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**Meeting Date**

May 17, 2022

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**New Business Item #1**

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## Subject

Resolution authorizing participation in TexPool local government investment pools, and designating authorized representatives and TexPool participation agreement

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## Recommendation

Staff recommends the Board of Directors approve the resolution as presented and authorize the President to sign the participation agreement

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## Background/Analysis

As interest rates begin to rise, staff is taking steps to take advantage of the higher rates through diversification of BWA's investment portfolio. The easiest and most basic investment outside of the depository bank is the local government investment pool. Local government investment pools are authorized investments of the Public Funds Investment Act, and the Authority's investment policy. They are \$1.00 value investments that seek primarily to be safe and liquid. Funds are available daily.

TexPool is a local government investment pool overseen by the State Comptroller. It is the largest and oldest investment pool in the state with over 2,500 participating governments.

TexPool investments consist exclusively of U.S. Government securities, repurchase agreements collateralized by U.S. Government securities, and AAA-rated no-load money market mutual funds. TexPool Prime invests in the above plus, commercial paper and certificates of deposits. TexPool and TexPool Prime are each rated AAAM by Standard & Poor's, the highest rating a local government investment pool can achieve. The weighted average maturities of the pools cannot exceed 60 days, with the maximum maturity of any investment limited to 13 months.

## Financial Impact

None