

Legislation Text

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CC MEETING: November 7, 2023

DATE: October 16, 2023

TO: Erin Rinehart, City Manager

FROM: Diana K. Vaughn, Chief Financial Officer
Chrystal K. Davis, Assistant City Manager

Consider A **Resolution Adopting The Investment Policy As A Fulfillment Of The Public Funds Investment Act Chapters 2256.005 and 2256.025.**

BACKGROUND:

The City's investment policy was last amended by Resolution on December 7, 2022. According to Texas Government Code, Chapter No. 2256 Public Funds Investment Act (PFIA), the governing body of an investing entity subject to this chapter or the designated investment committee of the entity shall review its investment policy and investment strategies, and its list of qualified brokers authorized to engage in investment transactions with the entity at least annually. All changes were discussed with and approved by the City Council Audit, Finance Governance Committee on November 6, 2023, and are as follows:

- Added a statement requiring Finance Committee and Council's approval of the list of financial institutions and broker/dealer firms as suggested during the City's Investment Policy certification review.
- Updated the Appendix A-Broker/Dealers and Financial Institutions Authorized to do Business with City of Carrollton:
 - Added Alamo Capital. This broker submitted the required documentation to the City in accordance with PFIA and the City of Carrollton Investment Policy.
 - Deleted Multi-Bank Securities, Inc. This dealer was not competitive during 2023.

A copy of the current policy is available for reference on the city's website
<http://www.cityofcarrollton.com/departments/departments-a-f/finance/treasury>.

The final Investment Policy with an updated Appendix A - Broker/Dealer and Financial Institutions Authorized to do Business with The City of Carrollton will be posted on the City's website after Council approval.

FINANCIAL IMPLICATIONS:

Investment income is part of the city's revenue budget and is directly impacted by financial market changes and investment strategies included in the Investment Policy. The foremost and primary objective of the investment policy is the preservation and safety of the overall portfolio's principal.

STAFF RECOMMENDATION/ACTION DESIRED:

Consider a resolution adopting the Investment Policy as a fulfillment of the Public Funds Investment Act

Chapters 2256.005 and 2256.02.