

RESOLUTION 2017-091

**RESOLUTION AUTHORIZING THE REQUIRED
ANNUAL ADOPTION OF BPC POLICY NO. 115,
GUIDELINES FOR PRUDENT INVESTMENTS,
INCLUDING RECENT LEGISLATIVE UPDATES
PERTAINING TO PUBLIC FUNDS INVESTMENTS**

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I (Port Act); and

WHEREAS, pursuant to Board of Port Commissioners (BPC) Resolution 75-15, adopted on January 21, 1975, BPC Policy No. 115, Guidelines for Prudent Investments, was adopted; and

WHEREAS, Section 18.0 of BPC Policy No. 115 requires that this policy be submitted annually to the BPC for adoption by resolution; and

WHEREAS, the California Debt and Investment Advisory Commission published a statutory update, effective January 1, 2017, reflecting changes in the law with respect to public funds investments, which were adopted by the Legislature and signed by the Governor; and

WHEREAS, this legislative change clarifies and amends rating requirements contained in Government Code Section 53601, specifically, wording in ratings requirements were updated to a rating agency "category" which is inclusive of modifies such as symbols or numbers; and

WHEREAS, the legislative update now includes the wording "equivalent or higher ratings" from Nationally Recognized Statistical Rating Organizations (NRSRO); and

WHEREAS, the specific sections of the Government Code pertain to four types of investment instruments: Commercial Paper, Medium Term Notes, Mortgage Passthrough Securities, and Supranationals; and

WHEREAS, the Port currently invests in two (Medium Term Notes and Supranational securities) of the four security instruments included in the legislative update; and

WHEREAS, in order to apply this recent change to the District's Investment Policy, staff recommends that the Board adopt a resolution authorizing the required annual adoption of BPC Policy 115, Guidelines for Prudent Investments, including recent legislative updates pertaining to public funds investments.

2017-091

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District, that BPC Policy No. 115, Guidelines for Prudent Investments, a copy of which is on file in the office of the District Clerk, is hereby readopted.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL



By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 20th day of June, 2017, by the following vote:

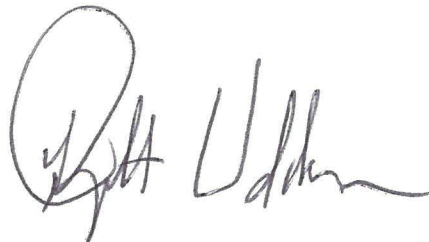
AYES: Bonelli, Castellanos, Malcolm, Merrifield, Moore, and Valderrama

NAYS: None.

EXCUSED: Zucchet

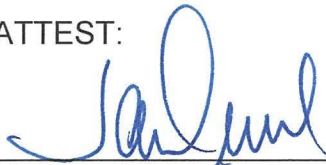
ABSENT: None.

ABSTAIN: None.



Robert Valderrama, Chair
Board of Port Commissioners

ATTEST:



Timothy A. Deuel
District Clerk

(Seal)