

ORDINANCE NO. 2011-25

INTRODUCED BY: Mayor Rinker and Council as a Whole

**AN EMERGENCY ORDINANCE  
AMENDING THE INVESTMENT POLICY  
OF MAYFIELD VILLAGE**

WHEREAS, amendments are needed to the current Investment Policy of Mayfield Village, adopted in 1996 (Ordinance No. 96-31).

WHEREAS, the Finance Director's recommendations updating the current investment policy are attached hereto and incorporated herein as Exhibit "A".

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF MAYFIELD VILLAGE, OHIO, THAT:

SECTION 1. The Investment Policy for Mayfield Village, adopted in 1996 is hereby amended as set forth in Exhibit "A" attached hereto.

SECTION 2. The Investment Policy, as amended and set forth in Exhibit "A" hereto and incorporated herein by reference, is hereby and herein adopted.

SECTION 3. The Council finds and determines that all formal actions of the Council relating to the adoption of this Ordinance have been taken at open meetings of this Council; and that deliberations of this Council and of its committees, resulting in such formal action, took place in meetings open to the public in compliance with all statutory requirements including the requirements of Section 121.22 of the Ohio Revised Code.

SECTION 4. This Ordinance is hereby declared to be an emergency measure immediately necessary for the immediate preservation of the health, safety and welfare of the residents of Mayfield Village for the reason that such plan was necessary to encourage orderly development in Mayfield Village. It shall, therefore, take effect immediately upon passage by the affirmative vote of not less

than five (5) members elected to Council and approval by the Mayor or otherwise at the earliest time allowed by law.



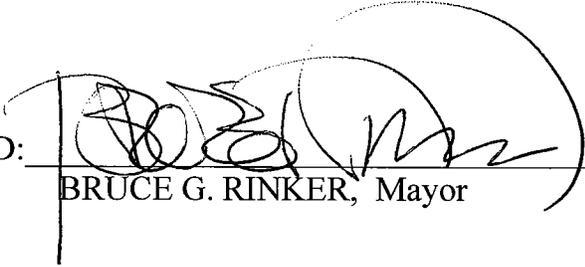
WILLIAM BUCKHOLTZ, Council President

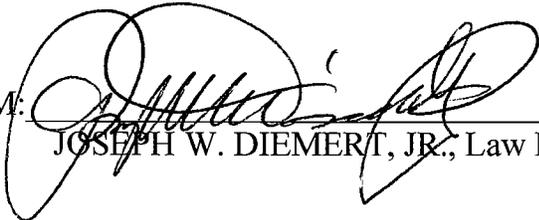
First Reading: May 16, 2011

Second Reading: Suspended 2011

Third Reading: Suspended 2011

PASSED: May 16,

APPROVED:  DATE 5/16/11  
BRUCE G. RINKER, Mayor

APPROVED AS TO FORM:   
JOSEPH W. DIEMERT, JR., Law Director

ATTEST:   
MARY E. BETSA, Clerk of Council

# STATEMENT OF INVESTMENT POLICY OBJECTIVES & GUIDELINES

## Mayfield Village

### Investment Policy

It is the policy of Mayfield Village to invest public funds in a manner which will provide the highest investment return with the maximum security, safety and preservation of principal while meeting the daily cash flow demands of the Village and conforming to all applicable statutes governing the investment of public funds. The Director of Finance is the investment officer for the Village, charged with the responsibility for the purchase and sale of investments and carrying out this Investment Policy.

### Scope

This Investment Policy applies to all financial assets of the Village. The Director of Finance 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.

### Prudence

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.

The standard of prudence to be used by the Director of Finance shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. Acting in accordance with this investment policy and exercising due diligence shall relieve the Director of Finance of personal responsibility for an individual security's credit risk or market price changes.

### Objectives

The primary objectives, in order of importance, of the Village's investment activities shall be:

**Safety:** Safety of principal is the foremost 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.

**Liquidity:** The Village's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated.

## EXHIBIT A

**Return on Investment:** The Village's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account this Investment Policy and the cash flow characteristics of the portfolio.

To the extent possible, the Village will attempt to match its investments with anticipated cash flow requirements.

### **Ethics and Conflict of Interest**

Persons involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. All employees, officers and investment management consultants to the Village shall subordinate their personal investment transactions to those of the Village, particularly with regard to the timing of purchases and sales.

### **Authorized Financial Dealers and Institutions**

The Director of Finance will maintain a list of financial institutions and approved security broker dealers who are authorized to provide investment services and which qualify under Section 135.14(M)(1) of the Revised Code.

All financial institutions, broker dealers and consultants which desire to conduct investment business with the Village must sign the Investment Policy, certifying they have read it, understand it and agree to abide by its contents.

### **Authorized Investments**

The Village is empowered by statute to invest in the following types of securities:

1. Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for payment of the principal and interest thereon but does not include stripped principal or interest obligations of such obligations;
2. Bonds, notes, debentures, or any other obligations or securities issued by a federal government agency or instrumentality;
3. Interim deposits in Village approved depositories which shall be collateralized pursuant to the requirements of the Ohio Revised Code;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in 1 or 2 above or repurchase agreements secured by such obligations, provided such investments are made only through banks and savings and loan institutions authorized by Section 135.03 of the Revised Code.
6. The Ohio Subdivision Fund (STAR Ohio)

The maximum length of maturity of any allowed Ohio Revised Code investment may not exceed five (5) years.

Under no circumstances may the Village invest in a derivative as defined by the Ohio Revised Code, reverse repurchase agreements or other funds prohibited by law

### Reporting

The Director of Finance shall maintain a current inventory of all investments including:

1. Description of each security;
2. Cost (principal);
3. Par value (if applicable);
4. Dates (purchase and maturity)
5. Rate of interest;
6. Seller

The Director of Finance shall also prepare and distribute annually a list of all investments and a report on investment activity and returns.

### Investment Policy Statement Adoption

This Investment Policy shall be adopted by Mayfield Village and, upon adoption, filed in the office of the Auditor of State. The policy shall be reviewed on a regular basis by the Director of Finance or a committee designated by the Village and any modifications made thereto must be approved by Mayfield Village and, upon adoption, filed in the office of the Auditor of State.

Acknowledgement:

For Mayfield Village:

\_\_\_\_\_  
Director of Finance

\_\_\_\_\_  
Date

For Depository:

\_\_\_\_\_  
Signature, Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Depository Name