

SUBJECT

Statement of Investment Policy

RECOMMENDATION

To approve Long Beach Transit's Statement of Investment Policy.

BACKGROUND

The Statement of Investment Policy establishes policies and procedures for Long Beach Transit's (LBT) cash management system and investment activities. The policy applies to all financial assets of the agency, excluding pension plan assets which are covered under a separate investment policy.

The California Government Code requires an annual review and adoption of LBT's Investment Policy. Each year staff evaluates the policy to ensure it meets the objectives of preservation of principal, liquidity, yield, safety, compliance with current law, Governmental Accounting Standards Board (GASB), and the needs of LBT.

There were no changes during the last year to the California Government Code, GASB or the State of California's Local Agency Investment Fund (LAIF) Policy which require amendments to our existing investment policy. Therefore, the Statement of Investment Policy remains unchanged.

As detailed in the Quarterly Investment Reports, LBT's investments continue to be handled by the State of California's Local Agency Investment Fund (LAIF) and the Corporate Investment Account which contains investment vehicles similarly structured to LAIF.



Kenneth A. McDonald
President and Chief Executive Officer