

RESOLUTION NO. 2025-040

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SOUTHWEST RANCHES, FLORIDA, ADOPTING A WRITTEN INVESTMENT POLICY TO ESTABLISH A METHODOLOGY TO INVEST SURPLUS FUNDS OF THE TOWN OF SOUTHWEST RANCHES; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 218.415, Florida Statutes require local governments to adopt a written investment policy or to elect to proceed under the alternative investment guidelines contained in Section 218.415(17); and

WHEREAS, the Town of Southwest Ranches adopted Resolution 2000-06 to utilize the alternative investment guidelines specified in Section 218.415(17); and

WHEREAS, the Town Council has determined that it is in the best interest of the Town to establish a written investment policy to govern the safeguarding of Town's funds, ensure a competitive investment return, and regulate all surplus cash and investments controlled by the Town; and

NOW, THEREFORE BE IT RESOLVED by the Town Council of the Town of Southwest Ranches; Florida as follows:

Section 1: Recitals. The above-referenced recitals are true and correct and are incorporated herein by reference.

Section 2: Adoption. The Town Council hereby approves the adoption of the Town of Southwest Ranches investment policy attached hereto as "Exhibit A" and authorizes the Town Administrator and Town Financial Administrator to implement these changes as needed.

Section 3: Severability. If any one or more provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such provision shall be null and void and shall be separate from the remaining provisions and shall in no way affect the validity of all other provisions of this Resolution.

Section 4: Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Town Council of the Town of Southwest

Ranches, Florida, this 13th day of February, 2025, on a motion by

C/M JABLONSKI and seconded by C/M KUCZENSKI.

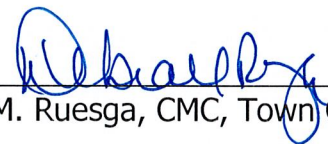
Breitkreuz	<u>YES</u>
Allbritton	<u>YES</u>
Jablonski	<u>YES</u>
Hartmann	<u>YES</u>
Kuczenski	<u>YES</u>

Ayes	<u>5</u>
Nays	<u>0</u>
Absent	<u>0</u>



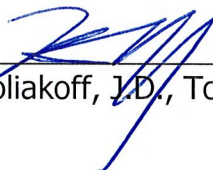
Steve Breitkreuz, Mayor

ATTEST:



Debra M. Ruesga, CMC, Town Clerk

Approved as to Form and Correctness:



Keith M. Poliakoff, J.D., Town Attorney
1001.005.2025



INVESTMENT POLICY FOR

THE

TOWN OF SOUTHWEST RANCHES

Adopted on January XX, 20XX

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I. PURPOSE

The purpose of this Investment Policy (hereinafter "Policy") is to set forth the investment objectives and parameters for the management of public funds of the Town of Southwest Ranches (hereinafter "Town"). This Policy is designed to safeguard the Town's funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable funds and financial market indices.

II. SCOPE

In accordance with Section 218.415, Florida Statutes, this Policy applies to all cash and investments held or controlled by the Town and shall be identified as "general operating funds" of the Town with the exception of funds needed to meet current expenses, funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds, and any future revenues, which have statutory investment requirements conflicting with this Policy and funds held by state agencies (e.g., Department of Revenue). Additionally, this Policy does not apply to pension funds such as, the employees' pension/retirement funds. Escrow funds held to pay and defease refunded bonds shall be invested in accordance with the terms of the escrow deposit agreement. Cash and investment balances as defined in this section are entirely known as "available fund".

III. INVESTMENT OBJECTIVES

Safety of Principal

The foremost objective of this investment policy is the safety of the principal of those funds within the portfolios. Investment transactions shall seek to keep capital losses at a minimum, whether they are from securities defaults or erosion of market value. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Maintenance of Liquidity

The portfolios shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. Periodic cash flow analyses will be completed to ensure that the portfolios are positioned to provide sufficient liquidity.

Return on Investment

Investment portfolios shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above.

Return is attempted through active management where the Town Financial Administrator, designee, and investment advisor (hereinafter "investment team") utilizes a total return strategy (which includes both realized and unrealized gains and losses in the portfolio). This total return strategy seeks to increase the value of the portfolio through reinvestment of income and capital gains. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Despite this, the "investment team" may trade to recognize a loss from time to time to achieve a perceived relative value based

on its potential to enhance the total return of the portfolio.

IV. DELEGATION OF AUTHORITY

In accordance with the Town's charter (Section 3.11), the responsibility for providing oversight in regard to the management of the investment program resides with the Town Financial Administrator. The Town Financial Administrator or designee will be responsible for transferring the appropriate funds to effect investment transactions, in accordance with the investment policy and/or as recommended by the Town's investment advisor if one is contractually engaged, for the investment program. No person may engage in an investment transaction except as stated in the internal controls section of the policy. In employing an investment advisor or firm to manage the Town's investment portfolio or a portion of its available fund, the investment advisor or firm must be registered under the Investment Adviser's Act of 1940.

V. STANDARDS OF PRUDENCE

The standard of prudence to be used by the investment team shall be the "Prudent Person" standard and shall be applied in the context of managing the overall investment program. The Town Financial Administrator or designee (hereinafter "investment officers") acting in accordance with written procedures and this Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectation are reported to the Town Council in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this Policy. The "Prudent Person" rule states the following:

Investments shall be made with judgment 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 from the investment. 218.415(4) F.S.

While the standard of prudence to be used by investment officers is the Prudent Person standard, any person or firm hired or retained to invest, monitor, or advise concerning these assets shall be held to the higher standard of "Prudent Expert". The standard shall be that in investing and reinvesting moneys and in acquiring, retaining, managing, and disposing of investments of these funds, the contractor shall exercise: the judgment, care, skill, prudence, and diligence under the circumstances then prevailing, which persons of prudence, discretion, and intelligence, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims by diversifying the investments of the funds, so as to minimize the risk, considering the probable income as well as the probable safety of their capital.

VI. ETHICS & CONFLICTS OF INTEREST

Investment officers 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. Also, the above personnel involved in the investment process shall disclose to the Town Council any material financial interests in financial institutions that conduct business with the Town, and they shall further disclose any material personal financial/investment positions that could be related to the performance of the Town's investment program. The investment team shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of their entity.

VII. INTERNAL CONTROLS & INVESTMENT PROCEDURES

The Town Financial Administrator shall establish a system of internal controls and operational procedures that are in writing and made a part of the Town's finances operational procedures. The internal controls should be designed to prevent losses of funds, which might arise from fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees. The written procedures should include reference to safekeeping, repurchase agreements, separation of transaction authority from accounting and recordkeeping, wire transfer agreements, banking service contracts, collateral/depository agreements, and "delivery-vs-payment" procedures. No person may engage in an investment transaction except as authorized under the terms of this Policy.

Independent auditors, as a normal part of the annual financial audit to the Town, shall conduct a review of the system of internal controls to ensure compliance with policies and procedures.

VIII. CONTINUING EDUCATION

The Town Financial Administrator and any other personnel responsible for overseeing investments or designee shall annually complete 8 hours of continuing education in subjects or course of study related to investment practices and products pursuant to section 218.415(14) F.S.

IX. AUTHORIZED INVESTMENT INSTITUTIONS & DEALERS

The investment team shall only purchase securities from the following financial and investment institutions:

- A. Certificates of deposit, money market accounts, and savings accounts.
These investments may only be purchased from public depositories qualified by the Treasurer of the State of Florida, in accordance with Chapter 280, Florida Statutes.
- B. Overnight Repurchase Agreement.
Collateral for the Town's "Sweep Accounts" shall be held at Town's depository bank which must be a State Qualified Public Depository (QPD).
- C. Qualified Institutions for all other Investments.
 1. Primary dealers as defined by the Federal Reserve Bank of New York; or
 2. Large regional and money market center banks ranked 1-10 in total capital nationally as rated by the Federal Deposit Insurance Corporation, and Qualified Public Depositories, as defined in Section 280.02, Florida Statutes; or
 3. Smaller regional broker-dealers based in the State of Florida meeting the following criteria:
 - a) Must comply with the SEC mandated Minimum Net Capital Rule 15c3-1;
 - b) Must provide their most recent Financial and Operational Combined Uniform Single (FOCUS) report showing a minimum net capital of \$10 million on either line 3750 or line 3760 of the Report;
 - c) Must have been in continuous business operations for the five (5) years preceding the date of application to be a broker-dealer that is a qualified institution; and
 - d) If it is a banking institution, it must be a Qualified Public Depository, as defined in Section 280.02, Florida Statutes.

Qualified Institutions must have the ability to confirm trades through an electronic trading platform and must complete a broker agreement prior to initial trade. An annual review of - dealers will be conducted at the end of each fiscal year. A list containing a maximum of fifteen (15) approved broker-dealers selected on creditworthiness will be maintained annually.

The Town's contracted investment advisor shall utilize and maintain its own list of approved primary and non- primary dealers.

X. MATURITY & LIQUITY REQUIREMENTS

To the extent possible, investment maturities will be matched with known cash needs and anticipated cash flow requirements.

A. Maturity Guidelines:

Securities purchased by or on behalf of the Town shall have a final maturity of five and a half years (5.5) or less from the date of settlement. The maximum effective duration of the entire portfolio shall be three (3) years. The maturities of the underlying securities of a repurchase agreement will follow the requirements of the Securities Industry and Financial Markets Association (SIFMA) Master Repurchase Agreement.

B. Liquidity Requirements:

The Town Financial Administrator or designee shall determine the approximate amount of funds required to meet the day-to-day expenditure needs of the Town. All funds in the depository bank(s) will be "swept" into a money market fund as necessary to maintain liquidity flexibility. The balance of the Town's funds will be available for investment according to the guidelines incorporated within this Policy.

XI. RISK & DIVERSIFICATION

Assets held shall be diversified to control risks resulting from overconcentration of assets in a specific maturity, issuer, instruments, dealer, or bank through which these instruments are bought and sold. The Town Financial Administrator shall determine diversification strategies within the established guidelines.

XII. MASTER REPURCHASE AGREEMENT

The Town Financial Administrator will require all approved institutions and dealers transacting repurchase agreements to execute and perform as stated in the Securities Industry and Financial Markets Association (SIFMA) Master Repurchase Agreement. All repurchase agreement transactions will adhere to requirements of the SIFMA Master Repurchase Agreement.

XIII. COMPETITIVE SELECTION OF INVESTMENT INSTRUMENTS

After the "investment team" have determined the approximate maturity date based on cash flow needs and market conditions and have analyzed and selected one or more optimal types of investments, a minimum of three (3) qualified banks and/or approved broker/dealers must be contacted and asked to provide bids/offers on securities in question. Bids will be held in confidence until the bid deemed to best meet the investment objectives is determined and selected.

However, if obtaining bids/offers are not feasible and appropriate, securities may be purchased/sold utilizing the comparison to current market price method on an exception basis. Acceptable current market price providers include, but are not limited to:

- A. Tradeweb
- B. Bloomberg Information Systems
- C. Wall Street Journal or a comparable nationally recognized financial publication providing daily market pricing
- D. Daily market pricing provided by the Town's custodian or their correspondent institutions

The "investment team" shall utilize the competitive bid process to select the securities to be purchased or sold. Selection by comparison to the current market price, as indicated above, shall only be utilized when, in judgment of the Town Financial Administrator or designee and the Town's investment advisor(s), competitive bidding would inhibit the selection process.

Examples of when this method may be used include:

- A. When time constraints due to unusual circumstances preclude the use of the competitive bidding process.
- B. When no active market exists for the issue being traded due to the age or depth of the issue.
- C. When a security is unique to a single dealer, for example, a private placement.
- D. When the transaction involves new issues or issues in the "when issued" market.

Overnight sweep investment instruments will not be bid but may be placed with the Town's depository bank relating to the demand account for which the investment instrument was purchased.

XIV. AUTHORIZED INVESTMENTS, INSTRUMENTS & PORTFOLIO COMPOSITION

Investments should be made subject to the cash flow needs and such cash flows are subject to revisions as market conditions and the Town's needs change. The Town's Financial Services Department is responsible for updating cash flow projections and expenditure projections over \$100,000 on a monthly basis. However, when the invested funds are needed in whole or in part for the purpose originally intended or for more optimal investments, the Town Financial Administrator may authorize the sale of the investment at the then-prevailing market price and place the proceeds into the proper account at the Town's custodian.

The following are the investment requirements and allocation limits on security types, issuers, and maturities as established by the Town. Diversification strategies within the established guidelines shall be reviewed and revised periodically as necessary by the Town Financial Administrator. The Town Financial Administrator shall have the option to further restrict investment percentages from time to time based on market conditions, risk and diversification investment strategies. The percentage allocations requirements for investment types and issuers are calculated based on the original cost of each investment, at the time of purchase. Investments not listed in this Policy are prohibited. The following requirements do not apply to funds derived from the sale of debt.

Permitted Investments

Sector	Sector Maximum (%)	Per Issuer Maximum (%)	Minimum Ratings Requirement ¹	Maximum Maturity
U.S. Treasury	100%	100%	N/A	3.50 Years
GNMA		40%		
Other U.S. Government Guaranteed (e.g. AID, GTC)		10%		
Federal Agency/GSE: FNMA, FHLMC, FHLB, FFCB*	100%	40% ³	N/A	3.50 Years
Corporates	50% ²	5%	Highest ST or Three Highest LT Rating Categories (A-1/P-1, A-/A3 or equivalent)	3.50 Years
Municipals	25%	10%	Highest ST or Three Highest LT Rating Categories (SP-1/MIG 1, A-/A3, or equivalent)	3.50 Years
Agency Mortgage-Backed Securities (MBS)	30%	40% ³	N/A	3.50 Years Avg. Life ⁴
Asset-Backed Securities (ABS)	25%	10%	Highest ST or LT Rating (A-1+/P-1, AAA/Aaa, or equivalent)	3.50 Years Avg. Life ⁴
Non-Negotiable Collateralized Bank Deposits (CD) or Savings Accounts	50%	25% or None, if fully collateralized	Secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes. None, if fully collateralized.	1 Year
Commercial Paper (CP)	35% ²	10%	Highest ST Rating Category (A-1/P-1, or equivalent)	270 Days
Repurchase Agreements (Repo or RP)	20%	20%	Counterparty (or if the counterparty is not rated by an NRSRO, then the counterparty's parent) must be rated in the Highest ST Rating Category (A-1/P-1, or equivalent) If the counterparty is a Federal Reserve Bank, no rating is required	1 Year
Money Market Funds (MMFs)	50%	25%	Two Highest Fund Rating by all NRSROs who rate the fund (AAm/Aa-mf, or equivalent)	N/A
Intergovernmental Pools (LGIPs)	50% ⁵	50%	Highest Fund Quality and Volatility Rating Categories by all NRSROs who rate the LGIP, (AAAm/AAAf, S1, or equivalent)	N/A
Florida Local Government Surplus Funds Trust Funds ("Florida Prime" or "SBA")	75% ⁵	N/A	Highest Fund Rating by all NRSROs who rate the fund (AAAm/Aaa-mf, or equivalent)	N/A

Notes:

¹ Rating by at least one SEC-registered Nationally Recognized Statistical Rating Organization ("NRSRO"), unless otherwise noted. ST=Short-term; LT=Long-term.

² Maximum allocation to all corporate and bank credit instruments is 50% combined.

³ Maximum exposure to any Federal Agency, including the combined holdings of Agency debt and Agency MBS, is 40%.

⁴ The maturity limit for MBS and ABS is based on the expected average life at time of settlement, measured using Bloomberg or other industry standard methods.

⁵ The maximum exposure to Florida Prime and Intergovernmental Pools is a combined 75%.

* Federal National Mortgage Association (FNMA); Federal Home Loan Mortgage Corporation (FHLMC); Federal Home Loan Bank or its District Banks (FHLB); Federal Farm Credit Bank (FFCB).

- 1) **U.S. Treasury & Government Guaranteed** – U.S. Treasury obligations, and obligations the principal and interest of which are backed or guaranteed by the full faith and credit of the U.S. Government.
- 2) **Government National Mortgage Association (GNMA) Securities** – Also known as Ginnie Mae, these bonds are backed by the full faith and credit of the United States government.
- 3) **Federal Agency/GSE (government-sponsored enterprise)** – Debt obligations, participations or other instruments issued or fully guaranteed by any U.S. Federal agency, instrumentality or GSE.
- 4) **Corporates** – U.S. dollar denominated corporate notes, bonds or other debt obligations issued or guaranteed by a domestic or foreign corporation, financial institution, non-profit, or other entity.
- 5) **Municipals** – Obligations, including both taxable and tax-exempt, issued or guaranteed by any State, territory or possession of the United States, political subdivision, public corporation, authority, agency board, instrumentality or other unit of local government of any State or territory.
- 6) **Agency Mortgage-Backed Securities** – Mortgage-backed securities (MBS), backed by residential, multi-family or commercial mortgages, that are issued or fully guaranteed as to principal and interest by a U.S. Federal agency or government sponsored enterprise, including but not limited to pass-throughs.
- 7) **Asset-Backed Securities** – Asset-backed securities (ABS) whose underlying collateral consists of loans, leases or receivables, including but not limited to auto loans/leases, credit card receivables, or equipment loans/leases.
- 8) **Non-Negotiable Certificate of Deposit and Savings Accounts** – Non-negotiable interest-bearing time certificates of deposit, or savings accounts in banks organized under the laws of this state or in national banks organized under the laws of the United States and doing business in this state, provided that any such deposits are secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes.
- 9) **Commercial Paper** – U.S. dollar denominated commercial paper issued or guaranteed by a domestic or foreign corporation, company, financial institution, trust or other entity, including both unsecured debt and asset-backed programs.
- 10) **Repurchase Agreements** – Repurchase agreements (Repo or RP) that meet the following requirements:
 - a. Must be governed by a written SIFMA Master Repurchase Agreement which specifies securities eligible for purchase and resale, and which provides the unconditional right to liquidate the underlying securities should the Counterparty default or fail to provide full timely repayment.
 - b. Counterparty must be a Federal Reserve Bank, a Primary Dealer as designated by the Federal Reserve Bank of New York, or a Federal Reserve Bank.
 - c. Securities underlying repurchase agreements must be delivered to a third-party custodian under a written custodial agreement and may be of deliverable or tri-party form. Securities must be held in the City's custodial account or in a separate account in the name of the City.
 - d. Acceptable underlying securities include only securities that are direct obligations of, or that are fully guaranteed by, the United States or any agency of the United States, or U.S. Agency-backed mortgage related securities.

- e. Underlying securities must have an aggregate current market value of at least 102% (or 100% if the counterparty is a Federal Reserve Bank) of the purchase price plus current accrued price differential at the close of each business day.
- f. Final term of the agreement must be 1 year or less.

11) **Money Market Funds** – Shares in open-end and no-load money market mutual funds, provided such funds are registered under the Investment Company Act of 1940 and operate in accordance with Rule 2a- 7.

A thorough investigation of any money market fund is required prior to investing, and on an annual basis. Attachment A is a questionnaire that contains a list of questions to be answered prior to investing, that covers the major aspects of any investment pool/fund. A current prospectus must be obtained.

12) **Local Government Investment Pools** – State, local government or privately-sponsored investment pools that are authorized pursuant to state law.

A thorough investigation of any intergovernmental investment pool is required prior to investing, and on an annual basis. Attachment A is a questionnaire that contains a list of questions to be answered prior to investing, that covers the major aspects of any investment pool/fund. A current prospectus must be obtained.

13) **The Florida Local Government Surplus Funds Trust Funds (“Florida Prime” or “SBA - State Board of Administration”)** – A thorough investigation of the Florida Prime is required prior to investing, and on an annual basis. Attachment A is a questionnaire that contains a list of questions to be answered prior to investing, that covers the major aspects of any investment pool/fund. A current prospectus or portfolio report must be obtained.

XV. DERIVATIVES & REVERSE REPURCHASE AGREEMENTS

The Town may not invest in investment products that include the use of derivatives or in reverse repurchase agreements. A “derivative” is defined as a financial instrument the value of which depends on, or is derived from, the value of one or more underlying assets or indices or asset values. Agency mortgage-backed securities, including collateralized mortgage obligations, known as “CMO”, will not be considered a derivative product for purposes of investment provided that the investment meets all other criteria of this policy statement including the policy objectives of safety and liquidity.

XVI. PERFORMANCE MEASUREMENTS

In order to assist in the evaluation of the portfolios’ performance, the Town will use performance benchmarks for short-term and long-term portfolios. The use of benchmarks will allow the Town to measure its returns against other investors in the same markets.

- A. Investment performance of funds designated as short-term funds and other funds that must maintain a high degree of liquidity will be compared to the return on the S&P Rated GIP Index Government 30 Day Yield.
- B. The long-term investment portfolio shall be designed with the annual objective of meeting the return of the ICE BofA 1-3 Year U.S. Corporate & Government Index compared to the portfolio’s total rate of return. This index and maturity range approximates the permitted investment by this policy and will be utilized as a benchmark to be compared to the portfolio’s total rate of return.

XVII. REPORTING

- A. The Town Financial Administrator will prepare as deemed necessary investment reports which include the listing of holdings in the portfolio at cost and market value for the Town Administrator. At least annually, the Town Financial Administrator, designee, or investment advisor shall prepare and submit an investment report to the Town Council. Schedules for the annual report should include but not limited to:
1. A listing of individual securities held at the end of the reporting period
 2. Percentage of available funds represented by each investment type
 3. Coupon, discount or earning rate
 4. Average life or duration and final maturity of all investments
 5. Par value, and market value
 6. Income earned

XVIII. THIRD-PARTY CUSTODIAL AGREEMENTS

Securities, with the exception of certificates of deposits, shall be held with a third-party custodian, and all securities purchased by, and all collateral obtained by the Town should be designated in the books and records of the custodian as an asset of the Town. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida as defined in Section 658.12, Florida Statutes, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Florida. Certificates of deposits will be placed in the custodian's safekeeping department for the term of the deposit.

The custodian shall accept transaction instructions only from those persons who have been duly authorized by the Town Financial Administrator and which authorization has been provided, in writing, to the custodian. No withdrawal of securities, in whole or in part, shall be made from safekeeping, shall be permitted unless authorized in writing by such a duly authorized person.

The custodian shall provide the Town Financial Administrator or designee with safekeeping receipts that provide detailed information on the securities held by the custodian. Security transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. Securities held as collateral shall be held free and clear of any liens.

XIX. INVESTMENT POLICY REVIEW AND ADOPTION

The investment policy shall be adopted by resolution. The Town Financial Administrator will review the policy annually for modifications and make recommendations to the Town Council. The Town Council shall approve any necessary modifications.

Attachment A
Investment Pool/Fund Questionnaire

General Fund/Pool Information:

1. Does the fund/pool attempt to maintain a stable net asset value or floating net asset value?
2. How is interest distributed, and how are gains and losses treated?
3. How often are statements and portfolio holdings distributed?
4. Is the fund/pool eligible for bond proceeds and/or will it accept such proceeds?

Oversight:

1. What is the fund/pool ratings by the Nationally Recognized Statistical Rating Organizations such as S&P, Moody's, Fitch, Kroll, etc.?
2. What are the eligible investment securities? Is there a written statement of investment policy and objectives?
3. How are the securities safeguarded (including the settlement processes)? How often are the securities priced? How often is the fund/pool audited?
4. Is there any additional oversight outside of the Board of Trustees?

Fund/Pool Statistics:

1. What is the current sector allocation of the fund/pool?
2. What is the fee schedule, and how and when is it assessed?

Liquidity:

1. Does the fund/pool follow GASB 79? (Statement 79 - Certain External Investment Pools & Pool Participants, June 15, 2015).
2. Does the fund/pool have any liquidity fees? If so, describe the terms.
3. Does the fund/pool have redemption gates? If so, describe them.

Investor Requirements:

1. Who may invest in the program, how often, and what size deposits and withdrawals are allowed?
2. Is there a limit regarding investor concentration? If so, what is it?

