

City of Pharr Investment Report 4th Quarter FY 2020-2021



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City of Pharr, TX

Investment Report Summary

September 30, 2021



COMPLIANCE

This report complies with the requirements of the Public Funds Investment Act as well as the City of Pharr's adopted investment policy. The City is in compliance with all provisions of the Public Funds Investment Act and the City of Pharr's investment policy. The City's investment portfolio includes activity in demand deposits, Certificates of Deposits and Investment Pools.

LIQUIDITY

The greatest length of maturity for all of our investments is 418 days. The weighted average maturity including demand deposits is 12.28 day and 11.40 day without demand deposits. Both of these amounts are within legal and City requirements.

CHANGE IN BOOK AND MARKET VALUE

The investment book value was roughly **\$110.82 million** and had increased by approximately \$24.46 million from the previous quarter. This increase is mainly due to the bond proceeds recently issued for the Bridge Twin Expansion Project.

PORTFOLIO YIELD

The portfolio yield of 1.17% was higher than the benchmark yields on the six month T-Bill and Average Federal Funds Rate, which were 0.08% and 0.07% respectively (per Federal Reserve website yield postings). The spread between the portfolio yield and the benchmark yield is mainly due to the depository's favorable interest rate. Safety and liquidity is a greater concern than yield.

INVESTMENT MATURITIES/PURCHASES

The attached schedules are also a part of this investment report.

Karla Saavedra, CGFO
Finance Director



City of Pharr, TX

Comparison of Portfolio to Policy Limits

as of September 30, 2021

Limits on Types of Securities	Target Investment Level	Portfolio Cap	Actual Percentage of Portfolio	Positive/(Negative) % Variance Policy Limits
Demand Deposits	N/A	N/A	93.00%	N/A
Certificates of Deposits	10%	30%	0.56%	29.44%
U.S. Treasury Obligations	30%	80%	0.00%	80.00%
U.S. Government Securities	30%	50%	0.00%	50.00%
Public Funds Investment Pools	30%	80%	6.45%	73.55%

Limits on Maturities	Minimum Allowable % of Portfolio	Actual Percentage of Portfolio	Positive/(Negative) % Variance Policy Limits
Available within 1 month	25%	93.00%	68.00%
Available within 3 months	33%	93.00%	60.00%
Available within 6 months	50%	93.27%	43.27%
Available within 1 year	70%	94.93%	24.93%
Available within 2 years	100%	100%	N/A

	Maximum Allowable	Maximum Actual Maturity	Policy Limit Days Available
Days to Maturity	730	296	434

City of Pharr, TX Market Value Analysis September 30, 2021

Beginning Value-June 30, 2021 \$86,351,672

Investment Activity:

Purchases _____

Net Changes in Market Price _____ \$7,818

Bank and Pooled Investment Deposits/(Withdrawals)-Net _____ \$24,461,248

\$110,820,738

Ending Value-September 30, 2021





93.00%

or \$103 Million
in Demand Deposits
at Lone Star National Bank
at 1.25% YTM



.56%

or \$619,437 thousand
in Certificates of Deposit
at Lone Star National Bank
at 1.5% YTM



6.45%

or \$2.14
in Investment Pool at TexPool
.09% YTM

12.14

Weighted Average Days to
Maturity

12.14

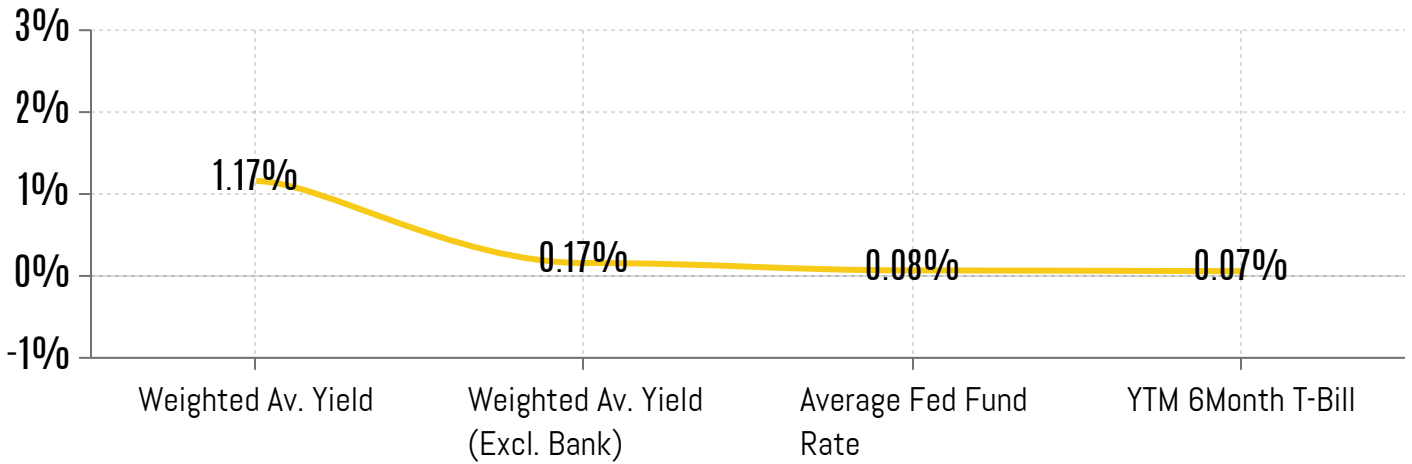
Weighted Average Days to
Maturity-(Excl. depository bank)

City of Pharr, TX

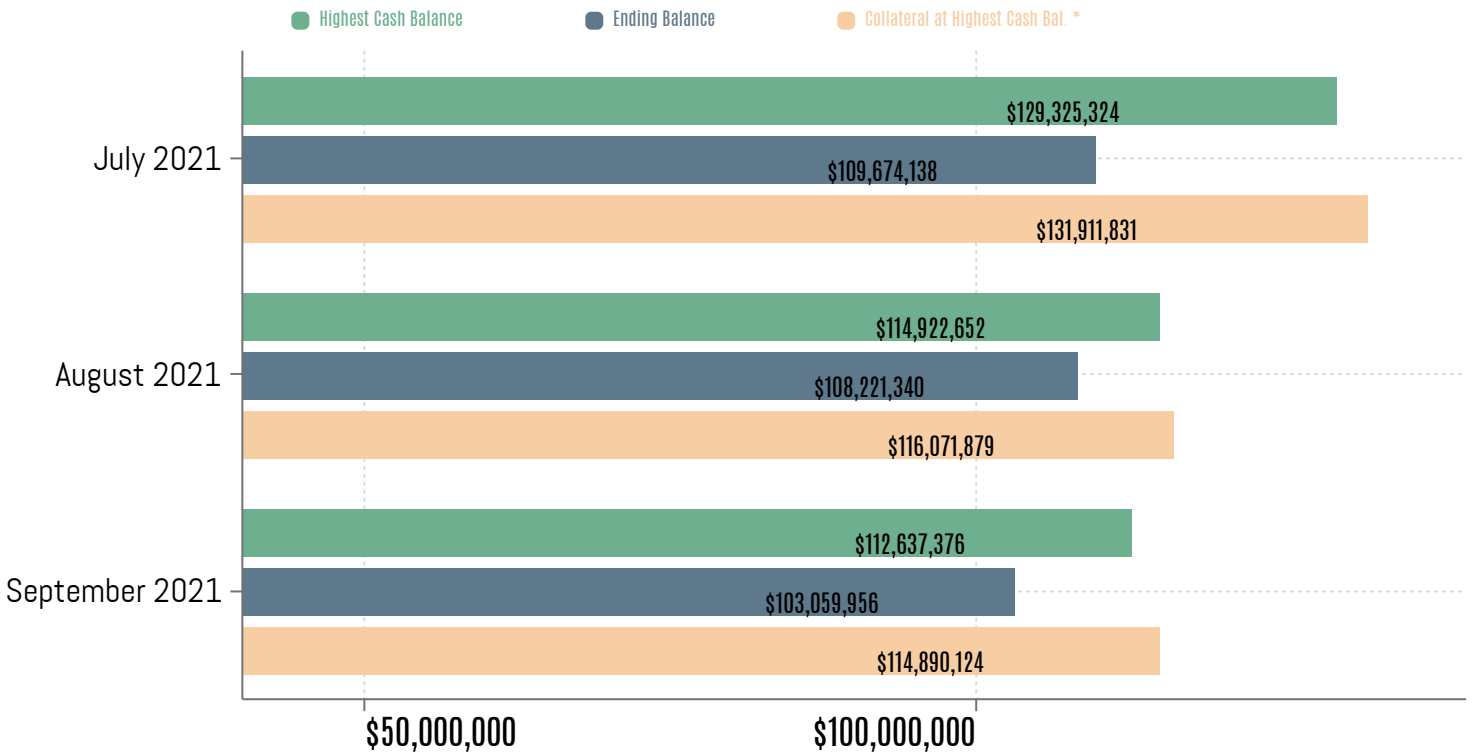
Market Value Analysis

September 30, 2021

Benchmark Rates



Depository Security Collateral Analysis



* Calculated as percentage above highest cash balance per LSNB