

CLARENCE FIRE DISTRICT NO. 1
INVESTMENT POLICY

I. **SCOPE:**

All participants in the investment process shall act as responsible custodians of the public's trust. Investments shall be made with judgment and care, under circumstances then prevailing, considering the safety of the principal as well as the probable income to be derived. All participants shall refrain from business activities that could impair their ability to make impartial investment decisions.

II. **OBJECTIVES:**

The primary objectives of the Clarence Fire District's investment activities are, in priority order:

- A. Legal: to conform to all applicable federal, state and other legal requirements.
- B. Safety: to adequately safeguard principal.
- C. Liquidity: to provide sufficient liquidity to meet all operating requirements.
- D. Yield: to obtain a reasonable rate of return by diversifying by financial institution, investment instrument and maturity scheduling.

III. **DELEGATION OF AUTHORITY:**

The Board of Fire Commissioners hereby authorizes the Treasurer to invest all general and reserve funds and proceeds of obligations as dictated by the State statutes. (GML 10, 11, 39 and Article 5G and Banking Law 107-a establish the legal authority governing the deposit and investment of public moneys.) All investments made pursuant to the investment policy shall comply with the following conditions:

- A. The Treasurer shall obtain the prior permission of the Board of Fire Commissioners to make investments other than in demand or time accounts issued by a bank or trust company authorized to do business in New York State.
- B. All deposits in excess of the \$100,000 amount insured under the provisions of the FDIC Act must be covered by the depository's pledge of eligible securities as provided in GML 10. (See Attachment 1, Bank Depository Collateral Agreement Schedule of Eligible Securities.)
- C. The Treasurer shall establish and maintain a system of internal controls and records, which accurately reflects all transactions in reasonable detail.
- D. The Treasurer shall report the Fire District's investment status monthly to the Board of Fire Commissioners.
- E. A designated Fire Commissioner shall review the propriety of District's investments and report on a monthly basis his/her findings to the Board of Fire Commissioners.
- F. GML 39 requires that the Board of Fire Commissioners review this policy at least annually. This policy should also be reviewed whenever new investment legislation is enacted, as staff capabilities change or as other external and internal issues dictate.
- G. Service Awards Program Investments are addressed in Clarence Fire District Policy Number 02-04-9.

CLARENCE FIRE DISTRICT NO. 1
INVESTMENT POLICY

IV. **DESIGNATION OF DEPOSITORIES:**

All financial institutions with which the District conducts business must be credit worthy. The Treasurer is responsible for evaluating the financial position and maintaining a listing of proposed depositories. This listing shall be evaluated at least annually.

The banks currently authorized as depositories are:

<u>Depository Name</u>	<u>Maximum Amount</u>	<u>Bank Officer's Name</u>
Key Bank	Total cash less JP Morgan deposit minimum	Paula A. Mietus
JP Morgan Chase	Total general fund cash less Key deposit minimum	Fred M. Vosburgh

V. The Board of Fire Commissioners may amend this Investment Policy at any time upon review.

VI. This policy rescinds the Investment Policy dated March 10, 2003.

VII. This policy is adopted effective January 7, 2008.

By order of the Board of Fire Commissioners
Clarence Fire District No. 1
Policy Number 08-01-17