




INVESTMENT REPORT

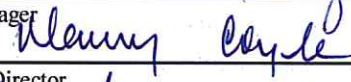
For the Period Ended
June 30, 2015

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

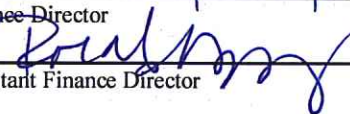
The investment portfolio of the City of San Benito is in compliance with the Public Funds Investment Act and the City of San Benito Investment Policy.



City Manager



Finance Director



Assistant 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.

Strategy Summary:

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range between 0.00% and 0.25% (actual Fed Funds traded +/-10 bps). The 2015 first quarter GDP was re-revised to -0.2%. The European Central Bank (ECB) Quantitative Easing plan continues. The June new payroll numbers recorded 223k with downward revisions of the previous two months. US stock markets maintained current levels. Greece debt default, and the referendum vote rejecting austerity plans, increased Euro uncertainty. Slower Chinese economic activity and stock market declines hamper long term outlooks. The FOMC met June 16 and 17 with no change in policy. With excess cash, continuing to ladder provides strategic advantage. Financial institution deposits generally provide the best interest earnings opportunity, if available.

Quarter End Results by Investment Category:

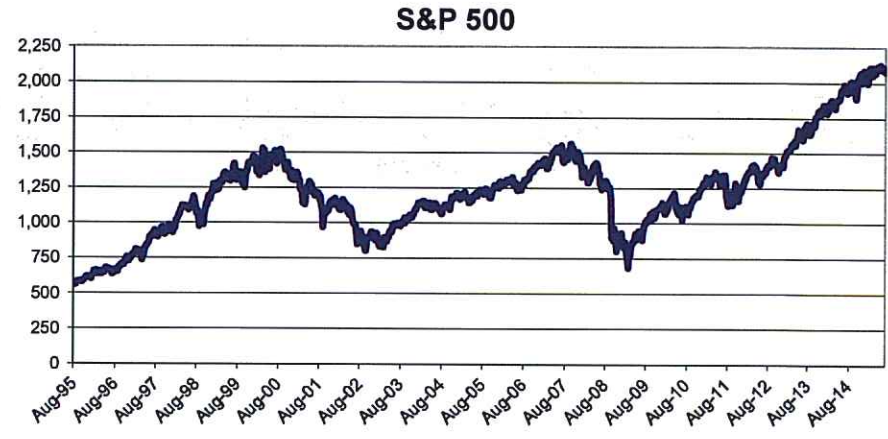
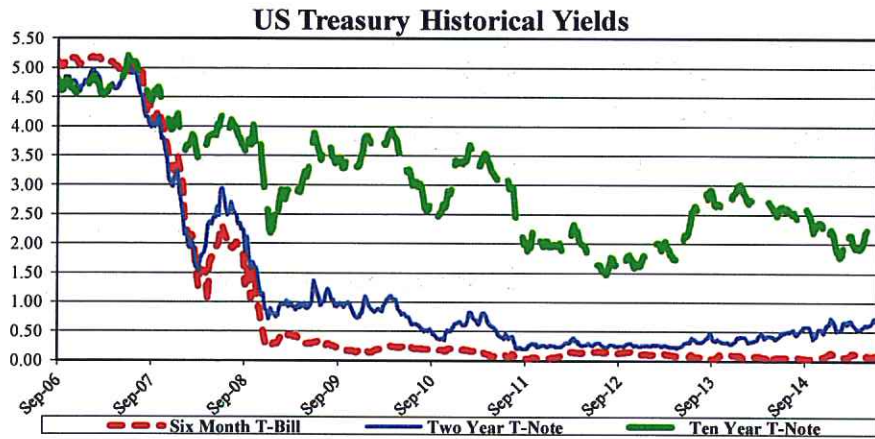
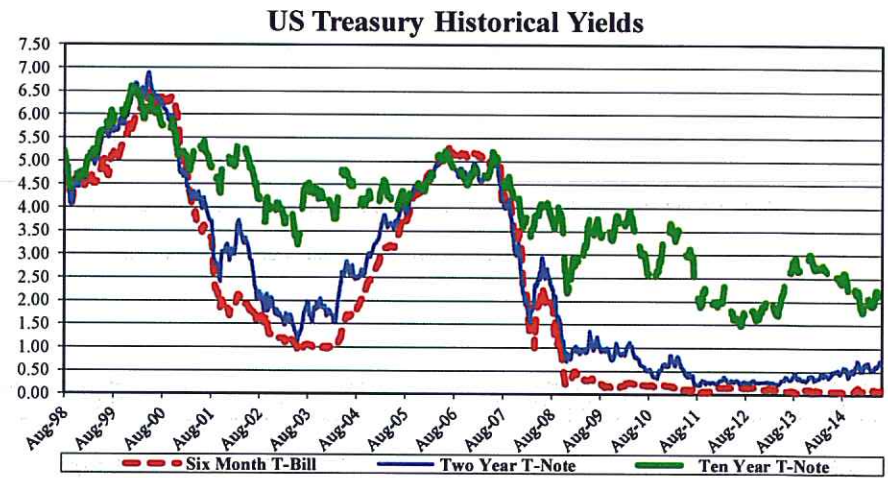
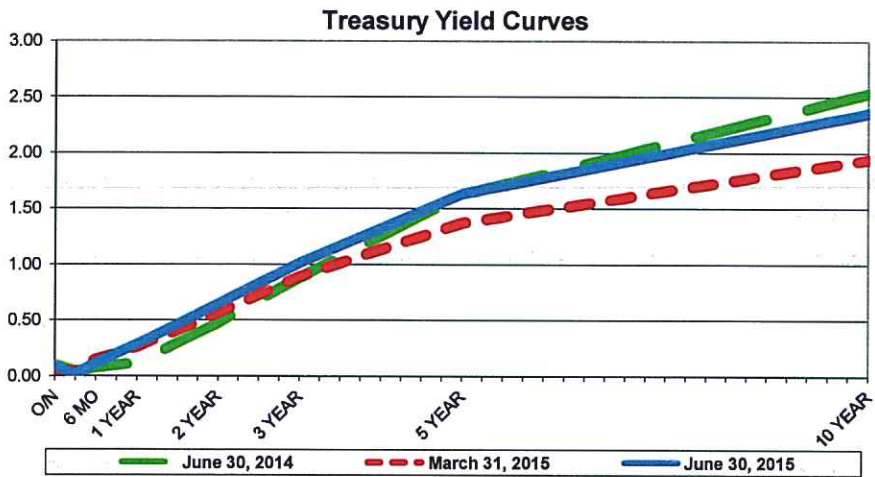
<u>Asset Type</u>	<u>Ave. Yield</u>	<u>June 30, 2015</u>		<u>March 31, 2015</u>	
		<u>Book Value</u>	<u>Market Value</u>	<u>Book Value</u>	<u>Market Value</u>
Bank Accounts/MMA	0.24%	\$ 14,017,713	\$ 14,017,713	\$ 14,346,418	\$ 14,346,418
Local Government Pools	0.06%	6,103,363	6,103,363	6,624,697	6,624,697
CDs/Securities	0.29%	1,008,936	1,008,936	1,008,371	1,008,371
Totals		\$ 21,130,012	\$ 21,130,012	\$ 21,979,486	\$ 21,979,486

<u>Average Yield (1)</u>		<u>Fiscal Year-to-Date Average Yield (2)</u>	
Total Portfolio	0.19%	Total Portfolio	0.18%
Rolling Three Mo. Treas. Yield	0.02%	Rolling Three Mo. Treas. Yield	0.02%
Rolling Six Mo. Treas. Yield	0.09%	Rolling Six Mo. Treas. Yield	0.08%
		Quarterly TexPool Yield	0.05%

Quarterly Interest Income	\$ 9,686
YTD Interest Income	\$ 28,462

(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.



Detail of Investment Holdings

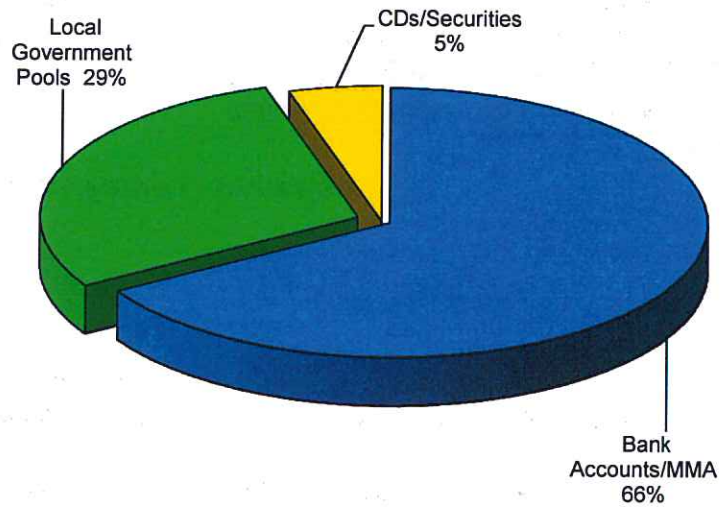
June 30, 2015

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
FCB		0.25%	07/01/2015	06/30/2015	\$ 9,737,079	\$ 9,737,079	1.00	\$ 9,737,079	1	0.25%
Southside Bank MMA		0.23%	07/01/2015	06/30/2015	4,280,634	4,280,634	1.00	4,280,634	1	0.23%
TexPool	AAAm	0.06%	07/01/2015	06/30/2015	6,103,363	6,103,363	1.00	6,103,363	1	0.06%
Southside Bank CD		0.29%	05/02/2016	05/02/2015	1,008,936	1,008,936	1.00	1,008,936	307	0.29%
					\$ 21,130,012	\$ 21,130,012		\$ 21,130,012	16	0.19%
									(1)	(2)

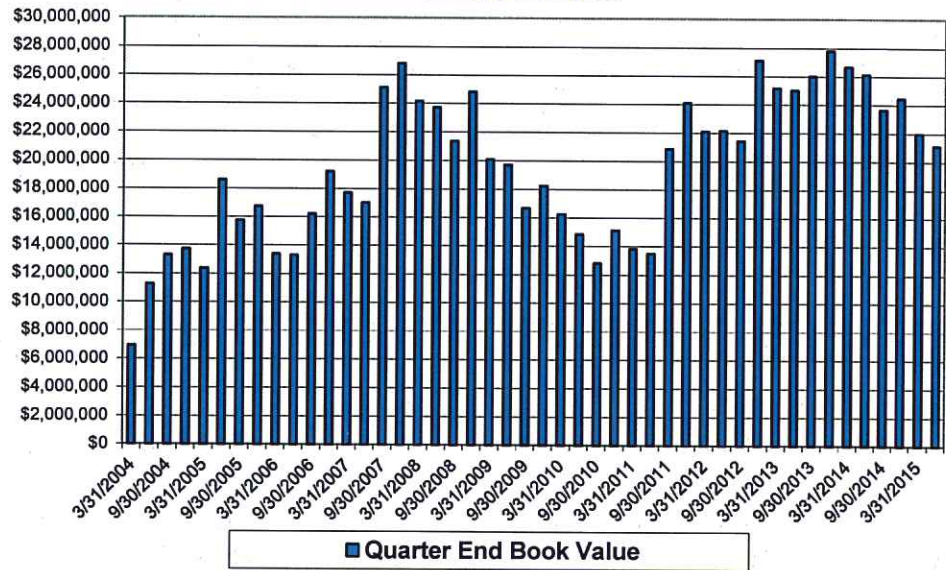
(1) **Weighted average life** - For purposes of calculating weighted average life, bank, pool and money market balances are assumed to have a one day maturity.

(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 bank, pool, and money market balances.

Portfolio Composition



Total Portfolio



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	Settlement Date	March 31, 2015			June 30, 2015		
				Original Face\ Par Value	Book Value	Purchases at Cost	Sales/ Maturities	Original Face\ Par Value	Book Value
FCB	0.25%	07/01/2015	6/30/2015	\$ 10,067,970	\$ 10,067,970	\$ -	\$ (330,891)	\$ 9,737,079	\$ 9,737,079
Southside Bank MMA	0.23%	07/01/2015	6/30/2015	4,278,449	4,278,449	2,185		4,280,634	4,280,634
TexPool	0.06%	07/01/2015	6/30/2015	6,624,697	6,624,697		(521,334)	6,103,363	6,103,363
Southside Bank CD	0.23%	05/02/2015	05/02/2014	1,008,371	1,008,371		(1,008,371)		
Southside Bank CD	0.29%	05/02/2016	05/02/2015			1,008,936		1,008,936	1,008,936
TOTAL				\$ 21,979,486	\$ 21,979,486	\$ 1,011,122	\$ (1,860,595)	\$ 21,130,012	\$ 21,130,012

Market Value Comparison

Description	Coupon/ Discount	Maturity Date	March 31, 2015			Qtr-to-Qtr Change	June 30, 2015		
			Original Face\ Par Value	Market Price	Market Value		Original Face\ Par Value	Market Price	Market Value
FCB	0.25%	07/01/2015	\$ 10,067,970	1.00	\$ 10,067,970	\$ (330,891)	\$ 9,737,079	1.00	\$ 9,737,079
Southside Bank MMA	0.23%	07/01/2015	4,278,449	1.00	4,278,449	2,185	4,280,634	1.00	4,280,634
TexPool	0.06%	07/01/2015	6,624,697	1.00	6,624,697	(521,334)	6,103,363	1.00	6,103,363
Southside Bank CD	0.23%	05/02/2015	1,008,371	100	1,008,371	(1,008,371)			
Southside Bank CD	0.29%	05/02/2016					1,008,936	100	1,008,936
TOTAL			\$ 21,979,486		\$ 21,979,486	\$ (1,858,410)	\$ 21,130,012		\$ 21,130,012

**Fund Allocation
Book & Market Value
June 30, 2015**

	Fund Total	FCB Account	Texpool	Southside Bank MMA	Southside Bank CD 0.29 5/2/16
Consolidated/General	\$ 5,429,630	\$ 2,582,939	\$ 1,837,754	\$ -	\$ 1,008,936
Reserve Street Imp	-	-	-	-	-
Escrow	281,002	-	281,002	-	-
Utilites Cons./W & S	5,344,312	4,817,988	526,324	-	-
Payroll	100,696	100,696	-	-	-
W&S O & M Reserve	458,725	-	55,794	402,932	-
W&S R & R Reserve	430,562	-	27,631	402,932	-
W & S Debt Service Reserve	1,268,157	-	59,362	1,208,795	-
W & S Reserve Capital Imp	201,174	-	201,174	-	-
NADB Loan 2004	5	5	-	-	-
CO 2007 EDC Projects	1,687,106	-	1,687,106	-	-
CO Series 2011	2,014,658	-	-	2,014,658	-
CO Series 2012	1,314,468	-	1,314,468	-	-
Cons. Cash Grant CO	1,134	1,134	-	-	-
Police	712	712	-	-	-
Forfeiture Seizure Federal	44,661	44,661	-	-	-
Special Investigations Ckg	93,190	93,190	-	-	-
Special investigation Svgs	13,015	13,015	-	-	-
Veterans Memorial	31,903	31,903	-	-	-
Resaca Trails	421	421	-	-	-
Hotel/Motel Tax	274,583	274,583	-	-	-
Community Dev. Block Grant	46,891	46,891	-	-	-
DSRIP UTHSCSA	19,950	19,950	-	-	-
Fire Relief & Retirement Plan	132,292	132,292	-	-	-
Border Security	15,533	15,533	-	-	-
Emergency Management Funds	150,981	150,981	-	-	-
Revolving Loan	106,046	106,046	-	-	-
Local Match	100,097	100,097	-	-	-
TIRZ	250,921	250,921	-	-	-
Sub-totals	19,812,826	8,783,958	5,990,615	4,029,317	1,008,936
EDC	1,316,113	952,047	112,748	251,317	-
EDC-SB Cultural Heritage Program	1,074	1,074	-	-	-
Totals	\$ 21,130,012	\$ 9,737,079	\$ 6,103,363	\$ 4,280,634	\$ 1,008,936

**Fund Allocation
Book & Market Value
March 31, 2015**

	Fund Total	FCB Account	Texpool	Southside Bank MMA	Southside Bank CD 0.23 5/2/15
Consolidated/General	\$ 5,933,267	\$ 3,264,887	\$ 1,660,009	\$ -	\$ 1,008,371
Reserve Street Imp	-	-	-	-	-
Escrow	280,963	-	280,963	-	-
Utilites Cons./W & S	4,863,899	4,515,140	348,759	-	-
Payroll	50,917	50,917	-	-	-
W&S O & M Reserve	458,512	-	55,786	402,726	-
W&S R & R Reserve	430,353	-	27,627	402,726	-
W & S Debt Service Reserve	1,267,532	-	59,354	1,208,178	-
W & S Reserve Capital Imp	201,146	-	201,146	-	-
NADB Loan 2004	5	5	-	-	-
CO 2007 EDC Projects	1,686,874	-	1,686,874	-	-
CO Series 2011	2,601,685	-	588,055	2,013,630	-
CO Series 2012	1,603,390	-	1,603,390	-	-
Cons. Cash Grant CO	1,134	1,134	-	-	-
Police	1,042	1,042	-	-	-
Forfeiture Seizure Federal	91,115	91,115	-	-	-
Special Investigations Ckg	75,039	75,039	-	-	-
Special investigation Svgs	13,015	13,015	-	-	-
Veterans Memorial	28,899	28,899	-	-	-
Resaca Trails	420	420	-	-	-
Hotel/Motel Tax	265,251	265,251	-	-	-
Community Dev. Block Grant	187,027	187,027	-	-	-
DSRIP UTHSCSA	19,936	19,936	-	-	-
Fire Relief & Retirement Plan	121,218	121,218	-	-	-
Border Security	15,523	15,523	-	-	-
Emergency Management Funds	161,559	161,559	-	-	-
Revolving Loan	60,624	60,624	-	-	-
Local Match	74	74	-	-	-
TIRZ	250,765	250,765	-	-	-
Sub-totals	20,671,186	9,123,591	6,511,964	4,027,260	1,008,371
EDC	1,307,227	943,306	112,733	251,189	-
EDC-SB Cultural Heritage Program	1,073	1,073	-	-	-
Totals	\$ 21,979,486	\$ 10,067,970	\$ 6,624,697	\$ 4,278,449	\$ 1,008,371