



October 04, 2017

## Memorandum

To: Dustin Claussen, Director of Finance  
From: Monique Spyke, Managing Director  
Izac Chyou, Senior Managing Consultant  
Justin Semmes, Analyst  
Re: Investment Policy Review

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We have completed our annual review of Hayward's Investment Policy. The Policy is in compliance with California Government Code which governs the investment of public funds. We have provided a marked-up version of this Policy for your review and have summarized our changes below.

### **X. Investment Instruments**

#### Section J.

We recommend the City authorize investments in shares of beneficial interest that are state-administered or through joint powers statutes, which are authorized for use by California local governments in California Government Code § 53601 (p). The addition of this section could allow the City to expand and diversify its overnight liquidity options.

#### Section K.

We recommend removing the specific dollar amount the City may invest in LAIF and replacing that with language by simply stating "the maximum amount permitted by LAIF's Local Investment Advisory Board". This will allow the City to take advantage of LAIF balance increases as they occur without having to alter the Investment Policy each time.

Please see the chart below that displays Haywards Policy limits vs. California Government Code (§ 53601) limits. Changes below are denoted in yellow. (Attachment VII)

Please feel free to contact us if you have any questions.