

Unapproved  
ONTARIO FIRE DISTRICT NO. 1  
BOARD OF FIRE COMMISSIONERS  
ORGANIZATIONAL MEETING  
Minutes  
JANUARY 04, 2024

Select a commissioner to open the meeting.

The meeting was called to order by Commr. J. Agnello at 6:32pm.

Pledge of Allegiance

Commissioners Present: M. Wyse, J. Agnello, R. Doyle & A. Thompson

Excused: C. Breed

Chief Officer(s) Present: J. Dundon (13-1), S. Trottier (13-2)

OFC Members Present:

Public Present: None

A motion was made by Commr. M. Wyse, seconded by Commr. R. Doyle, nominating Commr. A. Thompson as Chairman of the BOARD OF FIRE COMMISSIONERS for the Ontario Fire District for 2024. 4 ayes 0 nays; Motion Carried.

*Commissioner A. Thompson Assumed the Position of Chairman.*

A motion was made by Commr. M. Wyse, seconded by Commr. R. Doyle to appoint P. Matt Prinsen Secretary of the Ontario Fire District for 2024. 4 ayes, 0 nays; Motion

A motion was made by Commr. J. Agnello, seconded by Commr. R. Doyle to appoint P. Matt Prinsen Treasurer of the Ontario Fire District for 2024. 4 ayes, 0 nays; Motion Carried.

A motion was made by Commr. J. Agnello, seconded by Commr. M. Wyse, to appoint Raymond DiRaddo as an attorney for the Ontario Fire District for 2024. 4 ayes 0 nays; Motion Carried.

A motion was made by Commr. M. Wyse, seconded by Commr. R. Doyle, to appoint Craig R. Welch of Lacy Katzen, LLP as an attorney for the Ontario Fire District for 2024. 4 ayes 0 nays; Motion Carried.

A motion was made by Commr. J. Agnello, seconded by Commr. M. Wyse, to appoint Bernard P. Donegan, Inc. as the Municipal financial Adviser for the Ontario Fire District for 2024. 4 ayes 0 nays; Motion Carried.

A motion was made by Commr. R. Doyle, seconded by Commr. J. Agnello, to designate the Times of Wayne County, as the official newspapers for the Ontario Fire District for 2024. 4 ayes, 0 nays; Motion Carried.

A motion was made by Commr. M. Wyse, seconded by Commr. J. Agnello, to designate the Monthly meetings for the Ontario Fire District for 2024 to be held on the first Thursday following the first Monday of each month. The meetings will be held at

Unapproved

the Fire Station, 6160 Walter Cone Drive, Ontario, NY at 7:00pm. 4 ayes, 0 nays; Motion Carried.

A motion was made by Commr. J. Agnello, seconded by Commr. M. Wyse, to designate Mike Mooney as Election Chairman, Cathy Agnello as Election Inspector and Brenda Prinsen as Ballot Clerk at \$70.00 per person and per election session of the Ontario Fire District for 2024. 4 ayes, 0 nays; Motion Carried.

A motion was made by Commr. R. Doyle, seconded by Commr. J. Agnello, to designate Lyons National Bank as the official depository for the Ontario Fire District #1 for 2024. All checks in excess of \$10,000.00 will require two signatures, (1 of the Treasurer and 1 of the appointed Finance Committee person Commr. M. Wyse); 4 ayes, 0 nays; Motion Carried.

A motion was made by Commr. M. Wyse, seconded by Commr. R. Doyle to carry a minimum-security bond of \$1,000,000.00 on the Treasurer's position; 4 ayes, 0 nays; Motion Carried.

A motion was made by Commr. J. Agnello, seconded by Commr. M. Wyse to pay the membership dues of the five commissioners, Chief and two Assistant Chiefs for the NYSAFC. The membership dues of the five commissioners in the AFD of the State of New York and MCFDOA shall be paid by the Ontario Fire District. Membership dues for the Chairman of the Board of Fire Commissioners and the Chief in the IAFC, shall be the responsibility of the Ontario Fire District.

A motion was made by Commr. M. Wyse, seconded by Commr. J. Agnello to adopt Roberts Rules of Order with a majority of the entire Board of Fire Commissioners (3) carrying all votes. 4 ayes, 0 nays; Motion Carried.

A motion was made by Commr. R. Doyle, seconded by Commr. M. Wyse authorizing the Treasurer to prepay all utility, telephone, rubbish, and internet bills before audit to avoid late charges. 4 ayes, 0 nays; Motion Carried.

A resolution was proposed by Commr. M. Wyse, seconded by Commr. J. Agnello to adopt the Post-Issuance Tax Compliance Disclosure and Continuing Disclosure Policies and Procedures for Tax Exempt Notes & Bonds as described in appendix A; 4 ayes, 0 nays; Motion Carried.

A resolution was proposed by Commr. M. Wyse, seconded by Commr. J. Agnello to adopt the financial policies as described in appendix B and summarized below:

- 1) The Treasurer is the Chief Financial Officer of the Fire District.
- 2) The Treasurer is responsible for making all investments.
- 3) Funds will be invested only in designated depositories, at the highest rate available in Certificates of Deposit or Money Market Savings Accounts.
- 4) All funds in excess of the amount insured by the FDIC will be secured by pledges of collateral.

The vote for the above financial policy; 4 ayes, 0 nays; Motion Carried.

Unapproved

A resolution was proposed by Commr. M. Wyse, seconded by Commr. R. Doyle to adopt the Financial Management Policy as described in appendix C; 4 ayes, 0 nays; Motion Carried.

A motion was made by Commr. J. Agnello, seconded by Commr. M. Wyse to establish the official mileage rate for 2024 at \$.67 / mile for all Ontario Fire District travel, as published by the IRS in Notice 2024-8, on Dec. 14, 2023; 4 ayes, 0 nays; Motion Carried.

A motion was made by Commr. R. Doyle, seconded by Commr. J. Agnello to designate the Ontario Fire District, responsible for the expenses of the five commissioners, the Secretary/Treasurer and any two Chiefs attending conventions of the NYSAFC, IAFC and the AFD of the State of New York; 4 ayes, 0 nays; Motion Carried.

A motion was made by Commr. J. Agnello, seconded by Commr. M. Wyse to authorize the Ontario Fire District to pay the expenses of the five commissioners, the Secretary/Treasurer and the Chief or an Assistant Chief attending MCFDOA meetings and seminars; 4 ayes, 0 nays; Motion Carried.

A motion was made by Commr. R. Doyle, seconded by Commr. J. Agnello to authorize the Ontario Fire Chief permission to spend funds within his budget up to a maximum of \$1500.00 without prior Board approval; 4 ayes, 0 nays; Motion Carried.

A motion was made by Commr. M. Wyse, seconded by Commr. J. Agnello to adjourn the meeting; 4 ayes, 0 nays; Motion Carried.

Organizational Meeting adjourned by Chairman A. Thompson at 6:42pm.

Respectfully Submitted,



P. Matt Prinsen, Secretary

Unapproved  
Appendix A  
Ontario Fire District No. 1  
Post-Issuance Tax Compliance and Continuing Disclosure  
Policies and Procedures  
For Tax-Exempt Notes & Bonds

Resolution Offered by: Commr. M. Wyse

Date: January 4, 2024

Seconded By: Commr. J. Agnello

Vote Count: 4 Ayes, 0 Nays.

Ayes: Commr. J. Agnello, Commr. A. Thompson, Commr. R. Doyle & Commr. M. Wyse

Nays: none

Absent: Commr. C. Breed

Board Minutes: January 4, 2024, page 2.

The purpose of these Post-Issuance Tax Compliance and Continuing Disclosure Policies and Procedures is to establish policies and procedures in connection with tax-exempt notes and bonds, or installment purchase agreements, or other tax-exempt or tax-advantaged debt obligations (referred to herein in each case as the “Bonds”) issued by, or on behalf of, the ONTARIO FIRE DISTRICT (the “Issuer”) so as to maximize the likelihood that certain applicable post-issuance requirements of federal income tax law needed to preserve the tax-exempt status of the Bonds are met and so as to likewise maximize the likelihood that certain applicable post-issuance requirements of the federal securities laws Rule, hereinafter defined, are met. The Issuer reserves the right to use its discretion as necessary and appropriate to make exceptions or request additional provisions as circumstances warrant, and as permitted by applicable law. The Issuer also reserves the right to change these policies and procedures from time to time. The Issuer shall review and reconfirm and re-adopt these policies and procedures not less frequently than annually at the same time it adopts or re-adopts its other ongoing policies and procedures.

### **Post-Issuance Tax Compliance Requirements**

#### External Advisors/Documentation

The Issuer shall consult with bond counsel and other legal counsel and with its financial advisor and other advisors, as needed, throughout the Bond issuance process to identify requirements and to establish procedures necessary or appropriate so that the Bonds will continue to qualify for tax-exempt status. Those requirements and procedures shall be documented in the tax arbitrage certificate (the “Arbitrage Certificate”) and/or other documents finalized at or before issuance of the Bonds. Those requirements and procedures shall include future compliance with applicable arbitrage rebate or yield

Unapproved

restriction requirements and all other applicable post-issuance requirements of federal tax law throughout (and in some cases beyond) the term of the Bonds.

When authorized or required in the Arbitrage Certificate, the Issuer shall engage expert advisors, which may include the financial advisor to the Issuer (each a “Rebate Service Provider”), to assist in the determination of whether yield restriction is required or in the calculation of arbitrage rebate payable in respect of the investment of Bond proceeds, unless the Arbitrage Certificate documents that arbitrage rebate or yield restriction will not be applicable to an issue of Bonds. When authorized or required by the Arbitrage Certificate, the Issuer shall engage bond counsel for consultation to assist the Issuer in meeting its obligations in the Arbitrage Certificate.

The Issuer shall prepare regular, periodic statements regarding the investments and transactions involving Bond proceeds.

Arbitrage Rebate and Yield

Unless the Arbitrage Certificate documents that arbitrage rebate will not be applicable to an issue of Bonds, the Issuer shall be responsible for:

- engaging the services of a Rebate Service Provider and, prior to each rebate calculation date, delivering periodic statements concerning the investment of Bond proceeds to the Rebate Service Provider;
- providing to the Rebate Service Provider additional documents and information reasonably requested by the Rebate Service Provider;
- monitoring efforts of the Rebate Service Provider;
- assuring payment of required rebate amounts, if any, no later than 60 days after each 5-year anniversary of the issuer date of the Bonds, and no later than 60 days after the last Bond of each issue is redeemed;
- during the acquisition and construction period of each capital project financed in whole or in part by Bonds, monitoring the investment and expenditure of Bond proceeds and consulting with the Rebate Service Provider to determine compliance with any applicable small issuer or spending exceptions from the arbitrage rebate requirements during each 6-month spending period up to 6 months, 18 months, 24 months, or 36 months, as applicable, following the issue date of the Bonds; and
- retaining copies of all arbitrage reports and spending or investment statements as described below under “Record Keeping Requirements.”

Use of Bond Proceeds and Bond-Financed or Refinanced Assets

The Issuer shall be responsible for:

- monitoring the use of Bond proceeds and the use (including, with particular sensitivity, any use or potential for use by any person or entity other than a governmental unit, such as, a private entity or not-for-profit entity) of Bond-financed or refinanced assets (e.g., facilities, furnishings or equipment) throughout the term of the Bonds to ensure compliance with covenants and restrictions set forth in the Arbitrage Certificate relating to the Bonds;
- maintaining records identifying the assets or portion of assets that are financed or refinanced with proceeds of each issue of Bonds, including a final allocation of Bond proceeds as described below under “Record Keeping Requirements”;
- consulting with bond counsel and other legal counsel and with the financial advisor or other advisors in the review of any contracts or arrangements involving the transfer, or sale, or lease or other use of all or any portion of Bond-financed or refinanced assets to ensure compliance with all covenants and restrictions set forth in the Arbitrage Certificate relating to the Bonds;
- maintaining records for any contracts or arrangements involving the use of Bond-financed or refinanced assets as described below under “Record Keeping Requirements”;
- conferring at least annually with personnel responsible for Bond-financed or refinanced assets to identify and discuss any existing or planned use of Bond-financed or refinanced assets, to ensure that those uses are consistent with all covenants and restrictions set forth in the Arbitrage Certificate relating to the Bonds; and
- to the extent that the Issuer discovers that any applicable tax restrictions regarding use of Bond proceeds and Bond-financed or refinanced assets will or may be violated, consulting promptly with bond counsel and other legal counsel and with the financial advisor or other advisors to determine a course of action to remediate all nonqualified bonds, if such counsel or advisor advises that a remedial action is necessary.

All relevant records and contracts shall be maintained as described below.

Due Diligence Monitoring Compliance

The board of the Issuer will identify in writing the appropriate business official(s) or other

#### Unapproved

individual(s) or employee(s) of the Issuer responsible for conducting due diligence review of all outstanding Bonds at regular intervals and will provide a written description of the training provided, or to be provided, to such responsible individual(s) with regard to monitoring compliance and the Issuer shall maintain a record of such training, including the date(s) of attendance and a general description of the training received. The Issuer will assure adequate maintenance of training of the responsible official/employee and will establish such monitoring procedures, with timely reporting to the chief fiscal officer and/or to the Finance Board of the Issuer, reasonably expected to timely identify tax law noncompliance and procedures ensuring that the Issuer will take steps to timely correct any and all discovered noncompliance with the tax law. If the Issuer engages in an activity causing bond-financed property to be used in a manner that violates the applicable use and payment limitations in the internal revenue code, the Issuer may take one or more “self-help” remedial actions. Possible remedial actions include defeasing the non-qualified portion of the outstanding Bonds or using the amounts realized from a sale of bond-financed property for another qualifying use; and if the Issuer fails to timely identify noncompliance early enough to qualify for self-help remedial actions or for matters in which self-help is not available, the Issuer can approach the IRS under its VCAP program which is described in more detail in IRS Notice 2008-31 and Internal Revenue Manual Sections 7.2.3.

The Issuer is aware of its ability, pursuant to Revenue Service Notice 2008-31, as it may be modified by the IRS from time to time, to request a voluntary closing agreement with the IRS to correct failures on the part of the Issuer to comply with the federal tax rules related to tax-exempt debt issuances.

Whenever possible, monitoring of tax law compliance will be integrated with the Issuer’s accounting systems so that those who directly manage Bond-financed or refinanced assets will be prompted to identify relevant facts at the time any changes are contemplated and to communicate such plans to the appropriate finance officials of the Issuer.

#### Record Keeping Requirement

The Issuer shall be responsible for maintaining the following documents for the term of each issue of Bonds (including refunding Bonds, if any) plus at least three years:

- a copy of the Bond closing transcript(s) and other relevant documentation delivered to the Issuer at or in connection with closing of the issue of Bonds;
- a copy of all material documents relating to capital expenditures financed or refinanced by Bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, and payment records, as well as documents relating to costs reimbursed with

#### Unapproved

Bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with Bond proceeds, including a final allocation of Bond proceeds;

- a copy of all contracts and arrangements (such as, leases, subleases, management or other service agreements, research contracts, joint venture arrangements, and the like) involving the use of Bond-financed or refinanced assets;
- a copy of all expenditures of Bond proceeds for project expenses and records of all investments, arbitrage reports and underlying documents, including bank statements and copies of all investment bidding documents, if any;
- a copy of expenditure reimbursements incurred for expenditures paid prior to issuing the Bonds; and
- a copy of audited financial statements.

#### Post-Issuance Continuing Disclosure

Under the provisions of SEC Rule 15c2-12 (the “Rule”), Participating Underwriters (as defined in the Rule) are required to determine that each borrower (such as the Issuer) has entered into a written Continuing Disclosure Agreement to make ongoing disclosure in connection with each debt offering subject to the Rule. Unless the Issuer is exempt from compliance with the Rule or the continuing disclosure provisions of the Rule as a result of certain permitted exemptions, the transcript of closing documentation for each issue of related Bonds will include a Continuing Disclosure Agreement executed by the Issuer (“Continuing Disclosure Agreement”).

In addition to the responsibilities of the Issuer set forth in each Continuing Disclosure Agreement, in order to monitor compliance by the Issuer with its Continuing Disclosure Agreements, the appropriate business official(s) or other individual(s) or employee(s) of the Issuer, as designated in writing by the board of the Issuer, will:

- A. Assist in the preparation or review of annual reports of financial information and operating data (“Annual Reports”) in the form required by the related Continuing Disclosure Agreements.
- B. Maintain a calendar, with appropriate reminder notifications, listing the filing due dates relating to dissemination of Annual Reports, which annual due date is generally expressed as a date within a certain number of days (e.g., 180 days) following the end of the Issuer’s fiscal year (the “Annual Report Due Date”), as provided in the related Continuing Disclosure Agreements.



- C. Ensure timely dissemination of the Annual Report by the Annual Report Due Date, in the format and manner provided in the related Continuing Disclosure Agreements, which may include transmitting such filing to the Municipal Securities Rulemaking Board ("MSRB") through the Electronic Municipal Market Access ("EMMA") System at [www.emma.msrb.org](http://www.emma.msrb.org) in the format prescribed by the MSRB.
- D. Monitor the occurrence of any event notice (as described in the Continuing Disclosure Agreements) and timely file notice of the occurrence of any such event in the manner provided under the Continuing Disclosure Agreements. Maintain an ongoing, updated list of all "financial obligations" of the Issuer, as defined in the Rule so as to be in a position to timely file any event notice that may be required by the Rule. To be timely filed, any and all such event notices must be transmitted within 10 business days (or such other time period as set forth in the Continuing Disclosure Agreements) of the occurrence of such event.
- E. Ensure timely dissemination of notice of any failure to provide the required Annual Report on or before the date specified in the Continuing Disclosure Agreement, if and as required by the Continuing Disclosure Agreement, and ensure that each official statement of the Issuer describes any instances in the previous five years in which the Issuer failed to comply, in all material respects, with any previous Continuing Disclosure Agreement.
- F. Monitor the performance of any dissemination agent(s) engaged by the Issuer (which may include the financial advisor to the Issuer) to assist in the performance of any obligation under the Continuing Disclosure Agreements.

The Issuer shall provide, or cause to be provided, periodic training of such business official(s) or other individual(s) or employee(s) of the Issuer regarding continuing disclosure obligations pursuant to the Rule to ensure compliance with the federal securities laws and shall maintain a record such training, including the date(s) of attendance and a general description of the training received.

Unapproved  
Appendix B  
**Ontario Fire District No. 1**  
**Financial Management Policy**

**COMPREHENSIVE FINANCIAL MANAGEMENT POLICY**  
(General Municipal Law §39)  
(Annual Organizational Meeting Policy Re-adoption)

Resolution Offered By: Commr. M. Wyse

Date: January 4, 2024

Seconded By: Commr. J. Agnello

Vote Count:

Ayes; Commr. J. Agnello, Commr. R. Doyle, Commr. A. Thompson & Commr. M. Wyse

Nays; none

Absent; Commr. C. Breed

Board Minutes Dated: January 4, 2024, Page: 2

<b>INVESTMENT POLICY</b>
--------------------------

**1. INVESTMENT POLICY PURPOSE**

The Board of Fire Commissioners desires to provide the finest fire protection services possible to its residents, compatible with the least cost to its taxpayers. To achieve this goal all sources of revenue, other than taxes, must be enhanced. Interest earnings offer a large potential alternative source of revenue.

The Board of Fire Commissioners desires that excess Fire District monies, not needed for immediate payment of bills, be temporarily invested to earn a safe return as provided for within the Town Law, General Municipal Law, Local Finance Law and Banking Law. The criteria for investing Fire District monies, in order of priority, shall be:

- 1.1 **SAFETY** – Funds must not be lost to the Fire District
- 1.2 **LIQUIDITY** – Appropriate amounts must be available for each payroll, debt service, and abstract date. No investment should mature later than the date the invested funds are anticipated to be needed and in no case, more than two years from date of purchase.
- 1.3 **YIELD** – The highest market interest rate available (other conditions being equal) is to be solicited.

**2. PRUDENCE**

All participants in the investment process shall act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Fire District's ability to serve effectively.

Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence would exercise in the management of

Unapproved

their own affairs; not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

**3. DIVERSIFICATION:**

The policy of the Board of fire Commissioners is to reduce risk by diversifying deposits and investments by: (1) bank or trust company, (2) investment instrument, and (3) date of investment maturity.

**4. DELEGATION OF AUTHORITY FOR INVESTING FIRE DISTRICT MONEY AND SIGNING CUSTODIAL/SECURITY AGREEMENTS:**

The Board of fire Commissioners hereby specifically delegates the authority to sign the written security and/or custodial agreements with the designated banks and to make the day-to-day investment decisions within the guidelines and limitations of this policy resolution to the incumbent in the position title of:

4.1 **Treasurer as the Chief Financial Officer**

and /or

4.2 **One Commissioner ( M. Wyse) for transactions over \$10,000.00.**

The above officers and administrators are hereby authorized to utilize the advisory services of municipal consulting firms in planning the timing, amount, maturity, bidding, placement, and reporting on any investments made hereunder.

**5. AUTHORIZED COMMERCIAL BANKS OR TRUST COMPANIES:**

The Board of Fire Commissioners authorizes the use, of the following commercial banks or trust companies (not savings banks or associations), located and authorized to do business in New York State, for placing investments and **specifically prohibits using private brokerage or investment firms.** Diversification of depositories increases the safety and total FDIC coverage of Fire District monies. Consequently, to the extent practical, more than one bank or trust company will be utilized. The Fire District must enter into a written Security Agreement and/or Custodial Agreement with each. (General Municipal Law §10 & §11, Local Finance Law §165.00 (b), Banking Law §107-a).

(Specify at least three:)

<u>Name</u>	<u>Maximum Deposit</u>	<u>Security</u>	<u>Most Recent Agreement Date</u> <u>Custodial</u>
5.1 Bank of America			January 20, 1999
5.3 M & T Bank			July 14, 1994
5.4 Lyons National Bank			January 2002

5.4 And any other commercial banks or trust companies meeting the above requirements when bidding conditions warrant.

## **6. AUTHORIZED INVESTMENT INSTRUMENTS:**

The Board of Fire Commissioners authorizes the following types of investment instruments for investing Fire District monies with commercial banks or trust companies authorized to do business in New York State:

- 6.1 Savings Accounts.
- 6.2 N.O.W. Accounts
- 6.3 Money Market Deposit Accounts.
- 6.4 Super N.O.W. Accounts.
- 6.5 7 to 31 – Day Accounts.
- 6.6 Certificates of Deposit.
- 6.7 Repurchase Agreements.
- 6.8 U.S. Treasury Bonds, Bill, Notes.
- 6.9 Other investment instruments as may be approved by the Office of the State Comptroller from time to time.

## **7. FDIC INSURANCE AND OVERAGE COLLATERALIZATION:**

The primary objectives of this policy are to enhance the safety and availability of any Fire District monies invested. These objectives are partially met by FDIC insurance covering the first \$100,000 of Fire District checking account deposits and an additional \$100,000 for time or savings account deposits with any one specific commercial bank or trust company. (12 Code Federal Regulations 330.8)

Any amounts exceeding the FDIC insurance limit, as presently set or subsequently revised, are to be insured to the Fire District by requiring an allocation and pledging of appropriate collateral by the bank or trust company winning the bid for the investment. All investments must be bid specifying “with collateral”. Written custodial and/or security agreements must be entered into with each bank or trust company (General Municipal Law, §10 & §11, Banking Law §107-a) which require the custodial bank or trust company to keep the securities they purchased as collateral for the Fire District separate and apart from the institution’s own general assets. Banking Law requires the bank or trust company to comply in completing the written agreements.

## **8. SECURITY AGREEMENT**

The security agreement shall provide that eligible securities are being pledged to secure Fire District deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. The security agreement shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events which will enable the Fire District to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the Fire District, such securities shall be delivered in a form suitable for transfer or with an “assignment in blank” to the Fire District or its custodial bank.

The security agreement and the custodial agreement may be combined in a single document pursuant to §10.3.a of the General Municipal Law.

## **9. CUSTODIAL AGREEMENT**

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the Fire District, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become a part of the backing for any other deposit or other liabilities.

The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the Fire District a perfected interest in the securities.

## **10. COLLATERAL**

Fire District deposits and investments may be secured either by obligations or securities or, in whole or in part, by a surety bond or irrevocable letter of credit.

Surety bonds must be issued by an insurance company authorized to do business in this State, the claims-paying ability of which is rated in the highest rating category by at least two nationally recognized rating organizations. The surety bond must be equal to 100% of the aggregate amount of deposits and the agreed upon interest.

Eligible letters of credit will be those issued by a bank or trust company (other than the bank or trust company with which the investment is placed) with the deposits in favor of the government for a term not to exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest that either:

- 10.1 has commercial paper or other unsecured short-term debt obligations (or, in the case of a bank which is the principal subsidiary of a holding company, whose holding company has a commercial paper and other unsecured short-term debt obligations) rated in one of the three highest rating categories by at least one nationally recognized rating organization; or
- 10.2 is in compliance with applicable minimum federal risk-based capital requirements.

## **11. ELIGIBLE SECURITIES FOR COLLATERAL PURPOSES:**

The current market value of collateral utilized must equal or exceed the value of the collateralized deposits. The currently permitted collateral may be subsequently supplement by new instruments when approved by the Office of the State Comptroller. Permissible collateral includes (General Municipal Law §11, 31CFR,203.15):

- 11.1 United States obligations.
- 11.2 Obligations of United States agencies, subdivisions, or departments, where payment of principal and interest is guaranteed or insured by the United States.
- 11.3 Obligations of New York State

#### Unapproved

- 11.4 Obligations of New York municipal corporations, school districts, or district corporations of the State of New York.
- 11.5 Obligations issued or guaranteed by United States agencies or government sponsored corporations.
- 11.6 Obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank and the African Development Bank.
- 11.7 Obligations of states other than New York rated in one of the three highest rating categories by at least one nationally recognized rating agency.
- 11.8 Obligations of Puerto Rico rated in one of the three highest rating categories by at least one nationally recognized rating agency.
- 11.9 Obligations of non-New York local governments having the power to levy taxes that are backed by the full faith and credit of the entity and rated in one of the three highest rated categories by at least one nationally recognized rating agency.
- 11.10 Obligations of domestic corporations rated in one of the two highest rated categories by at least one nationally recognized rating agency.
- 11.11 Commercial paper and bankers' acceptances issued by a bank other than the depository bank, having maturities not to exceed 60 days and rated in the highest short term rating category by at least one nationally recognized rating agency.
- 11.12 Certain mortgage-backed securities.

All investment obligations shall be payable or redeemable at the option of the Fire District within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided; and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Fire District within two years of the date of purchase.

#### **12. TRANSFER OF FUNDS:**

The Board of Fire Commissioners specifically authorizes the designated officials the authority to use electronic transfer of funds, among the approved banking institutions, to assist in obtaining "federal funds" enhanced interest rates. Each such transfer shall be specifically identified in the original journal entry as a "wire transfer" and subsequently supported by the bank statement or confirmation notice to provide an audit trail.

#### **13. SAFEKEEPING:**

The Board of Fire Commissioners specifically authorized the designated officials the authority to turn over the physical custody of Certificates of Deposit and other evidences of investments for "safekeeping" possession to the bank, as provided in General Municipal Law §11(3), to facilitate access to funds at maturity and to eliminate having bearer certificates in the Fire District offices.

**14. CO-MINGLING OF FUNDS:**

The co-mingling of various funds into a single common investment is specifically authorized provided that the separate identity of each fund is maintained and the proportionate share of interest is allocated to each upon maturity of the investment. (General Municipal Law §10 & §11).

**15. WRITTEN REPORTS:**

All investments shall be documented in written reports to the Chairman of the Board of Fire Commissioners, for subsequent presentation to the Board of Fire Commissioners outlining the details of each investment including: the amount, dated and maturity dates, interest rate and the unsuccessful quotes received thereon. When investments are placed these reports should be presented no less than monthly (General Municipal Law §10).

Unapproved  
Appendix C  
Ontario Fire District No. 1  
Financial Management Policy

Resolution Offered by: Commr. M. Wyse

Date: January 4, 2024

Seconded By: Commr. R. Doyle

Vote Count:

Ayes: Commr. J. Agnello, Commr. A. Thompson, Commr. R. Doyle & Commr. M. Wyse

Nays: none

Absent: Commr. C. Breed

Board Minutes: January 4, 2024, page 2

<b>BORROWING POLICY</b>
-------------------------

**1. BORROWING PURPOSES AND DEBT INSTRUMENTS:**

1.1 The Local Finance Law authorizes OPERATING BORROWINGS to cover cash-flow shortfalls including: Revenue Anticipation Notes, Tax Anticipation Notes, or Budget Notes. These types of borrowings must be authorized by the Board of Fire Commissioners through the adoption of a formal Borrowing Resolution.

1.2 CAPITAL BORROWINGS may include Bond Anticipation Notes, Statutory Installment Bonds, and Serial Bonds. These borrowings are only authorized for items for which a Period of Probable Usefulness has been established by the New York Legislature through Section 11.00 of the Local Finance Law. These borrowings, generally, may only be undertaken after a positive public majority vote at the annual or special election. The Board of Fire Commissioners must formalize special election. The Board of Fire Commissioners must formalize the authority for the indebtedness by adopting a legally complete formal BOND RESOLUTION prior to any borrowing. The text of the Bond Resolution, vote and legal notices should be prepared by a recognized bond counsel. The Board of Fire Commissioners hereby delegates its authority to set the terms and conditions of any borrowing to the Chairman of the Board of Fire Commissioners, as Chief Fiscal Officer of the Fire District.

**2. BORROWING PROCEDURES:**

The Chairman of the Board of Fire Commissioners, assisted by his staff and the District Financial Consultant, shall make recommendations to the Board of Fire Commissioners on the timing, bidding, terms and conditions of, placement and reporting on any borrowings. Operating borrowing recommendations shall be supported by a monthly cash flow estimate covering the time thereof and establishing the amount of such borrowing. The Chairman of the Board of Fire Commissioners is authorized to solicit and use the services of a Financial Consultant and Bond Counsel in planning and completing any borrowing to optimize the number of potential quotes and obtain lower market interest rates.



3. WRITTEN REPORTS:

All borrowings shall be documented in written reports outlining the details of each borrowing and the interest rate quotes received thereon. The written report shall first be presented to the Chairman of the Board of Fire Commissioners who shall report thereon at the next regularly scheduled Board Meeting.

4. LEGAL OPINION:

The use of a recognized "Red Book" Bond Counsel is hereby approved to draft the legal notices, resolutions, borrowing instruments, and render his approving Legal Opinion on the legality and tax status of the debt instruments.