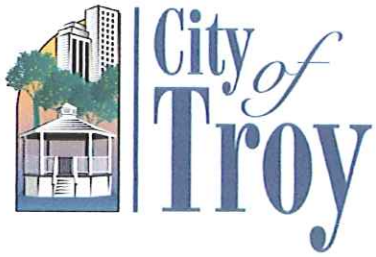

CITY COUNCIL AGENDA ITEM

November 2, 2010

TO: John Szerlag, City Manager

FROM: John M. Lamerato, Assistant City Manager-Finance and Administration

SUBJECT: City of Troy Investment Policy & Establishment of Investment Accounts

Background:

The current investment policy was initially approved in November, 1999 and each year thereafter with the stipulation that it be reviewed and approved annually by City Council. The current policy has served us well during the past several years and is in compliance with Act 20 PA 1943, as amended.

I would also like to update our resolution authorizing the establishment of investment accounts at the following institutions: **Ambassador Funds**; Bank of America; Charter One; Citizens Bank; First Michigan Bank; Comerica; Fifth Third Bancorp; Flagstar Bank; Huntington Bancshares; JP Morgan Chase & Co.; Merrill Lynch; Michigan Class-MBIA; Morgan Stanley Smith Barney; PNC Financial Services; Private Bancorp; and TCF National Bank.

Financial Considerations:

This policy is established in order to provide for the safety and diversification of investment accounts.

Legal Considerations:

The investment policy is in compliance with Act 20 PA 1943, as amended.

Policy Considerations:

The investment policy relates to Goal II "Minimize the cost and increase the efficiency and effectiveness of City government", by upholding fiscal integrity.

Options:

It is recommended that City Council approve the attached investment policy and listing of approved investment account locations.