



## **REPORT TO CITY COUNCIL**

**To: Honorable Mayor and Members of the City Council**

**From: Jason Simpson, City Manager**

**Prepared by: Nancy Lassey, Finance Manager**

**Date: June 14, 2022**

**Subject: Annual Adoption of Investment Policy**

### **Recommendation**

Approve the 2022 Investment Policy.

### **Background and Discussion**

Under Government Code Section 53646(a), the City's Investment Policy should be reviewed and adopted by City Council annually.

The City's investment advisor, PFM Asset Management LLC (PFM) has reviewed the Investment Policy and recommended that no changes be made to the policy at this time. However, Finance Staff recommended adjustments to the Investment Procedures section to incorporate internal audit controls as well as adjustments to the Responsibility of Functions section. These adjustments have been incorporated in this year's investment policy. A copy of the memorandum from PFM noting their evaluation is included with this report.

The City Treasurer has reviewed the Investment Policy presented and has no objection. The policy conforms well within that allowed by the California Government Code. The policy has all required elements as outlined in the Model Investment Policy of the Municipal Treasurers' Association of the United States & Canada.

### **Fiscal Impact**

No fiscal impact.

### **Exhibits**

A - City of Lake Elsinore Investment Policy June 2022

B - PFM Memorandum of Investment Policy Recommendations