

RESOLUTION #108-2008
GENERAL CODE OF ONEIDA COUNTY, WISCONSIN
ORDINANCE AMENDMENT #

Ordinance Amendment offered by Supervisors of the Finance and Insurance Committee.

Whereas, to insure the timely deposit and investment of public monies under the requirements of State Statutes, the Oneida County Board of Supervisors does hereby enact as its INVESTMENT POLICY the provisions set forth below.

NOW, THEREFORE, THE ONEIDA COUNTY BOARD OF SUPERVISORS DOES ORDAIN AS FOLLOWS:

Section 1. Any existing ordinances, codes, resolutions, or portions thereof in conflict with this ordinance shall be and hereby are repealed as far as any conflict exists.

Section 2. This ordinance shall take effect the day after passage and publication as required by law.

Section 3. If any claims, provisions or portions of this ordinance are adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this ordinance shall not be affected thereby.

Section 4. Section 1.38 of the General Code of Oneida County, Wisconsin, is deleted in its entirety and recreated as follows:

1.38 ONEIDA COUNTY INVESTMENT POLICY

(1) Introduction

The timely deposit and investment of public monies is an important and integral part of any cash management program.

This statement of policy is intended for the use and guidance of the designated County official or officials with investment authority and any investment advisers to whom County officials have delegated investment authority as defined in s.66.0603(2) of the Wisconsin Statutes.

This investment policy shall be reviewed annually by the County Investment Officer and the Finance and Insurance Committee. The Finance and Insurance Committee shall approve any recommended changes, and the necessary resolution to modify the existing policy shall be presented to the Oneida County Board for its action.

(2) Statement of Purpose

The purpose of this investment policy is to establish guidelines for investments that are broad enough to allow the Investment Officer to function properly within the parameters of responsibility and authority. It is also intended to be specific enough to establish a

49 prudent set of basic procedures to assure that investment assets are adequately
50 safeguarded.

51 **(3) Goals and Objectives**

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53 (a) The primary objectives of Oneida County investment activities shall be the following
54 in order of importance:

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- 56 1. Safety: The safety of the principal shall be the foremost objective
57 2. Liquidity: Funds shall be invested to provide sufficient liquidity to meet all
58 reasonably anticipated disbursement requirements; and
59 3. Yield: Funds shall be invested to maximize return consistent with the
60 objectives in Items 1 and 2 and other limitations described in this
61 policy.

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63 **(4) Delegation of Authority**

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65 (a) Pursuant to s.59.62(1)(2) and 59.25(3)(s) of the Wisconsin Statutes and to
66 s.1.13(6)(a)(b) of the Oneida County Code, the authority to invest and reinvest monies of
67 Oneida County, to sell or exchange securities so purchased and to provide for the
68 safekeeping of such securities is delegated to the County ~~Treasurer~~ Auditor/Finance
69 Director, who shall also be known as the Investment Officer.

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71 (b) The ~~Treasurer~~ Oneida County Auditor/Finance Director or his / her designee shall
72 have the authority to transfer funds between accounts established for investment
73 purposes.

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75 (c) As defined in s.66.0603(2) of Wisconsin Statutes, the ~~Treasurer~~ Auditor/Finance
76 Director may delegate investment authority for any funds not immediately needed to a
77 state or national bank, or bank, or trust company which is authorized to transact business
78 in the State.

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80 **(5) Prudence Required**

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82 The standard of prudence will apply to all investments made on behalf of the County in
83 accordance with the "prudent person rule" of s.881.01 of the Wisconsin Statutes which
84 states:

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86 "Investments shall be made with judgment and care, under
87 circumstances then prevailing, which persons of prudence,
88 discretion and intelligence exercise in the management of their
89 own affairs, not for speculation, but for investment, considering the
90 probable safety of their capital as well as the probable income to
91 be derived."

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93 **(6) Depositories and Providers of General Banking Services**

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95 The primary provider of banking services will be Associated Bank North, located in the
96 City of Rhinelander, Oneida County, Wisconsin. In addition, the ~~Treasurer~~ Investment
97 Officer may place funds in other depositories defined in s.59.61(3) of the Wisconsin
98 Statutes.

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100 **(7) Depository Collateralization Requirements**

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With the passage of Wisconsin Act 25, effective August 1, 1985, the State of Wisconsin no longer provides an overall guarantee of public fund deposits. However, the State will continue to pledge general purpose revenues as described in Wisconsin Statutes s.20.124(1)(a) for the payment of losses of public deposits until the balance of the appropriation is exhausted. However, no payment for a loss in excess of \$400,000 for any one public deposit in any individual public depository will be made. As the FDIC insures deposits up to ~~\$400,000~~ \$250,000.00, a public deposit is protected up to ~~\$500,000~~ \$650,000.00 in any one depository institution. Funds will only be placed in depository institutions that are FDIC insured.

Funds placed in any one depository institution above ~~\$500,000~~ \$650,000.00 including demand deposits, time deposits, and certificates of deposit must be 100% collateralized as to principal and accrued interest with securities that are obligations of the U.S. Government or its agencies that are fully guaranteed by the U.S. Government. Securities held as collateral shall be delivered for safekeeping to a custodial bank selected by Oneida County. Securities held as collateral at the custodial bank will be marked to market at least monthly, with a monthly statement sent to the ~~Treasurer~~ Investment Officer detailing all holdings.

(8) Permitted Investments

(a) All investments will be made in accordance with s.66.0603 of the Wisconsin Statutes governing the investment of public funds and as further restricted by this Investment Policy Statement. Permitted investments are:

1. Securities issued or guaranteed as to principal and interest by the U.S. Government or agencies thereof.
2. Fixed income securities with a minimum long-term debt rating of AA by Moody's or Aa by Standard & Poor's at the time of purchase and meeting the maturity criteria outlined above.
3. Investments in commercial paper and variable rate demand notes are restricted to corporations rated A-1 and A-2 by Standard and Poor's or P-1 or P-2 by Moody's at the time of purchase.
4. Time deposits in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in the State of Wisconsin if the time deposits mature in not more than three (3) years.
5. Floating rate securities, the coupons of which adjust to market interest rates with a minimum frequency of four (4) times annually, meeting quality and maturity criteria outlined above.
6. No-load money market mutual funds whose investments are limited to those meeting the above criteria in compliance with Section 66.0603.
7. The State of Wisconsin Local Government Investment Pool (LGIP).

(9) Diversification

Total holdings of any one issuer may not exceed 10% of the market value of the portfolio at the time of purchase, with the exception of U.S. Government issues and issues of U.S. Government agencies fully guaranteed as to both principal and interest by the U.S.

156 Government.

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158 **(10) Maturities**

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160 (a) Maturities of individual securities must be in compliance with Section 66.0603 of
161 Wisconsin Statutes. Per this Section, time deposits may not exceed three (3) years, and
162 debt that is not guaranteed as to principal and interest by the Federal Government or its
163 Agencies, or a Wisconsin municipality must have a maturity not more than seven (7)
164 years. Maturities may be further restricted by guidelines set forth below.

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166 (b) No individual issue shall exceed 5 year(s) in maturity from the date of purchase.

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168 (c) Floating rate securities, the coupons of which adjust to market interest rates with a
169 minimum frequency of four (4) times annually, shall at a minimum be subject to the
170 maturity constraints outlined in Item "A" above.

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172 **(11) Liquidity**

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174 All securities must be readily marketable to ensure adequate portfolio liquidity.

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176 **(12) Reporting**

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178 (a) Investment Advisers and Custodians

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180 All investment advisers and custodians retained by the County will provide detailed
181 monthly statements to the County ~~Treasurer~~ Investment Officer. Such reports will
182 contain at a minimum a description of each security including units held, cost, market
183 value and current yield as well as a detailed list, by date, of all transactions executed
184 during the period.

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186 (b) ~~Treasurer~~ Investment Officer

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188 It will be the responsibility of the ~~Treasurer~~ Investment Officer to establish and
189 maintain records and accounts to:

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- 191 1. Provide necessary internal controls.
192 2. Detail investments as to purchase date, cost, maturity and interest rate
193 3. Maintain other records that may be required to accurately reflect all investment
194 transactions.

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196 (c) The ~~Treasurer~~ Investment Officer shall, when requested, make a report on County
197 investments to the Oneida County Finance and Insurance Committee. In addition,
198 the ~~Treasurer~~ Oneida County Auditor/Finance Director shall include a description of
199 the County's Investment Portfolio as part of his / her annual report to the County
200 Board of Supervisors.

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204 Approved by the Finance and Insurance Committee this 27th day of October 2008.

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206 **Vote Required:** Majority = _____ 2/3 Majority = _____ 3/4 Majority = _____

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208 The County Board has the legal authority to adopt: Yes _____ No _____ as reviewed by
209 the Corporation Counsel, _____, Date: _____

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Offered and passage moved by: _____
Supervisor

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Seconded by: _____

_____ Ayes
_____ Nays
_____ Absent
_____ Vacant
_____ Abstain

_____ Adopted
by the County Board of Supervisors this 12th day of November 2008.

_____ Defeated

Robert Brusio, Clerk

Andrew P. Smith, County Board Chair