



Legislation Text

File #: DIS 21-080, **Version:** 1

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Discussion of issues relating to the City's Investment Program, including the annual review of 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 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, most significantly the reference to the City's annual report, which is being updated in response to the request from the Government Finance Officers Association (GFOA) to discontinue use of the acronym for the Comprehensive Annual Financial Report. The City's annual report will now be referred to as the Annual Comprehensive Financial Report.

The attached "Investment Policy Review" provides a detailed description of the changes being incorporated into the policy this year. These changes were discussed with the City's Finance Committee prior to this workshop.

Authorized Broker/Dealers:

The Investment Policy includes the list of broker/dealers authorized to engage in investment transactions with the City. The current list includes the following: Duncan-Williams, Inc., FHN Financial, Hilltop Securities, Multi-Bank Securities, Inc., and Wells Fargo Securities, LLC. At the Finance Committee meeting, the Committee reviewed and discussed the list of authorized broker/dealers and did not make any changes to the current list.

Fiscal/Budgetary Impact:

N/A.

Discussion only. Action on the annual review of the investment policy will be taken during the regular meeting.