Legislation Details (With Text)

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Title:	Investment Portfolio Report for the quarter ended June 30, 2019		
Sponsors:			
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Attachments:	1. Investment quarterly report June 2019, 2. Portfolio 6-30-2019		

Date	Ver.	Action By	Action	Result
8/12/2019	2	Finance and Budget Committee	received and filed	

Investment Portfolio Report for the quarter ended June 30, 2019

Issue/Request:
Presentation

Key Issues:
This report serves as a status report of the Investment Portfolio and notes any purchases, sales, or maturies over the previous quarter.

As of June 30, 2019, the largest portion of the portfolio was invested in US Treasuries (47%)l followed by US Government Agencies (37%). There were 8 securities purchased during this period.

Cash balances are invested in an overnight repurchase agreement and are collateralized. The repurchase rate is based on the 91 day Treasury Bill adjusted every Wednesday. The repurchase rate for June was 2.561%.

A "Mark to Market" adjustment is required at each quarter end to recognize any change in the market value of the portfolio in the event that securities would need to be liquidated. Fair market values are determined by our custodial bank.

Background:
Our primary investment objectives in order of priority are 1) safety, 2) liquidity and 3) yield.

Securities are laddered over a period not to exceed 5 years. When the spread between shorter term and longer term securities are minimal, staff does not extend to the five year maximum.

To protect the City against fluctuating values, the City's depository banking agreement requires the bank to pledge certain securities as collateral equal to 105% of the City's funds on account, in excess of FDIC coverage. The collateral at June 30, 2019 was $18,035,821.21.

Impact/Analysis:
As of June 30, 2019 the average yield on the portfolio was 1.98%

Sherri Staub, Cash Management Officer