MINUTES OF THE TREASURY OVERSIGHT COMMITTEE
ORANGE COUNTY, CALIFORNIA

APPROVED
February 11, 2004

REGULAR MEETING

November 5, 2003

The Regular Meeting of the Treasury Oversight Committee (TOC) was held on November 5, 2003 and called to order by Charles Schroeder, Chair, at 3:00 p.m.

Committee Members:

Present:

Charles Schroeder, Member of the Public, Chair
Robert Fauteux, Member of the Public
Jim Ruth, CEO
John Nakane for David Sundstrom, Auditor-Controller
Wendy Benkert for Bill Habermehl, O.C. Board of Education

Absent:

Also present were:
John Moorlach, Treasurer-Tax Collector; **Richard Hilde, Gary Cowan, Brett R. Barbre, Paul Cocking, Paul Gorman**, **Dan Puglia, Holly Henderson,** and **John Byerly**, Treasurer's Office; **Dan Melton**, **Pam Parisien** and **Alan Marcum**, Internal Audit; **John Abbott**, County Counsel; **Alan Beek**, Member of the Public; **Fred Branca**, office of the CEO.

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 July 30, 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. Fauteux moved to approve the Minutes, 2nd by Mr. Ruth. Passed 5-0.

5. Chairman's Report
The Chairman had no comments.

6. Treasurer's Report

a) The Treasurer pursued three legislative proposals in the 2003 session, and only one was approved. All three proposals were on the Tax Collection side.
b) The Treasurer has four proposals for the 2004 session – all of which were approved for inclusion in the respective omnibus bills by the California Association of County Treasurers-Tax Collectors (CACTTC).
c) The Treasurer was once again featured in Westways Magazine.
d) The Treasurer distributed an Attorney General Opinion regarding the composition of Treasury Oversight Committees.
e) The Broker-Dealer list will be reduced following a review.
f) The Treasurer distributed a CDIAC opinion clarifying recent legislation to suspend investment reporting requirements.
g) Assistant Treasurer Dick Hilde's retirement reception will be held December 18th at the Treasurer's house.

7. Annual Administrative Costs Review

Recommended Action: Mr. Schroeder called for a motion to receive and file. Mr. Fauteux moved to receive and file, 2nd by Mr. Ruth. Passed 5-0.

8. Annual SB866 Audit Status

There was discussion regarding several of the disagreements between the Treasurer and Internal Audit. Mr. Sundstrom and a public member of the Audit Oversight Committee (AOC) will meet with the Treasurer to seek resolution to the matter.

Recommended Action: Mr. Schroeder called for a motion to receive and file. Mr. Fauteux moved to receive and file, 2nd by Mr. Ruth. Passed 5-0.

Recommended Action: Mr. Schroeder called for a motion to sign the engagement letter. Mr. Ruth moved to receive and file, 2nd by Mr. Fauteux. Passed 5-0.

9. Chairman's Annual Report to the Board of Supervisors

There was a recommendation to publicly thank the members of the Treasurer's Advisory Committee (TAC) in the annual report.

Recommended Action: Mr. Schroeder called for a motion to approve the annual report. Mr. Fauteux moved to receive and file, 2nd by Mr. Ruth. Passed 5-0.

10. Review Proposed Changes to the Investment Policy Statement (IPS)

The proposed changes were reviewed and approved by the Treasurer's Advisory Committee (TAC). There were 7 changes, which were reviewed by the TOC.

Recommended Action: Mr. Schroeder called for a motion to approve the changes to the Investment Policy Statement. Mr. Ruth moved to approve, 2nd by Mr. Fauteux. Passed 5-0.

11. Public Comments

There were none.

12. Schedule Next Meeting Date

The next regular meeting was scheduled for February 11, 2004 in the Treasurer's Office, Conference Room A, 3:00 p.m.

13. Adjournment

Mr. Schroeder adjourned the meeting at 3:40 p.m.