



CMTA Investment Policy Scorecard

NAME OF ENTITY:				
City of Beaumont				
EVALUATOR:				
Deborah M. Higgins, President Higgins Capital				
SECTION 2 – SCOPE – MAX 5 POINTS	5	SECTION 11 – COLLATERALIZATION – MAX 5 POINTS	5	
SECTION 3 – PRUDENCE – MAX 5 POINTS	5	SECTION 12 – SAFEKEEPING AND CUSTODY – MAX 5 POINTS	5	
SECTION 4 – OBJECTIVE – MAX 5 POINTS	5	SECTION 13 – DIVERSIFICATION – MAX 5 POINTS	5	
SECTION 5 – DELEGATION OF AUTHORITY – MAX 5 POINTS	5	SECTION 14 – MAXIMUM MATURITIES – MAX 5 POINTS	5	
SECTION 6 – ETHICS AND CONFLICTS OF INTEREST – MAX 5 POINTS	5	SECTION 15 – INTERNAL CONTROLS – MAX 5 POINTS	5	
SECTION 7 – AUTHORIZED DEALERS & INSTITUTIONS – MAX 5 POINTS	5	SECTION 16 – PERFORMING STANDARDS – MAX 5 POINTS	5	
SECTION 8 – AUTHORIZED & SUITABLE INVESTMENTS – MAX 10 POINTS	10	SECTION 17 – REPORTING – MAX 10 POINTS	5	
SECTION 9 – REVIEW OF INVESTMENT PORTFOLIO – MAX 5 POINTS	4	SECTION 18 – INVESTMENT POLICY ADOPTION – MAX 5 POINTS	5	
SECTION 10 – INVESTMENT POOLS/MUTUAL FUNDS – MAX 5 POINTS	5	SECTION 19 – GLOSSARY – MAX 5 POINTS	5	
TOTAL		49		
		TOTAL		45
		GRAND TOTAL		94
CERTIFIED (85 POINTS OR ABOVE):				
<input checked="" type="radio"/> YES	<input type="radio"/> NO			
EVALUATOR COMMENTS:				
<p>Section 3 – Prudence: Suggest you remove the last sentence under this section. I believe “seek optimize portfolio return subject to these constraints” would be better suited for explanation under Section 16 Performing Standards.</p> <p>Section 9 – Review of Investment Portfolio: Suggest you add a separate section on the review of the portfolio. Your IP has commentary on review of credit downgrades and your procedures, but I could not find your timeframe for review of your securities. For example, how do you know a credit has been downgraded? Based on a monthly review, quarterly review, etc.</p> <p>Section 11 – Collateralization: Suggest you add this section to highlight the collateralization requirements on certificates of deposit at 110% of market value and repurchase agreements at 102% of market value. Or, for consistency, under 7. Collateralized Time Deposits, add the 110% of market value for Certificates of Deposits that is consistent with 10. Repurchase Agreements at 102% of market value.</p> <p>Section 17 – Reporting: Code has 2 sections that address reporting requirements. 53607 & 53646. Your policy addresses 53646. However, if the council delegates authority (which is Beaumont’s case), you MUST submit monthly transactions reports. If you chose to report quarterly (in addition to monthly transaction reporting), there are specific guidelines you must adhere to. I suggest that you add the quarterly report shall be submitted within 30 days following the end of the quarter covered by the report.</p> <p>Section 19 – Glossary: I suggest that you review the Glossary and remove terms that are not in the body of the Investment Policy. For example, Accrued Interest and Amortization are only found in the Glossary.</p>				

