



FY 2021 - 2022

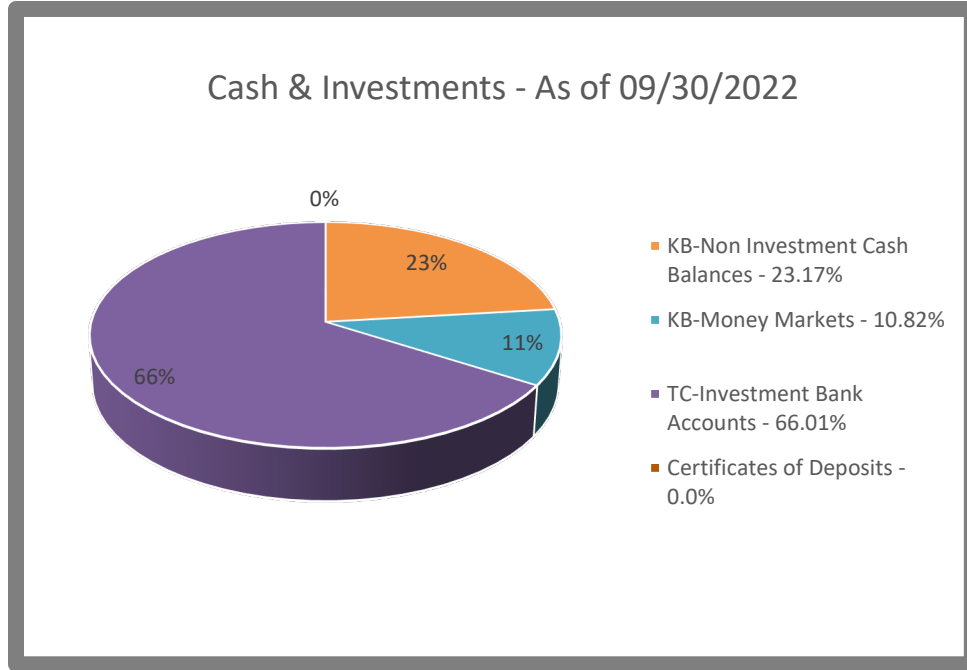
FOURTH QUARTER

INVESTMENT REPORT

FOR THE PERIOD ENDING

SEPTEMBER 30, 2022

**City of Kingsville
Total Cash and Investments
For Quarter Ended 09/30/2022**



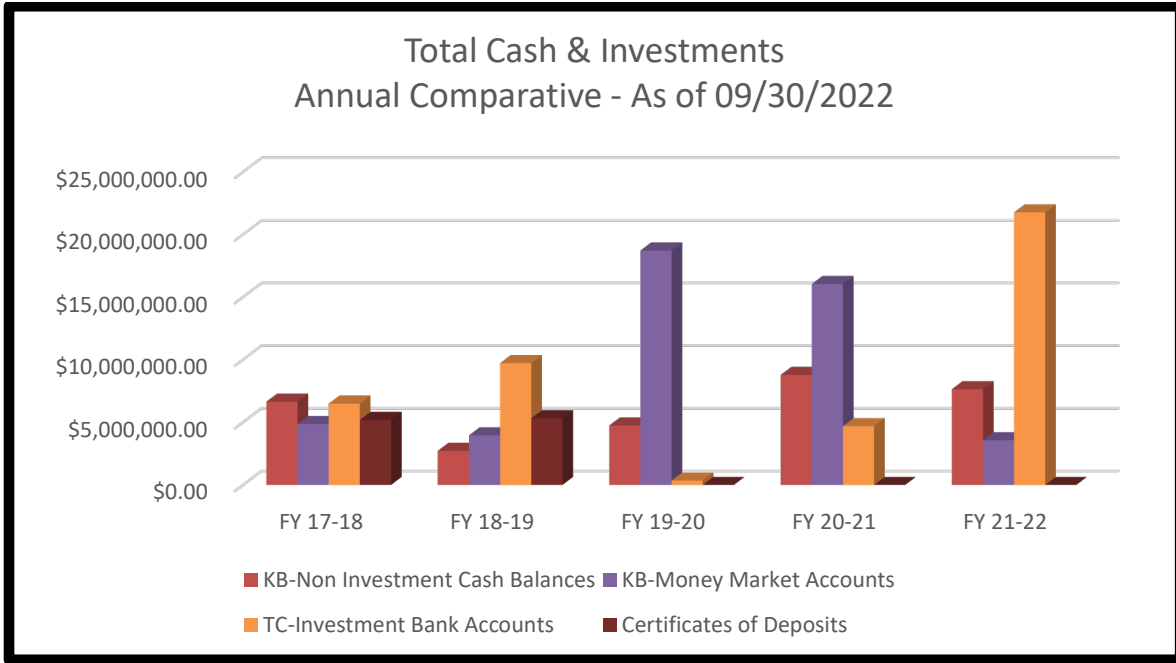
Total Cash & Investments	
KB-Non Investment Cash Balances - 23.17%	\$7,639,779.27
KB-Money Markets - 10.82%	3,568,513.67
TC-Investment Bank Accounts - 66.01%	21,768,318.42
Certificates of Deposits - 0.0%	0.00
Total Cash & Investments	<u>\$32,976,611.36</u>

Interest rates are beginning to increase at Texas Class, and Finance has begun moving funds from Kleberg Bank to Texas Class. The City of Kingsville has a \$6 million per month limit on wire transfers out and there are other transfers which include payroll transfers that are included in the \$6 million limit. The average monthly yield for the prior fiscal year through the 3rd quarter of FY 21-22 for Texas Class are below:

- October 2021 through December 2021 - .04335% to .0692%
- January 2022 through March 2022 - .0965% to .2857%
- April 2022 through June 2022 - .4720% to 1.1577%
- July 2022 through September 2022 – 1.6392% to 2.6788%

The latest daily yield at Texas Class is currently at 3.2747%.

City of Kingsville
Cash and Investments Annual Comparative
For Quarter Ended 09/30/2022



Total Cash & Investments - Annual Comparative
For Quarter Ended September 30, 2022

Category	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
KB-Non Investment Cash Balances	\$6,641,236.78	\$2,723,648.16	\$4,745,565.11	\$8,783,189.03	\$7,639,779.27
KB-Money Market Accounts	4,863,419.75	3,958,499.16	18,716,726.89	16,043,607.60	3,568,513.67
TC-Investment Bank Accounts	6,490,248.26	9,721,987.56	352,158.66	4,687,569.14	21,768,318.42
Certificates of Deposits	5,189,715.26	5,317,729.20	0.00	0.00	0.00
Total Cash & Investments	\$23,184,620.05	\$21,721,864.08	\$23,814,450.66	\$29,514,365.77	\$32,976,611.36

**CITY OF KINGSVILLE
TOTAL INVESTMENT PERCENTAGES
FOR QUARTER ENDED 09/30/2022**

HOLDING	REQUIREMENT	ACCOUNT BALANCE 09/30/2022
Kleberg Bank - Non Investment Accounts	Cash Category	7,639,779.27
Kleberg Bank - Investment Money Markets	Investment Category	3,568,513.67
Texas Class - Investment Bank Accounts	Cash Category	21,768,318.42
Kleberg Bank - Certificates of Deposit	CD	0.00
Total Cash and Investments		<u>32,976,611.36</u>

Investment Requirements:

Percentages in Cash	(at least 35% mature in 90 days or less)	89.18%
Percentage in CD's	(at least 10% in U.S. T Bill, CD's, Money Mkt)	10.82%
Percentage in US Treasuries	(not to exceed 10%)	0.00%

Notes:

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. However, we will be moving funds from Kleberg Bank to Texas Classes.

Kleberg Bank Account Balances - per Kleberg Bank	\$11,449,902.65
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Pledged Collateral as reported for 09/30/2022 is as follows:

Market Value of Securities	\$13,945,926.49
FDIC Coverage	250,000.00
Total Pledge & FDIC Coverage	<u>\$14,195,926.49</u>

City of Kingsville
Non Investment Cash Accounts
As of September 30, 2022

Description	GL Account Number	Bank	Fund	Amount 06/30/2022	Amount 09/30/2022
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	0.00	0.00
Hot Funds Tax Escrow Account	002-0-04000	Kleberg Bank - 4206	002	381,602.88	400,017.11
Police State Forfeiture	005-0-08005	Kleberg Bank - 3870	005	625,163.94	625,244.45
Police State Pending Forfeiture	005-0-08550	Kleberg Bank - 3862	005	543,017.01	387,394.13
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	135,096.50	135,113.89
Drainage Master Plan Location 7	116-0-09111	Kleberg Bank	116	61,256.70	3,398.65
Drainage Master Plan Location 1	117-0-09112	Kleberg Bank	117	61,962.42	2,692.61
Drainage Master Plan Location 3	118-0-09113	Kleberg Bank	118	66,665.29	2,885.73
Drainage Master Plan Location 4	119-0-09114	Kleberg Bank	119	82,842.40	3,613.78
Insurance Fund	138-0-09010	Kleberg Bank - 3730	138	554,856.35	433,940.06
Pooled Cash	700-0-01050	Kleberg Bank - 3676	700	6,455,709.52	5,612,113.58
Cash Bond Account	700-0-01070	Bank of South Texas	700	31,818.63	29,830.28
Total Non Investment Cash Account Balances				<u>\$9,003,526.64</u>	<u>\$7,639,779.27</u>

The following are notes on the above changes

- Pooled Cash changed due to transfer of funds over to Texas Class.

**Kleberg Bank Money Market Accounts
Summary Statement
For Quarter Ended 09/30/2022**

Account	Fund	Ending Balance 06/30/2022	Contributions	Withdrawals	Interest	Ending Balance 09/30/2022
62488-MM General Fund	001	157,291.45		(157,000.00)	(291.45)	\$0.00
38583-MM PD State Seizure Fund	005	572,871.16		(61,508.79)	524.33	\$511,886.70
42084-MM GO Debt Service	011	1,209,365.81	39,147.77	(1,225,000.00)	212.74	\$23,726.32
27239-MM - GF CO 2016	033	0.00				\$0.00
39504-MM - Utility Fund	051	7,640.53		(7,641.18)	0.65	(\$0.00)
26054-MM - UF Cap Projects	054	90,606.76		(90,610.88)	4.12	(\$0.00)
26070-MM - UF CO 2011	066	0.00				\$0.00
26046-MM - Storm Water	068	\$762,189.86		(750,000.00)	\$208.52	\$12,398.38
26062-MM - Sanitation Addtl Rev	087	3,578.40			0.66	\$3,579.06
38575-MM - Insurance Fund	138	1,328,757.54	937,921.00	(1,960,269.27)	595.24	\$307,004.51
42092-MM - CMA M&O Taxes	700	\$3,164,140.83	\$150,432.02	(606,957.94)	\$2,293.69	\$2,709,908.60
38664-MM - CMA Savings	700	92,411.18	300,000.00	(392,419.49)	18.41	\$10.10
Totals		\$7,388,853.52	\$1,427,500.79	(5,251,407.55)	\$3,566.91	\$3,568,513.67

Notes:

Debt Service

- Contributions come in from tax receipts from the I&S portion of the tax rate. Withdrawals are made for debt service requirements.

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

- Contributions come in from various funds and moved into savings which earns better interest and held there until needed.
- Withdrawals go out for expenditure payments.

**Texas Class
Summary Statement
For Quarter Ended 09/30/2022**

Account	Ending Balance 06/30/2022	Contributions	Withdrawals	Interest	Ending Balance 09/30/2022
07-Landfill Closure Acct	\$42,064.25			\$233.62	\$42,297.87
08-CMA Savings	6,539,781.07	7,553,506.40	(7,339,739.94)	33,491.51	\$6,787,039.04
09-CO 2013 Street - GF	0.00				\$0.00
10-CO 2013 Storm Water	500,575.86	750,000.00	(314,227.75)	5,551.14	\$941,899.25
11-GO Debt Service	610,532.33	2,125,000.00	(2,229,353.65)	3,545.59	\$509,724.27
12-Utility Fund Debt Svc	45,569.41	850,000.00	(879,075.00)	131.95	\$16,626.36
15-CMA Acct-M&O Taxes	8,775,325.68	1,000,000.00		54,125.65	\$9,829,451.33
18-Self Insurance Fund	500,419.30	1,500,000.00	(302,531.00)	8,640.74	\$1,706,529.04
20-Federal Forfeiture	1,222.44			6.79	\$1,229.23
21-State Forfeiture	10,069.28			55.89	\$10,125.17
22-CO Series 2002 - GF	0.00				\$0.00
24-State Pending Forfeiture	125,071.16			694.57	\$125,765.73
26-CO 2005 Construction - UF	0.00				\$0.00
29-UF Cap Projects Savings	0.00	90,000.00		970.04	\$90,970.04
31-Sanitation Collection CP	200,230.35			1,111.96	\$201,342.31
32-GF Capital Projects	0.00				\$0.00
37-Utility Fund	600,493.16	1,007,641.18	(111,000.00)	8,184.44	\$1,505,318.78
Totals	\$17,951,354.29	\$14,876,147.58	(\$11,175,927.34)	\$116,743.89	\$21,768,318.42

**Texas Class
Average Monthly Yield**

Month	Yield
July 2022	1.6392%
Aug 2022	2.2891%
Sept 2022	2.6788%

Compare to Kleberg Bank rate for Money Market Accounts –0.05%. No change in current interest rates for these accounts.

Finance has begun moving available money from Kleberg Bank to Texas Class.

Kleberg Bank has just offered a 6-month CD at 4% up to \$10 million in new money pulled back from Texas Class. We will be moving some funds into the offering.

Texas Class Accounts
Investment Summary Comparison
Qtr Ended 06/30/2022 vs Qtr Ended 09/30/2022

Investment	Account #	Fund	TX Class Stmt	TX Class Stmt	Net Change
			Qtr Ended 06/30/2022	Qtr Ended 09/30/2022	
Landfill Closure Acct	TX 01-0170-0007	090	42,064.25	42,297.87	\$233.62
CMA Savings	TX 01-0170-0008	700	6,539,781.07	6,787,039.04	\$247,257.97
CO 2013 Street Projects - GF	TX 01-0170-0009	067	0.00	0.00	\$0.00
CO 2013 Storm Water	TX 01-0170-0010	068	500,575.86	941,899.25	\$441,323.39
GO Debt Service	TX 01-0170-0011	011	610,532.33	509,724.27	(\$100,808.06)
Utility Fund Debt Service	TX 01-0170-0012	012	45,569.41	16,626.36	(\$28,943.05)
CMA Acct - M&O Taxes	TX 01-0170-0015	700	8,775,325.68	9,829,451.33	\$1,054,125.65
Self Insurance Fund	TX 01-0170-0018	138	500,419.30	1,706,529.04	\$1,206,109.74
Federal Forfeiture Funds	TX 01-0170-0020	028	1,222.44	1,229.23	\$6.79
State Forfeiture Funds	TX 01-0170-0021	005	10,069.28	10,125.17	\$55.89
CO Series 2002	TX 01-0170-0022	039	0.00	0.00	\$0.00
State Pending	TX 01-0170-0024	005	125,071.16	125,765.73	\$694.57
CO 2005 Construction	TX 01-0170-0026	062	0.00	0.00	\$0.00
UF Capital Projects Savings	TX 01-0170-0029	054	0.00	90,970.04	\$90,970.04
Sanitation Collection Cap Proj	TX 01-0170-0031	087	200,230.35	201,342.31	\$1,111.96
GF Capital Projects	TX 01-0170-0032	091	0.00	0.00	\$0.00
Utility Fund	TX 01-0170-0037	051	600,493.16	1,505,318.78	\$904,825.62
Total Accounts			\$17,951,354.29	\$21,768,318.42	\$3,816,964.13

City of Kingsville
Budgeted Project & Capital Outlay Descriptions
FY 2021-2022

Investment	Account	Balance	Fund	Project/Usage Description
Texas Class Accounts:				
Landfill Closure Acct	0007	\$42,297.87	090	Landfill Closure Costs
CMA Savings	0008	6,787,039.04	700	General Fund Savings Account
CO 2013 Street Projects-GF	0009	0.00	067	Street Projects
CO 2013 Storm Water	0010	941,899.25	068	Storm Water Projects
GO Debt Service	0011	509,724.27	011	GF Debt Service Payments
Utility Fund Debt Service	0012	16,626.36	012	UF Debt Service Payments
CMA Acct - M&O Taxes	0015	9,829,451.33	700	General Fund operating expenditures
Self Insurance Fund	0018	1,706,529.04	138	Insurance Claims
Federal Forfeiture Funds	0020	1,229.23	028	Federal Seizures that have been awarded
State Forfeiture Funds	0021	10,125.17	005	State Seizures that have been awarded
CO Series 2002	0022	0.00	039	Remaining Unspent Funds
State Pending	0024	125,765.73	005	Holding acct until seized funds are awarded
CO 2005 Construction	0026	0.00	062	Sewer Lines & Manholes
UF Capital Projects Savings	0029	90,970.04	054	UF Capital Projects
Sanitation Collection Cap Proj	0031	201,342.31	087	Trash Pickup Equipment
GF Capital Projects	0032	0.00	091	Left over funds from previous projects
Utility Fund	0037	1,505,318.78	051	Utility Fund operating expenditures
Total Texas Class Accounts		21,768,318.42		
Kleberg Money Market Accounts:				
General Fund	62488	\$0.00	001	GF Operating Expenditures
PD State Seizure Fund	38583	\$511,886.70	005	State Awarded Seizure Cases
GO Debt Service	42084	\$23,726.32	011	GF Debt Service Payments
GF CO 2016	27239	\$0.00	033	Various Capital Projects - GF
Utility Fund	39504	\$0.00	051	UF Operating Expenditures
UF Cap Projects	26054	\$0.00	054	Various Capital Projects - UF
UF CO 2011	26070	\$0.00	066	Remaining Unspent Funds
Storm Water	26046	\$12,398.38	068	Storm Water Projects
Sanitation Addtl Rev	26062	\$3,579.06	087	Solid Waste Capital Projects
Insurance Fund	38575	\$307,004.51	138	Insurance Claims
Trust & Agency Fund-M&O	42092	\$2,709,908.60	700	GF operating expenditures
Trust & Agency Fund	38664	\$10.10	700	CMA Savings Account
Total Kleberg Accounts		3,568,513.67		
Total Accounts		\$25,336,832.09		

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

Debt Issue	Principal Issued	Principal Outstanding 09/30/2021	Interest Outstanding 09/30/2021	Combined Interest & Principal	Final Maturity Date
CO Series 2013	\$1,260,000	\$205,000	\$4,150	\$209,150	9/30/2023
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 and the payment of contractual obligations for professional services in connection with such projects (including, but not limited to, financial advisory, legal, architectural, and engineering)					

Payments are 100% General Fund - Tax Supported Debt

2022 Principal - \$100,000

2022 Interest - \$3,100

Debt Issue	Principal Issued	Principal Outstanding 09/30/2021	Interest Outstanding 09/30/2021	Combined Interest & Principal	Final Maturity Date
LTRB Series 2014	\$9,040,000	\$3,465,000	\$206,125	\$3,671,125	9/30/2025
Proceeds from the sale of the Bonds will be used to refund a portion of the City's outstanding debt designated as the CO Series 2005 in order to lower the overall debt service requirements of the City and to pay the costs associated with the issuance of the Bonds. The original 2005 issue was for the rehabilitation, maintenance, and repair of certain City water towers, construction, repair, and replacement of City wastewater treatment plants and lift stations; water meter upgrades and replacements; construction of new water well; sewer line repair and replacement; equipment purchases in the for of two backhoes.					

Payments are Utility System Revenue Supported

2022 Principal - \$840,000

2022 Interest - \$78,150

Debt Issue	Principal Issued	Principal Outstanding 09/30/2021	Interest Outstanding 09/30/2021	Combined Interest & Principal	Final Maturity Date
CO Series 2016	\$6,740,000	\$4,210,000	\$633,025	\$4,843,025	9/30/2036

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.

Payments are 100% General Fund - Tax Supported Debt
 2022 Principal - \$865,000
 2022 Interest - \$102,350

Debt Issue	Principal Issued	Principal Outstanding 09/30/2021	Interest Outstanding 09/30/2021	Combined Interest & Principal	Final Maturity Date
LTRF Series 2020	\$5,025,000	\$4,800,000	\$1,119,600	\$5,919,600	9/30/2032

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 to Tranquitas Creek and Caesar Avenue ditch; water and wastewater projects for new water and wastewater lines; acquisition of land for 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 new City Hall; and the payment of contractual obligations for professional services in connection with such projects (including, but not limited to, financial advisory, legal, architectural, and engineering).

Payments are split (53.8504%-GF, 46.1496%-UF)
 General Fund: 2022 Principal \$300,000 x 53.8504% = \$161,551.20
 General Fund: 2022 Interest \$182,000 x 53.8504% = \$98,007.73
 Utility Fund: 2022 Principal \$300,000 x 46.1496% = \$138,448.80
 Utility Fund: 2022 Interest \$182,000 x 46.1496% = \$83,992.27

Debt Issue	Principal Issued	Principal Outstanding 09/30/2021	Interest Outstanding 09/30/2021	Combined Interest & Principal	Final Maturity Date
Tax Notes 2021	\$1,310,000	\$1,115,000	\$49,313	\$1,164,313	9/30/2027
Proceeds from the sale of this Tax Note 2021 was for the purchase of General Fund Capital Outlay of a Golf Course backhoe, (3) Police Chevy Tahoes, Fire Command Vehicle and (3) Garbage Trucks.					

Payments are split (42.38%-GF, 57.62%-SW)
 General Fund: 2022 Principal \$180,000 x 42.38% = \$76,284
 General Fund: 2022 Interest \$13,937.50 x 42.38% = \$5,906.72

Solid Waste: 2022 Principal \$180,000 x 57.62% = \$103,716
 Solid Waste: 2022 Interest \$13,937.50 x 57.62% = \$8,030.78

Debt Issue	Principal Issued	Principal	Interest	Combined	Final Maturity
LTRF 2021	\$3,595,000	\$3,595,000	\$625,000	\$4,220,000	9/30/2033
Proceeds from the sale of this issue will be used to refund a portion of the City's outstanding debt designated as the CO Series 2013 in order to lower the overall debt service requirements of the City and to pay the costs associated with the issuance of the Bonds. The original 2013 issue was for the design, planning, acquisition, construction, equipping, expansion, repair, renovation, and/or rehabilitation of certain City-owned public property.					

Payments are split with Utility Fund (20.7116%-GF, 79.2884%-UF)
 General Fund: 2022 Principal \$255,000 x 20.7116% = \$52,814.58
 General Fund: 2022 Interest \$97,700 x 20.7116% = \$20,235.23

Utility Fund: 2022 Principal \$255,000 x 79.2884% = \$202,185.42
 Utility Fund: 2022 Interest \$97,700 x 79.2884% = \$77,464.77

Debt Issue	Principal Issued	Principal Outstanding 09/30/2021	Interest Outstanding 09/30/2021	Combined Interest & Principal	Final Maturity Date
CTRT Series 2021	\$3,358,000	\$3,358,000	\$0	\$3,358,000	9/30/2051
Proceeds from the sale of this issue will be used for the 0% interest loan from the Texas Development Water Board for the design, planning, acquisition, construction, equipping, expansion, repair, renovation, and/or rehabilitation of the public property.					

Payments are Utility System Revenue Supported
 2022 Principal - \$111,000

Debt Issue	Principal Issued	Principal Outstanding 09/30/2021	Interest Outstanding 09/30/2021	Combined Interest & Principal	Final Maturity Date
Tax Notes 2022	\$1,850,000	\$1,850,000	\$210,701	\$2,060,701	9/30/2029
Proceeds from the sale of this issue will be used for the purpose of purchasing and acquiring certain City-owned public property, including (1) vehicles for various City departments; (2) trash compactor; (3) street repair equipment for the Public Works Department; (4) equipment for the Utility Department, and (5) payment of contractual obligations for professional services in connection therewith (to wit; consulting, engineering, financial advisory, and legal).					

Payments are split with Utility Fund (35.04%-GF, 31.01%-SW, 33.95%-UF)

General Fund: 2022 Interest \$12,074.33 x 35.04% = \$4,230.85
 Solid Waste Fund: 2022 Interest \$12,074.33 x 31.01% = \$3,744.25
 Utility Fund: 2022 Interest \$12,074.33 x 33.95% = \$4,099.24

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, 2022, on _____.

Mark McLaughlin, City Manager

Courtney Alvarez, City Attorney

Norma Alvarez, City Commissioner

Deborah Balli, Finance Director