



MEETING MINUTES

TREASURY OVERSIGHT COMMITTEE, COUNTY OF MONO STATE OF CALIFORNIA

MEETING LOCATION: Mammoth Lakes CAO Conference Room, 3rd Floor, Sierra Center Mall, Suite 306, 452 Old Mammoth Road, Mammoth Lakes, CA 93546

TELECONFERENCE LOCATION: Bridgeport CAO Conference Room, 1st Floor, Annex 1, Room 110, 74 North School Street, Bridgeport, CA 93517

Quarterly Meeting
Wednesday, December 7, 2016
11:00 AM

Committee Members Present: Janet Dutcher, Gerald Frank, Brooke Bien, George Savage and Larry Johnston.

Also Present: Janelle Mills, Secretary

Committee Members Absent: Shields Richardson, and Caty Ecklund.

Five out of seven Committee Members present, a quorum was met.

1. CALL MEETING TO ORDER:

The meeting was called to order at 11:05 AM by Janet Dutcher.

2. PUBLIC COMMENTS:

None

3. MINUTES:

A. Review and Approve the Minutes of the November 9, 2015 Treasury Oversight Committee Meeting.

No changes were to be made.

MOTION: Gerald Frank made a motion to approve the Treasury Oversight Committee Meeting Minutes from November 9, 2015. Member Larry Johnston seconded the motion.

VOTE: 4 Yeas: 0 Nays: 1 Abstain – (Dutcher- not present at the meeting)

B. Review and approve the minutes of the August 29, 2016 Treasury Oversight Committee Meeting.

No Changes were to be made.

MOTION: Brooke Bien made a motion to approve the Treasury Oversight Committee Meeting Minutes from August 29, 2016. Member Gerald Frank seconded the motion.

VOTE: 4 Yeas: 0 Nays: 1 Abstain – (Johnston- not present at the meeting)

4. DISCUSS SUPERIOR COURT TREASURY BALANCE AND AUTHORIZE LIMIT FOR ONGOING DEFICIT:

Janet Dutcher explained how Mono County processes the payroll for the Courts. The Courts collect fines that are put into the Agency Accounts where a portion goes to the State and into the County accounts. The money is not part of the Courts budget. The Courts have an account that is used as a clearing account that is used to process the Courts payroll. The Courts have \$110,000.00 on deposit with the County. The payroll is growing and deficit for a short period of time. By the 20th of every month, the Courts reimburse the County exactly what payroll was bringing the dollar amount back up to the \$110,000.00. The County allocates negative interest when deficit or if positive it is allocated interest to their accounts. Payroll is going to bi-weekly which accelerates the cash flow issue. As a result, the potential for this account in the Pool, which the TOC oversees, could go negative for as much as \$60,000 to \$70,000 for about a week. Janet Dutcher wanted the TOC to be aware of the issue and invited Hector Gonzalez to explain the situation. Hector Gonzalez explained the following:

- Hector assures that the Courts are going to do everything to avoid the negative deficit so that the Pool is not exposed to unnecessary risk or liability. (See attached Plan to Cover Court Payroll with New Bi-Weekly Process.) The Trial Court Trust Fund (TCTF) allocation is distributed monthly but the amounts are not distributed evenly throughout the year resulting in cash flow issues.
- The Court receives full funding to cover all personnel costs approximately \$120,000 per month, but due to varied amounts of the TCTF monthly allocations, particularly in the months November 16, February 17 and March 17, having sufficient funds to cover the Court's payroll may be an issue.
- The Court has learned of a cash advance program provided by the Judicial Council that the Court will use to address any possible cash flow issues.
- The Court recently learned there are reporting requirements (Government Code Section 77009.1) to have a loan with the County that would result in a lengthy process and would need to be approved by Judicial Council and Department of Finance.
- The Court has had short term loans with the County in the past, but there is no plan to take any more loans going forward.
- The Court is confident that the Judicial Council cash advance program will be sufficient to cover all court payroll cash flow shortfalls in the future.
- Reports from the Finance Department are given to the Courts to help monitor the amount of bi-weekly payroll which will enable the Courts to make a transfer into the County accounts to bring out of the deficit.

5. STATUS REPORT ON TREASURY OVERSIGHT COMMITTEE MEMBERS AND DISCUSS FILLING OF VACANT MEMBER POST:

1. Mollie Nugent.

Mollie Nugent from Eastern Sierra Unified School District has returned the County's Board and Commission Committees form. The recommendation of Mollie Nugent will be taken to the Board of Supervisors in January, 2017.

6. QUARTERLY INVESTMENT REPORT:

A. Review the Quarterly Investment Report for the Quarter Ended September 30, 2016: Gerald Frank.

The Treasury was in compliance with the Mono County Investment Policy on September 30, 2016. The Weighted Average Maturity (WAM) was 668 days.

On a cost basis, the portfolio totaled \$71,303,032.60 and the market value was \$71,638,989.85 or 100.471% of cost. The Market was on a down turn making the investments that we had worth more at this time then when we purchased them. The Market is now on an upswing. As of September 30th our Earned Interest Rate 1.0473%. The following charts were gone over; (see attached) Portfolio Holdings by Security Sector, Distribution by Asset Category-Market Value. The Maturity Distribution is filling in. The Treasury Cash Balances as of the Last Day of the Most Recent 14 Months shows the treasury cash increasing. The Quarterly Yield Comparison. The last page is the Investment Pool Participants page.

7. INVESTMENT POLICY; REVIEW AND APPROVE TO AGENDIZE FOR BOARD OF SUPERVISOR MEETING IN JANUARY:

Janet Dutcher and Gerald Frank proposed the following changes to be made:

1. On last page of the Investment Policy - Temporary Constraints and Restrictions on Investments - add **2. "County of Mono restricts the purchase of any retail products issued by Wells Fargo Bank from December 1, 2016 until June 30, 2019."**

This change is due to the recent issues with Wells Fargo Bank defrauding the retail customers.

2. On page 8, # vi – "The Weighted Average Maturity of the portfolio should not exceed 24 months/**720 days** or such shorter dollar-weighted average maturity as may be required by State law. *Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that the appropriate Weighted Average Maturity is maintained.*"

MOTION: A motion was made by Gerald Frank to approve the Investment Policy, as amended, and take it to the Board of Supervisors in January. Member Brooke Bien seconded the motion.

VOTE: 4 Yeas: 0 Nays: 1 Abstain (Johnston)

8. QUESTION AND RECOMMENDATIONS:

A. "Doodle" Invitation update: Gerald Frank.

This form of communication is working and Gerald Frank will continue to use this for setting up the TOC meetings.

B. Appeals with the Assessor. (added by Janet Dutcher)

Janet Dutcher went to the Assessor and got information regarding the outstanding appeals that were discussed at the last TOC meeting. With the numbers added up that the Assessor provided, from the 2013 appeals and earlier, worst case estimate totals \$1.4 million with \$1 million in the impound account. The impound account is for issuing refunds if necessary so that the refunds do not negatively impact the current allocation of taxes. There is \$1.2 million in the redemption roll, these are delinquent taxes, and County Counsel has approved \$600,000 being moved into the impound account and distributing the other half to participants. There will be calls made to make sure that the participants will not be negatively impacted. This would be a distribution that was not counted on and will go to the Board of Supervisors on December 20, 2016.

9. NEXT MEETING DATE:

Next meeting will be in March.

10. ADJOURN MEETING:

Meeting adjourned at 12:21 PM.

Respectfully Submitted:

Janelle Mills, Treasury Oversight Committee Secretary



MEETING MINUTES

TREASURY OVERSIGHT COMMITTEE, COUNTY OF MONO

STATE OF CALIFORNIA

MEETING LOCATION: Mammoth Lakes CAO Conference Room, 3rd Floor, Sierra Center Mall, Suite 306, 452 Old Mammoth Road, Mammoth Lakes, CA 93546

TELECONFERENCE LOCATION: Bridgeport CAO Conference Room, 1st Floor, Annex 1, Room 110, 74 North School Street, Bridgeport, CA 93517

Quarterly Meeting
Monday, March 6, 2017
11:00 AM

Committee Members Present: Janet Dutcher (by video conference), Gerald Frank, George Savage, Larry Johnston, Bob Gardner (alternate), Mollie Nugent (by video conference) and Daniel Holler (alternate).

Also Present: Janelle Mills, Secretary and Rob Patterson, Finance Director for the Town of Mammoth.

Committee Members Absent: Shields Richardson, Caty Ecklund and Brooke Bien.

Five out of eight Committee Members present, a quorum was met.

1. CALL MEETING TO ORDER:

The meeting was called to order at 11:10 AM by Gerald Frank.

2. PUBLIC COMMENTS:

None

3. MINUTES:

A. Review and Approve the Minutes of the December 7, 2016 Treasury Oversight Committee Meeting.

- One change to the last page under B-Appeals with the Assessor. Listen to recording regarding the "County Counsel has approved \$600,000." This will be changed to "Janet has gotten word from County Counsel that \$600,000 may be moved into the impound account and distribute the other half to participants; this will be taken to the Board of Supervisors for approval."
- At this time the approval of the December 7, 2016 meeting will be postponed due to a lack of members that were present at the December meeting to vote. Mills will send the recorded meeting to members of the TOC that were not present.

4. QUARTERLY INVESTMENT REPORT:

A. Review the Quarterly Investment Report for the Quarter Ended December 31, 2016. – Gerald Frank.

The Treasury was in compliance with the Mono County Investment Policy on December 31, 2016. The Weighted Average Maturity (WAM) was 608 days, maximum is 720 days.

It is anticipated that Mono County will meet all the liquidity obligations for the pool participants for the next six months.

As of December 31, 2016, our Earned Interest Rate was 1.1898%. The following charts were gone over; (see attached) Portfolio Holdings by Security Sector, Distribution by Asset Category-Market Value, The Maturity Distribution, Treasury Cash Balances, Quarterly Yield Comparison. The last page is the Investment Pool Participants page. With the market yields increasing, there are fewer investments being called. Should the Federal Rate go up, the Treasury is anticipated to also go up.

There is a request to get a list of participants in the Treasury Pool to see who might be interested in joining.

5. INVESTMENT POLICY:

A. Discuss adding Deutsche Bank to the temporary constraints and restrictions on investments list. – Gerald Frank.

Deutsche Bank did not plead guilty but settled with the Department of Justice for \$7.2 billion dollars for misleading mortgage backed securities to investors.

It was determined to add Deutsche Bank to the Temporary Constraints and Restrictions on Investments page of the Investment Policy next year.

6. DISCUSS FUTURE LOANS TO MONO COUNTY FROM THE TREASURY POOL:

This discussion is for information about the potential of another loan going to Mono County for the new jail grant. We have the option to loan money to Mono County from the Treasury Pool to fund whatever the Board of Supervisors decides. There is an existing loan on the books now, the Financial System Loan for \$173,000. The investment would be set at 2.5% for anything that Mono County would want to borrow against. All other criteria would stay the same. There is a \$25 million jail grant that there will be a requirement to have a set aside match. The budget for the new jail came in a little over \$27 million, the maximum that is available from the State is \$25 million, leaving \$1.9 that would have to be funded locally. \$400,000 in kind with our staff, the remainder being \$1.4 million that would be needed in cash. This ends up being a 7% match as opposed to the standard 10%. The awards are anticipated to come out in June 2017, there will be costs that the County will have to up front because reimbursement will not happen until later in the project. The draw down on the loan is anticipated to be July 1, 2017 when the total amount could be drawn and put into a special fund to be the cash flow as well as the local match. This is a reimbursement grant that has to be spent first with reimbursement taking up to one to two years.

7. QUESTIONS AND RECOMMENDATIONS:

None

8. NEXT MEETING DATE:

Mid May before the 16th would be preferable.

9. ADJOURN MEETING:

Meeting was adjourned at 11:45 AM

Respectfully Submitted:

Janelle Mills, Treasury Oversight Committee Secretary



DEPARTMENT OF FINANCE

COUNTY OF MONO

Gerald A. Frank
Assistant Finance Director
Treasurer-Tax Collector

Janet Dutcher, CPA, CGFM
Finance Director

Stephanie Butters
Assistant Finance Director
Auditor-Controller

P.O. Box 495
Bridgeport, California 93517
(760) 932-5480
Fax (760) 932-5481

P.O. Box 556
Bridgeport, California 93517
(760) 932-5490
Fax (760) 932-5491

Date: May 2, 2017

To: Honorable Board of Supervisors
Treasury Oversight Committee
Treasury Pool Participants

From: Gerald Frank

Subject: Quarterly Investment Report

The Treasury Pool investment report for the quarter ended March 31, 2017 is attached pursuant to Government Code §53646(b) and includes the following reports:

- **Portfolio Holdings by Security Sector** - includes, among other information, the type of investment, issuer, date of maturity, par value, dollar amount invested in all securities and market value as calculated by Union Bank, in accordance with Government Code §53646(b)(1).
- **Distribution by Asset Category – Market Value** – Provides a graphic to make it easy to see the asset allocation by type of security.
- **Distribution by Maturity Range – Face Value** – Provides a bar graph to see the maturities of the various investments and gives the reader a sense of the liquidity of the portfolio.
- **Treasury Cash Balances as of the Last Day of the Most Recent 14 Months** – Shows growth in the current mix of cash and investments when compared to prior months and particularly the same time last year. Additionally, the section at the bottom shows maturity by month for all non-same day investments.
- **Mono County Treasury Pool Quarterly Yield Comparison** – Shows, at a glance, the county pool performance in comparison to two year US Treasuries and the California Local Agency Investment Fund (LAIF).
- **Mono County Treasury Pool Participants** – Provides a graphic to make it easy to see the types of pool participants.

The County also has monetary assets held outside the County Treasury including:

- The Sheriff’s Department has two accounts: The Civil Trust Account and the Sheriff’s Revolving Fund. The balances in these accounts as of March 31, 2017 were \$30,247.10 and \$4,046.93 respectively.
- Solid Waste has an account that is required by California Integrated Waste as security for a zero interest loan. The County is required to maintain a balance equal to two months’ payments. The balance in this account as of March 31, 2017 was \$74,479.36.
- Mono County’s OPEB (Other Post Employment Benefit) trust fund with PARS had a balance of \$16,879,930.62 as of February 28, 2017. This is an irrevocable trust to mitigate the liability for the County’s obligation to pay for retiree health benefits.

The Treasury was in compliance with the Mono County Investment Policy on March 31, 2017.

Weighted Average Maturity (WAM) as of March 31, 2017 was 644 days.

It is anticipated that the County Treasury will be able to meet the liquidity requirements of its pooled participants for the next six months.

The investments are presented at fair market value in accordance with Government Accounting Standards Board (GASB) Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Pools. On the last day of the quarter, on a cost basis, the portfolio totaled \$88,840,018.87, and the market value was \$88,294,172.64 (calculated by Union Bank) or 99.386% of cost. Market value does not include accrued interest which was \$256,350.24 on the last day of the quarter.

Investment Pool earnings are as shown below:

Quarter Ending	6/30/2016	9/30/2016	12/31/2016	3/31/2017
Average Daily Balance	\$83,247,611	\$75,451,284	\$84,003,825	\$87,793,233
Earned Interest (including accruals)	\$212,315	\$198,624	\$251,228	\$272,952
Earned Interest Rate	1.0258%	1.0473%	1.1898%	1.2609%
Number of Days in Quarter	91	92	92	90
Interest Received	\$202,778	\$203,855	\$184,334	\$260,584
Administration Costs	\$4,285	\$6,639	\$4,275	\$12,874
Net Interest for Apportionment	\$198,493	\$197,216	\$180,059	\$247,710



Mono County Portfolio Holdings by Security Sector As of March 31, 2017

Description	Settlement Date	Cost Value	Face Amount/Shares	Market Value	Coupon Rate	YTM @ Cost	Maturity Date	Days To Maturity	Credit Rating 1	Accrued Interest	% of Portfolio
Cash											
Oak Valley Bank Cash	02/28/2009	4,871,306.53	4,871,306.53	4,871,306.53	0.921	0.921	N/A	1	None		5.49
Sub Total / Average		4,871,306.53	4,871,306.53	4,871,306.53	0.921	0.921		1		0.00	5.49
LAIF											
Local Agency Investment Fund LGIP-Quarterly	07/01/2014	26,887,024.65	26,887,024.65	26,887,024.65	0.821	0.821	N/A	1	NR	54,274.85	30.33
Sub Total / Average		26,887,024.65	26,887,024.65	26,887,024.65	0.821	0.821		1		54,274.85	30.33
Financial System Loan-Mono County											
Financial System Loan-Mono County 1.25 6/30/2019	09/30/2015	156,696.46	156,696.46	156,696.46	1.250	1.250	06/30/2019	821	None	0.00	0.18
Sub Total / Average		156,696.46	156,696.46	156,696.46	1.250	1.250		821		0.00	0.18
CD Negotiable											
1st SOURCE BANK 1.15 1/30/2018	06/30/2015	245,000.00	245,000.00	245,281.75	1.150	1.150	01/30/2018	305	None	702.45	0.28
ALLY BK MIDVALE UTAH 1.45 2/11/2019	02/11/2016	245,000.00	245,000.00	245,563.50	1.450	1.450	02/11/2019	682	None	467.18	0.28
AMERICAN EXPRESS CENTURION BK 1.85 4/29/2020	04/29/2015	245,000.00	245,000.00	246,702.75	1.850	1.850	04/29/2020	1,125	None	1,899.92	0.28
BANK NORTH CAROLINA THOMASVILLE NC 1 6/30/2017	06/30/2015	245,000.00	245,000.00	245,154.35	1.000	1.000	06/30/2017	91	None	6.71	0.28
BANKUNITED ANTL ASSN 0.75 8/31/2017	08/31/2016	245,000.00	245,000.00	244,948.55	0.750	0.750	08/31/2017	153	None	1,067.26	0.28
BBCN BANK 0.9 2/26/2018	08/26/2016	245,000.00	245,000.00	244,475.70	0.900	0.900	02/26/2018	332	None	30.21	0.28
BMO HARRIS BANK NA 1.05 3/2/2018	03/03/2016	245,000.00	245,000.00	245,227.85	1.050	1.050	03/02/2018	336	None	197.34	0.28
BMW Bank of North America 1.35 1/23/2018	01/23/2015	245,000.00	245,000.00	245,698.25	1.350	1.350	01/23/2018	298	None	607.13	0.28
BRAND BKG CO LAWRENCEVILLE GA 0.85 11/30/2017	08/30/2016	245,000.00	245,000.00	244,821.15	0.850	0.850	11/30/2017	244	None	0.00	0.28
BROOKLINE BK MASS 0.75 10/30/2017	07/29/2016	245,000.00	245,000.00	244,897.10	0.750	0.750	10/30/2017	213	None	10.07	0.28
CAPITAL BK LITTLE ROCK 0.9 2/28/2018	05/29/2015	245,000.00	245,000.00	245,235.20	0.900	0.900	02/28/2018	334	None	12.08	0.28
CAPITAL ONE BANK USA NATL ASSN 1.8 1/22/2020	01/26/2015	245,000.00	245,000.00	248,185.00	1.800	1.800	01/22/2020	1,027	None	821.59	0.28
CAPITAL ONE, NATIONAL ASSOCIATION 1.7 10/5/2021	10/05/2016	245,000.00	245,000.00	238,169.40	1.700	1.700	10/05/2021	1,649	None	2,019.74	0.28
CIT BK SALT LAKE CITY 2.25 11/26/2019	11/26/2014	245,000.00	245,000.00	248,562.30	2.250	2.250	11/26/2019	970	None	1,887.84	0.28
COMENITY CAP BK SALT LAKE CITY UTAH 1.6 4/12/2021	04/11/2016	245,000.00	245,000.00	244,510.00	1.600	1.600	04/12/2021	1,473	None	214.79	0.28
COMMERCE ST BK WEST BEND WIS 1.65 9/26/2019	06/26/2015	245,000.00	245,000.00	245,693.35	1.650	1.650	09/26/2019	909	None	55.38	0.28
COMMONWEALTH BUSINESS BK LOS ANGELES CALIF 0.75 8/	08/29/2016	245,000.00	245,000.00	244,946.10	0.750	0.750	08/29/2017	151	None	10.07	0.28
CONNECTONE BK ENGLEWOOD 1.55 7/29/2019	01/28/2015	245,000.00	245,000.00	247,570.05	1.550	1.550	07/29/2019	850	None	31.21	0.28
DISCOVER BK GREENWOOD DEL 1.9 5/6/2020	05/06/2015	245,000.00	245,000.00	245,948.15	1.900	1.900	05/06/2020	1,132	None	1,849.25	0.28
EAST BOSTON SVGS NK BOSTON MA 0.7 10/27/2017	07/27/2016	245,000.00	245,000.00	244,779.50	0.700	0.700	10/27/2017	210	None	18.79	0.28
ENERBANK USA SALT LAKE CITYUTAH 1.05 8/31/2018	08/31/2016	245,000.00	245,000.00	244,088.60	1.050	1.050	08/31/2018	518	None	0.00	0.28
EVERBANK 1.3 11/4/2019	11/04/2016	245,000.00	245,000.00	241,342.15	1.300	1.300	11/04/2019	948	None	1,282.73	0.28
FIRST BUSINESS BK MADISON WIS 1.9 1/13/2021	01/13/2016	245,000.00	245,000.00	244,990.20	1.900	1.900	01/13/2021	1,384	None	982.01	0.28
FIRST NIAGARA BK NATL ASSN 1.35 1/8/2018	01/08/2016	245,000.00	245,000.00	245,463.05	1.350	1.350	01/08/2018	283	None	743.05	0.28



Mono County Portfolio Holdings by Security Sector As of March 31, 2017

Description	Settlement Date	Cost Value	Face Amount/Shares	Market Value	Coupon Rate	YTM @ Cost	Maturity Date	Days To Maturity	Credit Rating 1	Accrued Interest	% of Portfolio
FIRSTTRUST SVGS BK CONSHOCKENPA 0.7 10/23/2017	07/22/2016	245,000.00	245,000.00	244,965.70	0.700	0.700	10/23/2017	206	None	42.29	0.28
FLUSHING BANK N Y 1.8 12/10/2018	12/10/2014	245,000.00	245,000.00	245,970.20	1.800	1.800	12/10/2018	619	None	193.32	0.28
FREEDOM BK OF VA VIENNA VA 0.75 11/14/2017	08/12/2016	245,000.00	245,000.00	244,877.50	0.750	0.750	11/14/2017	228	None	95.65	0.28
FREEDOM FIN BK W DES MOINES 1.5 7/26/2019	01/27/2015	245,000.00	245,000.00	247,570.05	1.500	1.500	07/26/2019	847	None	40.27	0.28
GOLDMAN SACHS BK USA NEW YORK 1.9 4/22/2020	05/05/2015	244,387.50	245,000.00	246,717.45	1.900	1.953	04/22/2020	1,118	None	2,040.55	0.28
INDEPENDENCE BK KY OWENSBORO 0.9 2/28/2018	08/31/2016	245,000.00	245,000.00	244,461.00	0.900	0.900	02/28/2018	334	None	0.00	0.28
INVESTORS BANK 0.85 11/30/2017	08/31/2016	245,000.00	245,000.00	244,835.85	0.850	0.850	11/30/2017	244	None	176.87	0.28
MAHOPAC NATL BK N Y 1.45 7/30/2019	01/30/2015	245,000.00	245,000.00	247,513.70	1.450	1.450	07/30/2019	851	None	583.97	0.28
MARLIN BUSINESS BANK 1.4 10/28/2020	10/28/2016	245,000.00	245,000.00	239,950.55	1.400	1.400	10/28/2020	1,307	None	1,447.18	0.28
MB FINANCIAL BANK, NATIONAL ASSN 1.8 1/15/2021	01/15/2016	245,000.00	245,000.00	249,047.40	1.800	1.800	01/15/2021	1,386	None	193.32	0.28
MIDDLETON COMMUNITY BANK 1.4 11/27/2018	01/27/2015	245,000.00	245,000.00	246,935.50	1.400	1.400	11/27/2018	606	None	37.59	0.28
MUFG Union Bank NA 0.95 4/6/2017	04/06/2016	245,000.00	245,000.00	245,004.90	0.950	0.950	04/06/2017	6	None	2,289.24	0.28
SALLIE MAE BK SALT LAKE CITY UT 1.8 2/18/2021	02/18/2016	245,000.00	245,000.00	245,737.45	1.800	1.800	02/18/2021	1,420	None	495.37	0.28
SOUTHERN BANK 1 1/30/2018	09/30/2016	245,000.00	245,000.00	244,559.00	1.000	1.000	01/30/2018	305	None	6.71	0.28
STATE BK & TR CO DEFIANCE OHIO 1.6 2/17/2021	02/17/2016	245,000.00	245,000.00	246,670.90	1.600	1.600	02/17/2021	1,419	None	150.36	0.28
SYNCHRONY BANK 2 3/20/2020	03/20/2015	245,000.00	245,000.00	246,935.50	2.000	2.000	03/20/2020	1,085	None	147.67	0.28
Third Federal Savings and Loan Assn. of Cleveland	03/26/2015	245,000.00	245,000.00	247,143.75	1.800	1.800	03/26/2020	1,091	None	60.41	0.28
UNITY BK CLINTON NJ 1.5 9/26/2019	05/26/2015	245,000.00	245,000.00	245,634.55	1.500	1.500	09/26/2019	909	None	50.34	0.28
WASHINGTON TR CO WESTERLY RI 1.1 8/30/2018	08/30/2016	245,000.00	245,000.00	243,706.40	1.100	1.100	08/30/2018	517	None	221.51	0.28
WELLS FARGO BK NA SIOUXFALLS SD 1.6 8/3/2021	08/03/2016	245,000.00	245,000.00	239,024.45	1.600	1.600	08/03/2021	1,586	None	300.71	0.28
Worlds Foremost Bk Sidney NE 1.75 5/5/2021	05/05/2016	200,000.00	200,000.00	197,870.00	1.750	1.750	05/05/2021	1,496	None	249.32	0.23
Sub Total / Average		10,979,387.50	10,980,000.00	10,987,385.80	1.355	1.356		735		23,739.45	12.39
Corporate Bonds											
Apple Inc 1 5/3/2018	05/15/2013	497,300.00	500,000.00	498,490.00	1.000	1.112	05/03/2018	398	Moody's-Aa1	2,055.56	0.56
General Electric Cap Corp 1.625 4/2/2018	05/14/2013	506,735.00	500,000.00	501,085.00	1.625	1.339	04/02/2018	367	Moody's-A1	4,039.93	0.56
General Electric Co. 4.375 9/16/2020	10/11/2016	553,655.00	500,000.00	537,410.00	4.375	1.550	09/16/2020	1,265	Moody's-A1	911.46	0.56
Intel Corp 1.35 12/15/2017-14	05/27/2014	502,250.00	500,000.00	500,325.00	1.350	1.220	12/15/2017	259	Moody's-A1	1,987.50	0.56
JPMORGAN CHASE 2.35 1/28/2019	04/14/2015	1,021,450.00	1,000,000.00	1,010,630.00	2.350	1.762	01/28/2019	668	Moody's-A3	4,112.50	1.13
MICROSOFT CORP 2 11/3/2020-20	12/28/2015	501,580.00	500,000.00	501,640.00	2.000	1.931	11/03/2020	1,313	Moody's-Aaa	4,111.11	0.56
Pfizer Corp 2.1 5/15/2019-14	01/19/2017	505,935.00	500,000.00	504,315.00	2.100	1.577	05/15/2019	775	Moody's-A1	3,966.67	0.56
Toyota Motor Credit Corp 1.2 4/6/2018	04/15/2016	501,005.00	500,000.00	498,645.00	1.200	1.097	04/06/2018	371	Moody's-Aa3	2,916.67	0.56
Union Bank 2.125 6/16/2017	01/09/2013	517,250.00	500,000.00	501,070.00	2.125	1.322	06/16/2017	77	Moody's-A2	3,098.96	0.56
US Bancorp 1.65 5/15/2017	05/11/2012	502,365.00	500,000.00	500,045.00	1.650	1.551	05/15/2017	45	Moody's-A1	3,116.67	0.56
Wells Fargo 1.5 1/16/2018	05/14/2013	502,950.00	500,000.00	499,100.00	1.500	1.369	01/16/2018	291	S&P-A	1,562.50	0.56
Sub Total / Average		6,112,475.00	6,000,000.00	6,052,755.00	1.969	1.466		541		31,879.53	6.77



Mono County Portfolio Holdings by Security Sector As of March 31, 2017

Description	Settlement Date	Cost Value	Face Amount/Shares	Market Value	Coupon Rate	YTM @ Cost	Maturity Date	Days To Maturity	Credit Rating 1	Accrued Interest	% of Portfolio
Municipal Bonds											
City of San Jose CA Airport 4.75 3/1/2020-11	09/14/2016	550,655.00	500,000.00	534,655.00	4.750	1.724	03/01/2020	1,066	S&P-AA	1,979.17	0.56
El Monte CA School District GO 1.698 5/1/2018	06/12/2014	503,340.00	500,000.00	503,240.00	1.698	1.521	05/01/2018	396	S&P-AA	3,537.50	0.56
HAWTHORNE CA CTFS 1.846 8/1/2018	05/17/2016	251,867.50	250,000.00	249,167.50	1.846	1.501	08/01/2018	488	S&P-AA	769.17	0.28
HAWTHORNE CA CTFS 2.096 8/1/2019	05/17/2016	252,680.00	250,000.00	249,352.50	2.096	1.751	08/01/2019	853	S&P-AA	873.33	0.28
La Mesa Spring Valley SD 1.886 8/1/2017	05/01/2014	502,920.00	500,000.00	501,300.00	1.886	1.700	08/01/2017	123	S&P-A+	1,571.67	0.56
Lake Tahoe Unified School District 0 8/1/2017	11/19/2013	619,567.00	650,000.00	647,432.50	0.000	1.300	08/01/2017	123	S&P-AA-	0.00	0.73
LANCASTER REDEV AGY A 2.125 8/1/2021	08/01/2016	661,995.40	655,000.00	639,122.80	2.125	1.900	08/01/2021	1,584	S&P-AA	2,319.79	0.74
MALIBU CA COPS (MALCTF) 1.6 11/1/2018	07/15/2016	252,935.00	250,000.00	249,717.50	1.600	1.080	11/01/2018	580	S&P-AA+	1,666.67	0.28
N ORANGE CNTY CA CMNTY CLG DIST 1.54 8/1/2018	10/15/2015	604,764.00	600,000.00	601,080.00	1.540	1.250	08/01/2018	488	S&P-AA+	1,540.00	0.68
Riverside Unified School District-Ref 1.94 8/1/202	05/25/2016	387,156.00	385,000.00	380,480.10	1.940	1.801	08/01/2020	1,219	S&P-A+	1,244.83	0.43
SALDEV 1.25 7/1/2019	08/23/2016	159,774.40	160,000.00	156,456.00	1.250	1.300	07/01/2019	822	Fitch-AA-	500.00	0.18
SAN BERNARDINO COMMUNITY COLLEGE DISTRICT 2.136 8/	07/15/2016	510,950.00	500,000.00	504,195.00	2.136	1.050	08/01/2018	488	S&P-AA-	1,780.00	0.56
Solano Co Community College 1.384 8/1/2017	05/27/2014	252,210.00	250,000.00	250,330.00	1.384	1.100	08/01/2017	123	S&P-AA-	576.67	0.28
Union School District CA 1.573 9/1/2017	11/29/2012	506,270.00	500,000.00	500,365.00	1.573	1.300	09/01/2017	154	S&P-AA+	655.42	0.56
Victor Valley CA Cmnty Clg Dist 1.324 8/1/2019	05/05/2016	276,078.00	275,000.00	271,042.75	1.324	1.200	08/01/2019	853	S&P-AA-	606.83	0.31
Victor Valley CA Cmnty Clg Dist 1.676 8/1/2020	05/05/2016	261,869.40	260,000.00	255,093.80	1.676	1.500	08/01/2020	1,219	S&P-AA-	726.27	0.29
WALNUT VALLEY CA USD 2 8/1/2018	06/26/2015	507,500.00	500,000.00	504,555.00	2.000	1.502	08/01/2018	488	Moody's-Aa2	1,666.67	0.56
Sub Total / Average		7,062,531.70	6,985,000.00	6,997,585.45	1.835	1.463		634		22,013.99	7.88
US Agency											
FAMC 1.75 6/15/2020	01/04/2017	224,977.50	225,000.00	225,083.25	1.750	1.753	06/15/2020	1,172	None	1,159.38	0.25
FFCB 1.06 11/19/2018-16	05/19/2016	1,000,000.00	1,000,000.00	996,600.00	1.060	1.060	11/19/2018	598	Moody's-Aaa	3,886.67	1.13
FFCB 1.18 10/18/2019-16	07/18/2016	999,250.00	1,000,000.00	989,540.00	1.180	1.204	10/18/2019	931	Moody's-Aaa	5,342.78	1.13
FFCB 1.3 4/21/2020-16	07/22/2016	998,400.00	1,000,000.00	988,210.00	1.300	1.344	04/21/2020	1,117	Moody's-Aaa	5,777.78	1.13
FFCB 1.49 5/3/2021-17	11/03/2016	999,250.00	1,000,000.00	977,390.00	1.490	1.507	05/03/2021	1,494	Moody's-Aaa	6,125.56	1.13
FHLB 1.15 1/28/2019-16	07/28/2016	1,000,000.00	1,000,000.00	996,080.00	1.150	1.150	01/28/2019	668	Moody's-Aaa	2,012.50	1.13
FHLB 1.375 9/1/2020-16	09/28/2016	549,862.50	550,000.00	541,068.00	1.375	1.381	09/01/2020	1,250	Moody's-Aaa	630.21	0.62
FHLB 1.45 2/28/2019	03/15/2017	499,800.00	500,000.00	501,130.00	1.450	1.467	02/28/2019	699	Moody's-Aaa	322.22	0.56
FHLB 1.5 9/30/2021-16	11/04/2016	998,750.00	1,000,000.00	975,140.00	1.500	1.526	09/30/2021	1,644	Moody's-Aaa	0.00	1.13
FHLMC 1.25 12/28/2018-16	03/28/2016	1,000,000.00	1,000,000.00	995,350.00	1.250	1.250	12/28/2018	637	Moody's-Aaa	3,229.17	1.13
FHLMC 1.5 2/25/2021-16	08/25/2016	1,250,000.00	1,250,000.00	1,211,775.00	1.500	1.500	02/25/2021	1,427	Moody's-Aaa	1,875.00	1.41
FHLMC 1.75 5/30/2019	12/31/2015	1,007,770.00	1,000,000.00	1,007,830.00	1.750	1.516	05/30/2019	790	Moody's-Aaa	5,833.33	1.13
FHLMC 1.75 8/25/2021-16	08/30/2016	1,000,000.00	1,000,000.00	966,940.00	1.750	1.750	08/25/2021	1,608	Moody's-Aaa	1,750.00	1.13
FHLMC 2 10/27/2020-17	01/27/2017	500,000.00	500,000.00	500,000.00	2.000	2.000	10/27/2020	1,306	Moody's-Aaa	1,777.78	0.56
FHLMC 2.25 1/27/2022-17	01/27/2017	1,000,000.00	1,000,000.00	996,450.00	2.250	2.250	01/27/2022	1,763	Moody's-Aaa	4,000.00	1.13



Mono County Portfolio Holdings by Security Sector As of March 31, 2017

Description	Settlement Date	Cost Value	Face Amount/Shares	Market Value	Coupon Rate	YTM @ Cost	Maturity Date	Days To Maturity	Credit Rating 1	Accrued Interest	% of Portfolio
FHLMC 2.3 1/27/2022-17	01/27/2017	1,000,000.00	1,000,000.00	994,850.00	2.300	2.300	01/27/2022	1,763	Moody's-Aaa	4,088.89	1.13
FHLMC 2.375 1/13/2022	01/13/2017	1,016,560.00	1,000,000.00	1,018,080.00	2.375	2.025	01/13/2022	1,749	Moody's-Aaa	5,145.83	1.13
FNMA 1.06 4/26/2019-17	08/19/2016	999,490.00	1,000,000.00	989,820.00	1.060	1.079	04/26/2019	756	Moody's-Aaa	4,563.89	1.13
FNMA 1.25 11/27/2019-17	08/30/2016	1,250,000.00	1,250,000.00	1,231,525.00	1.250	1.250	11/27/2019	971	Moody's-Aaa	5,381.94	1.41
FNMA 1.25 5/6/2021	10/26/2016	747,270.00	750,000.00	732,600.00	1.250	1.333	05/06/2021	1,497	Moody's-Aaa	3,776.04	0.85
FNMA 1.3 1/28/2020-16	07/28/2016	1,000,000.00	1,000,000.00	983,710.00	1.300	1.300	01/28/2020	1,033	Moody's-Aaa	2,275.00	1.13
FNMA 1.32 8/26/2019-16	02/26/2016	1,000,000.00	1,000,000.00	992,270.00	1.320	1.320	08/26/2019	878	Moody's-Aaa	1,283.33	1.13
FNMA 1.375 10/7/2021	10/26/2016	997,470.00	1,000,000.00	975,560.00	1.375	1.428	10/07/2021	1,651	Moody's-Aaa	6,645.83	1.13
FNMA 1.4 8/24/2020-17	08/24/2016	999,900.00	1,000,000.00	987,120.00	1.400	1.402	08/24/2020	1,242	Moody's-Aaa	1,438.89	1.13
FNMA 1.45 1/27/2021-17	07/27/2016	999,100.00	1,000,000.00	972,970.00	1.450	1.471	01/27/2021	1,398	Moody's-Aaa	2,577.78	1.13
FNMA 1.5 11/30/2020	12/31/2015	983,000.00	1,000,000.00	991,690.00	1.500	1.863	11/30/2020	1,340	S&P-AA+	5,000.00	1.13
FNMA 1.5 5/25/2021-17	11/23/2016	1,000,000.00	1,000,000.00	979,950.00	1.500	1.500	05/25/2021	1,516	Moody's-Aaa	5,333.33	1.13
FNMA 1.5 5/28/2021-17	08/30/2016	1,000,000.00	1,000,000.00	968,690.00	1.500	1.500	05/28/2021	1,519	Moody's-Aaa	5,125.00	1.13
FNMA 1.5 9/29/2020-17	01/04/2017	245,627.50	250,000.00	246,387.50	1.500	1.988	09/29/2020	1,278	Moody's-Aaa	20.83	0.28
FNMA 1.55 6/15/2020-16	03/15/2016	1,000,000.00	1,000,000.00	984,530.00	1.550	1.550	06/15/2020	1,172	Moody's-Aaa	688.89	1.13
FNMA 1.55 7/28/2021-16	07/28/2016	1,000,000.00	1,000,000.00	969,070.00	1.550	1.550	07/28/2021	1,580	Moody's-Aaa	2,712.50	1.13
FNMA 1.6 10/28/2021-17	10/28/2016	999,200.00	1,000,000.00	968,700.00	1.600	1.617	10/28/2021	1,672	Moody's-Aaa	6,800.00	1.13
FNMA 1.625 1/21/2020	06/24/2015	997,400.00	1,000,000.00	1,001,840.00	1.625	1.684	01/21/2020	1,026	Moody's-Aaa	3,159.72	1.13
FNMA 1.625 10/28/2021-17	10/28/2016	1,000,000.00	1,000,000.00	971,240.00	1.625	1.625	10/28/2021	1,672	Moody's-Aaa	6,906.25	1.13
FNMA 1.875 12/28/2020	12/31/2015	1,000,000.00	1,000,000.00	1,004,670.00	1.875	1.875	12/28/2020	1,368	Moody's-Aaa	4,843.75	1.13
Sub Total / Average		32,263,077.50	32,275,000.00	31,833,858.75	1.525	1.533		1,270		121,490.07	36.41
US Treasury											
T-Note 2.375 6/30/2018	03/15/2017	507,519.53	500,000.00	507,560.00	2.375	1.201	06/30/2018	456	Moody's-Aaa	2,952.35	0.56
Sub Total / Average		507,519.53	500,000.00	507,560.00	2.375	1.201		456		2,952.35	0.56
Total / Average		88,840,018.87	88,655,027.64	88,294,172.64	1.316	1.249		644		256,350.24	100



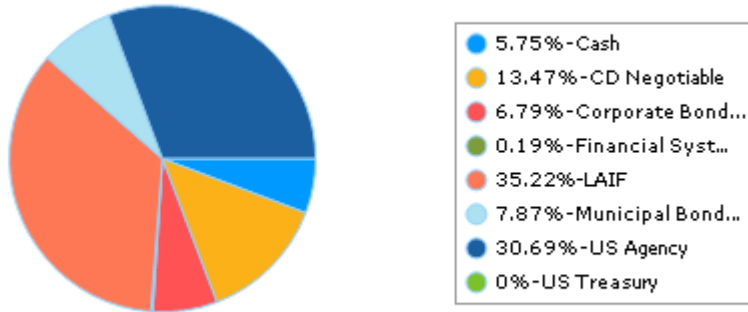
Mono County Distribution by Asset Category - Market Value Investment Portfolio

Begin Date: 12/31/2016, End Date: 3/31/2017

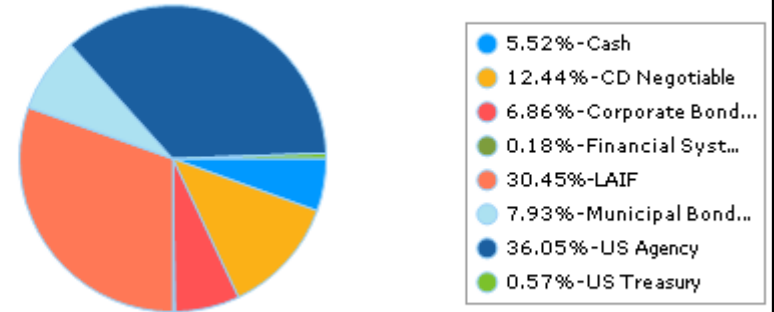
Asset Category Allocation

Asset Category	Market Value 12/31/2016	% of Portfolio 12/31/2016	Market Value 3/31/2017	% of Portfolio 3/31/2017
Cash	5,118,995.53	5.75	4,871,306.53	5.52
CD Negotiable	11,986,614.95	13.47	10,987,385.80	12.44
Corporate Bonds	6,046,245.00	6.79	6,052,755.00	6.86
Financial System Loan-Mono County	173,461.82	0.19	156,696.46	0.18
LAIF	31,342,033.72	35.22	26,887,024.65	30.45
Municipal Bonds	7,002,437.65	7.87	6,997,585.45	7.93
US Agency	27,312,587.50	30.69	31,833,858.75	36.05
US Treasury	0.00	0.00	507,560.00	0.57
Total / Average	88,982,376.17	100.00	88,294,172.64	100.00

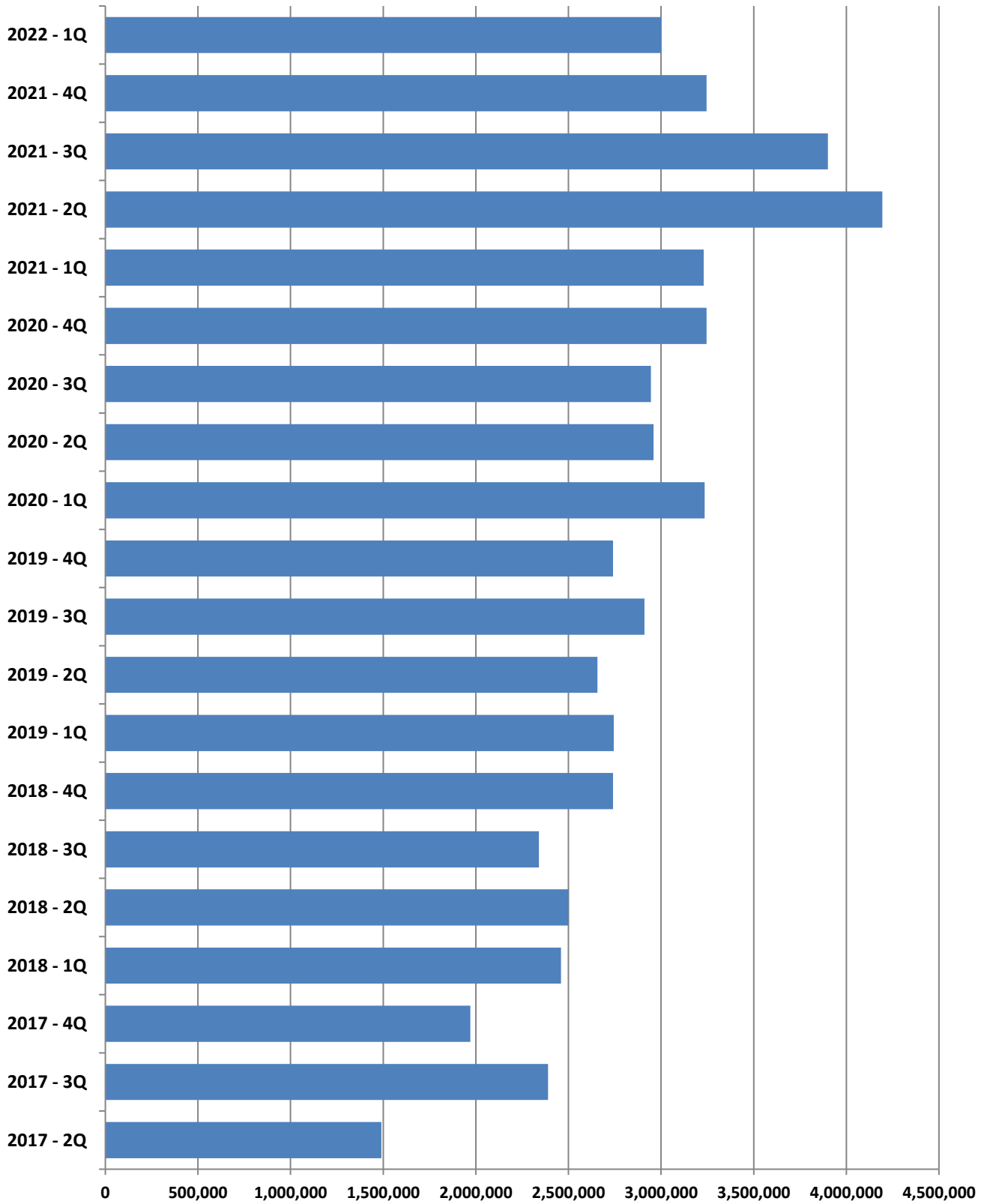
Portfolio Holdings as of 12/31/2016



Portfolio Holdings as of 3/31/2017

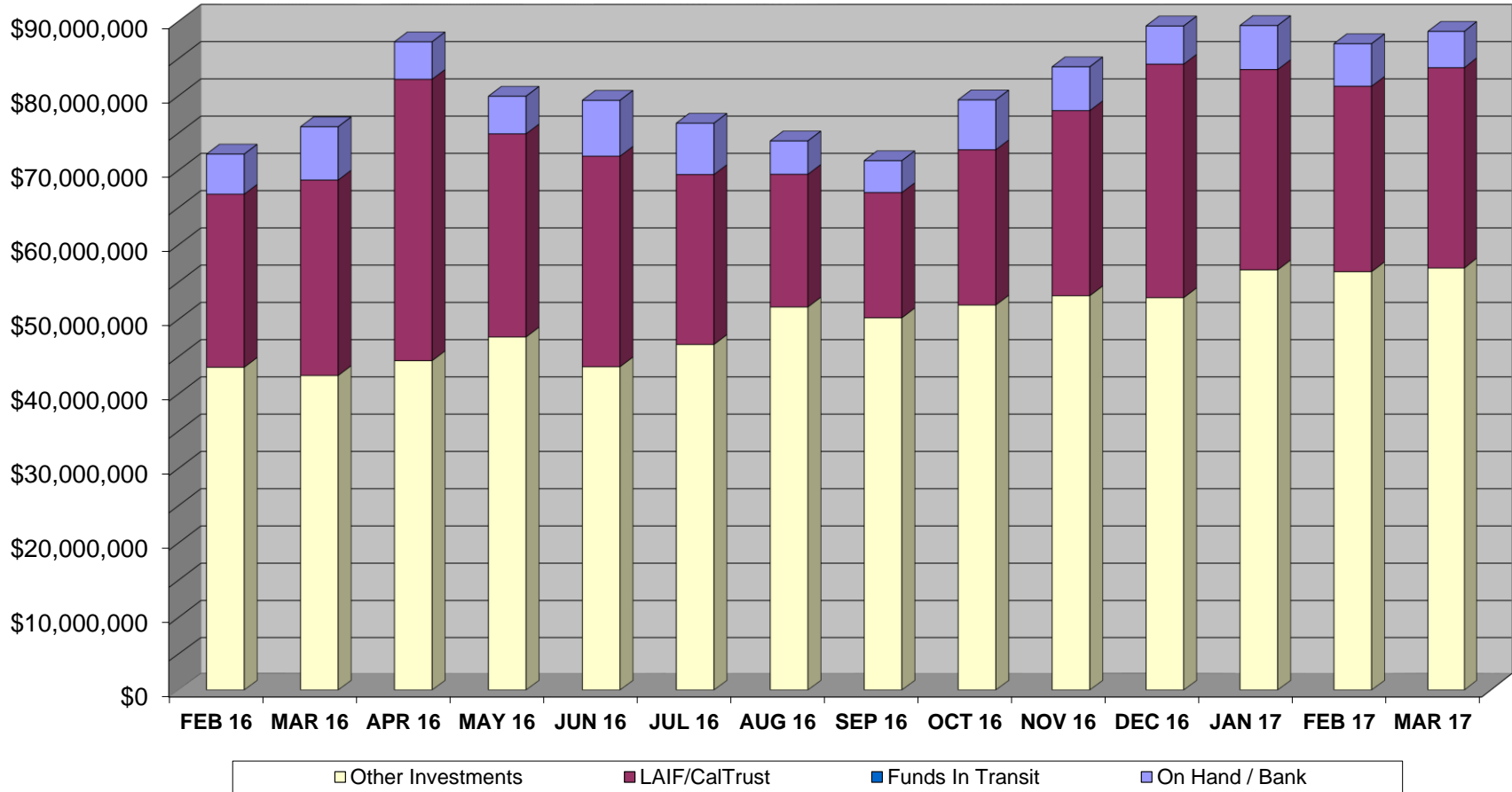


Maturity Distribution As of 3/31/2017



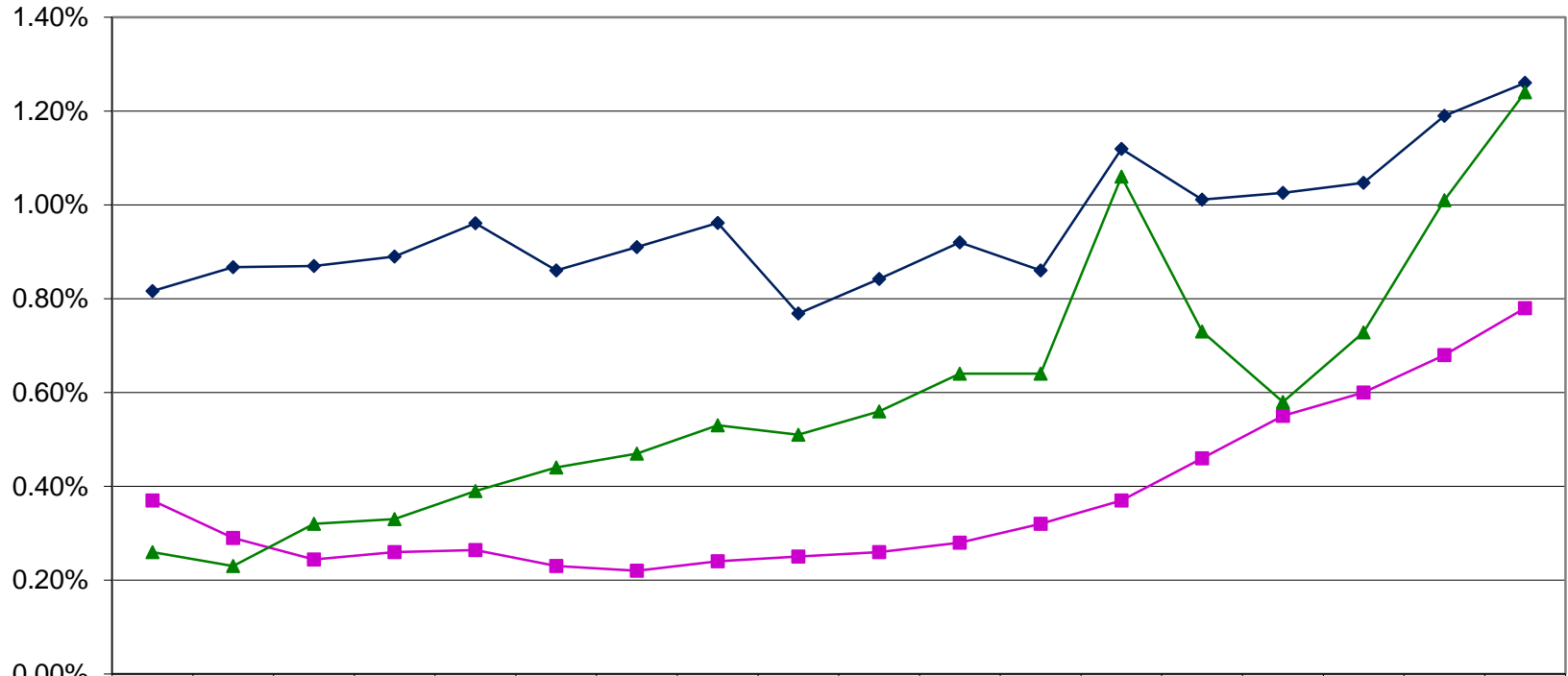
TREASURY CASH BALANCES AS OF THE LAST DAY OF THE MOST RECENT 14 MONTHS

	FEB 16	MAR 16	APR 16	MAY 16	JUN 16	JUL 16	AUG 16	SEP 16	OCT 16	NOV 16	DEC 16	JAN 17	FEB 17	MAR 17
On Hand / Bank	\$5,380,023	\$7,145,998	\$5,026,692	\$5,045,518	\$7,500,797	\$6,889,192	\$4,479,085	\$4,281,514	\$6,688,520	\$5,882,612	\$5,118,996	\$5,905,600	\$5,712,210	\$4,871,307
Funds In Transit														
LAIF/CalTrust	\$23,232,825	\$26,232,825	\$37,762,604	\$27,262,604	\$28,262,604	\$22,807,275	\$17,807,275	\$16,807,275	\$20,842,034	\$24,842,034	\$31,342,034	\$26,887,025	\$24,887,025	\$26,887,025
Other Investments	\$43,572,987	\$42,470,915	\$44,460,915	\$47,640,915	\$43,643,014	\$46,638,013	\$51,668,014	\$50,214,244	\$51,929,244	\$53,174,244	\$52,918,462	\$56,648,462	\$56,403,462	\$56,896,696
TOTAL	\$72,185,835	\$75,849,738	\$87,250,211	\$79,949,037	\$79,406,414	\$76,334,480	\$73,954,374	\$71,303,033	\$79,459,798	\$83,898,890	\$89,379,491	\$89,441,086	\$87,002,697	\$88,655,028



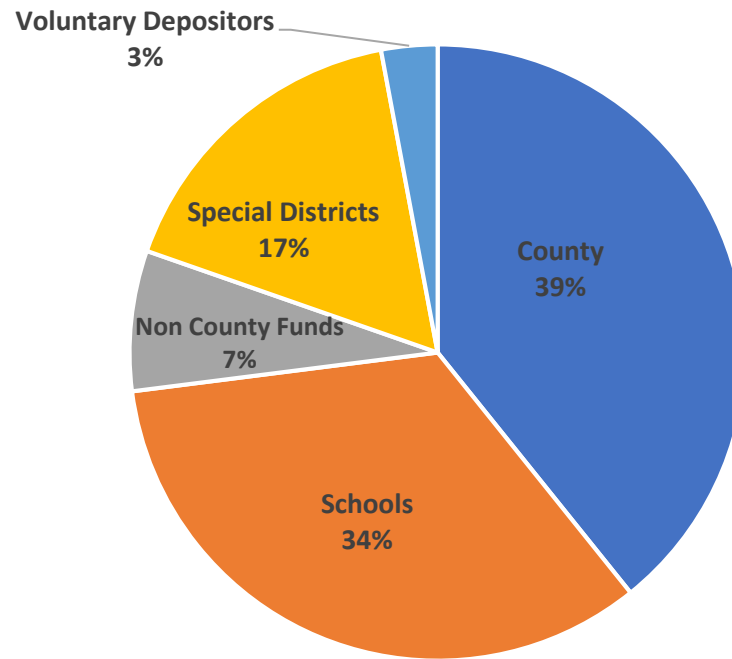
MATURITIES	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTALS
Calendar Year 2017				\$245,000.00	\$500,000.00	\$745,000.00		\$1,890,000.00	\$500,000.00	\$735,000.00	\$735,000.00	\$500,000.00	\$5,850,000.00
Calendar Year 2018	\$1,480,000.00	\$735,000.00	\$245,000.00	\$1,000,000.00	\$1,000,000.00	\$500,000.00		\$2,340,000.00			\$1,495,000.00	\$1,245,000.00	\$10,040,000.00
Calendar Year 2019	\$2,000,000.00	\$745,000.00		\$1,000,000.00	\$1,500,000.00	\$156,696.46	\$895,000.00	\$1,525,000.00	\$490,000.00	\$1,000,000.00	\$1,740,000.00		\$11,051,696.46
Calendar Year 2020	\$2,245,000.00		\$990,000.00	\$1,490,000.00	\$245,000.00	\$1,225,000.00		\$1,645,000.00	\$1,300,000.00	\$745,000.00	\$1,500,000.00	\$1,000,000.00	\$12,385,000.00
Calendar Year 2021	\$1,490,000.00	\$1,740,000.00		\$245,000.00	\$3,950,000.00		\$1,000,000.00	\$1,900,000.00	\$1,000,000.00	\$3,245,000.00			\$14,570,000.00
Calendar Year 2022	\$3,000,000.00												\$3,000,000.00
TOTAL													\$56,896,696.46

MONO COUNTY TREASURY POOL QUARTERLY YIELD COMPARISON



	12/31 2012	3/31 2013	6/30 2013	9/30 2013	12/31 2013	3/31 2014	6/30 2014	9/30 2014	12/31 2014	3/31 2015	6/30 2015	9/30 2015	12/31 2015	3/31 2016	6/30 2016	9/30 2016	12/30 2016	3/31 2017
—◆— COUNTY	0.82%	0.87%	0.87%	0.89%	0.96%	0.86%	0.91%	0.96%	0.77%	0.84%	0.92%	0.86%	1.12%	1.01%	1.03%	1.05%	1.19%	1.26%
—■— LAIF	0.37%	0.29%	0.24%	0.26%	0.26%	0.23%	0.22%	0.24%	0.25%	0.26%	0.28%	0.32%	0.37%	0.46%	0.55%	0.60%	0.68%	0.78%
—▲— 2YR TREAS	0.26%	0.23%	0.32%	0.33%	0.39%	0.44%	0.47%	0.53%	0.51%	0.56%	0.64%	0.64%	1.06%	0.73%	0.58%	0.73%	1.01%	1.24%

Investment Pool Participants



The Pool is comprised of monies deposited by mandatory and voluntary participants. Mandatory participants include the County of Mono, School Districts, and Special Districts. Voluntary participants are those agencies that are not required to invest their monies in the County Pool and do so only as an investment option.

Districts Participating in Pool

Antelope Valley Fire Protection District, Antelope Valley Water District, Birchim Community Service District, Bridgeport Fire Protection District, Chalfant Valley Fire Protection District, County Service Area #1, County Service Area #2, County Service Area #5, June Lake Fire Protection District, Lee Vining Fire Protection District, Lee Vining Public Utility District, Long Valley Fire Protection District, Mammoth Community Service District, Mammoth Lakes Mosquito Abatement District, Mono City Fire Protection District, Mono County Resource Conservation District, Paradise Fire Protection District, Tri-Valley Ground Water Management District, Wheeler Crest Community Service District, Wheeler Crest Fire Protection District, White Mountain Fire Protection District.

Districts Not Participating in Pool

Bridgeport Public Utility District, Hilton Creek Community Services District, Inyo-Mono Resource Conservation District, June Lake Public Utility District, Mammoth Lakes Fire Protection District, Southern Mono Healthcare District.

**COUNTY OF MONO
TREASURY OVERSIGHT COMMITTEE
COMPLIANCE REPORT
FOR THE YEAR ENDED JUNE 30, 2016**

CliftonLarsonAllen LLP



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING



COUNTY OF MONO

**Treasury Oversight Committee
Compliance Report
For the Year Ended June 30, 2016**

Table of Contents

	<u>Page</u>
Independent Accountant's Report	1
Committee Members	2
Background and General	3
Compliance Audit Requirement.....	3
Committee Formation and Operation	3
Investment Policy Statement.....	4
Investment Policy Review	4
Compliance to Policy	5
Reporting.....	5
General Observations and Conclusion.....	5



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT ACCOUNTANT'S REPORT

Members of the Treasury
Oversight Committee
County of Mono
Bridgeport, California

We have examined the County of Mono's compliance with the Treasury Oversight Committee provisions contained in Sections 27130-27137 of the California Government Code for the fiscal year ended June 30, 2016. Treasury's management is responsible for the compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination. We did not audit, verify or confirm the existence of the investments as this was not within the scope of this engagement and is normally included as part of the County's annual financial audit. Rather, the sole purpose of this audit was to determine compliance with the requirements specified in the Government Code Sections.

Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Treasury management's compliance and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on compliance with specified requirements.

In our opinion the County of Mono is in compliance, in all material respects, with the articles of Sections 27130-27137 of the Government Code for the fiscal year ended June 30, 2016. We have included on the following pages our discussion and observations regarding the oversight provided.

This report is intended only for the information of the Treasury's management, Treasury Oversight Committee, the Board of Supervisors, and others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

Roseville, California
March 22, 2017

COUNTY OF MONO

**Treasury Oversight Committee
Compliance Report
For the Year Ended June 30, 2016**

COMMITTEE MEMBERS

<u>Member</u>	<u>Organization Representing</u>
Janet Dutcher	Finance Director, Mono County
Gerald Frank	Asst. Finance Director, Treasurer/Tax Collector Mono County
Larry Johnston	Supervisor, Mono County Board of Supervisors
Caty Ecklund	Chief Business Officer, Mono County Office of Education
Brooke Bien	Business Manager, Mammoth Unified School District
George R. Savage	Retired CPA/Court Fiscal Officer
Shields Richardson	Mayor, Town of Mammoth Lakes
Daniel C. Holler	Town Manager, Town of Mammoth Lakes Alternate Member
Fred Stump	Supervisor, Mono County Board of Supervisors, Alternate Member

COUNTY OF MONO

Treasury Oversight Committee Compliance Report For the Year Ended June 30, 2016

Background and General

In 1995, the California legislature passed provisions requiring each county to establish an oversight committee of from 3 to 11 members representing various organizations (the pool of organizations was also specified in the legislation). The purpose of this committee was to oversee the policies that guide the investment of public funds. The committee was not to impinge on the day-to-day operations of the County Treasurer, but rather to review and monitor the Treasurer's investment policy and reporting.

Certain statutory changes were enacted by the California legislature effective January 1, 2005. Government Code section 27131 now makes the Treasury Oversight Committee optional. Although Legislature encourages the continuation of the Oversight Committee, the Committee may wish to review whether to continue with the committee in future years. Other statutory changes also include the removal of the mandatory filing of the County's annual investment policy and the County's quarterly investment report. Instead, the County's annual investment policy should be submitted to the County Board of Supervisors and the quarterly investment reports should be submitted to the County's administrative office, auditor-controller or Board of Supervisors.

Compliance Audit Requirement

The oversight legislation included many specific requirements such as the required contents of the Treasurer's Investment Policy. Government Code Section (GC) 27134 requires an annual audit to determine compliance with the provisions. This audit serves to comply with that requirement.

Committee Formation and Operation

In 2013, Mono County issued a Resolution, which established the Mono County Treasury Oversight Committee (the "Committee"), membership, term of members, organization, powers and duties.

Meetings were held during the fiscal year on November 9, 2015. We reviewed the minutes and believe the meetings were properly conducted in order to provide oversight.

COUNTY OF MONO

Treasury Oversight Committee
Compliance Report
For the Year Ended June 30, 2016

Investment Policy Statement

Government Code section 53646 requires the County Treasurer to annually prepare an investment policy statement even if there were no policy changes. The Statement is reviewed by the Oversight Committee and submitted to the Board of Supervisors for approval. We noted that when the TOC was formed, on December 17, 2013, the TOC adopted the investment policy that was submitted and approved by the Board of Supervisors on July 3, 2012. The updated Investment Policy Statement was approved by the Mono County Board of Supervisors on February 2, 2016. All adopted changes are consistent with state law requirements.

Investment Policy Review

We reviewed the requirements specified in Government Code § 27133, items a-h. We believe the policy addressed all the required provisions as follows:

<u>Requirement</u>	<u>Policy Section</u>	<u>Deemed Compliant</u>
a) Authorized securities Maximum percentage by type	Investment Parameters Section VIII & IX	Yes Yes
b) Maximum terms	Investment Parameters Section IX	Yes
c) Criteria for selection of brokers Prohibition of political contribution	Authorized Financial Institutions Section VI	Yes Yes
d) Limits on gifts	Standards of Care Section V	Yes
e) Reporting to Oversight Committee	Reporting Section X	Yes
f) Calculation of treasurer's costs (GC 27013)	Investment Pool Costs Section XI	Yes
g) Voluntary depositors	Authorized Financial Institutions Section IV	Yes
h) Requests for withdrawal	Withdrawal Requests Section XII	Yes

As shown above, we believe the policy adopted contained all the provisions specified in the oversight legislation. The policy appears to be complete in all respects.

COUNTY OF MONO

Treasury Oversight Committee Compliance Report For the Year Ended June 30, 2016

Compliance to Policy

We reviewed the County's actual practices during 2015-2016 to determine compliance to the investment policy. We verified that the maximum percentages by category of investment were not exceeded during the year. We also verified that maximums for single issuers and maximum term limits specified in the policy were not exceeded.

Reporting

We reviewed the quarterly reports which were submitted to the Board of Supervisors and to the Committee to verify that they contained the information specified in the law. They appeared to be complete with all the required information and included the cash needs disclosure, compliance to policy and the source of the market value information.

General Observations and Conclusion

The Treasury pool appears to be diversified. Since the portfolio is short term in nature, the market values and the cost are nearly the same. Investments in the portfolio appear to have been prudent and were of the type common to investment pools of other counties. Safekeeping agents were used for custody of investments. Quarterly reports on the treasury pool are complete and provide the necessary information to properly review the portfolio.

We believe the County was in compliance, in all material respects, with the oversight requirements and that oversight was provided for the 2015-2016 year.

