



Legislation Text

File #: 19-971, Version: 1

MEMORANDUM

TO: Board of Supervisors

FROM: Moke Simon, District 1 Supervisor
Bruno Sabatier, District 2 Supervisor

DATE: October 8, 2019

SUBJECT: Consideration of Delegation of Investment Authority

EXECUTIVE SUMMARY:

As part of the ad hoc committee's continuing collaboration with the Lake County Treasurer - Tax Collector, we have identified the required review of our Board's investment delegation as an opportunity to examine best practices available to the County. Pursuant to Government Code Section 27000.3, "...the board of supervisors is the agent of the county who serves as a fiduciary and is subject to the prudent investor standard, unless a delegation has occurred pursuant to Section 53607 in which case the county treasurer shall be the agent of the county..."

Subject to Government Code Section 53607, our Board may continue to delegate this authority to the Treasurer - Tax Collector, who is then required to provide a monthly report on the investments. Alternatively, our Board may direct staff to review other options. For example, there are licensed investment firms that act as consultants to counties. This can be particularly valuable in smaller counties that have strained resources, as these firms have the capability to assist with investment selection, monitoring, and reporting.

Exploring other practices may yield alternatives that would allow our Board to meet its fiduciary duties while potentially allowing staff resources in the Treasurer - Tax Collector's office to be made available for other priorities.

FISCAL IMPACT: ☒ None ☐ Budgeted ☐ Non-Budgeted

Estimated Cost:

Amount Budgeted:

Additional Requested:

Annual Cost (if planned for future years):

FISCAL IMPACT (Narrative): None

STAFFING IMPACT (if applicable): None

RECOMMENDED ACTION: Possible direction to staff.