



## Legislation Text

**File #:** 19-0315, **Version:** 1

### Summary

To: Town Commission

From: Stefan Massol, Director of Support Services

Date: 11/19/2019

### Subject:

Review of Investments Performance FY 2018-19

### Summary:

Staff will present an overview of investment performance for the Town's pooled cash

**Background/Problem Discussion:** This past fiscal year was the first full fiscal year since the Town expanded its investment of pooled cash, entering into a second local government investment pool named Florida SAFE. The Town's monthly amount of investment varied from \$8.4 Million to \$13.3 Million, depending on timing of revenues and expenditures throughout the year. Composite rate of return remained relatively steady throughout the year, with a monthly low of 2.23% per year and a monthly high of 2.63% per year.

In total the Town has earned interest proceeds of \$284,800 during fiscal year 2018-19. The interest proceeds are credited to each fund based on their share of the idle pooled cash that is invested. The largest share of interest earnings were realized in the Capital Projects Fund for a total of \$140,000 in FY 2018-19. Below is a listing of investment earnings by fund:

Fund	SBA	FLSAFE	TTL
General	\$ 49,620.10	\$ 4,182.59	\$ 53,802.69
Local Option Gas Tax	\$ 78.10	\$ 2,679.56	\$ 2,757.66
Transportation Impact Fee	\$ 27.06		\$ 27.06
Tree Replacement	\$ 3.28		\$ 3.28
Capital Projects	\$ 103,122.85	\$ 37,050.49	\$ 140,173.34
Water	\$ 12,135.78	\$ 52,143.35	\$ 64,279.13
Solid Waste	\$ 1,542.80	\$ 22,232.35	\$ 23,775.15
Total All Funds	\$ 166,529.97	\$ 118,288.34	\$ 284,818.31

The investment strategy has been focused on maintaining a near-term position, giving maximum flexibility with the ability to liquidate in as little as one business day. Rate of return in the local government investment pools (LGIPs) has been comparable to 12-month CDs, and in many months over the past year there were higher rates of return in our LGIPs than in CDs we surveyed. Staff does not believe there is significant benefit in changing strategies at this time.

**Recommendation:** None, this item is for discussion purposes only.

**Proposed Motion:** None, this item is for discussion purposes only.