



Agenda Item Details

Meeting	Oct 11, 2023 - City Commission Meeting
Category	7. APPEARANCE BY CITY COMMISSION APPOINTED BOARDS AND COMMITTEES, AND OTHER GOVERNMENTS
Subject	7.02 Approval of Revisions to Commission Policy 234, Non-Pension Investment Policy --- James O. Cooke, IV, City Treasurer-Clerk
Access	Public
Type	Action
Fiscal Impact	No
Recommended Action	Option 1. Approve the recommended changes to Commission Policy 234, Non-Pension Investment Policy

Public Content

For more information, please contact: Jason Buchholz, Deputy Treasurer-Clerk at (850) 891-8082

Statement of Issue

The City's Non-Pension Investment Policy (CP 234) provides guidance to the City Treasurer-Clerk on investing the City's operating funds. The Florida Legislature added section 112.662 to the Florida Statutes that provides directives on investment decisions and proxy voting by Florida municipalities.

The proposed changes to Non-Pension Investment Policy (CP 234) add requirements outlined by the new legislation.

Supplemental Material/Issue Analysis

History/Facts & Issues

The City's Non-Pension Investment Policy (CP 234) provides guidance to the City Treasurer-Clerk on investing the City's operating funds. During the 2023 legislative session, the Florida Legislature added section 112.662 to the Florida Statutes that provides directives on investment decisions and proxy voting by Florida municipalities. Investment decisions must be driven solely by pecuniary factors and investment return may not be sacrificed to promote non-pecuniary factors.

The term "pecuniary factor" is defined as those factors that a fiduciary prudently determines are expected to have a material effect on the risk or returns of an investment based on appropriate investment horizons consistent with applicable investment objectives and funding policy. Pecuniary factors do not provide for the consideration or furtherance of any social, political, or ideological interests. The legislation includes requirements for the voting of proxies, being certified as a state recognized qualified public depository (QPDs), issuing government bonds, etc. Additionally, biannual state reporting requirements will be required beginning at the end of 2023. The format for this reporting has not been finalized, but the purpose is to self-report compliance with the new statutory provision.

The recommended revisions to Non-Pension Investment Policy (CP 234) are intended to ensure that the City complies with Florida law. Compliance will not require changes to existing practice for internal asset management or existing contracts with money managers engaged to invest plan assets. The revisions were approved by the Investment Advisory Committee at their meeting on August 31, 2023.

Options

1. Approve the recommended changes to Commission Policy 234, Non-Pension Investment Policy
2. Provide staff with alternative direction.

Attachments/References

1. Proposed Non-Pension Investment Policy 234 - blacklined
2. Proposed Non-Pension Investment Policy 234 - clean

[Non-Pension Investment Policy blacklined.pdf \(326 KB\)](#)

[Non-Pension Investment Policy clean.pdf \(271 KB\)](#)