

Lake Shastina Community Services District

RESOLUTION 5-87

A RESOLUTION ADOPTING AN ANNUAL STATEMENT OF INVESTMENT POLICY FOR THE LAKE SHASTINA COMMUNITY SERVICES DISTRICT

WHEREAS, the Board of Directors has heretofore established a Fire Protection Enterprise Fund, Sewer Enterprise Fund, a Police Protection Enterprise Fund, and a General Non enterprise Fund from which moneys may be expensed for general operating purposes; and

WHEREAS, the Board of Directors has, in addition, established special reserve funds designated as "Capital Improvement Gravity Sewer System, " "Capital Improvement Total Sewer System, " and "Low Pressure Sewer Extensions" from which moneys may be expensed for specific purposes only; and

WHEREAS, the Board of Directors has hertofore designated the General Fund as the depository of all interest moneys save those specifically earned on the afo rementioned special reserve funds; and

WHEREAS, in addition to the moneys in the above established special reserve funds the Lake Shastina Community Services District has on hand in the General Fund and the Depreciation Reserve Fund of each enterprise fund moneys which are surplus to the District's immediate operating needs; and

WHEREAS, it has been determined to be in the public interest to invest such surplus and inactive moneys in a manner which insures a maximum return consistent with safety on such investments while maintaining the integrity of such surplus and inactive funds; and

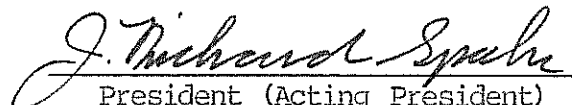
WHEREAS, the Board of Directors has heretofore designated depositories, and may from time to time hereafter designate additional such depositories, to have custody of District funds; and

WHEREAS, the Finance Officer has rendered an annual statement of investment policy to the Board pursuant to Section 53646(a) of the Government Code;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Lake Shastina Community Services District as follows:

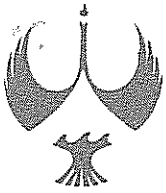
1. The Finance Officer's Annual Statement of Investment Policy dated September 8, 1987, attached hereto as Exhibit A, is hereby approved and adopted.

ADOPTED this 8 day of September, 1987.


President (Acting President)
Lake Shastina CSD

ATTEST:


Finance Officer
Lake Shastina CSD



Lake Shastina Community Services District

8 September 1987

TO: Board of Directors
FROM: Finance Officer
SUBJ: Finance Officer's Annual Statement of Investment Policy

The following is my annual statement of investment policy rendered pursuant to Section 53646(a) of the Government Code:

1. Investment of surplus money of the Lake Shastina Community Services District shall be made in securities in which the District is legally empowered to invest such funds in accordance with Section 53601 of the Government Code, taking into consideration the probable income as well as the probable safety of said funds, exercising the judgment and care, under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation, but in regard to the permanent disposition of said funds.
2. As far as possible, all money in excess of that required to cover monthly operational and administrative expenses shall be invested in Commercial Banks, Federally Chartered Savings and Loans with F.D.I.C. or F.S.L.I.C. insurance or the Local Agency Investment Fund in accordance with Section 16249.1 of the Government Code. The determination of which of these alternate investments will be used, will be based upon prevailing interest rates taking into consideration the term of the investment. No investments the term of which exceed five years will be considered.
3. Interest earned and received on investments on "Low Pressure Extension Fund," "Reserve for Sewer System Capital Outlay," and "Reserve for Fire Department Capital Outlay" shall be credited to those funds in the same proportion that such funds bear to the total moneys invested. All other interest, including interest on "Depreciation Reserves" and "Special District Augmentation Funds" shall be credited to the General Fund.
4. Investments of funds under 1, 2, 3, above shall be limited as follows:
 - a. District investments in any state or federal savings and loan institution shall be limited to \$100,000 including interest thereon.
 - b. District investments in state or national banks shall be limited to \$100,000 including interest thereon.
 - c. District investments in the State of California Local Agency Investment Fund shall be limited to \$5,000,000 including interest thereon.
5. District staff shall provide the Finance Officer a monthly report showing the type of investment, institution, date of maturity, amount of deposit, current market value for all securities with a maturity of more than 12 months, rate of interest, and such data as may be required by the District. Said report may be incorporated into the District's monthly Finance Report submitted to the Board by the District Finance Officer.

D. Resolution 5-87 Adopting Annual Statement of Investment Policy for the District.

Director Spahr asked to have letter accompanying Resolution 5-87 corrected, paragraph 4, investment of funds under 1, 2, 3, 4, strike 4 as there is no 4 above. Also correct paragraph 5, typo error on second sentence, drop "d" from word typed, to read type.

Director Worsnop moved that we accept the Resolution 5-87 Adopting Annual Statement of Investment Policy for the District as amended, seconded by Director Dutro and upon vote motion carried unanimously.

E. Resolution 6-87 Appointing Mary Krolak as District Secretary

Director Worsnop moved that we appoint Mary Krolak as District Secretary, seconded by Director Trager, upon vote motion carried unanimously.

F. Grantsmanship Seminar in Medford 9/17/87, 9 a.m. to 4 p.m., Cost \$55

Director Dutro made motion that if Director Harrison would like to attend seminar that we send him, seconded by Director Trager. Discussion.

Director Dutro amended the motion to read, send a member of the Board to the seminar, seconded by Director Trager, upon vote motion carried unanimously.

G. Juniper Valley Election of Members to ECC

This was provided as information only. Director Spahr asked if Board wanted to get involved. Director Dutro moved we put two cumulative votes on candidate Louie. Worsnop made a motion that we authorize the general Manager to submit the ballot, voting for the recommended nominees, seconded by Director Trager. Director Dutro stated, "Point of order," that she had a motion on the floor, but she would withdraw the motion. Upon vote, motion by Director Worsnop carried unanimously.

PUBLIC COMMENT PERIOD

Director Spahr asked Mr. Jim Harrison to come forward so the newly appointed District Secretary Mary Krolak could dully swear him in and he could take a seat at the Director's table.

Director Spahr asked Board if they wanted to call a Special Meeting to select candidate to fill the second vacancy on the Board which will be effective 9/9/87. After discussion it was the general consensus of the Board to wait until the next regularly scheduled meeting in October.

XI. ADJOURNED - There being no further business to be conducted, the meeting was adjourned at 4:15 p.m.

Respectfully submitted,
Mary M. Krolak
MARY M. KROLAK
District Secretary