

Implementation of Recommended Investment Policies and Strategies

Audit and Finance Committee
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Response to Key Recommendations

- Established a Treasury Investment Committee composed of internal staff
 - First meeting was conducted on April 3rd
- Provide Quarterly Performance Reports
 - Will be presented at Audit & Finance Committee meetings

Responses (...cont)

- **Revise Benchmarks**
 - new investment policy will include two new performance benchmarks;
 - (1) Local Government Money Market index - short term
 - (2) Merrill Lynch 1-3 year Treasury Index - long term

Responses (...cont)

- Revise Investment Policy – highlights include;
 - Reduce maximum investment in “Local Government Pools” from 100% to 25%
 - Corporate notes – limit to 10%, 3yr maturity
 - Money Markets funds – increase to 75%, rating to AAA
 - Mortgage Investments – Reduce from 35% to 30%, maintain AAA rating, increase credit review

Other Recommendations

- Improve cashflow forecasting Districtwide
- Increase credit review of investments and brokers
- Document short and long term investment plan
- Develop Internal Controls manual
- Obtain an investment audit bi-annually