

RESOLUTION NO. R95-3 AC CMS

A RESOLUTION ESTABLISHING AN INVESTMENT POLICY FOR THE CITY OF OBERLIN AND AUTHORIZING THE CITY AUDITOR TO INVEST THE INTERIM FUNDS ON THE BEHALF OF THE CITY OF OBERLIN

WHEREAS, the City of Oberlin wishes to set appropriate guidelines for the investment of funds to ensure the best yield while protecting the principal amount; and,

WHEREAS, the City Council desires to designate the City Auditor as the employee responsible to complete the investment activities on behalf of the City of Oberlin.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, County of Lorain, State of Ohio, a majority of all members elected thereto concurring:

SECTION 1. That the City Auditor is hereby designated to invest funds on behalf of the City of Oberlin in accordance with the attached Investment Policy, which is hereby authorized and approved.

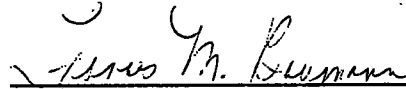
SECTION 2. It is hereby found and determined that all formal action of this Council concerning or relating to the adoption of this resolution were adopted in an open meeting of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 3. That this resolution shall take effect at the earliest date allowed by law.

PASSED: 1st Reading: May 1, 1995
 2nd Reading: May 15, 1995 (A)
 3rd Reading: June 5, 1995

ATTEST:


CLERK OF COUNCIL


CHAIR OF COUNCIL

POSTED: June 9, 1995

EFFECTIVE DATE: July 4, 1995

CITY OF OBERLIN

INVESTMENT POLICY

This document, in conjunction with the Ohio Revised Code, as amended, will govern the investments and the investment activities of the City of Oberlin. It will be reviewed annually for compliance and to assure the flexibility necessary to effectively manage the investment portfolio.

The purpose of the investment policy is to allow for the maximum return on the City's interim monies consistent with the complete safety of the portfolio's principal value and liquidity desired. Inactive funds are subject to the investment authority of the Treasury Investment Board of the City of Oberlin as set forth in Ordinance 94-9 AC CMS.

All investment activities will be undertaken by the City Auditor in accordance with Chapter 135 of the Ohio Revised Code and the City of Oberlin Investment Policy. Further, any reference in Chapter 135 of the Ohio Revised Code to "Treasurer" shall be defined, for the purposes of this investment policy, to refer to the Oberlin City Auditor. In the absence of the Auditor, the City Solicitor shall be permitted to complete the investment transactions of the City. The Auditor shall, on a **quarterly** basis, provide a copy of the investment portfolio to the City Council and the City Solicitor.

The Auditor will be permitted to invest in any security authorized by the Ohio Revised Code, section 135.14. The securities are limited to the following:

- A. Bonds, notes, or other obligations of or guaranteed by the United States, or those of which the faith of the United States is pledged for the payment of the principal and interest thereon;
- B. Bonds, notes, debentures, or any obligations or securities issued by any federal government agency or instrumentality;
- C. Interim deposits in the eligible institutions applying for interim monies as provided in Section 135.08 of the Ohio Revised Code.

The award of interim deposits shall be made in accordance with section 135.09 of the Ohio Revised Code;

- D. Bonds and other obligations of the State;
- E. No-load money market mutual funds consisting exclusively of obligations described in division A or B of this section and Repurchase agreements secured by such obligation, provided that the investments in securities described in this division are made only through eligible institutions mentioned in section 135.03 of the Ohio Revised Code;
- F. Written repurchase agreements that set for the terms and conditions of the agreement between the parties for a period of not to exceed 30 days with any eligible institution mentioned in section 135.03 of the Ohio Revised Code, under the terms of which agreement, the Auditor purchases and such institution agrees unconditional to repurchase any of the securities listed in division A or B of this section that will mature or are redeemable within five years of the date of purchase. Such agreement shall include the face amount of the securities, type, rate, maturity date and the numerical identifier.

To maintain the portfolio's current characteristics and/or to enhance its yield, swapping (i.e. the simultaneous sale of one security and the purchase of another) will be permitted provided that the loss on one sale is recovered in one half the time remaining to maturity.

All transactions will be conducted on a competitive basis and local participation will be solicited whenever possible. Bids and offerings will be solicited from three dealers and recorded in writing. In the event that two or more proposals are determined to be of equal benefit to the City, the transaction will be awarded at the discretion of the City Auditor.

A list of approved securities dealers will be maintained by the Auditor. Investments may be safekept at any of the approved dealers.