



FY 2017 - 2018

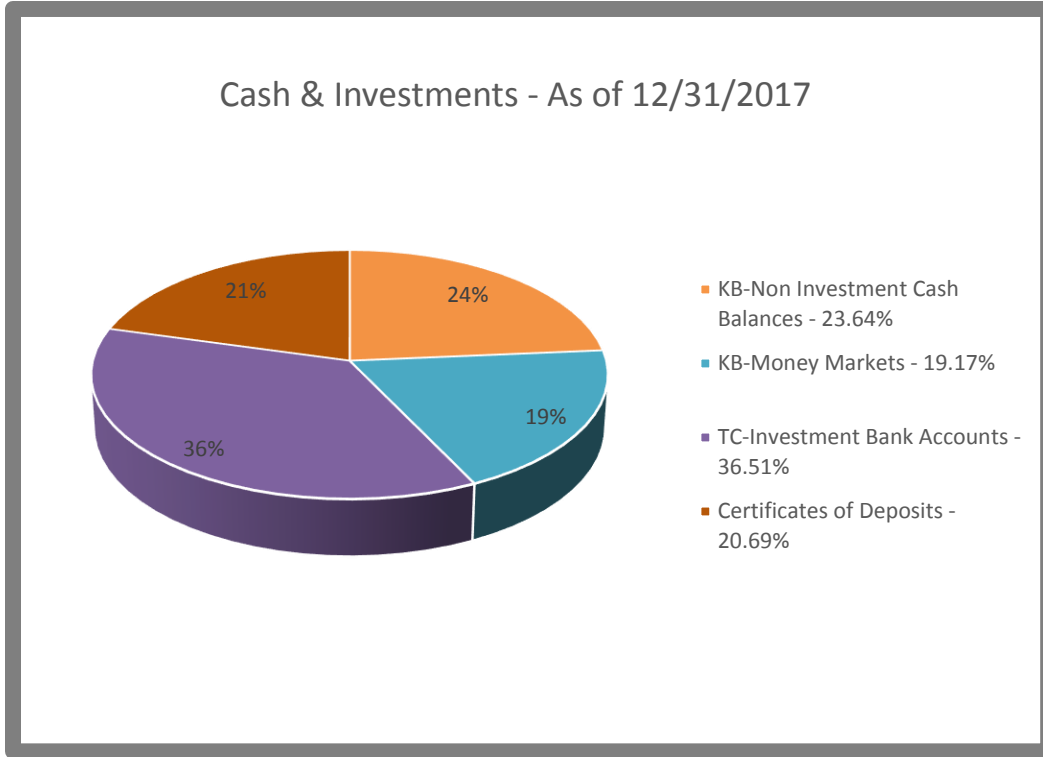
FIRST QUARTER

INVESTMENT REPORT

FOR THE PERIOD ENDING

DECEMBER 31, 2017

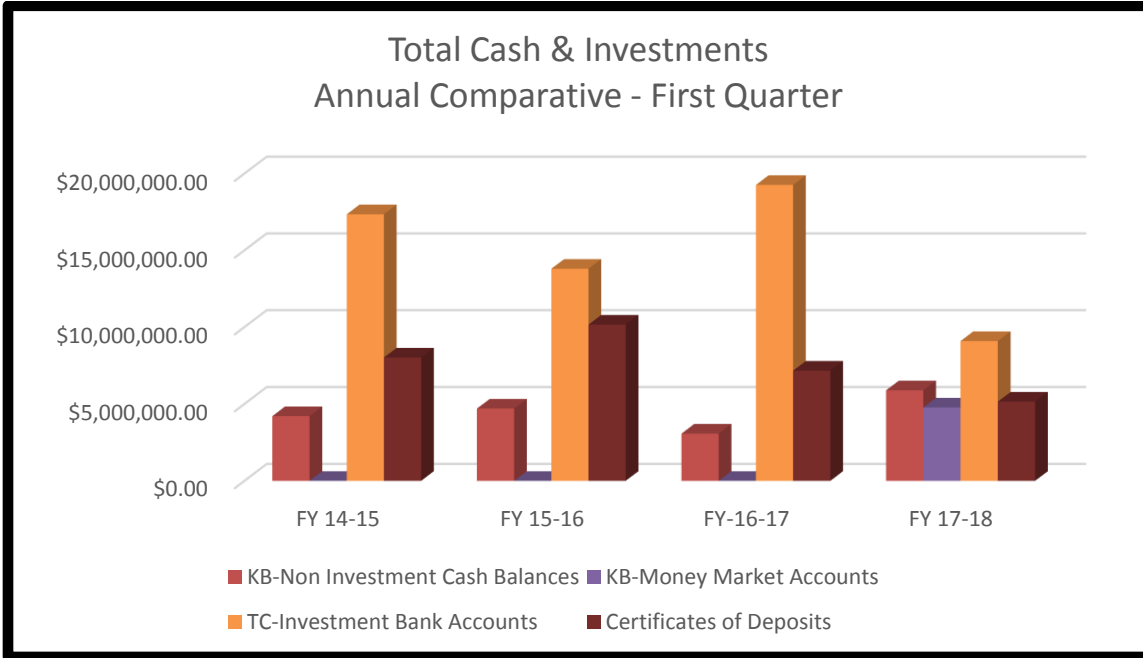
**City of Kingsville
Total Cash and Investments
For Quarter Ended 12/31/2017**



Total Cash & Investments	
KB-Non Investment Cash Balances - 23.64%	\$5,885,288.60
KB-Money Markets - 19.17%	\$4,772,078.33
TC-Investment Bank Accounts - 36.51%	9,089,813.24
Certificates of Deposits - 20.69%	5,150,743.72
Total Cash & Investments	<u>\$24,897,923.89</u>

In April 2017, we moved 5 accounts from Texas Class and opened money market accounts at Kleberg bank due to better interest rates. These money market accounts are completely liquid and are paying .85% interest. We left various accounts at Texas Class to retain our diversity of account holders.

**City of Kingsville
Cash and Investments Annual Comparative
For Quarter Ended 12/31/2017**



**Total Cash & Investments - Annual Comparative
For 1st Quarter Ended December 31, 2017**

Category	FY 14-15	FY 15-16	FY-16-17	FY 17-18
KB-Non Investment Cash Balances	\$4,208,863.57	\$4,698,939.80	\$3,072,115.56	\$5,885,288.60
KB-Money Market Accounts	\$0.00	\$0.00	\$0.00	\$4,772,078.33
TC-Investment Bank Accounts	17,346,676.93	13,797,141.83	19,259,889.00	9,089,813.24
Certificates of Deposits	8,020,000.00	10,160,138.02	7,163,313.88	5,150,743.72
Total Cash & Investments	\$29,575,540.50	\$28,656,219.65	\$29,495,318.44	\$24,897,923.89

**CITY OF KINGSVILLE
TOTAL INVESTMENT PERCENTAGES
FOR QUARTER ENDED 12/31/2017**

HOLDING	REQUIREMENT	ACCOUNT BALANCE 12/31/2017
Kleberg Bank - Non Investment Accounts	Cash Category	5,885,288.60
Kleberg Bank - Investment Money Markets	Cash Category	4,772,078.33
Texas Class - Investment Bank Accounts	Cash Category	9,089,813.24
Kleberg Bank - Certificates of Deposit	CD	5,150,743.72
Total Cash and Investments		24,897,923.89

Investment Requirements:

Percentages in Cash	(at least 35% mature in 90 days or less)	79.31%
Percentage in CD's	(at least 10% in U.S. T Bill or CD's)	20.69%
Percentage in US Treasuries	(not to exceed 10%)	0.00%

City of Kingsville
Non Investment Cash Accounts
As of December 31, 2017

Description	GL Account Number	Bank	Fund	Amount
Petty Cash Accounts - General Fund	001-0-02000	Departments	001	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	175.00
	002-0-02057			
Hot Funds Tax Escrow Account	002-0-04000	Kleberg Bank - 4206	002	371,665.38
Police State Forfeiture	005-0-08005	Kleberg Bank - 3870	005	82,233.03
Police State Pending Forfeiture	005-0-08550	Kleberg Bank - 3862	005	436,364.07
Police Unrestricted Cash (Not Transferred)	005-0-08590	Split Funded for GL	005	11,486.60
Police Federal Forefeiture	028-0-08051	Kleberg Bank - 3854	028	166,705.32
Insurance Fund	138-0-09010	Kleberg Bank - 3730	138	483,713.21
Pooled Cash	700-0-01050	Kleberg Bank - 3676	700	4,228,160.94
Cash Bond Account	700-0-01070	Bank of South Texas	700	101,325.05
Total Non Investment Cash Account Balances				5,885,288.60

**Kleberg Bank Money Market Accounts
Summary Statement
For 1st Quarter Ended 12/31/2017**

Account	Fund	Beginning Balance 09/30/2017	Contributions	Withdrawals	Interest	Ending Balance 12/31/2017
26046-MM - Storm Water	068	\$319,243.50		(5,432.00)	\$674.86	\$314,486.36
26054-MM - UF Cap Projects	054	1,069,870.99		(215,574.25)	2,183.51	\$856,480.25
26062-MM - Sanitation Addtl Rev	087	228,561.48		(34,213.67)	471.16	\$194,818.97
26070-MM - UF CO 2011	066	389,821.47		(7,622.32)	823.67	\$383,022.82
27239-MM - GF CO 2016	033	4,216,399.40		(1,201,595.38)	8,465.91	\$3,023,269.93
Totals		\$6,223,896.84	\$0.00	(1,464,437.62)	\$12,619.11	\$4,772,078.33

Money Market Withdrawal Information

Storm Water – Fund 068:

- Kingsville Publishing – Drainage Master Plan Ad
- Kimley Horn & Associates – City Master Drainage Plan and Golf Course Master Drainage Plan

UF Capital Projects – Fund 054:

- Solka Nava Torno – Municipal Building Architect Services
- Maltby Builders – Pumphouse
- National Meters – Endpoints

Solid Waste Capital Projects – Fund 087

- Lease payment reimbursement
- City Hall payback payment

UF CO 2011 – Fund 066:

- National Meters – Endpoints
- Underground Utility Supply – Water meter parts

GF CO 2016 – Fund 033:

- CO 2016 Project expenditures for the following projects
 - Downtown Revitalization
 - City Hall Landscaping
 - Cottage
 - Police Radio Backbone
 - Street project
 - Genie lift purchase
 - Golf entrance
 - Golf Irrigation
 - Splash pad
 - Pool renovation
 - Park Office improvement

**Certificates of Deposit
For Quarter Ending 12/31/2017**

CD #	Fund	Term	Principal	Interest Rate	Daily Interest	Interest Earned Through 12/31/2017
1	090-Landfill Closure	Cashed in on 12/15/2017 - \$2,039,495.49				\$1,909.19
2	138-Insurance	09/25/17 - 09/25/18	\$101,710.99	0.45%	\$1.2484	\$114.86
3	068-Storm Water Drainage	09/25/17 - 09/25/18	\$2,034,219.87	0.45%	\$24.9671	\$2,296.98
4	001-General Fund 051-Utility Fund	01/27/18 - 07/27/18	\$3,022,246.65	0.50%	\$41.2988	\$3,799.42
	Totals		<u>\$5,158,177.51</u>			<u>\$8,120.45</u>

Total Principal plus Interest - \$5,166,297.96.

The cashed in CD was deposited into Pooled Cash for Fund 090

Number of days through 12/31/2017 – 76 (CD 1 – October 1 – December 15)

Number of days through 12/31/2017 – 92 (CD #2 - #4 – October 1 – December 31)

Investment Summary Comparison
Qtr Ended 09/30/2017 vs Qtr Ended 12/31/2017

Investment	Account #	Fund	TX Class Stmt Qtr Ended 09/30/2017	TX Class Stmt Qtr Ended 12/31/2017	Net Change
Landfill Closure Acct	TX 01-0170-0007	090	\$39,672.69	\$39,805.20	\$132.51
CMA Savings	TX 01-0170-0008	700	3,390,310.19	3,163,553.02	(226,757.17)
CO 2013 Street Projects - GF	TX 01-0170-0009	067	9,386.83	9,418.11	31.28
GO Debt Service	TX 01-0170-0011	011	411,972.67	896,287.81	484,315.14
Utility Fund Debt Service	TX 01-0170-0012	012	634,273.11	636,391.58	2,118.47
CMA Acct - M&O Taxes	TX 01-0170-0015	700	637,622.29	2,820,493.07	2,182,870.78
Self Insurance Fund	TX 01-0170-0018	138	439,557.09	248,090.70	(191,466.39)
Federal Forfeiture Funds	TX 01-0170-0020	028	1,153.68	1,157.50	3.82
State Forfeiture Funds	TX 01-0170-0021	005	1,264,398.55	1,098,711.78	(165,686.77)
CO Series 2002	TX 01-0170-0022	039	4,967.12	4,983.75	16.63
State Pending	TX 01-0170-0024	005	117,960.18	118,354.10	393.92
CO 2005 Construction	TX 01-0170-0026	062	48,847.14	49,010.34	163.20
GF Capital Projects	TX 01-0170-0032	091	3,544.46	3,556.28	11.82
Total Accounts			\$7,003,666.00	\$9,089,813.24	\$2,086,147.24

**Texas Class
Summary Statement
For 1st Quarter Ended 12/31/2017**

Account	Beginning Balance				Ending Balance
	09/30/2017	Contributions	Withdrawals	Interest	
07-Landfill Closure Acct	\$39,672.69	\$0.00	\$0.00	\$132.51	\$39,805.20
08-CMA Savings	3,390,310.19	305,196.97	542,310.00	10,355.86	3,163,553.02
09-CO 2013 Street	9,386.83	0.00	0.00	31.28	9,418.11
11-GO Debt Service	411,972.67	482,492.53	0.00	1,822.61	896,287.81
12-Utility Fund Debt Svc	634,273.11	0.00	0.00	2,118.47	636,391.58
15-CMA Acct-M&O Taxes	637,622.29	2,178,737.65	0.00	4,133.13	2,820,493.07
18-Self Insurance Fund	439,557.09	542,310.00	735,402.16	1,625.77	248,090.70
20-Federal Forfeiture	1,153.68	0.00	0.00	3.82	1,157.50
21-State Forfeiture	1,264,398.55	0.00	169,794.81	4,108.04	1,098,711.78
22-CO Series 2002	4,967.12	0.00	0.00	16.63	4,983.75
24-State Pending Forfeiture	117,960.18	0.00	0.00	393.92	118,354.10
26-CO 2005 Construction	48,847.14	0.00	0.00	163.20	49,010.34
32-GF Capital Projects	3,544.46	0.00	0.00	11.82	3,556.28
Totals	\$7,003,666.00	\$3,508,737.15	\$1,447,506.97	\$24,917.06	\$9,089,813.24

Certificates of Obligation, Series 2013

\$5,230,000 City Owned Public Property

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.

Certificates of Obligation, Series 2002

\$3,960,000 City Owned Public Property

Proceeds from the sale of the Certificates will be used for the purpose of paying contractual obligations of City of Kingsville to be incurred for (1) the construction of a water well; (2) the construction of improvements to the City's street and drainage system; (3) construction of improvements to City buildings; (4) purchase of vehicles for various City departments; (5) purchase of office equipment and heavy equipment for various City departments; and (6) paying legal, financial, and engineering fees in connection with the project.

Certificates of Obligation, Series 2002A

\$2,485,000 City Owned Public Property

Proceeds from the sale of the Certificates will be used for the purpose of paying contractual obligations of City of Kingsville to be incurred for (1) the construction of a water well; (2) the construction of improvements to the City's street and drainage system; (3) construction of improvements to City buildings; (4) purchase of vehicles for various City departments; (5) purchase of office equipment and heavy equipment for various City departments; and (6) paying legal, financial, and engineering fees in connection with the project.

Certificates of Obligation, Series 2005

\$11,780,000 Water & Sewer

Proceeds from the sale of the Certificates will be used for the purpose of 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 a new water well; sewer line repair and replacement; equipment purchases in the form of two backhoes; and payment of contractual obligations for professional services in connection with such projects, and paying the costs of issuance of the Certificates.

Pub Property Finance Contractual Obligation, Series 2007

\$1,200,000

Fire Truck, Garbage Trucks

Proceeds from the sale of the Obligations will be used for the purchase of equipment, including one ladder fire truck, up to five garbage trucks, and as many rollout garbage containers as possible and the payment of the costs of issuance of the Obligations.

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.

Certificates of Obligation, Series 2011

\$10,000,000 Public Improvements

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.

City of Kingsville
Budgeted Project & Capital Outlay Descriptions
FY 2017-2018

Investment	Account	Balance	Fund	Project/Usage Description
Texas Class Accounts:				
Landfill Closure Acct	0007	\$39,805.20	090	Landfill Closure Costs
CMA Savings	0008	3,163,553.02	700	General Fund Savings Account
CO 2013 Street Projects-GF	0009	9,418.11	067	Street Projects
GO Debt Service	0011	896,287.81	011	Debt Service Payments
Utility Fund Debt Service	0012	636,391.58	012	Debt Service Payments
CMA Acct - M&O Taxes	0015	2,820,493.07	700	Held for Debt Service Payments
Self Insurance Fund	0018	248,090.70	138	Held for Insurance Claims
Federal Forfeiture Funds	0020	1,157.50	028	Federal Seizures that have been awarded
State Forfeiture Funds	0021	1,098,711.78	005	Awarded Seizure Cases for PD Expend
CO Series 2002	0022	4,983.75	039	Remaining Unspent Funds
State Pending	0024	118,354.10	005	Holding account until seized funds are awarded
CO 2005 Construction	0026	49,010.34	062	Sewer Lines & Manholes
GF Capital Projects	0032	3,556.28	091	New City Hall
Kleberg Money Market Accounts:				
CO 2016 GF Capital	27239	3,023,269.93	033	Various Capital Projects
UF Capital Projects FD 054	26054	856,480.25	054	Well #19 & Pumphouse Municipal Building Renovation
CO 2011 - UF 066	26070	383,022.82	066	Water Lines Water Well #25 Water Meters
CO 2013 Storm Water-UF	20646	314,486.36	068	Drainage Projects
Sanitation Collection Additional Revenue Fee	26062	194,818.97	087	Debt Service Payments
Total Accounts		\$13,861,891.57		

Texas Class Accounts	9,089,813.24
Kleberg Bank Accounts	4,772,078.33
	<u>13,861,891.57</u>

Estimated Fund Balances – Based on Budget
Beginning Fund Balances are Unaudited Numbers until Audit Is Complete

Governmental Funds

Fund	FY 17-18 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	FY 17-18 Ending Fund Balance
001	6,703,727.07	18,342,812.00	1,614,809.00	20,402,148.00	161,815.00	6,097,385.07
025	90,159.98	10,000.00	0.00	10,000.00	90,000.00	159.98
026	7,991.41	0.00	8,115.00	0.00	0.00	16,106.41
087	92,199.47	1,138,256.00	0.00	918,233.02	162,853.23	149,369.22
090	1,056,297.10	270,500.00	97,609.23	67,357.00	0.00	1,357,049.33
091	3,544.46	0.00	0.00	0.00	0.00	3,544.46
092	658,348.47	812,000.00	0.00	880,745.00	0.00	589,603.47
093	80,248.16	0.00	0.00	80,248.16	0.00	0.00
096	234,792.59	0.00	0.00	114,792.59	120,000.00	0.00
097	50,000.00	0.00	40,000.00	0.00	0.00	90,000.00
098	73,103.60	106,000.00	50,000.00	155,313.29	0.00	73,790.31
Totals	9,050,412.31	20,679,568.00	1,810,533.23	22,628,837.06	534,668.23	8,377,008.25

The above numbers include all budget amendments that have been approved for the first quarter of FY 17-18.

Fund 001 – General Fund

Fund 026 – Golf Course Capital Maint

Fund 090 – Landfill Closure Fund

Fund 092 – Street Fund

Fund 096 – Insurance Claim Recovery

Fund 098 – Economic Development

Fund 025 – Building Security Fund

Fund 087 – Solid Waste Capital Projects

Fund 091 – General Fund Capital Projects

Fund 093 – Park Maintenance Fund

Fund 097 – Vehicle Replacement

Fund 099 – Disaster Response Recovery

Capital Improvement Funds – General Fund

Fund	FY 17-18 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	FY 17-18 Ending Fund Balance
033	4,109,096.73	25,000.00	29,050.00	4,188,041.28	0.00	(24,894.55)
039	4,980.68	0.00	0.00	0.00	0.00	4,980.68
065	2,288.28	0.00	0.00	0.00	0.00	2,288.28
067	71,664.46	34,531.53	0.00	0.00	37,229.38	68,966.61
Totals	4,188,030.15	59,531.53	29,050.00	4,188,041.28	37,229.38	51,341.02

For Fund 033, the expenditure budget has been adjusted by \$21,496.20 to account for expenditures that had to be re-classed during the audit leaving a deficit of \$3,398.35. Interest revenues may finish out the year better than what we anticipate, which would not require us to adjust project balances by the additional \$3,398.35. There also might be project savings to offset the difference. This fund's cash flow is routinely monitored.

Fund 033 – CO Series 2016
Fund 065 – CO Series 2011

Fund 039 – CO Series 2002-2002A
Fund 067 – CO Series 2013

Police Forfeiture Funds

Fund	FY 17-18 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	FY 17-18 Ending Fund Balance
005	1,251,537.45	15,000.00	0.00	507,777.11	0.00	758,760.34
028	172,837.71	15.00	0.00	30,000.00	0.00	142,852.71
031	32,546.47	13,000.00	0.00	18,000.00	0.00	27,546.47
Totals	1,456,921.63	28,015.00	0.00	555,777.11	0.00	929,159.52

Fund 005 – State Forfeiture
Fund 031 – Municipal Court Technology

Fund 028 – Federal Forfeiture

Debt Service – General Fund

Fund	FY 17-18 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	FY 17-18 Ending Fund Balance
011	757,325.14	1,295,675.00	0.00	1,514,965.00	0.00	538,035.14
Totals	757,325.14	1,295,675.00	0.00	1,514,965.00	0.00	538,035.14

Tourism Fund

Fund	FY 17-18 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	FY 17-18 Ending Fund Balance
002	405,535.47	529,780.00	25,000.00	653,999.00	134,216.00	172,100.47
Totals	405,535.47	529,780.00	25,000.00	653,999.00	134,216.00	172,100.47

Enterprise – Utility Funds

Fund	FY 17-18 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	FY 17-18 Ending Fund Balance
012	227,570.98	1,000.00	1,549,585.00	1,550,335.00	0.00	227,820.98
051	3,863,939.12	7,980,800.00	7,521.00	5,861,673.00	2,839,065.00	3,151,522.12
054	978,716.96	217,580.00	260,000.00	1,475,523.12	0.00	(19,226.16)
055	97,667.79	405,000.00	0.00	1,100.00	389,320.00	112,247.79
062	48,847.14	0.00	0.00	0.00	0.00	48,847.14
066	386,188.36	2,600.00	0.00	95,580.00	0.00	293,208.36
068	2,353,082.15	10,000.00	0.00	996,739.00	0.00	1,366,343.15
Totals	7,956,012.50	8,616,980.00	1,817,106.00	9,980,950.12	3,228,385.00	5,180,763.38

For Fund 054, budgeted expenditures have been adjusted by \$20,000 to cover the \$19,226.16 deficit.

All approved budget amendments for the first quarter have been included in the above calculations.

Fund 012 – Debt Service
 Fund 054 – Capital Projects
 Fund 062 – CO Series 2005
 Fund 068 – CO Series 2013

Fund 051 – Utility Fund
 Fund 055 – Storm Water Drainage
 Fund 066 – CO Series 2011

Internal Service Fund – Insurance

Fund	FY 17-18 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	FY 17-18 Ending Fund Balance
138	1,168,510.38	3,526,496.00	0.00	4,142,026.00	0.00	552,980.38
Totals	1,168,510.38	3,526,496.00	0.00	4,142,026.00	0.00	552,980.38

Grant Funds

Fund	FY 17-18 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	FY 17-18 Ending Fund Balance
013	56.76	0.00	0.00	0.00	0.00	56.76
017	0.00	0.00	75,000.00	75,000.00	0.00	0.00
030	2,365.02	0.00	0.00	0.00	0.00	2,365.02
071	(35,166.80)	0.00	0.00	0.00	0.00	(35,166.80)
078	3,598.89	0.00	0.00	0.00	0.00	3,598.89
079	3,056.51	0.00	0.00	3,588.21	0.00	(531.70)
082	60,000.00	42,587.00	0.00	42,587.00	0.00	60,000.00
Totals	33,910.38	42,587.00	75,000.00	121,175.21	0.00	30,322.17

For Fund 071 – FEMA, there is a negative balance as we are waiting on our reimbursement to cover the expenditures that were submitted. Once payment is received, this negative fund balance will be covered.

For Fund 079 – Texas Capital Main Street Grant, there is a reimbursement request of \$5,312.50 that has not been submitted which will cover the negative fund balance once payment is received.

Fund 013 - Texas Historical
 Fund 030 – Red Ribbon Awareness
 Fund 078 – Texas Parks & Wildlife
 Fund 082 – Texas CDBG Grant

Fund 017 – PD Borderstar
 Fund 071 - FEMA
 Fund 079 – TX Capital Main Street

Compliance

The investment portfolio of the City of Kingsville is in compliance 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 December 31, 2017 on Monday, February 5, 2018.

Jesus Garza, City Manager

Courtney Alvarez, City Attorney

Arturo Pecos, Commissioner

Deborah Balli, Finance Director