

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.