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CITY OF BROOK PARK, OHIO

ORDINANCE NO. 9914-2014

INTRODUCED BY: MAYOR COYNE

AN ORDINANCE
PROVIDING FOR THE ESTABLISHMENT OF AN
INVESTMENT POLICY GOVERNING THE INVESTMENT OF
THE FUNDS OF THE CITY OF BROOK PARK AND ELIGIBLE
INVESTMENTS IN ACCORDANCE THEREWITH,

WHEREAS, Section 7.04(f) of the Charter of the City of Brook Park provides that the Director of Finance with the approval of the majority of the members of City Council, shall invest monies of the City in bonds or notes of the City, or any other investment permitted by the laws of the State of Ohio, in such manner as is now or hereafter authorized by the laws of the State of Ohio; and

WHEREAS, the City has previously adopted an Investment Policy as set forth in Chapter 136 of the Brook Park Codified Ordinances; and

WHEREAS, in order to augment the Investment Policy set forth in Chapter 136 of the Brook Park Codified Ordinances, the Council of the City of Brook Park now desires to make special provisions in regards to the investment of public monies of the City;

NOW, THEREFORE, BE IT ORDAINED that the Council of the City of Brook Park, State of Ohio that:

SECTION 1: That this Council does hereby accept the Investment Policy attached hereto as Exhibit "A" to govern the investment of the funds of the City of Brook Park and eligible investments in accordance therewith.

SECTION 2: It is found and determined that all formal actions of this Council concerning and relating to this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal actions were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 3: This Ordinance shall take effect at the earliest time allowed by law.

PASSED: June 3, 2014

Dennis P. Patten
PRESIDENT OF COUNCIL

ATTEST: Michelle Blazak
CLERK OF COUNCIL

APPROVED: [Signature]
MAYOR

6/3/2014
DATE

I HEREBY APPROVE THE WITHIN INSTRUMENT AS TO LEGAL FORM AND CORRECTNESS

[Signature]
DIRECTOR OF LAW

CERTIFICATE

Michelle Blazak, Clerk of Council, of the City of Brook Park, Ohio, do hereby certify that the foregoing is a true and accurate copy of Ordinance/Resolution No. 9914-2014 passed on the 3rd day of June, 2014 by said council.
Michelle Blazak
Clerk of Council

I, Michelle Blazak, Clerk of Council for the City of Brook Park, State of Ohio, do hereby certify that there is no newspaper of general circulation in the municipality and that publication of the foregoing ordinances/resolutions was made by posting true copies at six of the most public places in said municipality as determined by Ordinance No. 4838-1975; location City Hall 6161 Engle Road, Police Station 17401 Holland Road, #1 Fire Station 5590 Smith Road, #2 Fire Station 22530 Ruple Parkway, #3 Fire Station 17401 Holland Road, Brook Park Library 6165 Engle Road, for a period of fifteen days.

commencing June 6, 2014
Michelle Blazak
MICHELLE BLAZAK
Clerk of Council

EXHIBIT A
CITY OF BROOK PARK
INVESTMENT POLICY

Section 1. INVESTMENT POLICY.

A. Governing Authority. The investment program shall be operated in conformance with federal, state, and other legal requirements, including *Ohio Revised Code* Chapter 135.

B. Scope. All Public Funds of the City of Brook Park not kept as a cash reserve in the vault or safe of the treasury of the City of Brook Park as may be prescribed by the Director of Finance/Taxation, except as otherwise hereinafter provided, may be invested by the Director of Finance/Taxation or his designee in the Eligible Investments described in Section 2 hereof, which Eligible Investments shall be purchased only through or from Eligible Depositories designated pursuant to the Uniform Depository Act or Qualified Securities Dealer as defined in subsection (h) of this Section 1; provided, however, that Public Funds (i) held by a trustee or escrow agent under a trust agreement, trust indenture or escrow agreement between, the City of Brook Park and such trustee or escrow agent in connection with, or related to, an issue of bonds, notes or other obligations indenture or escrow agreement or as are approved by the rating agency or rating agencies rating such bonds, notes or other obligations or (ii) specifically exempted by ordinance from this Section 1 may be invested as permitted in such ordinance or other ordinance related to such Public Funds. The Director of Finance/Taxation is authorized to pool cash balances of the several funds of the City of Brook Park for investment hereunder.

C. Objectives. The achievement of sound fiscal management for the City of Brook Park requires effective investment of the Public Funds of the City of Brook Park. To that effect, the following investment objectives shall be applied in the investment of Public Funds;

- 1) **Safety.** The primary objective of the City of Brook Park's investment policy is the preservation of capital and the protection of investment principal. Subject to the provisions of subsection (C)(2) of this Section 1, each investment transaction shall seek to first ensure that capital losses are

avoided, whether they be from securities' defaults or erosion of market value.

- 2) **Liquidity.** The City of Brook Park's investments shall remain sufficiently liquid to enable the City of Brook Park to meet its operating requirements that might reasonably be anticipated.
- 3) **Yield.** In the investment of the Public Funds of the City of Brook Park, the Director of Finance/Taxation and any designee of the Director of Finance/Taxation as permitted hereunder shall strive to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City of Brook Park's investment risk constraints and the cash flow characteristics of the portfolio, but shall avoid assuming unreasonable investment risks. Yield as an objective of this policy is of least importance compared to safety and liquidity.

D. Minimizing Investment Risk. The City of Brook Park acknowledges that investment risk can result from (i) a default by the issuer of the investment (ii) changes in the market price of the investment or (iii) technical complications leading to temporary illiquidity of an investment. The following investment limitations are direct at minimizing the effect of such investment risks:

- 1) To minimize the risk of default by the issuer of investment:
 - a) Public Funds of the City of Brook Park shall be invested only in Eligible Investments permitted under Section 2 hereof, except as otherwise permitted hereunder.
 - b) No more than twenty percent (20%) of the City of Brook Park's Public Funds shall be invested in repurchase agreements with any one Eligible Depository, and no more than twenty percent (20%) of the City of Brook Park's Public Funds shall be invested in repurchase agreements with any one Qualified Securities Dealer; provided, however, that the limitations of this subparagraph B. shall not be construed as restricting the amount of Public Funds of the City of Brook Park that may be invested in the Ohio Subdivision's Fund

created pursuant to Section 135.45 of the Ohio Revised Code.

c) No Public Funds of the City of Brook Park shall be invested in any Derivative Security Reverse Repurchase Agreement or Investment Pool or in any stripped principal or interest obligation of any Eligible Investment.

d) The use of leveraging by the City of Brook Park solely as a speculative investment strategy is prohibited under this Investment Policy. As used herein leveraging shall mean the use of any of City of Brook Park's current assets as collateral for the purpose of purchasing other assets.

e) The issuance of taxable notes by the City of Brook Park solely for the purpose of arbitrating their proceeds is prohibited under this Investment Policy.

f) Contracting for the sale of securities that have not yet been acquired by the City of Brook for the purpose of purchasing such securities at a later date on the speculation that their price will decline is prohibited under this Investment Policy.

2) To minimize the risk of changes in the market price of an Eligible Investment:

a) Any Eligible Investment made pursuant to "Sections 1 and 2 hereof shall mature within five (5) years from the date of settlement unless the Eligible Investment is matched to a specific obligation or debt of the City of Brook Park and will be held until its maturity; provided, however, that (i) no investment shall be made in any Eligible Investment hereunder unless the Director of Finance/Taxation or authorized designee of such Director of Finance/Taxation reasonably expects that the Eligible Investment can be held until its maturity and (ii) with respect to any investment of the City of Brook Park's Public Funds in the Ohio Subdivision's Fund created pursuant to Section 135.45 of the

Ohio Revised Code, the limitation of this subparagraph A shall not be construed as restricting the maturity date of any individual assets in which the Fund shall invest.

b) (i) Public Funds which the Director of Finance/Taxation reasonably expects to be needed to pay the costs of operating the City of Brook Park for the next succeeding two (2) calendar months shall be either held in the City of Brook Park's demand deposit account and invested only in Overnight Repurchase Agreements or held in Certificates of Deposit or invested in United States Treasury bills with a maturity not in excess of three (3) months from the date of settlement of such investment, and (ii) Public Funds which the Director of Finance/Taxation reasonably expects to be needed to pay the costs of operating the City of Brook Park for the four (4) calendar months next succeeding the two (2) calendar months described in the preceding clause (i) shall be invested only in the United States Treasury bills with a maturity not in excess of six (6) months from the date of settlement of such investment or held in Certificates of Deposit or in a repurchase agreement whose maturity does not exceed (30) days from the date of settlement of such repurchase agreement and under which the securities purchased are of the type described in Section 2(a)(1).

c) Notwithstanding anything herein to the contrary, nothing in this subsection (c)(2) or subsection (b)(1) of this Section 1 shall be construed to prohibit the Director of Finance/Taxation or such designee from selling such Eligible Investment prior to its maturity, or to impose liability on the Director of Finance/Taxation or such designee for any loss occasioned by the sale of any Eligible Investment otherwise made in accordance with Sections 1 and 2 at a price or prices lower than its cost or balance, if the liquidity needs of the City of Brook Park required such a sale or if the yield of the reinvestment of the sale proceeds of such Eligible investment, after taking into account the loss incurred in connection with such sale,

will exceed the yield that the City of Brook Park otherwise would have earned if it had held the original Eligible Investment to the earlier of (i) its maturity date or (ii) the maturity date of the Eligible Investment purchased with such sale proceeds.

E. Standard of Care. Investment of Public Funds of the City of Brook Park shall be made with the exercise of that degree of judgment and care, under circumstances then prevailing, that 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 foregoing standard shall be applied to the investment portfolio of the City of Brook Park as a whole.

F. Authority to Invest Public Funds. The Director of Finance/Taxation is hereby authorized and directed to invest Public Funds of the City of Brook Park in accordance with the provisions of Sections 1 and 2 hereof. The Director of Finance/Taxation may delegate the authority to invest the Public Funds of the City of Brook Park hereunder to another employee or employees of the City of Brook Park, provided that any such delegation shall be in writing that shall be filed with the Mayor, and such delegation shall be effective for all purposes unless the Mayor disapproves such a delegation within ten (10) days of receipt of such written delegation. Such a delegation may be for a limited or unlimited period of time; provided that, if such delegation is for an unlimited period of time, (i) revocation of such delegation shall be effective only if made in writing instrument signed by Director of Finance/Taxation and (ii) termination of the employment by the City of Brook Park of such employee shall automatically terminate such employee's authority to invest the Public Funds of the City of Brook Park hereunder without the need for a written instrument.

G. Conflicts of Interest.

1) Officers and employees of the City of Brook Park involved in making investment decisions shall refrain from (a) personal business activity that could conflict with the proper execution and management of the investment program of the City of Brook Park, or that could impair their ability to make impartial decisions regarding the City of Brook Park's

investments, and (b) undertaking personal investment transaction with the same individual with whom business is conducted on behalf of the City of Brook Park.

2) Officers and employees of the City of Brook Park involved in making investment decisions shall disclose to the City Council of the City of Brook Park: (a) any material interests in Eligible Institutions or Qualified Securities Dealers with which they conduct investment business on behalf of the City of Brook Park and (b) any personal investment positions that could be related to the performance of the investment portfolio of the City of Brook Park.

H. Periodic Reports with respect to Eligible Investments.

Upon the written request of the City Council or the Mayor, the Director of Finance/Taxation shall prepare an investment report, which shall be a public record available for inspection under Section 149.43 of the Ohio Revised Code. Such report shall list in detail the inventory of all Eligible Investments (including without limitation, a description of the obligation or security that includes the type, original cost, amortized premium accredit discount, par value, maturity date, coupon interest rate and yield to maturity) for the period beginning and ending on the dates requested by City Council or Mayor, all purchases, sales and maturities of Eligible Investments during such period, all income and profits and/or losses realized during such period, and the market price of each Eligible Investment as of the beginning and end of such period, or if an Eligible investment was sold prior to the end of such period, the sale price of such Eligible Investment was sold prior to the end of such period, the sale price of such Eligible Investment. A copy of such report shall be sent to any party whom City Council or Mayor has directed in its request receive a copy.

I. Authorized Purchases from and Seller to the City of Brook Park of Eligible Investments.

Purchases and sales of Eligible Investments hereunder shall be made only from or to, as the case may be, an Eligible Depository or a Qualified Securities Dealer, which in either case has acknowledged to the City of Brook Park in writing that (i) in the case of such a party that initiates investment transactions with the City of Brook Park, it will not sell to the City of Brook Park any investment security prohibited hereunder or not

included as an Eligible Investment within the investment securities described in Section 2 hereof or (ii) in the case of such a party that executes investment transactions initiated by the City of Brook Park, it comprehends the investment policy as stated.

J. Purchases and Sales of Eligible Investments by the City of Brook Park.

The Director of Finance/Taxation or such Director of Finance/Taxation's designee (i) shall purchase an Eligible Investment hereunder for cash at a price not in excess of the current market price, which price shall be deemed to be the best price as determined hereunder and (ii) shall sell any Eligible Investments for cash and for a sum not less than their current market price, which price shall be deemed to be the best price as determined hereunder. Except as otherwise provided in subsection (J)(2) below with respect to an overnight repurchase agreement, all purchases and sales of Eligible Investments hereunder shall be made only on a delivery versus payment basis. With respect to the purchase or sale of any Eligible Investment other than the Eligible Investments described in Sections 2(a)(8) and (9) hereof, the Director of Finance/Taxation or such Director of Finance/Taxation's designee, subject to the provisions of subsection (H) hereof and except as otherwise provided in this subsection (I), shall purchase or sell any Eligible Investment at the best price based upon at least two bids from any of the parties described in subsection (H) hereof. As used in the immediately preceding sentence, (i) in connection with any purchase of an Eligible Investment, the best price shall mean that price which produces the highest yield to maturity with respect to such Eligible Investment and (ii) in connection with the sale of an Eligible Investment, the best price shall mean the highest price with respect to such Eligible Investment; provided, however, that in any case where there are two or more bids at the best price, the Director of Finance/Taxation or such Director of Finance/Taxation's designee may, in their absolute discretion, determine which of such bids constitute the best price. The Director of Finance/Taxation or the designee shall keep a written record of the bonds taken with respect to each purchase or sale of an Eligible Investment.

K. Registration, custody and Safekeeping of Eligible Investments.

1) If any Eligible Investments purchased pursuant to Sections 1 and 2 hereof are to be issued to a designated payee or to the order of a designated payee, the name of the Director of Finance/Taxation and the title of his office shall be so designated. If any such Eligible Investments are registerable either as to principal or interest, or both, then such Eligible Investments shall be registered in the name of the Director of Finance/Taxation as such.

2) With respect to each Eligible Investment, the Director of Finance/Taxation shall obtain a document evidencing, in the case of a book-entry security, and confirming, in the case of a certificated security held by other than the Director of Finance/Taxation, each such investment. The Director of Finance/Taxation is responsible for the safekeeping of all Eligible Investments and documents evidencing such Eligible Investments acquired by such Director of Finance/Taxation. All Eligible Investments acquired as investments under Sections 1 and 2 hereof by the Director of Finance/Taxation on behalf of the City of Brook Park, whether in certified or book-entry form, may be held on behalf of the City of Brook Park by a Qualified Trustee. Such Qualified Trustee shall provide to the Director of Finance/Taxation a copy of each document evidencing or confirming such Eligible Investments which such Qualified Trustee receives and shall be required to report to the Director of Finance/Taxation or to the Auditor of the State of Ohio or a duly authorized independent auditor of the City of Brook Park at any time upon request of such party the identity and location of the document evidencing each Eligible Investment made hereunder and held by such Qualified Trustee. The actual certificates for Treasury Bills may be held by the Federal Reserve Bank at its Cleveland Office. In lieu of such custody, such Eligible Investments may be held in a safe deposit

box or vault belonging to an Eligible Depository or in a safe or other secure place at Brook Park City Hall. Such safe deposit box or vault shall be opened only upon the order of the Director of Finance/Taxation, such Director of Finance/Taxation's designee hereunder or a person duly authorized as the Acting Director of Finance/Taxation in the presence of one or more of the Director of Finance/Taxation, the Law Director, the Mayor or persons duly authorized as Acting Director of Finance/Taxation or Acting Law Director or Acting Mayor. With respect to any repurchase agreement that matures on the business day that immediately succeeds the business day on which such repurchase agreement was entered into, if the participating institution is a designated depository or the City of Brook Park for the current period of designation, the securities that are the subject of the repurchase agreement may be held in trust by the participating institution on behalf of the City of Brook Park, notwithstanding anything to the contrary in this subsection (J).

L. Internal Controls with respect to Eligible Investments. The Director of Finance/Taxation shall establish and maintain an internal control structure designed to ensure that the assets of the City of Brook Park are protected against theft, loss or misuse.

M. Exemption from this Policy and General Law.

- 1) Any investment of Public Funds which on the effective date of this Policy does not qualify as an Eligible Investment under this Policy (each as an Ineligible Investment) may, notwithstanding anything herein to the contrary, be held until the first to occur of (i) its maturity or (ii) its sale; provided, however, that if the investment does not have a maturity date, it may be held no later than five (5) years from the effective date of this Policy. The proceeds of any sale of an Ineligible Investment shall be reinvested, if at all, only in an Eligible Investment.

2) The City of Brook Park and the Director of Finance/Taxation any designee of the Director of Finance/Taxation, pursuant to this Policy, and any other official of the City of Brook Park, being governed by a Charter adopted under Article XVIII, Ohio Constitution, and special provisions regarding the investment of the City of Brook Park's Public Funds having been made through this Policy, are hereby exempted, from the provisions of the general laws of the State of Ohio, including, without limitation, the Uniform Depository Act, applicable to the investment of the Public Funds of the City of Brook Park.

Section 2. ELIGIBLE INVESTMENTS.

A. The Director of Finance/Taxation or his designee may invest in any of the following classifications of obligations which are hereby determined to be eligible for investment of the Public Funds of the City of Brook Park (Eligible Investments):

- 1) United States Treasury bills, notes and bonds (excluding stripped principal or interest obligations of such issuances), or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States [see §2(a)(6)];
- 2) Bonds, notes debentures or other obligations or securities issued by any federal government agency or instrumentality (excluding stripped principal or interest obligations of such issuances), including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association; provided that such securities shall be direct issuances of federal government agencies or instrumentalities;
- 3) Bonds and notes of the State of Ohio;
- 4) Bonds and notes of any municipal corporation, including the City of Brook Park, or any county, township or other political subdivisions of the State of Ohio should carry either an implied or underlying rating not less than the third highest category by a

nationally recognized agency with respect to such bonds or notes as to which there is no default of principal, interest or coupons, provided, however, that bonds and notes of the City of Brook Park shall not be required to have a rating in order to be an Eligible Investment hereunder;

- 5) A written repurchase agreement between the Director of Finance/Taxation's designee and any Eligible Depository or any Qualified Securities Dealer if, and only if, under the terms of which agreement the Director of Finance/Taxation or such Director of Finance/Taxation's designee purchases for the City of Brook Park and such institution agrees unconditionally to repurchase within a period of not more than thirty (30) days securities described in subdivisions (1) and (2) of this Section 2(A) that will mature or are redeemable within five years from the date of purchase provided that (a) the market value of such securities subject to a repurchase agreement that matures (i) on the business day immediately succeeding the business day on which the repurchase agreement was entered into shall be at least one hundred [two] percent (102%) of the principal amount of the repurchase agreement and (ii) on any other business day after the business day described in the immediately preceding item (i) shall be at least one hundred[three] percent (103%) of the principal amount of the repurchase agreement and (b) the repurchase agreement shall contain the requirement that for each transaction pursuant to such agreement the Eligible Depository or Qualified Securities Dealer shall provide all of the following information (A) the par value of the securities subject to such agreement; (B) the type, coupon rate, if any, and maturity date of such securities; and (C) a numerical identifier generally accepted in the securities industry that designates the securities;
- 6) Certificates of deposit of Eligible Depositories which may provide (and, if so, shall be shown on its face) that the amount of such deposit is payable upon written notice a specified period before the date of the scheduled maturity, provided that security for the repayment of any such certificates of deposit is provided in accordance with Section 135.18 of the Ohio Revised Code. To the extent that the provisions of

6(a) through 6(f) are inconsistent with other provisions of this Investment Policy, the provisions of 6(A) through 6(F) shall take precedence.

a) Ordinance authorizations. The Mayor may enter into a contract for the deposit of Public Funds with the financial institutions identified in a separate ordinance duly adopted by Council.

b) Safeguards regarding the bank contracts. A copy of all signed bank contracts are kept on file in the Department of the Director of Finance/Taxation and shall include at least the following information and any other information as required by the Director of Finance/Taxation:

- i. The bank shall not substitute or transfer pledged securities without notification to the Director of Finance/Taxation;
- ii. A statement listing all securities pledged as collateral, their par and market values, and dates of maturity will be mailed to the City of Brook Park on a monthly basis;
- iii. The bank will determine and monitor its pledging requirements insuring eligible investments are maintained to meet pledging obligations. The Board of Directors at Huntington National Bank, Fifth Third Bank and PNC Bank approves securities pledged as collateral on an ongoing basis;
- iv. No bank shall dual pledge the same securities as collateral for more than one depositor.

c) Delegation of Authority. The Director of Finance/Taxation and the Assistant Director of Finance are the only personnel authorized by resolution to purchase investments with authorized banks.

d) Internal Controls. Two (2) separate reports are maintained to monitor and control investments. A listing by bank of investments purchased with dates of maturity, serial numbers, interest rates, fund group, and length of investment maintained and updated for all changes

in investments. A cash flow statement listing investments by consecutive dates of maturity, type of investment, bank and fund is also maintained. This report also includes other projected cash receipts (R.I.T.A., Property Taxes, etc.) major cash disbursements and a schedule of fund balances and matching fund cash balances.

e) All investments are discussed and approved by the Director and Assistant Director of Finance/Taxation. Interest calculated by the Assistant Director of Finance/Taxation is compared to interest reported by the bank and interest posted to the bank statements. Interest is recorded by the Assistant Director of Finance/Taxation to the Cash Sheets on the day of maturity. Investment purchases and sales are also recorded by the Assistant Director of Finance to the Cash Sheets and financial software when an investment matures. Investment balances by bank are reconciled monthly by the Assistant Director of Finance/Taxation. The Director of Finance/Taxation reviews investment balances on an ongoing basis.

f) Collateralization. Investments at Huntington National Bank, Fifth Third Bank and PNC Bank are collateralized by Treasury Bills, Bonds, Notes and other federal government securities held jointly by the bank and the City of Brook Park.

g) Diversification and Investment Choices.

7) Bankers' acceptances drawn on and accepted by banks and commercial paper with a remaining term to maturity of days or less; provided that the unsecured securities of the issuer of the bankers' acceptances or commercial paper are, at the time of acquisition, rated in the highest short-term rating category of a nationally-recognized rating agency;

8) No-load money market mutual funds registered by the Securities and Exchange Commission consisting exclusively of obligations described in items (1) and (2) above; and

a. The Ohio Subdivision's Fund created pursuant to Section 135.45 of the Ohio Revised Code.

B. The Director of Finance/Taxation and his designee, the Mayor, the Law Director and the Members of City Council shall not be held accountable or personally liable for any loss occasioned by the sale of any Eligible Investment authorized pursuant to subsection (a) hereof at prices lower than its cost or balance. Any loss or expense in making such sale shall be payable as other expenses of the City of Brook Park.

C. The Members of Council, the Mayor, the Law Director and the Director of Finance/Taxation and such Director of Finance/Taxation's designees, shall not be personally liable for or with respect to the purchase of any Eligible Investment authorized as investments pursuant to subsection (a) hereof; and the Members of City Council, the Mayor and the Law Director shall not be personally liable for any unauthorized deposit or investment by the Director of Finance/Taxation or such Director of Finance/Taxation's designee.

D. Upon the expiration of the term of office of the Director of Finance/Taxation or in the event of a vacancy in the office of the Director of Finance/Taxation by reason of death, resignation, removal from office or otherwise, the Director of Finance/Taxation or his legal representative shall transfer and deliver to his successor all Eligible Investments held by him. For the Eligible Investments so transferred and delivered, such Director of Finance/Taxation shall be credited with and his successor shall be charged with the amount of money invested in such Eligible Investments.

E. Whenever Eligible Investments acquired under this Section mature and become due and payable, the Director of Finance/Taxation shall present them for payment according to their terms, and shall collect the funds payable thereon. The Funds so collected shall be treated as Public Funds subject to the provisions of (1) this Policy with respect to their reinvestment and (2) the Uniform Depository Act with respect to their deposit.

F. The Director of Finance/Taxation or his designee shall maintain accounts in which he shall make appropriate entries of all transactions relating to the investment of Public Funds.

G. Interest earned on any Eligible Investment authorized by this Section shall be collected by the Director of Finance/Taxation and credited by him to the proper fund of the City of Brook Park as required by law.

Section 3. **DEFINITIONS.**

A) Capitalized words and terms used as defined words and terms in Sections 1 and 2 of this Policy and not otherwise defined in such sections shall have the following meanings:

- 1) **Eligible Depository** shall mean any institution described in Section 135.03, Ohio Revised Code.
- 2) **Eligible Investment** shall mean any investment described in Section 2(a) of this Policy.
- 3) **Derivative Security** shall mean a financial instrument or contract or obligation whose value or return is based upon or linked to another asset or index or both separate from the financial instrument, contract or obligation itself, but shall not include a written repurchase agreement that satisfies the provisions of subsection (a)(6) of Section 2 hereof.
- 4) **Investment Pool** shall mean a fund established by another Subdivision (including a County), Director of Finance/Taxation Governing Board or Investing Authority (as each of those terms is defined in Section 135.01 of the Ohio Revised Code), if that fund was established for the purpose of investing the public funds of other subdivisions, but shall not include the Ohio Subdivision's Fund created pursuant to Section 135.45 of the Ohio Revised Code.
- 5) **Public Funds** shall mean all funds in the treasury of the City of Brook Park or funds coming lawfully into the possession of the Director of Finance/Taxation
- 6) **Qualified Securities Dealer** shall mean a securities dealer who is a member of the National Association of Securities Dealers, Inc.
- 7) **Qualified Trustee** shall mean a qualified trustee as described in Section 135.18 of the Uniform Depository Act.

- 8) Reverse Repurchase Agreement shall mean a repurchase agreement under the terms of which the Director of Finance/Taxation designee agrees to sell securities owned by the City of Brook Park to a purchaser and agrees with that purchaser to unconditionally repurchase such securities.
- 9) Uniform Depository Act shall mean Chapter 135 of the Ohio Revised Code, and all amendments thereto.