

MEMO

To: Jason Ogden, Cecily Pretty and Matt Brown – City of Sweet Home

From: Deanne Woodring and Whitney Maher - GPA

Date: May 8, 2025

Re: Investment Policy Update 2025

ORS 294.135(a) requires local governments investing in securities with maturities longer than 18 months to annually adopt their investment policies. The policy was last adopted in March 2022 with several recommended updates to align the policy with statute and the Oregon Short Term Fund Board policy recommendations. After review of the policy this year, it is being presented for re-adoption for 2025 to the City Council with one recommended change:

- Weighted Average Maturity (WAM) – GPA recommends moving the WAM from 2.0 years to 2.5 years to better align to the Investment Core strategy. Update maturity constraints table as well as language in section 9.2 to reflect 2.5 year WAM.

Updated Language:

- The maximum weighted maturity of the total portfolio shall not exceed two and a half (2.5) years. This maximum is established to limit the portfolio to excessive price change exposure.

Updated Maturity Constraints Table:

Maturity Constraints	Minimum % of Total Portfolio
Under 30 days	10%
Under 1 year	25%
Under 5.25 years	100%
Maturity Constraints	Total Portfolio Maximum
Weighted Average Maturity	2.5 years
Security Structure Constraint	Maximum % of Total Portfolio
Callable Agency Securities	25%