



**FY 2020 - 2021**

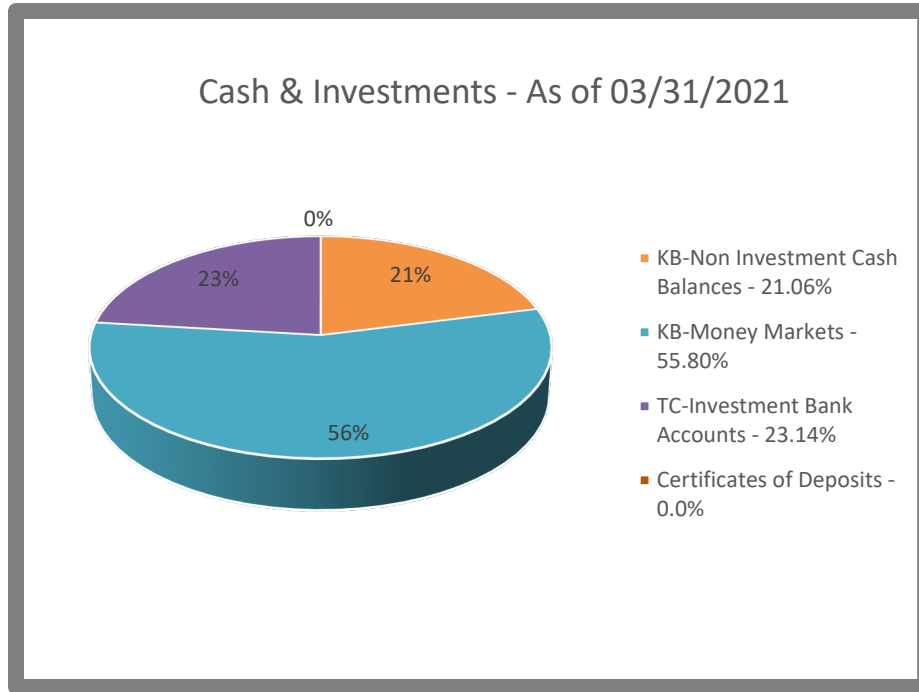
**SECOND QUARTER**

**INVESTMENT REPORT**

**FOR THE PERIOD ENDING**

**MARCH 31, 2021**

**City of Kingsville  
Total Cash and Investments  
For Quarter Ended 03/31/2021**

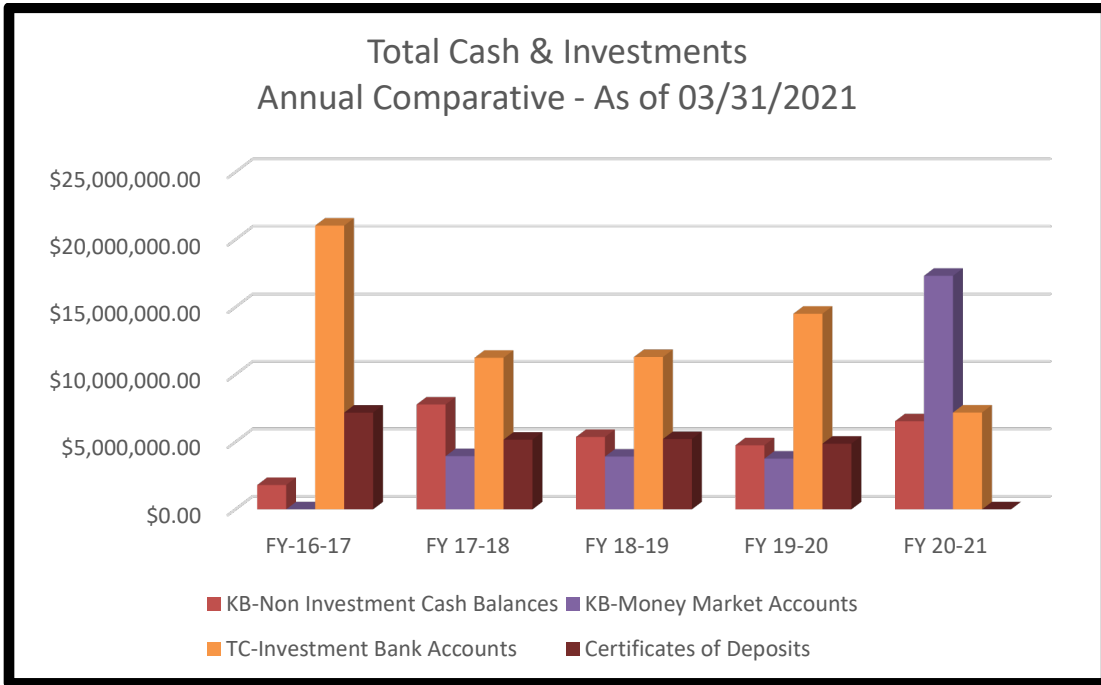


<b>Total Cash &amp; Investments</b>	
KB-Non Investment Cash Balances - 21.06%	\$6,533,803.12
KB-Money Markets - 55.80%	17,314,492.05
TC-Investment Bank Accounts - 23.14%	7,180,649.56
Certificates of Deposits - 0.0%	0.00
<b>Total Cash &amp; Investments</b>	<b><u>\$31,028,944.73</u></b>

Interest rates continue to fall as the pandemic affects this county and the financial markets. Financial institutions have an influx of cash due to stimulus funding and interest rates are falling due to less need of additional deposits. The average monthly yield for the prior fiscal year through the 2nd Quarter of FY 20-21 for Texas Class are below:

- January through March 2020 - 1.86% to 1.47%.
- April through June 2020 – 1.10% to 0.59%
- July through September 2020 - 0.45% to 0.25%
- October through December 2020 - 0.18% to 0.14%
- January through March 2021 – 0.13% to 0.11%

**City of Kingsville  
Cash and Investments Annual Comparative  
For Quarter Ended 03/31/2021**



**Total Cash & Investments - Annual Comparative  
For Quarter Ended March 31, 2021**

Category	FY-16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21
KB-Non Investment Cash Balances	\$1,803,611.17	\$7,777,152.47	\$5,366,824.55	\$4,752,247.49	\$6,533,803.12
KB-Money Market Accounts	0.00	3,946,558.54	3,914,698.71	3,761,703.66	17,314,492.05
TC-Investment Bank Accounts	\$21,033,413.98	11,245,000.99	11,301,717.09	14,508,274.78	7,180,649.56
Certificates of Deposits	\$7,173,971.10	5,168,574.81	5,217,239.99	4,870,521.13	0.00
<b>Total Cash &amp; Investments</b>	<b>\$30,010,996.25</b>	<b>\$28,137,286.81</b>	<b>\$25,800,480.34</b>	<b>\$27,892,747.06</b>	<b>\$31,028,944.73</b>

**CITY OF KINGSVILLE  
TOTAL INVESTMENT PERCENTAGES  
FOR QUARTER ENDED 03/31/2021**

<b>HOLDING</b>	<b>REQUIREMENT</b>	<b>ACCOUNT BALANCE 03/31/2021</b>
Kleberg Bank - Non Investment Accounts	Cash Category	6,533,803.12
Kleberg Bank - Investment Money Markets	Cash Category	17,314,492.05
Texas Class - Investment Bank Accounts	Cash Category	7,180,649.56
Kleberg Bank - Certificates of Deposit	CD	0.00
Total Cash and Investments		31,028,944.73

Investment Requirements:

Percentages in Cash	(at least 35% mature in 90 days or less)	44.20%
Percentage in CD's & Money Markets	(at least 10% in U.S. T Bill or CD's)	55.80%
Percentage in US Treasuries	(not to exceed 10%)	0.00%

The Money Markets are as liquid as cash, but earn better interest rates.

The Investment Policy was updated to include money markets as types of investment.

Money market accounts are currently not earning much more interest than our other bank accounts, so there is no reason to move money from the money markets to cash as these accounts are the same as the cash account's liquidity.

Kleberg Bank Account Balances 23,848,295.17

Pledged collateral as reported 04/30/21 is as follows:

Letter of Credit - \$20,000,000  
Investment Securities - \$3,842,517.61  
FDIC Insurance - \$250,000  
Total Collateral - \$24,092,517.61

**City of Kingsville**  
**Non Investment Cash Accounts**  
**As of March 31, 2021**

Description	GL Account Number	Bank	Fund	Amount 12/31/2020	Amount 03/31/2021
Petty Cash Accounts - General Fund	001-0-02000	Departments	001	\$3,460.00	\$3,460.00
	001-0-02050				
	001-0-02051				
	001-0-02053				
	001-0-02054				
	001-0-02055				
	001-0-02056				
	001-0-02058				
	001-0-03000				
Petty Cash Accounts-Tourism	002-0-02050	Department	002	575.00	575.00
	002-0-02057				
Hot Funds Tax Escrow Account	002-0-04000	Kleberg Bank - 4206	002	363,945.36	324,674.00
Police State Forfeiture	005-0-08005	Kleberg Bank - 3870	005	223,417.55	223,445.09
Police State Pending Forfeiture	005-0-08550	Kleberg Bank - 3862	005	368,933.33	653,610.06
Police Unrestricted Cash (Not Transferred)	005-0-08590	Split Funded for GL	005	0.00	0.00
Police Federal Forfeiture	028-0-08051	Kleberg Bank - 3854	028	144,990.55	145,008.43
Insurance Fund	138-0-09010	Kleberg Bank - 3730	138	615,058.08	434,207.09
Pooled Cash	700-0-01050	Kleberg Bank - 3676	700	2,876,352.86	4,722,679.97
Cash Bond Account	700-0-01070	Bank of South Texas	700	29,150.78	26,143.48
Total Non Investment Cash Account Balances				<u>\$4,625,883.51</u>	<u>\$6,533,803.12</u>

The following are notes on the above changes

- The Police Pending Forfeiture account increased due to new seizures that have not been adjudicated.
- The Insurance Fund account changed due to the payment of claims.
- Pooled Cash changed due to excess transfers have not been moved out to savings accounts.

**Kleberg Bank Money Market Accounts  
Summary Statement  
For 2nd Quarter Ended 03/31/2021**

Account	Fund	Beginning Balance 12/31/2020	Contributions	Withdrawals	Interest	Ending Balance 03/31/2021
62488-MM General Fund	001	4,101,117.45			1,466.47	\$4,102,583.92
38583-MM PD State Seizure Fund	005	820,651.46		(53,588.93)	293.16	\$767,355.69
42084-MM GO Debt Service	011	29,473.92			6.90	\$29,480.82
27239-MM - GF CO 2016	033	156,867.60		(104,625.00)	36.46	\$52,279.06
39504-MM - Utility Fund	051	1,605,995.04			574.26	\$1,606,569.30
26054-MM - UF Cap Projects	054	136,887.73			32.06	\$136,919.79
26070-MM - UF CO 2011	066	0.78	5.00			\$5.78
26046-MM - Storm Water	068	\$2,103,689.26		(11,823.00)	\$752.16	\$2,092,618.42
26062-MM - Sanitation Addtl Rev	087	203,414.03			47.65	\$203,461.68
38575-MM - Insurance Fund	138	668,371.48	1,028,738.81	(650,000.00)	354.07	\$1,047,464.36
42092-MM - Trust/Agy-M&O Taxes	700	\$8,050,856.86		(800,000.00)	\$2,713.99	\$7,253,570.85
38664-MM - Trust/Agy-CMA Sav	700	250,869.24	800,000.00	(1,028,738.81)	51.95	\$22,182.38
<b>Totals</b>		<u>\$18,128,194.85</u>				<u>\$17,314,492.05</u>

Notes:

(1) Contributions are from insurance deductions and movement of funds to cover expenditures.

(2) Withdrawals are from claim payments and movement of funds to cover expenditures

**Texas Class  
Summary Statement  
For Quarter Ended 03/31/2021**

<b>Account</b>	<b>Beginning Balance 12/31/2020</b>	<b>Contributions</b>	<b>Withdrawals</b>	<b>Interest</b>	<b>Ending Balance 03/31/2021</b>
07-FD 090-Landfill Closure Acct	\$41,930.41			\$11.87	\$41,942.28
08-FD 700-CMA Savings	50,026.93			14.11	50,041.04
09-FD 067-CO 2013 Street - GF	0.34				0.34
11-FD 011-GO Debt Service	612,984.55	716,867.94	(314,256.25)	224.58	1,015,820.82
12-FD 012-Utility Fund Debt Svc	13,709.09	95,000.00	(90,975.00)	5.65	17,739.74
15-FD 700-CMA-M&O Taxes	2,915,942.69	3,096,826.31	(95,000.00)	1,358.19	5,919,127.19
18-FD 138-Self Insurance Fund	8.34				8.34
20-FD 028-Federal Forfeiture	1,219.14			0.15	1,219.29
21-FD 005-State Forfeiture	10,037.32			2.86	10,040.18
22-FD 039-CO Series 2002 - GF	0.19				0.19
24-FD 005-State Pend Forfeiture	124,672.55			35.58	124,708.13
26-FD 062-CO 2005 Const - UF	2.02				2.02
<b>Totals</b>	<b>\$3,770,533.57</b>	<b>\$3,908,694.25</b>	<b>(\$500,231.25)</b>	<b>\$1,652.99</b>	<b>\$7,180,649.56</b>

**Texas Class  
Average Monthly Yield**

<b>Month</b>	<b>Yield</b>
January 2021	0.13%
February 2021	0.11%
March 2021	0.11%

Compare to Kleberg Bank rate for Money Market Accounts –0.10%

**Texas Class Accounts**  
**Investment Summary Comparison**  
**Qtr Ended 12/31/2020 vs Qtr Ended 03/31/2021**

<b>Investment</b>	<b>Account #</b>	<b>TX Class Stmt Qtr Ended 12/31/20</b>	<b>TX Class Stmt Qtr Ended 03/31/2021</b>	<b>Net Change</b>
FD 090-Landfill Closure Acct	TX 01-0170-0007	\$41,930.41	\$41,942.28	\$11.87
FD 700-CMA Savings	TX 01-0170-0008	50,026.93	50,041.04	14.11
FD 067-CO 2013 Street-GF	TX 01-0170-0009	0.34	0.34	0.00
FD 011-GO Debt Service	TX 01-0170-0011	612,984.55	1,015,820.82	402,836.27
FD 012-Utility Fund Debt Svc	TX 01-0170-0012	13,709.09	17,739.74	4,030.65
FD 700-CMA M&O Taxes	TX 01-0170-0015	2,915,942.69	5,919,127.19	3,003,184.50
FD 138-Self Insurance Fund	TX 01-0170-0018	8.34	8.34	0.00
FD 028-Federal Forfeiture	TX 01-0170-0020	1,219.14	1,219.29	0.15
FD 005-State Forfeiture Funds	TX 01-0170-0021	10,037.32	10,040.18	2.86
FD 039-CO Series 2002	TX 01-0170-0022	0.19	0.19	0.00
FD 005-State Pending	TX 01-0170-0024	124,672.55	124,708.13	35.58
FD 062-CO 2005 Construction	TX 01-0170-0026	2.02	2.02	0.00
<b>Total Accounts</b>		<b>\$3,770,533.57</b>	<b>\$7,180,649.56</b>	<b>\$3,410,115.99</b>



**City of Kingsville**  
**Budgeted Project & Capital Outlay Descriptions**  
**FY 2020-2021**

<b>Investment</b>	<b>Account</b>	<b>Balance</b>	<b>Fund</b>	<b>Project/Usage Description</b>
<b>Texas Class Accounts:</b>				
Landfill Closure Acct	0007	\$41,942.28	090	Landfill Closure Costs
CMA Savings	0008	50,041.04	700	General Fund Savings Account
CO 2013 Street Projects-GF	0009	0.34	067	Street Projects
GO Debt Service	0011	1,015,820.82	011	Debt Service Payments
Utility Fund Debt Service	0012	17,739.74	012	Debt Service Payments
CMA Acct - M&O Taxes	0015	5,919,127.19	700	For GF operating expenditures
Self Insurance Fund	0018	8.34	138	Held for Insurance Claims
Federal Forfeiture Funds	0020	1,219.29	028	Federal Seizures that have been awarded
State Forfeiture Funds	0021	10,040.18	005	Awarded Seizure Cases for PD Expend
CO Series 2002	0022	0.19	039	Remaining Unspent Funds
State Pending	0024	124,708.13	005	Holding acct until seized funds are awarded
CO 2005 Construction	0026	2.02	062	Sewer Lines & Manholes
<b>Total Texas Class Accounts</b>		<b>7,180,649.56</b>		
<b>Kleberg Money Market Accounts:</b>				
General Fund	62488	\$4,102,583.92	001	Major Fund supporting City
PD State Seizure Fund	38583	\$767,355.69	005	Awarded Seizure Cases for PD Expend
GO Debt Service	42084	\$29,480.82	011	Debt Service Payments
GF CO 2016	27239	\$52,279.06	033	Various Capital Projects
Utility Fund	39504	\$1,606,569.30	051	Major Fund supporting utility activity
UF Cap Projects	26054	\$136,919.79	054	Various Capital Projects
UF CO 2011	26070	\$5.78	066	Remaining Unspent Funds
Storm Water	26046	\$2,092,618.42	068	Funds for storm water projects
Sanitation Addtl Rev	26062	\$203,461.68	087	Solid Waste Capital Projects
Insurance Fund	38575	\$1,047,464.36	138	Held for Insurance Claims
Trust & Agency Fund-M&O	42092	\$7,253,570.85	700	For GF operating expenditures
Trust & Agency Fund	38664	\$22,182.38	700	CMA Savings Account
<b>Total Kleberg Accounts</b>		<b>17,314,492.05</b>		
<b>Total Accounts</b>		<b>\$24,495,141.61</b>		

The following information provides detail on the purpose of outstanding bond issues:

**Limited Tax Refunding Bonds Series 2021**

**\$3,595,000 Public Property**

**Refunded: Certificates of Obligation, Series 2013 - \$5,230,000**

**This series was refunded in May 2021.**

Proceeds from the sale of the Certificates will be used for providing for the payment of contractual obligations to be incurred in connection with the design, planning, acquisition, construction, equipping, expansion, repair, renovation, and/or rehabilitation of certain City-owned public property and the payment of contractual obligations for professional services in connection with such projects.

**Tax Notes Series 2021**

**\$1,310,000 Capital Outlay Purchases**

Proceeds from the sale of the Tax Notes Series was used to purchase a Backhoe for the Golf Course, a Command Vehicle for the Fire Department, (4) Police Vehicles and (3) Garbage Trucks for Sanitation.

**Limited Tax Refunding Bonds Series 2020**

**\$5,025,000 Public Improvements**

**Refunded: Certificates of Obligations, Series 2011 - \$10,000,000**

**This series was refunded in May 2020.**

Proceeds from the sale of the Certificates will be used for the purpose of providing for the payment of contractual obligations to be incurred in connection with street and related drainage system repair and improvements; vehicles and equipment for police, fire, engineering, street, health, utility and public works departments; drainage improvements between Santa Gertrudis Estate and Texas A&M University-Kingsville parking lot; drainage improvements to Tranquitas Creek and Caesar Avenue ditch; water and wastewater projects for new water and wastewater lines; acquisition of land and to construct a new water well; a 500,000 gallon elevated storage tank, new south plant clarifier, rehabilitation of existing water wells, and lift station rehabilitation; improvements to and renovation of City Hall; and the payment of contractual obligations for professional services in connection with such projects.

**Certificates of Obligation, Series 2016**

**\$6,740,000 Various Projects**

Proceeds from the sale of the Certificates will be used for the purpose of providing for the payment of contractual obligations to be incurred in connection with the design, planning, acquisition, construction, equipping, expansion, repair, renovation and/or rehabilitation of certain City-owned public property, including (1) park and golf course improvements; (2) downtown revitalization improvements including streets, sidewalks, lighting, and property acquisition; (3) street repairs; (4) improvements to municipal buildings; (5) Public Works department equipment; (6) emergency department vehicles and equipment and (7) payment of contractual obligations for professional services in connection with the issuance of the Certificates.

**Certificates of Obligation, Series 2014**

**\$9,040,000 Various Projects**

Proceeds from the sale of the Bonds will be used to refund a portion of the City's outstanding debt designated in Schedule 1 hereto (the "Refunded Obligations") in order to lower the overall debt service requirements of the City and to pay the costs associated with the issuance of the Bonds.

**Certificates of Obligation, Series 2013**  
**\$1,260,000 City Owned Public Property**

Proceeds from the sale of the Certificates will be used for providing for the payment of contractual obligations to be incurred in connection with the design, planning, acquisition, construction, equipping, expansion, repair, renovation, and/or rehabilitation of certain City-owned public property and the payment of contractual obligations for professional services in connection with such projects.

**Certificates of Obligation, Series 2009**  
**\$4,270,000 Landfill & Equipment**

Proceeds from the sale of the Certificates will be used for design, planning, acquisition, construction, equipping, expansion, repair, renovation, and/or rehabilitation of certain City-owned public property, specifically landfill enhancements, development of a new cell at the landfill, equipment for the Solid Waste Department, street sweepers, enclosures, welding equipment, dumpsters, bulldozers, scrappers, carts, fencing, copiers and the payment of contractual obligations for professional services in Connection with such projects.

## Compliance Statement

The investment portfolio of the City of Kingsville complies as it relates to the adopted Investment Policy.

## SIGNATURE SECTION

The following investment committee members have received a copy of the Investment Report for the quarter ended March 31, 2021, on \_\_\_\_\_.

\_\_\_\_\_  
Mark McLaughlin, City Manager

\_\_\_\_\_  
Courtney Alvarez, City Attorney

\_\_\_\_\_  
Norma Alvarez, City Commissioner

\_\_\_\_\_  
Deborah Balli, Finance Director