

ORDINANCE 2007-29

AN ORDINANCE CONTINUING THE INVESTMENT POLICY FOR THE VILLAGE OF HIRAM WITH RESPECT TO INVESTING FUNDS ON SHORT TERM AND LONG TERM BASIS.

WHEREAS, every two years the Auditor of State of Ohio requires municipalities to adopt a policy regulating investments that can be made by the Fiscal Officer.

NOW THEREFORE BE IT ORDAINED by the Council of the Village of Hiram, Portage County, Ohio, with at least a majority of the members thereto concurring that:

SECTION 1: The Village of Hiram hereby adopts this policy as to investment of municipal funds in accordance with Exhibit "A" attached hereto and made a part thereof.

SECTION 2: It is found that all formal action of this Council concerning and relating to the adoption of this ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Revised Code of the State of Ohio.

First Reading: October 9, 2007

Second Reading: November 13, 2007

Third Reading: December 11, 2007

Robert L. Summers

Mayor Robert L. Summers

ATTEST:

Kay E. Ziska
Fiscal Officer

I Kay E. Ziska Fiscal Officer of the Village of Hiram, Ohio, hereby certify that the foregoing Resolution or Ordinance No. 2007-29 has been duly posted in the required 5 places.

12/19/07 Kay E. Ziska
Date Fiscal Officer, Village of Hiram

Exhibit "A"
INVESTMENT POLICY
Village of Hiram
Portage County, Ohio

I. STATEMENT OF PURPOSE

The purpose of this investment policy is to establish investment objectives of the Village of Hiram in compliance with all federal, state and local laws. Specifically, Chapter 135 of the Ohio Revised Code, the Uniform Depository Act, and Sections 731.55 through 731.59 R.C. shall be adhered to at all times.

II. OBJECTIVES

The investment objectives of the Village of Hiram shall be as follows:

- A. To assure safety of principal.
- B. To provide adequate liquidity.
- C. To maximize investment income without undue exposure to risk.

III. INVESTMENT AUTHORITY

The investment authority of the Village of Hiram shall reside with the Treasury Investment Board, whose members shall be the Mayor, the Solicitor, and the Fiscal Officer.

- A. When moneys in the treasury of the Village of Hiram are determined not to be required for use for a period of six months or more (inactive moneys) the Fiscal Officer shall submit to the Mayor and the Solicitor a statement of such moneys. The Mayor, Solicitor and Fiscal Officer may thereupon order investment of said monies in the interest of the Village and in accordance with state regulations and this Investment Policy.
- B. Moneys in the treasury of the Village of Hiram which are determined to be needed for current demands on the treasury (active moneys) or moneys not needed for immediate use but which will be needed within six months (interim moneys) shall also be invested as determined by the Treasury Investment Board, which may establish day-to-day procedures to be carried out by the Fiscal Officer concerning active and interim moneys.
- C. The Treasury Investment Board shall keep written minutes of its meetings, said minutes to be signed by all members of the Board.

IV. INVESTMENT OPERATIONS

A. Eligible investments

1. United States Treasury bills, notes, bonds or any other obligations or securities issued by the U.S. Treasury or any other obligation guaranteed as to principal and interest by the United States government (except stripped principal or interest obligations of such eligible obligations).
2. Federal Agency/Instrumentality securities, including but not limited to Federal National Mortgage Association (FNMA), Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), Government National Mortgage Association (GNMA), and Student Loan Marketing Association (SLMA). All Federal Agency securities shall be direct issuances of federal government agencies or instrumentalities.
3. Certificates of Deposit or savings or deposit accounts in Council-approved depositories.
4. Bonds and other obligations of the State of Ohio.
5. No-load money market mutual funds meeting minimum requirements set forth in O.R.C. 135.01 (O) and consisting exclusively of Treasury or Federal Agency/Instrumentality obligations or repurchases agreements secured by such obligations, providing such investments are made only through banks and savings and loan institutions authorized by O.R.C. 135.03.
6. Ohio Subdivision's Fund (STAR Ohio).
7. Written repurchase agreements collateralized as required by Ohio Revised Code with Treasury or Federal Agency/Instrumentality obligations made through eligible institutions or eligible dealers. Time period of such agreements may be overnight or within a time period not to exceed thirty (30) days. The market value of the securities subject to the repurchase agreement must exceed the principal value of the term repurchase agreement by 2%, and such securities shall be marked to market daily. Up to 25% of interim moneys available may be invested in commercial paper or bankers acceptances after meeting requirements specified in O.R.C. 135.14 (B) (7).

B. Ineligible investments (except as used by STAR Ohio)

1. Derivative securities. (Financial instruments or contracts or obligations whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract or obligation itself).

2. Reverse repurchase agreements.
3. Local government investment pools.
4. Use of leverage (Use of current investment assets as collateral for the purpose of purchasing other assets).
5. Issuance of taxable notes for the purpose of arbitrage.
6. Contracting to sell securities that have not yet been acquired.
7. Any other investment not specifically authorized.

C. Maturity

1. To the extent possible, the Fiscal Officer will attempt to match investments with anticipated cash flow requirements and shall not make investments which he or she does not believe can be held until the maturity date.
2. Investments must mature within five (5) years, unless they are matched to a specific obligation or debt of the Village.
3. The Fiscal Officer, acting in accord with the law, may withdraw funds from approved public depositories and may, acting in accord with the law and with the approval of the Treasury Investment Board, sell negotiable instruments prior to maturity.

D. Record Keeping 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.

E. Continuing Education

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

V. AUTHORIZED FINANCIAL INSTITUTIONS, DEALERS AND ADVISORS

- A. Banks eligible for deposits include commercial banks or savings and loans with FDIC or FSLIC coverage which are located within the State of Ohio and qualify as eligible financial institutions under O.R.C. Chapter 135.
- B. Any investment broker or dealer engaged by the Village of Hiram shall be a member of the National Association of Securities Dealers, shall be chosen with

due diligence by the Treasury Investment Board and shall be subject to ongoing monitoring and evaluation.

- C. Any investment advisor engaged by the Village of Hiram shall (1) be licensed as an investment advisor with the securities and exchange commission and (2) shall possess experience in public funds investment management, specifically in the area of state and local government investment portfolios. As an alternative to (1) and (2) above, the advisor may be an institution eligible to be a depository under O.R.C. 135.03.

VI. ETHICS

- A. No public official of the Village of Hiram 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, is an underwriter, or receives any brokerage, origination or servicing fees.
- B. No public official or employee of the Village of Hiram shall use or authorize the use of his or her authority or influence of his office or employment to secure anything of value or the promise of offer of anything of value that is of such a character as to manifest a substantial and improper influence upon him or her with respect to his or her duties. Neither shall any public official or employee of the Village of Hiram solicit or accept anything of value that is of such a character as to manifest a substantial and improper influence upon him or her with respect to his or her duties.

VII. POLICY REVIEW AND CHANGES

Council shall review this investment policy and its objectives at least once every two years and may by Ordinance amend this policy as deemed necessary.

VIII. SIGNATURES REQUIRED

- A. Upon approval by Hiram Village Council, this policy shall be signed by the members of the Treasury Investment Board and by any banker/broker/dealer/advisor advising or doing business with the Village of Hiram
- B. Signature of a banker/broker/dealer/advisor giving advice or making recommendations to the Village of Hiram acknowledges agreement to abide by the policy's content.
- C. Signature of banker/broker/dealer/advisor executing transactions initiated by the Village acknowledges receipt and comprehension of the policy.

D. One fully- executed copy of this policy shall be retained by each broker/banker/dealer/advisor and one shall be retained by the Village Fiscal Officer.

IX. FILING WITH AUDITOR OF STATE

One copy of this policy, along with a copy of the Council Ordinance approving it, shall be filed with the Auditor of State.

Hiram Village Treasury Investment Board Members:

Robert J. Summers
Mayor

Thomas Kletz
Solicitor

Kay E. Ziska
Fiscal Officer

Karl Vaneh
Investment Banker/Broker/Dealer/Advisor

Village of Hiram

11617 Garfield Road
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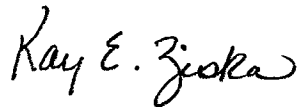
January 28, 2008

Ohio Auditor of State's Office
88 East Broad Street, 5th Floor
Columbus, Ohio 43215

Dear Sir or Madam:


Please find enclosed a certified copy of the current investment policy for the village of Hiram. If you have any questions please feel free to contact me at the number listed above.

Sincerely,

A handwritten signature in black ink that reads "Kay E. Ziska". The signature is written in a cursive style with a large initial 'K' and a long, sweeping underline.

Kay E. Ziska
Fiscal Officer

I, Kay E. Ziska, Fiscal Officer to the Village of Hiram, Ohio, do hereby certify the foregoing is a true and correct copy of the Ordinance 2007-29 passed at the council meeting on December 11, 2007.



Kay E. Ziska
Hiram Village Fiscal Officer