

<p>Title:</p> <p style="text-align: center;">INVESTMENT POLICY</p> <p>Author: Treasurer</p>	<p>Policy No.</p>
<p>Policy Owner: Village of Round Lake Board of Trustees</p>	<p>Adopted:</p> <p>Last adopted April 3, 2017</p> <p>Adopted 02 17 21</p>
<p>Distribution:</p> <p>Village Board, Village Attorney, Office Administration, Staff, Policy File</p>	

INVESTMENT POLICY VILLAGE OF ROUND LAKE

I. SCOPE

This investment policy applies to all moneys and other financial resources available for investment on its own behalf of and on behalf of any other entity or individual.

II. OBJECTIVES

The primary objectives of the VILLAGE'S investment activities are, in priority order:

- to adequately safeguard principal;
- to conform with all applicable federal, state and other legal requirements;
- to provide sufficient liquidity to meet all operating requirements; and
- to obtain a reasonable rate of return.

III. DELEGATION OF AUTHORITY

The VILLAGE BOARD'S responsibility for administration of the investment program is delegated to the VILLAGE MAYOR AND TREASURER, who shall provide the VILLAGE BOARD with periodic reports on the status of all investments under taken in accordance with this policy. Proper accounting and other records required by statute and/or the Office of the State Comptroller shall be maintained and be available for examination.

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 VILLAGE OF ROUND LAKE to govern effectively.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudent discretion and intelligence exercise in the management of their own affairs, considering the safety of the principal as well as probable income to be derived.

All persons involved in the investment process shall refrain from personal business activity that could conflict with and/or impair their ability to make impartial investment decisions.

V. DIVERSIFICATION

It is the policy of the VILLAGE OF ROUND LAKE to diversify its deposits and investments by financial institutions, by investment instrument and by maturity scheduling, as it is deemed appropriate by the VILALGE MAYOR AND TREASURER.

VI. INTERNAL CONTROLS

It is the policy of the VILLAGE that all monies collected by any office or employs of the VILLAGE is transferred to the VILLAGE MAYOR AND TREASURER within the time period specified by law.

The VILLAGE MAYOR and TREASURER are responsible for establishing and maintaining an internal control structure 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 the VILLAGE BOARD'S authorization, are properly recorded and comply with applicable laws and regulations.

VII. DESIGNATION OF OFFICIAL DEPOSITORY

ADIRONDACK TRUST COMPANY is designated as the official bank for deposit of all monies received by all VILLAGE officers and employees and for the investment of VILLAGE funds by the VILLAGE MAYOR AND TREASURER.

VIII. COLLATERALIZING OF DEPOSITS

In accordance with the provisions of General Municipal Law, Section 10, all deposits of the VILLAGE, including certificates of deposits and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured by a pledge of 'eligible securities' with an aggregate 'market value', or as provided by General Municipal Law, Section 10, an amount equal to the aggregate amount of deposits from the categories designated in APPENDIX A to this policy.

IX. SAFEKEEPING OF COLLATERALIZATION

Eligible securities used for collateralizing deposits shall be held by MANUFACTURERS AND TRADERS TRUST COMPANY subject to the security and custodial agreements. The security agreement shall provide that such securities are being pledged to secure the VILLAGE'S deposits together with agree upon interest, if any, and costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events, which will enable the VILLAGE to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the VILLAGE, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the VILLAGE OF ROUND LAKE or its custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company or agent of and custodian for the VILLAGE will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of re-valuation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the VILLAGE with a perfected interest in the securities.

X. PERMITTED INVESTMENTS

As authorized by General Municipal Law, Section 11, the VILLAGE BOARD authorized the VILLAGE MAYOR AND TREASURER to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in following types of investments:

Special time deposit accounts;

Certificates of deposit;

Interest bearing checking accounts;

Obligations of the United States of America:

Obligations of this local government, but only with any moneys in a reserve fund established pursuant to General Municipal Law provisions governing a legally established reserve funds

All investment obligations shall be payable or redeemable at the option of the VILLAGE within such times as either the proceeds will be needed to meet expenditures for the purposes for which the moneys were provided or, if purchased with the proceeds of bonds or notes within two years of the date of such purchase.

XI. AUTHORIZED FINANCIAL INSTITUTIONS

The VILLAGE BOARD shall stipulate, by board resolution, the banks that the VILLAGE MAYOR AND TREASURER are authorized to deposit and invest VILLAGE funds within. Banks shall provide their most recent Consolidation Report of Condition (called Report) at the request of the VILLAGE. The VILLAGE MAYOR AND TREASURER are responsible for evaluation the financial position and maintaining a list of proposed depositories and custodians. Such listing shall be evaluated at least annually.

XII. PURCHASE OF INVESTMENTS

The VILLAGE MAYOR AND TREASURER are authorized to contract directly for the purchase of investments and/or the deposit of VILLAGE monies in interest bearing checking or savings accounts.

All passbooks shall be retained in the custody of the VILLAGE MAYOR AND TREASURER. All other investments obligations, unless registered or inscribed in the name of the VILLAGE, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the individual authorized to make such deposit or investment. All such transactions shall be confirmed in writing to the VILLAGE by the bank or trust company. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law, Section 10.

The agreement shall provide that securities held by the bank or trust company, as agent of and custodian for the VILLAGE will be kept separate and apart from the general assets of the custodial bank or trust company and will not, under any circumstances, be co-mingled with or become part of the backing for any other deposits or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities, and include all provisions necessary to provide the VILLAGE with a perfected interest in the securities.

XIII. REPURCHASE AGREEMENTS AND CERTIFICATES OF PURCHASE

Under no circumstances are the VILLAGE MAYOR AND TREASURER authorized to enter into either an investment in repurchase agreements or the issuance of certificates of purchase without prior approval of the VILLAGE BOARD.