

## Legislation Text

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File #: 19-145, Version: 1

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Presenter/Contact

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**SUBJECT:**

Discuss and consider approval of the City of New Braunfels FY 2018-19 First Quarter Investment Report.

**BACKGROUND / RATIONALE:**

State of Texas statutes require quarterly investment reports be presented to the governing body of a municipality. In addition, the Investment Policy adopted annually by the City Council requires quarterly reporting to the City Council. Attached for Council consideration is the FY 2018-19 First Quarter Investment Report to meet these statutory requirements. As of December 31, 2018, the City had \$112,904,729 (market value) invested in different investment instruments including cash, as shown below. The portfolio increased by \$6,010,260 in the first fiscal quarter. This was due in part, to the receipt of \$2,300,000 in Series 2018A Tax Note proceeds in December, along with the receipt of property taxes.

Investment Type:	<b>Amount Invested</b>	
	<b>(\$ in Millions)</b>	
Money Market/Cash	\$	6
Pools		107
<b>Total Investments</b>		<b>\$ 113</b>
<b>Weighted Average Maturity of Portfolio</b>		<b>1 Day</b>
<b>Weighted Average Yield for Portfolio</b>		<b>2.17%</b>
<b>Earned Income QTR</b>		<b>557,426</b>
<b>Earned Income YTD</b>		<b>557,426</b>

For the first quarter, the weighted average yield on the City's investments was 2.17 percent, an increase of .41 percent when compared to the third quarter of FY 2018-19 earnings of 1.76 percent. This improvement was due to an increase in average interest rates on TexPool investments, along with a full quarter of interest earnings on the JP Morgan Public Funds Commercial Money Market account.

The weighted average maturity of the City's portfolio decreased in comparison to the fourth quarter of

FY 2017-18 due to all funds being held in fully liquid depository or money market accounts and local government investment pools. Every effort continues to be made to maintain the City's liquidity for payment of expenditures while maximizing interest earnings in this rising interest rate market.

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

<input checked="" type="checkbox"/>	Yes	<b>City Plan/ Council Priority:</b>	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.