



AGENDA MEMORANDUM
Corpus Christi B Corporation
Meeting of October 18, 2021

DATE: October 18, 2021

TO: President and Honorable Board Members,
Corpus Christi B Corporation

FROM: Heather Hurlbert, Director of Finance and Procurement
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Safekeeping Agreement for Investment Transactions

CAPTION:

Resolution authorizing a safekeeping agreement with Frost Bank for the safekeeping of securities purchased as investments in an annual contracted amount of \$1,100 per year and not to exceed \$5,500 to run concurrently with the City's depository contract, which ends on December 31, 2025. Funding of \$550, \$77, and \$473 is available in the fiscal year 2022 Type B Economic Development Fund, the Type B Housing Fund, and the Type B Streets Fund, respectively.

SUMMARY:

A safekeeping account is necessary for the purchase, collection of income and collection of principle for securities. Security investment transactions will be settled on a delivery-versus-payment (DVP) basis, wherein a secure delivery and payment occur simultaneously.

BACKGROUND AND FINDINGS:

The Investment Policy and Investment Strategy of the Corpus Christi B Corporation requires that "...the Investment Officers will settle investments into the Corporation's safekeeping account and provide documentation of the safekeeping to the Board. All security transactions shall be settled on a DVP basis by the safekeeping institution (2256.005)."

ALTERNATIVES:

The Corporation will not be able to purchase securities unless the Corporation has a safekeeping account in place.

FISCAL IMPACT:

The funding for this project will come from the Type B Economic Development Fund, the Type B Housing Fund and the Type B Streets Fund.

Funding Detail:

Fund:	1146	Type B Economic Development
Organization/Activity:	15030	BJD Administration
Mission Element:	707	Economic Development
Project # (CIP Only):		
Account:	530000	Professional Services
Amount:	\$550.00	

Fund:	1147	Type B Housing
Organization/Activity:	15030	BJD Administration
Mission Element:	707	Economic Development
Project # (CIP Only):		
Account:	530000	Professional Services
Amount:	\$77.00	

Fund:	1148	Type B Streets
Organization/Activity:	15030	BJD Administration
Mission Element:	707	Economic Development
Project # (CIP Only):		
Account:	530000	Professional Services
Amount:	\$473.00	

RECOMMENDATION:

The Investment Committee recommends opening a safekeeping account with Frost Bank to handle the processing of the Corporation's security investment transactions.

LIST OF SUPPORTING DOCUMENTS:

Corpus Christi B Corporation's Investment Policy and Investment Strategy 2021-2022
Frost Bank Contracts