

<p style="text-align: center;">Cromaine District Library Policy</p>	<p>Policy #6007 Page 1 of 2</p>
<p style="text-align: center;"><i>INVESTMENT CHARTER</i></p>	<p style="text-align: center;"><u>Tracking Record</u> Date Approved: 1/17/01 Review by Counsel: 12/01 Revised: 11/02; 3/22/05; 5/21/09; 1/16/20; 12/10/20;12/15/22;12/14/23 Reviewed: 11/24/08; 11/11/09; 12/8/10; 12/13/11; 12/11/13; 12/10/14; 12/9/15; 12/8/16; 12/12/17; 12/13/18;12/9/21</p>

Purpose

The purpose of the Investment Charter is to enhance the financial position of the Cromaine District Library’s investments and provide funding necessary to meet operating expenses.

Objective

The investment objective is to achieve reasonable growth and provide preservation of principal.

Policy

The policy governing investment is contained in Cromaine District Library Policy 6005, adopted 3/19/98 and revised 12/2016. The policy also clearly states “The policy is based on Michigan Public Act 20 of 1943, Investment of Surplus Funds of Political Subdivisions, as amended (MCL 129.91-129.96). This Act shall have precedence in all instances of the investment policy of the Cromaine District Library”.

It is necessary for the Finance Committee of the Cromaine District Library, UBS of Troy, Michigan, and Bank of Ann Arbor, Hartland, Michigan to constantly review the investments to assure compliance to the policy. If deviations are identified, they must be identified to the Board of the Cromaine District Library and corrected as soon as practical.

Asset Allocation

The following allocation ranges are permitted to allow the investment manager to achieve the stated objective.

Fixed Income: 0-100%

Mutual Funds and/or taxable obligations which include U.S. Treasury, Agency or other instruments of the United States, Certificates of Deposit, Commercial Paper (rated within the 2 highest classifications by not less than 2 standard rating services and that matures not more than 270 days from purchase), Bankers Acceptances of United States Banks, Repurchase Agreements utilizing U.S. government and agency securities, and Obligations of the State of Michigan or any of its political subdivisions (rated as investment grade by not less than I standard rating service). Individual bond maturities

should not exceed 5 years; Mutual Funds should have an average maturity not exceeding 3 years.

Cash Equivalents: 0-100%

U.S. Government Money Market Mutual Funds and / or taxable securities of the highest credit quality.

Asset Management

Total account, mutual funds, fixed income and cash equivalents will be compared to appropriate market indices.

The Cromaine District Library, UBS, and Bank of Ann Arbor will review the investment charter at least annually.

The Director of the Cromaine District Library will provide a forecast of cash required on a periodic basis. Changes in cash requirements must be no sooner than 3 months from date of submission of the forecast to assure that short term changes do not adversely affect investment.