



Investment Policy

Revised and Adopted 2026

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1. PURPOSE

The Northeast Ohio Regional Sewer District (Sewer District), giving due regard to the safety and risk of various types of investments, may invest the maximum available funds in conformance with the legal and administrative guidelines set forth in this policy statement.

This policy is intended to be broad enough to allow the Chief Financial Officer to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets by doing the following:

- Establish guidelines for the prudent management of Sewer District funds;
- Describe realistic parameters and goals for safely investing those funds;
- Establish expectations for generally acceptable returns at a suitable level of risk that matches the purpose of the Sewer District's funds;
- Provide the framework within which the Chief Financial Officer will operate by setting out objectives, guidelines, and structure that include details on the universe of permitted investments and any restrictions of their use.

The Board reserves the right to amend this policy as deemed necessary.

2. GOVERNING AUTHORITY

State Law:

The Northeast Ohio Regional Sewer District was organized pursuant to Chapter 6119 of the Ohio Revised Code (O.R.C.) and has powers of self-government, including the power to invest its funds. That chapter also allows the Sewer District to set investment standards that differ from the investment requirements spelled out in Chapter 135 of the O.R.C. Specific attention should be paid to ORC 6119.151 and 6119.16.

District By-Laws:

The authority to invest and deposit Sewer District funds is delegated to the Chief Financial Officer under the Sewer District By-Laws. The Chief Financial Officer shall have care and custody of all Sewer District funds and shall deposit or invest them as required by law.

Trust Agreements:

Trust agreements related to Sewer District bond issuances will include investment restrictions and parameters. All investment advisors should familiarize themselves with these documents and all investment decisions should be made within the parameters of such agreements.

3. SCOPE

This policy applies to activities of the Sewer District with regard to investing the financial assets of fund balances.

This investment policy governs the overall administration and investment management of the Sewer District through the following accounts:

- Operating Account
- Insurance Reserve Account
- Equipment Replacement Reserve Account
- Capital Account
- Any other account authorized by the Board

4. OBJECTIVES

The primary objectives of investment activities shall be:

4.1 Safety of Principal:

The Sewer District has as its foremost objective to ensure the safety of principal, considering the portfolio as a whole. This is accomplished by managing both credit risk and interest rate risk through diversification and maturity constraints.

4.2 Liquidity Maintenance:

The Sewer District's investment portfolio must be structured in a manner which will provide the liquidity to meet cash requirements that might reasonably be anticipated. Therefore, the liquidity funds shall be managed to maintain a minimum balance to meet daily obligations.

4.3 Return on Investments:

Consistent with State law and with the Sewer District's covenants and obligations under its bond indentures, the Sewer District shall seek to optimize return on investments within the constraints of safety and liquidity.

5. STANDARDS OF CARE

5.1 Prudence:

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. The "prudent person" standard states that: "Investments shall be made with judgement 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."

5.2 Standards of Ethics:

All individuals involved in the investment process shall refrain from personal activity that could conflict with proper execution and management of the investment program, or that could impair their ability to make impartial investment decisions. They shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the government body. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. They shall also refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the Sewer District.

5.3 Training and Education:

It is the Sewer District's policy to provide periodic training in investments for all Sewer District personnel involved in the investment of Sewer District funds through courses and seminars offered by the Governmental Finance Officers Association, other appropriate professional organizations and, when available, the Ohio Auditor of State and/or Treasurer of State. Specifically, the Sewer District shall provide to its investment personnel, the opportunity to receive required training through Center for Public Investment Management (CPIM) necessary to maintain annual certification.

5.4 Delegation of Authority and Responsibilities:

Governing Body:

The Sewer District Board will retain ultimate fiduciary responsibility for invested funds for the Sewer District.

Delegation and Restriction of Investment Authority:

Responsibility and authority for investment transactions resides with the Chief Financial Officer, who is fully authorized to buy, sell, and trade investments in accordance with the goals and objectives of this policy. Finance personnel or Advisors designated by the Chief Financial Officer shall obtain quotes, consummate transactions, and monitor safekeeping arrangements and transactions; there shall be frequent reporting to and monitoring of these personnel by the Chief Financial Officer.

6. TRANSACTION COUNTERPARTIES: BROKER DEALERS, INVESTMENT ADVISERS AND DEPOSITORIES

6.1 Approved Brokers/Dealers

It is the policy of the Sewer District to purchase securities only from those institutions included on a Sewer District approved list of broker/dealers. These may include "primary" dealers or regional dealers that qualify under SEC Rule 15c3-1 (uniform net capital rule). The Chief Financial Officer shall make all decisions regarding where and how to invest Sewer District funds.

The Chief Financial Officer or designee may utilize the investment advisor's approved broker/dealer list in lieu of the Sewer District's own approved list. The advisor must submit the list to the Sewer District annually and provide updates throughout the year as they occur. The advisor must maintain documentation of appropriate license and professional credentials of broker/dealers on the list. The annual investment advisor broker/dealer review procedures include:

- a. FINRA Certification check:
 - Firm profile

- Firm history
 - Firm operations
 - Disclosures of arbitration awards, disciplinary and regulatory events
- b. Financial Review:
- FINRA capital or;
 - Letter of credit for clearing settlements

The investment advisor may be authorized through the contracted agreement to open accounts on behalf of the Sewer District with the broker/dealers on the approved broker dealer list. The Sewer District will receive documentation directly from the brokers for account verification, confirmations and regulatory requirements.

6.2 Investment Advisors:

An Investment Advisor may be utilized to manage funds and must meet the following criteria:

- a. The investment adviser firm must be registered with the Securities and Exchange Commission (SEC);
- b. All investment advisor firm representatives conducting investment transactions on behalf of the Sewer District must be registered representatives with FINRA;
- c. The investment advisor must act on a non-discretionary basis;
- d. Contract terms will include that the Investment advisor comply with the Sewer District's Investment Policy and all applicable laws and trust agreements governing the Sewer District's investments.

The investment advisor must notify the Sewer District immediately if any of the following issues arise while serving under a Sewer District contract:

- Pending investigations by securities regulators
- Significant changes in net capital
- Pending customer arbitration cases
- Regulatory enforcement actions

6.3 Depositories:

The Sewer District will limit deposits to those Ohio financial institutions which qualify as depositories under Chapter 135.12 and deposits will be secured as provided by section 135.18 of the Revised Code.

The Sewer District will, through a request for proposals process, designate one or more banks as its primary depository(ies) for active deposits. This centralization is designed to maximize investment capabilities and minimize banking cost. The depository designation does not limit investment activity to one financial institution and as many shall be utilized as will most benefit the Sewer District.

Considerations the Sewer District will use to select the bank will include:

- Full service capabilities
- Regulatory net worth equal to more than twice the Sewer District's average daily funds for the last fiscal year
- Submission of financial statements and availability schedules
- Collateralization of the total Sewer District funds on deposit in the bank
- Qualification on financial status according to standards set by the Sewer District

7. ADMINISTRATION, OPERATIONS AND CONTROL

7.1 Delivery vs. Payment:

It is the policy of the Sewer District that all securities rendered for payment will be sent "delivery versus payment" (DVP) through the Federal Reserve System. By so doing, Sewer District funds are not released until the Sewer District's custodian has received the securities purchased through the Federal Reserve wire.

7.2 Safekeeping of Investments:

- a. Security Safekeeping Agreement: The Sewer District shall contract with a bank or banks for the safekeeping of securities either owned by the Sewer District as part of its investment portfolio or held as collateral to secure repurchase agreements. The custodian must be a third party in any transaction and a trust or similar department which will not commingle Sewer District investments with the custodian's other investments.
- b. Handling of Sewer District-Owned Securities and Certificates of Deposit Collateral: All securities owned by the Sewer District shall be held by its safekeeping agent, except the collateral for certificates of deposit of financial institutions. The collateral for certificates of deposit of financial institutions will be registered in the Sewer District's name at the Federal Reserve Bank or a third-party bank.
- c. Handling of Repurchase Agreement Securities: All securities which serve as collateral for repurchase agreements with broker/dealers must be delivered to a custodian with whom the Sewer District has established a safekeeping agreement.
- d. Security Transfers: Any authorization to release Sewer District securities must be in written form by the Chief Financial Officer.
- e. Verification of Security: Verification of collateral will be part of the Sewer District's annual independent audit.

7.3 Competitive Transactions:

The Chief Financial Officer shall ensure a competitive selection of investment purchases.

- a. The Chief Financial Officer shall obtain and document competitive bid information on all investments purchased or sold in the secondary market. Competitive bids or offers should be obtained, when possible, from at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform. The investment advisor must provide the information with all transactions.
- b. In the instance of a security for which there is no readily available competitive bid or offering on the same specific issue, then the advisor shall document quotations for comparable or alternative securities.
- c. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price. However, the advisor is encouraged to document quotations on comparable securities.

7.4 Internal Controls:

The Chief Financial Officer is responsible for establishing and maintaining an adequate internal control structure designed to reasonably assure that invested funds are invested within the parameters of this Investment policy and protected from loss, theft or misuse. Specifics for the internal controls shall be documented in writing.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management. The internal controls shall address the following points at a minimum:

- a. Compliance with Investment Policy
- b. Control of collusion
- c. Separation of transaction authority from accounting and record keeping
- d. Custodial safekeeping
- e. Avoidance of physical delivery of securities whenever possible and address control requirements for physical delivery where necessary
- f. Clear delegation of authority to subordinate staff members
- g. Confirmation of transactions for investments and wire transfers in written or digitally verifiable electronic form
- h. Dual authorizations of wire and automated clearing house (ACH) transfers
- i. Staff training
- j. Review, maintenance and monitoring of security procedures both manual and automated

7.5 External Auditor:

An external auditor shall provide an annual independent audit to assure compliance with Ohio state law and Northeast Regional Ohio Sewer District policies and procedures.

8. SUITABLE AND AUTHORIZED INVESTMENTS

8.1 Permitted Investments:

The Northeast Ohio Regional Sewer District was organized pursuant to Chapter 6119 of the Ohio Revised Code (O.R.C.) and has powers of self-government, including the power to invest its funds. Sections 6119.151 and 6119.16 and, by reference, certain sections of Chapter 135 of the O.R.C. contain the primary investment regulations under State law. O.R.C. Chapter 6119 also allows the Sewer District to set investment standards that differ from the investment requirements spelled out in Chapter 135 of the O.R.C.

Sections 6119.151 and 6119.16 of the O.R.C. list the permitted types of investments available to the Sewer District. However, when the Sewer District has adopted resolutions authorizing the issuance of water resource bonds or has entered into trust agreements securing the same, investments shall be limited solely to those options permitted within the applicable provisions of those resolution(s) and trust agreement(s), rather than O.R.C. 6119.16. Unless otherwise stated in such trust agreement, “revenues” derived from the Sewer District’s stormwater program fees are not “revenues” for purposes of the trust agreement and those stormwater funds would be governed by O.R.C. 6119.16 if invested, and by O.R.C. 6119.151 (and, through it, O.R.C. 135.12) if deposited. It is the responsibility of any investment

advisor to ensure continuous Sewer District compliance with such resolutions, trust agreements and applicable laws.

- This policy recognizes Standard & Poor's, Moody's and Fitch as the major Nationally Recognized Statistical Ratings Organizations (NRSRO).
- All rated securities must be rated by a minimum of two rating agencies.
- Minimum credit ratings and percentage limitations apply at the time of purchase

State statutes and this policy provide for investment of Sewer District funds in the following authorized investments, identified by security type:

US Treasury Obligations: United States treasury bills, notes, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States.

US Agency Obligations: Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, and government national mortgage association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.

Municipal Debt: Direct long-term general obligations of any state of the United States of America, which the full faith and credit of such State and rated in either of the two highest rating categories by at least two rating Agencies (AA- and Aa3). Direct short-term general obligations of any state of the United States of America, and rated in the highest category by two rating agencies (A-1 and P-1). Pre-refunded municipal obligations must be rated in the highest category by at least one rating agency (AAA or Aaa).

Bank Time Deposits/Savings Account: Any national bank, any bank doing business under authority granted by the superintendent of financial institutions, or any bank doing business under authority granted by the regulatory authority of another state of the United States, located in this state, is eligible to become a public depository, subject to sections 135.01 and 135.21 O.R.C. and collateralized and secured as described in section 8.3.

Repurchase Agreements: Repurchase agreements with any eligible institution mentioned in section 135.03 ORC, such eligible securities dealers shall be restricted to primary government securities dealers that are defined as qualified financial institutions. Repurchase agreements executed with eligible broker/dealer will settle on a delivery vs. payment basis with repurchase collateral held at a qualified custodian or agent, designated by the Sewer District. Prior to the execution of any repurchase transaction, a master repurchase agreement will be signed by the Sewer District and the eligible parties. The agreement has a term to maturity of no greater than thirty (30) days.

Certificates of Deposit: Certificates of deposit, savings accounts, or deposit accounts in eligible institutions applying for interim moneys as provided in section 135.08 of the Revised Code, including linked deposits as authorized under section 135.61 of the Revised Code.

Commercial paper: Commercial paper issued by a corporation incorporated under the laws of the United States or any state, provided that such companies have assets exceeding \$500 million dollars; eligible commercial paper shall also be rated in the highest classification by at least two nationally

recognized standard rating services (A-1+/P-1). The paper will mature no later than two hundred and seventy days (270 days) after purchase.

Star Ohio LGIP Pool: The Ohio Subdivision's Investment Fund created and administered by the Treasurer of the State pursuant to Section 135.45 of Ohio Revised Code.

Bankers Acceptances: Bankers acceptances of domestic banks, including a branch office of a foreign bank, which branch office is located in the United States, provided such bank at the time of purchase has a short term bank deposit of A-1 by Standard & Poor's and P-1 by Moody's that mature not later than one hundred eighty days (180 days) after purchase.

Money Market Mutual Funds (No-Load): Any mutual fund for which the Trustee or an affiliate of the Trustee serves as investment manager. The fund must be rated in the highest category by one rating agency (AAAm or Aaam).

8.2 Prohibited Investments:

Derivative Securities: The use of derivative securities, as defined in 135.14(C) is expressly prohibited.

Mortgage-Backed Securities: Securities that are securitized by mortgages.

8.3 Collateral Requirements for bank Deposits and Certificates of Deposits:

- a. To qualify as a Depository a bank or savings and loan must collateralize Sewer District deposits under Section 135.18 of the O.R.C.
- b. It is the Sewer District's policy to accept as collateral on bank deposits and certificates of deposits all securities outlined in Section 135.18 of the O.R.C, except as modified by the most current resolution authorizing the sale of water resource revenue bonds. At the discretion of the Chief Financial Officer, any security may be refused as collateral if concerns exist regarding its collectability or marketability.
- c. Certificates of deposit, plus accrued interest, up to \$250,000 per institution do not need to be collateralized pursuant to this policy as long as FDIC insurance is provided.
- d. The Sewer District requires at least month-end reports with market values of pledged securities from all financial institutions with which the Sewer District has deposits. Periodic confirmations of the collateral will be requested of its custodians.

8.4 Collateralization for Repurchase Agreements

Consistent with the requirements of State law, it is the policy of the Sewer District to require full collateralization of all Sewer District investments other than obligations of the U.S. Government, its agencies and instrumentalities. The Sewer District considers repurchase agreements as simultaneous sales and purchases of securities rather than as collateralized loans. However, securities underlying repurchase agreements, if any, are referred to as "collateral" for the purposes of this policy statement.

Eligible repurchase collateral is restricted to US treasury and US agency securities with a maximum maturity of 5 years, and collateral must be marked to market weekly and maintain a value of 102% of the total principal and accrued interest. The collateral must be held by an independent third-party provider and will be required to have possession of the repurchase securities.

Collateralized investments occasionally require substitution of collateral. Any broker or financial institution requesting substitution must contact the Chief Financial Officer for approval and settlement,

unless such substitution has been provided for in their agreement with the Sewer District. The substituted collateral's value will be calculated and the substitution approved if its value is equal to or greater than the original collateral.

8.5 Arbitrage:

The Tax Reform Act of 1986 requires, generally, that any yield from investing post-1986 tax exempt bond proceeds and debt service funds that exceeds the bond yield be re-bated to the U.S. Treasury. These arbitrage rebate provisions require that the Sewer District compute earnings on investments from each issue of bonds to determine if a rebate is required. To determine its arbitrage position, the Sewer District is required to calculate the actual yield earned on the investment of the funds and compare it to the yield that would have been earned if the funds had been invested at a rate equal to the yield on the bonds sold by the Sewer District. The rebate provisions state that periodically (not less than once every five years, and not later than sixty days after maturity of the bonds), the Sewer District is required to pay the U.S. Treasury a rebate of any excess earnings.

The Sewer District's investment position relative to the arbitrage restrictions is to pursue the maximum yield on applicable investments while ensuring the safety of capital and liquidity. Because the Sewer District shall have the use of any excess earnings until payment to the U.S. Treasury, it is a fiscally sound position to maximize yield and to rebate excess earnings, if necessary.

The Sewer District will take all actions permitted by law to avoid the requirement of rebate compliance if the cost of such actions does not exceed that of rebate compliance. The Sewer District will also examine and pursue all measures legally available to minimize the adverse financial impact of the rebate requirements.

9. INVESTMENT PARAMETER CONSTRAINTS

9.1 Diversification

The portfolio shall be structured to diversify investments to reduce the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific type of investment.

Depending upon the availability of investable funds and the foreseeable need for these funds, they shall be placed in one or more of the following investment vehicles with the maximum percentages of the total average portfolio permitted in each eligible investment are as follows:

Diversification Constraints on Total Holdings: Liquidity and Investment Core Funds

Issue Type	Maximum % Holdings	Maximum % per Issuer	Maximum Maturity	Minimum S&P Rating	Minimum Moody's Rating
US Treasury Obligations	100%	None	5 years	N/A	N/A
US Agency Obligations	100%	35%	5 years	N/A	N/A
Municipal Bonds	10%	5%	5 years	AA- / A-1 Pre-Refunded	Aa3 / P-1 Pre-Refunded
Bank Time Deposits/Savings Account	25%	N/A	1 year	ORC Collateral Depository	ORC Collateral Depository
Repurchase Agreements	10%	5%	30 Days	AA- Counterparty	Aa3 Counterparty
Certificates of Deposit	10%	N/A	N/A	FDIC Insured	FDIC Insured
Commercial Paper	10%	5%	270 Days	A-1+	P-1
Star Ohio LGIP Pool	100%	None	N/A	N/A	N/A
Banker's Acceptance	10%	5%	180 Days	A-1	P-1
Money Market Mutual Funds (No-Load)	10%	None	N/A	AAA _m	Aa _{am}

9.2 Maturity

- The Sewer District will not directly invest in securities maturing more than five years from the date of purchase.
- The maximum weighted maturity of the total portfolio shall not exceed two-and-a-half years. This maximum is established to limit the portfolio to excessive price change exposure.

Total Portfolio Maturity Constraints:

Maturity Constraints	Minimum % of Total Portfolio
Under 90 days	10%
Under 1 year	25%
Under 5 years	100%
Total Fund Maturity Constraints	Maximum of Total Portfolio in Years
Weighted Average Maturity	2.50
Security Structure Constraint	Maximum % of Total Portfolio
Callable Agency Securities	25%

10. INVESTMENT PORTFOLIO STRUCTURE AND STRATEGY

10.1 Pooled and Segregated Funds:

The Sewer District maintains a pool of investments comprised of commingled funds from legally unrestricted sources such as the Operating Account, Capital Projects Account, the Insurance Reserve, Equipment Replacement Reserve and similar accounts or reserves. Certain funds that must remain segregated are escrow accounts, such as those for contractors' retainage, any Bond Project Account and the Trust and Agency Account. Proceeds from future issues of additional water resource revenue bonds or other borrowings shall be segregated for purposes of tracking arbitrage earnings, if any, required to be rebated.

10.2 Portfolio Stratification:

An investment strategy reflecting on-going efforts to comply policy objectives of safety, liquidity and return will be implemented. The total portfolio will be bi-furcated into a liquidity component and a core investment component. The strategy will be dynamic and regularly reviewed by the Chief Financial Officer and adjusted as necessary.

Liquidity Component: Historical and budgetary cash flow analysis will be analyzed to maintain sufficient daily liquidity for ongoing operations, project funds and debt service payments. The funds will be invested the State LGIP (Start Ohio), bank deposits, and cash matched short-term investments. Checking accounts and cash on hand shall be kept to an absolute minimum, consistent with the Sewer District's policy of maximizing its return on available funds.

Investment Core Funds: Funds that are not needed for immediate liquidity requirements will be invested in allowable securities with maturities up to five (5) years. The investments in the core fund be invested in higher quality and liquid (marketable) securities. An appropriate market benchmark will be established to balance risk and return.

10.3 Managing Risks

The primary risks facing the Sewer District are credit risk and interest rate risk, both of which impact the fair market value or liquidation value of the investment positions. The Sewer District will manage the risks in the investment strategy in the following manner:

Credit Risk: The Sewer District may purchase only those investments approved as eligible investments by resolution or law. The Chief Financial Officer, however, may prohibit purchase of specific instruments because of current market conditions. Ratings from recognized rating agencies will be utilized to monitor credit exposure and risk.

Interest Rate Risk: The longer the maturity of a note or bond, the greater its price volatility. When market rates decline the value increases and when market rates rise the market value decrease. The Sewer District will be accountable to the price change through the tracking of monthly fair market value pricing and it will be managed through maturity selection. This change in price results in unrealized gains or losses over interest rate cycles. The maximum single maturity allowable by policy and ORC is 5 years and this policy further constrains the total weighted average maturity of the total portfolio to 2.5 years.

10.4 Sale of Securities:

No investments should be made unless they can be reasonably expected to be held to maturity. Securities may be redeemed or sold under the following conditions:

- 1) To provide needed liquidity
- 2) To restructure the portfolio to change the risk profile
- 3) To protect principal value from a credit event that is detrimental to the return of principal

Should a security held in the portfolio be downgraded below the minimum criteria included in this Investment Policy, the Chief Financial Officer shall authorize the investment advisor to sell such security in such a manner to minimize losses on the sale of such security. If the security is downgraded to a level that is less than investment grade the Chief Financial Officer shall authorize the investment advisor to sell such affected security immediately. If the security matures within 60 days of the rating change, the Chief Financial Officer may choose not to sell the security.

11. PERFORMANCE STANDARDS

Performance standards are maintained to ensure that the funds are achieving market rates of return. The strategic plan bifurcates the funds between liquidity and investments.

11.1 Liquidity Component:

The liquidity portfolio shall be invested primarily in the Star Ohio Pool and the earnings rate will be tied to the prevailing 1 month Treasury bill. These funds are required to be available to meet the funding needs

for the Sewer District and therefore, the performance of the fund is expected to be comparable to the State Pool rate.

11.2 Investment Component:

The investment portfolio shall be managed in accordance with the parameters specified within this policy and all governing state and federal laws. An appropriate market benchmark will be selected representing the 0-3 year or 0-5 year treasury sectors of the market. A fair market performance calculation on the portfolio will be compared to the benchmark to properly reflect both interest earning and fair market value change of the investments. When comparing the performance of the Sewer District's investment portfolio, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return. The performance measurements will be reviewed by the Chief Financial Officer on a quarterly basis.

12. INVESTMENT REPORTING

12.1 Monthly and Quarterly Reports:

- a. Monthly reports will be prepared internally for the Chief Financial Officer to review all transactions, costs, maturity, earnings and effective yield to maturity of each investment.
- b. The Investment advisor will prepare both a monthly and quarterly investment report that provides performance relative to the benchmark, transaction details for the period and reconciled report to the custodial bank for mark to market and cost evaluations.
- c. The Chief Financial Officer shall provide an investment report at least quarterly to the Board of Trustees and the Finance Committee, including a management summary describing the current investment portfolio and transactions made over the last quarter. The report will include a summary of securities held by type and issuer, maturity distributions and weighted average yield.

12.2 Compliance Reports:

The Advisor shall maintain and provide the Chief Financial Officer a quarterly compliance report to compare the characteristics of the total investment portfolio to this Investment policy.

13. EXEMPTIONS FROM AND AMENDMENTS TO THE POLICY

The policy shall be reviewed on an annual basis by the Chief Financial Officer and the Manager of Debt and Treasury, to determine if amendments to the policy are required due to further amendments to the Uniform Depository Act, the Ohio Revised Code or due to furthering the best interests of the Sewer District in connection with managing its investment portfolio.

Change Log

Date	Section	Revision
1/10/2010	All	Adopt Investment Policy via Board Resolution No. 29-10
7/6/2017	All	Amend Investment Policy (Res. No. 29-10) via Board Resolution 207-17
4/2/2026	All	Amend Investment Policy (Res. No. 207-17) via Board Resolution 55-26