

235-52011

RESOLUTION: Adopt Changes to the Winnebago County Investment Policy

TO THE WINNEBAGO COUNTY BOARD OF SUPERVISORS:

WHEREAS, your Finance Director wishes to modify the County Investment Policy so as to allow investment of US Treasury and Agency notes with a five year maturity dates, up from the current three year limit; and

WHEREAS, most of these treasury and agency notes have call provisions and interest rate step-up provisions to protect the County should interest rates rise; and

WHEREAS, step-up interest rate provisions often result in securities being called, thus shortening the effective duration to less than the 5 years; and

WHEREAS, these securities give the Finance Director the ability to get better returns than by investing in CD's and shorter duration treasury and agency notes; and

WHEREAS, both your Finance Director and Treasurer feel it would be more proficient to allow the Finance Director to maintain custody of the papers representing these investments, rather than the Treasurer; and

WHEREAS, most of these investments are book entry only therefore, there is no paper document that can be submitted to the institution where purchased for redemption of the funds, thus there is no real impact on the protections in place to prevent fraud; and

WHEREAS, the County Treasurer is in agreement with the Finance Director relative to all of the proposed changes.

NOW, THEREFORE, BE IT RESOLVED by the Winnebago County Board of Supervisors that it hereby authorizes the amendments to the County Investment Policy as outlined on the attached copy.

29

1 **Fiscal note:** There is no measurable fiscal impact. It is expected that allowing
2 the investment in these longer duration securities will enhance the County's return on
3 investment.

4 Submitted by:

5 **PERSONNEL & FINANCE COMMITTEE**

6 _____
7 _____
8 _____
9 _____
10 _____

11
12 Committee Vote: **5-0**

13
14 Vote Requirement for Passage:
15 **Majority of those present**

16
17
18 Approved by Winnebago County Executive this _____ day of
19 _____, 2011.

20
21 _____
22 County Executive