

**Resolution amending and reaffirming the City of Corpus Christi's Investment Policy and Investment Strategies for fiscal year 2025-2026.**

**WHEREAS**, the City of Corpus Christi's Investment Policy and Investment Strategies were first adopted pursuant to Resolution No. 022390 on October 24, 1995;

**WHEREAS**, the Texas Public Funds Investment Act requires the governing body to annually review, amend as necessary, and reaffirm its investment policy and investment strategies;

**WHEREAS**, the Investment Policy and Investment Strategies were previously reviewed and reaffirmed for fiscal year 2024-25 pursuant to Resolution No. 033447 on August 27, 2024; and

**WHEREAS**, the Investment Policy and Investment Strategies were reviewed for fiscal year 2025-26 by the Investment Committee on July 28, 2025, and recommended for approval with substantive amendments and an updated reissuance date for reaffirmation by the City Council.

**Be it resolved by the City Council of the City of Corpus Christi, Texas:**

**Section 1.** The City Council has reviewed the City of Corpus Christi's Investment Policy and Investment Strategies for fiscal year 2025-26. A copy of the Investment Policy, which contains the separate Investment Strategies, for fiscal year 2025-26 is incorporated by reference into this resolution as if set out here in its entirety.

**Section 2.** Substantive amendments are made to the previous fiscal year's Investment Policy and Investment Strategies document, with such changes and amendments delineated and described as follows:

- (a) Under II. Scope, a change is made in the list following the last paragraph to delete the existing description for item A and replace it with the applicable "Escrow and Public Improvement District (PID) Accounts", to read as follows:

~~"A. Texas Utility System Junior Lien Revenue Improvement Bonds Escrow;~~  
A. Escrow and Public Improvement District (PID) Accounts;  
B. Airport Passenger Facility Charges (PFC); and  
C. Law Enforcement Seized Assets."

- (b) Under VI. Delegation of Authority and Responsibility, subsection B is amended by (i) deleting the effective date because it was added last year as part of a change made to the committee's composition and is no longer applicable; and (ii) by adding the Director of Finance & Procurement. Both amendments described in this subpart are as shown below, to read as follows:

"B. Investment Committee  
An Investment Committee shall meet at least quarterly to review and determine operational strategies and to monitor investment results.  
~~Effective February 1, 2025, t~~he Investment Committee shall consist of the

City Manager, Assistant City Manager over Finance, Director of Finance & Procurement, Director of Management ~~and~~ Budget and two Council Members appointed by the Mayor (one of which may be the Mayor) and confirmed by City Council for a term concurrent with the member's elected term."

- (c) Under VI. Delegation of Authority and Responsibility, subsection C is amended by deleting the Director of Finance from the Investment Officers and adding the Controller as an Investment Officer, to read as follows:

"C. Investment Officers

Investment Officers are designated by City Council resolution until such designation is rescinded. The authority to invest City funds and the execution of any documentation necessary is granted to the Investment Officers consisting of the ~~Director of Finance~~, Assistant Director of Finance, Controller, City Treasurer and Investment Analyst."

- (d) Under XVI. Investment Strategy, changes have been made to subsection A in the second and fourth paragraphs to revise the maximum dollar-weighted average maturity from one year to two years and to revise the risk benchmark from a one-year Treasury Bill to a two-year Treasury Note, respectively, to read as follows:

"The City's Pooled Fund shall have a maximum dollar-weighted average maturity (WAM) of ~~one-year~~ two years (~~365~~730 days) designed to meet anticipated cash flow needs. The fund shall be ladder based on cash flow analysis to provide ongoing liquidity for anticipated needs and provide for reasonable extension."

. . .

"The risks in the City's Pooled Fund shall be measured quarterly against a risk benchmark designed to mirror the authorized market investments and the City's cash flow requirements. Because this fund is dictated by cash flow needs, the benchmark becomes a measure of risk which reflects the primary market rates matched to the WAM. With a maximum WAM of ~~one~~two years, the risk benchmark is established as the ~~one~~two-year Treasury ~~Bill~~Note for the comparable period."

- (e) Under XVI. Investment Strategies, subsection B is amended by revising the name of the fund strategy to the "Escrow and Public Improvement District (PID) Fund Strategy". Additionally, the content in the subsection is further revised to reflect participation of public improvement district (PID) accounts in this strategy, delete the reference to The Bank of New York Mellon Trust Company, delete the referenced agreement, and make other necessary edits, to read as follows:

"B. ~~Texas Utility System Junior Lien Revenue Improvement Bonds~~ Escrow and Public Improvement District (PID) Fund Strategy

~~This-These~~ escrow ~~and PID accounts~~ ~~fund was were~~ established pursuant to ~~an escrow~~specific ~~agreements~~s. ~~dated as of August 29, 2017 with The Bank of New York Mellon Trust Company, N.A. Escrow will be maintained with The Bank of New York Mellon Trust Company, N.A. in These accounts are~~ restricted to investments authorized by the Act and this Policy. The objectives of this fund are to:

1. Ensure safety of principal by investing only in high credit quality investments for which a strong secondary market exists;
2. Ensure that anticipated cash flows are matched with adequate investment liquidity;
3. Manage market and credit risk through diversification of investments and the requirement of AAA ratings; and
4. Attain a market yield commensurate with the objectives and restrictions set forth in this Policy and the ~~escrow~~agreementss.

(f) Under XVI. Investment Strategies, subsection C is amended by revising and correcting the legal cites, to read as follows:

“C. Airport Passenger Facility Charges (PFC) Fund Strategy  
The Airport PFC Fund is revenue comprised of fees imposed as authorized by ~~T~~the Aviation Safety and Capacity Expansion Act of ~~1990~~1190 (Public Law 101-508, Title ~~IX~~4, Subtitle B, Sec. 9110).”

(g) Under XVI. Investment Strategies, subsection C, item 4, is revised by removing a reference which is no longer relevant, to read as follows:

“4. Attain a market yield commensurate with the objectives and restrictions set forth in this Policy ~~and the escrow agreement~~.”

**Section 3.** With the changes and amendments set out in Section 2 of this ordinance, to include an updated issuance date that coincides with the date this resolution is passed, the City Council approves the City of Corpus Christi's Investment Policy and Investment Strategies for fiscal year 2025-2026, appoints the investment officers as named and authorized in the Investment Policy and Investment Strategies, and reaffirms the continuation of the policy and strategies in full force and effect.

PASSED AND APPROVED on the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

ATTEST:

\_\_\_\_\_  
Paulette Guajardo, Mayor

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Rebecca Huerta, City Secretary