

RESOLUTION NO. 2023-27

A RESOLUTION TO ADOPT A WRITTEN POLICY FOR INVESTING IN PUBLIC FUNDS BY THE MIAMI VALLEY FIRE DISTRICT.

WHEREAS, the City of Miamisburg, Ohio and Miami Township, Montgomery County, Ohio created the Miami Valley Fire District (the "District") consistent with Ohio Revised Code Section 505.371 via Joint Resolution, City Resolution No. 2786 and Township Resolution No. 121-2011; and

WHEREAS, District Resolution No. 2011-02 adopted the by-laws; and

WHEREAS, the Miami Valley Fire District has established an Investment Policy; and

WHEREAS, pursuant to Ohio Revised Code §135.14, the legislative authority shall adopt a written policy for its use.

NOW, THEREFORE, BE IT RESOLVED BY THE MIAMI VALLEY FIRE DISTRICT BOARD OF TRUSTEES THAT:

Section 1. Pursuant to Ohio Revised Code §135.14, this Board hereby adopts the written policy for Investments for the Miami Valley Fire District.

Section 2. This Board finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Board, and that all deliberations of this Board and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with applicable legal requirements, including Ohio Revised Code Section 121.22.

Section 3. This resolution shall be in full force and effect October 12, 2023 and shall supersede any prior resolution or act of this Board, which may be inconsistent or duplicative with the provisions of this resolution.

Adopted this 12th day of October 2023.

 _____ John Stalder, President	<input checked="" type="radio"/> Yes/No
 _____ Terry Posey Jr, Trustee	<input type="radio"/> Yes/No
 _____ Ann-Lisa Allen, Trustee	<input checked="" type="radio"/> Yes/No
 _____ Greg Bell, Trustee	<input checked="" type="radio"/> Yes/No
 _____ Frank Fritsch, Trustee	<input checked="" type="radio"/> Yes/No



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General Administration
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1. Purpose

This statement provides guidelines for the investment management of the District's funds.

2. Scope

This policy applies to the investment of all funds of the Fire District. The Fiscal Officer is authorized to pool cash balances from all funds of the District for investment purposes. Unless otherwise restricted, all interest earnings will be credited to the General Fund.

3. General Objectives

The primary objective of investment activities shall be safety, liquidity, and return:

- A. Safety - 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.
- B. Liquidity - The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
- C. Return – The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

To ensure the District will continue to receive the best service and rates available and that other financial institutions will have an equal opportunity to competitively bid in future years, the District will seek competitive requests for proposals or requests for information for depositories of active funds at least every five (5) years.

4. Standards of Care

- A. Delegation of Authority – Authority to manage the District's investment program is assigned to the Fiscal Officer. The Fiscal Officer shall be responsible for all transactions undertaken and shall establish a system of control to regulate the investment activities.
- B. Prudence – Investments should be made with care, skill, prudence, and diligence. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market prices changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with this policy.
- C. Ethics and Conflicts of Interest - Officers and employees involved in the investment process shall refrain from personal business activity that would conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial investment decisions.



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5. Investment Selection

A. Authorized Investments

This investment policy, as adopted by the Board of Trustees, shall govern the investment activities of the Fire District. Authorized Investments may be derived from or based upon Ohio Revised Code Chapter 135. Investments not defined under ORC 135 but authorized pursuant to this investment policy are considered authority investments of the District.

Government Securities: U.S. government obligations, U.S. government agency obligations, and U.S. government instrumentality obligations, which have a liquid market with a readily determinable market value.

Certificates of Deposit: Interest bearing certificates of deposit issued by institutions whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC).

Commercial Paper: Commercial paper issued by companies incorporated under the laws of the United States and which are rated at the time of purchase in the single highest classification by two nationally recognized standard rating services.

Money Market Funds: Money market funds whose portfolios consist of the foregoing investment types.

State Treasury Asset Reserve of Ohio: The State Treasury Asset Reserve of Ohio (“STAR Ohio”) is a statewide investment pool managed by the Treasurer of the State of Ohio similar in concept to a money market fund. It is available exclusively to political subdivisions of Ohio.

Other Ohio Investment Pools: Any other investment pool operating in Ohio and available exclusively to public fund agencies of Ohio. The instruments of these pools must have the full faith and credit backing of the United States or be fully collateralized or insured.

Other Eligible Investments: Other investments not specifically identified in this Section are otherwise considered eligible investments within Chapter 135 of the ORC.

B. Maturity

To the extent possible, the District will attempt to match the term to maturity of its investments with anticipated cash flow requirements. Unless matched to a specific cash flow requirement, the District will not directly invest in securities maturing more than five years from the date of settlement.

D. Prohibited Investments

Investments in derivatives are strictly forbidden. A derivative is defined in Chapter 135 of the Ohio Revised Code as a financial instrument, contract or obligation whose value is based upon or linked to another asset or index or both, separate from the financial instrument, contract or obligation itself. Additionally, any security, obligation, trust account, or



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instrument that is created from an obligation of a federal agency or instrumentality or is created from both is considered a derivative instrument.

6. Finance Institutions

A. Authorized Financial Institutions and Dealers

The Fiscal Officer will maintain a listing of financial institutions authorized to provide investment services to the District. No public deposit shall be made except in a qualified public depository as established by Chapter 135 of the Ohio Revised Code. All financial institutions, broker/dealers and investment advisors who desire to become qualified bidders for investment transactions must supply the Fiscal Officer with the following when requested, if applicable:

- 1) Certification of having received and understood the District's Investment Policy, and agreeing to comply with the policy;
- 2) Depository Agreement (if applicable); and
- 3) Other relevant information as requested.

B. Collateralization Requirements

Collateralization will be required on all demand deposit accounts, including checking accounts, as well as non-negotiable certificates of deposit and repurchase agreements. The collateralization level will be defined by Ohio Revised Code. Collateral is limited to eligible securities defined in Ohio Revised Code sections 135.18 and 135.181. Each financial institution with which the District has deposits shall provide a quarterly statement reflecting the securities pledged including the market values of such securities.

C. Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by the District shall be conducted on a delivery-versus-payment basis. Should an Investment Company/Manager be utilized, securities will be held by an independent third-party custodian designated by the Investment Company/Manager and evidenced by safekeeping receipts and a written custodial agreement.

7. Internal Control, Reporting, and Continuing Education

A. Internal Control

The Fiscal Officer is responsible for establishing and maintaining an internal control structure designed to reasonably ensure that the assets of the District are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. Compliance with policies and procedures will be independently reviewed during required audits by or on behalf of the Auditor of the State of Ohio.



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B. Reporting

The Fiscal Officer is charged with the responsibility of providing reports on investment activity and returns on the pooled balance of the funds. These reports will be prepared on a quarterly basis and submitted to the Board of Trustees.

C. Continuing Education

The Fiscal Officer will annually complete the public investing continuing education program provided by the Treasurer of the State of Ohio. Furthermore, no investment shall be made in commercial paper or bankers acceptances unless the Fiscal Officer has completed additional training provided by the Auditor of the State of Ohio.

8. Policy Considerations

The District's Investment Policy shall be adopted by Resolution of the Board of Trustees. The Board shall review and reaffirm this policy every five years at a minimum.

As required by Ohio Revised Code Chapter 135.14, this Investment Policy must be approved by the Board of Trustees. A copy will be filed with the Auditor of State pursuant to 135.14(N)(1) ORC. [Attn: Clerk of the Bureau, P.O. Box 1140 Box 1140, Columbus, OH 43216-1140] within fifteen days of Board approval.

9. Revision History

Revised – October 12, 2023

10. Authorizing Signature

Fire Chief

October 12, 2023

Date