



AGENDA REPORT


TO: Jestin D. Johnson
City Administrator

FROM: Jan Mazyck
Interim Director of Finance

SUBJECT: City of Oakland Investment Policy For
FY 2025-26

DATE: September 2, 2025

City Administrator Approval


Jestin Johnson (Sep 24, 2025 13:10:02 PDT)

Date: 09/24/2025

RECOMMENDATION

Staff Recommends That The City Council Adopt The Following Pieces Of Legislation:

1) A Resolution Adopting The City Of Oakland Investment Policy For Fiscal Year (FY) 2025-2026; And

2) A Resolution Pursuant To Government Code Section 53607 Delegating Investment Authority Of The Oakland Redevelopment Successor Agency To The Agency Treasurer For FY 2025-2026.

EXECUTIVE SUMMARY

As a continuing best practice and sound financial management, the Treasury Bureau continues to submit its annual investment policy to the City's legislative body (the "City Council"). The California Debt and Investment Advisory Commission ("CDIAC") annually revises its Local Agency Investment Guidelines to include statutory changes that affect local government investments.

The proposed City of Oakland Investment Policy for FY 2025-26 (***Attachment A***) incorporates minor legislative changes, minor edits, and changes in dates to reflect the current fiscal year. All changes to the proposed City of Oakland Investment Policy for FY2025-26 are reflected in the redline in ***Attachment A***.

BACKGROUND / LEGISLATIVE HISTORY

The Finance Director/City Treasurer ("Treasurer") is responsible for sound financial management practices when managing the City's investment portfolios.

The proposed policy describes the primary goals of the Treasurer when investing funds as follows:

- Preservation of capital - to safeguard the funds under the Treasurer's control;
- Liquidity - to meet short term cash needs;
- Diversity - to reduce the portfolio risks; and

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September 30, 2025

- Yield - to maximize the portfolio's overall return.

The proposed policy adequately balances the needs of safety, liquidity, diversity, and yield.

In accordance with best financial practices and sound financial management, the City's investment policy for fiscal year 2024-2025 was introduced as part of the City's Consolidated Fiscal Policy Revision 2024, which was presented to the Finance Committee on May 14th, 2024. However, the item has been rescheduled to be adopted by the City Council at a later date.

ANALYSIS AND POLICY ALTERNATIVES

The statutory changes below amend the Government Codes pertaining to local government investment guidelines, which are incorporated in the proposed City of Oakland Investment Policy for FY 2025-26.

Chapter 239, Statutes of 2024 (AB 618), which was signed and approved by the governor on September 14th, 2024; this local Government Omnibus Act amended Government Code sections related to the investment of surplus funds. This bill amended Government Code Section 53601.8 to extend the date of the current portfolio concentration limit of 50% for surplus funds that local agencies invest in depository institutions that use a private sector entity to assist in the placement of deposits until January 1, 2031. On January 1, 2031, the provisions of this bill would return this portfolio limitation of cities, districts, and agencies back to 30% of the agency's surplus funds.

The proposed City of Oakland Investment Policy for FY25-26 (**Attachment A**) also incorporates minor formatting edits and changes in dates to reflect the upcoming fiscal year

The proposed investment policy will establish sound financial management practices when managing the City's investment portfolios for safety, liquidity, and yield. This investment policy will support Citywide priority for **responsive and trustworthy government**.

FISCAL IMPACT

There is no fiscal impact associated with this report.

PUBLIC OUTREACH / INTEREST

This item did not require any additional public outreach other than the required posting on the City's website.

COORDINATION

This report has been prepared by the Finance Department.

SUSTAINABLE OPPORTUNITIES

Economic: This report ensures sound financial management policies and practices.

Environmental: The City's policy is to invest, when possible, in companies that promote the use and production of renewable and "green" energy resources.

Race and Equity: There are no race & equity opportunities associated with this report.

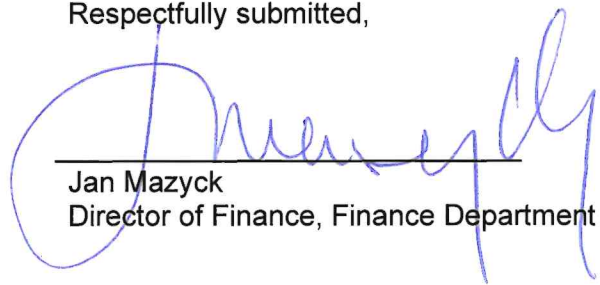
ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt The Following Pieces Of Legislation:

- 1) A Resolution Adopting The City Of Oakland Investment Policy For Fiscal Year (FY) 2025-2026; And,
- 2) A Resolution Pursuant To Government Code Section 53607 Delegating Investment Authority Of The Oakland Redevelopment Successor Agency To The Agency Treasurer For FY 2025-2026.

For questions regarding this report, please contact David Jones, Treasury Administrator, at (510) 238 6508.

Respectfully submitted,



Jan Mazyck
Director of Finance, Finance Department

Reviewed by:
David Jones, Treasury Administrator

Max Kumar, Investment & Operations Manager
Treasury Bureau

Prepared by:
Vivian Woo, Treasury Analyst III
Treasury Bureau

Attachments (1):

A: *City of Oakland and Oakland Redevelopment Successor Agency Investment Policy for Fiscal Year 2025-2026*