



Staff Report

Date: May 31, 2016

To: City Council

From: Valerie J. Barone, City Manager

Reviewed by: Karan Reid, Director of Finance

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Subject: **Approval of the City of Concord FY2016-17 Investment Policy**

Report in Brief

Annually, the City Council reviews and updates the City's Investment Policy to ensure compliance with the provisions of the California Government Code governing investment of public funds. The City's current investment advisor, Public Financial Management (PFM) is not recommending any changes to the City's Investment Policy.

Recommended Action

Staff recommends that the City Council approve the City of Concord FY2016- 17 Investment Policy.

Analysis

The investment of City funds is governed by California Government Code (Sections 53600-53610). Specifically, the Government Code prescribes the investment vehicles in which local agencies are permitted to invest available funds. Staff, working with the City's investment advisor, PFM, has completed a comprehensive review of the City's Investment Policy including compliance with relevant sections of the Government Code, as well as, incorporating best investment practices as recommended by the Association of Public Treasurers of the US and Canada (APT US&C).

There were no changes in the California Government Code that necessitates the City to change the current investment policy. The investment policy is in compliance with the California Code as well as industry best practices. The recommendation of no changes

to the current investment policy has been reviewed and endorsed by the City Treasurer and the City's Director of Finance.

Alternatives

Approval of the Investment Policy by the Legislative body is not required by law but is a recommended best practice. The Council may request alterations be made to any section as long as the revisions meet the requirements of the State Code.

Financial Impact

No fiscal impact. The Investment Policy conforms to California Government Code and complies with best practices designed to meet the City's short and long term cash flow needs by managing safety, liquidity and return on investments in a prudent manner.

Public Contact

The City Council Agenda was posted.