

## ORDINANCE # 21-2015

### AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WHITTIER, ALASKA AMENDING TITLE 3 TO AUTHORIZE THE ESTABLISHMENT OF A FINANCIAL MANAGEMENT CODE FOR THE CITY OF WHITTIER

#### THE WHITTIER CITY COUNCIL HEREBY ORDAINS:

**Section 1. Classification.** This Ordinance is permanent in nature and shall become part of the Whittier Municipal Code.

**Section 2. Amendment of Title 3.** Title 3 of the Whittier Municipal Code is hereby amended by adoption of a new Chapter 3.18 to read as follows:

#### **Chapter 3.18 FINANCIAL MANAGEMENT**

##### Sections:

- 3.18.010 Treasury Management
- 3.18.020 Investment Policy
- 3.18.030 Authority and Prudence
- 3.18.040 Ethics.
- 3.18.050 Income
- 3.18.060 Reports
- 3.18.070 Implementation Responsibility

##### **3.18.010- Treasury management.**

All revenues and other receipts of the city shall be deposited into a central treasury. The city manager is the Investment Officer for all municipal funds and shall be responsible for the proper execution of treasury management procedures pursuant to this section and the investment policy.

##### **3.18.020 - Investment Policy**

The City Council shall approve by resolution an investment policy establishing the objectives for management of city revenue including all reserve funds. The City's investment portfolio shall be managed so that the portfolio, as a whole, meets the objectives set forth in the City's investment policy. All persons selecting investments for city monies shall adhere to these objectives.

### **3.18.030 - Authority and prudence.**

A. The City Council shall approve by resolution all persons providing services as an Investment Consultant or External Investment Manager as defined in the investment policy.

B. The authority to invest and reinvest money of the city, to sell or exchange securities so purchased and to deposit such securities for safekeeping is delegated to the Investment Officer or their designee.

C. Investments shall be made with judgment 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 Investment Officer, and their designees, acting in accordance with this chapter and the City's investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's performance.

D. The Investment Officer or their designee is authorized to direct purchases of securities which are authorized investments as defined in the city's investment policy from money in custody which is not required for the immediate needs of the city.

### **3.18.040 - Ethics.**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Such employees and investment officials shall disclose to the city manager any material financial interests in financial institutions that conduct business with the city. Employees and officers shall subordinate their personal investment transactions to those of the city, particularly with regard to the timing of purchases and sales.

### **3.18.050 - Income.**

Investment income will be allocated according to individual fund central treasury balances when it is appropriate for the fund to receive such investment income. The Investment Officer or their designee shall be responsible for proper allocation of the income and shall budget for investment income in the funds that receive it.

### **3.18.060 - Reports.**

The Investment Officer or their designee shall make report of all investments to the city council as set forth in the investment policy.

**3.18.070 - Implementation responsibility.**

A. The responsibility for the proper execution of the provisions of this chapter shall be with the Investment Officer except where the responsibility is explicitly given to the city council.

B. The Investment Officer and any person designated to act on behalf of the Investment Officer under this chapter shall give bond or Security Investor Protection Corporation in an amount not less than five hundred thousand dollars, or Federal Deposit Insurance Corporation insurance in an amount not less than two-hundred fifty thousand dollars, for the faithful performance of their duties. The premium on any bond shall be paid from funds made available for the administrative costs of the city. The premium on any insurance shall be paid as directed by federal law.

**Section 3. Effective Date.** This ordinance shall be effective immediately upon adoption:

ENACTED THIS 17<sup>th</sup> day of February, 2015.



Hon. Daniel Blair  
Mayor, City of Whittier

**ATTEST:**

  
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City Clerk

**Ayes:** 5  
**Nays:** 0  
**Absent:** 2  
**Abstain:** 0

**Introduced By:** City Manager  
**Introduction Date:** 20 January 2015  
**Public Hearing Date:** 17 February 2015