



CITY OF MENIFEE

SUBJECT: Annual Investment Policy Update for Fiscal Year 2025/2026

MEETING DATE: June 18, 2025

TO: Mayor and City Council

PREPARED BY: Ann-Marie Etienne, Finance Manager

REVIEWED BY: Travis Hickey, Chief Financial Officer

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Adopt a resolution approving the annual update to the City of Meniffee's Fiscal Year 2025/2026 Investment Policy.

DISCUSSION

In accordance with the current Investment Policy (Policy Number CC-11) ("Policy"), this policy shall be reviewed and adopted at least once a year within 120 days of the end of the fiscal year, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends. The policy was initially adopted in 2008 and has had subsequent updates since then with the last annual update approved by the City Council on June 5, 2024.

The Finance Committee reviewed the Fiscal Year 2025/2026 updated draft policy at its meeting held on May 13, 2025 and recommended approval by the City Council. The purpose of the investment policy is to identify various policies and procedures that will foster a prudent and systematic investment program designed to seek the City of Meniffee's objectives of safety, liquidity and return on investment through a diversified investment portfolio. This policy also serves to organize and formalize the City of Meniffee's investment-related activities, while complying with all applicable statutes governing the investment of public funds.

This policy is written to incorporate industry best practices and recommendations from sources such as the Government Finance Officers Association (GFOA), California Municipal Treasurers Association (CMTA), California Debt and Investment Advisory Commission (CDIAC) and the Association of Public Treasurers (APT).

On July 5, 2022, the CMTA Investment Policy Certification was granted to the City of Menifee. This Investment Policy Certification recognizes that CMTA has validated that the City of Menifee's Investment Policy adheres with the State of California Government Code and meets specific requirements deemed to be best practices for municipal agency investment policies. Per CMTA recommendation, The City will be eligible to re certify our Investment Policy in July 2025 or whenever a major update occurs.

Any recommended modifications or amendments shall be presented by staff to the governing body for their consideration and adoption. The draft fiscal year 2025/2026 investment policy revisions consist of:

- Updated Placement Service Deposits in alignment with [Assembly Bill \(AB\) 2618](#); this includes modernizing the language around Placement Service Deposits to reflect the latest market practices.
- Updated glossary to align to latest language
- Updated scope to align to CMTA best practice to exclude pensions.

Although minor changes have occurred with the state government code, we are recommending that we leave the City of Menifee's Policy maximums unchanged.

The overall goal of this policy is to ensure that the City's investments are managed with the degree of professionalism worthy of the public trust, with preservation and protection of the City's assets being the guiding philosophy.

STRATEGIC PLAN OBJECTIVE

Regular City Business

FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

ATTACHMENTS

1. Resolution – FY2025/2026 Investment Policy
2. Investment Policy - Redline