



City Manager Report

The City of OKLAHOMA CITY

NO: 2056

DATE: JANUARY 30, 2024

TO: THE MAYOR AND MEMBERS OF THE CITY COUNCIL

SUBJECT: DECEMBER 31, 2023 QUARTERLY INVESTMENT REPORT

Annualized return on the portfolio was 3.22% for the quarter and 3.10% fiscal year to date. Investment income was \$17.63 million for the quarter and \$34.08 fiscal year to date. As per the Federal Open Market Committee's December 13th statement on the economy, recent indicators suggest that economic activity has slowed from its strong pace in the 3rd quarter. Job gains have moderated, unemployment remains low and inflation remains elevated. The Committee decided to keep the federal funds rate to a target range of 5.25 to 5.50 percent. The federal funds rate has a significant influence on the interest earnings of the portfolio.

The City's investment policy incorporates City Charter, Municipal Code and state statute requirements and establishes objectives for the investment of City funds. These objectives, in order of priority are safety, liquidity and return on investment. The investment policy also requires an investment report be submitted to the Mayor and Council on a quarterly basis.

Following is an executive summary of the investment activity for City, trust and authority funds administered by the City Treasurer for the quarter ended December 31, 2023. This information meets reporting requirements outlined in the investment policy. The following has been summarized for your review:

Exhibit 1 Portfolio Summary

Exhibit 2 Portfolio Holdings Distribution by Security Type

Exhibit 3 Portfolio Holdings Distribution by Maturity Range

Exhibit 4 Comparison of Yield to Benchmark (0 – 3 Year U.S. Treasury Index)

Exhibit 5 General Fund Interest Earnings, Budget vs Actual

Exhibit 6 Economic Review

Staff is available should you have questions or require additional information.

A handwritten signature in black ink, appearing to read "C. Freeman".

Craig Freeman
City Manager