

**CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
MAY 16, 2023 AGENDA**

Subject:	Type:	Submitted By:
AUTHORIZATION TO INVEST CITY FUNDS WITH NEBRASKA FEDERAL INVESTMENT TRUST	◆ RESOLUTION ORDINANCE RECEIVE/FILE	MEG HARRIS FINANCE DIRECTOR

SYNOPSIS

A resolution has been prepared authorizing the investment of city funds with the Nebraska Federal Investment Trust (NFIT) and designating authorized officials for investment purposes.

FISCAL IMPACT

The City may invest excess funds with NFIT at a rate competitive with other investment options.

RECOMMENDATION

Approval.

BACKGROUND

NFIT is a program of Union Bank & Trust (UBT) that utilizes UBT's Short Term Federal Investment Trust (STFIT) which is a trust and custodial account arrangement through Union Bank's Wealth Management Division. Participation in NFIT will provide the City a flexible investment alternative.

A copy of the Business STFIT Agreement & Application is on file with the City Clerk for review.

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA, AUTHORIZING THE CITY TO ENTER INTO AN AGREEMENT WITH UNION BANK & TRUST (UBT) FOR INVESTMENT OF FUNDS WITH NEBRASKA FEDERAL INVESTMENT TRUST THAT UTILIZES UBT'S SHORT TERM FEDERAL INVESTMENT TRUST.

WHEREAS, Nebraska Law expressly allows public agencies to invest surplus or excess funds; and

WHEREAS, an Information Statement and Business Agreement and Application relating to the Nebraska Federal Investment Trust has been presented to the La Vista City Council; and

WHEREAS, the La Vista City Council deems it advisable for the City of La Vista to enter into the Agreement with Union Bank & Trust to allow investment of funds with Nebraska Federal Investment Trust that utilizes UBT's Short Term Federal Investment Trust for the investment of the City of La Vista's money.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of La Vista, Nebraska:

1. That the City of La Vista shall and hereby does authorize the Mayor to execute an agreement with Union Bank & Trust to allow investment of funds with Nebraska Federal Investment Trust that utilizes UBT's Short Term Federal Investment Trust
2. That the City of La Vista is hereby authorized to invest its available funds from time to time and to withdraw such funds from time to time in accordance with the provisions of the agreement.
3. The City of La Vista hereby delegates all authority and duties which the law otherwise authorizes it to delegate in accordance with the agreement. The following officers and officials of the City of La Vista and their respective successors in office each are hereby designated as "Agents" and are authorized to take such actions and execute any and all such documents as they may deem necessary and appropriate to effectuate the entry by the City of La Vista into the Agreement and to effectuate the investment and withdrawal of monies of the City of La Vista from time to time in accordance with the Agreement

Douglas Kindig, Mayor

Kim Thomas, City Council President

Brenda S. Gunn, City Administrator

Kevin Pokorny, Director of Administrative Services

Meg Harris, Finance Director

Pamela A. Buethe, City Clerk

An Authorized Official of the City of La Vista shall advise the Nebraska Public Agency Investment Trust of any changes in the Authorized Officials in accordance with procedures established by the Agreement.

4. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution being the same are hereby rescinded.

BE IT FURTHER RESOLVED that the Mayor and City Council of the City of La Vista Nebraska to hereby authorize the City to enter into an agreement with Union Bank & Trust (UBT for investment of funds with Nebraska Federal Investment Trust that utilizes UBT's short Term Federal Investment Trust in a form satisfactory to the City Administrator and City Attorney.

PASSED AND APPROVED THIS 16TH DAY OF MAY 2023.

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, MMC
City Clerk



Invested In Local Success

Program of **UBT**

A UNIQUE INVESTMENT FOR YOUR EXCESS DAILY FUNDS

Nebraska Federal Investment Trust (NFIT) is a program of Union Bank & Trust Company (UBT) that utilizes UBT's Short Term Federal Investment Trust (STFIT). STFIT is a trust and custodial account arrangement through Union Bank's Wealth Management Division. This unique investment is designed for daily investment of funds by accredited and sophisticated investors.

Your trust account may own a mix of U.S. government and agency securities, student loans, student loan asset-backed securities, student loan participations, FDIC insured Certificates of Deposit and other assets as described in the STFIT Disclosure Statement.

Union Bank & Trust has been trustee of these types of trust accounts since 1969.

Your Funds are Accessible

Funds are made available to STFIT trust customers daily. Withdrawals can be made by phone, written instruction, or wire transfer to a pre-identified account. Sweep arrangements between accounts may also be established.

Investment Protection

Your investment is protected in several ways:

- Holding the funds in trust serves to protect your assets from the claims of creditors of Union Bank.
- Student loan asset-backed securities feature a number of built-in safety and protection features.
- U.S. Treasury securities are backed by the full faith and credit of the United States Government.
- Government Agency securities are debt obligations issued by U.S. Government Sponsored Entities.
- STFIT accounts are not bank deposits, are not FDIC insured, and may lose value.

ANSWERING YOUR QUESTIONS

What investments are within a STFIT account?

When you invest in a STFIT account, interests in a mix of U.S. government and agency securities, student loans, student loan asset-backed securities, student loan participations, FDIC insured Certificates of Deposit and other assets as described in the STFIT Disclosure Statement are purchased for your trust account. Through the trust agreement, you retain beneficial ownership of these securities and receive all the income earned, net of trustee fees and related costs.

The assets purchased for a STFIT trust account are not insured by the FDIC. Holding of assets in trust, however, serves to protect such assets from the claims of creditors of Union Bank & Trust.

How do I invest and withdraw investment funds?

Funds can be directed to us by wire transfer or by check. Subject to the terms of the trust agreement, withdrawals can be made by phone, written instruction, or wire transfer into a pre-identified account.

Union Bank & Trust
6811 S 27th Street
PO Box 82529
Lincoln, NE 68501-2529
888.307.8348

We will, subject to the terms of the STFIT trust agreement, attempt (and historically have been able) to accomplish withdrawal of assets on the same business day, if instructions are received by 11:00am. If instructions are received after 11:00am, the withdrawal of assets has been historically completed the following business day.

How is income distributed on my investment?

Income is paid monthly. Income is reinvested in the STFIT account or by credit to another Union Bank & Trust account.

What are the fees involved in this account?

As a STFIT beneficiary, you are entitled to receive all the income of the assets held in trust on your behalf, net of trustee fees and related costs. The fees charged vary by the type of investments owned in the STFIT Account. These fees are listed in the Disclosure Statement. Union Bank & Trust assesses no fees for transferring funds to or from the STFIT account. There are no sales charges associated with a STFIT account.

What kind of statements and verifications will I receive?

Transactional statements showing investments, withdrawals and interest paid will be mailed monthly. Your account information may be viewed via the Internet with Union Bank & Trust's Online Banking or Business Banking Online. Call for more information. Statements identifying the assets owned in trust in your account are available upon request.

How will I know my rate of investment return?

Your net yield will reflect the net income earned on the mix of assets in your STFIT account and will vary as the asset mix varies. It is our objective to provide an asset mix representative of the securities available which will maximize income while maintaining quality and liquidity. We can tell you what you earned yesterday in your STFIT account and will be able to forecast a range in which you may anticipate a yield.

How do I open a STFIT account?

You may open a STFIT account by completing and signing the STFIT Agreement and Application, identifying the title of the account, address and tax identification number. For more information, please call or mail your inquiry using the phone numbers and address listed on the reverse side of this brochure.

How do I transfer funds to or from my STFIT account?

If you are making STFIT transfers to or from another Union Bank & Trust account, call our Investment Desk.

If you are transferring funds to your STFIT account from another bank, you may wire the investment directly to your account by providing the following information to the originating bank:

- Union Bank & Trust Company's routing number is 104910795.
- Include your STFIT account number, name and address with your wire request.

Please call Union Bank & Trust and inform the Investment Desk of the transfer, including your STFIT account number and any subaccount numbers. This will ensure credit is given to the proper investment account.

Collected funds must be received by 11:00am to begin earning interest that day. To withdraw from your STFIT account, call UBT's Investment Desk with the amount of the transfer, your STFIT account number, and the bank account number to which you want your funds transferred.

Union Bank & Trust Investment Desk 402.323.1600 or toll-free 888.307.8348