

# CITY OF TALLAHASSEE

## SINKING FUND COMMISSION

<b>ACTION REQUESTED ON:</b>	September 29, 2010
<b>SUBJECT/TITLE:</b>	<b>Approval of Revised Non-Pension Investment policy CP 234</b>
<b>TARGET ISSUE:</b>	N/A

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### STATEMENT OF ISSUE

The City's Non-Pension Investment Policy provides guidance for the investment of the City bonds not associated with the pension plan. The policy was last updated on May 27, 2009. Changes to the policy require Sinking fund Commission approval. The Sinking Fund Commission is composed of the City Commission, plus three (3) City residents as approved by the City Commission. These three (3) members also serve concurrently on the City's Investment Advisory Committee (IAC). Currently, the IAC consists of two (2) members because of an unfilled vacancy.

The Treasurer-Clerk is requesting that the Sinking Fund Commission approve modifications to the City's Non-Pension Investment Policy that were recommended in the City Auditor Report #1020 "Audit of Non-Pension Investments".

### RECOMMENDED ACTION

Approve the revised Non-Pension Investment Policy CP 234, a copy of which is attached.

### FISCAL IMPACT

None.

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James O. Cooke, IV  
Deputy Treasurer-Clerk

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Gary Herndon  
City Treasurer-Clerk

For information, please contact: Jim Cooke, extension 8146

**ITEM TITLE: SINKING FUND COMMISSION MEETING – APPROVAL OF NON-PENSION INVESTMENT POLICY**

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**SUPPLEMENTAL MATERIAL/ISSUE ANALYSIS**

**HISTORY/FACTS & ISSUES**

Section 65 of the City of Tallahassee Code of Ordinances created the Sinking Fund Commission. The Sinking Fund Commission is composed of the City Commission, plus three (3) City residents as approved by the City Commission. The original purpose of the Sinking Fund Commission was to invest bond sinking funds to the best advantage of the City. The City's Non-Pension Investment Policy expanded the role of the Sinking Fund Commission to include oversight responsibility for investing the assets of the City's pension plan. Section 51 of the City Charter places specific responsibility for administering all the investment programs of the City with the Treasurer-Clerk. The City's Non-Pension Investment Policy further provides that the Treasurer-Clerk is responsible for administering the investment programs of the City. The three (3) citizen members of the Sinking Fund Commission comprise the Investment Advisory Committee (IAC), whose responsibilities include meeting with the Treasurer-Clerk for quarterly review of plan performance, making recommendations to the full Sinking Fund Commission related to investment of Plan assets, as deemed necessary, and notifying the Treasurer-Clerk of anything that comes to their attention that may negatively impact the Plan investments or investment managers.

In developing the recommended change, staff also considered recommendations made by the City Auditor in his audit of non-pension investments (City Auditor Report #1020, dated June 21, 2010). A number of these findings have previously been addressed in practice; however, adoption of the recommended policy revision will ensure that all policy-related findings have been addressed.

**CHARITABLE CONTRIBUTIONS**

N.A

**OPTIONS**

1. Approve the revised Non-Pension Investment Policy CP 234, a copy of which is attached.
2. Do not approve the revised Non-Pension Investment Policy CP 234, and provide further direction to staff.

**ATTACHMENTS/REFERENCES**

City of Tallahassee Non-Pension Investment Policy CP 234.