

RESOLUTION FOR MAPLE GROVE INVESTMENT POLICY

MAPLE GROVE TOWNSHIP

SAGINAW COUNTY, STATE OF MICHIGAN

Minutes of a regular meeting of the Township Trustees of Maple Grove Township, Saginaw County, State of Michigan, held on the 21st day of February, 2022 at 7:00 p.m., prevailing Eastern Time.

RESOLUTION #: 2022-02-02

PRESENT: Supervisor Krupp, Treasurer Yaros, Clerk Yaros, Trustee Peterman and Trustee Wendling.

ABENSET: None.

The following preamble and resolution were offered by Treasurer Yaros and supported by Clerk Yaros.

Maple Grove Township Investment Policy

To Comply with Public Act 20 of 1943, as amended

It is the policy of Maple Grove Township to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow needs of the Maple Grove Township and comply with all state statutes governing the investment of public funds

This investment policy applies to all financial assets of Maple Grove Township. These assets are accounted for in the various funds of the Township and include the general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, internal service funds, trust and agency funds and any new fund established by the Township.

The primary objectives, in priority order, of the Township's investment activities shall be:

Safety - Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.

Diversification-The investments will be diversified by security type and institution in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Liquidity-The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

Return on Investment - The investment portfolio shall be designed with the objective of obtaining a rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

Authority to manage the investment program is derived from MCL 41.76 - Township Treasurer. Management responsibility for the investment program is hereby delegated to the Township Treasurer per MCL 41.76, who is authorized to manage funds belonging to the township including depositing funds in approved financial institutions and administering investments in conformance with MCL 41.77 and the policies as set forth in this resolution. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer. The Treasurer

shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

The Township is limited to investments authorized by Public Act 20 of 1943, as amended, and may invest in the following:

When the treasurer's analysis of the township's cash flow requirements reveal that surplus funds will not be required to meet current expenditures for a specific length of time, the treasurer is authorized to make prudent investments for a length of time that will provide a reasonable return on investment, yet ensure that such funds will be available when needed and will not be exposed to undue risk. The treasurer is authorized to invest township funds in the following instruments:

1. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation or a credit union which is insured by the National Credit Union Administration, but only if the bank, savings and loan association, or credit union meet all criteria as a depository of public funds contained in state law.
2. Pooled funds as authorized by state law and whose assets shall be invested and reinvested solely in permitted securities and deposits. Investments in pooled funds shall be limited to those whose intention is to maintain a net asset value of \$1 per share. (Investment pools organized under surplus funds investment pool act, 1982 PA 367, 129.111 to 129.118. Investment pools organized under the local government investment pool act, 1985 PA 121, MCL 129.141 to 129.150.)
3. Mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan. Investments in mutual funds shall be limited to securities whose intention is to maintain a net asset value of \$1 per share. (Mutual funds registered under the investment company act of 1940, Title 1 of chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64 with authority to purchase only investment vehicles that are legal for direct investment by a public corporation.)

The Township Board may, at its discretion and upon the recommendation of the township treasurer, authorize the township treasurer to invest in the following instruments. However, the township treasurer is required to obtain prior approval from the Township Board prior to acquiring or increasing the amount of township funds in the following instruments:

1. Bonds, securities, and other obligations of the United States or any agency or instrumentality of the United States in which principal and interest is fully guaranteed by the United States. The subdivision shall include securities issued or guaranteed by the government national mortgage association.
2. Commercial paper rated at the time of purchase within the 2 highest classifications established by not less than two standard rating services and that matures not more than 270 days after the purchase. Not more than 50% of any fund may be invested in commercial paper at a time.
3. United States government or federal agency obligation repurchase agreements that are collateralized with individual interest in securities that are held by Maple Grove Township or a third party on behalf of Maple Grove Township. The market value of all collateralized securities must be greater than or equal to the investment.
4. Bankers' acceptances of United States banks.

The treasurer shall recommend financial institutions for approval for the safekeeping of township funds based on an evaluation of the performance and solvency of the institution, as well as past performance in exercising due care and prudence in managing the custody of township funds held in trust, if applicable. The treasurer shall periodically evaluate approved and potential financial depositories and shall make recommendations as to appropriate changes in approved depositories when warranted.

The treasurer may elect to have certificates or other evidence instruments held by a financial institution proving that the financial institution presents to the township treasurer sufficient documentation and acknowledgment of the investment instruments held on behalf of the township.

The treasurer shall make such investments and other such investments as a prudent person would make in dealing with property of another, having in view the preservation of the principal and the amount and regularity of the income to be derived. The standard of prudence to be used shall be the "fiduciary" standard and shall be applied in the context of managing an overall portfolio.

AYES: Supervisor Krupp, Treasurer Yaros, Clerk Yaros, Trustee Peterman and Trustee Wendling.

NAYS: None.

RESOLUTION DECLARED ADOPTED.



Tish Yaros, Maple Grove Township Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Trustees of Maple Grove Township, Saginaw County, State of Michigan, at a regular meeting held on February 21, 2022, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.