



MEMORANDUM

ADMINISTRATION

To: Mayor and City Council

From: Ben Williamson, City Manager

Date: May 20, 2025

Subject: Investment Policy May 2025, TexSTAR and LOGIC investment options

Chapter 2256 of the Texas Government Code requires that each Texas municipality annually review its Investment Policy and Strategies.

Following is a snapshot of what the written policy must include:

- Emphasize safety of principal and liquidity (suitability, marketability, diversification, and yield);
- Address investment diversification yield, maturity, and the quality and capability of investment management; and
- Include authorized investments, maximum maturity, market price monitoring, and settlement.

This policy has been reviewed by Hilltop Securities Asset Management, LLC who will be coordinating investment management from here forward, bringing their additional level of expertise to our portfolio and cash flow management.

Also on this agenda, are resolutions to participate in TexSTAR Investment Pool and LOGIC (Local Government Investment Cooperative). TexSTAR and LOGIC are both AAA rated local government investment pools that provide Texas government entities with solid investment returns, portfolio liquidity, and diversification. Both are administered by Hilltop Securities and JPMorgan Chase (our current financial advisor and commercial bank, respectively).