

**City of Menahga
Action Memorandum 17-044**

Subject: Authorize Engagement with Ehlers Investment Partners to Manage the Greenwood Connections Expansion Project Bond

Agenda of: June 12, 2017

Council action: _____

Authorized

Summary statement: Action Memorandum 17-044 authorizes Ehlers Investment Partners to manage the Greenwood Connection Expansion Project bond in a manner in which there will be a net earning during the project.

Greenwood Connections Administrator Ahlf provided an estimated spenddown schedule to Ehlers who created an estimated investment portfolio. Ehlers' proposal projects an estimated earnings of \$51,905.34 and an estimated fee of \$7,117.99, with an estimated net earnings of \$44,787.35.

Attachments:

- Estimated Spenddown Schedule
- Sample Investment Portfolio

Estimated Spendown Schedule

Greenwood Connections - City of Menahga

	Phase 1	Phase 2	Phase 3	Phase 4	Totals
Jul-17					
Aug-17					
Sep-17					
Oct-17	100,000				100,000
Nov-17	200,000				200,000
Dec-17	200,000				200,000
Jan-18	300,000				300,000
Feb-18	300,000				300,000
Mar-18	300,000				300,000
Apr-18	400,000				400,000
May-18	400,000				400,000
Jun-18	400,000				400,000
Jul-18		200,000			200,000
Aug-18		200,000			200,000
Sep-18			250,000		250,000
Oct-18				120,000	120,000
Nov-18				120,000	120,000
Dec-18				120,000	120,000
Jan-19				120,000	120,000
Feb-19				120,000	120,000
Mar-19				120,000	120,000
Apr-19				120,000	120,000
May-19				120,000	120,000
Jun-19				120,000	120,000
Jul-19				120,000	120,000
Totals	2,600,000	400,000	250,000	1,200,000	4,450,000

Total **4,450,000**

4,900,000 Estimated Bond
 -350,000 Reimbursable Fixed Asset
 -100,000 Prepaid Engineering/Arch

4,450,000



Managing Investments for your Community's Future

Greenwood Connections - City of Menahga

Sample Investment Portfolio

Estimated Closing 7/13/2017*

Allocation	Amount	YTM	Est. Maturity
Cash - Contingency	300,000	0.7500%	7/31/2017
October 2017 Expenses - 3 mo	100,000	0.9800%	10/15/2017
November 2017 Expenses - 4 mo	200,000	1.0500%	11/15/2017
December 2017 Expenses - 5 mo	200,000	1.1100%	12/15/2017
January 2018 Expenses - 6 mo	200,000	1.1700%	1/15/2018
February 2018 Expenses - 7 mo	300,000	1.2400%	2/15/2018
March 2018 Expenses - 8 mo	300,000	1.2600%	3/15/2018
April 2018 Expenses - 9 mo	300,000	1.3000%	4/15/2018
May 2018 Expenses - 10 mo	300,000	1.3200%	5/15/2018
June 2018 Expenses - 11 mo	400,000	1.3400%	6/15/2018
July 2018 Expenses - 12 mo	200,000	1.3600%	7/15/2018
August 2018 Expenses - 13 mo	200,000	1.3700%	8/15/2018
September 2018 Expenses - 14 mo	250,000	1.4000%	9/15/2018
October 2018 Expenses - 15 mo	120,000	1.4200%	10/15/2018
November 2018 Expenses - 16 mo	120,000	1.4700%	11/15/2018
December 2018 Expenses - 17 mo	120,000	1.5000%	12/15/2018
Janaury 2019 Expenses - 18 mo	120,000	1.5500%	1/15/2019
February 2019 Expenses - 19 mo	120,000	1.5700%	2/15/2019
March 2019 Expenses - 20 mo	120,000	1.5900%	3/15/2019
April 2019 Expenses - 21 mo	120,000	1.6100%	4/15/2019
May 2019 Expenses - 22 mo	120,000	1.6200%	5/15/2019
June 2019 Expenses - 23 mo	120,000	1.6700%	6/15/2019
July 2019 Expenses - 24 mo	120,000	1.7000%	7/15/2019
Total	4,450,000		
Average Weighted YTM	1.3126%		
Average Weighted Maturity	0.89	years	
Estimated Earnings	\$ 51,905.34		
Estimated Total Fee	\$ 7,117.99		
Estimated Net Earnings	\$ 44,787.35		

*based off rates as of 6/2/2017

Historical returns are not a guarantee of future results.

Information obtained is from sources we believe to be reliable but we do not guarantee accuracy. Neither the information, nor any opinion expressed, constitutes a solicitation by us of the purchase or sale of any security.

Yields, rates, securities and prices are subject to change and availability.