

CITY COUNCIL MEMORANDUM

AGENDA ITEM

Quarterly Investment Report, September 30, 2016

ORIGINATING DEPARTMENT

Finance

BACKGROUND INFORMATION

The City of Killeen's investment policy requires that a quarterly report of investment activity be submitted to the City Council within a reasonable time after the end of each quarter. The quarterly report must include a detailed description of the investment position of the City, summarize the investment activity in each pooled fund group, state the total rate of return on the investment portfolio, and contain information regarding the market value and book values of each separately invested asset. The report also states the compliance of the investment portfolio of the City as it relates to the investment strategy expressed in the City's policy and the relevant provisions of the Public Funds Investment Act.

DISCUSSION/CONCLUSION

The attached investment report summarizes all investment activity for the quarter that ended September 30, 2016. The highlights of the report are as follows:

	Apr - Jun 2016	Jul - Sep 2016	Change
Interest Income	\$117,241	\$101,069	-13.79%
Investment Balance	\$92,447,715	\$71,805,732	-22.33%
Average Yield	0.53%	0.57%	0.04%

FISCAL IMPACT

Our investment portfolio directly impacts our interest earnings and aligns with current budgeted amounts.

RECOMMENDATION

Staff recommends that the City Council approve the attached investment report for the quarter that ended September 30, 2016.