

Porter County Public Library System

Investment Policy

I. STATEMENT OF PURPOSE

This Investment Policy will govern the investment activities of the Board of Trustees of the Porter County Public Library System (“Library”). It is the policy of the Library to invest its public funds in a manner that will provide maximum security with the highest investment return while meeting the daily cash flow demands of the Library. All investments shall conform to the laws and regulations governing the investment of public funds by public libraries.

II. INVESTMENT OBJECTIVES

The primary objectives of the Library’s financial investments, in priority order, are as follows:

- a. Legality - investments shall conform to all applicable federal, state and local requirements.
- b. Safety of Principal - all investments shall be undertaken in a manner that seeks to preserve capital. The objective will be to mitigate credit risk and interest-rate risk.
- c. Liquidity - the Library’s investment portfolio will remain sufficiently liquid to enable the Library to meet all operating requirements that are reasonably anticipated.
- d. Return on Investments (Yield) - the Library’s investments will generate the highest available return without sacrificing the above-referenced investment objectives.

III. BOARD OF FINANCE FOR THE PORTER COUNTY PUBLIC LIBRARY SYSTEM

The duly appointed members of the Board of Trustees of the Porter County Public Library System are the fiscal body of the Library and thus constitute the Board of Finance of the Porter County Public Library System (“Board of Finance”). The members of the Board of Finance serve without compensation. (IC 5-13-7-5, IC 36-1-2-6)

IV. ANNUAL MEETING OF THE BOARD OF FINANCE

Adopted 01/16/2019

The Board of Finance shall meet annually after the first Monday and on or before the last day of January in order to select a president and secretary and to receive and review the Library's annual investment report. The annual investment report is a written report summarizing the Library's investments during the previous calendar year. The Board of Finance is also responsible for reviewing the Library's overall investment policy during its annual meeting. (IC 5-13-7-6)

V. FISCAL OFFICER

The duly elected Treasurer of the Board of Trustees of the Library is the fiscal officer of the Library. (IC 36-12-2-22)

VI. DEPOSIT

All public funds received by the Library shall be deposited into one (1) or more designated depositories not later than the business day following the receipt of the funds on business days of the depository or depositories selected by the Library. The Library is not required to deposit funds on the business day following receipt if the funds on hand do not exceed five hundred dollars (\$500.00). The funds on hand must be deposited no more than the business day following the day that the funds exceed five hundred dollars (\$500.00). Public funds shall be deposited in the same form in which they were received. (IC 5-13-6-1)

VII. INVESTMENTS

The duly elected Treasurer of the Board of Trustees of the Library as the fiscal officer for the Library is authorized to invest Library funds in the following manner: (IC 5-13-9)

- a. Securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise.
- b. Discount notes issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise.
- c. Repurchase Agreements (including standing repurchase agreements, commonly known as sweep accounts) with depositories designed by the State Board of Finance as depositories for state investments under IC 5-13-9.5 and involving the political subdivision's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States, a United States government agency, an instrumentality of the United States, or a federal government sponsored enterprise.

If an investment is made by the fiscal officer that has a maturity date, the stated final maturity date must not be for more than two (2) years after the date of purchase.

VIII. INTEREST RECEIVED FROM INVESTMENT

All interest derived from an investment by the Library shall be deposited and receipted into the fund from which said funds are a part. (IC 5-13-9-6)

IX. DEPOSITORIES

All public funds of the Library shall be deposited in the designated depositories located in the territorial limits of the Library. Furthermore, if there is no principal office or branch of a financial institution located in the territorial limits of the Library, the Board of Finance shall designate one (1) or more financial institutions with a principal office or branch outside of the county or political subdivision, and in the state, as a depository or depositories. (IC 5-13-8-1, IC 5-13-8-9)

X. PROHIBITED INVESTMENTS

The Library's fiscal officer may not purchase securities on margin or open a securities margin account for the investment of the Library's public funds (IC 5-13-9-9)