



FY 2017 - 2018

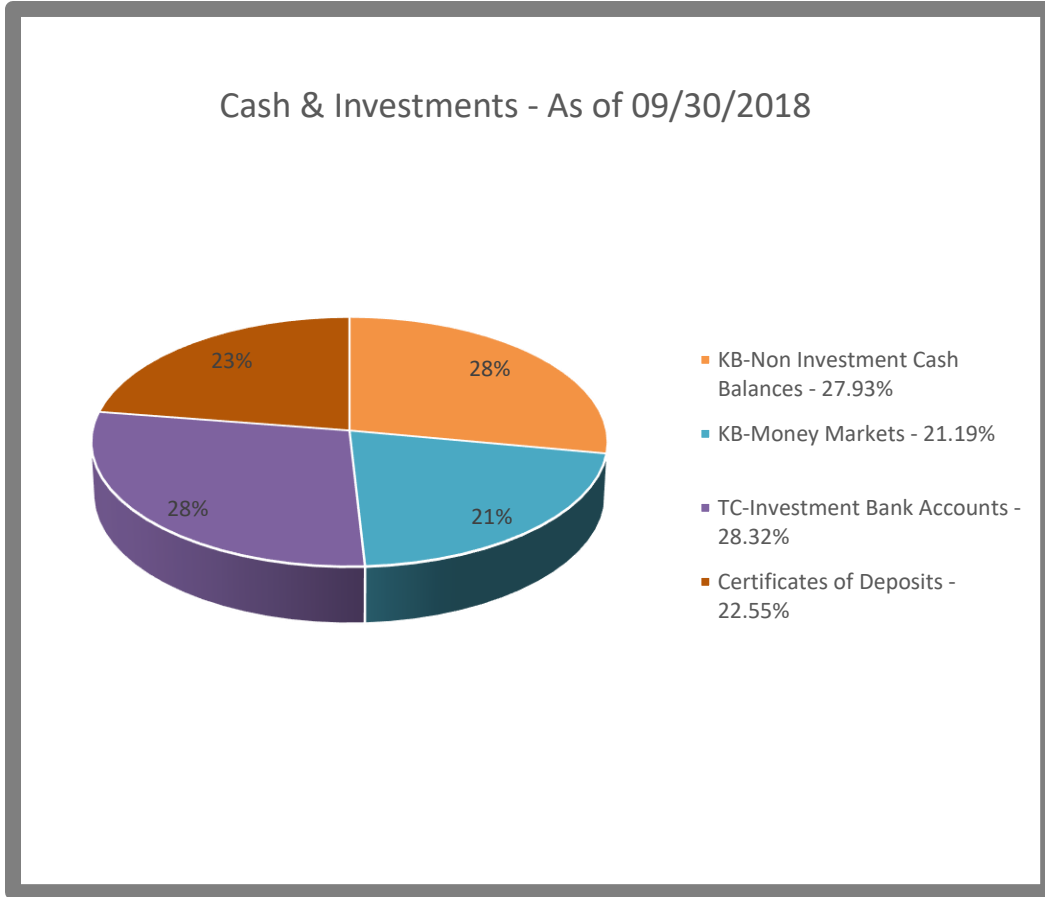
FOURTH QUARTER

INVESTMENT REPORT

FOR THE PERIOD ENDING

SEPTEMBER 30, 2018

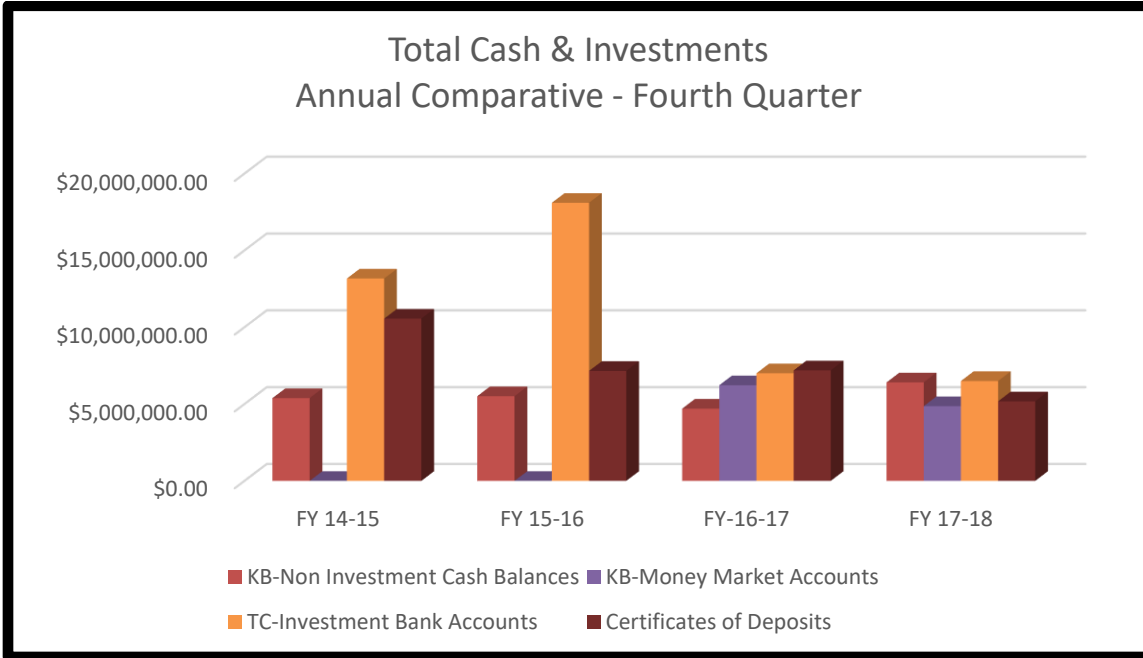
**City of Kingsville
Total Cash and Investments
For Quarter Ended 09/30/2018**



Total Cash & Investments	
KB-Non Investment Cash Balances - 27.93%	\$6,409,691.79
KB-Money Markets - 21.19%	4,863,419.75
TC-Investment Bank Accounts - 28.32%	6,500,145.31
Certificates of Deposits - 22.55%	5,176,101.11
Total Cash & Investments	<u>\$22,949,357.96</u>

In August 2018, we negotiated better interest rates at Kleberg Bank and are now receiving interest rates of 2.5% - 2.85% based on the length of the CD and Money Market interest rates increased to 2.25% up from .85%.

**City of Kingsville
Cash and Investments Annual Comparative
For Quarter Ended 09/30/2018**



**Total Cash & Investments - Annual Comparative
For Quarter Ended September 30, 2018**

Category	FY 14-15	FY 15-16	FY-16-17	FY 17-18
KB-Non Investment Cash Balances	\$5,383,217.50	\$5,511,627.86	\$4,701,004.52	\$6,409,691.79
KB-Money Market Accounts	\$0.00	\$0.00	\$6,223,896.84	\$4,863,419.75
TC-Investment Bank Accounts	13,170,205.43	18,099,054.04	\$7,003,666.00	6,500,145.31
Certificates of Deposits	10,560,138.02	7,154,820.47	\$7,190,849.25	5,176,101.11
Total Cash & Investments	\$29,113,560.95	\$30,765,502.37	\$25,119,416.61	\$22,949,357.96

**CITY OF KINGSVILLE
TOTAL INVESTMENT PERCENTAGES
FOR QUARTER ENDED 09/30/2018**

HOLDING	REQUIREMENT	ACCOUNT BALANCE 09/30/2018
Kleberg Bank - Non Investment Accounts	Cash Category	6,409,691.79
Kleberg Bank - Investment Money Markets	Cash Category	4,863,419.75
Texas Class - Investment Bank Accounts	Cash Category	6,500,145.31
Kleberg Bank - Certificates of Deposit	CD	5,176,101.11
Total Cash and Investments		22,949,357.96

Investment Requirements:

Percentages in Cash	(at least 35% mature in 90 days or less)	77.45%
Percentage in CD's	(at least 10% in U.S. T Bill or CD's)	22.55%
Percentage in US Treasuries	(not to exceed 10%)	0.00%

City of Kingsville
Non Investment Cash Accounts
As of September 30, 2018

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	303,331.52
Police State Forfeiture	005-0-08005	Kleberg Bank - 3870	005	159,811.11
Police State Pending Forfeiture	005-0-08550	Kleberg Bank - 3862	005	371,748.33
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	156,765.57
Insurance Fund	138-0-09010	Kleberg Bank - 3730	138	631,916.68
Pooled Cash	700-0-01050	Kleberg Bank - 3676	700	4,685,276.12
Cash Bond Account	700-0-01070	Bank of South Texas	700	85,720.86
Total Non Investment Cash Account Balances				<u>\$6,409,691.79</u>

**Kleberg Bank Money Market Accounts
Summary Statement
For 3rd Quarter Ended 09/30/2018**

Account	Fund	Beginning Balance 09/30/17	Contributions	Withdrawals	Interest	Ending Balance 09/30/2018
26046-MM - Storm Water	068	\$319,243.50		(\$299,176.25)	\$1,959.67	\$22,026.92
26054-MM - UF Cap Projects	054	1,069,870.99		(841,296.82)	7,690.15	\$236,264.32
26062-MM - Sanitation Addtl Rev	087	228,561.48		(34,213.67)	2,156.85	\$196,504.66
26070-MM - UF CO 2011	066	389,821.47		(97,992.60)	3,540.30	\$295,369.17
27239-MM - GF CO 2016	033	4,216,399.40		(2,539,473.91)	28,129.33	\$1,705,054.82
62488-MM - General Fund	011	0.00	2,400,000.00	0.00	8,199.86	\$2,408,199.86
Totals		\$6,223,896.84	\$2,400,000.00	(3,812,153.25)	\$51,676.16	\$4,863,419.75

Money Market Withdrawal Information

Storm Water – Fund 068:

- Drainage Master Plan ads
- Curb & gutter work
- Concrete gutter and curb work

UF Capital Projects – Fund 054:

- Municipal building renovation project
- Water meter replacements

GF CO 2016 – Fund 033:

- Fire Station 2 Improvements
- Street & bridge work
- Golf course improvements
- Kiddie pool
- Splash pad
- Parks office and community room improvement
- Downtown pavilion
- Computers & equipment for Brookshire Pool & Parks Recreation Hall

**Certificates of Deposit
For Quarter Ending 09/30/2018**

CD #	Fund	Term	Principal	Interest Rate	Interest Earned Through 09/30/2018	Balance 09/30/2018
closed	090-Landfill Closure	Cashed in on 12/15/2017 -		\$2,039,495.49	\$1,909.19	\$0.00
61531	138-Insurance	09/25/18 - 09/25/20	\$101,710.99	2.85%	\$465.68	\$102,176.67
61533	068-Storm Water Drainage	09/25/18 - 03/25/19	\$1,543,479.57	2.50%	\$9,296.00	\$1,543,479.57
61532	068-Storm Water Drainage	09/25/18 - 03/25/19	\$500,036.30	2.65%	\$0.00	\$500,036.30
61483	001-General Fund 051-Utility Fund	08/03/18 - 08/03/20	\$3,022,246.65	2.85%	\$15,595.71	\$3,030,408.57
Totals			<u>\$5,167,473.51</u>		<u>\$27,266.58</u>	<u>\$5,176,101.11</u>

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

CD #61483 matured in April and in August we renegotiated interest rates. Funds were re-invested in August.

CD's 61531, 61533 & 61532 were from CD's that matured in September and funds were re-invested at higher interest rates.

The total principal stated above is the reinvested amount of the new CD's.

The total interest stated above is the total amount of interest earned for FY 17-18 on the previous CD's and does not include interest earned on the new CD's.

Investment Summary Comparison
Qtr Ended 06/30/2018 vs Qtr Ended 09/30/2018

Investment	Account #	Fund	TX Class Stmt	TX Class Stmt	Net Change
			Qtr Ended	Qtr Ended	
			06/30/2018	09/30/2018	
Landfill Closure Acct	TX 01-0170-0007	090	\$40,171.67	\$40,399.76	\$228.09
CMA Savings	TX 01-0170-0008	700	1,805,875.92	3,169,787.97	1,363,912.05
CO 2013 Street Projects - GF	TX 01-0170-0009	067	9,504.86	8,324.64	(1,180.22)
GO Debt Service	TX 01-0170-0011	011	1,070,051.10	347,032.53	(723,018.57)
Utility Fund Debt Service	TX 01-0170-0012	012	427,592.26	347,431.46	(80,160.80)
CMA Acct - M&O Taxes	TX 01-0170-0015	700	6,268,997.36	428,486.22	(5,840,511.14)
Self Insurance Fund	TX 01-0170-0018	138	364,354.71	223,191.50	(141,163.21)
Federal Forfeiture Funds	TX 01-0170-0020	028	1,168.18	1,174.73	6.55
State Forfeiture Funds	TX 01-0170-0021	005	1,745,875.41	1,755,785.07	9,909.66
CO Series 2002	TX 01-0170-0022	039	5,029.58	5,058.15	28.57
State Pending	TX 01-0170-0024	005	119,443.72	120,121.67	677.95
CO 2005 Construction	TX 01-0170-0026	062	49,461.58	49,742.29	280.71
GF Capital Projects	TX 01-0170-0032	091	3,588.98	3,609.32	20.34
Total Accounts			<u>\$11,911,115.33</u>	<u>\$6,500,145.31</u>	<u>(\$5,410,970.02)</u>

The large net change in these accounts are due in part to the following:

- Interest debt service payments
- Larger transfers to CMA operating account prior to next year's tax bills sent out
- Transfer of funds to get better rates at Kleberg Bank

**Texas Class
Summary Statement
For Quarter Ended 09/30/2018**

Account	Beginning Balance 06/30/2018	Contributions	Withdrawals	Interest	Ending Balance 09/30/2018
07-Landfill Closure Acct	\$40,171.67	\$0.00	\$0.00	\$228.09	\$40,399.76
08-CMA Savings	1,805,875.92	6,133,554.80	4,791,990.73	22,347.98	3,169,787.97
09-CO 2013 Street - GF	9,504.86	0.00	1,232.30	52.08	8,324.64
11-GO Debt Service	1,070,051.10	376,921.87	1,103,112.50	3,172.06	347,032.53
12-Utility Fund Debt Svc	427,592.26	1,202,894.43	1,285,847.50	2,792.27	347,431.46
15-CMA Acct-M&O Taxes	6,268,997.36	148,612.38	6,000,000.00	10,876.48	428,486.22
18-Self Insurance Fund	364,354.71	1,247,555.73	1,390,155.62	1,436.68	223,191.50
20-Federal Forfeiture	1,168.18	0.00	0.00	6.55	1,174.73
21-State Forfeiture	1,745,875.41	0.00	0.00	9,909.66	1,755,785.07
22-CO Series 2002 - GF	5,029.58	0.00	0.00	28.57	5,058.15
24-State Pending Forfeiture	119,443.72	0.00	0.00	677.95	120,121.67
26-CO 2005 Construction - UF	49,461.58	0.00	0.00	280.71	49,742.29
32-GF Capital Projects	3,588.98	0.00	0.00	20.34	3,609.32
Totals	\$11,911,115.33	\$9,109,539.21	\$14,572,338.65	\$51,829.42	\$6,500,145.31

Certificates of Obligation, Series 2013

\$5,230,000 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 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	\$40,399.76	090	Landfill Closure Costs
CMA Savings	0008	3,169,787.97	700	General Fund Savings Account
CO 2013 Street Projects-GF	0009	8,324.64	067	Street Projects
GO Debt Service	0011	347,032.53	011	Debt Service Payments
Utility Fund Debt Service	0012	347,431.46	012	Debt Service Payments
CMA Acct - M&O Taxes	0015	428,486.22	700	Held for Debt Service Payments
Self Insurance Fund	0018	223,191.50	138	Held for Insurance Claims
Federal Forfeiture Funds	0020	1,174.73	028	Federal Seizures that have been awarded
State Forfeiture Funds	0021	1,755,785.07	005	Awarded Seizure Cases for PD Expend
CO Series 2002	0022	5,058.15	039	Remaining Unspent Funds
State Pending	0024	120,121.67	005	Holding account until seized funds are awarded
CO 2005 Construction	0026	49,742.29	062	Sewer Lines & Manholes
GF Capital Projects	0032	3,609.32	091	New City Hall
Kleberg Money Market Accounts:				
CO 2016 GF Capital	27239	1,705,054.82	033	Various Capital Projects
UF Capital Projects FD 054	26054	236,264.32	054	Well #19 & Pumphouse Municipal Building Renovation
CO 2011 - UF 066	26070	295,369.17	066	Water Lines Water Well #25 Water Meters
CO 2013 Storm Water-UF	20646	22,026.92	068	Drainage Projects
Sanitation Collection Additional Revenue Fee	26062	196,504.66	087	Debt Service Payments
General Fund - Savings	62488	2,408,199.86	001	Savings Account Until Needed for Operations
Total Accounts		\$11,363,565.06		

Texas Class Accounts	6,500,145.31
Kleberg Bank Accounts	4,863,419.75
	<u>11,363,565.06</u>

Estimated Fund Balances – Based on Budget
Beginning Fund Balances are Audited Numbers

Governmental Funds

Fund	FY 17-18 Beginning Fund Balance	Actual Revenues (Unaudited)	Actual Transfers In (Unaudited)	Actual Expenditures (Unaudited)	Actual Transfers Out (Unaudited)	FY 17-18 Ending Fund Balance (Unaudited)
001	6,528,198.23	17,650,305.55	1,614,809.00	18,656,658.74	213,356.64	6,923,297.40
025	90,159.98	12,106.25	0.00	10,049.97	90,000.00	2,216.26
026	7,991.41	0.00	6,596.64	0.00	0.00	14,588.05
087	92,364.35	1,156,074.56	0.00	760,807.79	162,853.23	324,777.89
090	1,056,297.10	272,868.54	97,609.23	58,049.53	0.00	1,368,725.34
091	3,544.46	64.86	0.00	0.00	0.00	3,609.32
092	658,348.47	810,133.44	0.00	502,613.43	0.00	965,868.48
093	80,248.16	0.00	0.00	62,462.79	0.00	17,785.37
096	234,792.59	0.00	0.00	110,919.21	120,000.00	3,873.38
097	50,000.00	0.00	40,000.00	0.00	0.00	90,000.00
098	73,103.60	114,886.00	50,000.00	171,314.34	0.00	66,675.26
Totals	8,875,048.35	20,016,439.20	1,809,014.87	20,332,875.80	586,209.87	9,781,416.75

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	Actual Revenues (Unaudited)	Actual Transfers In (Unaudited)	Actual Expenditures (Unaudited)	Actual Transfers Out (Unaudited)	FY 17-18 Ending Fund Balance (Unaudited)
033	3,965,767.46	28,129.33	29,050.00	2,320,120.46	13,420.91	1,689,405.42
039	4,980.68	91.03	0.00	0.00	0.00	5,071.71
065	2,288.28	0.00	0.00	0.00	0.00	2,288.28
067	34,531.53	170.11	0.00	26,377.00	0.00	8,324.64
Totals	4,007,567.95	28,390.47	29,050.00	2,346,497.46	13,420.91	1,705,090.05

Fund 033 – CO Series 2016

Fund 039 – CO Series 2002-2002A

Fund 065 – CO Series 2011

Fund 067 – CO Series 2013

Police Forfeiture Funds

Fund	FY 17-18 Beginning Fund Balance	Actual Revenues (Unaudited)	Actual Transfers In (Unaudited)	Actual Expenditures (Unaudited)	Actual Transfers Out (Unaudited)	FY 17-18 Ending Fund Balance (Unaudited)
005	1,251,537.45	991,727.88	0.00	349,692.39	0.00	1,893,572.94
028	172,837.71	102.59	0.00	15,000.00	0.00	157,940.30
031	32,546.47	16,281.48	0.00	10,979.41	0.00	37,848.54
Totals	1,456,921.63	1,008,111.95	0.00	375,671.80	0.00	2,089,361.78

Fund 005 – State Forfeiture

Fund 028 – Federal Forfeiture

Fund 031 – Municipal Court Technology

Debt Service – General Fund

Fund	FY 17-18 Beginning Fund Balance	Actual Revenues (Unaudited)	Actual Transfers In (Unaudited)	Actual Expenditures (Unaudited)	Actual Transfers Out (Unaudited)	FY 17-18 Ending Fund Balance (Unaudited)
011	757,325.14	1,287,305.77	0.00	1,485,249.09	0.00	559,381.82
Totals	757,325.14	1,287,305.77	0.00	1,485,249.09	0.00	559,381.82

Tourism Fund

Fund	FY 17-18 Beginning Fund Balance	Actual Revenues (Unaudited)	Actual Transfers In (Unaudited)	Actual Expenditures (Unaudited)	Actual Transfers Out (Unaudited)	FY 17-18 Ending Fund Balance (Unaudited)
002	405,535.47	576,027.08	25,000.00	574,333.19	134,216.00	298,013.36
Totals	405,535.47	576,027.08	25,000.00	574,333.19	134,216.00	298,013.36

Enterprise – Utility Funds

Fund	FY 17-18 Beginning Fund Balance	Actual Revenues (Unaudited)	Actual Transfers In (Unaudited)	Actual Expenditures (Unaudited)	Actual Transfers Out (Unaudited)	FY 17-18 Ending Fund Balance (Unaudited)
012	227,570.98	13,722.01	1,549,585.00	347,620.86	0.00	1,443,257.13
051	3,782,034.12	8,619,823.95	42,521.00	5,581,724.67	2,879,065.00	3,983,589.40
054	979,611.65	7,690.15	515,580.00	1,299,683.96	0.00	203,197.84
055	97,667.79	315,629.10	0.00	0.00	389,320.00	23,976.89
062	48,847.14	895.15	0.00	0.00	0.00	49,742.29
066	386,724.51	3,540.30	0.00	94,480.62	0.00	295,784.19
068	2,353,588.77	1,960.07	0.00	307,851.25	0.00	2,047,697.59
Totals	7,876,044.96	8,963,260.73	2,107,686.00	7,631,361.36	3,268,385.00	8,047,245.33

The ending fund balance for Debt Service Fund 012 will not be what is stated above due to expenditure reclasses that are done through the audit. Principal expenditures are reclassified to reduce the contractual obligation liability. This reclass will affect the ending fund balance. There just isn't a way to depict the reclass in the above table, but it will be reflected in the beginning fund balance for FY 18-19 once the audit is completed in March 2019.

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	Actual Revenues (Unaudited)	Actual Transfers In (Unaudited)	Actual Expenditures (Unaudited)	Actual Transfers Out (Unaudited)	FY 17-18 Ending Fund Balance (Unaudited)
138	1,168,510.38	3,606,941.76	0.00	4,202,379.46	0.00	573,072.68
Totals	1,168,510.38	3,606,941.76	0.00	4,202,379.46	0.00	573,072.68

Grant Funds

Fund	FY 17-18 Beginning Fund Balance	Actual Revenues (Unaudited)	Actual Transfers In (Unaudited)	Actual Expenditures (Unaudited)	Actual Transfers Out (Unaudited)	FY 17-18 Ending Fund Balance (Unaudited)
013	56.76	0.00	0.00	0.00	0.00	56.76
017	0.00	85,002.34	0.00	85,002.34	0.00	0.00
019	0.00	27,052.80	18,000.00	45,052.80	0.00	0.00
029	0.00	5,847.72	60.00	5,907.72	0.00	0.00
030	2,365.02	0.00	0.00	2,306.76	0.00	58.26
071	0.00	9,800.33	0.00	0.00	0.00	9,800.33
078	3,598.89	17,534.02	0.00	17,534.02	0.00	3,598.89
079	3,056.51	5,312.50	0.00	4,625.00	0.00	3,744.01
082	60,000.00	39,500.00	0.00	39,500.00	0.00	60,000.00
083	0.00	42,930.00	0.00	42,930.00	0.00	0.00
084	0.00	0.00	0.00	0.00	0.00	0.00
085	0.00	13,420.91	13,420.91	26,841.82	0.00	0.00
Totals	69,077.18	246,400.62	31,480.91	269,700.46	0.00	77,258.25

Fund 013 - Texas Historical
 Fund 019 – PD Jag Grant
 Fund 030 – Red Ribbon Awareness
 Fund 078 – Texas Parks & Wildlife
 Fund 082 – Texas CDBG Grant
 Fund 084 – DEAG Grant

Fund 017 – PD Borderstar
 Fund 029 – JAG Grant
 Fund 071 – FEMA
 Fund 079 – TX Capital Main Street
 Fund 083 – Criminal Justice Grant
 Fund 085 – Certified Local Gov Grt

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, 2018 on Monday, November 05, 2018.

Jesus Garza, City Manager

Courtney Alvarez, City Attorney

Arturo Pecos, Commissioner

Deborah Balli, Finance Director