



Commission Staff Report

November 8, 2016

COMMISSION MEETING DATE: November 29, 2018

SUBJECT: Review and Approve Investment Policy Guidelines and Delegate Investment Duties to the Treasurer-Controller

AGENDA CATEGORY: Consent

FROM:	Monty Hanks Assistant General Manager/CFO	METHOD OF SELECTION:	N/A
Division:	Administrative Services		
Department:	Accounting & Finance		

IMPACTED MEMBERS:					
All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Other	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>	<i>If other, please specify:</i>	
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SR: XXX:XX

RECOMMENDATION:

It is recommended the NCPA Commission approve Resolution 18-XX. The resolution includes an annual review of NCPA's Investment Policy No. 200-100 and a recommendation of no changes to the current policy. In addition, the resolution also confirms delegation to the Treasurer-Controller the authority to invest, or to reinvest funds of the Agency, or to sell or exchange securities so purchased. The Treasurer-Controller assumes full responsibility for investment transactions until the authority is revoked or expires, and shall make a report each month of those transactions to the Commission.

BACKGROUND:

The Agency sets forth its objectives, risk preference, authorized investments and other investment related priorities in its Investment Policy. The Investment Policy serves as a guide for setting and achieving investment goals, defines rules, and reduces exposure to liability and loss. While it has long been deemed good investment practice to have a written policy, it is considered a standard of best practice for government agencies to have a written policy and review it annually. Staff has reviewed the Investment Policy against the Government Code and recommends no changes or updates are necessary.

The Treasurer-Controller under authority granted by Commission Resolution No. 83-103, dated December 22, 1983, may invest monies of this Agency as provided in Section 53600 et. seq. of the Government Code. Government Code section 53607 provides that:

"The authority of the legislative body to invest or reinvest funds of a local agency, or to sell or exchange securities so purchased may be delegated for a period of one year by the legislative body to the treasurer of the local agency, who shall thereafter assume full responsibility for those transactions until the authority is revoked or expires, and shall make a report of those transactions to the legislative body. Subject to review, the legislative body may renew the delegation of authority pursuant to this section each year."

Hence, a formal delegation of investment duties to the Treasurer-Controller is required annually.

FISCAL IMPACT:

There is no direct dollar impact to this proposed policy. The resolution approves the Agency policy surrounding investments and delegates authority to the Treasurer-Controller for the investment activities of the Agency.

ENVIRONMENTAL ANALYSIS:

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

Pending: The recommendation was reviewed by the Finance Committee on November 13, 2018

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments:

- Resolution 18-XX
- Administrative Policy No. 200-100, Investment Policy and Guidelines