



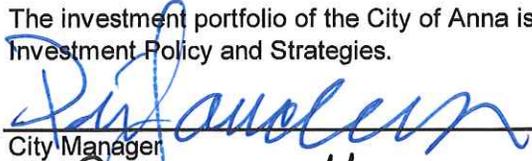
QUARTERLY INVESTMENT REPORT

For the Quarter Ended

June 30, 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	June 30, 2017		March 31, 2017	
		Book Value	Market Value	Book Value	Market Value
Bank DDA/MMA/NOW	0.55%	\$ 15,999,783	\$ 15,999,783	\$ 15,183,812	\$ 15,183,812
TexPool	0.88%	264,235	264,235	263,625	263,625
Securities/CDs	0.65%	247,213	247,213	246,665	246,665
Totals		\$ 16,511,231	\$ 16,511,231	\$ 15,694,102	\$ 15,694,102

Current Quarter Average Yield (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	0.56%	Total Portfolio	0.55%
Rolling Three Mo. Treas. Yield	0.90%	Rolling Three Mo. Treas. Yield	0.65%
Rolling Six Mo. Treas. Yield	0.88%	Rolling Six Mo. Treas. Yield	0.68%
		Quarterly TexPool Yield	0.65%
Quarterly Interest Income	\$ 18,583		
Year-to-date Interest Income	\$ 52,345		

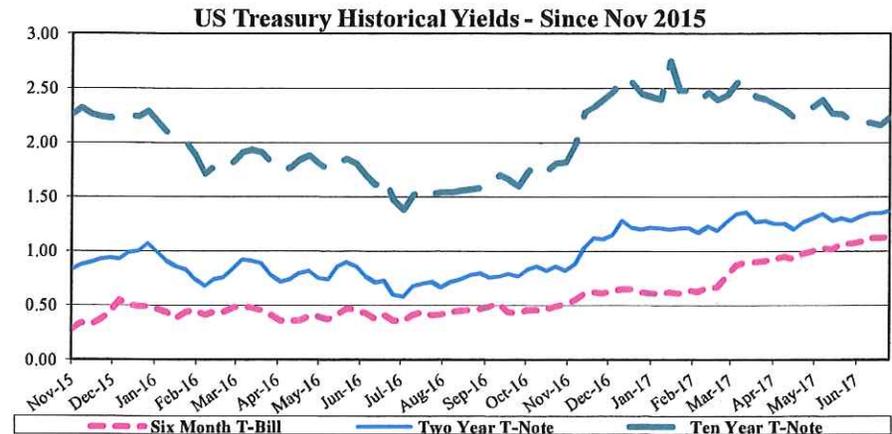
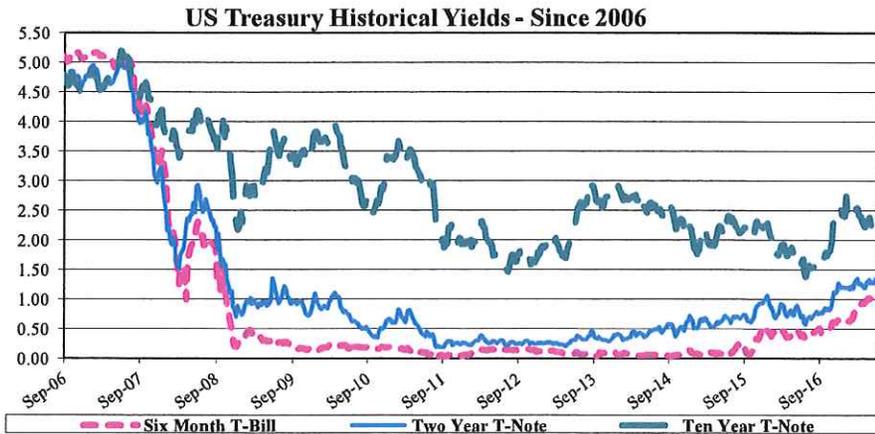
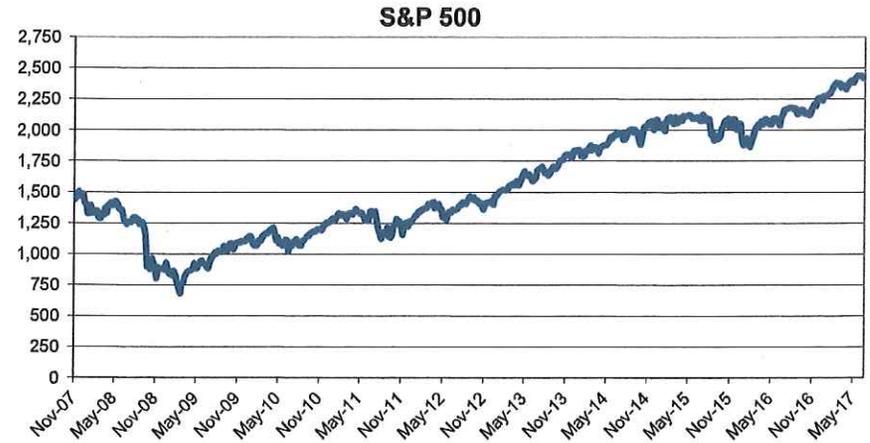
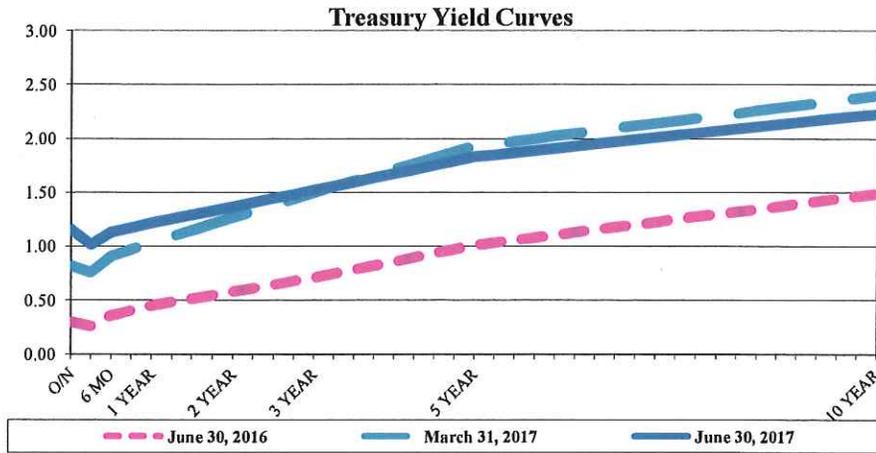
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(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

6/30/2017

The Federal Open Market Committee (FOMC) raised the Fed Funds target range to 1.00% - 1.25% (Effective Fed Funds are trading +/-1.16%) at the June FOMC meeting. The market is not confident additional increases will occur during 2017. The Fed anticipates gradually reducing its government bond holdings. Third revision 1st Quarter 2017 GDP was a increased to 1.4%. June Non-Farm Payroll increased 222k, with +47k adjustment to Apr/May. Other US data remained volatile with some negative numbers. The Stock Markets remain high. Monitoring estimated balances and needs will determine laddering opportunities.



Investment Holdings

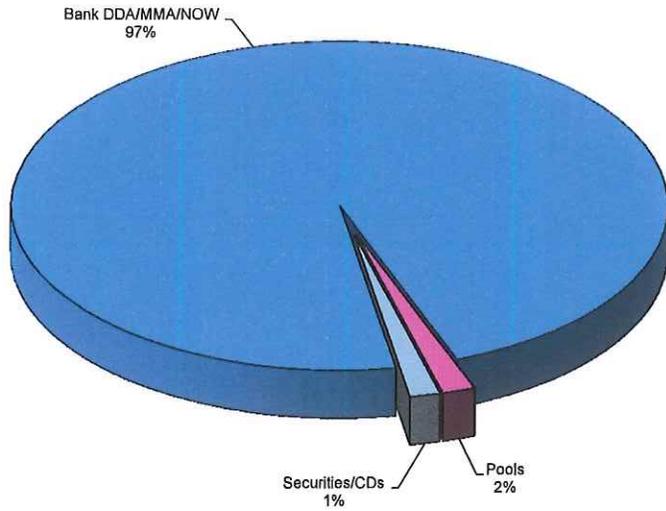
June 30, 2017

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Independent Bank		0.55%	07/01/17	06/30/17	\$ 15,999,783	\$ 15,999,783	1.000	\$ 15,999,783	1	0.55%
TexPool	AAAm	0.88%	07/01/17	06/30/17	264,235	264,235	1.000	264,235	1	0.88%
Texas Star Bank CD		0.65%	04/07/18	04/07/16	247,213	247,213	100.00	247,213	281	0.65%
					<u>\$ 16,511,231</u>	<u>\$ 16,511,231</u>		<u>\$ 16,511,231</u>	<u>5</u>	<u>0.56%</u>
									(1)	(2)

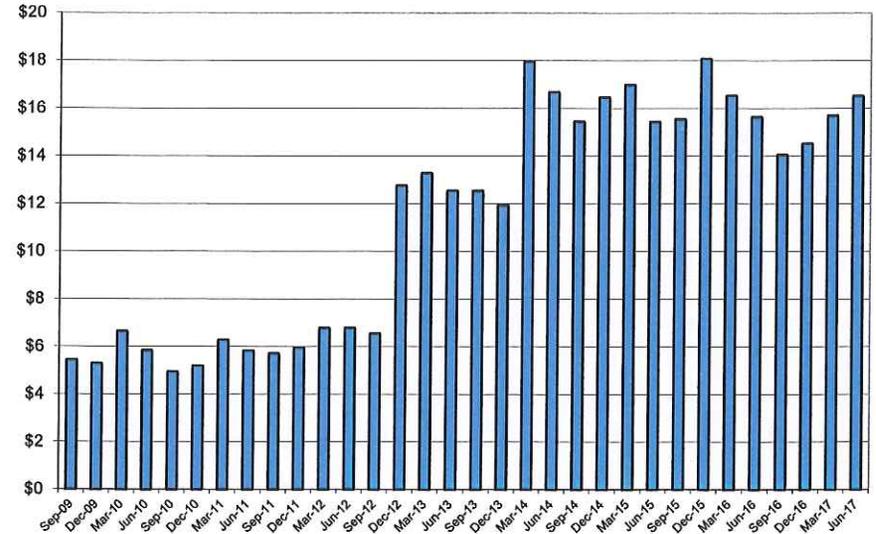
(1) **Weighted average life** - For purposes of calculating weighted average life, pool and bank account investments are assumed to have a one day maturity.

(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.

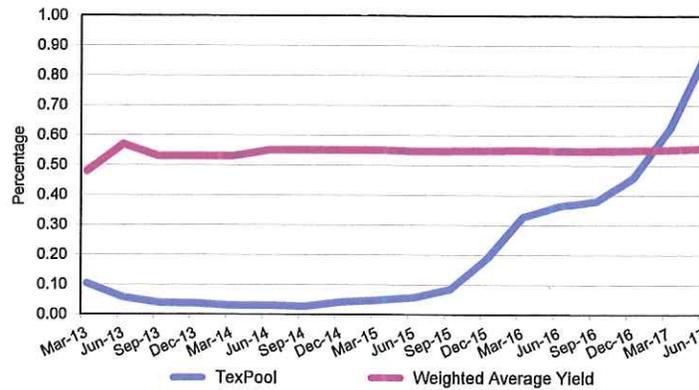
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	March 31, 2017		Purchases/ Adjustments	Sales/Adjust/ Maturities	June 30, 2017	
			Par Value	Book Value			Par Value	Book Value
Independent Bank	0.55%	07/01/17	\$ 15,183,812	\$ 15,183,812	\$ 815,972	\$ -	\$ 15,999,783	\$ 15,999,783
TexPool	0.88%	07/01/17	263,625	263,625	611		264,235	264,235
Texas Star Bank CD	0.65%	04/07/18	246,665	246,665	547		247,213	247,213
TOTAL			\$ 15,694,102	\$ 15,694,102	\$ 817,130	\$ -	\$ 16,511,231	\$ 16,511,231

Market Value Comparison

Description	Maturity Date	March 31, 2017			Qtr to Qtr Change	June 30, 2017		
		Par Value	Market Price	Market Value		Par Value	Market Price	Market Value
Independent Bank	07/01/17	\$ 15,183,812	1.00	\$ 15,183,812	\$ 815,972	\$ 15,999,783	1.00	\$ 15,999,783
TexPool	07/01/17	263,625	1.00	263,625	611	264,235	1.00	264,235
Texas Star Bank CD	04/07/18	246,665	100.00	246,665	547	247,213	100.00	247,213
TOTAL		\$ 15,694,102		\$ 15,694,102	\$ 817,130	\$ 16,511,231		\$ 16,511,231

Allocation

June 30, 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	\$ 15,999,783	\$ 2,427,560	\$ 65,809	\$ 588,294	\$ 1,447,655	\$ 5,966,216	\$ 4,811,689	\$ 337,147	\$ 355,414
TexPool	264,235	207,290					56,946		
Texas Star Bank CD	247,213	123,606				123,606			
Totals	\$ 16,511,231	\$ 2,758,456	\$ 65,809	\$ 588,294	\$ 1,447,655	\$ 6,089,822	\$ 4,868,635	\$ 337,147	\$ 355,414

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