

**RESOLUTION NO. 2013-**

**A RESOLUTION ADOPTING A RESPONSIBLE BANKING POLICY**

**RECITALS:**

- A. The City of Ashland makes investments in accordance with the City's Investment Policy as well as Oregon Revised Statutes.
- B. The objectives of the City's investment portfolio are to preserve principal, provide sufficient liquidity to serve the City's needs and to generate a fair return; to achieve these objectives; the City invests in a diversified portfolio of conservative investments.
- C. In addition to a diversified portfolio, the City of Ashland makes deposits in banks and relies on banks for banking and treasury management services including checking, electronic transfers and credit card processing services.
- D. Large and small financial institutes in the Ashland area are a vital part of our economic, philanthropic, and civic infrastructure and many bank leaders in this region strive together with government to create a more vibrant community.
- E. The economic recession that began in 2007 and some federal programs and banking policies severely limited financing options for homeowners and many small businesses.
- F. When financial institutions tailor their decision making, lending policies, and practices to the needs of the local community, they are better positioned to help sustain the local economy and local employment.
- G. The City of Ashland supports allowing local governments to deposit more than the current NCUA insurance limit of \$250,000 in State approved credit unions beginning in 2013.
- H. It is in the City's best interest to increase participation in the competitive solicitation process for its banking services during the contracting cycle.

**THE CITY OF ASHLAND RESOLVES AS FOLLOWS:**

**SECTION 1.**

The City of Ashland will continue to evaluate deposits in local financial institutions where those deposits are consistent with the City's Investment Policy criteria of safety, liquidity and yield and when such deposits are consistent with the efficient management of the investment portfolio; accordingly, the Council requests that the City Treasurer continue to exercise diligence in the evaluation of potential opportunities to place deposits within local financial institutions.

**SECTION 2.**

The Council requests that the City Treasurer evaluate local credit unions and financial institutions which are approved as qualified depositories by the State Treasurer provided such deposits are consistent with the City's Investment Policy criteria of safety, liquidity and yield and when such deposits are consistent with the efficient management of the investment portfolio.

**SECTION 3.**

The Council requests the City Treasurer to amend the City's Investment Policy to allow for deposits in credit unions up to the applicable NCUA insurance limit and in local financial institutions up to the applicable FDIC insurance limit and to bring the amendment to Council for

approval as part of the annual review of the Investment Policy.

SECTION 4.

In an effort to maximize competition for banking services and create an environment that encourages local participation in the solicitation process, the City Treasurer will work collaboratively with Procurement Services to identify any strategies and best practices that would enhance the chance for local participation in the procurement of banking services during the next contracting cycle.

SECTION 5.

The City Treasurer will research national best practices and include as part of the selection criteria for banking services other aspects of a financial institution's operations possibly including, but not limited to, commitments to local lending and other community investments, small business loan programs, workforce data, and mortgage and interest rate and terms, to the extent they are available at the time of the solicitation process and which provide a reasonable basis of comparison and are allowed under law.

SECTION 6.

This resolution takes effect upon signing by the Mayor.

This resolution was duly PASSED and ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2013, and takes effect upon signing by the Mayor.

\_\_\_\_\_  
Barbara Christensen, City Recorder

SIGNED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
John Stromberg, Mayor

Reviewed as to form:

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David H. Lohman, City Attorney