



## AGENDA MEMORANDUM

Action Item for the City Council Meeting August 27, 2024

**DATE:** August 27, 2024  
**TO:** Peter Zaroni, City Manager  
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City of Corpus Christi  
Investment Policy and Investment Strategies

### **CAPTION:**

Resolution amending and reaffirmation the City of Corpus Christi's Investment Policy and Investment Strategies for the Fiscal Year 2024-2025

### **SUMMARY:**

The Public Funds Investment Act requires an annual review by the governing body of its investment policy and adoption of a written instrument stating that it has reviewed the investment policy and investment strategies.

### **BACKGROUND AND FINDINGS:**

Under Texas Government Code, Chapter 2256, Subchapter A. Authorized Investments for Governmental Entities, the State of Texas delineates the types of investments and the investment rules that must be followed by governmental entities. This chapter is often referred to as the "Public Funds Investment Act". In accordance with the Public Funds Investment Act, the governing body must approve the City's investment policy annually.

The City's Investment Committee met on May 6, 2024, and voted to approve the Investment Policy as presented, with no changes. The Investment Committee is comprised of the City Manager, Chief Financial Officer, Director of Finance, Assistant Director of Finance and the Director of Management and Budget.

Linda Patterson with Meeder Public Funds, the City's Investment Advisor, has also reviewed the Investment Policy and Investment Strategies.

On July 16, 2024, the City Council reviewed the policy and requested that a City Council Member be added to the Investment Committee and to move diversification above yield under Section IV of the policy.

The investment policy was amended as follows:

Section IV, "Objectives," is amended by reordering the placement of subsections C and D, entitled "Yield" and "Diversification", respectively, as new subsections C and D, entitled "Diversification" and "Yield", respectively, without any substantive changes to the content of the subsections.

Section VI, "Delegating Authority and Responsibility", subsection A, "City Council", is amended by adding the following language: "In addition, the Council is responsible for designating one or more individuals to serve as Investment Officer(s). In accordance with the Act, the Council may retain responsibility for reviewing and approving authorized broker/dealers or designate that responsibility to the Investment Committee."

Section VI, "Delegating Authority and Responsibility", subsection B, "Investment Committee", is amended effective February 1, 2025, to remove from the Investment Committee the Chief Financial Officer, Finance Director, and Assistant Finance Director.

Section VI, "Delegating Authority and Responsibility", subsection B, "Investment Committee", is amended, effective February 1, 2025, to add to the Investment Committee the Assistant City Manager over Finance and two Council Members appointed by the Mayor (one of which may be the Mayor) for a term concurrent with the member's elected term.

Section VI, "Delegating Authority and Responsibility", subsection C, "Investment Officers", is amended by removing the Chief Financial Officer.

**ALTERNATIVES:**

Make no changes to the Investment Policy.

**FISCAL IMPACT:**

N/A

**Funding Detail:**

Fund:

Organization/Activity:

Mission Element:

Project # (CIP Only):

Account:

**RECOMMENDATION:**

City staff recommends approval of the resolution amending and reaffirming the City of Corpus Christi's Investment Policy and Investment Strategies for Fiscal Year 2024-2025 as presented.

**LIST OF SUPPORTING DOCUMENTS:**

City of Corpus Christi Investment Policy and Investment Strategies 2024-2025

City of Corpus Christi Investment Policy and Investment Strategies 2024-2025 (Red Line Version)  
Resolution