



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 6/9/2014)

Board Clerk Use Only

Meeting Date: 5/26/16
Agenda Item #: R.6
Est. Start Time: 10:55 am
Date Submitted: 5/18/16

Agenda Title: **Resolution Adopting the Multnomah County Investment Policy and Repealing Resolution 2015-065**

Note: Title should not be more than 2 lines but sufficient to describe the action requested. Title on APR must match title on Ordinance, Resolution, Order or Proclamation.

Requested

Meeting Date: May 26, 2016 **Time Needed:** 15 minutes

Department: County Management **Division:** Finance & Risk

Contact(s): Mark Campbell

Phone: (503)988-6229 **Ext.** 86229 **I/O Address:** 503/5/531

Presenter

Name(s) &

Title(s): Mark Campbell, Chief Financial Officer

General Information

1. What action are you requesting from the Board?

The Department of County Management recommends approving the Resolution adopting the Investment Policy for Multnomah County for Fiscal Year 2017 and repealing Resolution 2015-065.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

The Chief Financial Officer is responsible for maintaining and following the County's Investment Policy. As described in the policy, it is brought to the Board of County Commissioners for review and approval on an annual basis. County investments are governed by state statutes and the policy generally follows the state guidelines. Where the policy differs from statute it is generally in stating a preference for asset diversification and maturity limits.

Changes to the Investment Policy for Fiscal Year 2017 include:

1. The format and layout of investment policy was revised to more closely follow the recommended layout of the Oregon Short Term Fund Board.
2. Maximum maturity constraint was increased from a maximum of 3 years (with a weighted average maturity of 1.5 years) to a maximum of 5 years (with a weighted

average maturity of 1.5). The change is aimed at diversifying investments and increasing portfolio yields by taking advantage of rising interest rates.

3. Corporate credit ratings were clarified to include AA- (Standard & Poor's) or Aa3 (Moody's) rated paper, but bond must be rated at least AA-/Aa3 by two rating agencies. In the case of a split rating the lower of the two ratings will be used. This change is aimed at increasing the available investment options which helps further diversify and maximize portfolio yield.

This policy change was reviewed by the County's Investment Advisory Board on April 28th 2016.

3. Explain the fiscal impact (current year and ongoing).

N/A

4. Explain any legal and/or policy issues involved.

The County policy follows ORS 294 and 295 which relate to public finance.

5. Explain any citizen and/or other government participation that has or will take place.

The County's Investment Advisory Board (IAB) has reviewed the proposed policy changes and recommends the Board's approval of the revised Investment Policy.

Required Signature

**Elected
Official or
Department
Director:**

/s/ Mark Campbell

Date:

May 18, 2016

Note: Please submit electronically. Insert names of your approvers followed by /s/ - we no longer use actual signatures. Please insert date approved.