



TREASURER-TAX COLLECTOR SAN DIEGO COUNTY

www.sdttc.com

Dan McAllister
Treasurer-Tax Collector



TREASURY OVERSIGHT COMMITTEE

MINUTES OF MEETING

October 18, 2017

ATTENDANCE

7 Voting Members Present:

- Seat 1 Dan McAllister, Treasurer-Tax Collector
- Seat 2 Tracy Sandoval, Deputy Chief Administrative Officer, Auditor and Controller
- Seat 3 Don Steuer, Assistant Chief Administrative Officer, Board of Supervisors Rep.
- Seat 4 Lora Duzyk, County Superintendent of Schools Representative
- Seat 5 Vacant
- Seat 6 Andre Douzdjian, SANDAG (Non-voting)
- Seat 7 *Absent*: Benjamin Dillingham III, CHAIR, Public Member
- Seat 8 Colleen Harvey, Public Member
- Seat 9 *Absent*: Charlie Ng, Public Member
- Seat 10 *Absent*: Leslie Deese, Public Member
- Seat 11 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
Rachel Witt, Senior Deputy, County Counsel

Guests:

Rick Phillips, President and Chief Financial Officer, FTN Financial Main Street Advisors
Kevin Starkey, Partner, 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 1:30 PM in Conference Room 162-West of the County Administration Center.

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

No members of the public were present.

3. Approval of July 19, 2017 Meeting Minutes

The July 19, 2017 meeting minutes were reviewed and approved.

ACTION: Don Steuer made a motion to approve. Dan McAllister seconded the motion. The meeting minutes were approved by a 6-0 vote.

4. 2018 Investment Policy Review

The Committee was presented with a redlined and clean version of the investment policy to review and Chief Investment Officer Hank Kim reviewed the proposed changes. The Committee voted to adopt the changes and the new policy will be placed before the Board of Supervisors for final approval on November 14, 2017.

ACTION: Tracy Sandoval made a motion to approve. Colleen Harvey seconded the motion. The meeting minutes were approved by a 6-0 vote.

5. 2016-2017 Fiscal Year-End Audit

Kevin Starkey of Macias, Gini & O'Connell stated that the firm has completed all fieldwork and is in the final reporting stages of the audit. There were no significant findings during the audit. He thanked the County Treasury staff for their assistance during the process.

6. Introduction of Investment Advisor - FTN Financial Main Street Advisors

After a thorough evaluation of proposals, FTN Financial Main Street Advisors was chosen as the County's newest investment advisor.

7. Fixed-Income Market Update

Rick Phillips, President and Chief Financial Officer of FTN Financial Main Street Advisors, presented a market update to the committee.

8. Portfolio Statistics & Strategy Update

Hank Kim opened the update by stating that the pool size was \$7.6 billion as of September 30, 2017 and has experienced a \$200 million increase in book value year-over-year. The County has increased investments in federal agencies, Supranationals, and asset-Back securities.

9. Treasurer Updates

- a) Municipal Debt Symposium – November 3, 2017, and 2018 Symposium plans
Mr. McAllister reminded the Committee of the upcoming Municipal Debt symposium on Friday, and November 3, 2017.

- b) Investment Officer
The search continues for a new addition to the County’s investment team. Mr. McAllister is hopeful that there will be an update by the first meeting in April, 2018.

- c) Participant Outreach
The investment team has had successful meetings with the cities of Escondido, San Marcos, Vista, Encinitas, and Carlsbad.

Meeting adjourned at 2:43 p.m.

2018 Meeting dates:

April 11, 2018

July 18, 2018

October 17, 2018

November 14, 2018 (tentative)

Minutes taken by Donna Gehlken, Administrative Secretary