

TOWN OF VAIL MEMORANDUM

TO: Scott Robson
Kathleen Halloran
Council Members

FROM: Carlie Smith

DATE: 1st Qtr 2020

RE: Investment Report

Enclosed is the investment report with balances as of March 31, 2020.

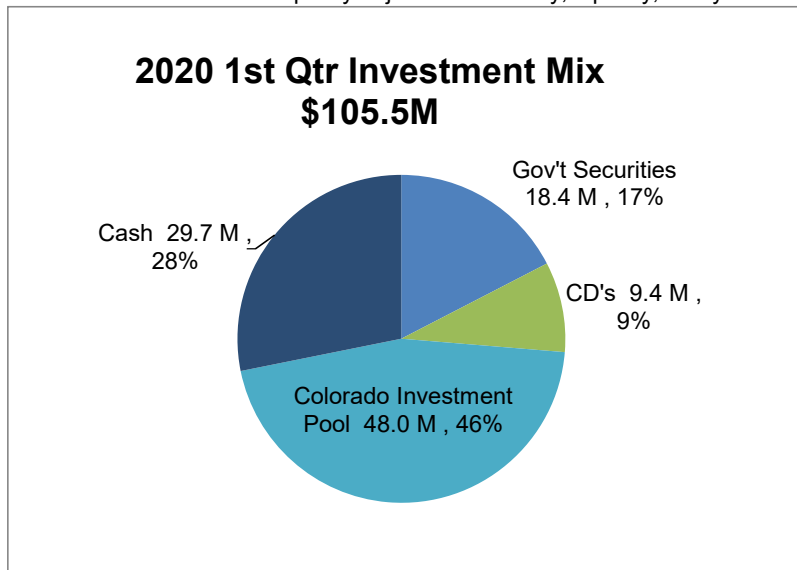
The estimated average yield for the pooled cash fund is 1.26%. As of 3/31/20, the Treasury yield curves for 3 months, 6 months, and 1 year are 0.11%, 0.15%, and 0.17% respectively.

At the beginning of March, US Treasury yields fell to historic lows as concern for economic impacts from the coronavirus grew. To help bolster confidence, the Federal Reserve made an emergency interest rate cut and lowered the US benchmark interest rate to just under 1.25%, down from 1.75%. Later on in the month, the Federal Reserve cut benchmark interest rates to 0%.

For the last year, the town has intentionally kept funds in shorter term holdings. As longer term investments have matured, the town has reinvested in Colo Trust, where rates peaked at 2.3% in 2019, but are currently 0.86% due to the Fed's reductions in rates.

The town's yield from older CD and agency investments is helping to buoy declines in cash holdings. These older investments begin maturing in the next two years. By the end of 2021, the town will have \$15.8M in agency investments plus another \$6.4 of CDs maturing.

Our investment mix follows the policy objectives of safety, liquidity, and yield in that order.



There were no changes to investment products or banking institutions.

Please call me if you have any questions.

Town of Vail, Colorado
Investment Report
Summary of Accounts and Investments
As of 03/31/2020

	2020	
	Balances	Percentage of Total
Cash		
Commercial Banks	\$21,865,401	20.72%
Money Market Funds	\$7,861,068	7.45%
Total Cash	\$29,726,469	28.17%
U.S. Government Securities		
Government Agency Securities -Piper Jaffray	\$6,563,224	6.22%
FNMA'S, GNMA'S, FHLMC'S & SBA'S - Dana	\$11,801,732	11.18%
Total Government Securities	\$18,364,956	17.40%
Certificates of Deposit	\$9,384,831	8.89%
Colorado Investment Pools	\$48,066,170	45.54%
Total Portfolio	\$105,542,426	100.0%
Maturing Within 12 Months	86,310,195	81.78%
Maturing Within 24 Months	5,666,371	5.37%
Maturing After 24 Months	13,565,860	12.85%
	105,542,426	100.0%

Performance Summary
As of 03/31/2020

Institution Type of Accounts	Average Return	Balances 03/31/20
"CASH" ACCOUNTS		
Commercial Bank Accounts:		
First Bank of Vail - Operating Accounts	1.000%	\$21,865,401
Alpine Bank		\$0
Money Market Accounts:		
Schwab Institutional Money Market Fund - Dana Investments Interest and Balance	0.290%	\$194,173
Vail Super Now Public Funds Account - Piper Jaffray Interest and Balance	0.000%	\$7,666,894
Total Money Market Funds		\$7,861,068
Total "Cash" Accounts		\$29,726,469
GOVERNMENT SECURITIES		
Government Agency Securities -Piper Jaffray	3.62%	\$ 6,563,224
FNMA'S, GNMA'S, FHLMC'S & SBA'S - Dana	2.62%	\$11,801,732
		\$18,364,956
Total Government Securities		\$ 18,364,956
1st Bank, Vail Colorado (#5734) Matures September 14, 2022	1.510%	1,102,853
1st Bank, Vail Colorado (#1992) Matures Nov 23, 2020	0.700%	1,152,447
1st Bank, Vail Colorado (#3421) Matures Mar 17, 2021	0.700%	1,164,030
1st Bank, Vail Colorado (#4290) Matures Sept 29, 2021	0.700%	1,117,831
1st Bank, Vail Colorado (#4754) Matures Dec 28, 2021	0.700%	1,115,903
1st Bank, Vail Colorado (#5319) Matures May 21, 2020	0.300%	1,575,838
Piper Jaffray 254672RY6 Matures July 15, 2020	2.290%	147,556
Piper Jaffray 17312QL98 Matures May 23, 2023	3.030%	105,341
Piper Jaffray 06740KLH8 Matures October 21, 2021	2.120%	131,697
Piper Jaffray 02587CFU9 Matures Aug 29, 2022	2.350%	210,202
Piper Jaffray 38148PUA3 Matures December 6, 2022	2.430%	257,098
Piper Jaffray 949763LRS Matures December 8, 2022	2.430%	257,125
Piper Jaffray 17312QQ36 Matures July 24, 2023	3.110%	158,880
Piper Jaffray 254673RVO Matures July 25, 2023	3.110%	105,925
Piper Jaffray 06426KAMO Matures July 31, 2023	3.020%	264,088
Piper Jaffray 29278TCG3 Matures July 31, 2023	3.020%	253,524
Piper Jaffray 58404DCM1 Matures July 31, 2023	3.070%	264,495
		9,384,831
Total Certificates of Deposit		\$ 9,384,831
LOCAL GOVERNMENT INVESTMENT POOLS		
Colostrust General Fund Interest	0.860%	\$48,066,170
Total Local Government Investment Pools Accounts		\$48,066,170
Total All Accounts		\$105,542,426