



Legislation Text

File #: 16-0529, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Mark Danaj, City Manager

FROM:

Bruce Moe, Finance Director

Libby Bretthauer, Financial Analyst

SUBJECT:

Adoption of Annual Investment Policy and Delegation of Responsibility for Investing Funds to the City Treasurer (Finance Director Moe).

APPROVE

RECOMMENDATION:

The Finance Subcommittee and City Staff recommend that the City Council approve the 2016-2017 Investment Policy. Staff further recommends that City Council continue the existing delegation of responsibility for investing funds to the City Treasurer.

FISCAL IMPLICATIONS:

There are no fiscal implications from the recommended action.

BACKGROUND:

The City's adopted Financial Policies state that the City Council shall annually review, and modify as appropriate, the City's investment policy. The Finance Subcommittee reviews and approves the policy in advance of Council review and adoption.

DISCUSSION:

After a review of the current policy by the City's investment brokers as well as City staff, no changes were recommended. At its November 4, 2016 meeting, the Finance Subcommittee reviewed and approved the 2016-2017 Investment Policy.

Delegation of Investment Authority to the City Treasurer

Pursuant to the California Government Code 53607, the legislative body (City Council) of the local agency may invest funds of the local agency or delegate that responsibility to the Treasurer of the local agency, who assumes full responsibility for all investment transactions and makes a monthly report of those transactions to the legislative body until the delegation is revoked or expired. The legislative body may renew the delegation of authority each year. The City Council has previously delegated that authority to the City Treasurer, most recently in August 2015. City staff recommends that the City Council renew that delegation of responsibility for investing funds to the City Treasurer

for FY 2016-2017.

Please note that this portion of the overall recommendation was inadvertently not discussed at the Finance Subcommittee meeting. As a result, this is only listed as a staff recommendation. However, this recommendation, if accepted, continues the long standing City Council delegation of authority to the City Treasurer that is vital to the efficient operation of the City's treasury management.

CONCLUSION:

The Finance Subcommittee and City Staff recommend that the City Council approve the 2016-2017 Investment Policy. Staff further recommends that City Council continue the existing delegation of responsibility for investing funds to the City Treasurer.

Attachment:

1. Investment Policy 2016-2017