



Statement Of Investment Policy and Authority to Invest

Finance and Insurance

Item 8-4

June 10, 2013

Investment Policy and Authority to Invest

- Section 5114 of the Metropolitan Water District Administrative Code requires the Treasurer to render a Statement of Investment Policy for the following fiscal year for approval by the Board.
- Section 53607 of the California Government Code, the authority to invest public funds is expressly granted to the Board of Directors and may be delegated to the Treasurer for a one year period.

Statement Of Investment Policy

- Primary objectives - Safety, Liquidity, and then Return.
- Establishes the following:
 - Eligible securities
 - Credit ratings for each security type
 - Percentage limitations by type and issuer
 - Management of Short and Long-Term portfolios on a total return basis measured against Board approved indices
 - Short-Term portfolio - B of A Merrill Lynch 3 Month Treasury Bill Index
 - Long-Term portfolio - B of A Merrill Lynch Corporate and Government, 1 – 5 Years, A rated or better index

Investment Policy and Authority to Invest

- No changes are recommended to the Statement of Investment Policy.

Investment Policy and Authority to Invest

- Staff Recommendation Option #1:
 - Adopt the CEQA determination and
 - Approve staff's recommendation to adopt the Statement of Investment Policy as modified and
 - Delegate the authority to invest to the Treasurer.

End of Presentation