

RESOLUTION NO. 2025-43-3631
RESOLUTION NO. SA 2025-44-3632
RESOLUTION NO. HA 2025-03-147
RESOLUTION NO. RA 2025-05-044

A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRWINDALE,
SUCCESSOR AGENCY BOARD, HOUSING AUTHORITY BOARD,
AND RECLAMATION AUTHORITY BOARD REPEALING AND REPLACING
RESOLUTION NOS. 2024-35-3512, SA 2024-36-3513, HA 2024-05-143, and RA 2024-
03-042 IN THEIR ENTIRETY, AND ADOPTING A
CITY OF IRWINDALE INVESTMENT POLICY, AND DELEGATING AUTHORITY TO
THE CITY TREASURER TO INVEST THE SURPLUS FUNDS OF THE
CITY OF IRWINDALE, IRWINDALE SUCCESSOR AGENCY, IRWINDALE HOUSING
AUTHORITY, AND IRWINDALE RECLAMATION AUTHORITY

WHEREAS, Section 708 of the Charter of the City of Irwindale established the office of the City Treasurer and imposes duties upon the City Treasurer under state and local law, including the custody of all City funds; and

WHEREAS, Section 53646 of the State of California Government Code requires that the City Treasurer render annually to the City Council a statement of investment policy for consideration at a public meeting; and

WHEREAS, Government Code section 53646 also requires that any change in the investment policy shall also be reviewed and approved at a public meeting; and

WHEREAS, the City Treasurer, after review of the City of Irwindale Investment Policy ("Investment Policy"), is proposing appropriate and necessary changes to overall policy; and

WHEREAS, the Investment Policy was presented by the City Treasurer as a joint item to the City Council, and Boards of the Successor Agency, Housing Authority, and Reclamation Authority at the public meeting held on June 12, 2024; and

WHEREAS, Investment Policy Resolution Numbers 2024-35-3512, SA 2024-36-3513, HA 2024-05-143, and RA 2024-03-042 are proposed to be repealed and replaced in their entirety with an updated Investment Policy and corresponding Resolution Numbers 2025-43-3631, SA 2025-44-3632, HA 2025-03-147, and RA 2025-05-044; and

WHEREAS, pursuant to Government Code section 53607, the City Council of the City of Irwindale, Board of the Irwindale Housing Authority, Board of the Successor Agency, and Board of the Reclamation Authority may delegate the authority to invest or reinvest funds, or sell or exchange securities, to the City Treasurer for a one-year period. Subject to review, the delegation of authority may be renewed each year; and

WHEREAS, Resolution Numbers 2025-43-3631, SA 2025-44-3632, HA 2025-03-147, and RA 2025-05-044 would also renew the delegation of authority to invest or

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reinvest funds, or sell or exchange securities, to the City Treasurer for a one-year period; and

WHEREAS, the City Council of the City of Irwindale, Board of the Irwindale Housing Authority, Board of the Successor Agency, and Board of the Reclamation Authority desire to approve the City of Irwindale Investment Policy by adopting Resolution Numbers 2025-43-3631, SA 2025-44-3632, HA 2025-03-147, and RA 2025-05-044 respectively, and delegate investment authority to the City Treasurer.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF IRWINDALE, SUCCESSOR AGENCY BOARD, HOUSING AUTHORITY BOARD, AND RECLAMATION AUTHORITY BOARD DO HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct and are incorporated herein by this reference.

SECTION 2. The City Council of the City of Irwindale, Board of the Irwindale Housing Authority, Board of the Successor Agency, and Board of the Reclamation Authority have reviewed and hereby approve and adopt the Investment Policy attached as Exhibit "A" and made a part hereof.

SECTION 3. Resolution Numbers 2024-35-3512, SA 2024-36-3513, HA 2024-05-143, and RA 2024-03-042 are hereby repealed and replaced in their entirety by Resolution Numbers 2025-43-3631, SA 2025-44-3632, HA 2025-03-147, and RA 2025-05-044, respectively, and the City of Irwindale Investment Policy is hereby replaced in its entirety by the adopted Investment Policy attached as Exhibit "A."

SECTION 4. The City Council of the City of Irwindale, Board of the Irwindale Housing Authority, Board of the Successor Agency, and Board of the Reclamation Authority hereby delegate the authority to invest the surplus funds of the City of Irwindale, Irwindale Successor Agency, Irwindale Housing Authority, and Irwindale Reclamation Authority to the City Treasurer consistent with the attached Investment Policy.

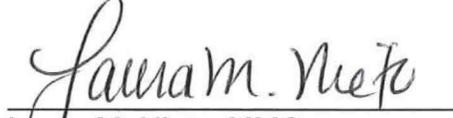
SECTION 5. If any section, subsection, sentence, clause or phrase of this Resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this Resolution. The City Council hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional due to the writs of mandate issued by the Court.

SECTION 6. The Chief Deputy City Clerk, Secretary to the Successor Agency, and Authority Assistant Secretaries shall certify to the passage and adoption of this resolution, and the same shall thereupon take effect and be in force.

PASSED, APPROVED, AND ADOPTED this 11th day of June 2025.


Larry G. Burrola, Mayor/Chair

ATTEST:



Laura M. Nieto, MMC
Chief Deputy City Clerk/Secretary

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } ss.
CITY OF IRWINDALE }

I, Laura M. Nieto, Chief Deputy City Clerk of the City of Irwindale, do hereby certify that the foregoing Resolution Nos. 2025-43-3631, SA 2025-44-3632, HA 2025-03-147, and RA 2025-05-044 were adopted jointly at a regular meeting of the City Council of the City of Irwindale held on June 11th, 2025, by the following vote:

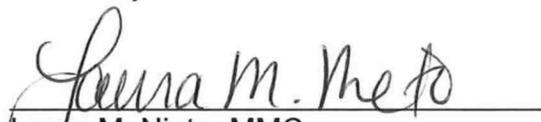
AYES: Councilmembers/Agency Members/Authority Members:

 Breceda, Garcia, Ortiz, Mayor/Chair Burrola

NOES: Councilmembers/Agency Members/Authority Members: None

ABSENT: Councilmembers/Agency Members/Authority Members: Ambriz

ABSTAIN: Councilmembers/Agency Members/Authority Members: None



Laura M. Nieto, MMC
Chief Deputy City Clerk/Secretary

EXHIBIT A



DRAFT
CITY OF IRWINDALE
INVESTMENT POLICY
JUNE 2025

POLICY

The investment of the funds of the City of Irwindale ("City") is directed toward the goals of safety, liquidity and yield. The State of California authority governing investments for municipal governments is set forth in the California Government Code, Sections 53601 through 53659.

The primary objective of the investment policy ("Policy") of the City is **SAFETY OF PRINCIPAL**. Investments shall be placed in securities as outlined in the authorized investments and maturity sections of this document. Effective cash flow management and resulting cash investment practices are recognized as essential to good fiscal management and control. The City monitors cash flow on a daily basis and reports results to City Council quarterly to help ensure that liquidity is never threatened. The City's portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and local law. Portfolio management requires continual analysis and as a result the balance between the various investments and maturities may change in order to give the City the optimum combination of necessary liquidity and yield based on cash flow projections.

SCOPE

The investment policy applies to all financial assets of the City as accounted for the Annual Comprehensive Financial Report (ACFR). Policy statements outlined in this document focus on the City's pooled funds but will also apply to all other funds under the City Treasurer's span of control unless specifically exempted by resolution. This includes funds of the City of Irwindale, as well as the Irwindale Successor Agency, Irwindale Housing Authority, and the Irwindale Reclamation Authority. Retirement, Pension and Deferred Compensation Funds are excluded from this Policy. Funds held by a fiscal agent or trustee and pledged to payment for, or security of bonds or other obligations of the City may be invested pursuant to the provisions governing the issuance of the bonds, debt or obligation of the City.

PRUDENCE

The standard to be used by investment officials shall be that of a "prudent investor" and shall be applied in the context of managing all aspects of the overall portfolio. The "prudent investor" standard is defined as: When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

The City Treasurer and other individuals assigned to manage the investment portfolio, acting within the intent and scope of the investment policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility and liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

OBJECTIVES

Safety

Safety of principal is the foremost objective of the City. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker-dealer default or erosion of market value. The City shall seek to preserve principal by mitigating the two types of risk, credit risk and market risk, defined below:

Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio.

Market risk, defined as market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by limiting the average maturity of the City's investment portfolio to three years, the maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis, thereby eliminating the need to sell securities prior to maturity and avoiding the purchase of long term securities for the sole purpose of short term speculation.

Liquidity

The City's investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). A portion of the portfolio may be placed in money market mutual funds or local government investment pools that offer same day liquidity for short-term funds. Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

Rate of Return

The City's investment portfolio shall be designed with the objective of attaining a market rate of return through budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio. Return on investment is of least importance compared to the safety and liquidity objectives described above.

SOCIAL RESPONSIBILITY

Investments in corporate securities and depository institutions (including purchases of investments authorized by this policy and relationships for depository, custodial, brokerage and other financial services per this policy or otherwise) shall be made in furtherance of socially responsible goals to the extent that such investments achieve substantially equivalent safety, liquidity and yield compared to other similar investments permitted by state law. Investments are to be made that will bear in mind the responsibility of city government to its citizens. Investments that support community well-being; promote equality of rights regardless of sex, race, age, disability or sexual orientation; promote community economic development; provide a positive impact on the environment, fair workplace practices, robust corporate governance, high product integrity, and positive community involvement will be considered.

INVESTMENT MATURITY

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than 5 years from the date of purchase. At no point in time, shall more than one third of the investment portfolio have a maturity date in excess of three years into the future.

Reserve funds may be invested in securities exceeding five years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds.

AUTHORIZED BANKS AND SECURITY DEALERS

In selecting financial institutions for the deposit or investment of City funds, the Treasurer shall consider the creditworthiness of institutions and utilize only those depositories that are qualified public depositories as established by state law. In addition, only broker-dealers that are authorized in the state of California will be utilized. The Treasurer shall continue to monitor financial institutions' credit characteristics and financial history throughout the period in which City funds are deposited or invested.

All broker-dealers who desire to become qualified bidders for investment transactions must supply the Treasurer with the following items: audited financial statements; National Association of Securities Dealers (NASD) certification; proof of state registration; and certification of awareness of, and familiarity with Irwindale's investment policy. A competitive bid process will be used when practical to select broker-dealers.

AUTHORIZED INVESTMENTS

Purchase of investments will be made with surplus funds available. Investments will be paid for, in full, as soon as practical after the time of trade. Purchases will not be made using leverage, margin accounts, reverse repurchase agreement, or other unfunded mechanisms. No investments shall conflict with Government Code section 53601.

Eligible vehicles for the investment of funds shall be limited to:

- a) The State of California Local Agency Investment Fund (LAIF).
- b) Bonds issued by the City of Irwindale, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the City or by a department board, agency, or authority of the City.
- c) Bonds, notes, and similar securities issued by the United States Treasury. There will be no options or like instruments purchased.
- d) Bonds, notes and similar securities issued by United States government agencies.
- e) Registered state warrants or treasury notes or bonds issued by the State of California.

- f) Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California, including pooled investment accounts sponsored by the State of California, County Treasurers, other local agencies or Joint Powers Agencies.
- g) Medium-term notes (maximum maturity of 5 years or less) of corporations organized and operating within the United States rated "A" or better by nationally recognized rating agency. Purchases may not exceed 30% of the portfolio.
- h) Negotiable certificates of deposit which are fully insured by the Federal Deposit of Insurance Corporation (FDIC).
- i) Collateralized bank deposits with a perfected security interest in accordance with the Uniform Commercial Code (UCC) or applicable federal security regulations.
- j) Repurchase/Reverse Repurchase Agreements of any securities authorized by this Section. Investment in Repurchase Agreements may not exceed a term of one year and the market value of the securities that underlay a Repurchase Agreement shall be no less than 102% of the funds borrowed against those securities because Repurchase Agreement limitations are set forth in California Government Code 53601(j).
- k) Other investment instruments whose principal is guaranteed by the US government through programs such as the Temporary Liquidity Guarantee Program. Thus, corporate bonds are allowable investments if they are insured by the federal government or FDIC (TLGP).
- l) Loans between the City of Irwindale funds and other City Agency funds, which include the Housing Authority, Successor Agency, and the Reclamation Authority. Any loans made shall be approved by resolution which shall describe the purpose of the inter-agency fund loan and include a Promissory Note that stipulates all terms of the loan. The Interest for any inter-agency fund loan shall be in line with the customary interest rate of investments for similar terms as exhibited in the latest City Treasurer's Quarterly Report of Investments.
- m) Commercial Paper: Short-term instruments with a maximum maturity of 270 days or less, an "A1/P1" (prime) rating or better, with fixed coupons, fixed maturity and no call provisions and meeting all of the additional conditions in either paragraph (A) or (B) below.

(A) The issuer is a general corporation organized and operating within the United States, has total assets in excess of five hundred million dollars, and has debt other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or higher by a nationally recognized rating agency.

(B) The issuer is organized within the United States as a special purpose corporation, trust, or limited liability company; has program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond, and has commercial paper that is rated "A1/P1" (prime) or better by a nationally recognized rating agency.

Purchases may not exceed 25% of the portfolio and no more than 10% of any single issuer.

- n) Money Market Funds registered under the Investment Company Act of 1940 which (1) are "no-load" (meaning no commission or fee shall be charged on purchases or sales of shares); (2) have a constant daily net asset value per share of \$1.00; (3) invest only in the securities and obligations authorized in this investment policy and (4) have a rating of at least two of the following: AAAM by S&P Global Ratings, Aaa by Moody's or AAA/V1+ by Fitch. The aggregate investment in money market funds shall not exceed 20% of the City's total portfolio.
- o) Supranational Organizations Securities, Limited to United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by: International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB). The stated final maturity of such security shall not exceed five (5) years from the date of purchase. Rated in the rating category of "AA" or better by a nationally recognized rating agency. Purchases may not exceed 30% of the portfolio.

INVESTMENTS HELD SEPARATELY

Investments of bond proceeds will be held separately when required by the bond indentures or when necessary to meet arbitrage regulations. If allowed by the bond indentures, or if the arbitrage regulations do not apply, investments of bond proceeds will be held as part of the pooled investments. The City's Policy does not apply to funds held in trust in the City's name in pension and other-post-retirement benefit programs.

DERIVATIVE INVESTMENTS

Derivatives are investments whose value is "derived" from a benchmark or index.

That benchmark can be almost any financial measure from interest rates to commodity and stock prices. The City's investment policy shall be in compliance with the California State Government Code, which, effective January 1996, prohibits the purchase of inverse floaters, range notes, interest only strips or securities that could result in zero interest accrual at any point in the life of the security.

Future purchases of securities classified as derivative securities must be issued by an agency or entity authorized by this investment policy and must receive prior approval from the Governing Body.

COLLATERAL REQUIREMENTS

Collateral is required for investments in certificates of deposits, repurchase agreements and reverse repurchase agreements. In order to reduce market risk, the collateral level will be at least 102% of market value principal and accrued interest.

The only securities acceptable as collateral shall be direct obligations of, or fully guaranteed as to principal and interest by, the United States or any agency of the United States.

SAFEKEEPING OF SECURITIES

To protect against fraud or embezzlement, or losses caused by collapse of an individual securities dealer, all securities owned by the City shall be held in safekeeping by a third-party bank trust department, acting as agent for the City under the terms of a custody agreement or Public Securities Association agreement (repurchase agreement collateral). All trades executed by a dealer will settle delivery vs. payment (DVP) through the City's safekeeping agent.

Securities held in custody for the City shall be independently audited on an annual basis to verify investment holdings.

All exceptions to this safekeeping policy must be approved by the City Treasurer in written form and included in monthly reporting to City Council.

PERFORMANCE EVALUATION

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The City's investment strategy is passive. Passive investment portfolio management generally indicates that the Treasurer will purchase an instrument and hold it through to call or maturity, and then reinvest the monies. Although the City's investment strategy is passive, this will not restrict the Treasurer from evaluating when swaps are appropriate or if the sale of an instrument is prudent prior to final maturity. Given this strategy, the basis used by the Treasurer to determine whether market yields are being achieved shall be the Local Agency Investment Funds (LAIF).

DELEGATION OF AUTHORITY

The Charter of the City assigns the custody of all City funds to the City Treasurer. Pursuant to the Government Code, the City Council may delegate to the Treasurer for a one-year period the authority to invest or to reinvest all funds of the City. So long as the City Council's annual delegation of investment authority pursuant to California Government Code Section 53607 to the City Treasurer is effective, no person may engage in investment transactions unless directed by the City Treasurer, or in the absence of such effective delegation, unless directed by the City Council. In the execution of this delegated authority, the City Treasurer may establish accounts with well qualified, financially sound financial institutions and/or brokers/dealers for the purpose of completing investment transactions in accordance with this policy. The City Treasurer shall establish procedures for the operation consistent with this investment policy.

ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program or impairs their ability to make impartial investment decisions. Additionally, the City Treasurer is required to annually file applicable financial disclosures as required by the Fair Political Practices Commission.

INTERNAL CONTROL

The Treasurer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with the City's Investment Policy and for establishing internal controls that are designed to prevent losses due to fraud, negligence, and third-party misrepresentation. Accordingly, the City Treasurer shall establish procedures for the operation of the City's investment program that are consistent with the provisions of this Investment Policy.

Internal controls deemed most important shall include (but not limited to):

avoidance of collusion; separation of duties and administrative controls; separating transaction authority from accounting and record keeping; custodial safekeeping; clear delegation of authority; management approval and review of investment transactions; specific limitations regarding securities losses and remedial action; written confirmation of telephone transactions; documentation of investment transactions and strategies; and monitoring of results.

REPORTING

The City Treasurer shall provide the City Council/Boardmembers quarterly investment reports which provide a clear picture of the status of the current investment portfolio. The treasurer's report shall include the type of investments, the issuers, maturity dates, par values, and the current market values of each component of the portfolio, including funds managed for the City by third party safekeeping custodians. The report will also include the source of the portfolio valuation. The report must also include a certification that the City will meet its expenditure obligations for the next six months as required by California Government Code Section 53646(b)(3). The City Treasurer shall maintain a complete and timely record of all investment transactions.

LEGISLATIVE CHANGES

Any State of California legislative action, that further restricts allowable maturities, investment type or percentage allocations, will be incorporated into the City's Investment Policy and supersede any and all previous applicable language.

POLICY REVIEW

The Statement of Investment Policy shall be updated annually in the month of June by the City Treasurer and submitted to the City Council for review and adoption.