



INVESTMENT REPORT

For the Period Ended
March 31, 2019

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	December 31, 2018		March 31, 2019		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Bank Account	\$ 6,973,473	\$ 6,973,473	\$ 7,104,000	\$ 7,104,000	1.00%
MMA/LGIPs	12,835,311	12,835,311	11,162,084	11,124,648	2.49%
CDs/Securities	5,047,707	5,047,707	5,020,626	5,020,626	2.63%
Totals	\$ 24,856,491	\$ 24,856,491	\$ 23,286,709	\$ 23,249,274	

Average Yield Current Quarter (1):
 Total Portfolio 2.06%

Rolling Three Month Treasury 2.44%
 Rolling Six Month Treasury 2.51%

Interest Income
 Quarterly Interest Income \$ 107,734
 YTD Interest Income \$ 213,475

Fiscal Year-to-Date Average Yield (2):
 Total Portfolio 2.02%

Rolling Three Month Treasury 2.41%
 Rolling Six Month Treasury 2.45%
 TexPool 2.35%

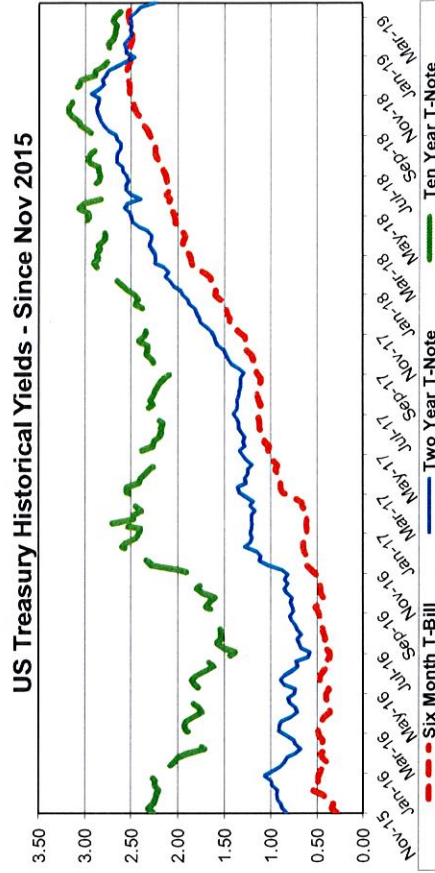
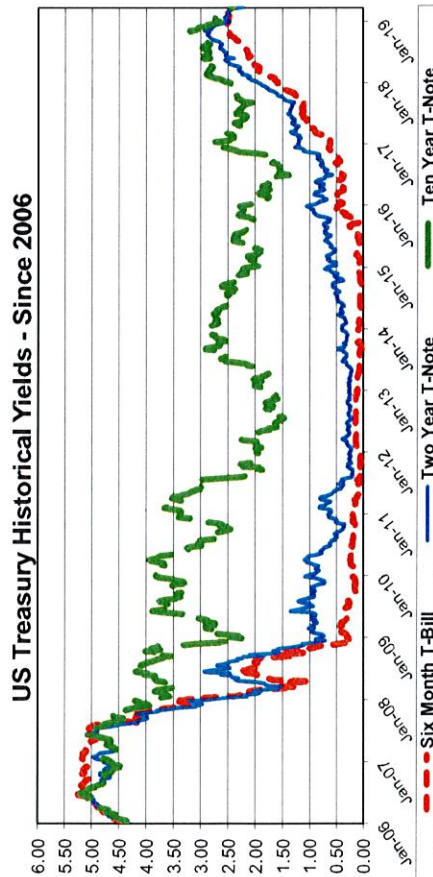
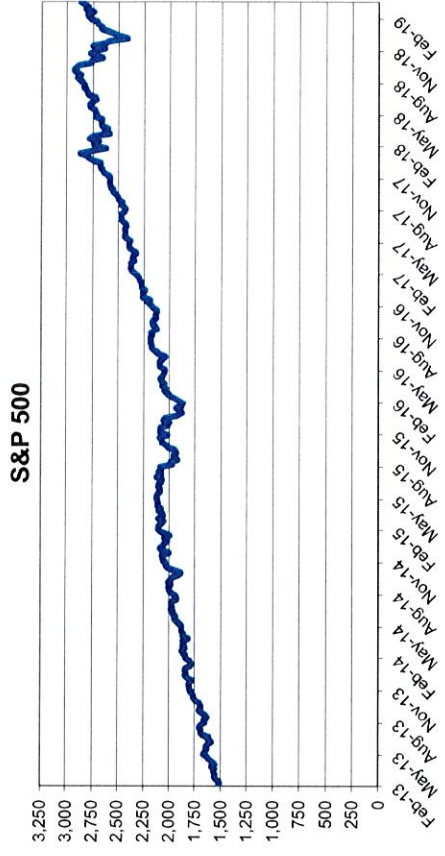
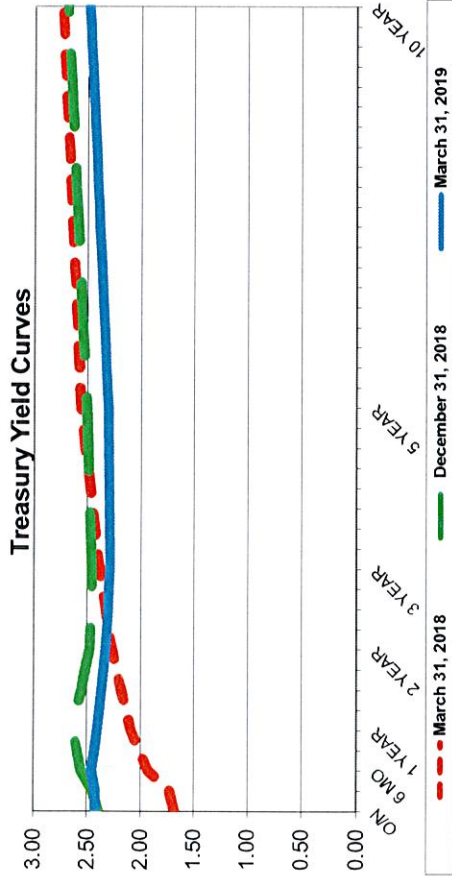
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(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

3/31/2019

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range to 2.25% - 2.50% (Effective Fed Funds are trading +/-2.40%). The market projections now lean towards decreases late 2019 or early 2020. Gradual FRB portfolio reduction continues by limiting reinvestment of maturing holdings, but that strategy will end this summer. February Non Farm Payroll plunged to only 20,000 new jobs (although Dec and Jan were revised up slightly). Fourth quarter GDP registered 2.2% (final). Crude oil remained +/-\$.55. The Stock Markets continued higher from December lows. Housing mostly mixed. The mid-maturity yield curve is lower and still sway-backed.



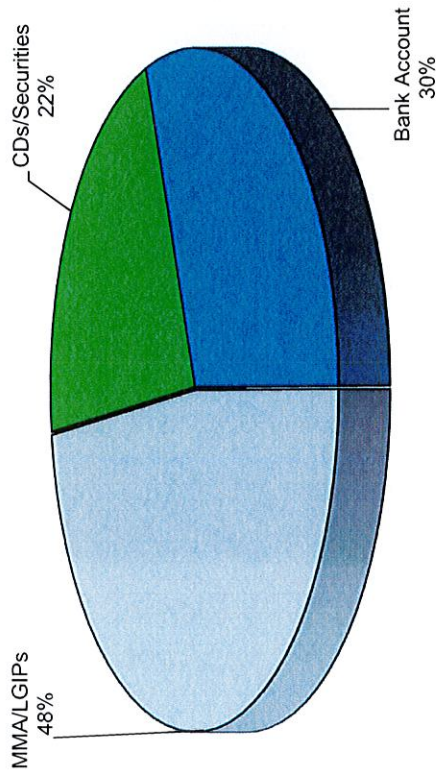
**Investment Holdings
March 31, 2019**

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
FCB Account		1.00%	04/01/2019	03/31/2019	\$ 7,104,000	\$ 7,104,000	1.00	\$ 7,104,000	1	1.00%
Southside Bank MMA		2.57%	04/01/2019	03/31/2019	2,585,621	2,585,621	1.00	2,585,621	1	2.57%
Green Bank MMA		2.56%	04/01/2019	03/31/2019	2,677,324	2,677,324	1.00	2,677,324	1	2.56%
TexPool	AAA	2.42%	04/01/2019	03/31/2019	5,861,704	5,899,139	1.00	5,861,704	1	2.42%
Third Coast Bank SSB CD		2.40%	04/03/2019	04/03/2018	1,018,191	1,018,191	100.00	1,018,191	3	2.40%
East West Bank CD		2.61%	08/26/2019	02/26/2019	1,002,434	1,002,434	100.00	1,002,434	148	2.64%
Southside Bank CD		2.68%	02/26/2020	02/26/2019	3,000,000	3,000,000	100.00	3,000,000	332	2.71%
					\$ 23,249,274	\$ 23,286,709		\$ 23,249,274	50	2.06%
									(1)	(2)

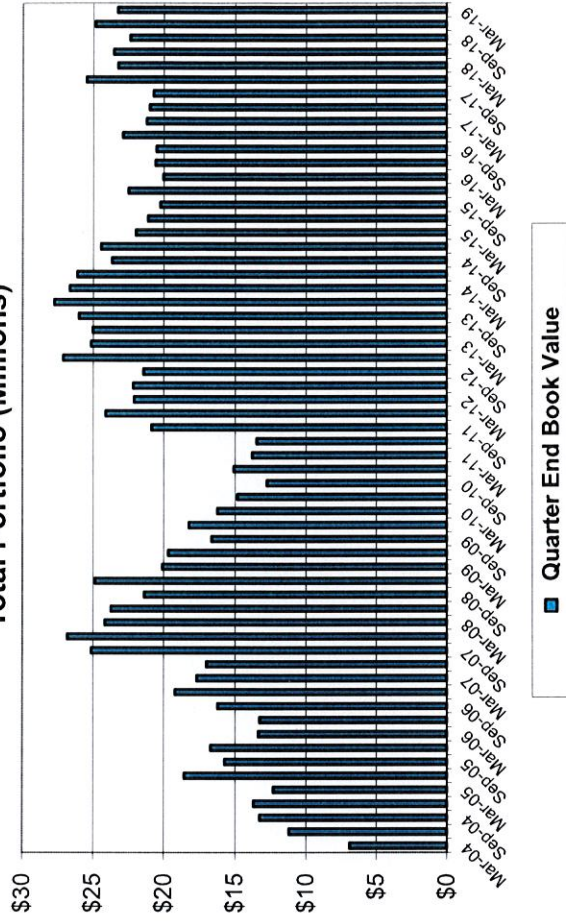
(1) **Weighted average life** - For purposes of calculating weighted average life, bank, pool and money market balances are assumed to have a one day maturity.

(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 (Millions)



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	Settlement Date	December 31, 2018			March 31, 2019		
				Original Face\	Book Value	Purchases at Cost	Sales/ Maturities	Original Face\	Book Value
				Par Value					
FCB Account	1.00%	04/01/2019	3/31/2019	\$ 6,973,473	\$ 6,973,473	\$ 130,527	\$ -	\$ 7,104,000	\$ 7,104,000
Southside Bank MMA	2.57%	04/01/2019	3/31/2019	3,319,002	3,319,002		(733,381)	2,585,621	2,585,621
Green Bank MMA	2.56%	04/01/2019	3/31/2019	3,654,606	3,654,606		(977,282)	2,677,324	2,677,324
TexPool	2.42%	04/01/2019	3/31/2019	5,861,704	5,861,704	37,435		5,861,704	5,899,139
LegacyTexas Bank CD	2.00%	01/30/2019	01/30/2018	1,018,454	1,018,454		(1,018,454)	-	-
East West Bank CD	2.48%	02/06/2019	11/06/2018	2,007,351	2,007,351		(2,007,351)	-	-
East West Bank CD	2.48%	02/08/2019	08/08/2018	1,009,832	1,009,832		(1,009,832)	-	-
Third Coast Bank SSB CD	2.40%	04/03/2019	04/03/2018	1,012,069	1,012,069	6,122		1,018,191	1,018,191
East West Bank CD	2.61%	08/26/2019	02/26/2019	-	-	1,002,434		1,002,434	1,002,434
Southside Bank CD	2.68%	02/26/2020	02/26/2019	-	-	3,000,000		3,000,000	3,000,000
TOTAL				\$ 24,856,491	\$ 24,856,491	\$ 4,176,519	\$ (5,746,300)	\$ 23,249,274	\$ 23,286,709

Market Value Comparison

Description	Coupon/ Discount	Maturity Date	Original Face\	December 31, 2018			March 31, 2019		
				Original Face\	Market Value	Qtr-to-Qtr Change	Original Face\	Market Price	Market Value
				Par Value					
FCB Account	1.00%	04/01/2019	\$ 6,973,473	\$ 6,973,473	\$ 130,527	\$ 7,104,000	1.00	\$ 7,104,000	
Southside Bank MMA	2.57%	04/01/2019	3,319,002	3,319,002	(733,381)	2,585,621	1.00	2,585,621	
Green Bank MMA	2.56%	04/01/2019	3,654,606	3,654,606	(977,282)	2,677,324	1.00	2,677,324	
TexPool	2.42%	04/01/2019	5,861,704	5,861,704		5,861,704	1.00	5,861,704	
LegacyTexas Bank CD	2.00%	01/30/2019	1,018,454	1,018,454	(1,018,454)	-	-	-	
East West Bank CD	2.48%	02/06/2019	2,007,351	2,007,351	(2,007,351)	-	-	-	
East West Bank CD	2.48%	02/08/2019	1,009,832	1,009,832	(1,009,832)	-	-	-	
Third Coast Bank SSB CD	2.40%	04/03/2019	1,012,069	1,012,069	6,122	1,018,191	100.00	1,018,191	
East West Bank CD	2.61%	08/26/2019	-	-	1,002,434	1,002,434	100.00	1,002,434	
Southside Bank CD	2.68%	02/26/2020	-	-	3,000,000	3,000,000	100.00	3,000,000	
TOTAL			\$ 24,856,491	\$ 24,856,491	\$ (1,607,217)	\$ 23,249,274		\$ 23,249,274	

**Fund Allocation
Book & Market Value
March 31, 2019**

	Fund Total	FCB Account	Southside Bank MMA	Green Bank MMA	TexPool	Third Coast Bank SSB CD	Southside Bank CDs	East West Bank CDs
Consolidated/General	\$ 9,971,937	\$ 2,740,414	\$ -	\$ 4,370,142	\$ 343,189	\$ 1,018,191	\$ 1,500,000	\$ -
Escrow	260,483	-	-	-	260,483	-	-	-
Utilities Cons./W & S Payroll	2,477,989	2,477,989	-	-	-	-	-	-
Water (Greenbank)	267,669	267,669	-	-	-	-	-	-
Water Treatment Plant	1,528,996	-	-	1,528,996	-	-	-	-
W&S O & M Reserve	1,906,415	-	903,981	-	-	-	-	1,002,434
W&S R & R Reserve	459,512	-	402,662	-	56,850	-	-	-
W & S Debt Service Reserve	260,637	-	231,970	-	28,667	-	-	-
W & S Reserve Capital Imp	437,701	-	376,112	-	61,589	-	-	-
Water and Sewer	208,719	-	-	-	208,719	-	-	-
CO 2007 EDC Projects	568,844	-	-	-	568,844	-	-	-
CO Series 2011	938,634	-	-	-	938,634	-	-	-
CO Series 2012	762,599	-	762,599	-	-	-	-	-
Cons. Cash Grant CO	118,646	-	-	-	118,646	-	-	-
Veterans Memorial	1,159	1,159	-	-	-	-	-	-
Resaca Trails	39,173	39,173	-	-	-	-	-	-
Hotel/Motel Tax	422,172	422,172	-	-	-	-	-	-
Community Dev. Block Grant	516,187	16,187	-	-	-	-	500,000	-
DSRIP UTHSCSA	6,888	6,888	-	-	-	-	-	-
Police	20,661	20,661	-	-	-	-	-	-
Forfeiture Seizure Federal	5,209	5,209	-	-	-	-	-	-
Special Investigations Ckg	18,724	18,724	-	-	-	-	-	-
Special investigation Svgs	364,221	364,221	-	-	-	-	-	-
Fire Relief & Retirement Plan	41,954	41,954	-	-	-	-	-	-
Border Security	86,897	86,897	-	-	-	-	-	-
Emergency Management Funds	15,883	15,883	-	-	-	-	-	-
Revolving Loan	231,327	231,327	-	-	-	-	-	-
TIRZ	323,436	323,436	-	-	-	-	-	-
	1,024,037	24,037	-	-	-	-	1,000,000	-
TOTAL	\$ 23,286,709	\$ 7,104,000	\$ 2,677,324	\$ 5,899,139	\$ 2,585,621	\$ 1,018,191	\$ 3,000,000	\$ 1,002,434

**Fund Allocation
Book & Market Value
December 31, 2018**

	Fund Total	FCB Account	Southside Bank MMA	Green Bank MMA	TexPool	Third Coast Bank SSB CD	East West Bank CDs	Legacy Texas Bank CDs
Consolidated/General	\$ 10,865,975	\$ 895,292	\$ -	\$ 4,342,410	\$ 1,089,793	\$ 1,012,069	\$ 3,017,183	\$ 509,227
Escrow	258,947	-	-	-	258,947	-	-	-
Utilities Cons./W & S	3,461,955	2,952,728	-	-	-	-	-	509,227
Payroll	276,691	276,691	-	-	-	-	-	-
Water (Greenbank)	1,519,293	-	-	1,519,293	-	-	-	-
Water Treatment Plant	898,340	-	898,340	-	-	-	-	-
W&S O & M Reserve	788,939	-	732,424	-	56,515	-	-	-
W&S R & R Reserve	591,746	-	563,248	-	28,498	-	-	-
W & S Debt Service Reserve	767,334	-	706,108	-	61,226	-	-	-
W & S Reserve Capital Imp	207,488	-	-	-	207,488	-	-	-
Water and Sewer	565,489	-	-	-	565,489	-	-	-
CO 2007 EDC Projects	933,099	-	-	-	933,099	-	-	-
CO Series 2011	754,486	-	754,486	-	-	-	-	-
CO Series 2012	117,947	-	-	-	117,947	-	-	-
Cons. Cash Grant CO	1,156	1,156	-	-	-	-	-	-
Veterans Memorial	39,053	39,053	-	-	-	-	-	-
Resaca Trails	444,949	444,949	-	-	-	-	-	-
Hotel/Motel Tax	500,076	500,076	-	-	-	-	-	-
Community Dev. Block Grant	7,736	7,736	-	-	-	-	-	-
DSRIP UTHSCSA	20,596	20,596	-	-	-	-	-	-
Police	1,822	1,822	-	-	-	-	-	-
Forfeiture Seizure Federal	23,491	23,491	-	-	-	-	-	-
Special Investigations Ckg	363,100	363,100	-	-	-	-	-	-
Special investigation Svgs	41,954	41,954	-	-	-	-	-	-
Fire Relief & Retirement Plan	77,363	77,363	-	-	-	-	-	-
Border Security	15,834	15,834	-	-	-	-	-	-
Emergency Management Funds	202,771	202,771	-	-	-	-	-	-
Revolving Loan	293,992	293,992	-	-	-	-	-	-
TIRZ	814,869	814,869	-	-	-	-	-	-
TOTAL	\$ 24,856,491	\$ 6,973,473	\$ 3,654,606	\$ 5,861,704	\$ 3,319,002	\$ 1,012,069	\$ 3,017,183	\$ 1,018,454