



## BRECKENRIDGE CITY COMMISSION AGENDA SUMMARY FORM

**Subject:** Discussion and any necessary action on Resolution 23-20 approving the Application for Participation in the Local Government Investment Cooperative (LOGIC)

**Department:** Administration

**Staff Contact:** Cynthia Northrop

**Title:** City Manager

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### **BACKGROUND INFORMATION:**

City commissioners began preparing for the Certificate of Obligation issuance during the FY 2022-2023 Budget process; determining to move current debt related to the Water/Wastewater Fund and free up capacity on the General Fund to support additional debt for needed capital improvement projects, most notably streets but also including park improvements and facilities for Public Works. Commissioners approved the sale of the COs on August 1, 2023. The sale and closing will be on August 29, 2023.

Participating in the LOGIC local government investment cooperative with the upcoming proceeds from the Certificates of Obligation 2023 will provide a higher rate of return on dollars over the next three years during the project construction (*see attached projected scenario*). The purpose of participating in local government investment cooperatives or pools is to provide Government Entities with an investment vehicle that provides safety and liquidity and best suits their investment needs. The Pool will have the following investment objectives in order of priority: safety of principal; liquidity in accordance with the operating requirements of the Participants; and the highest rate of return.

LOGIC is an AAA-rated investment program tailored to the investment needs of Texas local governments. LOGIC assists governments to make the most of taxpayer dollars. Local officials can improve the return on their invested balances by pooling their money with other entities to achieve economies of scale in a conservative fund in full compliance with the Texas Public Funds Investment Act.

### **FINANCIAL IMPACT:**

### **STAFF RECOMMENDATION:**

Staff recommends approval of Resolution 23-20 approving an application for participation in the LOGIC Local Government Investment Pool.

