Legislation Text

File #: 22-0264, **Version:** 1

Consider and take action on a resolution authorizing a one-year renewal agreement with Meeder Investment Management for investment advisory services in an amount not to exceed $36,000 (Director of Finance)

The Public Funds Investment Act states that the governing body of an investing entity may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b- l et seq.) to provide for the investment and management of its public funds or other funds under its control. Under Chapter 2256 of the Texas Government Code, a contract may not be for a term longer than two years and any renewal or extension of the contract must be made by the governing body of the investing entity by order, ordinance, or resolution. Approval of this item will authorize a one-year renewal contract with Meeder Investment Management with an option to renew for one additional year.

Cost for Meeder's services will be a flat annual fee of $36,000. While maintaining compliance with the Public Funds Investment Act, implementing a more effective and active strategy of portfolio management and utilizing an investment advisor will position the City to earn more interest income in the future.

The investment advisory fee above is inclusive of all fees associated with the management of the City's account, except for custodial fees, if any. There will not be any trading fees or "mark ups" on transactions undertaken on the City's behalf.

ATTACHMENTS:
1. Data Sheet
2. Proposed Resolution
3. Exhibit A - Investment Advisory Contract

CONTRACT ORIGINATION: Meeder Investment Management with review and approval by the City Attorney

FUNDING
{X} Funds in the amount of $36,000 in 2023 are available from Accounting Department Professional Services Account # 1400000-53050.

STRATEGIC PLANNING
{X} Addresses Strategic Planning Critical Success Factor #2 Financially Sustainable