

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Ordinance No. 88

An ordinance amending Ordinance No. 83 to provide for investment of Sworn Law Enforcement Officers' Retirement Fund money, and declaring an emergency.

Multnomah County ordains as follows:

Section 1. Policy.

The Board of County Commissioners of Multnomah County, Oregon recognizing that the Sworn Law Enforcement Officers' Retirement Ordinance is in need of periodic revision and amendment to improve the Sworn Law Enforcement Officers' Retirement Ordinance, and in the interests of public health, safety and general welfare of Multnomah County citizens, the Board does hereby determine the necessity of amending the Sworn Law Enforcement Officers' Retirement Ordinance as hereinafter more particularly described.

Section 2. Amendment.

Section 23 is amended by deleting Section 23 which reads:

"A. The Retirement Board may invest monies in the employees' retirement fund in all of the following classes of securities or obligations, except that not more than five percent (5%) of the amortized value of all the investments of the fund and of monies in the fund immediately available for investment may be invested in one commitment or in the obligations of a single primary

obligor in those classes of securities enumerated in subsections 2, 3 and 4 of this Section:

- "1. Bonds or evidences of indebtedness that are direct obligations of, or secured by the full faith and credit of the United States Government.
 - "2. Corporate bonds, including utility and railroad bonds that are rated at time of purchase in one of the three highest grades by a recognized investment service organization that has been regularly engaged for a period of ten (10) years or more in rating or grading bonds.
 - "3. Real property mortgages insured or guaranteed by the federal government or any agency thereof.
 - "4. Not more than fifty percent (50%) of the amortized value of all the investments of the fund and of monies in the fund immediately available for investment may be invested in common or preferred stocks.
- "B. The investing of monies in the above classes of securities or obligations shall be made in accordance with the Prudent Man Rule, that is, investments shall be made in the exercise of judgment and care under the circumstances then prevailing which men of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering

the probable income as well as the probable safety of their capital."

by adding Section 23 to read:

"A. The Retirement Board may invest monies in the employees' retirement fund in all of the following classes of securities or obligations except that not more than five percent (5%) of the amortized value of all the investments of the fund and of monies in the fund immediately available for investment may be invested in one commitment or in the obligations of a single primary obligor in those classes of securities enumerated in subsections 2, 3, 4, 5 and 6 of this Section:

"1. Bonds or evidences of indebtedness that are direct obligations of, or secured by the full faith and credit of the United States Government.

"2. Money market instruments, to include commercial paper of corporations, rated at time of purchase in one of the two highest grades by a recognized investment service organization that has been regularly engaged for a period of ten (10) years or more in rating or grading commercial paper; also to include certificates of deposit, bankers' acceptances and savings accounts.

"3. Government agency issues, foreign government issues traded in U. S. dollars and corporate issues, including utility and railroad bonds and

notes that are rated at time of purchase in one of the three highest grades by a recognized investment service organization that has been regularly engaged for a period of ten (10) years or more in rating or grading bonds.

"4. Convertible bonds of any company, association or corporation.

"5. Loans secured by interest in real property, or pledges of government securities.

"6. Not more than fifty percent (50%) of the amortized value of all the investments of the fund and of monies in the fund immediately available for investment may be invested in common or preferred stocks.

"B. The investing of monies in the above classes of securities or obligations shall be made in accordance with the Prudent Man Rule, that is, investments shall be made in the exercise of judgment and care under the circumstances then prevailing which men of prudence, discretion and intelligence exercise in the management of their own affairs not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital."

Section 3. Adoption.

This ordinance, being necessary for the immediate preservation

of the public peace, health and safety, and to increase investment flexibility, an emergency is declared to exist and this ordinance shall take effect immediately upon its passage pursuant to Section 5.50 of the Charter of Multnomah County.

ADOPTED this 19th day of December, 1974,
being the date of its First reading before the Board of
County Commissioners of Multnomah County.

BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY, OREGON

By M James Heaver
Chairman