



LIBERTY HILL ISD

ANNUAL INVESTMENT POLICY REVIEW

2016-17

AUGUST 28, 2017

SUMMARY OF POLICY

CDA (LEGAL)

- ▶ All investments made by the District shall comply with the Public Funds Investment Act (Texas Government Code Chapter 2256, Subchapter A) and all federal state, and local statutes, rules or regulations. *Gov't Code 2256.026*
- ▶ Investments shall be made in accordance with written policies approved by the Board. The investment policies must primarily emphasize safety of principal and liquidity and must address investment diversification, yield, maturity, quality, and capability of investment management.
- ▶ The Board shall review its investment policy and investment strategies not less than annually.
- ▶ The District shall perform a compliance audit of management controls on investment and adherence to the District's established investment policies. The compliance audit shall be performed in conjunction with the annual financial audit.

SUMMARY OF POLICY

CDA (LOCAL)

- ▶ The Superintendent or other persons designated by Board resolution shall serve as the investment officer of the District and shall invest District funds as directed by the Board and in accordance with the District's written investment policy and generally accepted accounting procedures.
- ▶ The primary goal of the investment program is to ensure **safety of principal, to maintain liquidity, and to maximize financial returns within current market conditions** in accordance with this policy.
- ▶ Investment strategies for operating funds (including any commingled pools containing operating funds) shall have as their primary objectives preservation and safety of principal, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements.
- ▶ Investment strategies for debt service funds shall have as their primary objective sufficient investment liquidity to timely meet debt service obligations in accordance with provisions in the bond documents.
- ▶ Investment strategies for capital project funds shall have as their primary objective sufficient investment liquidity to timely meet capital project obligations. Maturities longer than one year are authorized provided legal limits are not exceeded.

2016-17 INTEREST RATES

| | <u>TEXPOOL</u> | <u>LONE STAR</u> | <u>FEDERAL FUNDS 90- Day T Bill</u> | <u>PROSPERITY BANK NOW ACCOUNT</u> |
|--------------|----------------|------------------|---|--|
| August-16 | 0.37 | 0.39 | 0.26 | 0.50 |
| September-16 | 0.38 | 0.40 | 0.19 | 0.50 |
| October-16 | 0.38 | 0.40 | 0.18 | 0.50 |
| November-16 | 0.40 | 0.40 | 0.37 | 0.50 |
| December-16 | 0.46 | 0.46 | 0.43 | 0.50 |
| January-17 | 0.54 | 0.52 | 0.49 | 0.50 |
| February-17 | 0.56 | 0.53 | 0.59 | 0.50 |
| March-17 | 0.62 | 0.59 | 0.73 | 0.50 |
| April-17 | 0.71 | 0.69 | 0.66 | 0.50 |
| May-17 | 0.77 | 0.73 | 0.85 | 0.50 |
| June-17 | 0.88 | 0.83 | 0.82 | 0.50 |
| July-17 | 0.97 | 0.95 | 0.98 | 0.50 |

2016-17 INTEREST RATES

