



City Council

Approval of Investment Policy Changes

Agenda Date: 5/23/2017
Agenda Item Number: 4.F
File Number: 17-0526

Type: decision **Version:** 1 **Status:** Passed

Title

Approval of Investment Policy Changes

Recommended Action

Committee Recommendation:

The Finance Committee recommends approval of the revised Investment Policy.

City Manager Recommendation:

Move to approve the revised Investment Policy.

Report

Issue:

Whether to approve the revised Investment Policy.

Staff Contact:

Dean Walz, Fiscal Services Director, Administrative Services Department, 360.753.8465.

Presenter(s):

None - Consent Calendar Item

Background and Analysis:

The current Investment Policy was adopted by the Council in June 2015. The investment policy itself requires the Investment Policy to be reviewed no less often than every two years. Staff recommends changes to the Investment Policy as depicted on the attached red-line version.

Recap of changes:

Section 8.2 Suitable Investments (pages 7 & 8).

Addition of certain practices related to ratings and securities pursuant to the policy.

Deleted and replaced listing of approved types of securities:

Divided Government Sponsored Enterprise (GSE) securities into two categories- US Agency Obligations Primary, and US Agency Obligations Secondary.

Section 8.4, Repurchase Agreement Collateralization (page 9).

Deleted section because the City no longer uses repurchase agreements. In the past, the City used repurchase agreements as a cash liquidity investment tool, but the City now uses the State of Washington, Local Government Investment Pool as an investment tool for cash liquidity.

Section 9.0, Investment Parameters (page 10).

Reformatted and updated chart.

Section 9.2.4, Total Portfolio Maturity Constraints (page 11).

Reformatted and updated chart.

Neighborhood/Community Interests (if known):

None.

Options:

- 1) Approve the revised Investment Policy.
- 2) Direct staff to make changes to the proposed revised policy.
- 3) Do not approve revised policy. Current policy remains unchanged.

Financial Impact:

No direct financial impact.

Attachments:

Investment Policy with Proposed Changes