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ALACHUA COUNTY  
BOARD OF COUNTY COMMISSIONERS

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ORDINANCE NO. 2024-

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AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF ALACHUA COUNTY, FLORIDA; AMENDING CHAPTER 30, TITLE 3 OF THE ALACHUA COUNTY CODE OF ORDINANCES; PROVIDING FOR THE INVESTMENT OF SURPLUS FUNDS OF THE COUNTY IN SPECIFIED OBLIGATIONS IN ADDITION TO THOSE SPECIFICALLY AUTHORIZED BY STATE LAW; PROVIDING INVESTMENT AUTHORIZATION TO THE CLERK OF THE BOARD; PROVIDING FOR MODIFICATION; PROVIDING FOR INCLUSION IN THE CODE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

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**WHEREAS**, it furthers the public interest for Alachua County, Florida (hereinafter the "County"), to invest any monies not immediately required to be disbursed and to maximize the net earnings on such funds; and

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**WHEREAS**, Section 218.415, Florida Statutes, provides certain limitations and regulations applicable to the investment of surplus public funds where not otherwise authorized by law or ordinance; and

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**WHEREAS**, the Board of County Commissioners previously adopted Ordinance 90-8, Ordinance 92-15, Ordinance 95-8, and Ordinance 2017-10, codified in Section 30.2 of the Alachua County Code of Ordinances, which authorizes Alachua County to invest surplus funds of the County in specified obligations in addition to those specifically authorized by state law; and

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**WHEREAS**, the Board of County Commissioners deems it in the best interest of the citizens of Alachua County to provide a revised list of authorized investment opportunities for surplus county funds.

1           **NOW, THEREFORE, BE IT DULY ORDAINED BY THE BOARD OF COUNTY**  
2 **COMMISSIONERS OF ALACHUA COUNTY, FLORIDA, AS FOLLOWS:**

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4           **SECTION 1.** Chapter 30 is amended as follows:

5 **Sec. 30.02. - Permitted investment of surplus funds.**  
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7           (a) *Authorized investment instruments.* In addition to the obligations described in F.S. §  
8 218.415, and other obligations constituting permitted investments under Florida law,  
9 surplus public funds of the county may be invested and reinvested in the following  
10 authorized instruments, none of which shall be deemed authorized or permissible if in the  
11 form of derivatives:

12           (1) U.S. Treasury & Government Guaranteed - U.S. Treasury obligations, and  
13 obligations the principal and interest of which are backed or guaranteed by the full  
14 faith and credit of the U.S. Government.

15           (2) Federal Agency/GSE - Debt obligations, participations or other instruments issued  
16 or fully guaranteed by any U.S. Federal agency, instrumentality or government-  
17 sponsored enterprise (GSE).

18           (3) Supranationals – U.S. dollar denominated debt obligations of a multilateral  
19 organization of governments where U.S. is a shareholder and voting member.  
20 Obligation must have highest ST or highest LT rating (A-1/P-1, AAA/Aaa, or  
21 equivalent).

22           ~~(4) Corporates – U.S. dollar denominated corporate notes, bonds or other debt~~  
23 ~~obligations issued or guaranteed by a domestic corporation, financial institution,~~  
24 ~~non-profit, or other entity. Obligation must have highest ST or three highest LT~~  
25 ~~rating (A-1/P-1, A-/A3, or equivalent).~~

26           ~~(5)~~(4) Municipals – Obligations, including both taxable and tax-exempt, issued or  
27 guaranteed by any State, territory or possession of the United States, political  
28 subdivision, public corporation, authority, agency board, instrumentality or other  
29 unit of local government of any State or territory. Obligation must have highest ST  
30 or three highest LT rating (SP-1/MIG 1, A-/A3, or equivalent).

31           ~~(6)~~(5) Agency Mortgage Backed Securities - Mortgage-backed securities (MBS), backed  
32 by residential, multi-family or commercial mortgages, that are issued or fully  
33 guaranteed as to principal and interest by a U.S. Federal agency or government  
34 sponsored enterprise, including but not limited to pass-throughs, collateralized

1 mortgage obligations (CMOs) and REMICs.

2 ~~(7)~~(6) Asset-Backed Securities - Asset-backed securities (ABS) whose underlying  
3 collateral consists of loans, leases or receivables, including but not limited to auto  
4 loans/leases, credit card receivables, student loans, equipment loans/leases, or  
5 home-equity loans. Obligation must have highest ST or highest LT rating (A-1/P-1,  
6 AAA/Aaa, or equivalent).

7 ~~(8)~~(7) Non-Negotiable Certificate of Deposit and Savings Accounts - Non-negotiable  
8 interest bearing time certificates of deposit, or savings accounts in banks organized  
9 under the laws of this state or in national banks organized under the laws of the  
10 United States and doing business in this state, provided that any such deposits are  
11 secured by the Florida Security for Public Deposits Act, Chapter 280, Florida  
12 Statutes.

13 ~~(9)~~(8) Commercial Paper – U.S. dollar denominated commercial paper issued or  
14 guaranteed by a domestic corporation, company, financial institution, trust or other  
15 entity, only unsecured debt permitted. Obligation must have highest ST rating (A-  
16 1/P-1, or equivalent).

17 ~~(10)~~(9) Repurchase Agreements - Repurchase agreements (Repo or RP) that meet the  
18 following requirements:

19 ~~(11)~~(10) Must be governed by a written Securities Industry and Financial Markets  
20 Association (SIFMA) Master Repurchase Agreement which specifies securities  
21 eligible for purchase and resale, and which provides the unconditional right to  
22 liquidate the underlying securities should the Counterparty default or fail to provide  
23 full timely repayment. A counterparty must be a Federal Reserve Bank, a Primary  
24 Dealer as designated by the Federal Reserve Bank of New York, or a nationally  
25 chartered commercial bank. Securities underlying repurchase agreements must be  
26 delivered to a third-party custodian under a written custodial agreement and may be  
27 of deliverable or tri-party form. Securities must be held in the Clerk's custodial  
28 account or in a separate account in the name of the Clerk. Acceptable underlying  
29 securities include only securities that are direct obligations of, or that are fully  
30 guaranteed by, the United States or any agency of the U.S., or U.S. Agency-backed  
31 mortgage related securities. Underlying securities must have an aggregate current  
32 market value of at least 102% (or 100% if the counterparty is a Federal Reserve  
33 Bank) of the purchase price plus current accrued price differential at the close of  
34 each business day. The final term of the agreement must be 1 year or less.

35 ~~(12)~~(11) Money Market Funds - Shares in open-end and no-load money market mutual  
36 funds, provided such funds are registered under the Investment Company Act of

1 1940 and operate in accordance with Rule 2a-7. Fund must have the highest fund  
2 rating by all NRSROs who rate the fund (AAAm/Aaa-mf, or equivalent).

3 ~~(13)~~(12) Florida Local Government Investment Trust (FLGIT) – The Florida Local  
4 Government Investment Trust (FLGIT) is a local government investment pool  
5 (LGIP) developed through the joint efforts of the Florida Court Clerks and  
6 Comptrollers (FCCC) and the Florida Association of Counties (FAC). It is the  
7 longest running member-owned and member-governed local government  
8 investment pool in the state of Florida. Fund must have the highest fund quality and  
9 volatility rating by all NRSROs who rate the fund (AAAm/AAAf, S1, or  
10 equivalent).

11 ~~(14)~~(13) Local Government Investment Pools (LGIP) – State, local government or  
12 privately-sponsored investment pools that are authorized pursuant to state law.  
13 LGIP must have the highest fund quality and volatility rating by all NRSROs who  
14 rate the LGIP (AAAm/AAAf, S1, or equivalent).

15 ~~(15)~~(14) The Florida Local Government Surplus Funds Trust Funds (“Florida Prime”) A  
16 thorough investigation of the Florida Prime is required prior to investing, and on an  
17 annual basis. Fund must have the highest fund rating by all NRSROs who rate the  
18 fund (AAAm/Aaa-mf, or equivalent).

19 (b) *Investment authorization of clerk.*

20 (3) The Clerk, or his/her designee, is hereby authorized to establish investment procedures,  
21 including performance measurements, as well as, maturity, allocation and liquidity limits for  
22 investments authorized in this ordinance. To the extent possible an attempt will be made to  
23 match investment maturities with known cash needs and anticipated cash flow requirements.  
24 Investments of current operating funds shall have maturities of no longer than thirty-six (36)  
25 months. Investments of bond reserves, construction funds, and other non-operating funds  
26 shall have a term appropriate to the need for funds and in accordance with debt covenants,  
27 but in no event shall exceed five and one-half (5.50) years.

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29 **SECTION 2. Modification.** It is the intent of the Board of County Commissioners that  
30 the provisions of this ordinance may be modified as a result of considerations that may arise  
31 during public hearings. Such modifications shall be incorporated into the final version of the  
32 ordinance adopted by the Board and filed by the Clerk to the Board.

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34 **SECTION 3. Repealing Clause.** All ordinances or portions thereof in conflict herewith

1 are, to the extent of such conflict, hereby repealed.

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3           **SECTION 4. Severability.** If any word, phrase, clause, paragraph, section or provision  
4 of this ordinance or the application hereof to any person or circumstance is held invalid or  
5 unconstitutional, such finding shall not affect the other provisions or applications of the  
6 ordinance which can be given effect without the invalid or unconstitutional provisions or  
7 application, and to this end the provisions of this ordinance are declared severable.

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9           **SECTION 5. Inclusion in the Code.** It is the intent of the Board of County  
10 Commissioners of Alachua County, Florida, and it is hereby provided that the provisions of this  
11 ordinance shall become and be made a part of the Code of Ordinances of Alachua County,  
12 Florida; that the section of this ordinance may be renumbered or re-lettered to accomplish such  
13 intent and that the word “ordinance” may be changed to “section”, “article”, or other appropriate  
14 designation.

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16           **SECTION 6. Effective Date.** A certified copy of this ordinance shall be filed with the  
17 Department of State by the Clerk of the Board within ten (10) days after enactment by the Board  
18 and shall take effect upon filing with the Department of State.

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1           **DULY ADOPTED** in regular session, this \_\_\_\_ day of \_\_\_\_\_, 2024.

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**BOARD OF COUNTY COMMISSIONERS OF**

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**ALACHUA COUNTY, FLORIDA**

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6   **ATTEST:**

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**BY:**

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Mary Alford, Chair

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Board of County Commissioners

10   J.K. "Jess" Irby, Esq.

11   Clerk of Court

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**APPROVED AS TO FORM**

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County Attorney

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