



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

April 14, 2021

**Ventura County Government Center
Hall of Justice, Pacific Conference Room
800 South Victoria Avenue
Ventura, CA 93009**

MINUTES

COMMITTEE MEMBERS

Supervisor Matt LaVere.....Board of Supervisors
Judge Steven Hintz.....Treasurer-Tax Collector
Jeffery S. Burgh.....Auditor-Controller (Absent)
Ms. Misty Key.....County Associate Superintendent of Schools
Mr. Brian Rafelson.....Retired District Attorney Employee
Mr. Roy Valdez.....Investment Advisor

STAFF

Sue Horgan.....Assistant Treasurer-Tax Collector
Marilou Tan.....Treasury Management Division Manager
Patricia Kipp Funaro.....Management Assistant to Treasurer-Tax Collector

GUEST

Kaye Mand.....Chief Financial Officer

CALL TO ORDER & ROLL CALL

At 1:01 P.M., Judge Hintz called the meeting of the Ventura County Treasury Oversight Committee ("TOC") to order and attendance was taken. Mr. Burgh was unable to attend. Judge Hintz informed the TOC members that he would abstain from voting due to the TOC reviewing the Treasurer-Tax Collector's personal work.

AGENDA REVIEW & APPROVAL OF MEETING MINUTES FOR NOVEMBER 4, 2020

There were no additions or revisions of the Agenda. The three (3) voting TOC Members who were present at the November 4, 2020 TOC Meeting voted to approve the meeting minutes.

Motion: Approve the Meeting Minutes for November 4, 2020

Moved by Mr. Rafelson, seconded by Mr. Valdez

Vote: Motion carried 3-0

COMMITTEE MEMBERS' AND STAFF COMMENTS

Treasurer-Tax Collector, Judge Steven Hintz, welcomed all in attendance. There were no TOC Committee Member nor staff comments.

AGENDA ITEM 6

Receive and File the Brown Armstrong Independent Auditor's Report dated November 5, 2020.

Judge Hintz explained the Auditor-Controller's annual outside auditor process and the various monthly and annual audits conducted with the County's Treasury Division.

Motion: Receive and File the Brown Armstrong Independent Auditor's Report dated November 5, 2020.

Moved by Ms. Key, seconded by Mr. Rafelson

Vote: Motion carried 4-0

The Committee approved the receive and file of the Brown Armstrong Independent Auditor's Report as presented.

AGENDA ITEM 7

Receive and File the Standard & Poor's RatingsDirect letter affirming the Ventura County Treasury Portfolio AAf/S1+ rating, dated January 15, 2021.

Judge Hintz explained Standard & Poor's very thorough and rigorous rating, and the great significance of S & P's highest rating for Ventura County, which the County has earned for more than 25 years. Judge Hintz commented that there are only 2 or 3 counties in California with this rating.

Motion: Receive and File the Standard & Poor's RatingsDirect letter affirming the Ventura County Treasury Portfolio AAf/S1+ rating, dated January 15, 2021.

Moved by Ms. Key, seconded by Mr. Valdez

Vote: Motion carried 4-0

The Committee approved the receive and file of the Standard & Poor's RatingsDirect letter as presented.

AGENDA ITEM 8

Receive and File the January 31, 2021 Investment Report Presentation, approved by the Ventura County Board of Supervisors on March 9, 2021.

The TOC was also provided for review the February 28, 2021 Investment Report, just approved by the Board of Supervisors on April 13, 2021. Judge Hintz thoroughly reviewed the January 31, 2021 Investment Report and recapped the current financial environment, commenting that the highest amount of money in the investment pool will occur in May, due to April's secured property tax payments received. Judge Hintz discussed that the Treasurer-Tax Collector is required to report quarterly, and his office chooses to report monthly to the Board of Supervisors.

Ms. Key discussed the impact of stimulus checks on the pool's cash balance and the importance of pool participants communicating with the Treasury ahead of time regarding needed funds. Judge Hintz agreed and relayed the importance of pool participants working with the Treasury with their projected cash needs and participating in the cash flow

analysis. The Treasurer-Tax Collector's Office plans to send a letter regarding this topic to all the investment pool participants in the near future. Ms. Key thanked the Treasury and Investment Work Group (IWG) for performing so well and relayed that Schools is a very happy investment pool participant.

Motion: Receive and File the January 31, 2021 Investment Report Presentation, approved by the Ventura County Board of Supervisors on March 9, 2021.

Moved by Supervisor LaVere, seconded by Ms. Key

Vote: Motion carried 4-0

The Committee approved the receive and file of the January 31, 2021 Investment Report Presentation as presented.

AGENDA ITEM 9

Receive and File the Investment Work Group's Biographies and Work Duties.

Judge Hintz reviewed the IWG's duties, biographies, and the diligent educational pursuits the team recently accomplished. Judge Hintz highlighted Assistant Treasurer-Tax Collector, Sue Horgan's, recently acquired designation as a Certified Government Investment Professional (CGIP), by the Association of Public Treasurers of the United States and Canada (APT US & C), as well as Mr. Powers' earning his Bachelor of Science in Business Administration from California State University at Channel Islands, in December, 2020.

Judge Hintz discussed the history of the vacant Assistant Treasurer-Tax Collector position. This position historically managed the investment pool responsibilities. Judge Hintz incorporated the Chief Investment Officer duties into his Treasurer-Tax Collector position responsibilities in 2011. Upon his future retirement, he recommends filling this vacancy with a seasoned professional to resume the Chief Investment Officer's Treasury functions.

Motion: Receive and File the Investment Work Group's Biographies and Work Duties.

Moved by Mr. Rafelson, seconded by Supervisor LaVere

Vote: Motion carried 4-0

The Committee approved the receive and file of the updated Investment Work Group's Biographies and Work Duties.

AGENDA ITEM 10

Receive and File a Report of the Authorized Issuers List, dated March 2021.

Judge Hintz reviewed the Authorized Issuers List with the Treasury Oversight Committee. He discussed that the Treasury Division publishes the approved list monthly, the Treasury only buys from the approved issuers on the list and they review the S&P points daily.

Motion: Receive and File the Report of the Authorized Issuers List, dated March 2021.

Moved by Ms. Key, seconded by Supervisor LaVere

Vote: Motion carried 4-0

The Committee approved the receive and file of the Authorized Issuers List, dated March 2021.

AGENDA ITEM 11

Receive and File the February 28, 2021 Receipts and Disbursements Report.

Judge Hintz reviewed the February 28, 2021 Receipts and Disbursements Report with the TOC, confirming this important report is provided monthly to the Auditor-Controller's Office. The TOC was also provided the March 31, 2021 Receipts and Disbursements Report.

Motion: Receive and File the February 28, 2021 Receipts and Disbursements Report.
Moved by Mr. Rafelson, seconded by Supervisor LaVere
Vote: Motion carried 4-0

The Committee approved the receive and file of the February 28, 2021 Receipts and Disbursements Report.

AGENDA ITEM 12

Approve the Recommendation to the Board of Supervisors to Renew the Delegation of Authority to the Treasurer-Tax Collector to Invest, Effective July 1, 2021 through July 1, 2022.

Judge Hintz explained that the Treasurer-Tax Collector goes before the Board of Supervisors annually to request that the Board of Supervisors renew the delegation of authority for the Treasurer-Tax Collector to manage the County's investment pool. This request is scheduled for the May 11, 2021 Board of Supervisors' Meeting.

Motion: Approve the Recommendation to the Board of Supervisors to Renew the Delegation of Authority to the Treasurer-Tax Collector to Invest, Effective July 1, 2021 through July 1, 2022.

Moved by Supervisor LaVere, seconded by Mr. Valdez
Vote: Motion carried 4-0

The Committee approved the May 11, 2021 Recommendation to the Board of Supervisors to Renew the Delegation of Authority to the Treasurer-Tax Collector to Invest, Effective July 1, 2021 through July 1, 2022.

AGENDA ITEM 13

Review and Discuss the Proposed Modifications to the Statement of Investment Policy. Recommend to the Ventura County Board of Supervisors the Approval of these Statement of Investment Policy changes, scheduled for the May 11, 2021 Board of Supervisors' Meeting.

The TOC thoroughly reviewed the proposed changes to the Statement of Investment Policy. The TOC discussed the policy analysis conducted and recommendations which are based

on enhancing the clarity/readability of the policy, updating the policy with the latest best practices, government code compliance and aiding the County in preparing for the APT US & C Investment Policy Certification Program.

Mr. Burgh, though not in attendance, did provide a review of the policy changes and provided this feedback to the TOC...“Upon review of the proposed modifications to the Statement of Investment Policy, I find all modifications to be appropriate and I agree/approve as presented. I particularly like the addition of language included on page 11, covering “Authorized Investments” and the inclusion of language on page 21, covering “Performance Evaluation”. Additionally, the inclusion of Money Market Mutual Funds as a low-risk asset class is appropriate. Thank you for this opportunity to provide my input.”

Mr. Valdez inquired if it is the Treasurer-Tax Collector’s intention to limit investments in a Money Market Mutual Fund (Sweep account) to those that are collateralized fully with government securities. Since it is the intention of the Treasurer-Tax Collector to abide by that limitation, the following language was added to the Money Market Mutual Fund section of the Statement of Investment Policy, “Money market mutual funds shall be limited to government money market funds, which primarily invest in cash, government securities, and/or repurchase agreements that are collateralized fully with government securities.”

Ms. Key thanked Judge Hintz and the IWG for the diligent thought and time spent on the Statement of Investment Policy revisions.

Motion: Review and Discuss the Proposed Modifications to the Statement of Investment Policy. Recommend to the Ventura County Board of Supervisors the Approval of these Statement of Investment Policy changes, scheduled for the May 11, 2021 Board of Supervisors’ Meeting.

Moved by Ms. Key, seconded by Mr. Valdez

Vote: Motion carried 4-0

The Committee voted to recommend the proposed changes to the Statement of Investment Policy and recommended to the Ventura County Board of Supervisors the Approval of these Statement of Investment Policy changes, scheduled for the May 11, 2021 Board of Supervisors’ Meeting.

AGENDA ITEM 14

Public Comment.

There was no public in attendance and the Committee had no questions to address. Judge Hintz acknowledged and thanked the Treasury Oversight Committee for their dedicated oversight of the Treasury’s Investment Program and attending in person. Judge Hintz invited the TOC members in attendance to take a tour of the Treasurer-Tax Collector’s Office and Investment Command Center.

AGENDA ITEM 15

Adjournment:

With no further items to discuss, the meeting was adjourned at 2:18 P.M.

Next Treasury Oversight Committee Meeting:

The next meeting is scheduled for Wednesday, November 3, 2021 at 1:00 P.M., Hall of Justice-Cafeteria, Pacific Conference Room, Ventura County Government Center, 800 South Victoria Avenue, Ventura, CA 93009.

By: Patricia J. Kipp Funaro
Patricia J. Kipp Funaro
Management Assistant to
Judge Steven Hintz