



City of Huntington Beach

File #: 20-1353

MEETING DATE: 2/3/2020

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Oliver Chi, City Manager

PREPARED BY: Alisa Backstrom, City Treasurer

Subject:

Adopt Resolution No. 2020-09 approving the 2020 Investment Policy

Statement of Issue:

Pursuant to California Government Code, the Treasurer of the local agency may render an annual statement of investment policy to the legislative body for consideration and adoption. The City Treasurer, with the assistance of the Investment Advisory Board, has prepared an updated investment policy.

Financial Impact:

Not Applicable.

Recommended Action:

Adopt Resolution No. 2020-09, "A Resolution of the City Council of the City of Huntington Beach Approving the Statement of Investment Policy 2020."

Alternative Action(s):

Do not adopt Resolution No. 2020-09.

Analysis:

The City Treasurer is responsible for the administration of the investments of City of Huntington Beach. The purpose of the Investment Policy is to establish cash management and investment guidelines for the investment of the City's unexpended cash balances, which exclude employee retirement funds, funds governed by bond indenture agreements, and other funds managed separately. This policy shall apply to each investment transaction and the entire portfolio, which must comply with the California Government Code, Sections 53600 through 53683, and all other applicable laws and regulations.

The City's Investment Policy may be rendered annually to the City Council to ensure its consistency with the overall objectives of preservation of principal, liquidity, and return. The attached Investment

Policy has been reviewed by the City's Investment Advisory Board and approved as to form by the City Attorney.

There is one minor update to the Investment Policy for 2020. The California State Treasurer's Office has increased the Maximum Allowable Investment Amount in the Local Agency Investment Fund (LAIF) from \$65 Million to \$75 Million. This increase to the allowable investment amount has been added. The Investment Policy has been certified by the California Municipal Treasurers Association stating that it complies with the current State statutes governing the investment practices of local government entities located within the state of California.

Environmental Status:

Not Applicable

Strategic Plan Goal:

Strengthen long-term financial and economic sustainability

Attachment(s):

1. Resolution No. 2020-09 of the City Council of the City of Huntington Beach adopting the 2020 Investment Policy
2. 2020 Investment Policy