

**COUNTY OF MARIN
TREASURY OVERSIGHT COMMITTEE
Regular Meeting**

May 15, 2025; 2:00PM
Marin County Civic Center
3501 Civic Center Drive, Room 410-B San Rafael, CA

Draft Minutes

1. Call to Order

The meeting was called to order at 2:03 p.m.

2. Roll Call

Present: Jean Bonander (At-Large Member of the Public), John Carroll (Superintendent of Schools), Dan Eilerman (Assistant County Executive), Alyssa Schiffman (Special District Representative, Chair)

Absent: Brett Geithman (School District and Community College Representative)

Others in Attendance: Mina Martinovich (Director of Finance), Karen Shaw (Department of Finance Division Chief), Victoria Seils (Department of Finance Accounting Unit Manager), Jen Mendoza (Department of Finance Staff)

3. Approve Minutes - Meeting of November 7, 2024 (ACTION)

Motion by Alyssa Schiffman to approve the minutes of November 7, 2024

Second by John Carroll

Ayes: Alyssa Schiffman, John Carroll, Jean Bonander, Dan Eilerman

Nays: none

Abstain: none

Absent: Brett Geithman

4. Open Time for Public Comment

No public comment.

5. Committee Business

a. Review Government Code (GC) Sections 27130-27137

Mina Martinovich provided the Committee with the Government Code sections applicable to the impetus, purpose, and function of the Treasury Oversight Committee. Director Martinovich provided a historical overview of the Committee's formation through Board Resolution 96-91 to fulfill a mandate imposed when the California State Legislature adopted California Government Code sections (GC) 27130 et seq. in 1996, providing for local agency oversight of investment strategies for pooled deposits in county treasuries. In 2005, amendments to GC 27131(a) removed the legislative mandate but continued the legislative authorization for the oversight function. Thereafter, the Committee operates as a voluntary county advisory committee governed by the remaining statutory authorization. While the formation of Marin County's Treasury Oversight Committee is no longer required, the Committee chose to continue the task of 1) reviewing and monitoring the County's investment policy and 2) calling for an annual investment audit.

b. Other Committee Member Matters:

Karen Shaw, the division chief overseeing the Treasury unit, provided an update on several committee matters. She reported on the implementation of "Peaky Positive Pay" for fraud protection, which has been rolled out across county bank accounts and major school accounts, with dividend accounts also in progress. This initiative is nearly at benchmark completion, covering most accounts by transaction volume. She

also discussed progress on the Banking Services RFP, noting that the team is still in the discovery phase, gathering information from other counties and clients while also coordinating with schools and special districts to assess their needs and desired services. Because schools are major participants, their feedback is considered critical. Additionally, Shaw highlighted that Treasury staff recently attended a California Municipal Treasury Association conference, where updates on RP6 were shared by a representative from U.S. Bank. The presentation brought encouraging news and helped clarify previously complex information, giving the team a clearer path forward. Finally, she mentioned ongoing work toward certification of investment practices under CMTA standards.

Victoria Seils reported to the Committee updates with the CMTA certification. The upcoming agenda includes a review of the redlined investment policy for the next year, which has been carefully aligned with CMTA's best practices certification checklist. If the policy is approved, the Treasury team plans to submit it to CMTA as the starting point for certification evaluation. At a recent conference, they learned that CMTA provides a 90-day turnaround for feedback, which may include suggested clarifications or adjustments. This process allows the team to revise and resubmit without additional fees, increasing the likelihood of certification within the same cycle. With this timeline, certification could potentially be achieved earlier than May of next year, marking an encouraging step forward.

The committee acknowledged ongoing resource challenges over the past couple of years but noted recent progress with the hiring of an accountant for a trusted company position. The new hire, who has strong experience in finance and measurement, has been performing well and is steadily integrating into the team. Her role will help relieve workload pressures, particularly with tasks such as tracking bank transactions and other detailed accounting work. This added support is expected to free up capacity for staff to focus more on projects like the RFP and Positive Pay initiatives. This update concluded the committee's business report.

6. **Director of Finance Report**

a) Review and approve Draft FY 2025-26 Statement of Investment Policy (ACTION)

Mina Martinovich presented redlined edits to the Statement of Investment Policy for fiscal year 2025–2026. Most revisions were made to align with CMTA certification requirements, resulting in both minor and substantive changes. Substantive updates included the creation of a new performance standard section clarifying return benchmarks, the addition of a cybersecurity risk management section outlining protocols and mandatory staff training and expanded audit language to emphasize internal controls against fraud and mismanagement. A glossary of terms was also added for clarity. Within Exhibit 2, the Disaster Recovery and Business Continuity Plan received refinements, along with a new section on structured plan testing and evaluation through regular audits, checklists, and exercises to ensure preparedness. These updates were designed to formalize existing practices in writing, strengthening the county's control environment. Discussion also addressed concerns about cryptocurrency; while not explicitly listed in the policy, cryptocurrency is prohibited under countywide cash handling policies and is not permitted by government code for investments. The committee concluded that the policy now better reflects evolving risks and best practices while maintaining compliance with statutory standards.

Motion by Jean Bonander to approve updates to the FY 2025-26 Statement of Investment Policy.

Second by Dan Eilerman

Ayes: Alyssa Schiffman, John Carroll, Jean Bonander, Dan Eilerman
Nays: none
Abstain: none
Abstain: Brett Geithman

- b) Review and approve Draft FY 2025-26 Long-Term Investment Pool Statement of Investment Policy (ACTION)

Mina Martinovich also reviewed, with redline edits made only where applicable and largely mirroring updates to the regular investment pool policy. This pool is unique because its sole participant is the County's General Fund, with investments and loans made from excess proceeds to support countywide projects, often for terms longer than the five-year maximum allowed in the broader pool—though typically kept shorter to balance risk and borrower affordability. Few substantive edits were made, as the policy is a condensed version of the main investment policy. Key updates included requiring staff involved in the investment process to complete annual training or verify review of public investing provisions, clarifying that interest apportionment applies solely to the General Fund on a repayment schedule basis, and strengthening audit language to reinforce the internal control framework. Overall, the changes were minimal and primarily intended to provide clarity and align with best practices.

Motion by Jean Boanander to approve the updates the FY 2025-26 Long-Term Investment Pool Statement of Investment.

Second by John Carroll

Ayes: Alyssa Schiffman, John Carroll, Jean Bonander, Dan Eilerman

Nays: none

Abstain: none

Absent: Brett Geithman

- c) Review and monitoring of Marin County Monthly Investment Reports

The meeting packet contains summary of the monthly investment reports presented to the County Board of Supervisors since the committee's last meeting, along with the dates and online publication locations. Although government code only requires quarterly reviews, the county prepares and shares these reports monthly and will continue maintaining that higher level of transparency and frequency.

- d) Call for FY 2024-25 Annual Investment Audit (ACTION)

The committee was asked to take formal action to call for the fiscal year 2024–2025 annual investment audit. As in prior years, this independent audit will be conducted alongside the county's annual financial statement audit, with a focus on cash and investment balances, compliance, and risk exposure. The goal is to complete the audit and present the finalized results to the committee at its next meeting in November.

Motion by Alyssa Schiffman to call for the FY 2024-25 Annual Investment Audit.

Second by Dan Eilerman

Ayes: Alyssa Schiffman, John Carroll, Jean Bonander, Dan Eilerman

Nays: none

Abstain: none

Absent: Brett Geithman

7. Discussion Items for Next Meeting:

- Review and approve FY 2024-25 Annual Investment Audit Report
- Review Fitch Rating Final Report as of 6/30/25
- Review and monitor Marin County Monthly Investment Reports

8. Schedule for Fall 2025 Meeting

The Fall 2025 meeting is tentatively set for Thursday, 11/13 at 2:00 p.m.

9. Adjournment

The meeting was adjourned at 2:36 p.m.

DRAFT