

Finance Committee Meeting Minutes

April 6, 2016

Meeting was called to order at 5:45 pm. Present were:

President Hodgkinson, Chair John Vires, Commissioner Kelly, Commissioner Morrill, Executive Director Mike Benard, Executive Assistant Donna Siciliano, Finance Director Rita Trainor, Assistant Finance Director Andrea Chiappetta

Guest: Tim Matthew, Sr. Portfolio Advisor PMA Financial Network, Inc.

A. Previous Minutes

The board agreed that the March 2, 2016 Finance Subcommittee minutes were good and could be included in the April 20th regular board meeting packet for full board approval.

B. PMA

Tim Matthew from PMA gave a presentation to the board. The following questions were asked by the board:

Commissioner Kelly asked what a rough estimate of the increase in interest income would be as a result of this new investment plan. He explained he was only interested in a rough estimate, using current rates and the proposed investment horizons and investment instruments. PMA representative, Tim Matthew, responded that he would run the numbers and get back to them with an estimate. Chairman Vires indicated that off the top of his head, using conservative figures he'd ballpark an increase in annual interest of \$28K.

Commissioner Kelly and President Hodgkinson both inquired about what instruments specifically that PMA would be recommending that the District invest in. Mr. Matthew explained that initially most of the investments would be in FDIC insured certificates of deposit (CD's). He explained that his firm has a network of 1,200 banks that they have vetted. They put out a portfolio such as ours to this network for each of the banks to bid on whatever maturities they are interested in. He then evaluates the bids to select the highest yields for the District. He indicated that at some point, typically around the top 30 banks there comes a point where the yields on the CD's are less competitive than treasuries or agencies so he would also be looking at the yields available in those instruments for the portfolio.

Director Benard asked what next steps the board was looking for in terms of moving forward with implementing this plan, specifically what action items

would be required for formal board action at this point. Chairman Vires indicated that he felt the development, review and subsequent adoption of the Investment Policy, combined with the selection of an investment advisor and now the subsequent detailed review of the specific investment plan that had taken place at this meeting was sufficient for staff to now go forward and execute it. The other commissioners indicated their agreement with same and Commissioner Kelly concurred adding that he would also like to see a monthly investment report. Staff offered to include it in the board's monthly financial report and the commissioners indicated that was acceptable to them. They also indicated that they were not interested in seeing a list of each CD that the District was invested in but instead were more interested in an informational approach, where staff would report out the total invested in CDs, treasuries or agencies. Staff agreed to add this to the monthly financial reports.

C. IMET update

The board agreed that we would stay in the consortium until it ends which should be in the next few months.

D. RFP Audit Services 2016-2018

Andrea stated that she added the foundations audits into this version of the RFP for a seamless audit with just one firm. This enables the auditing firm to test the payables and receivables more effectively between the District and the foundations. She said that she will require that each responding firm quote each foundation separately. Executive Director Benard stated that he would review the RFP before it is released.

E. Request from Kopion Soccer to Reduce Residency Percentage to 60% from 70% for Eligibility for Resident Rates (previous action Oct 2015)

Executive Director Benard suggested that we take it down to 60% for Resident Rate Eligibility, no cap and no discount on turf field. The board agreed.

F. Status of Board Member Review of Open Gov Website

This item was pushed to the May Finance Subcommittee meeting.

G. Other Items

None

The meeting was adjourned at 6:50 p.m. without objection.