

Proposed Changes to Investment Policy:

	SECTION CHANGED:		PAGE #
1	Section IV. F	Add that it is City policy to provide a competitive environment for all investment purchases and sales and financial institution, money market mutual fund, and local government investment pool selections. The investment officer is authorized to solicit bids for investments orally, in writing, electronically, or in any combination of these methods.	7
2	Section V. A. 1	Add letters of credit	7
3	Section V. A. 8	Change money market mutual fund to no-load government money market mutual fund	8
4	Section V. B. 1	Change "pays no interest" to "pays no principal"	8
5	Section V. C	Add that the City is not required to liquidate investments that were authorized investments at the time of purchase.	8
6	Section V. C	Add language to ensure steps are taken that full FDIC insurance is in place as soon as the lapse in FDIC coverage is detected.	9
7	Section V. E. 6	Add Government money market mutual funds at 100%	9
8	Section V. E. 6	Add Repurchase Agreements at 25%	9
9	Section VII. A	Change repurchase agreements shall be secured by written City agreement to shall be secured by Master Repurchase Agreement, or similar agreement.	12
10	Section VII. A	Add that all securities and collateral shall be held in an account in the City's name as evidenced by safekeeping receipts of the institutions with which the securities are placed.	12
11	Section VII. B	Add that money market accounts and certificates of deposits require collateral or FDIC coverage for all principal and accrued interest.	12
12	Section VII. B	Change "pass the bank test" to "does not constitute a high-risk mortgage security"	12
13	Section VII. B	Add language to mortgage backed securities and CMOs which do not constitute a high-risk mortgage security	12
14	Section VII. B	Replace "federal reserve" with "Public Funds Collateral Act"	12
15	Addendum A	Remove addresses of broker/dealers	15
16	Addendum A	Remove the following broker/dealers: Morgan Stanley, Bank of America/Merrill Lynch, and Bonwick Capital Partners, LLC	15
17	Addendum A	Add the following broker dealers: FTN Financial, Multi-Bank Securities Company, and Raymond James	15