



# Investing in the Future

Jeff Wilkins

The concepts of investment growth are important for generating additional revenue over time. Returns from investments compound and generate increased value.

*"Compound interest is the eighth wonder of the world; he who understands it, earns it, he who doesn't pays it." -Albert Einstein*



# Key Principles



## Diversify our portfolio

Invest across multiple asset classes to balance risk and return.



## Invest for the long-term

Give our investments time to grow rather than allowing them to set idle.



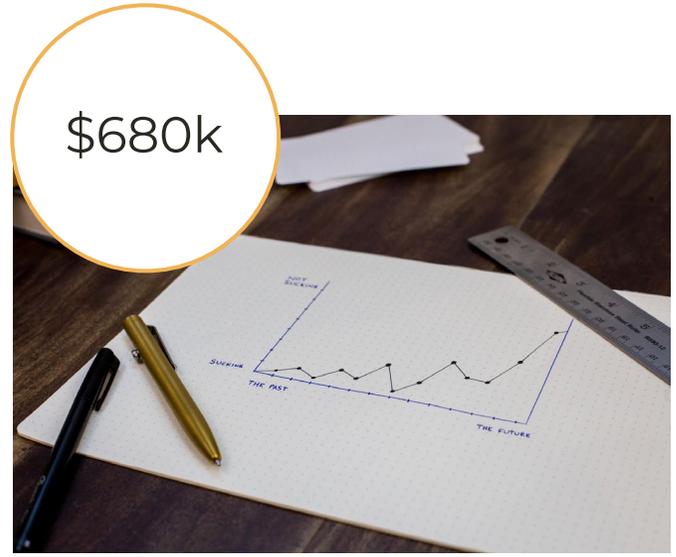
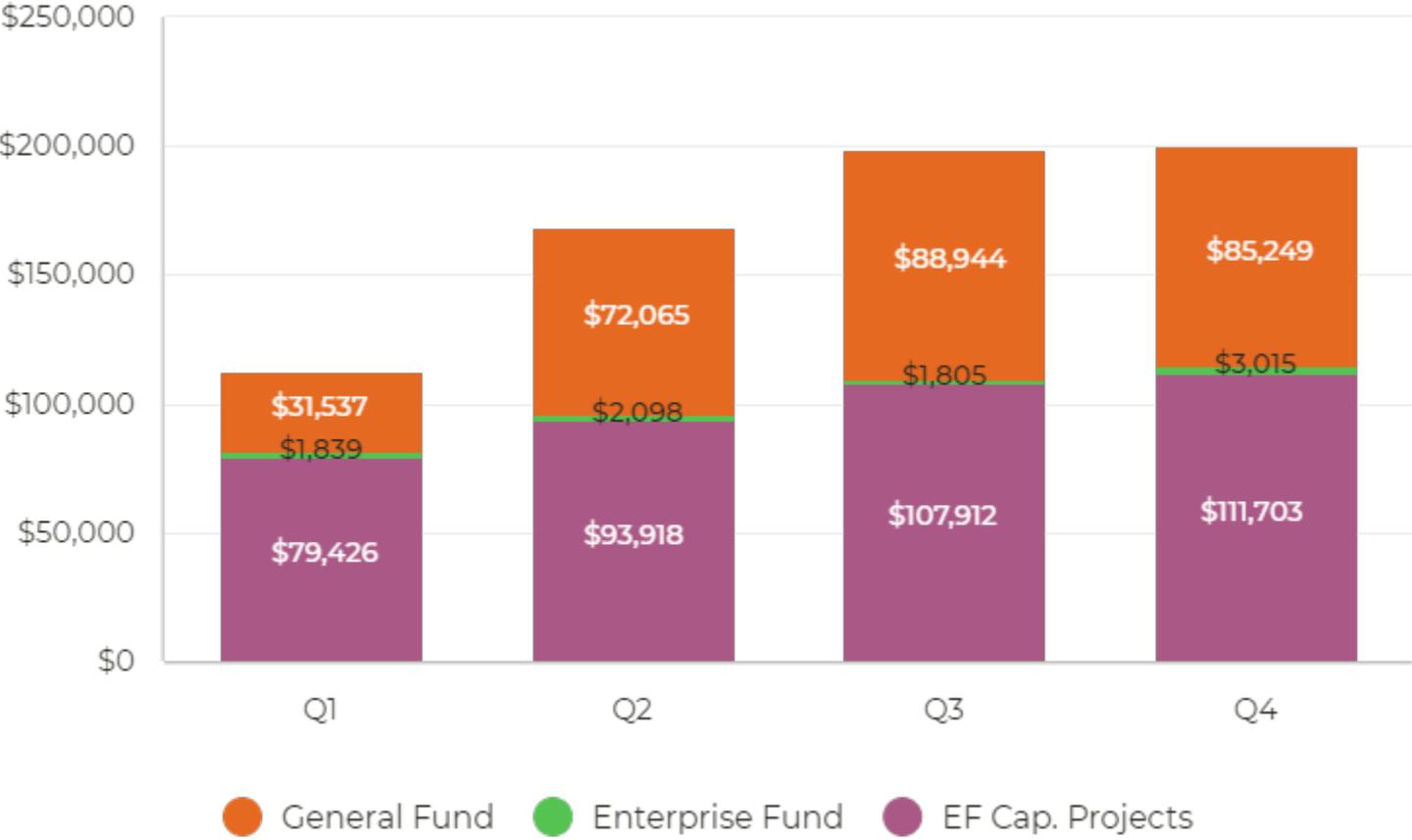
## Minimize risk through responsible cash flow.

Investing wisely reduces the risk of incurring costs and promotes healthy cash flow.

Following core principles like diversification, long-term investing, and minimizing costs can help achieve sustainable investment growth over time.

Looking back at the past year.

# Investing for the Future



DURING THIS CALENDAR YEAR, INTEREST REVENUE RELATED TO INVESTMENT ACCOUNTS EXCEEDED \$680K.

# CD Investments

*"Time in the market, beat timing the market." -Ken Fisher*

Capacity Fees CD Acct. currently at **\$13,700** earned interest. **\$13k** over last years CD. Est. **\$15k** at maturity.

Tourism CD Acct. currently at **\$10,736** earned interest. Estimated **\$27k** at maturity.

Impact Fee CD Acct. currently at **\$7,158** earned interest. Estimated **\$21k** at maturity.



# Diversify

## Cost Benefit Analysis

Is moving money around worth the administrative time and effort?

## Manage Volatility

Examining the markets monthly to determine where the best interests can be earned.

## Auditing Concerns

Making sure that any interest earned is tied back to the specific funds or projects for auditing purposes.

## Seeking more opportunities to invest

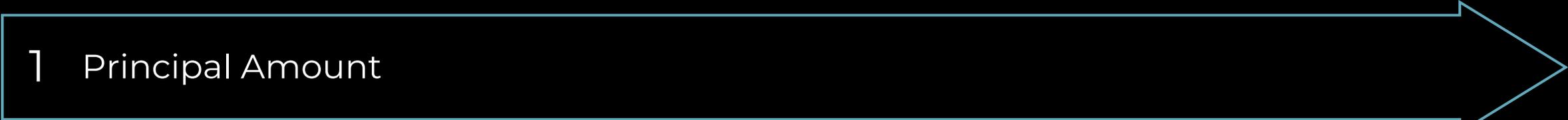
Specifically looking at restricted fund requirements such as Impact, Capacity, and Hospitality money to determine if more revenue could be made by moving to a LGIP account.

## Consider Restricted Funds and Projects

Utilizing special accounts to keep restricted funds separate while making revenue through interest earnings.

# Compound Interest

1 Principal Amount



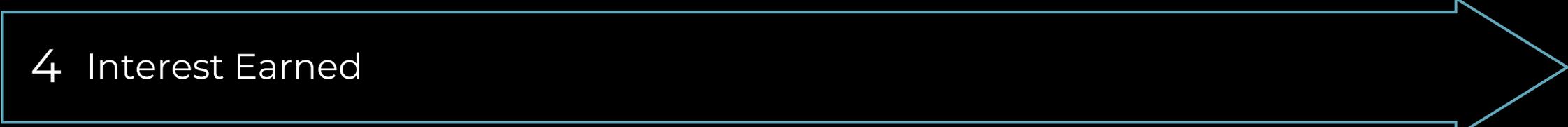
2 Interest Rate



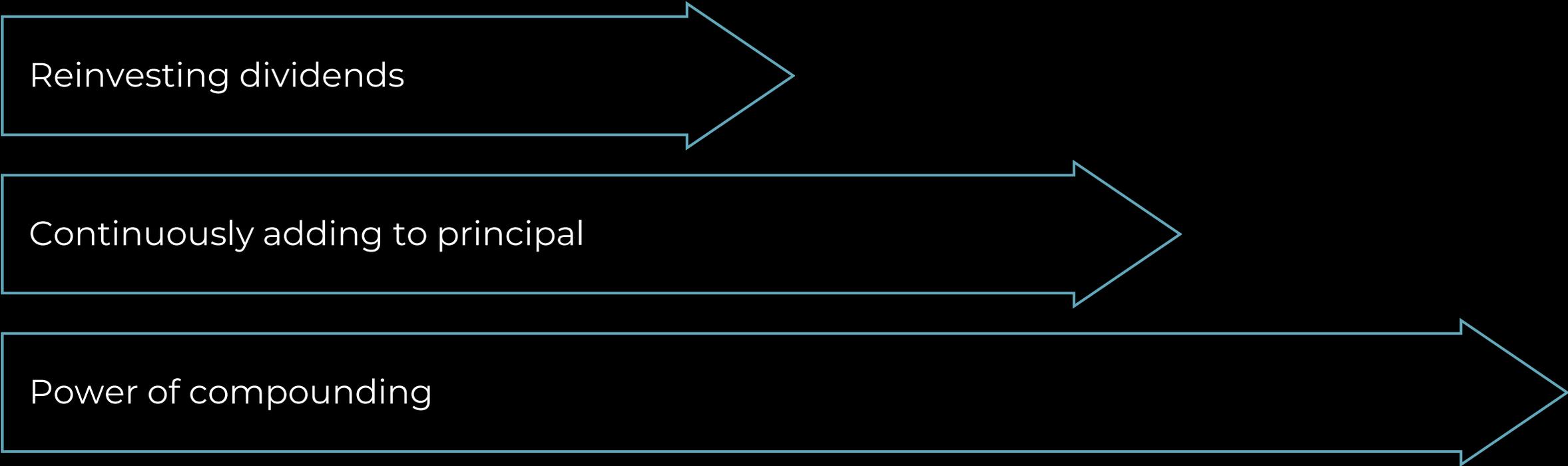
3 Time Invested



4 Interest Earned



# Reinvest



Reinvesting dividends

Continuously adding to principal

Power of compounding

# Investing with the Greatest Impact

More Years to  
Compound

Higher End Value

Longer Growth Period

Greater Compounding Effect

# Key Takeaways



## Keep investing

Continue investing. This allows more time that the City's money has to grow through compounding returns.



## Invest regularly

Continue to place an emphasis on this as it acts as another revenue stream to help fund the City's O&M and Projects.



## Diversify our portfolio

Continue to invest across different asset classes to make the most out of our money.

By continuing to invest regularly and diversifying, we can help our money grow for the future goals of the City.



REVENUE  
TRANSFER  
LONG-TERM  
COMMUNITY  
PROJECTS  
RISK  
VALUE  
POWER  
CD  
VOLATILITY  
RETURNS  
ASSETS  
OPPORTUNITIES  
PORTFOLIO  
INTEREST  
BANK  
FISCAL  
DIVIDENDS  
LGIP  
RATES  
REINVEST  
PRINCIPAL  
RESPONSIBILITY  
MONEY  
COMPOUNDING  
ADMINISTRATION  
GROWTH  
MARKET  
DIVERSIFY  
COST-BENEFIT  
CD  
YORK  
FUNDS

# INVESTMENT

# Additional Financial Update...

1. Monthly finance reports go out to department heads the first Friday of each month.
2. Awaiting State Appropriation funding for this Fiscal Year.
3. Majority of expenses are currently related to salaries, debt service and capital outlay.
4. Property tax payments are starting to be disbursed with collections expected to increase from December-February.
5. Many of our projects are currently underway. Future financial updates to provide more fiscal information for each project.

