



## Legislation Text

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**File #:** 210334., **Version:** 1

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### **2021 Investment Policy Statement for the City of Gainesville Retiree Health Insurance Trust Fund (B)**

This item involves the updated Investment Policy Statement for the City of Gainesville Retiree Health Insurance Trust Fund (IPS)

Section 2-648 of the Code of Ordinances authorizes the City of Gainesville Retiree Health Insurance Trust Fund to make investments of all kinds except as otherwise provided by statute or ordinance or policy direction of the board of trustees. The Gainesville Retiree Health Insurance Trust Fund Investment Policy Statement (IPS) was developed in collaboration with the Fund's investment consultant Morgan Stanley to provide specific guidelines for the investment of the Fund's assets. The IPS incorporates prudent institutional investment standards, with the objective of maximizing long term investment returns while maintaining an acceptable level of investment risk and preserving capital. The 2021 IPS has been updated to refine investment asset class allocation targets and ranges.

The City's General Employees' Pension Plan and Retiree Health Insurance Trust Fund Investment Committee approved the recommended 2021 Investment Policy Statement updates for the Retiree Health Insurance Trust Fund on August 10, 2021.

#### **Goal 5: "Best in Class" Neighbor Services**

The Investment Policy Statement has no direct financial impact on the City, however the IPS does determine how the Retiree Health Insurance Trust Fund is invested, and can impact the Fund's investment returns. The Fund's annual investment return rate assumption will remain 7.90%. Corresponding return annual estimates are included in the Retiree Health Insurance Trust Fund's annual budget.

The Board of Trustees for the Retiree Health Insurance Trust Fund approve the updated 2021 Investment Policy Statement for the City of Gainesville Retiree Health Insurance Trust Fund.