



Legislation Text

File #: 190942., **Version:** 2

2020 City of Gainesville Investment Policy Statement (B)

This item involves the City of Gainesville Investment Policy Statement (IPS)

Section 2-438 of the Code of Ordinances authorizes the Director of Finance and/or subordinates designated by the Director of Finance to invest and reinvest funds, execute trades and otherwise conduct business involving the investment of the funds of the City, in accordance with the City's approved investment policy. Pursuant to the Code of Ordinances, this Investment Policy Statement is being submitted for approval by the City Commission.

This Investment Policy Statement applies to the City's operating funds, outlines the investment process, identifies allowable and restricted investments, and specifies permissible investment asset allocation ranges, and identifies investment performance benchmarks. The IPS was developed in accordance with GFOA best practices guidelines and the prudent person rule, with the objective of seeking reasonable long term investment returns while preserving capital and maintaining liquidity. The IPS has been updated to include quarterly investment reporting, and annual IPS review and approval. The IPS was reviewed and approved by the City Audit & Finance Committee on February 5, 2020, and was recommended for submission to, and approval by, the City Commission.

Since its approval by the Audit & Finance Committee on February 5th, 2020, language that allows for investment in fuel futures and options contracts necessary to execute the City's Fuel Hedging Program has been added to this Investment Policy Statement under Section XII.

This Investment Policy Statement itself has no direct financial impact on the City, however the IPS does determine how City operating funds can be invested. Expected investment returns for the City's Operating Funds are included in the City's annual budgets.

Recommended Motion: The City Commission approve the 2020 Investment Policy Statement for the City of Gainesville Operating Funds.