

# Policy Statements

## Live Oak UWCD

### CODE OF ETHICS:

The board of directors and all employees will conduct themselves in a manner that is customary for government employees.

### TRAVEL EXPENDITURES:

The board members and all employees will be reimbursed for actual travel expenses that are presented to the board with receipts.

### DISTRICT INVESTMENTS:

#### **INVESTMENT POLICY**

Revised 11/28/2023

This Investment Policy of the Live Oak Underground Water Conservation District (District) addresses the following:

Chapter 2256 of the Government Code, as amended from time to time by the Texas State Legislature ("Public Funds Investment Act") requires each public entity to adopt rules governing its investment practices and to define the authority of the investment official. The Investment Policy addresses the methods, procedures and practices which must be exercised to ensure effective and prudent fiscal management of the Live Oak Underground Water Groundwater Conservation District.

#### Objective and Strategy:

Investment of District funds shall be managed in a manner consistent with applicable State laws, procedures set forth in bond resolutions or orders, resolutions of the Board and be consistent with the District's responsibilities as a steward of the public trust. Full consideration shall be given to the following objectives:

- A. Preservation & Safety of Principal: This shall be the primary concern of the management of District funds.
- B. Liquidity: Funds shall be invested such as to be available to pay obligations when due.

#### Scope:

All funds will be pooled when possible for investment purposes. The strategy developed for this pooled fund group will address the varying needs, goals and objective of each fund. These funds are accounted for in the District's annual financial report and include the following:

- 1) General fund
- 2) Reserve funds

This Investment Policy shall apply to all transactions involving the financial assets and related activity of all foregoing funds.

Delegation of Authority:

The District's shall appoint an Investment Officer. The Investment Officer shall attend at least six hours of instruction relating to investment responsibilities in the first year of taking office. In subsequent years the Investment Officer must attend at least four hours of additional investment training within each two-year period that begins on the first day of the District's fiscal year. The Investment Officer is expected to report changes in the Public Funds Investment Act within six months after each legislative session to the District's Board of Directors.

Authorized and Suitable Investments:

The following maturities and diversification levels shall be applied.

<u>Suitable Investments</u>	<u>Max. Maturity</u>	<u>Diversification</u>	<u>Minimum Rating</u>
US Obligations	2 years	100% Maximum	AAA
Certificates of Deposit or FDIC Insured Deposit Programs	9 months	100% Maximum	FDIC insured
Local Government Investment Pools or Suitable Cash Management Mutual Funds	WAM <12 months*	100% Maximum	AAA

Reporting:

Investment Reports will be reviewed annually by the District's independent auditor, who will report to the Board of Directors.

All other investments are not authorized.

Investment Policy Adoption:

This policy, which includes investment strategies for the pooled fund group, shall be adopted at a public meeting of the Board and shall be reviewed annually by the Board. Any modifications made thereto must be, formally, approved by the Board.

## PROFESSIONAL SERVICES:

The board will select, monitor, review, and evaluate professional services procurement according to State statute.

## MANAGEMENT OF INFORMATION:

The board will appoint a finance committee that is responsible for the budget process and conducting yearly audits. The committee will meet as needed.

## UNIFORM REPORTING REQUIREMENTS:

The manager will provide the board with the financial statements that the board requests at each meeting. The board shall require an annual audit that conforms to government accounting standards.