

OFFICIAL
NOVEMBER 7, 2013, 7th DAY OF
THE OCTOBER ADJOURN TERM

The County Commission met in the Commission Hearing Room at 9:06 am with Ron Houseman (absent), Danny Strahan (present), and Brandon Williams (present). The following proceedings were had and made a matter of record:

PRELIMINARY STUDY MEETING

The Commission met to discuss the day's business and look over Previous Meeting Minutes and Accounts Payable.

CALL TO ORDER

Commissioner Strahan called the November 7, 2013, meeting to order at 9:06 am.

COMMISSION REMARKS

There were no Commission Remarks at this time.

DOMESTIC VIOLENCE FUNDS

County Treasurer Melanie Smith came before the Commission to present the Women's Crisis Center of Taney County as the recipient of the Domestic Violence Funds for the year of 2013.

Commissioner Williams moved to award the Domestic Violence Funds for the year 2013 to the Women's Crisis Center of Taney County doing business as The Crisis Center. Commissioner Strahan seconded the motion. The motion passed by vote: Houseman (absent), Strahan (aye), and Williams (aye).

INVESTMENT POLICY

County Treasurer Melanie Smith presented her office's Investment Policy to be entered into the record.

I, Melanie Smith, Taney County Treasurer and investment official, do hereby submit this investment policy reflecting the principles set forth in RSMo 30.950. This statute requires every political subdivision of the state responsible for the investment of public funds to adopt a written investment policy outlining a commitment to investment in safe, highly rated investments with a prohibition against leveraging, speculation and derivative securities.

I. Scope

The purpose of the Investment Policy (the "Policy") adopted by the County of Taney, Missouri (the "County") is to guide investment decisions for the County's investment portfolio managed by the County Treasurer within statutory and legal requirements. This Policy applies to the investment of all operating and long-term funds of the County and entities entering into an investment agreement with the County. The Constitution and Laws of the State of Missouri authorize the County Treasurer to invest monies not needed for daily operations of the County. The County Treasurer shall manage the Policy and any modifications made to the Policy shall be approved by the County Commission.

1. Pooling of Funds

The County will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to various funds based on their respective participation and in accordance with the generally accepted accounting principles.

2. External Management of Funds

Investment through external programs, facilities and professionals operating in a manner consistent with this Policy will constitute compliance.

II. General Objectives

The primary objectives, in priority order, of investment activities shall be legality, safety, liquidity, and yield:

1. Legality

The Taney County Treasurer's Office will invest the county's excess funds only within the legal guidelines set forth by the Constitution and Statutes of the State of Missouri. Any investment alternative outside these guidelines is not permissible.

2. Safety

Safety of the principal is the **foremost objective** of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

- **Credit Risk:** The County will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:
 - Pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the County will do business.
 - Diversifying the portfolio so that potential losses on individual securities will be minimized.
- **Interest Rate Risk:** The County will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:
 - Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
 - Investing operating funds primarily in shorter- term securities.

3. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands.

4. Yield

The investment portfolio shall be designed with the objectives of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

III. Standards of Care

1. Prudence

All participants in the investment process shall act responsibly as custodians of the public trust. The standard of prudence to be applied by those with investment authority is the "prudent investor" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." Employees and investment officials acting in accordance with written procedures and this Policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this Policy.

2. Delegation of Authority

Authority to manage the investment program is granted to the County Treasurer, and/or staff authorized by the County Treasurer, hereinafter referred to as investment official and derived from RSMo 110.270. Responsibility for the operation of the investment program is hereby delegated to the investment official, who shall act in accordance with the established procedures and internal controls for the operation of the investment program consistent with this Policy. No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the investment official. The investment official shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of employees involved in the investment process.

IV. Suitable and Authorized Investments

1. Investment Types

In accordance with and subject to restrictions imposed by current statutes, the following list represents the entire range of investments that the County will consider and which shall be authorized for the investments of funds by the County.

- **Governmental and Agency Debt:** Securities issued by and/or guaranteed by the Federal Government or an agency or instrumentality of the Federal Government:
 - **United States Agency Securities.** The County may invest in obligations issued or guaranteed by any agency of the United States Government.
 - **United States Treasury Securities.** The County may invest in obligations of the United States Government for which the full faith and credit of the United States are pledged for the payment of principal and interest.

- **Fixed Income investments secured by FDIC insurance and/or Collateral:**
 - **Collateralized Public Deposit Accounts.** Instruments, such as certificates of deposit, or accounts issued by financial institutions which state that specified sums have been deposited for specified periods of time and at specified rates of interest. The deposit accounts are required to be backed by acceptable collateral securities as dictated by State statute.
 - **Repurchase Agreements.** The County may invest in contractual agreements between the County and commercial banks or primary government securities dealers. The purchaser in a repurchase (repo) agreement enters into a contractual agreement to purchase U.S. Treasury and government agency securities while simultaneously agreeing to resell the securities at predetermined dates and prices. Repos are collateralized as dictated by State Statute.

- **Other Fixed Income Debt issued by Commercial Enterprises:** It should be noted that investments in the following instruments require an additional level of care and prudence when undertaken by the investment official. Because these investments are commercial credits as opposed to governmental credit, or subject to the added safety of collateral, the risk of loss of principal is higher for the following investments than in the four prior categories.
 - **Banker's Acceptances.** Bills of exchange or time drafts on and accepted by a commercial bank, otherwise known as banker's acceptances (BAs).
 - **Commercial Paper.** Commercial paper which has received the highest letter and numeral ranking (i.e., A1 / P1) by at least two NRSROs.
 - **Other Legal Investments as allowed by Missouri Law.**

V. Collateralization

1. All deposits placed in financial institutions must be collateralized with securities pursuant RSMo. 110.010, RSMo. 110.020, RSMo. 30.950 and the Missouri Constitution.
2. All securities which serve as collateral against the deposits of a depository institution, must be safe kept at non-affiliated custodial facilities. (Federal Reserve or Third Party). Depository institutions pledging collateral against deposits must, in conjunction with the custodial agent, furnish the necessary custodial receipts.

FILL DIRT AGREEMENTS

Randy Haes, Devin Huff, and Harlan Collins, with Road & Bridge came before the Commission to present two Fill Dirt Agreements with Ron Todd and Maurice Booth.

Commissioner Williams moved to approve a Fill Dirt Agreement with Ron Todd and another Fill Dirt Agreement with Maurice Booth. Commissioner Strahan seconded the motion. The motion passed by vote: Houseman (absent), Strahan (aye), and Williams (aye).

ROAD & BRIDGE UPDATES

Chip Seal and Striping: has been completed this year.
 Minor Patches: will finish a couple of patches before winter.
 Mowing: on the last round of mowing.
 Winter Materials: Restocked on salt supply waiting on the last couple of loads.

Bridge: For replacement or upgrade are Bull Creek, Coon Creek, Stelhe Road first low water structure, Caney Creek Road second structure, Reno Springs Road first structure, Protem/Cedarcreek Road second Structure, and Sycamore Church Road.

Concrete Work: Three low water crossings that need work or replaced are: Wisconsin Road, Kentucky Hollow Road, and Eagle Ridge Road. They have started on the Wisconsin Road structure.

Road & Bridge Office: The office is approximately 80% complete and should be finished by the end of November.

Equipment: The following equipment needs to be replaced or added: some pickups, tow more dump trucks, tow paver, one roller, and add an additional truck type bush hog for mowing. Other equipment we can possibly downsize are backhoes, graders, and track type loaders.

Scheduled Projects: The following projects will be worked on as time and weather allows: New entry for the Fairview Church Road onto State Hwy 160, raise and widen the intersection of the adjoining roadways of Cane Creek and McKee/Keys Road, upkeep on roads that have been taken into the County Road System in the last five years, and replace the roofs on the 86 Highway salt shed and the Hilda salt building.

Road Vacations: There are several roads in the Big Cedar area have been petitioned to be vacated. The mapping also show several vacated roads that the Road & Bridge are currently maintaining.

Projects that are being considered: Improvements to the intersection of Buchanan Road and State Highway 248, and widening the middle portion near the American Quarry, and possibly changing the intersection of the Outer Road and the entrance of Buchanan Road, realign Acasia Club Road from V Highway to the Sewer Lift Station, Forsyth/Taneyville Road will need to be realigned, and relocate the approach of Brace Hill Road on M Highway.

Transfer Station: They have received three quotes on an overhead door on the lower end.

RECESS

9:56 AM

RECONVENE

10:04 AM

EXECUTIVE SESSION PER SECTION 610.021(3)

Commissioner Williams moved to go into Executive Session pursuant to RSMo 610.021(3) Commissioner Strahan seconded the motion. The motion passed by roll call vote: Houseman (absent), Strahan (aye), and Williams (aye).

EXECUTIVE SESSION

10:05 AM

See Executive Session Minutes for any actions or motions.

Commissioner Williams moved to exit out of Executive Session. Commissioner Strahan seconded the motion. The motion passed by roll call vote: Houseman (absent), Strahan (aye), and Williams (aye).

OUT OF EXECUTIVE SESSION

10:38 AM

Commissioner Williams moved to adjourn. Commissioner Strahan seconded the motion. The motion passed by vote: Houseman (absent), Strahan (aye), and Williams (aye).

ADJOURN

10:38 AM

The minutes were taken and typed by Stacey Clemans, Deputy Clerk.