



SACRAMENTO COUNTY
TREASURY OVERSIGHT COMMITTEE
Regular Meeting — Friday, August 21, 2020 / 9:00 a.m.
BlueJeans Teleconference

MINUTES

PRESENT: Ben Lamera, Jeremy Edwards, Chris Parker, Michael Smith, Amanda Thomas, David Villanueva, Joseph Wilson.

ABSENT: None.

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

GUESTS: Kevin Starkey.

1. CALL TO ORDER AND INTRODUCTIONS.

Chair Chris Parker called the meeting to order at 9:01 a.m.

2. COMMENTS FROM THE PUBLIC.

There were no comments from the public.

3. APPROVAL OF FEBRUARY 21, 2020, MEETING MINUTES.

The minutes of the February 21, 2020, meeting were approved as amended on a motion made by Amanda Thomas, seconded by David Villanueva, and carried (7-0).

4. 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, 2019.

Kevin Starkey of MGO presented the *Treasury Oversight Committee Independent Accountant's Report for the Year Ended December 31, 2019*, and noted that no instances of non-compliance were found.

The Treasury Oversight Committee Independent Accountant's Report for the Year Ended December 31, 2019, was accepted on a motion made by Ben Lamera, seconded by Michael Smith, and unanimously carried (7-0).

5. ELECTION OF CHAIR AND VICE CHAIR FOR TWO-YEAR TERMS EXPIRING JUNE 2022.

Chris Parker was elected Chair and on a motion made by Ben Lamera, seconded by David Villanueva, and unanimously carried (7-0).

Jeremy Edwards was elected Vice Chair and on a motion made by Chris Parker, seconded by Ben Lamera, and unanimously carried (7-0).

6. DISCUSSION AND ACTION ON THE INTERNAL AUDITS OF NON-POOLED INVESTMENT FUNDS FOR THE QUARTERS ENDED MARCH 30, 2020, AND JUNE 30, 2020.

Ben Lamera reported for the quarter ended March 31, 2020, that eleven issues, one of which was new and none of which was external, were reviewed and no instances of non-compliance were found. Ben Lamera also reported for the quarter ended June 30, 2020,

that ten issues, one of which was new and one of which was external, were reviewed and no instances of non-compliance were found.

The Internal Audits Of Non-Pooled Investment Funds For The Quarters ended March 31, 2020, and June 30, 2020, were accepted on a motion made by Amanda Thomas, seconded by Michael Smith, and unanimously carried (7-0).

7. MEMBER UPDATE.

Dave Matuskey noted that the terms for the District 3 and District 4 public member expired June 30, 2020. He stated that ballots were sent out for the election of the Schools and Community College Districts Representative.

8. DISCUSSION AND ACTION ON THE QUARTERLY REPORTS OF THE NON-POOLED FUNDS PORTFOLIO REPORT FOR THE QUARTERS ENDED MARCH 31, 2020, AND JUNE 30, 2020.

Bernard Santo Domingo presented the Quarterly Reports of the Non-Pooled Funds Portfolio for the Quarters Ended March 31, 2020, and June 30, 2020.

The Non-Pooled Funds Portfolio Reports For The Quarters Ended March 31, 2020, and June 30, 2020, were accepted on a motion made by Michael Smith, seconded by Joseph Wilson, and unanimously carried (7-0).

9. DISCUSSION AND ACTION ON THE QUARTERLY REPORTS OF THE POOLED INVESTMENT FUND FOR THE QUARTERS ENDED MARCH 31, 2020, AND JUNE 30, 2020, AND COMPLIANCE WITH INVESTMENT POLICY.

Bernard Santo Domingo presented the Quarterly Reports Of The Pooled Investment Fund For The Quarters Ended March 31, 2020, and June 30, 2020, 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 stated the Fed dropped the Fed Funds rate in March to zero in response to the economic crisis caused by the COVID-19 pandemic and that the Fed is committed to keeping rate low well into 2022. Mr. Santo Domingo also stated that Fed has announced new quantitative easing measures and currently has \$7 trillion on its balance sheet. Due to the economic situation and the Fed's moves, he expects rates on the Pooled Investment Fund to go down for the foreseeable future.

The Quarterly Reports of the Pooled Investment Fund For The Quarters Ended March 30, 2020, and June 30, 2020, were accepted on a motion made by Michael Smith, seconded by David Villanueva, and unanimously carried (6-0).

10. OVERVIEW OF POOLED INVESTMENT FUND STATISTICS FROM VARIOUS JURISDICTION FOR JUNE 2020.

Bernard Santo Domingo presented the *Investment Fund Statistics Questionnaire Results – June 2020, Comparison of Various County Pooled Investment Funds and LAIF – 12-Month Yield Performance as of June 2020, and Overview of Pooled Investment Fund Statistics from Various Jurisdictions – Comparison of Yields and Average Weighted Maturities from September 30, 2019 – June 30, 2020.*

11. DISCUSSION AND ACTION ON REPORT OF COMPLIANCE WITH GOVERNMENT CODE SECTION 27133(c) AND INVESTMENT POLICY REGARDING POLITICAL CONTRIBUTIONS

Bernard Santo Domingo presented the Report of Compliance with Government Code Section 27133(c) and Investment Policy Regarding Political Contributions and stated that all broker/dealers and direct issuers were in compliance.

The Report of Compliance with Government Code Section 27133(c) and Investment Policy Regarding Political Contributions was accepted on a motion made by Ben Lamera, seconded by Joseph Wilson, and unanimously carried (6-0).

12. COMMUNITY REINVESTMENT ACT PROGRAM.

Dave Matuskey reported that the annual solicitation for Community Reinvestment Act Program deposits resulted in \$80 million in deposits, up from \$30 million last year.

13. NEXT MEETING REMINDER.

Vice Chair Jeremy Edwards reminded the committee that the next regular meeting of the Treasury Oversight Committee is scheduled for Friday, November 20, 2020, in the County Administration Center's Hearing Room One, Room 1487.

14. ADJOURNMENT.

The meeting was adjourned at 10:08 a.m.

Respectfully submitted:

Approved:

Dave Matuskey
Investment Officer

Chris Parker, Chair
Treasury Oversight Committee

cc: Treasury Oversight Committee Members
Department of Finance Staff