

INFORMAL SESSION MINUTES

July 21, 2014

2:00 p.m.

Commissioners' Office Conference Room

PRESENT: Commissioners Allen Springer and Mary Starrett, with Commissioner Kathy George being excused.

Staff: Laura Tschabold, Christian Boenisch, Mike Green, Brian Van Bergen, Gayle Jensen, Jayne Mercer, Keri Hinton, and Lucy Mendez.

Guests: Don Iler, News-Register; Rudy Taron, 660 NW Brookview Ct, McMinnville.

* indicates item forwarded to formal agenda

Allen called the meeting to order at 2:06 p.m.

Swearing-in - Brian Van Bergen conducted the swearing-in of Keri Hinton and Lucy Mendez as deputy county clerks for the purpose of signing Board documents.

Minutes

B. O. 14-420 - Mary moved approval of the minutes from the June 2, 2014, informal session. The motion passed unanimously.

* Approve the formal session minutes from June 5, 2014.

Treasurer quarterly update - Mike stated that the Investment Policy needs to be reviewed and formally approved by the Board at least annually, but it has only been in place for five months and seems to be working well, so the recommendation of the Local Investment Advisory Committee is to continue with no changes to the policy for another year. He said that if the Board wishes to make any significant changes to the policy, those changes would have to be submitted to the state by the end of September. The consensus of the Board was to leave the policy unchanged. Mike said that he would present the policy for formal review and approval in the next few weeks.

Mike provided an update of county investments (see Exhibit A). He stated that the county's outside investment portfolio is currently about \$4 million, and his intent over time is to get that up to \$10 million. He said that if the county is going to do interfund loans, the interest rate should be set at an amount similar to what it would get from outside investments. He agreed with a comment by Allen that the county needs to take into account what it would save by retiring outside loans

He reviewed the investment guidelines approved by the Local Investment Advisory Committee on July 16, 2014 (see Exhibit B), and said that the committee would add to these over time as appropriate.

* Contracts/Grants- See agenda for details.

Jayne provided a briefing on the four Homeland Security Grant applications within Yamhill County, explaining that the county oversees this joint application process. She said that the county's application is for Phase 2 of the microwave radio system upgrade. Laura noted that the state has typically shied away from approving grants for radio purchases because it sees that as the responsibility of individual jurisdictions.

* Personnel - Allen reviewed personnel requests from various departments. See formal session agenda for details.

* Contracts/Grants - See agenda for details.

* Surplus - Declare an inventory of miscellaneous household items from Health & Human Services as surplus county property to be donated to local non-profit organizations.

* Change Fund - Authorize the Commissioners' Office to establish a change fund in the amount of \$20.

* Refunds - Authorize a \$649 refund from Public Works to Phillips Law Firm.

Following commissioner updates, the meeting adjourned at 3:06 p.m.

Anne Britt
Secretary

YAMHILL COUNTY

Earnings History

Fiscal Year	Estimate			
	11-12	12-13	13-14	14-15
<u>Earnings</u>				
LGIP	\$113,665	\$134,931	\$159,641	\$124,200
Investments			<u>\$16,552</u>	<u>\$112,000</u>
	\$113,665	\$134,931	\$176,193	\$236,200
\$ Inc		\$21,266	\$41,262	\$60,007
% Inc		18.7%	30.6%	34.1%

Assumptions:

- Average annual monthly cash balance continues at \$30M
- Average portfolio balance of \$7M
- Average LGIP balance of \$23M

Exhibit A 1/1

INVESTMENT GUIDELINES

Purpose: The Investment Guidelines are intended as a further refinement of the Investment Policy. The intention is to provide additional parameters to shape the investment direction by the Investment Officer. These guidelines can be proposed by any member of the Investment Committee. They are discussed by the Committee and approved by majority vote. These guidelines should be reviewed at least annually by the Investment Committee.

Approved Guidelines:

Investment Rating (Credit Quality). The Portfolio shall have a weighted average credit quality no greater than 2.0 based on the Oregon State Treasury scale. The OST scale is: AAA = 1, AA+ = 2, AA = 3, and AA- = 4. Approved at the Investment Committee meeting on July 16, 2014.

Investments Greater Than Par. The Investment Officer shall not make any investments greater than 102% over par and such investment must have at least 10 basis points greater than a similar investment at or below par. Approved at the Investment Committee meeting on July 16, 2014.

