

INVESTMENT POLICIES AND GUIDELINES OF THE TOWN OF MOREHOUSE

The objectives of the investment policies of the Town of Morehouse are to minimize risk, and to insure a competitive rate of return. In accordance with this policy, the Town Supervisor is hereby authorized to invest all funds including proceeds of obligations and reserve funds in:

1. Certificates of Deposit issued by a bank or trust company authorized to do business in New York State
2. Time Deposit Accounts in a bank or trust company authorized to do business in New York State
3. The Town Board shall decide the names of the bank annually

All other local government officials receiving money in their official capacity must deposit such funds in negotiable order of withdrawal accounts.

All investments made pursuant to this investment policy shall comply with the following conditions:

1. FINANCIAL STRENGTHS OF INSTITUTION: All trading partners must be credit worthy. Concentration of investments in financial institutions will be a consideration. The general rule is not to place more than \$400,000.00 with any one institution; however sufficient collateral can be a mitigating factor.
2. COLLATERAL – CERTIFICATES OF DEPOSITS: Shall be fully secured by insurance of FDIC or by obligations of New York State or obligations of the United States or obligations of Federal Agencies the principal and interest of which are guaranteed by the United States, or obligations of New York State local bank with which the Town of Morehouse has entered into a Custodial Agreement. The market value of collateral shall at all times be equal to the principal amount of the certificate of deposit.
3. OPERATIONS, AUDIT, AND REPORTING: The Town of Morehouse will encourage certificates of deposits through a competitive or negotiated process involving telephone solicitation of at least two (2) bids for each transaction, when possible & appropriate

The Town Supervisor shall be authorizes to use the United States Post Office for delivery of deposits to and from banks when reasonable trips are not required.

At least annually, and if practical, at organizational meetings of the Town Board, the members shall review and amend, if necessary, these Investment Guidelines.