

Attachment A - Summary of Investment Policy Changes

Section Change	Current	Revised	Rationale
Page 3 – Section 2.1	This investment policy sets forth the guidelines for the investment of surplus General, Special ... and Benefit Assessment District) and Pension Trust Funds.	This investment policy sets forth the guidelines for the investment of surplus General, Special ... and Benefit Assessment District), <i>Other Post Employment Benefit (OPEB) Trust funds</i> and Pension Trust Funds.	To explicitly exempt the Other Post Employment Benefit (OPEB) trust funds from this Investment Policy. Recommended by CMTA reviewer
Page 4 – Section 3.3	Investments shall be made with the judgement ... risk of substantial loss.	When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing ...	Conforming language to expanded definition in CA Govt code.
Page 4 – Section 5.1	All funds which are not required for immediate cash expenditures shall be invested in income ... as defined in Section 5.1A and as specifically authorized by the Code, (Sections 53600, et seq.).	All funds which are not required for immediate cash expenditures shall be invested in income ... as defined in Section 5.1A and as specifically authorized by the Code, (Sections 53600, et seq.). <i>Securities held by the LACMTA must be in compliance with Section 5.0 Permitted Investments at the time of purchase.</i>	To clarify the investment policy per recommendation of CMTA reviewer
Page 11 – Benchmarks	Bank of America/Merrill Lynch AAA-A 1-5 year Government & Corporate Index (BV10)	<i>ICE</i> Bank of America/Merrill Lynch AAA-A 1-5 year Government & Corporate Index (BV10)	Change reflects name change of index to Inter Continental Exchange
Page 15 – Footnote k	... Further limited to securities rated in a rating category of "AAA", and issued by an issuer having an "A" or higher rating for the issuer's debt as provided for by a nationally recognized statistical rating organization.	... Further limited to securities rated in a rating category of " <i>AA</i> " or its equivalent or better as provided for by a nationally recognized statistical rating organization.	Incorporating change to CA Govt Code that removed issuer rating and relaxed debt rating
Page 15 – Footnote l	... CMOS: Limited to Government Agency or Government Sponsored Issuers "AAA" rated by a nationally recognized statistical rating organization. CMOS: Limited to Government Agency or Government Sponsored Issuers <i>and Planned Amortization Classes (PAC) only. Securities eligible for investment under this category shall be rated "AA" or its equivalent or better by a nationally recognized statistical rating organization. ...</i>	Incorporating change to CA Govt Code that removed issuer rating and relaxed debt rating
Page 20 – Glossary	FEDERAL AGENCIES AND U.S. GOVERNMENT SPONSORED ENTERPRISES (AGENCIES): U.S. Government related organizations, the largest of which are governmental financial intermediaries ... ◆ Student Loan Marketing Association (SLMA or "Sallie Mae")	FEDERAL AGENCIES AND U.S. GOVERNMENT SPONSORED ENTERPRISES (AGENCIES): U.S. Government related organizations, the largest of which are government financial intermediaries ◆ Student Loan Marketing Association (SLMA or "Sallie Mae")	Removed Student Loan Marketing Association (SLMA or "Sallie Mae") as it is no longer a Federal Agency