

# Boulder Public Library District Investment Policy

## I. Purpose

This policy defines how the Boulder Public Library District (the “District”) effectively invests its capital in accordance with Colorado Revised Statutes and to meet resolution objectives enacted by the Board of Trustees.

## II. Objectives

A. Investments by the District are permissible according to CRS 24-75-601.1. The following investments are permitted:

1. U.S. Treasury Obligations (maximum maturity of 60 months)
2. Federal Instrumentality Securities (maximum maturity of 60 months)
3. FDIC-insured Certificates of Deposit (maximum maturity of 18 months)
4. Corporate Bonds (maximum maturity of 36 months)
5. Prime Commercial Paper (maximum maturity of 9 months)
6. Eligible Bankers Acceptances
7. Repurchase Agreements
8. General Obligations and Revenue Obligations
9. Local Government Investment Pools
10. Money Market Mutual Funds

B. Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

1. **Credit Risk:** The District will minimize credit risk, the risk of loss due to the failure of the security issuer by:
  - a. Limiting investments to the safest types of securities.
  - b. Pre-qualifying the financial institutions, broker/dealers, and advisors with which the District does business.
  - c. Diversifying the investment portfolio so that potential losses on individual securities will be minimized.
2. **Interest Rate Risk:** The District will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by:
  - a. Structuring the investment portfolio so that securities mature sufficiently close to cash requirements for ongoing operations, thereby minimizing the potential need to sell securities on the open market prior to maturity.
  - b. Investing operating funds primarily in short- to intermediate-term securities, approved local government investment pools, approved money market mutual funds and repurchase agreements.
3. **Liquidity of Funds:** The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be anticipated. To ensure that

adequate funds are available to pay the District's projected financial obligations, investments will be purchased, or deposits made that match the anticipated cash disbursements of the District.

Since all cash demands cannot be anticipated, the portfolio shall consist of securities with active secondary or resale markets so that the potential for a realized loss, if an early liquidation of a security is necessary, will be minimized. The District may identify a core of stable funds through cash flow analysis that is available for investing in longer-term securities. Although the market value of these longer-term securities may fluctuate significantly, the fluctuation will not affect the liquidity of the portfolio since they can be held to maturity in all but extreme circumstances.

4. **Yield**: The investment portfolio shall earn a competitive market rate of return on available funds throughout budgetary and economic cycles. In meeting this objective, investment management personnel will consider the District's investment risk constraints, pursuant to law and policy, and cash flow needs.

### **III. Delegation of Authority**

All investments will be in accordance with C.R.S. 24-75-601. The Boulder Public Library District Board of Trustees (the "Board of Trustees") grants the Library Director authority for conducting investment transactions. The Library Director may designate the Finance Manager or other people to assist them in performing investment management functions.

The Library Director shall establish written administrative procedures for the operation of the District's investment program consistent with this policy. The Library Director may engage the services of outside professionals, subject to the availability of budgeted funds and approval of the Board of Trustees. Such services may include engagement of financial advisors in conjunction with debt issuance, portfolio management, special legal presentation, third party custodial services, and independent rate services.

The Board of Trustees will periodically review the compliance of the cash and investment management practices of the District with this Investment Policy. The Board of Trustees may elect to appoint **a subcommittee** to monitor the District investments' compliance with this policy.

### **IV. Prudence**

The standard of prudence to be used for managing the District's assets, pursuant to Colorado law, is the "prudent investor" rule, which states that a prudent investor "shall exercise the judgment and care, under circumstances then prevailing, which men of prudence, discretion and intelligence exercise in the management of the property of another, not in regard to speculation but in regard to the permanent disposition of funds, considering the probable income as well as the probable safety of their capital." (CRS 15-1-304, Standard of Investments.)

The District's overall investment program shall be designed and managed to a degree of professionalism that is worthy of the public trust. The District recognizes that no investment is riskless and that the investment activities of the District are a matter of public record. Accordingly, the District recognizes that occasional measured losses are inevitable in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the District.

The District seeks active, rather than passive, management of its portfolio assets. Assets may be sold at a loss only if the Board of Trustees believes that the sale of the security is in the best long-term interest of the District. The Director and other authorized persons acting in accordance with written procedures while exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes.

#### **V. Ethics and Conflicts of Interest**

The Board of Trustees and employees of the District involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair or create the appearance of an impairment of their ability to make impartial investment decisions (CRS 24-18-101, et seq, Code of Ethics).

#### **VI. Eligible Investments and Transactions**

All investments shall be made in accordance with applicable law, including, without limitation, C.R.S. Section 11-10.5-101, et seq. Public Deposit Protection Act; C.R.S. Section 11-60-101, et seq. U.S. Agency Obligations; and C.R.S. Section 30-10-708, et seq. Treasurer - Deposit of Funds in Banks and Savings and Loan Associations, which further cites C.R.S. Section 11-47-101, et seq. Savings and Loan Association Public Deposit Protection Act; C.R.S. Section 24-75-601, et seq. Funds - Legal Investments; C.R.S. Section 24-75-603, et seq. Depositories; and C.R.S. Section 24-75-701, et seq. Investment Funds – Local Government Pooling. Any revisions or extensions of these sections of the C.R.S. will be assumed to be part of this policy immediately upon being enacted.

#### **VII. Policy Revisions**

This policy shall be reviewed at least once each calendar year and may be amended as conditions warrant. Appendices to this policy may be updated by the Library Director as necessary, provided the changes in no way affect the substance or intent of this policy.

**Boulder Public Library District  
Board of Trustees**

Res. No. 07-16-2024-A

**A RESOLUTION AUTHORIZING PARTICIPATION  
IN  
COLORADO LOCAL GOVERNMENT LIQUID ASSET TRUST**

The Board of Trustees of the Boulder Public Library District met on Tuesday, July 16, 2024, at 6:00 p.m., at Boulder Public Library, Canyon Meeting Room, 1001 Arapahoe Ave., Boulder Colorado, at which time the following Resolution was adopted by affirmative vote.

**RECITALS**

- A. The Board of Trustees of the Boulder Public Library District ("**Board**") (the "**Library District**") is authorized and charged with "exclusive control and spending authority over the disbursement of library funds as set forth in Section 24-90-112 (2) (a) C.R.S." under Section 24-90-109 (1) (e) (II), C.R.S.
- B. It is lawful for the Library District to pool money that is not immediately required to be disbursed with money of any other local government to maximize short-term investments and interest earnings pursuant to Part 7, Article 24, C.R.S.
- C. The Colorado Local Government Liquid Asset Trust (the "**Trust**") was formed under Parts 6 and 7, Article 24 and Articles 10.5 and 47 of Title 11, C.R.S. for investing, pooling for investment, and protection of public funds.
- D. The Library District holds public funds that are not immediately required for disbursement that should be invested safely to maximize return and minimize risk; and, therefore desires to become a participant in the Trust.

**NOW, THEREFORE**, The Board of Trustees of the Boulder Public Library District is Resolved as follows.

1. The Board approves, adopts and joins as a "Participant" with other local governments pursuant to Part 7, Article 75, Title 24, C.R.S., the Amended and Restated Indenture of Trust entitled the Colorado Liquid Government Asset Trust dated May 1, 2021 as amended from time to time, the terms of which are incorporated herein by this reference and a copy of which is filed with the minutes of the Board meeting; and,
2. The Designee and Authorized Signatories listed on the Trust Registration Form attached hereto are authorized to direct the investment of the Library District's investment funds; and,

3. The Designee and Authorized Signatories may be changed from time to time by written notice to COLOTRUST, the Trust; and,

4. The Designee and Authorized Signatories shall review the COLOTRUST Information Statements and Investment Policies for COLOTRUST PRIME, COLOTRUST PLUS+ and COLOTRUST EDGE prior to investing in any of the portfolios and are authorized to select one or more that they deem most advantageous for the Library District's purposes.

RESOLVED this 16nd day of July, 2024.

**BOULDER PUBLIC LIBRARY DISTRICT**

\_\_\_\_\_  
By: Doug Hamilton, President

ATTEST:

\_\_\_\_\_  
By:

**CERTIFICATION**

I, \_\_\_\_\_, a Trustee of the Boulder Public Library District, certify that the above Resolution was adopted by a majority of the Trustees present and acting at a properly called and conducted meeting of the Board on July 16, 2024.

\_\_\_\_\_  
\_\_\_\_\_, Trustee



### Trust Registration

**Entity Information**

Local Government Name (Participant) Boulder Public Library District

Entity Type:  City/Town  County  School District  Special District  
 Other (Specify) Public Library District

Mailing Address 1001 Arapahoe Avenue

City Boulder Zip 80302 County Boulder

Physical Address (if different than above) \_\_\_\_\_

City \_\_\_\_\_ Zip \_\_\_\_\_ County \_\_\_\_\_

Tax ID 92-3969691 Fiscal Year End Date (Month/Day) 12/31

COLOTRUST and its transfer agent and administrator are authorized by the Participant to act on any instructions believed to be genuine for any service authorized on this form. To the extent permitted by law, the Participant agrees that COLOTRUST, its transfer agent, and administrator, Public Trust Advisors LLC, and their respective officers, directors, affiliates, representatives, employees and agents (each an "Indemnified Party") will not be liable for any losses, claims, expenses and liabilities (collectively, the "Losses") that result from accepting such instructions, and agrees to indemnify and hold harmless each Indemnified Party from and against any and all Losses arising from or resulting from such reliance on, or acceptance of, such instructions. Withdrawal proceeds can be sent only to the bank(s) indicated below unless changed by written instructions. Each Participant is responsible for notifying COLOTRUST of any changes to its account(s).

Wires will be distributed every hour with the final distribution ending at 11:00 a.m. MT; distribution times are subject to change as needed by the COLOTRUST Administrator. Additionally, COLOTRUST must be notified of any contributions by 11:00 a.m. MT to receive same day credit. **If funds are not received by 3:00 p.m. MT, contribution orders will be voided.**

**Banking Information**

Bank Name \_\_\_\_\_ Bank Routing Number (ABA) \_\_\_\_\_

Account Title \_\_\_\_\_ Account Number \_\_\_\_\_

Bank Contact\* \_\_\_\_\_ Contact's Phone Number \_\_\_\_\_

Wire  ACH  Both

**Additional Banking Information (Optional)**

Bank Name \_\_\_\_\_ Bank Routing Number (ABA) \_\_\_\_\_

Account Title \_\_\_\_\_ Account Number \_\_\_\_\_

Bank Contact\* \_\_\_\_\_ Contact's Phone Number \_\_\_\_\_

Wire  ACH  Both

\*If there will only be one Authorized Signer on the COLOTRUST account, bank contact must be provided to verify bank account information



### Authorized Contacts<sup>1</sup>

Authorized Signers Can	Read-Only Users Can
Approve changes to the Investor Profile	Receive account updates
Update banking/contact information	Request "view-only" access to monthly statements and transaction confirmations
Process transactions	View banking/contact information
Receive account updates	

#### Designee<sup>2</sup> Contact for Voting

Print First and Last Name \_\_\_\_\_ Title \_\_\_\_\_

(Signature Required If Authorized Signer) \_\_\_\_\_ Phone (Required)<sup>3</sup> \_\_\_\_\_ Extension \_\_\_\_\_

Email (Required) \_\_\_\_\_ Mobile<sup>3</sup> \_\_\_\_\_

**Permissions** (check only one)

- Authorized Signer to Move Funds
- Read-Only Access

**Additional Contact (Optional) – COLOTRUST strongly advises each participant to have multiple authorized signers to help prevent fraud**

Print First and Last Name \_\_\_\_\_ Title \_\_\_\_\_

(Signature Required If Authorized Signer) \_\_\_\_\_ Phone (Required)<sup>1</sup> \_\_\_\_\_ Extension \_\_\_\_\_

Email (Required) \_\_\_\_\_ Mobile<sup>3</sup> \_\_\_\_\_

**Permissions** (check only one)

- Authorized Signer to Move Funds
- Read-Only Access

**Voting Contact**

- Alternate Designee

<sup>1</sup> All contacts listed on an account will receive email notifications when transaction confirmation documents and monthly statements are available for download in the online portal.

<sup>2</sup> The Designee contact on an account is the main point of contact for an entity. They receive voting credentials for Board of Trustee elections and all other important communications. Please note that a Designee is not required to be an authorized signer on the account.

<sup>3</sup> A phone number that you can be reached at directly is required to receive the multi-factor authentication code via phone call. Mobile numbers can receive the code via phone call or text.





Authorized Contacts (cont.)<sup>1</sup>

Additional Contact (Optional)

Print First and Last Name

Title

(Signature Required if Authorized Signer)

Phone (Required)<sup>2</sup> Extension

Email (Required)

Mobile<sup>2</sup>

Permissions (check only one)

- Authorized Signer to Move Funds
Read-Only Access

Voting Contact

- Alternate Designee

Additional Contact (Optional)

Print First and Last Name

Title

(Signature Required if Authorized Signer)

Phone (Required)<sup>2</sup> Extension

Email (Required)

Mobile<sup>2</sup>

Permissions (check only one)

- Authorized Signer to Move Funds
Read-Only Access

Voting Contact

- Alternate Designee

Additional Contact (Optional)

Print First and Last Name

Title

(Signature Required if Authorized Signer)

Phone (Required)<sup>2</sup> Extension

Email (Required)

Mobile<sup>2</sup>

Permissions (check only one)

- Authorized Signer to Move Funds
Read-Only Access

Voting Contact

- Alternate Designee

1 All contacts listed on an account will receive email notifications when transaction confirmation documents and monthly statements are available for download in the online portal.

2 A phone number that you can be reached at directly is required to receive the multi-factor authentication code via phone call. Mobile numbers can receive the code via phone call or text.







## EDGE Participant Acknowledgement Form

### Participant Information

Entity Name (Participant) \_\_\_\_\_

### Participant Acknowledgement

The undersigned Authorized Signer for the Participant hereby acknowledges the following:

- The Participant has received and reviewed the COLOTRUST EDGE Information Statement.
- All EDGE investments are made in accordance with the COLOTRUST EDGE Investment Policy.
- COLOTRUST EDGE is designed to complement the daily liquidity of the COLOTRUST EDGE Fund by gaining exposure to a diversified portfolio of high-quality securities. COLOTRUST EDGE is better suited for funds not needed on a frequent or near-term basis. COLOTRUST EDGE is designed for investors with a slightly longer investment horizon and the ability to tolerate a higher risk profile.
- COLOTRUST EDGE does not seek to maintain a stable net asset value (NAV) and does not offer daily liquidity. Unlike COLOTRUST Prime or COLOTRUST PLUS+, investing in COLOTRUST EDGE introduces the potential for the reporting of unrealized and realized gains and losses.
- Withdrawals are unlimited and met on a transaction date plus one (1) business day basis (T+1).

### Authorized Signer

Signature \_\_\_\_\_

Date \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

The investment advisor providing these services is Public Trust Advisors, LLC (Public Trust), an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended. Registration with the SEC does not imply a certain level of skill or training. Additionally, this registration provides no guarantee of return or protection against loss. COLOTRUST is not a bank. An investment in COLOTRUST is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Please read the applicable COLOTRUST Information Statements carefully before making an investment decision. Many factors affect performance, including changes in market conditions and interest rates and in response to other economic, political, or market developments. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.





## Dual Authorization Form (Optional)

Entity Name: \_\_\_\_\_

Please utilize this form to request dual authorization capabilities on your COLOTRUST account. Dual authorization ensures that any transaction entered via the COLOTRUST online transaction portal requires approval from a second Authorized Signer in order to be processed (internal transfers between subaccounts do not require dual authorization). **Note:** All Authorized Signers listed on the account can enter transactions and approve them (not just the users below).

### Request to Add Dual Authorization

Dual authorization is hereby approved for \_\_\_\_\_ by the Authorized Signer below. By approving dual authorization, the Authorized Signer acknowledges transactions not approved by the 11:00 a.m. MT cutoff will not be processed. Please ensure transactions are entered in a timely manner and that other authorized signers are available to approve the transactions for processing.

Authorized Signer's Signature \_\_\_\_\_

Date \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_