



Department Source: Finance

To: City Council

From: City Manager & Staff

Council Meeting Date: August 1, 2022

Re: Authorization to Participate in the Missouri Securities Investment Program ("MOSIP")

Executive Summary

In an effort to maximize investment earnings, the Finance department is requesting the authorization to participate in the State of Missouri's pooled asset fund.

Discussion

MOSIP was established in 1991 under the authority of Article VI, Section 16 of the Constitution of Missouri and Sections [70.210](#) to [70.320](#), Revised Statutes of Missouri, as amended. These statutory provisions provide authority for Missouri's political subdivisions to pool their funds together for a common service. Participating in this pool will provide the City an opportunity to maximize investment income potential while maintaining safety, liquidity and yield.

Currently, MOSIP offers the following investment options:

- [MOSIP Liquid Series](#) – this option provides liquidity with no minimum balance, and a [AAAm](#) rating from Standard & Poor's.
- [MOSIP Term Series](#) – is a flexible option with terms from 60 days to 1 year. This series is rated AAf by Fitch.
- Certificates of Deposit (CDs) – Direct purchases fully FDIC insured

In addition to the investment options, portfolio management is also offered in which a comprehensive investment strategy and portfolio would be created for the City. MOSIP also offers its investors comprehensive investment management services, education and support.

MOSIP is an effective tool that could aid the City in meeting cash flow and investment needs.

Fiscal Impact

Short-Term Impact: The potential for the City to earn upwards of 3% on cash balances

Long-Term Impact: Enter the cost of proposed legislation to the city for years **beyond two**.

Strategic & Comprehensive Plan Impact

[Strategic Plan Impacts:](#)

Primary Impact: Resilient Economy, Secondary Impact: Secondary, Tertiary Impact: Tertiary

[Comprehensive Plan Impacts:](#)

Primary Impact: Primary, Secondary Impact: Secondary, Tertiary Impact: Tertiary



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Legislative History

Date	Action
03/01/2021	Establishing a City of Columbia Investment Policy.

Suggested Council Action

Staff recommends approval of the ordinance as submitted.