

**City of Alexandria
Investment Report**
As of September 30, 2017

Investment Policy

Objective and Strategy

Safety of Principle – investments will be made in a manner that seeks to ensure the preservation of capital

Preservation of capital

Liquidity – the investments will remain sufficiently liquid to meet all operating requirements that are reasonably anticipated

Requirements that are reasonably anticipated

Yield – attain a market rate of return (consistent with the 2-year Treasury maturity). This is secondary to safety and liquidity.

Investment Committee

Responsibilities for the City's investment management decisions and activities rest with:

- Deputy City Manager – Laura Triggs
- Director of Finance – Kendel Taylor
- Assistant Director of Finance/Treasury – David Clark

Authorized Investments

- Obligations of the Commonwealth of Virginia, the United States or Virginia Municipalities
- Prime Quality Commercial Paper with maturities of 270 days or less
- Certificates of Deposits (CDARS)
- Insured Cash Sweeps (ICS)
- Virginia Local Government Investment Pool (LGIP)
- Virginia Investment Pool (VIP)

Diversification Strategy

Security Type	Maximum % of the Total Funds Available for Investment
Obligations of Virginia	40%
Obligations of the US	75%
Obligations of Virginia Municipalities	40%
Prime Quality Commercial Paper	25%
Commercial Paper of any one Issuing Corporation	5%
CDARs	75%
ICS	40%
LGIP	75%
VIP	75%

Portfolio as of September 30, 2017

Security Type	Balance (millions)	Allocation
Local Government Investment Pool (LGIP)	\$119.1	47.1%
Virginia Investment Pool (VIP) Liquidity	20.2	8.0%
Virginia Investment Pool (VIP) 1 – 3 Year	35.8	14.2%
CDARS	46.0	18.2%
US Agency/Treasury Bonds	31.3	12.4%
Virginia Municipal Bonds	0.25	0.1%
Total	\$252.6	100%

Return on Investment 1Q – FY 2018

Security Type	Balance (millions)	Yield (Simple Average)
Local Government Investment Pool (LGIP)	\$119.1	1.21%
Virginia Investment Pool (VIP) Liquidity	20.2	1.22%
Virginia Investment Pool (VIP) 1 – 3 year	35.8	1.53%
CDARS	46.0	1.40%
US Agency/Treasury Bonds	31.3	0.93%
Virginia Municipal Bonds	0.25	1.06%
Total	\$252.6	0.86%