

RESOLUTION CR-49-13

A RESOLUTION APPROVING AN AMENDMENT TO THE CITY'S INVESTMENT POLICY

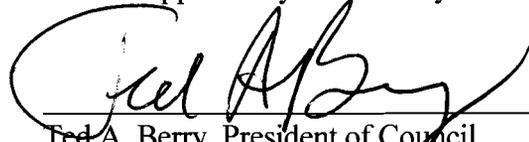
WHEREAS, in 2008 the City initially implemented an Investment Policy at the request of the City's Bond Rating Agency; and

WHEREAS, the policy has not been updated since it was adopted.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GROVE CITY, STATE OF OHIO, THAT:

SECTION 1. Council hereby approves the amendment to the Investment Policy, attached hereto as Exhibit "A".

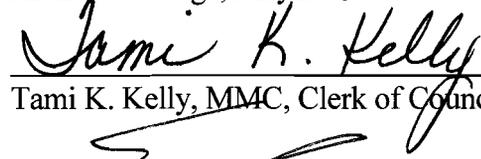
SECTION 2. The resolution shall take effect at the earliest opportunity afforded by law.



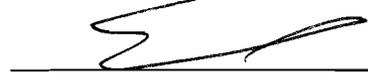
Ted A. Berry, President of Council



Richard L. Stage, Mayor



Tami K. Kelly, MMC, Clerk of Council



Stephen J. Smith, Director of Law

Passed: 11-04-13

Effective: 11-04-13

Attest:

I certify that this resolution is correct as to form.

City of Grove City, Ohio

Investment Policy

I. Investing Authority

Whenever there are moneys in the City treasury which will not be required to be used for daily transactions, such moneys may, in lieu of being deposited in a bank or banks, be invested in accordance with the provisions of the Ohio Revised Code (ORC). Investments so purchased shall be sold in accordance with the Ohio Revised Code and the interest therefrom shall be credited to the General Fund unless otherwise required by state or federal regulations.

~~139.06 Fund Investment (Ord. C6-83, Passed 2-21-83)~~

Chapter 139.02 of the Codified Ordinances of the City of Grove City directs the investment authority of the City to ~~reside with the Director of Finance~~ Director. It is the policy of the ~~Director of Finance~~ City to invest all public funds in a manner which will provide maximum safety and preservation of principal, while meeting ~~all the~~ liquidity and operating demands, at reasonable market interest rates available. All investments made ~~will~~ shall conform to all applicable laws and regulations governing the investment of public moneys, ~~as of section~~ in accordance with Chapter 135 of the Ohio Revised Code, titled Uniform Depository Act.

II. Objectives

Invest all City moneys in accordance with ~~within the guidelines of~~ ORC 135.14. ~~with primary consideration given to safety of principal; secondly to liquidity, and when those requirements are met, maximize the yield.~~ The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield.

III. Ethical Standards

The standard to be used by the Finance Director ~~of the City~~ will be the "prudent person" standard which states, "Investments shall be made with judgment and care under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

IV. Investment Board Advisory Committee

An Investment ~~board~~ Advisory Committee is hereby ~~will be~~ created to assist in the management of the investment portfolio and ~~approve the actions of the Finance Director.~~ ~~This Board~~ The committee will consist of the Finance Director, Mayor, City Administrator, and the Chair of the Finance Committee of City Council. ~~This Board will meet quarterly.~~ The Finance Director shall provide financial and investment information to all members of the committee quarterly. Members of the committee will meet as they deem appropriate. Meetings may be called by any member of the committee.

V. Eligible Securities

Bills, notes, and bonds issued by the United States Treasury, or any other instrument issued by the ~~U.S.~~ United States Treasury for which the full faith and credit of the United States is pledged for the payment of principal and interest thereon.

Investment grade (Moody's Aa or higher) bonds, notes, or other obligations issued by any federal government agency.

Certificates of deposit and time deposit accounts, either insured by the Federal Deposit Insurance Corporation, or collateralized by ~~U.S.~~ United States Treasury securities, in any eligible institution cited in ~~Section 135.02 of the~~ ORC 135.02.

~~Obligations of the State of Ohio, or agencies of the State, rated (Moody's Aa) or better, or obligations of the City at a fair market rate.~~

Obligations of the State of Ohio, agencies of the State of Ohio, Ohio political subdivisions, and Ohio school districts. All such debt issuances shall have a minimum credit rating of Aa, or the equivalent, by a nationally recognized rating agency.

Obligations of the City at a fair market rate.

~~STAR Ohio provided that the fund maintains the highest letter rating provided by at least one nationally recognized standard rating service.~~

The State Treasurer's investment pool (STAR Ohio), pursuant to ORC 135.45, or any other investment option offered to Ohio political subdivisions by the Treasurer of the State of Ohio.

Repurchase agreements entered into with qualified financial institutions under the terms of which, the Finance Director purchases and the seller agrees unconditionally to repurchase any of the securities listed above at a predefined price.

VI. Eligible Institutions

Any financial institution located within the State of Ohio as defined by ORC 135.03 is eligible to serve as an approved depository and/or investment provider. Only security dealers and brokers that are members of the National Association of Securities Dealers are eligible to be an investment provider. Investment advisors must be eligible financial institutions as defined by ORC 135.03, or an advisor that is registered with the Securities and Exchange Commission.

VII. Collateral

All deposits shall be collateralized pursuant to ORC 135.

VIII. Institutional Diversification

The portfolio of the City will not exceed the following diversification limits:

Aggregate investments with any one financial institution shall ~~will~~ at no time exceed 25 percent of the investment portfolio.

Funds invested in ~~the Ohio State Treasurer's Investment Pool~~ (STAR Ohio) or any financial institution in which the City is using as its primary bank for active deposits shall not exceed 40 percent of the investment portfolio.

IX. Maturity of Investments

The Finance Director will attempt to match the investments to anticipated cash flow requirements. The maximum maturity for the investment of interim funds is five years.

X. Custody and Safekeeping

~~731.59 of the ORC.~~

In accordance with ORC 731.59, all securities belonging to the treasury of any municipal corporation or to any fund thereof, other than the sinking fund, may be placed in the custody of any member of the federal reserve banking system, upon the issuance by such member of its custodian or other bailment receipt to the treasurer of the municipal corporation. Such securities, if not kept in the custody of a member of the Federal Reserve banking System, shall be in the custody of such treasurer and shall be kept by him in a safe deposit box or vault belonging to a regular depository of the municipal corporation

XI. Reporting

The Finance Director shall establish and maintain an inventory of all obligations and securities acquired by the investing authority. The inventory shall include the CUSIP identification number, a description of the security, type, cost, par value, maturity date, settlement date, coupon rate, and the yield to maturity.

The Finance Director shall produce a monthly portfolio report detailing the current inventory of all obligations and securities, and all transactions during the month, income received and investment expenses paid.

XII. Acknowledgments

Each broker/dealer with whom the City establisheds an investment relationship ~~must~~ shall acknowledge the provisions of this policy and agree to abide by its provisions.

ACKNOWLEDGEMENT

I, _____ as an authorized signatory for my firm
_____ acknowledge that I have read and received a copy of the Investment
Policy of the City of Grove City and will to the best of my ability adhere to the provisions of such policy.

Typed or Printed Name

Signature

Date