

Item # 5-1A

City of Carson City
Agenda Report

Date Submitted: 02/10/09

Agenda Date Requested: 02/19/09

Time requested: Consent

To: Mayor and Supervisors

From: Al Kramer, Carson City Treasurer

ACTION to CONTRACT with a

Subject Title: ~~Presentation of third party custodial Contract for Approval~~

Staff Summary: Disappointment with our current custody bank's securities lending performance and dissatisfaction with their monthly reports led the treasurer to seek another bank. Happily, we were able to reach an agreement with Bank of New York Mellon Trust Company, N.A. (BNY) which will allow us to proceed with a new third party securities lending provider and have the prospect of the excellent monthly reports we had with BNY in the past.

Type of Action Requested: (check one)
() Resolution () Ordinance (First Reading)
(X) Formal Action/Motion () Other (State)

Does This Action Require A Business Impact Statement: () Yes (X) No

Recommended Board Action: Make motion to approve this contract with Bank of New York Mellon Bank for third party custodian services.

Explanation for Recommended Board Action: Securities Lending is an important part of our investment strategy as it could add as much as \$100,000 to our investment earnings each year. Having a custody bank that either performs this service or allows a third party to provide it is very much desired.

Applicable Statute, Code, Policy, Rule or Regulation: NRS 355.172

Fiscal Impact: \$35,000 per year

Explanation of Impact: N/A

Funding Source: Investment income

Alternatives: Choose another provider

Supporting Material: Copy of contract

Prepared By: Alvin P. Kramer, Carson City Treasurer *Alvin P. Kramer*

Reviewed By: *Michelle Skowronski* Date: 2-10-09
(Finance Director)

Alvin P. Kramer Date: 2-10-09
(City Manager)

Melanie Bunketta Date: 2-10-09
(District Attorney)

Board Action Taken:

Motion: _____ 1) _____ Aye/Nay
2) _____

(Vote Recorded By)