AUBURN AREA RECREATION AND PARK DISTRICT MEETING OF THE PROGRAM, PERSONNEL, POLICY, FEE & LEGAL REVIEW COMMITTEE AGENDA

WEDNESDAY, DECEMBER 11, 2024, 12:30 PM

CANYON VIEW COMMUNITY CENTER, BOARD ROOM
AUBURN, CA

Materials related to an item on this Agenda submitted to the District after distribution of the agenda packet are available for public inspection by contacting the District Administrator at kmuscott@auburnrec.com or by calling (530) 537-2186 (M-F).

The public may participate in the meeting in-person or through Zoom. The link for this meeting is https://us06web.zoom.us/j/89407645038. The public can use this link and/or call 1 669 900 6833 Webinar ID: 894 0764 5038 participate.

People using the Zoom website will be able to see and hear the Committee, and the Committee will be able to hear the public. The Committee will not receive any visual/video from the public. This is done to avoid inappropriate visual content at the meeting.

Questions and comments can be sent via email to the District Administrator no later than one hour before the meeting. These emails will be read aloud at the meeting and responded to accordingly. Emails can be sent during the meeting, and staff will work to ensure that all are read, however the best way to have your comment heard is through the Zoom meeting or the associated phone number.

If you are a person with a disability and need an accommodation to participate in the District's programs, services, activities, and meetings, contact Kahl Muscott at (530) 537-2186 or kmuscott@auburnrec.com at least 48 hours in advance to request an auxiliary aid or accommodation.

1.0 CALL TO ORDER

Ingle _____ Holbrook _____

2.0 ANNOUNCEMENTS, AGENDA REVIEW, CHANGES AND APPROVAL

3.0 PUBLIC COMMENT – This is the time wherein any person may comment on any item not on the agenda within the subject matter jurisdiction of the Committee Chairperson, please state your name and address for the record (optional). There is a time limitation of three minutes.

4.0 BUSINESS

4.1 Approval of Minutes from the November 13, 2024 Program, Personnel, Policy, Fee & Legal Review Committee Meeting (Pages 3-4)

Recommendation: Review and approve minutes.

4.2 Approval of Legal Bills

None.

4.3 Annual Investment Policy and Authority for Investment Policy (Pages 5-8)

Shall the Auburn Area Recreation and Park District assign authority to the Administrative Services Manager (Treasurer) for a one-year period to assume full responsibility to invest or to reinvest funds of the District, or to sell or exchange securities so purchased? Shall the Board of Directors change any part of the Investment Policy?

Discussion items:

None

5.0 ITEMS TO BE CONSIDERED AT FUTURE PROGRAM, PERSONNEL, POLICY & FEE COMMITTEE MEETINGS

None.

6.0 PENDING ITEMS REQUIRING MORE DETAILED RESEARCH

None.

ADJOURNMENT

AUBURN AREA RECREATION AND PARK DISTRICT
This agenda is hereby certified to have been posted as follows:

Nov. 6, 2024	11:30 Am	Cathy Watford
Date	Time	Secretary to the Board

Auburn Area Recreation and Park District
Minutes of the Program, Personnel, Policy, Fee & Legal
Review Committee Meeting
Wednesday, November 13, 2024 at 12:30 PM
Canyon View Community Center
471 Maidu Drive
Auburn, CA 95603

1.0 CALL TO ORDER

The meeting of the Program, Personnel, Policy, Fee & Legal Review Committee was called to order at 12:32 PM.

ROLL CALL

Chairman Holbrook and Vice-Chair Ingle were present.

2.0 ANNOUNCEMENTS, AGENDA REVIEW, CHANGES AND APPROVAL

The agenda was approved by the Committee as written.

3.0 PUBLIC COMMENT- This is the time wherein any person may comment on Any item not on the agenda within the subject matter jurisdiction of the Committee. After you are recognized by the Committee Chairperson, please state your name and address for the record (optional). There is a time limit of three minutes.

None.

4.0 BUSINESS

4.1 Approval of Minutes from the September, 2024 Program, Personnel, Policy, Fee & Legal Review Committee Meeting

The Committee reviewed and approved the minutes from September 18, 2024, Program, Personnel, Policy, Fee & Legal Review Committee.

4.2 Approval of Legal Bills

There were no Legal Bills.

4.3 Adding a Working out of Class Policy

The Committee reviewed Adding a Working out of Class Policy and recommended some of the language be updated. The Committee is sending this item to the Board for review and approval.

Discussion items:

None.

5.0 ITEMS TO BE CONSIDERED AT FUTURE PROGRAM, PERSONNEL, POLICY, FEE & LEGAL REVIEW COMMITTEE MEETINGS

Chairman Holbrook would like to review our Investment Policy at the next Policy meeting.

6.0 ITEMS PENDING ITEMS REQUIRING MORE DETAILED RESEARCH

None.

ADJOURNED

As there was no further business, the meeting was adjourned at 1:08 PM.

Cathy Wayland
Board Secretary

Nov. 25, 2024
Date

4.3 Cover Sheet: Annual Investment Policy and Authority for Investment Policy

Auburn Area Recreation and Park District Program, Personnel, Policy, Fee & Legal Review Committee Meeting, December, 2024.

The Issue

Shall the Auburn Area Recreation and Park District assign authority to the Administrative Services Manager (Treasurer) for a one-year period to assume full responsibility to invest or to reinvest funds of the District, or to sell or exchange securities so purchased? Shall the Board of Directors change any part of the Investment Policy?

Background

In November, 2022, the Board of Director's approved an updated Investment Policy for the District. This policy requires the Board of Directors to review and approve the Investment Policy if any changes are made to the policy. It also requires assigning authority to someone to make the deposits and or draw from those funds when the District's need arise, per Board Direction or per District Policy. The Board of Directors assigned this authority to the Administrative Services Manager (Veona Galbraith) for a one-year period. For Auburn Area Recreation and Park District, the authority does not include choosing specific stock investments to be purchased or sold.

Government Code § 53646: *In the case of any other local agency, the treasurer or chief fiscal officer of the local agency may annually render to the legislative body of that local agency and any oversight committee of that local agency a statement of investment policy, which the legislative body of the local agency shall consider at a public meeting. Any change in the policy shall also be considered by the legislative body of the local agency at a public meeting.*

Government Code § 53607: *The authority of the legislative body to invest or to reinvest funds of a local agency, or to sell or exchange securities so purchased, may be delegated for a one-year period by the legislative body to the treasurer of the local agency, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires, and shall make a monthly report of those transactions to the legislative body. Subject to review, the legislative body may renew the delegation of authority pursuant to this section each year.*

Government Code § 53607 states authority to invest or to reinvest funds of a local agency, or to sell or exchange securities so purchased may be delegated for a one-year period to the Treasurer of the local agency. As ARD does not have a Treasurer, it is recommended that that authority be given to the Administrative Services Manager. Therefore, it seems prudent to include this as part of the District's Investment policy and require a one-year delegated authority.

The Board of Directors shall annually delegate, for a one-year period, the Administrative Services Manager of the District to assume the responsibility for the transactions that will be submitted for investment or withdraw, per Board Direction, Board Approved District Policies or Board Approved Budgets.

Recommendation

Staff recommends accepting the delegation of the Administrative Services Manager for the following one-year period.

Fiscal Impact

None

Attachments

Current District Investment Policy

Current District Investment Policy

I. Budget

I. Investment Policy.

A) The State Legislature has declared the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (Government Code (GC) § 53600.6 and § 53630.1);
B) Government Code Sections 53601 or 53635, et seq., allow the legislative body of a local agency to invest surplus monies not required for the immediate necessities of the local agency (GC § 53684); these fund transfers shall require the adoption of a resolution.
C) The treasurer or fiscal officer of a local agency shall annually prepare and submit a statement of investment policy and such policy. Any changes thereto, shall be considered by the local agency's legislative body at a public meeting (GC § 53646). A statement may also be annually presented to any oversight agency of the local agency;
D) For these reasons, and to ensure prudent and responsible management of the public's funds, it is the policy of the District to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of District funds as defined in GC §53600 et seq.

This investment policy applies to all financial assets of the District. These funds are accounted for in the annual audited financial statements of the District.

The Board and persons authorized to make investment decisions subject to these policies are fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a fiduciary shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived.

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from policy or expectations are reported in the next issued quarterly treasury report and appropriate actions are taken to control adverse developments. When a deviation poses a significant risk to the District's financial position, the fiscal officer shall notify the Board immediately.

The Board of Directors shall annually delegate, for a one-year period, the Administrative Services Manager of the District to assume the responsibility for the transactions that will be submitted for investment or withdraw, per Board Direction, Board Approved District Policies or Board Approved Budgets.

As specified in GC §53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, the primary objectives of the investment activities, in priority order, shall be:

A) Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the whole portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
B) The secondary objective shall be to meet the liquidity needs of the District.
C) The third objective shall be to achieve a return on the funds under the District's control.

The District will comply with the reporting requirements as defined in GC §53646 et seq. and GC §53607.