

CITY OF GUSTAVUS, ALASKA

RESOLUTION NO. 2008-14

**A RESOLUTION BY THE GUSTAVUS CITY COUNCIL AUTHORIZING
THE CITY CLERK TO ESTABLISH AN ACCOUNT WITH ALASKA
MUNICIPAL LEAGUE INVESTMENT POOL**

WHEREAS, the City of Gustavus presently has substantial reserve funds invested with Smith Barney in a money market fund, and

WHEREAS, money market funds in excess of \$100,000.00 are not insured by Federal Deposit Insurance Corporation and,

WHEREAS, a substantial amount of the City reserve funds are encumbered to be used by committees and Departments of the city for special projects, and

WHEREAS, the City wishes to have immediate access to all reserve funds, and

WHEREAS, Alaska Municipal League Investment Pool (AMLIP) invests funds only in the safest instruments, and

WHEREAS, the four highest objectives of AMLIP limit investments to:

- 1) Obligations of the United States and of an agency of instrumentality of the United States, and
- 2) Repurchase and reserve repurchase agreement secured by obligation of the Treasury of the United States, and
- 3) Certificates of deposit, bankers acceptances and other similar obligations of a bank domiciled in the United States that has
 - a. Outstanding department rated A or higher by at least one of the nationally recognized rating services, and
 - b. A combined capital and surplus aggregating at least \$500,000,000.
- 4) Commercial papers and other short-term taxable instruments that at the time of investment, maintain the highest rating of at least two nationally recognized rating services.

WHEREAS, seventy six (76) municipalities within the State of Alaska utilize AMLIP services to help assure security but liquidity of fund investments, and

WHEREAS, AMLIP has no obligations in sub-prime mortgages or any other mortgage market, and

WHEREAS, AS 37.23.010-37.23.900 of Alaska Statutes (“Alaska Investment Pool Act”) provides that a public entity may enter into an agreement with other public entities to form and manage an investment pool under which funds of the participating public entities are administered and invested jointly,

NOW THEREFORE BE IT RESOLVED, the City Council of Gustavus authorizes the City Clerk to establish an account with the Alaska Municipal League Investment Pool.

PASSED and APPROVED by the Gustavus City Council this 14th day of August, 2008.



Kenneth L. Klawunder, Mayor



Wayne Howell, Council Member



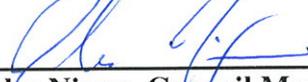
Mike Atkins, Council Member



Paul Berry, Council Member



Sandi Marchbanks, Vice Mayor



John Nixon, Council Member



William Unkel, Council Member



Attest:
Kapryce Manchester, City Clerk