

MINUTES OF THE TREASURY OVERSIGHT COMMITTEE
ORANGE COUNTY, CALIFORNIA

REGULAR MEETING

May 5, 2004

Approved

July 28, 2004

The Regular Meeting of the Treasury Oversight Committee (TOC) was held on May 5, 2004 and called to order by Charles Schroeder, Chair, at 3:01 p.m.

Committee Members:

Present:

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

Absent:

None

Also present were:

John Moorlach, Treasurer-Tax Collector; **Gary Cowan**, Assistant Tax Collector; **Brett R. Barbre**, **Melody Smith** and **Judy Jacobson**, Treasurer's Office; **Wendy Benkert**, O.C. Board of Education; **Alan Marcum**, and **Pam Parisien**, Internal Audit; **Tom Agin**, County Counsel; **Robert Fauteux**, Villa Park City Council.

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 February 11, 2004 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. Branca. Passed 4-0.

5. Chairman's Report

The Chairman had no comments.

6. Treasurer's Report

- a) The Annual Treasurer's Conference is going to be held on May 19, 2004, at Anaheim Stadium. Speakers will include: Steve Zimmerman (Prop 57/58), Bill Carter (Recapture Case), Amy Falls (Interest Rates), and Alan Murphy (Homeland Security).
- b) Investment Legislation was bumped for the Omnibus bill. Will try the bill again next year as a stand-alone.
- c) Orange County Water District is a new participant in the investment pool.
- d) Melody Smith, who replaced Holly Henderson, is doing a great job.
- e) The Treasurer and Auditor-Controller visited the Orange County Department of Education (OCDE). The schools one complaint is that we do not provide enough yield for bond proceeds. The Treasurer participated as "Principal for a Day" at Danbrook Elementary School (Centralia School District).
- f) The Treasurer would like to discuss at the next meeting 3 topics: Annual Cost Analysis, Internal Audit recommendations number 5 & 9 (handout); IPS changes.
- g) Treasurer reported that the Appellate Court ruled 3 – 0 in favor of the County.
- h) The "Shark Chart" is now included in the Treasurer's Monthly Management Report.
- i) The Treasurer introduced Tom Agin, who replaced John Abbott from County Counsel.

7. Consider Changes to the By-Laws of the Treasury Oversight Committee

There was a brief discussion regarding the distributed copy of proposed changes to the Treasury Oversight Committee (TOC) By-Laws. The TOC agreed that the best action would be to go forward with change number 1. This change would reduce public members to one and add one representative as selected by a majority of the presiding officers of County outside participants.

Recommended Action: Mr. Schroeder called for a motion to approve the changes to the TOC by-Laws (Attached - Option 1) as presented. Mr. Habermehl moved to approve the changes, 2nd by Mr. Branca. Passed 4-0.

8. Discussion of Fitch Ratings Service

Agreement was made to stay with two rating services and monitor them annually.

9. Annual SB866 Audit Status

Pam Parisien reported that the audit is still not complete. Report will be completed in approximately in 2 weeks.

10. Quarterly Compliance Status

December Compliance will be finished the same time as above.

11. Public Comments

Mr. Fauteux suggested for the topic of audit costs to be placed on next meeting's agenda. As a result of internal audit's implementation of charging for their services, the Treasurer is requesting to look at outside CPA firms to save the County money.

12. Schedule Next Meeting Date

The next regular meeting was scheduled for July 28, 2004 in the Treasurer's Office, Conference Room A, 3:30 p.m.

13. Adjournment

Mr. Schroeder adjourned the meeting at 3:59 p.m.