



Quaker Springs Fire District #1
107 Blodgett Road
PO Box 67
Schuylerville, NY12871
518-584-3349

Investment Policy:

The Board of Fire Commissioners ("Board") defines the following policy on Investments. The Board's authority to manage the investment program is derived under New York State Town Law, Article 11, Section 176.

PURPOSE AND SCOPE: This policy provides guidance for all investment activities of Quaker Springs Fire District #1 ("District") with the exception of funds designated for the Length of Service Award Program ("LOSAP").

INVESTMENT OBJECTIVES:

The primary objectives, in priority order, of the District's financial investments are:

- Legal - To conform with all applicable Federal, State, and other legal requirements;
- Safety of Principal - All investments shall be undertaken in a manner that seeks first to preserve capital and second to meet the Liquidity and Yield objectives;
- Liquidity – The District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated; and
- Return on Investments (Yield) – The District's investments should generate the highest available return without sacrificing the three objectives outlined above.

DEPOSIT REQUIREMENTS:

The Board shall designate its public depositories. Any eligible financial institution that has offices within the State of New York may become a public depository of the funds of the District. When deposits or investments (at a bank or trust company) exceed FDIC coverage, any amounts not insured under the Federal Deposit Insurance Act must be properly secured. The District must obtain a pledge of eligible securities (as defined and required by General Municipal law Section 10).

DELEGATION OF AUTHORITY:

Management responsibility for the District's investment program is the duty of the Board. The Treasurer shall be responsible for the implementation of the investment decisions of the Board and the investment procedures defined in this Policy. No person may engage in an investment transaction except as provided by resolution or motion of the Board, under the terms of this Policy and the procedures established. The District may utilize the services of a consultant/registered investment advisor to assist the District with proper cash and investment management procedures and/or for the purpose of training District personnel.

AUTHORIZED AND SUITABLE INVESTMENTS:

The following investments are deemed to be suitable for inclusion in the District's investment program. The Treasurer is authorized to invest District funds in only those investments specifically delineated below.

- U.S. Treasury Bills and Notes for which the full faith and credit of the U.S. Government is pledged for the repayment of principal and interest. Bills are short term (one year or less) obligations issued and sold at a discount. Notes have fixed coupon rates with original maturities of between one and five years.
- Demand deposit accounts (such as savings and checking accounts) established with local financial institutions.
- Certificates of Deposit issued by local financial institutions.

MATURITY OF INVESTMENTS:

No investment shall have a maturity date of more than five years from its date of purchase by the District. To the extent possible and prudent, the District will attempt to match its investment maturities with anticipated cash flow requirements.

DISTRICT FUNDS:

The Commissioners may establish funds for money and securities of the District. All monies from whatever source derived will be receipted into funds established by the District Board under authority of law. All funds coming into the hands of the Fire District Treasurer shall be deposited or invested within 10 days of receipt. The authorized funds are as follows:

- District Operating Fund - All money collected from tax levies, interest on investments of District Operating Fund monies, fees, fines, rentals, sale of District assets and other revenues shall be deposited into the District Operating Fund and must be budgeted and expended in the manner required by law. This fund shall include a savings account and a checking account. Only the District Treasurer's signature is required on District checks.
- District Building Reserve Fund - Money or securities may be accumulated in the District Building Reserve Fund for the purpose of anticipating necessary future capital expenditures such as the purchase of land, the purchase and construction of buildings or structures, the construction of additions or improvements to existing structures, the purchase of structural equipment, and all repairs or replacements of buildings or structural equipment. Money is only deposited into the Building Reserve Fund via transfer from the District Operating Fund. Money is only withdrawn from the Building Reserve Fund via transfer to the District Operating Fund after successful passage of a Permissive Referendum.
- District Equipment Reserve Fund – Money or securities may be accumulated in the District Equipment Reserve Fund for the purpose of anticipating necessary future capital expenditures such as the purchase of trucks, the purchase of firematic equipment, and all major repairs or replacements of trucks or firematic equipment. Money is only deposited into the Equipment Reserve Fund via transfer from the District Operating Fund. Money is only withdrawn from the Equipment Reserve Fund via transfer to the District Operating Fund after successful passage of a Permissive Referendum (i.e., the period in which a valid petition seeking a referendum must be submitted has expired without submission of a petition, or the transfer is approved by the voters).

STOCK:

The District and/or District Treasurer may not purchase stock for the investment of District funds, however there may arise circumstances when stock is transferred to the District, such a gift. When the District receives stock certificates:

- They shall be transferred directly from the transferor's broker to the District's broker. The District will automatically at transfer become the owner of record.
- The majority of the Board of Commissioners will determine when the stock will be sold for cash.

AUDITS:

- All district financial records and accounts will be audited annually by an independent Certified Public Accountant.
- All district financial records and accounts will be audited quarterly by the Board of Fire Commissioners Audit Committee.
- All district bank statements will be reviewed monthly by the Board of Fire Commissioners.