INVESTMENT COMMITTEE MEETING MINUTES

July 23, 2018

The Investment Committee held a regular meeting on July 23, 2018 at 4:24 p.m. at City Hall in Friendswood, Texas. The following members were present:

Bob Bozka
Larry Collison
Katina Hampton, Investment Officer
Rhonda Bloskas, Deputy Investment Officer

Allan Rasmussen was absent.

1. Committee meeting minutes from April 23, 2018 were reviewed.
   - Bob made a motion to approve the minutes as presented and Larry seconded the motion. Motion passed unanimously.

2. The Committee reviewed and discussed the quarterly investment report for the period ending June 30, 2018.
   - Katina stated that two securities had matured since March 31, 2018. However, the funds had not been re-invested since property tax revenue is lower in the summer months.
   - The committee discussed the interest rates on the pools. The interest on the pools looks good. The average yield for TexPool is 1.7%. Bob looked up the current rate on his phone and stated that as of July 22, 2018 the yield for TexPool was 1.88%. The average yield for Texas Class is 2.16% and Texas Class Government is 1.87%. The interest rates for banks hasn't moved however overnight lending rates have increased.
   - Bob asked if staff was okay with the operating cash balance and stated that interest earned on cash is almost the same as the interest earnings for government bonds. Katina explained that interest earned on cash at Wells Fargo offsets the analysis fees charged by the bank.
   - Discussion took place regarding property tax and any potential for increase in tax rates.
   - Larry made a motion to accept the Investment Report for quarter ended 6/30/18. Bob seconded the motion and it carried unanimously.

3. The committee discussed upcoming meeting dates and was okay with the meeting dates previously suggested by Katina. The next meeting will be on October 22, 2018.

4. The meeting was adjourned at 5:07 p.m.

Minutes approved by:
Katina Hampton
Investment Officer

Katina Hampton

Date Approved: October 22, 2018