

INVESTMENT POLICY FOR THE CITY OF STRAWBERRY POINT, IOWA

Section 1 - Scope of Investment Policy

The Investment Policy of the City of Strawberry Point shall apply to all operating funds, bond proceeds, and other funds accounted for in the financial statements of the City of Strawberry Point. All investments shall be made in accordance with this written investment policy and applicable state laws.

The investment of bond funds or sinking funds shall comply not only with this investment policy, but also be consistent with any applicable bond resolution.

The Investment Policy is intended to comply with Iowa Code Chapter 12.

Upon passage and upon future amendment, if any, copies of this Investment Policy shall be delivered to all of the following:

- 1) The Strawberry Point City Council or/and officer of the City of Strawberry Point to which the Investment Policy applies.
- 2) All depository institutions or fiduciaries for public funds of the City of Strawberry Point.
- 3) The auditor engaged to audit any fund of the City of Strawberry Point.

Section 2 - Delegation of Authority

In accordance with Section 12B.10(1) the responsibility for conducting investment transactions resides with the City Administrator/Clerk and Treasurer of the City of Strawberry Point. Only the City Administrator/Clerk or Treasurer and those authorized by resolution may invest public funds and a copy of any empowering resolution shall be attached to this Investment Policy.

The City Administrator/Clerk or Treasurer shall establish a written system of internal controls and investment practices. The controls shall be designed to prevent losses of public funds, to document those officers and employees of the City of Strawberry Point responsible for elements of the investment process, and to address the capability of investment management. The controls shall provide for receipt and review of the audited financial statements and related reports on internal control structure of all outside persons performing any of the following for the City of Strawberry Point:

- 1) Investing public funds.
- 2) Advising on the investment of public funds.
- 3) Directing the deposit or investment of public funds.

A bank providing only depository services shall not be required to provide an audited financial statement and related report on internal control structure.

All contracts and agreements with outside persons providing any of the above listed services shall require written notification of the City of Strawberry Point within thirty days of receipt of any communication from either their auditor or any regulatory authority which denotes any of the following: the existence of a material weakness in their internal control structure, regulatory orders

or sanctions in regard to the services being provided to the City of Strawberry Point by the outside person.

The records of investment transactions made by or on behalf of the City of Strawberry Point are public records and are the City of Strawberry Point whether in the custody of the City of Strawberry Point or in the custody of a fiduciary or other third party.

Section 3 - Objectives of Investment Policy

The primary objectives, in order of priority, of all investment activities involving the financial assets of the City of Strawberry Point shall be the following:

- 1) Safety: Safety and preservation of principal in the overall portfolio.
- 2) Liquidity: Maintaining the necessary liquidity to match expected liabilities.
- 3) Return: Obtaining a reasonable return on invested assets.

Section 4 - Prudence

When investing or depositing public funds, the City Administrator/Clerk or Treasurer of the City of Strawberry Point shall exercise the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use to attain the Section 3 investment objectives. This standard requires that when making investment decisions, the City Administrator/Clerk or Treasurer shall consider the role that the investment or deposit plays within the portfolio of assets of the City of Strawberry Point and the investment objectives stated in Section 3.

Section 5 - Depositories

All deposits shall be in approved depositories located in the State of Iowa. Each financial institution shall be properly declared as a depository by the City Council of the City of Strawberry Point. The City Administrator/Clerk or Treasurer may deposit funds in any of the approved financial depositories. The following financial institution has been declared to be an approved financial depository by written resolution of the City Council of Strawberry Point.

Institution	Office Location
Citizens State Bank	Strawberry Point

Section 6 - Instruments Eligible for Investment

Assets of the City of Strawberry Point may be invested in the following:

- 1) Interest bearing savings accounts, interest bearing money market accounts, and interest bearing checking accounts at any approved bank, savings and loan association or credit union in the State of Iowa.
- 2) Certificates of deposit and other evidences of deposit at federally insured Iowa depository institutions approved and secured pursuant to chapter 12C.
- 3) All instruments eligible for investment are further qualified by all other provisions of this Investment Policy, including Section 7 investment maturity limitations and Section 8 diversification requirements.

Section 7 - Prohibited Investments and Investment Practices

Assets of the City of Strawberry Point shall not be invested in the following:

- 1) Reverse repurchase agreements.
- 2) Futures and options contracts.

Assets of the City of Strawberry Point shall not be invested pursuant to the following investment practices:

- 1) Trading of securities for speculation or the realization of short-term trading gains.

Section 8 - Investment Maturity Limitations

Operating funds must be identified and distinguished from all other funds available for investment. Operating funds are defined as those funds, which are reasonably expected to be expended during a current budget year or within fifteen months of receipt.

All investments authorized in Section 5 are further subject to the following investment maturity limitations:

- 1) Operating funds may only be invested in instruments authorized in Section 5 of this Investment Policy that mature within three hundred ninety-seven (397) days.
- 2) The City Administrator/Clerk or Treasurer may invest funds of the City of Strawberry Point that are not identified as operating funds in investments with maturities longer than three hundred ninety-seven (397) days. However, all investments of the City of Strawberry Point shall have maturities that are consistent with the needs and use of the City of Strawberry Point.

Section 9 - Ethics and Conflict of Interest

The City Administrator/Clerk or Treasurer and all officers and employees of the City of Strawberry Point involved in the investments 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.

Section 10 - Reporting

The City Administrator/Clerk shall submit an investment report twice a year. The investment report shall set out the current portfolio in terms of maturity, rates and other features. The City Administrator/Clerk report shall summarize all investment transactions that have occurred during the reporting period.

Section 11 - Investment Policy Review and Amendment

This investment Policy shall be formally reviewed and approved annually or more frequently as appropriate.

Passed and approved by Resolution 22-__ on the 6th day of April 2022.

Ashley Jasper, City Administrator/Clerk

Hannah Evans, Mayor