

## Legislation Text

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**File #:** 22-627, **Version:** 1

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**PRESENTER:**

Sandy Paulos, Director of Finance

**SUBJECT:**

Approval of the City of New Braunfels FY 2022 Second Quarter Investment Report

**DEPARTMENT:** Finance**COUNCIL DISTRICTS IMPACTED:** N/A**BACKGROUND INFORMATION:**

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 2022 Second Quarter Investment Report to meet these statutory requirements. As of March 31, 2022, the City had \$225,054,836 (market value) invested in different investment instruments including cash, as shown below. The portfolio increased by \$12,903,570 due to property tax collections during the quarter. The majority of property taxes are collected from December through March.

Investment Type	Amount Invested (\$ in Millions)
Money Market/Cash	\$ 21
Pools	172
CD's	17
US T-Note	15
<b>Total Investments</b>	<b>\$ 225</b>
<b>Weighted Average Maturity of Portfolio</b>	<b>35 Days</b>
<b>Weighted Average Yield for Portfolio</b>	<b>0.19%</b>
<b>Earned Income QTR</b>	<b>\$ 45,368</b>
<b>Earned Income YTD</b>	<b>\$ 74,627</b>

For the second quarter, the weighted average yield of the City's investments was 0.19 percent, an increase of .13 percent from the first quarter FY 2022. This was due to the increase in rates of the various local government investment pools (LGIP) that the City invests in.

The weighted average maturity of the City's portfolio increased slightly in comparison to the first quarter of FY 2022. Other than maturity of a CD and the reinvestment of those funds in a Treasury Note, minimal investment activity took place during the quarter, so no significant change was reflected on the weighted average maturity.

We continue to research safe investment options while being mindful of bond project cashflow needs and security of principal in what is becoming a rising rate environment.

**ISSUE:**

N/A

**FISCAL IMPACT:**

N/A

**RECOMMENDATION:**

Staff recommends approval of the attached investment report.