

INVESTMENT POLICY

The Board of Trustees of the Ellenville Public Library & Museum is the fiscal body of the Library & Museum and serve without compensation. The Board of Trustees is responsible for the investment of all monies and financial resources available to the Library & Museum.

The Library's investment practices are to conform with all applicable federal, state and other legal requirements

to adequately safeguard principal;
to provide sufficient liquidity to meet all operating requirements and
to obtain a reasonable rate of return.

In accordance with this policy the Secretary/Treasurer to the Board of Trustees is authorized to invest and/or deposit all funds in designated banks that are located in and authorized to do business in New York State. All accounts will be fully secured by insurance of the Federal Deposit Insurance Corporation, or Collateralized as required by General Municipal Law Section 10.

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

As authorized by General Municipal Law, Section 11, the board of Trustees authorizes the Secretary/Treasurer to invest monies not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

Savings Accounts
Money Market Accounts,
Certificates of Deposit
Special Time Deposit Accounts
Demand Deposit Accounts.

All investment obligations shall be payable or redeemable at the option of the Ellenville Public Library & Museum within such times as the proceeds will be needed to meet the expenditures for which purposes the monies were provided.

All monies collected by any officer or employee of the Library will be deposited in the bank within five (5) business days of receipt.

All non-tax monies shall be set aside in a separate account or accounts.

The Director is 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 management's authorization and recorded properly, and are managed in compliance with all applicable laws and regulations.

In accordance with the provisions of General Municipal Law, Section 10, all deposits of the Ellenville Public Library & Museum, including certificates of deposit 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 collateral with an aggregate "market value" as provided by GML Section 10, equal to the aggregate amount of deposits. Eligible collateral shall mean eligible securities (defined below), eligible letters of credit and eligible surety bonds. Eligible securities shall mean 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 State government sponsored corporation.

Eligible securities used for collateralizing deposits shall be held by the depository and/or a third party, bank or trust company subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure library deposits together with agreed upon interest, in any, and any costs or expenses arising out of the collection of such deposits upon default. It shall provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events which will enable the library to exercise its rights against the pledged securities. In the event that the 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 Ellenville Public Library & Museum 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 Library, 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 or become part of the backing for any other deposit or 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 revaluation of eligible securities and for the substitution of securities when change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the Library a perfected interest in the securities.

The Ellenville Public Library & Museum shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the Library conducts business must be credit worthy. Banks shall provide their most recent Consolidated Report Condition (Call Report) at the request of the Library. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Banks, as primary dealers. The Director and Secretary/Treasurer are responsible for evaluating the financial position and maintaining a listing of proposed depositories. Such a listing shall be evaluated annually.

When investments are made in accordance with this policy, the members of the Board of Trustees, the Director, or the Secretary/Treasurer to the Board shall not be held liable for a loss resulting from default or insolvency of a depository of Ellenville Public Library & Museum funds.

Adopted by the Board of Trustees
May 18, 2009
Reaffirmed by the Board of Trustees
May 15, 2017