



## CITY COUNCIL MEMORANDUM

**FROM:** The Office of the City Manager  
**DATE:** September 12, 2016

**SUBJECT:** Consider Resolution No. 2016-025, adopting City investment policy and strategy.

**PRESENTER:** Kent Austin, 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 strategy each year.

**GENERAL DESCRIPTION:**

The City is required by the PFIA to review and renew the City's investment policy and 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, TexSTAR, LOGIC, and TexasTerm) for overnight liquidity. Aside from these pools, the City's investment portfolio is managed by PFM Asset Management, LLC (PFM).

For 2016, staff proposes only one minor change in the City's investment policy. In keeping with changes to the PFIA in 2015, the change would reduce the amount of PFIA training hours for investment officers from ten hours every two years to eight hours every two years (Section III.C.):

"In accordance with the Public Funds Investment Act, all authorized Investment Officers shall attend an investment training session not less than once each state fiscal biennium and shall receive not less than ~~ten~~ eight hours of instruction relating to investment responsibilities."

A page describing the 2015 PFIA changes is attached. The City has three investment officers subject to the training requirement: the Director of Finance, Assistant Director of Finance, and Accounting Supervisor.

**RECOMMENDATION:**

Approve Resolution No. 2016-025.