



# VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE



April 19, 2023

Ventura County Government Center  
Hall of Justice, Pacific Conference Room  
800 South Victoria Avenue  
Ventura, CA 93009

## MINUTES

### COMMITTEE MEMBERS

Supervisor Janice Parvin.....Board of Supervisors, District 4  
Sue Horgan.....Treasurer-Tax Collector  
Jeffery Burgh.....Auditor-Controller (ABSENT)  
Misty Key.....Deputy Superintendent of Fiscal & Administrative Services,  
Ventura County Office of Education  
Roy Valdez.....Investment Advisor (ABSENT)  
Henry Solis.....Retired, VCERA Chief Financial Officer

### STAFF

Marilou Tan.....Assistant Treasurer-Tax Collector  
Brenda Sanchez.....Treasury Manager  
John Powers.....Senior Accounting Technician  
Patricia Kipp Funaro.....Management Assistant to Treasurer-Tax Collector (ABSENT)  
Casey Beighley.....Administrative Officer  
John Sampang.....Administrative Assistant  
Jennifer Vlahakis.....Supervising Accounting Technician

### GUESTS

Kaye Mand.....Chief Financial Officer, CEO's Office  
Robert Bravo.....Deputy Executive Officer, CEO's Office  
Ryan Tauber.....Chandler Asset Management  
Carlos Oblites.....Chandler Asset Management  
Jim Moynihan.....Oak Park Unified School District Board of Education

### AGENDA ITEM 1 & 2

#### **Call To Order & Roll Call**

At 1:07 P.M., Supervisor Parvin called the meeting of the Treasury Oversight Committee ("TOC") Ventura County to order. TTC Sue Horgan introduced the TOC Committee Members, the Investment Work Group and Staff, special guests CFO Kaye Mand and CEO Analyst Robert Bravo, TTC Consultant, Chandler Asset Management Staff Ryan Tauber and Carlos Oblites. Public member Jim Moynihan of the Oak Park Unified School District Board of Education was welcomed. Attendance was taken and a quorum was confirmed.

**AGENDA ITEM 3**  
**Agenda Review**

The Committee reviewed the agenda. No revisions were proposed to the agenda.

**AGENDA ITEM 4**  
**Approval of Meeting Minutes for November 2, 2022**

Mrs. Horgan asked if any revisions were needed to the November 2, 2022 TOC Meeting Minutes. No revisions were proposed. Mrs. Horgan requested approval of the minutes as presented.

Motion: Approve the Meeting Minutes for November 2, 2022  
Moved by Ms. Key, seconded by Mr. Solis  
Vote: Motion carried 4-0

**AGENDA ITEM 5**  
**Approve the Recommendation to the Board of Supervisors to Renew the Delegation of Authority to the Treasurer-Tax Collector to Invest, Effective July 1, 2023 through July 1, 2024**

Mrs. Horgan introduced this item by saying that the annual recommendation to the Board of Supervisors to renew this Delegation of Authority is one of the most important actions this committee takes. It is important for this committee to know that our pool is safe, solid and well within compliance with the California Government Code and our own Investment Policy Statement. Mrs. Horgan highlighted the changes that have been made during the last four months to strengthen our investment program. The changes include:

- We have more fully engaged our exceptional and dedicated Investment Work Group.
- We hired Chandler Asset Management, a very highly regarded Investment Advisory Firm. They advise us on strategy, credit assessment, economic updates and special projects.
- We have stepped up our approach to risk management by:
  - Continuing to focus on high credit quality investments.
  - Diversify the portfolio by adding U.S. Treasury instruments and lowering issuer concentrations.
  - Since the banking crisis, we have not invested in banks or Yankee CD's. We never had any exposure to Silicon Valley Bank, Signature Bank or First Republic Bank. All our deposits at Wells Fargo Bank are either insured or collateralized and Wells Fargo Bank remains financially strong and well capitalized.
  - We have been focused on our cash flow and have been disciplined to invest on dates where we will need cash.
  - We have added a Sweep Account at Wells Fargo Bank which sweeps any excess money out of our bank account every night into a highly rated government money market fund. That addition has taken away the urgency to invest every day so that we can be more thoughtful and strategic when making investment decisions. The Sweep Account earns a market rate and

since its inception in late December and through April 18<sup>th</sup>, that account has earned \$920,000.

Motion: Approve the Recommendation to the Board of Supervisors to Renew the Delegation of Authority to the Treasurer-Tax Collector to Invest, Effective July 1, 2023 through July 1, 2024

Moved by Ms. Key, seconded by Mr. Solis

Vote: Motion carried 4-0

**AGENDA ITEM 6**

**Receive and File the Brown Armstrong Independent Auditor's Report Dated December 15, 2022**

Mrs. Horgan reviewed the Brown Armstrong Independent Auditor's Report from December 15, 2022 with the Treasury Oversight Committee and reported that the Treasury has complied with all requirements.

Motion: Receive and File the Brown Armstrong Independent Auditor's Report Dated December 15, 2022

Moved by Ms. Key, seconded by TOC Chair Parvin

Vote: Motion carried 4-0

**AGENDA ITEM 7**

**Receive and File the Standard & Poor's RatingsDirect Letter affirming the Ventura County Treasury Portfolio AAf/S1+ rating, dated November 14, 2022**

Mrs. Horgan reviewed the Standard & Poor's RatingsDirect letter dated November 14, 2022 and explained TTC's goal to maintain the investment pool's high rating.

Motion: Receive and File the Standard & Poor's RatingsDirect letter affirming the Ventura County Treasury Portfolio AAf/S1+ rating, dated November 14, 2022

Moved by Ms. Key, seconded by Mr. Solis

Vote: Motion carried 4-0

**AGENDA ITEM 8**

**Receive and File the January 31, 2023 Investment Report Presentation, approved by the Ventura County Board of Supervisors on March 14, 2023**

Mrs. Horgan reviewed the January 31, 2023 Investment Report Presentation with the TOC and reported that the Treasury portfolio has a balance of \$4.026 billion. The effective rate of return was 3.01% in January 2023, and 3.11% in March 2023. Mrs. Horgan explained that the Treasury has a "buy and hold" portfolio, investing to dates when cash flow is needed. We generally do not sell investments, but rather, get paid when they mature. It should be noted that there is an inverse relationship with interest rates and the price of bonds. When interest rates go up, the price of bonds goes down. The converse is also true.

Since we have been in a rising interest rate environment, our portfolio shows a \$57 million unrealized loss. At maturity, we will be paid at par, so there will be no realized loss.

Motion: Receive and File the January 31, 2023 Investment Report Presentation, approved by the Ventura County Board of Supervisors on March 14, 2023

Moved by Mr. Solis, seconded by Ms. Key

Vote: Motion carried 4-0

**AGENDA ITEM 9**

**Receive and File the Investment Work Group's Biographies**

Mrs. Horgan reviewed the Investment Work Group Biographies. Mrs. Horgan encourages continuing education for all staff.

Motion: Receive and File the Investment Work Group Biographies

Moved by Ms. Key, seconded by TOC Chair Parvin

Vote: Motion carried 4-0

**AGENDA ITEM 10**

**Receive and File a Report of the Authorized Issuers List, dated March 2023**

Mrs. Horgan reviewed the Report of the Authorized Issuers List dated March 2023.

Motion: Receive and File the Report of the Authorized Issuers List, dated March 31, 2023

Moved by Ms. Key, seconded by Mr. Solis

Vote: Motion carried 4-0

**AGENDA ITEM 11**

**Receive and File a Report of the Receipts and Disbursements Report, dated March 31, 2023**

Mrs. Horgan reviewed the March 31, 2023 Receipts and Disbursements Report with the TOC. Mrs. Horgan explained that the County of Ventura's Treasury Department handles all incoming and outgoing money for the County and that \$13 billion flows through the Treasury each year.

Motion: Receive and File the March 31, 2023 Receipts and Disbursements Report

Moved by Ms. Key, seconded by Mr. Solis

Vote: Motion carried 4-0

**AGENDA ITEM 12**

**Receive and File Chandler Asset Management Economic Update**

Mrs. Horgan introduced Mr. Ryan Tauber and Mr. Carlos Oblites from Chandler Asset Management. Mrs. Horgan explained that Chandler Asset Management was hired as the Treasury's investment advisors. Mr. Tauber stated that Chandler Asset Management

specializes primarily in public sector investment pools and that they meet with the Investment Work Group at least twice a month to discuss strategy, the economy, and special projects. Mr. Oblites provided an update on the economy. He commended staff for managing the portfolio so well.

The Committee unanimously approved the recommendation to Receive and File the Chandler Asset Management Economic Update.

**AGENDA ITEM 13**  
**Committee Members' and Staff Comments**

The Committee had no comments nor further questions to address.

**AGENDA ITEM 14**  
**Public Comment**

Mr. Jim Moynihan of the Oak Park Unified School District commented that Mrs. Horgan and the Treasury are doing a great job investing wisely. Mr. Moynihan hopes that the County and school districts will introduce electronic payments in the future to counter the increase in fraudulent checks. Mrs. Horgan responded that staff has regular meetings with Wells Fargo Bank on this subject to protect the County and the schools.

**AGENDA ITEM 15**  
**Proposal for New Meeting Start Time**

Mrs. Horgan inquired if the TOC members were interested in changing the meeting time. No TOC members expressed interest in changing the meeting time. No vote took place as there was no need to change the time and meeting location. TOC meetings will resume at 1:00 P.M.

**AGENDA ITEM 16**  
**Adjournment**

With no further items to discuss, the meeting was adjourned at 2:21 P.M.

**NEXT TREASURY OVERSIGHT COMMITTEE MEETING**

The next Treasury Oversight Committee Meeting is scheduled for Wednesday, November 1, 2023 at 1:00 P.M., Hall of Justice - Cafeteria, Pacific Conference Room, Ventura County Government Center, 800 South Victoria Avenue, Ventura, CA 93009.