

Mayor and Council Communication

DATE: 09/22/20

M&C FILE NUMBER: M&C 20-0687

LOG NAME: 13OPEB INVESTMENT POLICY AND STRATEGY 2020

SUBJECT

(ALL) Readopt the Investment Policy and Strategy for the Fort Worth Other Post-Employment Benefits (OPEB) Trust

RECOMMENDATION:

It is recommended that the City Council readopt the attached Investment Policy and Strategy for the City's Other Post-Employment Benefit (OPEB) Trust.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to readopt the investment policy and strategy (IPS) for the OPEB Trust. The OPEB Trust IPS was last approved on September 10, 2019 (M&C 19-0116). State law requires the City Council to review and readopt the IPS at least annually.

The OPEB Trust consists of money the City Council set aside to be used for future retirement healthcare costs. The OPEB Trust was established in 2009 through City Council Resolution No. 3779-08-2009.

This IPS document sets specific investment and strategy guidelines for funds placed in the OPEB Trust and establishes controls to ensure effective and judicious fiscal and investment management. The guidelines are intended to be broad enough to allow active investment within the policy parameters, yet specific enough to adequately safeguard the assets.

The City's Investment Committee reviewed the OPEB Trust IPS and did not recommend any changes. In addition, there were no relevant legislative updates this year to consider. Therefore, staff recommends for the City Council to re-adopt the current policy.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of this recommendation will have no material effect on City funds.

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