



# STAFF REPORT

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**Meeting Type:** Finance & Administration Committee/Board of Directors  
**Title:** Annual Review of Policy No. 33 Investment Policy  
**From:** Bret Uppendahl, Finance Director and Acting General Manager for Ben Horenstein  
**Meeting Date:** March 27, 2025 *BU*

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**TYPE OF ITEM:**                      Approve      X      Review and Comment

**RECOMMENDATION:** Review and comment on Policy No. 33 Investment Policy

**SUMMARY:** District policy requires quarterly reporting of investment type, market values and overall yields. District policy also requires an annual review of the investment policy, which the Board shall consider at a public meeting. The District's investment policies and practices are developed consistent with state law and prudent management and Investment Policy No. 33 is updated periodically to conform to the California Government Code requirements.

**DISCUSSION:** The District's investment policy strives to appropriately manage overall investment risk exposure. The investment policy defines allowable investments by type of security, type of issuer, dollar amount, overall percentage of portfolio and maturity. The primary objective of the District's investments are 1) Safety; 2) Liquidity; 3) Return on Investment; and 4) Public Trust. It is the intent of the District to hold all investments until maturity.

The California State Treasurer's Office recently published the 2025 update to the *Local Agency Investment Guidelines* document that incorporates all recent changes to applicable provisions of the California Government Code and provides best practice guidelines for public agencies. Staff has reviewed this publication and identified multiple areas where the District's Investment Policy is currently more restrictive than what is allowable under state law, including various investment types that are permitted under state law, but are not addressed in the District's current policy. Staff will provide an overview of the areas in the current policy that are being considered for an update, including an overview of investments in a Joint Powers Authority Pool, which are permitted by California Government Code section 53601(p) for use by all local government agencies in California.

**ENVIRONMENTAL REVIEW:** Not applicable.

**FISCAL IMPACT:** None.

**ATTACHMENT(S):**

1. Board Policy No. 33 Investment Policy
2. Local Agency Investment Guidelines - 2025