

BOARD MEETING DATE: January 5, 2024

AGENDA NO. 11

REPORT: Investment Oversight Committee

SYNOPSIS: The Investment Oversight Committee held a hybrid meeting on Friday, December 8, 2023. The following is a summary of the meeting.

RECOMMENDED ACTION: Receive and file.

Michael A. Cacciotti, Committee Chair
Investment Oversight Committee

SJ:gp

Committee Members

Present: Vice Chair Michael A. Cacciotti, Committee Chair
Supervisor Curt Hagman
Board Member Veronica Padilla-Campos
Richard Dixon

Absent: Councilmember José Luis Solache
Jill Whynot

Call to Order

Chair Cacciotti called the meeting to order at 8:03 a.m.

For additional details of the Investment Oversight Committee Meeting, please refer to the [Webcast](#).

DISCUSSION ITEMS:

1. *Quarterly Report of Investments*: Sujata Jain, Chief Financial Officer, Finance, presented the quarterly investment report. Committee Chair Cacciotti asked about the strategy involved in determining reinvestment of funds due to upcoming maturity of treasury notes. Ms. Jain explained that staff will look into the needs of the funds and work with the Los Angeles County Treasurer to reinvest the funds. For additional information please refer to the [Webcast at 4:38](#).

2. *Cash Flow Forecast*: Ms. Jain reported on the cash flow for the current and next three years. Ms. Jain explained that staff works with the Los Angeles County Treasurer for investments that will provide additional interest yield. For additional information please refer to the [Webcast at 10:02](#).
3. *Financial Market Update*: Richard Babbe, PFM Asset Management, gave a presentation on economic indicators. Mr. Babbe discussed CPI, inflation trends, demands for goods and services, GDP, unemployment, and consumer spending. Mr. Babbe explained that although inflation is coming under control, the Federal Reserve does not want to declare a victory just yet and depending on how the economy is doing, may only cut interest rates one or two times in 2024. For additional information please refer to the [Webcast at 11:26](#).

Committee Chair Cacciotti asked Mr. Babbe what his advice would be regarding the reinvestment of the \$40 million in Special Purpose Investments that will be maturing in February 2024. Mr. Babbe stated that any reinvestment is based on liquidity and restrictions on the funds. Supervisor Hagman and Committee member Dixon commented on options for reinvestment of the \$40 million in Special Purpose Investments. For additional information please refer to the [Webcast at 36:47](#).

OTHER MATTERS:

4. **Other Business**

There was no other business to report.

5. **Public Comment Period**

There were no public comments to report.

6. **Next Meeting Date**

The next regular Investment Oversight Committee meeting is scheduled for Friday, March 8, 2024.

Adjournment

The meeting adjourned at 8:44 a.m.