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RESOLUTION 20xx-xxx

RESOLUTION AUTHORIZING THE REQUIRED ANNUAL ADOPTION OF BPC POLICY NO. 115, GUIDELINES FOR PRUDENT INVESTMENTS, INCLUDING RECENT LEGISLATIVE UPDATES PERTAINING TO PUBLIC FUNDS INVESTMENTS

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I (Port Act); and

WHEREAS, pursuant to Board of Port Commissioners (BPC) Resolution 75-15, adopted on January 21, 1975, BPC Policy No. 115, Guidelines for Prudent Investments, was adopted; and

WHEREAS, Section 18.0 of BPC Policy No. 115 requires that this policy be submitted annually to the BPC for adoption by resolution; and

WHEREAS, the California Debt and Investment Advisory Commission published a statutory update, effective January 1, 2017, reflecting changes in the law with respect to public funds investments, which were adopted by the Legislature and signed by the Governor; and

WHEREAS, this legislative change clarifies and amends rating requirements contained in Government Code Section 53601, specifically, wording in ratings requirements were updated to a rating agency “category” which is inclusive of modifies such as symbols or numbers; and

WHEREAS, the legislative update now includes the wording “equivalent or higher ratings” from Nationally Recognized Statistical Rating Organizations (NRSRO); and

WHEREAS, the specific sections of the Government Code pertain to four types of investment instruments: Commercial Paper, Medium Term Notes, Mortgage Passthrough Securities, and Supranationals; and

WHEREAS, the Port currently invests in two (Medium Term Notes and Supranational securities) of the four security instruments included in the legislative update; and

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WHEREAS, in order to apply this recent change to the District's Investment Policy, staff recommends that the Board adopt a resolution authorizing the required annual adoption of BPC Policy 115, Guidelines for Prudent Investments, including recent legislative updates pertaining to public funds investments.

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District, that BPC Policy No. 115, Guidelines for Prudent Investments, a copy of which is on file in the office of the District Clerk, is hereby readopted.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 20th day of June, 2017, by the following vote: