

**CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK
(IBANK)**

STAFF REPORT - 2020 Investment Policy

ISSUE:

IBank’s Investment Policy requires the Board to review the policy on an annual basis. IBank’s investment policy was initially adopted by the Board in 2006 (“Investment Policy”), and reviewed, and in some cases amended from time to time, on an annual basis. The Investment Policy was last reviewed and approved by the Board on October 23, 2019 (“2019 Investment Policy”). Staff is recommending no changes to the existing policy (other than to bring-current the date, see Attachment 1, redline of the Investment Policy showing the date changes) submitted to the Board for its review and approval.

BACKGROUND:

It is considered a standard of “best investment practices¹” for government agencies to have a written investment policy, to review it annually, and to have frequent reporting of investment activities. IBank is in compliance with the 2019 Investment Policy.

On February 24, 2015, the IBank Board approved several amendments to the then current Investment Policy. These amendments adjusted concentration limits in securities. On October 25, 2016, the Board approved a non-substantive change in Section 5.0; Delegation of Authority, which was updated to reflect a title change to Chief Deputy Executive Director from Deputy Executive Director. The 2017 Investment Policy reflected no changes and was reviewed and approved by the Board with new approval date of September 26, 2017. On October 23, 2018, the IBank Board approved several changes to the policy to modify or clarify language, update definitions and reorganize content within the current Investment Policy. On October 23, 2019, the IBank Board approved one non-substantive change to correct a typographical error, reflected on the 2018 Investment Policy.

REVIEW RESULTING IN NO PROPOSED CHANGES:

IBank’s Investment Committee, consisting of Scott Wu; Executive Director, William Pahlund; General Counsel, and Jeffrey Ingles; Deputy Director of Compliance conducted a review of the 2019 Investment Policy. In particular, Mr. Wu is a former investment professional with many years of experience. In prior years IBank has engaged the services of the municipal advisor retained for its direct bond issues to review the Investment Policy. This year, Mr. Wu performed the annual review and determined no changes were needed. Therefore, IBank proposes no changes for the 2020 Investment Policy.

¹ Source: California Debt and Investment Advisory Commission California Public Fund Investment Primer.

RECOMMENDATION:

Staff recommends that the Board approve the 2020 Investment Policy, with no changes.

ATTACHMENT 1