
Butte County Mosquito and Vector Control District

POLICY MANUAL

POLICY TITLE: Investment Policy
POLICY NUMBER: 3040

3040.1 Background and Purpose

3040.1.1 Government Code sections 53600 et seq. and 53630 et seq. and other laws authorize the District to deposit and invest its money and funds in various institutions and types of investments, subject to limitations.

3040.1.2 The purpose of this policy is to provide guidelines to District Board of Trustee Officers and employees with regard to the deposit and investment of District monies and funds in accordance with, and subject to the limitations of, applicable laws.

3040.2 Scope This investment policy applies to all monies, funds and financial assets of the Butte County Mosquito and Vector Control District, including its general fund and any and all capital project funds.

3040.3 Standard of Care and Objectives

3040.3.1 Deposits and investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived. District Board of Trustee Officers and employees handling deposits and investments of District funds shall act pursuant to a "prudent investor" standard applied in the context of managing the entire portfolio. (See Govt. Code, Sec 53600.3.)

3040.3.2 When depositing, investing, reinvesting, purchasing, acquiring, exchanging, selling and managing District funds, the District's primary goals and objectives, in priority order, shall be:

3040.3.2.1 Safety. To safeguard the principal of the District funds. Deposits and investments of District funds, monies, and financial assets shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

3040.3.2.2 Liquidity. To meet the liquidity needs of the District. The District's investment portfolio must remain sufficiently liquid to enable the District to meet all operating expenses and requirements which might be reasonably anticipated.

3040.3.2.3 Return and Investment. To achieve a return on the investment of District funds. As a final priority, the District's investment portfolio shall be designed with the objective of obtaining a fair market rate of return throughout budgetary and economical cycles and consistent with the first two priorities.

3040.3.2.4 Delegation of Authority. The District delegates to the District Manager principal management responsibility for the deposit and investment of District monies, funds, and financial assets pursuant to this statement of investment policy. The District authorizes the District Manager to make deposits and investment decisions on behalf of

the District pursuant and subject to this investment policy, applicable laws, and the prudent investor standard.

3040.3.2.5 Authorized Investments. District funds and monies may be deposited and invested in one or a combination of the following institutions and investment types:

- a. Butte County Treasurer investment pool.
- b. State Treasurer's Local Agency Investment Fund (LAIF).
- c. Member trust fund deposits with the Vector Control Joint Powers Agency.
- d. Petty cash / revolving funds bank account.
- e. California Employers' Pension Prefunding Trust (CEPPT)

3040.3.2.6 Safekeeping and Custody. All District deposits and investments shall have the District named as depositor and registered owner. All securities purchased or acquired shall be delivered to the District by book entry, physical entry, or by third party custodial agreement as required by Government Code section 53601.

3040.3.2.7 Annual Review and Quarterly Reporting. The District Manager shall receive on a quarterly basis a quarterly investment report, including copies of the most recent account statements received by the District from the Institutions holding the District funds and financial assets and have available for Board of Trustees review if requested (Govt. Code Sec 53646).

3040.3.2.8 Amendments. This statement of investment policy shall take effect only upon adoption by resolution of the District Board of Trustees. Any subsequent amendments or modifications shall not take effect unless expressly approved by resolution of the Board of Trustees.

Adopted October 8, 1997, by the District Board resolution No.97-1.