



AGENDA REPORT


TO: Jestin D. Johnson
City Administrator

FROM: Bradley Johnson
Director of Finance

SUBJECT: City of Oakland Investment Policy For
FY 2026-27

DATE: April 27th, 2026

City Administrator Approval


Jestin Johnson (May 14, 2026 15:59:38 PDT)

Date: May 14, 2026

RECOMMENDATION

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

- 1) Resolution Adopting The City Of Oakland Investment Policy For Fiscal Year (FY) 2026-2027; And**
- 2) Resolution Pursuant To Government Code Section 53607 Delegating Investment Authority Of The Oakland Redevelopment Successor Agency To The Agency Treasurer For FY 2026-2027.**

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 2026-27 (**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 FY2026-27 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
- Yield - to maximize the portfolio's overall return.

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

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 2026-27

Chapter 323, Statutes of 2025 (SB 595), which was signed and approved by the governor on October 3rd, 2025, amends Government Code (Gov. Code) section 53601(h) to address the investment of local agency surplus funds. The bill extends the authority for local agencies that have \$100,000,000 or more of investment assets under management, to invest no more than 40% of their money in eligible commercial paper until January 1, 2031.

SB 595 also amends Gov. Code section 53601.6 to extend a local agency's authority to invest in securities issued by, or backed by, the United States government that could result in zero-interest accrual if held to maturity, to January 1, 2031.

SB 595 also makes the change, concurrent and conforming with the amendments to Gov. Code 53601(h) made by SB 858, to permanently increase the maximum allowable maturity for prime quality commercial paper from 270 days to up to 397 days, up to and after the January 1, 2031, sunset date established under SB 595.

The proposed City of Oakland Investment Policy for FY26-27 (**Attachment A**) also incorporates minor formatting edits, clarification regarding investment 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**.

RELATED PLANNING EFFORTS

This agenda item is a routine item and does not relate to any Oakland strategic planning efforts.

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.

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) Resolution Adopting The City Of Oakland Investment Policy For Fiscal Year (FY) 2026-2027;
And,
- 2) Resolution Pursuant To Government Code Section 53607 Delegating Investment Authority Of
The Oakland Redevelopment Successor Agency To The Agency Treasurer For FY 2026-2027.

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

Respectfully submitted,


Bradley Johnson (May 14, 2026 09:30:21 PDT)

BRADLEY JOHNSON
Director of Finance, Finance Department

Reviewed by:
David Jones, Treasury Administrator
Treasury Bureau

Max Kumar, Investment & Operations Manager
Treasury Bureau

Prepared by:
Jason Lu, Treasury Analyst III
Treasury Bureau

Attachments (1):

A: *City of Oakland and Oakland Redevelopment Successor Agency Investment Policy
for Fiscal Year 2026-27*