

***City of Arlington***  
***Quarterly Investment Report***  
***Ending December 31, 2018***



February 12, 2019

To The Honorable Mayor Jeff Williams,  
Members of the City Council,  
and City Manager,  
City of Arlington

The attached information comprises the quarterly investment report for the City of Arlington, Texas for the quarter ended December 31, 2018. The undersigned acknowledge that the City's investment portfolio has been and is in compliance with the policies and strategies as contained in the City's Investment Policy as adopted by Resolution 18-019 for the City of Arlington, and also in compliance with the Public Funds Investment Act of the State of Texas.

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Mike Finley, Director of Finance

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Ethan Klos, Treasurer

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Mark Davies, Cash and Debt Administrator

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Trina Freeman, Senior Budget Analyst

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Lisa Williams, Treasury Analyst



## MEMORANDUM

TO: Mayor and City Council

FROM: Mike Finley, Director of Finance

SUBJECT: Quarterly Investment Report

DATE: February 12, 2019

The quarterly investment report has been prepared for the Mayor and City Council as required by Section 2256.023 Internal Management Reports of the Public Funds Investment Act.

The quarterly report includes an investment portfolio summary, and several pages presenting individual investment securities as required by the Act. The report covers all investments of the City and the Venue Debt Reserve. Below are the December 31, 2018 ending values.

	<i>Par Value</i>	<i>Book Value</i>	<i>Market Value</i>	<i>QTY Interest</i>
<i>City Total</i>	\$546,280,703	\$546,218,706	\$544,061,150	\$2,425,262
<i>Venue Total</i>	<u>\$40,229,652</u>	<u>\$40,229,652</u>	<u>\$40,229,652</u>	<u>\$166,942</u>
<b><i>Grand Total</i></b>	\$586,510,355	\$586,448,358	\$584,290,802	\$2,592,204

The ending book value for the City Total does not include \$4.2mil in collateralized cash balances at the depository bank (JPMorgan).

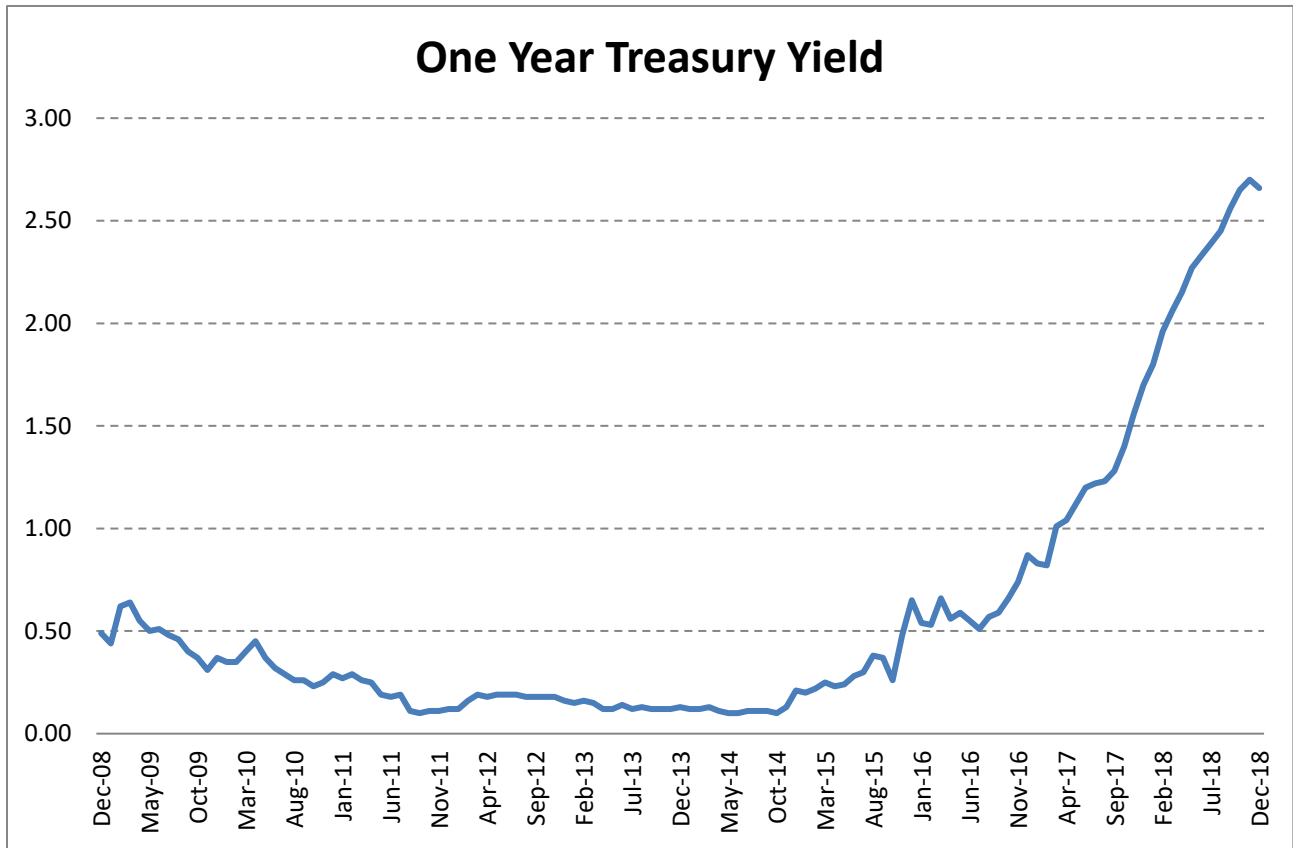
The yield for the quarter and fiscal year to date on the main portfolio is as follows:

	<u>Qtr. Yield</u>	<u>FY to Date Yield</u>
City Portfolio	1.87%	1.85%

**Investment Performance**

	<b>YTD Yield FY 19</b>	<b>YTD Yield FY 18</b>
<i>City Portfolio</i>	1.85%	1.19%
<i>Venue Debt Reserve</i>	1.83%	0.00%
<i>Rolling 12-month Treasury</i>	2.66%	1.70%

The one-year treasury is considered to be the safest and most liquid investment and provides a good measure of market yields.



All supplementary/detail reports are available at the City Secretary’s office. Please contact me with any questions you have at 817-459-6345 ([Mike.Finley@arlingtontx.gov](mailto:Mike.Finley@arlingtontx.gov)).

cc: Trey Yelverton, City Manager  
 Gilbert Perales, Deputy City Manager

## City of Arlington Investment Portfolio Summary as of 12/31/2018

Fund Type		Par Value	Book Value	Market Value	Qtr Interest Earnings
<b>General Operating</b>	Value at 9/30/2018	501,875,614	501,839,241	497,948,364	2,366,511
	Net Change	27,355,090	27,328,140	29,157,713	(39,727)
	Value at 12/31/2018	529,230,703	529,167,381	527,106,076	2,326,784
<b>Self Insurance</b>	Value at 9/30/2018	12,750,000	12,736,842	12,582,316	60,875
	Net Change	(3,100,000)	(3,099,319)	(3,011,262)	(2,683)
	Value at 12/31/2018	9,650,000	9,637,523	9,571,055	58,192
<b>Water Debt Service</b>	Value at 9/30/2018	9,000,000	9,018,934	8,952,990	40,991
	Net Change	(1,600,000)	(1,605,132)	(1,568,971)	(705)
	Value at 12/31/2018	7,400,000	7,413,803	7,384,019	40,286
<b>City Total</b>	Value at 9/30/2018	523,625,614	523,595,017	519,483,670	2,468,378
	Net Change	22,655,090	22,623,689	24,577,480	(43,116)
	Value at 12/31/2018	546,280,703	546,218,706	544,061,150	2,425,262

		Par Value	Book Value	Market Value	Qtr Interest Earnings
<b>Venue Total</b>	Value at 9/30/2018	30,067,619	30,067,619	30,067,619	154,362
	Net Change	10,162,033	10,162,033	10,162,033	12,580
	Value at 12/31/2018	40,229,652	40,229,652	40,229,652	166,942

## Financial Terms

Par Value – Face Value of the Bonds, Principal which will pay at maturity

Book Value – The Value at which a debt security is shown on the holder's balance sheet. Book Value is often acquisition cost +/- amortization/accretion, which may differ markedly from market value. (Book Value is updated monthly by accounting)

Market Value - The price at which a security is trading and could presumably be purchased or sold. (Market value is updated at the end of each month through Interactive Data Corporation)

The General Operating Portfolio includes all City funds except the following:

- Arlington Tomorrow Foundation (ATF) Corpus
- Venue Debt Reserve



**Main City Port  
Investments by All Types  
Active Investments  
December 31, 2018**

City of Arlington  
Financial Services Department  
101 S. Mesquite St. Ste. 800  
Arlington, TX 76010  
(817)459-6264

CUSIP	Investment #	Fund	Issuer	Par Value	Purchase Price	Book Value	Current Rate	Maturity Date	Call Date	Call Price
<b>Fund: General Fund</b>										
<b>Texpool</b>										
SYS95	95	1000	TexPool	598,147.22	100.0000000	598,147.22	2.287			
			<b>Subtotal</b>	<b>598,147.22</b>		<b>598,147.22</b>				
			<b>General Fund Subtotal</b>	<b>598,147.22</b>		<b>598,147.22</b>				
<b>Fund: Pooled Portfolio</b>										
<b>Federal Agency Coupon Securities</b>										
3132X0F71	1691	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	1.880	01/25/2019		
3135G0H63	1618	1002	Federal National Mortgage Assoc	10,000,000.00	101.0095218	10,002,571.42	1.375	01/28/2019		
3133EFQ67	1619	1002	Federal Farm Credit Bank	10,000,000.00	99.8970000	9,999,237.04	1.160	03/21/2019		
3132X0M99	1695	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	2.130	04/15/2019		
3137EADZ9	1629	1002	Federal Home Loan Mortgage Corp	10,000,000.00	101.0265324	10,010,697.33	1.125	04/15/2019		
3132X0GA3	1630	1002	Farmer Mac	2,000,000.00	100.8520000	2,001,986.88	1.080	04/29/2019		
3132X0TN1	1671	1002	Farmer Mac	5,000,000.00	100.0130000	5,000,119.55	1.430	04/30/2019		
3132X0HD6	1623	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	1.030	05/10/2019		
3130A9ZY0	1644	1002	Federal Home Loan Bank	2,000,000.00	100.0000000	2,000,000.00	1.000	05/30/2019		
313379EE5	1634	1002	Federal Home Loan Bank	10,000,000.00	101.7928406	10,028,180.62	1.625	06/14/2019		
3130A9EK3	1640	1002	Federal Home Loan Bank	4,500,000.00	100.0000000	4,500,000.00	1.125	06/28/2019		
3133EGJC0	1626	1002	Federal Farm Credit Bank	10,000,000.00	99.8520000	9,997,533.33	0.950	07/01/2019		
3134GBXK3	1668	1002	Federal Home Loan Mortgage Corp	10,000,000.00	100.0000000	10,000,000.00	1.380	07/01/2019		
3130ABRP3	1670	1002	Federal Home Loan Bank	10,000,000.00	100.0392270	10,001,042.05	1.450	07/12/2019		
3132X0HW4	1642	1002	Farmer Mac	10,000,000.00	99.0510000	9,979,902.38	0.970	07/26/2019		
3130ABSP2	1673	1002	Federal Home Loan Bank	5,000,000.00	100.0300000	5,000,427.08	1.500	07/26/2019		
3132X0PK1	1661	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	1.430	08/21/2019		
3134G3A83	1636	1002	Federal Home Loan Mortgage Corp	10,000,000.00	101.2000000	10,026,140.85	1.400	08/23/2019		
3130A9Z23	1637	1002	Federal Home Loan Bank	3,250,000.00	99.9250000	3,249,460.11	1.070	08/28/2019		
313380FB8	1639	1002	Federal Home Loan Bank	10,000,000.00	101.0072349	10,023,721.79	1.375	09/13/2019		
3133EG2D6	1651	1002	Federal Farm Credit Bank	7,000,000.00	100.3000000	7,005,694.19	1.550	09/27/2019		
3132X0XW6	1686	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	1.540	10/02/2019		
3135G0R39	1654	1002	Federal National Mortgage Assoc	5,000,000.00	98.5888454	4,978,947.64	1.000	10/24/2019		
3133EGT88	1655	1002	Federal Farm Credit Bank	5,000,000.00	99.6788880	4,994,684.51	1.450	12/12/2019		

**Main City Port  
Investments by All Types  
December 31, 2018**

CUSIP	Investment #	Fund	Issuer	Par Value	Purchase Price	Book Value	Current Rate	Maturity Date	Call Date	Call Price
<b>Fund: Pooled Portfolio</b>										
<b>Federal Agency Coupon Securities</b>										
3133EG3J2	1656	1002	Federal Farm Credit Bank	10,000,000.00	99.9500000	9,998,256.14	1.550	01/10/2020		
3130ADFP2	1690	1002	Federal Home Loan Bank	10,000,000.00	99.8660660	9,992,782.45	2.020	01/29/2020		
3133EHBA0	1664	1002	Federal Farm Credit Bank	5,000,000.00	99.9500000	4,999,025.46	1.520	03/02/2020		
3130ADSY9	1696	1002	Federal Home Loan Bank	10,000,000.00	100.0000000	10,000,000.00	2.320	04/13/2020		
3133EJCA5	1692	1002	Federal Farm Credit Bank	10,000,000.00	99.8550000	9,991,282.10	2.150	05/08/2020		
3130ACN83	1687	1002	Federal Home Loan Bank	10,000,000.00	99.8750000	9,993,251.37	1.700	05/15/2020	05/15/2019	100.0000000
3130ABGP5	1665	1002	Federal Home Loan Bank	10,000,000.00	100.0000000	10,000,000.00	1.500	05/19/2020		
3130ABNT9	1666	1002	Federal Home Loan Bank	10,000,000.00	99.8632872	9,993,202.48	1.550	06/26/2020		
3130ABR65	1669	1002	Federal Home Loan Bank	10,000,000.00	99.9972000	9,999,858.96	1.650	07/03/2020		
3130ADYY2	1698	1002	Federal Home Loan Bank	10,000,000.00	99.9836000	9,998,881.08	2.400	07/15/2020		
3132X04G3	1713	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	2.770	08/13/2020		
3133EJXU8	1714	1002	Federal Farm Credit Bank	10,000,000.00	100.0570000	10,004,694.58	2.680	08/24/2020		
3133EJYY9	1715	1002	Federal Farm Credit Bank	10,000,000.00	99.7900000	9,982,063.74	2.690	09/04/2020		
3130ADT93	1697	1002	Federal Home Loan Bank	10,000,000.00	99.9470000	9,996,390.11	2.400	09/14/2020		
3133EJGH6	1694	1002	Federal Farm Credit Bank	10,000,000.00	100.0600000	10,004,154.84	2.440	10/15/2020		
3133EJAD1	1689	1002	Federal Farm Credit Bank	10,000,000.00	99.9300000	9,995,253.33	2.150	12/23/2020		
3133EJUL1	1711	1002	Federal Farm Credit Bank	10,000,000.00	99.9519770	9,996,062.11	2.700	01/19/2021		
3130ADVF9	1699	1002	Federal Home Loan Bank	10,000,000.00	98.9250000	9,913,723.18	2.250	01/29/2021	01/29/2020	100.0000000
3133EJCE7	1693	1002	Federal Farm Credit Bank	10,000,000.00	99.8960000	9,992,671.85	2.350	02/12/2021		
3136G4TA1	1702	1002	Federal National Mortgage Assoc	10,000,000.00	100.0000000	10,000,000.00	2.800	06/28/2021	06/28/2019	100.0000000
3132X02W0	1703	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	2.750	06/29/2021		
			<b>Subtotal</b>	<b>393,750,000.00</b>		<b>393,651,900.55</b>				
<b>Texpool</b>										
SYS93	93	1002	TexPool	5,376,513.15	100.0000000	5,376,513.15	2.287			
TEXPRI	PRI18	1002	TexPool Prime	51,528,650.39	100.0000000	51,528,650.39	2.493			
			<b>Subtotal</b>	<b>56,905,163.54</b>		<b>56,905,163.54</b>				
<b>Tex Daily MMA</b>										
SYS1101	1101	1002	TexasDaily	4,584,183.09	100.0000000	4,584,183.09	2.320			
			<b>Subtotal</b>	<b>4,584,183.09</b>		<b>4,584,183.09</b>				
<b>Certificates of Deposit - Bank</b>										
77-528907	1683	1002	J.P. Morgan Chase	10,000,000.00	100.0000000	10,000,000.00	1.540	07/17/2019		
77-528908	1684	1002	J.P. Morgan Chase	10,000,000.00	100.0000000	10,000,000.00	1.810	07/17/2020		



**Main City Port  
Investments by All Types  
December 31, 2018**

CUSIP	Investment #	Fund	Issuer	Par Value	Purchase Price	Book Value	Current Rate	Maturity Date	Call Date	Call Price
<b>Subtotal</b>				<b>20,000,000.00</b>		<b>20,000,000.00</b>				
<b>Texas Municipal Bonds</b>										
969887G93	1658	1002	Williamson County	5,215,000.00	100.4950000	5,224,656.44	1.820	02/15/2020		
<b>Subtotal</b>				<b>5,215,000.00</b>		<b>5,224,656.44</b>				
<b>Municipal Bonds-Not Texas</b>										
899607HG3	1638	1002	Tulsa County Oklahoma ISD	1,600,000.00	103.1540000	1,604,942.07	2.000	04/01/2019		
914805EQ5	1653	1002	University of Pittspurgh PA	6,000,000.00	100.0000000	6,000,000.00	1.829	09/15/2019		
34074GDH4	1712	1002	State of Florida	6,500,000.00	100.4030000	6,520,178.74	2.995	07/01/2020		
<b>Subtotal</b>				<b>14,100,000.00</b>		<b>14,125,120.81</b>				
<b>TexStar MMA</b>										
SYS1100	1100	1002	TexStar	34,078,209.26	100.0000000	34,078,209.26	2.307			
<b>Subtotal</b>				<b>34,078,209.26</b>		<b>34,078,209.26</b>				
<b>Pooled Portfolio Subtotal</b>				<b>528,632,555.89</b>		<b>528,569,233.69</b>				
<b>Fund: Water and Sewer</b>										
<b>Federal Agency Coupon Securities</b>										
3133EEZ60	1585	5000	Federal Farm Credit Bank	1,000,000.00	100.0000000	1,000,000.00	1.520	06/24/2019		
3132X0LU3	1652	5000	Farmer Mac	1,600,000.00	99.8510313	1,599,230.33	1.460	12/12/2019		
3134G3L73	1667	5000	Federal Home Loan Mortgage Corp	1,600,000.00	99.9926738	1,599,953.56	1.500	12/26/2019		
313370E38	1705	5000	Federal Home Loan Bank	1,600,000.00	101.4619288	1,617,286.01	3.375	06/12/2020		
3132X0T84	1707	5000	Farmer Mac	1,600,000.00	99.7962519	1,597,332.75	2.650	04/19/2021		
<b>Subtotal</b>				<b>7,400,000.00</b>		<b>7,413,802.65</b>				
<b>Water and Sewer Subtotal</b>				<b>7,400,000.00</b>		<b>7,413,802.65</b>				
<b>Fund: Self-Insurance</b>										
<b>Federal Agency Coupon Securities</b>										
3132X0LG4	1650	5130	Farmer Mac	1,400,000.00	99.2183100	1,396,724.07	1.210	11/21/2019		
313370E38	1704	5130	Federal Home Loan Bank	2,025,000.00	101.4619289	2,046,877.61	3.375	06/12/2020		
3133EGM51	1648	5130	Federal Farm Credit Bank	1,400,000.00	99.8421550	1,398,940.39	1.650	12/01/2020		
3135G0K69	1645	5130	Federal National Mortgage Assoc	1,400,000.00	97.5540000	1,381,846.81	1.250	05/06/2021		
3130AABG2	1646	5130	Federal Home Loan Bank	1,400,000.00	99.5330000	1,396,187.08	1.875	11/29/2021		
3130AEEQ9	1706	5130	Federal Home Loan Bank	2,025,000.00	99.5420756	2,016,946.63	2.650	05/16/2022		

**Main City Port  
Investments by All Types  
December 31, 2018**

CUSIP	Investment #	Fund	Issuer	Par Value	Purchase Price	Book Value	Current Rate	Maturity Date	Call Date	Call Price
			Subtotal	9,650,000.00		9,637,522.59				
			Self-Insurance Subtotal	9,650,000.00		9,637,522.59				
			Total	546,280,703.11		546,218,706.15				



**Venue Complex  
Investments by All Types  
Active Investments  
December 31, 2018**

City of Arlington  
Financial Services Department  
101 S. Mesquite St. Ste. 800  
Arlington, TX 76010  
(817)459-6264

CUSIP	Investment #	Fund	Issuer	Par Value	Purchase Price	Book Value	Current Rate	Maturity Date	Call Date	Call Price
<b>Fund: Stadium Debt Service and Reser</b>										
<b>BNY Mellon</b>										
BNY103182	10099	2002	BNY Mellon Trust MMA	6,790.14	100.0000000	6,790.14	1.860			
BNY103170	10103	2002	BNY Mellon Trust MMA	39,687,602.76	100.0000000	39,687,602.76	1.860			
BNY103175	10104	2002	BNY Mellon Trust MMA	1.88	100.0000000	1.88				
BNY103000	10105	2002	BNY Mellon Trust MMA	535,257.27	100.0000000	535,257.27				
			<b>Subtotal</b>	<b>40,229,652.05</b>		<b>40,229,652.05</b>				
			<b>Stadium Debt Service and Reser Subtotal</b>	<b>40,229,652.05</b>		<b>40,229,652.05</b>				
			<b>Total</b>	<b>40,229,652.05</b>		<b>40,229,652.05</b>				