Legislation Details (With Text)

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File created:	5/31/2023	**In control:**	Finance and Budget Committee
On agenda:	6/5/2023	**Final action:**	6/5/2023
Title:	Presentation: Investment Portfolio Report for the quarter ended March 31, 2023		
Sponsors:			
Indexes:			
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Attachments:	1. Investment Report_3Qtr2023, 2. Resolution: 21-24 Investment Policy, 3. Approved Finanical Institutions		

Date	Ver.	Action By	Action	Result
6/5/2023	1	Finance and Budget Committee	received and filed	

Presentation: Investment Portfolio Report for the quarter ended March 31, 2023

Issue/Request:
Report

Key Issues:
This report provides updated information relating to the Investment Portfolio and notes all purchases and maturities over the previous quarter.
As of March 31, 2023, the portfolio was approximately 68% US Treasuries, 22% Government Agencies, 6% demand deposits, and 0% Certificates of Deposit, with the remainder in debt-related funds.

Demand deposits are collateralized to protect City funds.

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 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 yield spread between shorter maturities and longer maturities is minimal, staff does not extend to the longer-term maturities. With recent increases in interest rates, some purchases have been made in the 4 to 5 year range to take advantage of those rates.

To protect City funds, the City's depository banking agreement requires the bank to provide collateral equal to the City's funds in excess of FDIC coverage.

Susan Brockhaus, Cash Management Officer