

*INVESTMENT POLICY*

Policy Approved: 04.12.2023

Review Date: 2026

### **Policy Statement and Scope**

This policy will govern the investment activities of the Liverpool Public Library (the Library). It is the policy of the Library to invest fund public funds in a manner which will provide the highest return with the maximum security while meeting cash flow demands. All investments will conform to all applicable laws and regulations governing the investment of public funds.

### **Investment Objectives**

The primary objectives, in priority order, of the Library's financial investments are:

- Safety of Principal – Safety of principal is the foremost objective of the investment program. All investments shall be undertaken in a manner that seeks first to preserve capital and second to fulfill other investment objectives.
- Liquidity - the Library's investment portfolio will remain sufficiently liquid to enable the Library to meet all operating requirements which might be reasonably anticipated.
- Return on Investments (Yield) - the Library's investments should generate the highest available return without sacrificing the first two objectives outlined above.

### **Authorized and Suitable Investments**

The following investments are deemed to be suitable for inclusion in the Library's investment program. The Treasurer is authorized to invest Library funds in only those investments specifically delineated below.

- U.S. Treasury Bills and Notes for which the full faith and credit of the U.S. Government is pledged for the repayment of principal and interest. Bills are short term (one year or less) obligations issued and sold at a discount. Notes have fixed coupon rates with original maturities of between one and five years.
- Demand deposit accounts (such as checking accounts) established with local financial institutions.
- Certificates of Deposit (CDs) issued by local financial institutions.

### **Deposit Requirements**

Cash derived from tax revenues should be deposited in interest bearing municipal accounts in commercial banks insured by the Federal Deposit Insurance Corporation (FDIC). Any such cash deposited in excess of FDIC insurance coverage shall be collateralized by investment grade securities held by a financial institution under a third party agreement.

### **Gifts and Bequests**

Gifts or bequests received in the form of marketable securities may be held indefinitely, provided they are of marketable high-grade investment quality. Otherwise these securities should be promptly liquidated and reinvested in accordance with paragraph III above.

### **Reporting**

The Treasurer shall provide to the Library's Board of Trustees, no less than annually an investment report which clearly provides the following information regarding the investment portfolio: types of investment, depository institutions, principal balances, rates of return and maturities.

**Ethics and Conflicts of Interest**

Those involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which would impair their ability to make impartial investments decisions.

This policy is adopted in accordance with New York State General Municipal Law §39.