



City of Freeport

FY2019-2020
Quarterly Investment Report
Period Ending December 31, 2019



Management Summary

In accordance with the City's Investment Policy, the Investment Officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary is prepared in a manner consistent with the requirements of Section 2256.023 of the PFIA which should allow the City to ascertain whether investment activities during the reporting period have conformed to the investment policy.

The City invests cash that is not immediately needed for operations in TexPool and Securities issued by Agencies of the Federal Government as allowed by the Public Funds Investment Act and the City's Investment Policy.

As of December 31, 2019, the City's cash and investments were as follows:

Investment Category	Book Value	Percentage	Weighted Average Maturity (Days)
Cash in Demand Accounts	\$ 3,080,322	32.63%	1.00
Government Pools	\$ 6,359,492	67.37%	1.00
Certificates of Deposit	\$ -	0.00%	0.00
TOTAL	\$ 9,439,814	100.00%	1.00

The portfolio is highly liquid with over \$9.4 million or 100% available immediately.

Interest rates on investments range from 1.62 % to 1.59%. According to the Federal Reserve, nominal interest rates are low in the United States and other advanced economies. Low nominal interest rates may constrain the ability of policymakers to provide accommodation through reductions in interest rates during an economic downturn.

Compliance: The City requires its depository banks to provide collateral for all deposits in excess of Federal Deposit Insurance. As of December 31, 2019, the market value of collateral pledged by TIB Capital Markets to the City was \$3,690,000.00, 130% of deposits.

Market Value: The City currently holds no investments in which the book value differs from the market value. For all holdings, the book value is equal to the market value.



Quarterly Investment Report October 1, 2019 - December 31, 2019

G/L Account	Description	Book Value	Current Interest Rate	Yield to Maturity	Maturity Date	Days to Maturity	Beginning Market Value for Period	Changes to Market Value	Ending Market Value for Period	Interest Paid YTD
Cash in Demand Accounts										
99-101-000	Operating Account	\$ 2,984,449	1.59%	1.59%	Demand	1	\$ 4,019,475	\$ (1,035,026)	\$ 2,984,449	\$ 8,731
87-101-000	Clearing Fund 87	\$ 48,104	1.59%	1.59%	Demand	1	\$ 49,901	\$ (1,797)	\$ 48,104	\$ 203
64-101-000	Capital Purchase DS	\$ 2,809	1.59%	1.59%	Demand	1	\$ 2,797	\$ 12	\$ 2,809	\$ 12
65-101-000	COO2008 \$3.3M DS	\$ 11,068	1.59%	1.59%	Demand	1	\$ 11,022	\$ 46	\$ 11,068	\$ 46
56-101-043	Water and Sewer I&S	\$ 11,319	1.59%	1.59%	Demand	1	\$ 11,203	\$ 116	\$ 11,319	\$ 47
	Historical Museum	\$ 22,573	1.59%	1.59%	Demand	1	\$ 22,648	\$ (75)	\$ 22,573	\$ -
Total Cash in Demand Accounts		\$ 3,080,322					\$ 4,117,046	\$ (1,036,724)	\$ 3,080,322	\$ 9,038
Invested in Government Pools										
Multiple	TexPool	\$ 6,359,492	1.62%	1.62%	Demand	1	\$ 6,331,718	\$ 27,774	\$ 6,359,492	\$ 27,775
Total Invested in Pools		\$ 6,359,492					\$ 6,331,718	\$ 27,774	\$ 6,359,492	\$ 27,775
TOTAL ALL INVESTMENTS		\$ 9,439,814					\$ 10,448,764	\$ (1,008,950)	\$ 9,439,814	\$ 36,813

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TOTAL	\$ 9,439,814	100.00%	1.00

Investment schedules presented per the provisions of the Texas Code Chapter 2256 (Public Funds Investment Act) and the City's Investment Policy.

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Unrealized gain/loss is the difference between the market value of the City's securities and what it paid for them. Gains and losses are realized only when a security is sold prior to maturity. Since it is the City's practice to hold all securities to maturity, it is unlikely that unrealized gains and losses will be realized. As of December 31, 2019, the City had no unrealized gains or losses.

Stephanie Russell

Stephanie Russell, Investment Officer

1/28/2020

Date