

Stillwater Fire District
Stillwater, New York

Fire District Policy and Procedure

Policy Number: 1 of 2008

Policy Name: Investment Policy

Date Issued: May 12, 2008

Effective: May 12, 2008

Revised: January 2018

Review Date: January 2020

It is the policy of the Stillwater Fire District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow needs for the Fire District and comply with all state statutes governing the investment of public funds particularly those contained in Town Law Article 11.

The County of Saratoga Board of Supervisors shall assess and levy upon the taxable real property within the Stillwater Fire District the amount to be raised by tax for the purposes of the Stillwater Fire District as specified in the annual Fire District budget and shall cause the amount so assessed and levied to be collected in the same manner and at the same time and by the same officers as town taxes are collected. When such taxes are collected the amount thereof shall be paid to the Chief Financial Officer (CFO) of the town and by the CFO immediately to the treasurer of the Fire District.

This investment policy applies to all financial assets of the Stillwater Fire District. These funds are accounted for in the various reserve funds of the District and include the general fund, special revenue funds, capital project funds, pension funds and any new fund established by the Fire District. The fire district treasurer shall deposit funds in the financial institutions as determined by resolution of the Board upon recommendation of the Treasurer that yield the greatest return on investment, and shall expend those funds in accordance with applicable rules and regulations at the direction of the Board.

It shall be the policy of the District that there be sufficient redundant internal controls in place to monitor financial accounts for the purpose of continuity of operations. All financial transactions shall be reviewed and verified at each meeting of the board of fire commissioners. All payments shall match bills or invoices received by the fire district.

The primary objectives in priority of order of the Fire District's investment activities shall be;

Safety--Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.

Diversification--The investments will be diversified by security type and institution in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Liquidity--The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

Return on Investment--The investment portfolio shall be designed with the objective of obtaining a rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

The authority to manage the investment program is derived from the Board of Fire Commissioners under New York State Town Law, Article 11, sub section 176 Powers and Duties of Fire District Commissioners. The Board has the authority to appoint a Treasurer and by resolution delegates management responsibility for the investment program to the appointed Treasurer who shall follow procedures and shall comply with internal controls and oversight by the Board for the operation of the investment program consistent with this policy as established by the Board of Fire Commissioners. Procedures should include safekeeping, delivery vs. payment, investment accounting, purchase agreements, wire transfer agreements, depository agreements and banking service contracts. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer and the Board of Fire Commissioners. The Treasurer shall be responsible for all transactions undertaken and shall work with the Board of Fire Commissioners to establish a system of controls to regulate the activities or subordinate officials.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

By Order of Board of Fire Commissioners – Stillwater Fire District

Chairman Board of Fire Commissioners