

FREEDOM PUBLIC LIBRARY INVESTMENT POLICY

GENERAL

This investment policy applies to all monies and other financial resources available to the Board of Trustees for investment on behalf of the library. It is the policy of the Library to invest funds in a manner that will maximize the security of the principal while satisfying cash flow demands using approved methods that will provide the highest reasonable return. All investments will conform to applicable laws and regulations governing the investment of funds in accordance with RSA 31:25-b.

The investment guidelines that follow provide direction as to risk tolerance and general preferences. The policy will be reviewed at least annually as required by RSA 31:25 and a copy of the policy shall be filed with the state Attorney General.

THE INVESTMENT OBJECTIVE

The primary objectives of the library's financial investments are:

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

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence might exercise in the management of their own funds.

ASSET ALLOCATION

The Trustees authorize investments to be diversified by:

- Financial Institution
- Investment Instrument
- Maturity Scheduling

Currently, the Trustees are investing 100% in cash and cash equivalents, including certificates of deposit and money markets. There are no investments whose primary purpose is income generation with principal protection.

PERFORMANCE MANAGEMENT

The Trustees shall review the performance results of CD's as they approach maturity. The money market account shall be reviewed semi-annually or as changes warrant review.

Amended and approved by Freedom Library Board of Trustees 8-13-20