



Legislation Text

File #: ORD 16-085, **Version:** 1

Consideration of and action on the annual review and an ordinance adopting the City's Investment Policy.

Summary: In compliance with the Texas Public Funds Investment Act, Government Code Ch. 2256 as amended (the "Act"), the City has adopted an Investment Policy, which is Chapter 2, Administration, Article VII (Finance), Division 2 (Investment Policy), Section 2-274 Reporting, of the Code of Ordinances of the City of Deer Park. The Act also requires that the City Council, not less than annually, adopt a written instrument stating that it has reviewed the Investment Policy and investment strategies. The written instrument must record any changes made to the policy or strategies.

The City's Investment Policy, which includes investment strategies, was last reviewed and updated on September 15, 2015. Effective October 1, 2015, Valley View Consulting, LLC began working with the City to provide investment advisory services. The firm has reviewed the policy and has suggested several changes to consolidate or improve policy language, remove duplicate references, reorganize sections, etc. The City is in agreement with these changes and they have been incorporated in the proposed Investment Policy, a copy of which is attached. The attached "Investment Policy Review" provides a detailed description of the changes, which were reviewed in the workshop preceding the regular meeting.

The Investment Policy includes the list of broker/dealers authorized to engage in investment transactions with the City. The current list has been reviewed by City staff and the Finance Committee at its meeting on August 26, 2016. The City recommends no changes at this time. The proposed list of authorized broker/dealers is as follows:

Coastal Securities, Inc.

Duncan-Williams, Inc.

Hilltop Securities (formerly First Southwest Company) *

Wells Fargo Securities, LLC

* Note: Hilltop Holdings, the parent company of First Southwest Company, acquired Southwest Securities, Inc. in January 2015 and in January 2016 combined the two firms under the Hilltop Securities name.

Fiscal/Budgetary Impact:

N/A.

Review and adopt the Investment Policy.