



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 Director of Fiscal Services, Superintendent of Schools Representative, 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 – April 10, 2018

Attending Members: Maureen Kirk, Chair
Lisa Anderson, Vice Chair - absent
David Houser
Heather Childs
Susan Watts

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

Consent Agenda

- 3.01 The Committee reviewed and approved the minutes from the October 10, 2017 Treasury Oversight Committee Meeting.
Action: Approve Consent Agenda
M – Watts S – Childs Motion carried 4-0
- 3.02 Receipt and review of Investment Reports for September 2015 – February 2016 were acknowledged.
Action: Accept for Information
M – Watts S – Childs Motion carried (as part of motion to accept Consent Agenda)

Regular Agenda

- 4.01 Annual Certification of Compliance and Form 700. Lisa Lam stated all Form 700 forms have been properly filed. Certification of Compliance completed by all members except David Houser and Maureen Kirk. Both members completed form and submitted to Lisa by end of meeting.
- 4.02 The proposed Investment Policy for FY 2018-19 was reviewed. There were no changes from the current year's policy. The Policy was accepted by the Committee and authorized for submission to the Board of Supervisors for approval.
M – Houser S – Watts Approved 4-0
- 4.03 Treasurer's Update – Peggy explained the flattening yield curve and mentioned that Treasury yields show less than 1 percent difference between the 3MO and 5YR, and just over 1% difference between the 3MO and the 10YR Treasury. A flattening yield curve indicates a lack of faith in long term rates rising, and if the yield curve becomes inverse (meaning short term yields are higher than long term yields), it historically points to a recession in the near future. Lisa provided an overview of the Treasury investment maturity ladder including increased emphasis on reinforcing the months of May – October (2018 – 2022) when we have less revenue to offset expenditures, most especially school bond payments. Additionally, Peggy and David talked about the County's deferred comp programs (ICMA & Empower). County hired a consultant to do an overall fee study. Additionally, the County is doing an RFP to ensure we are receiving competitive pricing and reduced fees. May go from two providers to one to reduce fees from 90-BPs to 30-BPs or less. Also, a portion of the fees may be used to pay for consultant services.
- 5.00 There being no New Business or Public Comment, the meeting was adjourned at 8:46 AM. The next meeting is scheduled for October 9, 2018 in the Auditor-Treasurer Conference Room. At the request of the Committee, Peggy will invite Troy Kidd to attend the meeting (his schedule permitting).