ORDINANCE NO. 2015-008

ADOPTING VERMILLION COUNTY INVESTMENT POLICY

AUTHORIZING THE INVESTMENT OF PUBLIC FUNDS IN INVESTMENTS LASTING MORE THAN TWO (2) YEARS AND NOT MORE THAN (5) YEARS PURSUANT TO IC 5-13-9-5.7

WHEREAS, it is the policy of Vermillion County to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the County and conforming to all state and local statutes governing the investments of public funds; and

WHEREAS, Indiana Code 5-13-9-5.7 (a)(5) authorizes the fiscal body of a political subdivision to adopt and investment policy authorizing the investment of public funds of the political subdivision for more than (2) year and not more than five (5) years; and

WHEREAS, Indiana Code limits the total investments lasting more than 2 years and not more than five (5) years to not more than twenty-five percent (25%) of the total portfolio of public funds invested by the political subdivision, including balances in transaction accounts; and

WHEREAS, the Vermillion County Board of Finance, on October 20, 2015 adopted a Vermillion County Investment Policy, in the form attached hereto and made a part hereof as Exhibit A, authorizing investments lasting more than two (2) years and not more than five (5) years;

NOW, THEREFORE, BE IT ORDAINED, that the County Council of Vermillion County Indiana, hereby, adopts the Vermillion County Investment Policy attached hereto as Exhibit A, and approves the investment of Vermillion County public funds by the Vermillion County Treasurer in investments lasting more than two (2) years and not more than five (5) years, so long as the total amount of such investments outstanding does not exceed twenty-five percent (25%) of the total portfolio of public funds invested by Vermillion County, including balances in transaction accounts.

BE IT FURTHER ORDAINED that this Ordinance and the authority to make investments lasting more than two (2) years and not more than five (5) years shall expire on November 9, 2019 (4 years from this date), in accordance with IC 5-13-9-5.7(a)(6).

\

Presented to the County Council of Vermillion County, Indiana, and read in full and approved this 9th day of November, 2015, by the following vote:

MEMBER	VOTE	VERMILLION COUNTY COUNCIL
Jill Wesch	Y	
Mike Coxtell	Y	
Michael A Conty	Y	
Jim McGuire	Y	
Lady Dee	Y	
Bard Ave	Y	

ATTEST:

Phyllis Orman

Vermillion County Auditor

Vermillion County Investment Policy

1. Scope

This investment policy, which was adopted by the Vermillion County Board of Finance, supersedes any previous investment policy and applies to all financial assets of the County.

2. Policy

It is the policy of Vermillion County to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the County and confirming to all state and local statutes governing the investment of public funds.

3. Prudence

The investments shall be made with the judgment and care, under the 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 Treasurer shall be the prudent person standard and shall be applied in the context of managing the overall investment.

- Under no circumstances may the Treasurer invest in a derivative, or other funds prohibited by law. The Treasurer shall also not make investments which s/he does not reasonably believe can be held until the maturity date or leverage any investment.

4. Objectives

The primary objectives, in priority order, of the County's investment activities shall be as follows:

- Safety: Safety of principal is the foremost objective of the Investment program. Investments of the County's funds shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

- Return on Investment: The County's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles taking into account the County's investment risk constraints and the cash flow characteristics of the portfolio.

- Local Institutions: Local institutions maintaining an office in Indiana shall be given preference when, in the judgment of the Treasurer, they are equally competitive with other institutions.

5. Authorized Investments

The Treasurer is hereby authorized to invest the portfolio according to the state statutes governing public funds as stated in IC 5-13 as stated now and amended in the future. As stated in IC 5-13-9-2, allowable securities are:

(1) Securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States and issued by any of the following:
   (A) The United States Treasury.
   (B) A federal agency.
   (C) A federal instrumentality.
   (D) A federal government sponsored enterprise.
(2) Securities fully guaranteed and issued by any of the following:
   (A) A federal agency.
   (B) A federal instrumentality.
   (C) A federal government sponsored enterprise.
(3) Municipal securities issued by an Indiana local governmental entity, a quasi-governmental entity related to the state, or a unit of government, municipal corporation, or special taxing district in Indiana, if the issuer has not defaulted on any of the issuer's obligations within the twenty (20) years preceding the date of the purchase.

6. Final Maturity

In accordance with IC 5-13-9-5.7, The investment of Public Funds in maturities of greater than two (2) years but no more than five (5) years shall be limited to not more than twenty-five percent (25%) of the total portfolio of public funds invested by the County, including balances in transaction accounts. The remainder of the portfolio shall mature no longer than two (2) years from the investment settlement date.

Duly adopted by the Board of Finance, County of Vermillion, State of Indiana, on this 20 day of October, 2015.

President, Vermillion County Board of Finance

Vice President, Vermillion County Board of Finance

Member, Vermillion County Board of Finance

Secretary, Vermillion County Board of Finance