



BUTTE COUNTY INVESTMENT POOL OVERSIGHT COMMITTEE

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Maureen Kirk, 3rd District Supervisor, Butte County Board of Supervisors Representative, Chair
Lisa Anderson, BCOE Senior Director of Fiscal Services, Superintendent of Schools Rep., Vice Chair
David A. Houser, Butte County Auditor-Controller
Heather Childs, Chico Area Recreation & Park District – Special Districts Representative
Susan Watts, OUHSD Assistant Superintendent of Business, School Districts Representative

MINUTES – October 9, 2018

Attending Members: Maureen Kirk, Chair
Lisa Anderson, Vice Chair
Susan Watts
Heather Childs

Advisory Members: Peggy Moak, Treasurer-Tax Collector
Lisa Lam, Assistant Treasurer-Tax Collector, Acting Secretary

Guest: Troy Kidd, Treasurer-Tax Collector Elect

Consent Agenda

- 3.01 The Committee reviewed and approved the minutes from the April 10, 2018 Treasury Oversight Committee Meeting.
Action: Approve Consent Agenda
M – Anderson S – Watts Motion carried
- 3.02 Receipt and review of Investment Reports for March 2018 - August 2018 were acknowledged.
Action: Accept for Information
M – Anderson S – Watts Motion carried (as part of motion to accept Consent Agenda)

Regular Agenda

- 4.01 Discussion – Retiring committee members and advisory member: Maureen Kirk, David Houser, and Peggy Moak. Election of new officers will be held at the regularly scheduled April 2019 meeting. FYI - Lisa Anderson elected on 4-12-16 to serve three-year term as Vice-Chair, so both Chair and Vice-Chair positions will be elected in April 2019.
- 4.02 Treasurer's Update – Peggy recently attended the CACTTC Conference and opened a discussion on Environmental & Social investments. Peggy suggested Troy & Lisa might want to consider updating the Investment Policy to discuss these types of investments. Troy commented that US Bank often gets inquiries about their investment and financing practices. Maureen does not think we should be constrained by our investments. Lisa agreed. Peggy assured the committee that safety & liquidity are primary and yield is secondary.
- 4.03 Current investment pool performance & strategies – Butte net yield flat to LAIF for 2017. Gross yield slightly above LAIF due to a rising yield market. Yields are currently just under 2%, Fed rate 2.25 %, Prime Rate 5.25%. Feds talking about another rate hike in December. Investment portfolio has lower yields from 2016, which will affect the overall yield until they run off the balance sheet. Additionally, Peggy will work with Troy and Lisa to discuss updating the Investment Policy to include language regarding managing risk.

Lisa Lam discussed the implications of U.S. Bank's Bond Accounting Services Department closure on 12/1/18. Currently, Bond Accounting Services delivers monthly custom reports, used to prepare the monthly Investment Report. We contacted four (4) vendors that offered investment-reporting tools at a cost of \$5,220 to \$28,000+. We settled on Tracker with an annual cost of \$5,220. The Investment Report will have a new look beginning December 2018.

- 4.04 New Business – Lisa Anderson mentioned the new Butte County Superintendent of Schools, Mary Sakuma will be sworn into office on Monday, January 7, 2019. Peggy stated the IPOC will need a new appointment letter for Lisa signed by Mary and the Auditor will need a Letter of Appointment for Mary Sakuma for signature authority.
- 4.05 The next IPOC meeting is scheduled for April 9, 2019 in the Auditor-Treasurer Conference Room at 8:30 AM.
- 5.00 There being no Public Comment, the meeting was adjourned at 8:54 AM.