



## INVESTMENT REPORT

For the Period Ended  
March 31, 2017

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.

**Summary**

**Quarter End Results by Investment Category:**

Asset Type	March 31, 2017			December 31, 2016		
	Ave. Yield	Book Value	Market Value	Book Value	Market Value	Market Value
Bank Accounts/MMA	0.51%	\$ 14,308,602	\$ 14,308,602	\$ 16,084,029	\$ 16,084,029	\$ 16,084,029
Local Government Pools	0.62%	4,899,252	4,899,252	5,817,925	5,817,925	5,817,925
CDs/Securities	0.90%	2,017,197	2,017,197	1,013,617	1,013,617	1,013,617
<b>Totals</b>		<b>\$ 21,225,050</b>	<b>\$ 21,225,050</b>	<b>\$ 22,915,571</b>	<b>\$ 22,915,571</b>	<b>\$ 22,915,571</b>

**Average Yield for Quarter(1):**

Total Portfolio 0.57%

Rolling Three Mo. Treas. Yield 0.60%

Rolling Six Mo. Treas. Yield 0.64%

Quarterly Interest Income \$ 28,766

YTD Interest Income \$ 49,675

**Fiscal Year-to-Date Average Yield (2):**

Total Portfolio 0.50%

Rolling Three Mo. Treas. Yield 0.52%

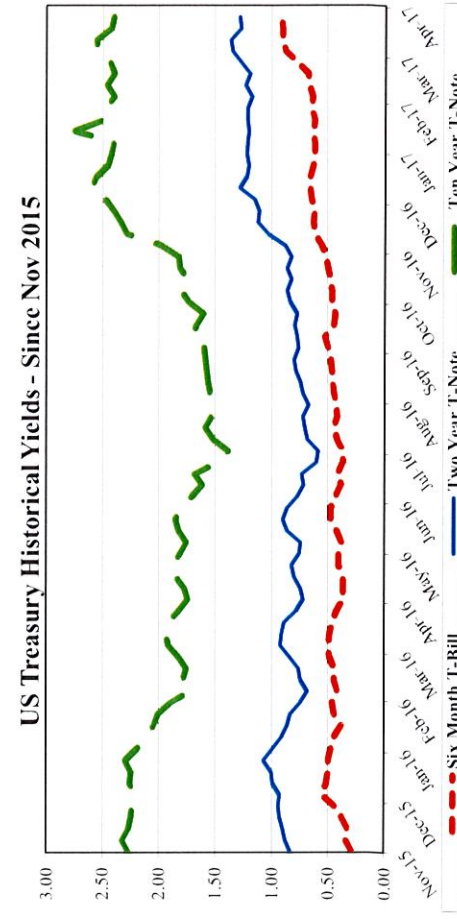
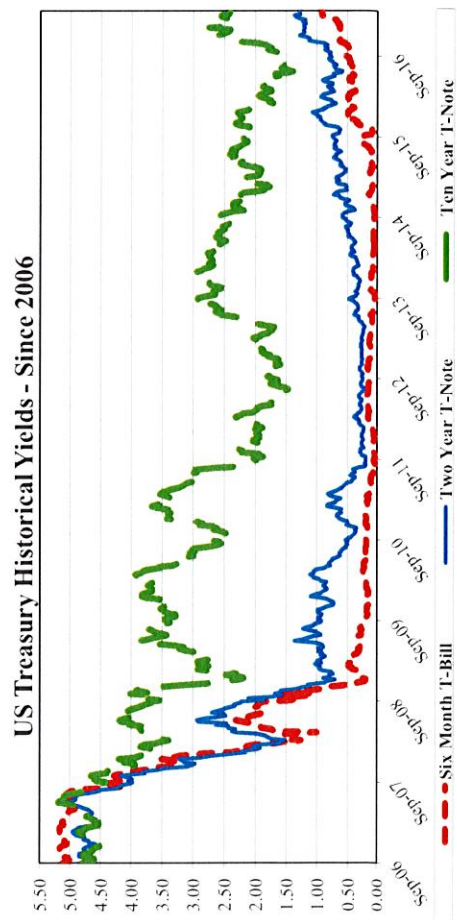
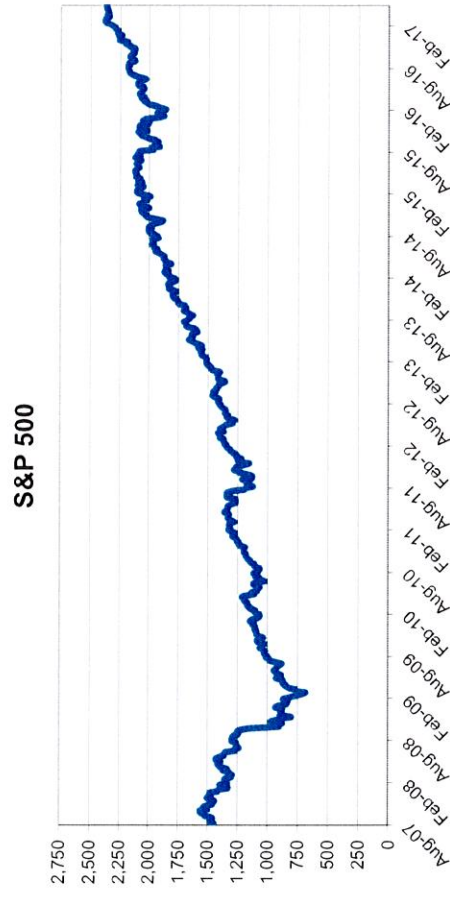
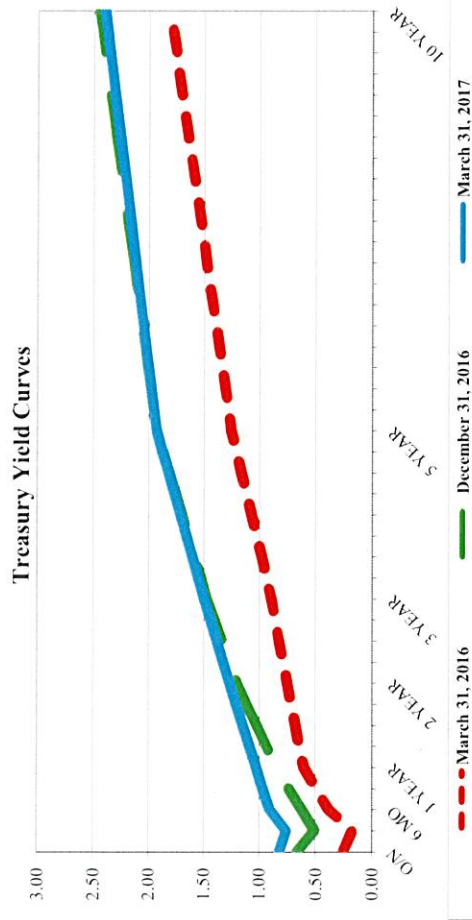
Rolling Six Mo. Treas. Yield 0.57%

Quarterly TexPool Yield 0.54%

(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.



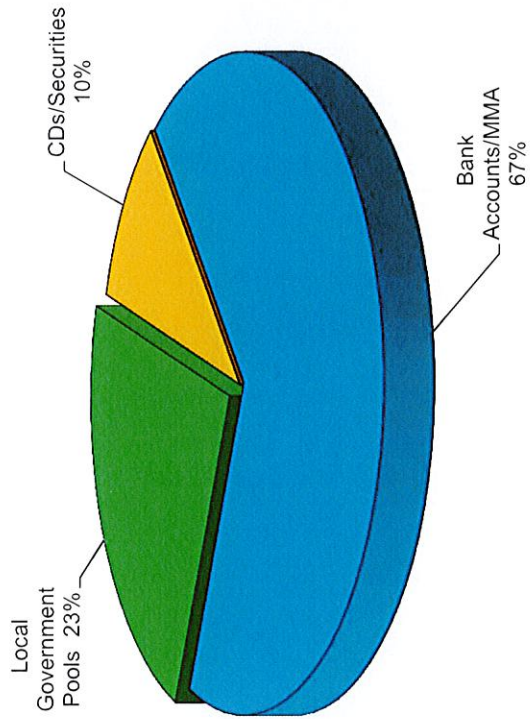
**Investment Holdings**  
**March 31, 2017**

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
FCB Account		0.25%	04/01/2017	03/31/2017	\$ 8,079,940	\$ 8,079,940	1.00	\$ 8,079,940	1	0.25%
Southside Bank MMA		0.76%	04/01/2017	03/31/2017	3,970,751	3,970,751	1.00	3,970,751	1	0.76%
Green Bank MMA		1.00%	04/01/2017	03/31/2017	2,257,911	2,257,911	1.00	2,257,911	1	1.00%
TexPool	AAA	0.62%	04/01/2017	03/31/2017	4,899,252	4,899,252	1.00	4,899,252	1	0.62%
Southside Bank CD		0.70%	05/02/2017	05/02/2016	1,017,197	1,017,197	1.00	1,017,197	32	0.70%
First Community Bank CD		1.11%	01/30/2018	02/27/2017	1,000,000	1,000,000	1.00	1,000,000	305	1.11%
					<b>\$ 21,225,050</b>	<b>\$ 21,225,050</b>		<b>\$ 21,225,050</b>	<b>17</b>	<b>0.57%</b>
									<b>(1)</b>	<b>(2)</b>

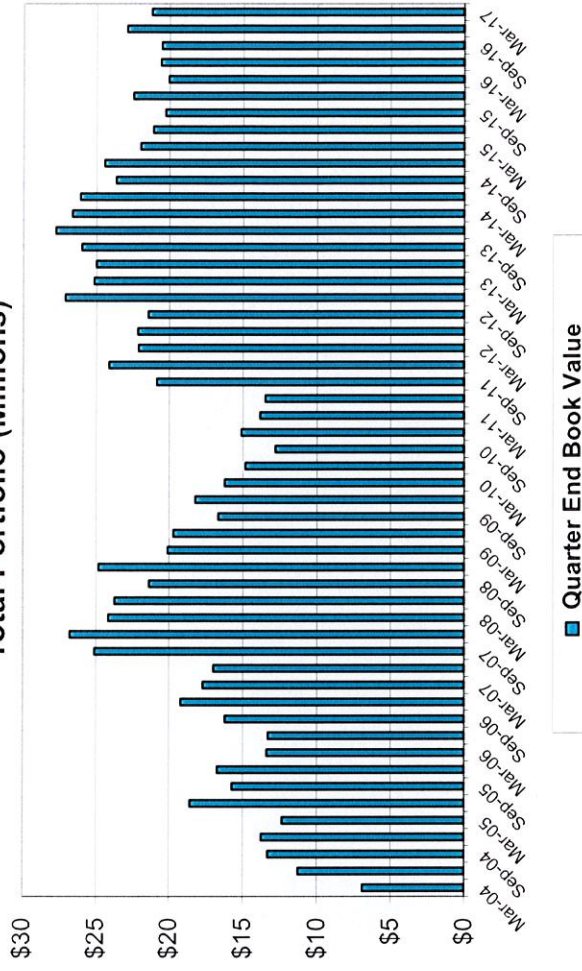
(1) **Weighted average life** - For purposes of calculating weighted average life, bank, pool and money market balances are assumed to have a one day maturity.

(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 (Millions)



### Book Value Comparison

Description	Coupon/ Discount	Maturity Date	Settlement Date	December 31, 2016		Purchases at Cost	Sales/ Maturities	March 31, 2017	
				Original Face/ Par Value	Book Value			Original Face/ Par Value	Book Value
FCB Account	0.25%	04/01/2017	3/31/2017	\$ 9,467,048	\$ 9,467,048	\$ -	\$ (1,387,107)	\$ 8,079,940	\$ 8,079,940
Southside Bank MMA	0.76%	04/01/2017	3/31/2017	4,363,550	4,363,550		(392,799)	3,970,751	3,970,751
Green Bank MMA	1.00%	04/01/2017	3/31/2017	2,253,432	2,253,432	4,479		2,257,911	2,257,911
TexPool	0.62%	04/01/2017	3/31/2017	5,817,925	5,817,925		(918,673)	4,899,252	4,899,252
Southside Bank CD	0.70%	05/02/2017	05/02/2016	1,013,617	1,013,617	3,580		1,017,197	1,017,197
First Community Bank CD	1.11%	01/30/2018	02/27/2017	-	-	1,000,000		1,000,000	1,000,000
<b>TOTAL</b>				<b>\$ 22,915,571</b>	<b>\$ 22,915,571</b>	<b>\$ 1,008,059</b>	<b>\$ (2,698,579)</b>	<b>\$ 21,225,050</b>	<b>\$ 21,225,050</b>

### Market Value Comparison

Description	Coupon/ Discount	Maturity Date	Original Face/ Par Value	December 31, 2016		Qtr-to-Qtr Change	Original Face/ Par Value	March 31, 2017	
				Market Price	Market Value			Market Price	Market Value
FCB Account	0.25%	04/01/2017	\$ 9,467,048	1.00	\$ 9,467,048	\$ (1,387,107)	\$ 8,079,940	1.00	\$ 8,079,940
Southside Bank MMA	0.76%	04/01/2017	4,363,550	1.00	4,363,550	(392,799)	3,970,751	1.00	3,970,751
Green Bank MMA	1.00%	04/01/2017	2,253,432	1.00	2,253,432	4,479	2,257,911	1.00	2,257,911
TexPool	0.62%	04/01/2017	5,817,925	1.00	5,817,925	(918,673)	4,899,252	1.00	4,899,252
Southside Bank CD	0.70%	05/02/2017	1,013,617	100	1,013,617	3,580	1,017,197	100	1,017,197
First Community Bank CD	1.11%	01/30/2018	-	-	-	1,000,000	1,000,000	100	1,000,000
<b>TOTAL</b>			<b>\$ 22,915,571</b>		<b>\$ 22,915,571</b>	<b>\$ (1,690,520)</b>	<b>\$ 21,225,050</b>		<b>\$ 21,225,050</b>

**Fund Allocation  
Book & Market Value  
March 31, 2017**

	Fund Total	FCB Account	TexPool	Southside Bank MMA	Green Bank MMA	Southside Bank CD (0.70%) 05/02/17	First Community Bank CD (1.11%) 01/30/18
Consolidated/General	\$ 7,961,068	\$ 2,633,860	\$ 2,054,169	\$ -	\$ 1,755,843	\$ 1,017,197	\$ 500,000
Escrow	252,457	-	252,457	-	-	-	-
Utilities Cons./W & S	3,408,896	2,357,580	551,317	-	-	-	500,000
Payroll	103,865	103,865	-	-	-	-	-
W&S O & M Reserve	443,178	-	55,098	388,079	-	-	-
W&S R & R Reserve	415,443	-	27,784	387,659	-	-	-
W & S Debt Service Reserve	915,949	-	59,691	856,258	-	-	-
W & S Reserve Capital Imp	202,288	-	202,288	-	-	-	-
CO 2007 EDC Projects	1,696,448	-	1,696,448	-	-	-	-
CO Series 2011	2,121,455	-	-	2,121,455	-	-	-
CO Series 2012	-	-	-	-	-	-	-
Cons. Cash Grant CO	1,140	1,140	-	-	-	-	-
Police	6,139	6,139	-	-	-	-	-
Forfeiture Seizure Federal	175,016	175,016	-	-	-	-	-
Special Investigations Ckg	131,537	131,537	-	-	-	-	-
Special investigation Svgs	13,960	13,960	-	-	-	-	-
Veterans Memorial	32,489	32,489	-	-	-	-	-
Resaca Trails	496,101	496,101	-	-	-	-	-
Hotel/Motel Tax	382,496	382,496	-	-	-	-	-
Community Dev. Block Grant	2,338	2,338	-	-	-	-	-
DSRIP UTHSCSA	32,274	32,274	-	-	-	-	-
Fire Relief & Retirement Plan	131,593	131,593	-	-	-	-	-
Border Security	15,608	15,608	-	-	-	-	-
Emergency Management Funds	178,864	178,864	-	-	-	-	-
Revolving Loan	150,975	150,975	-	-	-	-	-
Revolving Loan #2	144,185	144,185	-	-	-	-	-
Local Match	194	194	-	-	-	-	-
TIRZ	426,443	426,443	-	-	-	-	-
<b>Sub-totals</b>	<b>19,842,398</b>	<b>7,416,656</b>	<b>4,899,252</b>	<b>3,753,451</b>	<b>1,755,843</b>	<b>1,017,197</b>	<b>1,000,000</b>
EDC	1,381,573	662,205	-	217,300	502,068	-	-
EDC-SB Cultural Heritage Program	1,079	1,079	-	-	-	-	-
<b>Sub-totals</b>	<b>1,382,652</b>	<b>663,284</b>	<b>-</b>	<b>217,300</b>	<b>502,068</b>	<b>-</b>	<b>-</b>
<b>Totals</b>	<b>\$ 21,225,050</b>	<b>\$ 8,079,940</b>	<b>\$ 4,899,252</b>	<b>\$ 3,970,751</b>	<b>\$ 2,257,911</b>	<b>\$ 1,017,197</b>	<b>\$ 1,000,000</b>

**Fund Allocation  
Book & Market Value  
December 31, 2016**

	Fund Total	FCB Account	TexPool	Southside Bank MMA	Green Bank MMA	Southside Bank CD (0.70%) 05/02/17
Consolidated/General	\$ 7,792,246	\$ 2,225,538	\$ 2,800,732	\$ -	\$ 1,752,360	\$ 1,013,617
Escrow	252,100	-	252,100	-	-	-
Utilities Cons./W & S Payroll	4,974,381	4,423,843	550,537	-	-	-
W&S O & M Reserve	111,370	111,370	-	-	-	-
W&S R & R Reserve	442,430	-	55,020	387,409	-	-
W & S Debt Service Reserve	414,710	-	27,745	386,966	-	-
W & S Reserve Capital Imp	1,004,773	-	59,607	945,166	-	-
CO 2007 EDC Projects	202,002	-	202,002	-	-	-
CO Series 2011	1,694,051	-	1,694,051	-	-	-
CO Series 2012	2,027,444	-	-	2,027,444	-	-
Cons. Cash Grant CO	176,131	-	176,131	-	-	-
Police	1,139	1,139	-	-	-	-
Forfeiture Seizure Federal	2,580	2,580	-	-	-	-
Special Investigations Ckg	88,850	88,850	-	-	-	-
Special investigation Svgs	131,537	131,537	-	-	-	-
Veterans Memorial	13,960	13,960	-	-	-	-
Resaca Trails	35,968	35,968	-	-	-	-
Hotel/Motel Tax	495,642	495,642	-	-	-	-
Community Dev. Block Grant	363,281	363,281	-	-	-	-
DSRIP UTHSCSA	2,338	2,338	-	-	-	-
Fire Relief & Retirement Plan	20,349	20,349	-	-	-	-
Border Security	111,145	111,145	-	-	-	-
Emergency Management Funds	15,592	15,592	-	-	-	-
Revolving Loan	170,728	170,728	-	-	-	-
Local Match	129,595	129,595	-	-	-	-
TIRZ	194	194	-	-	-	-
	426,049	426,049	-	-	-	-
<b>Sub-totals</b>	<b>21,100,586</b>	<b>8,769,700</b>	<b>5,817,925</b>	<b>3,746,985</b>	<b>1,752,360</b>	<b>1,013,617</b>
EDC	1,813,907	696,270	-	616,565	501,072	-
EDC-SB Cultural Heritage Program	1,078	1,078	-	-	-	-
<b>Sub-totals</b>	<b>1,814,985</b>	<b>697,348</b>	<b>-</b>	<b>616,565</b>	<b>501,072</b>	<b>-</b>
<b>Totals</b>	<b>\$ 22,915,571</b>	<b>\$ 9,467,048</b>	<b>\$ 5,817,925</b>	<b>\$ 4,363,550</b>	<b>\$ 2,253,432</b>	<b>\$ 1,013,617</b>