

# Exhibit C

## INVESTMENT PROCEDURES MANUAL

In accordance with Section XII of the City's Statement of Investment Policy, the City Treasurer will maintain an Investment Procedures Manual. The Investment Procedures Manual lists operations associated with the placement, settlement, and clearance of all City investments.

The City Treasurer in conjunction with the City's contracted financial advisor ("Financial Advisor"), will plan, execute and report investment activity in compliance with the City's Statement of Investment Policy. The investment procedures are as follows:

1. The City Treasurer will periodically discuss cash inflows and outflows with the City management to identify dates of when maturities are needed to provide liquid funds and meet the City's Statement of Investment Policy's parameters.
2. On behalf of the Treasurer, the Financial Advisor will perform the following duties.
  - a. Seek securities which meet cash flow needs.
  - b. After cash flow needs are met, seek securities which provide additional relative value to the portfolio's yield and duration.
  - c. Obtain offers to purchase, or bids if selling, securities which meet the above mentioned criteria.
3. On behalf of the Treasurer, the Financial Advisor will perform the following duties.
  - a. Contact the City Treasurer to review and either approve or disapprove the transaction.
  - b. If City Treasurer directs that a security be sold, place the security out for bid with at least three broker/dealers in compliance with the competitive bid requirement.
  - c. Execute the trade at the most advantageous price.
  - d. Send trade ticket to the City Treasurer for signature.
  - e. Send signed trade ticket to the custodian and the City's Financial Services Department for settlement.
  - f. Send signed trade packet to the City Treasurer
4. City Treasurer will review wire transfers by the City's Financial Services Department to the custodian for settlement.
5. On behalf of the Treasurer, the Financial Advisor will perform the following duties.
  - a. Monitor and verify the settlement of the transaction.
  - b. Input trading activity into the investment accounting system.
  - c. Send Monthly Investment Reports to the City Treasurer
  - d. Include all detailed investment reporting on all Quarterly reports.
  - e. Monitor credit ratings of the securities in the investment pool for compliance with the City's Statement of Investment Policy.
  - f. Analyze the entity, if a security's credit rate drops below allowable ratings..
6. In the event the Financial Advisor determines that a security should be sold due to expected value deterioration, then the Financial Advisor shall seek direction from the City Treasurer.
7. The City Treasurer will send monthly investment reports to the Mayor and City Council, City Manager, City Clerk, and Director of Financial Services.
8. The City Treasurer will present quarterly investment reports to the City Budget and Finance Commission, and to the Mayor and City Council.
9. Annually, the City Treasurer will present this Investment Procedures Manual and the City's Statement of Investment Policy to the City Budget and Finance Commission and to the Mayor and City Council for review and adoption.