ORDINANCE NO. 238

AN ORDINANCE of the City Council of the City of Kent, Washington, repealing and readopting Chapter 3.02 of the Kent City Code, entitled “Investment Policy” to establish the investment objectives, delegation of authority, standards of prudence, eligible investments and transactions, internal controls, reporting requirements and custodial procedures necessary for the prudent management and investment of the funds of the City.

RECITALS

A. The City’s current investment policy for City investments, set forth in the Kent City Code Chapter 3.02, was last amended in 2012.

B. Since 2012, changes in federal and state law affect the way the City can invest its funds.

C. The Council desires to repeal Chapter 3.02 and adopt a new Chapter 3.02 to reflect changes in federal and state law.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENT, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:
ORDINANCE

SECTION 1. - Repealer - Chapter 3.02 KCC, "Investment Policy". Chapter 3.02 of the Kent City Code entitled "Investment Policy" is repealed in its entirety.

SECTION 2. - Adoption - Chapter 3.02 KCC, "Investment Policy". Title 3 of the Kent City Code is amended to adopt a new chapter, Chapter 3.02, entitled "Investment Policy," as follows:

CHAPTER 3.02
INVESTMENT POLICY

Sec. 3.02.010. Policy. It is the policy of the city to invest public funds in a manner that safeguards and protects the principal of the city’s investments, provides liquidity in meeting daily cash flow, and provides the highest return possible through budgetary and economic cycles. All investment activity will be in compliance with chapter 35.39 RCW "Fiscal - Investment of funds," chapter 39.59 RCW "Public Funds - Authorized investments," and any other statutes or regulatory requirements, such as Internal Revenue Codes, which may apply.

The purpose of this Investment Policy is to establish the investment objectives, delegation of authority, standards of prudence, eligible investments and transactions, internal controls, reporting requirements and custodial procedures necessary for the prudent management and investment of the funds of the city.

Sec. 3.02.020. Definitions. The following words, terms, and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:
A. **Banker’s Acceptance** means a draft bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the issuer.

B. **Broker** means someone who brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he/she does not position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

C. **Collateral** means securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. This also refers to securities pledged by a bank to secure deposits of public monies.

D. **Certificate of Deposit (CD)** means a time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

E. **Coupon** means (a) the annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value; or (b) a certificate attached to a bond evidencing interest due on a payment date.

F. **Commercial Paper** means short-term, negotiable, unsecured promissory notes. The credit of the issuer stands behind the paper. There are some issuers that put up assets as security for the issue, these are assetbacked.

G. **Dealer** means one who, as opposed to a broker, acts as a principal in all transactions, buying and selling for his/her own account.

H. **Delivery Versus Payment** means the delivery of securities with an exchange of money for the securities. Delivery versus receipt is the delivery of securities with an exchange of a signed receipt for the securities.
I. **Discount** means the difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

J. **Discount Securities** means non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury bills.

K. **Diversification** means dividing investment funds among a variety of securities offering independent returns.

L. **Federal Credit Agencies** means agencies of the federal government set up to supply credit to various classes of institutions and individuals, e.g., savings and loans, small business firms, students, farmers, farm cooperatives and exporters.

M. **Federal Reserve Bank System** means the central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., twelve (12) Regional Banks and about 5,700 commercial banks that are members of the system.

N. **Federal Deposit Insurance Corporation (FDIC)** means a federal agency that insures bank deposits, currently up to $100,000 per deposit.

O. **Federal Home Mortgage Corporation (FHLMC)** means a public chartered agency that buys residential mortgages from lenders, packages them into new securities backed by those pooled mortgages, provides certain guarantees and then, resells the mortgage-backed securities on the open market. Shares of FHLMC stock are publicly traded on the New York Stock Exchange. The corporation is nicknamed Freddie Mac.
P. *Federal Home Loan Banks (FHLB)* means the institutions that regulate and lend to savings and loan associations. The FHLBs play a role analogous to that played by the Federal Reserve Banks vis-a-vis member commercial banks.

Q. *Federal National Mortgage Association (FNMA)* means the federal corporation working under the auspices of the Department of Housing and Urban Development. Nicknamed "Fannie Mae," FNMA was chartered under the Federal National Mortgage Association Act in 1938. It is the largest single provider of residential mortgage funds in the United States. FNMA is a private stockholder-owned corporation. The corporation’s purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA’s securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

R. *Liquidity* means a liquid asset that can be converted easily and rapidly into cash without a substantial loss of value.

S. *Market Value* means the price at which a security is trading and could presumably be purchased or sold.

T. *Master Repurchase Agreement* means a written contract covering all future transactions between the parties to repurchase/reverse repurchase agreements that establish each party’s rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of a default by the seller-borrower.

U. *Maturity* means the date upon which the principal or stated value of an investment becomes due and payable.
V. *Money Market* means the market in which short-term debt instruments (bills, commercial paper, bankers’ acceptances, etc.) are issued and traded.

W. *Portfolio* means a collection of securities held by an investor.

X. *Rate of Return* means the yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Y. *Repurchase Agreement* means a holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him/her for this. Dealers use repurchase agreements extensively to finance their positions. Exception: When the federal reserve is said to be doing a repurchase agreement, it is lending money, that is, increasing bank reserves.

Z. *Safekeeping* means a service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

AA. *Secondary Market* means a market made for the purchase and sale of outstanding issues following the initial distribution.

BB. *Supranational Bonds* means bonds issued by international financial institutions that are generally established by agreements among nations, with member nations contributing capital and participating in management.
CC.  *Treasury Bills* means a non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three (3) months, six (6) months, or one (1) year.

DD.  *Treasury Bond* means a long-term U.S. Treasury security having initial maturities of more than ten (10) years.

EE.  *Treasury Notes* means an intermediate term coupon bearing U.S. Treasury securities having initial maturities from one (1) to ten (10) years.

FF.  *Yield* means the rate of annual income return on an investment, expressed as a percentage. "Income Yield" is obtained by dividing the current dollar income by the current market price for the security. "Net Yield" or "Yield to Maturity" is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

**Sec. 3.02.030. Scope and Objectives.**

A.  *Scope.* The city commingles its funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles. The city maintains the right to separate certain funds and exclude them from the scope of this policy. Investment funds may include:

1. General Fund
2. Special Revenue Funds
3. Debt Service Funds
4. Capital Project Funds
5. Enterprise Funds (water, sewerage, golf course)
6. Internal Services Funds
7. Public Facilities Funds
8. Any new fund created by the city council, unless specifically exempted.

B. **Objectives.** The primary objectives, in priority order, of the city's investment activities shall be safety, liquidity, and return on investment.

1. **Safety.** Safety of principal is the foremost objective of the city's investment policy. City investments shall be made in a manner that seeks to ensure the preservation of capital in the overall portfolio. To mitigate credit and interest rate risk, investment decisions shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

   a. **Credit risk.** This is the risk of loss due to the financial failure of the security issuer or backer. The city will minimize credit risk by:

      (1) Limiting exposure to poor credits and concentrating the investments in the safest types of securities.

      (2) Diversifying the investment portfolio so that potential losses on individual securities will be minimized; and

      (3) Actively monitoring the investment portfolio holdings for rating changes, changing economic market conditions, etc.

      (4) **Credit rating downgrade.** If the credit rating of a security is subsequently downgraded below the minimum rating level for a new investment of that security, the Finance Director shall evaluate the downgrade on a case-by-case basis in order to determine if the security should be held or sold. The Finance Director will apply the general objectives of safety, liquidity, and return to make the decision.

   b. **Interest rate risk.** This is the risk that the market value of securities in the portfolio will fall due to increases in general interest rates. The city will mitigate the interest rate risk by:
1. Structuring the investment portfolio so that securities mature to meet cash requirements, when known, for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity;

(2) Investing liquidity funds primarily in short-term instruments (i.e., investments maturing in less than one year); and

(3) Investing excess liquidity funds in a manner that is consistent with the established risk/return objectives of this policy within the stated maximum weighted average maturity constraint.

2. **Liquidity.** The city's investment portfolio will remain sufficiently liquid to enable the city to meet all reasonably anticipated operating requirements. This will be accomplished by either maintaining a portion of the portfolio in investment vehicles offering daily liquidity at face value, such as the Washington State Local Government Investment Pool (LGIP) or structuring the portfolio so that securities mature concurrently with cash needs to meet anticipated demands. Because all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets.

3. **Return on investment.** The city's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the city’s investment risk constraints, the cash flow characteristics of the portfolio, and earnings relative to the State of Washington LGIP. Return on investment is of lesser importance compared to the safety and liquidity objectives described above.

**Sec. 3.02.040. Standards of care and ethics.**

A. **Prudence.** The standard of care to be used by investment officials shall be the "Prudent Person" standard and shall be applied in the context of managing an overall portfolio under prevailing economic conditions at
the moment of investment commitments. Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are timely reported and appropriate action is taken to control adverse developments.

The “Prudent Person” standard requires that investments be made with judgment and care, under circumstances then prevailing, that a person of prudence, discretion and intelligence would exercise in the management of his or her own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived.

B. Ethics and conflict of interest. Investment officials will recognize that the investment portfolio is subject to public review and evaluation. The overall program will be designed and managed with a degree of professionalism that is worthy of the public trust.

Officers and employees involved in the investment process shall refrain from knowingly engaging in personal business activity that could conflict with proper execution of the investment program, or that could impair their ability to make impartial investment decisions. Employees and investment officials responsible for investment transactions shall disclose to the Mayor any material financial interests in financial institutions that conduct business within this jurisdiction. They shall further disclose any large personal financial/investment positions that could be related to the performance of the city's portfolio. Employees and officers shall subordinate their personal investment transactions to those of the city, particularly with regard to the time of purchases and sales.
Sec. 3.02.050. Delegation of authority and responsibilities.

A. Governing body. The city council as the governing body will retain ultimate fiduciary responsibility for the portfolio. The city council will receive quarterly reports, designate an investment officer, and review and adopt any changes to the investment policy.

B. Investment Officer. The Finance Director (or his/her designee) is the Investment Officer of the city. No person may initiate investment transactions on behalf of the Investment Officer without the express written consent of the Investment Officer.

The Finance Director shall be responsible for oversight of the investment program and shall help establish the investment strategies applicable to all investments of funds held by or belonging to the city, its agencies and departments.

C. Investment advisor. The city may engage the services of an external investment advisor to assist in the management of the city’s investment portfolio in a manner consistent with the city’s objectives. Such external advisors may be granted non-discretionary authority to purchase and sell investment securities in accordance with this Investment Policy. Such advisors must be registered under the Investment Advisers Act of 1940.

Sec. 3.02.060. Authorized investments, diversification, maturities and collateralization.

A. Authorized investments. The city is authorized by this chapter and empowered by statute (including, without limitation, RCW 39.59.020, 39.59.030, 43.84.080, and 43.250.040, including all future amendments) to invest in various securities, including, without limitation, the following:
<table>
<thead>
<tr>
<th>Type of Investment</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>LGIP</td>
<td>State law allows cities to utilize the resources of the State Treasurer to maximize the potential surplus funds while ensuring the safety of public funds. A state investment pool has been designated to meet this function.</td>
</tr>
<tr>
<td>US Treasury Obligations</td>
<td>Certificates, notes, bonds, or strips of the United States, or other obligations of the United States or its agencies, or of any corporation wholly owned by the government of the United States.</td>
</tr>
<tr>
<td>GSE-Agency Securities</td>
<td>Obligations of Government Sponsored Enterprises (GSEs) which are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve System. (These include but are not limited to Federal Home Loan Bank notes and bonds, Federal National Mortgage Association notes, Federal Home Loan Mortgage Corporation and Federal Farm Credit Bank bonds.)</td>
</tr>
<tr>
<td>Repurchase Agreements</td>
<td>Repurchase agreements for securities provided that the transaction is structured so that the city obtains control over the underlying securities. If repurchase agreements are utilized, a Master Repurchase Agreement must be signed by the Finance Director with the transacting bank or dealer. Additionally, the collateral must meet the authorized investment and maturity constraints of this policy.</td>
</tr>
<tr>
<td>Bankers’ Acceptance</td>
<td>Bankers' acceptances purchased on the secondary market which have at the time of investment the highest credit rating by a minimum of two recognized rating agencies (RCW 43.84.080(4)).</td>
</tr>
</tbody>
</table>
Commercial Paper

Commercial paper provided that the Finance Director adheres with the policies and procedures of the State Investment Board regarding commercial paper (RCW 43.84.080(7)); the exception is that the City will not allow Asset Backed commercial paper. Commercial paper not to have maturities exceeding 270 days. Commercial paper must be purchased on the secondary market and not directly from issuers. Commercial paper and corporate notes combined must not exceed more than 25% of the total assets of the portfolio.

Certificates of Deposit/Bank Deposits/Saving

Investment deposits including certificates of deposit, with qualified public depositories as defined by RCW 39.58.010(2) and in accordance with the restrictions therein.

Bonds of the State of Washington

Bonds of the State of Washington and any local government in the State of Washington, which bonds are rated A- or better at the time of investment by a nationally recognized rating agency.

General Obligation Bonds of a State Other than Washington

General obligation bonds of a state other than the State of Washington and general obligation bonds of a local government of a state other than the State of Washington, which bonds are rated A- or better at the time of investment by a nationally recognized rating agency.

Corporate Notes

Corporate Notes rated A- or better at the time of investment by all nationally recognized rating agencies that rate the security, subject to the current policies and procedures of the State Investment Board regarding Corporate Notes. Corporate notes “A-, A, or A+” with a negative outlook may not be purchased. If securities are downgraded below these minimum...
Supranational Bonds

Supranational bonds issued by international financial institutions that are generally established by agreements among nations, with member nations contributing capital and participating in management. The City may only buy bonds that have the U.S. as their largest shareholder.

B. **Diversification.** Diversification is required by the city to reduce overall portfolio risks while attaining market average rates of return. Diversification by institution, type of investment security, and years to maturity shall be employed to avoid over-concentration in any of these areas.

The maximum percentages listed below will provide a guide in making investment decisions. Maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to review and approval by the Finance Director. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

**Diversification Targets:**

<table>
<thead>
<tr>
<th>Authorized Investments</th>
<th>Maximum Portfolio Allocation</th>
<th>Maximum Maturity</th>
<th>Maximum Allocation Per Issuer</th>
<th>Credit Quality / Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Government Investment Pool</td>
<td>100%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>US Treasury Obligations</td>
<td>100%</td>
<td>5 years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Security Type</td>
<td>Percentage</td>
<td>Maturity</td>
<td>Collateral</td>
<td>Rating Requirements</td>
</tr>
<tr>
<td>-------------------------------</td>
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<td>------------</td>
<td>-------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>GSE Agency Securities</td>
<td>100%</td>
<td>5 years</td>
<td>-</td>
<td>State collateral requirements must be followed.</td>
</tr>
<tr>
<td>Repurchase Agreements</td>
<td>10%</td>
<td>60 days</td>
<td>None</td>
<td>Rated in the highest short-term credit rating category by at least two NRSROs.</td>
</tr>
<tr>
<td>Bankers’ Acceptances</td>
<td>10%</td>
<td>180 days</td>
<td>10%</td>
<td>If not 100% collateralized, must be rated in the highest short-term rating category by at least one NRSRO.</td>
</tr>
<tr>
<td>Certificates of Deposit/Bank Deposits/Saving</td>
<td>20%</td>
<td>24 months</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Corporate Notes</td>
<td>25%</td>
<td>5 years</td>
<td>Rated AA or better by all NRSOs: 3% Rated A- or better: 2% Non-U.S. and Canada: 2% per country</td>
<td>Must be rated A- or better. Securities rates A-, A, or A+ with a negative outlook may not be purchased.</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>25%</td>
<td>270 days</td>
<td>U.S.: 3%</td>
<td>Rated in the highest short-term rating category by at least two NRSROs. If rated by more than two NRSROs, it must have the highest rating from all of the organizations.</td>
</tr>
</tbody>
</table>
Any commercial paper purchased with a maturity longer than 100 days must also have an underlying long-term senior unsecured credit rating at the time of purchase in one of the three highest rating categories of an NRSRO.

<table>
<thead>
<tr>
<th>General obligation bonds of any state or local government</th>
<th>20%</th>
<th>5 years</th>
<th>5%</th>
<th>Must be rated A- or better.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supranational Bonds</td>
<td>20%</td>
<td>5 years</td>
<td>5%</td>
<td>Supranational bonds that have the United States as their largest shareholder.</td>
</tr>
</tbody>
</table>

C. **Maturities.** The city will invest in securities with maturity dates five (5) years from the date of purchase or less.

1. The maximum weighted average maturity of the total portfolio shall not exceed three (3) years. This maximum is established to limit the portfolio to excessive market price change exposure.

2. Liquidity funds will be held in the LGIP, bank deposits, or in short term instruments maturing six (6) months or less.

3. The investment portfolio will have securities that mature between one (1) day and five (5) years.
4. *Exception to five-year maturity maximum.* Investments may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

D. *Collateralization.* Collateralization is required on repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be (102%) of market value of principal and accrued interest. The only eligible collateral for repurchase agreements will be direct obligations of the U.S. Treasury, U.S. Government Agency and/or U.S. Government instrumentality obligations.

Securities that are acceptable as collateral must comply with the allowable securities listed in this policy. Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained. The right of substitution is granted.

Sec. 3.02.070. *Dealers and institutions, safekeeping and custody, internal and external control.*

A. *Authorized financial dealers and institutions.* The Finance Director will limit banking transactions to designated banking relationships and will refer to the financial institutions list provided by the Public Deposit Commission of banks authorized to provide investment services (RCW 39.58.080). In addition, the city will approve security broker/dealers by credit worthiness, and understanding of the city’s requirements and policy. These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule). No public deposit shall be made except in a qualified public depository in the State of Washington.
A current financial statement is required to be on file for each financial institution and broker/dealer in which the city invests. Electronic links and or files may be used to meet this requirement. If the city hires an investment advisor to assist in the management of the investment portfolio, then the city can also use the investment advisor's approved broker/dealer list.

B. **Safekeeping and custody.** All security transactions, including collateral for repurchase agreements, entered into by the city shall be conducted on a delivery versus payment basis. Securities will be held by a third-party custodian designated by the Finance Director.

C. **Internal control.** The Finance Director shall establish a process of periodic review by the accounting staff. This review will provide internal control monitoring by assuring that policies and procedures are being complied with.

**Sec. 3.02.080. Performance standards, reporting requirements and advisory investment committee.**

A. **Performance standards.** The city's investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the city's investment risk constraints and cash flow needs. Appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis. The benchmarks shall be reflective of the actual securities being purchased and a comparison to the LGIP earnings rate should be completed on a regular basis.

B. **Advisory investment committee.** An investment committee will be established consisting of the mayor (or designee), Finance Director, the Public Works director, and a member of the council operations committee,
who shall be appointed by the mayor to serve a two (2) year term, which
term shall run concurrently with the term of the council president, except
to the extent interim appointments become necessary. The committee will
meet quarterly and will be established to serve in a general review and
advisory capacity, taking into account the city's investment objectives,
available funds and current market conditions. The committee will review
periodic reports which may include, but are not limited to: market value of
the portfolio, percentages by type and institution, average life of the
portfolio, expected cash flows, and average rate of return.

Sec. 3.02.090. State and federal amendments. If new
legislation or regulation should amend the permitted instruments or
institutions, those changes will be deemed to be immediately incorporated
into this policy.

SECTION 3. – Severability. If any one or more section, subsection,
or sentence of this ordinance is held to be unconstitutional or invalid, such
decision shall not affect the validity of the remaining portion of this
ordinance and the same shall remain in full force and effect.

SECTION 4. – Savings. The existing Chapter 3.02 of the Kent City
Code, which is repealed and replaced by this ordinance, shall remain in full
force and effect until the effective date of this ordinance.

SECTION 5. – Corrections by City Clerk or Code Reviser. Upon
approval of the city attorney, the city clerk and the code reviser are
authorized to make necessary corrections to this ordinance, including the
correction of clerical errors; ordinance, section, or subsection numbering;
or references to other local, state, or federal laws, codes, rules, or
regulations.

Amend Chapter 3.02 KCC -
Re: Investment Policy
SECTION 6. – Effective Date. This ordinance shall take effect and be in force thirty (30) days from and after its passage, as provided by law.

SUZETTE COOKE, MAYOR

ATTEST:

SUE HANSON, ACTING CITY CLERK

APPROVED AS TO FORM:

ARTHUR "PAT" FITZPATRICK, DEPUTY CITY ATTORNEY

PASSED: 21st day of March, 2017.

APPROVED: 21st day of March, 2017.

PUBLISHED: 24th day of March, 2017.

I hereby certify that this is a true copy of Ordinance No. 4238 passed by the City Council of the City of Kent, Washington, and approved by the Mayor of the City of Kent as hereon indicated.

SUE HANSON, ACTING CITY CLERK

Amend Chapter 3.02 KCC - Re: Investment Policy