



**SACRAMENTO COUNTY**  
**TREASURY OVERSIGHT COMMITTEE**  
*Regular Meeting — Friday, May 21, 2021 / 9:00 a.m.*  
*BlueJeans Teleconference*

**MINUTES**

**PRESENT:** Mary Beth Barber, Ben Lamera, Jeremiah Loughry, Chris Parker, Michael Smith, David Villanueva, Joseph Wilson.

**ABSENT:** Jeremy Edwards, Angelica Hernandez.

**STAFF:** Peggy Marti, Dave Matuskey, Ross McCarthy, Bernard Santo Domingo.

**GUESTS:** Kevin Starkey.

**1. CALL TO ORDER AND INTRODUCTIONS.**

Chair Chris Parker called the meeting to order at 9:00 a.m. Bernard Santo Domingo introduced Jeremiah Loughry as the new District 4 Representative to the committee.

**2. COMMENTS FROM THE PUBLIC.**

There were no comments from the public.

**3. APPROVAL OF NOVEMBER 20, 2020, MEETING MINUTES.**

*The minutes of the November 20, 2020, meeting were approved on a motion made by Joseph Wilson, seconded by Mary Beth Barber, 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, 2020.**

Kevin Starkey of MGO presented the *Treasury Oversight Committee Independent Accountant's Report for the Year Ended December 31, 2020*, and noted that no instances of non-compliance were found. Mr. Starkey noted that one committee member did not file a Form 700.

*The Treasury Oversight Committee Independent Accountant's Report for the Year Ended December 31, 2020, was accepted on a motion made by Ben Lamera, seconded by Michael Smith, and unanimously carried (7-0).*

**5. DISCUSSION AND ACTION ON THE INTERNAL AUDITS OF NON-POOLED INVESTMENT FUNDS FOR THE QUARTERS ENDED DECEMBER 31, 2020, AND MARCH 31, 2021.**

Ross McCarthy reported for the quarter ended December 31, 2020, that fifteen issues, five of which was new and one of which was external, were reviewed and no instances of non-compliance were found. Mr. McCarthy also reported for the quarter ended March 31, 2021, that ten issues, none of which were new and none 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 December 31, 2020, and March 31, 2021, were accepted on a motion made by David Villanueva, seconded by Michael Smith, and unanimously carried (7-0).*

**6. PRESENTATION OF THE SACRAMENTO COUNTY ANNUAL INVESTMENT POLICY OF THE POOLED INVESTMENT FUND FOR CALENDAR YEAR 2021.**

Bernard Santo Domingo presented the *Annual Investment Policy of the Pooled Investment Fund for Calendar Year 2021*. He noted that the policy was amended to allow for the purchase of government securities that have the possibility of returning a zero or negative yield in the unlikely event of a prolonged period of negative market rates.

**7. LEGISLATIVE UPDATE.**

Dave Matuskey stated that AB 998 was passed in 2020, authorizing local agencies to invest in government securities that could result in zero or negative yields in the event of a period of negative market interest rates.

**8. MEMBER UPDATE.**

Dave Matuskey stated that Amanda Thomas resigned from her position as the Special Districts Representative after leaving her position at the Sacramento Metropolitan Fire District, Angelica Hernandez was reappointed to the Third District public member position, and Jeremiah Loughry was appointed to the Fourth District public member position, with both public member position terms' expiring June 30, 2023.

**9. DISCUSSION AND ACTION ON THE QUARTERLY REPORT OF THE NON-POOLED FUNDS PORTFOLIO REPORT FOR THE QUARTERS ENDED DECEMBER 31, 2020, AND MARCH 31, 2021.**

Bernard Santo Domingo presented the Quarterly Report of the Non-Pooled Funds Portfolio for the Quarters Ended December 31, 2020, and March 31, 2021.

*The Non-Pooled Funds Portfolio Reports For The Quarters Ended December 31, 2020, and March 31, 2021, were accepted on a motion made by David Villanueva, seconded by Ben Lamera, and unanimously carried (7-0).*

**10. DISCUSSION AND ACTION ON THE QUARTERLY REPORTS OF THE POOLED INVESTMENT FUND FOR THE QUARTERS ENDED DECEMBER 31, 2020, AND MARCH 31, 2021, AND COMPLIANCE WITH INVESTMENT POLICY.**

Bernard Santo Domingo presented the Quarterly Reports Of The Pooled Investment Fund For The Quarters Ended December 31, 2020, and March 31, 2021, 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 that the FOMC dropped the fed funds rate to zero back in March 2020, and that while inflation and employment numbers have improved, the Fed needs to determine whether the recent uptick in inflation is transitory. Mr. Santo Domingo said he expects the pooled fund yield to remain low for at least the next few quarters.

*The Quarterly Reports of the Pooled Investment Fund For The Quarters Ended December 31, 2020, and March 31, 2021, were accepted on a motion made by Michael Smith, seconded by Ben Lamera, and unanimously carried (7-0).*

**11. OVERVIEW OF POOLED INVESTMENT FUND STATISTICS FROM VARIOUS JURISDICTION FOR MARCH 2021.**

Bernard Santo Domingo presented the *Investment Fund Statistics Questionnaire Results – March 2021, Comparison of Various County Pooled Investment Funds and LAIF – 12-Month Yield Performance as of March 2021, and Overview of Pooled Investment Fund Statistics from Various Jurisdictions – Comparison of Yields and Average Weighted Maturities from June 30, 2020 – March 31, 2021.*

**12. COMMUNITY REINVESTMENT ACT PROGRAM.**

Dave Matuskey stated that three deposits of \$20 million each were made this year under the Community Reinvestment Act Program with Bank of the West, East West Bank, and Five Star Bank.

**13. FUTURE PRESENTATIONS.**

Dave Matuskey asked the committee for ideas for potential presentation topics.

**14. NEXT MEETING REMINDER.**

Chair Chris Parker reminded the committee that the next regular meeting of the Treasury Oversight Committee is scheduled for Friday, August 20, 2021.

**15. ADJOURNMENT.**

The meeting was adjourned at 10:25 a.m.

Respectfully submitted:

Approved:

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**Dave Matuskey**  
Investment Officer

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**Chris Parker, Chair**  
Treasury Oversight Committee

cc: Treasury Oversight Committee Members  
Department of Finance Staff