



**DATE:** November 20, 2024

**TO:** Council Budget and Finance Committee

**FROM:** Director of Finance

**SUBJECT:** Investment Portfolio Review and FY 2025 Statement of Investment Policy Update

## **RECOMMENDATION**

That the Committee reviews and comments on the Annual Portfolio Review (Attachment II) and the proposed updates the FY 2025 Statement of Investment Policy (Attachment IV) from the City's portfolio manager, PFM Asset Management.

## **SUMMARY**

This report provides an overview of the annual City investment portfolio from October 2023 through September 2024. Staff is recommending that the Committee reviews updates to the Fiscal 2025 Statement of Investment Policy.

## **BACKGROUND**

The City's Statement of Investment Policy (the Policy) requires that Council approve any staff recommended changes to the Policy. Staff worked in conjunction with the City's portfolio manager, PFM Asset Management, to review the Policy. This year's Policy has recommended changes under Policy Section O, Investment Instruments, to address California Government Code ("Code") updates that went into effect in January 2024. A memo from PFM Asset Management with proposed changes is available in Attachment III.

## **DISCUSSION**

As part of the overview of the October 2023-September 2024 annual investment portfolio, staff reviewed and evaluated the need for any changes to the Policy. In conjunction with the City's portfolio manager, staff recommends that the Committee recommend approval of the FY 2025 Statement of Investment Policy (Policy) for consideration and adoption at a future City Council meeting.

## **STRATEGIC ROADMAP**

This is a routine operational item and does not relate to any of the priorities outlined in the Council's Strategic Roadmap.

## **FISCAL IMPACT**

This is an information report resulting in no fiscal impact.

## **PUBLIC CONTACT**

The Statement of Investment Policy (Attachment IV) will be presented to the full City Council by January 2025, for adoption.

*Prepared by:* Franchesca Hatfield, Management Analyst I

*Recommended by:* Nicole Gonzales, Director of Finance

Approved by:



---

Dustin Claussen, Interim City Manager