



## INVESTMENT REPORT

For the Period Ended  
June 30, 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	March 31, 2019		June 30, 2019	
	Book Value	Market Value	Book Value	Market Value
Bank Account	\$ 7,104,000	\$ 7,104,000	\$ 6,376,789	\$ 6,376,789
MMA/LGIPs	11,124,648	11,124,648	11,232,555	11,232,555
CDs/Securities	5,020,626	5,020,626	5,030,502	5,030,502
<b>Totals</b>	<b>\$ 23,249,274</b>	<b>\$ 23,249,274</b>	<b>\$ 22,639,845</b>	<b>\$ 22,639,845</b>

**Average Yield Current Quarter (1):**  
 Total Portfolio 2.09%

Rolling Three Month Treasury 2.36%  
 Rolling Six Month Treasury 2.43%

**Interest Income**  
 Quarterly Interest Income \$ 129,299  
 YTD Interest Income \$ 342,775

**Fiscal Year-to-Date Average Yield (2):**  
 Total Portfolio 2.04%

Rolling Three Month Treasury 2.39%  
 Rolling Six Month Treasury 2.44%  
 TexPool 2.34%

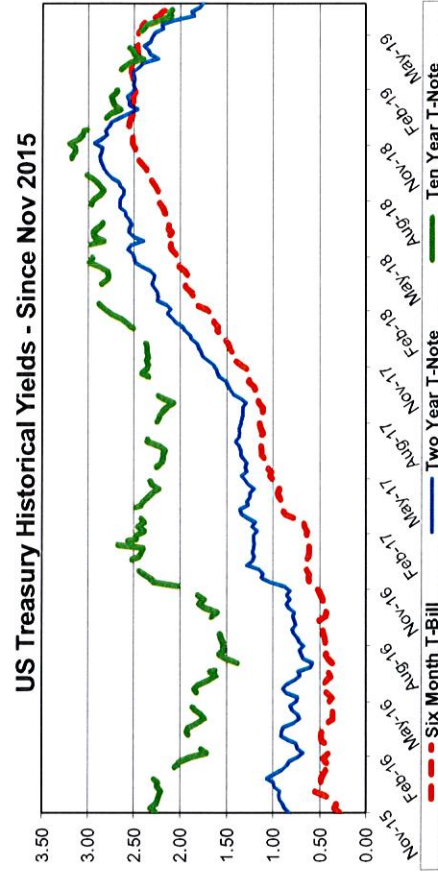
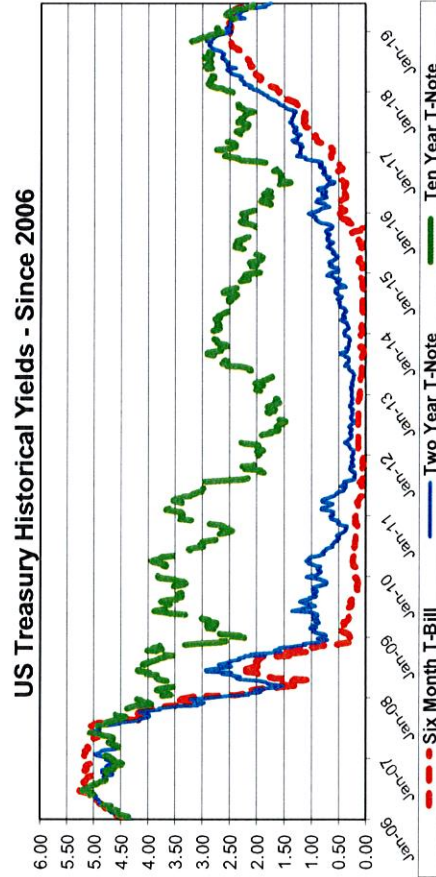
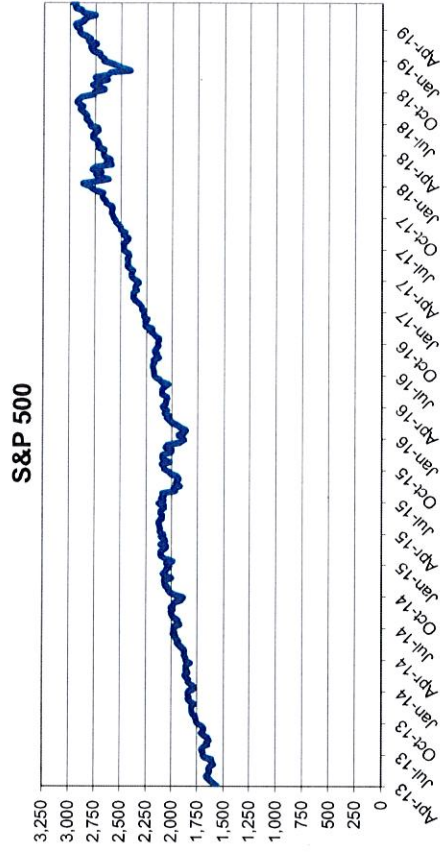
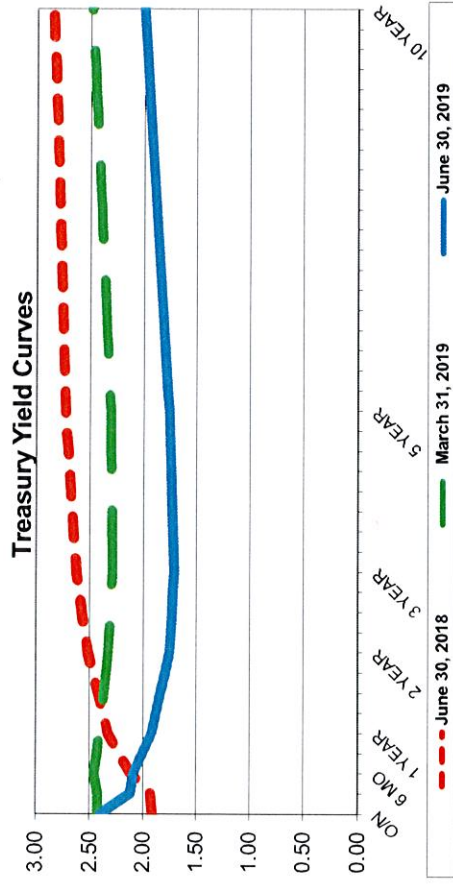
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(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

6/30/2019

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range 2.25% - 2.50% (Effective Fed Funds are trading +/-2.40%). The Futures Market projects multiple decreases beginning later this summer. Gradual FRB portfolio reduction continues by limiting reinvestment of maturing holdings, but that strategy will end this summer. May Non Farm Payroll only generated 75,000 new jobs, lowering the three month rolling average to 151k. Crude oil bounced up and down this spring around +/- \$60. The Stock Markets reached new highs. Overall economic activity, including housing, remains mostly favorable but mixed. The inverted Yield Curve continues towards lower yields.



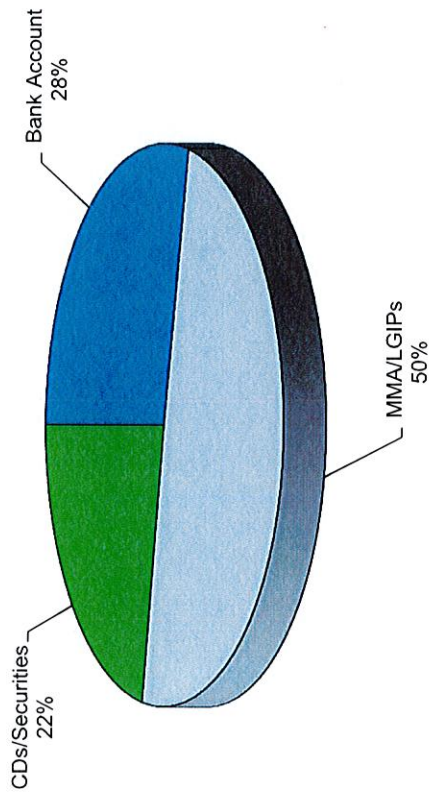
**Investment Holdings  
June 30, 2019**

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
FCB Account		1.00%	07/01/2019	06/30/2019	\$ 6,376,789	\$ 6,376,789	1.00	\$ 6,376,789	1	1.00%
Southside Bank MMA		2.53%	07/01/2019	06/30/2019	2,601,157	2,601,157	1.00	2,601,157	1	2.53%
Green Bank MMA		2.53%	07/01/2019	06/30/2019	2,694,401	2,694,401	1.00	2,694,401	1	2.53%
TexPool	AAA	2.38%	07/01/2019	06/30/2019	5,936,996	5,936,996	1.00	5,936,996	1	2.38%
East West Bank CD		2.61%	08/26/2019	02/26/2019	1,006,816	1,006,816	100.00	1,006,816	57	2.64%
Southside Bank CD		2.68%	02/26/2020	02/26/2019	3,019,604	3,019,604	100.00	3,019,604	241	2.71%
East West Bank CD		2.52%	04/03/2020	04/03/2019	1,004,082	1,004,082	100.00	1,004,082	278	2.55%
					<b>\$ 22,639,845</b>	<b>\$ 22,639,845</b>		<b>\$ 22,639,845</b>	<b>48</b>	<b>2.09%</b>
									<b>(1)</b>	<b>(2)</b>

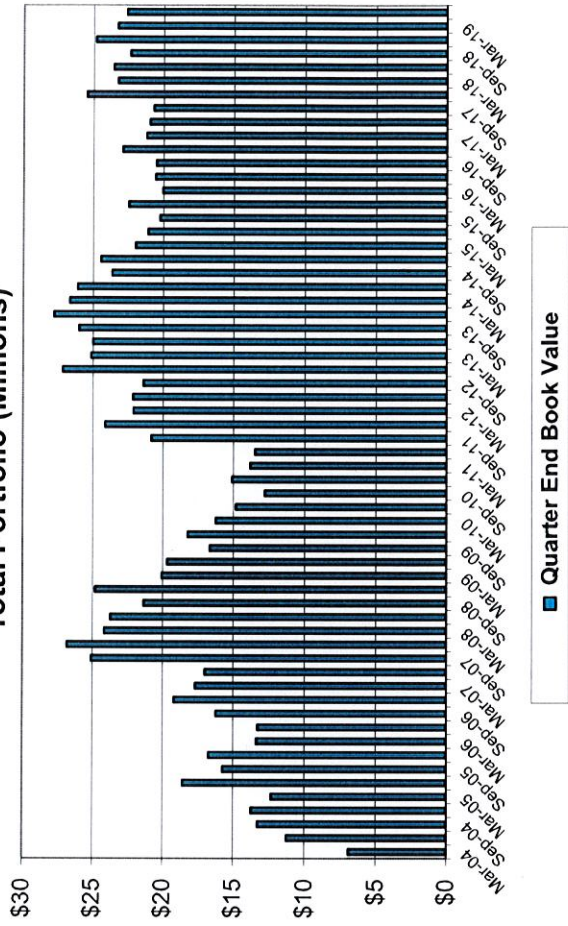
(1) **Weighted average life** - For purposes of calculating weighted average life, bank, pool and money market balances are assumed to have a one day maturity.

(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	March 31, 2019			June 30, 2019		
				Original Face\	Book Value	Purchases	Sales/ Maturities	Original Face\	Book Value
				Par Value		at Cost		Par Value	
FCB Account	1.00%	07/01/2019	6/30/2019	\$ 7,104,000	\$ 7,104,000	\$ -	\$ (727,211)	\$ 6,376,789	\$ 6,376,789
Southside Bank MMA	2.53%	07/01/2019	6/30/2019	2,585,621	2,585,621	15,537		2,601,157	2,601,157
Green Bank MMA	2.53%	07/01/2019	6/30/2019	2,677,324	2,677,324	17,077		2,694,401	2,694,401
TexPool	2.38%	07/01/2019	6/30/2019	5,861,704	5,861,704	75,293		5,936,996	5,936,996
Third Coast Bank SSB CD	2.40%	04/03/2019	04/03/2018	1,018,191	1,018,191		(1,018,191)	-	-
East West Bank CD	2.61%	08/26/2019	02/26/2019	1,002,434	1,002,434	4,382		1,006,816	1,006,816
Southside Bank CD	2.68%	02/26/2020	02/26/2019	3,000,000	3,000,000	19,604		3,019,604	3,019,604
East West Bank CD	2.52%	04/03/2020	04/03/2019	-	-	1,004,082		1,004,082	1,004,082
<b>TOTAL</b>				<b>\$ 23,249,274</b>	<b>\$ 23,249,274</b>	<b>\$ 1,135,974</b>	<b>\$ (1,745,403)</b>	<b>\$ 22,639,845</b>	<b>\$ 22,639,845</b>

### Market Value Comparison

Description	Coupon/ Discount	Maturity Date	Original Face\	March 31, 2019			June 30, 2019		
				Par Value	Market Value	Qtr-to-Qtr Change	Original Face\	Market Price	Market Value
							Par Value		
FCB Account	1.00%	07/01/2019	\$ 7,104,000	\$ 7,104,000	\$ (727,211)	\$ 6,376,789	1.00	\$ 6,376,789	
Southside Bank MMA	2.53%	07/01/2019	2,585,621	2,585,621	15,537	2,601,157	1.00	2,601,157	
Green Bank MMA	2.53%	07/01/2019	2,677,324	2,677,324	17,077	2,694,401	1.00	2,694,401	
TexPool	2.38%	07/01/2019	5,861,704	5,861,704	75,293	5,936,996	1.00	5,936,996	
Third Coast Bank SSB CD	2.40%	04/03/2019	1,018,191	1,018,191	(1,018,191)	-	-	-	
East West Bank CD	2.61%	08/26/2019	1,002,434	1,002,434	4,382	1,006,816	100.00	1,006,816	
Southside Bank CD	2.68%	02/26/2020	3,000,000	3,000,000	19,604	3,019,604	100.00	3,019,604	
East West Bank CD	2.52%	04/03/2020	-	-	1,004,082	1,004,082	100.00	1,004,082	
<b>TOTAL</b>			<b>\$ 23,249,274</b>	<b>\$ 23,249,274</b>	<b>\$ (609,428)</b>	<b>\$ 22,639,845</b>		<b>\$ 22,639,845</b>	



**Fund Allocation  
Book & Market Value  
June 30, 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 Reserve Street Imp	\$ 9,350,506	\$ 2,093,184	\$ -	\$ 4,398,188	\$ 345,251	\$ -	\$ 1,509,802	\$ 1,004,082
Escrow	262,049	-	-	-	-	-	-	-
Utilities Cons./W & S Payroll	2,709,259	2,709,259	-	-	262,049	-	-	-
Water (Greenbank)	346,013	346,013	-	-	-	-	-	-
Water Treatment Plant	1,538,809	-	-	1,538,809	-	-	-	-
W&S O & M Reserve	1,916,563	-	909,747	-	-	-	-	1,006,816
W&S R & R Reserve	462,221	-	405,029	-	57,191	-	-	-
W & S Debt Service Reserve	262,173	-	233,334	-	28,839	-	-	-
W & S Reserve Capital Imp	440,283	-	378,324	-	61,959	-	-	-
Water and Sewer	209,973	-	-	-	209,973	-	-	-
Series 2003 CO	572,262	-	-	-	572,262	-	-	-
CO Project Fund	-	-	-	-	-	-	-	-
Series 2004 CO	-	-	-	-	-	-	-	-
NADB Loan 2004	-	-	-	-	-	-	-	-
CO 2005 Meter Replacement	-	-	-	-	-	-	-	-
CO 2007 EDC Projects	944,274	-	-	-	944,274	-	-	-
CO Series 2011	767,966	-	767,966	-	-	-	-	-
CO Series 2012	119,359	-	-	-	119,359	-	-	-
Cons. Cash Grant CO	1,163	1,163	-	-	-	-	-	-
Veterans Memorial	39,463	39,463	-	-	-	-	-	-
Resaca Trails	250,056	250,056	-	-	-	-	-	-
Hotel/Motel Tax	511,304	8,036	-	-	-	-	503,267	-
Community Dev. Block Grant	944	944	-	-	-	-	-	-
CDBG-R Program Funding	-	-	-	-	-	-	-	-
DSRIP UTHSCSA	20,738	20,738	-	-	-	-	-	-
Police	4,774	4,774	-	-	-	-	-	-
Forfeiture Seizure Federal	11,731	11,731	-	-	-	-	-	-
Special Investigations Ckg	369,755	369,755	-	-	-	-	-	-
Special investigation Svgs	49,934	49,934	-	-	-	-	-	-
Water Transition Assistance	-	-	-	-	-	-	-	-
(TDRA) Disaster Recovery Grant	-	-	-	-	-	-	-	-
Fire Relief & Retirement Plan	200,656	200,656	-	-	-	-	-	-
Border Security	15,932	15,932	-	-	-	-	-	-
Emergency Management Funds	231,039	231,039	-	-	-	-	-	-
Home Rehab Program	-	-	-	-	-	-	-	-
Revolving Loan	-	-	-	-	-	-	-	-
Revolving Loan #2	-	-	-	-	-	-	-	-
Local Match	-	-	-	-	-	-	-	-
TIRZ	1,030,646	24,112	-	-	-	-	1,006,535	-
<b>TOTAL</b>	<b>\$ 22,639,845</b>	<b>\$ 6,376,789</b>	<b>\$ 2,694,401</b>	<b>\$ 5,936,996</b>	<b>\$ 2,601,157</b>	<b>\$ -</b>	<b>\$ 3,019,604</b>	<b>\$ 2,010,898</b>

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