

## INVESTMENT REPORT

For the Period Ended  
March 31, 2022

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, 2021		March 31, 2022		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Bank Account	\$ 12,337,184	\$ 12,337,184	\$ 7,395,394	\$ 7,395,394	0.27%
MMA/LGIPs	23,537,987	23,537,987	23,545,923	23,545,923	0.18%
CDs/Securities	9,912,281	9,912,281	12,412,453	12,412,453	0.45%
<b>Totals</b>	<b>\$ 45,787,452</b>	<b>\$ 45,787,452</b>	<b>\$ 43,353,770</b>	<b>\$ 43,353,770</b>	0.27%

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

Total Portfolio	0.27%
Rolling Three Month Treasury	0.31%
Rolling Six Month Treasury	0.36%
TexPool	0.15%

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

Total Portfolio	0.20%
Rolling Three Month Treasury	0.18%
Rolling Six Month Treasury	0.22%
TexPool	0.10%

#### Interest Income (Approximate)

Quarterly Interest Income	\$ 20,960
YTD Interest Income	\$ 34,198

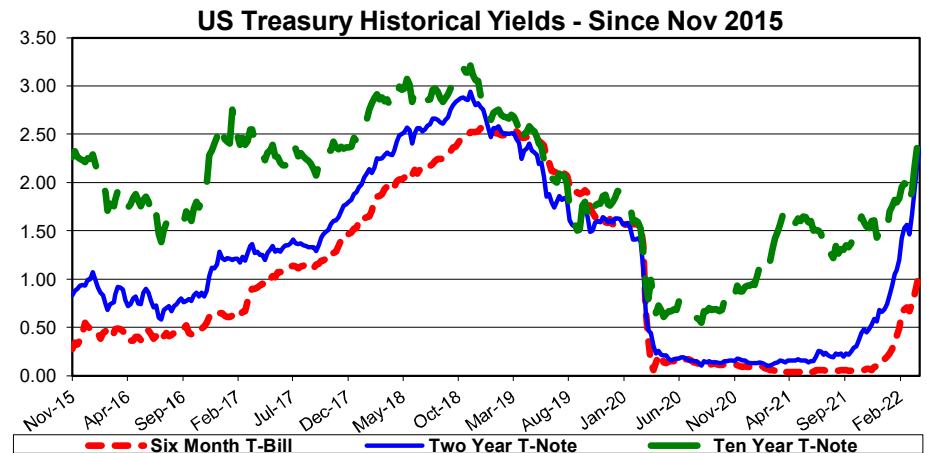
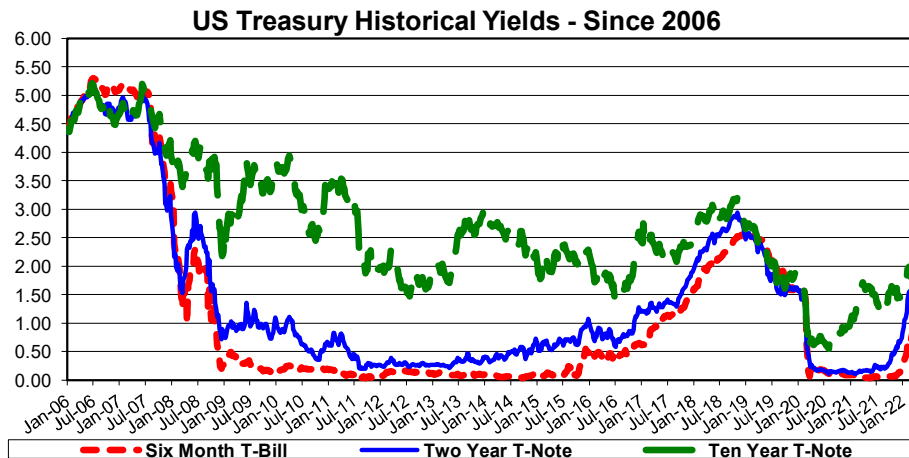
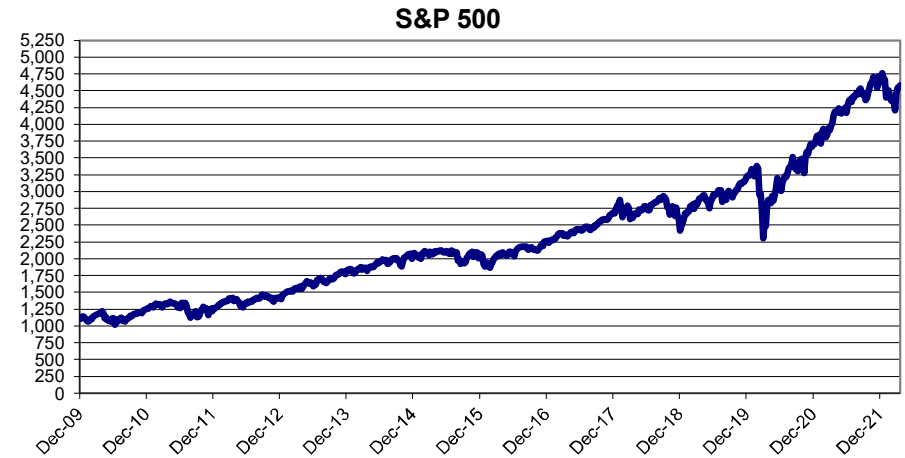
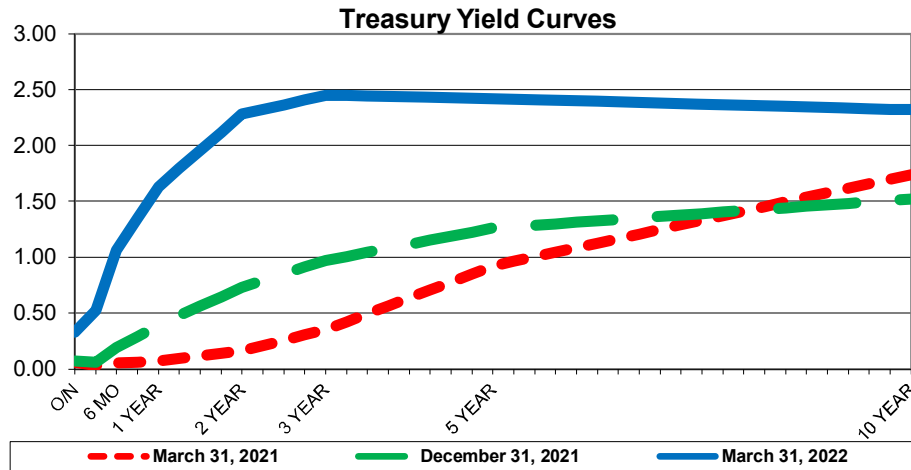
(1) **Average Yield Current Quarter** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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.

## Economic Overview

3/31/2022

The Federal Open Market Committee (FOMC) **raised** the Fed Funds target range to 0.25% to 0.50% (Effective Fed Funds are trading +/-0.30%). The FOMC ended monthly security purchases and may begin reducing their balance sheet. The market projection 4 to 6 more increases this calendar year. Final Fourth Quarter GDP recorded +6.9%. March Non-Farm Payroll missed estimates adding 431k net new jobs. Decreasing the Three Month Average NFP to 562k. Crude oil declined to +/- \$100 per barrel. The Stock Markets have recovered from the "correction" and slowly regained some lost ground. Some domestic economic indicators, including housing, softened. Inflation remained well over the FOMC 2% target (Core PCE +/-5.4%). The FOMC Fed Funds target projections pushed the yield curve to a Three Year Maturity peak.



## Investment Holdings

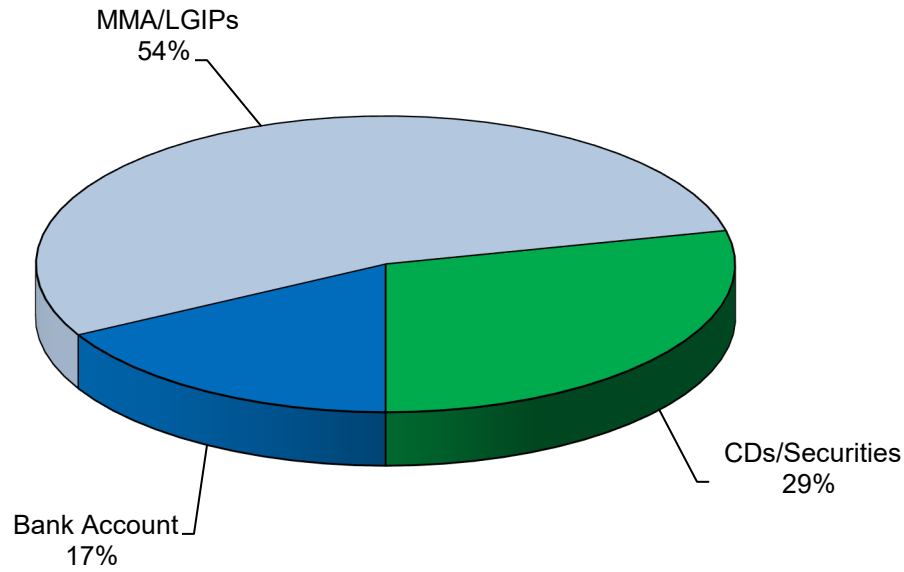
March 31, 2022

Description	Coupon/ Rating Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Texas Regional Bank DDA	0.27%	04/01/22	03/31/22	\$ 7,395,394	\$ 7,395,394	1.00	\$ 7,395,394	1	0.27%
Southside Bank MMA	0.18%	04/01/22	03/31/22	2,742,080	2,742,080	1.00	2,742,080	1	0.18%
Veritex Bank MMA	0.27%	04/01/22	03/31/22	6,047,962	6,047,962	1.00	6,047,962	1	0.27%
Prosperity Bank MMA	0.15%	04/01/22	03/31/22	6,002,787	6,002,787	1.00	6,002,787	1	0.15%
Texas Regional Bank MMA	0.13%	04/01/22	03/31/22	7,043,120	7,043,120	1.00	7,043,120	1	0.13%
TexPool	AAAm 0.15%	04/01/22	03/31/22	1,709,974	1,709,974	1.00	1,709,974	1	0.15%
Texas Regional Bank CD	0.18%	06/04/22	06/04/21	1,504,045	1,504,045	100.00	1,504,045	65	0.18%
East West Bank CD	0.15%	06/08/22	12/08/21	7,003,280	7,003,280	100.00	7,003,280	69	0.15%
East West Bank CD	1.09%	02/17/23	02/17/22	3,905,128	3,905,128	100.00	3,905,128	323	1.09%
				<b>\$ 43,353,770</b>	<b>\$ 43,353,770</b>		<b>\$ 43,353,770</b>	<b>43</b>	<b>0.27%</b>
								(1)	(2)

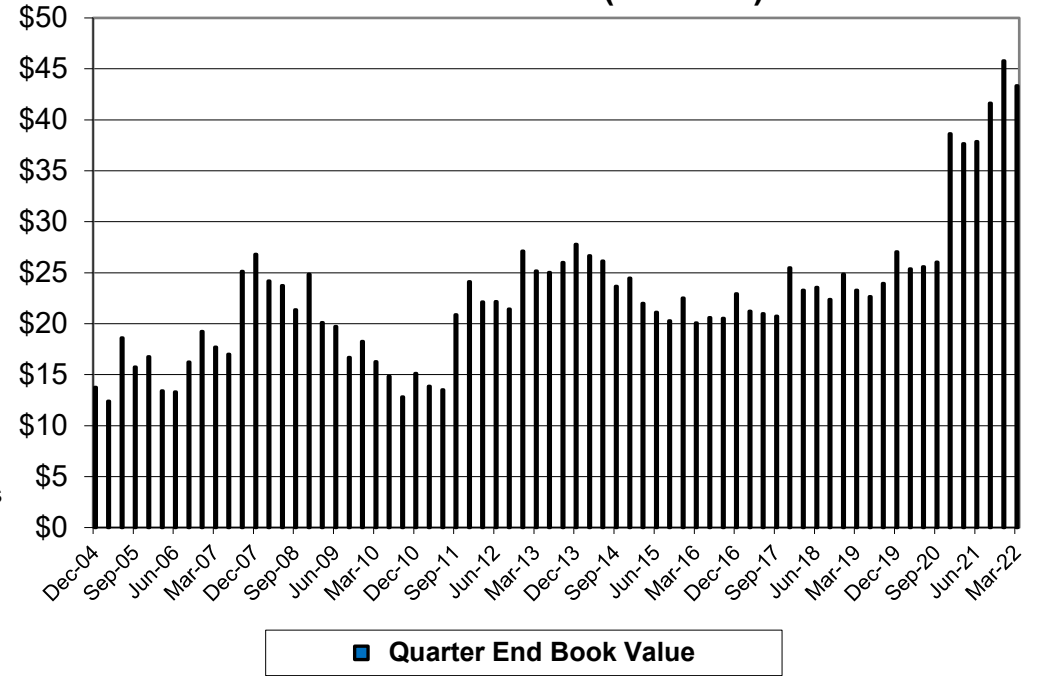
(1) **Weighted average life** - For purposes of calculating weighted average life, bank, pool and money market balances are assumed to have a one day maturity.

(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.

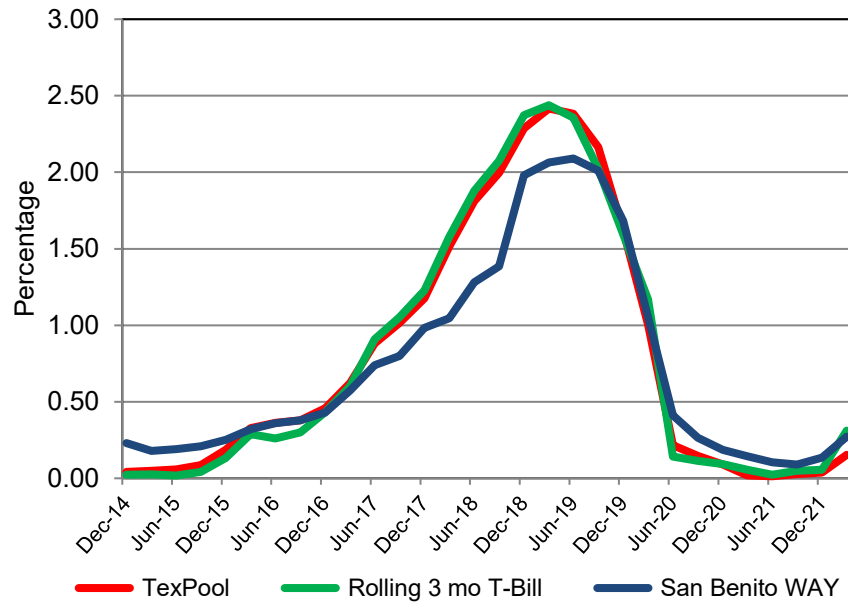
### Portfolio Composition



### Total Portfolio (Millions)



### Total Portfolio Performance



## Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 12/31/21	Increases	Decreases	Book Value 03/31/22	Market Value 12/31/21	Change in Market Value	Market Value 03/31/22
Texas Regional Bank DDA	0.27%	04/01/22	\$12,337,184	\$ -	\$ (4,941,790)	\$ 7,395,394	\$12,337,184	\$ (4,941,790)	\$ 7,395,394
Southside Bank MMA	0.18%	04/01/22	2,741,237	843	-	2,742,080	2,741,237	843	2,742,080
Veritex Bank MMA	0.27%	04/01/22	6,046,204	1,758	-	6,047,962	6,046,204	1,758	6,047,962
Prosperity Bank MMA	0.15%	04/01/22	6,000,567	2,220	-	6,002,787	6,000,567	2,220	6,002,787
Texas Regional Bank MMA	0.13%	04/01/22	7,040,365	2,755	-	7,043,120	7,040,365	2,755	7,043,120
TexPool	0.15%	04/01/22	1,709,614	360	-	1,709,974	1,709,614	360	1,709,974
Texas Regional Bank CD	0.35%	02/12/22	1,408,212	-	(1,408,212)	-	1,408,212	(1,408,212)	-
Texas Regional Bank CD	0.18%	06/04/22	1,503,378	667	-	1,504,045	1,503,378	667	1,504,045
East West Bank CD	0.15%	06/08/22	7,000,690	2,590	-	7,003,280	7,000,690	2,590	7,003,280
East West Bank CD	1.09%	02/17/23	-	3,905,128	-	3,905,128	-	3,905,128	3,905,128
<b>TOTAL / AVERAGE</b>	<b>0.27%</b>		<b>\$ 45,787,452</b>	<b>\$ 3,916,320</b>	<b>\$ (6,350,003)</b>	<b>\$ 43,353,770</b>	<b>\$ 45,787,452</b>	<b>\$ (2,433,682)</b>	<b>\$ 43,353,770</b>

**Fund Allocation  
Book & Market Value  
March 31, 2022**

	<b>Fund Total</b>	<b>Southside Bank MMA</b>	<b>Veritex Bank MMA</b>	<b>Prosperity Bank MMA</b>	<b>Texas Regional Bank DDA</b>	<b>Texas Regional Bank MMA</b>	<b>TexPool</b>	<b>East West Bank CDs</b>	<b>Texas Regional Bank CDs</b>
Consolidated/General	\$ 16,108,534	\$ —	\$ 4,480,392	\$ 5,002,322	\$ 2,618,487	\$ —	\$ —	\$ 2,503,287	\$ 1,504,045
Escrow	266,146	—	—	—	—	—	266,146	—	—
Utlities Cons./W & S	2,206,408	—	—	1,000,464	1,205,943	—	—	—	—
Payroll	1,236,381	—	—	—	735,486	500,895	—	—	—
Water (Greenbank)	1,567,570	—	1,567,570	—	—	—	—	—	—
Water Treatment Plant	1,426,740	925,846	—	—	—	500,894	—	—	—
W&S O & M Reserve	469,725	411,639	—	—	—	—	58,086	—	—
W&S R & R Reserve	266,433	237,142	—	—	—	—	29,291	—	—
W & S Debt Service Reserve	447,429	384,502	—	—	—	—	62,928	—	—
W & S Reserve Capital Imp	213,257	—	—	—	—	—	213,257	—	—
CO 2007 EDC Projects	959,041	—	—	—	—	—	959,041	—	—
CO Series 2011	782,951	782,951	—	—	—	—	—	—	—
CO Series 2012	121,226	—	—	—	—	—	121,226	—	—
CO Series 2019	1,001,799	—	—	—	—	1,001,799	—	—	—
CO Series 2020	7,003,280	—	—	—	—	—	—	7,003,280	—
Cons. Cash Grant CO	591,985	—	—	—	591,985	—	—	—	—
Veterans Memorial	44,257	—	—	—	44,257	—	—	—	—
Resaca Trails	1,424	—	—	—	1,424	—	—	—	—
Hotel/Motel Tax	615,366	—	—	—	114,471	500,894	—	—	—
Community Dev. Block Grant	251	—	—	—	251	—	—	—	—
DSRIP UTHSCSA	43,707	—	—	—	43,707	—	—	—	—
Police	4,007	—	—	—	4,007	—	—	—	—
Forfeiture Seizure Federal	53,948	—	—	—	53,948	—	—	—	—
Special Investigations Ckg	59,226	—	—	—	59,226	—	—	—	—
Special investigation Svgs	66,292	—	—	—	66,292	—	—	—	—
Fire Relief & Retirement Plan	58,231	—	—	—	58,231	—	—	—	—
Border Security	16,103	—	—	—	16,103	—	—	—	—
Emergency Management Funds	185,993	—	—	—	185,993	—	—	—	—
Coronavirus Funds	991,484	—	—	—	991,484	—	—	—	—
TIRZ	2,005,938	—	—	—	604,097	—	—	1,401,841	—
ARPA Grant	4,538,637	—	—	—	—	4,538,637	—	—	—
<b>TOTAL</b>	<b>\$ 43,353,770</b>	<b>\$ 2,742,080</b>	<b>\$ 6,047,962</b>	<b>\$ 6,002,787</b>	<b>\$ 7,395,394</b>	<b>\$ 7,043,120</b>	<b>\$ 1,709,974</b>	<b>\$ 10,908,408</b>	<b>\$ 1,504,045</b>

**Fund Allocation  
Book & Market Value  
December 31, 2021**

	<b>Fund Total</b>	<b>Southside Bank MMA</b>	<b>Veritex Bank MMA</b>	<b>Prosperity Bank MMA</b>	<b>Texas Regional Bank DDA</b>	<b>Texas Regional Bank MMA</b>	<b>TexPool</b>	<b>East West Bank CDs</b>	<b>Texas Regional Bank CDs</b>
Consolidated/General	\$ 16,761,190	\$ -	\$ 4,479,090	\$ 5,000,473	\$ 5,778,250	\$ -	\$ -	\$ -	\$ 1,503,378
Escrow	266,090	-	-	-	-	-	266,090	-	-
Utilites Cons./W & S	4,389,820	-	-	1,000,095	3,389,725	-	-	-	-
Payroll	586,324	-	-	-	85,576	500,747	-	-	-
Water (Greenbank)	1,567,114	-	1,567,114	-	-	-	-	-	-
Water Treatment Plant	1,426,307	925,561	-	-	-	500,746	-	-	-
W&S O & M Reserve	469,596	411,522	-	-	-	-	58,074	-	-
W&S R & R Reserve	266,359	237,075	-	-	-	-	29,284	-	-
W & S Debt Service Reserve	447,307	384,392	-	-	-	-	62,915	-	-
W & S Reserve Capital Imp	213,212	-	-	-	-	-	213,212	-	-
CO 2007 EDC Projects	958,839	-	-	-	-	-	958,839	-	-
CO Series 2011	782,687	782,687	-	-	-	-	-	-	-
CO Series 2012	121,200	-	-	-	-	-	121,200	-	-
CO Series 2019	1,001,502	-	-	-	-	1,001,502	-	-	-
CO Series 2020	7,000,690	-	-	-	-	-	-	7,000,690	-
Cons. Cash Grant CO	998,414	-	-	-	998,414	-	-	-	-
Veterans Memorial	44,231	-	-	-	44,231	-	-	-	-
Resaca Trails	1,423	-	-	-	1,423	-	-	-	-
Hotel/Motel Tax	601,461	-	-	-	100,714	500,746	-	-	-
Community Dev. Block Grant	251	-	-	-	251	-	-	-	-
DSRIP UTHSCSA	60,894	-	-	-	60,894	-	-	-	-
Police	1,312	-	-	-	1,312	-	-	-	-
Forfeiture Seizure Federal	55,569	-	-	-	55,569	-	-	-	-
Special Investigations Ckg	108,829	-	-	-	108,829	-	-	-	-
Special investigation Svgs	65,189	-	-	-	65,189	-	-	-	-
Fire Relief & Retirement Plan	53,847	-	-	-	53,847	-	-	-	-
Border Security	16,093	-	-	-	16,093	-	-	-	-
Emergency Management Funds	184,454	-	-	-	184,454	-	-	-	-
Coronavirus Funds	999,794	-	-	-	999,794	-	-	-	-
TIRZ	1,800,831	-	-	-	392,618	-	-	-	1,408,212
ARPA Grant	4,536,623	-	-	-	-	4,536,623	-	-	-
<b>TOTAL</b>	<b>\$ 45,787,452</b>	<b>\$ 2,741,237</b>	<b>\$ 6,046,204</b>	<b>\$ 6,000,567</b>	<b>\$ 12,337,184</b>	<b>\$ 7,040,365</b>	<b>\$ 1,709,614</b>	<b>\$ 7,000,690</b>	<b>\$ 2,911,591</b>