



City of Industry Property and Housing Management Authority

REGULAR MEETING AGENDA
AUGUST 9, 2023
10:30 a.m.

Chair Ken Calvo
Vice Chair Tim Seal
Board Member Phil Cook
Board Member Timothy O’Gorman

Location: City Council Chambers, 15651 Mayor Dave Way, City of Industry, California

Addressing the Authority:

- ▶ **Agenda Items:** Members of the public may address the Authority on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda. Anyone wishing to speak to the Authority is asked to complete a Speaker’s Card which can be found at the back of the room and at each podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called and prior to the individual being heard by the Authority.
- ▶ **Public Comments (Non-Agenda Items):** Anyone wishing to address the Authority on an item not on the Agenda may do so during the “Public Comments” period. In order to conduct a timely meeting, there will be a three-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the Authority from taking action on a specific item unless it appears on the posted Agenda. Anyone wishing to speak to the Authority is asked to complete a Speaker’s Card which can be found at the back of the room and at each podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called by the City Clerk and prior to the individual being heard by the Authority.

At the time of publication, no Board Members intend to take part in the meeting remotely under the provisions of AB 2449. Should that change between the time of publication and the start of the meeting, a live webcasting of the meeting will be accessible via the link, meeting ID, and meeting passcode listed below. Whenever possible, an announcement will be made at the start of the meeting via the live webcast to confirm whether or not a Board Member will join remotely. If they will not be joining remotely, then the live webcast will terminate after the announcement.

www.microsoft.com/microsoft-teams/join-a-meeting

Meeting ID: 232 117 345 728

Passcode: yCUJfe

[Download Teams](#) | [Join on the web](#)

Or call in (audio only)

+1 657-204-3264, United States

Phone Conference ID: 963 535 961#

Americans with Disabilities Act:

- ▶ In compliance with the ADA, if you need special assistance to participate in any City meeting (including assisted listening devices), please contact the City Clerk’s Office (626) 333-2211. Notification of at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.

Agendas and other writings:

- ▶ *In compliance with SB 343, staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 Mayor Dave Way, Suite 100, City of Industry, California, at the office of the City Clerk during regular business hours, Monday through Thursday 8:00 a.m. to 5:00 p.m., Friday 8:00 a.m. to 4:00 p.m. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211.*

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1. Call to Order
 2. Flag Salute
 3. AB 2449 Vote on Emergency Circumstances (if necessary)
 4. Roll Call
 5. Public Comments
 6. **CONSENT CALENDAR**

6.1 Consideration of the Register of Demands for August 9, 2023

RECOMMENDED ACTION: Approve the Register of Demands.

6.2 Consideration of the minutes of the June 13, 2023, Special Meeting and July 12, 2023 Regular Meeting

RECOMMENDED ACTION: Approve as submitted.

6.3 Consideration of the Statement of Investment Policy

RECOMMENDED ACTION: Approve the Investment Policy

7. **EXECUTIVE DIRECTOR REPORTS**

8. **AB 1234 REPORTS**

9. **BOARD MEMBER COMMUNICATIONS**

10. Adjournment. Next regular meeting: Wednesday, September 13, 2023, at 10:30 a.m.

*CITY OF INDUSTRY PROPERTY AND HOUSING
MANAGEMENT AUTHORITY*

ITEM NO. 6.1

INDUSTRY PROPERTY & HOUSING MANAGEMENT AUTHORITY

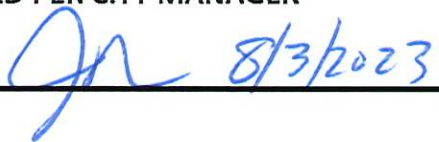
AUTHORIZATION FOR PAYMENT OF BILLS

Board Meeting August 9, 2023

<u>FUND</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
124	IPHMA - CAPITAL IMPROVEMENT	215.00
160	INDUSTRY PROPERTY & HOUSING	115,031.89
TOTAL ALL FUNDS		115,246.89

<u>BANK</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
IPHMA.WF.CHK	WELLS FARGO CHECKING	115,246.89
TOTAL ALL BANKS		115,246.89

APPROVED PER CITY MANAGER

 8/3/2023

INDUSTRY PROPERTY & HOUSING MANAGEMENT AUTHORITY

Board Meeting

August 9, 2023

Check	Date			Payee Name	Check Amount
IPHMA.WF.CHK - IPHMA Wells Fargo Checking					
200480	07/13/2023	INDUSTRY PUBLIC UTILITIES			\$2,235.39
	Invoice	Date	Description	Amount	
	2024-00000018	07/01/2023	04/17-06/16/23 SVC - BUNKHOUSE	\$181.72	
	2024-00000019	07/01/2023	04/17-06/16/23 SVC - HANDORF LOOP RD-IRRG BOOSTI	\$79.21	
	2024-00000020	07/01/2023	04/17-06/16/23 SVC - HANDORF LOOP RD-IRRIGATION	\$115.41	
	2024-00000021	07/01/2023	04/17-06/16/23 SVC - 14063 PROCTOR	\$139.45	
	2024-00000022	07/01/2023	04/17-06/16/23 SVC - 16200 TEMPLE CONDOS A & B	\$338.51	
	2024-00000023	07/01/2023	04/17-06/16/23 SVC - 16200 TEMPLE CONDOS C & D	\$299.85	
	2024-00000024	07/01/2023	04/17-06/16/23 SVC - 16212 TEMPLE	\$224.07	
	2024-00000025	07/01/2023	04/17-06/16/23 SVC - 16217 TEMPLE	\$105.65	
	2024-00000026	07/01/2023	04/17-06/16/23 SVC - 16218 TEMPLE	\$132.38	
	2024-00000027	07/01/2023	04/17-06/16/23 SVC - 16220 TEMPLE	\$105.65	
	2024-00000028	07/01/2023	04/17-06/16/23 SVC - 16224 TEMPLE	\$127.46	
	2024-00000029	07/01/2023	04/17-06/16/23 SVC - 16227 TEMPLE	\$90.80	
	2024-00000030	07/01/2023	04/17-06/16/23 SVC - 16229 TEMPLE	\$81.89	
	2024-00000031	07/01/2023	04/17-06/16/23 SVC - 16238 TEMPLE	\$103.70	
	2024-00000032	07/01/2023	04/17-06/16/23 SVC - 16242 TEMPLE	\$109.64	
200481	07/13/2023	LA PUENTE VALLEY COUNTY WATER			\$1,499.58
	Invoice	Date	Description	Amount	
	2024-00000033	07/01/2023	04/17-06/16/23 SVC - 15652 NELSON	\$388.53	
	2024-00000034	07/01/2023	04/17-06/16/23 SVC - 15702 NELSON	\$218.25	
	2024-00000035	07/01/2023	04/17-06/16/23 SVC - 15714 NELSON	\$135.09	
	2024-00000036	07/01/2023	04/17-06/16/23 SVC - 15722 NELSON	\$265.77	
	2024-00000037	07/01/2023	04/17-06/16/23 SVC - 15730 NELSON	\$234.09	
	2024-00000038	07/01/2023	04/17-06/16/23 SVC - 15736 NELSON	\$257.85	

INDUSTRY PROPERTY & HOUSING MANAGEMENT AUTHORITY

Board Meeting

August 9, 2023

Check	Date			Payee Name	Check Amount
IPHMA.WF.CHK - IPHMA Wells Fargo Checking					
200482	07/13/2023			ROWLAND WATER DISTRICT	\$476.54
	Invoice	Date	Description	Amount	
	2023-00002148	06/28/2023	05/07-06/07/23 SVC - 17217 & 17229 CHESTNUT-IRR	\$319.12	
	2023-00002149	06/28/2023	05/07-06/07/23 SVC - 17217 CHESTNUT ST	\$88.61	
	2023-00002150	06/28/2023	05/07-06/07/23 SVC - 17229 CHESTNUT ST	\$68.81	
200483	07/13/2023			SOCALGAS	\$28.21
	Invoice	Date	Description	Amount	
	2024-00000039	07/06/2023	06/02-07/3/23 SVC - 16200 TEMPLE APT 202 BUNKHOUS	\$28.21	
200484	07/19/2023			INDUSTRY PUBLIC UTILITY COMMISSI	\$7.31
	Invoice	Date	Description	Amount	
	2024-00000111	07/10/2023	06/01-07/01/23 SVC - 16229 TEMPLE E TEMPLE AVE	\$7.31	
200485	07/19/2023			SOUTHERN CALIFORNIA EDISON	\$18.15
	Invoice	Date	Description	Amount	
	2024-00000112	07/13/2023	06/12-07/12/23 SVC - 20137 E WALNUT DR S	\$18.15	
200486	07/19/2023			WALNUT VALLEY WATER DISTRICT	\$186.43
	Invoice	Date	Description	Amount	
	4713316	07/11/2023	06/01-06/30/23 SVC - 22002 VALLEY BLVD	\$186.43	
200487	07/26/2023			WALNUT VALLEY WATER DISTRICT	\$104.88
	Invoice	Date	Description	Amount	
	4717746	07/12/2023	06/01-06/29/23 SVC - 20137 WALNUT DR	\$104.88	

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Board Meeting

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Check	Date			Payee Name	Check Amount
IPHMA.WF.CHK - IPHMA Wells Fargo Checking					
200488	08/02/2023			ROWLAND WATER DISTRICT	\$599.30
	Invoice	Date	Description	Amount	
	2024-00000180	07/26/2023	06/07-07/10/23 SVC - 17217 & 17229 CHESTNUT-IRR	\$437.92	
	2024-00000181	07/26/2023	06/07-07/10/23 SVC - 17217 CHESTNUT ST	\$100.49	
	2024-00000182	07/26/2023	06/07-07/10/23 SVC - 17229 CHESTNUT ST	\$60.89	
200489	08/02/2023			SOCALGAS	\$4.93
	Invoice	Date	Description	Amount	
	2024-00000171	07/18/2023	06/14-07/14/23 SVC - 22036 VALLEY BLVD	\$4.93	
200490	08/09/2023			B2 PRINT, LLC	\$280.94
	Invoice	Date	Description	Amount	
	12264	07/06/2023	IPHMA LETTERHEAD	\$280.94	
200491	08/09/2023			CASSO & SPARKS, LLP	\$33,485.25
	Invoice	Date	Description	Amount	
	20842	07/17/2023	APR 2023 - JUNE 2023 LEGAL SVC IPHMA	\$33,485.25	
200492	08/09/2023			CELCO CONSTRUCTION SERVICES IN	\$34,644.00
	Invoice	Date	Description	Amount	
	#1IPHMA-011	08/01/2023	MISC IMPROVEMENTS AT- 22036 E. VALLEY BLVD	\$28,824.00	
	11681	06/06/2023	REPAIR DRYWALL 2ND FLOOR - 16224 TEMPLE	\$5,820.00	
200493	08/09/2023			CNC ENGINEERING	\$6,841.25
	Invoice	Date	Description	Amount	

INDUSTRY PROPERTY & HOUSING MANAGEMENT AUTHORITY

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Check	Date	Payee Name	Check Amount
IPHMA.WF.CHK - IPHMA Wells Fargo Checking			
508371	07/27/2023	CRDNTN & INSPECTION FOR VINYL FENCE - 16218 E. T	\$285.00
508372	07/27/2023	HVAC MAINTENANCE - 15714 NELSON AVE	\$170.00
508373	07/27/2023	CRFNTN FOR INSTALLATION NEW OUTLET - 16200 TEN	\$290.00
508374	07/27/2023	HVAC MAINTENANCE - 16242 E. TEMPLE AVE	\$455.00
508375	07/27/2023	HVAC MAINTENANCE - 15722 NELSON AVE	\$455.00
508376	07/27/2023	CRDNTN & INSPECTION FOR MISC - 22036 E VALLEY B	\$455.00
508377	07/27/2023	PREPARE & PROCESS PURCHASE ORDER -16224 E TE	\$75.00
508378	07/27/2023	CRDNTN OF A BROKEN FAN & BRKN CABNIET, TOILET	\$285.00
508379	07/27/2023	CRDNTN FOR MISC IMPROVEMENTS - 22036 E VALLEY	\$997.50
508380	07/27/2023	PROCESS PURCHASE ORDER - 15702 NELSON AVE	\$50.00
508381	07/27/2023	CRDNTN FOR STAFF REPRT, MEETINGS, INV PROCES:	\$1,313.75
508382	07/27/2023	MISC HOUSING CAPITAL - GRD SHTS, SUBMTL REV,	\$215.00
508221	07/27/2023	CRDNTN & INSPECTION FOR MISC - 22036 E VALLEY B	\$1,080.00
508222	07/27/2023	CRDNTN & INSPECTION FOR HVAC - 15702 NELSON AV	\$95.00
508223	07/27/2023	CRDTN & INSPECTION FOR PEST INSPECTION - 16229	\$95.00
508224	07/27/2023	PREPARE & PROCESS PURCHASE ORDER , INV PROC	\$525.00
<hr/>			
200494	08/09/2023	ESPY'S ELECTRICAL SERVICES INC.	\$540.00
Invoice	Date	Description	Amount
1112	06/19/2023	URGENT REPAIRS TO WATER HEATER- 1600 TEMPLE /	\$540.00
<hr/>			
200495	08/09/2023	IPHMA - PAYROLL ACCOUNT	\$4,000.00
Invoice	Date	Description	Amount
AUG-23	07/18/2023	REPLENISH PAYROLL ACCOUNT FOR AUGUST 2023	\$4,000.00
<hr/>			
200496	08/09/2023	MORTISE & TENON BUILDING CORP	\$1,253.35

INDUSTRY PROPERTY & HOUSING MANAGEMENT AUTHORITY

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Check	Date			Payee Name	Check Amount		
IPHMA.WF.CHK - IPHMA Wells Fargo Checking							
	Invoice	Date	Description		Amount		
	215625055	05/10/2023	URGENT REPAIR TO DISHWASHER DRAIN LINE - 16217		\$250.00		
	215625062	07/20/2023	REPLACED BROKEN BRACKETS ON GATE - 16218 TEM		\$366.50		
	215625061	07/24/2023	REPLACED BROKEN FAN - 15730 NELSON AVE		\$386.85		
	215625060	07/17/2023	REPLACED TOILET FLUSH VALVE & CABINET DOOR - 1		\$250.00		
200497	08/09/2023			PURCOR PEST SOLUTIONS	\$1,660.00		
	Invoice	Date	Description		Amount		
	2104C	07/15/2023	JULY 2023 PEST SVC - MULTIPLE HOUSES		\$1,660.00		
200498	08/09/2023			SATSUMA LANDSCAPE & MAINT.	\$23,681.38		
	Invoice	Date	Description		Amount		
	0723EHNHCS	07/10/2023	JULY 2023 LANDSCAPE MAINTENANCE		\$23,681.38		
200499	08/09/2023			TEMP AIR SYSTEM INC.	\$3,700.00		
	Invoice	Date	Description		Amount		
	16871	07/06/2023	CAPACITOR REPLACED - 16242 TEMPLE AVE		\$195.00		
	16954	07/14/2023	REPLACED CONDENSER FAN MOTOR - 15722 NELSON		\$2,250.00		
	16893	07/06/2023	THERMOSTAT REPLACED - 15714 NELSON AVE		\$420.00		
	16906	07/11/2023	TROUBLESHOOT AC SYSTEM - 15722 NELSON AVE		\$195.00		
	16419	04/21/2023	HVAC MAINTENANCE - 16000 TEMPLE AVE A		\$445.00		
	16840	06/28/2023	REPAIR DAMPER SWITCH - 15702 NELSON AVE		\$195.00		
				Checks	Status	Count	Transaction Amount
				Total		20	\$115,246.89

*CITY OF INDUSTRY PROPERTY AND HOUSING
MANAGEMENT AUTHORITY*

ITEM NO. 6.2

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
SPECIAL MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
JUNE 13, 2023
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The Special Meeting of the Industry Property and Housing Management Authority of the City of Industry, California, was called to order by Chair Ken Calvo at 8:30 a.m., in the City of Industry Council Chamber, 15651 Mayor Dave Way, California.

FLAG SALUTE

The flag salute was led by Chair Ken Calvo.

AB 2449 VOTE ON EMERGENCY CIRCUMSTANCES (IF NECESSARY)

Secretary Julie Gutierrez-Robles announced that Board Member Phil Cook will take part in this meeting remotely for reasons related to just cause as set forth in Government Code Section 54953(j)(2)(C) (AB 2449). In accordance with the provisions of AB 2449, this meeting will be held in person and via a live webcast. Members of the public can attend the hybrid meeting and offer public comments either in person or via webcast.

ROLL CALL

PRESENT: Ken Calvo, Chair
Tim Seal, Vice Chair
Phil Cook, Board Member - Telephonically
Timothy O’Gorman, Board Member

STAFF PRESENT: Josh Nelson, Executive Director; Bing Hyun, Assistant Executive Director; James M. Casso, General Counsel; and Julie Gutierrez-Robles, Secretary.

Board Member Phil Cook announced he was present via teleconferencing and not physically at the meeting due to a recent medical procedure and confirmed that he was alone and not with anyone 18 years of age or older, per AB 2449 requirements.

PUBLIC COMMENTS

There were no public comments.

CONSENT CALENDAR

6.1 CONSIDERATION OF THE REGISTER OF DEMANDS FOR JUNE 7, 2023

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
SPECIAL MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
JUNE 13, 2023
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RECOMMENDED ACTION:
Demands.

Ratify the Register of

6.2 CONSIDERATION OF THE MINUTES OF THE MAY 10, 2023 REGULAR MEETING

RECOMMENDED ACTION:

Approve as submitted.

Board Member O’Gorman asked about the higher water bill from Walnut Valley Water District for 22002 Valley Boulevard. Executive Director Nelson said he would investigate this further but believes that at this location, work has started up and the irrigation turned back on after being turned off for the winter months. Should anything different be found, I will let you know.

MOTION BY BOARD MEMBER O’GORMAN, AND SECOND BY BOARD MEMBER COOK TO APPROVE THE CONSENT CALENDAR. MOTION CARRIED 4-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	COOK,	O’GORMAN,	VC/SEAL, C/CALVO
NOES:	BOARD MEMBERS:	NONE		
ABSENT	BOARD MEMBERS:	NONE		
ABSTAIN	BOARD MEMBERS:	NONE		

BOARD MATTERS

7.1 CONSIDERATION OF RESOLUTION NO. IPHMA 2023-04 – A RESOLUTION OF THE CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY ("IPHMA") ADOPTING THE FY 23-24 IPHMA BUDGET

RECOMMENDED ACTION:
2023-04.

Adopt Resolution No. IPHMA

Director of Finance, Yamini Pathak provided a staff report and was available to answer any questions.

MOTION BY VICE CHAIR SEAL, AND SECOND BY CHAIR CALVO TO ADOPT RESOLUTION NO. IPHMA 2023-04. MOTION CARRIED 4-0, BY THE FOLLOWING VOTE:

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
SPECIAL MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
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AYES: BOARD MEMBERS: COOK, O'GORMAN, VC/SEAL,
C/CALVO
NOES: BOARD MEMBERS: NONE
ABSENT BOARD MEMBERS: NONE
ABSTAIN BOARD MEMBERS: NONE

EXECUTIVE DIRECTOR REPORTS

Executive Director Nelson thanked everyone for being available and coming to the special meeting this morning. Stick around if you would like to witness the swearing-in of our three Council Members at today's Special City Council Meeting at 9:00 a.m.

AB 1234 REPORTS

There were none.

BOARD MEMBER COMMUNICATIONS

There were none.

ADJOURNMENT

There being no further business, the Industry Property and Housing Management Authority adjourned at 8:38 a.m.

Ken Calvo
Chair

Julie Gutierrez-Robles
Secretary

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
JULY 12, 2023
PAGE 1

The Regular Meeting of the Industry Property and Housing Management Authority of the City of Industry, California, was called to order by Vice Chair Tim Seal at 10:30 a.m., in the City of Industry Council Chamber, 15651 Mayor Dave Way, California.

FLAG SALUTE

The flag salute was led by Vice Chair Tim Seal.

AB 2449 VOTE ON EMERGENCY CIRCUMSTANCES (IF NECESSARY)

There was no need for AB 2449 vote, due to having a quorum and there were no Board Members taking part remotely. The webcast was then terminated.

ROLL CALL

PRESENT: Tim Seal, Vice Chair
Phil Cook, Board Member
Timothy O’Gorman, Board Member

ABSENT: Ken Calvo, Chair

STAFF PRESENT: Bing Hyun, Assistant Executive Director; James M. Casso, General Counsel; and Julie Gutierrez-Robles, Secretary.

PUBLIC COMMENTS

There were no public comments.

CONSENT CALENDAR

6.1 CONSIDERATION OF THE REGISTER OF DEMANDS FOR JULY 12, 2023

RECOMMENDED ACTION: Approve the Register of Demands.

6.2 CONSIDERATION OF THE MINUTES OF THE JUNE 7, 2023 REGULAR MEETING

RECOMMENDED ACTION: Approve as submitted.

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
JULY 12, 2023
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6.3 STATEMENT OF INVESTMENT POLICY

RECOMMENDED ACTION: *Approve the Investment Policy.*

This item was pulled from the agenda by Assistant Executive Director, Bing Hyun. This item needs approval first from the City Council and will come back at the August meeting.

6.4 CONSIDERATION OF RESOLUTION NO. IPHMA 2023-05, A RESOLUTION OF THE INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY, APPROVING BLANKET PURCHASE ORDERS (“BPOS”) FOR VENDORS TOTALING \$10,000.00 AND OVER FOR FY 2023-2024

RECOMMENDED ACTION: *Adopt Resolution No. IPHMA 2023-05.*

MOTION BY BOARD MEMBER COOK, AND SECOND BY BOARD MEMBER O’GORMAN TO APPROVE THE CONSENT CALENDAR, WITH ITEM 6.3 PULLED FROM THE AGENDA. MOTION CARRIED 3-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	COOK, O’GORMAN, VC/SEAL
NOES:	BOARD MEMBERS:	NONE
ABSENT	BOARD MEMBERS:	CALVO
ABSTAIN	BOARD MEMBERS:	NONE

EXECUTIVE DIRECTOR REPORTS

Assistant Executive Director, Bing Hyun said Executive Director Josh Nelson sends his regrets for not being here today, but something came up at the last minute.

AB 1234 REPORTS

There were none.

BOARD MEMBER COMMUNICATIONS

There were none.

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
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ADJOURNMENT

There being no further business, the Industry Property and Housing Management Authority adjourned at 10:32 a.m.

Tim Seal
Vice Chair

Julie Gutierrez-Robles
Secretary

*CITY OF INDUSTRY PROPERTY AND HOUSING
MANAGEMENT AUTHORITY*

ITEM NO. 6.3



INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY

MEMORANDUM

TO: Honorable Chair and Members of the City of Industry Property and Housing Management Authority
FROM: Joshua Nelson, Executive Director
STAFF: Elise Calvo, Treasurer; Joshua Nelson, Executive Director
DATE: 08/09/2023
SUBJECT: Statement of Investment Policy

BACKGROUND

Section 53646 (a)(2) of the California Government Code, states that the Treasurer or chief fiscal officer of any other local agency may annually render to his/her legislative body and any oversight committee an investment policy, that the legislative body shall consider at a public meeting.

This Agenda Item includes the Statement of Investment Policy for the City of Industry dated Fiscal Year 2023-2024, for all future investments, pursuant to Section 53601 and Section 53635 of the California Government Code.

This investment Policy serves as the foundation of the IPHMA's investment goals and priorities. This policy will be reviewed regularly or at least annually to assure that it continues to meet the IPHMA's portfolio goals/priorities, with the intent to protect the assets of the Industry Property and Housing Management Authority. The existence of an approved investment policy demonstrates that the governing body is performing its fiduciary responsibilities, thereby, inspiring trust and confidence among the public that it serves.

RECOMMENDATION

Approve the Investment Policy

Attachments

A: City of Industry Investment Policy FY 2023-2024

Fiscal Year
2023-2024

City of Industry

STATEMENT OF INVESTMENT POLICY

ELISE CALVO, CITY TREASURER

CITY OF INDUSTRY
STATEMENT OF INVESTMENT POLICY

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CITY OF INDUSTRY

STATEMENT OF INVESTMENT POLICY

Effective July 13, 2023

(Supersedes All Previous Investment Policies)

1.0 Introduction. The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities. Related activities which comprise good cash management include accurate cash projections, the expeditious collection of revenue, the control of disbursements, cost-effective banking relations, and arranging for a short-term borrowing program which coordinates working capital requirements and investment opportunities.

2.0 Policy. It is the policy of the City of Industry to invest public funds not required for immediate day-to-day operations in safe, liquid and medium-term investments. These investments shall yield an acceptable return while conforming to all California statutes and the City's Investment Policy.

3.0 Scope. It is intended that this policy cover the investment activities of all contingency reserves and inactive cash under the direct authority of the City and its component units including but not limited to, the City of Industry, the Successor Agency to the Industry Urban-Development Agency, the Civic-Recreational-Industrial Authority, the Industry Public Utilities Commission, the Industry Public Facilities Authority and the Industry Property and Housing Management Authority.

3.1 Pooled Investments. Investments for the City and its component units will be made on a pooled basis including, but not limited to, the City of Industry, the Successor Agency to the Industry Urban-Development Agency, the Civic-Recreational-Industrial Authority, the Industry Public Utilities Commission, the Industry Public Facilities Authority and the Industry Property and Housing Management Authority. The City's identifies the fund types involved as follows:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds
- Enterprise Funds
- Trust Funds
- Miscellaneous Special Funds
- Any new funds created by the applicable governing board, unless specifically exempted

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3.2 Investments held separately. Investment of bond proceeds will be held separately when required by the bond indentures. Bond proceeds will be invested in accordance with the requirements stated in the bond indentures. This policy does not apply to deferred compensation plans.

4.0 Objectives. Section 53600.5 of the California Government Code outlines the primary objectives of a trustee investing public money. The primary objectives, in order of priority, of the City's investment activities shall be:

4.1. Safety. Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio.

4.2 Liquidity. The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

4.3 Return on investment. Investment return becomes a consideration only after the basic requirements of safety and liquidity have been met. The City Treasurer shall attempt to realize a yield on investments consistent with California statutes and the City's Investment Policy.

The City Treasurer should strive to maintain the level of investment of all contingency reserves and inactive funds as close to one hundred percent (100%) as possible. While the objectives of safety and liquidity must first be met, it is recognized that portfolio assets represent a potential source of significant revenues. It is to the benefit of the City that these assets be managed to realize a yield on investments consistent with California statutes and the City's Investment Policy.

A buy and hold strategy will generally be followed; that is, investments once made will usually be held until maturity. A buy and hold strategy will result in unrealized gains or losses as market interest rates fall or rise from the coupon rate of the investment. Unrealized gains or losses, however, will diminish as the maturity dates of the investments are approached or as market interest rates move closer to the coupon rate of the investment. A buy and hold strategy requires that the portfolio be kept sufficiently liquid to preclude the undesired sale of investments prior to maturity. Occasionally, the City Treasurer may find it advantageous to sell an investment prior to maturity, but this should only be on an exception basis and only when it is in the best interest of the City.

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5.0 Authorized investments. The City Treasurer may invest City funds in the following investments as specified in the California Government Code Section 53601, and certain investment types are further limited to only the following specified investments.

	Investment Type	Maximum Remaining Maturity	Maximum Specified % of Portfolio	Minimum Quality Requirements	California Government Code Sections
a.	Securities of the US Government, or its agencies Including GSE debt and US Treasury Obligations	5 years	None	None	53601(b)(f) and 53601.6
b.	Negotiable certificates of deposits	5 years	30%	None	53601(1)
c.	Non-negotiable certificates of deposits	5 years	None	None	53630 et seq.
d.	Bankers Acceptances	180 days	40% and no more than 30% of any one commercial bank	None	53601(g)
e.	Commercial Paper	270 days	25% and no more than 10% of a single issuer	A-1 or higher rating from an NRSRO	53601(h)(2)(C), 53635(a)(1)
f.	Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
g.	Collateralized Bank Deposits including passbook Savings account demand deposits	5 years	None	None	53630 et. Seq and 53601 (n)
h.	Repurchase agreements	1 year	None	None	53601(j)
i.	Los Angeles County Investment Pool (California Govt. Code Section 53684)	N/A	None	None	53684
j.	It is the City of Industry's policy not to utilize Reverse Repurchase Agreements or shares of beneficial interest issued by diversified management companies (mutual funds), unless that fund is composed entirely of securities of the U.S. Government, or its agencies, and the use of such funds shall be restricted to sweep accounts. (Reverse Repurchase Agreements shall be permitted if they are assets of the Local Agency Investment Fund).				
k.	Local Agency Bonds	5 years	None	None	53601(a)

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l.	Medium-term notes	5 years or less	30%	"A" rating category or its equivalent or better	53601(k)
m.	Registered treasury notes or bonds of any of the other 49 states in addition to California *	5 years	None	None	53601(d)
n.	Bonds, notes, warrants, or other evidence of indebtedness of a local agency within California*	5 years	None	None	53601(e)
o.	All securities authorized by the California Code, but which are not currently allowed by this investment policy, must first be approved by City Council at the time of purchase.				

* Includes but not limited to municipal bonds or other indebtedness issued by the City of Industry and/or its related Agencies.

Section 53601 of the California Government Code provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years. However, the City Council may grant express authority to make investments either specifically or as a part of an investment program approved by the City Council that exceeds the five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.

5.1 Review of Investment Portfolio. The City’s investment portfolio must be in compliance with Section 5.0 of this Policy at the time an investment is purchased. However, due to various reasons the portfolio may not be in compliance. The reasons for noncompliance that may arise include, but are not limited to a downgrade in a security’s rating, redemptions or maturities resulting in exceeding maximum percentages of a particular investment type, fluctuation in total portfolio size, a change in the California Government Code, or subsequent update to the Investment Policy that renders investments made under previous policies noncompliant.

The Treasurer shall review the portfolios quarterly to identify any securities that are no longer in compliance. The Treasurer shall report any major and critical incidences of noncompliance to the City Manager and City Council and provide recommendations to address the noncompliant securities.

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6.0 Reporting. Sections 53607 and 53646 of the California Government Code allows the City Council, at its discretion, to require reports meeting the standards set forth in these sections, as well as any additional information desired. Therefore, it is the policy of the City that the City Treasurer or designee appointed by the City Treasurer file a report on the investments and transactions with the City Council as described in Sections 53607 and 53646 of the California Government Code.

7.0 Selection of financial institutions and brokers/dealers. Investments shall be purchased only through well established, financially sound institutions. The City Treasurer or City Manager or their designee may maintain a list of financial institutions and broker/dealers who are approved to provide the City with investment services. This list should be updated annually by the City Treasurer to ensure compliance with this investment policy. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions will be given a copy of the City's Investment Policy, and a return cover letter which they must sign indicating that the investment policy has been read, understood and that their investment offers will comply with this policy.

All financial institutions and broker/dealers will take direction from the City Treasurer or City Manager or their designee as it relates to the investment strategy and investment policy of the City. Any instructions will be in the form of written instructions via email or other electronic transmissions.

Qualified financial institutions and broker/dealers must supply the City Treasurer or City Manager or their designee with the following:

7.1 Financial Institutions.

- Current audited financial statements
- Depository contracts, as appropriate
- A copy of the latest FDIC call report or the latest FHLBB report, as appropriate
- Proof that commercial banks, savings banks, or savings and loan associations are state or federally chartered

7.2 Broker/Dealers.

- Current audited financial statements
- Proof that brokerage firms are members in good standing of a national securities exchange, or
- A designation as a primary government dealer by the Federal Reserve Bank.

Commercial banks, savings banks, and savings and loan associations must maintain a minimum net worth to asset ratio as provided by law (total regulatory net worth divided by total assets), and must have had positive net earnings for the last reporting period

The City is prohibited from selecting any broker/dealer that has made a campaign contribution within any consecutive 48-month period which exceeds the limitations

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contained Rule G-37 of the Municipal Securities Rulemaking Board.

8.0 Ethics and conflicts of interest. All participants in the City's investment process shall seek to act responsibly as custodians of the public trust. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment recommendations and decisions. Investment officials and employees shall make all disclosures appropriate under the Fair Political Practices Act and may seek the advice of the City Attorney and the Fair Political Practices Commission whenever there is a question of personal financial or investment positions that could represent potential conflicts of interest.