

INVESTMENT REPORT

For the Period Ended
March 31, 2020

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, 2019		March 31, 2020		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Bank Account	\$ 7,102,050	\$ 7,102,050	\$ 7,926,090	\$ 7,926,090	0.50%
MMA/LGIPs	14,862,594	14,862,594	12,914,520	12,914,520	1.15%
CDs/Securities	5,099,935	5,099,935	4,527,390	4,527,390	1.73%
Totals	\$ 27,064,579	\$ 27,064,579	\$ 25,368,000	\$ 25,368,000	1.05%

Average Yield Current Quarter (1):

Total Portfolio	1.05%
Rolling Three Month Treasury	1.17%
Rolling Six Month Treasury	1.39%
TexPool	1.00%

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

Total Portfolio	1.37%
Rolling Three Month Treasury	1.38%
Rolling Six Month Treasury	1.58%
TexPool	1.31%

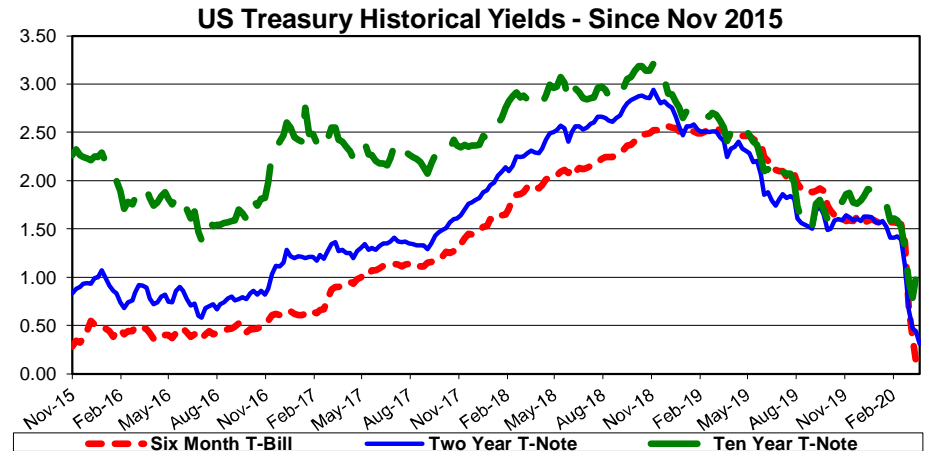
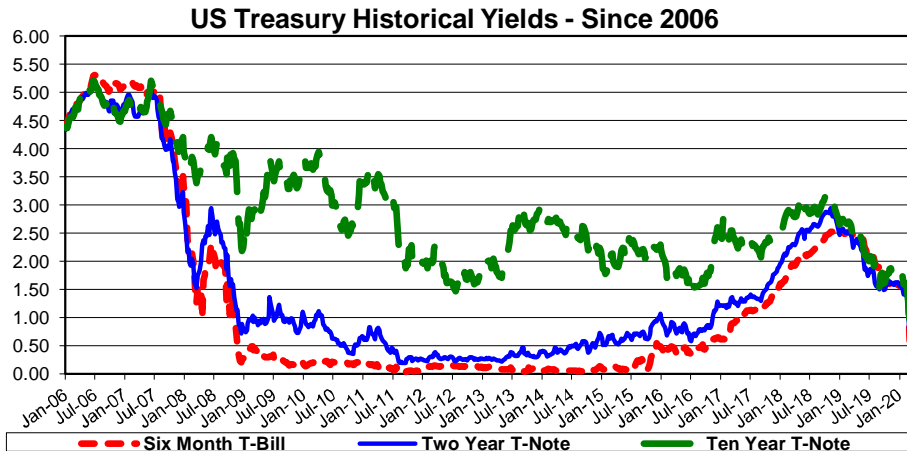
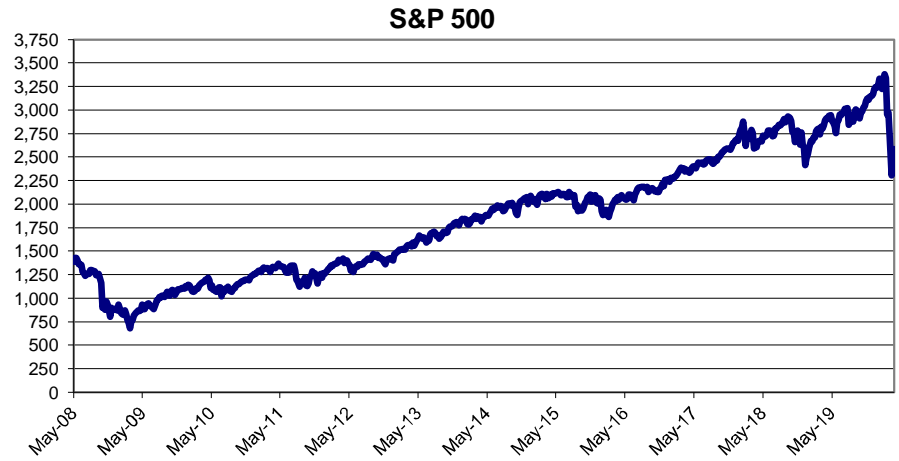
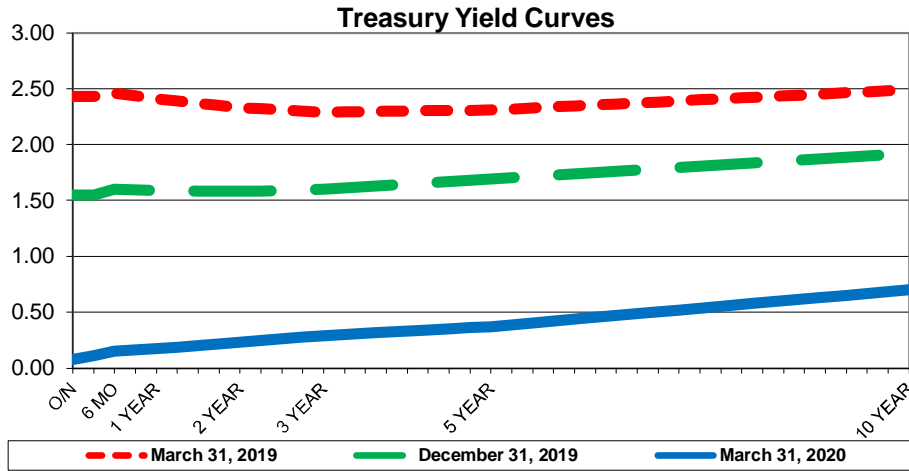
Interest Income

Quarterly Interest Income	\$ 86,277
YTD Interest Income	\$ 204,245

(1) **Average Yield Current Quarter** - 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.

(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.

Due to COVID-19 pandemic concerns, the Federal Open Market Committee (FOMC) dramatically reduced the Fed Funds target range to 0.00% to 0.25% (Effective Fed Funds are trading +/- 0.10%). Worldwide economic activity has collapsed because of Coronavirus "social isolation" and other related actions. The Yield Curve plummeted. Crude oil declined severely to less than \$25 per barrel. Unemployment claims leaped to over 10 million. The Stock Market "corrected" into a full bear market. U.S. monetary and fiscal programs are designed to stabilize and improve near term economic conditions. Time will tell how long the pandemic lasts and full recovery takes.



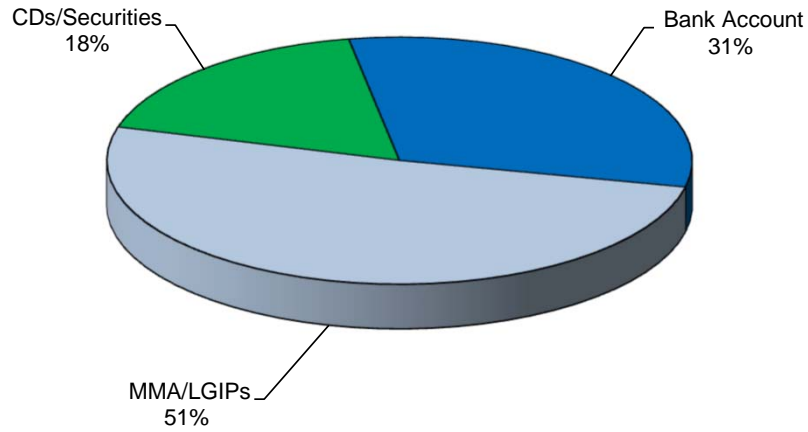
Investment Holdings
March 31, 2020

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
FCB Account		0.50%	04/01/2020	03/31/2020	\$ 7,926,090	\$ 7,926,090	1.00	\$ 7,926,090	1	0.50%
Southside Bank MMA		1.15%	04/01/2020	03/31/2020	4,153,562	4,153,562	1.00	4,153,562	1	1.15%
Veritex Bank MMA		1.49%	04/01/2020	03/31/2020	2,733,613	2,733,613	1.00	2,733,613	1	1.49%
TexPool	AAAm	1.00%	04/01/2020	03/31/2020	6,027,345	6,027,345	1.00	6,027,345	1	1.00%
East West Bank CD		2.52%	04/03/2020	04/03/2019	1,023,256	1,023,256	100.00	1,023,256	3	2.55%
East West Bank CD		1.52%	09/03/2020	03/03/2020	2,002,417	2,002,417	100.00	2,002,417	156	1.53%
East West Bank CD		1.44%	12/03/2020	03/03/2020	1,501,717	1,501,717	100.00	1,501,717	247	1.45%
					\$ 25,368,000	\$ 25,368,000		\$ 25,368,000	28	1.05%
									(1)	(2)

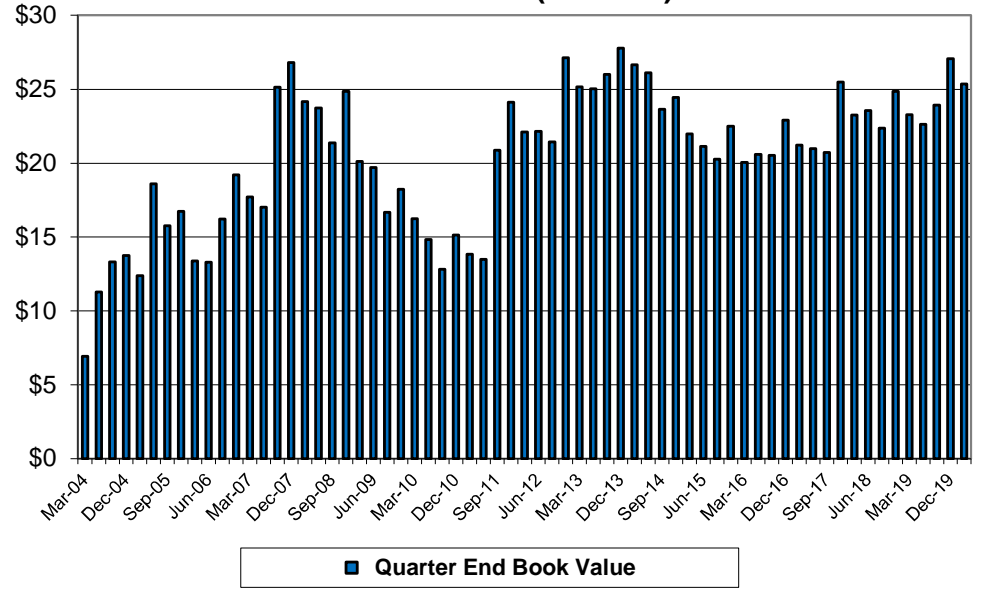
(1) **Weighted average life** - For purposes of calculating weighted average life, bank, pool and money market balances are assumed to have a one day maturity.

(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.

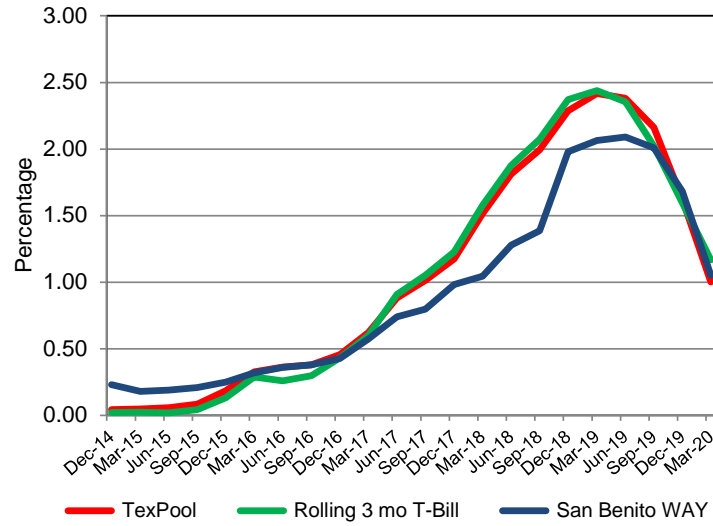
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book & Market Value Comparison

Description	Coupon/ Discount	Maturity Date	Settlement Date	December 31, 2019			March 31, 2020		
				Original Face\		Purchases at Cost	Sales/ Maturities	Original Face\	
				Par Value	Book Value			Par Value	Book Value
FCB Account	0.50%	04/01/2020	3/31/2020	\$ 7,102,050	\$ 7,102,050	\$ 824,040	\$ –	\$ 7,926,090	\$ 7,926,090
Southside Bank MMA	1.15%	04/01/2020	3/31/2020	6,136,575	6,136,575		(1,983,013)	4,153,562	4,153,562
Veritex Bank MMA	1.49%	04/01/2020	3/31/2020	2,723,042	2,723,042	10,571		2,733,613	2,733,613
TexPool	1.00%	04/01/2020	3/31/2020	6,002,978	6,002,978	24,367		6,027,345	6,027,345
Southside Bank CD	2.68%	02/26/2020	02/26/2019	3,060,537	3,060,537		(3,060,537)	–	–
East West Bank CD	2.06%	02/26/2020	08/26/2019	1,020,371	1,020,371		(1,020,371)	–	–
East West Bank CD	2.52%	04/03/2020	04/03/2019	1,019,026	1,019,026	4,230		1,023,256	1,023,256
East West Bank CD	1.52%	09/03/2020	03/03/2020	–	–	2,002,417		2,002,417	2,002,417
East West Bank CD	1.44%	12/03/2020	03/03/2020	–	–	1,501,717		1,501,717	1,501,717
TOTAL				\$ 27,064,579	\$ 27,064,579	\$ 4,367,342	\$ (6,063,921)	\$ 25,368,000	\$ 25,368,000

**Fund Allocation
Book & Market Value
March 31, 2020**

	Fund Total	FCB Account	Southside Bank MMA	Veritex Bank MMA	TexPool	Southside Bank CDs	East West Bank CDs
Consolidated/General	\$ 11,392,539	\$ 2,036,129	\$ -	\$ 4,465,119	\$ 2,366,318	\$ -	\$ 2,524,973
Escrow	265,607	-	-	-	265,607	-	-
Utilites Cons./W & S	2,961,762	2,961,762	-	-	-	-	-
Payroll	383,572	383,572	-	-	-	-	-
Water (Greenbank)	1,562,226	-	-	1,562,226	-	-	-
Water Treatment Plant	1,423,591	-	922,987	-	-	-	500,604
W&S O & M Reserve	468,434	-	410,465	-	57,968	-	-
W&S R & R Reserve	265,697	-	236,466	-	29,231	-	-
W & S Debt Service Reserve	446,205	-	383,405	-	62,800	-	-
W & S Reserve Capital Imp	212,824	-	-	-	212,824	-	-
Water and Sewer	80,736	-	-	-	80,736	-	-
CO 2007 EDC Projects	957,097	-	-	-	957,097	-	-
CO Series 2011	780,290	-	780,290	-	-	-	-
CO Series 2012	120,980	-	-	-	120,980	-	-
Cons. Cash Grant CO	1,389,220	388,012	-	-	-	-	1,001,208
Veterans Memorial	42,074	42,074	-	-	-	-	-
Resaca Trails	58,270	58,270	-	-	-	-	-
Hotel/Motel Tax	552,924	52,320	-	-	-	-	500,604
Community Dev. Block Grant	22,899	22,899	-	-	-	-	-
DSRIP UTHSCSA	25,210	25,210	-	-	-	-	-
Police	4,773	4,773	-	-	-	-	-
Forfeiture Seizure Federal	40,862	40,862	-	-	-	-	-
Special Investigations Ckg	211,906	211,906	-	-	-	-	-
Special investigation Svgs	50,179	50,179	-	-	-	-	-
Fire Relief & Retirement Plan	86,625	86,625	-	-	-	-	-
Border Security	16,055	16,055	-	-	-	-	-
Emergency Management Funds	242,189	242,189	-	-	-	-	-
TIRZ	1,303,254	1,303,254	-	-	-	-	-
TOTAL	\$ 25,368,000	\$ 7,926,090	\$ 2,733,613	\$ 6,027,345	\$ 4,153,562	\$ -	\$ 4,527,390

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

	Fund Total	FCB Account	Southside Bank MMA	Veritex Bank MMA	TexPool	Southside Bank CDs	East West Bank CDs
Consolidated/General	\$ 11,473,043	\$ 1,119,858	\$ -	\$ 4,447,068	\$ 3,356,822	\$ 1,530,269	\$ 1,019,026
Escrow	264,688	-	-	-	264,688	-	-
Utilites Cons./W & S	3,114,119	3,114,119	-	-	-	-	-
Payroll	419,640	419,640	-	-	-	-	-
Water (Greenbank)	1,555,910	-	-	1,555,910	-	-	-
Water Treatment Plant	1,939,788	-	919,417	-	-	-	1,020,371
W&S O & M Reserve	466,767	-	409,000	-	57,768	-	-
W&S R & R Reserve	264,751	-	235,622	-	29,130	-	-
W & S Debt Service Reserve	444,618	-	382,035	-	62,583	-	-
W & S Reserve Capital Imp	212,088	-	-	-	212,088	-	-
Water and Sewer	1,079,149	-	-	-	1,079,149	-	-
CO 2007 EDC Projects	953,785	-	-	-	953,785	-	-
CO Series 2011	776,968	-	776,968	-	-	-	-
CO Series 2012	120,562	-	-	-	120,562	-	-
Cons. Cash Grant CO	1,385,682	1,385,682	-	-	-	-	-
Veterans Memorial	41,906	41,906	-	-	-	-	-
Resaca Trails	126,746	126,746	-	-	-	-	-
Hotel/Motel Tax	536,741	26,651	-	-	-	510,090	-
Community Dev. Block Grant	110	110	-	-	-	-	-
DSRIP UTHSCSA	20,882	20,882	-	-	-	-	-
Police	1,403	1,403	-	-	-	-	-
Forfeiture Seizure Federal	45,118	45,118	-	-	-	-	-
Special Investigations Ckg	233,062	233,062	-	-	-	-	-
Special investigation Svgs	49,934	49,934	-	-	-	-	-
Fire Relief & Retirement Plan	73,124	73,124	-	-	-	-	-
Border Security	16,016	16,016	-	-	-	-	-
Emergency Management Funds	243,246	243,246	-	-	-	-	-
TIRZ	1,204,733	184,554	-	-	-	1,020,179	-
TOTAL	\$ 27,064,579	\$ 7,102,050	\$ 2,723,042	\$ 6,002,978	\$ 6,136,575	\$ 3,060,537	\$ 2,039,397