

***City of Arlington***  
***Quarterly Investment Report***  
***Ending September 30, 2019***



November 19, 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 September 30, 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.

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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: November 19, 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 September 30, 2019 ending values.

|                           | <i>Par Value</i>    | <i>Book Value</i>   | <i>Market Value</i> | <i>QTY Interest</i> |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <i>City Total</i>         | \$570,236,686       | \$570,283,208       | \$571,656,548       | \$3,337,897         |
| <i>Venue Total</i>        | <u>\$43,888,859</u> | <u>\$43,888,859</u> | <u>\$43,888,859</u> | <u>\$238,860</u>    |
| <b><i>Grand Total</i></b> | \$614,125,545       | \$614,172,067       | \$615,545,407       | \$3,576,757         |

The ending book value for the City Total does not include \$4.0mil in collateralized cash balances at the depository bank (JPMorgan).

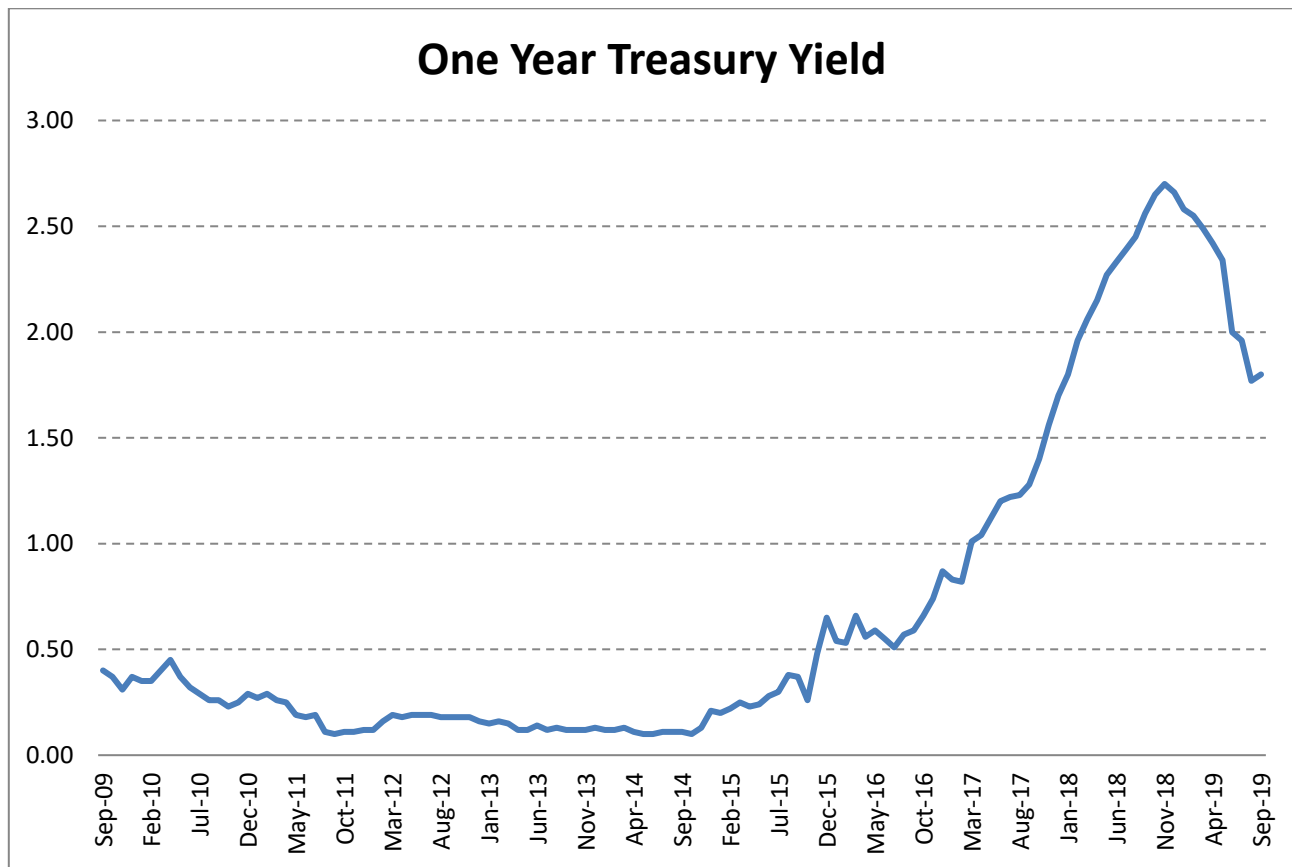
The yield for the quarter and fiscal year to date on the main portfolio is as follows:

|                | <u>Qtr. Yield</u> | <u>FY to Date Yield</u> |
|----------------|-------------------|-------------------------|
| City Portfolio | 2.21%             | 2.06%                   |

### Investment Performance

|                                  | <b>YTD Yield<br/>FY 19</b> | <b>YTD Yield<br/>FY 18</b> |
|----------------------------------|----------------------------|----------------------------|
| <i>City Portfolio</i>            | 2.21%                      | 1.44%                      |
| <i>Venue Debt</i>                | 1.95%                      | 0.82%                      |
| <i>Rolling 12-month Treasury</i> | 1.80%                      | 2.56%                      |

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 9/30/2019

| Fund Type                 |                    | Par Value    | Book Value   | Market Value | Qtr Interest Earnings |
|---------------------------|--------------------|--------------|--------------|--------------|-----------------------|
| <b>General Operating</b>  | Value at 6/30/2019 | 621,597,167  | 621,501,870  | 622,574,018  | 3,000,526             |
|                           | Net Change         | (72,110,481) | (71,937,740) | (71,825,262) | 225,567               |
|                           | Value at 9/30/2019 | 549,486,686  | 549,564,129  | 550,748,756  | 3,226,093             |
| <b>Self Insurance</b>     | Value at 6/30/2019 | 12,750,000   | 12,734,191   | 12,845,892   | 68,400                |
|                           | Net Change         | 0            | 397          | 22,381       | (85)                  |
|                           | Value at 9/30/2019 | 12,750,000   | 12,734,588   | 12,868,272   | 68,315                |
| <b>Water Debt Service</b> | Value at 6/30/2019 | 8,000,000    | 7,984,442    | 8,027,640    | 46,993                |
|                           | Net Change         | 0            | 49           | 11,880       | (3,504)               |
|                           | Value at 9/30/2019 | 8,000,000    | 7,984,490    | 8,039,520    | 43,489                |
| <b>City Total</b>         | Value at 6/30/2019 | 642,347,167  | 642,220,503  | 643,447,550  | 3,115,919             |
|                           | Net Change         | (72,110,481) | (71,937,295) | (71,791,002) | 221,978               |
|                           | Value at 9/30/2019 | 570,236,686  | 570,283,208  | 571,656,548  | 3,337,897             |

|                    |                    | Par Value   | Book Value  | Market Value | Qtr Interest Earnings |
|--------------------|--------------------|-------------|-------------|--------------|-----------------------|
| <b>Venue Total</b> | Value at 6/30/2019 | 47,498,617  | 47,498,617  | 47,498,617   | 271,449               |
|                    | Net Change         | (3,609,758) | (3,609,758) | (3,609,758)  | (32,589)              |
|                    | Value at 9/30/2019 | 43,888,859  | 43,888,859  | 43,888,859   | 238,860               |

## 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



# **Main City Portfolio FY19** **Investments by All Types** **Active Investments** **September 30, 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  |
|---|--------------|------|--------------------------|---------------------|----------------|---------------------|--------------|---------------|------------|-------------|
| <b>Treasury Coupon Securities/T-Notes</b> |              |      |                          |                     |                |                     |              |               |            |             |
| 912828N30                                 | 1725         | 5130 | U.S. Treasury            | 3,100,000.00        | 99.8750000     | 3,096,652.38        | 2.125        | 12/31/2022    |            |             |
| <b>Subtotal</b>                           |              |      |                          | <b>3,100,000.00</b> |                | <b>3,096,652.38</b> |              |               |            |             |
| <b>Federal Agency Coupon Securities</b>   |              |      |                          |                     |                |                     |              |               |            |             |
| 3132X0XW6                                 | 1686         | 1002 | Farmer Mac               | 10,000,000.00       | 100.0000000    | 10,000,000.00       | 1.540        | 10/02/2019    |            |             |
| 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    |            |             |
| 3133EGT88                                 | 1655         | 1002 | Federal Farm Credit Bank | 5,000,000.00        | 99.6788880     | 4,998,893.25        | 1.450        | 12/12/2019    |            |             |
| 3133EG3J2                                 | 1656         | 1002 | Federal Farm Credit Bank | 10,000,000.00       | 99.9500000     | 9,999,532.14        | 1.550        | 01/10/2020    |            |             |
| 3133EHBA0                                 | 1664         | 1002 | Federal Farm Credit Bank | 5,000,000.00        | 99.9500000     | 4,999,650.46        | 1.520        | 03/02/2020    |            |             |
| 3133EJAD1                                 | 1689         | 1002 | Federal Farm Credit Bank | 10,000,000.00       | 99.9300000     | 9,997,053.33        | 2.150        | 12/23/2020    |            |             |
| 3133EJCA5                                 | 1692         | 1002 | Federal Farm Credit Bank | 10,000,000.00       | 99.8550000     | 9,996,115.43        | 2.150        | 05/08/2020    |            |             |
| 3133EJCE7                                 | 1693         | 1002 | Federal Farm Credit Bank | 10,000,000.00       | 99.8960000     | 9,995,271.85        | 2.350        | 02/12/2021    |            |             |
| 3133EJGH6                                 | 1694         | 1002 | Federal Farm Credit Bank | 10,000,000.00       | 100.0600000    | 10,002,412.90       | 2.440        | 10/15/2020    |            |             |
| 3133EJUL1                                 | 1711         | 1002 | Federal Farm Credit Bank | 10,000,000.00       | 99.9519770     | 9,997,502.80        | 2.700        | 01/19/2021    |            |             |
| 3133EJXU8                                 | 1714         | 1002 | Federal Farm Credit Bank | 10,000,000.00       | 100.0570000    | 10,002,557.08       | 2.680        | 08/24/2020    |            |             |
| 3133EJYY9                                 | 1715         | 1002 | Federal Farm Credit Bank | 10,000,000.00       | 99.7900000     | 9,990,094.90        | 2.690        | 09/04/2020    |            |             |
| 3133EKAT3                                 | 1721         | 1002 | Federal Farm Credit Bank | 10,000,000.00       | 99.9397990     | 9,995,464.86        | 2.500        | 08/19/2021    |            |             |
| 3133EKFP6                                 | 1727         | 1002 | Federal Farm Credit Bank | 10,000,000.00       | 99.9339000     | 9,995,005.78        | 2.230        | 04/05/2021    |            |             |
| 3133EKTP1                                 | 1729         | 1002 | Federal Farm Credit Bank | 10,000,000.00       | 99.9040000     | 9,991,710.48        | 1.770        | 04/05/2021    |            |             |
| 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     | 9,996,633.00        | 1.550        | 06/26/2020    |            |             |
| 3130ABR65                                 | 1669         | 1002 | Federal Home Loan Bank   | 10,000,000.00       | 99.9972000     | 9,999,929.22        | 1.650        | 07/03/2020    |            |             |
| 3130ACN83                                 | 1687         | 1002 | Federal Home Loan Bank   | 10,000,000.00       | 99.8750000     | 9,996,939.89        | 1.700        | 05/15/2020    |            |             |
| 3130ADFP2                                 | 1690         | 1002 | Federal Home Loan Bank   | 10,000,000.00       | 99.8660660     | 9,997,804.97        | 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     | 9,997,980.11        | 2.400        | 09/14/2020    |            |             |
| 3130ADYY2                                 | 1698         | 1002 | Federal Home Loan Bank   | 10,000,000.00       | 99.9836000     | 9,999,426.40        | 2.400        | 07/15/2020    |            |             |
| 3130ADVF9                                 | 1699         | 1002 | Federal Home Loan Bank   | 10,000,000.00       | 98.9250000     | 9,944,865.88        | 2.250        | 01/29/2021    | 01/29/2020 | 100.0000000 |

Portfolio MN19  
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**Main City Portfolio FY19  
Investments by All Types  
September 30, 2019**

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| CUSIP                                   | Investment # | Fund | Issuer                          | Par Value             | Purchase Price | Book Value            | Current Rate | Maturity Date | Call Date  | Call Price  |
|---|--------------|------|---------------------------------|-----------------------|----------------|-----------------------|--------------|---------------|------------|-------------|
| <b>Federal Agency Coupon Securities</b> |              |      |                                 |                       |                |                       |              |               |            |             |
| 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 |
| 3130AFT72                               | 1720         | 1002 | Federal Home Loan Bank          | 10,000,000.00         | 100.0000000    | 10,000,000.00         | 2.670        | 11/04/2021    | 11/04/2019 | 100.0000000 |
| 313378JP7                               | 1741         | 1002 | Federal Home Loan Bank          | 10,000,000.00         | 101.7514726    | 10,168,866.12         | 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 |
| 3135G0R39                               | 1654         | 1002 | Federal National Mortgage Assoc | 5,000,000.00          | 98.5888454     | 4,998,347.43          | 1.000        | 10/24/2019    |            |             |
| 3132X0LU3                               | 1652         | 5000 | Farmer Mac                      | 1,600,000.00          | 99.8510313     | 1,599,839.75          | 1.460        | 12/12/2019    |            |             |
| 3132X0T84                               | 1707         | 5000 | Farmer Mac                      | 1,600,000.00          | 99.7962519     | 1,598,202.51          | 2.650        | 04/19/2021    |            |             |
| 313370E38                               | 1705         | 5000 | Federal Home Loan Bank          | 1,600,000.00          | 101.4619288    | 1,608,327.81          | 3.375        | 06/12/2020    |            |             |
| 3130AABG2                               | 1723         | 5000 | Federal Home Loan Bank          | 1,600,000.00          | 98.2695600     | 1,578,131.45          | 1.875        | 11/29/2021    |            |             |
| 3134G3L73                               | 1667         | 5000 | Federal Home Loan Mortgage Corp | 1,600,000.00          | 99.9926738     | 1,599,988.88          | 1.500        | 12/26/2019    |            |             |
| 3132X0LG4                               | 1650         | 5130 | Farmer Mac                      | 1,400,000.00          | 99.2183100     | 1,399,488.14          | 1.210        | 11/21/2019    |            |             |
| 3133EGM51                               | 1648         | 5130 | Federal Farm Credit Bank        | 1,400,000.00          | 99.8421550     | 1,399,355.02          | 1.650        | 12/01/2020    |            |             |
| 3130AABG2                               | 1646         | 5130 | Federal Home Loan Bank          | 1,400,000.00          | 99.5330000     | 1,397,169.41          | 1.875        | 11/29/2021    |            |             |
| 313370E38                               | 1704         | 5130 | Federal Home Loan Bank          | 2,025,000.00          | 101.4619289    | 2,035,539.89          | 3.375        | 06/12/2020    |            |             |
| 3130AEEQ9                               | 1706         | 5130 | Federal Home Loan Bank          | 2,025,000.00          | 99.5420756     | 2,018,736.27          | 2.650        | 05/16/2022    |            |             |
| 3135G0K69                               | 1645         | 5130 | Federal National Mortgage Assoc | 1,400,000.00          | 97.5540000     | 1,387,647.24          | 1.250        | 05/06/2021    |            |             |
| <b>Subtotal</b>                         |              |      |                                 | <b>367,650,000.00</b> |                | <b>367,684,484.65</b> |              |               |            |             |
| <b>Texpool</b>                          |              |      |                                 |                       |                |                       |              |               |            |             |
| SYS95                                   | 95           | 1000 | TexPool                         | 608,737.64            | 100.0000000    | 608,737.64            | 2.164        |               |            |             |
| SYS93                                   | 93           | 1002 | TexPool                         | 5,514,913.77          | 100.0000000    | 5,514,913.77          | 2.164        |               |            |             |
| TEXPRI                                  | PR118        | 1002 | TexPool Prime                   | 82,240,376.15         | 100.0000000    | 82,240,376.15         | 2.275        |               |            |             |
| <b>Subtotal</b>                         |              |      |                                 | <b>88,364,027.56</b>  |                | <b>88,364,027.56</b>  |              |               |            |             |
| <b>Texas CLASS</b>                      |              |      |                                 |                       |                |                       |              |               |            |             |
| CLASS-G 4001                            | 1738         | 1002 | Texas CLASS                     | 5,028,267.99          | 100.0000000    | 5,028,267.99          | 2.150        |               |            |             |
| CLASS 0001                              | 1739         | 1002 | Texas CLASS                     | 63,253,730.67         | 100.0000000    | 63,253,730.67         | 2.200        |               |            |             |
| <b>Subtotal</b>                         |              |      |                                 | <b>68,281,998.66</b>  |                | <b>68,281,998.66</b>  |              |               |            |             |
| <b>Tex Daily MMA</b>                    |              |      |                                 |                       |                |                       |              |               |            |             |
| SYS1101                                 | 1101         | 1002 | TexasDaily                      | 9,719,948.46          | 100.0000000    | 9,719,948.46          | 2.150        |               |            |             |
| <b>Subtotal</b>                         |              |      |                                 | <b>9,719,948.46</b>   |                | <b>9,719,948.46</b>   |              |               |            |             |



**Main City Portfolio FY19  
Investments by All Types  
September 30, 2019**

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| CUSIP                                 | Investment # | Fund | Issuer            | Par Value             | Purchase Price | Book Value            | Current Rate | Maturity Date | Call Date | Call Price |
|---------------------------------------|--------------|------|-------------------|-----------------------|----------------|-----------------------|--------------|---------------|-----------|------------|
| <b>Certificates of Deposit - Bank</b> |              |      |                   |                       |                |                       |              |               |           |            |
| 77-528908                             | 1684         | 1002 | J.P. Morgan Chase | 10,000,000.00         | 100.0000000    | 10,000,000.00         | 1.810        | 07/17/2020    |           |            |
|                                       |              |      | <b>Subtotal</b>   | <b>10,000,000.00</b>  |                | <b>10,000,000.00</b>  |              |               |           |            |
| <b>Texas Municipal Bonds</b>          |              |      |                   |                       |                |                       |              |               |           |            |
| 899645B46                             | 1728         | 1002 | City of Tulsa     | 5,000,000.00          | 100.0510000    | 5,002,092.71          | 2.550        | 04/01/2021    |           |            |
| 969887G93                             | 1658         | 1002 | Williamson County | 5,215,000.00          | 100.4950000    | 5,218,202.88          | 1.820        | 02/15/2020    |           |            |
|                                       |              |      | <b>Subtotal</b>   | <b>10,215,000.00</b>  |                | <b>10,220,295.59</b>  |              |               |           |            |
| <b>Municipal Bonds-Not Texas</b>      |              |      |                   |                       |                |                       |              |               |           |            |
| 34074GDH4                             | 1712         | 1002 | State of Florida  | 6,500,000.00          | 100.4030000    | 6,510,089.37          | 2.995        | 07/01/2020    |           |            |
|                                       |              |      | <b>Subtotal</b>   | <b>6,500,000.00</b>   |                | <b>6,510,089.37</b>   |              |               |           |            |
| <b>TexStar MMA</b>                    |              |      |                   |                       |                |                       |              |               |           |            |
| SYS1100                               | 1100         | 1002 | TexStar           | 6,405,711.21          | 100.0000000    | 6,405,711.21          | 2.107        |               |           |            |
|                                       |              |      | <b>Subtotal</b>   | <b>6,405,711.21</b>   |                | <b>6,405,711.21</b>   |              |               |           |            |
| <b>Total</b>                          |              |      |                   | <b>570,236,685.89</b> |                | <b>570,283,207.88</b> |              |               |           |            |



**Venue Complex FY19  
Investments by All Types  
Active Investments  
September 30, 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 |
|-------------------|--------------|------|----------------------|----------------------|----------------|----------------------|--------------|---------------|-----------|------------|
| <b>BNY Mellon</b> |              |      |                      |                      |                |                      |              |               |           |            |
| 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 | 43,888,859.02        | 100.0000000    | 43,888,859.02        | 1.950        |               |           |            |
| <b>Subtotal</b>   |              |      |                      | <b>43,888,859.02</b> |                | <b>43,888,859.02</b> |              |               |           |            |
| <b>Total</b>      |              |      |                      | <b>43,888,859.02</b> |                | <b>43,888,859.02</b> |              |               |           |            |