

REVENUES FROM INVESTMENTS

District funds in excess of those immediately needed shall be properly invested. The District's investment program shall be administered in a way that ensures the following objectives are met:

1. Safety of principal shall be the foremost objective in investment decisions of the District. Each investment transaction shall seek to avoid capital losses from security defaults or erosion of market values. With this objective in mind, the District shall only invest in the following securities:
 - Obligations of the U.S. government (treasury bills, notes or bonds or certificates of indebtedness) and other securities guaranteed by the full faith and credit of the United States of America as to principal and interest.
 - Obligations of U.S. government agencies guaranteed by the full faith and credit of the United States of America as to principal and interest.
 - Certificates of deposit of up to \$100,000 through institutions federally insured through FDIC, FSLIC and NCUA. Any certificates of deposit invested over the FDIC, FSLIC or NCUA insured amount are to be fully collateralized in accordance with established District procedures.
 - Repurchase agreements fully collateralized in accordance with established District procedures.
 - Commercial paper issued by U.S. corporations with more than \$500 million in assets. The rating must be within the two highest classifications by at least two standard rating services and maturity must be no greater than 180 days from the purchase date.
2. The investments should be managed to maintain liquidity for meeting the District's needs for cash and to limit potential market risks due to rising interest rates depressing the market value of securities.
3. All participants in the investment process (including officials of the District, depository institutions and custodial institutions) shall seek to act responsibly as custodians of the public trust. They should recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. Participants should avoid any transaction which may impair public confidence of the District's ability to govern effectively.

The District policies and procedures regarding investments shall be subject to revision by the Board as deemed necessary from time to time.

Any changes or revisions to such investment policies and procedures will be made through the public meetings of the Board.

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LEGAL REF.: Sections 34.05 Wisconsin Statutes
34.08
66.04(2)
120.12(7)
120.16(5)
120.44(2)

CROSS REF.: 522.4, Conflict of Interest
661, Depository of Funds

APPROVED: September 11, 1990

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