

Investment Advisory Committee Meeting (IAC)

Minutes

Wednesday, April 18, 2018

Members present

Cameron Evans, *Vice Chair*; Yifan Guo, *New Member*

City Staff present

Ann Wall, *City Manager*; Michael Cowin, *Assistant City Manager*; Byron Hayes, *Financial Services Director*; Jacob Joyner, *Financial Services Manager*

Others present

Will Litchfield, *City Council Liaison*

Members absent

Dr. Scott Below, *Chair*

The meeting of the Investment Advisory Committee was at 10:00 a.m. on Wednesday, April 18, 2018 in City Hall Conference Room 337.

1. Election

This item was moved to be an agenda item for the next Committee meeting.

2. Review of October 11, 2017 Meeting Minutes

Council Member Litchfield wanted to clarify information related to Item #1 (SunTrust Bank Presentation) of the October 11th meeting minutes. He shared that from reviewing the minutes, it seems that SunTrust does not charge the City fees, but rather they earn their fees. Council Member Litchfield suggested to staff and Committee members that it is prudent that the City understands what SunTrust's dealer spread is, to be more transparent. Mr. Cowin stated that staff would respond electronically to the Committee with an update on this and if there is a need to continue this discussion at a later meeting that will be taken into consideration as well.

The minutes were approved without exception by the Committee.

3. Quarterly Report as of March 31, 2018

Mr. Hayes presented the Quarterly Investment Report dated March 31, 2018. He stated that not much changed from the previous report. The C2 1-3 Portfolio was highlighted next by Mr. Hayes. He specifically shared that the City has a large amount of cash in the Local Government Investment Pool, which is managed by the North Carolina Capital Management Trust (NCCMT). Mr. Hayes stated that the amount is there just for liquidity purposes. Council Member Litchfield asked whether or not there is a certain percentage that has to be kept in the Local Government Investment Pool. Mr. Joyner responded stating that the guidelines for the fund are very broad and no specific breakdown is given, the range can be anywhere from 20%-60%.

Discussion continued as it relates to how cash in the Local Government Investment Pool is managed and the requirements. Mr. Cowin and Ms. Wall followed up by stating that all requested information including the City's Investment Policy will be sent to all Committee Members and the City Council Liaison for a more detailed review.

Mr. Litchfield wanted to clarify whether or not the Local Government Investment Pool was managed outside of what SunTrust manages. Mr. Cowin and Mr. Joyner both verified that SunTrust does not manage those funds.

Mr. Evans discussed the Wells Fargo Dealer Services closing and the possibility of looking at other firms for banking services. The Request for Proposals for banking services was highlighted at this time as well. Mr. Cowin gave a detailed overview of what the process will entail and he stated that staff would provide a presentation for the Committee to provide updates.

4. Next Meeting:

Wednesday, August 15, 2018 from 10am-11am (Regular Committee Meeting)

The possibility of a meeting to further discuss the RFP process was mentioned by Mr. Cowin and Ms. Wall. The date was to be set at a later time. The Regular Committee Meeting date of August 15, 2018 was unanimously confirmed by the Committee.

Meeting was adjourned.