



Board Agenda Item 18

DATE: December 13, 2016

TO: Board of Supervisors

SUBMITTED BY: Oscar J. Garcia, CPA, Auditor-Controller/Treasurer-Tax Collector

SUBJECT: Delegation of Investment Authority and acceptance of the County of Fresno Treasury Investment Pool Investment Policy

RECOMMENDED ACTION(S):

- 1. Delegate investment authority to the Auditor-Controller/Treasurer-Tax Collector for the 2017 calendar year; and**
- 2. Adopt revisions in the “County of Fresno Treasury Investment Pool Investment Policy”**

The Board of Supervisors may annually renew the delegation of investment authority to the County Treasurer per County Ordinance 2.20.080. In compliance with that authority, the recommended action delegates the authority to the Auditor-Controller/Treasurer-Tax Collector (ACTTC). Your Board is also required to annually review and approve the “County of Fresno Treasury Investment Pool Investment Policy” (Investment Policy). The Department is recommending changes to section 8.9 and other minor revisions.

ALTERNATIVE ACTION(S):

Should your Board not delegate investment authority to the Treasurer; the fiduciary responsibility of investing funds in the Treasury Investment Pool will remain with your Board.

FISCAL IMPACT:

There is no additional fiscal impact associated with the recommended actions.

DISCUSSION:

Delegation of investment authority to the County Treasurer may be renewed annually, subject to review per Government Code sections 27000.1 and 53607 and the Ordinance Code of the County of Fresno, section 2.20.080. Therefore, your Board is required to act each year to comply with this requirement. The first recommended action will delegate investment authority for calendar year 2017 to the ACTTC.

Government Code section 53646 provides that the ACTTC may annually render to the Board of Supervisors a statement of investment policy which the Board shall review and approve at a public meeting. This Investment Policy is the written document, which governs the investment of all financial assets deposited to and retained in the County of Fresno Treasury Investment Pool. The Investment Policy is in compliance with all applicable government codes. The Department is recommending that the annual review and approval process be done. This Investment Policy was last updated on December 8, 2015. The Department is recommending the following revision on page 9 of the Investment Policy:

Section 8.9 Investment of funds in the Local Agency Investment Fund (LAIF)

The Department is recommending that the paragraph be modified to remove the hard dollar limit of \$50,000,000.00 from the policy. Occasionally the Board of Directors at LAIF will change their maximum limit on funds that may be invested and a hard dollar limit in the Investment Policy requires a modification to take advantage of the new limit. By setting a 10 percent of the portfolio limit on LAIF investments for the Treasury Investment Pool, the Department can take advantage of the increased limit when available.

Additional minor, non-substantive revisions have also been made.

A revised document, with tracked updates from the December 8, 2015 Investment Policy, and a "clean" (final) copy of the proposed Investment Policy are included with this agenda item.

REFERENCE MATERIAL:

BAI#15, December 8, 2015
BAI#24, December 2, 2014
BAI#20, December 3, 2013

ATTACHMENTS INCLUDED AND/OR ON FILE:

REDLINE - County of Fresno Treasury Investment Pool Investment Policy
CLEAN - County of Fresno Treasury Investment Pool Investment Policy

CAO ANALYST:

Deborah Paolinelli