				
501	HEALTH FUND	452,748	351,336	98	101,314				
502	PUBLIC LIBRARY	12,585	12,585						
601	DRUG ESCROW	99,322	99,322						
605	FEDERAL ASSET FORFEITURE	125,127	125,127						
701	EMPLOYEE BENEFIT	1,055,942	296,050	491	759,401				
702	BENEFIT PAYMENT	1,119,402	1,119,402						
703	FLEET SERVICES	324,284	324,284						
704	CAPITAL REPLACEMENT	1,212,737	1,212,737						
810	MEMBER CITY WATER REVENUE	82,500	82,500						
<b>TOTAL</b>		<b>\$ 34,530,179</b>	<b>\$ 18,094,808</b>	<b>\$ 6,172</b>	<b>\$12,090,431</b>	<b>\$ 1,204,144</b>	<b>\$ 1,205,874</b>	<b>\$ 1,528,751</b>	<b>\$ 400,000</b>

**Water Fund Allocation  
December 31, 2018  
Book & Market Value**

<b>Fund Name</b>	<b>Coupon/ Discount</b>	<b>Maturity Date</b>	<b>Total</b>	<b>Revenue</b>	<b>Customer Loan</b>	<b>Water Plant Construction</b>	<b>Technology</b>	<b>2004 Bond</b>	<b>2013 Bond</b>	<b>2013 Construction</b>
Guaranty B&T MMA	0.55%	01/01/19	\$ 3,030,736	\$ 975,073	\$ 40,408	\$ 46	\$ 174,730	\$ 164,858	\$ 27,399	\$ 28,331
NexBank MMA	1.62%	01/01/19	1,225,000				350,000			
LegacyTexas Bank CD	1.10%	02/19/18	1,000,000							
Farmers Bank & Trust CD	1.00%	02/24/18	500,000							
Farmers Bank & Trust CD	0.98%	04/28/18	700,000							
Farmers Bank & Trust CD	0.95%	04/28/18	250,000							
Texas Security Bank CD	1.15%	06/14/18	1,250,000							
Texas Security Bank CD	1.20%	08/15/18	1,250,000							
BTH Bank CD	1.15%	11/04/18	1,550,000							
Texas Security Bank CD	1.40%	11/16/18	1,250,000							
Farmers Bank & Trust CD	1.15%	04/28/19	700,000							
Texas Security Bank CD	1.70%	07/31/19	1,250,000							
			<b>\$ 13,955,736</b>	<b>\$ 975,073</b>	<b>\$ 40,408</b>	<b>\$ 46</b>	<b>\$ 524,730</b>	<b>\$ 164,858</b>	<b>\$ 27,399</b>	<b>\$ 28,331</b>

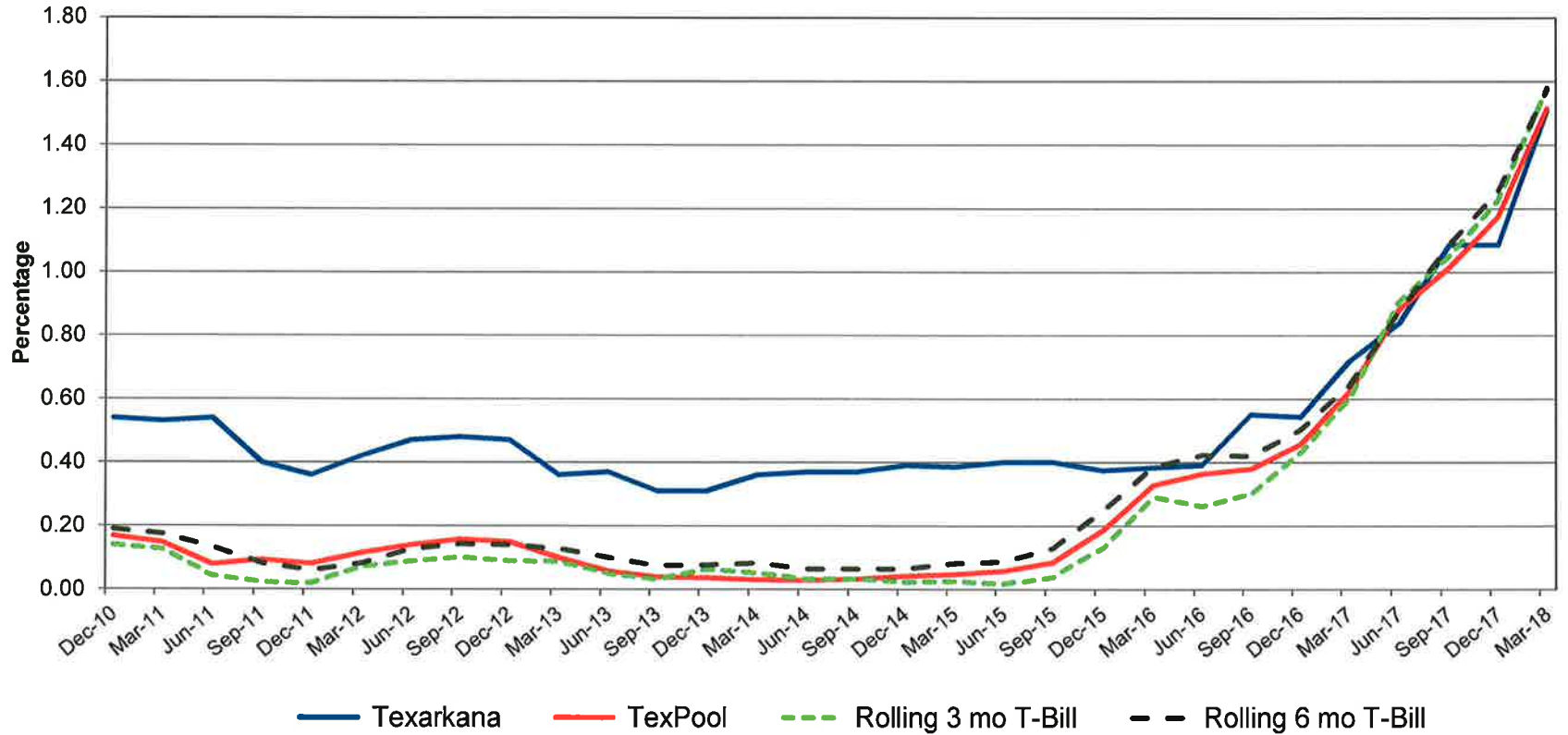
**Water Fund Allocation**  
**December 31, 2018**  
**Book & Market Value** (Continued)

<b>Fund Name</b>	<b>LTWSC Capital Improvement</b>	<b>Capital Improvement</b>	<b>COE Cost</b>	<b>Compost</b>	<b>Customer Deposit</b>	<b>Equipment Acquisition</b>	<b>Infrastructure</b>	<b>Personnel</b>
Guaranty B&T MMA	\$ 375,029	\$ 37,088	\$ 2,461	\$ 61,961	\$ 95,507	\$ 256,793	\$ 131,560	\$ 115,485
NexBank MMA							-	
LegacyTexas Bank CD				360,000	100,000		540,000	
Farmers Bank & Trust CD					400,000		100,000	
Farmers Bank & Trust CD			250,000					
Farmers Bank & Trust CD								
Texas Security Bank CD	275,000	95,000						
Texas Security Bank CD		50,000						
BTH Bank CD	75,000	285,000				100,000		
Texas Security Bank CD		675,000	275,000		200,000	100,000		
Farmers Bank & Trust CD			650,000					
Texas Security Bank CD	325,000		380,000					82,500
	<b>\$ 1,050,029</b>	<b>\$ 1,142,088</b>	<b>\$ 1,557,461</b>	<b>\$ 421,961</b>	<b>\$ 795,507</b>	<b>\$ 456,793</b>	<b>\$ 771,560</b>	<b>\$ 197,985</b>

**Water Fund Allocation**  
**December 31, 2018**  
**Book & Market Value** (Continued)

<b>Fund Name</b>	<b>Reserve</b>	<b>Revenue</b>	<b>WWTP Depreciation</b>	<b>Waggoner Creek CIP</b>
Guaranty B&T MMA	\$ 4,145	\$ -	\$ 163,789	\$ 376,073
NexBank MMA		800,000		75,000
LegacyTexas Bank CD				
Farmers Bank & Trust CD				
Farmers Bank & Trust CD				450,000
Farmers Bank & Trust CD				250,000
Texas Security Bank CD		380,000		500,000
Texas Security Bank CD	700,000			500,000
BTH Bank CD		900,000		190,000
Texas Security Bank CD				
Farmers Bank & Trust CD				50,000
Texas Security Bank CD		380,000	82,500	
	<b>\$ 704,145</b>	<b>\$ 2,460,000</b>	<b>\$ 246,289</b>	<b>\$ 2,391,073</b>

### Total Portfolio Performance





**Collateral Position  
March 31, 2018**

	CITY						WATER UTILITY					
	Guaranty B&T	Farmers B&T	Southside Bank	NexBank	Lubbock National Bank	Texas Security Bank	Guaranty B&T	NexBank	BTH Bank	Farmers B&T	East West Bank	Texas Security Bank
Collateral Value	\$ 6,140,251	\$ 26,000,000	\$ 2,679,180	\$ 12,100,000	\$ 1,558,375	\$ 200,000	\$ -	\$ 1,190,000	\$ 1,581,000	\$ 9,650,000	\$ 1,081,200	\$ 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	250,000
Total Enhancement	\$ 6,390,251	\$ 26,250,000	\$ 2,929,180	\$ 12,350,000	\$ 1,808,375	\$ 450,000	\$ 250,000	\$ 1,440,000	\$ 1,831,000	\$ 9,900,000	\$ 1,331,200	\$ 5,250,000
Total Deposits	\$ 5,639,481	\$ 16,767,500	\$ 2,739,089	\$ 10,136,369	\$ 1,205,874	\$ 400,000	\$ 135,805	\$ 1,167,633	\$ 1,550,000	\$ 6,577,930	\$ 1,060,000	\$ 5,000,000
<b>Excess Coverage</b>	<b>\$ 750,770</b>	<b>\$ 9,482,500</b>	<b>\$ 190,091</b>	<b>\$ 2,213,631</b>	<b>\$ 602,501</b>	<b>\$ 50,000</b>	<b>\$ 114,195</b>	<b>\$ 272,367</b>	<b>\$ 281,000</b>	<b>\$ 3,322,070</b>	<b>\$ 271,200</b>	<b>\$ 250,000</b>
Percentage Coverage	113%	157%	107%	122%	150%	113%	184%	123%	118%	151%	126%	105%
Collateral Type:												
Treasuries												
Agency Bullets												
Agency Callable												
Agency LOC	\$ 3,035,785	\$ 26,000,000		\$ 12,100,000		\$ 200,000		\$ 3,340,000	\$ 1,581,000	\$ 9,650,000	\$ 1,081,200	\$ 5,000,000
Munis	\$ 3,104,466		\$ 2,679,180				\$ -					
Mortgage Backed Securities												
Real Estate Mortgage Investment Conduits/ Collateralized Mortgage Obligations (1)				\$ 1,558,375								

(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.