

# Mayor and Council Communication

**DATE:** 09/10/19

**M&C FILE NUMBER:** M&C 19-0142

**LOG NAME:** 13FORT WORTH PERMANENT FUND INVESTMENT POLICY AND STRATEGY2019

**SUBJECT**

Adopt a revised Investment Policy and Strategy for the Fort Worth Permanent Fund for the City's Mineral Trust (ALL COUNCIL DISTRICTS)

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**RECOMMENDATION:**

It is recommended that the City Council adopt the attached amended and revised Fort Worth Permanent Fund Investment Policy and Strategy for the City's Mineral Trust.

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**DISCUSSION:**

The purpose of this Mayor and Council Communication (M&C) is to adopt an amended and revised investment policy and strategy (IPS) for the Fort Worth Permanent Fund in accordance with the requirements of the Public Funds Investment Act (PFIA), Texas Local Government Code 2256. The PFIA requires that the Investment Policy and Strategy document be reviewed at least annually. The IPS was last approved on September 11, 2018.

Staff and the Investment Committee have reviewed the IPS and are recommending revision to reflect a change made to the PFIA this year by the Texas State Legislature.

Recommended changes include:

**Section III. Objectives**

**From:** The Permanent Fund, some portion of which may be maintained as permanent funds as determined by the City, is to be managed and invested in general accordance with the Public funds Investment Act and follow four major investment objectives: safety, liquidity, diversification and yield.

**To:** The Permanent Fund, some portion of which may be maintained as permanent funds as determined by the City, is to be managed and invested in general accordance with the Act and follow four major investment objectives: safety, liquidity, diversification and yield.

**Section VIII. Authorized Investments, item 3**

**From:** Commercial paper rated A1/P1 or equivalent by two nationally recognized rating agencies, with a maximum maturity of 90 days.

**To:** Commercial paper rated A1/P1 or equivalent by two nationally recognized rating agencies, with a maximum maturity of 365 days.

All other changes were minor grammatical and punctuation changes.

A Form 1295 is not required for this contract because: This M&C does not request approval of a contract with a business entity.

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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that the Fort Worth Permanent Fund Investment Policy and Strategy provides the foundation for solid fiscal management. The policy provides guidance on appropriate investment practices ensuring financial success for the Fort Worth Permanent Fund.

The approval of this policy has no material effect on City funds.

**Submitted for City Manager's Office by:** Kevin Gunn 2015

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