



INVESTMENT REPORT

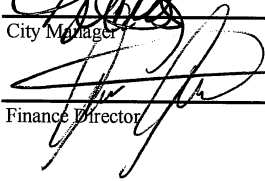
For the Period Ended
March 31, 2023

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, 2022		March 31, 2023		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Bank Account	\$ 12,798,300	\$ 12,798,300	\$ 11,442,137	\$ 11,442,137	5.10%
MMA/LGIPs	26,838,988	26,838,988	29,057,217	29,057,217	1.89%
CDs/Securities	10,484,670	10,484,670	6,570,749	6,570,749	1.46%
Totals	\$ 50,121,958	\$ 50,121,958	\$ 47,070,102	\$ 47,070,102	4.17%

Average Yield Current Quarter (1):

Total Portfolio	4.17%
Rolling Three Month Treasury	4.78%
Rolling Six Month Treasury	4.73%
TexPool	4.61%

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

Total Portfolio	3.84%
Rolling Three Month Treasury	4.49%
Rolling Six Month Treasury	4.32%
TexPool	4.30%

Interest Income (Approximate)

Quarterly Interest Income	\$ 451,973
YTD Interest Income	\$ 804,176

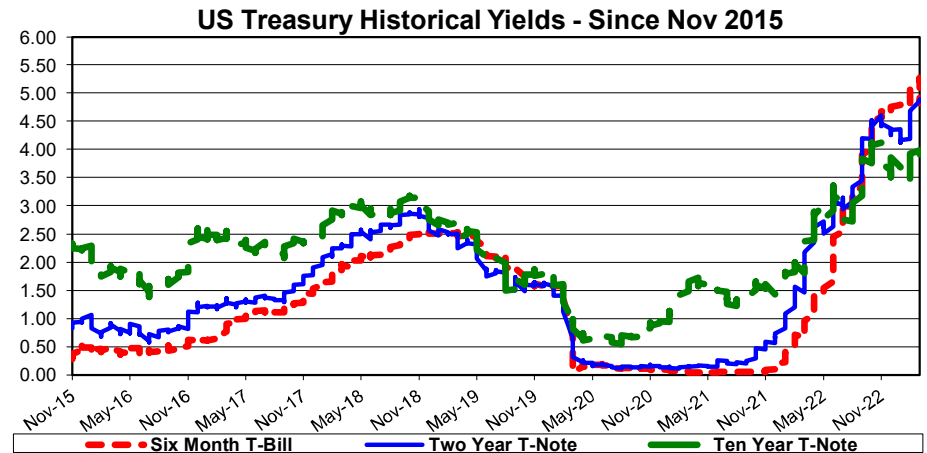
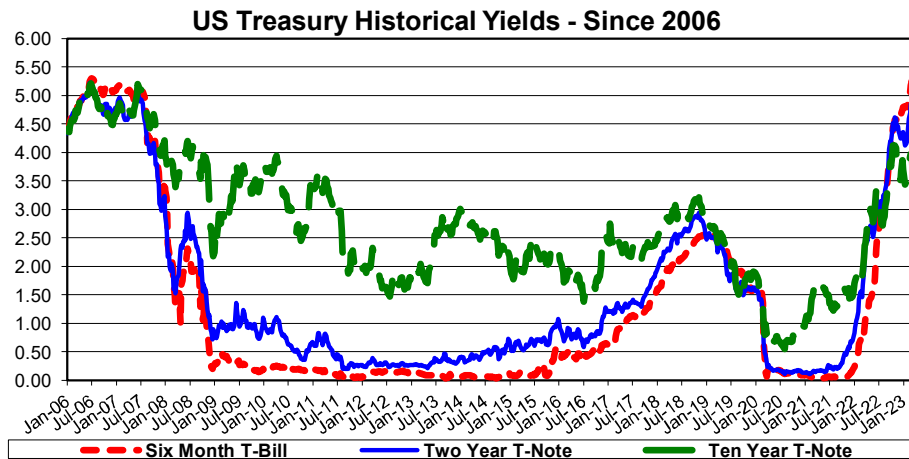
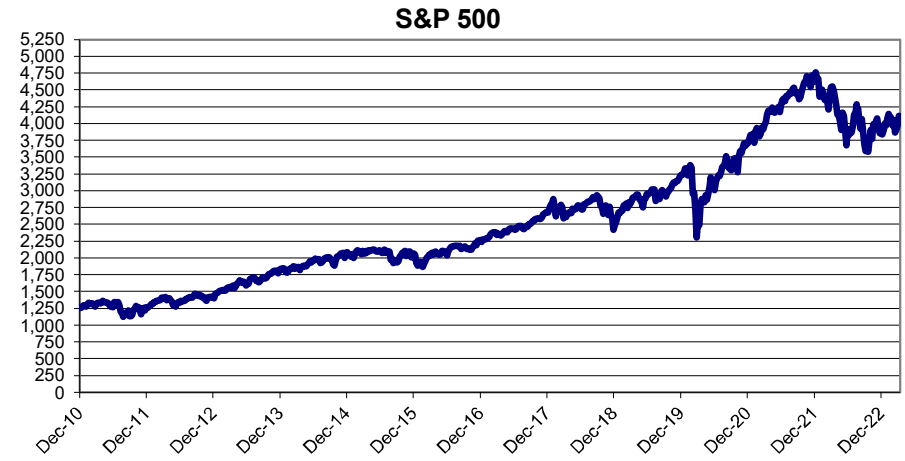
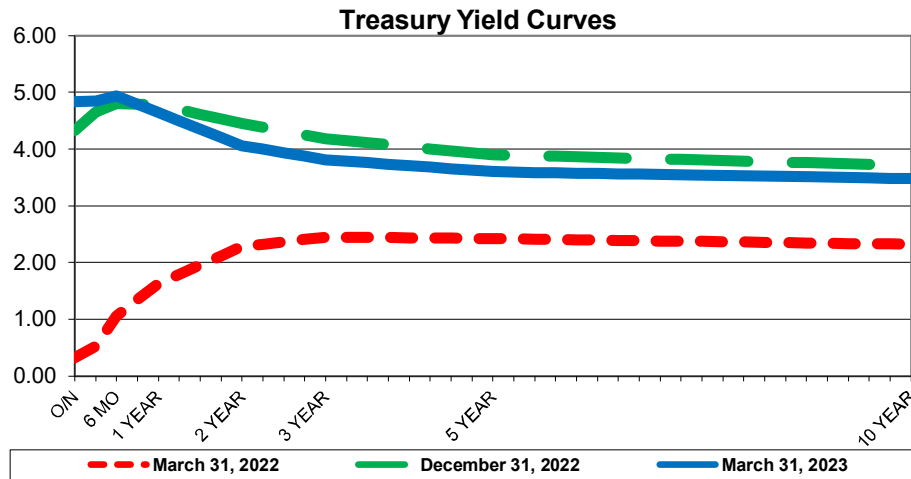
(1) **Average Yield Current Quarter** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

3/31/2023

The Federal Open Market Committee (FOMC) raised the Fed Funds target range 0.25% to 4.75% - 5.00% March 22nd (Effective Fed Funds are trading +/-4.82%). An additional 0.25% increase is projected May 3rd. Fourth Quarter 2022 GDP was revised downward to 2.6% (final number). March Non-Farm Payroll saw 236k new jobs. OPEC announced production cuts and Crude Oil moved up slightly to +/- \$80 per barrel. The S&P Stock Index still oscillates on either side of 4,000. In early March, two large US banks and one European bank required bail-outs to prevent wider financial market disruption. The yield curve shifted lower on broader economic concerns, even with the expectation of additional FOMC rate increases. The Market is now considering lower future interest rates as early as this fall. Inflation is still over the FOMC 2% target (Core PCE +/-4.7% and CPI +/-6.4%). International challenges add to economic uncertainty.



Investment Holdings

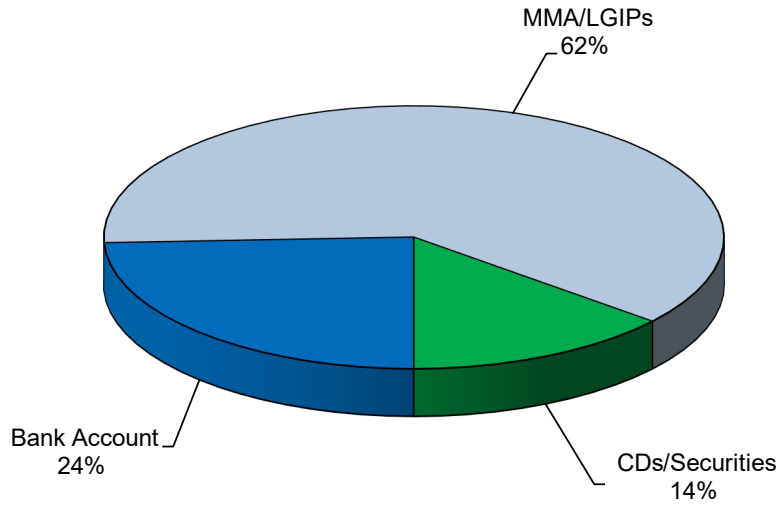
March 31, 2023

Description	Coupon/ Rating Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield	
Texas Regional Bank DDA	5.10%	04/01/23	03/31/23	\$ 11,442,137	\$ 11,442,137	1.00	\$ 11,442,137	1	5.10%	
Texas Regional Bank MMA	5.10%	04/01/23	03/31/23	14,365,930	14,365,930	1.00	14,365,930	1	5.10%	
Southside Bank MMA	4.74%	04/01/23	03/31/23	2,815,667	2,815,667	1.00	2,815,667	1	4.74%	
Prosperity Bank MMA	2.35%	04/01/23	03/31/23	6,074,783	6,074,783	1.00	6,074,783	1	2.35%	
Veritex Bank MMA	4.76%	04/01/23	03/31/23	4,083,733	4,083,733	1.00	4,083,733	1	4.76%	
TexPool	AAAm 4.61%	04/01/23	03/31/23	1,717,104	1,717,104	1.00	1,717,104	1	4.61%	
Veritex Bank CD	1.45%	06/06/23	06/08/22	1,516,327	1,516,327	100.00	1,516,327	67	1.46%	
Veritex Bank CD	1.45%	06/06/23	06/09/22	5,054,422	5,054,422	100.00	5,054,422	67	1.46%	
					\$ 47,070,102	\$ 47,070,102		\$ 47,070,102	10	4.17%
								(1)	(2)	

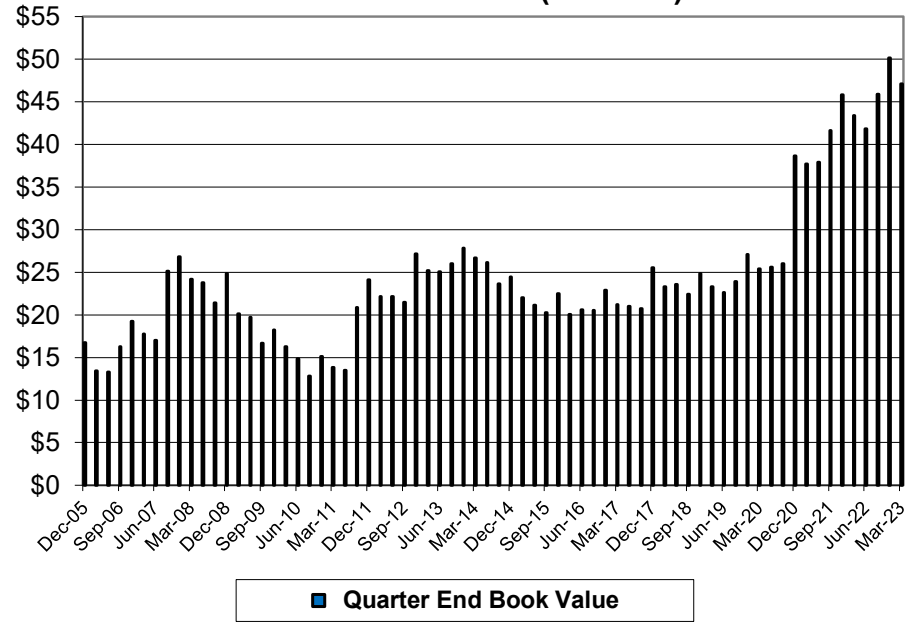
(1) **Weighted average life** - For purposes of calculating weighted average life, bank, pool and money market balances are assumed to have a one day maturity.

(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.

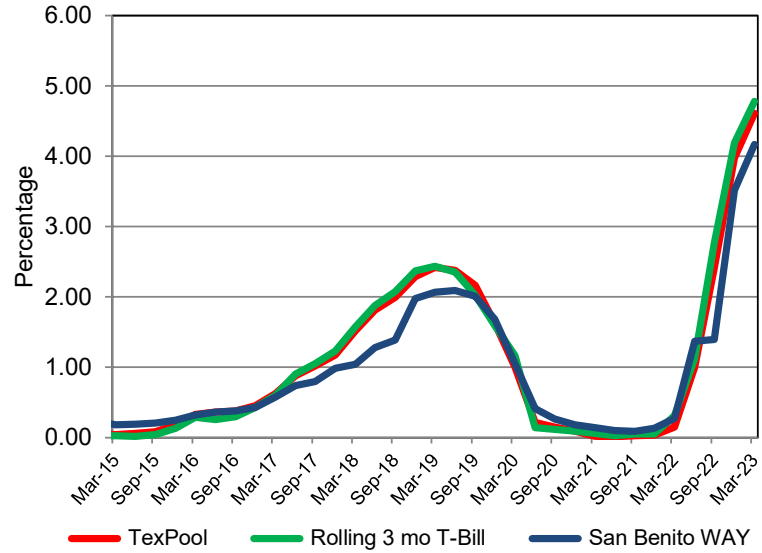
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 12/31/22	Increases	Decreases	Book Value 03/31/23	Market Value 12/31/22	Change in Market Value	Market Value 03/31/23
Texas Regional Bank DDA	5.10%	04/01/23	\$12,798,300	\$ -	\$ (1,356,164)	\$11,442,137	\$12,798,300	\$ (1,356,164)	\$11,442,137
Texas Regional Bank MMA	5.10%	04/01/23	11,688,169	2,677,761	-	14,365,930	11,688,169	2,677,761	14,365,930
Southside Bank MMA	4.74%	04/01/23	2,784,845	30,823	-	2,815,667	2,784,845	30,823	2,815,667
Prosperity Bank MMA	2.35%	04/01/23	6,040,833	33,950	-	6,074,783	6,040,833	33,950	6,074,783
Veritex Bank MMA	4.76%	04/01/23	4,626,740	-	(543,008)	4,083,733	4,626,740	(543,008)	4,083,733
TexPool	4.61%	04/01/23	1,698,401	18,703	-	1,717,104	1,698,401	18,703	1,717,104
East West Bank CD	1.09%	02/17/23	3,937,330	-	(3,937,330)	-	3,937,330	(3,937,330)	-
Veritex Bank CD	1.45%	06/06/23	1,510,925	5,402	-	1,516,327	1,510,925	5,402	1,516,327
Veritex Bank CD	1.45%	06/06/23	5,036,415	18,007	-	5,054,422	5,036,415	18,007	5,054,422
TOTAL / AVERAGE	4.17%		\$ 50,121,958	\$ 2,784,646	\$ (5,836,501)	\$ 47,070,102	\$ 50,121,958	\$ (3,051,856)	\$ 47,070,102

**Fund Allocation
Book & Market Value
March 31, 2023**

	Fund Total	Southside Bank MMA	Veritex Bank MMA	Prosperity Bank MMA	Texas Regional Bank DDA	Texas Regional Bank MMA	TexPool	Veritex Bank CDs
Consolidated/General	\$ 14,663,015	\$ —	\$ 3,071,943	\$ 5,062,319	\$ 5,012,426	\$ —	\$ —	\$ 1,516,327
Escrow	273,290	—	—	—	—	—	273,290	—
Utilites Cons./W & S	2,474,071	—	—	1,012,464	1,461,608	—	—	—
Payroll	740,413	—	—	—	228,179	512,235	—	—
Water Treatment Plant	1,462,935	950,692	—	—	—	512,243	—	—
W&S O & M Reserve	481,486	421,841	—	—	—	—	59,645	—
W&S R & R Reserve	273,097	243,021	—	—	—	—	30,077	—
W & S Debt Service Reserve	458,652	394,035	—	—	—	—	64,617	—
W & S Reserve Capital Imp	218,980	—	—	—	—	—	218,980	—
CO 2007 EDC Projects	946,015	—	—	—	—	—	946,015	—
CO Series 2011	806,079	806,079	—	—	—	—	—	—
CO Series 2012	124,480	—	—	—	—	—	124,480	—
CO Series 2019	1,024,479	—	—	—	—	1,024,479	—	—
CO Series 2020	5,054,422	—	—	—	—	—	—	5,054,422
Cons. Cash Grant CO	1,132,854	—	—	—	1,132,854	—	—	—
Veterans Memorial	46,030	—	—	—	46,030	—	—	—
Resaca Trails	1,468	—	—	—	1,468	—	—	—
Hotel/Motel Tax	680,263	—	—	—	168,028	512,235	—	—
Local General Fund	2,538,411	—	—	—	—	2,538,411	—	—
Community Dev. Block Grant	251	—	—	—	251	—	—	—
DSRIP UTHSCSA	39,187	—	—	—	39,187	—	—	—
Police	4,478	—	—	—	4,478	—	—	—
Forfeiture Seizure Federal	353,904	—	—	—	353,904	—	—	—
Special Investigations Ckg	101,548	—	—	—	101,548	—	—	—
Special investigation Svgs	74,218	—	—	—	74,218	—	—	—
Fire Relief & Retirement Plan	87,680	—	—	—	87,680	—	—	—
Border Security	24,272	—	—	—	24,272	—	—	—
Emergency Management Funds	166,614	—	—	—	166,614	—	—	—
Coronavirus Funds	492,039	—	—	—	492,039	—	—	—
TIRZ	2,047,353	—	—	—	2,047,353	—	—	—
ARPA Grant	9,266,327	—	—	—	—	9,266,327	—	—
Refuse Collection	1,011,790	—	1,011,790	—	—	—	—	—
TOTAL	\$ 47,070,102	\$ 2,815,667	\$ 4,083,733	\$ 6,074,783	\$ 11,442,137	\$ 14,365,930	\$ 1,717,104	\$ 6,570,749

**Fund Allocation
Book & Market Value
December 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	Veritex Bank CDs
Consolidated/General	\$ 18,071,992	\$ -	\$ 3,037,228	\$ 5,034,027	\$ 5,965,882	\$ -	\$ -	\$ 2,523,929	\$ 1,510,925
Escrow	270,313	-	-	-	-	-	270,313	-	-
Utilites Cons./W & S	4,094,118	-	-	1,006,805	3,087,312	-	-	-	-
Payroll	799,982	-	-	-	293,780	506,202	-	-	-
Water (Greenbank)	589,166	-	589,166	-	-	-	-	-	-
Water Treatment Plant	1,446,468	940,285	-	-	-	506,183	-	-	-
W&S O & M Reserve	476,563	417,568	-	-	-	-	58,995	-	-
W&S R & R Reserve	270,308	240,558	-	-	-	-	29,749	-	-
W & S Debt Service Reserve	453,955	390,042	-	-	-	-	63,913	-	-
W & S Reserve Capital Imp	216,595	-	-	-	-	-	216,595	-	-
CO 2007 EDC Projects	935,711	-	-	-	-	-	935,711	-	-
CO Series 2011	796,392	796,392	-	-	-	-	-	-	-
CO Series 2012	123,124	-	-	-	-	-	123,124	-	-
CO Series 2019	1,012,411	-	-	-	-	1,012,411	-	-	-
CO Series 2020	5,036,415	-	-	-	-	-	-	-	5,036,415
Cons. Cash Grant CO	1,361,463	-	-	-	1,361,463	-	-	-	-
Veterans Memorial	45,487	-	-	-	45,487	-	-	-	-
Resaca Trails	1,451	-	-	-	1,451	-	-	-	-
Hotel/Motel Tax	665,507	-	-	-	159,307	506,201	-	-	-
Community Dev. Block Grant	251	-	-	-	251	-	-	-	-
DSRIP UTHSCSA	38,655	-	-	-	38,655	-	-	-	-
Police	2,370	-	-	-	2,370	-	-	-	-
Forfeiture Seizure Federal	229,497	-	-	-	229,497	-	-	-	-
Special Investigations Ckg	106,054	-	-	-	106,054	-	-	-	-
Special investigation Svgs	76,492	-	-	-	76,492	-	-	-	-
Fire Relief & Retirement Plan	62,253	-	-	-	62,253	-	-	-	-
Border Security	16,410	-	-	-	16,410	-	-	-	-
Emergency Management Funds	20,426	-	-	-	20,426	-	-	-	-
Coronavirus Funds	714,819	-	-	-	714,819	-	-	-	-
TIRZ	2,029,791	-	-	-	616,391	-	-	1,413,400	-
ARPA Grant	9,157,173	-	-	-	-	9,157,173	-	-	-
Refuse Collection	1,000,346	-	1,000,346	-	-	-	-	-	-
TOTAL	\$ 50,121,958	\$ 2,784,845	\$ 4,626,740	\$ 6,040,833	\$ 12,798,300	\$ 11,688,169	\$ 1,698,401	\$ 3,937,330	\$ 6,547,340