POLICIES & PROCEDURES COMMITTEE

Kimberly L Murphy
County Administrator

301 N. Main St. Adrian, MI 49221
p: 517-264-4508 | **f:** 517-264-4512
lenawee.mi.us

MEMBERS
Nancy Jenkins-Arno, Kevon Martis, Karol "KZ" Bolton

MEETING LOCATION
Airport Committee Room
2667 Cadmus Rd
Adrian, MI 49221

Agenda: Monday, February 6, 2023 – Immediately follows 1:30 pm Airport Commission

I. **Approval of Minutes** – May 2, 2022

II. **New Business**

   A. **Review Policies**
   http://www.lenawee.mi.us/639/County-Policies-Guidelines

   B. **Depository & Investment Policy**

III. **Old Business**

IV. **Ready for recommendation**

V. **Other Business**

VI. **Public Comment**

VII. **Adjournment**

ADMINISTRATOR'S OFFICE

Kimberly L. Murphy
County Administrator

301 N. Main Street Adrian, MI 49221
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Lenawee.MI.US

TO: Policies & Procedures Committee

FROM: Kimberly L. Murphy, County Administrator

RE: Policies & Procedures

DATE: February 6, 2023

The Policy & Procedures Committee was formed in 2017 and is charged with the responsibility of reviewing county policies, including the Employee Handbook, and recommend any potential new policies for the full Board of Commissioners consideration.

County policies are available https://www.lenawee.mi.us/639/County-Policies-Guidelines

Process for New Policies:
New policies will be introduced to the Policy & Procedures Committee and opened for discussion and recommended changes. The Administrator's Office will make any revisions necessary and bring the final draft back to the Policy & Procedures Committee for consideration. Once all recommendations are agreeable, the Policy & Procedures Committee will then submit a recommendation to the full Board of Commissioners for adoption. New policies should go before the Policy & Procedures a minimum of two times prior to being submitted to the Board of Commissioners for adoption.

Amendments to a Policy:
Amendments are presented to the Policy & Procedures Committee prior to being submitted to the Board of Commissioners.

There have been occasions when the implementation of a policy requires expedited adoption and there may be a policy that requires annual adoption by the Board of Commissioners. In these instances, the policy may go directly to the Board of Commissioners for consideration.

The Board of Commissioners has found it to be beneficial to be familiar with County policies and procedures.

KM/bb

Policies Procedures

April, 2022

Reviewed	FINANCIAL POLICIES	Reviewed	Original Adoption	LAST Amended	Notes
8/21	Accounts Payable	Dec, 2017	Jan-13	Jun-18	POL#2021-002
8/21	Automated Clearing House (ACH)	Dec, 2017	Jun-03	Sep-17	
8/21	Bidding Policy	Dec, 2017	Jul-00	Jun-17	
8/21	Bond and Annexations	Dec, 2017	Sep-99		
4/21	Cash Handling Policy	Mar, 2021	Apr-21		POL#2021-003
10/21	Contracts: Authority/Designate Signatory	Apr, 2018	Sep-07	Apr-18	POL#2018-004
	Credit Card Policies				
10/21	Acceptance Policy		Dec-97	Jul-05	
3/22	Issuance Policy		Jul-05	Nov-16	**POL#2022-002**
10/21	Federal Awards Administration	Jan, 2018	Dec-16		
10/21	Fixed Assets	Apr, 2018	Mar-06	Apr-18	POL#2018-005
10/21	Insurance Settlement	May, 2018	Apr-11	May-18	POL#2018-007
	Investment	Mar, 2018	Feb-03	Annually	**POL#2022-001**
11/21	Tuition Reimbursement	May, 2018	Sep-07	May-18	POL#2018-006
Reiviewed	**PERSONNEL POLICIES**	**Reviewed**	**Original Adoption**	**LAST Amended**	**Notes**
	Personnel Handbook			Apr-19	POL#2019-010
	Anti-Harassment	Feb, 2018	Feb-02	Feb-18	POL#2018-002
	Equal Employment Opportunity Resolution		Sep-76	Nov-18	POL#2018-012
	Photo ID Badges	June, 2018	Apr-14	Jun-18	POL#2018-009
Reviewed	**INFORMATION TECHNOLOGY**	**Reviewed**	**Original Adoption**	**LAST Amended**	Notes
11/21	IT & Security Policies (inclusive)			**Apr-19**	POL#2020-003
Reviewed	**GENERAL/OTHER POLICIES**	**Reviewed**	**Original Adoption**	**LAST Amended**	**Notes**
	Airport Driving Policy	Mar-19	May-06	Mar-19	POL#2019-008
11/21	CDBG-Citizen Participation Plan		Feb-19		2019-003
11/21	CDBG-Economic Opportunities for Section 3		Feb-19		2019-004
11/21	CDBG-Grievance Procedure		Feb-19		2019-005
11/21	CDBG-Non-Discrimination based on handicap		Feb-19		2019-002
12/21	Fair Housing Policy		Aug-88	Nov-10	*To be reviewed by legal counsel*
12/21	Flag Etiquette Policy	June, 2018	Oct-86		
12/21	Freedom of Information Act (FOIA) Policy	Sept, 2018	Mar-10	Sep-18	POL#2018-011
3/22	Green Initiative Policy	Mar-19	Mar-88	Mar-19	POL#2019-009
12/21	Hiring Freeze Policy	Mar-19	Jan-89	Mar-19	POL#2019-006
n/a	Human Services Building – Building Use		Nov-89		*Removed from Policy book 8/2019*
2/22	Parking Lot Policy	Aug, 2018	Mar-88	Mar-19	POL#2019-007
2/22	Record Retention				*to be reviewed in the near future 8/19*
2/22	Vehicle Use Policy		Mar-88	Aug-	POL#2019-013

Action Request Form

LENAWEE COUNTY
MICHIGAN

To: Policies & Procedures **Date of meeting:** February 6, 2023

FROM: Erin Van Dyke

DEPT: Treasurer

Investment Policy

Description of request	The Lenawee County Investment Policy is to be adopted by the Board of Commissioners on an annual basis. This investment policy applies to all financial assets of the County. These assets are accounted for in the various funds of the county and include the general funds, special revenue funds, debt service funds and capital project funds, (unless bond ordinances and resolutions are more restrictive), enterprise funds, internal service funds, trust and agency funds and any new fund established by the County. There have been no changes from the previous year policy. ***Request:*** *Recommend adoption of the Lenawee County Investment Policy #2023-001.*
Amount Requested:	
Account Number:	
List Attachments:	Lenawee County Investment Policy

Prepared by	EV/rdb

Upcoming agenda items shall be reported to the Administrator at least seven **(7) days prior** to the meeting.
All supporting information shall be submitted to the Administrator's Office no later than **3:30 pm the day preceding** the meeting, or by noon on the day of scheduled evening meetings.
Exceptions may only be approved by the Chairperson, or in his/her absence, the Vice Chairperson of that Committee.

LENAWEE COUNTY BOARD OF COMMISSIONERS
301 N. Main St. Courthouse ~ Adrian, MI 49221
(517) 264-4508
www.lenawee.mi.us

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James E. Van Doren

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POL#2023-001

LENAWEE COUNTY INVESTMENT POLICY

To comply with Act 20 PA 1943, AS AMENDED

It is the policy of Lenawee County 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 County and comply with all state statutes governing the investment of public funds.

This investment policy applies to all financial assets of the County. These assets are accounted for in the various funds of the county and include the general funds, special revenue funds, debt service funds and capital project funds, (unless bond ordinances and resolutions are more restrictive), enterprise funds, internal service funds, trust and agency funds and any new fund established by the County.

The primary objectives, in priority order, of the County'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 the following: Lenawee County Board of Commissioners' most current resolution designating depositories and M.C.L. 48.40 requiring the County Treasurer to be the custodian of the County's funds. Management responsibility for the investment program is hereby delegated to the Lenawee County Treasurer who shall establish written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, cash purchase or delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral / depository agreements and banking service contracts. No person shall engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Lenawee County Treasurer. The Lenawee County Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of the subordinate officials.

Investment Policy
Date of Original Adoption: February 12, 2003
Date of Amendments: 2/18/04 *Annually reviewed and adopted in January since 2008*

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

1. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
2. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a financial institution meeting all criteria as a depository of public funds contained in the state law.
3. Commercial paper rated at the time of purchase within the two (2) highest classifications established by not less than 2 standard rating services and that matures not more than 270 days after the date of purchase.
4. In United States government or federal agency obligation repurchase agreements.
5. Bankers Acceptances on United States banks.
6. Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than 1 standard rating service.
7. Mutual funds registered under the investment company act of 1940, title I 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. However, a mutual fund is not disqualified as a permissible investment solely by reason of either of the following:
    a. The purchase of securities on a when-issued or delayed delivery bases.
    b. The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities loaned.
    c. The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes.
8. Investment pools organized under the surplus funds investment pool act, 1982, PA367, MCL129.11 to129.118.
9. The investment pools organized under the local government investment pool act, 1985 PA121, MCL 129.141 to 129.150.

All security transactions, including collateral for repurchase agreements and financial institution deposits, entered into by the County shall be on a cash (or delivery vs. payment) basis. Securities may be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts as determined by the Treasurer.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

PASSED BY ROLL CALL VOTE of the Lenawee County Board of Commissioners at a regular meeting held Wednesday, February 8, 2023, in the Old County Courthouse, Adrian, Michigan.

James E. Van Doren, Chair

Roxann Holloway, County Clerk

INVESTMENT POLICY ADDENDUM:

PROCEDURE FOR INVESTMENT IN FINANCIAL INSTITUTION CERTIFICATES OF DEPOSIT

Investment funds can be allocated to competing Banks, Savings and Loans and Credit Unions who will put these funds to work in the county for their owners--the citizens of Lenawee County.

The primary concern is for the safety of the principal. Only depositories that meet the quality standards described in this policy shall be considered for investments. The highest yield consistent with the above standards shall be assured by following the competitive bidding procedures. No more than 10% of the county's total investments may be in a single institution above the federal deposit insurance coverage amount.

BIDDING PROCEDURES

The County Treasurer shall competitively bid all County of Lenawee Investments that are not managed by a professional management firm. He/She shall in all cases attempt to keep all County of Lenawee investments in financial institutions which are located within the County of Lenawee. The following procedures shall be followed:

A. All financial institutions wanting to be on the "Bidders" list will be notified annually, in writing, by the Lenawee County Treasurer if they qualify to bid on County of Lenawee investments.
B. Every day that investments are to be made, telephone calls will be made by the County Treasurer or his/her representative to each financial institution qualified to bid on County of Lenawee Investments detailing the amount and maturity date for each account being invested. This call is be made no later than 11:00 a.m.
C. At the time of the 11:00 a.m. call, mentioned in "b" above, each financial institution will notify the County Treasurer's office whether or not they wish to submit a bid on the various amounts. In lieu of this a bank may, in writing, notify the County Treasurer that they wish to be on the bidders list for a certain period of time (monthly, all year, etc) and note any special situations a special call is needed.
D. Winning bids will be awarded by 12:00 a.m. by a telephone call to the winning bidder. Wire transfer instructions will be processed by the County Treasurer's Office from the various accounts to transfer funds to the winning bidder by 2:00 p.m.
E. Financial institutions will prepare safekeeping receipts or Certificate of Deposit for each investment made and transmit to the County of Lenawee no later than the following day as proof of purchase. (Note: bidding results by financial institutions will be available at the Treasurer's office by telephone at any time).
F. Bids will be awarded to the highest bidder, except where the bidder already holds 10% or more of county funds. Tie bids will be broken in the following order:
    1. If all parties to the tie bid agree, the total investment will be allocated as equally as possible to all bidders. (All parties must agree to "hold" the quoted interest rate bid to use this method of tie breaking.)
    2. If case (1) above does not resolve the tie bid situation, an investment will be made in an overnight investment and rebid the next day.