

## CITY OF FOSTORIA, OHIO

Resolution No. 2019-\_\_\_\_\_

Sponsored by: \_\_\_\_\_

Requested By: Director of Finance

### A RESOLUTION

A Resolution updating the Investment by Depository Policy in accordance with ORC 135.35, and declaring an emergency to exist.

BE IT RESOLVED by the Council of the City of Fostoria, Seneca, Hancock, and Wood Counties, Ohio:

SECTION 1. The Council of the City of Fostoria, Ohio hereby mandates that the investing authority of the City shall reside with the Director of Finance in accordance with this investment policy. This policy is designated to cover all monies under the control of the Director of Finance. This policy is made in accordance with ORC 135.35.

#### **Purpose**

The purpose of this investment policy is to establish priorities and guidelines regarding the investment management of the City of Fostoria's interim monies (as defined in Section 135.14 of the Ohio Revised Code) or other such funds as designated by the investing authority. Such priorities and guidelines are based upon eligible investments pursuant to Section 135.14 of the Ohio Revised Code (ORC), and prudent money management.

#### **Objectives and Guidelines**

The City's investment portfolio is designed and managed in a manner responsive to the public trust and consistent with state and local statutes. Investments are made based on the following list of objectives:

- 1) Compliance with all Federal and State laws
- 2) Safety and security of City of Fostoria funds and investments
- 3) Preservation of capital and protection of principal
- 4) Maintenance of sufficient liquidity to meet operating needs
- 5) Diversification of investments to avoid unreasonable or avoidable risks

#### **Delegation of Authority and Authorized Investments**

In accordance with the City Charter Article 5, Section 5.02, the Director of Finance shall be the chief fiscal officer of the City and shall perform the powers, duties, and functions now or hereafter given to City Auditors by the Charter and the general laws of Ohio.

The City of Fostoria is generally restricted to investing in certificates of deposit, savings accounts, money market accounts, the State Treasury Asset Reserve (STAR Ohio), obligations of

the State of Ohio, and obligations of the United States government or certain agencies thereof. The City is authorized to invest in any instrument or security outlined in ORC 135.14, as amended. All investment transactions will be completed on a competitive basis by the Director of Finance, whenever possible.

The City Auditor/Director of Finance is limited to the above investment instruments unless the annual mandated investment training has been completed and filed with the Auditor of State of Ohio, and all aspects of investing fall within the provisions of the ORC 135.

The City Auditor/Director of Finance is required to file annually with the Auditor of State of Ohio to report exemption of mandated investment training, or to report required investment training if applicable.

### **Diversification Guidelines**

The City Auditor/Director of Finance should normally seek to diversify its investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

### **Maturity and Duration Limits**

The maximum maturity of any eligible instrument is 5 years unless matched against a specific liability as per the ORC 135.

### **Depository and Investment Portfolio Management**

Banking relationships will be managed in order to secure adequate services while minimizing costs. Deposit accounts should be concentrated as much as is practical, except where audit control consideration dictate otherwise.

The investment portfolio shall remain sufficiently liquid to enable the City Auditor/Director of Finance to meet reasonable anticipated operating requirements.

Investments shall be made with the exercise of that degree of judgement and care, and discretion; considering the probable safety of capital, as well as the probable income to be derived.

### **Internal Controls and Reporting**

The City Auditor/Director of Finance shall keep record of any and all transactions when making changes to the investment portfolio, including all supporting documentation.

The City Auditor/Director of Finance shall report to Finance Committee of Council at designated intervals or upon request about the portfolio and transactions during the period.

SECTION 2. It is found and determined that all formal actions of this Council concerning

and relating to the adoption of this resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal actions were in meetings open to the public, and in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

SECTION 3. This Resolution is declared to be an emergency measure necessary for the preservation of the public health, safety and welfare. The reason for such emergency lies in the fact that said investment policy be filed with the Auditor of the State of Ohio.

THEREFORE, upon the affirmative vote of two-thirds (2/3) of all members elected to Council and signature by the Mayor, this Resolution shall go into immediate force and effect.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Steve Kauffman, Council President

ATTEST:

\_\_\_\_\_  
Tamara L. Drake, Clerk of Council

Filed with me and approved by me this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

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Eric J. Keckler, Mayor