

INFORMAL MEMO
DATE: 22 JULY 1980
REV.: 31 JULY 1980

SUBJECT: RECOMMENDATION FOR EQUITABLE DISTRIBUTION OF
SPACE CENTER ROTARY CLUB DEPOSITS IN BANKS AND
SAVINGS & LOANS IN THE BAY AREA

TO: PETE GIST

FROM: CHUCK JACOBSON

1. I recommend that we consider the following banks, these being the only ones in our service area at the present time.

ALLIED SEABROOK BANK
BAYBROOK NATIONAL BANK
FIRST CITY NATIONAL BANK OF CLEAR LAKE
NASSAU BAY NATIONAL BANK
WEBSTER STATE BANK

2. I recommend that we consider the following savings and loan:

CULLEN SAVINGS

No one from the other savings and loans in our area has been active or supportive of the Space Center Rotary Club. In the case of Cullen Savings, the Chief Exec. is a Charter member of the club and their V. P. Savings, Dixie Robison, has been very active toward the betterment of the Bay Area community and a close friend of the Space Center Rotary Club.

3. I recommend that CD's and long term savings accounts be distributed evenly between the institutions listed in 1. and 2. above.
4. I recommend that the two checking accounts (one for club Administration and one for Service) be rotated on an annual basis alphabetically amongst the five banks listed in 1. above. Further, I recommend that the Treasurer (in his responsibility for cash management) establish savings accounts in the same bank for the purpose of earning interest on excess cash when it is not immediately required and that that earned interest be added income in the Service account.
5. If the above recommendation is accepted, I would immediately open two checking accounts in WEBSTER STATE BANK, one for Administration and one for Service. This year Dick Brown, as my assistant for Shrimporee funds, would manage the Service account until that activity has stabilized (i.e., all income is received and all expenses paid).

6. In the Rotary years indicated the accounts would move as follows:

80'-81' --- WEBSTER STATE BANK
81'-82' --- ALLIED SEABROOK BANK
82'-83' --- BAYBROOK NATIONAL BANK
83'-84' --- FIRST CITY NATIONAL BANK OF CLEAR LAKE
84'-85' --- NASSAU BAY NATIONAL BANK

As new banks open in the service area of our club, they would take their turn alphabetically. If new Rotary Clubs are formed in part of our area, banks in the new club service area would be removed from the list.

7. An additional recommendation regarding cash management -- I recommend that interest earned on the Getaway Special CD's be rolled over into those CD's for renewal. I recommend that interest earnings in non-Getaway Special CD's and savings accounts be included as income in the service account for distribution to neighborhood charities in the year earned.
8. One final recommendation regarding cash management -- I recommend that we decide, based on history, the amount of reserve to carry from year to year and not let it grow beyond that. What we currently have appears to be somewhat disorderly.



Chuck Jacobson
Treasurer
Space Center Rotary Club

CAJ/cr