



MEMORANDUM

To: Mayor and City Council

From: Vanessa Tarver, Assistant Director of Strategic Financial Engagement

VIA: Kim Tiehen, Director of Strategic Financial Engagement

Date: August 26, 2025

Reference: Consider approval and adoption of the City of Coppel Investment Policy

2040: Sustainable City Government

Introduction:

This item is presented to the Council as required by the Texas Public Funds Investment Act (PFIA), which states that the written Investment Policy must be reviewed and adopted on an annual basis by the governing body.

Background:

The policy is reviewed by staff annually and is currently compliant with the Public Funds Investment Act. Typically, staff recommends changes to the policy when PFIA requirements change (most recently in 2019) or when administrative changes are deemed appropriate. For example, past administrative updates have included updating job titles and department name. All changes, whether initiated in response to PFIA or administrative clean-up, are brought to the Council each year for approval.

Changes initiated by the Strategic Financial Engagement Department are as follows:

- Adjust the position Financial Relationship Group Manager to Assistant Director of Strategic Financial Engagement.
- A reference to an investment advisor, which was discussed and approved during the council meeting on August 12, 2025.
- Revise collateralization of funds to 102% from 105%, which is in line with the Local Government Code section 2257.104 – Collateral for Public Funds.

Furthermore, the investment policy has been reviewed by the Government Treasurer's Organization of Texas (GTOT) Review Committee to ensure it meets the requirements of the

Texas Public Funds Investment Act. The investment policy originally received the Certificate of Distinction Award on July 10, 2001 and has subsequently been recertified on a biannual basis. The current Certification of Investment Policy is effective for a two-year period ending August 31, 2026. The GTOT has indicated our policy meets the criteria set forth in the investment policy review checklist and is an excellent example of a comprehensive written investment policy.

Benefit to the Community:

To have an investment policy that is in compliance with the Public Funds Investment Act, which prioritizes safety, liquidity, then yield.

Legal Review:

Agenda item was reviewed by legal as part of the agenda packet.

Fiscal Impact:

There is no direct fiscal impact from this agenda item.

Recommendation:

The Strategic Financial Engagement Department recommends approval of the investment policy for fiscal year 2026.