



RIVERBEND RESOLUTION NO. 20181128-01

AUTHORIZING THE APPROVAL OF THE RESTRICTED FUNDS POLICY OF THE RIVERBEND WATER RESOURCES DISTRICT

WHEREAS, Riverbend Water Resources District is a conservation and reclamation district created under and essential to accomplish the purposes of Section 59 Article XVI, Texas Constitution, existing pursuant to and having the powers set forth in Chapter 9601 of the Special District Local Laws Code of the State of Texas;

WHEREAS, Riverbend Water Resources District approved its Restricted Funds Policy on April 25, 2018; and

WHEREAS, Riverbend Water Resources District desires to review and update accordingly, its internal policies and procedures regarding the restriction of certain funds in order to repay any future debt service; and

WHEREAS, it shall be the responsibility of the Executive Director/CEO to review the Restricted Funds Policy and make recommendations to the Board of Directors in accordance with this policy to meet the needs and requirements of the District;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Riverbend Water Resources District, hereby adopts this Restricted Funds Policy dated November 1, 2018.

PASSED and APPROVED this 28th day of November 2018

Fred Milton, President

ATTEST:

James Green, Secretary

Attached: Restricted Funds Policy, Dated November 1, 2018



**Riverbend Water Resource District
Restricted Funds Policy
November 1, 2018**

Scope

This Restricted Funds Policy shall govern the restriction of certain funds of the Riverbend Water Resources District (“RWRD” or the “District”). These funds are accounted for in the District's Basic Annual Financial Report and may include items within the following funds: 1) General Fund; 2) Special Revenue Funds; 3) Capital Projects Funds; 4) Enterprise Funds; 5) Trust and Agency Funds, to the extent not required by law or existing contract to be kept segregated and managed separately; and 6) Debt Service Funds.

Purpose

The purpose of this Restricted Funds Policy is to provide a list of available funds held in certain accounts that may be restricted for internal management and used for meeting future debt service obligations. This list of internally restricted funds may not include funds that may otherwise be restricted by law, bond resolutions/obligations, and any existing contract.

Investments and Restrictions

These restricted funds may be invested in accordance with the District’s Investment Policy and Strategies; however, these funds may not be used as operation revenues/income nor loaned or pledged against a loan, unless this policy is amended to reflect the otherwise use of a certain restricted fund.

This Restricted Funds Policy designates the following funds to be restricted:

Restricted – Legal

- The portion of funds from monthly facility charges required to meet semi-annual bond debt obligations for the current fiscal year;
- The portion of funds held in reserves which are legally pledged to secure bond debt in proportion to the amount of debt remaining on said bonds



Restricted – Internal

- The excess remaining portion of funds from monthly facility charges not used to meet current semi-annual bond debt obligations for the current fiscal year;
- The portion of funds held in reserve which are no longer legally pledged to secure bond debt;
- The proceeds from Series B Bonds held for the benefit of Army construction projects;
- The proceeds from Series A Bonds held for the benefit of planning and acquisition of water and wastewater projects;
- Approximately 90 days of operational expenses for the Wet Utility; and
- All earned interest income.