SACRAMENTO COUNTY
TREASURY OVERSIGHT COMMITTEE
Regular Meeting — Friday, August 13, 2010 / 9:00 a.m.
700 H Street, 4th Floor Large Conference Room
Sacramento, California 95814

MINUTES

PRESENT: John Christ, Angelica Hernandez, Jeff Ramos, Stu Robken, Bill Sponable, Douglas Thompson, Julie Valverde.

ABSENT: Aisha Martin-Walton, Mark Norris, Tamara Sanchez.

STAFF: Alan Matré, Dave Matuskey, Bernard Santo Domingo, Bryan Celey-Butlin.

1.   CALL TO ORDER AND INTRODUCTIONS.

Chair Douglas Thompson called the meeting to order at 9:05 a.m.

2.   COMMENTS FROM THE PUBLIC.

There were no comments from the public.

3.   APPROVAL OF MAY 14, 2010, MEETING MINUTES.

Julie Valverde noted that the minutes did not reflect her attendance at the meeting on May 14, 2010.

The minutes of the May 14, 2010, meeting were approved as amended on a motion made by Stu Robken, seconded by John Christ, and unanimously carried (7-0).

4.   DISCUSSION AND ACTION ON THE INTERNAL AUDIT OF NON-POOLED INVESTMENT FUNDS FOR THE QUARTER ENDED JUNE 30, 2010.

Alan Matré reported that 17 issues, 1 of which was external and none of which were new, were reviewed and no instances of non-compliance were found.

The Internal Audit Of Non-Pooled Investment Funds For The Quarter ended June 30, 2010, was accepted on a motion made by Julie Valverde seconded by Angelica Hernandez, and unanimously carried (7-0).

5.   ELECTION OF CHAIR AND VICE-CHAIR FOR TWO-YEAR TERMS EXPIRING JUNE 2012.

John Christ was elected chair on a motion made by Bill Sponable, seconded by Jeff Ramos, and unanimously carried (7-0).

Bill Sponable was elected vice chair on a motion made by Stu Robken, seconded by John Christ, and unanimously carried (7-0).

6.   STATUS REPORT ON MEMBER POSITIONS.

A.   ELECTED MEMBERS.

Julie Valverde noted that Bill Sponable was elected to another three-year term on May 14, 2010, and his appointment was ratified by the Board of Supervisors on June 9, 2010.

B.   APPOINTED MEMBERS.

Julie Valverde noted that Stu Robken, Aisha Martin-Walton, and Jeff Ramos were all reappointed for three-year terms by the Board of Supervisors on June 9, 2010, to represent the first, second, and fifth supervisorial districts, respectively..

7.   DISCUSSION AND ACTION ON THE NON-POOLED FUNDS PORTFOLIO REPORT FOR THE QUARTER ENDED JUNE 30, 2010.

Bernard Santo Domingo presented the Quarterly Report Of The Non-Pooled Funds Portfolio For The Quarter Ended June 30, 2010.

The Non-Pooled Funds Portfolio Report For The Quarter Ended June 30, 2010, was accepted on a motion made by John Christ, seconded by Angelica Hernandez, and unanimously carried (7-0).

8.   DISCUSSION AND ACTION ON THE QUARTERLY REPORT OF THE POOLED INVESTMENT FUND FOR THE QUARTER ENDED JUNE 30, 2010, AND COMPLIANCE WITH INVESTMENT POLICY.

Bernard Santo Domingo presented the Quarterly Report Of The Pooled Investment Fund For The Quarter Ended June 30, 2010. 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 and noted that, the optimism that was seen last quarter has disappeared in the market. He said that the Federal Reserve will suspend its quantitative easing moves and resume reinvesting its U.S Treasury and Agency holdings to keep rates low, and if the economy gets worse, the Federal Reserve is committed to expand its open market operations further to support the economy.

The Quarterly Report Of The Pooled Investment Fund For The Quarter Ended June 30, 2010, was approved on a motion made by Stu Robken, seconded by Bill Sponable, and unanimously carried (7-0).

9.   OVERVIEW OF POOLED INVESTMENT FUND STATISTICS FROM VARIOUS JURISDICTIONS FOR JUNE 2010.

Bernard Santo Domingo presented the *Investment Fund Statistics Questionnaire Results – June 2010*, *Comparison of Various County Pooled Investment Funds and LAIF – 12-Month Yield Performance as of June 2010*, and *Overview of Pooled Investment Fund Statistics from Various Jurisdictions – Comparison of Yields and Average Weighted Maturities from September 30, 2009, to June 30, 2010*.

10.   DISCUSSION AND ACTION ON SELECTION OF INDEPENDENT AUDITOR FOR THE TREASURY OVERSIGHT COMMITTEE.

Julie Valverde presented the committee with Vavrinek, Trine, Day & Co's proposal to perform the calendar year 2010 audit at the same price as the calendar year 2008 audit.

Authorization for staff to enter into an agreement with Vavrinek, Trine, Day & Co., LLP for the 2010 Treasury Oversight Committee audit was approved on a motion made by Bill Sponable, seconded by Jeff Ramos, and unanimously carried (7-0).

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 *Political Contributions* report and noted that there were no instances of noncompliance.

The Political Contributions report was approved on a motion made by John Christ, seconded by Angelica Hernandez, and unanimously carried (7-0).

12.   AB 1234 TRAINING.

Dave Matuskey explained that due to the limited number of County-sponsored AB 1234 training sessions, committee members are now encouraged to take the online training offered by the Fair Political Practices Commission.

13.   PRESENTATION OF UPDATES TO THE TREASURY OVERSIGHT COMMITTEE POLICIES AND PROCEDURES HANDBOOK AND LEGISLATIVE UPDATE.

Dave Matuskey presented the updates to the Treasury Oversight Committee Policies and Procedures Handbook and a legislative update.

14.   NEXT MEETING REMINDER.

Chair Douglas Thompson reminded the committee that the next regular meeting of the Treasury Oversight Committee is scheduled for Friday, November 12, 2010, in the County Administration Center's fourth floor large conference room.

15.   ADJOURNMENT.

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

Respectfully submitted: Approved:

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Dave Matuskey   **John Christ, Chair**
Administrative Services Officer   Treasury Oversight Committee

cc: Treasury Oversight Committee Members
        Department of Finance Staff