



5.7

INVESTMENT POLICY

ADOPT: APRIL 8, 1985

REVISED: APRIL 16, 1996

REVISED: MAY 8, 2001

REVISED: JANUARY 13, 2009

CA Government Code 53600 to 53686,  
16429.1 to 16429.4, 16430

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The President (or designee) is responsible for investing the funds of the District which are not required for the immediate needs of the District.

Funds so invested shall follow the investment policy approved by the governing board in accordance with the California Government Code Sections 53600 to 53686.

The Board Finance Committee shall periodically review the investment program of the District. The purpose of this policy is to establish cash management and investment guidelines for the District officials responsible for the stewardship of District funds. Funds which are not required for the immediate needs of the District shall be prudently invested in order to earn a return on such investment.

#### INVESTMENT OBJECTIVES

The specific objectives for all funds invested as defined in board policy, are listed in priority order, as follows:

**LEGALITY** - Each transaction and the entire investment program must comply with the California Government Code and the governing board's investment policy as defined herein.

**SAFETY OF PRINCIPAL** - The preservation of principal is of primary importance. Each transaction shall seek to ensure that capital losses are avoided, whether they be from securities or erosion of market value.

**LIQUIDITY** - The investment program should remain sufficiently flexible to enable the District to meet all operating requirements which may be reasonably anticipated in any fund.

**PUBLIC TRUST** - In managing District investments, District officials should avoid any transactions that might impair public confidence. Investments should be made with precision and care, considering the probable safety of the capital as well as the probable income to be derived.

District funds maintained by the County Treasurer which are not required for the immediate needs of the District may be invested as follows:

**COUNTY TREASURER'S INVESTMENT POOL** - Investment of District funds may be delegated to the County Treasurer. In accordance with county procedures, District funds may be pooled with other local agencies and invested by the County Treasurer in accordance with the investment guidelines specified by Government Code 53635 and investment policies adopted by the County Board of Supervisors.

**STATE'S LOCAL AGENCY INVESTMENT FUND** - District funds not required for immediate needs of the District may be remitted to the State Local Agency Investment Fund (LAIF) for the purpose of investment (Government Code 16429.1). District funds deposited with the LAIF shall be invested by the State Treasurer in securities prescribed by Government Code 16430, or the Surplus Money Investment Fund and as determined by the Local Investment Advisory Board (Government Code 16429.2).

**OTHER INVESTMENTS** - Other investments as permitted by Government Code Section 53600 may be made by designated District officials subject to prior approval of the governing board.