

City of Arlington
Quarterly Investment Report
Ending September 30, 2020



January 19, 2021

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 September 30, 2020. 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 20-245 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: January 19, 2021

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 September 30, 2020 ending values.

	<i>Par Value</i>	<i>Book Value</i>	<i>Market Value</i>	<i>QTY Interest</i>
<i>City Total</i>	\$543,490,405	\$546,026,188	\$543,535,605	\$1,664,444
<i>Venue Total</i>	<u>\$53,126,252</u>	<u>\$53,126,252</u>	<u>\$53,126,252</u>	<u>\$7,525</u>
<i>Grand Total</i>	\$596,616,657	\$599,152,440	\$596,661,857	\$1,671,969

The ending book value for the City Total does not include \$40.8mil in collateralized cash balances at the depository bank (JPMorgan). The cash balance provides an earnings credit in lieu of interest and is used to offset bank fees while giving the City a better return than other liquid assets. At this rate, the City yields more value in offsetting bank fees than in interest earnings.

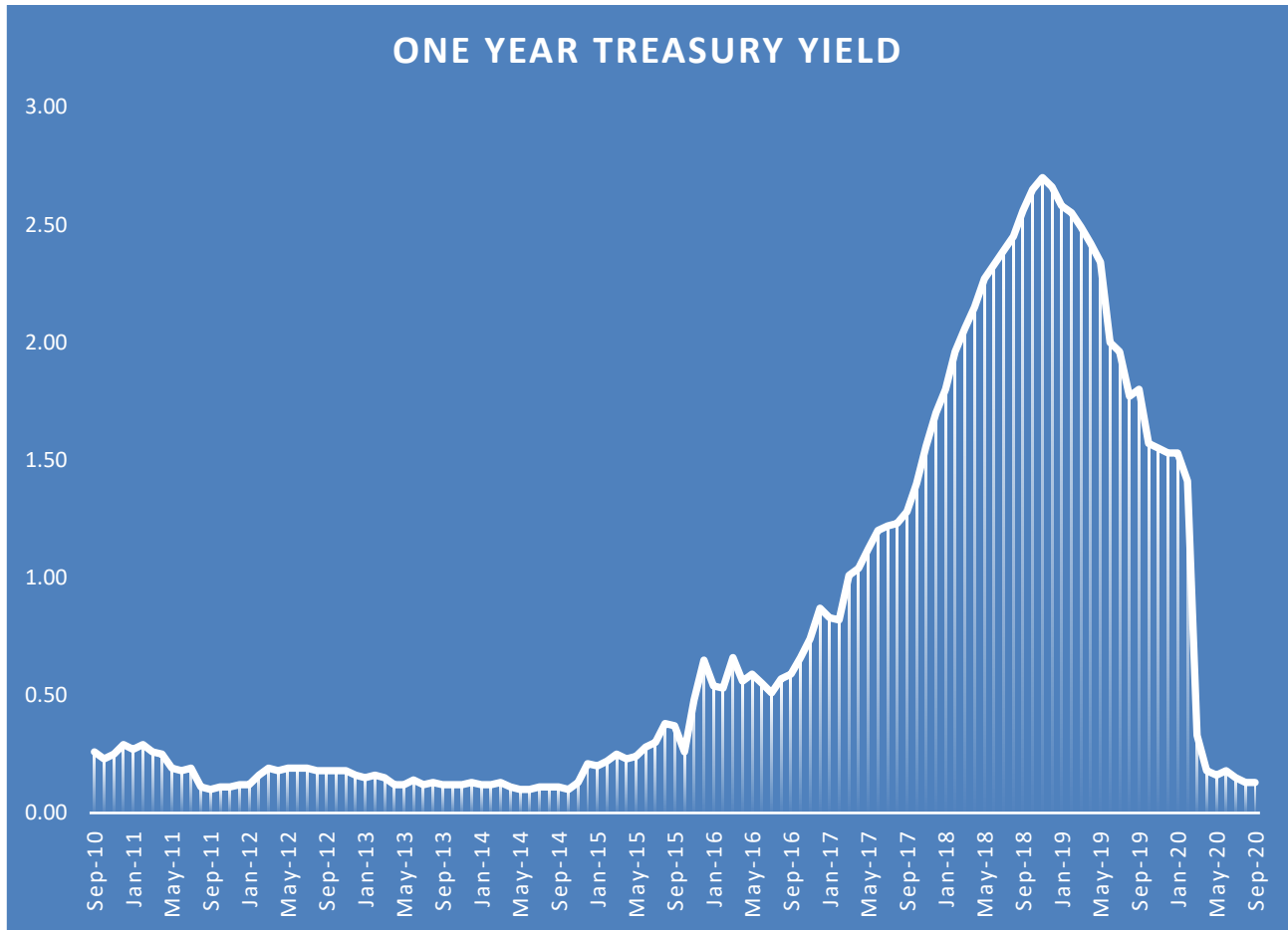
The yield for the quarter and fiscal year to date on the main portfolio is as follows:

	<u>Qtr. Yield</u>	<u>FY to Date Yield</u>
City Portfolio	.98%	1.69%

Investment Performance

	YTD Yield FY 20	YTD Yield FY 19
<i>City Portfolio</i>	1.69%	2.21%
<i>Venue Debt Reserve</i>	0.74%	1.95%
<i>Rolling 12-month Treasury</i>	0.13%	1.80%

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 or Mike.Finley@arlingtontx.gov.

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

City of Arlington Investment Portfolio Summary as of 09/30/2020

Fund Type		Par Value	Market Value	Book Value	Qtr Interest Earnings
General Operating	Value at 06/30/2020	583,191,400	586,351,827	583,270,515	2,200,872
	Net Change	(61,350,995)	(62,295,982)	(61,366,606)	2,200,872
	Value at 09/30/2020	521,840,405	524,055,845	521,903,909	1,593,414
Self Insurance	Value at 06/30/2020	9,325,000	9,621,231	9,309,320	60,345
	Net Change	3,325,000	3,287,738	3,328,255	(10,468)
	Value at 09/30/2020	12,650,000	12,908,970	12,637,575	49,877
Water Debt Service	Value at 06/30/2020	3,200,000	3,268,837	3,184,793	29,214
	Net Change				(8,061)
	Value at 09/30/2020	9,000,000	9,061,373	8,994,121	21,153
City Total	Value at 06/30/2020	595,716,400	599,241,895	595,764,628	2,290,430
	Net Change	(52,225,995)	(53,215,707)	(52,229,023)	(625,986)
	Value at 09/30/2020	543,490,405	546,026,188	543,535,605	1,664,444

		Par Value	Market Value	Book Value	Qtr Interest Earnings
Venue Total	Value at 06/30/2020	57,115,916	57,115,916	57,115,916	18,480
	Net Change	(3,989,663)	(3,989,663)	(3,989,663)	(10,955)
	Value at 09/30/2020	53,126,252	53,126,252	53,126,252	7,525

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 Portfolio FY20
Investments by All Types
Active Investments
September 30, 2020**

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	614,284.89	100.0000000	614,284.89	0.147			
			Subtotal	614,284.89		614,284.89				
			General Fund Subtotal	614,284.89		614,284.89				
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		
31422BBQ2	1718	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	2.690	03/15/2021		
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		
31422BRJ1	1747	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	1.750	01/06/2023	01/06/2021	100.0000000
31422BTT7	1760	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	1.480	04/29/2021		
31422BTU4	1762	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	1.540	11/30/2020		
31422BXH8	1771	1002	Farmer Mac	10,000,000.00	100.0000000	10,000,000.00	0.850	03/20/2023		
3133EJAD1	1689	1002	Federal Farm Credit Bank	10,000,000.00	99.9300000	9,999,453.33	2.150	12/23/2020		
3133EJCE7	1693	1002	Federal Farm Credit Bank	10,000,000.00	99.8960000	9,998,738.52	2.350	02/12/2021		
3133EJGH6	1694	1002	Federal Farm Credit Bank	10,000,000.00	100.0600000	10,000,090.32	2.440	10/15/2020		
3133EJUL1	1711	1002	Federal Farm Credit Bank	10,000,000.00	99.9519770	9,999,423.72	2.700	01/19/2021		
3133EKAT3	1721	1002	Federal Farm Credit Bank	10,000,000.00	99.9397990	9,997,872.90	2.500	08/19/2021		
3133EKFP6	1727	1002	Federal Farm Credit Bank	10,000,000.00	99.9339000	9,998,310.78	2.230	04/05/2021		
3133EKTP1	1729	1002	Federal Farm Credit Bank	10,000,000.00	99.9040000	9,997,196.19	1.770	04/05/2021		
3133EK3W4	1744	1002	Federal Farm Credit Bank	10,000,000.00	99.8329240	9,990,976.49	1.550	10/25/2021		
3133ELMD3	1759	1002	Federal Farm Credit Bank	10,000,000.00	100.0000000	10,000,000.00	1.600	02/10/2023	02/10/2021	100.0000000
3133ELUX0	1776	1002	Federal Farm Credit Bank	10,000,000.00	100.0000000	10,000,000.00	1.000	03/30/2022	03/30/2021	100.0000000
313378JP7	1741	1002	Federal Home Loan Bank	10,000,000.00	101.7514726	10,081,896.44	2.375	09/10/2021		
3130AHZM8	1797	1002	Federal Home Loan Bank	10,000,000.00	99.9660000	9,998,847.78	1.500	02/03/2021		
3134GVMH8	1775	1002	Federal Home Loan Mortgage Corp	10,000,000.00	100.0000000	10,000,000.00	0.550	07/27/2022	10/27/2020	100.0000000
3134GVQ76	1777	1002	Federal Home Loan Mortgage Corp	10,000,000.00	100.0000000	10,000,000.00	0.300	06/17/2022	06/17/2021	100.0000000
3134GVQ68	1778	1002	Federal Home Loan Mortgage Corp	5,000,000.00	100.0000000	5,000,000.00	0.375	06/16/2023	06/16/2022	100.0000000

**Main City Portfolio FY20
Investments by All Types
September 30, 2020**

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										
3134GVQ35	1779	1002	Federal Home Loan Mortgage Corp	10,000,000.00	100.0000000	10,000,000.00	0.410	06/16/2023	06/16/2021	100.0000000
3134GV5E4	1780	1002	Federal Home Loan Mortgage Corp	10,000,000.00	100.0000000	10,000,000.00	0.270	07/08/2022	07/08/2021	100.0000000
3134GV5F1	1781	1002	Federal Home Loan Mortgage Corp	10,000,000.00	100.0000000	10,000,000.00	0.375	07/14/2023	01/14/2022	100.0000000
Subtotal				270,000,000.00		270,062,806.47				
Texpool										
SYS93	93	1002	TexPool	35,611,433.16	100.0000000	35,611,433.16	0.147			
TEXPRI	PRI18	1002	TexPool Prime	90,193,262.83	100.0000000	90,193,262.83	0.262			
Subtotal				125,804,695.99		125,804,695.99				
Texas CLASS										
CLASS-G 4001	1738	1002	Texas CLASS	15,093,502.98	100.0000000	15,093,502.98	0.142			
CLASS 0001	1739	1002	Texas CLASS	82,082,780.78	100.0000000	82,082,780.78	0.251			
Subtotal				97,176,283.76		97,176,283.76				
Tex Daily MMA										
SYS1101	1101	1002	TexasDaily	5,792,570.13	100.0000000	5,792,570.13	0.140			
Subtotal				5,792,570.13		5,792,570.13				
Texas Municipal Bonds										
899645B46	1728	1002	City of Tulsa	5,000,000.00	100.0510000	5,000,697.57	2.550	04/01/2021		
574193SN9	1764	1002	State of Maryland	7,000,000.00	100.0000000	7,000,000.00	0.860	03/15/2023		
Subtotal				12,000,000.00		12,000,697.57				
Municipal Bonds-Not Texas										
64971XQR2	1784	1002	New York City	5,000,000.00	100.0000000	5,000,000.00	0.420	08/01/2023		
Subtotal				5,000,000.00		5,000,000.00				
TexStar MMA										
SYS1100	1100	1002	TexStar	5,452,642.04	100.0000000	5,452,642.04	0.134			
Subtotal				5,452,642.04		5,452,642.04				
Pooled Portfolio Subtotal				521,226,191.92		521,289,695.96				

**Main City Portfolio FY20
Investments by All Types
September 30, 2020**

CUSIP	Investment #	Fund	Issuer	Par Value	Purchase Price	Book Value	Current Rate	Maturity Date	Call Date	Call Price
Fund: Water and Sewer										
Federal Agency Coupon Securities										
3132X0T84	1707	5000	Farmer Mac	1,600,000.00	99.7962519	1,599,362.18	2.650	04/19/2021		
3133ELYR9	1786	5000	Federal Farm Credit Bank	1,600,000.00	100.1691913	1,602,679.10	0.250	05/06/2022		
3130AABG2	1723	5000	Federal Home Loan Bank	1,600,000.00	98.2695600	1,588,250.58	1.875	11/29/2021		
3134GWTU0	1787	5000	Federal Home Loan Mortgage Corp	1,000,000.00	100.0000000	1,000,000.00	0.375	06/28/2024	09/28/2021	100.0000000
3137EAES4	1788	5000	Federal Home Loan Mortgage Corp	1,600,000.00	100.0576063	1,600,916.12	0.250	06/26/2023		
3137EAEU9	1792	5000	Federal Home Loan Mortgage Corp	1,600,000.00	99.9590013	1,599,346.29	0.375	07/21/2025		
			Subtotal	9,000,000.00		8,990,554.27				
			Water and Sewer Subtotal	9,000,000.00		8,990,554.27				
Fund: Self-Insurance										
Treasury Coupon Securities/T-Notes										
912828N30	1725	5130	U.S. Treasury	3,100,000.00	99.8750000	3,097,684.59	2.125	12/31/2022		
			Subtotal	3,100,000.00		3,097,684.59				
Federal Agency Coupon Securities										
3133EGM51	1648	5130	Federal Farm Credit Bank	1,400,000.00	99.8421550	1,399,907.86	1.650	12/01/2020		
3130AABG2	1646	5130	Federal Home Loan Bank	1,400,000.00	99.5330000	1,398,479.20	1.875	11/29/2021		
3130AEEQ9	1706	5130	Federal Home Loan Bank	2,025,000.00	99.5420756	2,021,122.45	2.650	05/16/2022		
3134GWR73	1793	5130	Federal Home Loan Mortgage Corp	3,325,000.00	100.0000000	3,325,000.00	0.270	06/30/2023	09/30/2021	100.0000000
3135G0K69	1645	5130	Federal National Mortgage Assoc	1,400,000.00	97.5540000	1,395,381.14	1.250	05/06/2021		
			Subtotal	9,550,000.00		9,539,890.65				
			Self-Insurance Subtotal	12,650,000.00		12,637,575.24				
			Total	543,490,476.81		543,532,110.36				



**Venue Complex FY20
Investments by All Types
Active Investments
September 30, 2020**

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	53,126,252.42	100.0000000	53,126,252.42	0.020			
			Subtotal	53,126,252.42		53,126,252.42				
			Stadium Debt Service and Reser Subtotal	53,126,252.42		53,126,252.42				
			Total	53,126,252.42		53,126,252.42				