

# **Borden County Appraisal District**

## **INVESTMENT POLICY**

It being the desire of the Board of Directors of the Borden County Appraisal District to establish a sound investment policy which will provide for maximum security and investment return from funds belonging to the Appraisal District, the following "INVESTMENT POLICY" is adopted:

The investment objectives of the Board of Directors are:

- 1) To comply with the laws of the State of Texas as defined in Chapter 2256, Government Code, Vernon's Texas Code's Annotated, known as the "PUBLIC FUNDS INVESTMENT ACT" concerning the investment of Appraisal District funds;
- 2) To insure that sufficient funds are available to meet immediate and short term needs for the operation of the Appraisal District;
- 3) To provide for diversification in the types of investments, the amount of money invested and length of time of investments;
- 4) To insure the safety of Appraisal District funds and to avoid speculative investing;
- 5) To earn maximum interest rates allowed through prudent and legal investment of Appraisal District funds consistent with the current Bank Depository Contract.

## **TYPES OF INVESTMENTS**

As provided in the "PUBLIC FUNDS INVESTMENT ACT", the following investments of Appraisal District funds are allowed:

- ❖ OBLIGATIONS OF THE UNITED STATES, ITS AGENCIES AND INSTRUMENTALITIES;
- ❖ DIRECT OBLIGATIONS OF THE STATE OF TEXAS OR IT'S AGENCIES;
- ❖ OTHER OBLIGATIONS INSURED AND SECURED BY THE STATE OF TEXAS AND THE UNITED STATES OF AMERICA;
- ❖ BANK CERTIFICATES OF DEPOSIT THAT ARE GUARANTEED.

In order to insure timely investment of Appraisal District funds to obtain maximum interest benefit, the following investments may be made by the Investment Officer (Chief Appraiser) without prior approval by the Board of Directors:

- ❖ BANK CERTIFICATES OF DEPOSIT THAT ARE GUARANTEED;
- ❖ BANK CERTIFICATES OF DEPOSITS WILL HAVE A MAXIMUM ALLOWABLE MATURITY OF 365 DAYS.

All other types of investments allowed under the "PUBLIC FUNDS INVESTMENT ACT" must have

prior approval of the Board of Directors before the investment may be made by the designated Investment Officer.

The Appraisal District shall require delivery of all securities or shall have these securities held in the Appraisal District's name by an independent third party prior to payment being made by the Appraisal District for the investment.

## **INVESTING INSTITUTIONS**

The Appraisal District shall invest Appraisal District funds with any or all of the following institutions or groups consistent with federal and state law and the current Bank Depository Contract:

- ❖ APPRAISAL DISTRICT DEPOSITORY BANK.

## **INVESTMENT COLLATERAL**

All invested Appraisal District funds will be fully collateralized or insured consistent with federal and state law and the current Bank Depository Contract, without exception.

All securities pledged as collateral shall be deposited in trust with the Federal Reserve Bank or an independent investment institution under an appropriate legal contract. The amount of securities so pledged shall be determined by their market value.

## **DESIGNATION OF INVESTMENT OFFICER**

The Chief Appraiser of the Borden County Appraisal District shall be designated as the Investment Officer for Appraisal District funds.

## **DESIGNATION OF RESPONSIBILITIES**

It shall be the responsibility of the Investment Officer to determine the amount of funds which are available for investment and the types of investments which will yield maximum income to the Appraisal District.

It shall be the responsibility of the investment officer to:

- 1) Determine the amount of funds which are available for investment.
- 2) Determine the types of investments which will yield maximum income to the Appraisal District.
- 3) Determine the length of time for which investments shall be made.
- 4) Insure that sufficient funds are available to meet immediate and short term needs for the operation of the Appraisal District.
- 5) Make recommendations to the Board of Directors concerning investments which require prior approval by the Board of Directors before investments are made.

It shall also be the responsibility of the Investment Officer to:

- 1) Make the actual purchase of the investments.
- 2) Make re-investments.
- 3) Receive and provide for the safekeeping of all pledged securities as collateral for invested funds.
- 4) Provide to the Board of Directors a quarterly report of invested Appraisal District funds showing the type of investment, length of investment, amount of investment, and the interest to be received from the investment.

## ORDER OF THE BOARD OF DIRECTORS

THIS INVESTMENT POLICY IS ADOPTED DURING THE 1<sup>ST</sup> QUARTER MEETING OF THE BOARD OF DIRECTORS OF THE BORDEN COUNTY APPRAISAL DISTRICT ON THIS, THE 18<sup>TH</sup> DAY OF JANUARY, 2010 AND BECOMES A PART OF THE OFFICIAL MINUTES OF THE BORDEN COUNTY APPRAISAL DISTRICT.

MOTION BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

ENTERED IN THE OFFICIAL MINUTES OF THE BORDEN COUNTY APPRAISAL DISTRICT:

\_\_\_\_\_  
BOARD PRESIDENT

\_\_\_\_\_  
BOARD SECRETARY

\_\_\_\_\_  
ADOPTION DATE

Revision date: \_\_\_\_\_

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