



FY 2020 - 2021

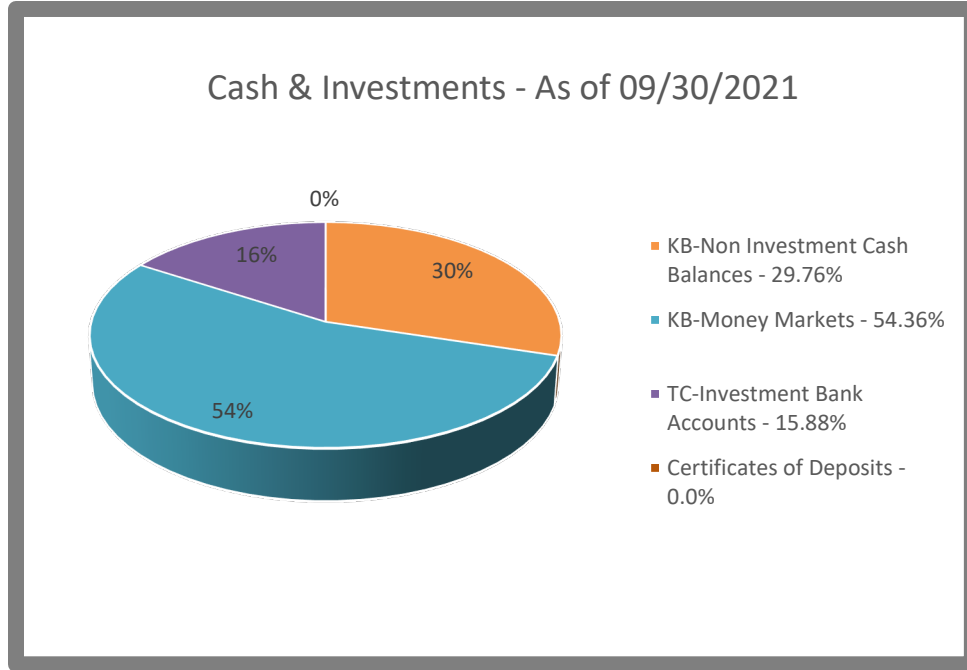
FOURTH QUARTER

INVESTMENT REPORT

FOR THE PERIOD ENDING

SEPTEMBER 30, 2021

**City of Kingsville
Total Cash and Investments
For Quarter Ended 09/30/2021**

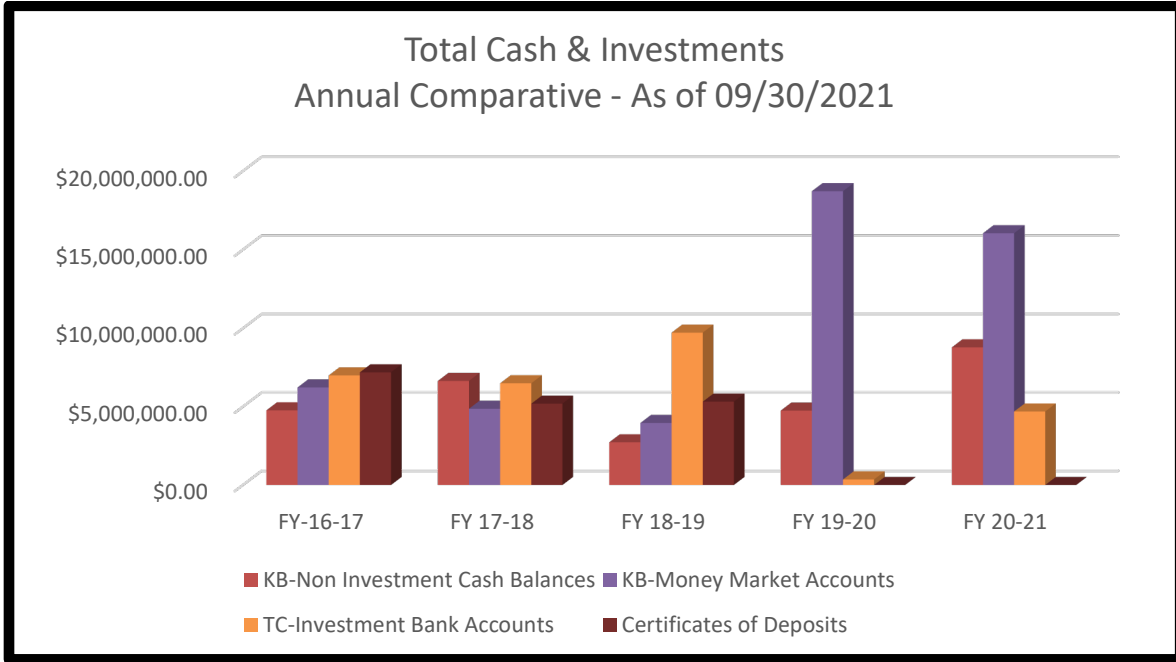


Total Cash & Investments	
KB-Non Investment Cash Balances - 29.76%	\$8,783,189.03
KB-Money Markets - 54.36%	16,043,607.60
TC-Investment Bank Accounts - 15.88%	4,687,569.14
Certificates of Deposits - 0.0%	0.00
Total Cash & Investments	<u>\$29,514,365.77</u>

Interest rates continue to fall as the pandemic affects this country 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 4th 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%
- April 2021 through June 2021 – 0.0840% to .0611%
- July 2021 through September 2021 - .0615% to .0443

**City of Kingsville
Cash and Investments Annual Comparative
For Quarter Ended 09/30/2021**



**Total Cash & Investments - Annual Comparative
For Quarter Ended September 30, 2021**

Category	FY-16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21
KB-Non Investment Cash Balances	\$4,761,680.78	\$6,641,236.78	\$2,723,648.16	\$4,745,565.11	\$8,783,189.03
KB-Money Market Accounts	6,223,896.84	4,863,419.75	3,958,499.16	18,716,726.89	16,043,607.60
TC-Investment Bank Accounts	\$6,992,179.40	6,490,248.26	9,721,987.56	352,158.66	4,687,569.14
Certificates of Deposits	\$7,188,330.02	5,189,715.26	5,317,729.20	0.00	0.00
Total Cash & Investments	\$25,166,087.04	\$23,184,620.05	\$21,721,864.08	\$23,814,450.66	\$29,514,365.77

**CITY OF KINGSVILLE
TOTAL INVESTMENT PERCENTAGES
FOR QUARTER ENDED 09/30/2021**

HOLDING	REQUIREMENT	ACCOUNT BALANCE 09/30/2021
Kleberg Bank - Non Investment Accounts	Cash Category	8,783,189.03
Kleberg Bank - Investment Money Markets	Investment Category	16,043,607.60
Texas Class - Investment Bank Accounts	Cash Category	4,687,569.14
Kleberg Bank - Certificates of Deposit	CD	0.00
Total Cash and Investments		<u>29,514,365.77</u>

Investment Requirements:

Percentages in Cash	(at least 35% mature in 90 days or less)	45.64%
Percentage in CD's	(at least 10% in U.S. T Bill or CD's)	54.36%
Percentage in US Treasuries	(not to exceed 10%)	0.00%

Notes:

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

The Investment Policy was updated to include money market accounts 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 liquidity.

Kleberg Bank Account Balances - per statements	\$24,826,796.63
Pledged Collateral as reported for 9/30/2021 is as follows:	
Market Value of Securities	\$26,521,061.81
FDIC Coverage	250,000.00
Total Pledge & FDIC Coverage	<u>\$26,771,061.81</u>
Net Pledge over account balances	<u>\$1,944,265.18</u>

City of Kingsville
Non Investment Cash Accounts
As of September 30, 2021

Description	GL Account Number	Bank	Fund	Amount 06/30/2021	Amount 09/30/2021
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	75.00	75.00
Petty Cash Account-JK Northway	002-0-02057	Department	002	500.00	500.00
Hot Funds Tax Escrow Account	002-0-04000	Kleberg Bank - 4206	002	327,840.88	334,012.46
Police State Forfeiture	005-0-08005	Kleberg Bank - 3870	005	223,472.95	225,867.12
Police State Pending Forfeiture	005-0-08550	Kleberg Bank - 3862	005	653,691.54	658,219.31
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	140,026.49	140,044.14
Drainage Master Plan Location 7	116-0-09111	Kleberg Bank	116	0.00	28,057.22
Drainage Master Plan Location 1	117-0-09112	Kleberg Bank	117	0.00	28,057.22
Drainage Master Plan Location 3	118-0-09113	Kleberg Bank	118	0.00	27,513.22
Drainage Master Plan Location 4	119-0-09114	Kleberg Bank	119	0.00	21,892.14
Insurance Fund	138-0-09010	Kleberg Bank - 3730	138	259,706.76	603,642.20
Pooled Cash	700-0-01050	Kleberg Bank - 3676	700	3,550,236.92	6,685,828.52
Cash Bond Account	700-0-01070	Bank of South Texas	700	34,066.02	26,020.48
Total Non Investment Cash Account Balances				<u>\$5,193,076.56</u>	<u>\$8,783,189.03</u>

The following are notes on the above changes

- The Petty Cash for JK Northway will be returned.
- The Drainage Master Plan accounts are the remaining balances of the cash match which have not been spent at the end of September 2021.
- The Insurance Fund account increased due to less claims paid and stop loss reimbursements received.
- Pooled Cash changed due to excess transfers have not been moved out to savings accounts.
- Cash Bond Account decreased due to bonds being disbursed based on case outcomes.

**Kleberg Bank Money Market Accounts
Summary Statement
For Quarter Ended 09/30/2021**

Account	Fund	Beginning Balance 06/30/2021	Contributions	Withdrawals	Interest	Ending Balance 09/30/2021
62488-MM General Fund	001	4,103,370.75	1.00		517.16	\$4,103,888.91
38583-MM PD State Seizure Fund	005	743,768.16			93.74	\$743,861.90
42084-MM GO Debt Service	011	82,677.75	20,447.47		11.78	\$103,137.00
27239-MM - GF CO 2016	033	52,285.58			6.59	\$52,292.17
39504-MM - Utility Fund	051	1,606,877.43			202.52	\$1,607,079.95
26054-MM - UF Cap Projects	054	136,936.86			17.26	\$136,954.12
26070-MM - UF CO 2011	066	5.78				\$5.78
26046-MM - Storm Water	068	\$2,093,019.77			\$263.79	\$2,093,283.56
26062-MM - Sanitation Addtl Rev	087	203,487.05			25.64	\$203,512.69
38575-MM - Insurance Fund	138	1,352,533.31	995,399.36	(950,000.00)	170.10	\$1,398,102.77
42092-MM - CMA M&O Taxes	700	\$5,491,271.82	\$87,416.46		\$698.02	\$5,579,386.30
38664-MM - CMA Savings	700	1,017,443.84		(995,399.36)	57.97	\$22,102.45
Totals		\$16,883,678.10	\$1,103,264.29	(1,945,399.36)	\$2,064.57	\$16,043,607.60

Notes:

Debt Service

- Contributions come in from tax receipts from the I&S portion of the tax rate

Insurance Fund

- Contributions come in from employer and employee contributions
- Withdrawals go out for payment of claims

CMA M&O Taxes

- Contributions come in from tax receipts from the M&O portion of the tax rate
- Withdrawals go out for expenditure payments

CMA Savings

- Withdrawals go out for expenditure payments

**Texas Class
Summary Statement
For Quarter Ended 09/30/2021**

Account	Beginning Balance 06/30/2021	Contributions	Withdrawals	Interest	Ending Balance 09/30/2021
07-Landfill Closure Acct	\$41,950.08			\$5.49	\$41,955.57
08-CMA Savings	50,050.30			6.60	\$50,056.90
09-CO 2013 Street - GF	0.34				\$0.34
11-GO Debt Service	1,017,352.29	1,200,000.00	(1,559,647.08)	91.25	\$657,796.46
12-Utility Fund Debt Svc	817,760.39	100,000.00	(872,325.00)	16.10	\$45,451.49
15-CMA Acct-M&O Taxes	5,126,257.19		(1,370,482.04)	514.34	\$3,756,289.49
18-Self Insurance Fund	8.34				\$8.34
20-Federal Forfeiture	1,219.41			0.08	\$1,219.49
21-State Forfeiture	10,042.03			1.29	\$10,043.32
22-CO Series 2002 - GF	0.19		(0.19)		\$0.00
24-State Pending Forfeiture	124,731.31			16.43	\$124,747.74
26-CO 2005 Construction - UF	2.02		(2.02)		\$0.00
32-GF Capital Projects	0.00				\$0.00
Totals	\$7,189,373.89	\$1,300,000.00	(\$3,802,456.33)	\$651.58	\$4,687,569.14

**Texas Class
Average Monthly Yield**

Month	Yield
July 2021	0.0615%
August 2021	0.0506%
September 2021	0.0443%

Compare to Kleberg Bank rate for Money Market Accounts –0.045% down from .05%.

Texas Class is starting to have slight upward trends in their interest rates, so we will be moving some funds into Texas Class to pick up additional interest earnings. December ended with .0692%.

Texas Class Accounts
Investment Summary Comparison
Qtr Ended 06/30/2021 vs Qtr Ended 09/30/2021

Investment	Account #	Fund	TX Class Stmt Qtr Ended 06/30/2021	TX Class Stmt Qtr Ended 09/30/2021	Net Change
Landfill Closure Acct	TX 01-0170-0007	090	\$41,950.08	\$41,955.57	\$5.49
CMA Savings	TX 01-0170-0008	700	50,050.30	50,056.90	6.60
CO 2013 Street Projects - GF	TX 01-0170-0009	067	0.34	0.34	0.00
GO Debt Service	TX 01-0170-0011	011	1,017,352.29	657,796.46	(359,555.83)
Utility Fund Debt Service	TX 01-0170-0012	012	817,760.39	45,451.49	(772,308.90)
CMA Acct - M&O Taxes	TX 01-0170-0015	700	5,126,257.19	3,756,289.49	(1,369,967.70)
Self Insurance Fund	TX 01-0170-0018	138	8.34	8.34	0.00
Federal Forfeiture Funds	TX 01-0170-0020	028	1,219.41	1,219.49	0.08
State Forfeiture Funds	TX 01-0170-0021	005	10,042.03	10,043.32	1.29
CO Series 2002	TX 01-0170-0022	039	0.19	0.00	(0.19)
State Pending	TX 01-0170-0024	005	124,731.31	124,747.74	16.43
CO 2005 Construction	TX 01-0170-0026	062	2.02	0.00	(2.02)
GF Capital Projects	TX 01-0170-0032	091	0.00		0.00
Total Accounts			<u>\$7,189,373.89</u>	<u>\$4,687,569.14</u>	<u>(\$2,501,804.75)</u>

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

Investment	Account	Balance	Fund	Project/Usage Description
Texas Class Accounts:				
Landfill Closure Acct	0007	\$41,955.57	090	Landfill Closure Costs
CMA Savings	0008	50,056.90	700	General Fund Savings Account
CO 2013 Street Projects-GF	0009	0.34	067	Street Projects
GO Debt Service	0011	657,796.46	011	Debt Service Payments
Utility Fund Debt Service	0012	45,451.49	012	Debt Service Payments
CMA Acct - M&O Taxes	0015	3,756,289.49	700	For GF operating expenditures
Self Insurance Fund	0018	8.34	138	Held for Insurance Claims
Federal Forfeiture Funds	0020	1,219.49	028	Federal Seizures that have been awarded
State Forfeiture Funds	0021	10,043.32	005	Awarded Seizure Cases for PD Expend
CO Series 2002	0022	0.00	039	Remaining Unspent Funds
State Pending	0024	124,747.74	005	Holding acct until seized funds are awarded
CO 2005 Construction	0026	0.00	062	Sewer Lines & Manholes
GF Capital Projects	0032	0.00	091	Left over funds from previous projects
Total Texas Class Accounts		4,687,569.14		
Kleberg Money Market Accounts:				
General Fund	62488	\$4,103,888.91	001	Major Fund supporting City
PD State Seizure Fund	38583	\$743,861.90	005	Awarded Seizure Cases for PD Expend
GO Debt Service	42084	\$103,137.00	011	Debt Service Payments
GF CO 2016	27239	\$52,292.17	033	Various Capital Projects
Utility Fund	39504	\$1,607,079.95	051	Major Fund supporting utility activity
UF Cap Projects	26054	\$136,954.12	054	Various Capital Projects
UF CO 2011	26070	\$5.78	066	Remaining Unspent Funds
Storm Water	26046	\$2,093,283.56	068	Funds for storm water projects
Sanitation Addtl Rev	26062	\$203,512.69	087	Solid Waste Capital Projects
Insurance Fund	38575	\$1,398,102.77	138	Held for Insurance Claims
Trust & Agency Fund-M&O	42092	\$5,579,386.30	700	For GF operating expenditures
Trust & Agency Fund	38664	\$22,102.45	700	CMA Savings Account
Total Kleberg Accounts		16,043,607.60		
Total Accounts		\$20,731,176.74		

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

**Combination Tax and Subordinate Lien Revenue
Certificates of Obligation, Taxable Series 2021
\$3,358,000 Texas Water Development Board Projects
Matures 09/30/2051**

Proceeds from the sale of the Certificates of Obligation will be used in providing for the payment of contractual obligations to be incurred in connection with the design, planning, purchasing, acquisition, construction, equipping, expansion, repair, renovation, and/or rehabilitation of certain City-owned public property, including: (1) drainage projects; and (2) the payment of contractual obligations for professional services in connection therewith (to-wit: consulting, engineering, financial advisory, and legal).

**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.
Matures 09/30/2033**

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
Matures 09/30/2027**

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.
Matures 09/30/2032**

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
Matures 09/30/2036**

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

\$4,270,000 Various Projects

Matures 09/30/2025

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") 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

Matures 09/30/2023

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.

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 September 30, 2021, on _____.

Mark McLaughlin, City Manager

Courtney Alvarez, City Attorney

Norma Alvarez, City Commissioner

Deborah Balli, Finance Director