Town of North Collins Public Library

Investment Policy

I. SCOPE

This investment policy applies to all moneys and other financial resources available for deposit and investment by the Town of North Collins 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 of Trustees delegates responsibility for administering the investment program to the Treasurer. The Treasurer shall establish written procedures for the operation of the investment program consistent with these investment policies, subject to approval by the Board of Trustees.

Written Procedures

These procedures shall, at minimum, address the following:

1. **Investment Operations** – The processes and controls governing the day-to-day management of the investment portfolio, including authorization requirements for transactions.
2. **Internal Controls** – A system of accountability measures designed to safeguard public funds, including:
    - Descriptions and amounts of all investments held
    - The fund(s) for which each investment is maintained
    - Custodial locations and safekeeping arrangements
    - Transaction records, including dates of purchase, sale, or other disposition, and amounts realized
    - Reconciliation procedures to ensure accuracy and completeness of records
3. **Roles and Responsibilities** – A clear delineation of the responsibilities and levels of authority for all key individuals involved in the investment program, including any delegated duties.

Limitations on Delegation

The Treasurer may not delegate investment authority to any party without prior written approval of the Board of Trustees. Any external investment advisors or managers must be formally authorized and must act in accordance with these policies and applicable law.

Reporting

The Treasurer shall provide the Board of Trustees with regular investment reports as specified in these policies, ensuring ongoing Board oversight of 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.

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 or Library Director within 14 days of deposit, or within the time period specified in law, whichever is shorter.

The Treasurer along with the Library Director 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:

Depositary Name	Maximum Amount	Officer
Community Bank	$250,000	Treasurer

VIII. SECURING DEPOSITS AND INVESTMENTS

All deposits and investments at a bank or trust company, including all demand deposits, certificates of deposit and special time deposits (hereinafter, collectively, “deposits”) 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:

4. 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. COLLATERALIZATION AND SAFEKEEPING

Eligible securities used for collateralizing deposits made by officers of the Library shall be held by (the depositary or a third party) bank or trust company subject to security and custodial agreements.

The security agreement shall provide that eligible securities (or the pro rata portion of a pool of eligible securities) are being pledged to secure such deposits together with agreed-upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon a default. It shall also provide the conditions under which the securities (or pro rata portion of a pool of eligible securities) held may be sold, presented for payment, substituted or released and the events of default which will enable the Library to exercise its rights against the pledged securities.

In the event that the pledged securities are not registered or inscribed in the name of the Library, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Library or the custodial bank or trust company. Whenever eligible securities delivered to the custodial bank or trust company are transferred by entries on the books of a federal reserve bank or other book-entry system operated by a federally regulated entity without physical delivery of the evidence of the obligations, then the records of the custodial bank or trust company shall be required to show, at all times, the interest of the Library in the securities (or the pro rata portion of a pool of eligible securities) as set forth in the security agreement.

The custodial agreement shall provide that pledged securities (or the pro rata portion of a pool of eligible securities) will be held by the custodial bank or trust company as agent of, and custodian for, the Library, will be kept separate and apart from the general assets of the custodial bank or trust company and will not be commingled with or become part of the backing of any other deposit or other bank liability. The agreement shall also describe how the custodian shall confirm the receipt, substitution or release of the collateral and it shall provide for the frequency of revaluation of collateral by the custodial bank or trust company and for the substitution of collateral when a change in the rating of a security causes ineligibility. The security and custodial agreements shall also include all other provisions necessary to provide the Library with a perfected security interest in the eligible securities and to otherwise secure the Library’s interest in the collateral, and may contain other provisions that the Library board deems necessary.

X. PERMITTED INVESTMENTS

As provided by General Municipal Law Section 11, the Library Board of Trustees authorizes the Treasurer to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- Special time deposit accounts in, or certificates of deposit issued by, a bank or trust company located and authorized to do business in the State of New York (for example a savings account or CD at said institution).

Time deposit accounts and certificates of deposit shall be payable within such times as the proceeds will be needed to meet expenditures for which the moneys were obtained, and shall be secured as provided in Sections VIII and IX herein.

Except as may otherwise be provided in a contract with bondholders or note holders, any moneys of the Library authorized to be invested may be commingled for investment purposes, provided that any investment of commingled moneys shall be payable or redeemable at the option of the Library within such time as the proceeds shall be needed to meet expenditures for which such moneys were obtained, or as otherwise specifically provided in General Municipal Law Section 11. The separate identity of the sources of these funds shall be maintained at all times and income received shall be credited on a pro rata basis to the fund or account from which the moneys were invested.

Any obligation that provides for the adjustment of its interest rate on set dates is deemed to be payable or redeemable on the date on which the principal amount can be recovered through demand by the holder.

XI. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

All financial institutions and dealers 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 or the dealer capable and qualified to transact business with the Library. The Treasurer shall evaluate the financial position and maintain a listing of proposed depositaries.

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.

XII. ANNUAL REVIEW AND AMENDMENTS

The Board of Trustees shall review this investment policy no less than once per calendar year to ensure it remains current, accurate, and consistent with applicable law and the Library's financial objectives. The review shall be conducted at a regularly scheduled Board meeting, and the results — including any proposed amendments — shall be documented in the meeting minutes.

The Board of Trustees retains the authority to amend this policy at any time. Any amendments shall be approved by a majority vote of the Board and shall take effect upon adoption. The policy shall reflect the most recent approval or amendment date on its face.

XIII. 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.

Schedule A

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

[Note: This is not a list of Permitted Investments. Please see Investment Policy, Section X, for Permitted Investments.]

“Eligible Securities” for Collateral	**For purposes of determining aggregate “market value,” eligible securities shall be valued at these percentages of “market value”:**
(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%

Approved July 11, 2018

Amended November 4, 2026