

TREASURY OVERSIGHT COMMITTEE MEETING

August 17, 2021

MINUTES

Members Present: Julie Bautista, John Phillips, Edgar Grubb, Philip Leiber, Denise Porterfield, Dennis Reigle, Paula Troy, and Larry Fernandes.

Also Present: Russell Watts, Treasurer-Tax Collector, Belinda Zhu, Assistant County Treasurer, Lulis Lopez, Assistant Tax Collector, Ronda Boler, Executive Secretary, and Bob Campbell, Auditor-Controller.

Members Absent: Glenn Pena (Alternate) and Stephen Smith (Alternate)

Ms. Bautista called the Treasury Oversight Committee meeting to order at 3:04 p.m.

PUBLIC COMMENT

None.

ACTION ITEMS

1. ELECT OFFICERS FOR FISCAL YEAR 2021-2022

a. Committee Chair

Bautista called a motion for the vote for Committee Chair for the FY 2021-2022. Mr. Reigle moved to nominate Julie Bautista to a second term as the Committee Chair, seconded by Mr. Grubb. The motion passed unanimously with ayes from Ms. Bautista, Mr. Phillips, Mr. Grubb, Mr. Leiber, Ms. Porterfield, Mr. Reigle, and Ms. Troy.

b. Committee Vice Chair

Bautista called a motion for the vote for Committee Vice Chair for the FY 2021-2022. Mr. Reigle moved to nominate John Phillips to a second term as the Committee Vice Chair, seconded by Mr. Grubb. The motion passed unanimously with ayes from Ms. Bautista, Mr. Phillips, Mr. Grubb, Mr. Leiber, Ms. Porterfield, Mr. Reigle, and Ms. Troy.

2. APPROVE MAY 18, 2021 TREASURY OVERSIGHT COMMITTEE MEETING MINUTES

Ms. Bautista called a motion for approval of the minutes. Mr. Phillips moved, seconded by Mr. Grubb to approve the May 18, 2021 Treasury Oversight Committee minutes. The motion passed with 6 ayes from Ms. Bautista, Mr. Phillips, Mr. Grubb, Mr. Leiber, Mr. Reigle, and Ms. Troy, and 1 abstain from Ms. Porterfield.

3. APPROVE JUNE 30, 2021 QUARTERLY INVESTMENT REPORT

Ms. Zhu presented the June 30, 2021 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 also 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 June 30, 2021, the total par value of the investment pool was \$4,466,158,060.26. The total cost was \$4,463,290,554.24. The market value was \$4,470,029,326.85, which was 100.15% of the cost. More than \$3.61 billion, representing about 80% of the portfolio, will mature in less than a year. The weighted yield to maturity was 0.35% with the weighted average days to maturity of 300 days. Historical activities combined with future cash flow projections indicate that the County should be 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 June 30, 2021, the market value of the investment pool was up by approximately \$82.9 million compared to the previous quarter end, and was up by approximately \$485.6 million compared to the same quarter end of the previous year. About 83% of the portfolio was managed by the Treasurer's Office and the remaining portion was managed by the external managers.

Ms. Zhu informed the Committee that as of June 30, 2021 the net earnings of the Investment Pool for the quarter and the fiscal year to date were \$4.2 million and \$22 million, respectively. The net earnings for the fiscal year 2020-2021 is significantly less than the previous fiscal year 2019-2020 largely due to the sharp decrease in interest rates.

Ms. Bautista called a motion for the approval of the investment report. Mr. Leiber moved, seconded by Mr. Grubb to approve the June 30, 2021 Quarterly Investment Report. The motion passed unanimously with ayes from Ms. Bautista, Mr. Phillips, Mr. Grubb, Mr. Leiber, Ms. Porterfield, Mr. Reigle, and Ms. Troy.

INFORMATION ITEMS

None.

MISCELLANEOUS

1. Staff Report

The Committee extended a warm welcome to the new member, Ms. Denise Porterfield, appointee to the County Superintendent of School's seat to replace William "Bill" Clark for the term ending April 30, 2024.

2. Committee Member Comments

It was reported that Wells Fargo Asset Management is rebranding to Allspring Global Investments in the second half of 2021. In addition, Joseph Sullivan will become CEO and Executive Chairman.

ESTABLISHMENT OF NEXT MEETING DATE:

Tuesday, November 16, 2021.

Ms. Bautista adjourned the meeting at 3:48 p.m.

Respectfully submitted,

Ronda Boler
Executive Secretary
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