



Legislation Text

File #: 06-1306, **Version:** 1

Recommendation to adopt Statement on Investment Policy for Calendar Year 2007, pursuant to Section 53646 (a) of the State of California Government Code. (Citywide)

In accordance with the State of California Government Code, Section 53600, et seq., the City Treasurer must present an annual Statement of Investment Policy to the City's legislative body. The Investment Policy is based on those standards recommended by several professional organizations including the California Municipal Treasurers' Association and the California Society of Municipal Finance Officers.

The Statement of Investment Policy for calendar year 2007 was presented for review on October 30, 2006 to the Investment Committee, which consists of the following or their representatives: City Manager, City Attorney, City Auditor, Director of Financial Management, City Treasurer, City Controller, Budget Manager, and designated representatives from the City's Harbor and Water Departments.

The State of California removed from the Government Code the portfolio limitation of investing no more than 10 percent of the investment portfolio in any single Commercial Paper issuer. The Investment Committee recommends no change to the City's policy, thereby maintaining the stricter limitation. Additionally, the Investment Committee clarified language in the Investment Policy to better reflect the type of investment, indices, and/or policy limits.

The City Council's adoption of the City's Investment Policy is required annually by the Government Code. The current investment policy was presented and adopted by the City Council on December 13, 2005. To be in compliance with the State of California Government Code, the City Council is requested to adopt the attached policy on December 12, 2006.

The City's Investment Policy governs the investment of all City funds in the direct custody of the City Treasurer. There is no cost for the implementation of the Investment Policy for the calendar year 2007.

Approve recommendation.

MICHAEL A. KILLEBREW
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

GERALD R. MILLER
CITY MANAGER

