

WEST BOUNTIFUL CITY

RESOLUTION #576-25

A RESOLUTION ADOPTING AN INVESTMENT POLICY STATEMENT.

WHEREAS, the City recognizes the importance of responsibly managing its financial resources to best serve the interests of its residents and further the objectives of the City; and,

WHEREAS, it is necessary and appropriate to establish a comprehensive investment policy to provide guidelines for the safekeeping and investment of the City's monies; and,

WHEREAS, the attached policy is designed to fulfill both the statutory requirements of Title 51, Chapter 7 of Utah Code and the rules of the State Money Management Council;

NOW THEREFORE, BE IT RESOLVED by the City Council that:

1. Adoption of Investment Policy Statement. The Investment Policy Statement for West Bountiful City, as set forth in Exhibit A attached hereto, is hereby adopted.
2. This resolution shall take effect immediately passing.
3. Severability. If any section, part, provision or other portion of this resolution, or the standard rules or regulations herein adopted is held to be invalid or unenforceable for any reason, such holding shall not affect the validity or enforceability of any other section, part, provision, or other portion of this resolution.

Passed and approved by the City Council of West Bountiful City this 19th day of August, 2025.


Ken Romney, Mayor

Voting by the City Council:	Aye	Nay
Council member Ahlstrom	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Council member Butterfield	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Council member Enquist	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Council member Nielsen	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Council member Preece	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Attest:


Remington Whiting, City Recorder



INVESTMENT POLICY STATEMENT

I. PURPOSE OF THE INVESTMENT POLICY STATEMENT

This Investment Policy Statement (IPS) sets forth the guidelines that the City has adopted to make investment-related decisions with respect to its assets. The policy identifies the investment goals and objectives of the City, and sets out parameters for selecting investments. The IPS will be used by the Investment Manager, as the basis for investing the City's assets, and will itself be reviewed, at least annually, by the City and Investment Manager.

II. ROLES, RESPONSIBILITIES, AND PROCEDURES

Defined Roles. The parties involved in the management of the City's assets include, but are not limited to:

- a. City: The City shall make all decisions regarding the selection and retention of asset classes and investment options available in the Investment Policy Statement. Accordingly, the City shall have authority make decisions regarding changes to the IPS, the selection of investment managers, performance analysis, investment monitoring etc.
- b. Investment Manager. The Investment Manager is delegated responsibility, by the City, to invest and manage the City's assets in accordance with this IPS and applicable laws and regulations. The Investment Manager will strive to invest with the judgment and care that prudent individuals would exercise in the execution of their own affairs.

III. INVESTMENT PHILOSOPHY AND OBJECTIVES

Investment options allowed under the IPS shall be selected in order to achieve the following objectives: 1) maintain the safety of principal; 2) provide sufficient liquidity to meet the City's needs; 3) maximize returns within reasonable and prudent levels of risk; and 4) provide fiduciary control of all investments.

The City shall select a diverse range of asset classes and investment vehicles to allow for diversification within the portfolio.

The City and Investment Manager shall review the IPS no less frequently than annually, in order to determine the continuing suitability of the language and investment options allowable under the IPS.

IV. SELECT AND MONITOR INVESTMENT OPTIONS

The City and Investment Manager shall evaluate the makeup and results of the existing investments at least annually. The City and Investment Manager shall monitor and consider factors that include, but are not limited to: changes in investment approach, risk tolerances, and liquidity requirements. Due to maturities, withdrawals and deposits of cash, market value fluctuations, and other factors, the portfolio will be monitored regularly by the Investment Manager to determine if asset classes

need to be rebalanced. The City reserves the right to amend this investment policy statement at any time and from time to time as it deems necessary or appropriate. This investment policy statement shall remain in effect until modified by City and acknowledged by the Investment Manager.

V. ALLOWABLE INVESTMENTS

The portfolio may be invested in the following types of assets and asset classes

- a. US Government and Agency Securities
 - i. Direct obligations of the US Government
 - ii. Government Agency Obligations (FNMA, FHLB, FHLMC, FFCB, GNMA, SLMA)
- b. Corporate Debt Securities
 - i. Notes and Bonds
 - ii. Commercial Paper
- c. Municipal Securities
 - i. Notes and Bonds
 - ii. Commercial Paper
- d. Money Market Funds

VI. INVESTMENT PARAMETERS

- a. The maximum maturity for individual securities will not exceed 5 year(s). For floating rate corporate bonds, the max maturity is 3 years, and for fixed rate corporate bonds, the max maturity is 15 months.
- b. The minimum credit ratings for individual securities at the time of purchase are:
 - i. LONG-TERM RATINGS: A-/A3/A-/A- (S&P/Moodys/Fitch/DBRS)
 - ii. SHORT-TERM RATINGS: A-1/P1/F-1/R-1 (S&P/Moodys/Fitch/DBRS)
- c. Investments are subject to the most recent revision of the Utah Money Management Act. If any discrepancies between this document and the State Money Management Act exist, the Act will supersede.

VII. ACKNOWLEDGEMENT OF RISK

The City and Investment Manager acknowledge that all assets and the portfolio as a whole are subject to risks that include, but are not limited to: loss of principal, price volatility, illiquidity, default of cash payments, declines in market value, and credit rating downgrades. The City acknowledges that Investment Manager obtains information from a wide variety of publicly available sources. Investment Manager does not have, nor does it claim to have, sources of inside or private information. The recommendations developed by Investment Manager are based upon the judgment of Investment Manager. Investment manager cannot guarantee the results of its recommendations.