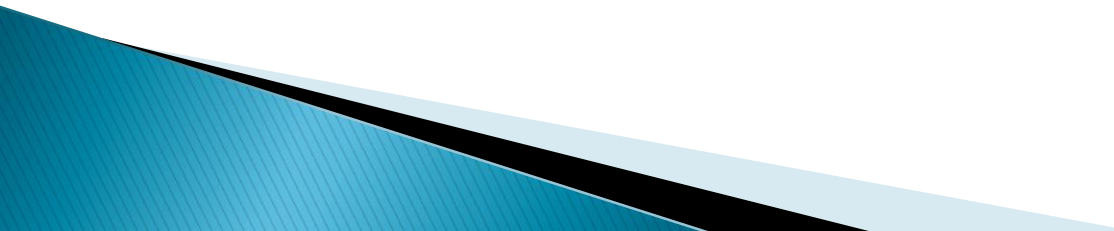


Investment Update

May 2, 2016

Purpose and Agenda

- ▶ Investment Policy requires an annual update
 - Inform Council
 - Reaffirmation of practice and policy
 - ▶ Discussion of in-house vs Treasurer's LGIP
 - Duration
 - Risk
 - ▶ City Manages cash-flow needs
 - Reduces risk
 - Increases return
- 

Avondale vs LGIP Continued

(January, 2016)

- ▶ Current Amount Invested
 - \$60 Million
 - ▶ Current Interest Rate
 - Varies—average 81 BPS
 - ▶ Duration
 - 0–3 Years
 - ▶ Types of Securities
 - Treasury Notes
 - Agency Notes
- ▶ Current Amount Invested
 - \$50 Million
 - ▶ Current Interest Rate
 - Varies—currently 26 BPS
 - ▶ Duration
 - Less than 1 Year
 - ▶ Types of Securities
 - Treasury Notes

Avondale

LGIP

Avondale vs LGIP

	Total Return on Investments	Return on LGIP Pool 7	Excess Investment Income	Cumulative Income
FY 09-10	222,758	12,000	210,758	210,758
FY 10-11	454,204	32,250	421,954	632,711
FY 11-12	378,384	22,250	356,134	988,845
FY 12-13	334,838	32,500	302,338	1,291,183
FY 13-14	254,413	15,750	238,663	1,529,846
FY 14-15	391,330	35,250	356,080	1,885,926
FY 15-16	287,968	66,000	221,968	2,107,894
	2,323,894	216,000	2,107,894	976%

Note: The FY 2015-2016 Income Includes July-January

Current Holdings

- ▶ Treasury Notes
 - \$35.7 Million
 - 0–3 Years Duration
- ▶ Agency Notes
 - Federal Farm Credit Bank
 - \$2 Million
 - 1–2 Years Duration
 - Federal Home Loan Bank
 - \$6.6 Million
 - 1–3 Years Duration
 - Federal National Mortgage Association
 - \$8.8 Million
 - 1–2 Years Duration
 - FANNIE MAE
 - \$3.1 Million
 - 1–2 Years Duration
- ▶ Note: The City held \$4 million in cash to be reinvested as of January 31st, 2016

Questions?