



OJAI VALLEY SANITARY DISTRICT

A Public Agency

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MINUTES OF FINANCE COMMITTEE

The Finance Committee held a meeting at the District Office, 1072 Tico Road on July 14, 2015 beginning at 1:00 p.m.

COMMITTEE MEMBERS PRESENT: Peter M. Kaiser
William C. Murphy
John R. (Randy) Burg, Chairman

COMMITTEE MEMBERS ABSENT: None

STAFF PRESENT: Jeff Palmer, General Manager
Brenda Krout, Administrative Officer
Ronald E. Sheets, Operations Superintendent

OTHERS PRESENT: Howard Smith, Morgan Stanley

1. **Public Comment - (Items not on the agenda - 3 minute limit)**

None

FOR DISCUSSION & RECOMMENDATION

2. **Quarterly Review of District's Investments**

Mr. Palmer reviewed the District's investment returns over the past quarter, noting that the performance continues to be low; however, it remains better than LAIF returns for the same period.

Howard Smith of Morgan Stanley addressed the Committee presenting an overview of the District's investment portfolio.

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Mr. Smith discussed the trends and forecast for the national economy, reminding the Committee that the District's portfolio contains only bonds, noting that the bond market remains the most secure investment.

Mr. Smith responded to questions from the Committee.

The Committee unanimously supported presenting a recommendation to the Board to continue on the current course with the District's investments. Director Kaiser added that should a situation of urgency occur in the global financial arena that would negatively affect the District's investments, an emergency meeting of the Committee should be scheduled; the other Committee members agreed with this addition to their recommendation.

Mr. Smith announced that he will be on vacation and will not be able to attend the Board's July 27, 2015 meeting to present his quarterly report.

FOR DISCUSSION & REVIEW

3. General Discussion

a. Audience

None

b. Committee Members

None

c. General Manager

Mr. Palmer reported that the District's outside financial auditor will start his field work for the audit of the financial records for fiscal year 2014-15 on August 18, 2015. The District's accountant, Shalene Hayman, has spent several days in the office already preparing for the upcoming audit.

The Finance Committee meeting adjourned at 1:18 p.m.

Minutes submitted by Brenda Krout, Clerk of the Board