

MINUTES OF THE TREASURY OVERSIGHT COMMITTEE  
ORANGE COUNTY, CALIFORNIA

REGULAR MEETING

November 29, 2000

**APPROVED**

January 24, 2001

A Regular Meeting of the Treasury Oversight Committee (TOC) was held on November 29, 2000 and called to order by Robert Fauteux, Chair, at 3:07 p.m.

**Committee Members:**

**Present:**

Robert Fauteux, Chair  
David Sundstrom, Auditor-Controller  
Chuck Schroeder, Public

**Absent:**

John Dean, Superintendent, Dept. Of Education  
Michael Schumacher, Interim CEO

Also present were:

John Moorlach, Treasurer-Tax Collector; Dick Hilde, Assistant Treasurer; Judy Jacobson, Investment Officer; Paul Cocking, Assistant Investment Officer; Brett R. Barbre, Executive Assistant; Paul Gorman, Principal Accountant and Auditor; Pam Parisien, Alan Marcum & Lily Chin, Internal Audit; Gary Burton, Office of the CEO; Allen Beek, member of the public.

**1. Meeting Called to Order**

Robert Fauteux called the meeting to order.

**2. Welcome and self-introductions**

Introductions were made.

**3. Public Comments**

None

**4. Approval of Minutes**

The Minutes of the September 13, 2000 were reviewed.

Mr. Fauteux- Page 3, proposal number seven regarding designees for members of the committee – the second sentence should read “It would provide that *certain* members of the committee be allowed to have designees.”

Page 5, number 8 – the first sentence should read “The Chair advised that *this* item has already been discussed under the Treasurer’s report.”

Recommended Action: Mr. Fauteux called for a motion to approve the Minutes. Mr. Sundstrom moved to approve the minutes, 2nd by Mr. Schroeder. Passed 3-0.

## 5. **Treasurer's Report**

Mr. Moorlach reported that Joanne Guerriero has been out ill for almost 7 weeks, and that a temporary employee started this morning to replace Joanne until she returns.

The California Association of County Treasurers and Tax Collectors (CACTTC) conference was held in October, and one piece of legislation was added to the proposals for the upcoming legislative session in Sacramento. The item would eliminate the requirement of Counties reporting to the State Treasurer, as all counties already have oversight committees, and most of their pools are rated by credit agencies. Cities, however, would still be required to report to the State Treasurer.

Shenaz Farooq has replaced Dan Puglia, who moved last month to the Tax Collector side.

CACTTC had a one-day meeting with 25 other treasurers to discuss future plans and direction for the association.

Measure G was defeated by the voters. It was a compromise between the Board of Supervisors' position and that of the healthcare establishment to provide some tobacco revenues to pay down bankruptcy-related debt

Mr. Sundstrom reported that on December 7, 2000, there will be a meeting of his association (California Association of Auditor-Controllers) and they will consider three items: 1) Changing the monthly *review* of Internal Control to a Monthly *reconciliation* of the Treasurer's books; 2) Asking that the Auditor-Controller become the paying agent for School Bonds; and 3) Update codes to reflect more current practices, such as reviewing the portfolio and eliminating the code section that mandates the Auditor and the District Attorney to count the money each day in the cash cage.

Mr. Moorlach mentioned that he has endorsed these recommendations and stated that once again Orange County is leading the way in cleaning up antiquated codes, primarily due to the fact that we have had a complete review of all the codes since the bankruptcy.

### **Mr. Burton arrived during this discussion.**

The Chairman asked if there were any questions. There were none.

## 6. **Chairman's Report**

The Chairman had no comments. The year is close to an end and the chairman expressed hopes that there would be four meetings next year. He also stated that he is preparing the

year-end report for the Board of Supervisors. He discussed other accomplishments of the committee for the year. There were no questions.

**7. SB 866 Compliance Audit Status Report**

Mr. Marcum reported that the SB866 audit report should be going out this week. He did state that there were no reportable issues for the year ending 12/31/00. Mr. Moorlach suggested that the report be included in the November 2000 monthly report.

Mr. Marcum also stated that Internal Audit would be working with an outside consultant to ensure the proposed Treasury Work Station will address all of the necessary issues.

**8. IPS - 2001**

Mr. Moorlach stated that there was only one change in the policy. Under the commercial paper section, the length of time for maturity (180 days) was extended to 270 days. No other changes are expected. Mr. Fauteux moved to approve the IPS, 2<sup>nd</sup> by Mr. Sundstrom. Passed 3-0.

**9. Public Comments**

There were no comments.

**10. Schedule Next Meeting Date**

The next regular meeting is scheduled to be held on January 24, 2001 in the Treasurer's Office, Conference Room A, 3:00 p.m.

**11. Adjournment**

Mr. Fauteux called for a motion to adjourn. Mr. Sundstrom moved to adjourn, 2nd by Mr. Schroeder. Passed 3-0. The meeting was adjourned at 3:36 p.m.