

TOWN OF HOLLISTON FINANCIAL PROCEDURES

Investment Policy

Purpose

To provide guidelines for the short-term (up to one year) investments of liquidity cash and excess that will maximize return at minimum risk.

Investment Objectives and Goals

The assets are liquidity and working funds for present and future needs of the Town of Holliston. It is essential that assets be invested in a high quality portfolio, which

- a. Preserves principal
- b. Meets liquidity needs
- c. Delivers good yield in relationship to market conditions
- d. Avoids inappropriate concentration
- e. Provides fiduciary control of all investments and cash by the appointed custodian of the Town

All investments must be represented by the Massachusetts List of Legal Investments pursuant to Mass. General Laws Chapter 167, Section 15a.

Types of Investments

All investments will be in accordance with Massachusetts General Laws, Chapter 44, Section 55, which sets forth the types of investments which are legal for municipalities.

- a. Obligations issued or guaranteed by the United States Government; Federal Agencies including Federal Farm Credit Banks, Federal Home Loan Banks, Federal Home Loan Mortgage Corporations and Federal Mortgage Associations.
- b. Repurchase Agreements which are collateralized fully by the United States Government or Federal Agency obligations, with collateral delivered to the town's treasurer.
- c. Money market funds or certificates of deposit.

Investment Diversification/Limitations

- | | |
|---|--|
| a. United States Government obligations: | No Limit |
| b. US Federal Agency obligations: | No Limit |
| c. Certificate of Deposit: | Not to exceed 50% of the portfolio |
| d. Repurchase Agreements which are fully collateralized by the US Government or federal agency obligations: | Not to exceed 50% of the portfolio,
not to exceed 30 day term |

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Marketability of Investments

All investments with secondary markets should be traded actively and be of sufficient size so that transactions can be accomplished with accurate valuation in a timely manner and at a minimum cost.

Banks or Firms for Trading

All banks used for investing of Town funds must be listed on the quarterly Veribanc Inc. report for Massachusetts and have a green code and have at least a one star rating.

The Town Treasurer may use, at his/her discretion, any firm have a place of business in Massachusetts.

Available Funds

All attempts shall be made to place available funds in banking institutions that offer collateralization for the Town of Holliston.

Holliston Board of Selectmen



Joseph P. Marsden, Chair



John D. Leary, Jr., Vice Chair



Kevin P. Conley, Clerk

Dated: _____

6/10/15