

Resolution to Approve the City's Investment Policy

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Annual Review

- Investment advisors provide recommended changes
- Investment Advisory Committee Review
- Recommend changes as proposed
 - Authorized Securities and Transactions
 - Federal Agencies and Instrumentalities
 - Corporate Bonds
 - Municipal Bonds
 - Other minor changes
- Table comparing City Policy with State Statutes

Federal Agency and Instrumentality Securities

- Expanded description to authorize certain highly rated Supranationals, including the World Bank.
- High rated securities
- Currently allowed under Colorado State Statutes
- Proposed changes will align the City's policy with State Statutes

Corporate Bonds

- Include investment in dollar denominated securities issued by corporations or banks organized and operated within Canada or Australia
 - Must comply with the same rating, maturity and diversification guidelines mandated for domestic corporate bonds
 - To control credit exposure and promote diversification, restricted to no more than 5% per country
- Canada and Australia are large and well diversified economies with strong governance and regulatory environments
- Strong issuers with active secondary markets

Municipal Bonds

- State Statutes updated maturity limits and credit ratings for municipal bonds
 - 5 year maturity both general obligation and revenue bonds
- State Statutes now differentiates between Colorado issuers and those outside of the state, expanding the approved universe for Colorado issuers
- Allow the City to invest in certificates of participation or other securities evidencing rights in payments to be made by a school district under a lease, lease-purchase agreement

Other changes

- Authorized Investment Summary updated to reflect proposed changes
- Minor formatting and language changes
 - Removing exclusion of hospital funds
 - Minor verbiage modifications
 - Formatting changes to enhance clarity and strengthen usability

Questions?