



Lyons Public Library

Investment Policy

This policy applies to all monies and other financial resources available for deposit and investment by the Lyons Public Library. It is the policy of the Library to invest funds, both public and private, in a manner that will maximize the security of the principal while satisfying cash flow demands using approved methods that will provide the highest possible return. All investments will conform to applicable laws and regulations of New York State.

Responsibility

The Lyons Public Library Board of Trustees is the fiscal body of the Library. The members serve without compensation. Day-to-day management of the Library's investment program is hereby delegated to the Library Director in conjunction with the Account Clerk. The Director shall be responsible for the implementation of the investment program and the establishment of investment procedures consistent with the policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director and the Library Board of Trustees.

Liability

When investments are made in accordance with this policy, no Library Trustee, Director, or Account Clerk with investment authority shall be held liable for a loss resulting from default or insolvency of a depository of Library funds.

Authorized Investments

1. Savings Accounts or Money Market Accounts of designated banks, federal credit union, and/or brokerage firms;
2. Certificates of Deposit issued by a bank, trust company, or brokerage firm located in and authorized to do business in New York State;
3. Demand Deposit Accounts in a bank, federal credit union, trust company, or brokerage firm located in and authorized to do business in New York State;
4. Obligations of New York State and Obligations of the United States (U.S. Treasury Bills and Notes), provided the principal and interest of any such obligations are guaranteed by the United States Government.
5. Donated Stock and/or Bonds should be converted to cash within 30 days in order to preserve the market value of the donation.

Diversification of Investments

The financial assets of the Library shall not exceed the following diversification limits unless specifically authorized by the Board. No financial institution shall hold more than the \$250,000 FDIC or NCUA Insurance limitation unless specific government instruments have been pledged to collateralize the excess.

Collateral

1. Savings accounts, money market accounts, demand deposit accounts, and certificates of deposit will be fully secured by insurance of the Federal Deposit Insurance Corporation or the National Credit Union Administration.
2. Collateral will not be required for obligations of New York State and the United States Government.

Memorial Gifts and/or Unrestricted Funds

Any monies received as memorials will be spent and deposited into the appropriate fund in accordance with the donor's wishes if applicable.

Library Funds

The Lyons Public Library may establish funds for money and securities of the Library. All monies received from whatever source derived will be deposited into funds established by the Library Board under authority of law.

The authorized funds are as follows as of February 17, 2009:

1. Library Operating Fund: All money collected from tax levies, interest on investments of the Operating Fund monies, fees, fines, and other revenues shall be deposited into the Library Operating Fund and must be budgeted and expended in the manner required by law.
2. Library Board of Trustees Designated Fund and Library Capital Fund: These funds contain monies that have not been restricted by donors. Therefore, they are "board designated unrestricted funds." Monies from this fund will be utilized as the Board sees fit for library purposes such as equipment purchases or renovations from improvements to the building.

Reporting

The Account Clerk or Library Director shall provide the Board of Trustees with monthly reports reporting the balances in the various funds of the Library. Exceptions will be made when the financial institution only generates quarterly reports.

Adoption

1. The approved investment policy must be filed with all entities conducting investment business for or on behalf of the Library.
2. All brokers, dealers, and financial institutions initiating transactions with the Library by giving advice or making investment policy, thereby acknowledge their agreement to abide by the policy's content.

Adopted: February 17, 2009

Revised: September 20, 2010, November 15, 2011, December 20, 2022