

30 **ARTICLE IX. – ECONOMIC STABLIZATION FUND**

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32 **Sec. 110-181. - Purpose.**

33 The District, with its core flood control and emergency response mission, is exposed to
34 risks that could potentially limit and/or divert resources from other core mission thereby
35 reducing the level of service provided to its constituents. The purpose of this policy is to
36 provide the authority for establishing an Economic Stabilization Fund in order to set aside
37 resources to address unforeseen and unexpected events and emergencies and to meet
38 unforeseen demand in service delivery costs or unexpected expenditure increases
39 subsequent to budget adoption.

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41 **Sec. 110-182. - Definitions.**

42 “GASB 54” means Governmental Accounting Standards Board Statement No. 54 Fund
43 Balance Reporting and Governmental Fund Type Definitions.

44

45 **Sec. 110-183. - Economic Stabilization Fund**

46 (a) The District hereby designates an Economic Stabilization Fund in the amount of \$60
47 million in the aggregate within all governmental funds. This fund will be included in the
48 District budget each year in the reserves category.

49 (b) Utilization of the Economic Stabilization Fund is limited to the following
50 circumstances:

51 (1) When a state of emergency is declared by the Governor of Florida or the
52 President of the United States; or

53 (2) When the Governing Board determines through adoption of a resolution that
54 an emergency or other circumstance has arisen that creates an unanticipated need for
55 additional resources that cannot be addressed within existing division budgets;

56 (3) The emergency or unanticipated need directly impacts the citizens and/or
57 environment within District boundaries; and

58 (4) Structural emergencies for which remedial action cannot wait until the next
59 fiscal year.

60 (c) The Economic Stabilization Fund shall not be appropriated for recurring
61 expenditures or other expenditures that can be addressed through the normal budgeting
62 process.

63 (d) If funds are appropriated from the Economic Stabilization Fund, the District shall
64 make it an immediate priority to replenish the fund within a three (3) fiscal year period
65 following the last year in which funds were utilized.

66 (e) The Economic Stabilization Fund will be considered as restricted or committed
67 depending on the fund where the balances reside in accordance with GASB 54.

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69 **Section 2.** Inclusion of Section 1 of this resolution in the District Policies Code is
70 authorized and directed.

71
72 **Section 3.** If any section, subsection, subdivision, paragraph, sentence, clause or
73 phrase of this resolution is for any reason held to be unconstitutional or invalid or
74 ineffective by any court of competent jurisdiction, such decision shall not affect the validity
75 or effectiveness of the remaining portions of this resolution.

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77 **Section 4.** This resolution shall take effect immediately on adoption.

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79 **PASSED** and **ADOPTED** this ____ day of _____, 2012.

80
81 **SOUTH FLORIDA WATER MANAGEMENT**
82 **DISTRICT, BY ITS GOVERNING BOARD**

83 By:

84 _____
85 Chairman

86
87 ATTEST

88 _____
89 District Clerk

Approved as to form:

90 BY: _____

91 Office of Counsel