

**RESOLUTION # 03-07**

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE IMMOKALEE WATER AND SEWER DISTRICT ADOPTING AN INVESTMENT POLICY.**

**WHEREAS**, the Board of Commissioners of the IMMOKALEE WATER AND SEWER DISTRICT (hereinafter referred to as the "Board") is empowered to construct, operate and maintain a Water and Sewer System (the "System") within the boundaries of the lands described in Florida Statute Chapter 98-495; and

**WHEREAS**, it is the policy of the Board to invest public funds in a manner which will provide the highest investment return with the maximum security, while meeting the daily cash flow requirements of the District; and

**WHEREAS**, the Board wishes to handle investments in accordance with Section 218.415(17), Florida Statutes;

**NOW, THEREFORE**, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE IMMOKALEE WATER AND SEWER DISTRICT, in public meeting assembled that:

The statement of policy and guidelines applies to all funds of the Immokalee Water & Sewer District's, (hereinafter referred to as the "District") pooled cash, which includes cash and investment balances of the following funds:

- 1010.00 REVENUE FUND
- 1020.00 OPERATIONS & MAINTENANCE FUND
- 1090.00 MONEY MARKET FUND
- 1120.00 CUSTOMER SECURITY DEPOSIT ACCOUNT

The policy will also apply to any new fund created by the District, unless specifically exempted by the Board.

Certain surplus funds available for investment represent capital project funds generated through the issuance of long term bonded indebtedness, or represent debt service funds created for the repayment of outstanding principal and interest on such bonded indebtedness. Frequently, the ordinances and/or resolutions adopted by the Board, which authorize the issuance of such bonded indebtedness, contain specific provisions relative to the investment of funds. In that regard, the investment of such funds shall comply with the provisions of applicable bond ordinance and/or resolution, the requirements contained in this policy, and applicable statutory or administrative law, but in no event to contravene any provision in any bonded indebtedness resolution.

Those funds are as follows:

1050.00	SPECIAL RESTRICTED RESERVE
1130.00	BOND AND INTEREST SINKING FUND
1110.00	SPECIAL ASSESSMENT FUND
1160.00	CONSTRUCTION ACCOUNT

The policies set forth also do not apply to any Employee Pension funds.

## **STATEMENT OF POLICY**

The District chooses not to adopt a written investment policy in accordance with investment policies listed in Florida Statute 218.415 subsections (1)-(15); but to instead follow the guidelines of Florida Statute 218.415 (17) which allows the District to invest or reinvest any surplus public funds in their control or possession in:

- (a) The Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in s. 163.01.
- (b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- (c) Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in s. 280.02.
- (d) Direct obligations of the U.S. Treasury.

The securities listed in paragraphs (c) and (d) shall be invested to provide sufficient liquidity to pay obligations as they come due.

## **PROCEDURES**

All gross revenues shall be deposited into the Revenue Fund (a non-interest bearing, no service charge account) and funds will be used to fund the following accounts as specified.

The Bond and Interest Sinking Fund "Sinking Fund" will be comprised of three components for which funds should be transferred from the Revenue Fund to the Sinking Fund by the 15th day of each month. These components are:

- A.) Interest 1/12 of the amount of the current year interest on all bonds shall be deposited monthly.
- B.) Principal - 1/12 of the amount of bonds maturing on the next anniversary date shall be deposited monthly.
- C.) Reserve Account - shall be funded \$7,321 per month until funding reaches \$878,290 (per Resolution 02-01).

The Operations and Maintenance Fund (a non-interest bearing, no service charge account) - shall be used exclusively for the purpose of receiving funds from the Revenue Fund to pay operating expenses pursuant to the Annual Budget. Any balance remaining in the Operations and Maintenance fund at the end of each Fiscal year shall be deposited promptly in the Revenue Fund.

Special Assessment Fund - shall receive funds from the collection of assessments. Such portions of the assessments as shall represent interest shall be withdrawn from the assessment fund and deposited in the sinking fund and reduce the corresponding current amount required to be deposited from the Revenue Fund into the Sinking Fund, on a monthly basis. Such portions as shall represent legal fees shall be withdrawn from the assessment fund and deposited in the Money Market Fund on a monthly basis.

The Customer Security Deposit Fund – (a non-interest bearing account) will receive money from the Revenue Account, by the 15th of each month in an amount greater than or equal to the amount outstanding in customer security deposits (liability). The purpose of this account is to reserve money received by customers in the form of security deposits. This fund will not earn interest, and we will not pay interest to the customers.

The Money Market Fund will receive legal fees from the Special Assessment Fund on a monthly basis. It will also receive money from the Revenue Fund in excess of expected weekly outflows. This will be used to fund any authorized investments, as may be approved by the Board.

The Special Restricted Reserve Account – (an interest bearing account) is designed to pay for the future capping of the District’s deep injection well, which was placed in service in August 2002. This is a requirement of the District’s deep injection well permit, granted by Florida Department of Environmental Protection. The interest will continue to accrue in the account to help defray future capping costs.

#### AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS:

The District will maintain a list of financial institutions that are authorized to hold public deposits, and provide other authorized investment services.

Collateral for public deposits is controlled by the State of Florida through Chapter 280 of the Florida Statutes. The District shall not be under any obligation to secure additional collateral beyond the provision set forth in Chapter 280.

If any phase or portion of this Resolution is held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portion.

This resolution shall become effective on September 24, 2003.

**PASSED AND DULY ADOPTED** by the Board of Commissioners of the **IMMOKALEE WATER AND SEWER DISTRICT**, this 24th day of September, 2003.

**BOARD OF COMMISSIONERS  
IMMOKALEE WATER AND SEWER  
DISTRICT**

BY: \_\_\_\_\_  
Patricia Anne Goodnight  
Chairperson

BY: \_\_\_\_\_  
Pete Cade  
Secretary