



**TOWN OF PORT DEPOSIT
RESOLUTION 09-2023
PORT DEPOSIT INVESTMENT POLICY**

A Resolution of the Mayor and Council of the Town of Port Deposit, Cecil County, Maryland titled: PORT DEPOSIT INVESTMENT POLICY to rescind Resolution 96-3 and 96-5 and adopt a revised Port Deposit Investment Policy.

WHEREAS, The Mayor and Council of the Town of Port Deposit intend to revise the Port Deposit Investment Policy; and

WHEREAS, the Port Deposit Charter, Article VII, Section 701 states that the Treasurer shall be the chief financial officer of the town, and the financial powers of the town shall be exercised by the Treasurer under the direct supervision of the Mayor and Council.

NOW, THEREFORE, BE IT HEREBY RESOLVED, by the Mayor and Council of the Town of Port Deposit that Resolution 09-2023 shall rescind Resolution 96-3 and 96-5 and adopt the following revised Port Deposit Investment Policy as follows:

2-9 PORT DEPOSIT INVESTMENT POLICY

2-9.1 Policy

It is the policy of the Town of Port Deposit to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Town and conforming to all state statutes and local ordinances governing the investment of public funds.

Investment of public funds shall be made with judgment and care, not for speculation, but for investment, keeping the safety of the capital in the forefront as well as the probable income which may be derived from the investment.

Investment officers should exercise due diligence when making investments and managing the portfolio. Those personnel shall be relieved of personal responsibility for an individual security's risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

2-9.2 Scope

This investment policy applies to all financial assets of the Town of Port Deposit, and all funds shall be accounted for in the Town's Comprehensive Annual Financial Report.

2-9.3 Investment Process

Those individuals involved in the investment 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. The Treasurer shall disclose to the Mayor and Council any material financial interests in financial institutions that conduct business with the Town.

2-9.4 Objectives

The primary objectives, in priority order, shall be:

Safety: Safety of the principal is the foremost objective. Investments of the Town shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

Liquidity: The Town's investment portfolio will remain sufficiently liquid to enable the Town to meet all operating requirements which may be reasonably anticipated.

Return on Investment: The Town's investment portfolio shall be designed with the objective of attaining a reasonable rate of return throughout budgetary and economic cycles, commensurate with the Town's investment risk constraints and the cash flow characteristics of the portfolio.

2-9.5 Diversification

The Annotated Code of Maryland, Local Government, Section 17-101 effective October 1, 2013 and current legislation effective through July 1, 2023 from the regular session of the General Assembly provides that a local government may make investments and deposits in an interest bearing time deposit account or savings account at a federally insured bank or federally insured savings and loan association in the State, OR the Local Government Investment Pool established under Section 17-302 of this Title.

Should the Town's bank deposits exceed the federally insured limit for a single institution, the Treasurer will insure that the collateralization requirements of the above cited Section 17-101, subsections (d), (e) and (f) are met.

2-9.6 Interest or Income

The interest or income from an investment or deposit made according to the Maryland Code:
Shall be credited to the fund from which the investment or deposit was made; and
May be invested or deposited as provided.

If the money invested or deposited under this section is from a fund that contains the proceeds of the issuance of bonds or other obligations, the issuer may use the interest income from the investment or deposit to repay the principal of interest on the bonds or other obligation.

2-9.7 Reporting and Internal Control

The Treasurer shall be responsible for all transactions undertaken and the establishment of a system of financial reporting. The Mayor and Council shall establish an annual process of independent review by an external auditor of financial records. An annual audit report shall be submitted to the Mayor and Council at a public meeting.

2-9.8 Investment Policy Adoption

The Port Deposit Investment Policy shall be adopted by the Mayor and Council by resolution and reviewed and amended as they deem appropriate.

EFFECTIVE DATE: Resolution 09-2023 shall take effect upon adoption by the Mayor and Council.

Adopted by the Mayor and Council this 7th day of November, 2023 by 4 members of the Council voting in favor, 0 of the Council voting in opposition and 0 of the Council voting to abstain.


**MAYOR AND COUNCIL of the
TOWN of PORT DEPOSIT, MARYLAND**



Wayne Tome, Jr., Mayor



Kevin Brown, Deputy Mayor

ATTEST:


Town Administrator



Daniel Berlin, Council



Thomas Knight, Council



Randa Thiele, Council

