

Gilford Public Library Investment Policy

Policy Statement and Scope

It shall be the purpose of the policy to outline the goals and investment objectives of the various library income and trust funds in accordance with all laws and regulations governing the investment of funds held by local governing bodies, specifically libraries, under RSA 201 and RSA 31:25.

This investment policy applies to funds held by the Library Trustees. It does not apply to funds held by the Gilford Trustees of Trusts for the benefit of the Library or those held by the Friends of Gilford Library.

These policies should reflect the financial needs and circumstances of the Gilford Public Library and the Trustees' philosophy regarding the investment of assets. These policies will be reviewed bi-annually and revised periodically to ensure they adequately reflect changes related to the Gilford Public Library and capital markets.

General Objectives

Investment choices should be designed to attain a market rate of return, taking into account the primary objectives of safety and liquidity. The primary financial objectives are:

- To conform with all applicable federal, state and other legal requirements (legal)
- To adequately safeguard principal (safety)
- To provide sufficient liquidity to meet all operating requirements (liquidity)
- To obtain a reasonable rate of return (yield)

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 affairs.

Authorized and Suitable Investments

The following investments are deemed suitable for inclusion in the Library's investment program. The Treasurer is authorized to invest in Library funds in investments delineated below:

- U.S. Treasury Bills and Notes
- Bonds, notes and other obligations issued by any federal agency instrumentality or the State of New Hampshire
- NHPDIP, New Hampshire Public Deposit Investment Pool funds

Adopted 9/2018

Updated 1/2023

Revised 7/26

- Demand deposit accounts established with local financial institutions and properly insured through the Federal Deposit Insurance Corporation (FDIC)
- Certificates of Deposit issued by local financial institutions and properly insured by the FDIC
- Publicly traded mutual funds or exchange traded funds
- Publicly traded stocks
- CDs and short and medium term annuities of prime insurance companies licensed to operate in the State of New Hampshire
- Other investments decided by the Board of Trustees and permitted by N.H. State Law

On occasion, donations of securities in-lieu of cash may be received by the Gilford Public Library. Subject to any constraints or stipulations from donors, and subject to conditions by donors, the Trustees shall liquidate the securities unless contrary advice is received via professional guidance.

Custody and Safekeeping

Whenever required or deemed necessary by the board, professional advice and guidance will be requested of licensed and experienced professionals in the investment field.

Internal Control

The Treasurer is responsible for establishing and maintaining internal control to insure that the assets of the Library are protected from loss, theft or misuse.

Diversification of Investments

The library shall diversify its investments to the best of its ability based on the type of funds invested and the cash flow needs of those funds. Excessive concentration in one instrument, institution, issues, or maturity is to be avoided.

Ethics and Conflicts of Interest

Those involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the Library investment program, or that could impair their ability to make impartial decisions.

Reporting

The Trustees will review the portfolio quarterly.

