

IMPROVEMENT DISTRICT #1

aka ALTA ACRES WATER DISTRICT

Policy Regarding Management of Cash Reserves:

The District maintains cash reserves to cover current expenses, emergencies and anticipated capital expenditures. It is the policy of the District to:

1. Maintain the equivalent of our average expenses for 2 months in an interest bearing checking account or a checking account with a “paired” savings account at a local savings or banking institution that is federally insured. This conforms to our billing cycle.
2. Maintain the equivalent of our average expenses for 4 months in a 3-month certificate of deposit at a local savings or banking institution that is federally insured.
3. Maintain funds for capital improvements in:
 - a. Certificates of deposits that are federally insured or insured by agencies of the federal government or in
 - b. Money market instruments issued by the federal government or by agencies of the federal government or in
 - c. Money market mutual funds that hold only money market instruments issued by the federal government or by agencies of the federal government or short-term bonds issued by the federal government or agencies of the federal government.