

Investment Policy

Knox County Housing Authority
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Article I. Purpose / Scope of the Policy

Section 1.01 The objective of this Investment Policy is to maximize the return on all Knox County Housing Authority reserves by investing the maximum amount of money in prudent investment vehicles.

Section 1.02 The Executive Director is hereby designated the administrator of the Knox County Housing Authority's funds and will be responsible for their timely and appropriate investment.

Article II. General Provisions

Section 2.01 An investment register shall be maintained to record the purchase and sale of investment securities. A separate record shall be maintained for each fund account. At a minimum, the record shall contain the following:

- (a) A complete description of the securities purchased
- (b) The date of purchase
- (c) The purchase price
- (d) The interest rate
- (e) The amount of periodic increment of value of US Savings Bonds, if applicable
- (f) The date of sale
- (g) Source of funds invested

Section 2.02 Interest earned shall be credited when actually received or credited to the account.

Section 2.03 On an annual basis, as part of the budget preparation process, the Knox County Housing Authority shall develop an investment strategy for all agency funds that are not needed immediately. This strategy shall be presented to the Board of Commissioners for their approval along with the budget.

Section 2.04 In addition, the Knox County Housing Authority shall make periodic reviews to determine anticipated revenues (rents, non-dwelling income, requisitions of funds, grants, and other income) and anticipated expenditures to determine the amount of investment(s) to be made, if any. The investment process will be accomplished through financial representatives at designated financial institutions.

Section 2.05 All federal funds of the Knox County Housing Authority will be invested solely in securities of the type approved by the U.S. Department of Housing and Urban Development. Currently, these investments may include:

- (a) U.S. Treasury Bills

- (b) U.S. Treasury Notes and Bonds
- (c) Obligations of Federal Government Agencies
- (d) Securities of Government Sponsored Agencies
- (e) Insured Money Market Deposit Accounts
- (f) Municipal Depository Fund
- (g) Super NOW Accounts
- (h) Certificates of Deposit
- (i) Repurchase Agreements
- (j) Sweep Accounts
- (k) Separate Trading of Registered Interest and Principal of Securities (STRIPS)
- (l) Mutual Funds that meet the HUD criteria

Section 2.06 All investments shall be adequately collateralized. If the Authority's funds in a bank exceed the federal insurance limits, there shall be adequate collateral of the type the Authority can invest in placed in a set aside in an amount equal to the total of the deposits exceeding the insurable limits.

Section 2.07 This policy does not apply to the housing authority's retirement plan funds that are required to be covered by the retirement plan.