




INVESTMENT PORTFOLIO SUMMARY

For the Quarter Ended

March 31, 2012

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


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



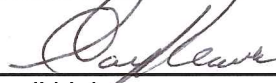
Finance Director



Council Liaison



City Manager



Council Liaison



Assistant City Manager

Strategy Summary:

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range between 0.00% and 0.25% (actual Fed Funds traded +/-10bps). After their January meeting, they extended the projected lower interest rate environment through late 2014. The Greece debt default situation has stabilized, although the EU and European banks are still subject to credit difficulties. Stock values are rising. Employment and unemployment show modest improvement. Other economic data generally record unsteady growth. Financial institution deposits and laddering targeted cash flows still provide the best earnings opportunity.

Quarter End Results by Investment Category:

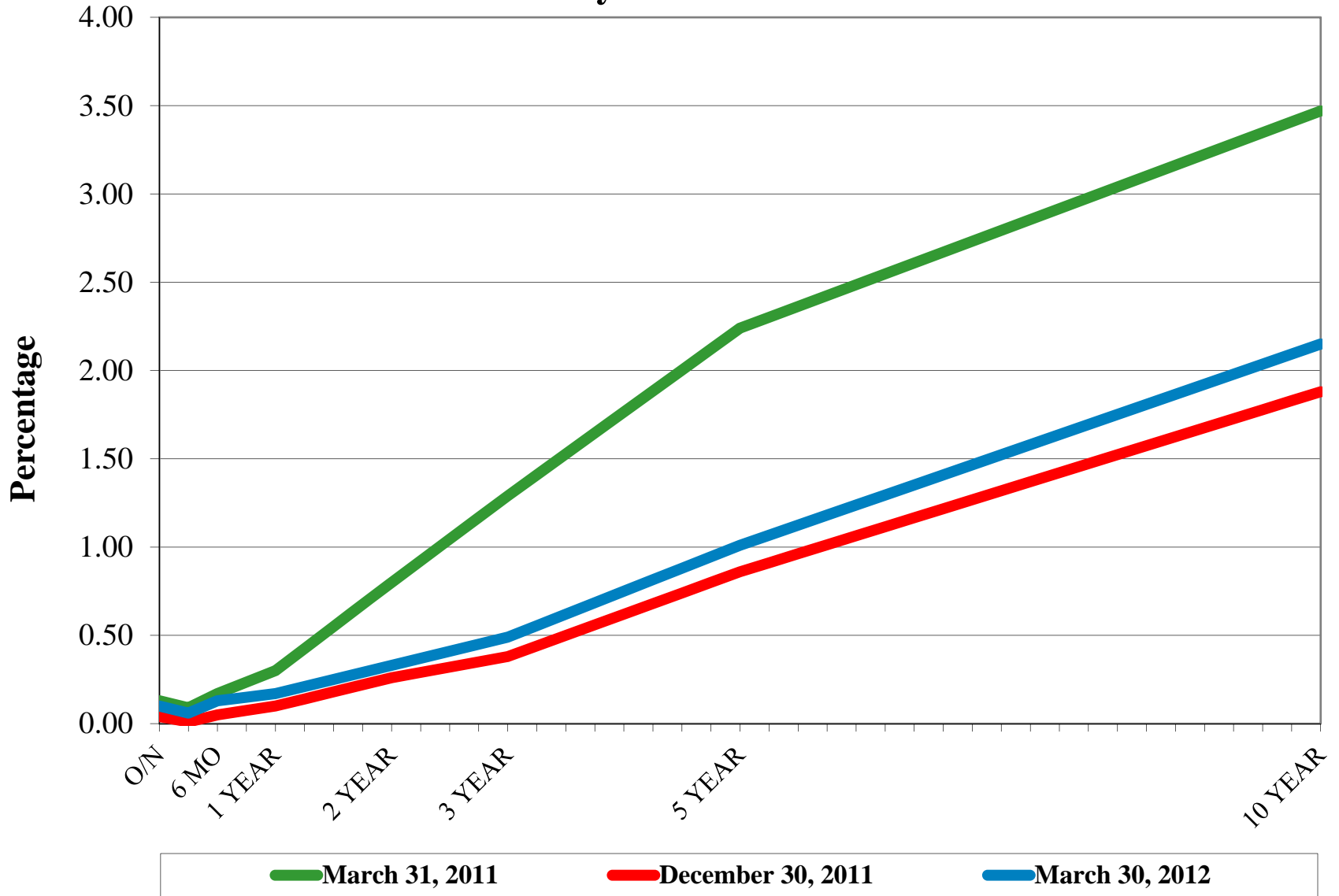
<u>Asset Type</u>	<u>Ave. Yield</u>	March 31, 2012		December 31, 2011	
		<u>Book Value</u>	<u>Market Value</u>	<u>Book Value</u>	<u>Market Value</u>
Demand Accounts	0.00%	\$ 745,192.71	\$ 745,192.71	\$ 999,699.22	\$ 999,699.22
NOW/MMA/Pools	0.24%	25,575,430.30	25,575,430.30	26,465,861.35	26,465,861.35
Certificates of Deposit	0.75%	30,705,091.01	30,705,091.01	27,123,256.19	27,123,256.19
Securities		-	-	-	-
Totals		\$ 57,025,714.02	\$ 57,025,714.02	\$ 54,588,816.76	\$ 54,588,816.76

Average Yield (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	0.51%	Total Portfolio	0.56%
Rolling Three Mo. Treas. Yield	0.07%	Rolling Three Mo. Treas. Yield	0.04%
Rolling Six Mo. Treas. Yield	0.08%	Rolling Six Mo. Treas. Yield	0.07%
		Quarterly TexPool Yield	0.10%
Quarterly Interest Income	\$ 79,811	Approximate	
Year-to-date Interest Income	\$ 161,089	Approximate	

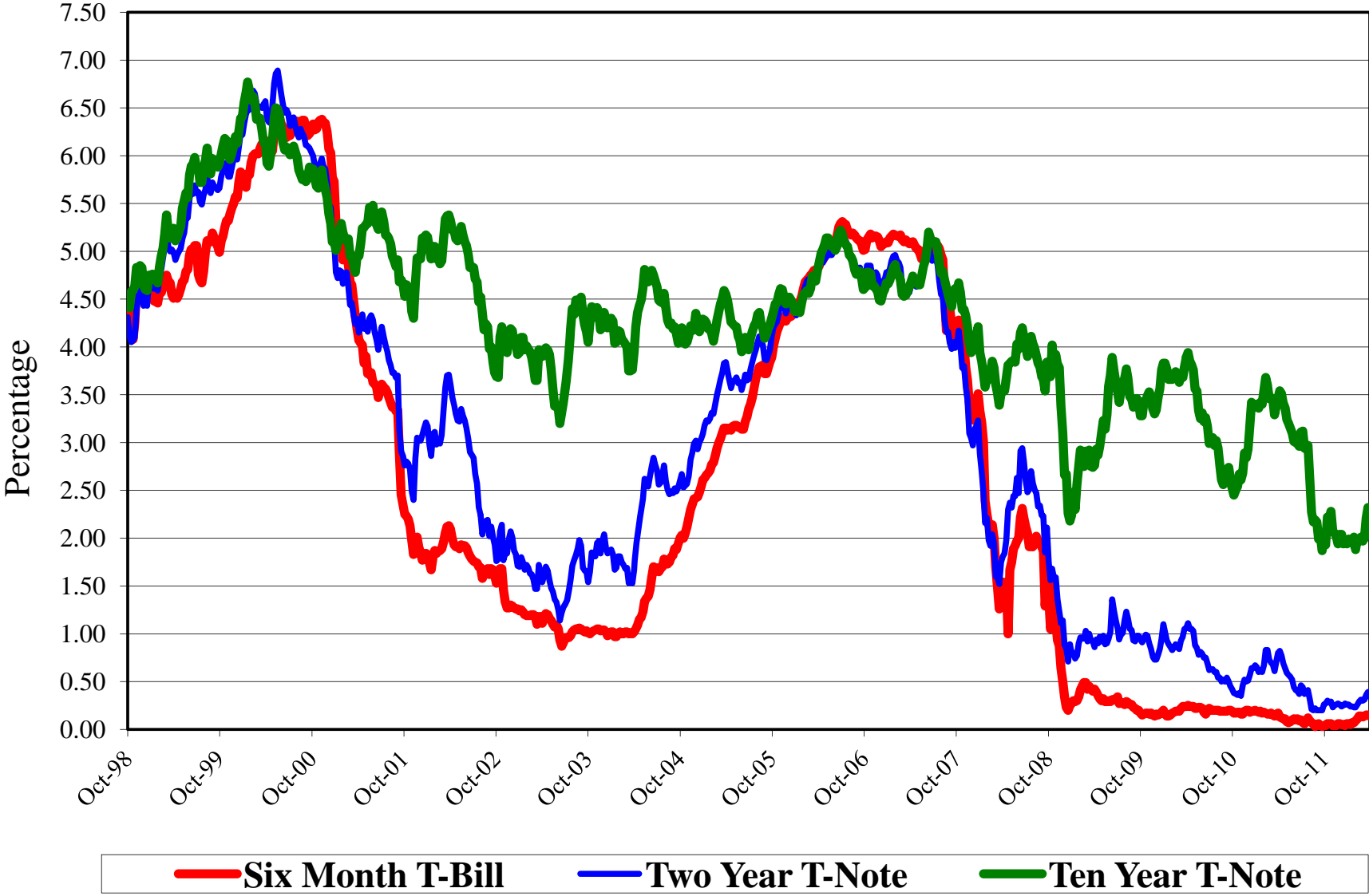
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(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.

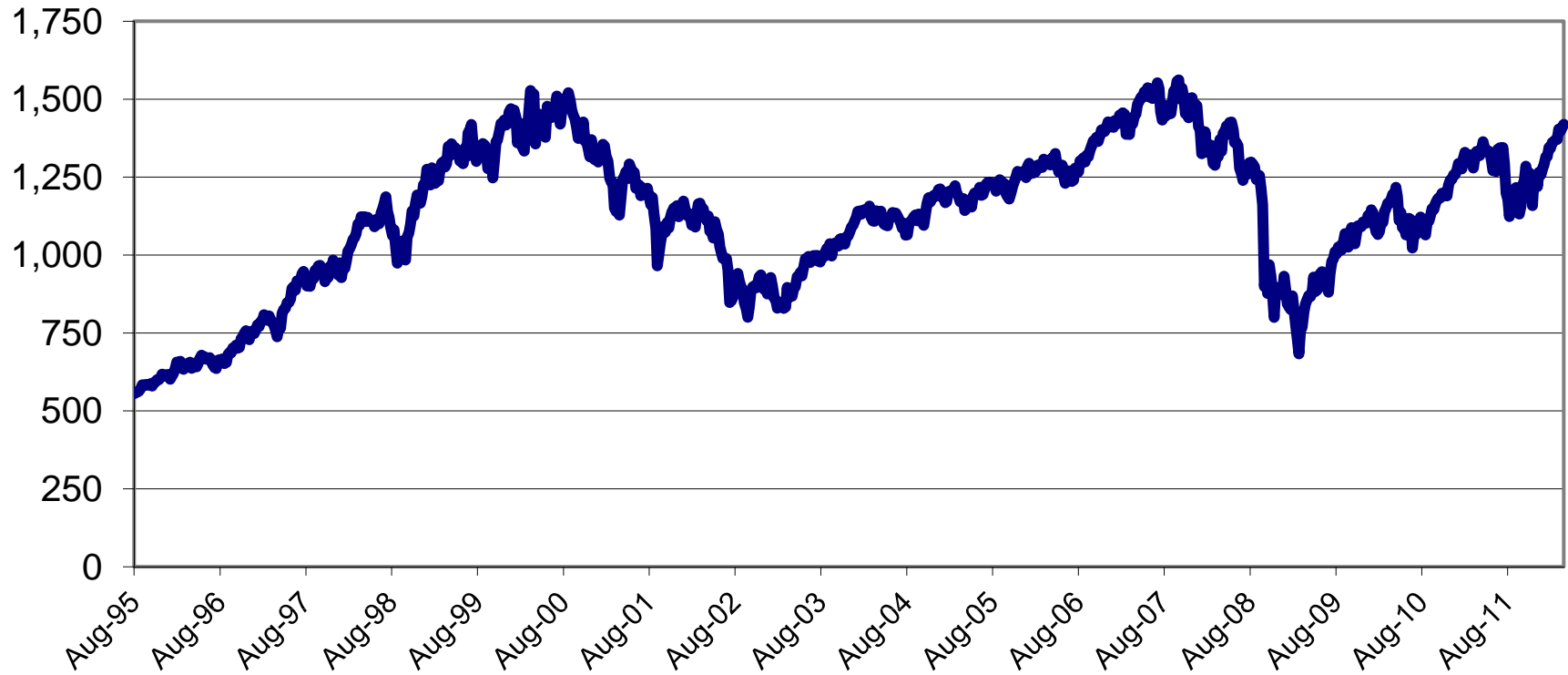
Treasury Yield Curves



US Treasury Historical Yields



S&P 500



Detail of Investment Holdings
March 31, 2012

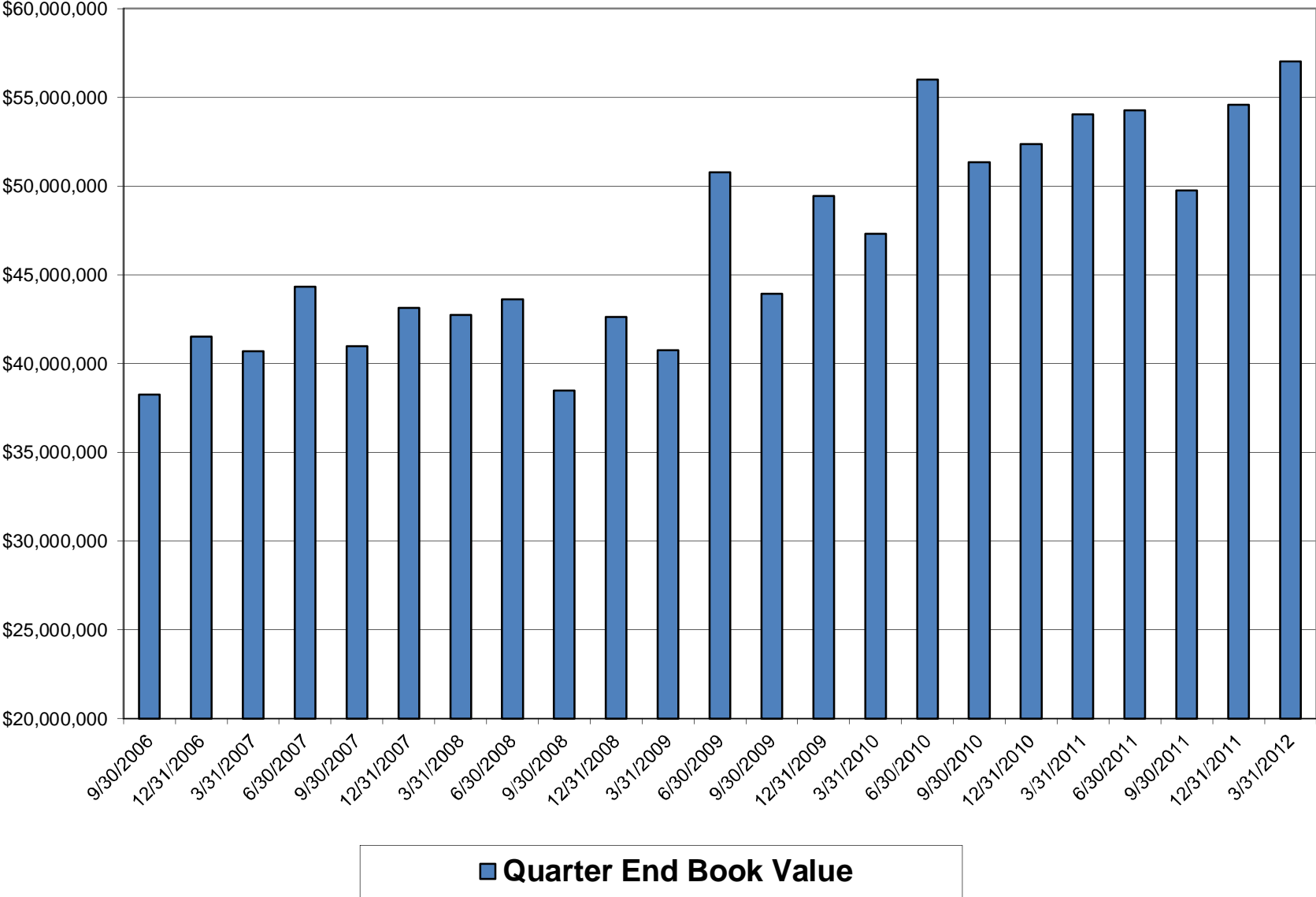
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (mo)	Yield
Frost DDA (3)		0.00%	04/01/12	03/31/12	\$ 745,192.71	\$ 745,192.71	1.00	\$ 745,192.71	0.03	0.00%
TexPool	AAAm	0.12%	04/01/12	03/31/12	8,368,391.07	8,368,391.07	1.00	8,368,391.07	0.03	0.12%
LOGIC	AAAm	0.29%	04/01/12	03/31/12	1,546,549.56	1,546,549.56	1.00	1,546,549.56	0.03	0.29%
Comerica MMA 0330		0.25%	04/01/12	03/31/12	3,607,297.57	3,607,297.57	1.00	3,607,297.57	0.03	0.25%
TSB MMA		0.40%	04/01/12	03/31/12	207,108.99	207,108.99	1.00	207,108.99	0.03	0.40%
VPB MMA		0.20%	04/01/12	03/31/12	119,228.35	119,228.35	1.00	119,228.35	0.03	0.20%
SSB MMA 1332		0.32%	04/01/12	03/31/12	2,714,105.78	2,714,105.78	1.00	2,714,105.78	0.03	0.32%
SSB MMA 7888		0.32%	04/01/12	03/31/12	9,012,748.98	9,012,748.98	1.00	9,012,748.98	0.03	0.32%
Southside CD		0.800%	04/07/12	10/07/10	1,212,067.99	1,212,067.99	100.00	1,212,067.99	0.23	0.80%
Comerica CD		0.700%	04/10/12	01/10/11	2,500,000.00	2,500,000.00	100.00	2,500,000.00	0.33	0.70%
Southside CD		1.700%	07/07/12	07/07/10	1,025,843.83	1,025,843.83	100.00	1,025,843.83	3.21	1.70%
Comerica CD		0.920%	07/10/12	01/10/11	1,500,000.00	1,500,000.00	100.00	1,500,000.00	3.31	0.92%
Southside CD		0.300%	08/01/12	02/24/12	200,000.00	200,000.00	100.00	200,000.00	4.03	0.30%
Southside CD		0.320%	09/04/12	02/24/12	200,000.00	200,000.00	100.00	200,000.00	5.15	0.32%
Comerica CD		0.590%	09/13/12	06/13/11	2,526,221.38	2,526,221.38	100.00	2,526,221.38	5.44	0.59%
Southside CD		0.330%	10/01/12	02/24/12	200,000.00	200,000.00	100.00	200,000.00	6.03	0.33%
Texas Security CD		0.895%	10/20/12	04/20/11	1,000,000.00	1,000,000.00	100.00	1,000,000.00	6.66	0.90%
Comerica CD		0.980%	10/22/12	01/21/11	2,000,000.00	2,000,000.00	100.00	2,000,000.00	6.72	0.98%
Southside CD		0.350%	11/01/12	02/24/12	500,000.00	500,000.00	100.00	500,000.00	7.05	0.35%
Southside CD		0.400%	12/03/12	02/24/12	500,000.00	500,000.00	100.00	500,000.00	8.10	0.40%
Southside CD		0.400%	01/02/13	02/24/12	500,000.00	500,000.00	100.00	500,000.00	9.08	0.40%
Southside CD		0.440%	01/14/13	10/13/11	2,002,218.08	2,002,218.08	100.00	2,002,218.08	9.48	0.44%
Southside CD		0.400%	02/01/13	02/24/12	500,000.00	500,000.00	100.00	500,000.00	10.07	0.40%
Comerica CD		0.960%	02/20/13	05/20/11	2,000,000.00	2,000,000.00	100.00	2,000,000.00	10.69	0.96%
Comerica CD		0.520%	03/01/13	02/24/12	578,000.00	578,000.00	100.00	578,000.00	10.98	0.52%
Comerica CD		0.520%	04/01/13	02/24/12	400,000.00	400,000.00	100.00	400,000.00	12.00	0.52%
Texas Security CD		1.143%	04/20/13	04/20/11	2,000,000.00	2,000,000.00	100.00	2,000,000.00	12.62	1.14%
Comerica CD		0.520%	05/01/13	02/24/12	400,000.00	400,000.00	100.00	400,000.00	12.98	0.52%
Comerica CD		0.550%	06/03/13	02/24/12	400,000.00	400,000.00	100.00	400,000.00	14.07	0.55%
Comerica CD		0.550%	07/01/13	02/24/12	317,000.00	317,000.00	100.00	317,000.00	14.98	0.55%
Comerica CD		0.650%	07/22/13	10/24/11	1,000,000.00	1,000,000.00	100.00	1,000,000.00	15.67	0.65%
Comerica CD		0.550%	08/01/13	02/24/12	200,000.00	200,000.00	100.00	200,000.00	16.00	0.55%
Comerica CD		0.590%	09/03/13	02/24/12	200,000.00	200,000.00	100.00	200,000.00	17.08	0.59%
Comerica CD		0.590%	10/01/13	02/24/12	200,000.00	200,000.00	100.00	200,000.00	18.00	0.59%
Comerica CD		0.590%	11/01/13	02/24/12	140,000.00	140,000.00	100.00	140,000.00	19.02	0.59%
Comerica CD		0.750%	12/30/13	12/30/11	2,003,739.73	2,003,739.73	100.00	2,003,739.73	20.95	0.75%
Comerica CD		0.660%	03/07/14	03/07/12	3,000,000.00	3,000,000.00	100.00	3,000,000.00	23.15	0.66%
Comerica CD		0.650%	03/12/14	03/12/12	1,500,000.00	1,500,000.00	100.00	1,500,000.00	23.31	0.65%
					\$ 57,025,714.02	\$ 57,025,714.02		\$ 57,025,714.02	5.81	0.51%
									(1)	(2)

(1) Weighted average life - For purposes of calculating weighted average life, bank accounts, pools and money market funds are assumed to have an one day maturity.

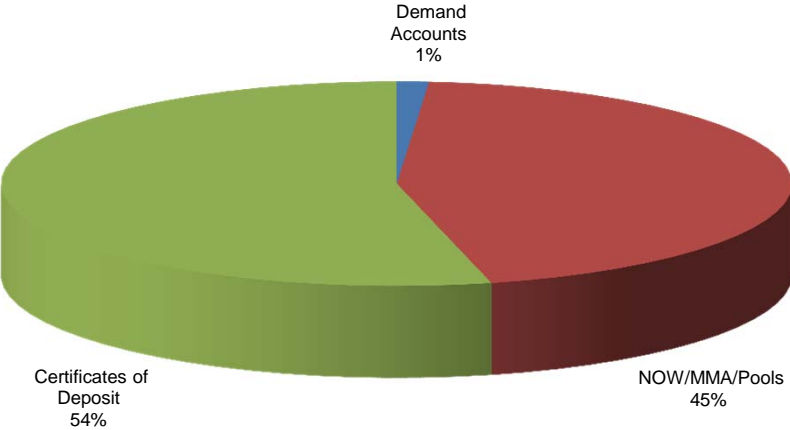
(2) Weighted average yield to maturity - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank accounts, pools, and money market funds.

(3) Earnings Credit Rate - The City's DDA accrues earnings credit to offset service charges and fees. The current rate is 0.58%.

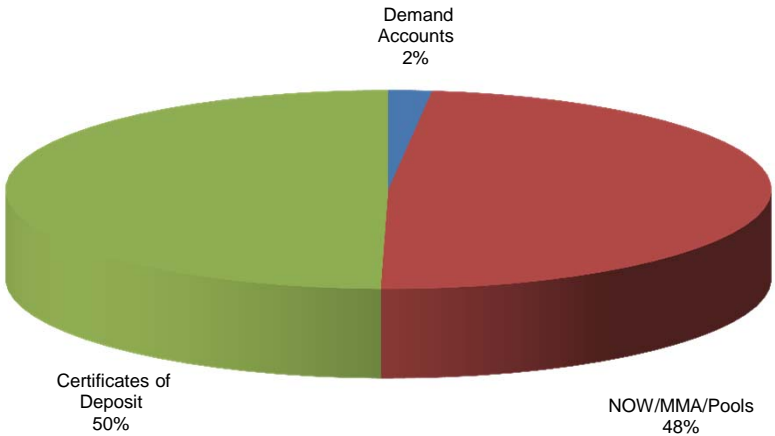
Total Portfolio



**Portfolio Composition
Current Quarter**



**Portfolio Composition
Previous Quarter**



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2011			March 31, 2012		
			Par Value	Book Value	Purchases/ Adjustments	Sales/Adjust/ Call/Maturity	Par Value	Book Value
Frost DDA	0.00%	04/01/12	\$ 999,699.22	\$ 999,699.22	\$ -	\$ (254,506.51)	\$ 745,192.71	\$ 745,192.71
TexPool	0.12%	04/01/12	10,240,687.60	10,240,687.60		(1,872,296.53)	8,368,391.07	8,368,391.07
LOGIC	0.29%	04/01/12	1,145,316.53	1,145,316.53	401,233.03		1,546,549.56	1,546,549.56
Comerica MMA 0330	0.25%	04/01/12	3,035,642.28	3,035,642.28	571,655.29		3,607,297.57	3,607,297.57
TSB MMA	0.40%	04/01/12	206,903.11	206,903.11	205.88		207,108.99	207,108.99
VPB MMA	0.20%	04/01/12	119,148.90	119,148.90	79.45		119,228.35	119,228.35
SSB MMA 1332	0.32%	04/01/12	2,712,094.11	2,712,094.11	2,011.67		2,714,105.78	2,714,105.78
SSB MMA 7888	0.32%	04/01/12	9,006,068.82	9,006,068.82	6,680.16		9,012,748.98	9,012,748.98
American National CD	1.700%	03/03/12	2,833,027.24	2,833,027.24		(2,833,027.24)		
Southside CD	0.900%	03/07/12	1,516,941.78	1,516,941.78		(1,516,941.78)		
Comerica CD	1.710%	03/13/12	2,000,000.00	2,000,000.00		(2,000,000.00)		
Southside CD	0.800%	04/07/12	1,209,628.85	1,209,628.85	2,439.14		1,212,067.99	1,212,067.99
Comerica CD	0.700%	04/10/12	2,500,000.00	2,500,000.00			2,500,000.00	2,500,000.00
Southside CD	1.700%	07/07/12	1,021,466.92	1,021,466.92	4,376.91		1,025,843.83	1,025,843.83
Comerica CD	0.920%	07/10/12	1,500,000.00	1,500,000.00			1,500,000.00	1,500,000.00
Southside CD	0.300%	08/01/12			200,000.00		200,000.00	200,000.00
Southside CD	0.320%	09/04/12			200,000.00		200,000.00	200,000.00
Comerica CD	0.590%	09/13/12	2,526,221.38	2,526,221.38			2,526,221.38	2,526,221.38
Southside CD	0.330%	10/01/12			200,000.00		200,000.00	200,000.00
Texas Security CD	0.895%	10/20/12	1,000,000.00	1,000,000.00			1,000,000.00	1,000,000.00
Comerica CD	0.980%	10/22/12	2,000,000.00	2,000,000.00			2,000,000.00	2,000,000.00
Southside CD	0.350%	11/01/12			500,000.00		500,000.00	500,000.00
Southside CD	0.400%	12/03/12			500,000.00		500,000.00	500,000.00
Southside CD	0.400%	01/02/13			500,000.00		500,000.00	500,000.00
Southside CD	0.440%	01/14/13	2,000,000.00	2,000,000.00	2,218.08		2,002,218.08	2,002,218.08
Southside CD	0.400%	02/01/13			500,000.00		500,000.00	500,000.00
Comerica CD	0.960%	02/20/13	2,000,000.00	2,000,000.00			2,000,000.00	2,000,000.00
Comerica CD	0.520%	03/01/13			578,000.00		578,000.00	578,000.00
Comerica CD	0.520%	04/01/13			400,000.00		400,000.00	400,000.00
Texas Security CD	1.143%	04/20/13	2,000,000.00	2,000,000.00			2,000,000.00	2,000,000.00
Comerica CD	0.520%	05/01/13			400,000.00		400,000.00	400,000.00
Comerica CD	0.550%	06/03/13			400,000.00		400,000.00	400,000.00
Comerica CD	0.550%	07/01/13			317,000.00		317,000.00	317,000.00
Comerica CD	0.650%	07/22/13	1,000,000.00	1,000,000.00			1,000,000.00	1,000,000.00
Comerica CD	0.550%	08/01/13			200,000.00		200,000.00	200,000.00
Comerica CD	0.590%	09/03/13			200,000.00		200,000.00	200,000.00
Comerica CD	0.590%	10/01/13			200,000.00		200,000.00	200,000.00
Comerica CD	0.590%	11/01/13			140,000.00		140,000.00	140,000.00
Comerica CD	0.750%	12/30/13	2,000,000.00	2,000,000.00	3,739.73		2,003,739.73	2,003,739.73
Comerica CD	0.660%	03/07/14			3,000,000.00		3,000,000.00	3,000,000.00
Comerica CD	0.650%	03/12/14			1,500,000.00		1,500,000.00	1,500,000.00
TOTAL			\$ 54,588,816.76	\$ 54,588,816.76	\$ 10,929,639.34	\$ (8,476,772.06)	\$ 57,025,714.02	\$ 57,025,714.02

Market Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2011		Qtr to Qtr Change	March 31, 2012	
			Par Value	Market Value		Par Value	Market Value
Frost DDA	0.00%	04/01/12	\$ 999,699.22	\$ 999,699.22	\$ (254,506.51)	\$ 745,192.71	\$ 745,192.71
TexPool	0.12%	04/01/12	10,240,687.60	10,240,687.60	(1,872,296.53)	8,368,391.07	8,368,391.07
LOGIC	0.29%	04/01/12	1,145,316.53	1,145,316.53	401,233.03	1,546,549.56	1,546,549.56
Comerica MMA 0330	0.25%	04/01/12	3,035,642.28	3,035,642.28	571,655.29	3,607,297.57	3,607,297.57
TSB MMA	0.40%	04/01/12	206,903.11	206,903.11	205.88	207,108.99	207,108.99
VPB MMA	0.20%	04/01/12	119,148.90	119,148.90	79.45	119,228.35	119,228.35
SSB MMA 1332	0.32%	04/01/12	2,712,094.11	2,712,094.11	2,011.67	2,714,105.78	2,714,105.78
SSB MMA 7888	0.32%	04/01/12	9,006,068.82	9,006,068.82	6,680.16	9,012,748.98	9,012,748.98
American National CD	1.70%	03/03/12	2,833,027.24	2,833,027.24	(2,833,027.24)		
Southside CD	0.90%	03/07/12	1,516,941.78	1,516,941.78	(1,516,941.78)		
Comerica CD	1.71%	03/13/12	2,000,000.00	2,000,000.00	(2,000,000.00)		
Southside CD	0.80%	04/07/12	1,209,628.85	1,209,628.85	2,439.14	1,212,067.99	1,212,067.99
Comerica CD	0.70%	04/10/12	2,500,000.00	2,500,000.00	-	2,500,000.00	2,500,000.00
Southside CD	1.70%	07/07/12	1,021,466.92	1,021,466.92	4,376.91	1,025,843.83	1,025,843.83
Comerica CD	0.92%	07/10/12	1,500,000.00	1,500,000.00	-	1,500,000.00	1,500,000.00
Southside CD	0.30%	08/01/12			200,000.00	200,000.00	200,000.00
Southside CD	0.32%	09/04/12			200,000.00	200,000.00	200,000.00
Comerica CD	0.59%	09/13/12	2,526,221.38	2,526,221.38	-	2,526,221.38	2,526,221.38
Southside CD	0.33%	10/01/12			200,000.00	200,000.00	200,000.00
Texas Security CD	0.90%	10/20/12	1,000,000.00	1,000,000.00	-	1,000,000.00	1,000,000.00
Comerica CD	0.98%	10/22/12	2,000,000.00	2,000,000.00	-	2,000,000.00	2,000,000.00
Southside CD	0.35%	11/01/12			500,000.00	500,000.00	500,000.00
Southside CD	0.40%	12/03/12			500,000.00	500,000.00	500,000.00
Southside CD	0.40%	01/02/13			500,000.00	500,000.00	500,000.00
Southside CD	0.44%	01/14/13	2,000,000.00	2,000,000.00	2,218.08	2,002,218.08	2,002,218.08
Southside CD	0.40%	02/01/13			500,000.00	500,000.00	500,000.00
Comerica CD	0.96%	02/20/13	2,000,000.00	2,000,000.00	-	2,000,000.00	2,000,000.00
Comerica CD	0.52%	03/01/13			578,000.00	578,000.00	578,000.00
Comerica CD	0.52%	04/01/13			400,000.00	400,000.00	400,000.00
Texas Security CD	1.14%	04/20/13	2,000,000.00	2,000,000.00	-	2,000,000.00	2,000,000.00
Comerica CD	0.52%	05/01/13			400,000.00	400,000.00	400,000.00
Comerica CD	0.55%	06/03/13			400,000.00	400,000.00	400,000.00
Comerica CD	0.55%	07/01/13			317,000.00	317,000.00	317,000.00
Comerica CD	0.65%	07/22/13	1,000,000.00	1,000,000.00	-	1,000,000.00	1,000,000.00
Comerica CD	0.55%	08/01/13			200,000.00	200,000.00	200,000.00
Comerica CD	0.59%	09/03/13			200,000.00	200,000.00	200,000.00
Comerica CD	0.59%	10/01/13			200,000.00	200,000.00	200,000.00
Comerica CD	0.59%	11/01/13			140,000.00	140,000.00	140,000.00
Comerica CD	0.75%	12/30/13	2,000,000.00	2,000,000.00	3,739.73	2,003,739.73	2,003,739.73
Comerica CD	0.66%	03/07/14			3,000,000.00	3,000,000.00	3,000,000.00
Comerica CD	0.65%	03/12/14			1,500,000.00	1,500,000.00	1,500,000.00
TOTAL			\$ 54,588,816.76	\$ 54,588,816.76	\$ 2,452,867.28	\$ 57,025,714.02	\$ 57,025,714.02

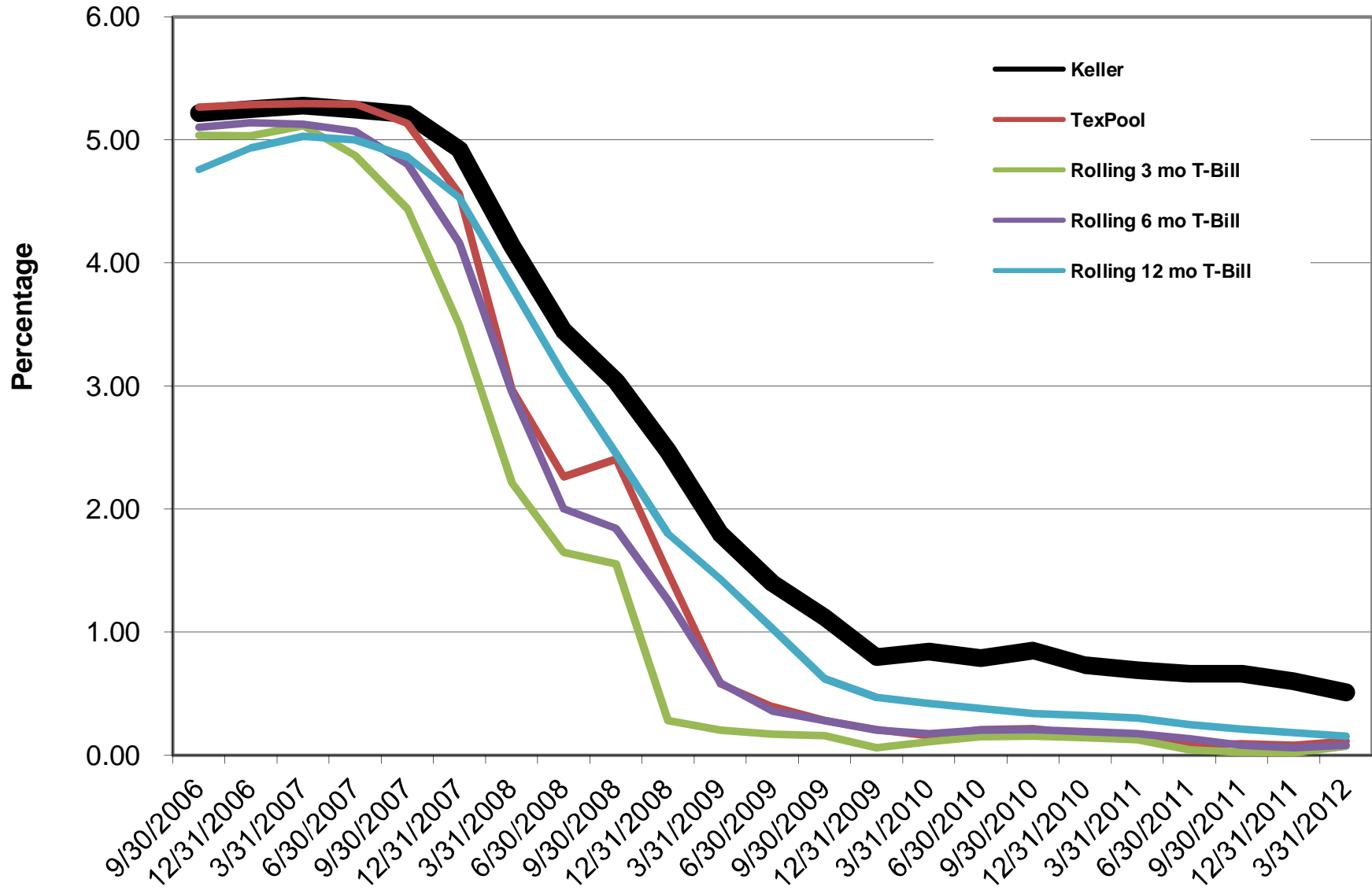
Allocation
March 31, 2012

Book & Market Value	Investment Total	Consolidated	CCPD	Non-Profit Trust	2010 CO's GO	2010 CO's W&S	2012 TWDB CO's	Unreimbursed Medical
Frost DDA	\$ 745,192.71	\$ 700,174.47	\$ -	\$ 3,897.01	\$ -	\$ -	\$ -	\$ 41,121.23
TexPool	8,368,391.07	5,460,511.86	1,156,470.66	18,798.77	628,931.06	1,103,678.72		
LOGIC	1,546,549.56	1,146,107.56					400,442.00	
Comerica MMA 0330	3,607,297.57	3,607,297.57						
TSB MMA	207,108.99	207,108.99						
VPB MMA	119,228.35	119,228.35						
SSB MMA 1332	2,714,105.78	-	2,714,105.78					
SSB MMA 7888	9,012,748.98	9,012,748.98						
04/07/2012	1,212,067.99	1,212,067.99						
04/10/2012	2,500,000.00	2,500,000.00						
07/07/2012	1,025,843.83	1,025,843.83						
07/10/2012	1,500,000.00	1,500,000.00						
08/01/2012	200,000.00						200,000.00	
09/04/2012	200,000.00						200,000.00	
09/13/2012	2,526,221.38	2,526,221.38						
10/01/2012	200,000.00						200,000.00	
10/20/2012	1,000,000.00	1,000,000.00						
10/22/2012	2,000,000.00	2,000,000.00						
11/01/2012	500,000.00						500,000.00	
12/03/2012	500,000.00						500,000.00	
01/02/2013	500,000.00						500,000.00	
01/14/2013	2,002,218.08	2,002,218.08						
02/01/2013	500,000.00						500,000.00	
02/20/2013	2,000,000.00	2,000,000.00						
03/01/2013	578,000.00						578,000.00	
04/01/2013	400,000.00						400,000.00	
04/20/2013	2,000,000.00	2,000,000.00						
05/01/2013	400,000.00						400,000.00	
06/03/2013	400,000.00						400,000.00	
07/01/2013	317,000.00						317,000.00	
07/22/2013	1,000,000.00	1,000,000.00						
08/01/2013	200,000.00						200,000.00	
09/03/2013	200,000.00						200,000.00	
10/01/2013	200,000.00						200,000.00	
11/01/2013	140,000.00						140,000.00	
12/30/2013	2,003,739.73	2,003,739.73						
03/07/2014	3,000,000.00	3,000,000.00						
03/12/2014	1,500,000.00	1,500,000.00						
Totals	\$ 57,025,714.02	\$ 45,523,268.79	\$ 3,870,576.44	\$ 22,695.78	\$ 628,931.06	\$ 1,103,678.72	\$ 5,835,442.00	\$ 41,121.23

Allocation
December 31, 2011

Book & Market Value	Investment Total	Consolidated	CCPD	Non-Profit Trust	2009 CO	2010 CO's GO	2010 CO's W&S	Unreimbursed Medical
Frost DDA	\$ 999,699.22	\$ 964,849.93	\$ -	\$ 2,286.60	\$ -	\$ -	\$ -	\$ 32,562.69
TexPool	10,240,687.60	6,842,041.56	908,485.08	8,057.33	334,770.18	1,103,409.85	1,043,923.60	
LOGIC	1,145,316.53	1,145,316.53						
Comerica MMA 0330	3,035,642.28	3,035,642.28						
TSB MMA	206,903.11	206,903.11						
VPB MMA	119,148.90	119,148.90						
SSB MMA 1332	2,712,094.11		2,712,094.11					
SSB MMA 7888	9,006,068.82	9,006,068.82						
03/03/2012	2,833,027.24	2,833,027.24						
03/07/2012	1,516,941.78	1,516,941.78						
03/13/2012	2,000,000.00	2,000,000.00						
04/07/2012	1,209,628.85	1,209,628.85						
04/10/2012	2,500,000.00	2,500,000.00						
07/07/2012	1,021,466.92	1,021,466.92						
07/10/2012	1,500,000.00	1,500,000.00						
09/13/2012	2,526,221.38	2,526,221.38						
10/20/2012	1,004,492.29	1,004,492.29						
10/22/2012	2,000,000.00	2,000,000.00						
01/14/2013	2,000,000.00	2,000,000.00						
02/20/2013	2,000,000.00	2,000,000.00						
04/20/2013	2,011,477.73	2,011,477.73						
07/22/2013	1,000,000.00	1,000,000.00						
12/30/2013	2,000,000.00	2,000,000.00						
Totals	\$ 54,588,816.76	\$ 48,443,227.32	\$ 3,620,579.19	\$ 10,343.93	\$ 334,770.18	\$ 1,103,409.85	\$ 1,043,923.60	\$ 32,562.69

City of Keller Historical Yields



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.