



Legislation Text

File #: 22-792, **Version:** 1

A Resolution approving the City's Investment Policy

Presenter:

Charae McDaniel, Chief Financial Officer

Summary:

The purpose of the Investment Policy is to establish the investment scope, objectives, delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments and transactions, diversification requirements, risk tolerance, and safekeeping and custodial procedures for the investment of the funds of the City of Colorado Springs. Recently, City Council dissolved the City's Investment Advisory Committee (IAC) (Ord 122-22), which is referenced in the current Investment Policy. The proposed Investment Policy removes references to the IAC. The attached policy replaces the previously developed and approved policy. Per City Code, City Council approves the City's Investment Policy.

Background:

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

The City's Investment Policy governs the investments of the main Operating account and the Reserve account. At the close of 2022, the balance in the Operating account was \$235.3 million, and the balance in the Reserve account was \$118.8 million.

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 a number of times since 1993, most recently on November 22, 2016.

Financial Implications:

There are no explicit financial implications related to these policy changes, however, the policy changes are intended to provide the Investment Advisors a policy within which they can best secure a reasonable minimal-risk return.

City Council Appointed Board/Commission/Committee Recommendation:

N/A

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 a Resolution approving the City's Investment Policy

N/A