

CITY OF LE ROY
COUNTY OF McLEAN, STATE OF ILLINOIS

RESOLUTION NO. 24-04-01-10

**A RESOLUTION OF THE CITY OF LE ROY
APPROVING AN INVESTMENT POLICY**

ADOPTED BY THE CITY COUNCIL OF THE CITY OF LE ROY THIS

1st Day of April, 2024

PRESENTED: **April 1, 2024**

PASSED: **April 1, 2024**

APPROVED: **April 1, 2024**

RECORDED: **April 1, 2024**

PUBLISHED: **April 1, 2024**
In Pamphlet Form

Voting "Aye" 6
Voting "Nay" 0
Voting "Abstain" 1

The undersigned being the duly qualified and acting City Clerk of the City of LeRoy does hereby certify that this document constitutes the publication in pamphlet form, in connection with and pursuant to Section 1-2-4 of the Illinois Municipal Code, of the above-captioned **resolution** and that such **resolution** was presented, passed, approved, recorded and published as above stated.

(SEAL)



Anita Corso
City Clerk of the City of
Le Roy, McLean County, Illinois

Dated: **April 1, 2024**

RESOLUTION NO. 24-04-01-10

A RESOLUTION APPROVING AN INVESTMENT POLICY

WHEREAS, the City of Le Roy desires to adopt an Investment Policy governing the investment of public funds as required by the Illinois Public Funds Investment Act (30 ILCS 235/1 et seq.); and

WHEREAS, it is in the best interests of the health, safety and welfare of the citizens of Le Roy to approve an Investment Policy as provided herein.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council for the City of Le Roy, McLean County, Illinois, as follows:

Section 1: That the Investment Policy marked **Exhibit A**, attached hereto and incorporated herein by reference, is hereby approved as the city Investment Policy governing the investment of public funds by the City of Le Roy.

Section 2: That the City Administrator, the City Clerk, and the City Treasurer are hereby authorized and directed to implement the attached Investment Policy for and on behalf of the City, as set forth in said policy.

Section 3: This Resolution shall take effect immediately upon its passage and approval as provided by law.

EXHIBIT A

CITY OF LEROY INVESTMENT POLICY

(See attached)

CITY OF LE ROY INVESTMENT POLICY

Policy Statement

It is the policy of the City of Le Roy, (City) to invest public funds in a manner that will provide the highest investment return, with the maximum security, while meeting the daily cash flow demands of the City. The Authorized Investment Signer/Agent, (City Administrator, currently Dave Jenkins) will invest funds to the fullest extent possible, while attempting to obtain the highest yield, provided that all investments meet the criteria established for safety and liquidity. This will be overseen by the City Clerk, (currently Anita Corso) and City Treasurer, (currently Brad Frankovich) or another employee as assigned by the corporate authorities of the City.

The investment policies and practices of the City are based upon Federal, State, and Local Laws, along with prudent money management.

All participants in the City's investment process shall act responsibly as custodians of the public trust. The program shall be designed & managed with a degree of professionalism that is worthy of the public trust.

Scope

This policy applies to all funds of the City of Le Roy. These funds are accounted for in the City's annual financial report & include all current funds and any other funds that may be created from time to time, except for the City of Le Roy's Illinois Municipal Retirement Fund (IMRF). Exceptions to this policy may be made to the extent required by covenants made with respect to tax-exempt bonded indebtedness and allowed by State law.

All investments of the City of Le Roy must be made in compliance with Federal and State Law. City investments are governed by the Public Funds Investment Act, 30 ILCS 235/1, et seq.

Objectives

The purpose of this Investment Policy is to establish cash management & investment guidelines of public funds under the custody or control of the City of Le Roy. The primary objectives, in order of priority, of the City's investment activities are as follows:

1. **Safety:** Safety of principal is the foremost objective of the investment program. The security of monies, whether on hand or invested, shall be the primary concern of the Treasurer and Authorized Signer/Agent in selecting depositories or investments. Investments of the City will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Requiring investments to be diversified by type, maturity and institution will also help manage risk of principal.
2. **Liquidity:** The City of Le Roy's investment portfolio shall be structured in such a manner as to provide sufficient liquidity to pay obligations as they come due.

3. **Return on Investments:** City Staff shall seek to attain a market average or better rate of return throughout budgetary and economic cycles, taking into account risk, constraints, cash flow, and legal restriction on investment.
4. **Time Frame:** All funds will be invested depending on the requirement for the disbursement of funds.
5. **Illinois Sustainable Investment Act.** The City shall include material, relevant and decision-useful sustainability factors that will be considered by the City, within the bounds of financial and fiduciary prudence, in evaluating investment decisions. These factors consist of but are not limited to:
 - a. Corporate governance and leadership factors;
 - b. Environmental factors;
 - c. Social capital factors;
 - d. Human capital factors;
 - e. Business model and innovation factors.

Delegation of Authority

Under the direction of the Corporate authorities, management and administrative responsibility for the investment program is hereby granted to the Authorized Signer/Agent or another employee as assigned by the Mayor, Steven M. Dean of the City of Le Roy. Establishment of written procedures for the operation of the investment program shall be updated & maintained accordingly. Procedures should include investment transactions, check reconciliation, deposits, bond payments, report preparation & wire transfers.

Prudence

The standard of care to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investments shall be made with judgment & care, under circumstances then prevailing, that 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.

Investment officers, acting in accordance with written procedures and this investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

Ethics and Conflicts of Interest

Officers and employees 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. Further, no officer or agent involved in the investment process shall have any interest in, or receive any compensation from, any investments in which the City is authorized to invest, or the sellers, sponsors or managers of those investments.

Internal Control

The Authorized Signer/Agent & Treasurer, under the direction of the Corporate authorities, are responsible for establishing and maintaining an internal control structure designed to insure that the assets of the entity are protected from loss of public funds due to fraud, error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees or officers of the City. The internal control structure shall be designed to provide reasonable assurance that these standards are met.

Reporting: The City Clerk shall record all investment transactions. A report will be provided monthly listing: all active investments, location of investments, maturity of investments, interest rate and/or other pertinent information deemed necessary.

Authorized Financial Dealers and Institutions

The City Administrator will have the responsibility to recommend which financial institutions will be depositories for the City of Le Roy's funds. The City will take into consideration security, size, location, condition, service, fees and the community relation's involvement of the financial institution when choosing a financial institution. Upon the recommendation of the City Administrator, the Corporate authorities will designate authorized depositories for City funds.

Authorized and Suitable Investments

All investments of public funds shall be made in accordance with the Illinois Public Funds Investment Act and other applicable laws as amended from time to time.

Collateralization

It is the policy of the City to require that time deposits, in excess of FDIC insurable limits, be fully collateralized to protect public deposits in a single financial institution if it were to default. The collateral must be placed in safekeeping at or before the time the City deposits its money so that it is evident that the deposit is protected on the securing of collateral.

The City shall require that funds on deposit in excess of insured limits be secured by collateral. The City will accept any of the following assets as collateral: (1) U.S. Government Securities; (2) Obligations of Federal Agencies; (3) Obligations of the State of Illinois; (4) General Obligation municipal bonds rated "A" or better issued by a governing body in the State of Illinois; (5) Letters of Credit issued by a Federal Home Loan Bank.

In order to accommodate market changes and provide a level of security for all monies, the collateralization level shall be at least 102% of the market value of principal, plus accrued interest, or as required by the terms of bond issues, municipal bond insurance policies, and/or other financing agreements which may pertain to the City's monies. Collateral will always be held by an independent third-party custodian.

Safekeeping and Custody

To protect against potential fraud, embezzlement, or losses caused by collapse of individual securities dealers, all investment securities purchased by the City, shall be held by the City or in safekeeping by the City's custodian bank or a third-party bank trust department. The primary agent shall issue a safekeeping receipt to the City listing the specific instrument, rate, maturity, and other pertinent information. The originating bank will hold original certificates of deposits. A safekeeping receipt will be acceptable documentation.

Diversification

The City of Le Roy shall diversify its investments to the best of its ability based on the type of funds invested and the cash flow needs of those funds. Diversification can be by type of investment, number of institutions invested in, and length of maturity.

Maturities

To the extent possible, the City shall attempt to match its investment maturities with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than 1 year from the date of purchase.

Reserve funds may be invested in securities exceeding 1 year, if the maturity of such investments are made to coincide as nearly as possible with the expected use of the funds.

Performance Standards

The Authorized Signer/Agent will seek to earn a rate of return appropriate for the type of investments being managed in accordance with the parameters specified within this policy. In general, the Authorized Signer/Agent will strive to earn an average rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

Investment Policy Adoption

The Investment Policy shall be adopted by the Corporate authorities. The Authorized Agent/Signer shall regularly review the policy with any modifications made, and present these to the Mayor and City Council for final approval.

Indemnification

Investment officers and employees for the City acting in accordance with this Investment Policy and written procedures as have been or may be established by the Corporate authorities, and exercise due diligence, shall be relieved of personal liability for an individual security's credit risk or market changes.

PASSED by the City Council of the City of Le Roy, Illinois, upon the motion made by Dawn Hanafin and seconded by Kelly Lay by roll call vote on the 1st day of April, 2024 as follows

Aldermen elected 8

Aldermen Present 7

Voting Aye:

Dawn Hanafin, Justin Morfey, Kyle Merkle, Kelly Lay, Matt Steffen, Patti Welander

Voting Nay: None

Absent: Sarah Welte

Abstain: Ron Legner

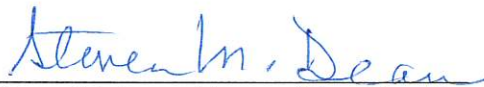
Other: None

And deposited and filed in the office of the City Clerk in said municipality on the 1st day of April, 2024.



Anita Corso, City Clerk of the
City of Le Roy
Mc Lean County, Illinois

APPROVED BY the Mayor of the City of Le Roy, Illinois, this 1st day of April, 2024.



Steven M. Dean, Mayor of the City of Le Roy,
Mc Lean County, Illinois

ATTEST: (SEAL)



Anita Corso, City Clerk of the City of Le Roy
Mc Lean County, Illinois



CERTIFICATE

I, Anita Corso, certify that I am the duly appointed and acting municipal clerk of the City of Le Roy, of McLean County, Illinois.

I further certify that on **April 1, 2024** the Corporate Authorities of such municipality passed and approved **RESOLUTION NO. 24-04-01-10**

**A RESOLUTION OF THE CITY OF LE ROY
APPROVING AN INVESTMENT POLICY**

Which provided by its terms that it should be published in pamphlet form.

The pamphlet form of **RESOLUTION NO. 24-04-01-10**, including the Resolution and a cover sheet thereof, was prepared, and a copy of such Resolution was posted at the municipal building, commencing on **April 1, 2024** and continuing for at least ten days thereafter. Copies of such Resolution were also available for public inspection upon request in the office of the municipal clerk.

Dated at Le Roy, Illinois this 1st day of April, 2024.

(SEAL)



A handwritten signature in blue ink, which appears to read "Anita Corso". The signature is written in a cursive style and is positioned above a horizontal line.

Anita Corso
City Clerk of the City of
Le Roy, McLean County, Illinois

STATE OF ILLINOIS)
) SS:
COUNTY OF MCLEAN)

I, Anita Corso, do hereby certify that I am the duly qualified and acting City Clerk of the City of Le Roy, McLean County, Illinois, and as such City Clerk that I am the keeper of the records and files of the Mayor and the City Council of said City.

I do further certify that the foregoing is a true, correct and complete copy of a resolution entitled:

**A RESOLUTION OF THE CITY OF LE ROY
APPROVING AN INVESTMENT POLICY**

I do further certify said resolution was adopted by the City Council of the City of Le Roy at a regular meeting on the 1st day of April, 2024, and prior to the making of this certificate the said resolution was on file with the permanent records of said City where it now appears and remains as a permanent record of said resolution in the record books.

Dated this 1st day of April, 2024.

(SEAL)



A handwritten signature in blue ink, which appears to read "Anita Corso", is written over a horizontal line.

Anita Corso, City Clerk of the
City of Le Roy,
McLean County, Illinois