

South Tangipahoa Parish Port Commission  
INVESTMENT POLICY AND STRATEGY

## **I. INTRODUCTION**

It is the policy of the South Tangipahoa Parish Port Commission that the administration of its funds and the investment of those funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal while meeting the cash flow needs of the South Tangipahoa Parish Port Commission and conforming to the Public Funds Investment and LSA-R.S. 33:2955 Investments by political subdivisions.

The receipt of a market rate of return will be secondary to the requirements for safety and liquidity. The earnings from investment will be used in a manner that best serves the interests of the South Tangipahoa Parish Port Commission

The purpose of this Policy is to set specific investment policy and strategy guidelines. Direct specific investment parameters for the investment of public funds is set by LSA-R.S. 33:2955 Investments by political subdivisions.

## **II. SCOPE**

This investment policy applies to all financial assets of the South Tangipahoa Parish Port Commission and any new funds created unless specifically exempted by the Port Commission.

## **III. OBJECTIVES**

It is the policy of the South Tangipahoa Parish Port Commission that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety, liquidity, diversification, and yield. Investments are to be chosen in a manner which promotes diversity. To match potential cash flow needs in the event of a catastrophic event, the Port Commission has agreed a liquidity need of \$2,250,000 shall remain in cash like-equivalents, including but not limited to cash, money market, money market mutual funds, Insured Bank Deposits, etc. All remaining assets outside of \$250,000 in the Operating Checking, will be reinvested in allowable investments per § 2955. Investments by political subdivisions.

### **Safety**

The primary objective of the investment activity is the preservation of capital. Each investment transaction shall be conducted in a manner to avoid capital losses, whether from security defaults, safekeeping, or erosion of market value. Investments in high credit quality securities and decisions based on anticipated cash needs are primary factors in providing safety.

### **Liquidity**

The investment portfolio shall be structured to meet all expected obligations in a timely manner. This

shall be achieved by matching investment maturities with forecasted cash flow liabilities and maintaining additional liquidity for unexpected liabilities.

#### Diversification

The portfolio shall be diversified by institution, market sector and maturity as much as possible.

#### Yield

The investment program shall seek to augment returns above the current cash-like equivalent investment consistent with risk limitations identified and the South Tangipahoa Parish Port Commission prudent investment strategy.

Cash management is the process of managing funds in order to insure maximum cash availability and reasonable yield on short-term investments. The South Tangipahoa Parish Port Commission shall strive for a cash management program which includes timely collection of accounts receivable, vendor payments in accordance with invoice terms, and prudent investment of assets.

### **IV. INVESTMENT STRATEGY**

The South Tangipahoa Parish Port Commission may maintain one commingled portfolio for investment purposes which incorporates the specific uses and the unique characteristics of the funds in the portfolio. The investment strategy has as its primary objective assurance that anticipated liabilities are matched and adequate investment liquidity provided. The South Tangipahoa Parish Port Commission shall pursue a conservative portfolio management strategy based on a buy-and-hold philosophy. This may be accomplished by creating a ladder maturity structure with some extension for yield enhancement. The maximum maturity of any security will be 5 years.

The investment strategy for debt service funds shall have as its primary objective the timely payment of debt service obligations. Successive debt service dates will be fully funded before any investment extensions are made.

### **V. DELEGATION OF RESPONSIBILITY**

No unauthorized person may engage in an investment transaction and all transactions shall be executed as provided under the terms of this Policy and its supporting procedures.

#### Investment Officer(s)

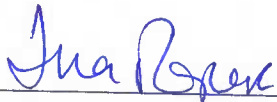
The South Tangipahoa Parish Port Commission President and the Executive Director will be designated as Investment Officers, by South Tangipahoa Parish Port Commission resolution, responsible for investment decisions and activities. The Investment Officer(s) are responsible for creating and maintaining the portfolio in accordance with this Policy and establishing supporting procedures. The South Tangipahoa Parish Port Commission may further contract with an SEC registered investment adviser for non-

discretionary management of the portfolio. Investment Officers shall refrain from personal and business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions.

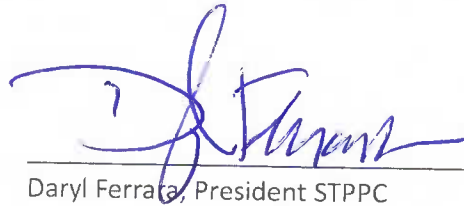
#### **VII. AUTHORIZED INVESTMENTS**

The assets of the South Tangipahoa Parish Port Commission may be invested only in the following instruments as further defined by the § 2955. Investments by political subdivisions, LA R.S. 33:2955.

This policy was approved and adopted by the South Tangipahoa Parish Port Commission on the 12<sup>th</sup> day of December 2024.



Tina Roper, Secretary STPPC



Daryl Ferraro, President STPPC