

**CITY OF DUBUQUE
PUBLIC NOTICE OF MEETING
INVESTMENT OVERSIGHT ADVISORY COMMISSION**

Notice is hereby given that the above identified governmental body will meet at the time, date and place as set forth below.

WHERE: City Hall, Conference Room A
WHEN: Wednesday, January 31, 2024
TIME: 3:00 p.m.

MEETING AGENDA

1. Certification of Compliance with Open Meetings Law
2. Investments Presentation
3. Review Minutes of the October 25, 2023, Meeting
4. City Investment Report for Quarter Ended December 31, 2023
5. Investment Managers Returns
6. Investment Managers Fees
7. Communications from the Public, Commission and Staff
8. Confirm next meeting date (April 24,2024)
9. Adjourn

This notice is given pursuant to Iowa Code Chapter 21. Any visual or hearing impaired persons needing special assistance or persons with special accessibility needs should contact the Finance Department at (563) 589-4398 or TDD (563) 690-6678 at least 48 hours prior to the meeting.



Authorized Signature
Brian DeMoss
January 26, 2024



TO: Members of City of Dubuque Investment Oversight Advisory Commission

FROM: Brian DeMoss, Finance Manager

RE: Un-approved Minutes of the October 25, 2023, Meeting of the Investment Oversight Advisory Commission and Chairman's Quarterly Report

DATE: January 29, 2024

Commission members present:

Paul Lassance, Josh Merritt, and Molly Valaskey

City staff present:

Jennifer Larson, Chief Financial Officer
Brian DeMoss, Finance Manager

1. The meeting was called to order at 3:00 p.m. by Paul Lassance. This is an official meeting as a quorum was present.
2. Chief Financial Officer Jennifer Larson certified that the meeting was in compliance with the Iowa open meetings law.
3. BTC Investment Advisors was present virtually.

BTC gave a portfolio and economic update for the quarter ending September 30, 2023. The portfolio is compliant with the City's investment policy. There is \$48,869 in cash and cash equivalents, noting a rate of 5.1%. This is two times the rate received from last year. 99.5% investments are held in triple AAA rated bond, total balance of 9,402,536. Annual income for last year totals 130,426, noting no market loss.

The Fed will hold a meeting in November. At this time it is anticipated the federal will raise rates in November and the market has already accounted for this increase. Currently the 2 year yield is higher than the five year yield. Anticipates over the next months this yield curve will return to a normal and investments will be adjusted as yield curve changes.

4. Paul Lassance moved that the minutes of the July 26, 2023, be approved. The motion was seconded by Molly Valaskey and approved unanimously.

5. Brian DeMoss reported on recent certificate of deposit results. CD bids are still 5.50% or higher.
6. The Commission reviewed the June 30, 2023, quarterly investment reports.
7. The only communication from the public was regarding interest in the City issuing a proposal for banking services from Capra Bank.
8. The next meeting of the Commission is scheduled for Wednesday, January 24, 2024 at 3:00 p.m. A representative from DB&T will be invited to present at the meeting.
9. Paul Lassance moved that the meeting adjourn. The motion was seconded by Josh Merritt. The meeting was adjourned at 3:40 p.m.

CITY OF DUBUQUE
Cash, Investments and Investment Earnings Summary
For The Quarter Ended December 31, 2023 And Fiscal Year To Date

Description	Carrying Value	Market Value / Including Accrued Interest	Unrealized Gain (Loss) / Accrued Interest
Change & Petty Cash Funds	11,841	11,841	-
Checking/Savings Accounts	54,460,502	54,460,502	-
Unspent Bond Proceeds	9,530,846	9,530,846	-
Certificates Of Deposit	92,405,200	94,289,577	1,884,377
US Treasury Securities	2,015,125	2,051,511	36,386
Corporate Stock (EB Lyons Trust)	11,514	69,577	58,063
Investment Advisor Accounts	28,755,394	27,541,025	(1,214,369)
Reserve Accounts	2,605,200	2,689,409	84,209
Total Funds	189,795,622	190,644,287	848,665

Breakdown			
City	182,204,009	182,971,418	767,408
Metro	7,591,612	7,672,869	81,256
Total Combined Funds	189,795,622	190,644,287	848,665

Cash Basis	Quarter	Year-To-Date
Gross Earnings:		
City	2,274,065	2,208,538
Metro	26,839	92,366
Combined	2,300,904	2,300,904
Investment Fees:		
City	27,190	26,895
Metro	727	1,023
Combined	27,918	27,918
Net Earnings:		
City	2,246,875	2,181,643
Metro	26,111	91,343
Combined	2,272,986	2,272,986

City of Dubuque
Schedule of City Fund
As of
December 31, 2023

CITY MANAGED FUNDS	COST BASIS	TOTAL CITY FUNDS PERCENTAGE
CASH:		
Change and Petty Cash Funds	11,841	
MWO C&B Checking, MM, MWO Health	251,094	
Prescription Fund Deposit	75,000	
<i>Total</i>	337,936	0.18%
CHECKING / SAVINGS ACCOUNTS:		
MidWestOne Bank (General)	1,301,134	
MidWestOne Bank (Section 8)	381,149	
Dubuque Bank & Trust (General/Credit/Utility)	32,747,876	
Dubuque Bank & Trust (Metro)	12,930,560	
Dubuque Bank & Trust (Cable Franchise Equipment Fund)	1,210,119	
DB&T Business Analysis Checking	1,663,768	
DB&T Switch Escrow	400,056	
US Bank (General)	23,361	
Fidelity Bank & Trust (Utility)	32,392	
Dubuque Bank & Trust Police Forfeiture Funds	150,233	
Dubuque Bank & Trust Police Evidence	360,262	
Green State Credit Union	5	
Bank First Ambulance	904,534	
Collins Community Credit Union	864,642	
Collins Community Credit Union (Metro)	1,490,412	
<i>Total</i>	54,460,502	28.65%
UNSPENT BOND PROCEED INVESTMENT ACCOUNTS:		
(LESS ACCRUED INTEREST)		
DB&T (Series 2012C, 2012D, 2012H)	1,087,962	
MWO (Series 2012F, 2014B, 2014C, 2021A, 2021B, 2022A, 2022B)	6,886,360	
Fidelity (Series 2016C)	1,138,890	
Collins CCU (Series 2019A, 2019B)	417,633	
<i>Total</i>	9,530,846	5.01%
CERTIFICATES OF DEPOSIT:		
MWO	5,000,000	
DB&T	0	
CCCU	0	
Dutrac	33,400,000	
FB&T	0	
Dupaco	25,525,200	
Green State Bank	27,980,000	
US Bank	0	
IPAIT	500,000	
<i>Total</i>	92,405,200	48.60%
U.S. TREASURY OBLIGATIONS:		
Debt Service Reserve Fund Required for Port Ramp	2,015,125	
<i>Total</i>	2,015,125	1.06%
RESERVES:		
Sales Tax Increment Rev Bond Reserve (Series 2015A)	2,080,000	
Water Debt Bond Reserve (2010D)	525,200	
<i>Total</i>	2,605,200	1.37%
CORPORATE STOCK (Lyons Peony Trust):	11,514	
<i>Total</i>	11,514	0.01%
TOTAL CITY MANAGED FUNDS	161,366,322	84.88%

**City of Dubuque
Schedule of City Funds
As of**

December 31, 2023

PORTFOLIO

COMPOSITION

PERCENTAGE

*COST
BASIS*

*TOTAL
CITY FUNDS
PERCENTAGE*

FINANCIAL ADVISORS MANAGED FUNDS

DANA INVESTMENT ADVISORS, INC:

Cash and Equivalents	12.5%	1,282,934
US Treasury Obligations	0.0%	0
US Agencies	43.6%	4,490,339
Mortgaged Backed Securities	43.9%	4,526,258
Total	100.0%	10,299,531

5.42%

DUBUQUE BANK & TRUST:

Cash and Equivalents	1.3%	108,763
US Treasury Obligations	12.7%	1,038,352
US Agencies	0.0%	7,013,954
Mortgaged Backed Securities	0.0%	0
Unsettled Trades	0.0%	0
Total	14.1%	8,161,069

4.29%

FIRST COMMUNITY TRUST:

Cash and Equivalents	0.0%	0
US Treasury Obligations	0.0%	0
US Agencies	0.0%	0
Mortgaged Backed Securities	0.0%	0
Total	0.0%	0

0.00%

US BANK:

Cash and Equivalents	0.0%	0
US Treasury Obligations	0.0%	0
US Agencies	0.0%	0
Mortgaged Backed Securities	0.0%	0
Total	0.0%	0

0.00%

BTC CAPITAL:

Cash and Equivalents	0.8%	79,288
US Treasury Obligations	0.0%	5,196,567
US Agencies	48.8%	5,018,940
Mortgaged Backed Securities	0.0%	0
Total	49.5%	10,294,795

5.41%

TOTAL FINANCIAL ADVISORS MANAGED FUNDS

28,755,394

15.12%

BREAKDOWN BY TYPE OF SECURITY:

Cash & Equivalents	5.1%	1,470,985
US Treasury Obligations	21.7%	6,234,919
US Agencies	57.5%	16,523,232
Mortgage Backed Securities	15.7%	4,526,258
Unsettled Trades	0.0%	0
Total	100.0%	28,755,394

TOTAL CITY FUNDS

190,121,716

100.00%

RECAP OF PORTFOLIO PERCENTAGES	Managed	City	Combined
CASH & EQUIVALENTS	0.77%	0.18%	0.95%
CHECKING / SAVINGS ACCTS	0.00%	35.03%	35.03%
MORTGAGE BACKED SECURITIES	2.38%	0.00%	2.38%
CERTIFICATES OF DEPOSIT	0.00%	48.60%	48.60%
U.S. TREASURY OBLIGATIONS	3.28%	1.06%	4.34%
FEDERAL AGENCIES	8.69%	0.00%	8.69%
OTHER	0.00%	0.01%	0.01%
Total	15.12%	84.88%	100.00%

**CITY OF DUBUQUE
MONTHLY INVESTMENT SUMMARY**

Month Ending: **12/31/23**

	<u>Dana</u>	<u>DB&T</u>	<u>BTC Capital</u>	<u>Total Managed Accounts</u>	<u>City Finance</u>	<u>Combined Total</u>
<u>COST BASIS ANALYSIS</u>						
Cost Basis Prior Month	10,272,887	8,159,332	10,275,656	28,688,327	(29,753,546)	(1,065,219)
Additions:						
Interest Earnings	30,548	3,561	18,947	53,056	27,957	81,013
Capital Addition	0	0	0	0		0
NonCash Activity	0	0	0	0		0
Accretion	0	0	589		589	589
Realized Gains (Losses)	(3,484)	0	0	(3,484)		(3,484)
Total Additions	27,064	3,561	19,537	49,572	28,546	78,118
Subtractions:						
Management Fees	0	(1,509)	0	(1,509)		(1,509)
Custodian Fees	(419)	(316)	(392)	(1,127)		(1,127)
Withdrawal	0	0	0		0	0
Capital Withdrawals	0	0	0	0		0
Total Subtractions	(419)	(1,825)	(392)	(2,636)	0	(2,636)
Cost Basis Current Month	10,299,532	8,161,068	10,294,801	28,735,263	(29,725,000)	(989,737)
Net Cash Receipts & (Disbursements)					(2,254,111)	(2,254,111)
Ending Cost Basis Balance	10,299,532	8,161,068	10,294,801	28,735,263	(31,979,111)	(3,243,848)
<u>MARKET VALUE ANALYSIS</u>						
Investment Market Value Prior Month (Adjusted for Accruals)	9,991,589	7,469,448	9,415,768	0	26,845,765	0
Investment Market Value Current Month	10,163,854	7,663,960	9,713,211	27,541,025	(31,873,600)	(4,332,575)
Accrued Interest Current Month	0	0	0	0	1,968,586	1,968,586
Market Value Adjusted for Accruals	10,163,854	7,663,960	9,713,211	27,541,025	(29,905,014)	(2,363,989)

Portfolio Returns (computed by Investment Managers)

Monthly Return Gross of Fees	0.73%	1.26%	(0.53%)
Monthly Return Net of Fees	0.71%	1.26%	(0.53%)
Total Return Calendar Year to Date - Gross	4.82%	4.43%	2.92%
Effective Duration in Years	0.93	2.05	2.50
	X	X	X

Market Indices

	Average Last Month	Calendar Year to Date
BBgBarc US Trsy Bellwethers 3Mon TR USD	0.47%	5.15%
BBgBarc US Govt 1-3 Yr TR USD	1.15%	4.32%
BBgBarc US Govt Interm TR USD	2.09%	4.30%
BBgBarc US Govt TR USD	3.33%	4.09%
Current Prime	8.50%	

City of Dubuque
Schedule of Certificates of Deposit, Accrued Interest, High Yield Savings Accounts & Unspent Bond Proceeds
As of
December 31, 2023

Certificates of Deposit:

Certificate Number	Institution	C/M	Cost Basis	Purchase Date	Maturity Date	Interest Rate	Days to Maturity	Accrued Days	Accrued Interest
0015175052-1011	Green State	M	400,000	07/13/23	01/12/24	5.390%	12	171	10,100.71
219056-0100	DuTrac	C	13,200,000	07/18/23	01/18/24	5.520%	18	166	331,381.48
219056-0102	DuTrac	M	500,000	07/20/23	01/20/24	5.520%	20	164	12,401.10
219056-0101	DuTrac	C	6,000,000	07/19/23	01/19/24	5.520%	19	165	149,720.55
	Green State	C	5,000,000	08/01/23	02/01/24	5.520%	32	152	114,936.99
219056-0103	DuTrac	M	400,000	08/03/23	02/02/24	5.530%	33	150	9,090.41
219056-0104	DuTrac	M	400,000	08/03/23	02/02/24	5.530%	33	150	9,090.41
0015175052-1013	Green State	C	5,000,000	08/15/23	02/14/24	5.530%	45	138	104,539.73
0015175052-1014	Green State	C	5,000,000	08/15/23	02/14/24	5.540%	45	138	104,728.77
0015175052-1015	Green State	C	5,000,000	08/15/23	02/14/24	5.550%	45	138	104,917.81
0015175052-1016	Green State	C	5,000,000	08/15/23	02/14/24	5.560%	45	138	105,106.85
219056-0105	DuTrac	C	5,000,000	08/15/23	02/14/24	5.550%	45	138	104,917.81
	MidWestOne	C	5,000,000	08/15/23	02/14/24	5.350%	45	138	101,136.99
616045	Dupaco	C	5,000,000	08/29/23	02/28/24	5.560%	59	124	94,443.84
615997	Dupaco	C	5,000,000	08/29/23	02/28/24	5.570%	59	124	94,613.70
616011	Dupaco	C	5,000,000	08/29/23	02/28/24	5.580%	59	124	94,783.56
616029	Dupaco	C	5,000,000	08/29/23	02/28/24	5.570%	59	124	94,613.70
615029	Dupaco	C	5,000,000	08/29/23	02/28/24	5.560%	59	124	94,443.84
219056-0106	DuTrac	C	5,000,000	08/29/23	02/28/24	5.550%	59	124	94,273.97
219056-0107	DuTrac	M	1,000,000	09/15/23	03/15/24	5.600%	75	107	16,416.44
	Dupaco	C	525,200	10/17/23	04/17/24	5.580%	108	75	6,021.81
	DuTrac	M	1,000,000	10/17/23	04/17/24	5.600%	108	75	11,506.85
	DuTrac	M	400,000	10/17/23	04/17/24	5.560%	108	75	4,569.86
219056-0110	DuTrac	M	500,000	11/07/23	05/07/24	5.630%	128	54	4,164.66
	IPAIT	M	500,000	12/06/23	06/06/24	5.430%	158	25	1,859.59
1018	Green State	M	500,000	12/04/23	06/04/24	5.560%	156	27	2,056.44
1017	Green State	C	2,080,000	12/04/23	06/04/24	5.550%	156	27	8,539.40
Totals			92,405,200						1,884,377.27

Reserve Funds

Account Number	Institution	R	Ending Balance	Face Value Interest Rate	Accrued Interest
433091060	US Bank	R	2,080,000	5.390%	65,424.26
433090356	US Bank	R	525,200	5.060%	18,784.61
Totals			2,605,200		84,208.87

Account	CD Balance	Accrued Interest
DMASWA	5,600,000	81,256.47
City	86,805,200	1,803,120.80
	92,405,200	1,884,377.27

U.S. Treasury Bond

Account Number	Institution	C/M	Ending Balance	Face Value Interest Rate	Accrued Interest
2152-1478	DBT Investment Serv	C	2,028,000	4.75%	36,385.52
Totals			2,028,000		36,385.52

Weighted Yield: 5.535%
Weighted Maturity in Days: 48.7

Unspent Bond Proceed Accounts:

Bond Issue	Institution	C/M	Ending Balance*	@ Month End	Accrued Interest*
2012C	DB&T	C	595,514	0.05%	808.15
2012D	DB&T	C	472,140	0.05%	640.72
2012F	MWO	C	103,860	0.75%	27.31
2012H	DB&T	C	21,758	0.00%	156.42
2014B	MWO	C	497,674	0.05%	592.41
2014C	MWO	C	55,728	0.60%	68.62
2016C	FB&T	C	1,138,890	0.60%	580.07
2019A	Collins	C	291,730	0.05%	12.39
2019B	Collins	C	125,903	0.05%	5.35
2021A	MWO	C	1,498,154	0.90%	3,390.86
2021B	MWO	C	146,462	1.60%	1,672.79
2022A	MWO	C	2,394,410	2.25%	4,419.84
2022B	MWO	C	1,969,279	2.25%	3,635.09
Totals			9,311,502		16,010.02

Institution	% of Total	Bond Balance
MWO	71.58	6,665,567.69
DB&T	11.70	1,089,411.36
FB&T	12.23	1,138,890.03
Collins	4.49	417,632.79
	100.00%	9,311,502

(C) = CITY FUNDS (M) = DUBUQUE METROPOLITAN AREA SOLID WASTE AGENCY (R) = RESERVE FUNDS

Manager/Custodian Annual Fees Computation
Fiscal YTD - Quarter Ending
December 31, 2023

<u>Investment Managers</u>	<u>Managerial Fee Schedule</u>	<u>Total Market Value</u> (1)	<u>Annual Fees</u> (2)
<i>Dana</i>	0.25% No Tiers	\$ 10,163,854	\$ 25,410
			<div><div>25,410</div><div>Avg0.25%</div><div>YTD Actual Fees\$ 6,212</div></div>
<i>Dubuque Bank & Trust</i>	0.25% No Tiers	\$ 7,663,960	\$ 19,160
			<div><div>\$ 19,160</div><div>Avg0.25%</div><div>YTD Actual Fees\$ 7,545</div></div>
<i>BTC Capital</i>	0.25% No Tiers	\$ 9,713,211	\$ 24,283
			<div><div>\$ 24,283</div><div>Avg0.25%</div><div>YTD Actual Fees\$ 18,858</div></div>
<i>Midwest One Bank</i>	<div><div><u>Custodian fee Schedule</u></div><div><div>Annual fee of \$300 for each account plus...27,541,025\$ 900</div><div>0.2% on first \$1,000,000 of assets for each account6,000</div><div>0.15% on next \$1,000,000 of assets for each account4,500</div><div>0.10% on next \$1,000,000 of assets for each account3,000</div><div>0.05% on remaining assets for each account7,771</div><div><div>\$ 22,171</div><div>Avg0.08%</div><div>YTD Actual Fees\$ 11,836</div></div></div></div>		
Combined Avg Mgmt & Custodial			0.24%

Note: (1) Total market value includes accrued interest.

(2) Fees are listed on an annual basis.