

Surfside Colony Community Services District

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2023-24 CASH INVESTMENT POLICY

General:

The Surfside Colony Community Services District (hereinafter referred to as “the District”) shall invest its reserve funds under the “Prudent Investor Standard” under California Government Code Section 53600.3, which states that “When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”

Objectives: The District shall invest in a manner designed to accomplish the objectives of:

1. Preservation of capital and protection of investment principal.
2. Maintenance of sufficient liquidity to meet anticipated cash flows.
3. Attainment of a market value rate of return.
4. Diversification to avoid incurring unreasonable market risks.

Authorized Investments:

All investments and deposits of the District shall be made in accordance with California Government Code Sections 16429.1, 53600-53609 and 53630-53686 (the “Code”). The District has further limited investments of reserves to the following which are specifically allowed under the Code:

Local Agency Investment Fund: The Code allows unlimited investment in the Local Agency Investment Fund. The District may invest in LAIF in any manner it deems prudent.

Cash Deposits (CD's): The Code allows investments in Certificates of Deposits of no more than 25% of total investments. The Code also limits the term of CD's to 5 years. The District may invest in CD's under these conditions.

Annual Review of Policy: The District shall review the Investment Policy at least once annually to insure its overall consistency with the overall objectives of preservation of principal, liquidity, and compliance to current law.