



Legislation Text

File #: 23-456, **Version:** 1

Report regarding a resolution approving the City's Investment Policy for Fiscal Year 2023-24 (*Frank Riso, City Treasurer and Karen Chang, Director of Finance*)

RECOMMENDATION

It is recommended that the City Council adopt a resolution approving the City's Investment Policy for Fiscal Year 2023-24.

BACKGROUND/DISCUSSION

The City of South San Francisco's Investment Policy was created to establish guidelines for investment operations, with the objectives of complying with all laws and ensuring the safety, liquidity and yield of the City's investments.

Each fiscal year, the City's Investment Policy is presented to the City Council for consideration. The proposed Fiscal Year (FY) 2023-24 Investment Policy is included as Exhibit A and reflects some minor changes (highlighted in red) from the prior year's policy as follows:

- *Add: Maximum Maturity Section to reflect the recent change to Code pursuant to Senate Bill 1489 requiring that maturity is counted from trade settlement date.*
- *Add: 20% limit on federal agency callable debt under the "Mitigating Credit Risk" section.*

Staff will continue to work with the City's investment advisors, Chandler Asset Management, on a regular basis to review the City's Investment Policy to ensure compliance with best practices and alignment with state code.

FISCAL IMPACT

There is no direct fiscal impact by the adoption of this resolution. However, a sound Investment Policy, as set forth herein, assists in preserving the financial stability of the City.

RELATIONSHIP TO STRATEGIC PLAN

This resolution supports the City's strategic goal of Financial Stability.

CONCLUSION

Approval of the FY 2023-24 Investment Policy ensures that the management of the City's investment portfolio is guided by best practices and in compliance with state code.