

# TREASURY OVERSIGHT COMMITTEE MEETING

February 21, 2017

## MINUTES

Members Present: Scott Anderson, Jerome Hatfield, and Dan Heinrich.

Also Present: Michael Rodgers, Managing Director – Balance Sheet Assets, Wells Fargo Bank, Russell V. Watts, Treasurer-Tax Collector, Belinda Zhu, Assistant County Treasurer, and Ronda Boler, Executive Secretary.

Members Absent: Donald Bouchet, Bill Clark, and Edgar Grubb.

Jerome Hatfield called the Treasury Oversight Committee meeting to order at 3:00 p.m.

## **PUBLIC COMMENT**

None.

## **ACTION ITEMS**

### 1. APPROVE NOVEMBER 15, 2016 TREASURY OVERSIGHT COMMITTEE

#### MEETING MINUTES

Ms. Zhu presented the November 15, 2016 Treasury Oversight Committee meeting minutes to the Committee. No questions were raised. Due to lack of quorum, this item was tabled to the next Treasury Oversight Committee meeting for approval.

### 2. APPROVE DECEMBER 31, 2016 QUARTERLY INVESTMENT REPORT

Ms. Zhu presented December 31, 2016 Quarterly Investment Report (the Report) to the Committee. The Treasurer's investment portfolio is in compliance with Government Code 53600 et. seq. The Treasurer's investment portfolio is in compliance with the Treasurer's current investment policy. The Treasurer's investment portfolio has no securities lending, reverse repurchase agreements, or derivatives.

As of December 31, 2016, total par value of the investment pool was \$3,633,914,079.18. The total cost was \$3,630,808,677.25. The market value was \$3,630,307,174.05 which was 99.99% of the cost. Over \$2.92 billion representing more than 80% of the portfolio will mature in less than a year. The weighted yield to maturity was 0.97% with the weighted average days to maturity of 213 days. The weighted duration was 0.58 year.

Historical activities combined with future cash flow projections indicate that the County is able to meet its cash flow needs for the next six months.

Ms. Zhu presented the Contra Costa County Investment Pool summary report as of December 31, 2016. The market value of the investment pool was up by \$960.1 million compared to the previous quarter end, and was up by \$407.7 million compared to the same quarter end of the previous year. Approximately 90% of the portfolio was managed by the Treasurer's Office while the remaining portion was managed by the external managers.

Due to lack of quorum, no motion was made to approve the report. Ms. Zhu stated that the December 31, 2016 Quarterly Investment Report will be submitted for the Contra Costa County Board of Supervisors' approval. The Committee agreed.

### 3. APPROVE ANNUAL AUDIT FOR CALENDAR YEAR 2016

Due to lack of quorum, no motion was made to approve this item. Ms. Zhu informed the Committee that a letter will be sent to the Auditor-Controller's Office to initiate the annual audit for year 2016. The audit report will be presented to the Committee by the Auditor-Controller's Office at the May 16, 2017 TOC meeting. The Committee agreed.

## **INFORMATION ITEMS**

### 1. Overview of General Economy and Capital Market Conditions

Mr. Michael Rodgers from Wells Capital Management presented an overview of the existing general economy and capital market condition as well as an outlook of future economy.

### 2. Delegation of Investment Authority

Ms. Zhu informed the Committee that Contra Costa County Board of Supervisors had approved a one-year delegation of investment authority to the County Treasurer.

### 3. Form 700

Ms. Zhu informed the Committee that Ms. Ronda Boler, Executive Secretary, will be the Committee's main contact for Form 700 going forward. The annual Form 700 can be filed online or in paper this year and should be completed by March 15, 2017.

## **MISCELLANEOUS**

### 1. Staff Report

None.

2. Committee Member Comments

None

**ESTABLISHMENT OF NEXT MEETING DATE:**

Tuesday, May 16, 2017.

Jerome Hatfield adjourned the meeting at 4:00 p.m.

Respectfully submitted,

Ronda Boler  
Executive Secretary

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