



FINANCE

To: Mayor and Town Council

From: Chris Landrum, Finance Director

Through: Mario Canizares, Town Manager
Robert B. Scott, Deputy Town Manager

Re: Resolution Town Investment Policy

Town Council Meeting – May 14, 2024

Strategic Visioning Priority: 4. Provide Excellent Municipal Services

Agenda Item:

Consider and act upon a resolution approving the Town of Prosper Investment Policy and Investment Strategy and approving the list of qualified brokers/dealers and financial institutions that are authorized to engage in investment transactions with the Town of Prosper.

Description of Agenda Item:

In March 2006, the Prosper Town Council adopted an Investment Policy for the Town and PEDC. This policy was last reviewed, revised, or adopted in November 2023. The proposed policy will streamline and clarify the investment policy and strategy for the Town. The most notable change to the policy in the current period is to separate the Town and PEDC policies. Other notable changes include adding an internal controls section, setting maximum maturity at 3 years, maximum WAM at two years, adding the need for cash flow forecasting as a basis for decision-making, and broker/dealer requirements. Due to the restructuring and reformatting of the policy, we have included a summary of the policy changes as an additional attachment. The attached redline version highlights all proposed changes.

Under the Public Funds Investment Act, investment officers must attend at least eight hours of instruction relating to the treasurer's or officer's responsibilities not less than once in a two-year period. Currently, the Town Manager, Deputy Town Manager, Finance Director, and Assistant Finance Director are designated for the Town.

Budget Impact:

There is no budgetary impact affiliated with this item.

Legal Obligations and Review:

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality.

Attached Documents:

1. Resolution for Investment Policy
2. Investment Policy redline version
3. Investment Policy clean version
4. Summary of Investment Policy updates

Town Staff Recommendation:

Town Staff recommends approval of a resolution approving the Town of Prosper Investment Policy and Investment Strategy.

Proposed Motion:

I move to approve a resolution approving the Town of Prosper Investment Policy and Investment Strategy.