



INVESTMENT REPORT

For the Period Ended
June 30, 2022

Prepared by
Valley View Consulting, L.L.C.

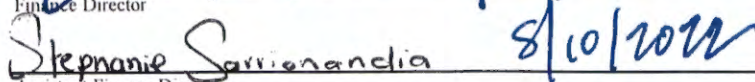
The investment portfolio of the City of San Benito is in compliance with the Public Funds Investment Act and the City of San Benito Investment Policy.



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	March 31, 2022		June 30, 2022		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Bank Account	\$ 7,395,394	\$ 7,395,394	\$ 7,869,397	\$ 7,869,397	1.84%
MMA/LGIPs	23,545,923	23,545,923	23,530,945	23,530,945	1.23%
CDs/Securities	12,412,453	12,412,453	10,415,754	10,415,754	1.32%
Totals	\$ 43,353,770	\$ 43,353,770	\$ 41,816,097	\$ 41,816,097	1.37%

Average Yield Current Quarter (1):

Total Portfolio	1.37%
Rolling Three Month Treasury	1.13%
Rolling Six Month Treasury	1.15%
TexPool	1.00%

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

Total Portfolio	0.59%
Rolling Three Month Treasury	0.50%
Rolling Six Month Treasury	0.53%
TexPool	0.40%

Interest Income (Approximate)

Quarterly Interest Income	\$ 53,153
YTD Interest Income	\$ 87,351

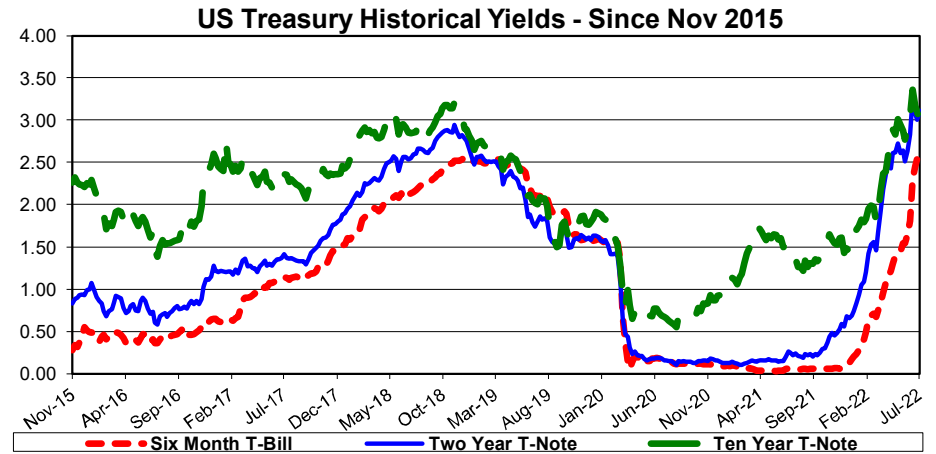
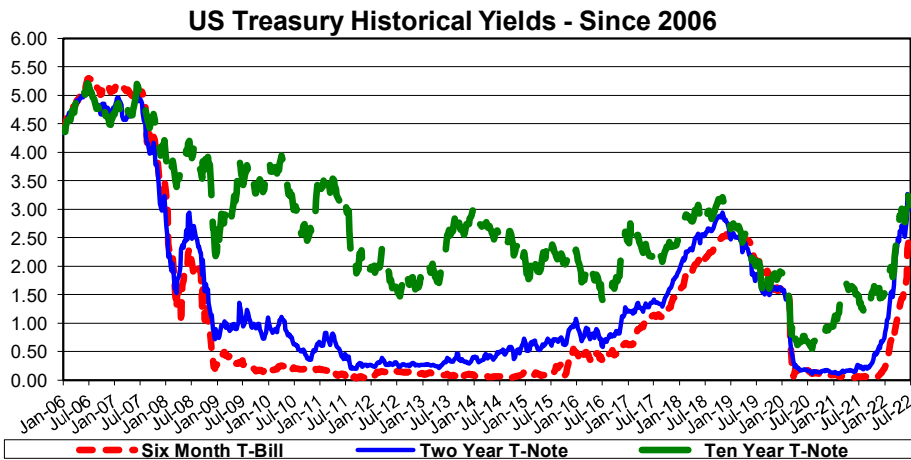
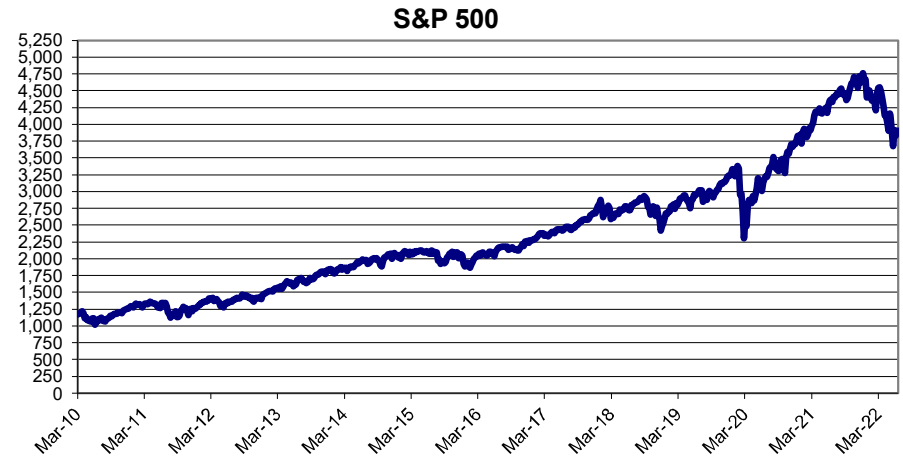
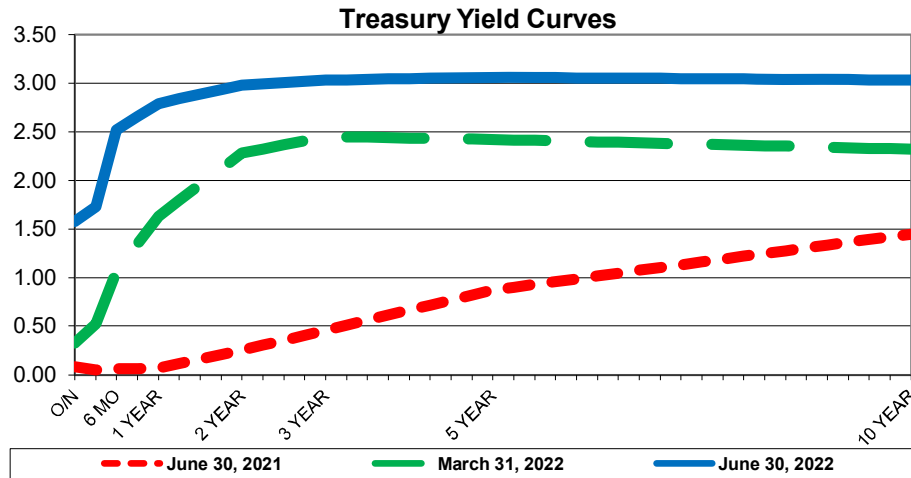
(1) **Average Yield Current Quarter** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

6/30/2022

The Federal Open Market Committee (FOMC) raised the Fed Funds target range 0.75% to 1.50% - 1.75% June 15th (Effective Fed Funds are trading +/-1.60%). The FOMC begin actively reducing their balance sheet June 1. An additional 0.75% increase is anticipated July 27. First Quarter GDP (final) was -1.6%. June Non-Farm Payroll added 372k net new jobs while the Three Month Average NFP declined to 375k. Crude oil settled in at +/- \$105 per barrel. The Stock Markets continued sliding lower, but may be stabilizing. More domestic and international economic indicators softened, including housing data. A recession in the next 12 to 18 months is being openly discussed. Inflation remained well over the FOMC 2% target (Core PCE +/-4.7% and CPI exceeding 8%).



Investment Holdings

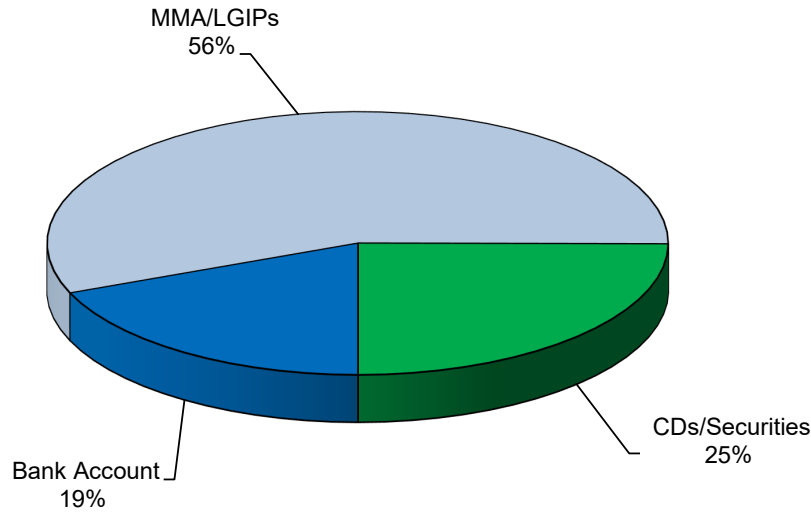
June 30, 2022

Description	Coupon/ Rating	Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Texas Regional Bank DDA		1.84%	07/01/22	06/30/22	\$ 7,869,397	\$ 7,869,397	1.00	\$ 7,869,397	1	1.84%
Southside Bank MMA		0.97%	07/01/22	06/30/22	2,746,472	2,746,472	1.00	2,746,472	1	0.97%
Veritex Bank MMA		1.21%	07/01/22	06/30/22	6,057,542	6,057,542	1.00	6,057,542	1	1.21%
Prosperity Bank MMA		2.00%	07/01/22	06/30/22	6,005,542	6,005,542	1.00	6,005,542	1	2.00%
Texas Regional Bank MMA		0.75%	07/01/22	06/30/22	7,046,489	7,046,489	1.00	7,046,489	1	0.75%
TexPool	AAAm	1.00%	07/01/22	06/30/22	1,674,901	1,674,901	1.00	1,674,901	1	1.00%
East West Bank CD		1.09%	02/17/23	02/17/22	3,915,754	3,915,754	100.00	3,915,754	232	1.09%
Veritex Bank CD		1.45%	06/06/23	06/08/22	1,500,000	1,500,000	100.00	1,500,000	341	1.46%
Veritex Bank CD		1.45%	06/06/23	06/09/22	5,000,000	5,000,000	100.00	5,000,000	341	1.46%
					\$ 41,816,097	\$ 41,816,097		\$ 41,816,097	75	1.37%
									(1)	(2)

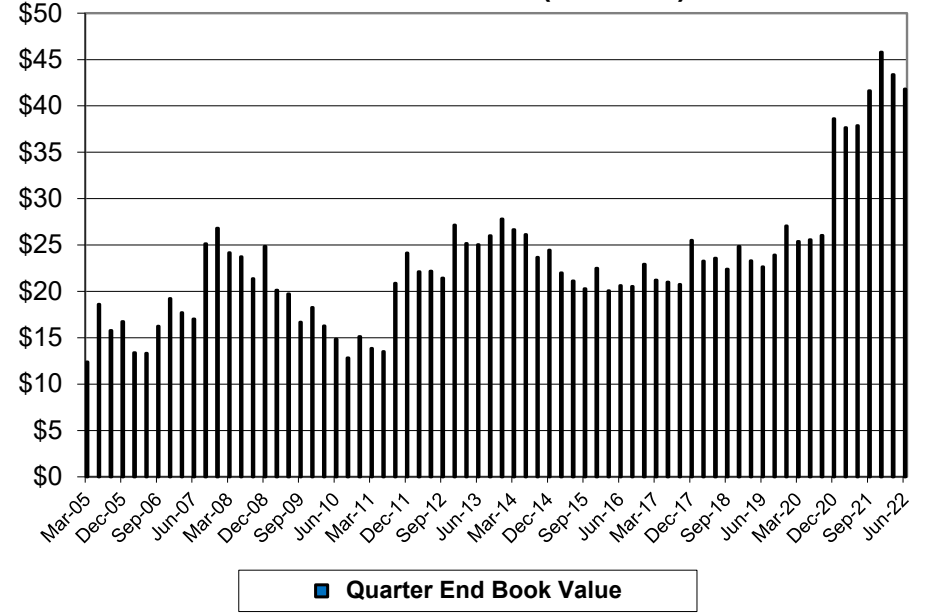
(1) **Weighted average life** - For purposes of calculating weighted average life, bank, pool and money market balances are assumed to have a one day maturity.

(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.

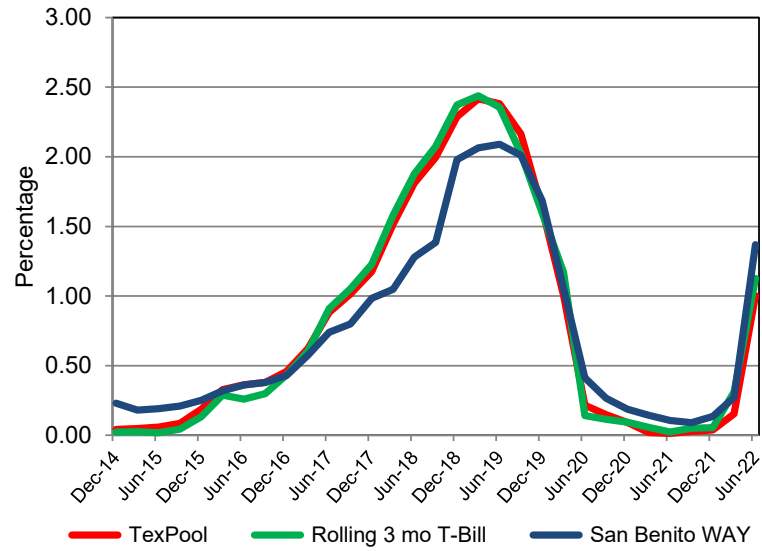
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 03/31/22	Increases	Decreases	Book Value 06/30/22	Market Value 03/31/22	Change in Market Value	Market Value 06/30/22
Texas Regional Bank DDA	1.84%	07/01/22	\$ 7,395,394	\$ 474,003	\$ -	\$ 7,869,397	\$ 7,395,394	\$ 474,003	\$ 7,869,397
Southside Bank MMA	0.97%	07/01/22	2,742,080	4,392	-	2,746,472	2,742,080	4,392	2,746,472
Veritex Bank MMA	1.21%	07/01/22	6,047,962	9,580	-	6,057,542	6,047,962	9,580	6,057,542
Prosperity Bank MMA	2.00%	07/01/22	6,002,787	2,755	-	6,005,542	6,002,787	2,755	6,005,542
Texas Regional Bank MMA	0.75%	07/01/22	7,043,120	3,369	-	7,046,489	7,043,120	3,369	7,046,489
TexPool	1.00%	07/01/22	1,709,974	-	(35,073)	1,674,901	1,709,974	(35,073)	1,674,901
Texas Regional Bank CD	0.18%	06/04/22	1,504,045	-	(1,504,045)	-	1,504,045	(1,504,045)	-
East West Bank CD	0.15%	06/08/22	7,003,280	-	(7,003,280)	-	7,003,280	(7,003,280)	-
East West Bank CD	1.09%	02/17/23	3,905,128	10,627	-	3,915,754	3,905,128	10,627	3,915,754
Veritex Bank CD	1.45%	06/06/23	-	1,500,000	-	1,500,000	-	1,500,000	1,500,000
Veritex Bank CD	1.45%	06/06/23	-	5,000,000	-	5,000,000	-	5,000,000	5,000,000
TOTAL / AVERAGE	1.37%		\$ 43,353,770	\$ 7,004,726	\$ (8,542,399)	\$ 41,816,097	\$ 43,353,770	\$ (1,537,673)	\$ 41,816,097

**Fund Allocation
Book & Market Value
June 30, 2022**

	Fund Total	Southside Bank MMA	Veritex Bank MMA	Prosperity Bank MMA	Texas Regional Bank DDA	Texas Regional Bank MMA	TexPool	East West Bank CDs	Veritex Bank CDs
Consolidated/General	\$ 14,983,525	\$ —	\$ 4,487,489	\$ 5,004,618	\$ 1,481,319	\$ —	\$ —	\$ 2,510,099	\$ 1,500,000
Escrow	266,573	—	—	—	—	—	266,573	—	—
Utilites Cons./W & S	2,787,460	—	—	1,000,924	1,786,537	—	—	—	—
Payroll	922,162	—	—	—	420,867	501,295	—	—	—
Water (Greenbank)	1,570,053	—	1,570,053	—	—	—	—	—	—
Water Treatment Plant	1,428,624	927,328	—	—	—	501,296	—	—	—
W&S O & M Reserve	470,427	412,248	—	—	—	—	58,179	—	—
W&S R & R Reserve	266,831	237,493	—	—	—	—	29,337	—	—
W & S Debt Service Reserve	448,099	385,071	—	—	—	—	63,029	—	—
W & S Reserve Capital Imp	213,598	—	—	—	—	—	213,598	—	—
CO 2007 EDC Projects	922,764	—	—	—	—	—	922,764	—	—
CO Series 2011	784,332	784,332	—	—	—	—	—	—	—
CO Series 2012	121,420	—	—	—	—	—	121,420	—	—
CO Series 2019	1,002,600	—	—	—	—	1,002,600	—	—	—
CO Series 2020	5,000,000	—	—	—	—	—	—	—	5,000,000
Cons. Cash Grant CO	2,027,501	—	—	—	2,027,501	—	—	—	—
Veterans Memorial	44,461	—	—	—	44,461	—	—	—	—
Resaca Trails	1,428	—	—	—	1,428	—	—	—	—
Hotel/Motel Tax	622,230	—	—	—	120,935	501,295	—	—	—
Community Dev. Block Grant	251	—	—	—	251	—	—	—	—
DSRIP UTHSCSA	35,174	—	—	—	35,174	—	—	—	—
Police	2,241	—	—	—	2,241	—	—	—	—
Forfeiture Seizure Federal	45,265	—	—	—	45,265	—	—	—	—
Special Investigations Ckg	107,352	—	—	—	107,352	—	—	—	—
Special investigation Svgs	76,492	—	—	—	76,492	—	—	—	—
Fire Relief & Retirement Plan	76,974	—	—	—	76,974	—	—	—	—
Border Security	16,140	—	—	—	16,140	—	—	—	—
Emergency Management Funds	26,221	—	—	—	26,221	—	—	—	—
Coronavirus Funds	993,818	—	—	—	993,818	—	—	—	—
TIRZ	2,012,077	—	—	—	606,421	—	—	1,405,655	—
ARPA Grant	4,540,003	—	—	—	—	4,540,003	—	—	—
TOTAL	\$ 41,816,097	\$ 2,746,472	\$ 6,057,542	\$ 6,005,542	\$ 7,869,397	\$ 7,046,489	\$ 1,674,901	\$ 3,915,754	\$ 6,500,000

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

	Fund Total	Southside Bank MMA	Veritex Bank MMA	Prosperity Bank MMA	Texas Regional Bank DDA	Texas Regional Bank MMA	TexPool	East West Bank CDs	Texas Regional Bank CDs
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	—	—
Utilites 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	—	—	—
TOTAL	\$ 43,353,770	\$ 2,742,080	\$ 6,047,962	\$ 6,002,787	\$ 7,395,394	\$ 7,043,120	\$ 1,709,974	\$ 10,908,408	\$ 1,504,045