



Legislation Details (With Text)

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Title: RESOLUTION AUTHORIZING THE REQUIRED ANNUAL ADOPTION OF BPC NO. 115, GUIDELINES FOR PRUDENT INVESTMENTS, WITH NO CHANGES FROM PRIOR YEAR

Sponsors:

Indexes:

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Attachments: 1. 8. 2020-0196 Attachment A, 2. 8. 2020-0196 Attachment B, 3. 8. 2020-0196 Draft Resolution

Date	Ver.	Action By	Action	Result
6/23/2020	1	Board of Port Commissioners	adopted	

DATE: June 23, 2020

SUBJECT:

RESOLUTION AUTHORIZING THE REQUIRED ANNUAL ADOPTION OF BPC NO. 115, GUIDELINES FOR PRUDENT INVESTMENTS, WITH NO CHANGES FROM PRIOR YEAR

EXECUTIVE SUMMARY:

Board of Port Commissioners (BPC) Policy No. 115, Guidelines for Prudent Investments, requires that this policy, which contains the District's investment policy, be submitted annually to the Board of Port Commissioners for review and adoption by resolution. This policy is also updated for relevant legislative changes to California Government Code Section 53600 *et seq.* which details numerous requirements on how and where public funds may be invested. The California Debt and Investment Advisory Commission (CDIAC), a State-sponsored commission which provides information and policy research for public fund investments to local public agencies, published a statutory update dated January 1, 2020 reflecting changes in the law with respect to public funds investments. After research, analysis, and review of CDIAC's report on numerous legislative updates effective January 1, 2020, staff found that there were no approved changes to the local agency investment codes during the 2019 Legislative session that directly impact the District or require policy changes.

Therefore, staff recommends the required annual adoption of BPC Policy No. 115, Guidelines for Prudent Investments, with no changes to the policy.

RECOMMENDATION:

Adopt a resolution authorizing the required annual adoption of BPC Policy No. 115, Guidelines for Prudent Investments, with no changes from prior year

FISCAL IMPACT:

This agenda item has no fiscal impact.

COMPASS STRATEGIC GOALS:

This agenda item supports the Port's strategic goal for a financially sustainable Port that drives job creation and regional economic vitality.

DISCUSSION:

As part of best practices and sound financial management and in accordance with BPC Policy No. 115, Guidelines for Prudent Investments, the Board of Port Commissioners annually reviews and adopts this policy taking into consideration changes in State law and other relevant factors. The policy serves as a guide for setting the District's investment management functions and provides transparency and disclosure to its stakeholders. Staff contacted the California Debt and Investment Advisory Commission (CDIAC), a State-sponsored commission which provides information and policy research for public fund investments to local public agencies. After research, analysis, and review of CDIAC's report on legislative updates effective January 1, 2020, staff found that there were no approved changes to the local agency investment codes during the 2019 Legislative session that directly impact the District or require policy changes.

Based on the above, staff is recommending that the Board authorizes the annually required adoption of BPC Policy No. 115, Guidelines for Prudent Investments. For reference purposes, a list of the allowable investment instruments per State Government Code is included in Attachment 'A' and the District's current BPC Policy No. 115, Guidelines for Prudent Investments, is included in Attachment 'B.'

General Counsel's Comments:

The Office of the General Counsel has reviewed and approved this agenda and the proposed resolution, as presented, as to form and legality.

Environmental Review:

The Board direction or action, including without limitation, a resolution authorizing annual adoption of BPC No. 115, does not constitute a "project" under the definition set forth in California Environmental Quality Act (CEQA) Guidelines Section 15378 because it will not have a potential to result in a direct or indirect physical change in the environment and is, therefore, not subject to CEQA. No further action under CEQA is required.

In addition, the Board action complies with Sections 21 and 35 of the Port Act, which allow the Board to pass resolutions; and to do all acts necessary and convenient for the exercise of its powers. The

Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the Board action is consistent with the Public Trust Doctrine.

Finally, the Board direction or action does not allow for “development,” as defined in Section 30106 of the California Coastal Act, or “new development,” pursuant to Section 1.a. of the District’s Coastal Development Permit Regulations. Therefore, issuance of a Coastal Development Permit or exclusion is not required.

Equal Opportunity Program:

Not applicable.

PREPARED BY:

Robert DeAngelis
CFO/Treasurer

Attachment(s):

Attachment A: List of allowable investment instruments per State Government Code
Attachment B: BPC Policy No. 115, Guidelines for Prudent Investments