

Investment Type:	<u>Amount Invested</u> <u>(\$ in Millions)</u>
Money Market/Cash	\$ 7
Pools	123
Total Investments	\$ 130

Weighted Average Maturity of Portfolio	1 Day
Weighted Average Yield of Portfolio	2.36%
Earned Income - Qtr	\$ 708,910
Earned Income - YTD	\$ 1,266,336

For the second quarter, the weighted average yield on the City’s investments was 2.36 percent, an increase of .19 percent when compared to the first quarter of FY 2018-19 earnings of 2.17 percent. This improvement was due to an increase in average interest rates on TexPool investments.

The weighted average maturity of the City’s portfolio remained the same in comparison to the first quarter of FY 2018-19 due to all funds being held in fully liquid depository or money market accounts and local government investment pools. Due to the inversion of the treasury yield curve on the short end (meaning daily yields are higher than 2 year yields), and the goal of maintaining the City’s liquidity for the payment of expenditures, it makes the most financial sense currently, to keep the City’s funds in local government investment pools and money market accounts. More specifically, liquidity will remain a high priority with the approval of the 2019 bond proposition(s) to maximize the opportunity to utilize reimbursement resolutions to progress projects in advance of bond issuances.

ADDRESSES A NEED/ISSUE IN A CITY PLAN OR COUNCIL PRIORITY:

<input checked="" type="checkbox"/>	Yes	City Plan/ Council Priority:	Strategic Priorities: 8 - Maintain fiscal stability of City operations
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FISCAL IMPACT:

N/A

COMMITTEE RECOMMENDATION:

N/A

STAFF RECOMMENDATION:

Staff recommends approval of the attached investment report.