

ANTRIM COUNTY  
INVESTMENT POLICY  
To comply with PA 20 of 1943, as amended

It is the policy of Antrim County to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow needs of Antrim County and comply with all state statutes governing the investment of public funds.

This investment policy applies to all financial assets of the County of Antrim. These assets are accounted for in the various funds of Antrim County and included the general, special revenue funds, debt service funds, capital project funds, enterprise funds, internal service funds, trust and agency funds and any new fund established by Antrim County.

The primary objectives, in priority order, of the County of Antrim's investment activities shall be:

Safety — Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.

Diversification — The investments will be diversified by security type or individual financial institution or specific maturity.

Liquidity – The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

Return on Investment – The investment portfolio shall be designed with the objective to obtaining a rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

Authority to manage the investment program is derived from MCL 48.40 and Antrim County Board of Commissioners Resolution No 18 dated May 14, 1998. Management responsibility for the investment program is hereby delegated to the County Treasurer per MCL 48.40 who shall establish written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements transaction except as provided under the terms of this policy and the procedures established by the County Treasurer. The County Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

The County Treasurer is limited to investments authorized by Act 20 of 1943, as amended, and may invest in the following:

(a) Bonds, securities, and other direct obligations of the United States or an agency or an instrumentality of the United States. This subdivision shall include securities issued or guaranteed by the Government National Mortgage Association.

(b) In certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank, which is a member of the Federal Deposit Insurance Corporation or Federal Savings and Loan Insurance Corporation or a Credit Union, which is insured by the National Credit Union Administration.

(c) In commercial paper rated prime at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and which matures not more than 270 days after the date of purchase.

(d) Repurchase agreements consisting of instruments listed in subdivision (a).

(e) Bankers' acceptances of United State banks.

(f) Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investments grade by not less that 1 standard rating service. In mutual funds composed of investment vehicles, which are legal for direct investment of local units of government in Michigan.

(g) Mutual funds registered under the investment company act of 1940, title I of chapter 686.54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by the County Treasurer. This authorization is limited to securities whose intention is to maintain a net asset value of \$1.00 per share.

(h) Investment pools through an interlocal agreement under the urban cooperation act of 1967, 1967(Ex Sess) PA 7, MCL 124.501 to 124.512.

(i) Investment pools organized under the surplus funds investments pool act, 1982 PA 367, 129.111 to 129.118.

**Safekeeping and Custody** – All security transactions, including collateral for repurchase agreements and financial institution deposits, entered into by the County Treasurer may be on a cash basis or a delivery vs. payment basis as determined by the County Treasurer. Securities may be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts as determined by the Treasurer.

**Prudence** – Investments shall be made with judgement 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 capita as well as the probable income to be derived.

Amended 01/03/2007