Legislation Details (With Text)

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On agenda:	3/7/2022	**Final action:**	3/8/2022
Title:	Investment Portfolio Report for the quarter ended December 31, 2021		
Sponsors:			
Indexes:			
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Attachments:	1. Investment quarterly report December 2021, 2. Investment quarterly report September 2021, 3. Investment Schedule December 2021		

Date	Ver.	Action By	Action	Result
3/8/2022	2	Finance and Budget Committee	received and filed	

Investment Portfolio Report for the quarter ended December 31, 2021

Issue/Request:
Report

Key Issues:
This report serves as a status report of the Investment Portfolio and notes all purchases and maturities over the previous quarter.

As of December 31, 2021 the portfolio was evenly distributed between US Treasuries and Government Agencies.

Cash balances are higher due to Jackson County tax collections and 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 term and longer term is minimal, staff does not extend to the longer term maturities. Due to the currently low interest rates, new purchases have been kept to under 3 years.

To protect City funds, the City's depository banking agreement requires each bank to pledge collateral equal to the City's funds in excess of FDIC coverage. The City holds a letter of credit from US Bank as collateral and UMB Bank pledges securities which are held at the Federal Reserve Bank.

Sherri Staub, Cash Management Officer