



DATE: November 18, 2020

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT: Investment Portfolio Review and FY 2021 Statement of Investment Policy Update

RECOMMENDATION

That the Council Budget and Finance Committee reviews and comments on the 2019-2020 Year-End Portfolio Review (Attachment II) and recommends Council approval of the proposed updates from the City's portfolio manager, PFM Asset Management, to the Fiscal Year 2021 Statement of Investment Policy.

SUMMARY

This report provides an overview of the FY 2019-2020 year-end City investment portfolio. Staff is recommending that the Committee reviews and requests Council approval of the updates to the Fiscal Year 2021 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. This year's Policy has recommended changes under two main categories: (1) address recent Code changes that will go into effect on January 1, 2021, and (2) general recommended modifications. A detailed summary of the proposed changes is available in Attachment III. Staff worked in conjunction with the City's portfolio manager, PFM Asset Management, to review the policy and make recommended changes.

DISCUSSION

As part of the overview of the FY 2019-2020 year-end 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 2021 Statement of Investment Policy (Policy).

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

There is no fiscal impact associated with this report.

PUBLIC CONTACT AND NEXT STEPS

The Statement of Investment Policy (Attachment IV) was presented to the Investment Advisory Committee on October 23, 2020 and will be presented to the full City Council on February 9, 2021 for adoption pending Committee recommendation.

Prepared and Recommended by: Nicole Gonzales, Deputy Director of Finance
Dustin Claussen, Director of Finance

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAadoo', is written over a horizontal line.

Kelly McAadoo, City Manager