

CITY COUNCIL MEMORANDUM

AGENDA ITEM

**Quarterly Investment Report,
December 31, 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 shall 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 December 31, 2016. The highlights of the report are as follows:

	Jul - Sep 2016	Oct - Dec 2016	Change
Interest Income	\$101,069	\$118,903	17.65%
Investment Balance	\$71,805,732	\$97,704,490	36.07%
Average Yield	0.57%	0.66%	0.09%

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 December 31, 2016.