



AGENDA ITEM SUMMARY FORM

MEETING DATE: 05/10/2022

PREPARED BY: TENCHA WILLIAMS

AGENDA CONTENT: Discussion and possible action to approve the Quarterly Investment Reports for December 2021.

AGENDA ITEM SECTION: Consent Agenda

BUDGETED AMOUNT: N/A

FUNDS REQUESTED: N/A

FUND: N/A

EXECUTIVE SUMMARY:

Attached is the Quarterly Investment Report for the 1st Quarter of 2022 fiscal year. City funds are divided between seven financial institutions (Texas Gulf Bank, Wells Fargo Bank, JP Morgan Chase Bank, First State Bank-Louise, TexPool, Lone Star and TexSTAR). The City also has certificates of deposit through First State Bank which matures in May of 2022. The 2021 bond was added to the portfolio, therefore, contributing to the \$337K increase due to property taxes collected and a \$2.4 million increase due to the addition of the 2021 bond.

The City's current Investment Policy sets an interest rate goal equal to that of the 91-day treasury bill which was approximately .06%. Some of the City's accounts with fixed interest rates did not reach this benchmark but overall the City maintained this benchmark. Police Seizure account earns no interest by state law, but no service charges are being incurred. Transfers may be needed to maximize returns. However, safety of principal, diversity of funds and the financial contract with First State bank will limit some movement of funds.

RECOMMENDATION:

Staff recommends Council approve the Quarterly Investment Reports for December 31, 2021.