

## **RE: RESOLUTION AUTHORIZING SIGNERS FOR INVESTMENT IN CERTIFICATES OF DEPOSIT.**

### **Background:**

Currently, all City funds are in money market accounts held at Southern Bank. The interest rate is paid at 80% of the 91-day T-Bill rate. Since investment rates have risen in the past 6-12 months, a comparison of the money market rate and current CD rates was done. A request for CD rates was distributed to 8 local banks. Of the responses received, BluCurrent had the best rate with an 11 month term at 4.76% APY (capped at \$3 million). The second best rate came from Simmons Bank with a 9 month term at 4.65% APY. The City of Nixa Investment Policy authorizes the Director of Finance to manage the investment program; however, banks require Council action to designate signers on these accounts. The signers designated are Jennifer Evans and Rebekka Coffey. Two signatures are required for withdrawal of funds.

### **Analysis:**

\$3,000,000.00 in ARPA funds were invested with BluCurrent leaving \$1,382,149.05 in the ARPA money market account (currently paying 3.67%). This CD account matures on February 20, 2024. The difference in interest earned on this account based on the current T-bill rate is approximately \$32,700.

\$16,045,642.83 in savings accounts from Electric, Water, Wastewater, General and Streets funds were invested with Simmons Bank. This CD matures on December 21, 2023. The difference in interest earned on this account based on the current T-bill rate is approximately \$157,247.

### **Recommendation:**

Staff recommends passage of this resolution.

### **MEMO SUBMITTED BY:**

**Jennifer Evans** | Director of Finance

jevans@nixa.com | 417-724-5625

**RESOLUTION NO. 2023-13**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF NIXA DESIGNATING SIGNERS FOR INVESTMENT IN CERTIFICATES OF DEPOSIT.**

**WHEREAS** City staff recently solicited responses from eight local banks to determine if a better investment of certain City funds; and

**WHEREAS** after soliciting these responses, City staff have determined that said funds should be deposited with BluCurrent and Simmons Bank; and

**WHEREAS** \$3,000,000.00 in American Recovery Act funds were invested with BluCurrent as a Certificate of Deposit, this Certificate matures on February 20, 2024; and

**WHEREAS** \$16,045,642.83 in savings accounts from the Electric, Water, Wastewater, General, and Street funds were invested with Simmons Bank as a Certificate of Deposit, this Certificate matures on December 21, 2023; and

**WHEREAS** both financial institutions require the City Council to designate who the designated signers for such funds are.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NIXA, AS FOLLOWS, THAT:**

**SECTION 1:** The City Council hereby designates Ms. Jennifer Evans and Ms. Rebekka Coffey as designated signers for the accounts specified herein.

**SECTION 2:** This Resolution shall be in full force and effect from and after its final passage by the City Council and after its approval by the Mayor, subject to the provisions of section 3.11(g) of the City Charter.

**[Remainder of page intentionally left blank. Signatures follow on next page.]**

**RESOLUTION NO. 2023-13**

47 **ADOPTED BY THE COUNCIL THIS 27<sup>th</sup> DAY OF March, 2023.**

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ATTEST:

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\_\_\_\_\_  
PRESIDING OFFICER

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CITY CLERK

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55 **APPROVED BY THE MAYOR THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2023.**

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ATTEST:

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\_\_\_\_\_  
MAYOR

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CITY CLERK

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62 APPROVED AS TO FORM:

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CITY ATTORNEY

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