



Finance Department
 Karla Stovall, Chief Financial Officer
 Phone: 214-975-0415
 kstovall@littleelm.org

TOWN COUNCIL CONSENT AGENDA

Date May 2, 2017

PROJECT

Approve Quarterly Investment Report for the period ending March 31, 2017.

BACKGROUND

The purpose of this item is to provide Town Council an overview of the Town's cash and invested balances for the fiscal period ending March 31, 2017.

FISCAL IMPACT

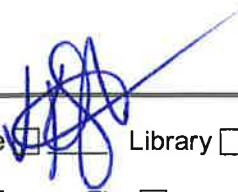
Interest earnings for the Quarter total \$145,391. Fiscal year interest earnings total \$232,540.

RECOMMENDED ACTION

The Chief Financial Officer recommends action to accept and approve Cash and Investment Report for Quarter Ending March 31, 2017.

ATTACHMENTS

Quarterly Investment Report

Initial:  _____
 Town Manager _____ Finance _____ Library _____ Public Works _____ Parks _____
 Town Secretary _____ Police _____ Fire _____ HR _____ Development Services _____

APPROVED DENIED TABLED WITHDRAWN

MEMORANDUM

TO: MATTHEW MUELLER, TOWN MANAGER
FROM: KARLA STOVALL, CHIEF FINANCIAL OFFICER
SUBJ: INVESTMENT REPORT FOR QUARTER ENDING MARCH 31, 2017
CC: MAYOR AND COUNCIL

Attached is the Quarterly Investment Report for the quarter ending March 31, 2017 of the fiscal year. This report complies with the requirements of the Town's Investment Policy and the Public Fund's Investment Act as amended. For the period ending March 31, 2017, the Town's portfolio consisted of the following investments:

| Portfolio by Type | Average Yield | Total Invested | % of Total |
|-------------------------------|----------------------|-----------------------|-------------------|
| Money Market-Independent Bank | .75% | \$67,511,658 | 100% |
| Total Portfolio (Avg) | .75% | \$67,511,658 | 100% |

The Town does not carry any security instruments (investment type) on its books that are traded on the open market; therefore all investments are listed at 100% of market value. All Funds on deposit with Independent Bank are fully secured and safeguarded. **Total interest earned for the quarter ending March 31, 2017 was \$145,391. Year-to-date interest earnings are \$232,540.**

Total cash and investments for the period ending December 31, 2016 was \$53,820,985 and the invested balances at March 31, 2017 were \$67,511,658 a net increase of \$13,690,673. It is the strategy of the Finance Department to maintain a high percentage of its idle funds invested in safe and secure investment securities and pooled investment types in accordance with 68% are used in daily operations; the other 32% or \$21,720,914 is for capital infrastructure and other restricted cash and policy commitments.

Over 100% of the Town's current portfolio has same day access which is sufficient to cover normal and seasonal operational costs. The Town's investment and cash management strategy will be to maintain operational and capital needs in money market accounts and liquid asset pools. The Town's funds are swept to the above accounts and withdrawn as needed for operational cash flow requirements.

The total portfolio yield fiscal year-to-date is .75%



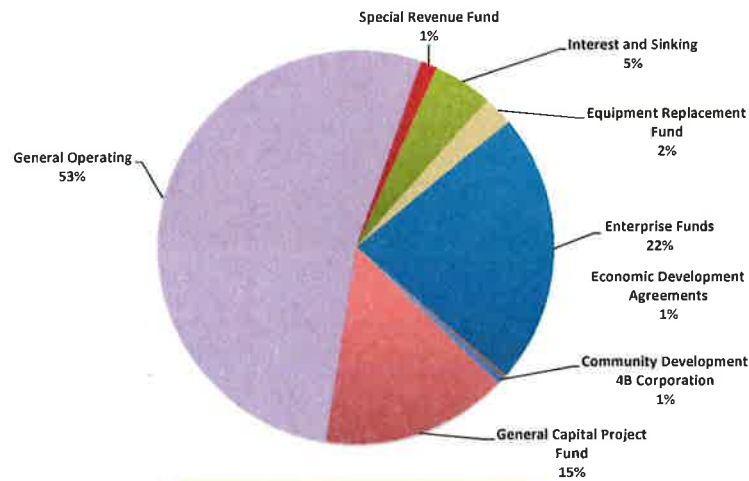
Quarterly Investment Report

For the quarter ended: 3/31/2017

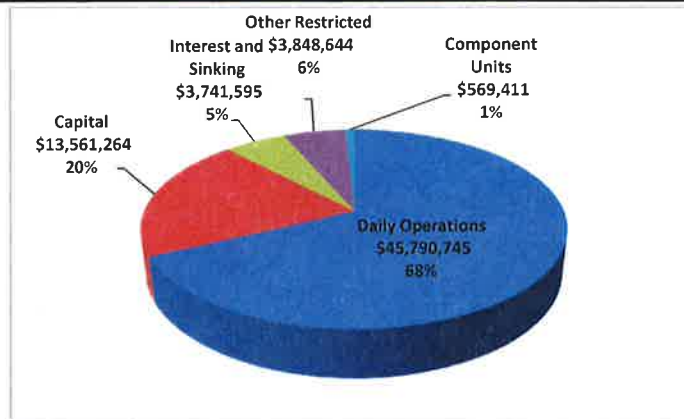
Prepared by the Town of Little Elm Finance Department

- * \$67,511,658 - Cash and Investments on hand at 3/31/2017; average yield .75%.
- * \$13,690,673 Change in Cash since end of Quarter at 12/31/2016 (increase)
- * \$145,391 interest earned for first quarter of fiscal year; year-to-date interest earnings \$232,540
- * 100% or \$67,511,658 of portfolio is in depository bank
- * Funds on deposit with depository bank for best returns. Fully collateralized.
- * .75% - Average Fiscal Year-to-Date Average Yield on Portfolio
- * Benchmarks: 3 Month Treasury Rolling Yield is .60%; 6 Month Treasury Rolling Yield is .75%.

Interest Earnings as of March 31, 2017



Interest Earnings Y-T-D: \$145,391



Allocation of Operations at 3/31/2017

The investment portfolio of the Town of Little Elm is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.

Heather Stueck
 Chief Financial Officer

Dianne Busch
 Assistant Director of Finance

Resti Brommily
 Senior Accountant

CASH AND INVESTMENTS BY PORTFOLIO
(All Funds are in interest bearing accounts.)

| Fund | # | Fund Description | Balances 3-31-2015 | Balances 6-30-2016 | Balances 9-30-2015 | Balances 12-31-2015 | Balances 3-31-2016 | Balances 6-30-2016 | Balances 9-30-2016 | Balances 12-31-2016 | Balances 3-31-2017 | Changes from 12-31-2016 | Use of Funds |
|--|------------|------------------------------------|--------------------|--------------------|--------------------|---------------------|--------------------|--------------------|--------------------|---------------------|--------------------|-------------------------------------|---|
| General Operating | | | | | | | | | | | | | |
| 112-0101-00-00 | 112 | CASH-GENERAL FUND | 9,378,148 | 8,002,601 | 5,259,805 | 12,622,224 | 15,047,650 | 11,151,623 | 8,656,993 | 14,920,798 | 18,026,464 | 3,105,667 | Daily Operations |
| 113-0101-00-00 | 113 | PARKS AND RECREATION FUND | 321,196 | 180,185 | 493,083 | 352,582 | 996,883 | 895,964 | 757,353 | 610,439 | 1,071,741 | 461,302 | Parks and Recreation Operations |
| 115-0101-00-00 | 115 | CASH-STREET MAINTENANCE | 108,013 | 237,031 | 235,707 | 352,477 | 359,180 | 271,045 | 167,150 | 256,802 | 106,264 | (150,538) | 1/4 Cent Sales Tax for Streets |
| 9,807,357 | 8,419,817 | 5,988,595 | 13,327,283 | 16,403,714 | 12,318,632 | 9,581,495 | 15,788,039 | 19,204,470 | 3,416,431 | | | | |
| Special Revenue Fund | | | | | | | | | | | | | |
| 200-0101-00-00 | 200 | CASH-SPECIAL REVENUE | 127,236 | 131,584 | 134,182 | 140,526 | 144,944 | 138,176 | 141,874 | 170,412 | 180,366 | 9,955 | Library, Police and Fire Restricted |
| 202-0101-00-00 | 202 | CASH-STREETScape FUND | 757,247 | 893,510 | 200,251 | 185,461 | 207,481 | 99,444 | 51,367 | 494,152 | 447,466 | (46,686) | Streetscape |
| 203-0101-00-00 | 203 | CASH-PEG FUNDS | 49,706 | 65,875 | 79,877 | 97,223 | 107,134 | 116,045 | 128,512 | 137,904 | 150,892 | 12,988 | PEG Program |
| 205-0101-00-00 | 205 | CASH-TRAFFIC SAFETY | (25,987) | 74,134 | 115,263 | 106,484 | 130,674 | 137,178 | 145,584 | 92,180 | 156,824 | 64,644 | Red Light Camera Program |
| 211-0101-00-00 | 211 | CASH-SAFER GRANT | 8,209 | 8,225 | 0 | 0 | (43,174) | (71,983) | (131,844) | (171,089) | (39,245) | Farmers Market grant | |
| 250-0101-00-00 | 250 | CASH-GRANTS AND DONATIONS | 27,352 | 14,867 | 23,173 | 24,203 | 25,709 | 25,418 | 38,117 | 50,799 | 12,682 | Library, Police and Fire Restricted | |
| 412-0101-00-00 | 412 | CASH-FORFEITURE | 30,224 | 16,430 | 16,192 | 36,204 | 38,630 | 33,087 | 27,854 | 31,688 | 3,834 | Police - restricted | |
| 973,987 | 394,625 | 568,937 | 590,101 | 611,398 | 477,660 | 419,126 | 828,775 | 846,947 | 18,172 | | | | |
| Interest and Sinking | | | | | | | | | | | | | |
| 312-0101-00-00 | 312 | CASH-DEBT SERVICE FUND | 3,411,214 | 3,606,348 | 339,676 | 3,691,623 | 3,946,734 | 3,579,550 | 414,128 | 2,873,827 | 3,741,595 | 867,768 | Restricted for debt payments |
| 3,411,214 | 3,606,348 | 339,676 | 3,691,623 | 3,946,734 | 3,579,550 | 414,128 | 2,873,827 | 3,741,595 | 867,768 | | | | |
| Internal Service Fund | | | | | | | | | | | | | |
| 500-0101-00-00 | 500 | EQUIPMENT REPLACEMENT FUND | 3,058,436 | 2,786,648 | 2,720,797 | 1,482,807 | 2,144,171 | 1,863,090 | 1,829,057 | 1,822,657 | 2,565,542 | 742,885 | Restricted for vehicle/equipment replacement |
| 501-0101-00-00 | 501 | FIRE EQUIPMENT REPLACEMENT FUND | 194,380 | 164,565 | 108,989 | 99,162 | 302,047 | 290,311 | 286,826 | 245,932 | 436,155 | 190,222 | Restricted for Fire equipment replacement |
| 3,252,816 | 2,951,213 | 2,829,786 | 1,581,969 | 2,446,218 | 2,153,401 | 2,115,883 | 2,068,990 | 3,001,697 | 933,107 | | | | |
| Enterprise Funds | | | | | | | | | | | | | |
| 612-0101-00-00 | 612 | CASH-UTILITY OPERATING | 2,569,910 | 2,777,553 | 3,358,745 | 4,452,856 | 4,754,524 | 6,178,529 | 6,102,437 | 8,450,886 | 11,294,549 | 4,883,712 | Daily Operations and Debt Payments |
| 641-0101-00-00 | 641 | CASH - 2016 CO REV W/S BOND \$7.6M | 200,353 | 225,001 | 207,120 | 355,489 | 518,813 | 660,700 | 826,610 | 453,230 | 409,598 | (43,632) | Restricted for 2016 W/S Bond Projects |
| 712-0101-00-00 | 712 | CASH-SOLID WASTE | 547,570 | 506,407 | 549,041 | 524,329 | 519,453 | 254,130 | 284,037 | 294,571 | 394,367 | 99,797 | Restricted for Courtesy Site |
| 715-0101-00-00 | 715 | CASH-STORM DRAINING FUND | 3,317,833 | 3,508,961 | 4,114,906 | 5,332,674 | 5,792,790 | 15,110,533 | 15,172,040 | 15,723,509 | 26,586,275 | 10,862,365 | |
| 2,569,910 | 2,777,553 | 3,358,745 | 4,452,856 | 4,754,524 | 6,178,529 | 6,102,437 | 8,450,886 | 11,294,549 | 4,883,712 | | | | |
| Enterprise Capital Project Funds | | | | | | | | | | | | | |
| 612-0101-00-61 | 612 | RESTRICTED CASH-2012 CO'S | 707,882 | 705,999 | 491,939 | 433,193 | 431,818 | 427,663 | 0 | 0 | 0 | 0 | Restricted for Water and Sewer CIP |
| 819-0101-00-00 | 819 | CASH IN BANK CONSOLIDATED | 625,868 | 799,832 | 72,800 | 191,886 | 324,831 | 441,141 | 590,910 | 697,620 | 806,215 | 108,595 | Restricted for Water and Sewer CIP |
| 913-0101-00-00 | 913 | CASH IN BANK CONSOLIDATED | 596,880 | 766,092 | 77,798 | 205,813 | 314,345 | 416,035 | 541,651 | 635,642 | 724,279 | 90,637 | Restricted for Water and Sewer CIP |
| 1,930,630 | 2,271,923 | 642,537 | 830,892 | 1,070,994 | 1,284,839 | 1,132,561 | 1,331,262 | 1,530,494 | 199,232 | | | | |
| Lakefront TIRZ #3 | | | | | | | | | | | | | |
| 810-0101-00-00 | 810 | CASH-LAKEFRONT TIRZ #3 | 0 | 0 | 0 | 32,497 | 32,556 | 68,642 | 40,161 | 108,279 | 80,601 | (27,678) | Restricted for TIRZ #3 |
| 0 | 0 | 0 | 32,497 | 32,556 | 68,642 | 40,161 | 108,279 | 80,601 | (27,678) | | | | |
| HWY 380 MMD #1 | | | | | | | | | | | | | |
| 809-0101-00-00 | 809 | CASH - HWY 380 MMD #1 | 0 | 0 | 0 | 417 | 418 | 418 | 418 | 2,049 | 1,631 | (1,631) | Restricted for MMD #1 |
| 0 | 0 | 0 | 417 | 418 | 418 | 418 | 2,049 | 1,631 | (1,631) | | | | |
| TIRZ #4 | | | | | | | | | | | | | |
| 812-0101-00-00 | 812 | CASH - TIRZ #4 | 0 | 0 | 0 | 0 | 0 | 0 | 11,187 | 27 | (11,160) | (11,160) | Restricted for TIRZ #4 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11,187 | 27 | (11,160) | (11,160) | |
| TIRZ #5 | | | | | | | | | | | | | |
| 813-0101-00-00 | 813 | CASH - TIRZ #5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Restricted for TIRZ #5 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Economic Development - 4A Corporation | | | | | | | | | | | | | |
| 811-0101-00-00 | 811 | CASH-ECONOMIC DEVELOPMENT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Restricted for 4A Purposes |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | As of October 1, 2014 separated from Town reporting |
| Community Development 4B Corporation | | | | | | | | | | | | | |
| 814-0101-00-00 | 814 | CASH-CDC | 1,301,466 | 265,959 | 106,354 | 298,513 | 388,349 | 588,384 | 802,656 | 434,852 | 483,111 | 48,260 | Restricted for 4B Purposes |
| 1,301,466 | 265,959 | 106,354 | 298,513 | 388,349 | 588,384 | 802,656 | 434,852 | 483,111 | 48,260 | | | | |
| General Capital Project Funds | | | | | | | | | | | | | |
| 825-0101-00-00 | 825 | CASH IN BANK - PARK DEV FUNDS | 431,965 | 1,166,113 | 1,644,874 | 1,900,785 | 2,155,631 | 1,620,367 | 1,626,934 | 1,240,092 | 1,289,529 | 49,437 | Restricted for Park Projects |
| 828-0101-00-00 | 828 | CASH IN BANK - STREET IMPACT FEES | 0 | 0 | 0 | 9,655,459 | 9,609,282 | 9,414,005 | 8,495,138 | 6,740,902 | (1,754,237) | (1,754,237) | Restricted for Street Projects |
| 841-0101-00-00 | 841 | CASH IN BANK - 2015 CO BONDS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Restricted for 2015 CO Bond Projects |
| 870-0101-00-00 | 870 | CASH IN BANK - 2009 GO BONDS | 5,805,212 | 6,772,565 | 6,000,607 | 6,899,203 | 5,956,177 | 5,899,590 | 5,006,345 | 4,913,001 | 4,000,128 | (912,873) | Restricted for 09 GO Bond Projects |
| 871-0101-00-00 | 871 | CASH IN BANK-GEN CAP PROJ FUND #2 | 6,237,176 | 7,938,678 | 7,645,481 | 18,452,447 | 17,721,090 | 16,933,962 | 15,286,871 | 14,648,232 | 12,090,769 | (2,617,462) | Restricted for CIP Proj after 6/2013 |
| 30,237,480 | 29,357,523 | 22,236,273 | 44,137,998 | 48,413,843 | 52,519,376 | 44,968,703 | 53,820,985 | 67,511,658 | 13,690,673 | | | | |

Interest Earnings

| INTEREST EARNINGS | 1st Qtr 2016 | 2nd Qtr 2016 | 3rd Qtr 2016 | 4th Qtr 2016 | FY 2016 Interest Earnings | Oct-16 | Nov-16 | Dec-16 | 1st Qtr 2017 | Jan-17 | Feb-17 | Mar-17 | 2nd Qtr 2017 | FY 2017 Interest Earnings |
|---|---------------------|---------------------|---------------------|---------------------|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------------------|
| General Operating | 12,724.24 | 26,304.80 | 23,601.12 | 21,472.63 | 84,102.79 | 6,478.53 | 6,378.70 | 8,885.86 | 21,743.09 | 46,776.46 | 13,685.89 | 16,503.79 | 76,966.14 | \$ 98,709.23 |
| Special Revenue Fund | 945.14 | 911.90 | 1,070.05 | 1,053.02 | 3,980.11 | 499.17 | 592.64 | 538.85 | 1,630.66 | 555.44 | 636.96 | 768.52 | 1,960.92 | \$ 3,591.58 |
| Interest and Sinking | 1,958.83 | 7,008.25 | 6,499.69 | 3,383.57 | 18,850.34 | 363.81 | 458.95 | 1,612.11 | 2,434.87 | 1,884.60 | 2,343.59 | 2,827.57 | 7,055.76 | \$ 9,490.63 |
| Equipment Replacement Fund | 2,649.26 | 2,405.64 | 3,932.72 | 4,087.36 | 13,074.98 | 1,318.90 | 1,285.65 | 1,160.38 | 3,764.93 | 1,013.60 | 1,154.51 | 1,392.94 | 3,561.05 | \$ 7,325.98 |
| Enterprise Funds | 8,350.90 | 10,463.13 | 29,583.30 | 29,319.41 | 77,716.74 | 10,068.32 | 10,179.33 | 9,557.00 | 29,804.65 | 8,301.01 | 10,884.44 | 13,132.23 | 32,317.68 | \$ 62,122.33 |
| Enterprise Capital Project Funds | 724.41 | 785.49 | 764.82 | 295.02 | 2,569.74 | - | - | - | - | - | - | - | - | \$ - |
| Economic Agreements | 24.60 | 59.22 | 132.40 | 99.58 | 315.80 | 43.37 | 63.79 | 62.86 | 170.02 | 67.63 | 71.39 | 86.14 | 225.16 | \$ 395.18 |
| Economic Development 4A Corporation | - | - | - | - | 0.00 | - | - | - | - | - | - | - | - | \$ - |
| Community Development 4B Corporation | 422.05 | 693.71 | 452.46 | 1,405.75 | 2,973.97 | 175.45 | 225.03 | 257.57 | 658.05 | 219.62 | 359.38 | 423.11 | 1,002.11 | \$ 1,660.16 |
| LE Redevelopment Authority | - | - | - | - | 0.00 | - | - | - | - | - | - | - | - | \$ - |
| General Capital Project Funds | 16,869.23 | 30,406.86 | 23,267.39 | 31,124.52 | 101,668.00 | 9,892.83 | 8,833.05 | 8,216.99 | 26,942.81 | 6,438.00 | 7,189.51 | 8,674.25 | 22,301.76 | \$ 49,244.57 |
| Total Cash and Investments by Portfolio Fund Type: | \$ 44,668.66 | \$ 79,039.00 | \$ 89,303.95 | \$ 92,240.86 | \$ 305,252.47 | \$ 28,840.38 | \$ 28,017.14 | \$ 30,291.56 | \$ 87,149.08 | \$ 65,256.36 | \$ 36,325.67 | \$ 43,808.55 | \$ 145,390.58 | \$ 232,539.66 |

CASH AND INVESTMENTS BY PORTFOLIO
(All Funds are in interest bearing accounts.)

| Fund | # | Fund Description | Balances 3-31-2015 | Balances 6-30-2016 | Balances 9-30-2015 | Balances 12-31-2015 | Balances 3-31-2016 | Balances 6-30-2016 | Balances 9-30-2016 | Balances 12-31-2016 | Balances 3-31-2017 |
|---|---|------------------|-----------------------|-----------------------|-----------------------|------------------------|-----------------------|-----------------------|-----------------------|------------------------|-----------------------|
| Summary by Fund Type: Invested Balances | | | | | | | | | | | |
| General Operating | | | 9,807,357 | 8,419,817 | 5,988,595 | 13,327,283 | 16,403,714 | 12,318,632 | 9,581,495 | 15,788,039 | 19,204,470 |
| Special Revenue Fund | | | 973,987 | 394,625 | 568,937 | 590,101 | 611,398 | 477,660 | 419,126 | 828,775 | 846,947 |
| Interest and Sinking | | | 3,411,214 | 3,606,348 | 339,676 | 3,691,623 | 3,946,734 | 3,579,550 | 414,128 | 2,873,827 | 3,741,595 |
| Internal Service Fund | | | 3,252,816 | 2,951,213 | 2,829,786 | 1,581,969 | 2,446,218 | 2,153,401 | 2,115,883 | 2,068,590 | 3,001,697 |
| Enterprise Funds | | | 3,317,833 | 3,508,961 | 4,114,906 | 5,332,674 | 5,792,790 | 15,110,533 | 15,172,040 | 15,723,909 | 26,586,275 |
| Enterprise Capital Project Funds | | | 1,930,630 | 2,271,923 | 642,537 | 830,892 | 1,070,994 | 1,284,839 | 1,132,561 | 1,331,262 | 1,530,494 |
| Economic Agreements | | | | | | 32,497 | 32,556 | 72,417 | 43,943 | 123,500 | 86,299 |
| Economic Development 4A Corporation | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Development 4B Corporation | | | 1,301,466 | 265,959 | 106,354 | 298,513 | 388,349 | 588,384 | 802,656 | 434,852 | 483,111 |
| General Capital Project Funds | | | 6,237,176 | 7,938,678 | 7,645,481 | 18,452,447 | 17,721,090 | 16,933,962 | 15,286,871 | 14,648,232 | 12,030,769 |
| Total Cash and Investments by Portfolio Fund Type: | | | 30,232,480 | 29,357,523 | 22,236,273 | 44,137,998 | 48,413,843 | 52,519,376 | 44,968,703 | 53,820,985 | 67,511,658 |