



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** November 12, 2018
SUBJECT: Consider Resolution No. 2018-034, 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 13, 2017.

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").

After consulting with the PFM, staff is proposing no changes for 2018. The city's Investment Policy has been included as Exhibit A and the Investment Strategy has been included as Exhibit B. If approved, the Investment Policy will become effective on November 13, 2018.

RECOMMENDATION:

Approve Resolution No. 2018-034, adopting the city's Investment Policy and Investment Strategy.