



Legislation Text

File #: 21-1022, **Version:** 1

Treasurer-Tax Collector recommending the Board approve the El Dorado County 2021 Investment Policy with modifications, revisions and additions to the "Investments" section.

FUNDING: N/A

DISCUSSION / BACKGROUND

In the interest of transparency, good governance and pursuant to Government Code §53601 et seq., the El Dorado County Treasurer-Tax Collector Department maintains an Investment Policy. This Policy provides guidance and procedures for investing and reinvesting public funds and ensures the Treasury remains in compliance with said Government Code. Additionally, the Policy provides direction regarding reporting such that the County adheres to the before-mentioned Government Code requirements. The Treasurer-Tax Collector Department no less than annually reviews the County Investment Policy.

The following changes and additions are recommended for approval by the Board. Attachment B is a redline version of the Policy highlighting these revisions.

Recommended revisions to Investment Policy will help in meeting the criteria of liquidity, bring clarity and add flexibility to the Policy and are as follows:

- a. Add CalTrust as a permissible investment instrument under Government Code §53601; to help meet the liquidity criteria of the Policy as well as in the portfolio.
- b. Position Local Agency Investment Fund (LAIF), CalTrust, and California Asset Management Program (CAMP) in the same area as these investment are Local Government Investment Pools (LGIP) per Government Code §53601; to bring clarity to the Policy by modifying the order of the investments in the matrix to position the LGIPs together.
- c. Remove purchase restrictions not required by Government Code §53601 regarding LAIF and CAMP. LAIF investment maximum is set by the State Treasurer; to add flexibility and eliminate the need to return to the Board for approval if the State Treasurer increases or decreases the maximum allowed to be deposited into LAIF.
- d. Add descriptive language under the Authorized Investments matrix regarding LAIF, CalTRUST, and CAMP; to add clarity and define Local Government Investment Pools that are used for liquidity.
- e. Include miscellaneous modifications to investment terms verbiage to conform more closely to Government Code §53601; to provide additional clarity to the various investment terms used in Government Code.

ALTERNATIVES

The Board could decide not to approved these modifications. If so, the current Investment Policy would continue in force.

PRIOR BOARD ACTION

The Board approved the current Investment Policy on March 24, 2020.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

N/A

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

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