



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** November 9, 2020
SUBJECT: Consider Resolution No. 2020-041, adopting the city's Investment Policy and Investment Strategy.
PRESENTER: Mark C. Mills, Director of Finance

SUMMARY:

The Public Funds Investment Act ("PFIA") requires the City Council to review and adopt by official action the city's Investment Policy and Investment Strategy each year. Both the Investment Policy and Investment Strategy were last approved by the City Council on November 12, 2019.

GENERAL DESCRIPTION:

The city is required by the PFIA to review and renew the city's Investment Policy and Investment Strategy at least annually. The city invests only in high quality, short term instruments with maturities no longer than five years and a weighted average maturity no longer than three years. The city makes extensive use of investment pools (TexPool and TexasTerm) for overnight liquidity. Aside from these pools, the city's investment portfolio is managed by PFM Asset Management, LLC ("PFM").

The Texas Legislature was not in session since the last time the policy was updated, therefore there are no legislative changes impacting the policy or strategy. After consulting with the PFM, staff is proposing no changes as part of the 2020 review and approval.

The city's Investment Policy has been included as Exhibit A and the Investment Strategy has been included as Exhibit B. If approved, both will become effective on November 10, 2020.

RECOMMENDATION:

Approve Resolution No. 2020-041, adopting the city's Investment Policy and Investment Strategy.