

MINUTES

Special Meeting of the
Nichols Hills Investment Policy Committee
Tuesday, March 29, 2016 at 4:00 PM
Public Works, 1009 NW 75th
Nichols Hills, OK 73116

Original Agenda Filed in the Office of the Municipal Clerk at 9:50 AM on the 24th day of March, 2016.

1. Call to Order

Attendee Name	Title	Status	Arrived
Kristi Hort	City Clerk/Finance Director	Present	
Gerald Marshall		Present	
Johnson Hightower		Present	
Greg Wheeler		Present	
Patrick Rooney		Present	

3. Minutes

a. February 16, 2016 minutes

Rooney moved to approve the February 16, 2016 minutes as presented. Wheeler seconded the motion.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Patrick Rooney
SECONDER:	Greg Wheeler
AYES:	Hort, Marshall, Hightower, Wheeler, Rooney

4. Report by the City Treasurer concerning investments and the status of relationships with approved depository institutions

City Treasurer Jerry Marshall provided a brief update on the ongoing relationship between the City of Nichols Hills and the list of approved depository banks.

5. Items for Separate Vote - General

- a. Discussion, consideration and possible action to recommend selection and approval of a banking institution to provide depository, banking and investment services in connection with the City's operational accounts.

Members received and reviewed the Proposals for Banking Services prior to this meeting. All approved depository banks submitted a bid, except for First National Bank of Oklahoma and Quail Creek Bank. During the meeting, members reviewed three spreadsheets summarizing the cost and fees for services sought in the RFP.

City Treasurer Jerry Marshall suggested the bids be separated into two groups. The two groups would represent those approved depositories authorized via the Investment Policy to maintain no more than 25 percent of Cash and Investments versus 50 percent. The 25 percent group includes First Fidelity Bank, Kirkpatrick Bank and NBC Oklahoma. The 50 percent group includes MidFirst Bank, Bank of Oklahoma, NA and BancFirst.

Wheeler suggested the group eliminate one or more banks from consideration. The group carefully considered that the option of placing all operating accounts at one of the 25 percent banks would frequently put the City in violation of the requirement under the Investment Policy that no more than 25% of the City's total funds be placed with one of the 25 percent banks. The committee also considered the possibility of separating the operating bank accounts into more than one of the 25 percent banks. However, the group concluded it would be cost prohibitive and operationally difficult to have operating accounts at two or more banks. At that point the group eliminated the 25 percent group, specifically First Fidelity Bank, Kirkpatrick Bank and NBC Oklahoma, and directed their focus to the proposals submitted by BancFirst, MidFirst and Bank of Oklahoma

As stated in the RFP, evaluation of the RFP was based on three criteria: 25% of service availability; 35 % cost of service and 40% of time deposit interest rates. The following was determined from the RFP's, with the most favorable listed first.

Cost of Service	Time Deposit Interest Rates	Service Availability
BancFirst	.15% or > of 90 T-bill average	Meet all requirements
MidFirst	.20 %	No courier services
Bank of OK, NA	Varied from .15% to .25%	No courier services

Following lengthy discussion, Wheeler moved to recommend to City Council, that the City of Nichols Hills and Nichols Hills Municipal Authority continue the operating accounts at Banc First. Rooney seconded the motion.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Greg Wheeler
SECONDER:	Patrick Rooney
AYES:	Hort, Marshall, Hightower, Wheeler, Rooney

- b. Discussion, consideration and possible action to recommend changes to the existing Investment Policy.

Members discussed the investment policy and the participation of the approved depository banks. Followed by Marshall moving to re-affirm investment policy with the additional of a minimum bid on CD investments of at least once per six (6) months. Wheeler seconded the motion.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Gerald Marshall
SECONDER:	Greg Wheeler
AYES:	Hort, Marshall, Hightower, Wheeler, Rooney

- c. Discussion and consideration regarding the operation of the City's Investment Policy and possible practical impacts of a change in banking services providers under the Investment Policy.

No action taken.

- d. Discussion, consideration and possible action to recommend revisions to the list of approved depository institutions under the City's investment policy.

No action taken.

- e. Discussion, consideration and possible action to recommend adoption of a list of approved broker/dealers pursuant to the City's Investment Policy.

Members have discussed options of approving Brokers/Dealers for investments of government securities. Following the discussion, Marshall moved to approve *The Baker Group* and *BOSC, Inc.* as approved Brokers/Dealers. Rooney seconded the motion.

RESULT:	APPROVED [4 TO 0]
MOVER:	Gerald Marshall
SECONDER:	Patrick Rooney
AYES:	Hort, Marshall, Hightower, Rooney
ABSTAIN:	Wheeler

6. Adjournment

There being no further business, Hightower moved to adjourn the meeting. Wheeler seconded the motion.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Johnson Hightower
SECONDER:	Greg Wheeler
AYES:	Hort, Marshall, Hightower, Wheeler, Rooney

Chairman
City of Nichols Hills, Oklahoma

City Manager
City of Nichols Hills, Oklahoma

City Clerk
City of Nichols Hills, Oklahoma