

Legislation Text

File #: #18-210, Version: 1

PREPARED BY: J. KELLY SESSIONS

DATE OF MEETING: 06/18/18

SUBJECT:

RESOLUTIONS OF THE CITY COUNCIL OF THE CITY OF SAN PABLO AND THE SAN PABLO LOCAL SUCCESSOR AGENCY BOARD ADOPTING AN INVESTMENT POLICY FOR FISCAL YEAR 2018/19

CITY MANAGER RECOMMENDATION

Adopt Resolutions

COMPLIANCE STATEMENTS

Council Priority Workplan Compliance Statement:

General Fund Reserves Protection/Fund Balance (City Council, City Manager) and Develop/Update City Financial Policies (Finance) are policy items under the adopted FY 2018-21 City Council Priority Workplan, effective November 1, 2017.

CEQA Compliance Statement

This is not a project as defined by CEQA.

BACKGROUND

Government Code Section 53646 allows the Treasurer or Chief Financial Officer to render annually to the City Council and the Local Successor Agency (LSA) Board of Directors a statement of investment policy, and requires that any change in the policy be considered at a public meeting. The Investment Policy was last considered and approved by the City Council and LSA Directors on June 5, 2017 (Resolutions 2017-114 and LSA2017-002).

Following the recommendations from Insight Investment (formerly known as Cutwater), the City's/LSA's investment advisor, Staff proposes no changes to the FY 2018/19 Investment Policy other than updating the date of adoption.

Insight Investment opines that the City's/LSA's Investment Policy is consistent with the restrictions in the California Government Code and the City's/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.
4. Diversification to avoid incurring unreasonable market risks.

Budget, Fiscal & Legislative Standing (Standing) Committee

On June 12, 2018, Staff presented the policy to the Standing Committee (Calloway/Kinney) for review and recommended the policy be forwarded the City Council and the Local Successor Agency

Directors for approval.

FISCAL IMPACT

There is no direct fiscal impact as a result of this action, although the City Council / LSA Directors can assume that these changes will enhance each entity's fiscal stability.

Attachment: FY 2018/19 Investment Policy (Proposed)