

ORDINANCE NO. _____

BILL NO. _____ (2018)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.08, MAUI COUNTY CODE, BY ADDING A NEW SECTION RELATING TO COUNTY INVESTMENTS

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Chapter 3.08, Maui County Code, is amended by adding a new section to be appropriately designated and to read as follows:

“3.08.040 County investments. A. Investment policy.

1. The director of finance shall establish a policy on County investments through the promulgation of administrative rules in accordance with chapter 91, Hawaii Revised Statutes, or ordinance.

2. The investment policy shall establish guidelines regarding the investment of County moneys in excess of the amounts necessary for the meeting of immediate requirements when the action will not impede or hamper the necessary financial operations of the County.

3. The investment policy objectives shall be, in priority order, safety, liquidity, and yield.

4. The policy shall also set forth the process in which the determination of when moneys in excess of the amounts necessary for the meeting of immediate requirements when the action will not impede or hamper the necessary financial operations of the County may be invested.

B. Investment committee. There shall be established a County investment committee.

1. The committee shall be composed of the following members: director of finance, deputy director of finance, managing director, budget director, and accounting system administrator.

2. The committee shall meet at least monthly to recommend general investment strategies and written investment procedures and monitor investment results. The director of finance shall adopt strategies and approve investment procedures.

3. The committee shall review quarterly investment reports prepared by the treasurer. The reports shall include:

a. Listing of each security, face amounts, and discount/premium.

b. Coupon rates and buy yields of each security and average yield for the portfolio.

c. Value and accrued interest of each security.

d. Maturity and days to maturity for each security and the portfolio average maturity.

e. Transactions during the period, including purchase maturity and interest payments.

f. Book value and market value for each holding (and any unrealized gains and losses) at year end.

g. Expenses and penalties.

4. The treasurer shall within thirty days of the close of each fiscal quarter, submit a report to the committee of the actual cash balance at the end of the quarter versus the projections set forth in the schedule required by subsection C, below.

5. Any two members of the committee may request a special meeting. All members shall be notified of special meeting, in writing.

6. Three members shall constitute a quorum.

7. The director of finance shall chair the committee and produce agendas, minutes, and any necessary reports. The treasurer shall act as secretary, record and produce minutes and perform other duties as directed by the director of finance. It is the intent of this ordinance that the establishment and operation of the committee not be subject to chapters 91 or 92, Hawaii Revised Statutes, and that the formation and operation of the committee be deemed to be an internal management function of the department of finance.

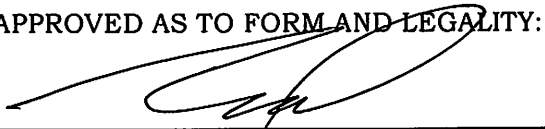
C. Third-party investment contractor. The director of finance shall procure, in accordance with chapter 103D, Hawaii Revised Statutes, the services of a third-party investment contractor to oversee the investment of County funds as authorized by law and implementation of the County investment policy. The director of finance shall provide the third-party investment contractor with a schedule setting forth when moneys in excess of the amounts necessary for the meeting of immediate requirements when the action will not impede or hamper the necessary financial operations of the County are available to be invested and when the County will need moneys in order to meet the requirements of necessary financial operations for a twelve month period. The director of

finance shall provide this schedule within ten business days of the close of each quarter of the fiscal year. The third-party investment contractor shall use the schedule to determine the suitability of investments."

SECTION 2. New material is underscored. In printing this bill, the County Clerk need not include the underscoring.

SECTION 3. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



JEFFREY UEOKA
Department of the Corporation Counsel
County of Maui
2018-0422
2018-04-18 Ordinance

