

Investment of Funds

At certain times during the course of the fiscal year, there will be available funds that are in excess of immediate operational or capital needs of the district.

The Board directs that the district invest such excess funds in accordance with applicable Oregon Revised Statutes.

Authority

The Board delegates to the business manager or designee, the responsibility of investment portfolio manager. The portfolio manager is responsible for investment decisions and activities. The portfolio manager will maintain written procedures for the operation of the investment program, consistent with related policies.

Objectives

There are three principles that will guide the portfolio manager in implementation of this policy:

1. The primary objective of investment activities is the preservation of capital and the protection of investment principal. In investing public funds, the district will not assume unreasonable investment risk to obtain investment income. In all investment activities, the portfolio manager will follow the prudent investor rule, which states, "Investments shall be made with 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 their capital as well as the probable income to be derived.";
2. Adequate liquidity to meet daily funds needs for payment of district operating requirements which might be reasonably anticipated will be the second objective of the portfolio manager;
3. The third objective of the portfolio manager will be optimization of investment earnings consistent with adherence to the objectives.

Reporting Requirements

The portfolio manager shall prepare monthly reports for management purposes. Additionally, the Board will be provided quarterly reports which will include data providing information such as dealer name, type of investment, issue date, maturity date, rate of interest and principal invested as well as any further data or narrative explaining the basis of the investment decision. As soon as practical after the end of the fiscal year, a comprehensive annual report on the investment program and investment activity shall be presented

to the Board. The annual report shall include a summary of administrative accomplishments, the overall trend of the economy and interest rates and other pertinent data.

END OF POLICY

Legal Reference(s):

[ORS 294.033](#)
[ORS 294.035](#)

[ORS 294.125](#)
[ORS 294.135](#)

[ORS 294.145](#)
[ORS 294.155](#)