

TREASURY OVERSIGHT COMMITTEE MINUTES

October 16, 2009 at 10 a.m.

Room 316, City Hall

1. Call to Order and Roll Call

Ben Rosenfield, Controller, called the meeting to order at 10 a.m. In addition to Mr. Rosenfield, the following Committee members present were: Joe Grazioli, Don Griffin, Todd Rydstrom and Richard Sullivan.

2. Discussion and Action to Approve Minutes

The minutes of July 17th, 2009 were unanimously approved. There was no public comment.

3. Review of the Treasurer's Recent Investment Performance

Mr. Newlin Rankin, CCSF Chief Investment Officer, provided an overview of the investment markets. Mr. Rankin reviewed the Peer Group Project, pooled fund and treasury bills, the pooled fund history, pooled assets as of September 30th, 2009 and interest rates.

Mr. Rankin reviewed the Peer Group Project which consists of evaluating current and proposed peers. Peer performance, among the California counties, was reviewed in regard to yield. San Francisco had the highest yield of the existing peer group for the month of September 2009. The outcome of the project may change the makeup of the peer group in the future.

Mr. Rankin reviewed the pooled fund and 3-month Treasury Bills, with emphasis on the three month moving average from March 1982 to September 2009. Everything in the pooled fund, at this time, is government issue. Mr. Rankin also reviewed absolute rates and expressed his opinion that these rates should be higher in the future, which will help yields.

The pooled fund assets as of September 30, 2009 were reviewed. Agencies represent 42.2% of the assets, 18.7% are Treasury, Temporary Liquidity Guarantee Program is 22.1%, Collateralized CD's are 13.2% and cash is 2.9%.

There was no public comment.

4. Review of Projected Pooled Cash Balance

Mr. Rosenfield reviewed the City's month-end pooled cash balance as of October 15, 2009.

Key points included a review of the month-end pooled balances, month-to-month cash balance changes, and a review of General Fund sources and uses. There has been drawdown on reserves for the capital projects. October is traditionally the weakest month in terms of General Fund Sub Pool 1. October 15th was the deadline for property tax appeals.

There was no public comment.

5. Adjournment

The meeting adjourned at 10:45 a.m.