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MAR 20 2023

Mary A. Sylvest

BOND COUNTY CLERK & RECORDER

**STATE OF ILLINOIS - COUNTY OF BOND
CITY OF GREENVILLE**

ORDINANCE NO. 3294

**AN ORDINANCE ADOPTING AN INVESTMENT
POLICY**

**ADOPTED BY THE
CITY COUNCIL
OF
THE CITY OF GREENVILLE
THIS 14th DAY OF MARCH, 2023**

Published in pamphlet form by authority of the City Council of the City of Greenville, Bond County, Illinois, this 14th day of March, 2023.

STATE OF ILLINOIS - COUNTY OF BOND
CITY OF GREENVILLE

ORDINANCE NO. 3294

AN ORDINANCE ADOPTING AN INVESTMENT
POLICY

WHEREAS, it is in the best interest of the city of Greenville that the attached investment policy be adopted.

WHEREAS, the city is mandated to adopt an investment policy as set forth herein:

(30 ILCS 235/2.5)

Sec. 2.5. Investment policy.

(a) Investment of public funds by a public agency shall be governed by a written investment policy adopted by the public agency. The level of detail and complexity of the investment policy shall be appropriate the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio. The policy shall address safety of principal, liquidity of funds, and return on investment and shall require that the investment portfolio be structured in obligations as they come due. In addition, the investment policy shall include or address the following:

- (1) a list of authorized investments;
- (2) a rule, such as the "prudent person rule", establishing the standard of care that must be maintained by the persons investing the public funds;
- (3) investment guideline that are appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio;
- (4) a policy regarding diversification of the investment portfolio that is appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio;
- (5) guidelines regarding collateral requirements, if any, for the deposit of public funds in a financial institution made pursuant to this Act, and, if applicable, guidelines for

contractual arrangements for the custody and safekeeping of that collateral;

(6) a policy regarding the establishment of a system of internal controls and written operational procedures designed to prevent losses of funds that might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the entity;

(7) identification of the chief investment officer who is responsible for establishing the internal controls and written procedures for the operation of the investment program;

(8) performance measures that are appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio;

(9) a policy regarding appropriate periodic review of the investment portfolio, its effectiveness in meeting the public agency's needs for safety, liquidity, rate of return, and diversification, and its general performance;

(10) a policy establishing at least quarterly written reports of investment activities by the public agency's chief financial officer for submission to the governing body and chief executive officer of the public agency. The reports shall include information regarding securities in the portfolio by class or type, book value, income earned, and market value as the report date;

(11) a policy regarding the selection of investment advisors, money managers, and financial institutions; and

(12) a policy regarding ethics and conflicts of interest.

(a-5) The investment policy shall include a statement that material, relevant, and decision-useful sustainability factors have been or are regularly considered by the agency, within the bounds of financial and fiduciary prudence, in evaluating investment decisions. Such factors include, but are not limited to: (i) corporate governance and leadership factors; (ii) environmental factors; (iii) social capital factors; (iv) human capital factors; and (v) business model and innovation factors, as provided under the Illinois Sustainable Investing Act,

(b) For purposes of the State or a county, the investment policy shall be adopted by the elected treasurer and presented to the chief executive officer and the governing body. For purposes of any other public agency, the investment policy shall be adopted by the governing body of the public agency.

(c) The investment policy shall be made available to the public at the main administrative office of the public agency.

(d) The written investment policy required under this Section shall be developed and implemented by January 1, 2000.

NOW, THEREFORE, LET IT BE ORDAINED by the Mayor and the City Council of the City of Greenville as follows:

SECTION 1-GENERAL STATEMENT: The City of Greenville hereby adopts the investment policy as set forth on the attached **Exhibit A**.

SECTION 2-REPEAL: All prior Ordinances which are inconsistent with the provisions of this Ordinance are also hereby repealed.

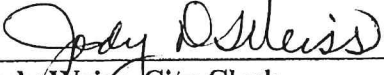
SECTION 3-SAVINGS PROVISIONS: In the event any section, subsection, sentence or phrase of this Ordinance should be declared invalid, all other provisions hereof shall not be affected by such invalidity and shall remain in full force and effect.

SECTION 4-EFFECTIVE DATE: This Ordinance shall become in full force and effect from and upon its passage.

Adopted this 14th day of March, 2023 at a regular meeting of the City of Greenville's City Council with a quorum present upon a vote of the Board as follows:

Bill Carpenter:	<u>aye</u>
Kyle Littlefield:	<u>aye</u>
Ivan Estevez:	<u>absent</u>
Lisa Stephens:	<u>absent aye</u>


George Barber, Mayor

ATTEST: 
Jody Weiss, City Clerk

Prepared By:
PATRICK F. SCHAUFELBERGER
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STATE OF ILLINOIS - COUNTY OF BOND
CITY OF GREENVILLE

CERTIFICATE


I, Jody Weiss, certify that I am the duly appointed and acting City Clerk of the City of Greenville, Bond County, Illinois.

I further certify that on March 14, 2023, the Corporate Authorities of such municipality passed and approved Ordinance No. 3294, entitled:

“AN ORDINANCE ADOPTING AN INVESTMENT POLICY”

Dated at Greenville, Illinois, this 14th day of March, 2023.

{SEAL}



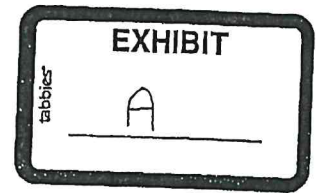
Jody Weiss, City Clerk

Prepared By:
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INVESTMENT POLICY

Greenville, Illinois

1.1 Policy

It is the policy of the City of Greenville 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 entity and conforming to all state and local statutes governing the investment of public funds.

1.2 Scope

This policy includes all funds governed by the City of Greenville.

1.3 Prudence

Investments shall be made with judgement 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 investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio.

1.4 Objective

The primary objective, in order of priority, shall be:

- Legality - conformance with federal, state and other legal requirements
- Safety - preservation of capital and protection of investment principal
- Liquidity - maintenance of sufficient liquidity to meet operating requirements
- Yield - attainment of market rates of return

The portfolio should be reviewed periodically as to its effectiveness in meeting the entity's needs for safety, liquidity, rate of return, diversification and its general performance.

1.5 Delegation of Authority

Management and administrative responsibility for the investment program is hereby delegated to the Finance Director who, under the delegation of the City Council, shall establish written procedures for the operation of the investment program.

1.6 Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

1.7 Authorized Financial Dealers and Institutions

The Finance Director will maintain a list of financial institutions authorized to provide investment services.

In addition, a list will also be maintained of approved security brokers/dealers selected by credit worthiness.

1.8 Authorized and Suitable Investments

Investments may be made in any type of security allowed for in Illinois statutes regarding the investment of public funds.

Investments shall be made that reflect the cash flow needs of the fund type being invested.

1.9 Collateralization

Funds on deposit (checking accounts, certificates of deposit, etc.) in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement and held at an independent - third party institution in the name of the municipality.

1.10 Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by the City of Greenville, shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by an independent third party custodian designated by the Finance Director and evidenced by safekeeping receipts and a written custodial agreement.

1.11 Diversification

The City of Greenville 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.

1.12 Maximum Maturities

To the extent possible, the City of Greenville shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City of Greenville will not directly

invest in securities maturing more than 10 years from the date of purchase.

Reserve funds may be invested in securities exceeding 10 years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds.

1.13 Internal Control

The Finance Director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting
- Custodial safekeeping
- Written confirmation of telephone transactions for investments and wire transfers

1.14 Performance Standards

This investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a comparable rate of return during a market/economic environment of stable interest rates. Portfolio performance should be compared to benchmarks with similar maturity, liquidity and credit quality as the portfolio.

The City's investment strategy is passive. Given this strategy, the basis used by the City Treasurer to determine whether market yields are being achieved shall be the Illinois Funds money market rate, and/or the current three-month U.S. Treasury Bill and/or the Average Federal Funds Rate. Since these indices are relatively risk-free benchmarks, they comprise a minimum standard for the portfolio's rate of return.

1.15 Reporting

The Finance Director shall prepare an investment report at least monthly. The report should be provided to the City Council and available on request. The report should be in a format suitable for review by the general public. An annual report should also be provided to the City Council.

1.16 Marking to Market

A statement of the market value of the portfolio shall be issued to the City Council quarterly.

1.17 Investment Policy Adoption

The investment policy shall be adopted by the City Council. The policy shall be reviewed on an annual basis by the Finance Director and any modifications made and approved.

RESULT:	Carried
MOVER:	Lisa Stephens
SECONDER:	Kyle Littlefield
AYES:	George Barber, Bill Carpenter, Kyle Littlefield, and Lisa Stephens
ABSENT:	Ivan Estevez

- 8.5. Consideration of Intergovernmental agreement between the City of Greenville and the Bond County unit #2 School District to establish a school resource (SRO) program

SRO will be employee of the City of Greenville. The school district will be responsible for 2/3 of the salary, and the City will be responsible for 1/3 plus pension, insurance, etc. Taylor Hill will be the officer and will rotate between all of the schools in the district, working 40 hours per week. If overtime is required by the City, the City will pay the portion of overtime, as if overtime is required from the school district, then he will be paid by them. This position will start in August 2023 and will be reassessed after one year. The officer's main goal is build relationships with students, not to provide discipline.

Motion by Lisa Stephens, seconded by Kyle Littlefield, Motion to approve the Intergovernmental agreement between the City of Greenville and the Bond County unit #2 School District to establish a school resource (SRO) next school year.

RESULT:	Carried
MOVER:	Lisa Stephens
SECONDER:	Kyle Littlefield
AYES:	George Barber, Bill Carpenter, Kyle Littlefield, and Lisa Stephens
ABSENT:	Ivan Estevez

- 8.6. Consideration of Funding Request from GU for Nick Morrow Banners - \$1500

This request did not meet the guidelines for the Tourism Committee, as it was only for banners. Tourism funds are specifically for advertising purposes. The City is doing other things to recognize and honor Mr. Morrow, such as giving a key to the City among other things. GU was notified two weeks ago that we were not able to grant the request.

No motion was made.

- 8.7. Consideration of Ordinance for the City of Greenville Investment Policy
Motion by Kyle Littlefield, seconded by Lisa Stephens, Motion to approve the financial policy ordinance as submitted.

RESULT:	Carried
MOVER:	Kyle Littlefield
SECONDER:	Lisa Stephens
AYES:	George Barber, Bill Carpenter, Kyle Littlefield, and Lisa Stephens
ABSENT:	Ivan Estevez

- 8.8. Consideration of Architectural agreement with UTZ Associates for the remodel/addition of new City Hall and remodel of police station.

Since this agreement is less than \$40,000, it doesnt need to go out for bids. The design will be made for a 50 year plan, but we may only be able to do a portion of