

RESOLUTION 2003- 11

**A RESOLUTION OF THE KEY LARGO
WASTEWATER TREATMENT DISTRICT
APPROVING AN EXPENDITURE POLICY**

WHEREAS, Key Largo Wastewater Treatment District currently has no Expenditure Policy in place;

WHEREAS, Key Largo Wastewater Treatment District requires an Expenditure Policy in order to pay certain debts that have arisen since the District was created;

WHEREAS, the District Manager has proposed an Expenditure Policy for the District to apply.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT:

1. The Expenditure Policy as proposed by the District Manager and attached hereto as Exhibit A is hereby adopted as District policy.
2. All expenditures by the District shall be made in accordance with the attached Expenditure Policy.

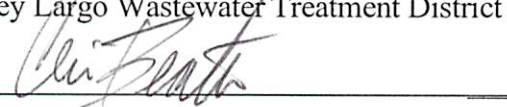
PASSED AND ADOPTED this 5th day of February, 2003.

FAILED this _____ day of February, 2003.

KEY LARGO WASTEWATER TREATMENT DISTRICT



Chair, Key Largo Wastewater Treatment District



Secretary

EXHIBIT "A"

Key Largo Wastewater Treatment District Policy on Expenditure Approval and Disbursement of Funds Prepared: January 22, 2003

Purpose: This policy provides Board of Directors approval of those internal controls necessary to provide for the proper commitment and obligation of the Key Largo Wastewater Treatment District operations and capital project funds that have been appropriated for expenditure through the annual budget process.

Applicability: This policy pertains to all officials employed by or contracted by the Board of Directors for the purpose of providing management, procurement, budgeting and financial accounting and disbursing services to the Key Largo Wastewater Treatment District.

Definitions:

1. **Appropriation:** The legal authorization to spend the annual budget of the Key Largo Wastewater Treatment District, and any authorized amendments to the budget, duly passed by ordinance or resolution.
2. **Disbursement:** The act of paying properly approved bills, commitments and obligations of the Key Largo Wastewater Treatment District.
3. **Encumbrance:** The recording of liabilities to pay duly appropriated funds recorded in the accounting records of the Key Largo Wastewater Treatment District. The District requires the use of formal encumbrance accounting to assist in the management of available balances of appropriated operating and capital funds.
4. **General Manager:** The individual appointed by the Key Largo Wastewater District to act as the Chief Executive Officer to direct the execution of those programs approved by the Board of Directors.

Policy Direction:

The Board of Directors desires to insure that all funds made available to the Board are properly accounted for consistent with Florida Statutes and that all encumbrances and disbursements from these funds are approved as provided for in this policy.

The General Manager is charged with establishing an accounting system that fully complies with the governing statutes and rules established by the State of Florida for independent districts. Such accounting system shall be consistent with the Uniform Chart of Accounts of the State of Florida. Accounting procedures shall be consistent with those policies established by the Governmental Accounting Standards Board (GASB) as applies to enterprise funds. The General Manager, or his approved designee, shall be authorized to approve the encumbrance or expenditure of amounts not to exceed One Thousand Dollars (\$1,000.00) per transaction without further approval of the Board of Directors. This approval is contingent on the General Manager, or his approved designee, insuring that the total amount encumbered or expended does not exceed the amount

appropriated for that purpose. All encumbrances or expenditures in excess of One Thousand Dollars (\$1,000.00) require prior approval by a majority vote of the Board of Directors.

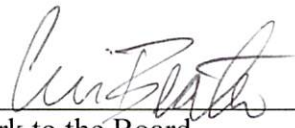
Once an encumbrance or expenditure is approved, by the General Manager or the Board of Directors pursuant to this policy, the disbursement of funds of the District by the General Manager, or his designee, shall not require further approval. All checks for the Key Largo Wastewater Treatment District shall be signed by the General Manager or his authorized designee.


Approval:

Approved as to form:

Recorded this 5th of ~~January~~^{February}, 2003:


General Counsel


Clerk to the Board
Secretary


Chairman

INTER-OFFICE MEMORANDUM

TO: Key Largo Wastewater Treatment District Board of Directors
FROM: Robert E. Sheets, General Manager
DATE: January 22, 2003
RE: Policy on Expenditure Approval and Disbursement of Funds

As requested by the Board of Directors, I am forwarding a proposed "Policy on Expenditure Approval and Disbursement of Funds". This policy is necessary to allow the Board to conduct normal business and pay obligations incurred by the Board. Approval of this policy will allow the General Manager to begin setting up the business practices of the District, to include establishing a checking account, obtaining the proceeds of the SFWMD grant and the Monroe County loan, and paying bills as they become due. I will be happy to answer any questions you may have concerning the proposed policy.

2003-11