CHITTENDEN COUNTY TRANSPORTATION AUTHORITY
INVESTMENT POLICY

POLICY:

The purpose of this document is to provide guidelines for the prudent investment of the Chittenden County Transportation Authority’s (CCTA) funds and to outline the policies needed to maximize the efficiency of the Authority’s cash management system.

SCOPE:

All monies entrusted to the Director of Finance and General Manager as directed by the Board of Commissioners shall be invested in accordance with this document.

INVESTMENT OBJECTIVE:

The primary objectives, in priority order, of investment activities shall be safety, maintenance of liquidity, and income.

I. Safety – Safety of principal is the foremost objective of the investment program. Investments of CCTA shall be undertaken in a manner that seeks to ensure the preservation of capital

II. Maintenance of Liquidity – CCTA’s investments will remain sufficiently liquid to enable CCTA to meet all operating and capital requirements, which might be reasonably anticipated.

III. Return on investment – CCTA’s investments shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the Authority’s investment risk constraints and cash flow needs.

The Authority's investment portfolio shall be designed with the objective of meeting all legal requirements set forth by Federal, State, and Local laws.

ALLOWABLE INVESTMENTS:

CCTA’s funds may be invested as follows:

1. Certificates of Deposit
2. Money Market Accounts
3. Savings Accounts
4. NOW Accounts
5. Checking Accounts
6. U.S. Treasury Bills
7. Treasury Notes or Bonds maturing within one year
ETHICS AND CONFLICTS OF INTEREST:

The Controller and General Manager shall avoid any transaction that might impair public confidence in the Authority's ability to govern effectively. Officers and employees involved in the investment process shall refrain from business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Director of Finance and General Manager, with oversight from the Board of Commissioners, shall conduct investment transactions with financial and investment securities approved by the Board of Commissioners. The Authority will obtain competitive pricing at least every 5 years to ensure the best service and rates are being offered.

COLLATERALIZATION

Collateralization is required on accounts and deposits and repurchase agreements. The collateral must be in an amount equal to the excess deposit and it may consist only of securities in which municipalities may invest. The Authority or an independent third party with whom the Authority has a current custodial agreement will always hold collateral.

MAXIMUM MATURITIES

The Authority shall not invest in securities, which at the time of investment have a term of maturity in excess of one year unless the Board of Commissioners has granted authority.

Adopted by the CCTA Board of Commissioners on _______________________

By: ______________________
Tom Buckley, Secretary of the Board