



City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	Item Type:		1 st Reading	2 nd Reading
5/20/2020	<input checked="" type="checkbox"/> Resolution	Ordinance Reading	N/A	N/A
File No.:	<input type="checkbox"/> Ordinance	Public Hearing	<input type="checkbox"/>	<input type="checkbox"/>
20-142	<input type="checkbox"/> Other	Advertising Required	<input type="checkbox"/>	<input type="checkbox"/>
		Quasi Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
Fiscal Impact (\$):	Account Balance (\$):	Funding Source:	Project Number :	
N/A	N/A	N/A		
Contract/P.O. Required	RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	Sabrina Javellana, Vice Mayor	City Commission	
Strategic Plan Focus Areas:				
<input checked="" type="checkbox"/> Financial	<input type="checkbox"/> Organizational Capacity	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Development, Redevelopment and Economic Development	
Implementation Timeline				
Estimated Start Date: Upon Approval Estimated End Date: N/A				

SHORT TITLE:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, MODIFYING THE CITY'S INVESTMENT POLICY TO EXCLUDE INVESTMENTS IN SECURITIES ISSUED BY FIRMS THAT DERIVE REVENUE PRIMARILY THROUGH THE DIRECT OR INDIRECT USE OF FOSSIL FUELS; AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

On January 22, 2020, the City Commission voted to amend the City's Investment Policy and divest from securities issued by firms that derive revenue primarily through the direct or indirect use of fossil fuels.

Background:

The City's Investment Policy is designed to safeguard the City's funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable funds and financial market indices. The City's Investment Policy was adopted on November 19, 2014 under Resolution No. 2014-139 (Exhibit 2).

In accordance with Section 218.415, Florida Statutes, the City's Investment Policy applies to all cash and investments held or controlled by the City. The City's funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds are exempted from this Policy, i.e. General Obligation Bonds. It should also be noted that as per the Florida Statutes, the City's Investment Policy does not apply to pension funds.

Per Section XIX, of the City's Investment Policy, the Chief Financial Officer (Finance Director) the authority to issue and/or revise this Policy is reserved to the City Commission.

Current Situation:

On January 22, 2020, the City Commission voted to amend the City's Investment Policy and divest from fossil fuel investments and exclude future investments in securities issued by firms that derive revenue primarily through the direct or indirect use of fossil fuels.

Per Section XIX, of the City's Investment Policy, the Chief Financial Officer (Finance Director) shall review the Policy annually. The authority to issue and/or revise this Policy is reserved to the City Commission.

Why Action is Necessary:

Pursuant to Article III, Division 2 of the City Charter, all powers of the City shall be vested in the City Commission, except as otherwise provided for by law or the Charter, and the City Commission shall provide for the excise thereof and for the performance of all duties and obligations imposed on the City by law. As designated by the City Commission, the responsibility for providing oversight in regards to the management of the investment program resides with the City Commission. Responsibility for the administration of the investment program is vested in the City Manager. The City Manager shall exercise authority to regulate the administration of the investment program through the Chief Financial Officer / Finance Director.

The authority to issue and/or revise this Policy is reserved for the City Commission. Accordingly, the City's divestment and revised Investment Policy is being presented to the City Commission for approval and adoption.

Cost Benefit:

None Applicable

PROPOSED ACTION:

Staff recommends that the City Commission approve the attached Resolution adopting the Investment Policy with the modifications made in substantially the same form as attached hereto as Exhibit "A" and related documents.

ATTACHMENT(S):

Exhibit 1 – Resolution

Exhibit 2 – Resolution No. 2014-139

Exhibit A – COHB Investment Policy DRAFT with track changes