

CHAPTER 33: FINANCE AND REVENUE

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*FINANCIAL ADMINISTRATION***§ 33.01 DEFINITIONS.**

As used in this subchapter, unless the context otherwise requires, the following definitions shall apply:

BUDGET. A proposed plan for raising and spending money for specified programs, functions, activities, or objectives during a fiscal year.

DEBT SERVICE. The sum of money required to pay installments of principal and interest on bonds, notes, and other evidences of debt accruing within a fiscal year and to maintain sinking funds.

ENCUMBRANCES. Obligations in the form of purchase orders or contracts that are chargeable to an appropriation. An obligation ceases to be an encumbrance when paid or when the actual liability is recorded.

FISCAL YEAR. The accounting period for the administration of fiscal operations.

GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS. Those standards for audit of governmental organizations, programs, activities and functions issued by the Comptroller General of the United States.

GENERALLY ACCEPTED PRINCIPLES OF GOVERNMENTAL ACCOUNTING. Those standards and procedures promulgated and recognized by the Governmental Accounting Standards Board.

(KRS 91A.010)

§ 33.02 ACCOUNTING RECORDS AND FINANCIAL REPORTS.

(A) The city shall keep its accounting records and render financial reports in such a way as to:

(1) Determine compliance with statutory provisions; and

(2) Determine fairly and with full disclosure the financial operations of constituent funds and account groups of the city in conformity with generally accepted governmental accounting principles.

(B) The municipal accounting system shall be organized and operated on a fund basis.

(KRS 91A.020)

§ 33.03 ANNUAL BUDGET ORDINANCE.

(A) The city shall operate under an annual budget ordinance adopted and administered in accordance with the provisions of this section. No moneys shall be expended from any governmental or proprietary fund except in accordance with a budget ordinance adopted pursuant to this section.

(B) Moneys held by the city as a trustee or agent for individuals, private organizations, or other governmental units need not be included in the budget ordinance.

(C) If in any fiscal year subsequent to a fiscal year in which the city has adopted a budget ordinance in accordance with this section, no budget ordinance is adopted, the budget ordinance of the previous fiscal year has full force and effect as if readopted.

(D) The budget ordinance of the city shall cover one fiscal year.

(E) Preparation of the budget proposal shall be the responsibility of the Mayor.

(F) The budget proposal shall be prepared in such form and detail as prescribed by ordinance.

(G) The budget proposal together with a budget message shall be submitted to Council not later than 30 days prior to the beginning of the fiscal year it covers. The budget message shall contain an explanation of the governmental goals fixed by the budget for the coming fiscal year; explain important features of the activities anticipated in the budget; set forth the reasons for stated changes from the previous year in program goals, programs, and appropriation levels; and explain any major changes in fiscal policy.

(H) (1) Council may adopt the budget ordinance making appropriations for the fiscal year in such sums as it finds sufficient and proper, whether greater or less than the sums recommended in the budget proposal. The budget ordinance may take any form that Council finds most efficient in enabling it to make the necessary fiscal policy decisions.

(2) No budget ordinance shall be adopted which provides for appropriations to exceed revenues in any one fiscal year in violation of Section 157 of the Kentucky Constitution.

(I) The full amount estimated to be required for debt service during the budget year shall be appropriated, for all governmental fund types.

(J) Council may amend the budget ordinance at any time after the ordinance's adoption, so long as the amended ordinance continues to satisfy the requirements of this section.

(K) Administration and implementation of an adopted budget ordinance shall be the responsibility of the Mayor. Such responsibility includes the preparation and submission to Council of operating statements, including budgetary comparisons of each governmental fund for which an annual budget has been adopted. Such reports shall be submitted not less than once every three months in each fiscal year.

(L) To the extent practical, the system utilized in the administration and implementation of the adopted budget ordinance shall be consistent in form with the accounting system called for in § 33.02.

(M) No city agency, or member, director, officer, or employee of any city agency, may bind the city in any way to any extent beyond the amount of money at that time appropriated for the purpose of the agency. All contracts, agreements, and obligations, express or implied, beyond such existing appropriations are void; nor shall any city officer issue any bond, certificate, or warrant for the payment of money by the city in any way to any extent, beyond the balance of any appropriation made for the purpose.

(KRS 91A.030)

§ 33.04 ANNUAL AUDIT OF CITY FUNDS.

(A) The city shall, after the close of each fiscal year, cause each fund of the city to be audited by the auditor of public accounts or a certified public accountant. The audit shall be completed by February 1 immediately following the fiscal year being audited. The city shall forward an electronic copy of the audit report to the Department for Local Government for information purposes by no later than March 1 immediately following the fiscal year being audited.

(B) The city shall enter into a written contract with the selected auditor. The contract shall set forth all terms and conditions of the agreement which shall include, but not be limited to, requirements that:

(1) The auditor be employed to examine the basic financial statements which shall include the government-wide and fund financial statements;

(2) The auditor shall include in the annual city audit report an examination of local government economic assistance funds granted to the city under KRS 42.450 to 42.495. The auditor shall include a certification with the annual audit report that the funds were expended for the purpose intended.

(3) All audit information be prepared in accordance with generally accepted governmental auditing standards which includes such tests of the accounting records and such auditing procedures as considered necessary under the circumstances. Where the audit is to cover the use of state or federal funds, appropriate state or federal guidelines shall be utilized;

(4) The auditor shall prepare a typewritten or printed report embodying:

(a) The basic financial statements and accompanying supplemental and required supplemental information;

(b) The auditor's opinion on the basic financial statements or reasons why an opinion cannot be expressed; and

(c) Findings required to be reported as a result of the audit.

(5) The completed audit and all accompanying documentation shall be presented to Council at a regular or special meeting.

(6) Any contract with a certified public accountant for an audit shall require the accountant to forward a copy of the audit report and management letters to the Auditor of Public Accounts upon request of the city or the Auditor of Public Accounts, and the Auditor of Public Accounts shall have the right to review the certified public accountant's workpapers upon request.

(C) A copy of an audit report which meets the requirements of this section shall be considered satisfactory and final in meeting any official request to the city for financial data, except for statutory or judicial requirements, or requirements of the Legislative Research Commission necessary to carry out the purposes of KRS 6.955 to 6.975.

(D) The city shall, within 30 days after the presentation of an audit to the city legislative body, publish an advertisement, in accordance with KRS Chapter 424, containing:

(1) The auditor's opinion letter;

(2) The "Budgetary Comparison Schedules-Major Funds," which shall include the general fund and all major funds;

(3) A statement that a copy of the complete audit report, including financial statements and supplemental information, is on file at city hall and is available for public inspection during normal business hours.

(4) A statement that any citizen may obtain from city hall a copy of the complete auditor's report, including financial statements and supplemental information, for his personal use.

(5) A statement which notifies citizens requesting a personal copy of the city audit report that they will be charged for duplication costs at a rate that shall not exceed \$.25 per page; and

(6) A statement that copies of the financial statement prepared in accordance with KRS 424.220 are available to the public at no cost at the business address of the officer responsible for preparation of such statement.

(E) Any person who violates any provision of this section shall be deemed guilty of a misdemeanor and shall be fined not less than \$50 nor more than \$500. In addition, any officer who fails to comply with any of the provisions of this section shall, for each failure, be subject to a forfeiture of not less than \$50 nor more than \$500, in the discretion of the court, which may be recovered only once, in a civil action brought by any resident of the city. The costs of all proceedings, including a reasonable fee for the attorney of the resident bringing the action, shall be assessed against the unsuccessful party.

(F) Within a reasonable time after the completion of a special audit or examination conducted pursuant to KRS 43.050, the Auditor shall bill the city for the actual expense of the audit or examination conducted. The actual expense shall include the hours of work performed on the audit or examination as well as reasonable associated costs, including but not limited to travel costs. The bill submitted to the city shall include a statement of the hourly rate, total hours, and total costs for the entire audit or examination.

(KRS 91A.040)

Statutory reference:

Department for Local Government to provide assistance, see KRS 91A.050.

§ 33.05 OFFICIAL DEPOSITORIES; DISBURSEMENT OF CITY FUNDS.

(A) The Mayor shall designate as the city's official depositories one or more banks, federally insured savings and loan companies, or trust companies within the Commonwealth. The amount of funds on deposit in an official depository shall be fully insured by deposit insurance or collateralized in accordance with 12 USC 1823, to the extent uninsured, by any obligations, including surety bonds permitted by KRS 41.240(4).

(B) All receipts from any source of city money or money for which the city is responsible, which has not been otherwise invested or deposited in a manner authorized by law, shall be deposited in official depositories. All city funds shall be disbursed by written authorization approved by the Mayor which states the name of the person to whom funds are payable, the purpose of the payment, and the fund out of which the funds are payable. Each authorization shall be numbered and recorded.

(KRS 91A.060)

IMPROVEMENTS

§ 33.10 DEFINITIONS.

As used in this subchapter, unless the context otherwise requires, the following definitions shall apply:

ASSESSED VALUE BASIS. The apportionment of cost of an improvement according to the ratio the assessed value of individual parcels of property bears to the total assessed value of all such properties.

BENEFITS RECEIVED BASIS. The apportionment of cost of an improvement according to equitable determination by Council of the special benefit received by property from the improvement, including assessed value basis, front foot basis, and square foot basis, or any combination thereof, and may include consideration of assessed value of land only, graduation for different classes of property based on nature and extent of special benefits received, and other factors affecting benefits received.

COST. All costs related to an improvement, including planning, design, property or easement acquisition and construction costs, fiscal and legal fees, financing costs, and publication expenses.

FAIR BASIS. Assessed value basis, front foot basis, square foot basis, or benefits received basis.

FRONT FOOT BASIS. The apportionment of cost of an improvement according to the ratio the front footage on the improvement of individual parcels of property bears to such front footage of all such properties.

IMPROVEMENT. Construction of any facility for public use or services or any addition thereto, which is of special benefit to specific properties in the area served by such facility.

PROPERTY. Any real property benefited by an improvement.

SPECIAL ASSESSMENT or ASSESSMENT. A special charge fixed on property to finance an improvement in whole or in part.

SQUARE FOOT BASIS. The apportionment of cost of an improvement according to the ratio the square footage of individual parcels of property bears to the square footage of all such property. (KRS 91A.210)

§ 33.11 FINANCING OF IMPROVEMENTS.

(A) The city may not finance any improvement in whole or in part through special assessments except as provided in this subchapter and in any applicable statutes. (KRS 91A.200)

(B) Cost of an improvement shall be apportioned equitably on a fair basis.

(C) The city may provide for lump sum or installment payment of assessments or for bond or other long-term financing, and for any improvement may afford property owners the option as to method of payment or financing. (KRS 91A.220)

§ 33.12 APPORTIONMENT OF COST.

The cost of any improvement shall be apportioned on a benefits received basis with respect to any property owned by the state, a local unit of government, or any educational, religious, or charitable organization. Council may assess such property in the same manner as for privately owned property or it may pay the costs so apportioned out of general revenues. (KRS 91A.230)

§ 33.13 COMPREHENSIVE REPORT REQUIRED.

Before undertaking any improvements pursuant to this subchapter, the city shall prepare a comprehensive report setting out:

(A) The nature of the improvement;

(B) The scope and the extent of the improvement, including the boundaries or other description of the area to be assessed;

(C) The preliminary estimated cost of the improvement;

(D) The fair basis of assessment proposed;

(E) If financing of assessments is provided, the proposed method, including the proposed years to maturity of any bonds to be issued in connection with the improvement; and

(F) Such other information as may further explain material aspects of the improvement, assessments, or financing.

(KRS 91A.240)

§ 33.14 PUBLIC HEARING REQUIRED.

After preparation of the report required by § 33.13, the city shall hold at least one public hearing on the proposed improvement at which all interested persons shall be heard. Notice of the hearing shall be published pursuant to KRS Chapter 424, and mailed to each affected property owner by certified mail, return receipt requested, and shall include:

(A) The nature of the improvement;

(B) Description of area of the improvement;

(C) Statement that the city proposes to finance the improvement in whole or in part by special assessment of property and the method to be used;

(D) Time and place the report may be examined; and

(E) Time and place of the hearing.

(KRS 91A.250)

§ 33.15 ADOPTION OF ORDINANCE; NOTICE TO AFFECTED OWNERS.

Within 90 days of conclusion of the hearing, the city shall determine whether to proceed with the improvement by special assessments, and if it determines to proceed shall adopt an ordinance so stating

and containing all necessary terms, including the items referred to in § 33.13 and a description of all properties. Promptly upon passage the city shall publish such ordinance pursuant to KRS Chapter 424 and shall mail by certified mail to each affected property owner a notice of determination to proceed with the project, the fair basis of assessment to be utilized, the estimated cost to the property owner, and the ratio the cost to each property owner bears to the total cost of the entire project.

(KRS 91A.260)

§ 33.16 AFFECTED OWNER MAY CONTEST.

(A) Within 30 days of the mailing of the notice provided for in § 33.15, any affected property owner may file an action in the circuit court of the county, contesting the undertaking of the project by special assessment, the inclusion of his property in the improvement, or the amount of his assessment. If the action contests the undertaking of the improvement by the special assessment method of the inclusion of the property of that property owner, no further action on the improvement insofar as it relates to any property owner who is a plaintiff shall be taken until the final judgment has been entered.

(B) The city may proceed with the improvement with respect to any properties whose owners have not filed or joined in an action as provided in this section or who have contested only the amounts of their assessments, and the provisions of the resolution are final and binding with respect to such property owners except as to contested amounts of assessments. After the lapse of time as herein provided, all actions by owners of properties are forever barred.

(KRS 91A.270)

§ 33.17 WHEN CITY MAY PROCEED; ASSESSMENT CONSTITUTES LIEN.

(A) After the passage of time for the action provided for in § 33.16, or after favorable final judgment in any such action, whichever comes later, the city may proceed with the improvement or part thereof stayed by the action, including notice requiring payment of special assessment or installment thereon and bonds or other method proposed to finance the improvement. The first installment may be apportioned so that other payments will coincide with payment of ad valorem taxes.

(B) The amount of any outstanding assessment or installments thereof on any property, and accrued interest and other charges, constitutes a lien on the property to secure payment to the bondholders or any other source of financing of the improvement. The lien takes precedence over all other liens, whether created prior to or subsequent to the publication of the ordinance, except a lien for state and county taxes, general municipal taxes, and prior improvement taxes, and is not defeated or postponed by any private or judicial sale, by any mortgage, or by any error or mistake in the description of the property or in the names of the owners. No error in the proceedings of the Council shall exempt any benefited property from the lien for the improvement assessment, or from payment thereof, or from the penalties or interest thereon, as herein provided.

(KRS 91A.280)

§ 33.18 EFFECT OF ADDITIONAL PROPERTY OR CHANGE IN FINANCING.

The city may undertake any further proceedings to carry out the improvement or any extension or refinancing thereof, except that §§ 33.13 through 33.17 applies if additional property is included in the improvement or if change is made in the method or period of financing; but additional property may be included in the improvement with the consent of the owner thereof without compliance with other sections if it does not increase the cost apportioned to any other property, or any other change may be made without such compliance if all property owners of the improvement consent.

(KRS 91A.290)

PROCUREMENT PROCEDURES**§ 33.30 CONFORMANCE WITH CERTAIN STATUTES.**

(A) The procurement of supplies, services and construction by the city shall be conducted in accordance with the provisions of KRS 424.260 and other pertinent statutes instead of and in lieu of KRS 45A.345 through 45A.460; except

(B) The Local Model Procurement Code (KRS 45A.343 to 45A.460) shall be used for the procurement of all goods and services required for any project funded by a state or federal grant, and the general bidding statute (KRS 424.260) shall remain in effect for all other purchases.
(Res. passed 6-17-80; Am. Res. passed 6-18-12)

INVESTMENT OF PUBLIC FUNDS**§ 33.45 PURPOSE.**

It is the policy of the city to invest public funds in a manner which will provide the highest investment return with the maximum security of principal while meeting the daily cash flow demands of the city and conforming to all state statutes and regulations governing the investment of public funds.
(Ord. passed 1-16-95)

§ 33.46 SCOPE.

(A) This investment policy applies to all financial assets held directly by the city. These financial assets are accounted for in the city's annual financial report and include all moneys in the following funds:

- (1) General Fund;
- (2) Special Revenue Fund;

- (3) Debt Service Fund;
- (4) Capital Projects Fund;
- (5) Utility Depreciation Fund;
- (6) Agency Fund; and
- (7) Any new fund created by the governing body.

(B) Financial assets of the city held and invested by trustees or fiscal agents are excluded from these policies; however, such assets shall be invested in accordance with state laws applicable to the investment of local government funds and in accordance with the city's primary investment objectives. (Ord. passed 1-16-95)

§ 33.47 INVESTMENT OBJECTIVES.

The city's primary investment objectives, in order of priority, are the following:

(A) *Safety*. Safety of principal is the foremost objective of the city's investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, investments will primarily be in insured or collateralized instruments or obligations backed by the United States or its agencies.

(B) *Liquidity*. The city's investment portfolio shall remain sufficiently liquid to meet all operating requirements which might be reasonably anticipated.

(C) *Return on investment*. The city's investment portfolio shall be designed with the objective of attaining a market rate of return throughout the budgetary and economic cycles, taking into account investment risk constraints and the cash flow characteristics of the portfolio. (Ord. passed 1-16-95)

§ 33.48 INVESTMENT AUTHORITY.

Management responsibility for the city's investment program is hereby delegated to the Mayor and City Clerk. They shall have the authority, subject to the disapproval of the governing body, to establish additional specific written procedures for the operation of the investment program which are consistent with this investment policy. The procedures shall include explicit delegation of authority, if any, to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Mayor. The Mayor shall be ultimately responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and employees. The controls shall be designed to prevent and control losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by officers and

employees. The City Treasurer shall maintain all records related to the city's investment program.
(Ord. passed 1-16-95)

§ 33.49 PRUDENT PERSON RULE.

(A) The actions of the Mayor and City Clerk in the performance of their duties as managers of the city's funds shall be evaluated using the "prudent person" standard. Investments shall be made with judgment and care under prevailing circumstances 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.

(B) The Mayor and City Clerk acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's performance, provided that deviations from expectations are reported in a timely fashion to the governing body and appropriate action is taken to control adverse developments.

(Ord. passed 1-16-95)

§ 33.50 AUTHORIZED INVESTMENTS.

The funds of the city available for investment shall be invested in accordance with this policy and all applicable state statutes only in the following types of investments instruments:

(A) Obligations of the United States and of its agencies and instrumentalities, including obligations subject to repurchase agreements, provided that delivery of these obligations subject to repurchase agreements is taken either directly or through an authorized custodian.

(B) Obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States or a United States government agency, including but not limited to:

- (1) United States Treasury;
- (2) Export-Import Bank of the United States;
- (3) Farmers Home Administration;
- (4) Government National Mortgage Corporation; and
- (5) Merchant Marine bonds.

(C) Obligations of any corporation of the United States government, including but not limited to:

- (1) Federal Home Loan Mortgage Corporation;
- (2) Federal Farm Credit Banks;

- (3) Bank for Cooperatives;
- (4) Federal Intermediate Credit Banks;
- (5) Federal Land Banks;
- (6) Federal Home Loan Banks;
- (7) Federal National Mortgage Association; and
- (8) Tennessee Valley Authority.

(D) Certificates of deposit issued by or other interest-bearing accounts of any bank of savings and loan institution which are insured by the Federal Deposit Insurance Corporation or similar entity or which are collateralized, to the extent uninsured, by any obligations permitted by KRS 41.240(4). (Ord. passed 1-16-95)

§ 33.51 DIVERSIFICATION OF INVESTMENTS.

(A) The city recognizes that some level of risk is inherent in any investment transaction. Losses may be incurred due to issuer default, market price changes, or closing investments prior to maturity due to unanticipated cash flow needs. Diversification of the city's investment portfolio by institution, type of investment instrument, and term to maturity is the primary method to minimize investment risk.

(B) The city's funds shall be diversified by security type and institution. With the exception of fully insured or fully collateralized investments, and except for authorized investment pools, no more than 20% of the city's total investment portfolio shall be invested in a single security type or with a single financial institution.

(C) To the extent possible, the city will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow need, the city's funds should not, in general, be invested in securities maturing more than five years from the date of purchase. However, the city may collateralize its repurchase agreements using longer-dated investments not to exceed seven years to maturity. Reserve funds may be invested in securities exceeding ten years, if maturity of the investments are made to coincide as nearly as practicable with the expected use of the funds. (Ord. passed 1-16-95)

§ 33.52 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS.

(A) The City Clerk shall maintain a list of financial institutions authorized to provide investment services to the city. In addition, a list shall be maintained of approved security brokers/dealers selected by creditworthiness, who maintain an office in the Commonwealth of Kentucky.

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(B) All financial institutions and broker/dealers who desire to provide investment services to the city shall supply the City Clerk with information sufficient to adequately evaluate the institution and answer any and all inquiries posed by the City Clerk or Mayor or the governing body, including the following information:

- (1) Audited financial statements;
- (2) Regulatory reports on financial condition;
- (3) Written memorandum of agreement for the deposit of public funds or trading resolution, as appropriate;
- (4) Proof of National Association of Security Dealers certification and proof of state registration; and
- (5) Any additional information considered necessary to allow the Mayor and City Clerk to evaluate the creditworthiness of the institution.

(C) No financial institution shall be selected as a depository of city funds if the city funds on deposit at any time will exceed 80% of the institution's capital stock and surplus, with all city funds being insured or collateralized.

(D) The City Clerk shall evaluate the financial capacity and creditworthiness of financial institutions and broker/dealers prior to the placement of the city's funds. The City Clerk shall conduct an annual review of the financial condition and registration of financial institutions and broker/dealers and, based on the review, make any recommendations regarding investment policy or program changes determined to be necessary.

(Ord. passed 1-16-95)

§ 33.53 SAFEKEEPING AND CUSTODY.

To protect against potential fraud and embezzlement, investment assets shall be secured through third-party custody and safekeeping procedures. Collateralized securities, such as repurchase agreements, shall be purchased using the delivery vs. payment procedure. The safekeeping procedures utilized in the city's investment program shall be reviewed annually by the independent auditor.

(Ord. passed 1-16-95)

§ 33.54 COLLATERAL.

(A) Except as set forth in division (B) of this section, it is the policy of the city to require that all cash and investments maintained in any financial institution named as a depository be fully insured by the Federal Deposit Insurance Corporation, or collateralized to the extent uninsured. In order to anticipate market changes and provide a level of security for all funds, the collateralization level shall be 100% of the market value of principal, plus accrued interest. Collateral shall be limited to the types of instruments authorized as collateral for state funds in KRS 41.240.

(B) Collateral shall always be held by an independent third-party custodian with whom the city has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the city and retained by the City Clerk. The right of collateral substitution is hereby granted. (Ord. passed 1-16-95; Am. Ord. 17-12-01, passed 12-18-17)

§ 33.55 INVESTMENT REPORTING.

(A) The City Clerk shall prepare and submit to the governing body a quarterly report regarding the status of the city's investment program. As to each investment, the report shall include the following information:

- (1) Name of financial institution from which the investment was purchased or in which assets are deposited;
- (2) Type of investment;
- (3) Certificate or other reference number, if applicable;
- (4) Percentage yield on an annualized basis;
- (5) Purchase date, purchase price, and maturity date; and
- (6) Current market value of the investment.

(B) In addition, the report shall explain the quarter's total investment return and compare the return with budgetary expectations.

(C) The quarterly report shall also summarize recent market conditions, economic developments and anticipated investment conditions, and indicate any areas of policy concern and suggested revisions of investment strategies. Copies of the report shall be submitted to each member of the governing body and the Mayor.

(Ord. passed 1-16-95)

§ 33.56 AUDIT.

In connection with the audit of city funds conducted by an independent certified public accountant, the auditor shall conduct a review of the city's investment program, including internal controls and procedures, and the results of the review, including recommended changes, shall be included in the city's audit.

(Ord. passed 1-16-95)

§ 33.57 PRE-EXISTING INVESTMENTS.

Any investment held on the date of initial adoption of this policy which does not meet the guidelines of this policy shall be exempted from its provisions. At maturity or liquidation, the monies so invested, if reinvested, shall be reinvested only in accordance with this policy. The City Clerk may take a reasonable period of time to adjust the existing portfolio to the provisions of this policy in order to avoid the premature liquidation of any current investment.

(Ord. passed 1-16-95)