

City of Arlington
Quarterly Investment Report
Ending December 31, 2019



February 18, 2020

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, 2019. 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 19-123 for the City of Arlington, and also in compliance with the Public Funds Investment Act of the State of Texas.

Mike Finley, Director of Finance

Ethan Klos, Treasurer

Mark Davies, Cash and Debt Administrator

Trina Freeman, Senior Budget Analyst

Lisa Williams, Treasury Analyst



MEMORANDUM

TO: Mayor and City Council

FROM: Mike Finley, Director of Finance

SUBJECT: Quarterly Investment Report

DATE: February 18, 2020

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, 2019 ending values.

	<i>Par Value</i>	<i>Book Value</i>	<i>Market Value</i>	<i>QTY Interest</i>
<i>City Total</i>	\$608,475,534	\$610,113,747	\$608,505,373	\$2,991,674
<i>Venue Total</i>	<u>\$53,675,694</u>	<u>\$53,675,694</u>	<u>\$53,675,694</u>	<u>\$200,374</u>
<i>Grand Total</i>	\$662,151,228	\$663,789,441	\$662,181,067	\$3,192,048

The ending book value for the City Total does not include \$3.2mil 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	2.09%	2.09%

Investment Performance

	YTD Yield FY 20	YTD Yield FY 19
<i>City Portfolio</i>	2.09%	1.85%
<i>Venue Debt Reserve</i>	1.60%	1.83%
<i>Rolling 12-month Treasury</i>	1.53%	2.66%

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).

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

City of Arlington Investment Portfolio Summary as of 12/31/2019

Fund Type		Par Value	Market Value	Book Value	Qtr Interest Earnings
General Operating	Value at 9/30/2019	549,486,686	550,748,756	549,564,129	3,226,093
	Net Change	42,838,848	43,060,085	42,822,172	(342,323)
	Value at 12/31/2019	592,325,534	593,808,841	592,386,301	2,883,770
Self Insurance	Value at 9/30/2019	12,750,000	12,868,272	12,734,588	68,315
	Net Change	(1,400,000)	(1,405,037)	(1,400,012)	(2,290)
	Value at 12/31/2019	11,350,000	11,463,236	11,334,576	66,025
Water Debt Service	Value at 9/30/2019	8,000,000	8,039,520	7,984,490	43,489
	Net Change	(3,200,000)	(3,197,849)	(3,199,995)	(1,610)
	Value at 12/31/2019	4,800,000	4,841,671	4,784,495	41,879
City Total	Value at 9/30/2019	570,236,686	571,656,548	570,283,208	3,337,897
	Net Change	38,238,848	38,457,199	38,222,165	(346,222)
	Value at 12/31/2019	608,475,534	610,113,747	608,505,373	2,991,674

		Par Value	Market Value	Book Value	Qtr Interest Earnings
Venue Total	Value at 9/30/2019	43,888,859	43,888,859	43,888,859	238,860
	Net Change	9,786,835	9,786,835	9,786,835	(38,487)
	Value at 12/31/2019	53,675,694	53,675,694	53,675,694	200,374

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:

- Venue Debt Reserve



**Main City Port
Investments by All Types
Active Investments
December 31, 2019**

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
Fund: General Fund										
Texpool										
SYS95	95	1000	TexPool	611,407.98	100.0000000	611,407.98	1.623			
			Subtotal	611,407.98		611,407.98				
			General Fund Subtotal	611,407.98		611,407.98				
Fund: Pooled Portfolio										
Federal Agency Coupon Securities										
3132X02W0	1703	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	2.750	06/29/2021		
3132X04G3	1713	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	2.770	08/13/2020		
31422BBQ2	1718	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	2.690	03/15/2021		
31422BDA5	1722	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	2.690	09/03/2021		
31422BKX7	1740	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	1.610	09/20/2021		
31422BLF5	1742	1002	Farmer Mac	15,000,000.00	100.0000000	15,000,000.00	1.560	04/15/2021		
31422BQD5	1746	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	1.600	12/20/2021		
3133EG3J2	1656	1002	Federal Farm Credit Bank	10,000,000.00	99.9500000	9,999,957.47	1.550	01/10/2020		
3133EHBA0	1664	1002	Federal Farm Credit Bank	5,000,000.00	99.9500000	4,999,858.80	1.520	03/02/2020		
3133EJAD1	1689	1002	Federal Farm Credit Bank	10,000,000.00	99.9300000	9,997,653.33	2.150	12/23/2020		
3133EJCA5	1692	1002	Federal Farm Credit Bank	10,000,000.00	99.8550000	9,997,726.54	2.150	05/08/2020		
3133EJCE7	1693	1002	Federal Farm Credit Bank	10,000,000.00	99.8960000	9,996,138.52	2.350	02/12/2021		
3133EJGH6	1694	1002	Federal Farm Credit Bank	10,000,000.00	100.0600000	10,001,832.26	2.440	10/15/2020		
3133EJUL1	1711	1002	Federal Farm Credit Bank	10,000,000.00	99.9519770	9,997,983.03	2.700	01/19/2021		
3133EJXU8	1714	1002	Federal Farm Credit Bank	10,000,000.00	100.0570000	10,001,844.58	2.680	08/24/2020		
3133EJYY9	1715	1002	Federal Farm Credit Bank	10,000,000.00	99.7900000	9,992,771.95	2.690	09/04/2020		
3133EKAT3	1721	1002	Federal Farm Credit Bank	10,000,000.00	99.9397990	9,996,066.87	2.500	08/19/2021		
3133EKFP6	1727	1002	Federal Farm Credit Bank	10,000,000.00	99.9339000	9,995,832.03	2.230	04/05/2021		
3133EKTP1	1729	1002	Federal Farm Credit Bank	10,000,000.00	99.9040000	9,993,081.90	1.770	04/05/2021		
3133EK3W4	1744	1002	Federal Farm Credit Bank	10,000,000.00	99.8329240	9,984,631.83	1.550	10/25/2021		
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	9,997,776.51	1.550	06/26/2020		
3130ABR65	1669	1002	Federal Home Loan Bank	10,000,000.00	99.9972000	9,999,952.64	1.650	07/03/2020		
3130ACN83	1687	1002	Federal Home Loan Bank	10,000,000.00	99.8750000	9,998,169.40	1.700	05/15/2020		

**Main City Port
Investments by All Types
December 31, 2019**

CUSIP	Investment #	Fund	Issuer	Par Value	Purchase Price	Book Value	Current Rate	Maturity Date	Call Date	Call Price
Fund: Pooled Portfolio										
Federal Agency Coupon Securities										
3130ADFP2	1690	1002	Federal Home Loan Bank	10,000,000.00	99.8660660	9,999,479.15	2.020	01/29/2020		
3130ADSY9	1696	1002	Federal Home Loan Bank	10,000,000.00	100.0000000	10,000,000.00	2.320	04/13/2020		
3130ADT93	1697	1002	Federal Home Loan Bank	10,000,000.00	99.9470000	9,998,510.11	2.400	09/14/2020		
3130ADYY2	1698	1002	Federal Home Loan Bank	10,000,000.00	99.9836000	9,999,608.18	2.400	07/15/2020		
3130ADV9	1699	1002	Federal Home Loan Bank	10,000,000.00	98.9250000	9,955,246.78	2.250	01/29/2021	01/29/2020	100.0000000
3130AFRM1	1719	1002	Federal Home Loan Bank	10,000,000.00	100.0000000	10,000,000.00	2.700	07/30/2021	01/30/2020	100.0000000
313378JP7	1741	1002	Federal Home Loan Bank	10,000,000.00	101.7514726	10,147,123.70	2.375	09/10/2021		
3134GSU29	1716	1002	Federal Home Loan Mortgage Corp	10,000,000.00	100.0000000	10,000,000.00	2.700	07/30/2021	01/30/2020	100.0000000
3134GSS22	1717	1002	Federal Home Loan Mortgage Corp	10,000,000.00	100.0000000	10,000,000.00	2.750	01/28/2022	01/28/2020	100.0000000
3134GTR88	1730	1002	Federal Home Loan Mortgage Corp	10,000,000.00	100.0000000	10,000,000.00	2.000	07/30/2021	07/30/2020	100.0000000
3134GUHC7	1743	1002	Federal Home Loan Mortgage Corp	10,000,000.00	100.0000000	10,000,000.00	1.750	10/15/2021	04/15/2020	100.0000000
3134GUXQ8	1745	1002	Federal Home Loan Mortgage Corp	10,000,000.00	100.0000000	10,000,000.00	1.800	09/16/2022	03/16/2020	100.0000000
			Subtotal	360,000,000.00		360,051,245.58				
Texpool										
SYS93	93	1002	TexPool	3,536,804.56	100.0000000	3,536,804.56	1.623			
TEXPRI	PRI18	1002	TexPool Prime	83,687,554.49	100.0000000	83,687,554.49	1.832			
			Subtotal	87,224,359.05		87,224,359.05				
Texas CLASS										
CLASS-G 4001	1738	1002	Texas CLASS	5,050,574.53	100.0000000	5,050,574.53	1.640			
CLASS 0001	1739	1002	Texas CLASS	106,557,019.86	100.0000000	106,557,019.86	1.880			
			Subtotal	111,607,594.39		111,607,594.39				
Tex Daily MMA										
SYS1101	1101	1002	TexasDaily	2,740,557.35	100.0000000	2,740,557.35	1.660			
			Subtotal	2,740,557.35		2,740,557.35				
Certificates of Deposit - Bank										
77-528908	1684	1002	J.P. Morgan Chase	10,000,000.00	100.0000000	10,000,000.00	1.810	07/17/2020		
			Subtotal	10,000,000.00		10,000,000.00				
Texas Municipal Bonds										
899645B46	1728	1002	City of Tulsa	5,000,000.00	100.0510000	5,001,743.92	2.550	04/01/2021		
969887G93	1658	1002	Williamson County	5,215,000.00	100.4950000	5,216,051.69	1.820	02/15/2020		

**Main City Port
Investments by All Types
December 31, 2019**

CUSIP	Investment #	Fund	Issuer	Par Value	Purchase Price	Book Value	Current Rate	Maturity Date	Call Date	Call Price
Subtotal				10,215,000.00		10,217,795.61				
Municipal Bonds-Not Texas										
34074GDH4	1712	1002	State of Florida	6,500,000.00	100.4030000	6,506,726.25	2.995	07/01/2020		
Subtotal				6,500,000.00		6,506,726.25				
TexStar MMA										
SYS1100	1100	1002	TexStar	3,426,615.12	100.0000000	3,426,615.12	1.564			
Subtotal				3,426,615.12		3,426,615.12				
Pooled Portfolio Subtotal				591,714,125.91		591,774,893.35				
Fund: Water and Sewer										
Federal Agency Coupon Securities										
3132X0T84	1707	5000	Farmer Mac	1,600,000.00	99.7962519	1,598,492.42	2.650	04/19/2021		
313370E38	1705	5000	Federal Home Loan Bank	1,600,000.00	101.4619288	1,605,341.74	3.375	06/12/2020		
3130AABG2	1723	5000	Federal Home Loan Bank	1,600,000.00	98.2695600	1,580,661.24	1.875	11/29/2021		
Subtotal				4,800,000.00		4,784,495.40				
Water and Sewer Subtotal				4,800,000.00		4,784,495.40				
Fund: Self-Insurance										
Treasury Coupon Securities/T-Notes										
912828N30	1725	5130	U.S. Treasury	3,100,000.00	99.8750000	3,096,911.84	2.125	12/31/2022		
Subtotal				3,100,000.00		3,096,911.84				
Federal Agency Coupon Securities										
3133EGM51	1648	5130	Federal Farm Credit Bank	1,400,000.00	99.8421550	1,399,493.23	1.650	12/01/2020		
3130AABG2	1646	5130	Federal Home Loan Bank	1,400,000.00	99.5330000	1,397,496.86	1.875	11/29/2021		
313370E38	1704	5130	Federal Home Loan Bank	2,025,000.00	101.4619289	2,031,760.64	3.375	06/12/2020		
3130AEEQ9	1706	5130	Federal Home Loan Bank	2,025,000.00	99.5420756	2,019,332.82	2.650	05/16/2022		
3135G0K69	1645	5130	Federal National Mortgage Assoc	1,400,000.00	97.5540000	1,389,580.72	1.250	05/06/2021		
Subtotal				8,250,000.00		8,237,664.27				
Self-Insurance Subtotal				11,350,000.00		11,334,576.11				
Total				608,475,533.89		608,505,372.84				



**Venue Complex
Investments by All Types
Active Investments
December 31, 2019**

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
Fund: Stadium Debt Service and Reser										
BNY Mellon										
BNY103175	10104	2002	BNY Mellon Trust MMA	0.00	100.0000000	0.00	2.380			
BNY103176	10106	2002	BNY Mellon Trust MMA	0.00	100.0000000	0.00	2.380			
BNY103180	10107	2002	BNY Mellon Trust MMA	0.00	100.0000000	0.00	2.390			
BNY103196	10108	2002	BNY Mellon Trust MMA	0.00	100.0000000	0.00	2.380			
BNY103197	10109	2002	BNY Mellon Trust MMA	0.00	100.0000000	0.00	2.380			
BNY103199	10110	2002	BNY Mellon Trust MMA	0.00	100.0000000	0.00	2.380			
BNY103163	10111	2002	BNY Mellon Trust MMA	0.00	100.0000000	0.00				
BNY103182	10113	2002	BNY Mellon Trust MMA	0.00	100.0000000	0.00	2.380			
BNY103170	10115	2002	BNY Mellon Trust MMA	53,675,693.56	100.0000000	53,675,693.56	1.520			
			Subtotal	53,675,693.56		53,675,693.56				
			Stadium Debt Service and Reser Subtotal	53,675,693.56		53,675,693.56				
			Total	53,675,693.56		53,675,693.56				