

**City of Alexandria  
Investment Report**  
As of December 31, 2018

## **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 December 31, 2018**

<b>Security Type</b>	<b>Balance (millions)</b>	<b>Allocation</b>
Local Government Investment Pool (LGIP)	\$243.7	65.5%
CDARS/Money Market	49.2	13.2%
Virginia Investment Pool (VIP) 1 – 3 Year	41.6	11.2%
Virginia Investment Pool (VIP) Liquidity	20.7	5.6%
US Agency/Treasury Bonds	17.0	4.5%
Total	\$372.2	100%

**Return on Investment 2Q – FY 2019**

<b>Security Type</b>	<b>Balance (millions)</b>	<b>Yield (Simple Average)</b>
Local Government Investment Pool (LGIP)	\$243.7	2.45%
CDARS/Money Market	49.2	2.09%
Virginia Investment Pool (VIP) 1 – 3 Year	41.6	2.36%
Virginia Investment Pool (VIP) Liquidity	20.7	2.45%
US Agency/Treasury Bonds	17.0	1.54%
Total	\$372.2	2.35%