



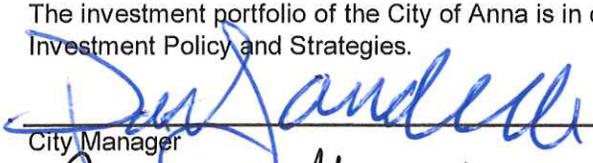
QUARTERLY INVESTMENT REPORT

For the Quarter Ended

March 31, 2017

Prepared by
Valley View Consulting, L.L.C.

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



City Manager



Finance Director

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

Quarter End Results by Investment Category:

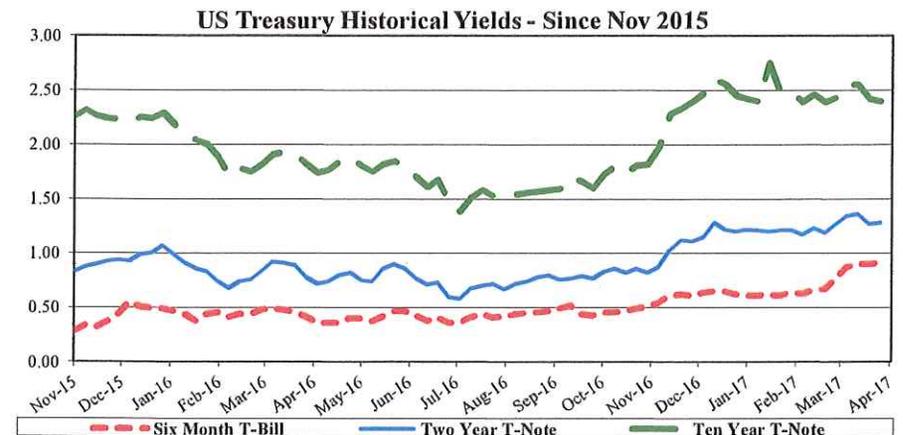
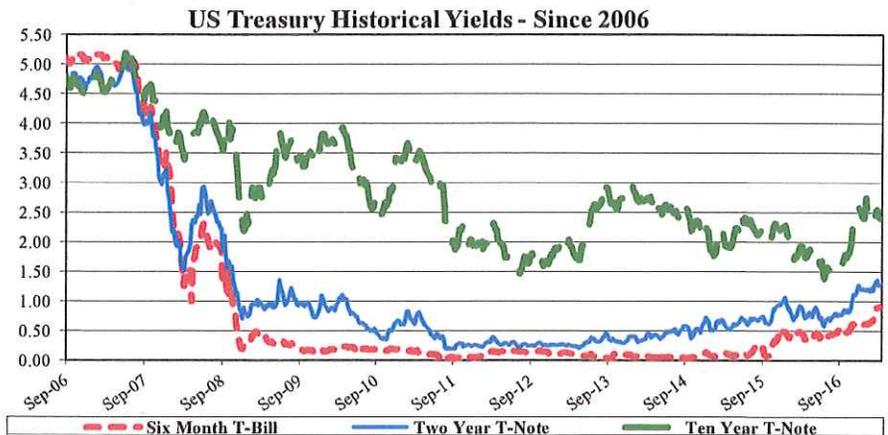
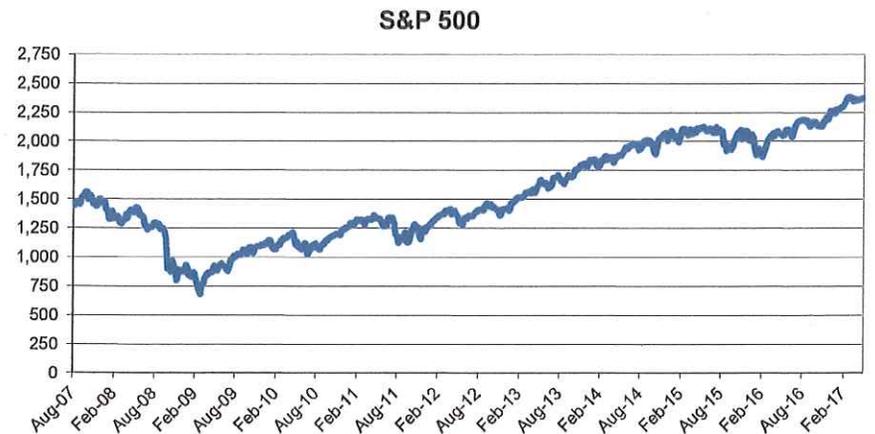
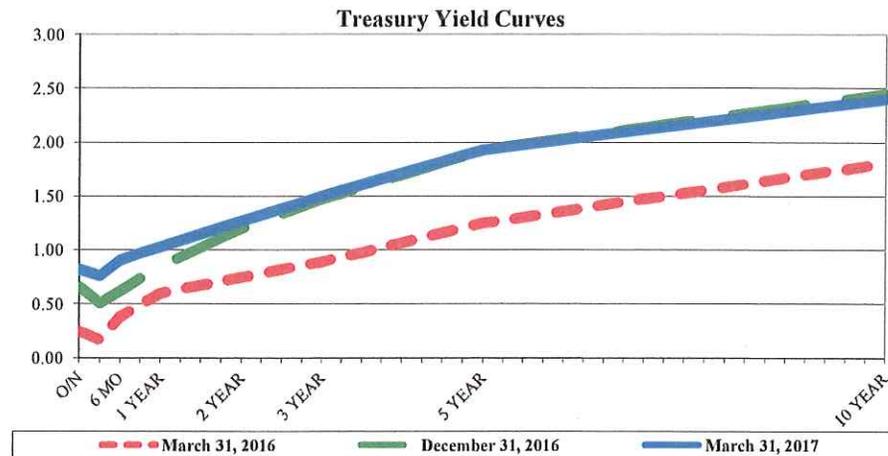
Asset Type	Ave. Yield	March 31, 2017		December 31, 2016	
		Book Value	Market Value	Book Value	Market Value
Bank DDA/MMA/NOW	0.55%	\$ 15,183,812	\$ 15,183,812	\$ 14,017,132	\$ 14,017,132
TexPool	0.62%	263,625	263,625	263,345	263,345
Securities/CDs	0.65%	246,665	246,665	246,107	246,107
Totals		\$ 15,694,102	\$ 15,694,102	\$ 14,526,584	\$ 14,526,584

Current Quarter Average Yield (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	0.55%	Total Portfolio	0.55%
Rolling Three Mo. Treas. Yield	0.60%	Rolling Three Mo. Treas. Yield	3.23%
Rolling Six Mo. Treas. Yield	0.64%	Rolling Six Mo. Treas. Yield	0.57%
		Quarterly TexPool Yield	0.54%
Quarterly Interest Income \$	17,830		
Year-to-date Interest Income \$	33,761		

(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.

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



Investment Holdings

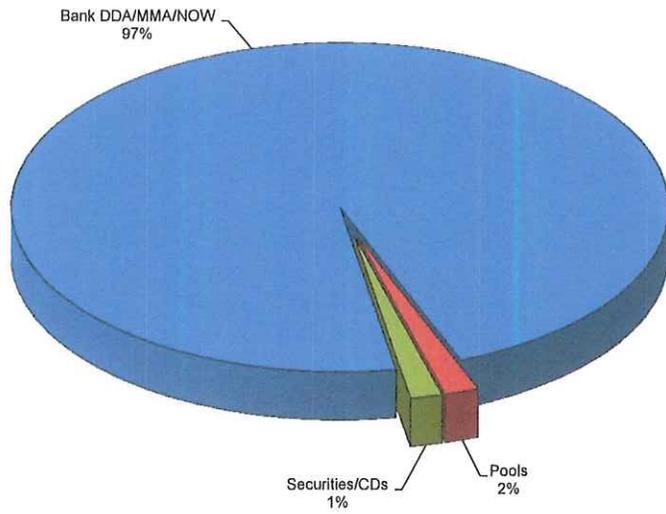
March 31, 2017

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Independent Bank		0.55%	04/01/17	03/31/17	\$ 15,183,812	\$ 15,183,812	1.000	\$ 15,183,812	1	0.55%
TexPool	AAAm	0.62%	04/01/17	03/31/17	263,625	263,625	1.000	263,625	1	0.62%
Texas Star Bank CD		0.65%	04/07/18	04/07/16	246,665	246,665	1.000	246,665	372	0.65%
					<u>\$ 15,694,102</u>	<u>\$ 15,694,102</u>		<u>\$ 15,694,102</u>	<u>7</u>	<u>0.55%</u>
									(1)	(2)

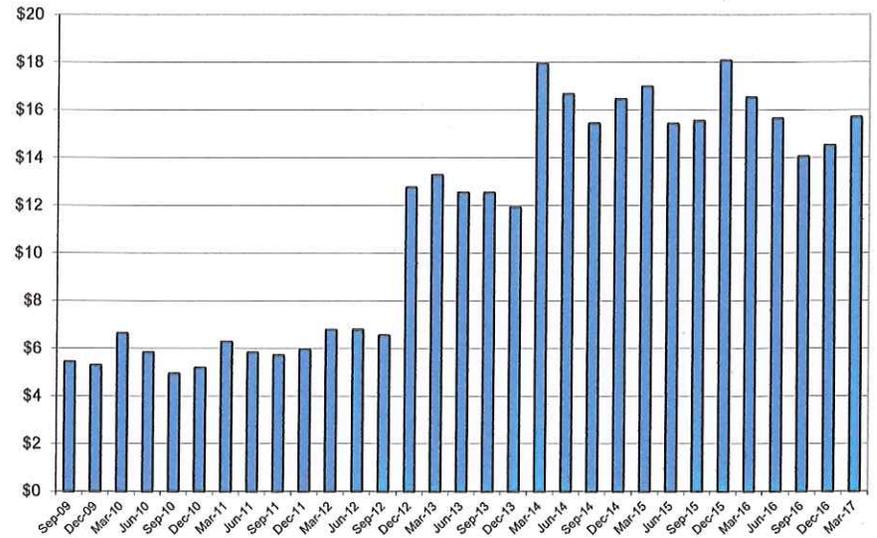
(1) **Weighted average life** - For purposes of calculating weighted average life, pool and bank account investments are assumed to have a one day maturity.

(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 pool and bank account investments.

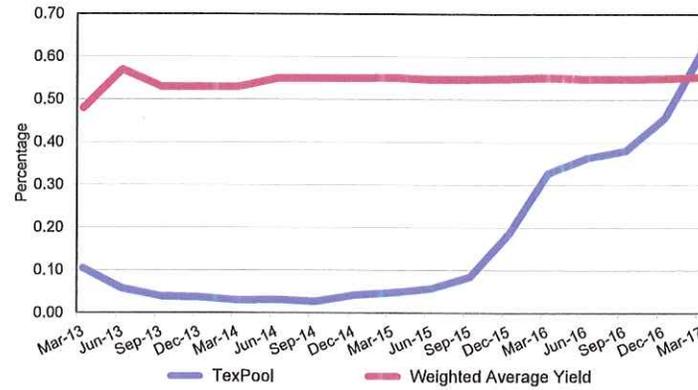
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2016		Purchases/ Adjustments	Sales/Adjust/ Maturities	March 31, 2017	
			Par Value	Book Value			Par Value	Book Value
Independent Bank	0.55%	04/01/17	\$ 14,017,132	\$ 14,017,132	\$ 1,166,680	\$ -	\$ 15,183,812	\$ 15,183,812
TexPool	0.62%	04/01/17	263,345	263,345	280		263,625	263,625
Texas Star Bank CD	0.65%	04/07/18	246,107	246,107	558		246,665	246,665
TOTAL			\$ 14,526,584	\$ 14,526,584	\$ 1,167,518	\$ -	\$ 15,694,102	\$ 15,694,102

Market Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2016		Qtr to Qtr Change	March 31, 2017	
			Par Value	Market Value		Par Value	Market Value
Independent Bank	0.55%	04/01/17	\$ 14,017,132	\$ 14,017,132	\$ 1,166,680	\$ 15,183,812	\$ 15,183,812
TexPool	0.62%	04/01/17	263,345	263,345	280	263,625	263,625
Texas Star Bank CD	0.65%	04/07/18	246,107	246,107	558	246,665	246,665
TOTAL			\$ 14,526,584	\$ 14,526,584	\$ 1,167,518	\$ 15,694,102	\$ 15,694,102

Allocation

March 31, 2017

Book & Market Value	Total	General Operating	General Fund - Restricted	Debt Service Fund - General	General Capital Projects	Utilities Operating	Utilities Funds - Restricted	EDC	CDC
Independent Bank	\$ 15,183,812	\$ 2,537,195	\$ 64,965	\$ 573,126	\$ 1,166,680	\$ 5,281,133	\$ 5,015,701	\$ 289,275	\$ 255,736
TexPool	263,625	206,820					56,805		
Texas Star Bank CD	246,665	123,333				123,333			
Totals	\$ 15,694,102	\$ 2,867,347	\$ 64,965	\$ 573,126	\$ 1,166,680	\$ 5,404,466	\$ 5,072,506	\$ 289,275	\$ 255,736

Allocation

December 31, 2016

Book & Market Value	Total	General Operating	General Fund - Restricted	Debt Service Fund - General	General Capital Projects	Utilities Operating	Utilities Funds - Restricted	EDC	CDC
Independent Bank	\$ 14,017,132	\$ 2,665,714	\$ 55,669	\$ 495,979	\$ 773,050	\$ 4,641,235	\$ 4,896,737	\$ 190,201	\$ 298,547
TexPool	263,345	206,591					56,754		
Texas Star Bank CD	246,107	123,053				123,053			
Totals	\$ 14,526,584	\$ 2,995,358	\$ 55,669	\$ 495,979	\$ 773,050	\$ 4,764,289	\$ 4,953,491	\$ 190,201	\$ 298,547