



Proposed Investment Policy Revisions

Colorado Springs City Council Work Session

March 8, 2021

R. Thayer Tutt, Jr., Board Chair
Jim Johnson, Board Treasurer
Cari Davis, Executive Director

Investment Policy Revisions: The Process

- CSHF began considering changes in 2019. The last time the Investment Policy had been revised was in 2016.
- The (then) Finance Committee of Thayer Tutt and Jon Medved, along with CSHF's investment advisor, began identifying opportunities for tidying up and strengthening the policy.
- Trustee Jim Johnson joined the process in early 2020, and City Council Liaisons, CMs Knight and Geislinger, along with City Auditor Jackie Rowland and colleague Sally Barber, joined the process in Fall 2020.
- The CSHF Board of Trustees voted unanimously to approve the proposed changes at its 2/17/21 meeting.

Investment Policy: Proposed Revisions

Most of the changes are wordsmithing in nature.

Key Proposed Revisions

- CSHF Trustees have the responsibility and authority to hire outside investment-related advisors* and every three years, Trustees will assess its investment advisory/consultancy relationship and report findings to City Council. (Section IV)
- Clarify the calculation of the 5% maximum annual payout and add a bi-annual calculation and comparison of the corpus to the Foundation's total asset value to ensure that total assets are not below the corpus calculation. (Sections V.D. & V.E.)
- Increase the allowable cash range from 0 – 5% to 0 – 10%, and clarify language regarding the guidelines to prevent excessive investment concentrations. (Section VI)
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- Add a requirement that annually, an independent auditor review CSHF's financials, including its investment portfolio, to ensure they are "fairly presented." (Section VII)

* If approved, this will require a change to CSHF's bylaws to ensure consistency



Questions?

...again, a special **thank you** to Council Members Don Knight and Dave Geislinger for their time and input into this proposal. They and the City Auditor's office were important thought partners in the process.