

**BUSINESS FOR THE CITY COUNCIL
OF THE
CITY OF ANGLETON**

SUBJECT:

**DISCUSSION AND POSSIBLE ACTION ON THE MARCH 2008,
QUARTERLY INVESTMENT REPORT.**

REQUESTED BY: Susie J. Hernandez

SUBMITTED BY: Susie J. Hernandez

DATE SUBMITTED: Dec 16, 2008 FOR THE AGENDA OF: Dec 22, 2008

Expenditure Required: N/A

Available Funding: N/A

Attachments: September 2008 Quarterly Report

SUMMARY STATEMENT:

Attached is the Quarterly Investment Report for the last calendar year quarter of September 2008. City funds are divided between six financial institutions: Texas Gulf Bank, Wells Fargo Bank, Wells Fargo Brokerage, Tex Pool, Lone Star and Tex Star . Tex Pool, Tex Star and Lone Star are governmental investment pools. The biggest change since the last Quarterly Report is the change in Pool Cash is due to the Bond payments being paid in August. The money for the Series 2000 was released into Pool Cash for other sewer projects. ABL and Freedom Park have had a whole lot of activity due to the construction progress of Freedom Park. The Various Sewer Projects Account (Series 2003 Bond Issue), Series 2005 Bond Issue (Capital Projects) had very little construction activity during the last three months. The 2008 Series Bond Issue was set up with Tex Star Investment Pool to diversify our investments. The Wells Fargo Brokerage is being held for the reimbursement of the New Police and Court Software that is finished. Just about all of our investments are being paid over 2 percent.

Our current Investment Policy sets an interest rate goal equal to that of the 90 day treasury bill. The September rate for the 90 day treasury bill was 1.46 %, which is close to the rates being paid by the investment pools. Interest rates on all of our investments are over or close to the 3 month treasury bill rate. This is an indicator that our investments relatively safe investments, since interest rates are a reflection of risk.

Recommendation: Approval of the September Quarterly Investment Report.



BANK INVESTMENTS

ACCOUNT NAME	Institution	Fiscal Year	Fiscal Year	Fiscal Year	Last Qtr. Change	INVESTMENT RATE
		4th Qtr. As of June 30, 2008	1st Qtr. As of Sept. 30, 2008	2nd Qtr. As of Dec 31, 2008		
POOL CASH (City Funds)	TEXAS GULF BANK	\$2,162,394.00	\$1,493,341.86	\$0.00	(669,052.14)	1.40% (Average Monthly)
POOL CASH (City Funds)	WELLS FARGO	\$1,339,345.63	\$1,342,029.17	\$0.00	2,683.54	1.53% (Average Monthly)
GENERAL ACCOUNT (City Funds)	TEX POOL	\$1,049,079.44	\$802,709.36	\$0.00	(246,370.08)	2.40% (Average Monthly)
GENERAL ACCOUNT (City Funds)	LONESTAR	\$229,647.48	\$231,034.99	\$0.00	1,387.51	2.23 % (Average Monthly)
2005-2006 L/P ESCROW (City Funds)	WELLS FARGO-BRO	\$30,404.93	\$30,542.67	\$0.00	137.74	1.63 % (Average Monthly)
SERIES 2005 BOND ISSUE	TEX STAR	\$446,266.75	\$448,782.02	\$0.00	2,515.27	2.29% (Average Monthly)
SERIES 2007 BOND ISSUE	TEXSTAR	\$ 1,938,875.63	\$1,768,195.74	\$0.00	(170,679.89)	2.29% (Average Monthly)
SERIES 2008 BOND ISSUE	TEXPOOL		\$1,815,774.42		1,815,774.42	2.40% (Average Monthly)
SERIES 2008 BOND DEBT SERV	TEXPOOL		\$11,465.14		11,465.14	2.40% (Average Monthly)
City Funds Subtotal		\$7,196,013.86	\$7,943,875.37	\$0.00	747,861.51	
LIQUIDITY PLUS FUND (ABLCL)	LONESTAR	\$339,536.60	\$341,588.05	\$0.00	2,051.45	2.23 % (Average Monthly)
ABLCL-BANK ACCT (ABLCL)	TEXAS GULF BANK	\$1,119,368.77	\$1,017,671.51	\$0.00	(101,697.26)	1.41% (Average Monthly)
ABLCL-FREEDOM PARK	LONESTAR	\$1,695,827.37	\$1,562,830.46	\$0.00	(132,996.91)	2.23% (Average Monthly)
ABLCL Subtotal		\$1,458,905.37	\$2,922,090.02	\$0.00	1,463,184.65	
SERIES 2000 ESCROW (Water Bd. Loan)	TEX POOL	\$101,440.43	\$0.00	\$0.00	(101,440.43)	2.40% (Average Monthly)
SERIES 2002 ESCROW (Water Bd. Loan)	WELLS FARGO	\$124,098.25	\$124,496.00	\$0.00	397.75	1.85 % (Average Monthly)
Water Board Subtotal		\$225,538.68	\$124,496.00	\$0.00	(101,042.68)	
CITY OF ANGLETON (Pol. Tech. Grant)	WELLS FARGO	\$23,708.30	\$23,708.30	\$0.00	0.00	0.00% (non-interest bearing)
CITY OF ANGLETON (Pol. Tech. Grant)	TEXAS GULF BANK	\$16,484.50	\$16,553.83	\$0.00	69.33	1.68% (Average Monthly)
Police Seizure Account	TEXAS GULF BANK	\$13,012.80	\$9,794.75	\$0.00	(3,218.05)	1.37% (Average Monthly)
Drug Investigation Acct.	TEXAS GULF BANK	\$1,523.88	\$1,430.18	\$0.00	(93.70)	1.40% (Average Monthly)
Police Special Subtotal		\$54,729.48	\$51,487.06	\$0.00	(3,242.42)	
Court Bond Account	TEXAS GULF BANK	\$0.00	\$0.00	\$0.00	0.00	
Hotel/Motel Bank Account	TEXAS GULF BANK	\$4,033.50	\$4,050.46	\$0.00	16.96	1.11% (Average Monthly)
Total Cash Investments		\$8,939,220.89	\$11,045,998.91	\$0.00	2,106,778.02	
			90 Day Treasury Bill			1.80% to .99%
(City Funds - General Fund, Water Fund, Street Fund, Debt Service Fund, Special Funds, Capital Funds)						