Investment Policy Update

Presented by

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Investment Policy Update

- ✓ The current policy was adopted 5/19/2020
- ✓ FY2025 changes
- ✓ Recommended Action: Approve Investment Policy as presented

Investment Policy Update

- ✓ Makes language clearer throughout policy
  - ✓ Scope – Purpose
  - ✓ Securities – investments
  - ✓ Removed reference of Investment Officer & defines other employees
  - ✓ Removed procedural language from Delegation of Authority

Investment Policy Update

- ✓ Makes language clearer throughout policy
  - ✓ Removed procedural language from Competitive bid process
  - ✓ Internal Control section
    - ✓ Control of Collusion – Avoidance of Collusion
    - ✓ Removed physical delivery securities
    - ✓ Removed Fax, added email for wire transaction confirmation
- ✓ Added Collateral Policy section

Investment Policy Update

- ✓ Investment Types
  - ✓ Removed 5-year limit on investment types, covered under Maximum Maturity section
  - ✓ Removed total portfolio percentage threshold from obligations under state of North Carolina, and deposits, savings, CD's
  - ✓ Removed Bankers Acceptance

- ✓ Prohibited investments – added stocks and cryptocurrencies
- ✓ Removed Investment Pool section, governed by State Treasurer's office and Local Government Commission

Investment Policy Update

- ✓ Risk Management & Diversification – removed 5% total portfolio in any single issuer, this is covered by each investment type
- ✓ Removed downgrade of security language
- ✓ Removed Performance Standards related to setting index as market benchmark

Investment Policy Update

- ✓ Recommended Action: Approve the Investment Policy as presented