

3/20/2008

**19-R-08**

**A RESOLUTION**

**EVANSTON TOWNSHIP INVESTMENT POLICY  
(Pursuant to the Public Funds Investment Act 30 ILCS-235/2.5)**

**WHEREAS**, it is always prudent for any public unit to have an Investment Policy in place for the purpose of safeguarding funds, equitably distributing the investments and maximizing income of the governmental unit. The following Policy is hereby promulgated for use by Evanston Township; and

**WHEREAS**, this Investment Policy applies to the investment activities of all funds under the jurisdiction of the Township of Evanston. This Investment Policy will also apply to any new funds or temporary funds placed under the jurisdiction of the Township of Evanston. The Illinois State Statutes will take precedence except where the Policy is more restrictive wherein this Policy will take precedence.

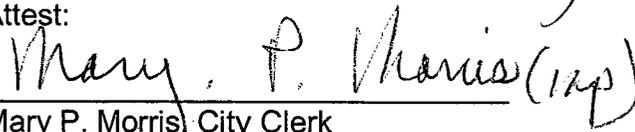
**NOW, THEREFORE, BE IT RESOLVED BY THE EVANSTON BOARD OF TRUSTEES OF THE TOWNSHIP OF EVANSTON, COOK COUNTY, ILLINOIS:**

**SECTION 1:** That the Evanston Township Investment Policy as provided in Exhibit A is hereby incorporated and that the Township Supervisor is to implement this policy.

**SECTION 2:** That this Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

  
Lorraine H. Morton, Mayor

Attest:

  
Mary P. Morris, City Clerk

Adopted: April 28, 2008

EXHIBIT A

**Evanston Township Investment Policy**

**EVANSTON TOWNSHIP INVESTMENT POLICY**  
**(Pursuant to the Public Funds Investment Act 30 ILCS-235/2.5**

**INVESTMENTS**

It is always prudent for any public unit to have an Investment Policy in place for the purpose of safeguarding funds, equitably distributing the investments and maximizing income of the governmental unit. The following Policy is hereby promulgated for use by **Evanston Township**.

**1.0 SCOPE OF POLICY**

This Investment Policy applies to the investment activities of all funds under the jurisdiction of the **Township of Evanston**. This Investment Policy will also apply to any new funds or temporary funds placed under the jurisdiction of the **Township of Evanston**. The Illinois State Statutes will take precedence except where the Policy is more restrictive wherein this Policy will take precedence.

**2.0 OBJECTIVES**

The purpose of this Investment Policy is to establish cash management and investment guidelines for the stewardship of public funds under the jurisdiction of the **Township of Evanston**. The specific objectives of this Policy will be as follows:

1. Safety – The security of monies, whether on hand or invested, shall be the primary concern of the Township Supervisor, who is the Treasurer of all Township funds, in selecting depositories or investments.
2. Liquidity – The investment portfolio shall remain sufficiently liquid to meet all operating requirements, which might be reasonably anticipated.
3. Return – The Township Supervisor shall seek to attain a market average or better rate of return throughout budgetary and economic cycles, taking into account risk, constraints, cash flow, and legal restrictions on investment.

**3.0 INVESTMENT GUIDELINES**

To assist in attaining the stated objectives, the following guidelines shall be observed:

1. Investments shall be undertaken in a manner that seeks to insure preservation of capital in the overall portfolio. To avoid unreasonable risks, diversification of investments is required.
2. The portfolio should remain sufficiently liquid to meet operating requirements, which may be reasonably anticipated. Cash flows shall be reviewed quarterly.
3. To maximize earnings, all funds shall be deposited/invested within two (2) working days at prevailing rates or better.
4. All investments shall be selected on the basis of competitive bids.

#### **4.0 DIVERSIFICATION**

To avoid unreasonable risk, diversification of the investment portfolio shall be consistent with the objectives in the Investment Policy. Commercial paper shall not exceed ten percent (10%) of the investment portfolio.

#### **5.0 RESPONSIBILITY**

All investment of funds under the control of the Township Supervisor is the direct responsibility of the Township Supervisor. The Township Supervisor shall be responsible for all transactions and shall establish a system of controls for all authorized subordinates who are directly involved in the assistance of such investment activities.

#### **6.0 ACCOUNTING**

All investment transactions shall be recorded by the Township Supervisor or the Township Supervisor's staff. A report will be generated at least monthly, listing all active investments. This report will be made available to the Evanston Township Board of Trustees.

#### **7.0 FINANCIAL INSTITUTIONS**

The Evanston Township Board of will have the responsibility to select which financial institutions will be depositories for Township funds. The Evanston Township Supervisor will take into consideration security, size, location, condition, service and the community relations involvement of the financial institution when choosing a financial institution.

At no time will the Evanston Township investments exceed sixty-five percent (65%) of the financial institution's capital and surplus.

All financial institutions having any type of financial relationships; deposits, investments, loans, etc. are required to provide a complete "Call Report" required by their appropriate regulatory authority each calendar quarter within thirty (30) days of the "Call" request date.

## **8.0 INVESTMENT VEHICLES**

The Evanston Township Supervisor will use investments approved for governmental units as set forth in the most current issue of the Illinois Compiled Statutes including Securities Exchange Commission registered and AAA rated by Moody's and Standard & Poor's money market mutual funds consisting of U.S. Government Treasuries.

## **9.0 COLLATERAL**

It shall be at the discretion of the Evanston Township to determine whether or not collateral will be required of financial institutions receiving funds. At all times, the Evanston Township Supervisor will require that deposits in excess of ten percent (10%) of the capital and surplus of a financial institution will be collateralized. The Evanston Township Supervisor may request collateral for any part of deposits in financial institutions when the Evanston Township Supervisor determines it to be in the best interests of safeguarding the funds on deposit.

When collateral is required, one hundred five percent (105%) of the deposit will be required. Only the following collateral will be accepted:

- U.S. Government direct securities
- Obligations of Federal Agencies
- Obligations of Federal Instrumentalities
- Obligations of the State of Illinois
- Obligations of Evanston Township
- Acceptable Collateral as identified in the Illinois Compiled Statutes for use by the Treasurer of the State of Illinois

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 possible income to be derived.

The above standard is established as the standard for professional responsibility and shall be applied in the context of managing Evanston Township's Portfolio.

#### 10.0 SECURITY CONTROLS

The Evanston Township Supervisor is authorized to establish accounts for Evanston Township with the advice and consent of the Evanston Board of Trustees. At all times the Evanston Township Supervisor will be authorized to sign on financial accounts of Evanston Township.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
Township Supervisor

\_\_\_\_\_  
Township Clerk