



Revision of Cash Management and Investment Policy

Attachment(s): yes

MEETING DATE: JANUARY 9, 2018

STAFF COMMENTS / RECOMMENDATION:

Several changes were made to this policy last month (*refer to last month's draft for a review of those changes*). The manager and finance officer recommend adding one additional phrase on page 2 (highlighted) to further clarify the intent of those changes. This suggested change is also reflected within the appendix on page 11, along with an additional footnote change that past revision page references may change as the policy is revised.

NOTES:

TOWN COUNCIL COMMENTS / ACTION:





Policy: Cash Management and Investment	Originally Adopted: February 1, 2005 Effective Date: February 1, 2005
Policy Number: POL-2006-003	Last Revised: December 12, 2017 January 9, 2018
Responsible Party: Town Manager	See Appendix A for revision dates and page numbers



TOWN OF SUMMERFIELD

Cash Management and Investment Policy

TOWN OF SUMMERFIELD

CASH MANAGEMENT AND INVESTMENT POLICY

1. Introduction

The Town of Summerfield has established the following policies in regard to cash management and investment of idle funds. This policy is based on State Statutes, the Department of State Treasurer—Policy Manual for Local Governments Section 30: Cash and Investments, recommendations of the Government Finance Officers Association (GFOA), and Town adopted rules and procedures. The overall goal of the policy is to ensure that Town funds are invested with regard to **safety, liquidity** and **yield**. The following policy establishes how these three elements are met.

2. Scope

This policy applies to all cash and investments of the Town of Summerfield except authorized Town petty cash accounts. Funds held by Guilford County's financial officer during tax collection periods shall be governed by the County's investment policies and are subject to the provisions of that policy. This policy applies to all transactions involving the financial assets and related activity of all the funds accounted for in the Town's Annual Financial Report.

3. Objectives

Funds of the Town will be invested in accordance with North Carolina General Statutes 159-30 and 159.31, the Cash Management and Investment Policy, and written administrative procedures. The three main objectives, in priority order, are *Safety, Liquidity, and Yield*.

Safety: Safety of principal is the foremost objective of the Town's investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

The Town will minimize credit risk, the risk that a security or portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt, by:

- Limiting investments in securities that have higher credit risks;
- Ensuring that all funds are coded by the institution as "public funds," that the funds are FDIC insured (\$250,000), and that any funds in excess of \$250,000 are collateralized through securities set aside and monitored by the NC State Treasurer (State Pooling method); and,
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

The Town will minimize interest rate risk, the risk that the market value of securities in the portfolio will fluctuate due to changes in the general level of interest rates, by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

Liquidity: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio should include money placed in money market accounts or within the North Carolina Cash Management Trust (NCCMT).

Yield: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints of safety and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives. The core investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal;
- A security swap would improve the quality, yield, or target duration in the portfolio; or
- Liquidity needs of the portfolio require that the security be sold.

4. Delegation of Authority and Responsibilities

The Town Council of the Town of Summerfield shall retain ultimate fiduciary responsibility for the Town's investment portfolio. Management responsibility for the investment program is hereby delegated to the Finance Officer, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Written procedures shall include explicit delegation of authority to persons responsible for investment transactions. All persons in the investment process shall seek to act responsibly as custodians of the public trust. No person may engage in an investment transaction except as provided under the terms of this policy and supporting procedures established by the Finance Officer. The Finance Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of others involved in Town financial matters. The Finance Officer or their designee shall have the authority to establish any new investment vehicle that meets this policy. A current list of designees is found in appendix A.

The Town has appointed a citizen Finance Committee made up of the following: Town Manager, Finance Officer, Mayor, and citizens competent in financial matters. The Committee shall function according to O-2008-009 Ordinance Establishing the Town of Summerfield Finance Committee.

The Town may engage the services of one or more external investment managers to assist in the management of the investment portfolio in a manner consistent with the objectives stated above. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this investment policy. Such managers must be registered under the Investment Advisers Act of 1940.

The selection of financial institutions and broker/dealers authorized to engage in transactions with the Town shall be at the sole discretion of the Town. A list will be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by conducting a process of due diligence. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule). The Finance Officer shall review which financial institutions and brokers/dealers have met the required criteria to provide investment services and shall provide them to Town Council for approval.

If the town desires to invest funds in excess of \$250,000 that would not be FDIC insured, it The Town will only transact investment business with institutions on the Pooling list approved by the Department of State Treasurer.

Prudence: The standard of prudence to be used by investment persons shall be the "Prudent Person" Standard, which states, "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." This standard of prudence shall be applied in the context of managing the overall portfolio. The Finance Officer acting in accordance with North Carolina General Statutes, this policy, and written administrative procedures and exercising due diligence shall be relieved of personal

responsibility for investment credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

5. Ethics and Conflicts of Interest

Individuals involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. To avoid the appearance of potential conflict of interest or favoritism to a particular bank or broker, the Finance Officer or any Finance Committee or Town Council member shall make full disclosure to the Town Council of any relationship or dealings with any financial institution that has business dealings with the Town. This disclosure need not include normal banking or brokerage relationships that are at normal market rates and conditions available to the general public. Investment officials shall be familiar with N.C. General Statute 133-32 and Town policy regarding gifts and favors and shall act accordingly.

6. Statutory Authorization

The legal limitations of local government investments are defined in NCGS 159-30. Appendix B includes N.C. General Statutes 159-30 and 159-31, which contains the most recently approved classes of securities allowed under the State Statute.

7. Administrative Restrictions

In addition to the previously noted limitations on appropriate securities, Summerfield's investment activities are further restricted in the following manner:

- Assets held shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. Diversification shall be determined and revised periodically by the Finance Officer. Portfolio maturities shall be staggered to avoid undue concentration of assets in a specific maturity sector. Maturities selected shall provide for stability of income and reasonable liquidity; and
- See NCGS 159-30 and Exhibit B for a list of allowed investments.

8. Custody and Safekeeping

All securities will be held by an independent third-party safekeeping institution selected by the Town. All trades of marketable securities will be executed (cleared and settled) on a delivery versus payment (DVP) basis to ensure that securities are deposited in an eligible financial institution prior to the release of funds. All securities will be evidenced by safekeeping receipts in the name of and for the benefit of the Town. The safekeeping institution shall annually provide a copy of its most recent report on internal controls—Service Organization Control Reports (formerly 70, or SAS 70) prepared in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 16 (effective June 15, 2011).

Certificates of deposit will not be kept in the third-party safekeeping account but will be kept by the Finance Officer in the files of Town Hall. The Finance Officer will ensure that all funds held by a financial institution (checking, savings, money-market, and certificates of deposit) are fully collateralized through FDIC insurance and the State Pooling method.

9. Internal Controls

The Finance Officer is responsible for establishing a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the Finance Committee and the independent auditor. The controls shall be designed to prevent losses of public funds arising from fraud, employee error,

misrepresentation by third parties, or imprudent actions by Town employees and officials.

10. Reporting

The Finance Officer shall submit a monthly financial report and a monthly investment report to the Town Council. The investment report shall include a general description of the portfolio in terms of investment securities, maturities, and yields. The financial report will show investment earnings for the fiscal year-to-date and compare actual investment earnings with budgeted earnings. Every year, the Town of Summerfield shall retain an independent firm to perform an audit. One of the objectives of the audit shall be to obtain suggestions for improved future performance and to verify that investment officials have acted in accordance with the investment policy and written investment procedures.

The Finance Officer shall submit to the Local Government Commission the semiannual reports on the status of deposits and investments and reports of financial information in accordance with the requirements of G.S. 159-33–Semiannual report on status of deposits and investments and G.S. 159-33.1–Semiannual report of financial information.

11. Amendments

This policy may be revised and amended as recommended by the Finance Committee and adopted by the Town Council.

12. Exhibits

- A. List of Authorized Investment Personnel**
 - B. List of Authorized Financial Institutions and Brokers/Dealers**
 - C. Sample Investment Report**
 - D. Relevant Statutes and Ordinances** *(updated as amended)*
-

draft for 1/19/18

**Exhibit A:
List of Authorized Investment Personnel**

Current authorized check signers:

- 1) Mayor
- 2) Mayor Pro-Tem
- 3) Town Manager/Assistant Finance Officer
- 4) Designated Town Council member

Authorized to establish investment vehicle in accordance with policy:

- 1) Finance Officer
 - 2) Town Manager/Assistant Finance Officer
-

**Exhibit B:
List of Authorized
Financial Institutions and Brokers/Dealers**

Financial Institutions with Pooling Method of Collateralization:

- As published semi-annually by the North Carolina Department of State Treasurer

Mutual Fund for Local Government Investment Certified by NC Local Government Commission:

- North Carolina Capital Management Trust

Brokers/Dealers:

- As approved by the Town Council
-

Exhibit C: Sample Investment Report

Town of Summerfield
Summary of Investments
As of July 4, 2006

	APY	Balance	Maturity Date
FNB Southeast			
Bank of Oak Ridge			
Commercial Money Market	0.75%	\$ 11,196.21	N/A
SunTrust Bank (formally CCB)			
Business Money Market	4.00%	\$ 267,237.22	N/A
6 Month CD 17514172077	4.68%	\$ 400,000.00	8/1/2006
6 Month CD 17514565480	4.93%	\$ 1,000,000.00	9/10/2006
9 Month CD 17514519708	4.98%	\$ 1,600,000.00	12/6/2006
RBC Centura Bank			
BB&T			
6 Month CD 5815741678	5.21%	\$ 1,000,000.00	10/18/2006
6 Month CD 5894436605	5.25%	\$ 900,000.00	11/15/2006
6 Month CD 5895647723	5.37%	\$ 250,000.00	12/5/2006
3 Month CD 5895646352	5.41%	\$ 2,000,000.00	10/5/2006
NC Capital Management Trust			
Cash Management Trust	4.88%	\$ 525,822.50	N/A
		\$ 7,954,255.93	

Exhibit D:
Relevant Statutes and Ordinances
(updated as amended)

1) North Carolina General Statute 159-30: Investment of Idle Funds:

§ 159-30. Investment of idle funds.

- (a) A local government or public authority may deposit at interest or invest all or part of the cash balance of any fund. The finance officer shall manage investments subject to whatever restrictions and directions the governing board may impose. The finance officer shall have the power to purchase, sell, and exchange securities on behalf of the governing board. The investment program shall be so managed that investments and deposits can be converted into cash when needed.
- (b) Moneys may be deposited at interest in any bank, savings and loan association, or trust company in this State in the form of certificates of deposit or such other forms of time deposit as the Commission may approve. Investment deposits, including investment deposits of a mutual fund for local government investment established under subdivision (c)(8) of this section, shall be secured as provided in G.S. 159-31(b).
- (b1) In addition to deposits authorized by subsection (b) of this section, the finance officer may deposit any portion of idle funds in accordance with all of the following conditions:
- (1) The funds are initially deposited through a bank or savings and loan association that is an official depository and that is selected by the finance officer.
 - (2) The selected bank or savings and loan association arranges for the deposit of funds in certificates of deposit for the account of the local government or public authority in one or more federally insured banks or savings and loan associations wherever located, provided that no funds shall be deposited in a bank or savings and loan association that at the time holds other deposits from the local government or public authority.
 - (3) The full amount of principal and any accrued interest of each certificate of deposit are covered by federal deposit insurance.
 - (4) The selected bank or savings and loan association acts as custodian for the local government or public authority with respect to the certificates of deposit issued for the local government's or public authority's account.
 - (5) At the same time that the local government or public authority funds are deposited and the certificates of deposit are issued, the selected bank or savings and loan association receives an amount of deposits from customers of other federally insured financial institutions wherever located equal to or greater than the amount of the funds invested by the local government or public authority through the selected bank or savings and loan association.
- (c) Moneys may be invested in the following classes of securities, and no others:
- (1) Obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States.
 - (2) Obligations of the Federal Financing Bank, the Federal Farm Credit Bank, the Bank for Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, Fannie Mae, the Government National Mortgage Association, the Federal Housing Administration, the Farmers Home Administration, the United States Postal Service.
 - (3) Obligations of the State of North Carolina.
 - (4) Bonds and notes of any North Carolina local government or public authority, subject to such restrictions as the secretary may impose.
 - (5) Savings certificates issued by any savings and loan association organized under the laws of the State of North Carolina or by any federal savings and loan association having its principal office in North Carolina; provided that any principal amount of such certificate in excess of the amount insured by the federal government or any agency thereof, or by a mutual deposit guaranty association authorized by the Commissioner of Banks of the Department of Commerce of the State of North Carolina, be fully collateralized.
 - (6) Prime quality commercial paper bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligation.

- (7) Bills of exchange or time drafts drawn on and accepted by a commercial bank and eligible for use as collateral by member banks in borrowing from a federal reserve bank, provided that the accepting bank or its holding company is either (i) incorporated in the State of North Carolina or (ii) has outstanding publicly held obligations bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligations.
- (8) Participating shares in a mutual fund for local government investment; provided that the investments of the fund are limited to those qualifying for investment under this subsection (c) and that said fund is certified by the Local Government Commission. The Local Government Commission shall have the authority to issue rules and regulations concerning the establishment and qualifications of any mutual fund for local government investment.
- (9) A commingled investment pool established and administered by the State Treasurer pursuant to G.S. 147-69.3.
- (10) A commingled investment pool established by interlocal agreement by two or more units of local government pursuant to G.S. 160A-460 through G.S. 160A-464, if the investments of the pool are limited to those qualifying for investment under this subsection (c).
- (11) Evidences of ownership of, or fractional undivided interests in, future interest and principal payments on either direct obligations of the United States government or obligations the principal of and the interest on which are guaranteed by the United States, which obligations are held by a bank or trust company organized and existing under the laws of the United States or any state in the capacity of custodian.
- (12) Repurchase agreements with respect to either direct obligations of the United States or obligations the principal of and the interest on which are guaranteed by the United States if entered into with a broker or dealer, as defined by the Securities Exchange Act of 1934, which is a dealer recognized as a primary dealer by a Federal Reserve Bank, or any commercial bank, trust company or national banking association, the deposits of which are insured by the Federal Deposit Insurance Corporation or any successor thereof if:
- a. Such obligations that are subject to such repurchase agreement are delivered (in physical or in book entry form) to the local government or public authority, or any financial institution serving either as trustee for the local government or public authority or as fiscal agent for the local government or public authority or are supported by a safekeeping receipt issued by a depository satisfactory to the local government or public authority, provided that such repurchase agreement must provide that the value of the underlying obligations shall be maintained at a current market value, calculated at least daily, of not less than one hundred percent (100%) of the repurchase price, and, provided further, that the financial institution serving either as trustee or as fiscal agent for the local government or public authority holding the obligations subject to the repurchase agreement hereunder or the depository issuing the safekeeping receipt shall not be the provider of the repurchase agreement;
 - b. A valid and perfected first security interest in the obligations which are the subject of such repurchase agreement has been granted to the local government or public authority or its assignee or book entry procedures, conforming, to the extent practicable, with federal regulations and satisfactory to the local government or public authority have been established for the benefit of the local government or public authority or its assignee;
 - c. Such securities are free and clear of any adverse third party claims; and
 - d. Such repurchase agreement is in a form satisfactory to the local government or public authority.
- (13) In connection with funds held by or on behalf of a local government or public authority, which funds are subject to the arbitrage and rebate provisions of the Internal Revenue Code of 1986, as amended, participating shares in tax-exempt mutual funds, to the extent such participation, in whole or in part, is not subject to such rebate provisions, and taxable mutual funds, to the extent such fund provides services in connection with the calculation of arbitrage rebate requirements under federal income tax law; provided, the investments of any such fund are limited to those bearing one of the two highest ratings of at least one nationally recognized rating service and not bearing a rating below one of the two highest ratings by any nationally recognized rating service which rates the particular fund.
- (d) Investment securities may be bought, sold, and traded by private negotiation, and local governments and public authorities may pay all incidental costs thereof and all reasonable costs of administering the investment and deposit program. Securities and deposit certificates shall be in the custody of the finance officer who shall be responsible for their safekeeping and for keeping accurate investment accounts and records.
- (e) Interest earned on deposits and investments shall be credited to the fund whose cash is deposited or invested. Cash of several funds may be combined for deposit or investment if not otherwise prohibited by law;

and when such joint deposits or investments are made, interest earned shall be prorated and credited to the various funds on the basis of the amounts thereof invested, figured according to an average periodic balance or some other sound accounting principle. Interest earned on the deposit or investment of bond funds shall be deemed a part of the bond proceeds.

(f) Registered securities acquired for investment may be released from registration and transferred by signature of the finance officer.

(g) A local government, public authority, an entity eligible to participate in the Local Government Employee's Retirement System, or a local school administrative unit may make contributions to a Local Government Other Post-Employment Benefits Trust established pursuant to G.S. 159-30.1.

(h) A unit of local government employing local law enforcement officers may make contributions to the Local Government Law Enforcement Special Separation Allowance Fund established in G.S. 147-69.5. (1957, c. 864, s. 1; 1967, c. 798, ss. 1, 2; 1969, c. 862; 1971, c. 780, s. 1; 1973, c. 474, ss. 24, 25; 1975, c. 481; 1977, c. 575; 1979, c. 717, s. 2; 1981, c. 445, ss. 1-3; 1983, c. 158, ss. 1, 2; 1987, c. 672, s. 1; 1989, c. 76, s. 31; c. 751, s. 7(46); 1991 (Reg. Sess., 1992), c. 959, s. 77; c. 1007, s. 40; 1993, c. 553, s. 55; 2001-193, s. 16; 2001-487, s. 14(o); 2005-394, s. 2; 2007-384, ss. 4, 9; 2010-175, s. 1.)

2) North Carolina General Statute 159-31: Selection of depository; deposits to be secured:

§ 159-31. Selection of depository; deposits to be secured.

(a) The governing board of each local government and public authority shall designate as its official depositories one or more banks, savings and loan associations, or trust companies in this State or, with the written permission of the secretary, a national bank located in another state. In addition, a unit or public authority, with the written permission of the secretary, may designate a state bank or trust company located in another state as an official depository for the purpose of acting as fiscal agent for the unit or public authority. The names and addresses of the depositories shall be reported to the secretary. It shall be unlawful for any public moneys to be deposited in any place, bank, or trust company other than an official depository, except as permitted by G.S. 159-30(b); however, public moneys may be deposited in official depositories in Negotiable Order of Withdrawal (NOW) accounts.

(b) The amount of funds on deposit in an official depository or deposited at interest pursuant to G.S. 159-30(b) shall be secured by deposit insurance, surety bonds, letters of credit issued by a Federal Home Loan Bank, or investment securities of such nature, in a sufficient amount to protect the local government or public authority on account of deposit of funds made therein, and in such manner, as may be prescribed by rule or regulation of the Local Government Commission. When deposits are secured in accordance with this subsection, no public officer or employee may be held liable for any losses sustained by a local government or public authority because of the default or insolvency of the depository. No security is required for the protection of funds remitted to and received by a bank, savings and loan association, or trust company acting as fiscal agent for the payment of principal and interest on bonds or notes, when the funds are remitted no more than 60 days prior to the maturity date. (1927, c. 146, s. 19; 1929, c. 37; 1931, c. 60, s. 32; c. 296, s. 7; 1935, c. 375, s. 1; 1939, c. 129, s. 1; c. 134; 1953, c. 675, s. 28; 1955, cc. 698, 724; 1971, c. 780, s. 1; 1973, c. 474, s. 26; 1979, c. 637, s. 1; 1981, c. 447, s. 2; 1983, c. 158, s. 3; 1999-74, s. 1.)

3) North Carolina General Statute 133-32: Gifts and Favors Regulated:

§ 133-32. Gifts and favors regulated.

- (a) It shall be unlawful for any contractor, subcontractor, or supplier who:
- (1) Has a contract with a governmental agency; or
 - (2) Has performed under such a contract within the past year; or
 - (3) Anticipates bidding on such a contract in the future

to make gifts or to give favors to any officer or employee of a governmental agency who is charged with the duty of:

- (1) Preparing plans, specifications, or estimates for public contract; or
- (2) Awarding or administering public contracts; or
- (3) Inspecting or supervising construction.

It shall also be unlawful for any officer or employee of a governmental agency who is charged with the duty of:

- (1) Preparing plans, specifications, or estimates for public contracts; or
- (2) Awarding or administering public contracts; or
- (3) Inspecting or supervising construction

willfully to receive or accept any such gift or favor.

(b) A violation of subsection (a) shall be a Class 1 misdemeanor.

(c) Gifts or favors made unlawful by this section shall not be allowed as a deduction for North Carolina tax purposes by any contractor, subcontractor or supplier or officers or employees thereof.

(d) This section is not intended to prevent a gift a public servant would be permitted to accept under G.S. 138A-32, or the gift and receipt of honorariums for participating in meetings, advertising items or souvenirs of nominal value, or meals furnished at banquets. This section is not intended to prevent any contractor, subcontractor, or supplier from making donations to professional organizations to defray meeting expenses where governmental employees are members of such professional organizations, nor is it intended to prevent governmental employees who are members of professional organizations from participation in all scheduled meeting functions available to all members of the professional organization attending the meeting. This section is also not intended to prohibit customary gifts or favors between employees or officers and their friends and relatives or the friends and relatives of their spouses, minor children, or members of their household where it is clear that it is that relationship rather than the business of the individual concerned which is the motivating factor for the gift or favor. However, all such gifts knowingly made or received are required to be reported by the donee to the agency head if the gifts are made by a contractor, subcontractor, or supplier doing business directly or indirectly with the governmental agency employing the recipient of such a gift. (1981, c. 764, s. 1; 1987, c. 399, s. 1; 1993, c. 539, s. 970; 1994, Ex. Sess., c. 24, s. 14(c); 2007-348, s. 18.)

draft for review

Appendix A Revisions

Revision Date	Revision Description	Page Number*
November 13, 2012	<p>Page 1, section 3: changing the word mitigate to minimize in paragraphs 3 and 4.</p> <p>Page 2, section 4: changing the last sentence in paragraph 4 to “The Finance Officer shall review which financial institutions and brokers/dealers have met the required criteria to provide investment services and shall provide them to the Town Council for approval.”</p> <p>Page 3, section 7: remove the first sentence of the first bulleted section, remove “and Finance Committee” from the end of the third sentence in the same section.</p> <p>Exhibit A: replace Finance Committee Chairman with Designated Council Member as an authorized check signer.</p> <p>Manager reordered lettering of exhibits and inserted full text of relevant NCGSs.</p>	(multiple)
December 12, 2017	<p>Core changes involved better aligning the policy with state regulations by:</p> <ol style="list-style-type: none"> 1) eliminating the option to pre-qualify financial institutions, brokers/dealers, etc. and only transacting investment business with institutions on the Pooling list approved by the Department of State Treasurer (using the State Pooling method); 2) adding references to NCGS 159.31; and, 3) deleting the Broker-Dealer Questionnaire. 	(multiple)
January 9, 2018	<p>Page 2, section 4: added a clarifying phrase to begin the 5th paragraph.</p>	2

* Page number references may gradually change as the document is revised and text reflows.



Revision of Continuity of Operations Plan (COOP)

Attachment(s): yes

MEETING DATE: JANUARY 9, 2018

STAFF COMMENTS / RECOMMENDATION:

The Continuity of Operations Plan (COOP) is part of emergency planning that provides a way for organizations to ensure that they are able to continue providing essential functions in the event of different emergencies that could interrupt the normal operating environment—human, natural, or technological in nature. It outlines what would need to be done in the three phases of operation—Activation and Relocation, Alternate Facilities Operations, and Reconstitution.

The plan needs to be updated to include newer contacts and minor revisions. A COOP FAQ sheet and marked draft plan is attached (see yellow highlights throughout).

NOTES:

TOWN COUNCIL COMMENTS / ACTION:

