

# STAFF REPORT

## *City Council Consent Item*

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**DATE:** September 15, 2025

**TO:** Honorable Mayor and Council Members

**FROM:** Aaron Felmlee, Finance Director

**THROUGH:** Amy Nilsen, City Manager

**SUBJECT:** **Approve the Investment Policy for Fiscal Year 2025-26; *Resolution 2025-24***

### **STAFF RECOMMEDATION:**

Approve the Investment Policy for Fiscal Year 2025-26 by adopting *Resolution 2025-24*

### **EXECUTIVE SUMMARY:**

The purpose of the Investment Policy (Policy) is to establish cash management and investment guidelines for the City Treasurer, who is responsible for the administration of the City of Fortuna Investment Program. It is the policy of the City of Fortuna to meet the short and long-term cash flow demands of the City in a manner which will provide for the safety of principal and sufficient liquidity, while providing an investment return.

The City last revised the Investment Policy on September 16, 2024. As such, it is time for the annual review by the City Council of the Investment Policy. Staff are not recommending any changes to the investment policy for Fiscal Year 2025-26.

Attached is the June 30, 2025, investment report for Council review. Please note that the total funds listed in the investment report are pooled funds comprised of the many general funds, restricted funds, and enterprise funds held by the City and therefore a majority of the funds are restricted to specific projects and purposes.

### **RECOMMENDED COUNCIL ACTION:**

1. Receive staff report and review questions with staff
2. Open public comment
3. Close public comment
4. Motion to adopt *Resolution 2025-24* and read by title only. Roll call vote.

### **ATTACHMENTS**

- *Resolution 2025-24, A Resolution of the City Council of the City of Fortuna Approving the Investment Policy for the Fiscal Year 2025-26.*
- City of Fortuna Investment Policy
- June 30, 2025 Treasurer's Report

**RESOLUTION 2025-24**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FORTUNA  
APPROVING THE INVESTMENT POLICY FOR THE FISCAL YEAR 2025-26**

**WHEREAS**, sound investment practices are facilitated by the preparation of written governing policy statements, and;

**WHEREAS**, such policies should cover all substantive aspects of the investment of funds, and;

**WHEREAS**, the City Treasurer has prepared a comprehensive Investment Policy document pursuant to which the City will manage and conduct investment of the City's pooled funds, and;

**WHEREAS**, in furtherance of the prudent management of the City's treasury pools, the Investment Policy is in compliance with State law provisions establishing investment objectives and setting forth permissible investment of public funds not required for immediate expenditure, and;

**WHEREAS**, the Fortuna Municipal Code designates the City Finance Director as the City Treasurer, and;

**WHEREAS**, the delegation of investment authority and responsibility from the City Council to the City Treasurer will allow the City Treasurer and his staff to continue the prudent investment of the City's pooled funds and the effective and efficient support of the City's efforts to meet its cash flow needs.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Fortuna that the Council hereby

Section 1. Approves and adopts the Investment Policy submitted by the City Treasurer, attached hereto as Exhibit A.

Section 2. The City Council, pursuant to Government Code section 53607, delegates to the City Treasurer for a period of twelve (12) months the authority to invest the City's pooled funds in accordance with the Investment Policy.

Section 3. Exhibit A is part of this resolution.

**PASSED AND ADOPTED** on this 15<sup>th</sup> day of September 2025 by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

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Mike Johnson, Mayor

ATTEST:

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Siana L. Emmons, City Clerk