

Western Virginia Council, Inc.

Reserve and Investment Policy (DRAFT)

Purpose of the council's reserve funds:

- Maintain adequate cash flow and cash reserves to guard against market forces, disasters or unexpected expenses.
- Allow for continued operations when income falls unexpectedly.
- Permit adjustments to seasonal variances in expenses and income.
- Allow the organization to seize unprecedented opportunity such as financing a new venture, making an advantageous capital purchase or expanding a program at an opportune moment.

Certain Unique Characteristics: The council is not a typical fund-raising organization. Historically, we have effectively managed existing and contract funds over time for EMS and related purposes. The council is also a custodian of funds for the Western 14 EMS Task Force, the Near Southwest Region HPP Program, the MRC unit in several health districts, and possibly other special programs. Current and carryover funds for those programs should be effectively managed for maximum benefit of those programs and the Council.

Assumptions: Continued and generally unchanged annual state EMS, locality and HPP program funding.

Operating Funds: Maintain an average of three months operating expenses in an interest checking account. All remaining funds to one or more Reserve Funds.

Investment strategy for the Reserve Fund: General preservation of capital and conservative risk with a mix of investments that moderately increase risk for a portion of funds with the expectation of higher return as follows:

- **80% Mix of easily liquidated low risk mutual funds**
- **20% Moderate risk longer term investments such as Real Estate Investment Trusts with potential for higher yield**

The Treasurer or any officer, designated by resolution as a signatory for financial transactions, or the Executive Director, subject to approval by any officer, may invest reserve funds subject to the above allocation. The investment portfolio will be reviewed quarterly by the Executive Committee or more frequently as market conditions suggest.