Weatherford City Council

AGENDA REPORT

Meeting Date:	July 22, 2025	**Staff Contact:**	Dawn Brooks, Chief Financial Officer
Item Number:	2025-374-AR	**Phone:**	817-598-4130

SUBJECT: Consider acceptance of the FY25 3rd Quarter Investment Report for quarter ended June 30, 2025.

BACKGROUND/DISCUSSION

As required by the Public Funds Investment Act, a quarterly investment report must be accepted by the governing body. This report provides a brief overview of the compliance and performance of the City's cash and investments. Chapter 2256 of the Texas Government Code outlines the primary investment objectives for public funds: safety, liquidity, diversification, and yield, in that order. Despite yield being the fourth priority, we aim to maximize it while ensuring safety and liquidity. We competitively bid our investments and maintain internal controls to safeguard our assets

Our cash balances totaled $135,372,583 for all funds, compared to $150,553,260 at this time last year. Additionally, the City is holding impact investments, such as land purchases, amounting to $42,755,262.

The City's investment income for the third quarter was $1,803,674, compared to $1,654,575 in the same period last fiscal year, and $1,556,311 two years ago. Our Weighted Average Maturity (WAM) is currently 230 days. The US Treasury Bill serves as our benchmark; the one-year yield decreased by 0.07% this quarter. Our portfolio's overall yield was 4.256%, outperforming the benchmark of 3.97%.

We follow a buy-and-hold investment strategy, focusing more on the reinvestment rate at maturity than current market rates. We ladder maturities based on cash flow needs, maintaining a simple approach that balances liquidity and yield. The Finance Department constantly monitors our cash flow requirements to ensure we can meet the City's goals and obligations while seeking better yields in the market.

This report complies with the investment policy adopted by the Council on August 13, 2024.

FINANCIAL IMPACT

The City earned $1,803,674 across all funds in the third quarter of the fiscal year, bringing the fiscal year to date investment income earnings to $5,214,967.

SUGGESTED ACTION

Staff recommends acceptance of the report.

ATTACHMENTS

- FY25 Q3 Investment Report