

ORDINANCE # O-13-2020

**AN ORDINANCE ADOPTING A NEW INVESTMENT
POLICY FOR THE VILLAGE OF BOLIVAR**

WHEREAS, the Council of the Village of Bolivar believes it is in the best interests of the Village and its citizens to have a policy governing the investment of funds of the Village.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF BOLIVAR, STATE OF OHIO:

SECTION 1: The Council of the Village of Bolivar does hereby approve and adopt the Investment Policy attached hereto and does instruct the Fiscal Officer of the Village to implement it in all Village investment procedures.

SECTION 2: All prior ordinances inconsistent herewith are hereby repealed.

SECTION 3: This Ordinance shall take effect and be in force on January 1, 2020.

1st Reading: February 3, 2020

2nd Reading: March 2, 2020

3rd Reading: April 13, 2020

PASSED: April 13, 2020

Rebecca S. Hubble, Mayor

ATTEST:

Maria A. App, Fiscal Officer

APPROVED AS TO FORM:

**Attorney Tara Wright-Timberlake
Legal Counsel, Village of Bolivar**

Village of Bolivar, Ohio

INVESTMENT POLICY

I. Statement of Purpose

This Investment Policy (the "policy") will govern the investment activities of the Village of Bolivar. The policy has been adopted by the Council of the Village of Bolivar and is designed to ensure the prudent management of public funds, conformance to the Ohio Revised Code ("ORC"), and the availability of operating and capital funds when needed.

2. Scope

This policy applies to all financial assets of the Village. The Fiscal Officer shall routinely monitor the contents of the Village's investment portfolio, the available markets, and relative value of competing investments and will adjust the portfolio accordingly.

3. Prudence

The standard of prudence to be applied to the investment of Village funds shall be the industry standard "Prudent Investor Rule," 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 safety of the capital as well as the probable income to be derived."

4. Objectives

The primary objectives of the policy, in priority order, shall be as follows:

1. Safety of Principal: Safety of principal is the single most important objective of the investment program. Investments of the Village shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
2. Preservation of Liquidity: Investments shall be managed in such a manner to assure adequate liquidity to meet those immediate and/or future operating requirements of the Village.
3. Yield: Investments shall be managed in such a fashion as to maintain a market-average rate of return throughout budgetary and economic cycles, taking into account the constraints of reinvestment risk and liquidity needs.

5. Delegation of Authority

Responsibility and authority for investment transactions resides with the Fiscal Officer in accordance with this policy. Management responsibility for the investment program is with the Fiscal Officer, and the Fiscal Officer shall be responsible for the implementation of the investment program and the establishment of investment procedures consistent with this policy. The Fiscal Officer and Mayor shall both sign investment-related agreements on behalf of the Village of Bolivar.

6. Authorized Instruments

The Fiscal Officer will be permitted to invest in any security specifically authorized by the Ohio Revised Code, Section 135.14 and other relevant ORC Sections as amended. All investment activity will be consistent with the Ohio Revised Code including, but not limited to, the collateralization of deposits and repurchase agreements.

All investments will be made with the reasonable expectation that the investment can be held until its maturity. The maximum maturity of any investment will be five (5) years from the date.

7. Recordkeeping and Reporting

The Fiscal Officer shall be responsible for maintaining records of all investments and deposits and shall include a list of investments in a monthly report to Council of all Village funds. The Finance Committee may meet once every quarter, or at such other intervals as it deems necessary, to review the portfolio in detail, including the term of security, type, risk and investment return. The Fiscal Officer shall be responsible for providing records of all investments and deposits and preparing reports for the Finance Committee.

8. Continuing Education

The Fiscal Officer shall complete the required annual continuing education programs provided by the Auditor of State and the Treasurer of State of Ohio.

9. Authorized Financial Institutions and Dealers

Banks eligible for deposits include commercial banks or savings and loans which are located within the State of Ohio and qualify as eligible financial institutions pursuant to ORC Chapter 135.

10. Ethics

No public official of the Village of Bolivar may authorize or employ authority or influence of his or her office to secure investment of funds of the Village in any security, if he or she, or a member of his or her family, or any of his or her business associates either has an interest, in an underwriter, or received any brokerage, origination or servicing fees.

11. Signatures Required

Upon approval by Council, this policy shall be signed by the Fiscal Officer and the Mayor of the Village of Bolivar.

FOR THE VILLAGE OF BOLIVAR:

Fiscal Officer: Maria App

Approved by Ordinance #13 on April 13, 2020.