

TREASURY OVERSIGHT COMMITTEE MEETING

November 15, 2022

MINUTES

Members Present: John Phillips, Philip Leiber, Larry Fernandes, Dennis Reigle, and Paula Troy.

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

Members Absent: Julie Bautista, Denise Porterfield, Kenneth Miller, and Glenn Pena.

Mr. Phillips called the Treasury Oversight Committee meeting to order at 3:02 p.m.

PUBLIC COMMENT

None.

ACTION ITEMS

1. APPROVE AUGUST 16, 2022, TREASURY OVERSIGHT COMMITTEE MEETING MINUTES

Mr. Phillips called a motion for approval of the minutes. Ms. Troy moved, seconded by Mr. Reigle to approve the August 16, 2022, Treasury Oversight Committee meeting minutes. The motion passed with ayes from Mr. Phillips, Mr. Leiber, Mr. Fernandes, Mr. Reigle, and Ms. Troy. No nays were recorded.

2. APPROVE SEPTEMBER 30, 2022, QUARTERLY INVESTMENT REPORT

Ms. Zhu presented the September 30, 2022, 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 September 30, 2022, the par value of the investment pool was \$4,555,524,748.52. The cost was \$4,542,945,409.10. The market value was \$4,445,037,073.71, which was 97.84% of the cost. More than \$3.4 billion, representing about 75% of the portfolio, will mature in less than a year. The weighted yield to maturity was 2.29% with the weighted average days to maturity of 306 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 September 30, 2022, the market value of the investment pool was down by approximately \$965 million compared to the previous quarter end and was up by approximately \$559 million compared to the same quarter end of the previous year. The large fluctuation between this quarter and last quarter is mainly due to the annual retirement pre-payment and debt service payment. As a result, the Investment Pool always has the lowest asset level at the end of the first quarter of each fiscal year. About 88% of the portfolio was managed by the Treasurer's Office and the remaining portion was managed by the external managers.

Mr. Phillips called a motion for the approval of the investment report. Ms. Troy moved, seconded by Mr. Fernandes to approve the September 30, 2022, Quarterly Investment Report. The motion passed with ayes from Mr. Phillips, Mr. Leiber, Mr. Fernandes, Mr. Reigle, and Ms. Troy. No nays were recorded.

INFORMATION ITEMS

1. Standard & Poor's Rating

Ms. Zhu stated that the Standard & Poor's rated Contra Costa investment portfolio (as of 9/30/22) AAf/S1+ signifying the highest credit quality and the lowest risk. The County investment portfolio has received the same credit rating from S&P since November 2007.

2. Committee Meeting Dates for Calendar Year 2023

The Treasury Oversight Committee meeting dates for year 2023 were distributed to the Committee members.

MISCELLANEOUS

1. Staff Report

Denise Porterfield, County Superintendent of Schools Designee (2020 to 2024), will be retiring from TOC effective December 31, 2022. Superintendent of Schools, Contra Costa County, will appoint a replacement to fulfill the vacancy. Currently, TOC still has a vacancy in the Alternate seat representing the Special Districts. No new appointment has been made by the Special Districts. Philip Leiber, representative elected by the Special Districts, will follow-up with the Special Districts for a formal nomination.

The next TOC Meeting will be held remotely.

2. Committee Member Comments

Happy holidays to all!

ESTABLISHMENT OF NEXT MEETING DATE:

Tuesday, February 21, 2023

Mr. Phillips adjourned the meeting at 4:00 p.m.

Respectfully submitted,

Ronda Boler
Executive Secretary
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