



Primary Investment Management Objectives of Mesa County Libraries (MCL)

1. Safety - protect against the loss of any principal, with growth as a secondary objective
2. Liquidity - ensure that sufficient funds are available to consistently maintain MCL operations
3. Yield - optimize returns within the appropriate safety and liquidity constraints

Guidelines

To MCL's best advantage, cash balances in any funds eligible for investment will be invested temporarily in securities and/or depositories as defined in Colorado Revised Statutes § 24-75-601.

Operating funds will be kept in FDIC-insured instruments to fund MCL's daily operations. No less than 30 days of estimated operating expenditures should be liquid and accessible to fund MCL operations.

Optimally, no less than 90 days of annual budgeted operating expenditures should be held as an operating reserve.

All deposit-type securities (e.g., certificate of deposit) and money market instruments (e.g., mutual funds) will be collateralized as required by law for any amount exceeding FDIC coverage.

All securities will be collateralized as required by the Public Deposit Protection Act (PDPA) for any amount exceeding FDIC or Federal Savings and Loan Insurance Corporation (FSLIC) coverage.

Money market instruments such as money market mutual funds registered by the U.S. Securities and Exchange Commission and qualified under C.R.S. § 24-75-601 and state pools qualified under C.R.S. § 24-75-701 will be collateralized as required by law.

Short-term investment maturities for all funds will be scheduled to coincide with projected cash flow needs considering large routine expenditures and sizeable blocks of anticipated revenue. No long-term investments will exceed five years without approval by the MCL Board of Trustees.

Upon request of the MCL Board of Trustees, MCL will engage the services of an independent investment consultant for investment review.

MCL investment assets are included on a comparative balance sheet presented at regularly scheduled MCL Board of Trustees meetings. Annually and/or upon request by the Board, an appropriately experienced investment advisor may provide guidance to meet Investment Policy guidelines. MCL's investment advisors will present an update to the Board on an annual basis and/or upon request by the Board.

Investment Managers

The Library Director, Finance Director, and a board designee are designated collaboratively as MCL's Investment Managers and are responsible for all investment activities.

The Investment Managers will be guided by the "Prudent Investor Rule," which states that investments will be made with judgment and care under circumstances then prevailing, not for speculation but for investment, considering the probable safety of the capital as well as the probable income to be derived. The guiding principles for MCL investments are safety, liquidity, and yield, in that order.





The Investment Managers will not be held personally responsible for specific investment transactions when exercising due diligence and when acting within the guidelines of MCL policy and state law. The Investment Managers are responsible for maintaining a balanced investment portfolio that ensures sufficient investment liquidity for continuing operations.

Policy Review

The Finance Director and the Library Director will review and monitor monthly performance reports and make recommendations to the Finance Committee for any necessary adjustments as needed within the Investment Policy parameters. The Finance Committee will review investment performance on a semi-annual basis and/or upon request by the Board in order to recommend adjustments within Investment Policy parameters.

REVIEWED AND ADOPTED ON MONTH 05, 2022.

Cindy Cyphers – MCPLD Board President

Abby Landmeier – MCPLD Board Secretary

