



TEXAS CLASS LOCAL GOVERNMENT INVESTMENT POOL

RS-24-162

September 17, 2024

Background

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- The City invests in accordance with the Public Funds Investment Act (PFIA), ensuring safety and prudent management of public funds.
- Current investments types are:
 - ▣ Government-Backed Securities
 - ▣ State and Local Obligations
 - ▣ Deposits and Accounts

Texas Class – Investment Pool

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- ❑ Texas CLASS is a local government investment pool that pools funds to earn competitive dividends, complying with the Public Funds Investment Act and Texas laws, while focusing on safety and liquidity.
- ❑ Texas Class carry a AAAm rating from S&P Global Ratings
- ❑ Texas Class Government Yield as of August 30, 2024, month end was 5.25%

City Benefit

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- Investing a portion of the City's resources in Texas Connect would benefit the City by:
 - ▣ Providing greater diversification
 - ▣ Providing more flexibility
 - ▣ Providing a competitive return on the City's assets
- Participation in Texas Connect will not undermine the existing depository contract.

Recommendation

- Staff recommends that City Council Approve the participation of the City in the Texas Class investment pool, and authorize the City Manager, or designee, to execute the agreement.