



City of Hartford * County of Van Buren * State of Michigan

FROM: Pam Shultz, City Treasurer

DATE: April 10, 2025

RE: Bank account & Investments

ITEM BEFORE THE DDA:

The item before the DDA is per their request for information on investments.

DISCUSSION:

The answers to the DDA's inquiries are contingent upon the rules of the TIF. I am not 100% familiar with the rules and will need a little extra time to go over them. The following is what I can present to the DDA at this time:

- The DDA funds are being held in a municipal interest bearing checking account under the heading of City of Hartford with a sub account heading of DDA at Honor Credit Union.
- The current interest rate for the checking account as of March 31, 2025 was .25%
- The only other financial institution I have found with a better rate is Consumers Credit Union and they are not located very close by.
- The credit union offers higher interest rates on money market accounts if they are allowed by the TIF.
- The credit union also offers Certificates of Deposits if they are allowed by the TIF.
- The credit union offers different specials throughout the year on accounts and certificates.
- I am willing to work with the DDA on becoming more familiar with the TIF rules and move funds wherever the DDA deems suitable.

RECOMMENDATION:

Revisit this at next month's meeting once we have all had time to go over the TIF rules. At that time we can make a decision on whether or not the funds need to be moved into a different account.