

SAN MATEO COUNTY
TREASURY OVERSIGHT COMMITTEE

MINUTES

April 25, 2016

1. CALL TO ORDER

The meeting was called to order at 12:05 p.m. by John Marty.

2. ROLL CALL:

Members and guests were asked to introduce themselves during roll call.

MEMBERS IN ATTENDANCE

John Marty (Treasurer, City of San Bruno) **Chairman**
Sandie Arnott (Treasurer-Tax Collector)
Margie Gustafson (Administrator, County Office of Education)
Daneca Halvorson (Treasurer, City of Daly City)
Jim Saco (Budget Director, County Manager's Office)
Stephanie Osaze (Finance Manager, Bay Area Air Quality Management District)

MEMBERS ABSENT

Helen Fisicaro (Town of Colma)
Denise Porterfield (Deputy Superintendent Fiscal & Operational Services Division)

STAFF IN ATTENDANCE

Charles Tovstein (Assistant Treasurer)
Gina M. Luiz (Executive Assistant)

MEMBERS OF THE PUBLIC IN ATTENDANCE

None

3. NOMINATIONS & APPOINTMENT OF NEW COMMITTEE CHAIR

John Marty will continue to serve as Chairman of the Treasury Oversight Committee.

4. APPROVAL OF MINUTES – October 19, 2015

Jim Saco made a motion to approve minutes from the October 19, 2015 meeting, seconded by Stephanie Osaze. Meeting minutes were approved unanimously.

5. ASSISTANT TREASURER'S REPORT – Charles M. Tovstein

5.1 Investment Report

Charles Tovstein reported the gross earnings for the month ending March 31, 2016 were 0.991% and gross earnings for the quarter ending March 31, 2016 were 0.934%. He said the current value of the pool is \$4.645 billion.

Mr. Tovstein said short term rates have increased and the rates may rise in February 2017. He said he occasionally uses Union Bank as a broker-dealer, as well as CastleOak Securities. Also, he said CastleOak trades are guaranteed by Cantor Fitzgerald L.P. and they are aggressive when bidding on corporate paper.

Mr. Tovstein said economic conditions remain strong in the United States compared to Europe. He said interest rates are dependent on growth and inflation numbers. He also noted the annual audit is underway and he does not foresee any exceptions.

6. TREASURER'S REPORT – Sandie Arnott

6.1 Investment Policy

Sandie Arnott said the 2016 Investment Policy was approved on February 9th by the Board of Supervisors. Before it was approved, Supervisor Dave Pine, Richard Ginn (who assisted Supervisor Pine in evaluating changes to the 2016 Investment Policy), Ms. Arnott, and Mr. Tovstein met to answer questions from Supervisor Pine and to review the changes to the 2016 Investment Policy. After the meeting, the 2016 Investment Policy was placed on the regular agenda and approved by the Board of Supervisors.

7. ORAL COMMUNICATIONS AND PUBLIC COMMENT

None

8. OTHER BUSINESS


Jim Saco asked a question regarding County loans. He explained that when the County lent the city of Brisbane funds, they will be assessed at a rate equal to the net earnings on the pool. Once the loan is funded, an employee from Mr. Saco's department will calculate the repayment and take it out of Brisbane's property tax allocation. Mr. Saco asked the group if it should be repaid at the gross or net rate of the pool. Mr. Tovstein said the reimbursement should be at the gross rate because the fees should be included in the interest amount charged.

9. NEXT MEETING DATE


Monday, October 3, 2016

10. ADJOURNMENT

The meeting was adjourned at 12:30 p.m.



John Marty (Chairman)



Sandie Arnott (Treasurer-Tax Collector)