



## Legislation Text

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**File #:** 1381-2012, **Version:** 1

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This Ordinance changes one word in Columbus City Code Section 325. The change applies to Section 325.012 (F). This change will allow the City's Treasury Investment Board to purchase permissible investments, as recited in Section 325.010, with a remaining term to final maturity of three (3) years rather than the current limitation of (2) years).

To amend Section 325.012 of the Columbus City Codes in order to increase to three years the maximum remaining term to final maturity for investments purchased with City treasury funds.

**WHEREAS**, Section 325.012 of the Columbus City Codes sets forth the criteria required for investments purchased with moneys in the treasury of the City, other than those under the charge or control of the trustees of the sinking fund; and

**WHEREAS**, the average amount of the City's Treasury Investment portfolio since 2007 has exceeded \$1,000,000,000.00 (\$1 billion) and in 2008, 2011, and 2012 (through June 8, 2012) has exceeded \$1,300,000,000.00 (\$1.3 billion), and

**WHEREAS**, the completion of the City's next bond sale scheduled for July 2012 will cause the amount of the portfolio to rise to approximately \$1,800,000,000.00 (\$1.8 billion), and

**WHEREAS**, the growing size of the portfolio makes it prudent for the Treasury Investment Board to have a greater number of maturities from which to choose, and

**WHEREAS**, at a joint meeting of the Columbus Depository Commission and the Treasury Investment Board (both consisting of the Director of Finance and Management, the City Treasurer, and the City Auditor pursuant to Columbus City Code Sections 321.03 and 325.011), on June 14, 2012 the Commission and the Board voted unanimously that City Code Section 325.012 (F) be amended by the adoption of this Ordinance; now, therefore:

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**Section 1.** That Section 325.012 of the Columbus City Codes, 1959, be and is hereby amended to read as follows:

325.012 - Investment criteria.

(A) Investments shall not be made at a price in excess of the current market value of such bonds or other interest-bearing obligations. Such bonds or other interest-bearing obligations may be sold for cash and for a sum of not less than their current market price. The provisions of this section shall be executed and administered as provided in this chapter.

(B) Whenever it is necessary to convert any such obligations into cash, they shall be sold by the city treasurer or deputy treasurer for a price not less than the current market value when authorized by a majority of the treasury investment board.

(C) Investments shall be made only through financial institutions approved by the treasury investment board to

provide investment services to the city. The approved security broker/dealers must be registered with the State of Ohio Securities Division and maintain an office in the state of Ohio.

(D) All transactions for the purchase and sale of securities shall be made only on a delivery versus payment basis.

(E) Securities will be held by a third party custodian designated by the treasury investment board and evidenced by safekeeping receipts or written confirmations.

(F) No investment shall be purchased that has a remaining term to final maturity of more than ~~two (2)~~ three (3) years.

**Section 2.** That existing Section 325.012 of the Columbus City Codes, 1959, is hereby repealed and replaced as provided in Section 1.

**Section 3.** That this ordinance shall take effect and be in force from and after the earliest date allowed by law.