

MINUTES OF THE HOUSE COMMITTEE ON COMMERCIAL AND FINANCIAL INSTITUTIONS

The meeting was called to order by Representative Delbert L. Gross at \_\_\_\_\_  
Chairperson

3:30 ~~xxx~~ a.m./p.m. on March 25, 1992 in room 527-S of the Capitol.

All members were present except:

Committee staff present: Bill Wolff, Legislative Reserach Department  
Bruce Kinzie, Revisor of Statutes  
June Evans, Secretary

Conferees appearing before the committee: Ann Smith, Director of Legislation, Kansas Association of Counties  
Paul E. Fleener, Director, Public Affairs Div., Kansas Farm Bureau  
Cathy Holdeman, Intergovernmental Relations Director, City of Wichita  
Nancy L. Zielke, Finance and Budget Director, Kansas City, Kansas

The Chairperson called the meeting to order at 3:30 P.M. and stated the hearing would continue on SB 480.

Ann Smith, Director of Legislation, Kansas Association of Counties, was the first to testify supporting SB 480. KAC membership approved platform statement as follows: "Local governments should have the ability to earn a higher rate of return on collected revenue - without exposing these public funds to unsafe of risky investments." SB 480 accomplishes these goals. (See Attachment 1).

Paul E. Fleener, Director, Public Affairs Division, Kansas Farm Bureau, provided testimony in support of SB 480. The Kansas Farm Bureau represents farmers and ranchers in each of the 105 counties.

The Kansas Farm Bureau encourages the establishment by statute appropriate provisions concerning investment of state and local idle funds and provisions should: (1) Maximize the safety of the deposits. (2) Prohibit the opportunity for favoritism or inappropriate investments. (3) Insure the highest possible percentage of the funds be invested in banks throughout Kansas for the purpose of assisting economic growth in both the urban and rural areas of the state; and (4) provide the best possible return on the funds which is consistent with the highest safety and best economic use of the funds. (See Attachment 2).

Kathy Holdeman, Intergovernmental Relations Director, City of Wichita, provided testimony supporting SB 480. This bill is a viable tool to diversify local units of government to diversify source of revenues to enable us to fund government operations.

The average rate of return as declined, however, whether the market is declining, stagnant or growing, municipalities have the ability to earn more money on idle fund investments under the proposed legislation. One of the most important features of this bill is the ability for units of local government to earn "investment rate" versus the 91 day T-bill rate. (See Attachment 3).

Pete McGill & Associates provided testimony in support of SB 480, stating the bill modifies the current investment procedures of state idle funds and establishes investment criteria for local units of government.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON COMMERCIAL & FINANCIAL INSTITUTIONS,

room 527-S Statehouse, at 3:30 ~~am~~ <sup>XX</sup> p.m. on March 25, 1992.

To assure the safety and soundness of monies in investments, safeguards are in order. Those defined in the bill such as the types of permissible investments, qualifications of investment firms utilized, length of investment periods and the qualifications of the PMIB are essential to safeguarding the taxpayers money. (See Attachment 4).

Nancy L. Zielke, Finance and Budget Director, Kansas City, Kansas, testified in support of SB 480. The bill broadens the authority of local units of government to invest idle funds in a manner that would safely earn market rates of return for local taxpayers. The enhanced yield on the idle funds lessens pressures on property taxes. The City of Kansas City, Kansas could realize increased interest earnings that could range from .75 to 1.5 percent annually. A minimum of .75 percent could increase the city's interest earnings to \$500,000. This yield amount could reach \$1,000,000 if the higher interest rates were achieved. This could result in an estimated city property tax savings of approximately 1.75 to 3.25 percent. (See Attachment 5).

Discussion followed the testimony.

On Page 30, lines 30 thru 33, questioned investment experience -- should "standard of experience".

It was questioned if there was a balloon?

There was a balloon but the information the governor wanted included was not received in time to be incorporated, therefore, the balloon will be rewritten and distributed on March 26.

It was asked how often the Board met?

Ms. Thompson replied, "when necessary, at a minimum quarterly." It was further stated that policies are being drawn up at this time.

It was asked what the fees were for a \$10M T-Bill -- \$50 to \$60.

It was asked if Section 2 was a new Section.

Yes, do you approve.

Yes.

It was asked how many additional employees would be hired for the PMIB.

Five additional people will be hired.

It was asked if the term for the board members should be limited?

The Governor accepts the proposed expansion of the Pooled Money Investment Board from three to five members but does not support amending this section to allow appointed members to serve terms of office. Once a Board member is appointed, he or she cannot be removed except for, generally bad conduct while on the Board.

The Chairperson asked why the Treasurer's qualifications were not addressed?

The Treasurer replied, the qualifications were addressed in SB 481. It is important for the Treasurer to have expertise in finance and management. SB 480 is a completely different issue.

It was stated both the former Treasurer and the present Treasurer were well qualified.

The meeting was adjourned at 5:00 P.M.

No testimony

Attachment 6 - Kansas Nebraska League of Savings

Attachment 7 - Chris McKenzie, League of Municipalities

Date: 3/25/92

GUEST REGISTER  
 HOUSE COMMITTEE COMMERCIAL & FINANCIAL INSTITUTIONS

NAME	ORGANIZATION	ADDRESS
Carolyn Arganbright	Marshall Co. TREASURER	Marysville.
MIKE BILLINGER	ELLIS CO. TREASURER	HAYS
GERRY RAY	Johnson Co. Comm.	Olathe
GARY WATSON	TRECO Co. TREASURER	WAKEFENY
VERDEN HARMS	MARION Co. TREAS.	MARION, Kans.
Jane Smith	Ks. Assoc. of Counties	Topeka
Jim Miller	KBA	"
Walter Dwyer	"	"
Chuck Horn	"	"
Alan Steppat	Topeka	Pete McCall + Associates
Sally Thompson	State Treasurer	Topeka -
Jessie Diller	Adm	Topeka
RANDY TORCIOR	POST AUDIT	TOPEKA
Paul E. Fleener	Kansas Farm Bureau	Manhattan
Nancy Ziolke	city of KCK	Kansas City





"Service to County Government"

1275 S.W. Topeka Blvd.  
Topeka, Kansas 66612  
(913) 233-2271  
FAX (913) 233-4830

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Wabaunsee County Sheriff  
Wabaunsee County Courthouse  
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Roy Patton  
Harvey County Weed Director  
(316) 283-1890

Nancy Prawl  
Brown County Register of Deeds  
(913) 742-3741

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Howard Hodgson  
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Harvey Leaver  
Leavenworth County Engineer  
(913) 684-0468

Mark Niehaus  
Graham County Appraiser  
(913) 674-2196

Gary Watson  
Trego County Treasurer  
(913) 743-2001

Vernon Wendelken  
Clay County Commissioner  
(913) 461-5694

Barbara Wood  
Bourbon County Clerk  
(316) 223-3800, ext 54

**NACo Representative**

Keith Devenney  
Geary County Commissioner  
(913) 238-7894

**Executive Director**

John T. Torbert, CAE

TO: Representative Delbert Gross, Chairman  
Commercial and Financial Institutions  
Committee

FROM: Anne Smith, Director of Legislation

DATE: March 24, 1992

RE: Senate Bill 480

The Kansas Association of Counties supports SB 480. Our membership approved platform statement is as follows: "Local governments should have the ability to earn a higher rate of return on collected revenue - without exposing these public funds to unsafe or risky investments." SB 480 accomplishes these goals.

Kansas banks have long enjoyed a monopoly on idle public funds. There was a time when that sort of relationship made some sense. It served the banking community well and it served local governments and the taxpayers they represent well. This relationship, as it is set out in state law, has not kept pace with change however. What worked twenty and thirty years ago doesn't work nearly as well now. It is no longer appropriate that local taxpayers subsidize the banking industry. That system may work for the banker but it doesn't work for the county that is trying to get a higher return on their investment dollars so that property tax increases can be kept to a minimum level.

We are in a period of time when people are demanding a lot from their government. There is a concern about property taxes and a general mistrust of elected officials - no matter what branch of government they represent. At the same time, most taxpayers want the services that government provides them to continue. Some even want more service but don't seem to realize that this might cost money. This basic contradiction puts local government in the position of having to find more and more creative ways to service the public. Anything that can be done to improve the revenue stream while not putting public funds at risk is good policy. SB 480 represents such a policy. Every dollar that is raised through investment is one that doesn't have to be raised through taxation.

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KAC believes that SB 480 will also focus more courthouse attention on investments. This is also a desired result. The county treasurers in this state, some of which you will hear from in a few minutes, have invested a lot of time and money in putting together extensive training programs on money management. They will be well served by such legislation - as will the taxpayer.

It is rare that legislators get the opportunity to vote for legislation that is not a "mixed bag" - that is, the legislation, in an attempt to balance competing interests contains both good and bad features. This legislation is unique in that it doesn't have the usual "bad" features. It increases the potential rate of return on investments. It protects the safety and security of public dollars. And it protects the local business interests, if they still chose to be protected. It also solves the problem of not being able to provide a guaranteed place in which these public dollars can be invested. This issue has become more and more of a problem. Increasingly, banks don't want the public dollars. The cost factors are simply too high for them.

This is good legislation. KAC urges your support of SB 480.

TSAS480

/ /



# PUBLIC POLICY STATEMENT

HOUSE COMMITTEE ON COMMERCIAL AND FINANCIAL INSTITUTIONS

RE: S.B. 480 -- Relating to the Investment of Public Funds

March 25, 1992  
Topeka, Kansas

Presented by:  
Paul E. Fleener, Director  
Public Affairs Division  
Kansas Farm Bureau

**Mr. Chairman and Members of the Committee:**

We appreciate the opportunity to present the views of farmers and ranchers in Kansas concerning the investment of public funds. For the record, my name is Paul E. Fleener. I am the Director of Public Affairs for Kansas Farm Bureau. We represent farmers and ranchers in each of the 105 counties of Kansas.

Last summer ... August, 1991 ... our Kansas Farm Bureau Resolutions Committee had an opportunity to hear from the State Treasurer and the Kansas Bankers Association concerning philosophies and practices in the investment of Public Funds. The Resolutions Committee of our organization is the committee responsible for researching, examining closely public policy issues and sharing information on those issues with our farmers and ranchers throughout the state. Every member of the Resolutions Committee is a farmer. Each represents 10 or 11 counties (an administrative structure in our organization), so the entire state is represented.

After hearing both sides of the issue discussed, our Resolutions Committee shared with Policy Committees in each of the 105 counties information on investment of Public Funds. Responses came back to the

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committee, indicating strongly the desire to retain in Kansas a system of placement or bidding for Public Funds so that financial institutions in rural Kansas are not cut out of the picture ... still have an opportunity to bid on, receive, utilize in local communities some of the Public Funds that may become available through state government. With that thought uppermost in their minds, the Resolutions Committee developed a "tentative" resolution and presented it to the delegate body at our annual meeting in November, 1991. The delegates discussed, amended and eventually adopted the language shown below. We share this with you today and encourage you as you examine S.B. 480 to keep in mind the desire of farmers and ranchers throughout the state for a system of Public Funds Investment that permits small banks, small financial institutions and rural settings an opportunity to receive some of these funds. We thank you for the opportunity to present this policy position of the farmers and ranchers in Kansas who are members of the 105 County Farm Bureaus.

### **Idle Funds Investments**

**GOV-4**

We encourage the Legislature to establish by statute appropriate provisions concerning investment of state and local idle funds. We believe those provisions should:

1. Maximize the safety of the deposits.
2. Prohibit the opportunity for favoritism or inappropriate investments.
3. Insure that the highest possible percentage of the funds be invested in banks throughout Kansas for the purpose of assisting economic growth in both the urban and rural areas of the state; and
4. Provide the best possible return on the funds which is consistent with the highest safety and best economic use of the funds.



HOUSE COMMERCIAL AND FINANCIAL INSTITUTIONS  
TESTIMONY: SENATE BILL 480  
INVESTMENT OF IDLE FUNDS  
MARCH 25, 1992

CHAIRMAN GROSS AND MEMBERS OF THE HOUSE COMMERCIAL AND FINANCIAL INSTITUTIONS COMMITTEE, I AM CATHY HOLDEMAN, INTERGOVERNMENTAL RELATIONS DIRECTOR FOR THE CITY OF WICHITA. THE CITY OF WICHITA WOULD LIKE TO GO ON RECORD IN SUPPORT OF SENATE BILL 480.

STATE TREASURER SALLY THOMPSON AND OTHERS HAVE OUTLINED FOR YOU INVESTMENT OPTIONS AVAILABLE WITH THE PROPOSED LEGISLATION. THOSE EXPANDED OPTIONS ALLOW A HIGHER RATE OF RETURN ON INVESTMENTS MADE BY THE STATE OF KANSAS AND BY UNITS OF LOCAL GOVERNMENT. WITH THE CURRENT PRESSURE ON THE GENERAL PROPERTY TAX, LOCAL UNITS OF GOVERNMENT NEED TO CONTINUALLY LOOK FOR WAYS TO DIVERSIFY OUR SOURCE OF REVENUES TO ENABLE US TO FUND GOVERNMENT OPERATIONS. THIS BILL IS A VIABLE TOOL WHICH CAN ASSIST US IN THAT ENDEAVOR.

AT ANY ONE TIME THE CITY OF WICHITA HAS APPROXIMATELY \$125 MILLION IN IDLE FUND INVESTMENTS. IN REVIEWING 1991 INVESTMENTS, THE CITY ESTIMATES THAT AN ADDITIONAL \$1,000,000 COULD HAVE BEEN EARNED ON OUR INVESTMENTS IF THE CITY WOULD HAVE HAD THE OPTIONS AVAILABLE UNDER SENATE BILL 480. THIS ESTIMATE IS BASED ON A 1 PERCENT INCREASE IN EARNINGS.

TO PUT THIS IN PERSPECTIVE, I WOULD LIKE TO GIVE YOU A FEW EXAMPLES OF WHAT \$1,000,000 CAN FUND IN TERMS OF PUBLIC SERVICES.

THE SALARIES OF APPROXIMATELY TWENTY-TWO POLICE OFFICERS  
APPROXIMATELY 20% OF THE LIBRARY'S OPERATING BUDGET  
THE OPERATING COST OF ONE OF THE CITY'S FIRE STATIONS  
NEARLY THE ENTIRE OPERATING COST FOR THE ART MUSEUM  
THE ANNUAL COST OF FLOOD CONTROL MAINTENANCE

OBVIOUSLY IN TODAY'S MARKET OUR AVERAGE RATE OF RETURN HAS DECLINED AND SO WILL OUR ESTIMATES ON FORGONE INTEREST EARNINGS. HOWEVER, THE POINT IS THIS - WHETHER THE MARKET IS DECLINING, STAGNANT OR GROWING, MUNICIPALITIES HAVE THE ABILITY TO EARN MORE MONEY ON IDLE FUND INVESTMENTS UNDER THE PROPOSED LEGISLATION.

ONE OF THE MOST IMPORTANT FEATURES OF THIS BILL IS THE ABILITY FOR UNITS OF LOCAL GOVERNMENT TO EARN "INVESTMENT RATE" VERSUS THE 91 DAY T-BILL RATE. "INVESTMENT RATE" IS DEFINED AS THE EQUIVALENT YIELD ON U.S. GOVERNMENT SECURITIES HAVING MATURITIES COMPARABLE TO THE TERM OF THE OFFERED DEPOSIT. LOCAL BANKS ARE GIVEN FIRST OPTION FOR A MUNICIPALITY'S MONEY IF THEY PAY "INVESTMENT RATE". THIS ONLY SEEMS FAIR. OUR CITIZENS DESERVE A FAIR RATE OF RETURN ON PUBLIC DOLLARS.

IF THE BANKS DO NOT PAY "INVESTMENT RATE", MUNICIPALITIES THEN HAVE OTHER OPTIONS SUCH AS INVESTING IN THE STATE INVESTMENT POOL OR WITH TRUST DEPARTMENTS OF BANKS. IF A MUNICIPALITY CAN DEMONSTRATE CERTAIN EXPERTISE, THEY CAN MAKE THE SAME INVESTMENTS AS AUTHORIZED FOR THE STATE INVESTMENT POOL. THIS GIVES UNITS OF LOCAL GOVERNMENT OPTIONS FOR SAFE INVESTMENTS THAT INCREASE THE POTENTIAL RATE OF RETURN, YET PROTECT PUBLIC DOLLARS.

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THERE WILL BE THOSE WHO WILL QUESTION WHETHER OR NOT UNITS OF LOCAL GOVERNMENT OF ALL SIZES HAVE THE ABILITY TO MAKE WISE INVESTMENTS. MOST WILL NOT QUESTION THE CITY OF WICHITA'S ABILITY AS WE ARE THE LARGEST CITY IN THE STATE AND CAN DEVOTE THE EFFORTS OF A PROFESSIONAL STAFF PERSON TO THIS TASK. FOR THE MOST PART, QUESTIONS WILL CENTER ON THE ABILITIES OF SMALL MUNICIPALITIES. IN ANSWER TO THIS QUESTION, I WOULD LIKE TO POINT OUT THAT THE BILL REQUIRES ALL UNITS OF LOCAL GOVERNMENT TO HAVE A WRITTEN INVESTMENT POLICY, ANNUALLY APPROVED BY THE GOVERNING BODY, AND THE POOLED MONEY INVESTMENT BOARD. THIS POLICY MUST ADDRESS SAFETY OF PRINCIPAL, LIQUIDITY, YIELD, DIVERSIFICATION, MATURITY AND QUALITY OF INVESTMENTS, AS WELL AS THE CAPABILITIES OF AN IN-HOUSE INVESTMENT MANAGER.

AS THIS BILL WAS DEVELOPED IT WAS DETERMINED THAT IT WAS IMPORTANT FOR THE PERSON MAKING THESE INVESTMENTS TO BE EMPLOYED BY THE UNIT OF GOVERNMENT. THIS WILL PREVENT AN OUTSIDE MONEY MANAGER FROM OVERSEEING THE INVESTMENTS OF ANY COMMUNITY. AS A RESULT, A COMMUNITY WILL BE PROTECTED FROM SUCH AN INDIVIDUAL MAKING INVESTMENTS TO SERVE THEIR OWN SELF INTEREST, OR THE INTEREST OF AN INVESTMENT FIRM. IT IS NOT UNCOMMON FOR SMALL CITY MANAGERS TO HAVE THE EXPERTISE THAT IS NECESSARY TO MAKE WISE INVESTMENTS, AND THUS THE CITY OF WICHITA BELIEVES THIS BILL CAN BE SAFELY UTILIZED BY BOTH SMALL AND LARGE COMMUNITIES.

IN CLOSING, THE CITY OF WICHITA, LIKE OTHER UNITS OF GOVERNMENT, TAKES VERY SERIOUSLY OUR RESPONSIBILITY TO INVEST PUBLIC DOLLARS ENTRUSTED TO US BY THE TAX PAYERS. WE BELIEVE THE OPTIONS PRESENTED IN THIS BILL ALLOW US TO BETTER MAXIMIZE OUR RATE OF RETURN, WHILE MAINTAINING THE SAFETY AND LIQUIDITY OF PUBLIC DOLLARS. WE URGE YOU TO FAVORABLY CONSIDER THIS BILL AS IT IS ONE THAT IS IN THE BEST INTEREST OF THE STATE OF KANSAS AS WELL AS UNITS OF LOCAL GOVERNMENT.

**TESTIMONY  
OF  
PETE MCGILL  
OF  
PETE MCGILL & ASSOCIATES**

**ON BEHALF OF  
COMMUNITY BANKERS ASSOCIATION**

**PRESENTED BEFORE**

**THE HOUSE  
COMMERCIAL & FINANCIAL INSTITUTIONS  
COMMITTEE**

**March 24, 1992**

**RE: SB 480**

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3-25-92  
Atch # 4*

**Comments regarding**  
**SENATE BILL 480**  
**House Committee**  
**on**  
**Commercial & Financial Institutions**

**March 24, 1992**

Senate Bill 480, as amended, modifies the current investment procedures of state idle funds and establishes investment criteria for local units of government. Amendments attached to the bill from the Senate Committee have alleviated many of our original concerns regarding this proposal. The bill represents compromises from both the banking community, the state treasurers, and other treasurers of public funds within the state. We view these compromises as a positive step in protecting the liquidity and future development needs of the communities our members serve throughout the state.

Many community banks rely on local public fund deposits to provide the liquidity necessary to fund loan demand to small businesses, farms and consumers. For this reason, the ability to use funds available for investment from the state as well as local municipalities enables the ability of banks to have reliable funds available for use by the communities which enhances the local economics throughout the state. The new provisions of SB 480 provide market rates for public deposits while establishing a fair cost for the funds as determined by a readily available index.

To assure the safety and soundness of monies in investments, safe guards are in order. Those defined in the bill such as the types of permissible investments, qualifications of investment firms utilized, length of investment periods and the qualifications of the PMIB are essential to safeguarding the tax payers' money. The principal concern of any elected public Community Bankers Association official should first be the safety of the funds and secondly, the investment return on those funds. Without sufficient measures of prudence, the lure of high yields alone could result in a financial botch such as the one recently experienced by Iowa municipalities in December, or unfortunately, that was incurred by the KPERS board just over a year ago. It seems far better to temper sound judgment with an increased yet conservative yield increase as Senate Bill 480 attempts to do.

With the additional duties and responsibilities of the PMIB, the expansion of this Board is a necessity. It is our recommendation that the bill be amended to include guidelines in board selection to require that at least one of the five Pooled Money Investment Board appointees be a representative from rural Kansas. While it is important that the PMIB possess the knowledge requirements to make sound investment decisions, it is also essential to provide taxpayers with fair representation of the economically diverse rural and urban populations.

Additionally, the bill lacks any comparison mechanism for the legislature to monitor the safety, soundness and rate of return on invested public funds. If we are to truly judge the success of this legislated change in operations of the State Treasury, a basis to report its results is essential. This comparative report should be a part of, or an addition to, the annual audit required in the legislation. City treasurers, county treasurers, and the state treasurer have all testified to the increased earnings that will occur without jeopardizing the safety of public funds that this legislation will produce. It only seems reasonable that the legislature will want to monitor this new process in order that you can judge for yourselves, the actual gains or losses created by the new investment techniques in the bill.

Thank you for the opportunity to express our view on Senate Bill 480.





# CITY OF KANSAS CITY, KANSAS



**Nancy L. Zielke**  
**Finance and Budget Director**  
**One McDowell Plaza**  
**Kansas City, Kansas 66101**  
**(913) 573-5270**

March 24, 1992

Representative Delbert Gross:  
Chairman of House Committee on Commercial and Financial Institutions  
State Capitol Room 115-South  
Topeka, Kansas 66612

**RE: SENATE BILL 480 - INVESTMENT OF IDLE FUNDS**

Dear Chairman Gross  
and Members of the House Committee on Commercial and Financial Institutions:

The City of Kansas City, Kansas strongly urges the support of the House Committee on Commercial and Financial Institutions to consider passage of Senate Bill 480. The current Senate Bill as studied by the Legislative Budget Committee and recommended by the State Treasurer and further amended by the Senate Committee of Commercial and Financial Institutions enhances and expands existing investment authority of both state and local governments throughout the State.

The City of Kansas City, Kansas views Senate Bill 480 as broadening the authority of local units of government to invest idle funds in a manner that would safely earn market rates of return for local taxpayers. In today's environment, enhanced yield on our idle funds lessens pressures on property taxes. The City of Kansas City, Kansas could realize increased interest earnings that could range from .75 to 1.5 percent annually. A minimum of .75 percent could increase the City's interest earnings to \$500,000. This yield amount could reach \$ 1,000,000 if the higher interest rates were achieved. This could result in an estimated City property tax savings of approximately of 1.75 to 3.25 percent.

The City of Kansas City, Kansas understands broadening of the public investment authority will provide opportunity for Kansas government entities to raise revenues without raising taxes. It is the proper exercise of fiduciary responsibility to earn interest on public funds to benefit the taxpayers at every level of government, within a strict boundary of safety on return of public funds. This Legislation will ensure that:

- \* **Public funds will only be invested in government securities if and when the local financial institutions decline the funds. Local banks will have first right of refusal on all funds available. Funds will be available on a continual basis all year long.**

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3-25-92  
Atch 5

## SENATE BILL 480 - INVESTMENT OF IDLE FUNDS

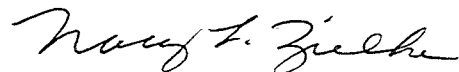
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- \* The competitive bidding process in which funds are invested with the highest bidder will continue. **Local banks will still have the first option at the City investment monies.**
- \* The primary role of the investment of public funds is not to create economic development within the state of Kansas. Public funds should earn the highest rate possible within safety guidelines which in turn can be returned to the taxpayers of Kansas City. Statistics provided by the State Treasurer shows the Kansas based banks are investing 50 cents of every \$ 1.00 of Kansas consumer deposits in government securities purchased out of state. Investment of public funds by banks in government securities is probably much higher due to the short term maturities.
- \* Lengthening maturities does not create more interest rate risk. Over a twenty year history the best earning rates have been between two to five years. Most importantly, the local financial institutions can better use these longer term deposits under the more recent regulations.

The City Council of Kansas City, Kansas unanimously passed a City Resolution expressing support for changes to the general investment authority of local units of government. Its support is based on the need to provide "safeguards" for local units of government to maximize the use of the public funds and be responsible to the taxpayers of the community. The City views Senate Bill 480 as a means to lessen the pressure of real and personal property taxes.

The City of Kansas City, Kansas appreciates the Committee's review and consideration of this proposal.

Respectfully submitted,



Nancy L. Zielke  
Director of Finance/Budget Director

### Attachments

- (A) Resolution of the City of Kansas City, Kansas supporting Senate Bill 480
- (B) Current Kansas Local Unit of Government Investment Process
- (C) State Treasurer's Flowsheet Illustration of Public Funds Bill
- (D) Synopsis of Changes in Local Unit of Government Investment Statutes
- (E) City of Kansas City, Kansas Investment Policies



City of Olathe

March 25, 1992

The Honorable Delbert Gross  
State Capitol Building  
Topeka, KS 66612

Dear Representative Gross:

Enclosed please find a Resolution recently adopted by the City Clerk's and Municipal Finance Officer's Association of Kansas in support of Senate Bill 480. This bill would broaden the authority of local units of government in investing idle funds in a manner that would safely earn market rates of return for local taxpayers. In today's environment, enhanced yields on our idle funds lessens the pressure on real and personal property taxes.

On behalf of the Membership of the City Clerk's and Municipal Finance Officer's Association of Kansas, consisting of city clerks and municipal finance officers from 350 cities throughout the State of Kansas, we urge you to support this Legislation. Your support would be greatly appreciated.

Respectfully submitted,

*Howard Pevehouse*

Howard Pevehouse  
Secretary, City Clerk's and Municipal  
Finance Officer's Association of Kansas

HP/dth

CITY CLERKS AND MUNICIPAL FINANCE OFFICERS ASSOCIATION OF KANSAS

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A RESOLUTION EXPRESSING SUPPORT FOR CHANGES TO THE GENERAL  
INVESTMENT AUTHORITY OF LOCAL UNITS OF GOVERNMENTS.

WHEREAS, K.S.A. 12-1675 establishes the authority for local units of government to invest in public funds which are not immediately required for the purposes which the funds were collected; and

WHEREAS, to enhance revenues, it is the fiduciary duty of each local unit of government entity to earn a fair rate of interest on its available funds consistent with a high degree of liquidity and safety; and


WHEREAS, this country's financial markets have undergone significant structural changes and innovations since the original enactment of K.S.A. 12-1675; and,

WHEREAS, the City Clerks and Municipal Finance Officers Association of Kansas supports efforts to broaden the investment authority of both the state of Kansas and its local government units; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY CLERKS AND MUNICIPAL FINANCE  
OFFICERS ASSOCIATION OF KANSAS

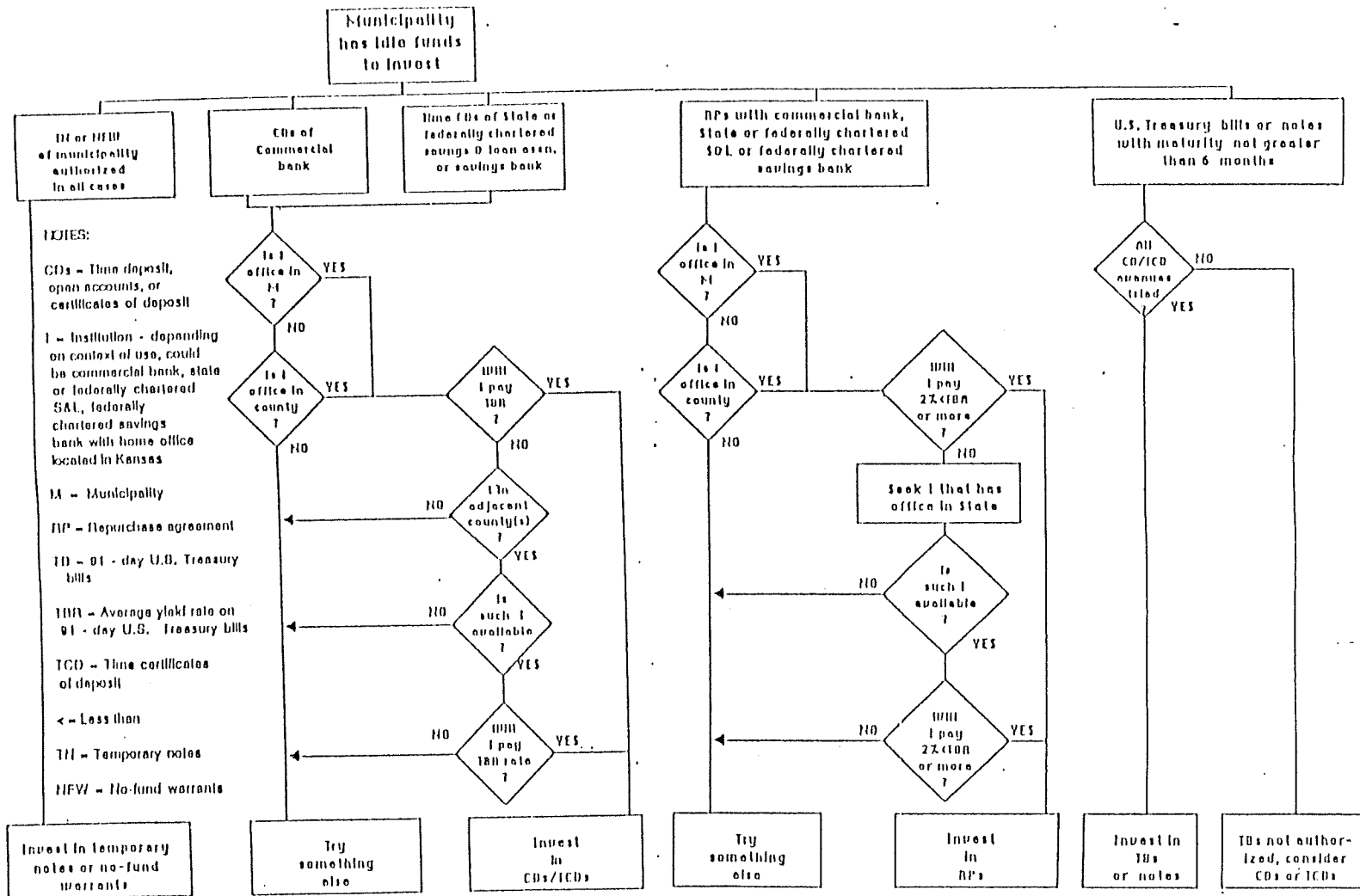
- Section 1: That the City Clerks and Municipal Finance Officers Association of Kansas supports the passage of 1992 Senate Bill No. 480, as recommended by the 1991 Interim Legislative Budget Committee.
- Section 2: That the City Clerks and Municipal Finance Officers Association of Kansas urges the State Legislative Delegation to support Senate Bill 480.
- Section 3: This Resolution shall take effect immediately.

ADOPTED BY THE CITY CLERKS AND MUNICIPAL FINANCE OFFICERS ASSOCIATION  
OF KANSAS THIS 18TH DAY OF MARCH, 1992.



Howard Pevehouse, Olathe, Kansas  
Secretary, City Clerks and Municipal Finance Officers Association of Kansas

**CITY OF KANSAS CITY, KANSAS  
FLOWCHART OF CURRENT CRITERIA UNDER K.S.A. 12-1675 FOR INVESTMENT OF IDLE FUNDS**



APPENDIX B

Source: Kansas Department of Administration, Division of Accounts and Reports, Municipal Accounting Section, September 1990.

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**CITY OF KANSAS CITY, KANSAS  
RESOLUTION NO. 37514**

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**A RESOLUTION EXPRESSING SUPPORT FOR CHANGES TO THE  
GENERAL INVESTMENT AUTHORITY OF LOCAL UNITS OF GOVERNMENTS.**

**WHEREAS**, K.S.A. 12-1675 establishes the authority for local units of government to invest in public funds which are not immediately required for the purposes which the funds were collected; and

**WHEREAS**, to enhance revenues, it is the fiduciary duty of each local unit of government entity to earn a fair rate of interest on its available funds consistent with a high degree of liquidity and safety; and

**WHEREAS**, this country's financial markets have undergone significant structural changes and innovations since the original enactment of K.S.A. 12,1675; and,

**WHEREAS**, the City of Kansas City, Kansas supports efforts to broaden the investment authority of both the state of Kansas and its local government units; and

**WHEREAS**, the City of Kansas City, Kansas estimates that broaden local investment authority could yield an additional minimum of \$ 500,000 annually for its general and bond and interest funds.

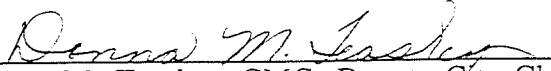
**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE  
CITY OF KANSAS CITY, KANSAS**

**Section 1:** That the City of Kansas City, Kansas supports the passage of 1992 Senate Bill No. 480, as recommended by the 1991 Interim Legislative Budget Committee.

**Section 2:** That the City of Kansas City, Kansas urges the State Legislative Delegation to support Senate Bill 480.

**Section 3:** This Resolution shall take effect immediately.

**ADOPTED BY THE CITY COUNCIL OF THE CITY OF KANSAS CITY, KANSAS  
THIS 30TH DAY OF JANUARY, 1992.**

  
Donna M. Teasley, CMC, Deputy City Clerk

# 1992 SB 480

## Public Funds

*Kansas banks and financial institutions have first right of refusal*

### State Funds

*(Idle Funds)*

- Lengthened maturities up to 4 years

Distribution:

- Capital formula (banks)  
50% or \$350.0 million  
Investment rate
- Competitive bids (banks)  
Market rate
- Repo's (banks, primary dealers)
- U.S. Treasuries
- U.S. Agencies
- 10% MBS limit
- Mtg collateral option
- Operating Account
- Cash Management Function
- PMIB expansion
- Repo custodian power for Treasurer

### Local Funds

*(Idle Funds)*

#### All municipalities (Sec. 3 of SB 480)

- up to 2 year CD  
Investment rate
- up to 2 year maturities on Govt Treasuries
- Repo's  
KS financial institutions
- Municipal Pool
- Trust depts or companies
- Mtg collateral option

#### Municipal Pool (Sec. 1 of SB 480)

- Maturities up to 4 years
- CD's  
financial institutions
- U.S. Treasuries
- U.S. Agencies
- 10% MBS limit
- Repo's  
financial institutions  
primary dealers

#### Cities/Counties only (Sec. 2 of SB 480)

- With approved investment policies:
- Maturities up to 4 years
  - CD's  
financial institutions
  - U.S. Treasuries and Agencies
  - 10% MBS limit
  - Repo's  
financial institutions  
primary dealers
  - Penalty for violation of Sec. 3

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**SYNOPSIS OF SENATE BILL 480  
IMPACT TO LOCAL UNITS OF GOVERNMENT**

**Prepared by City of Kansas City Finance Department**

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The Supplemental Note prepared by the Legislative Research Department highlights the changes for local units of government. Three sections of Senate Bill 480 apply to local units of government. These sections include:

**Section 1** creates the Municipal Investment Pool and allows the state Pooled Money Investment Board (PMIB) to invest monies received from participating local units in:

1. Direct obligations of, or obligations that are insured as to principal and interest by, the United States or any agency thereof, and obligations and securities of U.S. sponsored enterprises which under federal law may be accepted as security for public funds, but not more than 10 percent of the money available for investment under this subsection may be invested in mortgage backed securities;
2. Time deposits in banks, savings and loan associations, and federally chartered savings banks doing business in Kansas;
3. Repurchase agreements, for specified securities, of less than 30 days' duration with Kansas banks and savings and loan associations or with primary government securities dealers.

Investments in direct obligations and time deposits cannot exceed the **four years** except for mortgage backed securities.

Local units of government may deposit monies in the state Pool, **only if**, their local banks or savings and loan associations **will not accept deposits at an interest rate at least equal to the "investment rate"**, which is the equivalent yield on U.S. government securities having maturities comparable to the term of the offered deposit. Furthermore, any deposit in the pool must be for the same term as offered to and refused by the local financial institutions.

Interest earnings of the pool will be distributed prorata to the participating local units. However, the State Treasurer may access reasonable charges not to exceed one percent of such earnings for administrative expenses. A reserve fund is established to cover potential losses. Resources of this fund would be part of the charges assessed, as determined by the Treasurer, and any realized capital gains of the pool fund.

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**SYNOPSIS OF SENATE BILL 480  
IMPACT TO LOCAL UNITS OF GOVERNMENT**

**Prepared by City of Kansas City Finance Department**

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**Section 2** of the Bill applies only to cities and counties that have written investment policies approved by their governing bodies and by the PMIB. Such cities and counties may make the same investments directly as the PMIB may make for the investment pool, but only if their local banks or savings and loan associations will not accept deposits at an interest rate at least equal to the "investment rate" referred to above. This section also contains provisions designed to safeguard investments in repurchase agreements and authorized securities.

**Section 3** of Senate Bill 480 also amends KSA 12-1675, the current statute governing investment authority of local units. The principal changes are to:

1. Eliminate all reference to the 91-day treasury bill rate and to substitute the "investment rate" as the benchmark for local government interest bearing deposits in banks and savings and loans associations for the certain repurchase agreements;
2. Establish a two-year limitation on maturities of deposits in financial institutions;
3. Allow for investment in U.S. Treasury bills and notes with maturities not exceeding two years (present limitation is six months), but only if eligible local financial institutions will not accept deposits at a rate at least equal to the "investment rate";
4. Permit investments with trust departments of banks with an office in the investing unit, or with trust companies which have contracted to provide trust services for banks with an office in the investing unit, limited to the same investments allowed under Section 1(b) and only if local financial institutions will not accept deposits at a rate at least equal to the "investment rate";
5. Provide safeguards for investment in repurchase agreements.

Under the proposed legislation the State Treasurer will weekly calculate and publish the "investment rate" in the **Kansas Register**. The State Treasurer is also required to calculate the market rate on the day before the offering of any deposits to Kansas banks on a competitive basis.

0083346

(Published January 10, 1985)

ORDINANCE NO. 64778

AN ORDINANCE relating to the procedure for the investment of temporarily idle city moneys amending Section 2-12 of the Code of Ordinances, City of Kansas City, Kansas, and repealing original Section 2-12.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KANSAS CITY, KANSAS:

Section 1. That Section 2-12 of the Code of Ordinances, City of Kansas City, Kansas, be and the same is hereby amended to read as follows:

Sec. 2-12. Same -- Procedures.

Sec. 2-12(1). On or before October 1, 1982, the governing body of the city shall cause to be prepared and mailed to each eligible bank and trust company that has been designated by the city as a depository of its funds and each eligible savings and loan association that has been designated by the city as a depository of its invested funds a letter inquiring whether such financial institutions wish to be solicited for competitive bids on an ongoing basis on the investment of idle city monies, and inviting them to participate in such a bid process. Those institutions responding affirmatively shall be placed on a list of institutions to be solicited each time idle city monies are available for investment.

Sec. 2-12(2). The city treasurer, on an ongoing basis shall determine the amount of money available for investment and the period of time such amount will be available for investment. He shall so limit the amounts available for investment and schedule the maturities of such investments so that the city will at all times have sufficient moneys available on demand deposit to ensure prompt payment of all city obligations.

Sec. 2-12(3). The city treasurer shall determine the appropriate type and term of investment that should be made and shall make the investment pursuant to the following procedure:

(a) He or she shall package temporarily idle city monies



so as to secure the highest available interest rate.

- (b) He or she shall seek competitive bids by telephone on both the entire amount available for investment and any portion of that amount from all eligible financial institutions which have expressed an interest in bidding.
- (c) He or she shall document all bids received on a form which shall include the amount being bid upon, the term of the investment, the maturity date, the time each bid was solicited, the time each bid was received, the name of each financial institution called, the interest rate bid by each institution, and the ninety-one-day treasury bill rate at its most recent offering prior to the time the bid was received. Each bid form shall then be signed and dated by the city treasurer and/or assistant city treasurer.
- (d) He or she shall accept the highest interest rate bid on investments of idle city monies; provided, however, that if the highest bid is less than the ninety-one-day treasury bill rate, then the city treasurer is directed to invest the idle city monies in ninety-one-day treasury bills. The ninety-one-day treasury bill rate referred to above, is the ninety-one-day treasury bill rate (bond equivalent yield basis) derived from the most recent Monday auction by the Federal Reserve bank.
- (e) He or she shall invest the idle monies on behalf of the City of Kansas City, Kansas.

Sec. 2-12(4). The city treasurer, the city treasurer's office, or anyone associated with receiving or reviewing bids shall not release, divulge, or publicize such bids to other bidders, to other financial institutions or to the public until after the successful bidder has been notified of the acceptance of its bid and the investment has been made, or until the treasury bills have been purchased.

Sec. 2-12(5). The city treasurer shall submit all original bid tabulation sheets to the governing body of the city weekly for their review along with an accounting of all investments

made, including the amounts invested, the rate of interest received, the yield, the name of the institution where invested, the type of investment made, and the date of the investment made.

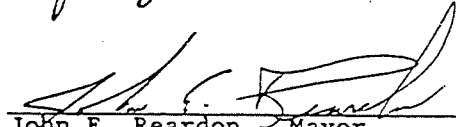
~~Sec. 2-12(6)---All investments of idle city monies for a term longer than ninety-one (91) days shall require the prior approval of the governing body of the city.~~

Section 2. That said original Section 2-12 of the Code of Ordinances, City of Kansas City, Kansas, be and same is hereby repealed.

Section 3. This ordinance shall be in full force and take effect from and after its passage, approval and publication in the Kansas City Kansan.

ADOPTED BY THE COUNCIL OF THE CITY OF KANSAS CITY, KANSAS, THIS 3 DAY OF January, 1985.

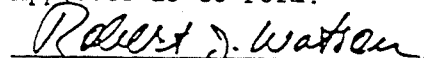
Approved:

  
\_\_\_\_\_  
John E. Reardon Mayor

Attest:

  
\_\_\_\_\_  
Daniel S. Kubel  
City Clerk

Approved as to Form:

  
\_\_\_\_\_  
Robert J. Watson  
City Attorney

**INVESTMENT AND TREASURY POLICIES**  
**City of Kansas City, Kansas**

**POLICY STATEMENT**

A well-managed cash flow system enables a City to release funds for profitable investment in marketable securities. Investments, which consist of long-term U.S. government securities, are stated at cost, which approximates market value. City policy is to invest only in securities that are authorized as collateral for deposits by state law. The City will invest with financial institutions who have notified the City of their interest to be solicited for competitive bids on an ongoing basis on the investment of idle city monies.

**POLICY GUIDELINES**

- \* The City will make a cash-flow analysis of all funds on a regular basis. Disbursement, collection and deposit of all funds will be scheduled to ensure maximum cash availability.
- \* The City will pool cash from several different funds for investment purposes.
- \* The City will analyze market conditions and investment securities weekly to determine what yield can be obtained.
- \* In accordance with City Charter Ordinance No. 64778, the City Treasurer shall:
  - On an ongoing basis, determine the amount of money available for investment and the period of time such amount will be available for investment. The Treasurer shall limit the amount available for investment and schedule the maturities of such investments so that the City will at all times have sufficient monies available on demand deposits to ensure prompt payment of all city obligations.
  - Determine the appropriate type and term of investment that should be made and shall make investments pursuant to the following procedures:

Package all temporarily idle City monies so as to secure the highest available interest rate.

Seek competitive bids by telephone from all eligible financial institutions which have expressed an interest in bidding on the entire amount available for investment or any portion of that amount.

Document all bids received on the appropriate form which shall then be signed and dated by the City Treasurer and/or Assistant City Treasurer.

## BID PROCEDURES

At present, bids are generally set for Thursday of each week. There are two reasons for this, the first being the Federal Reserve holds its' treasury bill auction every Monday setting a new rate eliminating any speculation as to what the rate will be. The second reason being the City Treasurer works up his cash needs forecast on Mondays which, at the present time, does not allow sufficient time to go out for bids the same day. By holding the bids on Thursday, it enables the Treasurer to give the banks and savings and loans additional notice that may enhance bid yields. The following steps outline bid procedures.

Wednesday of each week, after the Treasurer forecasts his cash needs which determines the term and type of investment appropriate, the Treasurer works up the bid sheet listing those banks showing interest in city's idle cash. Each bank is then contacted, by telephone, normally around 1:00 p.m. whereby the following information is given to each bank:

1. Total amounts of investment
2. Type of investment instrument
3. Term, transaction date, and maturity date
4. Date and bid call back time

Once this information is reported, the Treasurer records the exact time, date, person, and bid information given.

Thursday (date of bid) Treasurer performs the following tasks:

1. Calls the bank holding matured investment and gives wire instructions as to where the principal and interest are to be wired, as well as any other pertinent information.
2. Calls city's operating bank alerting bank wire room official of incoming wire transfer, and request bank official notify Treasurer as soon as wire transfer is received with total amount of principal and interest.
3. Treasurer calls Federal Reserve information number for the 13-week treasury bill rate from the most recent Monday auction. The rate is recorded on the bid sheet for comparison with bids called in.
4. Treasurer sets up tape recorder and clock to record and verify time of bids called in. The tapes are then documented for future reference.
5. Treasurer lists the date, time, bank, and bank official calling in bid as well as the amount bided upon and the interest rate quoted. This information is listed on the bid sheet at the same time bids are being taken. A designated person will be entering the bid information into the city's computer to calculate and evaluate the bids to determine the highest and best interest rate received. This information will be listed both on the terminal and in hard copy form for future reference. This procedure is very critical in respect to time constraints. The Treasurer's Office must evaluate the bid results, and determine the overall highest and best bid from bid sheet calculations and computer generated information. All this must be done in approximately 15 minutes due to constraints placed on banks by their securities dealers whom ordinarily will only hold verbal bid commitments on securities for a period of 15 minutes.

Consequently, the time constraints are passed onto the Treasurer who, in turn, must notify the bank awarded the bid within minutes. Once this is done, said bank must verify commitment with the securities dealer, and order said securities to be wired to a third party bank for holding in joint custody with the bank and City of Kansas City, Kansas. The bank must then, in turn, contact the City Treasurer to verify the following:

- A. Third party bank holding securities in joint custody
- B. Contact person at bank and telephone number
- C. Description of securities pledged

With this information, the Treasurer must call the third party bank and verify securities pledged. If matured principal and interest have been wired into the city's operating account as requested and outlined earlier, then, and only then, can the Treasurer notify operating bank to wire transfer bid money to bank. At the same time, the Treasurer writes up treasurer's check for payment and authorization of wire transfer.

Bank awarded bid normally delivers investment instrument same day as transaction; and the joint custody receipt should follow within a couple of days, but, generally no longer than three days.

The Treasurer's Office reviews the investment agreement for any errors, then records said investment agreement in the treasurer's log book, and enters information into the computer for generation of a hard copy of the open investment report.

The original investment instrument is then coded with a code number and placed into a corresponding bank file folder for future reference. When the investment agreement matures, the process starts all over again.



**Kansas-Nebraska  
League of  
Savings  
Institutions**

Jeffrey D. Sonnich, Vice-President

Suite 512  
700 Kansas Avenue  
Topeka, Kansas 66603  
(913) 232-8215

March 24, 1992

TO: HOUSE COMMITTEE ON COMMERCIAL AND FINANCIAL INSTITUTIONS  
FROM: JEFFREY SONNICH, VICE PRESIDENT KNLSI  
RE: S.B. 480, PUBLIC FUNDS INVESTMENT

Mr. Chairman. Members of the Committee. The Kansas-Nebraska League of Savings Institutions appreciates the opportunity to appear before the Committee on Commercial and Financial Institutions in support of S.B. 480 as amended in Senate.

We feel that S.B. 480 as amended represents a good compromise between the State Treasurer's attempt to seek enhanced revenue streams for state and local units and the financial institutions' need to preserve a stable source of funding that can be reinvested in the community.

The bill would provide local units with several new investment options, but would still require that local financial institutions be given the first opportunity to bid on the funds. The most significant investment option added would be the creation of a municipal investment pool fund that would be administered by the Pooled Money Investment Board. Local units could place those funds not accepted by local financial institutions into the pool fund for investment. Moneys placed in the municipal investment pool fund would primarily be invested in Government and GSE securities, and repurchase agreements. Maturities on these securities would be limited to four years. Local units who have a written investment policy approved by the Pooled Money Investment Board would also be allowed to handle their own investments. These investments would be limited to government and government sponsored agency securities, time deposits with banks and S&Ls, and repurchase agreements.

The bill would also replace the 91-day T-Bill rate with an investment rate as the minimum acceptable rate financial institutions could offer for deposits of local and state idle funds. The rate would vary depending on the maturity of the deposit, but would essentially require financial institutions to pay the corresponding T-bill rate for that maturity. We feel that this new rate is fair since it will encourage local units to place funds with longer maturities.

In closing we would just add that we recognize the need for local units to maximize the return on their investments. We also recognize the need to provide safeguards to prevent any loss of public money. The compromise language in S.B. 480 provides a fair balance of safety with an adequate return for local units. Accordingly, we would request that the House Committee on Commercial and Financial Institutions recommend S.B. 480 favorably.

Jeffrey Sonnich, Vice President  
Kansas-Nebraska League of Savings Institutions

JS:bw

CF & I  
3-25-92  
ACh #6





**THE LEAGUE  
OF KANSAS  
MUNICIPALITIES**

**Municipal  
Legislative  
Testimony**

AN INSTRUMENTALITY OF KANSAS CITIES 112 W. 7TH TOPEKA, KS 66603 (913) 354-9565 FAX (913) 354-4186

**TO:** House Committee on Commercial and Financial Institutions  
**FROM:** Chris McKenzie, Executive Director, League of Kansas Municipalities  
**RE:** SB 480--Investment of Public Funds  
**DATE:** March 25, 1992

On behalf of the League and its member cities, I appear in support of SB 480. This position is supported by the League's convention-adopted "Statement of Municipal Policy" which provides as follows:

"To reduce the local tax burden, cities should have broad authority to safely invest their active and inactive moneys, including investing in money market funds and securities guaranteed as to principal. The general investment statute in K.S.A. 12-1675 should be amended to eliminate the six month limit on treasury bills or notes. A state-local investment pool program should be established, optional for local government use, similar to those which have proved very advantageous to local units and taxpayers in other states."

At the outset, I would emphasize that the bill before you is a significant issue in terms of local government finance. We estimate that Kansas cities, in calendar in 1990, received about \$60.2 million in investment earnings--about \$22.2 million from earnings on the investment of general fund moneys and about \$38.0 million from investment of utility, bond and other moneys other than those in the general fund. Investment earnings, especially in these days, is important to good, responsible public management.

We do not know how many cities will elect to use the proposed new state-local pool. Experience in other states indicates that such a pool will be used, especially by smaller municipalities. In addition, we suspect the net interest earnings rate of the state-local pool will tend to improve the competitive environment that exists where two or more financial institutions are located within the same area.

In conclusion, we urge the passage of SB 480. It meets the fundamental requirements of safety and liquidity and has the potential of improving local investment earnings, thus reducing the level of local taxes or other revenue sources essential to finance local government. While we would prefer increased local discretion, the bill appears to provide a reasonable compromise between the public interest and the private interests of banks and other financial institutions. Given the environment of local revenue shortages and fiscal problems, opposition to property tax increases, and the present and predicted low interest earnings possible under existing state laws and economic conditions, we think it is vital that the bill be passed this session.

Finally, I want to compliment Sally Thompson, State Treasurer, for her excellent leadership on this measure. The cities of Kansas deeply appreciate it.

**President:** Bob Knight, Mayor, Wichita \* **Vice President:** Joseph E. Steineger, Jr., Mayor, Kansas City \* **Past President:** Frances J. Garcia, Commissioner, Hutchinson \* **Directors:** \* Donald L. Anderson, Mayor, Lindsborg \* Michael A. Conduff, City Manager, Manhattan \* Ed Eilert, Mayor, Overland Park \* Harry L. Felker, Mayor, Topeka \* Idella Frickey, Mayor, Oberlin \* William J. Goering, City Clerk/Administrator, McPherson \* Ralph T. Goodnight, Mayor, Lakin \* Jesse Jackson, Commissioner, Chanute \* Stan Martin, City Attorney, Abilene \* Mark Mingenback, Councilmember, Great Bend \* John Nalbandian, Commissioner, Lawrence \* Mary E. Reed, City Clerk/Director of Finance, Parsons \* **Executive Director:** Christopher K. McKenzie

Atch # 7