

Non-Trust Fund Investment Policy  
Submitted by Investment Committee 1-14-2018

**Purpose**

The purpose of the policy is to invest non-trust related monies in a manner that promotes growth of the principle.

**Policy**

The LBOT manages non-trust fund related monies by investing low risk conservative investment instruments and/or up to above average risk investment instruments that promote growth and may generate income.

\*The above average risk calculation is based on Morningstar slider risk assessment tool.

Of available funds 75% may be invested and 25% is reserved as working capital for library use.

The guidelines represent the 75% of monies available to invest. The intention of the investment is intermediate to long term for 3 years or greater.

**Guidelines**

1. The LBOT shall determine which investment options are appropriate and invest accordingly.
2. Low risk investments may include:
  - a. Savings accounts
  - b. Money Market Funds
  - c. Certificates of Deposit
  - d. Bond or bond funds
  - e. Short Term Bonds (Funds)/Treasury Notes
    1. Bonds and Bond Funds should be invested in Investment Grade Bonds of the U.S.
3. Up to 50% of the total available funds may be invested in investment instruments with above average risk.
4. Stock funds and mutual funds shall have reasonable fees associated with expenses.
5. In general investments should reflect diversity in the portfolio which may include but not limited to large, medium and small cap fund investments.
6. Income generated from invested funds and transferred to the funds cash account, maybe reinvested into the same fund or withdrawn periodically.
7. Funds may also be set up to automatically reinvest into the same fund.
8. Once an initial fund investment is made it is to be reviewed yearly and left in the fund for a minimum of 3 years and monitored by the treasurer.
9. Special and Fine monies must be invested in separate fund accounts in order to accurately track the monies. These monies cannot be combined.