

RESOLUTION NO. 0-09-26

A RESOLUTION CONFIRMING REVIEW, REVISION, AND ADOPTION OF THE CITY OF CROCKETT INVESTMENT POLICY, INVESTMENT STRATEGIES AND COLLATERAL POLICY AND DESIGNATION OF THE CITY ADMINISTRATOR AND FINANCE DIRECTOR/CITY TREASURER AS INVESTMENT OFFICERS

WHEREAS, Chapter 2256 of the Texas Government Code, commonly known as the “Public Funds Investment Act” (the Act) requires the city to adopt an investment policy by rule, order, ordinance, or resolution and Chapter 2257, commonly known as the “Public Funds Collateral Act”; and

WHEREAS, the Public Funds Investment Act §2256.005(e) requires the city to review its investment policy and investment strategies not less than annually and record any changes made to the investment policy or strategies; and

WHEREAS, the Public Funds Investment Act §2256.005(f) requires that the city shall designate one or more officers or employees of the city as investment officers to be responsible for the investment of its funds consistent with the investment policy adopted by the city; and

WHEREAS, the Public Funds Collateral Act §2257.023 requires the city to adopt written investment strategies and collateral policies; and

WHEREAS, the attached investment policy, which incorporates the City’s investment strategies and collateral policies, has been reviewed with proposed revisions from the policy adopted by the City Council on August 21, 2000, to reflect current legal requirements, best practices, and enhanced internal controls, and to provide clearer guidance for Investment Officers, due to revision to the Act adopted from 2001-2025:

- ❖ Reorganized and expanded to provide greater clarity, accountability, and alignment with current Texas Public Funds Investment Act (PFIA) and the Texas Public Funds Collateral Act requirements;
- ❖ Added formal investment objectives and priorities, emphasizing safety of principal, liquidity, diversification, marketability, and yield;
- ❖ Expanded investment strategies to address additional fund types, including Grant Funds and Special Revenue Funds, and established separate investment strategies for each major fund category;
- ❖ Formally established the City's investment strategy while continuing to manage Debt Service Funds, Debt Service Reserve Funds, and Grant Funds separately as required by statute or governing documentation;
- ❖ Added requirements for ongoing monitoring of the investment portfolio, market values, investment ratings, and portfolio compliance;
- ❖ Expanded and clarified authorized investment types and investment limitations consistent with current state law;
- ❖ Strengthened collateralization, safekeeping, and deposit security requirements to better protect public funds;
- ❖ Added competitive bidding and broker/dealer selection requirements, including documentation of quotes and annual approval of qualified financial institutions by City Council;

- ❖ Enhanced ethics, conflict-of-interest, disclosure, investment training, and investment officer responsibility requirements;
- ❖ Added dedicated sections addressing the Prudent Person Rule, Internal Controls, Oversight of Investment Activities, and Annual Compliance Audits;
- ❖ Formalized coordination between the City's Investment Officers to periodically review investments, internal controls, compliance requirements, and potential policy improvements;

WHEREAS, the investment policy designated the City Administrator and the Finance Director/City Treasurer as Investment Officers for the City; and

WHEREAS, the City's funds are presently invested in interest-bearing deposits and certificates of deposit; and

WHEREAS, the proposed revisions to the Investment Policy, which incorporate the City's investment strategies and collateral policy, authorize additional investment vehicles, enabling the Investment Officers, subject to City Council approval, to invest City funds in any investment instrument permitted by this policy and applicable state law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Crockett:

THAT, in accordance with the requirements of the Texas Public Funds Investment Act, the City Council has reviewed the attached Investment Policy, which incorporates the City's investment strategies and collateral policy, including the proposed revisions thereto, and hereby approves and adopts the revised policy as the official Investment Policy of the City of Crockett. The City Council further designates John Angerstein, City Administrator, and Laure Morgan, Finance Director/City Treasurer, to serve as the City's Investment Officers and to perform all duties and responsibilities authorized under the policy and applicable law.

PASSED AND APPROVED this the 8th day of September, 2026.

CITY OF CROCKETT

BY: _____
Dr. Ianthia Fisher, Mayor

ATTEST:

Selena Eleby, City Secretary