

# Hamburg Public Library– Investment Policy

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## Hamburg Public Library

### I. SCOPE

This investment policy applies to all moneys and other financial resources available for deposit and investment by the Hamburg Public Library, hereafter referred to as Library, on its own behalf or on behalf of any other entity or individual.

### II. OBJECTIVES

The primary objectives of the Library's investment activities are, in priority order:

- To conform with all applicable federal, State and other legal requirements (legality);
- To adequately safeguard principal (safety);
- To provide sufficient liquidity to meet all operating requirements (liquidity) and
- To obtain a reasonable rate of return (yield).

### III. DELEGATION OF AUTHORITY

The Library board's responsibility for administration of the investment program is delegated to the treasurer who shall establish written procedures for the operation of the investment program consistent with these investment policies. Such procedures shall include internal controls to provide a satisfactory level of accountability based upon records incorporating the description and amounts of investments, the fund(s) for which they are held, the place(s) where kept, and other relevant information, including dates of sale or other dispositions and amounts realized. In addition, the internal control procedures shall describe the responsibilities and levels of authority for key individuals involved in the investment program.

### IV. PRUDENCE

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Library to operate effectively.

Investments shall be made with prudence, diligence, skill, judgment and care, under circumstances then prevailing, which knowledgeable and prudent persons acting in like capacity would use, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

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

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## V. DIVERSIFICATION

It is the policy of the Library to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

The Library board shall establish appropriate limits for the amount of investments which can be made with each financial institution or dealer, and shall evaluate this listing at least annually.

## VI. INTERNAL CONTROLS

It is the policy of the Library for all moneys collected by any officer or employee of the Library to transfer those funds to the treasurer within 14 days of deposit, or within the time period specified in law, whichever is shorter.

The treasurer is responsible for establishing and maintaining internal control procedures to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization, properly recorded, and managed in compliance with applicable laws and regulations.

## VII. DESIGNATION OF DEPOSITARIES

The banks and trust companies that are authorized for the deposit of moneys, and the maximum amount which may be kept on deposit at any time, are:

<b>Depository Name</b>	<b>Maximum Amount</b>	<b>Officer</b>
Northwest Savings	\$150,000	Brian Hoth, Anita Metzger
M & T Bank	\$150,000	Anita Metzger

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## VIII. SECURING DEPOSITS

All deposits at a bank or trust company made by officers of the Library that are in excess of the amount insured under the provisions of the Federal Deposit Insurance Act, including pursuant to a Deposit Placement Program in accordance with law, shall be secured by:

1. A pledge of “eligible securities” with an aggregate “market value” (as provided by the GML Section 10) that is at least equal to the aggregate amount of deposits by the officers. See Schedule A of this policy for a listing of “eligible securities.”

## IX. AUTHORIZED FINANCIAL INSTITUTIONS

All financial institutions with which the Library transacts business shall be creditworthy, and have an appropriate level of experience, capitalization, size and other factors that make the financial institution capable and qualified to transact business with the Library. The treasurer shall evaluate the financial position and maintain a listing of proposed depositories.

The Library shall maintain a list of financial institutions approved for investment purposes and establish appropriate limits to the amounts of investments that can be made with each financial institution.

## X. ANNUAL REVIEW AND AMENDMENTS

The *Library* shall review this investment policy annually, and it shall have the power to amend this policy at any time.

## XI. DEFINITIONS

The terms “public funds,” “public deposits,” “bank,” “trust company,” “eligible securities,” “eligible surety bond,” and “eligible letter of credit” shall have the same meanings as set forth in General Municipal Law Section 10.

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## Schedule A

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Schedule of Eligible Securities for Collateralizing Deposits and Investments in Excess of FDIC Coverage (see Investment Policy, Section VIII)

<b>“Eligible Securities” for Collateral</b>	<b>For purposes of determining aggregate “market value,” eligible securities shall be valued at these percentages of “market value”:</b>
(i) Obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United States government-sponsored corporation.	100%
(iv) Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporation of this State or obligations of any public benefit corporation which under a specific State statute may be accepted as security for deposit of public moneys.	100%