

TREASURY OVERSIGHT COMMITTEE MINUTES

July 17, 2009, 10 a.m.

Room 316, City Hall

1. Call to Order and Roll Call

Leo Levenson, designee for Committee Chair Ben Rosenfield, called the meeting to order at 10 a.m. Committee members present were: Joe Grazioli, Don Griffin, Todd Rydstrom and Richard Sullivan. Ben Rosenfield, Controller, was absent.

2. Discussion and Action to Approve Minutes

The minutes of April 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 two year treasuries and agencies, their relationship to Treasury Notes and the role of the Federal government. Basically, when the Fed is a buyer, spreads tighten and yields fall. Two year treasuries and agencies are historically rich investment tools and pay a little more than treasury notes.

Mr. Rankin reviewed the pooled fund history from December 2003 – June 2009. Everything in the pooled fund, at this time, is government issue. There isn't any privatized debt.

The pooled fund assets as of June 30, 2009 were reviewed. Agencies represent 45.2% of the assets, 19.7% are Treasury, Temporary Liquidity Guarantee Program is 18.7%, Collateralized CD's are 13.8% and cash is 2.7%.

Peer performance, among the California counties, was reviewed in regard to yield. San Francisco had the highest yield for the month of June 2009.

There was no public comment.

4. Review of Projected Pooled Cash Balance

Leo Levenson, Director of Budget and Analysis, reviewed the City's month-end pooled cash balance as of July 16, 2009.

Key points of Mr. Levenson's presentation included a review of the month-end pooled balances, month-to-month cash balance changes, and a review of General

Fund sources and uses. Mr. Levenson and Mr. Rankin are working together to create a future-looking cash flow plan.

There was no public comment.

Mr. Thad A. Garrison of Citibank was introduced as the new Relationship Manager. He will be working with the Treasurer's Office in the area of securities lending.

5. Adjournment

The meeting adjourned at 11:05 a.m.