



# **QUARTERLY FINANCIAL AND INVESTMENT UPDATE**

QUARTER ENDED DECEMBER 31, 2017

# FINANCIAL UPDATE

# REVENUE

## ☐ **General Fund-Favorable \$289K or 1.02%**

- Primarily due to sales tax collections above trend
- Other fees/charges for services trending slightly below trend

## ☐ **W/WW-Unfavorable \$664K or -5.54%**

- Primarily due to mild weather pattern

## ☐ **Electric-Unfavorable \$795K or -6.85%**

- Primarily due to mild temperatures

## ☐ **Hotel/Motel Tax-Unfavorable \$54K or -5.97%**

- Occupancy has been down slightly compared to prior years

## **EXPENDITURES**

### **❑ General Fund-Favorable \$678K or 3.96%**

- Due to vacancies and timing of contract payments

### **❑ W/WW-Favorable \$503K or 9.68%**

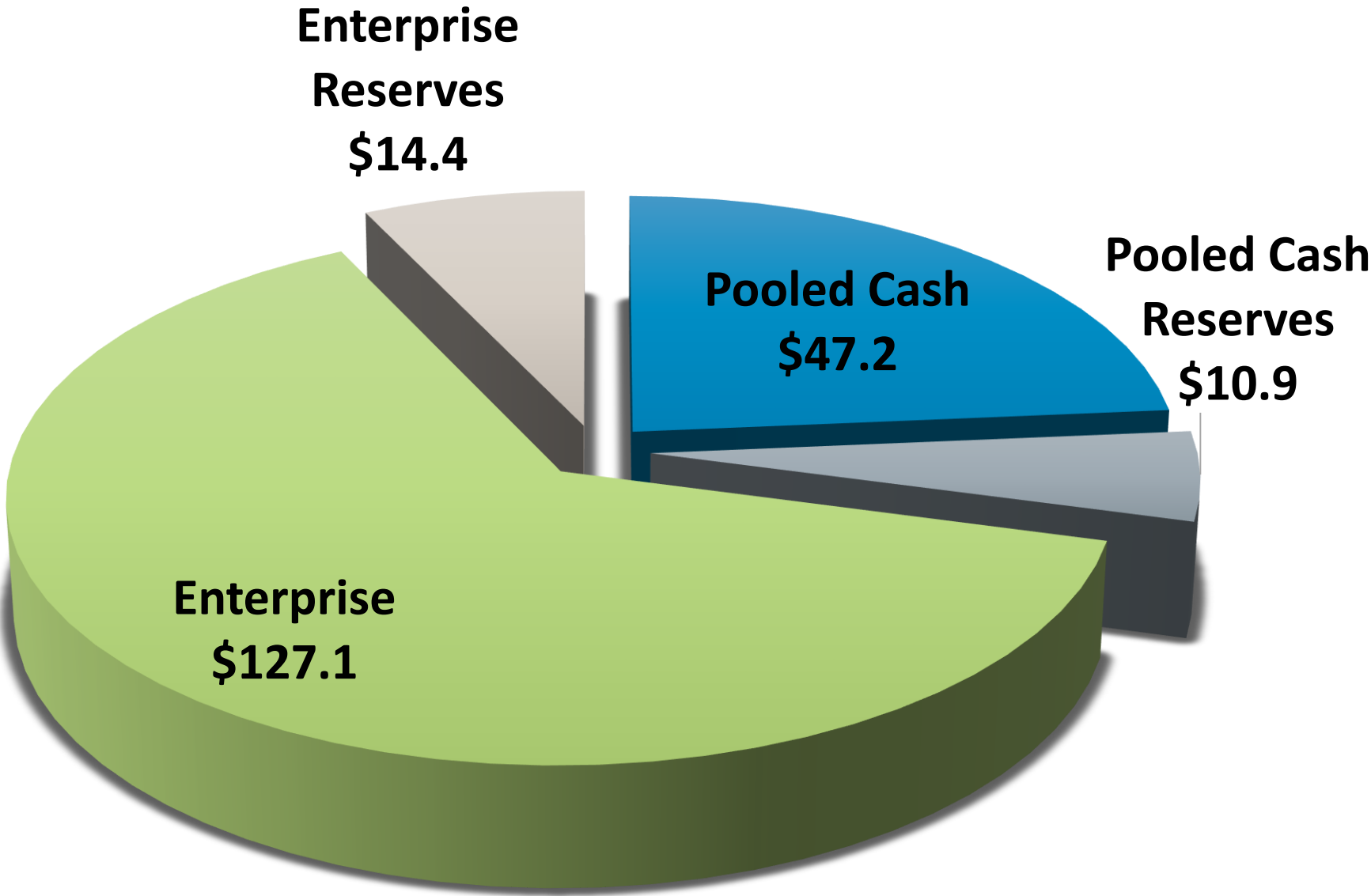
- Primarily due to timing of contract payments

### **❑ Electric-Favorable \$2.3M or 16.15%**

- Reduced power purchases due to reduced usage and timing of contract payments

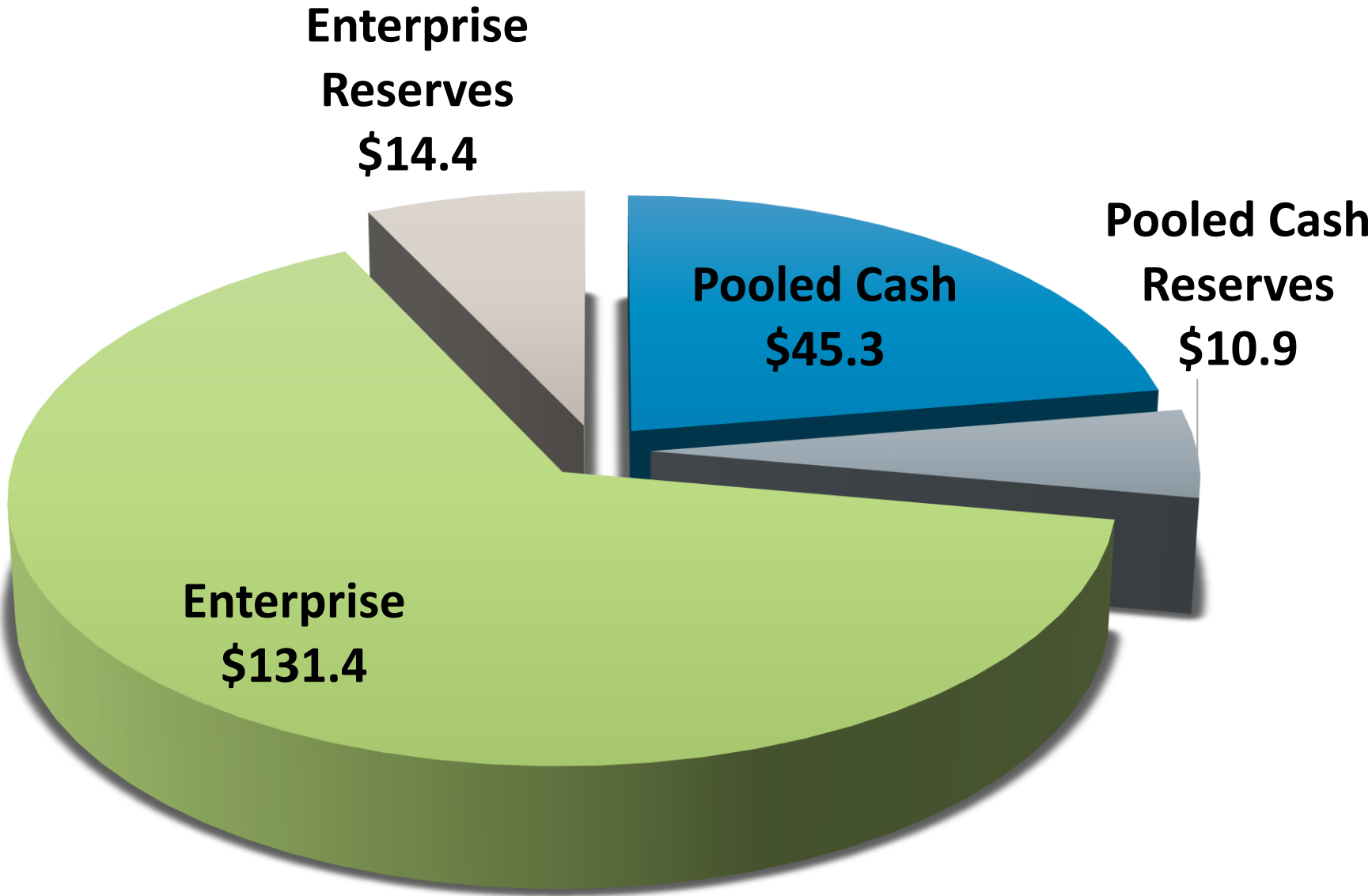
# INVESTMENT UPDATE

Investment Balance by Account  
First Quarter 2018  
12-31-17



\$199.6 Million  
Total Investments  
(Market Value)

Investment Balance by Account  
Fourth Quarter 2017  
9-30-17



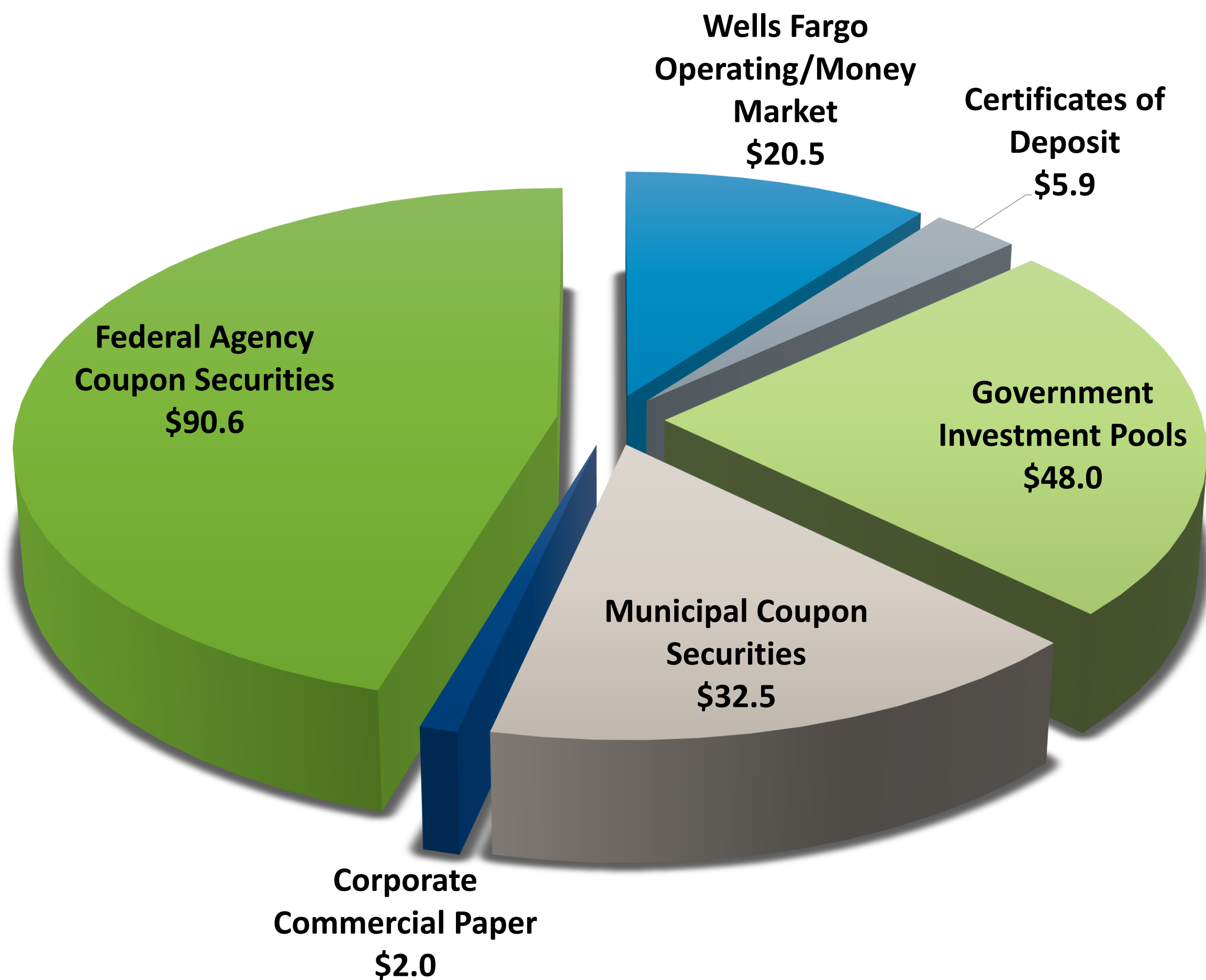
\$202.0 Million  
Total Investments  
(Market Value)

# Average Yield to Maturity-Year over Year



# Investment Distribution

(in millions)





# INVESTMENT POLICY

## **ANNUAL APPROVAL**

- ☐ Public Funds Investment Act (PFIA) requires approval of the Investment Policy by the governing body on an annual basis
- ☐ Presented proposed changes to Finance and Audit Committee on March 13, 2018
- ☐ Approval of both Investment Policies is included on the consent agenda
  - Operating Fund Policy
  - Reserve Fund Policy

## PROPOSED CHANGES

- Change the required PFIA training for investments officers from 10 to 8 hours annually, but newly appointed investment officers still require 10 hours. This change is made to reflect the new education requirements in the PFIA.
- Increase the “Maximum % of Portfolio” on the following investment types due to a potential increase in return on these types of investments:
  - Municipal Instruments from 40-50%
  - Repurchase Agreements from 25-30%
  - Commercial Paper from 25-30%
- Modifications to the Broker Dealer Questionnaire/PFIA Certification forms to make a combined form