

# City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

## CHAPTER 1996-22

No. 175 **AN ORDINANCE** AN ORDINANCE IN AMENDMENT OF SECTION 17-184 OF THE CODE OF ORDINANCES OF THE CITY OF PROVIDENCE REGARDING THE EMPLOYEES' RETIREMENT SYSTEM

*Approved* April 29, 1996

*Be it ordained by the City of Providence:*

SECTION 1. Section 17-184 entitled "Investment of Funds" of Article VI entitled "Retirement System" of the Code of Ordinances is hereby amended to read as follows:

Section 17-184. Investment of Funds.

(1) All monies not immediately required for the payment of retirement allowances or other benefits shall be invested by the Board of Investment Commissioners for the benefit of the retirement system. The Board of Investment Commissioners is authorized and empowered to execute the disposition and investment of the funds which are within its control in any securities and investments as would be acquired by prudent persons of discretion and intelligence in these matters, who are seeking a reasonable income and the preservation of their capital. The prudent person standard shall be that standard of care employed solely in the interest of the members and beneficiaries of the retirement system and:

(A) For the exclusive purpose of:

(i) providing benefits to members and their beneficiaries; and

(ii) defraying reasonable expenses of administering the funds of the retirement system;

(B) With the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a

No.

**CHAPTER**

**AN ORDINANCE** in Amendment of Section 17-184 of the Code of Ordinances of the City of Providence Regarding the Employees' Retirement System

**IN CITY COUNCIL**  
FEB 15 1996  
FIRST READING  
REFERRED TO COMMITTEE ON FINANCE

*Michael J. Lewist*  
CLERK

**THE COMMITTEE ON FINANCE**  
Approves Passage of The Within Ordinance

*Marie B. Street*  
MAR 23 1996  
CLERK

**THE COMMITTEE ON FINANCE**  
Approves Passage of The Within Ordinance

*Marie B. Street*  
APR 11 1996  
CLERK  
*as amended*

*Conceded to Council (By request)*

like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

(C) By diversifying the investments of the fund so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so. The Board of Investment Commissioners shall adopt a statement of investment objectives and policies consistent with the prudent person standard as hereinabove defined.

(2) The city controller is hereby authorized and directed to draw his orders upon the city treasurer for the purchase of investments, upon receipt by him of properly authenticated vouchers signed by the chairperson of the Board of Investment Commissioners or by the vice-chairperson in the event of the chairperson's absence or illness. The proceeds from the sale of investments shall be paid to the city treasurer for the benefit of the retirement fund.

(3) The Board of Investment Commissioners shall annually allow regular interest on the average amount for the preceding year to the credit of the various funds of the retirement system from the interest and dividends earned from investments. Any excess earnings over the amount so credited shall be used in reducing the amount of contributions required by the City. Any deficiency shall be paid by the City.

(4) Except as herein provided, no member of the Board of Investment Commissioners and no employee of said Board shall have any interest, direct or indirect, in the gains or profits of any investment made by the said Board, nor as such, directly or indirectly, receive any pay or emolument for his services. And no member of the Board of Investment Commissioners or employee of said Board shall, directly, or indirectly, for himself or as an agent, in any manner use the same, except to make such current and necessary payments as are authorized by the Board of Investment Commissioners; nor shall any member or employee of the Board of Investment Commissioners become an endorser or surety or become in any manner an obligor for

moneys loaned or borrowed from the Employee Retirement System.

(5) The Board of Investment Commissioners shall report annually in detail to the City Council on or before the first Monday in October of each year showing the investment transactions made by the Board of Investment Commissioners on behalf of the Employee Retirement System.

SECTION 2. This Ordinance shall take effect upon its passage.

IN CITY COUNCIL  
 APR 4 1996  
 FIRST READING  
 READ AND PASSED  
*Michael K. Clement*  
 CLERK

IN CITY COUNCIL  
 APR 18 1996  
 FINAL READING  
 READ AND PASSED  
*Evelyn V. Fargnoli*  
 ACTING PRESIDENT  
*Michael K. Clement*  
 CLERK

**APPROVED**  
 APR 29 1996  
*Vincent A. Cianci*  
 MAYOR

IN CITY  
COUNCIL

READ AND LABELLED

IN CITY COUNCIL

READ AND LABELLED

1998 4 8 107