

RESOLUTION 2025-###

RESOLUTION OF THE LOCAL SUCCESSOR AGENCY BOARD OF THE CITY OF SAN PABLO ADOPTING A REVISED INVESTMENT POLICY FOR FY 2025-26

WHEREAS, Government Code Section 53607 requires a legislative body to delegate investment authority annually;

WHEREAS, Government Code Section 53646 states that the Treasurer or Chief Financial Officer may annually render to the Local Successor Agency (LSA) a statement of investment policy;

WHEREAS, if so rendered and if there are changes to the policy, the policy is required to be reviewed and approved at a public meeting;

WHEREAS, best management practices dictate, and the Investment Policy requires, that the LSA continue to review and approve its Investment Policy annually;

WHEREAS, the LSA's Investment Policy was last reviewed and approved on June 17, 2024, for Fiscal Year 2024-25;

WHEREAS, following the recommendation of the City's and the LSA's Investment Advisor, Shuster Advisory Group, LLC ("Shuster"), staff proposes the following updates to the LSA's Investment Policy Statement:

1. Allowing Municipal Bond securities with final maturities not to exceed 5 years, pursuant to Government Code Section 53601(c-e);
2. Allowing Joint Powers Authority Pool investments, pursuant to Government Code Section 53601(p);
3. Measuring Mortgage-Backed and Asset-Backed securities' maturities by Weighted-Average-Life (WAL), not to exceed 5 years or a portfolio limit of 20%, pursuant to Government Code Section 53601(o);
4. Removing the 20% portfolio limit for Agency Mortgage-Backed Securities, pursuant to Government Code Section 53601(f); and
5. Allowing Portfolio Benchmark selection to be determined by the Investment Advisor as within a City's powers pursuant to Government Code Section 53601.

WHEREAS, Shuster opines that the proposed revised Investment Policy Statement is consistent with the all applicable provisions of the California Government Code and the LSA's overall investment objectives of:

1. Preservation of capital and protection of investment principal;

2. Maintenance of sufficient liquidity to meet anticipated cash flows;
3. Attainment of a market rate of return; and
4. Diversification to avoid incurring unreasonable market risks.

NOW, THEREFORE, BE IT RESOLVED that the foregoing recitations are true and correct, and are included herein by reference as findings; and

BE IT FURTHER RESOLVED that the attached Investment Policy is approved and adopted, and supersedes the Investment Policy approved by Resolution 2024-002 on June 17, 2024.

ADOPTED this 21st day of July, 2025, by the following votes:

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

ATTEST:

APPROVED:

Dorothy Gantt, Clerk of the Board

Arturo Cruz, Chair