

City of Deer Park
Annual Investment Policy Review – 2021
Record of Changes

To comply with the Texas Public Funds Investment Act, Government Code Ch. 2256 as amended (the “Act”), the governing body of an investing entity shall (1) review its investment policy and investment strategies not less than annually, and (2) adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies. The written instrument so adopted shall record any changes made to either the investment policy or investment strategies.

The investment policy for the City of Deer Park was last reviewed and updated on September 15, 2020. The policy received re-certification from the Government Treasurer’s Organization of Texas (“GTOT”) in July 2019, and that certification was valid for two years to July 31, 2021. While the existing policy has been submitted for review and re-certification, it is still under review by the GTOT. The City does expect the policy to be certified for the next two year period (through 2023).

Several minor changes are being incorporated into the policy this year:

2-267 Scope – This section includes a reference to the City’s annual report, the Comprehensive Annual Financial Report (“CAFR”). In an effort to be more thoughtful, responsible, and inclusive, the Government Finance Officers Association (GFOA) has asked that all industry affiliates stop using the acronym most often associated with the Comprehensive Annual Financial Report – CAFR – because the pronunciation of that acronym mimics a derogatory term used in other parts of the world. To comply, and per the auditors, the City will now be using the term Annual Comprehensive Financial Report (“ACFR”) to reference the City’s annual report. This revision is now included in the Investment Policy.

2-273 Authorized Investments – Additional clarification has been added to item (a) to reference letters of credit. It now reads: “(a) Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks.

2-273 Authorized Investments – The reference to the FDIC has been revised in item (c) to include “Federal Deposit Insurance Corporation” in front of the acronym. This had been defined later in the policy but should be defined as part of this first reference.

2-280 Qualified Financial Institutions and Broker/Dealers – The reference to one of the regulatory organizations cited in this section, the Texas Department of Securities, has been updated to the Texas State Securities Board.

2-284 Collateral – The reference to the Federal Deposit Insurance Corporation (“FDIC”) has been revised to simply refer to the acronym since the term has now been defined in Section 2-273 as noted above.

These changes were discussed with the City's Finance Committee at a meeting on September 21, 2021. At that meeting, the Committee also reviewed and discussed the list of authorized broker/dealers and did not make any changes to the current list:

Duncan-Williams, Inc.
FHN Financial
Hilltop Securities
Multi-Bank Securities, Inc.
Wells Fargo Securities, LLC