



TREASURER-TAX COLLECTOR SAN DIEGO COUNTY

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Dan McAllister
Treasurer-Tax Collector



TREASURY OVERSIGHT COMMITTEE

DRAFT MEETING MINUTES

April 11, 2018

ATTENDANCE

7 Voting Members Present:

- Seat 1 Dan McAllister, Treasurer-Tax Collector
- Seat 2 *Absent*: Tracy Sandoval, Deputy Chief Administrative Officer, Auditor and Controller
- Seat 3 Don Steuer, Assistant Chief Administrative Officer, Board of Supervisors Rep.
- Seat 4 Michael Simonson, County Superintendent of Schools Representative
- Seat 5 Gregory Ottinger, Community Colleges/Schools Representative
- Seat 6 Andre Douzdjian, SANDAG (Non-voting)
- Seat 7 Herb Johnson, CHAIR, Public Member
- Seat 8 Colleen Harvey, Public Member
- Seat 9 Charlie Ng, Public Member
- Seat 10 Maria Kachadoorian, Public Member
- Seat 11 *Absent*: Mark Fisher, Public Member

County Staff:

Israel Garza, Accounting Manager, Treasurer-Tax Collector
Hank Kim, Chief Investment Officer, Treasurer-Tax Collector
Richard Kinzly, Investment Officer, Treasurer-Tax Collector
Thomas Paolicelli, Chief Deputy Treasurer, Treasurer-Tax Collector
Cameron Urquhart, Investment Officer, Treasurer-Tax Collector
Ebony Shelton, Financial Policy and Planning Director, Auditor and Controller

Guests:

Rick Phillips, President and Chief Financial Officer, FTN Financial Main Street Advisors
Steven Moreno, Senior Associate, Macias, Gini & O'Connell LLP

Public:

No public attendees

1. Call Meeting to Order

Dan McAllister, Treasurer-Tax Collector, called the meeting to order at 1:32 PM in Conference Room 162-West of the County Administration Center.

2. Introduction of New Committee Members

Mr. McAllister introduced Herb Johnson, Michael Simonson, and Maria Kachadoorian to the current Committee members.

3. Appointment of Chair, Herb Johnson

Mr. McAllister proposed the appointment of Herb Johnson to the position of Committee Chair due to the resignation of Benjamin Dillingham in 2017.

ACTION: Dan McAllister made a motion to approve. Don Steuer seconded the motion. The appointment of Mr. Johnson was approved by a 9-0 vote.

4. Requests by Public to Address the Treasury Oversight Committee on any Matter within the Committee's Jurisdiction

No members of the public were present.

5. Approval of October 18, 2017 Meeting Minutes

The October 18, 2017 meeting minutes were reviewed and approved.

ACTION: Dan McAllister made a motion to approve. Michael Simonson seconded the motion. The meeting minutes were approved by a 9-0 vote.

6. Fiscal Year 16/17 Year-End Audit

Steven Moreno, of Macias, Gini & O'Connell LLP, announced the results of the fiscal year 2016-2017 year-end audit. Mr. Moreno stated that the firm tested the County's custodial accounts for compliance with the California Government Code and the Treasury Investment Policy. There were no findings and no audit adjustments identified. Mr. Moreno thanked the Treasurer-Tax Collector's office for the opportunity to provide this service.

The contract with Macias, Gini & O'Connell has expired, and after a standard procurement process, the County entered into a contract with Brown Armstrong. The firm will perform the 2017-2018 year-end audit.

7. Fixed-Income Market Update

Rick Phillips, President of FTN Financial Main Street Advisors, presented a market update to the Committee. He presented his thoughts on upcoming trends in the Gross Domestic Product, consumer and business confidence levels, inflation, employment growth rates in the U.S.

8. Portfolio Statistics & Strategy Update

Hank Kim, Chief Investment Officer, gave an update on the County investment pool as of the end

of February 2018. Topics covered were Investment Fund Overview, Portfolio Statistics, Pool Performance, and a Strategic Initiatives Update.

9. Treasurer Updates

a) Banking Services Transition

The County is working to complete the transition with the new banking services provider, J.P. Morgan.

b) Symposiums & Trainings

Mr. McAllister mentioned the upcoming Cash Handling Training on April 20, the Fraud Symposium on August 3, and the Municipal Debt Symposium in November. He encouraged all to attend and to send their staff to these highly informative events.

c) Participant Outreach

The outreach efforts of the County's investments team have led to an increase in pool participants.

d) Customer Service Model

The investment officers have been working directly with several clients. There has been an increase in new voluntary participants in the County investment pool. There are currently about 210 participants in the pool.

10. Adjournment

The meeting adjourned at 2:18 p.m.

2018 Meeting dates:

October 17, 2018

November 14, 2018 (tentative, if needed)

Minutes taken by Donna Gehlken, Administrative Secretary