



Legislation Text

File #: 16-550, **Version:** 1

A Resolution Approving the City's Investment Policy

Presenter:

Kara Skinner, Chief Financial Officer

Summary:

With the advice of the City's investment advisors and the City's Investment Advisory Committee (IAC), the City Finance Department has proposed modifications to the City's Investment Policy for City Council's consideration. The attached policy replaces the previously developed and approved policy.

Previous Council Action:

City Council adopted the City's original Investment Policy by resolution on September 28, 1993. The policy has since been revised and approved by City Council on November 8, 1994; February 27, 1996; October 8, 1996; October 26, 1999; February 12, 2002; March 9, 2004; May 24, 2005; July 11, 2006; April 24, 2007; June 25, 2008; May 26, 2009; May 25, 2010; November 22, 2011; December 10, 2013; and November 10, 2014.

Background:

The Investment Policy is reviewed on an annual basis by Finance Department staff in conjunction with the City's Investment Advisors. The attached policy reflects changes to incorporate recommendations approved by the Investment Advisory Committee.

Changes to the investment policy include the following:

- Eliminating redundancies
- Adding a table to clarify investment ratings
- Further aligning language with state statutes
- Clarifying with regard to the requirement for dollar denominated investments
- Updating language due to revised SEC money market rules, known as Rule 2a-7
- Generalizing language regarding evaluation of banks utilized by the City
- No major changes pertaining to authorized investments and portfolio diversification matrix

Financial Implications:

N/A

Board/Commission Recommendation:

The City's Investment Advisory Committee reviewed the proposed updates at the August 16, 2016 meeting and supports the proposed policy.

Stakeholder Process:

N/A

Alternatives:

City Council could not approve the proposed Investment Policy. If the City's investment policy is not modified, the City's investment policy would remain as previously approved.

Proposed Motion:

Move to approve the resolution as presented.

N/A