

CITY OF GUSTAVUS POLICIES AND PROCEDURE

CITY BANKING POLICY

POLICY:

A savings and checking account will be established at a local bank. The working average in the checking account will be \$30,000.00 and \$20,000.00 in the savings account. The same brokerage that handles the City Endowment Fund will oversee these funds as they can be maintained free of charge. A minimum of \$100,000.00 will be kept in a money market account as to be accessible to the City when needed. Any special project money will also be kept in a money market account(s) if it will be needed within a short span of time. Excess money will be used to purchase short term CD's.

PROCEDURE:

The City Clerk will, at a specified time each money, either deposit additional money into the checking account or draw money from the checking account and put it into the brokerage account.

When additional money is needed in the checking account, money may be transferred from savings, or a check may be drawn from the money market. The clerk will not use the money market account as a checking account.

The brokerage firm will be instructed to make short term CD purchases for the City and will continue to roll these over to short term CD's at maturity unless otherwise directed from the City.

Signed

Mayor of the City of Gustavus

Date