



**CHARTER TOWNSHIP OF BLOOMFIELD
GENERAL INVESTMENT POLICY**

Date of Last Revision: **February 12, 2024**

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1. Statement of Purpose

WHEREAS, the Board of Trustees (the "Board") of Bloomfield Township, Oakland County, Michigan (the "Township"), in exercising its fiduciary responsibilities, desires to safeguard the funds of the Township that may be invested from time-to-time, subject to Public Act 20 of 1943, MCL 129.91 et seq., as amended (the "Act"); and,

WHEREAS, Section 5 of the Act requires township boards, in consultation with their township treasurer, to adopt an investment policy; NOW,

2. Scope of Policy

THEREFORE, BE IT RESOLVED that this Investment Policy (the "Policy") is applicable to all funds belonging to the Township and in the custody of the Township Treasurer or the Township's approved financial institutions.

3. Delegation of Authority to Make Investments

BE IT FURTHER RESOLVED that the Board designates the Township Treasurer as the Township's Investment Officer as it is defined in the Act, and he or she is authorized to manage funds belonging to the Township, including depositing funds in authorized financial institutions as defined in the Act and in MCL 41.77, and administering the Township's investments in accordance with this Policy. In the absence or incapacitation of the Treasurer, the Deputy Treasurer shall be authorized to manage the Township's funds, in consultation with the Township's Finance Director.

4. Safekeeping and Custody of Deposits and Investments

BE IT FURTHER RESOLVED that the Treasurer shall recommend for the Board's approval financial institutions for the safekeeping of Township funds. Said recommendation shall be based on the Treasurer's 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.

5. Authorized Investment Instruments

BE IT FURTHER RESOLVED that when the Treasurer's analysis of the Township's cash flow requirements reveals the existence of funds that will not be required to meet current disbursements for a specific length of time ("Surplus Funds"), the Treasurer is authorized to invest the Township's Surplus Funds in any instrument listed as authorized in the Act.

6. Investment Objectives

BE IT FURTHER RESOLVED that the objectives of this policy are foremost to maintain safety of principal of Township funds, to maintain a diversified investment portfolio, to maintain adequate liquidity, and to achieve a market rate of return on relatively safe investment instruments.

To accomplish these objectives, decisions and actions involving the Township's investment portfolio shall meet the following criteria:

Safety: Safety of principal is the foremost objective of the Township's investment practices. Investments shall be made in a manner that seeks to ensure the preservation of capital in the overall investment portfolio. The Treasurer shall minimize credit risk by investing only in the safer types of securities, and pre-qualifying financial institutions, intermediaries, and advisers with whom the township will do business.

Diversification: The investments shall be diversified by avoiding over-concentration in securities from a specific issuer or business sector, excluding U.S. Treasury securities. Investments shall have varying maturities. Investment instrument selection shall avoid high credit risks.

Liquidity: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Securities shall have maturity dates concurrent with cash flow needs. The Treasurer shall minimize interest rate risk by avoiding the need to sell securities prior to maturity and invest operating funds primarily in short-term securities or public investment pools. Securities shall not normally be sold prior to maturity except to minimize loss of principal, to improve the quality, yield or target duration in the portfolio, or to meet liquidity needs.

Return on Investment: The investment portfolio shall be designed to attain a market average rate of return during budgetary and economic cycles while taking into account investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to safety and liquidity objectives. The core of investments is limited to relatively low-risk securities, and a fair rate of return relative to risk is assumed.

7. Standard of Prudence

BE IT FURTHER RESOLVED that the Township Treasurer shall make such investments and only such investments as a prudent person would make in dealing with the 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 "Prudent Investor" standard and shall be applied in the context of managing an overall portfolio.

8. Statement of Ethics

BE IT FURTHER RESOLVED that the Treasurer shall refrain from personal business activity that could conflict with the proper execution and management of township investments, or that could impair the Treasurer's ability to make impartial investment decisions.

9. Investment Activity Report

BE IT FURTHER RESOLVED that the Township Treasurer shall provide a written report to the Board on a quarterly basis concerning the investment of Township funds.

10. Compliance with the Act

BE IT FURTHER RESOLVED that the Township shall comply with all applicable statutory standards for investment of public funds as they now exist or as they may be subsequently amended. Any provision of this Policy that conflicts with applicable statutory requirements and standards is void.

BE IT FURTHER RESOLVED that, in accordance with Section 6 of the Act, all financial institutions, financial intermediaries, brokers, dealers, advisors, and any other entity involved in executing investment transactions on behalf of the Township, shall sign the following before providing any services to the Township:

Acknowledgement of Receipt of Investment Policy and Agreement to Comply

I have read and fully understand Public Act 20 of 1943, as amended, of the State of Michigan and the Investment Policy of the Charter Township of Bloomfield, as amended. Any investment advice or recommendation given to the Treasurer of Bloomfield Township shall comply with the requirements of said Public Act 20 and this Investment Policy of Bloomfield Township. Any existing investment not conforming with both documents will be disclosed promptly.

By: _____

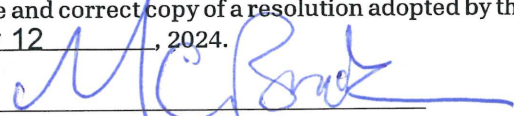
Date: _____ Institution & Title: _____

YEAS: 7

NAYS: 0

I, MARTIN C. BROOK, Township Clerk of the Charter Township of Bloomfield, County of Oakland, State of Michigan, do hereby certify the foregoing is a true and correct copy of a resolution adopted by the Board at their regular meeting held on February 12, 2024.

Dated: February 21, 2024



Martin C. Brook
Bloomfield Township Clerk

