

# **POLICY FOR DEPOSIT OF FUNDS**

Walker River Irrigation District

## **PURPOSE GOALS AND OBJECTIVES**

It is the policy of the Walker River Irrigation District ("WRID") to deposit funds in a manner which is consistent with the requirements of applicable Nevada law and will provide the highest investment return with maximum security while meeting the cash flow demands of the WRID.

Deposits shall be made with the following objectives in mind:

- A. *Safety*: Safety of principal is the most important objective of this policy for the deposit of WRID funds. All deposits shall be made in a manner that seeks to ensure preservation of WRID funds.
- B. *Liquidity*: The WRID deposits shall remain sufficiently liquid to meet all cash requirements of WRID.
- C. *Return on Deposit*: The WRID deposit portfolio will be managed and invested to maximize interest income, consistent with any constraints imposed by safety and liquidity objectives.

## **RESPONSIBILITY FOR IMPLEMENTATION**

The WRID Treasurer has responsibility for the implementation and management of this deposit of funds policy and shall coordinate with the District Manager and Board of Directors in carrying out its implementation.

## **AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS**

The Treasurer shall maintain a list of the types of financial institutions eligible to receive WRID investments pursuant to any requirements of the Nevada Revised Statutes. No deposit of WRID funds shall be made except in a type of financial institution on this list.

## **AUTHORIZED DEPOSITS AND INSTITUTIONS**

WRID is authorized to place funds in the following types of deposits with insured state or national banks, insured savings and loan associations, insured savings banks or insured credit unions:

- A. Certificates of Deposit
- B. Pass Book Savings Accounts
- C. Money Market Accounts

The maximum federal insurance (FDIC or FSLIC) shall be maintained for all deposits.

**DIVERSIFICATION**

The Treasurer shall diversify the WRID deposit portfolio based on the type of funds deposited and the cash flow needs of the District. Diversification includes, without limitation, the type of deposit, the number of financial institutions holding deposits, and the length of maturity of each deposit. Deposit maturities may be scheduled to coincide with cash flow needs of the WRID.

The Treasurer may divide deposits to employ a Certificate of Deposit “ladder” strategy. The goal of this strategy shall include the decrease of interest rate risk by taking advantage of various maturity dates with different interest rates.

**REPORTING**

The Treasurer shall maintain a report which includes, at a minimum, the following information: the type of investment, institution, rate of interest, amount on deposit, term, maturity date, and projected interest earnings at maturity.

**ADOPTION**

This WRID Deposit of Funds Policy shall be adopted by resolution after submission to the WRID Board of Directors for input. The policy shall be reviewed annually by the Treasurer and any proposed modifications thereto shall be approved by the WRID Board of Directors.