STATEMENT OF INVESTMENT POLICY

1.0 Policy

It is the policy of the Office of Community Investment and Infrastructure (OCII) to invest its funds in a manner which will preserve capital, meet daily cash flow demands and provide a market rate of return while conforming to all State statutes governing the investment of public funds and applicable covenants for funds related to the servicing of debt obligations.

2.0 Scope

This investment policy applies to all funds over which OCII has been granted fiduciary responsibility and direct control for their management.

3.0 Objective

The primary objectives, in priority order, of OCII’s investment activities shall be:

3.1 Safety: Safety of principal is the foremost objective of the investment program. Investments of the OCII shall be undertaken in a manner that seeks to ensure the preservation of capital. To attain this objective, OCII will diversify its investments.

3.2 Liquidity: The OCII investment portfolio will remain sufficiently liquid to enable OCII to meet cash flow needs which might be reasonably anticipated.

3.3 Return on Investments: The portfolio shall be designed with the objective of generating a market rate of return without undue compromise of the first two objectives.

4.0 Use of City and County of Treasurer’s Office

The Executive Director of OCII may enter into arrangements with the Treasurer’s Office of the City and County of San Francisco to manage and invest some or all of OCII funds, either as part of a general pool of funds managed by the Treasurer’s Office, or as separately managed accounts, provided that the Treasurer’s Office confirms that they will manage the funds in compliance with this policy. To the extent that OCII uses the Treasurer’s Office to manage and invest OCII funds, OCII authorizes the Treasurer’s Office to apply the City’s Investment Policy dated October 2013 (appended Exhibit 1 to this policy), or as subsequently amended, to those funds.

Adopted by Commission Resolution _____-2014, ________, 2014
5.0 Authorized & Suitable Investments
Investments will be made pursuant to the California Government Code (including Section 27000, 27130, 53600 et seq., and 53630 et seq.) and this investment policy to ensure sufficient liquidity to meet all anticipated disbursements.

6.0. Money Pledged to the Payment or Security of Bonds or Other Obligations
In accord with California Government Code Section 53601(m), moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

7.0 Policy Review
OCII staff shall review the investment policy annually with the Executive Director. The Executive Director shall recommend updates to this policy to the OCII Commission whenever staff review identifies that a material change in policy may be required due a change in statute or other circumstances.

8.0 Effective Date
This policy is effective immediately upon Commission approval and replaces all prior statements of investment policy.

Exhibit 1: City and County of San Francisco Office of the Treasurer and Tax Collector Investment Policy Effective October 2013