

August 16, 2023

**ITEM TITLE: RESOLUTION NO. 2023-62 AND SA-23-86 APPROVING AND ADOPTING THE AMENDMENTS TO CITY OF IMPERIAL BEACH INVESTMENT POLICY AND DELEGATING THE CITY TREASURER THE AUTHORITY TO INVEST AND REINVEST. (0350-95 & 0418-95)**

**ORIGINATING DEPARTMENT:**

Finance

**EXECUTIVE SUMMARY:**

The California State Treasurer recommends that Local Agency Investment Guidelines be reviewed and amended annually for compliance with all governing laws and regulations. Staff is seeking approval and adoption of Resolution No. 2023-62 by the City Council and SA-23-86 by the Successor Agency authorizing the amendments to the City of Imperial Beach Investment Policy. Additionally, pursuant to California Government Code Section 53607, Staff is seeking approval to delegate to the City Treasurer the authority to invest and reinvest the City's financial assets.

**RECOMMENDATION:**

Approve and adopt Resolution No. 2023-62 by the City Council and SA-23-86 by the Successor Agency authorizing the amendments to the City of Imperial Beach Investment Policy and delegating to the City Treasurer the authority to invest and reinvest the City's financial assets.

**OPTIONS:**

- Adopt Resolution No. 2023-62 and SA-23-86 as recommended
- Provide staff with direction for alternative action

**BACKGROUND/ANALYSIS:**

The Investment Policy (Policy) and Government Code 53646(a)(2) sets forth that the Policy shall be subject to review by the City Council/Board on an annual basis. Any recommended modifications or amendments shall be presented by Staff to the City Council/Board, at a public meeting, for their consideration and adoption.

The Policy was last reviewed by City Council in September 2022. At that time only minor modifications were made to bring the Policy into compliance with current industry practices as well as with Government Code 53600, et seq, which governs the investments of local agencies. Additionally, modifications made to staffing titles into alignment with current positions. Any modifications made only serve to strengthen and clarify the City's Investment Policy. Once again,

during this current review process, only minor modifications (mentioned below) are being recommended. Working with Chandler Asset Management, the City's portfolio manager, staff is proposing the following changes to the Investment Policy:

- Added that the purchase of securities with a forward settlement of more than 45 days is prohibited per SB 1489
- Expanded the definition of "Maturity" in the Glossary of Investment Terms

Attachment 3 reflects the changes in a strike-through version of the policy. Attachment 4 is the final version.

Subsequent to the adoption of the proposed policy, Staff intends to submit the Investment Policy to CMTA for certification.

Additionally, the City Council may elect to delegate its authority to invest and reinvest City funds to the City Treasurer for up to one year pursuant to California Government Code Section 53607. Staff recommends that the City Council delegate its authority to invest and reinvest public funds, and to sell or exchange securities so purchased, to the City Treasurer for one year or until earlier revoked by the City Council.

**ENVIRONMENTAL DETERMINATION:**

Not a project as defined by CEQA.

**FISCAL IMPACT:     N/A**

**ATTACHMENTS:**

- ATT 1 – Resolution 2023-62 Amending and Adopting the Investment Policy
- ATT 2 – Resolution SA-23-86 Amending and Adopting the Investment Policy
- ATT 3 – Investment Policy Effective August 16, 2023 – STRIKE-THROUGH
- ATT 4 – Investment Policy Effective August 16, 2023