



REQUEST FOR COUNCIL ACTION

Title: Request for Council Action – City of Sweet Home Investment Policy

Preferred Agenda: July 8, 2025

Submitted By: Cecily Hope Pretty, Deputy City Manager

Reviewed By: Blair Larsen, City Attorney

Type of Action: Motion ☒ Resolution ☐ Reading ☐ Roll Call ☐

Relevant Code/Policy: ORS 294.135(a)

Towards Council Goal: Economic Strength, Effective Government

Attachments: GPA Investment Policy Update 2025 Memo
City of Sweet Home Investment Policy (redline version)
City of Sweet Home Investment Policy (clean version)

Purpose of this RCA:

The purpose of this RCA is to review changes as proposed by the City's investment firm, Government Portfolio Advisors (GPA), and to adopt an updated Investment Policy.

Background/Context:

The City of Sweet Home adopted its current investment policy in February 2022 with revisions suggested by GPA to better align the policy with state statutes and the Oregon Short Term Fund Board policy recommendations.

The Challenge/Problem:

After reviewing the current policy, GPA is recommending one significant change: to move the Weighted Average Maturity (WAM) from 2.0 years to 2.5 years to better align to the Investment Core strategy. The maximum is established to limit the portfolio to excessive price change exposure.

Issues and Financial Impacts:

Investments do not come without risk. However, the City has seen significant returns on investment with its current policy and anticipates continued good returns with this minor change. This will also preserve the City's ability to diversify its investments.

Elements of a Stable Solution:

A fiscally responsible and flexible strategy to maximize returns on investment and promote positive cashflow with City resources.

Options:

1. Do nothing: The City could choose not to adopt the policy, but would be in violation of ORS 294.135(a).
2. Move to adopt the revised Sweet Home Investment Policy: Adoption of the revised policy ensures continuity in the City's investment strategy.
3. Move to adopt the Sweet Home Investment Policy with changes: The City Council may choose to modify the contents of the policy beyond what is proposed.

Recommendation:

Staff recommends option #2: Move to adopt the revised Sweet Home Investment Policy.