



OFFICE OF THE TREASURER-TAX COLLECTOR
SHARI L. FREIDENRICH, CPA, CCMT, CPFA, ACPFIM
TREASURY OVERSIGHT COMMITTEE MINUTES



Wednesday, July 23, 2014 at 3:00 p.m.
12 Civic Center Plaza, Conference Room 300, Santa Ana

LAURA PARISI
Chair

WILLIAM "ANDY" DUNN
Vice Chair

MIKE GIANCOLA
Member

DR. AL MIJARES
Member

JAN GRIMES
Member

1. Call to Order

- Chair Parisi called the meeting to order at 3:00 p.m.

2. Welcome

- **Members Present:** Laura Parisi, Andy Dunn, Jan Grimes, Gary Capata, Dr. Al Mijares (arrived at 3:10 pm), alternates Wendy Benkert, Frank Kim and Denise Steckler
- **Members Absent:** Mike Giancola
- **Liaison Present:** Treasurer-Tax Collector Shari Freidenrich

3. Public Comments

- There were no public comments made.

4. Minutes

- Member Dunn moved to approve the minutes of the January 22, 2014 Treasury Oversight Committee (TOC) meeting. Member Grimes seconded the motion. Chair Parisi requested that the sentence regarding auditor rotation read: the auditor rotation is one of the key elements. Motion was approved with the amendment, with one abstention. **Approved 6-1**

5. New Business

- **Receive and file Treasurer's Monthly Investment Report for April, May & June:** Treasurer Freidenrich presented the highlights of these reports. Member Mijares moved to receive and file these reports. Member Dunn seconded the motion. **Approved 8-0.**
- **Receive and file Report on Review of the Schedule of Assets Held by the County Treasury as of September 30, 2013:** Treasurer Freidenrich reported there are no material modifications to be made to financial statements. Member Grimes moved to receive and file the Schedule of Assets. Member Capata seconded the motion. **Approved 8-0.**
- **Receive and file Report of the Schedule of Assets Held by the County Treasury as of December 31, 2013:** Treasurer Freidenrich reported there are no material modifications to be made to the financial statements. Member Mijares moved to receive and file the Schedule of Assets. Member Dunn seconded the motion. **Approved 8-0.**
- **Receive and file Report on Continuous Compliance Auditing of the Treasury Investment Portfolio for the Quarter ended December 31, 2013:** Treasurer Freidenrich reported there were two instances of non-compliance. The property tax fund account automatically went into an old sweep account when it reached a certain dollar amount; the instances of non-compliance were; Wells Fargo was not an approved Issuer, nor was there a Master Repurchase Agreement with them. These exceptions were identified internally and reported, and the sweep account has been eliminated. Member Dunn moved to receive and file the Report on Continuous Compliance. Member Mijares seconded the motion. **Approved 8-0.**

Mission: Ensure safe and timely receipt, deposit, collection and investment of public funds.

- **Recommend to BOS that Internal Audit perform the 2015 Annual Compliance Audit with a one-year renewal:** Treasurer Freidenrich explained the Treasury Oversight Committee put forth a directive at the April meeting to draft a Memorandum of Understanding (MOU) for a one-year agreement with Internal Audit to perform the 2014 Annual Compliance Audit with a one-year renewal for 2015 at no charge. Chair Parisi mentioned the language in the MOU meets with what was discussed at the April meeting. Member Capata requested a small change to the MOU to clarify that a new audit manager will be performing the audit with the current audit manager as the back-up. Member Dunn stated that the recommendation should be changed to the 2014 Annual Compliance Audit (versus 2015 in the TOC Agenda). Treasurer Freidenrich recommended the TOC Chair and Vice-Chair attend the BOS meeting in case they have questions. Member Dunn moved to recommend the Treasurer-Tax Collector take the MOU as amended, to the Board of Supervisors on behalf of the Treasury Oversight Committee. Member Capata seconded the motion. **Approved 8-0.**
- **Receive and File PFM Report Response:** Treasurer Freidenrich reported PFM was hired to review operations for the County. All items have no further action necessary. Member Mijares moved to receive and file the PFM Report Response. Member Dunn seconded the motion. **Approved 8-0.**
- **Receive and File Standard and Poor's "AAAm" Rating Affirmation:** Treasurer Freidenrich reported there are two money market funds that are currently AAAm rated. The contract with S&P is due to expire this year and the Treasurer plans to solicit the three rating agencies for quotes. The goal is to provide safety and liquidity. Alternate Kim moved to receive and file Standard and Poor's "AAAm" Rating Affirmation. Member Capata seconded the motion. **Approved 8-0.**
- **Receive and File June 2014 TOC Compliance Summary:** Treasurer Freidenrich explained the report shows the compliance category, the regulatory/policy guidelines, who performs the audit and the current status. Member Dunn moved to receive and file the June 2014 TOC Compliance Summary. Alternate Kim seconded the motion. **Approved 8-0.**

6. **Chair's Report:**

- Chair Parisi participated on the interview panel for the screening for the Assistant TTC-Investment's position.

7. **Treasurer's Report:**

- Treasurer Freidenrich reported on the following topics:
 - a. County closed fiscal year 6-30-14
 - b. Update on secured tax collection
 - c. Update on assessed value increase
 - d. The new unsecured tax bill will now include mailing address
 - e. Mello Roos online data is now live at ocgov.com/melloroos
 - f. Update on Google-type online parcel map
 - g. 2015 draft TOC meeting calendar
 - h. Update on vacant TOC position

8. **Public Comments:**

- There were no public comments made.

9. **Committee Member Comments:**

- There were no committee member comments

10. **Adjournment:**

- Chair Parisi adjourned the meeting at 4:45 p.m. to Wednesday, October 22, 2014, Auditor/Controller's Conference Room #300.