



COUNTY OF HUMBOLDT

AGENDA ITEM NO.
cao

For the meeting of: **DECEMBER 12, 2017**

Date: November 8, 2017
To: Board of Supervisors
From: Treasurer-Tax Collector
Subject: Delegation of Authority to County Treasurer for Investment Responsibility of County Treasury

RECOMMENDATION(S):

That the Board of Supervisors: adopt Resolution # 17-109 (Attachment 1) authorizing the County Treasurer to assume full responsibility for all transactions and expenditures related to the investment and reinvestment of funds on deposit in the County Treasury; and delegates the authority to execute all contracts necessary to the investment and reinvestment of funds in the County Treasury subject to prior review and approval by the County Counsel and Risk Management.

SOURCE OF FUNDING:

N/A

DISCUSSION:

The Board of Supervisors is responsible for County Treasury operations and compliance unless that authority is delegated to the County Treasurer as stated in Government Code 27000.3: "With regard to county funds deposited in the county treasury, the board of supervisors is the agent of the county who serves as a fiduciary and is subject to the prudent investor standard, unless a delegation has occurred pursuant to Section 53607 in which case the county treasurer shall be the agent of the county with respect to these funds, serve as a fiduciary, and be subject to the prudent investor standard and the board of supervisors shall not be the agent, serve as a fiduciary, or be subject to the prudent investor standard."

Prepared by: John Bartholomew *JB*

CAO Approval *E. Shearlock*

REVIEW:

Auditor *W. Smith*

County Counsel *an*

Personnel

Risk Manager

Other

TYPE OF ITEM:

- Consent
- Departmental
- Public Hearing
- Other

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor *Wilson* Seconded by Supervisor *Sundberg*

- Ayes *Sundberg, Fennell, Bass, Bohn, Wilson*
- Nays
- Abstain
- Absent

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: *12/12/17*

By: _____

Kathy Hayes, Clerk of the Board

Therefore it is recommended that the Board of Supervisors adopt the attached resolution to delegate that authority to the County Treasurer; and authorize the County Treasurer execution authority over contracts related to the investment and reinvestment of funds in the County Treasury.

The County Treasury is the depository for all County Schools and most of the local governmental agencies in the county, excepting cities. The law provides that funds may be invested within specific government guidelines. The priority of these guidelines is safety, liquidity, and then yield. 1) Safety of Capital: The preservation of capital is the primary objective. 2) Liquidity: This secondary objective is for the County Treasury to maintain sufficient liquidity to meet all operational requirements. 3) Yield: This third objective is to generate the maximum rate of return through the use of authorized investments (per governmental guidelines) after safety and liquidity has been ensured.

There are operational contracts necessary for the investment and reinvestment of funds in the County Treasury related to custodial requirements and transaction processing. Granting execution authority to the County Treasurer for these operational contracts, with prior review and approval by County Counsel and Risk Management, add efficiencies to Treasury operations and reduce costs and staff time.

FINANCIAL IMPACT:

None.

OTHER AGENCY INVOLVEMENT:

All County Schools and many other governmental agencies hold most funds in the County Treasury.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

None.

ATTACHMENTS:

1. **Resolution #** 17-109 Authorizing the County Treasurer to assume full responsibility for all transactions and expenditures related to the investment and reinvestment of funds on deposit in the County; and delegates authority to the Treasurer, subject to prior review and approval by the County Counsel and Risk Management, to execute all contracts necessary to the investment and reinvestment of funds in the County Treasury.

ATTACHMENT 1

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA
Certified copy of portion of proceedings, Meeting of December 12, 2017

RESOLUTION NO. 17-109

RESOLUTION AUTHORIZING THE COUNTY TREASURER TO ASSUME FULL RESPONSIBILITY FOR ALL TRANSACTIONS AND EXPENDITURES RELATED TO THE INVESTMENT AND REINVESTMENT OF FUNDS ON DEPOSIT IN THE COUNTY TREASURY FOR 2018

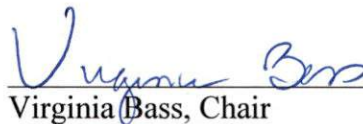
WHEREAS, the Humboldt County Treasurer has been designated as the agent of the county with regards to investment of funds, to serve as fiduciary of the funds and be subject to the Prudent Investor Standard; and

WHEREAS, Government Code Section 53607 requires that this Board annually review this delegation; and

WHEREAS, there are contracts necessary for the investment and reinvestment of funds in the County Treasury related to custodial requirements and transaction processing.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Humboldt County hereby renews its delegation of authority for investments to the Treasurer of Humboldt County to invest and reinvest funds as provided by Government Code Section 27000.1 and 27000.3, and further delegates authority to the Treasurer, subject to prior review and approval by the County Counsel and Risk Management, to execute all contracts necessary to the investment and reinvestment of funds in the County Treasury.

Dated: December 12, 2017



Virginia Bass, Chair
Humboldt County Board of Supervisors


Adopted on motion by Supervisor Wilson, seconded by Supervisor Sundberg, and the following vote:

AYES: Supervisors Bohn, Fennell, Bass, Wilson, Sundberg
NAYS: Supervisors --
ABSENT: Supervisors --
ABSTAIN: Supervisors --

STATE OF CALIFORNIA)
County of Humboldt)

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be an original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.



By Ryan Sharp
Deputy Clerk of the Board of Supervisors of the
County of Humboldt, State of California