



COMMISSION FILE NO: 18-015-1 **DATE INTRODUCED:** January 8, 2018

INTRODUCED BY: Executive Director (Signature on File in the Office of the Commission)

REFERRED BY COMMISSION CHAIRPERSON TO: Policy, Finance, and Personnel Committee

RELATING TO: Revision to Commission Policy 1-73.17, Investment Policy

SUMMARY:

The Commission is requested to revise Commission Policy 1-73.17, Investment Policy.

The District's comprehensive investment policy identifies investment objectives, assigns, responsibility, and addresses the issue of risk inherent in the investment of public funds. The policy provides direction and constraints to the District's investment process. The policy was originally adopted in September 1997 and was last updated in July 2016.

Staff requests that the Commission revise the current Investment Policy to reflect revision in the following areas:

- Corporate Bonds – Corporate bonds need to be rated in the two highest categories to be eligible for purchase. To add clarity to the policy, staff recommends adding a statement that the two highest ratings (AAA and AA) includes the category of AA-.
- Selection of Broker/Dealers – It is recommended to delete the requirement that brokers/dealers attest in writing that they have received the policy. This requirement is important for the investment advisors but not the broker/dealers.
- Change to Appendix 2 is recommended to reflect name change.

The proposed revisions update the current policy and in no way weaken the controls within the investment policy.

ATTACHMENTS: BACKGROUND KEY ISSUES RESOLUTION
FISCAL NOTE S/W/MBE OTHER Redlined Commission Policy 1-73.17 & Appendix 2

PPF_Revise_Investment_Policy_legislative_file.docx
12-27-17

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

RESOLUTION

Revision to Commission Policy 1-73.17, Investment Policy

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the attached Commission Policy 1-73.17, Investment Policy, as revised, is adopted.