

INVESTMENT POLICY

Relative Information:

- A. The primary objectives of investment activities are:
- Safety – Investments shall be undertaken in a manner that seeks to ensure the preservation of District funds. The District will minimize credit risk by investing in the safest types of securities and those that are short-term.
 - Liquidity – Investments shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
 - Yield – Return on investment is of secondary importance compared to the safety and liquidity objectives. Investments are limited to highly rated/low risk securities in anticipation of earning a fair return relative to the risk assumed.
- B. Municipal corporations in Oregon are required to comply with ORS 294.035, the Investment of Surplus Funds of Political Subdivisions. The District invests all surplus funds with the Oregon State Treasury in a pooled account called the Local Government Investment Pool (LGIP), which conforms to these objectives. The investments are regulated by the Oregon Short-Term Fund Board under the Oregon Investment Council, an approved investment in accordance to ORS 294.035 and consistent with Government Finance Officers Association (GFOA) Policy Statement on Investment Practices.
- C. The District's bank deposits are held in qualified Oregon depositories in accordance with ORS Chapter 295, which requires banks to be approved by the State Treasurer in order to deposit public funds and that collateralization of funds in excess of the FDIC insured amount are pooled with other institutions holding public funds. Such deposits are designated cash management tools and not considered investments under this policy.
- D. The District does not directly administer the investments of employees' retirement funds, or their deferred compensation plans.
- E. The Board of Directors, Fire Chief, Chief Finance Officer, and auditor periodically review the District's investment practices. The annual financial audit evaluates and addresses compliance with investment practices.

Policy Statement: It is the policy of the Board of Directors to ensure safe and conservative investment practices with the District's public funds.