



**DATE:** December 7, 2021

**CATEGORY:** Consent

**DEPT.:** Investment Review Committee,  
Finance and Administrative Services

**TITLE:** **Annual Report of the Investment  
Review Committee for Fiscal Year  
2020-21**

### **RECOMMENDATION**

Accept the Annual Report of the Investment Review Committee for Fiscal Year 2020-21.

### **BACKGROUND**

This Council report transmits the Annual Report of the Investment Review Committee (IRC or Committee) (Attachment 1) as required by City Council Policy B-2, Investment Policy ([Policy](#)). The IRC is comprised of the members of the Council Finance Committee (CFC) and two public members appointed by the City Council with expertise in the area of fixed-income investments. The two appointed public members are Steven Permut, Vice President, Senior Portfolio Manager, and Director of Municipal Investments for American Century Investment Management, Inc.; and Douglas Radtke, Associate Director for Platform Accounting Group. The CFC is comprised of Councilmember Lisa Matchak (Chair of the IRC), Councilmember Sally Lieber, and Vice Mayor Lucas Ramirez. The CFC would like to welcome the newest Committee member, Douglas Radtke, and express continued appreciation to Committee member Permut for his advice, expertise, time, and assistance in fulfilling the responsibilities of the Committee for the past 16 years.

The Policy requires that the IRC meet annually to review the performance, Policy compliance, and management of the City's investment portfolio. This year's meeting was held on September 21, 2021 (Attachment 2). The Committee is also required to submit an Annual Report to the City Council containing the Committee's findings and any recommendations to amend the Policy.

Acceptance of this report by the City Council also constitutes voluntary compliance with California Government Code Section 53646(a)(2), which states that: "...the treasurer or chief fiscal officer of the local agency may annually render to the legislative body of that

local agency and any oversight committee of that local agency a statement of investment policy, which the legislative body of the local agency shall consider at a public meeting.”

### **ANALYSIS**

Staff and the City’s investment advisor Chandler Asset Management reviewed the City’s portfolio. The portfolio was in compliance with the Policy throughout the fiscal year. The total portfolio balance as of June 30, 2021 was \$841.1 million (cost value), compared to \$762.2 million the previous fiscal year.

At the September 21, 2021 meeting, the Committee discussed the overall performance of the portfolio. There were also questions and discussion regarding investment pools used by the City, these pools’ investment policies on Environmental, Social, and Governance (ESG) factors, and portfolio holdings. Staff provided the Committee with this information subsequent to the meeting.

No action is needed on the discussion above, and there are no recommended changes to the Policy. The Committee’s Annual Report is attached to this Council report (Attachment 1).

**FISCAL IMPACT** – None.

### **ALTERNATIVES**

1. Recommend change(s) to the Policy.
2. Provide other direction.

**PUBLIC NOTICING** – Agenda posting.

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Lisa Matichak, Chair  
Investment Review Committee

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201463

- Attachments:
1. Annual Report of the Investment Review Committee for Fiscal Year 2020-21
  2. Agenda and Reports from the Investment Review Committee Meeting, September 21, 2021