



SACRAMENTO COUNTY
TREASURY OVERSIGHT COMMITTEE
Regular Meeting — Friday, May 17, 2024 / 9:00 a.m.
700 H Street, Hearing Room One, Room 1487
Sacramento, California 95814

MINUTES

PRESENT: Jeremiah Loughry, Sean Martin, Ivan Myrick, Dave O’Toole, Chris Parker, Chad Rinde, Joseph Wilson.

ABSENT: Sylvester Fadal.

STAFF: Peter Aw-Yang, Dave Matuskey, Bernard Santo Domingo, Andy Yu.

GUESTS: Kathleen Foster.

1. CALL TO ORDER AND INTRODUCTIONS.

Chris Parker called the meeting to order at 9:02 a.m.

2. COMMENTS FROM THE PUBLIC.

There were no comments from the public.

3. APPROVAL OF FEBRUARY 16, 2024, MEETING MINUTES.

The minutes of the February 16, 2024, meeting were approved on a motion made by Chad Rinde, seconded by Jeremiah Loughry, and unanimously carried (6-0).

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, 2023.

Kathleen Foster of MGO presented the *Treasury Oversight Committee Independent Accountant’s Report for the Year Ended December 31, 2023*, and noted that no instances of non-compliance were found.

The Treasury Oversight Committee Independent Accountant’s Report for the Year Ended December 31, 2023, was accepted on a motion made by Chad Rinde, seconded by Ivan Myrick, and unanimously carried (6-0).

5. ELECTION OF CHAIR AND VICE CHAIR FOR TWO-YEAR TERMS EXPIRING JUNE 30, 2026.

Joseph Wilson was elected Chair on a motion made by Chad Rinde, seconded by Jeremiah Loughry, and unanimously carried (6-0).

Jeremiah Loughry was elected Vice Chair on a motion made by Chris Parker, seconded by Joseph Wilson, and unanimously carried (6-0).

6. MEMBER UPDATE.

Dave Matuskey stated Sylvester Fadal, Deputy County Executive, was ratified as the new Board of Supervisors Delegate and that applications are still being accepted for the vacant 3rd and 5th District public member positions.

Sean Martin arrived at 9:13 a.m.

7. DISCUSSION AND ACTION ON THE NON-POOLED FUNDS PORTFOLIO REPORTS AND INTERNAL AUDIT OF THE NON-POOLED INVESTMENT FUNDS FOR THE QUARTER ENDED MARCH 31, 2024.

Bernard Santo Domingo presented the Quarterly Report of the Non-Pooled Funds Portfolio for the Quarter Ended March 31, 2024. Andy Yu presented the Internal Audit of Non-Pooled Investment Funds for the Quarter Ended March 31, 2024.

The Non-Pooled Funds Portfolio Report And Internal Audit Of The Non-Pooled Investment Funds For The Quarter Ended March 31, 2024, were accepted on a motion made by Sean Martin, seconded by Dave O'Toole, and unanimously carried (7-0).

8. DISCUSSION AND ACTION ON THE QUARTERLY REPORT OF THE POOLED INVESTMENT FUND FOR THE QUARTER ENDED MARCH 31, 2024, AND COMPLIANCE WITH INVESTMENT POLICY.

Bernard Santo Domingo presented the Quarterly Report Of The Pooled Investment Fund For The Quarter Ended March 31, 2024, 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 in January the market expected a 50% chance of the first rate cut in March and now the market is pricing those odds for a first rate cut to September or November. He noted that inflation cooled in April but the FOMC wants to see a trend before cutting rates. He believes the pooled fund yield has likely peaked for this rate cycle and will plateau and begin to come down over the next few quarters.

The Quarterly Report of the Pooled Investment Fund For The Quarter Ended March 31, 2024, were accepted on a motion made by Sean Martin, seconded by Ivan Myrick, and unanimously carried (7-0).

9. OVERVIEW OF POOLED INVESTMENT FUND STATISTICS FROM VARIOUS JURISDICTION FOR MARCH 2024.

Bernard Santo Domingo presented the *Investment Fund Statistics Questionnaire Results – March 2024, Comparison of Various County Pooled Investment Funds and LAIF – 12-Month Yield Performance as of March 2024, and Overview of Pooled Investment Fund Statistics from Various Jurisdictions – Comparison of Yields and Average Weighted Maturities from June 30, 2023 – March 31, 2024.*

10. REQUEST FOR PROPSAL FOR EXTERNAL AUDITOR.

Dave Matuskey stated that on May 7, 2024, the Board of Supervisors approved a three-year contract with MGO for external auditing services with an option to extend the contract for an additional two-year period. Chad Rinde noted that the county does not have a mandatory rotation requirement but state law requires the audit partner every six years, and the county will be switching to a new audit partner at MGO.

11. NEXT MEETING REMINDER.

Chris Parker reminded the committee that the next regular meeting of the Treasury Oversight Committee is scheduled for Friday, August 16, 2024.

12. ADJOURNMENT.

The meeting was adjourned at 9:56 a.m.

Respectfully submitted:

Approved:

Dave Matuskey
Investment Officer

Joseph Wilson, Chair
Treasury Oversight Committee

cc: Treasury Oversight Committee Members
Department of Finance Staff