

**TOWN OF ADDISON, TEXAS**

**ORDINANCE NO. 005-041**

**AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS AMENDING CHAPTER 2 (ADMINISTRATION), ARTICLE IV (FINANCE), DIVISION 3 (INVESTMENT POLICY) BY AMENDING SECTION 2-204 (DELEGATION OF AUTHORITY), SECTION 2-207 (AUTHORIZED SECURITIES INVESTMENTS); PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, in accordance with State law the City Council of the Town of Addison, Texas (the "City") has heretofore adopted an investment policy regarding the investment of its funds and funds under its control; and

**WHEREAS**, the said investment policy is set forth in Division 3, Article IV, Chapter 2 of the City's Code of Ordinances; and

**WHEREAS**, the City Council has reviewed the said investment policy and desires to amend the same as set forth herein.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:**

Section 1. Incorporation of Premises. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

Section 2. Amendment. Chapter 2 (Administration) of the Code of Ordinances (the "Code") of the Town of Addison, Texas (the "City") is hereby amended in the following particulars, and all other chapters, articles, sections, subsections, paragraphs, phrases, and words are not amended but are ratified and confirmed:

A. Division 3 (Investment Policy) of Article IV (Finance) of Chapter 2 of the Code is amended in part as follows:

1. Section 2-204 (Delegation of Authority) of the Code is hereby amended by amending subsections (1) thereof to read as follows:

The City Council appoints the Director of Financial and Strategic Services, Assistant Director of Financial and Strategic Services and the Financial Services Manager as the "Investment Officers" of the Town. Direct management responsibility for the investment program is delegated by the City Council to the Director of Financial and Strategic Services (hereinafter referred to as the "Director"). The Investment Officers' authority will at all times be limited by all applicable laws and regulations in effect from time to time and this Policy. The Investment Officers shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the investing entity.

2. Section 2-207 (Authorized Securities Investments) of the Code is hereby amended by amending subsections (4) thereof to read as follows:

(4) Time Certificates of Deposit with a maturity not to exceed three (3) years from the date of purchase, insured by the Federal Deposit Insurance Corporation (FDIC) or its successor, in depository institutions that have a main office or a branch office in the State of Texas which have been approved by the Town in accordance with Section XI of this Investment Policy.


In addition, separate CDs issued by depositories wherever located, bundled together into a single investment with the full amount of principle and interest of each CD federally insured may be purchased through a selected depository institution with its main office or branch office in Texas. This depository shall act as the custodian for the various certificates on behalf of the Town.

Section 3. Savings. This Ordinance shall be cumulative of all other ordinances of the City affecting the City's investment policy and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those Ordinances are in direct conflict with the provisions of this Ordinance.

Section 3. Severability. The sections, paragraphs, sentences, phrases, clauses and words of this Ordinance are severable, and if any section, paragraph, sentence, phrase, clause or word in this Ordinance or application thereof to any person or circumstance is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance, and the City Council hereby declares that it would have passed such remaining portions of this Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

Section 4. Effective Date. This Ordinance shall become effective from and after its date of passage and publication as provided by law.

**PASSED AND APPROVED** by the City Council of the Town of Addison, Texas this 13th day of September, 2005.

  
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Joe Chow, Mayor

ATTEST:

By:   
\_\_\_\_\_  
Carmen Moran, City Secretary

APPROVED AS TO FORM:

By:   
\_\_\_\_\_  
Ken Dippel, City Attorney

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