



OJAI VALLEY SANITARY DISTRICT

A Public Agency

1072 Tico Road, Ojai, California 93023

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MINUTES OF FINANCE COMMITTEE

The Finance Committee held a meeting at the District Office, 1072 Tico Road on January 12, 2016 beginning at 3:00 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: Jack Oehmke, 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 and as the overall market continues its upward movement, the District portfolio will most likely experience minor losses in the short term.

Jack Oehmke of Morgan Stanley discussed the portfolio reports and 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.

3. **Annual Investment Policy – Proposed Resolution No. 2016-01**

Proposed Resolution No. 2016-01 was reviewed, noting that this resolution continues with the current investment policy provisions.

Mr. Palmer explained that the California Government Code requires all local agencies to develop an investment policy that must be considered by the legislative body at a public meeting; however, recent changes in the State Law no longer require that the policy be considered annually. Staff recommends that the Board's practice of conducting an annual review and subsequent adoption of the investment policy should continue.

The Committee unanimously supported presenting a recommendation to the Board to adopt proposed Resolution No. 2016-01, continuing the current investment policy into 2016 and continuing to work with Morgan Stanley for investment managing services.

The Committee requested the Board be provided with a breakdown of the percentage of the District funds held in each of the Investment Types listed in the District's investment policy. Staff will provide this at the January 25, 2016 meeting.

FOR DISCUSSION & REVIEW

4. **General Discussion**

- a. Audience
None
- b. Committee Members
None
- c. General Manager

Mr. Palmer reported that in the near future staff will be bringing a discussion to the Board regarding the selection of an auditor; the contract with the current auditor expires following the completion of the audit for the fiscal year ending June 30, 2016.

The Finance Committee meeting adjourned at 3:37 p.m.

Minutes submitted by Brenda Krout, Clerk of the Board