



TREASURER-TAX COLLECTOR

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DAN McALLISTER
TREASURER-TAX
COLLECTOR

ANTOINETTE CHANDLER
CHIEF DEPUTY
TREASURER

TREASURY OVERSIGHT COMMITTEE

MINUTES OF MEETING

October 14, 2015

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 *Absent*: Don Steuer, Assistant Chief Administrative Officer, Board of Supervisors Rep.
- Seat 4 Lora Duzyk, County Superintendent of Schools Representative
- Seat 5 *Absent*: Jenny Salkeld, Colleges/School Representative
- Seat 6 Andre Douzdjian, SANDAG (Non-voting)
- Seat 7 Benjamin Dillingham III, CHAIR, Public Member
- Seat 8 Thomas LaHay, Public Member
- Seat 9 Charlie Ng, Public Member
- Seat 10 Laura Deese, Public Member
- Seat 11 *Absent*: Wilmer Cooks, Public Member

County Staff:

Rob Castetter, Chief Investment Officer, Treasurer-Tax Collector
Antoinette Chandler, Chief Deputy Treasurer, Treasurer-Tax Collector
Israel Garza, Accounting Manager, Treasurer-Tax Collector
Hank Kim, Investment Officer, Treasurer-Tax Collector
Jeanne Rawdin, Staff Officer, Treasurer-Tax Collector
Rachel Witt, Senior Deputy, County Counsel

Guests:

Kay Chandler, President, Chandler Asset Management
Marney Cox, San Diego Association of Governments
Dina Holinka, Macias Gini & O'Connell LLP
Kevin Starkey, Macias Gini & O'Connell LLP

Public:

No public attendees

1. Call Meeting to Order

Ben Dillingham, Committee Chair, 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 15, 2015 Meeting Minutes

The July 15, 2015 meeting minutes were reviewed.

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

4. Economic Update

Marney Cox of The San Diego Association of Governments (SANDAG), gave an update on the current economic status of San Diego County. Mr. Cox reported increases in job growth, home prices and retail sales. Trade to Mexico is increasing. As a result, SANDAG is initiating the process to build a third border crossing to support this increase and shorten crossing times. There are \$20 billion in imports coming into San Diego from Mexico. Of that, about 7-8 percent stays in San Diego. Mr. Cox also briefly discussed the success of SR-125.

5. Year-End Audit

Dina Holinka, of Macias Gini & O'Connell LLP, reported that fieldwork is complete on the draft CAFR Audit and it should be formatted by early November.

6. 2016 Investment Policy Statement Review

Rob Castetter, County Chief Investment Officer, reviewed the changes on a redlined version of the 2016 Treasurer's Investment Policy with the Committee.

ACTION: On motion of Mr. McAllister, seconded by Tracy Sandoval, the Committee unanimously approved the Policy as amended to be submitted to the Board of Supervisors for approval.

7. Portfolio Statistics & Strategy Update

Rob Castetter opened the Pooled Money Fund update by reporting an increase in the yield to maturity from .46% in August 2014 to .56% in August 2015, equaling an increase of 22%. He does not expect an increase in rates for the remainder of 2015. Mr. Castetter is projecting a new high for the pool in fiscal year 2015-2016. Kay Chandler, of Chandler Asset Management, briefly discussed the portfolio summary with regard to long term securities. Currently, the long-term strategy is at \$1.5 billion with a goal of \$2 billion in the next few months.

Treasurer Updates

a) Standard & Poor's Rating Agency Review 2015

Mr. McAllister was pleased to announce that Standard & Poor's awarded a rating of AAA to the San Diego County Treasurer's Pooled Money Fund for another year. He congratulated Rob Castetter and his investment team on a job well done.

b) Fraud & Risk Management Update

No report.

c) Cash Handling Workshop

The county's next cash handling workshop will take place on October 22 at the County Administration building in Bayside I.

d) Debt Symposium

Mr. McAllister extended an invitation to the committee to attend the seminar to take place on November 6, 2015 at the Crowne Plaza Hotel at 2270 Hotel Circle North, San Diego, CA 92108. Most notably, California State Controller Betty Yee will deliver the keynote address.

e) 2016 Symposium Dates

Mr. McAllister announced the dates of the 2016 symposiums and encouraged those present to attend.

10. Adjournment at 2:38 PM

Mr. Dillingham thanked members of the presenters, staff members, and Committee members for attending and asked all to note the 2016 meeting dates.