

**Investment Review Committee**  
**Thursday, August 6, 2020, 4:00 p.m. Via Video Conference**  
**Summary Notes**

1. **Call to Order:** Regular meeting was called to order at 4:05 p.m.
2. **Roll Call:** Present: John Short, Chair, Linda Cohen, Mark Kroenke, Richard Law  
Absent: Jim Hoagland
3. **Public Comments:** None
4. **Summary Notes:** May 11, 2020 Meeting - Information Only
5. **Action Items:**
  - A. Quarterly Investment Report - The 5-year U.S. Treasury yield was 0.29 percent at quarter-end while the Local Agency Investment Fund (LAIF) reported a 1.47 percent quarterly apportionment yield. Therefore, staff has continued to maintain a higher than normal balance (\$65.7 million) in LAIF. Staff expects the apportionment yield will decrease substantially throughout Fiscal Year 2020-21. With historic low rates anticipated for an extended time, staff is weighting investments towards the 5-year time horizon while still laddering maturities when possible. Staff has purchased nearly \$4 million in negotiable Certificates of Deposit insured by the Federal Deposit Insurance Company (FDIC). The report was approved (4-0).
6. **Discussion/Input:**
  - A. Investment Policy First Draft - Some of the changes to the Investment Policy approved by City Council in January 2019 were not included in the policy brought to City Council in January 2020. These omissions were due to a clerical error and are now included as red-line updates. No other changes are suggested for this year at this time. Senate Bill 998 (SB 998), sponsored by the California Municipal Treasurers Association, was introduced in February. If passed, local agencies will be allowed to invest in securities the federal government issues or backs (e.g. U.S. Treasuries, federal agency securities, and government-sponsored enterprise obligations) that could result in zero- or negative-interest accrual if held to maturity. This portion of SB 998 was included due to the concern that the U.S. may follow other countries with negative interest rates.
7. **Finance Updates:** Information Only
8. **Closing Committee Comments:** None
9. **Adjournment:** The meeting adjourned at 4:50 p.m. to a Regular Meeting on Thursday, November 5, 2020, at 4:00 p.m.