

ORDINANCE NO. 316

AN ORDINANCE OF THE TOWN OF HAVANA, FLORIDA, ESTABLISHING A LOCAL GOVERNMENT INVESTMENT POLICY WHICH IS CONSISTENT WITH FLORIDA STATUTES, CHAPTER 218, SECTION 218.415; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Florida Statutes, Chapter 218, Section 218.415 requires that investment activity by a unit of local government must be consistent with a written investment plan adopted by the governing body of the local government; and

WHEREAS, any such unit of local government shall have an investment policy for any public funds in excess of the amounts needed to meet current expenses as provided in Florida Statutes, Section 218.415, subsections (1) through (16), or shall meet the alternative investment guidelines contained in subsection (17); and,

WHEREAS, such policies shall be structured to place the highest priority on the safety of principal and liquidity of funds while the optimization of investment returns shall be secondary to the requirements for safety and liquidity.

NOW THEREFORE, BE IT ORDAINED by the Town Council of the Town of Havana, Florida, as follows:

Section 1: This act shall be known as "The Town of Havana, Florida Investment Policy".

Section 2: Scope:

The investment policy shall apply to funds under the control of the Town of Havana in excess of those required to meet current expenses. The investment policy shall not apply to pension funds, including those funds in Chapter 175 and 185, or funds related to issuance of debt where there are other existing policies or indentures in effect for such funds.

Section 3: Prudence and Ethical Standards:

The Prudent Person Rule, which states, "Investments should 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 from the investment", is hereby adopted by the Town Council.

Section 5: Authorized Investments; No written Policy.

The Town of Havana has elected not to adopt a written investment policy in accordance with investment policies developed in FS, Section 218.415, Subsections (1) through (16), but may invest any surplus funds in their control or possession in accordance with FS, Section 218.415, Subsection (17), as follows:

- (a) The Local Government Surplus Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in FS, Section 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 FS, Section 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.

Section 6. Administration and Reporting.

The Town Manager and Finance Director shall be responsible for investing excess public funds and shall provide for annual reporting of investment activities. To that end, the chief financial officer shall prepare annual reports for submission to the Town Council, which shall include securities in the portfolio by class or type, book value, income earned, and market value as of the report date.

Section 7. Signatures

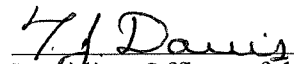
Signature cards, if required, shall be in accordance with Town policy as established in the Town of Havana Accounting Manual.

Section 8. Effective Date;

This Ordinance shall become effective in accordance with Florida State Law.

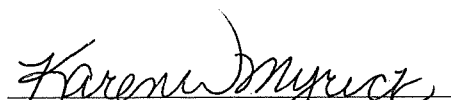
INTRODUCED and read the first time at a regularly scheduled Town Council Meeting on the 24th day of February, 2004.

READ THE SECOND TIME AND ADOPTED by the Town Council of the Town of Havana at a regularly scheduled Town Council meeting on the 30th day of March, 2004.



Presiding Officer of the Town Council
of the Town of Havana, Florida

ATTEST:



Clerk of the Town of Havana and
Clerk of the Town Council thereof