

**City of Alexandria
Investment Report**
As of December 31, 2019

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, 2019 – 2nd Quarter – FY 2020

Security Type	Balance (millions)	Allocation
Local Government Investment Pool (LGIP)	\$287.6	72.6%
CDARS	45.0	11.4%
US Agency/Treasury Bonds	30.0	7.6%
Virginia Investment Pool (VIP) 1 – 3 Year	22.4	5.6%
Virginia Investment Pool (VIP) Liquidity	11.1	2.8%
Total	\$396.0	100.0%

Return on Investment as of December 31, 2019 – 2nd Quarter – FY 2020

Security Type	Balance (millions)	Yield (Weighted Average)
Local Government Investment Pool (LGIP)	\$287.6	1.74%
CDARS	45.0	2.18%
US Agency/Treasury Bonds	30.0	1.71%
Virginia Investment Pool (VIP) 1 – 3 Year	22.4	2.28%
Virginia Investment Pool (VIP) Liquidity	11.1	1.79%
Total	\$396.0	1.82%

Maturity

Maturity Range	Balance (millions)	% of Portfolio	Average Yield
0 – 1 Month	\$331.7	83.8%	1.81%
1-3 Month	4.1	1.03	2.58
3-6 Month	8.1	2.05	2.55
6-9 Month	6.1	1.53	2.11
9-12 Month	16.0	4.05	1.69
1-2 Years	27.0	6.82	1.70
2-3 Years	3.0	0.76	1.77
Total	\$247.1	100%	1.82%