

FOREST CREEK CDD DEPOSITS

Any unit of Florida government, from the state and its agencies to cities, counties, universities, school districts, **special districts**, and any other governmental unit must comply with [Chapter 280, Florida Statutes](#) ("F.S.") when placing any public funds on deposit in a bank or savings association. The specific statutory requirements for Florida public depositors are listed in [Section 280.17, F.S.](#)

The Forest Creek Community Development District follows [Florida Statutes Chapter 280](#) and deposits CDD funds in Florida Qualified Public Depositories (QPD). This affords protection of CDD deposits beyond the normal FDIC limit of \$250,000 per account.

From the Annual Audit, Forest Creek CDD is in compliance with Florida Statutes Chapter 280:

"The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses."

[Qualified Public Depositories](#)

A QPD is a bank or savings association that has been approved by the Florida Treasury's Bureau of Collateral Management ("BCM") to accept public funds for deposit.

Two of the major characteristics of banks and savings associations are that they accept funds for deposit and use those funds to make loans or other investments. Many banks and savings associations are interested in increasing the amount of funds on deposit at their institution and the public funds market is a key area in which they can do so. In order to accept Florida public funds for deposit, a bank or savings association must have status as a qualified public depository ("QPD"). A QPD is defined as a bank or savings association that has:

- A branch office(s) authorized to receive deposits in Florida, has
- FDIC deposit insurance,
- Meets the requirements of Chapter 280, F.S., and
- Been designated by the BCM as a QPD.

[Major Characteristics of Florida's Public Deposits Program](#)

- **Protection from loss of public deposit principal and accrued interest as of the date a Qualified Public Depository ("QPD") fails on all public funds deposited in compliance with the program.**

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- **QPDs collateralize public deposits after the fact.** Each month QPDs compute their average daily balance of public deposits and calculate their required collateral. This information must be reported to Florida's Chief Financial Officer by the 15th of the following month.
- Florida's governmental units, as public depositors, have [a number of QPDs to choose from](#) for the deposit of their public funds. Credit Unions are not allowed to be a QPD.
- Administration of the Public Deposits Program is vested in Florida's Chief Financial Officer. Chapter 280, Florida Statutes, outlines a broad range of powers to be used in managing the program.