



City of Tualatin

CITY OF TUALATIN Staff Report

TO: Honorable Mayor and Members of the City Council
THROUGH: Sherilyn Lombos, City Manager
FROM: Don Hudson, Assistant City Manager/Finance Director
DATE: October 25, 2021

SUBJECT:

Consideration of Resolution No. 5576-21 to Annually Adopt the City of Tualatin Investment Policy

RECOMMENDATION:

Staff recommends that the City Council adopt the Investment Policy.

EXECUTIVE SUMMARY:

Oregon Revised Statutes (ORS) 294.135(1)(a) requires local governments investing in securities with maturities longer than 18 months to annually adopt their investment policies. The City previously submitted the City of Tualatin Investment Policy to the Oregon Short Term Fund Board for review and comment, as required by law. The City Council adopted the current policy on November 9, 2020. The policy is being presented for re-adoption to the City Council with the following changes:

- ✓ Combine US Agency Primary and US Agency Secondary categories into one single category – US Agency Obligations. This follows state statute. The Policy language and diversification table will be updated accordingly.
- ✓ Municipal Debt – update language to include short-term minimum ratings requirement.
- ✓ Banker’s Acceptance – update in diversification table to reflect “rated in the highest category” which would be A1 or better (currently in table as A1+)

These changes are being recommended by Government Portfolio Advisors (GPA), the City’s investment advisor, and staff concurs with the recommendations.

Attached are the pages of the policy that are being changed. No other changes are being proposed.

OUTCOMES OF DECISION:

Adoption of the City’s investment portfolio under State Statute.

ALTERNATIVES TO RECOMMENDATION:

Reject changes and re-adopt current investment policy language.

ATTACHMENTS:

- Resolution No. 5576-21
- Exhibit A, Investment Policy

- Exhibit B, Proposed Changes to Policy