



SACRAMENTO COUNTY
TREASURY OVERSIGHT COMMITTEE
Regular Meeting — Friday, February 16, 2018 / 9:00 a.m.
700 H Street, Hearing Room One, Room 1487
Sacramento, California 95814

MINUTES

PRESENT: Gerardo Castillo, Jeremy Edwards, Ben Lamera, Chris Parker, Brandon Rose, Ronald Seaman, Joseph Wilson.

ABSENT: Angelica Hernandez, Michael Smith, David Villanueva.

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

GUESTS: Jerry Legg.

1. CALL TO ORDER AND INTRODUCTIONS.

Chair Brandon Rose called the meeting to order at 9:02 a.m. Committee members and staff introduced themselves.

2. COMMENTS FROM THE PUBLIC.

There were no comments from the public.

3. APPROVAL OF NOVEMBER 17, 2017, MEETING MINUTES.

The minutes of the November 17, 2017, meeting were approved as amended on a motion made by Jeremy Edwards, seconded by Joseph Wilson, and carried (6-0).

4. DISCUSSION AND ACTION ON THE INTERNAL AUDIT OF NON-POOLED INVESTMENT FUNDS FOR THE QUARTER ENDED DECEMBER 31, 2017.

Alan Matré reported for the quarter ended December 31, 2017, that eleven issues, one of which was new and none of which were external, were reviewed and no instances of non-compliance were found.

The Internal Audit Of Non-Pooled Investment Funds For The Quarter ended December 31, 2017, was accepted on a motion made by Ronald Seaman, seconded by Gerardo Castillo, and unanimously carried (6-0).

5. STATUS REPORT ON MEMBER POSITIONS.

Dave Matuskey stated that the District 1 public member position was filled by Joseph Wilson with a term expiration date of June 30, 2019.

6. PRESENTATION OF THE SACRAMENTO COUNTY ANNUAL INVESTMENT POLICY OF THE POOLED INVESTMENT FUND FOR CALENDAR YEAR 2018.

Bernard Santo Domingo presented the *Annual Investment Policy of the Pooled Investment Fund for Calendar Year 2018*. He noted that the only significant change to the policy was the authorization to purchase certificates of deposit for the Community Reinvestment Act Program through private sector placement services which allow for full FDIC-insurance coverage for deposits above \$250,000. Mr. Santo Domingo stated that information will be sent out to all eligible banks, inviting them to submit an application for Community Reinvestment Act deposits.

7. UPDATE ON COMMUNITY REINVESTMENT ACT PROGRAM.

Dave Matuskey stated that the tentative timeline for the Community Reinvestment Act Program outreach is to mail applications to eligible banks in March and to begin making deposits with successful applicants in April.

8. DISCUSSION AND ACTION ON THE QUARTERLY REPORT OF THE NON-POOLED FUNDS PORTFOLIO REPORT FOR THE QUARTER ENDED DECEMBER 31, 2017.

Bernard Santo Domingo presented the Quarterly Report of the Non-Pooled Funds Portfolio for the Quarter Ended December 31, 2017.

The Non-Pooled Funds Portfolio Reports For The Quarter Ended December 31, 2017, was accepted on a motion made by Gerardo Castillo, seconded by Chris Parker, and unanimously carried (7-0).

9. DISCUSSION AND ACTION ON THE QUARTERLY REPORT OF THE POOLED INVESTMENT FUND FOR THE QUARTER ENDED DECEMBER 31, 2017, AND COMPLIANCE WITH INVESTMENT POLICY.

Bernard Santo Domingo presented the Quarterly Report Of The Non-Pooled Funds Portfolio For The Quarter ended December 31, 2017, 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 that we are entering a different interest rate environment with inflation and wage growth picking up and the FOMC on a path to normalizing interest rates. Mr. Santo Domingo stated that the FOMC is projecting 3 rate hikes in 2018 while the market is predicting 4 to 5 rate hikes.

The Quarterly Reports of the Pooled Investment Fund For The Quarter Ended December 31, 2017, were accepted on a motion made by Ronald Seaman, seconded by Jeremy Edwards, and unanimously carried (7-0).

10. OVERVIEW OF POOLED INVESTMENT FUND STATISTICS FROM VARIOUS JURISDICTION FOR DECEMBER 2017.

Bernard Santo Domingo presented the *Investment Fund Statistics Questionnaire Results – December 2017, Comparison of Various County Pooled Investment Funds and LAIF – 12-Month Yield Performance as of December 2017, and Overview of Pooled Investment Fund Statistics from Various Jurisdictions – Comparison of Yields and Average Weighted Maturities from March 31, 2017 – December 31, 2017.*

11. NEXT MEETING REMINDER.

Chair Brandon Rose reminded the committee that the next regular meeting of the Treasury Oversight Committee is scheduled for Friday, May 18, 2018, in the County Administration Center's Hearing Room One, Room 1487.

12. ADJOURNMENT.

The meeting was adjourned at 10:03 a.m.

Respectfully submitted:

Approved:

Dave Matuskey
Investment Officer

Brandon Rose, Chair
Treasury Oversight Committee

cc: Treasury Oversight Committee Members
Department of Finance Staff