



AGENDA MEMORANDUM

Action Item for the City Council Meeting August 22, 2023

DATE: August 22, 2023

TO: Peter Zanoni, City Manager

FROM: Alma Iris Casas, Interim Director of Finance and Procurement
almac@cctexas.com
(361) 826-3610

Josh Chronley, Assistant Director of Finance & Procurement
JoshC2@cctexas.com
(361) 826-3169

Extension for Investment Advisor Services

CAPTION:

Resolution authorizing the final of two, two-year extensions to service agreement with Meeder Public Funds, Inc., of Austin, in an amount not to exceed \$64,000.00, to provide investment advisor services effective September 4, 2023, with no funding required for FY 2023 and funding in future fiscal years from the General Fund, subject to budget approval.

SUMMARY:

This resolution extends the current contract with Meeder Public Funds, to provide investment consulting services for the final two-year extension. These services are necessary to assist City Investment Officers, in the Finance and Procurement Department, with investment decisions.

BACKGROUND AND FINDINGS:

Meeder Public Funds, Inc. presents market information to the Investment Committee during the quarterly Investment Committee meetings. The Investment Committee is made up of the City Manager, Chief Financial Officer, Director of Finance and Procurement, Assistant Director of Finance and Procurement – Accounting & Treasury, and the Director of Management and Budget. During the past year, Meeder Public Funds, Inc. has provided Public Funds Investment Act (PFIA) training for the City's Investment Officers, as required by the Public Funds Investment Act. Additionally, they have increased interest earnings on investments and assisted in the annual review of the City of Corpus Christi's Investment Policy and Investment Strategies, as well as four City associated corporations' investment policies and investment strategies. The City of Corpus Christi's Investment Policy and Investment Strategies was certified by the Government

Treasurers' Organization of Texas earlier this year for the third time.

The City does not have the resources to view current market activity. Prior to the contract with Meeder Public Funds, Inc. our brokers were the only ones providing the City with investment options. Meeder Public Funds, Inc. has access to the Bloomberg financial system that provides them with access to market availability and yield for investments. Because of the knowledge they have about the market activity, they are able to negotiate for the best price of a security. Meeder Public Funds, Inc. provides investment options available to the City's Investment Officers. The City's Investment Officers will determine if they want to act on the investment and then contact the City approved brokers to transact the purchase of the security. Additionally, Meeder Public Funds, Inc. assisted with the depository contract solicitation and review, assisted in the development of treasury policies and procedures, and is available for cash handling training.

Meeder Public Funds, Inc. is an SEC registered investment advisory firm which has provided independent and objective portfolio management advice and management since 1994. Linda Patterson is President of Meeder Public Funds, Inc. and was previously the City Treasurer of Fort Worth and Deputy State Treasurer for Texas. She draws her knowledge from these experiences in public finance and her experience working with clients on investment portfolios, policies, controls, and depository contracts.

PROCUREMENT DETAIL:

This is the final of two, two-year extensions included in the original contract. Per the Public Funds Investment Act (PFIA), a contract for investment services cannot be longer than two years and each extension must be approved by the governing body.

ALTERNATIVES:

The alternative is to have the City's brokers provide investment options; however, this would not meet the Finance and Procurement's Department's goal of achieving the best investment for the City. Meeder Public Funds, Inc. has access to the Bloomberg financial system that provides them with access to market availability and yield for investments. Because of the knowledge they have about the market activity, they are able to negotiate for the best price of a security.

FISCAL IMPACT:

There is no fiscal impact for FY 2023. The funding of \$64,000 will be provided in FY 2024 through the annual budget process.

FUNDING DETAIL:

Fund:	1020 – General Fund
Department:	59 – Finance and Procurement
Organization/Activity:	10830 – Cash Management
Project # (CIP Only):	N/A
Account:	530000 – Professional Services

RECOMMENDATION:

Staff recommends approval of this resolution authorizing the final of two, two-year service agreement extension with Meeder Public Funds, Inc., for investment advisor services as

presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution