



Seat 1 - Chad Ritch, Supervisor
Seat 2 - Jim Sprung, Vice Chairman
Seat 3 - Lester Coggins, Chairman
Seat 4 - Ken Stoff, Supervisor
Seat 5 - Gerry Andrews, Supervisor

Monthly Board Meetings are held at:

District Office Board Room
984 Old Mill Run The Villages, FL 32162
The Villages, Florida 32162

AGENDA

January 17, 2019

11:00 AM

Notice to Public: Audience Comments on all issues will be received by the Board.

1. Call to Order
 - A. Roll Call
 - B. Pledge of Allegiance
 - C. Observation of Moment of Silence
 - D. Welcome Meeting Attendees
 - E. Audience Comments

CONSENT AGENDA:

A motion to approve the Consent Agenda is a motion to approve all recommended actions. All matters on the Consent Agenda are considered routine and no discussion is required unless desired by a Board Supervisor or a Member of the Public.

2. Approval of the Minutes
Approval of the Minutes for the Meeting held on November 15, 2018.
3. Adoption of Resolution Nos. 19-03 updating the list of signatories
Update and make current the signatories of the District's bank account for the Brownwood Community Development District.
4. Adoption of Resolution 19-05: FY2017-18 Carryforward Requests
Adoption of Resolution 19-05 to amend the Fiscal Year 2018-19 Budget to carryforward \$39,667 from Fiscal Year 2017-18 for Pitch Black surface work projects.

NEW BUSINESS:

5. Revised District Investment Policy
Request the Board to adopt Resolution No. 19-02 updating the Brownwood Community Development District Investment Policy.

INFORMATIONAL ITEMS ONLY:

6. Financial Statements
Budget to Actual Statements as of November 30, 2018.

REPORTS AND INPUT:

7. Staff Reports
 - A. FEMA Update
 - B. Future Technology Initiatives
8. District Counsel Reports
9. Supervisor Comments
10. Adjourn

HOSPITALITY * STEWARDSHIP * CREATIVITY * HARD WORK

NOTICE

Each person who decides to appeal any action taken at these meetings is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based. Audio recordings of Board meetings, workshops or public hearings are available for purchase per Florida Statute 119.07 through the District Clerk for \$1.00 per CD requested. Any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Office at (352) 751-3939 at least five calendar days prior to the meeting.



AGENDA REQUEST

TO: Board of Supervisors
Brownwood Community Development District

FROM: Jennifer McQueary, District Clerk

DATE: 12/20/2018

SUBJECT: **Approval of the Minutes**

ISSUE: Approval of the Minutes for the Meeting held on November 15, 2018.

ANALYSIS/INFORMATION: Staff requests approval of the Minutes for the Meeting held on November 15, 2018.

STAFF RECOMMENDATION: Staff recommends approval of the Minutes for the Meeting held on November 15, 2018.

MOTION: Motion to approve the Minutes of the Meetings held on October 18, 2018 and November 15, 2018.

ATTACHMENTS:

Description	Type
□ 11-15-18	Cover Memo

**MINUTES OF MEETING
BROWNWOOD COMMUNITY
DEVELOPMENT DISTRICT**

A Meeting of the Board of Supervisors of Brownwood Community Development District was held on Thursday, November 15, 2018 in the District Office Large Conference Room, 984 Old Mill Run, The Villages Florida, 32162.

Board members present and constituting a quorum:

Lester Coggins	Chairman
Jim Sprung	Vice Chairman
Ken Stoff	Supervisor
Chad Ritch	Supervisor

Staff Present:

Richard Baier	District Manager
Kenny Blocker	Assistant District Manager
Lewis Stone	District Counsel
Diane Tucker	Administrative Operations Manager
Sam Wartinbee	District Property Management Director
Barbara Kays	Budget Director
Brittany Wilson	Director, Technology and Board Support Services
Anne Hochsprung	Finance Director
Jennifer McQueary	District Clerk
Candice Harris	Deputy District Clerk

FIRST ORDER OF BUSINESS:

Call to Order

A. Roll Call

Chairman Coggins called the meeting to order at 11:01 a.m. and stated for the record that four (4) Supervisors were present representing a quorum. Gerry Andrews was absent.

B. Pledge of Allegiance

The Chairman led the Pledge of Allegiance.

C. Observation of a Moment of Silence

The Board observed a moment of silence for those who have served our Country and their community.

D. Welcome Meeting Attendees

The Board welcomed all those residents in attendance.

E. Audience Comments

No audience comments were received.

SECOND ORDER OF BUSINESS: Administer Oath of Office of Newly Elected Supervisors

Jennifer McQueary, District Clerk, administered the Oath of Office to newly elected Supervisors Lester Coggins and Ken Stoff.

THIRD ORDER OF BUSINESS: Nomination and Appointment of Chairman

On MOTION by Ken Stoff, seconded by Jim Sprung, with all in favor, the Board appointed Lester Coggins to serve as Chairman of the Brownwood Community Development District Board.

FOURTH ORDER OF BUSINESS: Nomination and Appointment of Vice Chairman

On MOTION by Chad Ritch, seconded by Ken Stoff, with all in favor, the Board appointed Jim Sprung to serve as Vice Chairman of the Brownwood Community Development District Board.

CONSENT AGENDA:

Chairman Coggins advised the Board that a motion to approve the Consent Agenda is a motion to approve all recommended actions. All matters on the Consent Agenda are considered routine and no discussion will occur unless desired by a Supervisor or a member of the public.

On MOTION by Jim Sprung, seconded by Ken Stoff, with all in favor, the Board took formal action on the following items included on the Consent Agenda:
FIFTH ORDER OF BUSINESS: Approved the Minutes for the Board Meeting held on September 6, 2018.
SIXTH ORDER OF BUSINESS: Authorized Staff to advertise the intent to amend and restate the Rule establishing operating policies and procedures.
SEVENTH ORDER OF BUSINESS: Adoption of Resolution 19-01 Canvassing and Certifying the results of Brownwood Community Development District for the 2018 Landowner Election.

EIGHTH ORDER OF BUSINESS: Award of Request for Proposal (RFP) #18P-024 – Roadway and Parking Lot Maintenance

Kenny Blocker, Assistant District Manager, advised the Purchasing Department issued a Request for Proposal (RFP) to provide the necessary preventative maintenance services on the District's roadways and parking lots. The maintenance services included are mill & overlay, micro surfacing/crackfill, asphalt rejuvenating agent "Reclamite", striping (paint and glass bead), striping (thermoplastic and glass bead) and cut and patch. All responders were determined to be responsive and responsible and presented to the Selection Committee members for review.

On MOTION by Ken Stoff, seconded by Jim Sprung, with all in favor, the Board awarded the Mill & Overlay and Striping – Thermoplastic & Glass Bead portions of (RFP) #18P-024 – Roadways and Parking Lot Maintenance to Rainey Construction Company based on the unit prices reflected in their Exhibit "A", the Micro Surfacing/Crackfill portion of (RFP) #18P-024 – Roadways and Parking Lot Maintenance to Asphalt Paving Systems, Inc. based on the unit prices reflected in their Exhibit "A", the Asphalt Rejuvenating Agent "Reclamite" portion of (RFP) #18P-024 – Roadways and Parking Lot Maintenance to Pavement Technology, Inc. based on the unit prices reflected in their Exhibit "A" and the Striping – Paint & Glass Bead and Cut & Patch portions of (RFP) #18P-024 – Roadways and Parking Lot Maintenance to Tri-State Asphalt Corporation based on the unit prices reflected in their Exhibit "A" and to authorize the Chairman/Vice Chairman to sign the Agreements for Services.

NINTH ORDER OF BUSINESS: Financial Statements

The Financial Statements as of September 30, 2018 were provided as information to the Board.

TENTH ORDER OF BUSINESS: Staff Reports

A. FEMA Update

Mr. Baier advised that the District has received communication from the Federal Emergency Management Agency (FEMA) indicating that a favorable determination has been made in response to the appeals filed by the Districts; however, Staff is unable to provide an estimate of when the District will receive reimbursement for the costs associated with Hurricane Irma.

B. Advanced Wastewater Treatment Workshop

Mr. Baier advised that the District will hold an Advanced Wastewater Workshop, which is a follow-up to the Stormwater Workshops held earlier this year, on January 14, 2019 at the Rohan Regional Recreation Center and January 17, 2019 at the Savannah Regional Recreation Center. Free tickets for the event can be obtained through The Villages Box Office.

Mr. Baier advised the District recently sponsored Government Day which was held on Saturday, November 3, 2018. Staff is completing a review of the exit surveys received and will utilize that information to improve future year's events.

ELEVENTH ORDER OF BUSINESS: District Counsel Reports

There were no District Counsel Reports.

TWELFTH ORDER OF BUSINESS: Supervisor Comments

There were no Supervisor Comments.

THIRTEENTH ORDER OF BUSINESS: Adjourn

The meeting was adjourned at 11:11 a.m.

On MOTION by Ken Stoff, seconded by Chad Ritch, with all in favor, the Meeting was adjourned.
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Richard J. Baier
Secretary

Lester Coggins
Chairman

DRAFT



AGENDA REQUEST

TO: Board of Supervisors
Brownwood Community Development District

FROM: Ann Hochsprung, Finance Director

DATE: 12/20/2018

SUBJECT: Adoption of Resolution Nos. 19-03 updating the list of signatories

ISSUE:

Update and make current the signatories of the District's bank account for the Brownwood Community Development District.

ANALYSIS/INFORMATION:

Janet Y. Tutt and Lynn A. Ainscow need to be deleted and Anne K. Hochsprung needs to be added to the signatory list for the Citizens First Bank account.

STAFF RECOMMENDATION:

Request the Board adopt Resolution Nos. 19-03 updating the signatory list of the Brownwood Community Development District Citizens First Bank account to include: Lester A. Coggins, James Sprung, Richard J. Baier, Kenneth C. Blocker, John B. Rohan, and Anne K. Hochsprung.

MOTION:

Motion to adopt Resolution Nos. 19-03 updating the list of signatories of the Brownwood Community Development District bank account for Citizens First Bank

ATTACHMENTS:

Description	Type
□ Resolution 19-03 CFB	Cover Memo

RESOLUTION 19-03

A RESOLUTION OF THE BROWNWOOD COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE FOLLOWING AS SIGNATORIES ON THE CITIZENS FIRST BANK ACCOUNT NO.: 0910008341.

WHEREAS, the Board of Supervisors of the Brownwood Community Development District desires to delete Janet Y. Tutt and Lynn A. Ainscow and add Anne K. Hochsprung to the signatory list.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF BROWNWOOD COMMUNITY DEVELOPMENT DISTRICT THAT THE FOLLOWING BE PLACED ON THE CITIZENS FIRST BANK ACCOUNT NO. 0910008341 AS SIGNATORIES:

1. Lester A. Coggins, Chairman
2. James Sprung, Vice Chairman
3. Richard J. Baier, District Manager
4. Kenneth C. Blocker, Assistant District Manager
5. John B. Rohan, Director of Recreation
6. Anne K. Hochsprung, Finance Director

Adopted this 20th day of December 2018.

Lester A. Coggins, Chairman

Richard J. Baier, District Manager/Secretary



AGENDA REQUEST

TO: Board of Supervisors
Brownwood Community Development District

FROM: Barbara E. Kays, Budget Director

DATE: 1/17/2019

SUBJECT: **Adoption of Resolution 19-05: FY2017-18 Carryforward Requests**

ISSUE:

Adoption of Resolution 19-05 to amend the Fiscal Year 2018-19 Budget to carryforward \$39,667 from Fiscal Year 2017-18 for Pitch Black surface work projects.

ANALYSIS/INFORMATION:

On September 14, 2017 the Board adopted the Fiscal Year 2017-18 Budget that included \$97,644 for Pitch Black surface work on the parking lots located in Brownwood.

At the end of each fiscal year carryforward requests are submitted to request that budgeted funds are carried from one fiscal year to the next fiscal year for projects that were budgeted but not completed or items that have been ordered yet unpaid at the end of the fiscal year.

A carry forward of \$39,667 is requested to complete the Pitch Black surface work projects for the parking lots in areas 4, 5 and 6. Attached is the necessary budget resolution to amend the Fiscal Year 2018-19 Budget to carryforward \$39,667 for these projects.

STAFF RECOMMENDATION:

Staff recommends the Board adopt Resolution 19-05 to amend the Fiscal Year 2018-19 Budget to carryforward \$39,667 for the identified projects.

MOTION:

Move to adopt Resolution 19-05 to amend the Fiscal Year 2018-19 Budget to carryforward \$39,667 for the identified projects.

ATTACHMENTS:

	Description	Type
▣	Resolution 19-05	Cover Memo

RESOLUTION 19-05

A RESOLUTION AMENDING THE BROWNWOOD COMMUNITY DEVELOPMENT DISTRICT BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019 FOR FISCAL YEAR 2017- 18 CARRYFORWARD REQUESTS

WHEREAS, on September 14, 2017, the Board adopted the Fiscal Year 2017-18 Budget that included \$97,644 Pitch Black surface work on the parking lots located in Brownwood; and,

WHEREAS, a carryforward from Fiscal Year 2017-18 in the amount of \$39,667 has been requested to provide funds in Fiscal Year 2018-19 to complete the parking lot surface work projects in areas 4, 5 and 6; and,

WHEREAS, the request to carryforward this project and re-appropriate in the Fiscal Year 2018-19 Budget has been reviewed and approved by the District Manager.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE BROWNWOOD COMMUNITY DEVELOPMENT DISTRICT THAT THE FISCAL YEAR 2018-19 BUDGET BE AMENDED AS FOLLOWS:

SOURCES:

50-151-669901	Working Capital	\$ 39,667
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DISBURSEMENTS:

50-151-50-52-000-539462	Building/Structure Maintenance	\$ 39,667
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Adopted this 17th day of January, 2019.

BROWNWOOD COMMUNITY
DEVELOPMENT DISTRICT

Lester Coggins, Chair

Richard J. Baier, Secretary



AGENDA REQUEST

TO: Board of Supervisors
Brownwood Community Development District

FROM: Kenneth C. Blocker, Assistant District Manager

DATE: 12/20/2018

SUBJECT: Revised District Investment Policy

ISSUE:

Request the Board to adopt Resolution No. 19-02 updating the Brownwood Community Development District Investment Policy.

ANALYSIS/INFORMATION:

A written Investment Policy is required of all units of local government in the State of Florida by Section 218.415, Florida Statutes. This policy is designed to be a written investment plan adopted by the governing body. The District adopted its first policy in 2007. In the policy, a requirement to periodically review and update the policy was included. This is the fourth periodic review of the District's Investment Policy. Two documents are attached. Attachment 1 is a copy of the current Investment Policy with changes in an add/delete format. Additions are underlined and deletions are lined through. Attachment 2 is a final version of the revised policy which reflects the IAC recommended document with a resolution providing for its adoption. Changes were made to the Purpose Statement (page 1), 1. Scope (page 1), 3. Performance Measurement (page 2), 5. Listing of Authorized Investments (page 3), 6. Maturity and Liquidity Requirements (page 3), 8. Risk and Diversification (page 4) and 16. Authorized Investments; Written Investment Policies (pages 5-6). The Investment Advisory Committee (IAC) approved all of the changes as indicated.

STAFF RECOMMENDATION:

Staff recommends the Board adopt the attached revised District Investment Policy effective the date of approval.

MOTION:

The Board adopts Resolution 19-02 approving the revised District Investment Policy effective the date of approval.

ATTACHMENTS:

Description	Type
❑ Resolution No. 19-02	Cover Memo
❑ Current Investment Policy with Changes	Cover Memo
❑ Final Version of Revised Policy	Cover Memo

RESOLUTION 19-02

A RESOLUTION OF THE BROWNWOOD COMMUNITY DEVELOPMENT DISTRICT RECOMMENDING THE BOARD ADOPTS THE REVISED DISTRICT INVESTMENT POLICY EFFECTIVE UPON APPROVAL.

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

WHEREAS, Staff has reviewed and updated the existing District Investment Policy, assuring it satisfies all the requirements of Chapter 218.415.

WHEREAS, the Investment Advisory Committee at a meeting held on November 5, 2018 has reviewed this policy and recommends the adoption of this policy by the Board.

WHEREAS, the Board of Supervisors of the Brownwood Community Development District desires to adopt the revised District Investment Policy.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

The attached revised Investment Policy is approved and adopted effective December 20, 2018.

Lester A. Coggins, Chairman

Richard J. Baier, District Manager/Secretary

VCCDD
INVESTMENT
POLICIES
MANUAL

Revised March 2010
Revised July 2018

VCCDD INVESTMENT POLICIES

General:—The purpose of these investment guidelines is to formalize the framework for the District's daily investment activities to include scope, objectives, authority, standards of prudence, authorized institutions, investment type, collateralization and diversification as required by **Chapter Section 218.415, Florida Statutes**.

1. SCOPE. – The authority to manage the District's investment program is derived from the State of Florida Statutes. The District Manager or designee is the investment officer. The District Manager or designee shall establish investment procedures consistent with this policy, and a system of control to regulate the activities of subordinate officials and employees.

This policy is limited in its application to funds that are not immediately needed and are available for investment. This investment policy shall not apply to **the long term multi-asset class portfolio, or** funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds.

These funds are accounted for in the District's annual financial audit and include:

- A. General Fund
- B. Capital Project Funds
- C. Debt Service Funds
- D. Enterprise Funds
- E. Special Revenue Funds
- F. Fiduciary Fund

This investment policy will be reviewed annually by the District board.

2. INVESTMENT OBJECTIVES. – The primary objectives, in order of priority, of all investment activities involving the financial assets of the District shall be the following:

- A. Safety of capital: Safety and preservation of principal in the overall portfolio is the foremost investment objective. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

- B. Liquidity of funds: Maintaining the necessary liquidity to match expected liabilities is the second investment objective.
- C. Investment income: Obtaining a reasonable return is the third investment objective.

3. PERFORMANCE MEASUREMENT. – The District Manager or designee will identify one or more benchmarks to monitor and evaluate the District's investments against.

- A. ~~The Florida Prime Fund (fka SBA)~~ A money market investment vehicle with a weighted average maturity (WAM) of 60 days or less is benchmarked against the S&P AAA/AA Rated GIP All 30-Day Gross Index.
- B. A fixed income investment vehicle that follows an enhanced cash strategy is benchmarked to the Merrill Lynch 1 Year U.S. Treasury Index.
- C. ~~The Florida Municipal Investment Trust (FMIVT) High Quality 1-3 Year Bond Fund~~ A fixed income investment vehicle that follows a 1-3 year strategy will be benchmarked against the Merrill Lynch 1-3 Year Government Index.
- D. A fixed income investment vehicle that follows a 1-5 year strategy is benchmarked against the Merrill Lynch 1-5 Year U.S. Treasury Index. Such funds shall not exceed 15% of the total portfolio.
- E. ~~The Florida Municipal Investment Trust (FMIVT) 0-2 year High Quality Bond Fund is benchmarked against the Merrill Lynch 1 Year U.S. Treasury Bill Index.~~
- F.E. In order to calculate the overall return for the District's various investment portfolios, there will be a dollar weighted calculation for both the portfolio and the benchmark.

The District Manager or designee shall discuss with the Investment Advisory Committee proposed benchmarks for new investments. These benchmarks will be approved by the District Board of Supervisors.

4. PRUDENCE AND ETHICAL STANDARDS. – Investment officers for the District, when investing or depositing public funds, shall exercise the care, skill, prudence and diligence under the circumstances then prevailing that a person acting in a like capacity and familiar with such matters would use to attain the objectives listed above (the "prudent person" standard). This standard requires that when making investment decisions, the investment officer shall consider the role that the investment or deposit plays within the portfolio of assets of the District and the investment objectives listed above, and shall be applied in the context of managing the overall investment portfolio.

Employees 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, employees involved in the investment process shall disclose to the Board any material financial interests (as defined in the Form 1 disclosure filed annually with the State of Florida) in financial institutions that conduct business with the board, and they shall further disclose any material financial/investment positions that could be related to the performance of the Board's portfolio.

5. LISTING OF AUTHORIZED INVESTMENTS – Following is a list of authorized investments:

- A. Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Inter-local Cooperation Act as provided in s-Section 163.01, Florida Statutes.
- 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 (QPD) as defined in Section 280.02, Florida Statutes.
- D. Direct obligations of the United States Treasury.
- E. Direct obligations of federal agencies and instrumentalities.
- F. Repurchase agreements with financial institutions approved as public depositors, provided that the underlying collateral consist of obligations of the United States Government, its agencies and instrumentalities. The repurchase agreement shall be collateralized at 102 percent of the value of the District's investment.
- G. Fixed income mutual funds, provided such funds are registered under the Investment Company Act of 1940, and provided that it does not expose the District to undue risk and follows the objectives of safety, liquidity, and yield. Such funds must also have an average effective duration not greater than five (5) years.

6. MATURITY AND LIQUIDITY REQUIREMENTS. – To the extent possible, the District will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than three (3) years from the date of purchase, with a final maturity greater than 5.5 years from the time of purchase. Furthermore, the overall effective duration of the portfolio will not exceed 3 years.

7. PORTFOLIO COMPOSITION. – The District's guidelines for the composition of the portfolio will be determined by the need for safety, liquidity

and investment income, in that order. An adequate amount of cash will be retained in a qualified public depository as defined in Section 280.02, Florida Statutes, to cover the day-to-day cash needs of the District. In an effort to safely provide a higher yield, a portion of any excess funds will be deposited in a Local Government Investment Pool as provided in paragraph 5A above, with overnight liquidity access, to cover any unexpected cash needs. Additional funds the District Manager or designee determines may be available for a longer period investment, typically providing a higher yield, but less liquidity, will be made as appropriate. The District Manager or designee will obtain advice from the Investment Advisory Committee on the District's investment strategy. New investment entities will be approved by the Board of Supervisors.

8. RISK AND DIVERSIFICATION. – It is the policy of the District to diversify its investment portfolio, if necessary to eliminate risk of loss and to balance the effect of interest rate changes affecting different types of securities. Investments may be diversified by:

- A. Limiting investments to avoid over-concentration in securities from a specific issuer or business sector;
- B. Limiting investments in securities with higher credit risks;
- C. Investing in securities with varying maturities; and
- D. Continuously investing a portion of the portfolio in readily available funds, such as ~~the Florida Prime~~, a Local Government Investment Pool (LGIP), money market funds, or a Qualified Public Depository ~~overnight repurchase agreements~~ to ensure that appropriate liquidity is maintained to meet ongoing obligations.

9. AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS. – District Management shall recommend and the Board of Supervisors shall approve a list of financial institutions authorized to be public depositors and/or provide investment services.

10. THIRD-PARTY CUSTODIAL AGREEMENTS. – The District will seek to protect its interests in all securities purchased by the District via appropriate insurance coverage by broker/dealers or via the use of a third party custodian approved by the District Manager or designee and evidenced by safekeeping receipts.

11. MASTER PURCHASE AGREEMENT. – When dealing with repurchase agreement transactions, the District Manager or designee will require all approved institutions and dealers transacting repurchase agreements to

execute and perform as stated in the Master Repurchase Agreement. All repurchase agreement transactions shall adhere to the requirements of the Master Repurchase Agreement.

12. BID REQUIREMENT. – When applicable, staff will determine the appropriate maturity date based on cash-flow needs and market conditions, analyze and select one or more optimal types of investment, and competitively bid the security in question when feasible and appropriate. Except as otherwise required by law, the bid deemed to best meet the investment objectives specified in subsection (2) must be selected.

13. INTERNAL CONTROLS – The District Manager or designee shall establish a system of internal controls, which shall be documented in writing. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers or District board members.

14. CONTINUING EDUCATION. – The District Manager or designee and appropriate Authorized Staff shall annually complete a minimum of eight (8) hours of continuing education in subjects or courses of study related to investment practices and products.

15. REPORTING. – The District Manager or designee shall submit a quarterly investment status report to the District's Board of Supervisors. The report shall summarize investment transactions that occurred during the reporting period, and shall discuss the current portfolio in terms of maturity, rates of return and other features.

16. AUTHORIZED INVESTMENTS; WRITTEN INVESTMENT POLICIES. – The investment of District funds shall be in accordance with ~~Florida statutes Chapter Section~~ 218.415, Florida Statutes, and as amended. Having adopted a written investment policy as provided in subsections (1) – (15), the District may by resolution invest and reinvest any surplus public funds in their control or possession in the items as discussed in paragraph 5 above:

In addition, the District has further limited investments as follows:

A. Repurchase Agreements

District funds may be invested in repurchase agreements with financial institutions approved as public depositories, provided that the underlying

collateral consist of obligations of the United States Government, its agencies and instrumentalities and the District takes delivery of the collateral either directly or through an authorized custodian. The District shall be informed of the specific collateral and investments in repurchase agreements shall be collateralized equal to at least 102% of the value of the District's investment.

B. Prohibited Investments

In addition to the limitations on investment types according to Florida Statutes, District funds will not be invested in derivative type investments such as collateralized mortgage obligations, strips, floaters, hedge or swap agreements, and securities lending. Certain types of such investments may qualify under state statute but are not deemed appropriate for use by the District.

17. SECURITIES; DISPOSITION. – The District will seek to protect its interests in all securities purchased by the District via appropriate insurance coverage by broker/dealers or via the use of a third party custodian approved by the District Manager or designee and evidenced by safekeeping receipts.

18. SALE OF SECURITIES. – When the invested funds are needed in whole or in part for the purposes originally intended or for more optimal investments, the District Manager or designee may sell such investments at the then-prevailing market price and place the proceeds into the proper account or fund of the unit of local government.

19. AUDITS. – As part of the District's annual, external, independent audit, the auditors shall report, as part of the audit, whether or not the unit of local government has complied with this policy.

BCDD

INVESTMENT

POLICIES

MANUAL

Revised November 2018

BCDD INVESTMENT POLICIES

The purpose of these investment guidelines is to formalize the framework for the District's daily investment activities to include scope, objectives, authority, standards of prudence, authorized institutions, investment type, collateralization and diversification as required by Section 218.415, Florida Statutes.

1. SCOPE. – The authority to manage the District's investment program is derived from the State of Florida Statutes. The District Manager or designee is the investment officer. The District Manager or designee shall establish investment procedures consistent with this policy, and a system of control to regulate the activities of subordinate officials and employees.

This policy is limited in its application to funds that are not immediately needed and are available for investment. This investment policy shall not apply to the long term multi-asset class portfolio, or funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds.

These funds are accounted for in the District's annual financial audit and include:

- A. General Fund
- B. Capital Project Funds
- C. Debt Service Funds
- D. Enterprise Funds
- E. Special Revenue Funds
- F. Fiduciary Fund

This investment policy will be reviewed annually by the District board.

2. INVESTMENT OBJECTIVES. – The primary objectives, in order of priority, of all investment activities involving the financial assets of the District shall be the following:

- A. Safety of capital: Safety and preservation of principal in the overall portfolio is the foremost investment objective. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

- B. Liquidity of funds: Maintaining the necessary liquidity to match expected liabilities is the second investment objective.
- C. Investment income: Obtaining a reasonable return is the third investment objective.

3. PERFORMANCE MEASUREMENT. – The District Manager or designee will identify one or more benchmarks to monitor and evaluate the District's investments against.

- A. A money market investment vehicle with a weighted average maturity (WAM) of 60 days or less is benchmarked against the S&P AAA/AA Rated GIP All 30-Day Gross Index.
- B. A fixed income investment vehicle that follows an enhanced cash strategy is benchmarked to the Merrill Lynch 1 Year U.S. Treasury Index.
- C. A fixed income investment vehicle that follows a 1-3 year strategy will be benchmarked against the Merrill Lynch 1-3 Year Government Index.
- D. A fixed income investment vehicle that follows a 1-5 year strategy is benchmarked against the Merrill Lynch 1-5 Year U.S. Treasury Index. Such funds shall not exceed 15% of the total portfolio.
- E. In order to calculate the overall return for the District's various investment portfolios, there will be a dollar weighted calculation for both the portfolio and the benchmark.

The District Manager or designee shall discuss with the Investment Advisory Committee proposed benchmarks for new investments. These benchmarks will be approved by the District Board of Supervisors.

4. PRUDENCE AND ETHICAL STANDARDS. – Investment officers for the District, when investing or depositing public funds, shall exercise the care, skill, prudence and diligence under the circumstances then prevailing that a person acting in a like capacity and familiar with such matters would use to attain the objectives listed above (the "prudent person" standard). This standard requires that when making investment decisions, the investment officer shall consider the role that the investment or deposit plays within the portfolio of assets of the District and the investment objectives listed above, and shall be applied in the context of managing the overall investment portfolio.

Employees 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, employees involved in the investment process shall disclose to the Board any material financial interests (as defined in the Form 1 disclosure filed annually with the State of Florida) in financial institutions that

conduct business with the board, and they shall further disclose any material financial/investment positions that could be related to the performance of the Board's portfolio.

5. LISTING OF AUTHORIZED INVESTMENTS – Following is a list of authorized investments:

- A. Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Inter-local Cooperation Act as provided in Section 163.01, Florida Statutes.
- 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 (QPD) as defined in Section 280.02, Florida Statutes.
- D. Direct obligations of the United States Treasury.
- E. Direct obligations of federal agencies and instrumentalities.
- F. Repurchase agreements with financial institutions approved as public depositors, provided that the underlying collateral consist of obligations of the United States Government, its agencies and instrumentalities. The repurchase agreement shall be collateralized at 102 percent of the value of the District's investment.
- G. Fixed income mutual funds, provided such funds are registered under the Investment Company Act of 1940, and provided that it does not expose the District to undue risk and follows the objectives of safety, liquidity, and yield. Such funds must also have an average effective duration not greater than five (5) years.

6. MATURITY AND LIQUIDITY REQUIREMENTS. – To the extent possible, the District will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the District will not directly invest in securities with a final maturity greater than 5.5 years from the time of purchase. Furthermore, the overall effective duration of the portfolio will not exceed 3 years.

7. PORTFOLIO COMPOSITION. – The District's guidelines for the composition of the portfolio will be determined by the need for safety, liquidity and investment income, in that order. An adequate amount of cash will be retained in a qualified public depository as defined in Section 280.02, Florida Statutes, to cover the day-to-day cash needs of the District. In an effort to safely provide a higher yield, a portion of any excess funds will be deposited in a Local Government Investment Pool as provided in paragraph 5A above, with overnight liquidity access, to cover any unexpected cash needs. Additional funds the District Manager or designee determines may be

available for a longer period investment, typically providing a higher yield, but less liquidity, will be made as appropriate. The District Manager or designee will obtain advice from the Investment Advisory Committee on the District's investment strategy. New investment entities will be approved by the Board of Supervisors.

8. RISK AND DIVERSIFICATION. – It is the policy of the District to diversify its investment portfolio, if necessary to eliminate risk of loss and to balance the effect of interest rate changes affecting different types of securities. Investments may be diversified by:

- A. Limiting investments to avoid over-concentration in securities from a specific issuer or business sector;
- B. Limiting investments in securities with higher credit risks;
- C. Investing in securities with varying maturities; and
- D. Continuously investing a portion of the portfolio in readily available funds, such as a Local Government Investment Pool (LGIP), money market funds, or a Qualified Public Depository to ensure that appropriate liquidity is maintained to meet ongoing obligations.

9. AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS. – District Management shall recommend and the Board of Supervisors shall approve a list of financial institutions authorized to be public depositories and/or provide investment services.

10. THIRD-PARTY CUSTODIAL AGREEMENTS. – The District will seek to protect its interests in all securities purchased by the District via appropriate insurance coverage by broker/dealers or via the use of a third party custodian approved by the District Manager or designee and evidenced by safekeeping receipts.

11. MASTER PURCHASE AGREEMENT. – When dealing with repurchase agreement transactions, the District Manager or designee will require all approved institutions and dealers transacting repurchase agreements to execute and perform as stated in the Master Repurchase Agreement. All repurchase agreement transactions shall adhere to the requirements of the Master Repurchase Agreement.

12. BID REQUIREMENT. – When applicable, staff will determine the appropriate maturity date based on cash-flow needs and market conditions, analyze and select one or more optimal types of investment, and competitively

bid the security in question when feasible and appropriate. Except as otherwise required by law, the bid deemed to best meet the investment objectives specified in subsection (2) must be selected.

13. INTERNAL CONTROLS – The District Manager or designee shall establish a system of internal controls, which shall be documented in writing. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers or District board members.

14. CONTINUING EDUCATION. – The District Manager or designee and appropriate Authorized Staff shall annually complete a minimum of eight (8) hours of continuing education in subjects or courses of study related to investment practices and products.

15. REPORTING. – The District Manager or designee shall submit a quarterly investment status report to the District's Board of Supervisors. The report shall summarize investment transactions that occurred during the reporting period, and shall discuss the current portfolio in terms of maturity, rates of return and other features.

16. AUTHORIZED INVESTMENTS; WRITTEN INVESTMENT POLICIES. – The investment of District funds shall be in accordance with Section 218.415, Florida Statutes, and as amended. Having adopted a written investment policy as provided in subsections (1) – (15), the District may by resolution invest and reinvest any surplus public funds in their control or possession in the items as discussed in paragraph 5 above:

In addition, the District has further limited investments as follows:

A. Repurchase Agreements

District funds may be invested in repurchase agreements with financial institutions approved as public depositories, provided that the underlying collateral consist of obligations of the United States Government, its agencies and instrumentalities and the District takes delivery of the collateral either directly or through an authorized custodian. The District shall be informed of the specific collateral and investments in repurchase agreements shall be collateralized equal to at least 102% of the value of the District's investment.

B. Prohibited Investments

In addition to the limitations on investment types according to Florida Statutes, District funds will not be invested in derivative type investments such as collateralized mortgage obligations, strips, floaters, hedge or swap agreements, and securities lending. Certain types of such investments may qualify under state statute but are not deemed appropriate for use by the District.

17. SECURITIES; DISPOSITION. – The District will seek to protect its interests in all securities purchased by the District via appropriate insurance coverage by broker/dealers or via the use of a third party custodian approved by the District Manager or designee and evidenced by safekeeping receipts.

18. SALE OF SECURITIES. – When the invested funds are needed in whole or in part for the purposes originally intended or for more optimal investments, the District Manager or designee may sell such investments at the then-prevailing market price and place the proceeds into the proper account or fund of the unit of local government.

19. AUDITS. – As part of the District's annual, external, independent audit, the auditors shall report, as part of the audit, whether or not the unit of local government has complied with this policy.



AGENDA REQUEST

TO: Board of Supervisors
Brownwood Community Development District

FROM: Anne Hochsprung, Finance Director

DATE: 1/17/2019

SUBJECT: **Financial Statements**

ISSUE: Budget to Actual Statements as of November 30, 2018.

ANALYSIS/INFORMATION:

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:

Description	Type
▣ Budget to Actual	Cover Memo
▣ Cash Sheet	Cover Memo

BROWNWOOD								
OPERATING BUDGET								
BUDGET TO ACTUAL STATEMENT AS OF: November 30, 2018 (Unaudited)								
Two (2) Months of Operations- 16.67% of Year								
Account Number	Description of Account		Actual Information			Percent of Annual Budget		Footnotes
			Annual Budget	Current Month Actual	Year-to-Date Actual	Year-to-Date Variance		
	REVENUES:					Over/(Under)		
325214	CAM & Road Maintenance Assessment		\$ 1,605,754	\$ 267,626	\$ 535,252	\$ (1,070,502)	33.33%	A
341910	Sales Tax Collection Allowance		-	25	27	27	0.00%	
361102	Int Income - Cash Equiv		13,750	3,428	6,736	(7,014)	48.99%	B
	Total Revenues:		\$ 1,619,504	\$ 271,079	\$ 542,015	\$ (1,077,489)	33.47%	
361306	FLGIT-Unrealized Gain/Loss		-	206	206	206	0.00%	C
361307	LTIP - Unrealized Gain or Loss		-	(8,353)	(8,353)	(8,353)	0.00%	C
361309	FLFIT-Unrealized Gain/Loss		-	76	(253)	(253)	0.00%	B
361409	FLFIT-Realized Gain/Loss		-	550	1,087	1,087	0.00%	B
362003	Ground Lease (T)		831	-	838	7	100.84%	D
362012	Rents & Leases/T-S		14,125	950	11,425	(2,700)	80.88%	E
	Total Available Resources:		\$ 1,634,460	\$ 264,508	\$ 546,965	\$ (1,087,495)	33.46%	
	EXPENDITURES:					Under/(Over)		
539311	Management Fees		\$ 321,718	\$ 26,809	\$ 53,628	\$ 268,090	16.67%	
539312	Engineering Services		8,500	658	658	7,842	7.74%	
514313	Legal Services		4,000	-	-	4,000	0.00%	
539318	Technology Services		5,531	461	921	4,610	16.65%	
539319	Other Professional Services		19,247	920	920	18,327	4.78%	
	Subtotal Professional Services		\$ 358,996	\$ 28,848	\$ 56,127	\$ 302,869	15.63%	
539322	Auditing Services		4,000	-	-	4,000	0.00%	
	Subtotal Accounting Services		\$ 4,000	\$ -	\$ -	\$ 4,000	0.00%	
539341	Janitorial Services		75,661	6,122	12,443	63,218	16.45%	
539343	Systems Management Support		1,785	43	173	1,612	9.69%	
	Subtotal Other Contractual Services		\$ 77,446	\$ 6,165	\$ 12,616	\$ 64,830	16.29%	
539412	Postage		100	-	-	100	0.00%	
	Subtotal Comm & Freight Services		\$ 100	\$ -	\$ -	\$ 100	0.00%	
539431	Electricity		37,192	2,838	3,396	33,796	9.13%	
539433	Water & Sewer		7,088	1,127	1,127	5,961	15.90%	
539434	Irrigation Water		27,877	4,774	4,774	23,103	17.13%	
539436	Solid Waste		3,299	500	500	2,799	15.16%	
	Subtotal Utilities Services		\$ 75,456	\$ 9,239	\$ 9,797	\$ 65,659	12.98%	
539444	Storage Unit Rental		1,188	-	-	1,188	0.00%	
500442	Subtotal Rentals & Leases		\$ 1,188	\$ -	\$ -	\$ 1,188	0.00%	
539451	Casualty & Liability Insurance		57,189	-	51,355	5,834	89.80%	F
	Subtotal Insurance		\$ 57,189	\$ -	\$ 51,355	\$ 5,834	89.80%	
539462	Building/Structure Maintenance		179,249	16,923	16,923	162,326	9.44%	
539463	Landscape Maint.- Recurring		291,410	42,018	42,018	249,392	14.42%	
539464	Landscape Maint.-Non-Recurring		40,500	477	477	40,023	1.18%	
539468	Irrigation Repair		4,500	970	970	3,530	21.56%	
539469	Other Maintenance		155,391	4,201	5,182	150,209	3.33%	
	Subtotal Repair & Maintenance Services		\$ 671,050	\$ 64,589	\$ 65,570	\$ 605,480	9.77%	
539491	Bank Charges		100	-	-	100	0.00%	
539493	Permits & Licenses		175	-	-	175	0.00%	
539497	Legal Advertising		2,000	26	26	1,974	1.30%	
539498	Project Wide Fees		209,125	17,427	34,855	174,270	16.67%	
539499	Misc Current Charges		16,000	-	-	16,000	0.00%	
	Subtotal Other Current Charges		\$ 227,400	\$ 17,453	\$ 34,881	\$ 192,519	15.34%	
539522	Operating Supplies		500	-	-	500	0.00%	
539524	Non-Capital FF&E		12,000	-	-	12,000	0.00%	
	Subtotal Operating Supplies		\$ 12,500	\$ -	\$ -	\$ 12,500	0.00%	
	Subtotal Operating Expenditures		\$ 1,485,325	\$ 126,294	\$ 230,346	\$ 1,254,979	15.51%	
539633	Infrastructure		\$ 19,812	\$ -	\$ -	\$ 19,812	0.00%	
539912	Trans to Oth Roads		37,500	3,125	6,250	31,250	16.67%	
	Transfers		\$ 57,312	\$ 3,125	\$ 6,250	\$ 51,062	10.91%	
	Total Expenditures		\$ 1,542,637	\$ 129,419	\$ 236,596	\$ 1,306,041	15.34%	
369901	Change in Unreserved Net Position		\$ 91,823	\$ 135,089	\$ 310,369	\$ 218,546		
Change in Net Assets indicates a budget addition in Working Capital \$111,635 and a reduction in Roads R&R (\$19,812).								

[illegible]



BROWNWOOD CDD
CASH AND INVESTMENT SUMMARY
AS OF NOVEMBER 30, 2018

Fund Code	Account Name	Bank	Balance as of 10/01/18	Current Balance	Reconciled Yes/No
GENERAL FUND					
001	Cash Operating	CFB	75,144.87	331,373.25	Yes
001	Cash Equiv - FLCLASS	FLCLASS	1,551,936.80	1,619,191.92	Yes
Sub-total Cash & Cash Equivalents			1,627,081.67	1,950,565.17	
001	Cash-FL-FIT	FLFIT	255,602.30	256,437.05	Yes
001	FLGIT	FLGIT	256,198.78	256,404.90	Yes
001	Long Term Investment	USB	160,214.94	151,862.00	Yes
Sub-total SBA/L TIP			672,016.02	664,703.95	
Cash Balance			2,299,097.69	2,615,269.12	

Grand Totals

2,299,097.69

2,615,269.12



AGENDA REQUEST

TO: Board of Supervisors
Brownwood Community Development District

FROM: District Staff

DATE: 1/9/2019

SUBJECT: **FEMA Update**

ISSUE:

ANALYSIS/INFORMATION:

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:

Description	Type
▣ FEMA Update	Cover Memo

BCDD

DR-4337-FL - Hurricane Irma

	Claims Submitted	Anticipated Reimbursement	Actual Reimbursement
Category A - Debris Removal	\$0.00	\$0.00	\$0.00
Category B - Emergency Protective Measures	\$0.00	\$0.00	\$0.00
Category C - Roads and Bridges	\$0.00	\$0.00	\$0.00
Category D - Water Control Facilities	\$0.00	\$0.00	\$0.00
Category E - Buildings, Contents, Etc.	\$0.00	\$0.00	\$0.00
Category F - Utilities	\$0.00	\$0.00	\$0.00
Category G - Parks, Recreation, Other	\$0.00	\$0.00	\$0.00
Category Z - Direct Administrative Costs	\$0.00	\$0.00	\$0.00
Total FEMA Related Costs:	\$0.00		
Non-FEMA Related Costs:	\$27,017.68		
Total Storm Related Costs:	\$27,017.68		
Reimbursement Anticipated:		\$0.00	
Reimbursement Received:			\$0.00

Determination Memos Received:	0
Appeals Filed:	0
Appeals Pending:	0
Appeals Won:	0
Appeals Lost:	0



AGENDA REQUEST

TO: Board of Supervisors
Brownwood Community Development District

FROM: District Staff

DATE: 1/9/2019

SUBJECT: **Future Technology Initiatives**

ISSUE:

ANALYSIS/INFORMATION:

STAFF RECOMMENDATION:

MOTION: