



MEETING MINUTES

TREASURY OVERSIGHT COMMITTEE, COUNTY OF MONO

STATE OF CALIFORNIA

MEETING LOCATION: Mammoth Lakes CAO Conference Room, 3rd Floor, Sierra Center Mall, Suite 306, 452 Old Mammoth Road, Mammoth Lakes, CA 93546

TELECONFERENCE LOCATION: Bridgeport CAO Conference Room, 1st Floor, Annex 1, Room 110, 74 North School Street, Bridgeport, CA 93517

Quarterly Meeting
Monday, March 6, 2017
11:00 AM

Committee Members Present: Janet Dutcher (by video conference), Gerald Frank, George Savage, Larry Johnston, Bob Gardner (alternate), Mollie Nugent (by video conference) and Daniel Holler (alternate).

Also Present: Janelle Mills, Secretary and Rob Patterson, Finance Director for the Town of Mammoth.

Committee Members Absent: Shields Richardson, Caty Ecklund and Brooke Bien.

Five out of eight Committee Members present, a quorum was met.

1. CALL MEETING TO ORDER:

The meeting was called to order at 11:10 AM by Gerald Frank.

2. PUBLIC COMMENTS:

None

3. MINUTES:

A. Review and Approve the Minutes of the December 7, 2016 Treasury Oversight Committee Meeting.

- One change to the last page under B-Appeals with the Assessor. Listen to recording regarding the "County Counsel has approved \$600,000." This will be changed to "Janet has gotten word from County Counsel that \$600,000 may be moved into the impound account and distribute the other half to participants; this will be taken to the Board of Supervisors for approval."
- At this time the approval of the December 7, 2016 meeting will be postponed due to a lack of members that were present at the December meeting to vote. Mills will send the recorded meeting to members of the TOC that were not present.

4. QUARTERLY INVESTMENT REPORT:

A. Review the Quarterly Investment Report for the Quarter Ended December 31, 2016. – Gerald Frank.

The Treasury was in compliance with the Mono County Investment Policy on December 31, 2016. The Weighted Average Maturity (WAM) was 608 days, maximum is 720 days.

It is anticipated that Mono County will meet all the liquidity obligations for the pool participants for the next six months.

As of December 31, 2016, our Earned Interest Rate was 1.1898%. The following charts were gone over; (see attached) Portfolio Holdings by Security Sector, Distribution by Asset Category-Market Value, The Maturity Distribution, Treasury Cash Balances, Quarterly Yield Comparison. The last page is the Investment Pool Participants page. With the market yields increasing, there are fewer investments being called. Should the Federal Rate go up, the Treasury is anticipated to also go up.

There is a request to get a list of participants in the Treasury Pool to see who might be interested in joining.

5. INVESTMENT POLICY:

A. Discuss adding Deutsche Bank to the temporary constraints and restrictions on investments list. – Gerald Frank.

Deutsche Bank did not plead guilty but settled with the Department of Justice for \$7.2 billion dollars for misleading mortgage backed securities to investors.

It was determined to add Deutsche Bank to the Temporary Constraints and Restrictions on Investments page of the Investment Policy next year.

6. DISCUSS FUTURE LOANS TO MONO COUNTY FROM THE TREASURY POOL:

This discussion is for information about the potential of another loan going to Mono County for the new jail grant. We have the option to loan money to Mono County from the Treasury Pool to fund whatever the Board of Supervisors decides. There is an existing loan on the books now, the Financial System Loan for \$173,000. The investment would be set at 2.5% for anything that Mono County would want to borrow against. All other criteria would stay the same. There is a \$25 million jail grant that there will be a requirement to have a set aside match. The budget for the new jail came in a little over \$27 million, the maximum that is available from the State is \$25 million, leaving \$1.9 that would have to be funded locally. \$400,000 in kind with our staff, the remainder being \$1.4 million that would be needed in cash. This ends up being a 7% match as opposed to the standard 10%. The awards are anticipated to come out in June 2017, there will be costs that the County will have to up front because reimbursement will not happen until later in the project. The draw down on the loan is anticipated to be July 1, 2017 when the total amount could be drawn and put into a special fund to be the cash flow as well as the local match. This is a reimbursement grant that has to be spent first with reimbursement taking up to one to two years.

7. QUESTIONS AND RECOMMENDATIONS:

None

8. NEXT MEETING DATE:

Mid May before the 16th would be preferable.

9. ADJOURN MEETING:

Meeting was adjourned at 11:45 AM

Respectfully Submitted:

Janelle Mills, Treasury Oversight Committee Secretary