



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, November 19, 2018
11:00 AM

Committee Members Present: Janet Dutcher, Gerald Frank, Brooke Bien, George Savage, Jennifer Weston and Bob Gardner (alternate).

Also Present: Janelle Mills, Secretary

Committee Members Absent: John Peters, Kirk Stapp, Mollie Nugent, Dan Holler (alternate) and Rob Patterson (alternate)

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

1. CALL MEETING TO ORDER:

The meeting was called to order at 11:02 AM by Janet Dutcher.

2. PUBLIC COMMENTS:

No public comments.

3. MINUTES:

A. Review and Approve the Minutes of the August 20, 2018 Treasury Oversight Committee Meeting.

MOTION: George Savage made a motion to approve the minutes of the August 20, 2018 Treasury Oversight Committee Meeting with the correction made to page 2 under #5 – Presentation on Investment Policies Frame Work. It should read California State Association of Counties training not, California State Auditor Controller training. Gerald Frank seconded the motion. **VOTE: 6 Yeas; 0 Nays**

4. QUARTERLY INVESTMENT REPORT:

A. Review the Quarterly Investment Report for the Quarter Ended September 30, 2018. – Gerald Frank.

The Treasury was out of compliance on the last day of the quarter with the Mono County Investment Policy on September 30, 2018. The out of compliance was due to a 734 day Weighted Average Maturity (WAM) which exceeded the 730 day maximum per policy. The WAM went above 730 days on Friday, September 28, 2018 and was back to 730 on the following Monday, October 1, 2018. Revenues anticipated in the cash analysis for September were delayed by 1-2 weeks which caused the WAM to exceed policy constraints. It is anticipated that the County Treasury will be able to meet the liquidity requirements of its pooled participants for the next six months.

On the last day of the quarter, on a cost basis, the portfolio totaled \$84,360,644 and the market value was \$82,751,686 or 98.093% of cost. The earned interest rate for the quarter ending September 30, 2018 was 1.8850%.

The following charts were reviewed; Portfolio Holdings by Security Sector, Distribution by Asset Category-Market Value, Treasury Cash Balances, Maturity Distribution, Quarterly Yield Comparison and the Investment Pool Participants.

5. INVESTMENT POLICY; REVIEW AND APPROVE TO AGENDIZE FOR BOARD OF SUPERVISOR MEETING IN JANUARY 2019: - Gerald Frank.

Most changes being proposed are considered “housekeeping”. All changes are highlighted in blue. The language to be changed/added will be:

Page 2, #3; Delegation of Authority;...and shall make a monthly report of those transactions to the legislative body. Subject to review, the legislative body may renew the delegation of authority pursuant to this section each year.

Page 7, #2; vi. It is recommended that the Weighted Average Maturity of the portfolio not exceed 24 months (730 Days) or such shorter dollar-weighted average maturity as may be required by State law.

To keep the policy uniform the following Government Codes should be added;

Page 4; VII Authorized Investments; A. [Gov’t Code §53601(b).]

Page 4; VII Authorized Investments; C. [Gov’t Code §53601(c).]

Page 5; VII Authorized Investments; D. [Gov’t Code §53601(d).]

Page 5; VII Authorized Investments; E. [Gov’t Code §53601(i).]

Page 5; VII Authorized Investments; F. [Gov’t Code §53601(g).]

Page 5; VII Authorized Investments; G. [Gov’t Code §53601(h) & §53635(a).]

Page 5; VII Authorized Investments; H. [Gov’t Code §53601(k).]

Page 5; VII Authorized Investments; J. [Gov’t Code §53601(l).]

Page 5; VII Authorized Investments; K. [Gov’t Code §16429.1.]

Page 6; VII Authorized Investments; L. [Gov’t Code §53601(p).]

Page 6; VII Authorized Investments; N. [Gov’t Code §53601(e).]

Page 6; VII Authorized Investments; O. [Gov’t Code §53601(q).]

Page 9; XIV. Terms and Conditions for Outside Investors; §53684.

APPENDIX A - Summary of Investment Limitations; United States Federal Agencies & Government-Sponsored Enterprises §53601 (f)

APPENDIX A - Summary of Investment Limitations; Notes & Bonds of Other 49 States §53601 (d)

APPENDIX A - Summary of Investment Limitations; Local Agency Investment Fund (LAIF) §16429.1

APPENDIX A - Summary of Investment Limitations; California Asset Management Program (CAMP) §53601(p)

APPENDIX A - Summary of Investment Limitations; Money Market Mutual Funds §53601 (l)

MOTION: Bob Gardner made a motion to approve the recommended Investment Policy changes. Brooke Bien seconded the motion. **VOTE: 6 Yeas; 0 Nays**

6. QUESTIONS AND RECOMMENDATIONS:

- Gerald Frank explained GE Bonds down rating to BBB+. S&P gave the GE Bonds an outlook of stable. The financials are being monitored and as of now there does not seem to be any signs of bankruptcy in the near future. If the County were to sell the GE Bonds now there would be a \$40,000 loss. This will continue to be monitored closely. This 4.375 % Bond matures September 2020. Should the Bond be down graded again, it will need to be looked at again.

7. SCHEDULE 2019 TREASURY OVERSIGHT COMMITTEE MEETING DATES:

Switching the meeting date to the 2nd Thursday of the month will help secure the meeting place per the Brown Act. Janelle Mills will email the dates.

8. ADJOURN MEETING:

Meeting ended at 11:47 AM

Respectfully Submitted:

Janelle Mills, Treasury Oversight Committee Secretary