

MINUTES OF THE TREASURY OVERSIGHT COMMITTEE
ORANGE COUNTY, CALIFORNIA

REGULAR MEETING

February 11, 2004

Approved
May 5, 2004

The Regular Meeting of the Treasury Oversight Committee (TOC) was held on February 11, 2004 and called to order by Charles Schroeder, Chair, at 3:03 p.m.

Committee Members:

Present:

Charles Schroeder, Member of the Public, Chair (3-13-03)
Robert Fauteux, Member of the Public (12-31-03)
David Sundstrom, Auditor-Controller
Bill Habermehl, O.C. Board of Education
Fred Branca, for Jim Ruth, CEO

Absent:

Also present were:

John Moorlach, Treasurer-Tax Collector; **Gary Cowan**, **Brett R. Barbre**, **Judy Jacobson**, **Paul Cocking**, **Melody Smith**, and **Julia Xue**, Treasurer's Office; **Wendy Benkert**, O.C. Board of Education, **Alan Marcum**, and **Sonia Maceranka**, Internal Audit.

1. Meeting Called to Order

Mr. Schroeder called the meeting to order.

2. Welcome and self-introductions

Introductions were made.

3. Public Comments

There were none.

4. Approval of Minutes

The Minutes of the November 5, 2003 were reviewed. There were no changes to the minutes.

Recommended Action: Mr. Schroeder called for a motion to approve the Minutes as presented. Mr. Habermehl moved to approve the Minutes, 2nd by Mr. Fauteux. Passed 4-0-1, (Schroeder).

5. Chairman's Report

The Chairman had no comments.

6. Election of Chairman and Vice Chairman

Recommended Action: Mr. Schroeder opened nominations for Chairman. Mr. Fauteux nominated Mr. Schroeder. Mr. Schroeder closed nominations. Mr. Fauteux moved to elect Mr. Schroeder Chairman, 2nd by Mr. Habermehl. Passed 4-0-1, (Schroeder).

Mr. Schroeder opened nominations for Vice Chairman. Mr. Schroeder nominated Mr. Fauteux. Mr. Schroeder closed nominations. Mr. Schroeder moved to elect Mr. Fauteux Vice Chairman, 2nd by Mr. Habermehl. Passed 4-0-1, (Fauteux).

7. Treasurer's Report

- a) The Annual Treasurer's Conference has been postponed until May 19, 2004, due to: March Election of Proposition 57 and 58; and ruling on Recapture Case, which is pending.
- b) The Treasurer's Advisory Committee (TAC) met two weeks ago and began the process of reviewing proposed changes to Investment Policy Statement (IPS).
- c) The Treasurer has nothing to report on legislative platform.
- d) There have been improvements made on the Treasurer's Monthly Report with the decision to include: approved issuers, and chart to assist readers in understanding the credit ratings (Shark Chart).
- e) The Treasurer thanked everyone that came to Mr. Hilde's retirement party.
- f) The Treasurer-Tax Collector's Business Plan was submitted to CEO's office, which included: concern of declining balances; emphasis on encouraging outside participants; and the desire of decreasing cost by merging the John Wayne and County pools.
- g) The State has discontinued the mandate to reimburse the County for Senior Citizen property tax postponement.
- h) The Fed open market investment continues at 1%.
- i) The Treasurer gave the Treasury Oversight Committee (TOC) a memorandum received from Audit Oversight Committee (AOC), dated February 11, 2004. Based on County Counsel's opinion, the language on split-rate investments in the Investment Policy Statement (IPS) is a closed issue.

8. Annual SB866 Audit Status

Alan Marcum reported that the December Audit is still in process, but will be ready by the May 5, 2004 meeting.

9. Quarterly Compliance Status

This issue has been resolved amicably.

10. Public Comments

There were none.

11. Schedule Next Meeting Date

The next regular meeting was scheduled for May 5, 2004 in the Treasurer's Office, Conference Room A, 3:00 p.m.

12. Adjournment

Mr. Schroeder adjourned the meeting at 3:32 p.m.