

## Legislation Text

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File #: 15-14635, Version: 1

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### Investment Custodian and Trustee Services

#### **Action:**

- A. Authorize the City Manager to negotiate and approve a contract with US Bank for investment custodian and trustee services for an initial term of three years, and**
- B. Authorize the City Manager to renew the contract for up to two, one-year terms with possible price adjustments and to amend the contract consistent with the purpose for which the contract was approved.**

#### **Staff Resource(s):**

Kelly Flannery, Finance  
Sandy Ryland, Finance  
Matthew Hastedt, Finance

#### **Explanation**

- Investment custodian and trustee services are needed to provide trust custody accounts and safe-keeping services for the city's Consolidated Investment Pool, the Long-Term Investment Program (LTIP), and the debt program.
- The city manages a \$2.5 billion Consolidated Investment Pool as part of its daily operations and is invested in accordance with North Carolina General Statutes (G.S.) 159-30 and 159-31. Investments in this portfolio are managed with the objectives of safety, liquidity, and return, and typically have daily settlement activity.
- The city also manages the LTIP in which the city's long-term capital reserves are invested under expanded investment authorization outlined in G.S. 147-69.2(b)(1)-(6) and (8) to diversify investment assets and provide a funding source for future Other Post-Employment Benefits (OPEB) obligations.
- Lastly, the city manages a \$4.4 billion debt program authorized under G.S. 160A-20 and G.S. Chapter 159, Article 7. Long-term and short-term debt may be used to finance essential capital facilities, projects, and capital equipment purchases.
- On September 18, 2020, the city issued a Request for Proposals (RFP); four responses were received.
- US Bank best meets the city's needs in terms of qualifications, experience, cost, and responsiveness to RFP requirements.
- Total annual expenditures are estimated to be \$216,500.

#### **Charlotte Business INClusion**

Per Charlotte Business INClusion Policy: Part C: Section 2.1 (a), the city shall not establish Subcontracting Goals for Contracts where (a) there are no subcontracting opportunities identified for the Contract; or (b) there are no MWBEs or SBEs certified to perform the scope of work that the city regards as realistic opportunities for subcontracting.

This contract meets the provision of (a) - No subcontracting opportunities.

#### **Fiscal Note**

Funding: Consolidated Investment Pool, OPEB Trust Fund, and Debt Service Funds