

Item 8 - Review & Re-adopt District Investment Policy

The Board is to annually readopt, by resolution, the District Investment Policy. Attached you will find a draft resolution and a copy of the District Investment Policy. There is one legislatively mandated addition contained in Section 10. It is highlighted for your ease of review.

The General Manager recommends that the current District Investment Policy be re-adopted by resolution with the legislatively mandated additions.

reporting period have conformed to the Investment Policy. The report will be provided to the Board. The report will include the following:

- A listing of individual securities held at the end of the reporting period.
- Unrealized gains or losses resulting from appreciation or depreciation by listing the beginning and ending book and market value of securities for the period.
- Additions and changes to the market value during the period.
- Average weighted yield to maturity of portfolio as compared to applicable benchmark.
- Listing of investments by maturity date.
- Fully accrued interest for the reporting period
- The percentage of the total portfolio that each type of investment represents.
- Statement of compliance of the District's investment portfolio with state law and the investment strategy and policy approved by the Board.

An independent auditor will perform a formal annual review of the investment reports with the results reported to the Board.

Marking to Market

Market value of all securities in the portfolio will be determined on a quarterly basis. These values will be obtained from a reputable and independent source and disclosed to the governing body quarterly in a written report.

Review of Certain Investments

The District and any entity investing on behalf of the District may not acquire securities of a company that is identified on a list of companies with scrutinized active business operations in Sudan or Iran, or with business ties to Foreign Terrorist Organizations. The Investment Officer shall review the Texas Comptroller's lists of Companies that Boycott Israel, Scrutinized Companies with ties to Sudan, Scrutinized Companies with ties to Iran, Designated Foreign Terrorist Organizations, and Scrutinized Companies with ties to Foreign Terrorist Organizations to ensure compliance with this Investment Policy.

XI. INVESTMENT POLICY ADOPTION

The District's investment policy shall be adopted by resolution of the Board. It is the District's intent to comply with state laws and regulations. The District's investments policies shall be subject to revisions consistent with changing laws, regulations, and needs of the District. The Board shall review the policy annually and approve any changes or modifications.



**A RESOLUTION OF THE BRAZOS VALLEY GROUNDWATER
CONSERVATION DISTRICT'S BOARD OF DIRECTORS
APPROVING AND ADOPTING ITS INVESTMENT POLICY**

WHEREAS, the Brazos Valley Groundwater Conservation District (“District”) was created and charged by the Texas Legislature to provide for the conservation, preservation, protection, and prevention of waste of groundwater, and of groundwater resources in Robertson and Brazos Counties, under Act of May 26, 2001, 77th Leg., R.S., Ch. 1307, 2001 Tex. Gen. Laws (HB 1784), §36.0015, Tex. Water Code, and Section 59 of Article XVI of the Texas Constitution;

WHEREAS, the Public Funds Investment Act, Texas Government Code Chapter 2256, provides that the governing body of an investment entity shall adopt a written investment policy regarding the investment of its funds;

WHEREAS, the District may invest its funds in accordance with the provisions of the Public Funds Investment Act under §36.156, Tex. Water Code; and

WHEREAS, the District’s Board of Directors hereby affirms that the written investment policy will continue to protect District assets by identifying investment objectives, addressing the issues of investment risks versus rewards, and providing the framework for the establishment of controls, limitations, and responsibilities of District employees in the performance of their fiduciary responsibilities;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
BRAZOS VALLEY GROUNDWATER CONSERVATION DISTRICT**

That the Board of Directors hereby confirms that it has reviewed and hereby approves and adopts the Investment Policy attached hereto and made a part hereof by this reference.

PASSED AND APPROVED this the 13th day of June, 2018.

BRAZOS VALLEY GROUNDWATER CONSERVATION DISTRICT

Jan A. Roe – President

David Stratta – Secretary