



## INVESTMENT REPORT

**For the Period Ended  
September 30, 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.

## Annual Comparison of Portfolio Performance

### FYE Results by Investment Category:

Asset Type	September 30, 2019			September 30, 2020		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Bank Account	1.00%	\$ 7,560,939	\$ 7,560,939	0.13%	\$ 8,564,266	\$ 8,564,266
MMA/LGIPs	2.45%	11,299,509	11,299,509	0.17%	12,934,368	12,934,368
CDs/Securities	2.55%	5,067,663	5,067,663	0.79%	4,530,082	4,530,082
<b>Totals</b>		<b>\$ 23,928,112</b>	<b>\$ 23,928,112</b>		<b>\$ 26,028,716</b>	<b>\$ 26,028,716</b>
Fourth Quarter-End Yield	<b>2.01%</b>			<b>0.26%</b>		

### Average Quarter-End Yields (1):

	2019 Fiscal Year	2020 Fiscal Year
San Benito-City	2.04%	0.85%
Rolling Three Month Treasury	2.33%	0.76%
Rolling Six Month Treasury	2.34%	0.99%
TexPool	2.30%	0.75%
<b>Fiscal YTD Interest Earnings</b>	<b>\$ 467,169</b>	<b>\$ 261,988</b>

(1) Average Quarterly Yield calculated using quarter-end report average yield and adjusted book value.

## Summary

### Quarter End Results by Investment Category:

Asset Type	June 30, 2020		September 30, 2020		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Bank Account	\$ 8,131,536	\$ 8,131,536	\$ 8,564,266	\$ 8,564,266	0.13%
MMA/LGIPs	12,927,190	12,927,190	12,934,368	12,934,368	0.17%
CDs/Securities	4,517,137	4,517,137	4,530,082	4,530,082	0.79%
<b>Totals</b>	<b>\$ 25,575,864</b>	<b>\$ 25,575,864</b>	<b>\$ 26,028,716</b>	<b>\$ 26,028,716</b>	0.26%

#### Average Yield Current Quarter (1):

Total Portfolio	0.26%
Rolling Three Month Treasury	0.12%
Rolling Six Month Treasury	0.15%
TexPool	0.15%

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

Total Portfolio	0.85%
Rolling Three Month Treasury	0.76%
Rolling Six Month Treasury	0.99%
TexPool	0.75%

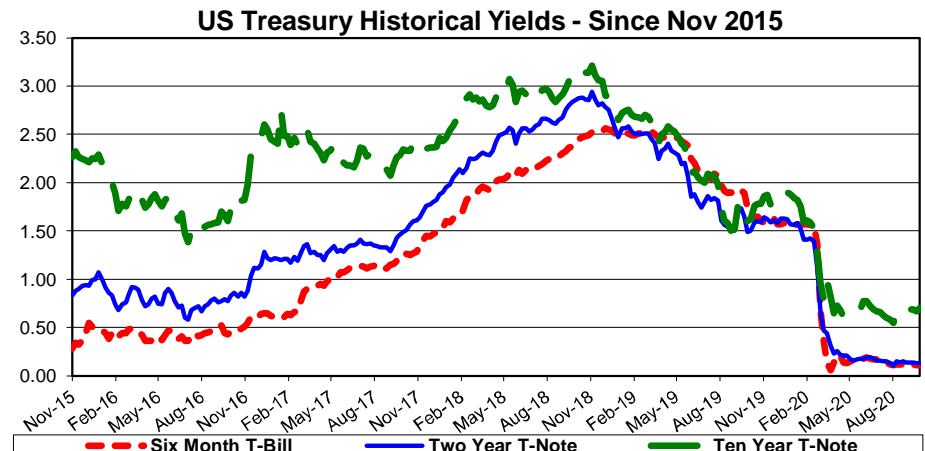
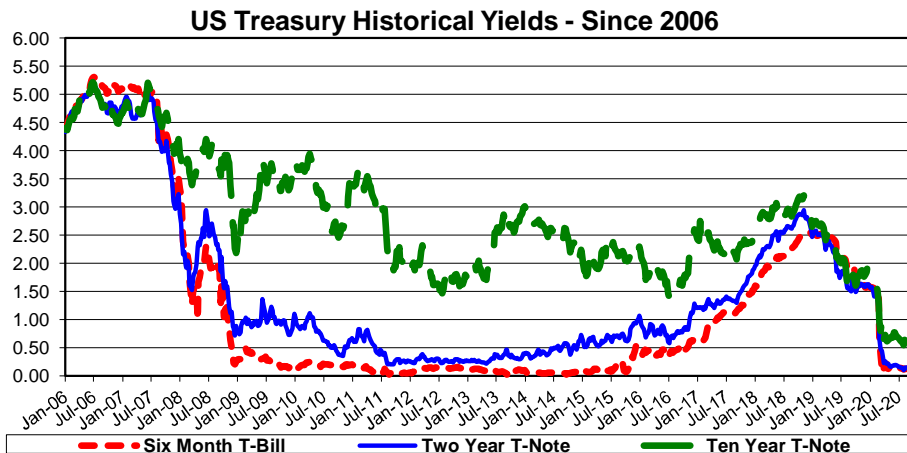
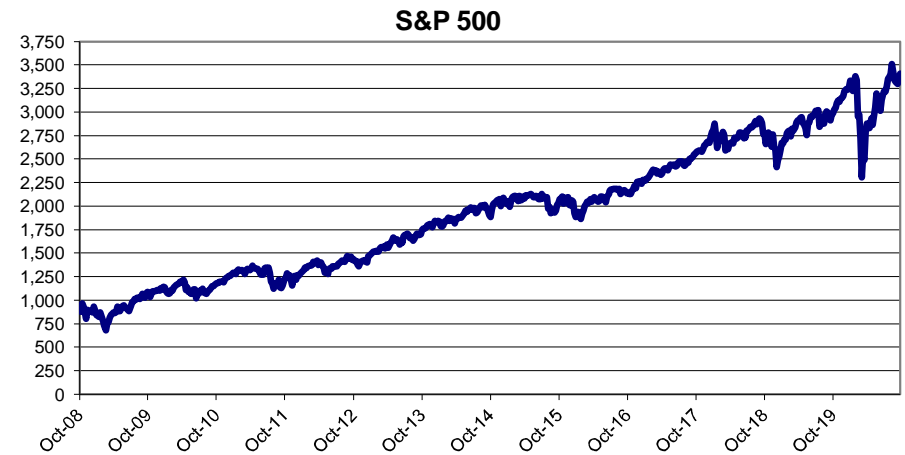
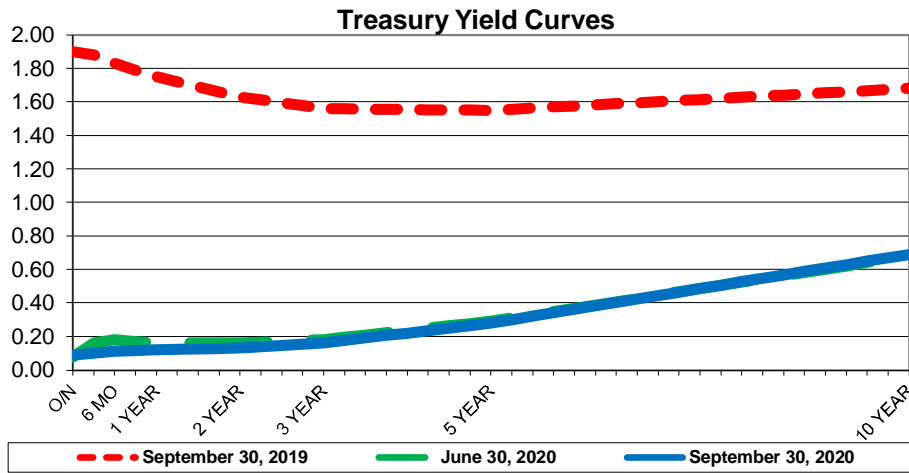
#### Interest Income (Approximate)

Quarterly Interest Income	\$ 22,540
YTD Interest Income	\$ 261,988

(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.

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range at 0.00% to 0.25% (Effective Fed Funds are trading +/-0.10%), and projected that reduced rates could remain through 2024. Final estimate of Second Quarter GDP revised to down 31.4% (from down 31.9%). The Yield Curve remained stable. Crude oil slid to below \$40 per barrel. September Non Farm Payroll added 661k workers. Business added over 800k, but governments shed 200+k. The Stock Markets retreated slightly from all-time highs. Housing strengthened due to low mortgage rates. Additional federal economic assistance remained stalled in Congress.



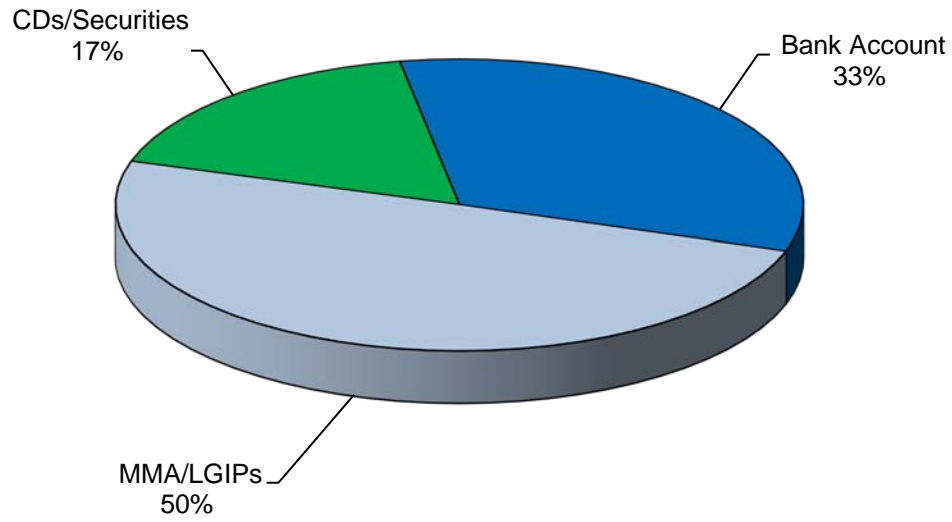
**Investment Holdings**  
**September 30, 2020**

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
FCB Account		0.13%	10/01/20	09/30/20	\$ 8,564,266	\$ 8,564,266	1.00	\$ 8,564,266	1	0.13%
Southside Bank MMA		0.20%	10/01/20	09/30/20	4,158,666	4,158,666	1.00	4,158,666	1	0.20%
Veritex Bank MMA		0.20%	10/01/20	09/30/20	2,737,877	2,737,877	1.00	2,737,877	1	0.20%
TexPool	AAAm	0.15%	10/01/20	09/30/20	6,037,825	6,037,825	1.00	6,037,825	1	0.15%
East West Bank CD		1.44%	12/03/20	03/03/20	1,512,598	1,512,598	100.00	1,512,598	64	1.45%
Texas Regional Bank CD		0.60%	02/15/21	05/15/20	1,001,512	1,001,512	100.00	1,001,512	138	0.60%
East West Bank CD		0.38%	03/03/21	09/03/20	2,015,971	2,015,971	100.00	2,015,971	154	0.38%
					<b>\$ 26,028,716</b>	<b>\$ 26,028,716</b>		<b>\$ 26,028,716</b>	<b>22</b>	<b>0.26%</b>
									(1)	(2)

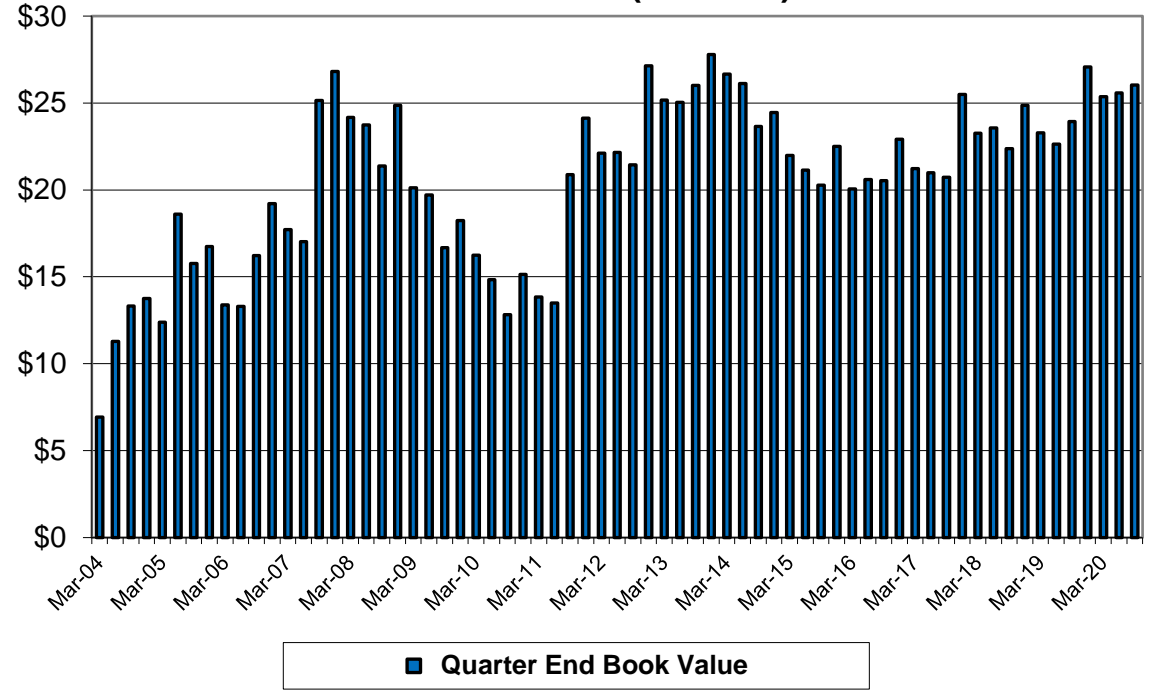
**(1) Weighted average life** - For purposes of calculating weighted average life, bank, pool and money market balances are assumed to have a one day maturity.

**(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.

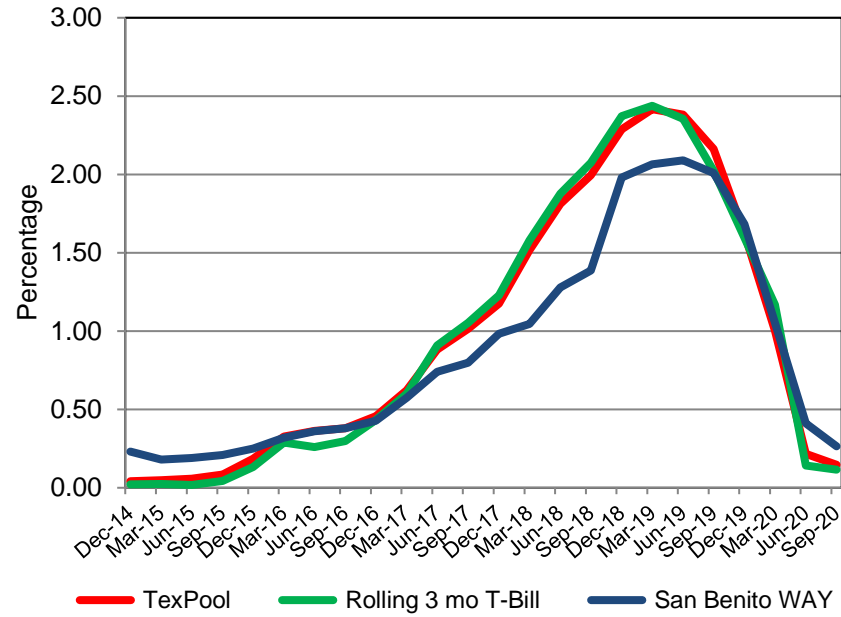
### Portfolio Composition



### Total Portfolio (Millions)



### Total Portfolio Performance



## Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 06/30/20	Increases	Decreases	Book Value 09/30/20	Market Value 06/30/20	Change in Market Value	Market Value 09/30/20
FCB Account	0.13%	10/01/20	\$ 8,131,536	\$ 432,731	\$ -	\$ 8,564,266	\$ 8,564,266	\$ -	\$ 8,564,266
Southside Bank MMA	0.20%	10/01/20	4,156,803	1,863	-	4,158,666	4,158,666	-	4,158,666
Veritex Bank MMA	0.20%	10/01/20	2,736,281	1,596	-	2,737,877	2,737,877	-	2,737,877
TexPool	0.15%	10/01/20	6,034,106	3,719	-	6,037,825	6,037,825	-	6,037,825
East West Bank CD	1.52%	09/03/20	2,010,019	-	(2,010,019)	-	2,010,019	(2,010,019)	-
East West Bank CD	1.44%	12/03/20	1,507,118	5,480	-	1,512,598	1,512,598	-	1,512,598
Texas Regional Bank CD	0.60%	02/15/21	1,000,000	1,512	-	1,001,512	1,001,512	-	1,001,512
East West Bank CD	0.38%	03/03/21	-	2,015,971	-	2,015,971	-	2,015,971	2,015,971
<b>TOTAL / AVERAGE</b>	<b>0.26%</b>		<b>\$25,575,864</b>	<b>\$ 2,462,872</b>	<b>\$ (2,010,019)</b>	<b>\$ 26,028,716</b>	<b>\$ 26,022,764</b>	<b>\$ 5,952</b>	<b>\$ 26,028,716</b>

**Fund Allocation  
Book & Market Value  
September 30, 2020**

	<b>Fund Total</b>	<b>FCB Account</b>	<b>Southside Bank MMA</b>	<b>Veritex Bank MMA</b>	<b>TexPool</b>	<b>East West Bank CDs</b>	<b>Texas Regional Bank CDs</b>
Consolidated/General	\$ 10,640,842	\$ 2,286,136	\$ -	\$ 4,472,883	\$ 2,369,225	\$ 1,512,598	\$ -
Escrow	265,933	-	-	-	265,933	-	-
Utilites Cons./W & S	3,857,932	3,857,932	-	-	-	-	-
Payroll	518,594	518,594	-	-	-	-	-
Water (Greenbank)	1,564,942	-	-	1,564,942	-	-	-
Water Treatment Plant	1,428,419	-	924,426	-	-	503,993	-
W&S O & M Reserve	469,096	-	411,057	-	58,039	-	-
W&S R & R Reserve	266,074	-	236,807	-	29,267	-	-
W & S Debt Service Reserve	446,834	-	383,957	-	62,877	-	-
W & S Reserve Capital Imp	213,086	-	-	-	213,086	-	-
Water and Sewer	80,835	-	-	-	80,835	-	-
CO 2007 EDC Projects	958,273	-	-	-	958,273	-	-
CO Series 2011	781,630	-	781,630	-	-	-	-
CO Series 2012	121,129	-	-	-	121,129	-	-
Cons. Cash Grant CO	1,388,832	380,846	-	-	-	1,007,986	-
Veterans Memorial	43,694	43,694	-	-	-	-	-
Resaca Trails	103,703	103,703	-	-	-	-	-
Hotel/Motel Tax	552,746	48,753	-	-	-	503,993	-
Community Dev. Block Grant	110	110	-	-	-	-	-
DSRIP UTHSCSA	26,832	26,832	-	-	-	-	-
Police	2,991	2,991	-	-	-	-	-
Forfeiture Seizure Federal	68,258	68,258	-	-	-	-	-
Special Investigations Ckg	195,443	195,443	-	-	-	-	-
Special investigation Svgs	57,179	57,179	-	-	-	-	-
Fire Relief & Retirement Plan	49,000	49,000	-	-	-	-	-
Border Security	16,066	16,066	-	-	-	-	-
Emergency Management Funds	186,125	186,125	-	-	-	-	-
Coronavirus Funds	271,100	271,100	-	-	-	-	-
TIRZ	1,453,016	451,504	-	-	-	-	1,001,512
<b>TOTAL</b>	<b>\$ 26,028,716</b>	<b>\$ 8,564,266</b>	<b>\$ 2,737,877</b>	<b>\$ 6,037,825</b>	<b>\$ 4,158,666</b>	<b>\$ 3,528,569</b>	<b>\$ 1,001,512</b>



**Fund Allocation  
Book & Market Value  
June 30, 2020**

	<b>Fund Total</b>	<b>FCB Account</b>	<b>Southside Bank MMA</b>	<b>Veritex Bank MMA</b>	<b>TexPool</b>	<b>East West Bank CDs</b>	<b>Texas Regional Bank CDs</b>
Consolidated/General	\$ 11,060,493	\$ 2,715,083	\$ —	\$ 4,470,128	\$ 2,368,164	\$ 1,507,118	\$ —
Escrow	265,814	—	—	—	265,814	—	—
Utilites Cons./W & S	3,459,101	3,459,101	—	—	—	—	—
Payroll	552,694	552,694	—	—	—	—	—
Water (Greenbank)	1,563,978	—	—	1,563,978	—	—	—
Water Treatment Plant	1,426,392	—	923,888	—	—	502,505	—
W&S O & M Reserve	468,849	—	410,835	—	58,013	—	—
W&S R & R Reserve	265,933	—	236,679	—	29,254	—	—
W & S Debt Service Reserve	446,600	—	383,750	—	62,849	—	—
W & S Reserve Capital Imp	212,991	—	—	—	212,991	—	—
Water and Sewer	80,799	—	—	—	80,799	—	—
CO 2007 EDC Projects	957,844	—	—	—	957,844	—	—
CO Series 2011	781,129	—	781,129	—	—	—	—
CO Series 2012	121,075	—	—	—	121,075	—	—
Cons. Cash Grant CO	1,393,169	388,159	—	—	—	1,005,010	—
Veterans Memorial	44,090	44,090	—	—	—	—	—
Resaca Trails	753	753	—	—	—	—	—
Hotel/Motel Tax	524,804	22,300	—	—	—	502,505	—
Community Dev. Block Grant	3,651	3,651	—	—	—	—	—
DSRIP UTHSCSA	27,506	27,506	—	—	—	—	—
Police	4,560	4,560	—	—	—	—	—
Forfeiture Seizure Federal	70,028	70,028	—	—	—	—	—
Special Investigations Ckg	211,987	211,987	—	—	—	—	—
Special investigation Svgs	57,179	57,179	—	—	—	—	—
Fire Relief & Retirement Plan	44,384	44,384	—	—	—	—	—
Border Security	16,061	16,061	—	—	—	—	—
Emergency Management Funds	210,492	210,492	—	—	—	—	—
TIRZ	1,303,509	303,509	—	—	—	—	1,000,000
<b>TOTAL</b>	<b>\$ 25,575,864</b>	<b>\$ 8,131,536</b>	<b>\$ 2,736,281</b>	<b>\$ 6,034,106</b>	<b>\$ 4,156,803</b>	<b>\$ 3,517,137</b>	<b>\$ 1,000,000</b>