



**SACRAMENTO COUNTY
TREASURY OVERSIGHT COMMITTEE**
Regular Meeting — Friday, May 20, 2016 / 9:00 a.m.
700 H Street, Hearing Room One, Room 1487
Sacramento, California 95814

MINUTES

PRESENT: Ben Lamera, Chris Parker, Brandon Rose, Ronald Seaman, David Villanueva.

ABSENT: Gerardo Castillo, Jeremy Edwards, Angelica Hernandez, Tamara Sanchez.

STAFF: Peggy Marti, Alan Matré, Dave Matuskey, Bernard Santo Domingo.

GUESTS: Thomas Bowen, Karlee Ransom.

1. CALL TO ORDER AND INTRODUCTIONS.

Chair Brandon Rose called the meeting to order at 9:04 a.m.

2. COMMENTS FROM THE PUBLIC.

There were no comments from the public.

3. APPROVAL OF FEBRUARY 19, 2016, MEETING MINUTES.

The minutes of the February 19, 2016, meeting were approved as amended on a motion made by Ronald Seaman, seconded by Chris Parker, and unanimously carried (5-0).

4. DISCUSSION AND ACTION ON THE INTERNAL AUDIT OF NON-POOLED INVESTMENT FUNDS FOR THE QUARTER ENDED MARCH 31, 2016.

Alan Matré reported for March 31, 2016, that 8 issues, none of which were new and one of which was external, were reviewed and no instances of non-compliance were found.

The Internal Audit Of Non-Pooled Investment Funds For The Quarter ended March 31, 2016, was accepted on a motion made by Ronald Seaman, seconded by Chris Parker, and unanimously carried (5-0).

5. DISCUSSION AND ACTION ON THE ANNUAL INDEPENDENT ACCOUNTANT'S REPORT REGARDING INVESTMENT COMPLIANCE REQUIREMENTS FOR THE POOLED AND NON-POOLED INVESTMENT FUNDS FOR THE YEAR ENDED DECEMBER 31, 2015.

Karlee Ransom of Vavrinek, Trine, Day & Co., LLP presented the *Treasury Oversight Committee Independent Accountant's Report for the Year Ended December 31, 2015*, and noted that no instances of non-compliance were found.

The Treasury Oversight Committee Independent Accountant's Report for the Year Ended December 31, 2015, was accepted on a motion made by Brandon Rose, seconded by Ronald Seaman, and unanimously carried (5-0).

6. ELECTION OF CHAIR AND VICE-CHAIR FOR TWO-YEAR TERMS EXPIRING JUNE 2018.

Brandon Rose was reelected chair and Gerardo Castillo was reelected vice-chair on a motion made by Chris Parker, seconded by David Villanueva, and unanimously carried (5-0).

7. STATUS UPDATE ON MEMBER POSITIONS.

Dave Matuskey noted that the District 1 public member position is still open, Jeremy Edwards was reappointed to the District 5 public member position, and an election is in progress for the Special District Representative.

8. DISCUSSION AND ACTION ON THE QUARTERLY REPORT OF THE NON-POOLED FUNDS PORTFOLIO REPORT FOR THE QUARTER ENDED MARCH 31, 2016.

Bernard Santo Domingo presented the Quarterly Report of the Non-Pooled Funds Portfolio for the Quarter Ended March 31, 2016.

The Non-Pooled Funds Portfolio Reports For The Quarter Ended March 31, 2016, was accepted on a motion made by Ronald Seaman, seconded by Chris Parker, and unanimously carried (5-0).

9. DISCUSSION AND ACTION ON THE QUARTERLY REPORT OF THE POOLED INVESTMENT FUND FOR THE QUARTER ENDED MARCH 31, 2016, AND COMPLIANCE WITH INVESTMENT POLICY.

Bernard Santo Domingo presented the Quarterly Report Of The Non-Pooled Funds Portfolio For The Quarter ended March 31, 2016, and Compliance with Investment Policy. He stated that the Pooled Investment Fund was in compliance with the investment policy and California Government Code.

Bernard Santo Domingo provided his economic commentary. He noted there has been a disconnect between the Fed and the market on the rate and timing of future rate hikes with the Fed holding a more aggressive outlook. Mr. Santo Domingo stated that yields on the 2-year note jumped in response to the release of the Fed's minutes, which showed an increased willingness of the FOMC to raise rates as soon as June.

The Quarterly Reports of the Pooled Investment Fund For The Quarter Ended March 31, 2016, were accepted on a motion made by Brandon Rose, seconded by David Villanueva, and unanimously carried (5-0).

10. OVERVIEW OF POOLED INVESTMENT FUND STATISTICS FROM VARIOUS JURISDICTION FOR MARCH 2016.

Bernard Santo Domingo presented the *Investment Fund Statistics Questionnaire Results – March 2016, Comparison of Various County Pooled Investment Funds and LAIF – 12-Month Yield Performance as of March 2016, and Overview of Pooled Investment Fund Statistics from Various Jurisdictions – Comparison of Yields and Average Weighted Maturities from June 30, 2015 – March 31, 2016.* Mr. Santo Domingo also presented a comparison of counties over a 10-year period.

11. DISCUSSION AND ACTION ON REPORT OF COMPLIANCE WITH GOVERNMENT CODE SECTION 27133(d) AND INVESTMENT POLICY REGARDING STATEMENT OF ECONOMIC INTERESTS

Bernard Santo Domingo presented the *Limits on Honoraria, Gifts and Gratuities* report and noted that all members of the committee are in compliance with the California Government Code and the Sacramento County Annual Investment Policy.

The Report of Compliance with Government Code Section 27133(d) and Investment Policy Regarding Political Contributions was accepted on a motion made by David Villanueva, seconded by Ronald Seaman, and unanimously carried (5-0).

12. REPORT BACK ON FISCAL YEAR 14-15 APPORTIONMENT.

Peggy Marti presented data on the dollar amounts apportioned at the fund level for fiscal year 14-15.

13. NEXT MEETING REMINDER.

Chair Brandon Rose reminded the committee that the next regular meeting of the Treasury Oversight Committee is scheduled for Friday, August 19, 2016, in the County Administration Center's Hearing Room One, Room 1487.

14. ADJOURNMENT.

The meeting was adjourned at 9:54 a.m.

Respectfully submitted:

Approved:

Dave Matuskey
Investment Officer

Brandon Rose, Chair
Treasury Oversight Committee

cc: Treasury Oversight Committee Members
Department of Finance Staff