



# TREASURER-TAX COLLECTOR SAN DIEGO COUNTY

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**Dan McAllister**  
Treasurer-Tax Collector



## TREASURY OVERSIGHT COMMITTEE

**April 10, 2024**

### Voting Members Present:

- Seat 1 Dan McAllister, County Treasurer, Ex-officio
- Seat 3 Ebony Shelton, Deputy Chief Administrative Officer/Chief Financial Officer, Board of Supervisors Representative
- Seat 4 Michael Simonson, San Diego County Office of Education, County Superintendent of Schools Representative, Ex-officio
- Seat 6 Andre Douzdjian, SANDAG, Special District Representative
- Seat 7 Gabriel Wisdom, American Money Management, LLC, Public Member (Public Finance expertise)
- Seat 8 Colleen Harvey, Karl Strauss, CHAIR, Public Member (Public Finance expertise)

### Voting Members Absent:

- Seat 2 Tracy Drager, County Auditor-Controller, Ex-officio
- Seat 5 Dr. Tina M. King, San Diego College of Continuing Education, Community Colleges/Schools Representative
- Seat 9 Maria Kachadoorian, City of Chula Vista, Public Member (City Representative)

### County Staff:

Myrna Zambrano, Assistant Treasurer-Tax Collector  
Chris Herrera, Chief Deputy Treasurer, Treasury & Investment Division  
Kevin Foley, Investment Officer, Treasury & Investment Division  
RC Kinzly, Investment Officer, Treasury & Investment Division  
Kevin McManus, Investment Officer, Treasury & Investment Division  
Lisa Kondrat-Dauphin, Treasury Accounting Manager  
Kristine Gachalian, Investment Analyst, Treasury & Investment Division  
Ramy Hajjar, Investment Analyst, Treasury & Investment Division  
Laura Dolan, Sr. Deputy County Counsel

### Guests:

Lindsey Zimmerman, Brown Armstrong Accountancy Corporation  
Jayson Schmitt, Chandler Asset Management

### Public:

No public attendee

**1. Call Meeting to Order**

Colleen Harvey, Committee Chair, called the meeting to order at 1:30p PM in Room 402A in the County Administration Center (CAC).

**2. Requests by Public to Address the Treasury Oversight Committee (TOC) on any Matter within the Committee's Jurisdiction**

No members of the public were present.

**3. Approval of October 11, 2023, Meeting Minutes**

The October 11, 2023, meeting was reviewed and approved by the Committee.

ACTION: Dan made a motion to approve, and Ebony seconded the motion. The minutes were approved unanimously.

**4. Fiscal Year 2022-23 Audit and Annual Comprehensive Financial Report and Other Required Communication**

Lindsey Zimmerman, Partner with Brown Armstrong Accountancy Corporation, presented the final audit results of the San Diego County Investment Pool for the fiscal year ended June 30, 2023. She expressed an unqualified clean opinion. She reported no compliance issues, no significant deficiencies, material weaknesses or any other findings. There was no new accounting policies needed to adopt this year. She reported no corrected or uncorrected misstatements throughout the audit. She stated there were no disagreements with management and the information was provided accurately and timely.

The upcoming fiscal year 2024 annual audit is expected to begin on June 1, 2024. The issuance is planned no later than November 15, 2024.

**5. Economic Update**

Chris Herrera, Chief Deputy Treasurer, provided an update on the economy and the financial market. In March, Federal Funds rate has been on hold, so it was kept at 5.25%-5.50%. The inflation numbers as well as economic growth is causing more volatility. Last quarter it was over 3%. The unemployment rate increased slightly to 3.9%. Nonfarm payrolls showed a 275,000 rise in February. CPI increased to 3.5% year-over-year and 3.2% in February. The economy delivered strong growth in the 4<sup>th</sup> quarter in 2023, with GDP growing at an annualized rate of 3.4%. Housing is strong and prices rose 6.1% year-over-year in December. Equity markets continued their positive trend in 2024.

**6. Portfolio Review**

Richard Kinzly, Investment Officer, presented the key portfolio metrics as of February 2024. The book value was \$15.5 billion which was a \$0.9 billion dollar increase in book value year-over-year. The growth was driven by increase in tax roll and school bond proceeds. The yield to maturity is 3.92% which was an 87 bps increase in yield year-over-year. The projected pool yield in FY24/25 is 3.50%. The Weighted Average Maturity was 431 days as of February 2024.

## **7. Treasurer's Updates**

Presented by Dan McAllister, Treasurer

- Chris Herrera was promoted to Chief Deputy Treasurer. He is responsible for managing operations of the Treasury and Investment Division.
- Kevin McManus is the new Investment Officer of the Treasury and Investment Division.
- Lisa Kondrat-Dauphin, Treasury Accounting Manager is retiring from the County and in the process of hiring her replacement.
- The County's Banking RFP is currently being finalized and should enter negotiations with vendor soon.
- There will be a Symposium in the fall and will be working with school districts.

## **8. Adjournment**

The meeting adjourned at 2:37 p.m.

Minutes taken by Kristine Gachalian, Investment Analyst