



# City of Columbus

Office of City Clerk  
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## Legislation Text

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**File #: 1516-2018, Version: 1**

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This Ordinance is to amend Columbus City Code Section 325.012(F) to allow the purchase of securities with a remaining term to final maturity of more than three (3) years, only if the security is a city of Columbus assessment bond. Assessments bonds and notes issued by the City of Columbus are permissible investments per Columbus City Code Section 325.010 (D). However, most assessment bonds have a ten (10) year maturity term. Currently, the Treasury Investment Board is limited to purchasing securities with a remaining term to final maturity of three (3) years. Therefore, the Treasury Investment Board would like to amend this section to allow for the purchase of city of Columbus assessments bonds and notes with a remaining term to final maturity of greater than three (3) years, subject to approval by the Treasury Investment Board.

To amend Section 325.012 of the Columbus City Codes to allow for the purchase of city of Columbus assessment bonds and notes with remaining terms to final maturity of greater than three years 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; and

**WHEREAS**, per Section 325.010 (D) of the Columbus City Codes, bonds and other obligations of the city of Columbus, Ohio are permissible investments; and

**WHEREAS**, from time to time, the city of Columbus issues assessment bonds for various street lighting, sewer and other projects with maturities of greater than three (3) years; 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 April 18, 2018, the Commission and the Board voted unanimously to amend City Code Section 325.012 (F) to allow the city to invest in assessment bonds with maturities of greater than three years; and

**WHEREAS**, it has become necessary in the usual daily operation of the City Treasurer's Office to amend City Code; now, therefore:

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

**Section 1.** That Section 325.012 of the Columbus City Codes 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 three (3) years, unless the security meets the following criteria:

(1) the security is an assessment bond or note issued by city of Columbus, OH; and

(2) the purchase is approved by the Treasury Investment Board.

**Section 2.** That existing Section 325.012 of the Columbus City Codes 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 period allowed by law.