

Investment Type:	Amount Invested (\$ in Millions)
Money Market/Cash	\$ 6
Pools	112
12 Month CD	5
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Total Investments	\$ 123
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Weighted Average Maturity of Portfolio	15 Days
Weighted Average Yield for Portfolio	2.37%
Earned Income QTR	\$ 752,354
Earned Income YTD	\$ 2,018,690

For the third quarter, the weighted average yield on the City’s investments was 2.37 percent, an increase of .01 percent when compared to the second quarter of FY 2018-19 earnings of 2.36 percent. While the average interest rate on TexPool investments actually decreased during the quarter, the purchase of a 12-month CD at a favorable rate helped keep the overall portfolio yield flat.

The weighted average maturity of the City’s portfolio increased in comparison to the second quarter of FY 2018-19 due to the purchase of a 12-month CD. The 2.46% yield on this CD is very favorable compared to short-term and long-term yields on the Treasury Curve (with the exception of the 30-year yields). With yields on the short end of the Treasury Curve continuing to stay higher than the 1 and 2 year yields, it is beneficial for the City to keep its remaining funds in local government investment pools and money market accounts. Liquidity will continue to remain a high priority with the start of the 2019 bond projects.

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

X	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.