

AGENDA

HALTOM CITY COUNCIL MEETING

March 9, 2015

CITY HALL

5024 BROADWAY AVENUE

Council Chambers – Work Session/ Regular Session

Work Session 6:00 p.m. - Regular Session 7:00 p.m.

WORK SESSION 6:00 P.M.

CALL TO ORDER (General Comments)

- Review and discuss items on the regular agenda of March 9, 2015.

EXECUTIVE SESSION

Section 551.071

As authorized by Chapter 551 of the Texas Government Code, the City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to seek legal advice from the City Attorney about any matters listed on the agenda, in addition to the following matters:

Consultation with the City Attorney pertaining to any matter in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct which may conflict with the Open Meetings Act; including discussion of any item posted on the Agenda; to seek legal advice on: open meetings, open records, contracts, expenditures and oversight of the Haltom City Economic Development Corporation, litigation, and settlement offers and/or claims for the following cases:

- Donald Anthony Hains v. City of Haltom City
- Phillip Payne v. City of Haltom City
- Burkett v. City of Haltom City, et al.
- Flynn v. Haltom City EDC

Section 551.072 – Deliberations about Real Property

Deliberation regarding the purchase, exchange, lease or value of real property owned or leased by the City and the Economic Development Corporation.

Section 551.074 - Personnel

Deliberation regarding the appointment, employment, evaluation, reassignment, resignation, duties, discipline or dismissal of the City Manager.

Section 551.087 – Deliberations about Economic Development Incentives

Discuss or deliberate regarding commercial or financial information the City has received from business prospects the City seeks to have locate, stay, or expand in the City and with which the City is conducting economic development negotiations; deliberate the offer of a financial or other incentive to a business prospect.

REGULAR SESSION 7:00 P.M.

CALL TO ORDER

INVOCATION/PLEDGE OF ALLEGIANCE – Council Member David Averitt

ANNOUNCEMENTS/EVENTS

PRESENTATION - TMCA Recertification – Deputy City Secretary Donna Pliska

REPORTS

1. **Monthly Financial Report** – Consideration and/or action regarding approval of the preliminary monthly Financial Report for the month of January 2015.

2. **Quarterly Investment Report** – Consideration and/or action regarding approval of the December 2014 Quarterly Investment Report.

REGULAR AGENDA

3. **Minutes** – Consideration and/or action regarding approval of the Minutes of the meetings of February 26, 2015 (Regular) and March 3, 2015 (Joint with Parks).
4. **HOME Program** – Consideration and/or action regarding the approval of Resolution No. R-2015-005-01 committing to provide matching funds of up to \$60,000 for the HOME Investment Partnership Block Grant program.
5. **Investment Policy** – Consideration and/or action regarding Resolution No. R-2015-006-03 approving the Investment Policy.

VISITORS/CITIZENS FORUM

*This time is set-aside for any person having business before the Council that is not scheduled on the agenda to speak to the Council. Please submit a completed Speaker's Request Form to the City Secretary. All comments must be directed toward the presiding Officer rather than an individual council member or staff. Each speaker must limit his/her comments to the **subject matter** listed on the Speaker's Request Form and must refrain from personal attacks toward any individual. A three to six minute time limit will be granted. **(Six minutes with prior notification and three without prior notification)**. If a group is present and interested in the same issue, please choose a spokesperson. Council cannot discuss or debate any issue brought forth at this time, nor can any formal action be taken, as it is not a posted agenda item in accordance with the open meetings law.*

BOARDS/COMMISSIONS

6. **Resignations of Board Members** – Consider approval of the resignations of Board/Commission Members.
7. **Appointment/Reappointment to Boards and Commissions** – Consider approval regarding appointments to Boards/Commissions.
8. **Board/Commission Reports** – Receive reports from Council liaisons.

EXCUSED ABSENCE OF COUNCIL MEMBERS

9. **Attendance Requirements** – Consideration regarding excused absences of Council Members according to Article III, Sec. 3.07 (a). Attendance Requirements of the Haltom City Charter.

EXECUTIVE SESSION

See Posting on Page One (1) of Agenda.

RECONVENE TO REGULAR SESSION

10. Take any action deemed necessary as a result of the Executive Session.

ADJOURNMENT

CERTIFICATION

I, ART CAMACHO, CITY SECRETARY OF THE CITY OF HALTOM CITY, TEXAS, DO HEREBY CERTIFY THAT THE ABOVE AGENDA WAS POSTED ON THE OFFICIAL BULLETIN BOARDS IN CITY HALL ON THIS THE 6th DAY OF MARCH, 2015 AT 5:00 P.M., WHICH IS A PLACE READILY ACCESSIBLE TO THE PUBLIC AT ALL TIMES AND THAT SAID NOTICE WAS POSTED IN ACCORDANCE WITH CHAPTER 551, TEXAS GOVERNMENT CODE.



ART CAMACHO, CITY SECRETARY

I CERTIFY THAT THE ATTACHED NOTICE AND AGENDA OF ITEMS TO BE CONSIDERED BY THE CITY COUNCIL WAS REMOVED BY ME FROM THE CITY HALL BULLETIN BOARD ON _____ DAY OF _____, 2015.
Name: _____ Title: _____



This facility is wheelchair accessible. Handicapped parking spaces are available. Request for sign interpretative services must be made 48 hours ahead of meeting. To make arrangements call 817-222-7754.

CITY COUNCIL MEMORANDUM

City Council Meeting: March 9, 2015

Department: Finance

Subject: Monthly Financial Report for January 2015

BACKGROUND

Attached is the Monthly Financial Report for the month ending January 31, 2015. This report is submitted to the City Council for their review and comment. It provides a top-level analysis of the City's financial condition and results of operations for the fiscal year to date.

FISCAL IMPACT

This is a management tool that can be used by Council in evaluating future spending decisions.

RECOMMENDATION

Staff recommends approval of the attached report.

ATTACHMENTS

Monthly Financial Report for January 31, 2015.

2015 January Monthly Financial Report

March 9, 2015

We are pleased to provide the January 2015 monthly financial report. Most of the funds are performing as budgeted. There is no major concern for revenues or expenditures for any funds thus far.

Fund Balances

At the end of January, total fund balance for all funds amounted over \$33.3 million. Two of the operating funds, Parks Performance Fund and Grant Fund showed negative balances of \$39,627 and \$2,281 respectively.

Revenues

Actual revenues for January 2015 totaled over \$7.1 million. Out of this amount, \$3.9 million are property tax collection with over \$2.7 million recorded in General Fund and over \$1.2 million recorded in Debt Service Fund. Accounts that warrant explanations are noted in the financial statement.

Expenditures

Expenditures for most funds are proportional to the budget. Economic Development Fund has spent about 41% of the annual budget due to payments for the 820 Expansion project and Court Technology Fund has spent about 61% of the annual budget due to payment for the software maintenance. Other exceptions are also noted in the financial statement.

Staff is available to answer any additional questions you may have.

Sincerely,



Thomas J. Muir
City Manager

2015 January Monthly Financial Report - Fund Balances

Fund No.	Fund Title	Beginning Fund Balance 10/1/2014	YTD Revenues	YTD Expenditures	Ending Fund Balance 1/31/2015
01	General Fund	\$6,198,548	\$10,974,924	\$8,463,896	\$8,709,577
02	Parks Performance Fund	(20,724)	35,710	54,613	(39,627)
05	Debt Service Fund	191,998	3,298,326	373,210	3,117,114
11	Economic Development Fund	2,904,285	4,301,493	4,591,622	2,614,156
12	Crime Control & Prevention District Fund	853,150	446,056	438,872	860,334
13	Oil and Gas Fund	4,034,849	91,621	316,733	3,809,736
14	Hotel/Motel Tax Fund	96,969	13,030	22,173	87,826
15	Court Security Fund	133,378	10,155	15,647	127,886
16	Court Technology Fund	107,666	13,623	26,094	95,195
17	Juvenile Case Manager Fund	147,264	17,003	15,676	148,591
18	Red Light Camera Fund	248,323	25,285	29,680	243,928
19	Grant Fund	(38,581)	45,695	9,395	(2,281)
20	PEG Fund	51,000	24,281	0	75,281
21	Fire Donation Fund	3,578	855	(516)	4,949
22	Library Donation Fund	97,818	10,691	2,446	106,063
23	Police Forfeiture Fund	20,996	14,366	6,302	29,061
24	Park Donation Fund	29,848	9,124	11,000	27,972
25	Park Dedication Fund	33,253	(118)	5,833	27,302
26	Safe Pathways Fund	27,998	(55)	0	27,943
27	Animal Shelter Fund	34,808	1,467	0	36,275
28	Police Donation Fund	111,321	28,227	17,340	122,208
29	Police CART Fund	8,878	0	0	8,878
31	Street Reconstruction Fund	2,207,687	759,068	1,038,110	1,928,645
32	Capital Projects Fund	3,776,416	0	110,965	3,665,451
39	Street Assessments Fund	(1,312)	3,893	400	2,181
41	Water & Sewer Fund	3,931,075	5,791,003	3,895,680	5,826,398
42	Water & Sewer Utility Projects Fund	283,919	365,199	10,523	638,595
44	Water and Sewer Impact Fees Fund	773,686	26,963	0	800,649
45	Drainage Utility Fund	300,841	545,654	353,760	492,735
46	Drainage Capital Projects Fund	40,318	71,125	4,491	106,952
Total		\$ 26,589,253	\$26,924,663	\$19,813,945	\$33,699,971

2015 January Monthly Financial Report - Revenue Summary

Fund No.	Fund Title	Adopted Budget	Revised Budget	YTD Budget	January Actual	YTD Actual	Percent of Revenue Earned	Notes
01	General Fund	\$ 23,547,785	\$ 23,547,785	\$12,272,184	\$3,672,640	\$10,974,924	46.6%	1
02	Parks Performance Fund	192,000	192,000	48,000	13,051	35,710	18.6%	
05	Debt Service Fund	4,811,555	4,811,555	1,202,889	1,327,494	3,298,326	68.6%	2
11	Economic Development Fund	9,154,686	9,154,686	2,288,672	201,824	4,301,493	47.0%	3
12	Crime Control & Prevention District Fund	1,449,280	1,449,280	362,320	96,223	446,056	30.8%	
13	Oil and Gas Fund	319,648	319,648	79,912	24,145	91,621	28.7%	
14	Hotel/Motel Tax Fund	44,400	44,400	11,100	1,942	13,030	29.3%	
15	Court Security Fund	34,100	34,100	8,525	2,502	10,155	29.8%	
16	Court Technology Fund	44,700	44,700	11,175	3,336	13,623	30.5%	
17	Juvenile Case Manager Fund	52,400	52,400	13,100	4,170	17,003	32.4%	
18	Red Light Camera Fund	166,200	166,200	41,550	7,666	25,285	15.2%	
19	Grant Fund	77,687	77,687	19,422	385	45,695	58.8%	4
20	PEG Fund	63,000	63,000	15,750	1,246	24,281	38.5%	
21	Fire Donation Fund	2,850	2,850	713	211	855	30.0%	
22	Library Donation Fund	38,700	38,700	9,675	2,507	10,691	27.6%	
23	Police Forfeiture Fund	25,500	25,500	6,375	2,175	14,366	56.3%	5
24	Park Donation Fund	51,750	51,750	12,938	3,941	9,124	17.6%	
25	Park Dedication Fund	400	400	100	0	(118)	-29.5%	
26	Safe Pathways Fund	5,150	5,150	1,288	0	(55)	-1.1%	
27	Animal Shelter Fund	7,650	7,650	1,913	393	1,467	19.2%	
28	Police Donation Fund	73,500	73,500	18,375	4,354	28,227	38.4%	
29	Police CART Fund	1,000	1,000	250	0	0	0.0%	
31	Street Reconstruction Fund	1,495,500	1,495,500	373,875	97,683	759,068	50.8%	6
32	Capital Projects Fund	372,000	372,000	93,000	0	0	0.0%	
39	Street Assessments Fund	1,200	1,200	300	0	3,893	324.4%	
41	Water & Sewer Fund	18,008,982	18,008,982	4,502,246	1,445,067	5,791,003	32.2%	
42	Water & Sewer Utility Projects Fund	1,113,310	1,113,310	278,328	91,667	365,199	32.8%	
44	Water and Sewer Impact Fees Fund	17,000	17,000	4,250	7,429	26,963	158.6%	7
45	Drainage Utility Fund	1,718,007	1,718,007	429,502	136,167	545,654	31.8%	
46	Drainage Capital Projects Fund	215,000	215,000	53,750	17,917	71,125	33.1%	
Total Revenues		\$ 63,104,940	\$ 63,104,940	\$ 22,161,473	\$ 7,166,131	\$ 26,924,663	42.7%	

Notes:

- 1 The General Fund received over \$6.3 million property tax revenue for the fiscal year.
- 2 The General Debt Service Fund received over \$2.9 million from property tax revenue for the fiscal year.
- 3 A transfer of \$3,359,753 to Economic Development Fund was made in November for the 820 Expansion Project.
- 4 A reimbursement of \$29,318 from the Emergency Management Grant was received in the Grant Fund.
- 5 The Police Forfeiture Fund received \$7,400 in awarded property in December from a sale of a vehicle obtained in an arrest.
- 6 The Street Reconstruction Fund received \$297,695 grant money for work performed on the Safe Routes to School project.
- 7 The Water & Sewer Impact Fees Fund received over \$27,835 in water and sewer impact fees for the first four months of the fiscal year.

2015 January Monthly Financial Report - Expenditure Summary

Fund No.	Fund Title	Adopted Budget	Revised Budget	YTD Budget	January Actual	YTD Expenditures	Percent of Budget Spent	Notes
01	General Fund	\$ 24,234,625	\$ 24,234,625	\$8,078,208	\$2,254,783	\$8,463,896	34.9%	
02	Parks Performance Fund	192,239	192,239	64,080	16,320	54,613	28.4%	
05	Debt Service Fund	4,915,614	4,915,614	1,638,538	372,710	373,210	7.6%	
11	Economic Development Fund	11,252,551	11,252,551	3,750,850	1,060,976	4,591,622	40.8%	1
12	Crime Control & Prevention District Fund	1,670,823	1,670,823	556,941	81,622	438,872	26.3%	
13	Oil and Gas Fund	951,044	951,044	317,015	79,183	316,733	33.3%	
14	Hotel/Motel Tax Fund	60,041	60,041	20,014	1,611	22,173	36.9%	
15	Court Security Fund	47,438	47,438	15,813	3,870	15,647	33.0%	
16	Court Technology Fund	42,704	42,704	14,235	821	26,094	61.1%	2
17	Juvenile Case Manager Fund	48,529	48,529	16,176	3,919	15,676	32.3%	
18	Red Light Camera Fund	206,912	206,912	68,971	11,744	29,680	14.3%	
19	Grant Fund	77,687	77,687	25,896	3,015	9,395	12.1%	
20	PEG Fund	3,820	3,820	1,273	0	0	0.0%	
21	Fire Donation Fund	3,600	3,600	1,200	(897)	(516)	-14.3%	
22	Library Donation Fund	82,900	82,900	27,633	146	2,446	3.0%	
23	Police Forfeiture Fund	46,000	46,000	15,333	4,495	6,302	13.7%	
24	Park Donation Fund	50,950	50,950	16,983	1,867	11,000	21.6%	
25	Park Dedication Fund	0	0	0	1,458	5,833	NA	
26	Safe Pathways Fund	10,000	10,000	3,333	0	0	0.0%	
27	Animal Shelter Fund	5,150	5,150	1,717	0	0	0.0%	
28	Police Donation Fund	101,000	101,000	33,667	15,042	17,340	17.2%	
29	Police CART Fund	2,500	2,500	833	0	0	0.0%	
31	Street Reconstruction Fund	3,291,799	3,291,799	1,097,266	578,003	1,038,110	31.5%	
32	Capital Projects Fund	3,401,309	3,401,309	1,133,770	68,060	110,965	3.3%	
39	Street Assessments Fund	1,200	1,200	400	100	400	33.3%	
41	Water & Sewer Fund	19,656,432	19,656,432	6,552,144	1,318,364	3,895,680	19.8%	
42	Water & Sewer Utility Projects Fund	786,920	786,920	262,307	4,640	10,523	1.3%	
44	Water and Sewer Impact Fees Fund	400,000	400,000	133,333	0	0	0.0%	
45	Drainage Utility Fund	1,855,297	1,855,297	618,432	90,716	353,760	19.1%	
46	Drainage Capital Projects Fund	254,491	254,491	84,830	0	4,491	1.8%	
Total Expenditures		\$ 73,653,575	\$ 73,653,575	\$24,551,192	\$5,972,571	\$19,813,945	26.9%	

Notes:

- 1 Over \$3.8 million was spent on 820 Expansion Capital Project for the past four months and recorded in the Economic Development Fund.
- 2 Annual maintenance fee for Court Software costing \$14,563 was paid from the Court Technology Fund in October.

2015 January Monthly Financial Report - General Fund Revenues

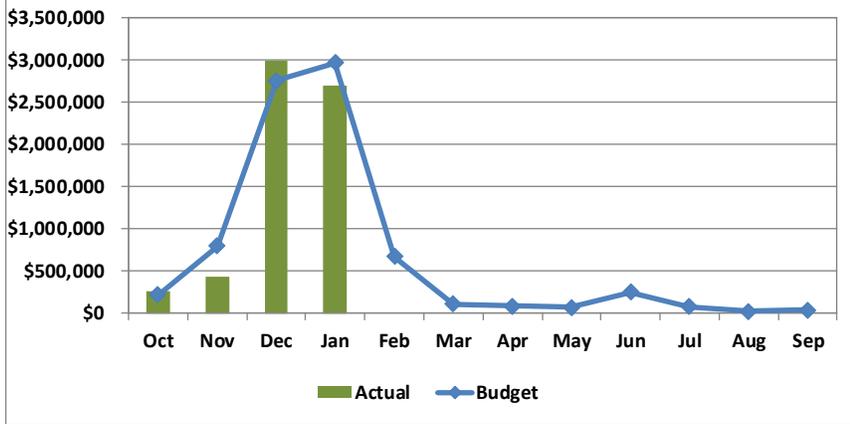
Description	Adopted Budget	Revised Budget	YTD Budget	January Actual	YTD Actual	Percent of Revenue Earned	Notes
Property Taxes	\$8,075,980	\$8,075,980	\$6,749,006	\$2,697,391	\$6,394,679	79.2%	1
Sales & Other Taxes	6,067,300	6,067,300	2,456,582	397,895	1,868,303	30.8%	
Franchise Fees	3,941,050	3,941,050	969,484	145,209	786,649	20.0%	
Licenses/Permits/Fees	626,330	626,330	274,506	38,564	202,631	32.4%	
Charges for Service	1,562,055	1,562,055	627,400	124,459	538,843	34.5%	
Court Fees and Fines	1,515,235	1,515,235	608,595	136,742	546,480	36.1%	
Other Revenues							
Intergovernmental	154,730	154,730	51,577	3,668	94,453	61.0%	2
Interest Income	35,000	35,000	11,667	0	(6,185)	-17.7%	3
Miscellaneous	140,100	140,100	46,700	10,073	74,510	53.2%	4
Total General Fund Revenues	\$22,117,780	\$22,117,780	\$11,795,515	\$3,554,000	\$10,500,364	47.5%	
Transfers	\$1,430,005	\$1,430,005	\$476,668	\$118,640	\$474,561	33.2%	
Total General Fund Revenues and Transfers	\$23,547,785	\$23,547,785	\$12,272,184	\$3,672,640	\$10,974,924	46.6%	

Notes:

- 1 Received over \$6.3 million from property tax for the first four months.
- 2 Received \$45,684 from BISD for police officer at high school campus. The City bills BISD semiannually.
- 3 Interest revenue has not been booked for the year.
- 4 Received \$23,198 from TML for reimbursement of wrecked police vehicle.

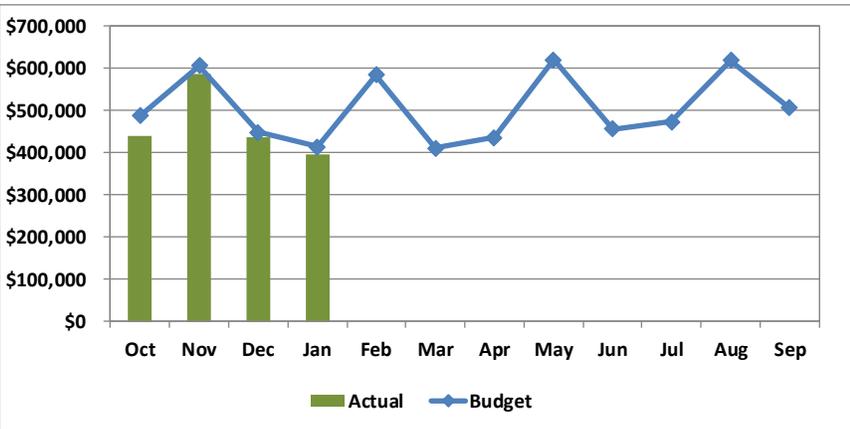
2015 January Monthly Financial Report - General Fund Revenues

Property Tax Revenues



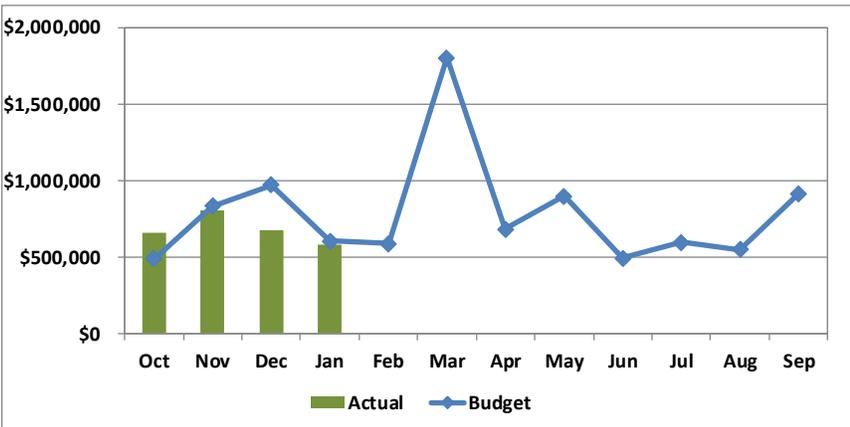
	Budget	Actual	YTD Variance
Oct	\$219,046	\$270,496	\$51,450
Nov	\$796,161	\$429,638	(\$315,074)
Dec	\$2,763,083	\$2,997,155	(\$81,002)
Jan	\$2,970,715	\$2,697,391	(\$354,326)
Feb	\$670,664		
Mar	\$110,042		
Apr	\$88,471		
May	\$68,485		
Jun	\$248,453		
Jul	\$80,344		
Aug	\$21,486		
Sep	\$39,029		
Total	\$8,075,980		

Sales Tax Revenues



	Budget	Actual	YTD Variance
Oct	\$487,676	\$440,905	(\$46,771)
Nov	\$607,246	\$588,007	(\$66,010)
Dec	\$448,993	\$438,733	(\$76,270)
Jan	\$414,023	\$397,895	(\$92,398)
Feb	\$584,395		
Mar	\$411,202		
Apr	\$436,723		
May	\$620,362		
Jun	\$457,018		
Jul	\$473,429		
Aug	\$618,883		
Sep	\$507,349		
Total	\$6,067,300		

Other General Fund Revenues



	Budget	Actual	YTD Variance
Oct	\$486,421	\$658,900	\$172,479
Nov	\$831,791	\$806,847	\$147,535
Dec	\$969,693	\$677,855	(\$144,303)
Jan	\$605,119	\$577,355	(\$172,066)
Feb	\$586,981		
Mar	\$1,799,011		
Apr	\$682,226		
May	\$897,072		
Jun	\$492,654		
Jul	\$593,314		
Aug	\$545,867		
Sep	\$914,356		
Total	\$9,404,505		

2015 January Monthly Financial Report - General Fund Expenditures

Description	Adopted Budget	Revised Budget	YTD Budget	January Actual	YTD Expenditures	Percent of Budget Spent	Notes
General Government	\$6,367,840	\$6,367,840	\$2,122,613	\$519,192	\$1,724,839	27.1%	
Administration	544,781	544,781	181,594	42,254	205,667	37.8%	
City Secretary	206,355	206,355	68,785	14,140	69,084	33.5%	
City Council	18,672	18,672	6,224	1,513	6,610	35.4%	
Finance	585,866	585,866	195,289	36,427	218,475	37.3%	
Human Resources	430,427	430,427	143,476	33,641	137,907	32.0%	
Planning & Inspections	676,271	676,271	225,424	41,646	201,887	29.9%	
Information Technology	495,804	495,804	165,268	37,854	140,083	28.3%	
Fleet Services	523,635	523,635	174,545	44,299	195,827	37.4%	
Building Maintenance	348,552	348,552	116,184	36,535	88,719	25.5%	
Nondepartment	2,537,477	2,537,477	845,826	230,883	460,580	18.2%	
Public Safety	\$14,774,521	\$14,774,521	\$4,924,840	\$1,495,126	\$5,731,515	38.8%	
Police	7,953,633	7,953,633	2,651,211	882,659	3,314,384	41.7%	1
Fire	5,818,589	5,818,589	1,939,530	544,297	2,122,913	36.5%	
Animal Control	347,339	347,339	115,780	21,225	96,790	27.9%	
Municipal Court	654,960	654,960	218,320	46,944	197,428	30.1%	
Streets	\$894,817	\$894,817	\$298,272	\$48,412	\$232,557	26.0%	
Culture and Recreation	\$2,172,447	\$2,172,447	\$724,149	\$189,969	\$766,651	35.3%	
Parks and Recreation	991,522	991,522	330,507	87,868	355,468	35.9%	
Library	1,180,925	1,180,925	393,642	102,102	411,183	34.8%	
Total General Fund Expenditures	\$24,209,625	\$24,209,625	\$8,069,875	\$2,252,699	\$8,455,562	34.9%	
Transfers Out	\$25,000	\$25,000	\$8,333	\$2,083	\$8,333	33.3%	
Total General Fund Expenditures & Transfers	\$24,234,625	\$24,234,625	\$8,078,208	\$2,254,783	\$8,463,896	34.9%	

Notes:

- 1 An encumbrance of \$289,399 for shared service contract is included.

CITY COUNCIL MEMORANDUM

City Council Meeting: March 9, 2015

Department: Finance

Subject: Quarterly Investment Report for
December 31, 2014

BACKGROUND

Attached is the Quarterly Investment Report for the first quarter ending December 31, 2014. This report is submitted to the City Council for their review and comment. This provides information and analysis of the City's investment portfolio and investment activities.

FISCAL IMPACT

This is a management tool for evaluating the investment portfolio and investment activities.

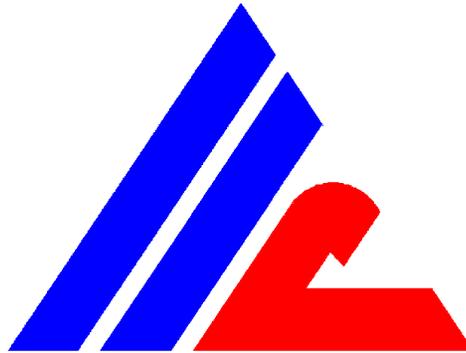
RECOMMENDATION

Staff recommends approval of the attached report.

ATTACHMENTS

Quarterly Investment Report for the quarter ending December 31, 2014.

CITY OF HALTOM CITY



QUARTERLY INVESTMENT REPORT

October 1, 2014 - December 31, 2014

CITY OF HALTOM CITY QUARTERLY INVESTMENT REPORT

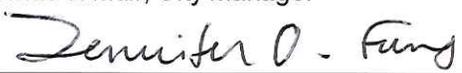
October 1, 2014 - December 31, 2014

Portfolio Summary

This quarterly report is in full compliance with the investment policy and strategy as established for the City of Haltom City, Texas and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

<u>Portfolio as of September 30, 2014</u>		<u>Portfolio as of December 31, 2014</u>	
Beginning Book Value	\$42,014,951.32	Ending Book Value	\$43,808,535.01
Beginning Market Value	\$41,836,028.01	Ending Market Value	\$43,672,343.33
Unrealized Gain/(Loss)	(\$178,923.31)	Unrealized Gain/(Loss)	(\$136,191.68)
		Change in Unrealized Gain/(Loss)	\$42,731.63
		Interest received for the period	\$62,150.46
WAM at Beginning Period Date ¹	134 Days	WAM at Ending Period Date ¹	159 Days
Yield-To-Maturity at Cost	0.298%	Yield-To-Maturity at Cost	0.324%
Treasury 6-Month	0.030%	Treasury 6-Month	0.120%
		Change in Market Value ²	\$1,836,315.32

Prepared by:

	3/4/15
Thomas J. Muir, City Manager	Date
	3/4/15
Jennifer O. Fung, Director of Finance	Date

¹ WAM - Weighted Average Maturity

² "Change in Market Value" is required data, but will primarily reflect the receipt and expenditure of the City's funds from quarter to quarter.

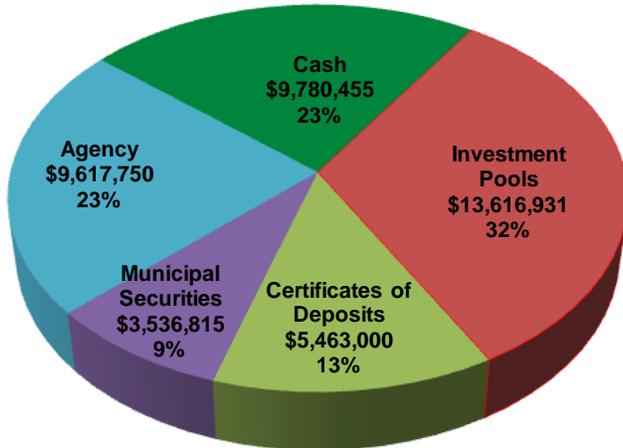
CITY OF HALTOM CITY QUARTERLY INVESTMENT REPORT

October 1, 2014 - December 31, 2014

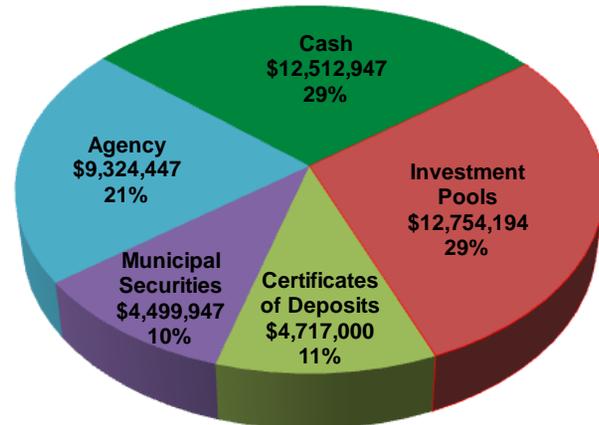
Security Sector Allocation - Book Value

Security Sector Allocation				
Security Sector	Book Value 9/30/2014	% of Portfolio 9/30/2014	Book Value 12/31/2014	% of Portfolio 12/31/2014
Cash	\$9,780,455.48	23.3%	\$12,512,946.94	28.6%
Local Government Investment Pools	13,616,930.64	32.4%	12,754,194.19	29.1%
Certificates of Deposits	5,463,000.00	13.0%	4,717,000.00	10.8%
Municipal Securities	3,536,815.10	8.4%	4,499,946.80	10.3%
Federal Agency Coupon Securities	9,617,750.10	22.9%	9,324,447.08	21.3%
Total	\$42,014,951.32	100.0%	\$43,808,535.01	100.0%

Total Portfolio Assets as of 9/30/2014



Total Portfolio Assets as of 12/31/2014

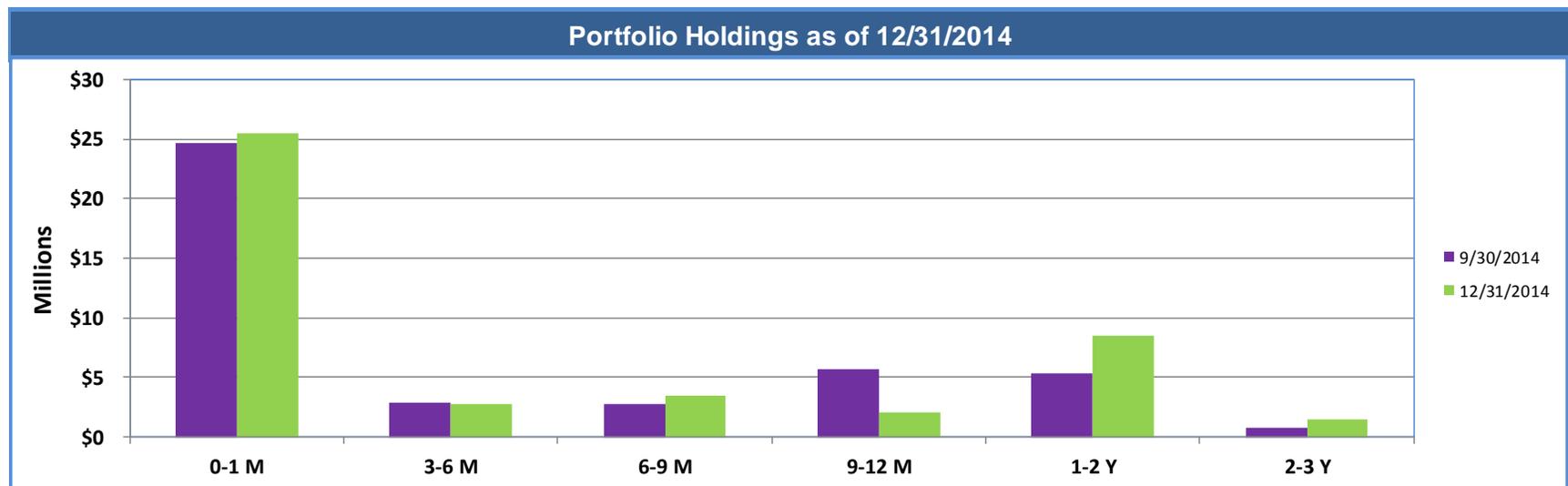


QUARTERLY INVESTMENT REPORT

October 1, 2014 - December 31, 2014

Distribution by Maturity Range - Book Value

Maturity Range Allocation				
Maturity Range	Book Value 9/30/2014	% of Portfolio 9/30/2014	Book Value 12/31/2014	% of Portfolio 12/31/2014
0-1 Month	\$24,692,794.12	58.8%	\$25,501,718.63	58.2%
3-6 Months	2,860,980.90	6.8%	2,729,525.94	6.2%
6-9 Months	2,715,103.44	6.5%	3,439,788.87	7.9%
9-12 Months	5,701,998.87	13.6%	2,113,720.40	4.8%
1-2 Years	5,310,073.99	12.6%	8,529,475.29	19.5%
2-3 Years	734,000.00	1.7%	1,494,305.88	3.4%
Total / Average	\$42,014,951.32	100.0%	\$43,808,535.01	100.0%



CITY OF HALTOM CITY QUARTERLY INVESTMENT REPORT

October 1, 2014 - December 31, 2014

Detail of Security Holdings As of 12/31/2014

ISSUERS	CUSIP	COUPON	YIELD	SETTLE DATE	MATURITY DATE	12/31/14 PAR VALUE	12/31/14 MARKET VALUE	12/31/14 BOOK VALUE
FEDERAL AGENCY COUPON SECURITIES						\$	\$	\$
FAMC	31315PPZ6	0.330%	0.330%	2/20/2013	2/13/2015	500,000.00	500,131.00	500,000.00
FHLB	3133XWX95	2.750%	0.300%	3/13/2013	3/13/2015	524,348.94	502,582.00	524,348.94
FHLB	313376ZQ1	0.375%	0.290%	3/27/2013	3/13/2015	500,800.00	500,185.00	500,800.00
FFCB	3133ECCN2	0.300%	0.300%	4/10/2013	4/14/2015	500,450.00	500,139.50	500,450.00
FAMC-FARMER MAC	31315PVZ9	0.270%	0.270%	4/24/2013	4/24/2015	499,975.00	500,168.50	499,975.00
FFCB	3133EANJ3	0.500%	0.280%	5/9/2013	5/1/2015	502,322.87	500,353.50	502,322.87
FFCB	3133ECR71	0.300%	0.300%	5/28/2013	6/4/2015	499,950.00	500,118.00	499,950.00
FFCB	3133EDED0	0.450%	0.320%	2/19/2014	2/3/2016	501,283.50	500,356.50	501,283.50
FHLB	3130AOSD3	0.375%	0.320%	2/19/2014	2/19/2016	500,532.12	499,913.50	500,532.12
FNMA	3136FPET0	2.000%	0.390%	2/19/2014	3/10/2016	516,500.00	508,732.00	516,500.00
FNMA	3135GOVA8	0.500%	0.370%	2/19/2014	3/30/2016	501,402.25	502,999.50	501,402.25
FHLB	3130A1HY7	0.500%	0.500%	4/1/2014	4/22/2016	500,125.00	498,861.50	500,125.00
FHLB	3133834R9	0.375%	0.375%	5/28/2014	6/24/2016	499,757.97	498,798.50	499,757.97
FHLB	313373SZ6	2.125%	0.400%	5/28/2014	6/10/2016	517,399.15	511,253.50	517,399.15
FFCB	3133EEFA3	0.720%	0.740%	12/19/2014	12/15/2016	500,000.00	499,992.00	499,784.00
FNMA	3135GONV1	0.500%	0.230%	12/19/2014	9/28/2015	250,000.00	250,418.25	250,510.40
FNMA	3135G0GY3	1.250%	1.240%	12/22/2014	1/30/2017	500,000.00	504,523.00	505,211.88
FHLMC	3134G5W76	0.750%	0.750%	12/30/2014	12/30/2016	500,000.00	500,160.50	500,000.00
FHLB	313376SG1	1.180%	0.787%	12/22/2014	1/30/2017	500,000.00	503,868.50	504,094.00
TOTAL FEDERAL AGENCY COUPON SECURITIES						9,314,846.80	9,283,554.75	9,324,447.08
MUNICIPAL SECURITIES								
TUSCALOOSA ALA REFD WATER BONDS	900577PX9	5.000%	0.65%	1/10/2013	1/1/2015	125,000.00	125,000.00	135,577.50
SUGARLAND TX RFD BONDS	864855E64	2.250%	0.50%	11/19/2012	2/15/2015	200,000.00	200,528.00	207,742.00
DAUPHIN CTY PA	238253YD4	0.954%	0.65%	3/15/2013	3/1/2015	500,000.00	500,440.00	502,635.00
UNIVERSITY OF IOWA	914364KT0	3.000%	0.47%	2/20/2013	6/1/2015	300,000.00	303,117.00	317,091.00
BLOUNT CTNY TN	095175KW4	5.750%	0.65%	4/25/2013	6/1/2015	350,000.00	357,346.50	385,000.00
TEMPLE TEXAS TAX NOTES	880064ZJ2	4.000%	0.60%	1/4/2013	8/1/2015	500,000.00	510,950.00	543,140.00
DOWNTOWN DALLAS TX DEV AUTH	261149BHO	DISCO	0.98%	3/6/2013	8/15/2015	1,000,000.00	988,630.00	976,070.00
ARLINGTON TX GO BOND	041796FZ1	2.500%	0.40%	3/10/2014	8/15/2016	100,000.00	102,620.00	105,074.00
NEW YORK STATE DORM AUTH ST INCOME TAX		1.750%	0.35%	12/19/2014	8/15/2016	110,000.00	111,545.50	111,972.30
WESTERVILLE OHIO CITY SCH DISTRICT S	96003IAF9	3.000%	0.70%	12/19/2014	12/1/2016	250,000.00	260,572.50	261,037.50
HARRIS COUNTY TX FLOOD CONTROL DIST REF		1.229%	1.045%	12/22/2014	8/15/2016	950,000.00	950,047.50	954,607.50
TOTAL MUNICIPAL SECURITIES						4,385,000.00	4,410,797.00	4,499,946.80

CITY OF HALTOM CITY QUARTERLY INVESTMENT REPORT

October 1, 2014 - December 31, 2014

Detail of Security Holdings As of 12/31/2014

ISSUERS	CUSIP	COUPON	YIELD	SETTLE DATE	MATURITY DATE	12/31/14 PAR VALUE	12/31/14 MARKET VALUE	12/31/14 BOOK VALUE
<u>CERTIFICATES OF DEPOSIT</u>								
KEY BANK NA	49306SRF5	0.450%	0.45%	2/22/2013	2/27/2015	245,000.00	245,078.16	245,000.00
TOWNE BANK PORTSMOUTH PA	89214PAP4	0.400%	0.40%	5/9/2013	6/1/2015	245,000.00	245,147.00	245,000.00
SYNOVUS BANK GA	87164DDE7	0.500%	0.50%	6/4/2013	6/19/2015	245,000.00	245,145.29	245,000.00
NORTH SHORE COMM BANK & TRUST	662326BV8	0.450%	0.45%	6/14/2013	6/29/2015	245,000.00	245,142.59	245,000.00
CATHAY BANK	149159HZ1	0.550%	0.55%	7/9/2013	7/27/2015	245,000.00	245,411.36	245,000.00
TRISTATE CAPITAL BANK	89677DDR4	0.500%	0.50%	2/4/2014	2/8/2016	245,000.00	245,014.70	245,000.00
WASHINGTON TRUST WESTERLY	9400637FR7	0.500%	0.50%	2/5/2014	2/19/2016	245,000.00	245,001.23	245,000.00
BMW BANK OF NORTH AMERICA	05568P6T9	0.500%	0.50%	2/7/2014	2/16/2016	245,000.00	244,985.30	245,000.00
DISCOVER BANK	254671G38	0.950%	0.50%	2/10/2014	2/21/2017	245,000.00	244,235.60	245,000.00
CUSTOMERS BANK	23204HAR9	0.500%	0.50%	2/4/2014	2/26/2016	245,000.00	244,974.52	245,000.00
GOLDMAN SACHS BANK USA	38147JUN0	0.500%	0.50%	2/24/2014	3/7/2016	245,000.00	244,792.73	245,000.00
FIRST CITRUS BANK	319590BT1	0.650%	0.65%	4/22/2014	11/9/2016	249,000.00	248,193.49	249,000.00
ALLY BANK MIDVALE UTAH	02006LFB4	1.100%	1.10%	6/2/2014	6/12/2017	240,000.00	238,396.32	240,000.00
IBERIA BANK LA	45083ACX8	0.550%	0.55%	5/28/2014	5/31/2016	245,000.00	244,185.87	245,000.00
FIRSTBANK PUERTO RICO	33767AFZ9	0.950%	0.95%	11/24/2014	11/28/2016	249,000.00	247,887.97	249,000.00
AMERICAN EXPR CENTURION	02587DWN4	1.050%	1.05%	12/5/2014	12/5/2016	245,000.00	244,492.12	245,000.00
PEOPLE UNITED BANK	71270QKU9	1.000%	1.00%	12/10/2014	12/12/2016	248,000.00	246,766.20	248,000.00
BANK OF AMERICA	Direct deposit	0.45%	0.45%	10/12/2012	10/12/2015	99,000.00	99,000.00	99,000.00
MERIDIAN BANK OF TEXAS	Direct deposit	0.51%	0.51%	1/20/2013	1/20/2015	99,000.00	99,000.00	99,000.00
ONE WORLD BANK	Direct deposit	0.60%	0.60%	3/30/2013	3/30/2015	249,000.00	249,000.00	249,000.00
PARK CITIES BANK	Direct deposit	0.65%	0.65%	2/1/2014	2/1/2016	99,000.00	99,000.00	99,000.00
TOTAL CERTIFICATES OF DEPOSIT						4,717,000.00	4,710,850.45	4,717,000.00
<u>INVESTMENT POOLS</u>								
TEXPOOL		0.05%	0.05%		Daily	122,356.80	122,356.80	122,356.80
TEXAS CLASS - ALL ACCOUNTS		0.10%	0.10%		Daily	2,217,788.95	2,217,788.95	2,217,788.95
TEXAS TERM (BOND FUNDS)		0.06%	0.06%		Daily	10,414,048.44	10,414,048.44	10,414,048.44
TOTAL INVESTMENT POOLS						12,754,194.19	12,754,194.19	12,754,194.19
<u>CASH</u>								
CASH		0.00%	0.00%		Daily	1,050.00	1,050.00	1,050.00
FROST		0.00%	0.00%		Daily	4,708,076.05	4,708,076.05	4,708,076.05
WELLS FARGO		0.35%	0.35%		Daily	7,803,820.89	7,803,820.89	7,803,820.89
TOTAL CASH						12,512,946.94	12,512,946.94	12,512,946.94
TOTAL CASH AND INVESTMENTS						\$43,683,987.93	\$43,672,343.33	\$43,808,535.01

**CITY OF HALTOM CITY
QUARTERLY INVESTMENT REPORT**

October 1, 2014 - December 31, 2014

Change in Value

ISSUERS	CUSIP	YIELD	DATE	09/30/14	PURCHASES	REDEMPTIONS	12/31/14	CHANGE IN
			PURCHASE MATURITY	PAR VALUE MARKET VALUE BOOK VALUE			PAR VALUE MARKET VALUE BOOK VALUE	PAR VALUE MARKET VALUE BOOK VALUE
FEDERAL AGENCY COUPON SECURITIES								
FFCB	3133EAKD9	0.550%	10/10/2012	\$ 500,000.00	\$	\$ 500,000.00	\$ -	\$ (500,000.00)
			10/2/2014	500,012.00			-	(500,012.00)
				502,548.00			-	(502,548.00)
FHLMC	3128X3F32	0.300%	10/11/2012	500,000.00		500,000.00	-	(500,000.00)
			10/27/2014	501,831.50			-	(501,831.50)
				547,860.00			-	(547,860.00)
FFCB	3133EC2X1	0.270%	11/27/2015	500,000.00		500,000.00	-	(500,000.00)
			11/19/2014	500,148.00			-	(500,148.00)
				499,700.00			-	(499,700.00)
FFCB	3133EC5G5	0.250%	11/27/2012	500,000.00		500,000.00	-	(500,000.00)
			11/26/2014	500,094.00			-	(500,094.00)
				499,493.32			-	(499,493.32)
FHLMC	3137EADA4	0.625%	12/26/2012	500,000.00		500,000.00	-	(500,000.00)
			12/29/2014	500,633.00			-	(500,633.00)
				503,301.98			-	(503,301.98)
FAMC	31315PPZ6	0.330%	2/20/2013	500,000.00			500,000.00	-
			2/13/2015	500,416.00			500,131.00	(285.00)
				500,000.00			500,000.00	-
FHLB	3133XWX95	0.300%	3/13/2013	500,000.00			524,348.94	24,348.94
			3/13/2015	505,951.50			502,582.00	(3,369.50)
				524,348.94			524,348.94	-
FHLB	313376ZQ1	0.290%	3/27/2013	500,000.00			500,800.00	800.00
			3/13/2015	500,552.00			500,185.00	(367.00)
				500,800.00			500,800.00	-
FFCB	3133ECCN2	0.300%	4/10/2013	500,000.00			500,450.00	450.00
			4/14/2015	500,489.00			500,139.50	(349.50)
				500,450.00			500,450.00	-
FAMC-FARMER MAC	31315PVZ9	0.270%	4/24/2013	500,000.00			499,975.00	(25.00)
			4/24/2015	500,443.00			500,168.50	(274.50)
				499,975.00			499,975.00	-
FFCB	3133EANJ3	0.280%	5/9/2013	500,000.00			502,322.87	2,322.87
			5/1/2015	500,914.50			500,353.50	(561.00)
				502,322.87			502,322.87	-
FFCB	3133ECR71	0.300%	5/28/2013	500,000.00			499,950.00	(50.00)
			6/4/2015	500,582.50			500,118.00	(464.50)
				499,950.00			499,950.00	-

**CITY OF HALTOM CITY
QUARTERLY INVESTMENT REPORT**

October 1, 2014 - December 31, 2014

Change in Value

ISSUERS	CUSIP	YIELD	DATE	09/30/14	PURCHASES	REDEMPTIONS	12/31/14	CHANGE IN
			PURCHASE Maturity	PAR VALUE MARKET VALUE BOOK VALUE			PAR VALUE MARKET VALUE BOOK VALUE	PAR VALUE MARKET VALUE BOOK VALUE
FFCB	3133EDED0	0.320%	2/19/2014	500,000.00			501,283.50	1,283.50
			2/3/2016	499,163.00			500,356.50	1,193.50
				501,283.50			501,283.50	-
FHLB	3130AOSD3	0.320%	2/19/2014	500,000.00			500,532.12	532.12
			2/19/2016	500,208.50			499,913.50	(295.00)
				500,532.12			500,532.12	-
FNMA	3136FPET0	0.390%	2/19/2014	500,000.00			516,500.00	16,500.00
			3/10/2016	511,029.00			508,732.00	(2,297.00)
				516,500.00			516,500.00	-
FNMA	3135GOVA8	0.370%	2/19/2014	500,000.00			501,402.25	1,402.25
			3/30/2016	500,409.00			502,999.50	2,599.50
				501,402.25			501,402.25	-
FHLB	3130A1HY7	0.500%	4/1/2014	500,000.00			500,125.00	125.00
			4/22/2016	499,293.00			498,861.50	(431.50)
				500,125.00			500,125.00	-
FHLB	3133834R9	0.375%	5/28/2014	500,000.00			499,757.97	(242.03)
			6/24/2016	498,743.50			498,798.50	55.00
				499,757.97			499,757.97	-
FHLB	313373SZ6	0.400%	5/28/2014	500,000.00			517,399.15	17,399.15
			6/10/2016	513,295.00			511,253.50	(2,041.50)
				517,399.15			517,399.15	-
FFCB	3133EEFA3	0.740%	12/19/2014 12/15/2016		500,000.00		500,000.00 499,992.00 499,784.00	500,000.00 499,992.00 499,784.00
FNMA	3135GONV1	0.230%	12/19/2014 9/28/2015		250,000.00		250,000.00 250,418.25 250,510.40	250,000.00 250,418.25 250,510.40
FNMA	3135G0GY3	1.240%	12/22/2014 1/30/2017		500,000.00		500,000.00 504,523.00 505,211.88	500,000.00 504,523.00 505,211.88
FHLMC	3134G5W76	0.750%	12/30/2014 12/30/2016		500,000.00		500,000.00 500,160.50 500,000.00	500,000.00 500,160.50 500,000.00

**CITY OF HALTOM CITY
QUARTERLY INVESTMENT REPORT**

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Change in Value

ISSUERS	CUSIP	YIELD	DATE	09/30/14	PURCHASES	REDEMPTIONS	12/31/14	CHANGE IN
			PURCHASE Maturity	PAR VALUE MARKET VALUE BOOK VALUE			PAR VALUE MARKET VALUE BOOK VALUE	PAR VALUE MARKET VALUE BOOK VALUE
FHLB	313376SG1	0.787%	12/22/2014 1/30/2017		500,000.00		500,000.00 503,868.50 504,094.00	500,000.00 503,868.50 504,094.00
<u>MUNICIPAL SECURITIES</u>								
OHIO ST CAPITAL ASSET	677214AW8	0.43%	12/7/2012 12/1/2014			200,000.00 201,284.00 213,658.00		(200,000.00) (201,284.00) (213,658.00)
MISSOURI CITY TEXAS COS SER A	606020TC9	0.50%	9/19/2012 12/15/2014			140,000.00 141,034.60 150,827.60		(140,000.00) (141,034.60) (150,827.60)
TUSCALOOSA ALA REFD WATER BONDS	900577PX9	0.65%	1/10/2013 1/1/2015			125,000.00 126,513.75 135,577.50	125,000.00 125,000.00 135,577.50	- (1,513.75) -
SUGARLAND TX RFD BONDS	864855E64	0.50%	11/19/2012 2/15/2015			200,000.00 201,588.00 207,742.00	200,000.00 200,528.00 207,742.00	- (1,060.00) -
DAUPHIN CTY PA	238253YD4	0.65%	3/15/2013 3/1/2015			500,000.00 501,080.00 502,635.00	500,000.00 500,440.00 502,635.00	- (640.00) -
UNIVERSITY OF IOWA	914364KT0	0.47%	2/20/2013 6/1/2015			300,000.00 305,100.00 317,091.00	300,000.00 303,117.00 317,091.00	- (1,983.00) -
BLOUNT CTNY TN	095175KW4	0.65%	4/25/2013 6/1/2015			350,000.00 362,400.50 385,000.00	350,000.00 357,346.50 385,000.00	- (5,054.00) -
TEMPLE TEXAS TAX NOTES	880064ZJ2	0.60%	1/4/2013 8/1/2015			500,000.00 515,845.00 543,140.00	500,000.00 510,950.00 543,140.00	- (4,895.00) -
DOWNTOWN DALLAS TX DEV AUTH	261149BHO	0.98%	3/6/2013 8/15/2015			1,000,000.00 985,300.00 976,070.00	1,000,000.00 988,630.00 976,070.00	- 3,330.00 -
ARLINGTON TX GO BOND	041796fz1	0.40%	3/10/2014 8/15/2016			100,000.00 103,165.00 105,074.00	100,000.00 102,620.00 105,074.00	- (545.00) -

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Change in Value

ISSUERS	CUSIP	YIELD	DATE	09/30/14	PURCHASES	REDEMPTIONS	12/31/14	CHANGE IN
			PURCHASE MATURITY	PAR VALUE MARKET VALUE BOOK VALUE			PAR VALUE MARKET VALUE BOOK VALUE	PAR VALUE MARKET VALUE BOOK VALUE
NEW YORK STATE DORM AUTH ST INCOM 6499027J6		0.35%	12/19/2014		110,000.00		110,000.00	110,000.00
			8/15/2016				111,545.50	111,545.50
							111,972.30	111,972.30
WESTERVILLE OHIO CITY SCH DISTRICT S 96003IAF9		0.70%	12/19/2014		250,000.00		250,000.00	250,000.00
			12/1/2016				260,572.50	260,572.50
							261,037.50	261,037.50
HARRIS COUNTY TX FLOOD CONTROL DIS 4140185J6		1.045%	12/22/2014		950,000.00		950,000.00	950,000.00
			8/15/2016				950,047.50	950,047.50
							954,607.50	954,607.50
<u>CERTIFICATES OF DEPOSIT</u>								
SALLIE MAE BANK MURRAY UTAH	795450NR2	1.20%	7/16/2012	249,000.00				(249,000.00)
			7/27/2015	250,268.16				(250,268.16)
				249,000.00				(249,000.00)
BRAND BANKING CO	105245DN1	0.50%	10/9/2012	245,000.00				(245,000.00)
			10/27/2014	245,085.51				(245,085.51)
				245,000.00				(245,000.00)
EAGLE BANK	27002YBU9	0.40%	11/5/2012	248,000.00				(248,000.00)
			11/24/2014	247,982.14				(247,982.14)
				248,000.00				(248,000.00)
COMMUNITY BANKERS BANK	20361LBG8	0.40%	11/5/2012	248,000.00				(248,000.00)
			11/25/2014	247,981.65				(247,981.65)
				248,000.00				(248,000.00)
GE CAPITAL FINANCIAL INC	36160JDW5	1.55%	11/22/2011	249,000.00				(249,000.00)
			12/2/2014	249,456.42				(249,456.42)
				249,000.00				(249,000.00)
GE CAPITAL RETAIL BANK DRAPER UTAH	36160KDC6	1.55%	11/22/2011	249,000.00				(249,000.00)
			12/2/2014	249,456.42				(249,456.42)
				249,000.00				(249,000.00)
KEY BANK NA	49306SRF5	0.45%	2/22/2013	245,000.00			245,000.00	-
			2/27/2015	245,199.19			245,078.16	(121.03)
				245,000.00			245,000.00	-
TOWNE BANK PORTSMOUTH PA	89214PAP4	0.40%	5/9/2013	245,000.00			245,000.00	-
			6/1/2015	245,159.99			245,147.00	(12.99)
				245,000.00			245,000.00	-

**CITY OF HALTOM CITY
QUARTERLY INVESTMENT REPORT**

October 1, 2014 - December 31, 2014

Change in Value

ISSUERS	CUSIP	YIELD	DATE	09/30/14	12/31/14	CHANGE IN
			PURCHASE Maturity	PAR VALUE MARKET VALUE BOOK VALUE	PAR VALUE MARKET VALUE BOOK VALUE	PAR VALUE MARKET VALUE BOOK VALUE
SYNOVUS BANK GA	87164DDE7	0.50%	6/4/2013	245,000.00	245,000.00	-
			6/19/2015	245,140.63	245,145.29	4.66
				245,000.00	245,000.00	-
NORTH SHORE COMM BANK & TRUST	662326BV8	0.45%	6/14/2013	245,000.00	245,000.00	-
			6/29/2015	245,128.38	245,142.59	14.21
				245,000.00	245,000.00	-
CATHAY BANK	149159HZ1	0.55%	7/9/2013	245,000.00	245,000.00	-
			7/27/2015	245,447.13	245,411.36	(35.77)
				245,000.00	245,000.00	-
TRISTATE CAPITAL BANK	89677DDR4	0.50%	2/4/2014	245,000.00	245,000.00	-
			2/8/2016	244,721.93	245,014.70	292.77
				245,000.00	245,000.00	-
WASHINGTON TRUST WESTERLY	9400637FR7	0.50%	2/5/2014	245,000.00	245,000.00	-
			2/19/2016	244,708.70	245,001.23	292.53
				245,000.00	245,000.00	-
BMW BANK OF NORTH AMERICA	05568P6T9	0.50%	2/7/2014	245,000.00	245,000.00	-
			2/16/2016	244,688.12	244,985.30	297.18
				245,000.00	245,000.00	-
DISCOVER BANK	254671G38	0.50%	2/10/2014	245,000.00	245,000.00	-
			2/21/2017	244,656.27	244,235.60	(420.67)
				245,000.00	245,000.00	-
CUSTOMERS BANK	23204HAR9	0.50%	2/4/2014	245,000.00	245,000.00	-
			2/26/2016	244,678.56	244,974.52	295.96
				245,000.00	245,000.00	-
GOLDMAN SACHS BANK USA	38147JUN0	0.50%	2/24/2014	245,000.00	245,000.00	-
			3/7/2016	244,461.49	244,792.73	331.24
				245,000.00	245,000.00	-
FIRST CITRUS BANK	319590BT1	0.65%	4/22/2014	249,000.00	249,000.00	-
			11/9/2016	248,252.25	248,193.49	(58.76)
				249,000.00	249,000.00	-
ALLY BANK MIDVALE UTAH	02006LFB4	1.10%	6/2/2014	240,000.00	240,000.00	-
			6/12/2017	238,852.80	238,396.32	(456.48)
				240,000.00	240,000.00	-
IBERIA BANK LA	45083ACX8	0.55%	5/28/2014	245,000.00	245,000.00	-
			5/31/2016	243,797.30	244,185.87	388.57
				245,000.00	245,000.00	-

**CITY OF HALTOM CITY
QUARTERLY INVESTMENT REPORT**

October 1, 2014 - December 31, 2014

Change in Value

ISSUERS	CUSIP	YIELD	DATE	09/30/14	PURCHASES	REDEMPTIONS	12/31/14	CHANGE IN
			PURCHASE Maturity	PAR VALUE MARKET VALUE			PAR VALUE MARKET VALUE	PAR VALUE MARKET VALUE
				BOOK VALUE			BOOK VALUE	BOOK VALUE
FIRSTBANK PUERTO RICO	33767AFZ9	0.95%	11/24/2014 11/28/2016		249,000.00		249,000.00 247,887.97 249,000.00	249,000.00 247,887.97 249,000.00
AMERICAN EXPR CENTURION	02587DWN4	1.05%	12/5/2014 12/5/2016		245,000.00		245,000.00 244,492.12 245,000.00	245,000.00 244,492.12 245,000.00
PEOPLE UNITED BANK	71270QKU9	1.00%	12/10/2014 12/12/2016		248,000.00		248,000.00 246,766.20 248,000.00	248,000.00 246,766.20 248,000.00
BANK OF AMERICA	Direct deposit	0.45%	10/12/2012 10/12/2015	99,000.00 99,000.00 99,000.00			99,000.00 99,000.00 99,000.00	- - -
MERIDIAN BANK OF TEXAS	Direct deposit	0.51%	1/20/2013 1/20/2015	99,000.00 99,000.00 99,000.00			99,000.00 99,000.00 99,000.00	- - -
ONE WORLD BANK	Direct deposit	0.60%	3/30/2013 3/30/2015	249,000.00 249,000.00 249,000.00			249,000.00 249,000.00 249,000.00	- - -
PARK CITIES BANK	Direct deposit	0.65%	2/1/2014 2/1/2016	99,000.00 99,000.00 99,000.00			99,000.00 99,000.00 99,000.00	- - -
<u>INVESTMENT POOLS</u>								
TEXPOOL		0.05%	Daily	122,346.83 122,346.83 122,346.83			122,356.80 122,356.80 122,356.80	9.97 9.97 9.97
TEXAS CLASS - ALL ACCOUNTS		0.10%	Daily	117,617.58 117,617.58 117,617.58			2,217,788.95 2,217,788.95 2,217,788.95	2,100,171.37 2,100,171.37 2,100,171.37
TEXAS TERM (BOND FUNDS)		0.06%	Daily	13,376,966.23 13,376,966.23 13,376,966.23			10,414,048.44 10,414,048.44 10,414,048.44	(2,962,917.79) (2,962,917.79) (2,962,917.79)
<u>CASH</u>								
CASH		0.00%		1,050.00 1,050.00 1,050.00			1,050.00 1,050.00 1,050.00	- - -

**CITY OF HALTOM CITY
QUARTERLY INVESTMENT REPORT**

October 1, 2014 - December 31, 2014

Change in Value

ISSUERS	CUSIP	YIELD	DATE PURCHASE MATURITY	09/30/14	PURCHASES	REDEMPTIONS	12/31/14	CHANGE IN
				PAR VALUE MARKET VALUE BOOK VALUE			PAR VALUE MARKET VALUE BOOK VALUE	PAR VALUE MARKET VALUE BOOK VALUE
FROST		0.00%		3,150,494.96			4,708,076.05	1,557,581.09
				3,150,494.96			4,708,076.05	1,557,581.09
				3,150,494.96			4,708,076.05	1,557,581.09
WELLS FARGO		0.35%	Daily	6,628,910.52			7,803,820.89	1,174,910.37
				6,628,910.52			7,803,820.89	1,174,910.37
				6,628,910.52			7,803,820.89	1,174,910.37
TOTAL PAR VALUE				41,775,386.12	4,302,000.00	4,328,000.00	43,683,987.93	1,908,601.81
TOTAL MARKET VALUE				41,836,028.01			43,672,343.33	1,836,315.32
TOTAL CASH AND INVESTMENTS				42,014,951.32			43,808,535.01	1,793,583.69

CITY COUNCIL MEMORANDUM

City Council Meeting: March 9, 2015
Department: City Secretary
Subject: Minutes of February 26, 2015 and
March 3, 2015

BACKGROUND

On February 26, 2015, a Regular Meeting was held at City Hall, 5024 Broadway Avenue, due to the cancellation of the meeting of February 23, 2015 because of bad weather. On March 3, 2015, a Special Joint Meeting with the Haltom City Parks and Recreation Board was held at the Haltom City Northeast Center, 3201 Friendly Lane.

FISCAL IMPACT

None.

RECOMMENDATION

Staff recommends the City Council approve the Minutes of the Regular Meeting of February 26, 2015 and the Special Joint Meeting of March 3, 2015.

ATTACHMENTS

February 26, 2015 Minutes
March 3, 2015 Minutes

**MINUTES
HALTOM CITY COUNCIL MEETING
CITY HALL, 5024 BROADWAY AVENUE
February 26, 2015**

A Regular Meeting was rescheduled and held by the City Council of the City of Haltom City, Texas, on February 26, 2015, at 7:00 p.m. at City Hall, 5024 Broadway Avenue, Haltom City, Texas, due to the cancellation of the scheduled meeting of February 23, 2015 because of bad weather, with the following members present, to-wit:

Mayor Richard Hutchison	Mayor Pro Tem Bob Watkins
Council Place 1 Marian Hilliard	Council Place 2 Jeff Western
Council Place 3 David Averitt	Council Place 4 Trae Fowler
Council Member 6 Stephanie Davenport	Council Place 7 Dr. An Truong

Staff Present: Tom Muir, City Manager; Chuck Barnett, Assistant City Manager; Dean Roggia, City Attorney; Art Camacho, City Secretary; Justin French, Planning and Community Development Director; Keith Lane, Police Chief; Tim Cool, IT Director; Jennifer Fung, Finance Director, Toni Beckett, Human Resources Director and Risk Manager; Fran Burns, Community Projects Director, and Greg Van Nieuwenhuize, Public Works Director.

WORKSESSION

CALL TO ORDER

Mayor Hutchison called the Worksession to order at 6:03 p.m. and a discussion with Planning and Community Development Director Justin French regarding fence regulations was held, which included fence continuity, drainage, and specific fence types. The Planning and Zoning Commission will be considering these and sub-division closures at their next meeting. The sales tax reapportionment was discussed and changes may be situated for the November 2015 special election. The Regular Agenda was discussed and in regard to Item #4 – 2014 Park Improvements Project – the Council agreed to join the Parks and Recreation Board at their next meeting on March 3rd to discuss current and future park projects. A discussion was also held on Item #6 – Strategic Goals – regarding the holding of a round table meeting on major issues prior to a Council meeting for input. There was no Executive Session.

REGULAR MEETING

CALL TO ORDER

Mayor Hutchison called the meeting to order at 7:00 p.m.

INVOCATION/PLEDGE OF ALLEGIANCE

Council Member Jeff Western gave the Invocation and led the Pledge of Allegiance and the Texas Flag Pledge.

ANNOUNCEMENTS AND EVENTS

Assistant City Manager Chuck Barnett announced the following:

Library

AARP Income Tax Preparation Help – Each Thursday through April 9, tax assistance will be available at the Library. Tax assistance is free, but reservations are required due to limited seating. For additional information, call 817-222-7786.

Movie Night – “Alexander and the Terrible, Horrible, No Good, Very Bad Day” will be showing on Monday, March 9, 2015.

Adult Craft Classes – An easy-to-make-craft class will take place on Saturday, February 28th from 10:00 a.m. to 12:00 noon and a \$5.00 fee is required.

Annual Book Sale – The annual book sale will be held April 23-26 and additional information will be available on the city website.

Photo Contest – “Images of Haltom City” photo contest deadline is March 17, 2015.

Special Announcements

Haltom City Car Show and Springfest – Both events will be held at the Haltom High School from 10:00 a.m. to 2:00 p.m. on Saturday, March 28. Classic cars, trucks and motorcycles will be displayed, along with the Easter Bunny, goody bags, petting zoo, bounce houses, bike safety rodeo, live music and concessions. There is no admission charge and a 5k “Buff Run” benefiting the Haltom High students will start at 8:30 a.m.

Spring Gallery Night – Saturday, March 28 from 1:00 to 8:00 p.m. – The Spring Gallery Night at the HC Northeast Center will feature 17 local artists and entertainment will be provided by the Jazz Monsters. Admission and refreshments are free.

First Choice Emergency Room – The Citizens Emergency Response Team announced that First Choice ER facilities may be visited from March 8th for a facility tour at 4551 Western Center Blvd. and 5401 Basswood Blvd. First Choice will donate \$10 to the Haltom City Fire Prevention for every supporter 21 or older who takes a quick tour.

Council Member Stephanie Davenport announced she set up a voter registration table in support of *Unite South Haltom* at the Recreation Center and registered 7 voters. She also thanked the Recreation Center staff and will plan on setting up the table soon at the Senior Citizen Center. Dr. An Truong stated that a Vietnamese-born citizen had experienced a break down with their vehicle and had gained the trust of the Haltom City Police Department, which previously had been a cultural issue. He also said that he had made a radio broadcast to encourage other Vietnamese citizens to register to vote. City Manager Tom Muir mentioned he received a positive email from a citizen in regard to the Haltom City Police Department assisting in a housing eviction.

PRESENTATIONS

“Keep America Beautiful” Award – Haltom City Beautification Board - Fran Burns, Community Projects Director, and Denise Ford, of the Beautification Board, reviewed the process of acquiring the national award and presented it to Mayor Hutchison.

City Employee Longtime Service Award – City Manager Tom Muir presented a 25-year Service Award to Police Sergeant Tom Myers.

REPORTS

1. **Monthly Financial Reports** – Consideration and/or action regarding approval of the preliminary monthly Financial Reports for the months of October 2014, November 2014, and December 2014. Finance Director Jennifer Fung presented the easier-simplified financial reports for the first three months of the 2014-2015 budget and also included a PowerPoint providing general budget revenue data. Several Council Members expressed their thanks to Ms. Fung for the simplifying of the report. Council Member Jeff Western moved, seconded by Council Member Dr. An Truong, to approve the financial reports for October 2014, November 2014, and December 2014. ***The vote was unanimous. Motion carried.***

REGULAR AGENDA

2. **Minutes** – Consideration and/or action regarding approval of the Minutes of the meeting of February 5, 2015 (Strategic Planning), February 9, 2015 (Regular Meeting) and February 12, 2015 (Strategic Planning). Council Member David Averitt moved, seconded by Council Member Dr. An Truong, to approve the Minutes of February 5, 2015, February 9, 2015 and February 12, 2015.

3. **Ordinance No. O-2015-002-15 (CU-005-14)** – Consideration and/or action on the application of Ernest Hedgcoth, on behalf of Brad Dunn, for a Conditional Use Permit request with site plan approval, for office warehouse uses located on Lot 13, Block 14 of the Clarence Jones Subdivision, being 0.385 acres located north of Carnation Street and west of Higgins Lane, locally known as 4141 Carnation Street. **2nd Reading.** Justin French, Planning and Community Development Director, presented the ordinance and Planning Consultant Ernest Hedgcoth was also present for questions. Council Member Dr. An Truong moved, seconded by Council Member David Averitt, to approve Ordinance No. O-2015-002-15 (CU-005-14) – second reading. ***The vote was unanimous. Motion carried.***
4. **2014 Park Improvements Project** – Consideration and/or action authorizing acceptance of the guaranteed maximum price (GMP) of \$877,832 for the Project and authorize the City Manager to amend the construction-manager-at-risk contract with Scott Tucker Construction to reflect the GMP. City Manager Tom Muir reviewed the process as to the current situation and a discussion was held regarding police security, cameras and bathroom facilities. Tom Henry, Parks Director, and Mark Spencer, of MHS Planning, provided additional information regarding the grant and matching funds. A discussion was held concerning the addition of equestrian trails, the linking of the trails to neighboring cities, and the abandonment of any projected work toward the south pond area. Council Member Jeff Western moved to approve the 2014 Parks Improvement Project. Mayor Hutchison then recognized Council Member Trae Fowler, who did not second the motion, but inclined to make a substitute motion, but did not make one. Council Member Marian Hilliard seconded Council Member Western's motion. ***Council Members Hilliard, Western, Fowler and Truong voted aye. Mayor Pro Tem Watkins and Council Members Averitt and Davenport voted nay. Motion carried.***
5. **Microsoft Enterprise Agreement** – Consideration and/or action to authorize the City Manager to execute a Microsoft Enterprise Agreement with SHI Government Solutions based on their contract with the Texas Department of Information Resources. Tim Cool, IT Director, provided information regarding the agreement and a discussion was held regarding licensing fees, addition costs, and software programs. Council Member Stephanie Davenport moved, seconded by Council Member Marian Hilliard, to approve the Microsoft Enterprise Agreement with SHI Government Solutions, based on their contract with the Texas Department of Information Resources. ***The vote was unanimous. Motion carried.***
6. **Strategic Goals** – Consideration and/or action regarding the approval of Resolution No. R-2015-004-01 confirming the City Council's Strategic Goals. Mayor Hutchison commented on the unified work of the Council in determining the strategic goals and several Council Members commented on the good dialogue that was evident at the sessions. Council Member Stephanie Davenport moved, seconded by Council Member Dr. An Truong, to approve Resolution No. R-2015-004-01. ***The vote was unanimous. Motion carried.***

VISITORS/CITIZENS FORUM

No citizen came forward.

BOARDS/COMMISSIONS

- 7. **Resignations of Board Members** – Consider approval of the resignations of Board/Commission Members. There were no resignations.
- 8. **Appointment/Reappointment to Boards and Commissions** – Consider approval regarding appointments to Boards/Commissions. Council Member Trae Fowler inclined to make an appointment to the EDC, but withdrew after being informed that the resignation had been rescinded. There were no appointments or reappointments.

EXCUSED ABSENCE OF COUNCIL MEMBERS

- 9. **Attendance Requirements** – Consideration regarding excused absences of Council Members according to Article III, Sec. 3.07 (a). Attendance Requirements of the Haltom City Charter. There were no absences.

EXECUTIVE SESSION

There was no Executive Session.

ADJOURNMENT

Mayor Hutchison adjourned the meeting on February 26, 2015 at 8:26 p.m.

RESPECTFULLY SUBMITTED BY:

APPROVED BY:

Art Camacho, City Secretary

Richard Hutchison, Mayor

**MINUTES
HALTOM CITY COUNCIL SPECIAL JOINT MEETING
WITH THE HALTOM CITY PARKS AND RECREATION BOARD
HALTOM TARRANT COLLEGE NORTHEAST CENTER
3201 FRIENDLY AVENUE
March 3, 2015**

A Special Joint Meeting with the Haltom City Parks and Recreation Board was held by the City Council of the City of Haltom City, Texas, on March 3, 2015, at 6:00 p.m. at the Haltom City Tarrant College Northeast Center, 3201 Friendly Lane, Haltom City, Texas, with the following members present, to-wit:

Mayor Richard Hutchison	Mayor Pro-Tem Bob Watkins
Council Place 1 Marian Hilliard	Council Place 2 Jeff Western
Council Place 3 David Averitt	Council Place 4 Trae Fowler
Council Place 6 Stephanie Davenport	Council Place 7 Dr. An Truong

Parks and Recreation Board Members: Dana Coffman, Vice Chair; Fran Travis, Steve Mylius, Cody Gambill, Don Cooper, Penny Clowers, Don Lemaster.

Staff Present: Tom Muir, City Manager; Chuck Barnett, Assistant City Manager; Art Camacho, City Secretary, Tom Henry, Parks and Recreation Director, Christi Pruitt, Recreation Supervisor.

CALL TO ORDER

Both Vice Chair Coffman and Mayor Hutchison called the Joint Meeting to order at 6:02 p.m. and stated that all members of the Council and Parks Board were present.

1. The Parks and Recreation Board will discuss and/or take action on the following items:
 - A. Approval of Minutes – February 3, 2015 – Board Member Clowers moved, seconded by Board Member Mylius, to approve the Minutes of February 3, 2015. ***The vote by the Parks Board was unanimous. Motion carried.***
 - B. Election of Officers – Board Member Penny Clowers moved, seconded by Don Lemaster, to table this item until the next meeting. ***The vote by the Parks Board was unanimous. Motion carried.***
2. Directors Report - Parks and Recreation Director Tom Henry reported the following:
 - A. Haltom Stampede – Successful event - 400 runners participated.
 - B. TAAF Region 4 Youth Basketball Tournament – 15 teams from 4 cities – beginning March 6th at the Recreation Center.
 - C. Boy’s Baseball/Girls Softball League – Starts this month – Boys on the 21st, Girls on the 28th.
 - D. Car Show/Springfest – March 28th – Haltom High School.

The Parks and Recreation Board finished their action part of the meeting program and engaged in discussion with the City Council and Staff.

3. Discuss Long Range Strategic Planning and Parks Projects – City Manager Tom Muir began by relaying the Council’s request at the February 26, 2015 Council meeting to meet with the Parks and Recreation Board to discuss strategic planning. Parks and Recreation Director Tom Henry stated that the Parks and Recreation Board had adopted a Master Plan in 2008 and had received previous grant funding from the Texas Parks and Wildlife Department and also additional

Economic Development Corporation funding. The Council addressed the following regarding the parks and recreation planning:

1. The Little Fossil Linear Park was a main point of discussion at the 2014 Budget workshops in regard to acquiring the \$500,000 TPWD grant and changing the initial land use grant with the pond because of environmental issues. The Park Project was changed to include restrooms, lighting, and security cameras, which was not included in the grant. These items will be funded by the 2014 General Obligation bonds. In addition, the Council is concerned if whether the new park will be able to be properly maintained because evidence of negative maintenance currently exists in some park areas, and also whether proper public safety for park patrons can also be maintained.
2. The Master Plan needs to be reviewed and possibly redeveloped within five years to insure that it is being properly administered because factors may arise within the time period that could offset the original planning. An example would be a possible addition of an equestrian trail within the park trail areas.
3. Several older city parks are in need of restroom facilities, painting and safety upgrades and these should be completed before acquiring additional parks. A possible joint effort with the Birdville Independent School District may be done to upgrade or add to existing facilities and also the availability of grants for existing parks should be looked at for funding improvements.
4. Better communication between the Council and the Parks and Recreation Board needs to be established, which would include the appointment of a Council liaison. The Council will try to schedule round-table discussions prior to Council meetings so more time can be given in determining the right action for specific agenda items, especially park funding, rather than being rushed for a decision from just a Pre-Council Worksession.

The Parks and Recreation Board addressed the following:

1. New Parks and Recreation Board members will work on further educating themselves on the duties and responsibilities of a board member and also keep an open dialogue with the Council member who appointed them. They will also work more collectively on ideas to enhance city park facilities.
2. The addressing of problems within the park system would be better received if it is done in a manner where there is a more business-like approach, rather than an open reprimand or criticism.

ADJOURNMENT

Board Member Clowers moved to adjourn the Parks Board, seconded by Board Member Mylius. ***The vote by the Parks Board was unanimous. Motion carried.*** Mayor Hutchison adjourned the Council meeting at 7:45 p.m. on March 3, 2015.

RESPECTFULLY SUBMITTED BY:

APPROVED BY:

Art Camacho, City Secretary

Richard Hutchison, Mayor

CITY COUNCIL MEMORANDUM

City Council Meeting: March 9, 2015
Department: Administration
Subject: HOME Program

BACKGROUND

The Department of Housing and Urban Development (HUD) appropriates funds to entitlement communities through the HOME Investment Partnership Block Grant (HOME) program. *These funds are targeted to benefit low to moderate income persons.* Funds are to be used for the development of safe and decent housing by providing homeowner rehabilitation.

Tarrant County is a Participating Jurisdiction under the HOME Investment Partnerships Program. Haltom City has been partnering in the HOME program with Tarrant County since 2009. The program will allow participants to address major system failures and improve energy efficiency in older homes.

Tarrant County requires partnering communities to submit an application and resolution on an annual basis to participate in the program.

To date, thirty-three (33) homes in Haltom City have received rehabilitation through the HOME grant program. The total cost of these home rehabilitations was approximately \$822,600 of which the City funded approximately \$215,000. The City also waived approximately \$21,000 of permit fees.

FISCAL IMPACT

The Department of Housing and Urban Development (HUD) requires 30% matching funds on all HOME expenditures. Each city is required to provide the required match for activities undertaken in that city. County staff will provide guidance and assistance on documenting the required match.

Staff is planning to continue the participation for the project year 2015 HOME program, which will be administered through Tarrant County. The City is participating in the grant program up to the applicant maximum award of \$200,000.

Funds are budgeted in the FY2015 budget to support the program at a maximum amount of \$60,000. Staff intends to provide the grant match through a combination of cash and in-kind services.

RECOMMENDATION

Staff recommends the City Council approve Resolution No. R-2015-005-01 committing to provide matching funds of up to \$60,000 for the HOME Investment Partnership Block Grant (HOME) program.

ATTACHMENTS

Resolution No. R-2015-005-01

RESOLUTION NO. R-2015-005-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALTOM CITY, TEXAS, AGREEING TO MEET ALL MATCH CONTRIBUTION REQUIREMENTS FOR THE EXPENDITURES UNDER THE TARRANT COUNTY HOME INVESTMENT PARTNERSHIPS PROGRAM FOR PROGRAM YEAR 2015.

WHEREAS, the HOME Program was created by the National Affordable Housing Act of 1990 (NAHA) and is intended to provide decent affordable housing to lower-income households; expand the capacity of nonprofit housing providers; strengthen the ability of state and local government to provide housing, and; leverage private-sector participation; and

WHEREAS, Tarrant County is a Participating Jurisdiction under the HOME Investment Partnerships Program in accordance with § 92.105; and

WHEREAS, the City of Haltom City is a member of the Tarrant County Urban County Community Development/HOME Consortium and is eligible to participate in the HOME program; and

WHEREAS, the City of Haltom City has requested \$200,000 in HOME funding to be expended on HOME eligible activities within the city's jurisdiction and has agreed to provide a 30% matching contribution for all HOME funds expended within the City of Haltom City, in accordance with §92.218; §92.219; and §92.220.

NOW, THEREFORE, BE IT RESOLVED THAT WE, THE CITY COUNCIL OF THE CITY OF HALTOM CITY, do hereby agree to commit \$60,000 in match contribution to affordable housing for all activities undertaken in our city through the HOME program.

PASSED AND APPROVED THIS THE 9th DAY OF MARCH, 2015.

Richard Hutchison, Mayor

ATTEST:

Art Camacho, City Secretary

APPROVED AS TO FORM:

Wayne Olson, City Attorney

CITY COUNCIL MEMORANDUM

City Council Meeting: March 9, 2015
Department: Finance
Subject: Resolution No. R-2015-006-03
Investment Policy

BACKGROUND

Annual review of the City's investment policy is required to comply with the state statute, Public Funds Investment Act, Chapters 2256 & 2257 of the Texas Local Government Code. During the annual review, changes to the Investment Policy may be made to update the policy to meet the Public Funds Investment Act and to meet practical treasury operations.

Changes to the investment policy this time include:

- Position of Assistant City Manager / Chief Financial Officer to Director of Finance
- In the personal business relationship section on page 7, increase the ownership amount of voting stock or shares from \$5,000 to \$50,000 and increase the investments with a book value of \$2,500 to \$50,000.
- Correction of spelling error.

The proposed revised policy reflects the best practices of municipal practical treasury operations.

FISCAL IMPACT

None

RECOMMENDATION

Staff recommends the City Council approve Resolution No. R-2015-006-03 - the revised Investment Policy.

ATTACHMENTS

Resolution No. R-2015-006-03 – Investment Policy
Investment Policy (red line edition)

RESOLUTION NO. R-2015-006-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALTOM CITY, TEXAS, ADOPTING THE WRITTEN INVESTMENT POLICY.

WHEREAS, Section 2256.005 (a) of the Public Funds Investment Act (the "Act") directs the governing body of an investing entity to adopt by rule, order, ordinance, or resolution, as appropriate, a written investment policy regarding the investment of its funds and funds under its control;

WHEREAS, the Act requires the governing body of an investing entity to review and update said written policy on an annual basis.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HALTOM CITY, TEXAS:

SECTION I.

The City Council of Haltom City has reviewed the Investment Policy and investment strategies and hereby adopts the Investment Policy as attached to this resolution as Exhibit "A". This Investment Policy shall supersede the Investment Policy previously adopted by Resolution No. 2013-020-03.

SECTION II.

This resolution shall be effective immediately upon adoption.

APPROVED this 9th day of March, 2015.

Richard Hutchison, Mayor

Attest:

Art Camacho, City Secretary



Proud and Progressive

CITY OF HALTOM CITY

INVESTMENT POLICY

(REVISED ~~SEPTEMBER 2013~~ MARCH 2015)

**CITY OF HALTOM CITY
INVESTMENT POLICY**

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CITY OF HALTOM CITY INVESTMENT POLICY

1. POLICY

It is the policy of the City of Haltom City to invest public funds in a manner that will provide the maximum security and the best commensurate yield while meeting the daily cash flow demands of the City and conforming to the statutes governing the investment of public funds. This Policy sets forth the investment program of the City of Haltom City and the guidelines to be followed in achieving its objectives. All employees of the City directly involved with investment activities shall have read and be familiar with this policy. All investment activities conducted by the City shall be in accordance with this policy and applicable portions of Chapter 2256 of the Government Code herein referred to as the Public Funds Investment Act.

2. SCOPE

This Investment Policy applies to all aspects of investing the financial assets of all funds and trust accounts of the City. These funds are accounted for in the City's Comprehensive Annual Financial Report (CAFR) and include:

1. General Fund
2. Special Revenue Funds
3. Capital Project Funds
4. Enterprise Funds
5. Trust and Agency Funds
6. Debt Service Funds
7. Internal Service Funds
8. Any new fund created by the City

The City of Haltom City will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

3. OBJECTIVES

The objectives of the City of Haltom City's investment activities, listed in order of priority, shall be as follows:

Safety

The primary objective of the City's investment activity is the preservation of capital in the overall portfolio. Each investment transaction shall seek first to ensure that principal losses are avoided, whether they are from securities default or erosion of market value. However, it must be understood that an element of risk is inherent with all types of investments. Recognition of, and minimization of risk is the responsibility of Haltom City's Investment Officer and designee(s).

Liquidity

The City's investment portfolio will remain sufficiently liquid to enable the City to meet operating requirements that might be reasonably anticipated. Liquidity shall be achieved by matching investment maturities with forecasted cash flow requirements and by investing in authorized securities with active secondary markets. A cash flow forecast shall be prepared by the Finance Department and updated periodically as needed.

Yield

The City's cash management portfolio shall be designed with the objective of regularly exceeding the average rate of return on the six-month U.S. Treasury Bill or the average Federal Funds rate (whichever is higher) for investments not subject to arbitrage. The investment program will seek to attain a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to safety and liquidity objectives above.

4. STRATEGY

The strategy for all pooled funds is to assure that cash flows are matched with projected needs and assume adequate liquidity and safety. Purchasing high quality securities in a laddered structure or utilizing an investment pool may accomplish this. The composite portfolio will have a dollar weighted average maturity of two years or less. The dollar weighted average maturity will be calculated using the stated final maturity dates of each security. Furthermore, the following purposes and guidelines by fund-type are also considered when investing:

Capital Project Funds

Funds for capital projects or special purposes should allow for flexibility and unanticipated project outlays by having a portion of their investments in highly liquid securities. The stated final maturity dates of securities held should not exceed the estimated cash flow requirements of the project. Securities should be of high quality, with short to medium term maturities.

Debt Service Funds

Funds for Debt Service should assure liquidity adequate to cover the debt service obligation on the required payment date. Securities purchased shall not have a stated final maturity date which exceeds the debt service payment date, or funds shall be maintained in an investment pool or money market mutual fund to be available for debt service payments.

Operating Funds

The investment strategy for operating funds has as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to structure a portfolio, which will minimize volatility during economic cycles. This may be accomplished by purchasing high quality, short-term securities, which will complement each other in a laddered maturity structure.

5. RESPONSIBILITIES AND CONTROL

Investment Committee

An Investment Committee, consisting of the City Manager (or designee), ~~the Assistant City Manager/Chief Financial Officer~~ Director of Finance, and the Controller shall meet semi-annually to determine general strategies and to monitor results. The Investment Committee shall include in its deliberations such topics as: performance reports, economic outlook, portfolio diversification, maturity structure, potential risk to the City's funds, authorized brokers and dealers, and the target

rate of return on the investment portfolio.

Investment Officer and Training

Authority to manage the City's investment program is derived from a resolution of the City Council. The ~~Assistant City Manager/Chief Financial Officer~~ Director of Finance is designated as Investment Officer of the City and is responsible for investment decisions and activities. Sec. 2256.005 (f). The Investment Officer shall establish written procedures for the operation of the investment program, consistent with this investment policy. The Investment Officer and Controller shall attend ten hours of training sessions related to investment practices within twelve months of taking office or assuming duties. Thereafter, ten hours of training are required not less than once in a two-year period that begins on the first day of the local government's fiscal year and consists of the two consecutive fiscal years after that date. (Effective September 1, 2011)

Capability of Investment Management

The City shall provide periodic training in investments for the investment personnel through courses and seminars offered by professional organizations and associations in order to insure the quality and capability of investment management.

Delegation of Authority

The Investment Officer is responsible for investment decisions and activities, under the direction of the City Manager. The Investment Officer may further delegate certain aspects of ~~his~~ the duties as needed only if such delegation does not weaken the internal controls necessary to maintain the integrity of this policy. The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program, consistent with these policies. The Investment Officer shall be responsible for authorizing investments and the Controller shall establish procedures to properly account for investments and pledged collateral in order to maintain appropriate internal controls. These controls shall be reviewed annually by an independent auditor and shall be designed to prevent loss of public funds due to fraud, error, misrepresentation, unanticipated market changes or imprudent actions.

Signatory Responsibilities

Bonded officials share certain signatory responsibilities for investment transactions with the Finance Department for backup purposes. Positions authorized as investment signatories are the City Manager, Investment Officer, Controller, and Assistant City Manager. These same officials are also authorized to transact investment wire transfers for the City. The City shall use, whenever possible, pre-formatted (repetitive) wire transfers to restrict the transfer of funds to pre-authorized accounts only. Repetitive wire transfers greater than \$200,000 must be approved by any two of the investment signatories or Finance Department employees as designated by the Investment Officer and approved by the Investment Committee. All non-repetitive wire transfers will require secondary authorization by any two of the investment signatories.

Prudence

All investments shall be designed and managed in a manner responsive to the public trust and consistent with State and Local law. Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Sec. 2256.006 (a)

Liability

The Investment Officer, and other employees directly involved in the investment function, acting

in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that material deviations are reported immediately and that appropriate action is taken to control adverse developments.

Monitoring and Adjusting the Portfolio

The Investment Officer will routinely monitor the contents of the portfolio, the available markets and the relative value of competing instruments, and will adjust the portfolio accordingly.

Active Portfolio Management

The City intends to pursue an active versus a passive portfolio management philosophy. That is, securities may be sold before they mature if market conditions present an opportunity for the City to benefit from the trade.

Reporting Requirements

The Investment Officer shall maintain a current listing of investments for management purposes. Not less than quarterly, the ~~Assistant City Manager/Chief Financial Officer~~ Director of Finance shall prepare and submit to the City Manager and City Council a report prepared in a manner that will allow the City to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The report shall include a summary statement of investment activity prepared in compliance with generally accepted accounting ~~principals~~ principles. The report will include the following:

1. A listing of individual securities held at the end of the reporting period.
2. Unrealized gains or losses resulting from appreciation or depreciation by listing the beginning and ending book and market value of securities for the period.
3. Additions and changes to the market value during the period.
4. Average weighted yield to maturity of portfolio as compared to applicable benchmark.
5. Listing of investments by maturity date.
6. Fully accrued interest for the reporting period.
7. The percentage of the total portfolio which each type of investment represents.
8. Statement of compliance of the City's investment portfolio with state law and the investment strategy and policy approved by the City Council.
9. Signatures of each investment officer of the City.

A formal annual review of the quarterly reports will be performed by an independent auditor with the results reported to the Audit Committee and City Council.

Monitoring of Market Value

Market value of all securities in the portfolio will be determined on a monthly basis. These values will be obtained from the City's third party safekeeping custodian and disclosed to the City Council no less than quarterly.

Policy Revisions

The investment policy of the City of Haltom City shall be reviewed and changed as deemed necessary by the Investment Committee and forwarded to the City Council for approval by resolution annually. Investment Policy revisions may become necessary with changes in state law, City needs, the economy, and investment opportunities.

6. ETHICS AND CONFLICTS OF INTEREST

Ethics

All participants in the investment process shall seek to act responsibly as custodians of the public trust and comply with the Public Funds Investment Act reporting requirements. Investment officials shall avoid any transaction that might impair public confidence in the City's ability to govern effectively.

Conflicts of Interest

Employees and investment officials involved in the investment process shall refrain from any personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Disclosure

Employees and investment officials involved in the investment process shall disclose to the City Manager any material financial interests in financial institutions that conduct business with the City of Haltom City, and shall further disclose any large personal financial or investment positions that could be related to the performance of the City's portfolio.

Furthermore, employees and investment officials involved in the investment process must file a disclosure statement with the Texas Ethics Commission and City Council if:

1. the officer has a personal business relationship with a business organization offering to engage in an investment transaction with the City; or
2. the officer is related within the second degree by affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with the entity.

For purposes of this policy, an investment officer has a personal business relationship with the City if:

1. the investment officer owns 10 percent or more of the voting stock or shares of the business organization or owns ~~\$5,000~~\$50,000 or more of the fair market value of the business organization;
2. funds received by the investment officer from the business organization exceed 10 percent of the investment officer's gross income for the previous year; or
3. the investment officer has acquired from the business organization during the previous year investments with a book value of \$50,000 or more for the personal account of the investment officer.

7. AUTHORIZED INVESTMENTS

Assets of funds of City of Haltom City may be invested in:

- A. Obligations of the United States of America, its agencies and instrumentalities.
- B. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States.
- C. Fully insured or collateralized certificates of deposits which are guaranteed or insured by the Federal Deposit Insurance Corporation and not otherwise restricted for sale in Texas in any way.

D. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

E. Fully collateralized direct repurchase agreements provided the City has on file a signed Master Repurchase Agreement, approved by the City Attorney, which details eligible collateral, collateralization ratios, standards for collateral custody and control, collateral valuation, and conditions for agreement termination and provided the repurchase agreement:

1. has a defined termination date;
2. is secured by obligations of the United States of its agencies and instrumentalities;
3. requires the securities being purchased by the City to be assigned to the City held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City; and
4. is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state.

F. Texas Local Government Investment Pools as defined by section 2256.016 of the Public Funds Investment Act and approved by the City Council. The pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service. A public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily and, to the extent reasonably possible, stabilized at a \$1 net asset value. To be eligible to receive funds from and invest funds on behalf of the City, an investment pool must furnish to the City an offering circular and other information required by the Public Funds Investment Act.

Any investment pool that is created to function as a money market mutual fund must maintain a maximum average dollar weighted maturity that does not exceed 90 days; and "Any investment pool that does not meet the requirements of one that is created to function as a money market mutual fund, must maintain a maximum average dollar weighted maturity that does not exceed 365 days (or 366 days in the case of a leap year) and must provide a fixed interest rate and fixed maturity term for each pool position."

G. No-load money market mutual funds that are registered with and regulated by the Securities and Exchange Commission. The mutual fund must have a weighted average maturity of 90 days or less and a stable net asset value of \$1 per share. The mutual fund must provide the City with a prospectus and other information required by the SEC Act of 1934(15 U.S.C. Section 78a et. Seq.) or the Investment Company Act of 1940 (15 U.S.C. Section 80a 1 et seq.)

H. Other instruments as specifically authorized by the Public Funds Investment Act and approved by the City Council and, included in the Investment Policy.

8. PROHIBITED INVESTMENTS AND PRACTICES

The Investment Officer shall not knowingly permit City funds to be invested with any of the following investment instruments that are strictly prohibited:

A. Obligations whose payment represents the coupon payments of the outstanding principal balance of the underlying mortgage-backed security collateral and pay no principal;

B. Obligations whose payment represents the principal stream of cash flow from underlying mortgage-backed security collateral and bears no interest;

- C. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years;
- D. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index; and
- E. Any other restricted instruments or limitations that involve outright speculation.

The practice of "leveraging" whereby funds are borrowed for the sole purpose of investing shall not be practiced.

An investment that requires a minimum rating under this policy does not qualify as an authorized investment during the period the investment does not have the minimum rating. All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

The City is not required to liquidate investments that were authorized investments at the time of purchase.

9. RISKS AND DIVERSIFICATION

The City of Haltom City recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification, which shall be achieved by the following general guideline:

- A. Risk of issuer default is controlled by limiting investments to those instruments allowed by this policy and the Public Funds Investment Act, which are described herein.
- B. Risk of market price changes shall be controlled by avoiding over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed.

The diversification strategy will include the following:

1. Limiting investments to avoid over concentration in securities from a specific issuer or business sector, excluding U.S. Treasury Securities;
2. Limiting investments in securities that have higher credit risks;
3. Investing in securities of varying maturities based on cash flow projections; and
4. Continuously investing a portion of the portfolio in readily available funds, such as local government investment pools, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

The Investment Officer, to the extent possible, will attempt to match investments with anticipated cash flow requirements. Matching maturities with cash flow dates will reduce the need to sell securities prior to maturity, thus reducing market risk. Unless matched to specific requirements, the Investment Officer may not invest more than 50% of the portfolio for a period of greater than two years. Unless matched to specific requirements, the Investment Officer may not invest any portion of the portfolio for a period of greater than three years. The weighted average maturity

for the portfolio shall remain less than two years. Restricted Reserves required by bond covenants allow for maturities equal to the life of the bond.

The following maximum limits, by instrument, are established for the City's total portfolio:

1. U.S. Treasury Securities	100%
2. Agencies and Instrumentalities	75%
3. Certificates of Deposit	50%
4. Repurchase Agreements	50%
5. Money Market Mutual Funds	50%
6. Authorized Pools	70%

10. SELECTION OF BANKS AND DEALERS

Not less than every five years, a depository shall be selected through the City's banking services procurement process, which shall include a formal request for proposal. In selecting depositories, the credit worthiness of institutions shall be considered, and the ~~Assistant City Manager/Chief Financial Officer-Director of Finance~~ shall conduct a comprehensive review of prospective depositories credit characteristics and financial history.

The Investment Committee shall, at least annually, review, revise, and adopt a list of qualified broker/dealers and financial institutions authorized to engage in investment transactions with the City. For brokers and dealers of government securities, the Investment Committee shall select only primary government securities dealers that report daily to the New York Federal Reserve Bank, also known as the "primary government securities dealer," or other firms that have been certified by the Investment Committee's certification process. All brokers and dealers must be on the approved dealer list in order to transact business with the City.

A written copy of this Investment Policy shall be presented to any person offering to engage in an investment transaction with the City. Investments shall only be made with those business organizations (including money market mutual funds and local government investment pools), which have provided the City a broker questionnaire and certification of having received and reviewed the City's Investment Policy. The firm must acknowledge that it has implemented reasonable internal procedures and controls in an effort to preclude imprudent investment transactions conducted between the entity and the organization that are not authorized by the entity's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or requires an interpretation of subjective investment standards.

11. COMPETITIVE BIDDING

It is the policy of the City to require at least three competitive offers or bids for all individual security purchases and sales (excluding transactions with money market mutual funds and local government investment pools, which are deemed to be made at prevailing market rates). In situations where the exact security being offered is not offered by other dealers, offers on the closest comparable investment may be used to establish a fair market price for the security.

12. SAFEKEEPING OF SECURITIES

Safekeeping Agreement

All safekeeping arrangements shall be in accordance with a safekeeping agreement approved by the Investment Committee, which clearly defines the procedural steps for gaining access to the collateral, should the City of Haltom City determine that the City's funds are in jeopardy. The safekeeping institution, or Trustee, shall be the Federal Reserve Bank or an institution not affiliated with the firm pledging the collateral. The safekeeping agreement shall include the signatures of the City of Haltom City, the firm pledging the collateral, and the Trustee.

Collateralization

The City requires that all uninsured collected balances plus accrued interest, if any, in depository accounts be secured in accordance with the requirements of state law. All deposits and investments of City funds other than direct purchases of US Treasuries or Agencies shall be secured by pledged collateral. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on the deposits or investments less an amount insured by FDIC or FSLIC. Evidence of the pledged collateral shall be maintained by the Director of Finance or a third party financial institution. Financial institutions serving as City depositories will be required to sign a Depository Agreement with the City which details eligible collateral, collateralization ratios, standards for collateral custody and control, collateral valuation, rights of substitution and conditions for agreement termination. Repurchase agreements shall be documented by a specific agreement noting the collateral pledge in each agreement. Collateral shall be reviewed monthly to assure that the market value of the pledged securities is adequate.

Collateral Defined

The City of Haltom City shall accept only the following securities as collateral:

- A. FDIC and FSLIC insurance coverage.
- B. A bond, certificate of indebtedness, Agency Security guaranteed or Insured by the United States or its Agencies and Instrumentalities, Treasury Notes of the United States, or other evidence of indebtedness of the United States that is guaranteed as to principal and interest by the United States.
- C. Obligations, the principal and interest on which, are unconditionally guaranteed or insured by the State of Texas.
- D. A bond of the State of Texas or of a county, city or political subdivision of the State of Texas having been rated as investment grade (investment rating no less than "B" or its equivalent) by a nationally recognized rating agency with a remaining maturity of ten (10) years or less.

Subject to Audit

All collateral shall be subject to inspection and audit by the ~~Assistant City Manager/Chief Financial Officer~~ Director of Finance or the City's independent auditors.

Delivery vs. Payment

With the exception of State Pools and Money Market Mutual Funds, all transactions will be executed with authorized security dealers and financial institutions on a delivery-versus-payment (DVP) basis. That is, funds shall not be wired or paid until verification has been made that the Custodian received the correct security. The security shall be held in the name of the

City or held on behalf of the City. The Custodian's records shall assure the notation of the City's ownership of or explicit claim on the securities. The original copy of all safekeeping receipts shall be delivered to the City. Investment securities shall be held by a third party custodian designated by the City, and held in the City's name as evidenced by safekeeping receipts of the institution with which the securities are deposited.

13. MANAGEMENT AND INTERNAL CONTROL

The ~~Assistant City Manager/Chief Financial Officer~~ Director of Finance, or designee, shall establish a system of internal controls that shall be reviewed by an independent auditor. The controls shall be designed to prevent loss of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees or investment officers of the City. In conjunction with the annual financial audit, a compliance audit shall be performed which includes an audit of management controls on investments and adherence to the City's established policy. The Investment Officer is responsible for executing investment transactions and the accounting division is responsible for preparation of accounting records based on documentation prepared by the Investment Officer.

GLOSSARY OF COMMON TREASURY TERMINOLOGY

Agencies: Federal agency securities.

Asked: The price offered for securities.

Broker: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

Certificate of Deposit (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

Collateral: Securities, evidence of deposit or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Comprehensive Annual Financial Report (CAFR): The official annual report for the City of Haltom City. It includes five combined statements and basic financial statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

Coupon: (a) the annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

Dealer: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

Debenture: A bond secured only by the general credit of the issuer.

Delivery versus Payment: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

Discount: The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

Discount Securities: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury bills.

Diversification: Dividing investment funds among a variety of securities offering independent returns.

Federal Credit Agencies: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

Federal Deposit Insurance Corporation (FDIC): A federal agency that insures bank deposits, currently up to \$100,00 per deposit.

Federal Funds Rate: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

Federal Home Loan Banks (FHLB): The institutions that regulate and lend a savings and loan

associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-à-vis member commercial banks.

Federal National Mortgage Association (FNMA): FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development, H.U.D. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

Federal Open Market Committee (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal reserve guidelines regarding purchases and sales of Government Securities in the open-market as a means of influencing the volume of bank credit and money.

Federal Reserve System: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C. 12 regional banks and about 5,700 commercial banks that are members of the system.

Government National Mortgage Association (GNMA or Ginnie Mae): Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government, Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term pass-through is often used to describe Ginnie Maes.

Liquidity: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

Local Government Investment Pool (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

Market Value: The price at which a security is trading and could presumably be purchased or sold.

Master Repurchase Agreement: To protect investors, many public investors will request that repurchase agreements be preceded by a master repurchase agreement between the investor and the financial institution or dealer. The master agreement should define the nature of the transaction, identify the relationship between the parties, establish normal practices regarding ownership and custody of the collateral securities during the term of the investment, provide remedies in the case of default by either party and clarify issues of ownership. The master repurchase agreement protects the investor by eliminating the uncertainty of ownership and hence, allowing investors to liquidate collateral if a bank or dealer defaults during the term of the agreement.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Money Market: The market in which short-term debt instruments (bills, commercial paper,

bankers' acceptances, etc.) are issued and traded.

Open Market Operations: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

Portfolio: Collection of securities held by an investor.

Primary Dealer: A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks and a few unregulated firms.

Prudent Person Rule: An investment standard. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Qualified Public Depositories: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

Rate of Return: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Repurchase Agreement (RP or REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

Safekeeping: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SEC Rule 15C3-1: See uniform net capital rule.

Secondary Market: A market made for the purchase and sale of outstanding issues following the initial distribution.

Securities & Exchange Commission: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

Treasury Bills: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

Treasury Bond: Long-term U.S. Treasury securities having initial maturities of more than ten years.

Treasury Notes: Intermediate term coupon bearing U.S. Treasury securities having initial maturities from one to ten years.

Yield: The rate of annual income return on an investment, expressed as a percentage. (a) **Income Yield** is obtained by dividing the current dollar income by the current market price of the security. (b) **Net Yield** or **Yield to Maturity** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

Uniform Net Capital Rule: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called **net capital rule** and **net capital ratio**. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

CITY COUNCIL MEMORANDUM

City Council Meeting: March 9, 2015
Department: City Secretary
Subject: Boards and Commissions
Resignation of Members

BACKGROUND

The City Council will consider action regarding the resignations from Boards and Commissions.

FISCAL IMPACT

None.

RECOMMENDATION

None.

ATTACHMENT

None.

CITY COUNCIL MEMORANDUM

City Council Meeting: February 23, 2015
Department: City Secretary
Subject: Boards and Commissions
Appointments/Reappointments

BACKGROUND

The City Council will consider action regarding the appointment/reappointment of board and commission members.

FISCAL IMPACT

None.

RECOMMENDATION

None.

ATTACHMENTS

Appointment applications: Willis O'Dell, Anthony Bennett, and David Wood.

Vacancies:

Park and Recreation Board (Place 8)
Planning and Zoning Commission (Places 5)
Zoning Board of Adjustment (Place 4)

Reappointments:

Beautification (Place 3)
CCPD/Redlight Camera (Places 3 and 5)